

Poverty Trends in the Atlanta Region 1970-90

A Presentation
to the
Atlanta
Regional Leadership Institute

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Table 1
 Growth in Real Median Family Income
 for 15 Fastest Growing Metro Areas
 1950-90

<u>Metropolitan Area</u>	<u>Growth Rate</u>
WEST PALM BEACH FL	211%
ORLANDO FL	199%
RALEIGH-Durham NC	194%
ATLANTA GA	192%
CHARLESTON SC	191%
NASHVILLE TN	176%
LITTLE ROCK AR	168%
AUSTIN TX	167%
TAMPA-St. Petersburg FL	158%
MEMPHIS TN-AR-MS	157%
WASHINGTON DC-MD-VA	149%
BOSTON MA NECMA	148%
RICHMOND VA	147%
CHARLOTTE NC-SC	145%
GREENSBORO-Winston Salem NC	145%
NATIONAL METRO AVERAGE	128%

Table 2

Overall Regional Poverty Trends 1970-90

	1970	1980	1990
Atlanta Metro	11.7%	12.2%	10.0%
Atlanta Region	11.8%	11.9%	9.6%
—City of Atlanta	19.8%	26.5%	26.0%

Table 3
Regional Poverty Trends
among White Residents
1970-90

	1970	1980	1990
Atlanta Metro	6.8%	6.9%	5.4%
Atlanta Region	7.0%	6.5%	4.9%
—City of Atlanta	10.9%	12.0%	9.2%

Table 4
Regional Poverty Trends
among Black Residents
1970-90

	1970	1980	1990
Atlanta Metro	28.9%	28.3%	22.4%
Atlanta Region	28.6%	27.5%	21.1%
—City of Atlanta	28.4%	33.6%	33.6%

Table 5
 Distribution of Black Population
 in Atlanta Region
 1970-90

	<u>1970</u>	<u>1980</u>	<u>1990</u>
Atlanta Region	22%	25%	27%
Cherokee	n/a	2%	2%
Clayton	4%	7%	24%
Cobb	4%	4%	10%
De Kalb	14%	27%	42%
Douglas County	9%	5%	8%
Fayette	n/a	4%	5%
Fulton	39%	52%	50%
Gwinnett	5%	2%	5%
Henry County	32%	18%	10%
Rockdale County	17%	9%	8%
—City of Atlanta	51%	67%	67%

Table 6
 Growth in Poverty Neighborhoods
 for the Atlanta Region
 1970-90

	1970	1980	1990
Atlanta Region	56	85	91
Cherokee	n/a	0	0
Clayton	0	1	2
Cobb	1	2	2
DeKalb	4	10	13
Douglas	0	0	0
Fayette	n/a	0	0
Fulton	49	72	74
Gwinnett	0	0	0
Henry	2	0	0
Rockdale	0	0	0
—City of Atlanta	50	74	72

Table 8

Change in Poverty Levels in 1970 Poverty Neighborhoods

	1970- 1980	1980- 1990	1970- 1990
Poverty Decreased	8	18	7
Poverty Stabilized	9	11	9
Poverty Increased	35	23	36

Table 9
 Changes in Relative Mean Household Income
 within the Atlanta Region
 from 1970-90

Jurisdiction	No. Tracts Higher Inc Winners 1970-90	No. Tracts Lower Inc Winners 1970-90	No. Tracts Higher Inc Losers 1970-90	No. Tracts Lower Inc Losers 1970-90
<i>Cherokee*</i>	1	6	1	3
Clayton	0	1	9	3
Cobb	2	1	12	7
DeKalb	6	6	34	15
Douglas	0	3	1	2
<i>Fayette*</i>	3	0	2	0
Fulton	8	19	22	68
Gwinnett	1	5	0	1
Henry	0	4	0	1
Rockdale	0	4	0	0
—City of Atlanta	7	19	14	64

There are 87,000 poor whites
in the Atlanta region.

Only 9,200 poor whites
(or less than 11%)
live in poverty neighborhoods.

*Nine out of ten poor whites
live in
predominantly middle class
neighborhoods
scattered throughout the region.*

There are 144,000 poor blacks
in the Atlanta region.

Over 93,000 poor blacks
(or 65%)

live in poverty neighborhoods —
and 44,000 poor blacks
(or 30%)

live in
high-hyper poverty neighborhoods.

*Two out of three poor blacks
live in poverty neighborhoods
concentrated in the city of Atlanta
and nearby suburbs.*

Table 7
Public Housing Impact
on 20 Poorest Neighborhoods
in Atlanta Region (1990)

Census Tract in 1990	All Persons Pct Poor in 1990	Public Housing Units in 1990	Public Housing as % of All Housing in 1990
43	94%	418	100%
20	88%	721	100%
87.01	87%	944	100%
37	85%	590	100%
22	79%	520	65%
35	78%	241	100%
44	75%	650	79%
21	70%	1,000	100%
55.02	69%	990	87%
48	69%	479	70%
86.02	67%	783	81%
33	64%	832	69%
25	58%	548	41%
42.95	55%	604	55%
71	54%	525	39%
64	51%	324	39%

Three key regional issues:

1. fiscal disparities

- a. Dayton-Montgomery ED/GE program**
- b. Twin Cities Fiscal Disparities Plan**

2. urban sprawl

**(greater peripheral sprawl=
greater core abandonment)**

- a. Portland Metro growth management**
- b. Seattle-King County growth management**

3. mixed income housing

- a. Montgomery County, Maryland
“Inclusionary Zoning” Laws**
- b. State of Connecticut
Affordable Housing
Land Use
Appeals Procedure**

**Dayton-Montgomery County
ED/GE Program**

**Voluntary 10-year contract
between
county government
and 29 of 31
townships and municipalities.**

**Economic Development:
Local governments apply for
\$5 million per year
from county sales tax fund
to support infrastructure,
other costs for
private commercial/industrial
projects.**

**Government Equity:
Local governments contribute
up to 13% of annual *increase* in
property and income tax
to redistribution fund.
Economic Development Fund**

Results 1992-95

Total Projects Funded	90
Total ED/GE Funds	\$19,473,970
Public Matching Funds (Non-ED/GE)	\$42,261,463
Private Matching Investment	\$77,803,915
New Jobs Created	4,811
Existing Jobs Retained	7,515

Government Equity Fund

1993-95
\$1,156,244

by 1995
\$420,457

High fiscal capacity contributors:

City of Miamisburg...\$213,046
Washington Township...\$216,902
City of Centerville...\$223,379

Low fiscal capacity recipients:

City of Dayton...\$168,728
Harrison Township...\$216,849
City of Riverside...\$235,116*

**(*Created in 1995 by merger of
Mad River Township and Village of Riverside)**

ED/GE Assessment

1. Economic Development Fund provides major benefits.

2. Government Equity Fund is too modest to be fiscally significant.

- a. sliding base year (3 years previous)**
- b. 13% cap on contribution**
- c. periodic GE “settle up” from ED fund.**

**3. Biggest benefit:
building habit of regional cooperation**

- a. ED/GE Advisory Council evaluates annual ED project proposals**
- b. Dayton-Montgomery County Housing Commission promotes “fair share” affordable housing with \$1 million annual county matching fund.**
- c. potential countywide fund to support regional cultural and sports facilities.**

Portland Metro: Curbing Urban Sprawl

- 1. 13 statewide goals set under Oregon Growth Management Act (1973)**
- 2. Administration by elected regional government (Portland Metro) for 3 county, 24 municipality area.**
- 3. “Urban Growth Boundary” set sufficient for 20-year growth**
- 4. Complex process of intergovernmental consultation/negotiation and public input to develop 50-year vision (Portland 2040)**
- 5. Ultimate adoption by Portland Metro Council and state’s Land Conservation and Development Commission as law binding on local governments’ land use plans and zoning procedures.**

Example: Housing Rule

- 1. requires minimum 50% multi-family and attached 1-family new construction**
- 2. sets minimum target densities (e.g. Portland, 10 units/buildable acre, suburbs: 6-8 units/buildable acre)**

1985-89 results:

- 1. multi-family and attached equal 54% (compared to 30% prior to Housing Rule)**
- 2. 2/3 have lot size less than 9,000 sq. ft. (compared to prior 13,000 sq. ft. average)**
- 3. saved 1,500 acres in 5 years (sufficient for another 14,000 future units)**
- 4. region has most affordable housing on Pacific Coast (cost-of-housing was 96% of national metro average in 1990)**

**Montgomery County, MD:
Moderately-Priced Dwelling Unit policy
(i.e. “inclusionary zoning”)**

**Adopted as county ordinance in 1973
(controls 88% of county area)**

**Requires any larger housing development
(50+ units - homes, townhouses, apartments)
to be**

—85% market rate

**—10% “affordable”
(i.e. sold or rented to persons at
maximum 80% of median income)**

**—5% purchased by county’s
public housing authority**

**To offset profit loss from 15% below-market
sales or rentals, county provides up to 22%
“density bonus.”**

Results (by 1994)

**9,046 MPDU housing units
built by private developers
(6,376 for-sale, 2,670 rentals)**

**1,110 bought by county's
Housing Opportunities Commission
(scattered in 150 different neighborhoods)**

**Assisted housing = 3.4% of total housing
1.9% to 6.1% in 14 of 18 districts**

**MPDU sales price=\$70,000 (1988-92)
Non-MPDU sales price=\$208,000 (1990)**

**No significant social problems in mixed-
income communities**

**MPDU project appreciation=+14%
non-MPDU project appreciation=+10%**

Montgomery County in 1970

—523,000 residents

—8% minority

**—very few low- and
moderate-income families;**

—one of USA's ten wealthiest counties

Montgomery County in 1990

—757,000 residents;

—25% minority;

**—almost 20% of school children from
low- and moderate-income families;**

**—still one of USA's ten wealthiest
counties**

Twin Cities

Fiscal Disparities Plan

- 1. Mandated by Minnesota Legislature in 1971; effective in 1975**
- 2. Covers 187 cities, villages, and townships in 7 counties plus more than 100 schools districts, special districts, etc.**
- 3. Sets 1971 property tax valuation as base.**

3. Requires that 40% of *increase* in commercial and industrial property tax valuation goes into regional pool (i.e. 60% remains with local jurisdiction)
- 4. Pool redistributed annually by formula based on population and tax capacity**

Results by 1995:

- 1. Pool has grown to \$241 million (27% of region's total commercial/industrial property tax collections.**
- 2. 140 net recipients (Minneapolis, St. Paul, blue collar suburbs, rural townships).**
- 3. 47 net contributors (suburban beltway boomers like Bloomington, Eden Prairie).**
- 4. adaptable to changing dynamics — e.g. Minneapolis moved from net recipient (1971) to net contributor (1991) to net recipient again (1995) due to boom and bust of downtown office market**
- 5. 4:1 ratio between richest and poorest community; without pool, 17:1 ratio.**

The Atlanta Region's Choices

- 1. Rely on current trends and policies.**
- 2. Forge voluntary compacts among local governments.**
- 3. Secure state legislation to define broader benefit sharing and burden sharing responsibilities for local governments.**