POLICYBRIDGE

Urban Agenda

Economic Mobility Indicators Data



Highlights

Income and Wealth



↑ Black employment rose from 56% to 60% of working-age adults, those age 16 to 64.

— Employment among similarly aged (25-54) Hispanic men in Cuyahoga County is nearly on par with rates for White men.

↑ Decline in low-wage work helped boost Black incomes. (We defined this indicator as those working full-time but earning less than $30,000.)

Poverty



↑ Black employment rose from 56% to 60% of working-age adults, those age 16 to 64.

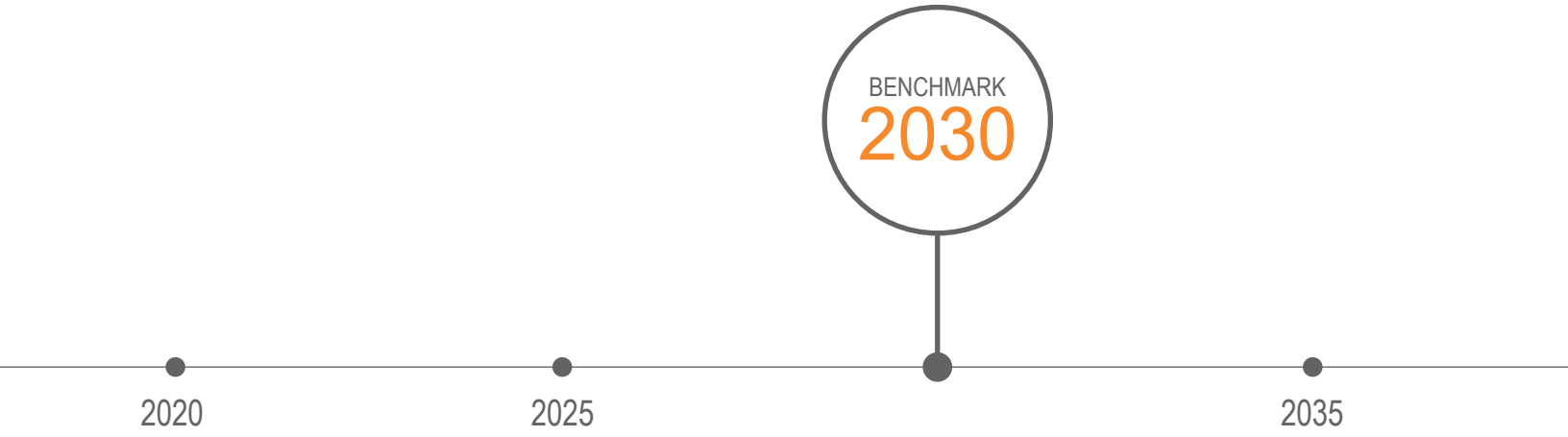
Housing



↑ Homeownership rates have increased significantly since 2022.

↑ Homeownership increased by 13 percentage points among Hispanic households and 3.5 percentage point for Black households.

Introduction



Since 2022, Cleveland has seen real progress in income and poverty reduction that can be explained through 3 major themes of fragile progress and structural gaps. First, even though Cleveland has seen gains they are uneven since they can only be reflected in some areas but not others. Second, structural barriers continue to persist through low-pay employment, occupational segregation, severe rent burden, childhood poverty, and disability rates continue to limit economic mobility for communities of color. Third, we have discovered that investment is essential since without targeted, sustained investment in pay equity, homeownership, workforce opportunities, and business ownership, cyclical progress will not translate into closing the economic mobility gaps by 2030. Leading to the key question of: Are gains signs of transformation—or temporary improvement?

This report is an overview of the updated Urban Agenda economic mobility data indicators that are being tracked. The indicators have been divided into two subsections of Income and Wealth and Poverty Indicators. All of data included in this update report comes from American Community Survey and reflects the change in data between the years 2023 and 2024 with the comparison baseline being from 2022. Additionally, they have been averaged to smooth variation in 1-year estimates. The gains that can be seen in the data are uneven, fragile, and are not closing structural racial gaps.

Part One: Income and Wealth

The median household income for both Black and Hispanic households increased for the city of Cleveland. Black household income is currently rising and is up about $1,500 to $29,140. This increase is driven partly by reduced low-wage work which will be explored later in this report. Hispanic/Latino households also increased in Cleveland by about $2,000 and is up to $39,521. However, it declined at the county level. This may be explained in part by movement out of the city and into surrounding neighborhoods. Meanwhile household income for Black households in the city of Cleveland remained flat at $53,889. Unfortunately, even though the Black-White income gap narrowed slightly from $26,047 in 2022 to $24,749 in 2024 it remains relatively large. At the county level the Black-White income gap is $34,409.

Even though the income gap is narrowing slowly it is still deep. The 5.5% increase in Black household income in the city of Cleveland is significant and is on pace to reach the 6% annual benchmark needed to close the racial income gap by 2030 per the Urban Agenda. However, Black Households still earn about 54% of what White Households earn and at its current pace parity remains decades away. Additionally, there was a setback with Hispanic household incomes which dropped $2,765 in Cuyahoga County which is 5.2%. Thus, undermining prior progress that was made on closing the income gap in the county.

Overall employment rates have improved for working aged adults 16-64. Black employment rose from 56% to 60% for working-age adults in the city of Cleveland. But employment for Black prime-age men (ages 25-54) has remained flat and far below peers at 64%. Employment among similarly aged (25-54) Hispanic men in Cuyahoga County is nearly on par with rates for White men at both state and national levels of 85%.

Additionally, job quality may be a key driver of fragile gains regarding full-time earning disparities and low pay work. The decline in low wage work - we defined this indicator as those working full-time but earning less than $30,000 - helped boost Black incomes. But low-wage work increased for some groups, notably Hispanic women. The share of Black women working full-time for low pay is 28.9% and remains 1.5 times that of White women locally. This rate is well above the rate for Black women in the state (20.5%) and nation (19.6%) and means gains could reverse if job-quality worsens. For Black men in Cleveland the low-pay share fell from 28.6% to 22.7%, which was likely the driving force behind the income gains.

However, Black men earn about 67 cents per $1 of White men in Cleveland. Hispanic women earn about 60 cents per $1 of White women in Cleveland, and it is the lowest parity gap. For Hispanic women in Cuyahoga County the low-pay share rose from 25.3% to 29.6%, adding about 1,300 more workers in low-wage work. These wage gaps have changed little since 2022. Despite improvement at the low end of paid work, income gaps likely widened in at the top end of earnings. White Clevelanders are now 2.7 times more likely to hold high-pay management/business roles than Black residents, which is up from 2.3 times in 2022.



INCOME AND WEALTH

↑ Overall employment rates have improved for working aged adults aged 16-64.

↑ The median household income for both Black and Hispanic households.

Part Two: Poverty

There have been meaningful improvements regarding poverty. The poverty rates for both black and Hispanic people fell which means there are thousands fewer residents living in poverty. The largest gains were among Hispanic households which dropped 5.5 points to 31.5% which is about 1,650 fewer people living in poverty. The poverty rate for black households dropped 2.1 points to 35.5% which translates to roughly 2,300 fewer people in poverty. This is evidence that progress is possible, but gains are not closing disparities because poverty among White households in Cleveland declined even faster. Therefore, relative racial gaps have not improved since progress is not translating into convergence. Lastly, Black poverty remains about 3 times higher than the U.S. overall average and two times the national black average.

Unfortunately, Childhood poverty remains a deep structural challenge to tackle and poverty rates among the under-18 population lag far behind the adult gains. Even though there have been modest improvements since 2022, childhood poverty rates for Black and Hispanic children in Cleveland remain about 3 times higher than the United States' childhood poverty average. As it stands more than half of the Black and Hispanic childhood population lives in poverty in Cleveland. However, Hispanic child poverty fell 5 percentage points and Black child poverty fell 1.7 percentage points. The race and gender wage gap is reflective here since 54% of Black female-headed households with children live in poverty in Cleveland.

Barriers seem to be holding back progress regarding SNAP benefits and disabilities. SNAP fails to reach many eligible households with less than 60% of poverty-level households receiving benefits. Thus, creating a significant coverage gap even which means that thousands of qualifying households are going without the support they need. There are many factors contributing to the gap. One of which is that systems are not fully aligned and support mobility. High disability rates limit workforce participation, and this has become a significant factor in Cleveland. More than 1 in 5 Black and Hispanic working-age adults in Cleveland have a disability which is a direct and persistent obstacle to economic mobility. And these rates have increased versus 2022. Fortunately, child disability rates for Black and Hispanic children fell sharply, aligning closer to state and national averages. The COVID-19 SNAP eligibility expansions ended during this period, reducing enrollment. Additionally, stigma, administrative barriers, and enrollment complexity suppress intake among eligible households. Consequently, food insecurity remains a structural risk for low-income Black and Hispanic families regardless of formal poverty status.



POVERTY

3x

Black and Hispanic children in Cleveland remain about 3 times higher than the United States' childhood poverty average.

54%

54% of Black female-headed households with children live in poverty in Cleveland.

Less than 60%

SNAP fails to reach many eligible households with less than 60% of poverty-level households receiving benefits.

Part Three: Housing

All in all housing is a bright spot, but with limits. Homeownership rates have increased significantly since 2022. The increase was especially pronounced among Hispanic households with a 13 point increase. But the 3.5 percentage point increase for Black households was meaningful as well. This increasing share of homeowners represents opportunity for wealth-building. But the home value wealth gap has persisted. Black home values in Cleveland average 59¢ per $1 of White home values — an improvement from 57¢ in 2022 but still well below the national Black–White ratio of 78¢. Thus, making homeownership gains meaningful but insufficient to close the wealth gap without addressing property value disparities. Meaning that increasing rates of homeownership alone will not address wealth parity. Rising housing costs have offset income gains discussed previously, eroding economic progress.

Rent costs have also undermined gains. 1 in 4 Black renters are severely cost-burdened, meaning that housing costs account for 50% or more of income. Black households make up most cost burden renters in Cleveland at 63.5% of all rent burdened households. Of all renters in Cleveland 37.1% are cost burdened which means that housing cost are more than 30% of the household's income.



HOUSING

13 Points ↑

Hispanic homeownership increased by 13 points.

3.5 Points ↑

Black homeownership increased by 3.5 points.

1 of 4 ↓

1 of 4 Black renters are severely cost-burdened, meaning that housing costs account for 50% or more of income.

.59 per $1 ↑

In Cleveland Black home values improved but below White home values averaging 59¢ per $1.

Summary

In summary the updated data points to progress towards the Urban Agenda goals but it may be fragile due to persistent structural gaps. Recent gains that are reflected in the data are dependent on favorable conditions. There was income progress with Black household incomes in Cleveland which grew 5.5% which is near the 6% Urban Agenda 2030 benchmark. Additionally, the Black and White gap narrowed to $24,749 but remains enormous. This income growth is tied to shifts in low range work. There were also employment gains. Prime-age Hispanic men reached 85% employment and black working-age employment rose from 56% to 60%. However Black prime-age men remained flat at 64%. Pay gaps have persisted since black men earned earn 67¢ per $1 White men earn. Occupational segregation also worsened with White Clevelanders 2.7 times more likely to have high-pay jobs. Poverty remains high with a Black poverty rate at 35.5% which is 3 times the U.S. average. Racial gaps did not narrow with the declines since White residents saw larger declines during the same time span. The childhood poverty rate remains in crisis since over 50% of Black and Hispanic children live in poverty which is 3x the national rate. Additionally of the households with childhood poverty 54% of Black female-headed households. Food and disability gaps are also prominent since fewer than 60% of qualifying households receive SNAP and 1 in 5 working-age Black and Hispanic adults have a disability. Housing and structural barriers threaten reversals of progress that has been made. Holistically progress may not be durable without intervention.

Therefore, targeted investment is not optional. There should be a focus on job quality and wage growth. Pay equity and job quality need to be targeted by addressing the earnings gap in persistent underemployment through employer accountability, pay transparency, and living wage policies. Employment access should also be addressed to expand pathways to high pay occupations for Black and Hispanic workers since white Clevelanders are 2.7 times more likely to hold management roles. This could be done by pairing job training with employer accountability to reduce occupation of segregation. To address child poverty, early childhood supports with indirect cash assistance to households with children. Equitable homeownership and wealth strategy should be scaled to address the wealth building through homeownership and address the 59¢ home value gap through targeted investment in neighborhood development and equitable lending. All structural inequities should be targeted and not just treated as symptoms.

PolicyBridgeneo.org