New Growth in Stumptown:
Young Portlanders Face Twenty-First Century Challenges
A New Era for Portland Youth

Even those of us who know Portland best may be surprised to learn how much the metropolitan area has changed in the past fifteen years, and what further changes are predicted for the coming decades. These changes are producing substantial new challenges for Portland, especially for the youngest of our population, people under the age of 25.

CHALLENGE 1:
A rapidly growing population, increasingly divided by race and class.

Portland's population grew 21% from 1990 to 2005 — substantially faster than the 16% national average. This unusually rapid growth rate includes increasingly large populations of low-income families, racial minorities, and people speaking languages other than English. This is especially true for Portlanders under age 18, who are more diverse racially, more likely to be low-income, and more likely to live in a household where a language other than English is spoken. These demographic shifts are having profound effects on young Portlanders, and on the schools, community groups, and government agencies that work with them.

CHALLENGE 2:
A shifting economy.

The Portland economy — like that of the nation as a whole — is undergoing changes that shape long-term employment prospects for every sector of the population. High-wage jobs are increasing — but only for highly educated, highly skilled workers. For low-skilled workers, jobs are also increasing — but only low-wage jobs. An individual's work opportunities and long-term financial prospects are more closely dependent on educational level than ever before as living-wage manufacturing jobs continue to disappear. Young Portlanders are especially affected because they are not yet established in the workforce and because they will spend the longest period of adulthood in the new economy.
CHALLENGE 3: Young Portlanders need more support to succeed.

The changing population and shifting economy mean young Portlanders face more obstacles as they transition to adulthood. 14% of Portlanders age 16-24 — 8,000 young people — are neither in school nor employed. And with a growing population, more kids in poverty, and increasing economic pressure to achieve higher levels of education, Portland is likely to see an increase in the number of young people falling through the cracks — unless we act strategically now. We need to ensure that all Portland youth develop the skills and the commitment to connect with school, with good jobs, and with the community.

Understanding these changes and challenges will allow us to plan and implement strategic support to ensure success for the next generation of Portlanders. The good news is that the challenge in Portland is not as daunting as it is in some other cities. We already have high commitment to our youth, a strong framework for addressing their needs, and evidence that kids respond to support. If we build on these strengths, Portland can provide a national model for ensuring that young people flourish in the twenty-first century.

New Realities Shape the Lives of Today’s Young Portlanders

Who are today’s young Portlanders? What are their lives like? How are they faring? Is their future bright or grim — or a mixture of both? What do young Portlanders need to ensure their success?

To answer these fundamental questions, it’s necessary to replace old assumptions and myths with a better understanding of the realities of Portland today.

MYTH: Portland is nearly all white.
REALITY: While Portland is a majority white city, young Portlanders are increasingly diverse.

Although Portland is a predominantly white city, racial diversity has increased in the last 15 years, especially among the youngest Portlanders (FIGURE 1).

Paradoxically, although Portland overall is the 3rd whitest city in the nation, 1 in 3 children in Portland are kids of color. The accelerated growth in diversity among youth means that older Portlanders have less in common with younger Portlanders. The significant cultural and demographic differences between young Portlanders and the adult government, community, and business leaders who are the city’s key decision makers pose new challenges for all of us.
The city’s increasing diversity also includes more Portlanders who speak languages other than English. As with racial diversity, the growth is especially high among young Portlanders. In 1990, 17% of Portland households with children spoke a language other than or in addition to English at home. By 2005, the percentage had nearly doubled, to 32%. Growing Russian and Ukrainian immigrant populations mean that an increasing number of Portlanders counted as white are coming from homes where English is not the only or the primary language.

**MYTH:** Portland’s child poverty rate is low compared to other major cities.  
**REALITY:** Although still lower than average, Portland’s child poverty rate is increasing more rapidly than other major cities.

Poor children live in every major American city. This is, unfortunately, more true than ever in Portland. In 1999, 16.6% of Portland’s children lived in poverty, which was significantly lower than the average of 26.1% for the nation’s 50 largest cities. In just five years, however, the number of poor children in Portland increased measurably, and at a faster than average rate. By 2004, almost 1 out of every 4 kids in Portland was living in poverty (FIGURE 2).

Although the percentage of children living in poverty in Portland remains lower than the national average, the rapidly increasing number of poor young Portlanders makes it particularly imperative to respond quickly and strategically to meet their growing needs.
MYTH: The high number of middle-class households in Portland means the city is not characterized by the de facto segregation that exists in many US cities.

REALITY: Portland is increasingly divided by race and class.

In many US urban areas, poverty is concentrated in the inner city. In Portland, the opposite is true. Portland’s inner core is more affluent and less racially diverse than the city as a whole, while increasing numbers of low-income Portlanders and families of color are concentrated in neighborhoods in North, Northeast, or East Portland.

In some neighborhoods in North and Northeast Portland, more than 1 out of every 4 kids are living in poverty (FIGURE 3).

Families of color make up more than 25% of all families in many North and East Portland neighborhoods (FIGURE 4).

The division of neighborhoods by class and race has increased in recent years and will likely continue to grow, as rising housing costs push more low-income residents and people of color farther from the city core.

While many Portlanders welcome the idea of increased diversity, the growing reality — a segregated city, with neighborhoods divided by race and class — has a huge impact on young Portlanders. Young people in Portland’s poorest and most diverse neighborhoods may have childhood experiences quite different from their peers growing up in affluent Portland neighborhoods with less racial diversity.

Source (FIGURES 3 & 4): Regional Equity Atlas, a project of the Coalition for a Livable Future developed in partnership with Portland State University Population Research Center and Institute for Portland Metropolitan Studies.
MYTH: Increasing numbers of children of color and poor kids means Portland will inevitably face “big city problems” such as rising levels of juvenile crime.

REALITY: Portland is recognized nationally for reducing the number of kids being held in criminal detention.

In 1990, Multnomah County’s Department of Community Justice decided to address a growing “detention gap” in the city: Latino youth were twice as likely as white youth to be held in criminal detention, and detention rates were 47%-60% higher for Asian American, African American, and Native American youth than for white youth. The troubling data on youth detention offered an opportunity to reform policies and practices citywide.

A coalition of justice and law-enforcement leaders worked with community partners to ensure that detention intake practices were freed from racial bias, that staff were hired and trained to respond to the needs of youth of color, and that community-based alternatives to formal detention were increased. Early and sustained intervention was targeted at transitioning kids out of, rather than into, long-term involvement with the criminal justice system.

This coordinated effort to reduce the detention of kids of color was remarkably effective — so much so that it resulted in lower detention for all Portland youth (FIGURE 5).

FIGURE 5: Department of Community Justice Youth Detention Rates, 1994-2000

Source: Multnomah Department of Community Justice, 2001
The Department of Community Justice’s success provides a significant model for government-community partnerships to keep young Portlanders connected and to make the most effective use of limited public resources. The reduced detention rates for all youth prove that strategic, proactive interventions can have significant impact citywide.

**MYTH:** Public school enrollment in Portland is declining.

**REALITY:** Enrollment is declining in Portland Public Schools, but it is rising in the four other districts that serve the city.

The city of Portland is served by 5 school districts: Portland Public Schools, Centennial, David Douglas, Parkrose, and Reynolds (FIGURE 6).

**FIGURE 6:** Boundaries for Public School Districts Serving the City of Portland
As property values have risen in inner Portland, many families with children have been priced out of the parts of the city served by PPS and are moving farther east into areas served by the city’s other school districts. Enrollment in PPS declined 17% in a decade, dropping from 56,856 in 1996 to 47,089 in 2005. During the same period, Centennial, David Douglas, Parkrose, and Reynolds school districts, which serve the eastside of the city, experienced a 24% enrollment increase, from a combined 24,769 in 1996 to 30,771 in 2005 (FIGURE 7 AND TABLE 1).

FIGURE 7: Enrollment in Public School Districts Serving Residents of the City of Portland, 1996-2005

<table>
<thead>
<tr>
<th>Public School Districts</th>
<th>Percent Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Centennial</td>
<td>10%</td>
</tr>
<tr>
<td>David Douglas</td>
<td>37%</td>
</tr>
<tr>
<td>Parkrose</td>
<td>1%</td>
</tr>
<tr>
<td>PPS</td>
<td>-17%</td>
</tr>
<tr>
<td>Reynolds</td>
<td>32%</td>
</tr>
</tbody>
</table>

Source: Oregon Department of Education

Because Oregon’s school-funding formula distributes money to districts based on the number of enrolled students, Portland districts are facing distinct fiscal challenges. With declining enrollment, PPS is steadily receiving less operating revenue but has an aging infrastructure that is expensive to maintain — and therefore is closing some underpopulated neighborhood schools. With increasing enrollment, eastside districts are receiving more state funds for instruction, but these districts lack the capital to construct much-needed classroom space — and they bear the added strain of rapidly expanding their teaching staffs.
MYTH: Our schools are in crisis and our kids are failing.
REALITY: The situation in our schools is more complex — many kids are doing well, but some kids are faring far worse than others.

Diminishing resources have a clear effect on schools and on students — but so do targeted increases in resources. The youngest children in Portland are benefiting from increased support devoted to early-childhood development. At the state level, Oregon has undertaken an effort to provide quality preschool to more children, with the percentage of 3-6 year-olds enrolled in preschool increasing from 52% in 1990 to 66% in 2004. National research has shown that children who receive high-quality early-childhood education enter the public school system much more prepared than those who do not, and in turn are less likely to repeat grades, need special education services, or drop out later on. Portland's Children's Investment Fund, created by voters in 2002, annually provides $3.7 million of early intervention programs to the city's youngest children. Additional new initiatives to increase success for children in the early grades are being explored at the state and city levels, including a statewide effort to reduce early-elementary class sizes.

Measures of student achievement suggest that our youngest students are doing relatively well. 83% of third graders are meeting standards in reading — and another 9% are nearly meeting standards, suggesting that more support could push the share of passing students into the 90% range. The level of achievement is fairly consistent in the early grades, with more than 80% of students in every racial group except Hispanics meeting 3rd-grade reading standards.

In higher grades, however, the number of students meeting standards falls, and the achievement gap between white students and students of color widens dramatically. In 8th grade, only 64% of students meet grade-level standards in reading, and by 10th grade, just over half of all students — 51% — meet reading standards.

As troubling as these drops in the overall rates are, the decreasing rates for students of color are even more worrisome (FIGURE 8). Only 60% of Native American students meet reading standards in 8th grade, and by 10th grade the rate falls to 40%. By 8th grade, only 1 in 2 African American students and 1 in 3 Hispanic students meet reading standards. By 10th grade, only 1 in 4 African American or Hispanic students meet reading standards, and only 1 in 2 Asian American students do — compared to nearly 2 out of 3 white students. Poor students of all races are faring worse as well, with only 76% of poor 3rd-graders, 49% of poor 8th-graders, and 35% of poor 10th-graders meeting reading standards.

As educators, community leaders, policy makers, parents, and the students themselves know, we must do more to increase the overall number of kids meeting standards and to address the substantial achievement gaps across race and class, particularly in our middle and high schools.
The need to address the achievement gap is especially pressing because all 5 of the city’s districts are serving increasingly diverse and impoverished student populations.

Students of color currently make up between 29% and 45% of each district’s enrollment (TABLE 2). The number of Hispanic students is rising particularly quickly: 1 in 4 students in Reynolds are Hispanic, while 1 in 8 students in Centennial, David Douglas, Parkrose, and PPS are Hispanic.

### TABLE 2: Increasing Diversity of Students, 1999-00 and 2004-05

<table>
<thead>
<tr>
<th>Public School Districts</th>
<th>White 99-00</th>
<th>African American 99-00</th>
<th>Hispanic 99-00</th>
<th>Asian/Pacific Islander 99-00</th>
<th>Native American 99-00</th>
<th>White 04-05</th>
<th>African American 04-05</th>
<th>Hispanic 04-05</th>
<th>Asian/Pacific Islander 04-05</th>
<th>Native American 04-05</th>
</tr>
</thead>
<tbody>
<tr>
<td>Centennial</td>
<td>83%</td>
<td>3%</td>
<td>12%</td>
<td>7%</td>
<td>1%</td>
<td>71%</td>
<td>5%</td>
<td>6%</td>
<td>10%</td>
<td>1%</td>
</tr>
<tr>
<td>David Douglas</td>
<td>78%</td>
<td>64%</td>
<td>14%</td>
<td>10%</td>
<td>1%</td>
<td>64%</td>
<td>8%</td>
<td>7%</td>
<td>11%</td>
<td>1%</td>
</tr>
<tr>
<td>Parkrose</td>
<td>71%</td>
<td>55%</td>
<td>13%</td>
<td>13%</td>
<td>2%</td>
<td>71%</td>
<td>7%</td>
<td>7%</td>
<td>18%</td>
<td>1%</td>
</tr>
<tr>
<td>PPS</td>
<td>64%</td>
<td>58%</td>
<td>13%</td>
<td>9%</td>
<td>1%</td>
<td>64%</td>
<td>16%</td>
<td>8%</td>
<td>10%</td>
<td>2%</td>
</tr>
<tr>
<td>Reynolds</td>
<td>75%</td>
<td>59%</td>
<td>25%</td>
<td>5%</td>
<td>1%</td>
<td>75%</td>
<td>16%</td>
<td>15%</td>
<td>7%</td>
<td>1%</td>
</tr>
</tbody>
</table>

Source: Oregon Department of Education
The 5 districts are also serving more students for whom English is not a first language (FIGURE 9). The especially rapid growth of ESL students in the eastside districts means a corollary increase in the need for ESL-trained educators and tutors. Administrators and teachers must also find effective ways to communicate with parents and guardians who may have little or no knowledge of English.

FIGURE 9: Increase in ESL Students, 1999-00 to 2004-05

<table>
<thead>
<tr>
<th>Percentage of Students</th>
<th>ESL Students 1999-2000</th>
<th>ESL Students 2004-2005</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Centennial</td>
<td>Parkrose</td>
</tr>
<tr>
<td></td>
<td>David Douglas</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td></td>
<td></td>
</tr>
<tr>
<td>10</td>
<td></td>
<td></td>
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<tr>
<td>15</td>
<td></td>
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<tr>
<td>20</td>
<td></td>
<td></td>
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<tr>
<td>25</td>
<td></td>
<td></td>
</tr>
<tr>
<td>30</td>
<td></td>
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</tr>
</tbody>
</table>

Source: Oregon Department of Education

By far the most striking shift is the number of poor children in Portland’s schools (TABLE 3). In the 1999-2000 school year, poor students made up less than half the population of every Portland school district. Today, poor students are the majority in 4 of the 5 districts. Poor students face a range of circumstances — such as hunger, inadequate health care, and unstable housing — that impede learning. As the achievement gap data cited above shows, they require a range of school- and community-based resources to ensure their academic success.

TABLE 3: Increase in Students Qualifying for Free and Reduced-priced Lunch, 1999-2000 to 2004-05

<table>
<thead>
<tr>
<th>Public School Districts</th>
<th>99 -00</th>
<th>04-05</th>
</tr>
</thead>
<tbody>
<tr>
<td>Centennial</td>
<td>28%</td>
<td>67%</td>
</tr>
<tr>
<td>David Douglas</td>
<td>47%</td>
<td>69%</td>
</tr>
<tr>
<td>Parkrose</td>
<td>47%</td>
<td>60%</td>
</tr>
<tr>
<td>PPS</td>
<td>38%</td>
<td>45%</td>
</tr>
<tr>
<td>Reynolds</td>
<td>47%</td>
<td>56%</td>
</tr>
</tbody>
</table>

Source: Multnomah County Auditor
SUMMARY: Old myths and assumptions bear little relevance to who young Portlanders are and what their lives are like today. When we examine the realities for Portland youth, we learn the following:

- Young Portlanders are increasingly divided by race, class, and language.

- Targeted programming proves effective for young people from all demographic groups, as examples from the Department of Community Justice and the Children's Investment Fund show.

- Schools are increasingly challenged to meet the needs of changing student populations, which has resulted in low achievement for middle and high school students and a substantial achievement gap for students in poverty and students of color.

In the face of these realities, it is imperative to target more support to improving young Portlanders’ academic achievement — particularly given the increasingly acute correlation between education and economic opportunities.
Growing Wage Disparities for a Changing Workforce

The population and demographic changes in Portland are occurring as the economy — locally and nationally — is shifting. New economic demands mean today’s youth must attain higher levels of education than previous generations — or face decreasing lifetime incomes.

In past generations, blue-collar jobs often provided wages that could support families. As these jobs have largely disappeared, workers without high school diplomas have been relegated to lower-wage work. Even finishing high school no longer guarantees a lifetime of living-wage employment.

Since 1980, annual income nationally has decreased for people at all educational levels — except for college graduates (FIGURE 10). Workers age 24-34 who lack a high school diploma or equivalent face the most substantial decline in earnings. In the past 25 years, this group has seen its median annual earnings (expressed in constant 2004 dollars) fall more than 19%.

FIGURE 10: Median Annual Earnings of Full-Time, Year-Round US Workers Aged 24-34, 1980 and 2004 (Expressed in Constant 2004 Dollars)

In the new economy, educational attainment not only correlates to income level, it also correlates to likelihood for continuous employment, as workers without a high school diploma or equivalent face higher levels of unemployment (FIGURE 11).

These national trends are already affecting the workforce in Portland, and the effects will deepen in the future. Projections show that in the coming years, education is going to correlate even more strongly with regional employment and income (FIGURE 12).

**SUMMARY:** The fastest growing sectors of Portland’s economy will continue to be in low-skill, low-wage service jobs and in high-skill, high-wage jobs. This paradoxical growth at opposite ends of the income scale means that education matters more than ever before.
Connecting Young Portlanders to Successful Futures

One of the best measures of how young people are faring is the extent to which they are connected to school or work by age 25. Young people who do not make a successful transition to higher education and/or the workforce by this age face futures characterized by low-wage jobs, unstable employment and long periods of unemployment, higher reliance on strained social services systems, and higher likelihood of involvement with the criminal justice system.

By contrast, young people who are successfully connected to education and/or the workforce by age 25 enjoy higher wages and better long-term employment prospects, and they are less likely to rely extensively on social services or become involved in the criminal justice system.

Connection to school and work also correlates to community involvement, which produces larger social benefits. Connected adults — those making or having made successful transitions to school and work — are more likely to register to vote and, when registered, to vote (FIGURE 13) and more likely to volunteer (FIGURE 14).

FIGURE 13: Registration and Voting Rates, 2000

<table>
<thead>
<tr>
<th>Education Level</th>
<th>Registered to Vote (%)</th>
<th>Voted (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>College Degree</td>
<td>78</td>
<td>83</td>
</tr>
<tr>
<td>Less than Bachelor’s Degree</td>
<td>63</td>
<td>73</td>
</tr>
<tr>
<td>High School Graduate, No College</td>
<td>53</td>
<td>64</td>
</tr>
<tr>
<td>Less than High School Diploma</td>
<td>38</td>
<td>52</td>
</tr>
</tbody>
</table>

Portland has already been successful in providing many young people with the opportunities and support they need to be connected. As of 2000, over 86% of Portlanders age 16-24 were connected to either school, work, or both (FIGURE 15).

However, 8,000 young Portlanders remain disconnected. And with a growing population, more kids in poverty, and increasing economic pressure to achieve higher levels of education, Portland is likely to see an increase in the number of young people falling through the cracks — unless we act strategically now.
These population changes and shifts in the economy and workforce demands present new challenges for young Portlanders. Fortunately, these challenges are neither as deep nor as intractable as the challenges faced by youth in other cities. Portland has done slightly better than the national average in keeping youth from disconnecting from school and work (FIGURE 16). With a higher than average rate of young people already connected to school and work and a lower than average rate of children in poverty, Portland is better poised than most US cities to expand targeted support to young people in need.

FIGURE 16: Percentage of Youth Age 16-24 Disconnected from School and Work, Portland and Selected Cities, 2000

National research has shown that young adults who successfully connect to school and work by age 25 typically do so with heavy reliance on family, community, and school-based networks. Most disconnected youth, by contrast, have extremely limited support systems. They often do not have access to financial help from their families, to the educational and counseling support that two- and four-year colleges typically provide, or to guidance on how to find employment and prepare for future careers. Strengthening and expanding programs that help young people succeed in school and prepare for careers (through workforce training and/or higher education) is the key to success, both for individual young people and for the cities in which they live.
Young people respond well to such support, and they respond best when the support is continuing and complementary. A recent study of at-risk boys showed that while early-childhood support made a big difference in ultimate outcomes, youth were most successful when investment and support were sustained throughout the teenage years. Applying this research is the key to making a lasting difference for individual young people, and for the city as a whole.

Portland already has a strong framework for addressing the needs of our youth. At both the state and city levels, there is continuing emphasis on improving and expanding early-childhood education, as well as elementary school reforms and nonprofit and government programs that support young children. Portland is recognized nationally for its network of school-based interventions, alternative schools, and nonprofit after-school and summer programming. Workforce programs already set many young Portlanders on the path to good employment. Expanding on the strength of these programs and targeting support to youth most at risk of disconnecting from school and work is crucial to Portland’s future, particularly as the city continues to grow and the new economy takes firmer hold.

**SUMMARY:** Portland cannot afford to write off 8,000 or more of its young people — the moral, economic, and community costs are too great. Drawing both on the success of Portland’s current efforts to keep kids connected and on a deep understanding of the growing challenges young Portlanders face in the 21st century, we must innovate new strategies to engage young people effectively.
About Connected by 25

Connected by 25 is an unprecedented effort that builds on Portland’s extraordinary civic energy and commitment to connect every young Portlander to school, work, and community by the age of 25. Connected by 25 delivers real results for our youth by implementing research-driven initiatives and coordinating a citywide network of highly effective programs and services to ensure that all young people succeed.

Connected by 25 is led by more than 35 local corporations, nonprofit organizations, foundations, and educational and advocacy groups. The effort is funded by the Bill & Melinda Gates Foundation and the Meyer Memorial Trust. For more information about Connected by 25 and how to get involved, please visit [www.ConnectedBy25.org](http://www.ConnectedBy25.org).

Connected by 25 Coalition Partners

- Alliance High School
- City of Portland (Mayor’s Office, Commissioner Saltzman’s Office, Bureau of Housing & Community Development)
- Compli
- Juvenile Rights Project, Inc.
- Latino Network
- Leaders Roundtable
- Meyer Memorial Trust
- Multnomah County (Chair’s Office, Community Justice, Department of Human Services)
- Multnomah Education Service District
- Native American Youth and Family Center
- New Avenues for Youth
- Nike, Inc.
- Open Meadow
- Oregon Building Congress
- Oregon Community Foundation
- Oregon Council for Hispanic Advancement
- Oregon Department of Human Services
- Outside In
- Portland Community College
- Portland General Electric
- Portland Opportunities Industrialization Center
- Portland Public Schools (Board of Directors, Office of High Schools, Superintendent’s Office)
- Portland Schools Foundation
- Portland YouthBuilders
- Providence Health System
- Quest Academy
- Stand for Children
- The Standard
- Urban League of Portland
- Worksystems, Inc.
- Youth Employment Institute

*Success for every young Portlander.*
For more information about Connected by 25, please visit www.ConnectedBy25.org

or contact:

Zeke Smith  
Portland Schools Foundation  
905 NW 12th Avenue  
Portland, OR 97209  
(503) 234-5404  
zeke@thinkschools.org