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San Francisco Metropolitics Part I

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**San Francisco Bay Area Metropolitcs:
A Regional Agenda for
Community and Stability**

Myron Orfield

A Report to the Urban Habitat Program

May 1998

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I. Overview

There is a dangerous social and economic polarization occurring in the San Francisco Bay Area.¹ First, poverty and social and economic need has concentrated and is deepening in central-city neighborhoods, in older, inner suburbs—particularly suburbs of Oakland, and in many outlying cities of Sonoma, Solano, and to some extent Napa and Contra Costa Counties.² This concentration destabilizes schools and neighborhoods, is associated with increases in crime, and results in the flight of middle-class families and businesses. ***As social needs accelerate in the central cities, inner suburbs, and many outlying communities, the property tax base supporting local services erodes.*** Second, in a related pattern, growing middle-income communities, are beginning to experience increases in their poverty and crime rates, and could well become tomorrow’s troubled suburban places, particularly those which are located in low tax base areas. Third, upper-income residentially exclusive suburban places are capturing the largest share of regional infrastructure spending, economic growth and jobs. As the property tax base expands in high property-wealth areas and their housing markets remain exclusive, these areas, such as the hill cities northwest of San Jose and the fast-growing communities of the East Bay (in eastern Contra Costa and Alameda Counties), become both socially and politically isolated from regional responsibilities.

Overlaying this socioeconomic polarization is an environmental nightmare. As the wave of socioeconomic decline rolls outward from the central cities and older, inner ring suburbs tides of middle-class homeowners sweep into fringe communities. Growing communities, facing tremendous service and infrastructure needs offer development incentives and zone in ways that allow them to capture the most tax base.³ In so doing, they lock the region into low-density development patterns that are fiscally irresponsible, foster automobile dependency, contaminate groundwater, and needlessly destroy tens of thousands of acres of forest and farmland.

These disturbing trends, however, are not unique to the Bay Area. Similar patterns of socioeconomic polarization were first depicted in a series of geographic information system (GIS) maps of the Twin Cities region in 1993—much like the maps presented throughout this report. The delineation of these patterns helped create a metro-majority, political coalition between the central cities—which comprise one-third of the region’s population—and the inner and low tax base, developing suburbs—which comprise another third. By supporting and helping to pass in the 1993-98 sessions significant legislation involving regional tax-base sharing, fair housing, transportation/transit reform, land-use planning, reinvestment in the core, and a stronger

¹ In this study we define the region as the counties that are part of the Association of Bay Area Governments: Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, Solano, and Sonoma.

² There may also be considerable poverty and social and economic need in the more rural, agricultural parts of these counties—where the causes and cures are different than in the municipalities—but this study primarily focuses on municipalities of the region.

³ D. Winsor, *Fiscal Zoning in Suburban Communities* (1979); B. Rolleston, “Determinants of Restrictive Suburban Zoning: An Empirical Analysis,” *Journal of Urban Economics* 21 (1987): 1-21; M. Wasylenko, “Evidence of Fiscal Differentials and Intrametropolitan Firm Relocation,” *Land Economics* 56 (1980): 339-56.

metropolitan council, these subregions signaled their strong and growing support of a regional reform agenda.

Since those first maps were produced of the Twin Cities area, similar studies have been conducted of at least eleven other major U.S. metropolitan areas: Chicago, Portland (Oregon), Philadelphia, Pittsburgh, Seattle, Baltimore, Gary, Cleveland, South Florida, Milwaukee, and Atlanta. Although each of these regions is unique in its own way, the same patterns of regional disparity were revealed in each place: 1) poverty is concentrating in the very places with the fewest resources for dealing with the social affects of concentrated poverty—central city neighborhoods, older suburbs, and satellite cities; 2) growing, low tax base, middle-income communities are developing too quickly to accumulate the resources necessary to address their high service and infrastructure needs; 3) high tax base communities with the least social needs are capturing the largest share of regional infrastructure spending and job growth but are the least accessible to middle- and working-class people of the region. Most importantly, these studies have clearly shown that the suburbs are not a monolith with common needs and experiences and that coalitions can be forged between previously thought unlikely partners: elected officials of central cities and inner, older suburbs, and low tax base, developing suburbs.

And such coalitions are being made. In many of the regions mentioned above, representatives from inner, older suburbs, are allying with representatives from central cities and low tax base, developing suburbs to promote a regional agenda that addresses issues of social and economic polarization, abandonment of the central city, and urban sprawl. Similarly, social-equity groups representing the poor living in older communities and environmental groups wishing to protect land and water from development pressures, as well as those fighting to improve urban environments, are beginning to coalesce around this regional agenda.⁴ Increasingly, these groups sense a common connection in their individual struggles for social justice and environmental preservation. As they develop a common language and agenda, the potential for broad-based, regional action increases.

This report, “San Francisco Bay Area Metropolitics”, presents social and economic data for the three central cities of the Bay Area—San Francisco, Oakland, and San Jose—and the jurisdictions that surround those cities. The purpose of making and presenting these maps and this report is to identify and document social and economic polarization in the San Francisco Bay

⁴ In the Twin Cities this effort is led by the Alliance for Metropolitan Stability, in the Portland region the Coalition for a Livable Future has been founded, and in Seattle, the Coalition for a Livable Washington. The MacArthur Foundation in Chicago is working with churches, the business community, regional and environmental groups to establish a similar coalition. The Pennsylvania Environmental Council is currently organizing concerned individuals and groups in the Philadelphia area, as is the Citizen’s Public Housing Authority in Baltimore, the Catholic Archdiocese in Detroit, the Gamaliel Foundation in Gary, St. Louis, and Cleveland. These associations cover the waterfront from land use protection groups, to churches, to communities of color, to municipal governments, to the business community, to environmental, social justice, and affordable housing advocates. All of these groups are concerned with the stability and sustainability of their metropolitan area, specifically in preventing the concentration of poverty, curbing urban sprawl, and advancing fiscal equity. At the national level this movement is being led by Henry Richmond of the American Land Institute. See Henry R. Richmond, “Rationale and Program Design: National Land Use Policy Institute,” 11 July 1994.

Area and to show elected officials what is happening in the communities they represent in order to build metro-majority coalitions to enact regional reform.⁵

Based on demographic research, this report will show that the San Francisco Bay Area is facing a scenario like the one encountered by the Twin Cities area and the other regions mentioned above; and it will argue that similar coalitions can be developed in the Bay Area to combat these growing problems. These coalitions could begin around the issue of tax-base equity and if successful can be broadened, one by one, to other issues of regional reform such as land-use reform/regional growth management, reinvestment in the fully developed communities, fair housing, and transportation/transit reform. All of these reforms support each other and work together. For example, when a city on the region's fringe benefits from new development in the core or the older parts of the region, that city becomes less likely to reject growth boundaries and more likely to support efforts such as brownfields⁶ clean-up and redevelopment in the core. Businesses and middle- and upper class families are also more likely to stay in older, core communities (rather than move to the fringe) and newcomers to the region are more likely to move to older parts of the region (rather than directly to the fringe) if those places have larger property tax bases from which to draw and therefore are able to lower their tax rates and provide better services. In addition, by increasing the tax capacity of struggling local governments, tax-base sharing could help reduce the rampant use of redevelopment districts to capture tax increment, thereby increasing school district and county revenue.

At (literally) either end of regional polarization are two seemingly unrelated but actually quite interconnected negative impacts: the concentration of poverty in the region's core and environmental degradation on the region's fringe. By targeting the problem of metropolitan polarization through implementation of the regional reform policies mentioned above, the people of the Bay Area can work toward reversing the destructive impacts on these two "communities".

⁵ Because one of the purposes of this report is to help build metro-majority political coalitions to enact regional reform, much of the data are presented at the municipality level. Additional data are provided at the levels at which they are available, such as census tract, census designated place, school district, elementary school, and police jurisdiction, to help support what is happening in the municipalities.

⁶ Contaminated (or perceived to be contaminated) former industrial or commercial sites.

II. The Core

A. Concentrated Poverty in the San Francisco Bay Area

In the central cities of Oakland and San Francisco there is a subset of distressed census tracts with more than 40 percent of their population below the federal poverty line.⁷ According to sociologists, such neighborhoods are extreme poverty tracts or ghettos.⁸ Surrounding these severely distressed neighborhoods, and in San Jose, are transitional neighborhoods with 20 to 40 percent of their population in poverty.⁹ In the 1970s, extreme poverty tracts and transitional neighborhoods exploded in size and population in the large cities of the Northeast and Midwest. During the 1970s, New York City's ghetto, the nation's largest, increased from 70 census tracts to 311.¹⁰ During the 1980s, ghettoization rapidly increased in Chicago, Detroit, and many of the secondary cities of the Northeast and Midwest.¹¹ In 1980, 48 percent of Detroit's census tracts had at least 20 percent of the residents in poverty; by 1990, 75 percent of its tracts did.¹² In Midwestern cities, the number of ghettoized tracts doubled in the 1980s.¹³ These trends, while present and worsening, have not, as yet, been as severe in western metropolitan regions such as Portland, Seattle and San Francisco.

In 1980 there were a total of ten extreme poverty tracts—ones in which 40 percent or more of the residents lived in poverty—in the San Francisco Bay Area.¹⁴ Five of these extreme poverty tracts were in Oakland and three were in San Francisco.¹⁵ By 1990, with Oakland gaining

⁷ While it could be argued that the Federal poverty line is a rather conservative measure of poverty, we use it here for reasons of data availability and to be able to compare poverty levels in this region to other metropolitan areas of the U.S. Another measure of poverty is students eligible for the Federal Free and Reduced Cost Meal program—130% of the Federal poverty line for free lunches and 185% of the poverty line for reduced cost lunches (this measure will be used later in this study). Yet another measure of poverty is households eligible for reduced rates from the local power company. In the Bay Area, households eligible for this reduction must be at 150% of the Federal poverty line.

⁸ See Paul A. Jargowsky and Mary Jo Bane, "Ghetto Poverty in the United States, 1970 to 1980," in Christopher Jencks and Paul E. Peterson (eds.), *The Urban Underclass* (Washington, DC: The Brookings Institution, 1991), 235-273; John D. Kasarda, "Inner-City Concentrated Poverty and Neighborhood Distress: 1970 to 1990," *Housing Policy Debate* 4, no. 3: 253-302.

⁹ Ibid.

¹⁰ Kasarda, "Concentrated Poverty," 261.

¹¹ Kasarda, "Concentrated Poverty"; Paul A. Jargowsky, "Ghetto Poverty Among Blacks," *Journal of Policy Analysis and Management* 13, no. 2 (1994): 288-310.

¹² Kasarda, "Concentrated Poverty," 261.

¹³ Ibid., 260.

¹⁴ This figure is from the 1990 United States Census of Population and Housing, Summary Tape File 3A. All figures that follow are from either the 1980 or 1990 U.S. Census, except where noted.

one and Richmond gaining its first tract of extreme poverty, the number of extreme poverty tracts in the area had increased to twelve (Figure 1).

Extreme Poverty Tracts

	<u>Region</u>	<u>San Francisco</u>	<u>Oakland</u>	<u>San Jose</u>	<u>Inner Suburbs</u>
1980	10	3	5	0	2
1990	12	3	6	0	3

Transitional Poverty Tracts

	<u>Region</u>	<u>San Francisco</u>	<u>Oakland</u>	<u>San Jose</u>	<u>Inner Suburbs</u>
1980	103	31	40	11	21
1990	104	29	44	15	16

An additional 103 tracts were transitional tracts in 1980—having between 20 and 40 percent of their population in poverty. This number increased slightly by 1990 to 104 transitional tracts present in the Bay Area, 44 of these were in Oakland. Twenty-one percent of the combined central cities’ population, 484,722 persons, lived in transitional tracts or extreme poverty tracts in 1990. This was up from 19.7 percent in 1980. The extent of the poverty area in the Bay Area—tracts with at least 20 percent of residents in poverty—has grown from 113 tracts in 1980 to 116 tracts in 1990. Poverty is also present outside the central city. In addition to the one extreme poverty tract in Richmond, there were six transitional tracts in Richmond and one in San Pablo.

B. The Effects of Concentrated Poverty

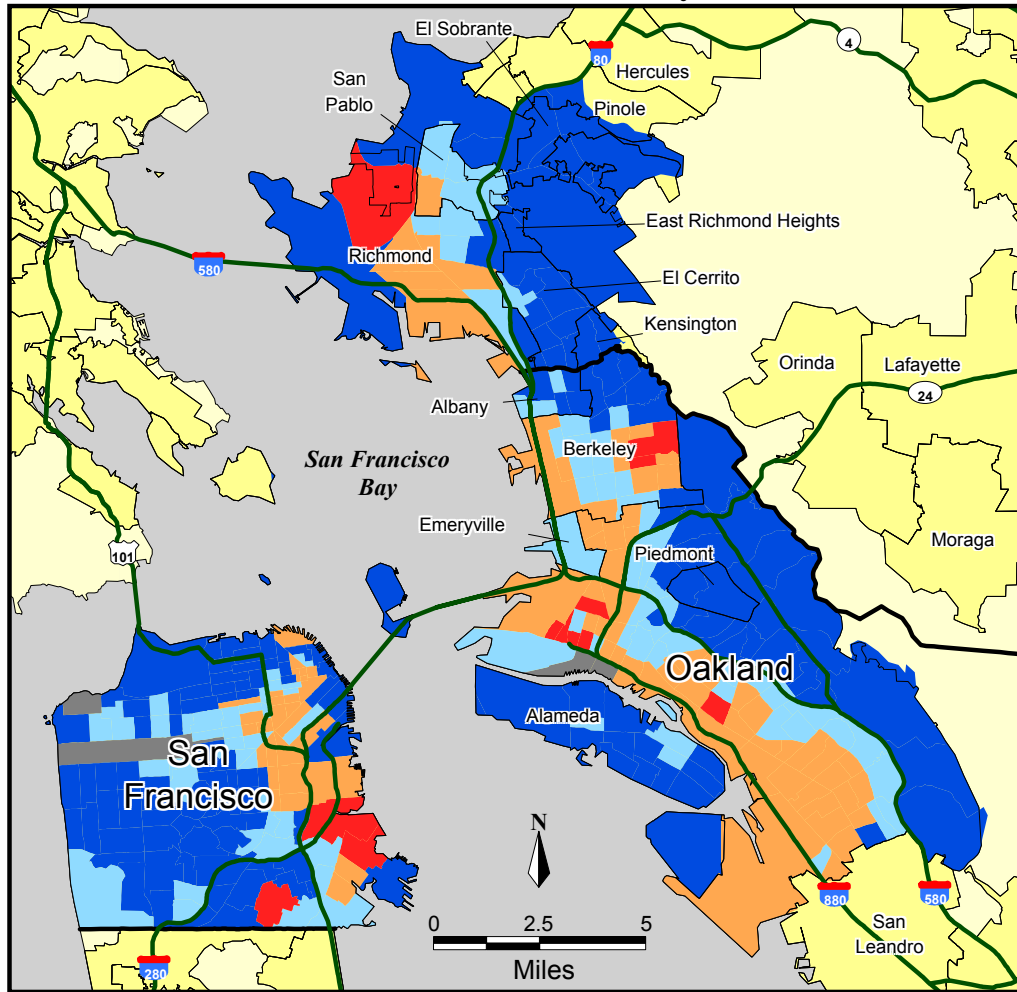
Stimulated by William Julius Wilson’s book, *The Truly Disadvantaged*, scholars in the late 1980s began actively studying the effects of concentrated poverty in large metropolitan areas. Their research confirms that concentrated poverty multiplies the severity of problems faced by both communities and poor individuals.¹⁶ As neighborhoods become dominated by joblessness, racial segregation, and single-parentage, they become isolated from middle-class society and the

¹⁵ The other two tracts were in the predominantly student-populated neighborhoods of Berkeley. There were also nine transitional tracts around the Berkeley campus.

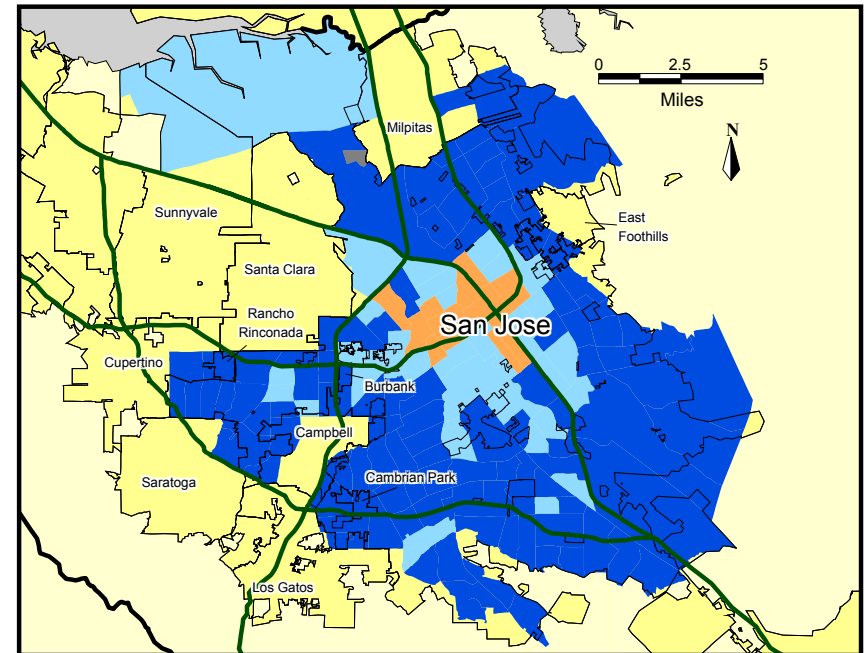
¹⁶ William Julius Wilson, *The Truly Disadvantaged: The Inner City, the Underclass, and Public Policy* (Chicago: University of Chicago Press, 1987); Douglas S. Massey and Nancy A. Denton, *American Apartheid: Segregation and the Making of the Underclass* (Cambridge: Harvard University Press, 1993); Christopher Jencks and Paul Peterson eds., *The Urban Underclass* (Washington, D.C.: Brookings Institution, 1991); Nicholas Lemann, *The Promised Land: The Great Black Migration and How it Changed America* (New York: Alfred A Knopf, 1991); Nicholas Lemann, “The Origins of the Underclass,” *The Atlantic Monthly* 257 (1986): 31-55; Hope Melton, “Ghettos of the Nineties: The Consequences of Concentrated Poverty,” (St. Paul Department of Planning and Economic Development, November 10, 1993).

Figure 1: Percentage Persons in Poverty by Census Tract, 1990

San Francisco-Oakland-Berkeley-Richmond



San Jose



County
 Place

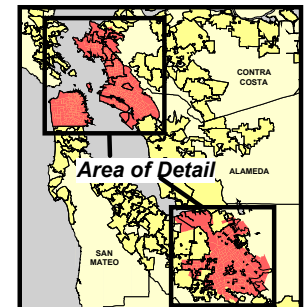
DATA SOURCE: 1990 U.S. Census of Population & Housing Summary Tape File 3A

Note: Tracts with "No data" contained fewer than 50 persons for whom poverty status was determined in 1990.



% Persons in Poverty

- 0.0 to 9.9% (260)
- 10.0 to 19.9% (124)
- 20.0 to 39.9% (104)
- 40.0% or more (12)
- No data (5)



private economy.¹⁷ Individuals, particularly children, are deprived of local successful role models and connections to opportunity outside the neighborhood.

Professor Wilson writes:

“I believe that the exodus of middle- and working-class families from ghetto neighborhoods removes an important ‘social buffer’ that could deflect the full impact of ... prolonged and increasing joblessness ... This argument is based on the assumption that even if truly disadvantaged segments of an inner-city area experience a significant increase in long-term spells of joblessness, the basic institutions in that area (churches, schools, stores, recreational facilities, etc.) would remain viable if much of the base of their support comes from the more economically stable and secure families. Moreover, the very presence of these families during such periods provides mainstream role models that help keep alive the perception that education is meaningful, that steady employment is a viable alternative to welfare, and that family stability is the norm, not the exception.”¹⁸

Studies have found that poor individuals living in concentrated poverty are far more likely to become pregnant as teenagers,¹⁹ drop out of high school,²⁰ and remain jobless²¹ than if they lived in socioeconomically mixed neighborhoods.

The effects of concentrated poverty can also be seen by comparing the experience of the poor living in concentrated poverty to that of poor individuals living in mixed-income communities. At least one large social experiment demonstrates that when poor individuals are freed from poor neighborhoods and provided with opportunities, their lives can change quite dramatically. Under a 1976 court order in the case of *Hills v. Gautreaux*,²² thousands of single-

¹⁷ See generally George C. Galster, “A Cumulative Causation Model of the Underclass: Implications for Urban Economic Policy Development,” in *The Metropolis in Black and White: Place, Power and Polarization*, eds. George Galster and Edward Hill (New Brunswick, NJ: Center for Urban Policy Research, 1992).

¹⁸ Wilson, *Truly Disadvantaged*, 56.

¹⁹ Jonathan Crane, “The Effects of Neighborhoods on Dropping Out of School and Teenage Childbearing,” in *The Urban Underclass*, 299-320; Susan E. Mayer, “How Much Does a High School’s Racial and Socioeconomic Mix Affect Graduation and Teenage Fertility Rates?” in *The Urban Underclass*, 321-41; Massey and Denton, *American Apartheid*, 169-70; Dennis P. Hogan and Evelyn Kitagawa, “The Impact of Social Status, Family Structure, and Neighborhood on the Fertility of Black Adolescents,” *American Journal of Sociology* 90, no. 4 (1985): 825-55; Frank F. Furstenburg, Jr., S. Philip Morgan, Kristen A. Moore, and James Peterson, “Race Differences in the Timing of Adolescent Intercourse,” *American Sociological Review* 52 (1987): 511-18; Elijah Anderson, “Neighborhood Effects on Teenage Pregnancy,” in *The Urban Underclass*, 375-98; Sara McLanahan and Irwin Garfinkel, “Single Mothers, the Underclass, and Social Policy,” *The Annals of the American Academy of Political and Social Science* 501 (1989): 92.

²⁰ Crane, “The Effects of Neighborhoods,” 274-320; Mayer, “Graduation and Teenage Fertility Rates,” 321-41; Massey and Denton, *American Apartheid*, 169-70.

²¹ Massey and Denton, *American Apartheid*, 180-81.

²² *Hills v. Gautreaux*, 425 US 284 (1976).

parent black families living in Chicago public housing have been provided housing opportunities in predominantly white middle-class suburbs. Under the consent decree in a fair housing lawsuit originally brought in 1966, more than 5,000 low-income households have been given housing opportunities in the Chicago area. By random assignment more than half of these households moved to affluent suburbs that were more than 96 percent white, while the other participants moved to neighborhoods that were poor and more than 90 percent black. The pool of *Gautreaux* families thus provides a strong sample to study the effects of suburban housing opportunities on very poor city residents.

James Rosenbaum and colleagues from Northwestern University have intensively studied the *Gautreaux* families.²³ His research established that the low-income women who moved to the suburbs “clearly experienced improved employment and earnings, even though the program provided no job training or placement services.”²⁴ Very rapidly after the moves, the suburbanites were about 15 percent more likely to be employed.²⁵ Rosenbaum found that the children of the suburban movers dropped out of high school less frequently than the city movers (5 percent vs. 20 percent).²⁶ Second, they maintained similar grades despite higher standards in suburban schools. Third, the children who moved to the suburbs were significantly more likely to be on a college track (40.3 percent vs. 23.5 percent²⁷) and went to college at a rate of 54 percent compared with 21 percent who stayed in the city.²⁸ In terms of employment, 75 percent of the suburban youth had jobs compared to 41 percent in the city.²⁹ Moreover, the suburban youth had a significant advantage in job pay and were more likely to have a prestigious job with benefits.³⁰

²³ James Rosenbaum and Susan Popkin, “Employment and Earnings of Low-Income Blacks Who Move to Middle-Class Suburbs,” in *The Urban Underclass*; Rosenbaum, Popkin, Kaufman, and Rustin, “Social Integration of Low-Income Black Adults in Middle-Class White Suburbs,” *Social Problems* 38, no. 4 (1991): 448-61; James E. Rosenbaum, Marilyn J. Kulieke, and Leonard S. Rubinowitz, “White Suburban Schools’ Responses to Low-Income Black Children: Sources of Successes and Problems,” *The Urban Review* 20, no. 1 (1988): 28-41; James E. Rosenbaum and Susan Popkin, “Black Pioneers: Do Their Moves to the Suburbs Increase Economic Opportunity for Mothers and Children?” *Housing Policy Debate* 2, no. 4 (1991): 1179-1213; James E. Rosenbaum and Julie Kaufman, “Educational and Occupational Achievements of Low Income Black Youth in White Suburbs” (paper presented at the annual meeting of the American Sociological Association, Cincinnati, Oh., 18 October 1991). See also Schools section below.

²⁴ Rosenbaum and Popkin, “Employment and Earnings.”

²⁵ Ibid.

²⁶ Rosenbaum and Kaufman, “Educational and Occupational Achievements,” 4.

²⁷ Ibid., 5.

²⁸ Ibid., 5-6.

²⁹ Ibid., 6-7.

³⁰ Ibid.

Finally, 90 percent of the suburban youth were either working or in school compared with 74 percent of the city youth.³¹

A growing core of concentrated poverty is like a collapsing star, which as it grows denser, grows more powerful in its gravitational pull. A core of concentrated poverty holds individuals in with an enormous and growing gravity, making escape from poverty impossible. A core of concentrated poverty draws in increasingly greater levels of governmental and philanthropic resources that rapidly disappear—with little sign of improvement. As poverty concentrates and social disorganization increases, crime grows, and waves of middle-class flight, business disinvestment, and declining property values surrounding the core intensify.

As the middle class leave, there are fewer customers for local retailers and the value of local housing declines precipitously. In the poorest metropolitan neighborhoods, basic private services, even grocery stores, disappear.³² Vestiges of private economy that remain charge exorbitant prices allegedly justified by the risk of doing business. Social needs and hence property taxes begin to accelerate on a declining base of values. As local property taxes become highest in the least desirable parts of the metropolitan area, the flight of the middle class and the private economy increases. Larger industrial and service businesses are disadvantaged by high taxes, deteriorating public infrastructure, crime, property value losses, little room for expansion or parking, a lack of rapid access to radial highways, and costs of urban environmental issues.³³ Increasingly, urban employers believe that the work force in distressed and ghetto neighborhoods is unsuitable.

As an example of these trends, during the 1960s, Chicago lost 500,000 white residents, 211,000 jobs, and 140,000 private housing units, while its suburbs gained 800,000 white residents, 500,000 jobs, and 350,000 housing units.³⁴ As the West Side of Chicago was enveloped in an expanding core of poverty during the 1960s, 75 percent of its businesses disappeared.³⁵ By 1980, the West Side's ghetto North Lawndale neighborhood included "48 state

³¹ Ibid. The acceptance of these poor black families in affluent, predominantly white suburbs was not painless or immediate. At the outset, about 52 percent of the suburban movers reported incidence of racial harassment, compared to 23 percent in the city. However, the incidence of harassment rapidly decreased over time. Interestingly, both the suburban and city movers reported similar amounts of neighbor support and assistance and essentially no difference in terms of their degree of contact with neighbors. The suburban movers were actually slightly more likely to have friends in their new neighborhoods than the city movers. The suburban movers had more than two times the number of white friends that the city movers and slightly fewer black friends. Further, over time, the degree of integration continued for suburban movers, and resegregation did not occur.

³² Gary Orfield, "Ghettoization and Its Alternatives," in ed. Paul Peterson, *The New Urban Reality* (Washington, D.C.: Brookings Institution, 1985), 163.

³³ John D. Kasarda, "Urban Change and Minority Opportunities," in *The New Urban Reality*, 33-68; John D. Kasarda, "Urban Industrial Transition and the Underclass," *The Annals of the American Academy of Political and Social Science* 501 (1989): 26-47.

³⁴ Pierre de Vise, "Social Change," in *Chicago's Future*, ed. Dick Simpson (Champaign: Stripes Publishing Company, 1976), 113-22.

lottery agents, 50 currency exchanges, and 99 licensed bars and liquor stores, but only one bank and one supermarket for a population of some 50,000.”³⁶

In the end, the lack of a social mortar necessary to hold neighborhoods together and build communities makes community development in concentrated poverty neighborhoods difficult. Programs geared at job training or creation must struggle to incorporate the diversity of human resources and experiences of a social group that has been isolated from the functioning economy and jobs, from adequate nutrition and schools that succeed, and from a supportive and economically stable family structure. To the extent such programs succeed, individuals—even if they are employed in the neighborhood—often move to less poor areas.³⁷ Physical rehabilitation programs, while they improve the quality of shelter and neighborhood appearance, do little to attack the underlying “tangle of pathology”³⁸ associated with concentrated poverty.

In terms of business development, areas of concentrated poverty have great difficulty competing with developing suburbs that offer middle-class customers, low taxes, low crime rates, cheap land with increasing values, room for expansion and parking, new highways, and few contaminated industrial sites. Thus, it is not surprising that even when enormous financial resources have been devoted to enterprise zones or inner-city tax abatements, it has been very difficult to stimulate viable business opportunities that employ core residents.³⁹

David Rusk recently studied the effects of several of the largest and most successful Community Development Corporation (CDC) initiatives in the country. In virtually all of these areas of massive CDC investment, family and individual poverty rates substantially increased and

³⁵ Loic J.D. Wacquant and William Julius Wilson, “Poverty, Joblessness, and the Social Transformation of the Inner City,” in *Welfare Policy for the 1990s*, eds. Phoebe H. Cottingham and David T. Ellwood (Cambridge: Harvard University Press, 1989), 92.

³⁶ Ibid.

³⁷ Nicholas Lemann, “The Myth of Community Development,” *The New York Times Sunday Magazine* (2 January 1994); Ibid., “The Promised Land,” 109-222; Rusk, *Cities Without Suburbs*, 44-47.

³⁸ See Wilson, *The Truly Disadvantaged* at 21.

³⁹ See generally Roy E. Green, ed., *Enterprise Zones: New Directions in Economic Development* (Newbury Park, CA: Sage Publications, 1991); Glenda Glover and J. Paul Brownridge, “Enterprise Zones as an Instrument of Urban Policy: A Review of the Zones in South Central Los Angeles,” *Government Finance Review* (June 1993): 15-17; Neal Peirce, “Enterprise Zones - No Great Shakes,” *National Journal* (17 July 1993): 1828; Elizabeth Larson, “Network News: Enterprise Zones Ignore the Importance of Social Networks,” *Reason* (April 1994): 17; Richard Pomp, Sandra Kanter, Kenneth Simonson, and Roger Vaughan, “Can Tax Policy be Used to Stimulate Economic Development?” *The American University Law Review* 29 no. 207 (1979-80): 207-33; Paul Kantor and H.V. Savitch, “Can Politicians Bargain with Business: A Theoretical and Comparative Perspective on Urban Development,” *Urban Affairs Quarterly* 29 no. 2 (1993): 230-255; Elizabeth Gunn, “The Growth of Enterprise Zones: A Policy Transformation,” *Policy Studies Journal* 21 no. 3 (1993): 432-49; Otto Hetzel, “Some Historical Lessons for Implementing the Clinton Administration’s Empowerment Zones and Enterprise Community Programs: Experiences from the Model Cities Program,” *The Urban Lawyer* 26 no. 1 (1994): 63-81; Jeffrey Katz “Enterprise Zones Struggle To Make Their Mark,” *CQ* (17 July 1993): 1880-83; Glenda Glover, “Enterprise Zones: Incentives are Not Attracting Minority Firms,” *Review of Black Political Economy* (Summer 1993): 73-99.

moved further from metropolitan norms, the median household income declined and moved further away from the metro average, and the communities grew more segregated (Table 1).

TABLE 1: Socioeconomic Change in CDC Neighborhoods and in the Metropolitan Areas in Which they are Located

	Bedford Stuyvesant Restoration Corp., Brooklyn, NY (1967)			Marshall Heights Community Development Corp., Washington, DC (1979)			Eastside Community Investments, Inc., Indianapolis, IN (1976)			Walnut Hills Redevelopment Foundation, Cincinnati, OH (1977)			Detroit Shoreway Community Development Corp., Cleveland, OH (1973)			Anacostia Community Development Corp., Washington, DC (1969)		
	1970	1980	1990	1970	1980	1990	1970	1980	1990	1970	1980	1990	1970	1980	1990	1970	1980	1990
CDC Area Family Poverty Rate	24%		34%	13%	19%	17%	11%	19%	26%	35%	37%	13%	37%	13%	24%			
CDC Area Individual Poverty Rate	28%		34%	13%	17%	20%	14%	22%	28%	39%	41%	16%	39%	15%	24%			
CDC Mean Hsehold Income as % of Metro Mean	48%		50%	74%	63%	56%	73%	62%	56%	43%	44%	59%	46%	69%	49%			
CDC Area Total Households	121,767	94,879		35,080	30,981	27,976	14,295	14,161	13,051	4,511	4,229	8,412	6,261					
CDC Area % Black Population	81%		86%	92%	97%	97%	3%	5%	13%	90%	88%	0%	8%	85%	91%			
Metro Family Poverty Rate	11%	14%	9%	6%	6%	6%	7%	7%	7%	8%	9%	7%	8%	6%	6%	6%	4%	4%
Metro Individual Poverty Rate	14%	17%	12%	8%	8%	6%	9%	9%	10%	11%	10%	9%	10%	8%	8%	8%	8%	6%
CDC Area Change in Tot Real Income (1970-90)	-7%			-15%			-20%			-3%		-49%		-19%				
CDC Area Change in Tot Real Income (1980-90)				-4%			-11%											
Metro Area Change in Tot Real Income (1970-90)																		
Metro Area Change in Tot Real Income (1980-90)																		

	New Community Corporation, Newark, NJ (1968)			Community Development Corp. of Kansas City, MO (1970)			Project for Pride in Living, Minneapolis, MN (1972)			Bethel Housing, Inc., Chicago, IL (1978)			Urban Edge Housing Corp., Roxbury, MA (1974)		
	1970	1980	1990	1970	1980	1990	1970	1980	1990	1970	1980	1990	1970	1980	1990
CDC Area Family Poverty Rate	30%		30%	17%	26%	26%	11%	25%	25%	35%	37%	14%	23%	25%	
CDC Area Individual Poverty Rate	33%		31%	23%	30%	30%	15%	26%	26%	36%	40%	17%	24%	24%	
CDC Mean Hsehold Income as % of Metro Mean	44%		40%	62%	52%	65%	65%	58%	58%	57%	48%	79%	73%	76%	
CDC Area Total Households	7,107	3,613		45,227	29,214	79,081	63,487			16,192	11,852	16,061	13,744	14,375	
CDC Area % Black Population	88%		90%	48%	52%	52%	8%	23%	23%	98%	99%	20%	26%	29%	
Metro Family Poverty Rate	7%		7%	7%	7%	7%	7%	6%	6%	9%	10%	6%	7%	6%	
Metro Individual Poverty Rate	9%		9%	9%	9%	9%	9%	8%	8%	11%	12%	9%	9%	8%	
CDC Area Change in Tot Real Income (1970-90)	-36%			-37%			-11%			-34%		-24%		-44%	
CDC Area Change in Tot Real Income (1980-90)				59%			50%								
Metro Area Change in Tot Real Income (1970-90)															
Metro Area Change in Tot Real Income (1980-90)				26%											

Source: David Rusk, research sponsored by the Twentieth Century Fund.

In response, it is possible that CDC efforts have made these communities better than they might otherwise have been. These figures do not reflect individuals who have been empowered by CDC programs and have left poor neighborhoods. It is also true that CDC programs have often represented the only available response to concentrated poverty. However, in the end, these figures do indicate that CDC efforts are woefully inadequate in face of the enormous force of metropolitan polarization.

Proposed solutions to the problem of concentrations of poverty differ widely in approach. The debate which is most central to this report focuses on the relative value of creating housing opportunities throughout the region for low-income working and poor people versus investing in the communities in which they now live. It is clear that both strategies are necessary. It is fundamentally important for low-income people to have access to high quality education, good jobs, services, loans, and other amenities a mixed-income community provides and for low-income families to be able to choose where they want to live based on a wide variety of factors. A metropolitan development agenda should address barriers to low income people, particularly people of color, moving closer to suburban jobs and schools and, at the same time, the revitalization of existing low-income neighborhoods in ways which benefit (rather than simply displace) the incumbent residents. In the end, the goal of regional housing reform is to create thriving, mixed-income neighborhoods *both* in the city and in the suburbs.

The foregoing demonstrates the deep need that core communities have for regional reform. The concentrated, segregated cores of central cities, inner suburbs, and outlying communities are under desperate fiscal stress. Tax-base sharing can provide the needed resources to rebuild, can encourage more competitive tax rates, and can stem the fiscal polarization that draws wealth and business to the edge of affluent suburbia. Fair housing is necessary both to provide individuals access to opportunity wherever it may exist in the region and to slowly relieve the concentration of poverty and segregation that disables older communities.

III. The Diversity of Metropolitan Areas

Political pundits and scholars assert that metropolitan reforms are no longer possible because the suburbs have taken over American politics.⁴⁰ Representing over 50 percent of the American population and over 64 percent of the Bay Area, clearly “the suburbs” do have great political power. However, the pundits and reformers assume that the suburbs are monolithic, with common social experiences and political needs. Nothing could be further from the truth. The experiences and needs of suburban communities are almost as diverse as the nation itself.

A. The Sectoral Development of American Metropolitan Areas

Students of American metropolitan housing markets, from Homer Hoyt through John Adams, have demonstrated that American metropolitan areas develop in socioeconomic sectors,

⁴⁰ Anthony Downs, in his book *New Visions for Metropolitan America* (Washington, D.C.: Brookings Institution, 1994), repeatedly outlines the necessity of sweeping metropolitan reform and then dismisses the possibility of political success because of the monolithic opposition of the suburbs.

or wedges, that reach out from central city neighborhoods deep into suburbia.⁴¹ As cities come into being, neighborhoods segment along class lines in sectors surrounding a growing central business district. The working class settles within walking distance of industrial sites. The middle class forms neighborhoods “upwind (or at least not downwind)”⁴² from heavy transport and manufacturing areas on sites close to white-collar, downtown jobs. The upper class settles in neighborhoods removed from the other two groups, often on land with attractive topographical features, such as in the “hills” of the Bay Area rather than in the “flats”. Over time, these three distinct neighborhoods grow in pie-shaped wedges into the expanding city.

The most rapid turnover in home-ownership occurs in middle-class housing markets as promotions and pay increases allow owners to continually move up into newer and better housing. Thus, middle-class sectors appear as asymmetrical bulges in housing market construction at the region’s periphery. The upper- and working-class housing markets have less mobility and growth. The upper-class market is small and has high amenity levels. Working-class wages peak early, and a major goal in such communities is simply home ownership. In both cases, there is less need for move-up housing.

As these sectors filled out city boundaries, working-class neighborhoods extended into working-class first- and second-tier suburbs, middle-class neighborhoods into middle-class suburbs, and upper-class neighborhoods into upper-class suburbs. These patterns followed streetcar lines and radial access roads beyond the city into the first-tier suburbs. However, as circumferential highways became the shaping force of metropolitan development, the influence of sectoral patterns began to wane in suburbs beyond the beltways.

When a household moves to a new unit at the periphery, it creates a vacancy at its old address which is filled by another household, which leaves a vacancy at its old address and so on. The building of new housing at the periphery sets in motion vacancy chains reaching far back into the central core. Thus, the more rapid peripheral growth of middle-class sectors early on creates low demand at the center of its vacancy chain. As demand declines, so does price, which in turn leads to opportunities for the region’s poor. In such a way, core middle-class neighborhoods are the first to become impoverished and ultimately ghettoized. As these neighborhoods become poorer, social and economic decline accelerates and pushes the middle class out at the same time the vacancy chain is pulling them. Working- and upper-class neighborhoods, because of less growth and turnover, tend to remain stable longer than middle-class sectors. However, when they decline, they do so rapidly. Ironically, as the various classes move up and/or flee from central city areas, all the social and economic changes that occur in the

⁴¹ John S. Adams, “Housing Submarkets in an American Metropolis,” in *Our Changing Cities*, ed. John Fraser, (Baltimore: Johns Hopkins University Press, 1991), 108-26; Homer Hoyt, *The Structure and Growth of Residential Neighborhoods in American Cities* (Washington D.C.: US Government Printing Office, 1939) reprinted in 1966 with analysis of the 1960 census data; Ronald F. Abler and John S. Adams, *A Comparative Atlas of America’s Great Cities: Twenty Metropolitan Regions* (University of Minnesota Press: Association of American Geographers, 1976); John Adams, *Housing America in the 1980s* (New York: Russell Sage Foundation, 1987); John S. Adams, “The Sectoral Dynamic of Housing Markets within Midwestern Cities of the United States,” in *The Geographic Evolution of the United States Urban System*, ed. John Adams.

⁴² Adams, “Sectoral Dynamic.”

core of their sectoral housing markets eventually follow them through the vacancy chains into the suburbs.

In fast-growing metropolitan regions, newcomers to the region only reinforce and perpetuate these patterns. In such regions, rather than choosing to live in declining, low tax base inner cities and inner suburbs, new middle- and upper-class residents to the region, move directly to developing communities on the region's fringe. Areas with a high level of immigration will see poor immigrants moving to the already struggling inner cities and suburbs where they can find affordable housing, better access to public transit, a familiar ethnic community, and a concentration social services. Immigrants who are highly educated or professionals, on the other hand, will often move to middle- and upper- income communities.

It is also important to keep in mind that the middle- and upper-class do not always leave inner cities neighborhoods completely. In fact many city neighborhoods—particularly those that offer unique, historic architecture, a diversity of ethnic and social cultures, an environmentally friendly lifestyle, alternative economic strategies, and greater tolerance of a variety of ways of living—are so attractive that the displacement of lower income families has become a great concern. In the Bay Area, this is particularly true in most of San Francisco, much of Berkeley, Albany, El Cerrito, and parts of Oakland. The above described pattern of the white, middle- and upper-class sectors leaving behind central city neighborhoods for adjacent suburban communities, has happened primarily in what are now very poor African American neighborhoods and is often due to racial discrimination in the housing market and perhaps to proximity to highly polluting facilities (in the Bay Area, Richmond, San Pablo, and parts of Oakland and San Francisco, for example).

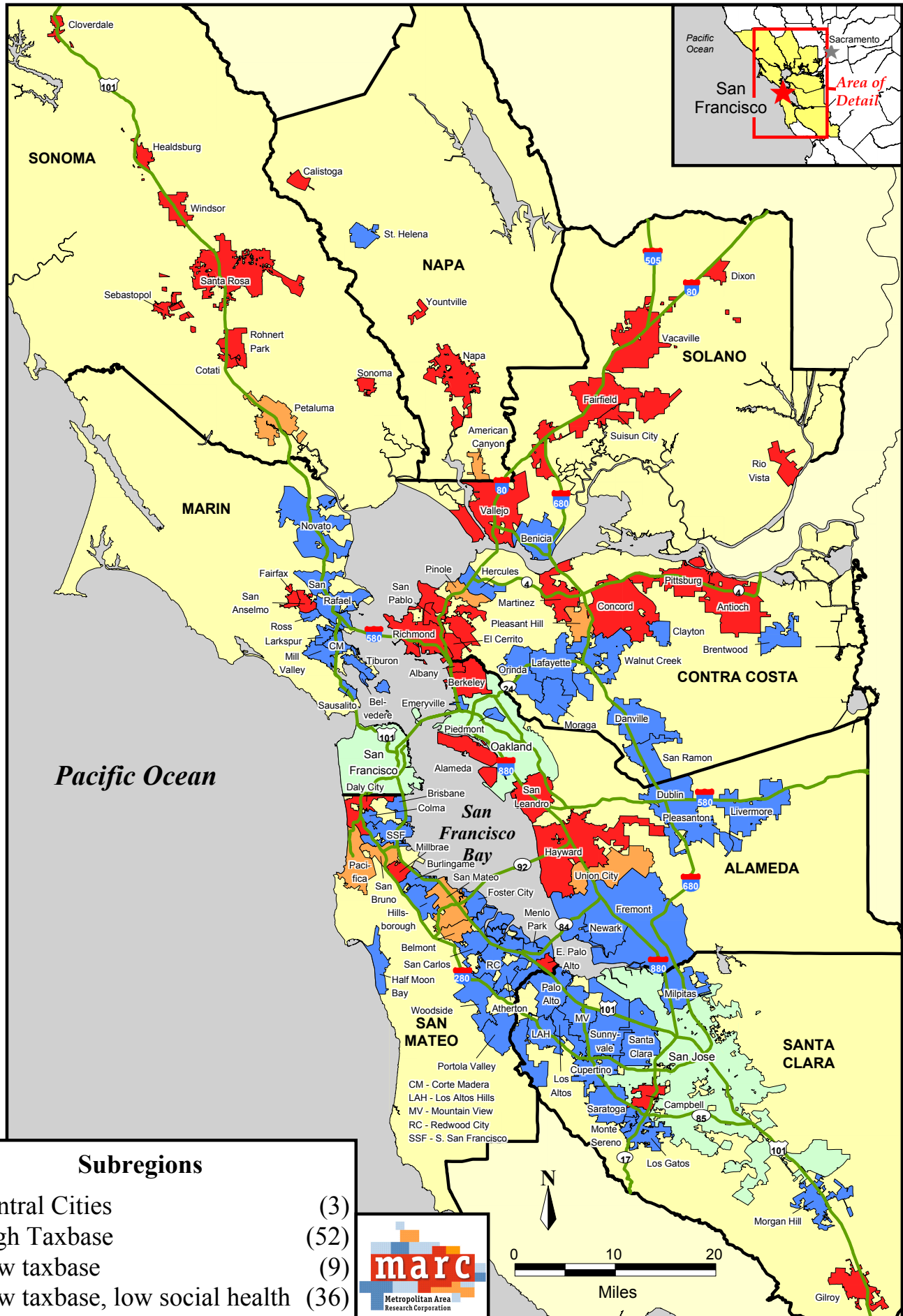
Racial discrimination in the housing market, both in the form of the personal choices of many white families to leave neighborhoods when people of color move in, and, in its more institutional forms—redlining by banks and insurance companies, steering by real estate agents, exclusionary zoning and related practices in many suburban communities, for example—has played a key role in the dynamics of central city and inner suburban disinvestment and the development of geographic concentrations of poverty and wealth. Both institutional and personal racial discrimination in the housing market has limited the ability of middle-class people of color to move into the middle-class sectors that grew out from the central city. White ethnic biases and classism have played similar, though perhaps less pervasive, roles.

B. Local Metropolitan Subregions

The San Francisco Bay Area consists of nine counties—Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, Solano, and Sonoma. These nine counties contain 100 municipalities. We have divided all of the suburban municipalities into three distinct types of communities in the San Francisco Bay Area: (1) high tax base communities; (2) low tax base communities; and (3) low tax base/low social health communities (Figure 2).⁴³ In the methodology used to form these categories, all municipalities were first split into two groups, depending on whether they fell above or below the 1996 regional average property tax base per

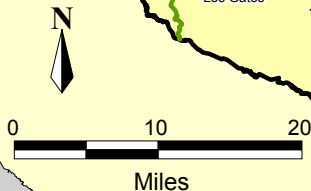
⁴³ All statistics in the following section are taken from the US Census Summary Tape File 3A unless otherwise noted.

Figure 2: San Francisco Subregions



Subregions

- Central Cities (3)
- High Taxbase (52)
- Low taxbase (9)
- Low taxbase, low social health (36)



household for municipalities (see Appendix A for a list of all cities and their tax base per household).⁴⁴ Those municipalities with a property tax base above average were put in the “high tax base” category. Then the municipalities were assigned a social health score based on income, percentage of childhood poverty, and percentage of households headed by single mothers (see Appendix B for a list of all cities and their social health scores).⁴⁵ The low tax base group was then broken into two separate groups depending on whether the municipality’s social health score was above or below average.⁴⁶ Table 2 shows statistics for each suburban category, with separate statistics for each central city.

⁴⁴ The 1996 regional average property tax base per household for the municipalities of the Bay Area was \$193,009. Here, for property tax base data we use the 1996-97 total assessed values (including land, improvements, fixtures and equipment, and personal property) prior to the homeowner’s exemption from the *1995-96 Annual Report of the State Board of Equalization*. 1996 household estimates are from the State Department of Finance. The regional average was calculated using only municipal tax base and population data; unincorporated areas within the nine-county region were not included.

⁴⁵ See section below on “Female-headed Households” for an explanation of why we use this factor as a primary indicator of a community’s social health. Also, there are certainly other indicators that could be used as measures of a community’s social health (such as the availability of health clinics, parks, transit service, and living wage jobs). Likewise, fiscal inequities between cities may be measured in terms of such things as capital investment and discretionary local funds. However, these indicators tend to be present most often in low social stress high fiscal capacity communities.

⁴⁶ All of the high tax base communities were kept in one group. Thirty-seven of the fifty-two high tax base communities had social health scores that were higher than the regional average, fourteen had social health scores below the regional average, and one had a social health score equal to the regional average.

TABLE 2: Social & Economic Statistics for Central Cities & Subregions							
	Municipality Total	High Tax Base	Low Tax Base	Low Tax Base/ Low Social Health	Oakland	San Francisco	San Jose
Persons, 1990	5,327,557	1,560,872	339,941	1,548,318	372,242	723,959	782,225
% of Region's Total Population, 1990	100%	29.3%	6.4%	29.1%	7%	13.6%	14.7%
Households, 1990	2,001,685	600,364	127,502	572,019	144,766	305,984	251,050
Median Household Income, 1989	\$42,804	\$55,415	\$44,723	\$37,124	\$27,095	\$33,414	\$46,206
% Change in Real Median Household Income, 1979-1989	13.3%	20.5%	12.9%	15.9%	15.1%	23.3%	18.2%
% Children under 5 in Poverty, 1990	12.5%	5.5%	5.4%	13.6%	32.1%	17.7%	12.7%
Change in % Points: Children under 5 in Poverty, 1980-1990	-1.2	-1.5	-1.6	-1.9	0.6	-2.8	1.6
Female-Headed Households w/Children as a % of All Households with Children, 1990	18.4%	13.4%	13.6%	20.4%	37.4%	22.1%	15.8%
Change in % Points Female-Headed Households with Children, 1980-1990	-1.1	-0.8	-1.2	-0.5	-1.9	-4.0	-0.7
Property Tax Base per Household, 1996	\$193,009	\$267,951	\$173,552	\$148,338	\$118,971	\$178,137	\$184,361
% Change in Real Property Tax Base per Household, 1986-1996	15.8%	18.5%	15.1%	17.6%	13.4%	10.7%	8.9%

1. The Low Tax Base/Low Social Health Cities

Low tax base/low social health cities are often declining distressed communities that are fully developed and beginning to experience socioeconomic changes. In the nine-county San Francisco Bay Area they are predominantly found along the bay just north and south of Oakland, along State Route 4 (SR-4) in northern Contra Costa County, and in the North Bay Area along Interstate 80 (I-80) in Solano County, and US Highway 101 (US 101) in Sonoma County. These cities are defined by a combination of increasing social needs and low tax base. They often do not have sufficient social or economic resources to respond to growing social challenges. It is important to note that in older metropolitan areas of the country, as poverty and social instability crossed city/suburban lines or began to grow in older towns and cities overrun by urban sprawl, it actually began to accelerate and intensify. Many older transitioning suburbs on the south and west sides of Chicago and in communities such as Camden, New Jersey, Compton, California, and East St. Louis, Missouri suffer much more severe segregation, deprivation, and intense levels of crime than the cities they adjoin.⁴⁷ This is the danger now facing the low tax base/low social health cities of the San Francisco Bay Area.

⁴⁷ Orfield and Monfort, "School Desegregation," 30; Rob Gurwitt, "Saving the Aging Suburb," *Governing* 6, no. 8 (1993): 36; Paul Glastris and Dorian Friedman, "A Tale of Two Suburbias," *US News and World Report* (9 November 1993): 32-36; Massey and Denton, *American Apartheid*, 67-74. See also Schools section below.

2. The Low Tax Base Cities

The cities in the low tax base category are places that have few local resources for schools and public services. Comprised of only nine municipalities, this subregion is the smallest of the three in the Bay Area. The nine low tax base cities are scattered throughout the region but are often found very near low tax base/low social health cities. While they do not presently have as deep social problems as the low social health municipalities, they are often tomorrow's troubled communities. As the narrative below indicates, many of these individual communities have experienced declining income, increasing households headed by single mothers, increasing crime, and a declining tax base in recent years.

3. The High Tax Base Cities and the Favored Quarter

The cities with the highest tax base and the fewest social needs in the San Francisco Bay Area are mainly found in the South Bay, in the hills just north and northwest of San Jose, as well as in Marin County, and in the growing East Bay communities of eastern Contra Costa and Alameda Counties. These municipalities are the more recently developed communities, with wealthy residential subdivisions and modern office parks. These are the areas that would be in the running to be labeled by Christopher Leinberger as the “favored quarter.”

Christopher Leinberger and his colleagues at Robert Charles Lesser and Co. (RCL & Co.), one of the most successful real estate consulting firms in the country, have made a great deal of money identifying the favored quarter for businesses seeking to locate in a given metropolitan area.⁴⁸ These quarters are developing suburban areas that have mastered the art of skimming off the cream of metropolitan growth, while accepting as few metropolitan responsibilities as possible. RCL & Co. look for areas with concentrations of housing valued above \$200,000, high-end regional malls, and the best freeway capacity. As these communities grow affluent and their tax base expands, their exclusive housing market actually causes their relatively small local social needs to decline.

4. Unincorporated Areas

The above subregions analysis was done at the municipality-level because this is the level at which property value data, household estimates, and region-wide socioeconomic data are available. Another important reason for relying on municipality-level data is to show residents and elected officials what is happening in their communities, to illustrate for them the overall level of social need with which their city must contend and the level of local resources they have available to them to address that need relative to their regional neighbors. However, because much of the San Francisco Bay Area is unincorporated—an area that accounted for 15 percent of the total 1996 regional tax base and in which about 12 percent of the regional population lived in

⁴⁸ Robert Charles Lesser & Co. calls certain economically successful metropolitan subareas “favored quarters.” When advising major clients to locate facilities, they systematically search for subregions with the greatest presence of executive housing, high-end local retail malls, recent highway improvements, employment growth, low commercial real estate vacancy rates, and high share of regional economic growth. They judge these areas the most viable for a wide variety of business endeavors. See Christopher Leinberger, Managing Partner, Robert Charles Lesser & Co., memorandum to author, Re: Robert Charles Lesser & Co. Metropolitan Opportunity Analysis (MOA) Methodology, 16 August 1994.

1990 (717,000 persons)—we have also included on many of the socioeconomic maps that are presented in this report, data for “census designated places” (CDP’s). These are areas delineated by the U.S. Census Bureau to be the “statistical counterparts of incorporated places”.⁴⁹ The Census Bureau has created sixty-two CDP’s in the nine-county San Francisco Bay Area. In 1990, approximately 57 percent of the total population living in unincorporated areas lived in these sixty-two CDP’s.⁵⁰

It might also be useful to the reader, when looking at the socioeconomic data that follows, to keep in mind that the combined tax base per household for the unincorporated areas of all three counties in 1996 was \$274,211, well above the average for the municipalities of the region. Individually, unincorporated Alameda County’s tax base per household is \$192,179, unincorporated Contra Costa County’s is \$309,810, unincorporated Marin County’s is \$271,716, unincorporated Napa’s is \$465,957, unincorporated San Mateo’s is \$442,618, unincorporated Santa Clara’s is \$264,398, unincorporated Solano’s is \$344,463, and unincorporated Sonoma’s is \$207,520.⁵¹ At the end of this report, we include the unincorporated areas of each county in the hypothetical tax-base sharing runs.

IV. Demographic Findings⁵²

In this section we present the data that was used in determining the above subregion categories as well as a number of other types of data on maps to help illustrate what is happening socioeconomically across the region.

A. Poor Children

During the 1980s, the federal poverty line did not keep up with inflation. By 1990, a single mother and her child were not considered poor unless they had an income of less than

⁴⁹ According to the *1990 Census of Population and Housing: Summary Tape File 3, Technical Documentation: A-10*, CDP’s “comprise densely settled concentrations of population (2,500 persons or more) that are identifiable by name, but are not legally incorporated places.”

⁵⁰ We use this level of data to help illustrate what is happening in unincorporated communities because unlike census tracts, they are not, by definition, designed to be homogenous areas. CDP’s are more like municipalities in terms of diversity and feeling like a community. CDP’s often correspond closely with actual communities or neighborhoods and, therefore, people who live in them—and their elected officials—are more likely to be able to identify with them than with census tracts. Conversely, we do not simply present data for an entire county minus the incorporated municipalities because such an area is too large and diverse to be treated as a single place—and much data at that level is simply not available.

⁵¹ However, while the overall tax bases per household for all of the unincorporated areas except Alameda are above the regional average, many of the individual communities in these counties are actually quite poor with low property values. An example of the difficulty in treating such a large, diverse area as a single place.

⁵² The maps presented in this section were created using geographic information system (GIS) software. This software attaches data stored in a separate database to a geographic base map. The data source for each map is noted on the map. The break points for the data were determined using a method of natural breaks. With this method the program splits the data at places where a gap in the data naturally occurs. This method helps to insure that the places in a particular color category have values that are closer to each other than they are to the values for places in other categories.

\$8,420.⁵³ Most social scientists do not think this is a measure of poverty, but of desperate poverty.⁵⁴

In 1990, 12.2 percent of the region’s children under five years old lived in poverty (Figure 3). In the city of Oakland the rate was 32.1 percent and in the low tax base/low social health communities, it was 13.6 percent, a rate slightly above that of the central city of San Jose (12.7 percent) and almost as much as that of San Francisco (17.7 percent).

Percent Children Under Five in Poverty, 1990

<u>Region</u>	<u>Municipalities</u>						<u>CDP's</u>	
	<u>All Municipalities</u>	<u>San Francisco</u>	<u>Oakland</u>	<u>San Jose</u>	<u>LTB/LSH Suburbs</u>	<u>LTB Suburbs</u>		<u>HTB Suburbs</u>
12.2	12.5	17.7	32.1	12.7	13.6	5.4	5.5	9.7

In all, there were twenty-six suburban cities with more than 10 percent of their children in poverty, five of these had more than 20 percent of their children in poverty. Fully 12.5 percent of the children under five in the municipalities of the nine-county area lived in poverty in 1990. Suburban municipalities with exceptionally high child poverty rates were Richmond (28.9 percent), San Pablo (27.2 percent), and East Palo Alto (21.9 percent). Many outlying cities also had a high percentage of children in poverty, such as Santa Rosa (12.9 percent), Napa (13.4 percent), and Gilroy (19.9 percent). On the other hand, neither the low tax base cities nor the high tax base cities had many children in poverty at all, with an average rate of 5.5 percent and 5.4 percent respectively. In all, there were nine Bay Area municipalities with zero children under five in poverty, all but two of these were high tax base cities.

As childhood poverty swept across city/suburban borders, in many cities it tended to grow more rapidly than in the central cities. In terms of the change in the level of childhood poverty over the decade, the San Francisco Bay Area as a whole improved slightly, moving from 13.6 percent to 12.2 percent poor preschool children, a 1.4 percentage point decrease (Figure 4). During this period, however, the rate of childhood poverty in the city of Oakland increased 0.6 percentage points, from 31.5 to 32.1 percent. The city of San Jose’s level of childhood poverty increased at an even greater rate, going from 11.1 percent to 12.7 percent, or 1.6 percentage points. The percent of children under five in poverty in San Francisco and in all three subregions actually decreased during this period, in San Francisco by 2.8 percentage points (from 20.5 to 17.7 percent), in the low tax base/low social health cities by 1.9 percentage points (from 15.5 to 13.6 percent), in the low tax base cities by 1.6 percentage points (from 7.0 to 5.4 percent), and in the high tax base cities by 1.5 percentage points (from 7.0 to 5.5 percent).

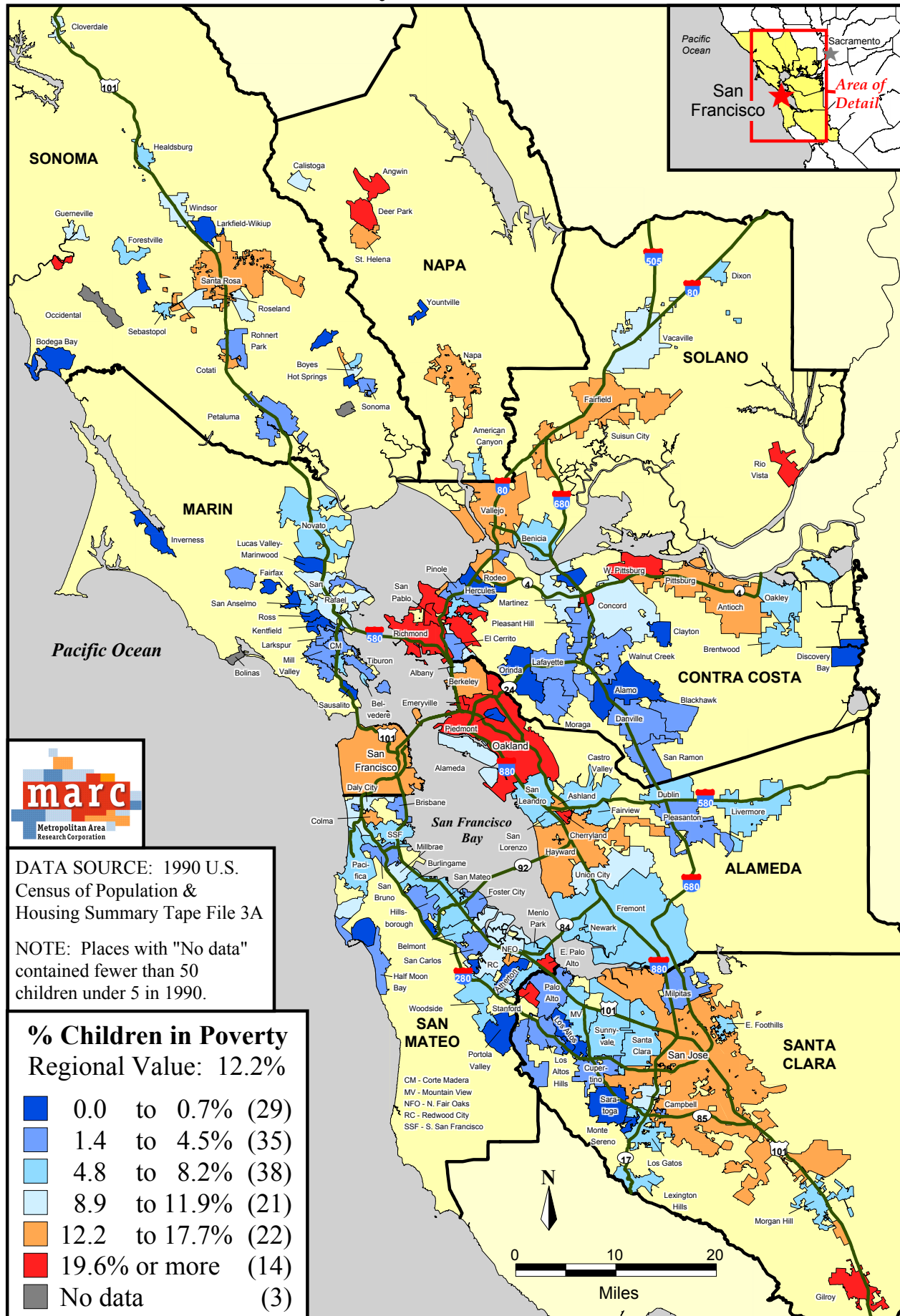
Change in Percentage Points Children Under Five in Poverty, 1980-1990

<u>Municipalities</u>

⁵³ Family of three: \$10,560; family of four: \$12,700. (Federal Register 1990, vol. 55, no. 33: 5665).

⁵⁴ Other measures of poverty include students eligible for the Federal Free and Reduced Cost Meal program—130% of the Federal poverty line for free lunches and 185% of the poverty line for reduced cost lunches (this measure will be used later in this study) and households eligible for reduced rates from local power and telephone companies. In the Bay Area households eligible for this reduction must be at 150% of the Federal poverty line.

Figure 3: Percentage of Children Under 5 Years in Poverty by Place, 1990



<u>Region</u>	<u>All Municipalities</u>	<u>San Francisco</u>	<u>Oakland</u>	<u>San Jose</u>	<u>LTB/LSH Suburbs</u>	<u>LTB Suburbs</u>	<u>HTB Suburbs</u>	<u>CDP's</u>
-1.4	-1.2	-2.8	0.6	1.6	-1.9	-1.6	-1.5	-4.9

Although the low tax base/low social health communities as a whole experienced a decrease in the percent of poor children, many of these individual cities saw a substantial increase in this statistic. Municipalities in the region with the largest increases included Rio Vista, which went from 7.4 to 20.1 percent (12.7 percentage points); Cloverdale, which went from 5.0 to 11.9 percent (6.9 percentage points); Antioch, which went from 10.7 to 15.7 percent (5.0 percentage points); and San Pablo, which went from 22.3 to 27.2 percent (4.9 percentage points). In all, twenty-four suburban Bay Area cities experienced an increase in the percentage of preschool children in poverty. Five suburban cities experienced a decrease in childhood poverty of more than 10 percentage points, including the well-to-do suburbs of Corte Madera, which went from 15.3 to 3.8 percent (11.5 percentage points); Menlo Park, which went from 18.2 to 16.6 percent (11.6 percentage points); and Belvedere, which went from 59.4 to 8.2 percent (51.2 percentage points). In all, 69 of the Bay Area's 100 suburban communities experienced decreases between 1980 and 1990 in the percent of children under five in poverty.

B. Female-Headed Households

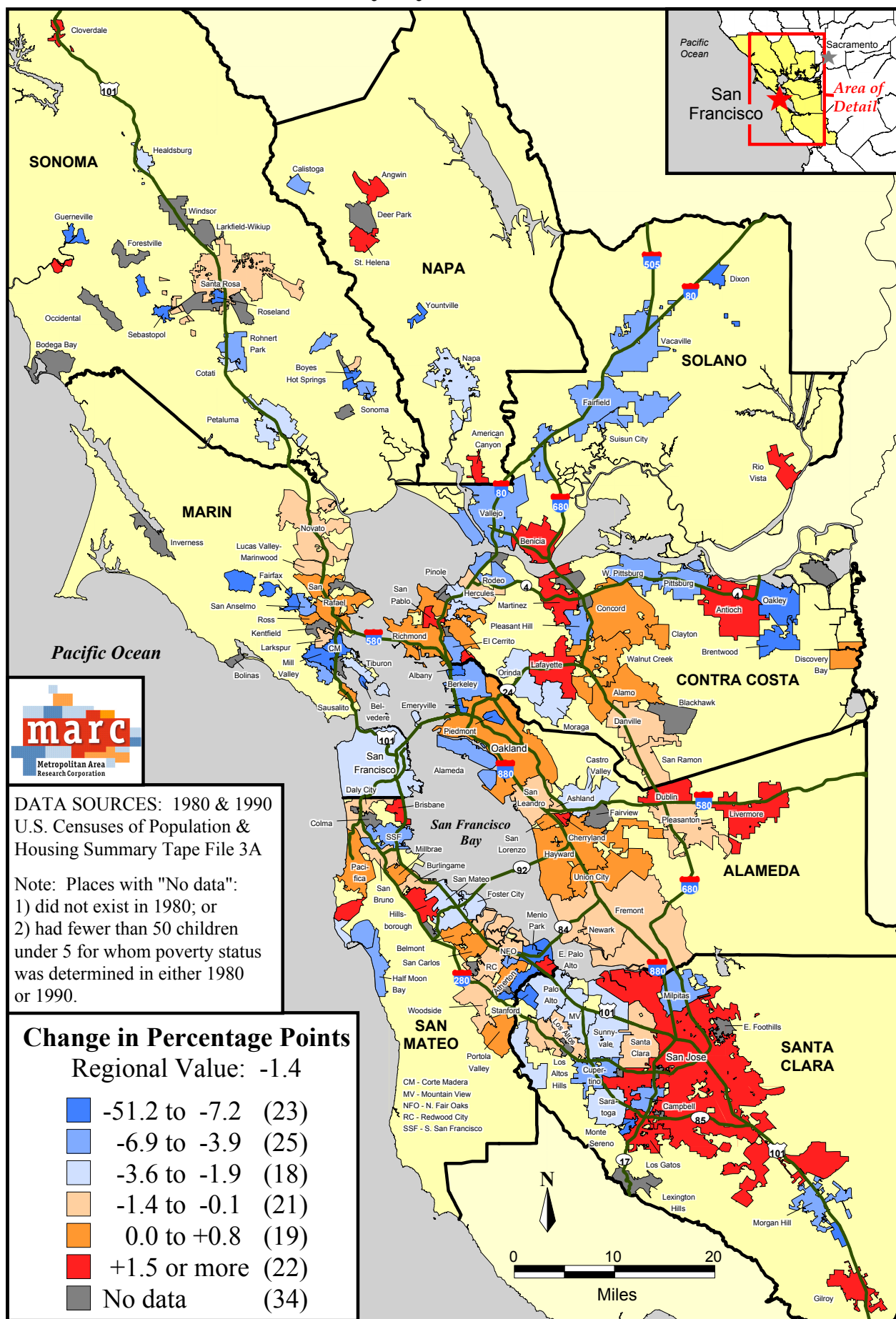
We use percent female-headed households as a measure of a city's social and economic stress because it allows us to include a portion of the population that may not necessarily have poverty-level incomes, but nevertheless do have very low incomes and have additional challenges and needs that two-parent families often do not have. Children in homes with one parent have only one adult to care for them and to bear the emotional and interpersonal responsibilities of child rearing—a daunting enough task for two people. Further, single parent households are simply much poorer than two parent households and hence pay less taxes and are likely to require more services in terms of local school and social welfare expenditures. The Statistical Abstract of the United States shows that in 1995 the median household income for a married couple with children under 18 was \$47,129, for a single father it was \$33,534, and for a single it was only \$21,348.⁵⁵ Thus, half of all households headed by single mothers in the US in 1995 made less than \$21,348 per year. Further, while nearly 75 percent of single mothers with children had household incomes below \$35,000, only 34 percent of married families with children did.

In the Bay Area, single mothers headed 17.9 percent of all households with children in 1990 (Figure 5). Over thirty-seven percent of all households with children in the city of Oakland in 1990 were headed by single mothers, 22.1 percent in San Francisco, and 15.8 percent in San Jose. The low tax base/low social health communities had a rate slightly less than San Francisco at 20.4 percent. The low tax base communities and the high-tax-base communities had the lowest rates of female-headed households at 13.6 and 13.4 percent respectively.

Female-Headed Households, 1990

⁵⁵ U.S. Bureau of the Census, *Statistical Abstract of the United States: 1997* (117th edition.) Washington, DC, 1997.

Figure 4: Change in Percentage Points Children Under 5 Years in Poverty by Place, 1980-1990



<u>Region</u>	<u>Municipalities</u>							<u>CDP's</u>
	<u>All Municipalities</u>	<u>San Francisco</u>	<u>Oakland</u>	<u>San Jose</u>	<u>LTB/LSH Suburbs</u>	<u>LTB Suburbs</u>	<u>HTB Suburbs</u>	
17.9	18.4	22.1	37.4	15.8	20.4	13.6	13.4	15.3

In 1990, there were twelve suburbs with a higher rate of households headed by single mothers than San Francisco and nineteen suburbs with more than 20 percent of their household headed by single mothers, all but four of these being low tax base/low social health communities. The suburban cities that had the most single-mother households were primarily clustered just to the north and south of Oakland, such as Hayward (23.1 percent), Richmond (34.2 percent), and San Pablo (35.3 percent). East Palo Alto also had a very high percent of female-headed households (24.7 percent). On the other hand, most communities just northwest of San Jose such as Los Altos Hills (0 percent) and Emerald Lake Hills (4 percent) had few households headed by single mothers. In all, there were twenty-one communities with less than 10 percent of their households with children headed by single mothers, all of these being high tax base communities.

Over the decade, the San Francisco Bay Area experienced a slight decrease in percentage of households with children headed by single mothers (-1.0 percentage points), going from 18.9 percent to 17.9 percent (Figure 6). The low tax base/low social health areas, on average, experienced the smallest decrease, going from 20.9 percent female-headed households in 1980 to 20.4 percent in 1990 (0.5 percentage point). San Francisco experienced the greatest decrease, going from 26.1 to 22.1 percent (4.0 percentage points).

Change in Percentage Points Female-Headed Households, 1980-1990

<u>Region</u>	<u>Municipalities</u>							<u>CDP's</u>
	<u>All Municipalities</u>	<u>San Francisco</u>	<u>Oakland</u>	<u>San Jose</u>	<u>LTB/LSH Suburbs</u>	<u>LTB Suburbs</u>	<u>HTB Suburbs</u>	
-1.0	-1.1	-4.0	-1.9	-0.7	-0.5	-1.2	-0.8	-2.1

Despite the overall decrease in female-headed households, forty-four individual communities saw increases in their percent of households headed by single mothers. The most rapidly increasing communities were in outlying areas of the region, such as Gilroy, which went from 13.5 female-headed households in 1980 to 19.4 in 1990 (5.9 percentage points) and Dixon, which went from 10.6 to 14.9 percent (4.3 percentage points). The older, inner cities of San Pablo, which went from 29.8 to 35.3 (5.5 percentage points), and Hercules, which went from 3.3 to 7.4 percent (4.1 percentage points), also experienced considerable increases in percent female-headed households.

The high tax base suburbs' rating on this measure decreased over the decade by 0.8 percentage point, going from 14.2 to 13.4 percent, the greatest decrease of the three suburban subregions. The individual communities that saw the greatest decrease in female-headed households were of this category. These included Belvedere, which went from 25.2 to 9.2 percent (11.6 percentage points); Brisbane, which went from 25.2 to 14.2 percent (11 percentage points); Sausalito, which went from 27.9 to 18.8 percent (9.1 percentage points); and Piedmont, which went from 15 to 7.7 percent (7.3 percentage points).

Figure 5: Female-Headed Households with Children as a Percentage of Total Households with Children by Place, 1990

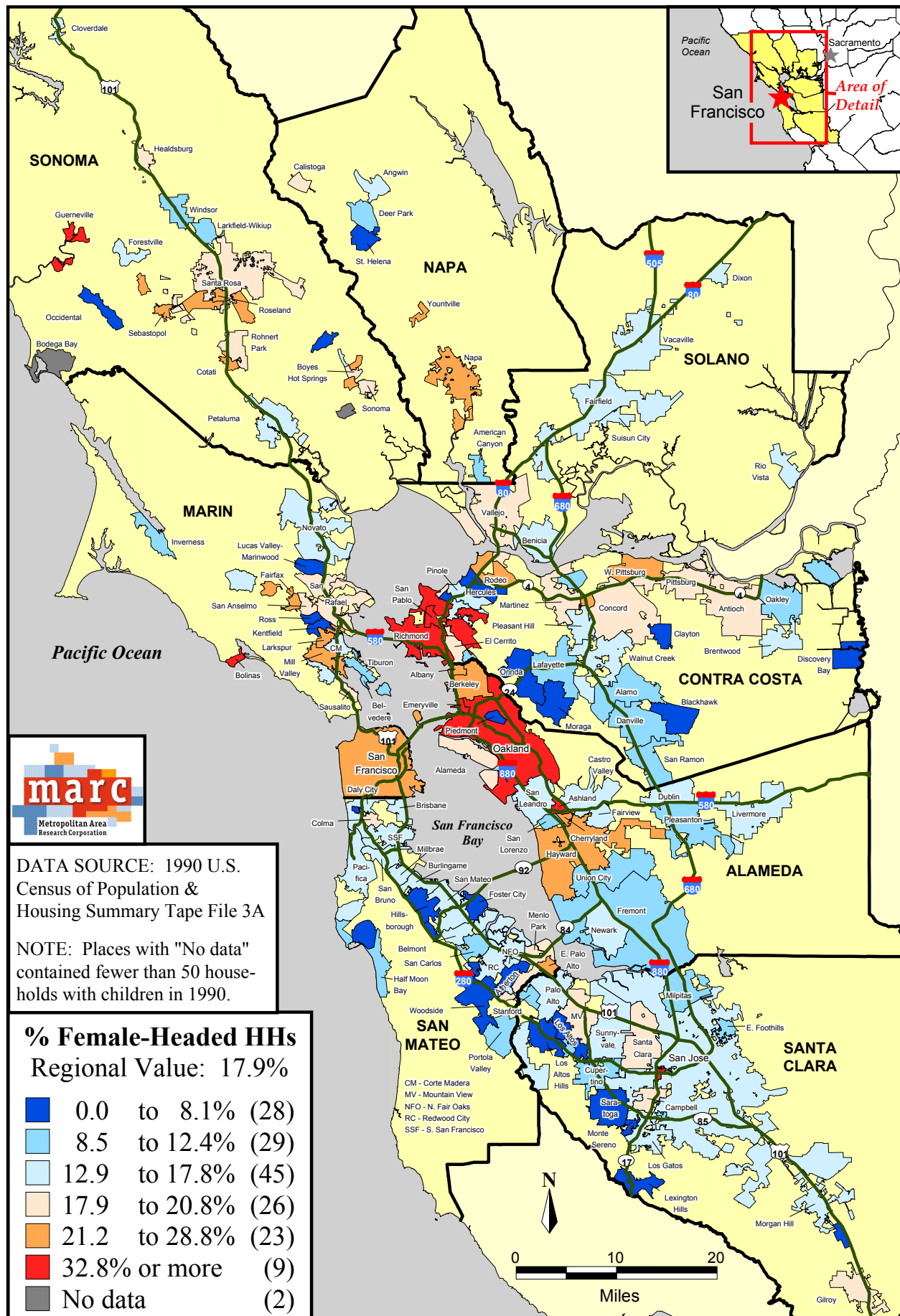
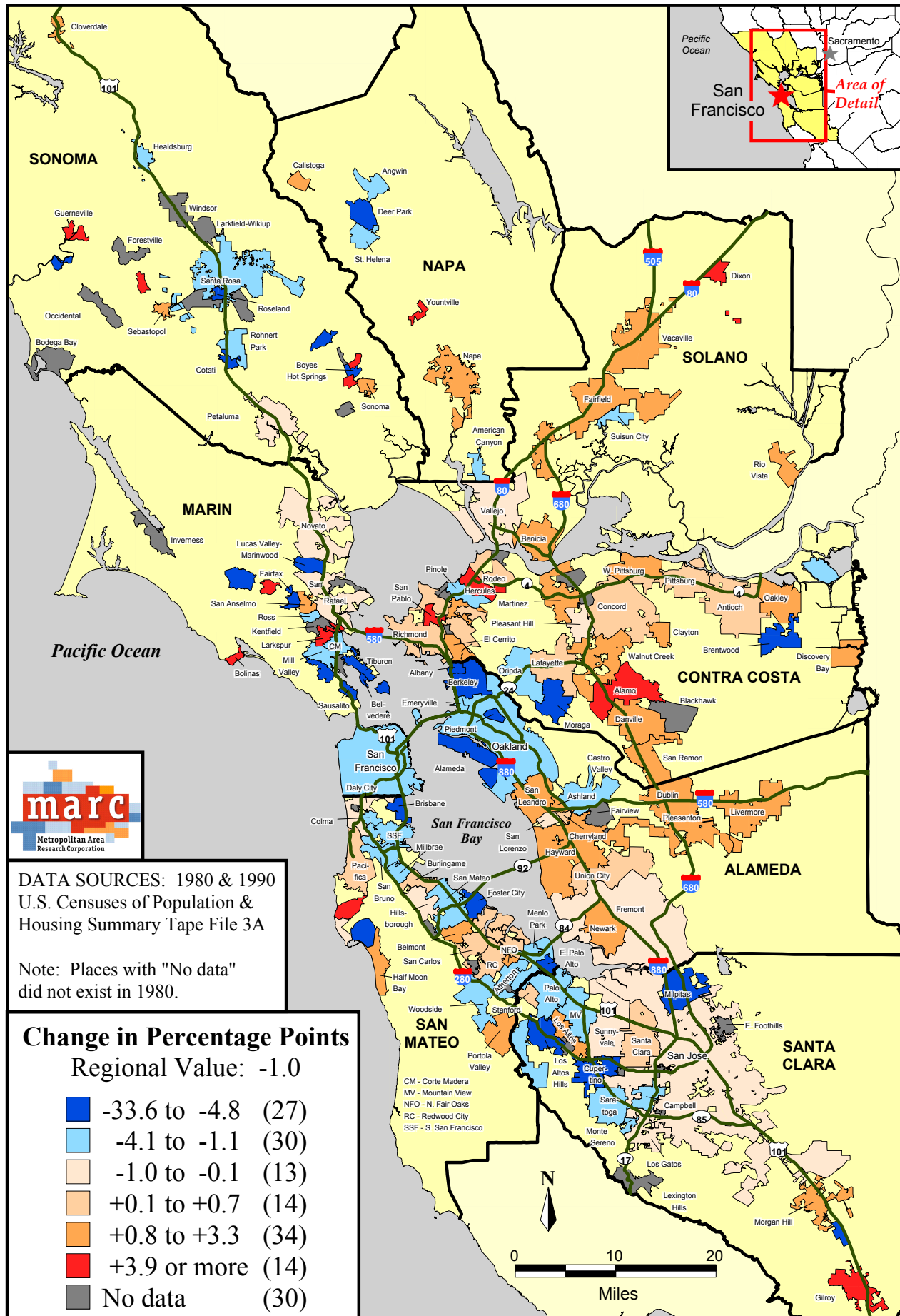


Figure 6: Change in Percentage Points Female-Headed Households with Children as a Percentage of Total Households with Children by Place, 1980-1990



C. Median Household Income

In 1989 the regional median household income was \$42,056 (Figure 7). The city of Oakland's median household income at \$27,095 was well below the regional median. San Francisco's was \$33,414 and San Jose's was \$46,206. The low tax base/low social health communities had a median household income slightly above that of San Francisco's, at \$37,124. The low tax base suburbs' median household income was just below that of San Jose at \$44,723, and the high tax base suburbs were above all others at \$54,415. The median household income for the municipalities of the entire nine-county San Francisco Bay Area was \$42,804.

Median Household Income, 1989

<u>Region</u>	<u>Municipalities</u>							<u>CDP's</u>
	<u>All Municipalities</u>	<u>San Francisco</u>	<u>Oakland</u>	<u>San Jose</u>	<u>LTB/LSH Suburbs</u>	<u>LTB Suburbs</u>	<u>HTB Suburbs</u>	
\$42,056	\$42,804	\$33,414	\$27,095	\$46,206	\$37,124	\$44,723	\$54,415	\$45,219

The cities with the very lowest median household incomes tended to be small, older communities, both in outlying and close-in parts of the region. For example, Calistoga (\$25,196) and San Pablo (\$25,479) were the poorest cities in the Bay Area, both with median household incomes below that of Oakland. In all, there were forty-three suburban communities with median household incomes below the metropolitan area's median household income, all but seven were either low tax base or low tax base/low social health communities. On the other hand, there were sixteen cities with median incomes above \$75,000, six of these were above \$100,000, all were high tax base communities. The communities with the three highest median household incomes in the region were located in the hills northwest of San Jose and southwest of San Francisco—Los Altos Hills (\$115,851), Hillsborough (\$123,625), and Atherton (\$130,734).

Over the decade, the regional median household income, adjusted for inflation, increased by 18.6 percent—from \$35,451 in 1979 to \$42,056 in 1989 (Figure 8). Adjusted for inflation, Oakland's median household income increased by 15.1 percent (from \$23,536 to \$27,095), San Francisco's by 23.3 percent (from \$27,099 to \$33,414), and San Jose's by 18.2 percent (from \$39,088 to \$46,206). The low tax base/low social health communities increased their median household income at about the same rate as Oakland, by 15.9 percent (from \$32,038 to \$37,124) and the low tax base communities increased at a lesser rate, by 12.9 percent (from \$39,621 to \$44,723). The high-tax-base communities experienced a 20.5 percent increase in median household income (from \$45,163 to \$54,415).

Percentage Change in Median Household Income, 1979-1989 (adjusted by CPI)

<u>Region</u>	<u>Municipalities</u>							<u>CDP's</u>
	<u>All Municipalities</u>	<u>San Francisco</u>	<u>Oakland</u>	<u>San Jose</u>	<u>LTB/LSH Suburbs</u>	<u>LTB Suburbs</u>	<u>HTB Suburbs</u>	
18.6	13.3	23.3	15.1	18.2	15.9	12.9	20.5	22.7

Only one community saw a decrease in its median household income over the decade—the outlying city of Rio Vista went from \$33,530 to \$31,728 median household income (-5.4 percent). Other areas that saw only small increases in income were in older, inner suburbs such as Millbrae, which went from \$44,765 to 45,999 (2.8 percent) and Pinole, which went from \$43,776

Figure 7: Median Household Income by Place, 1989

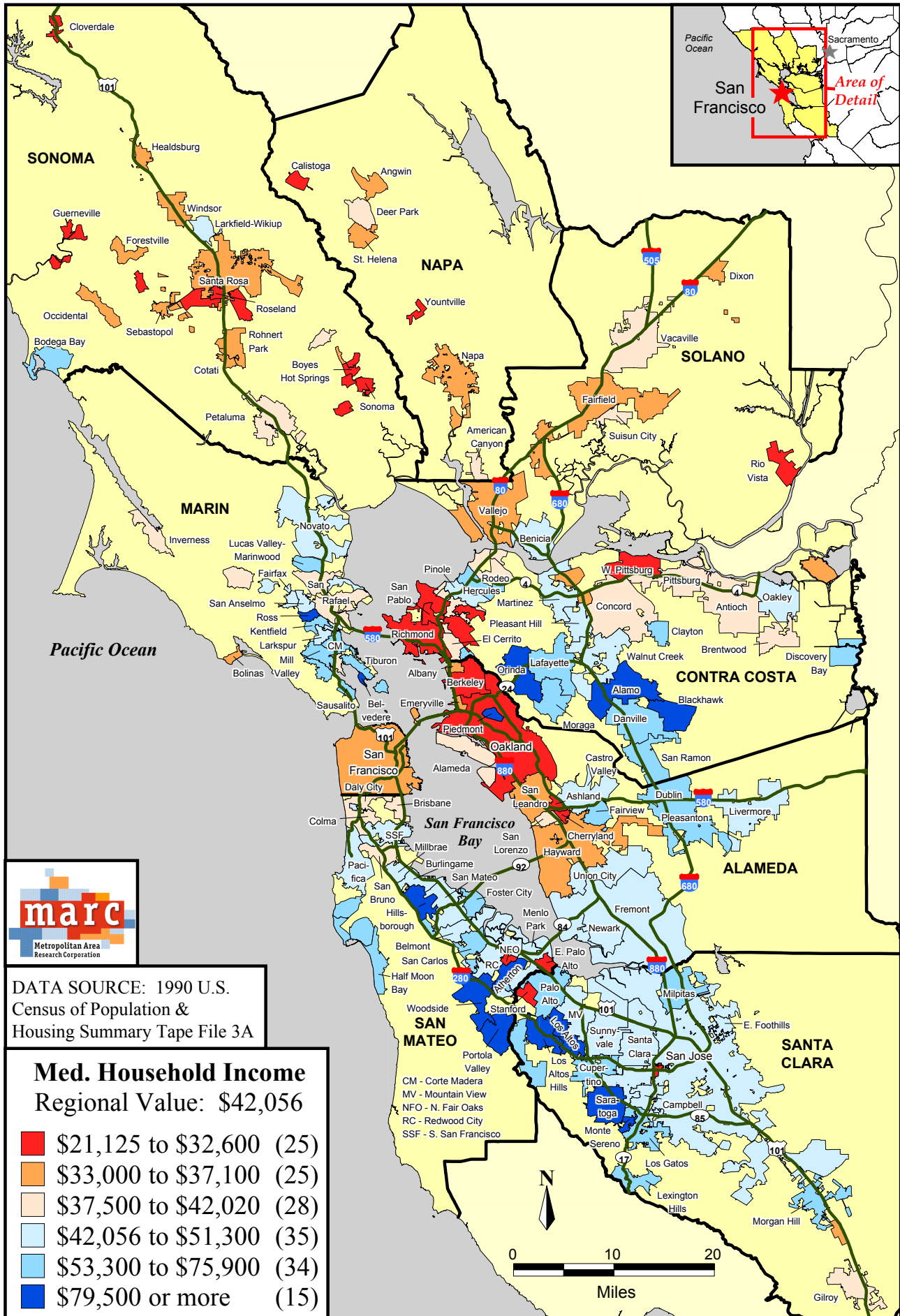
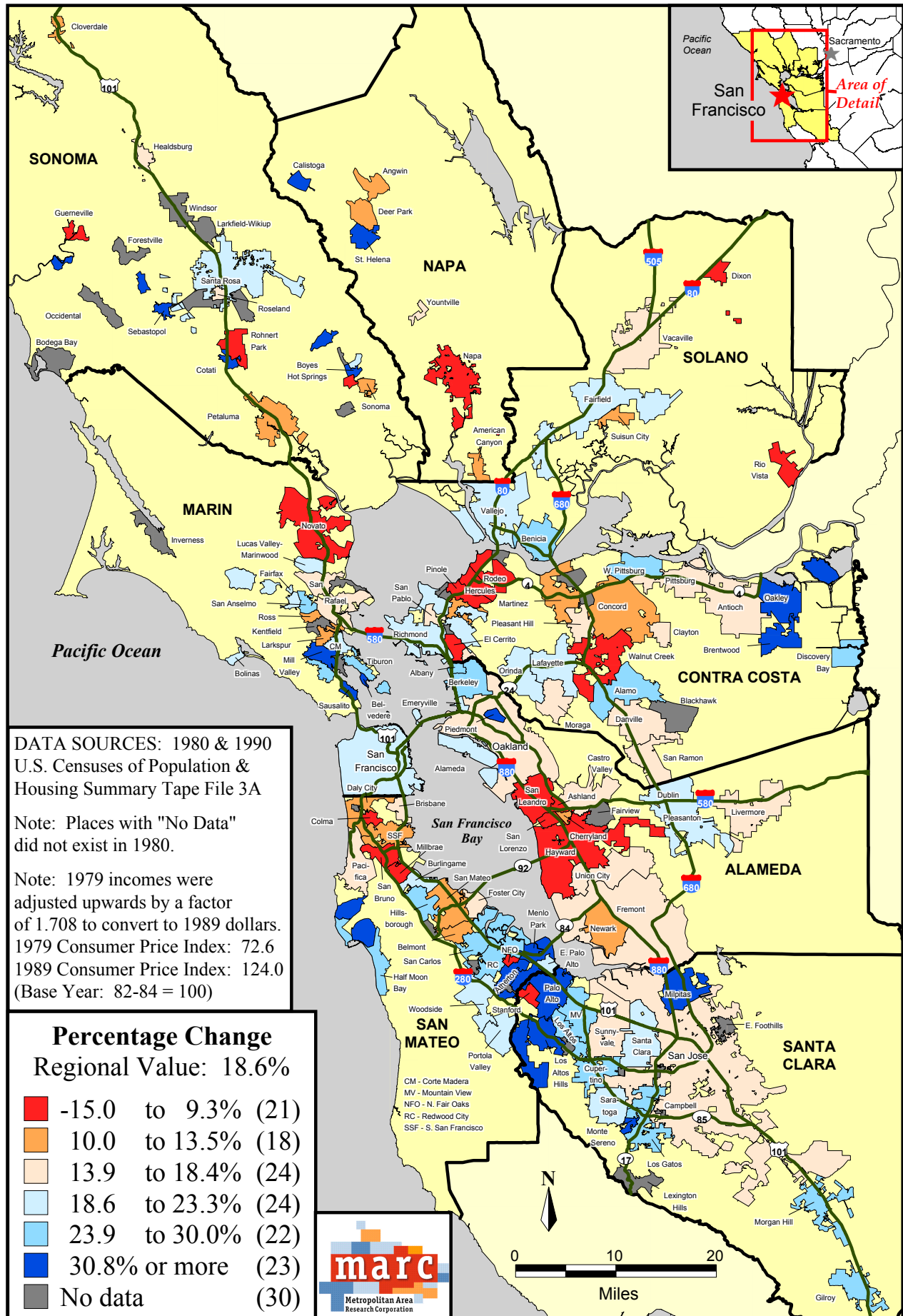


Figure 8: Percentage Change in Median Household Income by Place, 1979-1989 (adjusted by CPI)



to \$45,820 (4.7 percent). Some of the biggest gainers included the outlying communities of Cotati, which went from \$25,318 to \$36,670 (44.8 percent) and Brentwood, which went from \$25,108 to \$41,455 (65.1 percent), and many hill cities northwest of San Jose. These include Atherton, which went from \$93,699 to \$130,734 median household income (39.5 percent); Los Altos Hills, which went from \$82,821 to \$115,851 (39.9 percent); and Monte Sereno which went from \$68,436 to \$98,121 (43.4 percent).

D. Race and Ethnicity

In this section and throughout this report it is important to keep in mind that the racial and ethnic groups that make up the Bay Area, are, just like the region itself, extremely diverse and complex. The very broadly defined U.S. Census categories, particularly “Black”, “White”, “American Indian/Eskimo/Aleut”, “Asian/Pacific Islander”, and “Hispanic”,⁵⁶ actually represent a number of very diverse racial and ethnic populations.⁵⁷ Asians in the Bay Area, for example, include third and fourth generation, established middle- and upper-class Japanese- and Chinese-Americans as well as very poor, often newly immigrated, Chinese, Vietnamese, Laotian, and Filipino residents, among many others.⁵⁸

As poverty concentrates, populations become more racially segregated. In the San Francisco Bay Area, Blacks, Asians, Hispanics, and American Indians have clearly settled in very separate and distinct communities that, most often, tend to be in the poorest parts of the region. In 1990, the Black population was predominantly concentrated in the central city of Oakland and

⁵⁶ Throughout this report we use to describe racial and ethnic groups the same terms used in the original source of the data—most often the U.S. Census. We will use the term “Asian” to mean Asian or Pacific Islander and “American Indian” to mean American Indian, Eskimo, or Aleut.

⁵⁷ “Black”, “White”, “American Indian/Eskimo/Aleut”, and “Asian/Pacific Islander” are racial categories in the U.S. Census. “Hispanic” is an ethnic group designation. All census respondents are asked to select a racial category (Black, White, American Indian/Eskimo/Aleut, or Asian/Pacific Islander). According to the *1990 Census of Population and Housing: Summary Tape File 3, Technical Documentation: B-30*, the “Black” category includes, “persons who indicated their race as ‘Black or Negro’ or reported entries such as African American, Afro-American, Black Puerto Rican, Jamaican, Nigerian, West Indian, or Haitian. The “White” category includes “persons who indicated their race as ‘White’ or reported entries such as Canadian, German, Italian, Lebanese, Near Easterner, Arab, or Polish”. The “Asian/Pacific Islander” category includes those who reported “in one of the Asian or Pacific Islander groups listed on the questionnaire”—Chinese, Filipino, Japanese, Asian Indian, Korean, Vietnamese, Cambodian, Hmong, Laotian, Thai, Other Asian, Hawaiian, Samoan, Guamanian, or Other Pacific Islander—or “who provided write-in responses such as Thai, Nepali, or Tongan. The “American Indian” category includes persons who classified themselves as either American Indian, Eskimo, or Aleut. Separately, all respondents are asked whether they are of Hispanic origin. Those who do consider themselves to be of Hispanic origin are then asked to classify themselves as either, “Mexican”, “Puerto Rican,” or “Cuban” or “other Spanish/Hispanic” origin. “Persons of ‘other Spanish/Hispanic’ origin are from Spain, the Spanish-speaking countries of Central or South America, or the Dominican Republic, or they are persons of Hispanic origin identifying themselves generally as Spanish, Spanish-American, Hispanic, Hispano, Latino, and so on.” (B-13).

⁵⁸ We recognize that these broad categories, particularly in the Asian community, mask differences between ethnic groups. However, while it is conceivable that some members of the Asian community, particularly more recently immigrated Southeast Asians, experience high levels of segregation, we were unable to locate literature on Asian segregation and housing market discrimination equivalent to the powerful evidence of such patterns in terms of Blacks and Hispanics. Thus, we did not, at this time, separate Asian groups into smaller categories. But in balance, we find these categories more useful than not within the context of our evolving national comparative work.

the suburbs north of that city. Hispanics primarily lived in and around the central city of San Jose, in the suburbs south of Oakland, and in northeast Contra Costa County along SR-4. The largest Asian populations were found in and around the central city of San Francisco, in the city of Vallejo, and to a lesser extent in and around San Jose. The greatest concentrations of American Indians were located in outlying cities and unincorporated places such as Inverness, Rio Vista, and those around Santa Rosa.

1. Non-Hispanic Blacks

In 1990, non-Hispanic Blacks were 8.6 percent of the Bay Area’s total municipal population (Figure 9). In the municipalities, 9.2 percent of the population was Black, or 491,980 persons. The greatest concentration of Blacks was found in Oakland where this group represented 43.2 percent of that city’s population. Blacks were 10.6 percent of the San Francisco population and 4.5 percent of the San Jose population. In the low tax base/low social health communities, the percentage Black (10.4 percent) was comparable to the percentage of this population in San Francisco. In the low tax base and high tax base communities the Black population was less than in San Jose (4.0 percent and 2.9 percent respectively).

Percentage Non-Hispanic Black, 1990

<u>Region</u>	<u>Municipalities</u>							<u>CDP's</u>
	<u>All Municipalities</u>	<u>San Francisco</u>	<u>Oakland</u>	<u>San Jose</u>	<u>LTB/LSH Suburbs</u>	<u>LTB Suburbs</u>	<u>HTB Suburbs</u>	
8.6	9.2	10.6	43.2	4.5	10.4	4.0	2.9	3.9

The low tax base/low social health cities of Richmond (43.1 percent) and East Palo Alto (41.9 percent) had Black populations just below that of Oakland. Other cities with a high concentration of Blacks include Pittsburg (17.2 percent), Vallejo (20.8 percent), and San Pablo (21.2 percent). In terms of raw numbers, an almost equal number of Blacks lived in the low tax base/low social health communities combined (160,583) as lived in the central city of Oakland (160,640). On the other hand, thirty-three cities had a Black population of less than one percent and four of these had zero, including Rio Vista, Monte Sereno, Cloverdale, and Belvedere.

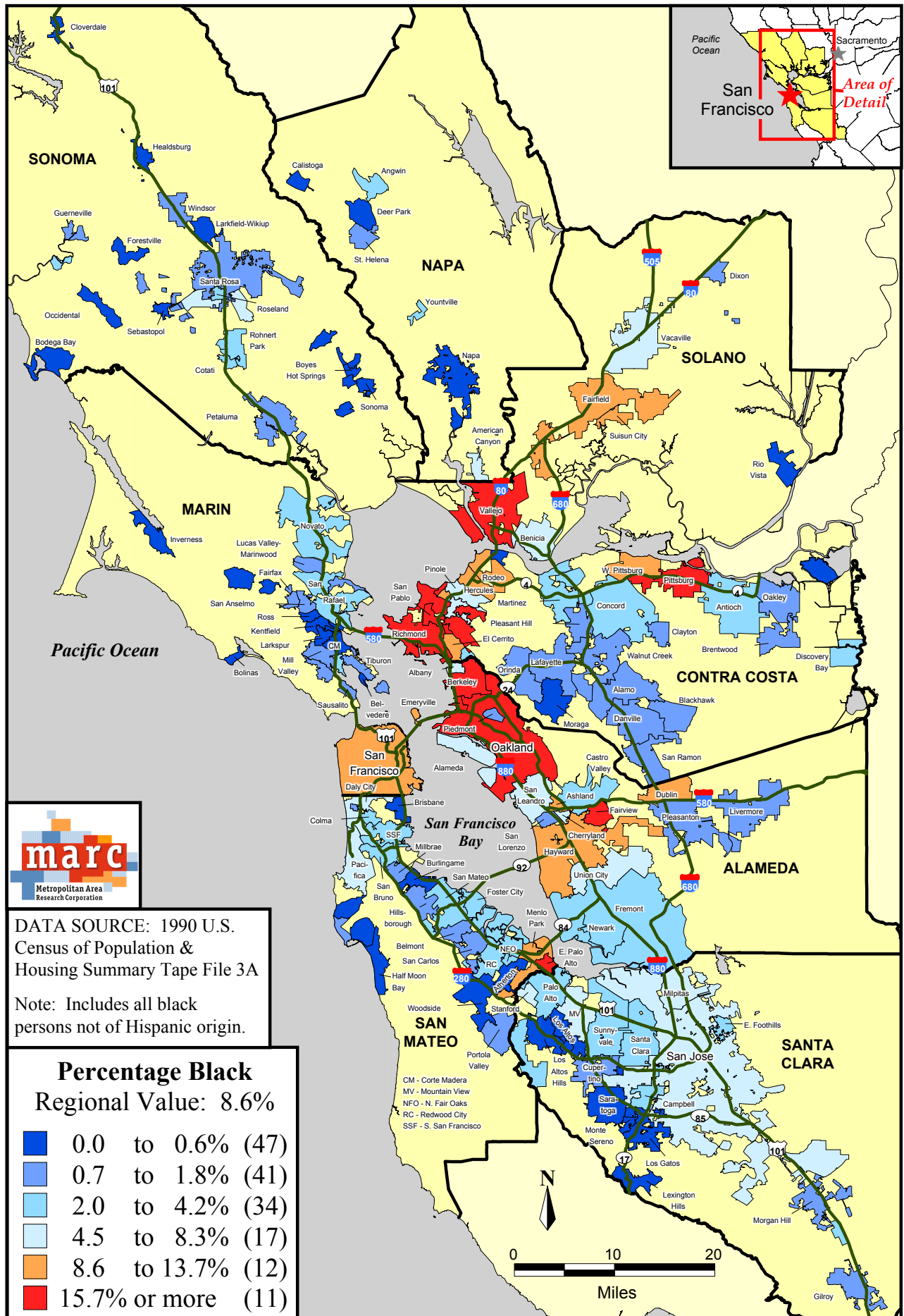
2. Hispanics

In 1990, 14.9 percent of the total Bay Area population was of Hispanic origin (Figure 10). This was about equal to the percentage of Hispanics in the municipalities of the region—15 percent, or 801,305 persons. Hispanics made up 26.1 percent of San Jose’s population. The percentages of the populations of Oakland and San Francisco that were Hispanic were approximately equal (13.2 percent and 13.3 percent respectively). In the low tax base/low social health (14.7 percent) and the low tax base (14.3 percent) communities the percentage of Hispanics was greater than in Oakland and San Francisco. Hispanics were 11.2 percent of the population in the high tax base communities.

Percentage Hispanic, 1990

<u>Region</u>	<u>Municipalities</u>							<u>CDP's</u>
	<u>All Municipalities</u>	<u>San Francisco</u>	<u>Oakland</u>	<u>San Jose</u>	<u>LTB/LSH Suburbs</u>	<u>LTB Suburbs</u>	<u>HTB Suburbs</u>	

Figure 9: Percentage Black by Place, 1990



14.9 15.0 13.3 13.2 26.1 14.7 14.3 11.2 15.0

Six suburban cities had greater concentrations of Hispanics than the central city of San Jose, including South San Francisco (27.4 percent), East Palo Alto (33.7 percent), and Gilroy (46.9 percent). More Hispanics lived in low tax base/low social health cities (227,828) than lived in the central city of San Jose (204,012). Cities with the smallest percentage of Hispanics included Mill Valley (2.8 percent), Orinda (1.9 percent), and Los Altos Hills (1.8 percent).

3. Non-Hispanic Asians

In 1990, non-Hispanic Asians were 14.8 percent of the total Bay Area population (Figure 11) and 16 percent of the population in the municipalities, or 850,745 persons. This group represented 28.7 percent of the population of San Francisco, 19 percent of San Jose’s population, and 14.5 percent of Oakland’s population. About equal concentrations of Asians were found in the high tax base (12.8 percent) and low tax base/low social health (12.4 percent) communities. The low tax base communities had 14.6 percent Asians.

Percentage Non-Hispanic Asian, 1990

<u>Region</u>	<u>Municipalities</u>							<u>CDP’s</u>
	<u>All Municipalities</u>	<u>San Francisco</u>	<u>Oakland</u>	<u>San Jose</u>	<u>LTB/LSH Suburbs</u>	<u>LTB Suburbs</u>	<u>HTB Suburbs</u>	
14.8	16.0	28.7	14.5	19.0	12.4	14.6	12.8	7.6

Five suburban cities had greater concentrations of Asians than San Francisco, Broadmoor (31.1 percent), Union City (31.6 percent), Milpitas (33.5 percent), Hercules (41.1 percent), and Daly City (42.3 percent). Cities with the smallest percentages of Asians were most often outlying, low tax base/low social health communities, such as San Anselmo (1.7 percent), Sonoma (1.7 percent), Sebastopol (1.0 percent), and Healdsburg (0.2 percent). In raw numbers, almost as many Asians lived in high tax base suburbs (199,667) and in low tax base/low social health suburbs (191,583) as lived in the city of San Francisco (207,457).

In 1990, non-Hispanic American Indians represented 0.5 percent of the Bay Area population, or 26,225 persons (Figure 12). Approximately equal percentages of this group were found in the central cities (Oakland, 0.5 percent; San Francisco, 0.4 percent; San Jose, 0.5 percent) as in the high tax base (0.4 percent) and low tax base (0.5 percent) communities. American Indians were a slightly higher percentage of the low tax base/low social health population (0.7 percent). In terms of raw numbers, more American Indians lived in low tax base/low social health suburbs (10,638) than in all three central cities combined (8,179). Forty-one cities had a greater percentage of American Indians than the central city of Oakland. Only ten cities had an American Indian population of 1 percent or greater, including Santa Rosa (1 percent), Fairfield (1 percent), Cotati (1.7 percent), Sebastopol (1.8 percent), and Cloverdale (1.9 percent). Seven cities had no American Indians in 1990, including Woodside, Los Altos Hills, and Atherton.

E. Schools

Figure 10: Percentage Hispanic by Place, 1990

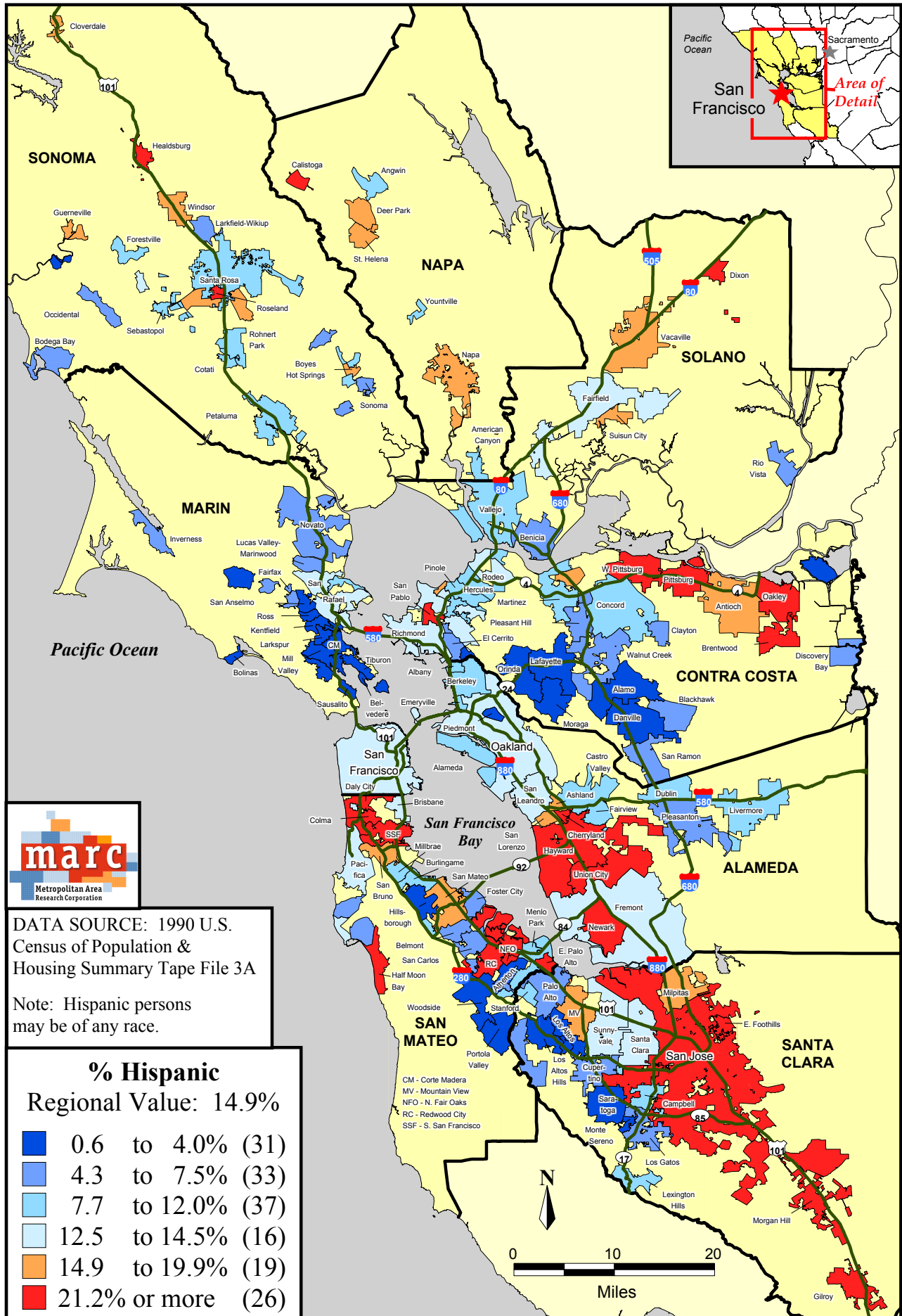
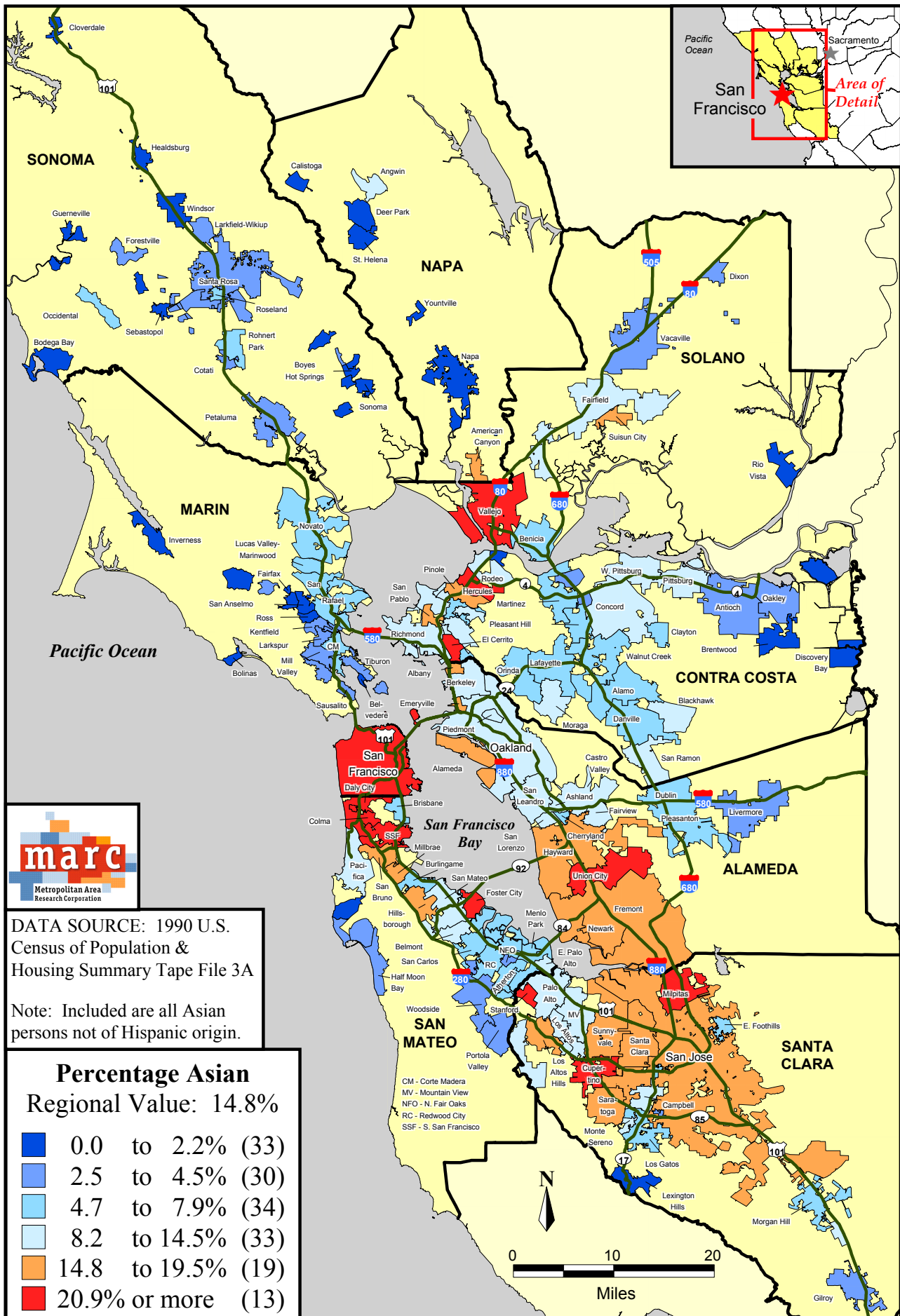


Figure 11: Percentage Asian by Place, 1990



DATA SOURCE: 1990 U.S. Census of Population & Housing Summary Tape File 3A

Note: Included are all Asian persons not of Hispanic origin.

Schools are the first victim and the most powerful perpetuator of metropolitan polarization. Local schools become socioeconomically distressed before neighborhoods themselves become poor. Hence, increasing poverty in a community's schoolchildren is a prophecy for the community. First, the community's children often become its adults. Second, middle-class families, who form the bedrock of stable communities, will not tolerate high concentrations of poverty in their schools, and frequently depart in search of better educational opportunities for their children.

The results can be clearly seen in and around places where there is dramatic flight from the schools. The central cities and low tax base/low social health cities of the San Francisco Bay Area struggle under a disproportionate share of concentrated poverty and segregation. These schools and those lying in low tax base areas, developing without sufficient property tax base, face increasing social and academic challenges, often with the lowest per-pupil spending in the region. On the other hand, affluent suburban systems enjoy insulated, stable prosperity financed by local business growth.⁵⁹

Just as concentrated poverty in schools destabilizes communities, it has a very negative effect on individual access and achievement. Schools are not just instruction and textbooks, but, like neighborhoods, represent a series of reinforcing social networks that contribute to success or failure.⁶⁰ Fast-track, well-funded schools with a high percentage of students from stable middle- and upper-class families are streams moving in the direction of success, with currents that value hard work, goal setting, and academic achievement.⁶¹ Monolithically poor central city or inner-suburban schools with a large number of students in poverty are streams moving toward failure, with currents that reinforce anti-social behavior, drifting, teenage pregnancy, and dropping out.⁶²

In this section of the report, we present data on free and reduced-cost lunch and Black, Hispanic, Asian, and American Indian elementary students at the school district level for the entire region. In addition, we present data on free and reduced-cost lunch and non-White/non-Asian students at a finer level of detail for the elementary schools of San Francisco, Oakland, Alameda, Albany, Berkeley, Emery, Piedmont, and West Contra Costa. We use census data to

⁵⁹ This section looks at social indicators for the Bay Area schools. Later in this report, in the Fiscal Disparities section, we will look closer at disparities in per pupil spending across the region.

⁶⁰ Jomills Braddock II and James McPartland, "The Social and Academic Consequence of School Desegregation," *Equity & Choice* (February 1988): 5; see also Gary Orfield and Carole Ashkinaze, *The Closing Door: Conservative Policy and Black Opportunity* (Chicago: University of Chicago Press, 1991), 131; James Rosenbaum, Marilyn Kulieke, and Leonard Rubinowitz, "Low-Income Black Children in White Suburban Schools: A Study of School and Student Responses," *Journal of Negro Education* 56, no. 1 (1987): 35; Rosenbaum, Kulieke, and Rubinowitz, "White Suburban Schools."

⁶¹ Ibid.

⁶² Ibid.; Susan E. Mayer, "How Much Does a High School's Racial and Socioeconomic Mix Affect Graduation and Teenage Fertility Rates?" 321-41 in *The Urban Underclass*; Jonathon Kozol, *Savage Inequalities: Children in America's Schools* (New York: Harper Perennial, 1991); Robert Crain and Rita Mahard, "School Racial Composition and Black College Attendance and Achievement Test Performance," *Sociology of Education* 51 no. 2, (1978): 81-101; Peter Scheirer, "Poverty, Not Bureaucracy: Poverty, Segregation, and Inequality in Metropolitan Chicago Schools," (Metropolitan Opportunity Project, University of Chicago, 1989).

determine loss of White children in a given area. Because of the difficulty in determining percentage of White children gained or lost due to annexation in many outlying communities, we present this data only for the census tracts that cover the above mentioned central city and inner suburban school districts.

1. Free and Reduced-Cost Lunch

Most social scientists use free and reduced-cost lunch statistics to measure children in poverty. They believe that it is more realistic than federal poverty standards. Children are eligible for reduced lunch if their families' income level is not above 185 percent of the federal poverty level, and they are eligible for free lunch if their income is not above 130 percent of the poverty level.

At the school district level, the percentage of Bay Area school children eligible for free or reduced cost meals in 1996 averaged 17.7 percent (Figure 13). This figure ranged from 66.4 percent in Luther Burbank elementary school district to zero in ten districts including Orinda Union elementary district and Piedmont unified. There were five districts with a greater percentage of students eligible for lunch discounts than Oakland—where 46 percent of the students were eligible—and five more districts with more than 40 percent of its students eligible for free or reduced cost meals. Most of these were older, inner ring districts, such as Redwood City (41.8 percent), Franklin-McKinley (45.4 percent), and Alum Rock Union (51.5 percent). Besides Orinda Union and Piedmont, other districts where student poverty was hardly a concern included Moraga (0.1 percent), Lafayette (0.1 percent), Saratoga (0.5 percent), and San Ramon Valley (1.6 percent)—all wealthy districts found in the fast growing area east of Oakland.

At the elementary school level, the percentage of elementary students in the cities of San Francisco, Oakland, Alameda, Albany, Berkeley, Emery, Piedmont, and West Contra Costa eligible for free or reduced cost meals in 1996 averaged 66.5 percent (Figure 14). The twenty-seven elementary schools with the highest percentage of students eligible for free or reduced cost meals were all located in the San Francisco unified school district—eleven of these having 100 percent of their students eligible for the reduced meals program. In fact, of 76 elementary schools in the San Francisco unified district, only twelve had a minority of students receiving free or reduced meals. In the Oakland unified district, only eleven of 57 elementary schools had a minority of students receiving free or reduced meals. There were 80 schools with more than 80 percent of their students eligible for free or reduced cost meals, all but eight of these were in either the San Francisco or Oakland unified school district; the other eight were in West Contra Costa unified school district. At the other end of the spectrum, all three elementary schools of the Piedmont unified school district had zero eligible students for the free and reduced cost meals program. Only nine of the 202 inner city and inner suburb elementary schools had less than 10 percent of their students eligible for the meal discount. Besides the three Piedmont schools, the schools with less than 10 percent eligible students included Earhart (8.7 percent) and Bay Farm (5.1 percent) in the Alameda district, Miller (6.8 percent), Thornhill (5.8 percent), and Hillcrest (5.3 percent) in the Oakland district, and Kensington (4.6 percent) in the West Contra Costa district.

Figure 13: Percentage of Students Participating in the Free and Reduced Meal Program by School District, 1996

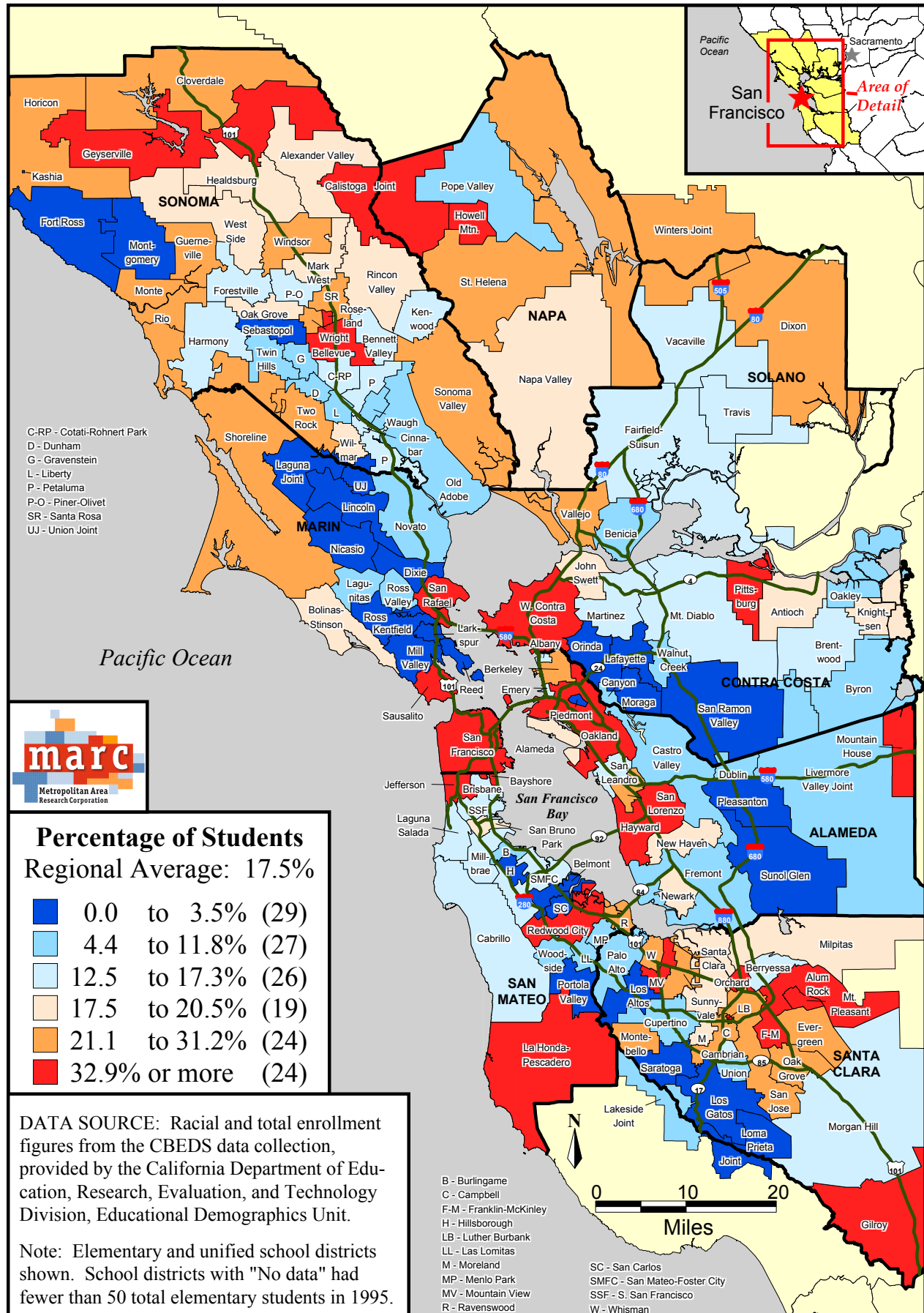
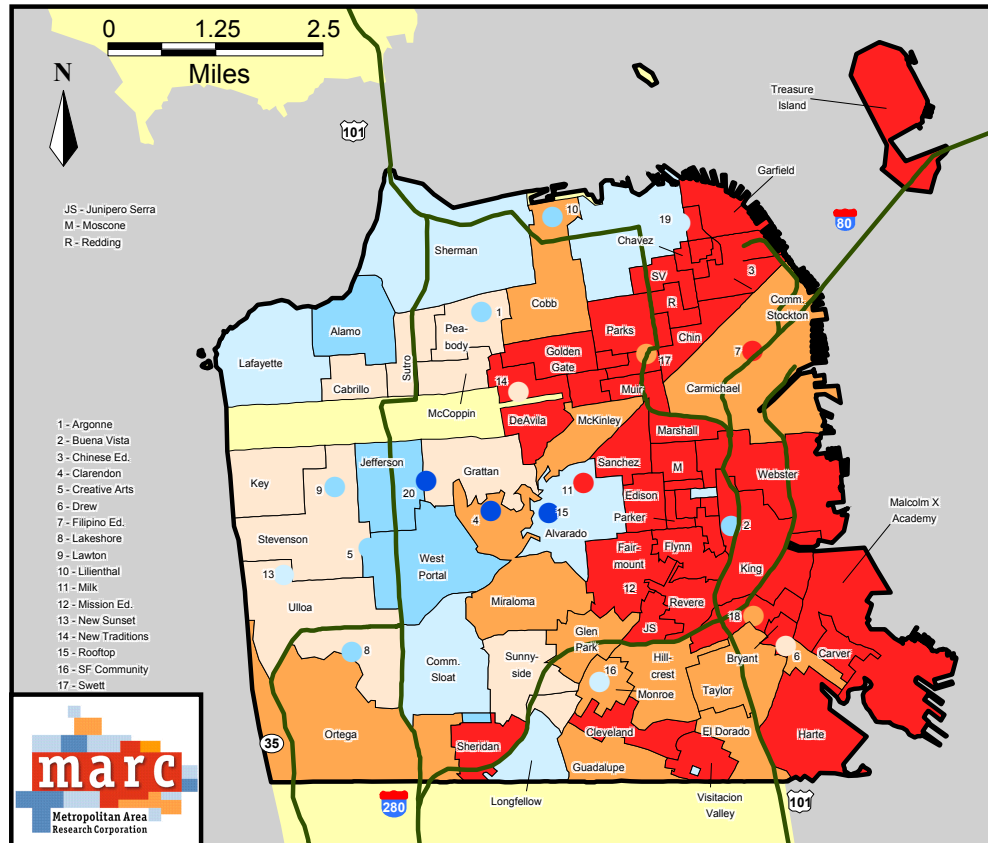
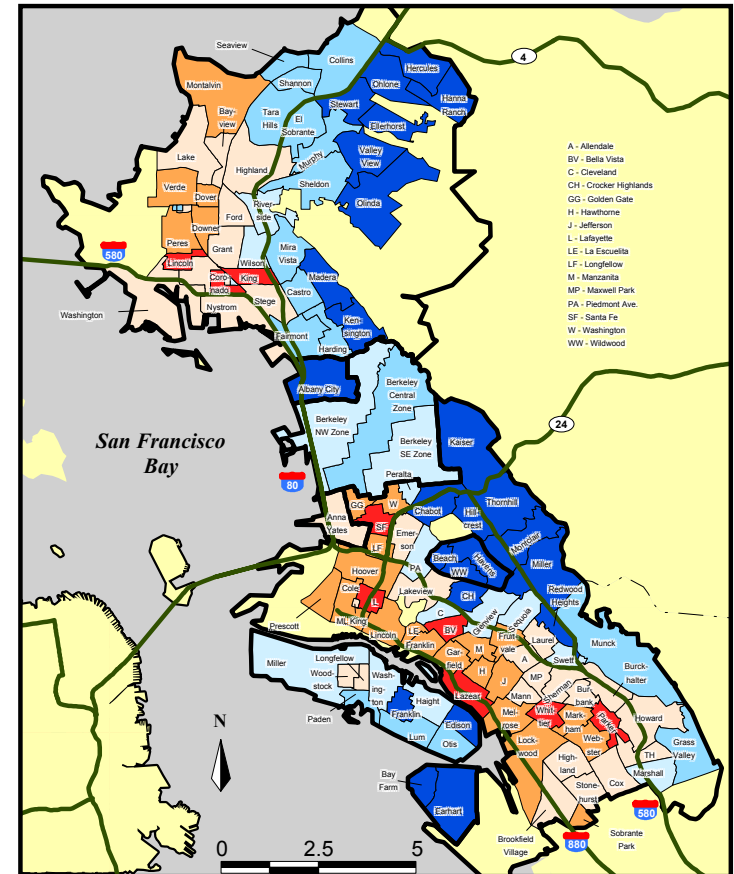


Figure 14: Percentage of Elementary Students Applying for the Free and Reduced Lunch Program by Elementary School Zone, 1996

San Francisco



Alameda-Albany-Berkeley-Emery-Oakland-Piedmont-West Contra Costa

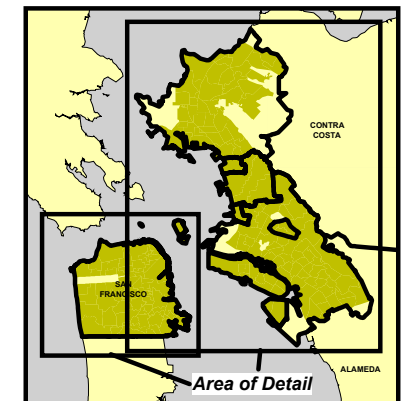


% Students Applying for Lunches

Average: 66.5%

0.0 to 23.8%	(28)
25.2 to 45.9%	(26)
49.6 to 66.0%	(22)
66.5 to 80.9%	(38)
81.5 to 93.0%	(37)
93.6% or more	(42)

DATA SOURCE: October, 1996 elementary student applications for the school lunch program and total elementary school enrollment, along with elementary school boundary zone base maps, provided by the Alameda City Unified, Albany City Unified, Berkeley Unified, Emery Unified, Oakland Unified, Piedmont City Unified, San Francisco Unified, and West Contra Costa Unified school districts.



2. Black, Hispanic, Asian, and American Indian Students

As poverty concentrates, so does the segregation of some racial and ethnic groups in a region's schools. In 1995 the nine-county San Francisco Bay Area as a whole had 12 percent Black elementary students, 24 percent Hispanic elementary students, 18.7 percent Asian elementary students, and 0.7 American Indian elementary students (Figures 15-18). Of the three central cities, in 1995 Oakland unified district had the greatest percentage of Black elementary students at 51.3 percent, San Francisco unified had 19.6 percent, and San Jose unified had 3.3 percent. San Jose unified, however, had the greatest percentage of Hispanic elementary students of the three central cities, almost equal to Oakland's Black elementary student population. San Francisco unified had 22 percent Hispanic elementary students and Oakland unified had 21.7 percent. The numbers switch again when looking at Asian elementary students. Of the three central cities, in 1995 San Francisco Unified had the greatest percentage of Asian elementary students at 44.5 percent, Oakland unified had 18.7 percent and San Jose unified had 12.8 percent. The percentages of American Indian elementary students weren't as great as the percentages of Blacks, Hispanics, and Asians. The central city district with the greatest percentage of American Indian students was San Jose unified (2.1 percent). San Francisco unified had 0.8 percent American Indian elementary students, while Oakland unified had 0.5 percent.

Percent Black, Hispanic, Asian, & American Indian Elementary Students, 1995

	Oakland Unified	San Jose Unified	San Francisco Unified
Black	51.3	3.3	19.6
Hispanic	21.7	51.7	22.0
Asian	18.7	12.8	44.5
American Indian	0.5	2.1	0.8

There were two districts in 1995 with higher percentages of Black elementary students than Oakland unified: Emery unified (60.5 percent) and Sausalito elementary district (66.4 percent). Six other rather large districts had more than 20 percent Black elementary students, including Pittsburg unified (26.2 percent), Vallejo unified (34 percent), and West Contra Costa unified (35.1 percent). Twenty-nine school districts had less than 1 percent Black elementary students, including Saratoga elementary district (0.4 percent), Sonoma Valley unified (0.5 percent), Moraga elementary (0.5 percent), and Los Gatos Union elementary (0.5 percent), and seven very small districts with zero.

In 1995 seven school districts in the nine-county region had higher percentages of Hispanic elementary students than San Jose unified, including Franklin-McKinley elementary (52.7 percent), Redwood elementary (56.2 percent), Gilroy unified (63.2 percent), and Alum Rock Union elementary (66.5 percent). Eleven districts had less than 3 percent Hispanic elementary students, including Lafayette elementary (2.8 percent), Orinda Union elementary (2.6 percent), and Moraga elementary (2.4 percent).

Four school districts in the region had higher percentages of Asian elementary students than San Francisco unified, including Jefferson elementary (45.7 percent), Milpitas unified (45.7 percent), and Berryessa Union elementary (54 percent). Twelve districts had less than 1 percent Asian elementary students, all in small, outlying communities except for La Honda-Pescadero unified (0.6 percent).

Figure 15: Percentage Black Elementary Students by School District, 1995

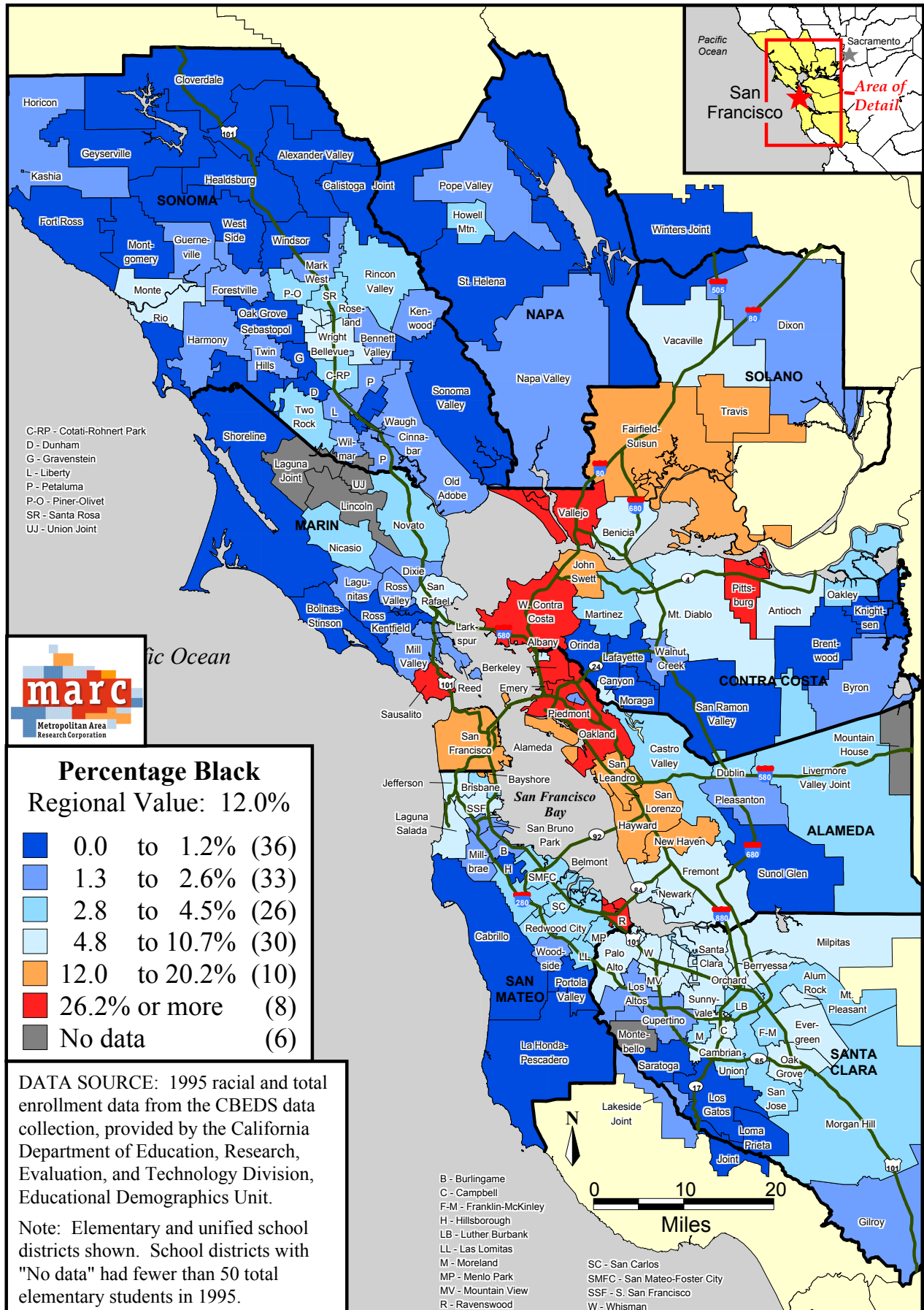


Figure 16: Percentage Hispanic Elementary Students by School District, 1995

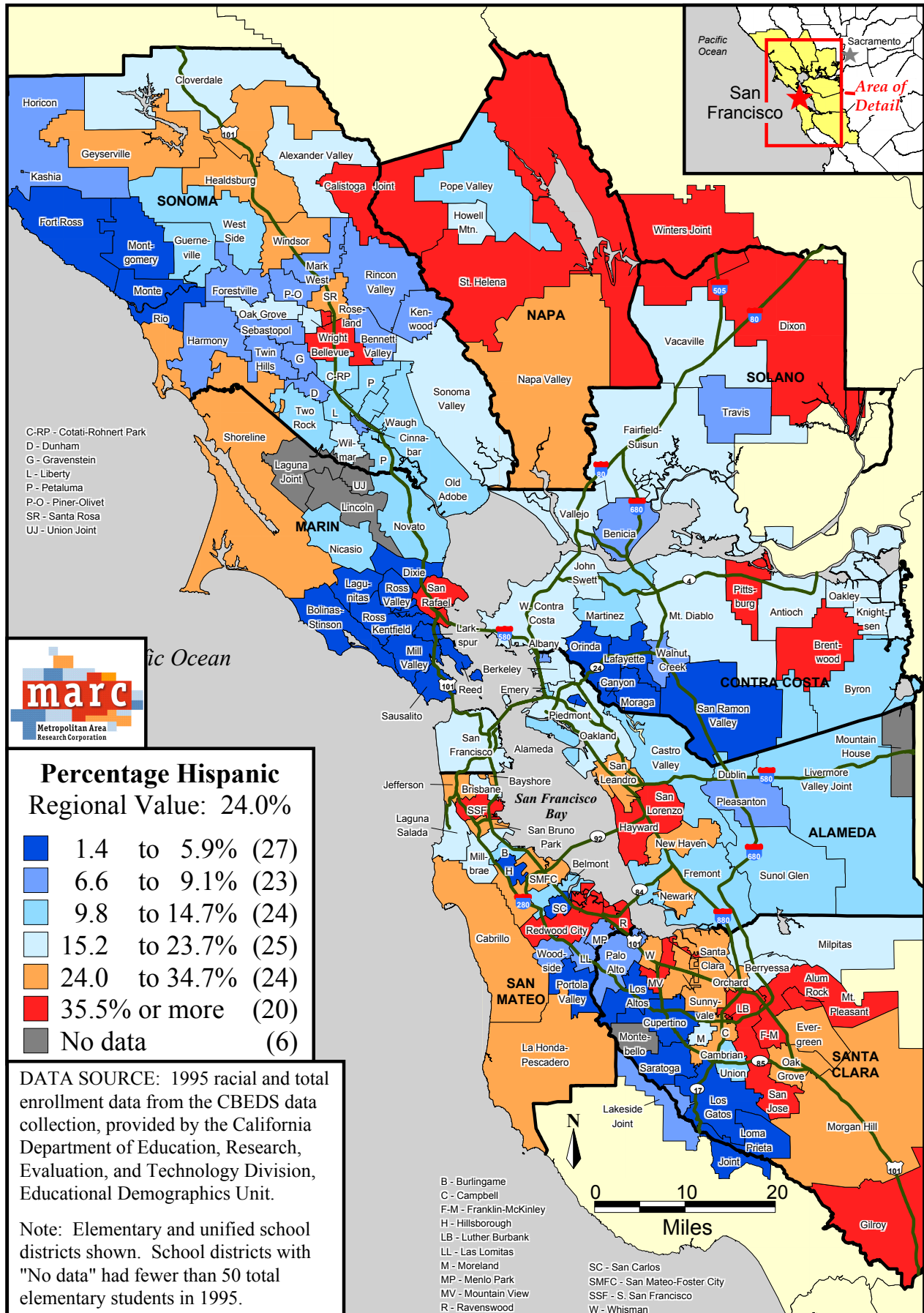


Figure 17: Percentage Asian Elementary Students by School District, 1995

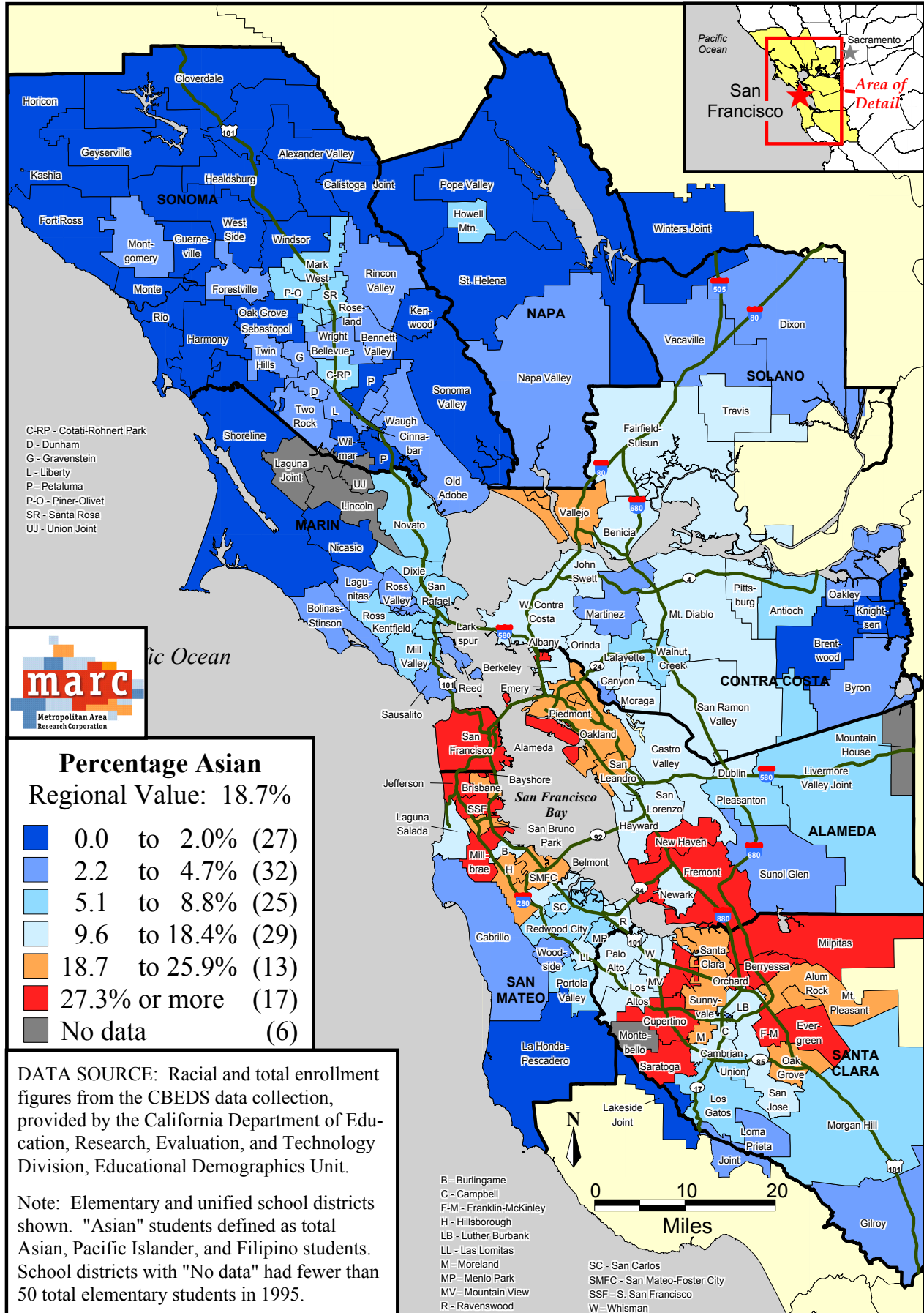
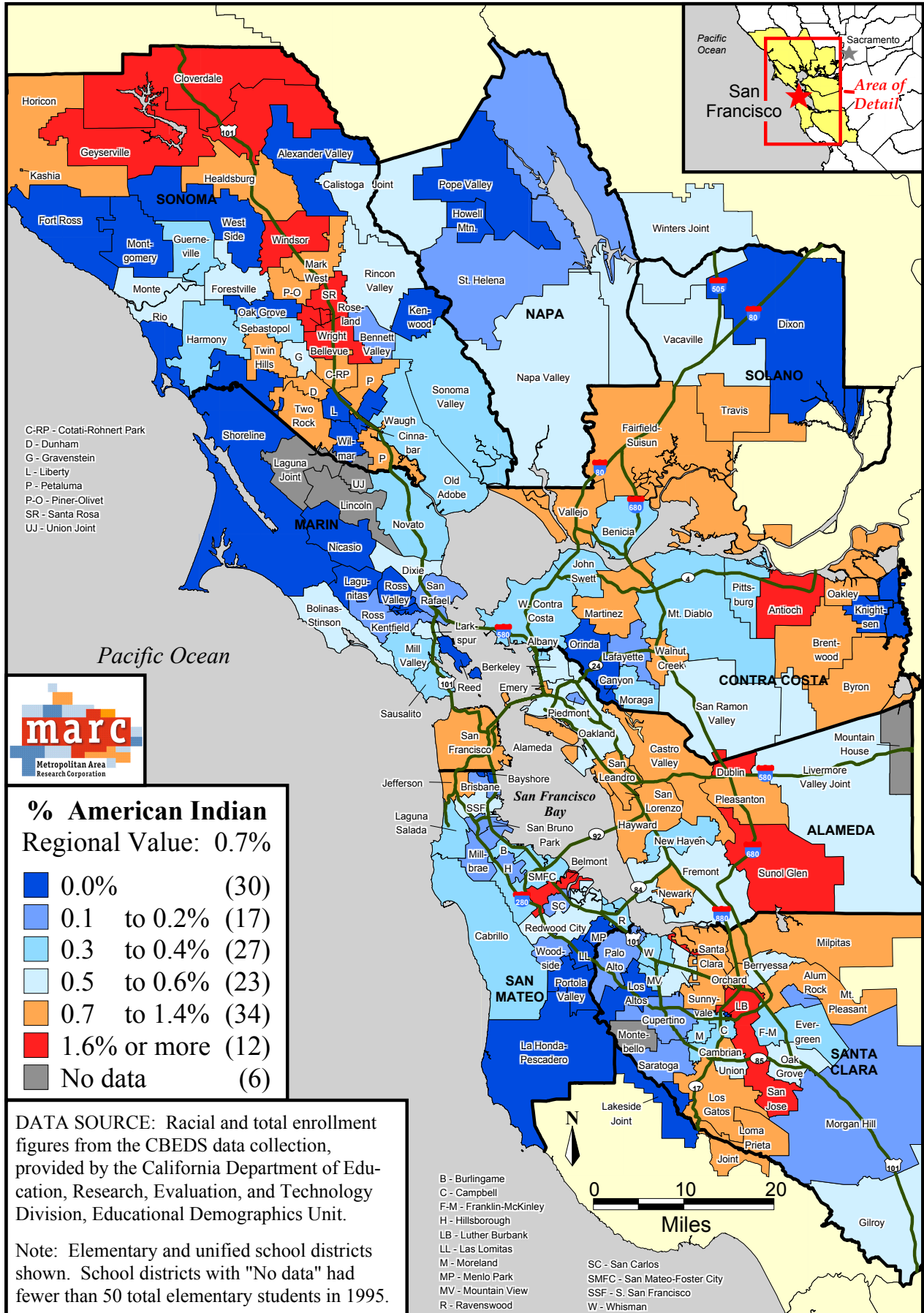


Figure 18: Percentage American Indian Elementary Students by School District, 1995



Four school districts in the region had higher percentages of American Indian elementary students than San Jose unified—all in the Santa Rosa area—Wright elementary (3 percent), Santa Rosa elementary (3.3 percent), Geyserville unified (4 percent), and Roseland elementary (7.1 percent). Five districts had 0.1 percent American Indian students, including Lafayette elementary and Cupertino Union elementary, and 30 districts had zero, including Orinda Union elementary and Los Altos elementary.

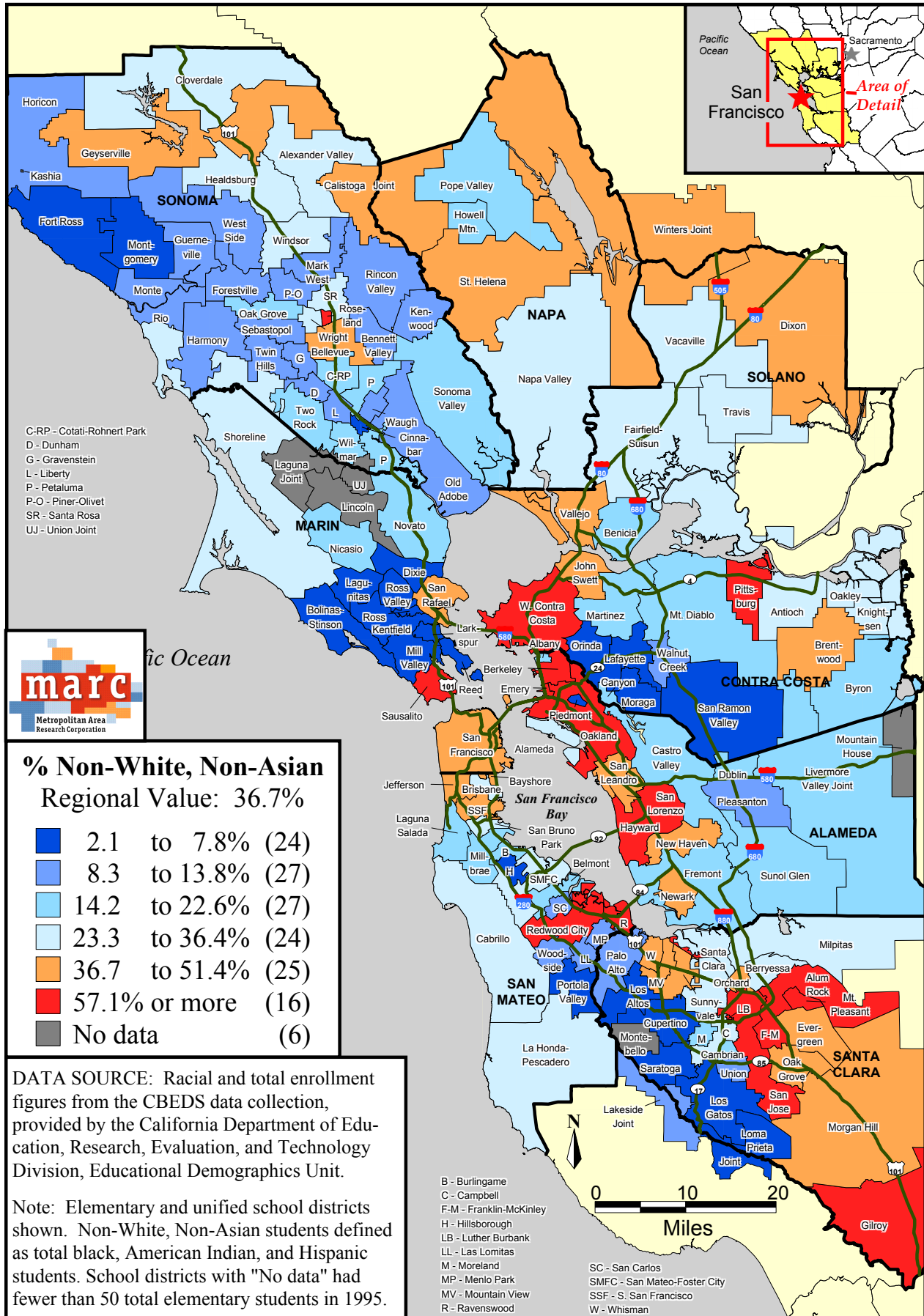
In the next portion of the report, we look at the concentration of non-White/non-Asian students in the Bay Area schools.⁶³ Here we have chosen to exclude Asian students because national studies show that Blacks and Hispanics, in particular, experience much higher and more persistent levels of racial segregation both in terms of housing and schools than Asians. While it is conceivable that some members of the Asian community, particularly the more recently immigrated Southeast Asians, experience high levels of segregation, we were unable to locate literature on Asian segregation and housing market discrimination equivalent to the powerful evidence of such patterns in terms of Blacks and Hispanics.

In 1995, the Bay Area as a whole had 36.7 percent non-White/non-Asian elementary students (Figure 19). The Oakland unified school district had 73.4 percent non-White/non-Asian elementary students, San Jose unified had 57.1 percent, and San Francisco unified had 41.4 percent. There were three school districts with higher percentages of non-White/non-Asian students than Oakland and fourteen with percentages higher than San Jose, including Alum Rock Union (70.6 percent), West Contra Costa unified (58.6 percent), and Hayward unified (57.3 percent). At the same time, there were eighteen school districts with less than 6 percent non-White/non-Asian students. The school districts in the affluent areas northwest of San Jose and eastern Contra Costa County uniformly had less than 6 percent non-White/non-Asian students. Examples include Orinda Union (3.1 percent), Moraga (3.2 percent), Lafayette (3.9 percent), Saratoga Union (4 percent), San Ramon Valley unified (5.5 percent), and Cupertino Union (5.6 percent).

As a whole, the percentage of non-White/non-Asian elementary students in the region increased by 5.8 percentage points (Figure 20). Of the three central cities' school districts, San Jose unified was the only district that experienced an increase in non-White/non-Asian students—from 40.5 to 57.1 percent (16.6 percentage points). San Francisco unified and Oakland unified actually decreased in percentage non-White/non-Asian students. San Francisco went from 42.7 to 41.1 percent non-White/non-Asian students (1.3 percentage point decrease) and Oakland went from 75.3 to 73.4 percent non-White/non-Asian students (1.9 percentage point decrease). There were ten suburban school districts that experienced a greater increase in non-White/non-Asian children than San Jose, including Hayward unified, which went from 36.8 to 57.3 percent (20.5 percentage points); San Lorenzo unified, which went from 24.5 to 45.3 percent (20.8 percentage points); and San Leandro unified, which went from 19.5 to 43.7 percent (24.2 percentage points), all southern suburbs of Oakland. Sixteen school districts decreased in percentage non-White/non-Asian elementary students faster than Oakland, including Evergreen

⁶³ This group includes the following categories from the CBEDS data collection, provided by the California Department of Education, Research, Evaluation, and Technology Division, Educational Demographics Unit: American Indian or Alaskan Native, Hispanic, and Black.

Figure 19: Percentage Non-White, Non-Asian Elementary Students by School District, 1995



elementary, which went from 42.5 to 38.9 percent (3.6 percentage points) and Brisbane elementary, which went from 33.5 to 23.4 percent (10.1 percentage points).

Percent non-White/non-Asian Students, 1985-1995

	<u>Oakland Unified</u>	<u>San Jose Unified</u>	<u>San Francisco Unified</u>
1985	75.3	40.5	42.7
1995	73.4	57.1	41.4
Change in %age Pts	-1.9	16.6	-1.3

At the elementary school level, the percentage of non-White/non-Asian elementary students in the cities of San Francisco, Oakland, Alameda, Albany, Berkeley, Emery, Piedmont, and West Contra Costa in 1995 averaged 55.2 percent (Figure 21). All but one of the 41 elementary schools with the highest percentage non-White/non-Asian students were in either the Oakland unified or the West Contra Costa unified school district. Eight elementary schools, all but one located in Oakland (San Francisco’s Mission Education Center), had more than 96 percent non-White/non-Asian students, including Stonehurst (96.1 percent) and Parker (97.7 percent). At the other end, besides the Chinese Education Center and the Filipino Education Center in San Francisco (both zero), only five districts had less than 7 percent non-White/non-Asian students. These included the three Piedmont elementary schools, Havens (2.6 percent) with the smallest percentage, and Alamo (6.1 percent) and Jefferson (6.7 percent) in San Francisco.

Many elementary schools have seen their non-White/non-Asian populations increase dramatically in just the past few years (Figure 22). The West Contra Costa unified school district contains ten elementary schools which had non-White/non-Asian population growth of more than 19 percentage points in ten years. The school with the greatest increase in the region, Washington elementary (36.1 percentage points), went from 54.5 percent non-White/non-Asian students in 1985 to over 90 percent in 1995. Other schools that saw great increases in percentage of non-White/non-Asian students were Starr King in San Francisco (32.4 percentage points) and Longfellow in Alameda unified district. Five elementary schools had decreases in non-White/non-Asian students of more than 20 percent, four of which are in southern Oakland. The school with the greatest decrease, Manzanita (31 percentage points) went from 92.8 percent non-White/non-Asian students in 1985 to 31 percent in 1995.

3. The Flight of White Preschool Children

The best available method to track White, school-related flight on the census tract level is to calculate the net loss of preschool White children between census periods. Because of the high correlation between being White and middle class, it is also a reasonably good surrogate for middle-class family flight. In 1980, in tracts where data was available, there were 5,305 White preschool children from 0 to 4 years old in Oakland. Ten years later, there were only 3,853 White children between 10 to 14 years old remaining. Thus, during the 1980s, Oakland experienced a net loss of 27.4 percent of its 1980 White preschool children in those census tracts (Figure 23). During the 1980’s San Francisco lost an almost equal percentage of its 1980 White preschool children in tracts where data was available (25.1 percent).⁶⁴ In that city in 1980 there 12,442

⁶⁴ Much of this loss, particularly in the northern part of San Francisco, could be attributed to military base closures. Military base closures could also explain the tremendous loss of white children in Alameda.

Figure 20: Change in Percentage Points - Non-White, Non-Asian Elementary Students by School District, 1985-1995

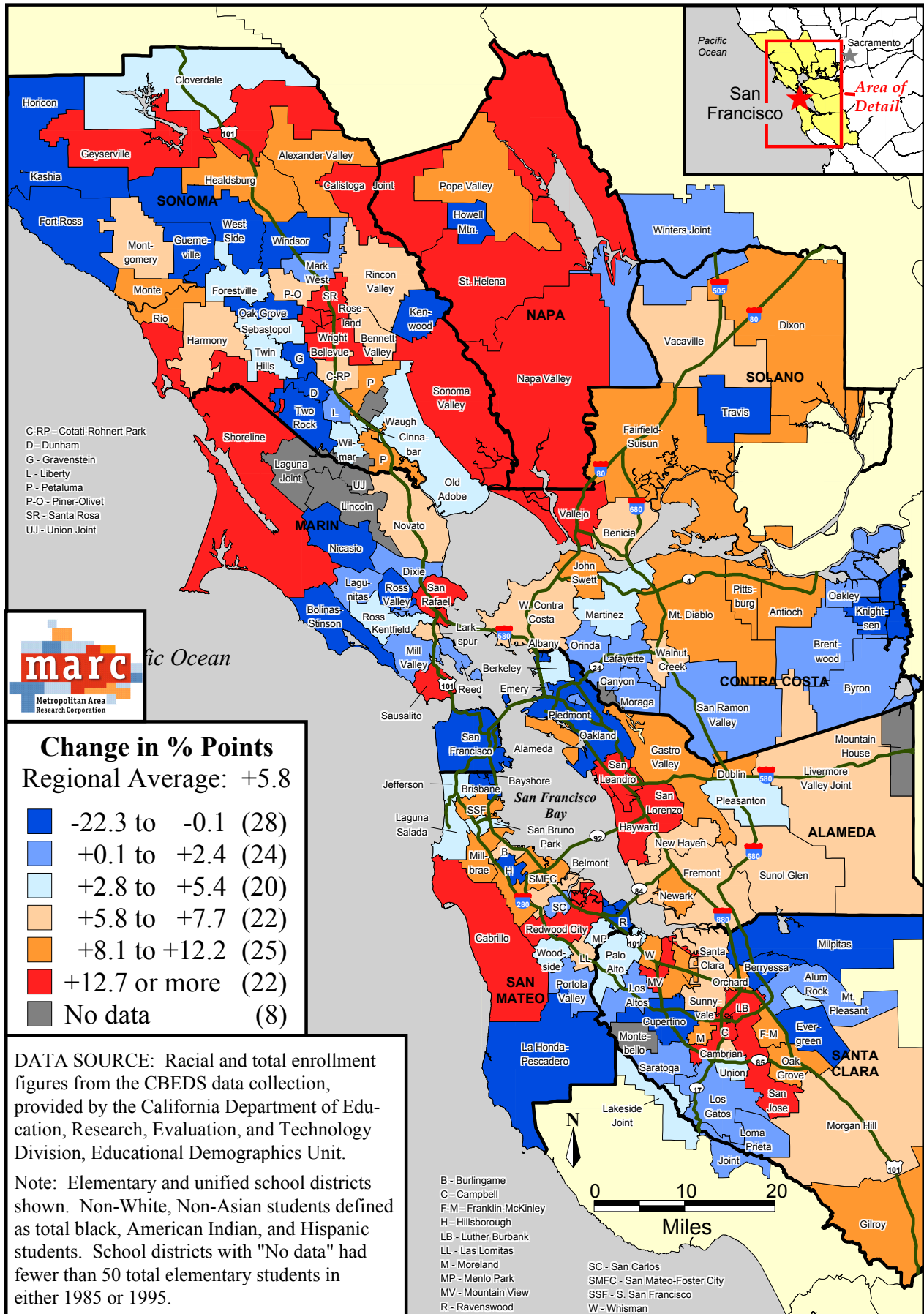
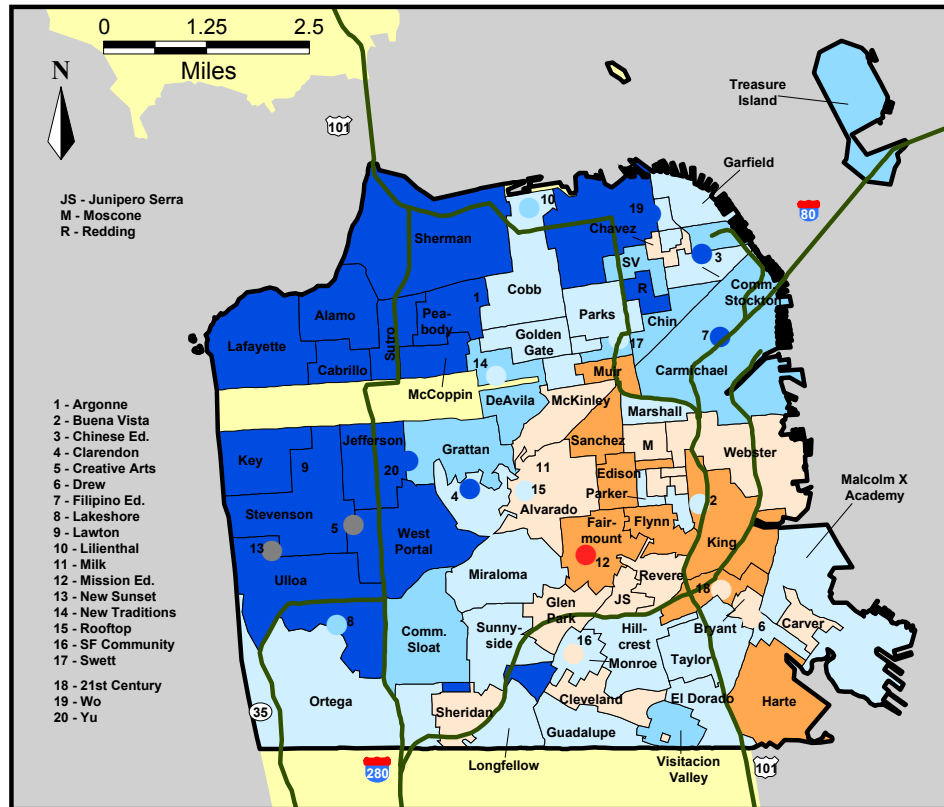
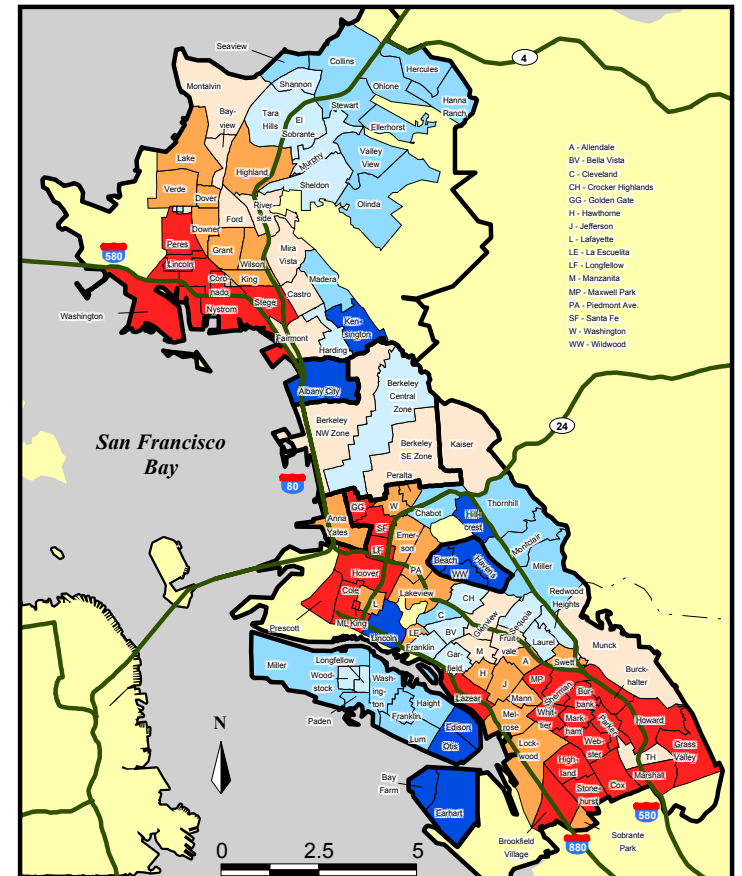


Figure 21: Percentage Non-White, Non-Asian Elementary Students by Elementary School Zone, 1995

San Francisco



Alameda-Albany-Berkeley-Emery-Oakland-Piedmont-West Contra Costa



Percentage Non-White, Non-Asian Average: 55.2%

0.0 to 18.3%	(31)
20.0 to 37.7%	(31)
39.2 to 54.4%	(37)
55.2 to 70.5%	(31)
72.7 to 86.0%	(31)
87.5% or more	(30)
No data	(2)

DATA SOURCE: California State Department of Education, Research, Evaluation, and Technology Division (1995-96 racial & total enrollment figures); Alameda City Unified, Albany City Unified, Berkeley Unified, Emery Unified, Oakland Unified, Piedmont City Unified, San Francisco Unified, and West Contra Costa Unified school districts (elementary school boundary zone base maps).

Note: Elementary schools with "No data" either had no racial data available or else had fewer than 50 total students in 1995.

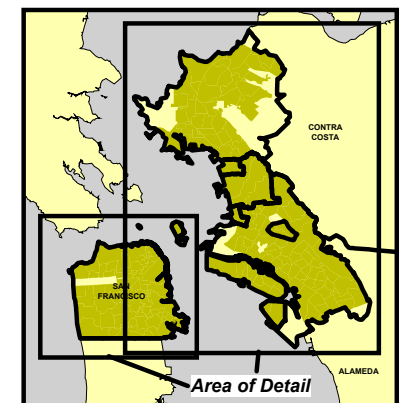
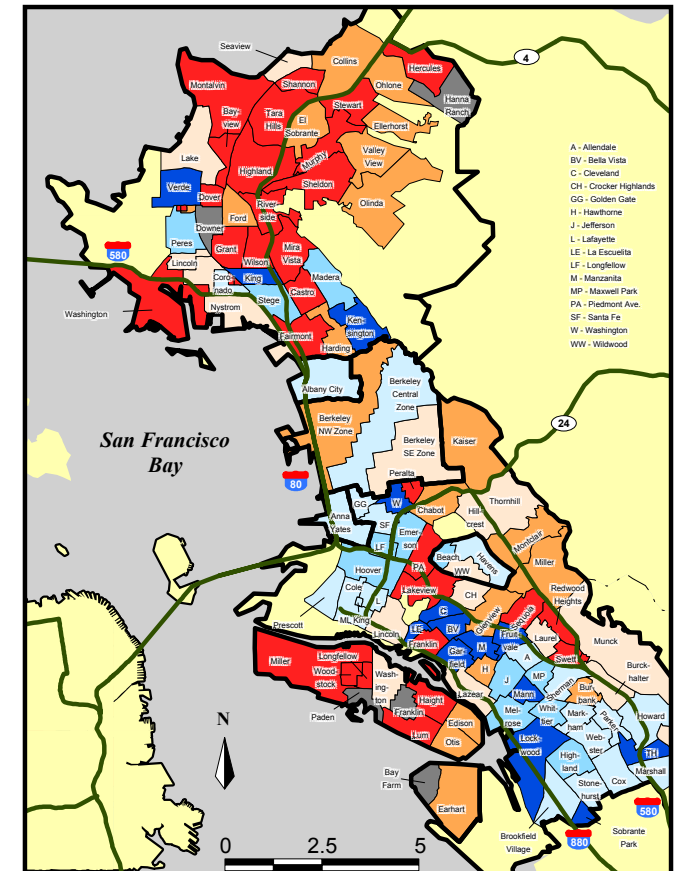
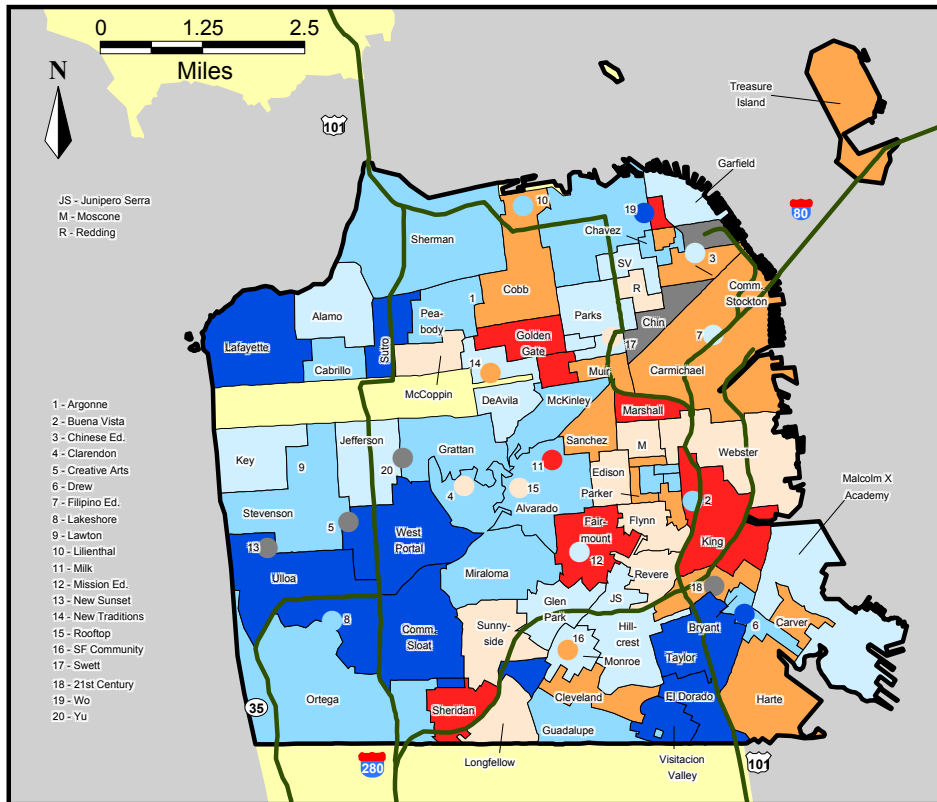


Figure 22: Change in Percentage Points - Non-White, Non-Asian Elementary Students by Elementary School Zone, 1985-1995

Alameda-Albany-Berkeley-Emery-Oakland-Piedmont-West Contra Costa

San Francisco

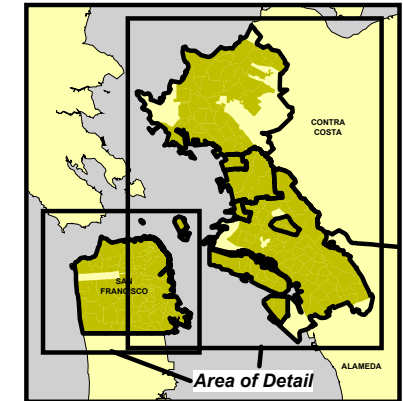


Change in Percentage Points
Average Change: +1.2

Dark Blue	-31.0 to -9.7	(24)
Light Blue	-9.2 to -3.7	(29)
Very Light Blue	-3.0 to +1.1	(36)
Light Orange	+1.2 to +5.9	(28)
Dark Orange	+6.3 to +13.1	(31)
Red	+13.5 or more	(35)
Grey	No data	(10)

DATA SOURCE: California State Department of Education, Research, Evaluation, and Technology Division (1985-86 and 1995-96 racial and total enrollment figures); Alameda City Unified, Albany City Unified, Berkeley Unified, Emery Unified, Oakland Unified, Piedmont City Unified, San Francisco Unified, and West Contra Costa Unified school districts (elementary school boundary zone base maps).

Note: Elementary schools with "No data" either did not exist in 1985, had no racial data available in 1995, or else had fewer than 50 total students in 1995.



White preschool children from 0 to 4 years old in certain census tracts. Ten years later, there were only 9,318 White children between 10 to 14 years old remaining in those same tracts. The percent White children lost in San Jose during the 1980's was much less than in the other two central cities (7.9 percent)—going from 29,610 White children ages 0 to 4 in 1980 to 27,258 White children ages 10 to 14 in 1990 in tracts where data was available.

Of the ten inner suburbs surrounding Oakland there was one suburb that lost White children at a faster rate than Oakland: El Cerrito went from 833 White children between 0 and 4 years old in 1980 to 570 between 10 and 14 years old in 1990 (31.6 percent decrease).⁶⁵ Other cities that lost White children at a high rate include San Pablo, which went from 721 White children between 0 and 4 in 1980 to 573 between 10 and 14 in 1990 (20.5 percent) and Richmond, which went from 1,638 between 0 and 4 in 1980 to 1,314 between 10 and 14 in 1990 (19.8 percent). There were only three cities surrounding Oakland that gained White children, the fastest rate of increase being in Piedmont, which went from 434 White preschool children in 1980 to 627 White children ages 10 to 14 in 1990 (44.5 percent). Hercules went from 307 White children ages 0 to 4 years in 1980 to 432 White children ages 10 to 14 in 1990 (40.8 percent) and Pinole went from 668 White preschool children in 1980 to 750 White children between 10 and 14 in 1990 (12.3 percent). The inner Bay Area as a whole lost 2.8 percent of its White children over the decade.

F. Crime

In 1995, the crime rate for Oakland was 10,585 Part I crimes and 2,182 violent crimes per 100,000 residents. For San Francisco the rate was 8,100 Part I crimes and 1,450 violent crimes per 100,000 residents. And for San Jose it was 4,365 Part I crimes and 792 violent crimes per 100,000 residents. (Figure 24).⁶⁶

Crimes Per 100,000 Persons, 1995

	Oakland	San Francisco	San Jose
Part I	10,585	8,100	4,365
Violent	2,182	1,450	792

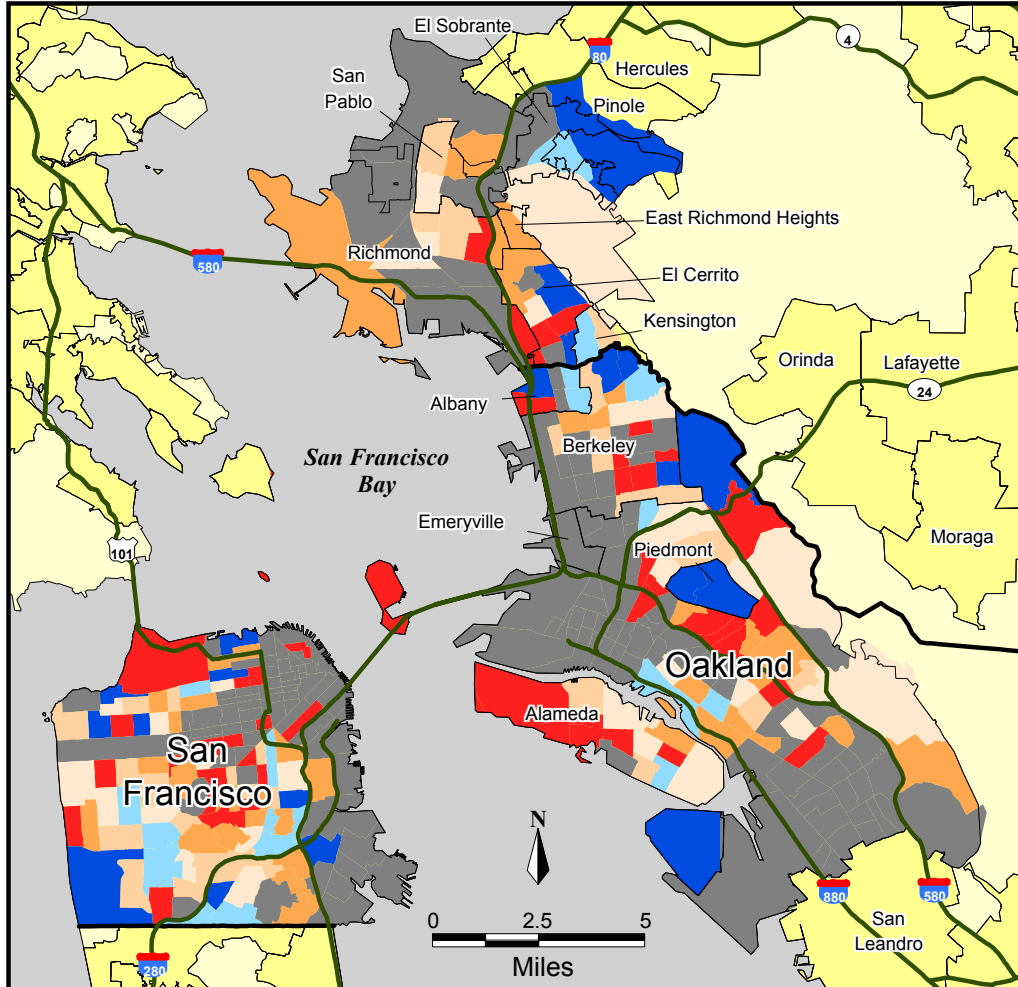
The rates for Oakland and San Francisco were among the highest of the municipalities in the nine-county area. Only the cities of Colma (41,393), Emeryville (29,438), and Berkeley (10,965) had higher Part I crime rates per 100,000 persons than Oakland. Part I crime rates were higher in San Pablo (10,300), Richmond (9,039), and Vallejo (8,105) than in San Francisco. Overall, there were twenty-nine suburban Bay Area communities with Part I crime rates of more

⁶⁵ It is possible that the tremendous loss of White children in El Cerrito, in Berkeley, and in parts of San Francisco and Oakland was due, in part, to gentrification of the neighborhoods resulting in an influx of young professionals with few or no children and an outflow of poorer families of all races.

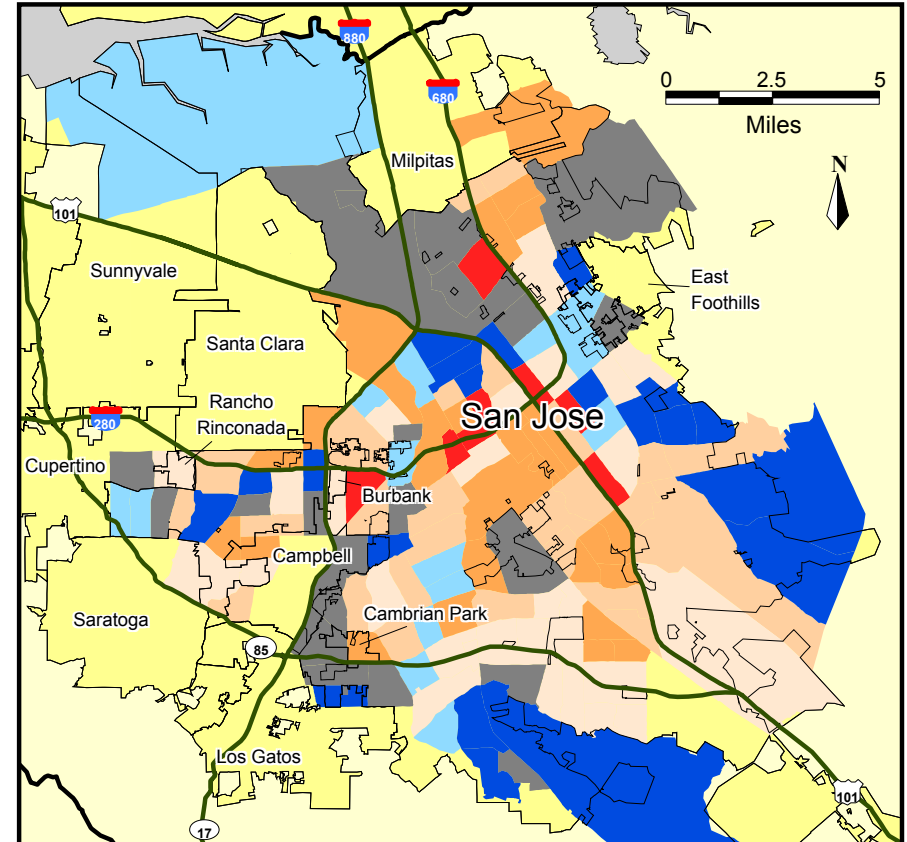
⁶⁶ All Bay Area municipality-level crime data from the State of California's Criminal Justice Statistics Center. The Part I crime category includes willful homicide, forcible rape, robbery, aggravated assault, burglary, larceny-theft, motor vehicle theft, and arson. The violent crimes category is a subset of Part I crime and consists of willful homicide, forcible rape, robbery, and aggravated assault. (Definitions provided by the Criminal Justice Statistics Center).

Figure 23: Percentage Change from White Children Age 0-4 in 1980 to Age 10-14 in 1990 by Census Tract

San Francisco-Oakland-Berkeley-Richmond



San Jose



DATA SOURCE: 1980 & 1990 U.S. Censuses of Population & Housing Summary Tape File 3A

Note: Tracts with "No data" contained fewer than 50 white children age 0-4 in 1980, or had data suppressed in 1980. Racial data suppression may occur in any tract that contained between 1 and 29 people of any given race in 1980.

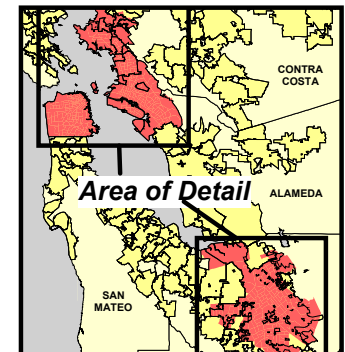


The "Regional Average" figure is the average for the greater nine-county San Francisco Bay Area, which includes Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, Solano, and Sonoma counties.

Percentage Change
Regional Average: -2.8%

Red	-100.0 to -50.6%	(52)
Dark Orange	-49.4 to -34.3%	(66)
Light Orange	-33.6 to -20.2%	(61)
Very Light Orange	-19.4 to -3.0%	(68)
Light Blue	-2.8 to 20.0%	(34)
Dark Blue	22.7% or more	(39)
Grey	No data	(172)

County
Place



than 5,000 per 100,000 population. San Pablo (2,596) was the only city with a higher violent crime rate per 100,000 residents than the city of Oakland. The cities of Richmond (2,173), Emeryville (1,766), and Vallejo (1,451) had higher violent crime rates than San Francisco. Altogether, there were ten suburban Bay Area communities that had violent crime rates of more than 900 per 100,000 population in 1995.

At the other end of the spectrum, there were 11 municipalities with 1995 Part I crime rates of less than 2,000 per 100,000 population. These communities were primarily located in the high tax base areas northwest of San Jose (Los Altos Hills, 841 per 100,000; Hillsborough, 955 per 100,000; Los Altos, 1,763 per 100,000); east of Oakland (Moraga, 1,681 per 100,000; Orinda, 1,774 per 100,000). These same high tax base areas also boasted low violent crime rates. Places such as Hillsborough (54 per 100,000), Danville (64 per 100,000), Moraga (74 per 100,000), and Lafayette (98 per 100,000) all had violent crime rates of fewer than 100 per 100,000 population.

Between 1985 and 1995, Part I crime rates per 100,000 persons declined in all three central cities and in all but twenty-eight of the ninety-three suburban communities that had their own police departments. Oakland saw an 11.8 percent decrease in Part I crime per 100,000 persons (from 11,997 to 10,585), San Francisco decreased by 1.1 percent (from 8,188 to 8,100), and San Jose by 23.6 percent (from 5,709 to 4,365) (Figure 25).

Of the twenty-eight cities in the region that saw increases in their Part I crime rate, five had increases of 30 percent or greater. These large increases were found in both high tax base and low tax base communities, such as Novato, which went from 3,210 to 4,263 Part I crimes per 100,000 persons (32.8 percent increase); Cloverdale, which went from 4,483 to 6,185 Part I crimes per 100,000 persons (38 percent); and led by Rio Vista, which went from 3,095 to 5,613 Part I crimes per 100,000 persons (81.4 percent).

While Part I crime rates declined over the decade in most parts of the region, violent crime rates increased in all but thirty-four cities, including all three central cities. Oakland's violent crime rate increased by 17.5 percent (from 1,857 to 2,182 crimes per 100,000 persons), San Francisco's by 9.9 percent (from 1,319 to 1,450 crimes per 100,000 persons), and San Jose's by an incredible 63.0 percent (from 486 to 792 crimes per 100,000 persons).

Percent Change in Crimes Per 100,000 Persons, 1985-1995

	Oakland	San Francisco	San Jose
Part I	-11.8	-1.1	-23.6
Violent	17.5	9.9	63.0

Of the thirty-four communities that saw increases in their violent crime rates, fourteen increased by more than 100 percent from 1985 to 1995. Many of these increases were found in low tax base/low social health communities, such as Vallejo, which went from 691 to 1,451 violent crimes per 100,000 persons (110 percent); Fairfield, which went from 414 to 957 violent crimes per 100,000 persons (131.2 percent); and Gilroy, which went from 396 to 1,363 violent crimes per 100,000 persons (244.2 percent). However, many low tax base communities also saw large changes, such as Belmont, which went from 143 to 307 violent crimes per 100,000 persons