



SPATIAL PATTERNS

In keeping with long-term trends, people and jobs are moving away from high-density center cities to lower-density suburbs and outlying areas. But not all households are benefiting from the outward push of development. Many low-income families can neither afford the higher rents nor take advantage of the employment opportunities in these far-flung communities.

METROPOLITAN SPRAWL

Households have been steadily migrating from densely settled urban cores to lower-density areas for decades, encouraged in large part by the expansion of the highway system and the ideal of single-family suburban living. During the 1970s, 84 high-density center cities (with 1970 populations of over 100,000) experienced significant population losses—a collective total of 4.2 million residents or 11.3 percent of their 1970 populations.

Although population in most of these areas then stabilized, 32 cities sustained ongoing losses in the 1980s and 1990s. By 2000, this group had lost 27 percent of their 1970 population base. Among the most spectacular losers were Detroit (down 563,000), Philadelphia (down 431,000), St. Louis (down 314,000) and Baltimore and Cleveland (each down just over 250,000).

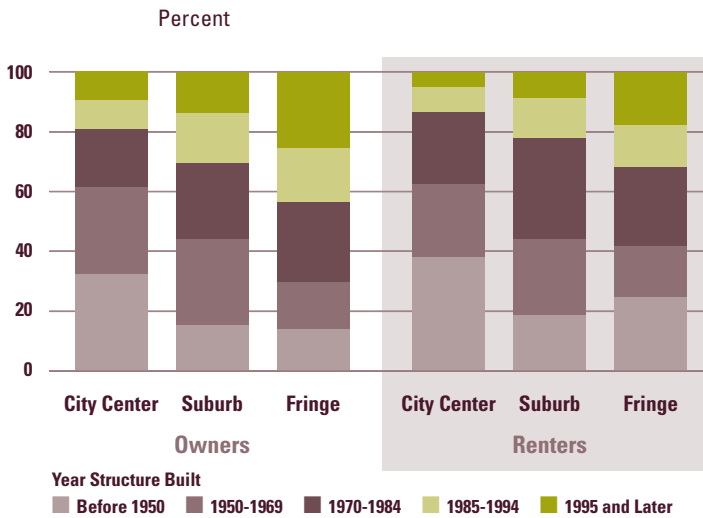
FIGURE 14 The Pace of Sprawl Varies by Race as Well as Tenure

Median Distance from CBD (Miles)



Source: Table A-3.

FIGURE 15 New Owner Homes Are Concentrated in the Suburbs and Beyond



Note: Fringe is portion of the metro area that was still classified as rural in 1984.
 Source: JCHS tabulations of 2003 American Housing Survey.

Center city population losses would have been even greater without the dramatic increase in immigration. By the late 1990s, 43 percent of new immigrants were settling in the nation’s 38 highest-density counties—the same areas that current residents were abandoning in droves. For example, after losing close to a million residents in the 1970s, New York experienced an immigrant-led renaissance that pushed its population back up to over 8 million by 2000—some 100,000 higher than in 1970. Immigrants have also helped to reverse population declines in the center cities of Atlanta, Boston, Chicago, and San Francisco.

Nevertheless, center city growth continues to lag well behind suburban growth. As decentralization proceeds, households are living farther and farther from the historical center of metropolitan areas. In 1970, half of all households in the nation’s 91 largest metro regions lived more than 8.9 miles from the central business district (CBD). By 2000, that boundary had pushed to 12.2 miles. Over this same period, the number of large metros where at least one-fifth of households lived 20 or more miles from the CBD increased sharply from 17 to 44.

The degree of decentralization among homeowners is decidedly greater than among renters (Figure 14). In these same 91 metropolitan regions, the median distance that owner households live from the CBD increased from 9.8 miles to 13.8 miles over the past three decades, with most of this change occurring in

the 1980s. The comparable increase in distance for renters is much more modest, up from 7.4 miles in 1970 to 9.4 miles in 2000. As a result, renters are more geographically concentrated today than homeowners were 30 years ago.

In combination with tenure, the differences in location by race and ethnicity are even more striking. In particular, half of all black renters still live less than 7.4 miles from the center city—closer than both white and Hispanic renters, and twice as close as white homeowners. While both black renters and owners are making some movement away from center city communities, much of this migration has not been to outlying suburbs but instead to older neighborhoods located just across the city boundary. As a result, large shares of the minority population—and especially blacks—remain segregated in centrally located enclaves.

DEVELOPMENT DYNAMICS

The process of decentralized development is transforming the backcountry of America. In the first pioneering stages, it was affluent, highly educated households that moved far from the CBD, redefining rural and semi-rural areas as desirable places to live. Jobs soon followed, and incomes in these once low-density areas rose well above the metropolitan area average. Rising incomes in turn triggered increased construction of owner-occupied housing, often displacing former lower-income residents in the process.

Although the spatial pattern and timing of development vary from one metro area to the next, one consistent trend is for the supply of newer, higher-quality, owner-occupied housing to expand with distance from the center city. Today, some 44 percent of owner-occupied homes located near the metropolitan fringe were built since 1985, while less than 15 percent of center city rental units are this new (Figure 15).

Nevertheless, rental housing can be found in nearly every part of the nation’s 91 largest metropolitan regions, accounting for at least 10 percent of the stock in seven out of eight census tracts. Over half of all renters do, however, live in one of the nearly 8,000 neighborhoods where rental housing dominates (Figure 16). In addition, two-thirds of these largely rental areas are located less than 10 miles from the CBD. By comparison, of the 12,700 tracts where rentals make up less than 20 percent of the stock, three-quarters are located more than 10 miles from the city center.

The uneven distribution of owner and renter housing reflects a variety of forces, but zoning and land use restrictions appear

to be a primary factor. As jobs moved away from the urban core, many center city renters may have preferred to live in apartments closer to the new employment centers. All too frequently, though, local regulations prevent construction of affordable, higher-density rental housing in suburban communities. In addition to raising the cost of housing, these restrictions thus reduce the access of renter households to neighborhoods offering well-paid jobs and good-quality public services.

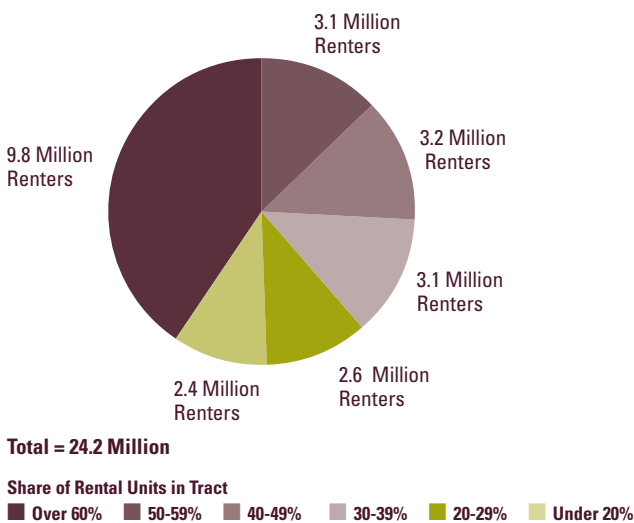
The limited suburban rental market is also a vestige of racial discrimination. More than three decades after enacting comprehensive fair housing legislation, lower-income minority renters still encounter various forms of discriminatory practices in certain communities. Rather than move to a potentially hostile environment, minority renters often choose to remain in older and often lower-quality units located relatively close to the CBD.

EMPLOYMENT GROWTH

In 1980, the nation's center cities were home to more than 60 percent of all metropolitan area employment. Just 20 years later, though, the majority of jobs had shifted to the suburbs. Over this period, the fastest employment growth was occurring in the lowest-density counties at the metro fringe. Even the inner-ring suburbs saw larger job gains than center cities.

With this decentralization of employment have come new commuting patterns. In the past, people tended to live and work in the center city or commute from so-called "bedroom suburbs." Today, some 44.6 million individuals both live and work in the suburbs, an increase of more than 8 million in the last decade alone. The number of workers that "reverse commute"—that is, live in the center city and commute to a job in the suburbs or beyond—has also climbed sharply, up 21 percent or 2 million since 1990.

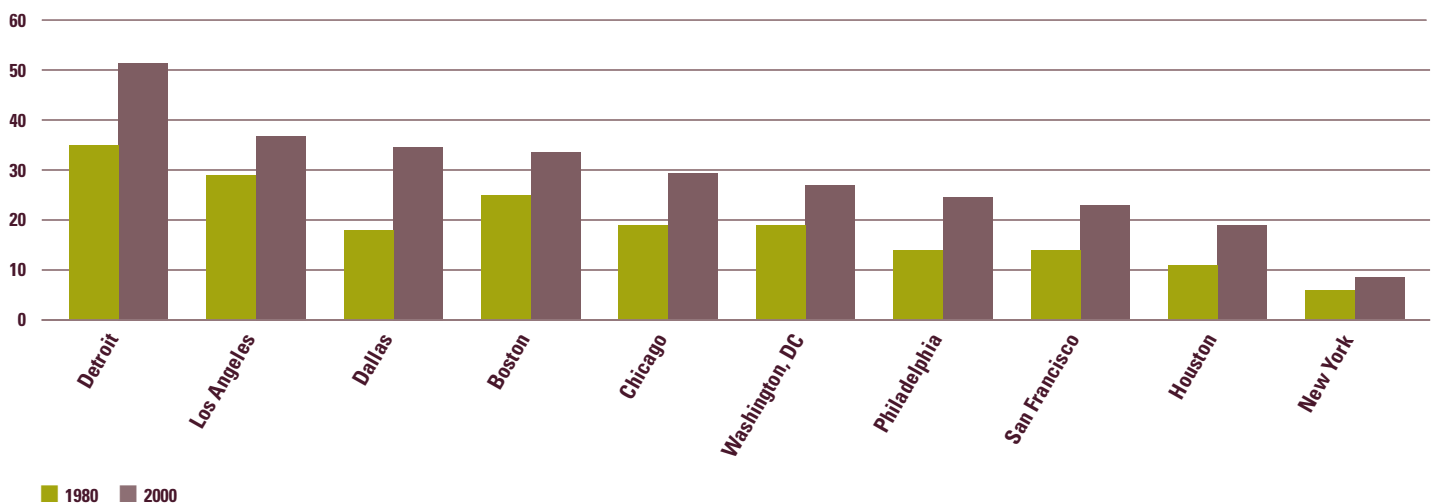
FIGURE 16 The Majority of Metro Area Renters Live in Predominantly Rental Neighborhoods



Source: JCHS tabulations of the 2003 American Housing Survey, using JCHS-adjusted weights.

FIGURE 17 Reverse Commuting Within Large Metro Areas Has Become More Common

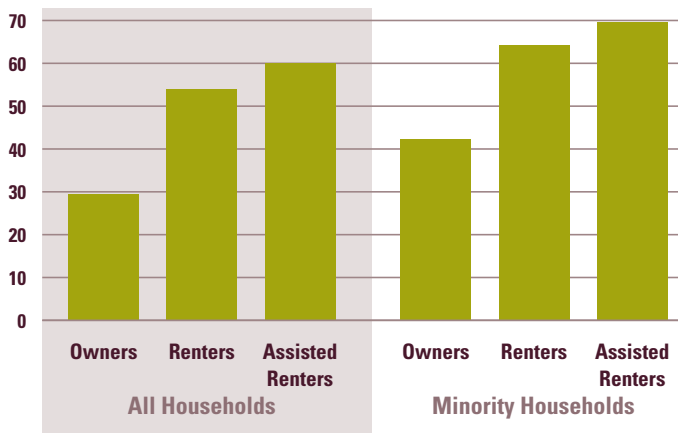
Share of Center City Workers Commuting to Suburbs (Percent)



Source: Census Bureau, Journey to Work, 1980 and 2000.

FIGURE 18**The Concentration of Assisted Households in Center Cities Reinforces Racial Isolation**

Share of Metro Households Living in Center Cities (Percent)



Source: JCHS tabulations of 2003 American Housing Survey.

Nationally, one in four employed center city residents now works in the suburbs. The extent of reverse commuting, however, differs widely across metro areas depending on the size of the center city relative to its suburbs, as well as the degree to which city job growth has lagged behind suburban growth. For example, the share of reverse commuters ranges from over half in Detroit, to approximately a third in Dallas and Los Angeles, to just a tenth in New York. Regardless of these differences, though, the share of residents in the nation's 10 largest center cities that commute to distant jobs has grown markedly over the past two decades (Figure 17).

Reverse commuting can be both difficult and expensive. This is especially true for center city residents without access to an automobile. Although auto ownership has become nearly universal among middle- and upper-income households, almost 60 percent of lowest-income renters living in the center city do not own cars.

The ongoing decentralization of jobs thus makes the lack of an automobile an increasingly formidable obstacle for low-income city dwellers. While taking public transit to a suburban job site is sometimes possible, these systems are ill-suited to move people from core areas to far-flung suburbs. And even for center city residents that are able to take public transportation to outlying areas, the higher salaries they may earn in these locations often do not offset the added costs of time and travel.

ISOLATION OF POOR RENTERS

While the concentration of lowest-income renters near the urban core is not new, the degree of their isolation is. Nearly two-thirds of all poor renters in metro areas live in center cities—more than twice the share of poor owners that call the city home. The share among lowest-income minority renters is even higher, at nearly 70 percent.

Moreover, many lowest-income renters live in high-poverty neighborhoods. Some 45 percent of lowest-income renters live in tracts with at least 20 percent poverty. This is nearly twice the share (26 percent) of renter households overall. This spatial isolation makes it even more difficult to combat the problem of poverty and its associated social ills.

The geographic concentration of lowest-income renters is due in part to the availability of subsidized housing, and particularly public housing. Nearly 60 percent of assisted renters—and almost 70 percent of assisted minority renters—live in center city locations (Figure 18). This reflects the fact that the bulk of the public housing inventory was built three decades ago before sprawl accelerated.

For a variety of reasons that include zoning restrictions as well as racial prejudice, construction of assisted housing in distant suburban locations continues to be the exception rather than the rule. The housing voucher program has, however, had some success in expanding the access of lower-income households to suburban neighborhoods. Even so, most rental units affordable to voucher recipients also tend to be centrally located, either in center cities or close-in suburbs.

The centralized location of most subsidized housing serves to reinforce poverty because tenants have little access to employment opportunities. Today, less than one in 80 subsidized units is located in an area with strong job growth, and one in 20 is located in an area where employment is on the decline.

THE OUTLOOK

Economic and racial disparity is growing not only between owners and renters, but also between renter households living inside and outside center cities. Unable to afford the higher rents for newer suburban units, many lowest-income renters remain stuck in older, lower-quality apartments close to the urban core with limited access to well-paying jobs and other advancement opportunities. Without more production of affordable rentals in the suburbs and expanded community development efforts in center cities, the economic prospects of the nation's most disadvantaged are certain to worsen.