

**Urban Inequality Analysis**

**Charlotte-Concord-Gastonia MSA**

**Nick Flowers**

**USP 515**

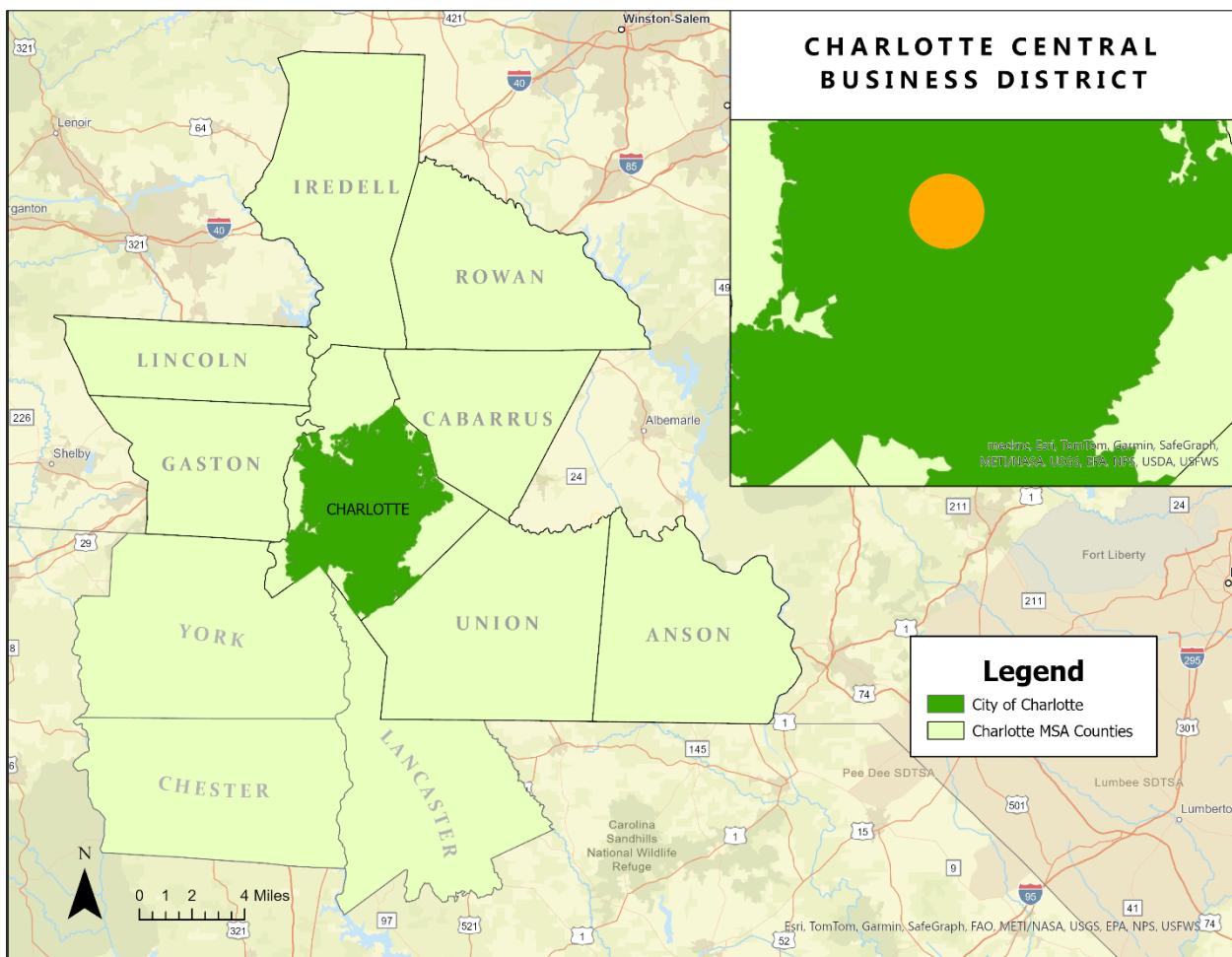


<https://www.pexels.com/search/charlotte%20north%20carolina/>

## Charlotte-Concord-Gastonia Metropolitan Statistical Area

The Charlotte-Concord-Gastonia Metropolitan Statistical Area (MSA) is positioned close to the border between North Carolina and South Carolina. Charlotte, the primary city in the MSA, is located in Mecklenburg County in North Carolina. The City of Charlotte encompasses 308 square miles as of 2020, while the MSA as a whole is 5,597 square miles<sup>1</sup>. A regional definition of the Charlotte MSA locates it in central North Carolina, otherwise known as the Piedmont region, as it sits ~80 miles down the hill from the Appalachian Mountains to the west and ~200 miles from the Atlantic Ocean to the east. No significant topographic features impact the urban form of Charlotte, which has in-part allowed for widespread suburban sprawl throughout the region.

*Figure 1: Charlotte-Concord-Gastonia MSA, Central Business District is marked with an orange dot*



## Median Household Income (MHI)

The Charlotte MSA has experienced a decline in Median Household Income (MHI) over the past two decades (Table 1). This decline in MHI has also been shared by the central city of Charlotte by approximately \$8,000 per household in 2022 adjusted dollars. There is no significant difference in MHI when comparing the Charlotte MSA to Charlotte proper, as both saw drops around 2012 and subsequent gains by 2022. These local conditions closely reflect national levels of MHI over the same span of time, decreasing around 2012 and rebounding back towards 2000 levels. These downward trends around 2012 are likely correlated to the Great Recession that caused a period of sharp market decline from 2007 to 2009 and ensuing slow recovery<sup>2</sup>.

Low variation in MHI when comparing Charlotte MSA and Charlotte proper can be understood through widespread low-density suburban residential development within Charlotte city limits. The City did not undergo a large out-migration over the course of the study period due in part to the vast square mileage that the City encompasses that has been able to capture inner city residents seeking suburban residential areas.

*Table 1: Median Household Income (in 2022\$) comparing Charlotte MSA to United States*

Year	United States (\$)	Charlotte MSA (\$)	Charlotte Central City (\$)	MSA-U.S. Ratio	Charlotte-MSA Ratio
2000	74,082	81,359	82,869	1.10	1.02
2008-2012	67,820	69,234	67,654	1.02	0.98
2018-2022	75,149	76,177	74,070	1.01	0.97

Source: 2000 U.S. Decennial Census, 2008-2012 American Community Survey (5-year estimates), and 2018-2022 American Community Survey (5-year estimates) via Social Explorer

Concentrations of high MHI in 2000 can be observed encircling the fringes of the central city, with neighborhoods located immediately west, north, and east of the Central Business District (CBD) experiencing the lowest levels. These neighborhoods with low MHI have expanded further away from the CBD as of 2022, now enveloping suburban areas that previously had high MHI. Over this same period of time, the south side of Charlotte has witnessed a coalescing of high MHI, creating an exclusive enclave that will be explored throughout this analysis.

<sup>2</sup> Federal Reserve History, "The Great Recession and Its Aftermath."

Figure 2: MHI (2022\$) in Charlotte MSA, 2000

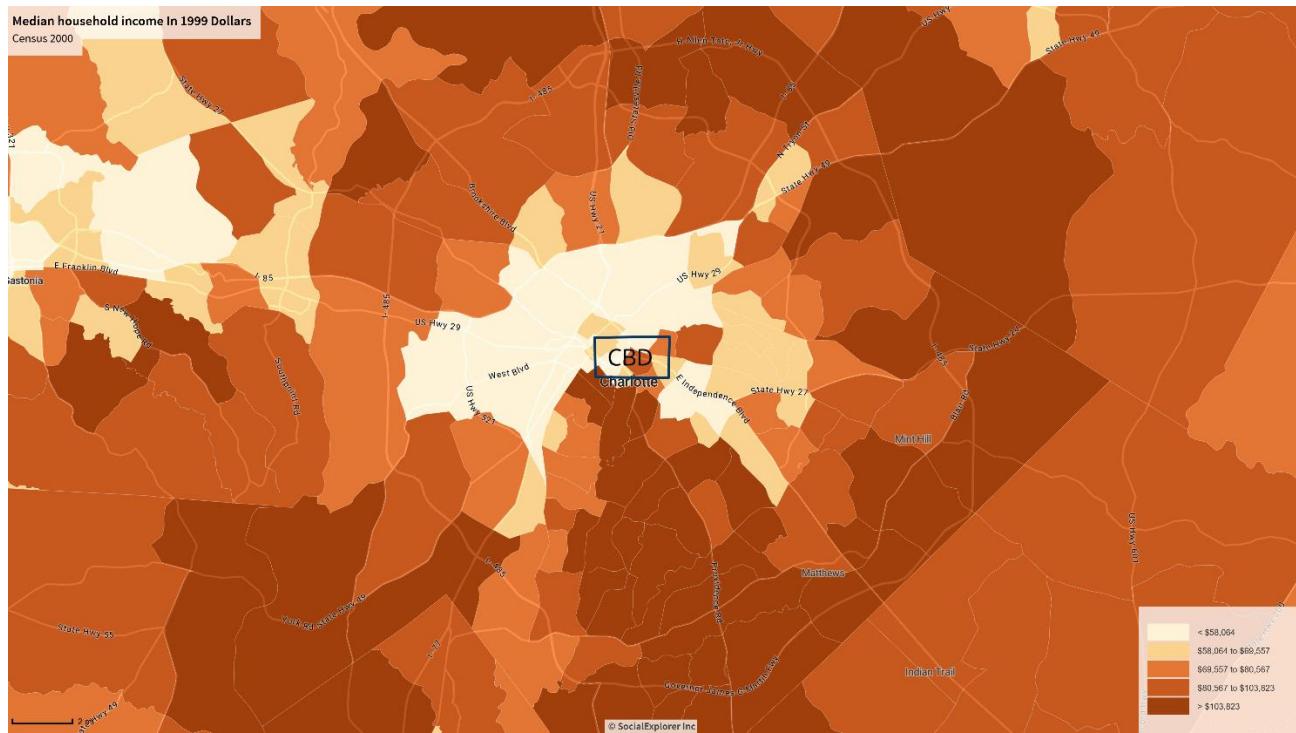
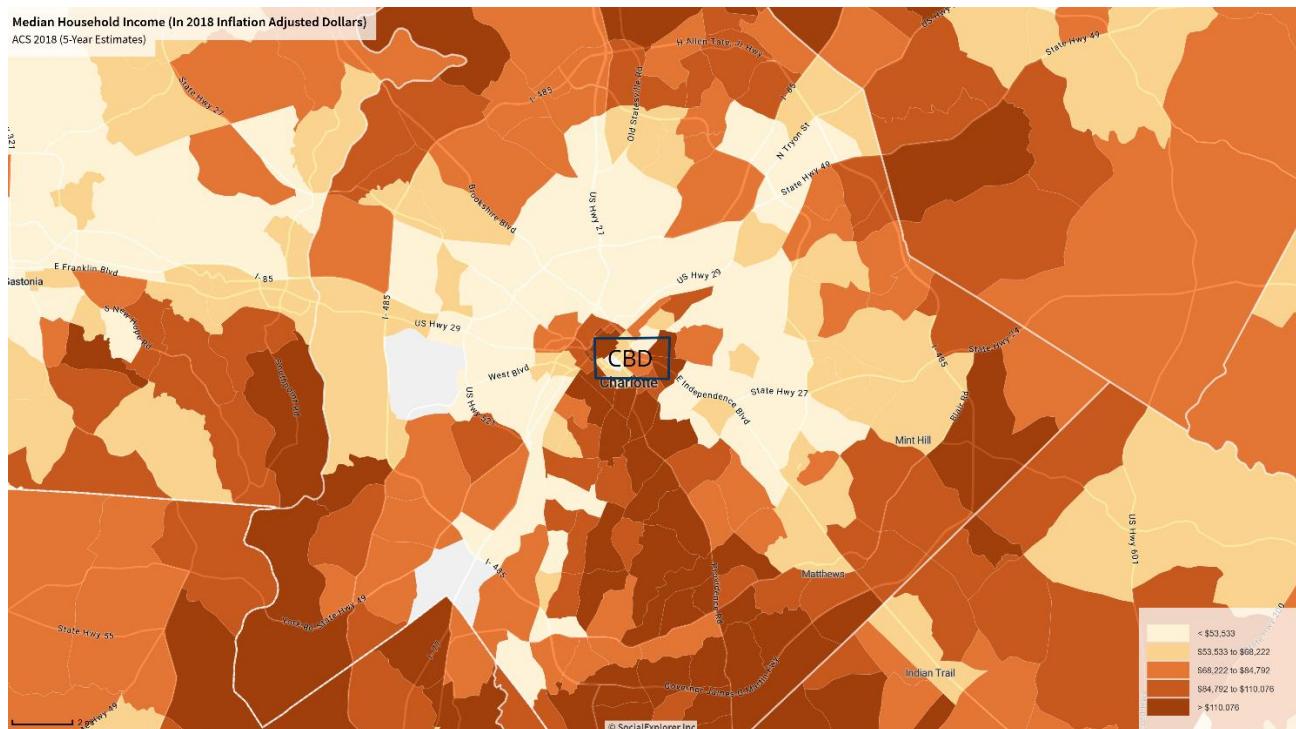


Figure 3: MHI (2022\$) in Charlotte MSA, 2022



Source for Figures 2-3: 2000 U.S. Decennial Census, 2008-2012 American Community Survey (5-year estimates), and 2018-2022 American Community Survey (5-year estimates) via Social Explorer

## Poverty Rates

The United States, Charlotte Metro, and Charlotte have displayed congruent trends in change in poverty rates over time, elevating from 2000 to 2012, and descending from 2012 to 2022 (Table 2). The Charlotte MSA has consistently hovered below the national poverty rate, and while this is similar to how Charlotte poverty rates have changed, the central city experienced rates higher than the national average in 2012. This consistency has probable correlation to the phenomenon explained above wherein the large area that Charlotte occupies captures local migration from one area of the metro to another.

Mirroring the areas of low MHI are areas of concentrated poverty. These neighborhoods, located directly west, north, and east of the CBD, have seen extensive expansion of poverty levels at or above the national level. This spatial expansion of poverty again moves outward from the CBD as some highly concentrated pockets can be seen near the airport on the western edge of the central city and University of North Carolina Charlotte on the northeastern end. Low rates of poverty can be observed on the south side of town where there is minimal encroachment upon a considerable concentration of wealth. On the fringes of this enclave, bordered by I-77 and South Blvd to the west and E Independence Blvd to the east, show growth in poverty rates. One possible explanation could be low-income residents locating themselves as nearby as they can to the prosperous side of town to benefit from the economic opportunities the area presents. Significant growth in poverty rates can also be observed far beyond the Charlotte city limits to the west around the Gastonia area.

*Table 2: Poverty Rates for United States and Charlotte MSA*

Year	United States (%)	Charlotte MSA (%)	Charlotte Central City (%)	MSA- U.S. Ratio	Charlotte- MSA Ratio
<b>2000</b>	12.4	9.3	10.6	0.75	1.14
<b>2008-2012</b>	14.9	13.9	16.0	0.93	1.15
<b>2018-2022</b>	12.5	10.4	11.7	0.83	1.13

Source: 2000 U.S. Decennial Census, 2008-2012 American Community Survey (5-year estimates), and 2018-2022 American Community Survey (5-year estimates) via Social Explorer

Figure 4: Poverty Rates in Charlotte MSA, 2000

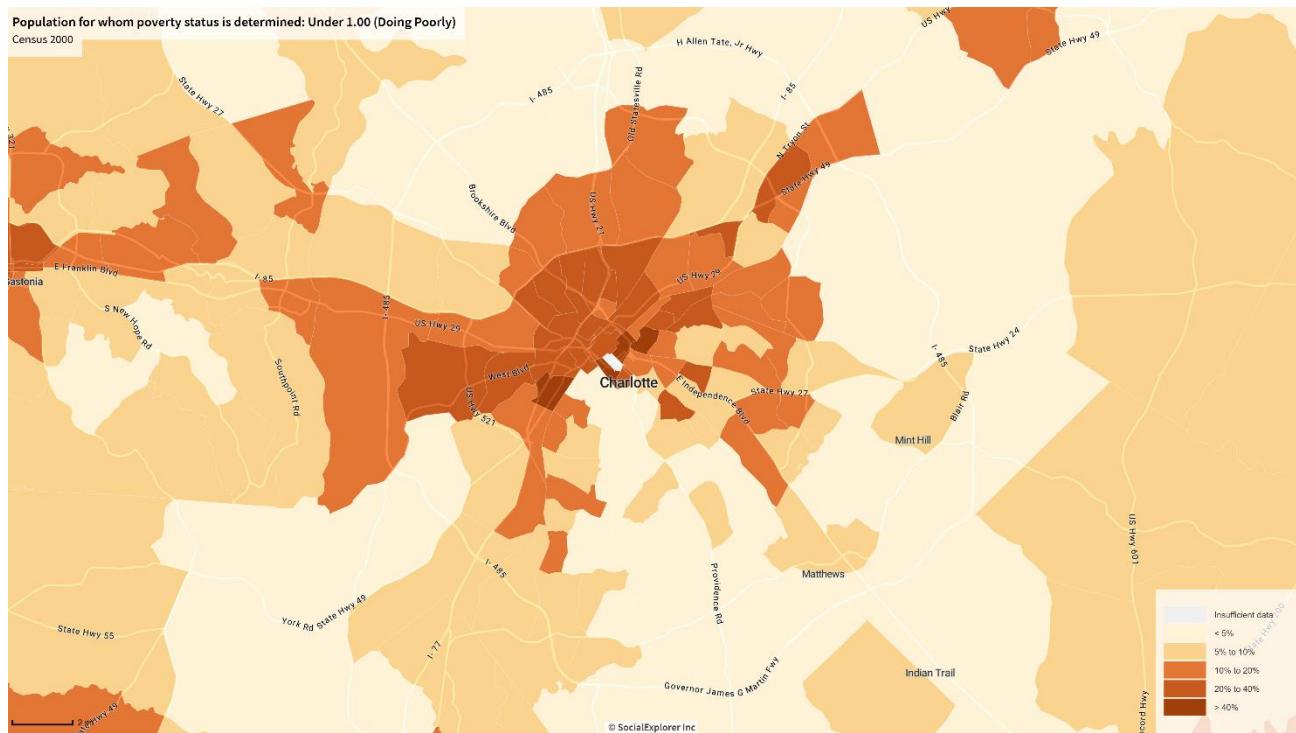
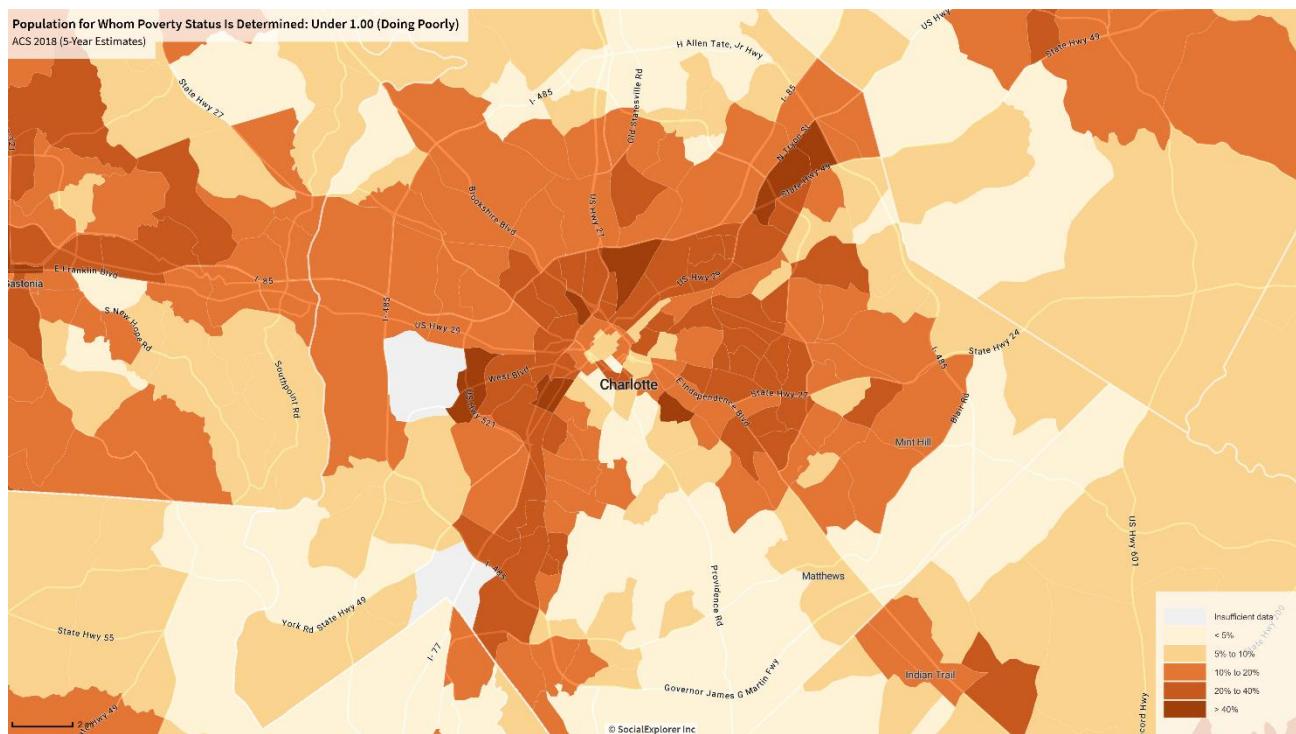


Figure 5: Poverty Rates in Charlotte MSA, 2022



Source: 2000 U.S. Decennial Census, 2008-2012 American Community Survey (5-year estimates), and 2018-2022 American Community Survey (5-year estimates) via Social Explorer

## Population Share by Race

Diversification has occurred throughout the Charlotte MSA as rates of BIPOC population have shown steady growth throughout the central city and metro area. Hispanic and Asian populations have nearly doubled their share of residents in the central city, while the White population has experienced steady decline across the MSA. These population trends regarding White, Asian, Hispanic groups coincide with trends occurring at the national level.

*Table 3: Population Share by Race for Charlotte MSA and United States*

Race/Ethnicity	Year	United States (%)	Charlotte MSA (%)	Charlotte Central City (%)	Suburbs (%)
White	2000	69.1	71.2	55.1	51.3
	2008-2012	63.7	61.2	45.1	42.3
	2018-2022	58.9	59.0	39.7	46.0
Black or African American	2000	12.1	20.4	32.5	8.6
	2008-2012	12.2	23.4	34.1	9.1
	2018-2022	12.1	22.3	34.7	10.9
Hispanic or Latino	2000	12.6	5.1	7.4	2.5
	2008-2012	16.4	9.8	13.1	4.3
	2018-2022	18.7	10.9	15.3	5.8
Asian	2000	3.6	1.9	3.4	0.7
	2008-2012	4.8	3.2	5.1	1.1
	2018-2022	5.7	4.1	6.5	2.0
Native Hawaiian/Pacific Islander	2000	0.1	0.0	0.0	0.0
	2008-2012	0.2	0.1	0.1	0.0
	2018-2022	0.2	0.0	0.0	0.0
American Indian/Alaska Native	2000	0.7	0.4	0.3	0.2
	2008-2012	0.7	0.4	0.3	0.2
	2018-2022	0.6	0.2	0.2	0.1
Other	2000	0.2	0.1	0.2	0.0
	2008-2012	0.2	0.2	0.3	0.1
	2018-2022	0.4	0.4	0.4	0.3
Two or More Races	2000	1.6	0.9	1.2	0.5
	2008-2012	2.0	1.8	2.0	0.9
	2018-2022	3.5	3.1	3.2	2.1

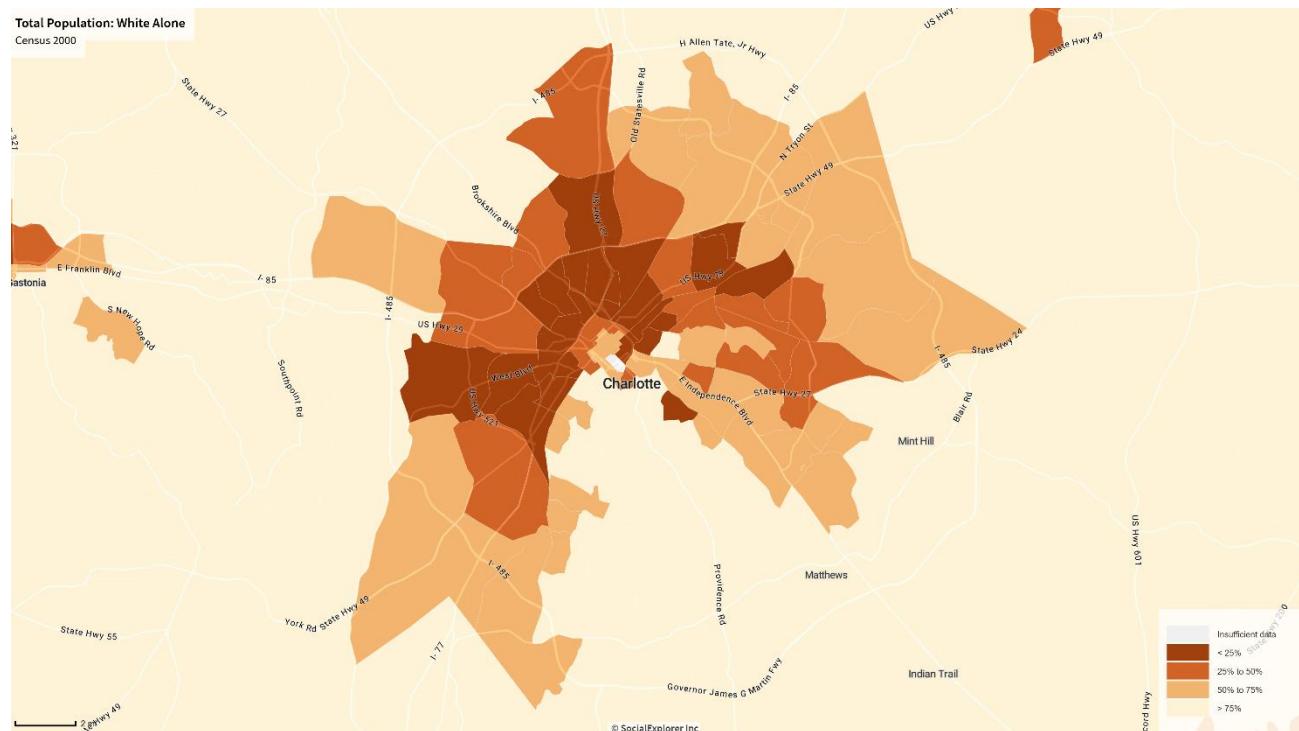
Source: 2000 U.S. Decennial Census, 2008-2012 American Community Survey (5-year estimates), and 2018-2022 American Community Survey (5-year estimates) via Social Explorer

The Charlotte area is home to a Black and African American community that is nearly twice the national average. The Black population is concentrated most heavily in the central city, predominantly in

neighborhoods to the west, north, and east of downtown. This spatial trend of disparities throughout the city comes into clear focus as MHI, BIPOC population distribution, and poverty rates are sewn together. Charlotte, like many cities across the south, fell into a dark period as Reconstruction was abandoned by the government<sup>3</sup>. The following chapter of Jim Crow fueled an intensification of segregation that's impacts are firmly entrenched across MSA.

A variety of methods were used to deliberately exclude BIPOC groups from the southern portion of the central city. Physical barriers took the form of major roadways such as I-77 and E Independence Blvd. These roadways, as well as I-485, form the unofficial boundaries of these prohibitive neighborhoods. Restrictive covenants, race-based zoning (until its abolition in 1917), and screening practices were among some of the legal protections that developers used to wealthy, white residents to this area of the metro.

Figure 6: Share of BIPOC to white population in Charlotte MSA, 2000



<sup>3</sup> UNC Charlotte Urban Institute, "Segregation By Design."

Figure 7: Share of BIPOC to white population in Charlotte MSA, 2022

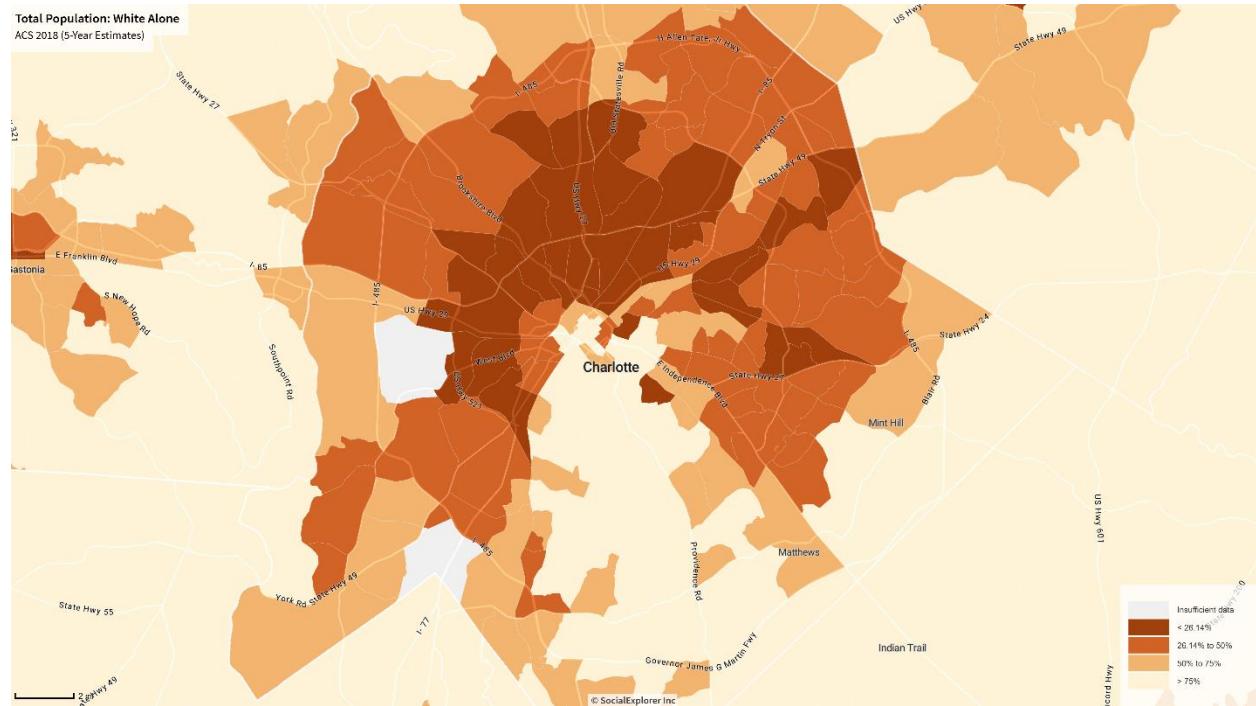


Figure 8: Distribution of most prevalent racial populations in Charlotte MSA, 2000

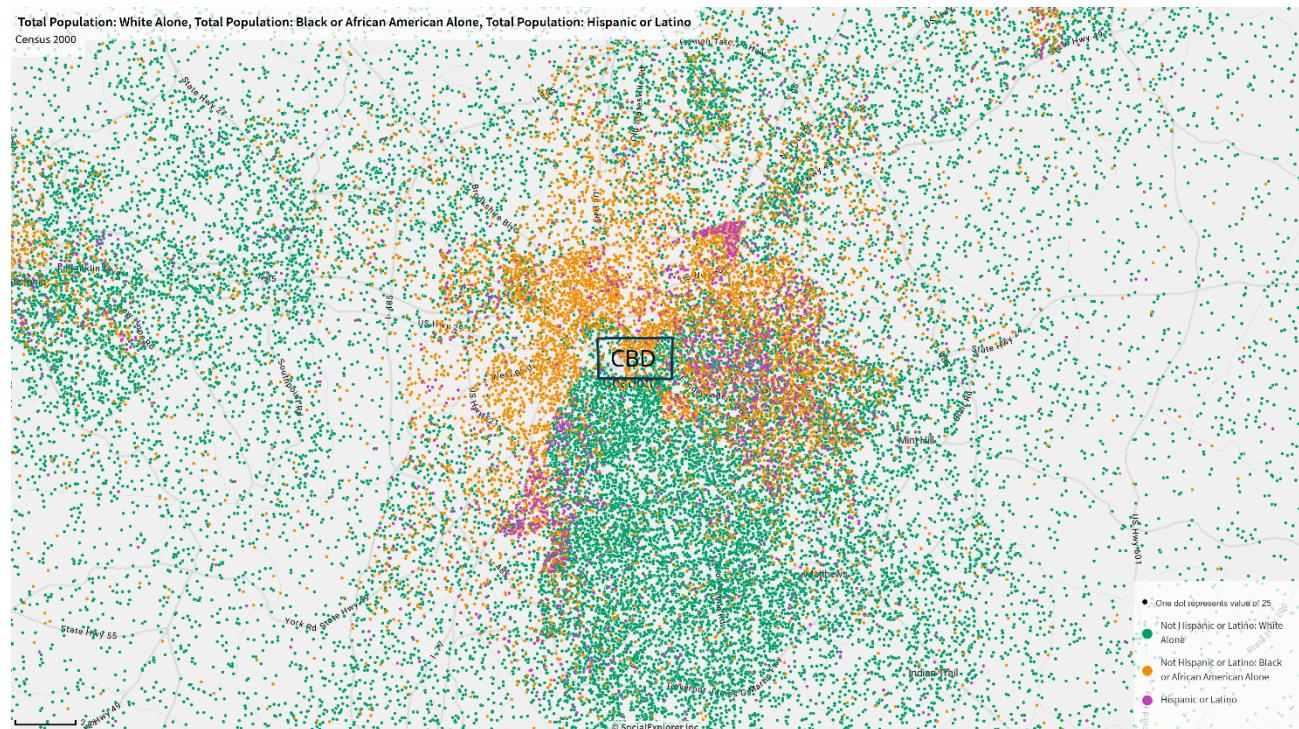
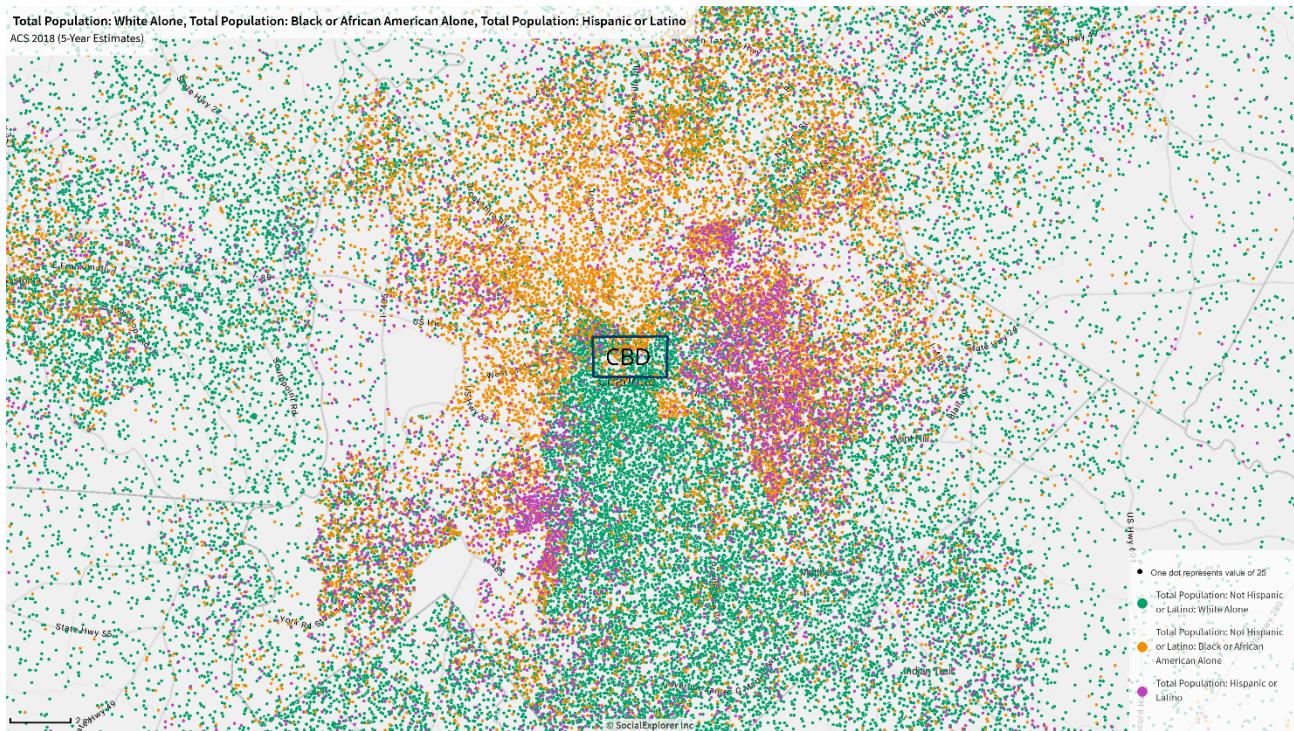


Figure 9: Distribution of most prevalent racial populations in Charlotte MSA, 2022



Source for Figures 6,7,8, and 9: Source: 2000 U.S. Decennial Census, 2008-2012 American Community Survey (5-year estimates), and 2018-2022 American Community Survey (5-year estimates) via Social Explorer

## Race and Poverty

There is a discernable correlation between race and poverty in the Charlotte MSA that helps to enunciate the racial disparities that exist. In particular, Black and African American populations constitute the highest rate of those in the bottom quintile for MHI and have so since 2000 (Table 4). White populations have maintained a high percentage in the top quintile for MHI, although it has declined some since 2000. Asian and Hispanic populations have seen increases in both categories when measured against 2000 figures, and BIPOC groups together have seen an increased share of the top quintile for MHI.

Despite stark racial segregation, BIPOC populations are earning more today than they did in 2000. This is evidenced through a decreasing Race-Poverty Correlation when measured from 2000 to 2022 (Table 5). This growth does not tell the complete picture, and with observed growth in poverty as well, what is likely occurring is a widening of the gap between rich and poor.

Table 4: Population share by race in top and bottom MHI quintile tracts, 2000 and 2022

Race/Ethnicity	Year	Top Quintile MHI (>80%)	Bottom Quintile MHI (<20%)	MSA Share
<b>White</b>	2000	80.8	42.5	71.2
	2022	72.9	35.0	58.4
<b>BIPOC</b>	2000	19.2	57.5	28.8
	2022	27.1	65.0	41.6
<b>Black or African American</b>	2000	11.6	48.1	20.4
	2022	9.4	41.6	22.7
<b>Hispanic or Latino</b>	2000	3.4	6.3	5.1
	2022	6.7	16.8	10.9
<b>Asian</b>	2000	2.9	1.6	1.9
	2022	7.1	2.6	4.3
<b>Two or More Races</b>	2000	0.9	1.1	0.9
	2022	3.4	0.4	10.9
<b>American Indian/Alaska Native</b>	2000	0.3	0.3	0.4
	2022	0.1	0.2	0.2
<b>Other</b>	2000	0.1	0.1	0.1
	2022	0.4	0.4	0.4
<b>Native Hawaiian/Pacific Islander</b>	2000	0.02	0.03	0.0
	2022	0.02	0.1	0.03

Table 5: Correlation Coefficient

Year	Race-Poverty Correlation
2000	0.74
2022	0.46

Table 6: Poverty Rates in top and bottom quintile tracts, 2000 and 2022

	Year	Top Quintile	Bottom	MSA Population Share
		Tract (MHI >80%)	Quintile Tract (MHI<20%)	
<b>Percent of population in poverty</b>	2000	5.1	17.0	9.3
	2018-2022	3.7	20.9	10.0

Source for Tables 4 and 5: 2000 U.S. Decennial Census, 2008-2012 American Community Survey (5-year estimates), and 2018-2022 American Community Survey (5-year estimates) via Social Explorer

## **NoDa**

The NoDa neighborhood, located just northeast of the CBD, is a thriving area that has seen an influx of development over the past few years. Charlotte Area Transit System (CATS) Lynx Blue Line runs through the neighborhood and has been a catalyst for growth. Close proximity to the city center, with nearby arts, entertainment, and other amenities has made this a desirable area to live. UNCC being just down the road from this neighborhood has also likely contributed to this influx to the area.

## **Pawtucket/Dixie-Berryhill**

The Pawtucket and Dixie-Berryhill neighborhoods have experienced a different story when compared to NoDa. These neighborhoods have found themselves wedged between two industrial districts on Charlotte far west peripheral. Proximity to the airport has also likely led to a decrease in the desirability of the area, and subsequently made it difficult to attract high income earners. In addition to noise and air pollution caused by the airport, the neighborhoods are crisscrossed by I-485 and I-85, which will have a lasting impact on the desirability of the neighborhood.

## **Conclusion**

Charlotte has experienced widespread growth through the end of the 20<sup>th</sup> century to today, and that growth is poised to continue. Considering the sharp racial segregation that is set in place, it will likely be seen that Charlotte's various population groups concentrate in specific, disparate areas around town. Despite the impacts of these decisions that shaped modern day Charlotte, the growth of BIPOC communities seems to be strong as is observed through increases in population share and top quintile earnings.

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