



# STATE OF THE INNER CITY ECONOMIES

## Inner City New Orleans Profile (pre-Katrina)

Funded By:



This presentation draws on proprietary data of the Initiative for a Competitive Inner City– State of the Inner City Economies Project. Additional content is drawn from the work of the Institute for Strategy and Competitiveness– Cluster Mapping Project at Harvard Business School, [www.isc.hbs.edu](http://www.isc.hbs.edu). No part of this publication may be reproduced, stored in a retrieval system, or transmitted in any form or by any means - electronic, mechanical, photocopying, recording, or otherwise - without the permission of the Initiative for a Competitive Inner City.

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# STATE OF THE INNER CITY ECONOMIES

## Inner Cities of 100 Largest Central Cities





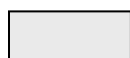
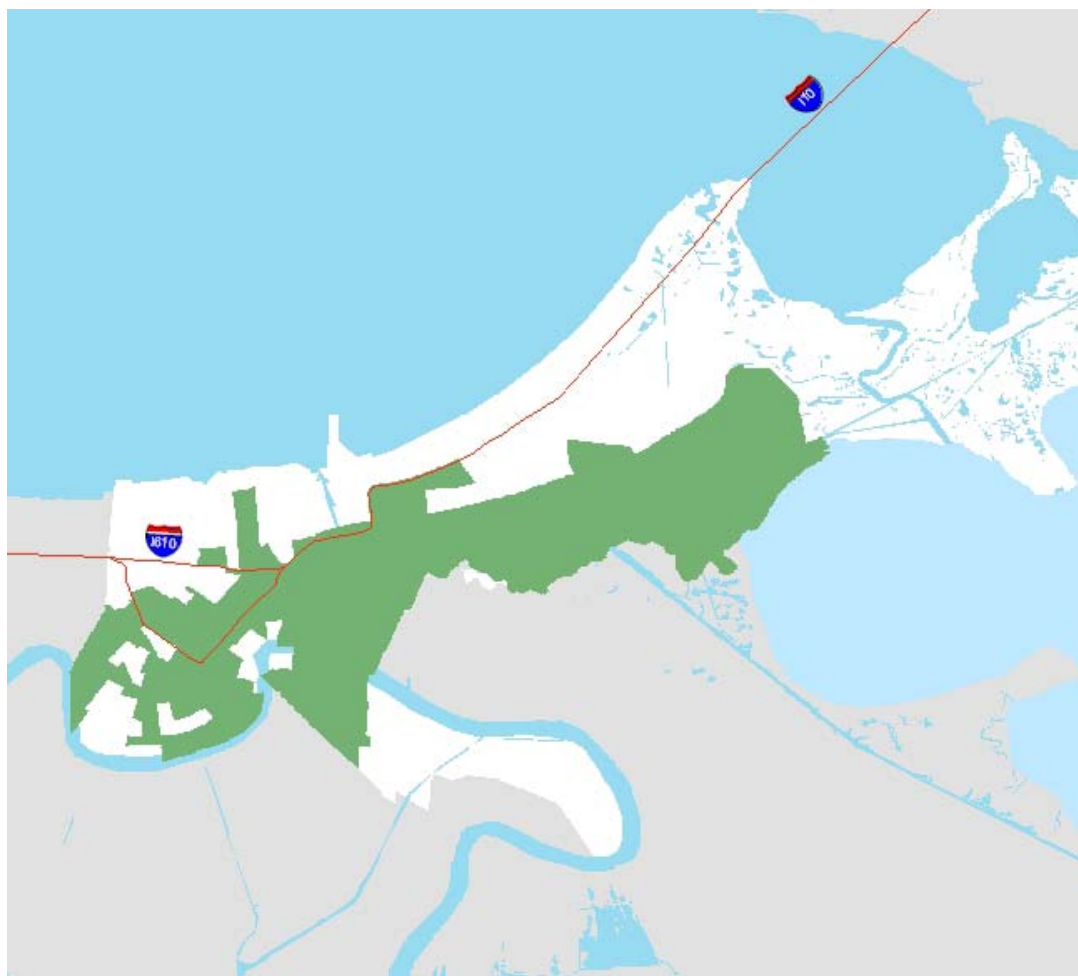
# STATE OF THE INNER CITY ECONOMIES

## Defining Inner City New Orleans

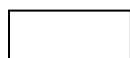
**Inner Cities are defined as core urban areas that are economically distressed.**

**1. Places of poverty** - census tracts with 20% or greater poverty rates (or, compared to the surrounding metro area, 50% greater unemployment or poverty, or half the median income.)

**2. Adjacent neighborhoods** – contiguous census tracts that contain significant population.



New Orleans MSA



New Orleans Central City



New Orleans Inner City



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## New Orleans Demographics Snapshot (vs City)

	Inner City (Rank*)	Entire City
<b>Total Population</b>	<b>283,000 (17<sup>th</sup> largest)</b>	<b>484,674</b>
<b>% Metropolitan Area Population</b>	<b>27%</b>	<b>41%</b>
<b>High School Attainment</b>	<b>66% (#43)</b>	<b>75%</b>
<b>College Attainment</b>	<b>17% (#23)</b>	<b>26%</b>
<b>Minority Population</b>	<b>85% (#23)</b>	<b>72%</b>
<b>Population 25 and under</b>	<b>41% (#63)</b>	<b>38%</b>
<b>Homeownership Rate</b>	<b>36% (#63)</b>	<b>41%</b>
<b>Poverty Rate</b>	<b>38% (2<sup>nd</sup> highest)</b>	<b>28%</b>
<b>Income Density (\$M per square mile)</b>	<b>\$54M (#53)</b>	<b>\$46M</b>
<b>Unemployment Rate</b>	<b>13% (#41)</b>	<b>9.5%</b>
<b>Median Household Income</b>	<b>\$19,900 (#95)</b>	<b>\$27,100**</b>

\*Source: 2000 U.S. Census. Note: ICIC ranks 100 large inner cities by the highest percentage or value in each category. Inner City and Metropolitan Area are exclusive categories. Household is as defined by the U.S. Census.

\*\*Metropolitan Area including inner city

Source: State of the Inner City Economies, ICIC



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## New Orleans Demographics Snapshot (vs MSA)

	Inner City (Rank*)	Metropolitan Area
<b>Total Population</b>	<b>283,000 (17<sup>th</sup> largest)</b>	<b>1,170,000</b>
<b>% Metropolitan Area Population</b>	<b>27%</b>	<b>73%</b>
<b>High School Attainment</b>	<b>66% (#43)</b>	<b>81%</b>
<b>College Attainment</b>	<b>17% (#23)</b>	<b>24%</b>
<b>Minority Population</b>	<b>85% (#23)</b>	<b>34%</b>
<b>Population 25 and under</b>	<b>41% (#63)</b>	<b>35%</b>
<b>Homeownership Rate</b>	<b>36% (#63)</b>	<b>69%</b>
<b>Poverty Rate</b>	<b>38% (2<sup>nd</sup> highest)</b>	<b>13%</b>
<b>Income Density (\$M per square mile)</b>	<b>\$54M (#53)</b>	<b>\$7M</b>
<b>Unemployment Rate</b>	<b>13% (#41)</b>	<b>5%</b>
<b>Median Household Income</b>	<b>\$19,900 (#95)</b>	<b>\$27,300**</b>

\*Source: 2000 U.S. Census. Note: ICIC ranks 100 large inner cities by the highest percentage or value in each category. Inner City and Metropolitan Area are exclusive categories. Household is as defined by the U.S. Census.

\*\*Metropolitan Area including inner city

Source: State of the Inner City Economies, ICIC



# STATE OF THE INNER CITY ECONOMIES

## New Orleans Business Base

	Inner City (Rank)*	Metropolitan Area
<b>Total Jobs (Private only)</b>	<b>121,000 (#24)</b>	<b>404,000</b>
<b>Job Growth, 1995 to 2002 CAGR</b>	<b>-0.9% (#61)</b>	<b>1.3%</b>
<b>Total Establishments</b>	<b>6,000 (#20)</b>	<b>26,000</b>
<b>Establishment Growth, 1995 to 2002 CAGR</b>	<b>-1.4% (#67)</b>	<b>1.0%</b>
<b>Wage Growth, 1995 to 2002 CAGR</b>	<b>1.1% (#55)</b>	<b>0.9%</b>
<b>2005 Business Startups (per 1000 establishments)</b>	<b>13.6 (#77)</b>	<b>14.1</b>
<b>2004 Bankruptcies (per 1000 establishments)</b>	<b>1.1 (#88)</b>	<b>1.6</b>

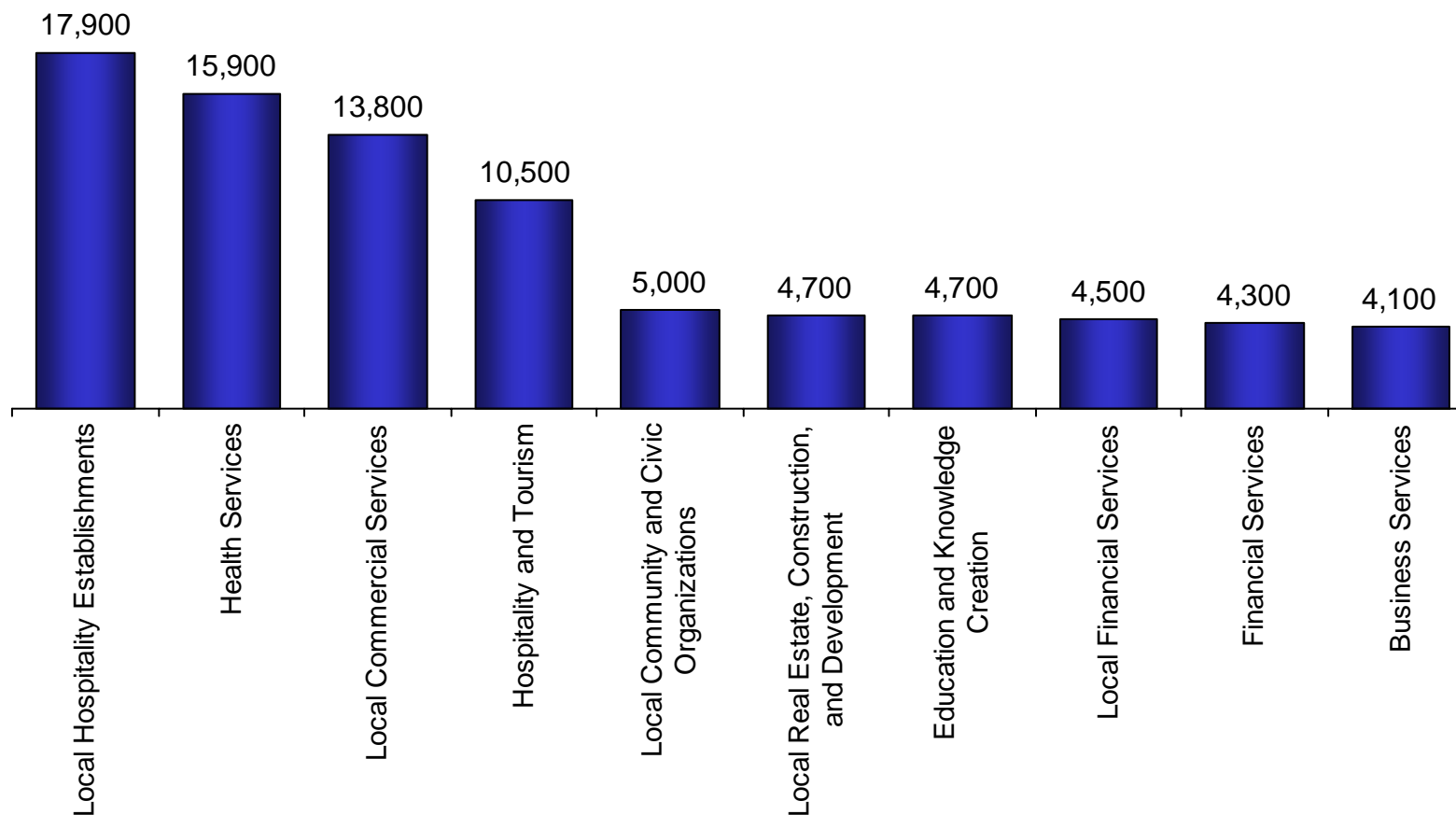
Note: 2002 data, except business bankruptcies are 2004 data and business startups are 2005 data. Inner City and Metropolitan Area are exclusive categories.

\*82 inner cities (those with IC population >50,000) are ranked by highest percentage or value in each category.



# STATE OF THE INNER CITY ECONOMIES

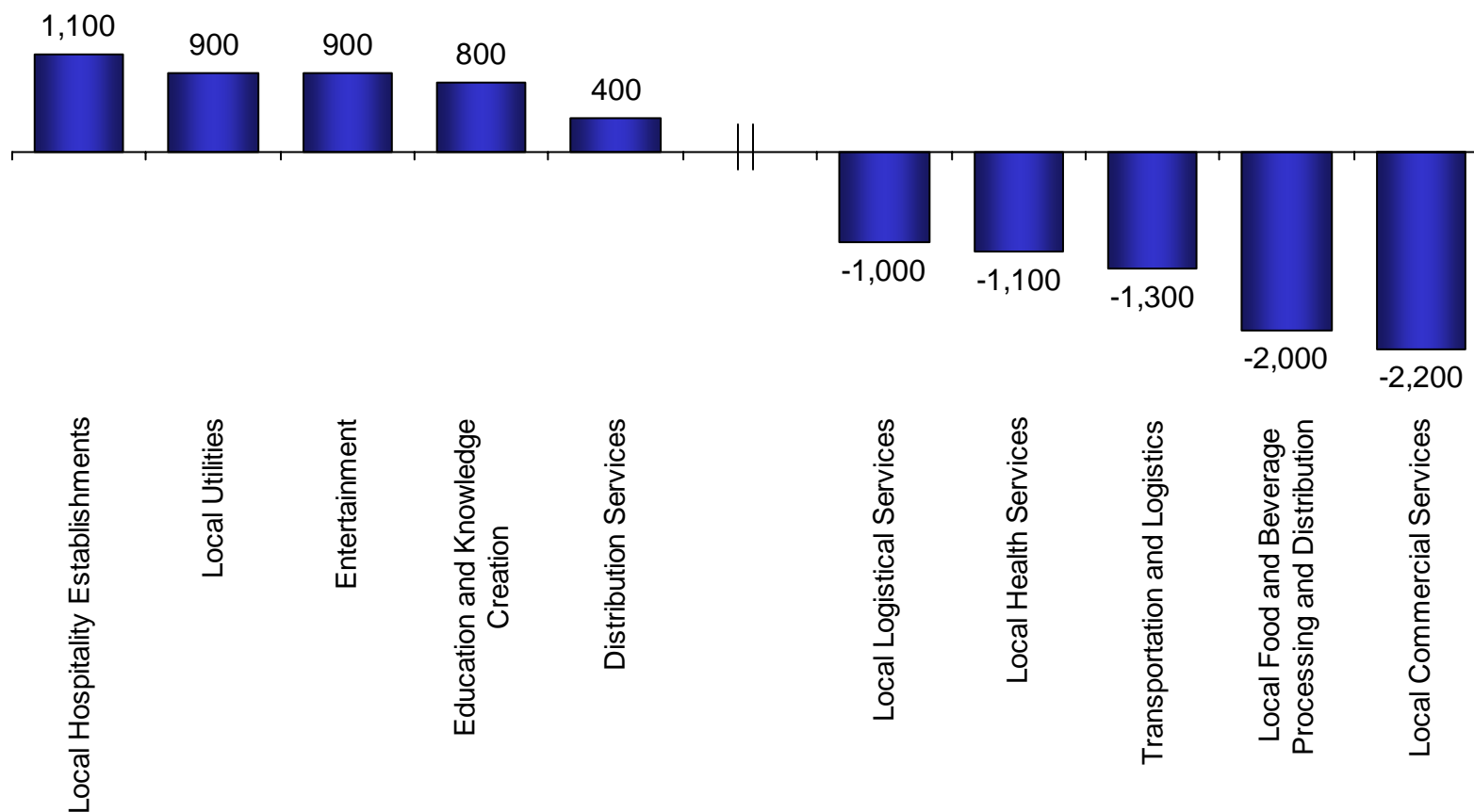
## Largest Employers Inner City New Orleans, 2002





# STATE OF THE INNER CITY ECONOMIES

## Largest Job Gainers and Losers Inner City New Orleans, 1998-2002



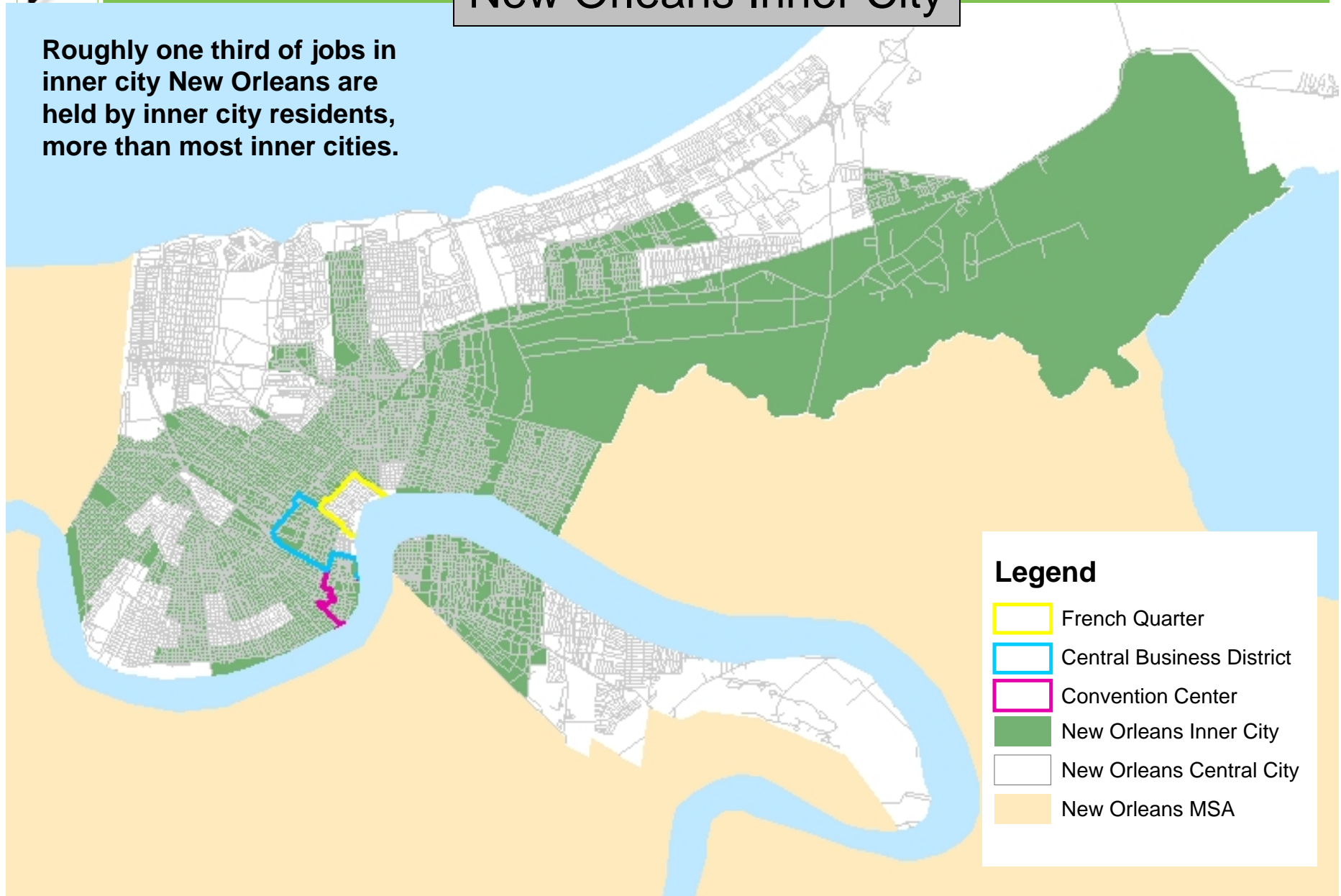




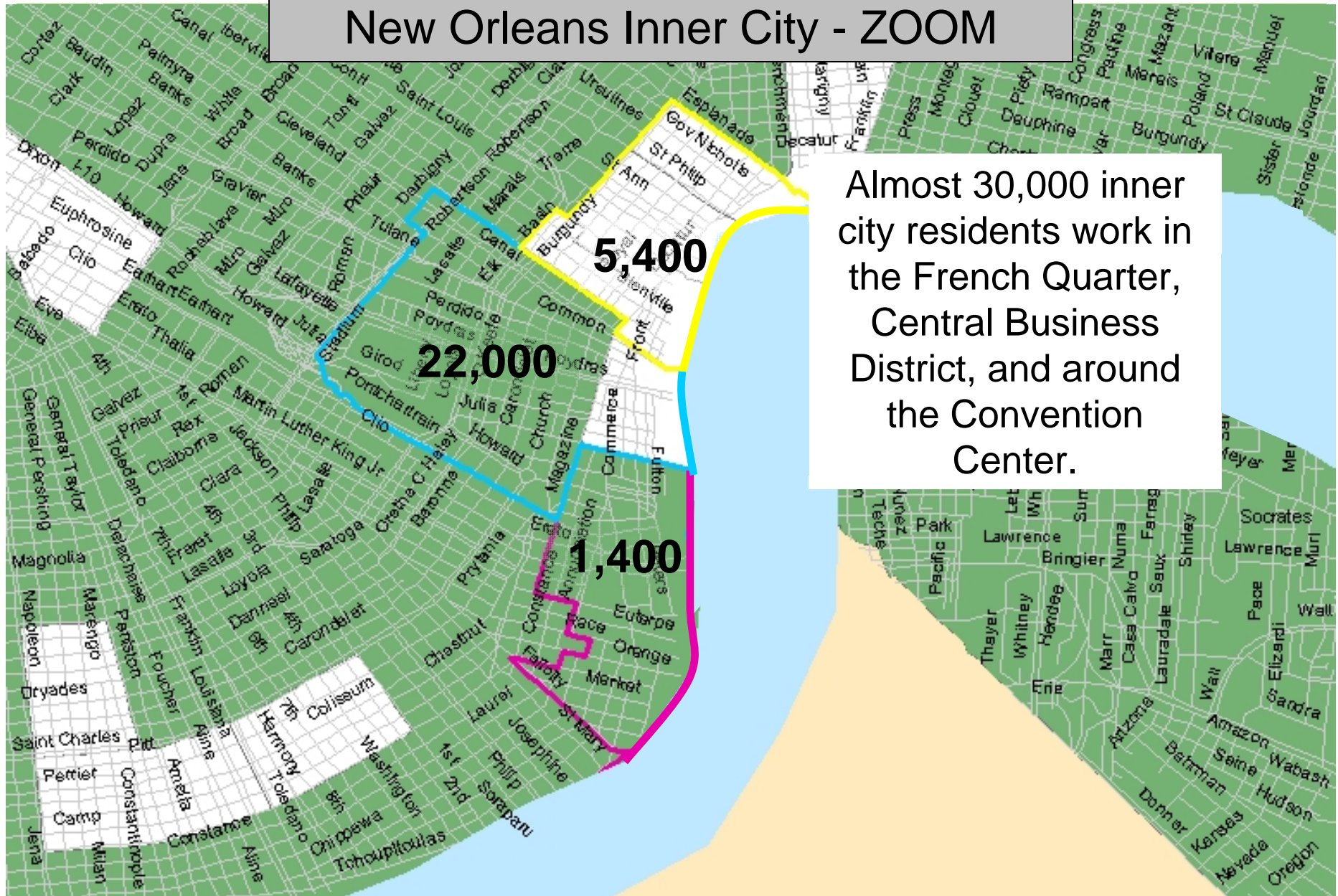
# STATE OF THE ECONOMIES

## New Orleans Inner City

**Roughly one third of jobs in inner city New Orleans are held by inner city residents, more than most inner cities.**



# New Orleans Inner City - ZOOM



5,400

22,000

1,400

Almost 30,000 inner city residents work in the French Quarter, Central Business District, and around the Convention Center.

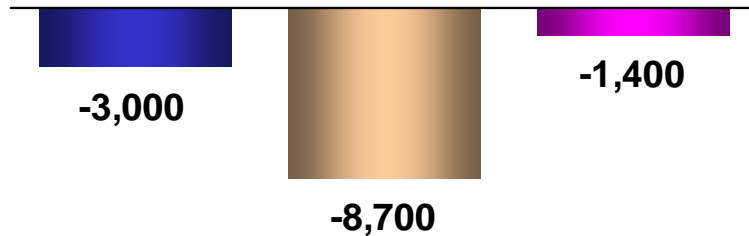
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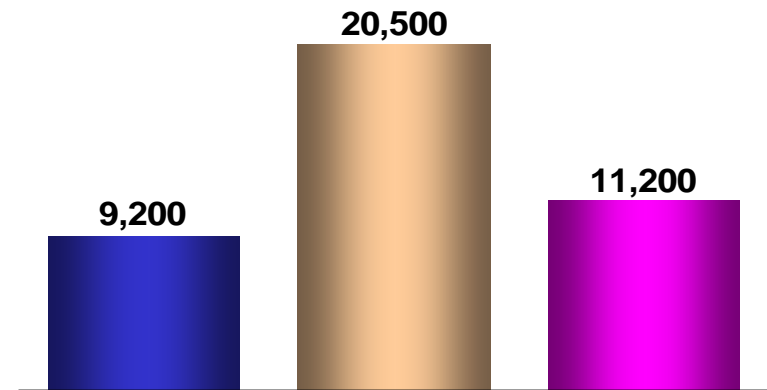
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## Small Business

**Inner City New Orleans  
(1995-2002)**



**New Orleans-Metairie-Kenner, LA  
MSA(1995-2002)**



	<b>Micro</b> <i>&lt; 20 employees</i>	<b>Small*</b> <i>&lt; 500 employees</i>	<b>Large</b> <i>&gt; 500 employees</i>
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'02 Share of Employment

21%

79%\*

21%

27%

86%\*

14%

'02 Share of Estab.

83%

99.6%\*

0.4%

85%

99.8%\*

0.2%

**Job CAGR  
1995-2002**

**-1.5%**

**-1.2%**

**-0.7%**

**1.2%**

**0.8%**

**2.9%**

\*Includes Micro

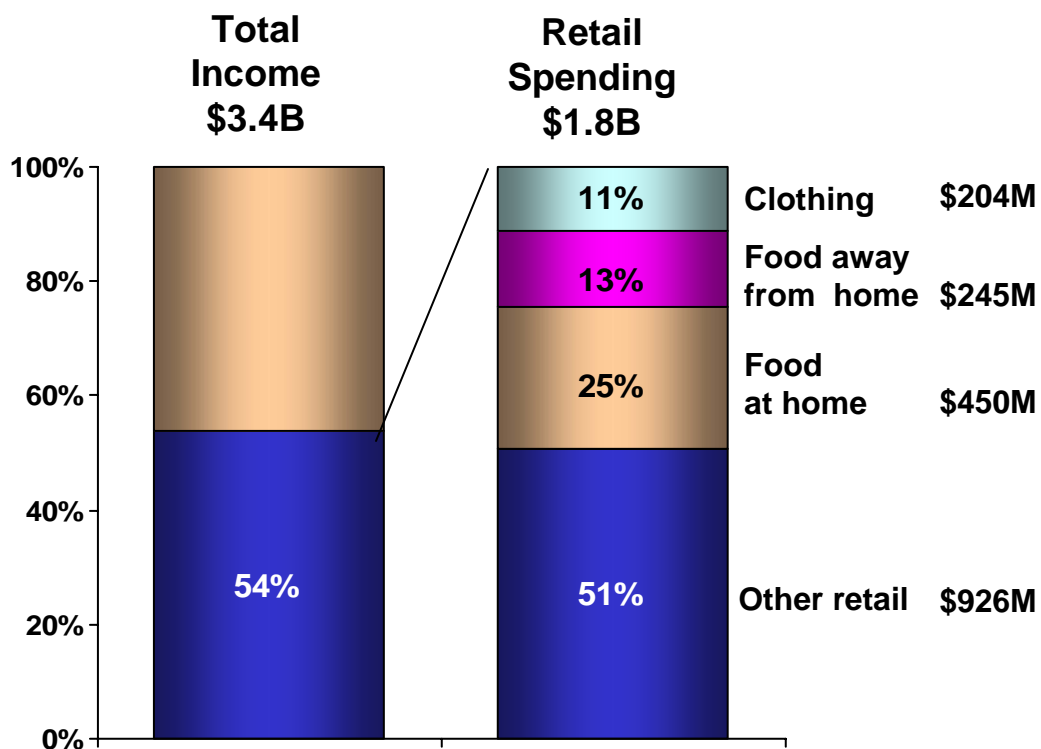
Source: State of the Inner City Economies, ICIC



# STATE OF THE INNER CITY ECONOMIES

## Retail Spending

Inner city New Orleans' 283,000 residents spend roughly \$1.8 billion each year on retail goods, with food and clothing comprising half of the total retail expenditure.



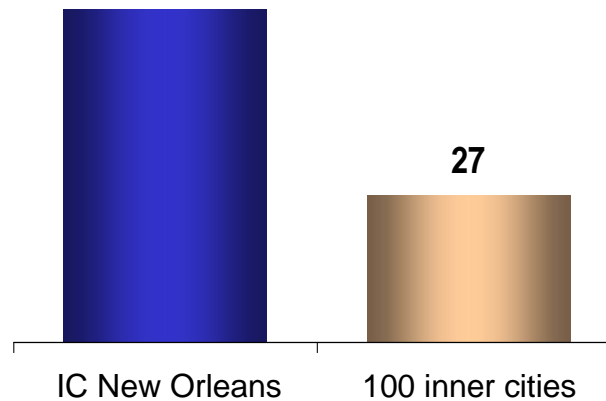
This inner city retail spending compares favorably with New Orleans' largest industry, tourism (\$5 billion annually).



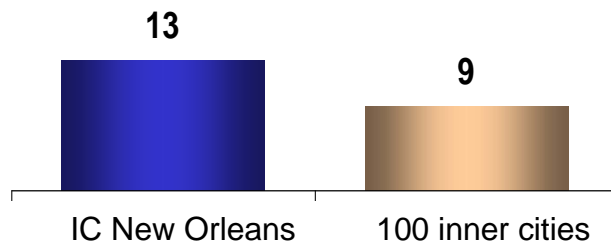
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## Retail penetration in inner city New Orleans is higher than the 100 inner city average

Hospitality Establishments  
per 1,000 Residents (2002)  
60



Retail Clothing Jobs per 1,000  
Residents (2002)



Retail Food Stores Jobs per 1,000  
Residents (2002)

