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# The Suburbanization of Poverty in the Portland-Vancouver Metropolitan Region Brendon Haggerty, MURP

# ABSTRACT

The Suburbanization of Poverty in the Portland-Vancouver Metropolitan Region discusses the recent demographic shift of people in poverty moving away from central cities and into American suburbs. The paper highlights the implications of this trend for the Portland-Vancouver region and outlines potential policies and programs to alleviate suburban poverty and its impacts.

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# The Suburbanization of Poverty in the Portland-Vancouver Metropolitan Region



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#### Introduction

Where people in poverty live has shifted dramatically in America's metro areas over the past decade. For much of the last century, poverty has been concentrated in central cities. Although central cities continue to have high poverty rates, the balance has shifted such that there are now more people living in poverty in America's suburbs than in its central cities. This shift raises questions about equity, especially as our region strives to ensure access to resources that support health and prosperity.

Elizabeth Kneebone and Alan Berube of the Brookings Institution synthesized these trends in their 2013 book, *Confronting Suburban Poverty in America*. Among their compelling findings is that the growth rate of populations in poverty is higher – in some cases many times higher – in suburbs compared to central cities. The authors found that from 2000 to 2011, the population in poverty increased 29% in central cities in the US, compared to 64% in suburbs.

This paper examines the suburbanization of poverty in the Portland-Vancouver metropolitan region and the implications of these changes for achieving an equitable region. Geographic patterns in the distribution of poverty are illustrated using the Coalition for a Livable Future's Regional Equity Atlas 2.0 and US Census data. To provide a framework for understanding the statistical trends related to poverty, it is important to first define the measures of poverty that will be used in this paper:

- "Poverty" is defined by the federal poverty threshold.<sup>1</sup> The 2014 poverty threshold for a family of four was \$23,850.
- "Number of persons in poverty" refers to the number of individuals whose income is below 100% of the federal poverty threshold.
- "Absolute measure of poverty" refers to the number of persons living in poverty.
- "Poverty rate" refers to the percent of the population living in poverty.
- Poverty growth rate is a measure of change over time, such as the five-year rate of increase in the number of persons in poverty. It is the increase or decrease of a measure of poverty over a defined period of time.

# TABLE 1

#### Poverty in the Portland Metro Region<sup>i</sup>

Number of persons in poverty	316,515	
Poverty rate	14%	
Change in the number of persons in poverty 2007-2012	32.7%	

<sup>&</sup>lt;sup>1</sup>The methodology used to set the federal poverty threshold is widely criticized as outdated and is believed to underestimate the number of people living in poverty. Despite these limitations, this paper relies on the federal poverty data because it is the only data available that enables us to map poverty across the region in a consistent and comprehensive manner. For more information on the federal poverty threshold, see http://aspe.hhs.gov/poverty/12poverty.shtml

As indicated in **Table 1**, over 300,000 people in our region lived in households with incomes below the federal poverty threshold in 2012. This number represents 14% of the region's population, and this group grew in size by more than 30% in five years.

#### National Trends

The year 2000 marked the first time in at least 30 years that the number of people living in poverty in America's suburbs was greater than the number living in poverty within central cities (see **Figure 1**).<sup>ii</sup> This change is important because it upends archetypical images of urban America. For years, the cultural narrative of America's central cities focused on the process of "white flight," the midcentury exodus of wealthy white households that left a concentration of people of color and poor households in urban areas. While elements of the traditional image remain, data on the growth of suburban poverty over the past decade challenge this cultural narrative.

As Kneebone and Berube point out, the impacts of growing suburban poverty go far beyond a shift in our ideas about cities. Suburbs tend to lack the infrastructure and services that are typically available in more urban areas. The absence of these services makes the burden of living in poverty particularly challenging. For example, access to public transit is typically much better in central cities than in suburbs. Nationwide, an estimated 23% of low-income suburban areas have no transit service at all, and only 25% of jobs are accessible within a 90-minute transit trip.<sup>iii</sup> Similarly, the nation's anti-poverty policies and programs tend to focus on central cities, making it more difficult for suburban residents to access the services and resources necessary to assist them in meeting their basic needs. Awakening to the suburbanization of poverty therefore means not just changing our understanding of the distribution of poverty, but also changing the policies and programs aimed at alleviating it.

#### Figure 1





The causes of these demographic shifts are complex, but Kneebone and Berube hypothesize that there are four primary factors driving the suburbanization of poverty over the past decade:

#### 1. Population

The overall population in suburbs has grown faster than that in central cities. From 2000 to 2010, the population of central cities nationally grew by about 4.5%, compared to over 14% in suburbs.<sup>iv</sup> Even if the poverty rate in suburbs remained stable, we would expect the absolute number of persons in poverty to increase faster in the suburbs than in the cities because of this difference.

### 2. Immigration

Newly arriving immigrants and refugees are increasingly settling in the suburbs. In stark contrast to the historic tendency for immigrants to be concentrated in cities, about half of all immigrants now live in suburbs. Challenges like limited English proficiency, discrimination, and lack of professional networks in the local job market contribute to disproportionately high poverty levels within the immigrant population.

### 3. Housing

Another driver of the shifting distribution of poverty is housing dynamics. In metropolitan areas with healthier housing markets, central city neighborhood rents are rising faster than those in suburbs, leading more low-income residents to move to the suburbs. Federal policy changes in the 1990s also made it easier for Housing Choice Voucher (commonly known as "Section 8") recipients to move to areas outside of central cities, and roughly half of recipients now locate in suburbs.

The foreclosure crisis of the late 2000s may have exacerbated the trend of growing suburban poverty. Analysis by the Federal Reserve Bank of San Francisco found that many suburban neighborhoods had higher rates of foreclosure than urban neighborhoods.<sup>v</sup> The same study observed a correlation between high foreclosure rates and high poverty growth rates in suburbia.

#### 4. Economy

A final driver of the suburbanization of poverty is the structure of the economy. The recession of 2007-2008 hit suburban areas particularly hard, and high unemployment persists in many suburban areas. Furthermore, much of the job growth in suburban areas has focused on low-wage job sectors such as retail and hospitality, and suburban residents who fill these jobs often don't earn enough to exit poverty.

## Metro-Area Trends

The shifting demographics of poverty in the Portland-Vancouver metropolitan region are largely consistent with the national trends. Kneebone and Berube compare the region's two most populous cities -- Portland and Vancouver -- to the rest of the metropolitan area. Portland and Vancouver had a combined 2011 poverty rate of 19.5%, well above the 12.8% found in the region's suburbs. However, from 2000-2011, the growth rate of the population in poverty in the region's suburbs was substantially higher than in Portland and Vancouver: the poor population in suburban areas grew by 99% during this time frame, compared to only 71% in Portland and Vancouver.

To supplement Kneebone and Berube's analysis, I examined US Census poverty data for each of the region's incorporated municipalities for the same time period (2000-2011).<sup>2</sup> Whereas Kneebone and Berube treat Portland and Vancouver as a combined central city, my analysis treats each municipality separately. There are 41 municipalities in the region, but poverty estimates for some smaller municipalities are not reliable enough to include in this analysis due to sample size issues.<sup>3</sup> The remaining 28 municipalities were home to about 1.4 million people in 2011.

<sup>&</sup>lt;sup>2</sup> Single year estimates for 2011 are available only for geographies with populations of 65,000 or more. This analysis therefore uses American Community Survey 5-year estimates. <sup>3</sup> American Community Survey data for small areas tend to have large margins of error. This analysis follows Census Bureau guidance, omitting data in cases where the coefficient of variation  $\geq$  0.30. Municipalities with large margins of error include Banks, Barlow, Durham, Gaston, Happy Valley, Johnson City, Maywood Park, North Plains, Rivergrove, La Center, Ridgefield, and Yacolt. Additionally, the municipality of Damascus was not yet incorporated in 2000 and therefore could not be included in the comparative analysis.

My analysis of poverty trends in these 28 municipalities indicates that the growth rates of populations in poverty have been dramatic throughout the region over the past decade. This trend alone is worrisome, but the markedly uneven spatial distribution of this growth in poverty rates is also concerning. **Figure 2** compares the growth rates of the overall populations (shown in gray) and the populations in poverty (shown in black) for each of the municipalities.<sup>vi</sup>

As **Figure 2** demonstrates, from 2000 to 2011, overall population growth among metro-area municipalities ranged from a slight decline of -3% in Milwaukie, OR to a high of 85% in Battle Ground, WA. Portland's population grew 9%, and Vancouver's grew 13%. In every municipality but one, the population in poverty grew at a faster rate than the population as a whole. Fairview was the only suburb to lose poor residents, in stark contrast to places such as Troutdale, Wood Village, and King City, which each saw their population in poverty more than double. At the extreme, King City's poor population grew by 456%. Notably, in smaller municipalities such as King City, this growth rate represents relatively few people, in this case an increase of about 220 poor residents. But in larger suburbs, such as Tualatin (which saw an increase of 150%) and Wilsonville (which saw an increase of 157%), such large increases represent thousands of residents living in poverty.

#### Figure 2



#### Growth rates of overall population and populations in poverty 2000-2011

# **TABLE 2**

# Population Change by Poverty Status, 2000-2011

Municipality	Change, Non-Poverty Population	Change, Population in Poverty	Total Population Growth Rate	Population in Poverty Growth Rate
Battle Ground	6,709	1,006	85%	118%
Beaverton	8,458	4,827	18%	83%
Camas	5,498	675	49%	99%
Canby	2,027	586	20%	61%
Cornelius	1,541	491	21%	32%
Estacada	99	297	17%	102%
Fairview	1,316	-273	14%	-19%
Forest Grove	1,507	1,826	20%	77%
Gladstone	-774	1,064	3%	107%
Gresham	7,313	6,328	15%	57%
Hillsboro	15,864	4,189	29%	66%
King City	785	219	50%	456%
Lake Oswego	365	1,146	4%	97%
Milwaukie	-1,607	1,024	-3%	66%
Molalla	1,951	480	45%	92%
Oregon City	4,554	1,771	26%	82%
Portland	20,764	27,282	9%	40%
Sandy	3,477	400	73%	93%
Sherwood	5,215	456	47%	142%
Tigard	5,078	1,361	16%	50%
Troutdale	639	1,347	15%	211%
Tualatin	1,383	1,876	14%	150%
Vancouver	10,686	7,439	13%	43%
Washougal	4,255	926	61%	112%
West Linn	2,614	146	12%	17%
Wilsonville	2,506	1,229	27%	157%
Wood Village	267	800	41%	367%
Woodland	1,091	492	43%	123%

In absolute terms, nine municipalities gained more new poor residents than non-poor residents. In other words, for each new resident not in poverty, these municipalities gained more than one resident living in poverty. For example, Troutdale gained about 700 more people living in poverty than people not living in poverty. These municipalities, identified in **Table 2**, include Portland, Milwaukie, Forest Grove, Lake Oswego, Estacada, Gladstone, Tualatin, Troutdale and Wood Village. Portland alone added about 27,000 new residents living in poverty, whereas the rest of the region had a combined addition of about 42,000.

While the numbers in Table 2 show that Portland had the largest increase of any municipality in absolute terms, the growth rate of the population in poverty was relatively small compared to other jurisdictions. From 2000 to 2011, Portland's population in poverty grew by 40%. The only municipalities in the region with lower poverty growth rates were Cornelius, West Linn, and Fairview. In all other suburban municipalities, the poverty growth rate was much higher. For example, the poverty rate grew by 66% in Milwaukie, 83% in Beaverton, 97% in Lake Oswego, and 150% in Tualatin. Across all the suburban municipalities in the metropolitan region, the population in poverty grew by an average of 115%, nearly three times the growth rate in Portland. Figure 3 displays the poverty growth rates by municipality.

These data are indicative of a regional trend that is consistent with national trends: the suburban poor population is growing at a much faster rate than that in central cities. It is important to note that this analysis is limited to populations within incorporated municipalities, and therefore excludes residents of unincorporated areas. This is a significant limitation, but one that is unlikely to affect the overall finding that poor populations are growing faster outside of central cities than within them, since there are sizeable low-income populations in some of the region's unincorporated areas as well.



#### Implications of the Regional Trends

The implications of this trend from an equity perspective become clear when we combine this analysis with data from CLF's Regional Equity Atlas. A key theme that emerges from the Equity Atlas maps and the accompanying commentary on the equityatlas.org website is that access to resources is unevenly distributed across our region. Research from across the country shows that these conditions can contribute to negative outcomes in terms of health, economic opportunity, and quality of life.vii, viii Neighborhoods that provide access to jobs, opportunities for safe physical activity, healthy food options, and places for social interaction support health and prosperity. Conversely, neighborhoods that lack these features can exacerbate existing disadvantages among vulnerable populations. The following maps from the Equity Atlas display data on access to jobs, physical activity, healthy food, and public services across the region.

**Figure 4** displays the spatial differences in transit access to jobs within the region. Visually, this map indicates that transit access to jobs is worse in areas farther from the central city, in many of the places with the fastest poverty growth rates. Low-income transit riders are more likely to depend on transit for transportation, so the combination of low levels of service and high poverty growth is concerning.

**Figure 5**, which displays geographic variations in access to opportunities for active living, shows a similar pattern. The map demonstrates that proximity to factors that contribute to active living -- such as sidewalk density, transit service, proximity to recreational facilities, and proximity to parks -- tends to be best in areas closest to Portland and worst in many suburban areas farthest from the central city.







The pattern is less visually obvious for some other measures of access, shown in Figures 6 through 8, but a statistical analysis of the data underlying the maps, as reflected in the maps' composite scores, demonstrates a consistent pattern for these measures as well.<sup>4</sup> Areas outside of Portland have significantly lower access to healthy food, key financial and retail services, and public and human services. To help illustrate this difference in access, Table 3 compares the average composite scores for the census tracts within the city of Portland to the census tracts beyond the Portland city limits. For each measure of access, tracts within Portland averaged much higher, and statistical tests confirm that these differences are significant. The greatest difference between the two groups is in access to jobs, with Portland tracts having vastly greater transit access to family wage jobs. Measures of access to key financial and retail services, as well as human services,

show a less dramatic difference in access to those services, although tracts outside of Portland still score substantially lower on those measures.

# TABLE 3

Mean Composite Score Among	<b>Census Tracts</b>
(see footnote 4)	

	Tracts within Portland (n=142)*	Tracts outside of Portland (n=317)		
Transit access to jobs	83.6	23.6		
Access to key financial and retail services	72.2	48.2		
Access to opportunities for active living	62.5	35.1		
Access to public and human services	60.5	36.9		
Access to healthy food	59.1	29.5		
*The mean among tracts within Portland is significantly higher ( $p < 0.05$ ) for all measures based on independent t-tests.				

<sup>&</sup>lt;sup>4</sup> The Equity Atlas assigns a score of 1 to 5 to every census tract in the region based on the average proximity of each block in the census tract to specific indicators. A score of "5" indicates proximities within ¼ mile, while a score of "1" or below indicates proximities greater than 1 mile. Composite scores, which are measured using a scale of 1 to 100, combine the scores from each individual indicator within a composite map to create an overall measure of proximity. The higher the composite score, the better the access to the measured indicators. This scoring is explained further at the Regional Equity Atlas website, https://clfuture.org/regional-equity-atlas/how-to-read-atlas-maps.





This analysis suggests that our region's population in poverty is growing the fastest in the places least equipped to support health and prosperity. Research shows that people's health is directly influenced by where they live. Figure 9 ix illustrates the relationships between neighborhoods and health. Education and income are among the most powerful predictors of health and economic prosperity, making access to jobs and education critically important.<sup>x</sup> Neighborhood attributes like the mix of destinations, street connectivity, infrastructure for walking and biking, and transit service, are associated with increased physical activity and decreased obesity, which in turn affect long-term health and wellbeing. xi, xii Proximity to healthy food retail influences eating habits, another indicator of long-term health.xiii

When some of the region's residents have better access to these resources than others do, it reinforces existing patterns of inequality. This is especially true when those without access lack the means to overcome these conditions. For example, a lack of active transportation options or inadequate access to parks might not be a significant barrier to good health for people who can afford the time and money to exercise at a gym, but this is not a realistic strategy for people who can't afford a gym membership or are spending every available hour working. Figure 9

Relationships between neighborhoods and health. Adapted from Diez-Roux and Mair, 2010.



#### Conclusions

An increasing number of our neighbors aren't benefiting from our region's high quality of life. This paper highlights two worrying trends. First, the region's population in poverty is growing. Second, it is growing fastest in the places that typically offer the least support to people living in poverty. Our region's central cities continue to have high poverty rates, but poverty is growing the fastest in suburban areas that have limited access to transit, active living, healthy food, and key services. In a region that is internationally recognized for high levels of access to healthy and sustainable environments, it is easy to assume or hope that poor populations share in the benefits of livable neighborhoods. The growth of populations in poverty in suburban areas with lower access to essential resources and opportunities suggests that the region is moving further away from such an ideal.

Incomplete neighborhoods stack the deck against people who are already struggling. As Kneebone and Berube put it, "there is no good place to be poor, but being poor in the suburbs means facing a unique set of challenges".<sup>xiv</sup> This is not to suggest that every place in the region must have urban levels of infrastructure, but the high growth rate of the suburban population in poverty compels us to focus on improving access. We must work to ensure that low-income households are able to live in neighborhoods that offer access to the resources necessary to live a prosperous and healthy life.

**Suburbs need to adapt.** At a minimum, these trends should cause us to examine whether the services and infrastructure that support populations in poverty have grown at a pace commensurate with the growth of the population in poverty. That is to say, if the poor population in Troutdale has more than doubled, has the capacity of the services in Troutdale doubled? The human services and public services displayed in **Figure 8** are just one part of a broader set of systems and supports that can help alleviate the effects of poverty; they must be complemented by access to resources that represent a complete neighborhood.

We can change what we can control. Land use and infrastructure decisions are made at the local level; city councils and county boards control how neighborhoods are developed. We may not be able to affect broad economic trends that increase poverty, but we can make sure that our decisions about how to build and develop don't exacerbate its effects. We can be thoughtful when we build neighborhoods, ensuring that they include a mix of uses, transit service, access to healthy food, and safe infrastructure for walking and biking. In many cases, neighborhoods are already developed, making it necessary to prioritize investments in retrofitting existing infrastructure.

An awareness of how the distribution of poverty is changing should guide our programs and policies. A basic familiarity with these shifting patterns should factor into every public decision affecting populations in poverty. While the poverty rate remains higher in central cities, the suburban population in poverty is larger and is growing faster. Acknowledgement of this fact is a first step in making strategic decisions that can help lift people out of poverty and ensure that they have access to the many benefits of living in the Portland-Vancouver Metropolitan Region.

# About the Author

**Brendon Haggerty** has worked in state and local public health departments in the Portland Metropolitan area since 2010. His work focuses on health and the built environment. He was a member of the Regional Equity Atlas 2.0 Advisory Committee through his previous position as Program Coordinator at Clark County Public Health.

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