Areas of Concentrated Poverty (ACP) are census tracts where 40% or more of the residents live with incomes below 185% of the federal poverty threshold. (We remove census tracts that meet this poverty threshold but have a high number of enrolled college or graduate students.) For context, 185% of the federal poverty threshold in 2017 was $46,424 for a family of four or $23,103 for an individual living alone. Ninety-six census tracts met our definition of Areas of Concentrated Poverty in the 2013-2017 data.

About one in every five of residents lived with incomes below 185% of the federal poverty threshold in 2017, just over 624,000 residents region-wide. Of those living in poverty, 28.9% lived in an Area of Concentrated Poverty. If Areas of Concentrated Poverty do not reflect the overall geography of poverty in our region, why study them? We track Areas of Concentrated Poverty for several reasons:

- Research has consistently linked high-poverty places to negative effects on people’s physical and mental well-being and their economic mobility, making them more likely to live in poverty across generations.

- Today’s Areas of Concentrated Poverty, especially those in Minneapolis and Saint Paul, largely reflect a legacy of public and private disinvestment in communities of color that compounded over decades and altered the geography of opportunity in the Twin Cities region. Given these origins, Areas of Concentrated Poverty require special policy considerations in planning and investments so as not to replicate the harms of the past through displacement.

- People of color, regardless of income, remain disproportionately exposed to concentrated poverty due to race-specific barriers that limit their housing choices. We call attention to this by creating a subset of Areas of Concentrated Poverty where over half the residents are people of color. In 2017, 75 of the 96 census tracts met this definition.