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METROPOLITAN TRENDS:

Changing Contexts for LISC's New Communities and
Sustainable Communities Initiatives

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INTRODUCTION AND SUMMARY

Introduction

It is increasingly recognized that the potential of community development in any given neighborhood is strongly influenced by conditions in the metropolitan area that surrounds it (Weissbourd, 2010). Neighborhood workforce development efforts face much tougher challenges in a weak and declining metropolitan labor market than they do in a metropolis where employment is booming. Turning around neighborhood housing conditions and property values is a very different task in a vibrant metropolitan housing market than in one where housing prices are plummeting. In short, gaining some understanding of metropolitan markets and how they work has become a more important task for both those who plan community development and those who assess its results.

This report takes a first look at relevant conditions in the metropolitan areas that are the contexts for two major comprehensive community development initiatives now being operated by the Local Initiatives Support Corporation (LISC) with support from the John D. and Catherine T. Mac Arthur Foundation. These are the New Communities Initiative (NC, operating in Chicago) and the Sustainable Communities Initiative (SC, operating in 12 metros, Detroit, Duluth, Houston, Indianapolis, Kansas City, Milwaukee, Minneapolis-St. Paul, Philadelphia, Providence, San Diego, San Francisco, and Washington DC).¹

We look at changing trends in these areas against the backdrop of comparable data for America's 100 largest metropolitan areas (although when doing rankings, we compare with 101 metros – the 100 largest plus Duluth, the only NC/SC metro not in the top 100).

¹For a description of the purpose and approach of these efforts, see Walker, Rankin and Winston, 2010.

As will be shown, the 13 NC/SC metros are strikingly different from each other along many dimensions and, together, they are reasonably representative of the diversity in circumstances that exists across the nation's large metropolitan areas. This means they represent a particularly rich array of differing metropolitan circumstances against which the potentials for comprehensive community development can be assessed.

We tell the story over a period of time (the first decade of this century) which was arguably one of the most turbulent in our history – several years of fairly strong economic growth and unprecedented acceleration in housing prices followed by a devastating collapse in urban economies and housing markets throughout the country. While all have suffered, the differences in performance between metros over this period have been dramatic. It would not be helpful to show trends over the decade as a whole. Rather we examine the comparative strength of the NC/SC metros in the earlier expansion period and then show how their comparative performance has changed since the declines began.

For a few key indicators, we are able to go farther, taking apart the period of the decline. How did performance over the most recent year for which we have data (June 2009-June 2010) compare to the initial phase of the collapse? Do some of these metros appear to be coming out of the decline more strongly than others?

After a brief summary below, the remainder of the report is organized into three sections. Section 1 introduces the NC/SC metros by reviewing a number of background indicators (e.g., on demographic conditions, social conditions and poverty levels). Section 2 then examines dynamics of the economies of these metropolitan areas since 2000, and Section 3 does the same for their housing markets.

The underlying data (on 61 indicators as of various dates) are presented in Annex A at the end of this paper. The data are presented in a comparable way for Chicago and each of the 12 Sustainable Communities metros individually and for the 100 metro areas in the aggregate. Data sources and definitions are presented in Annex B.

Main Findings

Chicago and the SC metros clearly differ from each other on many dimensions. They are found in almost all regions of the country. The composition of their populations could hardly contrast more. For example, in San Francisco, San Diego, Houston and Washington, more than half of the residents are minorities and more than 20 percent are foreign born. In Duluth, the Twin Cities, Providence, and Indianapolis, in contrast, fewer than one quarter are minorities and fewer than 12 percent are immigrants. These

conditions, however, do not seem to correlate with various indicators of well being. For example, Washington DC has the lowest poverty rate (7 percent) while Houston the highest (14 percent). The Twin Cities has one of the highest shares of adults that have college degrees (38 percent) while Duluth has the lowest (26 percent). And none of these factors were strongly correlated with the performance of their labor and housing markets in the 2000s.

Performance of NC/SC metros: employment. For the 100 large metro areas, non-farm employment grew fairly rapidly from June 2002 through June 2007 (+1.2 percent per year). Then, with the recession, it dropped precipitously (-2.7 percent annually over the next two years). Over the most recent year (June 2009-June 2010), this indicator had improved substantially, although the average remained in negative territory (-0.7 percent).

Among the NC/SC metros, Houston exhibited the best labor market performance with annual employment change at a +2.2 percent rate during the earlier part of the decade (16th best of the 101 metros) and a comparatively quite modest decline from June 2007 to June 2009 (7th best at -0.4 percent). Washington DC came next (27th best in the earlier period and 8th best in the latter).

Four of these metros were at the other end of the scale (worst third of the 101) in the earlier period, but moved up in the rankings during the first phase of the decline: Philadelphia, Duluth, Milwaukee and Chicago.

San Diego was the only site in the middle group in 2002-2007 that dropped into the lowest third in the latter period, and San Francisco, Providence and Detroit were in the worst performing group in both periods. Across all 101, Detroit exhibited the worst performance throughout. It was the only metro to lose employment over 2002-2007 (rate of -1.2 percent) and had by far the most serious loss rate over 2007-09 (-6.6 percent).

What happened over the most recent year (June 2009-June 2010)? Most stayed in the same comparative position they were in during the first phase of the decline. Washington, the top performer, actually began to grow again (+0.8 percent rate). But there were some changes of note. On the positive side, both Duluth and the Twin Cities moved up from the middle to the best third among the 101, and San Diego moved up from the worst third to the middle. On the negative side, Houston moved down from the top to the middle, Chicago and Milwaukee dropped from the middle to the worst third, and Kansas City dropped all the way from the top third to the bottom. The most severe loss rates were experienced in Milwaukee (-2.1 percent) and San Francisco (-2.8 percent).

June 2010 unemployment rates for the NC/SC metros roughly parallel their performance by the employment change measures. At 6.3 percent Washington was 3rd best among the 101; The Twin Cities (6.8 percent) and Duluth (7.5 percent) came next. At the other extreme, Detroit at 14.3 percent was 7th worst, followed by Providence, San Diego and San Francisco, all in the 10.5-11.5 percent range. (The 101 metro average was 9.7 percent).

Performance of NC/SC metros: housing prices. Metropolitan housing markets over these years were even more volatile. For the largest 100 on average, the FHFA housing price index went up by 6.1 percent annually from the 1st quarter of 2000 through the 4th quarter of 2006, and then plummeted at a rate of -6.0 percent per year through the 2nd quarter of 2009 and declines were even worse over the subsequent year (-7.4 percent).

For the first period (2000-2006), among the NC/SC group, Washington DC, San Diego, San Francisco and Providence saw by far the highest acceleration in housing prices (range from +9.8 to +12.7 percent annually). While these rates are less extreme than some of the other California and Florida metros, they clearly qualify for “bubble” status. At the other end of the spectrum, price changes for Houston, Kansas City, Indianapolis and Detroit were moderate (range from 0.5 to 2.8 percent, all in the lowest third among the 101 metros).

What happened to these metros in the first phase of the decline was as would be expected given media accounts of this period. The bubble metros suffered by far the most dramatic drops in housing prices, all falling in the worst third of the 101 - annual loss rates ranging from -8.5 percent (Providence) to -14.2 percent (San Diego). However, two others that had not experienced large price increases earlier also fell in the worst third in this phase (Twin Cities at -6.8 percent and Detroit at -12.2 percent).

Only two of the SC metros wound up in the least troubled third in this period: Duluth (drop of only -1.7 percent per year) and Houston (one of the few to experience any increase at the time, +1.2 percent). Of the others, the comparative position (rank) of Kansas City and Indianapolis improved substantially, while those of Milwaukee and Chicago stayed about the same.

Over the most recent year (2009-2010) price index declines fell over a wide range (from -2.9 percent per year in Houston to -13.0 percent in Detroit), and there were important shifts in comparative positions. All of those we identified as bubble-markets bounced back substantially in the rankings and saw loss-rates notably lower than they had in the

first phase of the decline (San Diego, San Francisco, Washington and Providence – ranged from -3.9 to -6.5 percent). Houston and Indianapolis also had a fairly positive experience. Although their prices dropped somewhat more rapidly over the year than they had in the first phase of the decline, they still wound up with high comparative rankings (top third).

At the other extreme, three of these metros (Minneapolis, Chicago and Detroit) were among the third with the steepest price declines, all experiencing much faster loss rates recently than in the first phase (range from -10.2 to -13.0 percent annually).

Summary: the most recent year. The table below summarizes comparative performance on both the employment and housing measures over the most recent year. To construct this, the 101 metros were ranked from best to worst on both dimensions and the distributions divided into thirds. The table suggests that the measures were not well correlated during this period. Only one (Washington) was in the best third by both measures, only one was in the middle box on both (Philadelphia) and only two were in the worst (Detroit and Chicago).

Duluth and Minneapolis were top performers with respect to employment but did less well on the housing front. On the other hand seven were doing better on the housing

Comparative Strength, Most Recent Year

		Rate of Change in Housing Price Index, Q2-2009 to Q2-2010		
		Strongest	Intermediate	Weakest
Rate of Change in Employment , 2009-10	Strongest	Washington (9,31)	Duluth (24,39)	Minneapolis (32,83)
	Intermediate	Houston (49,7) Indianapolis (59,18) San Diego (58,14)	Philadelphia (55,46)	
	Weakest	San Francisco (99,16)	Kansas City (78,37) Providence (91,49) Milwaukee (92,52)	Detroit (70,93) Chicago (81,85)

Metro ranks grouped in thirds (1 = best; 101 = worst). First no.after name = rank re employment change; second no. = rank re housing price change

indicator than they did with respect to employment change: Houston, Indianapolis, San Diego, Kansas City, Providence, Milwaukee and, especially, San Francisco.

Implications. Given the tumult of the past decade, the environment for comprehensive community development initiatives in 2010 remains extremely challenging everywhere. Strategies will have to vary to fit the circumstances. For example, where economies are comparatively strong, the emphasis needs to be on linking neighborhood residents to the jobs being generated. Washington is clearly in this category and Houston, Minneapolis, Duluth and Philadelphia probably fit this description as well.

Where regional economic prospects appear bleak local workforce development efforts still deserve emphasis but they cannot be expected to yield the same results. Priority is warranted for encouraging metropolitan leaders to find ways to regenerate economic growth overall and working with neighborhood residents to build skills that will suit them well as new opportunities emerge. This certainly applies to Detroit, San Francisco, Providence and to varying extents it probably applies to Chicago, Milwaukee and Kansas City as well.

As to housing, the evidence does not point to severe conditions everywhere. A number of NC/SC markets have seen moderating prices of late and have comparatively low unemployment. Efforts to refocus reinvestment into housing improvement in these may indeed payoff notably. These include Houston, Washington and, probably, Indianapolis, San Diego and Duluth.

At the other extreme, neighborhood stabilization efforts are likely to have to emphasize more of a holding action if not planned downsizing (more demolition and converting land to other uses like green space). Detroit is the prime candidate for this approach and that is exactly what is happening in their NSP approach.

In all where market conditions remain troubled, emphasis is needed for strategies that first seek to keep properties inhabited (minimize vacancies) and this may require creative actions to promote ownership change for some properties (from private to public and nonprofit) to enhance affordability over the longer term.

These are only a few ideas for response. The alternatives to best fit differing market circumstances deserve more thorough study and experimentation.

Section 1

BASIC CHARACTERISTICS

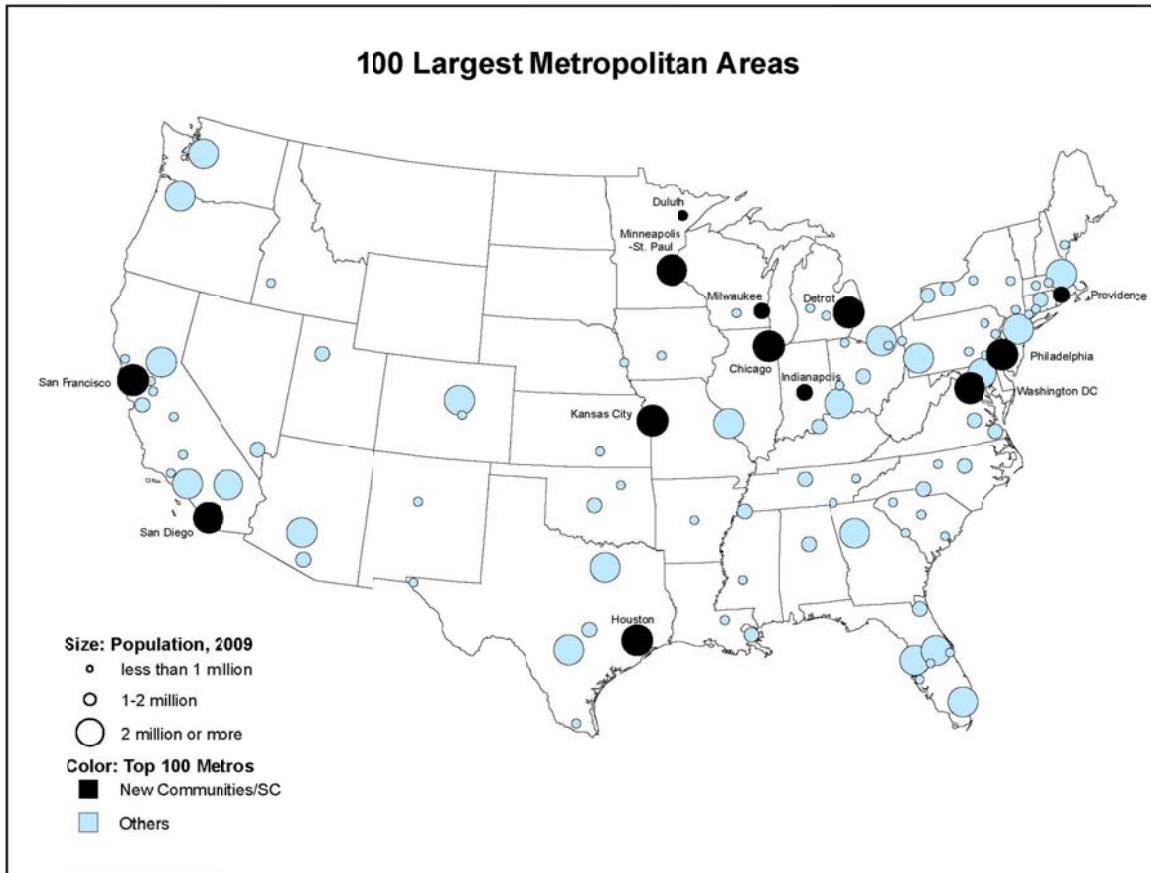
The NC/SC metros are found in all regions of the country (Figure 1.1). This Section introduces them by reviewing a number of background indicators (on demographic conditions, social conditions and poverty levels). For these indicators, data are not yet available to permit comparing change reliably in the periods before and after the onset of the recession. Accordingly we examine change for the full period for which the data are available as of this writing: 2000-2009 in some cases and 2000-2008 in most.

Population and age structure

In 2009, the NC/SC metros ranged in size from 9.6 million (Chicago) down to 276,000 (Duluth). The group's average size was 3.3 million compared with a 2.0 million average for the 100 metros (Table 1.1). There were notable differences in their annual population growth rates over the 2000-2009 period. Houston grew fastest (2.4 percent), followed by Indianapolis (1.5 percent). At the other end of the scale, Providence and Milwaukee grew slowly (rate below 0.5 percent) and Duluth and Detroit both lost population. The growth rates for Chicago (0.6 percent) and the SC metros on average (0.8 percent) fell below the average for the top 100 metros (1.1 percent)

Children (persons under 18 years) made up 26 percent of the population in Chicago and 24 percent on average in the SC metros in 2008 – about the same as for the top 100. But there was variation - ranging from lows of 20 percent in Duluth and 22 percent in Providence and San Francisco, to highs of 28 percent in Houston and 27 percent in Indianapolis.

Figure 1.1
NS/SC METROS AND THE 100 LARGEST METROPOLITAN AREAS



The elderly (over 65) typically make up a smaller share of the populations of large metro areas than in the countryside. For both the NC/SC metros and the top 100 metros they accounted for 11-12 percent on average in 2008. These shares have not changed since 1990, although they are clearly expected to go up markedly everywhere over the next two decades as the baby boom generation moves into retirement. Among the NC/SC metros, the lowest elderly share is found in the one that has grown most rapidly of late (8 percent in Houston) while the highest were found in Duluth, Providence and Philadelphia (13-15 percent).

Racial/ethnic composition

The racial/ethnic composition of metropolitan America changed fairly rapidly in the past decade (Table 1.2), in contrast to the comparatively slow changes in its age structure. For the Chicago, the total minority share of population grew from 40 percent in 2000 to 44 percent in 2009, and for the top 100 metros on average, from 30 to 34 percent.

Table 1.1
POPULATION AND AGE STRUCTURE

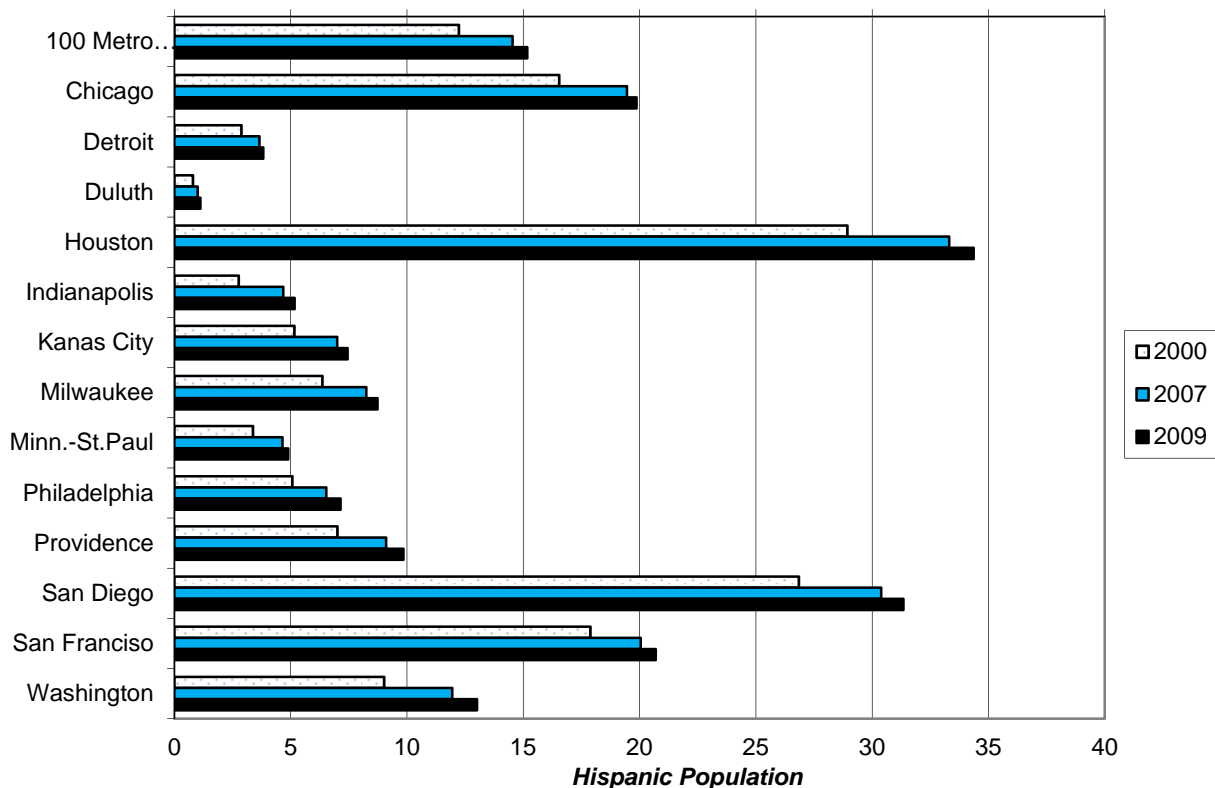
	Population (thous.) 2009	Pop.chg. %/year 2000-09	Percent of population, 2008	
			Under 18	65+
100 Metro Average	2,013	1.1	25	12
Chicago, IL	9,581	0.6	26	11
Sustain. Commun. Ave.	3,300	0.8	24	12
Detroit, MI	4,403	(0.1)	25	12
Duluth, MN	276	(0.0)	20	15
Houston, TX	5,867	2.4	28	8
Indianapolis, IN	1,744	1.5	27	11
Kansas City, KS	2,068	1.3	26	12
Milwaukee, WI	1,560	0.4	25	12
Minn.-St. Paul, MN	3,270	1.0	25	10
Philadelphia, PA	5,968	0.5	24	13
Providence, RI	1,601	0.1	22	14
San Diego, CA	3,054	0.9	25	11
San Francisco, CA	4,318	0.5	22	13
Washington, DC	5,476	1.4	24	10

Table 1.2
RACIAL/ETHNIC COMPOSITION

	Percent of population, 2009			
	Total minority	Hispanic	Black	Asian & other
100 Metro Average	34	15	13	7
Chicago, IL	44	20	17	7
Sustain. Commun. Ave.	33	12	13	8
Detroit, MI	31	4	23	5
Duluth, MN	7	1	1	5
Houston, TX	58	34	16	7
Indianapolis, IN	23	5	14	3
Kansas City, KS	24	7	12	4
Milwaukee, WI	29	9	16	5
Minn.-St. Paul, MN	19	5	7	8
Philadelphia, PA	33	7	20	6
Providence, RI	19	10	4	4
San Diego, CA	50	31	5	13
San Francisco, CA	55	21	8	26
Washington, DC	50	13	26	11

Figure 1.2

HISPANIC SHARE OF POPULATION, 1990, 2000, 2007 (PERCENT)



For the 100 large metros, Blacks have stayed at a fairly constant 12-13 percent over this period. The drivers of change have been Hispanics (up from 12 to 15 percent) and Asians and other minorities (from 6 to 7 percent).

There are marked compositional differences among the NC/SC metros in this regard, however. In 2009, Hispanics made up a sizeable 34 percent of the population in Houston and 31 percent in San Diego, but at the other end of the spectrum, they accounted for only 1 percent in Duluth, 4 percent in Detroit and 5 percent in Indianapolis and the Twin Cities. Although the levels are very different, Hispanic shares increased from 2000 to 2007, and again from 2007 to 2009, in every one of the NC/SC metros (Figure 1.2).

In contrast, the largest African-American shares were in Washington DC (26 percent), Detroit (23 percent), and Philadelphia (20 percent) and the smallest were in Duluth, Providence and San Diego (5 percent or less). From 2000 to 2009, the black share increased only in the Twin Cities (from 5 to 7 percent); it actually fell by one percentage

point in Chicago, Houston, San Diego and San Francisco, while remaining constant in the others.

Immigration, mobility and family structure

Table 1.3 shows that there are also major differences in the concentrations of foreign born in these areas. San Francisco tops the list with 29 percent of its 2009 population born in other countries. Houston and San Diego come next at 22 percent. The three lowest by this measure (6 percent or less) are Duluth, Indianapolis and Kansas City. (The average for the largest 100 metros was 11 percent).

Residential mobility also varies considerably across sites. The average for the 100 metros and the 13 NC/SC metros was almost the same, with 59-60 percent of the 2008 population having moved at least once over the preceding five years. The highest mobility by this measure occurred in Houston (69 percent), followed San Diego (65 percent) and Indianapolis (63 percent). The least mobile were Detroit, Duluth, Providence and Philadelphia (52-54 percent).

Table 1.3

IMMIGRATION, MOBILITY & FAMILY STRUCTURE, 2008

	Pct. of population		Hsehlds. w/children % total Hsehlds.	Single parent % of hsehlds. w/children
	Foreign born	Moved in past 5 years		
100 Metro Average	11	60	31	32
Chicago, IL	18	59	33	29
Sustain. Commun. Ave.	13	59	31	31
Detroit, MI	8.3	52	31	33
Duluth, MN	1.5	52	26	32
Houston, TX	22	69	37	29
Indianapolis, IN	5.0	63	33	32
Kansas City, KS	6.1	62	31	30
Milwaukee, WI	6.8	57	30	36
Minn.-St. Paul, MN	8.7	57	32	26
Philadelphia, PA	8.7	54	30	32
Providence, RI	12	53	30	37
San Diego, CA	22	65	32	29
San Francisco, CA	29	58	28	26
Washington, DC	20	62	32	28

Households with children continued to decline as a share of all households from 2000 to 2008 (from 34 to 31 percent on average for the 100 metros). Across the 13 NC/SC metros in 2008, Houston was again at the top by this measure (37 percent) followed by Indianapolis (33 percent). Duluth was again at the low end (26 percent) followed by San Francisco (28 percent)

The prior trend also continued, but in the reverse direction, for single parent households as a percent of all households with children. Between 2000 and 2008, that measure *increased* almost everywhere - from 28 to 32 percent for the 100 metros on average, from 25 to 29 percent in Chicago. NC/SC metros where single parents accounted for the largest shares of households with kids were Providence (37 percent) and Milwaukee (36 percent). Those where these shares were lowest were San Francisco and the Twin Cities (both at 26 percent).

Education and poverty

Despite sizeable inequities within them, measures of educational attainment improved substantially in the 2000s for most metropolitan areas overall (see Table 1.4). For the 100 metros, the share of adults (persons 25 years of age or more) without a high school degree went down from 18 percent in 2000 to 14 percent in 2008 (the comparable change was from 19 to 15 percent for Chicago). On average for the 100 metros, the percent of adults that had graduated from college went up from 26 to 29 percent over the same period (from 29 to 33 percent for Chicago).

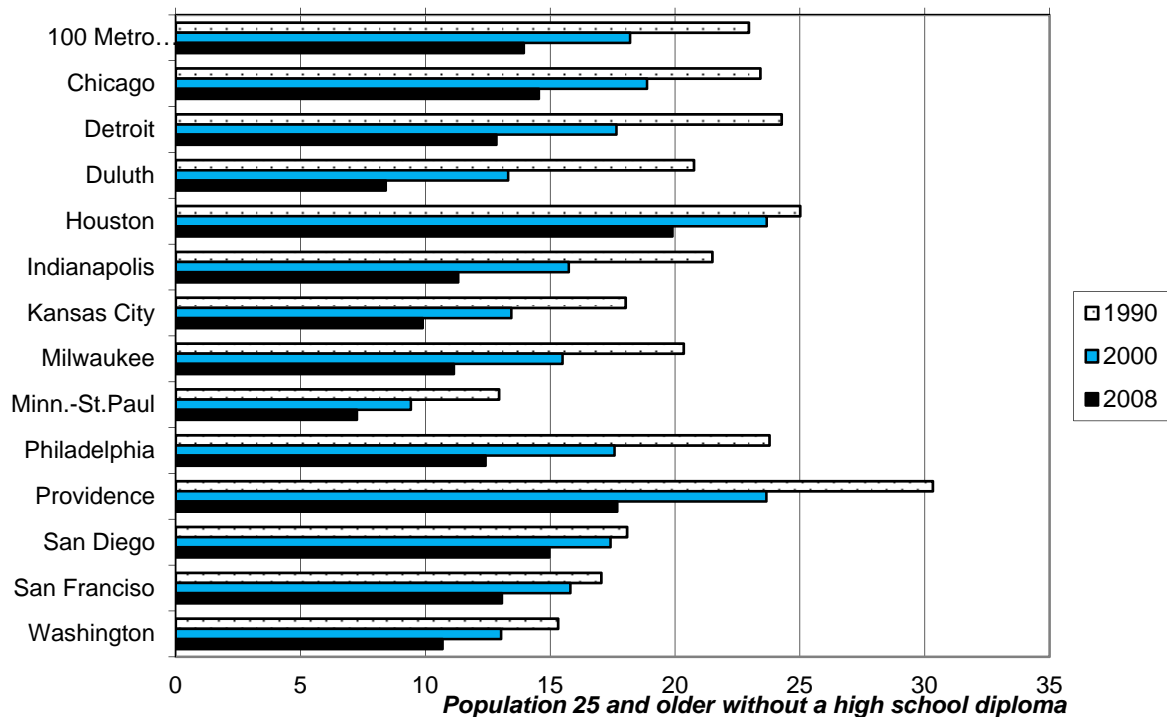
Among NC/SC metros, the Twin Cities had the lowest share that had not graduated from high school (7 percent) followed by Duluth (8 percent). The most problematic in this regard were Houston (20 percent), Providence (18 percent) and Chicago and San Diego (15 percent). As shown on Figure 1.3, percentages without high school diplomas had dropped significantly, between 1990 and 2000 and then again between 2000 and 2008, in all of the NC/SC metros.

Those with the highest shares with college degrees were Washington DC (47 percent), San Francisco (43 percent) and Minneapolis-St. Paul (38 percent). The gaps were large between these and the NC/SC metros with the lowest college graduation rates: Detroit and Duluth at (26 percent) and Houston and Providence (at 28 percent).

Table 1.4
EDUCATION AND POVERTY, 2008

	Pct. pop. 25 yrs +		Pct. in poverty		Pct. Hseholds. Receive pub.assist.
	With no high schl. degree	With college degree	Total pop.	Children	
100 Metro Average	14	29	13	17	2.4
Chicago, IL	15	33	12	17	2.1
Sustain. Commun. Ave.	12	33	11	15	2.6
Detroit, MI	13	26	14	20	3.5
Duluth, MN	8	26	13	12	3.8
Houston, TX	20	28	14	20	1.3
Indianapolis, IN	11	32	11	16	2.4
Kansas City, KS	10	32	10	14	2.1
Milwaukee, WI	11	31	12	16	2.0
Minn.-St. Paul, MN	7	38	8	10	3.0
Philadelphia, PA	12	32	11	15	3.5
Providence, RI	18	28	12	16	3.2
San Diego, CA	15	34	13	17	2.1
San Francisco, CA	13	43	9	12	2.4
Washington, DC	11	47	7	9	1.4

Figure 1.3
ADULTS WITHOUT A HIGH SCHOOL DIPLOMA, 1990, 2000, AND 2008 (PERCENT)

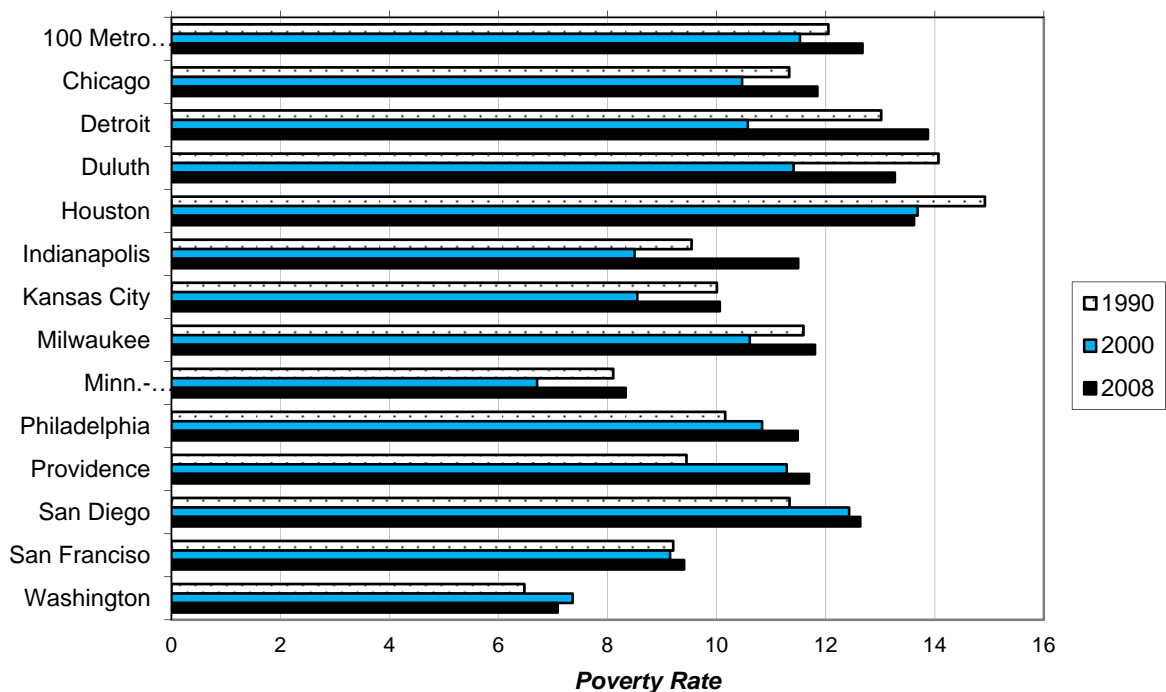


The remaining columns on this table relate to poverty. The first contains the overall poverty rate which exhibited little change over the 2000-2008 period, going up from just 12 to 13 percent for the 100 metros. Chicago's rate was 12 percent in 2008, and the average for the SC metros was 11 percent (rates which similarly had not changed much over the decade to that point).

In 2008, the poverty rate among the NS/SC metros was highest in Detroit and Houston (14 percent) and lowest in Washington (7 percent) and Minneapolis-St. Paul (8 percent). Figure 1.4 shows changes in this measure for each of these metros since 1990. Most followed the pattern of the 100 metros overall, with a notable improvement in conditions (drop in poverty rate) between 1990 and 2000 (the peak of the economic boom of that decade), followed a reversal again through 2008. Exceptions to this pattern included Philadelphia, Providence, San Diego and Washington which did not experience the drop in poverty in the 1990s that had been typical in the period.

Both the levels and the trends for child poverty, however, have been yet more troubling. After improving over the 1990s, they have increased again since 2000 (from 15 to 17 percent for the 100 metros on average - a 2008 level 4 percentage points higher than the overall poverty rate). The pattern of differences in this measure across the NC/SC

Figure 1.4
POVERTY RATE, 1990, 2000, AND 2008 (PERCENT)



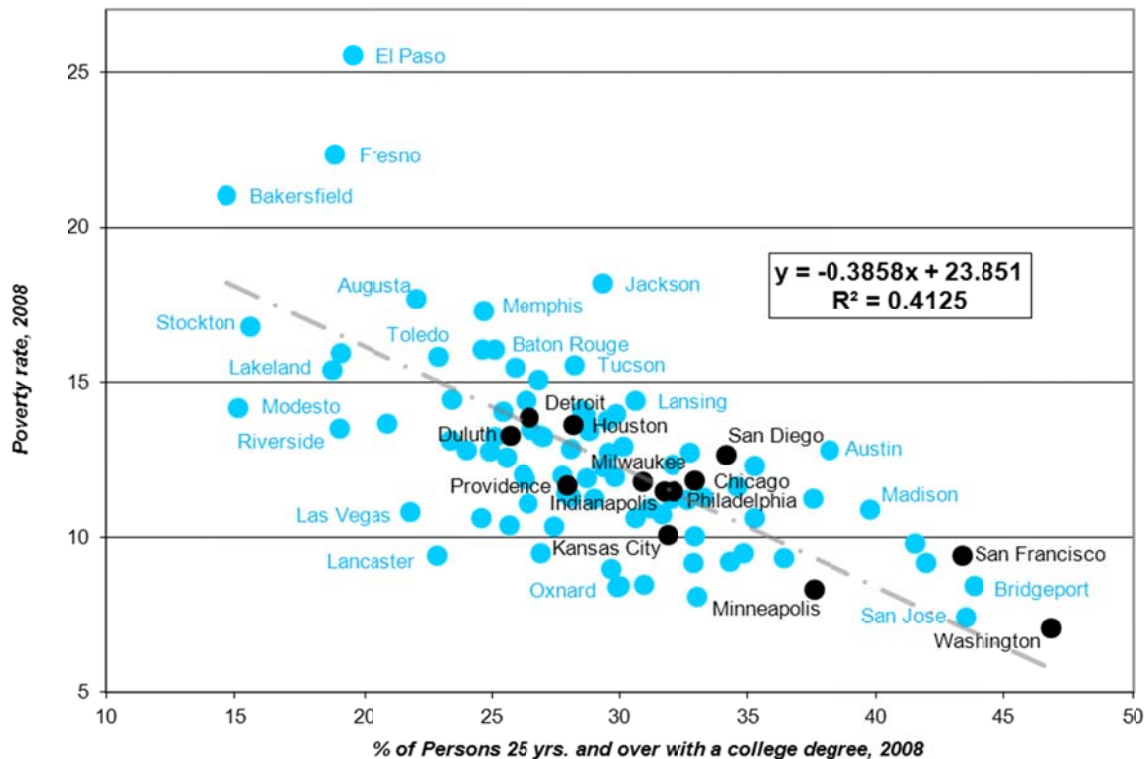
metros is similar to that for the overall poverty rate (Detroit and Houston with the worst problems, Washington and the Twin Cities with the least)

The final column in Table 1.4 shows the share of all households in the various metros that receive public assistance. The overall average for the SC metros (2.6 percent) is higher than that for the 100 metros (2.4 percent) and higher still than that for Chicago (2.1 percent). Among the NC/SC metros, the highest shares receiving public assistance are in Duluth (3.8 percent), followed by Detroit and Philadelphia (3.5 percent) and the lowest are in Houston (1.3 percent) and Washington DC (1.4 percent). This pattern does not closely follow the pattern for poverty. It is well known that the comparative largess of the various states can shift actual reciprocity considerably away from a distribution proportional to comparative need.

Relationships across indicators

The review above suggests that several of these variables may be related to each other. We cannot explore all of these relationships in this paper, but it may help to look at one

Figure 1.5
PERCENT PERSONS 25 YEARS AND OLDER WITH A COLLEGE DEGREE, 2008, AND POVERTY RATE, 2008



as an illustration. The individual data suggest, for example, that the poverty rate may be inversely related to the share of adults that have a college degree; i.e., metros that score high with respect to education are likely to have lower poverty rates.

This relationship as of 2008 is shown for the 101 metros in the scatterplot in Figure 1.5. The regression confirms that the relationship is fairly strong – an R^2 of 0.412 implying that the share with college degrees alone explains 41 percent of the variation in the poverty rate. The NC/SC metros (darker dots) exhibit considerable variation, ranging from Detroit (center/left on the chart - 14 percent poverty rate, 26 percent of adults with college degrees) to Washington (lower right on the chart - 7 percent poverty, 47 percent college educated). And all are fairly close to the regression line.

Still, there are many outliers. Those notably above the line (e.g., El Paso, Fresno Jackson) have considerably higher poverty than might be expected given their level of college education. For those well below the line (e.g., Las Vegas, Harrisburg, Worcester) the reverse is true: poverty is less than might be expected considering their level of college education.

Section 2

THE ECONOMY AND THE LABOR MARKET

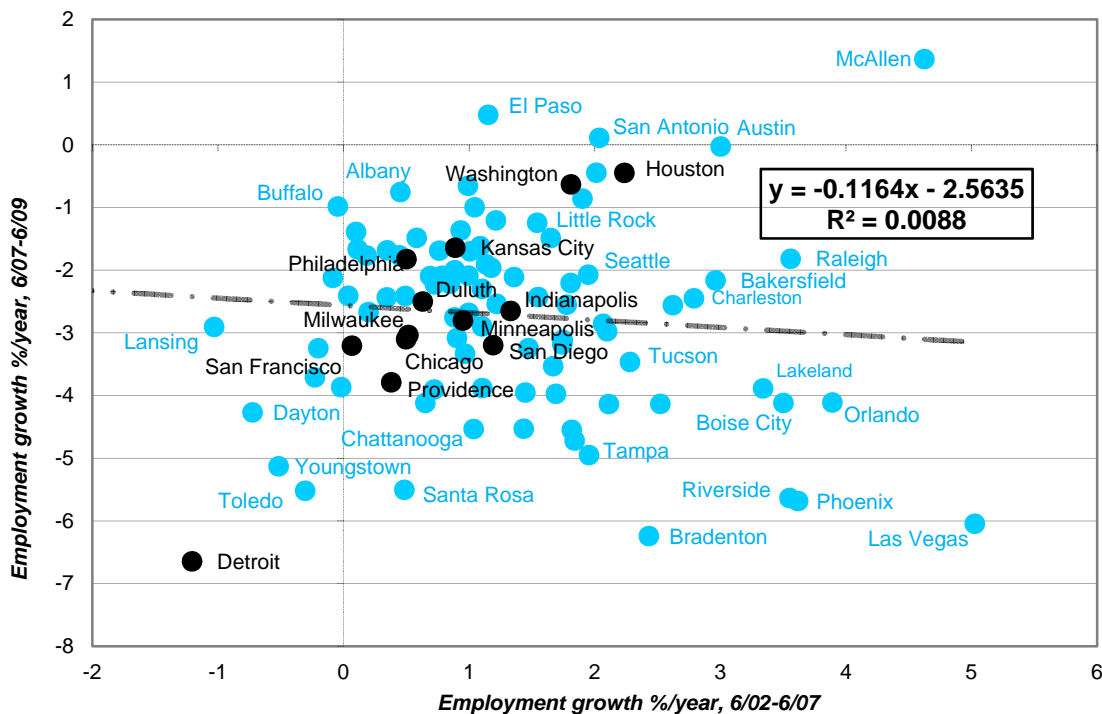
Employment trends

The late 1990s witnessed one of the strongest periods of economic growth in America's history. The boom ended in 2000 and was followed by a period of decline through mid-2002, after which the economy shifted into a modest recovery. But then in late 2007 the national economy fell into the most severe recession it had experienced since the 1930s. For our 100 large metro areas, non-farm employment grew on average by +1.2 percent per year from June 2002 through June 2007, and then over the next two years, employment declined at a horrendous average rate of -2.7 percent per year. Over the most recent year (June 2009-June 2010), this indicator had improved substantially, although the average remained in negative territory (-0.7 percent).

Figure 2.1 is a scatterplot showing the comparable rates for each of the 101 metros for the first two of these periods (again, the darker dots are for the Chicago and the 12 SC metros). There was remarkable diversity in their experiences (regression R^2 of only 0.01). McAllen TX (upper right corner) did very well in both periods although better in the first than the second (rate of +4.6 percent followed by +1.8 percent). At the other extreme (lower left corner) is Detroit which declined in both periods (annual rate of -1.2 percent in the first followed by a precipitous -6.6 percent in the second).

But the patterns were more erratic for others. Las Vegas (lower right corner), which had been the leader in the first period, declined disastrously in the second. Boston's

Figure 2.1
CHANGE IN EMPLOYMENT, 2002-2007 AND 2007-2009



employment growth rate was about the same in both periods, but that implied much better comparative performance in the second than the first.²

Particularly noteworthy on this chart are the metros in the lower right hand corner of the chart (many in Florida, California and Arizona) which, like Las Vegas, had experienced among the highest employment growth rates in the earlier period but were among the biggest losers during the decline.

The NC/SC metros are a particularly valuable set for study because they fall at such diverse locations on this chart. Table 2.1 presents the data for these metros. Columns are provided for the three time periods. Within each period, the metros are listed in rank order according to their employment growth rate (best on top). They are grouped according to whether they fall in the top, middle, or lowest third among the 101 metros during each specific period.

² The most contrasting pattern (not shown on the chart) was for New Orleans which lost employment at a -3.6 percent annual rate during the first period and then gained at a +0.5 percent rate in the second. This pattern, however, was largely the result of the effects of hurricane Katrina rather than the functioning of the local economy.

Table 2.1

EMPLOYMENT TRENDS FOR NC/SC METROS, 2002-2010

Expansion June 2002 - June 2007			Decline - 1st Phase June 2007 - June 2009			Most Recent Year June 2009 - June 2010		
Metro	Rate	Rank	Metro	Rate	Rank	Metro	Rate	Rank
100 Metro Ave.	1.2	-	100 Metro Ave.	(2.7)	-	100 Metro Ave.	(0.7)	-
Houston	2.2	16	Houston	(0.4)	7	Washington	0.8	9
Washington	1.8	27	Washington	(0.6)	8	Duluth	0.2	24
			Kansas City	(1.6)	21	Minneapolis	(0.2)	32
			Philadelphia	(1.8)	29			
Indianapolis	1.3	41	Duluth	(2.5)	49	Houston	(0.6)	49
San Diego	1.2	44	Indianapolis	(2.6)	53	Philadelphia	(0.8)	55
Minneapolis	0.9	60	Minneapolis	(2.8)	57	San Diego	(0.9)	58
Kansas City	0.9	63	Milwaukee	(3.0)	62	Indianapolis	(0.9)	59
			Chicago	(3.1)	64			
Duluth	0.6	73	San Diego	(3.2)	67	Detroit	(1.2)	70
Milwaukee	0.5	75	San Francisco	(3.2)	68	Kansas City	(1.4)	78
Philadelphia	0.5	76	Providence	(3.8)	76	Chicago	(1.5)	81
Chicago	0.5	77	Detroit	(6.6)	101	Providence	(2.0)	91
Providence	0.4	82				Milwaukee	(2.1)	92
San Francisco	0.1	89				San Francisco	(2.8)	99
Detroit	(1.2)	100						

Source: rate is the annual rate of change in total nonfarm employment derived from the Bureau of Labor Statistics Current Employment Statistics series

For the first two periods, we have already noted the results for Detroit, the worst performance among the 101 in the decade overall. The best performance among the NC/SC set was Houston, with annual employment change at +2.2 percent during the earlier part of the decade (16th best) and a comparatively quite modest decline from June 2007 to June 2009 (7th best at -0.4 percent). In the earlier period, Detroit was the only metro in the NC/SC group that lost employment; over 2007-2009 all of them suffered losses, albeit some much more severe than others.

The results confirm the diversity of NC/SC labor market experiences over these years. Houston and Washington DC were in the top third with respect to employment change in both periods. Both Kansas City and Philadelphia had performed less well in the 2002-2007 period but moved up to join them in the top third in 2007-2009 (they still lost employment but they did so much less rapidly than most). Indianapolis and the Twin Cities were in the middle group in both periods. Duluth, Milwaukee and Chicago which had been in the worst performing third in the earlier part of the decade, moved up to the middle group in 2007-2009. San Diego was the only site in the middle group in 2002-2007 that dropped into the lowest third in the latter period, and San Francisco, Providence and Detroit were in the worst performing group in both periods.

What has happened to these metropolitan economies more recently? As noted, performance generally improved in the last year for which we have data (June 2009-June 2010) – two metros (Washington and Duluth) actually experienced some growth and the loss rates for the rest were much less severe than in the earlier phase of the decline.

Most are in the same position they were in during the first phase of the decline but there were some changes of note. On the positive side, both Duluth and the Twin Cities moved up from the middle to the best third, and San Diego moved up from the worst third to the middle. On the negative side, Houston moved down from the top to the middle, Chicago and Milwaukee dropped from the middle to the worst third, and Kansas City dropped all the way from the top third to the bottom.

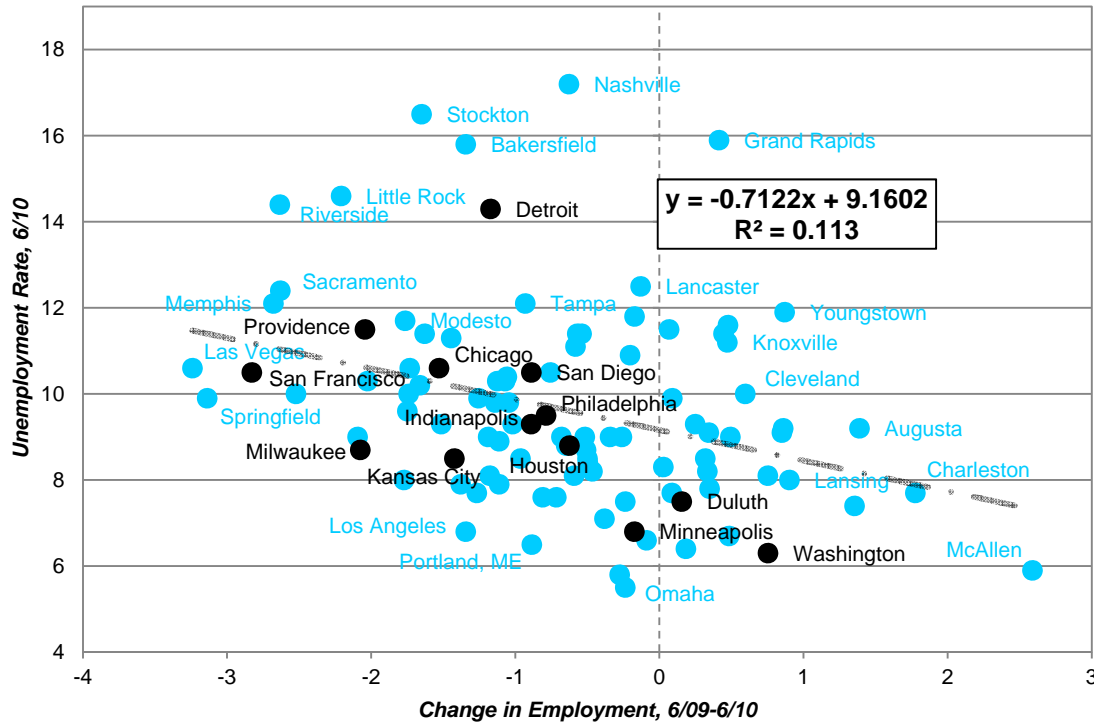
Unemployment

Consistent with the general story given above, unemployment in the top 100 metros decreased during the recovery from June 2002 through June 2007 (from 5.8 to 4.7 percent) and then went up sharply in the recession to hit 9.6 percent in June 2009 (Table 2.2). Since then, even though the rate of change in employment has improved, unemployment has been sticky (actually going up slightly to 9.7 percent in June 2010).

Table 2.2
TRENDS IN UNEMPLOYMENT, 2007-2010

	Rate (%)			Rank in Top 100		
	June 2007	June 2009	June 2010	June 2007	June 2009	June 2010
100 Metro Average	4.7	9.6	9.7	-	-	-
Chicago, IL	5.3	10.8	10.6	79	76	74
Sustain. Commun. Ave.	4.9	9.8	9.4	56	50	47
Detroit, MI	7.9	16.3	14.3	98	101	95
Duluth, MN	5.6	10.3	7.5	84	66	13
Houston, TX	4.6	8.2	8.8	52	25	38
Indianapolis, IN	4.0	8.9	9.3	22	40	52
Kansas City, KS	5.1	8.9	8.5	74	40	32
Milwaukee, WI	5.4	9.6	8.7	81	53	36
Minn.-St. Paul, MN	4.5	8.5	6.8	47	30	9
Philadelphia, PA	4.4	8.6	9.5	41	34	56
Providence, RI	5.0	11.2	11.5	68	81	85
San Diego, CA	4.6	10.0	10.5	52	57	71
San Francisco, CA	4.5	10.2	10.5	47	64	71
Washington, DC	3.1	6.4	6.3	3	3	4

Figure 2.2
CHANGE IN EMPLOYMENT, 2009-2010 AND UNEMPLOYMENT RATE, 2010



This is not surprising. Unemployment levels are typically not tightly correlated with rates of change in employment. Some labor markets with strong employment growth have high unemployment because a variety of factors may prevent them from connecting would-be workers with jobs efficiently while some weak labor markets do a much better job in this regard.

Figure 2.2 displays these relationships plotting June 2009-June 2010 employment change against June 2010 unemployment rates. The regression R^2 is only 0.11. Unemployment rates for places like Nashville, Stockton, and Bakersfield are much above the line (higher than would be expected given their rate of change in employment). Presumably due to historic cultural ties, those in California's Central Valley have long attracted more new residents than the strength of their economies might justify. Alternatively, those well below the line (e.g., Omaha, Portland ME, and Washington DC, with surprisingly low unemployment) are much better at connecting workers to jobs.

The June 2010 unemployment rates of the NC/SC metros range widely (Table 2.2). At 6.3 percent Washington is 3rd best among the 101; the Twin Cities (6.8 percent) and Duluth (7.5 percent) come next. At the other extreme, Detroit at 14.3 percent is 7th worst, followed by Providence, San Diego and San Francisco, all in the 10.5-11.5 percent range. Looking back at Figure 2.2, almost all of the NC/SC metros fall fairly close to the regression line. However, two are exceptions. Both Kansas City and Milwaukee have unemployment rates considerably lower than would be expected given their rate of employment change.

Section 3

THE HOUSING MARKET

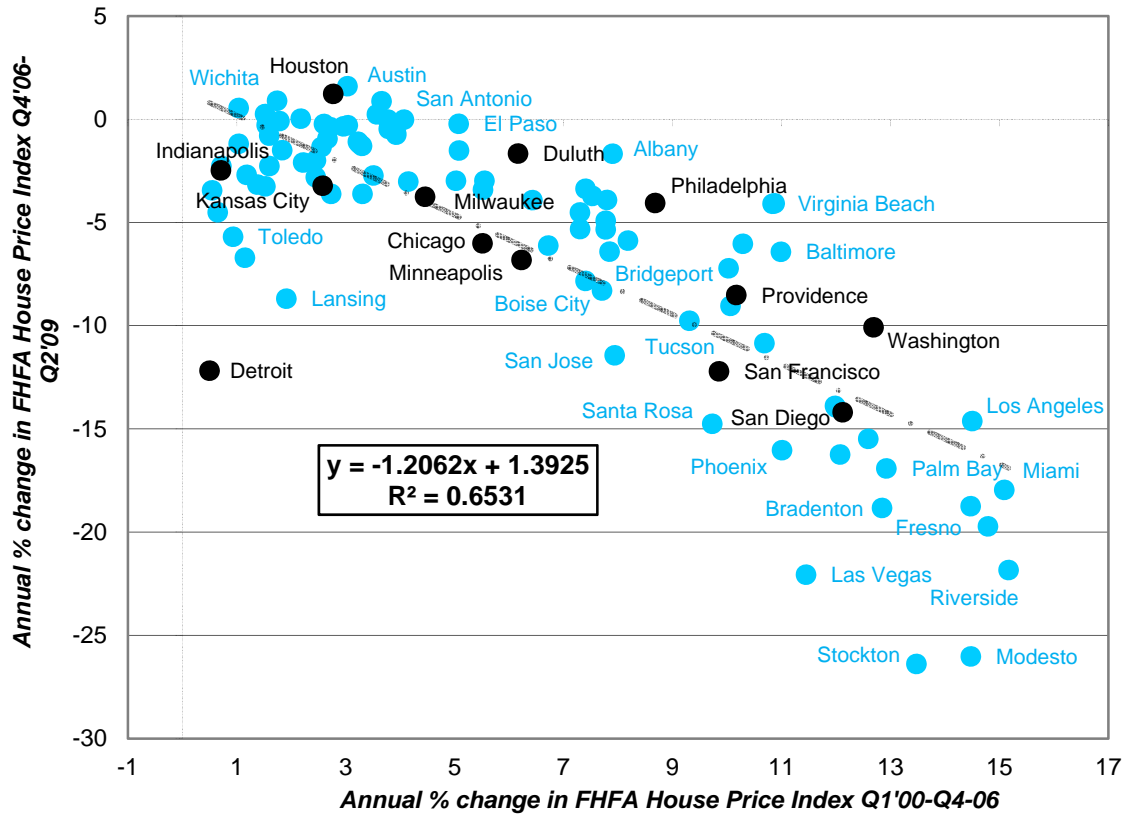
Housing price trends

As history records the events of the past decade, the story of what happened to the productive economy will surely have to share the spotlight with what happened to housing. The nation's housing market had thrived in the late 1990s, paralleling the boom in its economy. By 2001, the economy began to falter but, in contrast to almost all past periods of sluggish economic performance, the housing sector continued to surge upward. Acceleration in housing prices was unprecedented in many U.S. metros through 2006.

But, the following year, 2007, marked the onset of collapse. A rising tide of foreclosures signaled that home prices had increased to unaffordable levels and that serious structural problems had developed in the market. According to the Federal Housing Finance Agency (FHFA) index, for the top 100 metros on average, house prices went up by 6.1 percent annually from the 1st quarter of 2000 through the 4th quarter of 2006, and then dropped by a rate of 6.0 percent per year through the 2nd quarter of 2009.

We saw in section 2 that labor market conditions over the most recent year for which we had data had improved somewhat compared to the first phase of the decline. For the housing market, in contrast, conditions more recently have become worse. From quarter

Figure 3.1
CHANGE IN FHFA HOUSE PRICE INDEX Q4'06-Q2'09 AND Q1'00-Q4'06



2 of 2009 through quarter 2 of 2010, housing prices in the large metros declined on average at an annual rate of -7.4 percent; compared to -6.0 percent in the first phase.

However, to focus on the averages would be misleading. There were remarkable differences in how these changes worked themselves out in different metropolitan areas. Figure 3.1 plots price changes for the first two of these periods for the 101 metros (again, the darker dots are for Chicago and the 12 SC metros). Every area on the chart experienced price increases from 2000 to late 2006 (although Detroit was very close to the line). Between then and mid-2009, the period of the dramatic reversal, only 8 did not experience a decline: Austin, Baton Rouge, Charlotte, Greenville, Houston, San Antonio, Tulsa, and Wichita.

For some - the now well-known bubble markets - declines were especially traumatic. These are in the lower right portion of the chart (almost all in California, Florida, Nevada and Arizona). For them, house prices had gone up by an astounding 10 percent or more

Table 3.1
HOUSING PRICE TRENDS FOR NC/SC METROS

Expansion Q1-2000 - Q4-2006			Decline - 1st Phase Q4-2006 - Q2-2009			Most Recent Year Q2-2009 - Q2-2010		
Metro	Rate	Rank	Metro	Rate	Rank	Metro	Rate	Rank
100 Metro Ave.	6.1	-	100 Metro Ave.	(6.0)	-	100 Metro Ave.	(7.4)	-
Washington	12.7	10	Houston	1.2	2	Houston	(2.9)	7
San Diego	12.1	12	Duluth	(1.7)	30	San Diego	(3.9)	14
Providence	10.2	23				San Francisco	(4.0)	16
San Francisco	9.8	26				Indianapolis	(4.4)	18
Philadelphia	8.7	29				Washington	(5.5)	31
Minneapolis	6.2	45	Indianapolis	(2.5)	36	Kansas City	(6.0)	37
Duluth	6.2	46	Kansas City	(3.2)	44	Duluth	(6.1)	39
Chicago	5.5	49	Milwaukee	(3.7)	52	Philadelphia	(6.3)	46
Milwaukee	4.5	53	Philadelphia	(4.0)	55	Providence	(6.5)	49
			Chicago	(6.0)	66	Milwaukee	(6.5)	52
Houston	2.8	70	Minneapolis	(6.8)	72	Minneapolis	(10.2)	83
Kansas City	2.6	75	Providence	(8.5)	76	Chicago	(10.6)	85
Indianapolis	0.7	98	Washington	(10.1)	80	Detroit	(13.0)	93
Detroit	0.5	101	Detroit	(12.2)	83			
			San Francisco	(12.2)	84			
			San Diego	(14.2)	87			

Source: rate is the annual rate of change in the Federal Housing Finance Agency Housing Price Index for each metro (adjusted for inflation).

annually from 2000 to 2006 and then, as the bubbles burst, they declined by 10 percent per year or more from then through mid-2009.³

There is a larger group in the upper left hand corner, however, that had a quite different experience – very little volatility. Prices increased much more slowly earlier in the decade, and either continued to increase modestly or decline more slowly than the bubble metros after 2006. Metros in this group are located in all other parts of the country.

In the most recent year (Q2-2009 to Q2-2010 – no chart), all of the metros suffered losses but there was a remarkably wide range (from -1.6 percent in Buffalo to -20.0 percent in Lakeland FL). In fact, 6 of the 10 metros that suffered the worst losses over this year were in Florida and none were in California.

How did Chicago and the SC metros perform in this mix? The data are presented in Table 3.1. Like the similar table in the employment section, columns are provided for the

³In fact, the regression indicates a fairly strong negative relationship between performance in the earlier period and the later one (R2 = -0.65). In general, those that went up most rapidly early on declined fastest later.

three time periods we have noted. Within each period, the metros are listed in rank order according to the rate of changes their housing price index (best on top). They are grouped according to whether they fall in the top, middle, or lowest third among the 101 metros during each specific period.

For the first period (2000-2006), among this group, Washington DC, San Diego, San Francisco and Providence saw by far the highest acceleration in housing prices (range from 9.8 to 12.7 percent per year). While less extreme than some of the other California and Florida metros, these clearly qualify for “bubble” status. At the other extreme, price changes for Houston, Kansas City, Indianapolis, and Detroit were moderate (range from 0.5 to 2.8 percent, all in the lowest third among the 101 metros).

What happened to these metros in the first phase of the decline was as would be expected given our discussion of Figure 3.1. The SC bubble metros suffered dramatic reversals. All fell in the worst third of the 101, with annual loss rates ranging from -8.5 percent (Providence) to -14.2 percent (San Diego). However, two others that had not experienced large price increases earlier also fell in the worst third in this phase (Twin Cities at -6.8 percent and Detroit at -12.2 percent).

Only two of the SC metros wound up in the least troubled third in this period: Duluth (drop of only -1.7 percent per year) and Houston (one of the few to experience any increase at the time, +1.2 percent). Of the others, the comparative position (rank) of Kansas City and Indianapolis improved substantially, while those of Milwaukee and Chicago stayed about the same.

Over the most recent year, house prices in all of these metros declined (range from -2.9 percent per year in Houston to -13.0 percent in Detroit), and there were important shifts in comparative positions. All of those we identified as bubble-markets improved substantially in the rankings this time and saw loss-rates notably lower than in the first phase of the decline (San Diego, San Francisco, Washington and Providence). Houston and Indianapolis also had a fairly positive experience. Although their prices declined somewhat more rapidly over the year than they had in the first phase of the decline, they still wound up with high comparative rankings (top third). At the other extreme, three of these metros were among the third with the steepest price declines (Minneapolis, Chicago and Detroit – all with faster loss rates recently than in the first phase).

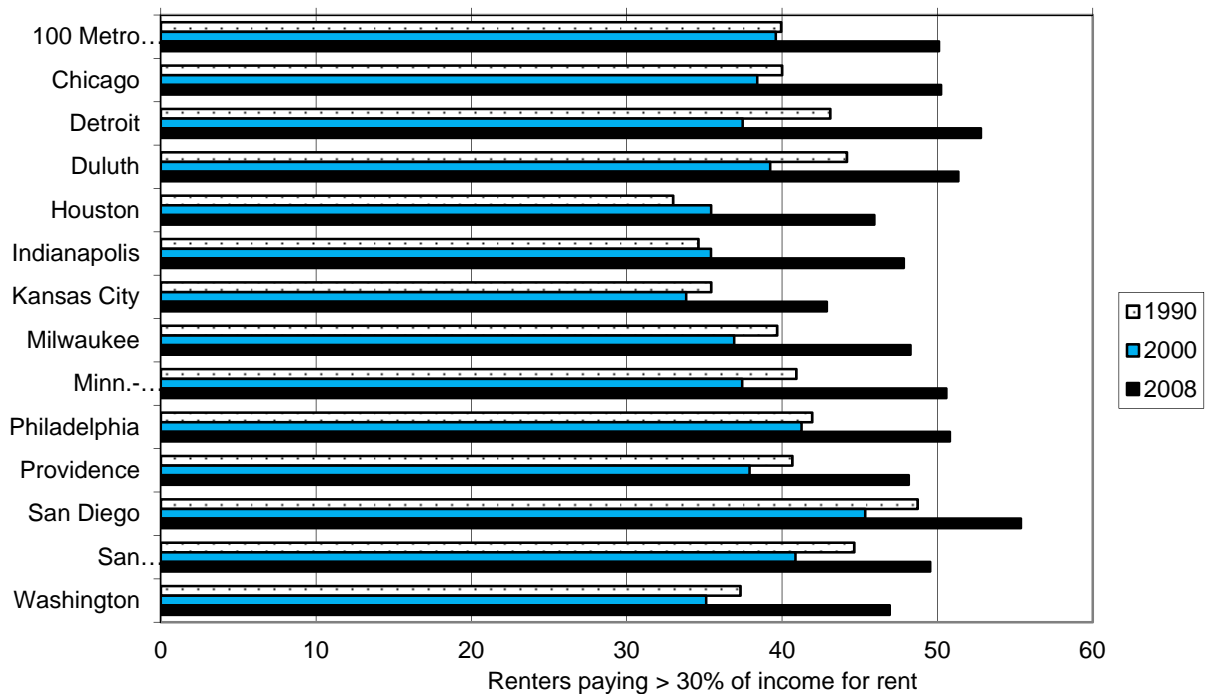
[Home ownership and housing affordability](#)

In the top 100 metros on average, the percent of households that were homeowners increased consistently from 1990 to 2008 (from 64 to 67 percent). All of the metros in

Table 3.2
HOUSING TENURE AND AFFORDABILITY, 2008

	Home-owner % total	Ratio med. home price to income	% pay > 30% inc. for rent	Renter vacancy rate (%)
100 Metro Average	67	3.7	50	9.2
Chicago, IL	68	3.9	50	8.1
Sustain. Commun. Ave.	66	4.0	49	9.2
Detroit, MI	73	2.8	53	11.8
Duluth, MN	72	3.1	51	3.2
Houston, TX	63	2.3	46	14.5
Indianapolis, IN	69	2.6	48	10.3
Kansas City, KS	69	2.7	43	10.5
Milwaukee, WI	64	3.5	48	3.9
Minn.-St. Paul, MN	74	3.5	51	6.2
Philadelphia, PA	70	3.6	51	8.3
Providence, RI	63	4.7	48	8.0
San Diego, CA	56	6.8	55	5.3
San Francisco, CA	57	7.5	50	5.0
Washington, DC	67	4.6	47	7.5

Figure 3.2
RENTERS PAYING MORE THAN 30% OF INCOME FOR RENT



the NC/SC initiatives also saw consistent increases over this period although the levels differed markedly, ranging in 2008 from a low of 56 percent in San Diego to a high of 74 percent in Minneapolis-St. Paul (Table 3.2). We do not yet have data at the metropolitan level for the period after 2008, but national data suggest that most of these rates have probably declined since then.

The preceding section indicates that home prices have declined almost everywhere since late 2006, but incomes have also gone down. Table 3.2 shows a measure of the affordability of ownership units as of 2008: the ratio of the average value of owner-occupied housing units in each area to the average annual income of its home-owner households. Across the top 100 metros, the value of the average unit was 3.7 times the average income.

Looking at the NC/SC metros, the most affordable in 2008 was Houston (ratio of 2.3) followed by Indianapolis (2.6) and Kansas City (2.7). The least affordable by far was San Francisco where the average home value was 7.5 times the amount of the average income (followed by San Diego at 6.8 and Providence at 4.7).

The story for renter households through 2008 is similar; a substantial worsening of affordability problems since the turn of the century. After remaining constant in the 1990s, the share of renters in the largest 100 metros with an affordability problem (paying more than 30 percent of their income for rent) jumped from 40 percent in 2000 to 50 percent in 2008. Figure 3.2 shows the pattern of change in this indicator for each of the NC/SC metros. In almost all cases, the share of renters paying more than 30 percent actually declined slightly from 1990 to 2000, before going up notably in the past decade. Kansas City was the most affordable of the NC/SC metros for renters in 2008 (43 percent with an affordability problem); followed by Washington DC (47 percent). At the other extreme it was again San Diego that was the least affordable (55 percent), followed by Detroit (53 percent).

The final column in Table 3.2 presents data on 2008 rental vacancy rates. The average for the top 100 metros was 9.2 percent. The range for the NC/SC metros was from a low of 3.9 percent (Milwaukee) up to the high of 14.5 percent (Houston).

The mortgage market

Paralleling house prices, mortgage volumes and amounts grew at a rapid pace from 2000 through 2006, and then dropped significantly. Table 3.3 displays data on mortgage lending in the NC/SC metros in 2008, two years after the peak. Median

Table 3.3
MORTGAGE MARKET INDICATORS

	Median mort.amt. \$ 000) 2008	Mortgages originated/ 1,000 units 2008	Hi-cost loans/ 1,000 units 2004-06	Investors as % of borrowers 2008
100 Metro Average	176	37	37	12
Chicago, IL	201	31	46	12
Sustain. Commun. Ave.	196	35	36	11
Detroit, MI	120	21	44	8
Duluth, MN	120	24	19	15
Houston, TX	142	55	66	10
Indianapolis, IN	126	43	43	8
Kansas City, KS	139	41	39	13
Milwaukee, WI	161	27	30	10
Minn.-St. Paul, MN	181	41	34	9
Philadelphia, PA	199	30	22	9
Providence, RI	203	22	25	11
San Diego, CA	300	36	33	15
San Francisco, CA	370	33	26	10
Washington, DC	291	51	46	7

mortgage amounts in 2008 ranged from lows of \$120,000 in Detroit and Duluth up to more than three times that amount in San Francisco (\$370,000, followed by \$300,000 in San Diego and \$291,000 in Washington DC).

The volume of mortgage lending in that year is a more interesting indicator because it shows where market activity remained high just after the peak. Houston comes out on top on this score with 55 home purchase mortgages originated per 1,000 total existing units in 1-4 unit structures.⁴ Also high were Washington (51), Indianapolis (43) and Kansas City and the Twin Cities (both at 41). Those with the lowest levels of market activity were Detroit, Duluth, and Providence, all with origination rates below 25.

The extent of subprime ("high-cost") lending in these metros is shown in the table's next column. Here the measure is the number of high-cost loans originated during the three year 2004-2006 period (the peak period for subprime lending), again, per 1,000 total existing units in 1-4 unit structures. Those with the highest subprime densities were Houston (66), Washington and Chicago (46), Detroit (44), and Indianapolis (43). Those with the lowest were Duluth (19), Philadelphia (22) and Providence (25).

⁴As of the 2000 census.

The share of mortgages where “investors” (everyone other than owner occupants) were the borrowers is shown in the last column. The average for the top 100 metros in 2008 was 12 percent. Among NC/SC metros, the highest investor shares were in San Diego and Duluth (both at 15 percent), followed by Kansas City (13 percent). The lowest investor activity was found in Washington DC (7 percent) and Detroit and Indianapolis (both at 8 percent).

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Appendix A
DATA FOR METROPOLITAN AREAS

**Table A1.1
POPULATION AND HOUSEHOLDS**

		100 Largest Metropolitan Areas					New Com. Metro.	Sustainable Com. Metros		
		Mean	Std. Deviation	Median	25th percentile	75th percentile	Chicago	Detroit	Duluth	Houston
Population and Households										
Total population (000)	1990	1,574	2,222	832	542	1,585	8,182	4,249	269	3,767
	2000	1,825	2,474	929	621	1,889	9,118	4,458	276	4,740
	2009	2,013	2,626	1,080	687	2,109	9,581	4,403	276	5,867
% change/yr.	1990-00	1.5	1.3	1.3	0.7	1.9	1.1	0.5	0.2	2.3
	2000-09	1.1	1.0	1.1	0.5	1.7	0.6	-0.1	0.0	2.4
% pop. under 18	1990	26	2.9	26	24	27	26	26	25	29
	2000	26	2.5	26	24	27	27	27	23	29
	2008	25	2.6	24	23	26	26	25	20	28
% pop. 18-29	1990	20	2.0	20	19	20	20	18	16	20
	2000	16	1.9	16	15	18	17	15	16	18
	2008	17	1.6	17	16	18	17	14	19	17
% pop. 65+	1990	12	3.2	12	10	13	11	12	17	7
	2000	12	3.0	11	10	13	11	12	16	8
	2008	12	2.8	12	11	14	11	12	15	8
% pop. minority, Total	1990	24	15	19	13	33	33	26	4	42
	2000	30	17	26	18	40	40	30	6	52
	2009	34	17	31	20	45	44	31	7	58
% pop. Hispanic	1990	8.6	13.7	3.3	1.2	9.2	10.7	1.8	0.4	20.3
	2000	12	16	6	3	17	17	3	1	29
	2009	15	17	8	4	20	20	4	1	34
% pop. non-Hispanic Black	1990	12	9	9	5	17	19	22	0	18
	2000	12	10	9	6	17	18	23	1	17
	2009	13	10	10	6	17	17	23	1	16
% pop. Asian and other minority	1990	3.5	6.5	1.8	1.2	3.5	3.3	1.7	2.7	3.8
	2000	5.6	7.8	3.5	2.6	5.8	5.3	3.9	4.2	6.0
	2009	6.6	7.7	4.6	3.3	6.7	6.6	4.9	4.9	7.3
% pop. foreign Born	1990	6.6	6.1	4.3	2.2	8.9	11.2	5.5	1.8	12.2
	2000	9.6	7.9	6.4	4.1	13.2	16.1	7.6	1.8	19.0
	2008	11.1	8.1	7.8	5.3	15.9	17.7	8.3	1.5	21.6
% pop. moved past 5 years	2000	50	6	50	46	54	48	45	39	57
	2008	60	6	60	56	65	59	52	52	69
Total households (000)	1990	582	802	308	207	611	2,943	1,573	106	1,354
	2000	676	884	338	240	732	3,281	1,698	113	1,658
	2008	727	912	380	251	800	3,422	1,654	118	1,963
% hsehlds. with children	1990	34	4.2	34	32	36	34	34	32	39
	2000	34	4.0	33	32	35	35	33	29	39
	2008	31	4.1	31	29	33	33	31	26	37
% hsehlds. single parent w/children	1990	7.9	1.4	7.9	7.2	8.6	8.1	9.8	7.5	8.8
	2000	9.3	1.5	9.2	8.4	10.0	8.7	9.8	8.1	9.9
	2008	9.8	1.7	9.7	8.8	10.5	9.4	10.1	8.3	10.8
% hsehlds. non-family	1990	29	3.4	30	27	31	30	29	33	29
	2000	32	3.6	32	30	34	31	32	36	28
	2008	34	3.7	34	32	36	34	34	40	29

Sources: US decennial censuses, Census Estimates, and American Community Survey (ACS) (see Appendix B).

Table A1.1 (Continued)
POPULATION AND HOUSEHOLDS

		Sustainable Communities Metros (Continued)								
		Indiana-polis	Kansas City	Mil-waukee	Minn.-St.Paul	Phila-delphia	Provi-dence	San Diego	San Francisco	Wash-ington
Population and Households										
Total population (000)	1990	1,294	1,637	1,432	2,539	5,435	1,510	2,498	3,687	4,123
	2000	1,531	1,843	1,502	2,982	5,693	1,587	2,825	4,137	4,821
	2009	1,744	2,068	1,560	3,270	5,968	1,601	3,054	4,318	5,476
% change/yr.	1990-00	1.7	1.2	0.5	1.6	0.5	0.5	1.2	1.2	1.6
	2000-09	1.5	1.3	0.4	1.0	0.5	0.1	0.9	0.5	1.4
% pop. under 18	1990	26	26	26	26	24	23	24	22	24
	2000	27	27	26	27	25	24	26	22	25
	2008	27	26	25	25	24	22	25	22	24
% pop. 18-29	1990	19	18	19	20	19	20	24	20	21
	2000	16	16	16	16	15	16	19	16	16
	2008	15	15	15	16	16	17	19	15	16
% pop. 65+	1990	11	12	12	10	13	15	11	12	9
	2000	11	12	13	10	13	14	11	12	9
	2008	11	12	12	10	13	14	11	13	10
% pop. minority, total	1990	15	16	19	8	24	9	34	41	36
	2000	19	21	26	15	29	14	45	50	44
	2009	23	24	29	19	33	19	50	55	50
% pop. Hispanic	1990	0.9	2.8	3.4	1.4	3.3	3.7	20.0	13.4	5.4
	2000	3	5	6	3	5	7	27	18	9
	2009	5	7	9	5	7	10	31	21	13
% pop. non-Hispanic Black	1990	13	12	14	3	18	3	6	11	25
	2000	14	12	16	5	20	4	6	9	26
	2009	14	12	16	7	20	4	5	8	26
% pop. Asian and other minority	1990	1.0	1.5	1.9	3.5	2.2	2.6	8.4	16.4	5.2
	2000	2.5	3.4	3.6	6.4	4.4	3.5	12.1	22.9	8.9
	2009	3.4	4.2	4.6	7.6	5.9	4.2	13.5	26.1	10.8
% pop. foreign born	1990	1.6	2.2	3.8	3.5	5.0	10.4	17.2	21.1	11.8
	2000	3.5	4.4	5.4	7.1	6.9	11.5	21.5	27.4	17.3
	2008	5.0	6.1	6.8	8.7	8.7	12.1	22.1	29.4	20.3
% pop. moved past 5 years	2000	54	52	49	49	41	44	57	49	52
	2008	63	62	57	57	54	53	65	58	62
Total households (000)	1990	496	629	538	961	1,988	564	888	1,425	1,531
	2000	595	718	588	1,137	2,135	614	995	1,553	1,802
	2008	667	785	607	1,262	2,204	604	1,038	1,566	1,981
% hsehlds. with children	1990	35	35	34	35	32	33	33	29	33
	2000	34	34	32	35	33	32	35	30	34
	2008	33	31	30	32	30	30	32	28	32
% hsehlds. single parent w/children	1990	8.1	7.9	9.1	7.1	7.6	7.3	8.1	7.0	7.3
	2000	9.6	9.2	9.8	7.9	9.3	9.3	9.2	7.2	8.8
	2008	10.4	9.5	10.5	8.2	9.6	10.9	9.3	7.3	9.0
% hsehlds. non-family	1990	30	30	31	32	29	30	32	37	32
	2000	33	32	35	34	32	34	33	38	34
	2008	35	34	36	36	35	36	34	39	35

Sources: US decennial censuses, Census Estimates, and American Community Survey (ACS) (see Appendix B).

Table A1.2
THE ECONOMY

Economy		100 Largest Metropolitan Areas					New Com.	Sustainable Com. Metros			
		Mean	Std. Deviation	Median	25th percentile	75th percentile	Metro. Chicago	Detroit	Duluth	Houston	
Number of employees (000)	1995	785	1049	447	260	848	4262	2062	122	1943	
	2000	894	1177	484	287	996	4626	2250	135	2263	
	2002	884	1159	478	290	966	4502	2122	132	2298	
	2007	936	1208	516	305	1049	4615	1997	136	2567	
	2009	886	1151	500	289	995	4333	1740	129	2544	
	2010	880	1142	493	285	985	4267	1720	129	2528	
	% change/yr.	1995-00	2.59	1.26	2.27	1.67	3.17	1.66	1.76	2.13	3.10
		2000-02	-0.28	1.42	-0.32	-1.08	0.49	-1.36	-2.90	-1.30	0.79
		2002-07	1.24	1.24	1.10	0.50	1.83	0.50	-1.21	0.63	2.23
		2007-09	-2.71	1.54	-2.55	-3.83	-1.73	-3.10	-6.64	-2.50	-0.45
2009-10		-0.69	1.09	-0.66	-1.36	0.08	-1.53	-1.17	0.15	-0.63	
Unemployment rate (%)	1995	5.6	2.7	5.1	4.0	6.1	5.2	5.5	6.2	6.6	
	2000	4.0	1.3	3.7	3.4	4.4	4.6	3.9	4.2	4.7	
	2002	5.8	1.3	5.7	5.1	6.4	7.2	6.7	5.8	6.6	
	2007	4.7	1.1	4.5	4.1	5.1	5.3	7.9	5.6	4.6	
	2009	9.6	2.2	9.3	8.2	10.8	10.8	16.3	10.3	8.2	
	2010	9.7	2.3	9.3	8.1	10.8	10.6	14.3	7.5	8.8	
% NonFarm Employment	Total private	2010	83	4.3	84	81	86	86	88	79	85
	Total services	2010	70	4.3	70	67	73	73	74	68	66
	Profess./business svcs.	2010	13	2.8	13	11	15	15	17	6	14
	Educ./health services	2010	15	3.3	15	13	17	15	17	23	12
	Leisure & hospitality	2010	10.5	2.6	10.1	9.2	11.0	9.7	10.1	11.5	9.6
	Financial activities	2010	6.0	1.8	5.9	4.8	7.0	6.9	5.5	4.2	5.4
	Information services	2010	2.0	0.8	1.8	1.5	2.3	1.9	1.5	1.4	1.3
	Other services	2010	4.1	0.6	4.1	3.7	4.5	4.5	4.9	4.3	3.7
	Retail trade	2010	11.1	1.1	11.0	10.4	11.5	10.4	11.0	11.7	10.3
	Wholesale trade	2010	4.2	0.9	4.2	3.5	4.9	5.3	4.4	2.2	5.1
	Transportation & utilities	2010	18.9	2.2	18.8	17.4	20.2	20.1	18.5	18.1	20.1
	Nat.res./mining/constr.	2010	4.7	1.4	4.6	3.9	5.1	3.5	2.8	5.4	10.2
	Manufacturing	2010	8.4	3.3	8.1	6.1	10.5	9.5	10.5	5.5	8.7
	Total Government	2010	16.8	4.3	15.9	13.7	19.5	13.6	12.4	20.8	14.9
Location Quotient	Total private	2010	1.01	0.05	1.02	0.97	1.04	1.04	1.06	0.96	1.03
	Total services	2010	1.02	0.06	1.02	0.98	1.06	1.07	1.08	0.99	0.96
	Profess./business svcs.	2010	1.04	0.22	1.04	0.90	1.19	1.21	1.35	0.48	1.09
	Educ./health services	2010	1.03	0.22	1.00	0.88	1.16	1.00	1.12	1.54	0.82
	Leisure & hospitality	2010	1.01	0.25	0.97	0.89	1.05	0.93	0.97	1.11	0.92
	Financial activities	2010	1.04	0.32	1.01	0.82	1.21	1.18	0.94	0.72	0.94
	Information services	2010	0.98	0.40	0.89	0.72	1.12	0.91	0.73	0.67	0.63
	Other services	2010	1.01	0.15	1.00	0.91	1.10	1.09	1.20	1.03	0.90
	Retail trade	2010	1.01	0.10	1.00	0.95	1.05	0.94	1.00	1.06	0.94
	Wholesale trade	2010	0.97	0.22	0.98	0.82	1.14	1.24	1.03	0.51	1.18
	Transportation & utilities	2010	1.00	0.12	1.00	0.92	1.07	1.07	0.98	0.96	1.06
	Nat.res./mining/constr.	2010	0.95	0.28	0.92	0.78	1.04	0.71	0.57	1.09	2.05
	Manufacturing	2010	0.94	0.36	0.91	0.69	1.18	1.07	1.18	0.61	0.97
	Total Government	2010	0.97	0.25	0.92	0.79	1.13	0.79	0.72	1.20	0.86
Employ. % change/year	Total employment	2009-10	-0.7	1.1	-0.7	-1.4	0.1	-1.5	-1.2	0.2	-0.6
	Total private	2009-10	-0.9	1.2	-0.9	-1.7	0.0	-1.9	-0.9	0.2	-1.3
	Total services	2009-10	-0.3	1.1	-0.3	-1.2	0.5	-1.2	-1.3	0.3	-0.7
	Profess./business svcs.	2009-10	0.3	3.2	0.0	-1.9	1.7	-2.2	1.2	2.6	-1.9
	Educ./health services	2009-10	1.6	1.6	1.6	0.5	2.6	1.7	0.2	3.2	3.5
	Leisure & hospitality	2009-10	0.0	2.9	-0.4	-1.6	1.8	-1.1	-2.3	1.4	-0.7
	Financial activities	2009-10	-2.8	1.9	-2.8	-4.1	-1.6	-2.0	-5.3	-1.8	-1.6
	Information services	2009-10	-4.4	3.7	-4.2	-6.1	-2.5	-3.7	-7.5	-5.3	-6.0
	Other services	2009-10	-0.3	2.2	-0.5	-1.8	1.1	-3.6	-0.2	-5.2	0.1
	Retail trade	2009-10	-0.8	2.3	-0.8	-2.1	0.4	-1.1	-3.5	0.0	-0.6
	Wholesale trade	2009-10	-2.0	2.3	-2.0	-3.2	-1.0	-3.8	-3.6	-6.7	-2.8
	Transportation & utilities	2009-10	-1.3	1.5	-1.3	-2.4	-0.4	-1.5	-3.0	-2.1	-1.7
	Nat.res./mining/constr.	2009-10	-6.7	5.3	-6.6	-10.2	-3.2	-14.8	-10.9	-1.4	-5.0
	Manufacturing	2009-10	-2.4	4.0	-2.8	-4.6	-1.2	-2.1	5.4	0.0	-2.2
Total Government	2009-10	0.6	1.9	0.6	-0.7	1.7	1.1	-3.0	0.0	3.7	

Sources: Bureau of Labor Statistics (BLS). Unemployment data from Local Area Unemployment Statistics (LAUS) series. All other data from Current Employment Statistics (CES) series. All data as of June in years indicated (see Appendix B).

Table A1.2 (Continued)
THE ECONOMY

		Sustainable Communities Metros (Continued)									
		Indiana-polis	Kansas City	Mil-waukee	Minn.-St.Paul	Phila-delphia	Provi-dence	San Diego	San Franciso	Wash-ington	
Economy											
Number of employees (000)	1995	763	910	811	1562	2487	542	987	1819	2320	
	2000	863	997	879	1770	2768	583	1203	2143	2712	
	2002	865	979	849	1738	2765	581	1244	2039	2755	
	2007	924	1024	871	1822	2834	592	1320	2045	3013	
	2009	876	990	819	1721	2732	548	1237	1916	2975	
	2010	868	976	802	1718	2711	537	1226	1862	2998	
	% change/yr.	1995-00	2.48	1.85	1.62	2.53	2.16	1.48	4.03	3.33	3.17
		2000-02	0.13	-0.88	-1.76	-0.91	-0.06	-0.19	1.70	-2.47	0.79
		2002-07	1.33	0.89	0.52	0.95	0.50	0.38	1.19	0.07	1.81
		2007-09	-2.65	-1.64	-3.03	-2.80	-1.82	-3.79	-3.19	-3.20	-0.63
2009-10		-0.89	-1.42	-2.08	-0.17	-0.79	-2.04	-0.89	-2.83	0.75	
Unemployment rate (%)	1995	3.7	4.6	4.1	3.1	6.0	6.5	6.6	5.8	4.5	
	2000	2.6	3.4	4.3	2.7	4.0	3.9	4.3	3.7	2.9	
	2002	4.7	5.8	6.3	4.6	5.6	5.1	5.3	6.5	4.3	
	2007	4.0	5.1	5.4	4.5	4.4	5.0	4.6	4.5	3.1	
	2009	8.9	8.9	9.6	8.5	8.6	11.2	10.0	10.2	6.4	
	2010	9.3	8.5	8.7	6.8	9.5	11.5	10.5	10.5	6.3	
<i>% NonFarm Employment</i>											
Total private	2010	86	84	88	86	87	86	81	83	77	
Total services	2010	72	72	71	72	76	73	69	73	70	
Profess./business svcs.	2010	15	14	12	15	15	11	16	18	23	
Educ./health services	2010	14	13	18	15	20	21	12	13	12	
Leisure & hospitality	2010	10.2	10.0	9.0	10.1	8.5	11.4	12.8	11.2	9.3	
Financial activities	2010	6.6	7.0	6.8	7.8	7.4	6.2	5.6	6.8	4.8	
Information services	2010	1.8	3.8	2.0	2.3	1.9	2.0	2.9	3.3	2.6	
Other services	2010	3.9	4.1	5.2	4.3	4.4	4.8	3.9	3.8	6.2	
Retail trade	2010	10.6	10.4	9.1	9.9	10.7	11.0	10.4	9.9	8.7	
Wholesale trade	2010	5.0	5.0	4.4	4.6	4.5	3.7	3.3	3.6	2.2	
Transportation & utilities	2010	21.3	19.9	16.9	17.7	18.4	17.0	15.9	17.1	13.0	
Nat.res./mining/constr.	2010	4.2	4.6	3.6	3.1	3.5	3.8	4.8	4.4	4.8	
Manufacturing	2010	9.5	7.4	13.8	10.3	6.8	9.3	7.5	6.1	1.8	
Total Government	2010	13.9	15.9	12.0	14.2	13.5	13.5	18.6	16.5	23.0	
<i>Location Quotient</i>											
Total private	2010	1.04	1.02	1.06	1.04	1.05	1.05	0.98	1.01	0.93	
Total services	2010	1.05	1.05	1.03	1.05	1.11	1.07	1.00	1.06	1.02	
Profess./business svcs.	2010	1.16	1.12	0.97	1.15	1.18	0.84	1.26	1.42	1.79	
Educ./health services	2010	0.93	0.88	1.24	1.05	1.37	1.44	0.81	0.85	0.79	
Leisure & hospitality	2010	0.98	0.96	0.86	0.97	0.82	1.09	1.23	1.08	0.89	
Financial activities	2010	1.14	1.21	1.18	1.34	1.28	1.07	0.96	1.18	0.83	
Information services	2010	0.85	1.84	0.97	1.11	0.93	0.99	1.41	1.60	1.27	
Other services	2010	0.96	1.00	1.26	1.05	1.08	1.17	0.94	0.92	1.52	
Retail trade	2010	0.96	0.95	0.83	0.90	0.97	1.00	0.95	0.90	0.79	
Wholesale trade	2010	1.17	1.17	1.03	1.07	1.06	0.87	0.78	0.84	0.52	
Transportation & utilities	2010	1.13	1.05	0.90	0.94	0.98	0.90	0.84	0.91	0.69	
Nat.res./mining/constr.	2010	0.85	0.92	0.72	0.63	0.71	0.76	0.97	0.88	0.97	
Manufacturing	2010	1.06	0.82	1.54	1.16	0.77	1.05	0.84	0.68	0.20	
Total Government	2010	0.80	0.92	0.69	0.82	0.78	0.78	1.08	0.96	1.33	
<i>Employ. % change/year</i>											
Total employment	2009-10	-0.9	-1.4	-2.1	-0.2	-0.8	-2.0	-0.9	-2.8	0.8	
Total private	2009-10	-1.2	-1.5	-2.5	-0.1	-1.1	-2.4	-0.9	-2.9	0.4	
Total services	2009-10	-0.2	-1.4	-2.1	0.5	-0.3	-1.8	-0.3	-2.2	0.8	
Profess./business svcs.	2009-10	8.5	-1.5	-3.1	3.4	-0.1	-2.0	1.1	-2.5	0.6	
Educ./health services	2009-10	-2.6	0.5	1.2	0.5	1.1	0.4	1.9	-0.8	0.7	
Leisure & hospitality	2009-10	-3.8	0.2	1.0	5.8	0.0	-1.9	-0.3	-0.7	2.9	
Financial activities	2009-10	-2.1	-4.2	-4.5	-1.5	-3.3	-2.1	-3.5	-4.4	-2.6	
Information services	2009-10	-4.4	-5.3	-2.4	-1.3	-3.5	-5.2	-3.5	-4.3	-6.5	
Other services	2009-10	-3.7	-3.4	-1.9	-2.5	-0.3	-0.4	0.2	-3.8	0.6	
Retail trade	2009-10	0.4	-1.5	-5.4	-0.9	0.6	-5.4	-2.2	-1.4	4.3	
Wholesale trade	2009-10	-3.5	-1.4	-6.4	-2.7	-1.4	-1.0	0.7	-2.9	0.8	
Transportation & utilities	2009-10	-0.8	-1.3	-5.2	-2.7	-0.4	-4.0	-1.8	-2.3	3.0	
Nat.res./mining/constr.	2009-10	-14.1	-2.4	-6.8	-12.9	-10.2	-8.6	-4.7	-10.2	-3.8	
Manufacturing	2009-10	-1.7	-2.0	-3.2	-0.2	-5.2	-4.4	-4.0	-5.0	-5.2	
Total Government	2009-10	0.8	-0.8	0.8	-0.4	1.4	0.3	-0.7	-2.6	2.1	

Sources: Bureau of Labor Statistics (BLS). Unemployment data from Local Area Unemployment Statistics (LAUS) series. All other data from Current Employment Statistics (CES) series. All data as of June in years indicated (see Appendix B).

Table A1.3
INCOME, POVERTY AND SOCIAL CONDITIONS

		100 Largest Metropolitan Areas					New Com. Metro.	Sustainable Com. Metros		
		Mean	Std. Deviation	Median	25th percentile	75th percentile	Chicago	Detroit	Duluth	Houston
Income, Poverty and Social Conditions										
Average hourly wage (\$ 2009) all occupations	2005	19.92	2.51	19.51	18.32	20.76	21.68	23.30	18.28	20.55
	2009	20.69	2.67	20.16	18.95	21.75	23.16	22.41	18.45	21.58
Average hourly wage ratio Highest 5 occ./lowest 5	2005	3.19	0.25	3.18	3.06	3.32	3.24	3.32	2.65	3.95
	2009	3.22	0.27	3.20	3.01	3.39	3.37	3.39	2.76	3.72
Average household income, \$000 (const. 2008 \$)	1990	64.3	10.7	62.1	56.6	67.5	74.1	69.7	47.3	67.7
	2000	72.1	12.1	69.9	64.3	77.5	84.3	79.8	56.0	76.2
	2008	72.6	13.4	70.4	63.8	78.4	82.6	70.5	56.2	79.2
% pop. below poverty	1990	12	4.7	11	10	13	11	13	14	15
	2000	12	4.1	11	9	13	10	11	11	14
	2008	13	3.8	12	11	14	12	14	13	14
% pop. below 200% of poverty	1990	29	7.8	27	24	33	25	26	35	33
	2000	28	7.3	26	23	31	24	23	29	33
	2008	30	6.9	29	25	33	27	30	31	33
% children below Poverty	1990	17	6.3	16	13	19	17	20	17	20
	2000	15	5.7	14	12	17	14	15	13	18
	2008	17	5.6	16	14	19	17	20	12	20
% 25 or over without high school degree	1990	23	6.0	22	19	26	23	24	21	25
	2000	18	5.7	17	15	20	19	18	13	24
	2008	14	5.2	13	11	16	15	13	8	20
% 25 or over with college degree	1990	21	4.8	21	19	24	23	18	16	24
	2000	26	5.8	25	23	28	29	23	20	26
	2008	29	6.3	29	26	32	33	26	26	28
% age 16-19 no school or work	1990	9.4	2.1	9.2	8.1	10.9	10.3	11.7	6.7	11.3
	2000	8.6	2.0	8.2	7.2	10.0	9.7	8.8	5.2	11.4
	2008	7.5	2.1	7.4	5.9	8.6	7.7	9.7	.	8.6
% hshlds. receiving public assistance	2000	3.4	1.5	2.9	2.4	3.8	3.6	4.0	4.5	2.4
	2008	2.4	1.1	2.2	1.7	2.9	2.1	3.5	3.8	1.3
Single parent as % all hsehlts. w/ children	1990	23	2.9	23	21	25	24	29	23	22
	2000	28	3.6	28	25	30	25	30	28	25
	2008	32	4.3	32	29	35	29	33	32	29

Sources: Wage data from BLS/OES series (as of June of years indicated). All other data from US decennial censuses and ACS (see Appendix B).

Table A1.3 (Continued)
INCOME, POVERTY AND SOCIAL CONDITIONS

		Sustainable Communities Metros (Continued)								
		Indiana- polis	Kansas City	Mil- waukee	Minn.- St.Paul	Phila- delphia	Provi- dence	San Diego	San Francisco	Wash- ington
Income, Poverty and Social Conditions										
Average hourly wage (\$ 2009) all occupations	2005	19.53	20.19	20.64	23.15	21.85	20.26	21.98	26.47	26.41
	2009	20.15	20.79	21.19	23.40	23.07	20.96	23.49	28.01	28.59
Average hourly wage ratio Highest 5 occ./lowest 5	2005	2.88	3.13	3.26	3.11	3.32	2.9753	3.52	3.30	3.47
	2009	3.00	3.17	3.11	3.37	3.43	3.29	3.53	3.44	3.65
Average household income, \$000 (const. 2008 \$)	1990	64.1	63.0	64.2	72.1	72.9	63.4	73.1	85.0	92.6
	2000	73.6	72.9	73.0	84.6	78.6	68.0	79.0	104.2	100.8
	2008	71.8	72.5	70.8	85.6	81.6	72.3	84.5	105.1	110.0
% pop. below poverty	1990	10	10	12	8	10	9	11	9	6
	2000	8	9	11	7	11	11	12	9	7
	2008	11	10	12	8	11	12	13	9	7
% pop. below 200% of poverty	1990	26	26	25	20	23	24	29	22	16
	2000	23	22	24	17	24	26	31	21	18
	2008	28	25	27	21	25	26	29	22	17
% children below poverty	1990	14	14	19	11	15	14	16	13	8
	2000	11	11	16	9	14	16	17	11	9
	2008	16	14	16	10	15	16	17	12	9
% 25 or over without high school degree	1990	21	18	20	13	24	30	18	17	15
	2000	16	13	15	9	18	24	17	16	13
	2008	11	10	11	7	12	18	15	13	11
% 25 or over with college degree	1990	21	23	21	27	23	19	25	32	38
	2000	27	28	27	33	28	24	30	39	42
	2008	32	32	31	38	32	28	34	43	47
% age 16-19 no school or work	1990	11.1	9.7	7.6	6.2	9.5	8.6	9.5	8.4	7.6
	2000	9.5	8.8	7.7	5.1	7.9	7.3	8.2	7.5	6.8
	2008	7.9	8.0	6.9	3.6	7.1	6.3	7.7	6.0	6.2
% hshlds. receiving public assistance	2000	2.3	2.5	2.4	3.3	3.9	4.3	3.6	3.2	2.0
	2008	2.4	2.1	2.0	3.0	3.5	3.2	2.1	2.4	1.4
Single parent as % all hsehlts. w/ children	1990	23	23	27	20	24	22	24	24	22
	2000	28	27	30	23	29	29	26	24	26
	2008	32	30	36	26	32	37	29	26	28

Sources: Wage data from BLS/OES series (as of June of years indicated). All other data from US decennial censuses and ACS (see Appendix B).

Table A1.4
HOUSING CONDITIONS

		100 Largest Metropolitan Areas					New Com.	Sustainable Com. Metros		
		Mean	Std. Deviation	Median	25th percentile	75th percentile	Metro. Chicago	Detroit	Duluth	Houston
Housing										
No. of housing units (000)	1990	633	861	337	225	656	3,148	1,666	128	1,557
	2000	724	935	366	255	779	3,462	1,797	130	1,800
	2008	810	1,002	434	283	899	3,778	1,900	139	2,230
% of units owner Occupied	1990	63.9	5.2	64.7	60.7	68.2	61.8	69.6	74.2	56.4
	2000	66.2	4.9	67.0	63.1	69.7	65.2	72.6	74.9	60.9
	2008	67.0	4.6	68.0	65.2	69.7	68.2	73.1	71.7	63.4
% renters pay >30% income for rent	1990	40	3.9	40	37	42	40	43	44	33
	2000	40	3.5	39	37	42	38	37	39	35
	2008	50	4.3	50	47	53	50	53	51	46
Vacancy rate, Renters	1990	8.7	3.0	8.0	6.4	10.9	8.2	7.5	7.4	14.1
	2000	7.4	2.5	7.6	5.8	9.1	5.8	6.7	5.9	9.3
	2008	9.2	3.8	8.6	6.2	10.8	8.1	11.8	3.2	14.5
Ave. value owner-occupied housing \$000 (const. 2008 \$) % change/yr.	1990	186	98	150	124	205	209	137	78	135
	2000	202	90	174	153	211	250	206	112	155
	2008	278	147	243	178	319	326	200	175	186
	1990-00	1.2	1.9	1.5	-0.2	2.5	1.8	4.2	3.6	1.4
	2000-07	4.8	3.0	3.7	2.5	7.3	4.4	0.9	7.0	2.7
2007-08	-0.5	0.9	-0.4	-0.8	-0.1	-0.4	-1.2	-0.3	0.0	
Ratio: Ave. Home Value/ Average HH Income All Owner Occ. (2008 \$)	1990	4.6	1.6	3.9	3.6	4.8	4.6	3.2	2.7	3.3
	2000	3.4	0.9	3.1	2.9	3.6	3.7	3.2	2.5	2.5
	2008	3.7	1.3	3.4	2.7	4.3	3.9	2.8	3.1	2.3
Average gross rent (const. 2008 \$)	1990	785	168	750	672	849	838	770	516	740
	2000	801	158	764	694	882	879	772	543	800
	2008	851	196	816	707	931	928	789	600	845
FHFA house price index % change/yr.	2000-06	6.10	4.34	5.05	2.50	9.94	5.51	0.50	6.16	2.77
	2006-09	-6.02	6.47	-3.73	-8.60	-1.23	-6.00	-12.17	-1.65	1.24
	2009-10	-7.42	3.67	-6.53	-9.16	-5.01	-10.65	-13.04	-6.09	-2.94

Sources: US decennial census, ACS (see Appendix B), and the Federal Housing Finance Agency.

Table A1.4 (Continued)
HOUSING CONDITIONS

		Sustainable Communities Metros (Continued)								
		Indiana- polis	Kansas City	Mil- waukee	Minn.- St.Paul	Phila- delphia	Provi- dence	San Diego	San Francisco	Wash- ington
Housing										
No. of housing units (000)	1990	536	688	562	1,015	2,134	616	946	1,500	1,633
	2000	645	768	618	1,170	2,282	657	1,040	1,607	1,890
	2008	753	867	655	1,346	2,395	677	1,138	1,698	2,152
% of units owner occupied	1990	64.3	65.9	59.4	68.9	69.6	59.3	53.8	54.0	61.1
	2000	67.6	68.2	61.1	72.4	70.0	60.6	55.4	55.4	63.7
	2008	69.4	69.0	63.8	73.8	69.8	63.0	56.4	56.9	67.0
% renters pay >30% income for rent	1990	35	35	40	41	42	41	49	45	37
	2000	35	34	37	37	41	38	45	41	35
	2008	48	43	48	51	51	48	55	50	47
Vacancy rate, renters	1990	9.3	12.3	4.7	8.2	8.2	7.7	6.3	5.5	7.6
	2000	10.8	8.3	5.7	3.0	6.6	5.2	3.2	2.5	4.3
	2008	10.3	10.5	3.9	6.2	8.3	8.0	5.3	5.0	7.5
Ave. value owner- occupied housing \$000 (const. 2008 \$)	1990	129	125	146	168	196	251	367	477	322
	2000	173	157	196	211	185	207	356	526	286
	2008	185	195	248	298	293	341	575	787	502
% change/yr.	1990-00	3.0	2.3	3.0	2.3	-0.6	-1.9	-0.3	1.0	-1.2
	2000-07	1.2	3.6	4.1	6.1	7.3	8.4	8.3	5.7	9.5
	2007-08	-0.2	-0.5	-0.6	-0.8	-0.4	-0.8	-1.0	0.2	-0.9
Ratio: Ave. Home Value/ Average HH Income All Owner Occ. (2008 \$)	1990	3.3	3.3	3.7	3.8	4.4	6.5	8.3	9.2	5.7
	2000	2.9	2.7	3.4	3.1	2.9	3.8	5.6	6.3	3.5
	2008	2.6	2.7	3.5	3.5	3.6	4.7	6.8	7.5	4.6
Average gross rent (const. 2008 \$)	1990	698	718	750	811	884	781	1,081	1,174	1,138
	2000	748	753	760	833	863	696	1,040	1,277	1,086
	2008	724	761	781	866	925	818	1,264	1,329	1,295
FHFA house price index % change/yr.	2000-06	0.70	2.57	4.45	6.23	8.68	10.17	12.12	9.85	12.69
	2006-09	-2.47	-3.21	-3.74	-6.81	-4.05	-8.51	-14.18	-12.20	-10.07
	2009-10	-4.35	-6.00	-6.54	-10.16	-6.34	-6.46	-3.92	-3.96	-5.47

Sources: US decennial census, ACS (see Appendix B), and the Federal Housing Finance Agency.

Table A1.5
HOME MORTGAGE LENDING

		100 Largest Metropolitan Areas					New Com.	Sustainable Com. Metros		
		Mean	Std. Deviation	Median	25th percentile	75th percentile	Metro.	Detroit	Duluth	Houston
							Chicago			
Home Mortgage Lending										
Mortgages originated/ 1,000 base units	1997	44	11	44	36	50	48	49	28	49
	2000	55	16	51	44	63	62	55	31	69
	2008	37	30	70	53	93	82	60	37	95
Median mortgage amount (\$000)	1997	129	39	120	105	142	156	133	78	101
	2000	137	47	125	108	153	165	150	85	113
	2008 (const. 2008 \$)	176	66	161	131	197	201	120	120	142
% change/yr.	1997-00	1.9	2.3	1.9	0.6	3.1	2.0	4.2	3.0	3.8
	2000-06	3.1	3.6	2.7	0.3	5.4	0.9	-4.7	4.2	-0.2
	2006-08	3.3	6.7	4.5	0.6	7.6	7.5	3.4	5.0	13.1
Mortgage denial rate (%)	1997	22	7.5	21	18	27	14	27	19	25
	2000	16	3.1	16	13	17	14	19	12	20
	2008									
Investors as % of all borrowers	1997.0	7.7	2.9	7.1	6.1	8.4	7.2	19.6	10.3	6.7
	2000.0	7.4	3.0	6.8	5.5	8.6	5.1	4.4	12.8	4.9
	2008.0	12.1	4.1	11.1	9.5	14.2	12.0	8.4	14.9	10.2
High-cost purchase loans /1,000 units	2004-06	37	18	33	26	44	46	44	19	66
High-cost loans % of purchase mortgages	2004-06	21	6.0	20	17	24	24	33	20	31
High-cost loans % of refinancing mortgages	2004-06	25	7.2	26	21	29	26	25	26	35
High-income hseholds. % of borrowers	1997	41	6.0	40	37	43	39	36	35	47
	2000	40	8.5	38	34	44	34	33	32	45
	2008	42	9.2	40	36	46	43	28	32	54
Low-income hseholds. % of borrowers	1997	22	3.3	23	21	25	24	24	25	21
	2000	23	4.7	24	21	26	27	27	26	21
	2008	23	5.4	24	20	27	22	30	29	17
Hispanics as % of borrowers	1997	6.8	11.9	2.4	0.8	7.1	10.6	0.7	0.2	14.7
	2000	8.3	12.7	3.7	1.3	10.0	11.9	1.2	0.3	17.6
	2008	9.4	12.9	4.7	2.4	9.8	9.8	1.9	0.5	19.1
Non-Hisp. blacks as % of borrowers	1997	6.5	5.7	4.8	2.5	9.1	9.6	10.2	0.2	7.8
	2000	7.2	6.3	5.2	2.7	9.8	8.9	10.9	0.3	9.2
	2008	6.7	6.2	4.3	2.6	8.4	8.8	10.9	0.3	8.6

Sources: Home Mortgage Disclosure Act (HMDA) data set (see Appendix B).

Table A1.5 (Continued)
HOME MORTGAGE LENDING

		Sustainable Communities Metros (Continued)								
		Indiana-polis	Kansas City	Mil-waukee	Minn.-St.Paul	Phila-delphia	Provi-dence	San Diego	San Francisco	Wash-ington
Home Mortgage Lending										
Mortgages originated/ 1,000 base units	1997	50	46	40	55	35	31	49	50	57
	2000	60	57	44	72	45	41	75	64	89
	2008	75	74	57	88	54	53	102	78	132
Median mortgage amount (\$000) (const. 2008 \$) % change/yr.	1997	127	115	134	134	134	134	199	254	188
	2000	134	126	138	159	131	144	221	299	183
	2008	126	139	161	181	199	203	300	370	291
	1997-00	1.6	3.1	0.8	5.8	-0.7	2.3	3.7	5.6	-0.9
	2000-06	-2.6	-0.2	1.2	2.3	4.5	6.8	7.1	6.8	6.7
2006-08	5.0	5.5	4.5	-0.2	7.9	-2.5	-5.1	-8.7	4.0	
Mortgage denial rate (%)	1997	22	18	12	15	14	13	17	15	11
	2000	16	16	11	12	12	15	17	17	11
	2008									
Investors as % of all borrowers	1997.0	7.2	7.3	8.8	4.7	4.5	7.3	6.9	6.4	3.1
	2000.0	6.4	7.4	7.8	3.8	5.1	8.3	7.5	6.2	3.0
	2008.0	8.4	13.3	10.2	9.4	8.6	11.3	15.3	10.2	6.8
High-cost purchase loans /1,000 units	2004-06	43	39	30	34	22	25	33	26	46
High-cost loans % of purchase mortgages	2004-06	26	23	20	17	17	22	16	16	17
High-cost loans % of refinancing mortgages	2004-06	25	29	27	20	25	20	10	10	21
High-income hseholds. % of borrowers	1997	37	36	42	28	40	38	55	57	34
	2000	31	33	34	27	39	44	63	66	31
	2008	33	34	40	28	40	39	56	59	38
Low-income hseholds. % of borrowers	1997	24	24	19	29	23	23	14	14	26
	2000	29	26	25	30	24	19	11	10	28
	2008	29	28	25	31	24	24	14	14	26
Hispanics as % of borrowers	1997	0.7	1.5	2.4	1.2	3.2	3.3	11.4	6.7	4.0
	2000	1.5	2.8	3.7	1.9	3.4	4.5	14.1	10.1	6.5
	2008	2.4	3.4	4.7	2.1	4.5	6.5	18.3	9.5	7.8
Non-Hisp. blacks as % of borrowers	1997	7.1	5.5	7.2	2.5	11.7	1.9	2.4	3.9	18.3
	2000	8.2	7.0	8.4	2.6	12.3	2.2	2.2	4.2	17.7
	2008	7.0	4.7	6.0	2.6	10.9	2.8	2.1	3.1	17.1

Sources: Home Mortgage Disclosure Act (HMDA) data set (see Appendix B).

Appendix B

DATA SOURCES AND DEFINITIONS

Metropolitan Areas and Years Covered

Table B.1, lists all of the indicators used in this report. The first column provides the name of the indicator, which corresponds with the list of indicators in Table A.1. The second column indicates the geographic area—either the Metropolitan Statistical Area or New England City and Town Areas (NECTAs). “Metro” means that the data are for the current definition of the metropolitan area, as set forth by the federal Office of Management and Budget in 2008. The 100 largest metropolitan areas are based upon 2000 Census population for each area.

Most official names of metropolitan areas are a composite of the names of prominent “places” in the area. For example, “Seattle-Tacoma—Bellevue, WA” is an official metropolitan area name, but in this report we only use the first name listed (“Seattle”). In the case of Oakland, we include an abbreviation of the first name listed and the Casey city name (“SF/Oakland”). For a full description of metropolitan definitions, see *Tracking Metropolitan America into the 21st Century: A field Guide to the New Metropolitan and Micropolitan Definitions*, by William H. Frey, Jill H. Wilson, Alan Berube, and Audrey Singer (http://www.brookings.edu/metro/pubs/20041115_metrodefinitions.htm).

The third column in table B.1 notes the years for which data are provided in table A.1.

Sources of Data and Variable Definitions

The fourth column in table B.1 gives the short name of the source of the data supporting each indicator. There are 7 sources in all. The paragraphs below give the complete names of the source and provide the URLs for their websites, which offer more information about how the data were derived and complete definitions for each variable.

BLS/CES. This refers to the U.S. Bureau of Labor Statistics (BLS) Current Employment Statistics (CES) program. State and major metropolitan area employment estimates are based off monthly survey samples of non-agriculture business establishments. The estimates used in this report are from June of each year. For more information about the series, the methodology, and variable definitions, see <http://www.bls.gov/ces/>.

BLS/LAUS. This refers to the U.S. Bureau of Labor Statistics (BLS) Local Area Unemployment Statistics (LAUS) series. Estimates are generated by BLS models based on updated survey results for higher levels of geography. The estimates used in this report are from June of each year. For more information about the series, the methodology, and variable definitions, see <http://www.bls.gov/Lau/>.

BLS/OES. The U.S. Bureau of Labor Statistics (BLS) annually produces employment and wage estimates for non-self employed individuals in nonfarm establishments. The estimates used in this report are from May of each year. For more information about the methodology, see <http://www.bls.gov/oes>.

Cen.Ests. The U.S. Census Bureau's Population Estimates Program publishes total resident population estimates and demographic components of change (births, deaths, and migration) each year. It also publishes estimates by demographic characteristics (age, sex, race, and Hispanic origin) for the nation, states, and counties. The reference of the estimates is July 1 each year. For more information see <http://www.census.gov/popest/estimates.php>.

The Census Bureau changed its questions pertaining to race and ethnicity between the 1990 and 2000 censuses in a way that affects the data from this source in table A.1. In the 1990 census, respondents were allowed to identify themselves as being of only one race. In 2000 and in the 2008 American Community Surveys, they could identify more than one race. In table A.1, totals given for any race in those years are those that identify that race only. The small number that identify multiple races are included under "Other", along with Native American and Asian Pacific Islander. "Minorities" are the total population minus those who identify themselves as being non-Hispanic white only.

Census/ACS. Indicators listing this source contain U.S. Census Bureau data from the decennial censuses for 1990 and 2000 and from the American Community Surveys (ACS) for 2008. The decennial censuses are the most comprehensive sources for data on U.S. population and housing and since 2000, the ACS has provided data for many similarly defined variables for states and other large areas (e.g., counties,

metropolitan areas) annually. For definitions, visit the ACS site, <http://www.census.gov/acswww/>, which offers links that will clarify comparability with Decennial Census data.

HMDA. This source is Home Mortgage Disclosure Act data files prepared by the Urban Institute (See for Kathryn L.S. Pettit and Audrey Droesch, 2008, "A Guide to Home Mortgage Disclosure Act Data" (Washington, D.C.: The Urban Institute, <http://www.urban.org/url.cfm?ID=1001247> - an explanation of subprime loans is provided in this guide). For 2002 and later, the full loan and lender records are available in Cd format with custom Windows software from the Federal Financial Institutions Examination Council (<http://www.ffiec.gov/hmda>). See <http://www.ffiec.gov/hmda/hmdaproducts.htm> for history and requirements. Metadata related to these files appear on <http://www.ffiec.gov/hmda/>.

FHFA. The Federal Housing Finance Agency quarterly publishes a weighted, repeat-sales index of single-family properties since 1975 with conventional mortgages purchased or securitized by Fannie Mae or Freddie Mac. For more information about FHFA's House Price index, see <http://www.fhfa.gov/>

Table B1
DATA SOURCES AND DEFINITIONS

Indicator	Geographic area	Dates	Source	Comments/definitions
Population and Households				
Total population (000)	Metro	90, 00, 09	Cen./Ests.	
% pop. under 18	Metro	90, 00, 08	Census/ACS	
% pop. 18-29	Metro	90, 00, 08	Census/ACS	
% pop. 65+	Metro	90, 00, 08	Census/ACS	
% pop. minority, total	Metro	90, 00, 09	Cen./Ests.	See definition in appendix B under this source
% pop. Hispanic	Metro	90, 00, 09	Cen./Ests.	See definition in appendix B under this source
% pop. non-Hispanic black	Metro	90, 00, 09	Cen./Ests.	See definition in appendix B under this source
% pop. Asian and other minority	Metro	90, 00, 09	Cen./Ests.	See definition in appendix B under this source
% pop. Foreign	Metro	90, 00, 08	Census/ACS	
% pop. moved past 5 years	Metro	00, 08	Census/ACS	Pct. HH that moved into housing units since 1995
Total households (000)	Metro	90, 00, 08	Census/ACS	
% hseholds. with children	Metro	90, 00, 08	Census/ACS	Children means own children under 18 y/o only
% hseholds. single parent with children	Metro	90, 00, 08	Census/ACS	Children means own children under 18 y/o only
% hseholds. non-family	Metro	90, 00, 08	Census/ACS	
Economy				
Number of employees (000)	Metro/NECTA	June 95, 00, 02, 07, 09, 10	CES	
Unemployment rate	Metro/NECTA	June 95, 00, 02, 07, 09, 10	LAUS	Unemployed/ (employed + looking for work)
% total employees	Metro/NECTA	April 10	CES	
Location quotient	Metro/NECTA	April 10	CES	
Employ. % change/year	Metro/NECTA	June 07, April 10	CES	
Income, Poverty and Social Conditions				
Average hourly wage (\$) all occupations	Metro/NECTA	May 05, 09	OES	
Average hourly wage ration highest 5 occ./lowest 5	Metro/NECTA	May 05, 09	OES	
Average household income, \$000 (const. 2008 \$)	Metro	90, 00, 08	Census/ACS	Average household income year prior to survey
% pop. below poverty	Metro	90, 00, 08	Census/ACS	
% pop. below 200% of poverty	Metro	90, 00, 08	Census/ACS	
% children below poverty	Metro	90, 00, 08	Census/ACS	
% 25 or over without high school degree	Metro	90, 00, 08	Census/ACS	No high school diploma or GED
% 25 or over with college degree	Metro	90, 00, 08	Census/ACS	Four-year degree or higher
% age 16-19 no school or work	Metro	90, 00, 08	Census/ACS	HS grads or dropouts and unemp or out of labor force
% hshlds. receiving public assistance	Metro	00, 08	Census/ACS	State/local public assistance in previous year
Single parent as % all hseholds. w/ children	Metro	90, 00, 08	Census/ACS	Children means own children only
Housing				
No. of housing units (000)	Metro	90, 00, 08	Census/ACS	
% of units owner occupied	Metro	90, 00, 08	Census/ACS	% of total occupied units
% renters pay >30% income for rent	Metro	90, 00, 08	Census/ACS	
Vacancy rate, renters	Metro	90, 00, 08	Census/ACS	Vacant as % total rental units
Ave. value owner-occupied housing (const. 2008 \$) (\$000)	Metro	90, 00, 08	Census/ACS	
Ave. home value/ave. HH income all owner-occupied (2008 \$)	Metro	90, 00, 08	Census/ACS	
Average gross rent (const. 2008 \$)	Metro	90, 00, 08	Census/ACS	Occupied rental units paying cash rent
FHFA house price index	Metro	00, 06, 10	FHFA	
Home Mortgage Lending				
Mortgages originated/1,000 base units ^a	Metro	97, 00, 08	HMDA	See definition in appendix B under this source
Median mortgage amount (\$000) ^a	Metro	97, 00, 08	HMDA	
Mortgage denial rate (%) ^a	Metro	97, 00, 08	HMDA	% applications denied
Investors as % of all borrowers ^a	Metro	97, 00, 08	HMDA	Investor= other than owner-occ. or rental status N/A
High-cost purchase loans/1,000 units ^a	Metro	04, 06	HMDA	
High-cost loans % of purchase mortgages ^a	Metro	04, 06	HMDA	See reference in appendix B under this source
High-cost loans % of refinancing mortgages ^a	Metro	04, 06	HMDA	See reference in appendix B under this source
High-income hseholds. % of borrowers ^a	Metro	04, 06	HMDA	120% or ore metro median income
low-income hseholds. % of borrowers ^a	Metro	97, 00, 08	HMDA	Less than 80% of metro median income
Hispanics as % of borrowers ^a	Metro	97, 00, 08	HMDA	
Non-Hisp. Blacks as % of borrowers ^a	Metro	97, 00, 08	HMDA	