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The Geography of Home

A preview from the Regional Equity Atlas 2.0

by Meg Merrick and Kris Smock

The Coalition for a Livable Future's (CLF) first Regional Equity Atlas (www.equityatlas.org) received national attention for its groundbreaking exploration of the Portland metro area's "geography of opportunity". Published in 2007, the Atlas uses maps to analyze how well different populations and neighborhoods are able to access the resources and opportunities necessary for meeting their basic needs and for advancing their health and well-being. It also provides a visual depiction of how the benefits and burdens of growth and change are distributed geographically and across demographic groups. By illuminating the region's disparities, the Atlas helped to demonstrate why a focus on equity should occupy the core of our region's approach to policy and planning.

CLF is now working in partnership with Metro and the Institute of Portland Metropolitan Studies at Portland State University on the next iteration of the Atlas project. Atlas 2.0 will combine a comprehensive repository of data and a dynamic, web-based mapping tool to enable stakeholders across the region to develop customized maps to display and analyze a wide range of indicators, including:

- Demographics: age, household composition, income, race
- Access to resources and opportunities: economic opportunity, education, food, health care, healthy environment, housing, parks and nature, public and social services, transportation
- Health outcomes: asthma rates, birth outcomes, cardiovascular disease rates, diabetes rates, obesity

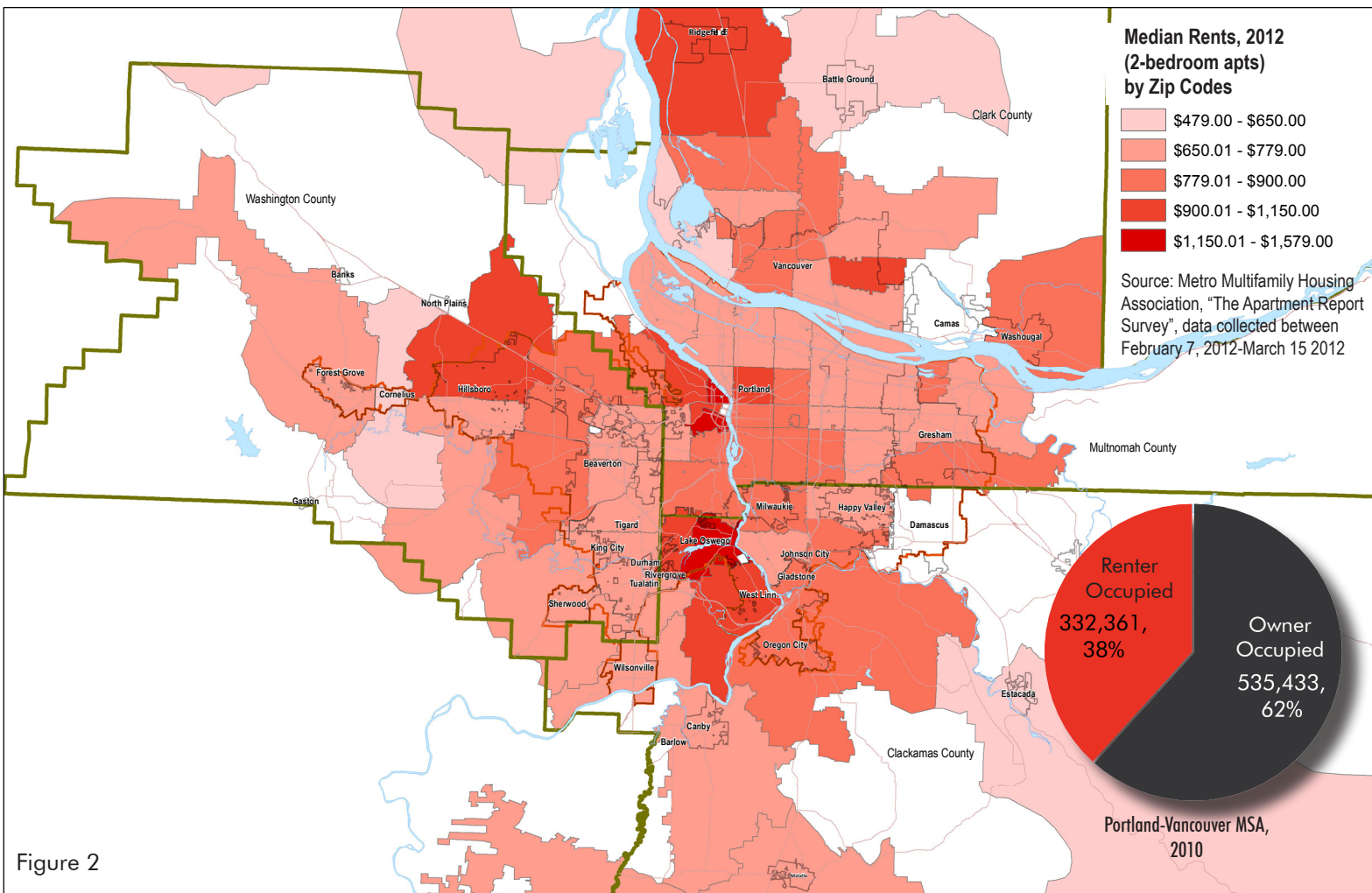
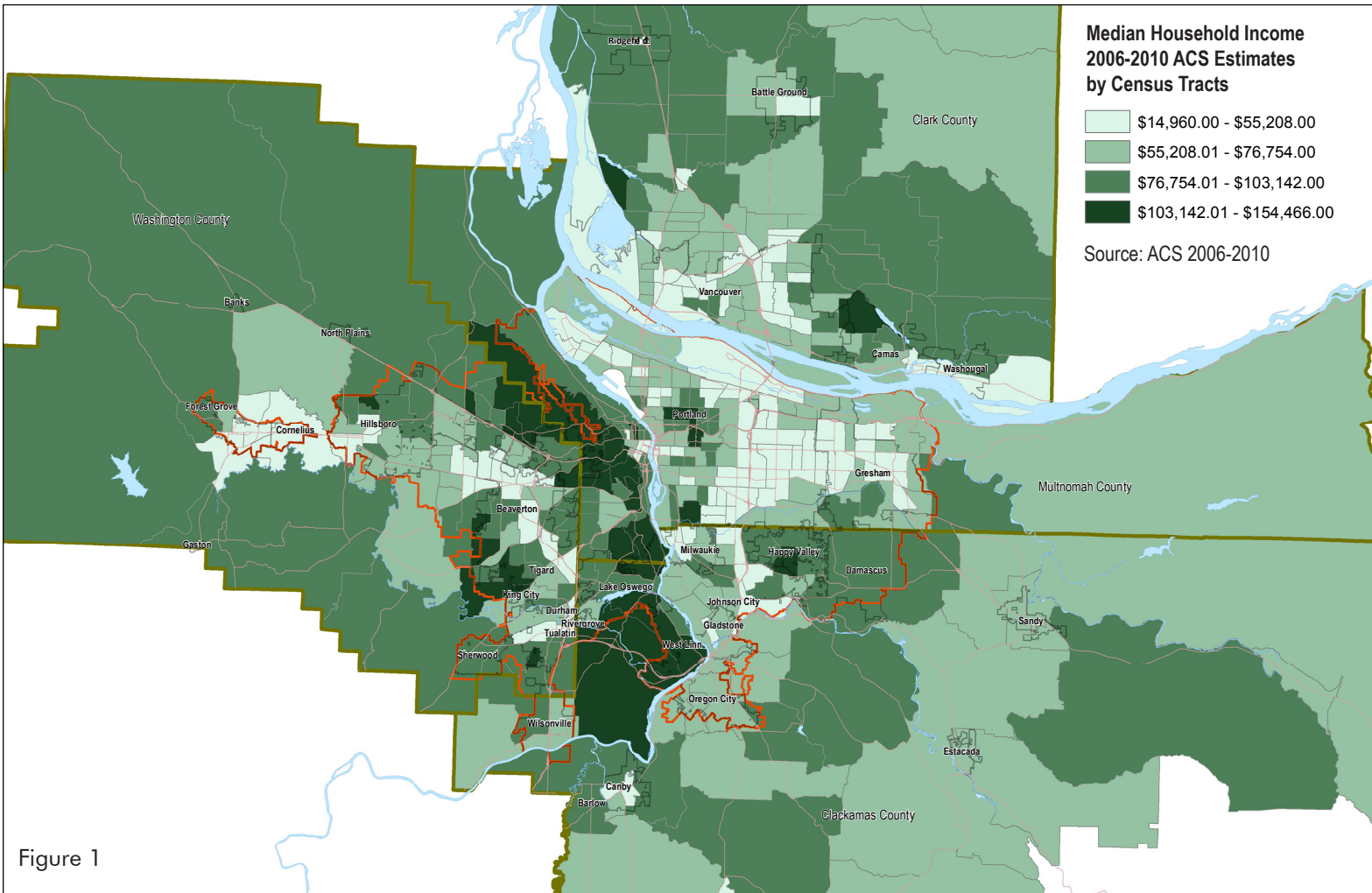
Almost all of the data will be available at the neighborhood or census tract level. Users will be able to customize the layers of the map to explore the intersection between the different indicators. The resulting maps will enable users to analyze equity conditions across the region at a high level of spatial resolution, providing insights to inform strategic investments, planning, and public policy.

This edition of *Metroscape*[®] previews several of the Atlas 2.0 maps related to the issue of housing. Access to decent, stable, and affordable housing is a fundamental quality of life issue. The geographic distribution of affordable housing also has a direct effect on residents' ability to access all of the other resources and opportunities that are essential for health and well being. For these reasons, understanding the "geography of opportunity" related to housing is essential to any analysis of equity issues in the region.

THE GEOGRAPHY OF HOME

Access to housing is largely determined by two factors: access to financial resources and the availability of suitable housing that is affordable. Other factors, such as institutionalized discrimination, can also play a role. This atlas begins an exploration of access to housing using data compiled for and included in the soon-to-be-released Regional Equity Atlas 2.0 tool.

For most of the region's residents, income is the primary factor in determining the type of housing we inhabit and the level of choice we have in terms of amenities and location. Figure 1 displays



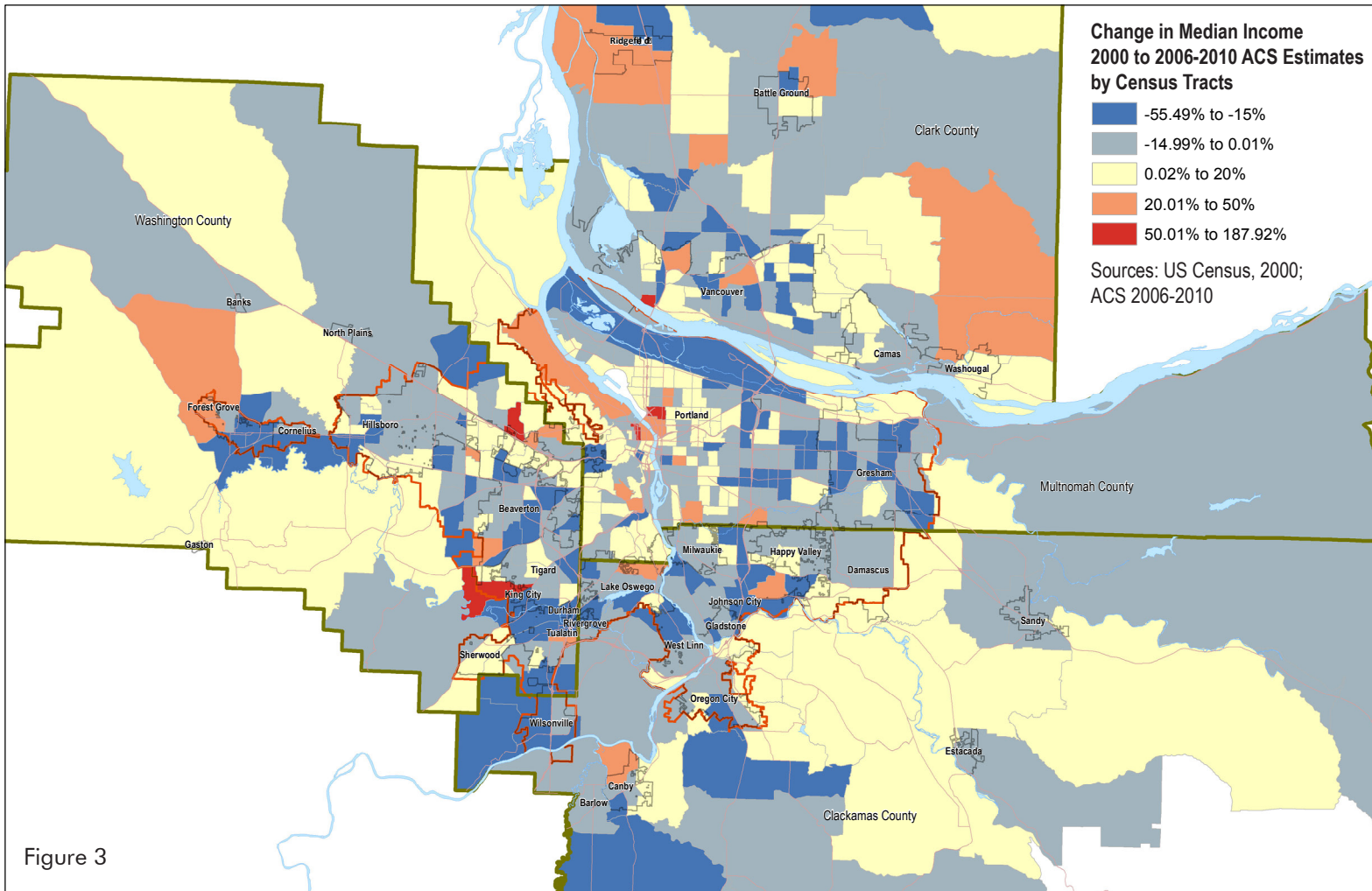


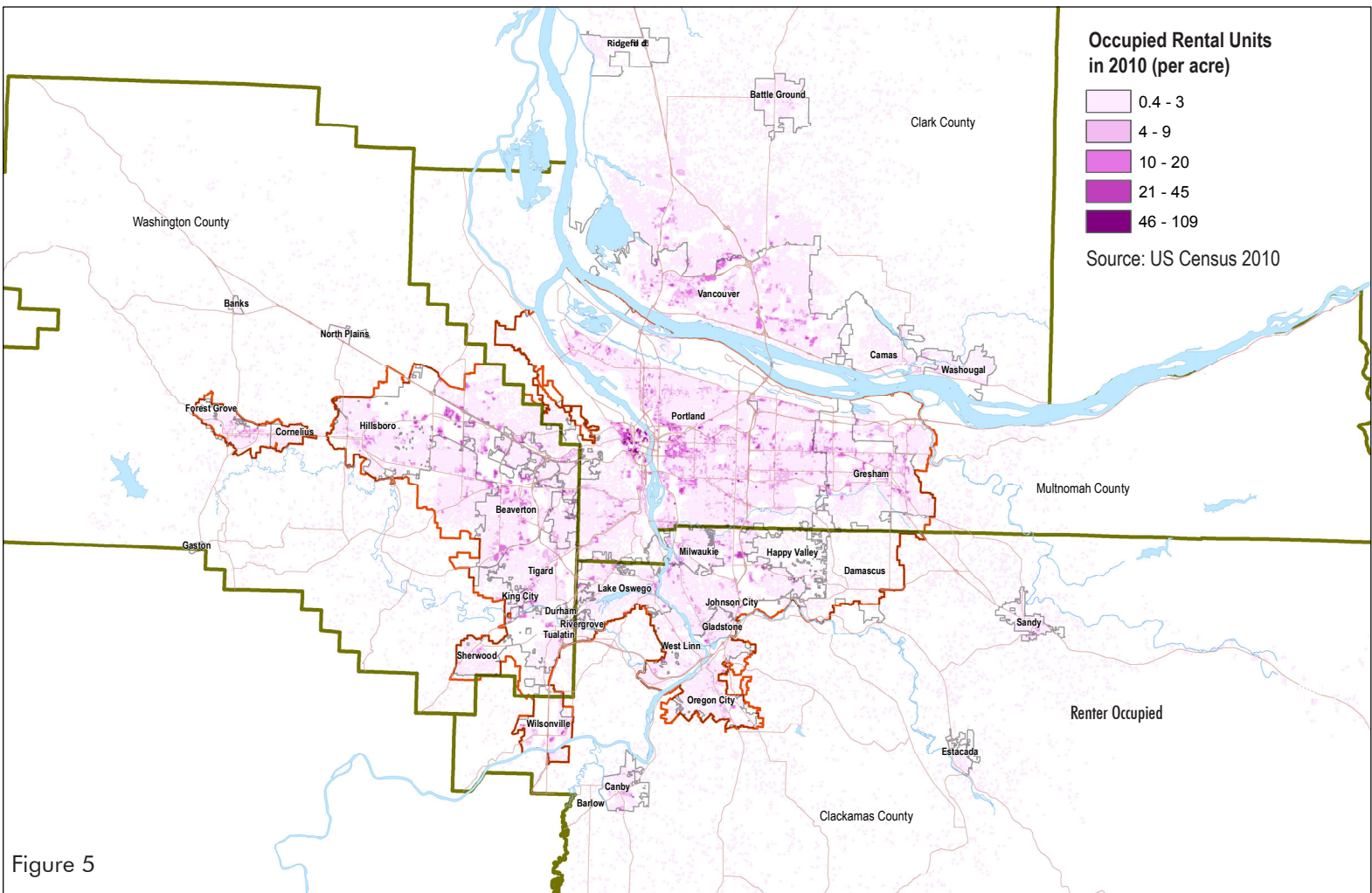
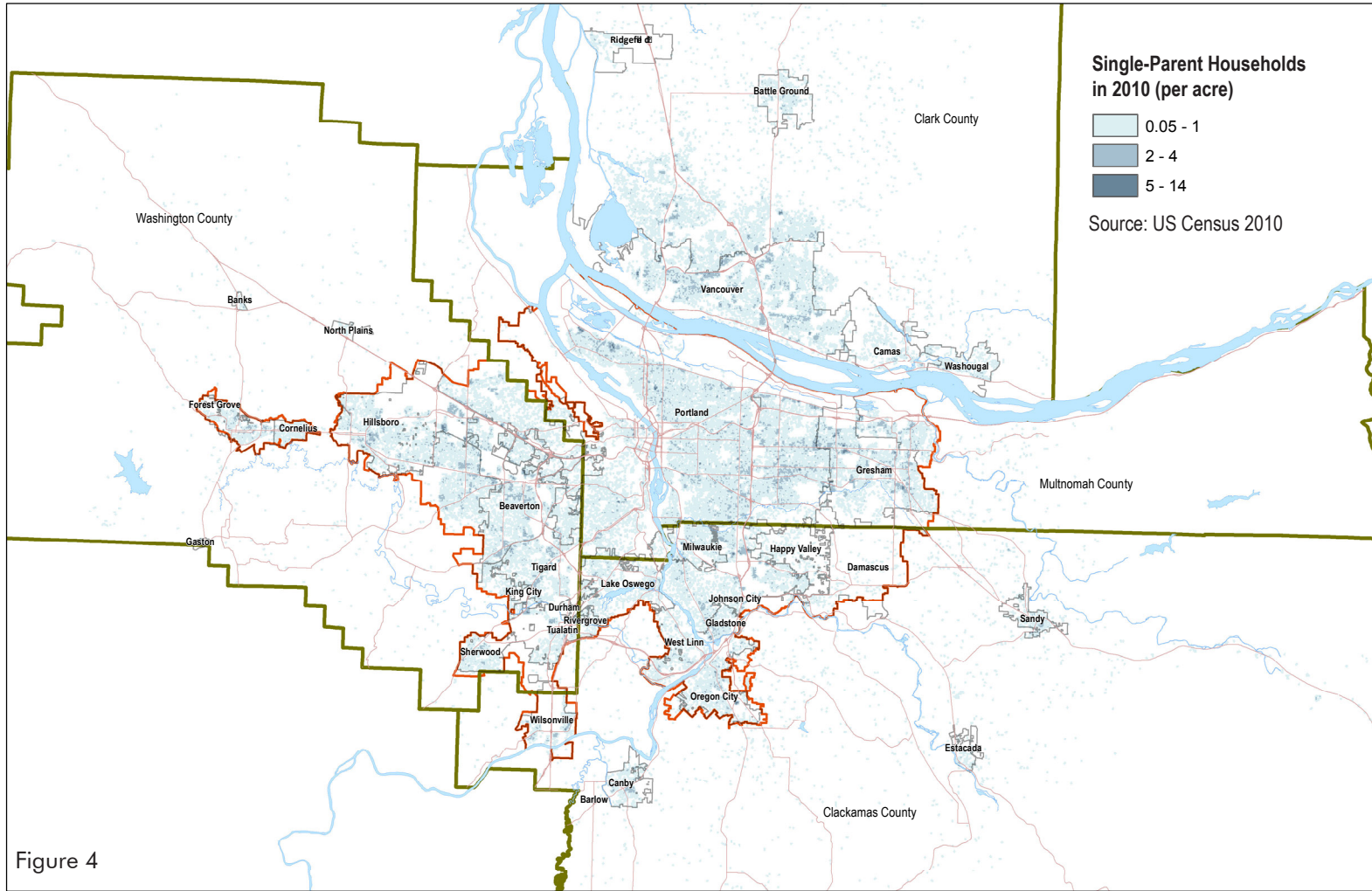
Figure 3

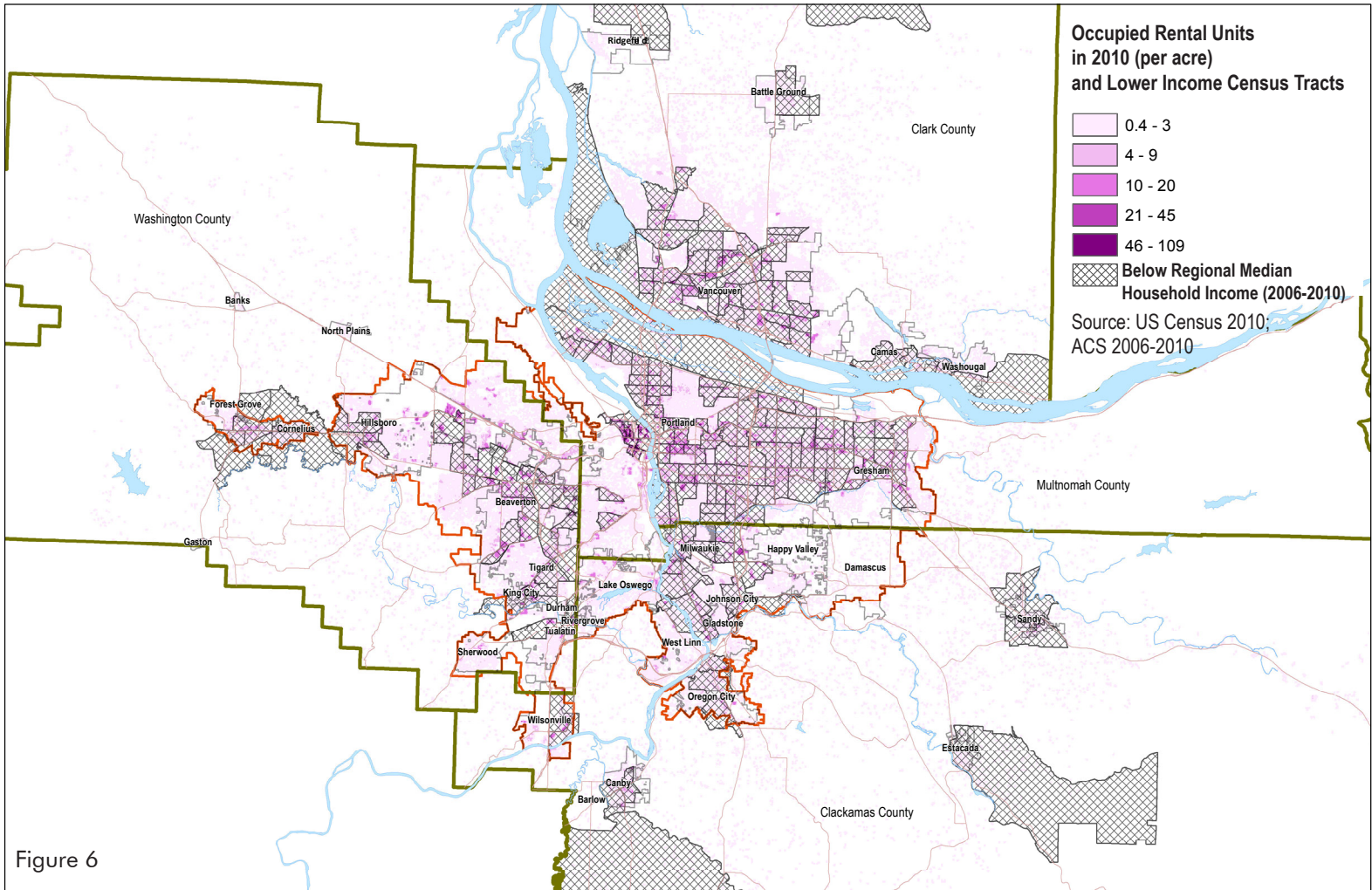
median household incomes for the four-county metro region by Census tracts according to the American Community Survey's (ACS) 2006-2010 estimates. For much of the region, particularly Multnomah, Clackamas, and Washington counties, lower income households tend to be located in neighborhoods far from the downtown core. These neighborhoods include north Portland and the suburban east side of Portland and Gresham, as well as parts of Beaverton, Hillsboro, Cornelius, and Forest Grove on the west side. In Vancouver, Washington, the pattern is reversed, with lower incomes concentrated closer to the city center.

Figure 2 shows the median rents in 2012 for 2-bedroom, or family-sized, units by zip code in the region. The median rents in a given neighborhood reflect the purchasing power of the neighborhood's residents as well as the relative desirability (or lack thereof) of the neighborhood in terms of amenities (such as quality schools, transit, and greenspaces) and proximity to jobs. As might be expected, the patterns in figure 2

resemble the patterns in figure 1, with lower cost units typically located in neighborhoods with lower median incomes.

Figure 3 indicates the change in median household income by Census tract between 2000 and the 2006-2010 ACS estimates. What stands out in this map is the decline, and in some cases a pronounced decline (darkest blue on the map), in median household incomes in most of the region. This decline has been accompanied by an increase in the percentage of cost-burdened homeowners and renters in the region. Households spending more than 30 percent of their incomes on housing are considered cost-burdened because their housing costs do not leave enough income to adequately cover the costs of other necessities such as food and medical care. According to the ACS 2006-2010 estimates, 39.9 percent of households (renters and owners) in the region were cost-burdened; by the 2007-2011 ACS estimates, the percentage had risen to 49.4.





Income and Affordability

Since poverty statistics from the ACS are unreliable at the sub-municipal level, single-parent households (a Census variable that is available at a high spatial resolution) are often used as a proxy for households in poverty. Census block-level data from 2010 reveal the geographic distribution of these households in detail. Zoom in to figure 4 and notice that these households tend to live in areas away from Portland's central neighborhoods and along major arterials. There are hotspots of single-parent households in north Portland (New Columbia, a large affordable housing project, is easily identifiable), Gresham, parts of Beaverton, and Hillsboro.

Because many households in poverty have little choice but to rent, we would expect to see similar hotspots in figure 5, which shows the distribution of occupied rental units in 2010. Figure 6 overlays the distribution of occupied rental units with Census tracts that have median household incomes (according to 2006-2010 ACS estimates)

below the regional median. Figure 6 shows that areas with lower income households tend to also have higher densities of households that are renters. But the region's rental housing stock also includes many higher priced rental units (as demonstrated in figure 2). As a result, while the densest areas in figure 5 include neighborhoods with high concentrations of poverty, they also include areas like the Pearl District, close-in east side neighborhoods such as the Lloyd District, and neighborhoods on the outer west side near the high tech industry.

Communities of Color and the Home Ownership Gap

Access to home ownership (the single largest asset for most American households) isn't just dependent on income. The ability to purchase a home can also be affected by an individual's credit history and access to capital (typically from family and friends). And, while it is illegal for sellers and lenders to discriminate against potential buyers based on race, the legacy of historic and in-

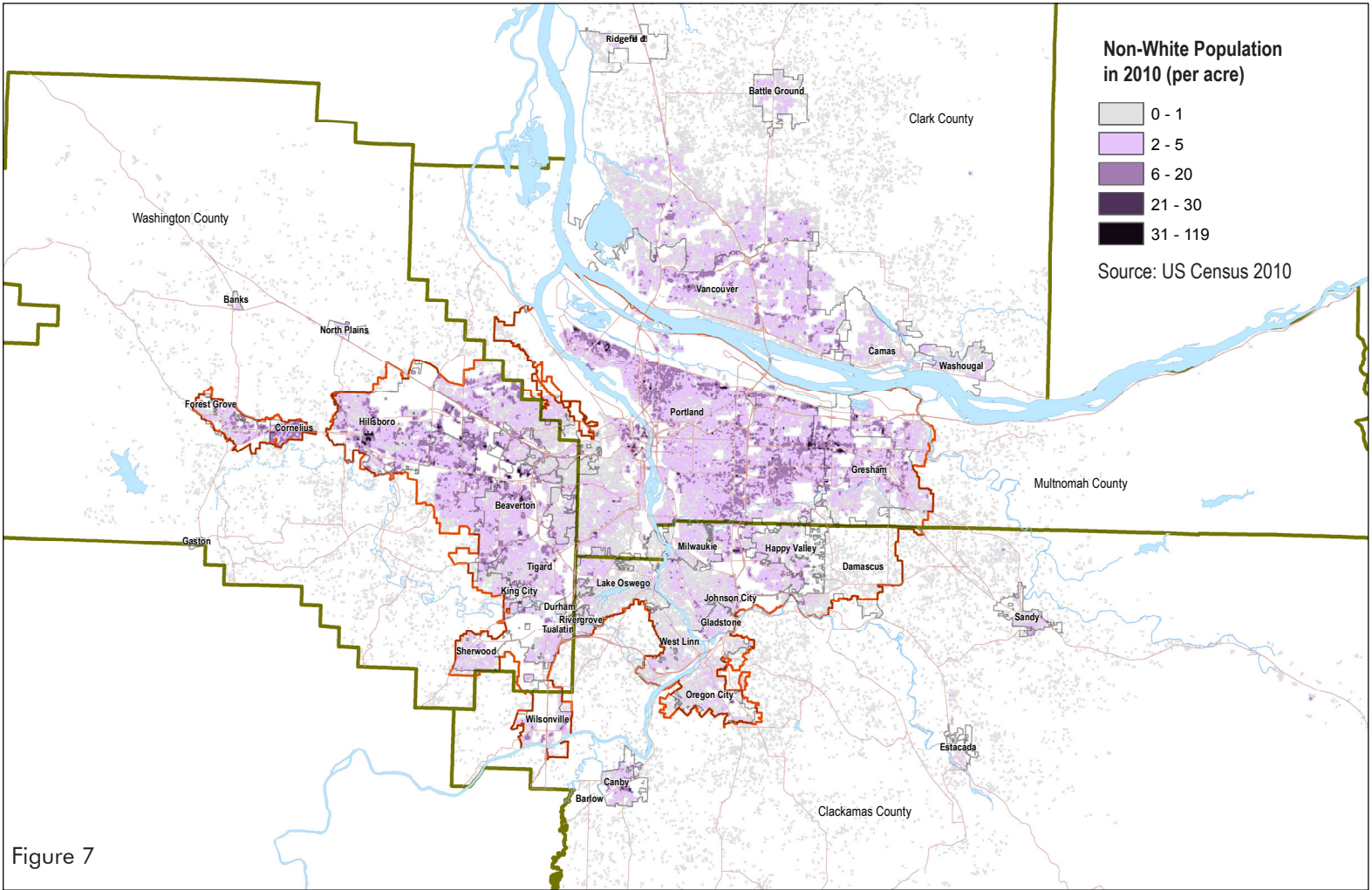


Figure 7

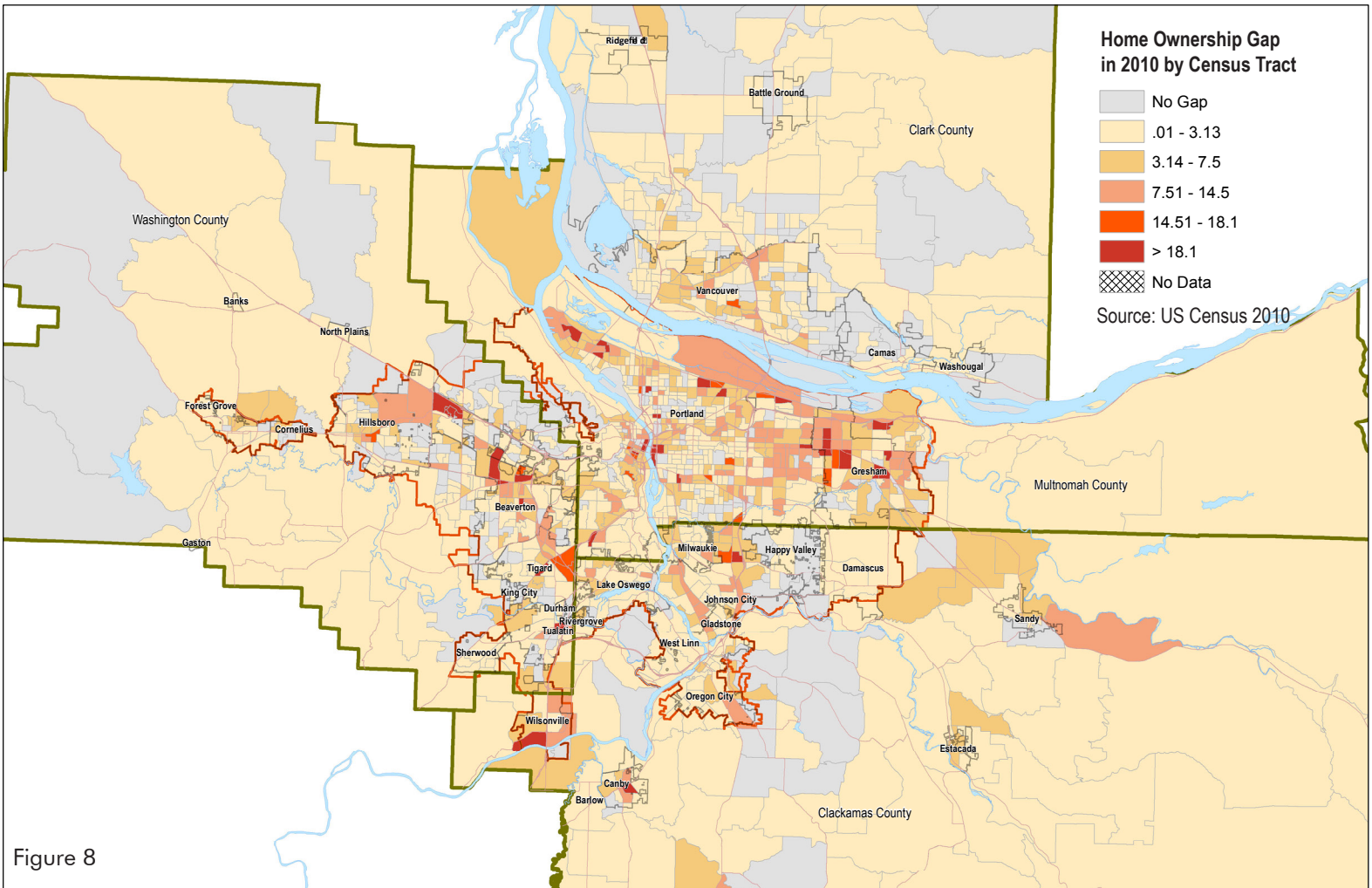


Figure 8

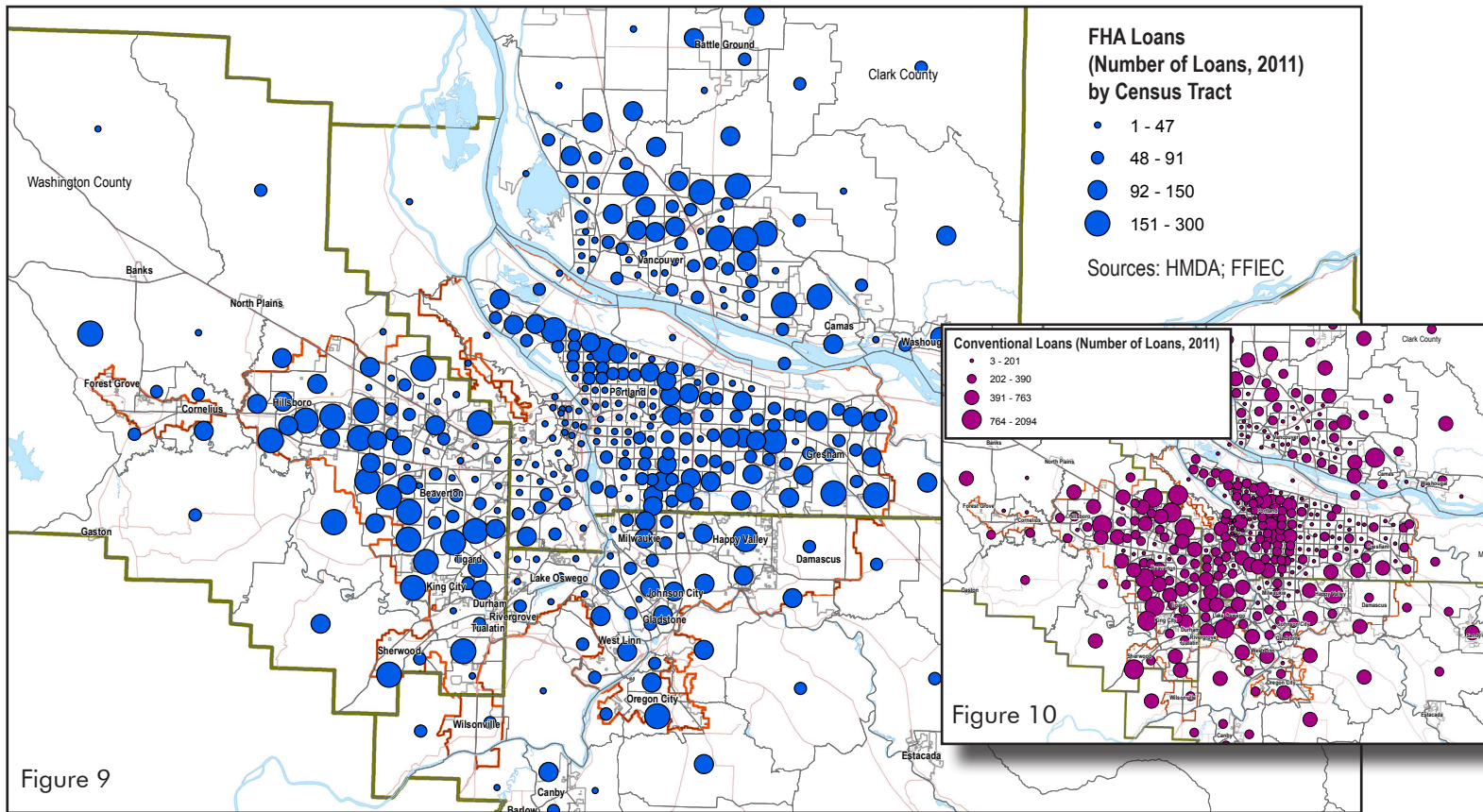


Figure 9

Figure 10

stitutionalized racial discrimination continues to impact current home ownership rates. Familiarity with the financial services system may also play a role; recent immigrants, in particular, may find it difficult to navigate through the complexities of financing a home purchase.

The combined impact of these factors contributes to a home ownership gap between whites and populations of color in some Census tracts in the region, according to recent data. Figure 7 shows the distribution of the non-white population in 2010. Figure 8 displays the home ownership gap by Census block group in 2010. Gray indicates places where the rate of home ownership by populations of color is equal to or greater than that of the white population. Shades of orange indicate a home ownership gap that increases as the orange color gets darker. It is notable that the gap appears to be greatest in areas with higher minority populations due to a disproportionate number of white home owners in these areas.

Access to Home Loans

Figure 9 (the number of FHA loans per Census tract in 2011) and figure 10 (the number of con-

ventional loans issued per Census tract in 2011) touch on the complex issue of access to mortgage lending. Home ownership typically requires substantial cash assets for a down payment. One key difference between conventional and FHA loans is the minimum down payment required: FHA requires only 3 percent of the purchase price, while most conventional loans require at least 20 percent. For this reason, access to FHA loans can make home ownership more accessible to populations with limited cash assets. Analyzing access to home loans is complex, but the spatial distributions depicted in these maps are striking. The FHA loans tend to be concentrated in areas with lower median incomes, while the conventional loans tend to be concentrated in areas with higher incomes. What these maps do not tell us is how access to FHA loans may or may not play into the minority home ownership gap depicted in the previous maps.

The maps discussed here only scratch the surface. The Regional Equity Atlas 2.0 includes these and many other datasets that clarify housing issues in the metroscape. **M**