

What is a Planner to do with the Significant Recent Shifts in Demographic Trends

Trends - Attitudes - Thoughts

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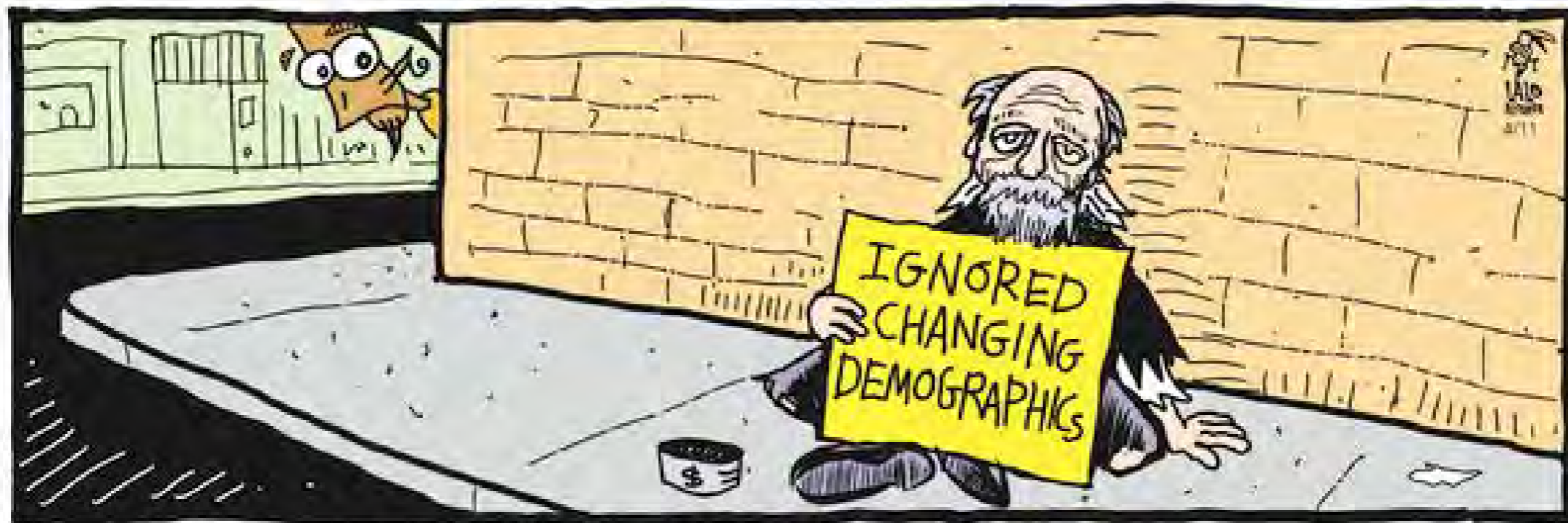


...the United States is
undergoing the most
significant socio-demographic
change since the huge wave
of immigrants in the early
20th century

Bruce Katz, Brookings Institute

La Cucaracha by Lalo Alcaraz

April 11, 2013



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We're Getting Older

- By 2030, 1 in 5 Americans will be over the age of 65.
- We're not having as many babies as we used to.
- Life expectancy is increasing. By 2050, the number of Americans over 85 will triple from 5.4 to 19 Million.
- A whole new senior living market will emerge with new product types and services needed.

NATIONAL GEOGRAPHIC

THIS BABY WILL LIVE TO BE 120*



*Life expectancy based on current trends. Actual life expectancy may vary.

Perhaps an Amazon Island in
Greece in 1940s in
Tortoise the World in
Hawaii in 1950s in
South West Coast in

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The Uneven Aging of America

Although all parts of the nation are aging, there is a growing divide between areas that are experiencing gains or losses in their younger populations. This graphic explores these shifts at the national and state levels.

National

State

% Change in under-45 population, 2000 -- 2010

Mouse over to view detail

< -5%

-5% to 0%

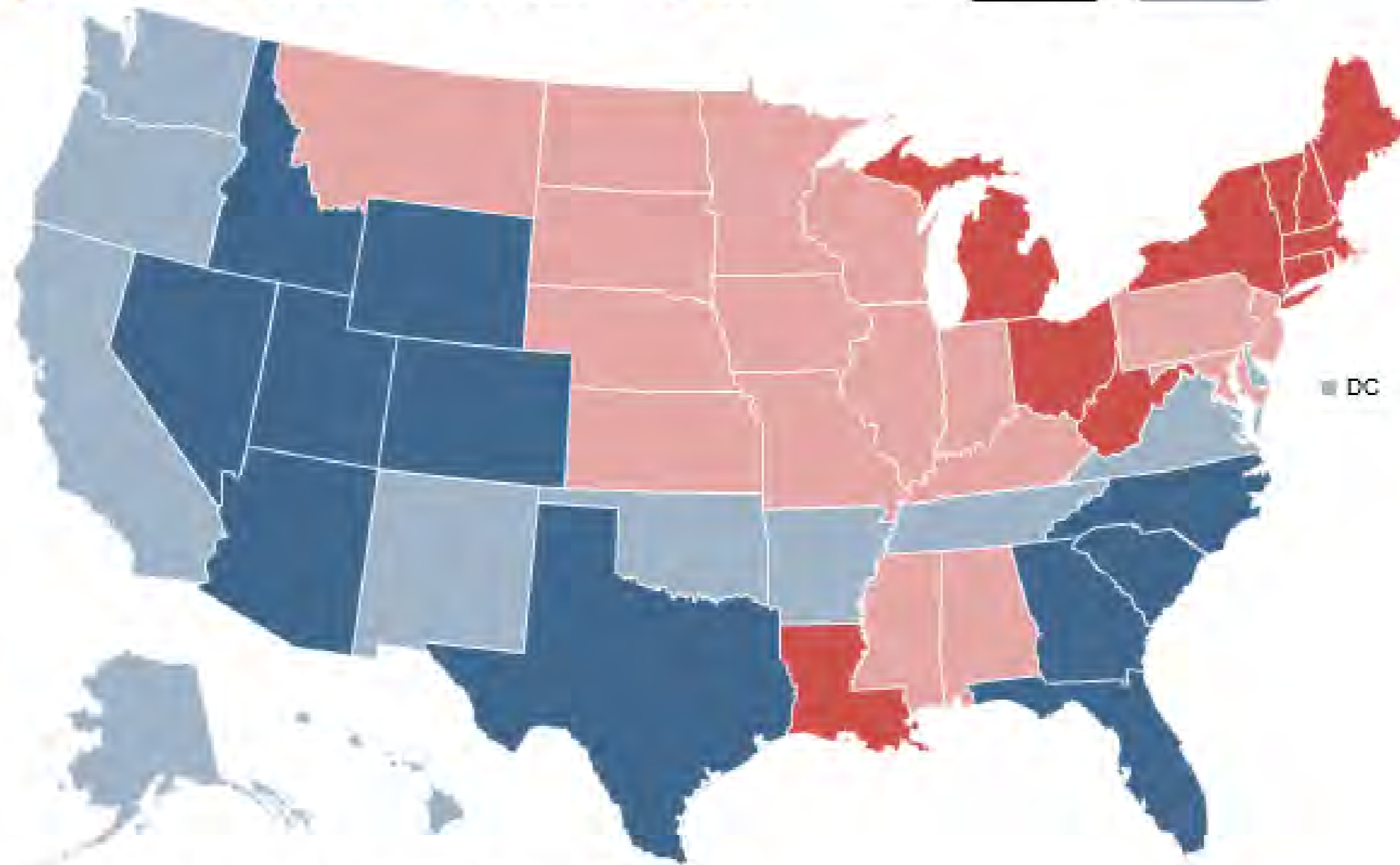
0% to 5%

>5%

VIEW:

Under 45

Over 45



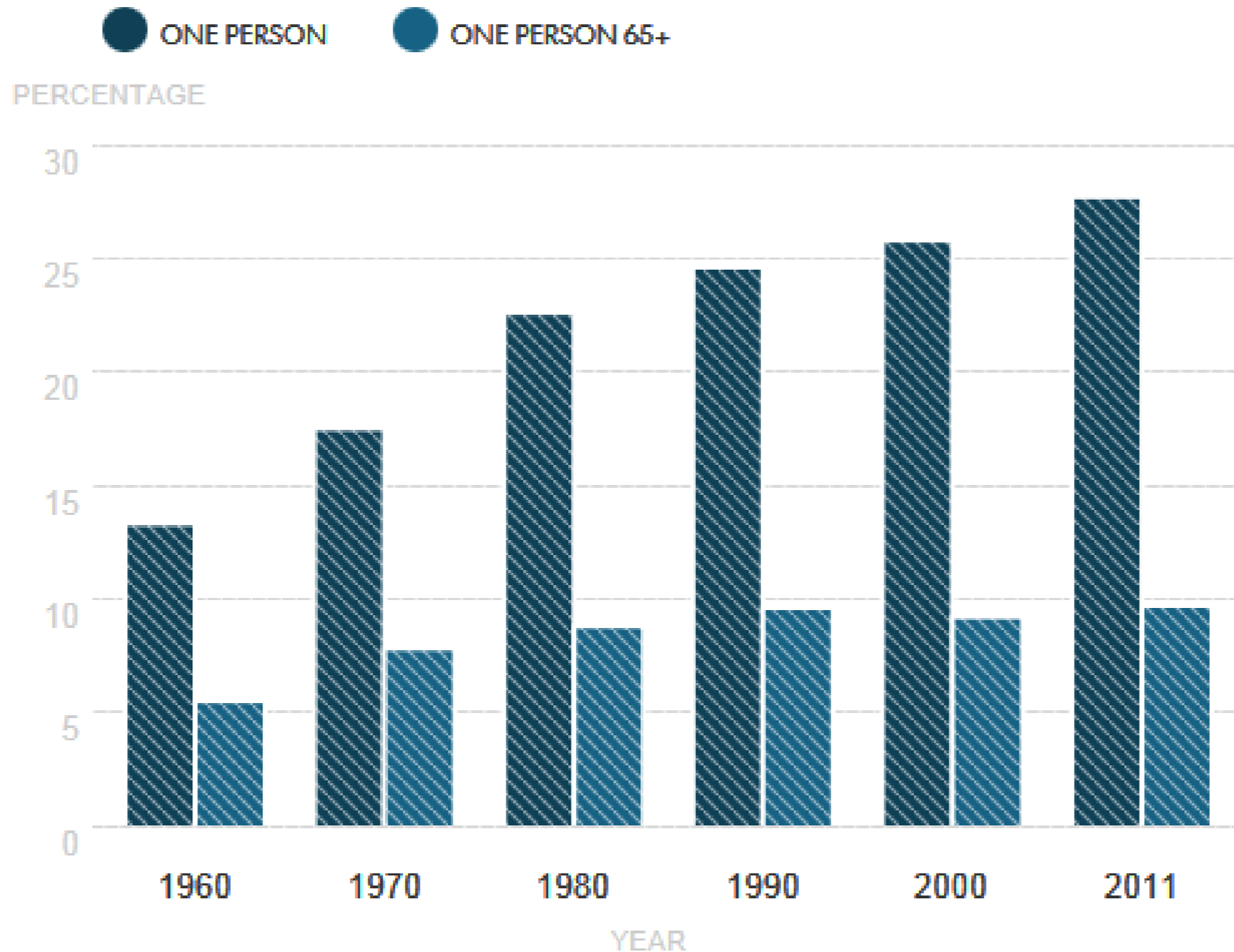
Source: Author's analysis of 2000 and 2010 census data

Source: William H. Frey, Brookings Institute <http://www.brookings.edu/research/papers/2011/06/28-census-age-frey>

LIVING ALONE

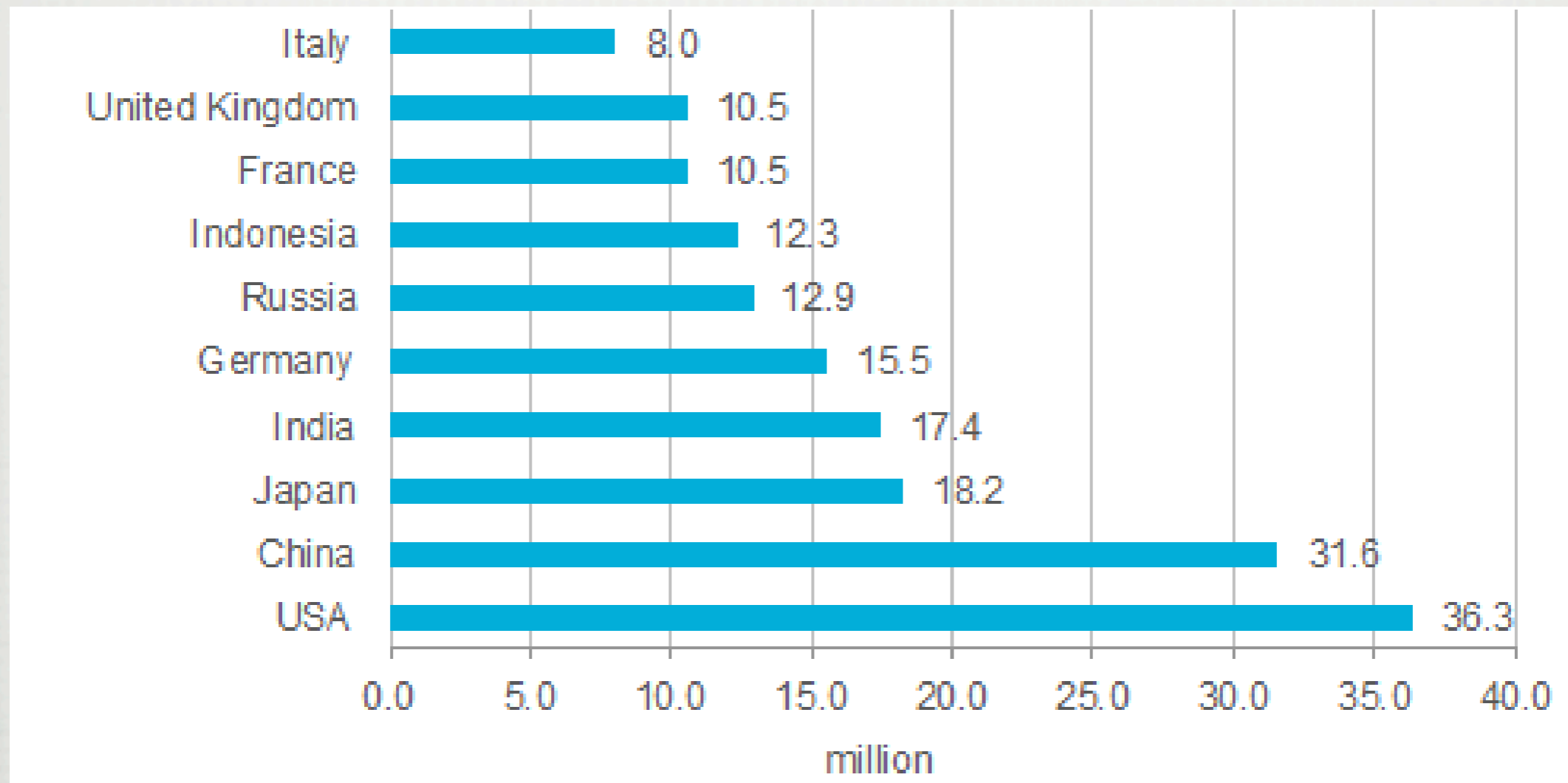
Number of solo households surging

The number of Americans living on their own, particularly among seniors, is steadily climbing.



Source: Source: Census Bureau (2011 estimates from American Community Survey)
By Brett Molina, USA TODAY

Top 10 Countries with Highest Number of Single Households: 2020



Source: Euromonitor International from national statistics, May 17, 2012

<http://www.abacus.com.sg/PDF/Brett's%20Indo%20Research/Rise%20in%20Single-Person%20Households%20Globally%20Impacts%20Consumer%20Spending%20Patterns.pdf>

Single-Person Household Consumer Market Potential

- Consume more per person
- Have a high potential for spending on discretionary items
- Have a higher spending potential on health goods and medical services
- Visit food outlets more frequently and pay a premium for quality foodstuffs
- Affluent women households have significant potential for the beauty and personal care industry
- Will result in a higher demand for housing options

1946
16.4

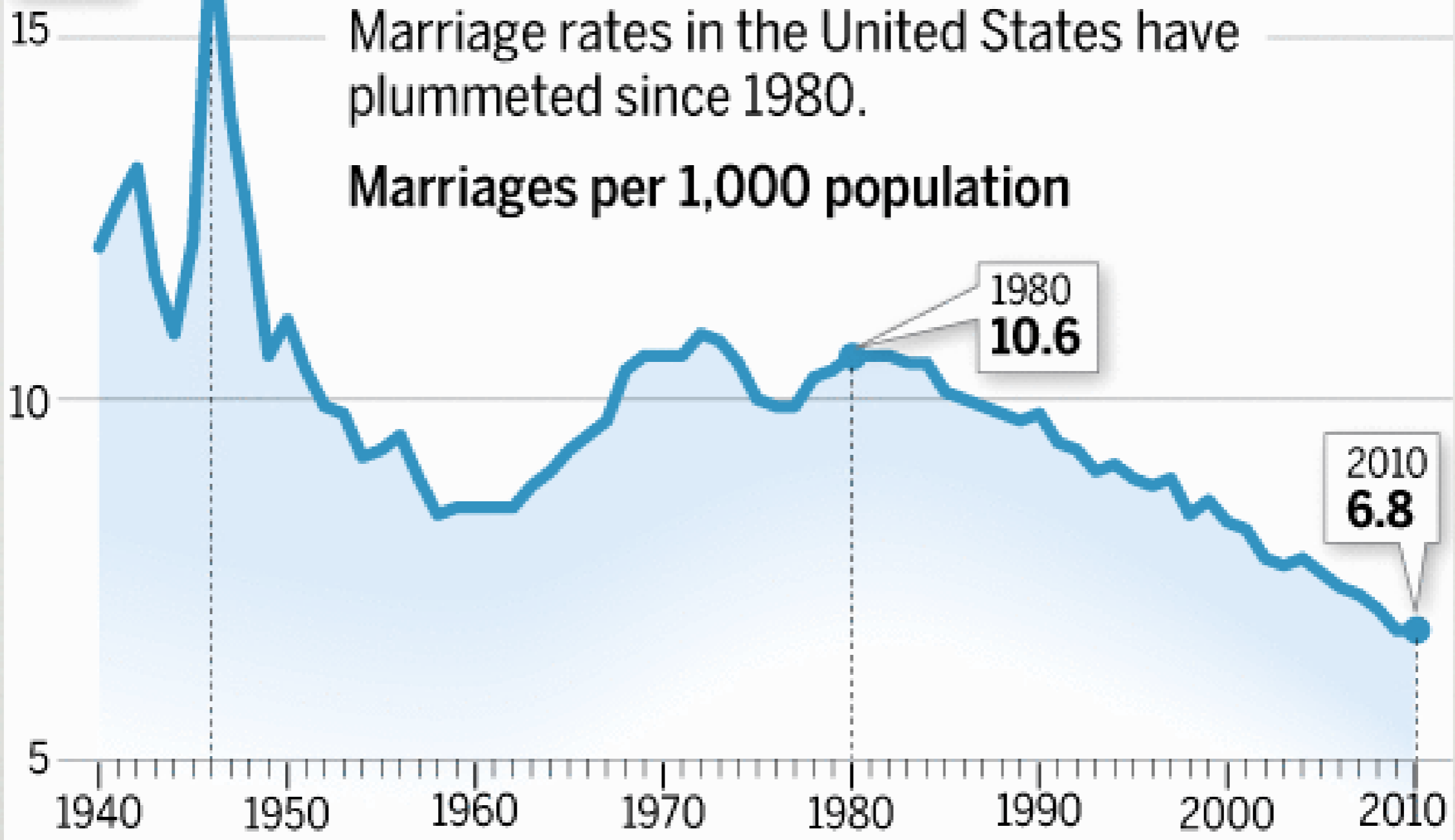
FEWER WEDDING BELLS RINGING

Marriage rates in the United States have plummeted since 1980.

Marriages per 1,000 population

1980
10.6

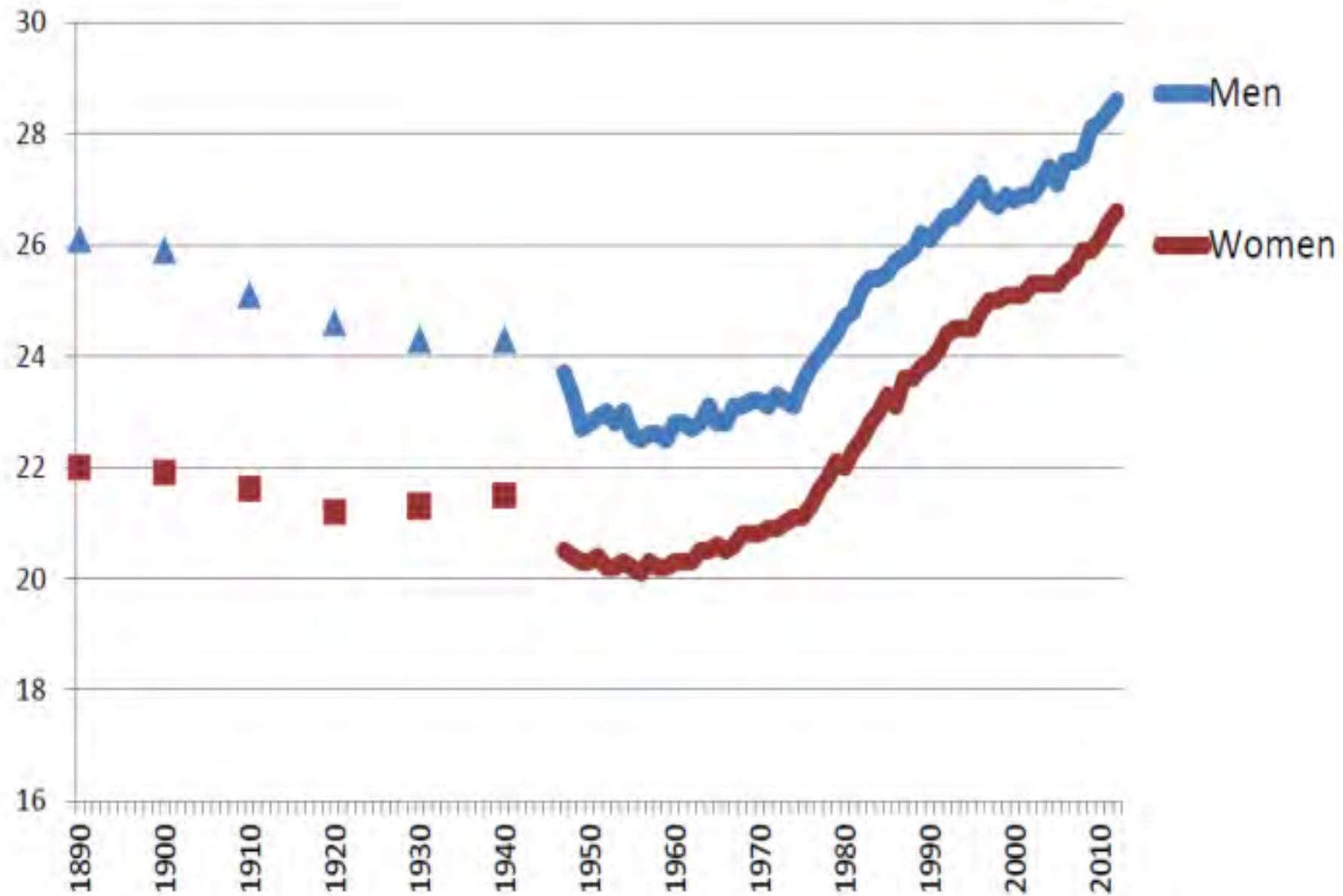
2010
6.8



Source: National Center for Health Statistics

Sacramento Bee

Figure MS-2. Median age at first marriage by sex: 1890 to 2012



Source: Source: U.S. Census Bureau, Current Population Survey, Annual Social and Economic Supplements, 1947-2012. Data for years prior to 1947 are from decennial censuses.

United States
Census
Bureau

Orion
Planning
Group
A universe of planning excellence

FIGURE 7. Personal Income of 33-35 year-old Women, by Age at Marriage and Education

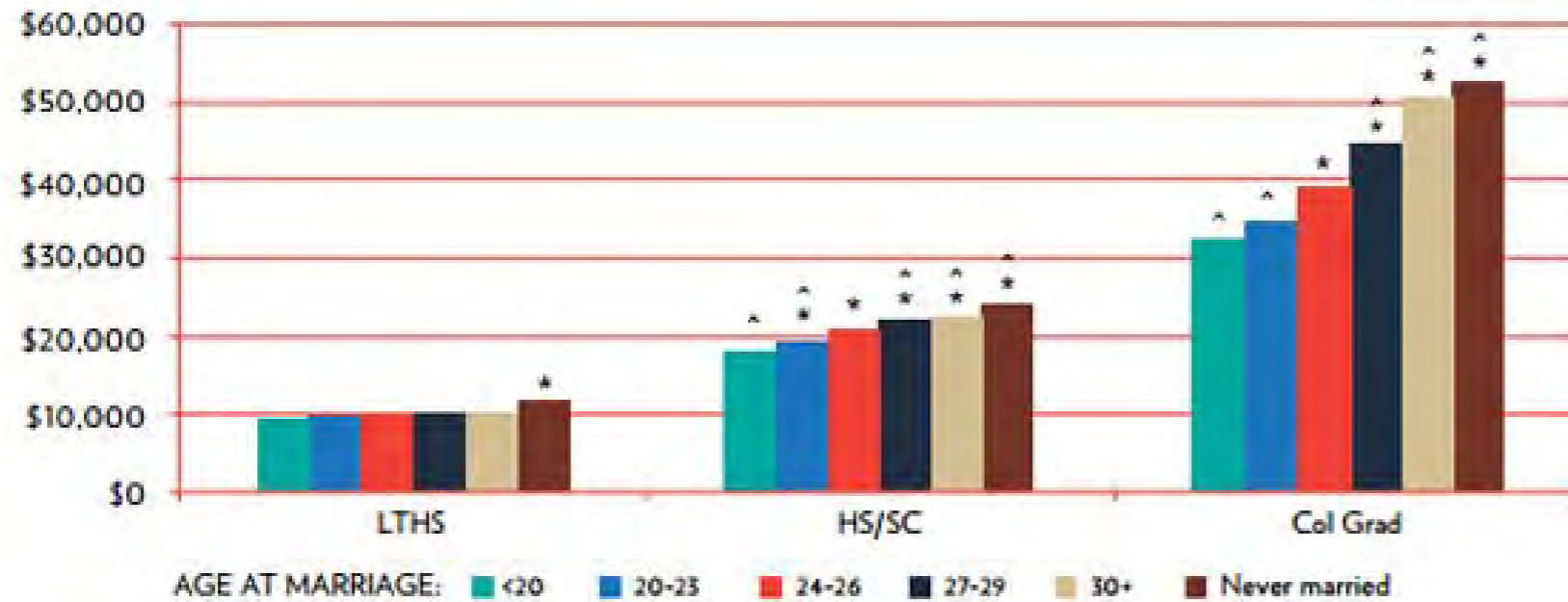
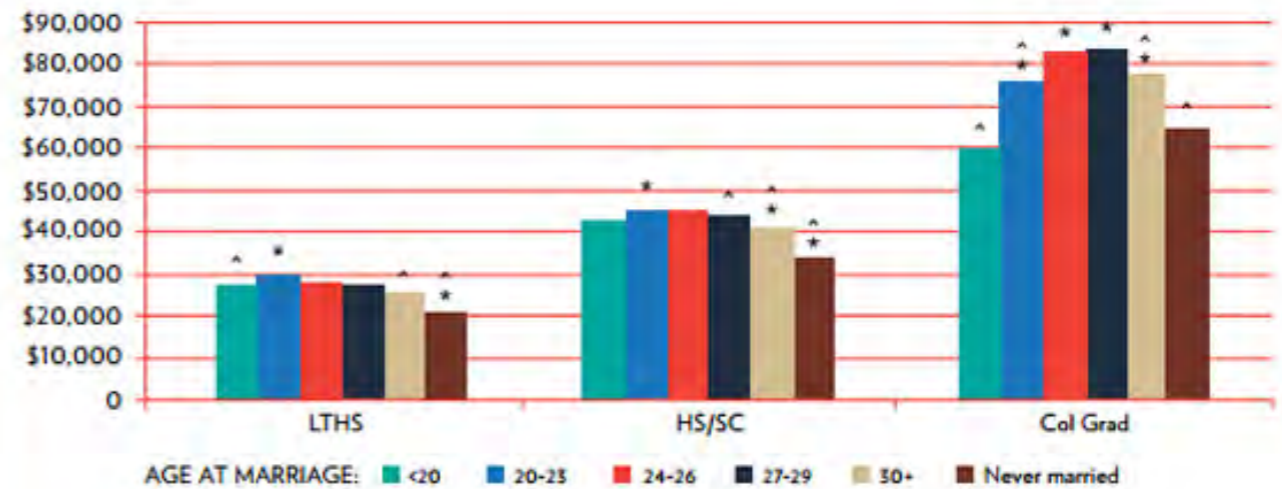


FIGURE 15. Personal Income of 33-35 year-old Men, by Age at Marriage and Education



SOURCE: American Community Survey, 2008-2010.

NOTE: Figure depicts mean income. An asterisk (*) above the bar indicates a statistically-significant difference ($p < 0.05$) between the age group and that of individuals who married when they were less than 20 years old, controlling for race/ethnicity, urbanicity, and census region derived from an OLS regression model (not shown). A caret (^) above the bar indicates a statistically-significant difference ($p < 0.05$) between the age group and that of individuals who married when they were 24-26 years old, controlling for the same factors derived from an OLS regression model (not shown).

Source: The Atlantic, March 15, 2013 <http://www.theatlantic.com/sexes/archive/2013/03/getting-married-later-is-great-for-college-educated-women/274040/>

Racial and ethnic minorities
accounted for 83% of
population growth
from 2000-2010



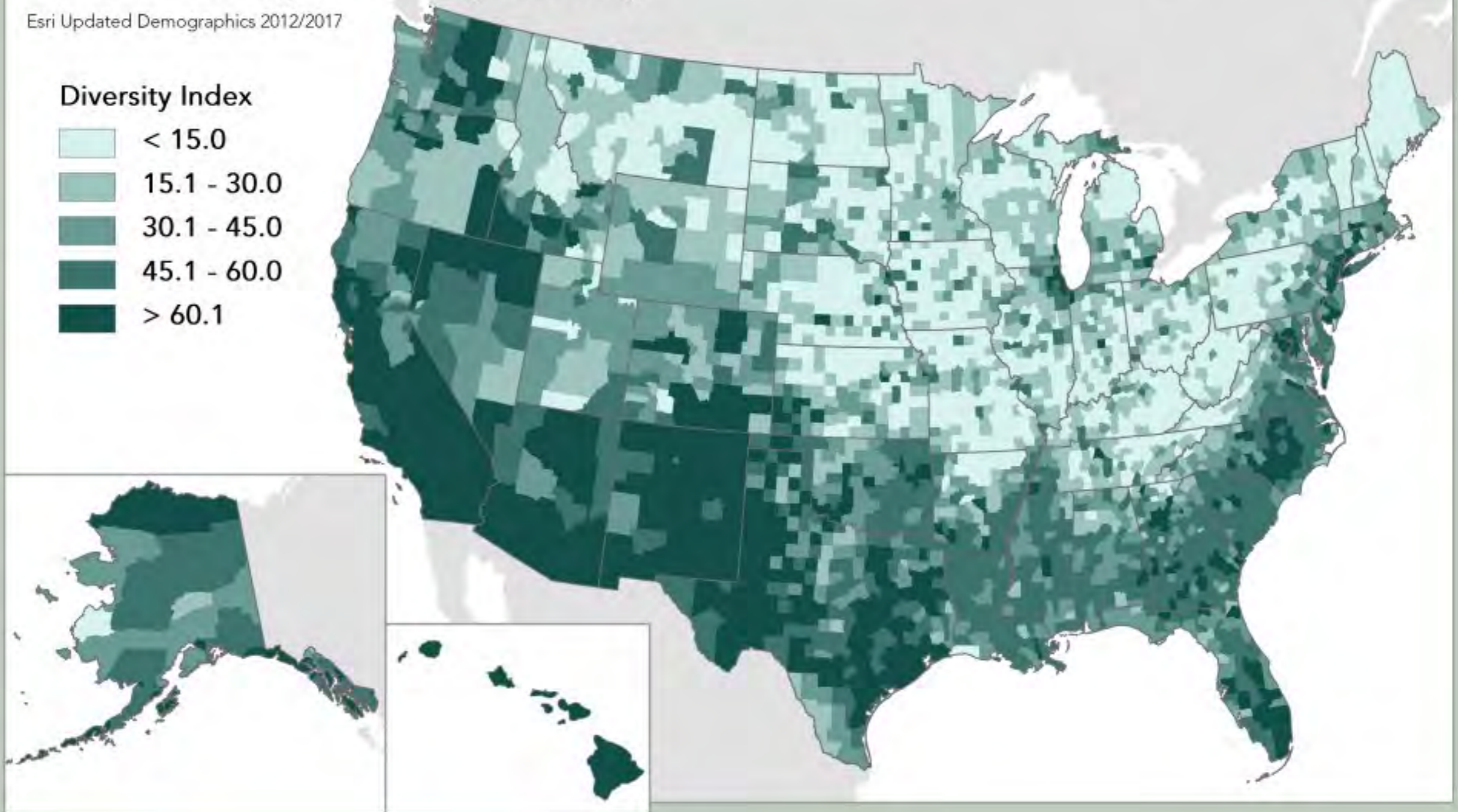
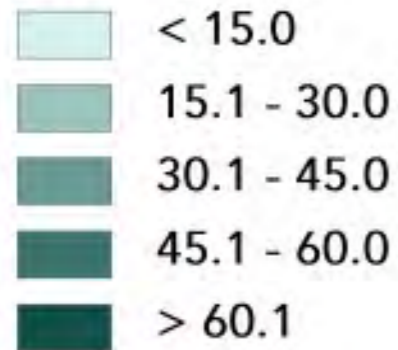
Source: Bruce Katz and Judith Rodin. *An Impending National Transformation*. Brookings Institute. May 9, 2010.
<http://www.brookings.edu/research/opinions/2010/05/09-demographics-katz>



2012 Diversity Index by County

Esri Updated Demographics 2012/2017

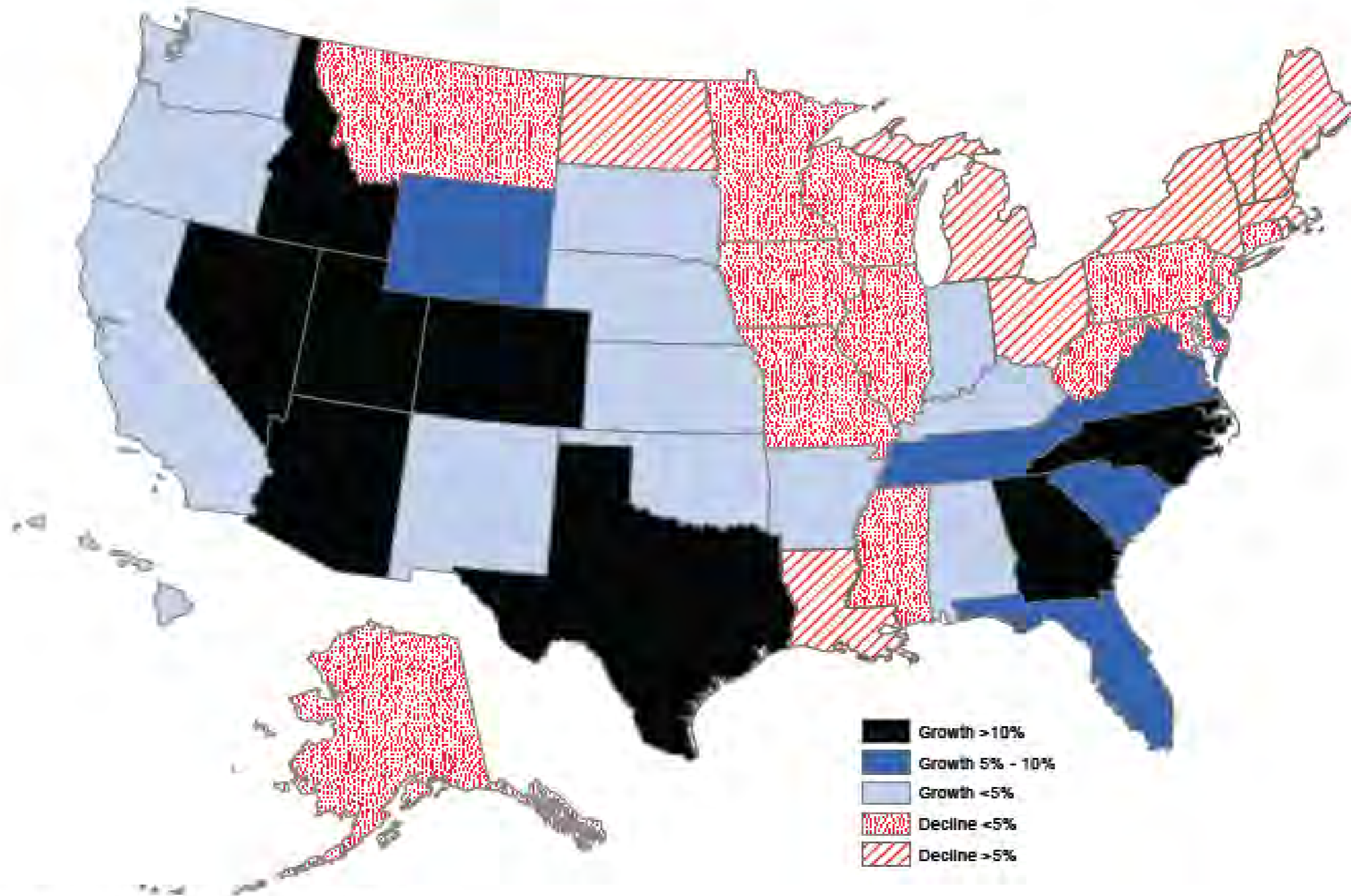
Diversity Index



Diversity and Children

- **New minorities** — *Hispanics, Asians, and other groups apart from whites, blacks, and American Indians* —account for all of the growth among the nation's child population
- White child populations dropped in 46 states and 86 of the 100 largest metro areas
- In areas of the country gaining children, Hispanics accounted for most of that growth
- The average black or Hispanic child lives in a neighborhood where whites make up 10% less of the population than in the neighborhood of the average black or Hispanic adult

Map 1. Growth of Child Population by State, 2000-2010



Source: Brookings analysis of Census 2010

Source: William H. Frey. America's Diverse Future: Initial Glimpses at the U.S. Child Population from the 2010 Census. Brookings Institute. April 2011.
http://www.brookings.edu/~media/research/files/papers/2011/4/06%20census%20diversity%20frey/0406_census_diversity_frey.pdf

“More than 70% of today's baby boomers and seniors are white, and they grew up during a time when the nation's minority population was relatively small and consisted mainly of African Americans. By contrast, 40% of those under age 35 belong to minority groups. They have grown up during a period when racial mingling is the norm at school, work, social occasions and houses of worship.”



Source: William H. Frey.. March 14, 2013. Phys.org



- Non-Hispanic white population is projected to peak in 2024 and then is projected to slowly decrease
- Hispanic population will more than double by 2060 to nearly 1:3 U.S. residents -- up from about 1:6 today
- Black population is expected to increase and its share of the total population will rise slightly
- Asian population is projected to more than double
- In 2025, America will probably be older, more diverse, more urban — and less equal

- Fifteen years from now we might be more educated, yet living in a far less competitive and equitable society
- Our transportation infrastructure is ill-equipped to meet the needs of young or old
- 70% of older Americans now live in suburbs
- For the first time, the majority of the nation's poor now live in suburbs
- The demographic challenges we face are national; but their impact could (will) be local

...“nearly half of all development on the ground in 2030 doesn’t even exist (in 2004), giving the current generation a vital opportunity to reshape future development.”

Source: Arthur C. Nelson. VPI&SU. Toward a New Metropolis: The Opportunity to Rebuild America. December 2004. The Brookings Institute.
http://www.brookings.edu/~media/research/files/reports/2004/12/metropolitanpolicy%20nelson/20041213_rebuildamerica.pdf



- Overall most growth will occur in the South and West
- Most space currently devoted to food sales and retail will be replaced by 2030, and some of it twice over
- Over 100 billion square feet of new residential space will be needed by 2030
- Nearly 2/3 of the commercial and institutional square feet projected by 2030 in the South and West will be built after 2000
- Residential growth in coming decades will be toward the centers, not peripheries, of metropolitan areas

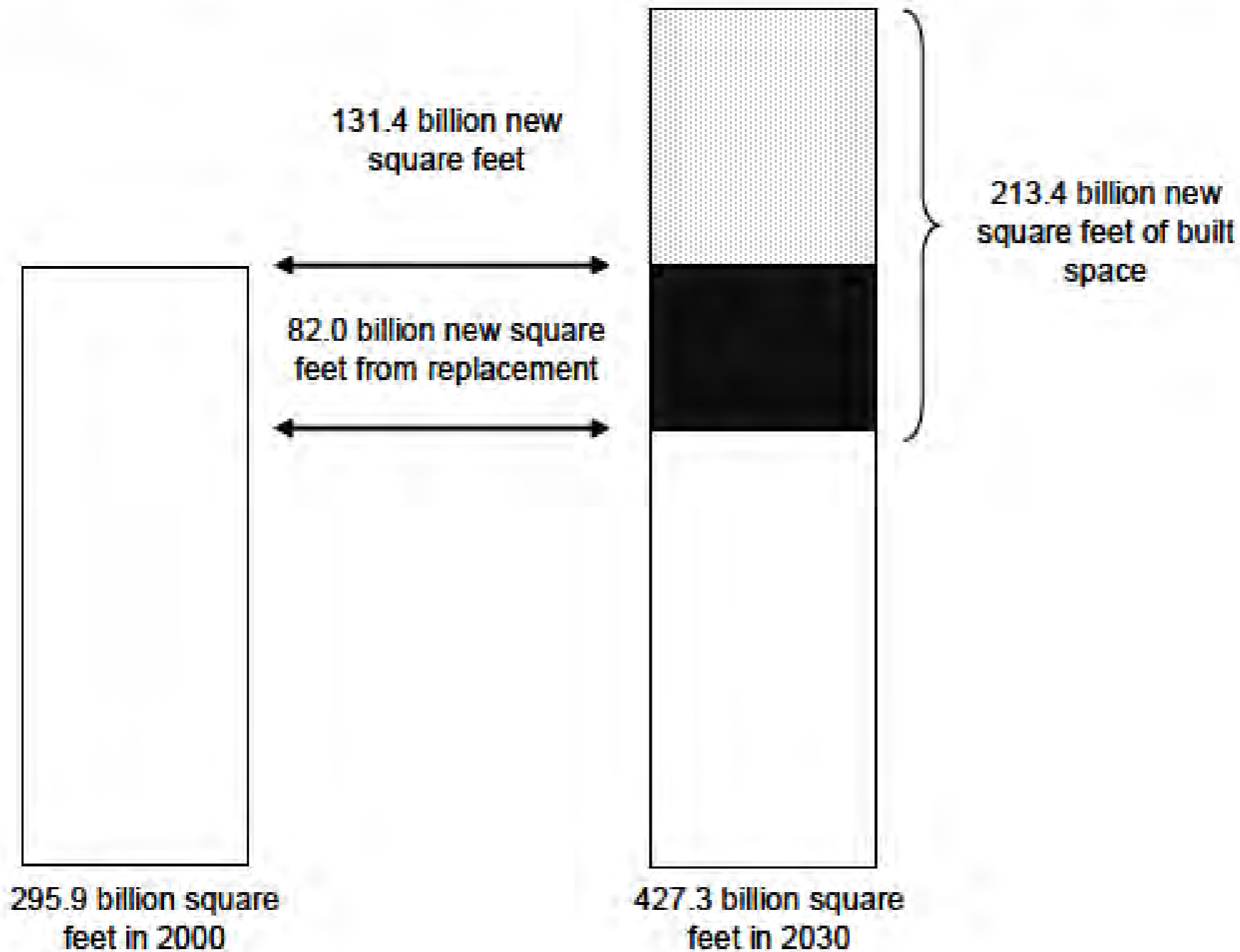
Source: Bruce Katz and Judith Rodin. *An Impending National Transformation*. Brookings Institute. May 9, 2010.

<http://www.brookings.edu/research/opinions/2010/05/09-demographics-katz>

Source: Arthur C. Nelson. *VPI&SU. Toward a New Metropolis: The Opportunity to Rebuild America*. December 2004. The Brookings Institute. http://www.brookings.edu/~media/research/files/reports/2004/12/metropolitanpolicy%20nelson/20041213_rebuildamerica.pdf



Figure 1. Amount of Square Feet of Built Space: 2000 and 2030



More than 3,000 square miles of land annually is converted to residential development over one acre in size.

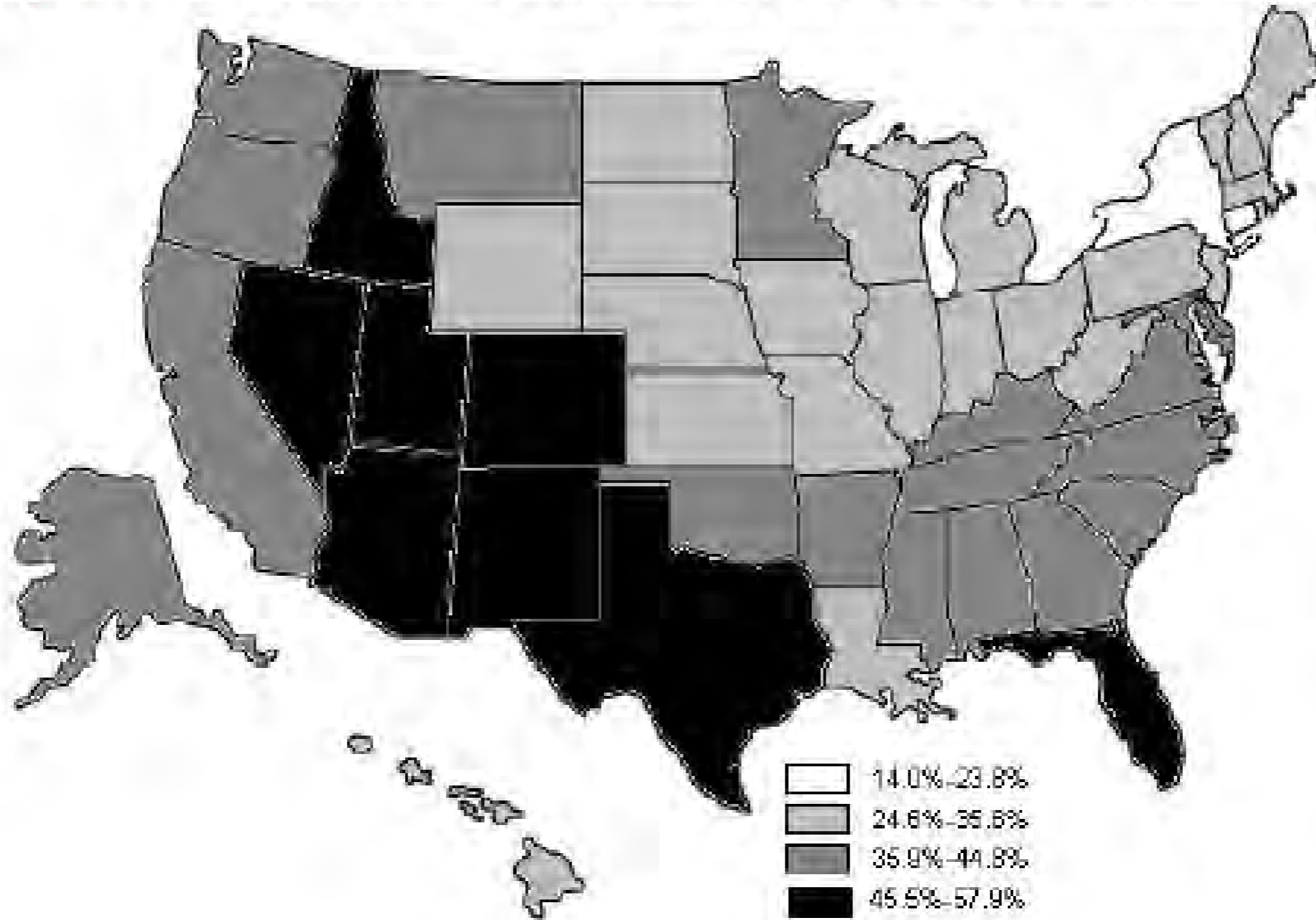
If this pattern is sustained for an additional 25 years, this will eat up an area the size of the entire state of Colorado.



Source: Arthur C. Nelson. VPI&SU. Toward a New Metropolis: The Opportunity to Rebuild America. December 2004. The Brookings Institute.
http://www.brookings.edu/~media/research/files/reports/2004/12/metropolitanpolicy%20nelson/20041213_rebuildamerica.pdf



Map 1. New Residential Units as a Percent of all Units in 2030



Source: Arthur C. Nelson. VPI&SU. Toward a New Metropolis: The Opportunity to Rebuild America. December 2004. The Brookings Institute. http://www.brookings.edu/~media/research/files/reports/2004/12/metropolitanpolicy%20nelson/20041213_rebuildamerica.pdf

- New elderly households will account for about half of the 40 million new households projected between 2000 and 2030
- For the first time ever sales prices of attached homes is now on par with detached homes *National Association of Realtors (NAR)*
- “New urbanism” is popular
- Half to 2/3 of the demand for housing in the next generation may be for higher density
- Investors are advised to focus on centrally-located, mixed-use opportunities with multi-modal access to realize the best returns

Source: Bruce Katz and Judith Rodin. *An Impending National Transformation*. Brookings Institute. May 9, 2010.

<http://www.brookings.edu/research/opinions/2010/05/09-demographics-katz>

Source: Arthur C. Nelson. *VPI&SU. Toward a New Metropolis: The Opportunity to Rebuild America*. December 2004. The Brookings Institute. http://www.brookings.edu/~media/research/files/reports/2004/12/metropolitanpolicy%20nelson/20041213_rebuildamerica.pdf



- Adults without a high school diploma or equivalent are at least three times as likely as those with a college degree to die before age 66
- People in poverty generally live in marginalized communities that lack resources and have an environment that is not conducive to better health
- In 2009, the five major causes of death in U.S. adults over the age of 65 were cardiovascular disease, cancer, chronic lower respiratory diseases, stroke and accidents.
- Health care's share of the GDP quadrupled from 4.6% in 1950 to more than 17% in 2009

Source: Victor R. Fuchs, Ph.D. Major Trends in the U.S. Health Economy since 1950. The New England Journal of Medicine. March 15, 2012. <http://www.nejm.org/doi/full/10.1056/NEJMp1200478>

Source: American Medical Association. Demographics and the health status of the U.S. population <http://www.ama-assn.org/resources/doc/clrpd/demographics-fact-sheet.pdf>



- Between 1980 and 2009, the number of hospital inpatient days per 1000 population fell by almost half forcing some hospitals to close
- In the United States, obesity has reached epidemic proportions. Approximately 17 percent of children and adolescents age 2–19 years are obese
- Cancer incidence among minority populations is projected to nearly double between 2010 and 2030, while increasing 31% among non-Hispanic whites

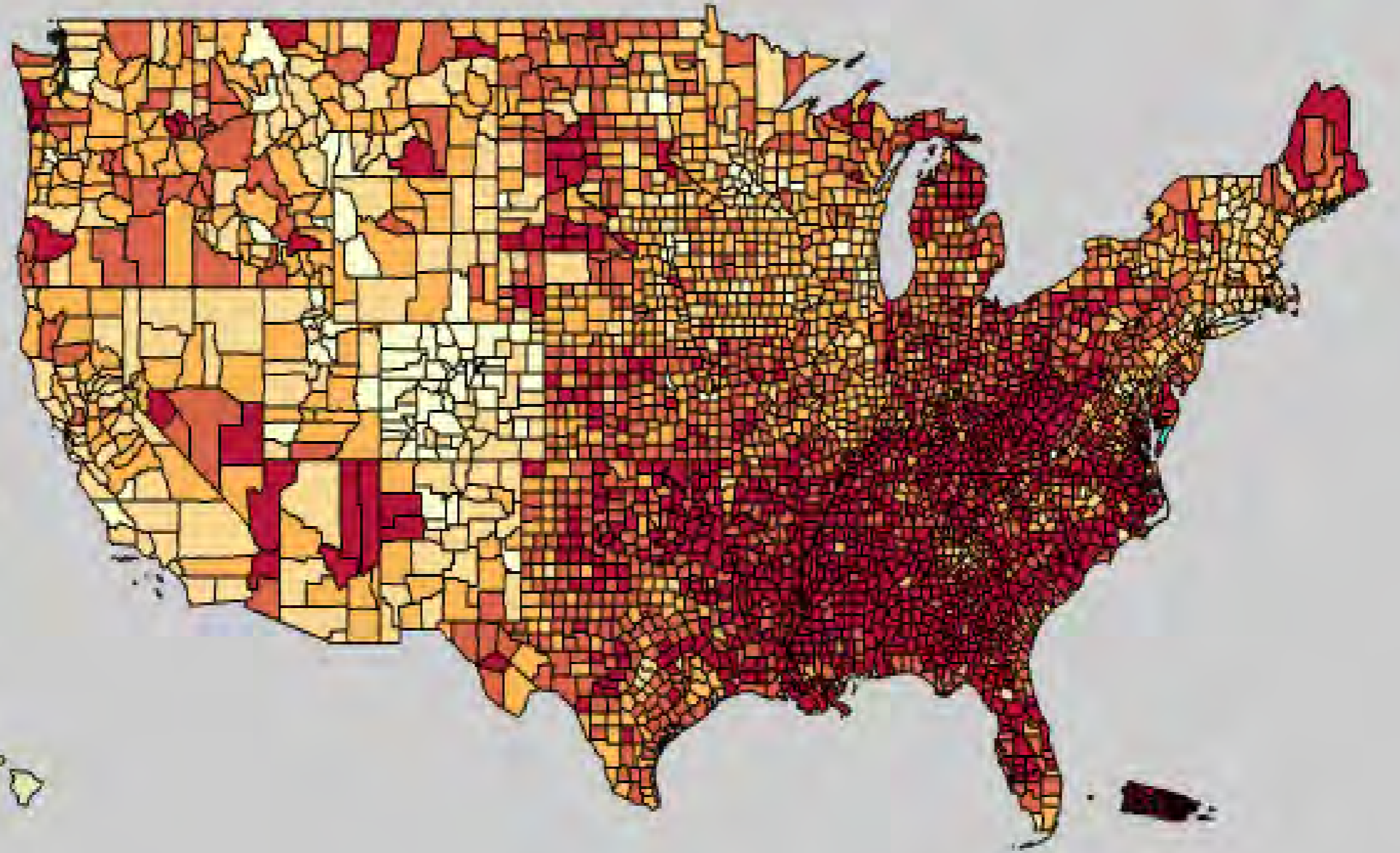
Source: American Medical Association. *Demographics and the health status of the U.S. population* <http://www.ama-assn.org/resources/doc/clrpd/demographics-fact-sheet.pdf>

Source: President's Cancer Panel. 2009-2010 Annual Report. *America's Demographic and Cultural Transformation: Implications for Cancer*, National Institutes for Health <http://deainfo.nci.nih.gov/advisory/pcp/annualReports/pcp09-10rpt/pcp09-10rpt.pdf>



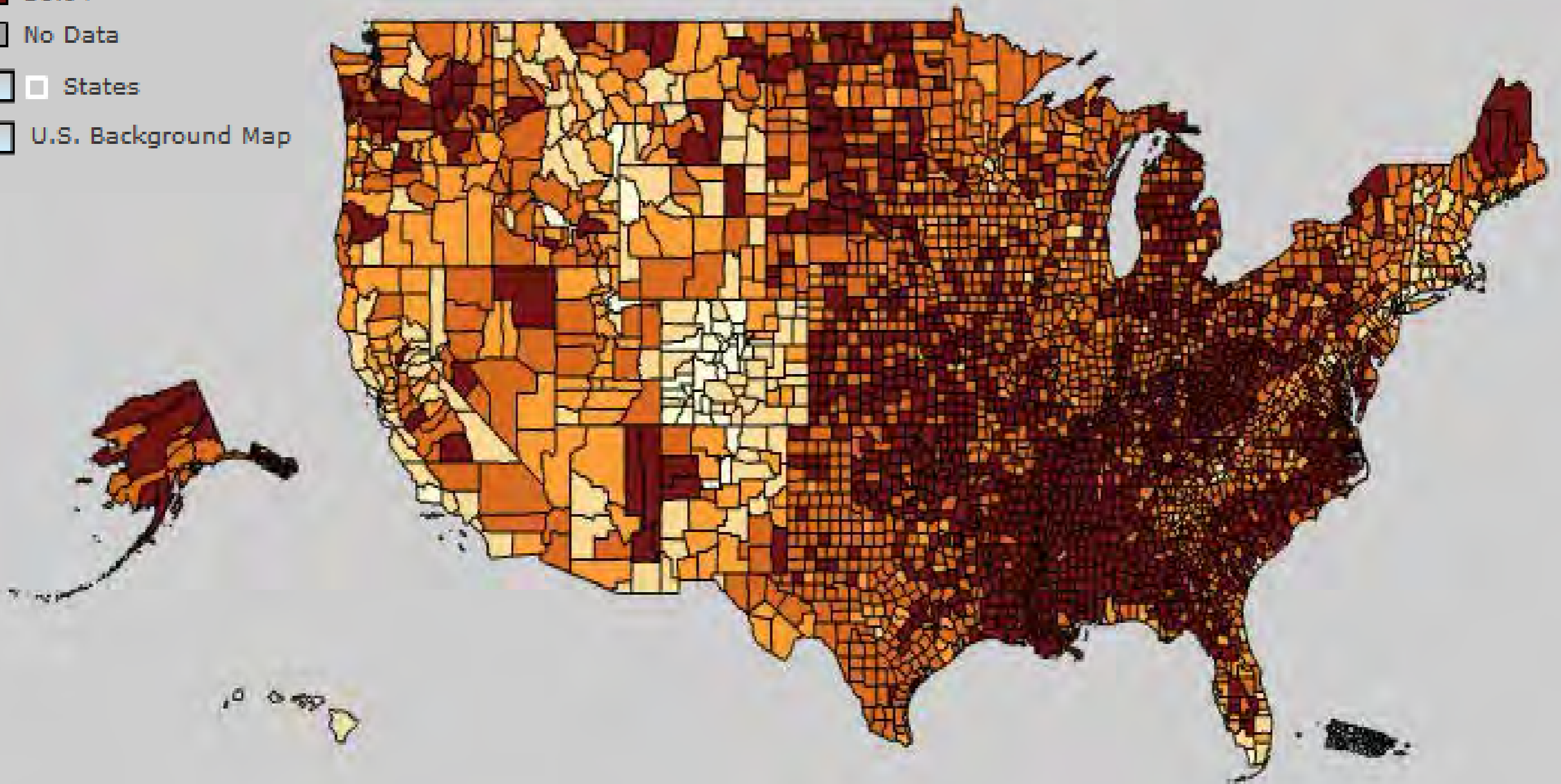
Percentage of Diagnosed Diabetes, 2009

- 0-6.5
- 6.6-8.0
- 8.1-9.4
- 9.5-11.1
- 11.2+
- No Data
- States
- U.S. Background Map



Percentage of Obesity, 2009

- 0-19.9
- 20.0-24.1
- 24.2-27.2
- 27.3-30.8
- 30.9+
- No Data
- States
- U.S. Background Map



Healthcare Industry Megatrends



What Do All These Trends Mean For Planners?

- More urbanization
- Suburb revitalization
- Need for more housing choice
 - Co-housing and accessory housing
 - Less homeownership
 - Transitional housing
 - Multigenerational housing
 - Smaller sqft

What Does This Mean For Planners?

- Need for more/better transportation choices
- Instantaneous communication is/will be a public necessity
- More home offices and live-work units
- More demand for quality public spaces
- Less parking is needed--Much of the new development may occur on surface parking areas

...“Studies by the Urban Land Institute (ULI) indicate that suburban America is probably “over-parked” by about one-third...”

Source: Arthur C. Nelson. VPI&SU. Toward a New Metropolis: The Opportunity to Rebuild America. December 2004. The Brookings Institute.
http://www.brookings.edu/~media/research/files/reports/2004/12/metropolitanpolicy%20nelson/20041213_rebuildamerica.pdf

What does it mean?

- ❖ **Our jobs are to make things better, or at least prevent things from getting worse. What do we need to do this?**
 - ▶ An educated client, e.g. council, planning commission, public
 - ▶ Public Trust in our professional judgement
 - ▶ Perseverance
 - ▶ Knowledge

What does it mean?

- ❖ An educated client, e.g. council, planning commission, public
 - ✓ They have to stay current, and you have to help them do that through education
- ❖ Public Trust in our professional judgment
 - ✓ Follow ethical principals, be reasonable when dealing with everyone, be professional

What does it mean?

- ❖ Perseverance

- ✓ You already know this

- ❖ Knowledge

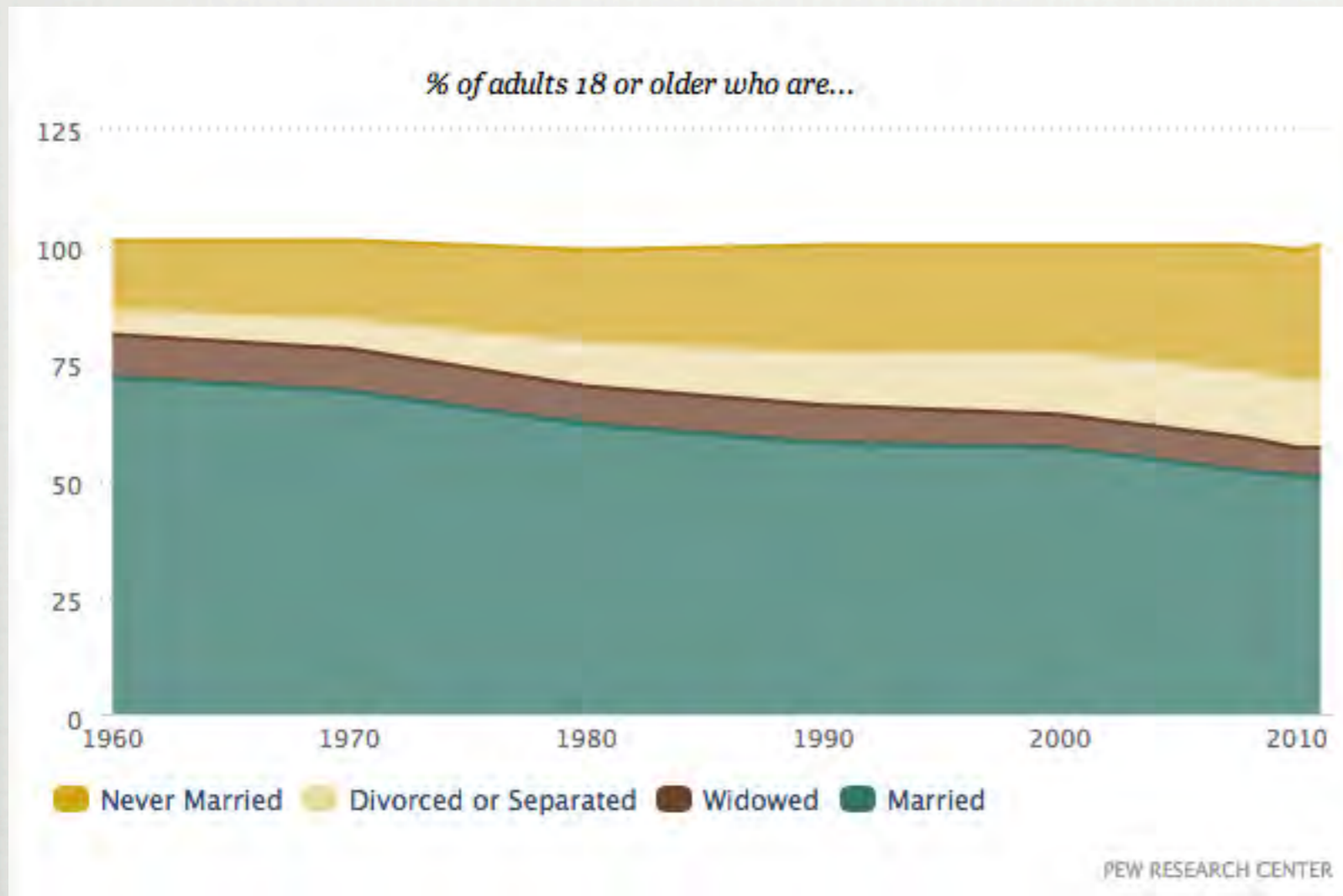
- ✓ Read, go to conferences, ask questions, relate trends to local situations

What does it mean?

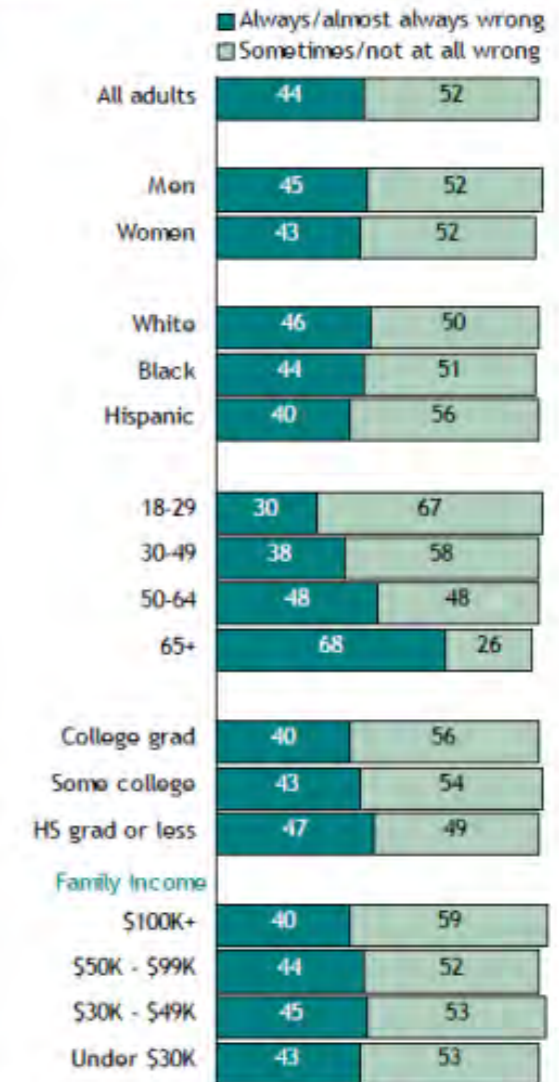
Lesson

- Total Low-Income Households increased from **36,077** to **54,404** a **51% increase** while total households **increased 15%** over 8 years*

Family Structure



Morality of Unwed Women Having Children



Note: Whites include only non-Hispanic whites. Blacks include only non-Hispanic blacks. Hispanics are of any race. Don't know responses not shown.

PewResearchCenter

Family Structure

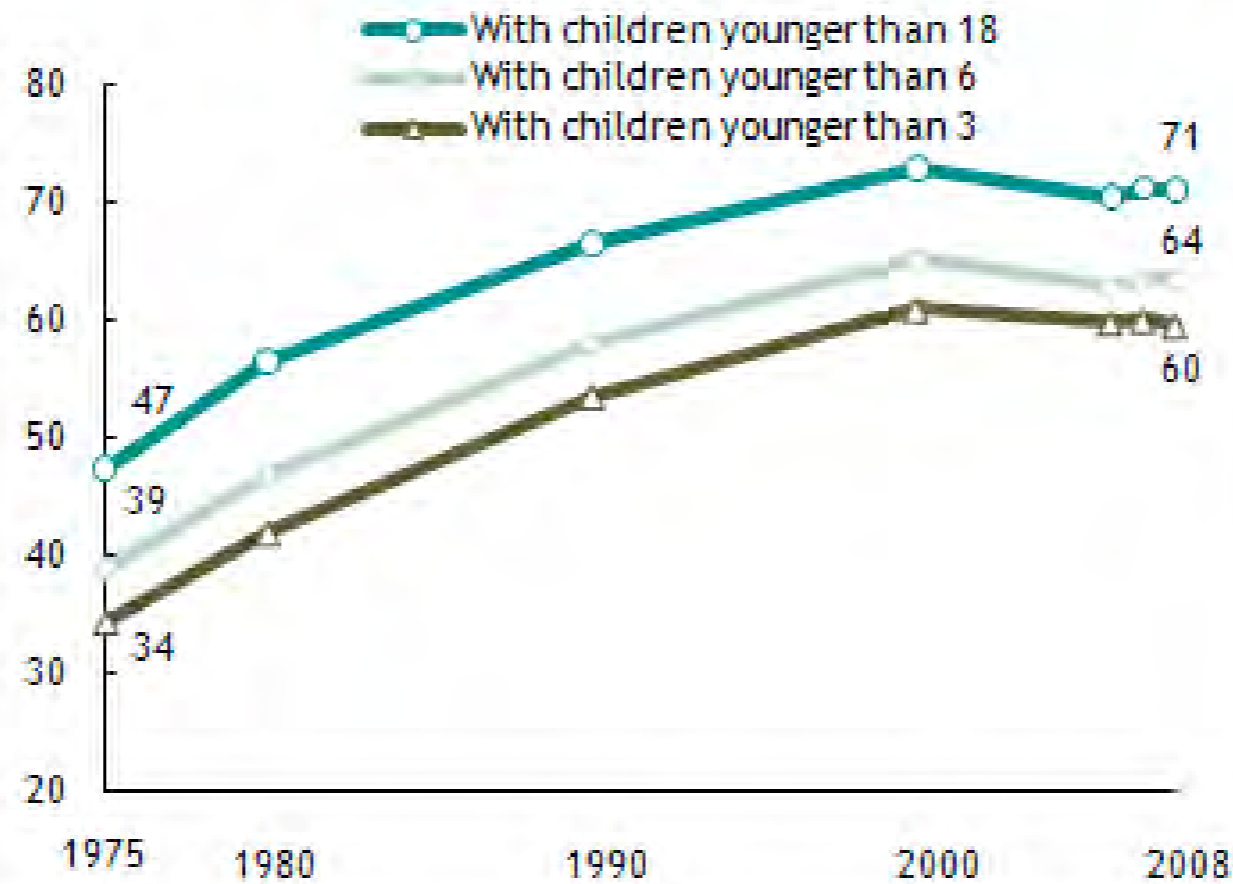
Is the percent of women with children younger than 3 who worked at least part-time in 2008 closer to: *(percent correct - 49)*

- 60%
- 40%
- 20%
- 5%

Family Structure

Share of Mothers Who Are in the Labor Force

(%)



Source: U.S. Department of Labor, U.S. Bureau of Labor Statistics; Women in the Labor Force: A Databook (2009 Edition) September 2009, Report 1018 (Current Population Survey data)

PewResearchCenter

Family Structure

Has the percentage of adults who are married gone up, gone down, or stayed the same? (*percent correct - 46*)

Is the share of babies born to unmarried mothers closer to:
(*percent correct - 27*)

- 60%
- 40%
- 20%
- 5%

Family Structure

Has the percentage of adults who are married gone up, gone down, or stayed the same?

Gone Down

Is the share of babies born to unmarried mothers closer to:

- 60%
- 40%
- 20%
- 5%

Family Structure

What is the average age when a man first gets married today? *(percent correct - 7)*

- 21
- 24
- 28
- 30

Has the divorce rate gone up, gone down, or stayed the same over the past 20 years? *(percent correct - 5)*

Family Structure

What is the average age when a man first gets married today? (*percent correct - 7*)

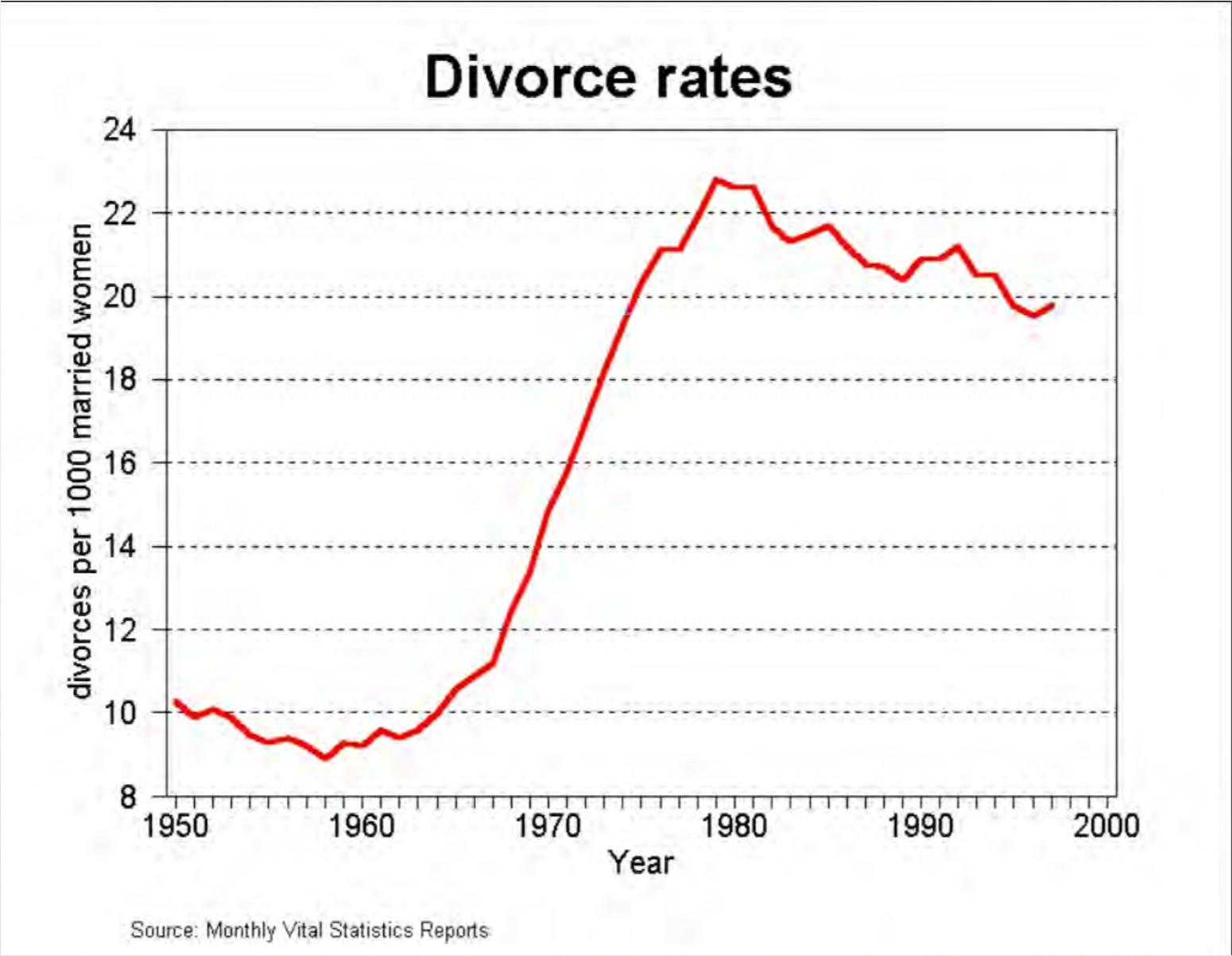
21

24

28

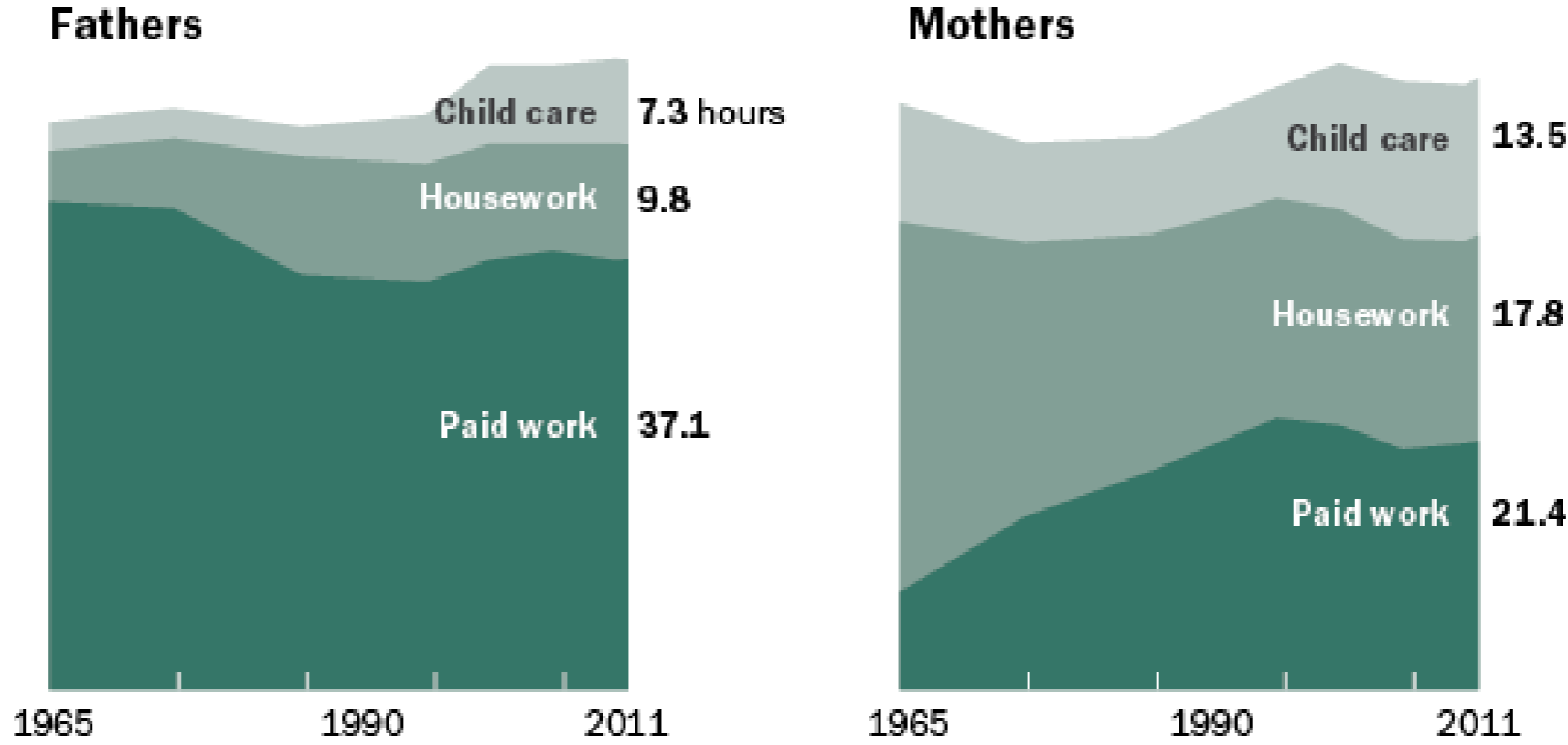
30

Family Structure



Family Structure

Average number of hours parents with children spend each week on ...



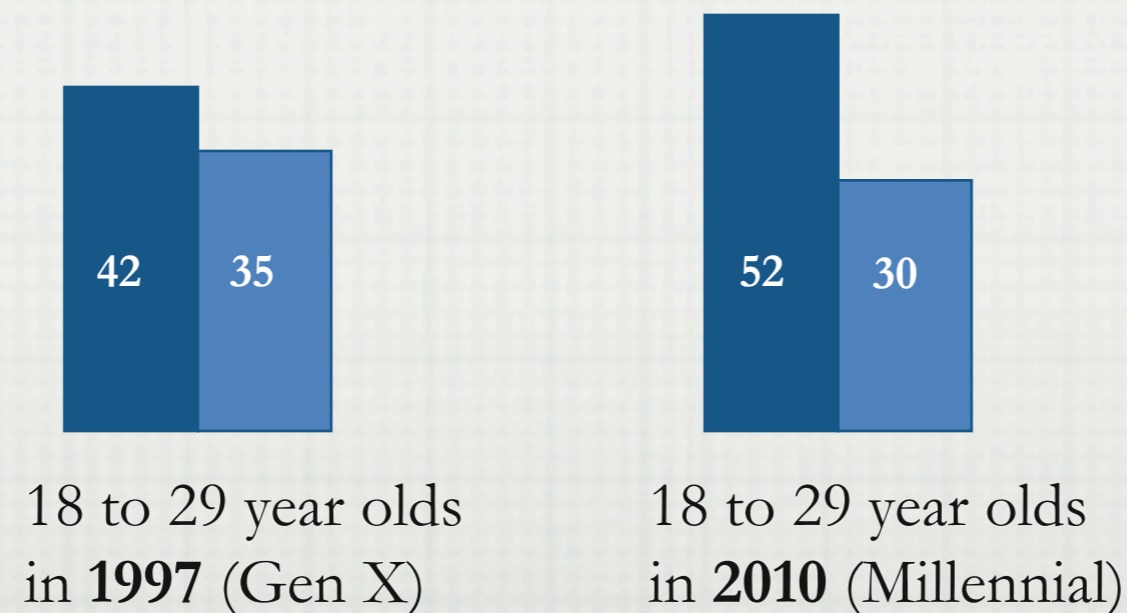
© 2013 PEW RESEARCH CENTER

Family Structure

Millennials and Gen Xers Assess Marriage and Parenthood

% saying each is one of the most important things in their life

- Being a good parent
- Having a successful marriage

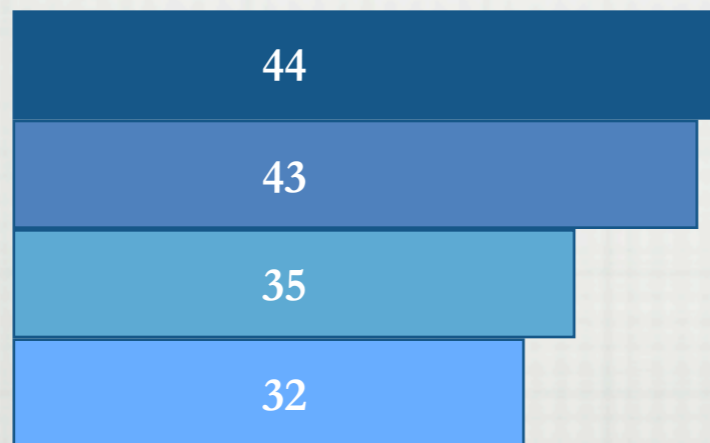


Family Structure

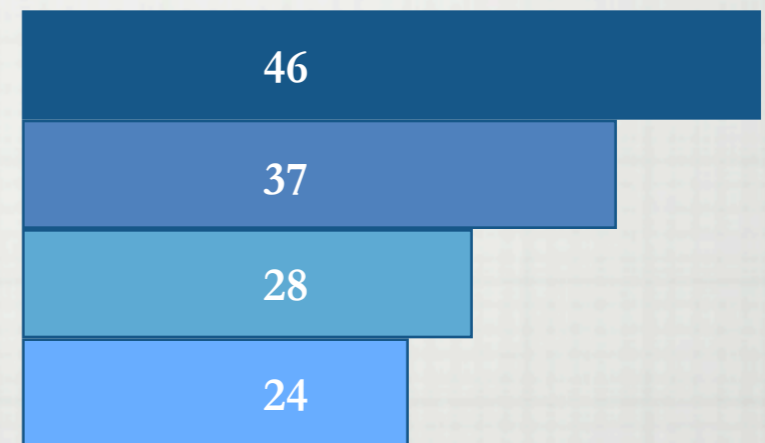
How Different Generations View Marriage and Family Structure *% saying*

- Millennial
- Gen X
- Boomer
- 65+

Marriage is becoming obsolete



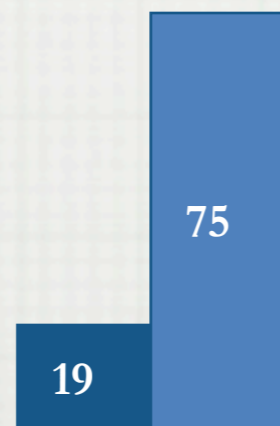
The growing variety in family arrangements is a good thing



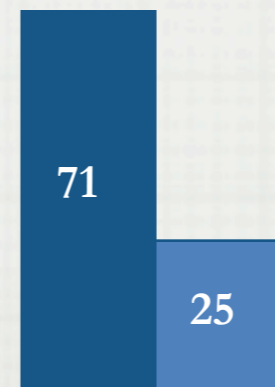
Family Structure

Do these values match?

- Agree
- Disagree



Women should return to their traditional roles



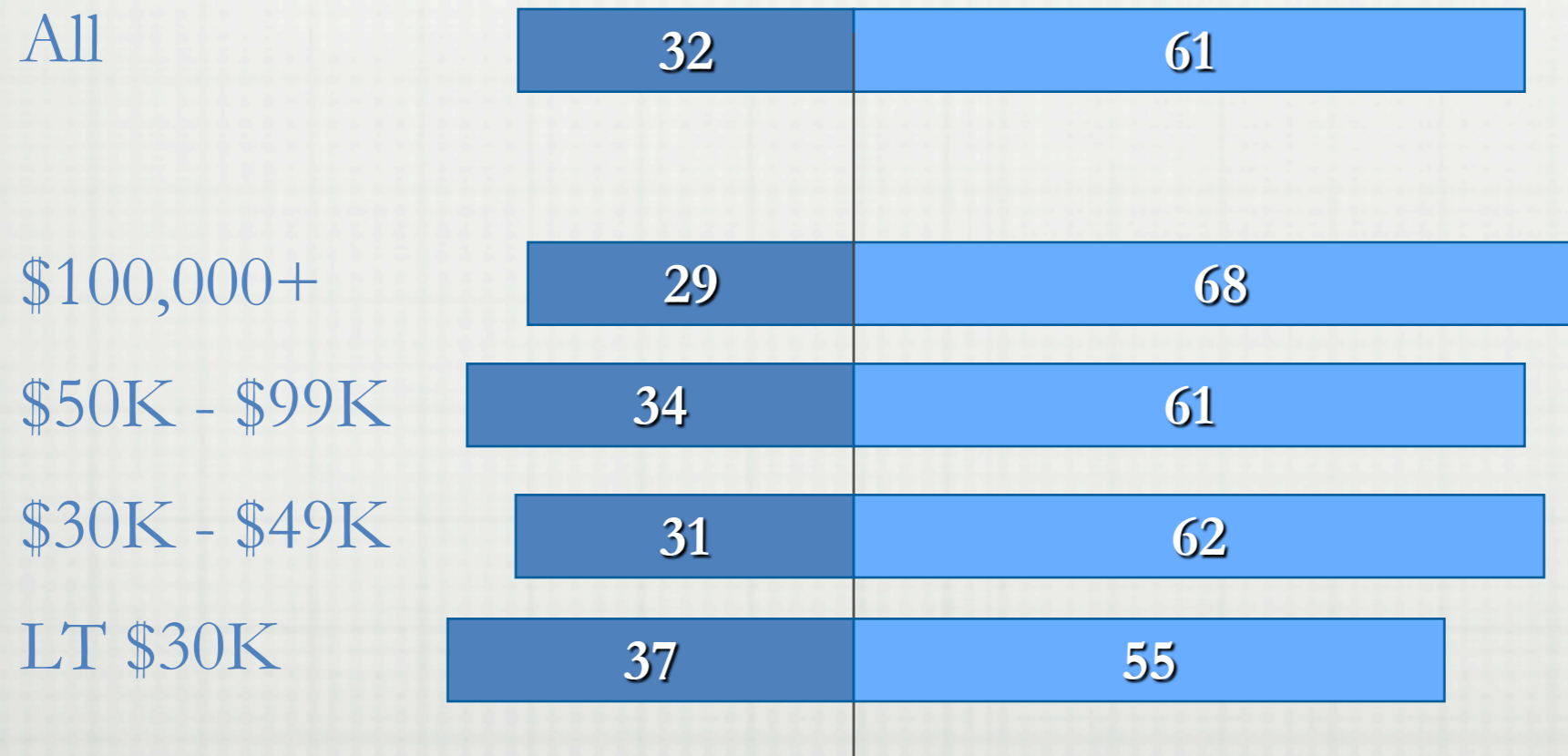
I have old-fashioned values about family and marriage

Socio-Economic Diversity

Socio-Economic Diversity

Would you prefer to live in a community where....

- Most people have the same socio-economic status as you
- There is a mix of upper, middle and lower classes



Income

- More lower-income households live in majority low-income census tracts.....

2010 28%

1980 23%

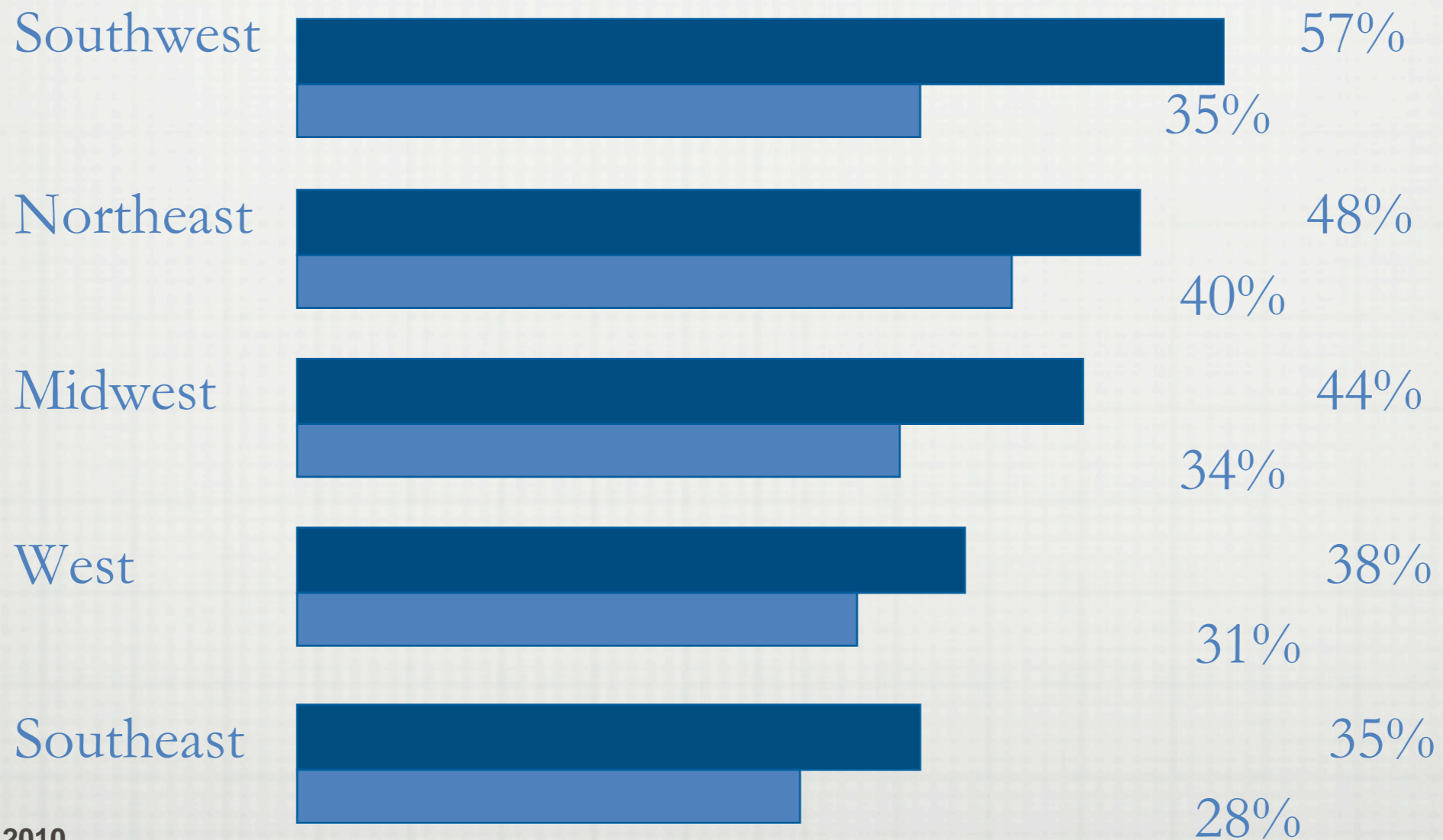
- More upper-income households live in majority upper-income census tracts.....

2010 18%

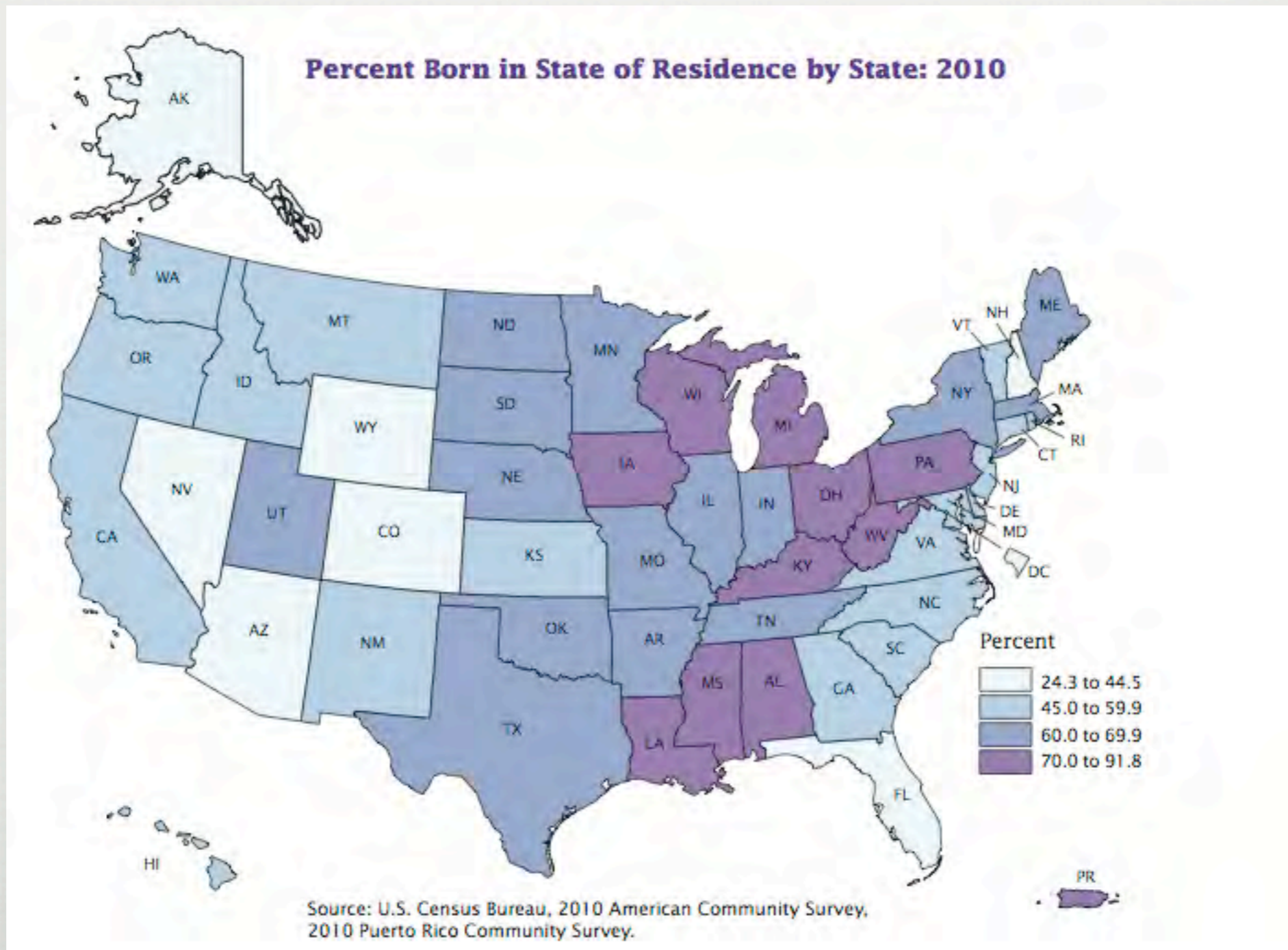
1980 9%

Income

Residential Income Segregation Index by Region

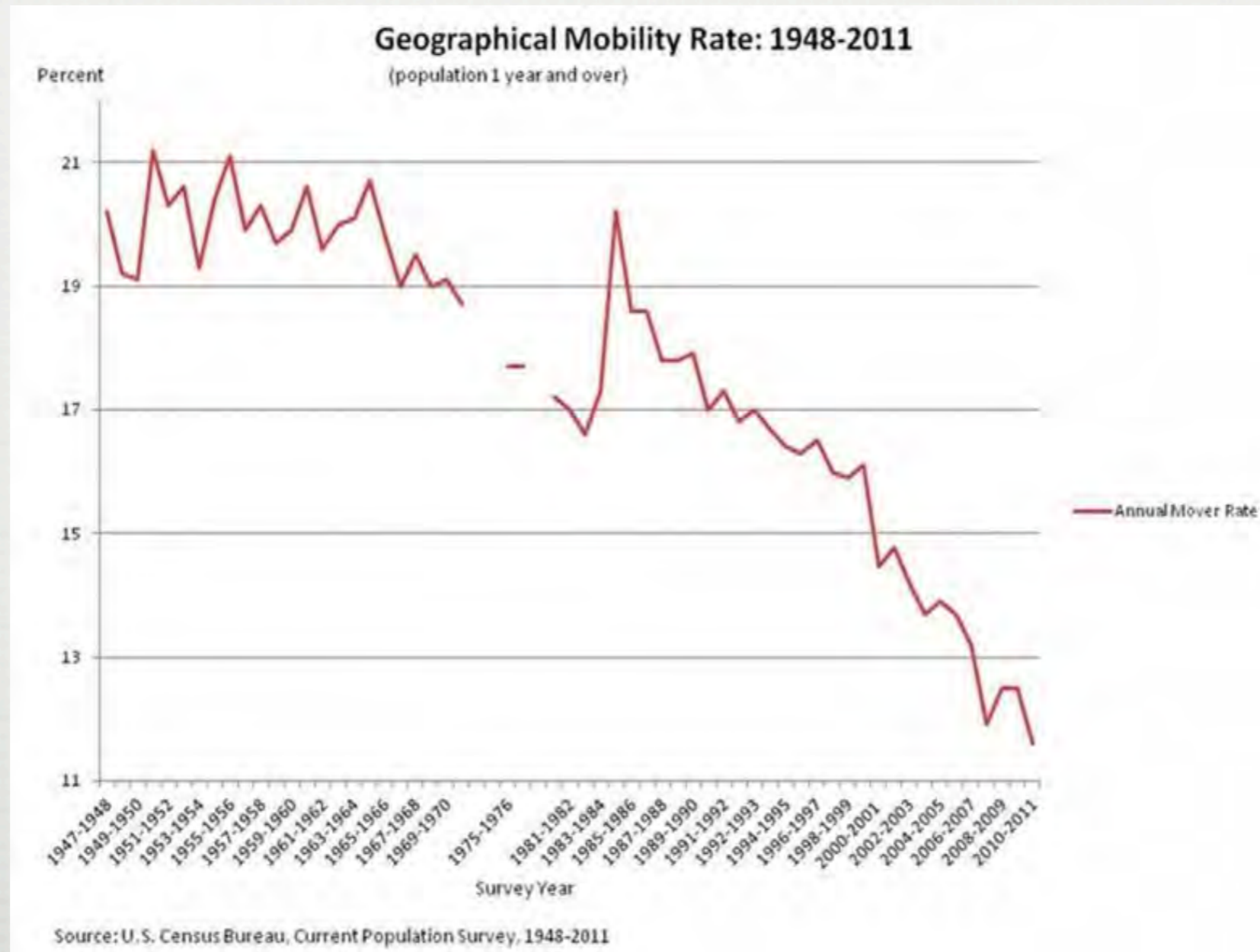


Mobility



Mobility

Annual Mobility Rates 1947 – 2011



Action Needed

- Planning has never been more important to our communities
- Communities have to find ways to create the right climate to accommodate new growth in sustainable ways: market, land use and other policy tools
- Ordinances and policies need to be retooled to reflect changing priorities and needs. They need to accommodate/require:
 - Infill and redevelopment; brownfield development
 - Less parking overall
 - Greater density

Action Needed

- Green development
- Better public spaces
- Transportation choice
- Walkability and healthy lifestyles
- Housing diversity—styles, sizes, ownership, accessory, etc.
- Mixed-use—should be the rule rather than the exception
- Decentralized healthcare
- The death industry will continue to expand

Thoughts

- Pay attention to national trends
- Determine whether those same trends are occurring in your locale
- Pay attention to attitudes toward those trends
- Remember your audience. We tend to deal with older citizens who have very different values than those who will come in just 10 years and who are investing in the community by buying or renting homes, and starting businesses.

Conclusion

Places that address changing needs will thrive; those that don't won't

Success Will Depend On:

Quality, choice, mobility, accessibility, convenience and cost

Thank you

Resources:

<http://www.pewresearch.org>

<http://www.brookings.edu>

<http://www.census.gov>

<http://www.mckinsey.com>