Habitats of Vulnerability?

How housing concentrates poverty

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Concentrated poverty has risen each decade except the 1990s…

Percent of metro-area residents in medium- and high-poverty tracts

Neighborhood poverty rate
- 40%/up
- 30-39%
- 20-29%
…echoing the national poverty rate.
When metro poverty rates rise or fall, so does their concentrated poverty

Percentage-point change in metro area’s concentrated poverty

Percentage-point change in metro-area poverty rate

y = 1.5221x - 0.0043

R² = 0.4436

Source: U.S. Census, 2000 SF3; American Community Survey 2005-09. Authors’ computations.
Why concentrated poverty persists

- Built environment and population characteristics: Path-dependent & recursive

- Question: Do precarious dwelling units exacerbate increases in concentrated poverty?
Data & Methods

- “neighborhoods” = tracts (2000 boundaries) in 100 most populous metro areas
- Percent of residents in poverty, 2000 (Census) and 2005-09 (ACS)
- Precarious housing, 2000 (Census):
  - Old housing (> 30 years)
  - Dwellings in structures of 5 or more units
  - Rental housing
  - Overpayment
- Transformed logit regressions, run separately for each metro and then for clusters of metros based on parameter estimates
Key findings

• National level: All precarious housing conditions boost concentrated poverty
  – High concentrations of multifamily and rental housing have the greatest impact
  – Tracts with old housing also susceptible to fast-rising poverty

• Impacts of precarious conditions vary among metros and groups of metros
  – *Falling poverty in some metros complicates analysis*
Housing concentrates poverty in different ways among major metro areas

PRECARIOUS SCENARIOS
Metro poverty changes differ

Metro Poverty Rate Change

- Scenario #1: High Multifamily & Rental
- Scenario #2: Old Homes
- Scenario #3: High Housing Costs
- Scenario #4: Newer Owner Occupied Housing

Change in poverty rate, 2000-2005/09

Cities:
- Chicago
- Los Angeles
- New York
- Houston
- Orlando
- Riverside

Values:
- 1.50
- 1.30
- 1.10
- -2.00
- -1.10
- -1.60
Higher multifamily and rental


Housing characteristics (2000):
- Median hsg age: 30 years
- Pct. multifamily: 25%
- Pct. SF rental: 45%
- Overpayment: 30%
- Avg. rent: $675

Housing characteristics (2000):
- Median hsg age: 45 years
- Pct. multifamily: 15%
- Pct. SF rental: 35%
- Overpayment: 30%
- Avg. rent: $675
Higher housing costs


Housing characteristics (2000):
- Median hsg age: 30 years
- Pct. multifamily: 15%
- Pct. SF rental: 35%
- Overpayment: 35%
- Avg. rent: $750

Change in poverty rate, 2000-2005/09

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Newer, owner-occupied homes


Housing characteristics (2000):
- Median hsg age: 25 years
- Pct. multifamily: 15%
- Pct. SF rental: 20%
- Overpayment: 30%
- Avg. rent: $675

Change in poverty rate, 2000-2000-2005/09:
- Chicago
- LosAngeles
- NewYork
- Houston
- Orlando
- Riverside
All scenarios


Change in poverty rate, 2000-2005/09

- Scenario #1: High Multifamily & Rental
- Scenario #2: Old Homes
- Scenario #3: High Housing Costs
- Scenario #4: Newer Owner Occupied Housing

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Addressing concentrated poverty: Resilience and resistance

• Resilience: Institutions and practices are prepared for crises and respond effectively
  – Concentrated poverty: Use what we know about susceptibility to increase and target services accordingly

• Resistance: “Crisis-proofing”
  – Concentrated poverty: Build mixed-tenure, mixed-structure, mixed-income neighborhoods and districts (over a long time period if feasible)