

This assessment of demographic and socioeconomic factors provides a snapshot of the area’s past conditions and present characteristics, which offers an understanding of what the future may hold for Paducah and McCracken County, Kentucky. The findings of these analyses set the stage for more detailed evaluations of possible trends and future planning considerations as this plan is assembled. This profile provides a basis for determining future land use requirements and demands for public facilities and services, but also allows advance planning to effectively guide future development in a desirable and fiscally responsible manner.

Area-wide Snapshot

2.1 LOCATION

Covering an area of 251 square miles, as shown in **Figure 2.1, Location of McCracken County**, McCracken County is situated in Western Kentucky, near the border with Illinois. Neighboring counties include Livingston County to the northeast, Lyon County to the east, Marshall County to the southeast, Graves County to the south, Carlisle County to the southwest, and Ballard County to the west.

Paducah, one of two incorporated communities in McCracken County, is located along the Ohio River below the mouth of the Tennessee River, as shown in **Figure 2.2, Location of Paducah**. The community is situated half way between St. Louis, Missouri and Nashville, Tennessee along U.S. 24 (I-24). In addition to I-24, Paducah and McCracken County are served by U.S. Highways 45, 60, and 62, as well as State routes KY 305/Cairo Road, KY 994/Old Mayfield Roads/16th Street, KY 998/Olivet Church Road, KY 1286/Friendship Road, KY 1954/John L. Puryear Drive, and KY 2187/Husbands Road.

Figure 2.1, Location of McCracken County



Figure 2.2, Location of Paducah



2.2 HISTORY

2.2.1 History of McCracken County and Paducah

McCracken County was originally part of Hickman County, but as population growth occurred, the territory was divided into Hickman, Graves, Calloway, and McCracken Counties. McCracken County was formed on January 15, 1825 and was named after Captain Virgil McCracken, who was killed at the Battle of the River Raisin during the War of 1812.¹ In 1832, Paducah became the county seat of McCracken County.

Paducah, originally known as Pekin, was settled around 1815. Settlers were attracted to the community due to its location at the confluence of the Ohio and Tennessee Rivers. The community was inhabited by a mix of Native Americans and Europeans who lived harmoniously, trading goods and services.

In 1827, William Clark, Superintendent of Indian Affairs for the Mississippi-Missouri River region, arrived in Pekin with a title deed to the land, which was issued by the United States Supreme Court. Clark asked the Chief and the settlers to relocate. The town was platted in the same year and renamed Paducah in honor of the Chief. The community was incorporated in 1830.

Paducah thrived due to its port facilities along the waterways that were used by steamboats. A factory that manufactured red bricks was established and a foundry for making rail and locomotive components was built, ultimately contributing to a river and rail industrial economy.

In 1856, Paducah was chartered as a city. The community continued to capitalize on its geographic location by becoming the site of dry dock facilities for steamboats and towboats and, in turn, headquarters for various bargeline companies. Paducah also became an important railway hub for the Illinois Central Railroad (ICRR) due to its proximity to the coal fields in Kentucky and Illinois.

In 1937, the Ohio River at Paducah rose over its 50-foot flood stage. The flood was considered to be the worst natural disaster in Paducah's history. As a result of the flood, the United States Army Corps of Engineers built a flood wall to replace the earthen levee that had once been in place.

¹ Source: The Kentucky Encyclopedia, as found on the Kentucky Court of Justice website (<http://www.kycourts.net/Counties/McCracken.asp?County=McCracken#countyinfo>)

Other significant events in the community’s history include the selection of Paducah in 1948 for the development of a new Uranium Enrichment Plant, and the development of the Museum of the American Quilter’s Society (MAQS) in Paducah in 1991, which draws quilters from around the world.²

2.3 HISTORIC POPULATION CHANGE

Paducah’s population experienced a decline during the period between 1970 and 2000, as reflected in **Table 2.1, Historic Population, Paducah and McCracken County**. The largest population decline in Paducah was witnessed between 1970 and 1980 when the population experienced a negative 7.31 percent change. Between 1980 and 1990, a similar decline in population occurred, with a drop of roughly 50 percent between 1990 and 2000 when the population within the City declined by 3.60 percent.

Whereas Paducah’s population has been declining since 1970, by contrast, McCracken County has experienced positive growth during the same period. This shift in population largely indicates that residents within the City have relocated to properties outside of the City limits, thereby redistributing the population as opposed to seeing a real net increase in population within the County. As illustrated in *Table 2.1, Historic Population, Paducah and McCracken County*, the greatest increase in County population was between 1970 and 1980 when the population increased by 3,029 persons, or 5.20 percent. This is the same period for which the City experienced its greatest decline in population. Most recently, between 1990 and 2000, the County’s population increased by 4.19 percent, generally consistent with the decrease of the City’s population.



Source: Museum of American Quilters Society (MAQS)

Table 2.1, Historic Population, Paducah and McCracken County

Year	Paducah	% Change	McCracken Co.	% Change
1960	34,479	--	57,306	--
1970	31,627	-8.26%	58,281	1.70%
1980	29,315	-7.31%	61,310	5.20%
1990	27,256	-7.02%	62,879	2.56%
2000	26,275	-3.60%	65,514	4.19%

Source: U.S. Census Bureau and McCracken County

² Sources: Kentucky Atlas and Gazetteer), Wikipedia (http://en.wikipedia.org/wiki/Paducah,_Kentucky#History)

2.4 POPULATION FORECASTS

2.4.1 Population Projection Scenario

Each year the Kentucky State Data Center (KSDC) at the Urban Studies Institute of the University of Louisville produces projections of population and the number of households for Kentucky, Area Development Districts, and Counties. The KSDC population projection methodology for Kentucky counties uses the cohort-component method. The KSDC projects Kentucky county populations based on assumptions of their future mortality, fertility, and likelihood of moving. Using the cohort-component model, future population growth was derived for six consecutive five-year intervals from 2000 to 2030. The launch population of the first interval projected (2000-2005) was obtained from the 2000 U.S. Census. The projected population was then used as the launch population of the next interval projected (2005-2010) and so on through to the Year 2030. Cohorts - males and females in five-year age groups through 85 years and above - were projected separately and summed to provide projections of total population for counties. Summing county population projections derived the State and Area Development Districts population projections.

In this method, components of change were estimated by applying the respective rates (mortality, fertility, or migration) to the population size of cohorts. The rates for components of change by age and sex were real cohort rates and represent the behavior of cohorts as they age over the five-year interval.³

2.4.2 McCracken County Population Projections

There are various methods used to project population, including the linear regression, exponential growth, and geometric methods. These statistical methods, including a projection from the KSDC, were used to compare alternative population forecasts to reflect the plan's 20-year horizon, as reflected by **Figure 2.3, Scenario Forecast of McCracken County**.

Linear projections involve a graphical projection of past historical trends into the future. In this case, linear techniques of choice were "simple linear regression" and "exponential growth." Linear regression forecasts are straight-line projections of historical population. In a linear growth scenario, the same absolute number of additional persons is added to the population

³ Source: Kentucky State Data Center
(http://ksdc.louisville.edu/kpr/pro/hmk2004_methodology.doc)

each period. This results in a declining rate of growth over time since the same amount is added to an ever-expanding base. By contrast, exponential growth assumes a constant rate of growth in establishing a forecast. The geometric technique projects the future using a growth factor that is the average rate of growth over a historical period of time.

The population projections for McCracken County range from a low of 65,627 persons to a high of 72,223 persons in the Year 2025, compared to a Year 2000 U.S. Census population of 65,514 persons. Using a “curve fitting” approach to determine which projection is most likely based upon the historical trend since 1970, the Exponential Growth method offers a

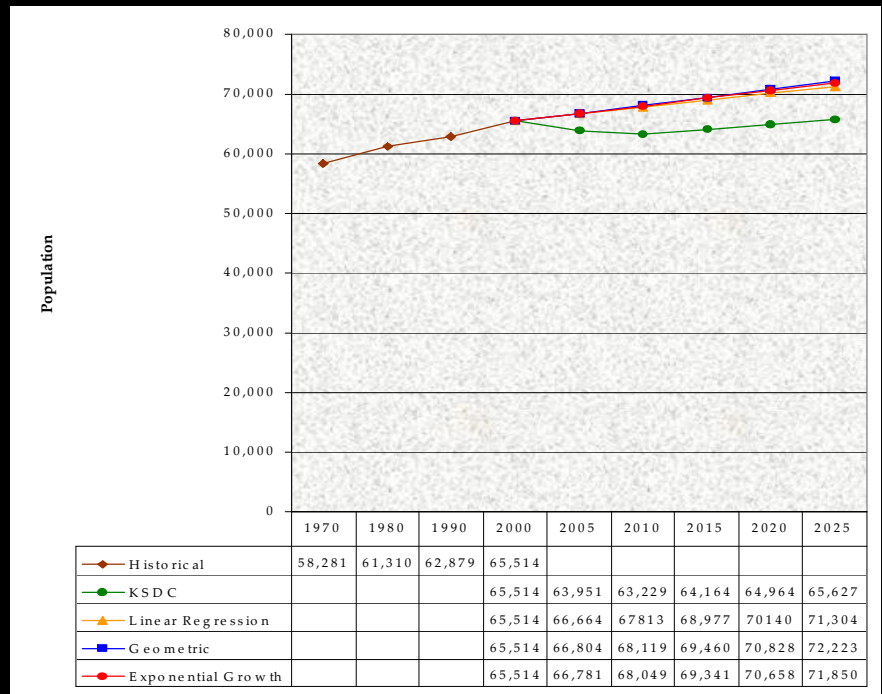
realistic scenario of 71,850 persons by the Year 2025. This conclusion is based on the fact that the KSDC projection is an outlier and the Exponential Growth projection is the mid-point between the Geometric and Linear Regression scenarios.

2.4.3 Paducah Population Projections

The simple linear regression, exponential growth, geometric, and step-down methods were used to project Paducah’s population and compare alternative population forecasts to reflect the plan’s 20-year horizon, as reflected by **Figure 2.4, Projected Population Scenarios of Paducah**. Further to the methods described in *Section 2.4.2, McCracken County Population Projections*, it is noted that the step-down technique is used to project the City’s population based upon a proportional share of the County’s future population.

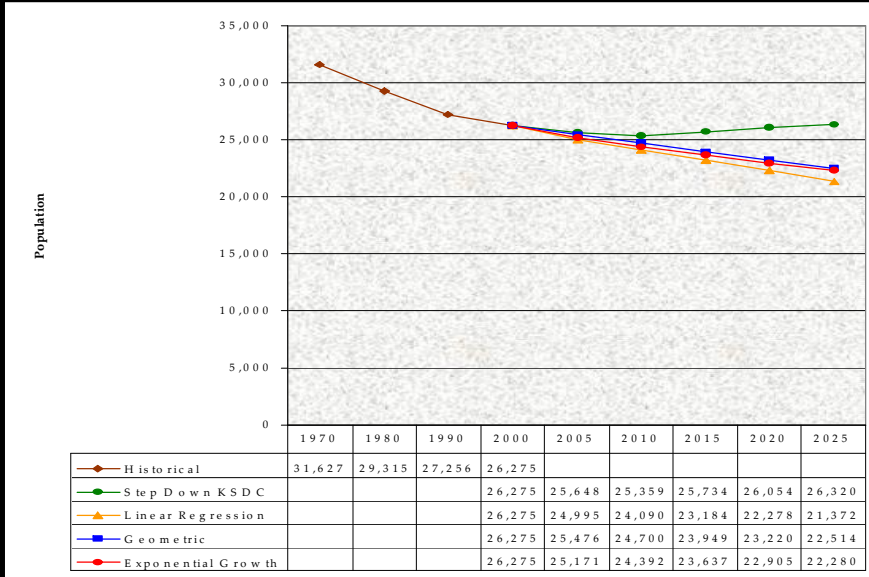
An analysis of Paducah and McCracken County reveals that the City’s proportionate share of the County’s population has decreased each decade from 1970 to 2000. Based upon current trends, it could be expected that in the Year 2025, Paducah’s population will represent 32.6 percent of McCracken

Figure 2.3, Scenario Forecast of McCracken County



Source: KSDC and Kendig Keast Collaborative

Figure 2.4, Projected Population Scenarios of Paducah



Source: Kendig Keast Collaborative

County’s population – a decrease from its proportionate share of 40.1 percent in the Year 2000. Without attention and deliberate action to address the declining population in the City, it is reasonable to assume that this trend will likely continue. As expressed in *Chapter 1, Plan Context*, a healthy City and County are important to the area’s growth and quality of life. One of the plan’s efforts should be to better manage future area-wide growth so as to reverse the decline of neighborhoods. The implications of such a growth pattern are discussed elsewhere in this plan.

As seen in *Figure 2.4, Projected Population Scenarios for Paducah*, the

projected population for Paducah in the Year 2025 ranges from 21,372 persons to 26,320 persons, which is based primarily on historic trends since 1970. Using a “curve fitting” approach to determine which projection is most likely based upon the downward trend since 1970, the Exponential Growth method (22,280 persons in 2025) offers the most likely scenario. Using the Step-Down scenario, which assumes a proportional allocation of the projected future County population, the City’s population will continue to decline for a period of time and then level off and begin to recover when the policies of this plan are implemented and are given time to have a positive effect. Therefore, the Step-Down scenario indicating a 2025 population of 26,320 persons will be used as the basis for quantifying necessary capacities and estimating future needs.

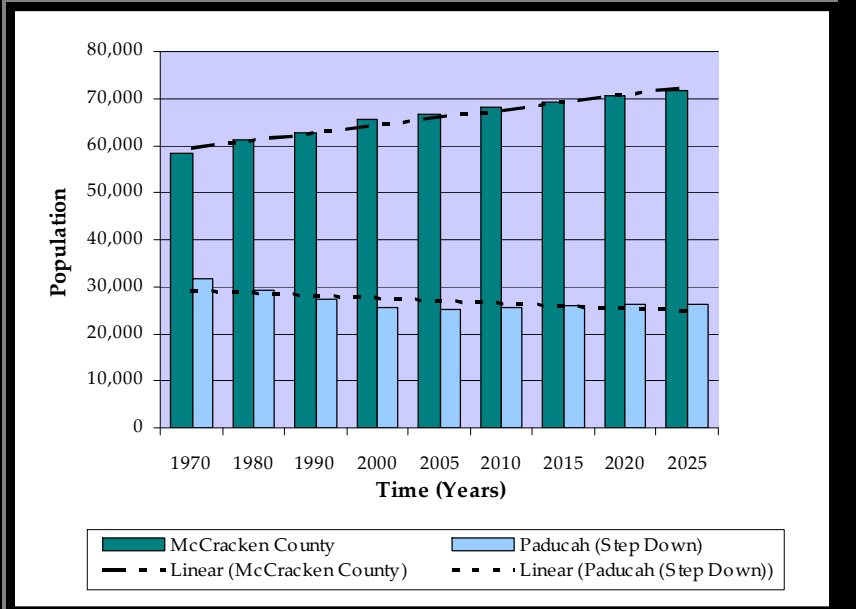
2.4.4 Projection Implications

The population projections for Paducah and McCracken County, as illustrated in **Figure 2.5, Population Projections for Paducah and McCracken County**, and the associated shifts in socio-economic characteristics that are identified in this area-wide profile are used as a basis to formulate the City’s growth policies. In particular, the projected populations will help the City, County, and private business interests better evaluate the following:

- ◆ Demands for varying housing types, sizes, and prices;
- ◆ Housing policies and programs;

- ◆ Annexation policies;
- ◆ Employment for residents of Paducah and McCracken County;
- ◆ Changes in the median household income and the effective buying power of residents;
- ◆ Numbers of school-age children moving to the City and the County and the impact on demand for school facilities;
- ◆ Projected future traffic volumes, congestion, and demands for new roadway infrastructure and alternative modes of transportation;
- ◆ Use of local parks and recreation facilities and the demand for additional areas, facilities, and programs;
- ◆ Capacity requirements for water and wastewater service, storm drainage improvements, and the requisite capital investments; and
- ◆ Impact on the number of police, fire, and emergency medical service calls and their response times, service levels, and facility and staffing needs.

Figure 2.5, Population Projections for Paducah and McCracken County



Source: Kendig Keast Collaborative

The implications of the expected future population characteristics and the physical and economic growth of Paducah and McCracken County are reflected in other chapters of this plan, including **Chapter 3, Land Use**; **Chapter 4, Transportation**; and **Chapter 5, Economic Development**.

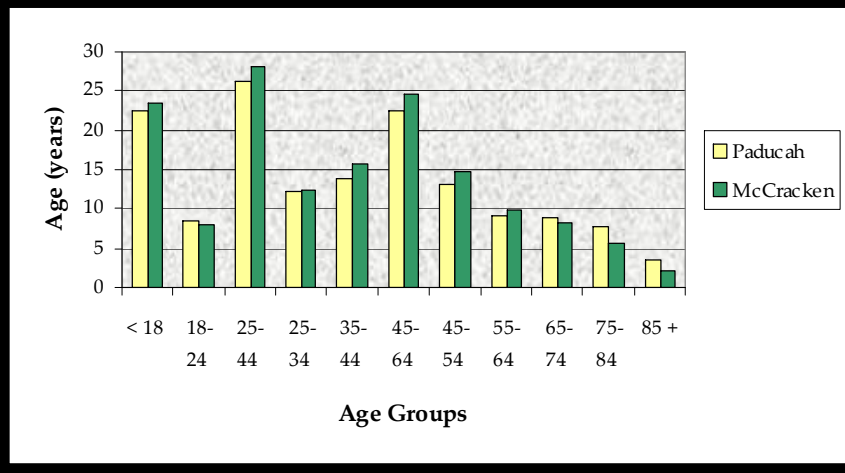
2.5 DEMOGRAPHIC PROFILE

2.5.1 Age and Gender

An analysis of the age composition in Paducah reveals that 45.48 percent of the population is comprised of males and 54.52 percent of the population is comprised of females. Similarly, McCracken County is comprised of more females than males, with 47.50 percent of the population being male and 52.50 percent female.

According to the U.S. Census Bureau (2000), the median age in Paducah is 39.9 years of age, which is only slightly higher than the median age of McCracken County of 39.2 years of age. Both Paducah and McCracken

Figure 2.6, Age Distribution



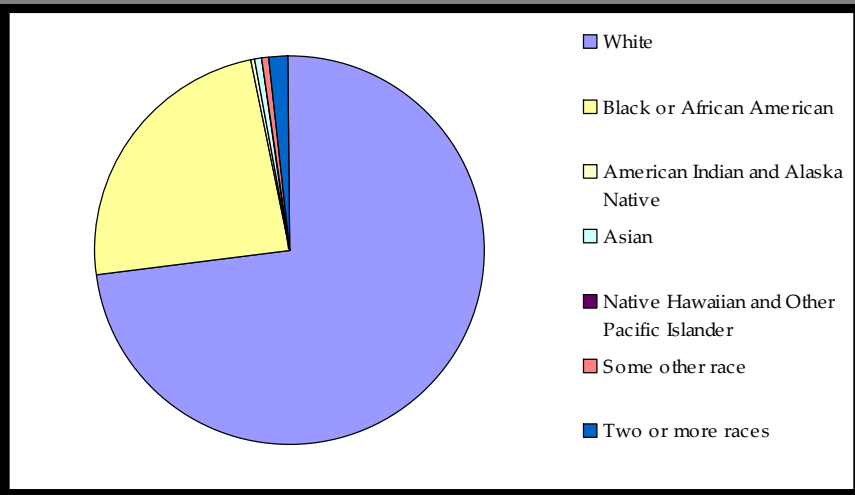
Source: U.S. Census Bureau

County have higher median ages than the State (35.9 years of age) and the nation (35.3 years of age).

As illustrated in **Figure 2.6, Age Distribution**, the 25-44 year age cohort represents the largest segments of both the Paducah and McCracken County populations (26.2 percent and 28.1 percent, respectively). The population under 18 years of age represents 22.5 percent of Paducah’s population. By contrast, 23.4 percent of McCracken County’s population and 24.6 percent of Kentucky’s population is under the age of 18 years.

It is interesting to note that the younger age cohorts are larger in McCracken County than in the City, while the older age cohorts – 65+ years of age – are less. This indicates that younger families are moving out of the City and into the County, while the mature population is moving inward where senior services are available and more accessible. The population 65 years and older represents 20.3 percent of Paducah’s population. A comparison against County and State demographics indicates that Paducah’s population is generally older, as evidenced by the fact that 15.9 percent of the County and 12.5 percent of the State population is 65 years and older.

Figure 2.7, Racial Composition of Paducah



Source: U.S. Census Bureau

2.5.2 Racial Composition

As displayed in **Figure 2.7, Racial Composition of Paducah**, a majority (72.8 percent) of the community’s population is comprised of persons for which their race is identified as White. This racial composition is similar to McCracken County and the State in that White is a majority for both. Comparatively, a smaller proportion of Paducah’s population is White, as

evidenced by the fact that 86.8 percent of the County and 90.1 percent of the State are comprised of persons who identified their race as White.

2.5.3 Household Type and Size

According to the U.S. Census Bureau, households are classified as either “family” or “non-family” units. Family units are generally defined as those with a married couple or a single head of household with or without children. Non-family households include those with one person living alone. An analysis of households in Paducah reveals that 56.2 percent are family households and 43.8 percent are non-family households. In McCracken County, the percentage of family households is higher than non-family households as compared to Paducah, with 66.5 percent of the County’s population comprised of family households and 33.5 percent as non-family households.

According to U.S. Census and as illustrated in **Figure 2.8, Household Size**, the majority of households in Paducah are one- (39.3 percent) or two-person (32.1 percent) households. In 1990, one-person households made up 36.2 percent of the population, indicating a rise between 1990 and 2000. By contrast, there has been a slight decrease in two-person households, as noted by 1990 data, which indicates that two-person households made up 32.3 percent of the population. Similar to Paducah, the most recent census data reveals that a majority of households in McCracken County are one- (39.3 percent) or two-person (35.5 percent) households. This represents an increase from 1990 data, which indicates that one- and two-person households made up 27.0 and 34.0 percent of the population, respectively.

A comparison of average household size, as displayed in **Table 2.2, Persons per Household**, reveals that Paducah has a smaller average household size. In fact, Paducah’s household size is the smallest relative to the County, State, and nation.

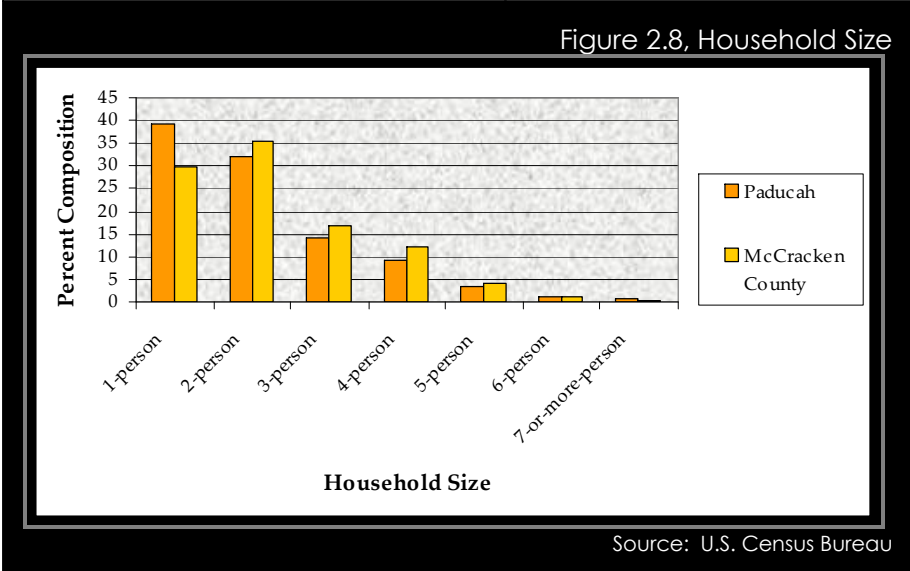


Table 2.2, Persons per Household

Place	Persons per Household
Paducah	2.12
McCracken County	2.31
Kentucky	2.47
United States	2.59

Source: U.S. Census Bureau

As reflected by the age distribution, younger families with larger households tend to live in the County, while older, one-person households reside within the City. This is due, in part, to the college-age population attending local colleges and institutions, more events and activities for singles, and more one-person dwellings within the City. In addition, a majority of new home construction – many within an affordable range for first-time and younger home buyers – is occurring in the County. There are several other reasons for this circumstance such as the quality of schools and taxing structure.

2.5.4 Income and Poverty Level

In 1999, the median household income in Paducah was \$26,137 and the mean household income was \$39,707. The former represents a 51.99 percent increase from the 1989 median household income of \$17,196. As illustrated in **Table 2.3, Median and Mean Household Incomes, 1999**, the median and mean household incomes in Paducah represent only 77.18 percent of

McCracken County’s median household income and 77.62 percent of Kentucky’s median household income. Similarly, the mean household incomes of McCracken County and Kentucky are higher than that of Paducah.

Table 2.3, Median and Mean Household Incomes, 1999

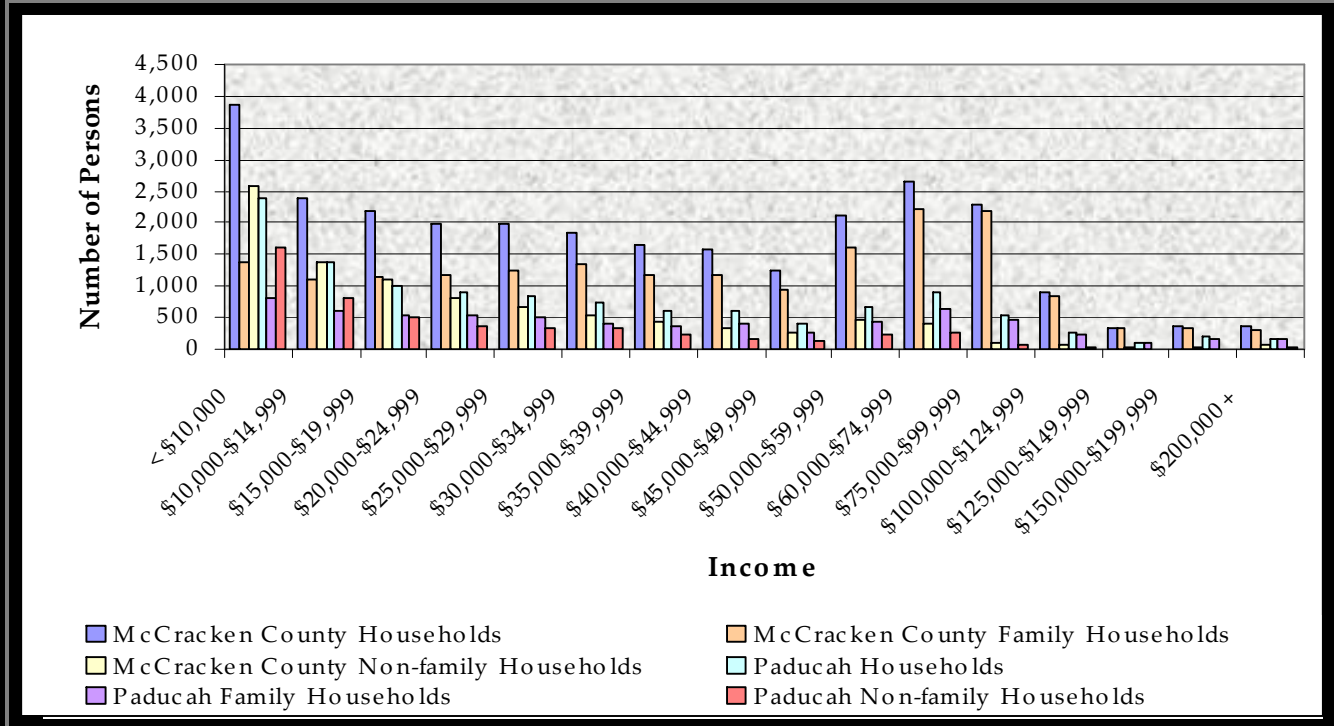
Location	Median Household Income	Mean Household Income
Paducah	\$26,137	\$39,707
McCracken County	\$33,865	\$45,476
Kentucky	\$33,672	\$45,246

Source: U.S. Census Bureau

As illustrated in **Figure 2.9, Income, 1999**, the highest proportion of both Paducah and McCracken County citizens earn a household income of less than \$10,000. A further analysis examining family and non-family households reveals that in Paducah, 12.2 percent of family households and 32.0 percent of non-family households earn an income of less than \$10,000. The second highest earning group for family households is the \$60,000 to \$74,999 range (9.5 percent). By contrast, persons in non-family households earn less than family households, as evidenced by the fact that the second highest earning group was in the \$10,000 to \$14,999 range (15.9 percent).

The U.S. Census Bureau uses a set of money income thresholds that vary by family size and composition to detect who is classified as poor. If the total income for a family or unrelated individual falls below the relevant poverty threshold, then the family or unrelated individual is classified as being "below the poverty level." As illustrated in **Table 2.4, Poverty Level**, Paducah exceeds McCracken County, the State, and the nation in terms of the proportion of its population who were determined to have poverty status in 1999. By

Figure 2.9, Income, 1999



Source: U.S. Census Bureau

comparison, the percentage of persons determined to have poverty status in McCracken County in the Year 1999 was close to that of the State. Nonetheless, compared to the nation, the County's population had a higher percentage of persons who were determined to have poverty status.

2.5.5 Housing Units, Occupancy, and Tenure

As illustrated in **Table 2.5, Total Housing Units**, there has been a less than one percent increase in the number of total housing units in Paducah between 1990 and 2000. McCracken County has experienced a greater increase in the number of total housing units in the same time period, equating to a 10.08 percent increase.

According to the most recent Census data, of the 13,221 total housing units in Paducah, 10.6 percent are vacant. A vacancy rate above ten percent is undesirable, whereas, generally, a five to seven percent vacancy rate is desirable. McCracken County has a lower vacancy rate than Paducah with 8.6 percent of its 30,361 total

Table 2.4, Poverty Level

Place	Percent Below Poverty Level
Paducah	22.4%
McCracken County	15.1%
Kentucky	15.8%
United States	12.4%

Source: U.S. Census Bureau

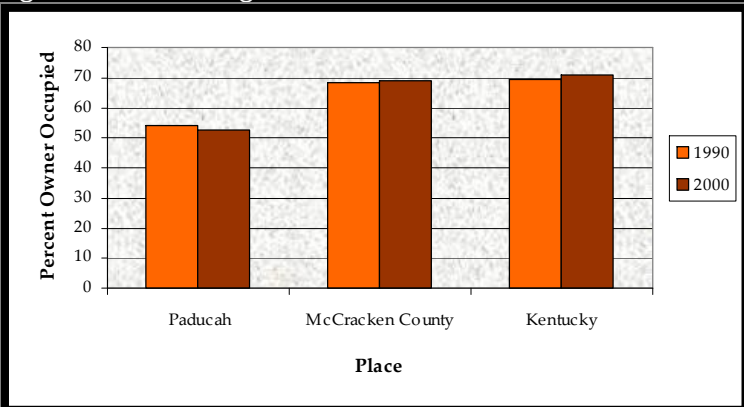
Table 2.5, Total Housing Units

Place	Total Housing Units		% Change
	1990	2000	
Paducah	13,150	13,221	0.54%
McCracken County	27,581	30,361	10.08%

Source: U.S. Census Bureau

Area-wide Snapshot

Figure 2.10, Housing Tenure



Source: U.S. Census Bureau

housing units being vacant. However, similar to Paducah, although to a lesser degree, its vacancy rate is undesirable. When comparing Paducah and McCracken County vacancy rates to the State and the nation, it is determined that Paducah's vacancy rate is higher than the State (9.2 percent vacancy rate) and the nation (9.0 percent vacancy rate), whereas the County's vacancy rate is lower than both the State and the nation.

As illustrated in **Figure 2.10, Housing Tenure**, Paducah has the lowest percentage of owner occupied housing (52.9 percent) compared to McCracken County (69.7 percent), and Kentucky (70.8 percent). Between 1990 and 2000, Paducah's owner occupancy rate decreased from 54.4 percent to 52.9 percent. During this same time period, McCracken County's owner occupancy increased slightly from 68.2 percent to 68.7 percent. While this is a positive indicator, the overall percentage of owner occupied units in McCracken County is lower than the State.

Table 2.6, Housing Affordability, Paducah

% of Median Income	Household Income	Affordable Mortgage Payment
180	\$47,046.60	\$1,176.17
150	\$39,205.50	\$980.14
130	\$33,978.10	\$849.45
100	\$26,137.00	\$653.43
80	\$20,909.60	\$522.74
50	\$13,068.50	\$326.71
30	\$7,841.10	\$196.03

U. S. Census Bureau, 2000

2.5.6 Housing Affordability

Affordability is typically defined as a percent of household income. In other words, housing is considered affordable if no more than 30 percent of household income is devoted to housing costs. As depicted in **Table 2.6, Housing Affordability Paducah**, \$653.43 per month is an affordable mortgage payment for a median household income of \$26,137 (the median household income in Paducah). For households earning 30 percent of the median income, affordable housing means a monthly mortgage payment of \$196.03. As illustrated in **Table 2.7, Housing Affordability, McCracken County**, an affordable mortgage payment is higher in McCracken County than in Paducah

Table 2.7, Housing Affordability, McCracken County

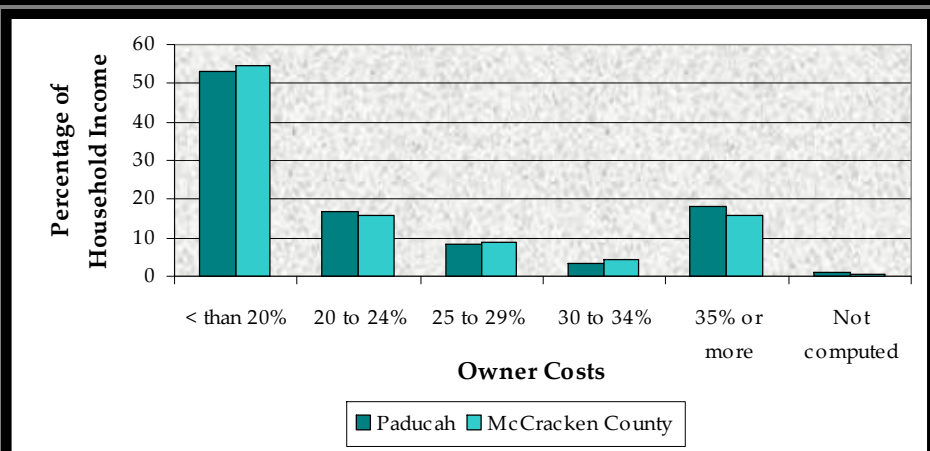
% of Median Income	Household Income	Affordable Mortgage Payment
180	\$60,957.00	\$1,523.93
150	\$50,797.50	\$1,269.94
130	\$44,024.50	\$1,100.61
100	\$33,865.00	\$846.63
80	\$27,092.00	\$677.30
50	\$16,932.50	\$423.31
30	\$10,159.50	\$253.99

U. S. Census Bureau, 2000

given its higher median household income. A mortgage payment of \$846.63 per month is considered affordable for a median household income of \$33,865 (the median household income for McCracken County). For households earning 30 percent of the median income, affordable housing means a monthly mortgage payment of \$253.99.

As displayed in **Figure 2.11, Monthly Owner Costs as a Percentage of Household Income, 1999**, the percentage of owners in Paducah and McCracken County who have a mortgage that is 30 percent or more of their household income is 21.6 percent and 20.2 percent, respectively. Similarly, 21.6 percent of owners with a mortgage in the State spend 30 percent or more of their household income on their home. Therefore, both the City and County are on par with the State regarding housing affordability.

Figure 2.11, Monthly Owner Costs as a Percentage of Household Income, 1999

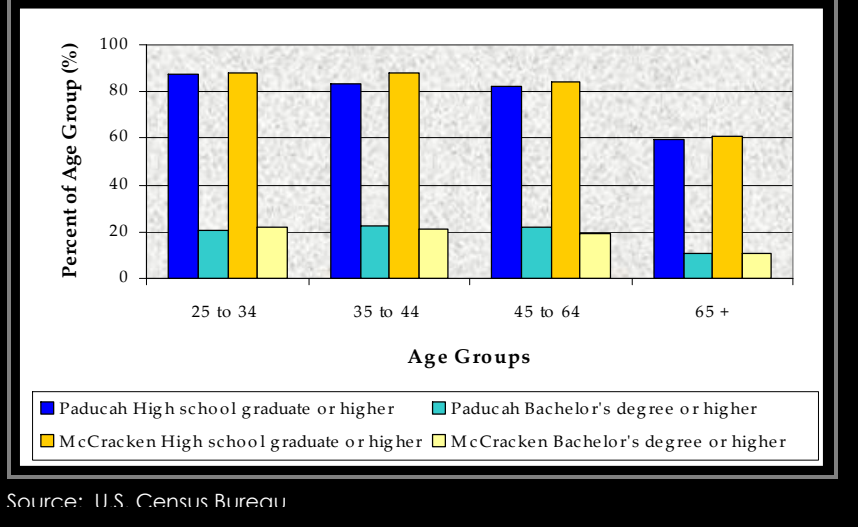


Source: U.S. Census Bureau

2.5.7 Educational Attainment

According to the U.S. Census Bureau, 31.1 percent of the population 25 years of age and older in Paducah have obtained their high school degree (or equivalent). An additional 5.8 percent earned an Associate degree, 11.0 percent earned a Bachelor’s degree, and 7.5 percent earned a Master’s degree, Professional degree, or Doctorate degree. Therefore, collectively 55.4 percent of the City’s population has a high school or advanced degree. The percent of the County’s population with a high school or advanced degree is slightly higher at 58.2 percent (33.3 percent with a high school degree, 6.9 percent earned an Associate degree, 11.3 percent earned a Bachelor’s degree, and 6.7 percent earned a Master’s degree, Professional degree, or Doctorate degree).

Figure 2.12, Educational Attainment in Paducah and McCracken County

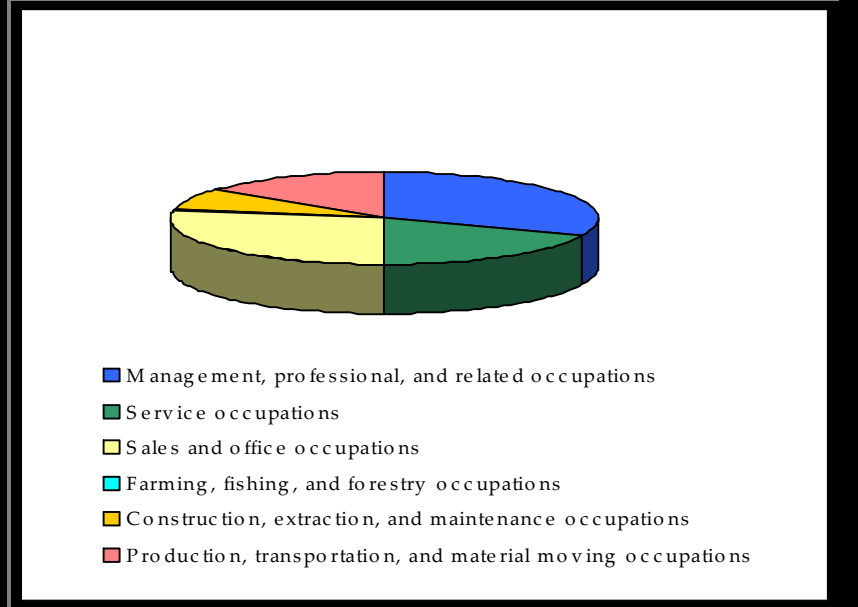


Source: U.S. Census Bureau

When examining educational attainment within age groups, there are no major differences in educational attainment between Paducah and McCracken County, as illustrated in **Figure 2.12, Educational Attainment in Paducah and McCracken County**, with the exception of the 35 to 44 year age group. In Paducah, 83.5 percent of this age group earned a high school diploma or higher, while in McCracken County, 88.1 percent of this same age group earned a high school diploma or higher.

Whereas the percentage of persons in Paducah who have earned a high school diploma or higher is highest in the youngest age group (25 to 34 years) and progressively declines toward the oldest age group, the same is not true in McCracken County. As illustrated in *Figure 2.12, Educational Attainment in Paducah and McCracken County*, 88.3 percent of the 25 to 34 year age group and 88.1 percent of the 35 to 44 year age group earned a high school degree or higher.

Figure 2.13, Employment in Paducah



Source: U.S. Census Bureau

2.6

ECONOMIC CHARACTERISTICS

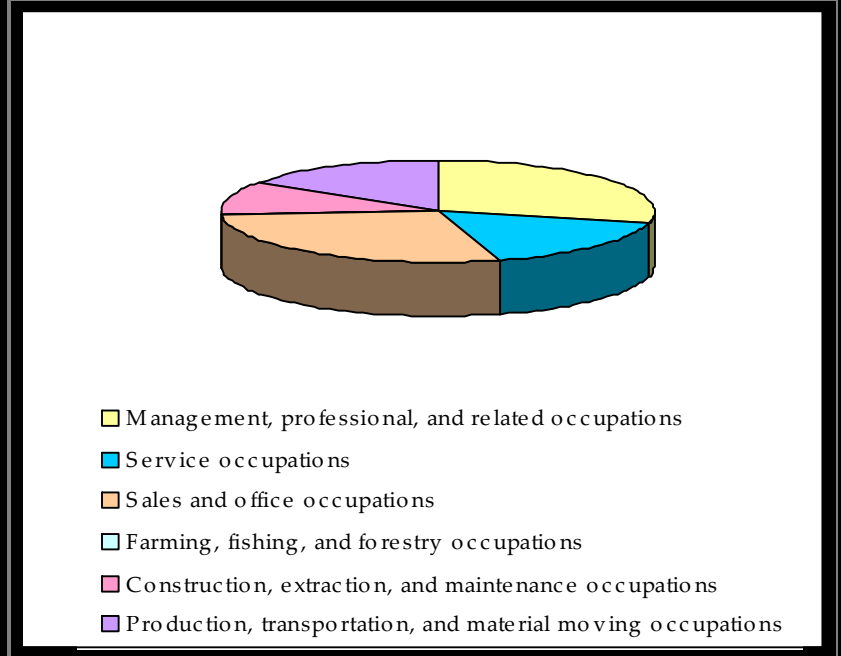
2.6.1 Employment

As illustrated in **Figure 2.13, Employment in Paducah**, 31.12 percent of the employed civilian population over the age of 16 years in Paducah is employed in Management, Professional, and Related Occupations. Within this occupational sector, the Professional and Related Occupations sub-sector ranks the highest in terms of number of persons employed (2,042 persons). Also within this sub-sector, the highest number of persons employed (665 persons) are health care practitioners and persons employed in

technical occupations. The second highest sector of employment in the community is in Sales and Office Occupations (27.89 percent).

Similar to Paducah, the highest sector of employment in McCracken County is in Management, Professional, and Related Occupations (29 percent), followed by Sales and Office Occupations (28.22 percent), as illustrated in **Figure 2.14, Employment in McCracken County**. Again, similar to Paducah, within the highest employment sector, the Professional and Related Occupations sub-sector ranks the highest in terms of number of persons employed (5,330 persons), and the highest number of persons employed (1,954 persons) are health care practitioners and persons employed in technical occupations.

Figure 2.14, Employment in McCracken County



Source: U.S. Census Bureau

The top employers in the Paducah area are listed in **Table 2.8, Top Employers in the Paducah Area**. The top employer in the area is Ingram Barge, which employs 2,400 persons. Ingram Barge is followed by Lourdes Hospital and Western Baptist Hospital who, together, employ 2,900 persons.

Table 2.8, Top Employers in the Paducah Area

Employers	No. of Employees
Ingram Barge	2,400
Lourdes Hospital	1,600
Western Baptist Hospital	1,300
United States Enrichment Corporation (USEC)	1,250
Seaboard Farms	1,000
Briggs & Stratton Corp.	780
McCracken County Public Schools	760
Westvaco Corp.	630

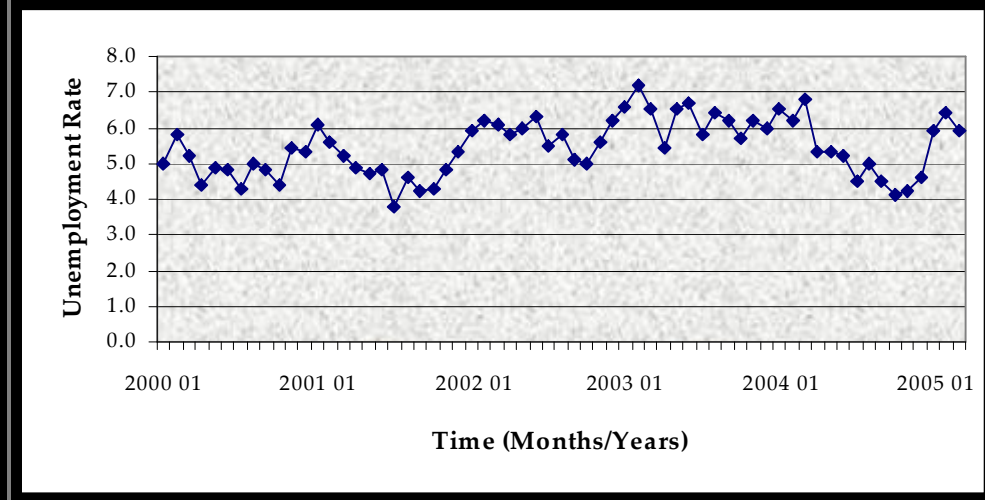
Source: Paducah Area Chamber of Commerce

2.6.2 Unemployment

As illustrated in **Figure 2.15, Unemployment Rate in Paducah**, the rate of unemployment in Paducah has stayed generally within the four to seven percent range during the period of January 2000 to March 2005. During this same time period, the lowest unemployment rate was in July 2001 (3.8 percent) and the highest unemployment rate was in February 2003 (7.2 percent). A general downward trend in 2004 is being followed by a rise in unemployment in 2005. The

Area-wide Snapshot

Figure 2.15, Unemployment Rate in Paducah



Source: Economagic.com

closing of General Tire makes matters worse, as well as the reductions at USEC.

Trends in the unemployment rate for McCracken County and the Labor Market Area during the period 2000 to 2004 are illustrated in Table 2.9, Unemployment Rate in McCracken County and Labor Market Area.

Table 2.9, Unemployment Rate in McCracken County and Labor Market Area

Year	Unemployment Rate (%)	
	McCracken County	Labor Market Area
2000	4.4	5.4
2001	4.3	5.5
2002	5.5	6.0
2003	6.1	6.8
2004	4.8	6.2

Source: U.S. Department of Labor, Bureau of Labor Statistics

The labor market area for McCracken County, as seen in Figure 2.16, Labor Market Area, is comprised of counties within a 60-minute drive of Paducah. All contiguous counties that meet this criterion are classified as part of the labor market area, with the exception of non-Kentucky contiguous counties. The information presented in the chart identifies that the unemployment rate is higher in the Labor Market Area compared to McCracken County. The latter experienced its highest rate of unemployment in 2003, when it reached an unemployment rate of 6.1 percent. By comparison, the Labor Market Area's highest rate of unemployment was 6.8 percent.

Figure 2.16, Labor Market Area

