Growing Urban and Suburban Poverty

The Great Recession vastly increased the number of Americans living in poverty. In 2010, 15.1 percent of Americans lived below the poverty line, the highest level since 1993. St. Louis County’s poverty rate also increased in 2011 to 9.7 percent. While St. Louis County’s poverty rate is lower than the national and regional rates, the sheer size of the county’s population translates into 95,000 of its residents living below the poverty level.

More importantly, much of St. Louis County’s poverty is concentrated geographically and disproportionately affects African-Americans. Historically, poverty in St. Louis County has been concentrated in the inner-ring communities of North County bordering the City of St. Louis. In the last decade, however, new concentrations of poverty have emerged in the suburban communities of northeastern St. Louis County. Mirroring trends nationwide, poverty in St. Louis County has both re-concentrated in the inner ring, as well as spread further into suburbia in the last decade.

A great deal of research has studied the significant social and economic consequences that occur when poverty is concentrated. Poor persons living in poor neighborhoods experience a "double burden" – a burden that extends beyond the limitations of their own individual poverty to the disadvantages of the place in which they live. Concentrated poverty has serious implications for communities, including safety, quality of education, access to jobs, health of its residents, stability of its neighborhoods, and resources available for services.

### Poverty Threshold

<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 under 65</td>
<td>$11,702</td>
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<td>One person over 65</td>
<td>$10,788</td>
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<tr>
<td>Two people under 65</td>
<td>$15,063</td>
</tr>
<tr>
<td>Two people over 65</td>
<td>$13,596</td>
</tr>
<tr>
<td>Three people</td>
<td>$17,595</td>
</tr>
<tr>
<td>Four people</td>
<td>$23,201</td>
</tr>
<tr>
<td>Five people</td>
<td>$27,979</td>
</tr>
<tr>
<td>Six people</td>
<td>$32,181</td>
</tr>
</tbody>
</table>

(Source: U.S. Census Bureau, 2011)
Concentrated Poverty: Extreme and High Poverty

A 2011 study conducted by the Brookings Institution (Kneebone et al. 2011) divides areas of concentrated poverty into two categories: extreme poverty and high poverty. Using U.S. Census tracts, the study defines extreme-poverty areas as tracts with 40 percent or more of residents living under the federal poverty level and high-poverty areas as tracts with 20-40 percent of residents living under the federal poverty level. Data used for this analysis is from the 2000 Census and the American Community Survey (ACS) five-year estimates for 2007-2011. While the census tract boundaries changed between the 2000 to 2010 decennial censuses, the spatial distribution of poverty remains concentrated in North St. Louis County.

Extreme Poverty

In 2000, there were no extreme-poverty census tracts in St. Louis County; currently there are two. The census tracts are both located in northern St. Louis County: one in the unincorporated community of Spanish Lake and the other in the City of Wellston.

These two extreme-poverty census tracts have a combined total population of 7,074. Of St. Louis County’s population living in poverty, 3.6 percent live in extreme-poverty census tracts.

Extreme-poverty areas are those with poverty rates of 40 percent or more.
High-poverty

There are 24 high-poverty census tracts in St. Louis County, up from ten in 2000. The census tracts are almost all located in North County, and most are located in the inner-ring communities, with clusters also found in northeastern St. Louis County and near Lambert-St. Louis International Airport. Municipalities hardest hit by poverty in these areas include: Bel-Ridge, Country Club Hills, Hillsdale, Jennings, Kinloch, Normandy, Riverview, Pine Lawn, and Wellston. These 24 high-poverty tracts have a combined total population of 101,645. Of St. Louis County’s population living in poverty, 28.3 percent live in high-poverty census tracts.

Poverty, Race, and Age

The areas of concentrated poverty in St. Louis County comprise the same areas where most African Americans residents live. Impoverished African American residents are more likely to live in an area of concentrated poverty compared to impoverished White residents. Over 54 percent of St. Louis County’s impoverished African American population resides in an extreme- or high-poverty census tract. Only 9.5 percent of St. Louis County’s impoverished White population resides in an extreme- or high-poverty census tract.

Seniors aged 65 years and older in St. Louis County have a poverty rate that is lower than the county rate – 6.2 percent compared to 9.7 percent. Census tracts with high concentrations of poor elderly residents are located primarily in North St. Louis County. Municipalities with the highest percentage of poor seniors include Jennings (20 percent), Woodson Terrace and Berkeley (20 percent), and Dellwood (25 percent).

The poverty rate for children under the age of 18 in St. Louis County is 14.1 percent, higher than St. Louis County’s overall poverty rate. Youth poverty is concentrated in North St. Louis County. Municipalities with the highest percentage of youth in poverty include Wellston (65 percent), Hillsdale and Velda City (41 percent), Bel Ridge (53.7 percent), and Country Club Hills (47.4 percent). Census Designated Places in the unincorporated area of St. Louis County with the highest youth poverty include: Castle Point (57.5 percent), Glasgow Village (39 percent), and Spanish Lake (41 percent).

<table>
<thead>
<tr>
<th>Jurisdiction</th>
<th>Total</th>
<th>&lt;18 years</th>
<th>65 years +</th>
<th>White</th>
<th>African American</th>
</tr>
</thead>
<tbody>
<tr>
<td>St. Louis County</td>
<td>9.7%</td>
<td>14.1%</td>
<td>6.2%</td>
<td>6.1%</td>
<td>19.6%</td>
</tr>
<tr>
<td>City of St. Louis</td>
<td>26.0%</td>
<td>39.3%</td>
<td>17.5%</td>
<td>13.9%</td>
<td>36.5%</td>
</tr>
<tr>
<td>St. Charles County</td>
<td>4.9%</td>
<td>6.0%</td>
<td>3.9%</td>
<td>4.4%</td>
<td>13.8%</td>
</tr>
<tr>
<td>St. Louis MSA</td>
<td>12.2%</td>
<td>17.7%</td>
<td>7.5%</td>
<td>8.3%</td>
<td>27.4%</td>
</tr>
<tr>
<td>Missouri</td>
<td>14.3%</td>
<td>20.0%</td>
<td>8.9%</td>
<td>12.1%</td>
<td>27.7%</td>
</tr>
<tr>
<td>United States</td>
<td>14.3%</td>
<td>20.0%</td>
<td>9.4%</td>
<td>11.6%</td>
<td>25.8%</td>
</tr>
</tbody>
</table>

Source: U. S. Census Bureau, American Community Survey, 2007-2011
African American Poverty Rate, 2011
St. Louis County, Missouri

African American Poverty Rate

- **0% - 9.9%**
- **10% - 14.9%**
- **15% - 19.9%**
- **20% - 39.9%**
- **40%+**

Source: ACS 5-Year Data, 2007-2011

St. Louis County Planning

Source: ACS 5-Year Data, 2007-2011
White Poverty Rate, 2011
St. Louis County, Missouri

White Poverty Rate
- 0% - 9.9%
- 10% - 14.9%
- 15% - 19.9%
- 20% - 39.9%
- 40%+

Source: ACS 5-Year Data, 2007-2011
Senior Population Below Poverty, 2011
St. Louis County, Missouri

Percent Senior Population Below Poverty
- 0% - 9.99%
- 10% - 14.99%
- 15% - 19.99%
- 20% - 39.99%
- 40%+

Source: ACS 5-Year Data, 2007-2011
Re-Concentration and Expansion of Poverty

The Great Recession caused a significant increase in the number of Americans living in poverty. The national poverty rate increased to 15.1 percent from 11.3 percent during the ten-year span from 2000 to 2010. During the same period, St. Louis County’s poverty rate increased from 6.9 percent to 9.7 percent.

Two trends shaped the country’s increase in poverty during the decade: the re-concentration of poverty and the suburbanization of poverty. Researchers at the Brookings Institution found that the percentage of poor Americans living in extreme-poverty census tracts increased by 1.4 percent from 2000 to 2009, after a decline in the concentration of poverty in the 1990s. The same study identified suburban areas as the epicenter of poverty growth. From 2000 to 2009, extreme-poverty census tracts increased by 41 percent in the suburbs compared to 17 percent in urban areas (Kneebone et al. 2011).

Both trends - re-concentration and suburbanization - are observable in St. Louis County. The number of extreme-poverty census tracts increased from zero to two in the past decade, while high-poverty census tracts tripled. Despite the sharp increase in St. Louis County, the City of St. Louis has a greater share of its population living in poverty and a greater incidence of concentrated poverty. With a poverty rate of 26 percent, there are about 80,000 persons living in poverty in the City of St. Louis. While a greater proportion of St. Louis City residents live in poverty, a greater number of persons living in poverty reside in St. Louis County, according to census estimates.

Concentrated poverty in St. Louis County has expanded to the northeast from its historic location in the inner-ring communities of North County. Bellefontaine Neighbors, Riverview and the unincorporated areas known as Spanish Lake, Glasgow Village, and Castle Point all experienced a precipitous rise in residents living in poverty. The emergence of concentrated poverty in these traditionally suburban communities reflects the growing challenge of suburban poverty.

There are several potential explanations for the sharp increase in concentrated poverty in St. Louis County. Over the last decade, the country experienced two recessions – in 2001 and 2007-2009, with slow job growth in between. The year 2000 reflects economic indicators from a robust economy in the mid-to-late 1990s, while 2010 captures the nadir of the Great Recession. Comparing data from the beginning and end of the decade highlights the dramatic economic differences of recent times. Moreover, the length, breadth, and depth of the Great Recession have taken a dramatic toll on many Americans, erasing much of the economic gain made over the last twenty years, especially among African-Americans.

Regional migration has played a part, as well. Migration patterns, particularly between St. Louis County, the City of St. Louis, and St. Charles County, have contributed to changes in the distribution of population and wealth in the region. While St. Louis County’s population declined by 1.7 percent between 2000 and 2010, the City of St. Louis’ population decreased by 8.3 percent, and St. Charles County’s increased by 27 percent. Given historical patterns of
population migration and development, in-migration from St. Louis City into St. Louis County, and out-migration from St. Louis County to St. Charles County have played a significant role in the socio-economic changes over the last decade. Many areas have undergone rapid generational and racial transitions, as white empty nesters and elderly households have been replaced by young African American families. A net loss of more affluent households and an influx of lower-income households contribute to the incidence and concentration of poverty.

**Implications of Concentrated Poverty**

Concentrated poverty is associated with a cluster of social and economic limitations that complicate the challenges facing these communities. National studies have shown that areas of concentrated poverty are associated with underperforming schools, increased crime, poorer health outcomes, depreciating property values, lower levels of private investment, and an increased burden for local government (Kneebone et al. 2011).

![Percent of Households Spending More Than 30% of Income on Housing](image)
Additionally, the implications of concentrated poverty do not just affect the poor. They impact every resident in the area even if they don't meet the federal poverty guidelines. Issues such as languishing schools, depressed housing values, economic disinvestment, or increased crime are community issues that amplify the challenges of concentrated poverty.

A spatial analysis of St. Louis County shows that the areas of concentrated poverty reflect many socio-economic and housing indicators of distress. Areas with a high concentration of poverty have the lowest educational attainment levels, lowest median household incomes, and lowest residential appraised values. They have a higher rate of households spending more than 30 percent of their income on housing, a higher rate of residential vacancy, a higher foreclosure rate, and a higher rate of single-parent households.

An examination of the total assessed value of property on a per capita basis among St. Louis County municipalities reveals the vast disparities in resources available to taxing jurisdictions. Resources available for schools, fire districts, and municipal services through property taxes are impacted by low property values. Like many of the other economic and social indicators, the areas of low per capita assessed value align with the areas of concentrated poverty in St. Louis County. These areas and their residents have among the highest needs for services and frequently have access to the fewest resources.

**Per Capita Assessed Value, 2011**

St. Louis County, Missouri

<table>
<thead>
<tr>
<th>Per Capita Assessed Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>$1,519.69 - $7,724.27</td>
</tr>
<tr>
<td>$7,724.28 - $16,322.41</td>
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<tr>
<td>$16,322.42 - $31,278.52</td>
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<tr>
<td>$31,278.53 - $53,209.10</td>
</tr>
<tr>
<td>$53,209.11 - $187,536.67</td>
</tr>
</tbody>
</table>

Source: St. Louis County Department of Revenue, 2011
Old and New Challenges in the War on Poverty

In the aftermath of the Great Recession, concentrated poverty poses even greater challenges to communities nationwide. Cutbacks in federal and state programs, together with significant reductions in local revenues, have made the struggle to combat poverty even harder. Locally, many cities are hard pressed to provide basic services to residents, let alone attract jobs, new investment, and infrastructure and housing improvements to their communities.

In St. Louis County, some of the greatest needs are found in the smallest inner-ring communities with the fewest resources. While there are bright spots, like the NorthPark development, success of Express Scripts, and the efforts of Beyond Housing’s 24:1 initiative, local leaders and policy makers must continue to cooperate and strategically plan, target, and implement investment in these areas. While the inner-ring communities of North County exhibit some of the highest markers of distress in the county, they have the advantage of a central location and access to employment centers, as well as transportation and institutional assets like Lambert-International Airport, I-70 and I-170 interstates, and the University of Missouri-St. Louis.

The spread of poverty to suburbia poses new challenges to communities who have not been prepared to address “urban” issues in their suburban neighborhoods. These communities are frequently far from employment centers and community facilities, lack social services, and have limited transit to help residents gain access to opportunities.

In St. Louis County, suburban communities, particularly in the northeast region of the county, have experienced dramatic population shifts in race, age, and income over the last decade. Some bright spots in response to the changing needs of residents include the expansion of boys and girls clubs into Spanish Lake and Bellefontaine Neighbors, the opening of a County Youth Resource Center in Spanish Lake, improvements to the North County Recreation Complex, and increased awareness among social service providers of community needs. However, local leaders and policy makers must seriously look at this new face of poverty and ask themselves, “How can the traditional markers of poverty be effectively addressed in a suburban context?” New thinking about transportation, job access, housing, and social service delivery will be needed given the new realities of suburban poverty.

Concentrated poverty has serious implications for communities, including safety, quality of education, access to jobs, health of its residents, stability of its neighborhoods, and resources available for services.
A Note About ACS Data

The American Community Survey (ACS) is an annual sampling of households by the U.S. Census Bureau to measure socio-economic characteristics of the U.S. population. All ACS data are survey estimates. The margin of error for ACS data varies based on the size of the sample. The Census Bureau publishes a margin of error (MOE) for every ACS estimate. The data contained in this policy brief is taken from the five-year average of the annual samples from 2007 through 2011.

Sources
