Reducing Poverty and Economic Distress after ARRA: Potential Roles for Place-Conscious Strategies—Summary

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Growing up poor is a challenge—and growing up in a poor neighborhood is even more challenging. Antipoverty policies have long recognized the importance of place and how it shapes families’ lives, but the thinking about how to use that knowledge to combat poverty is changing. In the past, so-called place-based and people-based antipoverty strategies have often been posed as competing alternatives. We argue for a new, broader place-conscious approach that sees these strategies as complementary and aims to better connect low-income people and places to regional opportunities. Although the American Recovery and Reinvestment Act didn’t explicitly include place-conscious strategies, we see hopeful signs that the Obama administration is moving in that direction.

PLACE MATTERS

Distressed neighborhoods—with their failing schools; high crime rates; widespread unemployment; and poor-quality grocery stores, financial services, and health facilities—can exacerbate challenges for poor families and reinforce poverty. A growing body of research finds that kids growing up in deeply poor neighborhoods exhibit more aggressive behavior, earn lower grades, are less likely to go to college, are more likely to commit crimes, and have higher rates of disease and mortality.

Concentrated poverty isn’t inevitable or a natural result of private housing choices. Past discriminatory policies confining poor urban blacks to a limited selection of city neighborhoods produced higher poverty rates than in white neighborhoods—and subsequent job losses pushed poverty and isolation even higher. Families and employers moved to the suburbs, taking jobs and tax revenue away from central cities. The dispersion of entry-level jobs, reliance on cars and highways for commuting, and the lack of affordable housing in suburban communities continues to reinforce concentrated poverty, necessitating more equitable strategies for regional development.

ANTipoverty strategies

The old way of thinking about poverty and place pitted neighborhood revitalization against mobility strategies (moving poor families to better communities), but we believe these two efforts work best together. We argue for a new, place-conscious approach that seeks to simultaneously improve neighborhood conditions, open up access to opportunity-rich communities, and ensure low-income people and places aren’t left out of broader regional growth and development strategies.

Neighborhood redevelopment strategies focus on improving distressed neighborhoods through investments in housing, jobs, or social services. Two examples include the HOPE VI program, which replaced or revitalized severely distressed public housing projects, and Jobs-Plus, which helped public housing residents find and retain jobs by offering employment services on site and rent incentives that rewarded work. HOPE VI helped improve housing conditions, and in some places triggered a broader turnaround in neighborhood well-being. Jobs-Plus helped individual residents, but they often moved, so people’s success did not automatically translate into less unemployment in their original community.

Child-focused strategies, like the Harlem Children’s Zone, and comprehensive community change strategies,
which aim to address distressed communities’ multiple and interconnected problems, also fall within this neighborhood redevelopment framework.

Mobility policies aim to help poor families move to better communities through housing assistance—either building low-cost housing in opportunity-rich neighborhoods or providing families with housing vouchers. These programs can only work, however, if all jurisdictions live up to their obligations for fair housing and tackle regulatory and other barriers to offering affordable housing.

In our view, the best mobility programs are genuinely place conscious, requiring an awareness of the regionwide geography of opportunity and ensuring that opportunity-rich neighborhoods are open to low-income families. Further, because efforts to revitalize distressed communities cannot truly succeed unless poor families have meaningful choices about where to live and work, we see revitalization and mobility as two sides of the same coin—complementary strategies for tackling concentrated poverty.

A place-conscious approach to fighting poverty pursues these two strategies—neighborhood revitalization and mobility—within a regional equity perspective. This perspective views distressed neighborhoods as part of a broader pattern of urban sprawl and suggests that low-income neighborhoods can’t be transformed unless they are better linked to other opportunities in the region. Regional employment, transportation, and housing assets should be leveraged to promote opportunities for the poor. This perspective sees, for example, distressed city neighborhoods and opportunity-rich suburbs in a regional context and asks what changes are needed in both communities.

PLACE-CONSCIOUS FEDERAL POLICY

So what does this mean for the federal government and its antipoverty efforts? First, we need to acknowledge that poverty is a multifaceted problem that requires the combined efforts of more than one federal department. The Obama administration recognizes this and is taking concrete steps toward greater policy integration. The Sustainable Communities Initiative, for example, was created by the Department of Housing and Urban Development (HUD), the Department of Transportation, and the Environmental Protection Agency to integrate housing and transportation decisions for residential and business purposes—exactly the stuff of equitable smart growth.

The federal government can encourage state and local place-conscious strategies by offering incentives for more balanced metropolitan approaches to growth and development. Community Development Block Grant funds, for example, could prioritize projects that put affordable homes near transit, employment, and effective schools. HUD grants could fund work with local planning agencies to update zoning, enable transit-oriented development, and promote integrated and inclusionary housing development.

New initiatives like Choice Neighborhoods and Promise Neighborhoods should be designed with a regional perspective in mind. Site selection should include consideration of surrounding neighborhoods, job opportunities, regional housing market conditions, and demographic trends that could create or undermine demand for new housing. And the publicly funded investments in those redeveloped neighborhoods should not only build amenities nearby but also connect people to resources and opportunities throughout the metropolitan region.

Politics are as important as policy for tackling persistent poverty. Meaningful place-conscious policy requires regional support, advocacy, and implementation. Civic capacity may come in the form of alliances between regional business leaders and community development advocates. The federal government can help build coalitions by requiring that post-ARRA investments meaningfully involve community partners.

To read the full paper and other materials from this series, go to http://www.urban.org/issues/reducing-poverty-economic-distress.cfm. Dissemination of this publication was funded by the Urban Institute’s Low-Income Working Families project.