

EITC Funders Network

Low-Income Families in America

*November 11, 2010 * 2:00 – 3:00 pm*

The Webinar will Begin Shortly

Webinar Overview

EITC

Funders Network

- During presentations, audience will be on “listen only mode.”
- We will take questions during the Q&A portion.
- How to ask a question:
 - Use the “chat function” on your screen
 - Raise your hand by pressing *1 on your phone.
 - To lower your hand press #.
- Quick Survey

Who We Are

□ Who We Are

- More than 200 Members

- Every State in the Union

- Corporate Foundations

- Family Foundations

- Community Foundations

- Governmental Entities

- United Ways

□ What We Do

- Meetings

- Webinars

- eNewsletter

- Website

- Consultation

EITC Funders Network

Webinar Overview

I. Welcome

--Ami Nagle, EITC Funders Network

II. Overview of New Census Data

Resources for Funders

Recent Research Using Tax Data to Explore Effectiveness of EITC

--Elizabeth Kneebone, Brookings Institution

III. Q&A and Discussion

The Shifting Geography of Poverty and Opportunity in Metropolitan America



Elizabeth Kneebone
Senior Research Associate
EITC Funders Network
Webinar

Overview

I

WHERE do the metropolitan poor live today?

II

WHO are the metropolitan poor?

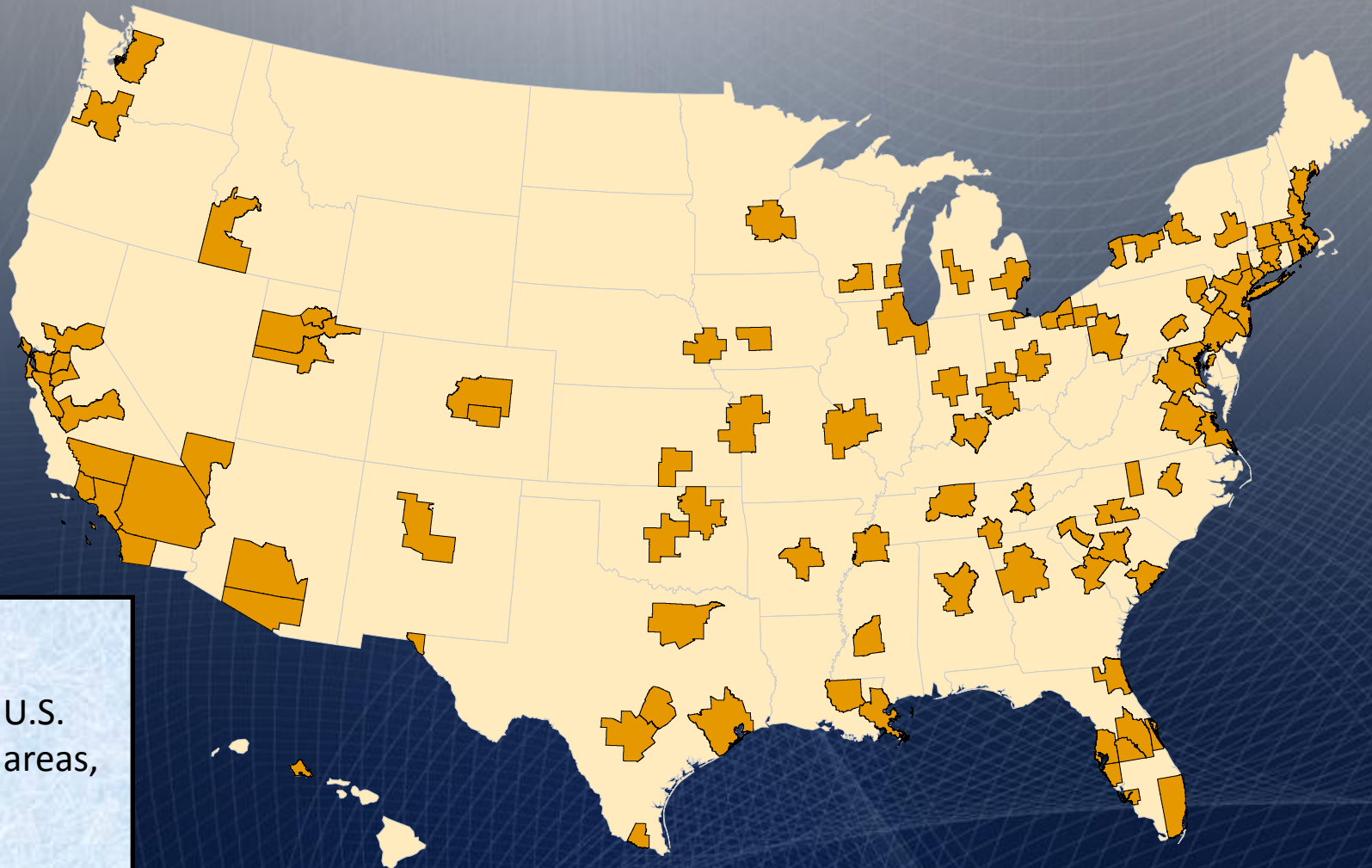
III

HOW has the Great Recession affected these trends?

IV

WHAT are we doing to understand these trends?

Much of our research, and the data presented today, come from analysis of the nation's 100 largest metropolitan areas



100 largest U.S.
metropolitan areas,
2009

Source: U.S. Census Bureau

The information we'll discuss today draws from a number of sources

The Metropolitan Opportunity Series documents the changing geography of poverty and opportunity in metropolitan America, analyzes its drivers and implications and offers policy recommendations to enhance the well-being of lower-income families and communities in both cities and suburbs.

<http://www.brookings.edu/metro/Metropolitan-Opportunity.aspx>

The Earned Income Tax Credit Series documents the role the Earned Income Tax Credit (EITC) and other provisions in the tax code increasingly play in delivering support to low-income workers, their families, and their communities. A refundable tax credit available to people who work but earn low incomes, the EITC encourages work, boosts wages, and helps alleviate poverty. It also represents a significant federal investment in the communities in which these workers live. This series presents a range of publications, maps, and data resources that document the use and impact of the EITC and other tax provisions at the national and local level and explore the implications of proposed changes to these policies.

<http://www.brookings.edu/metro/EITC/EITC-Homepage.aspx>

The State of Metropolitan America is a signature effort of the Brookings Metropolitan Policy Program that portrays the demographic and social trends shaping the nation's essential economic and societal units—its large metropolitan areas—and discusses what they imply for public policies to secure prosperity for these places and their populations.

<http://www.brookings.edu/metro/StateOfMetroAmerica.aspx>

The poverty rate in metropolitan areas is lower than elsewhere, but the gap has narrowed over time

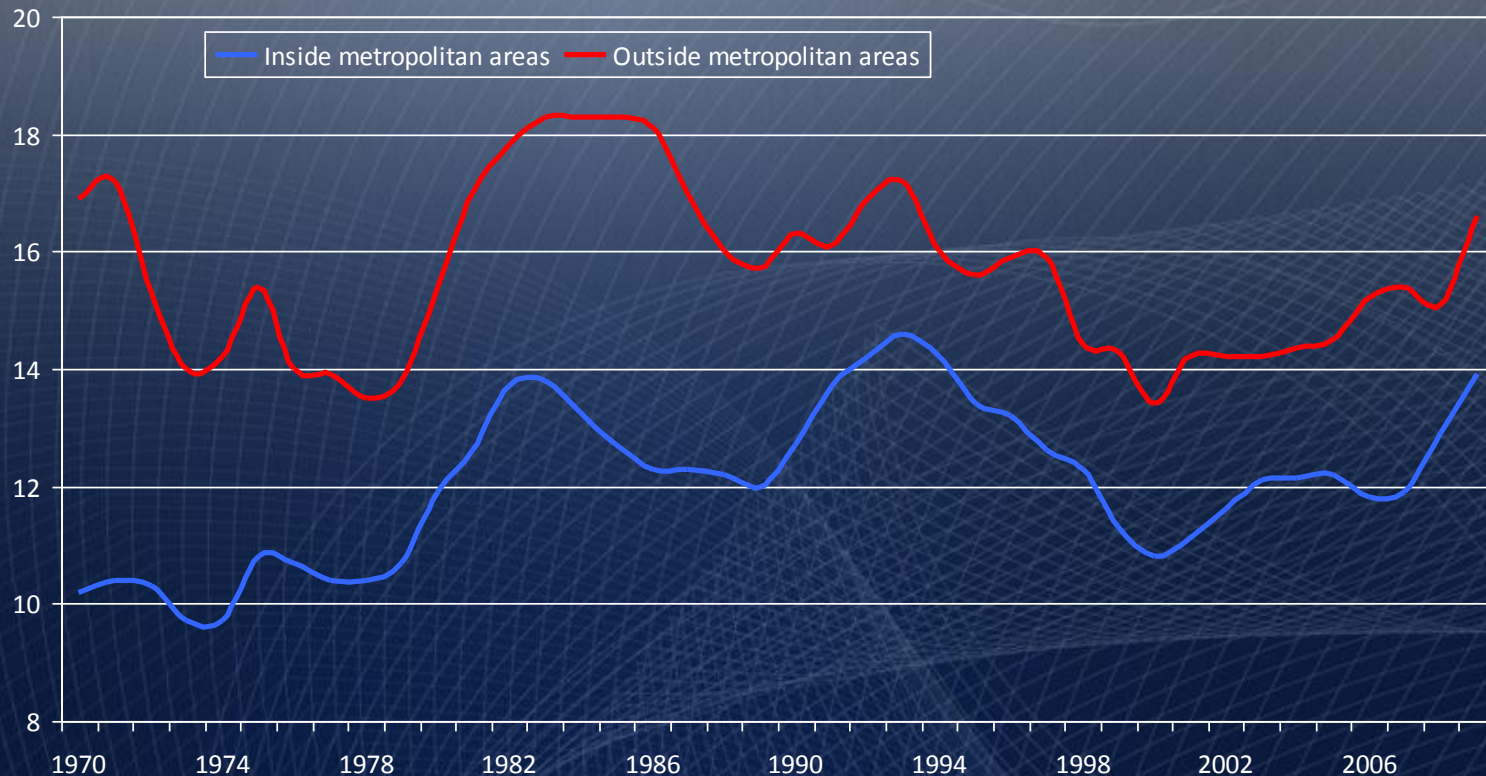
Poverty rate, metropolitan versus non-metropolitan areas, 1970-2009

Source: U.S. Census Bureau

In 2009, the official poverty threshold was:

- \$14,787 for one parent with one child
- \$17,285 for one parent with two children
- \$21,834 for two parents with two children

Source: U.S. Census Bureau

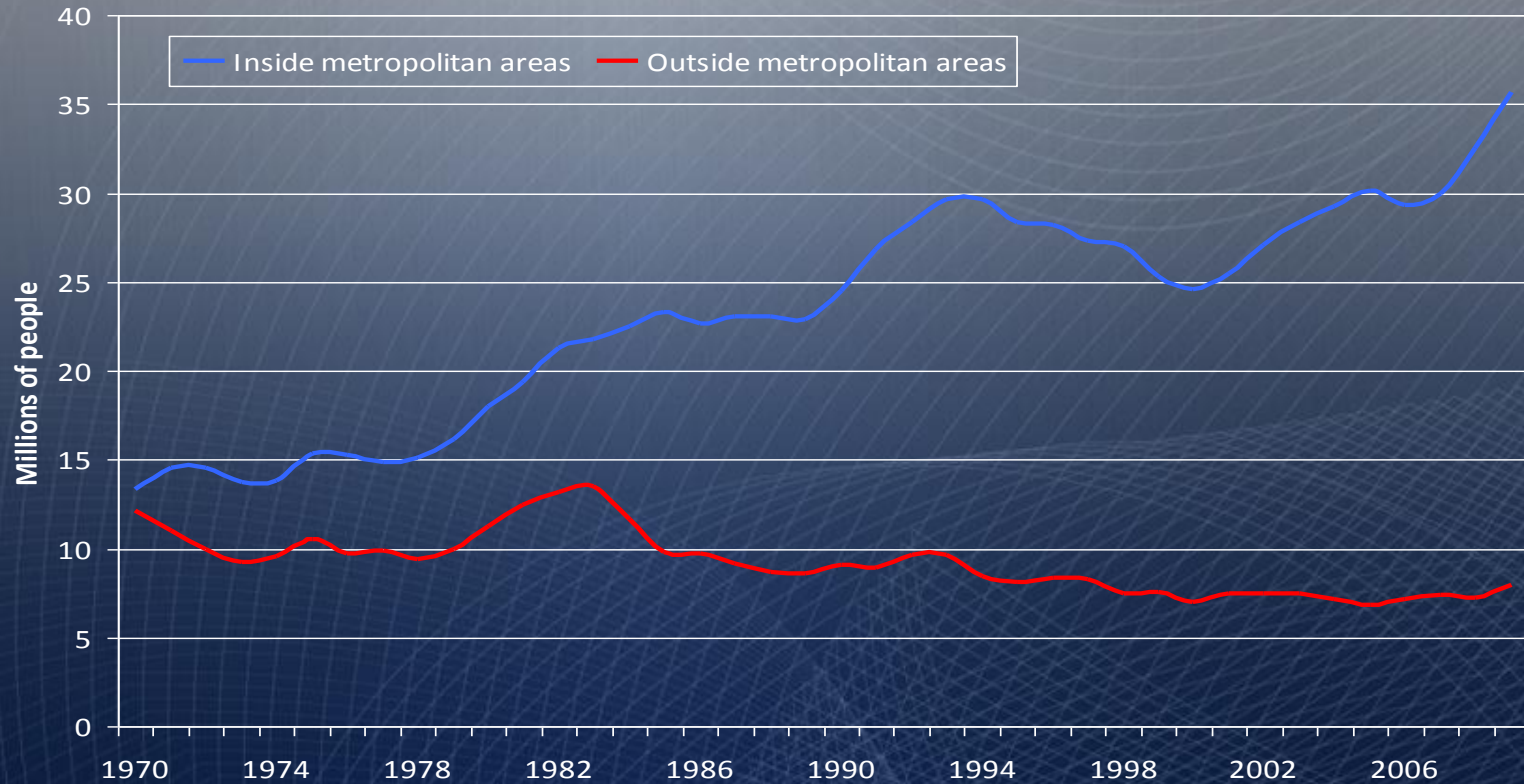


Values for 1984 and 2004 are estimated due to changes in metropolitan definitions during those years.

Meanwhile, the ranks of metropolitan poor have more than doubled, while non-metropolitan poor have declined

Poor residents,
metropolitan
versus non-
metropolitan
areas, 1970-2009

Source: U.S. Census Bureau

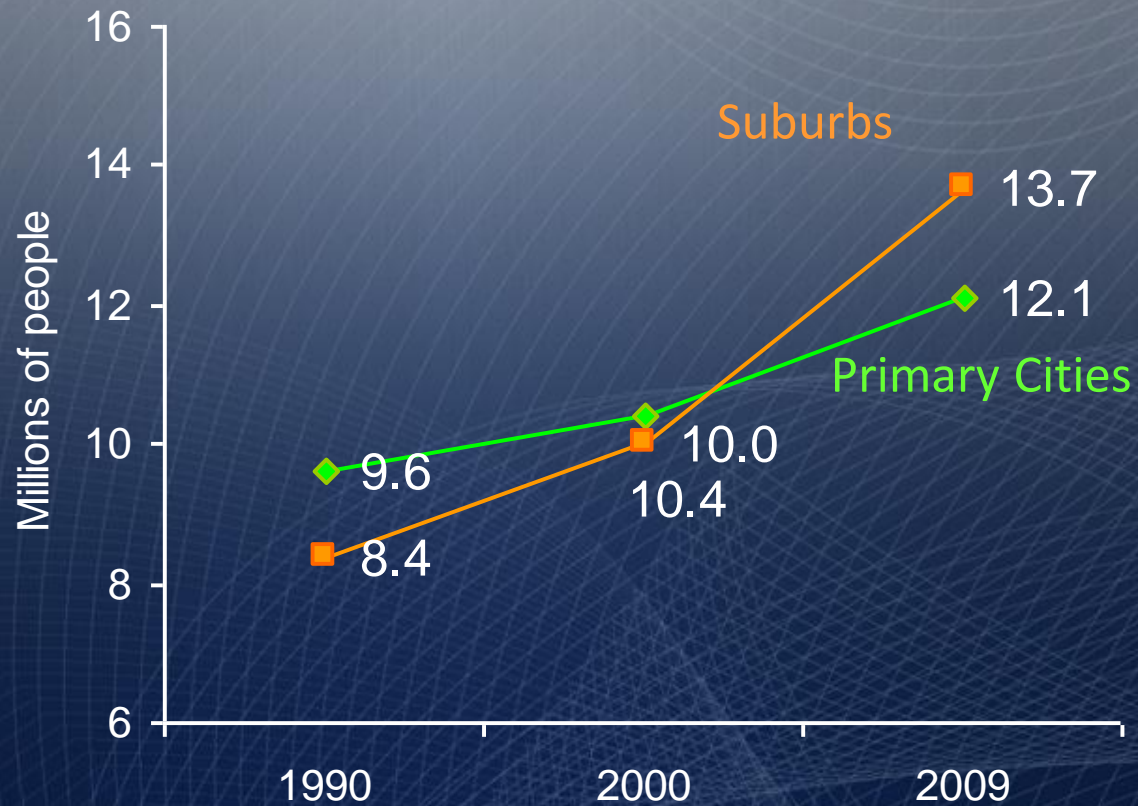


Values for 1984 and 2004 are estimated due to changes in metropolitan definitions during those years.

Within large metro areas, the number of poor people in suburbs has now surpassed the number in cities

Poor residents, primary cities versus suburbs, 100 largest metro areas*: 1990, 2000, and 2009

Source: Brookings analysis of decennial census and ACS data

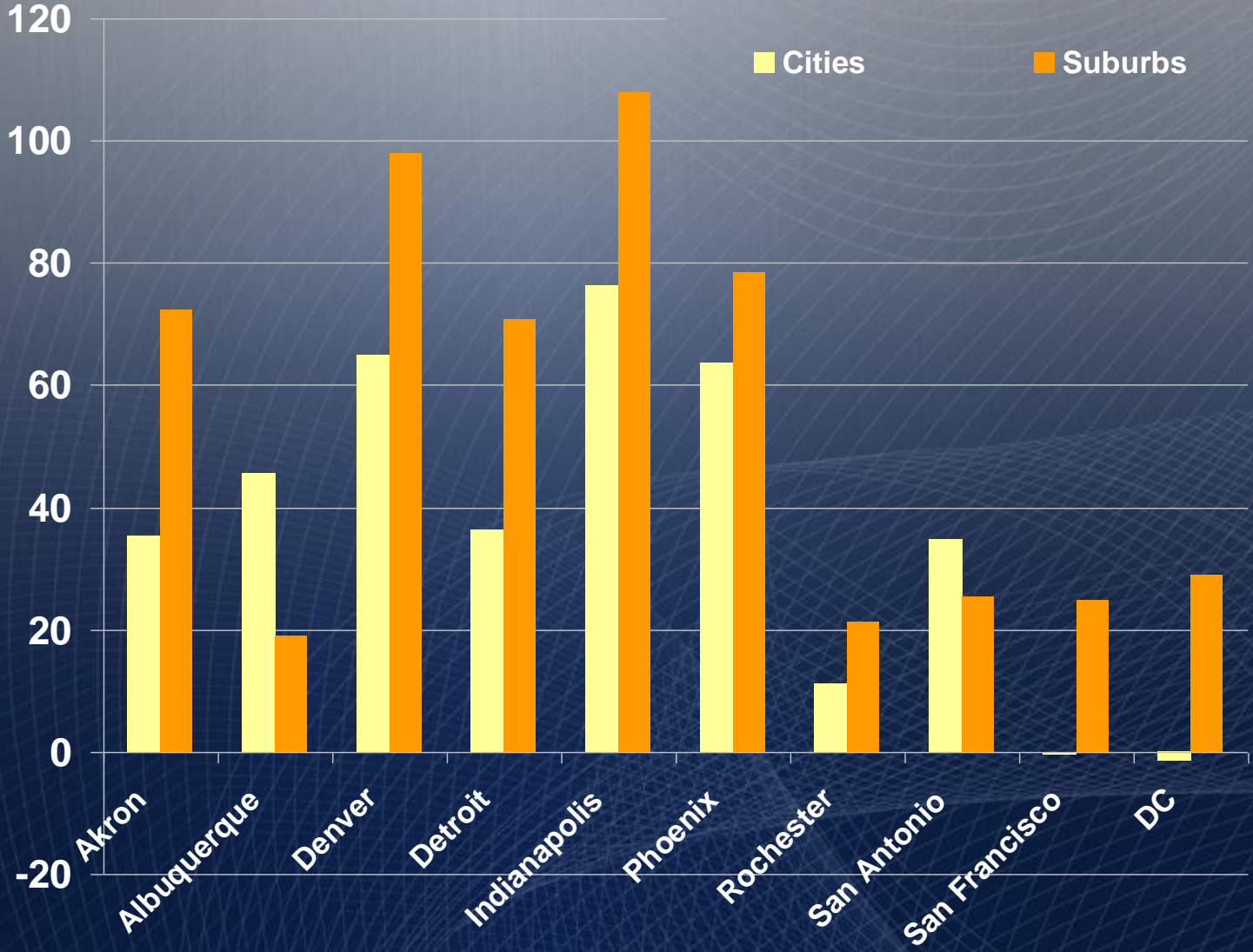


*Represent 95 of the largest 100 metropolitan areas for which data are available. Primary cities include first city in metro area title plus other named cities with populations of at least 100,000. Suburbs include residual metropolitan territory.

Though these patterns vary across individual metro areas

Growth rate in poor residents, primary cities versus suburbs, select large metro areas: 2000 and 2009

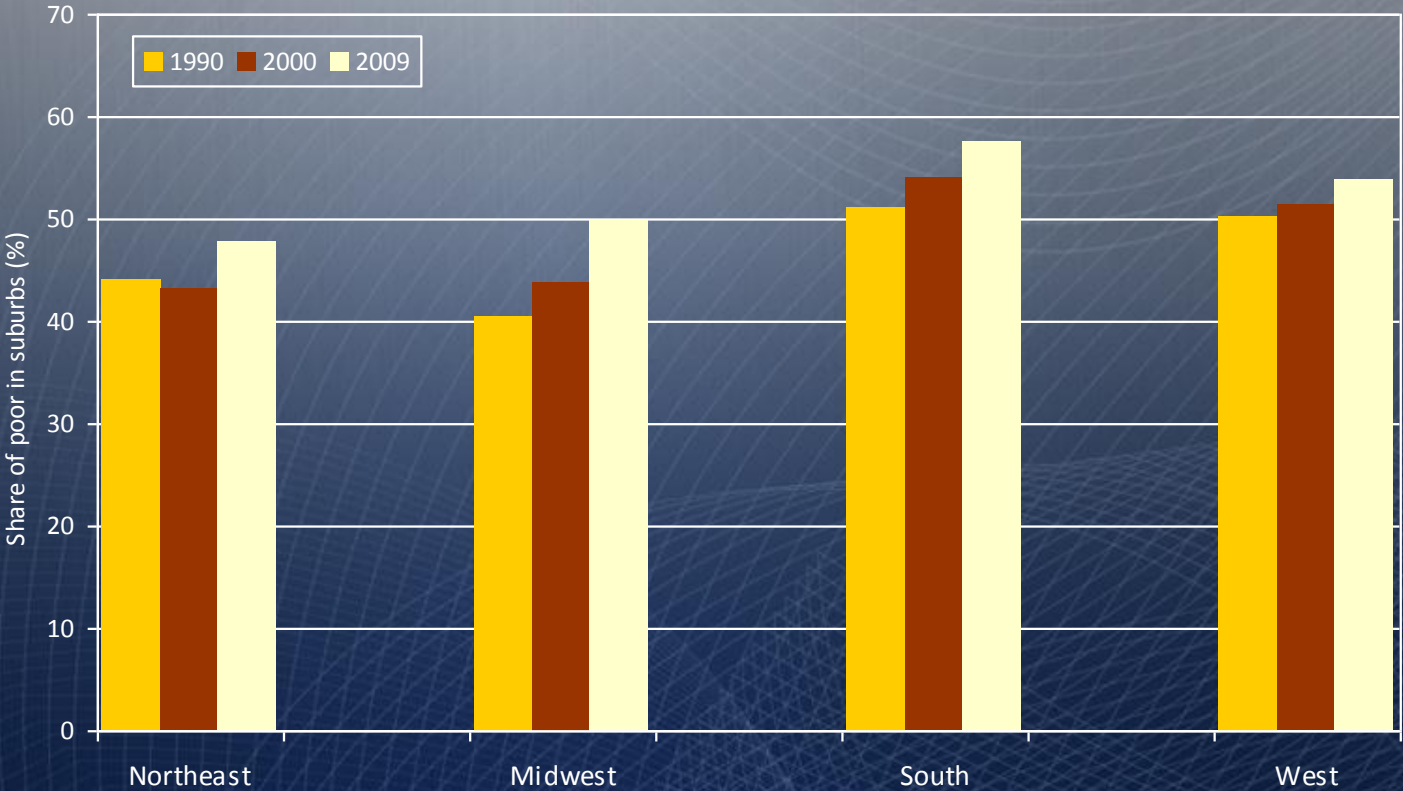
Source: Brookings analysis of decennial census and ACS data



Suburbanization of the poor has occurred in every region

Share of poor in suburbs, 100 largest metro areas*, by region: 1990, 2000, and 2009

Source: Brookings analysis of decennial census and ACS data

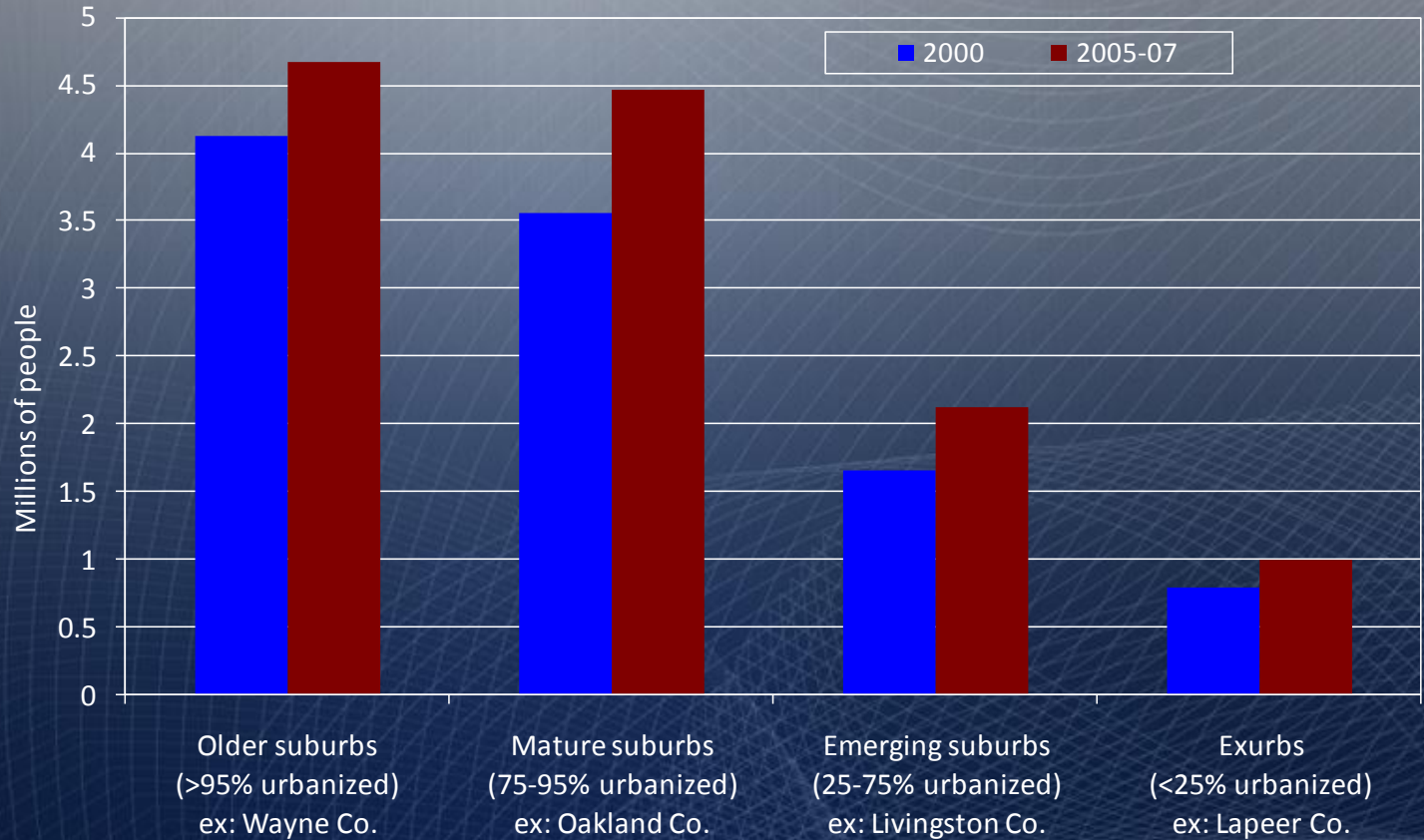


*Represent 95 of the largest 100 metropolitan areas for which data are available.

And the poor are growing fastest not in older, “inner suburbs,” but in maturing and rapidly developing suburban communities

Poor residents by suburb type, 100 largest metro areas, 2000 to 2005-07

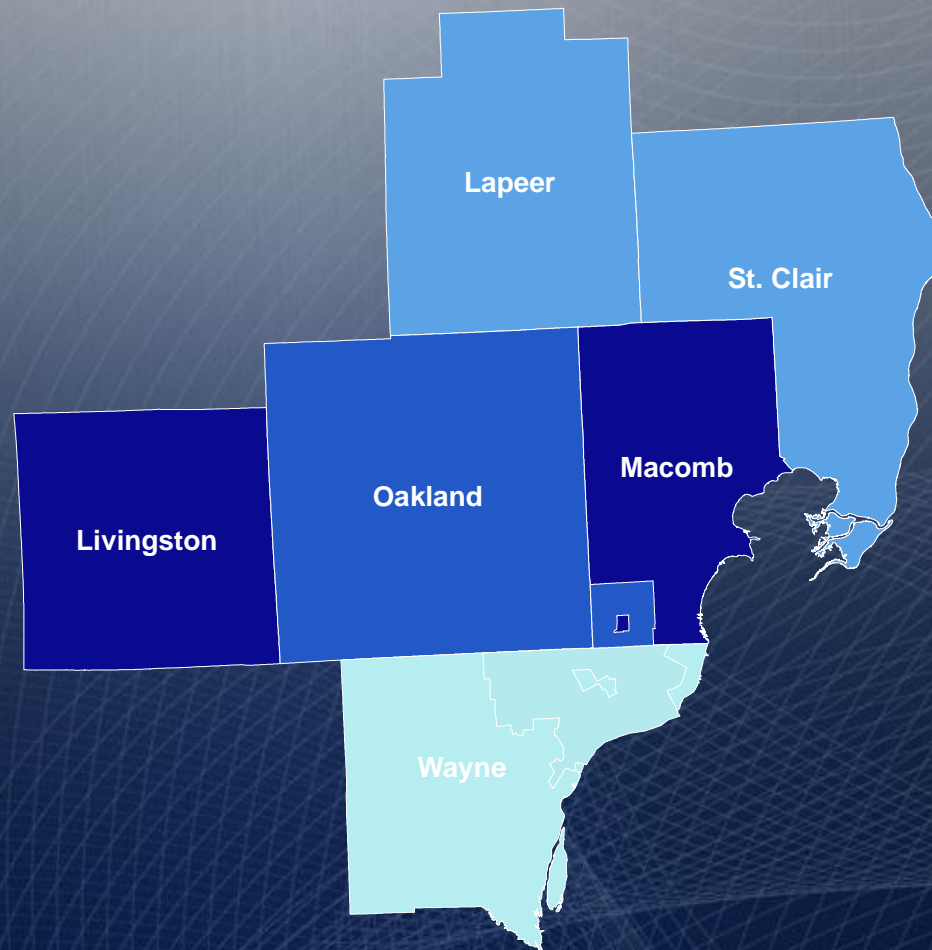
Source: Brookings analysis of decennial census and ACS data



In the Detroit-Warren region, regardless of community type, every county outside of Wayne saw its poor population increase by more than 50 percent over the decade

% change in poor population by city/county, Detroit-Warren region, 2000 to 2009

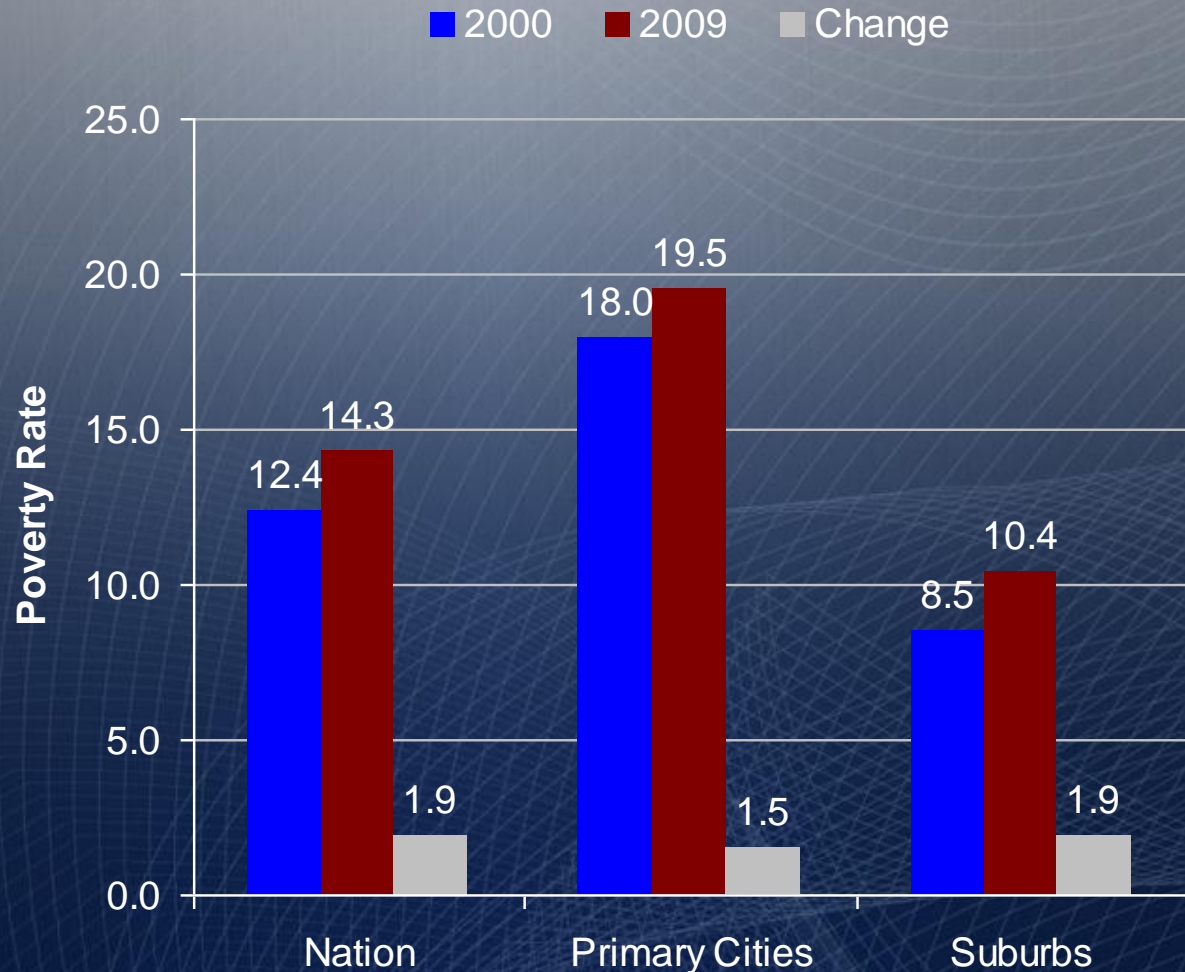
Source: Brookings analysis of Census 2000 and 2009 ACS data



Though urban poverty rates remain higher overall than in the suburbs, the gap has narrowed slightly over this decade

Poverty rate, primary cities versus suburbs, 100 largest metro areas*, 2000 and 2009

Source: Brookings analysis of Census 2000 and 2009 ACS data



*Represent 95 of the largest 100 metropolitan areas for which data are available. All change estimates are significant at the 90 percent level.

Midwestern and Northeastern metro areas tend to have much larger gaps than Western and Southern metros

Poverty rate, primary cities versus suburbs, selected metro areas, 2009

Source: Brookings analysis of Census 2000 and 2009 ACS data

	Urban Poverty Rate	Suburban Poverty Rate
Akron, OH	24.6	10.5
Albuquerque, NM	16.6	14.8
Denver-Aurora, CO	18.3	8.5
Detroit-Warren, MI	33.5	10.9
Indianapolis, IN	20.2	8.1
Phoenix-Mesa-Scottsdale, AZ	18.1	11.6
Rochester, NY	30.5	7.6
San Antonio, TX	19.5	10.8
San Francisco-Oakland-Fremont, CA	12.2	8.7
Washington-Arlington-Alexandria, DC-VA-MD-WV	14.2	6.1

*All estimate of change are significant at the 90 percent confidence level.

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WHAT are we doing to understand these trends?

Demographically, the suburban poor are more likely to be white, and from married couple families

Characteristics of city versus suburban poor, 100 largest metro areas*, 2008

Source: Brookings analysis of 2008 ACS data

Proportion of poor	Primary cities	Suburbs
Overall*	18.0	9.2
Foreign-born*	22.3	19.1
Non-Hispanic white*	24.7	45.9
Married-couple families*	31.4	38.4
Female-headed families*	51.3	46.4
Under age 18	35.1	34.6

* Difference significant at 90% confidence interval

*Represent 95 of the largest 100 metropolitan areas for which data are available.

Nearly equal shares of city and suburban poor live in extreme poverty, have low education levels, work full-time, or have a disability

Characteristics of city versus suburban poor, 100 largest metro areas*, 2008

Source: Brookings analysis 2008 ACS data

Proportion of poor	Primary cities	Suburbs
Overall*	18.0	9.2
Income below 50% poverty*	44.0	42.2
With H.S. diploma or less*	66.7	63.7
Have FT, year-round worker	24.2	24.2
Have PT/part-year worker*	36.5	39.4
Working-age disabled	20.1	19.9

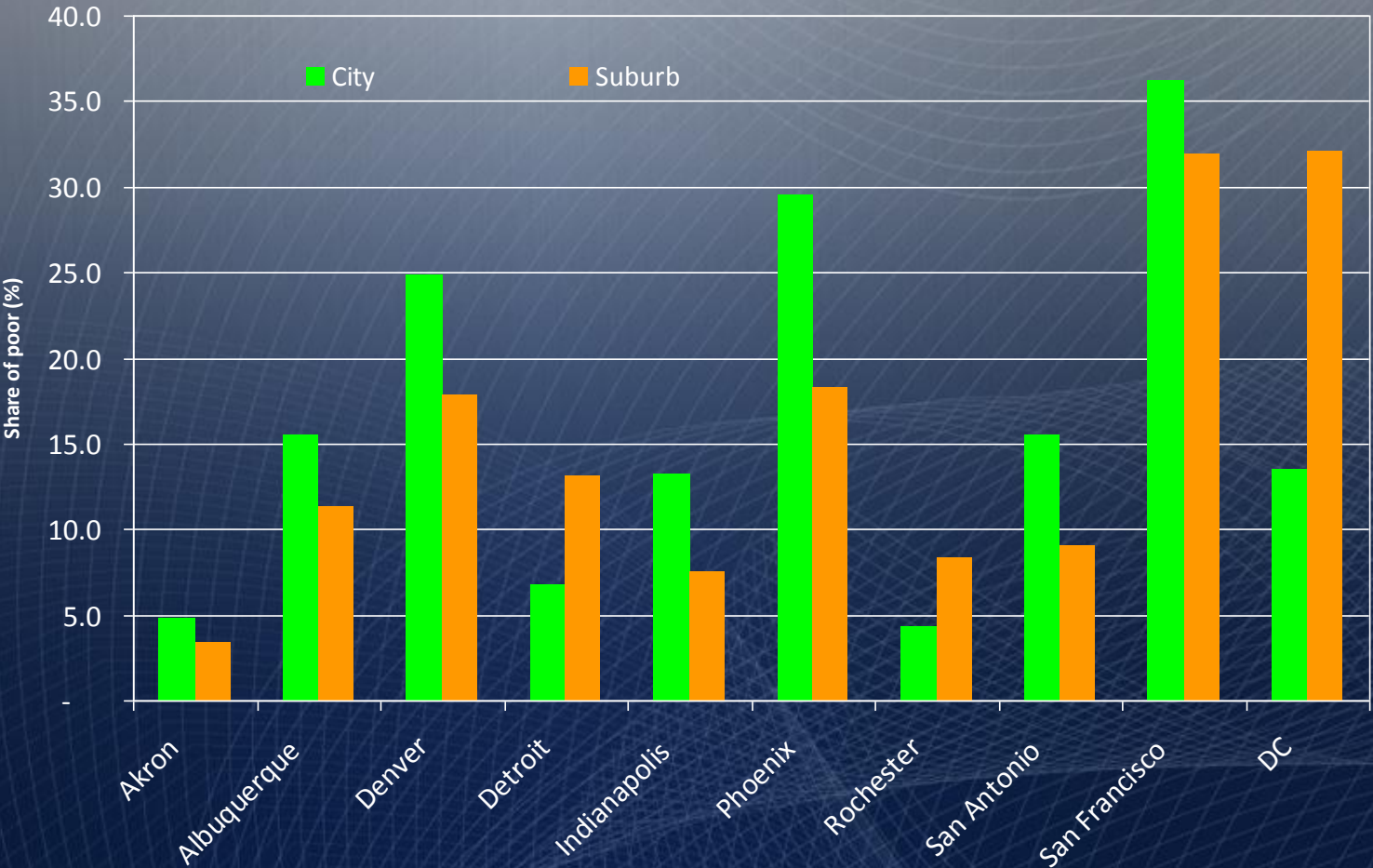
* Difference significant at 90% confidence interval

*Represent 95 of the largest 100 metropolitan areas for which data are available.

However, within some metro areas disparities are much greater for certain characteristics, like the share of foreign born poor

Share of poor that is foreign born, select metro areas, 2009

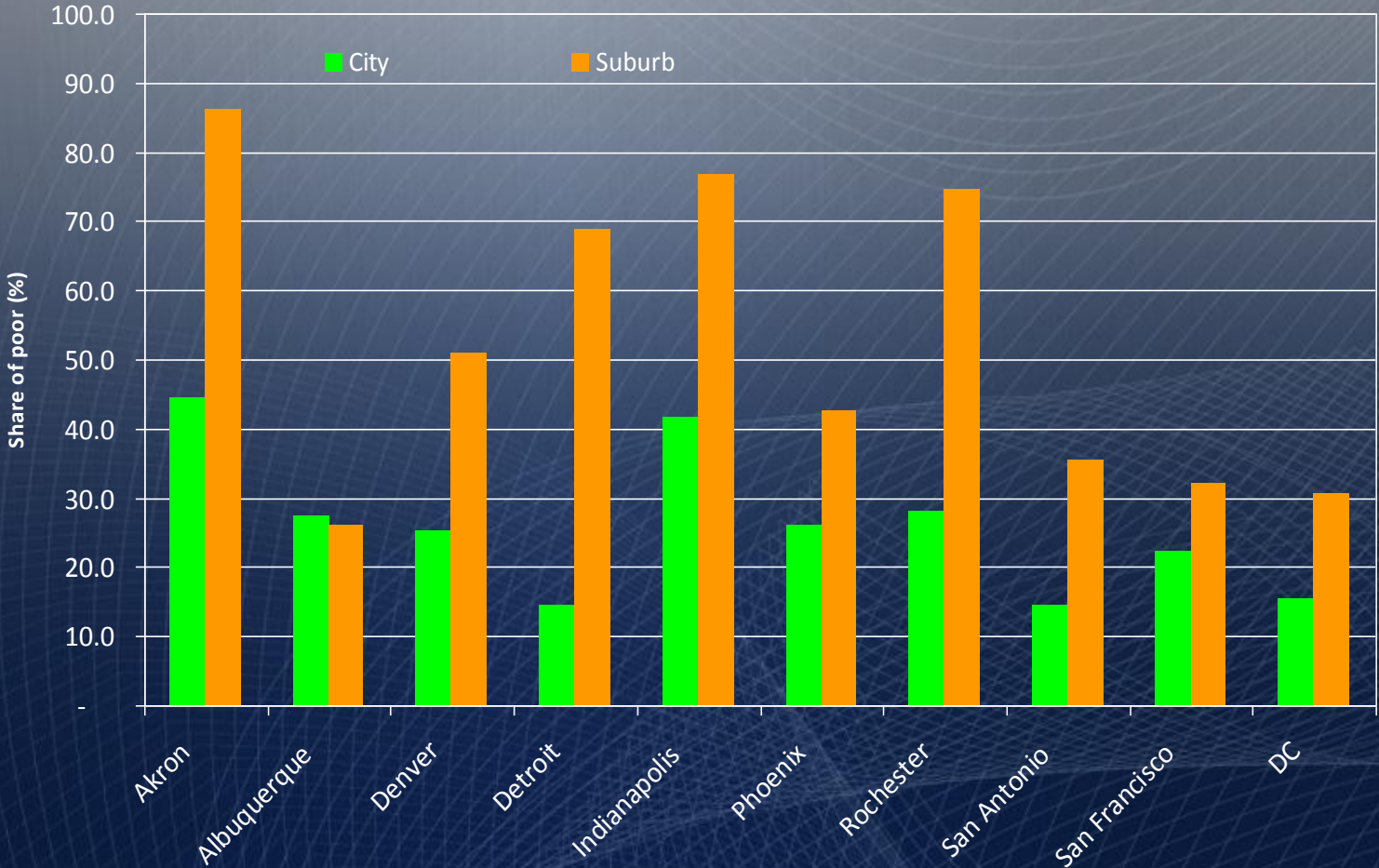
Source: Brookings analysis of 2009 ACS data



Or the share of poor that is non-Hispanic white

Share of poor that is non-Hispanic white, select metro areas, 2009

Source: Brookings analysis of 2009 ACS data



Our State of Metropolitan America interactive website makes it easy to explore these similarities and differences over time

Home | Contact Us | Media Resources

BROOKINGS

KEYWORD SEARCH

WEDNESDAY NOVEMBER 10, 2010
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INTERACTIVE: STATE OF METROPOLITAN AMERICA INDICATOR MAP
Share E-mail

INCOME AND POVERTY

Poverty by race/ethnicity ?

Black

Metro Areas

Cities

Suburbs

States

Browse Indicators

SUBJECT:

INDICATOR:

VIEW BY:

Percent Number

- 36.51% to 43.8%
- 31.11% to 36.5%
- 26.41% to 31.1%
- 20.31% to 26.4%
- 11.7% to 20.3%
- No Data

2000 no data 2006 2007 2008

Save Image

Data Downloads (2)

Rank	Name	Total population - Black	Poor population - Black	Poverty Rate - Black
1	Grand Rapids, MI	36,068	15,786	43.8%
2	Fresno, CA	36,485	15,913	43.6%
3	Youngstown, OH	30,021	12,804	42.7%
4	Albuquerque, NM	19,121	8,071	42.2%
5	Des Moines, IA	19,309	7,893	40.9%
TOTAL	85 Cities	13,472,360	3,663,392	27.2%

State of Metropolitan America

The State of Metropolitan America is a signature effort of the Brookings Metropolitan Policy Program that portrays the demographic and social trends shaping the nation's essential economic and societal units—its large metropolitan areas—and discusses what they imply for public policies to secure prosperity for these places and their populations.

[Download the Full Report](#)

State of Metropolitan America

Browse the Report

Report Overview

RELATED CONTENT

EDUCATION

[Education, Employment and the Great Recession in Metropolitan America](#)
Alan Berube, Brookings Institution, November 05, 2010

SEATTLE

[Demographic Transformation in the Seattle Metropolitan Area](#)

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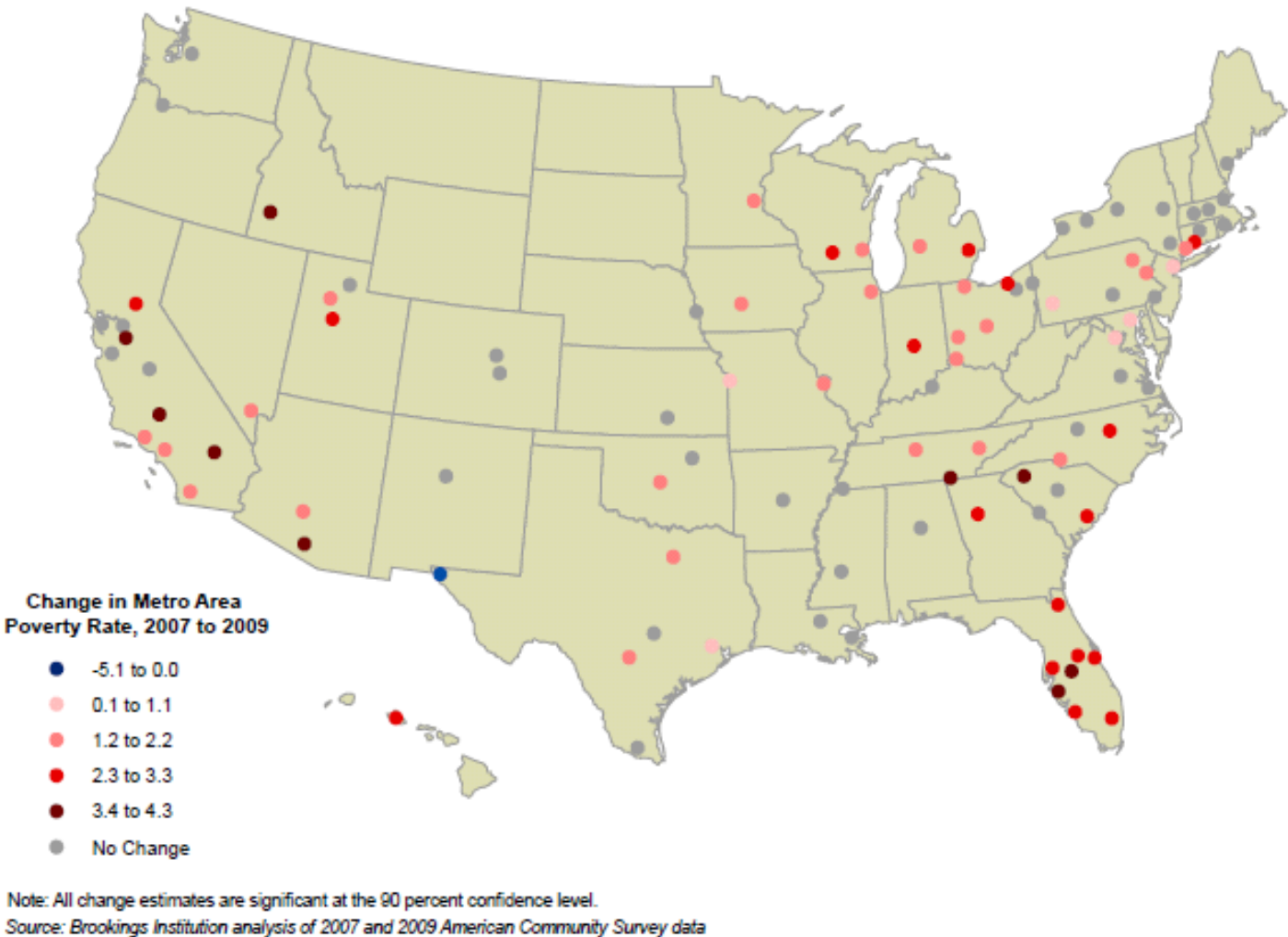
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WHAT are we doing to understand these trends?

California and Florida dominated the lists of metro areas experiencing the largest increases between 2007 and 2009 due to the effects of the housing crisis

Metro areas experiencing significant changes in poverty rates, 2007 to 2009

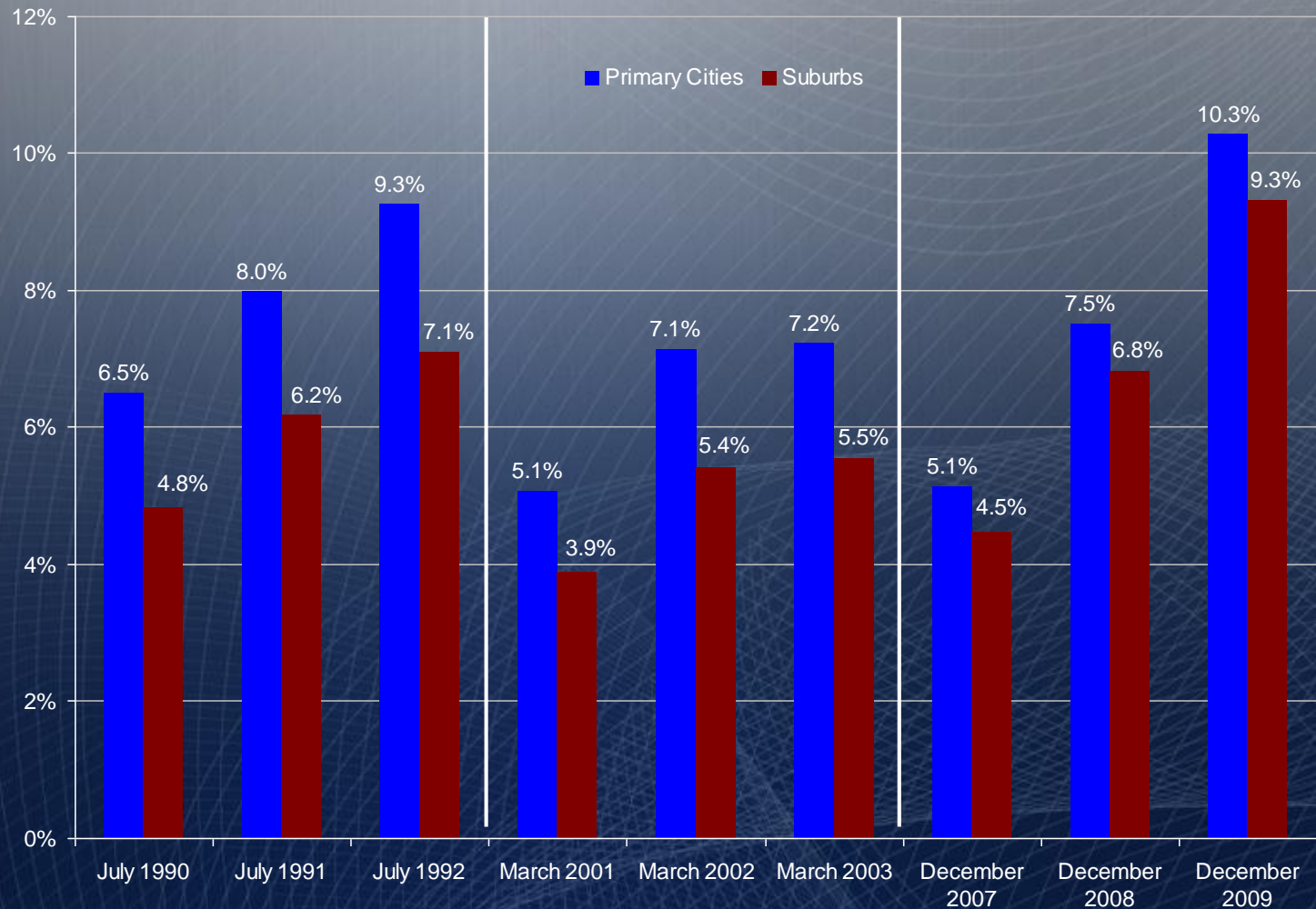
Source: Brookings analysis of ACS data



Unemployment data suggest that cities and suburbs are feeling the effects of this recession in roughly equal measure

Unemployment rate, cities and suburbs, 100 largest metro areas, 12 and 24 months following the start of the 1990, 2001, and 2007 recessions

Source: Brookings analysis of BLS data

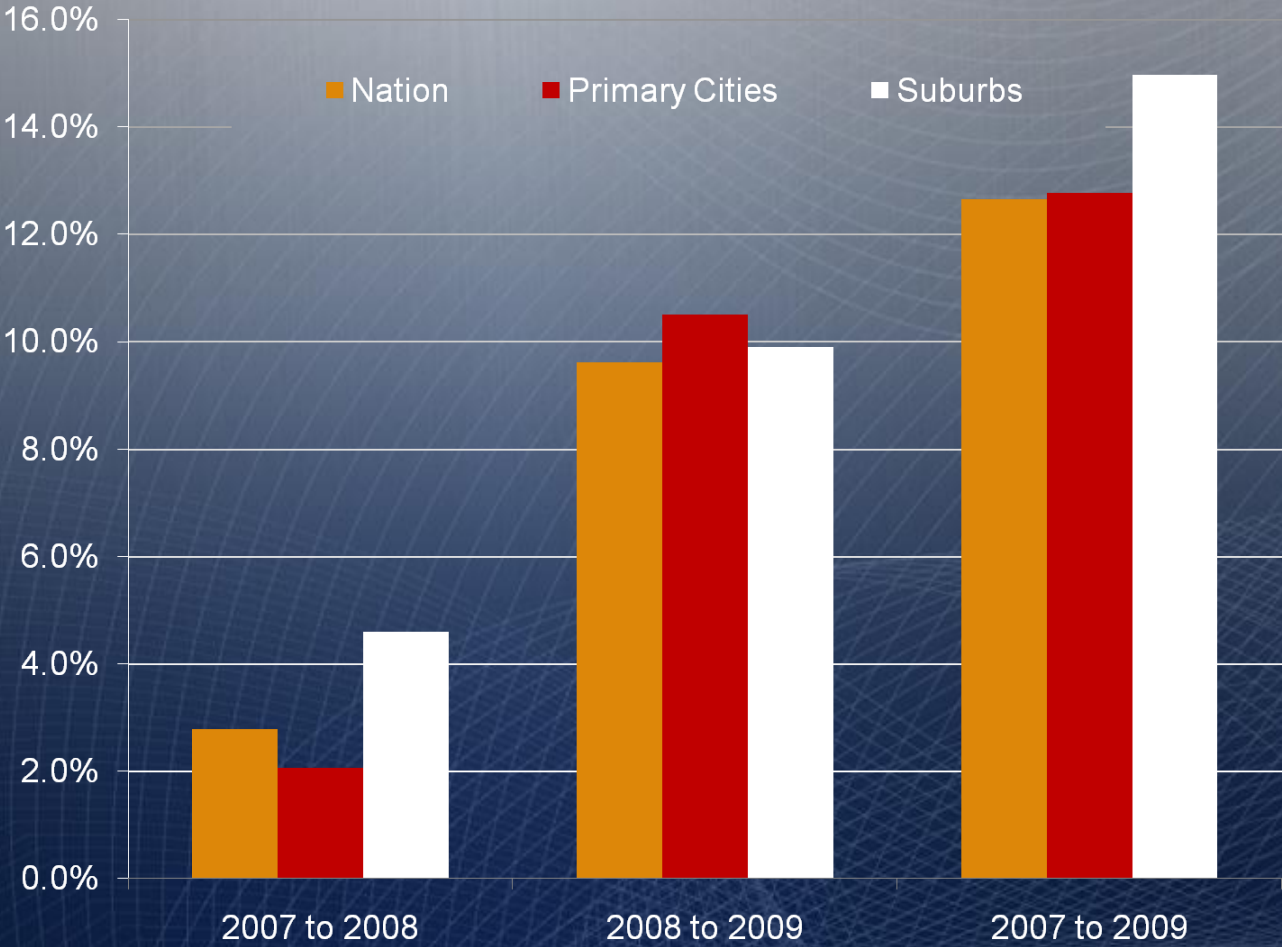


*Data for Indianapolis are not available prior to 1995. Hawaii is excluded from each year because BLS does not report city data separate from the county.

Growth rates among the city and suburban poor populations during the Great Recession show a similar story

Change in poor population, cities and suburbs, 100 largest metro areas*, 2007, 2008, and 2009

Source: Brookings analysis of ACS data



*Represent 95 of the largest 100 metropolitan areas for which data are available.

As do city and suburban poverty rates, which grew by nearly equal margins (1.4 and 1.2 percentage points, respectively), though trends varied widely across individual metro areas

Change in city and suburban poverty rates, select metro areas, 2007 to 2009

Source: Brookings analysis of ACS data

	Change in Poverty Rate	
	City	Suburb
Akron, OH	1.0	1.1
Albuquerque, NM	0.8	2.0
Denver-Aurora, CO	0.4	0.6
Detroit-Warren-Livonia, MI	2.9*	1.3*
Indianapolis-Carmel, IN	4.2*	2.0
Phoenix-Mesa-Scottsdale, AZ	3.2*	0.7
Rochester, NY	1.3	-1.5
San Antonio, TX	1.3	0.7
San Francisco-Oakland-Fremont, CA	0.8	0.4
Washington-Arlington-Alexandria, DC-VA-MD-WV	1.4	0.6

* Difference significant at 90% confidence interval

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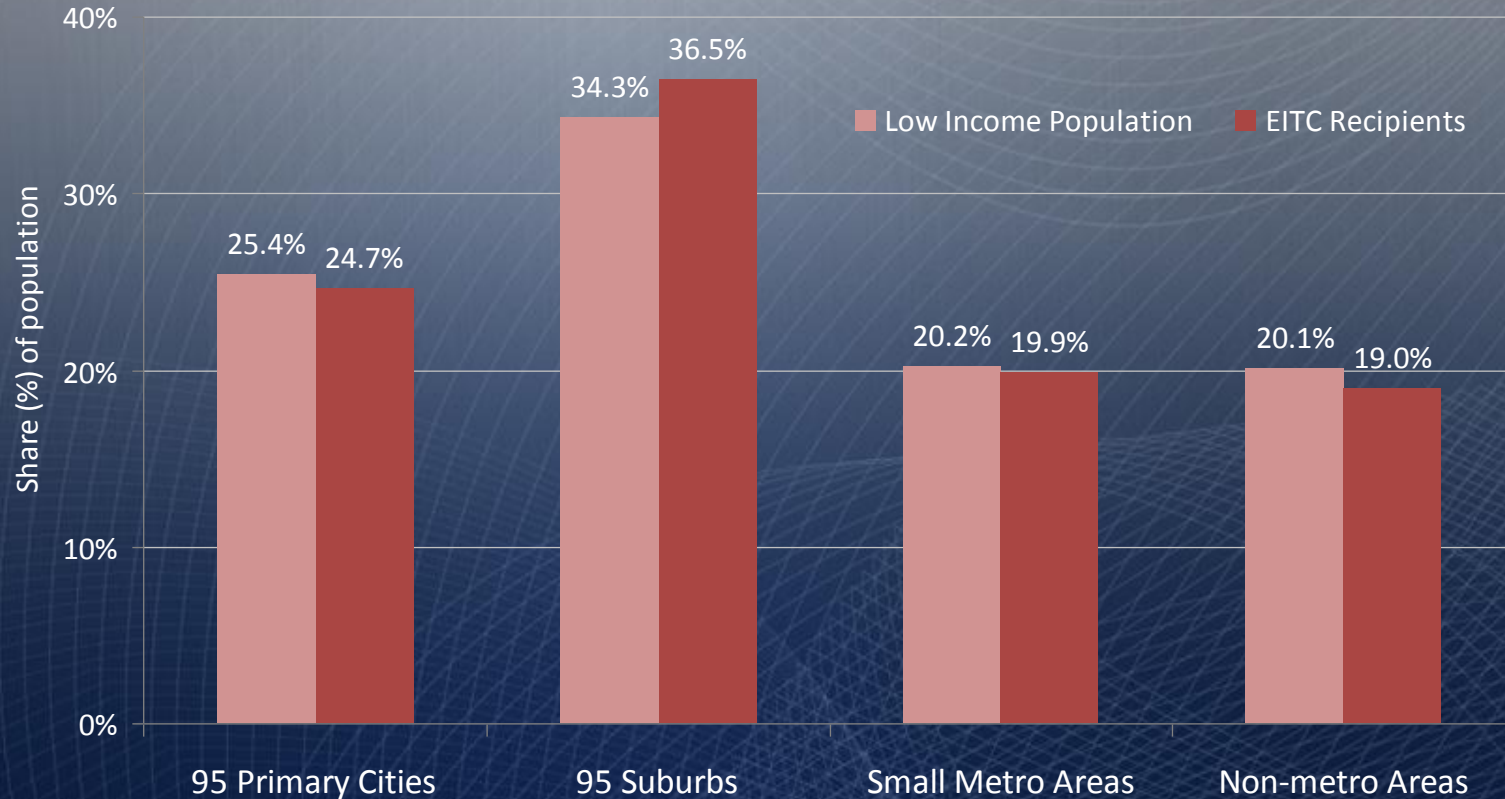
We're carrying out a variety of research to better understand these trends, and the communities in which they take place

- *Spatial mismatch between jobs and low-income residents*
 - » *Steven Raphael and Michael Stoll*
- *Social safety net access in the suburbs*
 - » *Scott Allard and Benjamin Roth*
- *Landscape of Recession series*
 - » *Elizabeth Kneebone and Emily Garr*
- *Public transit access for low-income workers*
 - » *Adie Tomer and Elizabeth Kneebone*
- *Immigration and suburbanization of poverty*
 - » *Roberto Suro, Audrey Singer, Jill Wilson*
- *The relationship of housing age to neighborhood income*
 - » *Stuart Rosenthal*
- *How can we adjust federal poverty alleviation programs (both place-based and people-based) to better align with the new geography of poverty?*

Out next publication will look at the responsiveness of the EITC as a policy tool that targets support to a changing low-income population

Distribution of low-income individuals and EITC recipients, 2007

Source: Brookings analysis of IRS and ACS data



- How to ask a question:
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EITC Funders Network

For more information:

- **EITC Funders Network**
 - www.eitcfunders.org
- **Brookings Institution**
 - www.brookings.edu/metro
 - Email: ekneebone@brookings.edu