### The Brookings Institution

Metropolitan Policy Program
Bruce Katz, Director



### Redefining Urban and Suburban America

National Trust for Historic Preservation September 30, 2004



### Redefining Urban and Suburban America



What are the general demographic trends affecting the United States?



What are the major trends affecting metropolitan areas?

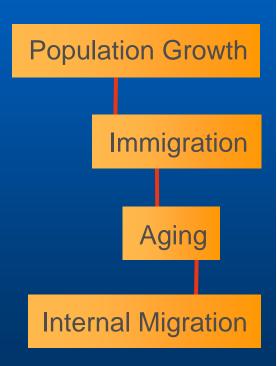


What do these trends mean for urban and metropolitan policy?

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### What are the general demographic trends affecting the United States?

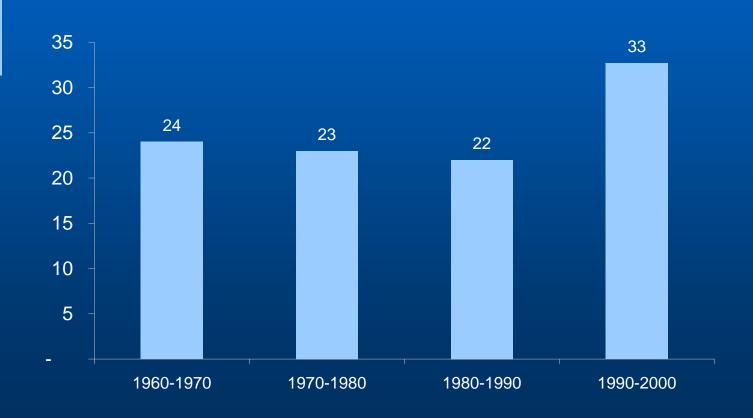
Major demographic forces are changing the United States





### The 1990s presented the strongest growth in four decades

US population growth (millions), 1990-2000

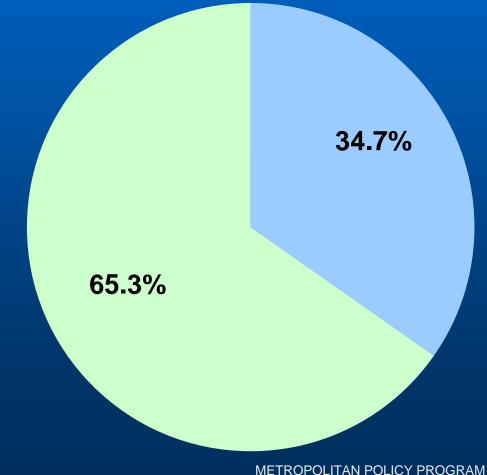




### More than 1/3 of this population growth was driven by immigration

Components of population change, 1990-2000

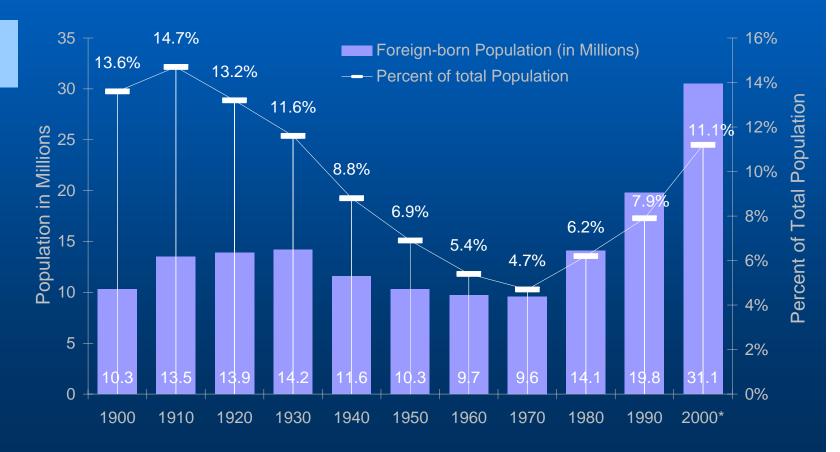
Source: U.S. Census Bureau



■ Natural Increase

## Despite a decade of rapid immigration, the share of the U.S. population that is foreign-born is lower now than in the 1900s

Immigration, 1900-2000

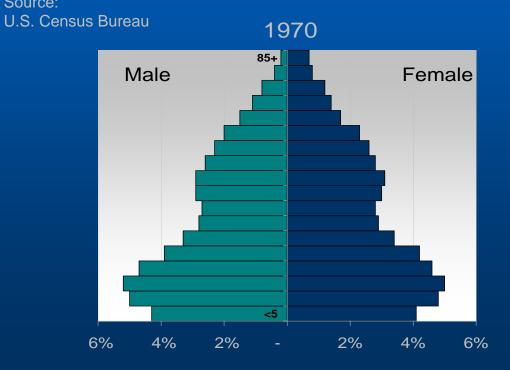


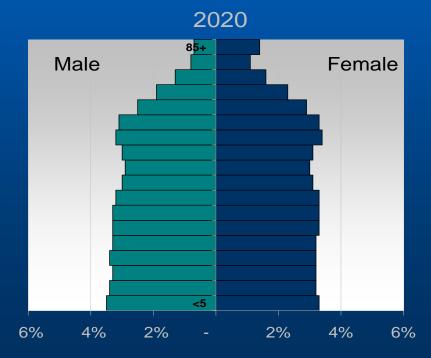


#### At the same time, the US population is aging

US Age Distribution, 1970 vs. 2020





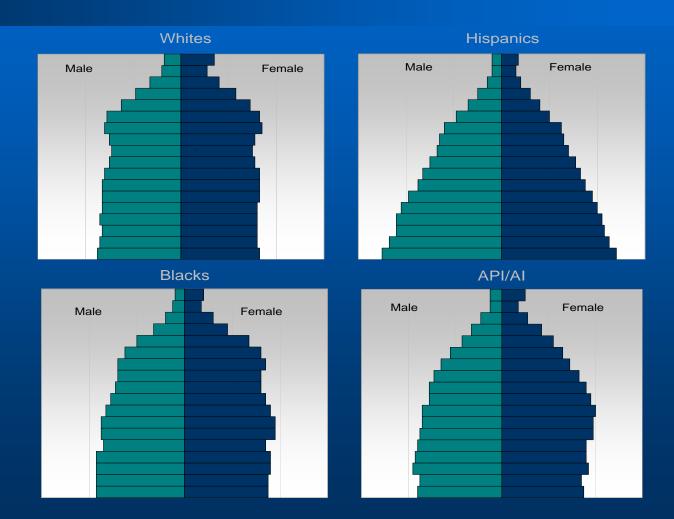






### Minorities, however, have younger age structures than whites

US Age Distribution, 2020





# America's New Demographic Regions

The New Sunbelt

Migration growth states

Melting Pot America

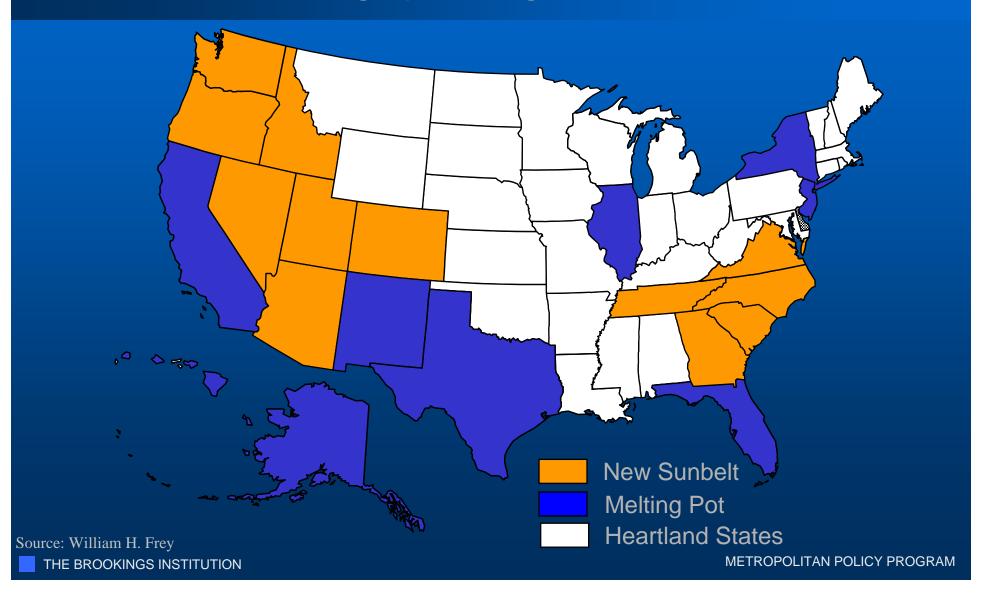
Diversity states

The Heartland

Slow growth states

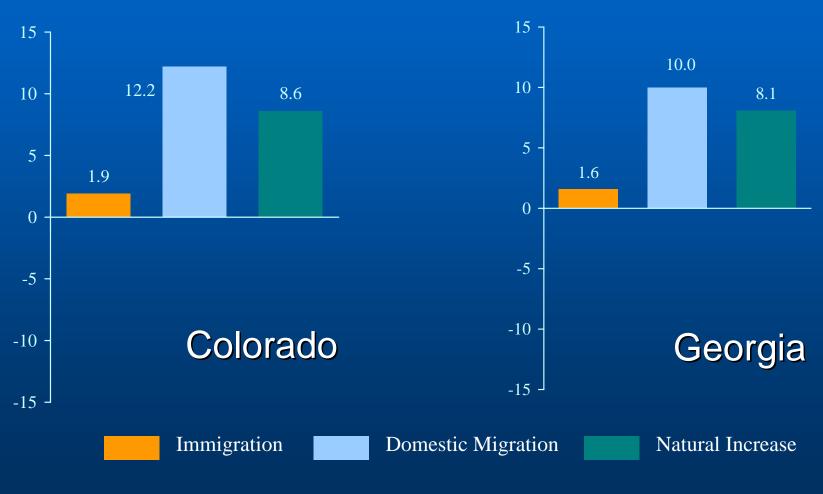


### America's New Demographic Regions



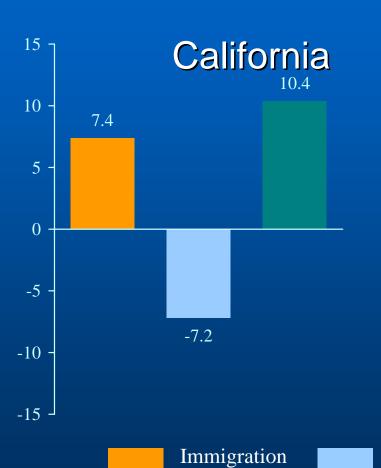


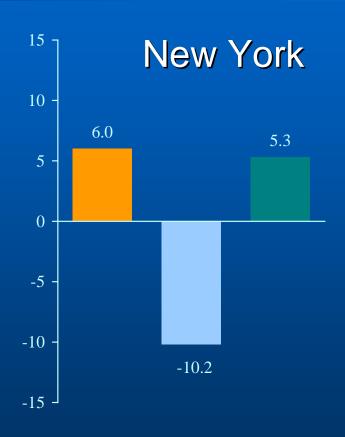
#### New Sunbelt: Examples





### Melting Pot: Examples





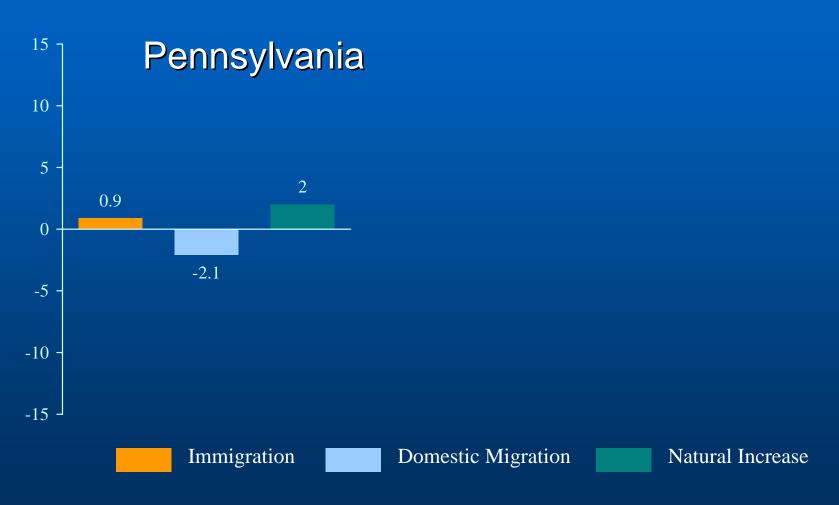
**Domestic Migration** 

Source: William H. Frey

Natural Increase

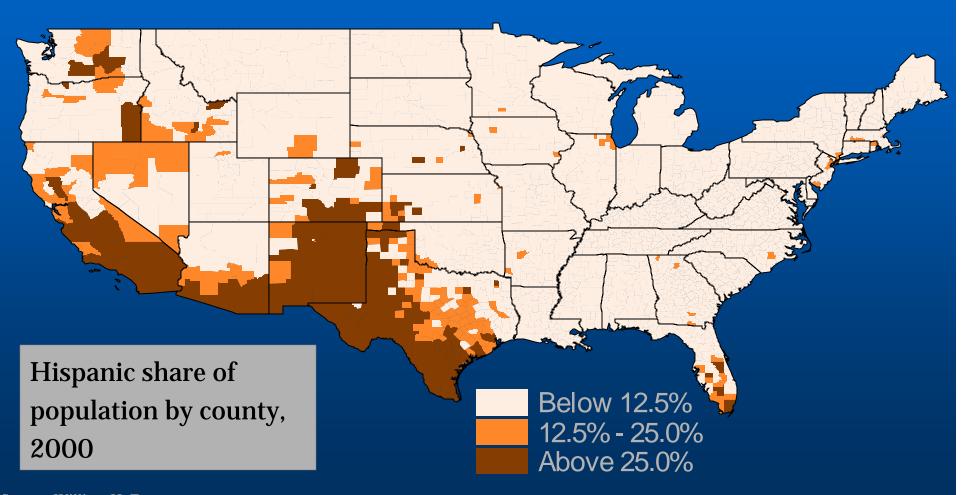


#### Heartland: Examples





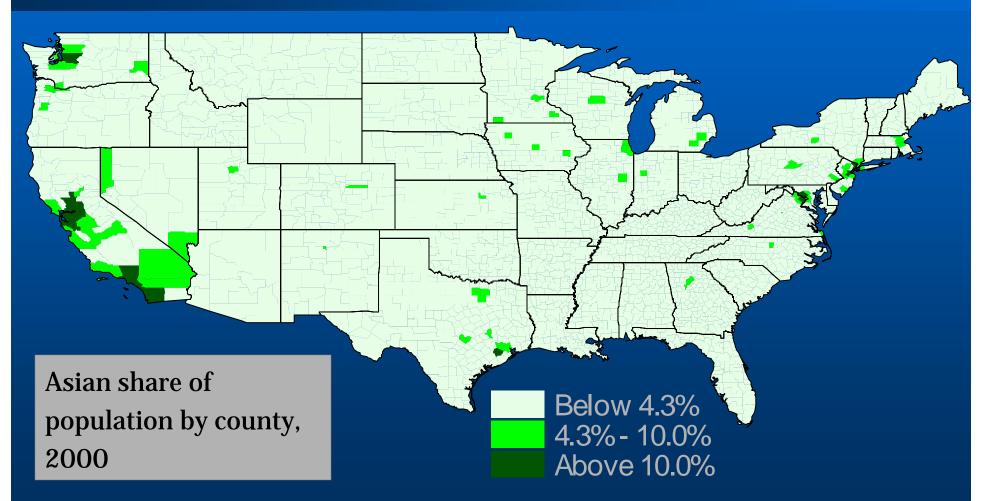
Hispanics are concentrated in Washington, California, Arizona, New Mexico, Texas, Florida and isolated urban pockets



Source: William H. Frey



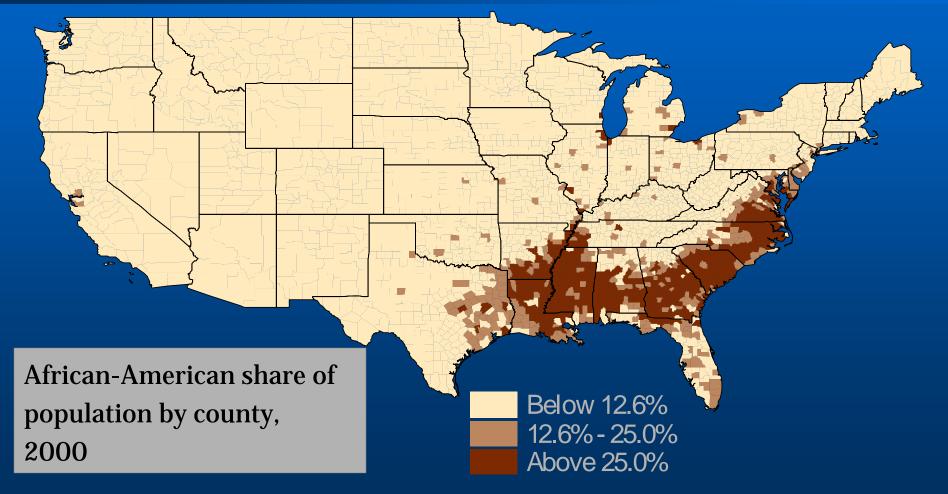
# Asians are concentrated in California and isolated urban pockets



Source: William H. Frey



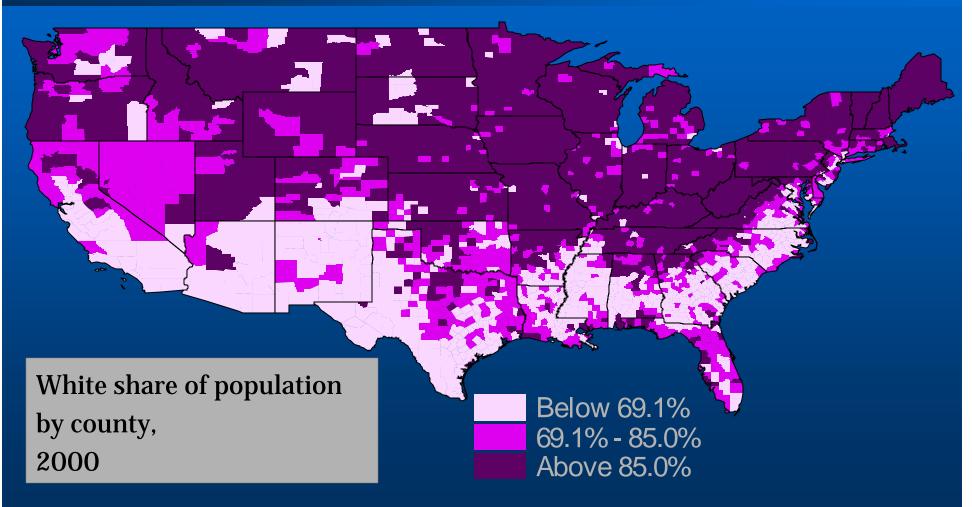
## Blacks are concentrated in the South and industrial cities of the North



Source: William H. Frey



# Areas with high concentrations of whites are more common in the heartland



Source: William H. Frey



### Melting pot states include a large share of America's diversity

Foreign Born	70%
Asian Language at Home	68%
Spanish at Home	76%
Mixed Marriages	51%
NI-C - Design	070/
Native Born	37%
English at Home	34%

Source: William H. Frey

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### Redefining Urban and Suburban America



What are the general demographic trends affecting the United States?



What are the major trends affecting metropolitan areas?



What do these trends mean for urban and metropolitan policy?

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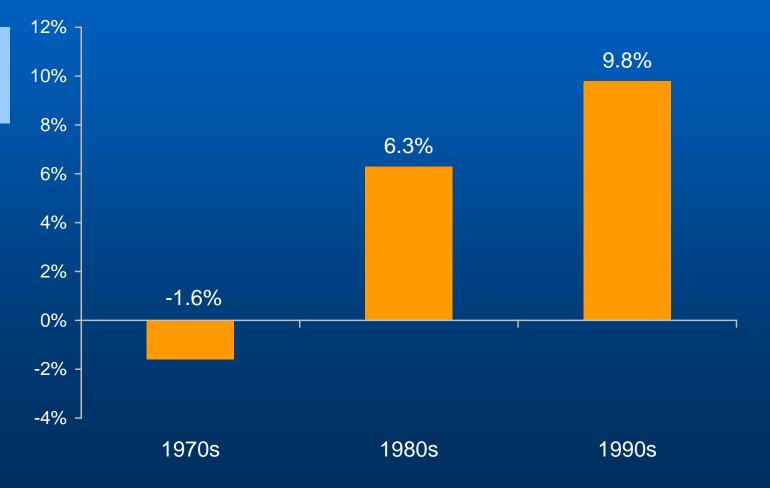
What are the major trends affecting metropolitan areas?

- 1. Cities are growing, but metros are still sprawling
- 2. Cities and suburbs are becoming more diverse
- 3. The economy continues to restructure
- 4. The geography of work is changing
- 5. The geography of poverty is changing



## Large cities grew faster in the 1990s than they did in the 1980s and 1970s

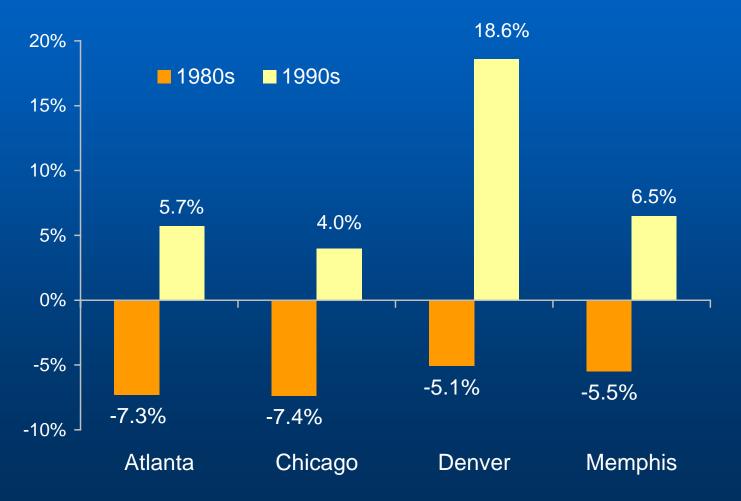
50 largest cities, population 1970-2000





## Several large cities gained population during the 1990s after losing population in the 1980s

Selected cities, population growth 1990-2000





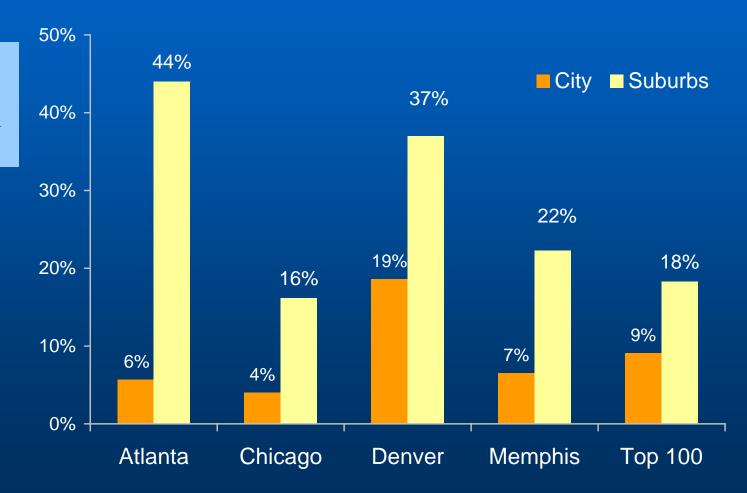
# Cities in growing metros grew, while those in slow growth metros generally declined

City Category	Number of Cities	City Population Change	MSA Population Change
Rapid Growth (over 20%)	14	32%	25%
Significant Growth (10 to 20%	) 22	15%	22%
Moderate Growth (2 to 10%)	36	7%	13%
No Growth (-2 to 2%)	6	0%	11%
Loss (below -2%)	20	-7%	6%



# Still, population is decentralizing in nearly every U.S. metropolitan area

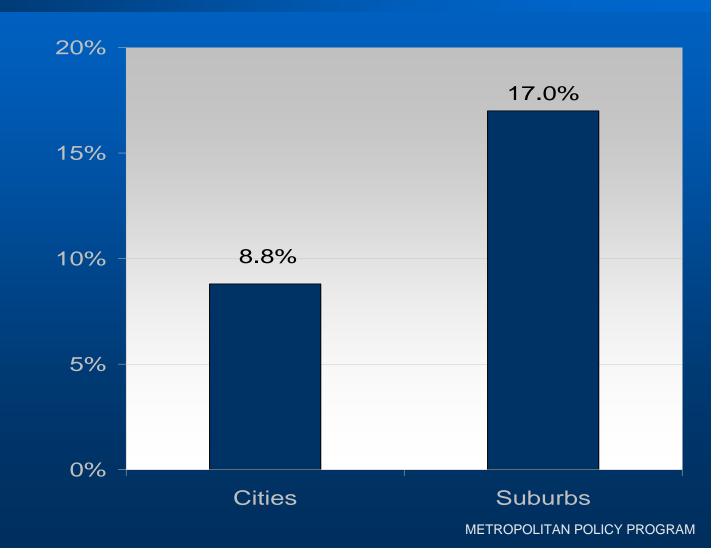
Selected cities and suburbs, population growth 1990-2000





### Suburbs grew faster than cities in the 1990s

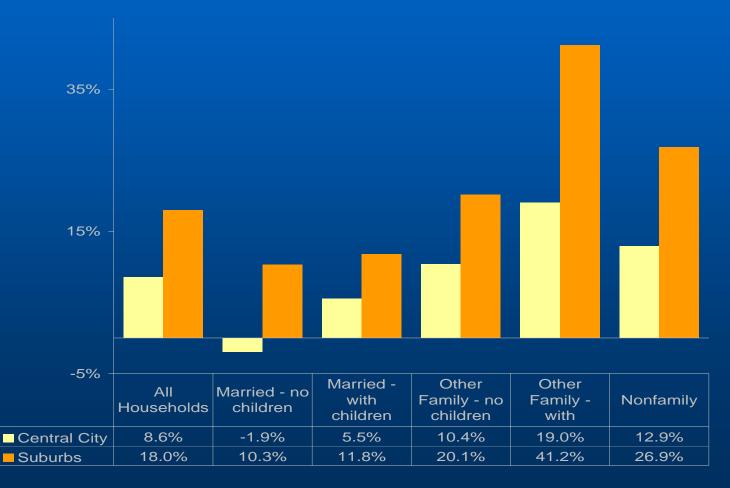
Percent population growth, 100 largest cities and suburbs 1990-2000



## Every household type grew at faster rates in the suburbs than in cities

### Population growth, 1990-2000

Source: William Frey. "A Census 2000 Study of City and Suburb Household Change." Brookings, Forthcoming



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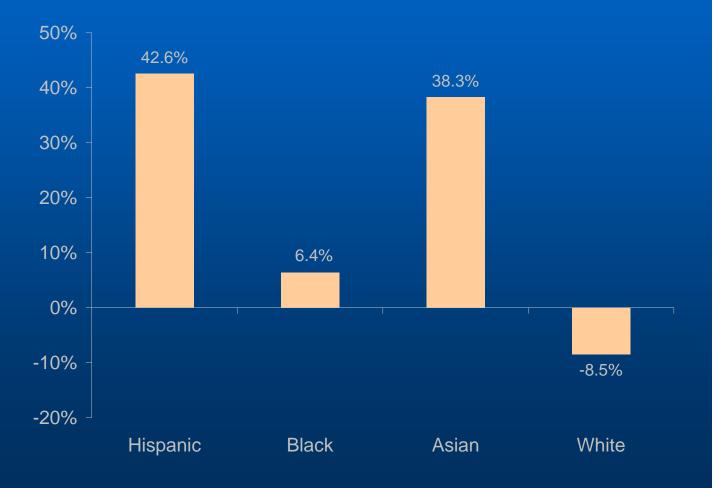
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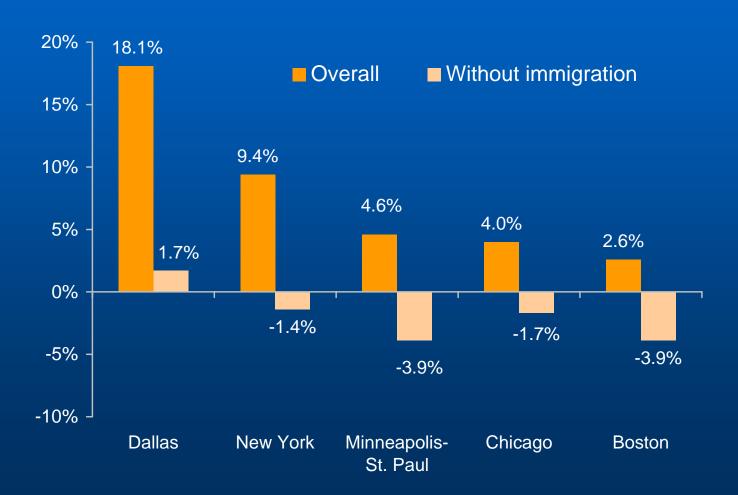
# Central City Growth in the 1990s was fueled by Asians and Hispanics

Population growth, 100 largest cities 1990-2000



# If not for immigration, several of the nation's largest cities would not have grown during the 1990s

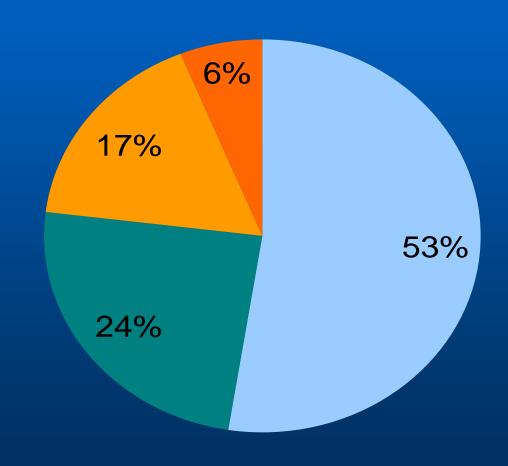
Population growth with and without foreign-born, 1990-2000



## In aggregate, the racial makeup of the 100 largest cities has shifted....

Share of population by race and ethnicity, 1990

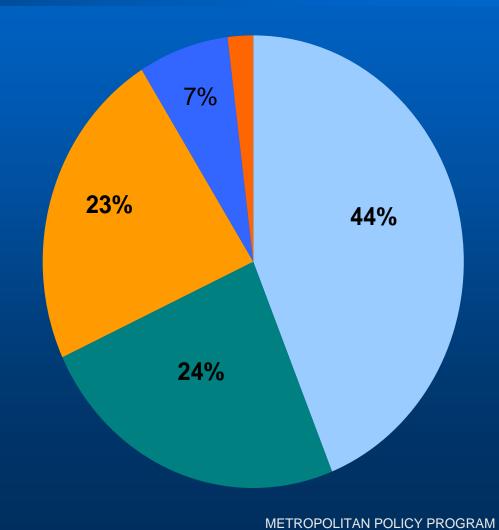
- White
- Black
- Hispanic
- Other



#### In 2000, the top hundred cities became majority minority

Share of population by race and ethnicity, 2000

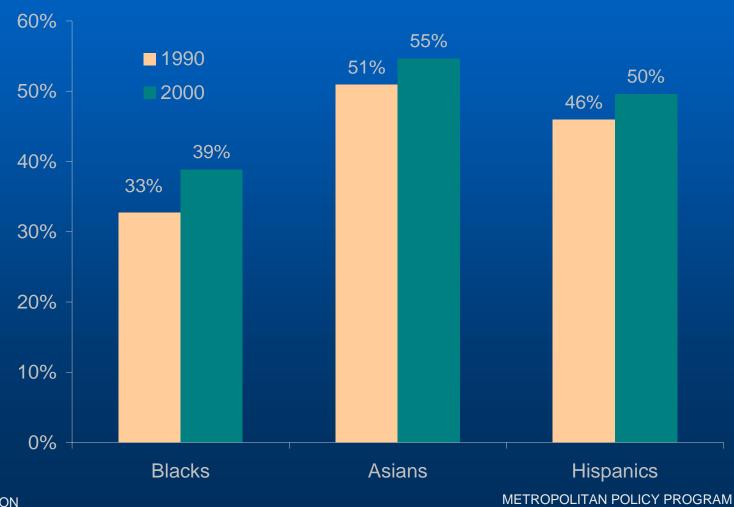
- White
- Black
- Hispanic
- Asian
- Multi-racial





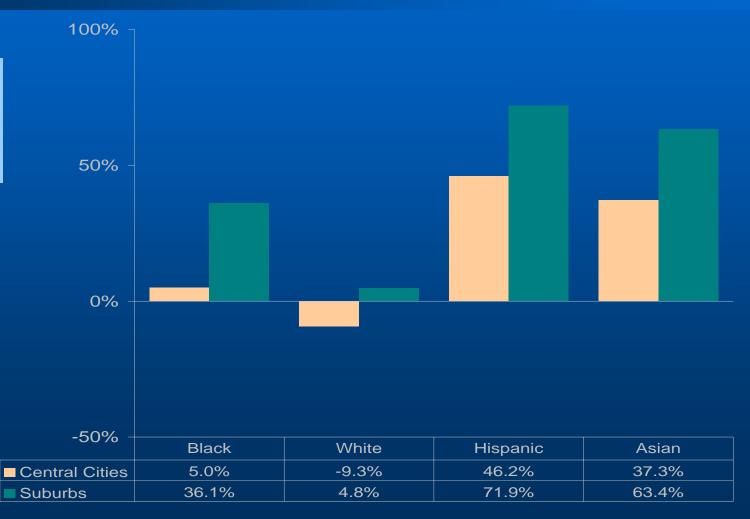
# The percent of each racial/ethnic group living in the suburbs increased substantially

Share of population by race and ethnicity, 1990



## In addition, every minority group grew at faster rates in the suburbs than in central cities

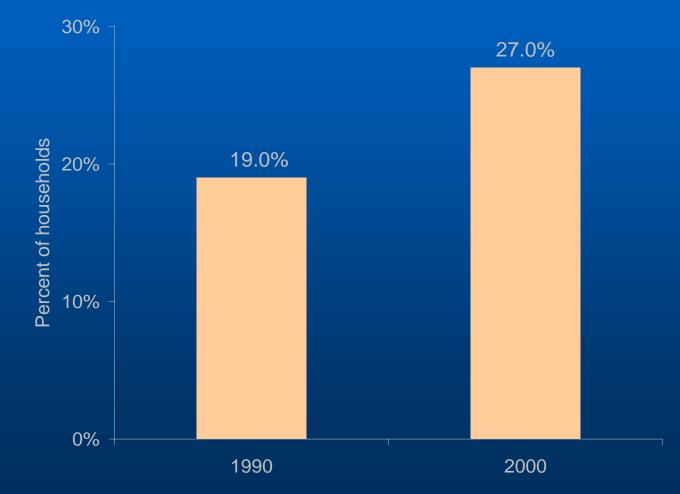
Population growth by race and ethnicity, 1990-2000





#### Now more than 1 in 4 suburban households are minority

Minority share of population, 1990-2000



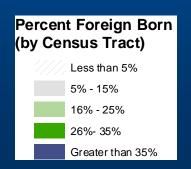


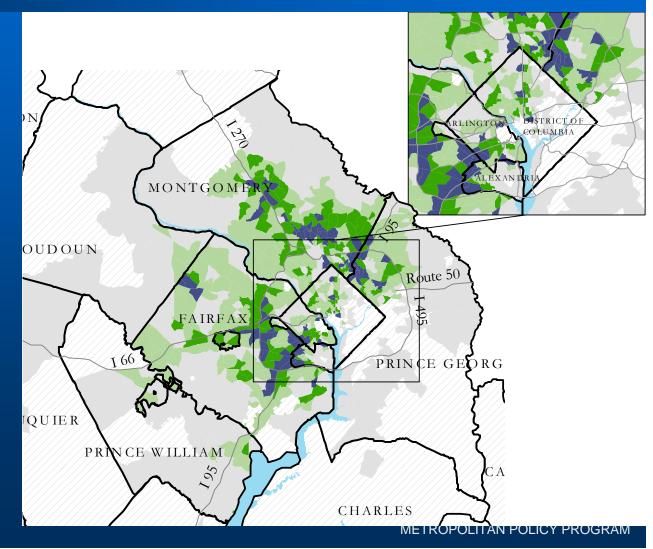


### In many metro areas, the locus of immigration is shifting from the central city to the suburbs

Washington region, share foreign-born by census tract, 2000

Source: Singer, "At Home in the Nation's Capital," June 2003







#### Despite growing suburban diversity, racial separation persists In metros like Chicago

Percent Black or African-American, 2000

Source: U.S. Census Bureau

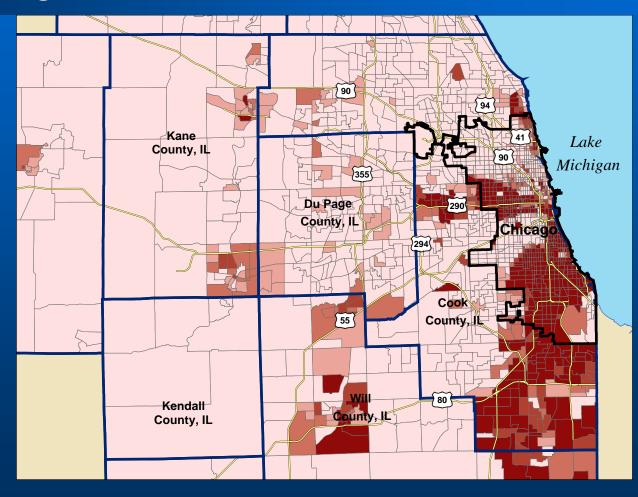


5.01 - 10%

10.01 - 20%

20.01 - 30%

> 30%



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What are the major trends affecting metropolitan areas?

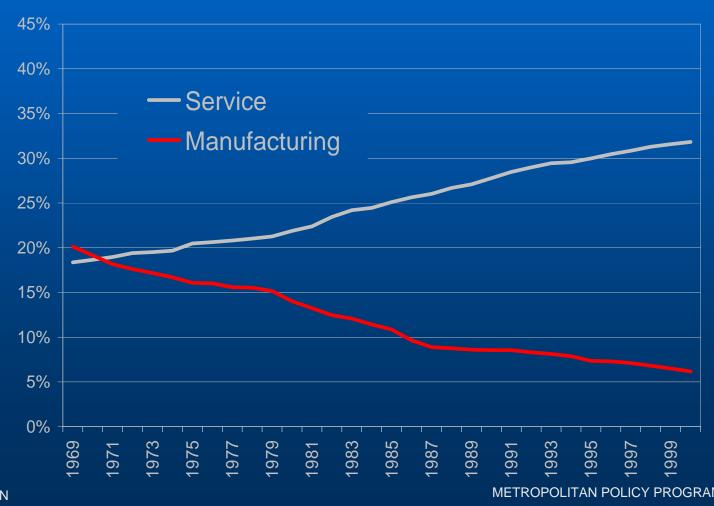
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### The nation's economy has shifted away from manufacturing and toward the service sector

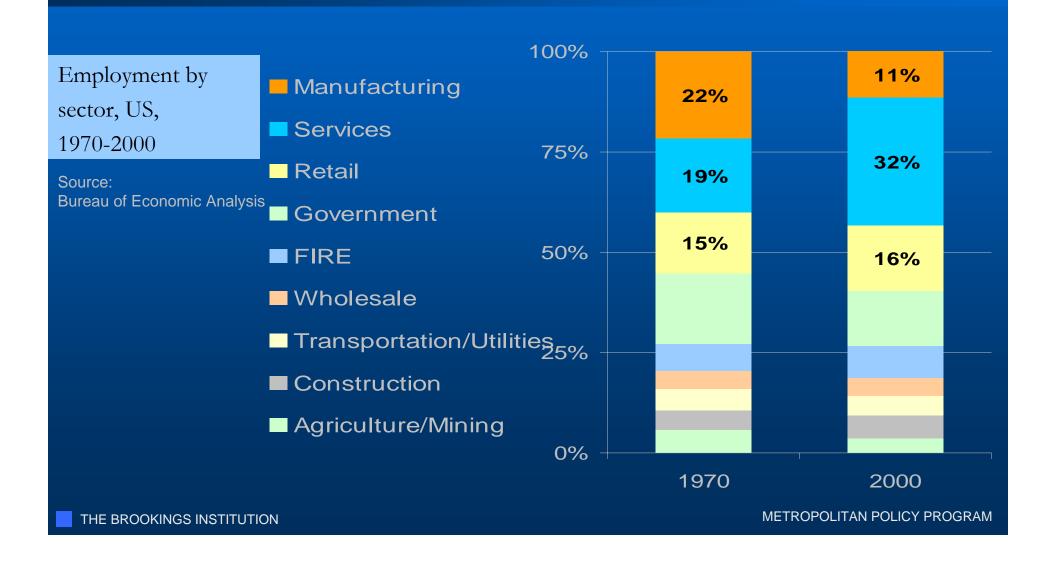
Share of Total Employment by sector, US, 1969- 2000

Source: Bureau of Economic Analysis





#### The result is a markedly different industrial composition



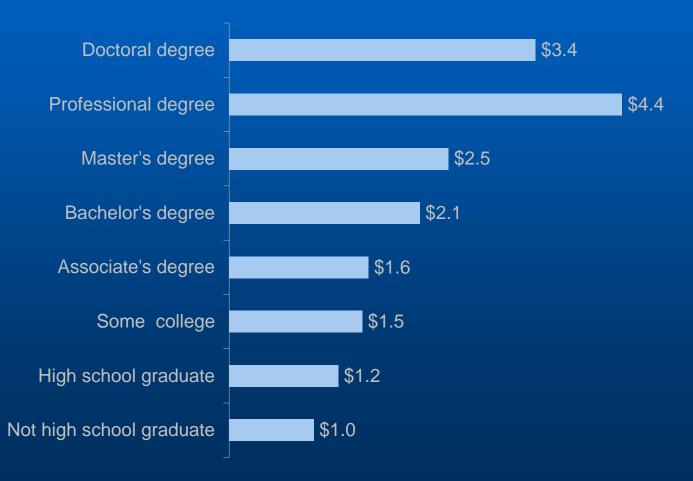


# The shift in the economy corresponds with an increased premium on educated workers—which correlates with higher earnings

Work-Life Earnings
Estimates (millions),
1997-1999

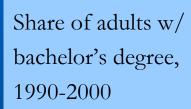
#### Source:

"The Big Payoff: Educational Attainment and Estimates of Work-Life Earnings," US Census

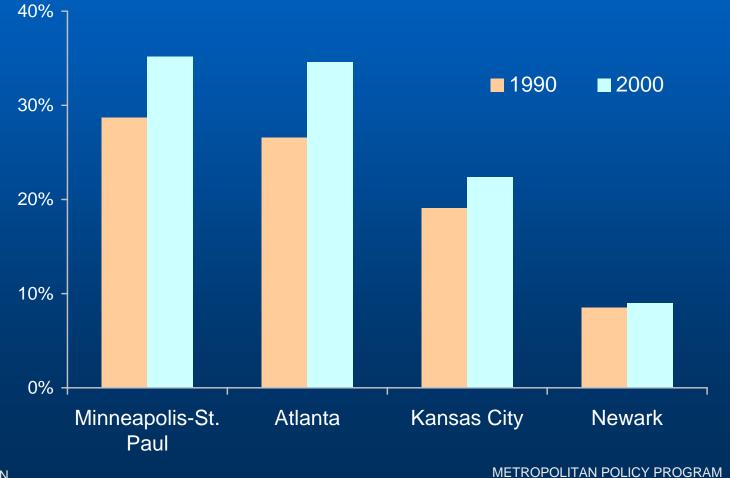




#### Educational attainment varies widely across cities



Source: U.S. Census Bureau

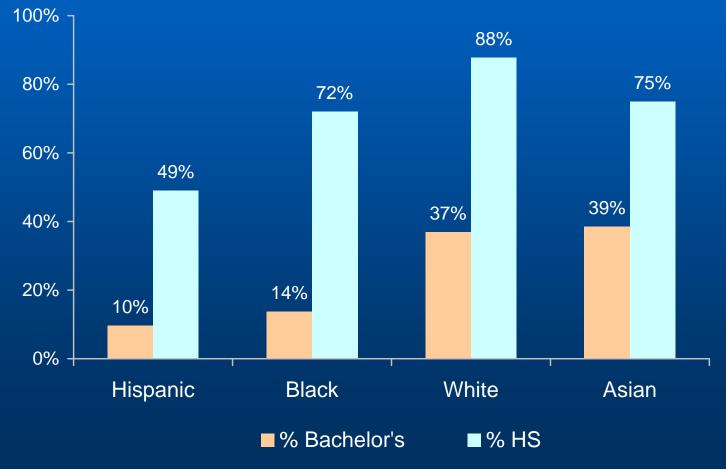




### And there are significant disparities between race/ethnic groups

Share of adults w/bachelor's degree, 100 Largest Cities 1990-2000

Source: U.S. Census Bureau



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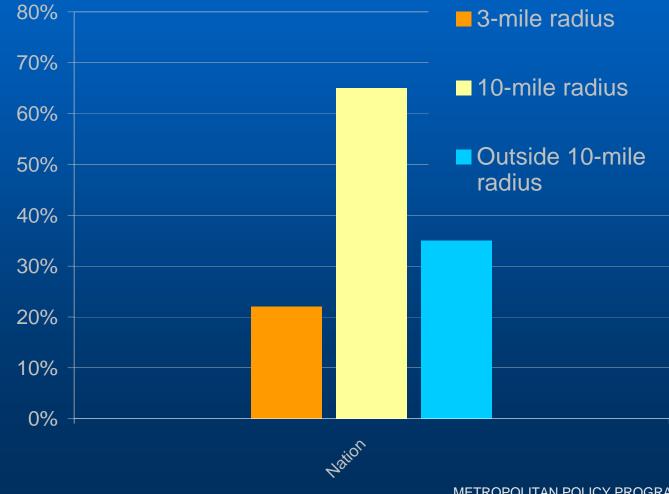
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#### Nationally, one-third of jobs are located outside a 10-mile radius of the central business district

Share of jobs within 3-, 10-, and greater- than-10mile radius of center, 1996

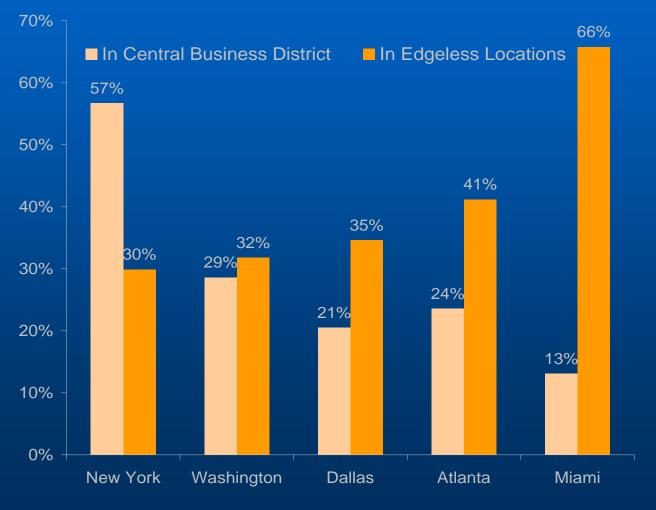






### In many metros, an exit ramp economy dominates office development.

Share of metropolitan office space (SQ FT), 1999

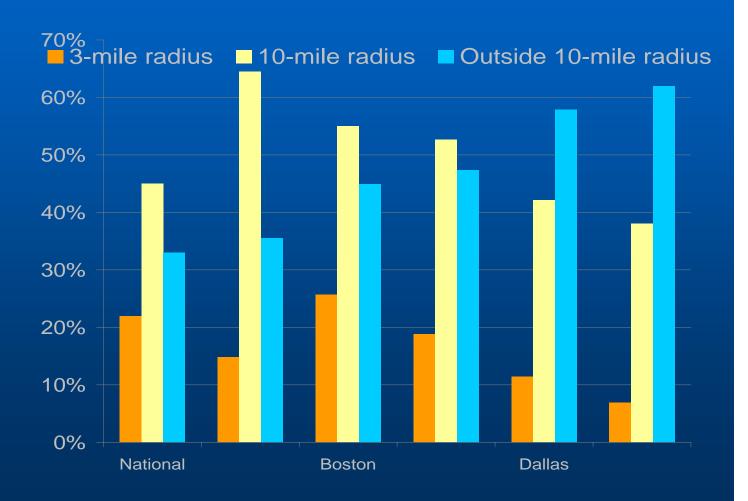






### But the level of employment decentralization varies widely across metropolitan areas.

Share of metropolitan employment, 1999



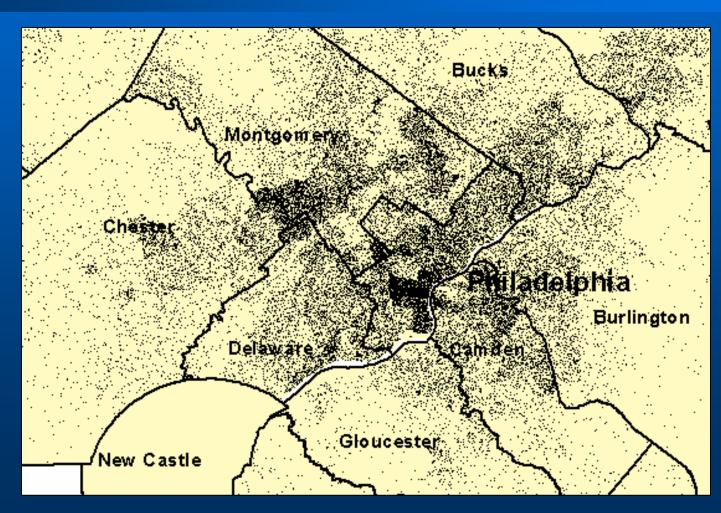


#### In the Philadelphia region, job sprawl has been radical

Private Sector Jobs, 2000

Source: U.S. Census Bureau Zip Code Business Patterns

• = 50 jobs



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What are the major trends affecting metropolitan areas?

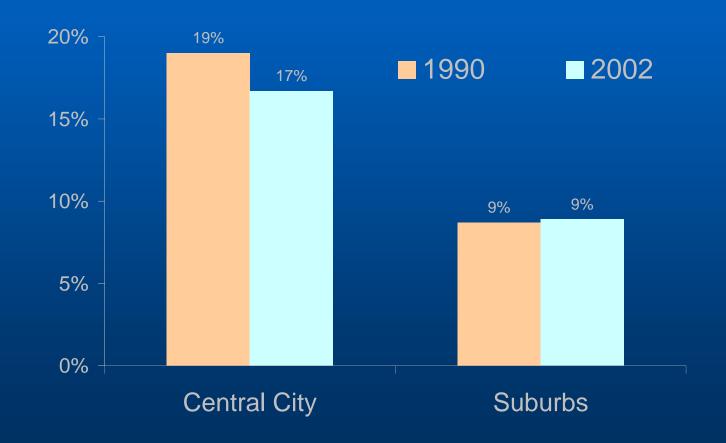
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### Poverty rates in central cities have declined over the 1990s, while poverty rates in the suburbs have increased slightly

Poverty rates for central cities and suburbs, 1990-2001

Source: Current Population Survey, 2002





### Overall, the number of people living in high poverty neighborhoods has declined during the 1990s

Population of high-poverty neighborhoods by location, 1990-2000

Source: Paul Jargowsky, "Stunning Progress, Hidden Problems: The Dramatic Decline of Concentrated Poverty in the 1990s" 2003

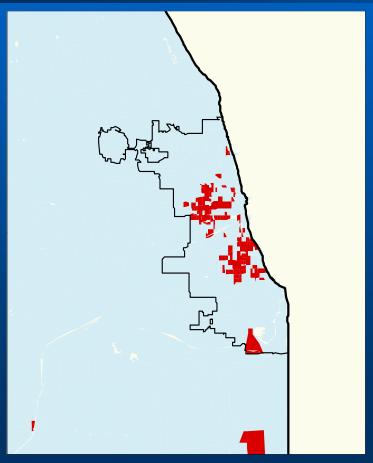


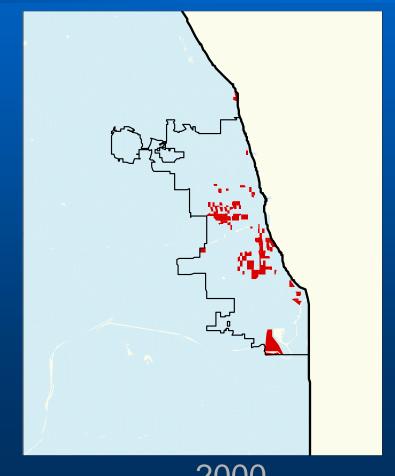
**Population (in thousands)** 

**2000 ■ 1990** 



During the 1990s, number of high-poverty tracts in Chicago dropped from 187 to 114, and there were 179,000 fewer people living in high poverty areas







#### Redefining Urban and Suburban America



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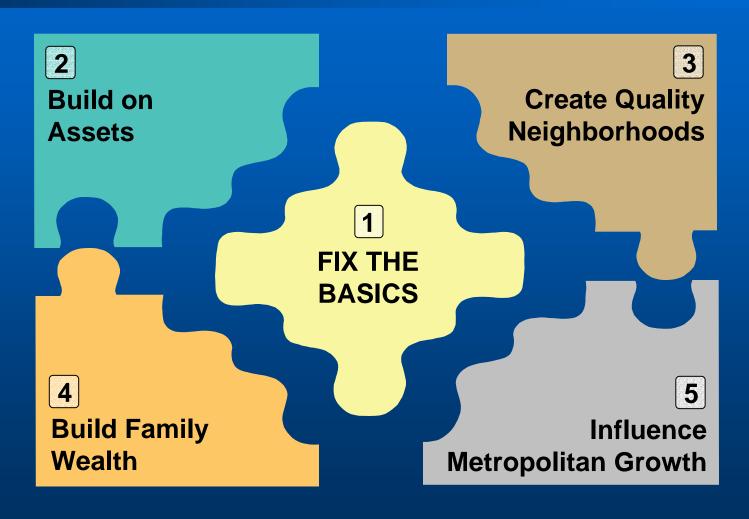
What are the major trends affecting metropolitan areas?



What do these trends mean for urban and metropolitan policy?



#### The New Competitive Cities Agenda







#### Fix the Basics

- Good schools
- Safe streets
- Competitive taxes and services
- 21<sup>st</sup> century infrastructure
- Functioning real estate market



#### Fix the Basics

#### The Philadelphia Story

- In 1999, Philadelphia had 30,900 vacant residential lots
- The city had 36 abandoned structures per 1,000 residents compared to an average of 2.6 nationally
- 15 different public agencies were responsibility for vacant properties
- Insufficient resources for demolition, site preparation, and brownfield remediation compounded problem



#### Fix the Basics

#### Philadelphia Neighborhood Transformation Initiative

- A \$1.6 billion dollar 5 year program to remove blight from Philadelphia neighborhoods.
- Reform of the city's delivery systems.
- Build 16,000 new houses and demolish 14,000 buildings.
- Rehabilitate 2,500 properties.
- Creation of a Philadelphia Land Bank.
- Clearing of 31,000 vacant lots in the first year.
- Facilitation of neighborhood planning in a citywide context





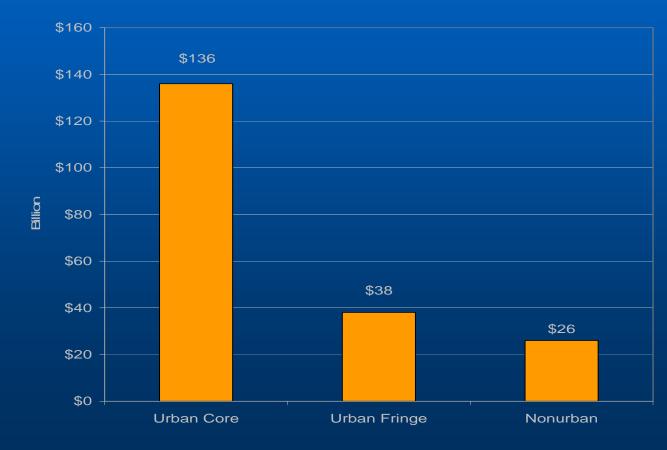
#### **Build on Assets**

- Fixed institutions (universities and hospitals)
- Employment clusters
- Downtown
- Historic Properties
- Waterfront
- Cultural institutions/parks



#### **Build on Assets**

Colleges and universities represent billions of dollars for urban economies



Source: ICIC and CEOs for Cities



#### **Build on Assets**

## **Leveraging Local Universities:**Virginia Commonwealth University

- VCU created the Virginia Bio-Technology research center
- 27,000 square feet of state of the art laboratories ideal for biotech start-ups in downtown Richmond
- Center has generated 26 new companies
- Incubator helps university attract top faculty. And in turn, helps those faculty turn ideas into viable businesses





#### Create Quality Neighborhoods

- Neighborhood markets
- Mixed-income communities
- Home-ownership Opportunities
- Access to capital



#### Create Quality Neighborhoods

#### **Vaughn Public Housing (St. Louis)**





#### Create Quality Neighborhoods

#### George L. Vaughn Residences at Murphy Park (St. Louis)



- 402 units of economically integrated public housing:
  - 30% at market rate
  - 15% tax credits
  - 55% public housing
- \$ 45 million
  - public housing funds
  - first mortgage funds
  - tax credits
  - corporate donations
  - private equity





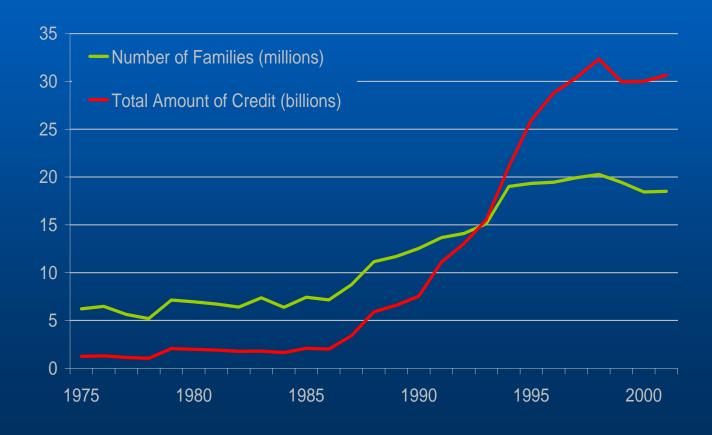
#### **Build Family Wealth**

- Access to quality jobs
- Income and work supports
- Access to financial institutions
- Asset building



### **Build Family Wealth**

The Earned
Income Tax Credit
Has Increased
Substantially





#### **Build Family Wealth**

#### **Chicago EITC Outreach Campaign**

- Outreach partnership between Mayor Daley's office,
   employers, business associations, and community groups
- Place information on EITC in bill inserts, paychecks, grocery store bags, McDonald's tray liners
- Chicago-based Center for Law and Human Services coordinates free tax preparation at 20 sites throughout city
- \$16M in EITC claimed at free tax assistance centers in 2001
- South Shore Bank helps EITC claimants without bank accounts to open savings accounts with their refunds





#### Influence Metropolitan Growth

- Metropolitan governance
- Land-use reform
- Transportation reform
- Access to metropolitan opportunity
- Urban reinvestment



#### Influence Metropolitan Growth

**Governance** Georgia

Georgia Regional Transportation Authority (1999)

Land-Use Ohio

The Clean Ohio Fund (2000)

**Transportation** Maryland

Smart Growth-Neighborhood Conservation Act of 1997

Metro Access California

Fair Share Affordable Housing Law

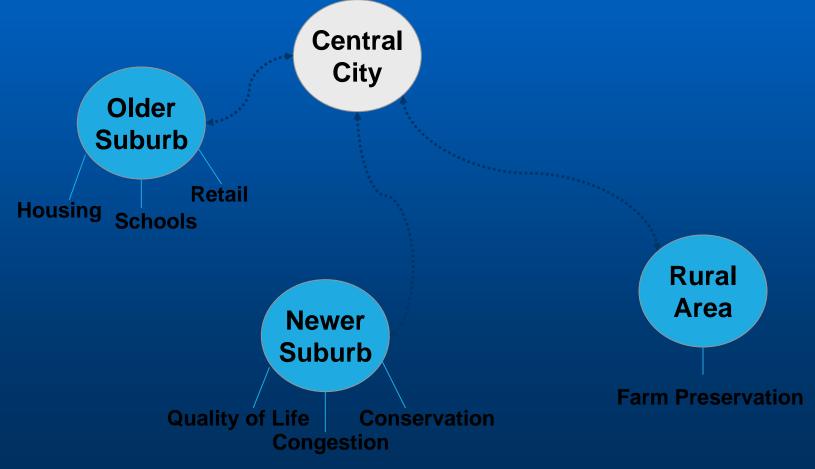
**Urban Reinvestment** New Jersey

The Rehabilitation Subcode of 1998



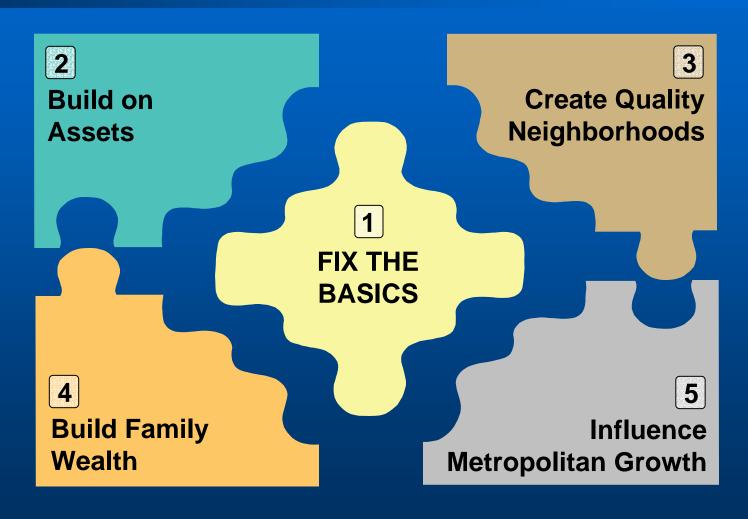
#### Influence Metropolitan Growth

#### The New Metropolitics





#### The New Competitive Cities Agenda



### www.brookings.edu/metro

