Not all communities are alike. And there is increasing evidence that the more time a person—especially at childhood—spends living in an economically distressed or poor community, the worse that person’s chances of achieving economic success in her lifetime, and even the shorter her life expectancy.

Such evidence might help explain the pervasive economic gaps among different population groups or communities within the metro area of Corpus Christi, and our community’s income gap with the rest of the nation.

To analyze the various dimensions of community well-being across the nation and their impacts on individuals’ future success, the Economic Innovation Group has constructed the Distressed Communities Index for a local geography down to the zip code level.

Distress Index

The Index combines the scores of seven key metrics of community development to capture an overall, multidimensional picture of a community’s socioeconomic condition. The scores are normalized so that they are equivalent to percentiles between 0 and 100. The higher the distress score, the greater the economic distress; the lower the distress score, the greater the economic prosperity.

The score for the Corpus Christi metro area is 39, which indicates that Corpus Christi falls into the 39th percentile of all metro areas nationwide. This relatively low score reflects the region’s overall vibrancy, especially in comparison with the southern region of the United States where over half of the nation’s distressed population lives.
Geographic Disparity

This relatively high living standard, however, is not broadly shared across the different neighborhoods within the metro area. The extent of geographic disparity within the Corpus Christi metro area is first illustrated with a breakdown of the Distress Index by county.

The distress scores of Nueces and San Patricio counties are both near the metro area’s overall score, but the score of the least populated county of Aransas is nearly twice as high at 66.

Aransas County’s exceptionally high distress score stems from a relatively low educational attainment level of its residents, along with a relatively high poverty rate and a relatively low median income level due in part to a relatively high percentage of its population unemployed or retired, and thus not working.

As for a typical distressed community in the United States, Aransas County’s employment grew at a relatively slow pace of 3% between 2010 and 2013, while employment grew by 6 percent in Nueces County and even more at 26 percent in San Patricio County.

Evidence of economic disparity is even stronger when we look at distress scores at the zip code level, as opposed to a higher-level geography of the county or city. The zip-code level distress scores of the metro area run between 1.6 and 95.7, both of which belong to zip codes within the city of Corpus Christi.

Within City Limits

Disparity runs high across the various communities within the city of Corpus Christi. The lowest index score belongs to the zip code 78414, which represents the so-called Deep South where most of the region’s population and business growth has taken place especially in the past five years. That zip code’s overall distress score of 1.6 essentially means that the living standards of its residents are higher than 98 percent of the U.S. population. Only 6 percent of that area’s population has not completed high school, and its median income is 50 percent higher than the median income nationwide. This prosperous area has also grown the most economically, leading the rest of the city in employment and business growth since 2010.

By contrast, the Westside, an area bounded by South Padre Island Drive and Crosstown Expressway, is home to the most distressed neighborhoods. The zip code 78416 has the highest overall distress score of 95.7, meaning that less than 5 percent of U.S. zip codes face more economic distress than that West Side neighborhood. According to the Economic Innovation Group, a community with a score in the highest 10 percentile is considered “most distressed.”

The booming economy in South Texas in recent years did not benefit that community either: Employment and the number of business establishments in fact declined between 2010 and 2013. The other zip code in the West...
Side is 78405. Likewise, its overall distress score at 87.5 represents the second highest level of economic distress among all zip codes in the metro area.

**Richest vs. Poorest Neighborhoods**

Inequality between the most distressed and most affluent zip codes in Corpus Christi is staggering even by national standards. One way to assess the extent of geographic disparity across neighborhoods is to compute the standard deviation of population-weighted distress scores of all zip codes within the city. For Corpus Christi, the weighted standard deviation of the distress scores of its 17 zip codes is 28.9.

The Economic Innovation Group has reported the standard deviation as a measure of geographic inequality for the largest 100 U.S. cities. San Antonio, Texas, has the highest score of 23.7, which is still below the corresponding score for Corpus Christi.

**Vicious Cycle**

Why are those measures of economic distress important for economic development in the long run? By comparing the distress scores across communities in the United States, the Economic Innovation Group reported the following general findings: (1) Extremely distressed communities tend to be stricken by long-term, structural economic problems; and (2) most prosperous communities are also fastest growing, particularly in population. As a result, prosperous and distressed communities are pulling apart over time.

Economic distress tends to manifest itself so a struggling community becomes permanently locked in a downward spiral of falling capital investment, business development and job opportunities. Prospering communities, on the contrary, tend to grow rapidly over time as a thriving economy and expanding labor market draw even more businesses and people into the area.

Due in part to the vicious or virtuous cycle in our community, a New York Times article shows that which neighborhood you grow up matters tremendously to your lifetime economic success. The good news is that children growing up in Corpus Christi, either in a rich or poor family, tend to be better off in the income ladder compared to their parents, due to various aspects of upward mobility.

**Scores of Distressed Communities Index by Zip Code**

<table>
<thead>
<tr>
<th>Zip Code</th>
<th>Distress Score</th>
<th>78414</th>
<th>78416</th>
</tr>
</thead>
<tbody>
<tr>
<td>No High School Degree</td>
<td>6%</td>
<td>44%</td>
<td></td>
</tr>
<tr>
<td>Housing Vacancy Rate</td>
<td>3%</td>
<td>8%</td>
<td></td>
</tr>
<tr>
<td>Adults Not Working</td>
<td>32%</td>
<td>52%</td>
<td></td>
</tr>
<tr>
<td>Poverty Rate</td>
<td>5%</td>
<td>26%</td>
<td></td>
</tr>
<tr>
<td>Median Income Ratio</td>
<td>152%</td>
<td>58%</td>
<td></td>
</tr>
<tr>
<td>2010-13 Change in Employment</td>
<td>13.0%</td>
<td>-17.5%</td>
<td></td>
</tr>
<tr>
<td>2010-13 Change in Businesses</td>
<td>16.4%</td>
<td>-5.7%</td>
<td></td>
</tr>
</tbody>
</table>

*Source: Economic Innovation Group.*

Further Readings:

- Economic Innovation Group, *The 2016 Distressed Communities Index.*
Past Issues:

2016, No. 9: Disparities in Local Business
2016, No. 8: Understanding Local Unemployment
2016, No. 7: Corpus Christi by the Rankings
2016, No. 6: Local Divergence after the Fall
2016, No. 5: Advanced Manufacturing Drives Local Economy
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