

COMMUNITY DEVELOPMENT MASTER PLAN



PHASE 1: EXISTING CONDITIONS



CITY OF COLLEGE STATION
Home of Texas A&M University®

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1 • EXECUTIVE SUMMARY

The impacts of poverty on the individual or family are multi-faceted. They become interwoven, making personal decisions regarding basic needs complex and sometimes overwhelming. Those balancing on the brink or one personal crisis away face similar trials. If a community is the sum of its parts, then there are societal effects of the poverty or prosperity of citizens, businesses, schools, et cetera, and it is in the interest of the community to realize the potential of each part to help insure its success.

When considering financial poverty, the community bears many costs. Some are direct, such as free lunch programs in schools to help children receive daily sustenance. Some are indirect, such as diminishing property values as maintenance costs become too burdensome and slum and blight conditions begin to manifest. There are social costs, political costs, and moral costs, depending upon the perspective of the individual.

The Community Development Master Plan is an attempt to better understand the situations and needs of our community's residents that are in lower income ranges to determine how to best help move our citizens in need from economic dependence to full economic participation in the local economy and to determine where resources may be concentrated for this to happen.

BACKGROUND

For over 30 years the City of College Station has administered programs designed to improve the situation of those of low and moderate income. The goals of the Community Development Division of the City of College Station's Planning and Development Services Department are to provide an adequate supply of safe and affordable housing, rehabilitate rental and owner-occupied residential property, expand home ownership opportunities, encourage the expansion and accessibility of human services, and expand and improve public facilities and infrastructure where needed. An additional goal is to expand economic opportunities in the community for low- and moderate-income residents of the city.

The division is primarily funded through the City's General Fund, federal monies granted to the City from the US Department of Housing and Urban Development (HUD) via the Community Development Block Grant (CDBG) and Home Investment Partnerships Program (HOME), and funds recaptured through programs established with HUD funds.

HUD funds, the significant portion of the Community Development budget, are specifically granted to provide programs and fund activities intended to meet the national objectives of:

CDBG

- benefiting low- and moderate-income persons,
- aiding in the prevention or elimination of slums or blight, and
- meeting an urgent community need (such as natural disaster recovery); and

HOME

- providing decent affordable housing to lower-income households,
- expanding the capacity of nonprofit housing providers,

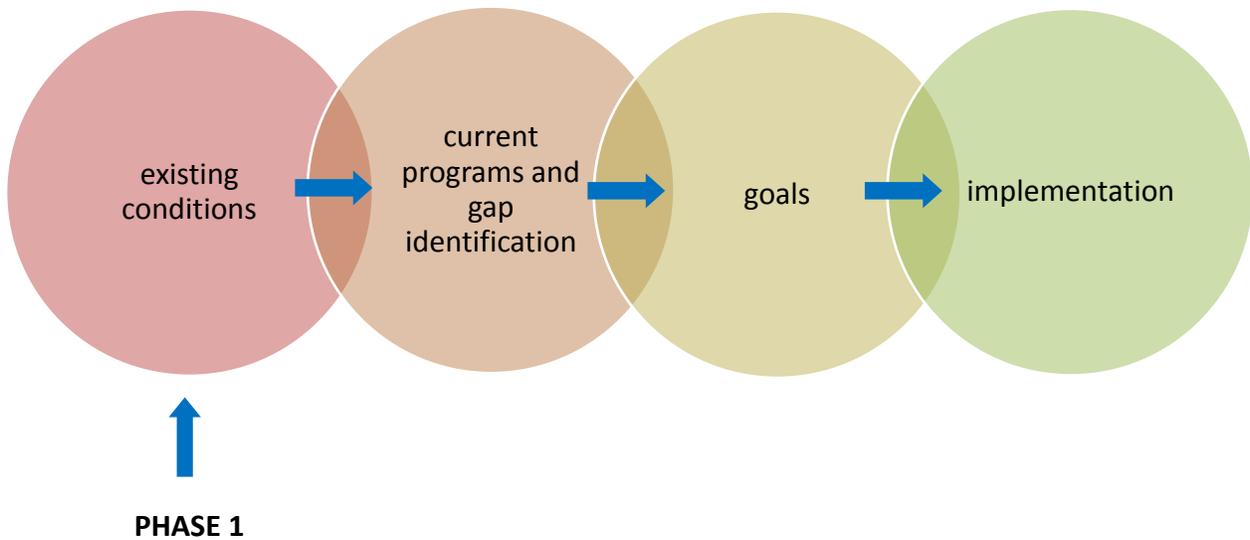
- strengthening the ability of state and local governments to provide housing, and
- leveraging private-sector participation.

THE COMMUNITY DEVELOPMENT MASTER PLAN

Staff has been aware for many years that the unique university environment of College Station complicates the ability to provide services and benefits to those in need. With one of the largest universities in the nation located in College Station, the local population and all of its demographic characteristics are skewed to the college-aged and the unique living and economic conditions they possess. In addition, Staff has recognized over the years the disparity between the need for assistance and the ability to help via federally-funded programs when applicants are strong candidates but measure right above the income limits to be eligible. With the intent to help maintain a minimum quality of life for all College Station residents and to wisely focus resources, staff has undertaken the Community Development master planning process.

The plan is anticipated to consist of three phases: 1) a view of demographics and the existing conditions of basic needs for subsistence and economic participation, 2) an evaluation of current programs to address basic needs and where gaps in programs and services exist, and 3) the development of goals and an implementation plan that will assist the City in enhancing its conventional tools for community development and that will explore the possibility of non-conventional tools that could further strengthen the community.

Figure 1-1. Development Stages of the Community Development Master Plan



Phase One of the Community Development Master Plan, presented here, outlines the demographics of the College Station population. Characteristics of the low- to moderate-income (LMI) population in College Station are emphasized, with a description of what it means to be in poverty locally. Many obstacles, barriers, and challenges in the areas of housing, employment, financial security, transportation, and health care faced by this segment of the population are described. The list of topics covered is not exhaustive; child care, rising food costs, senior services and elder care, for example, are not fully discussed here for the sake of brevity, but will be addressed to some extent in later phases of the Master Plan.

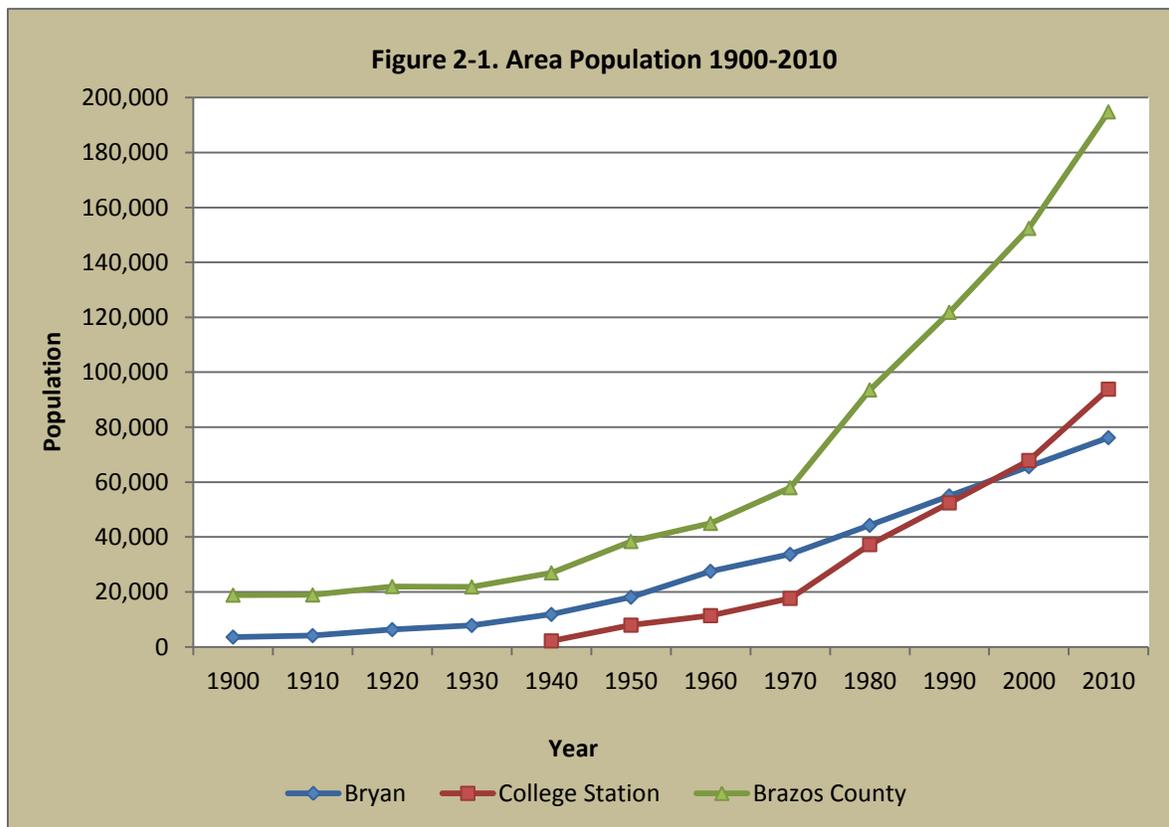
2 • AREA DEMOGRAPHICS

The City of College Station is an emerging, medium-sized city in Brazos County nestled among the major urban areas of the State of Texas – Houston to the southeast, Dallas/Fort Worth to the north, and Austin and San Antonio to the southwest. Home to Texas A&M University, the city has been recognized as a leader in quality of life, education, and business.

Along with the City of Bryan to the immediate north, the College Station-Bryan metropolitan statistical area (MSA) serves as the economic and educational hub of the entire Brazos Valley region. As the university grew in size to what is now the fifth largest in the nation, College Station has swelled to an area of approximately fifty (50) square miles with a currently estimated population of 100,000.

POPULATION GROWTH

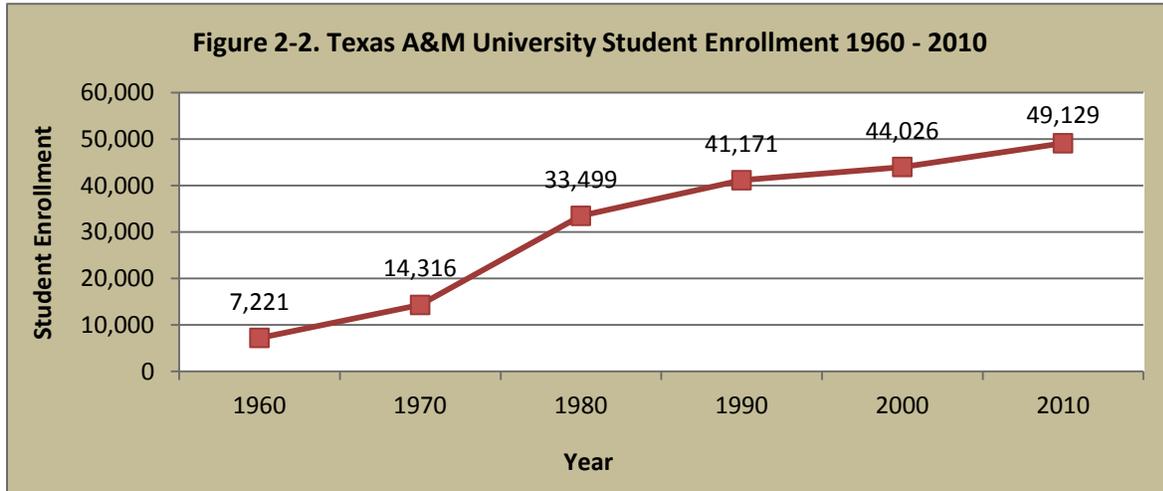
The populations of Bryan and College Station grew at about the same rate until the 1970s, when an influx of students at Texas A&M University (the result of a change in enrollment policies) contributed to a sharper growth curve for College Station (Figure 2-1). Around 2000, College Station surpassed Bryan in population. From 2000 to 2010, the populations of Bryan and College Station increased by 16.1% and 38.2%, respectively.



Source: US Census Bureau

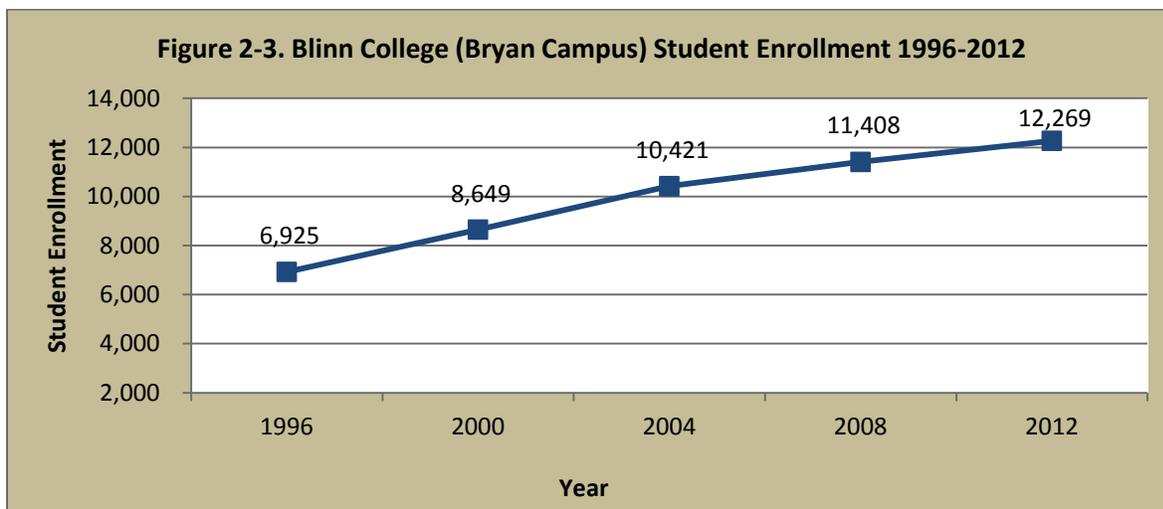
Texas A&M University is a significant factor in College Station; the city literally grew up around the university. A&M's influence is not only felt economically and in the overall flavor of the area, but its presence has a major

impact on College Station’s population. Large numbers of faculty and staff employed by the university live in the area, and population growth in College Station has been directly tied to the growth of the student population, that currently numbers in excess of 50,000. Figure 2-2 illustrates the considerable growth in student enrollment at Texas A&M since 1960. There has been an increase of 580% over the 50-year span, with a significant jump of 134% from 1970-1980.



Source: Texas A&M University

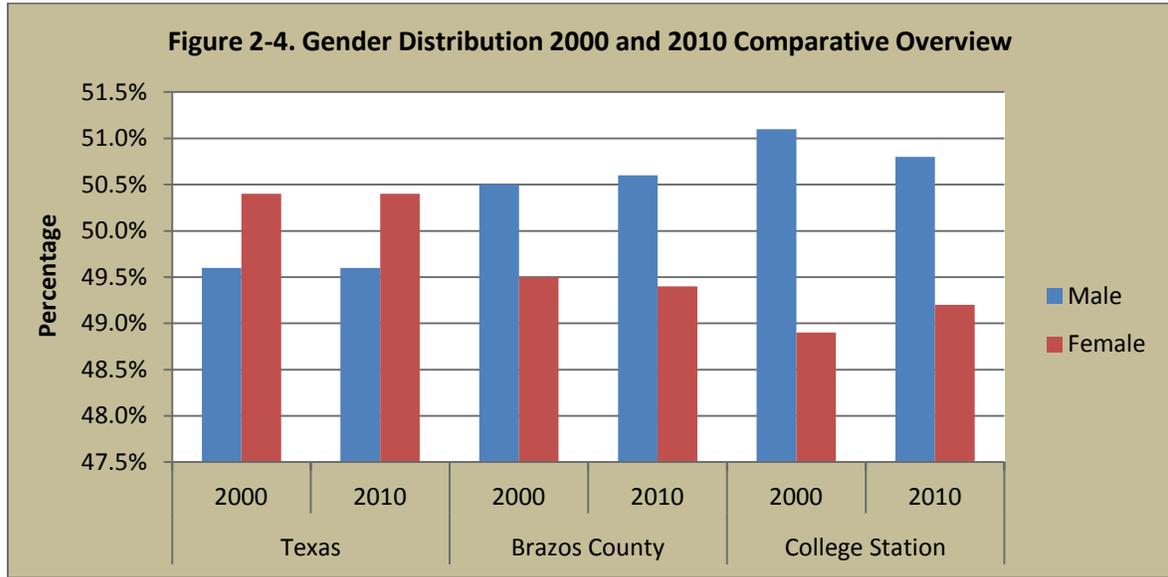
In addition, Blinn College established a satellite campus in Bryan which has grown from 6,925 students in 1996 to over 12,000 in 2012. Figure 2-3 illustrates the extended period of growth over the last fourteen years at the local Blinn College campus. The two-year college has maintained an extensive presence in the area since it first began in 1970. By 1982, the school, then located in a local shopping center, had an enrollment of 1,771. Student numbers began their more dramatic recent rise once the Bryan campus was constructed over a decade later.



Source: Blinn College

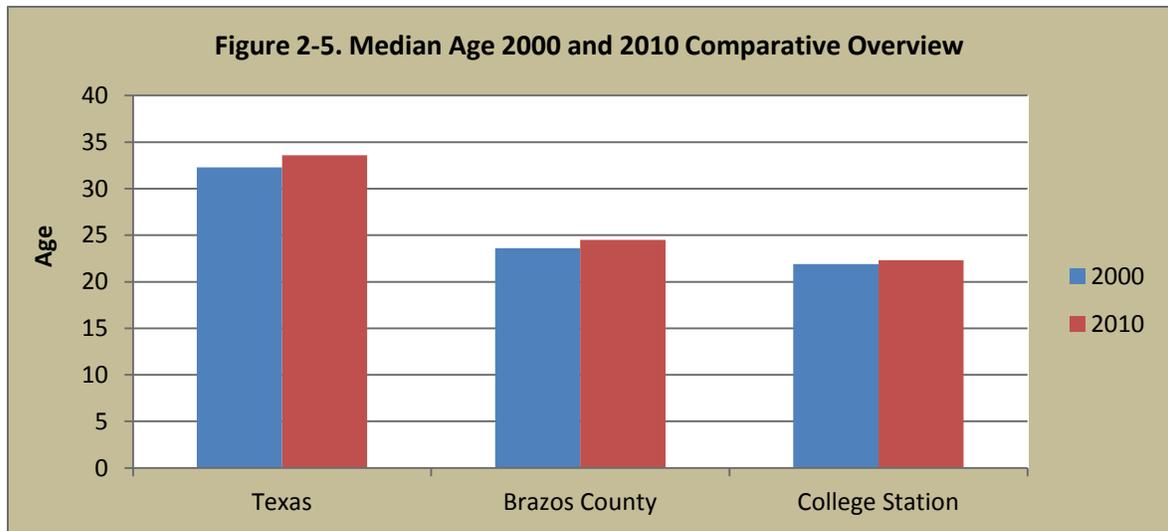
AGE AND GENDER

Men greatly outnumber women in College Station and, to a lesser extent, in Brazos County, though there has been a slight decrease in men and corresponding increase in women over the last 10 years (Figure 2-4). Women outnumber men in the state as a whole.



Source: US Census Bureau

Because of the large student population, the median age of the city is lower than that of the state (Figure 2-5). However, the city, county, and state underwent an increase in age over the last decade, with the greatest effect at the state level.



Source: US Census Bureau

The fastest growing age group in College Station is adults 55 years old and above (Table 2-1), with the largest increase in adults between the ages of 60 and 64 years. Furthermore, Texas A&M's influence is again evident: in 2010, nearly one-third of the population was between the ages of 20 and 24 years, and the segment immediately above that, ages 25 to 34, had grown by over 57%. Not only are retirees choosing to live here, but younger age groups may be staying or being attracted by career opportunities.

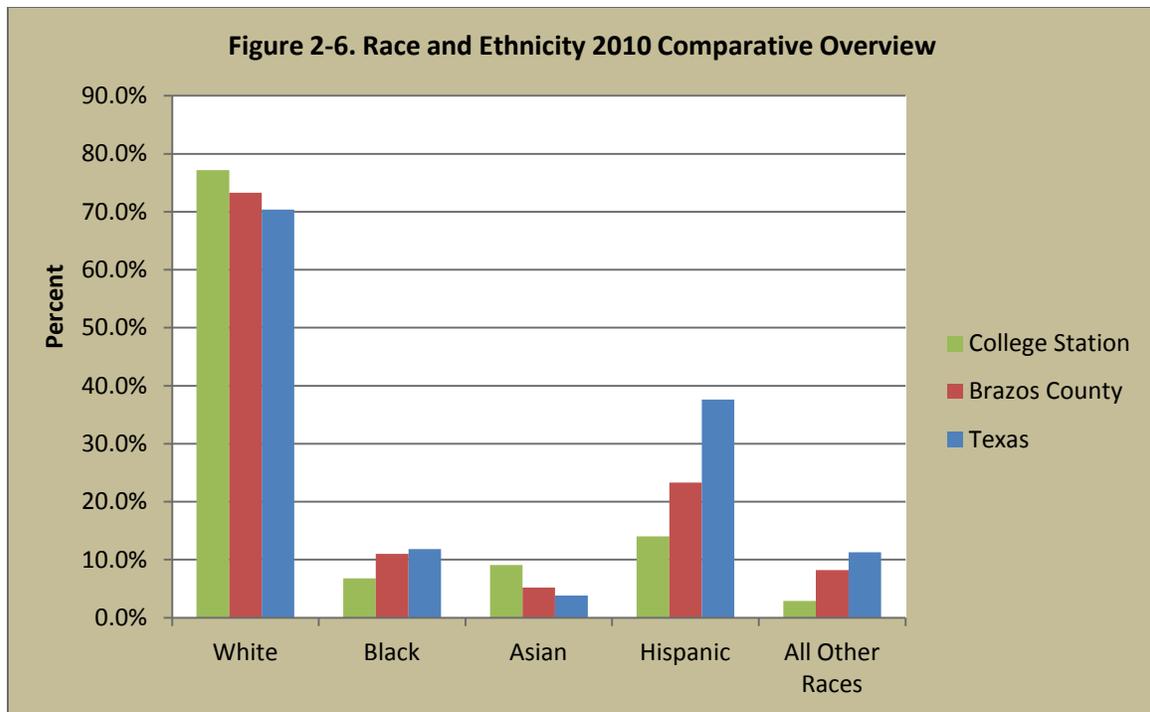
Table 2-1. Population by Age in College Station 2000 vs. 2010

Age Group	2000	2010	Numerical Change	% Change
85 years and over	305	471	166	54.4%
75 to 84 years	841	1,388	547	65.0%
65 to 74 years	1,315	2,516	1,201	91.3%
60 to 64 years	920	1,923	1,003	109.0%
55 to 59 years	1,411	2,457	1,046	74.1%
45 to 54 years	4,071	5,796	1,725	42.4%
35 to 44 years	5,616	7,134	1,518	27.0%
25 to 34 years	8,857	13,922	5,065	57.2%
20 to 24 years	24,176	30,850	6,674	27.6%
15 to 19 years	12,185	15,578	3,393	27.9%
10 to 14 years	2,497	3,386	889	35.6%
5 to 9 years	2,664	3,910	1,246	46.8%
Under 5 Years	3,032	4,526	1,494	49.3%

Source: US Census Bureau

RACE AND ETHNICITY

In College Station, over 77% of the population that identifies as a single race is White, a greater proportion than in the county or state (Figure 2-6). There are fewer Black and Hispanic residents, though more Asian, in College Station than in Brazos County or the state; thus, College Station is less diverse.



Source: US Census Bureau

Despite the preponderance of White population in the city, College Station has seen a surge in the minority population over the last decade (Table 2-2). The Hispanic population has nearly doubled in just ten years; similar gains were made in the Asian (73.2%) and Black (60.9%) populations, respectively. Thus, the population of College Station is diversifying as it grows.

Table 2-2. Race/Ethnicity in College Station 2000 vs. 2010

Race/Ethnicity	2000	2010	Numerical Change	% Change
White	54,673	72,502	17,829	32.6%
Black	3,968	6,383	2,415	60.9%
Asian	4,951	8,576	3,625	73.2%
All Other Races	3,672	4,161	489	13.3%
Hispanic Origin	6,759	13,165	6,406	94.8%

Source: US Census Bureau

For comparison, analogous statistics on race and ethnicity in the City of Bryan can be found in Table 2-3. Although the City of Bryan has larger Black and Hispanic populations, the growth rates are lower in each of the major categories.

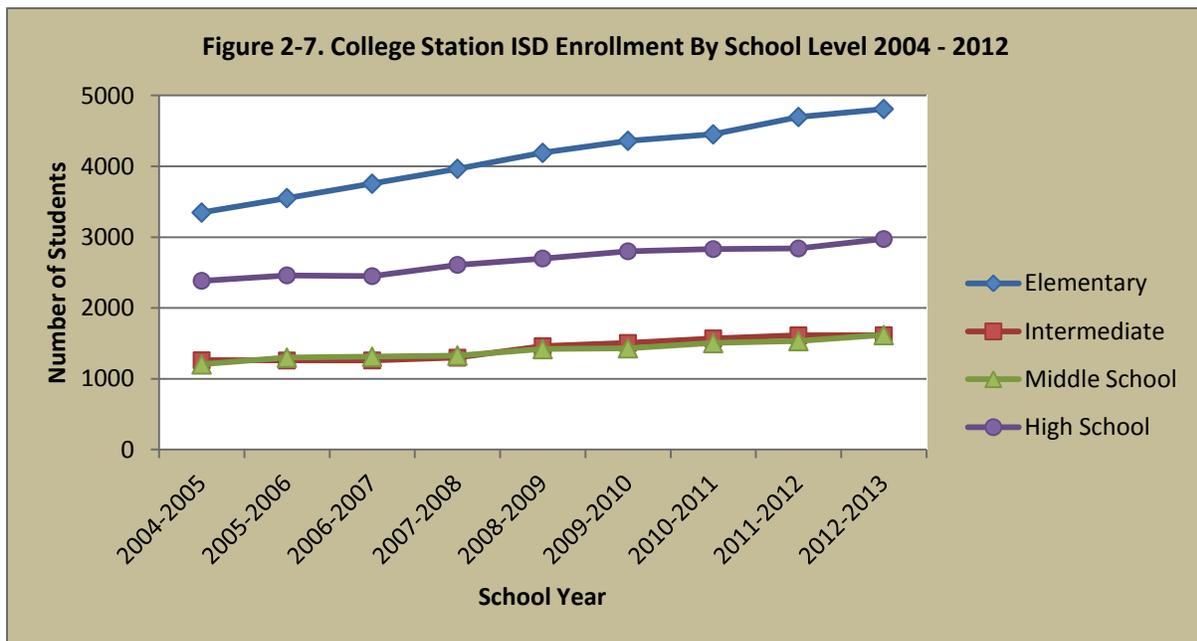
Table 2-3. Race/Ethnicity in Bryan 2000 vs. 2010

Race/Ethnicity	2000	2010	Numerical Change	% Change
White	42,452	48,939	6,487	15.3%
Black	11,635	13,748	2,113	18.2%
Asian	1,084	1,313	229	21.1%
All Other Races	9,064	10,240	1,176	13.0%
Hispanic Origin	18,271	27,617	9,346	51.2%

Source: US Census Bureau

EDUCATION

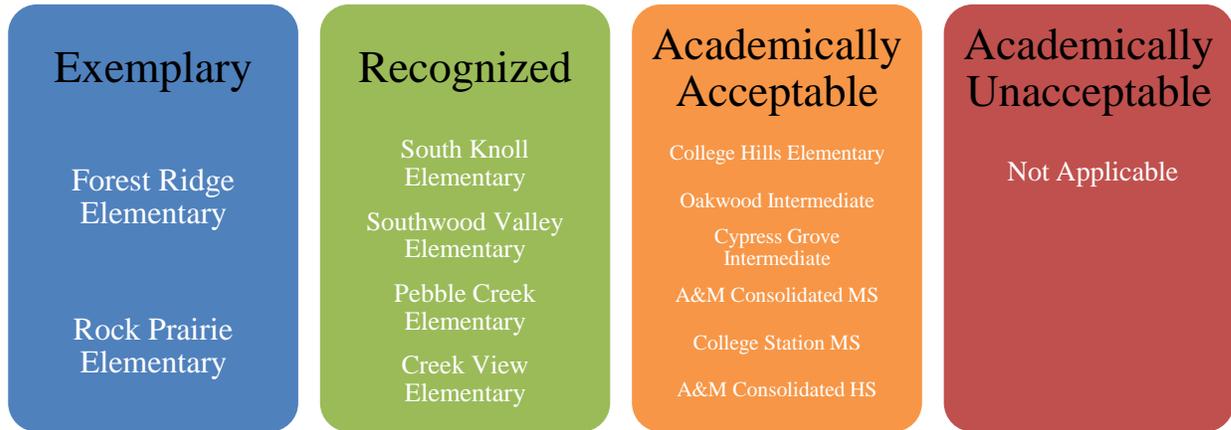
The College Station Independent School District has experienced growth along with the rest of the city (Figure 2-7).



Source: College Station ISD

As it grew, the district maintained a high level of academic performance as judged by the Texas Education Agency’s School Accountability Ratings (Figure 2-8). The ratings system ranges from exemplary to academically unacceptable. The district as a whole achieved an “Academically Acceptable” rating.

Figure 2-8. College Station ISD District Accountability Summary 2011



Source: College Station ISD

The benefits of an educated population are significant to any community. Because of a strong local public school system, several private education options, and a major university within its city limits, the citizens of College Station are afforded ample opportunities to achieve educational goals. As a result, educational attainment is quite high in the city (Table 2-4). Over the last decade, the percentage of residents over the age of 25 having at least a high school education has increased from 93.8% in 2000 to 96.0% in 2010.¹ Also, more people are attending higher education institutions and earning college degrees. Texas A&M University, and, to a lesser extent, Blinn College, bring thousands of students to the community, as well as highly educated faculty and staff members.

Table 2-4. Educational Attainment in College Station 2000 vs. 2010

Educational Attainment	2000		2010	
	Number	Percent	Number	Percent
Total residents over age 25	23,301		37,203	
Less than 9th grade	485	2.1%	575	1.5%
9th to 12th grade, no diploma	953	4.1%	922	2.5%
High school graduate	2,845	12.2%	5,607	15.1%
Some college, no degree	4,323	18.6%	6,108	16.4%
Associate degree	1,156	5.0%	2,445	6.6%
Bachelor's degree	6,647	28.5%	10,147	27.3%
Graduate or professional degree	6,892	29.6%	11,399	30.6%
Percent high school graduate or higher		93.8%		96.0%
Percent bachelor's degree or higher		58.1%		57.9%

Source: US Census Bureau

¹ These numbers include Texas A&M University and Blinn College students.

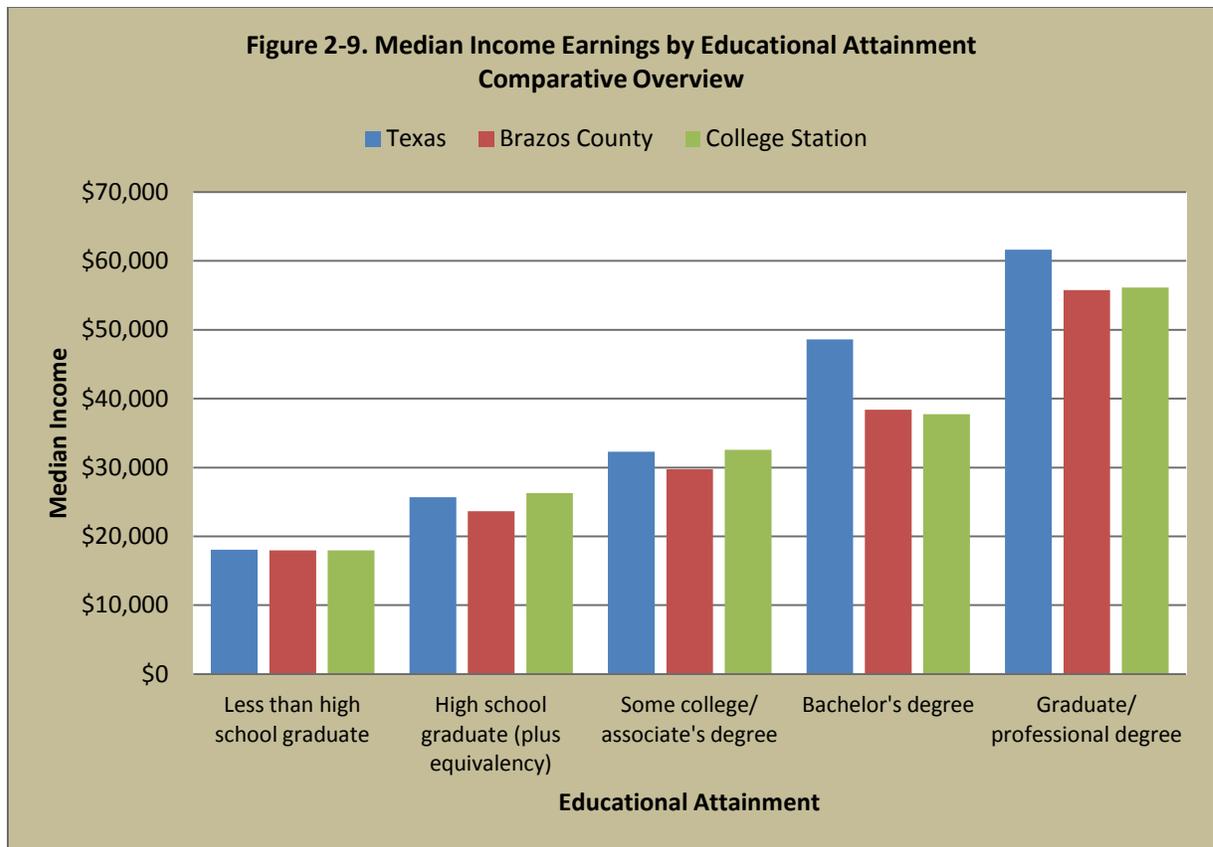
Compared to the state and Brazos County, College Station has a much higher percentage of high school and college graduates. In fact, a person living in College Station is more than twice as likely to have a college degree as elsewhere in the state. Moreover, while nearly one-third of the over-25 population in College Station has a graduate or professional degree, only 8.6% in the state and 17.9% in Brazos County have attained that level of education (Table 2-5).

Table 2-5. Educational Attainment 2010 Comparative Overview

Educational Attainment	Texas	Brazos County	College Station
Less than 9th grade	9.7%	7.0%	1.5%
9th to 12th grade, no diploma	9.6%	7.9%	2.5%
High school graduate	25.6%	23.6%	15.1%
Some college, no degree	22.8%	18.5%	16.4%
Associate degree	6.3%	6.4%	6.6%
Bachelor's degree	17.3%	18.7%	27.3%
Graduate or professional degree	8.6%	17.9%	30.6%
Percent high school graduate or higher	80.7%	85.1%	96.0%
Percent bachelor's degree or higher	25.9%	36.6%	57.9%

Source: US Census Bureau

Education plays a major role in a person's future earning power. With each additional level of education, a person is much more likely to have greater income (Figure 2-9). For example, an individual in College Station with a bachelor's degree is likely to earn annually \$11,478 more than a person with a high school education. Over a thirty-year career, that would amount to a gap of over \$344,000, not considering the potential for promotions and other means of upward mobility as a result of education.



Source: US Census Bureau, American Community Survey 5-Year Estimates (2007-2011)

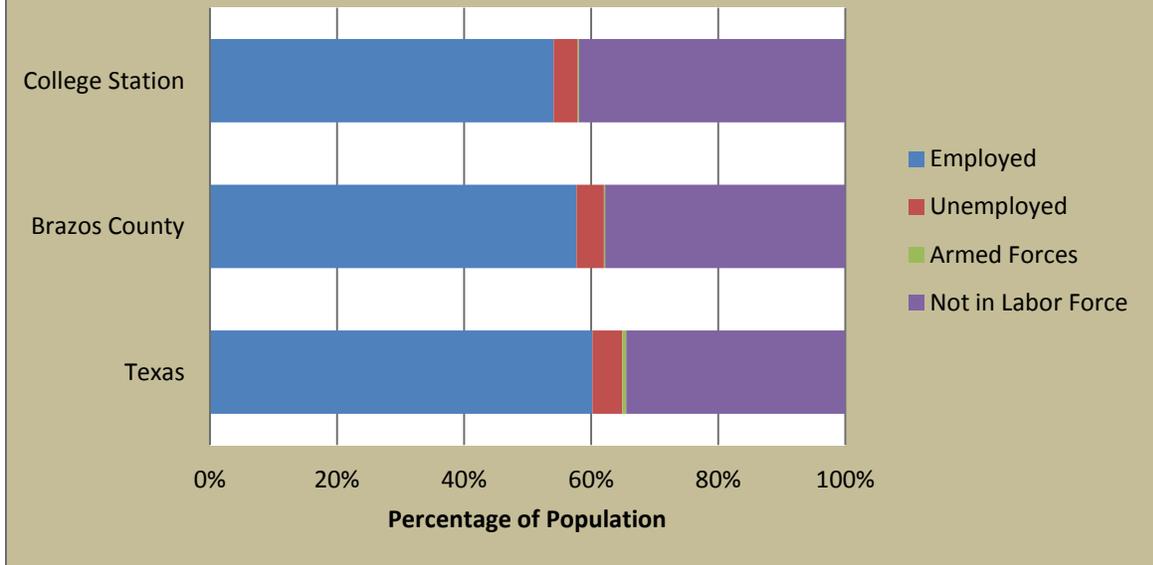
However, whereas these data reveal many positive conclusions, one fact cannot be understated: there are at least 7,104 individuals in College Station, age 25 and over, that have no more than a high school education (diploma, GED, or less) and thus lack the requisite education for many career opportunities.

EMPLOYMENT

The local economy has continued to perform well despite the economic recession in 2008 and subsequent but relatively slow recovery. The local unemployment rate has been low over the last two years when compared to state and national data, as illustrated in the following figures.

Figure 2-10 shows the employment status of the working-age population. With a large undergraduate student population, the city has a larger percentage of residents age 16 and older not in the labor force. According to the American Community Survey (ACS) glossary, this category “consists mainly of students, homemakers, retired workers, seasonal workers interviewed in an off season who were not looking for work, institutionalized people, and people doing only incidental unpaid family work (less than 15 hours during the reference week).” For those in the labor force, the county, and especially the state, share a greater percentage of the unemployed population.

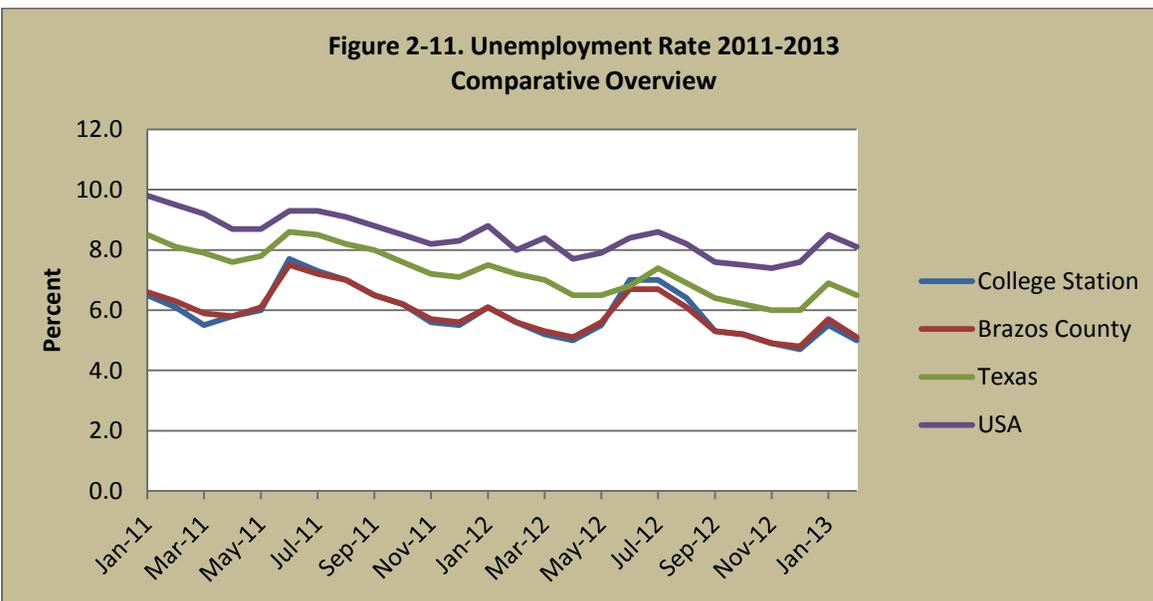
**Figure 2-10. Employment Status of Population 16 Years and Over
Comparative Overview**



Source: US Census Bureau, American Community Survey 5-Year Estimates (2007-2011)

A more longitudinal look (Figure 2-11) demonstrates a lower unemployment rate for the City of College Station, with increases in the summer as a consequence of the student residents who then meet the “labor force” definition.

**Figure 2-11. Unemployment Rate 2011-2013
Comparative Overview**

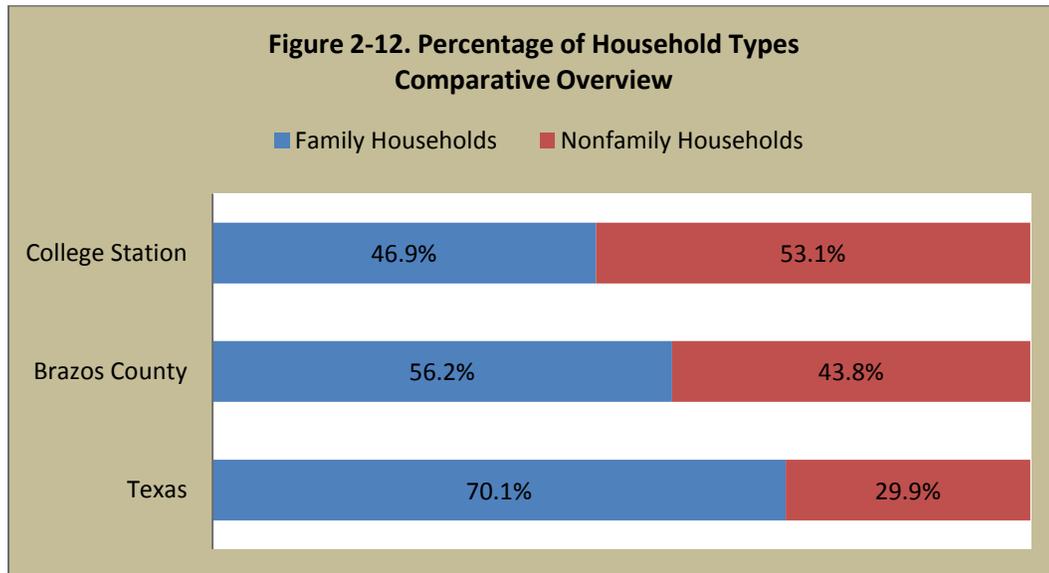


Source: Bureau of Labor Statistics

INCOME AND HOUSEHOLDS

As will be discussed below, income for College Station and Brazos County residents tends to be lower than that for residents of the state as a whole. These numbers are greatly influenced by the large local student population. Undergraduate students in particular are more likely to receive financial compensation outside of traditional wages, in the form of scholarships, grants, loans, gifts, and parental financial support. Graduate students, on the other hand, may not receive as much parental financial support, but rather, depend on teaching or research assistantships or have a working spouse.

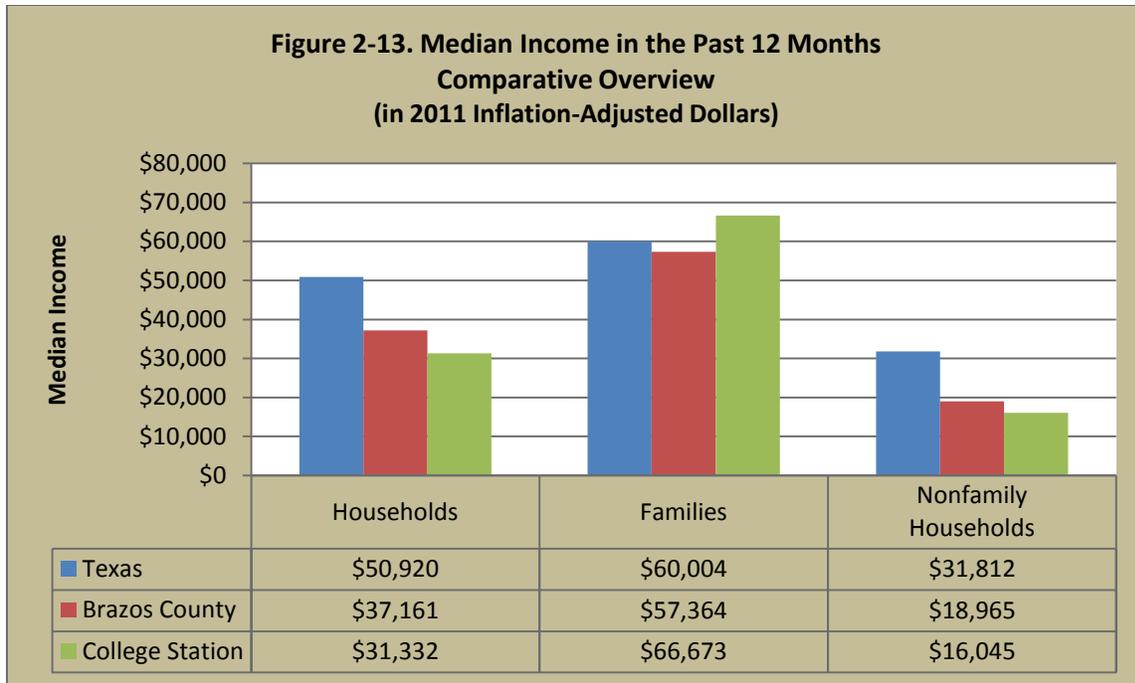
The U.S. Census Bureau defines a household as “all the people who occupy a housing unit as their usual place of residence.” This definition includes unrelated individuals – like college students, for example – living together. There are 31,832 distinct households in College Station, 67,612 in Brazos County and 8,667,807 in the State of Texas. The Census Bureau delineates between family and nonfamily households, in which a family is defined as “a group of two or more people who reside together and who are related by birth, marriage, or adoption.” Figure 2-12 illustrates the share of family and nonfamily households in each of the three geographies.



Source: US Census Bureau, American Community Survey 5-year estimates (2007-2011)

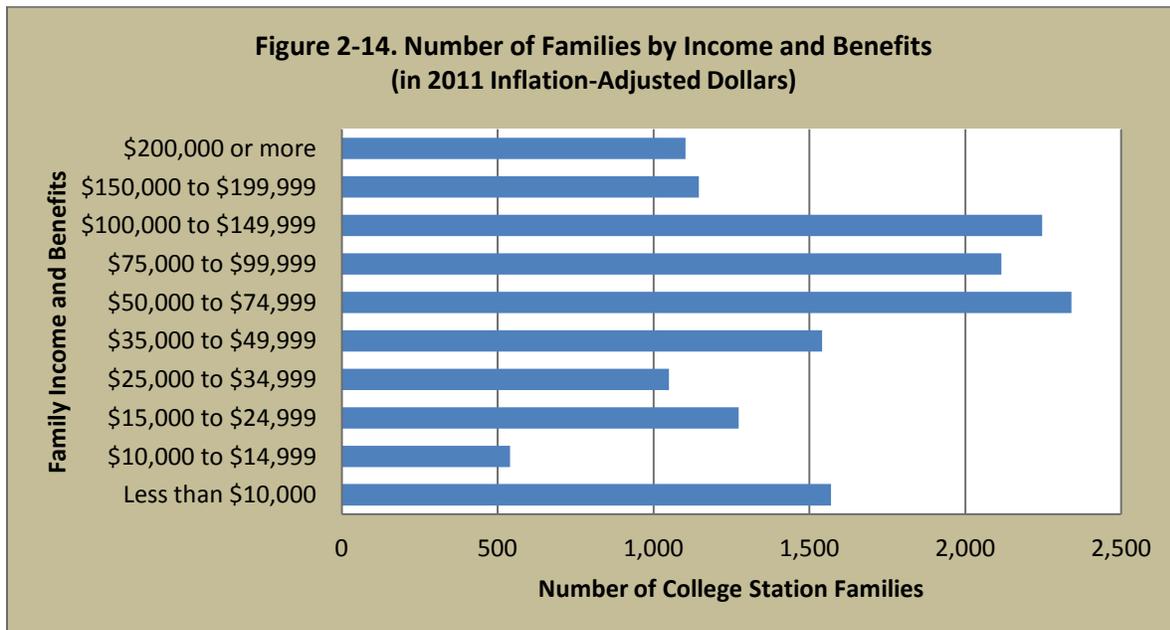
The City of College Station has a larger percentage of nonfamily households, very much unlike the county, and even more so the state. The State of Texas and Brazos County have a majority of family households (70.1% and 56.2%, respectively). Again, this difference is particularly influenced by unrelated, college-aged persons living together.

College Station families have a comparable, and even slightly greater, median income than that of families in the county and state (Figure 2-13). However, the income of College Station nonfamily households is much less than their counterparts. Combining the very low nonfamily income with the comparatively high number of nonfamily households creates a situation in which total household income of College Station is approximately 62.5% of the income of Texas households overall.



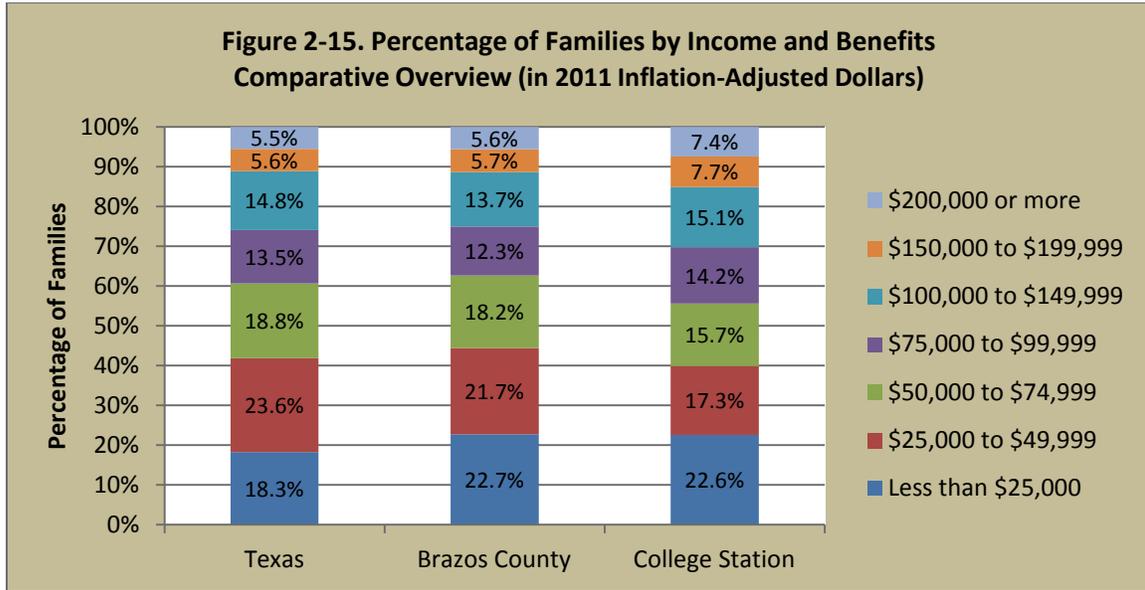
Source: US Census Bureau, American Community Survey 5-year Estimates (2007-2011)

Figure 2-14 provides a snapshot of Family Income and Benefits over five years, 2007-2011. Nearly half of the families in College Station earned between \$50,000 and \$150,000. A large number of families, in excess of 1,500, earned less than \$10,000 annually. There are about the same number of very high earning families as there are those that earn between \$15,000 and \$35,000. This distribution in income indicates that more families are financially stable than not.



Source: US Census Bureau, American Community Survey 5-year Estimates (2007-2011)

Comparing family income brackets (Figure 2-15), there are more very high earning families in College Station than in the county and state. Over 44% of families in College Station earn at least \$75,000, a percentage slightly greater than in the county and state. At the other end, the number of families in the lowest income bracket of under \$25,000 is higher in College Station and Brazos County, in fact, more than 4% higher locally than in the state as a whole. Thus, there are fewer middle-income earners in the city – families are more likely to be at the extremes.



Source: US Census Bureau, American Community Survey 5-year Estimates (2007-2011)

3 • THE LOW-INCOME POPULATION

While College Station has experienced steady growth in population since its incorporation in 1938, the significant increase in population over the last few decades has generated considerable challenges in recognizing the needs and providing adequate services to citizens in all levels of socioeconomic status. Over the last decade in particular, the city has seen demonstrative changes in age, race, and ethnicity. With those changes comes greater diversity in educational and economic conditions.

FEDERAL DETERMINATIONS OF POVERTY

There are two slightly different versions of the federal poverty measure: the poverty guidelines and the poverty thresholds.¹ The poverty guidelines, based on thresholds released by the US Census Bureau, are issued each year in the *Federal Register* by the Department of Health and Human Services (HHS), and are used for administrative purposes, such as determining financial eligibility for certain federal programs.

The US Department of Housing and Urban Development (HUD) identifies annual median income limits to determine the low-income target population. The 2013 figures for the College Station-Bryan MSA are found in Table 3-1.

Meet...

Jane Smith

Jane is a single mother of two living in College Station. She makes \$11 an hour working in the food service industry (\$18,876 yearly at 33 hrs a week) and is not provided any additional benefits like health insurance, sick leave, or any type of retirement savings option. Her oldest child Sarah (age 7) attends a local public elementary school and her youngest John (age 4) is in full-time child care.

Table 3-1. College Station-Bryan MSA FY 2013 Median Income Limits

Median Income	FY13 Income Limit Category	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
\$54,900	Extremely Low (30%) Income Limits	\$11,650	\$13,300	\$14,950	\$16,600	\$17,950	\$19,300	\$20,600	\$21,950
	Very Low (50%) Income Limits	\$19,400	\$22,150	\$24,900	\$27,650	\$29,900	\$32,100	\$34,300	\$36,500
	Low (80%) Income Limits	\$31,000	\$35,400	\$39,850	\$44,250	\$47,800	\$51,350	\$54,900	\$58,450

Source: US Department of Housing and Urban Development

¹ The 2013 HHS Poverty Guidelines, <http://ASPE.hhs.gov/poverty/13poverty/shtml>

By the HUD definition, persons having incomes at or below 80% of the area median income (AMI) are determined to be “low-income,” and they are eligible to receive assistance, housing and otherwise, from HUD resources. For example, a family of four can make no more than \$44,250 in gross annual income to participate in a federal housing program. The City of College Station, as an “entitlement city” (having a population of at least 50,000), receives funds directly from HUD in the form of two grants: the Community Development Block Grant (CDBG) and the HOME Investment Partnerships Program (HOME), to support the community with a specific emphasis on income-eligible beneficiaries.

The more complicated Federal Poverty Thresholds, the original version of the federal poverty measure, are used mainly for statistical purposes, such as estimating the number of Americans in poverty. They are updated each year and employ a detailed 48-cell matrix of thresholds that vary by family size, number of children, and ages of family members. Unlike the HUD program limits, the poverty thresholds are the same throughout the United States, without any geographic distinction. The poverty thresholds for 2012 (the most recent available) are shown in Table 3-2.

Table 3-2. 2012 Poverty Thresholds

Size of Family Unit	Related Children Under 18 Years								
	None	One	Two	Three	Four	Five	Six	Seven	Eight or More
One person									
Under 65 years	\$11,945								
65 years and over	\$11,011								
Two people									
HH under 65 years	\$15,374	\$15,825							
HH 65 years and over	\$13,878	\$15,765							
Three people	\$17,959	\$18,480	\$18,498						
Four people	\$23,681	\$24,069	\$23,283	\$23,364					
Five people	\$28,558	\$28,974	\$28,087	\$27,400	\$26,981				
Six people	\$32,847	\$32,978	\$32,298	\$31,647	\$30,678	\$30,104			
Seven people	\$37,795	\$38,031	\$37,217	\$36,651	\$35,594	\$34,362	\$33,009		
Eight people	\$42,271	\$42,644	\$41,876	\$41,204	\$40,249	\$39,038	\$37,777	\$37,457	
Nine people or more	\$50,849	\$51,095	\$50,416	\$49,845	\$48,908	\$47,620	\$46,454	\$46,165	\$44,387

Source: US Census Bureau

These poverty thresholds are more economically restrictive than the HUD measure, while also offering more detailed analysis based on household information. Consequently, the poverty limits for a family can be different, depending on the number of related children under age 18 in the home. For example, the limit for a family of four with two underage children is \$23,283, but the limit for a family of four with only one underage child is \$24,069.

Poverty statistics provide a picture of the population most in need and emphasize the economic hardship faced by the most destitute of individuals and families. For the most part, the thresholds reflect only about 50% (or less, in the case of smaller households) of the area median income for the College Station-Bryan area.

Meet...

James and Michelle

James and Michelle were “making it.” Both born and raised in the Brazos Valley, the high school sweethearts were married just as James was graduating college – the first of his family to do so. He had attended Blinn College and transferred to Texas A&M University, receiving a bachelor’s degree in Business Administration. While Michelle stayed home with their young sons Nathan and Ricky, James worked full-time in sales for a local company. His salary was enough to support the family’s essential needs, including housing, food, health insurance, and transportation. They were even able to put a small amount away each month in savings.

Due to unforeseen circumstances, his employer was forced to make a reduction in staff, and James was one of the first to go. He has been collecting unemployment benefits while searching for a new job, though the support is just a fraction of his previous salary. To help support the family, Michelle has found a part-time job working for the university.

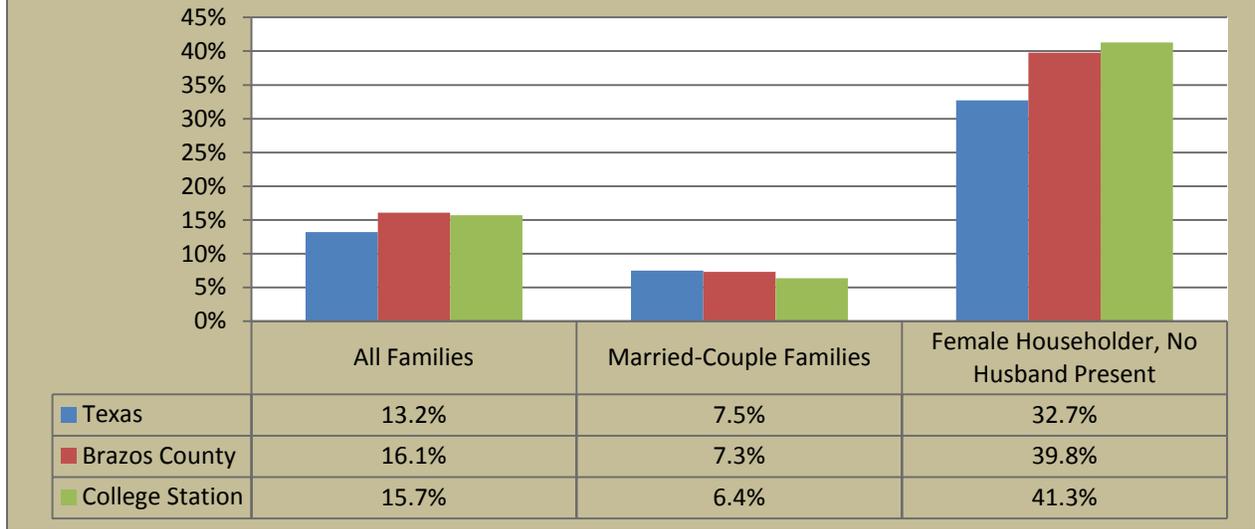
LOW-INCOME IN COLLEGE STATION

Poverty numbers for individuals in College Station are a bit misleading, due to the large full-time student population. The American Community Survey (5-year estimates 2007-2011) shows that, of the 78,892 College Station residents for whom poverty status was determined in the survey, 28,719, or 36.4%, live below the poverty level. The true population in poverty is lower, although meaningful to the community; of those included in the total number, approximately 19,570 are enrolled in higher education as undergraduate students. The difference is 9,149 individuals. The analysis that follows examines from different perspectives the poverty experienced by College Station residents.

LOW-INCOME DESCRIPTIONS

There are approximately 31,832 households in College Station. One effective way to separate households is through family status, as a “family” includes two or more related individuals. The percentage of families below the poverty level can be found in Figure 3-1.

**Figure 3-1. Percentage of Families By Type Below Poverty Level
Comparative Overview**

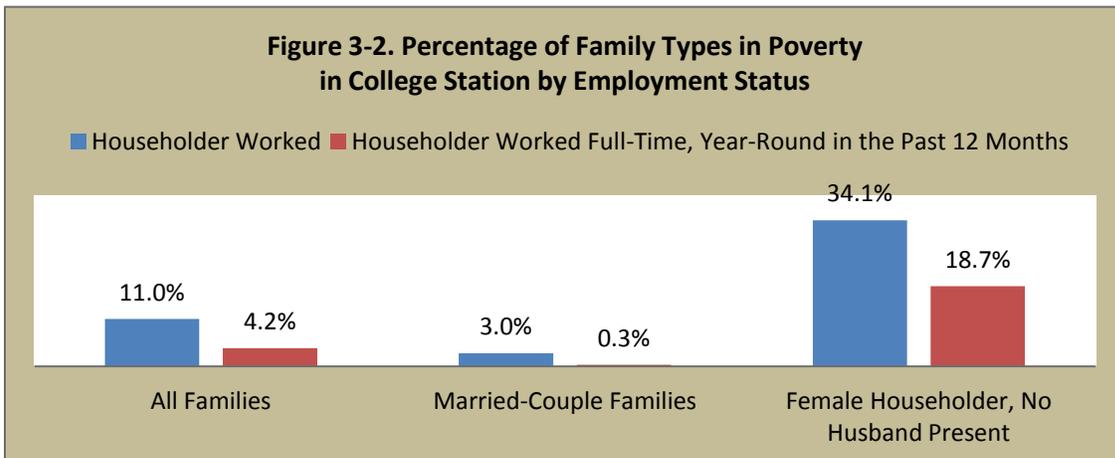


Source: US Census Bureau, American Community Survey 5-year Estimate (2007-2011)

For all families in College Station, 15.7% are below the poverty level, compared to 13.2% across the state. The percentage of married-couple families is predictably lower across the board, with College Station having the lowest at only 6.4%. However, the family structure most in financial need is that of a female householder with no husband present. In College Station, 41.3% of all single mothers are in poverty. Regardless of whether the statistics are considered at the state, county, or local level, two-parent families are least likely to be in poverty, and single mothers have the greatest need for assistance.

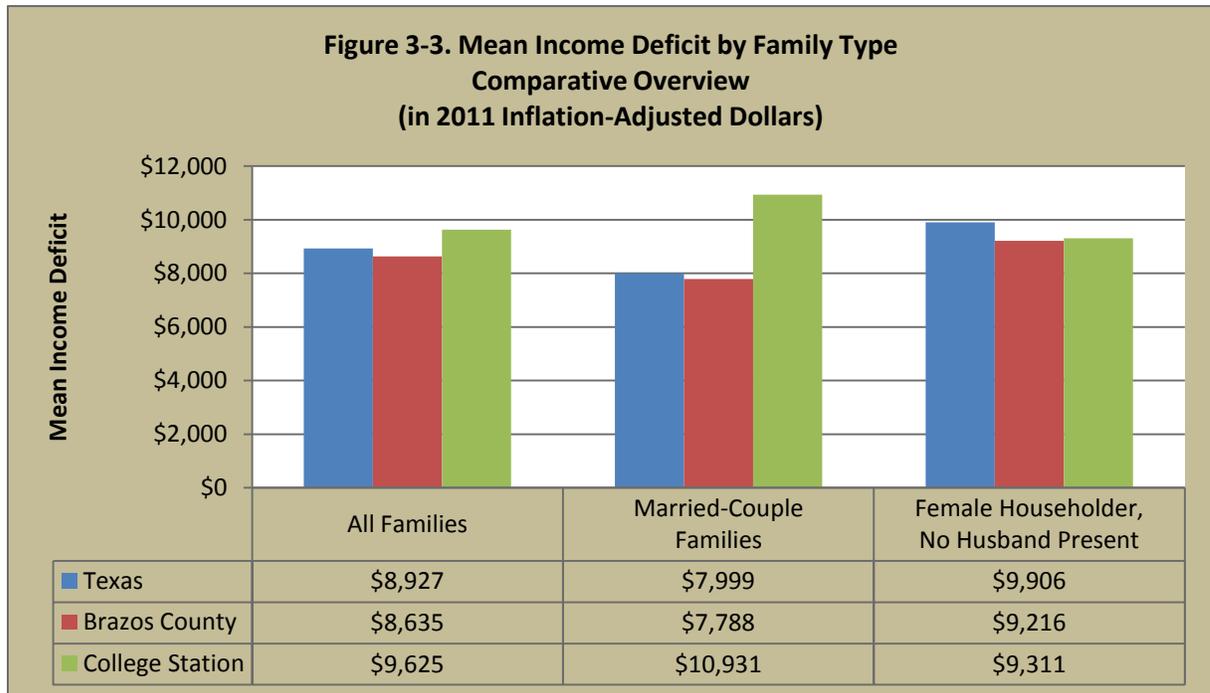
Full-time employment can greatly influence the financial position of a given wage earner. If a householder is working even part-time, the family is less likely to be in poverty (Figure 3-2). Families are in an even better financial position if the householder is employed full-time, with only 4.2% below poverty. However, even as full-time employees, nearly one-fifth of single mothers with full-time jobs are below poverty.

**Figure 3-2. Percentage of Family Types in Poverty
in College Station by Employment Status**



Source: US Census Bureau, American Community Survey 5-year Estimates (2007-2011)

Although poverty overall is not quite as prevalent in College Station, those families affected by economic hardship seem to be worse off than in the county or state. One way of assessing this is via the income deficit, the difference in dollars between family income and the family’s poverty threshold (Figure 3-3).

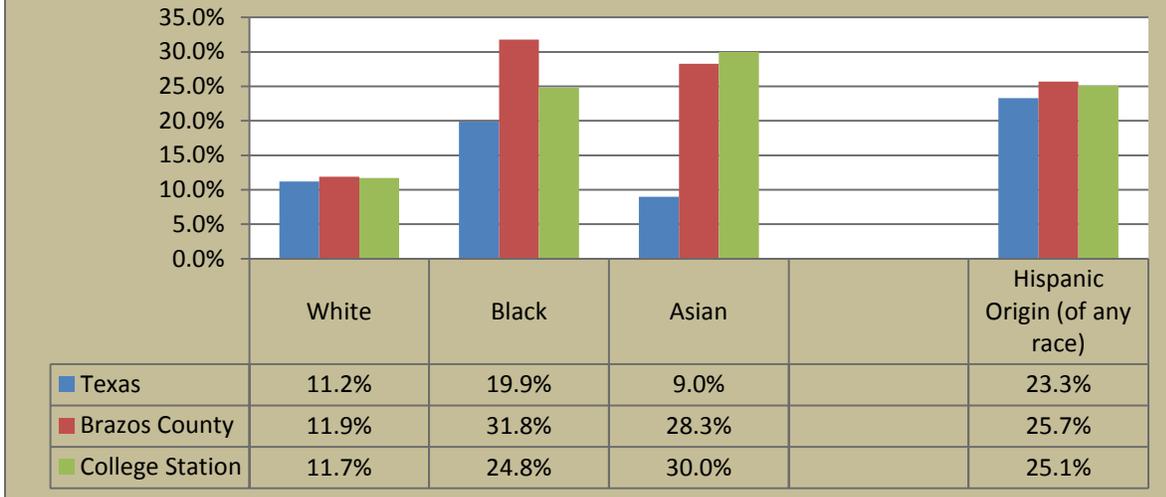


Source: US Census Bureau, American Community Survey 5-year Estimates (2007-2011)

Families in College Station face a greater income deficit than those in the county or state, at \$9,625. That means that a typical family in poverty generates an annual income that falls \$9,625 short of the poverty limit. To illustrate, the 2012 poverty threshold for a family of four with two related children is \$23,283 (refer to Table 3-2). To reflect the average income deficit, that family would earn just \$13,658 for the year, hardly enough to live comfortably, and in fact, 41% below the poverty limit. In HUD terms, this family would fall below the “Extremely Low Income” category, less than 30% of the area median income. Married-couple families see an even greater deficit. This deviation could be due to a lack of low-skill jobs, or perhaps a large number of graduate student families living off student loans rather than regular employment.

The minority population in College Station has grown considerably over the last decade but tends to be in greater financial need than the white population (Figure 3-4). The percentage of Asian families in College Station below poverty is three times that of families in Texas. The numbers in the Asian community are elevated due to the number of foreign graduate students enrolled at Texas A&M, and these numbers often include spouses and children. The other race/ethnicity groups are fairly consistent among the city, county, and state; unfortunately, this further solidifies that regardless of geography – or local/regional resources, for that matter – minority families face a greater threat of financial duress. In fact, minority poverty rates in College Station actually exceed those throughout the state.

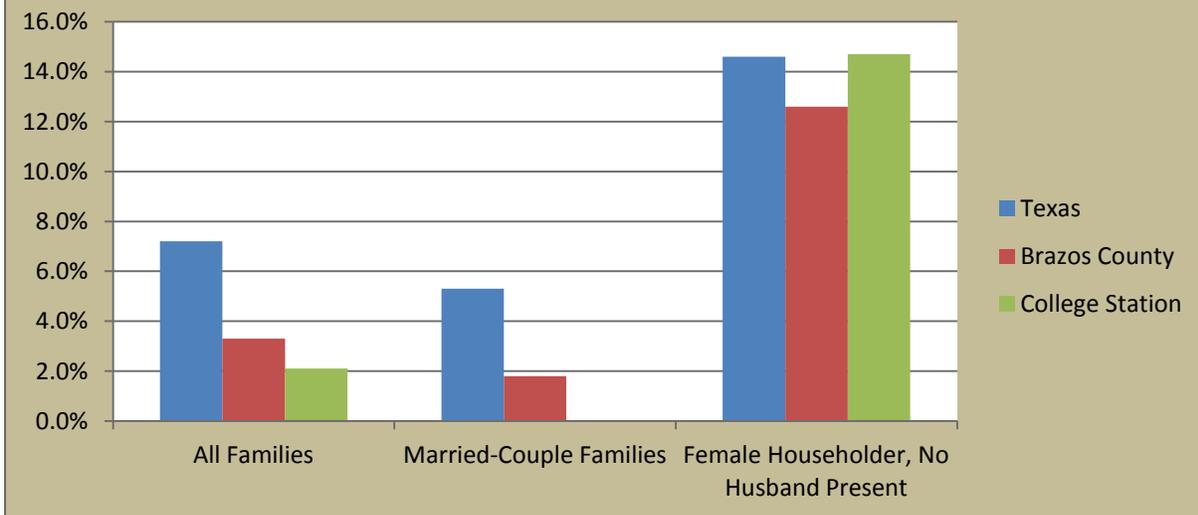
Figure 3-4. Percentage of Families in Poverty By Race/Ethnicity Comparative Overview



Source: US Census Bureau, American Community Survey 5-year Estimates (2007-2011)

The elderly population, in which the householder is at least 65 years old, can be more vulnerable to the negative impacts of financial hardship due to potential limitations on mobility and lack of an external support system, in addition to living on a fixed income (Figure 3-5). For all family types, the state and county have a higher percentage of elderly in poverty. In fact, the percentage of elderly in poverty at the state level is nearly 3.5 times higher (7.2% to 2.1%, respectively). Elderly married-couple families are unlikely to be in poverty in College Station. This group likely includes many former students of Texas A&M returning to College Station after retirement. On the other hand, the most at-risk elderly population in Texas, Female Householder with No Husband Present, is just as poverty-stricken in the city (14.6% to 14.7%, respectively).

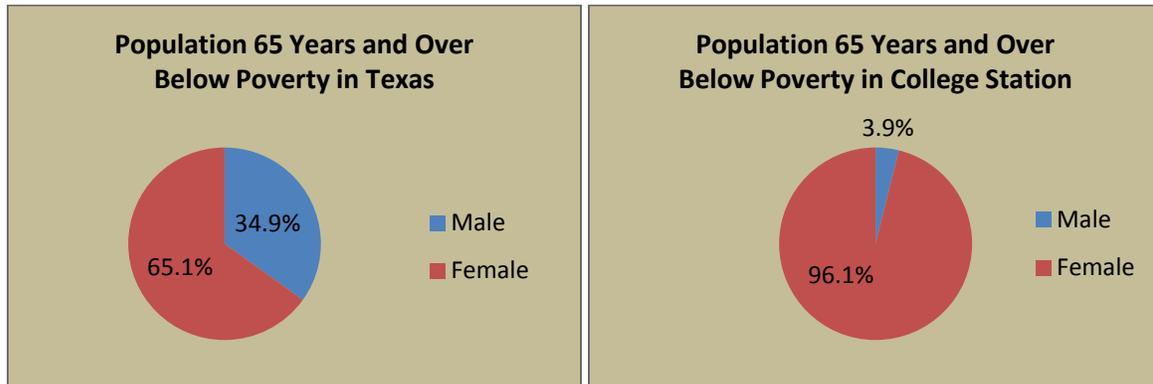
Figure 3-5. Percentage of Family Types in Poverty - Householder 65 Years and Over, Comparative Overview



Source: US Census Bureau, American Community Survey 5-year Estimates (2007-2011)

Although College Station has a lower percentage of elderly households in poverty, the proportion of impoverished elderly men and women is quite different. Across the State of Texas, almost two-thirds of elderly in poverty is women. Locally, females make up nearly the entire population subset (Figure 3-6).

Figure 3-6. Percentage of Elderly In Poverty By Gender Comparative Overview



Source: US Census Bureau, American Community Survey 5-year Estimates (2007-2011)

HOUSEHOLDS RECEIVING FEDERAL ASSISTANCE

Another way to look at the income-limited population is through the provision of certain types of governmental assistance (Table 3-3). A small percentage of households in College Station receive aid through Supplemental Security Income, Cash Public Assistance Income, and Food Stamps/SNAP. The purposes of those federal programs are as follows:

- Supplemental Security Income (SSI) – funded by general tax revenues, it is designed to help aged, blind, and disabled people who have little to no income by providing cash to meet basic necessities
- Cash Public Assistance Income – includes cash benefits through Temporary Assistance to Needy Families, or TANF
- Food Stamps/SNAP – now known as the Supplemental Nutrition Assistance Program, SNAP offers noncash benefits as a hunger safety net

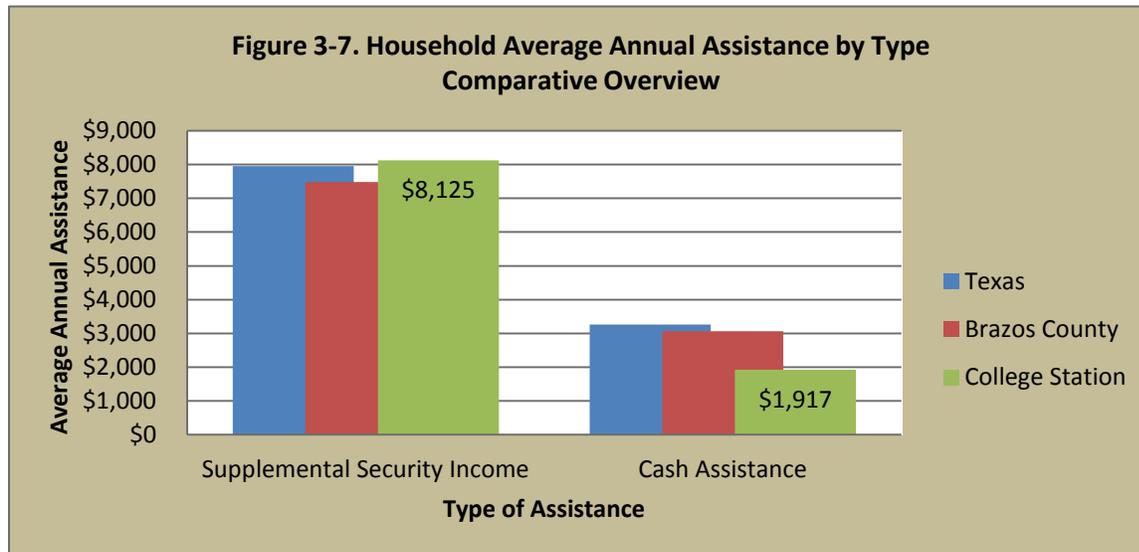
Table 3-3. Households Receiving Assistance Comparative Overview

Households by Type of Assistance	Texas		Brazos County		College Station	
	Estimate	Percent	Estimate	Percent	Estimate	Percent
Total Households	8,667,807		67,612		31,832	
With Supplemental Security Income	342,218	3.9%	1,931	2.9%	537	1.7%
With Cash Public Assistance Income	147,320	1.7%	1,806	2.7%	218	0.7%
With Food Stamp/SNAP Benefits	969,004	11.2%	6,183	9.1%	1,252	3.9%

Source: US Census Bureau, American Community Survey 5-year Estimates (2007-2011)

Of these programs, SNAP is the most utilized among each jurisdiction. In College Station, 1,252 households receive this type of assistance. The county exceeds the state in Cash Public Assistance Income, though relatively fewer households in the city depend on such benefits. The percentage of elderly (60 years and over) households in College Station receiving SNAP is about half that of total households at 2%.

Although not many households receive SSI in College Station (1.7%), the average amount received is \$8,125 annually (Figure 3-7), or approximately \$677 per month. For those who are elderly and/or disabled, this could potentially be their only source of income. Conversely, the level of cash assistance is quite a bit lower in College Station; about a third lower than Brazos County or the State of Texas.



Source: US Census Bureau, American Community Survey 5-year Estimates (2007-2011)

LOW INCOME AND THE CSISD

Enrollment growth at College Station ISD is a byproduct of the continued rise in population in the city overall (Figure 2-7). As previously discussed, the school district offers a desirable public school system with many high-achieving campuses. From 2008 to 2012, district enrollment increased by nearly 11%. Coinciding with that growth, the percentage of students “economically disadvantaged”² increased from 31.42% in 2008-2009 to 35.13% in 2011-2012, a rise of 3.71% (Table 3-4). The greatest year-to-year increase occurred from 2010-11 to 2011-12, the most recent data available.

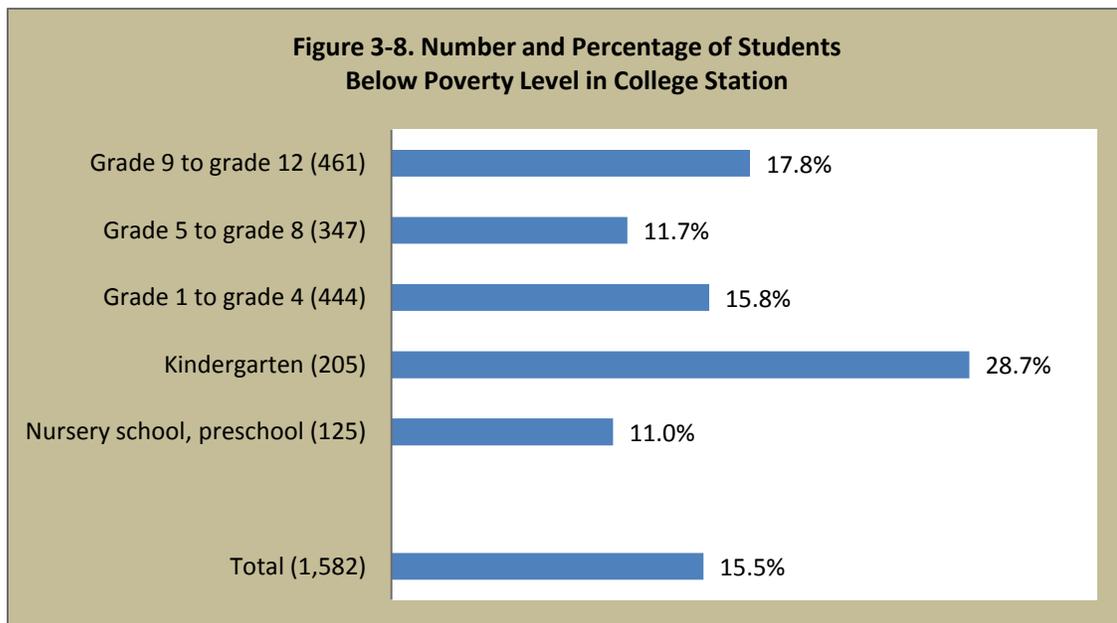
² An “economically disadvantaged” student comes from a family with an annual income below a level which is based on low-income thresholds according to family size published by the U.S. Bureau of the Census, adjusted annually for changes in the Consumer Price index, and adjusted by the Secretary of Health and Human Services (HHS) (<http://www.hopkinsmedicine.org/geneticmedicine/residency/Disadvantaged.html>). In the CSISD, an economically disadvantaged student is eligible for free or reduced-price lunch or eligible for other public assistance, as defined in the Texas Education Agency’s Public Education Information Management System (PEIMS) Data Standards. Eligibility for free or reduced-price lunch or other public assistance is reported for each student at the time of enrollment and is used as a proxy for economically disadvantaged status. (College Station ISD January 2011 School District Summary)

Table 3-4. Economically Disadvantaged Students in College Station ISD 2008-2012

Year	Eligible for Free Meals		Eligible for Reduced Meals		Other Economically Disadvantaged		Not Economically Disadvantaged		Total Count
	Count	%	Count	%	Count	%	Count	%	
2008-2009	1,254	12.85%	613	6.28%	1,198	12.28%	6,691	68.58%	9,756
2009-2010	1,337	13.24%	658	6.51%	1,338	13.24%	6,769	67.01%	10,102
2010-2011	1,295	12.29%	568	5.39%	1,665	15.80%	7,007	66.51%	10,535
2011-2012	3,077	28.48%	643	5.95%	76	0.70%	7,009	64.87%	10,805

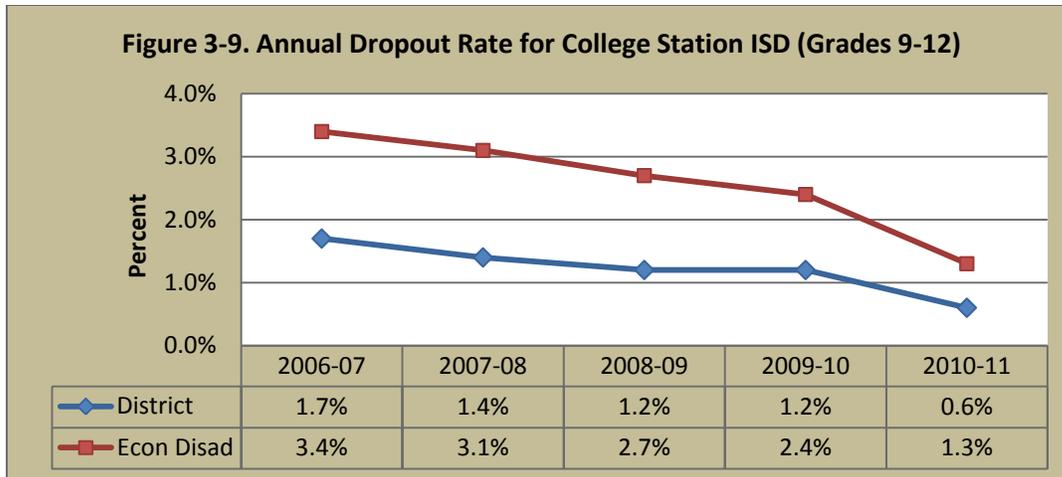
Source: College Station ISD

Furthermore, US Census data reveals that 15.5% of the school-age population enrolled in elementary and secondary education is in poverty, with the highest concentrations of poverty-stricken students in kindergarten (28.7%) and high school (17.8%, Figure 3-8). The numbers in parentheses estimate the actual number of low-income students per level of school.



Source: US Census Bureau, American Community Survey 5-year Estimates (2007-2011)

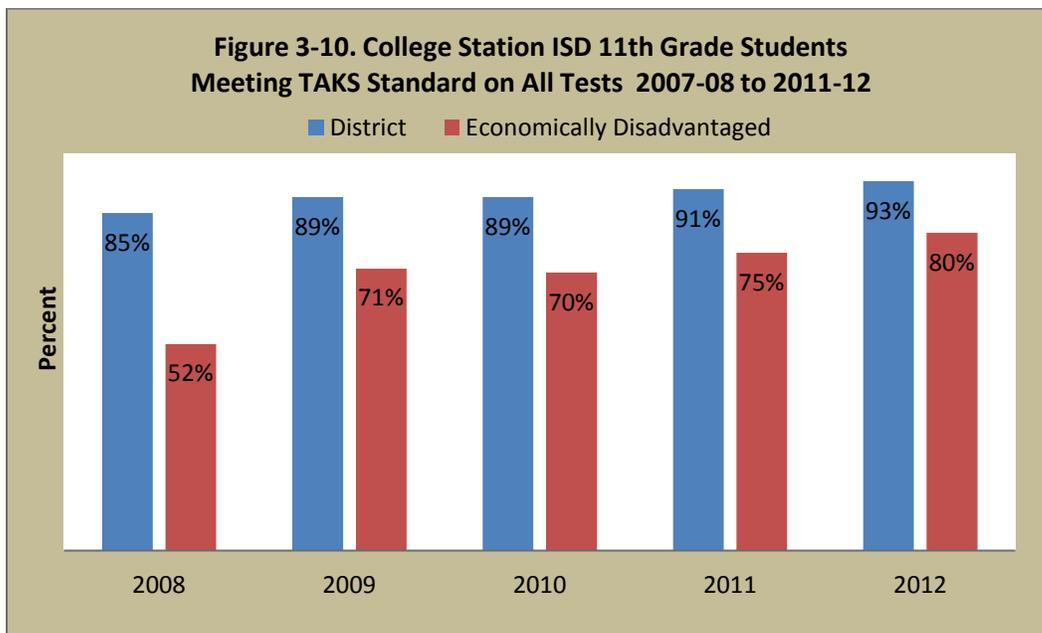
Economically disadvantaged students drop out of school at a higher rate and score lower on standardized tests than students who do not face such disadvantages. Over a five-year period, economically disadvantaged students in CSISD Grades 9 – 12 were twice as likely to drop out of school (Figure 3-9). Dropout rates are declining, but the disparity remains between students who are economically disadvantaged and those who are not.



Source: College Station ISD, AEIS (2009-2012)

Multi-year performance on the statewide Texas Assessment of Knowledge and Skills, or TAKS, for all students in the 11th Grade is displayed in Figure 3-10. The test is administered at multiple grade levels throughout the district, but for the sake of brevity, only students nearing completion of their high school studies are considered here. Scores are improving annually, but nonetheless, economically disadvantaged students are not performing as well as their peers, with 13% fewer meeting the TAKS standard in 2012.

Jane Smith
 Jane comes from a single parent/low income household herself. She dropped out of high school her junior year when she became pregnant and has not completed her GED. She would like to take GED classes offered through a program at the Brazos Valley Council of Governments but cannot seem to find the time.



Source: College Station ISD, AEIS (2009-2012)

4 • BASIC NEEDS

Important to the understanding of the low and moderate income populations of College Station is the understanding of the conditions faced in meeting basic needs. The following section examines existing conditions for low or moderate income households in the areas considered to be basic needs. It also looks at what's basically needed to bring citizens out of a mode of sole subsistence to a level of financial independence. Primarily, employment, housing, financial security, transportation and health care will be explored.

BASIC NEEDS FINANCIAL OVERVIEW

The Center for Public Policy Priorities (CPPP), a nonpartisan, non-profit policy institute, has established a *Family Budget Estimator*, which uses a variety of data resources to provide “a realistic picture of how much it costs Texas families in different areas of the state to meet their basic needs, such as housing, food, child care, and health care.” The online module allows users to enter in a series of alternatives regarding family size and savings for each of Texas’ 26 metropolitan areas, including the College Station-Bryan MSA.

For a two working adult, two child family in College Station-Bryan to meet basic necessities, and without any savings, CPPP estimates the family must have an annual income of \$42,612, or \$3,551 per month (Table 4-1). Although this amount does not include much, if any, discretionary spending, the estimated annual income needed is nearly twice that of the 2012 poverty threshold for the same family. In fact, there is nearly a \$20,000 difference between “just above poverty level” and “meeting basic necessities.”

Table 4-1. CPPP 2013 Budget Estimator for the College Station-Bryan MSA

Basic Necessities	Housing	\$843	Federal Taxes	Payroll Tax	\$197
	Food	\$731		Income Tax	\$129
	Child Care	\$633		Earned Income Credit	(\$3)
	Transportation	\$471		Child Tax Credit	(\$167)
	Other Necessities	\$309		Child and Dependent Care Credit	(\$100)
Medical	Insurance	\$395		Total	\$56
	Out-of-Pocket	\$113			
Total		\$3495			
Savings	Emergencies/Rainy Day	\$0			
	Retirement	\$0			
	College	\$0			
Total		\$0			
Family Bottom Line for the Month					
Total Monthly Income Needed to Cover Expenses					
\$3,551					

Source: www.familybudgets.org

To achieve the income threshold needed to meet basic necessities as described above, each worker must earn at least \$11 per hour. CPPP claims that, of the five most common occupations in the local area, only 60% offer a median hourly rate that would meet that need. Furthermore, CPPP estimates that 21.5% of such families do not make enough to meet the basic expenses outlined above. The situation becomes worse if only one adult is responsible for providing for the family. For a one working adult, two child family, the employed adult must earn \$17 per hour – an amount more difficult to obtain, especially for those lacking a college education.

James and Michelle

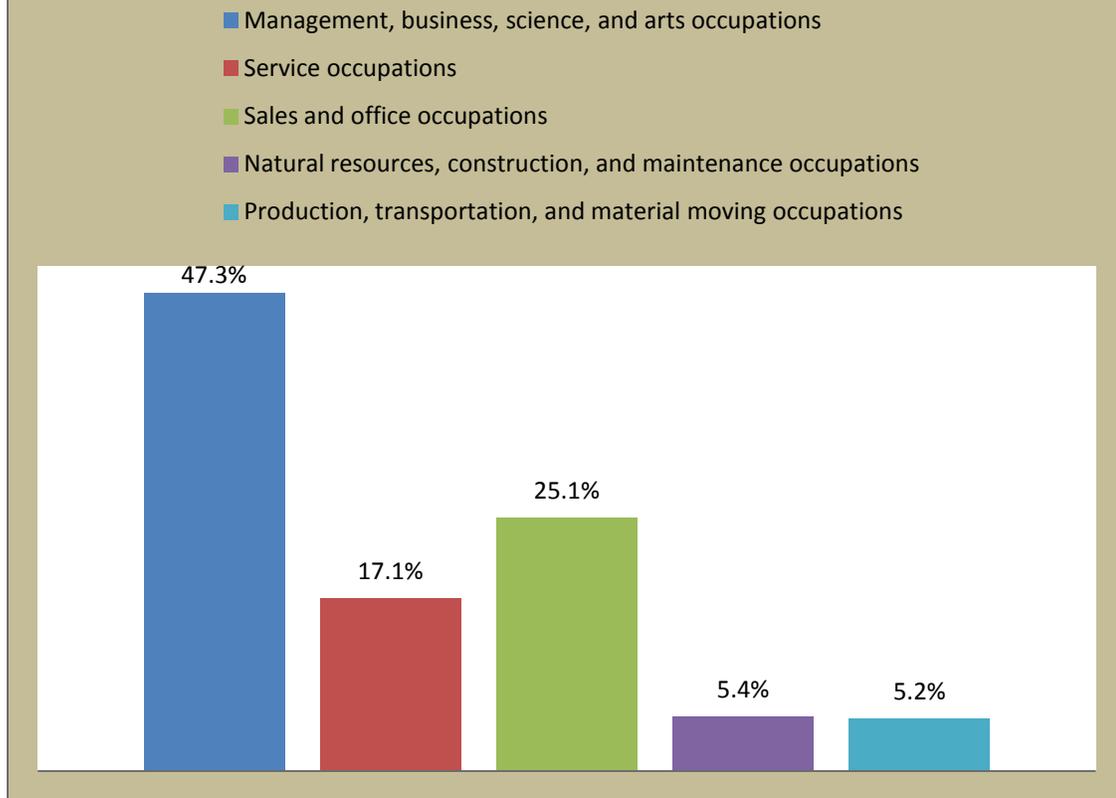
The debt they could previously handle has begun to intensify – a car payment with several years still to go, thousands of dollars in student loans, and now rising credit card debt – not counting regular monthly expenditures in utilities, phone service, and cable and internet. The family has had to become more resourceful regarding their food, working with a very limited budget. Despite Michelle’s reticence to seek a handout, she has visited a couple of the area food pantries that offer alternatives to their regular diet.

With their savings dwindling, James and Michelle are at significant risk of falling into financial trouble too steep to overcome. The stress and tension throughout their home magnifies with each unsuccessful application. They fear that any significant event could put them over the edge.

EMPLOYMENT

The prominent public sector in the College Station and Bryan communities provides many employment opportunities for area residents. Major employers in the metro area include the cities of (and school districts within) Bryan and College Station, Texas A&M University, and Brazos County. Health care is a key industry as well, with the College Station Medical Center and the newly-opened Scott & White Hospital within city limits. Figure 4-1 shows the most prevalent occupations in College Station.

Figure 4-1. Occupations in College Station



Source: US Census Bureau, American Community Survey 5-year Estimates (2007-2011)

The category of management, business, science, and arts makes up nearly half (47.3%) of all occupations in the city, which is higher than in the county or state. The two smallest categories are less than half of the percentages of the same for the State of Texas, illustrating the lack of those types of jobs in the local area. Because so many of the jobs included in the highest category are white collar professional positions, the prospects of residents who do not have the requisite education are limited. While service occupations are certainly available in this community with the city's reliance on service-oriented jobs and retail positions, these areas typically are low-paying. In addition, such jobs are vied for by the large student segment as temporary employment, in direct competition to the under-educated resident population. Manufacturing and other low-skill jobs are relatively scarce.

Total non-farm payroll employment has increased over the last decade, with the greatest growth in state government, leisure and hospitality, and education and health services. In fact, in the last four years, the largest growth occurred in state government, which

Jane Smith

Jane considers taking a second job to bring in more income, but must weigh this decision against more time away from her children and the added expense of more childcare. For now she earns a little extra cash (about \$500 a year) by donating plasma at a local biological company.

includes Texas A&M University. Another major industry locally is health care, with three regional hospital centers in the College Station-Bryan area. Health care occupations make up 20-25% of the job base and this segment is expected to rise in the future.

In the coming years, the Texas Workforce Commission forecasts that for the Brazos Valley Workforce Development Area (consisting of Brazos, Burleson, Grimes, Leon, Madison, Robertson, and Washington Counties), demand for lower-skill jobs will continue, though competition will increase as the population increases. Tables 4-2, 4-3, and 4-4 highlight the most numerous jobs over the next several years.

Table 4-2. Brazos Valley Workforce Development Area Job Growth and Educational Requirements 2010-2020

Occupations Adding the Most Jobs 2010-2020	# of Jobs	Typical Education Required for Entry
Food Preparation Workers	1,540	Less than high school
Office Clerks, General	760	High school diploma or equivalent
Retail Salespersons	730	Less than high school
Elementary School Teachers	660	Bachelor's degree
Cashiers	620	Less than high school
Registered Nurses	610	Associate's degree
Personal Care Aides	510	Less than high school
Waiters & Waitresses	500	Less than high school
Janitors & Cleaners	410	Less than high school
Home Health Aides	350	High school diploma or equivalent

Source: Texas Workforce Commission

Table 4-3. Brazos Valley Workforce Development Area Average Annual Job Growth and Educational Requirements 2010-2020

Occupations with Most Projected Annual Average Job Openings, 2010-2020	# of Jobs	Typical Education Required for Entry
Food Preparation Workers	250	Less than high school
Farmers, ranchers, & Other Agricultural Managers	235	High school diploma or equivalent
Cashiers	215	Less than high school
Retail Salespersons	200	Less than high school
Waiter & Waitresses	170	Less than high school
Office Clerks, General	145	High school diploma or equivalent
Farmworkers & Laborers, Crop, Nursery, & Greenhouse	145	Less than high school
Elementary School Teachers	105	Bachelor's degree
Registered Nurses	100	Associate's degree
Childcare Workers	90	High school diploma or equivalent

Source: Texas Workforce Commission

Table 4-4. Brazos Valley Workforce Development Area Fastest Growing Occupations and Educational Requirements 2010-2020

Fastest Growing Occupations 2010-2020	Growth Rate	Typical Education Required for Entry
Home Health Aides	48.6%	Less than high school
Personal Care Aides	46.4%	Less than high school
Combined Food Preparation and Serving Workers	45.0%	Less than high school
Medical Secretaries	38.2%	High school diploma or equivalent
Middle School Teachers	36.0%	Bachelor's degree
Elementary School Teachers	35.9%	Bachelor's degree
Educational Guidance Counselors	32.8%	Master's degree
Supervisors of Food Preparation and Serving Workers	31.2%	High school diploma or equivalent
Food Preparation Workers	28.6%	Less than high school
Registered Nurses	28.4%	Associate's degree

Source: Texas Workforce Commission

HOUSING

A significant challenge faced by the low- and moderate-income population is securing decent and affordable housing, rental and owner alike. Because of the dominant student population, about 65% of the total housing units in the city are rentals – inversely proportional to the state. This creates a scenario in which 1) there is a relatively limited supply of homeownership opportunities, and 2) nonstudent households are forced to compete with students in the inflated rental market.

HOUSING CONDITION SURVEY

In early 2010, the City assessed the physical condition of the residential building stock in College Station. The survey covered a total of 17,978 structures. Of these, 13,640 were single-family homes, 2,413 were multi-family units, 1,584 were duplexes, 310 were either mobile or manufactured homes, and 13 were “other” residential structures such as burned houses, converted garages, and haphazardly-constructed shelters. The vast majority (65.8%) of the structures surveyed were deemed to be in “Excellent” condition. A sizable minority of the buildings (31.6%) were in a “Conservable” state, and 2.5% of all structures were classified as either “Substandard” or “Dilapidated”. Of the “Substandard” and “Dilapidated” housing, 55% (221) were single-family homes, 13% (51) were duplexes, 31% (124) were multi-family units, and the remainder (8) were manufactured homes or “other” structures.

SINGLE-FAMILY HOMEOWNERSHIP

Most first time homebuyers use the loan product insured by the Federal Housing Administration known as an FHA loan.¹ This loan product is attractive to low and moderate income households because the down payment can be as low as 3.5% of the purchase price, credit scores can be lower than for conventional loan products, and most of the closing costs and fees can be included in the loan.

AFFORDABILITY

For an FHA insured loan, the total monthly house payment (which includes principal, interest, taxes, and insurance - PITI), cannot exceed 31% of a household’s gross monthly income. Further, a household’s total monthly debt (e.g., credit cards, student loans, car notes) plus monthly house payment cannot exceed 43% of gross monthly income.² Conventional loan products generally have ratios that are slightly higher (33%/45% for example) and are more difficult to acquire because they have stricter criteria.

Households at or below 80% of the area median income can afford the following monthly PITI payments if acquiring an FHA loan (with and without participation in the City’s Down Payment Assistance Program – DAP-funded via the federal HOME Investment Partnership Grant):

¹ <http://online.wsj.com/article/PR-CO-20130422-909953.html#>

² <http://archives.hud.gov/offices/hsg/sfh/ref/sfhp2-12.cfm>

Table 4-5. Housing Payment Affordability Estimates for Those Below 80% of Area Median Income

	Number in Household							
	1	2	3	4	5	6	7	8
Income (80% of AMI)	\$31,000	\$35,400	\$39,850	\$44,250	\$47,800	\$51,350	\$54,900	\$58,450
31% Monthly	\$801	\$915	\$1,029	\$1,143	\$1,236	\$1,327	\$1,418	\$1,510
Home Price*	\$101,000	\$115,200	\$129,300	\$143,300	\$154,800	\$166,100	\$177,300	\$188,700
Home Price With DAP**	\$111,600	\$127,200	\$142,800	\$158,300	\$171,000	\$183,400	\$195,800	\$208,400

*Assumes a 4% interest rate, 3.5% down payment, 30-year term, 2% fees, and less than 12% of monthly income going to consumer debt payments

**Assumes a 4% interest rate, 15.5% down payment, 30-year term, 2% fees, and less than 12% of monthly income going to consumer debt payments

Source: US Department of Housing and Urban Development 2013 Income Limits

Households at or below 50% of the area median income can afford the following monthly PITI payments if acquiring an FHA loan (with and without Down Payment Assistance):

Table 4-6. Housing Payment Affordability Estimates for Those Below 50% of Area Median Income

	Number in Household							
	1	2	3	4	5	6	7	8
Income (50% of AMI)	\$19,400	\$22,150	\$24,900	\$27,650	\$29,900	\$32,100	\$34,300	\$36,500
31% Monthly	\$501	\$572	\$643	\$714	\$772	\$829	\$886	\$943
Home Price*	\$64,000	\$72,800	\$81,600	\$90,300	\$97,500	\$104,500	\$111,600	\$118,600
Home Price With DAP**	\$70,700	\$80,400	\$90,100	\$99,800	\$107,700	\$115,400	\$123,200	\$131,000

*Assumes a 4% interest rate, 3.5% down payment, 30 year term, 2% fees, and less than 12% of monthly income going to consumer debt payments

**Assumes a 4% interest rate, 15.5% down payment, 30 year term, 2% fees, and less than 12% of monthly income going to consumer debt payments

Source: US Department of Housing and Urban Development 2013 Income Limits

Households at or below 30% of the area median income can afford the following monthly PITI payments if acquiring an FHA loan (with and without Down Payment Assistance):

Table 4-7. Housing Payment Affordability Estimates for Those Below 30% of Area Median Income

	Number in Household							
	1	2	3	4	5	6	7	8
Income (30% of AMI)	\$11,650	\$13,300	\$14,950	\$16,600	\$17,950	\$19,300	\$20,600	\$21,950
31% Monthly	\$301	\$344	\$386	\$429	\$464	\$499	\$532	\$567
Home Price*	\$39,300	\$44,600	\$49,800	\$55,100	\$59,400	\$63,800	\$67,800	\$72,200
Home Price With DAP**	\$43,400	\$49,300	\$55,000	\$60,850	\$65,600	\$70,400	\$75,000	\$79,700

*Assumes a 4% interest rate, 3.5% down payment, 30 year term, 2% fees, and less than 12% of monthly income going to consumer debt payments

**Assumes a 4% interest rate, 15.5% down payment, 30 year term, 2% fees, and less than 12% of monthly income going to consumer debt payments

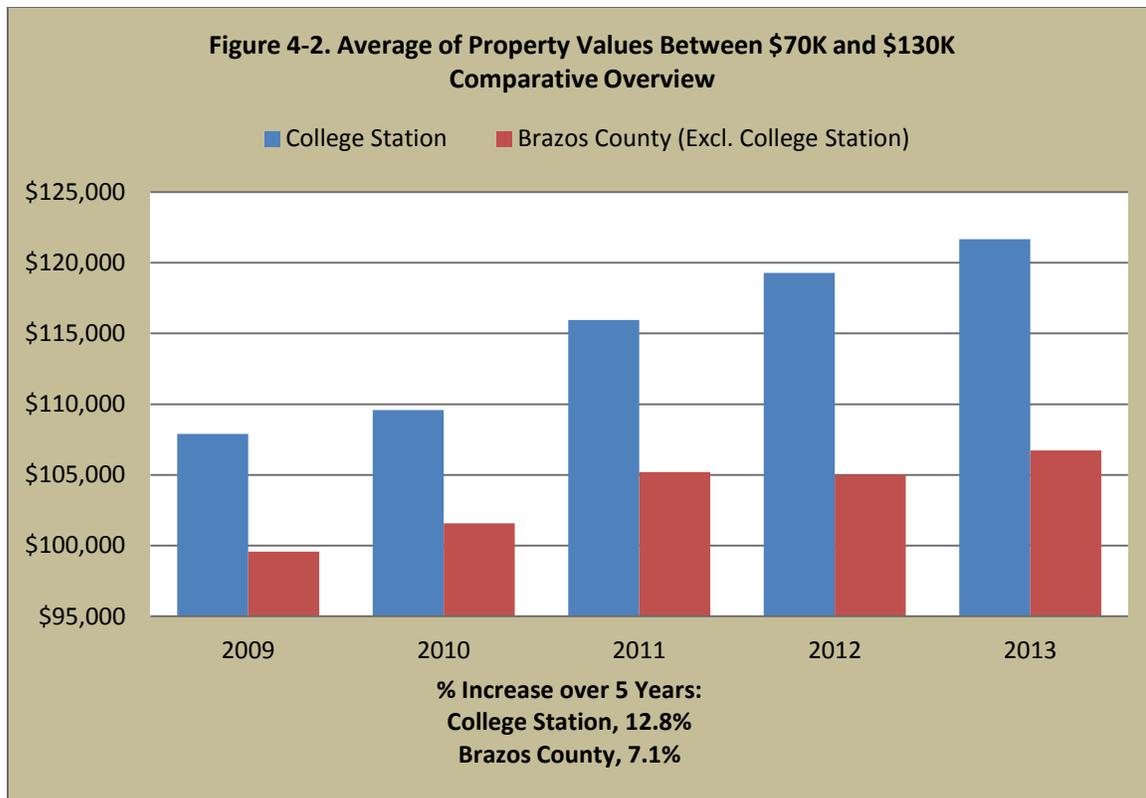
Source: US Department of Housing and Urban Development 2013 Income Limits

HOMEOWNERSHIP OPPORTUNITIES

Homeownership opportunities are less attainable in College Station than in the surrounding areas and in the State and Nation. According to the *American Community Survey*, only 3.1% of homes in College Station have a value of less than \$50,000 (compared to 12.2% in Brazos County and 12.6% in Texas) and only 6.9% of homes in College Station have a value between \$50,000 to \$99,999 (compared to 17.4% for Brazos County and 24.6% for Texas). The lack of existing homes valued at less than \$100,000 in College Station, as indicated by this census data, points to a lack of affordable homeownership opportunities. Of the 226 metro areas in the United States, College Station-Bryan, TX, ranks 182nd for affordability (meaning that there are 181 more affordable metro areas in the country).³

According to Brazos Central Appraisal District data, the average value of structures in College Station between \$70,000 and \$130,000 has increased 12.8% over the past five years (2009 – 2013) from \$107,903 to \$121,672 (Figure 4-2). This is compared to a 7.1% increase for the county (excluding College Station) for the same time period, where the average increased from \$99,580 to \$106,722.

³ *Housing Opportunity Index: 4th Quarter, 2012.*

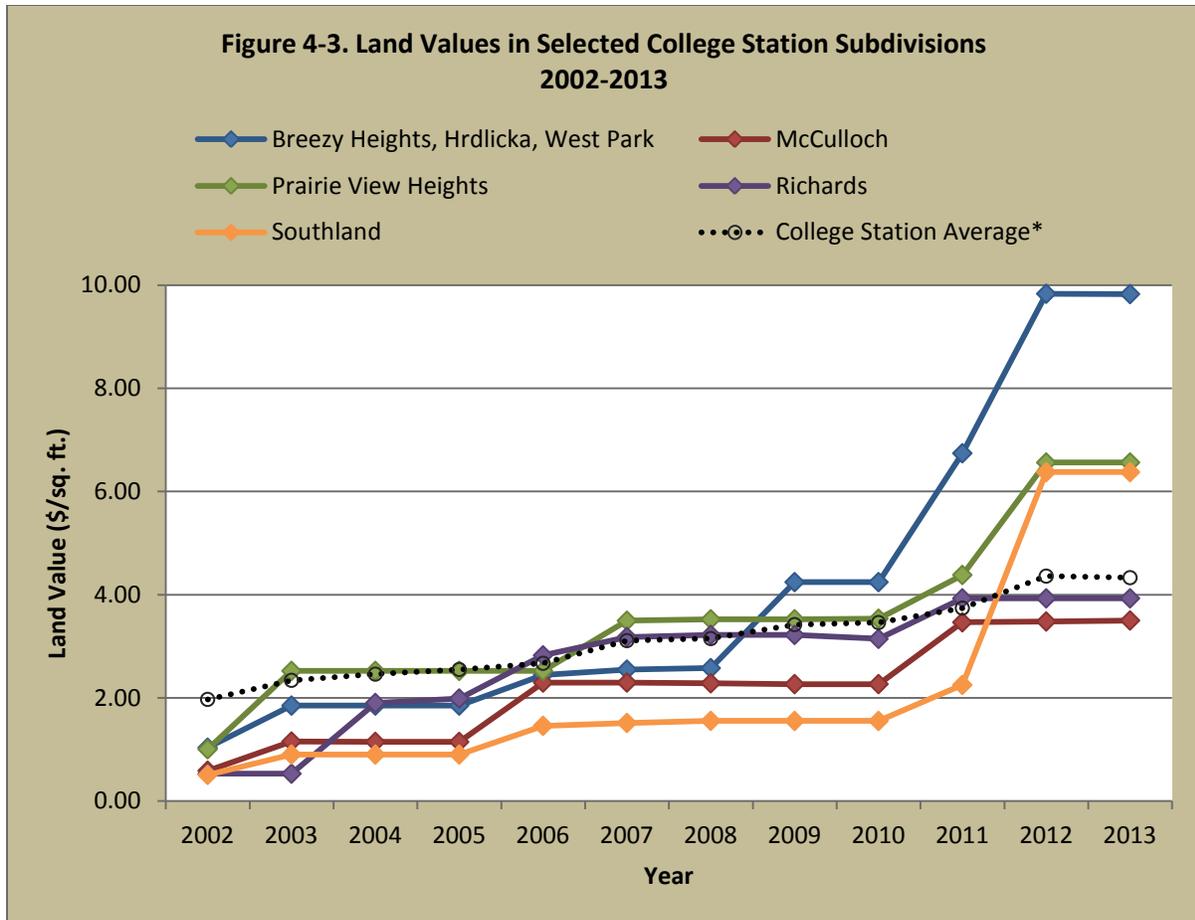


Source: Brazos Central Appraisal District

Certain areas in College Station have experienced unusually heightened property values over this same period of time. These areas have traditionally been the more affordable areas of town, and thus where the majority of Community Development housing activities and Habitat for Humanity construction have occurred (Figure 4-3). Because of their location close to the A&M campus and the aging housing stock on them, these areas have been the site of increasing investor development for rental housing, thus driving up land values. This represents a further decrease in affordable housing opportunities for low- and moderate-income citizens as the cost of land in these areas is increasingly “pricing out” organizations like Habitat for Humanity.

James and Michelle

They live in an older, small three-bedroom home, purchased when they were much better off financially. Though they struggle with the monthly payment (with rising taxes annually), they meet their housing demand for now. However, other needs have suffered.

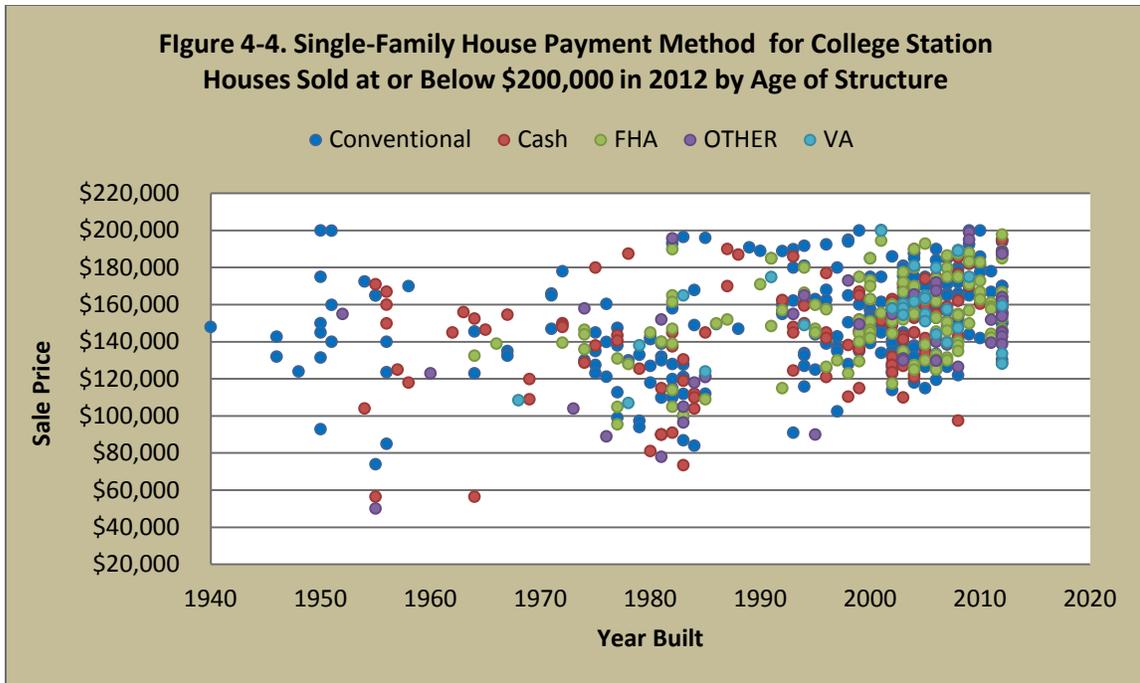


* Open circles represent the average residential land value in College Station for that year. The number of properties included in the College Station averages ranges from 11,008 in 2002 to 17,626 in 2013.

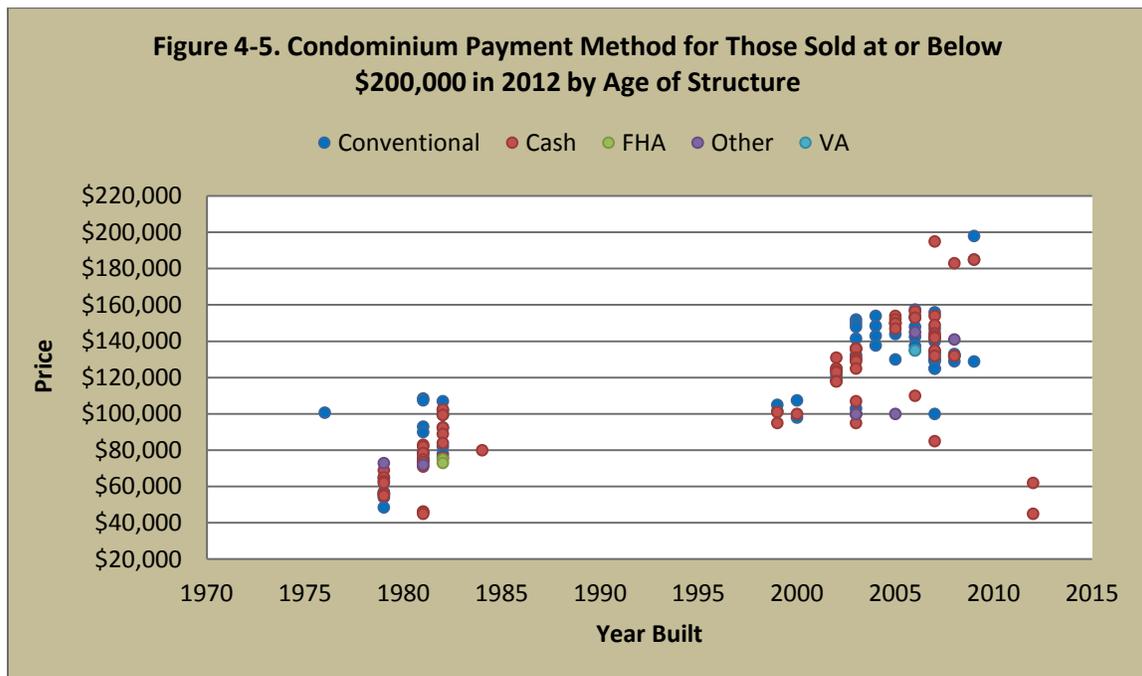
Source: Brazos Central Appraisal District

2012 HOME SALES

Of the 967 single-family homes sold in 2012 in College Station with a sales price below \$200,000, only 26 sold at a price below \$73,000. None of these 26 homes were purchased with FHA loans and 17 of were cash transactions, 16 were units in the same condominium complex. Only three were single family structures, all of which were built before 1964, meaning that lead based paint (banned in 1978) and asbestos were possible environmental hazards. Because of the type of financing with which they were acquired, it can be assumed that most of these structures were purchased as investment properties and not suitable or available to single family households looking for homeownership opportunities (Figure 4-4) or condominiums (Figure 4-5). Only 27 of the 91 homes for sale at or below \$100,000 had 3 or more bedrooms, making purchasing a home in College Station for larger families requiring more bedrooms even more difficult.



Source: College Station Single Family Homes sold in 2012 at or below \$200,000 – Multiple Listing Service



Source: Source: College Station condominiums sold in 2012 at or below \$200,000 – Multiple Listing Service

In 2012, households earning \$22,000 or less annually of gross income could not afford to purchase a home in College Station using a FHA loan with a 4% interest rate and a 30 year fixed loan. With Down Payment Assistance of 15% of the sales price and the same loan terms, households earning only \$19,700 annually of gross income could afford a home priced at \$73,000 or more. If the interest rate increased to 6%, a household

would have to make \$25,585 gross annually to afford a home with a purchase price at or above \$73,000 (\$22,500 with 15% Down Payment Assistance).

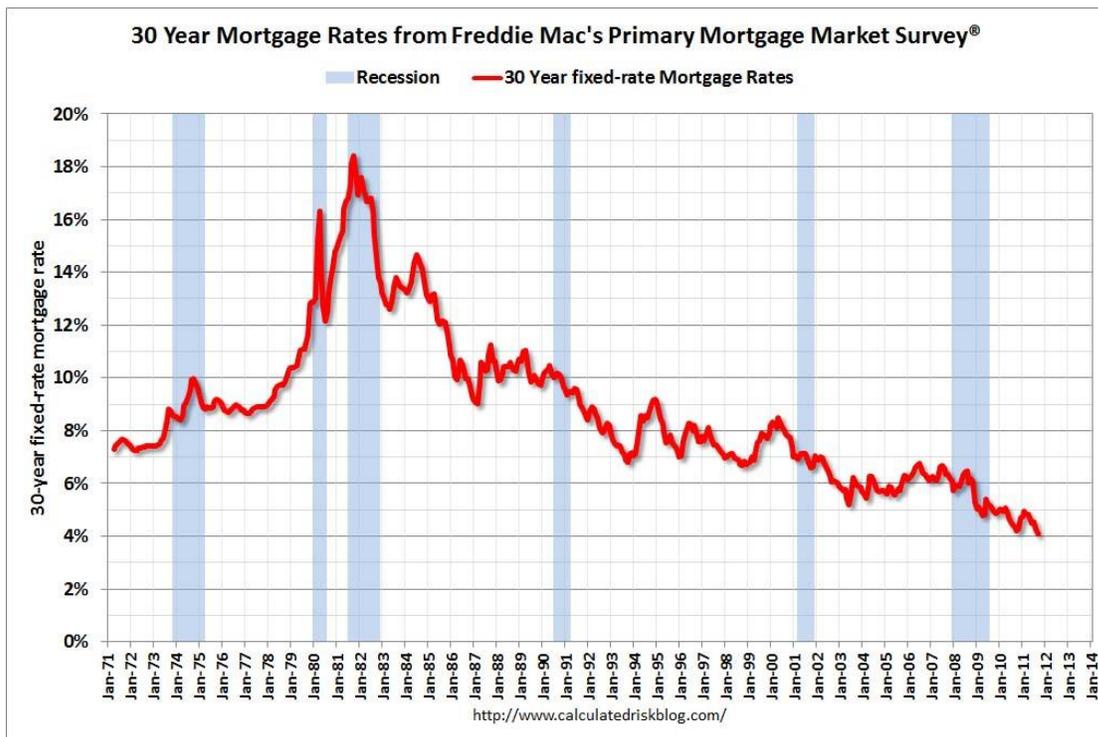
It was difficult to purchase a home in 2012 below \$130,000 with an FHA loan. Only 247 homes were sold at or below this price, and of these only 24 were purchased with an FHA loan product (less than 10%). The remaining 223 sales were largely purchased with conventional loan products (47%) or cash (32%).

With 15% Down Payment Assistance, a 4% interest rate and 30 year fixed rate term, a household would need to have a gross annual income of \$35,600 to purchase a \$130,000 home (with a 6% interest rate, that same household would need to make \$40,700 annually).

THE EFFECT OF INTEREST RATES ON HOMEOWNERSHIP OPPORTUNITIES

With the economic downturn in recent years, interest rates for home mortgages have fallen to all time lows (below 4%, Figure 4-6). This has helped to make homeownership opportunities more accessible to low and moderate income households in College Station. With a 4% interest rate, a family making \$39,850 gross annually could afford a home with a sales price of approximately \$129,300 (see assumptions in chart above). With a 6% interest rate (where rates were in 2009) the same family could afford a home of \$112,700 – equaling a \$16,600 loss in purchasing power.

Figure 4-6. 30 Year Fixed-Rate Mortgage Rates 1971-2012



Source: <http://www.calculatedriskblog.com/>

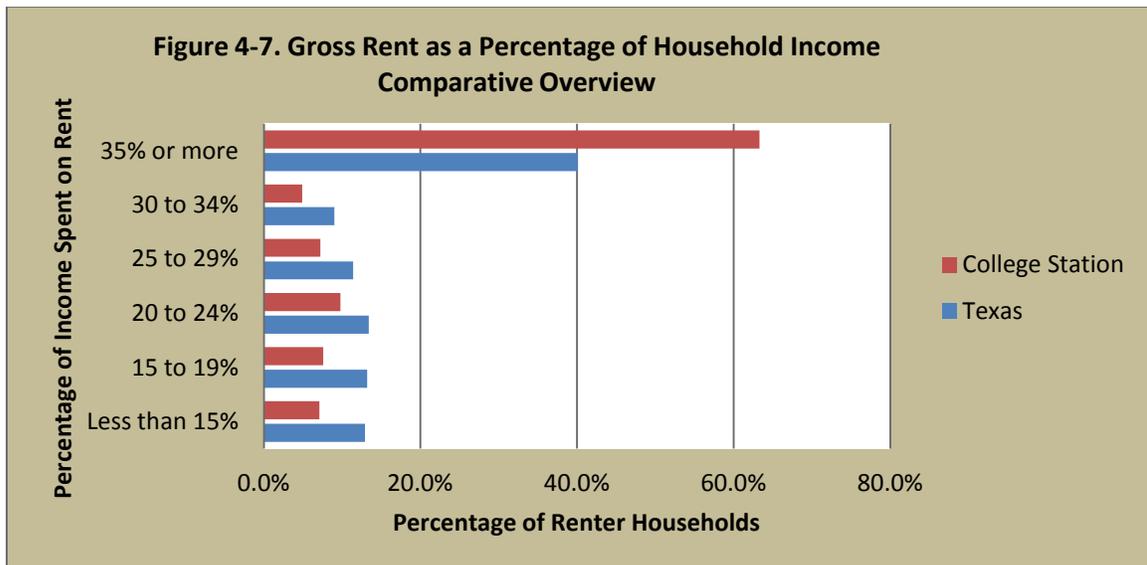
RENTAL HOUSING

College Station has an estimated 21,090 rental units, which account for about 65% of the total housing units in the city. These rental units include multifamily complexes, duplexes, fourplexes, and single-family homes, and ranging from efficiency to five-bedroom units.

AFFORDABILITY

Those who rent tend to earn less income than homeowners in College Station, so renters are more restricted as to how much they can put toward housing costs. In fact, according to the *American Community Survey*, whereas the median household income for owner-occupied housing units is \$88,017, the median household income for renter-occupied units is only \$18,721. As a result, nearly 70% of owners spend at least \$1,000 per month on household costs, but just 32% of renter households spend at that same level. College Station’s monthly median rent of \$830 exceeds that of both the county (\$793) and the state (\$814).

People who spend 30% or more of their income on housing costs are termed “housing-cost burdened.” This can be divided further: 30-49.9% of income spent on housing costs is a “moderate housing-cost burden;” 50% or more of income spent on housing costs is a “severe housing-cost burden.” Figure 4-7 illustrates the cost burden faced by renter households in College Station compared to the state.



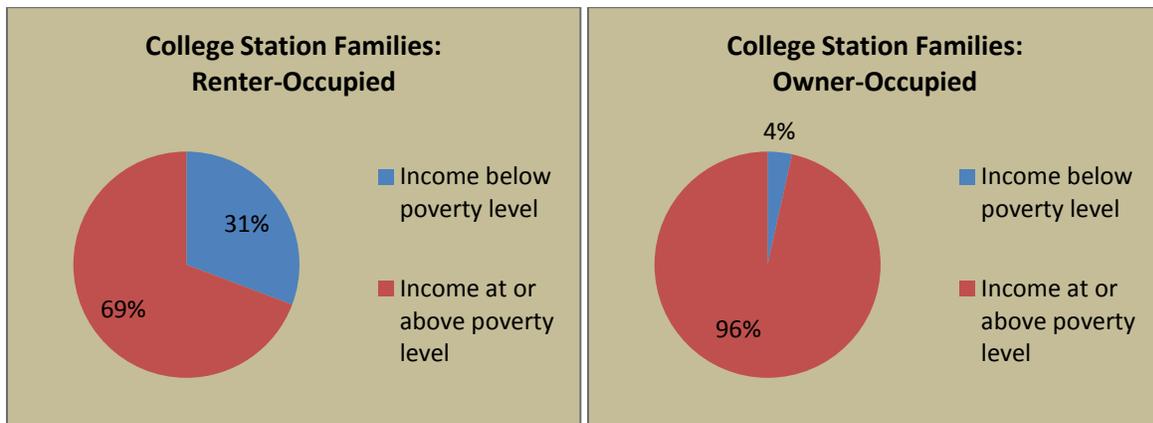
Source: US Census Bureau, American Community Survey 5-year Estimates (2007-2011)

Student households are included in these data, which contributes to the more extreme disparity between income and gross rent. However, this still demonstrates a major difference between the local rental demands and those of the state as a whole. In each of the categories below 35%, the state outpaces the city. However, more than 60% of College Station renters – compared to only 40% of renters across the state – spend far too much on housing, relative to household income. The increasing number of students needing a place to live has driven up rents across the city. Because of the dominant student population, a considerable portion of units

cater directly to student households, which are typically more financially able to afford premium rents and the reality of luxury student living.

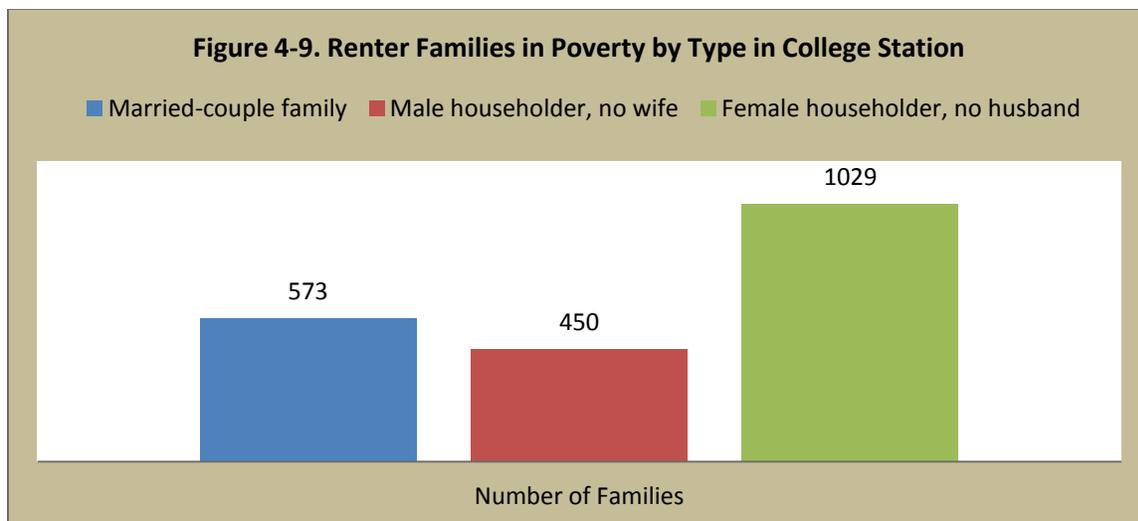
Family-specific data present the contrast between renter- and owner-occupied households relating to income. As illustrated above, homeowners, due to a variety of factors, are better off economically than renter households. Figure 4-8 shows the disparity between those households in College Station.

Figure 4-8. Family Poverty Status by Housing Tenure



Source: US Census Bureau, American Community Survey 5-year Estimates (2007-2011)

Renter-occupied family households are much more likely to be in poverty: whereas only 4% of owner families are below poverty level, 31% of renter families are. In fact, of the 2,341 College Station families in poverty, nearly 88% do not own their homes. This further illustrates a high demand of affordable rental properties throughout the city. Additionally, of the 2,052 families in poverty that rent, half of those consist of single mother households (Figure 4-9).



Source: US Census Bureau, American Community Survey 5-year Estimates (2007-2011)

Single-parent families account for 72% of all renter family households in poverty, which is consistent with earlier conclusions that single-parent families are the most in need. Many of these families have multiple children to support – a burden that is increased when families are unable to find reasonable housing, both in terms of size and price.

RENTAL OPPORTUNITIES

There is a lack of affordable three- and four-bedroom rental units in College Station to accommodate large families. Over the last four years, whereas two-bedroom units have increased by just 4.1% in rent, four-bedroom units have increased by 27.4%. This is partly due to individual leases-by-bedroom being offered as complexes cater to student households. For example, consider a four-bedroom single-family unit for rent: a student household of four could be charged \$500 per person monthly – a reasonable amount for each student – for a total of \$2,000. Only a very small percentage of nonstudent renter households could afford such a payment. It is likely that many families are simply priced out of various rental housing alternatives.

Jane Smith

The Smiths pay \$650 per month to rent a two bedroom apartment that was constructed in 1975. They are able to afford this because they receive a Housing Choice Voucher that covers most of their rent (Jane and her family were able to move to College Station only after they started receiving a voucher - after being on the waiting list for over a year). Utility bills in the summer average \$250 a month because of an inefficient HVAC unit and poor insulation in the unit - Jane has needed to use utility bill assistance.

With only a handful of affordable apartment complexes in the City, low-income households do not have many housing options. A review of Low Income Housing Tax Credit (LIHTC), or otherwise “affordable,” complexes in August 2013 showed a major need for more affordable rental housing (Table 4-8).

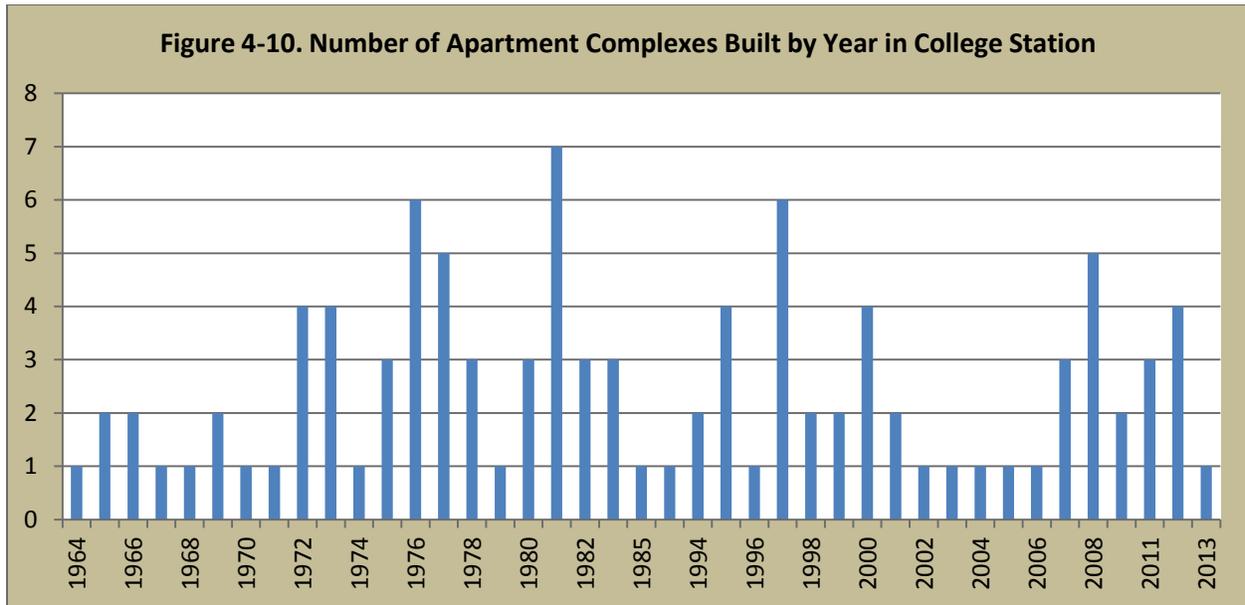
Table 4-8. Review of Federally Supported Apartment Complexes in College Station

Name	Federal Program Support	Target Population	Total Number of Units	Number of Vacant Units	Current Waitlist
Santour Court	LIHTC	-	16	0	115
Heritage at Dartmouth	LIHTC	-	96	2	20
Haven Apartments	LIHTC	Homeless	24	0	*
Windsor Pointe Apartments	LIHTC	-	192	0	*
Villas of Rock Prairie	LIHTC	Elderly	128	0	100
Terrace Pines Apartment Homes	LIHTC	Elderly	100	0	>300
LULAC Oak Hill Apartments	HUD Section 202	Elderly	50	0	6

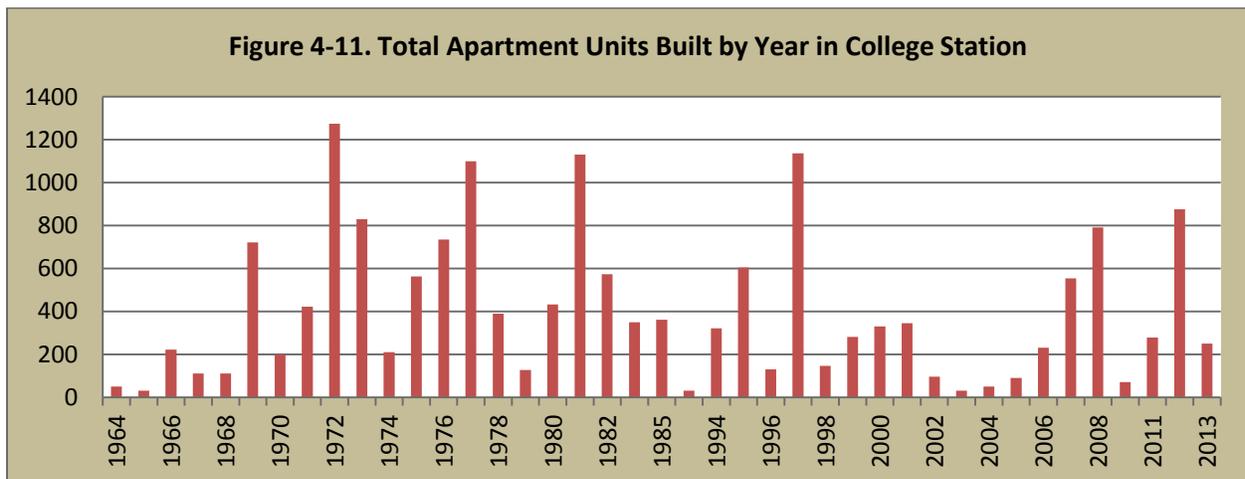
*Number not known by property management

Source: Survey conducted by staff July 2013

In a local survey of multifamily rental options in July 2013, staff randomly queried nearly 100 apartment complexes across the city to assess current market conditions and to determine relative affordability for prospective renter households. Over the last fifty years, construction of new complexes has been cyclical in nature with alternating periods of high and low building rates (Figure 4-10). Many units were built in 1970s and early 1980s. A large number of units were constructed in 1997, followed by a dip in the development of units that lasted until the late 2000s.

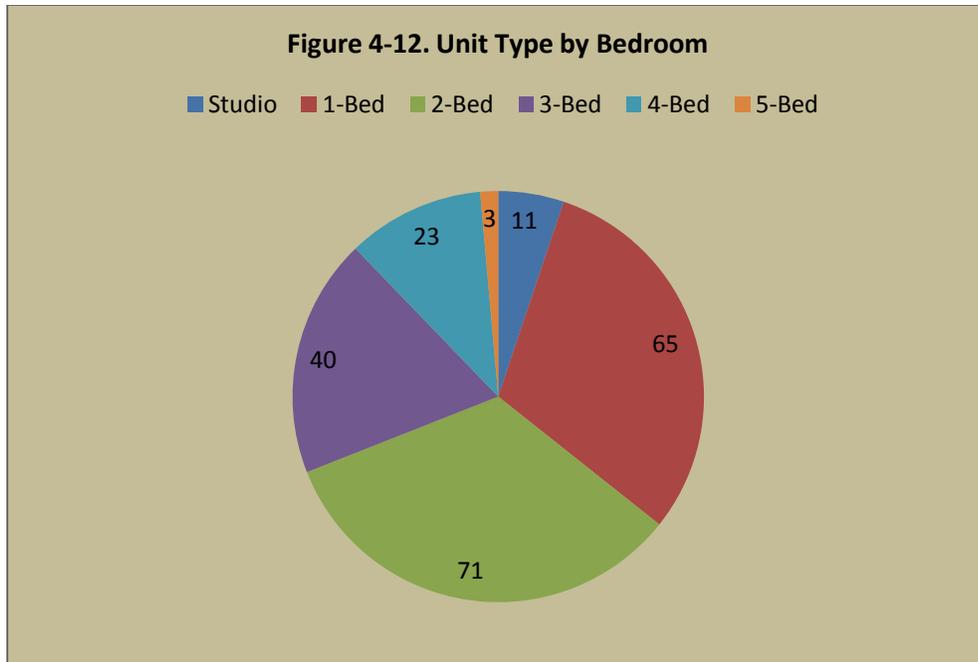


Source: Review of Surveyed Apartment Complexes in College Station, compiled July 2013



Source: Review of Surveyed Apartment Complexes in College Station, compiled July 2013

The most widely available unit is a two-bedroom apartment, followed closely by one-bedroom apartments (Figure 4-12). Fewer units with three or more bedrooms are available in these complexes.



Source: Review of Surveyed Apartment Complexes in College Station, compiled July 2013

In the survey, the rental prices charged for each type of unit were noted. From that data, the minimum, maximum, and average rents were determined. As the number of bedrooms increased, the overall rent rose steeply (Table 4-9).

Table 4-9. Review of Rents Charged by Apartment Size (Bedrooms) in College Station

	Number of Bedrooms					
	Studio	1-Bed	2-Bed	3-Bed	4-Bed	5-Bed
Minimum	\$455	\$445	\$485	\$775	\$970	\$1,699
Maximum	\$825	\$1,195	\$1,684	\$2,670	\$2,700	\$2,750
Average	\$622	\$709	\$902	\$1,304	\$1,935	\$2,341

Source: Review of Surveyed Apartment Complexes in College Station, compiled July 2013

The abundance of renter-occupied housing units would seemingly provide numerous options for someone interested in renting, but in reality, the options are limited when the rents currently charged are considered in light of the income of the renter. Table 4-10 lists the average rent for each type of unit and how much income, both monthly and annually, an individual or family must have to live there.

Table 4-10. Estimate of Income Required to Afford Housing in Surveyed Apartment Complexes in College Station

	Number of Bedrooms					
	Studio	1-Bed	2-Bed	3-Bed	4-Bed	5-Bed
Average Rent	\$622	\$709	\$902	\$1,304	\$1,935	\$2,341
Required Income/Month	\$2,075	\$2,363	\$3,007	\$4,346	\$6,450	\$7,804
Required Income/Year	\$24,900	\$28,356	\$36,084	\$52,152	\$77,400	\$93,648
% Rent Increase	-	13.9%	27.3%	44.5%	48.4%	21.0%

Source: Review of Surveyed Apartment Complexes in College Station, compiled July 2013

The rent standard threshold, established by a series of Federal acts and amendments thereto, is that 30% or less of household income should be devoted to housing costs. HUD estimates that the 2013 median household income in the College Station-Bryan MSA is \$54,900. Considering that 30% of \$54,900 is \$16,470 (the yearly amount to be devoted to rent), divided by 12 months is \$1,372.50 per month, it is clear that renter households may struggle to afford a unit which offers three or more bedrooms. In addition, the rents charged locally are magnified at the three- and four-bedroom level, where the percentage increase is over 40% in both cases.

Securing decent and affordable rental housing can be a significant challenge to low-income households, and especially those with larger families. The limited supply of homeownership opportunities in College Station (relative to the state) increases the likelihood of nonstudent households competing with students in an inflated rental market. The local market that has been perpetuated to support the large student numbers negatively affects the ability of low-income families to find affordable, adequate housing. Although rental housing is diverse and plentiful overall, there are only a limited number of truly affordable rental units. Securing decent, safe, and regular shelter is an essential component of creating a stable and nurturing environment.

FINANCIAL SECURITY, BANKING AND LENDING

Those in poverty are less likely to use traditional banking products and are more likely to use costly alternative financial service providers for emergency loans. These factors make building assets and achieving financial security difficult for those in poverty.

THE UNBANKED

According to a 2011 survey conducted on behalf of the Federal Deposit Insurance Corporation (FDIC) by the U.S. Census Bureau, more than one quarter (28.3%) of all households in the United States are unbanked, meaning not having a bank account, or under-banked, meaning having a checking or savings account but

relying on alternative financial services such as money orders, check-cashing services, payday loans, or rent-to-own agreements, and that those households are disproportionately low-income and/or minority.⁴

In Texas, the number of unbanked and under-banked residents in the same survey is reported as high as 40% and in the Metropolitan Statistical Area (MSA) closest to the Brazos Valley region (Houston, Baytown, Sugarland), the total number of unbanked and under-banked residents is projected at 40.3%. The survey estimates that over one million Texas households lack a bank account, paying hundreds and sometimes thousands of dollars in fees each year to cash checks and pay bills at check cashers, payday lenders and other fringe financial service providers. Unbanked residents are missing out on opportunities to build wealth which could, in turn, lead to greater financial stability and independence.

PAYDAY AND AUTO TITLE LENDING

A payday loan is a small cash-advance (\$100 – \$1,500) with a two week term. Interest and fees are applied. These are unsecured but require a postdated check or electronic access to a debit account as collateral. An auto title loan occurs when a car title is used as collateral and borrowers usually have a one-month loan term. Interest and fees are applied. If the borrower defaults the lender can take the car.

In Texas there is no significant regulation on these types of financial products causing the following problems:

- **Cycle of Debt** - There is no principal reduction if the loan is not paid in full at the end of the term. High fees are often paid month after month without reducing the loan amount.
- **Usurious Rates** - Average APR of around 500%
- **Excessive Fees** - Fees on a \$4,000 auto title loan average \$1,000 per month. The average borrower paid \$841.49 for a \$471.31 loan in the first 3 months of the year
- **Texans Pay More** – A Pew Charitable Trust study found that Texans pay more than other states for the same 14-day loan product (Texas - \$110, Oklahoma - \$65, and Florida - \$55)⁵

Jane Smith

Unable to save any money and basically living pay check to pay check, Jane had no emergency savings when the transmission on her 15-year old car gave out. She took out an auto title loan to get the cash she needs for the repairs. She hopes she will be able to pay the loan off in January when she gets her income tax return and Earned Income Tax Credit.

To illustrate: If someone takes out a loan of \$500, they will owe around \$610 dollars two weeks later. If the borrower cannot pay back the full amount, then they must pay \$110 to “refinance” the loan. After two more weeks, if borrower again cannot pay back the full amount, they must pay another \$110 to “refinance” the loan. There are no partial repayments of principal and so the balance never goes down.

The number of payday and auto title storefronts doubled statewide and locally over the past seven years. Statewide locations grew from 1,279 registered sites in 2006 to more than 3,500 in 2010.⁶ College Station-Bryan MSA locations grew from 7 in 2004 to 13 in 2012. The industry has particularly grown in College Station in 2013 when three new locations opened near the Texas Avenue/ Harvey Road intersection.

⁴ See survey results at www.economicinclusion.gov.

⁵ source: Pew Charitable Trust *Payday Lending In America* 2012.

⁶ Source: <http://www.texastribune.org/2012/01/05/first-time-tx-plans-regulate-payday-lenders/>

In 2012, there were almost 31,953 payday and auto title loan transactions in the College Station-Bryan MSA. Borrowers paid approximately \$2.4 million in fees alone during this time period. The average number of refinances for last year was 2.4 times for payday loans and 1.4 times for auto title loans. Locally, 269 vehicles were repossessed and over 37,062 vehicles were repossessed statewide (Table 4-11).

Table 4-11. Payday and Auto Title Loan Summary for CS/B MSA for 2012

Loan Summaries	2012				
	Q1	Q2	Q3	Q4	Total
Amount Loaned Payday*	\$710,436	\$810,088	\$914,567	\$1,027,324	\$3,462,416
Amount Loaned Auto Title*	\$331,157	\$472,723	\$412,960	\$386,834	\$1,603,674
Total Amount Loaned*	\$1,041,593	\$1,282,811	\$1,327,528	\$1,414,158	\$5,066,090
Repossessions	11	86	87	85	269
Repossession Rate per 100 Active Accounts	2.2	4.14	3.27	3	
Fee for Transaction Pay Day (per \$100 loaned)	22.1	22.07	21.82	21.83	
Average Number of Refinances	2.48	2.43	2.39	2.37	
Fee for Transaction Auto Title (per \$100 loaned)	25.12	25.5	25.47	25.41	
Average Number of Refinances	1.44	1.39	1.41	1.36	
Fees for Pay Day Loans*	\$389,376	\$434,451	\$476,945	\$531,508	\$1,832,280
Fees for Auto Title Loans*	\$119,789	\$167,557	\$148,305	\$133,680	\$569,331
Total Fees Paid*	\$509,165	\$602,008	\$625,250	\$665,188	\$2,401,611

*Amounts rounded to nearest dollar.

Source: Data compiled from OCCQ Quarterly Data by MSA, 2012.

TRANSPORTATION

Transportation costs represent a significant expense for working families. According to the Center for Public Policy Priorities (CPPP) Better Texas Family Budgets Tool, a household in the College Station-Bryan MSA with one working adult traveling by private vehicle would incur approximately \$319 per month in basic transportation expenses for work related and non-social trips (\$3,828 annually). A household with two working adults would incur \$471 per month in basic transportation expenses under the same assumptions (\$5,652 annually).

Jane Smith

Before Jane's car broke down, she had a 5 min drive to drop John off at child care and then a 9 min drive to work.

Now without a car, she has been bumming rides from co-workers and taking public transportation when feasible. Needing to go to the child care and then work exponentially complicates the public transport commute and the time it takes to get to work.

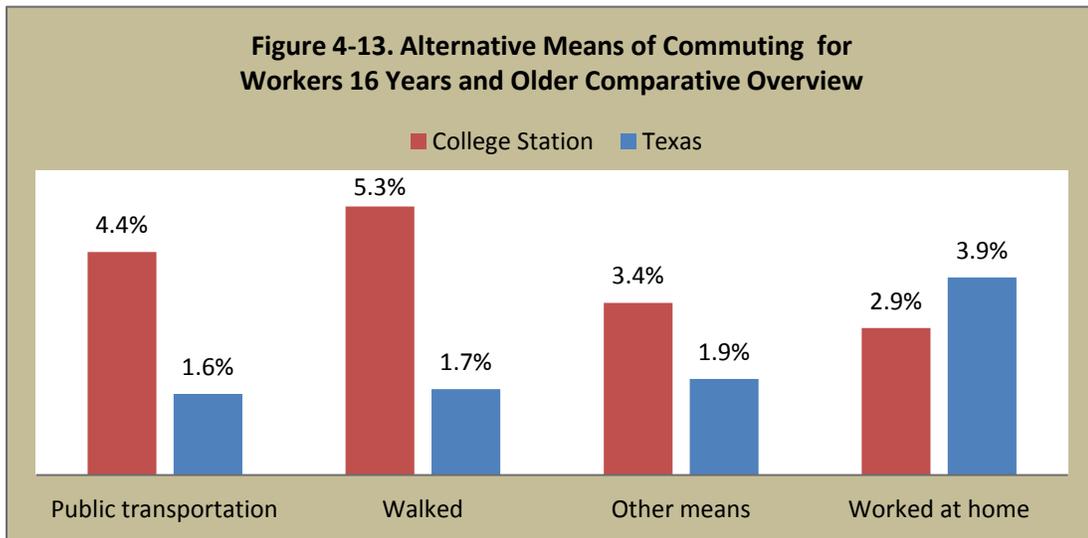
SHARED CONCERN AMONG BRAZOS VALLEY RESIDENTS

Transportation has consistently been identified by various Brazos Valley needs assessments as a critical issue for low-income households. The United Way of the Brazos Valley's *2010 Community Needs Assessment* identified transportation as "the number one community need." In addition, the Texas A&M School of Rural Public Health's *2010 Brazos Valley Health Assessment* stated that transportation was "brought up at every discussion group in every county as a critical issue for Brazos Valley residents." The report continued: "The lack of a reliable, affordable public transportation system that reaches the areas of need was cited as a major problem." Lack of adequate public transportation was cited as a barrier to accessing health care services for many local residents.

The public input process of the City of College Station Community Development Divisions 5-Year Consolidated Plan identified transportation services as a "key concern in the community" and transportation was the third most top rated need behind neighborhood crime prevention and job creation/retention. A survey of local social service providers for the Plan found public transportation services to be one of the two top "important need(s) to address" by respondents.

WORK-RELATED TRANSIT

For many, finding a job is only half the battle – having the means to dependably arrive for work every day is the other. College Station has much greater diversity than the State of Texas as a whole in terms of alternate transportation (Figure 4-13).

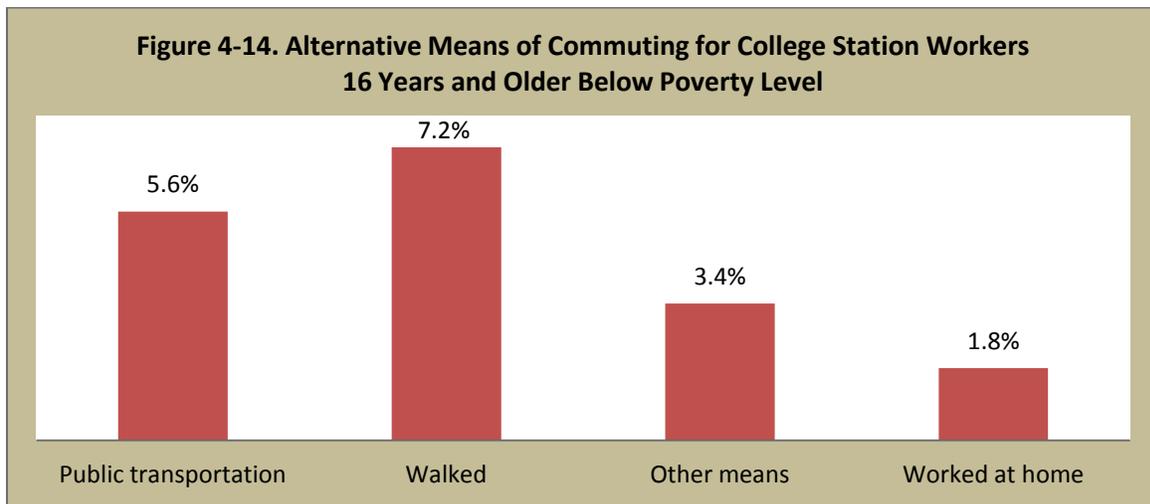


Source: US Census Bureau, American Community Survey 5-year Estimates (2007-2011)

As in any other mid-sized community regionally, a personal vehicle is the dominant form of transportation. However, what is more unique to College Station is the percentage of workers who utilize other means of commuting; approximately 16% of employees do not travel to work by car. While the Brazos Transit District does have its limitations – namely, rigidity in routes and times – Texas A&M University maintains an extensive bus system throughout the city to shuttle faculty, staff, and students onto campus during the work week. Nearly 2,000 (of the 41,000 defined as "workers age 16 and over") people utilize public transportation to

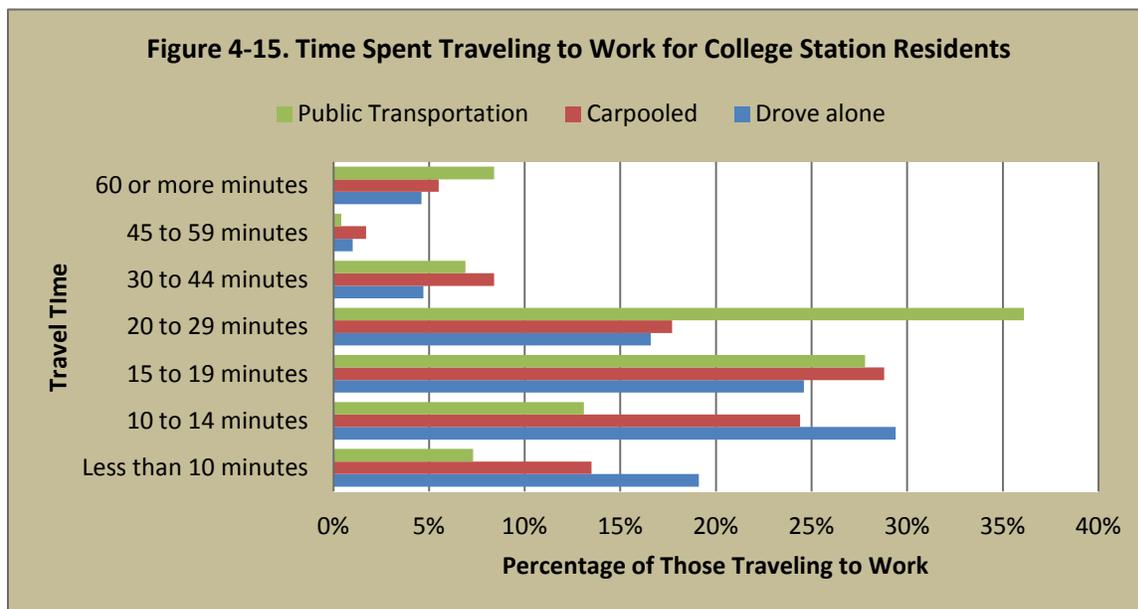
commute. For those not taking traditional means, the most likely alternative is walking; 5.3% of workers walked, more than three times that of the state.

An even higher percentage of those in poverty utilize modes of transportation other than driving/riding in a personal vehicle. College Station residents below the poverty line use public transportation (5.6% vs. 4.4%) and their own feet (7.2% vs. 5.3%) with more frequency (Figure 4-14). This is in contrast to workers above the poverty line, who are much more likely to drive alone, carpool, or work from home.



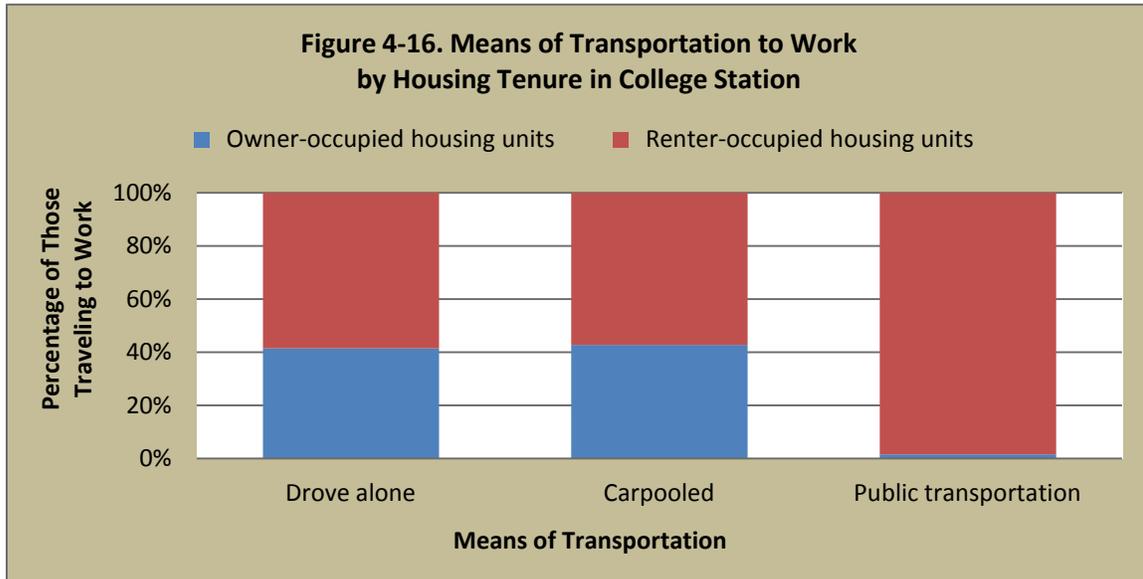
Source: US Census Bureau, American Community Survey 5-year Estimates (2007-2011)

One disadvantage of public transportation is the inflexibility of the transit system to provide comparably efficient service. Those traveling to work by public transportation and carpooling have lengthier commutes (Figure 4-15).



Source: US Census Bureau, American Community Survey 5-year Estimates (2007-2011)

While over 73% of residents driving alone have a commute less than 20 minutes, less than half of those using public transportation arrive at work as quickly. In fact, only 7.3% of public transportation users reach their daily destination in less than 10 minutes – compared to 19.1% of single drivers and 13.5% of carpoolers. That disproportion is magnified when considering who actually utilized public transportation (Figure 4-16). Only 2% of College Station residents using public transportation live in owner-occupied housing units.



Source: US Census Bureau, American Community Survey 5-year Estimates (2007-2011)

The concern moving forward is the consideration that employment should be within a particular distance to keep these alternative methods possible. As the city continues to grow both in area and population, low-income residents would benefit from opportunities for employment close to their residences.

HEALTH CARE

Poverty is both a cause and a consequence of poor health. Diseases of poverty increase poverty and poverty, in turn, increases the chances of developing diseases of poverty. A large volume of research has found that people in poverty are more likely to suffer from certain types of health problems, such as obesity, diabetes, asthma, depression, hypertension, and heart attacks, than those who are not. Poverty is linked to lower life expectancy, especially from cancer and heart disease. Adults in poverty are more likely to have poor health habits. The impoverished are more likely to smoke and less likely to exercise or to eat healthy diets. Lack of education about good habits, lack of access to full-service grocery stores, lack of safe places to exercise, lack of money to afford proper food, harmful living conditions, and high levels of stress are

Jane Smith

Jane's son John has asthma and a hearing disorder. He is covered by CHIP. Jane suffers from depression and is treated locally at Brazos Valley Counseling Services when friends are available to babysit Sarah and John.

cited as contributing causes.⁷ Some of these contributing factors will be examined in more detail below.

Impoverished people are more likely to suffer from chronic conditions because they have less access to and/or cannot afford healthcare. Nearly 40% of Americans in poverty lack health insurance, contrasting with 14% of Americans who are uninsured and not in poverty. Although some in poverty have access to Medicaid, they still may not have resources to pay for all the treatment needed; those in poverty are more than twice as likely (37.8%) as those not impoverished (16.5%) to be unable to pay for healthcare or medicine that their families need. People in poverty thus forego routine health screenings and preventative care. When and if they are diagnosed, the condition is more advanced, and more expensive to treat, if it can be treated at all. Therefore, those with the greatest need for care often go without treatment or receive poor quality care. People in poverty are twice as likely as those who are not to have ever been diagnosed with a potentially debilitating illness that could hinder them from getting out of poverty.⁸

HEALTH CONDITIONS

In the United States, one-third of the population is obese and another third is overweight, a situation that is predicted to worsen. People in the U.S. who live in the most poverty-dense counties are those most prone to obesity; of the 3,139 counties for which data were reviewed (out of the 3,144 counties or county-equivalents in the U.S.), counties with poverty rates greater than 35% have obesity rates 145% greater than in the wealthier counties.⁹ In Brazos County, according to the 2013 Center for Community Health Development Regional Health Assessment, only 37.1 % of respondents were assessed to be at a normal weight; 61% of respondents were overweight, obese, or morbidly obese.¹⁰ Being overweight increases an individual's risk for developing many chronic diseases.

According to the American Diabetes Association, in 2012 there were more than 22.3 million people in the United States with diagnosed diabetes (about 7% of the population). This is a substantial increase from the 2007 estimate of 17.5 million people, reflecting changing demographics, decreased mortality, improvements in detection, and an increase in the prevalence of risk factors, including obesity. In 2012, diabetes cost the U.S. \$245 billion, including \$176 billion in direct medical costs and \$69 billion in lost productivity.¹¹ Diabetes is considered to be the nation's fastest growing health problem – both the prevalence and the costs of diabetes are increasing, and the impact is largely on people of low socioeconomic status who have less access to resources and healthcare.¹² Counties in the U.S. with the greatest rates of poverty also have the greatest rates of diabetes.¹³

⁷ Gallup Study 2012; Brown, A. With Poverty Comes Depression, More Than Other Illnesses; <http://www.gallup.com/poll/158417/poverty-comes-depression-illness>

⁸ Brown, A. (2012) "With Poverty Comes Depression, More Than Other Illnesses," <http://www.gallup.com/poll/158417/poverty-comes-depression-illness.aspx>

⁹ Levine, J. A (2011) Poverty and Obesity in the U.S., *Diabetes*, 60(11), 2667-2668.

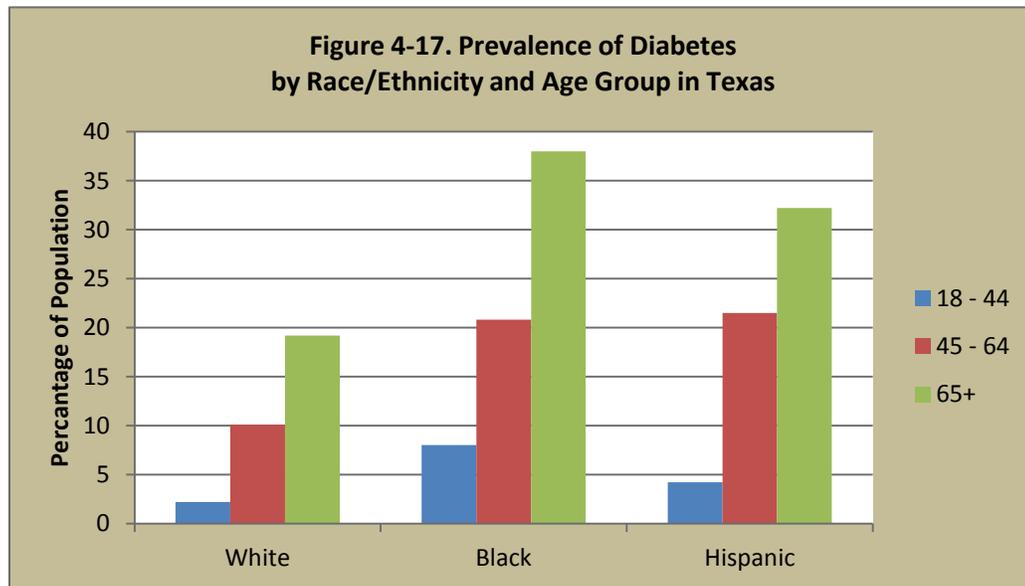
¹⁰ Center for Community Health Development, Regional Assessment 2013, <http://www.cchd.us/content/pdfs/assessmentreports/brazos2013.pdf>

¹¹ American Diabetes Association, "Economic Costs of Diabetes in the U.S. in 2012," *Diabetes Care*, pp 1-14, www.care.diabetesjournals.org

¹² Gannett, J. (2012) "The Unexamined Link: Type II Diabetes and Poverty," unpublished manuscript, Washington and Lee University.

¹³ Levine, J. A (2011) Poverty and Obesity in the U.S., *Diabetes*, 60(11), 2667-2668.

In Texas in 2010, the most recent year for which data are available, 9.7% of adults 18 years and older had been diagnosed with diabetes, i.e., about 1.8 million adults.¹⁴ African Americans have a higher prevalence of diabetes (16.5% overall) than Whites or Hispanics, and Hispanics (11.0%) show a greater prevalence than Whites (8.2%, Figure 4-17).



Source: BRFSS 2010, Center for Health Statistics, DSHS.

For all groups, the prevalence of diabetes increases with age and decreases with increasing educational status. The diabetes rate in Brazos County is 7.4%, similar to the national average of 7%.¹⁵ The estimated cost of diabetes in Texas in calendar year 2011 (most recent available) was \$18.5 billion. This can be broken into an estimated \$12.3 billion in direct medical costs, \$6.2 billion in indirect costs, and \$21 million in diabetes prevention programs.¹⁶

One of the clearest ways in which low income affects health is through food insecurity, the condition of being unable to provide adequate food for all members of a household due to lack of money or other resources.^{17 18} Food insecurity leads to increased consumption of cheap, calorically-dense, nutritionally-poor food alternatives. It is associated with poor mental, physical, and general health status, obesity, diabetes, hypertension, and heart disease. Low household income, recent unemployment, and economic problems are all predictors of food insecurity. Economic insecurity, such as difficulty paying bills or rent, leads to stress, and people often cope by eating cheap, high-fat, sugary foods.¹⁹ Risking their own health, mothers forego food so that their children can eat. Hispanic households are significantly more likely to be food insecure (51%) than

¹⁴ Texas Behavioral Risk Factor Surveillance System (BRFSS), 2010. Center for Health Statistics, Texas Department of State Health Services.

¹⁵ FindTheData, September 12, 2013; <http://county-food.findthedata.org/l/2541/Brazos>

¹⁶ "Report on Direct and Indirect Costs of Diabetes in Texas," Health and Human Services Commission, December, 2012.

¹⁷ Chilton (2009) A Rights-Based Approach to Food Insecurity in the United States, *American Journal of Public Health*

¹⁸ Texas Food Insecurity Higher Than National Average, report of study by Feeding America, released in 2013.

¹⁹ Lee, H. (2012) "Why Poverty Leads to Obesity and Life-Long Problems," Scholars Strategy Network, www.scholarsstrategynetwork.org

non-Hispanic households, both white (36%) and black (35%).²⁰ In the years 2010-2013, 18.4% of Texas households experienced food insecurity,²¹ a rate significantly higher than the national average.²² Texas ranked among the top twelve states in terms of food insecurity rates, and second in the number of food-insecure households. But 38% of food-insecure Texans were above the poverty line and therefore ineligible for federal nutrition programs. In Brazos County in 2011, 22% of residents, or 41,750 individuals, were food-insecure. Seventy-five percent of these people were below the Supplemental Nutrition Assistance Program (SNAP) threshold of 165% of poverty and thus eligible for assistance,²³ leaving more than 10,400 food-insecure people above the SNAP threshold and ineligible for assistance.

Nearly 25 million people in the U.S. suffer from asthma (over 8% of adults, over 9% of children), and the prevalence has been increasing since the early 1980s across all age, sex, and racial/ethnic groups. The annual cost of asthma is estimated to be nearly \$18 billion. Ethnic/racial differences in asthma prevalence, morbidity, and mortality are highly correlated with poverty, urban air quality, indoor allergens, lack of patient education, and inadequate medical care. African-Americans have one of the highest rates of asthma, 10.6%, compared to 7.8% of Whites, and 5.8 % of Hispanics.²⁴ Nearly one out of ten American children has asthma, one out of six African-American children does, and the numbers are rising.²⁵ People living in poverty suffer more severe consequences than those who are better off financially. The lower the family income, the more frequent the need for hospitalization for severe asthmatic attacks. Low-income homes are more likely to contain more asthma triggers such as cockroaches, air pollution, cigarette smoking and second-hand smoke exposure, gas and other chemical fumes, lack of air conditioning, mold, mildew, and dust mites; yet are often uneducated about the disease, have inadequate medical care, and cannot afford necessary medicines.²⁶ In Texas in 2009, an estimated 12.2% of adults had self-reported lifetime asthma.²⁷ The 2013 Center for Community Health Development Regional Health Assessment revealed a 19.6% incidence of asthma among respondents in Brazos County.²⁸

Americans living in poverty are twice as likely to have been diagnosed with depression as Americans who are not in poverty. More than half of children raised in poverty had mothers who were depressed, leading to poorer mental and physical development in the children as well as putting them at greater risk for depression later in life. Getting help can be difficult because of lack of transportation, childcare, availability of mental health services, and money to pay for treatment and medication.²⁹ Social stigma is a major factor, as well. Depression is associated with a 60% increased risk of type 2 diabetes, and is also associated with poor health

²⁰ Seith, D & Kalof, C (2011) Who are America's Poorest Children?: Examining Health Disparities By Ethnicity, report from the National Center for Children in Poverty.

²¹ Texas Food Bank Network, "Poverty in Texas: Our Responsibility." <http://tfn.org/rapid-reaction-poverty-in-texas-cities>

²² Texas Hunger Initiative, Baylor University School of Social Work, <http://www.baylor.edu/texashunger/index.php?id=85493>.

²³ Feeding America, Hunger in America, <http://feedingamerica.org/hunger-in-america/hunger-studies/map-the-meal-gap/printable-county-2011.aspx>

²⁴ American Lung Association (2010). "State of Lung Disease in Diverse Communities," <http://www.lung.org/assets/documents/publications/solddc-chapters/asthma.pdf>

²⁵ Gammon, C. (2013) "Pollution, Poverty and People of Color: Asthma and the Inner City, Scientific American, <http://www.scientificamerican.com/article.cfm?id=pollution-poverty-people-color-asthma-inner-city>

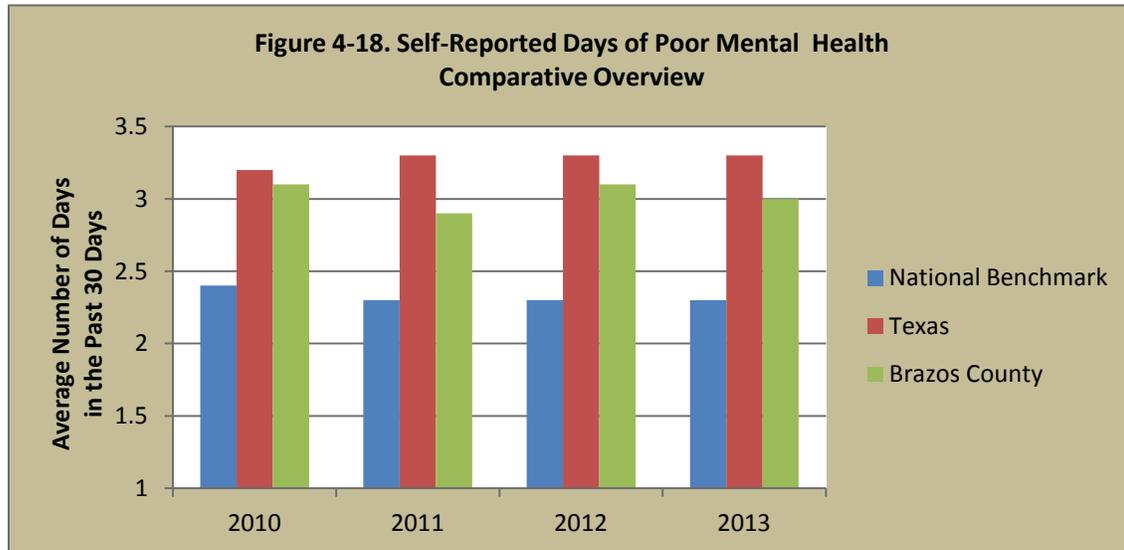
²⁶ Partners Healthcare Asthma Center, "Breath of Fresh Air Newsletter," Chapter 15: Poverty and Asthma, <http://www.asthma.partners.org/NewFiles/BoFChapter15.html>

²⁷ Texas Asthma Burden Report 2010,

²⁸ Center for Community Health Development, Regional Assessment 2013, <http://www.cchd.us/content/pdfs/assessmentreports/brazos2013.pdf>

²⁹ Harbin, V. & Goldhagen, S. (2013). "A Troubling Combination: Depression, Poverty, and Parenting," *Child Trends*, <http://www.childtrends.org/a-troubling-combination-depression-poverty-and-parenting/>

behaviors such as smoking, physical inactivity, and caloric intake that increase the risk of diabetes.³⁰ Information on the prevalence of depression per se in College Station is not readily available, but as an approximation, the number of poor mental health days in both Brazos County and the state are greater than the national benchmark (Figure 4-18).³¹



Source: County Health Rankings & Roadmaps, University of Wisconsin Population Health Institute

Tobacco is the leading cause of death in the U.S. Low-income people are particularly prone to tobacco use: 29% of adults who are below the poverty level smoke, compared to 17.9% of adults who are at or above the poverty level.³² In some areas of the country, there is a 50% higher incidence of smoking among the poor than among the non-poor. The poor smoke as a way to deal with hunger and manage high levels of stress and depression because nicotine creates a sense of safety, comfort, and warmth.³³ Higher levels of smoking in a family are highly correlated with increased food insecurity.³⁴ Because they smoke more, those in poverty suffer disproportionately from smoking-caused disease, such as cancer of the lung, larynx, oral cavity and esophagus; emphysema, chronic bronchitis, and heart disease.³⁵ In women, the death rate from lung cancer has risen over 400% and has surpassed breast cancer as the leading cause of cancer deaths in women. Smoking by women is associated with reduced fertility, early menopause, and pregnancy complications including premature birth, low birth-weight infants, stillbirth, and infant mortality.³⁶ Low-income smokers nationally spend about 14% of household income on cigarettes. At \$6/pack, a pack-a-day smoker would spend

³⁰ Mezuk, B., et al. (2008) "Depression and Type 2 Diabetes Over the Lifespan: a Meta-analysis. *Diabetes Care*, vol 31(12), 2383-2390.

³¹ County Health Rankings & Roadmaps: A Healthier Nation, County by County, University of Wisconsin Population Health Institute, <http://www.countyhealthrankings.org/>

³² "Adult Cigarette Smoking in the United States: Current Estimate," Smoking and Tobacco Use, Centers for Disease Control and Prevention, http://www.cdc.gov/tobacco/data_statistics/fact_sheets/adult_data/cig_smoking/

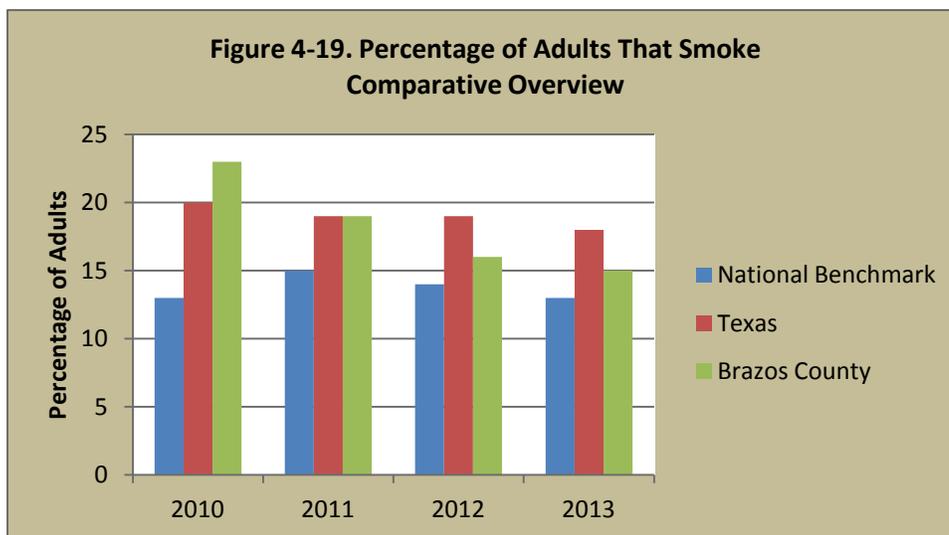
³³ Lubrano, A. (2013) "Struggling with hunger and poverty, and caught in tobacco's grip," http://articles.philly.com/2013-10-14/news/42995609_1_poverty-line-mariana-chilton-hunge

³⁴ Armour, B.S., et al. (2008) "Cigarette smoking and food insecurity among low-income families in the United States 2001," *American Journal of Health Promotion*, 22(6), 386-392.

³⁵ Tobacco and Socioeconomic Status," Campaign for Tobacco-Free Kids, January, 2013, www.tobaccofreekids.org

³⁶ "Demographics of tobacco use," http://www.oralcancerfoundation.org/tobacco/demographics_tobacco.htm

over \$2,000 per year on cigarettes, money that could be spent on necessities such as food, shelter, and health care or for education and job training. Although declining, the percentage of adults who smoke is higher than the national benchmark in both Brazos County and the state (Figure 4-19).³⁷



Source: County Health Rankings & Roadmaps, University of Wisconsin Population Health Institute

Socioeconomic status affects three areas of health; healthcare in general, environmental exposure, and health behavior. As socioeconomic status increases so do overall health outcomes. This is true for people of all races and ethnicities alike, with indicators of health improving as income and education levels increase. For adults within the United States, health status and life expectancy improve as education and income levels increase across racial/ethnic groups.³⁸

The effects of poverty on children’s health are well documented. Research is clear that poverty is the single greatest threat to children’s well-being.³⁹ Children with the worst health were found to be those from low-income families and from mothers with little education. Poor children have increased infant and child mortality; greater incidences of low birth weight with subsequent health and developmental problems; increased frequency and severity of chronic diseases such as asthma; poorer nutrition and growth coupled with food insecurity; less access to quality health care; increased unintentional injury and mortality; higher incidence of dental decay; lower immunization rates; and increased obesity and its complications. Children growing up in poverty have poorer cognitive development, lower academic achievement, lower rates of high school graduation, and less positive social and emotional development which often leads to life-altering events such as unprotected sexual promiscuity, teen pregnancy, drug and alcohol abuse, and increased criminal behavior as adolescents and adults. They are more likely to grow up to be poor adults with low productivity, low earnings, and associated toxic levels of stress.⁴⁰

³⁷ County Health Rankings & Roadmaps, University of Wisconsin Population Health Institute, <http://www.countyhealthrankings.org/app/texas/2013/brazos/county/outcomes/overall/snapshot/by-rank>

³⁸ Braveman, P.A. (2010) Socioeconomic Disparities in Health in the United States: What the Patterns Tell Us. American Journal of Public Health.

³⁹ National Center for Children in Poverty, “Child Poverty,” <http://nccp.org/topics/childpoverty.html>

⁴⁰ American Academy of Pediatrics Task Force on Childhood Poverty, 4/30/2013.

HEALTH INSURANCE COVERAGE

Health insurance has become the principal means of paying for medical care, and lack of health insurance has become the greatest barrier to healthcare access. According to the 2012 American Community Survey, Texas had the highest percentage of uninsured residents in the country, at 25%. Texas also had the highest rate of adults making below 138% of the federal poverty level who lack health insurance, at 55%. Those people, numbering about 22 million, would have qualified for Medicaid coverage if Texas had chosen to expand eligibility under the Affordable Care Act (ACA).⁴¹ This group includes the working poor non-disabled citizen adults who do not qualify for Medicaid under the state's rules and do not qualify for ACA subsidies.⁴² The cost of healthcare in the absence of Medicaid or ACA subsidies is prohibitively expensive, and thus unavailable to an impoverished person.

In the City of College Station, minorities are more likely to lack health insurance coverage: 13% of African American and 16% of Asian, compared to 10% of white residents, are uninsured. In addition, 25.5% of those identifying their ethnicity as Hispanic or Latino lack health insurance compared to only 8.3% for those identifying themselves as white alone. Of those who are unemployed in College Station, 27% lack health insurance coverage, compared to just 13% of those who are employed. The likelihood of having health insurance coverage is strongly tied to an individual's educational attainment level. Someone with a bachelor's degree or higher is 32% more likely to have health insurance coverage than someone who is less than a high school graduate.⁴³

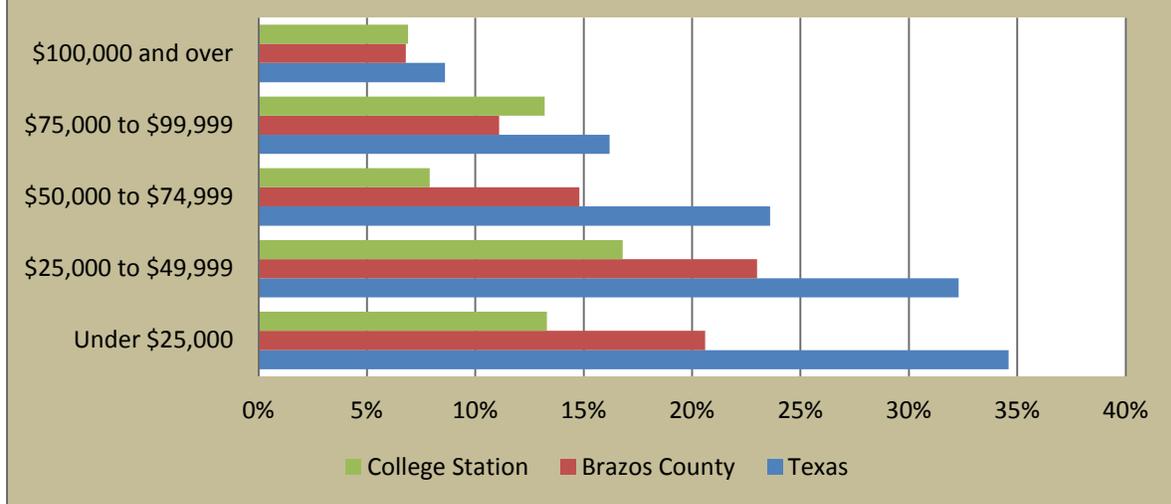
Lower income households are more likely not to have health insurance coverage, especially when considering the county and state (Figure 4-20). The lower amount of uninsured households making less than \$25,000 annually could be attributed to the high number of college students falling in that income category (especially for College Station) and the number of households who receive public health insurance such as Medicare, Medicaid, or CHIP.

⁴¹ Aaronson, B. "Texas Again Has Highest Uninsured Rate in Nation," The Texas Tribune, September 18, 2013, <http://www.texastribune.org/2013/09/18/texas-maintains-highest-uninsured-rate-nation/>

⁴² Tavernise, S. & Gebeloff, R. "Millions of Poor Are Left Uncovered by Health Law," The New York Times, October 2, 2013, http://www.nytimes.com/2013/10/03/health/millions-of-poor-are-left-uncovered-by-health-law.html?_r=0

⁴³ ACS 3-Year Estimates (2009-2011)

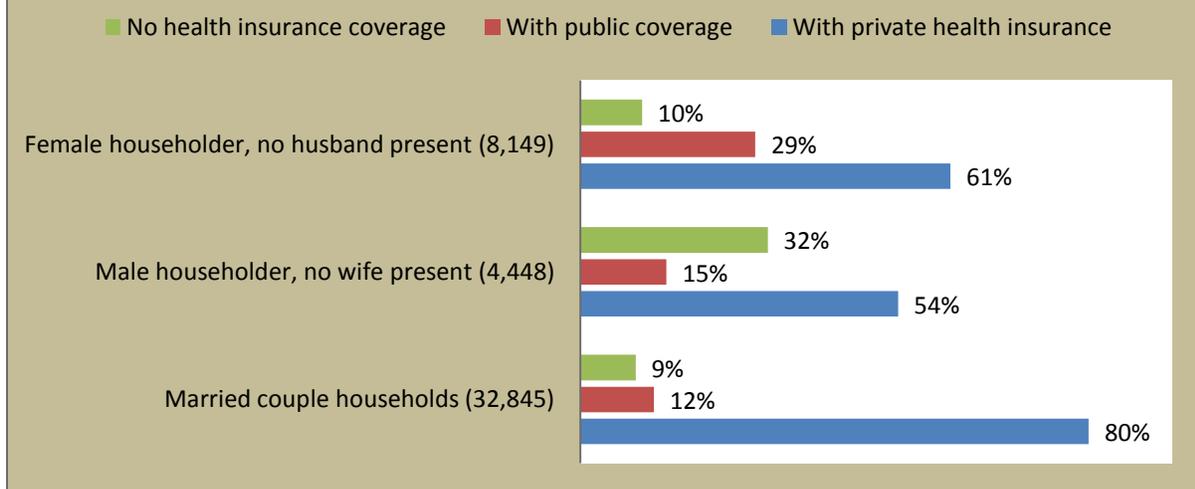
Figure 4-20. Percent Uninsured by Yearly Income Comparative Overview



Source: US Census Bureau, American Community Survey 3-year Estimates (2009-2011)

College Station families with no husband or wife present are more likely to not have private health insurance coverage (Figure 4-21). For female householders with no husband present, 10% have no health insurance coverage, 29% have public coverage (programs like Medicare, Medicaid, or CHIP), and 61% have private coverage. For male householders with no wife present, 32% have no health insurance coverage, 15% have public coverage, and 54% have private coverage. For married couple households, 9% have no health insurance coverage, 12% have public coverage, and 80% have private coverage.

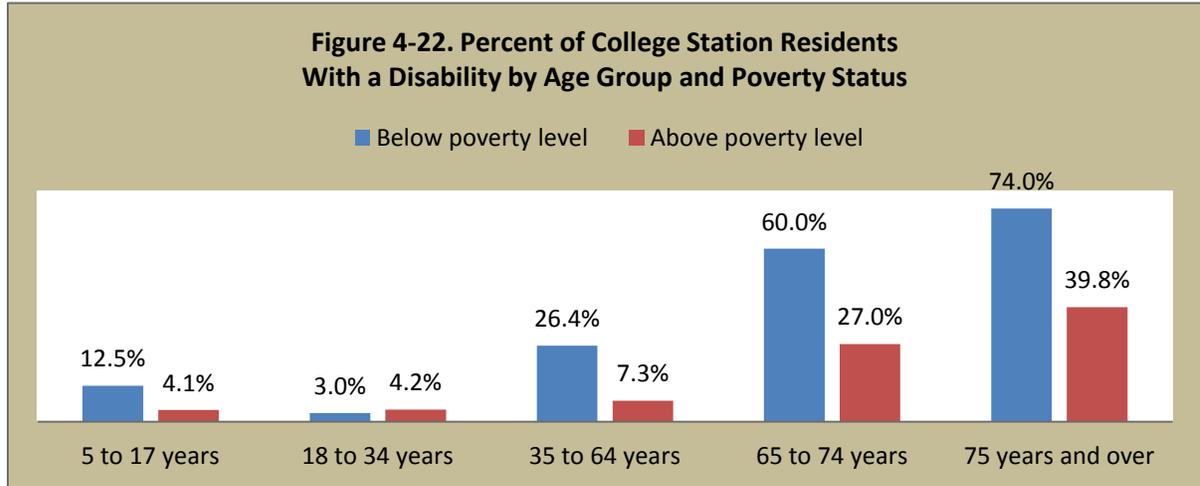
Figure 4-21. Health Insurance for College Station Families by Type



Source: US Census Bureau, American Community Survey 3-year Estimates (2009-2011)

DISABILITY STATUS

In College Station, children in poverty aged 5 to 17 are 8.4% more likely to have a disability than children of the same age group not in poverty. As residents age, the likelihood of having a disability increases, more so for those who are poor. For College Station residents age 75 or over, 74% of those below the poverty level are disabled in some way, compared to nearly 40% of same age group that is not impoverished (Figure 4-22).



Source: US Census Bureau, American Community Survey 3-year Estimates (2009-2011)

5 • CONCLUSION

The City of College Station has grown impressively since its founding 75 years ago and continues to attract new residents and development. Texas A&M University is a major factor in the community, influencing population growth, and increasing diversity, job availability, transportation and congestion, home sales, property values, and more. Despite the fact that a majority of the residents listed as “in poverty” are students, there still remains a sizable portion of the non-student population living at or below the poverty line. These people often go unnoticed. However, they struggle every day with problems such as substandard and/or unaffordable housing, inability to pay for rent and utilities, insufficient food, lack of available jobs, few options for public transportation, and limited access to affordable health care, among others. Female heads of household with no husband present, both single mothers and elderly individuals, are the most at-risk demographic in poverty.

Children suffer through the consequences of poverty more than adults, with their mental and physical health and school performance affected. Furthermore, children are at risk of facing throughout their lives the same hardships with which their parents struggle. Research shows that the amount of income needed by a family to “make it” is often higher than one would think. In addition, emergencies and crises strain low- and moderate-income families who lack the resources needed to cope when things go wrong. Cars and appliances break, family members get sick and require care and medicines, parents must skip work to care for loved ones. When faced with daily needs or emergencies, families and individuals often do without or may obtain loans with exorbitant interest rates and fees to cover costs, both of which exacerbate already troubled issues. Families and individuals struggle to find hope as they become trapped in cycles of poverty.

Having identified these problems and others here, the Community Development Division will assess what resources are available to people in need, reveal potential difficulties in obtaining these resources, and identify gaps in service. From there, potential solutions within the capabilities of the City or City partners will be examined.