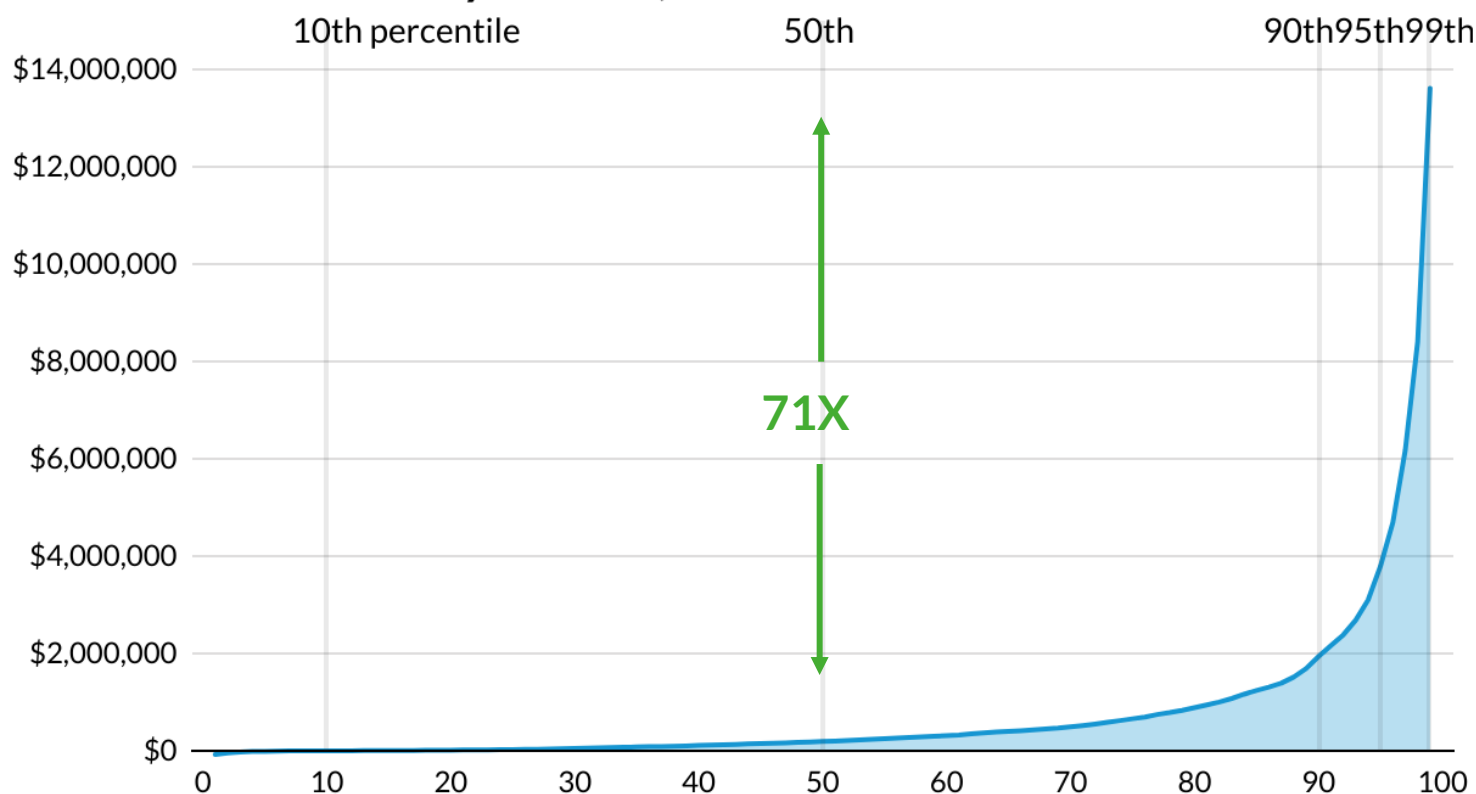


# The Financial Health & Wealth Dashboard: Leveraging Local Data to Address Racial Wealth Disparities

[Link to tool](#)

# Wealth inequality is increasing and needs bold solutions

Distribution of Family Wealth, 2022

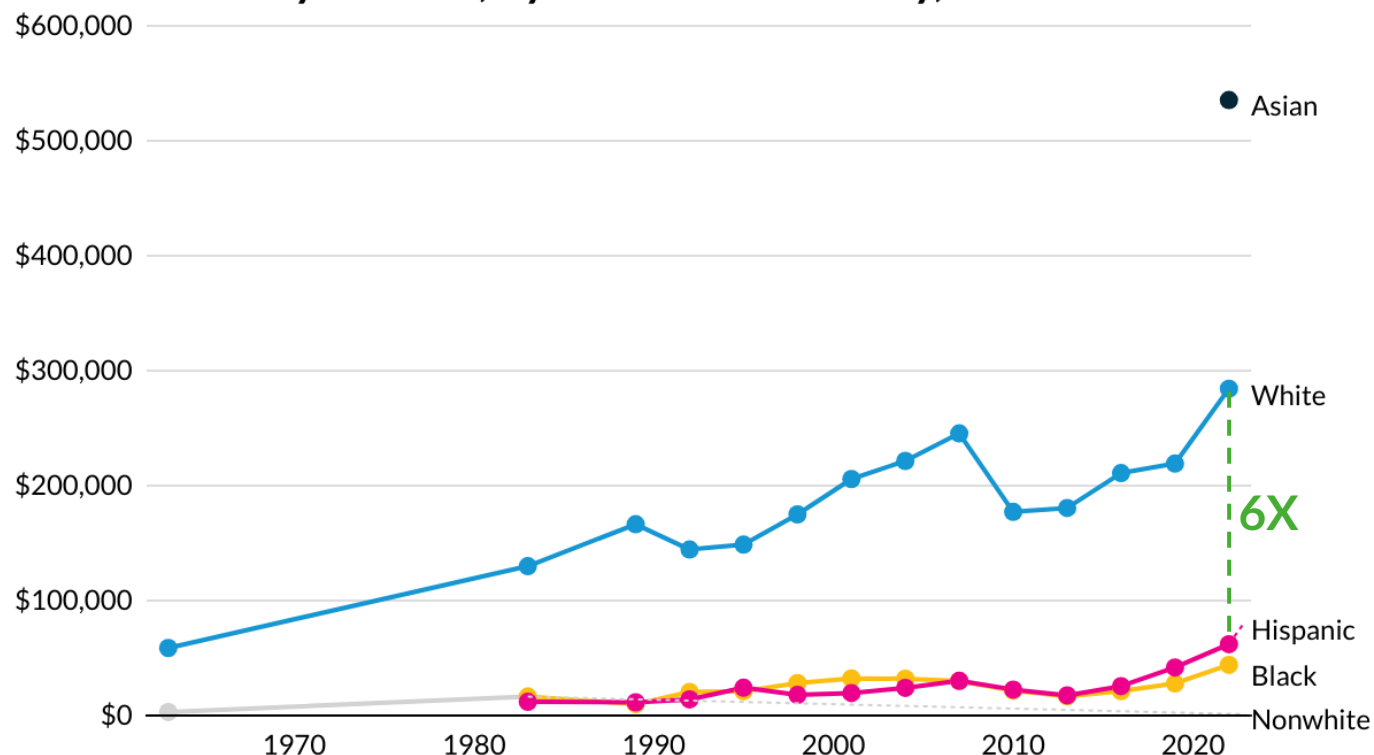


**Source:** Urban Institute calculations from the Survey of Financial Characteristics of Consumers 1962, the Survey of Changes in Family Finances 1963, and the Survey of Consumer Finances 1983–2022.

**Notes:** 2022 dollars. We used inflation adjustment factors from *Changes in U.S. Family Finances from 2019 to 2022: Evidence from the Survey of Consumer Finances*. No comparable data are available between 1963 and 1983.

# Wealth gaps by race and ethnicity are large

Median Family Wealth, by Race and Ethnicity, 1963–2022

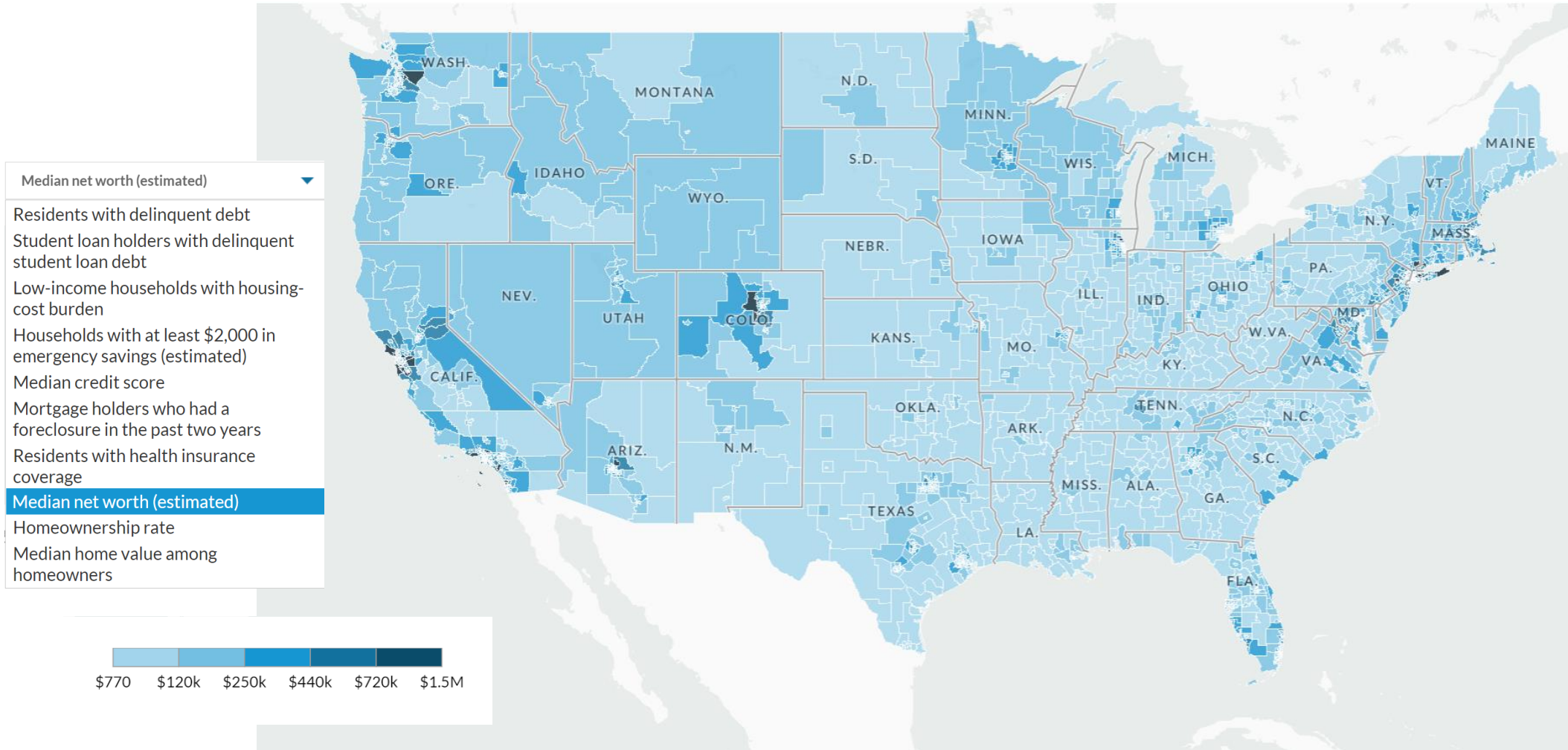


**Source:** Urban Institute calculations from the Survey of Financial Characteristics of Consumers 1962, the Survey of Changes in Family Finances 1963, and the Survey of Consumer Finances 1983–2022.

**Notes:** 2022 dollars. Until 1983, the surveys categorized all people of color as “nonwhite.” The Survey of Consumer Finances began disaggregating data for Black and Hispanic families starting in 1983 and for Asian families starting in 2022. We used inflation adjustment factors from *Changes in U.S. Family Finances from 2019 to 2022: Evidence from the Survey of Consumer Finances*. No comparable data are available between 1963 and 1983.

# Financial Health & Wealth Dashboard

# The Financial Health and Wealth Dashboard



# Financial Health Metrics

We define financial health as a person’s ability to manage their daily finances, be resilient to economic shocks, and pursue opportunities for upward mobility.

Daily Finances	Economic Resilience	Upward Mobility
<ul style="list-style-type: none"><li>Residents with delinquent debt</li><li>Student loan holders with delinquent student loan debts</li><li>Low-income households with housing-cost burden</li></ul>	<ul style="list-style-type: none"><li>Households with at least \$2,000 in emergency savings (estimated)</li><li>Median credit score</li><li>Mortgage holders who had a foreclosure in the past two years</li><li>Residents with health insurance coverage</li></ul>	<ul style="list-style-type: none"><li>Median net worth (estimated)</li><li>Homeownership rate</li><li>Median home value among homeowners</li></ul>

**Data Sources:** American Community Survey (ACS), Survey of Income and Program Participation (SIPP), Credit Bureau Data



# Dashboard: Local Solutions



## Financial Health and Wealth Dashboard: A Local Picture of Residents' Financial Well-Being

### Strategies for Local Leaders

*Oriya Cohen, Catherine Harvey, Courtney Jones, and Signe-Mary McKernan*  
October 6, 2022

## STRATEGIES FOR LOCAL LEADERS

### Ensure family-sustaining wages

Black and Hispanic workers and women are overrepresented in temporary and precarious jobs and underrepresented in jobs that provide family-sustaining wages and benefits like health insurance, retirement savings options, and [paid sick time](#) and [paid family and medical leave](#). This occupational segregation is the result of persistent discrimination in hiring and geographic mismatches between where people of color live and where good jobs are located. Local leaders have the power to raise the wage floor in their cities, enact universal paid leave policies, and require public works projects to hire residents facing barriers to employment. Some cities have experimented with [guaranteed income programs](#) and one-time cash payments for workers in essential occupations, such as [child care](#), where wages are especially low.

### Improve college access and affordability

Black students [borrow more](#) than other students at similar institutions with similar levels of education, and they also have more [trouble repaying their loans](#). To ensure college and career and technical education are accessible and affordable for students of color, local leaders can work with philanthropy, school systems, local community colleges, and universities to provide [scholarships](#) and [college savings accounts](#), [advocate for lower tuition](#) and [resources to lower living expenses](#), and provide students and parents with [financial guidance and advisory support](#). Local leaders can also work with employers to revise tuition benefits policies to align with the needs of workers, particularly workers of color, who want to go back to school to advance in their careers. They can also advocate for state and federal reforms to help improve [financial aid](#) and provide student loan debt relief for their residents, including [forgiving student loans](#) and making [improvements to income-driven repayment programs](#).

### Help residents avoid and manage debt

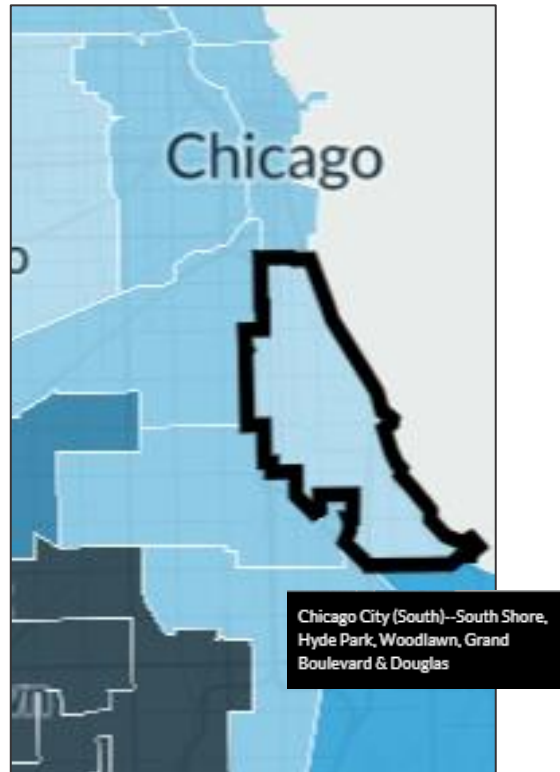
Too much personal debt wreaks havoc on family finances and can potentially lead to [lower city revenue](#) in the form of unpaid public utility bills, unpaid property taxes, and evictions. City leaders can first “do no harm” by ensuring that residents with debt are not penalized when applying for job certifications and business licenses, which offer opportunities for upward mobility. Several cities have also reformed the [fines and fees](#) levied by their criminal legal systems and traffic courts, which have been shown significantly harm households of color and households with low incomes. Finally, cities can [train employees](#) to provide easy on-ramps to relevant, free, and [timely financial coaching programs](#) for [residents seeking services](#) such as subsidized child care and housing assistance.

### Produce and preserve affordable housing

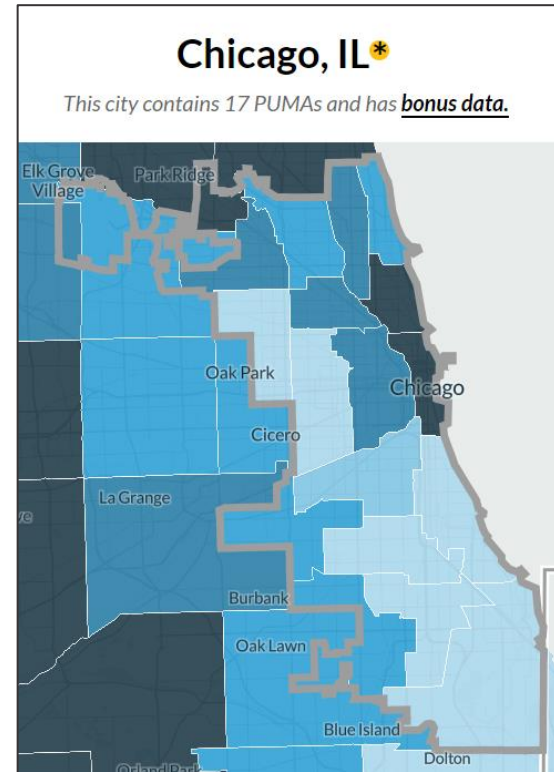
The US has a [nationwide shortage of affordable and available housing](#) for homebuyers and renters. Local leaders can encourage the production of new affordable units by adopting inclusionary and [streamlined zoning](#) and land use policies. They can also explore policy solutions to increase housing supply, such as [density bonuses](#), [reduced regulatory barriers](#), land value taxation, and equitable [transit-oriented development](#). Local leaders can also [preserve existing affordable units](#) by tracking and targeting buildings [with subsidies set to expire](#), offering financial support to small landlords who wish to preserve their units, enacting policies that enable tenants to [buy buildings](#), dedicating state and local resources to complement federal funding, fostering a strong ecosystem of developers, and [learning from other cities](#). Local leaders can also allocate [Coronavirus State and Local Fiscal Recovery Funds](#) to support affordable housing development and preservation and [help households](#) manage rent and mortgage costs.

# Selecting Your Data View: PUMA vs. City-Level Data

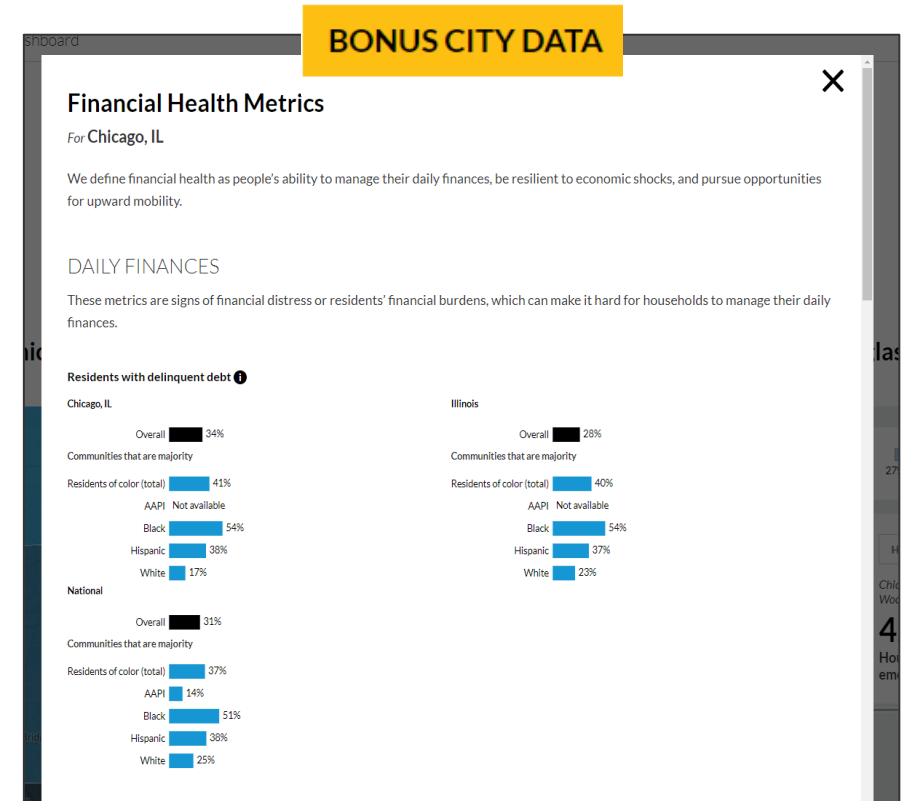
Enter a city or zip code and (1) select a PUMA on the map or (2) explore the "Bonus City Data"



PUMA View



City View



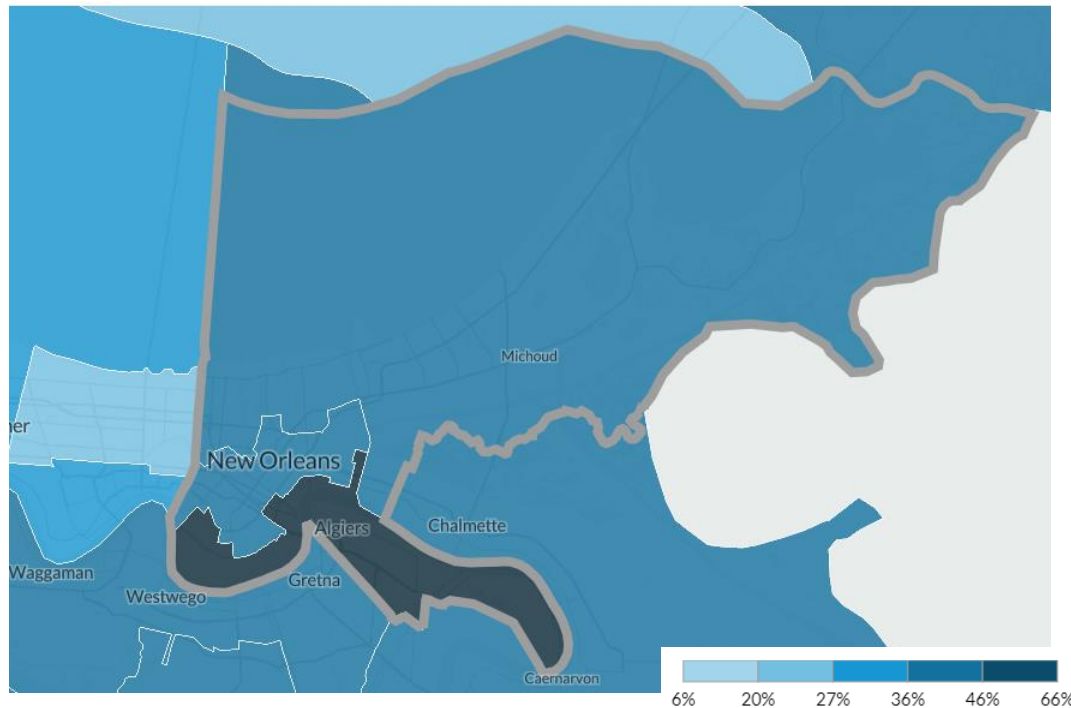
"Bonus City Data" Pop-Out



# Case Study: New Orleans, LA

# About half of residents in majority-Black neighborhoods in New Orleans have delinquent debt

- Residents living in majority-Black communities are nearly **2X more likely** than residents living in majority-white communities to have delinquent debt.



## Residents with delinquent debt <sup>i</sup>

New Orleans, LA

Overall 42%

Communities that are majority

Residents of color (total) 47%

AAPL Not available

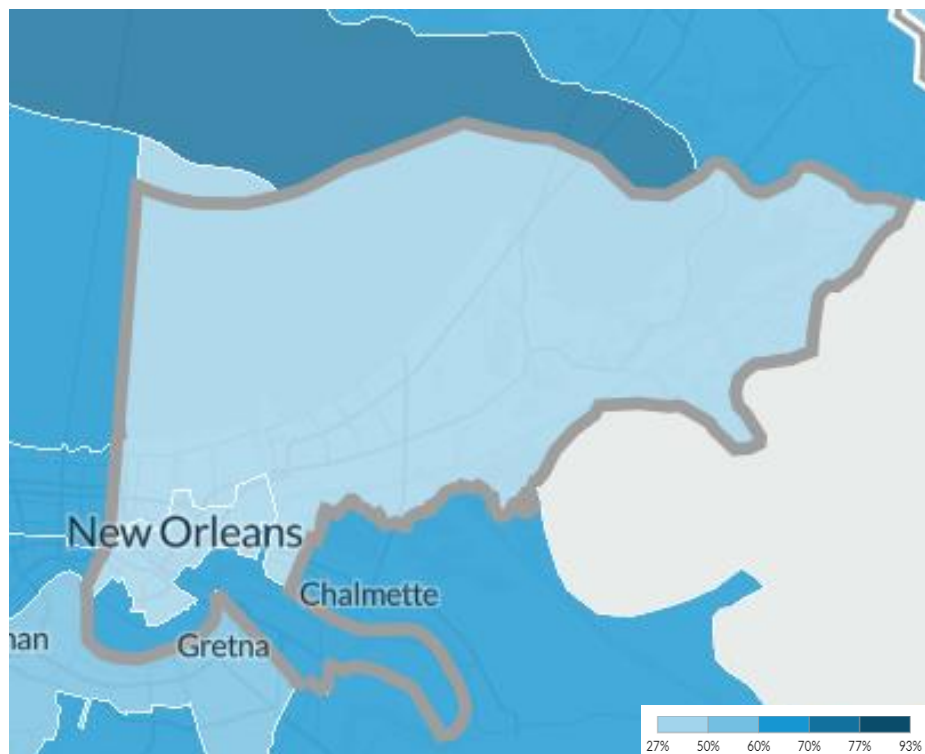
Black 48%

Hispanic Not available

White 23%

# Over half of the residents in New Orleans have \$2,000 in emergency savings

- Households in majority white communities are **over 2X more likely** than households in majority Black communities to have at least \$2,000 in savings.



## Households with at least \$2,000 in emergency savings

New Orleans, LA

Overall 53%

Communities that are majority

Residents of color (total) 37%

AAP1 74%

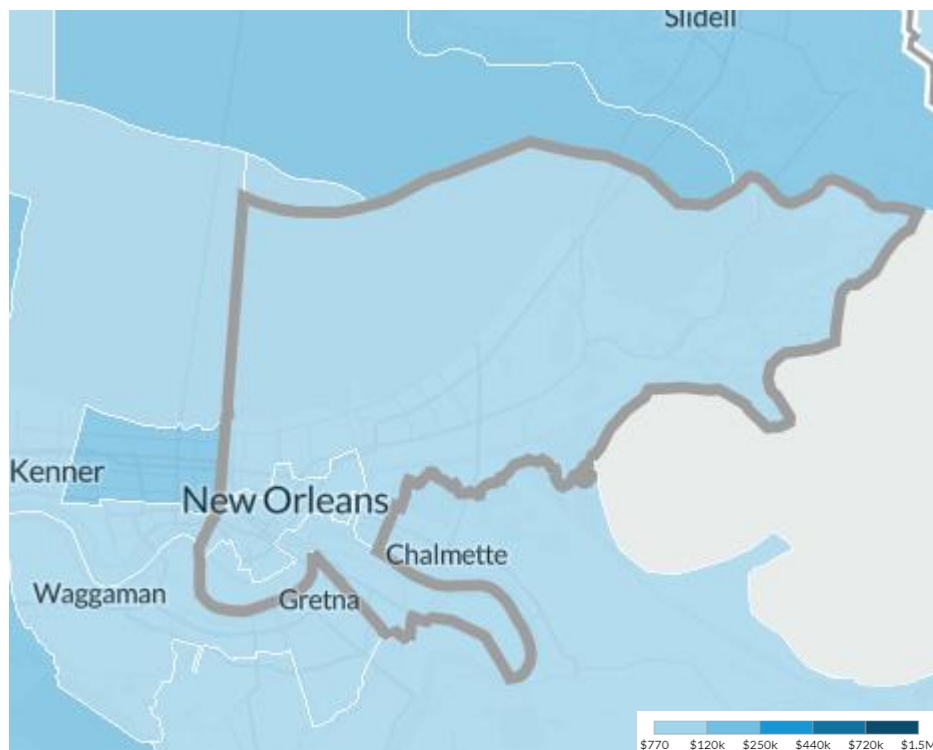
Black 34%

Hispanic 49%

White 80%

# The median net worth of households in majority Black communities in New Orleans is **\$10,873**.

- Households in majority white communities have an estimated **21X more wealth** than households in majority Black communities in New Orleans.



## Median net worth (estimated) ⓘ

New Orleans, LA

Overall ■ \$52,885

Communities that are majority

Residents of color (total) | \$14,568

AAPL Not available

Black | \$10,873

Hispanic Not available

White ■ \$229,190

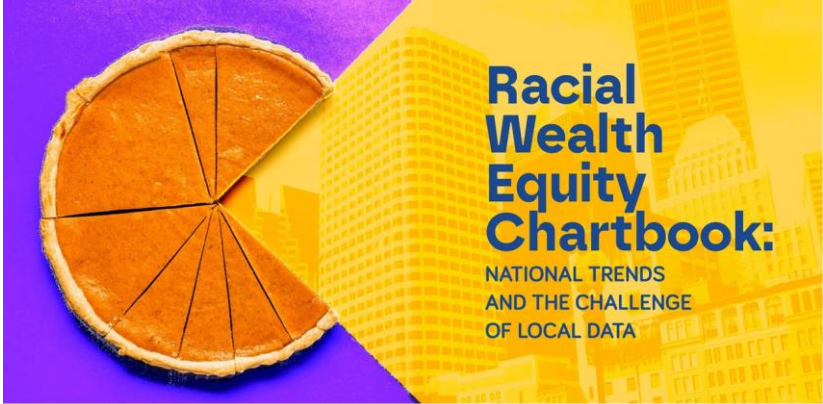
Leveraging local data insights to inform strategies  
that can address the racial wealth gap



# Elevating Insights for Local Leaders



**Building A Beloved Economy:** A Baseline and Framework for Building Black Wealth in Atlanta



Eunjung Jee, Tatjana Meschede, and Sylvia Stewart, *Institute for Economic and Racial Equity*.  
Peter Ciurczak and Luc Schuster, *Boston Indicators*.  
May 16, 2023



This report was produced by Boston Indicators, and is part of our Racial Wealth Equity Resource Center special initiative.



# Practitioners Use the Data and Strategies to:

- **Local government:** integrate and expand targeted financial and savings interventions into existing policies and programs.
- **Philanthropy and impact investors:** inform aligned grantmaking strategies and community investments
- **Community advocates and service providers:** advocate for new and improve targeting of existing programs and services
- **Financial institutions:** introduce tailored financial products and services that can enhance customers' financial health and address racial disparities

# Informing Local Solutions to Address Financial Health

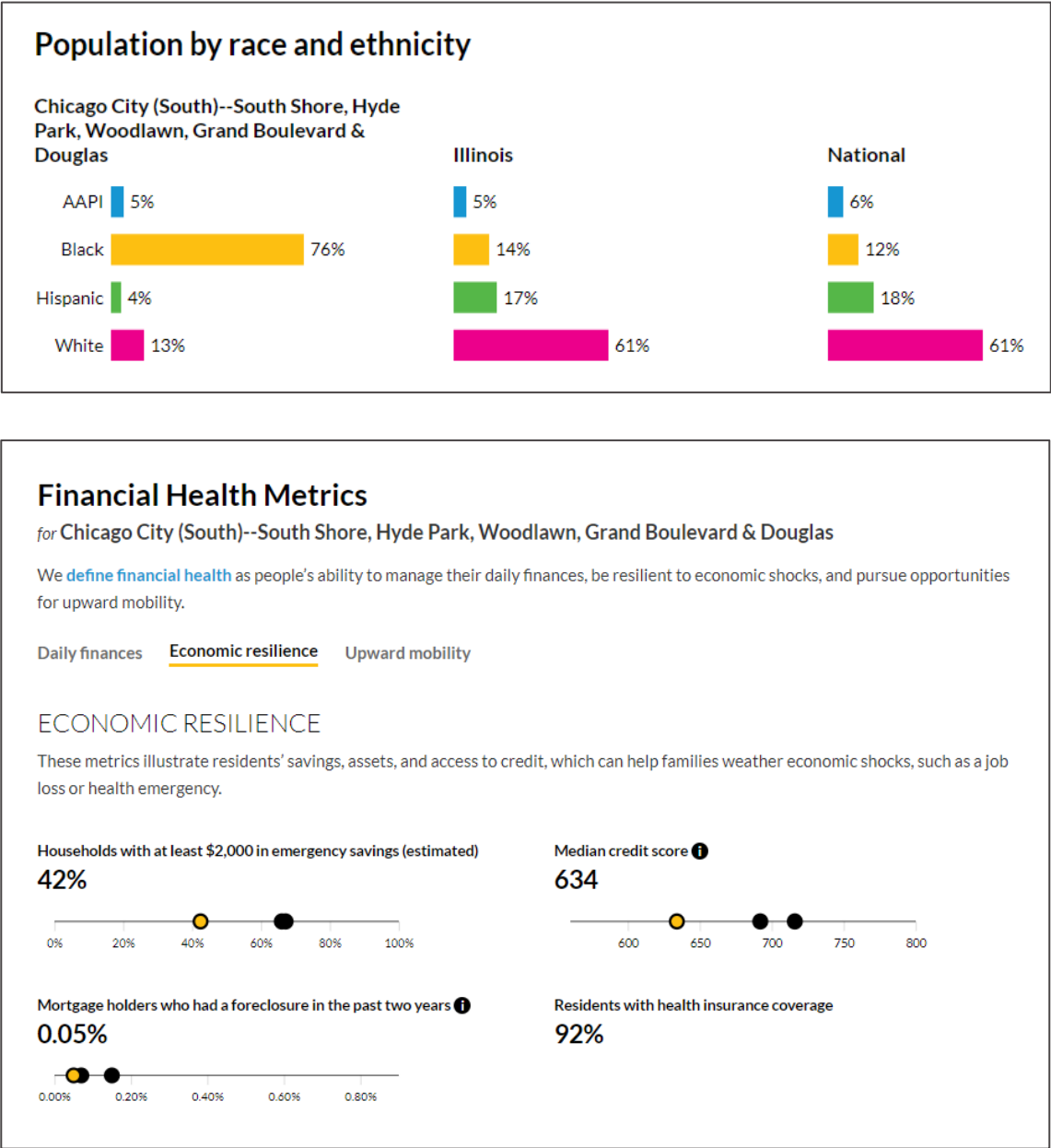
## For Example:

- **Policy making:** DC passed baby bonds legislation citing net worth (wealth) disparities within the city
- **Program design:** The GRO Fund identified neighborhoods for accelerated baby bonds program
- **Public investments:** Washington Department of Commerce identified target geographic regions following the Governor of Washington State mandate that \$200,000,000 be reinvested in communities harmed by the War on Drugs.
- **Local strategy:** Cities like Aurora and Rochester have cited dashboard data in their Office of Financial Empowerment strategic plans

# Appendix

# PUMA Level Data:

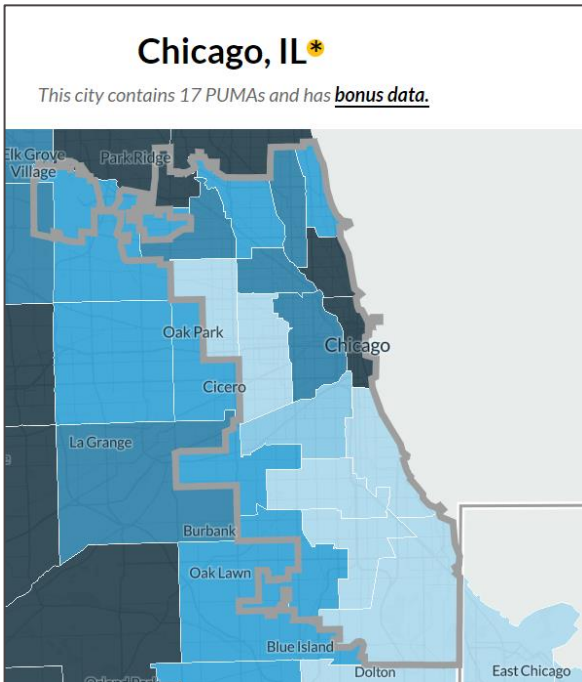
- 1. Demographic data for every PUMA
- 2. Data for all 10 metrics across daily finances, economic resilience, and upward mobility
- 3. Comparisons to state and national statistics





# City-Level Data:

1. City-level data for 5 metrics, disaggregated by race/ethnicity
2. Comparisons to state and national data



## BONUS CITY DATA

### Financial Health Metrics

For Chicago, IL

We define financial health as people's ability to manage their daily finances, be resilient to economic shocks, and pursue opportunities for upward mobility.

#### DAILY FINANCES

These metrics are signs of financial distress or residents' financial burdens, which can make it hard for households to manage their daily finances.

#### Residents with delinquent debt ①

Chicago, IL

Overall 34%

Communities that are majority

Residents of color (total) 41%

AAP/ Not available

Black 54%

Hispanic 38%

White 17%

National

Overall 31%

Communities that are majority

Residents of color (total) 37%

AAP/ 14%

Black 51%

Hispanic 38%

White 25%

Illinois

Overall 28%

Communities that are majority

Residents of color (total) 40%

AAP/ Not available

Black 54%

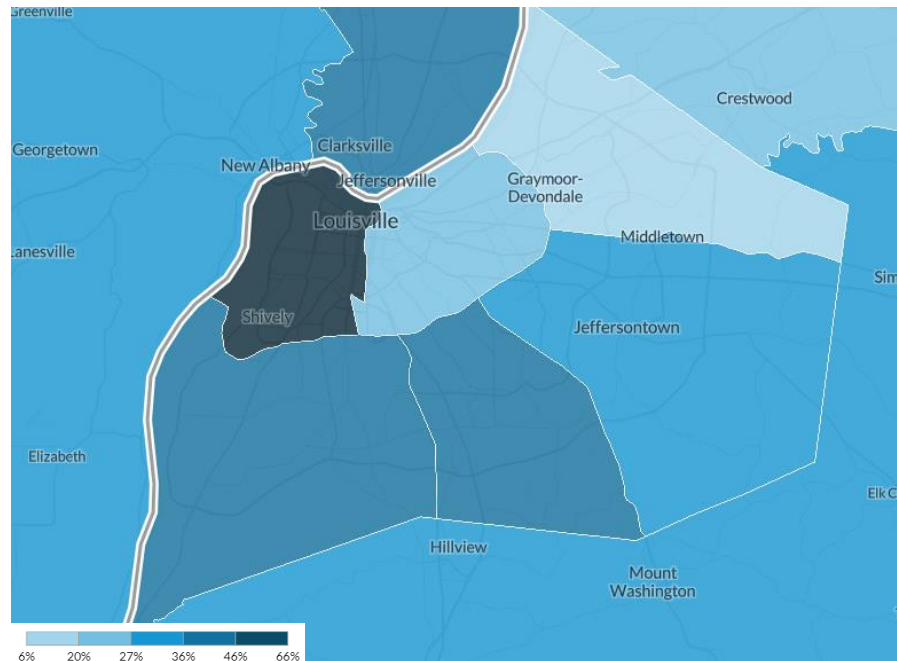
Hispanic 37%

White 23%

# Case Study: Louisville, KY

# Residents in majority-Black neighborhoods are more likely to face the burden of debt

- Residents living in majority-Black communities are nearly **2X more likely** than residents living in majority-white communities to have delinquent debt.




## Residents with delinquent debt

Louisville, KY

Overall  38%

Communities that are majority

Residents of color (total)  59%

AAP/ Not available

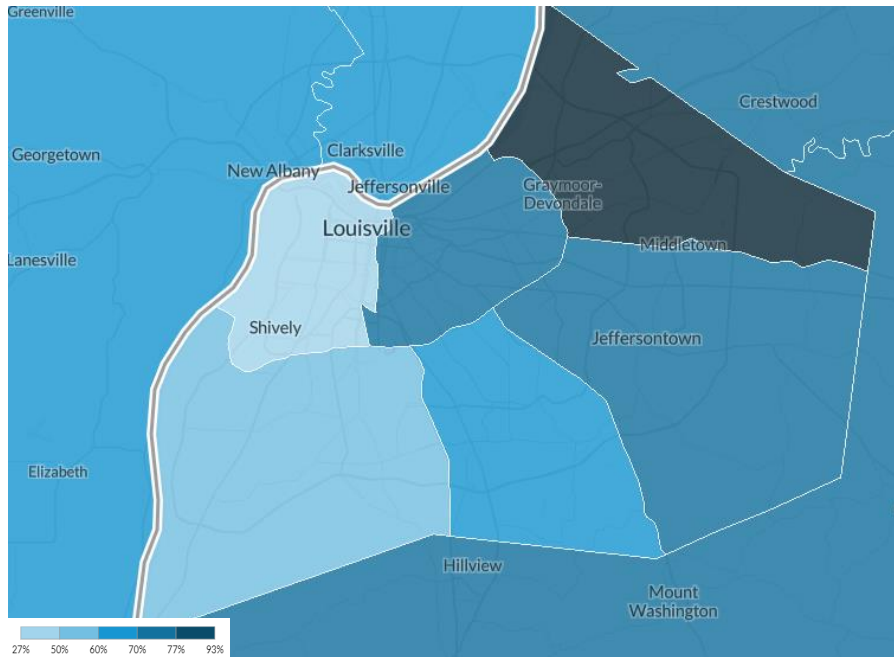
Black  71%

Hispanic Not available

White  31%

# 63 percent of Louisville residents have \$2,000 in emergency savings to help buffer economic shocks

- Clear racial and geographic disparities show majority white communities are **2X more likely** than households in majority Black communities to have emergency savings.




## Households with at least \$2,000 in emergency savings

### Louisville, KY

Overall  63%

### Communities that are majority

Residents of color (total)  42%

AAP1  76%

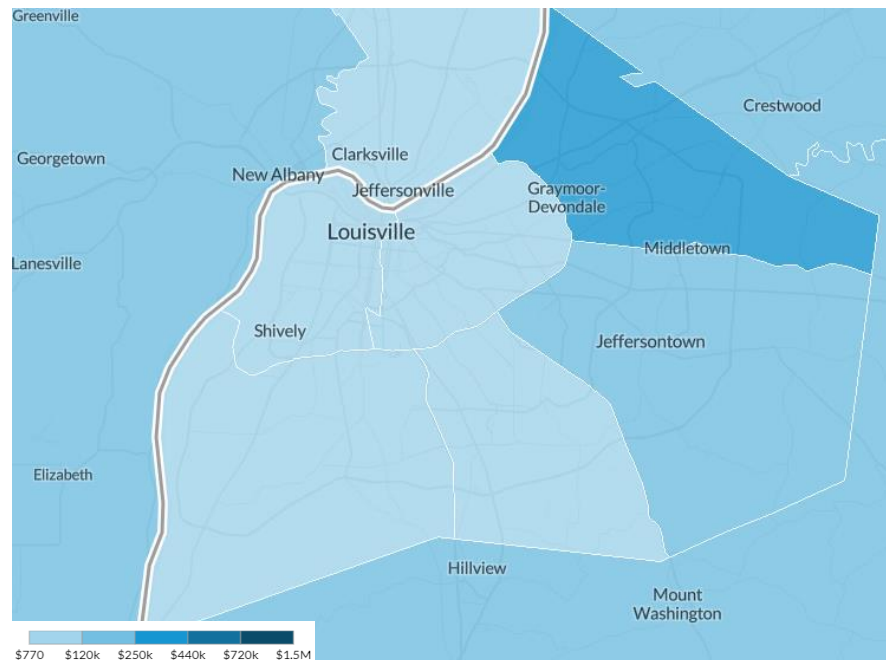
Black  36%

Hispanic  50%

White  72%

# Wealth is concentrated in the eastern regions of the Louisville

- Households in majority white communities have an estimated **19.5X more wealth** than households in majority Black communities.




## Median net worth (estimated)

### Louisville, KY

Overall  \$90,719

### Communities that are majority

Residents of color (total)  \$13,787

AAPI  \$97,230

Black  \$7,497

Hispanic Not available

White  \$145,915



# Guiding Questions: Using Data to Inform Strategies and Solutions

- Strategy Deep Dive:
  - How does **financial health and wealth vary by race/ethnicity and geography** in our city?
  - What are **“north star” indicators of systemic change** for our community?
- Solutions Deep Dive:
  - How do current **programs/policies align with our residents' financial needs**?
  - How can new **programs move the needle for indicators of resident financial health**?
  - What **other evidence-based strategies** can we consider to further support financial health of residents based on the specific needs in our community?

# Exploratory Activity

**Step 1:** Search for a ZipCode to identify a local area of interest in your work. Scroll down to review data on that PUMA. Identify one metric from each bucket of financial health that is of interest or relevant to your work.

- **What data surprised you? Confirmed what you expected? What data are particularly relevant to your work?**

**Step 2:** Scroll back up to the map to view your selected area within the context of a broader region. Using the dropdown toggle between the different metrics.

- **What trends do you notice in the map? How does the selected PUMA compare to surrounding areas across or outside of your city?**

**Step 3:** Based on the metrics you selected in step 1, scroll down to the strategies section. Explore strategies across the 3 buckets of financial health that can address the metric(s) you selected.

- **How do these strategies align with the mobility work you and your partners are leading in your local regions?**

# Additional Resources

- [Financial Health & Wealth Dashboard: Strategies for Local Leaders](#)
- [Financial Health & Wealth Dashboard: Data catalogue](#)
- [Financial Health & Wealth Dashboard: Technical Appendix](#)
- [Washington, DC, Has Glaring Financial Health Inequities. So Do Most American Cities](#)
- [Thriving Residents, Thriving Cities: Family Financial Security Matter for Cities](#)
- [Cost of Eviction and Unpaid Bills of Financially Insecure Families for City Budgets](#)
- [Debt in America: An Interactive Map](#)
- [Credit Health during the COVID-19 Pandemic](#)
- [Developing Solutions: Strategies to Improve Resident Financial Health and Propel Inclusive Growth](#)
- [How Policymakers Can Ensure the COVID-19 Pandemic Doesn't Widen the Racial Wealth Gap](#)