

# St. Petersburg's Poverty Population & Poverty Costs

St. Petersburg's poverty population has grown since the turn of the century, and the reasons for that growth seem to divide along racial lines. Among white City residents, poverty growth appears to be recession-related and temporary in nature. Among African Americans, however, the City suffers the weight of generational poverty, exacerbated by two factors that are discussed below.

## 2000

	In Poverty
Black	13,776
White	16,430
All	32,127
SSP	16,113
SSP=South St. Petersburg	

### Shrinkage of Poverty Population

- People in poverty who die
- Youth in poverty who enter adulthood earning above poverty
- Adults in poverty who increase their income "above poverty"
- Adults in poverty whose family size shrinks, putting their income "above poverty"



### Growth in Poverty Population

- Children born into poverty or whose parents fall into poverty
- Youth who enter adulthood in poverty or adults who fall into poverty due to
  - Job or income loss
  - Incarceration
  - Low-wage status
  - Disability, underground work, substance abuse, etc.

## 2012

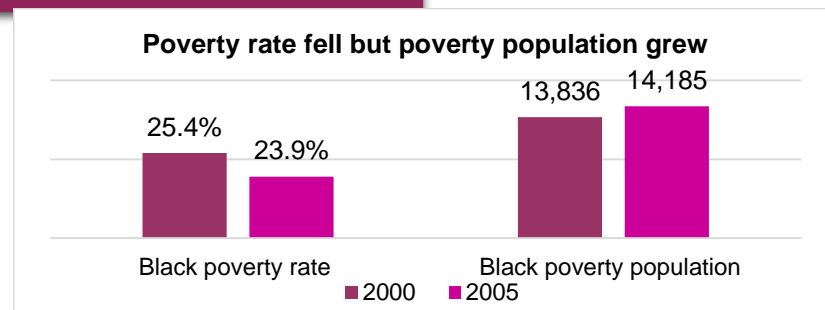
	In Poverty	Growth since 2000
Black	16,173	<b>+2,397</b>
White	19,408	<b>+2,978</b>
All	38,688	<b>+6,561</b>
SSP	17,711	<b>+1,598</b>

## 2 Factors Fueling Black Poverty Population Growth in St. Petersburg

The recession had an impact, but it was not a chief culprit in the City's black poverty population growth since 2000, nor did it cause the mushrooming of taxpayers' poverty costs in South St. Petersburg (see next page).

Black poverty growth is caused by two factors that have not been addressed by the body politic or by the collaborative "systems-of-care."

**Black population growth:** Even in years when the City's black poverty rate was trending down (roughly 1990 to 2005), the poverty population grew, due to rapid growth in the City's African American population that far outstrips the tiny downward ticks in the poverty rate. This graph shows the situation from 2000 to 2005.

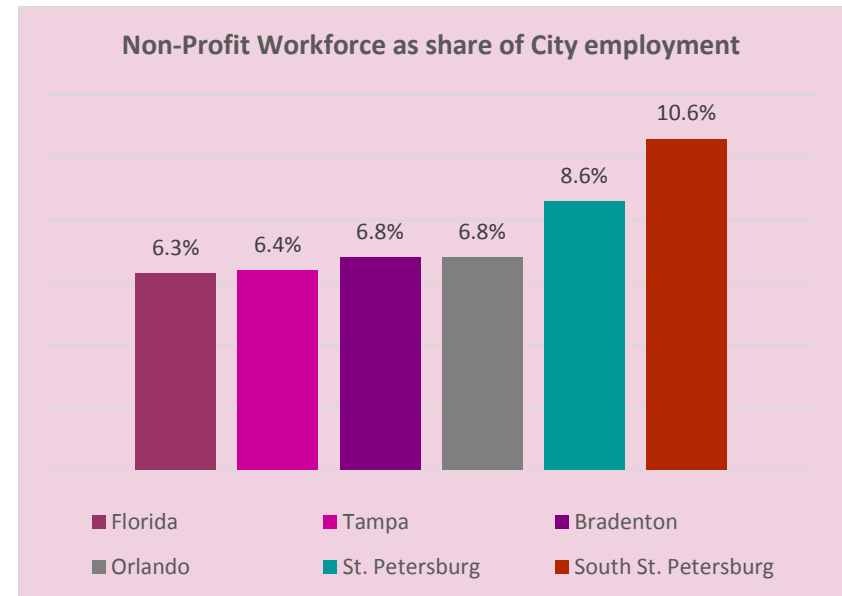
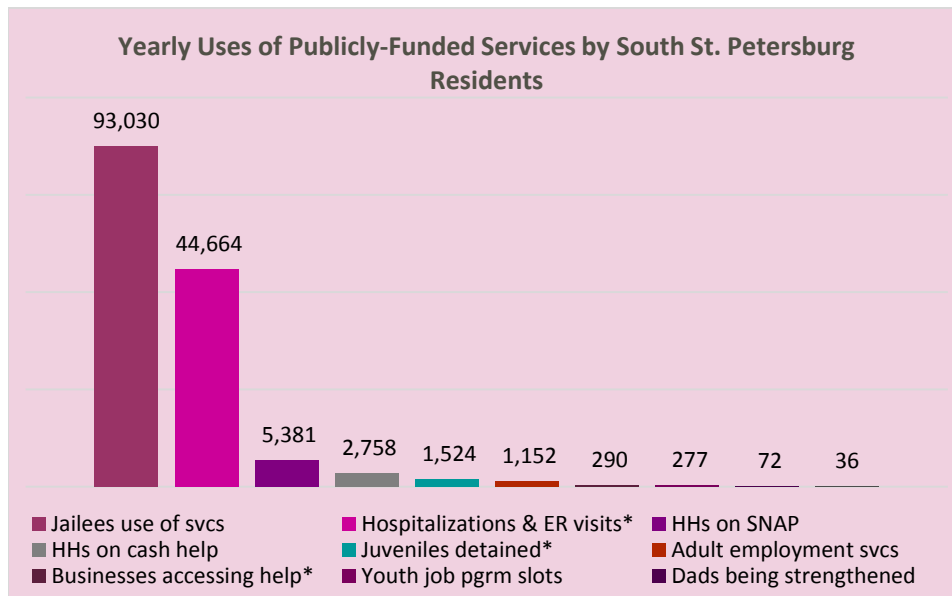
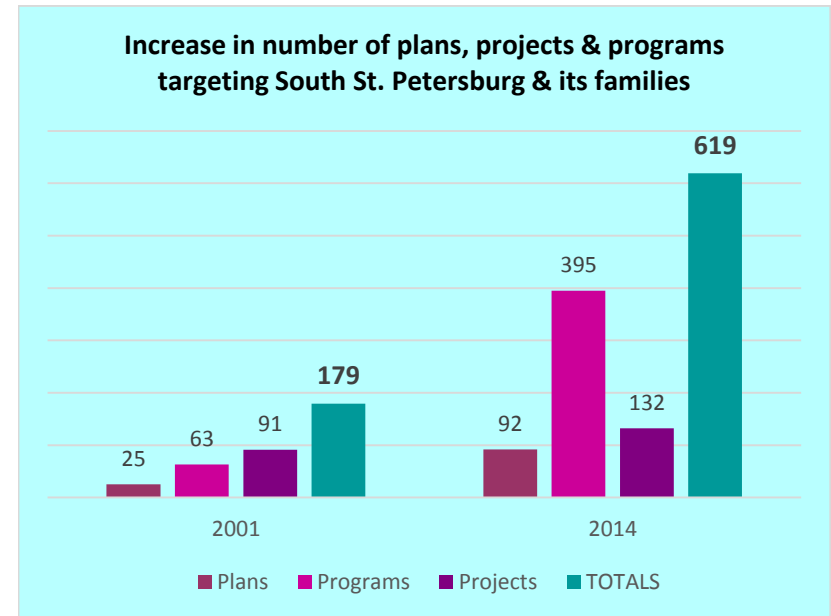


**Black men not penetrating workforce** – Despite earning over 4,900 diplomas and degrees since 2000, black men lost ground in the labor force – in employment share, earnings and job rank. The number of black men in poverty nearly doubled from 2000 to 2012 accounting for – by some Census data – 100% of the increase in African Americans in poverty during prime career-building years (ages 18 to 44).

# Poverty services & cost triple

While South St. Petersburg’s poverty population has grown modestly since the turn of the century, the number of poverty-related programs and services operating in the community has more than tripled since 2001, and taxpayers’ cost of poverty has grown by almost as much.

The trend has created a large **poverty service industry** in the City that impacts the economy in heretofore undetected ways. For one, the non-profit sector occupies an outsize share of employment in St. Petersburg. This adds to the number of workers earning below the County Median wage and perpetuates the City’s large working poor population.

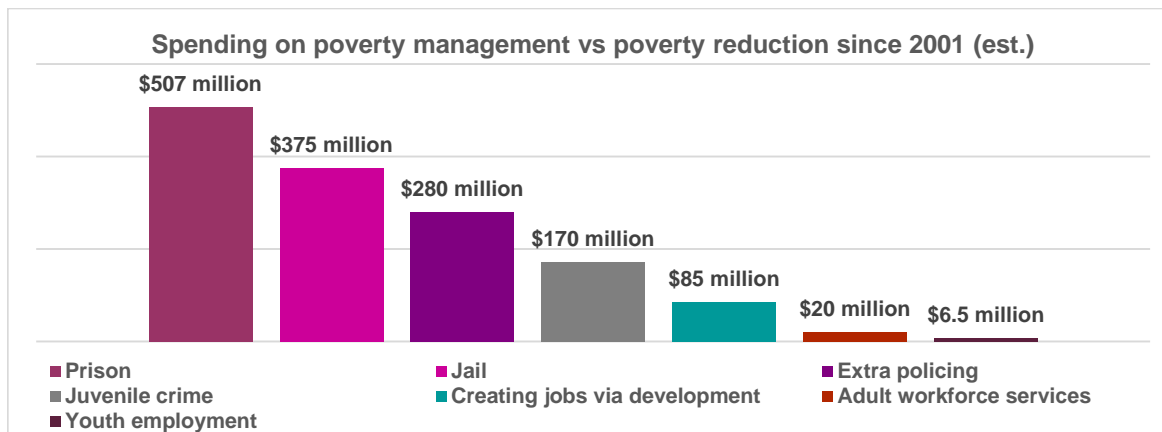
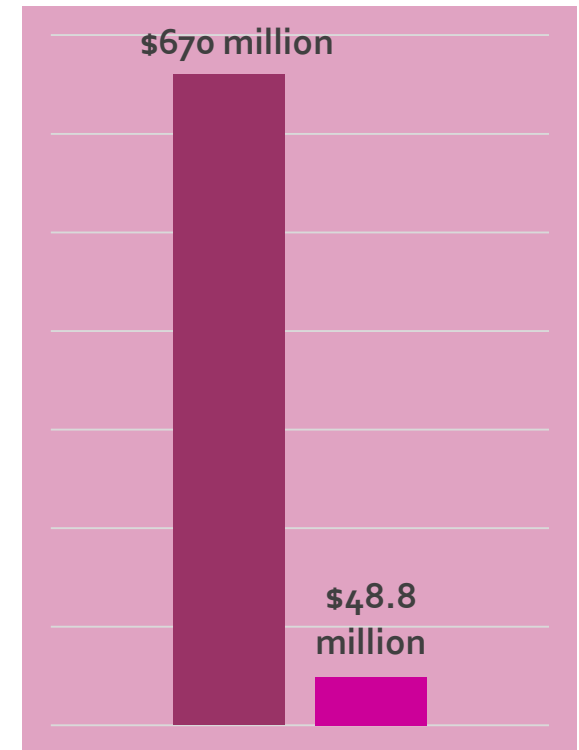
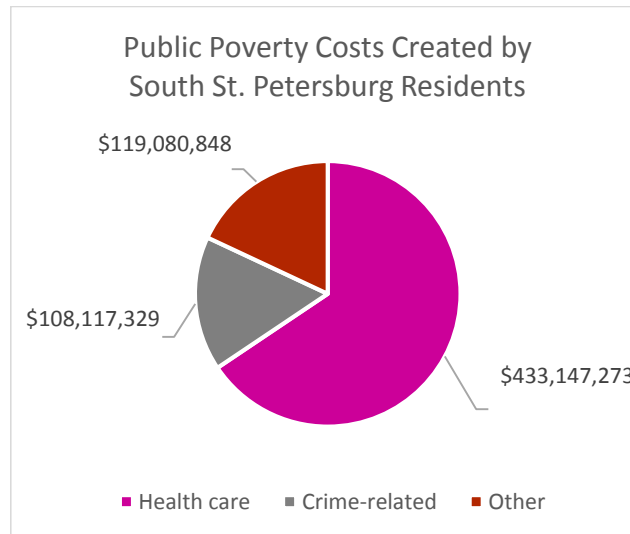


# Poverty Costs Rob Us of the Ability to Invest in Economic Growth

New research pinpoints taxpayers' cost of poverty in South St. Petersburg at \$670 million per year, and finds that an overwhelming 93% of all public poverty spending goes to *manage* poverty, while only 7% goes to interventions that can *prevent* or *reduce* poverty.

Over 80 types of programs & services are offered to South St. Petersburg through 395 programs and program sites. Health and criminal justice services account for a lion share of service uses & taxpayer costs caused by South St. Petersburg residents.

Together, these health and crime services account for 82% of public poverty costs. Health services to the poor made-up 66% of taxpayer cost of poverty, while crime services consume 16%.



The amount spent on poverty in the community is over **13 times** the amount invested in economic development, including city & county budgets, plus state incentives.