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

*Trends - Attitudes - Thoughts*

Carol Rhea, AICP
Graham Billingsley, FAICP
...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

IGNORING CHANGING DEMOGRAPHICS
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.
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.

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

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

LIVING ALONE

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

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
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

Source: Euromonitor International from national statistics, May 17, 2012
FEWER WEDDING BELLS RINGING

Marriage rates in the United States have plummeted since 1980.

Marriages per 1,000 population

Source: National Center for Health Statistics
Sacramento Bee
Figure MS-2. Median age at first marriage by sex: 1890 to 2012

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

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.


Source: Brookings analysis of Census 2010

“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.”

• 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.”

• 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

At $100/ft^2$, new construction = $20$ trillion

Including infrastructure = $25$ trillion or more

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.

• 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

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

• 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


• 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


Percentage of Obesity, 2009

Source: Centers for Disease Control http://www.cdc.gov/diabetes/atlas/countydata/atlas.html
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…”

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*

*Greensboro Consolidated Plan 2010 -2014
Family Structure

![Graph showing changes in family structure over time](image-url)
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

- With children younger than 18
- With children younger than 6
- With children younger than 3

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%

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

- 21
- 24
- 28
- 30
Family Structure

![Divorce rates graph](image)

Source: Monthly Vital Statistics Reports

University of Maryland
Family Structure

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

Fathers:
- Child care: 7.3 hours
- Housework: 9.8 hours
- Paid work: 37.1 hours

Mothers:
- Child care: 13.5 hours
- Housework: 17.8 hours
- Paid work: 21.4 hours

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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

18 to 29 year olds in 1997 (Gen X)

<table>
<thead>
<tr>
<th>Being a good parent</th>
<th>Having a successful marriage</th>
</tr>
</thead>
<tbody>
<tr>
<td>42</td>
<td>35</td>
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18 to 29 year olds in 2010 (Millennial)

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<td>30</td>
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Family Structure

How Different Generations View Marriage and Family Structure

% saying

- Millennial
- Gen X
- Boomer
- 65+

Marriage is becoming obsolete

<table>
<thead>
<tr>
<th>Generation</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Millennial</td>
<td>44</td>
</tr>
<tr>
<td>Gen X</td>
<td>43</td>
</tr>
<tr>
<td>Boomer</td>
<td>35</td>
</tr>
<tr>
<td>65+</td>
<td>32</td>
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The growing variety in family arrangements is a good thing

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Pew Research Center
Family Structure

Do these values match?

- Agree
- Disagree

Women should return to their traditional roles

I have old-fashioned values about family and marriage

Pew Research Center
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

<table>
<thead>
<tr>
<th>All</th>
<th>32</th>
<th>61</th>
</tr>
</thead>
<tbody>
<tr>
<td>$100,000+</td>
<td>29</td>
<td>68</td>
</tr>
<tr>
<td>$50K - $99K</td>
<td>34</td>
<td>61</td>
</tr>
<tr>
<td>$30K - $49K</td>
<td>31</td>
<td>62</td>
</tr>
<tr>
<td>LT $30K</td>
<td>37</td>
<td>55</td>
</tr>
</tbody>
</table>

Pew Research Center
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%

Pew Research Center
Income

Residential Income Segregation Index by Region

- Southwest: 57% (2010), 35% (1980)
- Northeast: 48% (2010), 40% (1980)
- Midwest: 44% (2010), 34% (1980)
- West: 38% (2010), 31% (1980)
- Southeast: 35% (2010), 28% (1980)

Pew Research Center
Mobility

Percent Born in State of Residence by State: 2010

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 then 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