



Places in Need:

The Changing Geography of Poverty in Minnesota

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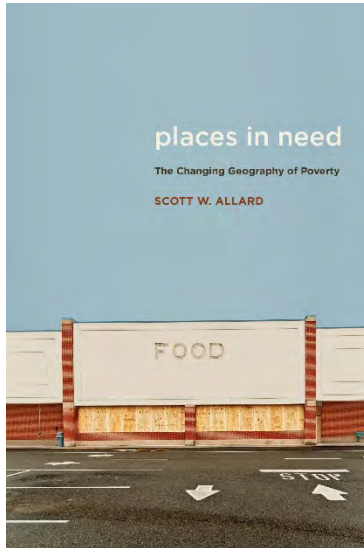


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Summary of the book from which some of this data come

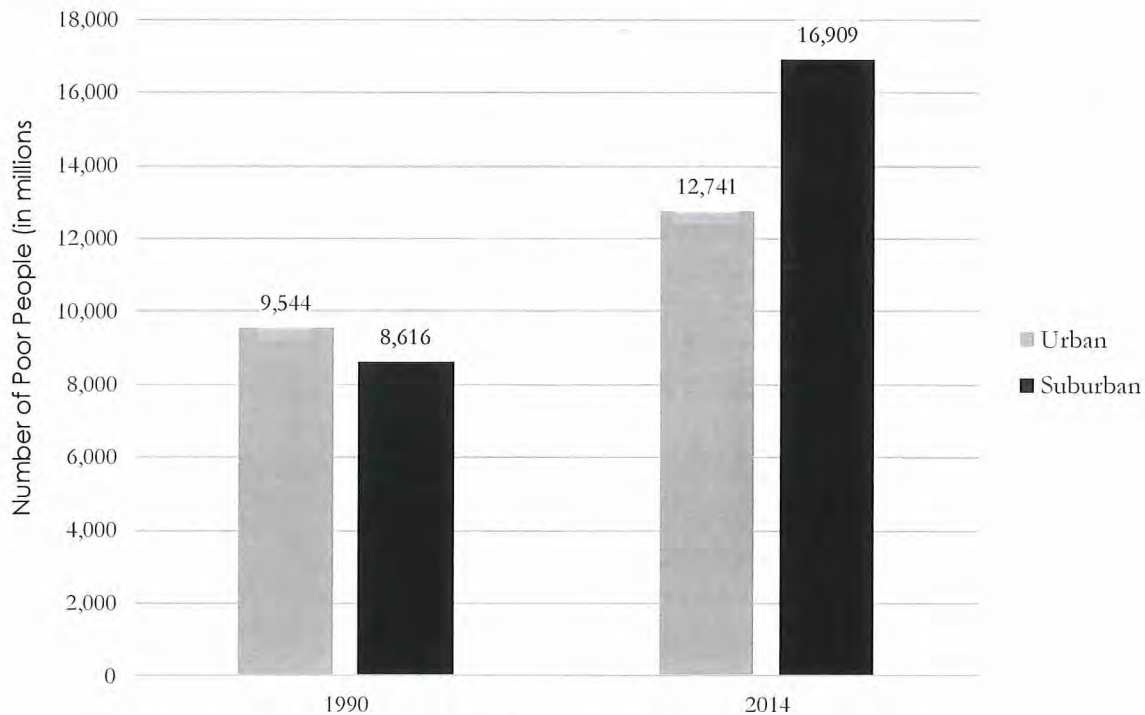


Contrary to the familiar urban-suburban narrative about poverty in the U.S., there are more poor persons living in the suburbs of American cities than in the cities themselves today. Poverty rates have increased dramatically in suburbs over the last 20 years, as has the concentration of poverty in suburbs. The rise of poverty in suburbs, however, has not coincided with a decrease of poverty in cities. In fact, poverty is more prevalent in cities today than in 1990.

Apart from its practical and demographic significance, the changing spatial distribution of poverty in metropolitan America creates new challenges for the delivery of antipoverty assistance and transform safety net politics. Places in Need offers several important original insights into the interconnections between place, poverty, and the safety net in contemporary America using a unique combination of data

from the Census Bureau, administrative data from state safety net programs, information about local nonprofit human service financing, as well as field work and in-depth interviews in three focal metropolitan areas (Chicago; Los Angeles; and Washington, D.C.). Together, these data provide multiple vantage points from which to consider the realities and consequences of the shifting geography of poverty in metropolitan America. With a careful analysis of how poverty has changed across cities and suburbs, Places in Need provides a foundation for future inquiry and policy activity surrounding the changing geography of poverty in America.

Figure 1 - Number of Poor People in Urban and Suburban Census Tracts, 1990-2014



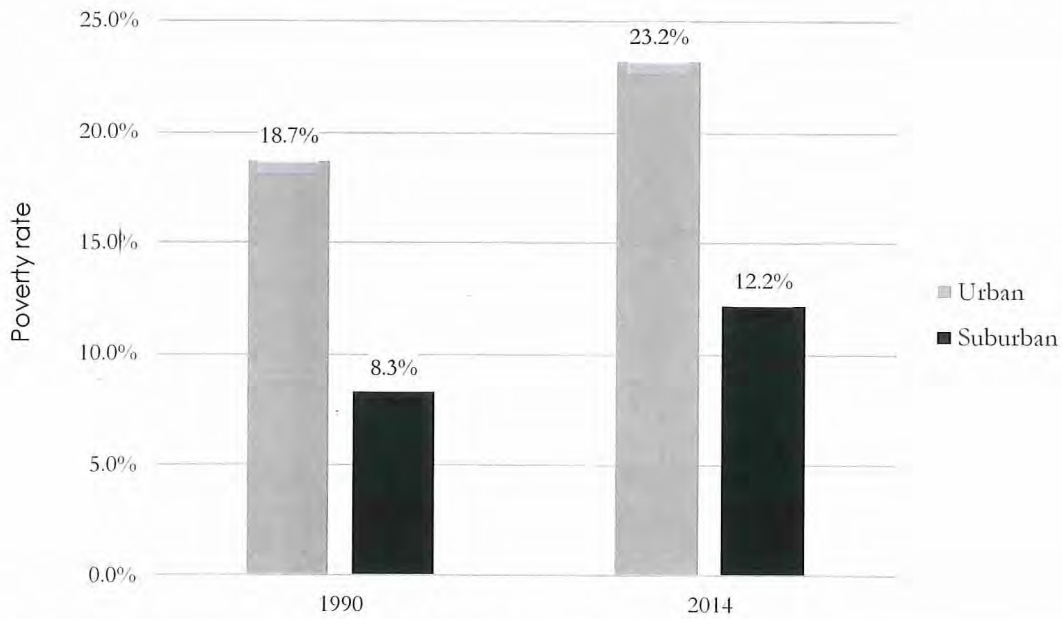
Sources: Census 1990; American Community Survey, 2010-14.

Note: Data are presented for the largest 100 U.S. metropolitan areas. Poverty status is defined as household income at or below the federal poverty threshold. Figures for 2014 reflect five-year ACS data from 2010-14. See Technical Appendix Table A.1 for more detail.

This Figure compares the number of poor persons in urban and suburban locations of the largest 100 metropolitan areas from 1990 to 2014 throughout the U.S. Contrary to our popular impressions, Figure 1.1 shows that poverty has been present in suburban America for some time. Suburbs in the largest 100 metropolitan areas were home to nearly as many poor people in 1990 as cities in those same metros – 8.6 million versus 9.5 million. Moving across the figure, we see that the number of poor persons living in suburbs almost doubled in the next two decades. By 2014, there were nearly 17 million poor persons living in the suburbs of the largest 100 metropolitan areas, compared to just under 13 million in cities.

The rise of suburban poverty in America, however, has not coincided with a precipitous decrease in urban poverty in Chicago or in other major metropolitan areas. Poverty remains a serious problem in most cities. In fact, the number of persons in poverty increased by 33.5 percent in cities from 1990 to 2014.

Figure 2 - Mean Poverty Rate for Urban and Suburban Census Tracts, 1990-2014



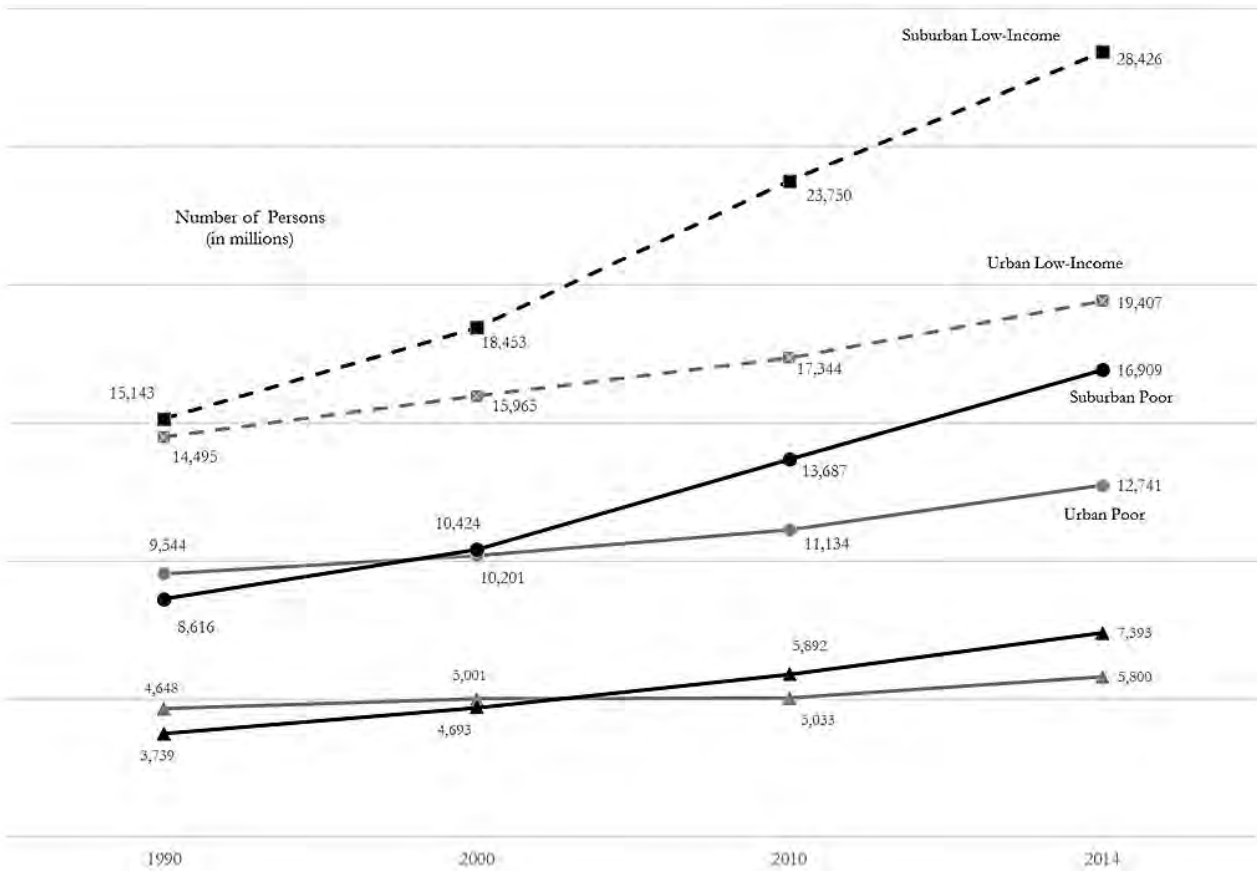
Sources: Census 1990; American Community Survey, 2010-14.

Note: Data are presented for the largest 100 U.S. metropolitan areas. Poverty status is defined as household income at or below the federal poverty threshold. Figures for 2014 reflect five-year ACS data from 2010-14. See Technical Appendix Table A.3 for more detail.

This Figure compares the national poverty rates – or the share of the population living in poverty – in urban and suburban locations of the largest 100 metropolitan areas from 1990 to 2014. Consistent with changes in the number of poor people, we see that the average census tract poverty rate in American suburbs jumped from 8.3 percent in 1990 to 12.2 percent in 2014.

Climbing poverty rates are also seen within cities, however, providing additional evidence that poverty problems have become more, not less, severe in cities over the last two decades. An average urban census tract in 1990 had a poverty rate of 18.7 percent – more than twice that of suburbs. By 2014, the average urban census tract poverty rate increased to 23.2 percent – still about twice as high as in suburbs.

Figure 3 - Number of People with Income Near or Below the Federal Poverty Line in Urban and Suburban Census Tracts



Sources: Census 1990, 2000; American Community Survey, 2006-10, 2010-14.

Note: Data are presented for the largest 100 U.S. metropolitan areas. Poverty status is defined as household income at or below the federal poverty threshold. Figures for 2010 and 2014 are drawn from the 2006-10 and 2010-14 ACS, respectively. See Technical Appendix Table A.1 for more detail.

This Figure traces the number of people living within 150 percent of federal poverty, the number living in poverty, and the number living in deep poverty in urban and suburban locations of the largest 100 metropolitan areas from 1990 to 2014.

In 1990, there were 29.6 million low-income persons in cities and suburbs of the largest 100 metropolitan areas combined. By 2014, the number of persons with income near or below poverty increased to 47.8 million, about one-quarter of the total population in these metro areas.

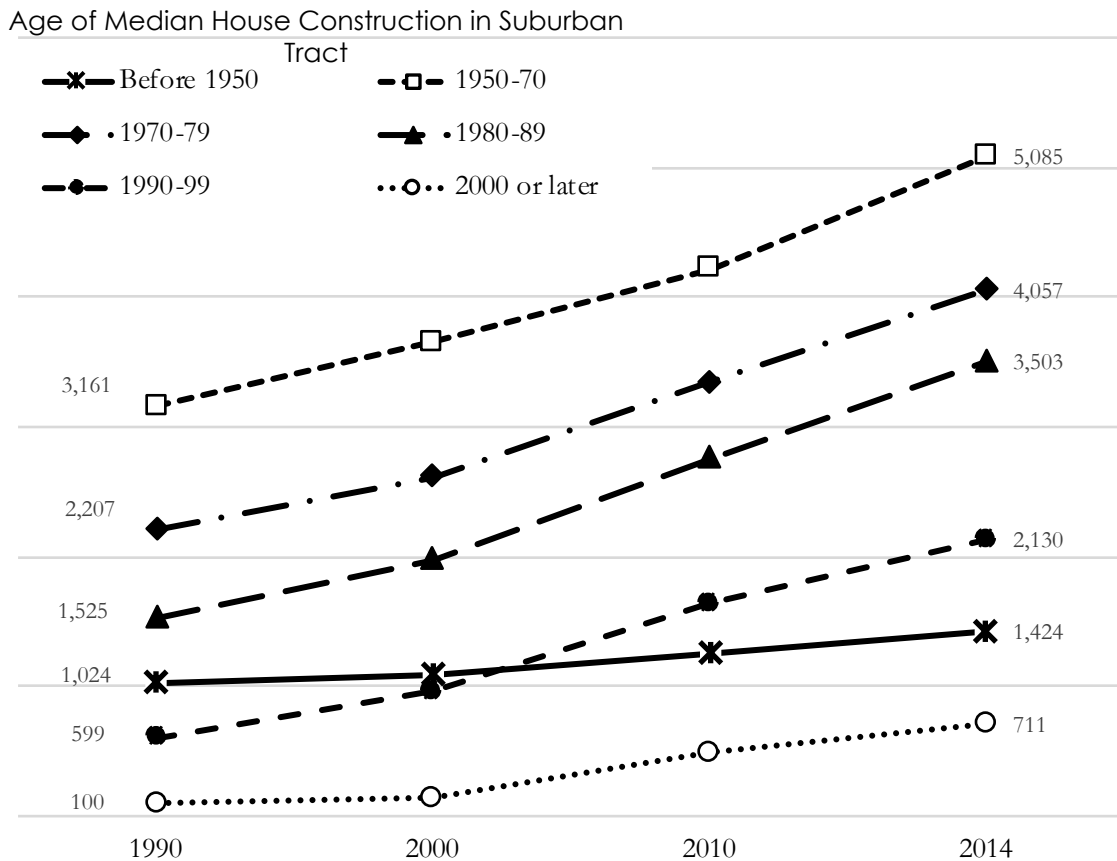
The left side of Figure 3.1 shows there were more persons with low levels of income in suburbs (15.1 million) than in cities (14.5 million) in 1990. Significant increases in the number of low-income persons have occurred across the urban and suburban landscape over the past twenty-five years, but changes have been most dramatic in suburbs. By 2014, there were nearly 10 million more persons in suburbs with income near or below the poverty line as in cities (28.4 million versus 19.4 million). Nearly six of

every ten persons with income at or below 150 percent of federal poverty live in suburbs today, compared to five in ten in 1990.

The number of persons with income at or below 150 percent of federal poverty has increased by one-third in cities, but nearly doubled in suburbs since 1990. As with metro areas overall, the rate of increase in the number of low-income persons in suburbs and cities far exceeds population growth rates.

As striking as these trends in low-income urban and suburban residents might be, the bottom portion of Figure 3 reveals that more than 13 million Americans in our largest metropolitan area live in deep poverty – less than half of the federal poverty line or less than \$200 per week for a family of three. The common spatial discourse around poverty in America would expect persons with very little income to live mostly in urban, rather than suburban, areas. Contrary to these popular impressions, however, deep poverty is increasingly a suburban reality. There were 3.7 million individuals living in deep poverty in the suburbs of our largest 100 metropolitan areas in 1990, compared to 4.6 million in the cities of those metros. By 2014, there were 7.4 million persons in deep poverty in suburban census tracts of the largest 100 metros, compared to 5.8 million persons in central cities.

Figure 4 - Number of Poor People Across Mature and Newer Suburban Tracts



Sources: Census 1990, 2000; American Community Survey, 2006-10, 2010-14. Note: Data are presented for the largest 100 U.S. metropolitan areas. Poverty status is defined as household income at or below the federal poverty threshold. Figures for 2010 and 2014 are drawn from the 2006-10 and 2010-14 ACS, respectively. See Technical Appendix Table A.1 for more detail.

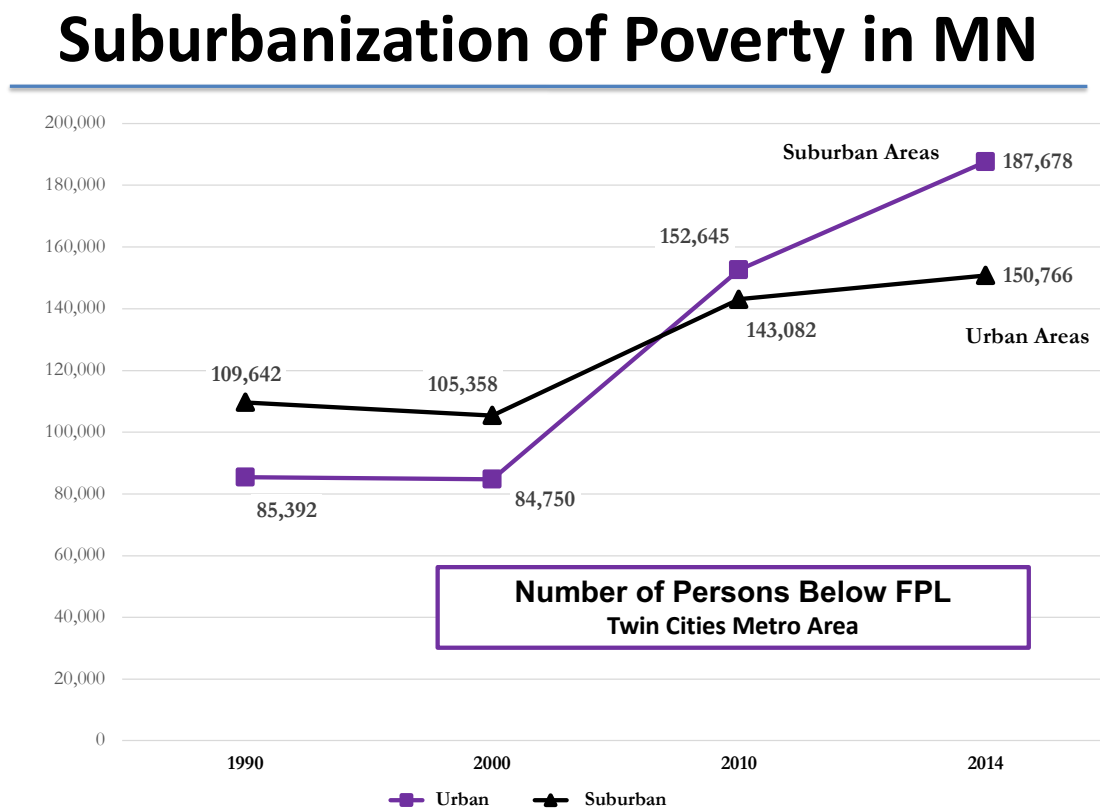
Figure 4 compares the national poverty rates by the age of median housing construction in suburbs of the largest 100 metropolitan areas from 1990 to 2014. This figure shows that poverty problems are not isolated to just older inner-ring suburbs.

Older suburbs built before 1950 are home to fewer poor persons today than suburbs largely built in the 1990s (1.4 million versus 2.1 million, respectively). In fact, the spatial distribution of the poor across mature versus newer suburbs roughly matches the overall population distribution. One-third of all suburban residents live in older suburbs built before 1970 (33.7 percent) and slightly more than one-third of all suburban poor persons live in suburbs built before 1970 (38.5 percent).

Slightly more than 40 percent of all suburban residents live in suburbs built in the 1970s and 80s (43.2 percent). A nearly identical share of poor suburban residents lives in suburbs built during the same two-decade span (44.7 percent).

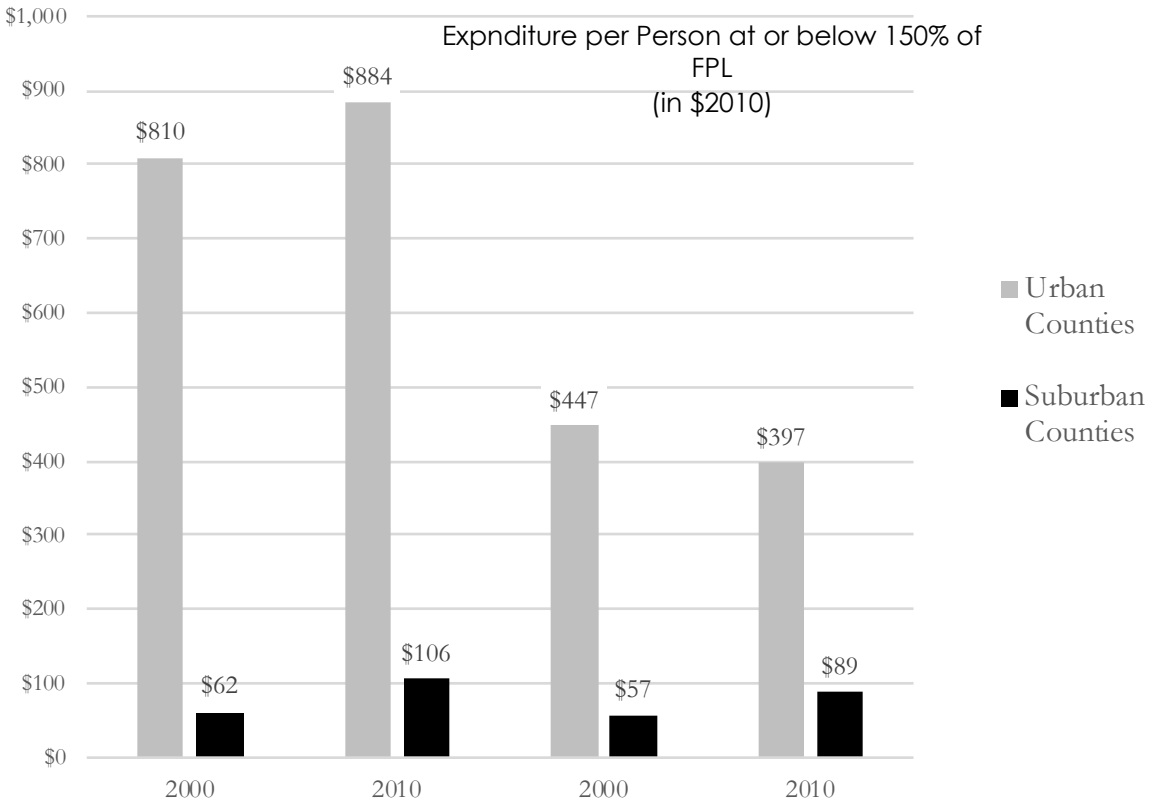
Newer suburbs, those developed after 1990, are somewhat of an exception to this pattern. Following many years of steady growth and expansion, almost 25 percent of all suburban residents live in suburbs built in the last two decades, but only 1 in 6 suburban poor persons reside in the newest suburbs.

Figure 5 – Suburbanization of Poverty in Minnesota



Sources: Census 1990, 2000; American Community Survey, 2006-10, 2010-14.

Figure 6 - Median Annual Nonprofit Human Service Expenditure per Person at or below 150% FPL by Urban and Suburban Location, 2000-2010



Sources: Census 2000; American Community Survey, 2006-10; National Center for Charitable Statistics 2000, 2010.

Note: Poverty status is defined as household income at or below the federal poverty line (FPL). Near poverty is defined as household income at or below 150 percent of federal poverty. See Technical Appendix A.13 for more detail.

Figure 6 presents national median nonprofit human service expenditure per person at or below 150 percent of poverty across urban and suburban counties. The left-hand side of Figure 4.3 reports per capita expenditures for all nonprofit human service organizations; the right-hand side reports per capita expenditures for nonprofits with annual revenue of \$10 million or less. These figures provide estimate of how much funding for all social service programming might exist per low-income person in a typical urban or suburban county.

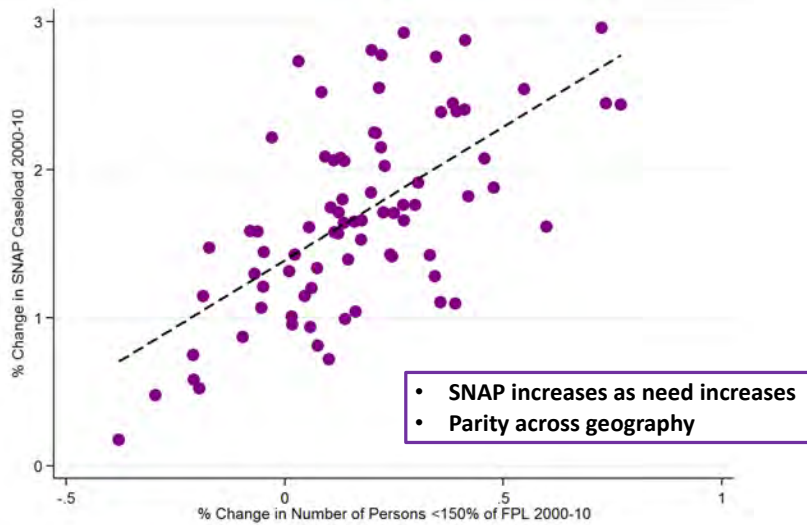
We see that nonprofit social service organizations in the median urban county spent \$884 per low-income person in 2010 across all nonprofits. This would amount to about \$44 per month, per low-income person across the social service spectrum – food assistance, employment services, behavioral health, homelessness services, and many other types of assistance. Suburban counties spend far less per

low-income person on nonprofit social services by comparison. The median suburban county spent \$106 per low-income person in 2010.

Dramatic geographic differences in nonprofit human service sector capacity persist when looking at smaller community-based nonprofits with less than \$10 million in revenue. Median per poor person expenditures remain four times higher in urban versus suburban counties in 2010 (\$397 versus \$89). In neither instance, do these per capita figures suggest there are nearly adequate funds or resources to provide support services to low-income families in metropolitan America.

Figure 7 – Safety Net Responses in Minnesota

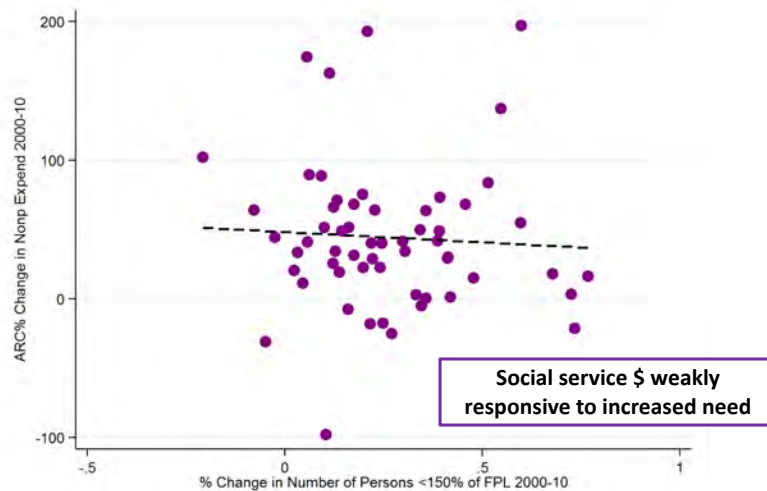
Safety Net Response in MN: SNAP



Sources: 2000 Census; 2006-10 American Community Survey; U.S. Census Bureau, SNAP Benefits Recipients, Small Area Income and Poverty Estimates 2015.

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Safety Net Response in MN: Social Services



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Sources: 2000 Census; 2006-10 American Community Survey; National Center for Charitable Statistics.

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