How Can We Reduce Poverty When It’s Spreading Out?
Reducing Poverty By Reducing Transportation Burden

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Issues

Where do the poor live?

Why are the number of poor increasing?

What are the options for reducing poverty?

Will transit expansion help?

What else will it take?

How much will it cost to succeed?
What If We Planned Like This? Aiming for Balanced Investment Outcomes

- Health
- Land & Resource Use
- Environment & Climate Resilience
- Accessibility & Walkability

- Fiscal Impacts
- Development
- Long-term Jobs

- Equity
- Value Capture
- Cost of Living

- Short-Term Jobs
- Travel Time & Costs
- Operational Costs
- Systems Accessibility

- System Conditions
- Connectivity
- Safety
Metro Seattle—GDP/Capita Soared, Unemployment Rate Dropped 2/3, Poverty Rate Barely Changed 2007-2015
What Changed is the Number of People in Poverty & Where They Live

The number of poor persons in

- Central city Seattle + Tacoma is 121,438
- Suburban King and Pierce counties is 206,999

Just 30% of the poor live in central city Seattle and Tacoma, 70% in the suburbs.
Poverty Reduction is a Two-Sided Coin

Which Tells Us How the Region Could Cut Unemployment 2/3 While Suburban Poverty Soared
Largest 26 US metro areas
1.33 x suburban-city
people in poverty
Top expenses nationally for Working Poor Households
$20,000 - $30,000 Income

1. Shelter
2. Transportation
3. Food
4. Healthcare
5. Energy
6. Telephone

- Shelter 22%
- Transportation 18%
- Food 14%
- Healthcare 10%
- Energy 6%
- Telephone 3%
- Water 1%
- Insurance & Pensions 4%
- Clothing & Services 3%
- Entertainment 4%
- Other 15%
Everywhere in the US, As Density Increases, VMT, Auto Ownership & T-Costs Drop
A Decade of Stale Incomes, Rising Costs

High, persistent and prevalent poverty
Cost of living exceeds growth in expenses
Standard approaches re subsidizing and raising income and providing supportive services, aren’t keeping up
So saving a dollar is worth as much as generating a new one and
Achieving both can start reducing poverty
Another Approach
Indexing Truer Affordability and
Also Relating it to Climate Change

How Housing Affordability is Usually Calculated—Then and Now

• Historically: Traced to 19th Century ideal—A Week’s Pay for a Month’s Rent
• Today benchmark affordability is defined as housing costs/Income less than or equal to 30 Percent of target population AMI
• Problem—Doesn’t include cost of transportation

https://htaindex.cnt.org
Guideline—

30% housing  
+ 15% transportation  
= 45% H+T

Affordability = \frac{\text{Housing Costs} + \text{Transportation Costs}}{\text{Income}}

http://htaindex.org
Determining Household Transportation Costs

**NEIGHBORHOOD CHARACTERISTICS**

- Residential Density
- Employment Gravity
- Employment Mix Index
- Block Density
- Intersection Density
- Block Perimeter
- Bus Transit Connectivity Index
- Other Transit Connectivity Index
- Transit Access Shed Square Meters
- Transit Access Shed Jobs
- Transit Access Shed Trips per Week

**HOUSEHOLD CHARACTERISTICS**

- Median HH Income
- Commuters/HH
- Avg. HH Size

**TOTAL TRANSPORTATION COSTS**

Auto Ownership + Auto Usage + Public Transit Usage
H+T INDEX IS USED NATIONWIDE

- California Strategic Growth Council used to allocate $120 million of cap-and-trade proceeds for affordable housing near transit
- HUD and DOT are using to screen sustainable communities and TIGER grant applications
- Metropolitan Planning Organizations in Bay Area, Chicago, DC and elsewhere using to re-screen, prioritize Long Range Transportation Plan investments
- The new HUD fair housing screen uses transportation affordability and transit access
- Metropolitan Transportation Commission in Bay Area used to justify helping capitalize Transit-Oriented Development investment fund
- State of Illinois new act requires five agencies to screen investments
- City of El Paso, TX now uses to direct affordable housing to areas of low transportation costs
- Portland, others using to help create a typology of TODs that takes affordability and equity into account
- Experimental counseling tools (Phoenix, East Bay, Chicago) link users with locally available resources – called Equity Express
What is Spatial Mismatch

- The region’s area is 6,300 square miles
- Population is widely distributed
- Job centers much less so—not matched to population centers
- Two-thirds of workforce drove alone
- One-third did not, opting to carpool, transit, walk, bike, or work at home
While Most Metro Residents Do Live Close to a Rail or Bus Line

http://alltransit.cnt.org
Only a quarter of the workforce lives within ½ mile of high frequency transit.
These numbers are much smaller for minorities and for the poor.
A Poverty Trap

• As net residential density drops, vehicle miles traveled per year increase.

• As VMT increases, so does the combined cost of H+T as a percentage of income.
It’s a Trap! Households Move Seeking Lower Housing Costs But Get the Hidden Extra of Transportation
And It's Even Worse for Those Earning 80% of AMI or Less

http://htaindex.org
And Definitely Worse for the Working Poor....Whether in Seattle
And across the entire Seattle-Tacoma-Bellevue metro area
Or in the WA state capital of Olympia...
And its surrounding metro area
Memphis Poverty Reduction Plan—Achieving the Right Commitments Results in a More Efficient & Prosperous Memphis That Works for Everyone

**Change**
- Jobs—Planning for regional growth capture, supporting entrepreneurship
- Expenses—Energy and water efficiency, sustainable & financial education
- Access—Transportation to jobs
- Opportunities—Job training, safety net, justice reform, program delivery

**Results**
- 5,680 Jobs
- $218 m anti-poverty benefits
  - $184 m wages
  - $32 m cost of living savings
  - $2+ m prosperity fund
- $170 m savings for non-poverty households
- $16 m business

**Benefits**
- Competitiveness
- Resilience
- Public safety
- Livability
- Congestion relief
- Air quality
- Climate impact
- Resource efficiency
San Jose’ CA--$146 Million in Annual Income and Cost Reduction = 25% Reduction = 29,000 People Out of Poverty
Caution—It’s Not Just About Commuting or Transit

• Only 1 trip out of every 5 is for the journey to work
• 4 out of 5 are for shopping, services, recreation, social visits
• Transit is absolutely necessary to reducing the cost of living
• But so is walkable urbanism...
This Place Has the Disappearing Carbon Blues...♫

Location Efficiency & the Transect Reveals Carbon Benefits of Good Urban Form

Transport Carbon in Tons of CO2/HH/Year

- 9.7-14.6
- 5.8-10.7
- 3.9-6.1
- 2.4-4.4
- 0-2.43
How to Get Started

The Good News...

People Are Voting for Transportation Choice
Climate Action Commitments
Actions Taken on Green Infrastructure and Flooding Protection

Could Be Improved

Implementation is slowwww
Not explicitly committed to poverty reduction
Not yet explicitly committed to placemaking
Thank You!

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http://htaindex.org

http://alltransit.cnt.org

www.cnt.org/urban-opportunity-agenda