

Local governments have the opportunity to prioritize actions and interventions that address poverty, economic equity and mobility building a stronger community for all.

Developing a shared understanding of poverty is important for generating policy, operationalizing strategic priorities, developing targeted initiatives, and monitoring and evaluating program impact and economic progress over time.

Fort Collins residents disproportionately affected by poverty:

- Female-headed households with no spouse present.
- Young adults without a high school diploma.
- Those living in a family whose head is unemployed
- Minority residents and those working to secure legal status

## ● POVERTY IS COMPLICATED

There are multiple intersecting factors beyond income that influence people’s ability to thrive. Such as non-traditional work hours, cost of child care, transportation, caring for an elderly parent, stable housing, and unexpected financial burdens. Such as a trip to the ER or replacing an appliance which many households can absorb.

Poverty is a daily balancing between stressful decision-making and a “time-tax”—a levy of paperwork, requirements, and effort imposed on low- to mid-income residents in exchange for benefits that exist to help them.

## ● COVID RECOVERY

The economic impact of Covid will fall disproportionately to those who were financially vulnerable prior to the pandemic and will intensify existing economic disparities. Yet, significant trends have surfaced:

- Women have left the labor force at a much higher rate than men.
- Residents in the travel, bar and restaurant, service, and other industries went from paying their bills to unemployed and struggling almost overnight.
- School closures exacerbated food insecurity and deepened the learning gap between children from lower-income and higher-income families.

## How is poverty measured?



### Federal Poverty Level (FPL)

- Reflects income cutoff levels annually which are used to determine eligibility for Federal Programs.
- Based on agrarian calculations that do not include modern day expenses such as transportation and healthcare.
- Does account for variability in cost of living across broad regions of the country.

*Not typically used for regional poverty.*



### Area Median Income (AMI)

- HUD measurement of income level that divides the population income distribution in one half: half of the population living above the amount, half living below.
- Scale moves downward from Median Income (100%) to 80% - 60% (low income), 50% (very low income), 30% (extremely low income).

*Factors local cost of living and a good estimate of regional buying power.*



### Income Averaging

- Income Averaging diversifies income eligibility by serving households with incomes of up to 80% AMI so long as the average income/rent limit of the entire property remains at 60% AMI or less.

*Often employed by affordable housing properties to expand the diversity and range of qualifying residents.*

## ● HOW MANY PEOPLE IN FORT COLLINS ARE LOW INCOME?

Per a 2020 Performance & Program Evaluation: City Rebates & Reduced Fee Programs

- According to the American Community Survey (ACS) 5-year 2013-2017 Estimates, the individual poverty rate in Fort Collins, is 17%.
- When controlling for a high student population (i.e., removal of all individuals between 18-35 years), the poverty rate falls to just over 6%.
- Knowing that not all residents between 18-35 are students and that some students are, indeed, permanent residents in need of low-income services, the 2020 Performance & Program Evaluation uses an average between 17% (as the upper bound) and 6% (as the lower bound) to arrive at a **city-wide poverty average of 12.2%**.

At a current population of 165,000 this means that over 20,000 individuals are low-income in our community.

- In 2019/20, out of 30,754 Poudre School District students: 7,549 were eligible for free lunch services and 1,830 students eligible for reduced lunch.



### One Salary Supporting a Family of 3 in Fort Collins

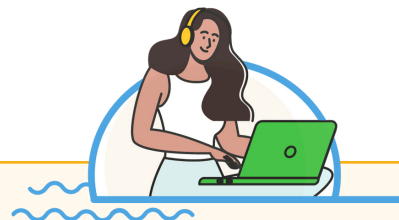
Sample Occupation	Hourly Salary	Annual Income	Income Qualification
Bank Teller; Utility Technician; Office Assistant; Certified Nursing Assistant; Housekeeper; Janitor; Experienced Restaurant Server; Child Care Provider	\$12.57	\$25,900	30% of AMI
PSD 1st through 4th year teacher with BA; Larimer County Accountant I, Civil Engineer I; Health Dept Social Worker; Accounting Clerk; Landscape Project Manager; Medical Billing Coder	\$20.77	\$43,200	50% of AMI
PSD 5th through 9th year teacher with BA or 1st through 6th year teacher with MA; Pharmacy Technician; CSU Financial Aid Counselor; County Employment Specialist; Mental Health Counselor	\$24.92	\$51,840	60% of AMI



#### The American Community Survey (ACS)

- Leading source of socioeconomic and demographic statistics for every community.
- Information from the ongoing survey generates data that help determine how more than \$675 billion in federal and state funds are distributed each year.

[data.census.gov](https://data.census.gov)



#### Ashley is a Fort Collins single parent with 2 girls, ages 5 and 8.

She works as a Scheduling Coordinator for a local dentist's office and feels fortunate to have the job and steady work week. She earns approx. \$43,000 a year which equals a take-home of **\$2,875 per month**. Rent is \$1,395, a car payment of \$420, and \$600 per month for home care for her youngest and after school child care for oldest costs. Every other weekend, she cleans a business office for \$125. **Ashley has \$177 per week for their living expenses—insurance, clothes and food, everything.**

## 2021 City of Fort Collins Poverty Index



		Fort Collins Affordable Housing Entry	IQAP/LEAP	CoFC Grocery Rebate	Food Bank for Larimer County Supplemental Nutrition Assistance Program (SNAP)	National School REDUCED Lunch Program; CoFC Recreation Discount Pass	Neighbor to Neighbor Coachlight Plaza; CoFC Digital & Equity	National School FREE Lunch Program; Emergency Broadband Benefit
Number of People/Household	2021 Median (100%)	80% AMI	60% AMI	50% AMI	Up to 200% Federal Poverty Level	135% Federal Poverty Level	30% AMI	185% Federal Poverty Level
1	\$67,200	\$53,700	\$40,320	\$33,600	\$25,536	\$23,606	\$20,150	\$16,588
2	\$76,800	\$61,400	\$46,080	\$38,400	\$34,488	\$31,894	\$23,000	\$22,412
3	\$86,400	\$69,050	\$51,840	\$43,200	\$43,440	\$40,182	\$25,900	\$28,236
4	\$95,900	\$76,700	\$57,540	\$47,950	\$52,416	\$48,470	\$28,750	\$34,060
5	\$103,600	\$82,850	\$62,160	\$51,800	\$61,368	\$56,758	\$31,050	\$39,884
6	\$111,300	\$89,000	\$66,780	\$55,650	\$70,320	\$65,046	\$33,350	\$45,708

AMI = Area Median Income

For families/households with more than 8 persons, add \$4,480 for each additional person for poverty guidelines.

Source: City of Fort Collins, based on info from U.S. Housing and Urban Development

### ● CITY INCOME-QUALIFIED PROGRAMS

This year, the City of Fort Collins will examine its portfolio of income-qualified programs for low- and moderate-income residents. Our goal is a revised city-wide approach for the efficient and effective investment of public funds to support residents in need.

The City of Fort Collins has approximately 20 income qualified programs and services operating across multiple departments. In order to reduce barriers to participation in City programs and define measurable household impact, our work includes recognizing standard definitions and financial realities of local poverty.

### ● POVERTY AND PLACE

The neighborhoods we live in shape our health, our prosperity, and our children's educational success. Residents of high-poverty neighborhoods do worse on a variety of measures, even when they are not impoverished.

Neighborhood poverty is characterized by the percentage of households that live in poverty within a census tract, and can be determined via wide range of factors: income disparities, housing density and the built environment such as when a particular neighborhood or apartment building was built.