TRENDS REPORT 2020

CONCENTRATIONS OF POVERTY:
1970-2018
INTRODUCTION

The purpose of *Concentrations of Poverty: 1970-2018* is to provide an overview of Census and poverty data in Hillsborough County. While this report addresses the entirety of Hillsborough County, the primary focus is on downtown Tampa (the urban core) and the University Area. As will be seen, these densely populated areas have historically had the largest concentrations of poverty.

The focus of this report is to answer 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 the poor are concentrated in a high density neighborhood, the area is defined as an area of concentrated poverty. The analysis in this report occurs at the local level and where “neighborhood” is used synonymously with “Census Tract”.

Current research suggests a period of time, from approximately 1970 to 1990, where poverty was concentrated in urban cores. Beginning around the year 2000, the concentration of poverty dispersed outwards towards the suburbs. The Great Recession accelerated this dispersion and increased the numbers of those in poverty, finding them located away from the urban core. The analysis in this report shows that while the number in poverty has decreased, the spatial dispersion of the poor remains.

POVERTY CALCULATED

One way to represent poverty is as a ratio. This is simply expressed as the ratio between a family’s income divided by their poverty threshold. The difference in dollars between family income and the family’s poverty threshold is called the Income Deficit (for families in poverty) or Income Surplus (for families above poverty).

The poverty thresholds are represented in Table 1: Federal Poverty Thresholds. This 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, the size of the family unit and the number of related children or the size of the household are identified.

<table>
<thead>
<tr>
<th>Size of family unit</th>
<th>Related children under 18 years</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>None</td>
</tr>
<tr>
<td>One person (unrelated individual):</td>
<td></td>
</tr>
<tr>
<td>Under age 65:</td>
<td>13.300</td>
</tr>
<tr>
<td>Aged 65 and older:</td>
<td>12.261</td>
</tr>
<tr>
<td>Two people:</td>
<td></td>
</tr>
<tr>
<td>Household under age 65:</td>
<td>17.129</td>
</tr>
<tr>
<td>Household aged 65 and older:</td>
<td>15.453</td>
</tr>
<tr>
<td>Five people:</td>
<td>31.800</td>
</tr>
<tr>
<td>Six people:</td>
<td>36.576</td>
</tr>
<tr>
<td>Seven people:</td>
<td>42.085</td>
</tr>
<tr>
<td>Eight people:</td>
<td>47.089</td>
</tr>
<tr>
<td>Nine people or more:</td>
<td>56.021</td>
</tr>
</tbody>
</table>

Source: U.S. Census Bureau.
For example, a family with two adults and two children would be in poverty if the household earned less than $25,926.

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.

The United States agency that defines poverty is the United States Census Bureau. Each year the Census Bureau incorporates information from the Annual Social and Economic Supplement (ASEC) and the Current Population Survey (CPS) to create these poverty thresholds. Once these thresholds have been published, the United States Department of Health and Human Services (HHS) issues poverty guidelines. These guidelines are simplified versions of the poverty thresholds.

It is important for researchers 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.

A further way of conceptualizing poverty is to categorize households based on their income level in relation to the poverty thresholds. This is an analysis the Federal Government performs and defines three specific categories of poverty: 1) In Poverty, 2) Near Poverty, and 3) Deep Poverty. Furthermore, 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 annual income between $6,085 and $12,648. To learn more about the other poverty descriptions, the sidebar on page 3 explains these designated categories of poverty.
MEASURING POVERTY AT THE NEIGHBORHOOD LEVEL

The poverty-to-income ratio is a useful metric to analyze poverty trends. However, this report is a spatial analysis of poverty distribution and the analysis derives its value from identifying neighborhoods where over 40% of the residents are in poverty. Throughout the analysis that follows, this report follows the methodology and analysis described by Paul Jargowsky, in several publications, where he addresses Concentrations of Poverty. The term, concentration of poverty, refers to the geographic concentration 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).

CONCENTRATIONS OF POVERTY AT THE NEIGHBORHOOD LEVEL

As stated above, poverty is measured at the neighborhood level throughout this report. The best way to measure poverty in a neighborhood is to rely on Census Tracts. The boundaries of a Census Tract remain consistent for 10 years. Tracts are defined before each decennial Census and data is aggregated to the Census Tract boundaries.

In order to make useful comparisons, Planning Commission staff used the 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.

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 (ACS), was created to fill this gap. ACS data 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, ACS values have a 90% confidence threshold. ACS data are published along with their respective margins of errors (MOE). Researchers factor in these MOEs to determine the likely value. For example, a Census Tract may 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 between 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 black label on either the 2010-2014 or 2014-2018 maps reflects a poverty rate where the MOE could result in a 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%.

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 and affect 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 2: Prevalence of High Poverty Neighborhoods During Business Cycles

<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>

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 percentage of Hillsborough County residents in poverty 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 16,981 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 percentage of County residents in poverty 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 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 percentage of people in poverty 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).

CHART 1: HISTORICAL POVERTY RATES 1970-2010
In 1985, the City of Tampa began annexing land from unincorporated Hillsborough County. By 1990, 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 factor in poverty shifting away from downtown Tampa post-2000.

**POVERTY RESULTS FROM ACS DATA**

Measuring poverty for the year 2010 becomes problematic because the 2010 Census did not ask income questions. To ascertain the poverty concentration in 2010, we utilized two separate ACS products. The 2010-2014 ACS has the year 2010 as the beginning year. Staff included the 2014-2018 ACS as a follow-up tool to gauge any changes to poverty concentrations.

The percent of the population below the poverty level in 2010 to 2014 was 17.2% or 216,127 persons. The dataset for 2014-2018 showed a decrease of the population in poverty by 1.9% (15.3) at 207,962 persons. The neighborhoods of poverty expanded outwards from downtown Tampa. This matches the trend found throughout the nation and reported in research. The decline in concentrated poverty from ten tracts in both the 1980 and 1990 Censuses to seven in the 2000 Census was reversed (see map 5: 2010-2014).

In the 2010-2014 ACS, there were 22 tracts with concentrations of poverty. Discounting those with a high margin-of-error still leaves nine tracts, four in or adjacent to downtown Tampa and another four comprising a new core of poverty near the University of South Florida. Comparing these tracts against the most recent ACS dataset for 2014-2018 reveals many of these tracts are no longer in poverty.

Although the 2014-2018 ACS reveals a spatial change in concentrated poverty, there remains one tract (136.04) that retains its high poverty level. This tract is notable because it extends south into the Palm River and Riverview area of Unincorporated Hillsborough County. While the number of tracts in or adjacent to the University Area has declined from seven to four, the University Area remains a high poverty concentration.

**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 category 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 2018 provides an example of this category. When asked how they would handle a $400 emergency expense, 39% responded the expense would be difficult to pay. As the report states:

Among the remaining 4 in 10 adults who would have more difficulty covering such an expense, the most common approaches include carrying a balance on credit cards and borrowing from friends or family. Twelve percent of adults would be unable to pay the expense by any means (23).
MAP 1: 1970

Percent Below Poverty

- **40.3% - 40.8%**
- **40.9% - 44.5%**
- **44.6% - 45.6%**
- **45.7% - 47.9%**
- **48% - 68.1%**

City limits

MAP 4: 2000

MAP 5: 2010-14

Percent Below Poverty

- **40% - 43.6%**
- **43.7% - 48.6%**
- **48.7% - 57.7%**
- **57.8% - 69.3%**
- **69.4% - 87.2%**

CONCLUSION

From the 1970s to the 2000s, the poverty rate remained relatively consistent in Hillsborough County. Beginning in the 2000’s, but before the recession began, a population shift was underway from the downtown core to the University Area. 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 may be explained by a number of different dynamics: gentrification, residential demolitions, and geographic relocation. Two national trends could be seen to accelerate this process - the welfare reforms in the mid 1990s and the Great Recession.

The Welfare Reform Act of 1996 (The Personal Responsibility and Work Opportunity Reconciliation Act of 1996) led to many changes in the provision of welfare and cash assistance. The primary effect led to the creation of the Temporary Assistance of Needy Families (TANF). Initially founded with 16.5 billion dollars in funds, TANF was to be distributed through block grants. However, there are no requirements for states to provide the funds to families in need. Rather, these block grants have served as a stop-gap measure for state’s to fill holes in their budgets. Likewise, the original funded amount of 16.5 billion dollars has never been increased to match population growth. The allocation was 16.5 billion dollars in 1996 and over 25 years later remains 16.5 billion dollars.

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

CHART 2: DECLINE IN ASSISTANCE TO NEEDY FAMILIES
GENTRIFICATION

Gentrification, the replacement of an existing neighborhood’s residents and character by wealthier and more educated arrivals, is one of the most difficult characteristics of modern life to identify. For some analysts, gentrification reflects a positive feature in the revitalization of urban cores. Others view gentrification with suspicion as it often accompanies changing price-points and the loss of a region’s affordable housing (amongst other things). This paper takes no position, positive or negative, regarding gentrification. It is only addressed as one feature among many that may affect concentrations of poverty.

Gentrification may be one of the causes shifting neighborhoods of poverty away from downtown 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>
<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.

DEMOLITIONS

Of the number of homes demolished since 2011, 1,055 units have been demolished either in the 13 tracts or within a vicinity of 5,000 feet of any one tract. The relationship between demolitions and concentrations of poverty remains tentative. It could be that aggressive code-enforcement led to accelerations in the number of demolitions, further forcing those in poverty into other locales.

A comparison was made between the concentrations of new construction and concentrations of demolitions. This preliminary analysis appears to show a spatial mismatch between the two types of real estate activity. New construction appears to be driven by the Water Street Project in downtown Tampa, the West River Development on the side of the former-North Boulevard Homes in West Tampa, and tear downs and replacements of residential properties throughout east and south Tampa. On the other hand, while demolitions are seen to cluster in many parts of the City, when compared to the spatial location of new construction, it appears that East Tampa is dominated primarily by demolitions without corresponding replacement of housing stock.

FINAL THOUGHTS

Staff recommends to continue monitoring concentrations of poverty, eviction data along with the gentrification risk factor criteria. Together, these tools may be used in a proactive manner to predict changes in neighborhood composition and alleviate the more egregious effects of gentrification. Since the 2020 Census is underway, it is hoped that the new 2020 Census Tract boundaries will be re-interpolated by the researchers at Brown University. In the event this does not happen, it is recommended local agencies undertake this task to maintain a consistent set of data over time.
MAP 7: DEMOLITIONS

Residential Demolitions

0 DEMOLITIONS

189 DEMOLITIONS

Census Tracts

CONCENTRATIONS OF POVERTY

Source: City of Tampa, Planning and Development Services Department. Analysis by Plan Hillsborough.
For More Information


