

Communities Count 2008

Data Updates for September 2009

- Free/Reduced-priced School Lunch
- Affordable Housing
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- Home Foreclosures
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Robert Wood Johnson Foundation
Issue Brief 6: **Education Matters for Health**

www.communitiescount.org

Communities Count reports on a set of social and health indicators every three years. **Communities Count 2008** is the fourth such report. One strength of the report is that it contains a stable set of indicators that can show trends over time. Generally, a three year cycle for updating the report has been an efficient approach to making information available for planning, decision-making and guiding action/advocacy. However, the current economic recession, which began in December 2007, has undoubtedly had an impact on many of the indicators reported in **Communities Count 2008**. Even as it went to print, conditions in our communities were changing.

In response to the many requests we have received for more timely information and new information related to the economic downturn, we will be updating our indicators as new data become available. In addition, we will add supplemental data likely to be related to the impact of this recession. Previous data reports, along with the full 2008 report, is available online at www.communitiescount.org.

I. Updates to Communities Count 2008 Indicators

BASIC NEEDS AND SOCIAL WELL-BEING

School Lunch Program

Last updated: 09/16/2009

Percent of Students Eligible for Free or Reduced-Price Meals, by School District As of May of each school year				
	2005-06	2006-07	2007-08	2008-09
Tukwila	63.6	67.2	69.5	73.7
Skykomish	na	57.6	49.1	66.1
Highline	54.8	54.1	56.7	60.3
Renton	42.1	43.3	43.5	47.6
Federal Way	28.8	43.6	43.8	46.7
Auburn	39.2	37.7	40.0	44.3
Kent	36.9	37.9	39.2	41.9
Seattle	40.8	40.5	40.5	41.3
Enumclaw	21.4	20.9	21.0	26.3
Shoreline	20.8	20.5	20.2	23.7
Bellevue	20.3	17.1	17.5	18.7
Northshore	13.7	14.0	12.5	14.7
Vashon Island	12.5	12.0	13.4	14.4
Riverview	12.4	12.4	12.3	13.8
Tahoma	12.0	10.8	10.7	12.7
Lake Washington	11.9	11.2	11.4	12.2
Snoqualmie	10.2	8.6	10.6	11.7
Issaquah	6.7	6.9	7.4	8.3
Mercer Island	1.5	1.9	1.9	1.5

- Most school districts showed very little change in the percent of students who qualify for free or reduced-price meals until the 2008-09 school year when rates increased in every district except Mercer Island.
- In general, districts with already high percentages of low-income students saw the largest increases in eligibility.

The National School Lunch Program provides low cost or free lunches to students, based on the student's family size and income. Children from families with incomes at or below 130 percent of the poverty level are eligible for free meals. Those with incomes between 130 and 185 percent of the poverty level are eligible for reduced-price meals.

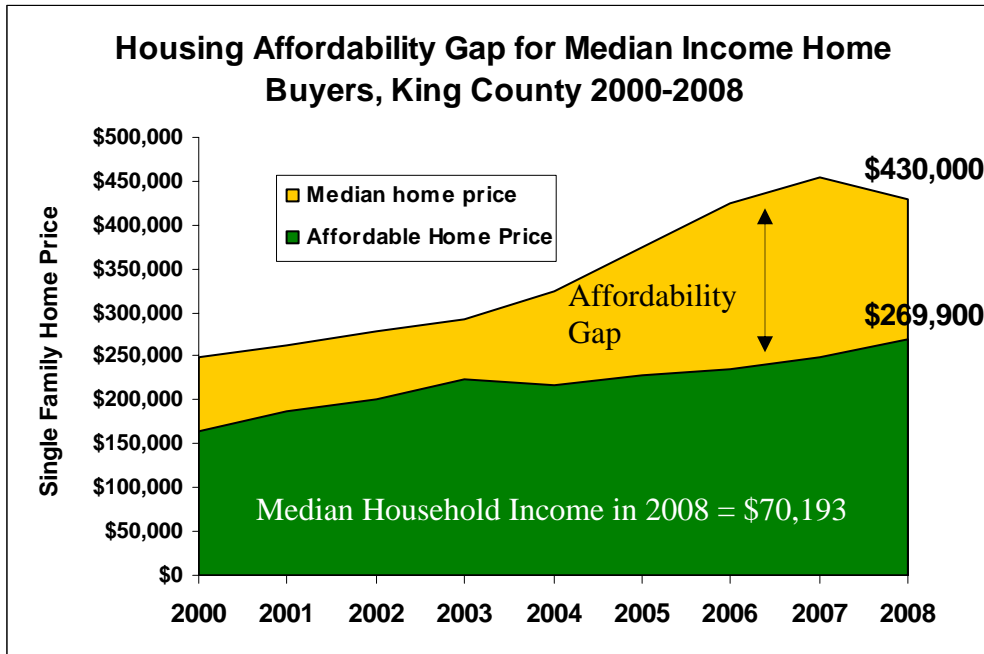
The percent of **students eligible for free or reduced-price lunches** is often used as a measure of children's economic well-being. Higher percentages mean more children live in low-income families.

Source: Office of Superintendent of Public Instruction, Washington State Report Card. Data can be downloaded at <http://reportcard.ospi.k12.wa.us/DataDownload.aspx>; Data on student demographics are collected in October of each school year. School lunch program eligibility data are collected in May.

Affordable Housing

Last updated: 09/29/2009

Next scheduled update: October for previous month; November for 3rd quarter



- While the affordability gap narrowed from 2007 to 2008, the median priced home remains unaffordable to households with a median income.
- Median home prices continued to fall in 2009. In the second quarter of 2009, the median home price in King County was \$387,500, a decline of 13.9% over the same period in 2008, according to the Washington Center for Real Estate Research (WCRER).
- The Northwest Multiple Listing Service reported that in August 2009 the median price for a single family home had dropped 11.6% in the past year to \$375,000. The median price of a condominium was \$252,250 in August 2009, a slight increase over the July 2009 figure.
- Measured by another standard, WCRER has reported that a median home price is now affordable for households earning the median **family** income (\$89,370 in 2008). This excludes single-person and non-family households. Single-person and other non-family households, which in 2008 represented 42% of all King County households, are less likely to be at this income level.

Sources: Washington Center for Real Estate Research and Northwest Multiple Listing Service.

II. Supplemental Data

Bankruptcies

Last updated: 09/16/2009

Next scheduled update: Monthly for previous month.

U.S. Bankruptcy Court-Seattle Bankruptcy Filings (All types) Year-Over-Year Comparison											
May			June			July			August		
2008	2009	% change	2008	2009	% change	2008	2009	% change	2008	2009	% change
749	1103	47%	732	1179	61%	837	1311	57%	727	1226	69%

- High numbers of bankruptcy, compared to a year ago, continued in August.
- Of the 9,133 cases filed in the Seattle court in 2009, the majority (6,779) were Chapter 7 filings.

Additional information on bankruptcies in Western Washington is available on the U.S. courts website. Bankruptcy statistics can be found at <http://www.wawb.uscourts.gov/posts.htm?f=3>

Bankruptcy Overview:

Bankruptcies in King County are generally handled through the Federal Bankruptcy Court in Seattle. Individuals can file under either Chapter 7 or Chapter 13. Businesses usually file under Chapter 11.

Chapter 7, entitled Liquidation, contemplates an orderly, court-supervised procedure by which a trustee takes over the assets of the debtor's estate, reduces them to cash, and makes distributions to creditors, subject to the debtor's right to retain certain exempt property and the rights of secured creditors. Because there is usually little or no nonexempt property in most chapter 7 cases, there may not be an actual liquidation of the debtor's assets. These cases are called "no-asset cases." If such a debtor's income is in excess of certain thresholds, the debtor may not be eligible for chapter 7 relief.

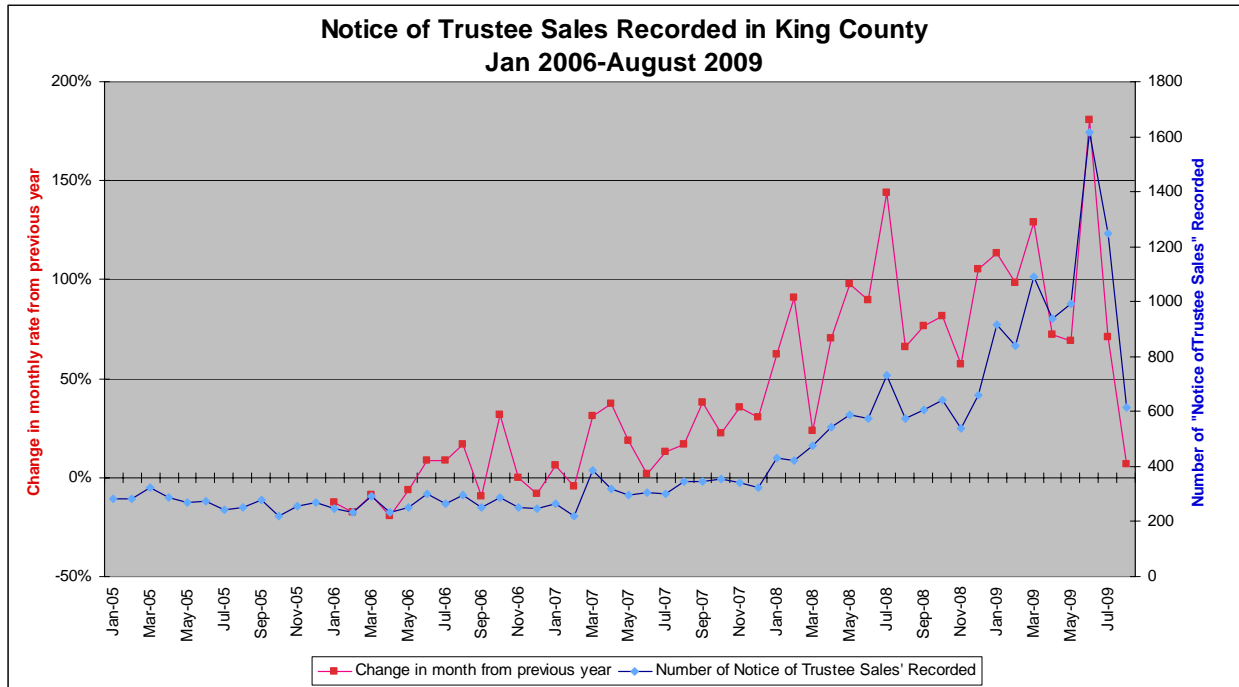
Chapter 13, entitled Adjustment of Debts of an Individual With Regular Income, is designed for an individual debtor who has a regular source of income. Chapter 13 enables the debtor to keep a valuable asset, such as a house, and to propose a "plan" to repay creditors over time – usually three to five years. Chapter 13 is also used by consumer debtors who do not qualify for chapter 7 relief under the means test.

Chapter 11, entitled Reorganization, ordinarily is used by commercial enterprises that desire to continue operating a business and repay creditors concurrently through a court-approved plan of reorganization. The debtor normally goes through a period of consolidation and emerges with a reduced debt load and a reorganized business.

Home Foreclosures

Last updated: 9/16/2009

Next scheduled update: Monthly for previous month.



- Foreclosures (NTS) dropped from 1,615 in June 2009 and 1,248 in July to 614 in August. This dropped the year-over-year increase in August to 7%.
- A new PolicyLink tool, "**Reclaiming Foreclosed Properties for Community Benefit**", highlights promising practices that are already underway for localities looking to stabilize their local housing market and prevent blight from spreading.

Source: King County recorder: <http://146.129.54.93:8193/search.asp?cabinet=opr>
 Data were queried monthly by 'Notice of Trustee Sale'

Foreclosure Overview & Foreclosure Process

What is Foreclosure?

Foreclosure is a process that allows a lender to recover the amount owed on a defaulted loan by selling or taking ownership (repossession) of the property securing the loan. The foreclosure process begins when a borrower/owner defaults on loan payments (usually mortgage payments) and the lender files a public default notice, called a Notice of Default. The foreclosure process can end one of four ways:

1. The borrower/owner reinstates the loan by paying off the default amount during a grace period determined by state law. This grace period is also known as pre-foreclosure.
2. The borrower/owner sells the property to a third party during the pre-foreclosure period. The sale allows the borrower/owner to pay off the loan and avoid having a foreclosure on his or her credit history.
3. A third party buys the property at a public auction at the end of the pre-foreclosure period.
4. The lender takes ownership of the property, usually with the intent to re-sell it on the open market. Properties repossessed by the lender are also known as bank-owned or REO properties (Real Estate Owned by the lender).

Major Elements of Washington Foreclosure Include:

1. Mailing and posting the Notice of Default (at least 30 days after default occurs).
2. Setting the Trustee's Sale that includes recording mailing and posting of the Notice of Trustee's Sale (must be done more than 90 days before sale date).
3. Publication - 2 times at specific intervals in the last month before sale.
4. Holding the Sale (Must be at least 190 days after date of first default, 90 days after NTS is posted)
5. Sales can be continued up to 120 days at the will of the lender.

Measuring/Indicating Foreclosure

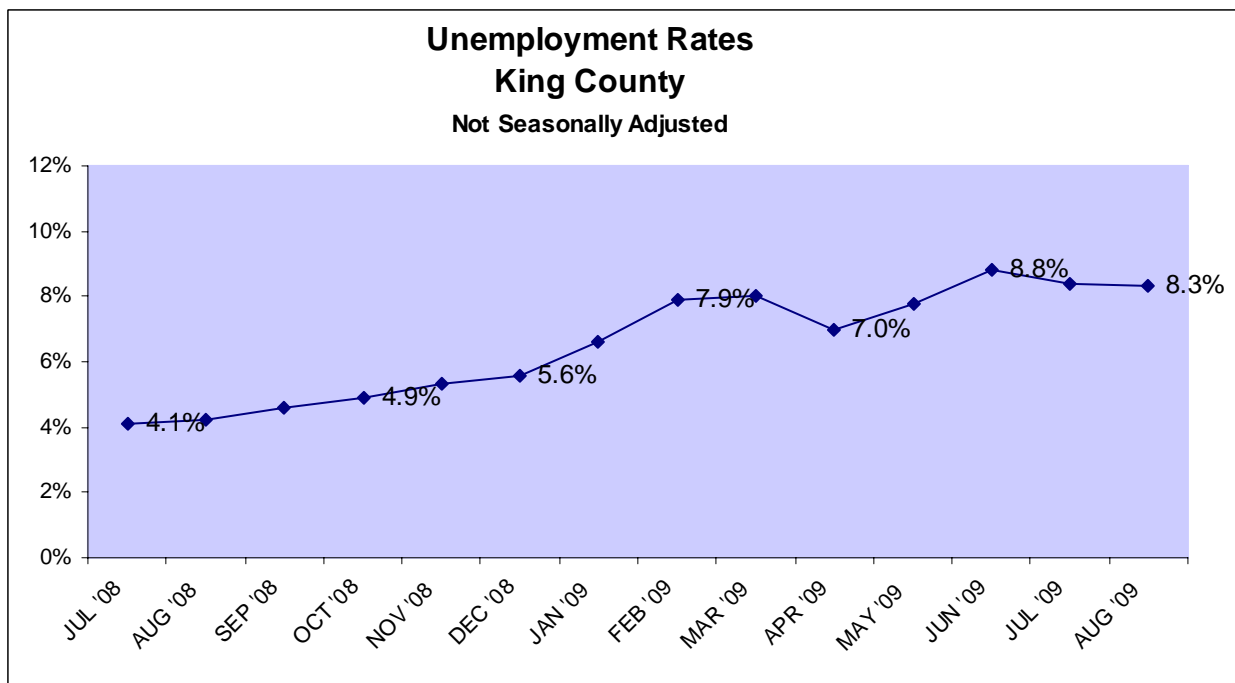
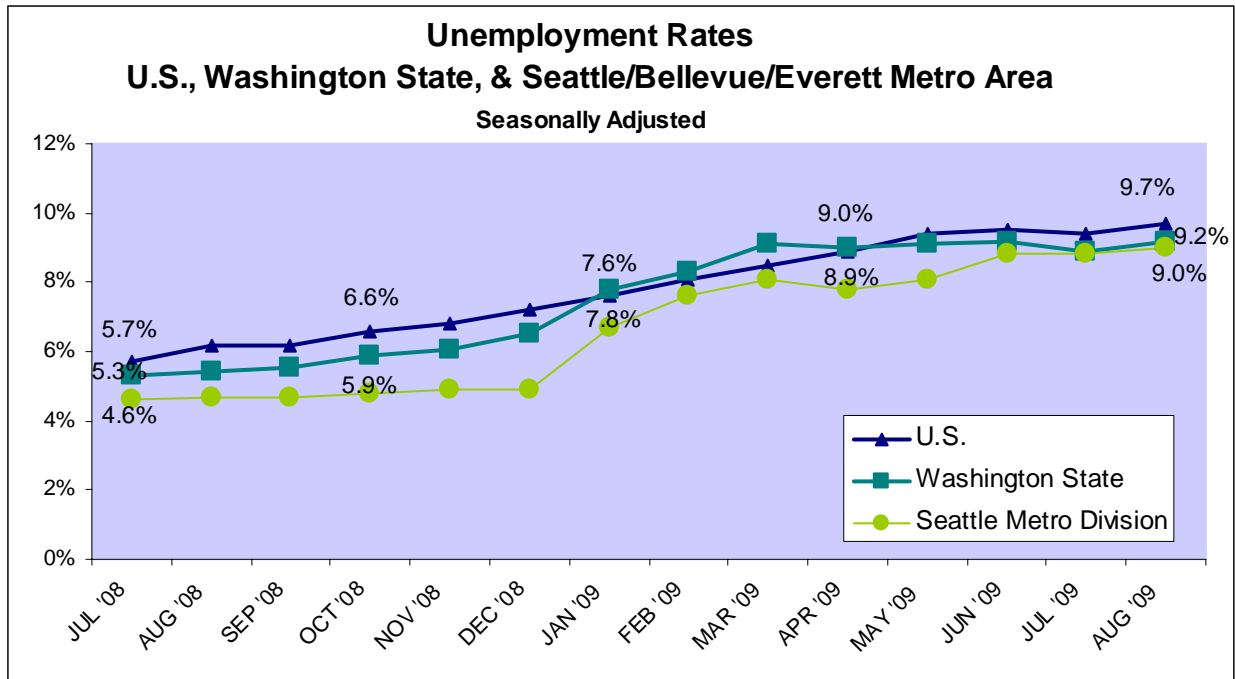
The Notice of Trustee Sale (NTS) is filed at least 30 days after the notice of default. There is no single point in the process that the experts call "a foreclosure". All NTS must be recorded with the King County Recorder's Office, but preliminary steps don't have to be. Therefore NTS is usually regarded as the best available marker of foreclosure: it indicates a default that will turn into loss of the property unless something big and costly happens. In Washington, the sale takes place no sooner than 90 days after the NTS is filed, and can be called off at any point if the debt is paid or restructured.

Source: <http://www.realtytrac.com/foreclosure/overview.html>

Unemployment

Last updated 09/16/2009

Next scheduled update: Monthly for previous month



- The employment picture in King County changed very little in August 2009 from the previous month. In August, the number of unemployed was 93,680 compared to 94,110

in July. The unemployment rate declined by .1 percentage point from 8.4% to 8.3%. Unemployment in the county continues to be slightly below the national, state and metropolitan area levels.

- The state unemployment rate increased from 8.9 to 9.2 percent in August. The U.S. unemployment rate reflected a similar increase, shifting upwards from 9.4 percent in July to 9.7 percent in August.

Note: Rates are adjusted for previous months when revised figures become available.

Source: Washington State Employment Security Department, Labor Market and Economic Analysis Branch.

What does SEASONALLY ADJUSTED mean?

Over the course of a year, the size of the state's labor force and the levels of employment and unemployment undergo sharp fluctuations due to such seasonal events as changes in weather, reduced or expanded production, harvests, major holidays, and the opening and closing of schools. The effect of such seasonal variation can be very large; seasonal fluctuations may account for as much as 95 percent of the month-to-month changes in unemployment at the national level.

Because these seasonal events follow a more or less regular pattern each year, their influence on statistical trends can be eliminated by adjusting the statistics from month to month. These adjustments make nonseasonal developments, such as declines in economic activity, easier to spot. For example, the large number of youth entering the labor force each June is likely to obscure any other changes that have taken place relative to May, making it difficult to determine if the level of economic activity has risen or declined. However, because the effect of students finishing school in previous years is known, the statistics for the current year can be adjusted to allow for a comparable change. The adjusted figure provides a more useful tool with which to analyze changes in economic activity.

Source: U.S. Bureau of Labor Statistics

Websites and Reports with Recession-relevant Data and Analysis

United Way of King County

Community Assessment: Basic Needs

<http://www.uwkc.org/kcca/BasicNeeds/BasicNeeds.asp>

Examining the Health Consequences of the 2008-09 Recession

<http://www.gwumc.edu/sphhs/about/rapidresponse/Recession.cfm>

PolicyLink

[Reclaiming Foreclosed Properties for Community Benefit](#) highlights promising practices that are already underway for localities looking to stabilize their local housing market and prevent blight from spreading.

Demos and the Center for Responsible Lending

The Plastic Safety Net: The Reality Behind Debt in America, Tamara Draut, October 2005, http://www.demos.org/pubs/psn_7_28_09.pdf

Have you ever wondered why Communities Count reports data by educational level and what this means for health outcomes? To learn more about how education and health are linked, see this report from the Robert Wood Johnson Foundation:

Issue Brief 6: Education and Health, Education Matters for Health

<http://www.commissiononhealth.org/>

Look for other briefs on housing, work, the economy and other topics in this RWJ series: **What Drives Health?**

<http://www.commissiononhealth.org/WhatDrivesHealth.aspx>