Confronting Suburban Poverty in the Minneapolis-St. Paul Region

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The Metropolitan Policy Program has been engaged in the region for over a decade.
1. The geography of poverty and opportunity has changed.

2. We need a new agenda for metropolitan opportunity.
Statistics in this presentation reflect individuals living below the poverty line, which is much less than a “living wage.”

Hennepin County: One Adult, One Child

Source: MIT Living Wage Calculator
Nationally, suburbs are home to the largest and fastest growing poor population.

Source: Brookings analysis of U.S. Census Bureau data
This mirrors the trend in the Minneapolis-St. Paul region
In the seven-county regional core, poverty *rates* are higher in cities, but the *number* in poverty is higher in suburbs.

**Below-Poverty Population**

<table>
<thead>
<tr>
<th></th>
<th>2000</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cities</td>
<td>105,358</td>
<td>167,797</td>
</tr>
<tr>
<td>Suburbs</td>
<td>144,138</td>
<td>73,958</td>
</tr>
</tbody>
</table>

**Poverty Rate**

<table>
<thead>
<tr>
<th></th>
<th>2000</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cities</td>
<td>16.4%</td>
<td>21.5%</td>
</tr>
<tr>
<td>Suburbs</td>
<td>6.9%</td>
<td>11.0%</td>
</tr>
</tbody>
</table>

Source: Brookings analysis of U.S. Census Bureau data
The number in poverty rose fastest in suburban Hennepin County and Dakota County from 2000 to 2013.

Source: Brookings analysis of U.S. Census Bureau data
Neighborhood Poverty in the Minneapolis-St. Paul Region, 1990

Share of Tract Population Below the Poverty Line, 1990

- Less than 10%
- 10% to 20%
- 20% to 30%
- 30% to 40%
- Above 40%

Source: Brookings Institution analysis of Decennial Census and American Community Survey data
Change in Neighborhood Poverty Rates in the Minneapolis-St. Paul Region, 1990 to 2009-13

Percentage-Point Change in Tract Poverty Rate, 1990 to 2009-13

-50 points or less
-10 to -50 points
0 to -10 points
0 to +10 points
+10 to +20 points
+20 points or more

Source: Brookings Institution analysis of Decennial Census and American Community Survey data
Many factors have driven suburbanizing poverty

Population Change

Immigration

Housing

Job Location

Regional Economic Change
A majority of working-age people in poverty in both the cities and suburbs are in work or actively looking for work.

**Minneapolis and St. Paul**
- Employed: 44%
- Unemployed: 40%
- Not in Labor Force: 16%

**Suburban areas**
- Employed: 39%
- Unemployed: 44%
- Not in Labor Force: 17%

Source: Brookings analysis of U.S. Census Bureau data
Nearby jobs declined in the urban core from 2000 to 2012, and expanded in middle-ring suburbs.
And suburban poverty brings added challenges

- Limited Transit Access
- Strained Local Services
- Limited Philanthropic Resources
- Change in School Populations
The legacy system of place-based anti-poverty programs developed over decades does not map easily onto the suburban landscape.

**Housing**
- Emergency Food and Shelter Program
- Tenant-based Rental Assistance
- Sustainable Communities Regional Planning Grant Program
- Housing Choice Voucher (HCV) Family Self-Sufficiency
- Housing Counseling Assistance

**Food Assistance**
- Child and Adult Care Food Program
- The Emergency Food Assistance Program (TEFAP)
- Summer Food Service Program
- Commodity Supplemental Food Program
- WIC Farmers' Market Nutrition Program (FMNP)

**Social Services**
- Substance Abuse Treatment Block Grant
- Social Services Block Grant
- Substance Abuse Prevention Block Grant
- Community Mental Health Services Block Grant (MHSBG)
- Access to Recovery (ATR)

**Job Training**
- Job Corps; WIA Dislocated Worker Program; Employment and Training Activities; WIA Adult Program; WIA Dislocated Worker Program; National Emergency Grants; YouthBuild; Learn and Serve America; School and Community Based Programs; Supported Employment State Grants; Work Opportunity Tax Credit; Child Care and Development Block Grant

**Health**
- Consolidated Health Centers (Community Health Centers, Migrant Health Centers, Health Care for the Homeless, Public Housing Primary Care, and School Based Health Centers); Affordable Care Act (ACA) Grants for Capital Development in Health Centers; Title V Maternal and Child Health Services Block Grant; Maternal, Infant, and Early Childhood Home Visiting Program

**Education**
- Title I — Improving The Academic Achievement Of The Disadvantaged; Head Start and Early Head Start; Improving Teacher Quality State Grants; Adult Basic and Literacy Education; Teacher Readiness for Undergraduate Programs (GERAP); College Access Challenge Grant Program; Mathematics and Science Talent Search; Race to the Top — Early Partnerships; TRIO: Talent Search; Race to the Top — Early Education; TRIO Educational Opportunity Centers; Math Science; Parental Information and Learning Challenge; TRIO: Upward Bound Math Science; Parental Information and Literacy; Assets for Independence (AFI); IRS Volunteer Income Tax Assistance (VITA); 21st Century Community Learning Centers; Advanced Child Care Access Incentive Program Grants; Qualified Zone academy bonds (QZAB); Charter Schools Program

**Economic Development**
- New Markets Tax Credit: Renewal Community Tax Expenditure; Community Development Financial Institutions Program; ARRA: Investments for Public Works and Economic Development Facilities; Recovery Zone Bonds; ARRA: Economic Adjustment Assistance; Economic Development; Support for Planning Organizations; Community Economic Development; Technical Assistance: Bank Enterprise Award; Economic Community Services Block Grant; Community Services Block Grant; Discretionary Awards

**Note:**
- $82 billion
- 10 agencies
- 81 federal programs
Chicago’s south suburbs encountered these challenges during the housing crisis
Chicago’s south suburbs encountered these challenges during the housing crisis

19 communities submitted a joint NSP application
Chicago’s south suburbs encountered these challenges during the housing crisis

11 municipalities received individual awards
Yet innovators across the country are finding creative ways to navigate this system.
Leaders in the MSP region are already embracing many principles of success for confronting suburban poverty

Achieve scale

Collaborate and integrate

Fund strategically
The MSP region could benefit from looking at strategies other regions are undertaking.
Creating a Metropolitan Opportunity Challenge could help bring these solutions to scale in regions across the country.

Federal Place-Based Anti-Poverty Programs

$82 Billion; 81 Programs; 10 Agencies

Re-purpose 5% : $4 billion
Five Lessons from Leading Innovators on Confronting Suburban Poverty

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WHAT'S NEW

Case Study

Practitioner Brief

Blog Post

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