

The San Diego  
**Union-Tribune.**

## County hit with sharp rise in level of poverty

10/1/2009

**By Lori Weisberg**

Poverty in San Diego County rose last year to its highest level this decade, fresh evidence of the financial toll the county's prolonged recession and heavy job losses are taking on the region's neediest households.

In all, nearly 367,000 individuals were living in poverty — almost 46,000 more than a year earlier, according to data released this week by the Census Bureau.

That translates into a poverty rate of 12.6 percent, a significant increase over 2007, when the rate was a little more than 11 percent. At the beginning of the decade, the poverty level was nearly the same as last year, standing at 12.4 percent, according to the 2000 census.

The sharp upswing in poverty is unquestionably tied to rising joblessness in the county, a prognosticator of even tougher times ahead, analysts said.

By the end of 2008, the unemployment rate was 7.4 percent, but a stream of layoffs since then has propelled the rate to 10.4 percent, which likely will push thousands more struggling households into poverty.

The latest poverty data come from the Census Bureau's American Community Survey, which queried about 3 million households in the United States last year.

The national standard for poverty is an annual income of up to \$11,000, while the threshold for a family of four is \$22,000 a year or below.

"From 2007 to 2008, we lost 10,000 jobs. This year, we're on pace to lose more than 40,000, so you've got to expect that will translate into a skyrocketing rate of those in poverty," said University of San Diego economist Alan Gin.

"That's going to put a strain on social services, so there will be an increased need for food services, housing assistance and Medicaid. Our taxes could be affected or the deficits could get even larger."

San Diego County's Health and Human Services Department has seen first-hand the financial devastation wrought by the region's battered economy as increasing numbers of people apply for food stamps and cash assistance.

In the 12 months ended in August, nearly 33 percent more individuals and families with incomes up to 30 percent above the poverty level received food stamps, said Dale Fleming, the department's strategy director.

Among those applying for general relief, a cash assistance program for indigent adults, there was a nearly 42 percent spike in the county's caseload, Fleming said.

Fleming estimates that demand for such financial aid will continue to rise over the next 18 months as the county works its way out of the recession.

"All of us here are seeing people who never thought they would need us," she said. "At the beginning of the decade when we were implementing welfare reform and the economy was hotter, we couldn't get enough people to enroll in our services. And now when they need our help, we don't have enough resources and jobs to place them in, so it's a real struggle."

Equally overburdened are many of the nonprofits and churches that cater to cash-strapped lower-income families in need of food and other daily necessities.

New Seasons Church in Spring Valley, which operates a food pantry, served 2,046 individuals last year. So far this year, more than 3,100 people have come to the church seeking assistance, said community relations director Angela Kretschmar.

"Families are saying what they're making isn't stretching far enough, and when a family loses a job, their income goes down, so some have lost their houses," Kretschmar said. "We have families sleeping in the park, groups of them are living in one home, and some are living in their cars."

"I just had a family come in where one parent is working and the other is on disability, but the disability ran out, and they have five children."

Anita Herrera, a City Heights mother of three, saw her annual income this year plunge to \$11,000 after her weekly hours as a janitor were cut to 16. Her two college-age children now must help her pay the bills, they all share one car, they rarely eat out, and her 6-year-old son owns just one pair of shoes.

"I'm afraid about the house, where to find a job, I don't have money to buy a car," said Herrera, who is going through a divorce and still must pay her \$1,200 monthly mortgage and work through \$8,000 in credit card debt. "It's very difficult to live in San Diego."

Because the national poverty thresholds do not take into account differences in the cost of living among different areas across the country, San Diego's poverty rate likely underestimates the number of people in economic distress, said Murtaza Baxamusa, director of the San Diego Center on Policy Initiatives, which advocates on behalf of lower- and middle-income workers.

A better measure of economic hardship in San Diego is the proportion of people living at or below double the national poverty level, Baxamusa said. Last year, that rate rose 2 percentage points to 29.3 percent, he said.

Baxamusa predicts an historically high poverty rate of 13 percent this year, given the continued pace of rising unemployment.

"It's not just the problem of unemployment, it's also hours being cut and people are forced to work part time," Baxamusa said. "Just having a job is not a guarantee that you'll be able to make ends meet."

When the San Diego metropolitan area, which encompasses the entire county, is compared with 100 other metro areas having a population of at least 500,000, its poverty rate ranks 45th, according to census data compiled by demographer William Frey of the Brookings Institution.

A year ago, San Diego ranked 61st.

Topping the list was the McAllen area in Texas near the U.S.-Mexico border, with a 35 percent poverty rate. In California, Fresno and Bakersfield came in third and fourth.

“The recession has hit these Southern California areas hard, although not as hard as interior California or Phoenix or Vegas,” Frey said. “The poverty rate is just another barometer of how things are going for people at the lower end of the income scale. It’s been a bad year.”