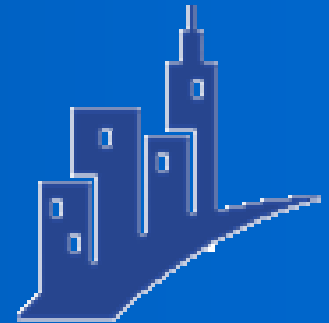


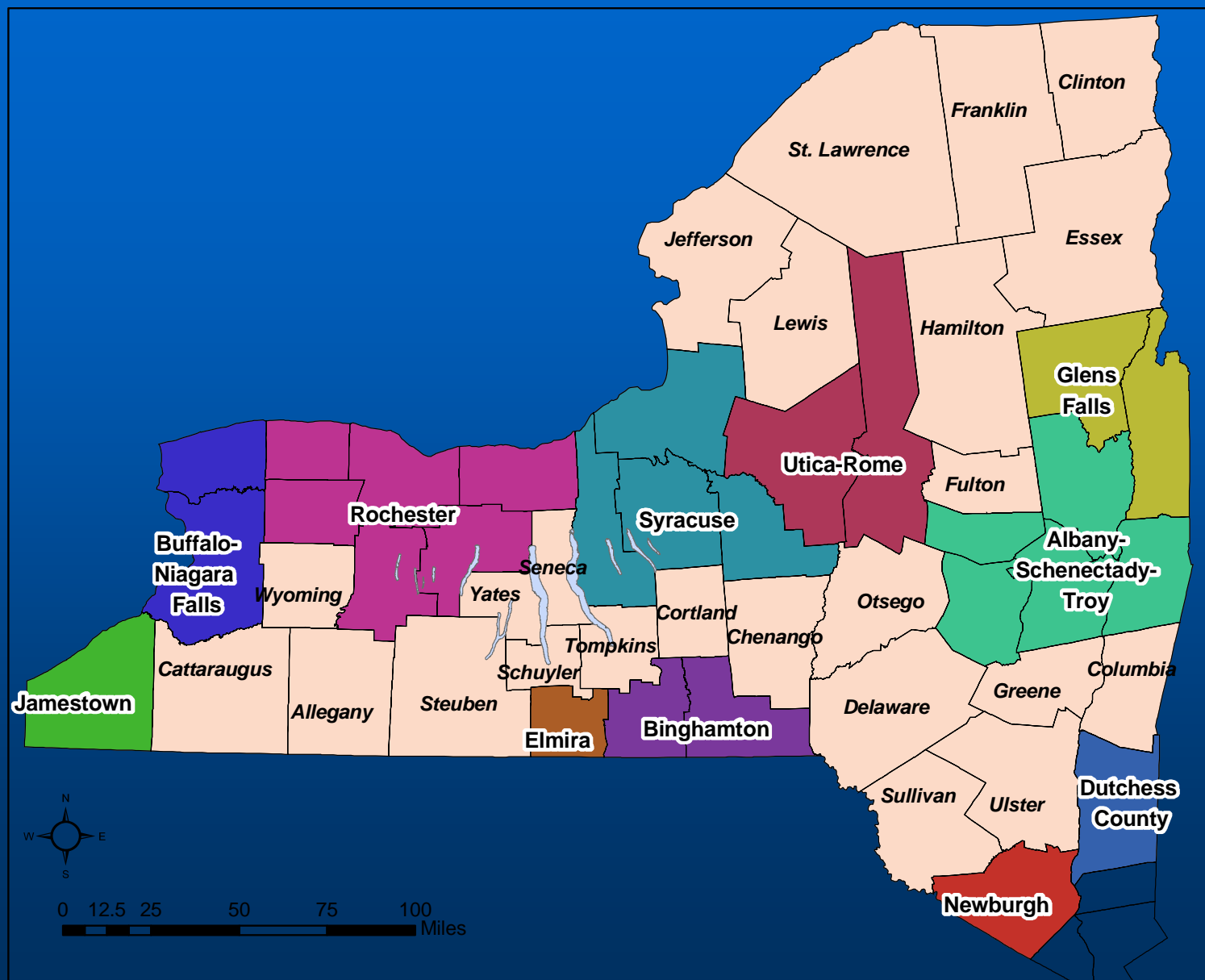
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Metropolitan Policy Program
Bruce Katz, Director



Confronting the Realities of Core Cities in Weak Markets

Rebuilding Upstate NY: What Works II Symposium
Syracuse, NY
May 2, 2005



Confronting the Realities of Core Cities in Weak Markets

I

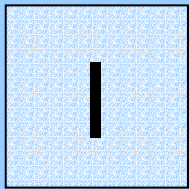
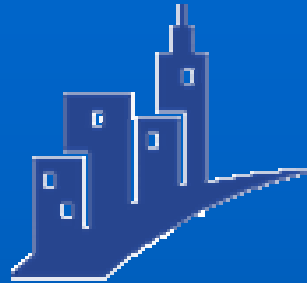
What are the major trends affecting upstate NY?

II

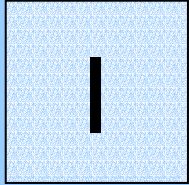
What are the implications of these trends?

III

What can core cities do to be competitive?

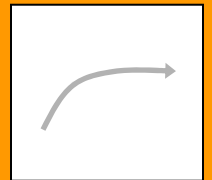


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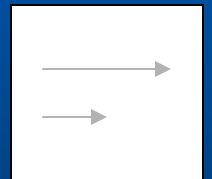


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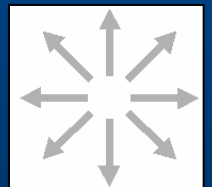
Upstate NY is growing slowly and has a large senior population

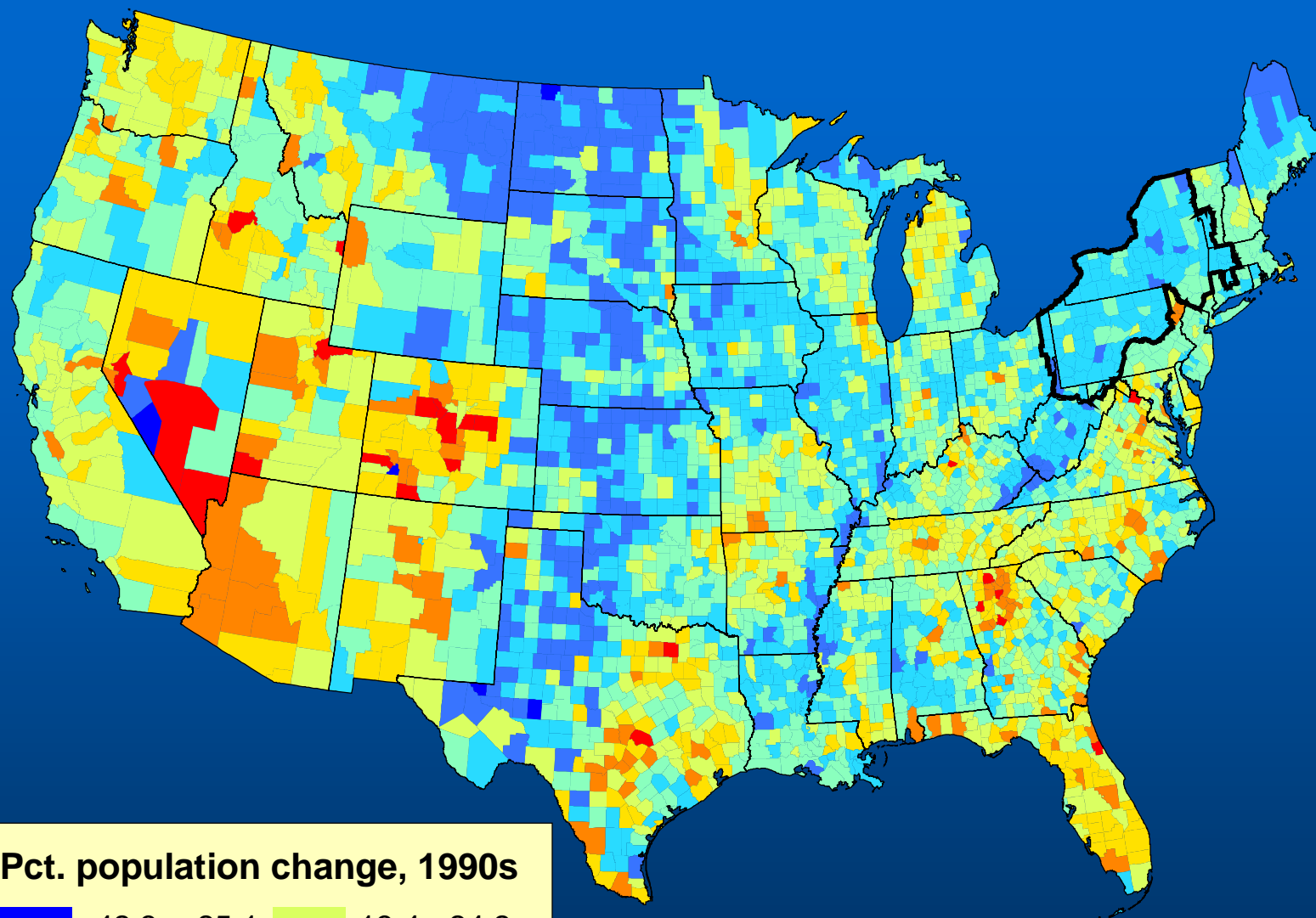


The economy has real strengths, but is faltering

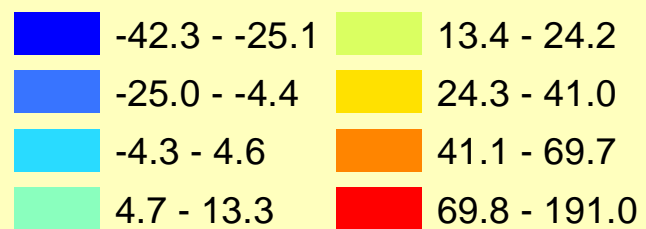


The region is spreading out and hollowing out

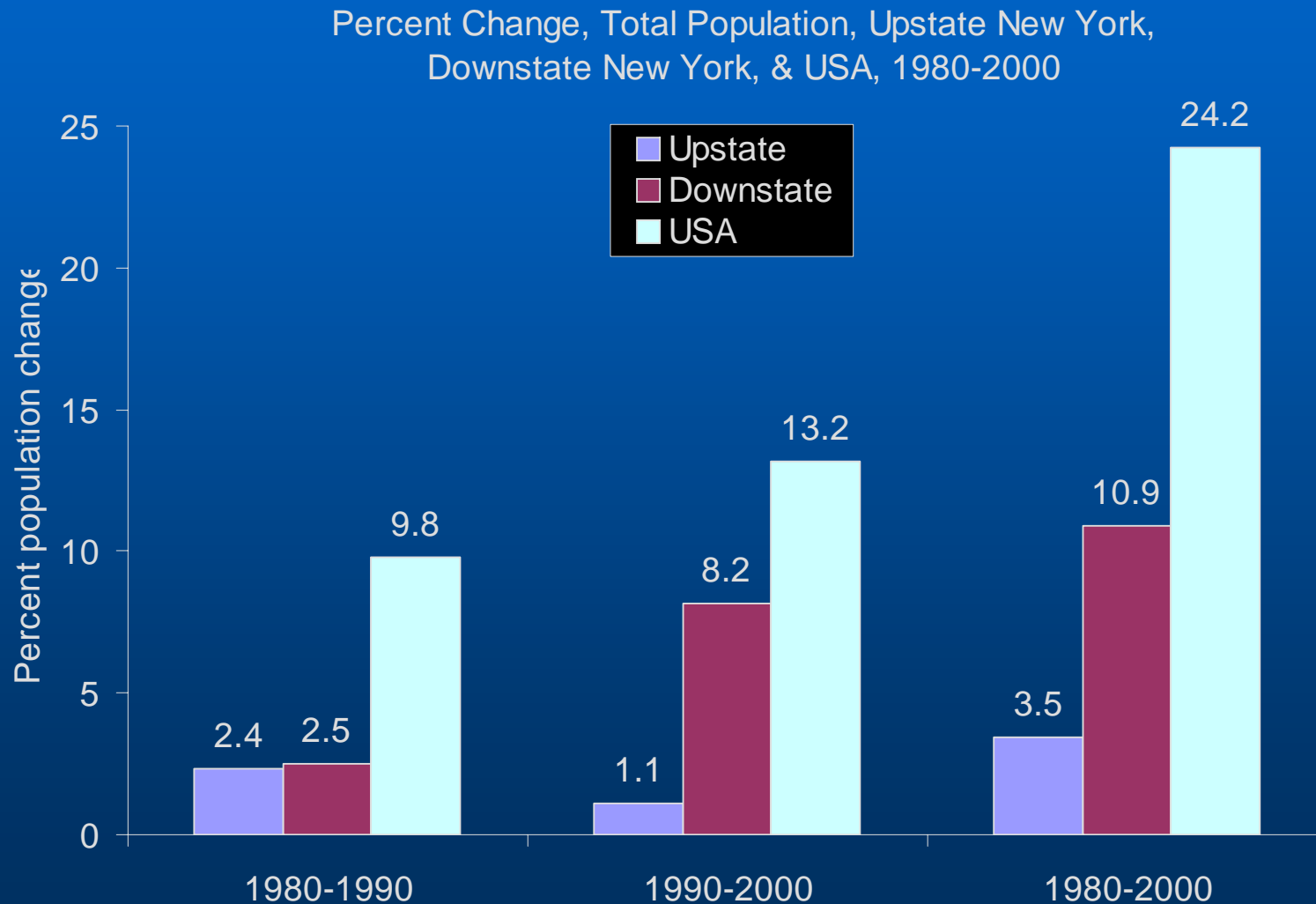




Pct. population change, 1990s

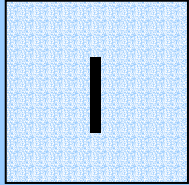


Population upstate grew only 3.5 percent 1980-2000, just 15 percent of the national average.



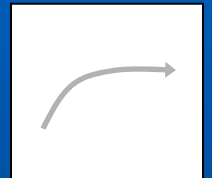
Upstate NY contains a greater share of seniors than the national average

- The share of the U.S. population 65 and older decreased from 12.6% to 12.4% from 1990-2000
- In upstate NY, however, that share increased from 13.5% to 14.0%
- Western NY had the largest share of seniors, at 16%, up from 15% in 1990

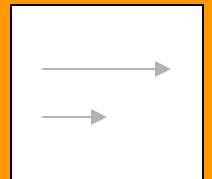


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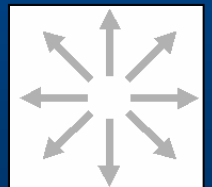
Upstate NY is growing slowly and has a large senior population



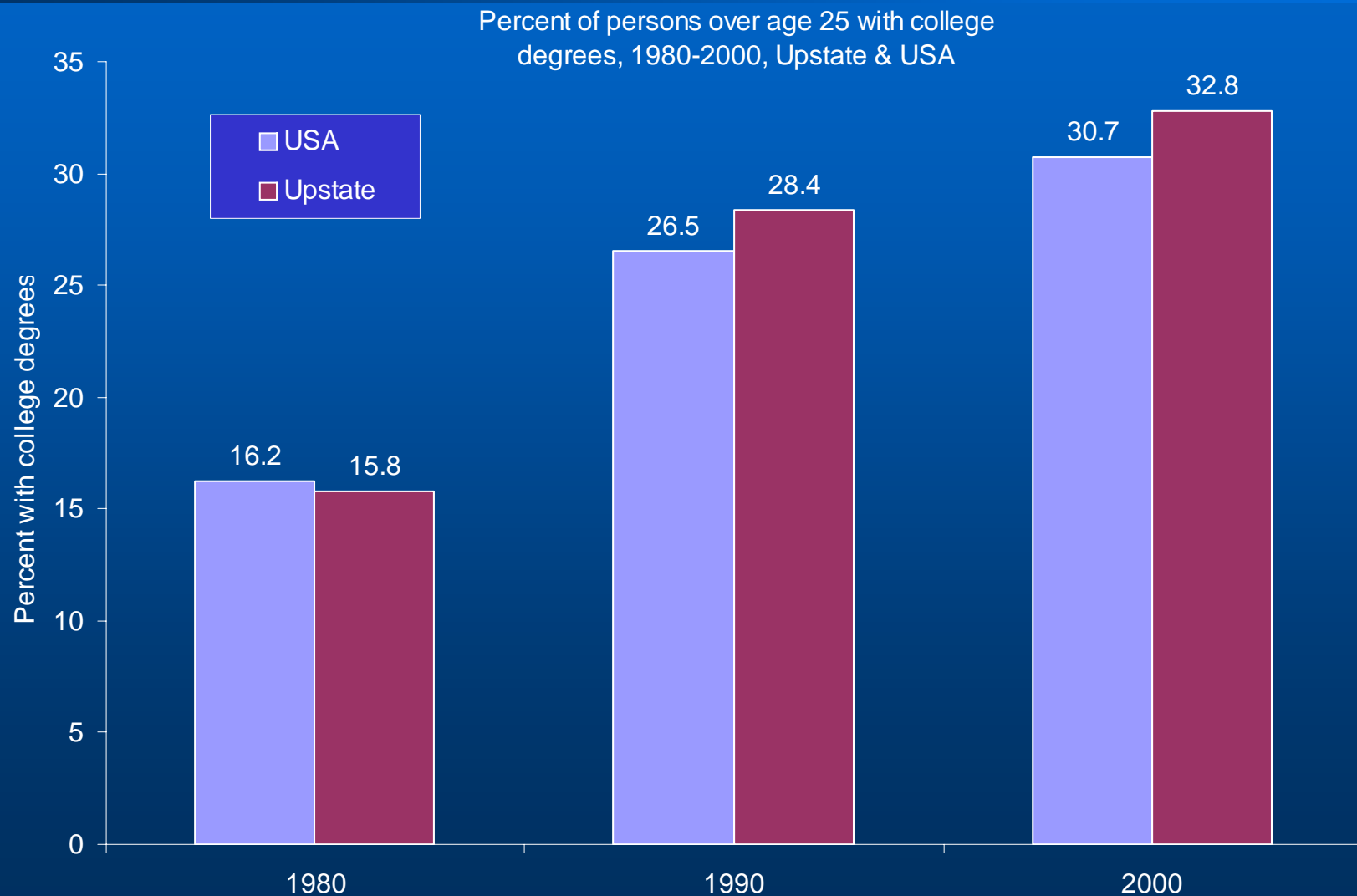
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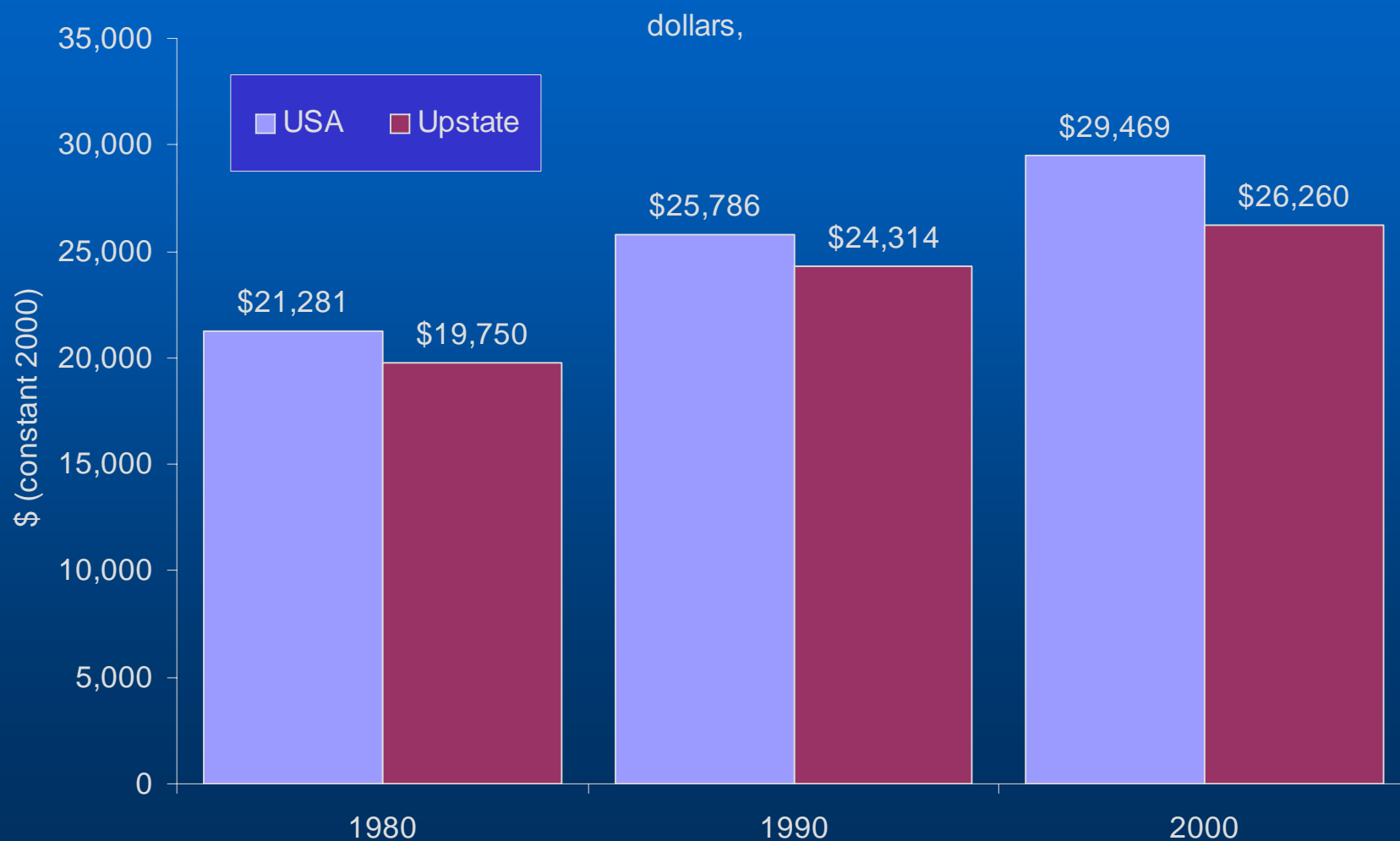
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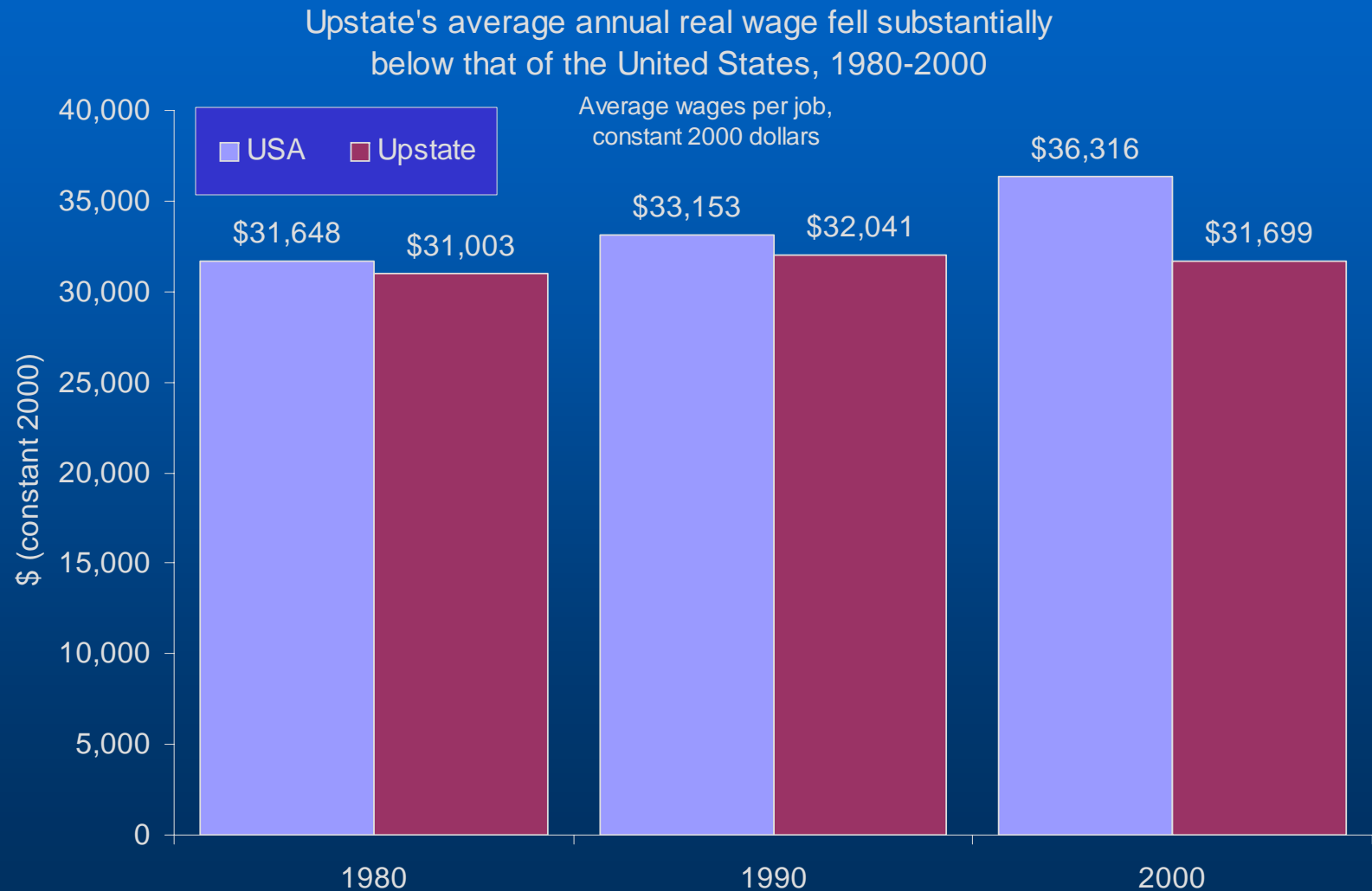
Upstate features a higher concentration of college grads than the U.S. average...



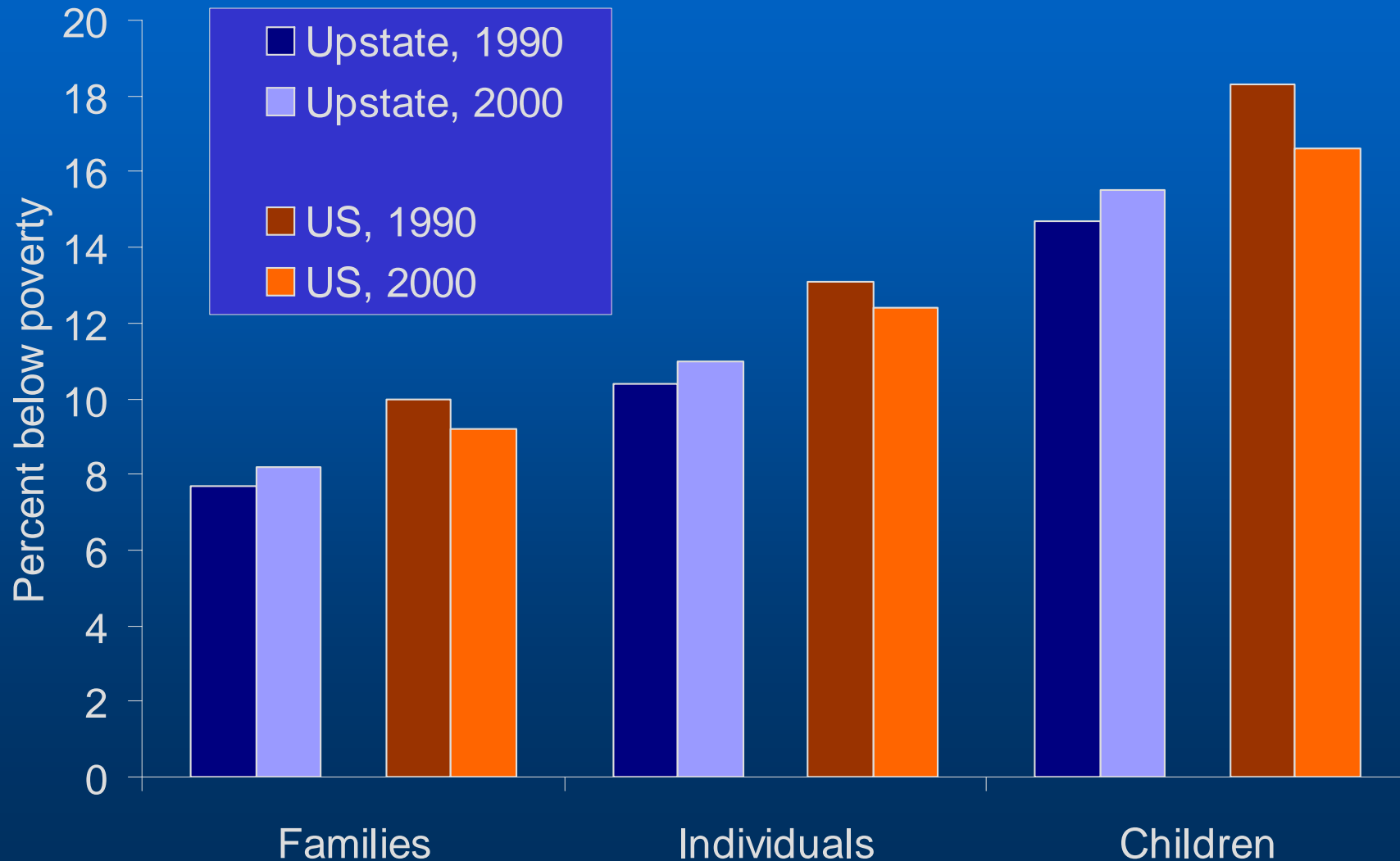
...but per capita income upstate is lagging

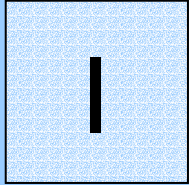


Average wages are stagnant, and falling below the national average, even for educated workers



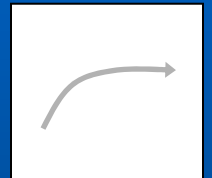
While poverty is declining nationwide, it is on the rise upstate



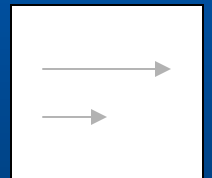


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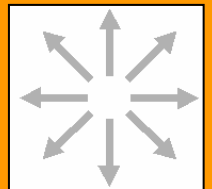
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The economy has real strengths, but is faltering

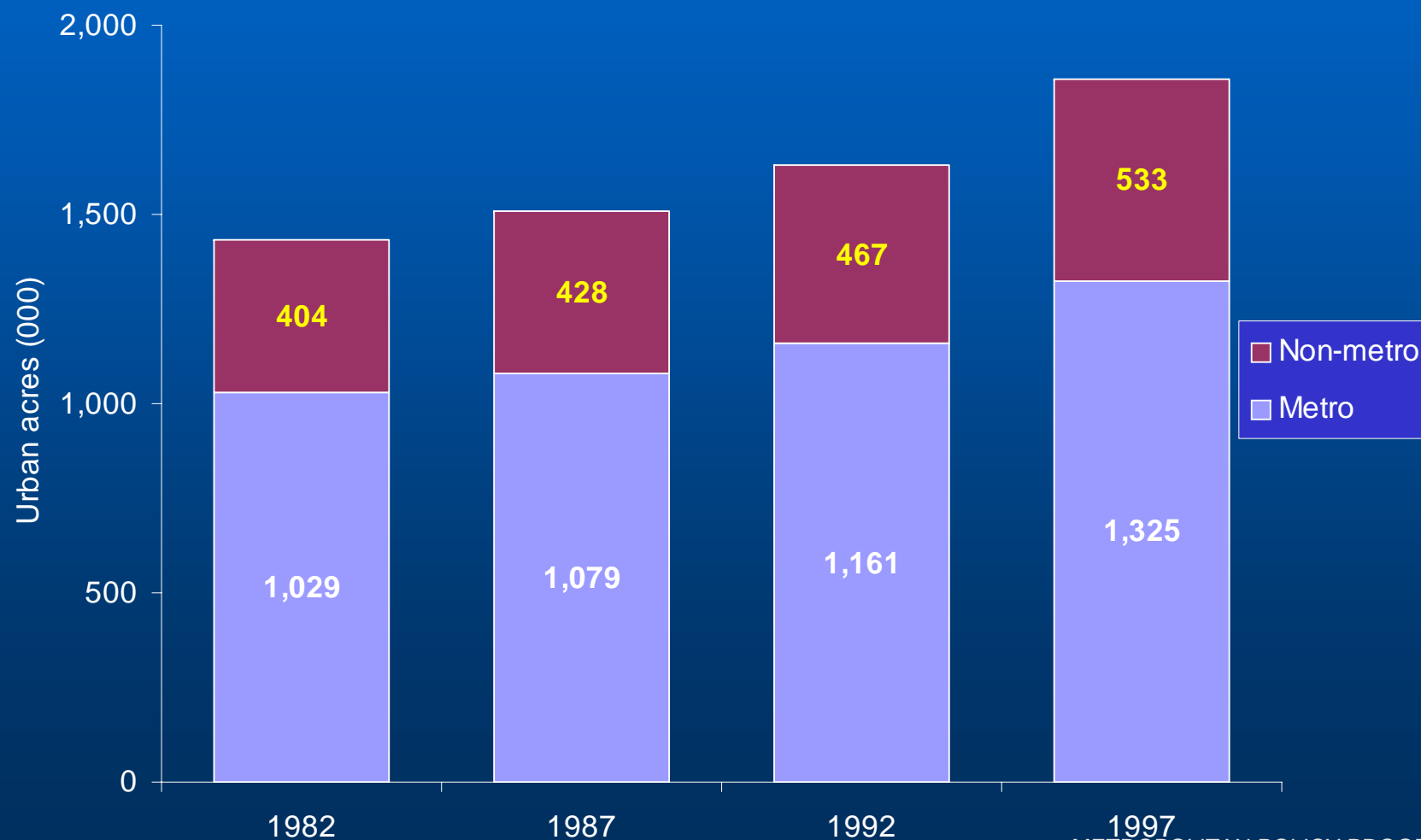


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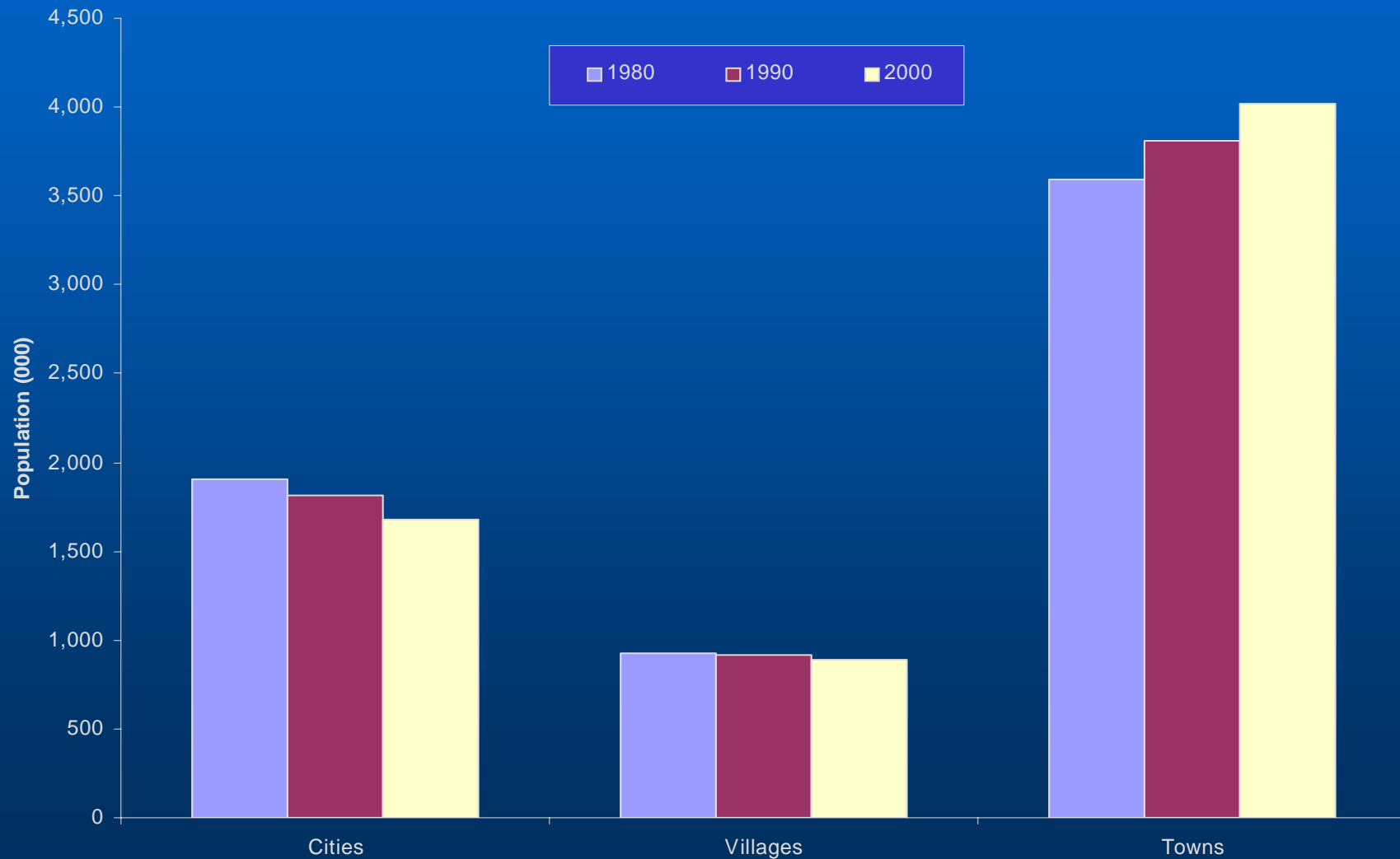
Despite slow growth, upstate still sprawls

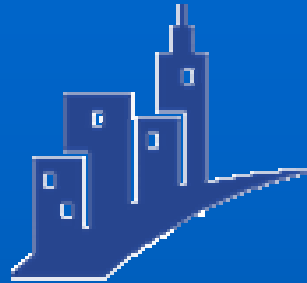
Urban land, Upstate New York, 1982-1997
In thousands of acres



Cities decline, while towns grow

Household population, Cities, Villages, and Towns,
Upstate New York, 1980-2000





II

What are the implications of these trends?

II

What are the implications of these trends?

Sprawl and urban decline hinder cities' ability to compete for educated workers

Sprawl and urban decline are burdening taxpayers

Concentrated poverty is persistent



Economic success increasingly turns on attracting and retaining highly-educated people

→ Ideas, innovation, and creativity now drive the economy

→ Success requires large numbers of people with a college education and high skills

→ Income grew about 1% for every 2% growth in a metro's share of college graduates, during the 1990s



Across the nation, the cities and metros with the highest shares of educated workers have common qualities:

- Thick labor markets
- Vibrant and distinctive downtowns
- Plentiful amenities
- A positive, tolerant culture

II

What are the implications of these trends?

Sprawl and urban decline hinder cities' ability to compete for educated workers

Sprawl and urban decline are burdening taxpayers

Concentrated poverty is persistent



The costs of sprawl are well-researched and well-recognized

Low density development increases demand for:

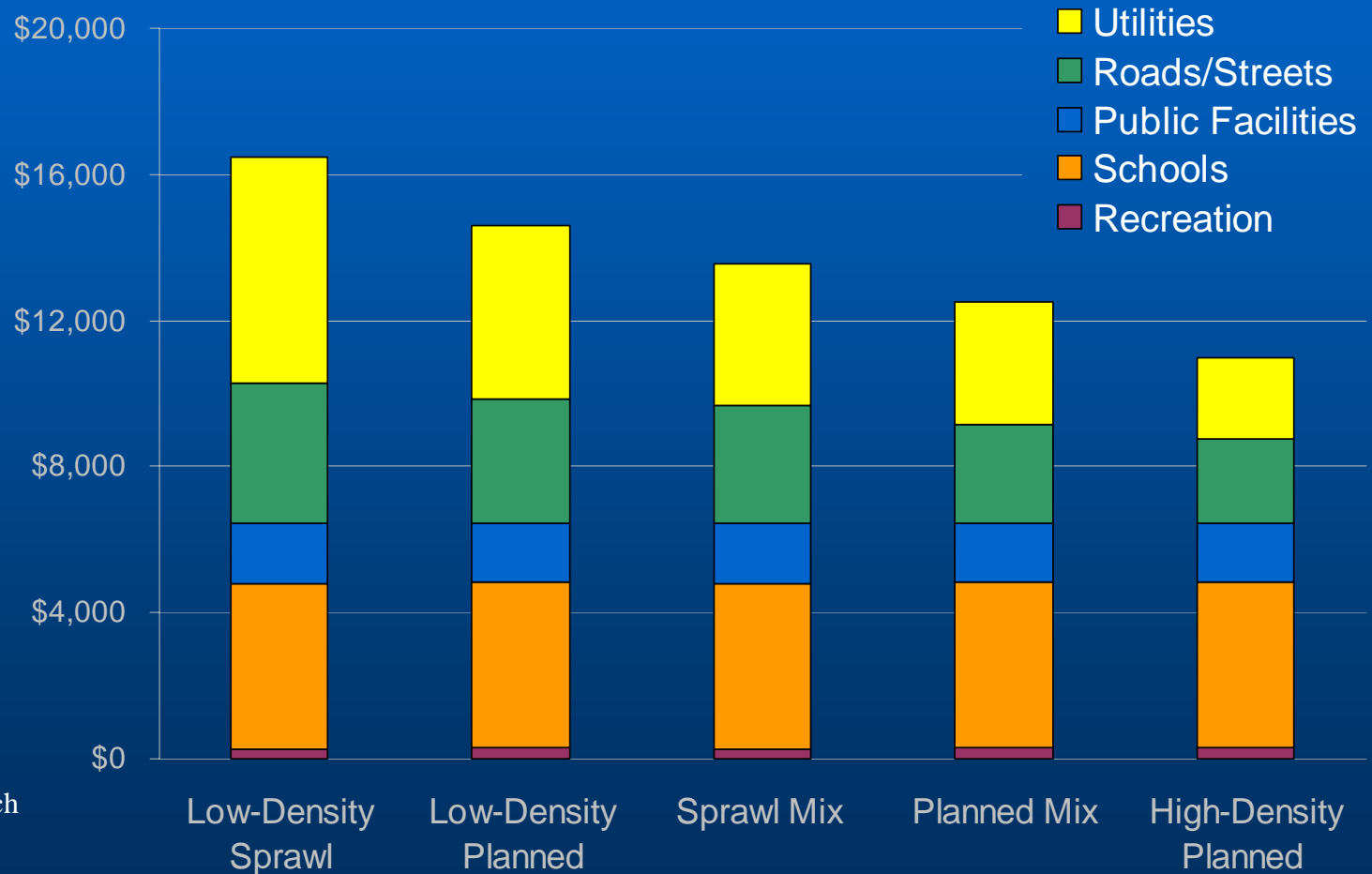
- New schools
- New roads
- New public facilities
- Sewer and water extensions

Low density development increases the costs of key services:

- Police
- Fire
- Emergency medical

Studies estimate the degree of capital cost savings from denser development

Estimated cost savings by community prototype



Source: Real Estate Research Corporation (1974)



Ultimately, these factors lead to reduced revenues and higher tax rates for older municipalities

II

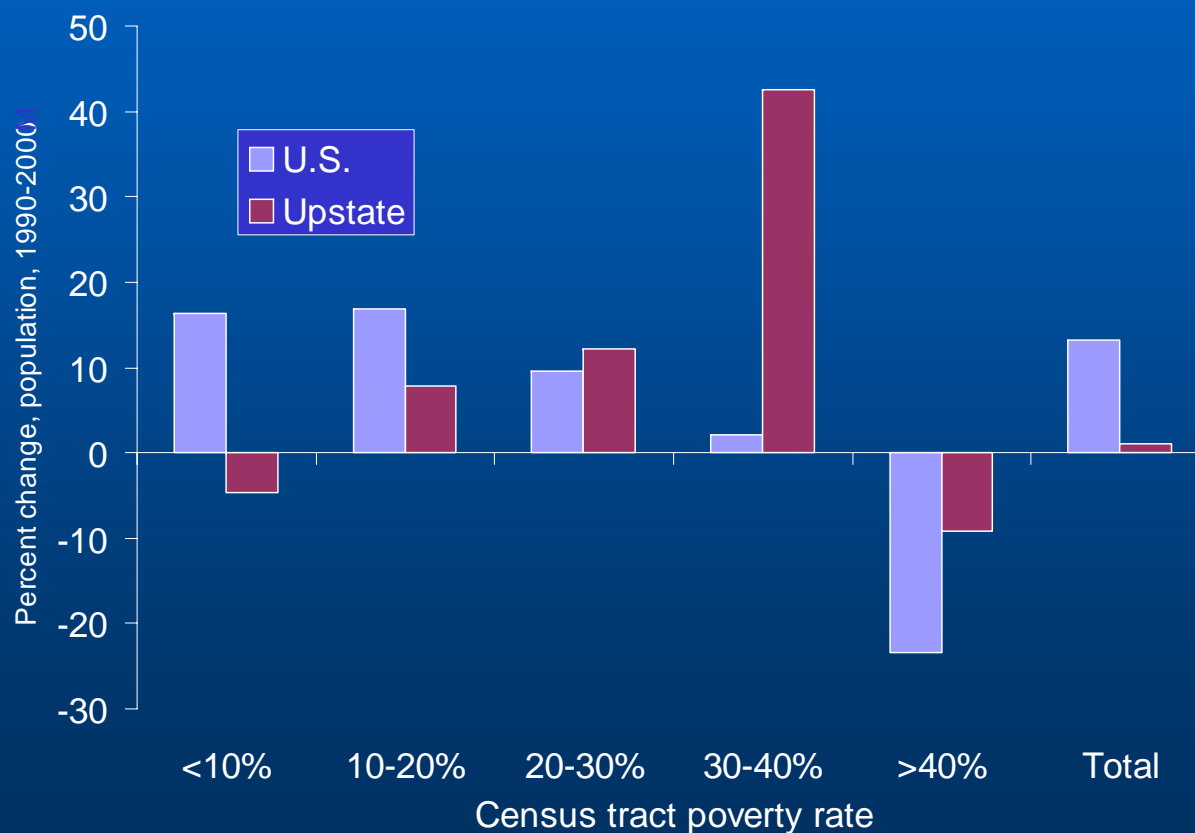
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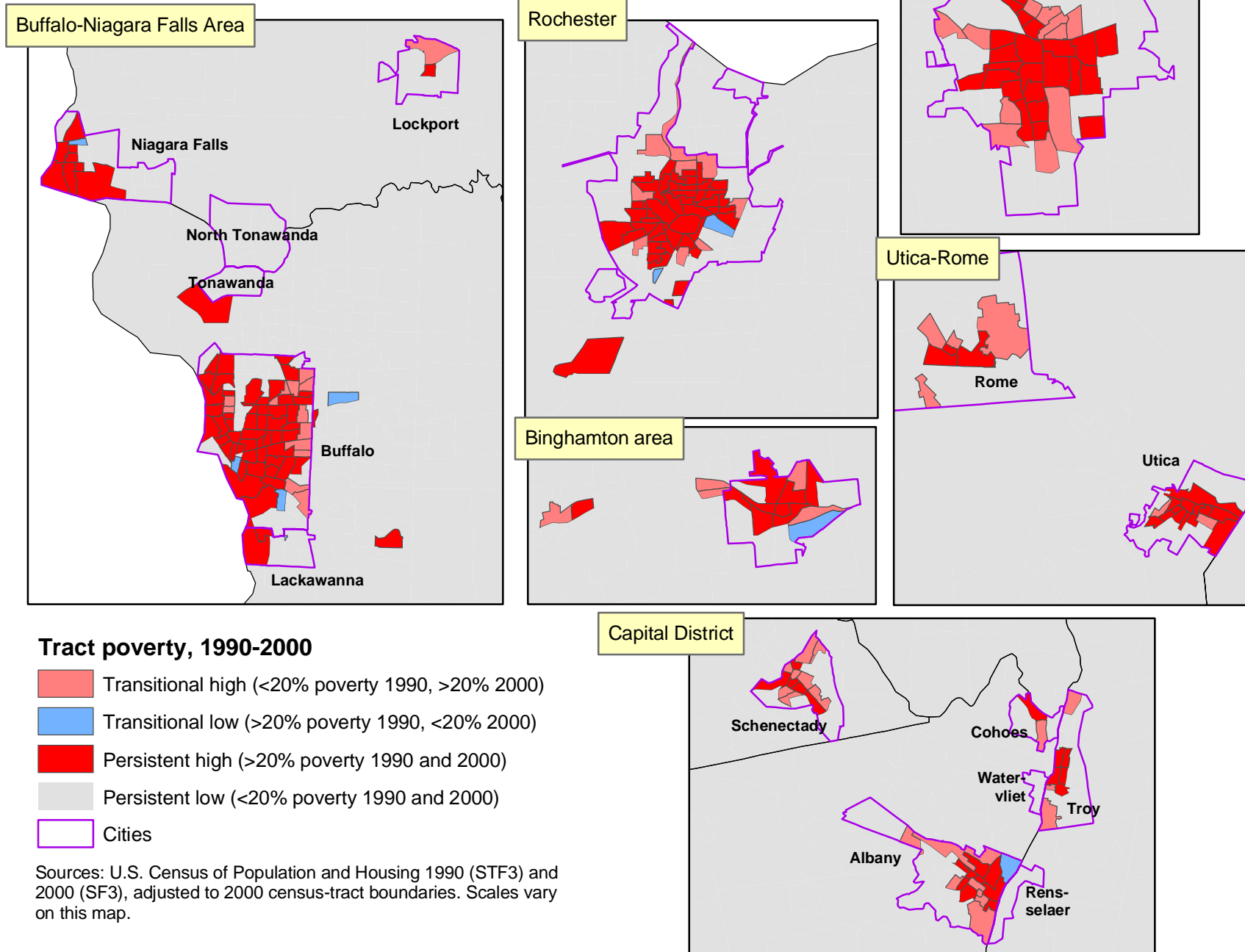
Sprawl and urban decline are burdening taxpayers

Concentrated poverty is persistent

Concentrated poverty increased in upstate NY from 1990-2000

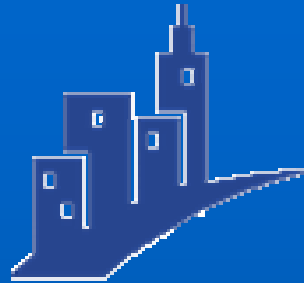


Map 1. Concentrated poverty intensifies in Upstate cities



And upstate NY is beginning to see these consequences:

- Home ownership is dropping (45.9%)
- Housing vacancy rates are rising (11.5%)
- 75% of city housing built before 1960
- Income growth lags
- Cities' child poverty (31%) is 3X towns'
- Renters pay too much for housing
- City property tax bases fell in the 1990s
- Cities' tax rates exceed towns' by 60%



III

What can core cities do to be competitive?



Core cities need to take into account several principles when tailoring a competitive cities agenda to their locality

→ A strong city needs to understand it's **assets and liabilities**: not all weak market cities are the same

→ A strong city depends on a **strong metropolitan area**

→ Cities need to understand their **changing function** in the metropolitan economy

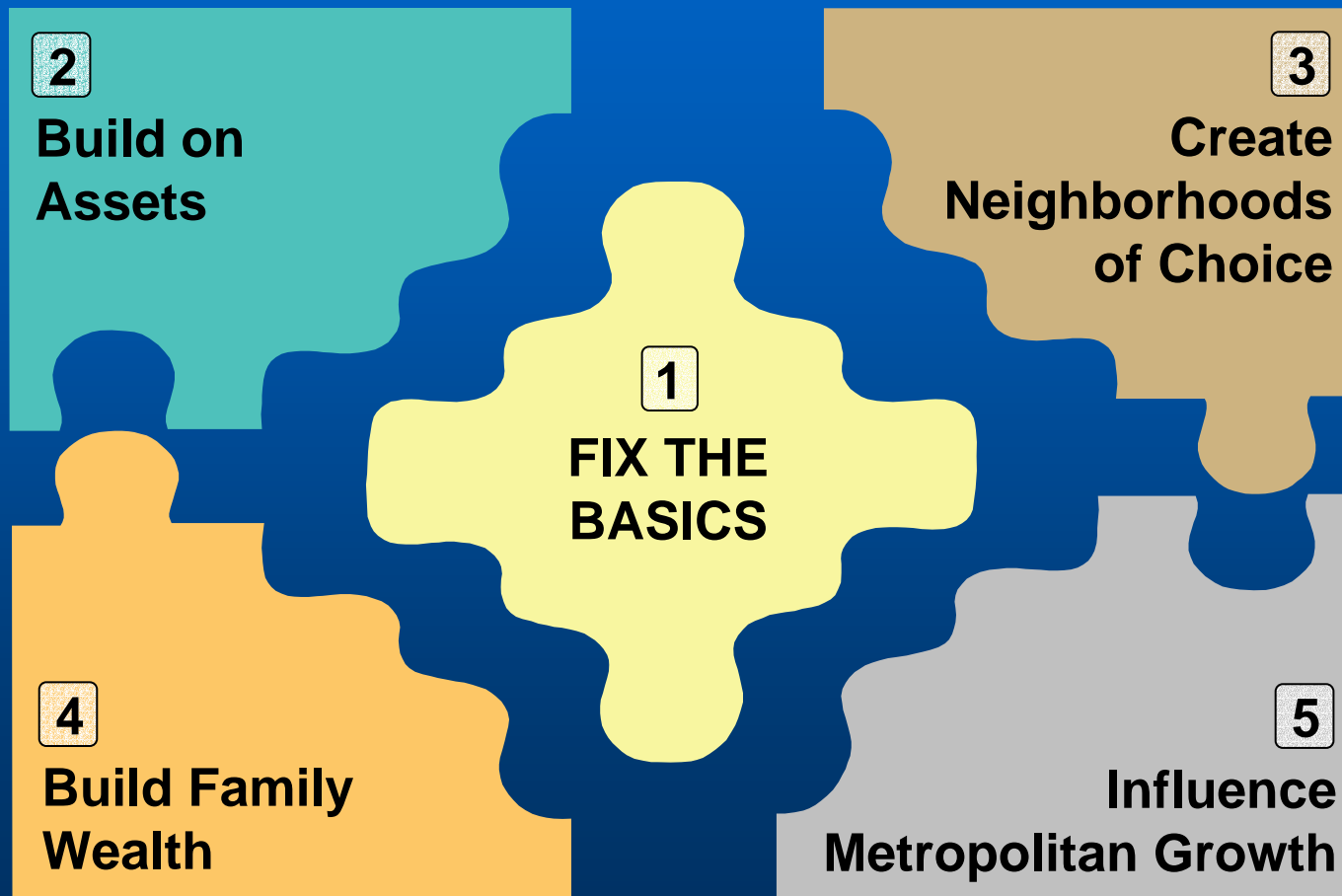
→ Cities need to move beyond **Starbucks and Stadia** policies

→ Policies that reinforce **concentrated poverty** will undermine school reform and impede family asset building

→ Cities have natural **allies** in urban counties and older suburbs



The New Competitive Cities Agenda





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 responsible 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

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

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

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

Governance

California

Metropolitan Sub-allocation of Transportation Funding

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

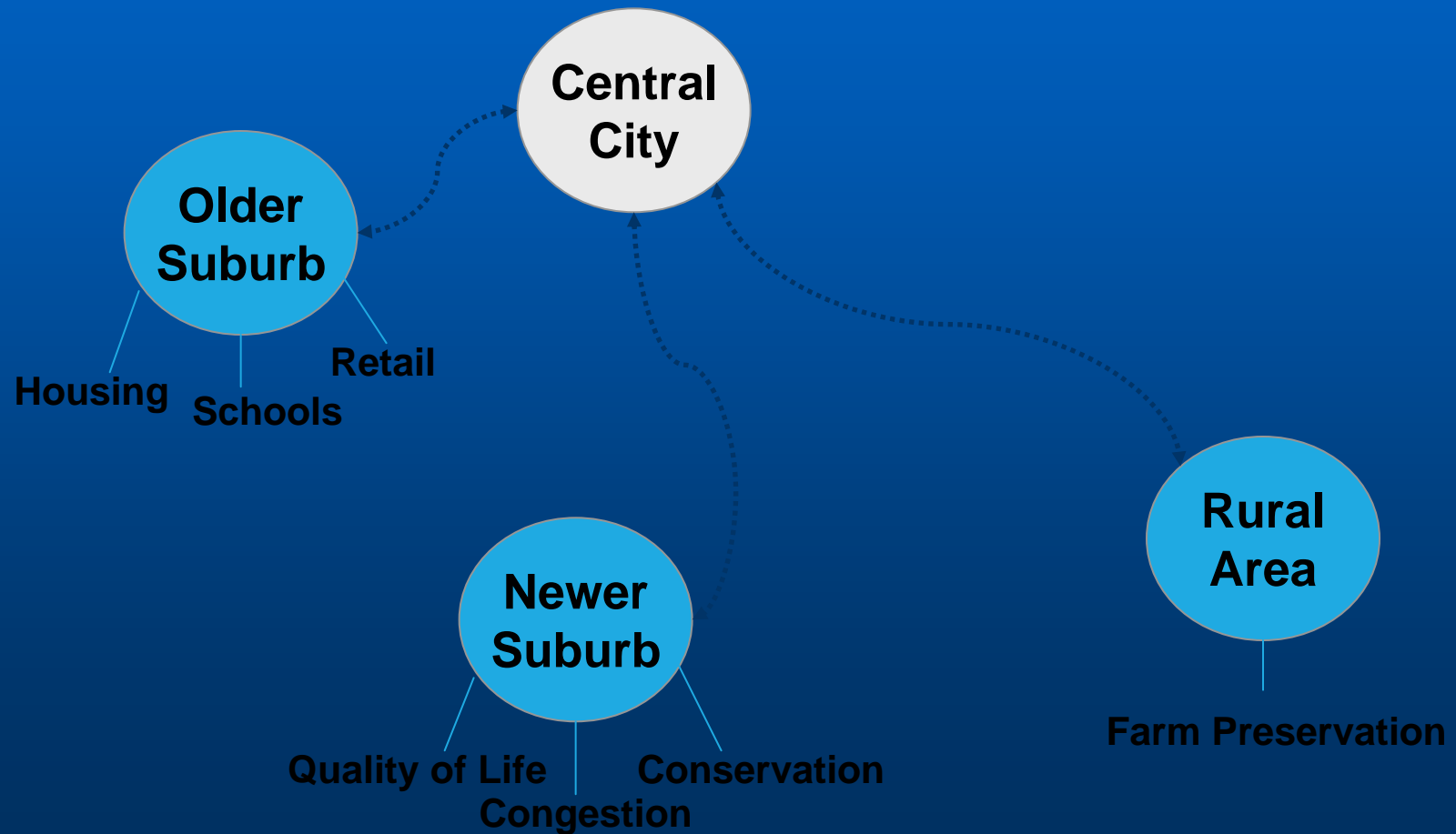
New Jersey

The Rehabilitation Subcode of 1998



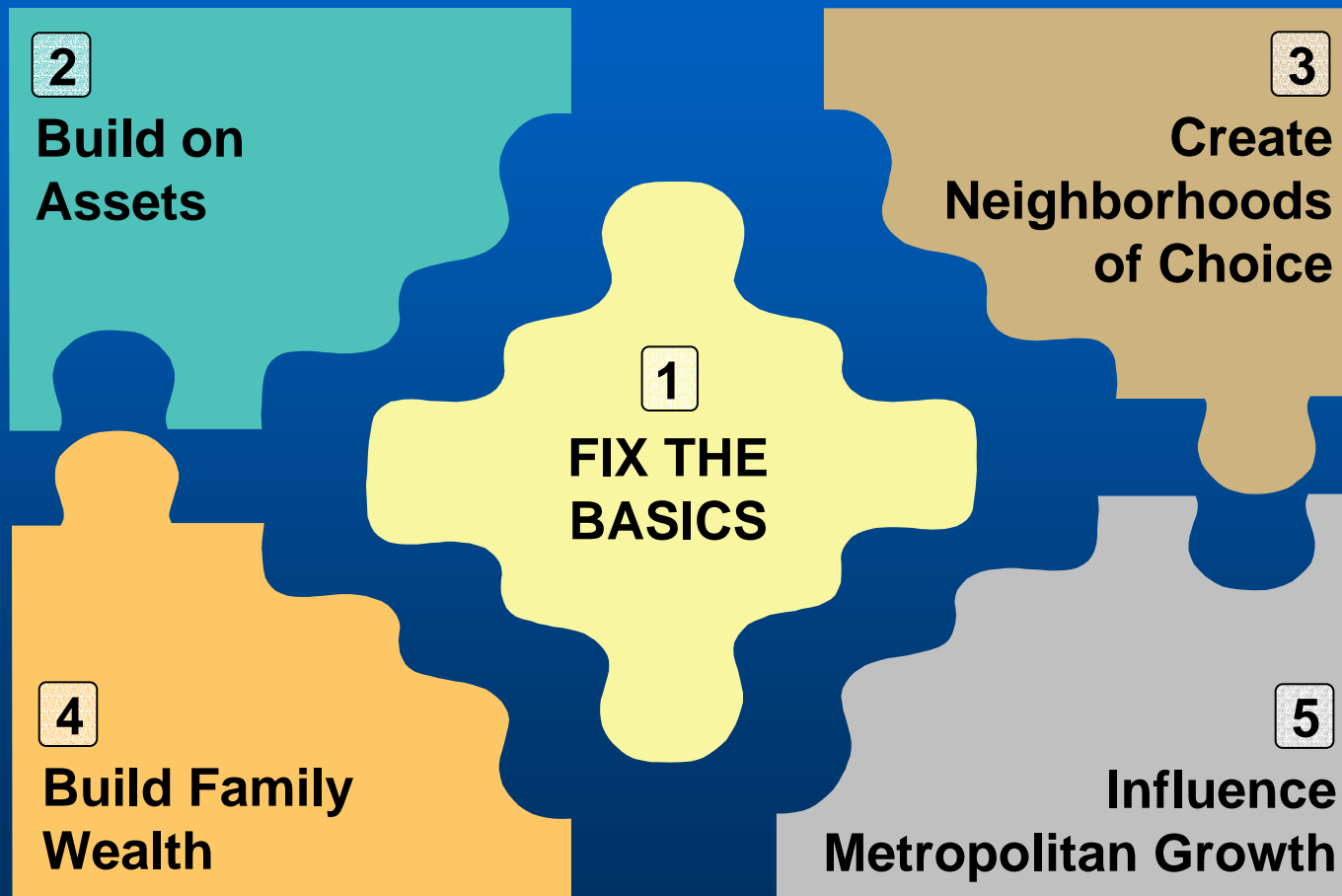
Influence Metropolitan Growth

The New Metropolitics





The New Competitive Cities Agenda



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METROPOLITAN POLICY PROGRAM

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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

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

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

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