



# RACE matters

## Unequal Opportunities for NEIGHBORHOOD VITALITY

### Why Equal Opportunity is Important

- We know much of what is needed to build healthy neighborhoods and sustain neighborhood vitality. Critical ingredients include access to good schools, decent housing, living-wage jobs, community safety, fairly priced quality goods and services, and resourceful contacts, all of which are influenced by where one lives and the opportunity structure available there.
- The consequences of failing to ensure neighborhood vitality are debilitating for families and communities. Neighborhood decline, concentrated poverty, inadequate school funding, limited access to jobs, poor health outcomes, and other negative impacts are some of the debilitating effects.
- Embedded racial inequities deny low income neighborhoods of color access to resources and other opportunities. Systematic policies, practices, and stereotypes work against communities of color to affect their access to opportunity. We need to understand the consequences of these embedded racial inequities, how disparities are produced, and how they can be eliminated to ensure that all have access to resources and opportunities contributing to and derived from neighborhood vitality.
- Housing discrimination. Home ownership is an essential ingredient in neighborhood stability and the development of networks that promote community safety and civic life. Yet African American homebuyers encountered discrimination in 17 percent of their efforts to purchase homes and Hispanic homebuyers experienced discrimination at the rate of 20 percent. Discrimination occurred across aspects of the home buying process, including home searches, mortgage lending, and property insurance.<sup>4</sup>
- Limited goods and services. Residents of low-income neighborhoods, who are disproportionately African American and Latino, have 30% fewer supermarkets in their communities than residents in higher-income areas. Stores in low-income neighborhoods offer fewer choices at prices that can be up to 76% higher than in other stores. And because low-income residents are less likely to own automobiles, their food choices are limited.<sup>5</sup> The retail void in inner cities is \$21 billion annually, which in turn leads to an employment void.<sup>6</sup>
- Segregated, under-resourced schools. In 2000, nearly 40 percent of Black students attended schools that were 90 to 100 percent Black, compared with 32 percent of Black students who attended such schools in 1988, due largely to neighborhood segregation. About one-sixth of Blacks attended schools where one percent or less of their fellow students were White. In 90 percent of these schools, the majority of the children were poor. The average Black student attended a school where just 31 percent of students were White. These racially segregated schools have fewer educational resources, less qualified teachers, higher teacher turnover, and ultimately, lower educational achievement.<sup>7</sup>

### Barriers to Equal Opportunity

- Neighborhood segregation by race and class. African Americans in particular are disproportionately represented in high-poverty neighborhoods where at least 25% percent of residents have incomes below the federal poverty line. Thirty-four percent of poor African Americans live in these areas compared to 22 percent of poor Latinos and only 6 percent of poor Whites.<sup>1</sup> Between 1970 and 1990, the number of census tracts in which at least 40 percent of the population was poor increased from under 1500 to more than 3400.<sup>2</sup>
- Spatial mismatch of jobs and job-seekers. Residents of low-income communities of color reside in or near central cities while job growth has been greater in outlying suburban communities. A recent study by the Brookings Institution Metropolitan Policy Program indicates the distance between African Americans and the location of employment opportunities has increased, exacerbating racial inequality in major cities within the U.S. This study found that African Americans are more geographically isolated from jobs in high job-sprawl areas regardless of region, metropolitan area size, and their share of the population.<sup>3</sup>

1. "Racism and Metropolitan Dynamics," Institute on Race and Poverty, 2002.

2. Squires, Gregory and Kubrin, Charles. 2005. "Privileged Places: Race, Uneven Development and the Geography of Opportunity in Urban America" in *Urban Studies*, Vol. 42, No. 1, p. 47-68.

3. Stoll, Michael. 2005. "Job Sprawl and the Spatial Mismatch Between Blacks and Jobs." Brookings Institution Metropolitan Policy Program (February).

4. Turner et. al, "Discrimination in Metropolitan Housing Markets," Urban Institute, 2002.

5. Prevention Institute for the Center for Health Improvement, Oakland, CA, "Supermarket Access in Low-Income Communities," 2001, [www.preventioninstitute.org](http://www.preventioninstitute.org).

6. Initiative for a Competitive Inner City, "Inner City Shoppers Make Cents (and Dollars)," October 2002, [www.icic.org](http://www.icic.org).

7. Orfield and Eaton, "Back to Segregation" *The Nation*, March 2003.

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## The Consequences of Unequal Opportunity

- **Unemployment disparities.** African American and Latino adults are more than twice as likely as White adults to be unemployed, according to the 2000 Census of Population and Housing (SF3). These racial gaps have remained unchanged over the last several decades, especially for African American workers. Not only are African Americans more likely to be out of the labor force, but among those workers who are unemployed, African Americans are more likely to remain unemployed for a longer period of time. According to the 2003 Current Population Survey, the median unemployment duration for African American workers over the age of 16 (12.9 weeks) is several weeks longer than the median unemployment duration for White workers (9.4 weeks). Asian adults experience unemployment durations comparable to those of African Americans (median = 12.3 weeks), while Hispanic workers tend to remain unemployed for a much shorter period of time (median = 8.5 weeks).<sup>8</sup>
- **School dropouts.** Youth are affected by neighborhood dynamics as seen in educational outcomes. According to a report by the Harvard Civil Rights Project, a few hundred schools in the 35 largest cities in the U.S. graduate less than 50% of their freshman class.<sup>9</sup>
- **Housing hardships.** Rates of “housing hardships” for African Americans, Latinos, and Native Americans are twice as high as those of Whites and Asian Americans. Over 90% of all new single-family homes built between 2000 and 2002 were not affordable to more than 75% of all African American and Hispanic households.<sup>10</sup>
- **Unequal access to financial services.** Residents in racially and economically isolated communities pay dearly for financial services. In New York City, a check cashing customer with an annual income of \$17,000 would pay almost \$250 a year for services that would cost just \$60 at a bank. This affects a higher proportion of minorities as 3.3% of White households were unbanked, compared to 36% of African American households, 41.9% of Latino households and 10.4% of those of other races.<sup>11</sup>
- **Poor health outcomes.** Access to clean air and water, exposure to lead paint, stress, obesity, smoking habits, diet, social isolation, proximity to hospitals and other medical treatment facilities, and availability of health insurance all vary by neighborhood and contribute to long established disparities in health and wellness.<sup>12</sup>

## Strategies to Promote Equal Opportunity

- **Distributing revenue regionally.** Regional revenue sharing whereby tax revenues gained in one area are shared with surrounding areas is one strategy for ensuring neighborhood vitality across communities. In the Twin Cities Fiscal Disparities Plan municipalities contribute 40 percent of gains in commercial and industrial property revenue into a pool. These funds are then redistributed across the municipalities to promote better access for all to quality living.<sup>13</sup>
- **Promoting regional inclusionary zoning.** Requiring developers of new housing to set aside a percentage of housing units as affordable can both address the high rates of racially concentrated poverty and the need for affordable housing. This has worked in Montgomery County, Maryland, making affordable units available throughout the area, and through the Atlanta Neighborhood Development Partnership’s Mixed Income Communities Initiative.<sup>14</sup>
- **Linking housing to jobs.** Housing and transportation policy have a strong, positive relationship with job creation and access. Chicago Metropolis 2020 has its regional business and civic leaders pledge to provide affordable housing for those who live and work in the community.<sup>15</sup>
- **Remedying segregation.** Using the state constitution is a promising approach to remedying the racial and economic segregation in urban areas. For example, in Hartford, Connecticut, a lawsuit was filed under the state constitution which promises equal educational opportunity. Other approaches include the enforcement of federal law. The National Fair Housing Alliance files housing discrimination complaints against violators, the main contributors to the pattern of neighborhood developments.<sup>16</sup>
- **Advancing equitable educational policies.** Inequities exist between urban and suburban schools. Coordinating investments in schools is one approach taken to equalize inherent funding inequities. One example is Maryland’s intentional equity focus on the rehabilitation of schools in the central city. In 1995, only 34 percent of funding for school facilities went to improving existing buildings. By 1998, 84 percent of school construction went to rehabilitation of existing facilities rather than to new schools.<sup>17</sup>

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10. “Seizing Opportunities for Inclusion,” Kirwan Institute, 2005; <http://www.kirwaninstitute.org>.

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12. Bullard, Robert (ed.). 1996. *Confronting Environmental Racism: Voices from the Grassroots*. South End Press, MA.

13. “Racism and Metropolitan Dynamics,” Institute on Race and Poverty, 2002.

14. [www.policylink.org](http://www.policylink.org).

15. “Racism and Metropolitan Dynamics,” Institute on Race and Poverty, 2002.

16. <http://www.nationalfairhousing.org/>.

17. “Racism and Metropolitan Dynamics,” Institute on Race and Poverty, 2002.

