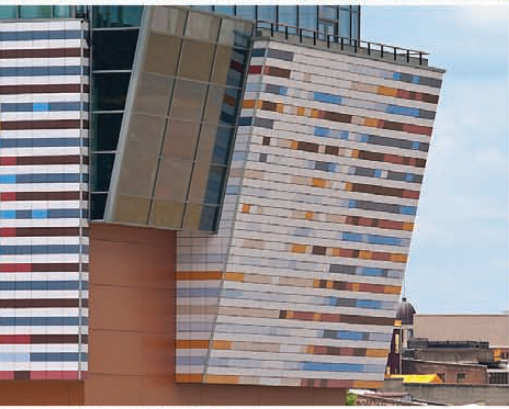




# Greater Louisville Project

ADVANCING A COMPETITIVE CITY

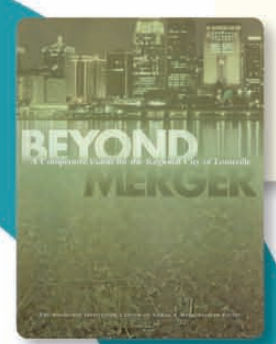
## 2011 Competitive City Report



# A Decade of Data 2000–2010



- Competitive City Agenda:**
- Fix the Basics: Education
  - Build on Assets
  - Create Quality Neighborhoods
  - Invest in Working Families
  - Balance Regional Growth



## What's New, Lou?

During the first decade of the 21st Century, Louisville not only held its own in comparison to its regional peers but also logged some notable gains, despite the punishing blows of the Great Recession. Still, the many investments aimed at transforming it into a fully competitive player in the new economy of innovation have not yet paid sufficient dividends to move into the top tier of American cities.

On several important fronts, Louisville has moved from the bottom tier into the solid middle among its regional peers – and achieved one of the fastest rates of improvement on a few key measures of education attainment and 21st Century jobs.

But Louisville today is not a dramatically more competitive community than it was in 2000, when The Greater Louisville Project commissioned

The Brookings Institution to take its measure in the seminal report, **"Beyond Merger: A Competitive Vision for the Regional City of Louisville."**

Now, with a decade of data for comparison, certain trend lines are moving in the right direction and gathering momentum but not yet enough to change the community's profile and competitive position.

Much of the Competitive City Agenda laid out in the 2002 report remains to be implemented, and many challenges have grown as a result of the Great Recession. In particular, recovery from severe job losses remains painfully slow and unprecedented levels of abandoned and vacant properties are undermining neighborhood health and stability across the community.



- New government.
- New leadership.
- New arena.
- New vibrancy.



## Deep Drivers of Change

### Education

**Goal:** Increase working age adults with a Bachelor's Degree or higher to 40%.

- 2nd highest rate of improvement among peer cities.
- Moved from bottom tier solidly into the middle.
- Racial gap biggest obstacle to overcome.

### Grow More 21st Century Jobs

**Goal:** Increase percentage of residents in professional/technical jobs to 40%.

- Professional/technical jobs increased from 33% to 35% – small gain but 2nd highest increase among peer cities.
- Export strength: top third of all major metros as percentage of Gross Metro Product.
- Strong growth in U of L research base stalled last two years.



### Quality of Place

**Goal:** Maintain Louisville's compactness and livability; protect its strength as a regional hub.

- Share of regional population and jobs declined over the decade.
- Eastern suburbs gained population, while older areas of city lost.
- Rate of homeownership fell to 63%. Vacant properties increased.
- Poverty rate up to 16%.



**River Port to World Port: What Next?**



## Changing City Vitals 2000–2010

<p><b>Population:</b> 741,096 ▲ 7%</p> <p>48% Male 52% Female</p>	<p>72.7% <b>White</b> ▲ .4%</p> <p>20.8% <b>African American</b> ▲ 17.8%</p> <p>4.4% <b>Hispanic</b> ▲ 163.7%</p> <p>2.2% <b>Asian</b> ▲ 69.5%</p> <p>4.2% <b>Other</b></p>	<p>Children and adolescents: 190,743</p> <p>Age 5 and under: 48,634</p> <p>Median Age ▲ by more than a year: 36.7 to 37.9</p> <p>Foreign Born Population ▲ 20,000</p> <p>Net International Migration: 15,000,</p>	<p>almost 30% of total population growth</p> <p>Median Family Income: \$58,869 ▼ when adjusted for inflation</p> <p>Total Housing Units: 337,616 ▲ 10%</p> <p>Downtown Residents: ▲</p> <p>Downtown Workers: ▲ almost 12%</p>
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# Education

## Young Women Lead the Way

During the decade, Louisville forged unprecedented community collaboration and commitment to raise education attainment, and it is paying off, with the most recent year of data confirming a leap forward first noted last year.

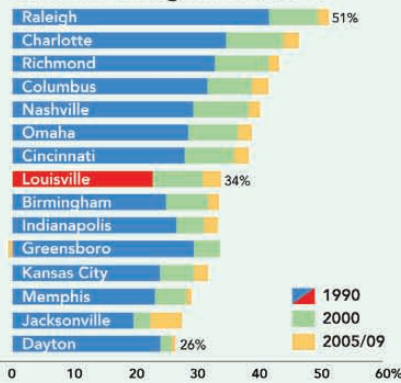
Louisville registered the **second highest rate of improvement** among its peer cities in the educational levels of both young adults and the working-age population as a whole, moving up from 11th to 8th and 9th in its rankings against peer cities – during a decade when no other city moved up more than one slot.

Young women are leading the way with 39% of those age 25-34 holding a Bachelor's Degree or higher – indicating that they are likely to reach the community goal of 40% early in the decade. Young men have not kept pace, however, with only 33% of them holding a degree.

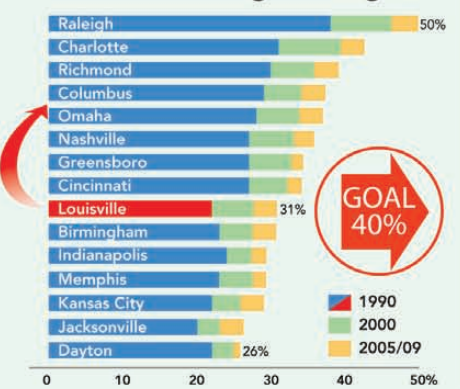
And progress among women contrasts sharply with the persistence of the **racial achievement gap**. Just 14% of Louisville's African American population holds a Bachelor's Degree or higher, one of the lowest levels among its peer cities.

The racial achievement gap manifests early in **elementary and secondary school**, where minority children persistently lag behind their white and Hispanic counterparts on state achievement tests. While recent data showed a decline in the number of students dropping out of JCPs high schools, the **graduation rate** (a different calculation) has hovered between 70% and 75% for the entire decade – meaning that at least one out of every four students does not graduate on time.

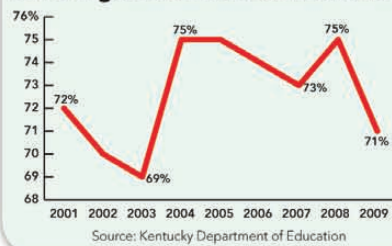
### Young Adults (25 to 34) with Bachelor's Degree or Above



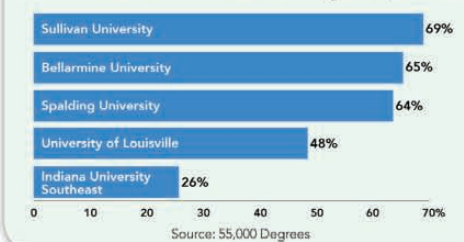
### Working Age Population (25 to 64) with a Bachelor's Degree or Higher



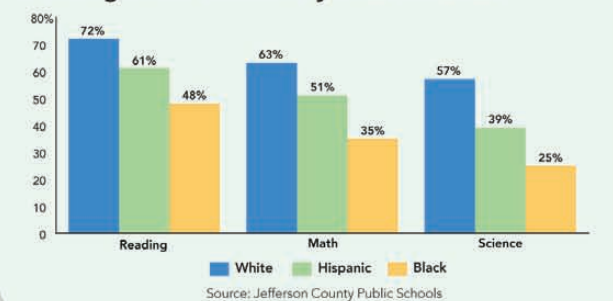
### JCPs High School Graduation Rate



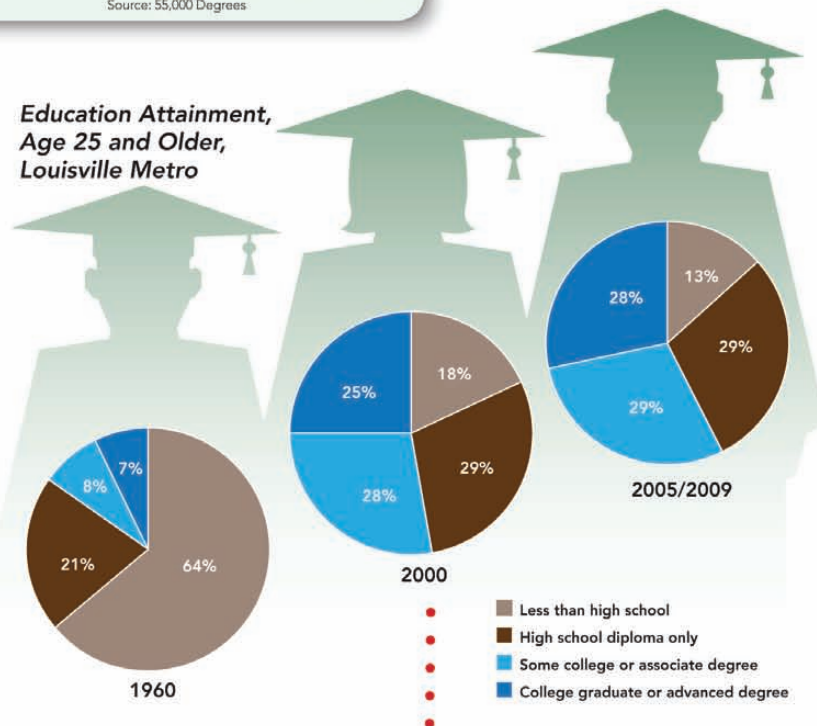
### Six Year Graduation Rates, First-Time, Full-Time Freshmen Entering Fall, 2003



### Achievement by Race: JCPs Students Scoring Proficient or Distinguished on Kentucky CATS Test 2010



### Education Attainment, Age 25 and Older, Louisville Metro



## Next Economy: Export & Innovate

Louisville's progress toward increasing employment in technical and professional fields stalled during the Great Recession, and the slow recovery is still hampering its evolution to a more knowledge-based economy for the 21st Century.

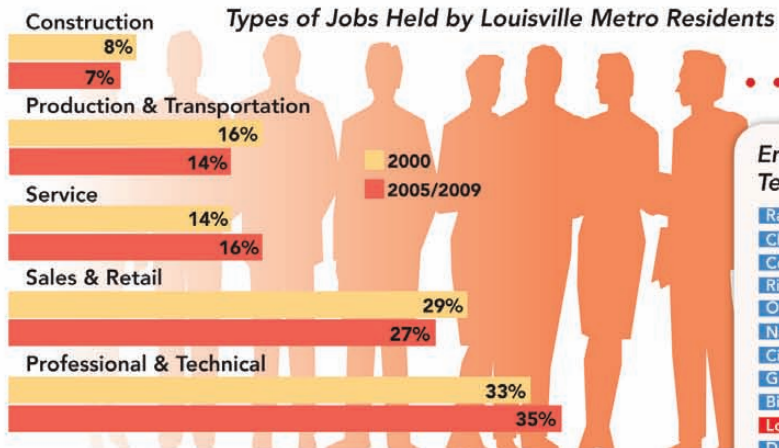
On the jobs front overall, the 13-county Louisville Metropolitan Statistical Area experienced relatively low growth compared to its peer cities over most of the decade but lost less than several others when the recession hit.

In the Next Economy, The Brookings Institution says, successful metros will be "export-oriented, driven by innovation, low-carbon, and rich in opportunity."

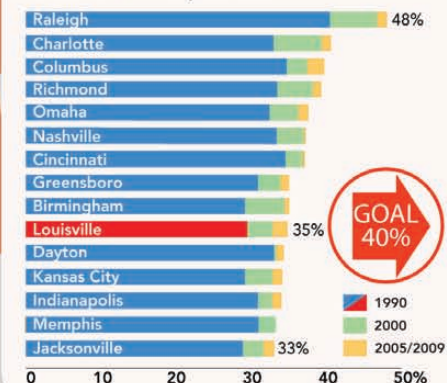
While the Louisville regional economy is smaller than several of its peer cities, because of its still strong manufacturing base it ranks in the top third of all major metros on total **exports** as a percentage of **Gross Metropolitan Product** – and 5th among its 15 peer cities. Investments, like the ones Ford Motor Company and GE are making to transform their local operations into world-class competitors in production and "green" products, exemplify the Next Economy.

Louisville's work to strengthen the innovation economy is slower in gaining traction, although it has changed the business ecosystem. It's low on measures such as the rate of **patent applications** and **degrees awarded in science and technology**. And, despite an almost 130% increase in **R&D expenditures** at the University of Louisville over the decade, totals for the last two years showed declines.

On the other hand, the rate of **business start-ups** for the state as a whole spiked over the last year – registering one of the highest rates among all the states.



### Employed in Professional or Technical Occupations

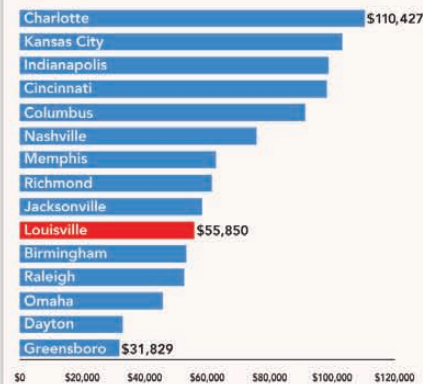


### Percent Job Losses in Recent Recessions, Louisville MSA



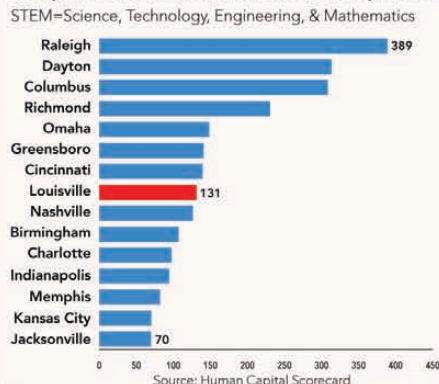
Source: US Bureau of Labor Statistics, Current Employment Survey, Nonfarm Total Employment, Seasonally Adjusted Series. Data for 1974 and 1980 recessions are for the old 7-county Louisville MSA definition. Data for the 1990, 2000, and 2007 recessions are for the current 13-county Louisville MSA definition.

### Gross Metropolitan Product, 2009 (in millions of current dollars)

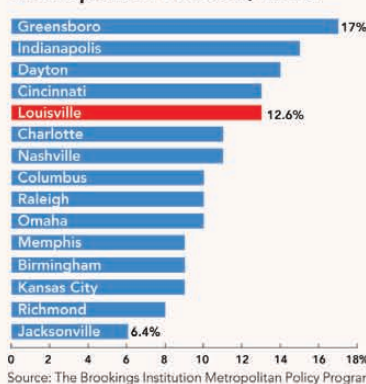


Source: U.S. Bureau of Economic Analysis

### Postsecondary Degrees Awarded per 100,000 Residents in STEM Fields, 2008

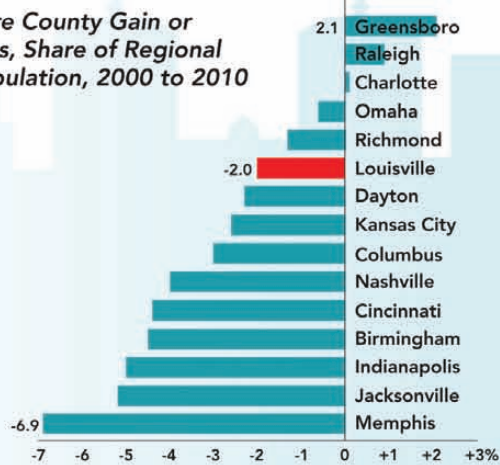


### Exports as Percent of Gross Metropolitan Product, 2008

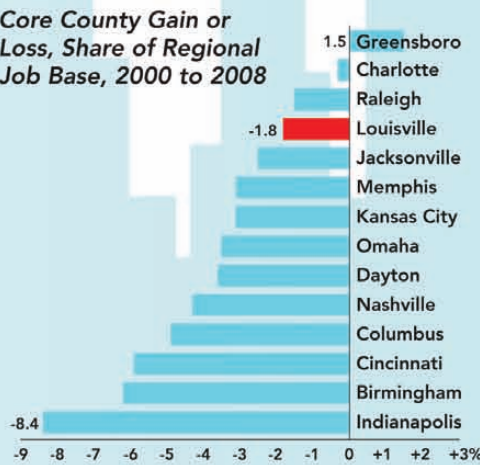


# Quality of Place

Core County Gain or Loss, Share of Regional Population, 2000 to 2010



Core County Gain or Loss, Share of Regional Job Base, 2000 to 2008

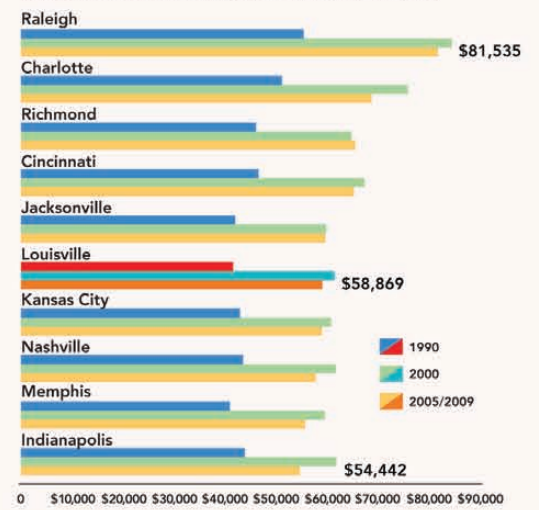


## Ripples from the Great Recession

Indicators of family well-being over the decade reveal alarming evidence of a widening gap.

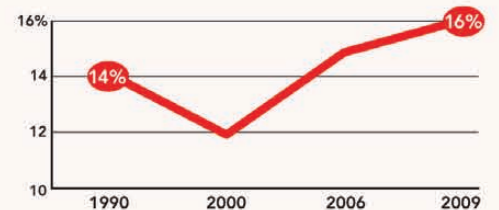
Median Family Income, Selected Peer Cities

Adjusted For Inflation – All Figures In 2009 Constant Dollars



Although Louisville rose from 11th to 9th among its peer cities, **median family income** represented a decline when adjusted for inflation.

Population Living in Poverty



After falling over the previous decade, the **poverty rate** rose to 16% – almost 27,000 more people than in 2000.

The rate of **homeownership** fell from 70% to 63%

And the percentage of households paying more than a third of income for **housing** rose from 24% to almost 32%.

## The Shifting Shape of the Community

Overall, Louisville's strength as a regional hub weakened over the decade. Its **share of the region's 1.2 million population** declined, as outer counties grew more rapidly than the 7% increase that brought Jefferson County's population up to 741,096.

But Louisville's dominance as the regional hub fell less than in many other cities, where the trend for inner counties to hollow out, like inner cities did, has taken hold. Its strength as a **regional job hub** continues with 69% of jobs in the MSA located in Jefferson County.

Perhaps the most ominous revelations in the 2010 Census are depicted in the composite picture in the accompanying maps: increasing rates of poverty spreading into many quarters of the community and dramatic increases in **vacant and abandoned homes and property**.

Since 1960, the percentage of vacant houses in Louisville Metro remained stable between 5% and 6% – but jumped to 10% during the last half of the decade, as the national housing and foreclosure crisis hit. The map charting **changes in population** over the decade shows that eastern suburbs swelled, while areas west of I-65 and older areas of the city lost residents and economic ground.

Those areas of distress now extend into well-established neighborhoods and represent a red flag for an important component of Louisville's distinctive quality of place: its diverse range of strong neighborhoods.

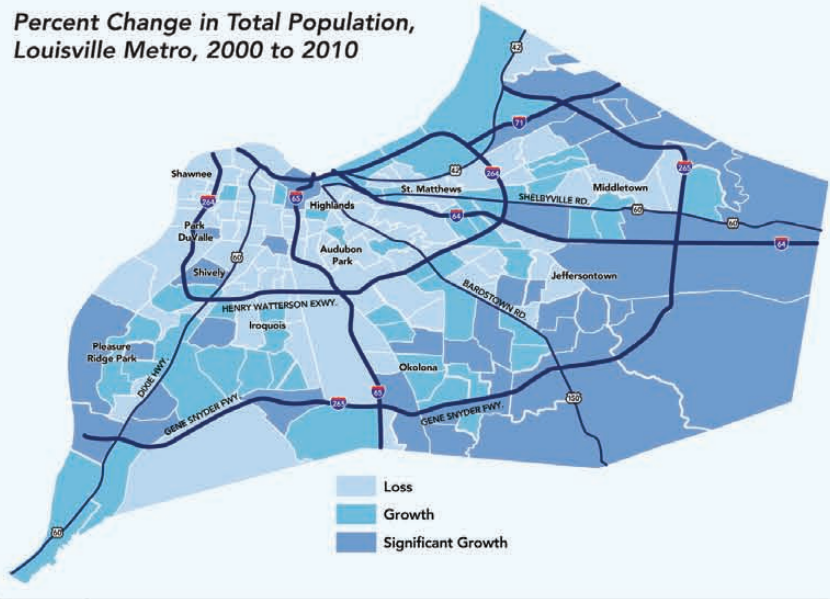
The maps also reveal notable exceptions. The revitalized housing market in the Park DuValle neighborhood and other areas of western Louisville stands out – demonstrating that investments in established neighborhoods can pay off.

Louisville's physical infrastructure also represents a growing challenge, with traffic congestion greater than in several of its peer cities and a recent evaluation labeling more than half of its roadways in need of improvement.

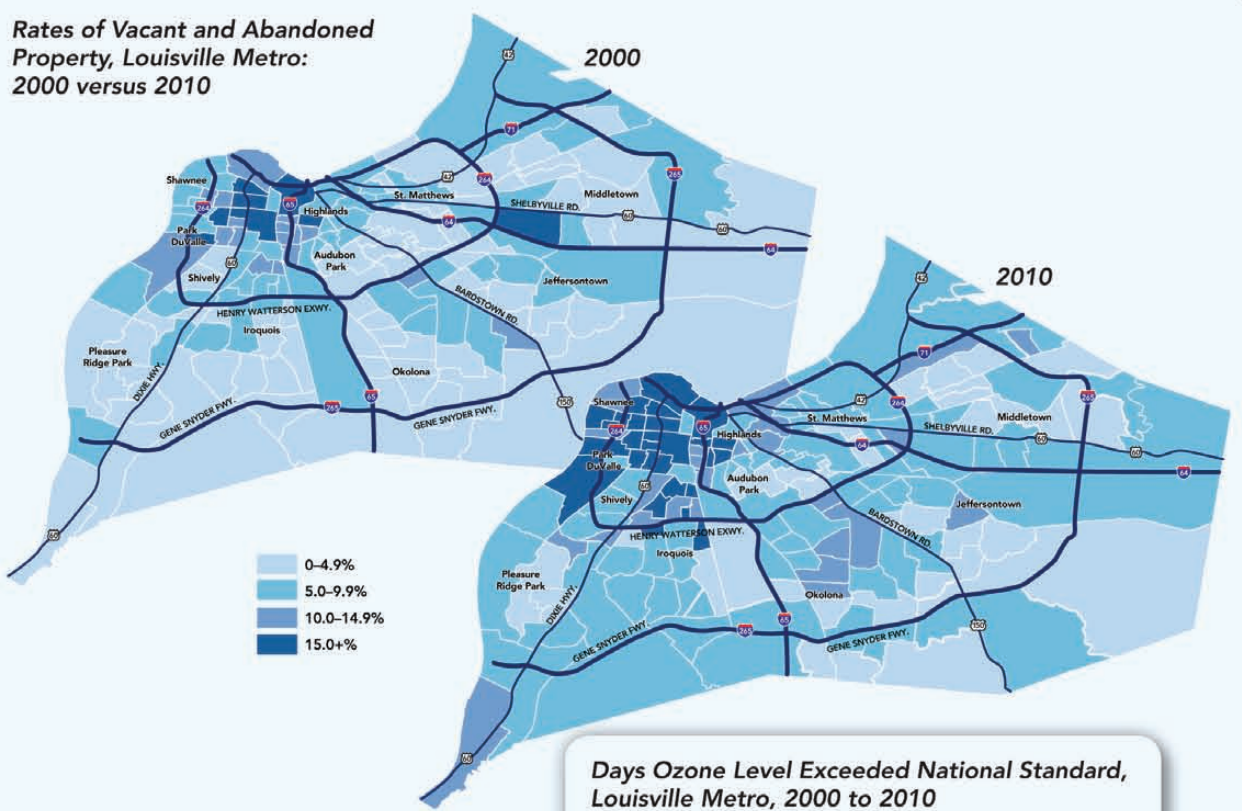
The 2010 Census also confirmed the **increasing diversity** of Louisville. Minority groups fueled population growth, and the census tracts that showed the largest increases among African-American residents were in the far eastern suburbs.

**Health** indicators showed improvement over the decade, although Louisville's overall rates of obesity, diabetes and smoking exceed national averages. Key environmental indicators on **air quality** are trending in the right direction but fluctuated over the decade.

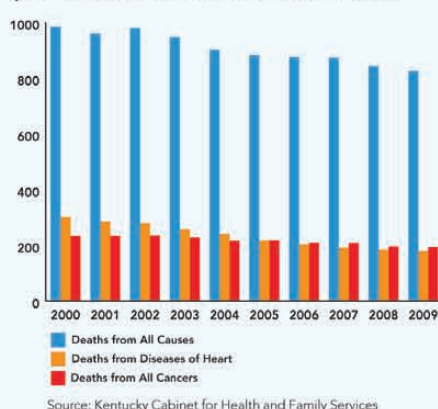
Percent Change in Total Population, Louisville Metro, 2000 to 2010



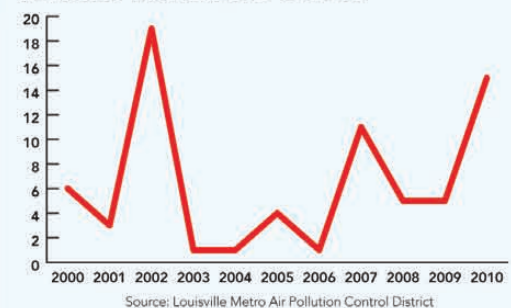
Rates of Vacant and Abandoned Property, Louisville Metro: 2000 versus 2010



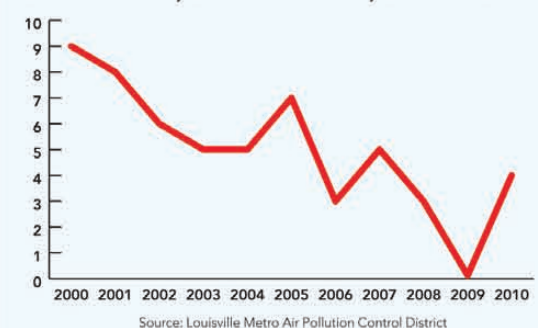
Age Adjusted Mortality Rates per 100,000 Residents, 2000-2009



Days Ozone Level Exceeded National Standard, Louisville Metro, 2000 to 2010



Number of Months Particulate Matter Exceeded EPA Standard, Louisville Metro, 2000 to 2010





# Greater Louisville Project

ADVANCING A COMPETITIVE CITY

## A Super Region for the 21st Century

Louisville's long push to transform itself from an older industrial past into a 21st Century future is paying off but still not fast enough to close the gap with other regional rivals.

The evidence from the decade of data covering 2000 to 2010 makes it clear that gradual or incremental change remains too gradual and incremental – even as the deep and lingering impact of the Great Recession clearly demonstrates how vulnerable cities like Louisville are to the forces reshaping global competition.

The urgency to assemble the critical elements for 21st Century success has been fully embraced in the area of education with the recent formation of “55,000 Degrees,” the unprecedented consortium of education, business and civic leaders convened to fulfill the Greater Louisville Education Commitment by producing 55,000 more degrees during this decade.

Now Mayor Greg Fischer has proposed an equally game-changing approach to economic development, partnering with Lexington Mayor Jim Gray to redefine the state's

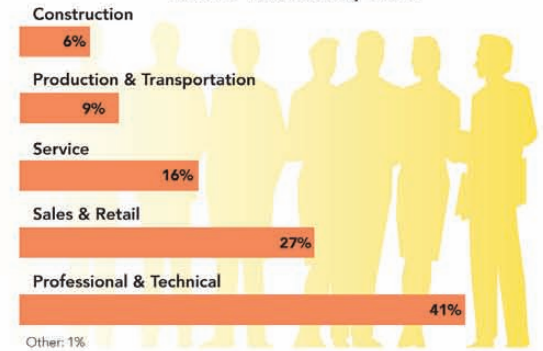


largest metropolitan areas as one super region to create an integrated economic development strategy that pulls together the strengths of both:

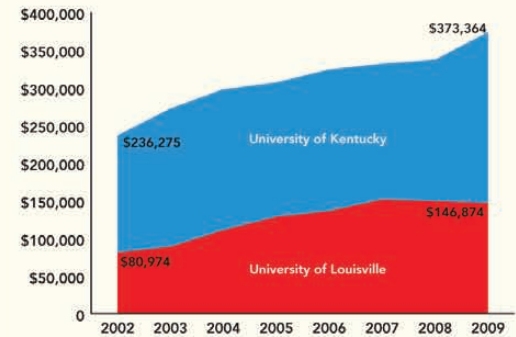
- ✓ Capitalize on the combined research bases of the University of Kentucky and the University of Louisville.
- ✓ Foster greater collaboration within business clusters that span the two metro regions.
- ✓ Increase the flow of knowledge, information and talent to drive innovation, growth and investment.

Across the nation and around the globe, the most dynamic regions are those that “collaborate to compete” on a global scale. Greater partnership between Kentucky's two largest metros could redefine both toward stronger competitive positions and answer the question, River Port to World Port: what next?

## Types of Jobs Held by Lexington Metro Residents, 2009



## Research & Development Expenditures, University of Louisville and University of Kentucky, 2002 to 2009 (in thousands)



Source: National Science Foundation

Find More Data and Information / Read and Respond to the GLP Blog at:  
[www.greaterlouisvilleproject.org](http://www.greaterlouisvilleproject.org) • 502.693.8585

The Greater Louisville Project is a non-partisan civic initiative organized by The Community Foundation of Louisville and supported by a consortium of philanthropic foundations including The James Graham Brown Foundation, Brown-Forman, The C. E. & S. Foundation, The Annie E. Casey Foundation, Gheens Foundation, The Humana Foundation, The JP Morgan Chase Foundation, and the Stephen Reily and Emily Bingham Fund. Its mission is to act as a catalyst for civic action by providing research and data analysis to engage the community in a shared agenda for long-term progress.

Unless otherwise noted, data were drawn from the U.S. Census Bureau Census 2010 and the 2005-2009 American Community Survey 5-Year Estimates for Louisville Metro and the core counties associated with peer cities. The report was prepared by the staff of The Greater Louisville Project: Carolyn Gatz, director, Elisabeth Alkire and Julia Inman, with data and analysis provided by Michael Price and Thomas Sawyer of the Kentucky State Data Center at the University of Louisville. It was designed by Galloway Communications and Darkhorse Creative. Data and assistance came from: Tamara Lewis of the Jefferson County Public Schools, the Kentucky Department of Education, the National Science Foundation, Barry Kornstein of the University of Louisville Department of Economics and the “Human Capital Scorecard” produced for KentuckianaWorks by Kornstein and Paul Coomes, Jonathan Rothwell of The Brookings Institution Metropolitan Policy Program, Hollie Sands of the Kentucky Cabinet for Health and Family Services, the U.S. Bureau of Economic Analysis, the U.S. Bureau of Labor Statistics, and the Louisville Metro Air Pollution Control District.

Photos on front cover, left to right, top to bottom: Great Lawn, Darkhorse Creative; Slugger Field, Darkhorse Creative; Waterfront Park, courtesy of Wales Hunter; UPS Worldport, courtesy of UPS; Muhammad Ali Center, Darkhorse Creative; Chickasaw Park, courtesy of Olmsted Parks Conservancy/Susan Ward; 21C Museum Hotel, courtesy of 21C Museum Hotel; Iroquois Park Amphitheater, courtesy of Louisville Metro Parks; Lincoln Statue, Darkhorse Creative; New Nursing & Allied Health Building, courtesy of Jefferson Community and Technical College; Douglass Loop Farmers Market, Elisabeth Alkire; Frazier History Museum facade, courtesy of Todd Pellowe; Kosair Children's Medical Center – Brownsboro, courtesy of Norton Healthcare; The Louisville Zoo's Glacier Run exhibit, courtesy of Robert Kemnitz/Louisville Zoo; YUM! Center, Darkhorse Creative; Ford Motor Company, courtesy of Greater Louisville Inc.

Photos on inside spread: Slugger Field, Darkhorse Creative; Cover of “Beyond Merger: A Competitive Vision for the Regional City of Louisville,” Greater Louisville Project; Trolley Hop Banner, courtesy of Greater Louisville Inc.; UPS Worldport, courtesy of UPS; Louisville Metro Government logo; 4th Street Live, courtesy of Greater Louisville Convention & Visitors Bureau; Muhammad Ali Center, Darkhorse Creative; Museum Row, Main Street, Darkhorse Creative; Jefferson County Education Pipeline, Greater Louisville Project; Waterfront Park Plaza and Preston Pointe, Darkhorse Creative; The Green Building, courtesy of The Green Building; Great Recession Chart, Greater Louisville Project; 55,000 Degrees, a new public-private partnership to raise education attainment; Kentucky Center for African American Heritage, courtesy of Godsey Associates Architects; YUM! Center, Darkhorse Creative; Parklands of Floyds Fork logo; Aerial Image of The Parklands of Floyds Fork, copyright Quadrant Photography, courtesy of 21st Century Parks.

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