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Our economic segregation

Portland's neighborhoods reflect a growing national income chasm

By Peter Korn

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Paul Dupont, here taking granddaughter Annaliese on a walk through the Grant Park area with wife Sue DuPont, says the neighborhood has become quieter and a little less communal as busy, upper income professionals have moved in. The Irvington/Alameda area has seen the metro area's greatest loss of middle income families to gentrification in recent decades. (Christopher Onstott / Tribune)

On a sunny Thursday afternoon, it is hard to believe that these two neighborhoods once were more alike than different. The nondescript, here-today, gone-tomorrow strip mall stores along Southeast 122nd Avenue could hardly present a more dramatic contrast to the garden stores and fine restaurants on Northeast Fremont Street.

But, in fact, these two neighborhoods, one a census tract focused around West Powellhurst School and the other just west of Grant Park, tell two sides of one story. Both speak to the loss of middle-class neighborhoods, where people of different incomes — some blue collar, some white collar, some hanging on and others moving up — live as neighbors and raise their families together.

Last month, a Stanford University study found that income-segregated neighborhoods have been taking over U.S. cities, with affluent people living exclusively among the affluent and poorer people living exclusively among the poor.

The trend, experts say, portends a long list of societal problems.

In 1970, according to the Stanford study, 8 percent of the people in U.S. cities lived in overwhelmingly poor neighborhoods. The latest data, a 2005-09 average, shows that 15 percent are living almost exclusively among the poor.

In 1970, 6 percent of people in cities nationwide lived in overwhelmingly affluent neighborhoods, according to the study. Today the rate is 12 percent.

Combined, 40 years ago 14 percent of people in U.S. cities lived in income-segregated neighborhoods, and today the rate has nearly doubled to 27 percent. Or, today 44 percent of families live in middle-income neighborhoods, a drop from 65 percent in 1970.

Portland has traditionally fared better, with an abundance of mixed-income neighborhoods. In 1970, only 6 percent of Portland residents were segregated in either rich or poor neighborhoods. But the current rate of economic segregation here is 19 percent, still below the national average, but a threefold increase from 40 years.

Charles Rynerson demographer at the Portland State University Population Research Center, has broken down the data for individual Portland-area census tracts, determining that the neighborhood bounded by Southeast Division Street, Holgate Street, 122nd and 112th avenues, and the neighborhood defined by Northeast Fremont Street, Thompson Street, 33rd and 18th avenues, have moved furthest away from middle income — one by becoming poorer and the other becoming wealthier.

In 1980, the Powellhurst-Gilbert neighborhood was decidedly middle class, with a mix of incomes. The median family income, inflation adjusted, was \$51,000. Today, it has dropped to \$30,000.



Carolyn McQueen, with father Steve McQueen, has lived in Southeast Portland's Powellhurst-Gilbert neighborhood all her life, resisting the pull of a deteriorating neighborhood. Christopher Onstott / Tribune)

Sense of entitlement

Twenty-four-year-old Carolyn McQueen grew up near West Powellhurst and still lives in the area. She can remember winning a Presidential Academic Achievement Award in sixth grade, a TAG student dreaming of being a doctor. Today she dreams that someday, maybe, she can become a nurse. And she's started to wonder how much Powellhurst-Gilbert has contributed to where she is today.

McQueen isn't blaming her neighborhood for the fact that she became addicted to drugs and hasn't graduated from high school. But she has learned how hard it can be to nurture a dream in isolation.

"I did have expectations. I did have goals. I just didn't do them because it was easier to be with the people around me and do what they were doing," says McQueen says, now five years clean and sober.

In the 88-unit apartment building where her father did maintenance work, McQueen says she was mostly surrounded by new immigrants from Eastern Europe, many of whom barely spoke English. One, she recalls, worked as a hospital cafeteria worker, another as a hotel maid and a third opened a small beauty salon.

Nobody told her she couldn't become a doctor, but somehow, the possibility began to feel more distant over time.

Ironically, McQueen's father, Steve McQueen, moved the two of them to West Powellhurst in 1991 thinking it was a step up from their St. Johns apartment. In 1991, it was.

During the past 40 years, Powellhurst-Gilbert has seen many of its undeveloped lots filled with low-income housing, says PSU's Ryerson. McQueen says he's seen the same storefronts becoming shabbier year after year. He's mystified by all the little shops that open and then go out of business.

"Everyone's trying to make a quick, easy dollar," he says.

In 1980, the neighborhood around Grant Park had an inflation-adjusted median family income of \$89,000 — a little higher than the citywide average but close enough that a mix of families lived there. Today, the inflation-adjusted median income is \$129,000.

But as Susie Anderson sees it, the disadvantages of an exclusively wealthy neighborhood have not yet overtaken this Irvington-Alameda piece of the city.

Anderson grew up in the West Hills. There, she says, she learned about the downside of a truly isolated neighborhood of wealth.

"It probably made me feel more superior than I needed to feel," she says. "(In the West Hills) you were a have or a have not. I did not want my kids to grow up like that, with a sense of entitlement."

Eighteen years ago Anderson and her husband moved to a block that was very mixed, she says, with a truck driver living across the street, single mothers and elderly couples who had lived in Irvington/Alameda for decades. It's changed, she says, but not completely. And it's nothing like the West Hills, where geographic isolation, in addition to economic segregation, contributed to the feel of a wealthy enclave, Anderson says.

Five most income-segregated metro areas in U.S.:

- Bridgeport-Stamford-Norwalk, CT
- Fresno, CA
- Houston-Baytown-Sugar Land, TX
- Detroit-Livonia-Dearborn, MI
- Los Angeles-Long Beach-Glendale, CA

Five most income-integrated metro areas in U.S.:

- Nassau-Suffolk, NY
- Poughkeepsie-Newburgh-Middletown, NY
- Camden, NJ
- Cape Coral-Fort Myers, FL
- Minneapolis - St. Paul - Bloomington, MN-WI

Source: Sean F. Reardon & Kendra Bischoff, Stanford University

Economic segregation in West Coast metro areas:

CITY	LIVING IN POOR AREAS	LIVING IN AFFLUENT AREAS	TOTAL IN SEGREGATED AREAS
■ Portland	10%	9%	19%
■ Seattle	13	9	22
■ San Francisco	17	16	33

Source: Sean F. Reardon & Kendra Bischoff, Stanford University

Counterbalanced forces

Sean Reardon, author of the Stanford study, says the loss of middle-income neighborhoods may be a key barometer for civic health in the future, and the future looks ominous if current trends continue.

Reardon says that racial segregation has declined or been flat in most urban areas during the past 40 years, even as economic segregation has increased. Economic segregation, he says, can affect all types of people.

“We pride ourselves on the American Dream, that everyone can pull themselves up, rise from humble origins, but the reality is nobody does that without some help from society,” Reardon says.

The more segregated the wealthy, Reardon says, the less willing they will be to vote for that help in the form of public school tax increases or support for public community centers.

According to Reardon, the differences between middle-class families and the wealthiest have grown. A family whose income is at the 90th percentile today has about \$170,000 to spend each year, while a family at median income earns about \$75,000 a year.

“That’s a huge difference in what you can afford in your housing,” Reardon says. “Forty years ago the difference in income of somebody who was at the 90th and 50th percentile was much less.”

Only a few cities have shown a decrease in income segregation or have remained the same, Reardon says. Among those are Charleston, S.C., Baton Rouge, La., Jackson, Miss., and El Paso. Reardon theorizes that racial desegregation in southern cities in the ’70s and ’80s probably counterbalanced economic forces that have encouraged economic segregation elsewhere.



Susie Anderson grew up in the West Hills, has raised her children in the Irvington/Alameda neighborhood, and says the difference is showing up in the attitudes of her children. She is shown here organizing the holiday bazaar at the Madeleine Parish in her neighborhood. (Christopher Onstott / Tribune)

Looking for a school

Once the engine of America’s automobile industry, Detroit has experienced the nation’s largest loss of middle- and mixed-income neighborhoods, moving from 13 percent of its neighborhoods as income segregated to nearly half. Reardon says that mirrors the decline of the nation’s manufacturing base and its loss of middle-income jobs.

“You just had everyone who could move to the suburbs and everyone who couldn’t was still in the city,” he says.

That isn't healthy for either group, says Judith Mowry, a program manager for Portland's Office of Neighborhood Involvement who has spent four years interviewing people who have been gentrified out of their North and Northeast Portland homes.

Mowry says networking is one of the keys to giving young people a sense of possibilities and a few open doors.

"It's much harder to achieve if all you see around you are folks who are your same economic status," she says. "You become isolated in terms of your opportunities."

Mowry points to a Seattle study years ago that looked at why so many city streetlights in poorer neighborhoods weren't working, and found that people in those neighborhoods just didn't report them at the rate of people in better off neighborhoods because they didn't understand or trust the city system.

Economic segregation can also undermine a sense that we are more alike than different, Mowry says.

"It seems to me the less you know about others through your lived experiences (the more) you begin to make assumptions based on other factors, such as what you see on TV," she says.

Fighting the prevailing forces of economic segregation won't be easy, says Stanford's Reardon. Requiring placement of low-income and mixed-income housing throughout the city rather than in already low-income neighborhoods would help, he says. So would zoning regulations that encourage a mix of housing levels in all neighborhoods.

Portland Realtor Morgan Davis, who has sold a number of those homes in the Grant Park area, says most Portland homebuyers, even those considered wealthy, don't say they are looking for an exclusively wealthy neighborhood. What they do say, according to Davis, is they want a specific school.

The Irvington/Alameda neighborhood has a couple of those prized schools, Davis says. Unless mixed-income neighborhood schools can gain the same reputations, people with the money to choose will move out, or never move in.

Davis points out that the economic segregation of the Grant Park neighborhood is actually a matter of the present returning to its past. The neighborhood, with its dominance of large houses and lots, was always intended to serve as an enclave for the wealthy. The fact that some of those homes fell into disrepair in the seventies and eighties was the aberration, he says.

Today, that stock of undervalued grand homes is depleted and Davis says he isn't hearing from politically inspired doctors and lawyers choosing to live in diverse neighborhoods where the homes are smaller. If they did, they'd be saying they want to live in areas such as East Portland or Fairview, which have become the most diverse in the Portland area.

"It was easier to make that statement economically," Davis says. "You can't do that anymore."