

# Combating the Suburbanization of Poverty

THE FUTURE OF JUST, SUSTAINABLE GROWTH  
IN THE PUGET SOUND REGION

CNU

SEPTEMBER 2017

# TABLE OF CONTENTS

**Pii » Acknowledgments**

**P1 » Executive Summary**

**P3 » Challenges in Seattle & the US**

Importance of Transportation

Nationwide Issue

**P6 » Local Model: Tukwila**

**P7 » National Models**

Denver Regional Transit-Oriented Development Fund

Chicago Southland Programs

Montgomery County Neighborhood Opportunity Network

**P11 » Suburban Poverty Trends**

**P13 » Spatial Mismatch**

**P15 » Solutions**

Cutting Poverty by 25 Percent

Leveraging Sound Transit 3 (ST3) for Poverty Reduction

**P19 » Discussion**

**P21 » Next Steps**

Resources

# ACKNOWLEDGMENTS

The Congress for the New Urbanism produced this report with support from the Bullitt Foundation and King County GreenTools because of local concerns about growing suburban poverty in the Puget Sound region.

Most people in the Puget Sound region—and America—live in the suburbs, yet their problems often receive less attention than the problems of people living in central cities or rural areas. For this reason, a symposium on Combating the Suburbanization of Poverty was held on May 2, 2017, in Seattle, WA to coincide with 25th annual Congress for the New Urbanism and take advantage of national experts on suburban transformation who gathered in Seattle for the week.

Leading up to the Congress, CNU sponsored a Legacy Project to look at the revitalization of Tukwila, a demographically diverse suburb to the south of Seattle. Tukwila, which experiences many of the challenges of suburban cities in the region, is connected by light rail to jobs and transportation networks, and is fortunate to have forward-thinking leadership.

CNU would like to thank the Bullitt Foundation, King County GreenTools, symposium participants, and the CNU 25.Seattle Local Host Committee, which included:

Bill Lennertz / Janet Shull / Randy Chatterjee  
Erin Christensen Ishizaki / Lawrence Frank / David Goldberg / William Greene / Philip Harris / Sean Hodgins / Sandy Howard / Matthew Lambert  
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Manuel Soto / Patti Southard / Patricia Tillman  
Brent Toderian / Cristina VanValkenburgh / Lewis Villegas / Jonathan Winslow / Chuck Wolfe

The symposium included the following speakers and topics:

## **Introduction to the Region**

- » Dow Constantine, King County Executive
- » Chenoa Egawa, Coast Salish of the Lummi and S’Kallam Nations of Washington State
- » Rebecca Saldaña, Washington State Senator

## **National & Local Perspectives on the Suburbanization of Poverty**

- » Scott Bernstein, President, Center for Neighborhood Technology
- » Elizabeth Kneebone, Fellow, Metropolitan Policy Program, Brookings Institution

## **Discussion**

- » Charles Ellison, Principal and Chief Strategist, B|E Strategy
- » Kim Powe, Deputy Director (Acting), Puget Sound Sage
- » De’Sean Quinn, Councilmember, City of Tukwila

## **Master of Ceremonies**

- » Gene Duvernoy, President, Forterra

## **Congress for the New Urbanism**

- » Lynn Richards, President & CEO
- » Alex McKeag, Program Manager
- » Robert Steuteville, Report Author

## EXECUTIVE SUMMARY

**Like most of America, the Seattle region is experience rising poverty in its suburbs. From 2005 to 2015, the suburban poverty rate grew by 29.7 percent in the Puget Sound region, a rise that is more than double that of the central city. »**

At the same time, the total number of people in poverty in the suburbs increased four times as much as in Tacoma and Seattle combined. The poverty rate is still lower overall in the suburbs, but 70 percent of the region's impoverished people now live outside of primary cities as a result of migration, immigrants settling in the suburbs, and changing economic conditions in the region.

The suburbs have become far more diverse—racially, ethnically, and economically—in this century. Particular groups—such as Latinos, American Indians, African Americans, and single-parent households—fare significantly worse economically than the population as a whole.

From a household financial perspective, the suburbs can be a poverty trap. Families move to the suburbs seeking lower costs, but get the hidden extra costs of transportation. As net residential density drops, vehicle miles traveled rises, and so does the combined cost of housing and transportation as a percentage of income. Cars are expensive, and they are needed to access jobs and make essential household trips in the spread-out automobile-dependent suburbs. This situation is worse for the working poor in outlying areas of the region, where housing plus transportation (H&T) costs for a family earning \$33,000 a

year can be as high as 76 percent of household income—an unsustainable pattern.

While the demographics of the suburbs have changed, transportation options remain limited. Most Puget Sound residents live close to a bus or or rail line, but few reside near high-frequency transit. That's especially true for minorities and low-income people outside of cities.

Most approaches to poverty reduction rely on increasing income through employment and skills by training, and by subsidizing necessary services such as child care. These important efforts have not been enough. The Seattle region cut unemployment by two-thirds since the depths of the Great Recession of 2008, while the poverty rate declined only slightly.

The good news is that poverty reduction is a two-sided coin—reducing expenses is just as important as raising incomes. “Saving a family a dollar is actually better than providing a dollar in income, because we don’t tax the savings,” notes Scott Bernstein, President of the Center for Neighborhood Technology and member of the Congress for the New Urbanism. “Achieving both can begin to reduce poverty.”

Sound Transit 3, adopted November 2016, is a tool for the region to help low-income

and working-class families—but it needs to be linked specifically to poverty reduction. Investments that pair transit-oriented development with affordable housing can reduce household expenses as transportation choices grow. Land-use policies that create walkable neighborhoods linked to regional transit could connect new and existing transit lines with neighborhoods where people live affordably. Because four out of five household trips are not work-related, building more walkable urbanism in the suburbs helps balance family budgets. Low-income and working-class families should have easy access to the basic necessities of life, and neighborhoods built around the five-minute walk are key to accomplishing that goal.

A dedicated pool of money is needed to ensure that resources are distributed to reach those people who need them most. A small portion of ST3 would amount to a large sum of money to leverage private and nonprofit funding to lower costs and create jobs for those on the lower end of the income scale.

Additionally, tying opportunities to the area's excellent workforce development programs will ensure that the region's growing manufacturing, construction, transportation, and technology sectors will have access to the people who need that work.

Communities around the US are piloting programs that address the growing problem of suburban poverty. Many of them connect services, affordable housing, transit, and walkability to reduce household costs and provide access to jobs and the day-to-day needs of low-income and working-class families. These case studies emphasize several important points: Collaboration in the suburbs is important—both among the many jurisdictions and the public, private, and nonprofit sectors. Also, place-based programs are key—especially those that connect transit, neighborhoods, affordable housing, and critical services. Finally, and this cannot be overemphasized, a reliable funding source is needed to show that the Puget Sound region is serious about equitable development.

Seattle and King County have a history of tackling difficult problems, pioneering policies across the US on issues like energy efficiency and climate change. King County's commitments to equity and social justice, paired with the region's investments in sustainable communities and climate readiness, makes Seattle a highly promising place to demonstrate accelerated poverty reduction in the suburbs and serve as a model for other regions nationwide.

*This report stems from a symposium held in conjunction with the 25th annual Congress for the New Urbanism in Seattle, WA. CNU partnered with King County GreenTools on this symposium that drew nearly one thousand participants. Framing the issue and providing national context were two speakers invited by CNU, while King County brought in local and regional thought leaders to provide critical on-the-ground context to this pressing national issue.*

## CHALLENGES IN SEATTLE & THE US

**The nature and relationship between the suburbs and the central city have radically changed in recent years in and around the Puget Sound region. The challenges are similar in many US metro areas. >>**

In the post-World-War-II era, the region was conceived as a dense central city surrounded by bedroom communities from which workers commuted to downtown jobs. Poverty was concentrated in the inner cities, as were the services to support people in need.

“Today, many of the 38 other King County cities that surround Seattle that we once lumped together as ‘suburban cities’ aren’t suburban at all,” says Dow Constantine, King County executive. “They are urban areas themselves, with businesses, jobs, and traffic on a big-city scale—and with their own poverty.” Poverty in King County is migrating from the central city and concentrating in specific suburban areas, he says.

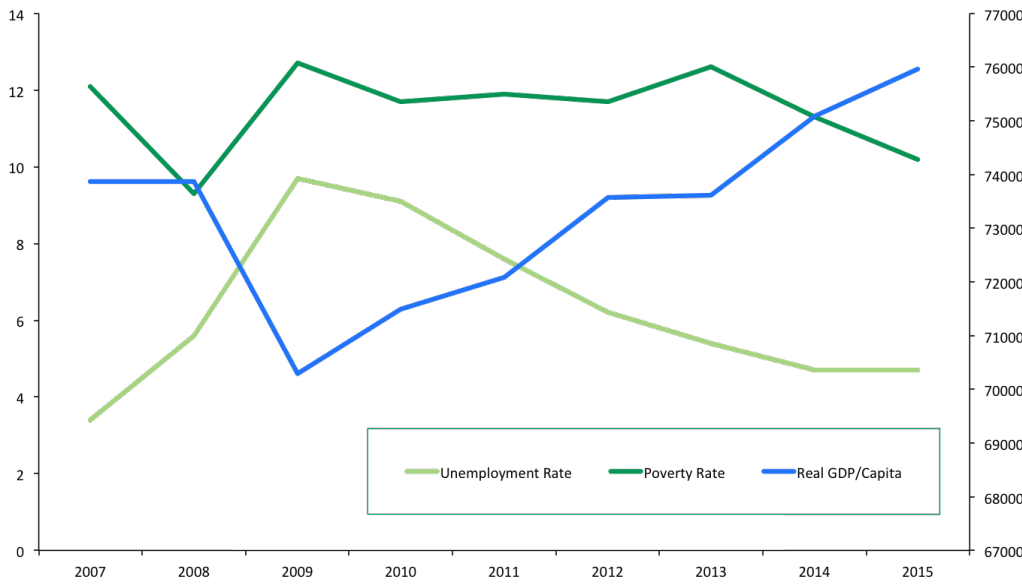
Yet the public perception lags behind the reality. Many people aren’t aware of the extent to which cities large and small in the Puget Sound region face problems of homelessness, mental illness, access to healthcare, domestic violence, and access to housing and transportation.

More than three quarters of Puget Sound residents live outside of Seattle and Tacoma. Of more than 375,000 people below the poverty line in the region, 70 percent live beyond the borders of the central cities. The central city

poverty rate is still 38 percent higher than the suburbs, but that gap is narrowing. The inner-city rate was 60 percent higher than the suburban rate as recently as 2005.

Many segments of the population are disproportionately affected. In the region’s most populous jurisdiction, King County, the poverty rate is 11.2 percent—yet the rate is 13.7 percent for children; 14.8 percent for millennials; 21.6 percent for Latinos; 24.3 percent for American Indians; and 28.5 percent for African Americans. For all races the rates are considerably higher for single-parent households and poverty is highly concentrated in particular communities.

The trends are similar for Portland, Oregon: About two-thirds of that region’s low-income people now live outside of the main city.



**2007–2015**  
Rate of Change

Metro Seattle GDP per capita has soared, while the unemployment rate dropped 2/3—yet the poverty rate barely changed.

*Unemployment Rate and Poverty Rate from Table DP03, American Community Survey, Bureau of the Census; GDP per Capita from Bureau of Economic Analysis, calculations and chart prepared by Center for Neighborhood Technology*

## IMPORTANCE OF TRANSPORTATION

In King County, a single-parent, two-child household earning \$33,719 (50 percent of Area Median Income for the region) paid 49 percent of their income for housing and utilities but also another 26 percent for transportation, meaning on average the sum of housing and transportation expenditures was \$25,289 or 75 percent of total income. This leaves little for food, clothing or medical care, and nothing for savings.

Part of the problem is a spatial mismatch between housing and job centers. Housing is widely spread out—especially in the suburbs—over the region’s 6,300 square miles. Jobs are concentrated at the core.

Two-thirds of the workforce in the region drives alone. The other third get to work either in carpools, takes transit, walks, bikes, or works at home. Only a quarter of the households in the region live within a half mile of high frequency transit. Most of the people who don’t live near high frequency transit live in the suburbs.

Access to work is only part of the problem. One in five trips is work-related. The rest—also vital to well-being—are for shopping, services, recreation, activities like education and worship, and social visits.

In conventional suburban places, the vast majority of these outside-work trips must be made by motor vehicle. That 80 percent includes social services for low- and moderate-income households—which is one of the reasons why providing these services is easier in walkable neighborhoods.

## NATIONWIDE ISSUE

The numbers of suburban people living in poverty increased in 90 of 97 metropolitan areas from 2000 to 2015, according to the Brookings Institution in Washington, DC. Suburbs are home to the majority of low-income people in about two-thirds of the top metros. “And the share of poor living in concentrated poverty has risen in the suburbs,” says Elizabeth Kneebone of Brookings. “Many factors, such as immigration, population change, and regional economic trends have contributed to this dispersal of poverty.”

When it comes to meeting the needs of families in poverty, many suburbs lack capacity

2017

Currently, the light rail station in Tukwila, WA serves as a “Park and Ride”

*Credit: CNU Legacy Project, Tukwila*



and their funding sources are inflexible and unreliable. “The fragmentation of municipal government in many metropolitan suburbs presents a major impediment to advancing housing recovery, neighborhood preservation, and economic growth,” says Bruce Katz, director of the Metropolitan Policy Program at Brookings. Better location of services in neighborhoods that have access to transit would alleviate that problem.

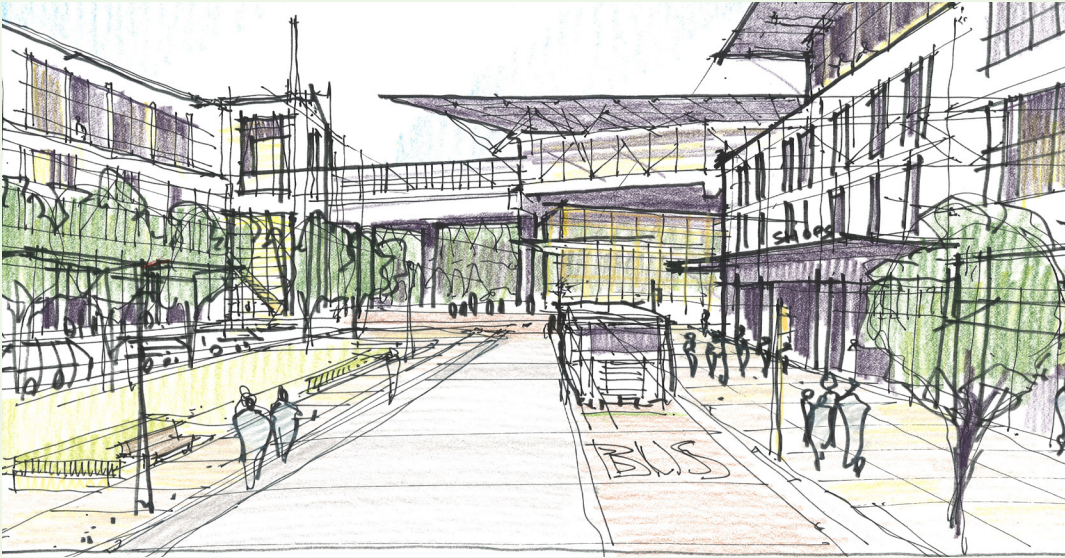
Lack of transit access is a major problem for the poor in suburban locations. Limited philanthropic help and lagging municipal capacity also pose challenges. The legacy system of place-based anti-poverty programs developed in the 20th Century is inadequate for the 21st Century suburban landscape. Poverty is no longer concentrated in large, dense cities with unified municipal jurisdictions with low transportation costs. Combating poverty in the 21st Century must contend with the problems of access imposed by the suburbs.

The cost of living continues to outpace household revenues for the poorest households. From 2005 to 2014, the change in the cost of living exceeded the increases in income and in services for the poorest one-fifth of households nationwide. Households earning an average of \$10,750 per year in 2014 (the median for

the lowest quintile), for example, spent nearly \$1,000 per month more than they earn; for the second poorest fifth, those earning an average of \$27,597, expenses outpaced income by \$500 per month. These deficits must be made up by subsidies, social programs, and debt.

In 2015, finances improved for the third income quintile—earning an average of \$46,807 per year— which saw a typical net income minus expenditures of \$75 per month. Yet the situation worsened for the bottom two quintiles. Expenses outpaced income by nearly \$1,100 for the bottom one-fifth in 2015, and \$560 for the second income quintile.





**2017**  
Added density and multimodal connectivity envisioned for light rail station in Tukwila, WA.

*Credit: CNU Legacy Project, Tukwila*

## LOCAL MODEL: TUKWILA, WA

**Walkable urbanism is key to making driving less necessary for four out of five household trips. Transit is necessary to reduce the cost of living, but so are human-scale neighborhoods and streets.**

The latter are held back by suburban zoning codes and infrastructure. Large, congested commercial thoroughfares, where traffic moves fast and automobiles are required for every trip, are common.

The lack of access to social services contributes to a weaker safety net. People in poverty are farther from the things they need.

Tukwila, a diverse, growing, immigrant-rich community just south of Seattle, is a case in point. Demographically, Tukwila represents the 21st Century diversity of the suburbs. Only 38 percent is non-Hispanic white. About 12.7 percent is below the poverty line—a figure similar to that of Seattle.

One challenge at the heart of the growing city of 20,000 is its wide, 40-mph former state highway that was designed to primarily move automobiles. Tukwila International Boulevard is lined by parking lots of businesses and shopping centers. By the standards of walkable cities and towns, the blocks are very large.

The city has a Sound Transit light rail station, but the access to the station is mostly by car. The Walk Score (a score from 0-100 measure the ease of getting around without a car) for Tukwila is 46, which is automobile-dependent.

Creating a walkable downtown connected to neighborhoods and transit is a high priority for the city, which recently came up with a plan to retrofit Tukwila International Boulevard and revamp zoning codes to increase walkability and improve access to the Sound Transit station. A transit-oriented development (TOD) is planned for the station parking lot that currently is a hot spot for petty crime.

Bringing well-designed streetscapes and businesses for more 24-hour life to the area would make the station area safer and improve access for residents.

## NATIONAL MODELS

Existing suburban poverty reduction programs around the US provide models on how to combine transit, housing, and other key components. »



The following three case studies emphasize several important points, which can be applied to the Puget Sound region as well as suburban communities across the US:

- » Collaboration in the suburbs is important—both among the many jurisdictions and the public, private, and nonprofit sectors.
- » Place-based programs are key—especially those that connect transit, neighborhoods, affordable housing, and critical services.
- » A dedicated pool of money is needed to build equitable places.

*Note: Case studies on pages 8–10 are based on excerpts from *Confronting Suburban Poverty in America*, Elizabeth Kneebone and Alan Berube, *The Brookings Institution*, [confrontingsuburbanpoverty.org](http://confrontingsuburbanpoverty.org). Material used with permission.*

*Top photo: Del Corazon, in Denver's Westwood neighborhood. Credit: Martines Palmeiro Construction  
Middle photo: Homes in south suburban Chicago. Credit: Jeff Carrion / Bottom photo: Rockville Town Center, in Rockville, MD. Credit: Dan Cunningham*

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## DENVER REGIONAL TRANSIT-ORIENTED DEVELOPMENT FUND

**The Denver Regional Transit-Oriented Development Fund is a collaboration of Urban Land Conservancy (ULC), Enterprise Community Partners, the City and County of Denver, and other investors. The \$24 million fund’s overall goal is to support the creation/preservation of 2,000 affordable homes near FasTracks transit stations in the region by 2024.**

The Denver region is in the midst of a multi-billion dollar expansion of its transit system. Initially approved by voters in 2004, the expansion envisioned in the FasTracks plan over the next 20 years will ultimately span eight counties and include 122 miles of new commuter rail and light rail, 18 miles of bus rapid transit, 57 new transit stations, expanded park and ride capacity, and improved suburb-to-suburb bus connections.

The strategy is to invest in real estate around the proposed transit stations before the transit expansions are fully up and running in order to preserve and create affordable housing and community facilities.

Enterprise assembled the initial capital, Urban Land Conservancy (ULC) led the real estate acquisition process and the management and dispossession of the assets, and all three partners—ULC, Enterprise Community Partners, the City and County of Denver—

joined with a host of local and national foundations and institutions to invest in the fund.

The fund lends to the ULC at a 3.5 percent interest rate. ULC then purchases land and buildings within one-quarter mile of a high-frequency bus stop or within one-half mile of fixed-inrail stops, and can hold the property for up to five years as it creates disposition agreements with partner developers.

The developers put together projects, often using Low Income Housing Tax Credit financing. The projects include rehabilitation or redevelopment of existing multifamily properties for residents with incomes below 60% of the area median income.

So far, the fund has supported the development of 1,200 affordable homes across 14 land/property acquisition loans totaling nearly \$21.7 million—in addition to construction of more than 100,000 square feet of commercial buildings for a public library, child care program, a theater company, and affordable space for nonprofits.

The TOD Fund is a revolving fund, so many of those loans have been repaid and the program has capital to deploy. In just the first three years, the fund leveraged more than \$200 million.

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## CHICAGO SOUTHLAND PROGRAMS

### **Southern Cook County mixes bedroom suburbs, connected to downtown Chicago by commuter rail, and industrial towns built around a nexus of national rail lines and expressways.**

This Chicago Southland region has been in economic decline since the 1980s, and the distress hit a breaking point in the Great Recession—which resulted in thousands of housing foreclosures.

The Southland's effective response has been led by the South Suburban Mayors and Managers Association (SSMMA), which oversees redevelopment for 45 member municipalities. SSMMA's strategy focused on community development, including the stabilization of neighborhoods with affordable quality housing, retail and public amenities, fueled by economic growth to create and retain jobs in businesses based on the assets of the region.

Given the strong passenger and freight transportation bones of the Southland, its dual strategy was aimed at transit-oriented development (TOD) and cargo-oriented development (COD). The latter seeks to attract industrial investment to capitalize on freight infrastructure, clusters of remaining businesses, and a ready workforce.

SSMMA's municipalities launched the joint TOD and COD strategy in early 2009, funded by regional foundations led by the Chicago Community Trust and the Grand Victoria Foundation.

Startup programs attracted more than \$30 million through federal, state, and local public funding — yielding direct returns of 50:1 for philanthropic investments. Programs and tools included a land bank, a TOD Fund, a Brownfields Revolving Loan Fund, and four Illinois Enterprise Zones that concentrate state development incentives in defined areas.

An affiliate organizations of SSMMA, the Chicago Southland Housing and Community Development Collaborative (CSHCDC) a partnership of 25 Southland municipalities, secured tens of millions of dollars for strategic housing investments that helped stabilize neighborhoods, facilitated TOD investments, provided municipal staffs with training, and helped lead the Southland's land bank.

The Chicago Southland Economic Development Corporation (CSEDC) the economic development arm of SSMMA, focused on the COD initiative. CSEDC managed the restoration of hundreds of acres of brownfields, facilitated investments of more than \$325 million in 27 industrial development projects that preserved or created more than a thousand jobs, and cofounded a workforce development program to train and placed more than 300 Southland residents in advanced manufacturing jobs.

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## MONTGOMERY COUNTY, MD'S NEIGHBORHOOD OPPORTUNITY NETWORK

**Montgomery County, Maryland's Neighborhood Opportunity Network is a partnership between the county, grassroots organizations, nonprofits, faith-based organizations, and local philanthropy.**

The network targets high-need areas with streamlined, integrated, and culturally competent service delivery—such as food and utility assistance, eviction/foreclosure prevention, health care, legal matters, and financial education—located in transit-accessible locations.

In 2009, during the deepest part of the recession, officials from Montgomery County, partnered with leaders from the faith-based community, social service nonprofits, and grassroots organizations to develop strategies aimed at delivering critical emergency and safety net services to struggling communities and families in the area. This partnership launched the Network.

The initiative uses door-knocking campaigns to identify needs and alert residents to available services available at Neighborhood Service Centers. These centers are staffed by “Community Connectors” who guide residents through various application processes.

The network also promotes participatory community sessions and small meetings of neighbors to build relationships, identify issues and needs, and share resources.

As Montgomery County's Office of Community Partnerships (OCP) director Bruce Adams writes, the Neighborhood Opportunity Network model “has replaced the traditional charity/social services approach to emergency service delivery with a culturally competent capacity building model.”

The County Department of Health and Human Services secured the commitment of three large established nonprofits to serve as the anchor sites for the Neighborhood Service Centers, providing physical space as well as staff support in setting up and running the centers.

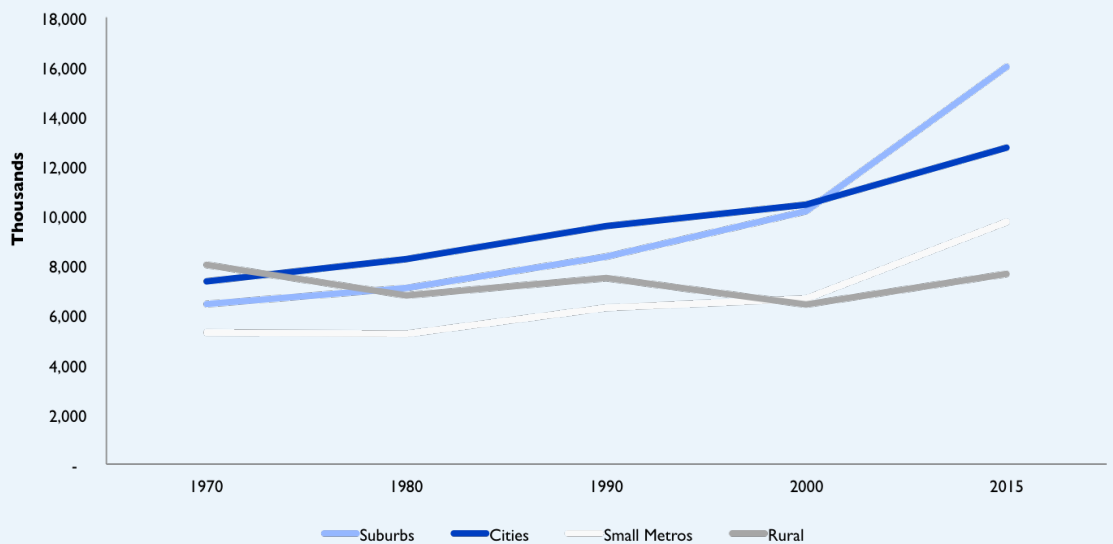
Following a 4-month pilot in the spring of 2009, the Neighborhood Opportunity Network launched a full-fledged campaign. Over the course of its first year, the Network knocked on 5,106 doors and initiated 1,341 one-on-one conversations with county residents from over 63 different countries.

The initial pilot program revealed a larger degree of fear, misinformation, pride, and lack of information about government resources among low-income county residents than initially anticipated.

As a result, the Network has since developed a three-month neighborhood-based leadership training program, “Neighbor Corps,” which aims to develop a core team of diverse individuals who can use their new network to better connect low-income residents to available services and develop relationships of trust.

## SUBURBAN POVERTY TRENDS

Suburbs are home to the nation's largest and fastest-growing population of people in poverty. Where is this trend occurring? »

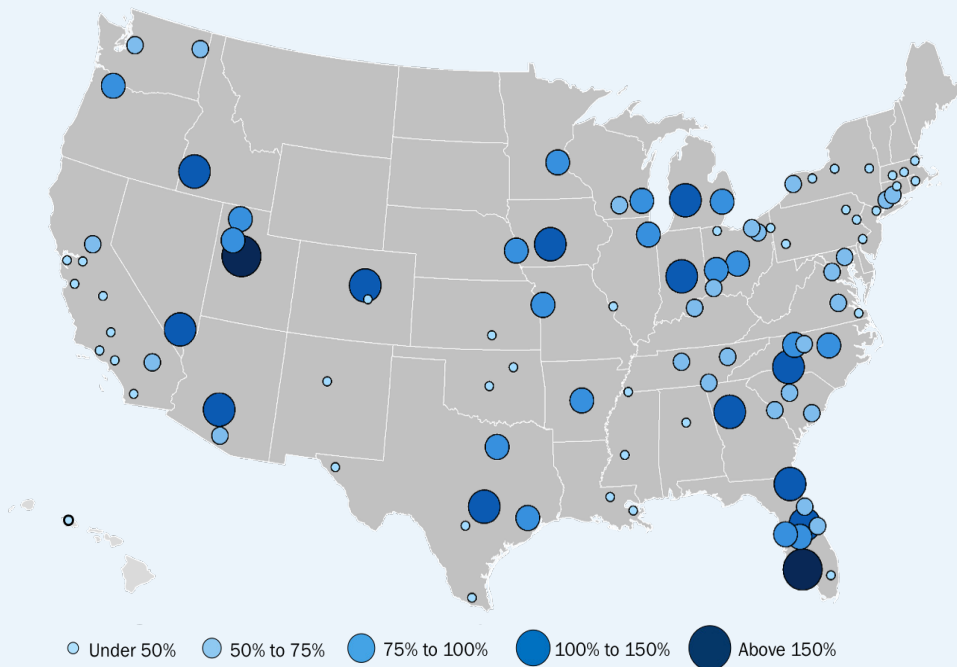


### 1970-2015

Number of people below the federal poverty level in the US, by community type

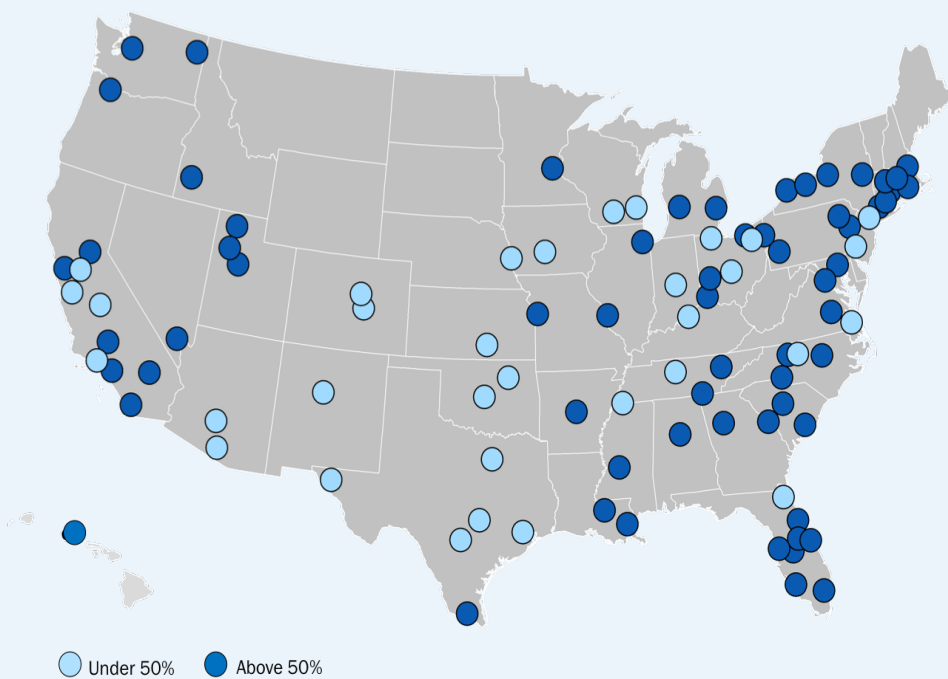
The federal poverty threshold for a family of four was \$24,257 in 2015

*Source: Brookings Institution analysis of decennial census and American Community Survey data*



**2000-2015**  
Change in suburban  
populations in poverty

Between 2000 and 2015, the suburban poor population increased in 90 of the top 97 metros.



**2015**  
Share of 2015 population  
in poverty living in the  
suburbs

By 2015, 64 of the top 97 metros found the majority of their region's poor located in the suburbs.

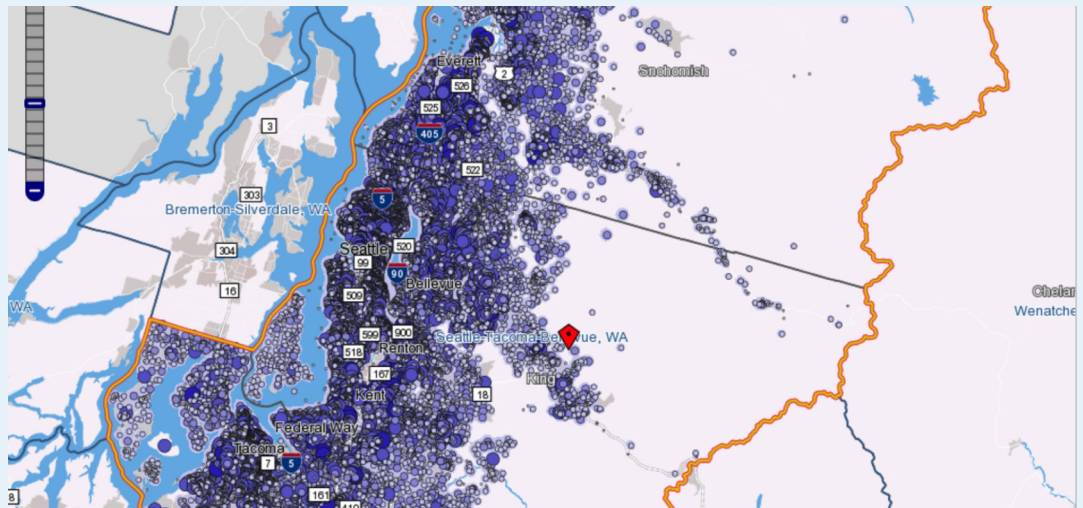
## SPATIAL MISMATCH

King County's population is widely distributed—job centers much less so. On a typical day, 2/3 of the workforce drives alone, while 1/3 opts to carpool, use transit, walk, bike, or work at home. What does this mismatch look like spatially? »

### TODAY

Where people live in the region

The darker the color, the denser, or more concentrated the people.

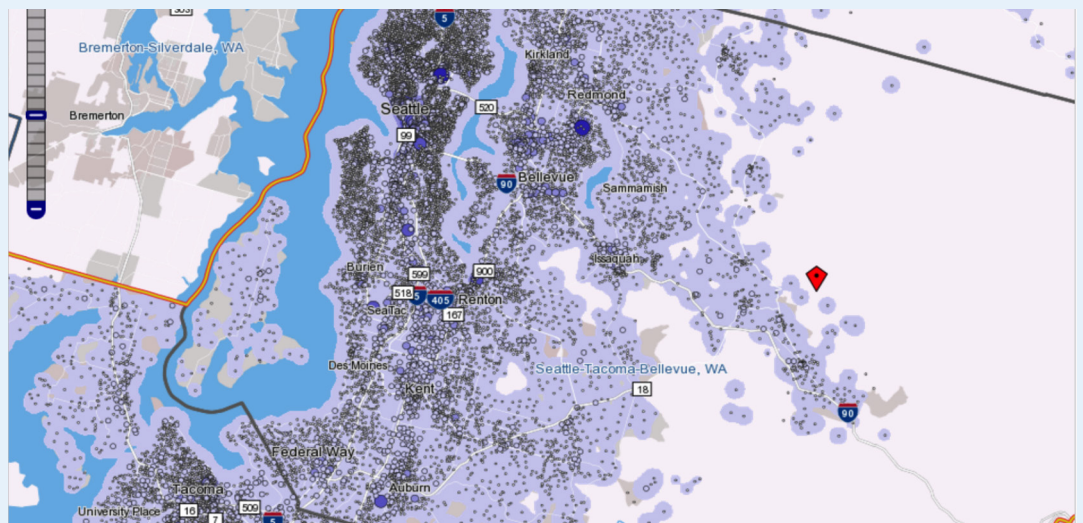


### TODAY

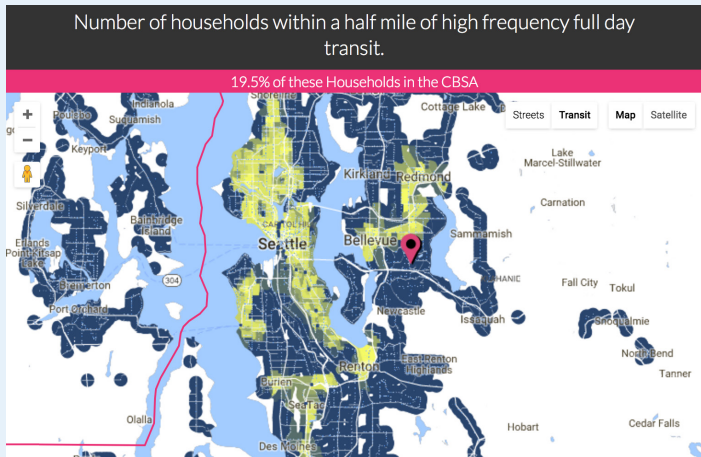
Where people work in the region

The darker the color, the denser, or more concentrated the people.

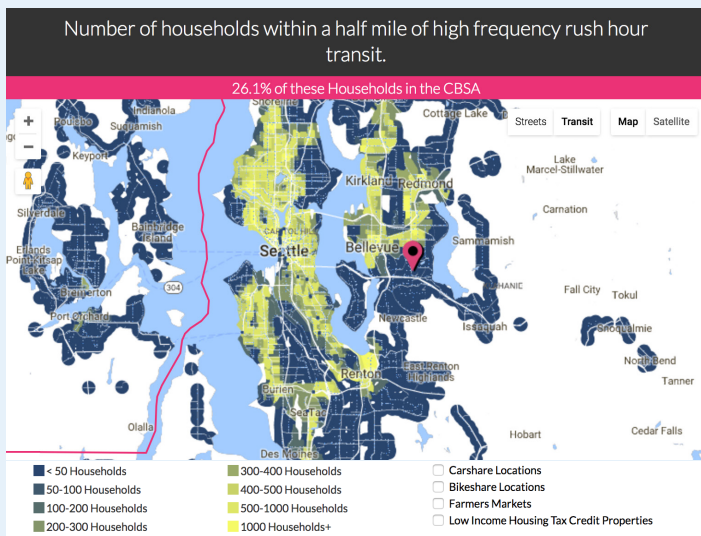
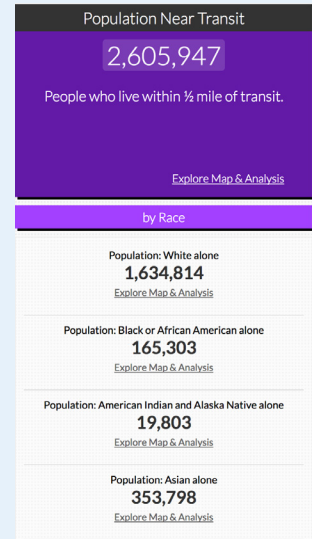
*Maps prepared by Center for Neighborhood Technology from Local Employment and Housing Dynamics, using OnTheMap tool, Bureau of the Census*



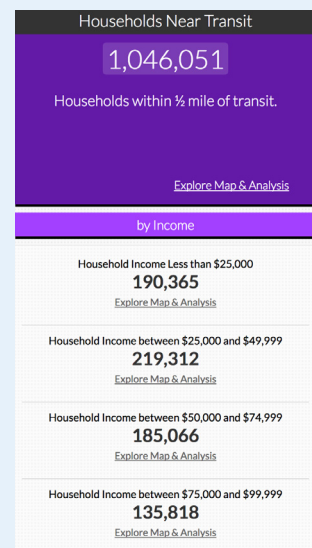




Few residents live close to lines offering frequent transit service»



Only a quarter of the workforce lives within 1/2 mile of high frequency transit »



## PROXIMITY

These numbers are much smaller for minorities and for people in poverty. And few lower-income households live close to locations offering high frequency service

Maps and tables prepared using AllTransit tool, by Center for Neighborhood Technology

## SOLUTIONS

**Suburban poverty is the root cause of interrelated problems that local leaders in the Puget Sound region can address in a holistic fashion. The region has already taken the first steps. »**

The Puget Sound region has several efforts underway that address suburban poverty directly, including:

- » The region is working to expand transportation options – such as high-capacity light rail and Rapid Ride bus service – to connect communities, housing, and jobs.
- » King County’s ORCA LIFT low-income transit fare is connecting people under 200 percent of the federal poverty level (about \$50,000 for a family of four) with affordable transportation mobility that supports their economic mobility.
- » Through Best Starts for Kids, King County is investing in early childhood development and place-making (healthy communities) with a focus in those communities that have the most to gain.

These efforts are a good start, but solutions are needed on a larger scale.

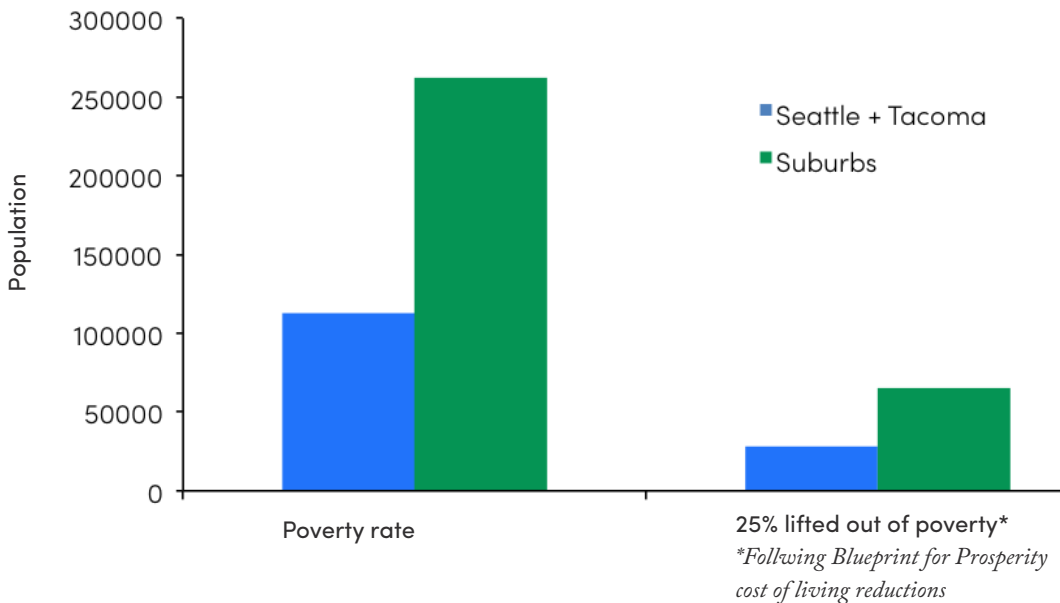
## CUTTING POVERTY BY 25 PERCENT

Households in poverty spend a lot on basic needs, such as transportation, food, energy, telecommunications, and water. Those expenses can be reduced through proven programs and this approach can also yield sustainability benefits.

The Urban Opportunity Agenda—a project of the Center for Neighborhood Technology—set to find out how poverty could be reduced by a quarter in US cities, Memphis, a city similar in size to Seattle, was used as a first case study.

Premised on the observation that a dollar saved is worth at least as much as a dollar earned, the study found that a combination of reduced cost of living and increased income of \$200 million per year would achieve the goal in Memphis.

The key was to focus on creating or enhancing those services that can reduce the cost of living—some of which also create jobs and therefore income, and, in the case of transportation, improve access to better paying jobs while reducing the high cost of mobility.



A combination of transportation, energy efficiency, water conservation, stormwater management, food services, child care, and workforce development was identified and wrapped into a plan known as the Blueprint for Prosperity, which is scheduled to be incorporated into that city’s new Comprehensive Plan in the coming year.

The investment would yield an estimated \$218 million in anti-poverty benefits in addition to \$170 million in savings for non-poverty households, and \$16 million in business savings.

Similar analysis done in 10 cities in 2016 identified strategies for meeting a 25 percent reduction goal in Miami-Dade County, FL, Charlotte NC, Macon GA, Akron OH, Philadelphia PA, Detroit MI, Gary IN, St. Paul MN, San Jose CA and Long Beach CA. Significant savings in each case were identified from improved transportation.

What if a household earning 50 percent of the Area Median Income could get by with one less car per household? The resulting savings of 10 to 15 percent of income, or \$3,400 to \$5,100, is available for other purposes.

## LEVERAGE ST3 FOR POVERTY REDUCTION

The Seattle region took an important step in November by passing a referendum authorizing new revenues that could fund up to \$54 billion in new mass transportation.

The opportunity to ensure that such services directly benefit low-income people and the communities where they live is substantial. King County households collectively spend more than \$10 billion annually out-of-pocket for local transportation—over the next 30 years that will add up to at least \$300 Billion.

The Sound Transit 3 (ST3) referendum would add 62 new miles of light rail with stations serving 37 additional areas for a regional system reaching 116 miles and establishes a bus rapid transit line among many other improvements to transit.

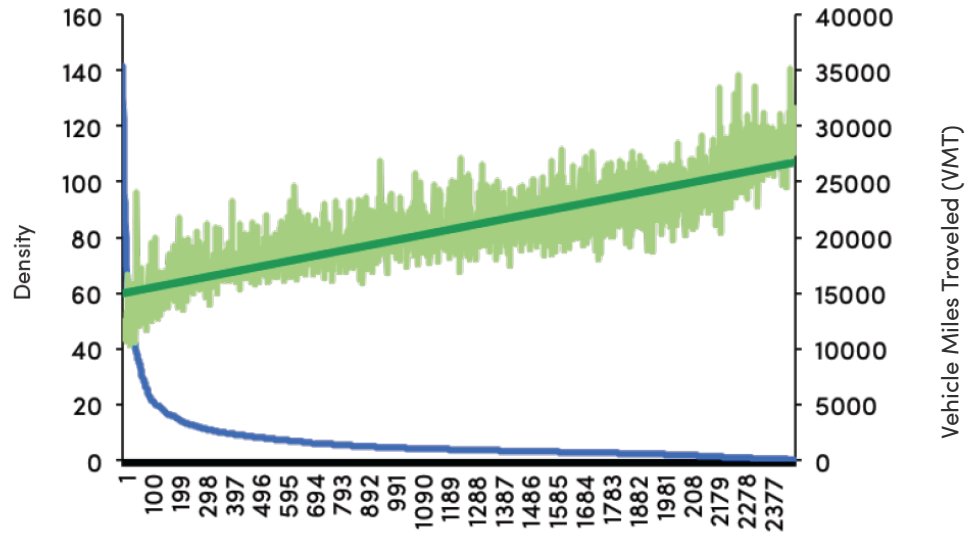
Under ST3, light rail is projected to serve about 600,000 riders every day. ST3 is expected to create more than 78,000 direct jobs and more than 144,000 indirect jobs over the 25-year period of construction, for a total of over 223,000 jobs.

## INCREASE DENSITY, REDUCE VMT

As net residential density drops, vehicle miles traveled (VMT) increases.

- Residential Density
- VMT per household AMI
- Linear (VMT per household AMI)

*Density is calculated here as households per residential acre and VMT per household per year. Credit: Center for Neighborhood Technology*

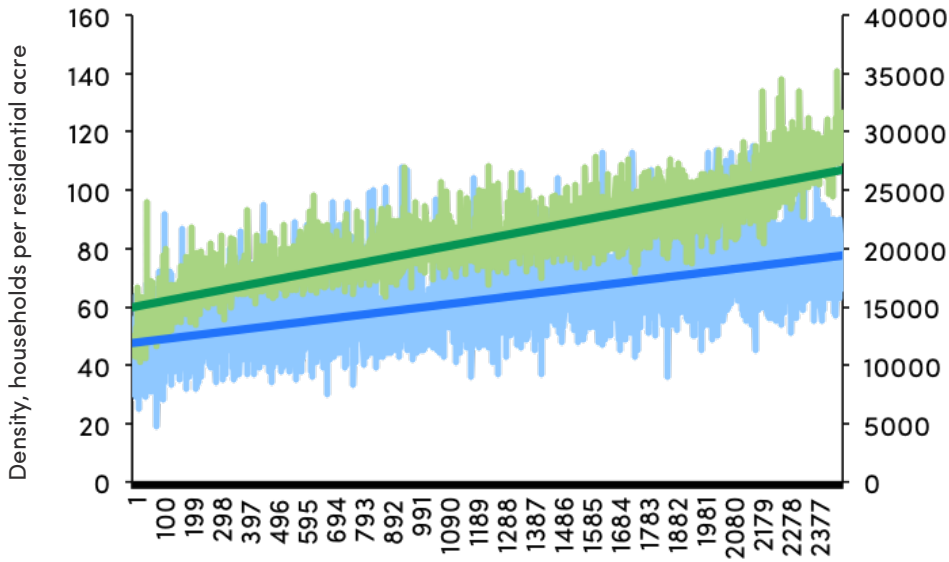


Census blocks across Seattle-Tacoma-Bellevue

Wise and equitable investment of the \$54 billion earmarked for ST3 could significantly reduce the transportation cost of living for low-income people in the suburbs—and for everyone.

Here are keys to doing that:

- » Create a fund to plan and develop affordable housing near transit stops in areas where services can be concentrated.
- » Through existing family financial planning services, educate households on how they can gain better control of their own budgets through reduced transportation costs and location efficiency.
- » Work with area employers to program and prepay specialized services as employee benefits to fill last-mile and first-mile gaps between job-rich areas and transit locations. Working with Seattle City Light and other area utilities can result in substantial savings in household energy bills, also.
- » Cluster housing in a range of price-points around King County’s enhanced transit stations and stops via transit-oriented developments (TODs). Be sure to include “missing middle housing” types such as townhouses, small apartment buildings, multiplexes, courtyard housing, and accessory dwelling units. The lack of the “missing middle” is a problem in the suburbs, where housing in the decades since the mid-20th Century has focused on single-family units—mostly accessible by car—and larger apartment complexes. Establish programs to ensure affordable housing is built near these stations.
- » Design areas with access to current and future transit to be walkable and bikable using the neighborhood model built around the “five-minute walk”—where residents live within a quarter mile of parks and other services. That five-minute walk should be a high-quality experience—not an unpleasant, dangerous journey past parking lots and across high-speed traffic.
- » Emphasize the everyday neighborhood amenities of shopping, schools and services—which account for 80 percent of all trips taken in the region. Transportation choices to reach these destinations should be universally available to the suburban working-class and low-income people.
- » Look for opportunities where underutilized commercial areas and shopping malls can be



Census blocks across Seattle-Tacoma-Bellevue

**INCREASE DENSITY,  
REDUCE VMT**

This chart shows a clear picture: As density goes up, VMT goes down. And as VMT goes down so does the combined cost of H + T as a percentage of income.

- Housing + Transportation 80% AMI
- VMT per household AMI
- Linear (Housing + Transportation 80% AMI)
- Linear (VMT per household AMI)

*Credit: Center for Neighborhood Technology*

transformed to mixed-use neighborhoods with affordable housing. These commercial areas are already served by water and sewer and tend to be located in areas near transit connections. Suburban retrofit is an opportunity for helping the low-income residents.

- » Cultivate small developers, particular those invested in a particular community. These developers can be recruited from local trades people and tend to build smaller-scale, more affordable housing using missing middle housing types. Small developers can build on walkable infrastructure and employ local workers, keeping their profits in the community.

**MISSING MIDDLE HOUSING**

Suburban communities need to emphasize construction of dense, compact building types.

*Credit: Opticos Design, Inc.*



MissingMiddleHousing.com is powered by Opticos Design. Illustration © 2015 Opticos Design, Inc.



## DISCUSSION

**A panel discussion during the symposium brought up wide-ranging issues of poverty in suburban Seattle. »**



**DE'SEAN QUINN**  
Councilmember,  
City of Tukwila

### **On the importance of immigration and city leadership**

De'Sean Quinn, councilmember of the City of Tukwila and water quality planner and project manager with King County, told in more detail the powerful story of Tukwila, the 1960s postwar Boeing bedroom community. An economic downturn led to the departure of Boeing, which meant that many residents could not find middle class jobs or pay for homes.

“The economic situation changed in the blue collar town,” Quinn said, “at the same time service industry jobs exponentially increased. The influx of immigrants is a huge benefit to the community and has been for long time. There are challenges and opportunities that come from immigrant communities. Tukwila’s story sends a strong message around resiliency.”

Tukwila is experiencing increased investment, Quinn said. “The city leadership is making a commitment to place and staff is willing to do something completely different on how to build community,” he mentioned. Nevertheless, there are significant challenges—especially a lack of social services to serve people in poverty. “We as local jurisdictions should have that commitment that everyone in our community will succeed,” Quinn says.



**CHARLES ELLISON**  
Principal and Chief Strategist,  
B|E Strategy

## On the importance of addressing equity

Charles Ellison, principal and chief strategist, B|E Strategy, emphasized the need for creative solutions. “What’s missing from the conversation regarding these poverty trends in the suburbs ... we know the data, we know where the trends are headed ... it’s talking about solutions and how do we implement new strategies.”

Changing economic conditions require new ways of thinking about the suburbs. “We’re going to have to talk about a change of mindset and definition of what is a suburb—also what does ‘urban’ mean.”

How does the conversation apply to minorities that “are not really minorities anymore,” Ellison asked. “You have to identify opportunities for them to grow their own economic agencies.”

Cutting expenses “can’t alleviate these issues if the cost of everything is unsustainable. ... It’s not just redlining in terms of property or where people live—it’s down to the cost of groceries,” he said. Ultimately, the issue is about more than sustainability; it’s going to come back to bite us if we don’t address equity, Ellison noted.



**KIM POWE**  
Acting Deputy Director,  
Puget Sound Sage

## On the importance of recognizing racial disparities and displacement

Kimberly Powe, Acting Deputy Director, Puget Sound Sage, argued that race is central to the issue. “Part of the mindset that needs to change is the acceptance that racism is a fundamental problem in our country, and before we can address poverty ... or any of the issues that we are talking about, we need to talk about racism.”

Gentrification must also be addressed. “Part of keeping the suburbanization of poverty from continuing is to keep displacement from happening,” Powe said.

Powe agreed with Ellison that communities are not sustainable if they are not equitable. “Sustainability and justice cannot exist without each other,” she said.

Any proposed solutions must involve impoverished people and minorities, she said. Alleviation of suburban poverty begins with “engaging the community that currently lives there in creating solutions,” she said. To Powe, the key is to “train future leaders of color.”

## NEXT STEPS

# Poverty is rising in the suburbs of the Puget Sound region, following a national trend. The suburbs are becoming more diverse and urban—even as poverty declines in the central city. »

The suburbanization of poverty is not merely distributing the problem and dispersing low-income people—it raises special problems due to the geography of the suburbs and the legacy of social services that were historically concentrated in cities.

The social service system for poverty was set up at a time when most poverty was concentrated in cities. It poorly serves the decentralized, low-density suburbs; therefore new strategies are needed.

Transportation is especially difficult for the suburban poor. The lack of walkable neighborhoods and transit access affects household expenditures, social services, and access to jobs. Community design and poverty are interrelated problems that must be tackled on regional and local levels.

The Seattle symposium on suburbanization of poverty highlighted these issues, but action is needed to make a difference. “I give the Seattle area agencies an A-plus for holding discussions on inclusion, and being honest on historical inequities” says Scott Bernstein. “But they get an incomplete for ability to keep following through.”

A first step would be a deeper study into tackling suburban poverty in the Puget Sound region, looking at illustrative projects in the region and running more detailed numbers on potential solutions. A second, perhaps concurrent, step would be to gather a coalition of smaller cities in the region to marshal forces and political will around suburban poverty reduction. These changes won't just happen in a political vacuum, and a coalition is needed to move the needle.

ST3 took forty years to pass and will likely take forty years to build out. The “community benefits” associated with the program are minimal as yet—still, ST3 represents a \$54 billion potential investment. If a pool of that funding were dedicated to poverty reduction that helps to build walkable neighborhoods connected to transit and jobs, both low-income and more affluent households would benefit. Two percent of that money is more than a billion dollars, which could be used to leverage substantial non-public funds. Such a pool of money would show that the Seattle region is serious about addressing the changing landscape of poverty across the region.

Many of the biggest benefits can be achieved through transportation policy. Since 80 percent of household trips are not work related,





walkable urbanism is needed to give people transportation choice for most daily needs. But physical changes would have to take place in key locations in suburban cities—similar to the plans for Tukwila International Boulevard.

The region could set up a TOD fund with a public-private partnership. The TOD sites lack sidewalks, bike lanes, streetlights, parks, and water and sewer, and they need affordable housing. A revolving fund can be paid back and constantly fund new affordable housing and infrastructure as transit expansions are made in the region.

It's not too late to modify the codes in the suburbs to begin to create walkable neighborhoods. Some municipalities may want to adopt full "form-based codes," aimed at creating walkable neighborhoods. Other may prefer incremental steps, such as those proposed in Tukwila.

Street design is also important. Suburban office campuses are spread out and poorly designed for walking or biking—even if workers could get there on transit. These suburban campuses can be transformed with parks, complete streets, and mixed-use development. Getting some of the region's largest employers involved in this effort would be an important step. If

reforms are not made, some businesses may choose to relocate to more transit-accessible headquarters, such as Weyerhaeuser's move to downtown Seattle. That would further separate jobs from low-income suburban households.

The problem of gentrification must be addressed. One issue is that low-to-moderate-income can't get a mortgage in location-efficient areas—so they are forced into areas with higher transportation costs. Location-efficient mortgages would help the working poor to stay in walkable, transit-served neighborhoods.

Gentrification comes partly from an inadequate supply of walkable neighborhoods, a type that is now in high demand today. Creating new walkable neighborhoods in the suburbs will take pressure off of the central city, where much of the supply is currently concentrated. If no new supply is created, all historic walkable neighborhoods may eventually gentrify. Through strategic investments, urban centers in the suburbs can include dedicated affordable housing.

Financial services counseling is an underutilized tool in this area. Low-income households are taught how to get a car loan—but not the benefits of reducing automobile

costs. The benefits of discounted transit passes and car-sharing—in addition to weatherization and low-cost cell phone service—has been shown to raise savings rates among low-income households. Financial counseling for people in poverty has so far been divorced from discussions about designing better communities. That connection should be made.

Seattle knows how to build affordable housing in car-optional places. Seattle City Council recently enacted affordable housing requirements in the South Lake Union area that are designed to create more than 2,000 subsidized units. Because of the streetcar, every unit comes with lower built-in transportation costs. Making that connection through policy and design widely in the suburbs would show the world that Seattle is dedicated to reducing suburban poverty.

“Suburbanization of poverty isn’t going to go away—if people really mean it about taking it on as an issue, there has got to be some balance in where this money is spent,” noted Bernstein.

## RESOURCES

You can read more about the innovative solutions, case studies, and the content of the book “Confronting Suburban Poverty” at [www.confrontingsuburbanpoverty.org](http://www.confrontingsuburbanpoverty.org)

The Urban Opportunity Agenda gives civic leaders tools to choose investments that reduce poverty, create economic opportunity, and build stronger cities. Learn more at [www.cnt.org/urban-opportunity-agenda](http://www.cnt.org/urban-opportunity-agenda)

Missing Middle is a range of multi-unit or clustered housing types compatible in scale with single-family homes that help meet the growing demand for walkable urban living. Learn more at [missingmiddlehousing.com](http://missingmiddlehousing.com)

The Housing and Transportation (H+T®) Affordability Index provides a comprehensive view of affordability that includes both the cost of housing and the cost of transportation at the neighborhood level. Explore the tool at [htaindex.org](http://htaindex.org)

AllTransit is the largest source of transit connectivity, access, and frequency data in America. It offers tremendous potential for planning applications to increase our understanding of the value of transit, as well as to enhance service and operations planning. Explore the tool at [alltransit.cnt.org](http://alltransit.cnt.org)

Build a Better Burb is an online publication dedicated to improving suburban design and planning. This site is the hub for great suburban design. Learn more at [buildabetterburb.org](http://buildabetterburb.org)

## ABOUT CNU

**The Congress for the New Urbanism (CNU) helps create vibrant and walkable cities, towns, and neighborhoods where people have diverse choices for how they live, work, shop, and get around. People want to live in well-designed places that are unique and authentic. CNU's mission is to help build those places. »**

With seventeen local and state chapters and offices in Chicago, IL and Washington, DC, CNU works to unite the New Urbanist movement. Our projects and campaigns serve to empower our members' efforts, identify policy opportunities, spread great ideas and innovative work to a national audience, and catalyze new strategies for implementing policy through design approaches.

All New Urbanists share the conviction that our physical environment has a direct impact on our chances for happy, prosperous lives. Our movement includes professionals, leaders, advocates, citizens, and other like-minded organizations working to identify and address the range of issues impeding the development and redevelopment of well-designed neighborhoods, public places, commercial corridors and rural environments.

CNU works to unite that movement as a connector, convener, alliance builder, and teaching platform. Our staff, members, partners, and allies are the international thought leaders on building better places, and CNU helps bring them together.

Learn more at [www.cnu.org](http://www.cnu.org)

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