WHEN HISPANICS RISE, AUSTIN RISES.

2017 Status Report on Hispanic Families in Central Texas

Hispanic Impact Fund
AUSTIN COMMUNITY FOUNDATION

WHEN HISPANICS RISE, AUSTIN RISES

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We believe that when we support the economic security and advancement of Hispanic Central Texans, everyone benefits.

AUSTIN COMMUNITY FOUNDATION

Austin Community Foundation is the catalyst for generosity in Austin—and has been for the past 40 years. We bring together philanthropists, dollars, and ideas to create the Austin where we all want to live.

Our approach is to:

/ **Inform**. We apply data to understand the greatest needs to close the opportunity gap in Central Texas.
/ **Invite**. We bring funders, leaders and organizations to the table.
/ **Invest.** We make a collective impact by informing and engaging donors and fundholders and together making philanthropic investments that shape Austin's future, today.

HISPANIC IMPACT FUND

Austin Community Foundation launched the Hispanic Impact Fund in 2017 with the belief that when we support the economic security and advancement of Hispanic Central Texans, everyone benefits. The Hispanic Impact Fund leverages the assets, resilience and strength of our Latino community to invest in nonprofit and social enterprise solutions.

Data-informed focus. We identify opportunity areas where we can make a real difference: early childhood education, health & wellness and job skills & entrepreneurship.

Amplified resources. Our greatest impact happens when we come together, pooling our resources to amplify our community's voice and reach.

Measurable impact. Using data and insights, we choose nonprofits and social enterprises that are making the difference. Then, we measure results.

ABOUT THIS REPORT

METHODOLOGY

This report was developed in collaboration with the RGK Center for Philanthropy and Community Service at the LBJ School of Public Affairs at The University of Texas. The RGK Center is leading the Austin Area Sustainability Indicators (A^{2}SI) project, a community data initiative that tracks 128 regional indicators of community sustainability. Data and analysis in this report are either part of the A^{2}SI Community Survey data that is collected by the RGK Center or publicly available through the American Community Survey, governmental databases, and other trusted research institutes. Learn more at austinindicators.org.

Additionally, Austin Community Foundation worked with consultants at the Cicero Group to clarify the focus of the Hispanic Impact Fund's work. Cicero aims to help mission-driven organizations maximize their impact by blending data-driven strategies, inspired leadership and effective implementation. Their strategic guidance, thoughtful research and trusted consultancy were critical pieces in the development of this report. Learn more at cicerogroup.com.
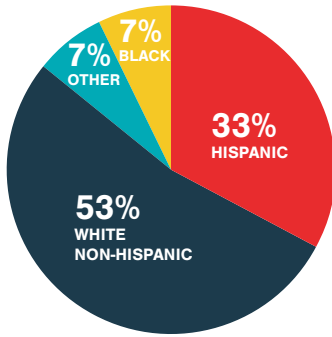
GEOGRAPHIC CONSIDERATIONS

Unless otherwise noted, the geographic area covered in the report includes Bastrop, Burnett, Caldwell, Hays, Travis and Williamson Counties.

A NOTE ABOUT TERMINOLOGY

According to a report by the Pew Research Center, most Hispanics prefer their family's country of origin to describe their identity over the use of pan-ethnic terms such as "Hispanic" or "Latino."[1] The goal of this report is to paint a general picture of life in Central Texas for community members that come from Hispanic or Latino backgrounds. As such, the terms "Latino" and "Hispanic" are used interchangeably.
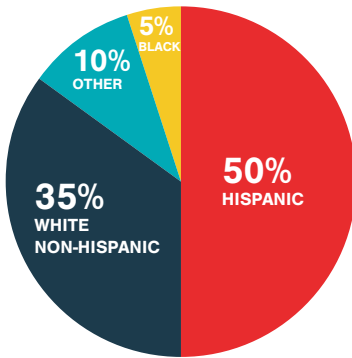
Demographic Snapshot

TODAY

33% HISPANIC
53% WHITE NON-HISPANIC
7% OTHER
7% BLACK

2050 PROJECTED

50% HISPANIC
35% WHITE NON-HISPANIC
10% OTHER
5% BLACK

PLACE OF BIRTH

17%
8%
75%

■ Native Born

■ Foreign-Born, Naturalized Citizen

■ Foreign-Born, not a U.S. Citizen

RACE/HISPANIC ORIGIN

/ Hispanics make up 33% of the total population in Central Texas.[2]

/ By 2020, the Austin area will be a majority-minority region in which no ethnic group will exist as the majority of the region's population.[3]

/ By 2040, individuals with Hispanic backgrounds are forecasted to become the largest demographic group.[4]

/ By 2050, Latinos are projected to increase to 50% of the population, representing a majority of all Central Texans.[5]
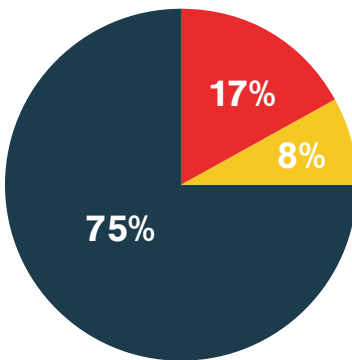
AGE

/ Young adults and the working-age population (19 to 64 years) make up the majority of the Hispanic population.[6]

/ The Hispanic youth population (18 and under) grew by 73% between 2000 and 2010.[7]

/ Hispanics will become the majority of youth in Central Texas in 2020.[8]

EDUCATIONAL ATTAINMENT

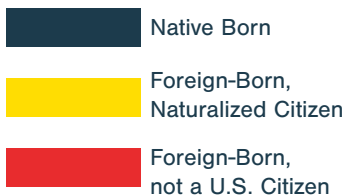/ Less than one-fourth of Hispanic adults over age 25 have a bachelor's degree.[9]

Less than high school diploma	**26.8%**
High school graduate (includes equivalency)	**27.1%**
Some college or associate's degree	**24.3%**
Bachelor's degree	**16.2%**
Graduate or professional degree	**5.6%**

PLACE OF BIRTH

/ 3 out of 4 Hispanics in Central Texas are native born.[10]

/ The U.S. Census Bureau uses the term, "foreign-born" to refer to anyone who is not a U.S. citizen at birth. This includes naturalized U.S. citizens, lawful permanent residents (immigrants), temporary migrants (such as foreign students), humanitarian migrants (such as refugees and asylees) and unauthorized migrants. The Census Bureau collects data from all foreign born who participate in its censuses and surveys, regardless of legal status. Thus, unauthorized migrants are implicitly included in Census Bureau estimates of the total foreign-born population.[11]

Poverty

/ The poverty rate for Hispanics in Travis County is more than twice the poverty rate for whites.[12]

/ The disparity in poverty rates is even more dramatic for the child population. **35% of Hispanic children live below the federal poverty level, compared to 6% of white children.**[13]

UNDERSTANDING POVERTY

Poverty statistics are often used as a proxy measure to describe the number of people or share of the population that, because of income level, may face challenges meeting their basic needs. Poverty thresholds are updated annually by the U.S. Census Bureau and used for calculating all official poverty statistics. Households with annual incomes below the thresholds are counted as living in poverty, while households with annual incomes at or above are not considered to be in poverty.
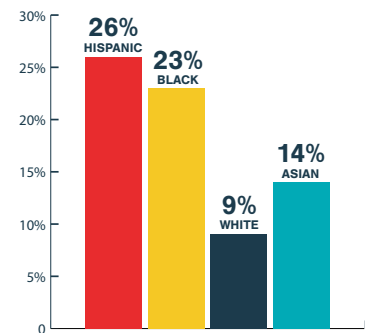
At times, a household's income will be expressed as a percentage of the poverty threshold. For example, a family with income equal to the poverty threshold can be described as living "at 100% poverty," and a family with income equal to double the poverty threshold can be described as living "at 200% of poverty."

Developed 50 years ago, methodology for establishing poverty thresholds has not kept pace with shifting household costs or regional differences and is arguably an inadequate measure, resulting in extremely low poverty thresholds that have little relation to actual household expenses.

Austin's share of poor residents living in high poverty neighborhoods has grown faster than the country's top 100 metro areas as a whole. In Travis County in 2015, about 22% of children and 14% of adults had household incomes under 100% of the poverty level.[15]

The poverty rate for Hispanics is three times the poverty rate for whites in Travis County.[16]

POVERTY BY RACE/ETHNICITY[14]

- 26% HISPANIC
- 23% BLACK
- 9% WHITE
- 14% ASIAN

HOUSEHOLD TYPE

ANNUAL POVERTY GUIDELINES
2015 [17]

1 PERSON
$11,770

2 PERSON
$15,930

3 PERSON
$20,090

4 PERSON
$24,250

Economic Security

BASIC EXPENSES:

Housing	$963
Food	$529
Child Care	$900
Medical/Insurance	$799
Transportation	$359
Other Necessities	$298
Savings	$0
Payment on Debt	$0
Federal Taxes/Credits	$293

TOTAL $4,142 per month

*Developed using CPPP's family budget calculator: familybudgets.org

The affordability of life's basic necessities—housing, food, health insurance, transportation—sets a foundation for future success. While the local economy is booming, data reveals that not all Central Texans have the same access to economic mobility. There is a great income disparity among ethnicities in Central Texas. The region's per capita annual income is $32,000. However, whites make over $40,000 compared to $17,000 among Latinos.[18]

In 2014, about 60% of Hispanics that applied for a conventional home purchase loan had success. While this is a 30% increase from 2000, there remains a 15-point gap in the success rate between Hispanic and white home loan applicants.[19] With home ownership being a key driver of economic advancement, Hispanic Central Texans continue to be at a disadvantage.

For Latinos that rent, nearly 60% are housing-cost burdened, meaning they spend more than 30% of their monthly income on housing costs.[20] High housing costs can create financial distress for households and present difficult decisions about paying rent or buying food, needed medicine, or saving for the unexpected.

Considering this housing data as a proxy for the economic health of Hispanic Central Texans, the call to action is clear. **Investing in the economic security and advancement of Latinos in Central Texas is an essential priority when considering the future of our region.**

Early childhood education puts our youngest citizens on a path to excel in school and sets the groundwork for breaking the cycle of poverty. Supporting healthy communities prevents illness and disease that take people out of school and work. Equipping Latinos with marketable job skills and access to capital encourages more than subsistence and ensures economic mobility.

ONLY 28% OF LOW-INCOME HISPANIC CHILDREN ARE KINDERGARTEN READY
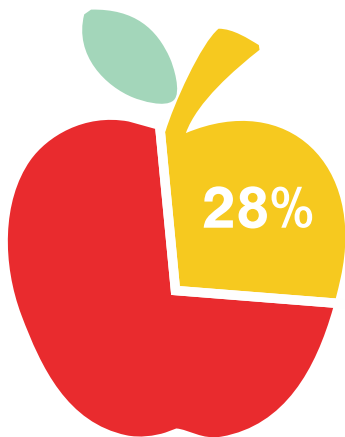
28%

EARLY CHILDHOOD EDUCATION

A child who is prepared for kindergarten is four to five times more likely to pass state reading and math assessments by the 3rd grade.[21] By focusing on the young children in our community, we can improve educational outcomes for years to come. **The math is simple—studies show that $1 invested in quality pre-K education saves taxpayers $9 in future costs.[22]**

BY THE NUMBERS

/ Less than half of Hispanic children entering kindergarten in Austin are deemed "kindergarten ready" at the start of the school year.[23]
/ In low-income Hispanic families, nearly 75% of Hispanic children are not ready to enter public kindergarten.[24]
/ Eligible Hispanic children enroll in public pre-K at the highest proportion (Hispanic – 78%, black – 71%, white – 54%).[25]
/ The number of bilingual students has been increasing in the Austin area while the number of bilingual teachers in Austin-area campuses has remained flat with a decline in 2015, bringing the ratio of bilingual students to teachers to 30:1.[26]

HEALTH & WELLNESS

Without access to preventive care, education about healthy living, and affordable health insurance, families living at or near poverty find themselves one health crisis away from financial ruin. However, when armed with accurate and culturally competent information about healthy habits, behavior change can lead to improved health outcomes.[27]

BY THE NUMBERS

/ One in four working-age Hispanic adults have no primary healthcare provider.

/ Most Central Texans have health insurance. However, Hispanics are disproportionately uninsured. The uninsured in the Austin area are most likely to be adults under 65 years living in households of Hispanic ethnicity and earning less than $25,000 per year.[28]

/ Hispanics are 68% more likely to have diabetes than their white counterparts.[29]

/ Latinos in Central Texas are more likely to be overweight, which is a predictor for many health challenges.[30]

/ 64% of Hispanics who receive health information, regardless of the source, changed their diet or exercise regimes.[31]

JOB SKILLS & ENTREPRENEURSHIP

There is a considerably high racial/ethnic disparity in access to employment in the Austin area. Today, Hispanics make up about 30% of the workforce in Austin.[32] Many of them are small business owners or working as unskilled labor. Having such a large part of the population confined to minimal incomes and small businesses reduces the economic growth potential of our community.

BY THE NUMBERS

/ Nearly 3 out of 4 Hispanics are in the paid labor force.[33]

/ Unemployment rates for the Hispanic population have been consistently higher than the unemployment rate for the white population.[34]

/ Over the last 10 years, there has been an increase of 8% in the proportion of Hispanic business owners.[35]

/ However, nearly half of businesses owned by Hispanics in Austin have revenue of less than $100,000 per year.[36]

/ One in four Austin area residents feel limited "somewhat" or "a great deal" by their lack of English language skills in their ability to get a job. This perception is stronger among people of color, where nearly 40% of Hispanics report feeling limited by English literacy.[37]

1 IN 4 WORKING-AGE HISPANIC ADULTS HAVE NO PRIMARY HEALTHCARE PROVIDER

NEARLY 3 OUT OF 4 HISPANICS ARE IN THE WORKFORCE

MOST COMMON JOB SECTORS BY RACE/ETHNICITY[38]	HISPANIC	WHITE	BLACK	GENERAL POPULATION
Management, business, science, and arts occupations	29.0%	47.0%	34.9%	45.6%
Service occupations	21.7%	14.6%	18.0%	15.1%
Sales and office occupations	21.1%	23.8%	29.1%	23.3%
Natural resources, construction, and maintenance occupations	18.0%	8.2%	5.6%	8.9%
Production, transportation, and material moving occupations	10.2%	6.4%	12.4%	7.1%

Acknowledgements

ABOUT THE HISPANIC IMPACT FUND
The Hispanic Impact Fund, a program of the Austin Community Foundation, examines critical needs in the community and is a response to the gap in available resources to the growing Hispanic population. The Fund is devoted to supporting the economic security and advancement of Hispanic Central Texans. Funded with membership contributions, members vote annually to award grants to Central Texas nonprofits doing work in the three focus areas of the Fund: early childhood education, health & wellness and job skills & entrepreneurship. **austincf.org/hispanicimpactfund**

ABOUT AUSTIN COMMUNITY FOUNDATION
Austin Community Foundation is the catalyst for generosity in Austin. We bring together philanthropists, dollars and ideas to shape Austin's future. Since its inception in 1977, the Foundstion has granted more than $300 million to nonprofits across Central Texas.

FOR A FULL LIST OF SOURCES:

austincf.org/austinrises

Endnotes for *When Hispanics Rise, Austin Rises: 2017 Status Report on Hispanic Families in Central Texas*

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