

# **PY 2018-2019 Needs Assessment**

## **Supports to Encourage Low-Income Families**

### **Overview**

Butler County is located in southwest Ohio and is bordered by Montgomery County and Preble County on its north, Warren County on its east, Hamilton County on its south, and Franklin and Union counties, Indiana, on its west. The county seat, Hamilton, is approximately 30 miles north of Cincinnati and 38 miles south of Dayton. Butler County was formed in 1803 and has six cities (Fairfield, Hamilton, Middletown, Monroe, Trenton and Oxford), six villages and 13 townships.

Served by rail lines, interstate highways, and two nearby international airports, Butler County continues to attract businesses, though many are lower-paying service sector positions. The National Occupational and Wage Estimates states that in 2017 the average wage of a manufacturing position in the county is \$43,388 while the average wage for the accommodation and food service is \$22,920..

Starting in 2008, county revenues fell as a result of several factors: sales tax being reduced by .25%; State and Federal budget cuts; low interest rates; sluggish housing sales; other market-driven declines. Beginning in the same year, services rendered have steadily declined in an effort to offset revenue reductions. Butler County is still in recovery, but is making gains to restore stability from the recession.

### **Population and Demographics**

Butler County had an estimated population of 377,537 in 2016, according to the 2016 American Community Survey One-Year Estimates (United States Census Bureau, 2016)

The Ohio Development Services Agency (Office of Research, May 2016) states that Butler County has had a 2.6 percent population increase between 2010 – 2016 exceeding the state population growth of 2.1 percent during the same period. Yet, the same report states that Butler County's per capita income for 2015 was \$27,490 slightly above the state average of \$26,953.. Butler County has grown by 9,407 residents since the 2010 census which is the second largest population increase among the 10 largest counties in Ohio.

Butler County is the seventh most populous of Ohio's 88 counties and the second most populous of the Tri-state Area (Southwest Ohio/Southeast Indiana/Northern Kentucky). The Butler County population is expected to rise to 390,110 by 2020. The County is among the top six percent of all U.S. counties in terms of total population. Of note, while the majority of age groups are projected to grow at a steady rate, the population of residents over age 65 is projected to increase from 11.5% to 19.1% by 2030. The county is a mix of rural, suburban, and older urban areas with significant numbers of Appalachians.

African-Americans make up 8.5% of the county population while Hispanics comprise 4.6% of the population, according to 2014 data. The Hispanic/Latino population in the southwestern Ohio region more than doubled between 2000 and 2010. The largest percentage growth was in Butler County, where the Hispanic/Latino population grew from 1.4 to 4.6% of the population.

Ohio saw a statistically significant increase in the rate of drug overdose deaths from 2014 to 2015, by an increase of 20.5%. Prescription and illicit opioids were the main driver of drug overdose deaths, with heroin involved in 46.7% of all overdose deaths, and prescription opioids responsible for 21.9% of overdose deaths in 2015. Recently, there has been a significant rise in fentanyl-related overdose deaths, with the rate doubling from 2014 to 2015. Fentanyl is a synthetic narcotic, and in prescription form; it is between 30-50 times more potent than heroin, and 50-100 times more potent than morphine. In 2015, Butler County had the third highest amount of fentanyl-related unintentional overdose deaths in the state. The annual number of overdose deaths has increased sharply throughout Butler County, from 23 in 2003, to 59 in 2010, to 195 in 2015.

The drug-induced mortality rate for Butler County was almost twice that of the state, and almost four and a half times the Healthy People 2020 target of 13.2 per 100,000 (Butler County Community Health Needs Assessment 2017).

The National Council on Drug Abuse states that “drug use and addiction have no single cause but the risk factors for drug use include poverty.”

A recent study suggests unemployment might be one of the factors behind that dramatic rise. The paper, published by the National Bureau of Economic Research in February 2017, finds that as the unemployment rate increases by one percentage point in a given county, the opioid-death-rate rises by 3.6 percent, and emergency-room visits rise by 7 percent.

### **Poverty Statistics**

In 2016, 40.6 million Americans lived below the federal poverty line, 2.5 million fewer than in 2015. The official poverty rate was 12.7 percent, down from 13.5 percent in 2015. African Americans had a 2016 poverty rate of 22 percent, more than twice that for non-Hispanic Whites, 8.8 percent; the Hispanic/Latino poverty rate was 19.4 percent. White, African American, and Hispanic/Latino people all saw a decline in their poverty rates from 2015. Eighteen percent of children under 18 lived below poverty in 2016, down from 19.7 percent in 2015.(The Center for Public Solutions).

Compared to the state and nation, Butler County has a lower percentage of residents in poverty, but the upward trend is similar. Between 2000 and 2015, the poverty level of residents rose from 7.2% to 14.4%. Some 13.6% of residents are below 100% federal poverty level, and three cities within Butler County have a significantly higher percentage of the population below 100% poverty. In Hamilton 22.1% of residents are below 100% poverty, 24.9% of Middletown residents, and 47% of Oxford residents. Poverty is a persistent problem in Butler County and a growing problem in the Cincinnati-Middletown Metropolitan Statistical Area.

The 2011 - 2015 American Community Survey (United States Census Bureau) reported:

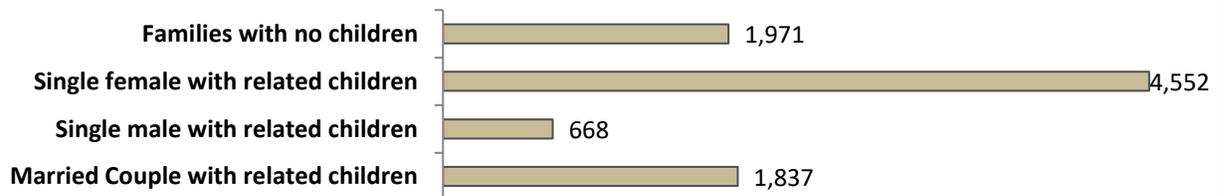
- Butler County’s poverty rate is 13.9% (50,312 individuals based on a 360,759 population for whom poverty status is determined)
- 24.4% of the population over age 25 living in poverty do not have a high school diploma

The number of people estimated to fall under the threshold of 200% of Federal Poverty Level in 2015 was 104,580 (29 percent) according to the 2017 Ohio Child Poverty Report (released in February 2017). Due to funding from sources other than CSBG, SELF serves families up to 200% for many of its programs.

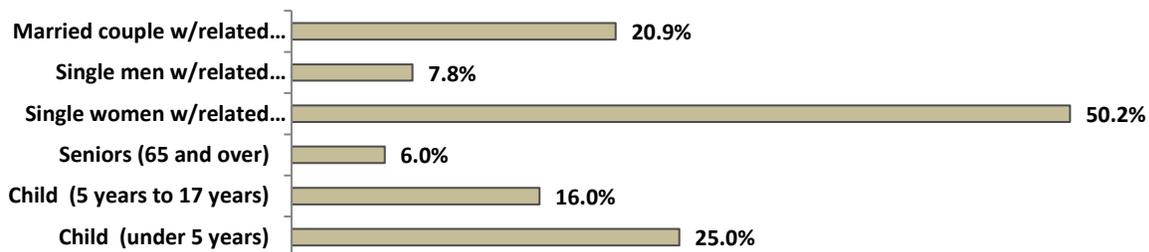
Consistent with the Census Bureau is an earlier report from the University of Cincinnati Institute for Policy Research, which reports that 30.2% of all Butler County residents struggled with self-sufficiency in 2013. “Self-sufficiency means being able to afford the costs of daily life – from housing to food, health care to transportation, and child care without public or private assistance or going into debt,” the Institute states. The Institute also reports that per capita income in Butler County is below that of the United States and the average of the Cincinnati MSA.

According to the Ohio County Profile for Butler County (Ohio Development Services Agency, accessed November 2017), poverty by family type with related children indicates that average poverty level of families with related children is at 9.6%.

#### Poverty Status of Households and Families with Children By Type



#### Poverty Status of By Demographic



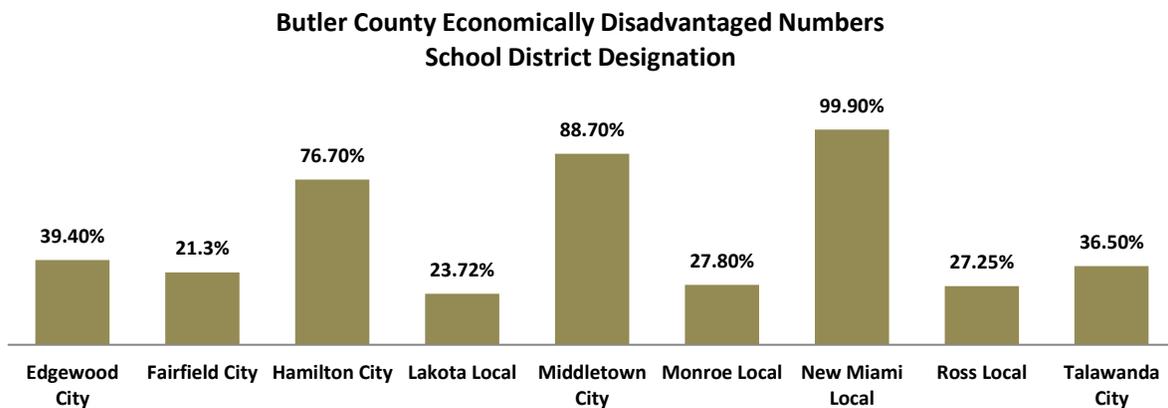
2016 Ohio County Profiles, Butler County, Ohio

Another method to determine classification of family income is the **Basic Needs Calculation**. A family is considered “poor” if the household income is below this basic needs budget. The living wage below is the hourly rate an individual must earn to support their family and meet basic needs. There are few jobs at the living wage, especially for individuals without a GED and post-secondary education. In Butler County, Ohio, the living wage estimates for 2017 are:

Hourly Wages	One Adult	One Adult, One Child	One Adult, 2 Children	Two Adults	Two Adults, One Child	Two Adults, Two Children
Living Wage	\$9.99	\$21.43	\$27.06	\$15.43	\$20.75	\$23.20
Poverty Wage	\$5.00	\$7.00	\$9.00	\$11.00	\$9.00	\$11.00
Minimum Wage	\$8.10	\$8.10	\$8.10	\$7.95	\$8.10	\$8.10

Living Wage Calculation for Butler County, Ohio 2017  
[Dr. Amy K. Glasmeier](#) and the [Massachusetts Institute of Technology](#)

More than 45.72% of Butler County school children are eligible for free or reduced-price meals. Middletown City (100.0%), New Miami Local (99.9%) and Hamilton City Schools (71.3%) have an overwhelming number of students who fall at or below the free and reduced lunch qualifications.



Ohio Department of Education School District Report Cards, 2016-2017

These numbers underscore that despite improving unemployment rates, including Butler County, the economic recovery is uneven.

**Community Needs Assessments**

An in-depth random survey was conducted of 44 low-income SELF clients in October/November 2017. Clients were a cross section of those who were expecting to receive services, those who had received services and members of SELF’s client advisory committee. The survey had the following highlights:

- Employment is a problem because of the lack of good paying jobs; lack of education and lack of childcare.
- Over half of the clients want employment with better pay
- The major barriers to employment are a lack of reliable transportation; lack of child care; and health related issues.
- The greatest employment services that are needed are: skills training, computer skills, job search assistance, and support achieving goals.
- 41% of homeowners stated they needed repairs to their homes.
- Managing money is a problem because of too much debt and need for help budgeting.
- Transportation is a problem due to lack of knowledge on how to buy a car and the cost of buying a car (downpayment included).

The same survey had been administered two years earlier (2015) by the Butler County Educational Service Center Head Start/Early Head Start Program and by SELF. Some 233 Heads Start parents and 78 SELF clients were surveyed. Some key results were:

- 41 percent of Head Start parents and 46 percent of SELF clients would lose their housing within six months of becoming unemployed unexpectedly;
- 46 percent of Head Start parents and 48 percent of SELF clients need better pay in order to sustain their families;
- 27 percent of Head Start parents are seeking employment (33 percent for SELF) and 31 percent need skills training or career search assistance compared to 55 percent for SELF;
- 43 percent of Head Start parents and 47 percent of SELF clients state a lack of tuition assistance is the reason they aren't seeking more education;
- 61 percent of Head Start parents (81 percent for SELF) state their home hasn't been weatherized and 55 percent (73percent for SELF) state their home needs repairs; and
- 47 percent of Head Start parents (58 percent for SELF) state they are burdened by too much debt

The top five needs identified in strengths and needs assessments by families enrolled in the Butler County Educational Service Center Head Start/Early Head Start Program during 2014-2015 were: affordable childcare, job training with emphasis on continuing education to build skills, and safe, affordable housing.

- Affordable childcare
- Job training
- Affordable Housing
- Nutrition supports

The Butler County Community Health Survey 2017 Analysis (July 7, 2017), analyzed by Kevin Strobino, MPH – Epidemiologist, Hamilton County Public Health, had 1,647 respondents to its survey. Survey respondents were asked to choose among 20 factors the three that were believed to be the most important factors for a healthy community. The most common choices for this question were low crime / safe neighborhoods as their #1 most important factor, good schools as the second most important, and a good place to raise children as the third. The next highest

response choices, among all respondents, were a strong economy, healthy behaviors and lifestyles, meaningful employment, and access to healthcare. Other relevant responses in the survey were:

- 57.3 percent stated that unemployment is “somewhat a problem” up to “a serious problem.”
- 54.4 percent stated that one-parent families are “somewhat a problem” up to “a serious problem.” The survey does not define why respondents think one-parent families are a problem.
- 51.2 percent that vacant buildings are “somewhat a problem” up to “a serious problem.”
- 51.6 percent stated that access to transportation is “somewhat a problem” up to “a serious problem.”
- 46.3 percent stated that elderly remaining safely in their own homes is “somewhat a problem” up to “a serious problem.”

Physically and financially maintaining affordable housing is one of the greatest challenges to Butler County’s low-income population. The American Community Survey also reports that 17% of all housing units in the county are 50 or more years old (Ohio County Profiles, Ohio Development Services Agency, 2017).

The aging structures strongly correlate with the urban areas of the county where homeowners (and landlords) struggle to maintain properties. According to the City of Middletown’s Community Revitalization Department, over 1,300 homes in the city face serious property code violations. The City of Hamilton’s Health Department does not track property code violations but it has been estimated that nearly 1,500 homes in Hamilton have building code violations.

In Ohio, 50.2 percent of renters spent 30 percent or more of household income for gross rent in 2011 and 41.5 percent spent 35 percent or more. These numbers indicated that a majority of renters in the state were cost burdened. In Butler County, 45.4% of renters were cost burdened in 2015, according to the 2016 *State of Poverty Report*, issued by the Ohio Association of Community Action Agencies in 2017.

In Butler County, the number of units that Extremely Low Income households can rent was 41 units per 100 families, creating a severe shortage. (Urban Institute’s Housing Assistance Matters Initiative, updated April 2017).

Finally, Butler Metropolitan Housing’s programs, federally funded through the Housing and Urban Development Department, average a 24-to 36-month waiting list for housing supports.

Based on the above data, SELF is addressing the following big issues affecting Butler County’s low-income population: home repairs, unemployment, underemployment, lack of transportation, lack of educational attainment and lack of assets (home ownership, education, business) with which to sustain themselves during times of economic upheaval.

## **Unemployment and Underemployment**

The unemployment rate in Butler County in October 2017 (not seasonally adjusted) was 4.2 percent, which is a drop from 7.6 percent in 2012 (Ohio Department of Job and Family Services). However, these rates do not take into account those individuals who have exhausted their unemployment benefits or given up looking for employment and certainly do not account for the type of employment obtained by the employed.

A 2012 study by Youngstown State University's Center for Working Class Studies demonstrates that Ohio's unemployment rate for that year was actually 25.47% when the official rate of 8.3% is augmented by the number of people who have settled for part-time work. Additionally, when the military and prison populations are added, the *de facto* unemployment rate climbs to 28.27%.

According to the Ohio Association of Community Action Agencies, the 2017 self-sufficiency wage in Butler County for a parent with two school-aged children is \$22.53 an hour (\$47,584 annually), significantly less than most employers offer at the starting level (typically \$11 - \$15 an hour).

Underemployment is an equally significant problem evidenced by the majority of the families served by SELF that are the "working poor," eligible for services despite having only earned income (not receiving cash assistance/welfare).

Self-employment is another viable option for the county's low-income workforce. According to the U.S. Bureau of Labor Statistics, small businesses traditionally account for 65% of all job creation. In Butler County, however, the ACS reports that only 4.1% of the population is self-employed.

A 1999 study from the Aspen Institute concluded that 72% of low-income graduates of microenterprise and microlending programs experienced gains in household income over five years and 53% had household gains large enough to move out of poverty. A more recent (2008) Aspen Institute study indicates that microentrepreneurs get off public assistance and increase their income. The average household income of families participating in a microenterprise program increased from \$29,997 to \$36,000 (17%) after one year. Additionally, 45% percent of those surveyed by the Aspen Institute said their microenterprises provided more than 2,200 jobs for others.

## **Lack of Transportation**

Despite the county having a public transportation system, the location of routes, times of service and connectivity with neighboring transit systems is limited.

Transportation is a difficult need to meet. SELF offers limited transportation to clients enrolled in some of its programs and participates as an active member of the board of directors of the Transit Alliance of Butler County which continues to build a broader solution to this widespread problem. SELF offers employment transportation to clients during those times and to those

locations when the public transportation system is unavailable.

### **Lack of Educational Attainment and Stable Assets**

Three major causes of or correlations to household economic instability are: a failure to build assets through a sustained savings program; inadequate means of generating income because of a lack of marketable skills or an inability to establish viable self-employment; and a lack of equity-generating homeownership. Both nationally and locally, there is a great need for programs that address these problems and help citizens become more economically self-sufficient.

*The State of Poverty* report for Ohio for 2016, issued by the Ohio Association of Community Action Agencies in 2017, demonstrates clearly the link between educational attainment and poverty. Statewide, people are more likely to live in poverty if they have not finished high school. The likelihood that they will live in poverty declines as they receive additional education; those having a bachelor's degree have the lowest level of poverty.

Local data indicates a need for access to post-secondary education for low-income Butler County residents. The ACS found that some 28,863 individuals (12.4% of the total population) do not have a high school diploma.

Regarding financial assets, *The State of Poverty* reports that nearly half of Ohio households lack the liquid assets needed to stay out of poverty for 3 months.

### **How SELF Meets the Needs of Butler County's Low-Income Residents**

SELF works with residents who are unemployed, underemployed or interested in additional education or building assets. JOBS NOW! is a highly individualized program designed to provide residents with the skills and support they need to meet goals they choose. Typical goals include finding a job, finding a better job, finishing a degree or completing a certification program. Getting Ahead focuses on mental models that participants in poverty develop that lead to their success. Getting Ahead is based on the Bridges Out of Poverty work of Dr. Ruby Payne. SELF is a leading organizer of the Butler County Bridges Out of Poverty Coalition.

Most of the participants in the JOBS NOW! and Getting Ahead programs are single women with related children.

Through its Individual Development Account, SELF helps clients learn how to save and plan for their futures. The IDA program provides matched savings which are released when goals are reached and financial literacy and other instruction is complete. IDA clients can save for a first home purchase, post-secondary education, business startup or purchase of a car to ensure stable transportation.

The Microenterprise Program, a partnership with the Butler County Small Business Development Center and Neighborhood Housing Services, provides intensive training in starting

a business to begin a life of self-employment. Clients complete their coursework with a rigorously crafted business plan and budget which they are ready to present to a loan committee.

SELF helps low-income residents with transportation on a limited basis. Active program participants are eligible for emergency or temporary job or job training transportation. Additionally, SELF is an active part of a county transit coalition and regional transit authority seeking a broader answer to the widespread and difficult problem of transportation.

Home repairs are conducted for owner-occupied homeowners who lack the financial and physical means to complete the repairs themselves. SELF's approach is to organize local and national volunteer groups, under proper supervision, to conduct the repairs.

Finally, SELF helps low-wage working families to keep more of their earned income, paying down debt and/or saving funds, through free tax preparation during tax season.

Throughout its history, SELF has helped thousands of low-income residents lift themselves out of poverty. SELF is committed to its community, working in collaboration with other agencies, local governments and private volunteers to enhance the quality of life for county residents by impacting the causes of poverty and empowering individuals to achieve, sustain and advocate self-sufficiency.

Sources: U.S. Census Bureau, 2016 American Community Survey Estimates  
Office of Policy, Research and Strategic Planning, Ohio Development Services Agency  
Ohio Department of Job and Family Services  
The Center for Community Solutions  
Butler County Educational Service Center Head Start/Early Head Start/SELF 2015 Program Needs Assessment  
Ohio Department of Education School District Report Cards, 2016-2017  
*The State of Poverty*, Ohio Association of Community Action Agencies, 2017  
U.S. Bureau of Labor Statistics  
Aspen Institute  
SELF's In-depth Client Surveys, October-November 2017  
The Butler County Community Health Survey 2017 Analysis