TRENDS REPORT
CONCENTRATIONS OF POVERTY:
1970-2016
INTRODUCTION

This report’s purpose is to provide an overview of historic and current Census data about Hillsborough county residents in poverty. Although the report addresses the entire Hillsborough County, the primary focus will be on downtown Tampa (the urban core) and the University Area.

The report’s focus is on answering the question: To what extent does Hillsborough county mirror the nation with respect to where the poor live? Poverty researchers measure poverty both at the income level (how much money is earned) and spatial level (where do the poor live). Where there are many poor people living in the same neighborhood, the area is defined as an area of concentrated poverty. For discussion, the analysis in this brochure occurs at the local level (by local level, “neighborhood” is used synonymously with “Census Tract”).

Current research states there was a timeframe, approximately from 1970 to 1990, where poverty was concentrated in urban cores. Beginning around the year 2000, the concentration of poverty began to disperse outwards towards the suburbs. The Great Recession accelerated this dispersion and increased the numbers of those in poverty, finding them located away from the downtown urban core.

POVERTY CALCULATED

The calculation of poverty is often expressed as a ratio. The most common example is the ratio of income to poverty. Simply put, the ratio of income to poverty is expressed as a person’s or family’s income divided by their poverty threshold. The Federal Government recognizes and defines three specific categories of poverty: 1) In Poverty, 2) Near Poverty, and 3) Deep Poverty. Researchers, Kathryn Edin and H. Luke Shaefer have proposed an additional category of .25 or Extreme Poverty for those surviving on $2.00 or less a day. For example, a family of four, in extreme poverty, would have an income between $6,085 and $12,170. To learn more about the other poverty descriptions, the sidebar on page 3 explains these designated categories of poverty.

What is Poverty?

<table>
<thead>
<tr>
<th>Size of family unit</th>
<th>Weighted average thresholds</th>
<th>Related children under 18 years</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>None</td>
</tr>
<tr>
<td>One person (unrelated individual)</td>
<td>12,229</td>
<td></td>
</tr>
<tr>
<td>Under age 65</td>
<td>12,496</td>
<td>12,496</td>
</tr>
<tr>
<td>Aged 65 and older</td>
<td>11,511</td>
<td>11,511</td>
</tr>
<tr>
<td>Two people:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Householder under age 65</td>
<td>16,615</td>
<td>16,072</td>
</tr>
<tr>
<td>Householder aged 65 and older</td>
<td>14,622</td>
<td>14,507</td>
</tr>
<tr>
<td>Three people</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Four people</td>
<td>24,563</td>
<td>24,756</td>
</tr>
<tr>
<td>Five people</td>
<td>29,111</td>
<td>29,854</td>
</tr>
<tr>
<td>Six people</td>
<td>32,929</td>
<td>34,337</td>
</tr>
<tr>
<td>Seven people</td>
<td>37,458</td>
<td>39,509</td>
</tr>
<tr>
<td>Eight people</td>
<td>41,781</td>
<td>44,181</td>
</tr>
<tr>
<td>Nine people or more</td>
<td>49,721</td>
<td>53,156</td>
</tr>
</tbody>
</table>

Source: U.S. Census Bureau
The United States has two agencies that define poverty. The United States Census Bureau incorporates information from the Annual Social and Economic Supplement (ASEC) and the Current Population Survey (CPS) to create poverty thresholds (see Table 1, page 2). The United States Department of Health and Human Services (HHS) issues poverty guidelines which are simplified versions of the poverty thresholds.

It is important to distinguish between poverty thresholds and poverty guidelines, when analyzing poverty data. Because they are not interchangeable, conflating the terms can problematize an analysis. Poverty thresholds are the definitive measure for determining who is or is not in poverty. Poverty guidelines determine who is eligible to participate in federal programs. Poverty thresholds are for statistical purposes, and poverty guidelines are for administrative purposes. A poverty analysis may include both sets of data, but guidelines are more general in nature.

Table 1 is a 48 cell-matrix of household characteristics based on household composition and related children. The poverty thresholds are updated annually for inflation using the Consumer Price Index (CPI-U). To determine poverty status, a researcher determines the size of the family unit and the number of related children or the size of the household. For example, a family with two adults and two children would be in poverty if the household earned less than $24,339. This amount, defined as Money Income, does not include capital gains or losses, noncash benefits or tax credits. The total amount includes only income that is pre-taxed.
Poverty at the Neighborhood Level

This report will not utilize poverty to income ratios in its analysis. Instead, the report will focus on the spatial component of poverty. Throughout the analysis that follows, this report largely follows the methodology and analysis described by Paul Jargowsky, in a number of publications, where he addresses Concentrations of Poverty. The term, concentration of poverty, refers to the geographic concentration (e.g. where people live) of residents where the poverty rate is greater than 40%. As he states in the Appendix to his Architecture of Segregation:

_In most studies of segregation and concentration of poverty, census tracts serve as proxies for neighborhoods. These are small, relatively homogenous geographic areas created by the U.S. Census Bureau. The boundaries of these areas follow natural and manmade boundaries such as rivers, railroad tracks, and major streets and they are adjusted from time to time as the population grows or shrinks. Nationally, there are about 72,000 census tracts included, with a mean population of 4,200 and a standard deviation of 2,000. Census tracts are designated as high-poverty neighborhoods if 40 percent or more of the residents are poor according the federal poverty threshold._

_Currently, a family of four is considered poor if its family income is less than about $24,000. The concentration of poverty is defined as the percentage of an area’s poor population that lives in high-poverty neighborhoods (that is, census tracts). The area could be a county, metropolitan area, state, or the nation as a whole (Jargowsky 2015)._ 

**CONCENTRATION OF POVERTY AT THE NEIGHBORHOOD LEVEL**

Throughout the brochure, poverty is measured at the neighborhood level. The best way to measure poverty in a neighborhood is to rely on Census Tracts. As noted above, tracts are small geographic areas that have between 2,500-8,000 people. The boundaries of a Census Tract remain consistent for 10 years. They are defined before a decennial Census and data is aggregated to the Census Tract boundaries.

In order to make useful comparisons, the Planning Commission used The Census Tract Longitudinal Tract Database (LTDB) from Brown University. The LTDB interpolates data from earlier censuses to the 2010 Census Tract Boundaries allowing meaningful comparisons to be made using the same geographic boundaries across time. Although there are a few drawbacks in using the LTDB (fractional persons, false positives), the overall utility out-weighs them.

After the 2000 Census, and beginning in 2006, the Census Bureau no longer asked long-form questions. Long-form questions are the detailed questions concerning income, poverty, wage and salary data reported in the 1970-2000 Censuses. The alternative to the long-form questions, the American Community Survey, was created to fill this gap. The American Community Survey provides five-year summary data at the Census Tract level every year. This new source has many benefits but one major drawback: sample size.
For this reason, the values reported for any American Community Survey have a 90% confidence threshold. The American Community Survey publishes the margins of errors (MOE) and researchers factor in these MOEs to determine the likely value. For example, a Census Tract can have a reported value of 700 residents below the poverty threshold with a margin of error of 50 people. The Census Bureau is 90% confident that the true value is 700 people with an upper value of 750 people and a lower value of 650 people.

We accounted for the MOEs by assigning a color code to the Census Tract labels on the map. A label in red reflects a poverty rate where the MOE could place the value below 40%. A label in green reflects a poverty rate where the MOE has no effect and the true value, adjusted for the MOE, is still above 40%.

TRENDS IN POVERTY AT THE NEIGHBORHOOD LEVEL

Poverty at the neighborhood level in Hillsborough County has consistently followed national trends. From the earliest Census Data available (1970) through the 2000 Census, poverty was concentrated in the urban core, in or around, downtown Tampa. This area was south of Martin Luther King Boulevard, generally located west of 22nd Street and east of Florida Avenue. Across the Hillsborough River and in historical West Tampa, near the University of Tampa, concentrations of poverty also existed.

Economic cycles increase and decrease concentrations of poverty as well as policy decisions. The maps reflect both conditions as five of the Census Tracts with concentrated poverty also have subsidized housing. These are Census Tracts 12, 31, 33, 40 and 43. However, throughout recessions and recoveries, these Tracts have had consistently high concentrations of poverty. The 2000 Census is the exception that proves the rule (see Table 2).

<table>
<thead>
<tr>
<th>RECESSION</th>
<th>CENSUS YEAR</th>
<th>TRACT 12</th>
<th>TRACT 31</th>
<th>TRACT 33</th>
<th>TRACT 40</th>
<th>TRACT 43</th>
</tr>
</thead>
<tbody>
<tr>
<td>12/69--11/70</td>
<td>1970</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
</tr>
<tr>
<td>1/80--07/80</td>
<td>1980</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
</tr>
<tr>
<td>NONE</td>
<td>1990</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
</tr>
<tr>
<td>NONE</td>
<td>2000</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>x</td>
<td>x</td>
</tr>
<tr>
<td>12/07--06/09</td>
<td>2010</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
</tr>
</tbody>
</table>

Table 2: Prevalence of High Poverty Neighborhoods During Business Cycles

Source: Business Cycle Data derived from National Bureau of Economic and Business Research; analysis prepared by Planning Commission.
Poverty results from Decennial Census data.

In 1970, the poverty rate for Hillsborough County was 15.8% or 77,215 persons. The areas of concentrated poverty were all within the City of Tampa except for one located in the City of Plant City. Of the 10 neighborhoods where poverty was concentrated, they accounted for 22% of the total number of persons in poverty or 16,931 people. All but two neighborhoods were in downtown Tampa, the exceptions being the one in Plant City and one in Tampa Heights (see Map 1: 1970).

By 1980, the poverty rate had decreased to 14.2% or 87,921 persons. By this time, all the areas of concentrated poverty were within the City of Tampa. The decrease in the poverty rate resulted in these areas accounting for 19% of the total population or 16,487 persons. Once again, except for the tract in Tampa Heights, the entirety of concentrated poverty was in downtown Tampa (see Map 2: 1980).

The 1990 Census showed that poverty remained concentrated in the downtown area. Although the poverty rate was 13.3% (or 108,744 persons) countywide, the area of concentrated poverty had a poverty rate of 15% and represented 15,822 persons. The total population in these neighborhoods accounted for 30,065 persons so over half lived in poverty. To put it another way, 15% of the poor population in Hillsborough County lived in only nine neighborhoods (see Map 3: 1990).

The 2000 Census portrayed a changing picture. The number of neighborhoods decreased from ten to seven. The Tampa Heights neighborhood (Tract 12) disappeared from the map albeit a new tract (7) appeared on the map. This was the site of a new public housing. In 2000, the poverty rate was 12.5% (or 122,872 persons) countywide. Of the population in poverty, 9% lived in seven Census Tracts and accounted for 10,253 persons in poverty (see Map 4: 2000).

In 1985, the City of Tampa annexed a large amount of land from unincorporated Hillsborough County. By 1990, some of the earliest developments were built in New Tampa and development would continue at a rapid pace until the Great Recession terminated the housing bubble. By this time, New Tampa had largely been built out. This factor, one among many, may be a contributing cause to the shift in poverty away from downtown Tampa post-2000.

Measuring poverty for the year 2010 becomes problematic because the 2010 Census did not ask income or poverty questions. To ascertain the poverty concentration at this time period, we utilized two separate American Community Survey products. The 2008-2012 ACS has the year 2010 as a midpoint and staff included the 2012-2016 ACS as a follow-up tool to gauge any changes to poverty concentrations.
The total poverty rate from 2008 to 2012 was 16.5% or 200,494 persons with the dataset for 2012-2016 showing a decrease of .1% (well within the margin of error) at 213,566 persons. The neighborhoods of poverty or tracts with poverty rates more than 40% have expanded outwards from downtown Tampa. This mirrors the trend found throughout the nation and reported on in the literature of poverty concentrations. The decline in concentrated poverty from ten tracts in both the 1980 and 1990 Censuses to seven in the 2000 Census has been reversed (see map 5: 2008-2012).

In the 2008-2012 ACS, there were 23 tracts with concentrations of poverty. Discounting those with a high margin-of-error still leaves a solid eight tracts, four in or adjacent to downtown Tampa and another three comprising a new core of poverty near the University of South Florida. Comparing these tracts against the most recent ACS dataset for 2012-2016 reveals that almost the exact same tracts are over 40% in poverty.

The 2012-2016 dataset also reveals the dispersion of poverty is going south as well as north. In economic terms, the area around the University of South Florida is one of the four economic regions in Hillsborough County (Westshore, Brandon, downtown Tampa being the other three). It shouldn’t be a stretch of the imagination to witness the impoverished transition from one urban center to another. What is more surprising is the shift in poverty southwards, adjacent to Tampa Bay, through the Palm-River area and into Riverview (see map 6: 2012-2016).

**EPISODIC POVERTY**

Families and individuals that do not experience chronic, systemic poverty but are on the threshold of poverty can also problematize the analysis. A family or individual who has an income in the near poverty could be identified as a person or household unable to absorb a small-scale economic disruption. The U.S. Federal Reserve Board’s Report on the Economic Well-Being of U.S. Households in 2015 provides an example of this category. When asked how they would handle a $400 emergency expense, 46% responded the expense would be difficult to pay. As the report states:

Specifically, among respondents who would not pay the expense in-full using cash or its functional equivalent, 38 percent would use a credit card that they pay off over time and 31 percent simply could not cover the expense. Over a quarter would borrow from friends or family, and smaller fractions would either sell something, use a payday loan, bank over-draft, or bank loan (22).
Map 1: 1970

The City of Tampa is cross-hatched to reflect the municipal boundaries effective as of 1959. The City of Tampa's northern boundary ended approximately at the southern boundary of the University of South Florida.
Map 3: 1990
Conclusion

From the 1970s to the 2000s, the poverty rate remained relatively consistent in Hillsborough County. Beginning sometime in the 2000’s, but before the recession began, a shift away from the downtown core to another urban area was underway.

Neighborhoods of poverty began to shift from one urban and employment location to another location. Or, the number of persons in poverty increased so drastically that they occupied two urban centers. Residents of downtown Tampa exchanged addresses for new ones in the University area.

The change in location from one area to another can best be explained by three inter-related dynamics: gentrification, residential demolitions, and geographic relocation. Two national trends accelerated this process - the welfare reforms in the mid 1990s and the Great Recession. If the first three provided a combustible situation, the Great Recession was the flame and the welfare-to-work was the accelerant. This legislation largely eliminated Temporary Assistance for Needy Families and allowed states to utilize the federal monies on any number of projects.

The chart below illustrates the precipitous decline in providing aid to families in need.

CHART 1: DECLINE IN ASSISTANCE TO NEEDY FAMILIES
GENTRIFICATION

Gentrification is the prime cause shifting neighborhoods of poverty away from the downtown center and north into the University area. Staff drew this conclusion after evaluating myriad models of gentrification and settling on the methodology used by the City of Portland’s Planning Department. They created a *Gentrification and Displacement Study* which is easily replicable using Census data. Portland’s *Methodology for Vulnerability Risk Analysis* identifies neighborhoods (e.g. Census Tracts) at risk for gentrification by assigning a vulnerability score. The vulnerability score ranges between 0 (minimal risk for gentrification) and 4 (highest risk for gentrification). The following table details the risk factors, the evaluation criteria and the scoring method.

**TABLE 3: GENTRIFICATION RISK FACTOR CRITERIA**

<table>
<thead>
<tr>
<th>Risk Factor</th>
<th>Evaluation Criteria</th>
<th>Vulnerability Score: Yes (1)</th>
<th>Vulnerability Score: No (0)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Percent Renters</td>
<td>Is proportion of renters in the census tract greater than the percentage of renters in Hillsborough County?</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Communities of Color (CoC)</td>
<td>Is proportion of CoC in the Census Tracts greater than the percentage of CoC in the County?</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Percent Population age 25+ without bachelor’s degree</td>
<td>Is proportion of population 25+ without bachelor’s degree in the census tract greater than in Hillsborough County?</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Percent households with income at or below 80% Median Family Income (MFI)</td>
<td>Is proportion of households with income at or below 80% MFI in census tract greater than the entire county?</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Vulnerability Score</td>
<td></td>
<td>4</td>
<td>0</td>
</tr>
</tbody>
</table>
Evaluating the downtown neighborhoods of poverty, almost all of them have a ranking of 3. Many residents live in rental properties and/or subsidized housing and these neighborhoods are primarily African-American. An interesting feature of this analysis is that both downtown and the University area are similar in their rankings. Both are urban centers, both are in, or adjacent to, high-wage employment centers and both have a high number of rental units.

RELOCATIONS

The University area has an ample supply of rental housing due to its proximity to the University of South Florida campus as well as a large number of students living here. Over time, it appears that the University area has become an area of relocation for persons of limited means. As opportunities for inexpensive rent and affordable housing have winnowed over time and/or policy makers have chosen to eliminate or close subsidized units, the University area has become an even greater draw for those with little resources.

At this time, it is difficult to determine how many of those living in the University Area moved there after the closing of North Boulevard Homes in 2015. As part of the 2017 City of Tampa Redistricting, staff were able to track approximately 1,700 former residents of North Boulevard homes. Of the approximately 1,780 residents, 1,100 residents have relocated within other high poverty neighborhoods in the City of Tampa. We identified only 74 that relocated in the University Area (see Map 7).

DEMOLITIONS

Of the number of homes (single family homes, duplexes and apartments) demolished since 2010, 434 units have been demolished in the 13 tracts within the City of Tampa. There have been 349 demolitions in the unincorporated portion of the University Area. Aggressive code-enforcement may lead to accelerations in the number of demolitions further forcing those in poverty into other locales. While the number of demolitions in the high-poverty neighborhoods in the University Area may seem on par with the number in the City of Tampa, actually the majority of the demolitions are due to the demolition of one apartment complex (student-housing) next to the University of South Florida. This one (1) structure had 329 units demolished (see Map 8).

FINAL THOUGHTS

Staff recommends continued monitoring these concentrations of poverty along with the gentrification risk factor criteria. Together, these two tools can be used in a proactive manner to predict changes in neighborhood composition and possibly alleviate the more egregious effects of gentrification. Although the 2020 Census is two years away, the American Community Survey should continued to be used in the interim to measure these concentrations. It is hoped that with the new 2020 Census Tract boundaries, Brown University will re-interpolate prior Census data to comport with these new boundaries. In the event this does not happen, it is recommended local agencies undertake this task to maintain a consistent set of data over time.
For More Information

To learn more about Concentrations of Poverty and/or to replicate some of the findings in this study, the following resources will be of use.


Past Due

Your statement is enclosed.