**Greater Louisville Project**
ADVANCING A COMPETITIVE CITY

# Fix
# Build
# Create
# Invest
# Balance

**2007
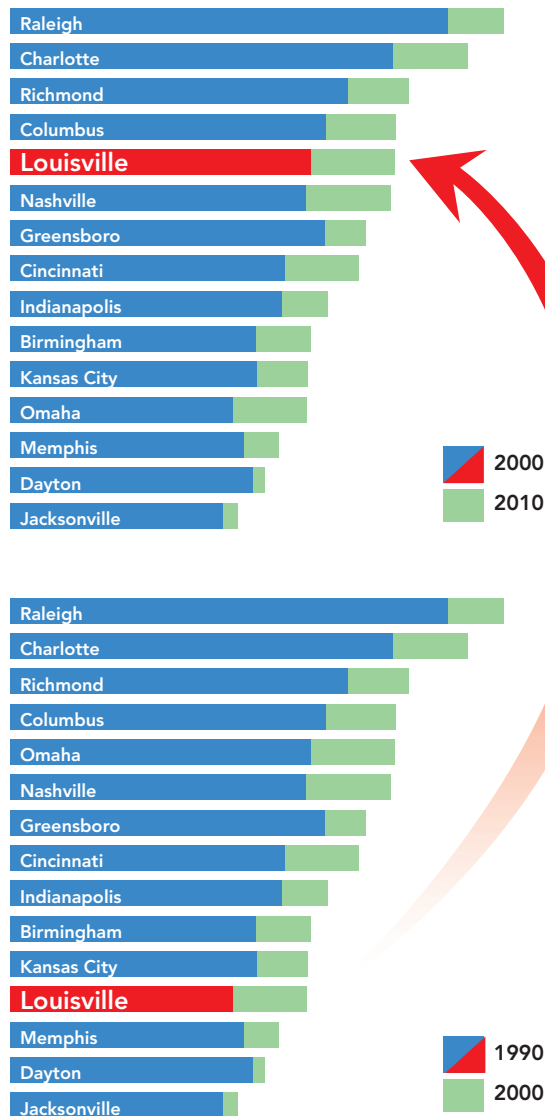Competitive City
Report**

# Move Louisville into the Top Tier



Raleigh
Charlotte
Richmond
Columbus
Louisville
Nashville
Greensboro
Cincinnati
Indianapolis
Birmingham
Kansas City
Omaha
Memphis
Dayton
Jacksonville

2000
2010

Raleigh
Charlotte
Richmond
Columbus
Omaha
Nashville
Greensboro
Cincinnati
Indianapolis
Birmingham
Kansas City
Louisville
Memphis
Dayton
Jacksonville

1990
2000

The Greater Louisville Project is a non-partisan, civic initiative organized by The Community Foundation of Louisville and sponsored by a consortium of foundations and funders. Its mission is to act as a catalyst, providing research, data analysis and civic dialogue to engage the community in a shared agenda for long-term progress.

Additional data on indicators in the Competitive City Report and related topics, including data covering the entire Metropolitan Statistical Area for many measures, are available at **www.greaterlouisvilleproject.org**.

**The level of the challenge**, the need to act, the potential for success—all are clear in this, the Greater Louisville Project's second biennial Competitive City Report.

The data-based public report card again measures Louisville's actual performance and relative standing on key economic and social indicators, ranging from education attainment and life expectancy to income and housing costs.

It documents both encouraging progress and troubling trends. But it primarily underscores the need to **accelerate the pace of change to redefine Louisville as a skilled and educated community that claims its place in the top tier of American cities.**

What the report can't document is the unprecedented focus, energy and collaboration now being dedicated to those challenges by the broad array of governmental, non-profit and civic institutions that have embraced the Competitive City Agenda first outlined in the Brookings Institution report, "Beyond Merger: A Competitive Vision for the Regional City of Louisville."

Since releasing that report five years ago, the Greater Louisville Project has enlisted thousands of citizens and scores of community groups in discussion. It has organized a **web-based Competitive City Action Network to track the many initiatives underway** to attain it. And it has entered into emerging partnerships with a growing list of dynamic civic groups and leaders.

# Deep Drivers Of Change

This report, and those to follow every two years, are designed to provide Louisville and its civic leaders with the information needed to track progress, adjust focus and celebrate success in the long-term effort to lift Louisville into the top tier of America's economically successful and socially vibrant cities.

Research commissioned by the Greater Louisville Project has identified Deep Drivers of Change—key steps with the greatest promise to strengthen the community's competitive standing by 2010.

Big but attainable goals, the Deep Drivers are fundamental in their potential to move the Louisville region forward in education, jobs and balanced regional growth. See graphic below.

The Deep Drivers were derived from comparisons of the rates of change from 1990 to 2000 on key socioeconomic measures in Louisville and its peer cities. Researchers at the University of Louisville calculated what it would take for Louisville to move into the top five on each measure if every other city sustained its earlier rate of progress through the end of this decade.

## Louisville's drive for progress already has produced encouraging results. Over the last five years, the city moved from 11th to 8th among its competitors on two key measures:

- Though the actual numbers were lower than projections, steady increases in the proportion of young adults holding bachelor's degrees lifted Louisville from the bottom tier to the middle of its peers on that important indicator.

- A $4,300 increase in median family income produced equal change on that economic indicator.

## Deep Drivers: Key Steps to Strengthen the Community

### 1. Improve education at all levels

- Double projected growth in the number of young adults with a bachelor's degree to 10,000.
- Attain the goal of Every1Reads and adopt world-class standards in math and science education.
- Bring about comparable increases in high school graduation, associate degrees and technical certificates.

**Education**

**Jobs**

**Growth**

### 2. Grow 21st Century Jobs

- Increase projected growth in professional and technical jobs by 15,000 and raise the median family income.

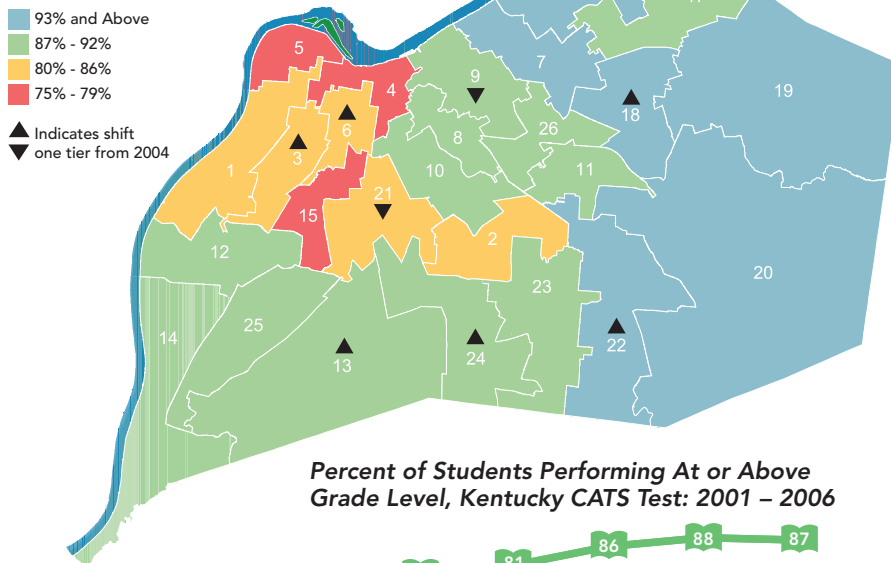### 3. Balance Regional Growth

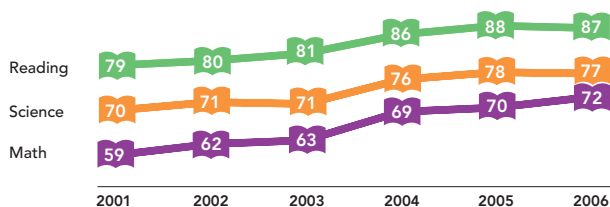- Think and act more as a region and strengthen the core of Louisville Metro as the regional hub.

# Fix The Basics

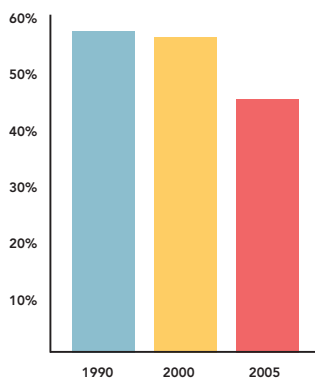# Better Scores Across the Map

## The drive to make good

on Louisville's commitment to ensuring a solid education for all children accelerated with measurable progress.

The Every1Reads initiative to ensure that every child is reading on grade level within four years has produced tangible gains, despite disappointing second-year results. Significant improvement occurred among children in southern and western neighborhoods, where progress has been slow. An equally ambitious challenge from the GE Foundation calls for adopting world-class standards to transform math and science education.

**All the data**, however, underscore the persistent academic gaps between races and social classes that plague American education. Although quality preschool is widely regarded as one key to reducing such disparities, the percentage of 3- and 4-year olds in any form of preschool has fallen.

*Students reading at or above grade level by Metro Council District, 2006.*

- 93% and Above
- 87% - 92%
- 80% - 86%
- 75% - 79%
- ▲ Indicates shift one tier from 2004
- ▼



*Percent of Students Performing At or Above Grade Level, Kentucky CATS Test: 2001 – 2006*

| | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 |
|---------|------|------|------|------|------|------|
| Reading | 79 | 80 | 81 | 86 | 88 | 87 |
| Science | 70 | 71 | 71 | 76 | 78 | 77 |
| Math | 59 | 62 | 63 | 69 | 70 | 72 |

Source: Jefferson County Public Schools
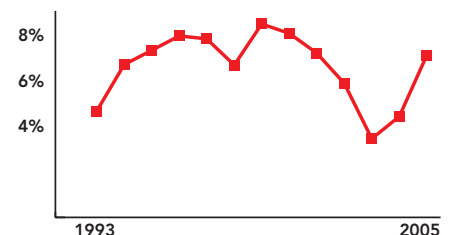
## Percent 3- and 4-Year Olds Enrolled in Pre-School: Louisville Metro



Source: U.S. Census Bureau and American Community Summary

## Students Performing At or Above Grade Level by Race: 2006



Reading ▪ Math ▪ Science

White, Black, Hispanic, Other
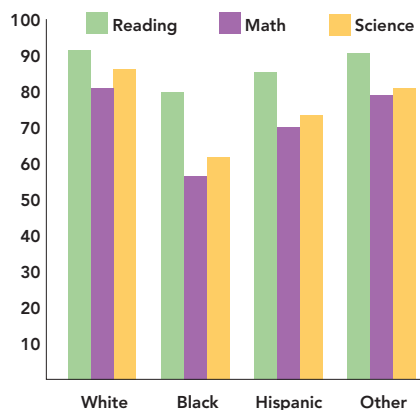
Source: Jefferson County Public Schools

## High School Dropout Rate (Grades 9 – 12) for Jefferson County Public Schools 1993-2005



Source: Jefferson County Public Schools

# Higher Education

## Accelerating by Degrees

**With higher education and advanced training** ever more crucial, Louisville climbed out of the bottom tier and into the middle in its 2005 rankings against peer cities on the percentage of young adults who hold a bachelor's degree or higher.
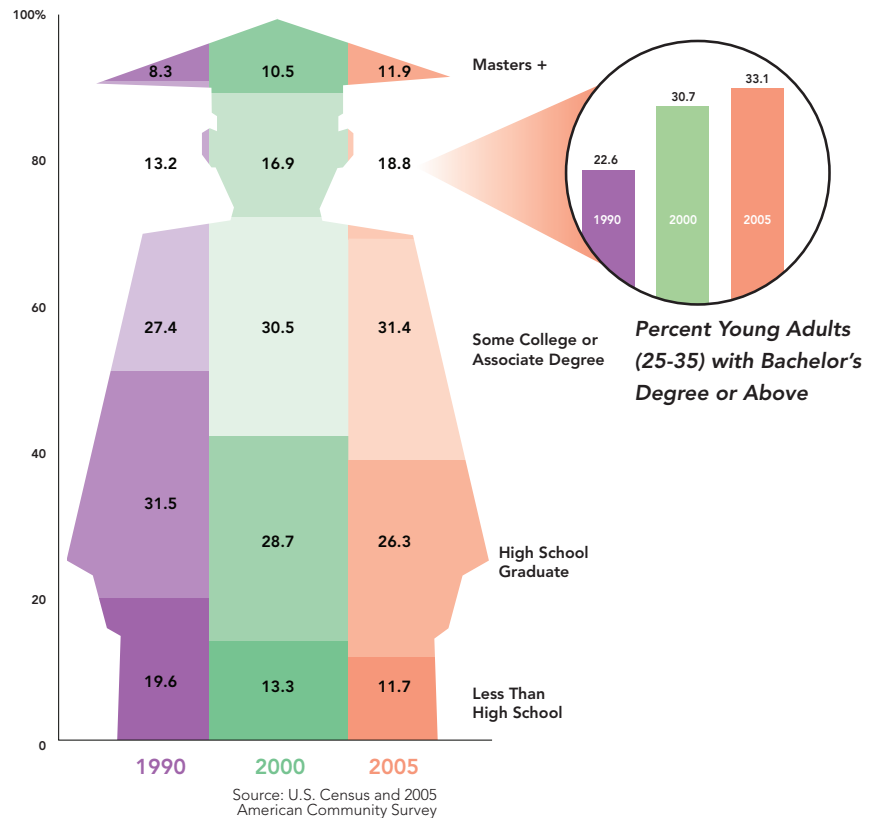
The pace of change is striking: Although their numbers are small, a third of adults age 25-34 in Louisville Metro now hold at least a bachelor's degree, compared to just under 23% in 1990. Even more are earning associate degrees and technical certificates.
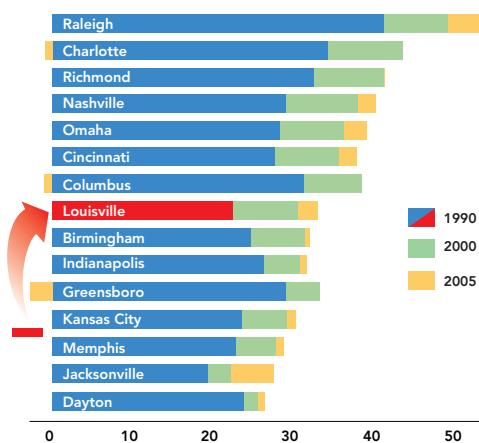
## One eye-catching statistic:

Louisville ranks high on the percentage of residents who have some college, implying a large population that enters higher education but does not graduate—a potential target for action.

Despite the gains, the overall education levels for the Louisville Region's prime workforce still lag its top competitors by a large margin, and the push to "Graduate Greater Louisville!" needs to shift into high gear.
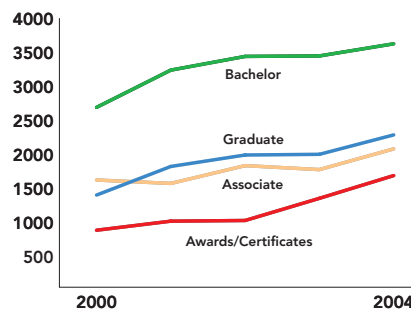
### Education Attainment Among Adults Age 25 – 64



Masters +
| 1990 | 2000 | 2005 |
|------|------|------|
| 8.3 | 10.5 | 11.9 |
| 13.2 | 16.9 | 18.8 |

Some College or Associate Degree
| 27.4 | 30.5 | 31.4 |

High School Graduate
| 31.5 | 28.7 | 26.3 |

Less Than High School
| 19.6 | 13.3 | 11.7 |

Inset: *Percent Young Adults (25-35) with Bachelor's Degree or Above*
| 1990 | 2000 | 2005 |
|------|------|------|
| 22.6 | 30.7 | 33.1 |

Source: U.S. Census and 2005 American Community Survey

### Peer City Comparison Percent Adults Age 25 – 34 with Bachelor's Degree or Higher



Raleigh, Charlotte, Richmond, Nashville, Omaha, Cincinnati, Columbus, **Louisville**, Birmingham, Indianapolis, Greensboro, Kansas City, Memphis, Jacksonville, Dayton

Legend: 1990, 2000, 2005

Source: U.S. Census and 2005 American Community Survey Analysis by Kentucky Population Research, University of Louisville

### Post-Secondary Degrees Awarded, Louisville MSA Institutions



Bachelor, Graduate, Associate, Awards/Certificates

2000 – 2004

Source: KentuckianaWorks 2006 Human Capital Scorecard

### University of Louisville Freshman Retention and 6-Year Graduation Rate



1-Year Retention Rate
6-Year Graduation Rate

1998 – 2005

Source: Kentucky Council on Postsecondary Education
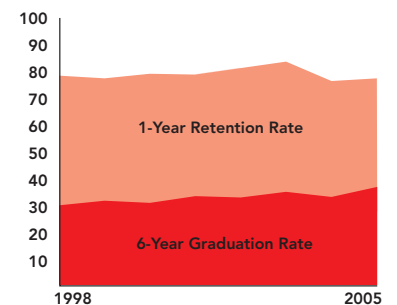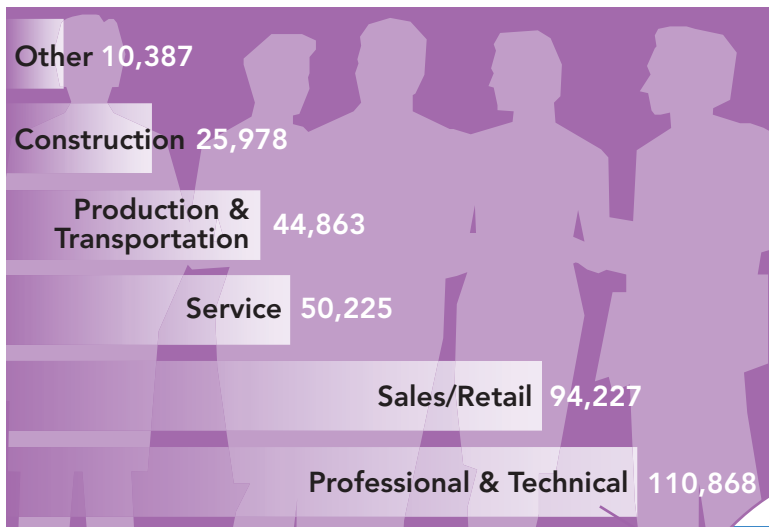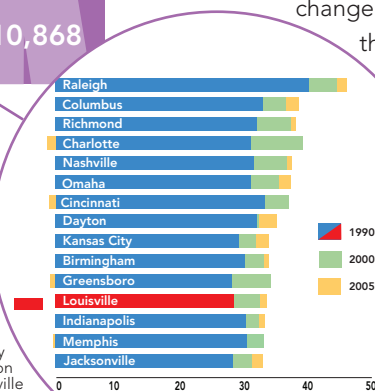
# Slow Turn to 21st Century Jobs

## Balance of Jobs in the Economy: Louisville Metro, 2005

Source: U.S. Census and 2005 American Community Survey

Other 10,387

Construction 25,978

Production & Transportation 44,863

Service 50,225

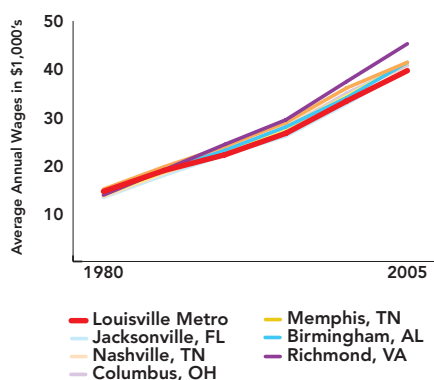Sales/Retail 94,227

Professional & Technical 110,868

**The interplay** between education and jobs presents a conundrum: the necessity to grow high-skill jobs even as the community raises education attainment to meet the demand for higher skills.

The momentum building with investments downtown and new commitments to arts and recreational assets enhance Louisville as a vibrant city for young professionals and also a very livable community for families.
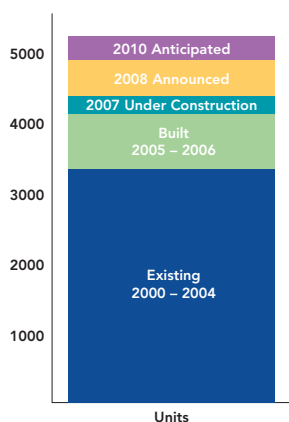
But all of that promise has not yet produced a transformation in the city's economic and demographic profile. The push to grow 21st Century jobs yielded a slight gain in the number employed in professional, technical and managerial positions but not enough to change the city's low relative standing on that measure or to raise average wages compared to other cities.

**The downtown renaissance** gained momentum on every front: housing, upscale hotels, clubs and restaurants, agreement to build a multi-purpose arena and plans for Museum Plaza, while the City of Parks extends the legacy of magnificent green space to suburban areas.
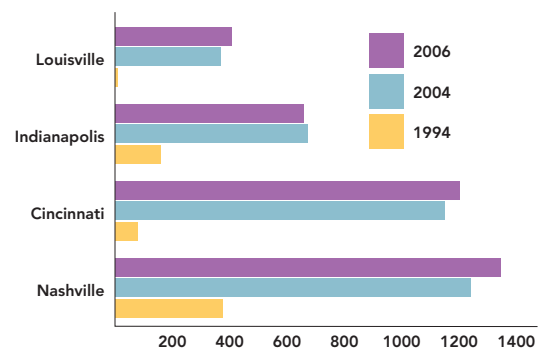
## Peer City Comparison Percent Employed in Professional or Technical Occupations

Raleigh, Columbus, Richmond, Charlotte, Nashville, Omaha, Cincinnati, Dayton, Kansas City, Birmingham, Greensboro, Louisville, Indianapolis, Memphis, Jacksonville

1990 / 2000 / 2005

0  10  20  30  40  50

Source: U.S. Census and 2005 American Community Survey Analysis by Kentucky Population Research, University of Louisville

## Selected Peer City Comparison Average Annual Wages

Average Annual Wages in $1,000's

1980 — 2005

Louisville Metro, Jacksonville, FL, Nashville, TN, Columbus, OH, Memphis, TN, Birmingham, AL, Richmond, VA

Source: U.S. Bureau of Labor Statistics

## Total Downtown Housing Units — New Construction and Rehabilitation

2010 Anticipated
2008 Announced
2007 Under Construction
Built 2005 – 2006
Existing 2000 – 2004

Units

Source: Louisville Central Area

## Private Venture Capital Resources (In Millions)

Louisville, Indianapolis, Cincinnati, Nashville

2006 / 2004 / 1994

200  400  600  800  1000  1200  1400

Source: VentureSource

**Invest** In Working Families

# Pulling Up to the Top Tier

## Louisville's large proportion

of working-class families continues to be buffeted by economic pressures, but the median income for families has risen. In fact, this significant measure rose enough to lift the community from the bottom to the middle tier among its peers in 2005 data.

Simultaneously, however, the number of low-income families also increased, as did the percentage of young children living in poverty, which stands at 28%. Housing costs grew more rapidly than incomes, resulting in a significant jump in foreclosures and pushing to 24% the proportion of families who spend more than a third of their income for shelter.

## Homelessness also spread,

vividly illustrated by the 6,000 homeless students enrolled in the public schools, a six-fold increase since 1993.

With the worsening crisis in health care, the number of families without health insurance continued to grow, and a recent study documented stark disparities across areas of the county in life expectancy, the ultimate health indicator.

### Peer City Comparison Median Family Income
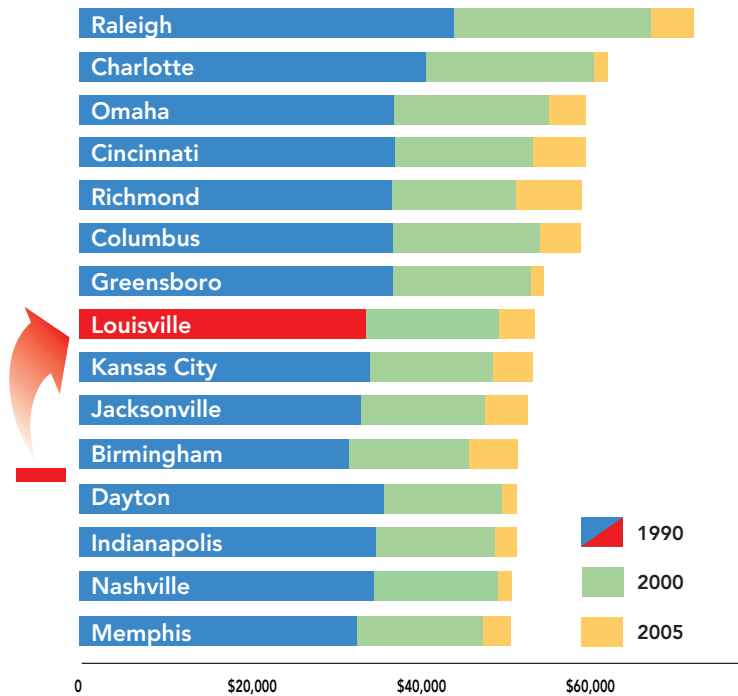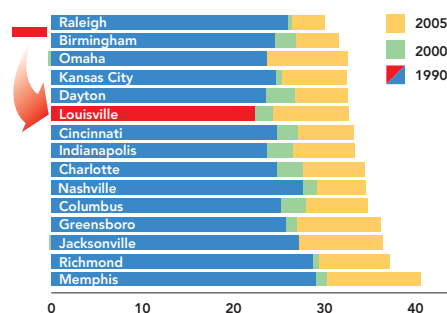


Legend:
- 1990
- 2000
- 2005

Source: U.S. Census and 2005 American Community Survey
Analysis by Kentucky Population Research,
University of Louisville

### Household Income Distribution: Louisville Metro, 1989 and 2005



Source: U.S. Census and 2005 American Community Survey

### Peer City Comparison Percent Households Paying More Than 30% of Income for Housing



Source: U.S. Census and 2005 American Community Survey
Analysis by Kentucky Population Research,
University of Louisville

### Life Expectancy in Louisville Metro: 2005



Source: Kentucky State Data Center,
University of Louisville

# Create Quality Neighborhoods
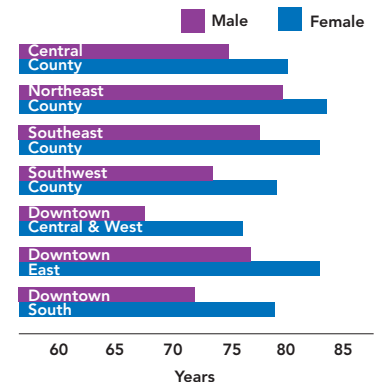
## Investment = Vitality

### Change in Median Assessed Value Residential Property by Census Tract: 2000 – 2005



Source: Jefferson County
Property Valuation Administrator

**Legend:**
- Gain of $35,000 or more
- Gain of $23,000-$34,999
- Gain of $16,000-$22,999
- Gain of less than $16,000
- Central Business District and Airport Industrial Area
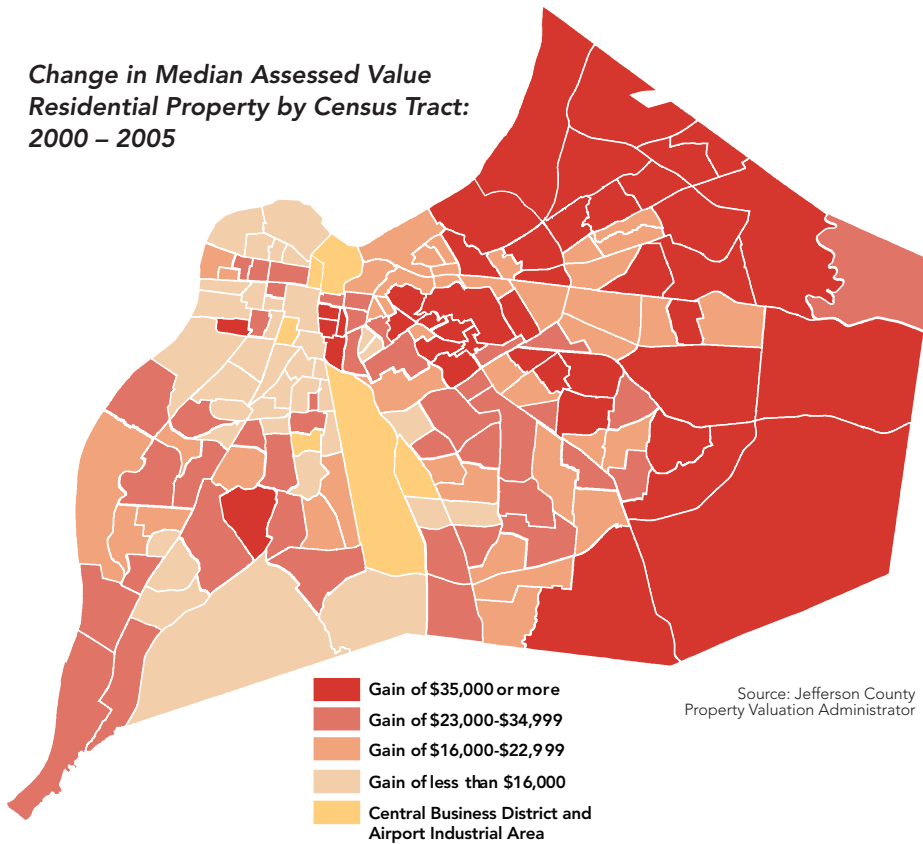
## Louisville takes great pride

in its neighborhoods, and increasing home values show it's more than lip-service.

Appreciation in the median home value edged Louisville up among its peers. Most importantly, values have risen in revitalized western and southwestern neighborhoods that had lost residents in recent decades.

## The rate of homeownership,

a prime indicator of neighborhood stability, produced an anomaly in 2000 that continued through 2005: the rate continued to drop among African-Americans, while it rose among white families here and among both groups in other cities.

Louisville's crime rate continues to be one of the lowest among its peer cities, but 2005 data showed a slight uptick following steady declines over the last decade.
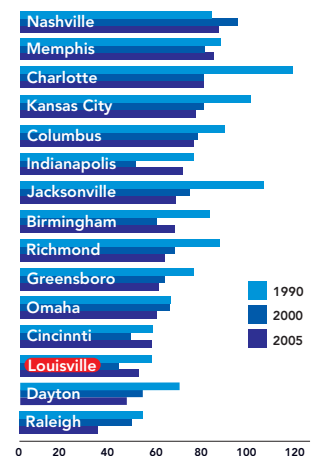
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### Rates of Homeownership by Race: Louisville MSA



Legend: 2005, 2000, 1990

Source: U.S. Census and 2005 American Community Survey
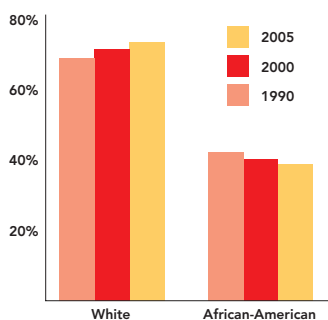
### Peer City Comparison Median Home Values



Cities (top to bottom): Dayton, Memphis, Birmingham, Indianapolis, Kansas City, Louisville, Omaha, Cincinnati, Greensboro, Nashville, Columbus, Jacksonville, Charlotte, Richmond, Raleigh

Legend: 1990, 2000, 2005

Thousands Of Dollars

Source: U.S. Census and 2005 American Community Survey Analysis by Kentucky Population Research, University of Louisville
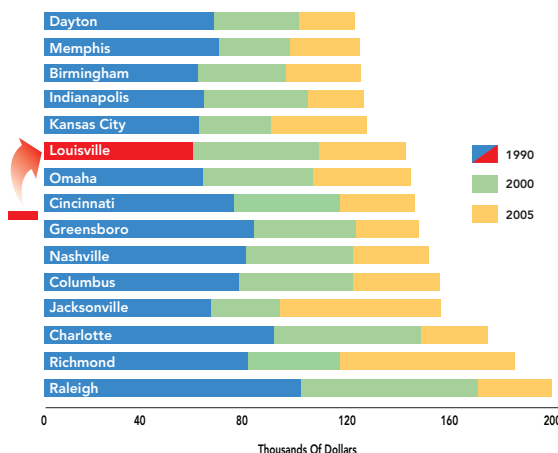
### Peer City Comparison Crime Rate per 1000 Population



Cities (top to bottom): Nashville, Memphis, Charlotte, Kansas City, Columbus, Indianapolis, Jacksonville, Birmingham, Richmond, Greensboro, Omaha, Cincinnti, Louisville, Dayton, Raleigh

Legend: 1990, 2000, 2005

Source: Federal Bureau of Investigation, Uniform Crime Reports

# Balance Metropolitan Growth

## Growth Pattern Shifting

**Louisvillians have traditionally** put a high value on the cohesion and convenience that allows them to enjoy both big-city amenities and a small-town atmosphere. Both are at risk without vigorous efforts to achieve balanced growth across the metropolitan region.
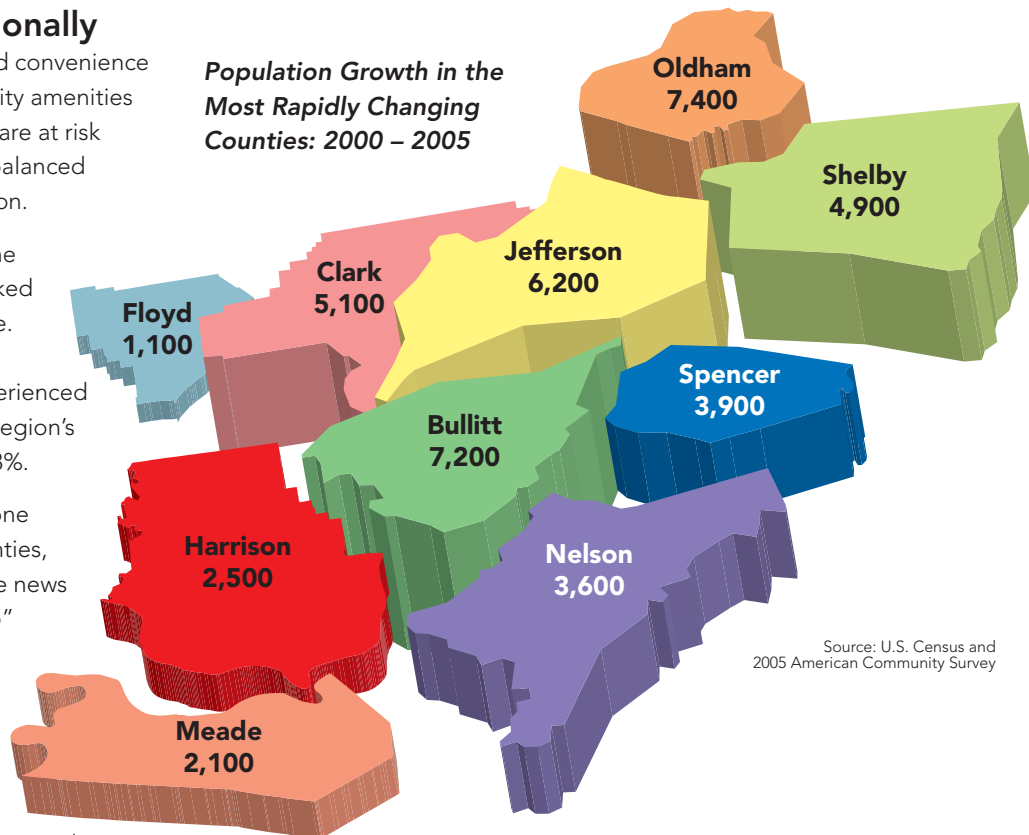
**The pace and extent** of the community's outward expansion picked up during the first half of this decade. While Louisville Metro experienced some growth, outlying counties experienced far more, and the city's share of the region's population dropped to just under 58%.

Indeed, Spencer County ranked as one of the country's fastest growing counties, and Crawford County, Ind., made the news for having the highest rate of "exurb" commuting in the nation.

On the environment, Louisville had trouble complying with tougher federal standards on particulate pollution despite its long push for cleaner air, and traffic congestion worsened even as the average among its peer cities leveled off.

*Population Growth in the Most Rapidly Changing Counties: 2000 – 2005*

Oldham 7,400
Shelby 4,900
Clark 5,100
Jefferson 6,200
Floyd 1,100
Spencer 3,900
Bullitt 7,200
Harrison 2,500
Nelson 3,600
Meade 2,100

Source: U.S. Census and 2005 American Community Survey

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**Residential Building Permits: Louisville Metro Compared to Surrounding MSA Counties: 1990 – 2005**

Jefferson / Other MSA Counties

5000
4000
3000
2000
1000

1990 1992 1996 2000 2005

Source: U.S. Census and 2005 American Community Survey
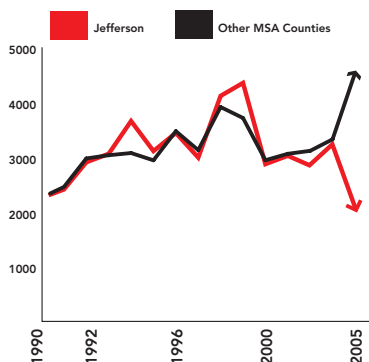
**Traffic Delay for Rush Hour Travelers Compared to Peer City Average: 1982 – 2003**

Hours
40
30
20
10

Louisville Metro
Peer Cities Average

1982 — 2003

Source: Texas Transportation Institute, Urban Mobility Study
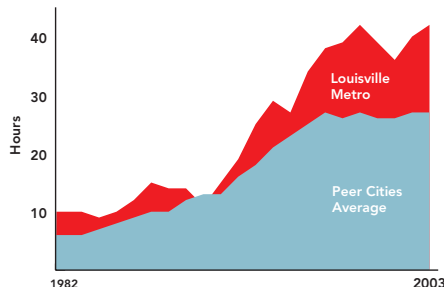
**Louisville Metro Air Quality Average Particulates (2.5) Compared to EPA Standard: 1999 – 2006**
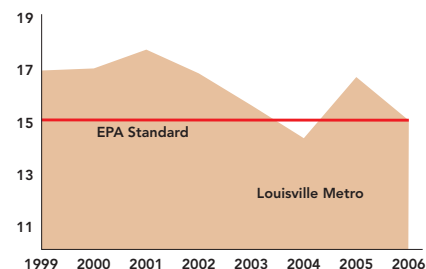
19
17
15
13
11

EPA Standard
Louisville Metro

1999 2000 2001 2002 2003 2004 2005 2006

Source: Louisville Metro Air Pollution Control District

## The Competitive City Action Network

connects the dots between education, a skilled workforce, jobs and opportunities for families, a strong core city and balanced growth across the region.

The Greater Louisville Project laid the groundwork for stepping up the pace of change by identifying "Deep Drivers" of change and creating a Web-based map of strategies underway to achieve them.

The initiatives mapped at www.greaterlouisvilleproject.org represent groundbreaking efforts to redefine Louisville as an educated and skilled community, strengthening its competitive position and improving quality of life and prospects for the future.

## Fix the Basics

**K–12 Education**

Louisville's strong and stable public schools and record of steady improvement build momentum behind the commitment to ensure that all children achieve at high levels.

Courtesy: Jefferson County Public Schools

## Build on Assets

**Economic Development, Downtown Revitalization, Arts, Culture & Recreation**

Targeted economic development, a vibrant downtown, and arts and recreational opportunities foster the urban environment that attracts knowledge workers and jobs.

Courtesy: The Muhammad Ali Center

## Call to Action

• Support the Competitive City Action Network

• Align the goals of civic groups and organizations

• Unite behind the goal:

### Move Louisville into the Top Tier of American Cities

## Invest in Working Families

**Assets, Income, Health**

Shoring up working families strengthens the social fabric of the community. Affordable housing, income supports, financial services and assets can make the difference.

Courtesy: Metro United Way

## Fix the Basics

### Higher Education

Like the national model offered by UPS Metropolitan College, higher education and workforce entities throughout the region are innovating targeted strategies to build the pipeline to higher skills.

Courtesy: University of Louisville/
Tom Fougerousse

# Competitive City
# Action Network

**Greater Louisville Project**
ADVANCING A COMPETITIVE CITY



## Create Quality Neighborhoods

### Housing & Community Development

Good housing in quality neighborhoods builds quality of place. Revitalization strengthens older urban areas to compete for growth and development.

Courtesy: Louisville Metro
Housing Authority



## Balance Metropolitan Growth

### Regional Planning, Transportation, Environment

The challenge is to think and act more as a region, improving transportation and cooperation to ensure equitable development.

Courtesy: Waterfront
Development Corporation

## Louisville has distinguished itself

as a community that can set a big goal and stick to it. Now is the time to build on that success and move forward. The Deep Drivers of Change are fundamental in their potential to accelerate the pace of progress by 2010:

## Improve Education at all Levels

- Double the increase in young adults with a bachelor's degree to 10,000.

- Attain the goal of Every1Reads and adopt world-class standards in math and science.

- Bring about comparable increases in high school graduation, associate degrees and technical certificates.

## Grow 21st Century Jobs

- Increase projected growth in professional and technical jobs by 15,000 and raise the median family income.

## Balance Regional Growth

- Think and act more as a region and strengthen the core of Louisville Metro as the regional hub.

The way is clear to unite behind this powerful civic agenda and redefine Louisville as a skilled and educated community that claims its place in the top tier of American cities.

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ADVANCING A COMPETITIVE CITY

For more information about the
Greater Louisville Project and related initiatives go to:
www.greaterlouisvilleproject.org
502.897.5507