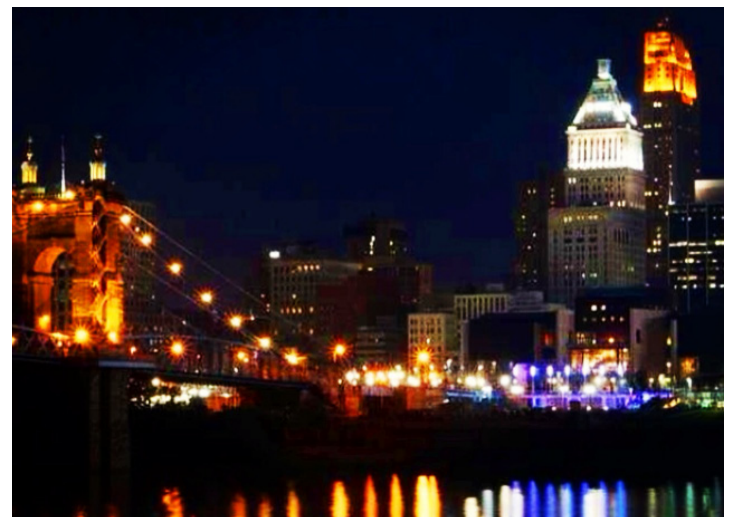


The State of *Our* Downtown



OHIO
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VOICES





Executive Summary

The efforts of the Cincinnati community to reverse the years of economic decline in their hometown are paying off—for some. According to the New York Times, Cincinnati is “emerging again as a hub of civic and economic vitality”, evidenced in recent redevelopment projects downtown¹. Indeed, downtown Cincinnati looks prettier than ever; but reality for working families in the area is bleak. While the CEOs of Cincinnati’s Fortune 500 companies have helped themselves to high salaries and big bonuses, working families in Cincinnati are working harder for less in a city that is increasingly segregated by race and income.

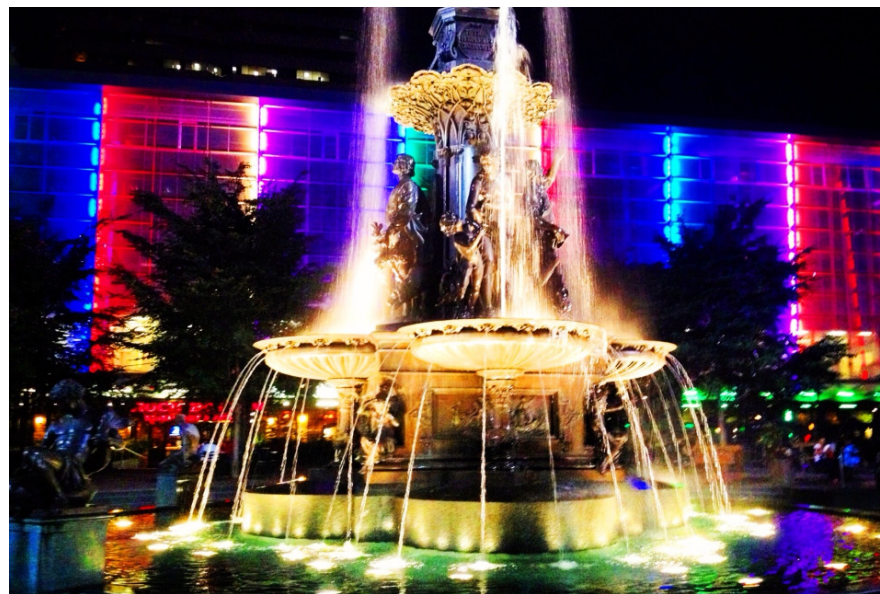
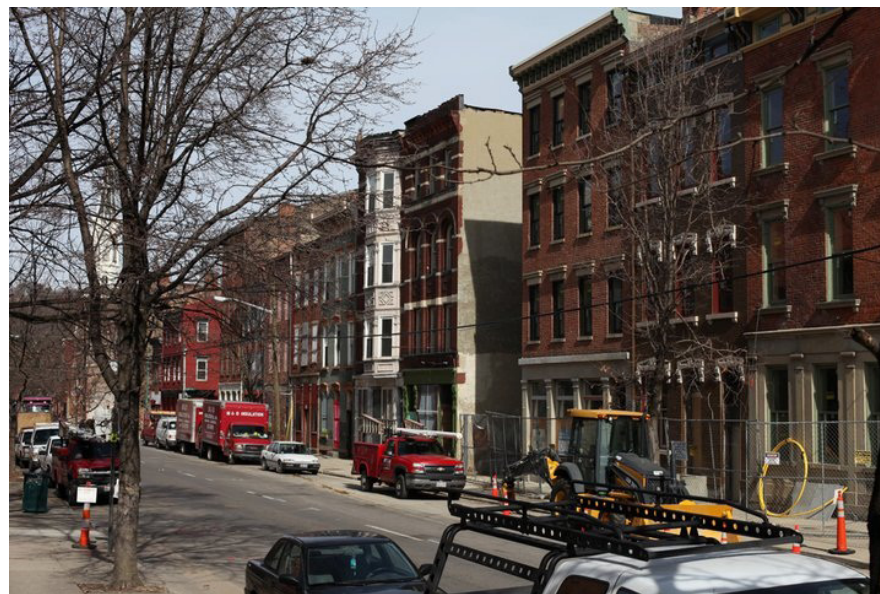
The Cincinnati metro area is home to 13 Fortune 1000 headquarters—including Procter & Gamble, Kroger and Macy’s—but that wealth hasn’t trickled down to communities. Cincinnati’s poverty rate is a whopping 30.6%—more than double the state poverty rate. The city’s overall poverty rate is the 7th highest and the child poverty rate is the 3rd highest in the nation, with 48% of children in Cincinnati living below the poverty level. Meanwhile, Cincinnati-based corporations are as profitable as ever.

Cincinnatians aren’t poor because they’re not working; they’re poor because their jobs don’t pay a living wage. While compensation for the city’s CEOs has risen, the median income of Cincinnati families has decreased by about \$9,000 over the past 10 years. Poverty is rising while unemployment in Cincinnati is actually down. Why? Because the jobs that are being created are largely low-wage, no-benefit jobs that make rich corporations even richer by trapping families in a cycle of poverty.

Cincinnati janitors are working to change that. Right now, they are in the process of bargaining a new union contract to secure fair wages and affordable healthcare. And they are calling on Cincinnati’s wealthy CEOs and Fortune 500 giants to do their part by creating good jobs. When hard-working people have good jobs that pay a living wage, entire communities reap the benefit of safer neighborhoods and a stronger economy.

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Prosperity for the Few

The Fortune 1000 Companies headquartered in the Cincinnati MSA earned almost \$17 billion in profits in 2011, while their CEOs took home over \$103 million in compensation.

All over Cincinnati, one can see evidence of this prosperity – from new headquarter buildings springing up downtown to renovations of manufacturing sites. But corporate Cincinnati didn't get here on ingenuity alone. Millions of tax dollars helped them prosper; and in return, the city was promised good jobs.

Many of Cincinnati's largest and most profitable companies are the recipients of millions worth of state and local tax breaks in just the past few years: including Omnicare², Procter & Gamble³, and Convergys Corporation⁴, just to name a few.

A recent Cincinnati Enquirer analysis of the region's 40 largest tax-incentive deals over the past decade found that only half created the number of jobs they promised—yet all claimed tens of millions in tax breaks and grants⁵.

For instance, in 2003 Convergys Corp was awarded a \$52.2 million tax incentive from the City of Cincinnati for renovations to their corporate headquarters. The company was later forced to repay part of the incentive because they did not meet job creation promises in the initial agreement⁶.

Cincinnati Area Fortune 1000 Profits

Company Name	Headquarters	2011 Profit
Kroger	Cincinnati	\$602,000,000
Procter & Gamble	Cincinnati	\$11,797,000,000
Macy's	Cincinnati	\$1,256,000,000
Ashland, Inc	Covington, KY	\$414,000,000
Fifth Third Bancorp	Cincinnati	\$1,297,000,000
Omnicare	Cincinnati	\$86,920,000
AK Steel Holding	West Chester	Not profitable
Western & Southern Financial Group	Cincinnati	\$280,598,000
General Cable	Highland Heights, KY	\$84,100,000
American Financial Group	Cincinnati, OH	\$343,000,000
Cincinnati Financial	Cincinnati, OH	\$166,000,000
Cintas	Cincinnati, OH	\$297,640,000
Convergys	Cincinnati, OH	\$334,800,000
Total		\$16,959,058,000

Cincinnati Area Fortune 1000 Company CEOs

Rank	Company Name	CEO Name	2011 CEO Pay
25	Kroger	David Dillon	\$12,024,500
26	Procter & Gamble	Robert McDonald	\$16,188,000
107	Macy's	Terry J. Lundgren	\$17,650,700
272	Ashland, Inc	James O'Brien	\$6,580,140
326	Fifth Third Bancorp	Kevin Kabat	\$7,238,200
371	Omnicare	John Workman	\$1,572,630
383	AK Steel Holding	James Wainscott	\$8,722,270
456	Western & Southern Financial Group	John Barnett	Not Publicly Available
465	General Cable	Gregory Kenny	\$4,959,100
489	American Financial Group	S. Craig Lindner/Carl Henry Lindner, III	\$8,430,260 (Carl Lindner), \$8,510,240 (S. Craig Lindner)
561	Cincinnati Financial	Steven Johnston	\$1,754,490
589	Cintas	Scott Farmer	\$4,610,310
794	Convergys	Jeffrey Fox	\$4,996,670
	Total		\$103,237,510



Hard, Dangerous Work

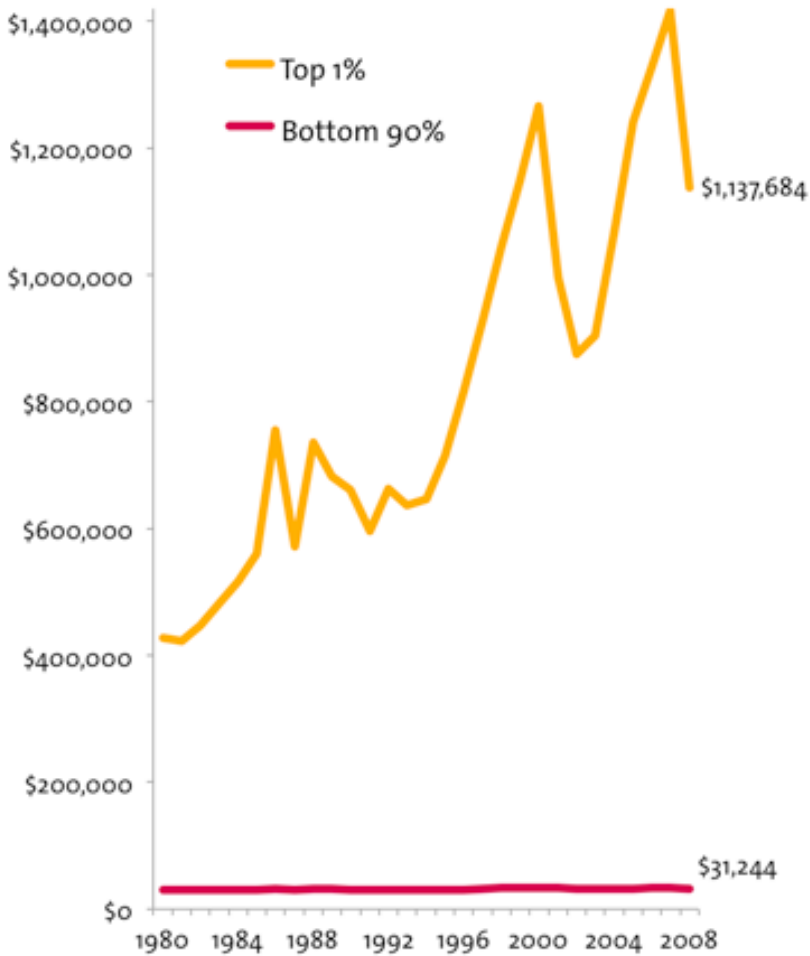
Every night, Cincinnati janitors clean over 37.6 million square feet of office space, making it possible for some of America's largest companies to operate. They clean the headquarters of Fortune 500 giants like Macy's, Procter and Gamble, and Fifth Third Bancorp.

Besides emptying trash cans and cleaning toilets, janitorial work requires individuals to lift and maneuver large loads, including heavy bags and cleaning equipment. This is in addition to engaging in cleaning work that is highly physical and repetitive, all done at a fast rate of speed. Many cleaning chemicals are highly toxic and can cause injuries.

For all of these reasons, the Bureau of Labor Statistics found that janitorial work is one of America's more dangerous lines of work, with very high levels of occupational injuries⁷.

WHAT THEY MAKE

AVERAGE INCOME INCLUDING CAPITAL GAINS, 2008 DOLLARS



Making Ends Meet in the Low Wage Workforce

The rising inequality facing working Cincinnatians mirrors a national trend marked by record profits and stagnating wages. All across the country, the rich are getting richer while more families are falling out of the middle class and into poverty every day.

The average full-time Cincinnati janitor is paid less than \$18,000 a year—below the poverty level and not nearly enough to support a family. Many qualify for public assistance programs like food stamps despite working full time.

Cincinnati commercial office janitors work for cleaning contractors hired by the wealthy commercial real estate companies that own downtown buildings. The 20 highest paid CEOs in the corporate real estate industry averaged \$9.6 million total compensation in 2010—up 84% from 2009⁹. It would take a Cincinnati janitor working full time more than two years to make what these CEOs make in just one day.

2012 Federal Poverty Levels ¹⁰	
Persons in household	Poverty Level
1	\$11,170
2	\$15,130
3	\$19,090
4	\$23,050
Full Time Cincinnati Janitor	\$17,836

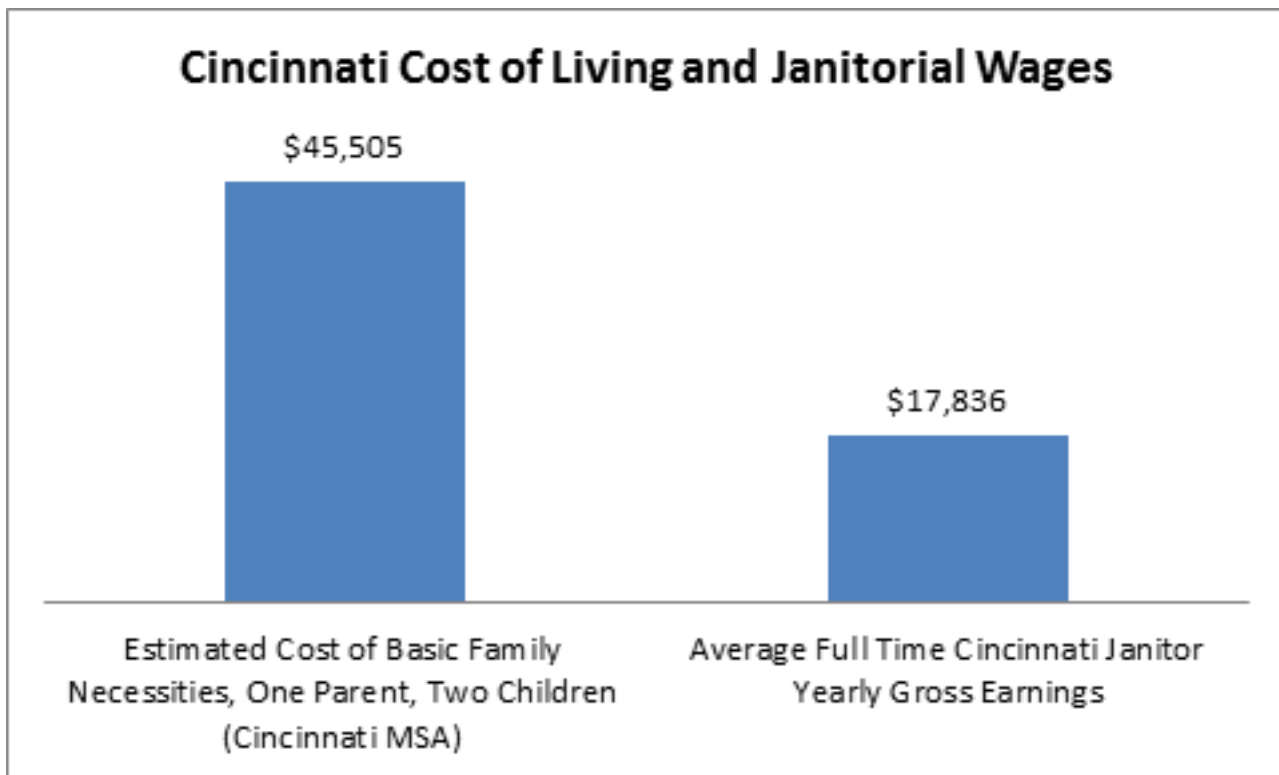
When low wage workers' wages are put in context, it is easy to see how 48% of children in Cincinnati live below the poverty line¹¹.

Full time Cincinnati janitors' earnings fall below the federal poverty levels for three and four person households. When compared to the estimated cost of living as opposed to the poverty level, Cincinnati janitors' wages are shown to be even more inadequate.

The Economic Policy Institute estimates the cost of basic necessities for a one-parent, one-child family in Cincinnati to be about \$33,103 a year. The estimated cost of living for a family of 4 is \$46,771.

The U.S. cities with the highest percentage of children in poverty¹²

City	Percent
1. Detroit	53.60%
2. Cleveland	52.60%
3. Cincinnati	48.00%
4. Buffalo, N.Y.	46.70%
5. Milwaukee	46.10%
6. Miami	45.00%
7. Newark, N.J.	44.30%
8. Fresno, Calif.	42.90%
9. New Orleans	42.00%
10. St. Louis, Mo.	41.80%



What Public Assistance Programs Do Cincinnati Janitors and their Families Qualify for?

(X=qualifies based on income guidelines; 0=does not qualify based on income guidelines)

Program	Single Person	One Parent with a Child	One Parent with Two Children
HEAP (Home Energy Assistance Plan) ¹³	X	X	X
Children's Medicaid ¹⁴	X	X	X
Reduced School Lunches ¹⁵	X	X	X
Free School Lunches ¹⁶	O	X	X
WIC (Women, Infants, and Children) ¹⁷	X	X	X
SNAP (Food Stamps) ¹⁸	O	X	X
Ohio Head Start (Child care program) ¹⁹	N/A	X	X
Section 8 (Subsidized Housing) ²⁰	X	X	X



[Public assistance] programs exist for people who are going through hard times. You're supposed to use them as a safety net and then get off them.

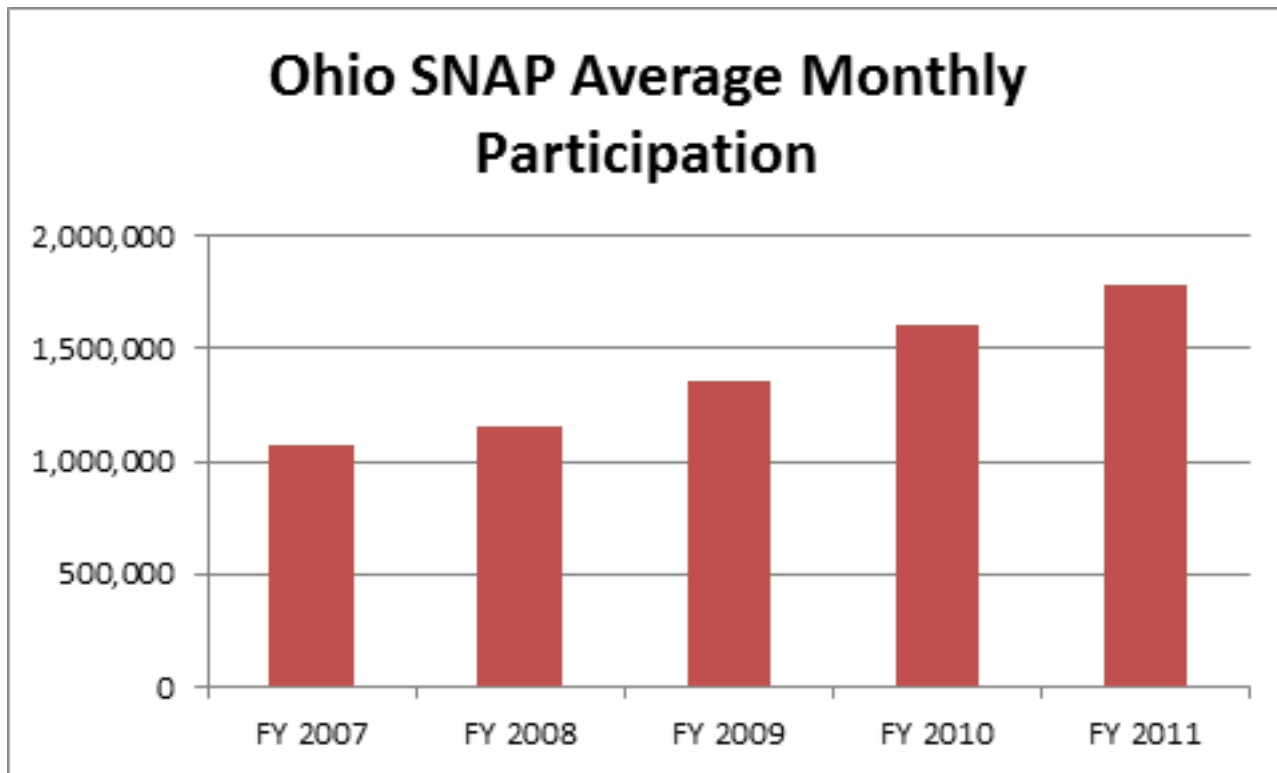
But how is anyone supposed to get off these programs when we're not paid enough to survive without them?

Dina Smith
Cincinnati janitor

Hunger

In Ohio, the average monthly SNAP (food stamp benefit) participation rate has increased 65.2% since 2007²¹, and more than 1 in 5 (22.3%) children in the Cincinnati metro area are at risk of missing their next meal, according to a Feeding America analysis of the Freestore Foodbank's service area²².

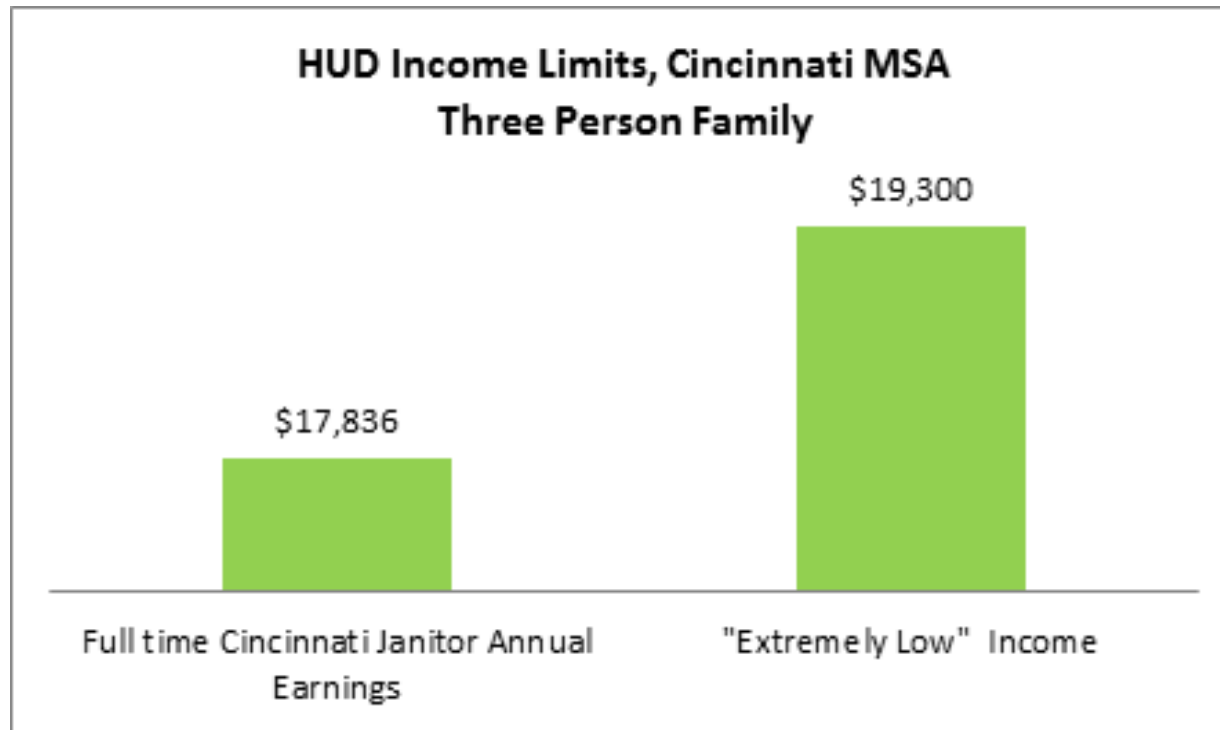
A full time Cincinnati janitor with one or more children likely qualifies for SNAP benefits²³. Additionally, the children of a full time Cincinnati janitor would also likely qualify to receive free meals at school due to low family income²⁴.



Housing

Low wage workers in Cincinnati have found it increasingly difficult to find quality affordable housing with their inadequate wages. Since 2000, the number of Cincinnati area households that had trouble finding housing that didn't cost more than 30% of their income has risen from 18.2% in 2000 to 26.5% in 2010²⁵.

When compared with the Department of Housing and Urban Development's 2012 income limits, the difficulty of finding housing in the Cincinnati area with low wage incomes becomes clear. A full time Cincinnati janitor with one child would fall between the "Extremely Low" and "Very Low" income categories. A full time Cincinnati janitor with two children would fall far *below* the "Extremely Low" income category²⁶.





Racial and Economic Segregation in Cincinnati

Cincinnati is notoriously segregated by race and class, with suburban areas being majority White and many inner-city neighborhoods, such as Over-the-Rhine and Avondale, being majority Black. Cincinnati is one of the top ten most racially segregated cities in America, as well as one of the most segregated cities by income. Like the poverty rate, segregation has also gotten worse in Cincinnati over the past two decades. Income segregation increased 22% between the 1980 and 2000 censuses.

When it comes to income inequality, Cincinnati has the worst record of any major city in Ohio, with significantly higher rates of poverty among Blacks (32%) and Latinos (27.8%) than among Whites (11%) and Asians (12.8%). 95.9% of Cincinnati janitors live in Census areas with a median household income below the median for Cincinnati area, suggesting that relatively few Cincinnati janitors are able to afford to live in middle class neighborhoods²⁷.

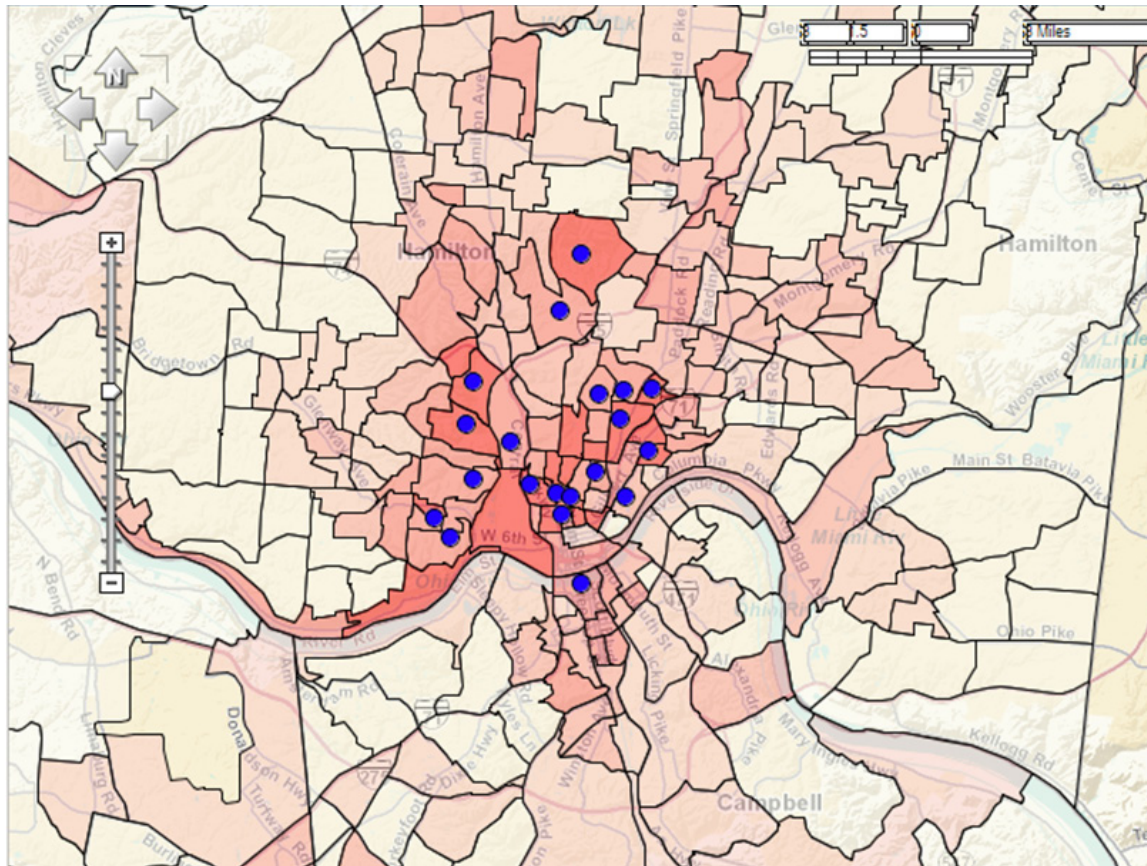
The top 20 Census areas with the highest concentrations of janitors—and likely other classifications of service workers—are also some of the most racially segregated in the city. While the Cincinnati metro area as a whole is 13% Black and 2.6% Latino²⁸, the top 20 census areas with the most low-wage janitors are on average 69.7% Black and 72.5% combined Black and Latino²⁹.

Top 20 Census Tracts with Highest Concentration of Janitors and Highest Poverty Areas in Red

Blue dots indicate the census tracts with the highest proportion of janitors

Source: American Fact Finder (www.census.gov), Membership addresses

30



Legend

Data Classes
Percent

- 0.0 - 7.5
- 7.9 - 16.2
- 16.7 - 28.8
- 30.1 - 46.7
- 48.9 - 84.2

Boundaries

- State
- '10 County

Features

- Major Road
- Street
- Stream/Waterbody

Items in grey text are not visible at this zoom level

What Kind of City will Cincinnati Be?

Despite the high concentration of wealth and profit in downtown Cincinnati, the city maintains a notoriously high rate of violent crime and its neighborhoods are largely segregated by race.

If Cincinnati continues down the current path, it will truly become 2 cities—one where corporations profit at the expense of all else, and one where the children of working people go to bed hungry and without hope for a better future.

Cincinnati can do better. Janitors and low wage workers across the city are uniting to turn things around. When working people are able to support themselves on one good job, families are able to stay in their homes and spend their paychecks at local businesses. That's what will make Cincinnati's economy stronger, its neighborhoods safer, and its communities healthier.

Cincinnati janitors are uniting to restore balance to their city, revive their neighborhoods, and build an economy that works for everyone. And they're calling on big corporations to do their part by creating good jobs and paying workers fair, family sustaining wages.

Together, workers and businesses can make Cincinnati a city where PEOPLE prosper—not just corporations.



I don't want my kids to struggle like I have, but unless we improve these jobs, our kids and grandkids will suffer too. Whether it's janitorial jobs or fast food—these are the jobs our kids and grandkids are going to be doing.

Ruby Bishop
Cincinnati janitor

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