

Poverty and Inequity

in Columbia, Missouri

Revised: November 11, 2019
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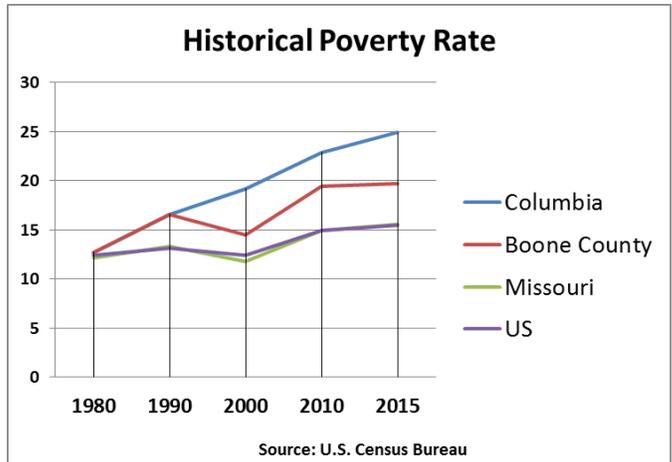
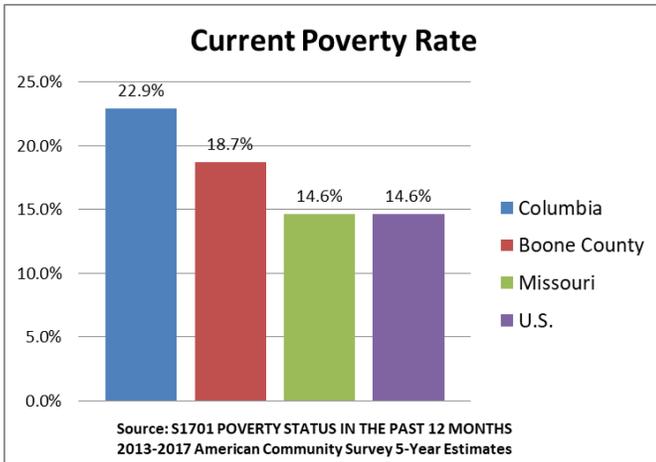


Poverty

Poverty is a persistent issue in Columbia.

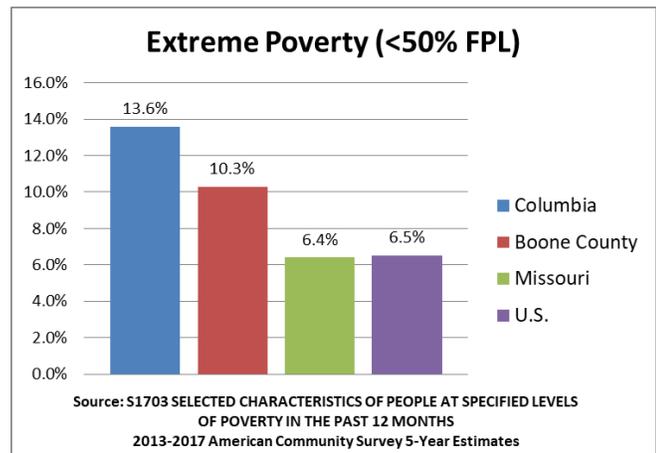
As a frame of reference, these are the current federal poverty levels by household size.

Size of Economic Unit	Federal Poverty Level (FPL)	50% of FPL	200% of FPL
1	\$12,490	\$6,245	\$24,980
2	\$16,910	\$8,455	\$33,820
3	\$21,330	\$10,665	\$42,660
4	\$25,750	\$12,875	\$51,500

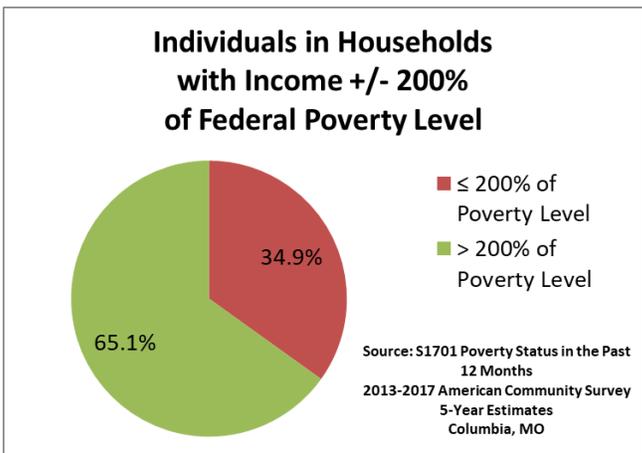


Currently, nearly 23% (27,163) of Columbians live below the poverty level.

Our poverty rate has increased steadily since 1980, when only 13% of Columbia residents lived in poverty.



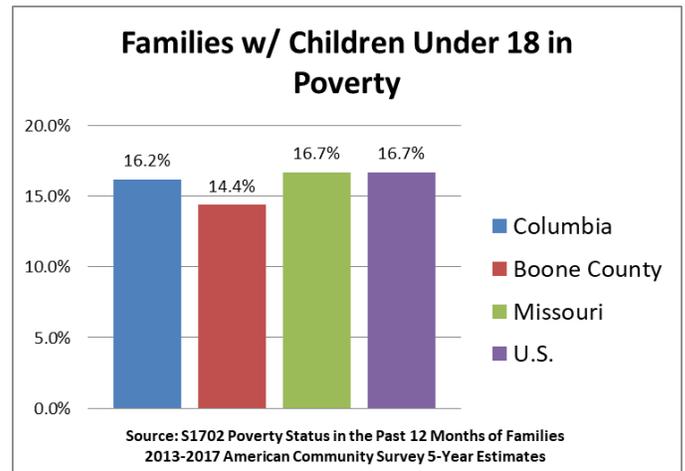
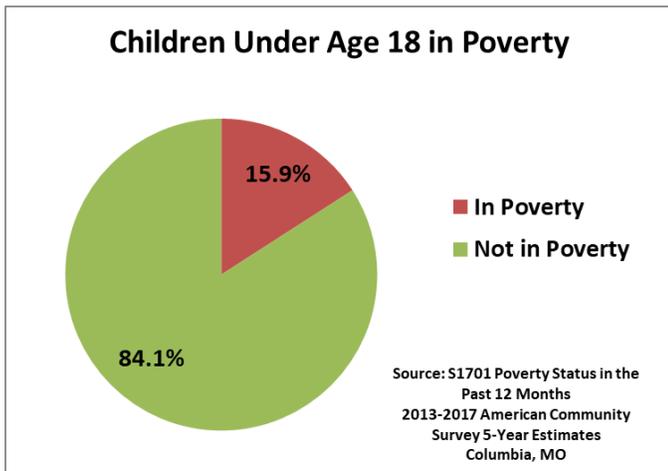
14% of Columbia residents are living in extreme poverty, meaning they are living in households with an income less than half of the poverty level.



35% of Columbia residents are living in low-income households. This includes many working people with incomes above the poverty level, but who are still unable to meet their basic needs, and therefore need to utilize social services.

It is critical to note that the large college student population in Columbia does inflate our overall poverty rate. While college students may be living in situational poverty, most are not in households experiencing generational poverty.

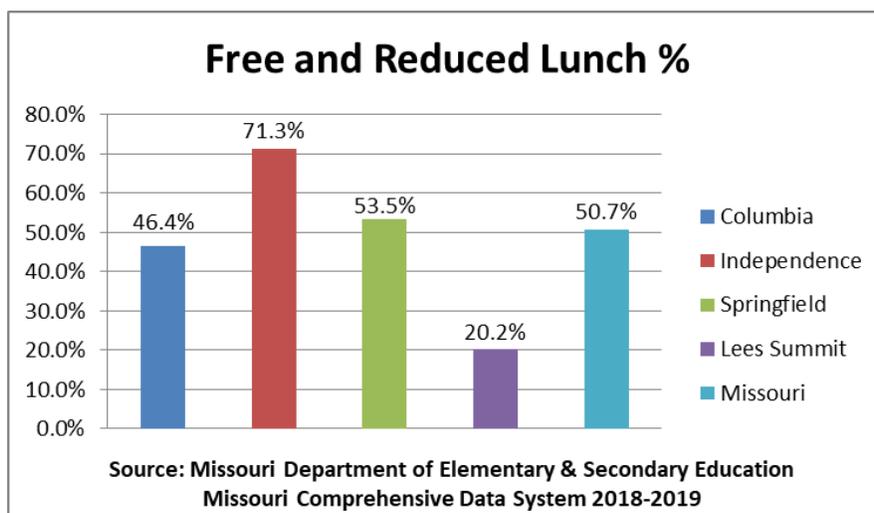
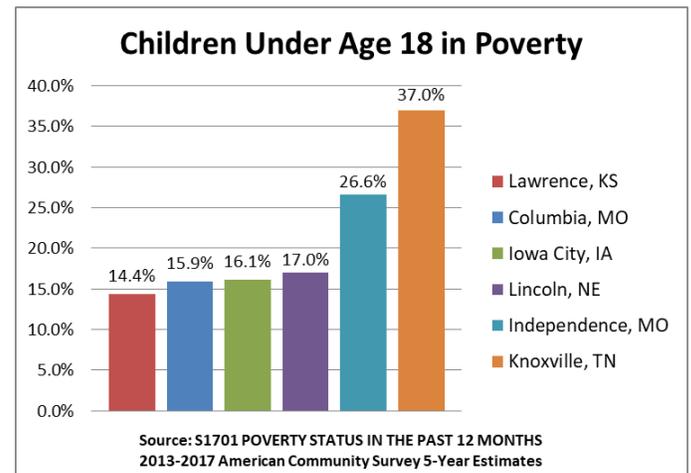
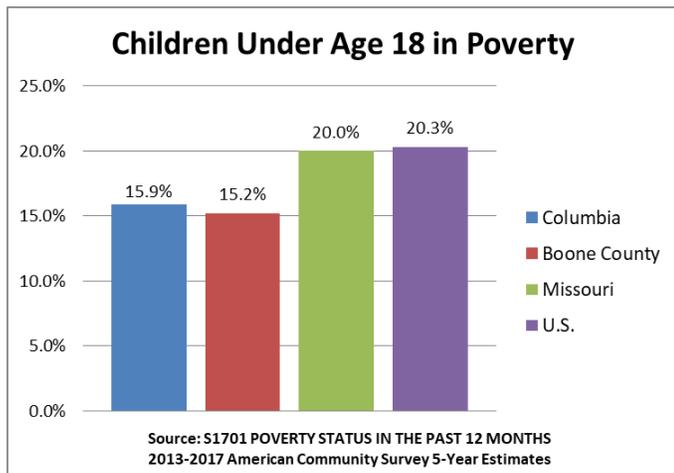
In order to mitigate the effect of college students on the poverty rate in Columbia, and because they are important stand-alone indicators, we closely monitor the poverty rates for children and families.



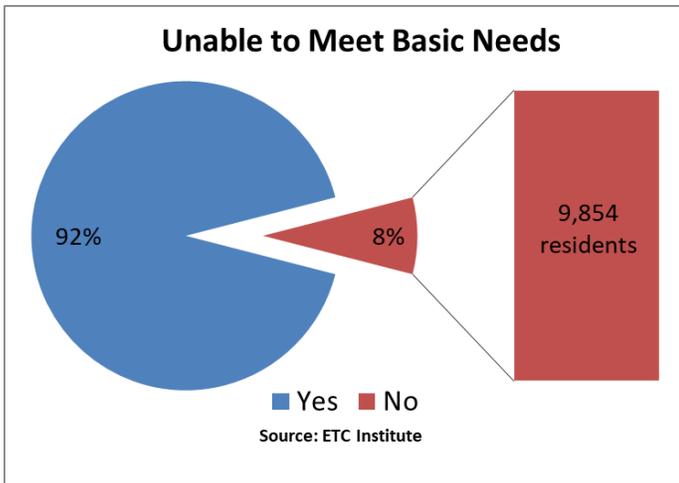
16% of children in Columbia are living in poverty.

16% of families with children under 18 live in poverty.

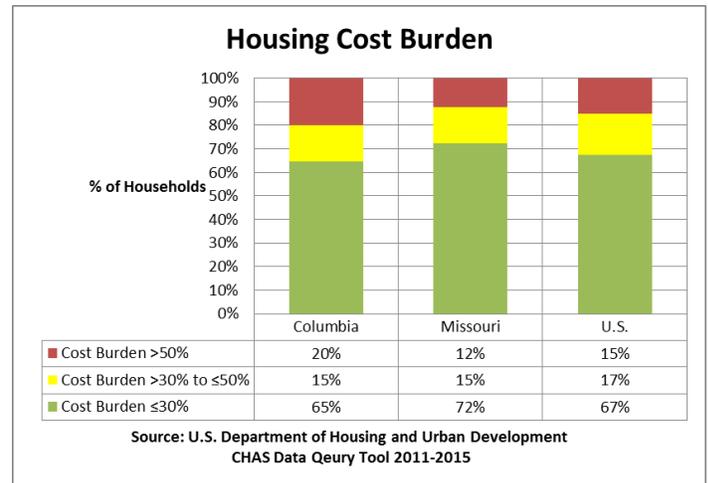
Columbia's child poverty rate is lower than state and national rates and the rates of many of our peer communities. This is a critical measure because, as we outline in this report, it is particularly challenging to escape poverty in Columbia.



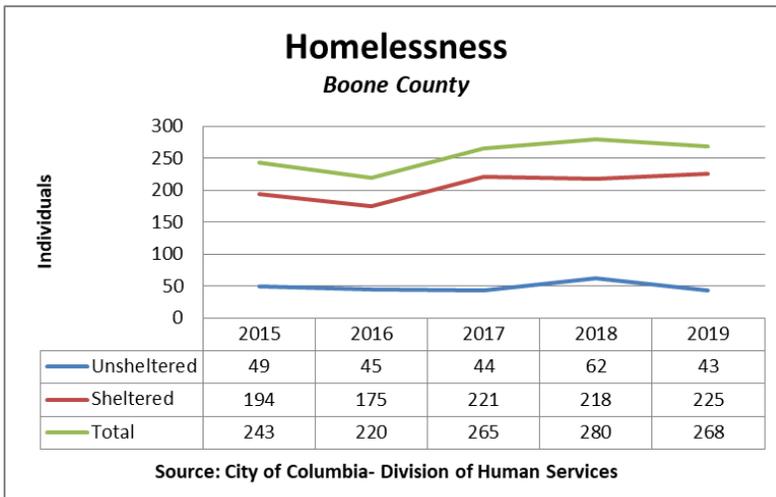
Many of our community's most challenging issues are deeply rooted in poverty and inequity.



According to the City's most recent citizen survey, 8% of respondents reported being unable to meet their basic needs.



Poverty and a lack of affordable housing result in Columbia's high rate of housing cost burden.



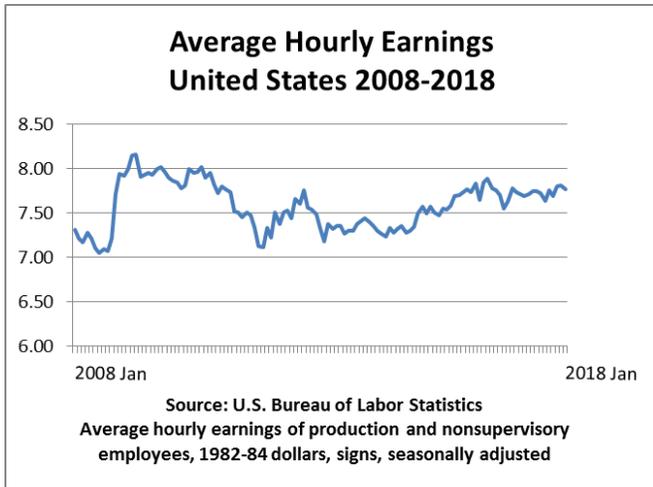
We have a significant number of people experiencing homelessness in our community.

Using a housing first approach, we have implemented a system of coordinated entry in order to prioritize limited housing resources to persons experiencing homelessness who are at highest risk of dying on our streets.

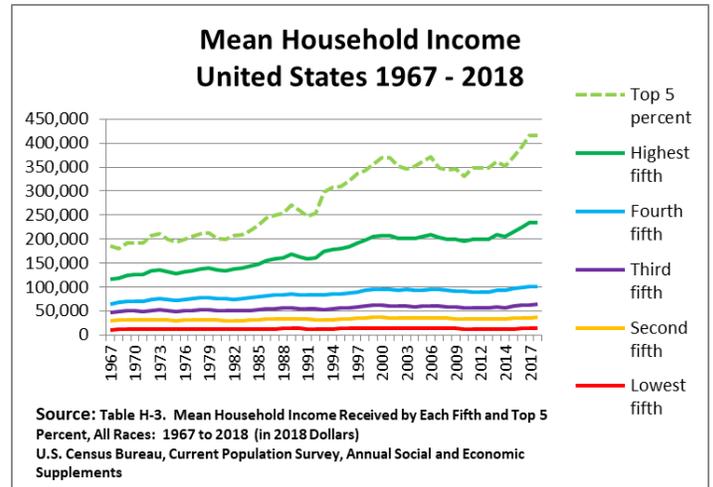
Through this coordinated approach, we have successfully housed hundreds of persons who were chronically homeless and stabilized the number of people experiencing homelessness in our community.

Income Inequality

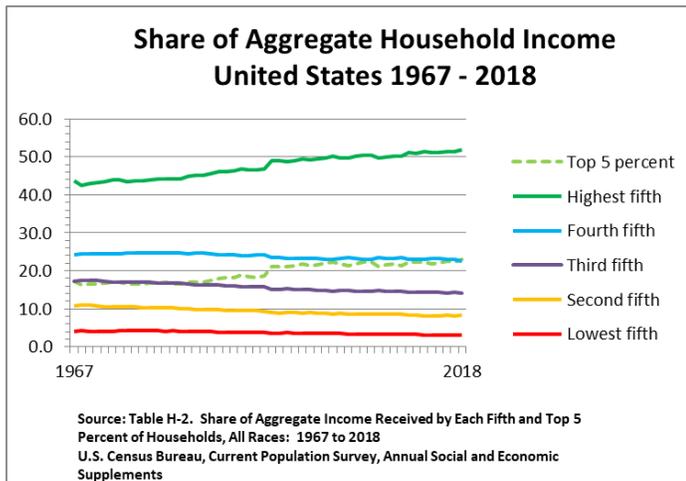
Growing income inequality has placed more people in or near poverty, and is keeping them there.



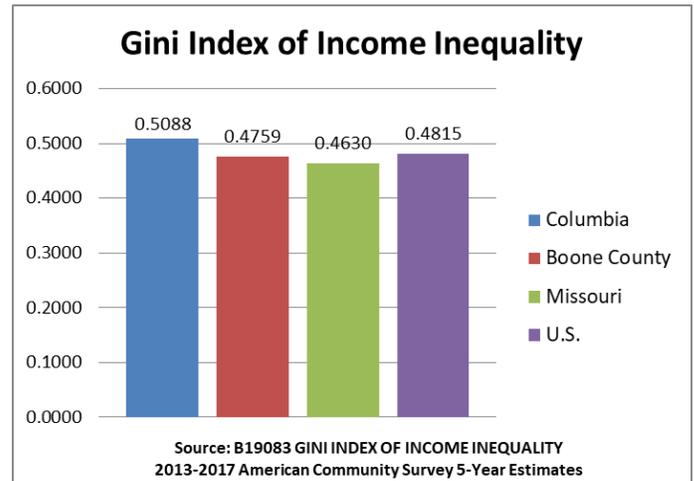
Despite currently low unemployment rate, there have been no gains in hourly earnings over the past decade for hourly wage earners.



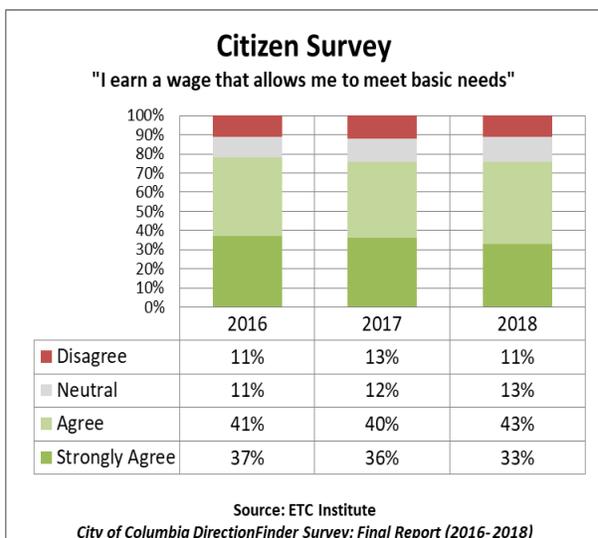
Household income for middle and low income households in has been very flat over the last 50 years.



The share of household income has become increasingly unequal, with all gains since 1967 going to top 20%.



Columbia's rate of income inequality is significantly higher than state and national rates.

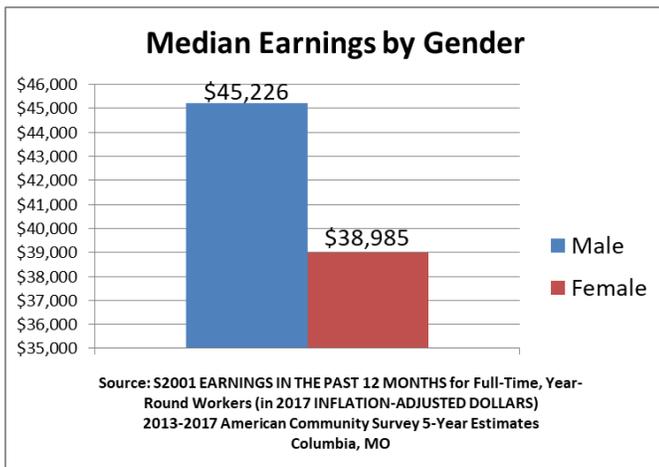


1 in 10 Columbia residents consistently report they don't earn a wage that allows them to meet their basic needs.

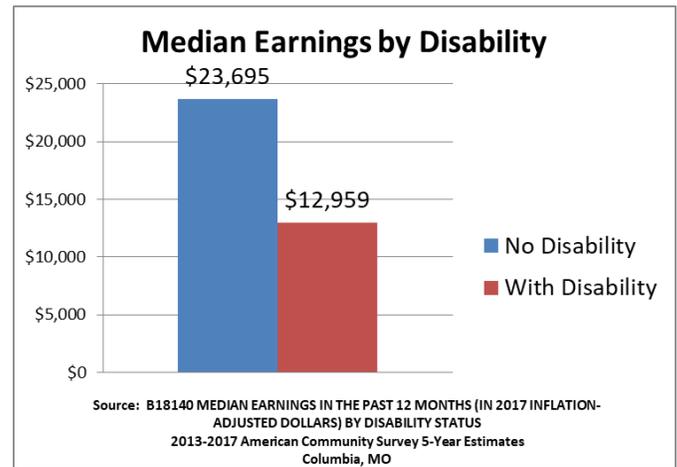
Disparities

Social, economic, health, and educational disparities continue to be a significant issue in our community.

We see persistent gaps in earnings for women and people with disabilities.

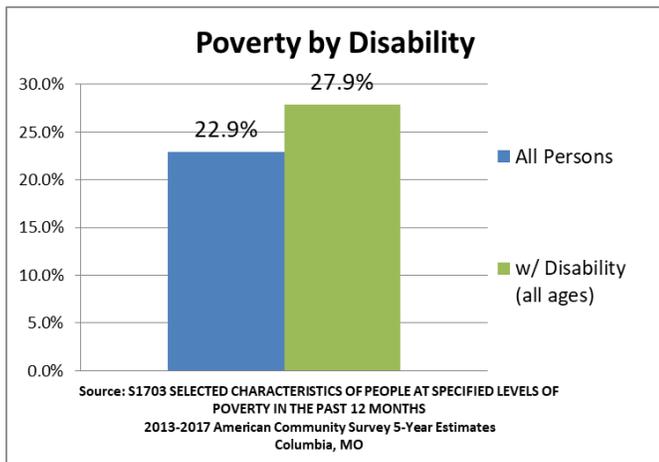


In Columbia, women earn 86 cents on the dollar paid to men.

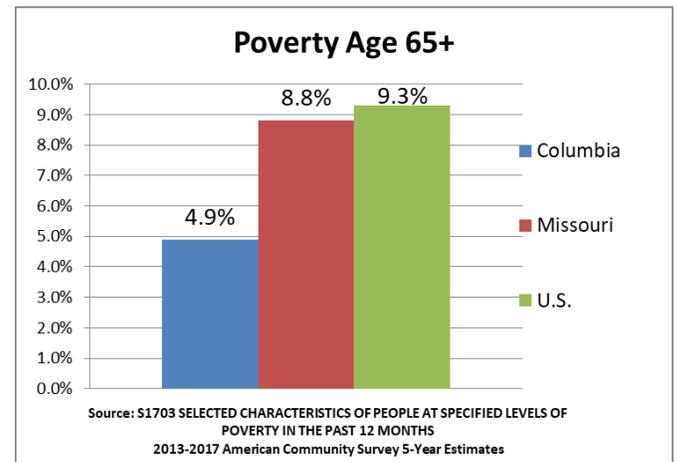


Persons in Columbia who identify as having a disability earn nearly half that of those that don't.

In our community, disability is disproportionately associated with poverty, but aging is not.

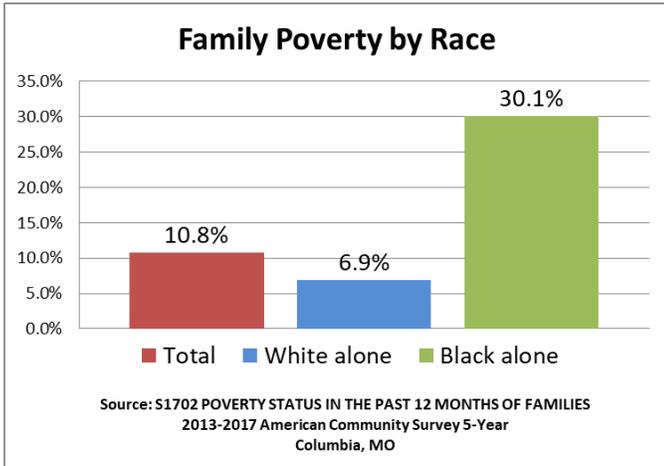


Our neighbors who identify as having a disability experience higher rates of poverty.

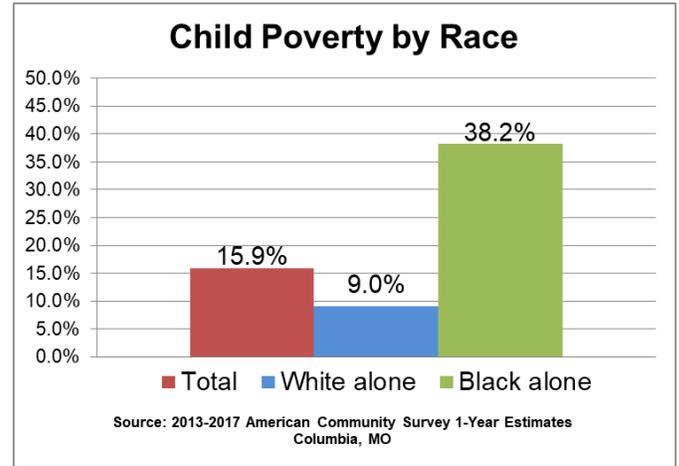


Persons age 65+ in Columbia experience relatively low rates of poverty.

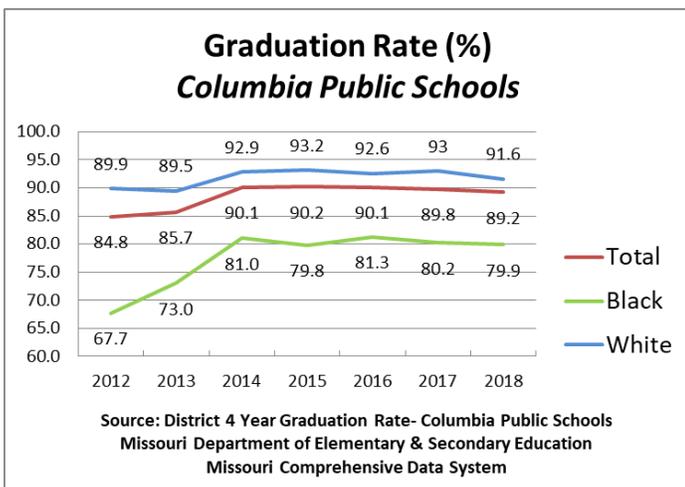
Due to systemic racism, African-Americans in Columbia continue to experience disproportionately high rates of poverty, unemployment, and morbidity & mortality and disproportionately low rates of educational and economic attainment.



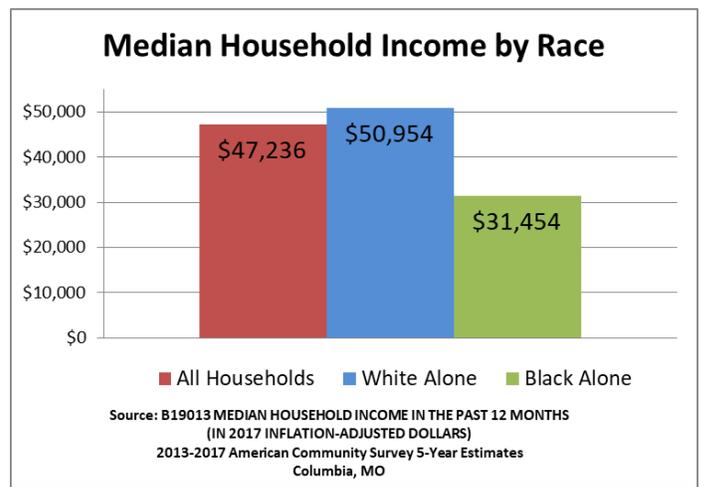
30% of black families in Columbia are living in poverty as opposed to only 7% of white families.



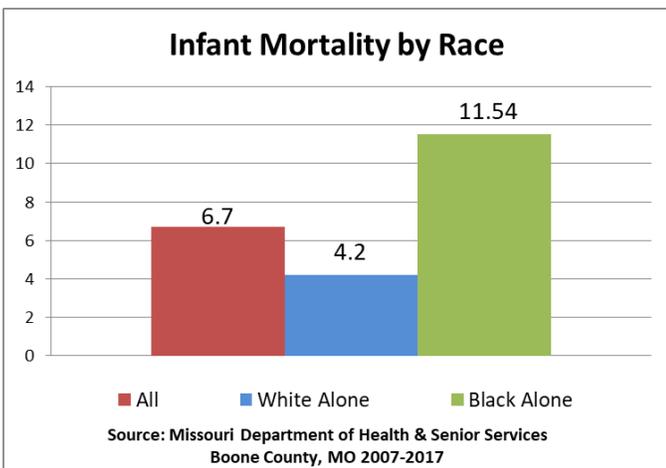
38% of black children in Columbia live in poverty as opposed to only 9% of white children.



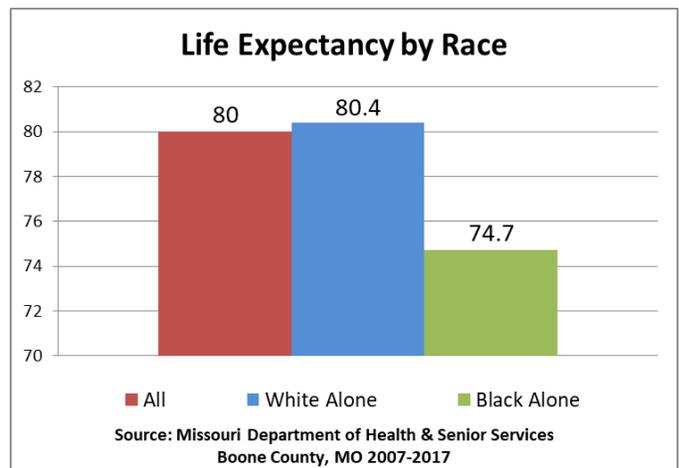
There is a persistent academic achievement gap between white students and black students.



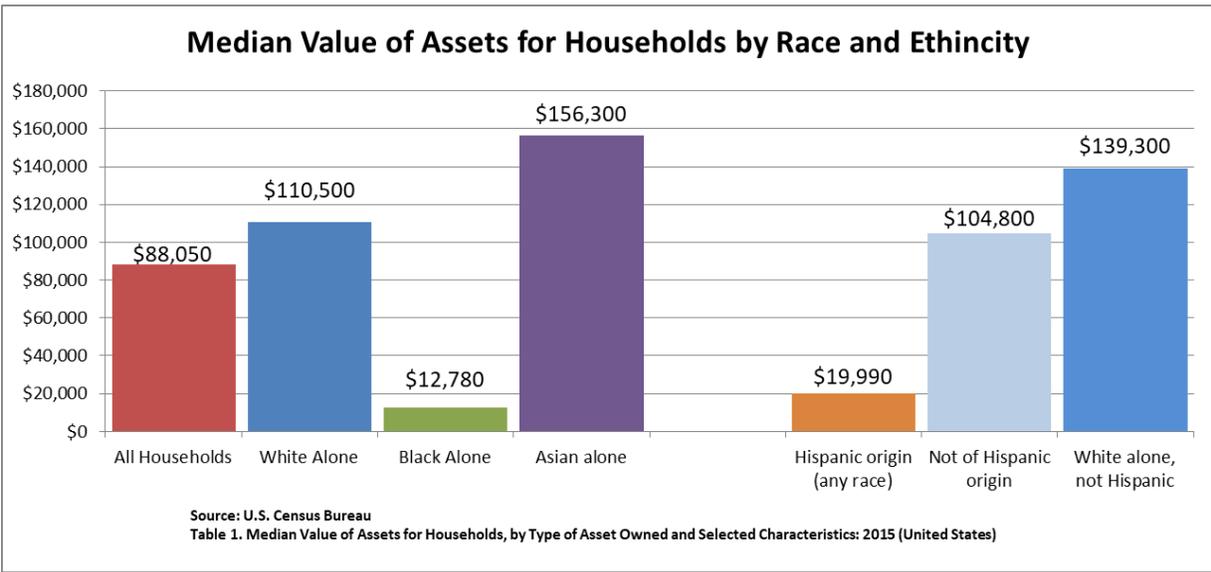
Black household income is only 62% of that of white households.



The infant mortality rate for black infants is three times that of white infants.



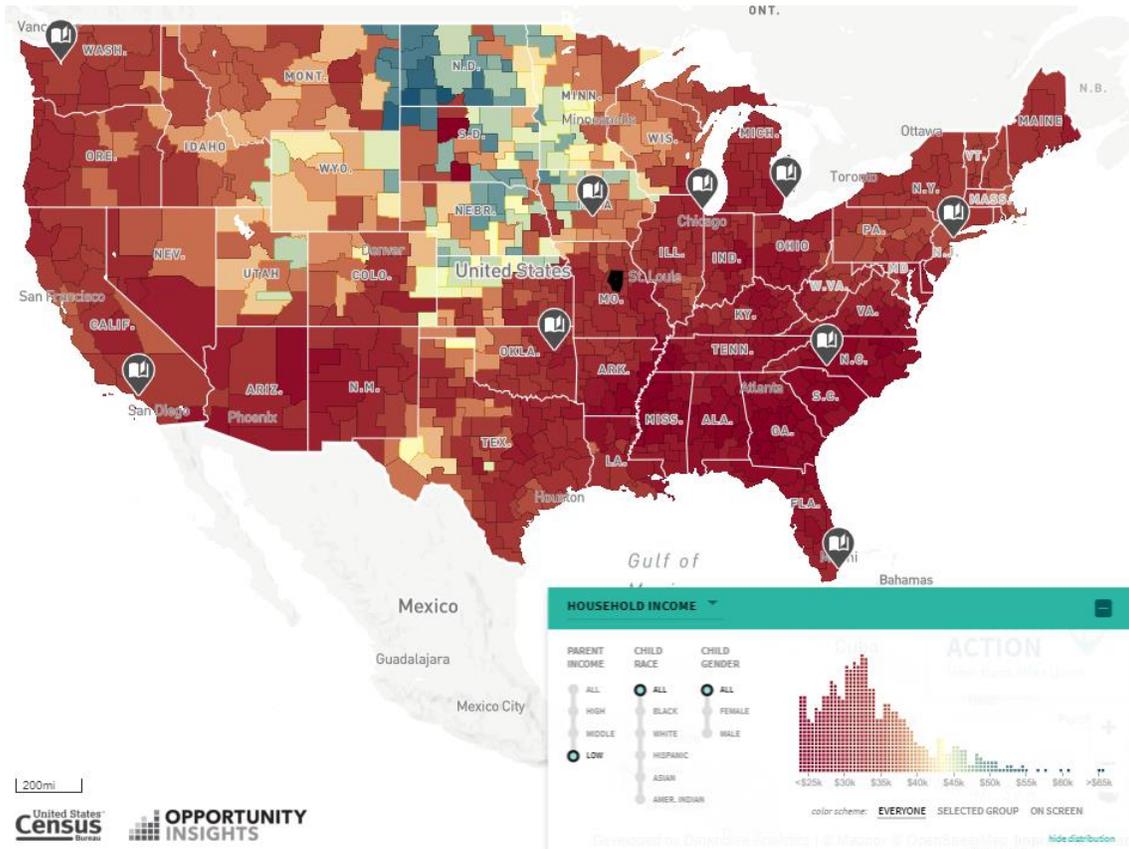
Life expectancy is significantly lower for black residents of Columbia.



It is important to understand that the persistent disparity in wealth attainment, deeply rooted in discriminatory lending and housing policies and practices, contributes to a disproportionate lack of upward economic mobility for African Americans and Americans of Hispanic origin.

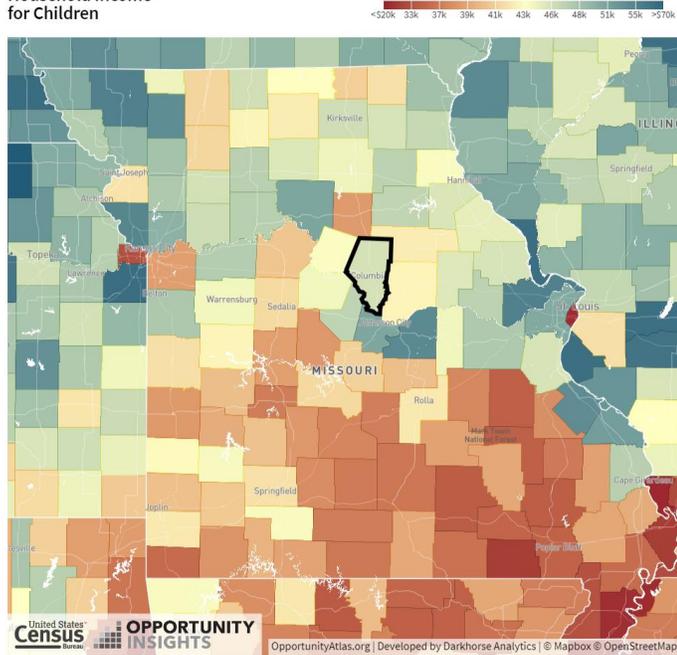
Economic Mobility

For persons born into poverty, economic mobility is highly limited, particularly in our community.

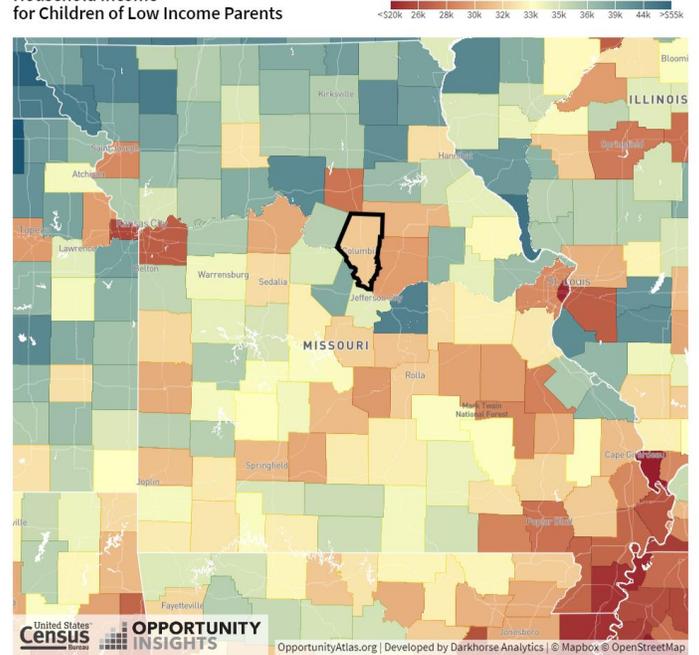


In the U.S., most kids from low income households stay poor. This is the "stickiness" we see across the country, in which poor kids remain poor and rich kids remain rich throughout their lifetimes. According to the Atlas, children from low income households in Boone County were in the 9th percentile of household income among all of their peers. This is obviously not great, but it is not exceptional by comparison to other communities. There are several places in Missouri where children from low income households fared worse.

Household Income for Children

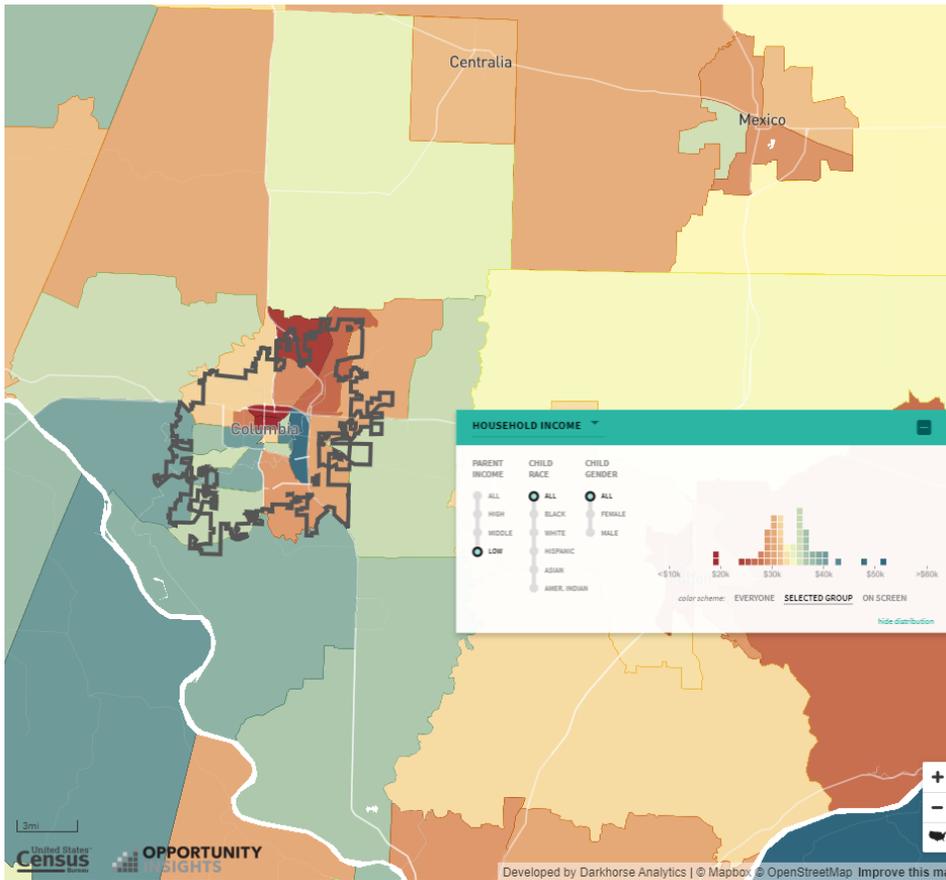


Household Income for Children of Low Income Parents



The household income for children who grew up in the Columbia area is in the 58th percentile when compared to their peers at a national level.
 (The Opportunity Atlas <https://www.opportunityatlas.org/>)

The household income for children who grew up in low-income households in our community is in the 39th percentile when compared to their peers nationally.
 (The Opportunity Atlas <https://www.opportunityatlas.org/>)

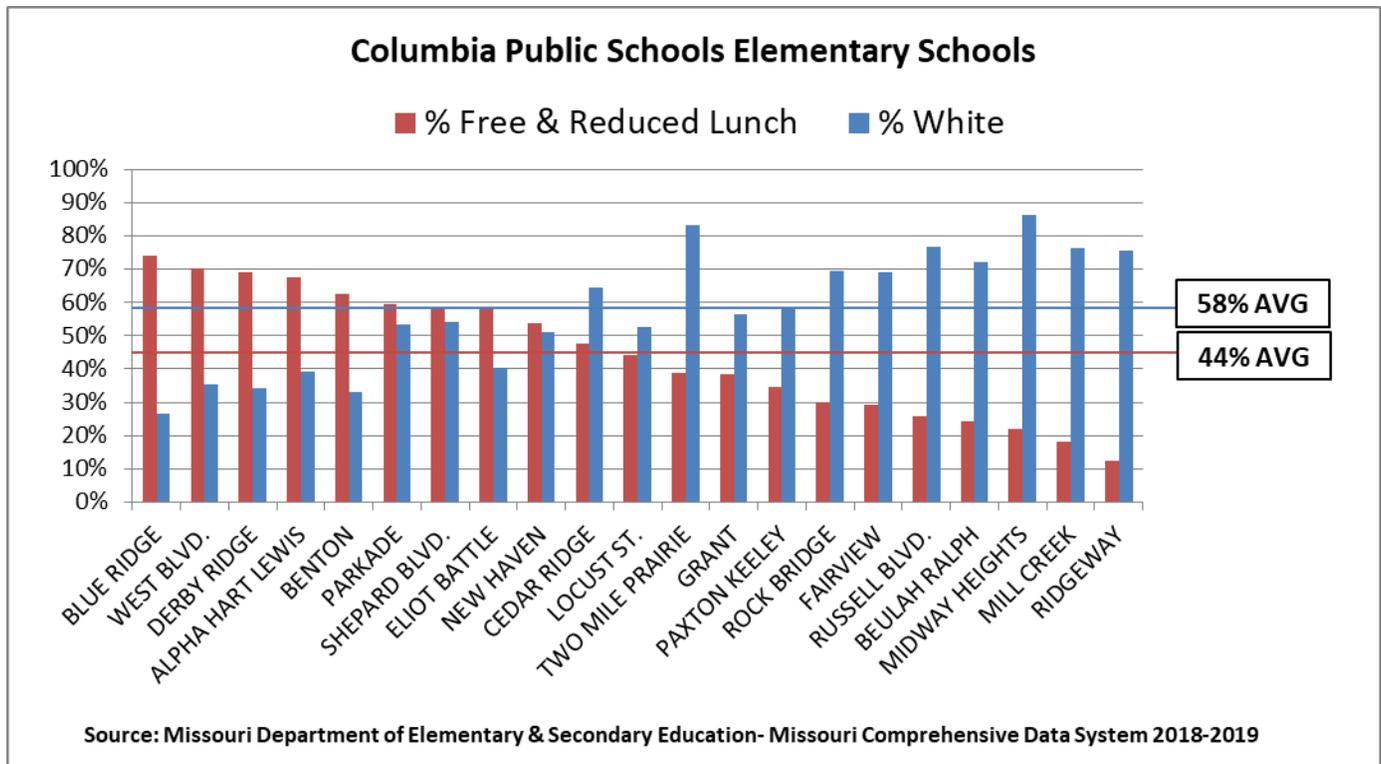


If we zoom in on Columbia, we see that low income children from certain census tracts fair better than their low income peers in other tracts.

(The Opportunity Atlas <https://www.opportunityatlas.org/>)

Segregation

Our community is highly segregated by income and race



Using Columbia Public Schools elementary schools as proxies for neighborhoods, we see high levels of segregation by income and race.

What is the City of Columbia's role in addressing these issues?

For over 50 years, the City of Columbia has recognized that in addition to physical infrastructure and public safety, it must also make an investment in our community's social infrastructure. To this end, through its Division of Human Services, the City has provided, purchased, and coordinated social services, in order to ensure that adequate levels of these services are available to low-income residents of the City.

The investment in human services also directly supports the City's Strategic Plan, which includes as strategic priorities and questions:

- Economy: Jobs that support families - How do we create more living wage jobs?
- Social Equity: Improving the odds for success - How can we strengthen our community so all individuals thrive?

Provision of Human Services

The Division of Human Services provides a variety of social services, including:

- Information and referral
- Medication assistance
- Utility assistance
- Pregnancy testing and support
- Healthy Families home visiting program
- Disaster response and recovery

For detailed information about the City's social services, please visit the [City of Columbia Social Services](https://www.como.gov/health/human-services/) web page (<https://www.como.gov/health/human-services/>).

Purchase of Human Services

Because the City does not have the capacity to provide all of the human services needed to address the causes and effect of poverty and inequality in our community, the Human Services Commission and the Division of Human Services are charged by the Columbia City Council to make annual recommendations for the purchase of social services, through professional services agreements with community-based providers, utilizing the City's social services funding.

The goal of the City's social service funding is to ensure our basic needs are met and we all have the opportunity to achieve our full potential.

The human services contracted by the City are identified and prioritized through a data driven process, which also incorporates an ongoing assessment of community needs and resources. While the City's investment in human services is not adequate to fully address the causes and effects of poverty and inequality, it does substantially increase the availability of services in Columbia. Examples of services the City purchases include:

- Employment readiness and support from Job Point
- Personal finance education from the Columbia Housing Authority
- Shelter services from Salvation Army, Welcome Home, Room at the Inn, and Turning Point
- Positive youth development and tutoring from Columbia Housing Authority, Fun City, and Grade A Plus
- Domestic violence services from True North
- Nutritious supplemental foods from the Food Bank, Community Garden Coalition, and Meals on Wheels
- Behavioral health services from Compass Health and Phoenix Programs

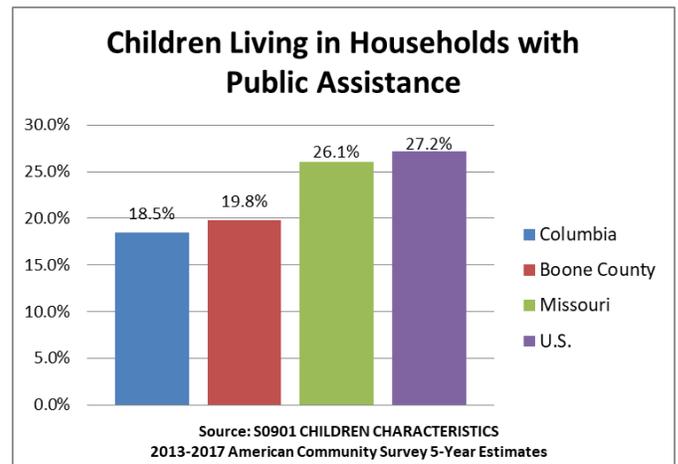
Without funding from the City, many of these services would simply be unavailable to our community's most vulnerable residents.

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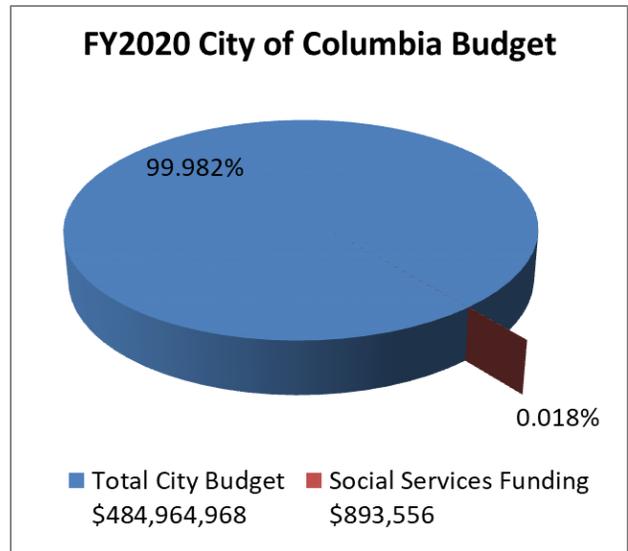
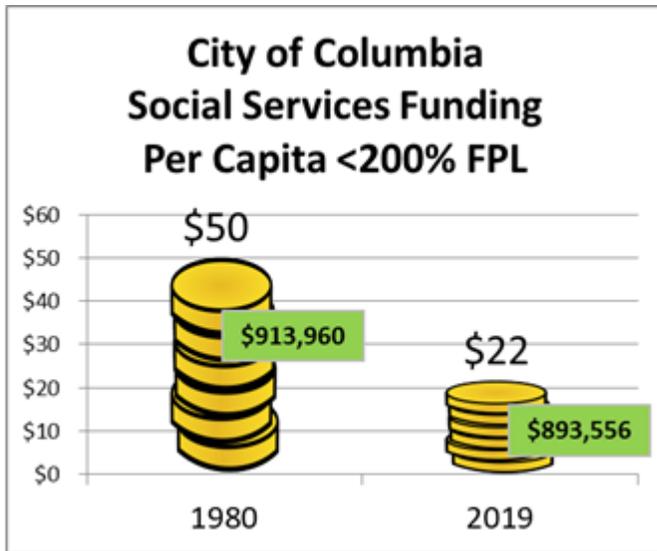
The City's investment also allows our contracted partners to leverage additional, external resources which further increase the community's capacity to deliver social services. Based on an analysis of our current social services contracts, we found that for every \$1 the City of Columbia invests in local social services, our contracted providers generate \$11 additional dollars... a \$11/\$1 **return on investment**. In addition, a significant portion of these revenues is obtained from sources outside

our community. Our relatively small investment makes Columbia very competitive in obtaining shrinking resources from external funders which are increasingly requiring local matching funds.

Our investment is closely monitored for performance and impact at the individual and community levels. As an indicator that this investment works, we see that the social services funding is helping low-income residents meet their basic needs. For example, while 39% of Columbia residents live in low-income households, only 8% of Columbians are indicating they cannot meet their basic needs. Also, by creating opportunities for our neighbors to achieve their full potential, we are positively impacting our child poverty rate. As a result we have significantly lower rate of children living in households with public assistance.



Unfortunately, the City's investment in social services has not kept pace with the growing rate of poverty in our community.



In 1980, the City's investment in social services was the equivalent of \$913,960, in today's dollars, or a rate of \$50 per low income resident, as compared to the City's current investment of \$893,556, a rate of only \$22 per low income resident.

The City's social services funding comprises .018% of the City's overall budget.

During this same period, state and federal resources have also declined. Also, private donations to community providers and the Heart of Missouri United Way have sharply fallen, and are expected to decrease even further under the newly adopted federal tax code.

For detailed information about the City's social services funding, please visit the [City of Columbia Social Services Funding web page](https://www.como.gov/health/social-services-funding-overview) (<https://www.como.gov/health/social-services-funding-overview>).

Coordination of Human Services

The investment in human services also empowers the City to be a leader in convening diverse stakeholders to address our community's complex social issues. Because we are operating in a resource-scarce environment, we have embraced and led a collective impact approach, in the spirit of moving the needles together rather than in silos. The City, County, United Way, and other key stakeholders continue to successfully align plans, policies, and practices in order to further develop our capacity to effect positive change at the community level.

In order to inform and align our work and to measure our progress in improving outcomes and narrowing disparities, we have further developed the [Boone Indicators Dashboard](http://www.booneindicators.org) (www.booneindicators.org) a web-based, interactive platform which provides a broad array of socioeconomic, health, education, and housing indicators, at both the City and County levels. The project makes community level data easily accessible to the City, our partners, and the community.



The Division of Human Services also coordinates and administers a variety of state, federal, and foundation grants, making these resources available to the community and ensuring the funds are used to address prioritized needs in an efficient and effective manner.