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LOSING GROUND: THE DISTRICT'S LOWEST-INCOME NEIGHBORHOODS SUFFERED LARGE POPULATION AND INCOME LOSSES IN THE 1990s

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Summary

Income inequality in the District of Columbia — the gap between high-income and low-income households — is as wide as or wider than in any other major U.S. city. By the late 1990s the average income of the top fifth of District households was 31 times the average income of the lowest-income fifth of households. The large gap grew in the 1990s, as a result of expanding income for the highest-income District households and stagnating incomes for the lowest-income residents.¹

Inequality is also evident in the District's neighborhoods, with average incomes varying widely from neighborhood to neighborhood. Just as the income gap among District households grew, neighborhood economic disparities also widened during the 1990s, as most lower-income neighborhoods suffered large losses of income and population, while high-income neighborhoods experienced large increases in average income and typically had population gains or only modest declines. The District's middle-income neighborhoods

KEY FINDINGS

- Economic disparities among DC neighborhoods widened sharply in the 1990s, as most lower-income areas suffered large losses of both income and population, while higher-income areas typically posted substantial gains.
- While income in DC grew 7.4% between 1989 and 1999, nearly all low-income neighborhood clusters lost income, as much as 25 percent in Barry Farms. Meanwhile, 10 of the 11 high-income neighborhood clusters gained as much as 20 percent.
- Overall, DC lost 28,000 residents in the 1990s, or 5% of its population. The losses were concentrated in low-income neighborhood clusters, where all but two lost population, and in middle-income clusters, where 11 out of 15 lost population. A majority of high-income clusters — 7 out of 11 — gained population.
- Lower-income neighborhoods also suffered from a loss of middle-income families. Of 13 low-income neighborhood clusters, 12 experienced a decline in families earning \$75,000 or more.
- While many middle-income neighborhood clusters faced overall declines, a few — Downtown, Howard, and Logan Circle — posted impressive gains, particularly in income that appear to be signs of gentrification.

¹ DC Fiscal Policy Institute, *Income Inequality Is Wider in the District of Columbia than in Any Major U.S. City*, July 2004 (<http://www.dcfpi.org/7-22-04pov.htm>).

remained somewhat stagnant, with the exception of a few showing gains that appear to be signs of gentrification.

This analysis uses 1990 and 2000 U.S. Census tract data to provide a neighborhood-by-neighborhood comparison of economic changes in the 1990s. The District Office of Planning combines the Census tracts into 39 neighborhood clusters. Each neighborhood cluster identified by the Office of Planning contains several neighborhoods. The tables in this analysis refer to the clusters based on the first neighborhood listed by the Office of Planning. The full list of all neighborhoods included in each cluster is listed in Appendix A. DCFPI ranked these neighborhood clusters as “low-income,” “middle-income,” and “high-income,” based on their per capita income in 1999. This analysis assesses changes in five areas: aggregate neighborhood income, population, per capita income, poverty, and the number of households with middle incomes or higher, defined as those with incomes above \$75,000. The analysis of changes in these measures revealed the following:

- Of the District’s 13 low-income neighborhood clusters, 11 lost neighborhood income. Moreover, the top six decreases in neighborhood income were found in low-income neighborhood clusters: Barry Farms, Historic Anacostia, Ivy City, Capitol View, Mayfair, and River Terrace. Declines in these neighborhood clusters were as high as 25 percent. The decreases in income reflect a combination of population change and drops in per capita income.
- Most of the District’s neighborhood clusters — 26 of 39 — lost population in the 1990s, resulting in a net loss of almost 28,000 residents over the decade. The largest population declines, however, were in low-income neighborhood clusters. The top five decreases in population, which were as high as 20 percent, were all in low-income neighborhood clusters.
- While income per capita — the average income per person — rose 12.7 percent city-wide in the 1990s, adjusting for inflation, it fell in seven of the 13 low-income neighborhood clusters. The largest losses were 30 percent in Kenilworth and 23 percent in Barry Farms.
- Almost all of the District’s neighborhood clusters — 34 out of 39 — had increases between 1989 and 1999 in the percentage of their residents living in poverty. When measured on a percentage basis, the increase in poverty in many high-income neighborhood clusters was substantial, because these clusters typically had a small number of poor residents in 1989. In raw numbers, however, the biggest increases were in low- and middle-income neighborhood clusters. Middle-income neighborhood clusters gained an average of 528 poor residents over the decade and low-income neighborhood clusters gained an average of 464 poor residents. This compares to an average increase of 171 poor residents in high-income neighborhood clusters.
- Along with the losses in income and the increases in poverty, low-income neighborhood clusters lost many of their middle- and high-income families in the 1990s. All but one low-income neighborhood cluster experienced a drop in the number of families with incomes above \$75,000 during the 1990s, with low-income Barry Farms and Ivy City losing the most of any neighborhood cluster — losing 54 percent and 43 percent of their middle- and upper-income families respectively.
- Overall, only one low-income neighborhood cluster — Skyland in Ward 7 — registered positive changes in these measures in the 1990s. The neighborhood cluster maintained its population, had

a modest increase in average income, and had an increase in the number of middle- and high-income families.

While low-income neighborhood clusters were consistently losing ground in the 1990s, high-income neighborhood clusters were gaining ground. Overall, high-income neighborhood clusters lost only a small portion of their population and gained income over the decade, even though most also had increases in poverty. In fact, neighborhood income rose more than 20 percent, after adjusting for inflation, in five of 11 high-income neighborhood clusters — Dupont Circle, Friendship Heights, Georgetown, Chevy Chase, and Kalorama Heights.

Many middle-income neighborhood clusters faced declines in income and population in the 1990s, although in most cases the declines were not as great as in low-income neighborhood clusters. A small number of middle-income neighborhood clusters — Downtown, Howard University, and Logan Circle — posted some of the most impressive gains in income and in the number of high-income families of all neighborhood clusters. The dramatic increases, particularly in average income, appear to be signs that these neighborhood clusters began gentrifying in the 1990s — that is, they became increasingly popular to middle- and upper-income families.

These findings suggest, together with the findings on growing income inequality, that the District's economic gains have not been shared by all of its residents. Increasingly, the District's lowest-income households are being concentrated and isolated in neighborhoods that, over time, bear the brunt of the District's declines in population and income. Low-income residents already find it difficult to afford quality housing, food, childcare, and health care. These declines in low-income neighborhoods make it difficult to sustain acceptable service levels — in education, child care, health care, retail and development, and quality affordable housing — because the income and population base that would support these services has been continuously eroding.

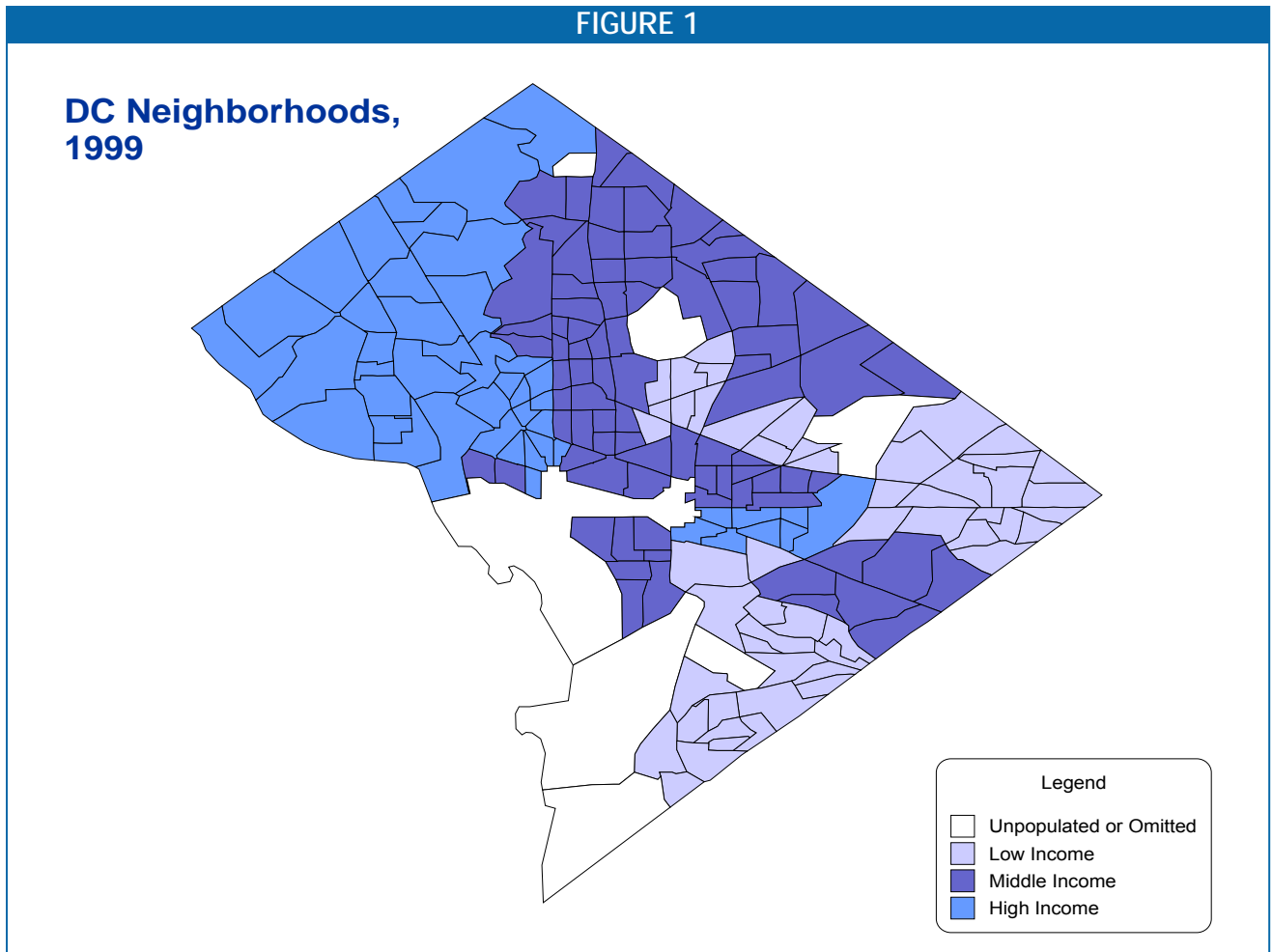
Methods

This analysis divides each of the 39 District neighborhood clusters, as designated by the Office of Planning, into one of three groups, defined here as “low-income,” “middle-income,” and “high-income.” The grouping is based on per capita income in 1999. Overall income per capita in the District stood at \$29,000 in 1999, but variation in per capita income by neighborhood cluster was substantial, ranging from \$8,000 to \$65,000.

- Some 13 District neighborhood clusters had per capita income of 17,000 or less in 1999. They are defined in this analysis as “low-income.” (See Appendix A for a ranking of per capita income by District neighborhood cluster in 1999.)
- Another 15 neighborhood clusters had per capita income between 18,000 and 32,000, and are defined here as “middle-income.”
- Some 11 neighborhood clusters had per capita income of 37,000 or higher. These are defined here as “high-income” areas.

As shown in Figure 1, the District's low-income neighborhood clusters generally are in the Northeast and Southeast portions of the city, while most high-income neighborhood clusters are in

FIGURE 1



Northwest, west of Rock Creek Park.

This analysis assesses changes in the 1990s in five measures for each neighborhood cluster: **Neighborhood Income** is a measure of total income of all residents in the neighborhood. Changes in neighborhood income stem from changes in **population** and in **income per capita**, or average income per resident. This analysis also assesses changes in the number of residents with incomes below **poverty**, as well as changes in the number of residents with incomes above \$75,000, referred to in this report as **middle- and high-income households**.

DC's Low-Income Neighborhood Clusters Lost the Most Income While High-Income Neighborhood Clusters Gained

The District's lowest income households experienced just a three percent increase in average household income in the 1990s, compared with a 36 percent increase for the highest-income residents during the same period. Households in the middle increased only modestly — around 8 percent.² A review of income changes at the neighborhood level shows even greater disparities, with

² DC Fiscal Policy Institute, *Income Inequality Is Wider in the District of Columbia than in Any Major U.S. City*, July 2004 (<http://www.dcfpi.org/7-22-04pov.htm>).

aggregate income actually falling in many lower-income neighborhood clusters. Meanwhile, the highest-income neighborhood clusters had the most gains in income.

**Percent Change in Neighborhood Income by Neighborhood Cluster
1989-1999**

*in millions, **Positive Change**/Negative Change

Low-Income DC Neighborhood Clusters				
Neighborhood (Ward)	1989	1999	Dollar Change	% Change
Kenilworth (7)	\$ 26.2	\$ 32.4	\$ 6.2	23.6%
Skyland (8)	80.1	88.4	8.3	10.5%
Edgewood (5)	339.4	317.1	(22.3)	-6.6%
Congress Heights (8)	471.3	428.1	(43.2)	-9.2%
Woodland (8)	81.3	73	(8.3)	-10.2%
Deanwood (7)	212.1	186.9	(25.2)	-11.9%
Near Southeast (6)	68.5	59.4	(9.1)	-13.3%
River Terrace (7)	229.6	193.6	(36)	-15.7%
Mayfair (7)	93	78.1	(14.9)	-16.1%
Capitol View (7)	262.7	219.3	(43.4)	-16.5%
Ivy City (5)	237	195.4	(41.6)	-17.6%
Historic Anacostia (8)	64.2	52.1	(12.1)	-18.8%
Bary Farms (8)	97.8	73	(24.8)	-25.3%

Middle-Income DC Neighborhood Clusters				
Neighborhood (Ward)	1989	1999	Dollar Change	% Change
Downtown (2 & 6)	\$ 104.8	\$ 164.9	\$ 60.1	57.3%
Howard University (1 & 2)	167.9	221	53.1	31.7%
Logan Circle (2)	415.1	504.3	89.2	21.5%
Mt. Pleasant (1)	733.2	820.8	87.6	11.9%
Near Northeast (7)	726.2	780.7	54.5	7.5%
Woodridge (5)	242.9	252.5	9.6	4.0%
Brightwood Park (4)	817.7	828.9	11.2	1.4%
Twining (7 & 8)	351.8	344.9	(6.9)	-2.0%
Takoma (4)	459.4	443.8	(15.6)	-3.4%
Brookland (5)	173.2	166.5	(6.7)	-3.9%
North Michigan Park (5)	257.7	241.9	(15.8)	-6.1%
Fort Totten (5)	276.7	254.3	(22.4)	-8.1%
West End (2)	364.7	326.9	(37.8)	-10.4%
Hillcrest (7)	217.7	186.2	(31.5)	-14.5%
Southwest Employment Area (2 & 6)	384.2	327.9	(56.3)	-14.6%

High-Income DC Neighborhood Clusters				
Neighborhood (Ward)	1989	1999	Dollar Change	% Change
Dupont Circle (2)	\$ 747	\$ 962.4	\$ 215.4	28.8%
Friendship Heights (3)	504.6	640.1	135.5	26.8%
Georgetown (2 & 3)	809.9	1,018.5	208.6	25.8%
Chevy Chase (3 & 4)	530.1	661.5	131.4	24.8%
Kalorama Heights (1 & 2)	706.1	866.9	160.8	22.8%
Capitol Hill (6)	610.7	692.3	81.6	13.4%
North Cleveland Park (3)	784.3	887.9	103.6	13.2%
Foxhall Crescents (3)	1,025.1	1,153.2	128.1	12.5%
Cleveland Park (3)	750.2	803.9	53.7	7.2%
North Portal Estates (4)	193.8	205.4	11.6	6.0%
Cathedral Heights (3)	519.7	496.5	(23.2)	-4.5%

Between 1989 and 1999, total income in the District — that is, the aggregate income of all residents — grew by 7.4 percent after adjusting for inflation. At the neighborhood level, however, half of the District's neighborhood clusters lost income and half gained income. Almost without

exception, the neighborhoods that lost income were low- and middle-income neighborhood clusters. Moreover, the biggest losses were exclusively in low-income neighborhood clusters.

- Some 11 of the District's 13 low-income neighborhood clusters lost neighborhood income in the 1990s. Nine of those lost a large amount of neighborhood income — more than 10 percent.
- The income losses in the District's lowest-income neighborhood clusters were the largest in the city, with Barry Farms, Historic Anacostia, Ivy City, Capitol View, Mayfair, and River Terrace experiencing the six largest declines. These neighborhood clusters lost more than 15 percent of their income in the 1990s. The income decline in Barry Farms was 25 percent.
- In the District's 11 high-income neighborhood clusters, 10 gained neighborhood income, and most posted gains of more than 10 percent.

The changes in middle-income neighborhood clusters were much more balanced. Of the 15 middle-income neighborhood clusters, seven gained income and eight lost income. In eight of the neighborhood clusters, the increases and the decreases were less than 10 percent.

It is noteworthy that the largest gains in neighborhood income city-wide were in two middle-income neighborhood clusters — Downtown gained 57 percent and Howard University gained 32 percent. As discussed in more detail later in this report, these gains were consistent with other economic trends in these neighborhood clusters — such as decreases in poverty and increases in the number of high-income families — which suggest that they were undergoing gentrification.

Only two low-income neighborhood clusters — Kenilworth and Skyland — gained neighborhood income in the 1990s. The increase in Kenilworth is the result of a large increase in population in that neighborhood cluster. The neighborhood cluster fared poorly on other measures including a very large decline in per capita income and an increase in poverty. This suggests that Kenilworth's population growth stemmed from an influx of very low-income residents. Because of development activity in the neighborhood cluster in the 1990s, the influx was likely residents moving from poorly maintained housing developments in nearby neighborhood clusters to newly redeveloped housing in Kenilworth. It was not likely an influx of residents from far-reaching parts of the city or from outside the city.

Skyland, on the other hand, registered other positive changes over the decade, including an increase in per capita income and an increase in the number of middle- and upper-income families. As discussed below, these measures suggest that Skyland was a stable neighborhood cluster in the 1990s.

DC's Lowest-Income Neighborhood Clusters Lost the Most Population

The District lost 28,000 residents, or five percent, of its population between 1989 and 1999 and population declines were found in 26 of the 39 neighborhood clusters. In most cases, population changes at the neighborhood level, both increases and decreases, were less than 10 percent. Still, most of the large decreases were in the lowest-income neighborhood clusters, while the largest increases (with the exception of Kenilworth) were in mostly high-income neighborhood clusters.

- Some 11 of the District's 13 low-income neighborhood clusters lost population. Eight had losses of 10 percent or more.

**Change in District Population by Neighborhood Cluster
1989-1999**

*Positive Change/Negative Change

Low-Income DC Neighborhood Clusters				
Neighborhood (Ward)	1989	1999	Population Change	% Change
Kenilworth (7)	1,341	2,374	1,033	77.0%
Skyland (8)	9,007	9,058	51	0.6%
Barry Farms (8)	8,900	8,596	-304	-3.4%
Mayfair (7)	6,606	6,167	-439	-6.6%
Near Southeast (6)	5,040	4,633	-407	-8.1%
Deanwood (7)	15,792	14,113	-1,679	-10.6%
River Terrace (7)	14,126	12,493	-1,633	-11.6%
Edgewood (5)	20,862	18,429	-2,433	-11.7%
Woodland (8)	7,333	6,395	-938	-12.8%
Historic Anacostia (8)	5,689	4,873	-816	-14.3%
Congress Heights (8)	36,478	30,583	-5,895	-16.2%
Ivy City (5)	17,270	13,909	-3,361	-19.5%
Capitol View (7)	18,877	15,080	-3,797	-20.1%

Middle-Income DC Neighborhood Clusters				
Neighborhood (Ward)	1989	1999	Population Change	% Change
Logan Circle (2)	19,867	20,865	998	5.0%
West End (2)	9,830	10,244	414	4.2%
Downtown (2 & 6)	8,300	8,609	309	3.7%
Mt. Pleasant (1 & 4)	45,728	46,779	1,051	2.3%
Southwest Employment Area (2 & 6)	11,592	11,779	187	1.6%
North Michigan Park (5)	9,718	9,576	-142	-1.5%
Brightwood Park (4)	40,551	39,233	-1,318	-3.3%
Woodridge (5)	11,876	11,348	-528	-4.4%
Takoma (4)	19,428	18,441	-987	-5.1%
Howard University (1 & 2)	10,925	10,128	-797	-7.3%
Hillcrest (7)	8,756	8,025	-731	-8.3%
Near Northeast (6 & 7)	30,458	27,370	-3,088	-10.1%
Twining (7 & 8)	17,404	15,536	-1,868	-10.7%
Brookland (5)	10,065	8,906	-1,159	-11.5%
Fort Totten (4)	13,768	12,069	-1,699	-12.3%

High-Income DC Neighborhood Clusters				
Neighborhood (Ward)	1989	1999	Population Change	% Change
Chevy Chase (3 & 4)	11,510	12,724	1,214	10.5%
Foxhall Crescents (3)	17,418	18,708	1,290	7.4%
Dupont Circle (2)	17,490	18,409	919	5.3%
Georgetown (2 & 3)	17,919	18,741	822	4.6%
North Cleveland Park (3)	14,495	14,953	458	3.2%
Kalorama Heights (1 & 2)	17,812	18,167	355	2.0%
Friendship Heights (3)	10,735	10,490	-245	-2.3%
Cathedral Heights (3)	11,432	11,142	-290	-2.5%
Cleveland Park (1 & 3)	12,869	12,306	-563	-4.4%
Capitol Hill (6)	19,849	18,489	-1,360	-6.9%
North Portal Estates (4)	4,485	4,030	-455	-10.1%

- The top five population decreases city-wide were in low-income neighborhood clusters — Capitol View lost 20.1 percent of its population; Ivy City lost 19.5 percent; Congress Heights lost 16.2 percent; Historic Anacostia lost 14.3 percent; and Woodland lost 12.8 percent.
- In contrast, six of the 11 high-income neighborhood clusters gained population in the 1990s. Of the four neighborhood clusters city-wide with the greatest population increases, three were high-income areas — Chevy Chase, Foxhall Crescents, and Dupont Circle. Of the five high-income neighborhood clusters that lost population, none lost more than 10 percent. North Portal Estates was the only high-income neighborhood cluster to lose a substantial percentage of its population — 10 percent.
- The District’s middle-income neighborhood clusters fared slightly better than low-income neighborhood clusters and slightly worse than high-income neighborhood clusters. Of the 15 middle-income neighborhood clusters, 10 lost population. Only four of the losses exceeded 10 percent, however, and none were greater than 12 percent.

Notably, the largest population growth among District neighborhood clusters was Kenilworth, a low-income neighborhood cluster. The population of Kenilworth increased by 77 percent — from 1,341 in 1989 to 2,374 in 1999. As mentioned, this population increase was likely a large influx of low-income residents because Kenilworth also had the largest decrease in per capita income of any District neighborhood cluster — 30.2 percent, from \$19,538 in 1989 to \$13,645 in 1999.

Many Low-Income Neighborhood Clusters Lost Per Capita Income While Middle- and High-Income Neighborhood Clusters Gained

Per capita income — that is, average income per person — rose 12.7 percent in the District in the 1990s, after adjusting for inflation. Some 27 of the District’s 39 neighborhood clusters had increases in per capita income between 1989 and 1999. All of the low-income neighborhood clusters had below average increases in per capita income, and the largest losses were concentrated in those neighborhood clusters. A clear majority of middle- and high-income neighborhood clusters had increases in per capita income, and the largest increases also were concentrated in those neighborhood clusters.³

- Seven of 13 low-income neighborhood clusters faced a reduction in per capita income in the 1990s. In the six low-income neighborhood clusters where per capita income rose, the gains were less than 10 percent.
- The most substantial reductions in per capita income city-wide occurred in two low-income neighborhood clusters — Kenilworth, which had a 30 percent decrease, and Barry Farms, which had a 23 percent decrease.
- Among middle-income neighborhood clusters, 11 had increases in per capita income while four had reductions. Two middle-income neighborhood clusters had the largest increases in per capita income in the city — Downtown, which had a 52 percent increase, and Howard University, which had a 42 percent increase. Three other middle-income neighborhood clusters had substantial

³ All income is adjusted for inflation to equal 1999 dollars.

gains of 10 percent or more. On the other end, two middle-income neighborhood clusters — Southwest Employment Area and West End — had some of the largest declines in per capita income in the city.

**Percent Change in Per Capita Income by Neighborhood Cluster
1989-1999**

*Positive Change/Negative Change

Low-Income DC Neighborhood Clusters				
Neighborhood (Ward)	1989	1999	Dollar Change	% Change
Skyland (8)	\$ 8,889	\$ 9,763	\$ 874	9.8%
Congress Heights (8)	12,920	13,997	1,077	8.3%
Edgewood (5)	16,267	17,207	941	5.8%
Capitol View (7)	13,918	14,544	626	4.5%
Woodland (8)	11,086	11,412	326	2.9%
Ivy City (5)	13,721	14,045	324	2.4%
Deanwood (7)	13,431	13,244	(186)	-1.4%
River Terrace (7)	16,255	15,497	(758)	-4.7%
Historic Anacostia (8)	11,291	10,701	(591)	-5.2%
Near Southeast (6)	13,598	12,831	(767)	-5.6%
Mayfair (7)	14,085	12,660	(1,425)	-10.1%
Barry Farms (8)	10,989	8,495	(2,494)	-22.7%
Kenilworth (7)	19,538	13,645	(5,893)	-30.2%

Middle-Income DC Neighborhood Clusters				
Neighborhood (Ward)	1989	1999	Dollar Change	% Change
Downtown (2 & 6)	\$ 12,630	\$ 19,154	\$ 6,523	51.6%
Howard University (1 & 2)	15,365	21,822	6,457	42.0%
Near Northeast (7)	23,842	28,523	4,681	19.6%
Logan Circle (2)	20,893	24,169	3,276	15.7%
Twining (7 & 8)	20,213	22,198	1,985	9.8%
Mt. Pleasant (1)	16,035	17,546	1,511	9.4%
Woodridge (5)	20,450	22,253	1,803	8.8%
Brookland (5)	17,207	18,694	1,487	8.6%
Fort Totten (5)	20,098	21,072	974	4.8%
Brightwood Park (4)	20,165	21,127	962	4.8%
Takoma (4)	23,645	24,068	423	1.8%
North Michigan Park (5)	26,515	25,265	(1,250)	-4.7%
Hillcrest (7)	24,866	23,208	(1,659)	-6.7%
West End (2)	37,101	31,908	(5,193)	-14.0%
Southwest Employment Area (2 & 6)	33,139	27,836	(5,303)	-16.0%

High-Income DC Neighborhood Clusters				
Neighborhood (Ward)	1989	1999	Dollar Change	% Change
Friendship Heights (3)	\$ 47,008	\$ 61,020	\$ 14,011	29.8%
Dupont Circle (2)	42,712	52,280	9,569	22.4%
Capitol Hill (6)	30,766	37,443	6,678	21.7%
Kalorama Heights (1 & 2)	39,640	47,717	8,076	20.4%
Georgetown (2 & 3)	45,197	54,345	9,147	20.2%
North Portal Estates (4)	43,217	50,968	7,751	17.9%
Chevy Chase (3 & 4)	46,058	51,987	5,930	12.9%
Cleveland Park (3)	58,296	65,322	7,026	12.1%
North Cleveland Park (3)	54,109	59,379	5,270	9.7%
Foxhall Crescents (3)	58,856	61,642	2,787	4.7%
Cathedral Heights (3)	45,458	44,561	(897)	-2.0%

- Ten of 11 high-income neighborhood clusters experienced an increase in per capita income, with five — Friendship Heights, Dupont Circle, Capitol Hill, Kalorama Heights, and Georgetown —

having increases of 20 percent or more. These were among the largest increases in the city.

- Only one high-income neighborhood cluster, Cathedral Heights, lost per capita income (two percent). Cathedral Heights faced the same declines in population, neighborhood income, and increases in poverty as most of the low- and middle-income neighborhood clusters that lost per capita income.

Poverty Increases across DC, with the Largest Increases in Middle- and High-Income Neighborhood Clusters

The number of District residents living below the poverty line grew by 16,000 during the 1990s, and the poverty rate rose from 17 to 20 percent. While low-income neighborhood clusters bore the brunt of the largest decreases in income in the District, the increases in poverty were spread across low-, middle-, and high-income neighborhood clusters, with 34 of the 39 neighborhood clusters experiencing an increase in the number of poor residents.

In fact, many of the largest increases in the poverty population in percentage terms occurred in the District's middle- and high-income neighborhood clusters. Because these areas had relatively small populations of poor residents in 1989, however, small changes in the number of poor residents appear large in percentage terms. The raw numbers tell a somewhat different story, though.

- The poverty population grew in 11 of 13 low-income neighborhood clusters, with an average increase of 464 poor residents. This increase is notable given that many low-income neighborhood clusters experienced large declines in overall population.
- The number of poor residents rose in 14 of 15 middle-income neighborhood clusters, and the average increase was 528, a higher number of additional poor residents than in either low-income neighborhood clusters or high-income neighborhood clusters.
- By contrast, high-income neighborhood clusters experienced an average increase of 171 poor residents between 1989 and 1999.

Another way to assess changes in poverty is to examine changes in poverty rates. In this regard, the poorest neighborhood clusters fared worst.

- On average, the poverty rate in the District's low-income neighborhood clusters rose from 27.6 percent in 1989 to 35.3 percent in 1999, an increase of nearly eight percentage points.
- In middle-income neighborhood clusters, the average poverty rate rose from 16 percent in 1989 to 19.4 percent in 1999, a 3.4 percentage point increase.
- In high-income neighborhood clusters, the average poverty rate rose from 7.5 percent in 1989 to 8.5 percent in 1999, an increase of one percentage point.

**Percent Change in Residents in Poverty by Neighborhood Cluster
1989-1999**

*Positive Change/Negative Change

Low-Income DC Neighborhood Clusters						
Neighborhood (Ward)	Residents in Poverty 1989	Residents in Poverty 1999	Change	Percent Change	Poverty Rate 1989	Poverty Rate 1999
Kenilworth (7)	134	665	531	395.7%	10%	28%
Skyland (8)	3,152	4,167	1,014	32.2%	35%	46%
Barry Farms (8)	3,026	3,954	928	30.7%	34%	46%
Edgewood (5)	3,547	4,239	692	19.5%	17%	23%
Mayfair (7)	1,519	1,788	269	17.7%	23%	29%
Woodland (8)	2,567	3,006	439	17.1%	35%	47%
River Terrace (7)	2,684	3,123	439	16.4%	19%	25%
Capitol View (7)	4,342	4,976	635	14.6%	23%	33%
Near Southeast (6)	2,117	2,317	200	9.4%	42%	50%
Ivy City (5)	3,972	4,312	340	8.6%	23%	31%
Congress Heights (8)	9,849	10,398	549	5.6%	27%	34%
Historic Anacostia (8) ⁴	1,877	1,852	-26	-1.4%	33%	38%
Deanwood (7)	4,422	4,093	-329	-7.4%	28%	29%

Middle-Income DC Neighborhood Clusters						
Neighborhood (Ward)	Residents in Poverty 1989	Residents in Poverty 1999	Change	Percent Change	Poverty Rate 1989	Poverty Rate 1999
North Michigan Park (5)	389	862	473	121.7%	4%	9%
Brightwood Park (4)	4,055	5,885	1,830	45.1%	10%	16%
Twining (7 & 8)	1,740	2,486	745	42.8%	10%	16%
Takoma (4)	1,554	2,213	659	42.4%	8%	12%
West End (2)	2,064	2,868	804	39.0%	21%	28%
Woodridge (5)	1,306	1,702	396	30.3%	11%	15%
Hillcrest (7)	963	1,204	241	25.0%	11%	15%
Brookland (5)	1,610	1,870	260	16.1%	16%	21%
Southwest Employment Area (2 & 6)	2,318	2,591	273	11.8%	20%	22%
Mt. Pleasant (1)	10,975	12,163	1,188	10.8%	24%	26%
Fort Totten (5)	1,101	1,207	105	9.6%	8%	10%
Howard University (1 & 2)	2,404	2,633	230	9.6%	22%	26%
Near Northeast (7)	4,264	4,653	389	9.1%	14%	17%
Logan Circle (2)	4,967	5,216	249	5.0%	25%	25%
Downtown (2 & 6)	2,988	2,841	-147	-4.9%	36%	33%

High-Income DC Neighborhood Clusters						
Neighborhood (Ward)	Residents in Poverty 1989	Residents in Poverty 1999	Change	Percent Change	Poverty Rate 1989	Poverty Rate 1999
North Portal Estates (4)	90	202	112	124%	2%	5%
Cathedral Heights (3)	915	1,448	533	58.4%	8%	13%
North Cleveland Park (3)	580	897	317	54.7%	4%	6%
Chevy Chase (3 & 4)	460	636	176	38.2%	4%	5%
Capitol Hill (6)	1,985	2,404	419	21.1%	10%	13%
Cleveland Park (3)	515	615	100	19.5%	4%	5%
Foxhall Crescents (3)	1,220	1,310	90	7.4%	7%	7%
Dupont Circle (2)	1,924	2,025	101	5.3%	11%	11%
Kalorama Heights (1 & 2)	1,781	1,817	36	2.0%	10%	10%
Georgetown (2 & 3)	2,867	2,811	-56	-2.0%	16%	15%
Friendship Heights (3)	645	420	-225	-34.9%	6%	4%

⁴ Historic Anacostia and Deanwood both have increases in the poverty rate alongside decreases in the actual number of residents in poverty because they both lost population between 1989 and 1999.

Low-Income Neighborhood Clusters Lost the Most Middle- and Higher-Income Residents

Overall in the District, the number of middle- and higher-income families — defined here as those with household income above \$75,000 — decreased by almost four percent in the 1990s. Some two-thirds of the District's neighborhood clusters lost families at this income level. Some 14 neighborhood clusters lost more than 20 percent of their high-income families. Still, more low-income neighborhood clusters than not registered losses which, overall, were deeper percentage losses than those in middle- and high-income neighborhood clusters.

- Of the 13 low-income neighborhood clusters, 12 lost middle- and high-income families. In 10 neighborhood clusters, the losses were 10 percent or more. In fact, the three neighborhood clusters across the city with the biggest losses of families with income over \$75,000 were low-income neighborhood clusters: Barry Farm, Ivy City, and Near Southeast. These areas lost at least two-fifths of their middle- and high-income families.
- Skyland was the only low-income neighborhood cluster to gain families with income over \$75,000. Skyland saw an increase of 14.5 percent.
- Some 11 of the 15 middle-income neighborhood clusters saw a reduction in the number of middle- and high-income families. Of those 11 that saw reductions, eight were substantial losses that exceeded 10 percent.
- At the same time, two middle-income neighborhood clusters experienced the largest increases in middle- and upper-income families of all District neighborhood clusters. The number of families in the Downtown neighborhood cluster with income above \$75,000 nearly tripled in the 1990s. This result is consistent with other changes in this area which, as noted earlier, suggest that the area was gentrifying during this period. Similarly, the number of families in Logan Circle — another area that appears to have begun gentrifying in the 1990s — rose 29 percent.
- All but three of the District's 11 high-income neighborhood clusters gained high-income families between 1989 and 1999. Most of the gains were substantial gains of 10 percent or more.

**Percent Change in Number of Families with Income over \$75,000
1989-1999**

*Positive Change/Negative Change

Low-Income DC Neighborhood Clusters	
Neighborhood (Ward)	% Change
Skyland (8)	14.5%
Woodland (8)	-1.4%
Deanwood (7)	-8.6%
Kenilworth (7)	-10.5%
River Terrace (7)	-21.1%
Edgewood (5)	-23.3%
Congress Heights (8)	-26.9%
Historic Anacostia (8)	-29.3%
Capitol View (7)	-31.9%
Mayfair (7)	-37.8%
Near Southeast (6)	-40.6%
Ivy City (5)	-42.6%
Barry Farms (8)	-54.3%

Middle-Income DC Neighborhood Clusters	
Neighborhood (Ward)	% Change
Downtown (2 & 6)	275.7%
Logan Circle (2)	28.6%
Mt. Pleasant (1)	10.0%
Howard University (1 & 2)	2.1%
Near Northeast (7)	-2.1%
Brightwood Park (4)	-2.3%
Takoma (4)	-5.4%
Brookland (5)	-14.2%
West End (2)	-15.9%
Woodridge (5)	-16.1%
Fort Totten (5)	-26.5%
Twining (7 & 8)	-26.9%
Hillcrest (7)	-27.0%
North Michigan Park (5)	-34.0%
Southwest Employment Area (2 & 6)	-38.2%

High-Income DC Neighborhood Clusters	
Neighborhood (Ward)	% Change
Georgetown (2 & 3)	27.5%
Kalorama Heights (1 & 2)	19.8%
Foxhall Crescents (3)	15.1%
Dupont Circle (2)	13.9%
Friendship Heights (3)	10.9%
North Cleveland Park (3)	9.7%
Capital Hill (6)	9.4%
Chevy Chase (3 & 4)	8.2%
Cleveland Park (3)	-3.4%
North Portal Estates (4)	-3.9%
Cathedral Heights (3)	-6.7%

Negative Income and Population Trends Concentrated in Low-Income Neighborhood Clusters

The findings of this analysis show that the District's low-income neighborhood clusters lost significant ground in the 1990s. Most suffered large losses of aggregate neighborhood income as a result of large population losses, declines in average income for remaining residents, or both. In many cases, the losses of income and population were among the widest in the city.

- Of the 13 low-income neighborhood clusters, four faced declines in all of the five measures included in this analysis. Another seven low-income neighborhood clusters declined in four of five measures. For example, Historic Anacostia experienced a 14 percent population loss in the 1990s, and the average income of remaining residents fell five percent. It also faced a 30 percent drop in the number of families with incomes above \$75,000.
- Skyland was the only low-income area where improvement was noted in most areas. Skyland maintained its population and had an increase in the average income per resident. The improvements in Skyland were not among the largest in the city, but they stand out because population and economic conditions weakened in all other low-income neighborhood clusters.

Many of the District's middle-income neighborhood clusters also fared poorly on most of these economic indicators. As discussed in more detail below, a few middle-income neighborhood clusters had substantial increases in income — including the highest increases in per capita income city-wide. These changes appear to reflect gentrification in these neighborhood clusters.

- Most middle-income neighborhood clusters faced declines in the economic measures included here. Of 14 areas, nine faced declines in at least four of the five economic measures. For example, in Hillcrest, a Ward 7 neighborhood cluster, population fell eight percent in the 1990s, and average income per resident fell six percent, leading to a 15 percent decline in total neighborhood income. Hillcrest also faced a 25 percent increase in the number of below-poverty residents and a 27 percent decline in the number of families with incomes above \$75,000.

For higher-income neighborhood clusters, by contrast, the opposite trend held true; all had increases in per capita income and most experienced increases in population.

- Of 11 high-income neighborhood clusters, two showed gains in all five economic measures, and five neighborhood clusters showed gains in four of five measures. For example, Chevy Chase had an 11 percent increase in population, a 13 percent increase in income per capita, and an eight percent increase in the number of families with incomes above \$75,000.
- Only three high-income neighborhood clusters experienced declines in a majority of measures — Cathedral Heights, North Portal Estates and Cleveland Park — but in most cases the declines were relatively small.

Changes in Income, Population, and Poverty
1989 – 1999

+ Indicates Positive Change/ – Indicates Negative Change

Low-Income DC Neighborhood Clusters							
Neighborhood (Ward)	Neighborhood Income	Population	Per Capita Income	Poverty	High Income Families	Measures Improved	Measures Worsened
Barry Farms (8)	–	–	–	–	–	0	5
Capitol View (7)	–	–	+	–	–	1	4
Congress Heights (8)	–	–	+	–	–	1	4
Deanwood (7)	–	–	–	+	–	1	4
Edgewood (5)	–	–	+	–	–	1	4
Historic Anacostia (8)	–	–	–	+	–	1	4
Ivy City (5)	–	–	+	–	+	2	3
Kenilworth (7)	+	+	–	–	–	2	3
Mayfair (7)	–	–	–	–	–	0	5
Near Southeast (6)	–	–	–	–	–	0	5
River Terrace (7)	–	–	–	–	–	0	5
Skyland (8)	+	+	+	–	+	4	1
Woodland (8)	–	–	+	–	–	1	4

Middle-Income DC Neighborhood Clusters							
Neighborhood (Ward)	Neighborhood Income	Population	Per Capita Income	Poverty	High Income Families	Measures Improved	Measures Worsened
Brightwood Park (4)	+	–	+	–	–	2	3
Brookland (5)	–	–	+	–	–	1	4
Downtown (2 & 6)	+	+	+	+	+	5	0
Fort Totten (5)	–	–	+	–	–	1	4
Hillcrest (7)	–	–	–	–	–	0	5
Howard University (1 & 2)	+	–	+	–	+	3	2
Logan Circle (2)	+	+	+	–	+	4	1
Mt. Pleasant (1)	+	+	+	–	+	4	1
Near Northeast (7)	+	–	+	–	–	2	3
North Michigan Park (5)	–	–	–	–	–	0	5
Southwest Employment Area (2 & 6)	+	–	–	–	–	1	4
Takoma (4)	–	–	+	–	–	1	4
Twining (7 & 8)	–	–	+	–	–	1	4
West End (2)	–	+	–	–	–	1	4
Woodbridge (5)	+	–	+	–	–	2	3

High-Income DC Neighborhood Clusters							
Neighborhood (Ward)	Neighborhood Income	Population	Per Capita Income	Poverty	High Income Families	Measures Improved	Measures Worsened
Capitol Hill (6)	+	–	+	–	+	3	2
Cathedral Heights (3)	–	–	–	–	–	0	5
Chevy Chase (3 & 4)	+	+	+	–	+	4	1
Cleveland Park (3)	+	–	+	–	–	2	3
Dupont Circle (2)	+	+	+	–	+	4	1
Foxhall Crescents (3)	+	+	+	–	+	4	1
Friendship Heights (3)	+	+	+	+	+	5	0
Georgetown (2 & 3)	+	+	+	+	+	5	0
Kalorama Heights (1 & 2)	+	+	+	–	+	4	1
North Cleveland Park (3)	+	+	+	–	+	4	1
North Portal Estates (4)	+	–	+	–	–	2	3

Some Middle-Income Neighborhood Clusters Gentrifying, with Increasing Income and Numbers of High-Income Residents

While most of the District's low- and middle-income neighborhood clusters lost ground between 1989 and 1999, a select number had solid gains on the economic measures included in this analysis. Three middle-income neighborhood clusters — Downtown, Howard University, and Logan Circle — had gains that surpassed those seen by most other neighborhood clusters in the District. The Downtown neighborhood cluster in particular registered a positive trend in every measurement of this analysis, posting the largest increases citywide in neighborhood income, per capita income, and growth in the number of high-income families. Although it is not possible to assess the factors behind these changes, the dramatic increases in income in these neighborhood clusters appear to be signs of gentrification.

In addition to these neighborhood clusters, one low-income area — Skyland, in Ward 7 — showed solid progress in income and poverty while maintaining a stable population.

- Per capita income increased by 52 percent in Downtown, 42 percent in the Howard University neighborhood cluster, and 16 percent in Logan Circle. The increases in Downtown and Howard University were the largest in the city.
- Downtown and Logan Circle were among the few District neighborhood clusters to experience an increase in population in the 1990s, although the increases were less than five percent. Population in the Howard University neighborhood cluster fell 7.3 percent.
- The number of middle- and higher-income families nearly tripled in Downtown, from 68 to 257. The increase was 29 percent in Logan Circle, second highest in the city, and two percent in Howard University.
- The number of poor residents in Downtown fell five percent in the 1990s, making it one of just five District neighborhood clusters to experience a drop in the number of poor residents. The increases in the number of poor residents in Howard University and Logan Circle — 10 percent and five percent, respectively — were among the lowest in the city. It is worth noting that all three areas still had poverty rates in 1999 that were well above the 17 percent city average. In Downtown, for example, the poverty rate in 1999 was 33 percent, down from 36 percent in 1989.

The large increase in per capita income and in middle- and higher-income families in Downtown and Logan Circle, combined with modest increases in population, provide an indication that these neighborhood clusters were gentrifying in the 1990s, as they became increasingly attractive to middle- and upper income families. The changes in the Howard University neighborhood cluster are more difficult to decipher. While the area experienced a substantial increase in per capita income, it did not see a large increase in families with incomes above \$75,000, and its overall population declined.

Disparities by Neighborhood Cluster Call for Neighborhood-Based Solutions

Income and poverty trends by neighborhood cluster point to similar conclusions as those reached in DCFPI's 2004 report on income inequality — the District is prospering economically, but not everyone is sharing in that growth. The neighborhood cluster analysis emphasizes that not only have poor residents been left out of economic growth, but persistent segregation of poor households means that entire neighborhood clusters have been left out of the boom.

The 2004 study proposed some possible solutions which would increase the resources available to low-income residents, and the District has made some progress in some of those areas. For example, the District Council raised the minimum wage and is considering an even higher “living wage” for employees of government contractors. As part of the living wage legislation, the Council is also considering strengthening the city's first source hiring provision, which would require government contractors to set aside 50 percent of new positions for District residents or demonstrate a “good faith effort” to do so, in addition to dedicating portions of their economic development assistance awards to increasing employment and training opportunities. The District has also increased welfare benefits for some families by allowing them to keep up to \$150 per month of their child support payments. (Previously, these payments were kept by the District to help cover the families' monthly benefits.)

The results of this analysis, however, emphasize the importance of looking at neighborhood-based solutions in addition to solutions that raise wages and employability of low-income residents. Consistently, low-income neighborhood clusters fare poorly in the same ways. Disproportionately, they are losing population and income at much higher rates than other neighborhood clusters. Losing both at the same time is likely an indication that, as soon as households gain income, they move away from their low-income/high-poverty neighborhood. The same neighborhood cluster, if it attracts new households, is likely to attract those whose income and poverty status gives them few choices. This highlights the need to improve low-income neighborhood clusters by preserving and creating more quality affordable housing, improving schools and extra-curricular programs and activities for young people, improving access to public transportation, encouraging retail and amenities to locate in the neighborhood clusters, and improving delivery of health care, public safety, and clean air and water.

Appendix A: A. DC's Low, Middle, and High Income Neighborhood Clusters by Per Capita Income, 1999

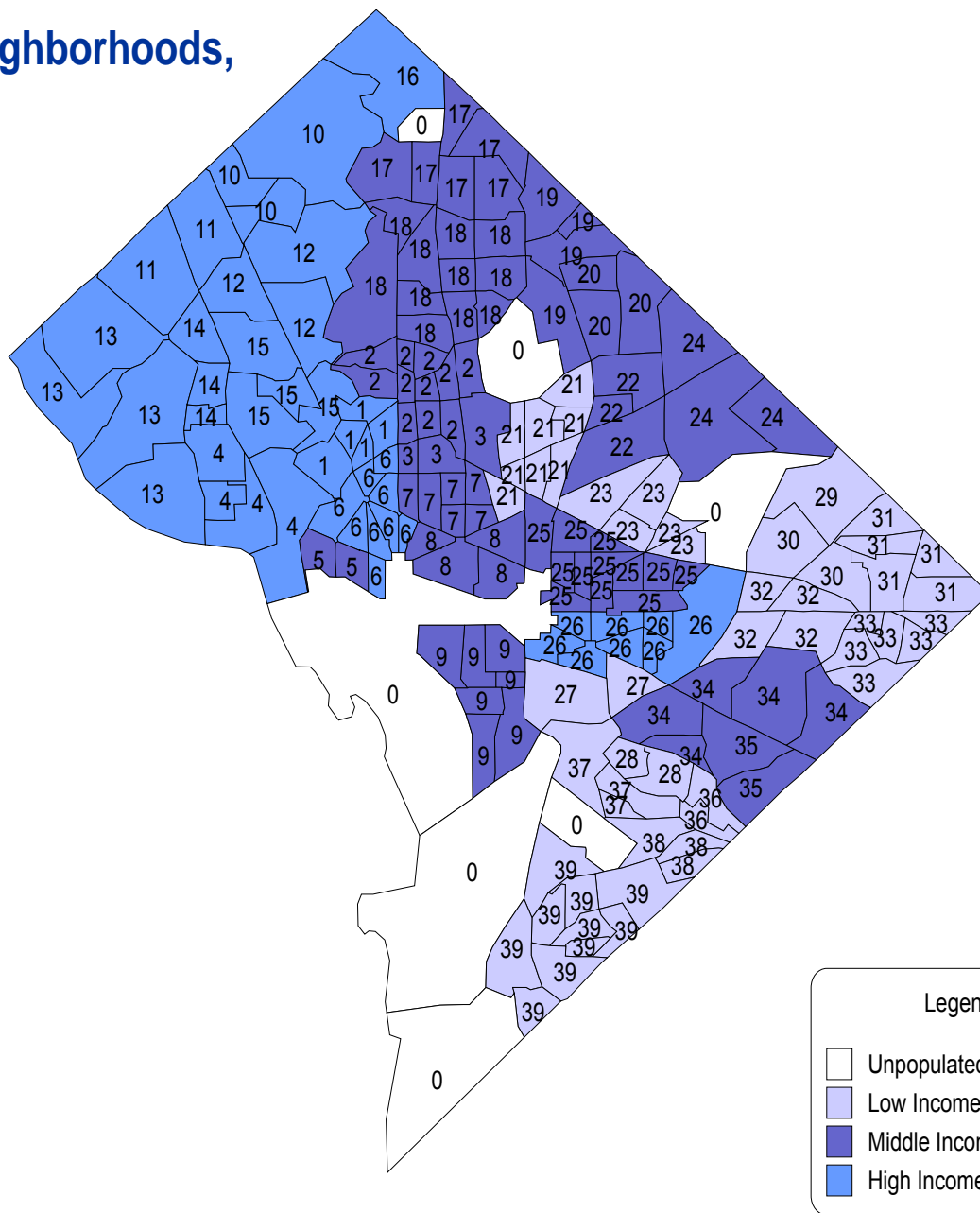
Low-Income DC Neighborhood Clusters	Per Capita Income
Barry Farms, Hillsdale, Sheridan, Fort Stanton	\$8,495
Skyland, Douglass, Shipley Terrace	9,763
Historic Anacostia	10,701
Woodland, Garfield Heights, Knox Hill/Buena Vista	11,412
Mayfair, Central Northeast	12,660
Near Southeast, Arthur Capper, Carrollsburg, Navy Yard	12,831
Deanwood, Burrville, NE Boundary, Lincoln Heights, Grant Park	13,244
Kenilworth, Eastland Gardens	13,645
Congress Heights, Bellevue, Washington Highlands	13,997
Ivy City, Arboretum, Trinidad, Carver Langston	14,045
Capitol View, Marshall Heights, Benning Heights, Benning Ridge	14,544
River Terrace, Benning, Greenway, Fort Dupont	15,497
Edgewood, Stronghold, Bloomingdale, Eckington, Truxton Circle	17,207

Middle-Income DC Neighborhood Clusters	Per Capita Income
Mt. Pleasant, Columbia Heights, Pleasant Plains, Park View	\$17,546
Brookland, Langdon, Brentwood	18,694
Downtown, Penn Quarter, Chinatown, Mount Vernon Square, North Capitol St.	19,154
Fort Totten, Lamond Riggs, Pleasant Hill, Queens Chapel	21,072
Brightwood Park, Crestwood Petworth, 16th St. Heights	21,127
Howard University, Cardozo/Shaw, LeDroit Park	21,822
Twining, Penn Bridge, Fairlawn, Randle Highlands, Ft. Davis Park, Ft. Dupont Park	22,198
Woodridge, Fort Lincoln, South Central, Gateway	22,253
Hillcrest, Fairfax Village, Naylor Gardens	23,208
Takoma, Brightwood, Manor Park,	24,068
Logan Circle, Shaw	24,169
North Michigan Park, Michigan Park, University Heights	25,265
Southwest Employment Area, Southwest Waterfront, Buzzard Point, Ft. McNair	27,836
Near Northeast, Stanton Park, Kingman Park	28,523
West End, Foggy Bottom, GWU	31,908

High-Income DC Neighborhood Clusters	Per Capita Income
Capitol Hill, Lincoln Park, Capitol East	\$37,443
Cathedral Heights, McClean Gardens, Glover Park, Massachusetts Ave. Heights (part)	44,561
Kalorama Heights, Adams Morgan, Lanier Heights	47,717
North Portal Estates, Colonial Village, Shepard Park	50,968
Chevy Chase, Barnaby Woods, Hawthorne, Forest Heights	51,987
Dupont Circle, Connecticut Ave/K St.	52,280
Georgetown, Burleith, Hillandale	54,345
North Cleveland Park, Van Ness, Forest Hills	59,379
Friendship Heights, Tenleytown, American University Park	61,020
Foxhall Crescents, Foxhall Village, Georgetown Reservoir, Palisades, Spring Valley, Wesley Heights	61,642
Cleveland Park, Massachusetts Ave. Heights (part), Woodley Park, Woodland-Normanstone Terrace	65,322

Appendix B: DC Neighborhoods Map

DC Neighborhoods,
1999



**Appendix B cont'd
DC Neighborhoods Map**

DC Neighborhood Clusters	
0	Unpopulated or Omitted Tract
1	Kalorama Heights, Adams Morgan, Lanier Heights
2	Mt. Pleasant, Columbia Heights, Pleasant Plains, Park View
3	Howard University, Cardozo/Shaw, LeDroit Park
4	Georgetown, Burleith, Hillandale
5	West End, Foggy Bottom, GWU
6	Dupont Circle, Connecticut Ave/K St.
7	Logan Circle, Shaw
8	Downtown, Penn Quarter, Chinatown, Mount Vernon Square, North Capitol St.
9	Southwest Employment Area, Southwest Waterfront, Buzzard Point, Ft. McNair
10	Chevy Chase, Barnaby Woods, Hawthorne, Forest Heights
11	Friendship Heights, Tenleytown, American University Park
12	North Cleveland Park, Van Ness, Forest Hills
13	Foxhall Crescents, Foxhall Village, Georgetown Reservoir, Palisades, Spring Valley, Wesley Heights
14	Cathedral Heights, McClean Gardens, Glover Park, Massachusetts Ave. Heights (part)
15	Cleveland Park, Massachusetts Ave. Heights (part), Woodley Park, Woodland-Normanstone Terrace
16	North Portal Estates, Colonial Village, Shepherd Park
17	Takoma, Brightwood, Manor Park
18	Brightwood Park, Crestwood, Petworth, 16th St. Heights
19	Fort Totten, Lamond Riggs, Pleasant Hill, Queens Chapel
20	North Michigan Park, Michigan Park, University Heights
21	Edgewood, Stronghold, Bloomingdale, Eckington, Truxton Circle
22	Brookland, Langdon, Brentwood
23	Ivy City, Arboretum, Trinidad, Carver, Langston
24	Woodridge, Fort Lincoln, South Central, Gateway
25	Near Northeast, Stanton Park, Kingman Park
26	Capitol Hill, Lincoln Park, Capitol East
27	Near Southeast, Arthur Capper, Carrollsburg, Navy Yard
28	Historic Anacostia
29	Kenilworth, Eastland Gardens
30	Mayfair, Central Northeast
31	Deanwood, Burrville, NE Boundary, Lincoln Heights, Grant Park
32	River Terrace, Benning, Greenway, Fort Dupont
33	Capitol View, Marshall Heights, Benning Heights, Benning Ridge
34	Twining, Penn Bridge, Fairlawn, Randle Highlands, Ft. Davis Park, Ft. Dupont Park
35	Hillcrest, Fairfax Village, Naylor Gardens
36	Woodland, Garfield Heights, Knox Hill/Buena Vista
37	Barry Farms, Hillsdale, Sheridan, Fort Stanton
38	Skyland, Douglass, Shipley Terrace
39	Congress Heights, Bellevue, Washington Highlands