

ECONOMIC MOBILITY

Intergenerational economic mobility — the likelihood that children born into families with low wealth can achieve a higher standard of living — is often hampered by high poverty rates, shrinking populations, and declining economic standing. The Economic Mobility strategy is focused on making sure kids start kindergarten ready to learn, paving career pathways to financial success and addressing structural barriers to mobility.

Starting Strong

In Cuyahoga County, less than half of preschool-aged children participate in preschool, and more than half are not ready for kindergarten. Early childhood education should be prioritized, particularly in communities with the highest need.

Teens Looking to the Future

Adolescents in the past three years have faced unprecedented disruption and upheaval. As they make decisions that will impact their future economic stability, special attention should be given to supporting this unique cohort of individuals.

Pathways to Financial Success

Young adults, in particular, need support to identify and pursue pathways to financial stability and success, such as career planning, post-secondary education and homeownership opportunities.

Racial Disparities

Black, Indigenous, People of Color (BIPOC) residents of Cuyahoga County face barriers to economic mobility from a young age through adulthood. Programs and services designed specifically for them will not only reduce these barriers but lift the entire community.



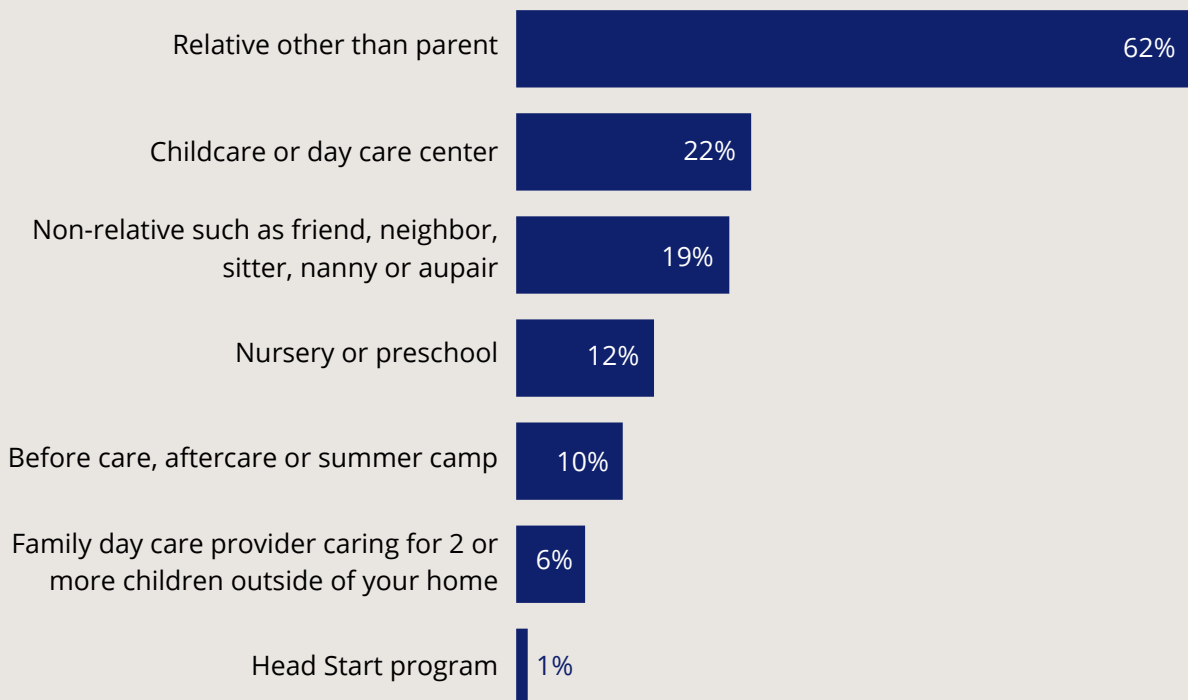
SECONDARY DATA: ECONOMIC CONDITIONS AND OUTCOMES

Child Care

Families with young children in Ohio may find that a significant portion of their regular expenses is spent on child care. In the first half of February 2023, the mean payment for a week of child care was \$291.00. The most prevalent type of child care arrangement during that same period was with a relative other than a parent. This relative could be a grandparent, aunt, uncle, sibling, or other non-parent. The second most common arrangement was at a child care or day care center, while the least common arrangement was in a federally funded Head Start program.

Arrangements for child care

Census Household Pulse Data, Ohio
Week 54, February 1 - February 13, 2023

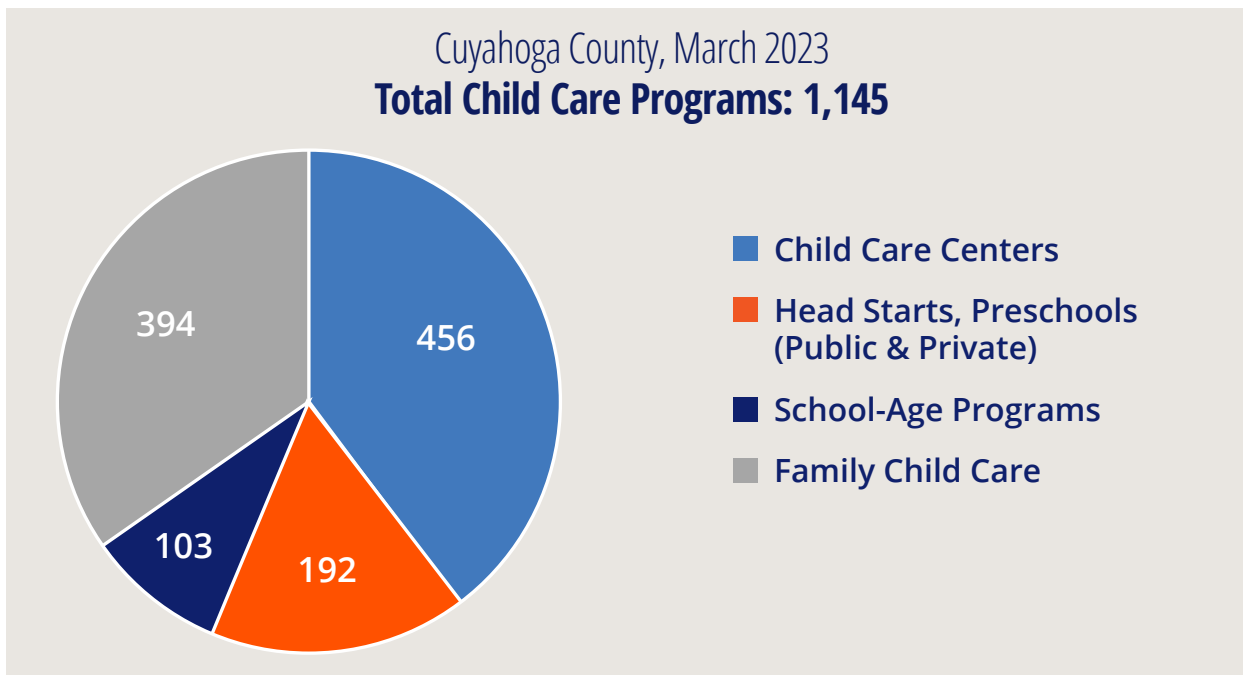


As Cuyahoga County's Child Care Resource and Referral Agency, Starting Point regularly collects data on child care capacity (number of seats available for children) and enrollment (number of children in child care). The data collection period reflected here took place from October through December 2022.

The COVID-19 pandemic had a substantial impact on child care that continues today. The number of child care programs in Cuyahoga County and Cleveland remains steady compared to the pre-pandemic number. Although some child care programs closed during the pandemic, new programs opened to replace those that were closed. There are 1145 programs in Cuyahoga County, 496 of which were rated high-quality in Ohio's early care and education rating system. In Cleveland, there are 509 child care programs, with 237 rated high-quality.

The effects of the pandemic can be seen primarily in child care capacity and enrollment. At the beginning of March 2020, there were approximately 67,000 child care slots in Cuyahoga County. From March 2020 to March 2021, there was a 19% decrease in overall child care capacity in Cuyahoga County. Since 2021, there have been slow gains to pre-COVID child care capacity levels, with approximately 58,000 slots available today, narrowing the gap in available care from March 2020 to 13% overall. The City of Cleveland Child Care Programs and suburban programs have followed the same trend of approximate losses and gains in child care availability throughout the pandemic.

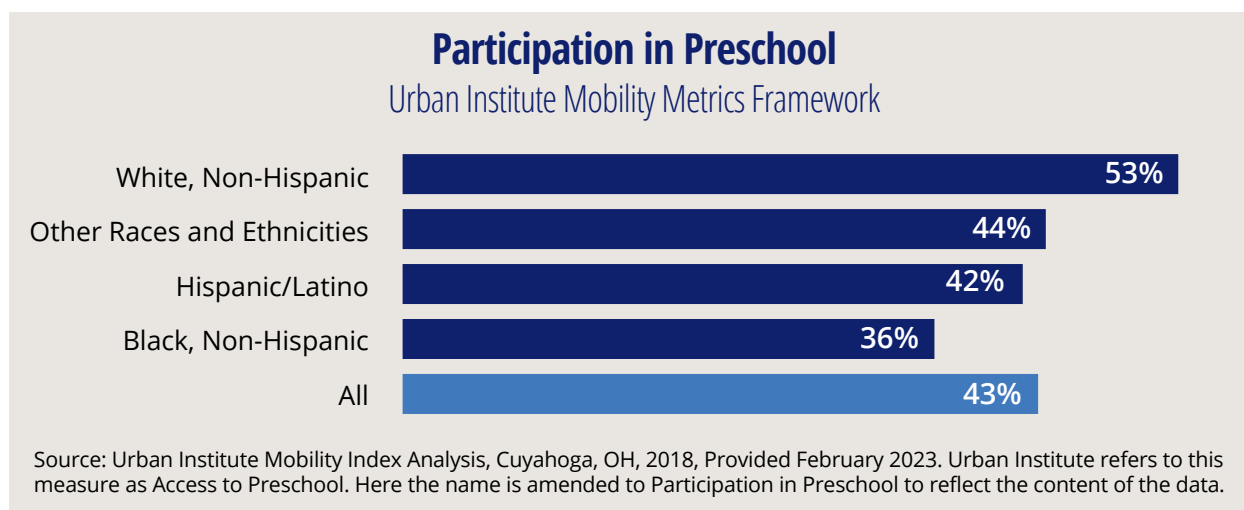
Pre-COVID enrollment in child care totaled just under 50,000 children in Cuyahoga County. Overall enrollment remains down 26% since March 2020, with 13,500 less children attending child care. At the same time, parents are reporting challenges in finding child care. This indicates that lack of available child care are likely due to staffing shortages. Starting Point conducted a workforce survey in December 2022 that shows an estimated 2,500 vacant child care positions in Northeast Ohio.



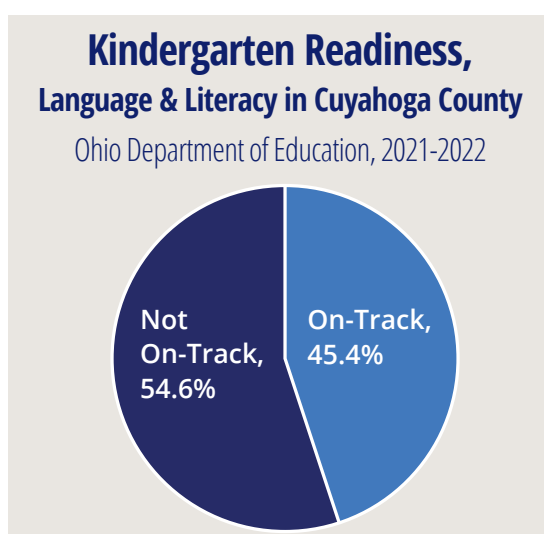
Kindergarten Readiness

The Urban Institute Mobility Metrics Framework examines participation in preschool in relation to early childhood education and its potential impact on future outcomes. By measuring access to and enrollment in preschool programs, the framework aims to provide insights into the potential long-term effects on educational and economic mobility for individuals and families in urban areas.

Participation in preschool measures the share of 3- to 4-year-olds in a community who are in nursery school or preschool. A little less than half (43%) of all children aged 3 to 4 in Cuyahoga are in nursery school or preschool. Children in this age group who identify as Latino (42%) or with other races and ethnicities (44%) that are not Black or white fall near the same percentage. However, a lower percentage of Black children aged 3 to 4 (36%) participate in preschool. This means that many may lack helpful skills that help them to learn more easily in the classroom.



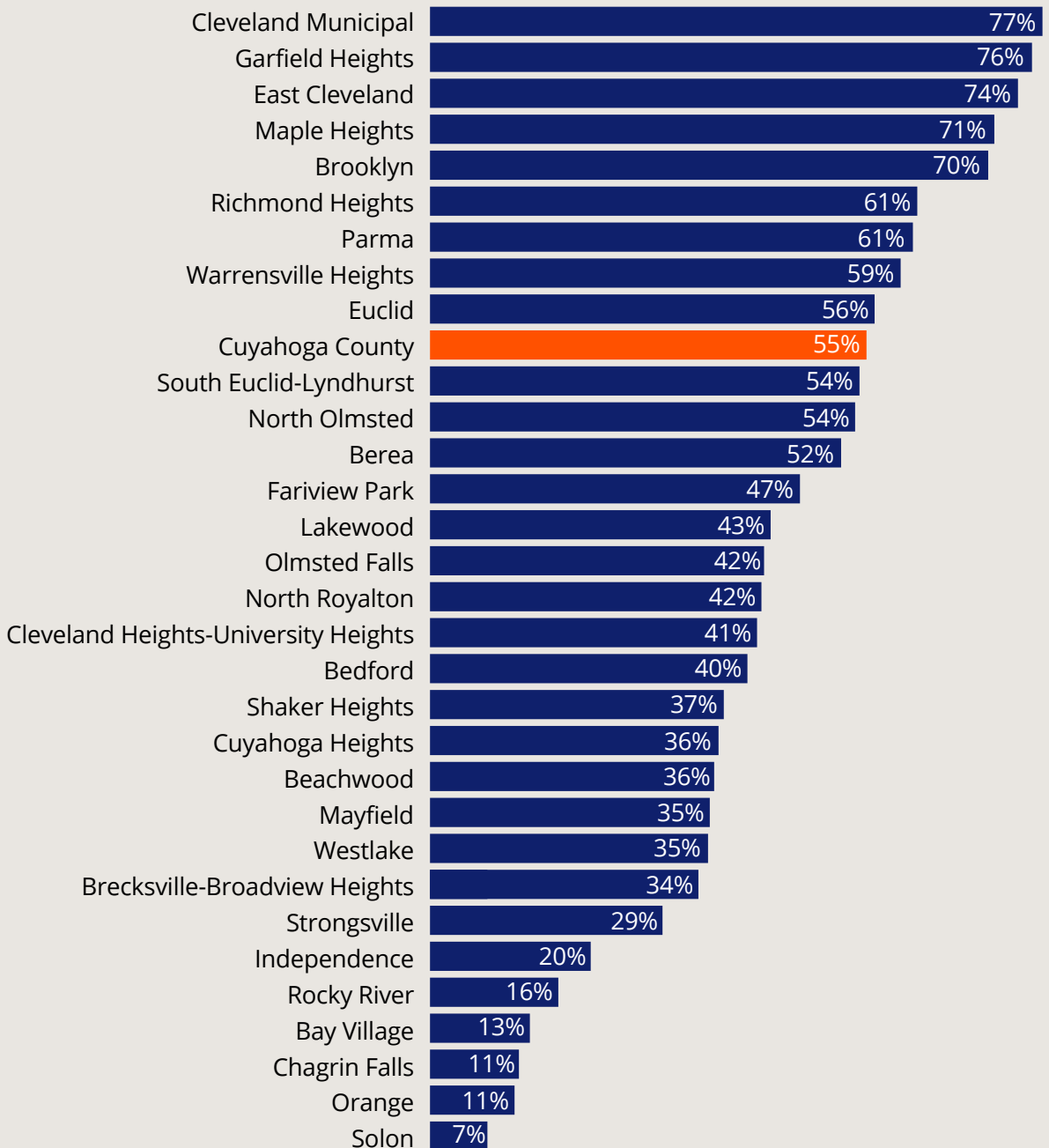
It is concerning that there are disparities in access to preschool based on race and ethnicity in Cuyahoga County. The fact that Black children have the lowest access to preschool may contribute to existing achievement gaps in education. Efforts should be made to increase access to preschool programs for children of all races and ethnicities, especially those who are currently underrepresented in such programs. This could include expanding availability and funding for preschool programs, outreach and education to families and addressing any systemic barriers that may prevent families from accessing preschool.



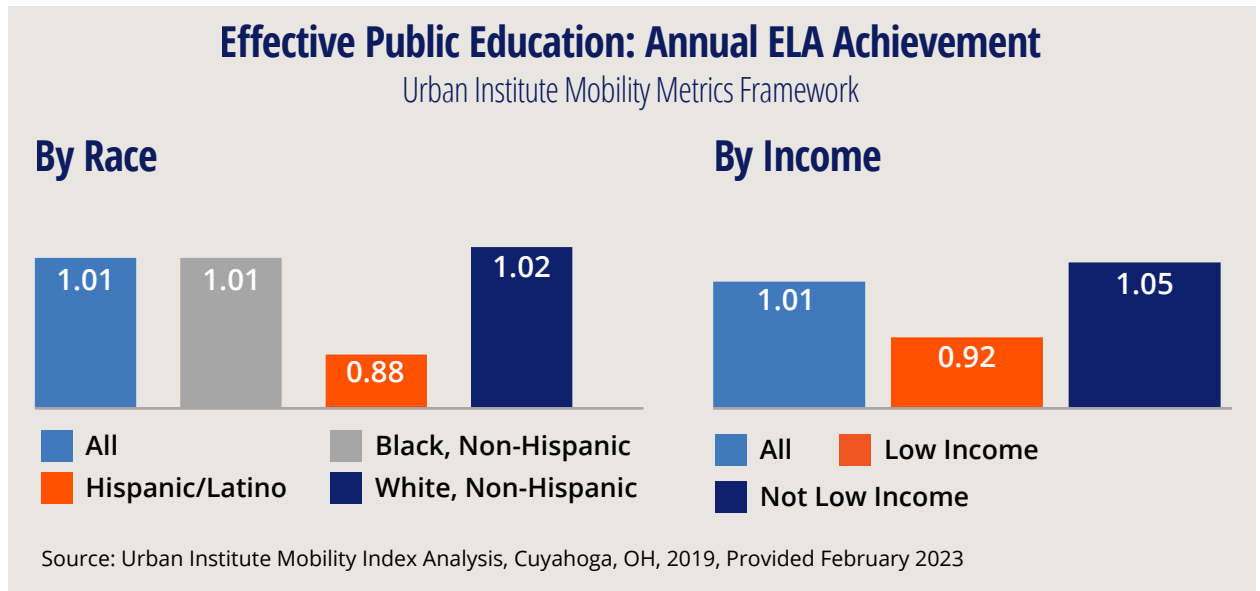
Data from the Ohio Department of Public Education indicates that over 50% of children in Cuyahoga County are not on track to be prepared for kindergarten. Additionally, in five school districts within the county, more than 70% of children entering kindergarten are not on track in language and literacy skills, indicating a significant need for early childhood education interventions.

Students not on-track to be ready for Kindergarten

Ohio Department of Education, 2021-2022



K-12 Education



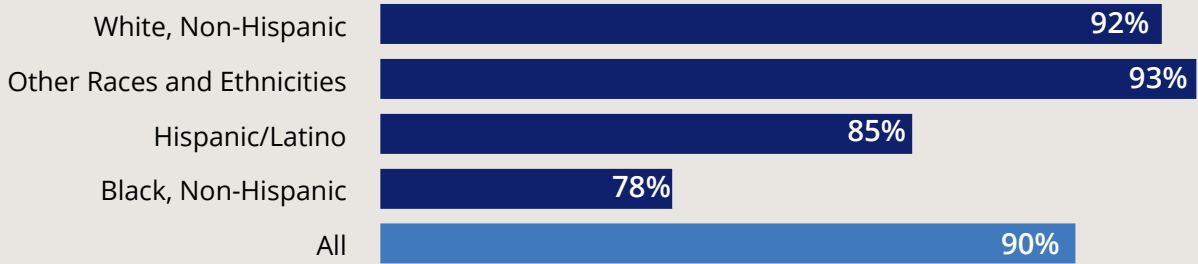
Proficiency in 3rd-grade reading and 8th-grade mathematics are strong indicators of future academic success in high school and postsecondary education and earning potential. The Effective Public Education metric measures the average improvement per year in English/Language Arts (ELA) for public school students from 3rd to 8th grades, with a score of 1 indicating an average learning rate. In Cuyahoga County, students of all races and income levels are learning slightly above average. However, when analyzed by race/ethnicity and income, Latino students and those from low-income households are learning at a slightly lower rate than their peers, putting them at a disadvantage that has been shown to hinder future academic and financial success.

The Student Poverty Concentration metric measures the percentage of students attending schools with a high concentration of poverty. Attending economically and racially diverse schools is linked to better academic and economic outcomes. In Cuyahoga County, Black (83%) and Latino students (65%) attend schools with higher concentrations of student poverty compared to White students (28%).

Earning a high school diploma is commonly used as an indicator of an individual's readiness to pursue higher education. On average, individuals who obtain a college degree tend to have a higher income than those with only a high school diploma. College readiness is measured by the percentage of 19- to 20-year-olds who have completed high school. In Cuyahoga County, 90% of residents in this age group have earned a high school diploma. The rate is even higher among white residents (92%) and those identifying with other races and ethnicities (93%), excluding Black and Latino individuals. However, a smaller percentage of Black (78%) and Latino (85%) young adults in the county have earned a high school diploma, indicating that they may not be adequately prepared for college and could experience lower earning potential as a result.

College Readiness: % with a High School Degree, by Race

Urban Institute Mobility Metrics Framework



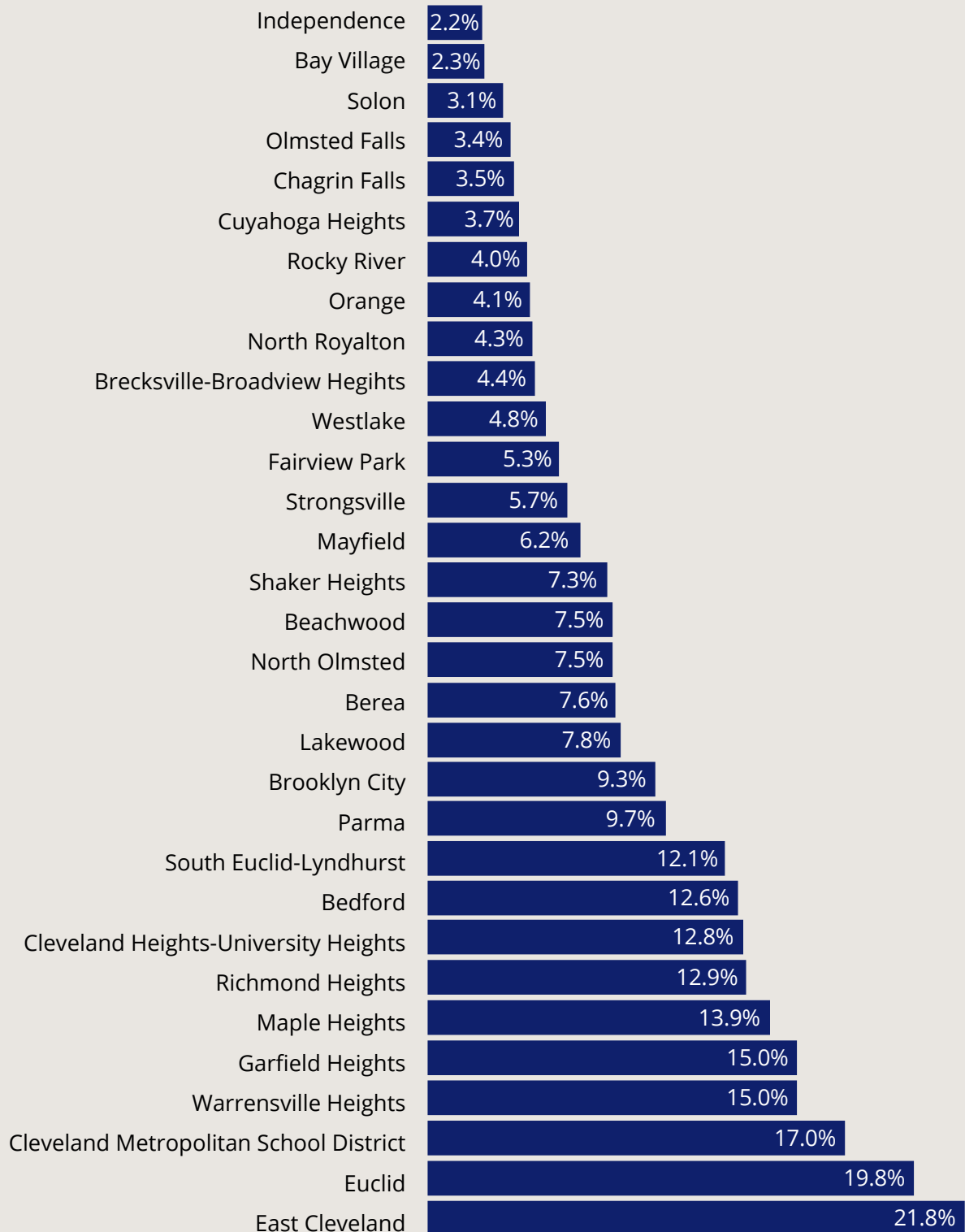
Source: Urban Institute Mobility Index Analysis, Cuyahoga, OH, 2018, Provided February 2023



Student Mobility refers to students moving schools or school districts, at times in the middle of a school year. Students may switch schools due to moving in and out of districts, for discipline reasons or in search of a better academic fit. Students who move schools frequently, i.e. attending four different schools during their elementary years, are more likely to experience challenges with staying on track for their learning objectives. High mobility within a district disrupts classroom stability by creating a sense of constant change. In Cuyahoga County, East Cleveland has the highest rate of mobility at 21.8% followed by Euclid at 19.8% and Cleveland at 17%. It is notable that the districts that experience the most mobility also have the fewest kindergartners on-track for language and literacy. Districts that are in the top ten of both lists include East Cleveland, Euclid, Cleveland, Warrensville Heights, Garfield Heights, Maple Heights, Richmond Heights, Bedford and South Euclid-Lyndhurst.

Student Mobility by District

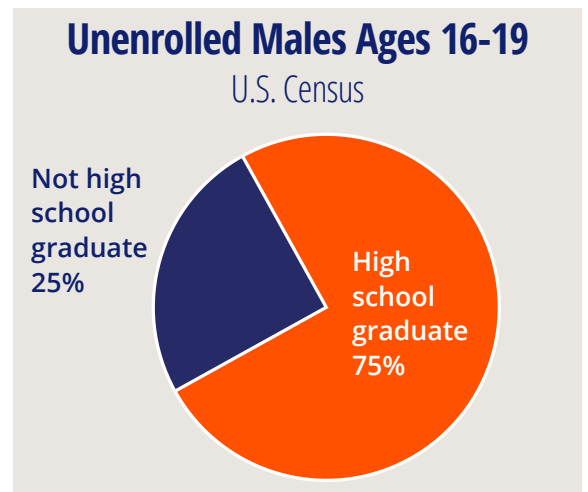
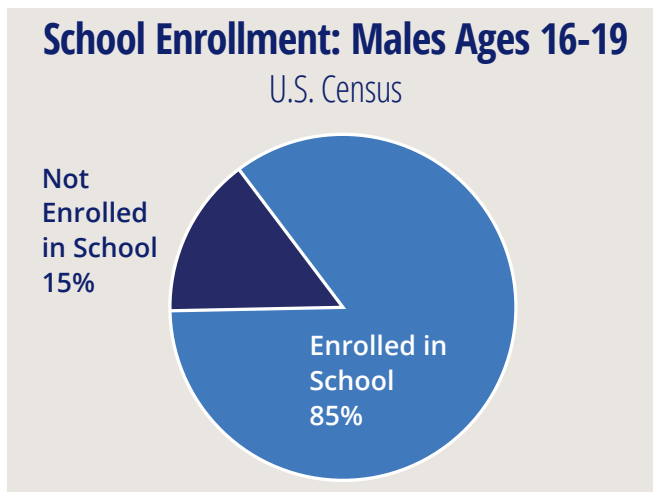
Ohio Department of Education 2021-2022



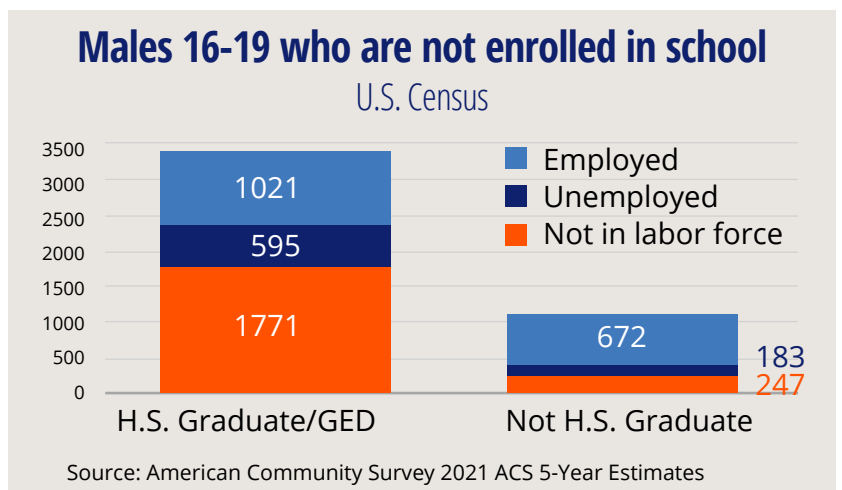
Disengaged Youth

Disengaged youth are not enrolled in school or employed. This is a crucial time for older adolescents as the decisions they make during this period can significantly affect their future economic stability. Individuals who complete high school and enroll in post-secondary education have a higher potential for lifetime earnings than those who do not finish high school. School also provides a sense of structure and connections to both adults and peers, which can be crucial for personal and professional growth. Without these connections and structure, disengaged youth may be at higher risk of engaging in behavior with legal consequences. Programs aimed at bringing disengaged youth into postsecondary education or the workforce can significantly improve their chances of achieving future economic stability.

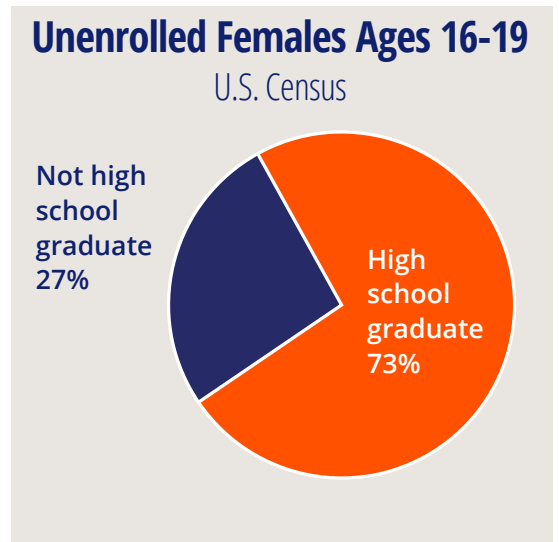
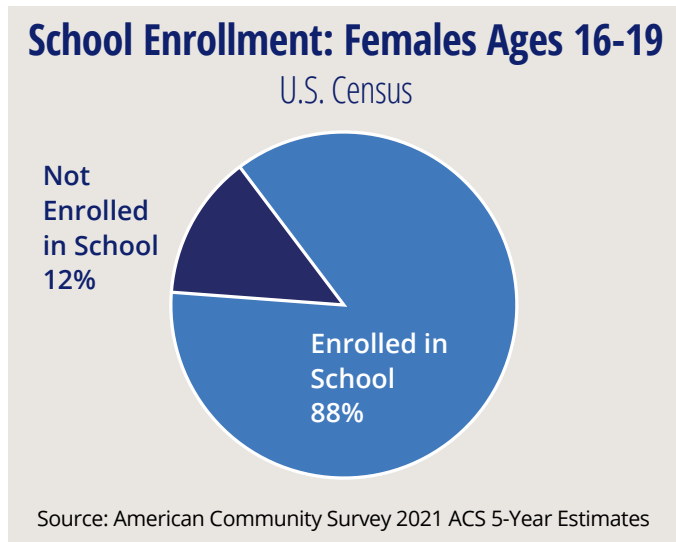
In Cuyahoga County, a significant proportion (15%) of males aged between 16 and 19 are not currently enrolled in school. Furthermore, of those males, approximately a quarter lack a high school diploma or its equivalent, highlighting potential barriers to future education and career opportunities.



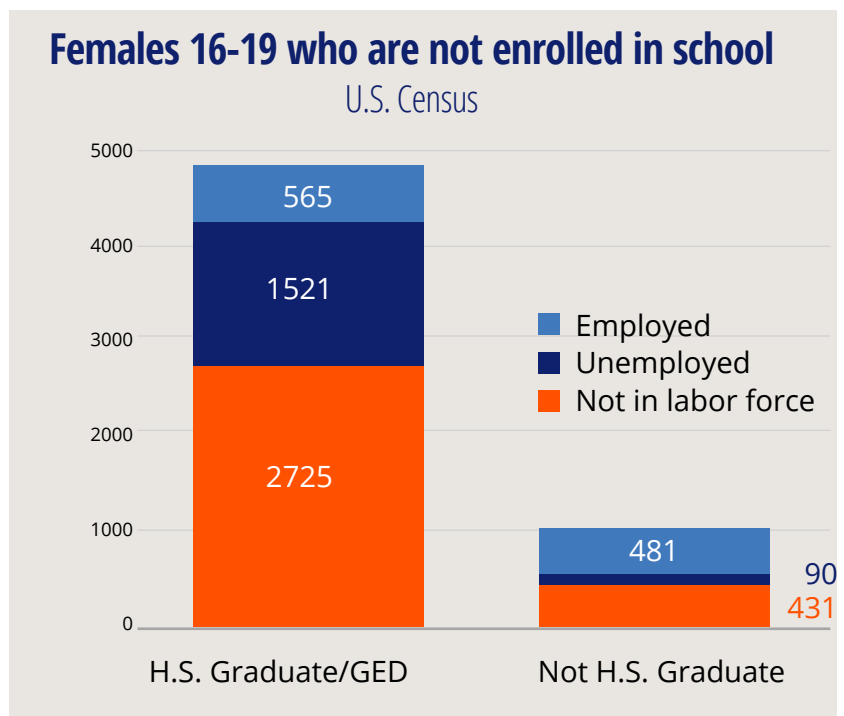
Only 22% of individuals without a high school diploma are currently employed. Among males aged 16 to 19 who are not attending school, 55% are either unemployed or not participating in the labor force.



Approximately 12% of young women aged 16 to 19 are not currently enrolled in school in Cuyahoga County. Of those not attending school, more than a quarter (27%) have not earned a high school diploma or equivalent credential.

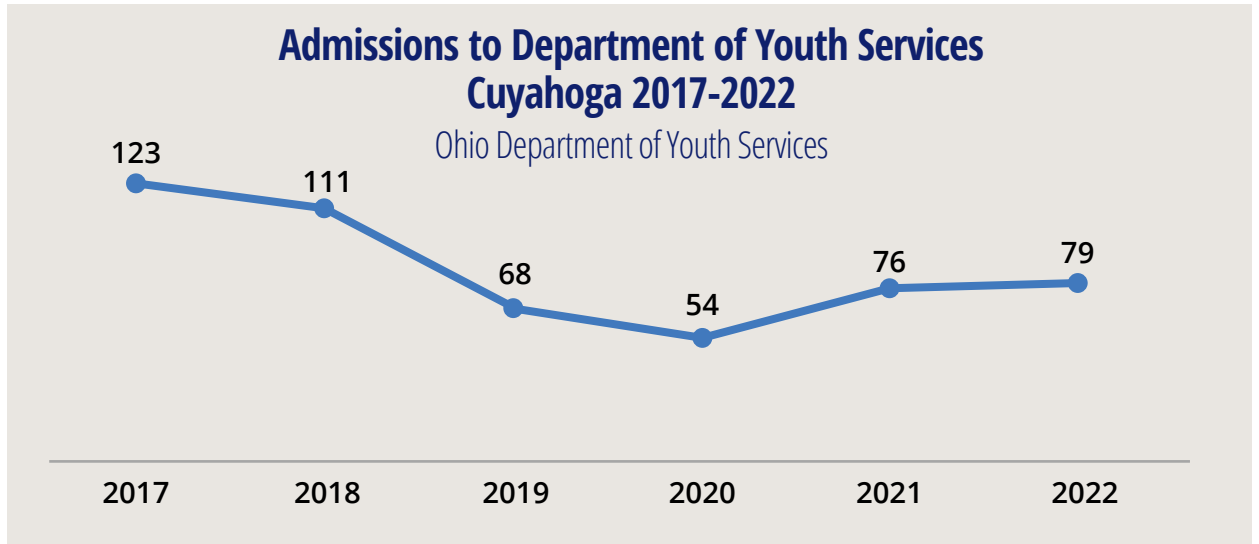


Of those who are not high school graduates, 43% of females are employed, which is twice the rate of males without a high school diploma. However, almost half (48%) of females between the ages of 16 to 19 who are not enrolled in school are either unemployed or not in the labor force. Employment opportunities that do not require a high school diploma or equivalency seem to be more accessible to females as they have a slightly higher rate of engagement than males.



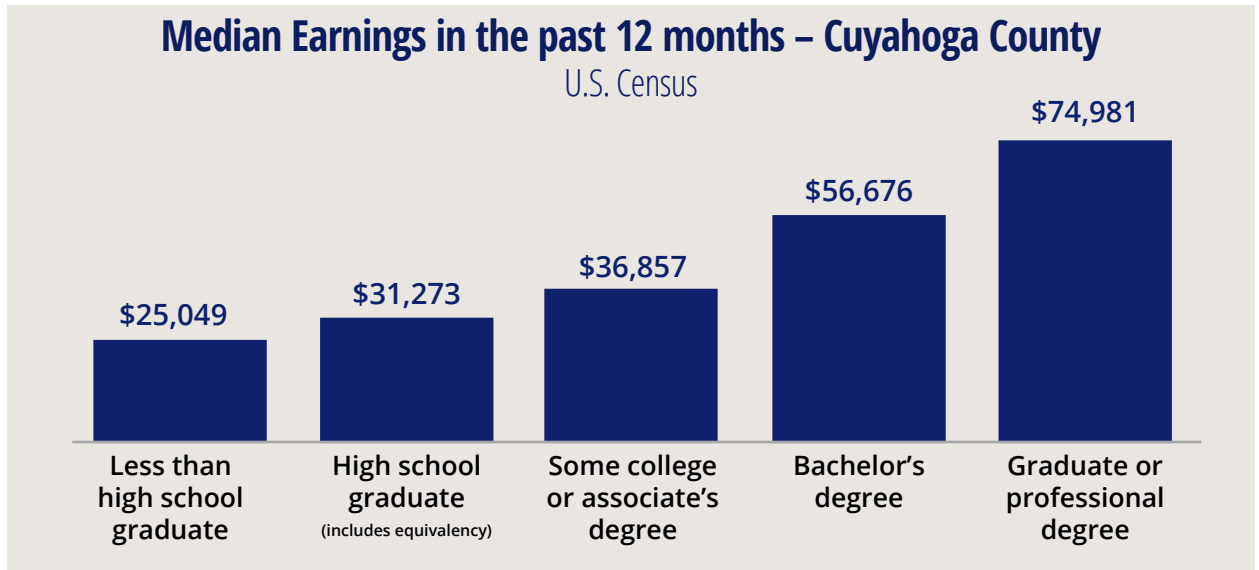
The number of new admissions to the Department of Youth Services from Cuyahoga County decreased from 123 in 2017 to 54 in 2020. However, admissions have been increasing in the last two years, with 76 in 2021 and 79 in 2022. As of mid-March 2023, 54 youth had already been admitted, suggesting that admissions are likely to increase once again in 2023.

The large majority of those currently engaged with the Department of Youth Services are Black (86%) and male (92%).



Educational Attainment

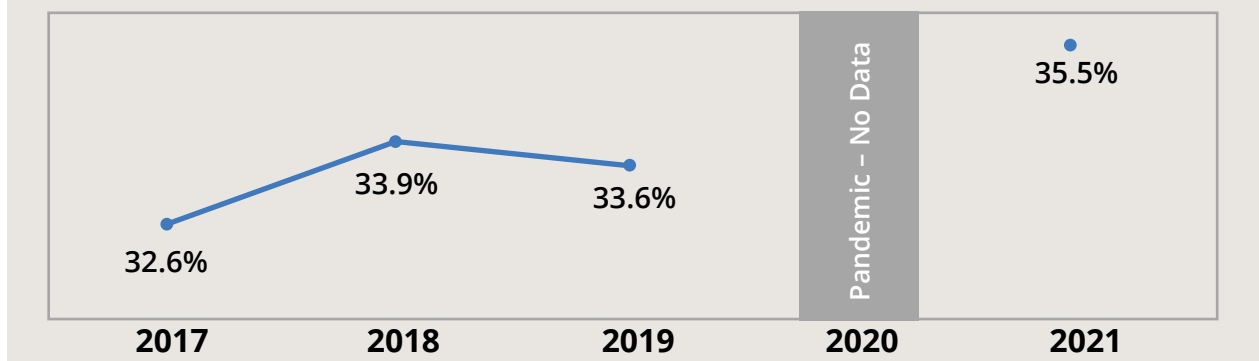
Achieving higher levels of education is correlated with higher earnings. The largest increase in median income occurs between obtaining an associate’s degree or some college and a bachelor’s degree, with a mean earnings differential of nearly \$20,000. Another significant jump in median earnings is observed between bachelor’s and graduate degrees, with an additional \$18,000 at the higher education level.



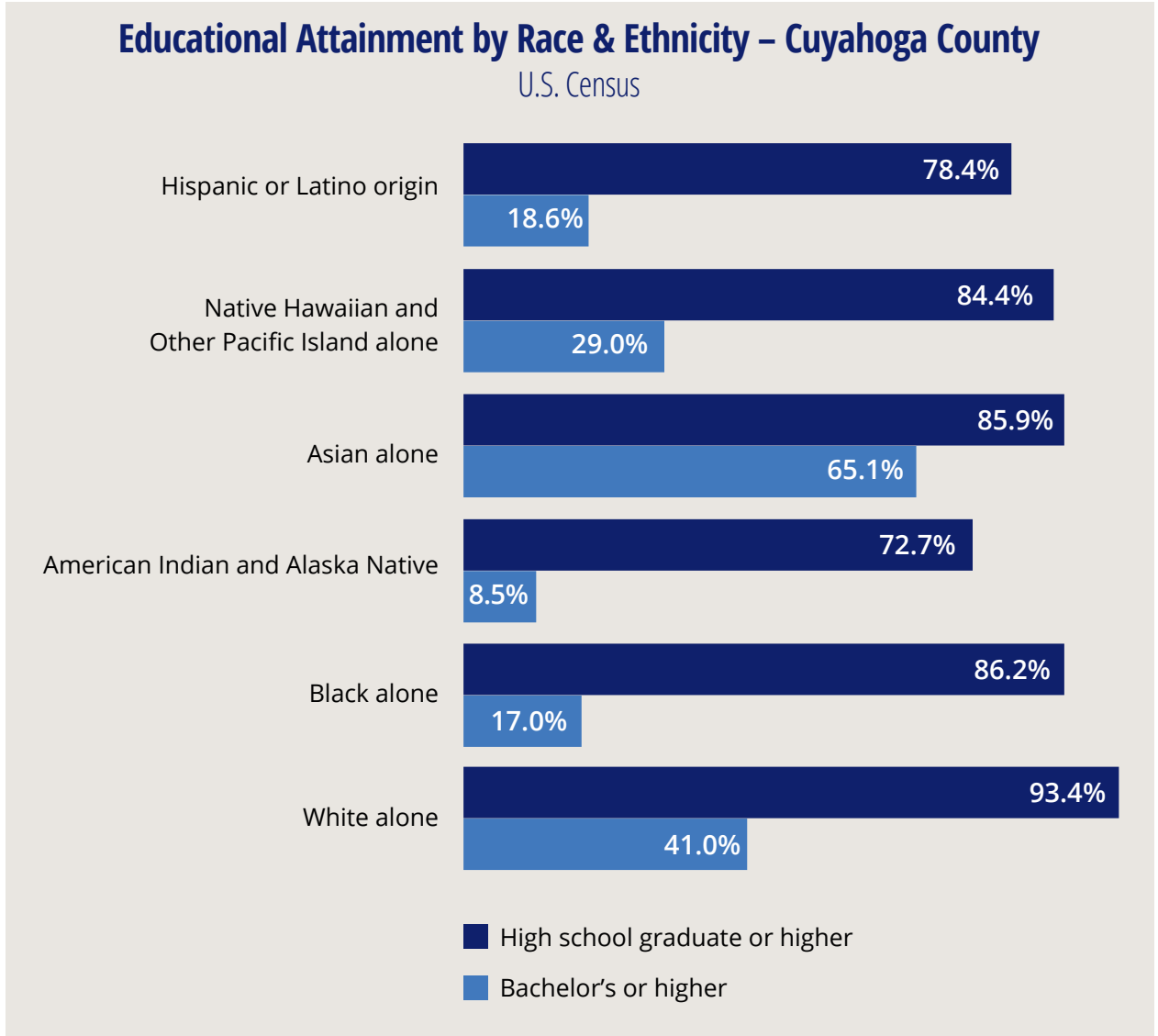
Cuyahoga County has slightly higher rates than the state overall in the levels of educational attainment associated with higher median earnings: some college; bachelor’s degree; and graduate/professional degree.

In the last five years, educational attainment among Cuyahoga County residents aged 25 and older has shown some progress. From 2017 to 2021, there was an increase of around 2% in the proportion of this group who hold a bachelor's degree or higher. If this trend continues, it could further boost economic mobility for the community

There has been a slight increase in percent of residents aged 25 and over with Bachelor’s degree or higher



Breaking down the data by race and ethnicity shows that the population identifying as Asian has the highest proportion attaining a bachelor's degree or higher (65%). White residents follow closely behind with a rate of 41%. Black residents have the second highest rate of high school diploma attainment, yet the second lowest rate of bachelor's degree attainment. Meanwhile, American Indian and Alaskan Native residents have the lowest rate of bachelor's degrees, indicating a lower earning potential for this group.

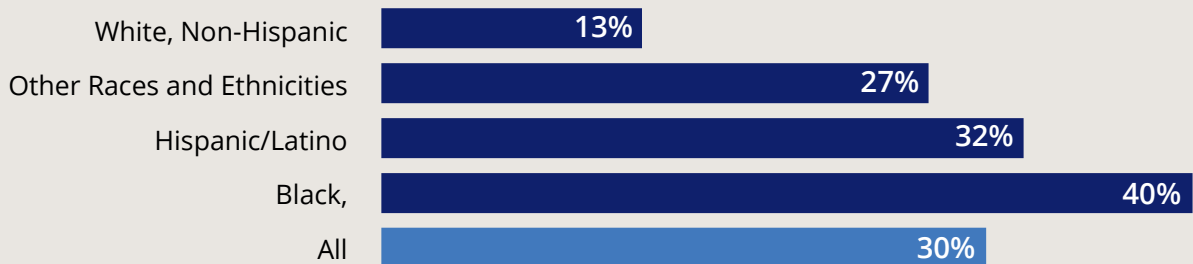


Neighborhood Diversity

Where a person lives can be a predictor of their educational and employment achievements as well as their potential earnings. Living in an area with high poverty can have adverse effects on these outcomes. The Urban Institute Mobility Metrics classifies neighborhoods with over 40% of residents living in poverty as high-poverty neighborhoods. In Cuyahoga County, Hispanic/Latino (32%) and Black (40%) residents are more than two and three times more likely respectively to live in high-poverty neighborhoods than white residents (13%).

Economic Inclusion: % in High Poverty Neighborhoods, by Race

Urban Institute Mobility Metrics Framework

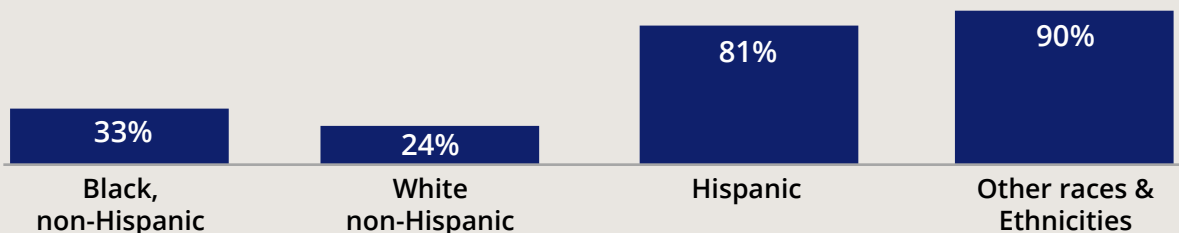


Source: Urban Institute Mobility Index Analysis, Cuyahoga, OH, 2018, Provided February 2023

The level of racial diversity in a neighborhood can have a significant impact on the exposure that different racial or ethnic groups have to people from other backgrounds. This can be measured by the average share of neighbors from other races or ethnicities that each group has. Neighborhoods that are highly racially segregated can contribute to economic disparities for marginalized groups. In Cuyahoga County, only 24% of White residents have a neighbor who is not White, while 81% of Hispanic/Latino residents have a neighbor who is not Hispanic. This suggests that Latino residents, along with those from other races and ethnicities, are more likely to encounter racial diversity in their communities than Black and White residents.

Percent of neighbors who are a different race or ethnicity

Urban Institute Mobility Metrics Framework



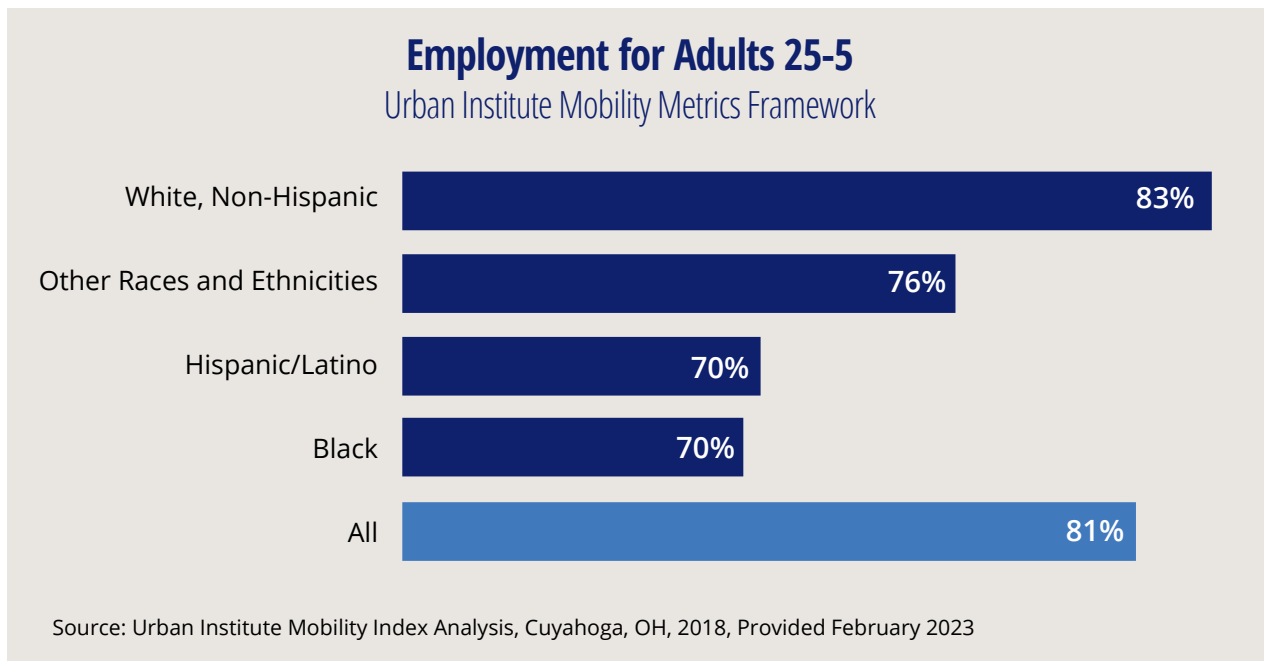
Source: Urban Institute Mobility Index Analysis, Cuyahoga, OH, 2018, Provided February 2023

Employment

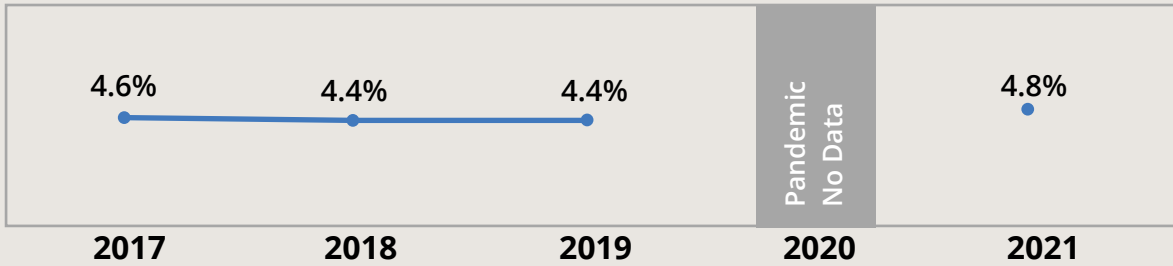
Experiencing unemployment can result in a loss of income and lower earnings in future employment, especially for those who are out of work for extended periods of time. In households where someone is unemployed, children's academic performance can also suffer due to the additional stressors brought on by the loss of income. The **employment ratio** measures the number of employed adults to the total number of adults between the ages of 25 and 54 in a given jurisdiction. Cuyahoga County's employment ratio is 81%. When disaggregated by race, the proportion of White residents who are employed is over 10% higher than Black and Latino residents, placing them in a better position to achieve higher earnings and avoid the negative impacts of unemployment.

While employment is important, individuals also need to be paid a living wage relative to the cost of living in their area to achieve economic success. In the Urban Institute Mobility Metrics Framework, Cuyahoga County has a rating of 0.98 in the Access to Jobs Paying a Living Wage metric. This metric is calculated by dividing the average earnings for a job in an area by the cost of meeting basic expenses for a family of three. A value greater than 1 indicates that the typical job pays more than the cost of living, while a value less than 1 suggests that the typical job pays less than the cost of living. Cuyahoga's ratio suggests that the average resident may not be able to cover all of their living expenses.

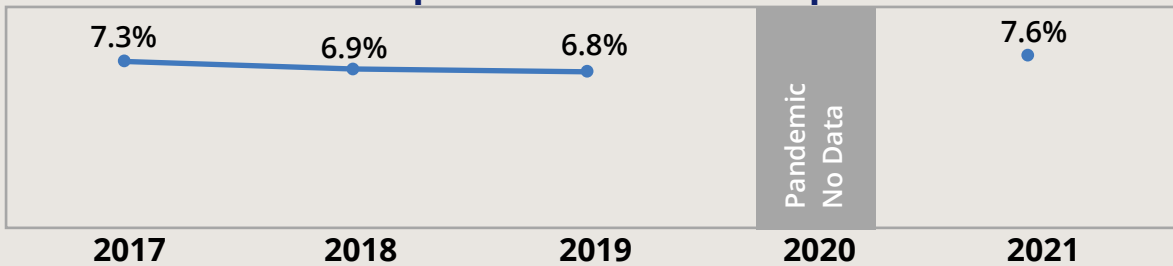
According to the U.S. Census Bureau, 5% of the total population that was 16 years of age and older in Cuyahoga County was unemployed in 2021. The **unemployment rate**, a measurement of the percentage of the labor force that are without a job but actively seeking work, was 7.5% in Cuyahoga in 2021.



The percentage of those aged 16 and older who were unemployed remained steady in Cuyahoga in the past few years, even after the pandemic



The unemployment rate in Cuyahoga declined after 2017, but has seen an increase to previous levels since the pandemic

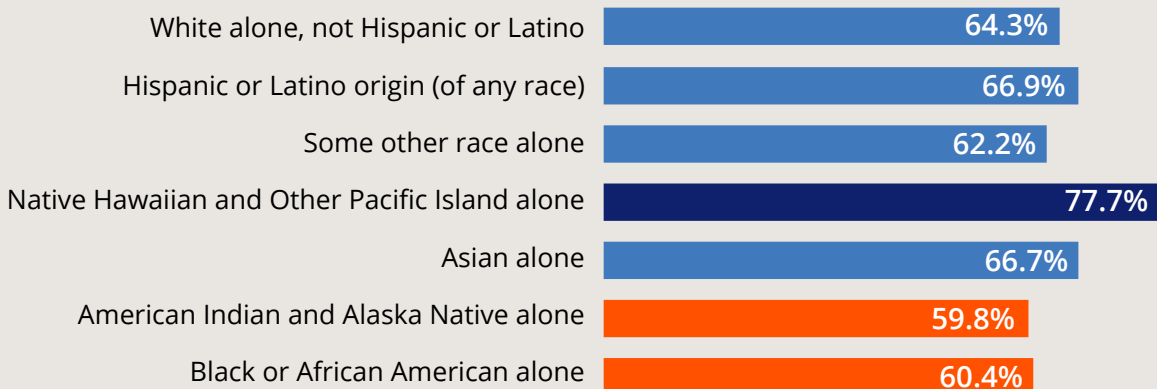


Source: U.S. Census

In Cuyahoga County, residents who identify as Native Hawaiian and Other Pacific Islander exhibit the highest labor force participation rate, whereas those who identify as American Indian and Alaska Native (59.8%) or Black or African American (60.4%) display the lowest rates.

Labor Force Participation Rate

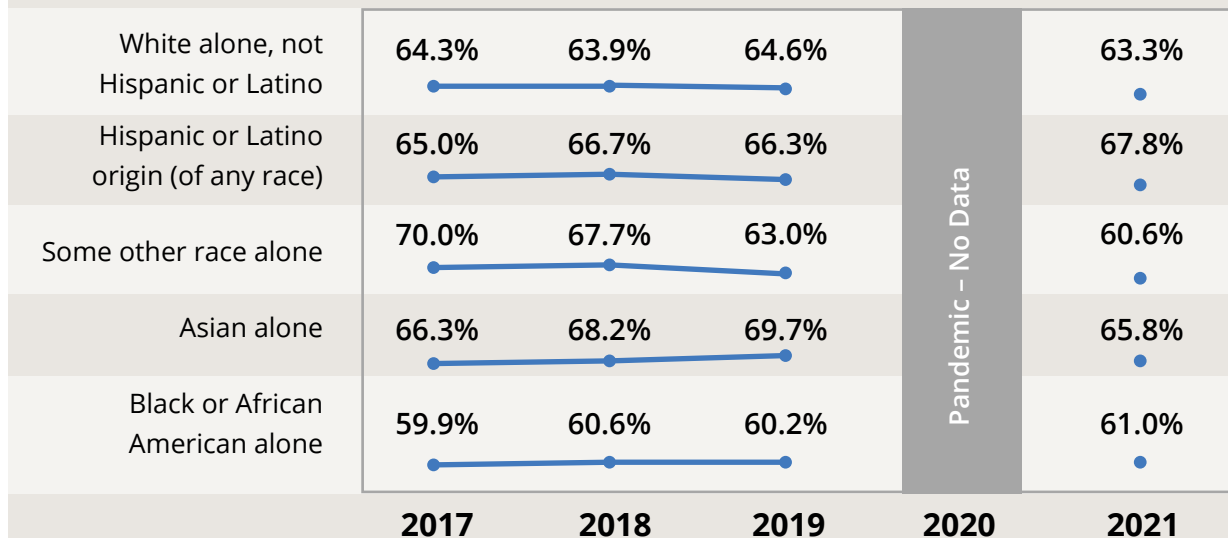
U.S. Census Bureau American Community Survey 5-Yr Estimates



Source: American Community Survey 2021 ACS 5-Year Estimates

Labor Force Participation Rate by Race Over Time

The labor force participation rate has not changed over the past 5 years for most races, with the exception of a decrease in the rate of labor force participation of individuals who identify as “some other race alone”



(Note: Data unavailable for 1-year estimates for races identified as Native Hawaiian and Other Pacific Islander or American Indian and Alaska Native, due to a sample size that was too small.)

Having a criminal record can be a barrier to economic opportunities, such as education and employment, particularly for those involved in the criminal justice system. Higher incarceration rates are often linked to lower income in a community. In Cuyahoga County, juveniles between the ages of 10 and 17 who identify as Black experience a disproportionate number of arrests compared to their white or other counterparts. In 2016, 1,860 Black juveniles were arrested, while 1,052 White juveniles were arrested.

Overly Punitive Policing: Rate of Juvenile Justice Arrests (per 100,000 juveniles)

Urban Institute Mobility Metrics Framework



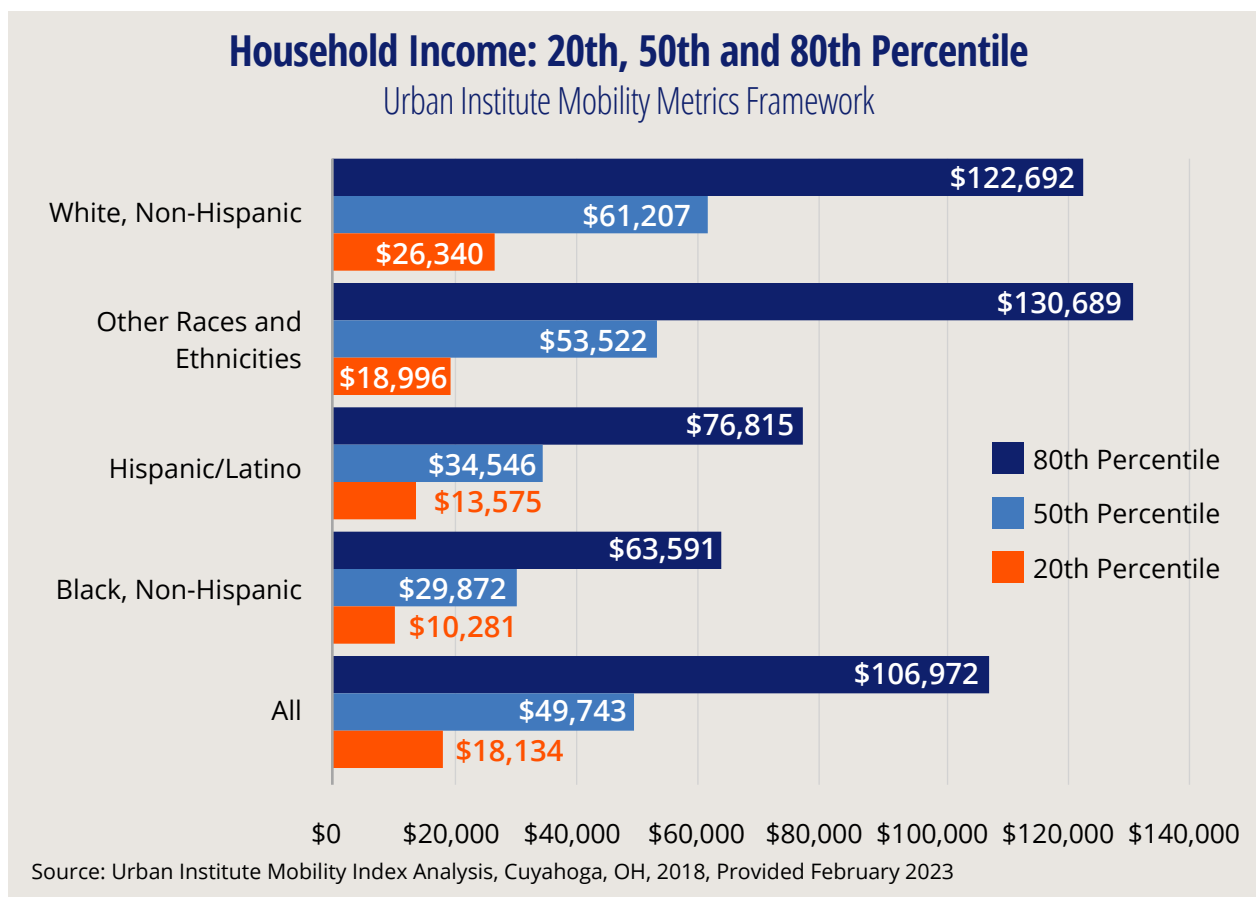
Source: Urban Institute Mobility Index Analysis, Cuyahoga, OH, 2016, Provided February 2023. Note: “Other Races” includes those who identify with multiple races.)

Economic Success

Having a higher income is often linked to higher levels of education and academic achievement, which can contribute to achieving economic success. Income percentiles are used to measure the financial resources available to households across different income levels and the extent of income inequality in a particular area.

The distribution of household income is shown through income percentiles, which allow for comparisons across different income levels. The 20th percentile represents the income level at which 80% of households would earn more, while the 50th percentile (or median income) represents the point at which half of the population earns below this amount and half earns above it. The 80th percentile represents the income level threshold where the wealthiest 20% of households earn more.

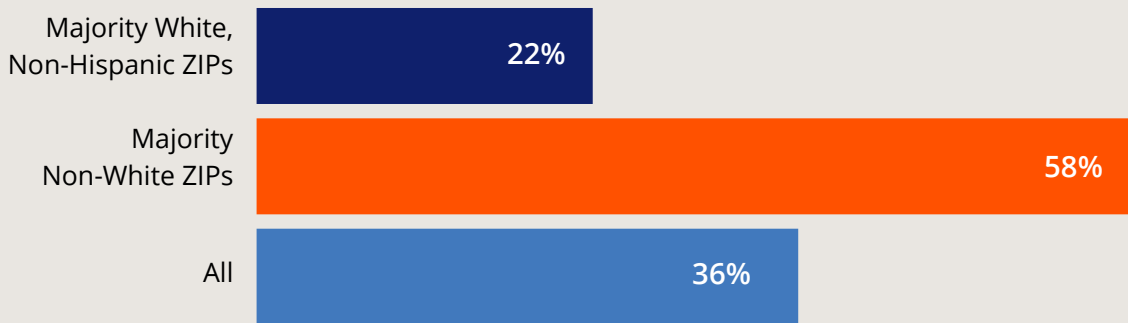
For Cuyahoga County, the median annual income or 50th percentile mark for all residents is just under \$50,000. The poorest 20% of households earn less than \$20,000, while the richest 20% earn over \$100,000. White residents in the county earn income above the average in every percentile, while Black and Latino residents earn income that is disproportionately lower than the average across all percentile marks. This highlights the economic disparity that exists between White residents and Black and Brown communities.



Households that have unpaid debt often face financial insecurity due to limited assets and savings, which can make it difficult to handle unexpected expenses. The level of financial security in a given area can be measured by examining the percentage of individuals with a credit bureau record who have past-due debt that has progressed to collections. To analyze this metric, zip codes where the majority of residents belong to a specific population group were studied. The results show that the percentage of residents in majority non-White zip codes with debt in collections is more than double that of majority White zip codes, and more than 1.5 times the overall rate for all residents in Cuyahoga. This suggests that individuals residing in majority non-White zip codes generally have fewer resources to accumulate wealth.

Financial Security: Percent of Cuyahoga Residents with Debt in Collections

Urban Institute Mobility Metrics Framework



Source: Urban Institute Mobility Index Analysis, Cuyahoga, OH, 2018, Provided February 2023

During the COVID-19 pandemic, the majority of Ohioans planned to use their stimulus money to pay down debt, with 60% indicating this as their intention. Only 11% planned to save the funds for future use, while the top categories for the remaining 30% were food/groceries, household supplies/personal care items, and utilities.

Ohioans reporting of plans for stimulus payment

Census Household Pulse Survey – Week 33, June 23 - July 5, 2021

