

Introduction to the Case Studies

In 2007, the Federal Reserve System's Community Affairs Offices undertook 16 case studies to add texture to our understanding of concentrated poverty. The case study approach capitalized on the strength and regional nature of the Community Affairs function to understand what is happening in high-poverty communities at the local level, not only by analyzing socioeconomic data, but also by drawing on the perspectives of residents, small business owners, government agencies, and community development organizations. As Federal Reserve Chairman Ben Bernanke has noted, "Knowledge bearing on community economic development has both qualitative and quantitative aspects, and it can be gained through diverse channels, from talking to people in a neighborhood to performing a regression analysis."¹ This introduction describes how the case study communities were selected and explains the methodology used in compiling the quantitative and qualitative data for each of the case study reports.

■ THE CASE STUDY COMMUNITIES

Selecting the case study communities for this report entailed two steps. First, the Brookings Institution identified high-poverty areas across the United States based on a quantitative analysis of Census 2000 data. High-poverty census tracts were defined as those in which at least 40 percent of individuals live in families with incomes below the federal poverty threshold.²

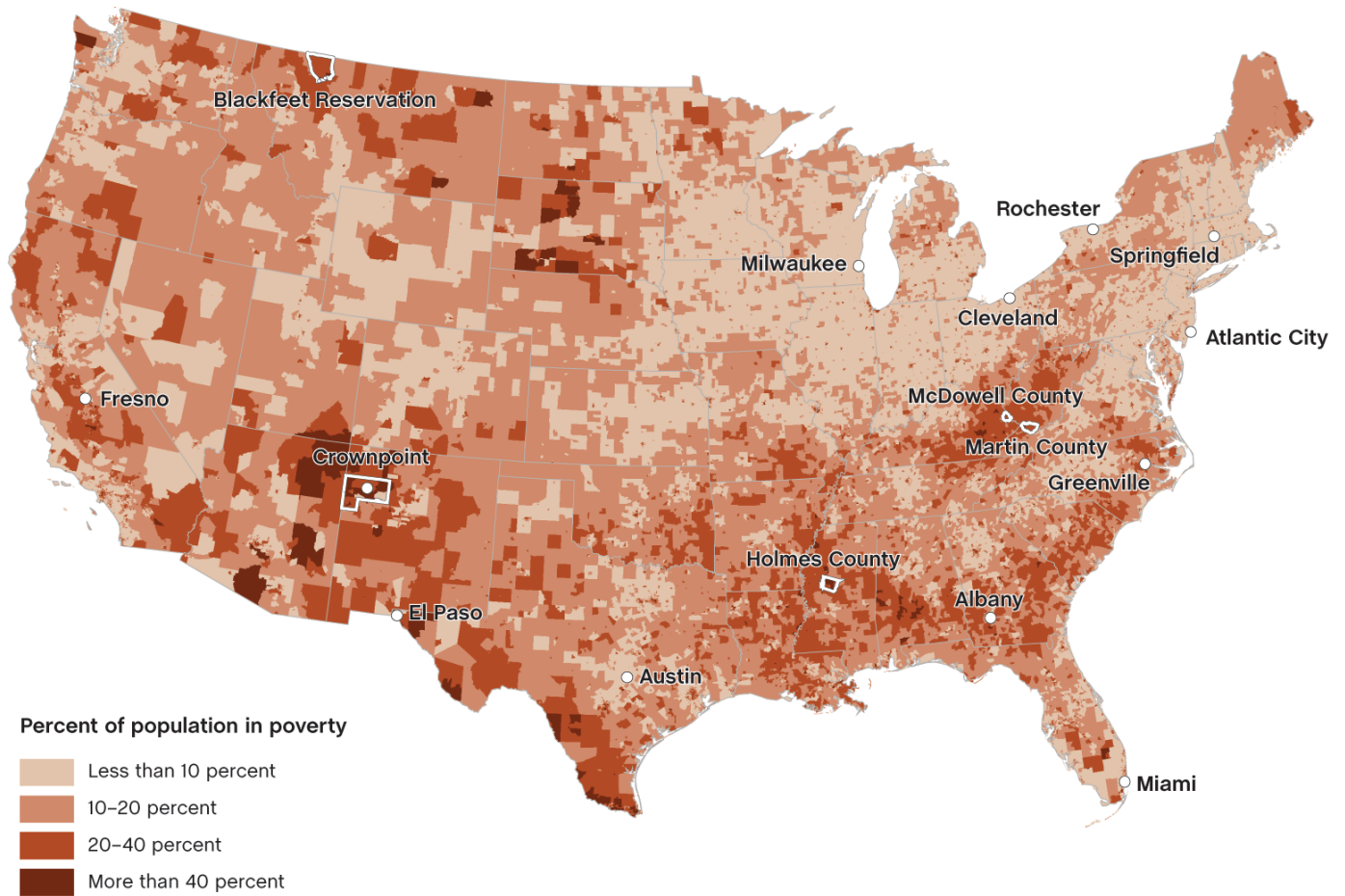
The analysis identified 157 cities and counties across the United States that contained significant areas with

high levels of poverty;³ these locales were then aligned by Federal Reserve District. They included large cities in the Northeast—such as Chicago, Cleveland, and Detroit—that have traditionally been studied in the literature on concentrated poverty. But the analysis also highlighted the existence and spread of high-poverty neighborhoods into places like California's Central Valley, southern Texas, cities throughout the Southeast, and smaller cities and suburbs in the North.

From this list of cities and counties, each of the 12 Federal Reserve Banks selected one or two high-poverty communities within its district to study. The goal was to select a diverse set of communities that would reflect the broad range of geographies where concentrated poverty exists. With their twin goals of research and outreach in mind, each of the Reserve Banks selected specific high-poverty communities that had relevance for their community development activities. The Federal Reserve Bank of Cleveland and the Federal Reserve Bank of Richmond, for example, both selected counties in Appalachia to bolster their understanding of the issues facing poor rural communities. Minneapolis and Kansas City, districts that include a significant number of Native American reservations, have had a longstanding interest in helping to address barriers to credit on tribal lands. These two Banks selected Native American areas to study as part of this project. The Federal Reserve Bank of San Francisco selected Fresno as its case study community, partly because it is the city with the highest concentration of

FIGURE 1

Concentrated poverty case study communities



poverty in the country and partly because of the Bank's commitment to building community development capacity in the rapidly growing metropolitan areas of California's Central Valley.

For case studies in urban areas, the research focused on discrete neighborhoods, or contiguous neighborhoods, within the cities listed above. For example, the Federal Reserve Bank of Atlanta selected the Little Haiti neighborhood in Miami as one of its case study communities, versus other high-poverty areas within the city's borders. In rural areas, the county was the focus of the research, with the exception of the tribal areas, which do not conform neatly to county boundaries. In the case of the Blackfeet Reservation in Montana and the Crownpoint area of New Mexico, the case study areas were delineated using census tracts. The resulting 16 case study communities included in this report are Fresno, CA's West Fresno neighborhood; Cleveland, OH's Central neighborhood; Miami, FL's Little Haiti neighborhood; Martin County in Kentucky; the Blackfeet Reservation

in Pondera and Glacier Counties, MT; Greenville, NC's West Greenville neighborhood; Atlantic City, NJ's Bungalow Park/Marina District; Austin, TX's East Austin neighborhood; Crownpoint in McKinley County, NM; McDowell County, WV; Albany, GA's East Albany neighborhood; El Paso, TX's Chamizal neighborhood; Springfield, MA's Old Hill, Six Corners, and South End neighborhoods; Rochester, NY's Northern Crescent neighborhoods; Holmes County, MS; and Milwaukee, WI's Northwest neighborhood. (See Figure 1)

■ CASE STUDY METHODOLOGY

This report uses a case study approach that employs both quantitative and qualitative data to paint a portrait of the community and to explore questions raised in the literature on concentrated poverty. For each case study community, an initial profile of the study area was developed using publicly accessible state and national quantitative data sources. The data profile was then used

in conjunction with a review of relevant literature to guide on-site interviews with local individuals in professional and leadership positions at key institutions. Each of these steps is described in more detail below.

The quantitative analysis used in the case studies relies primarily on data from the U.S. Census in 2000, since this is the only source of data available at the census tract level that covers a wide range of demographic, economic, and social indicators relevant to a study of concentrated poverty. For the purpose of convention, all references in this report to data from the decennial U.S. Census refer to the year of reporting (e.g., 1990, 2000) rather than the year for which the data were collected (1989, 1999). Other sources of data analyzed for each of

the case study communities included Home Mortgage Disclosure Act (HMDA) data, data on academic achievement from the scores of state-administered tests, crime data from the U.S. Department of Justice, and data on subsidized housing from the U.S. Department of Housing and Urban Development.⁴ For urban areas and Native American reservations, community boundaries were aligned with census tract boundaries to calculate descriptive statistics for the case study area. For each urban case study, the same data were calculated for the city and the Metropolitan Statistical Area to serve as points of comparison. County-level data were used for rural communities, and were then compared to data for the non-metropolitan areas of the state.

TABLE 1

Numbers of interviews conducted in each of the case study communities

	Local and Federal Government ¹	Nonprofits, Community Organizations, and Foundations	Research Institutions ²	Schools, the Arts, and Health Organizations ³	Financial Institutions and Businesses ⁴	Residents ⁵
Albany, GA	7	3	n/a	2	1	2
Atlantic City, NJ	2	16	2	n/a	18	40
Austin, TX	34	9	4	7	11	5
Blackfeet, MT	14	1	n/a	17	6	3
Cleveland, OH	4	4	2	1	3	10
Crownpoint, NM	14	5	2	2	5	5
El Paso, TX	8	6	4	n/a	5	7
Fresno, CA	9	7	4	4	7	4
Greenville, NC	8	3	1	n/a	1	3
Holmes County, MS	5	3	1	3	5	5
Martin County, KY	4	4	n/a	4	2	11
McDowell County, WV	5	5	2	3	8	12
Miami, FL	7	9	3	2	10	40
Milwaukee, WI	3	5	2	n/a	8	2
Rochester, NY	21	10	5	6	9	26
Springfield, MA	5	3	n/a	1	2	6

¹ Includes a wide range of local and federal governmental agencies, including housing, community development, transportation, and environmental agencies; police departments; the Small Business Administration; Health and Human Services; and elected officials. In tribal areas it can include members of the tribal council, land use planning committees, or other tribal government committees and functions.

² Includes academic and think tank organizations, newspapers, and local historians and folklorists.

³ Includes early childhood education providers and school boards, as well as recreation organizations.

⁴ Includes large companies, small business owners, real estate agents, for-profit housing developers, and legal institutions.

⁵ Some residents interviewed overlap with other categories in this table, for example, "small business owner" or staff at a local nonprofit. In those cases, they have been counted in the column that reflects their broader role in the community, not in the resident column.

For the qualitative component of the research, case study authors conducted interviews and focus groups with a wide range of residents and community stakeholders in the case study area and its surrounding region. A research field guide was developed to provide a research framework for the case studies. The research field guide identified the types of community stakeholders that were to be interviewed and also made detailed and specific recommendations on what questions had to be asked and how the interviews should be conducted (the research field guide is available online at <http://www.frbsf.org/cpreport>). For each case study, authors conducted a minimum of 15 interviews. While many case study authors conducted additional interviews, the field of applied qualitative research has identified 15 as the number of interviews needed to reveal the key themes or significant issues in a community.⁵ Interviews were conducted based on the open-ended questions contained in the research field guide, giving researchers the opportunity to tailor the interview to the respondents' expertise. Most interviews lasted between one and two hours. In addition, case study authors often accompanied respondents on tours of the case study area, and observed community meetings or other community events.

Respondents were selected based on their positions and on the recommendations of other community stakeholders. The exact composition of respondents differed depending on the case study community. Interviews were conducted with social services, housing or redevelopment agency officials, directors and employees of local community development corporations or non-profits, researchers at local universities or think tanks, business executives, tribal leaders, and representatives from financial institutions or local community development financial institutions. (See Table 1)

Following the interviews, transcripts of the conversations were analyzed and coded to group respondent comments into general themes or issues. Those issues or themes that were mentioned most frequently, and across multiple stakeholders, were considered to be significant, and elaborated upon using the quantitative data as well as secondary sources of information such as research articles, newspapers, local reports, and books. While this methodology does not purport to illuminate the most important factors contributing to concentrated poverty from a quantitative perspective, it does highlight which issues are of significant concern to community stakeholders. In addition, while only a few issues are

highlighted for each case study in this report, many of the Reserve Banks are planning to publish lengthier reports that can delve more deeply into these and other themes raised during the case study research process.⁶ This work also has already inspired new quantitative research projects and Reserve Bank outreach efforts.

The following 16 case studies represent the first time that one study has analyzed a truly diverse group of high-poverty areas across the United States. While the portraits painted of any one community are necessarily incomplete, taken together they show that concentrated poverty persists in many different forms across the country, and that the factors contributing to the persistence of concentrated poverty are complicated and intertwined.

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Endnotes

- 1 Chairman Ben Bernanke, Speech to the Greenlining Institute, April 20, 2006.
- 2 For more information on the definition of high poverty and its use in social science research, please see the discussion in the Overview. Because of the dispersed nature of the county geography, the overall poverty level for some of the counties in this report falls below the 40-percent threshold, although each of the counties selected contains at least one census tract with a poverty rate of 40 percent or greater.
- 3 In the first step, we limited the analysis to areas with populations greater than 10,000 to ensure that they were of sufficient scale to contain distinct areas of concentrated poverty. The lower-bound population for rural high-poverty communities, however, is 5,000, in recognition of their more spread-out character. We also excluded tracts that had high poverty rates based on a high number of college and university students. Subsequent discussions led us to revise our population thresholds, and Greenville, Atlantic City and East Austin were included despite having less than 10,000 residents.
- 4 For a complete list of indicators and data sources, see Appendix A.
- 5 Purposive samples—in which respondents are chosen based on their expertise or position within a community—are the most commonly used form of non-probabilistic sampling, and their size typically relies on the concept of “saturation,” or the point at which no new information or themes are observed in the data. Qualitative researchers have estimated that for non-probabilistic samples, saturation can occur within the first 12 interviews, although basic elements for major themes are present as early as six interviews. See Greg Guest, Arwen Bunce, and Laura Johnson, “How Many Interviews Are Enough? An Experiment with Data Saturation and Variability,” *Field Methods* 18(1) (2006): 59–82.
- 6 Longer case studies will be posted online along with the final synthesis report.