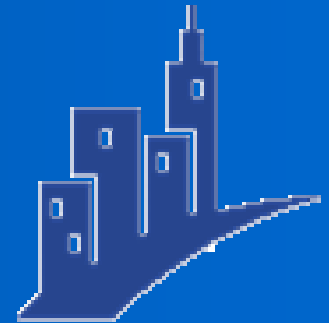


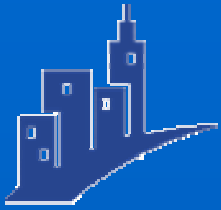
# The Brookings Institution

Metropolitan Policy Program  
Bruce Katz, Director



## The State of American Cities and Suburbs

Habitat Urban Conference  
March 18, 2005



# The State of American Cities and Suburbs

I

What are the general demographic and economic trends affecting the United States?

II

What are the major trends affecting cities and suburbs?

III

What do these trends mean for urban and metropolitan policy?

# I

What are the general demographic and economic trends affecting the United States?

Major demographic forces are changing the United States



Population Growth

Immigration

Aging

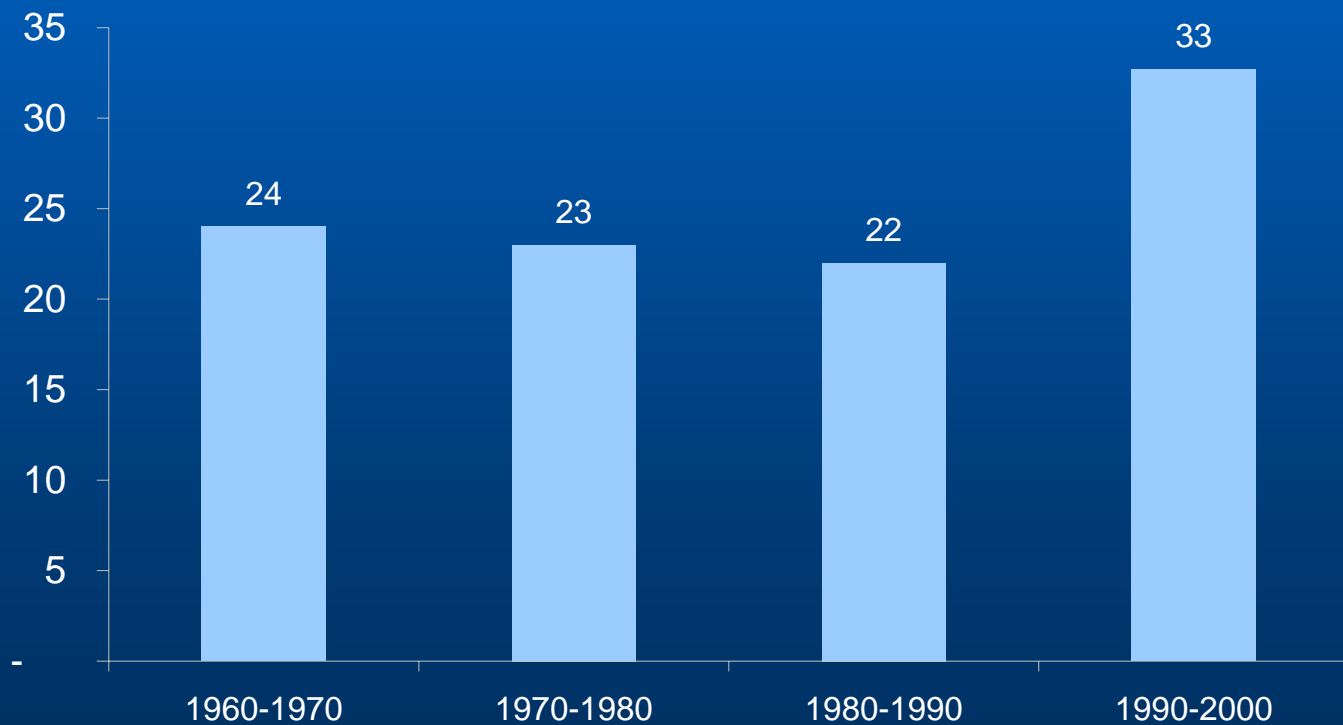
Internal Migration



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

US population  
growth (millions),  
1990-2000

Source:  
U.S. Census Bureau



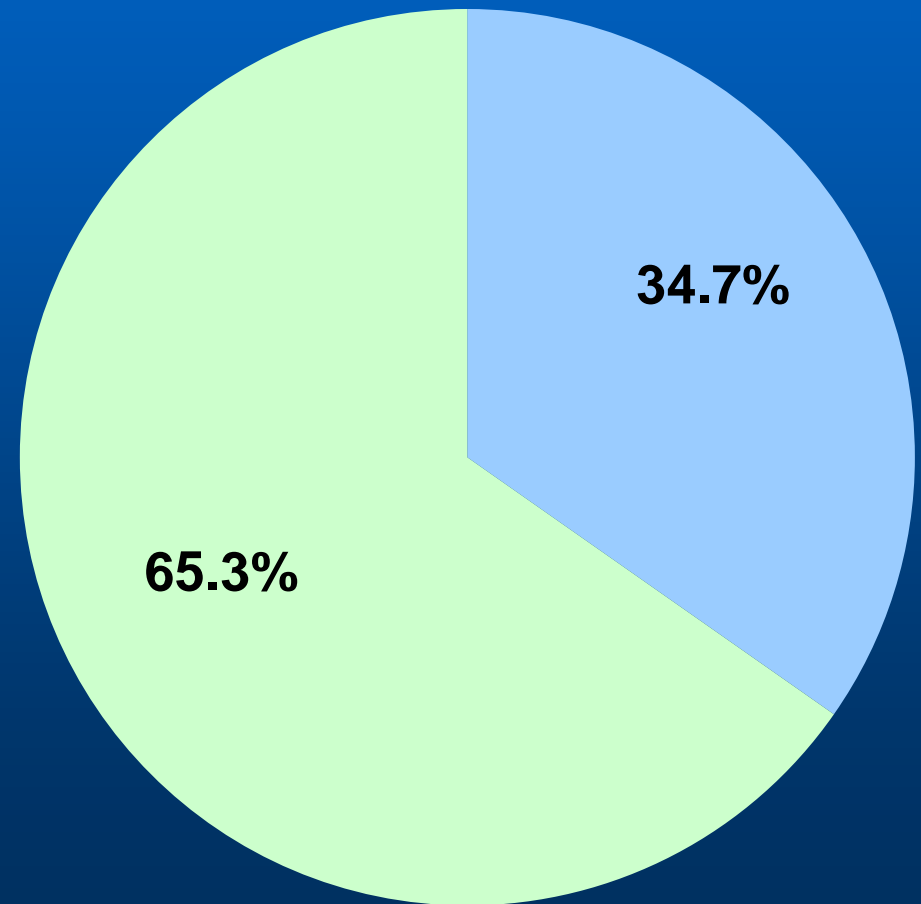


## More than 1/3 of this population growth was driven by immigration

Components of  
population change,  
1990-2000

Source:  
U.S. Census Bureau

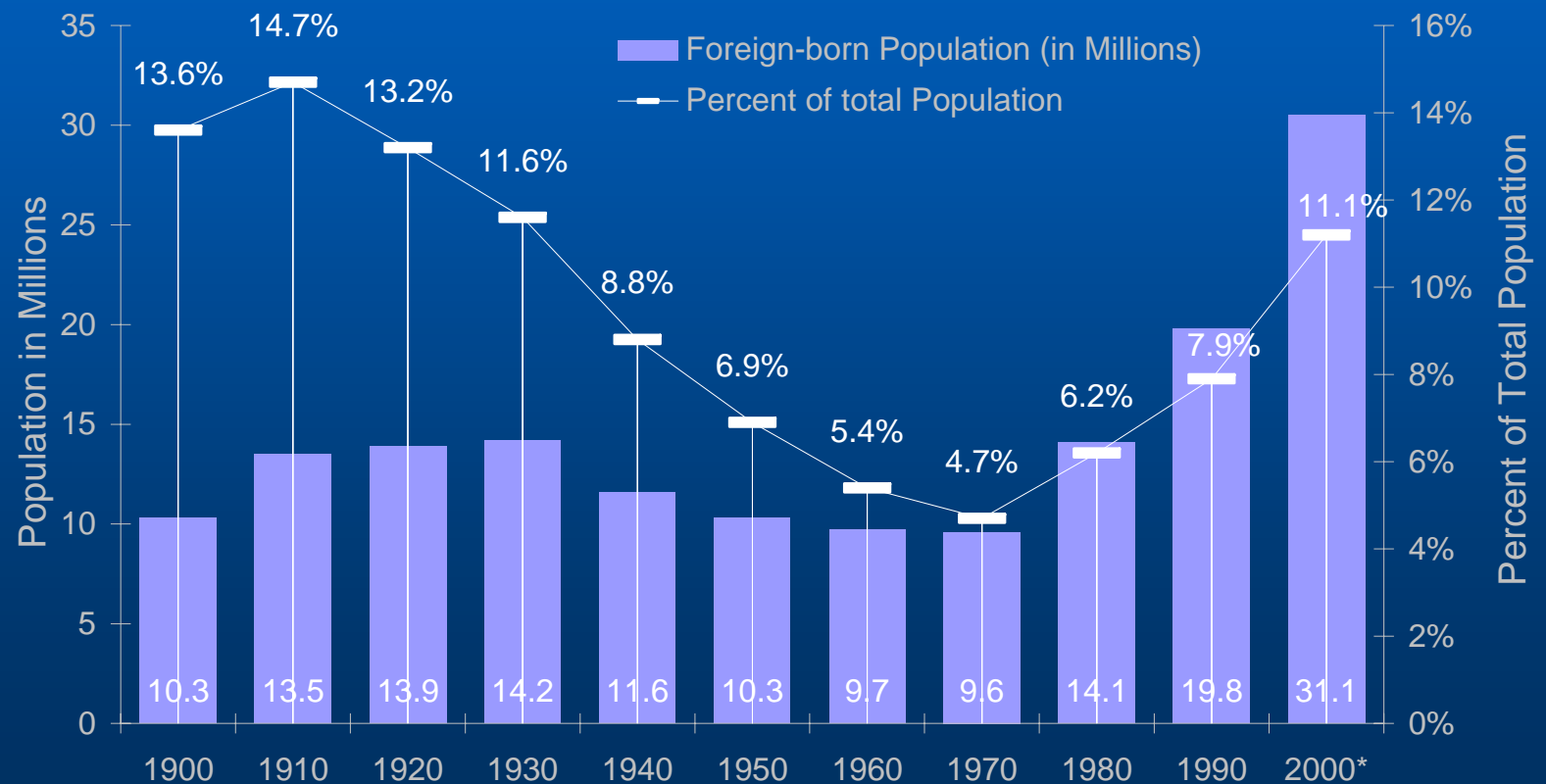
- Net Immigration
- Natural Increase





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





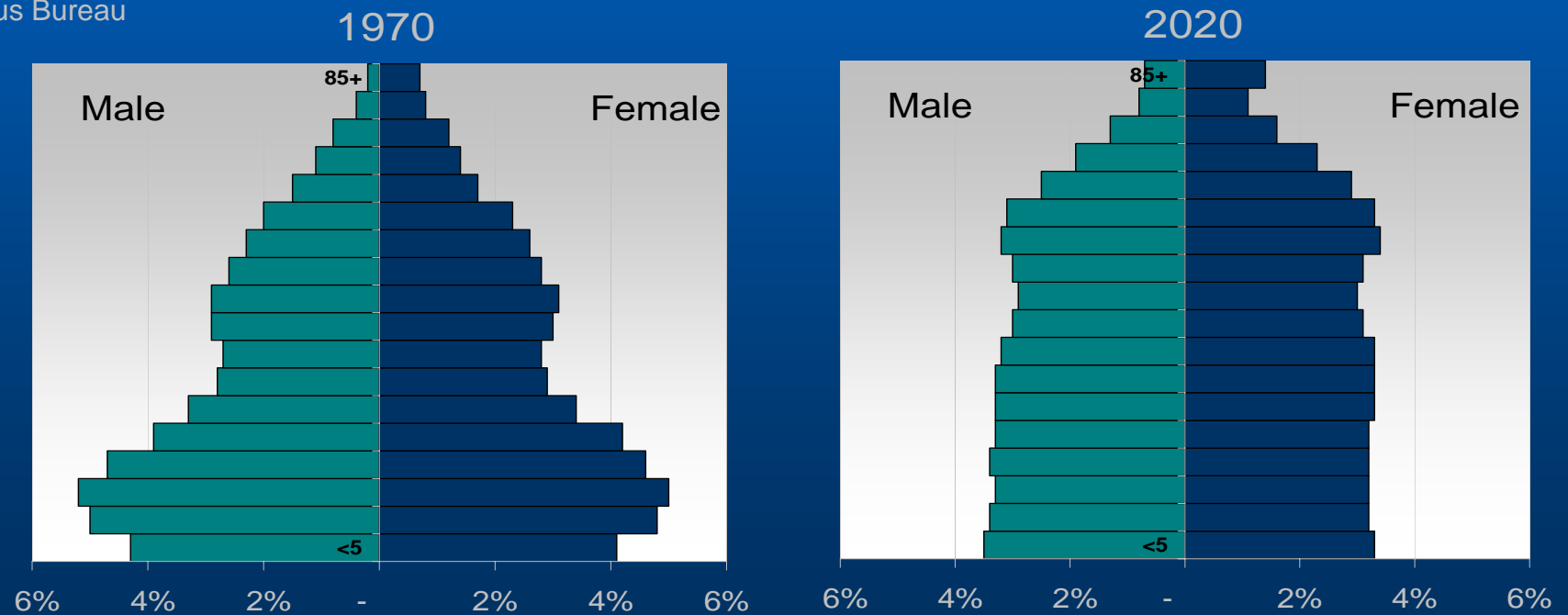
Aging



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

US Age  
Distribution,  
1970 vs. 2020

Source:  
U.S. Census Bureau

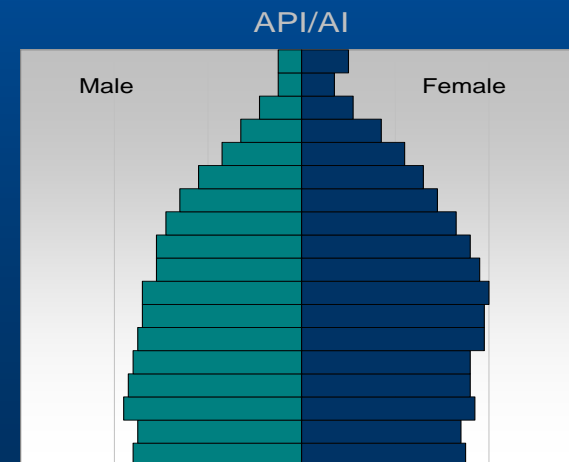
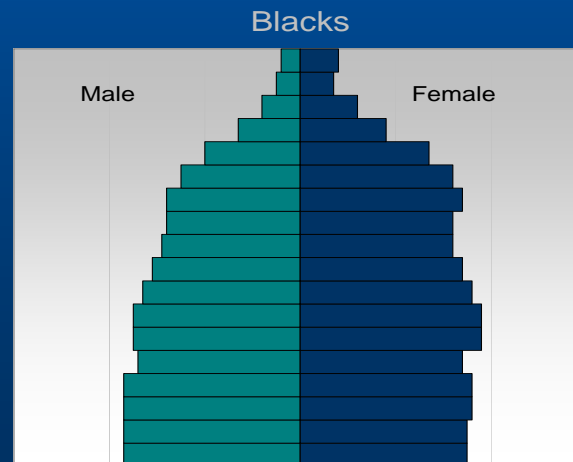
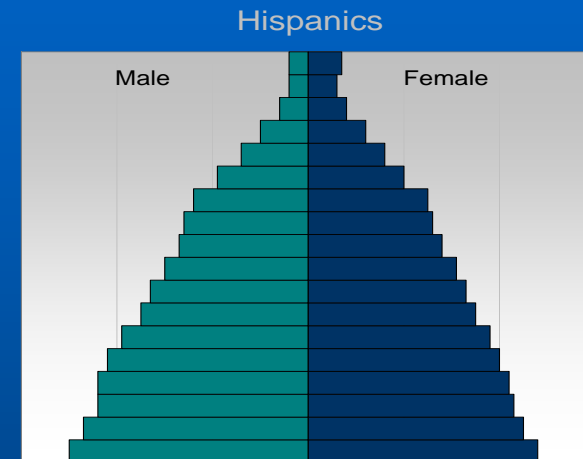
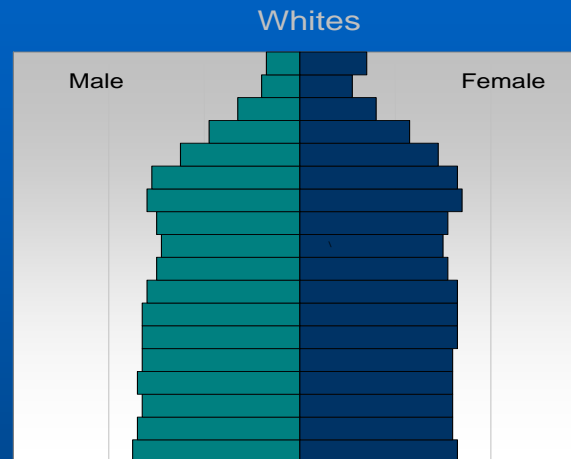




# Minorities, however, have younger age structures than whites

US Age  
Distribution,  
2020

Source:  
U.S. Census Bureau







# America's New Demographic Regions

The New Sunbelt



Migration growth states

Melting Pot America



Diversity states

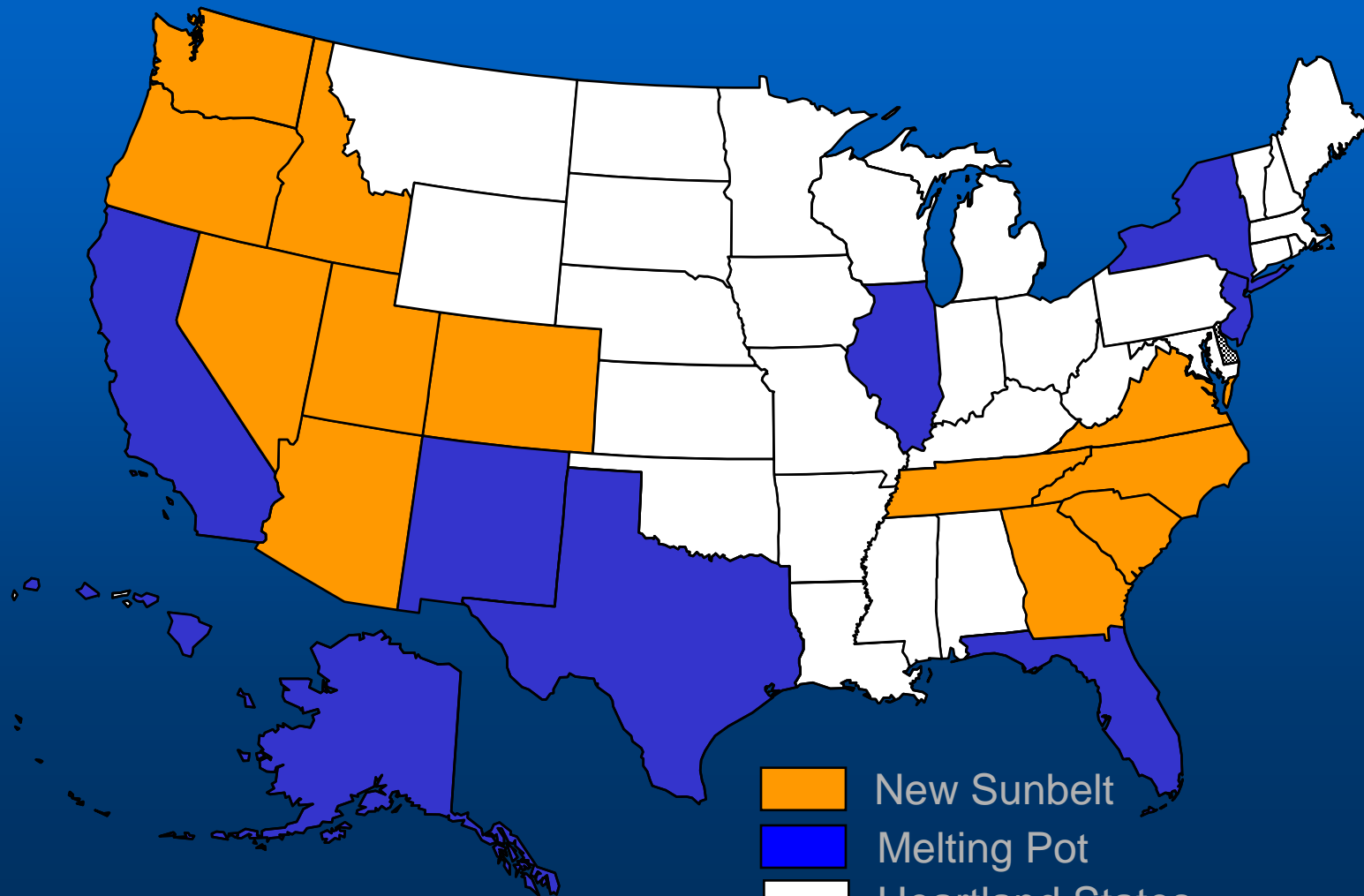
The Heartland



Slow growth states



# America's New Demographic Regions



Source: William H. Frey

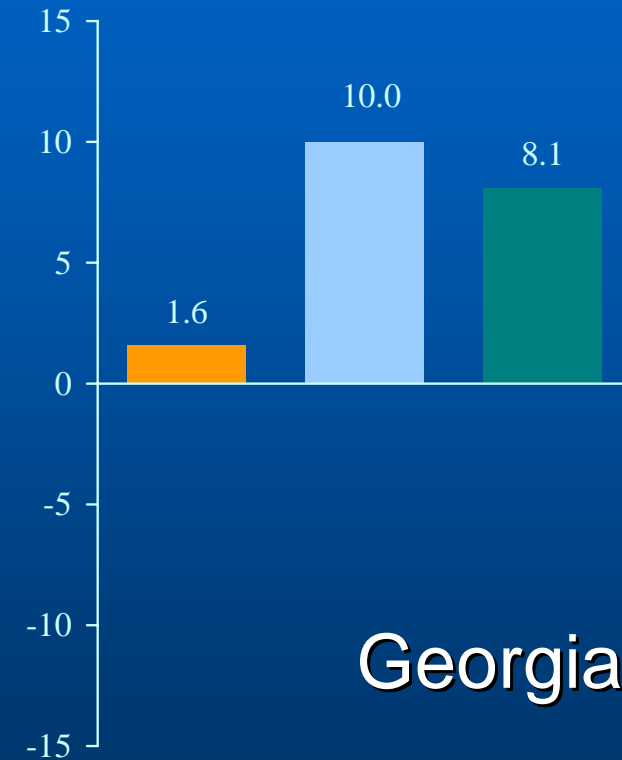
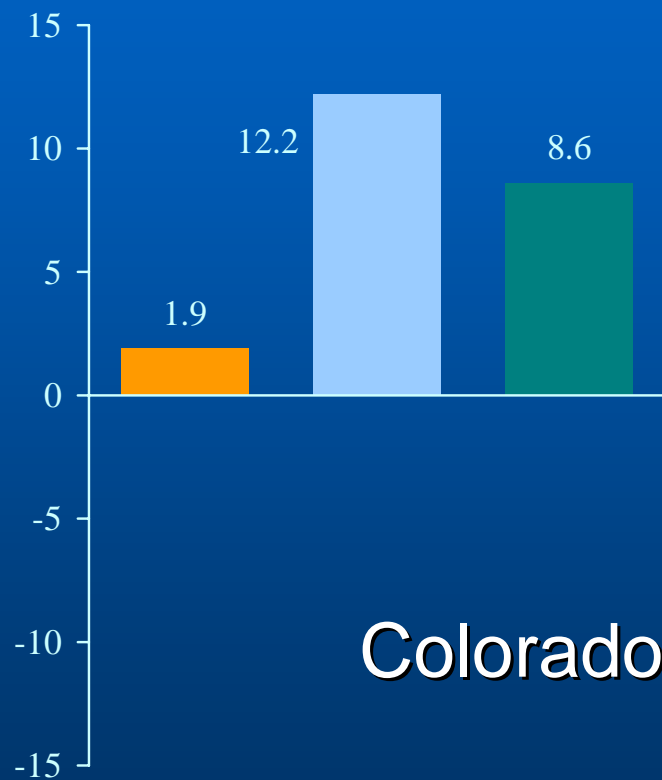
THE BROOKINGS INSTITUTION

New Sunbelt  
Melting Pot  
Heartland States

METROPOLITAN POLICY PROGRAM



## New Sunbelt: Examples



Immigration Domestic Migration Natural Increase

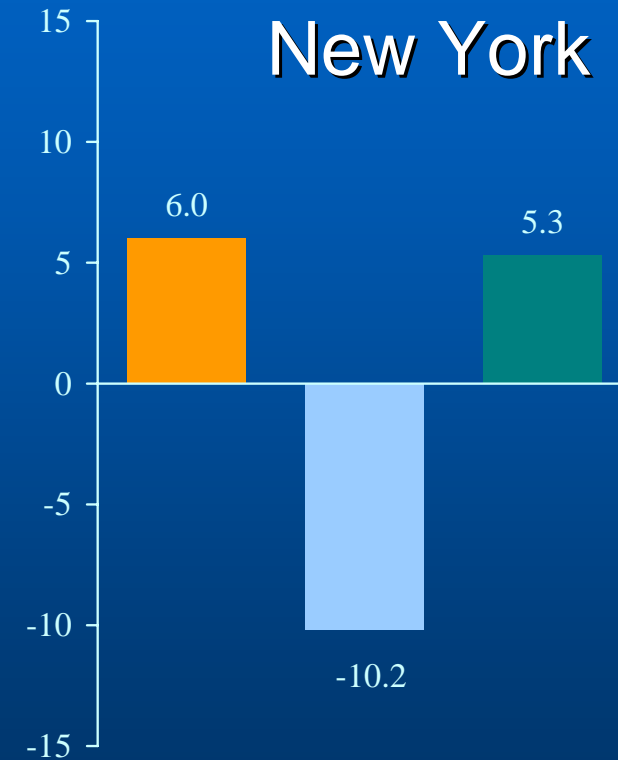
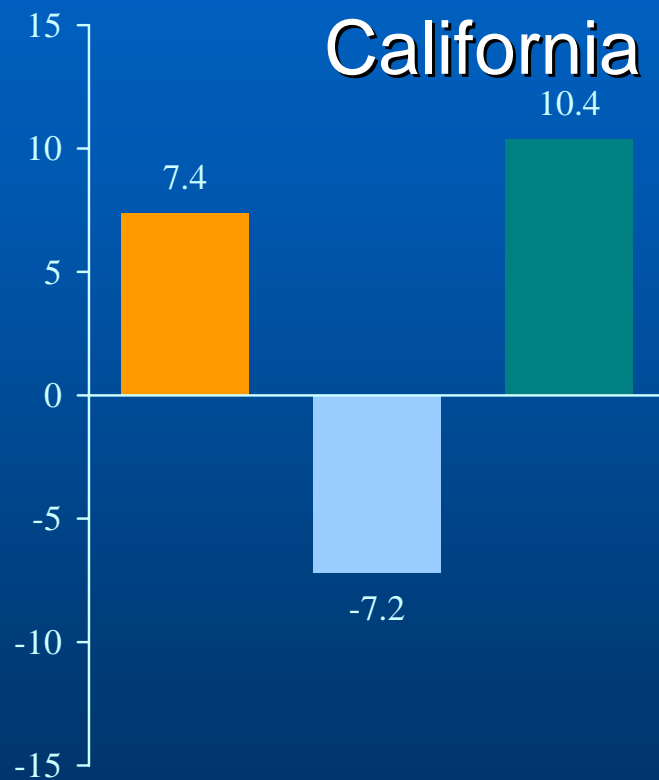
Source: William H. Frey

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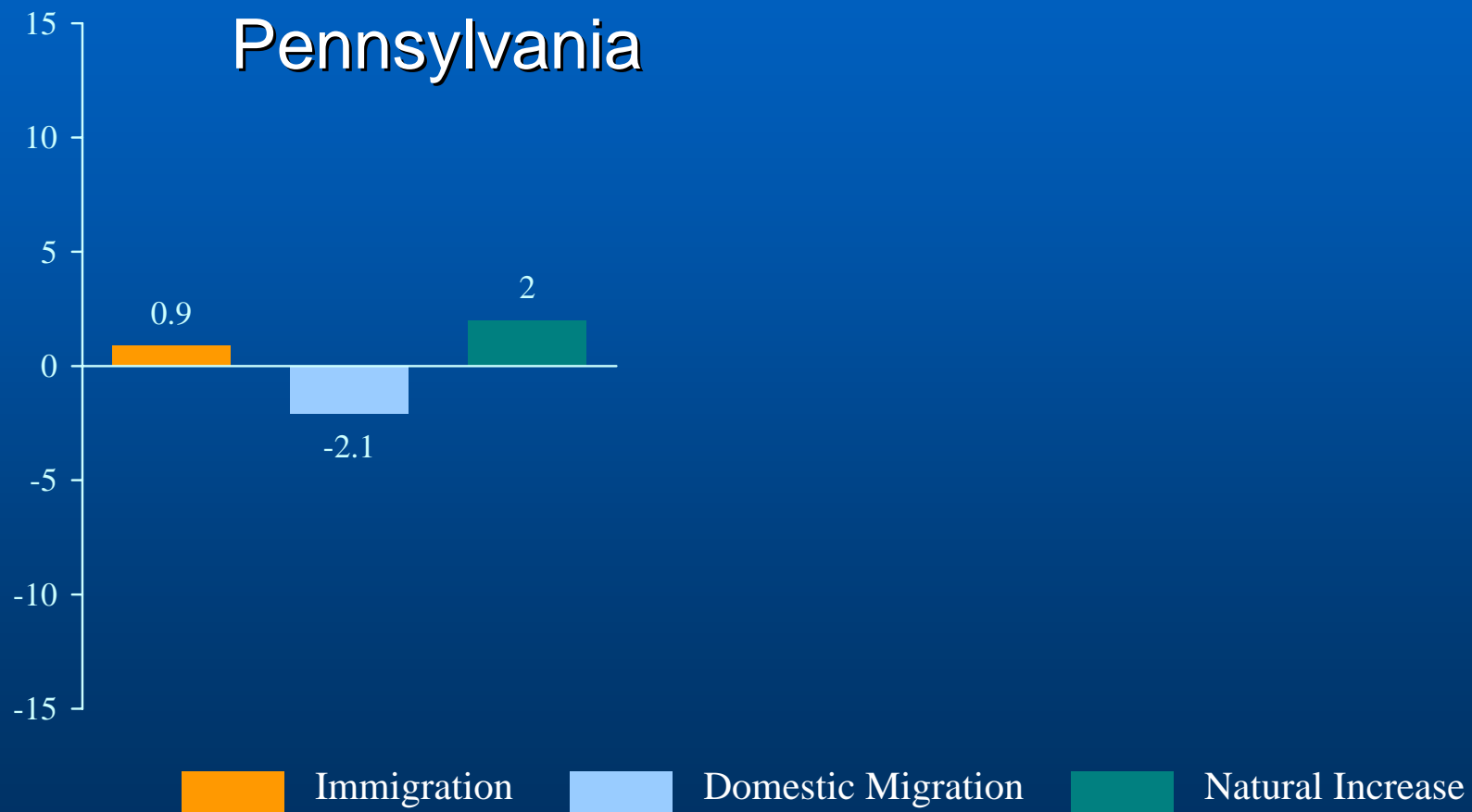
## Melting Pot: Examples



Immigration Domestic Migration Natural Increase



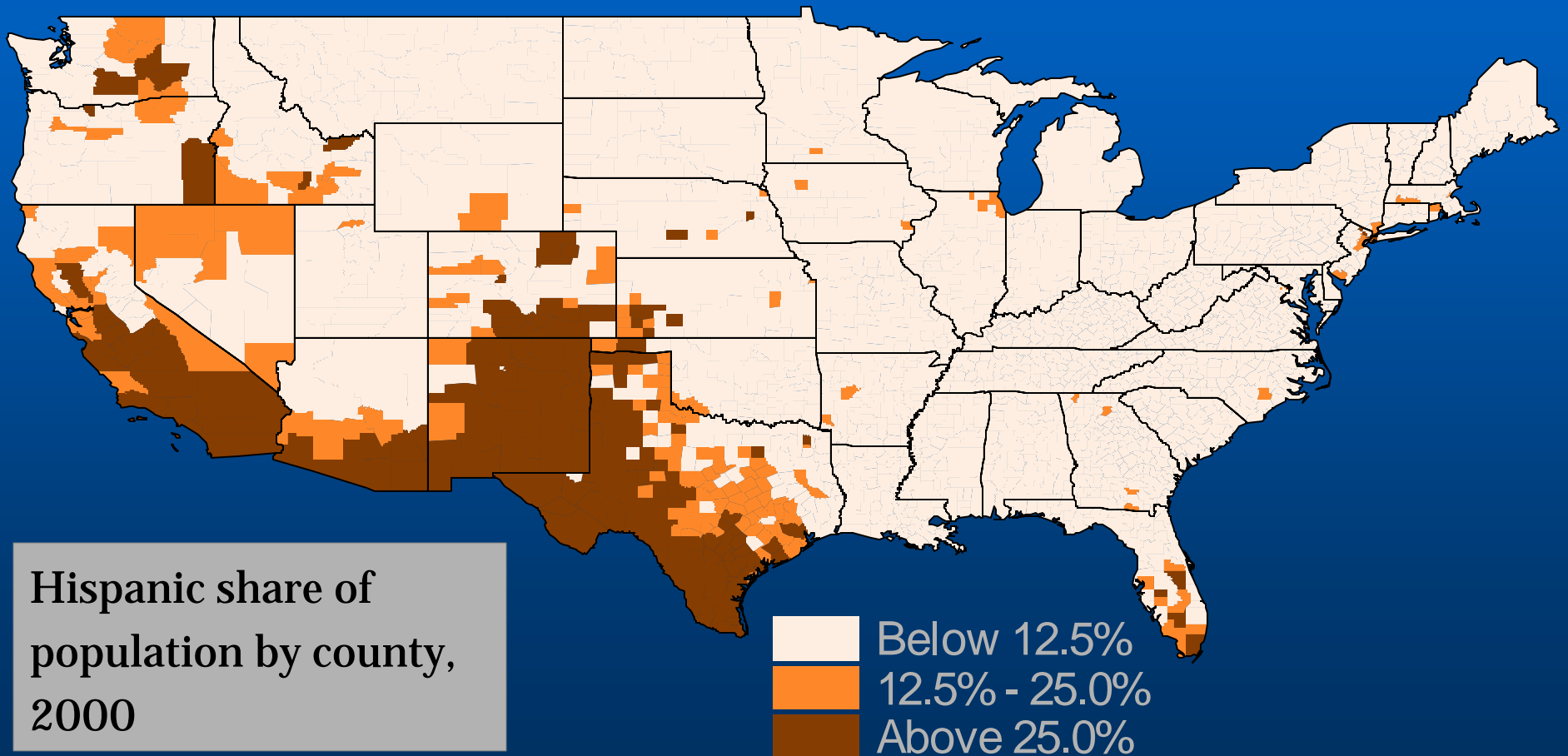
## Heartland: Examples



Source: William H. Frey



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



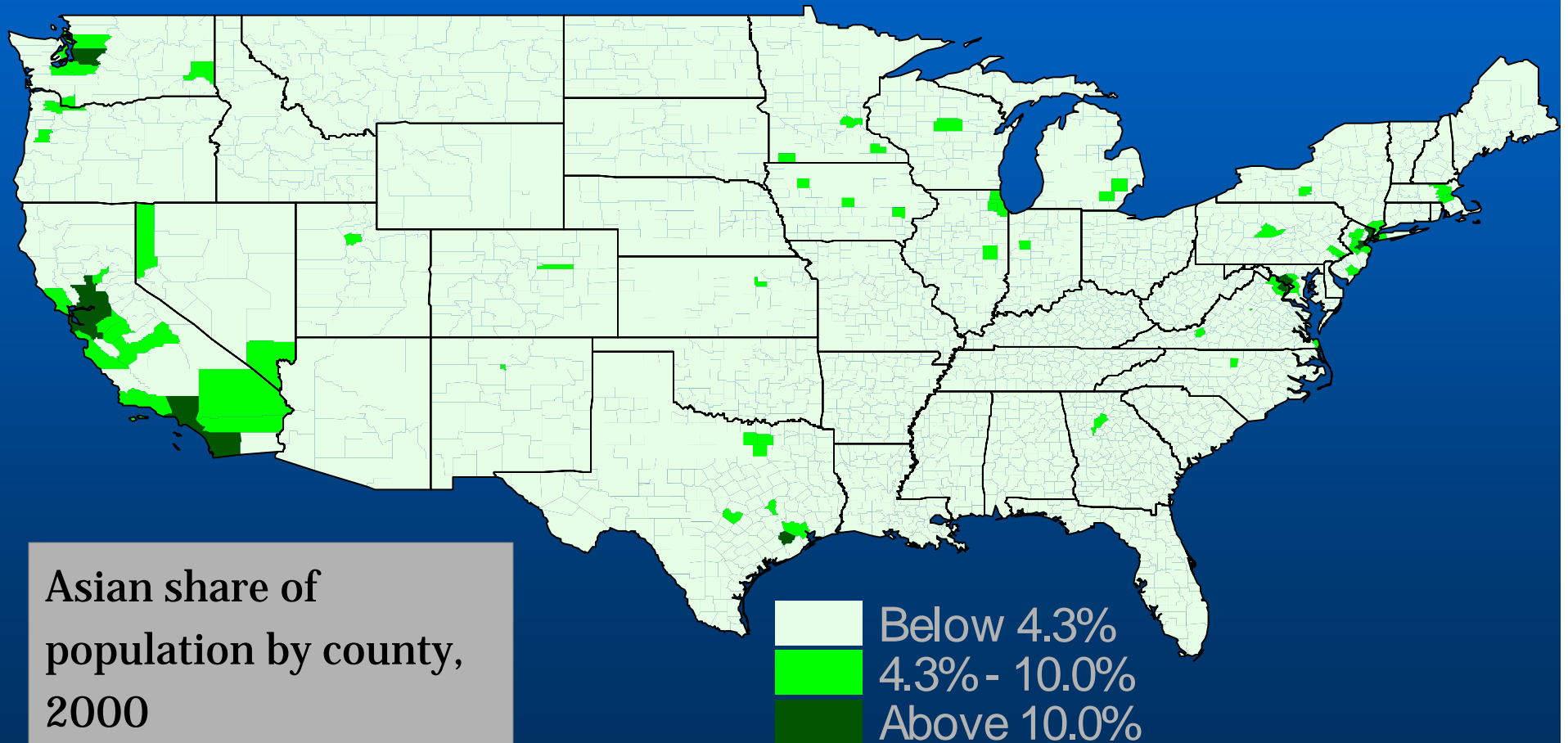
Source: William H. Frey

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## Asians are concentrated in California and isolated urban pockets



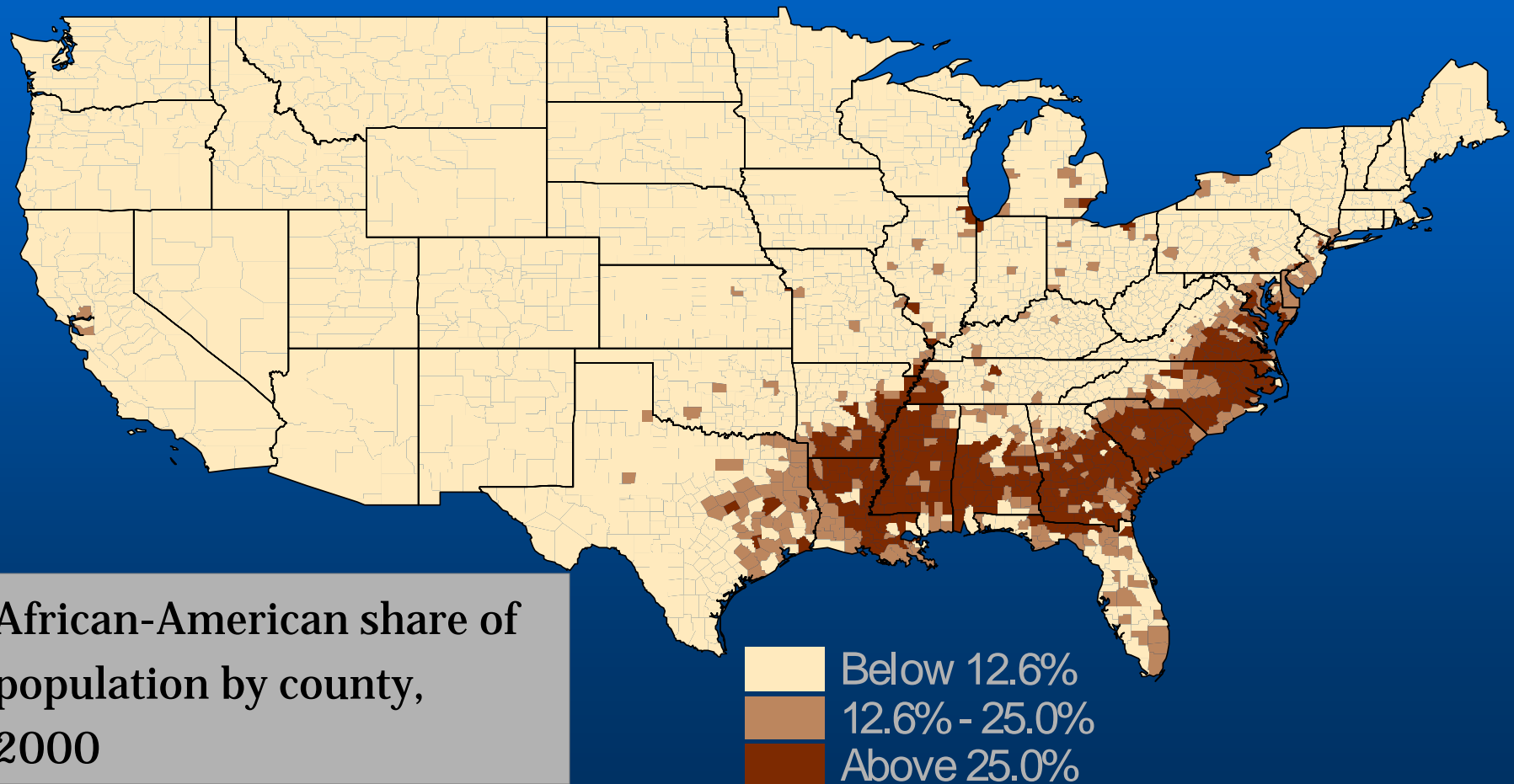
Source: William H. Frey

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



Source: William H. Frey

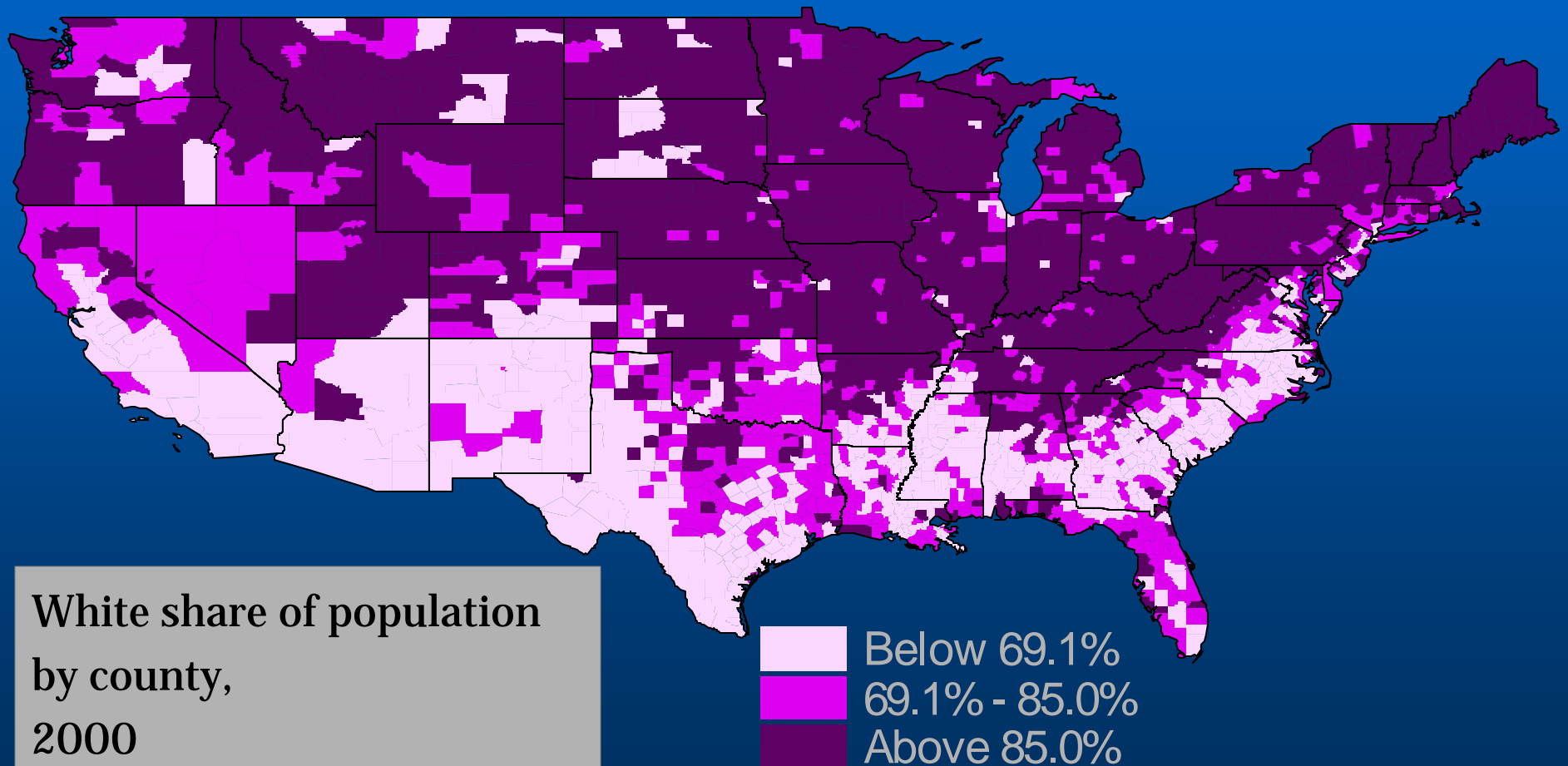
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METROPOLITAN POLICY PROGRAM





## Whites are principally concentrated in the heartland



Source: William H. Frey

THE BROOKINGS INSTITUTION

METROPOLITAN POLICY PROGRAM

# I

What are the general demographic and economic trends affecting the United States?

Major economic forces  
are changing the  
United States

Globalization

Deindustrialization

Knowledge Industries

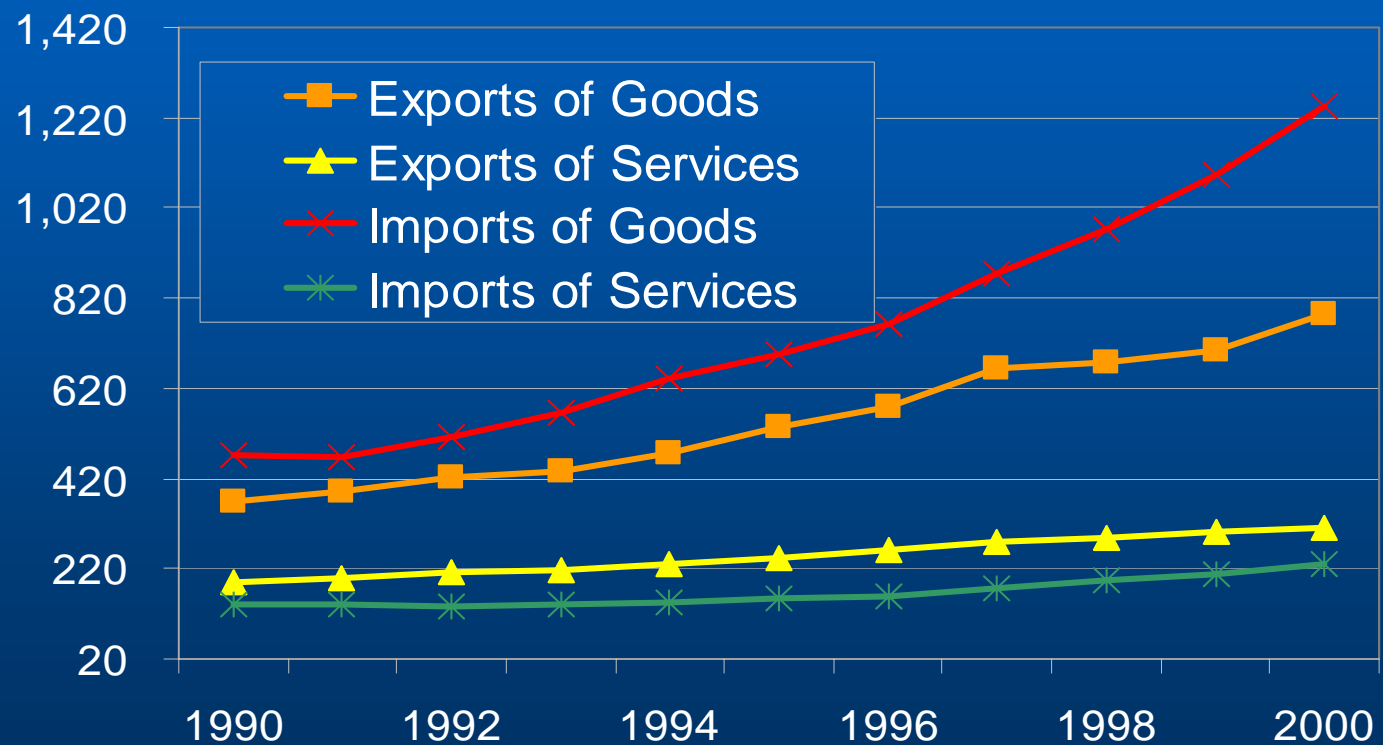
Rapid Innovation



## Importing dramatically increased in the 1990s

Trade of goods and services in Billions of constant 2000 dollars, 1990-2000

Source:  
Bureau of Economic Analysis

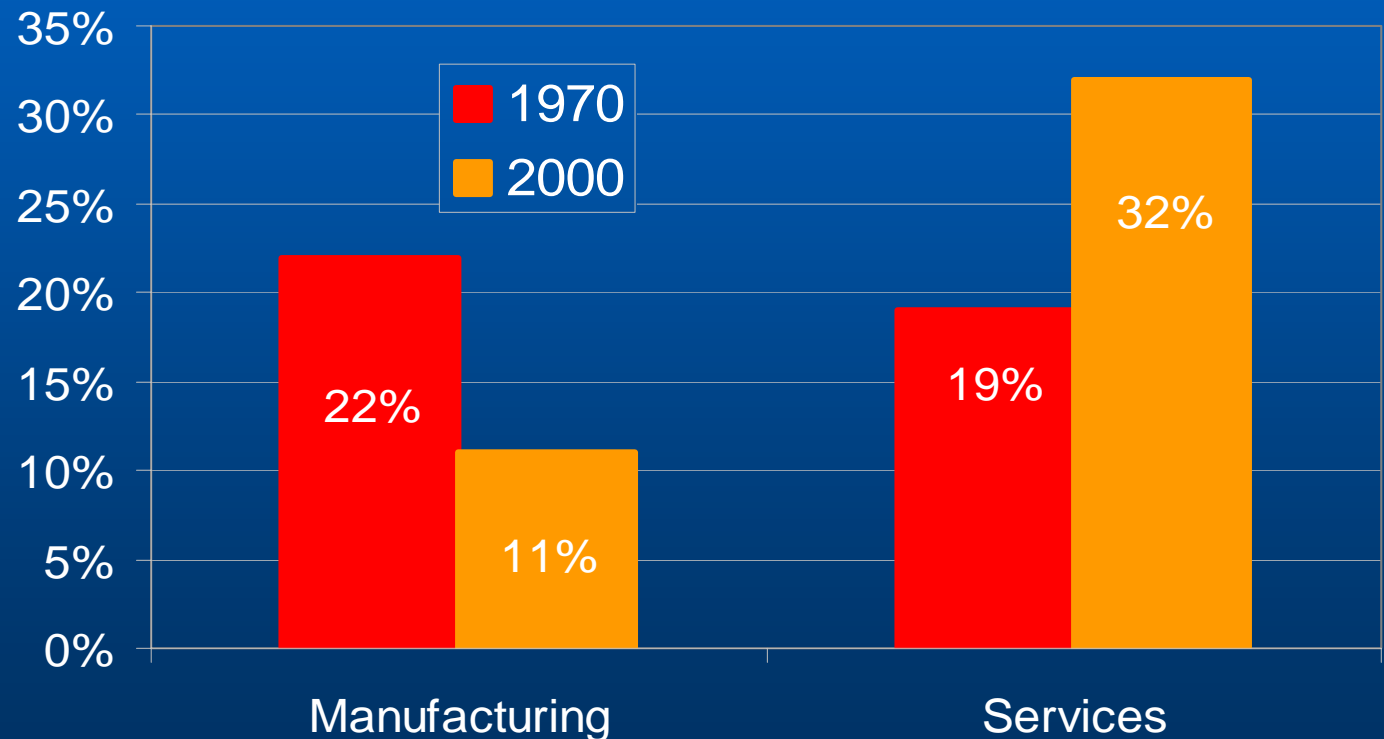




Since 1970, the U.S. has moved from a manufacturing-based economy to one based on services

Share of employment  
in manufacturing and  
services,  
1970 and 2000

Source:  
Bureau of Economic Analysis

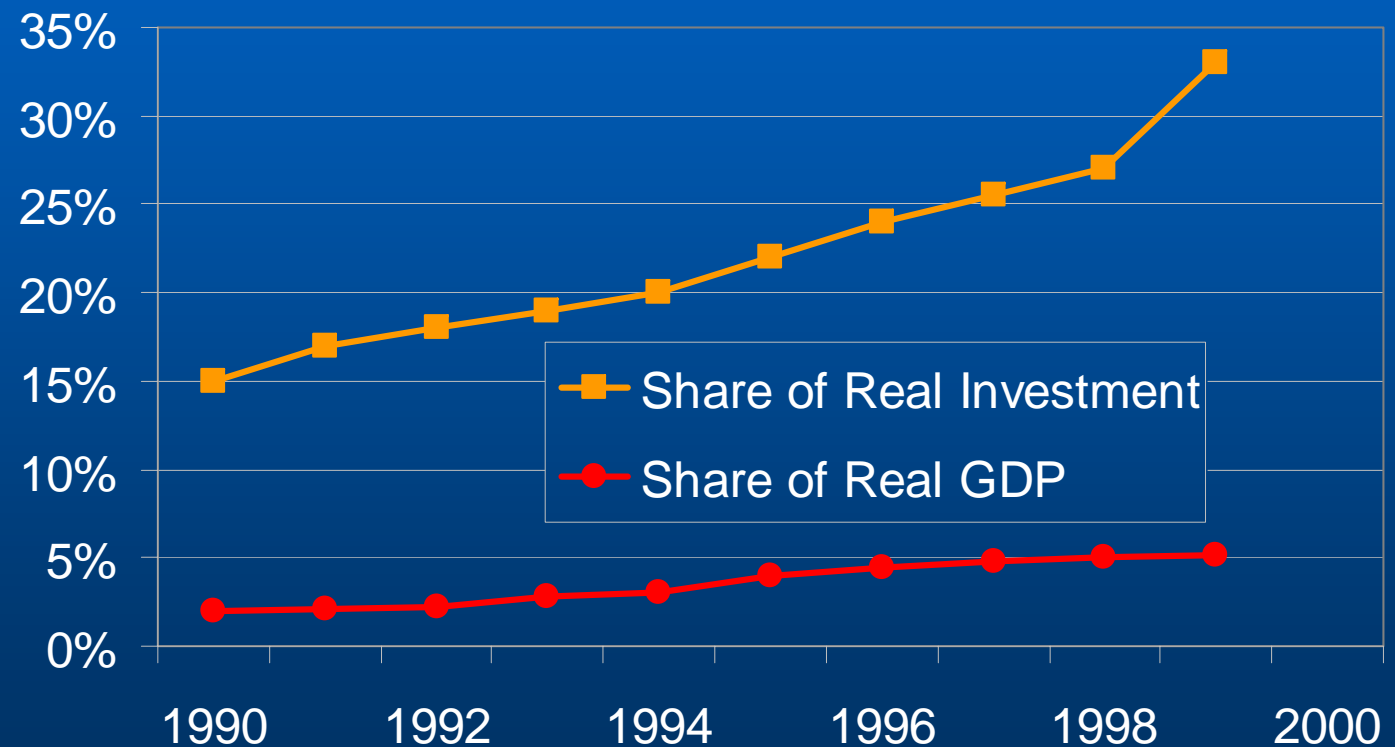




# The share of U.S. investment in New Economy industries is steadily rising

Share of real investment and GDP in New Economy industries, 1990-1999

Source:  
Ned Hill, "Innovation and Economic Development."  
Presentation to the White House Office of Science and Technology and the National Governors Association

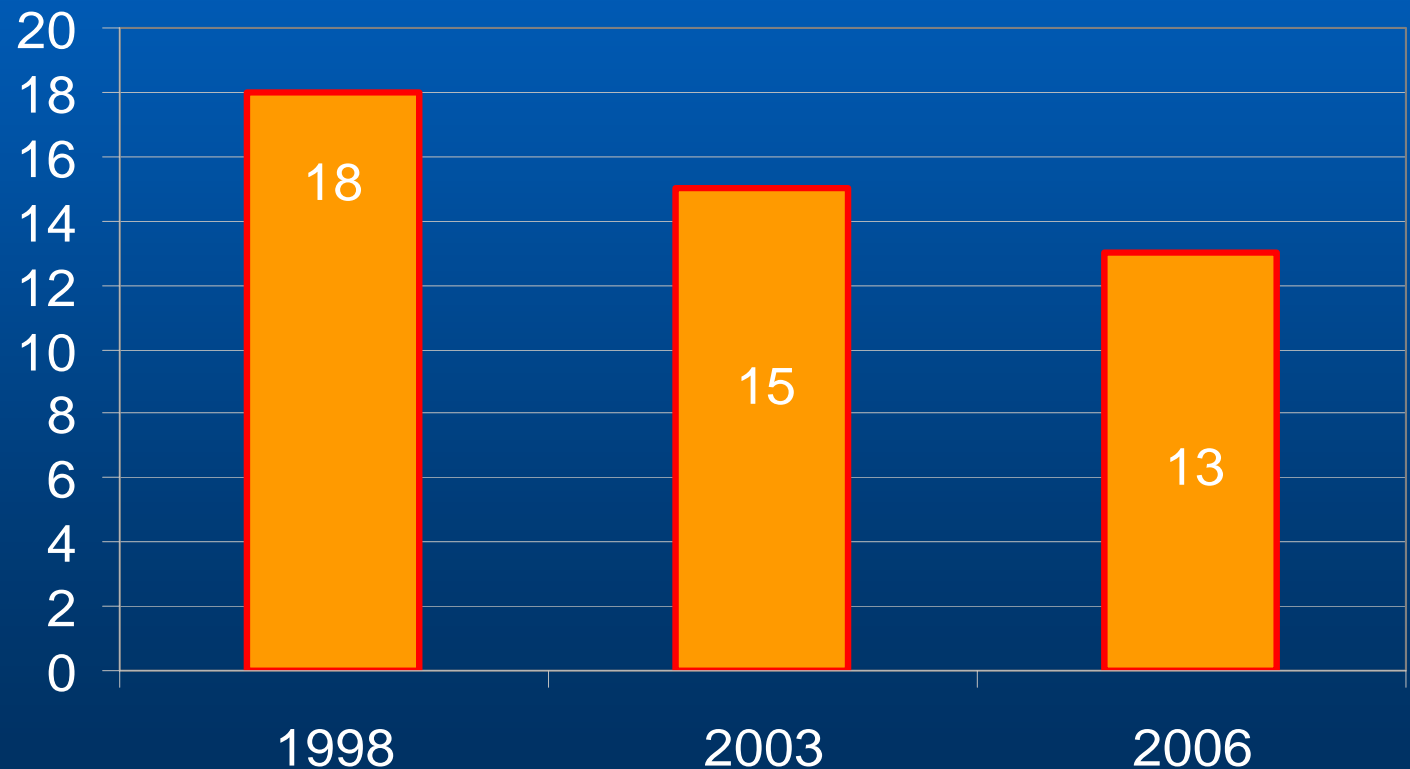


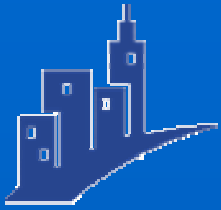


# Innovation is speeding up, with time-to-market expected to fall to just over a year by 2006

Time from research and development to market, in months, 1998, 2003, and 2006

Source:  
Ned Hill, "Innovation and Economic Development."  
Presentation to the White House Office of Science and Technology and the National Governors Association





# The State of American Cities and Suburbs

I

What are the general demographic trends affecting the United States?

II

What are the major trends affecting cities and suburbs?

III

What do these trends mean for urban and metropolitan policy?



## What are the major trends affecting cities and suburbs?

1. Cities are growing, but metros are still sprawling
2. Regional variation is substantial
3. Cities and suburbs are becoming more diverse
4. The geography of work is changing
5. The geography of poverty is changing

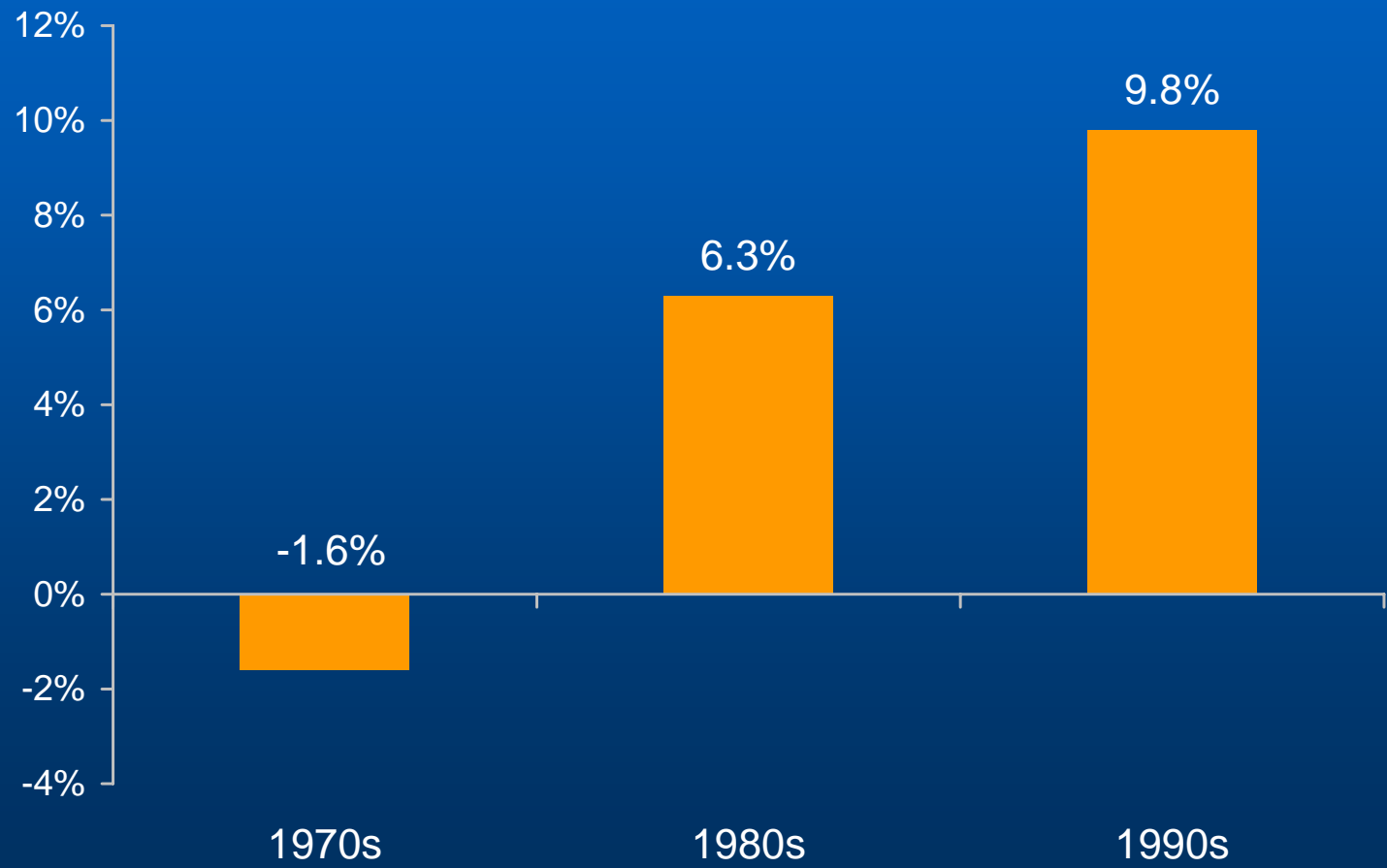




## Large cities grew faster in the 1990s than they did in the 1980s and 1970s

50 largest cities,  
population  
1970-2000

Source:  
U.S. Census Bureau

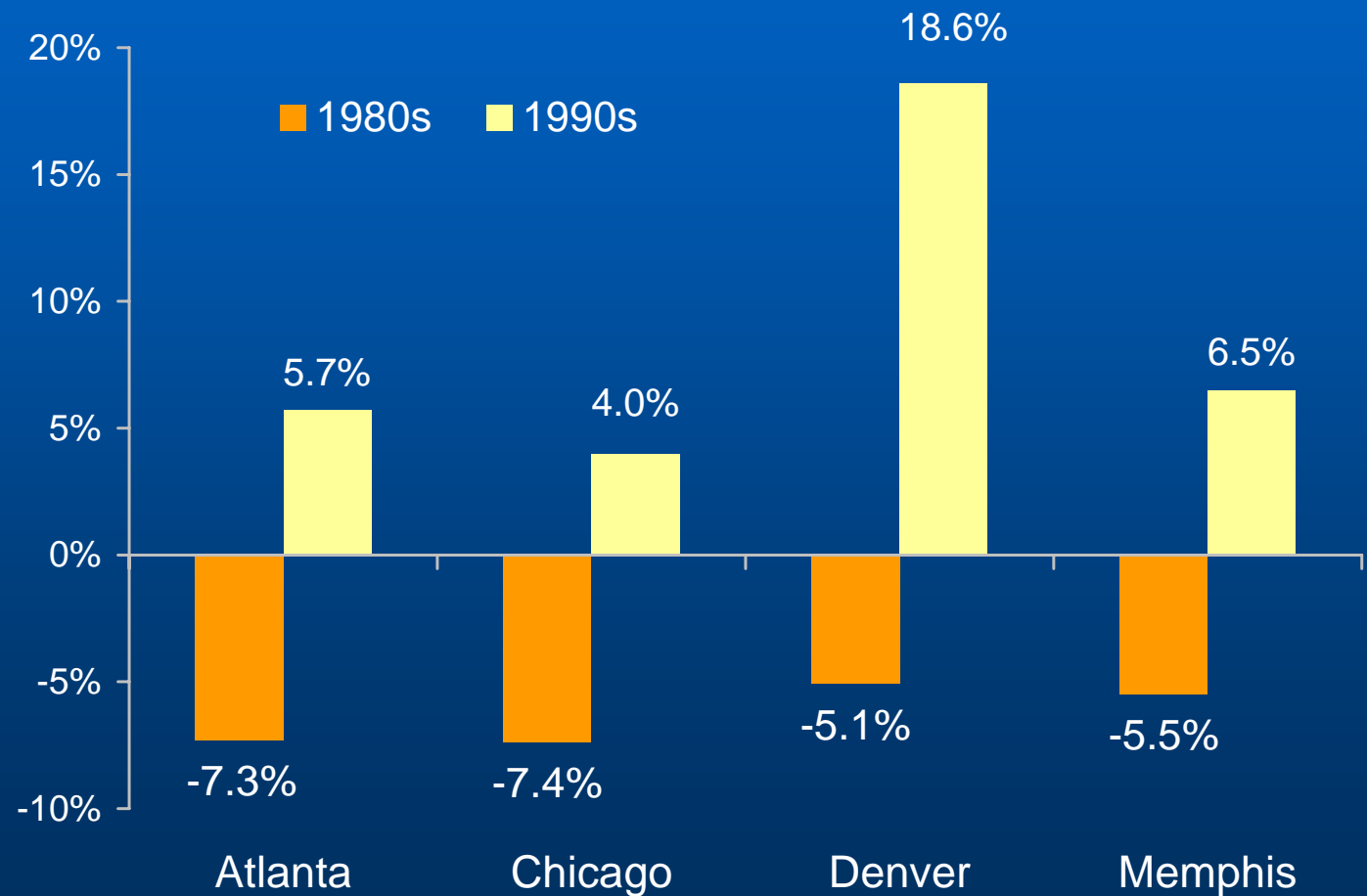




## Several large cities gained population during the 1990s after losing population in the 1980s

Selected cities,  
population growth  
1990-2000

Source:  
U.S. Census Bureau





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

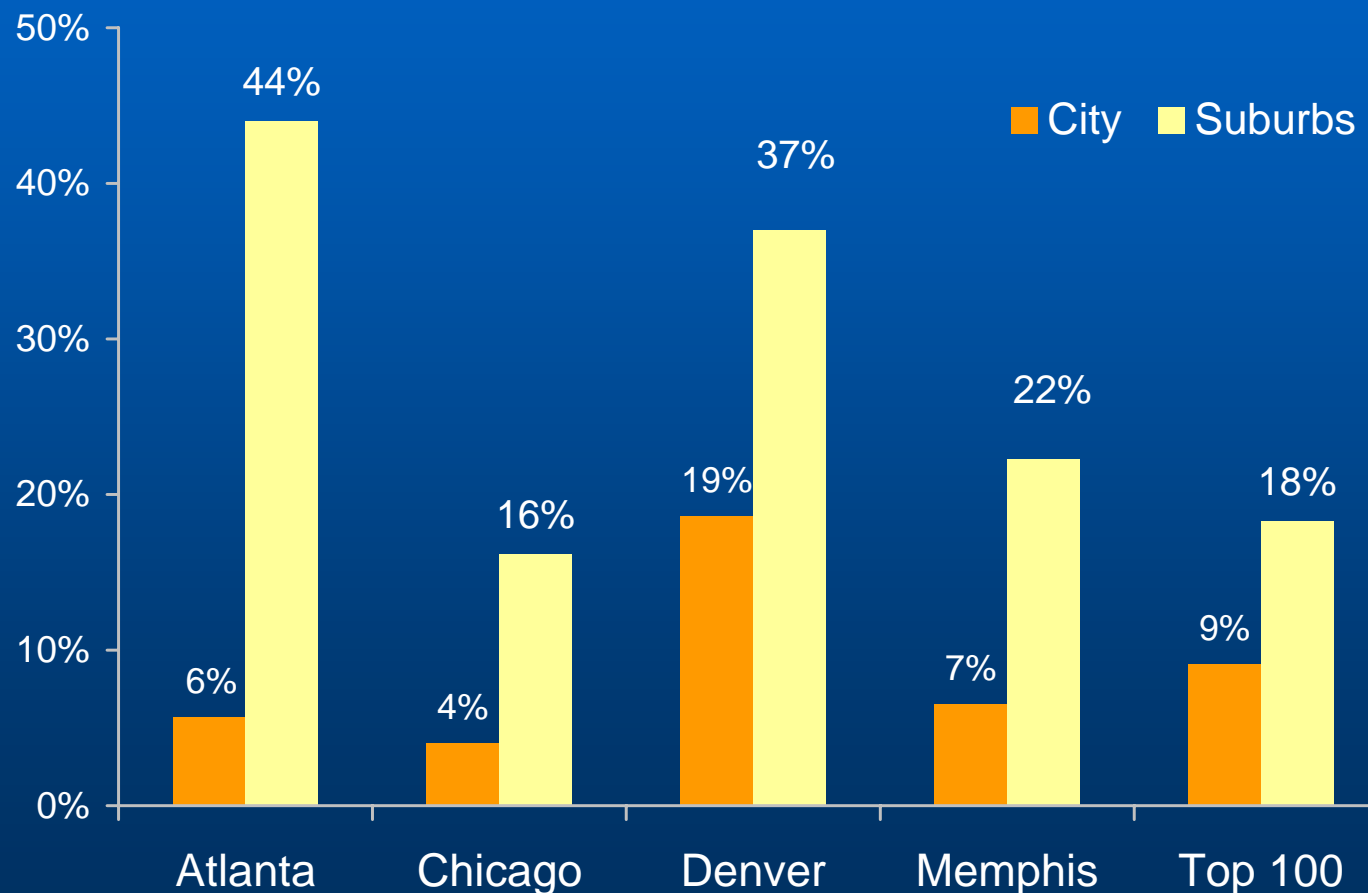
City Category	Number of Cities	City Population Change	MSA Population Change
Rapid Growth (over 20%)	14	32%	25%
Significant Growth (10 to 20%)	22	15%	22%
Moderate Growth (2 to 10%)	36	7%	13%
No Growth (-2 to 2%)	6	0%	11%
Loss (below -2%)	20	-7%	6%



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

Selected cities and suburbs,  
population growth  
1990-2000

Source:  
U.S. Census Bureau





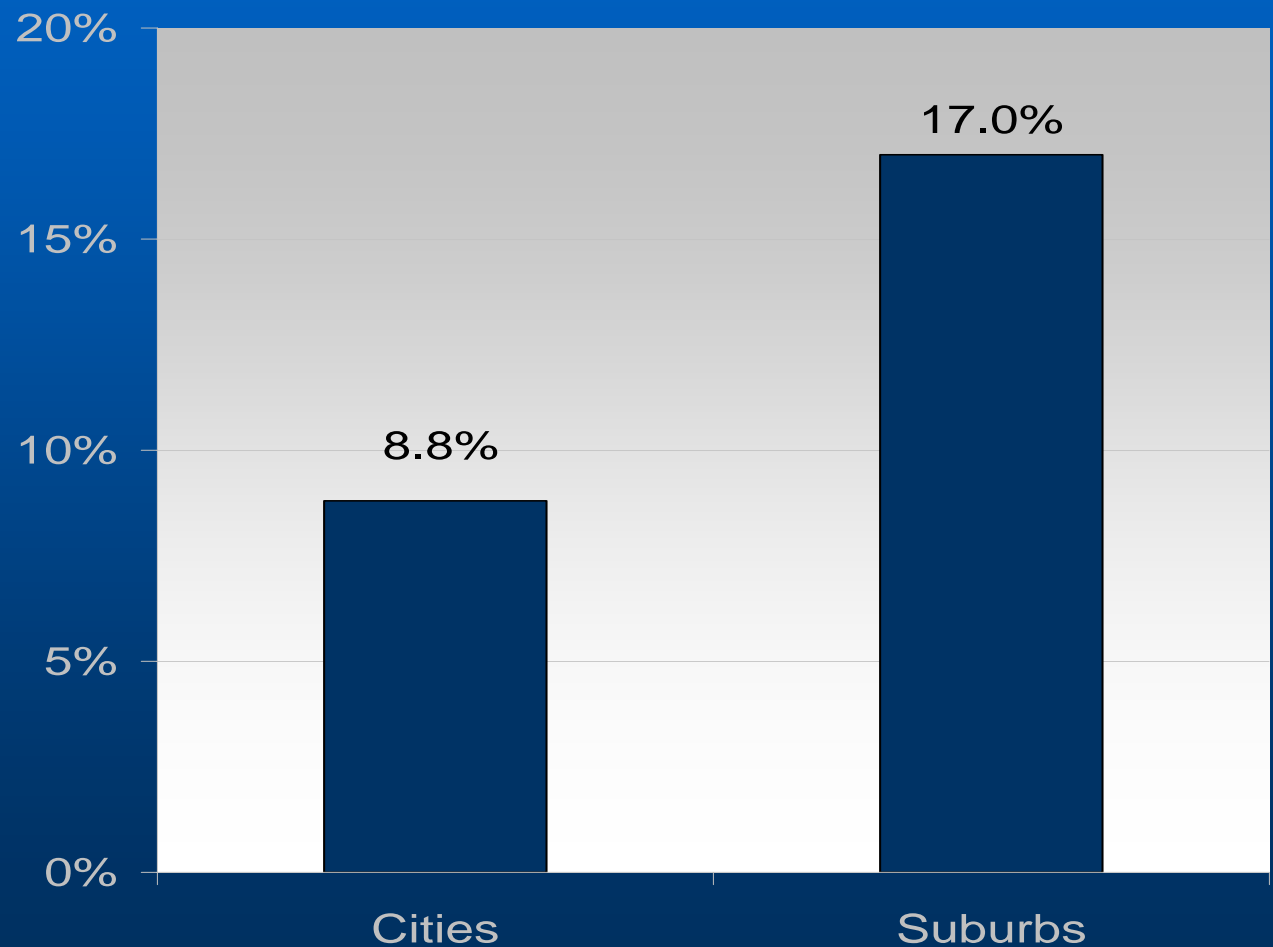
Suburbs



## Suburbs grew faster than cities in the 1990s

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

Source:  
U.S. Census Bureau





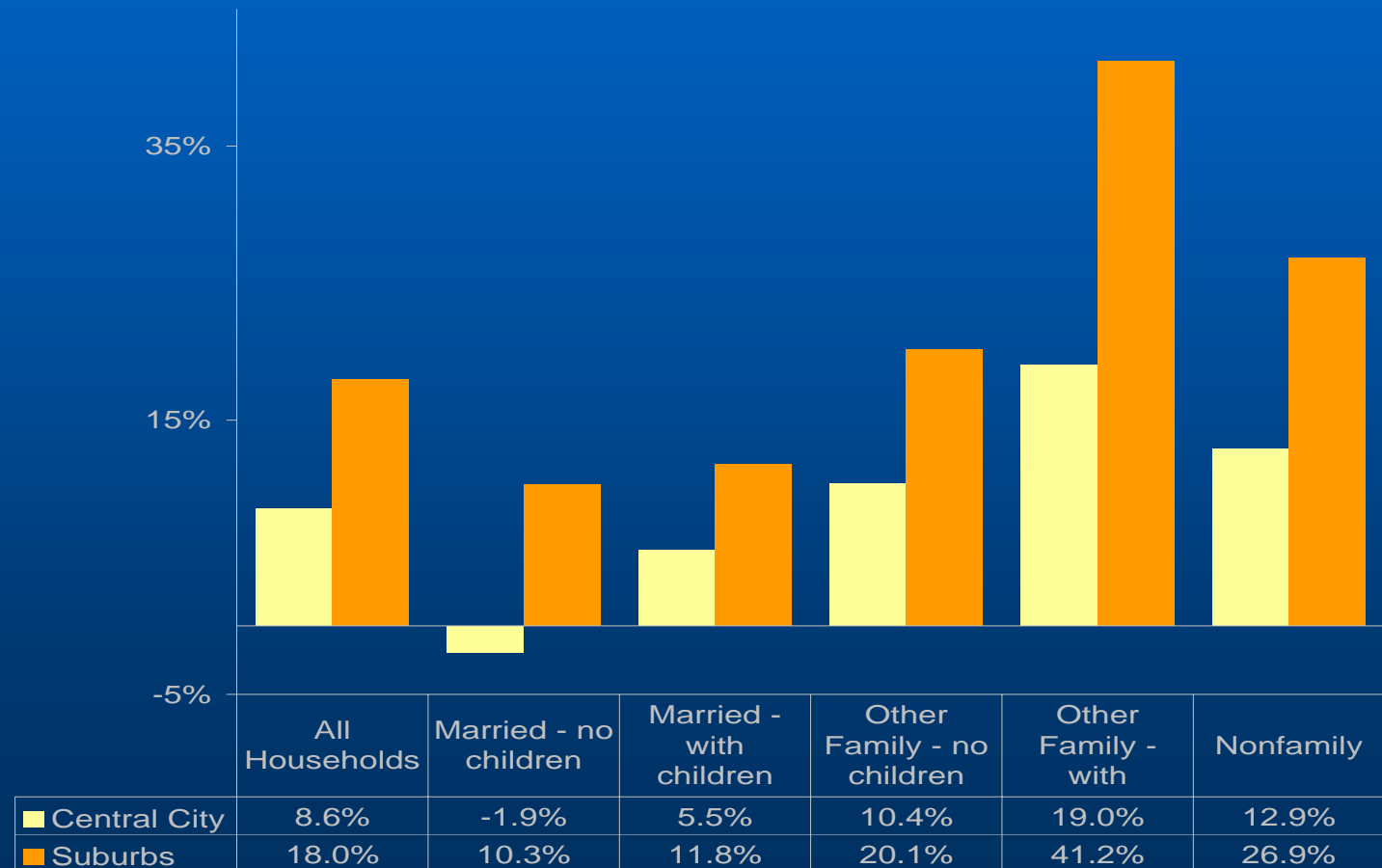
Suburbs



# 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

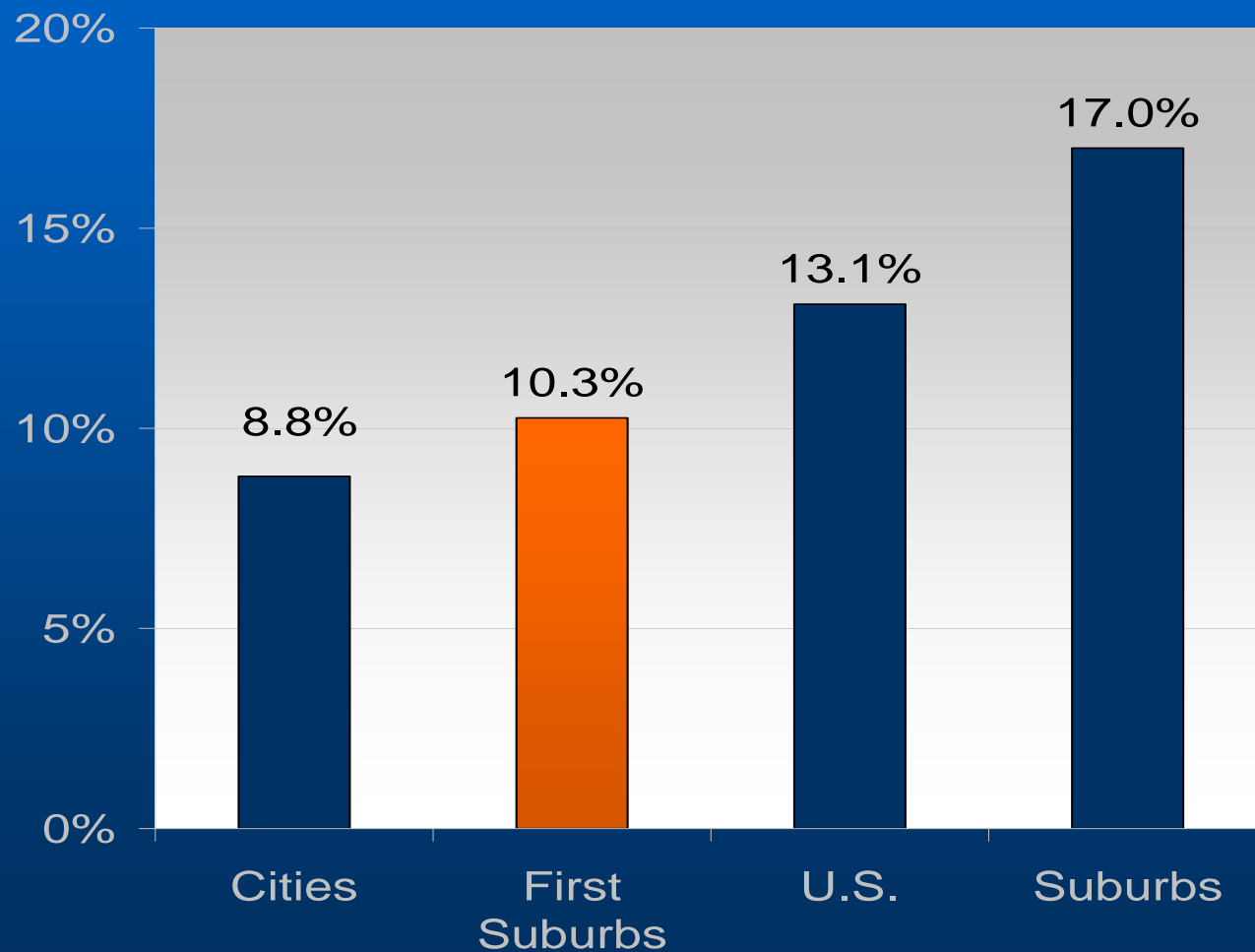




However, First Suburbs are growing much slower than all other suburbs, at a rate comparable to cities

Percent population growth, 100 largest cities, suburbs, the U.S., and First Suburbs 1990-2000

Source:  
U.S. Census Bureau



## II

# What are the major trends affecting cities and suburbs?

1. Cities are growing, but metros are still sprawling
2. Regional variation is substantial
3. Cities and suburbs are becoming more diverse
4. The geography of work is changing
5. The geography of poverty is changing

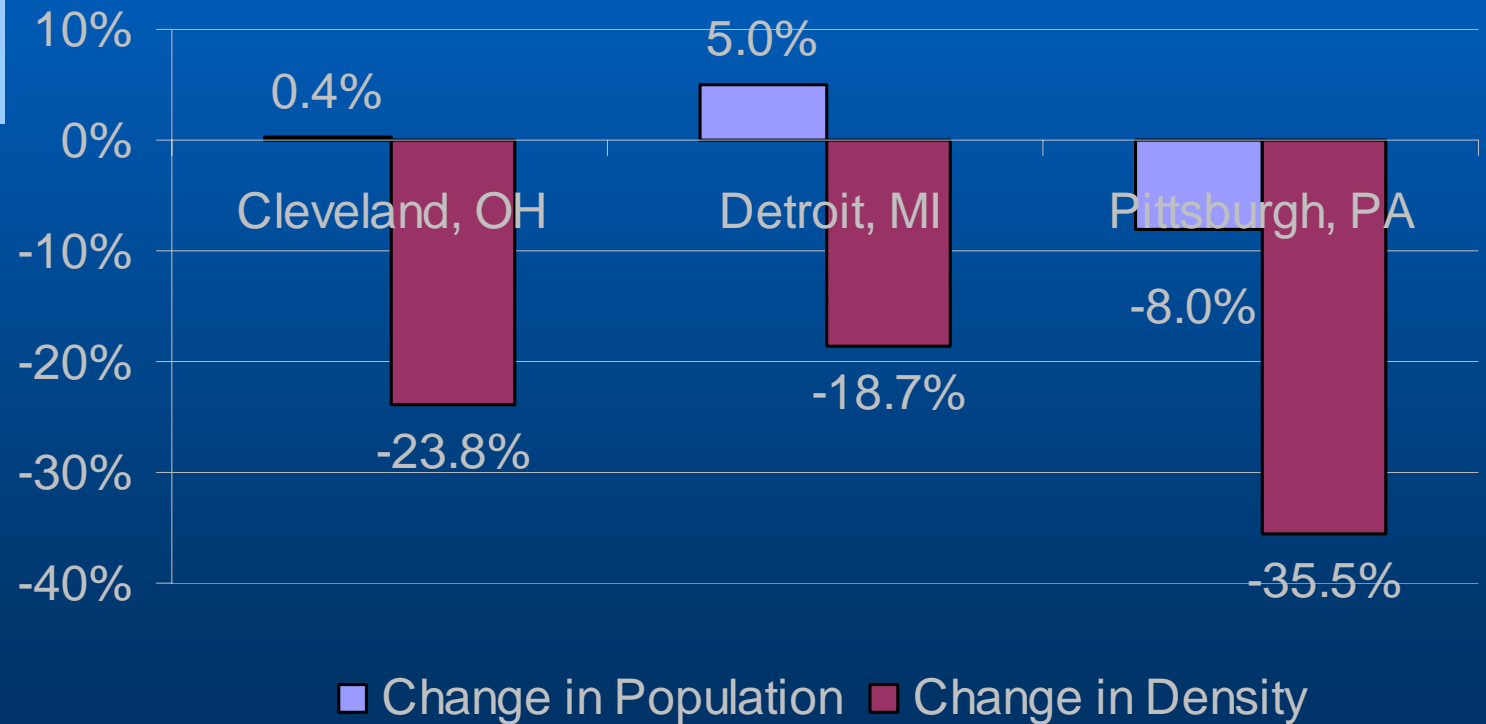




## In the Northeast/Midwest stagnant growth and sprawl are common

Change in  
population and  
density, 1982-1997

Source:  
Fulton et al, 2001

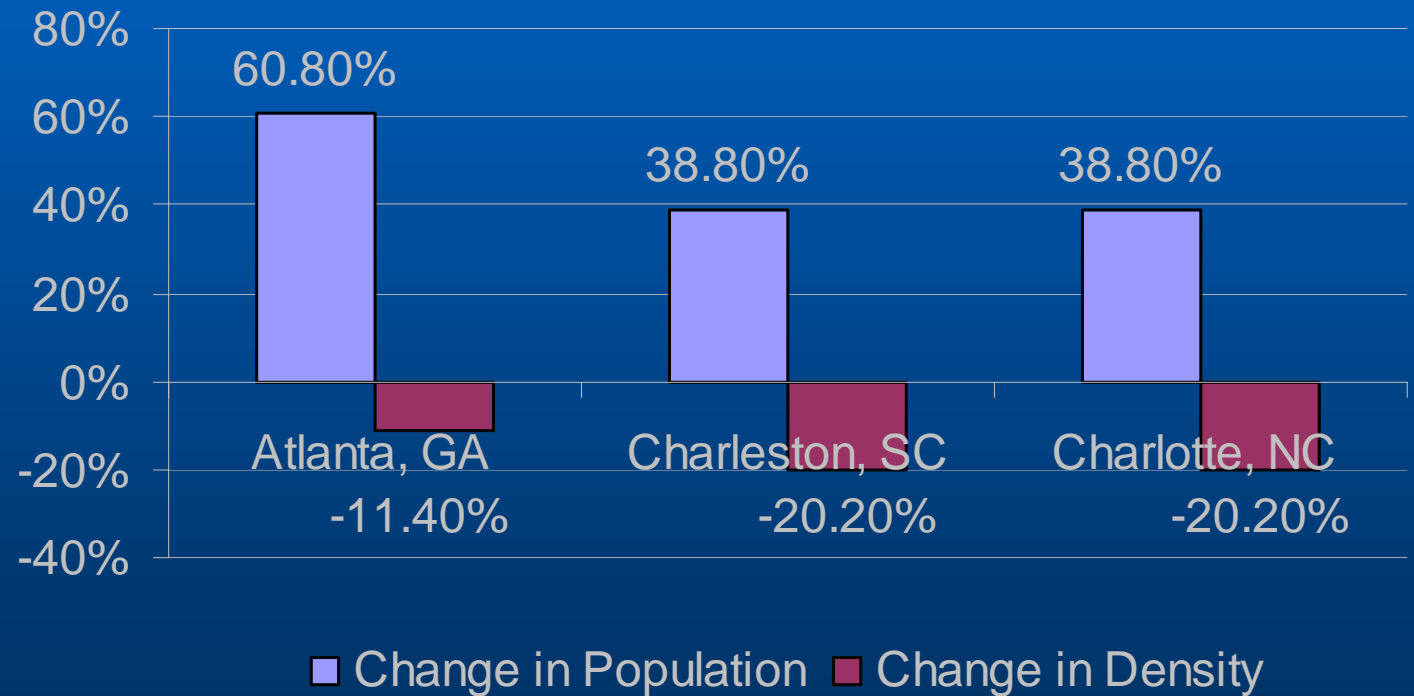




## In the South/Southeast, many cities are growing and spreading out

Change in  
population and  
density, 1982-1997

Source:  
Fulton et al, 2001

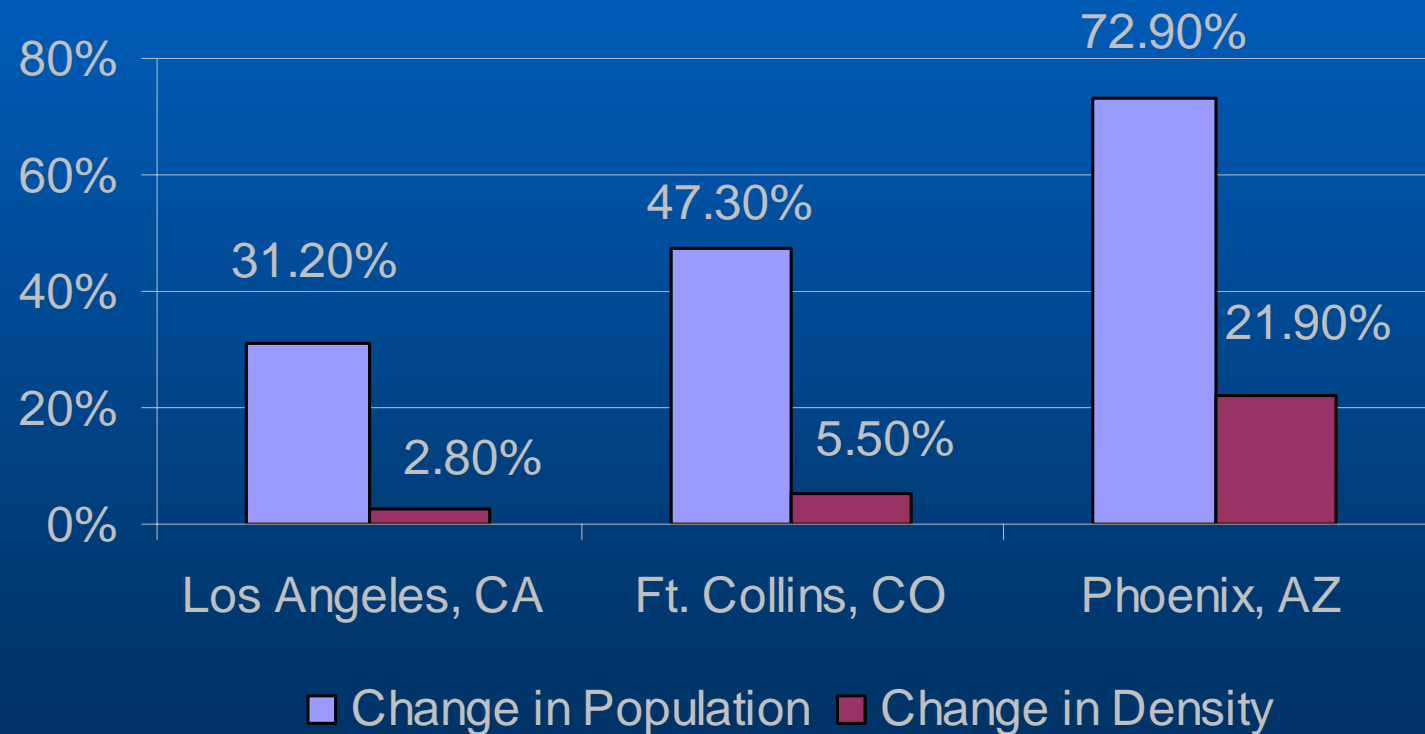




## In the West, some cities are growing and densifying

Change in  
population and  
density, 1982-1997

Source:  
Fulton et al, 2001



## II

### What are the major trends affecting cities and suburbs?

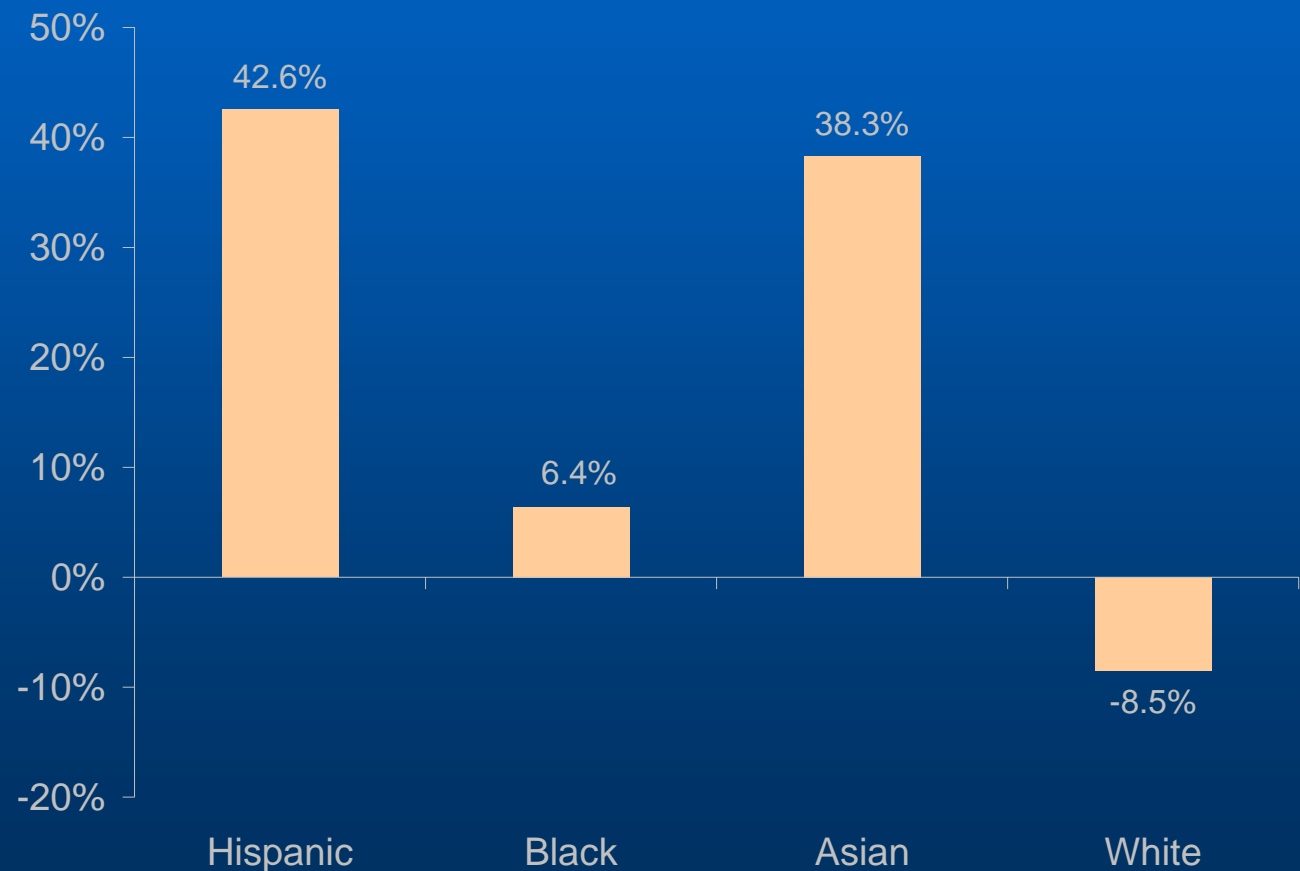
1. Cities are growing, but metros are still sprawling
2. Regional variation is substantial
3. Cities and suburbs are becoming more diverse
4. The geography of work is changing
5. The geography of poverty is changing



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

Population growth,  
100 largest cities  
1990-2000

Source:  
U.S. Census Bureau

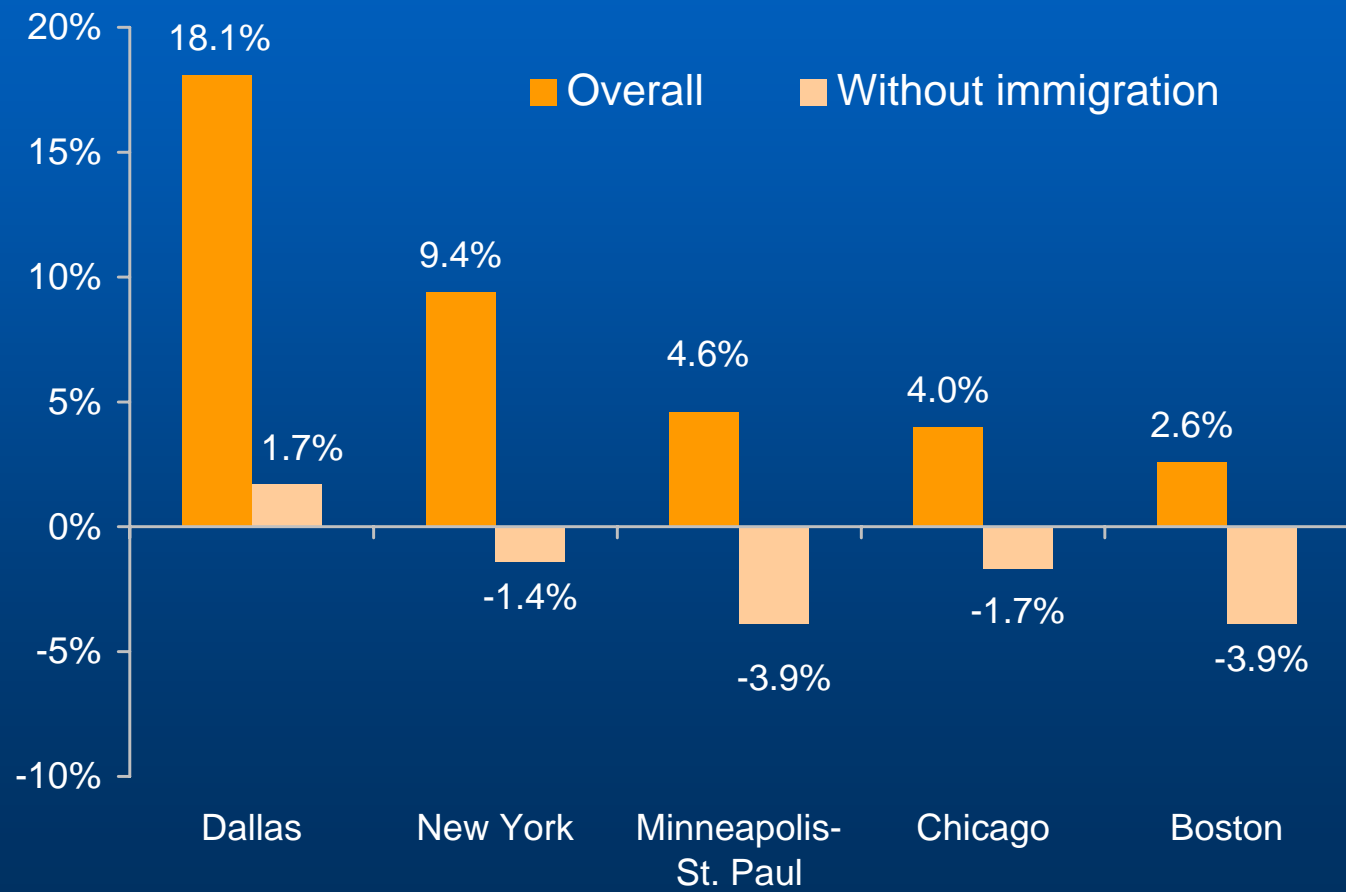




## If not for immigration, several of the nation's largest cities would not have grown during the 1990s

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

Source:  
U.S. Census Bureau

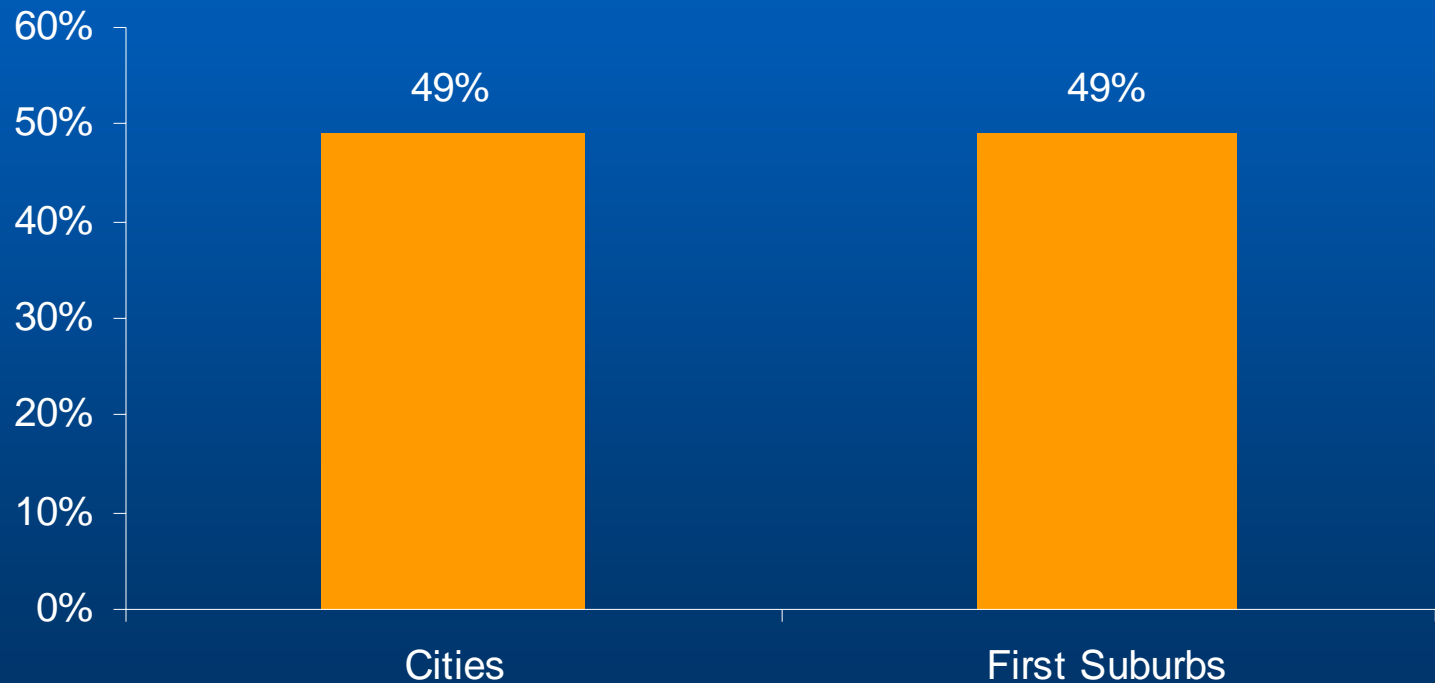




In the 1990s, immigration increased by 49% in both cities *and* First Suburbs

Percent change in foreign born population in cities and First Suburbs, 1990-2000

Source:  
U.S. Census Bureau



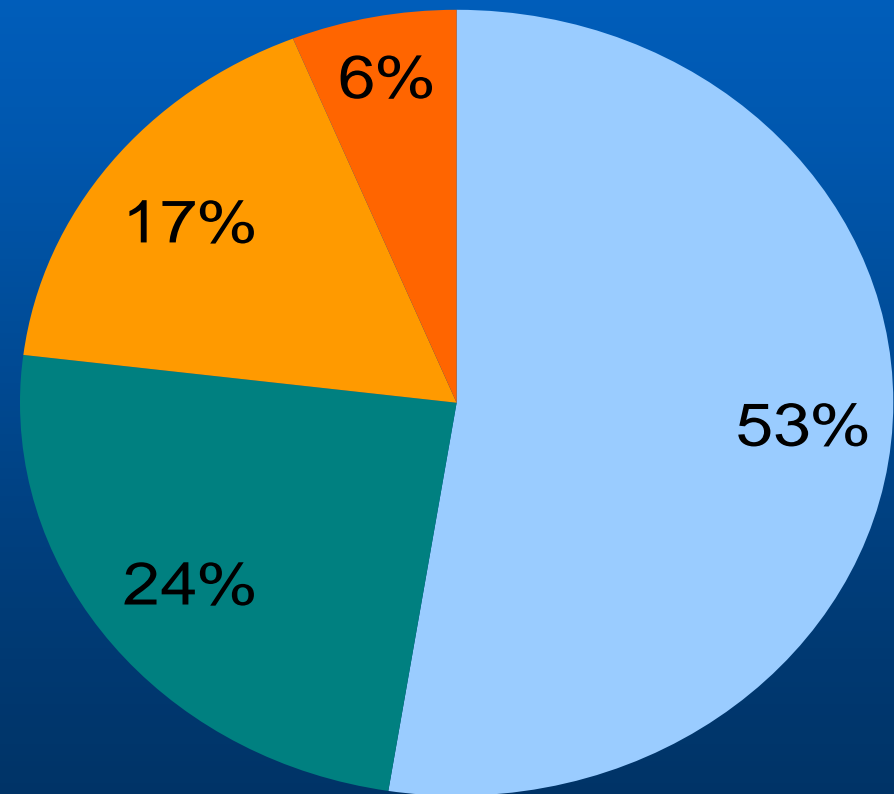


## In aggregate, the racial makeup of the 100 largest cities has shifted....

Share of  
population by race  
and ethnicity,  
1990

Source:  
U.S. Census Bureau

- White
- Black
- Hispanic
- Other



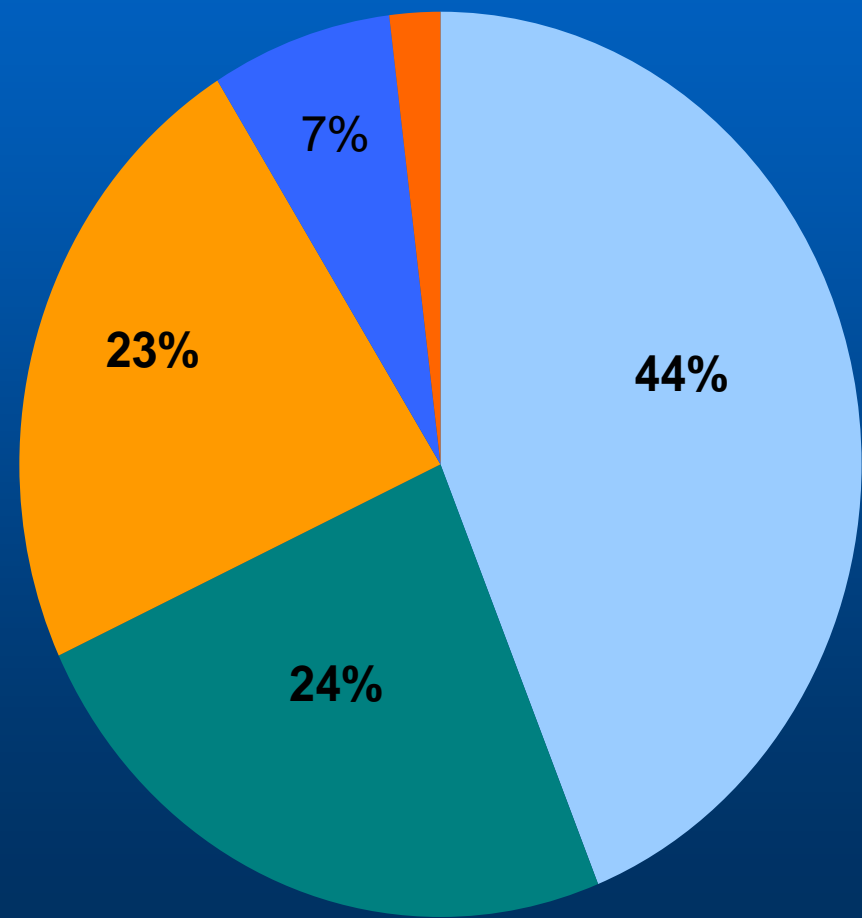




## In 2000, the top hundred cities became majority minority

Share of  
population by race  
and ethnicity,  
2000

Source:  
U.S. Census Bureau



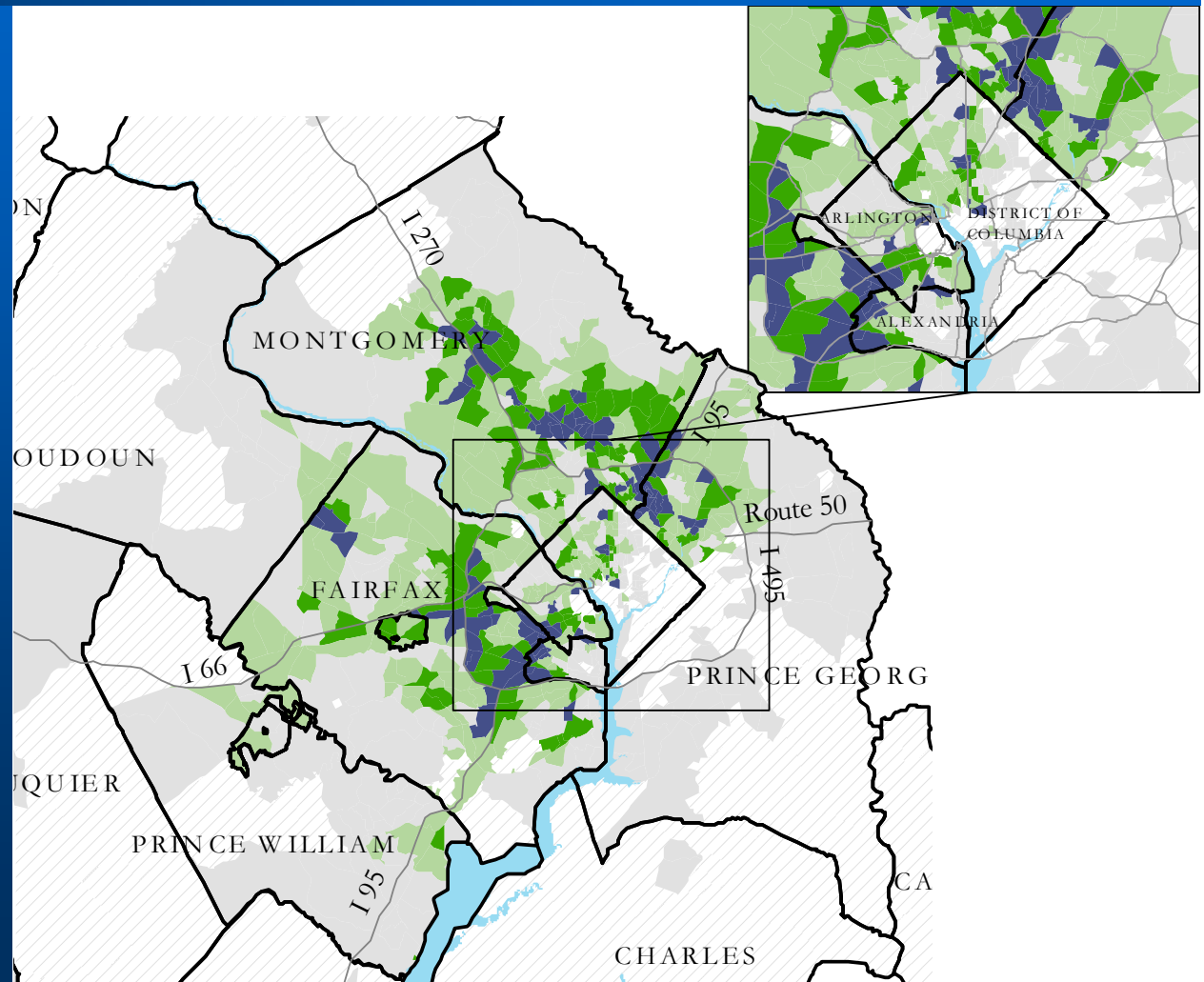
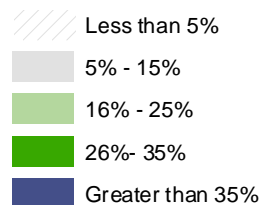


# In many metro areas, the locus of immigration is shifting from the central city to the suburbs

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

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

## Percent Foreign Born (by Census Tract)





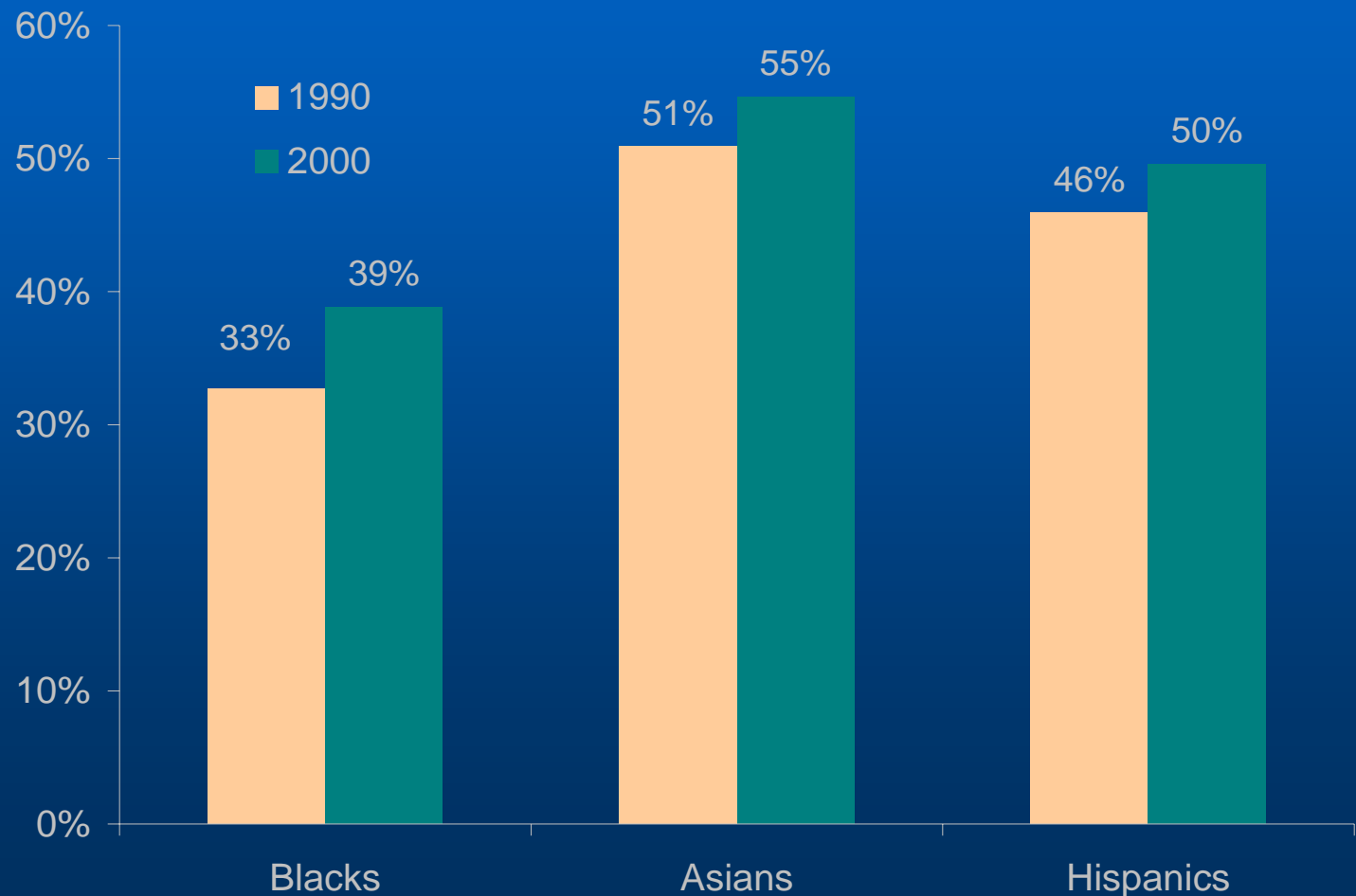
Suburbs



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

Share of  
population by race  
and ethnicity,  
1990

Source:  
U.S. Census Bureau





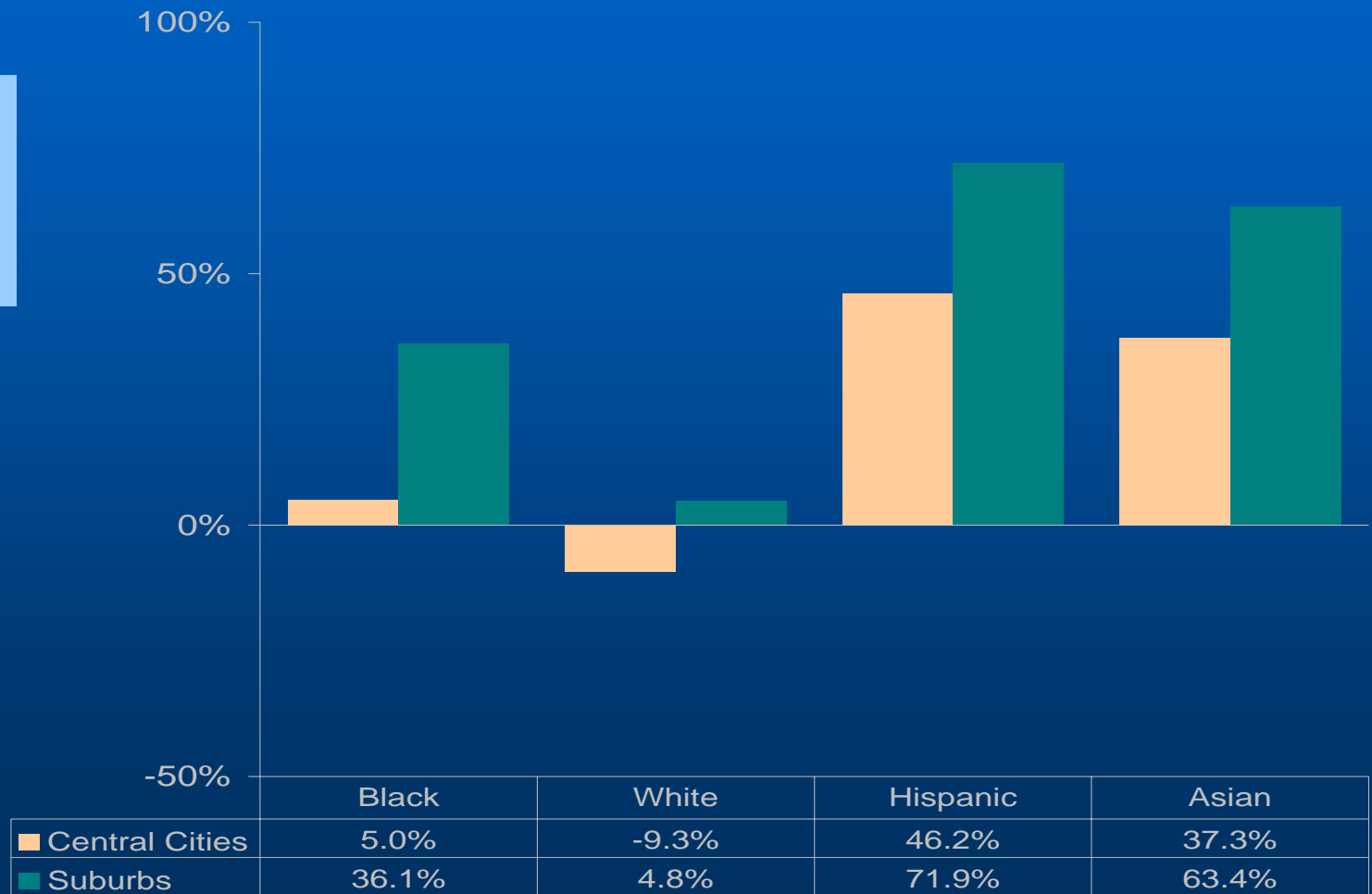
Suburbs



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

Population growth  
by race and  
ethnicity,  
1990-2000

Source:  
U.S. Census Bureau





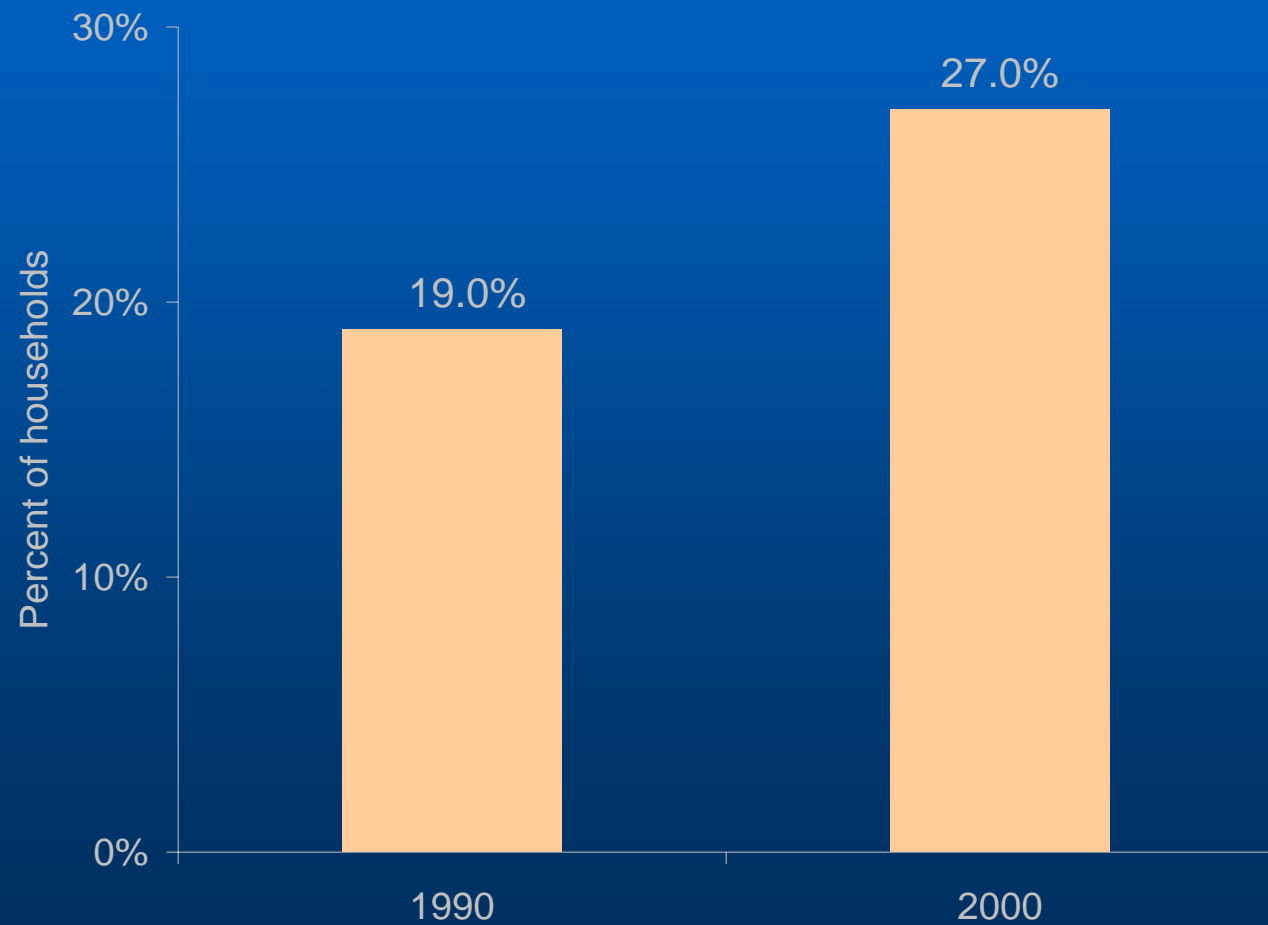
Suburbs



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

Minority share of  
population,  
1990-2000

Source:  
U.S. Census Bureau

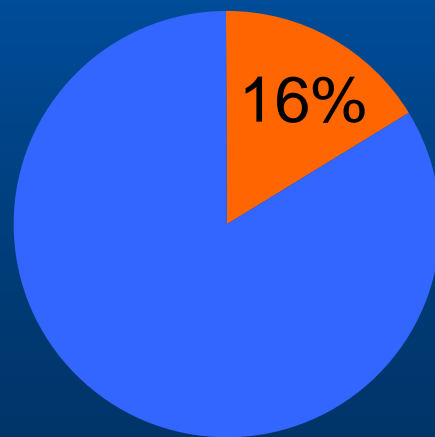




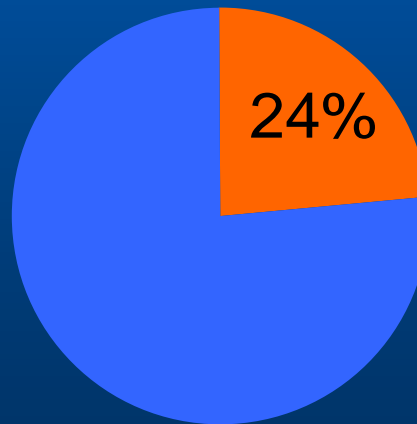
In First Suburbs, the trend is even more pronounced, with minorities now making up one-third of the population

Percent of First Suburban population other than Non-Hispanic White, 1980-2000

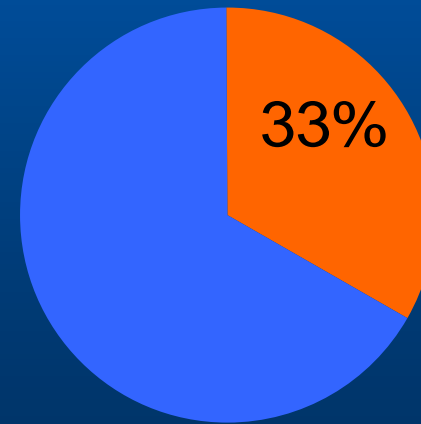
■ Racial/Ethnic Minorities ■ Non-Hispanic White



1980



1990



2000

Source:  
Brookings Analysis  
of U.S. Census  
Bureau data

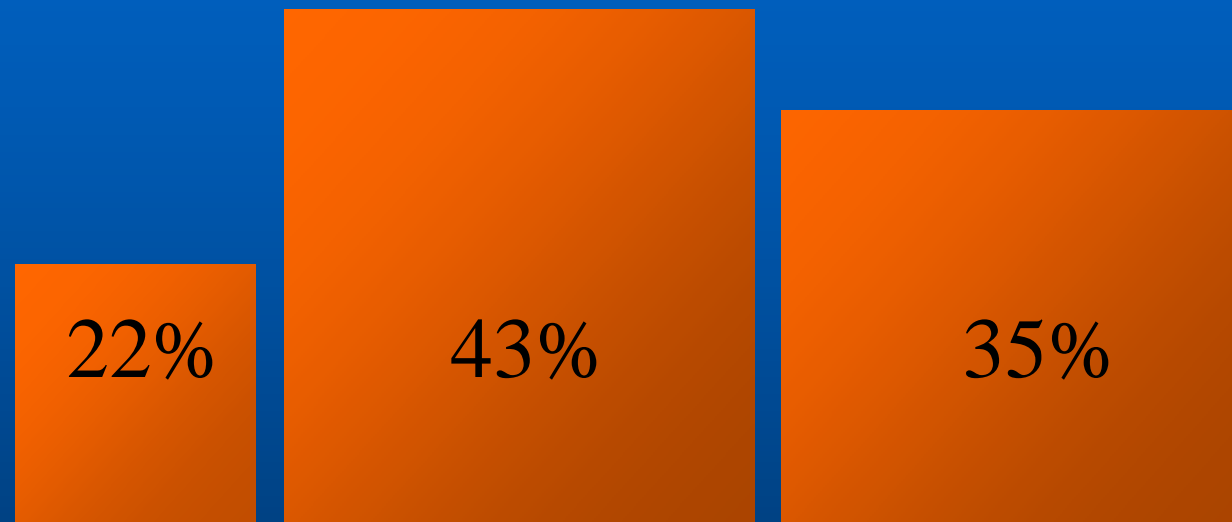
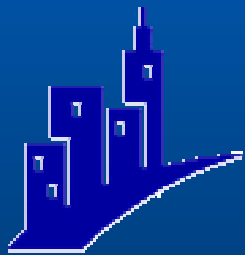
## II

# What are the major trends affecting cities and suburbs?

1. Cities are growing, but metros are still sprawling
2. Regional variation is substantial
3. Cities and suburbs are becoming more diverse
4. The geography of work is changing
5. The geography of poverty is changing



Nationally, 78 percent of jobs are found over 3 miles outside the central business district; one-third are located over 10 miles away



Central Business District  
(CBD)

Jobs Within  
3 Miles From CBD

Jobs Between 3 And 10  
Miles From CBD

Jobs More Than 10 Miles  
Away From CBD

Source: Glaeser, Kahn, and Chu, "Job Sprawl: Employment Location in U.S. Metropolitan Areas," 2001



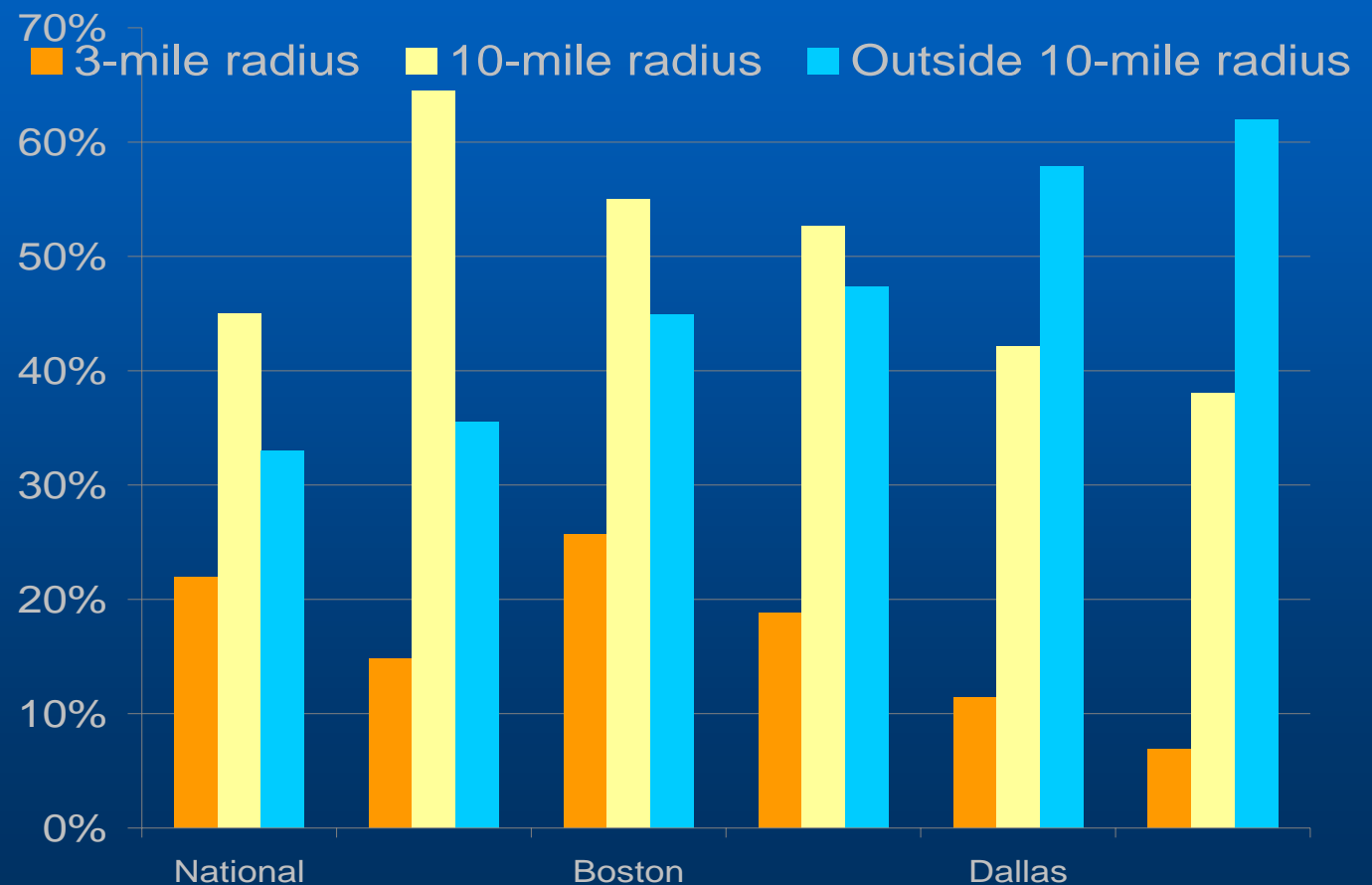


## Employment decentralization



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

Share of  
metropolitan  
employment, 1999





## What are the major trends affecting metropolitan areas?

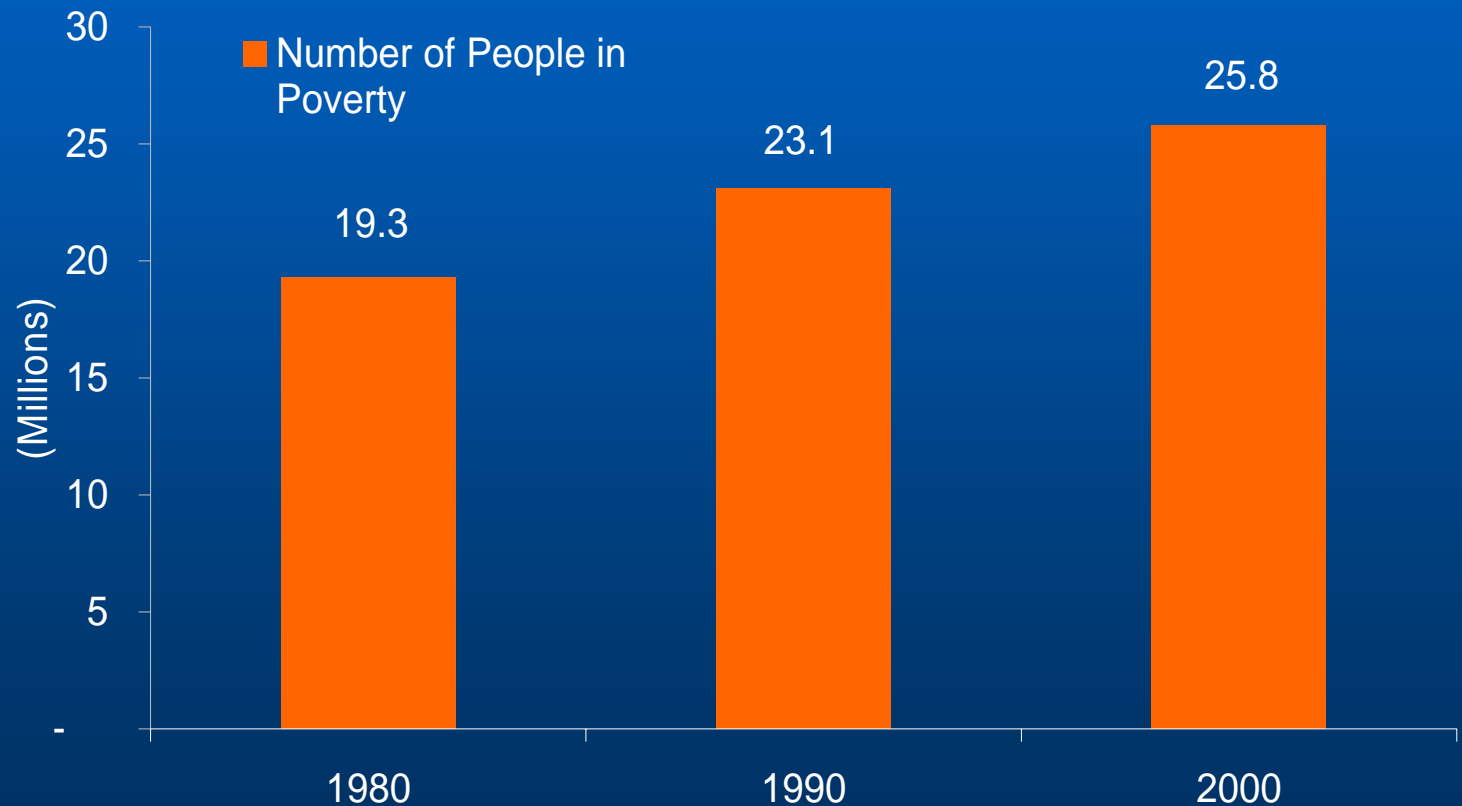
1. Cities are growing, but metros are still sprawling
2. Cities and suburbs are becoming more diverse
3. The economy continues to restructure
4. The geography of work is changing
5. The geography of poverty is changing



## The number of poor people in U.S. metropolitan areas is large and has been increasing for the past two decades

Number of poor residents (US Metropolitan Areas), 1980-2000

Source:  
"Concentrated Poverty: A Change in Course,"  
Kingsley and Pettit, 2003

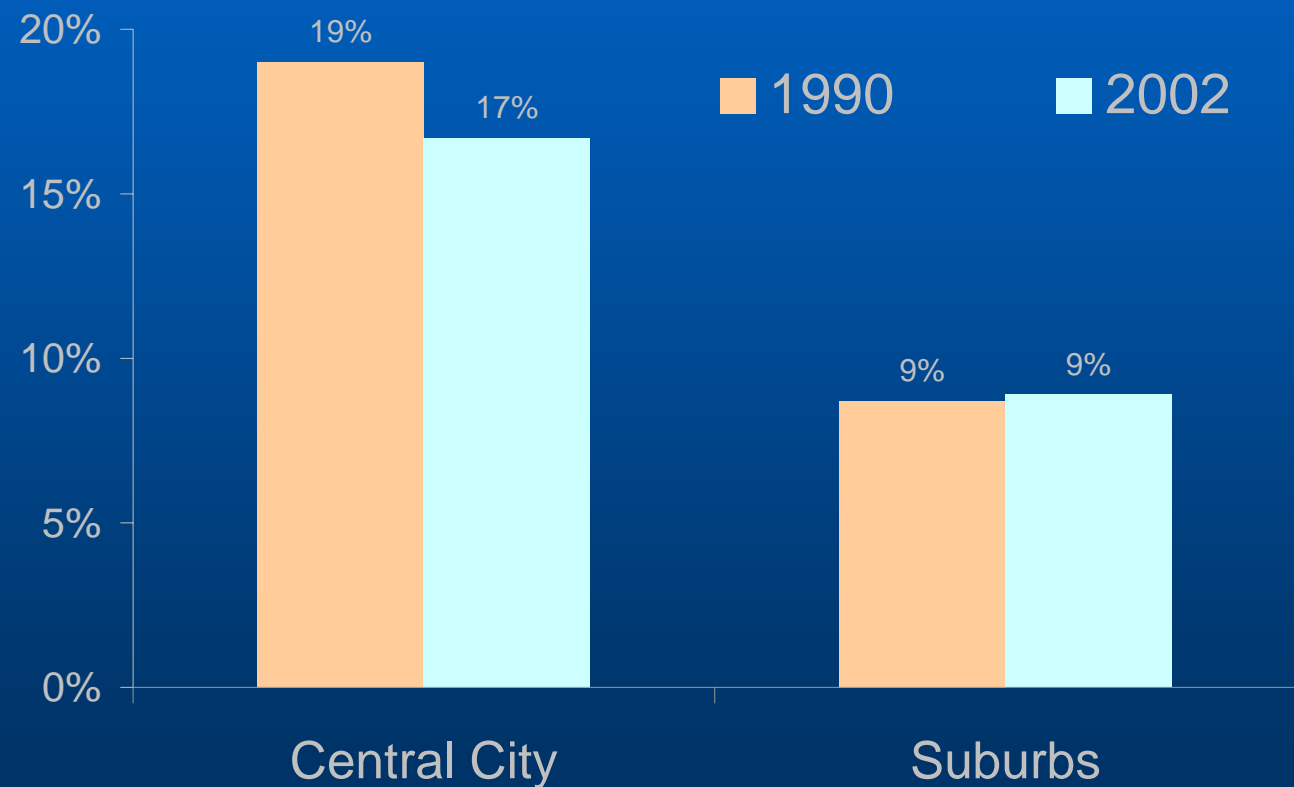




## Poverty rates in central cities have declined over the 1990s, while poverty rates in the suburbs have increased slightly

Poverty rates for central cities and suburbs, 1990-2001

Source:  
Current Population Survey,  
2002

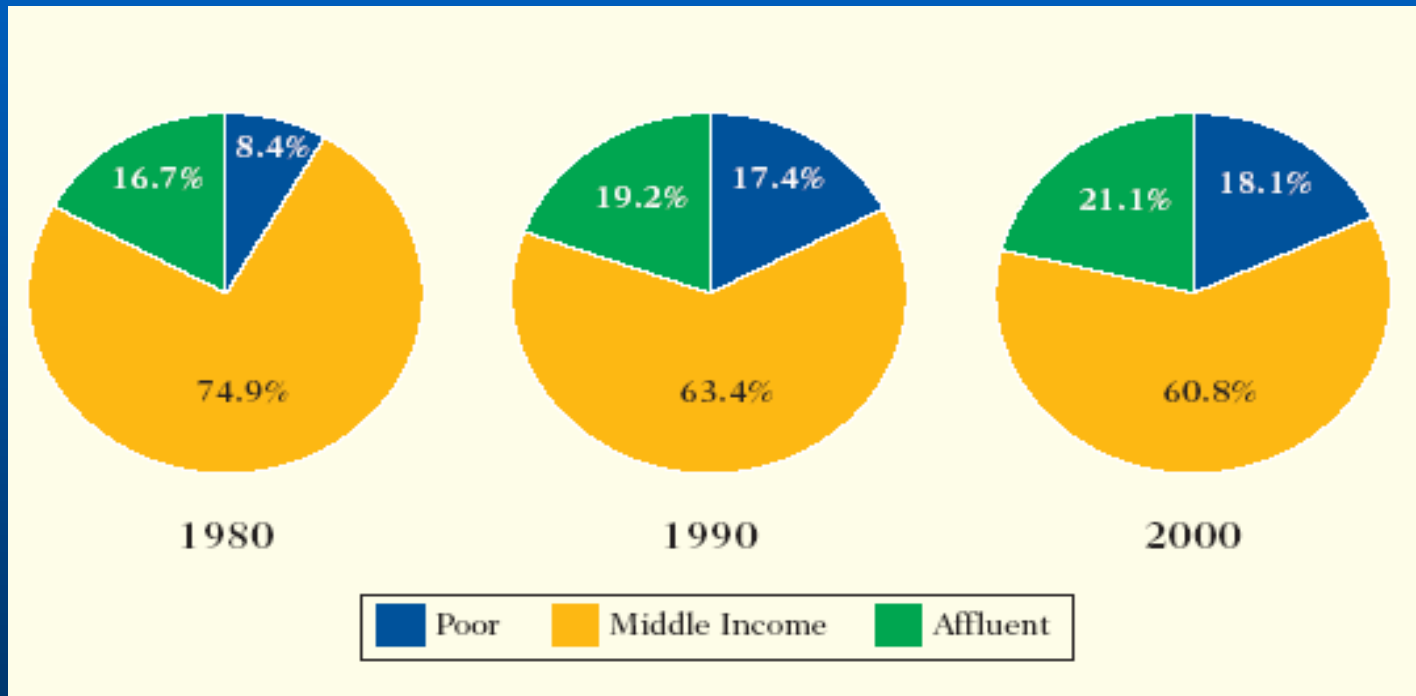




In fact, the share of suburban residents living in poor suburbs has increased by almost 10% in the last two decades

Share of residents living in poor, middle income, and affluent suburbs, 1980-2000

Source: Swanstrom, Casey, Flack, and Dreier, "Pulling Apart: Economic Segregation among Suburbs and Central Cities in Major Metropolitan Areas," 2004



Poor Suburb = Suburbs with per capita incomes less than 75% of its metro area

Affluent Suburb = Suburbs with per capita incomes over 125% of its metro area

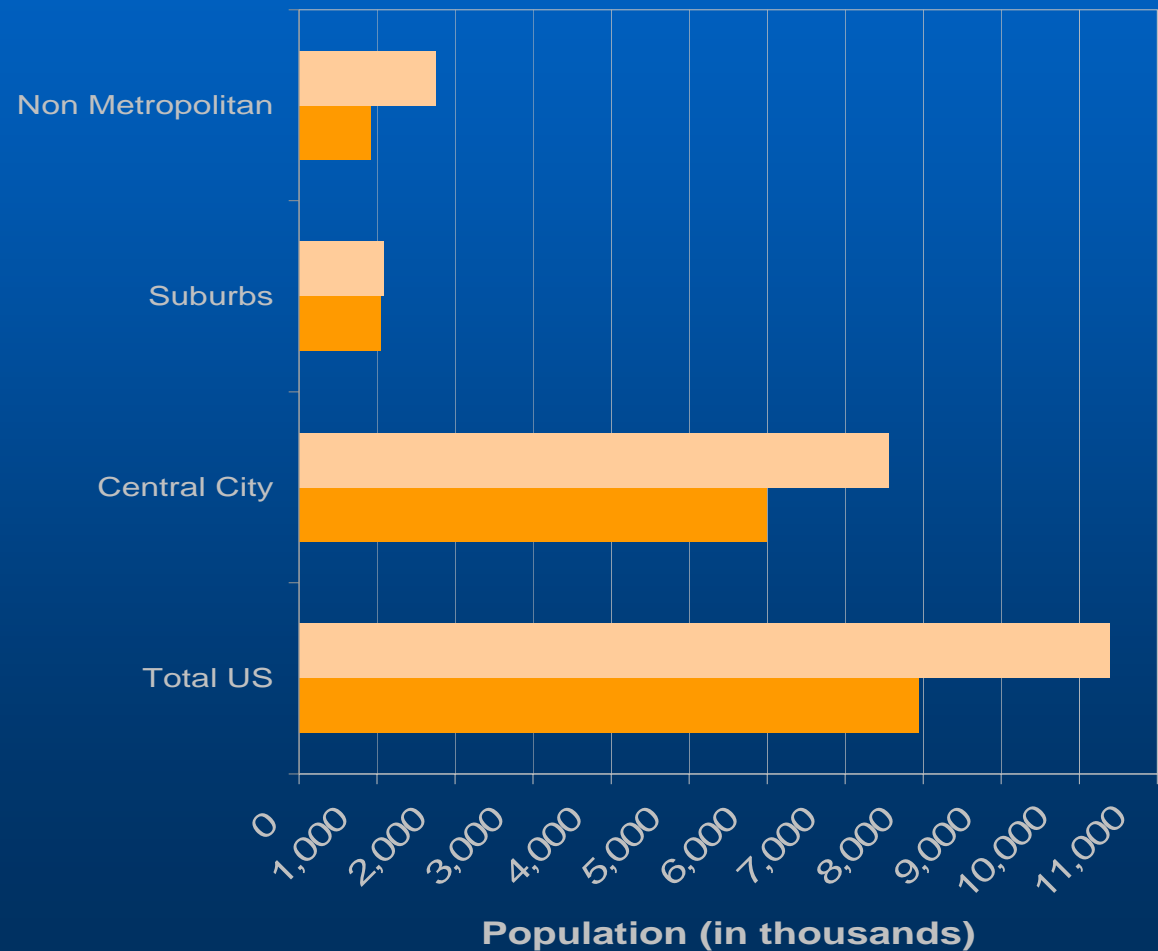


## But the number of people living in high poverty neighborhoods declined during the 1990s

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

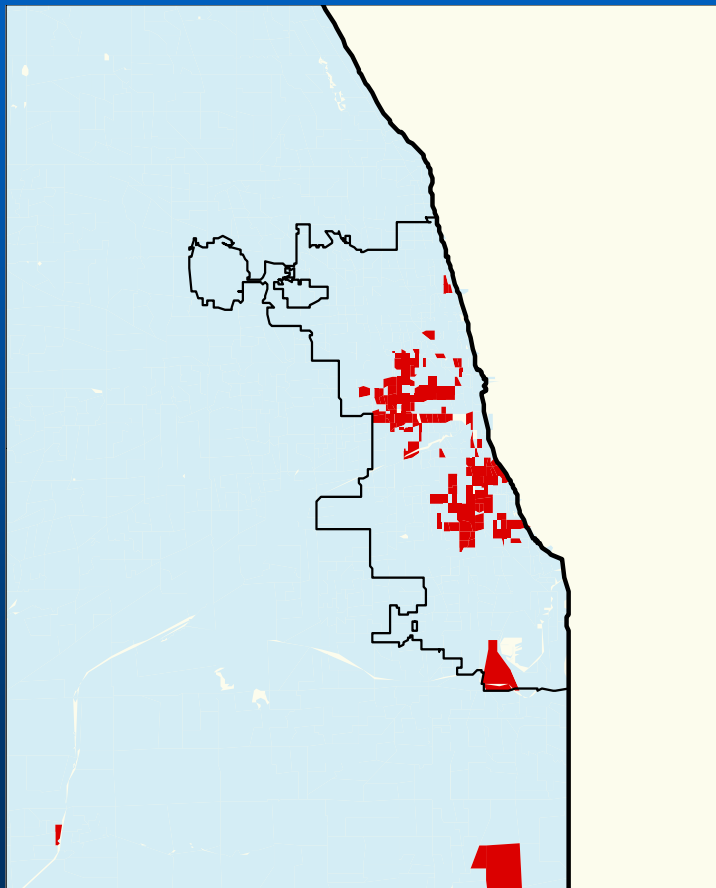
Source: Paul Jargowsky, "Stunning Progress, Hidden Problems: The Dramatic Decline of Concentrated Poverty in the 1990s" 2003

■ 2000 ■ 1990



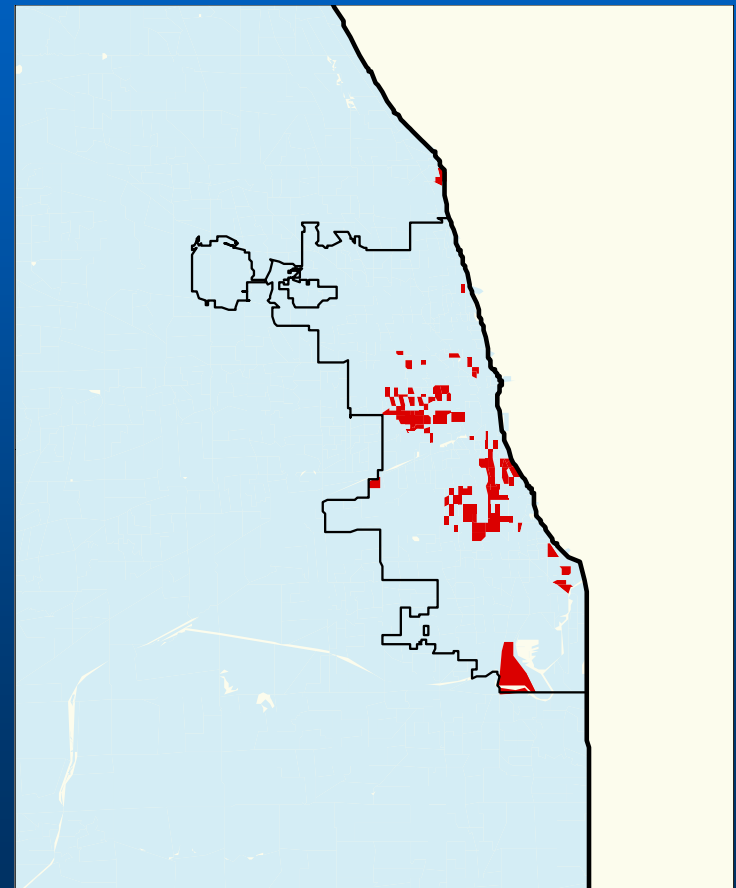


During the 1990s, number of high-poverty tracts in Chicago dropped from 187 to 114, and there were 179,000 fewer people living in high poverty areas



1990

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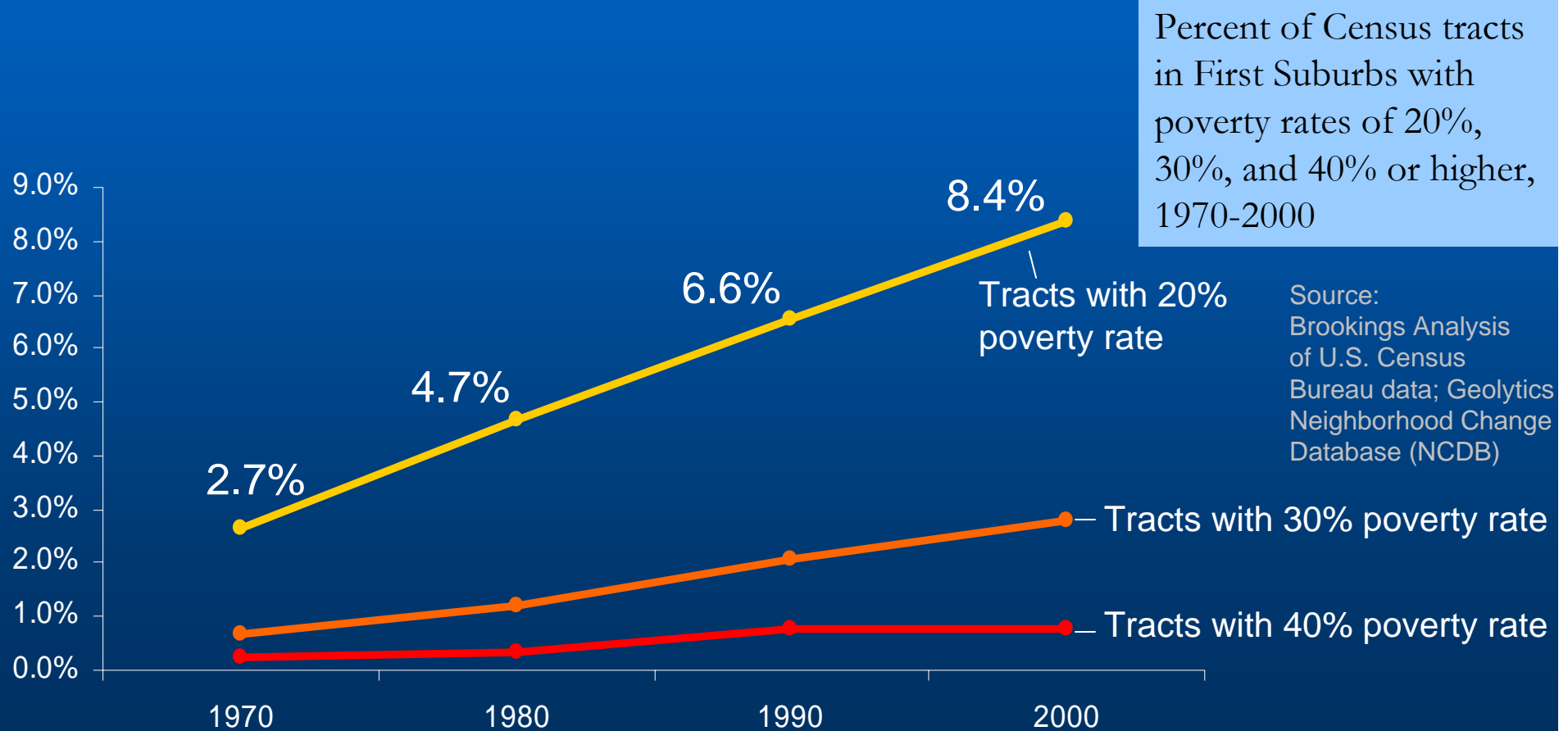


2000

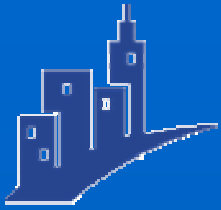
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## But neighborhoods of concentrated poverty have been increasing in First Suburbs







# The State of American Cities and Suburbs

I

What are the general demographic trends affecting the United States?

II

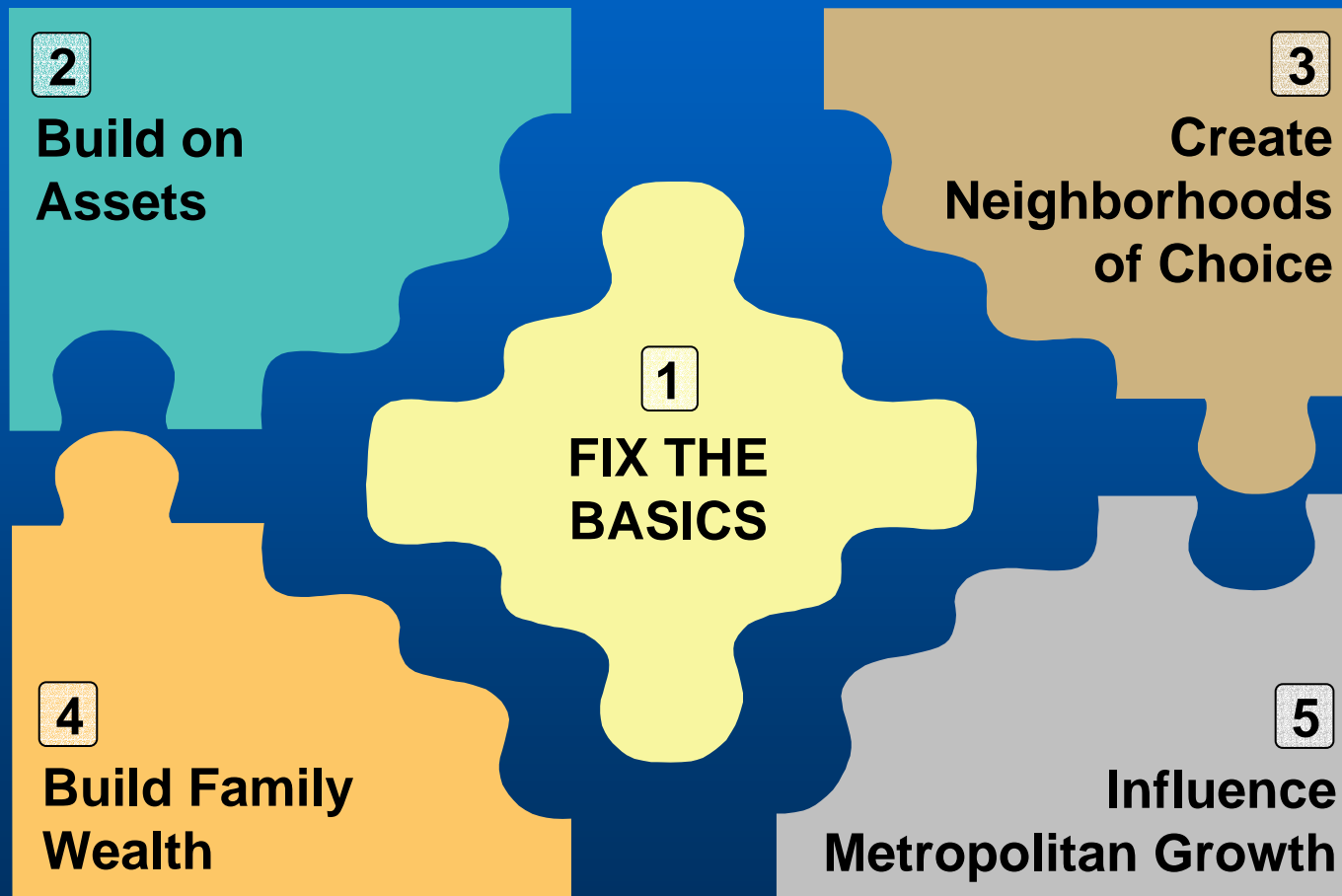
What are the major trends affecting metropolitan areas?

III

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



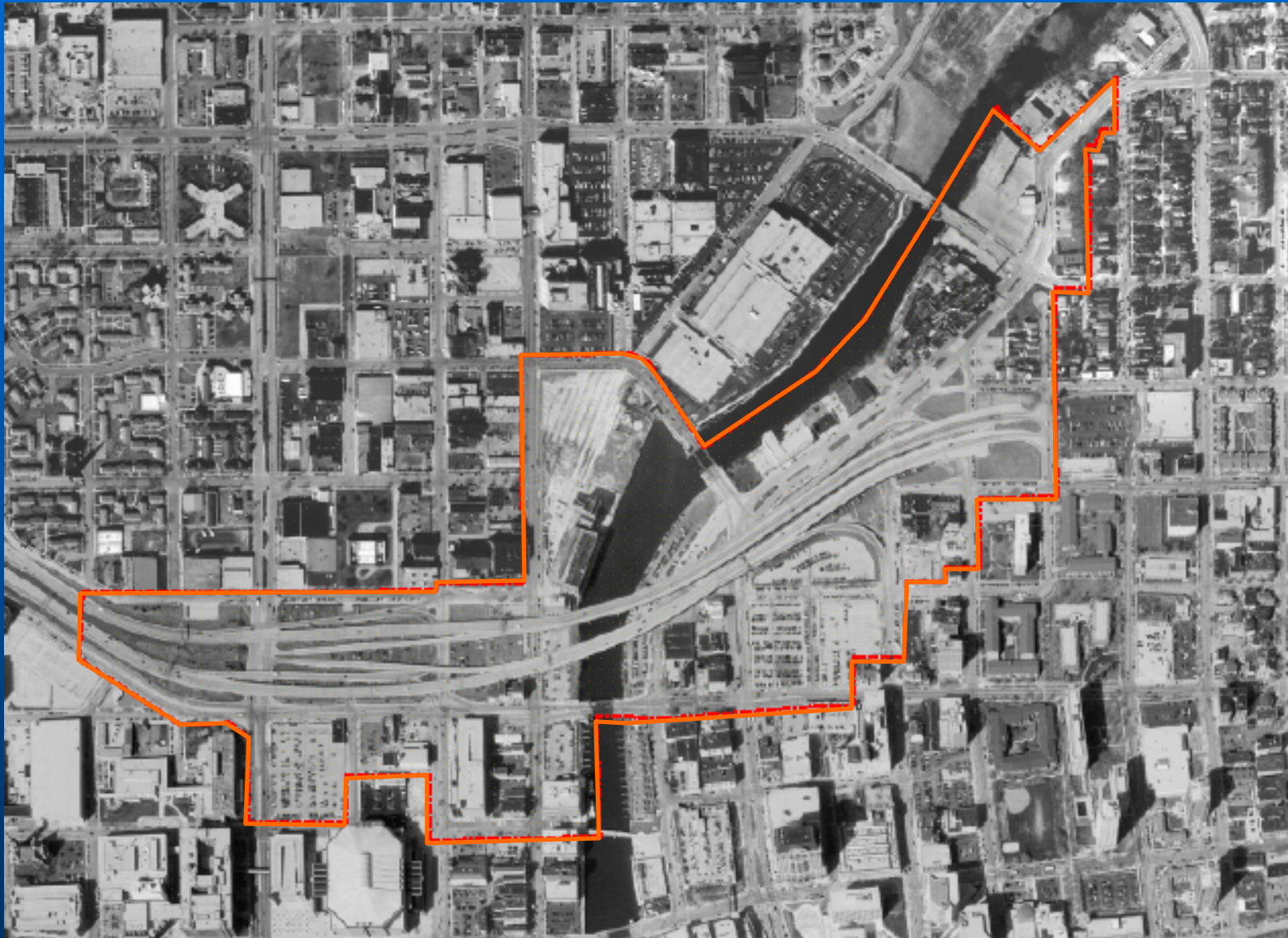
## Build on Assets

### *Milwaukee Freeway Demolition*

→ Removal of a little-used spur of the never-completed Park East Freeway began in 2002 to reclaim 11 blocks of downtown land

→ Renewal project will add commercial and residential development of mixed types, taking advantage of the unique features downtown (e.g. the river, entertainment venues, etc.)









## Create Neighborhoods of Choice

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



Murphy Park replaced the Vaughn Public Housing Project on the North side of St. Louis

## Vaughn High Rises

- Four nine-story buildings
- 656 units
- Typical of 1950s-era, urban renewal public housing towers



George L. Vaughn High Rises, 1995



Under the direction of Richard Baron, the community has been transformed into a less dense, more dignified and safer neighborhood

## Murphy Park Development

- Townhouses, garden apartments and single-family homes
- 413 units
- “New Urbanist” design and “defensible space” technique



Murphy Park, Today



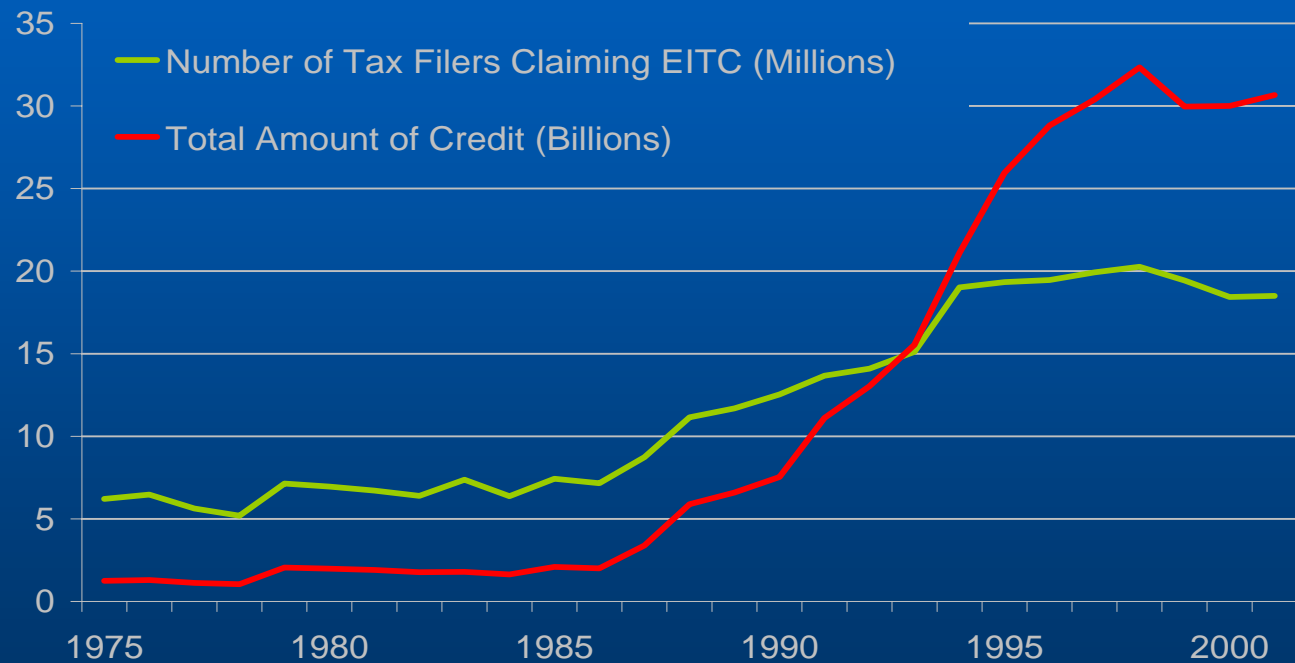
## Build Family Wealth

- 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

California  
*Metropolitan Suballocation*

## 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

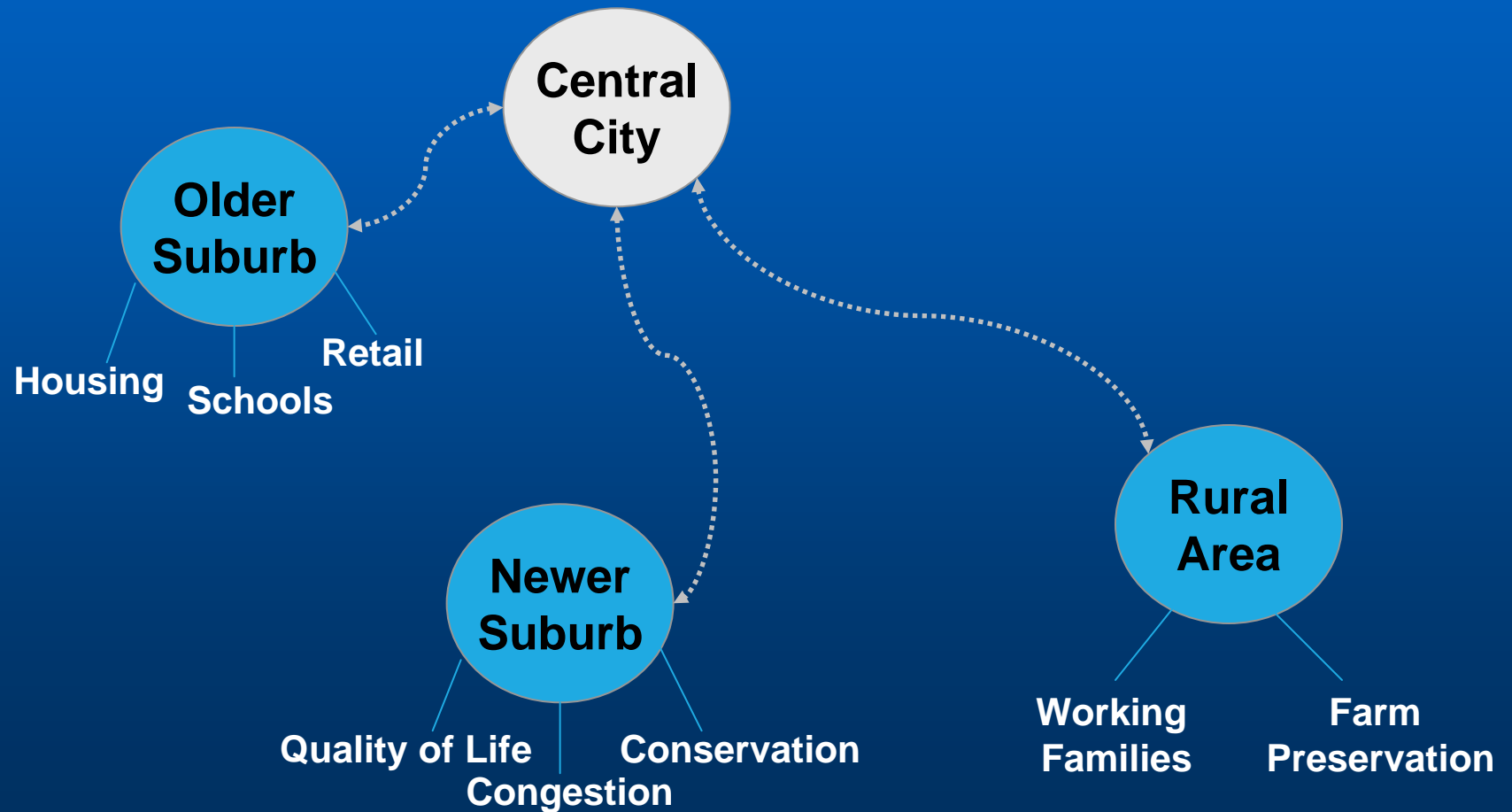
New Jersey  
*The Rehabilitation Subcode of 1998*





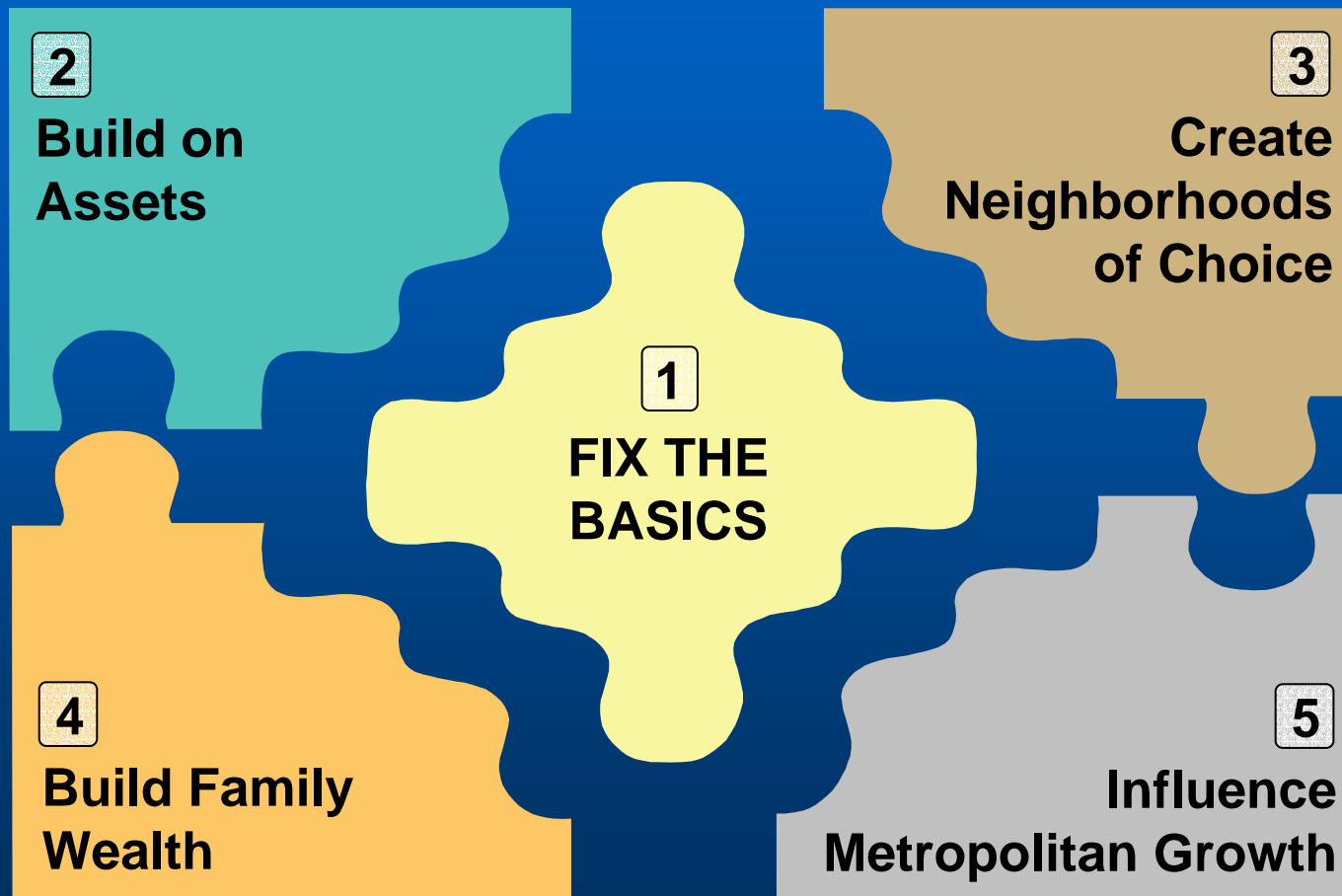
# Influence Metropolitan Growth

## The New Metropolitics





# The New Competitive Cities Agenda



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## METROPOLITAN POLICY PROGRAM

Brookings > Metropolitan Policy

*Redefining the challenges facing metropolitan America and promoting innovative solutions to help communities grow in more inclusive, competitive, and sustainable ways.*

### ANNOUNCEMENT

#### Urban Center Becomes Metropolitan Program

In a major promotion, the Center on Urban and Metropolitan Policy this month became the Brookings Metropolitan Policy Program—and the first new Brookings department established since 1948. The new status reflects the rising importance of metropolitan issues to the domestic and global challenges Brookings seeks to address.

read an open letter from Brookings President Strobe Talbott

#### METROVIEW

**Deficits by Design Plague Metro**  
by Robert Puentes  
*The Washington Times*  
June 21, 2004

[News Index](#)

#### METROPOLITAN GROWTH

#### Mechanisms for Market-Based Land Use Control

Using case studies and a national survey, this paper examines transfers of development rights (TDRs) and other market-based land preservation techniques like mitigation banking and density transfer fees.

#### IMMIGRATION

#### Washington Goes Polyglot

Metro Washington's "limited English proficient" (LEP) population

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