

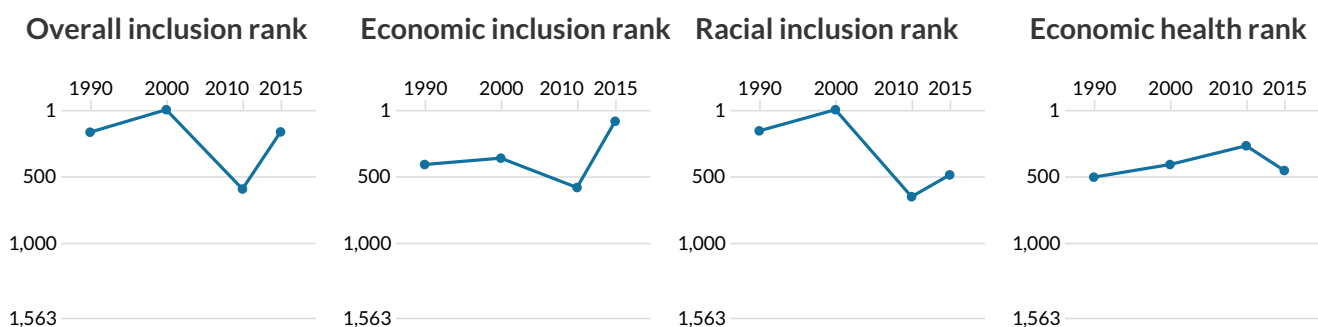
Waterville, ME

Population in 2015: 16,374

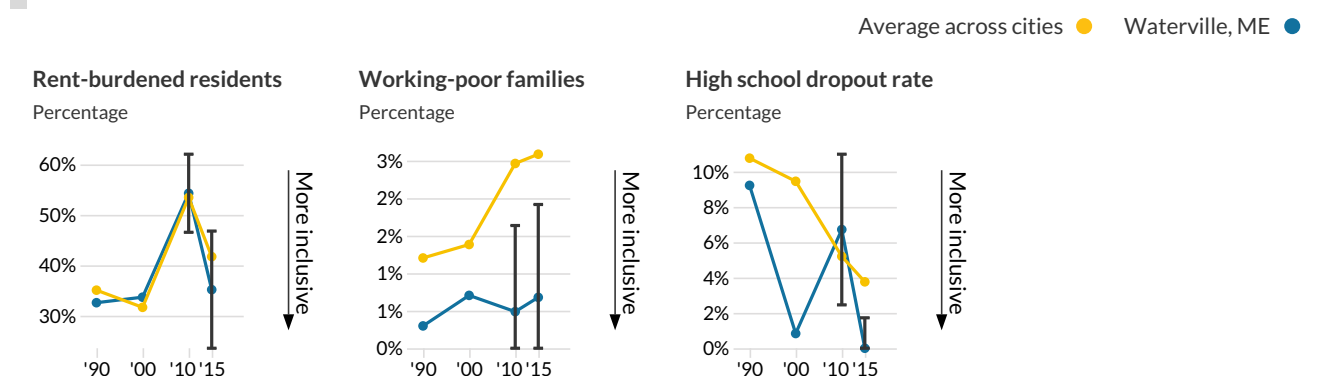
Everyone should have the opportunity to contribute to and benefit from economic prosperity. This is our definition of inclusion and is a goal toward which all cities should strive. Being more inclusive can make cities stronger and more stable and can give all residents a chance to improve their quality of life.

Because of their size, small cities can sometimes be overlooked in conversations about inclusion. To better understand what makes small cities inclusive, we collected data on 1,563 US cities with populations between 15,000 and 250,000 across select years and ranked them on economic, racial, and overall inclusion from 1990 to 2015. We also measured economic health to see whether cities could harness growth to improve inclusion.

In 2015, Waterville ranked 167th out of 1,563 cities on overall inclusion, 87th on economic inclusion, and 490th on racial inclusion. From 2010 to 2015, Waterville's economic health rank decreased from 271st to 457th. Over the same time period, the city became more inclusive, rising from 596th to 167th in the overall inclusion rankings. Dive deeper into Waterville's economic health and inclusion measures below.



Economic inclusion

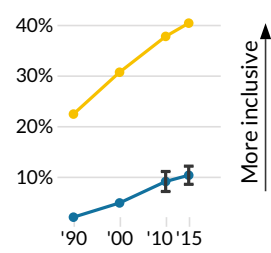


Racial inclusion

Average across cities ● Waterville, ME ●

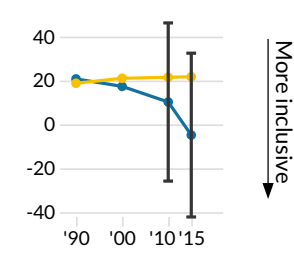
People of color as a share of the population

Percentage



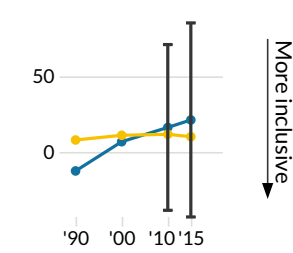
Racial homeownership gap

Percentage point difference



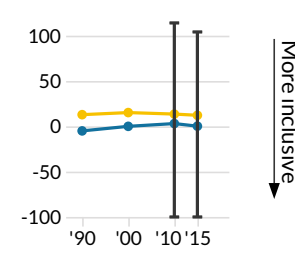
Racial poverty gap

Percentage point difference



Racial education gap

Percentage point difference

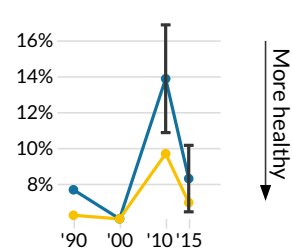


Economic health

Average across cities ● Waterville, ME ●

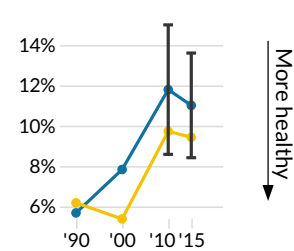
Unemployment rate

Percentage



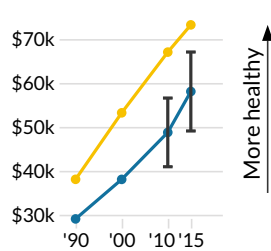
Housing vacancy rate

Percentage



Median family income

Dollars



We display margin-of-error bars to show the upper and lower bounds of each indicator in 2010 and 2015. These demonstrate the possible range of values given random sampling error in the American Community Survey, which can be particularly large when dealing with smaller populations. Margins of error for the long-form decennial census were not readily available.

How do we measure inclusion?

“Overall inclusion” reflects the ability of *historically excluded populations*—in this case, lower-income residents and people of color—to contribute to and benefit from economic prosperity. We measure this by combining economic inclusion and racial inclusion.

- “Economic inclusion” reflects the ability of *residents with lower incomes* to contribute to and benefit from economic prosperity. We measure this by looking at housing affordability, the share of working-poor residents, and the high school dropout rate.
- “Racial inclusion” reflects the ability of *residents of color* to contribute to and benefit from economic prosperity. We measure this by examining racial gaps in homeownership, poverty, and educational attainment, as well as the share of the city’s population who are people of color.

To learn more about why we selected these indicators and how we measured them, see *Inclusive Recovery in US Cities* (www.urban.org/research/publication/inclusive-recovery-us-cities). In contrast to the research on larger cities and inclusive recovery, measures of inclusion for the small cities shown here do not include income segregation or racial segregation because of data constraints with smaller populations and subplace geographies.

How do we measure economic health?

Economic health captures the strength of a city’s local economy. We measure this by looking at the unemployment rate, the housing vacancy rate, and median family income.

What can cities do to become more inclusive?

Although no single model for success exists, we can learn a lot from cities that have become more inclusive, particularly as they recovered from downturns. How did those cities try to ensure that all residents shared in the economic recovery?

To answer this question, we met with leaders from four cities that improved their racial and economic inclusion as they recovered from economic distress. By combining their insights with previous research about inclusive growth, we identified the following eight building blocks for inclusion growth.

1. **Adopt a shared vision** early on, and get buy-in from local stakeholders.
2. **Inspire and sustain bold leadership** from committed public officials or other dedicated stakeholders.
3. **Recruit partners from across sectors**, including resident groups, the media, and business leaders. Diverse partners can create buy-in, generate and elevate insights, and support solutions.
4. **Build voice and power** within traditionally underrepresented or disenfranchised communities. Ensure diverse representation in planning and political processes.
5. **Leverage assets and intrinsic advantages**, such as a city’s physical spaces and the potential of its residents.
6. **Think and act regionally**. Job and housing markets cross jurisdictional lines, and residents often live, work, and use services outside their city. Regional partnerships can help secure broadly shared prosperity.
7. **Reframe inclusion as integral to growth** to encourage progress in both areas. A growing body of evidence suggests that diversity and inclusion is a catalyst for economic development.
8. **Adopt policies and programs to support inclusion**. Policies and programs that promote inclusion in education, housing, economic development, and fiscal policy can lead to long-term success.

To learn more about our case study cities, the lessons learned from them, and examples of these building blocks in action, see *Inclusive Recovery in US Cities* (www.urban.org/research/publication/inclusive-recovery-us-cities).

ABOUT THE DATA

This analysis uses measures calculated from data compiled by the US Census Bureau's 1990 Decennial Census, 2000 Decennial Census, 2008–12 American Community Survey, and 2013–17 American Community Survey (which are most representative of the middle year) and accessed through the National Historical Geographic Information System's online portal (IPUMS NHGIS, University of Minnesota, www.nhgis.org).

To be part of the small-city analysis, a city had to have a population between 15,000 and 250,000 in all four years of our study (1990, 2000, 2010, and 2015).

The racial inclusion index is made up of four measures: homeownership gap, educational attainment gap, poverty gap, and share of people of color. All racial gap measures calculate the disparity between white non-Hispanic residents and residents of color. For this analysis, we define people of color as any person identifying in US Census Bureau records as black or African American, American Indian or Alaska Native, Asian, Native Hawaiian or other Pacific Islander, other race, two or more races, or Hispanic or Latino white. We recognize issues around treating all these groups under one umbrella but do so to compare a broad range of cities with differing demographic patterns while limiting the size of sampling error based on small populations.

The economic inclusion index is made up of three measures: share who are rent burdened, share of 16- to 19-year-olds who are not in school and have not graduated, and share who are working poor. The overall inclusion index is the composite of these two inclusion indices. The economic health index is made up of three indicators: median family income, unemployment rate, and housing vacancy rate.

For some years, certain cities do not have available data on one or more of our indicators. For each index and year, we include only cities with data available across all indicators that make up the given index. When a city is missing data for an index in a given year, we do not include it in the index ranking calculation.

Incorporated townships in the six New England states (Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, and Vermont), New York, and Wisconsin are not considered “incorporated places” for the purposes of the US Census Bureau (www.census.gov/programs-surveys/popest/guidance-geographies/terms-and-definitions.html). These townships are therefore not included in our sample.

We chose to focus on cities rather than metropolitan areas because local decisions around policies, taxes, and services happen more often at the city level than the regional level. We include only incorporated cities in our analysis and exclude census-designated places (www.census.gov/geo/reference/gtc/gtc_place.html) because they lack a municipal government that can adopt policies that support economic growth or inclusion.

PROJECT CREDITS

This project was funded by the Federal Reserve Bank of Boston. We are grateful to them and to all our funders, who make it possible for Urban to advance its mission. The views expressed are those of the authors and should not be attributed to the Urban Institute, its trustees, or its funders. Funders do not determine research findings or the insights and recommendations of our experts. More information on our funding principles is available at www.urban.org/fundingprinciples. Read our terms of service at www.urban.org/terms-service.

RESEARCH

Christina Stacy and Brady Meixell

DEVELOPMENT

Ben Chartoff and Alice Feng

EDITING

Meghan Ashford-Grooms, Serena Lei, and Elizabeth Forney