Perspectives on Affluence & Poverty

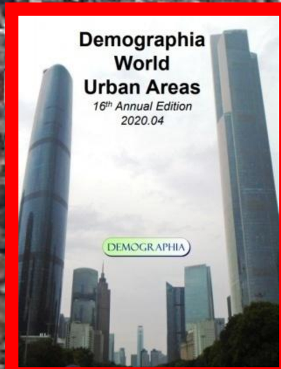
Presentation by Wendell Cox
Livable California
May 1, 2020 (On-line)

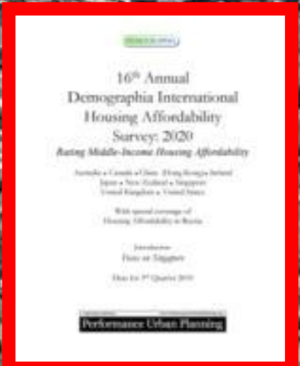
Los Angeles

LACTC

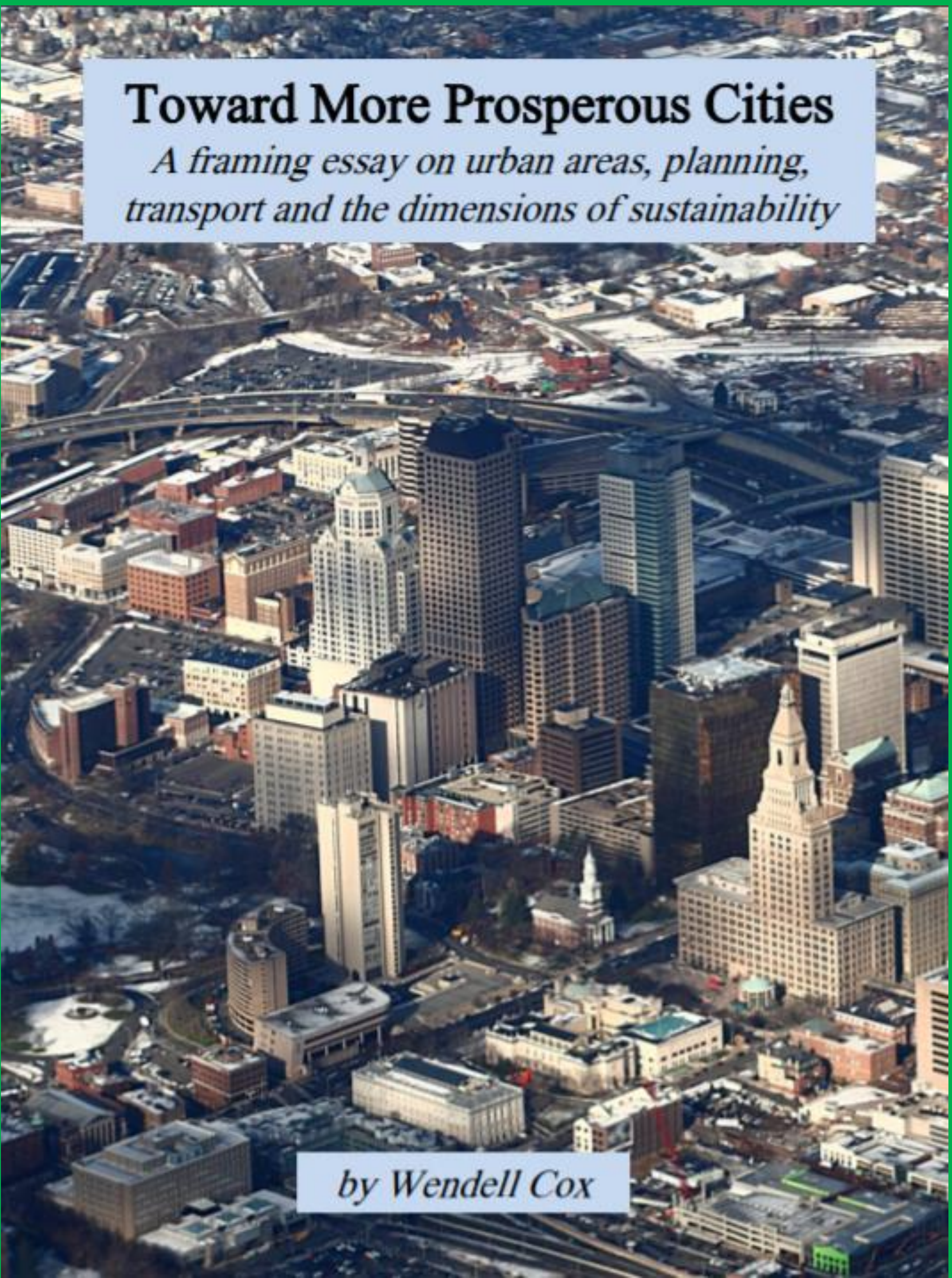
DEMOGRAPHIA

The Evolving Urban Form
Development Profiles of
World Urban Areas






CONSERVATOIRE NATIONA
DES ARTS ET METIERS



PERSPECTIVE
Domestic policy should:

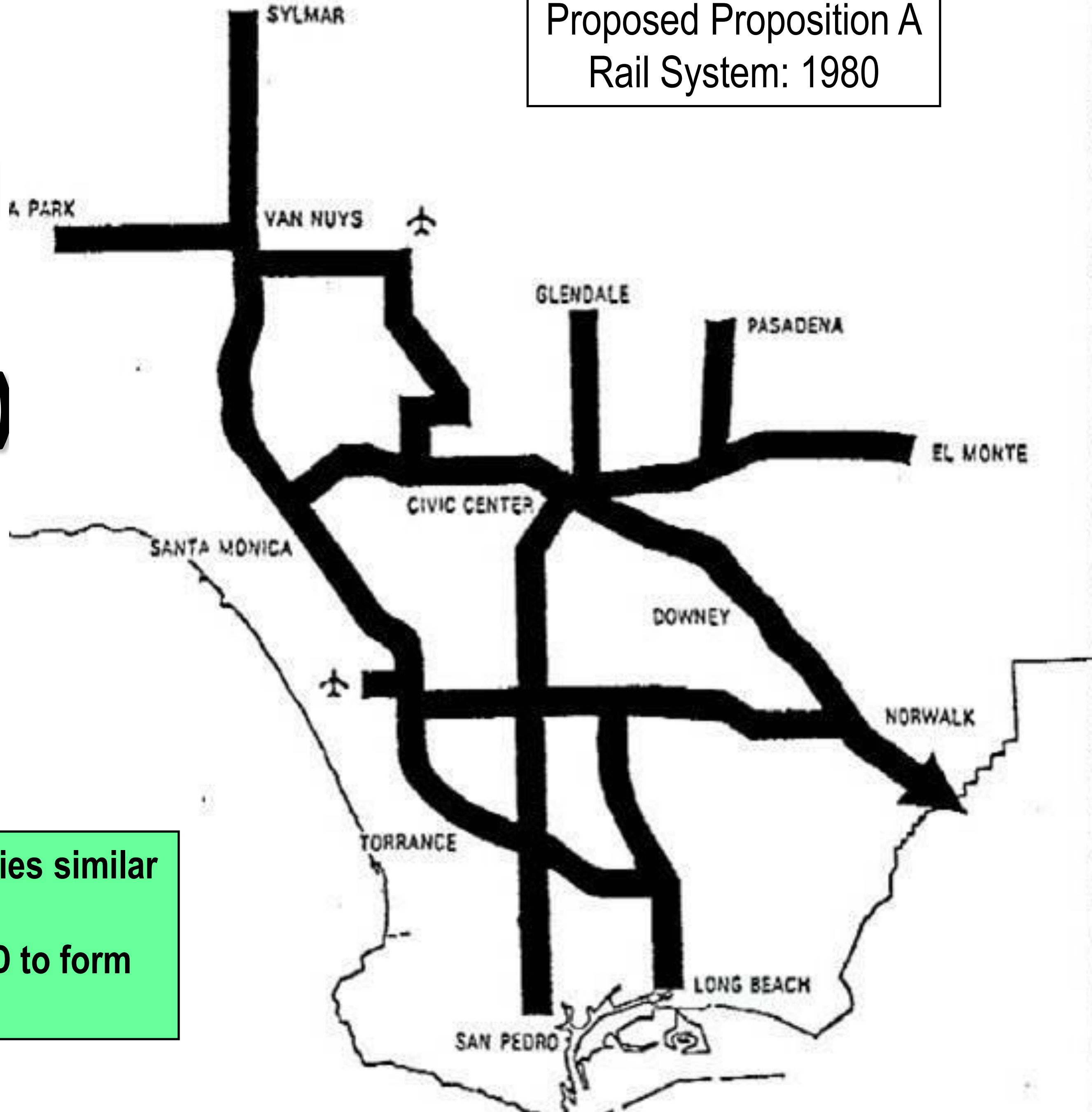
Facilitate Improved Affluence & Reduce Poverty

What We Approved In 1980 (Proposition A)

LACTC

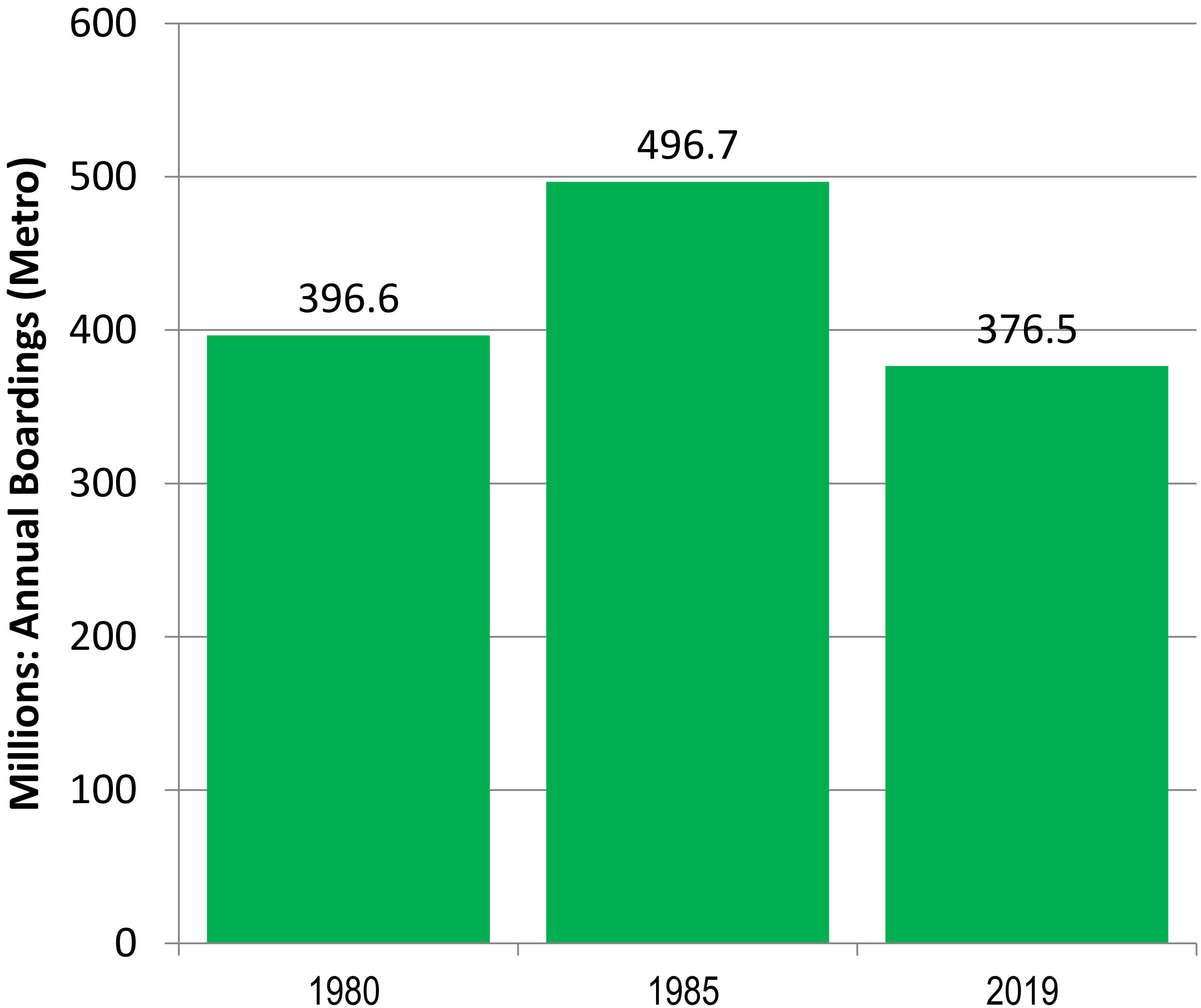
- Policy responsibilities similar to MTC in Bay Area
- Merged with SCRTD to form MTA in 1993

Proposed Proposition A Rail System: 1980

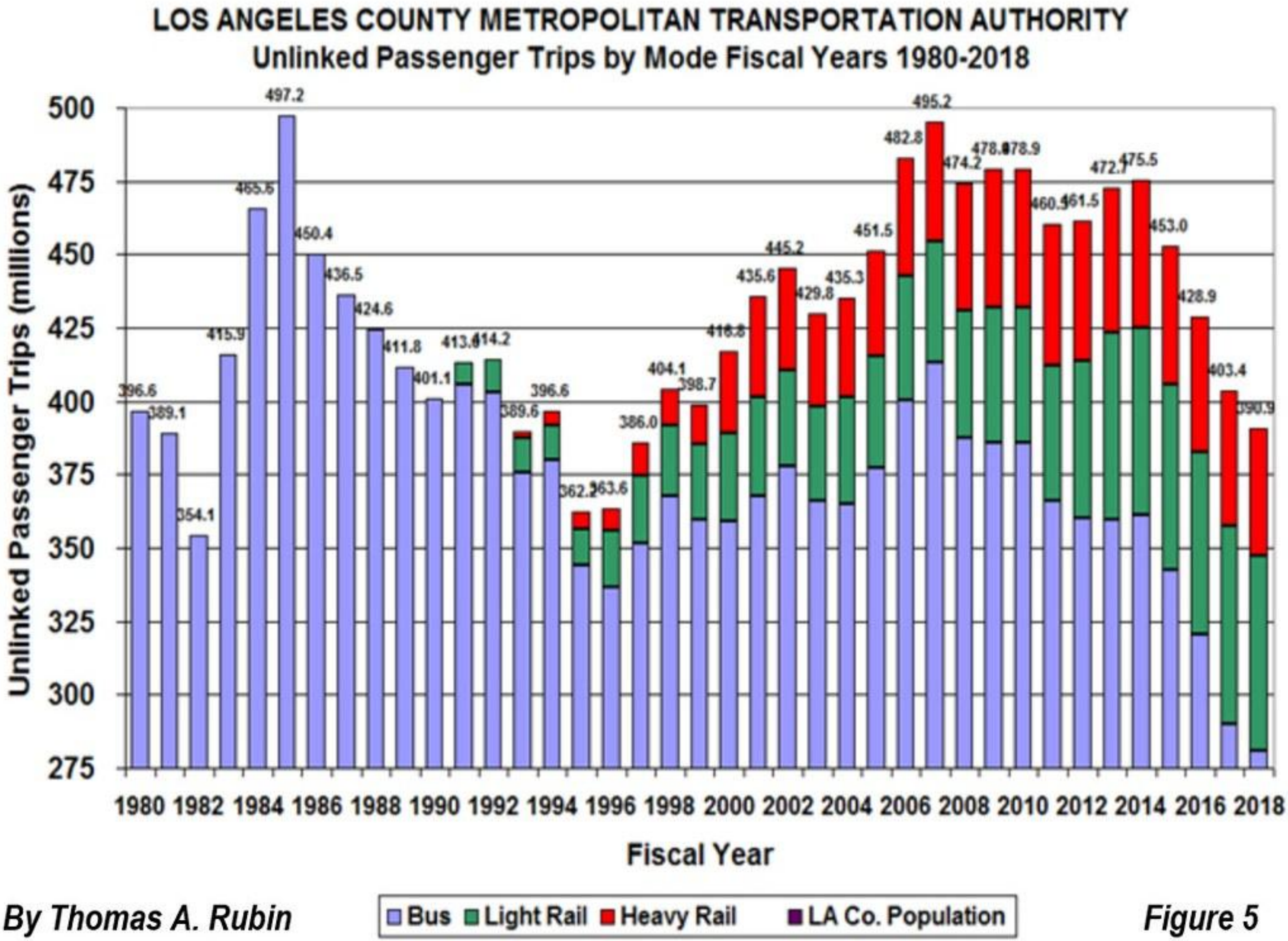


MTA/SCRTD Ridership Trend

RIDERSHIP & SHARE DOWN DESPITE RAIL



Los Angeles County
TRANSIT MARKET SHARE
All operators
1980: 7.0%
2018: 5.7%
After opening
6 urban rail corridors
5 commuter rail lines
2 busways
Estimated $25 Billion

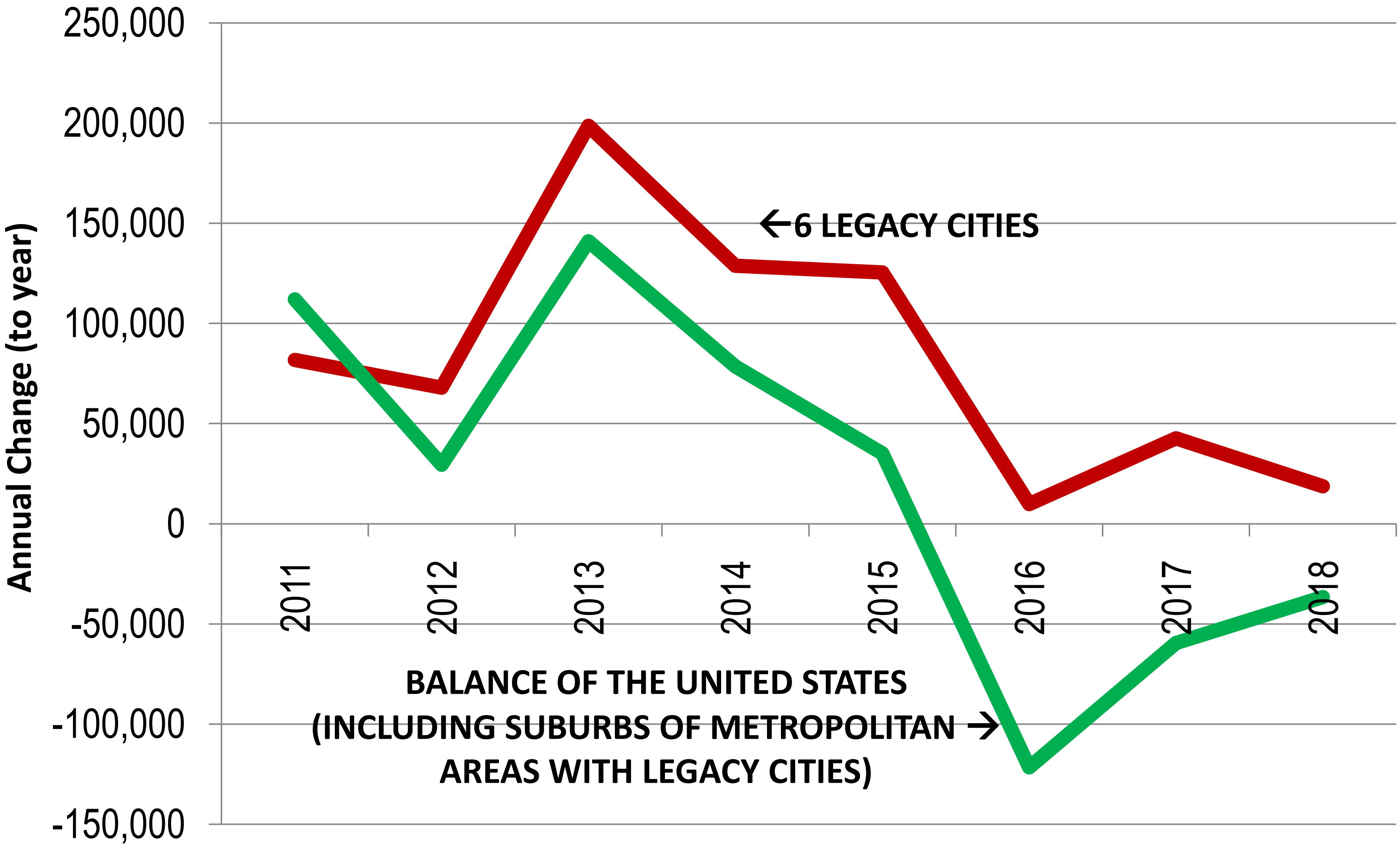


By Thomas A. Rubin

Figure 5

Annual Transit Commuting: 2010-2018

TRANSIT LEGACY CITIES & BALANCE OF US



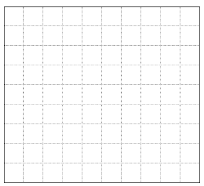
Derived from American Community Survey 2018

Figure 7

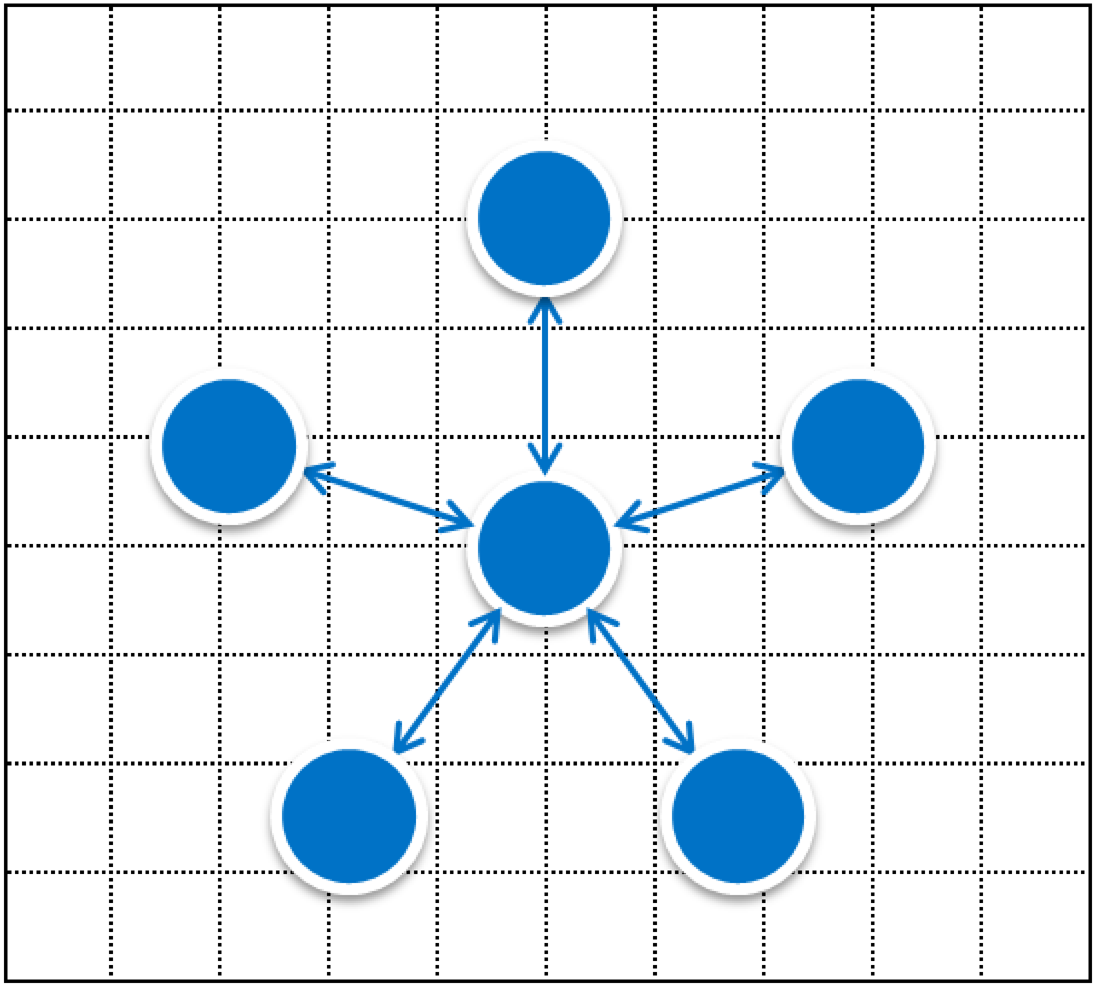
Transit's Challenge: Competing with Cars

CONCEPTUAL: CARS & TRANSIT

CAR TRAVEL ROUTES (ROADS)



TRANSIT ROUTES



TRANSIT DISADVANTAGES

- Most trips require transfers
- (Often downtown)
- Last Mile
- Stops along the way
- Not walking distance

Transit is About Downtown

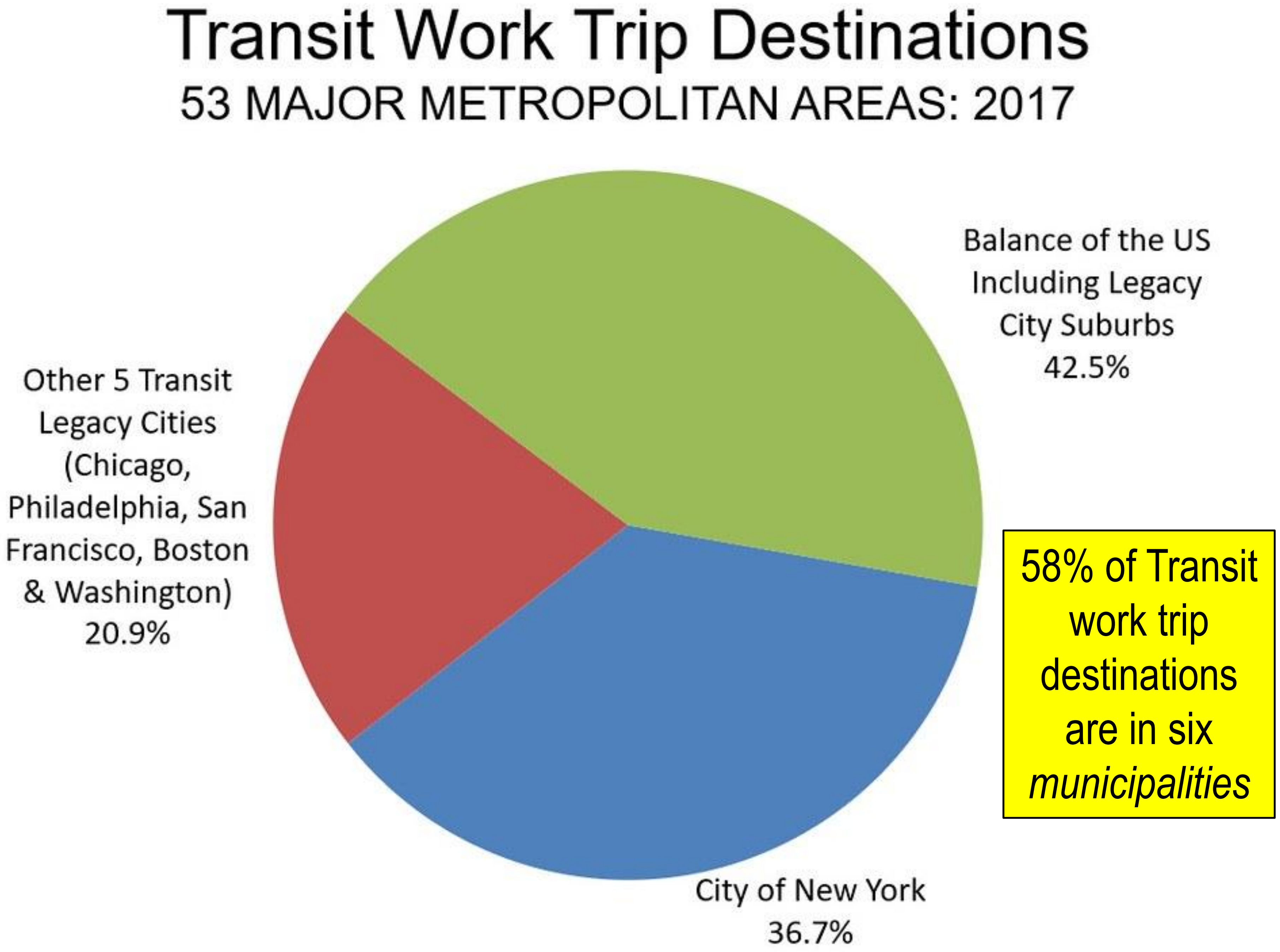

Transit Work Trip Destinations
53 MAJOR METROPOLITAN AREAS: 2017
Balance of the US Including Legacy City Suburbs 42.5%
Other 5 Transit Legacy Cities (Chicago, Philadelphia, San Francisco, Boston & Washington) 20.9%
City of New York 36.7%
58% of Transit work trip destinations are in six *municipalities*

Figure 1

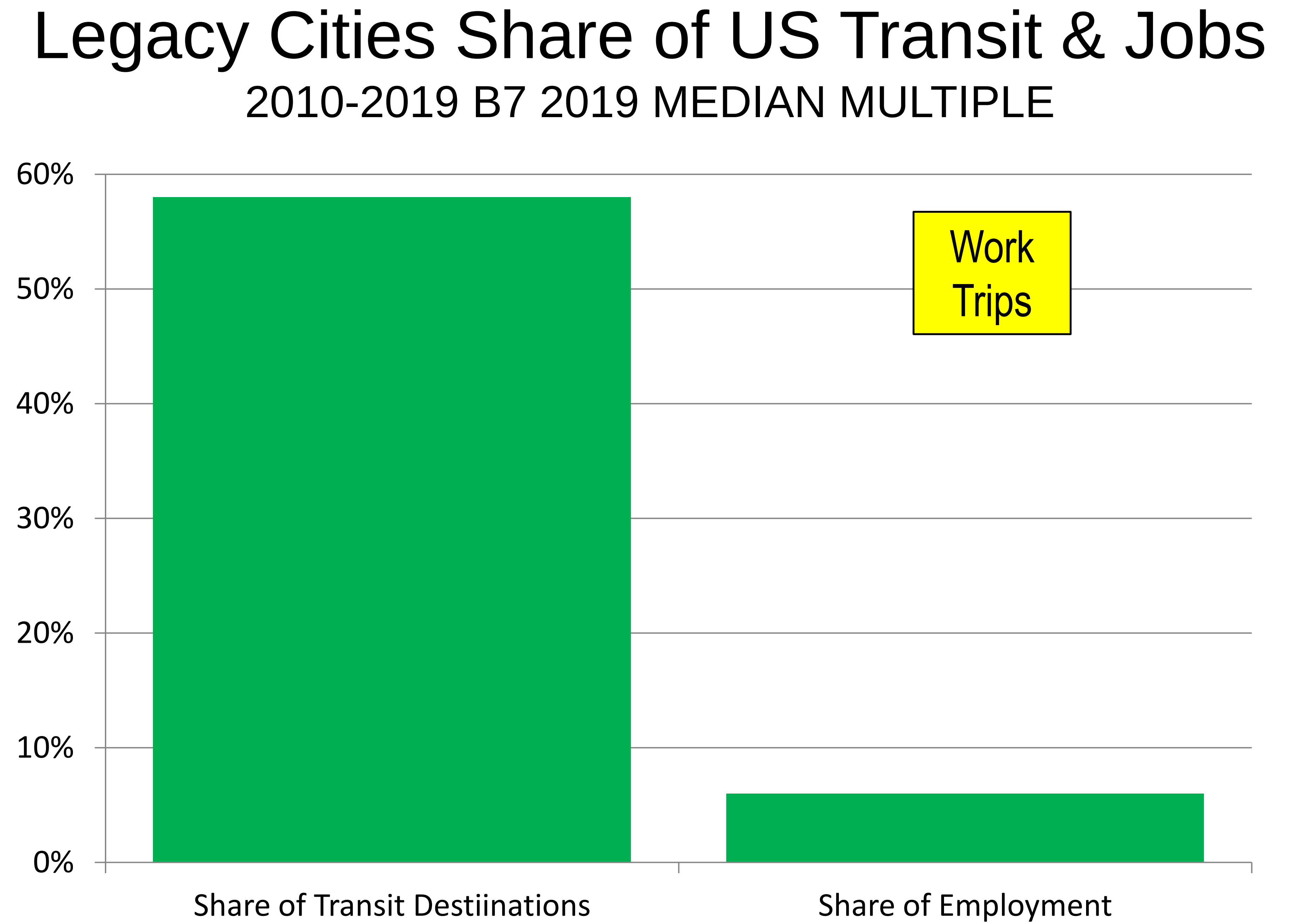
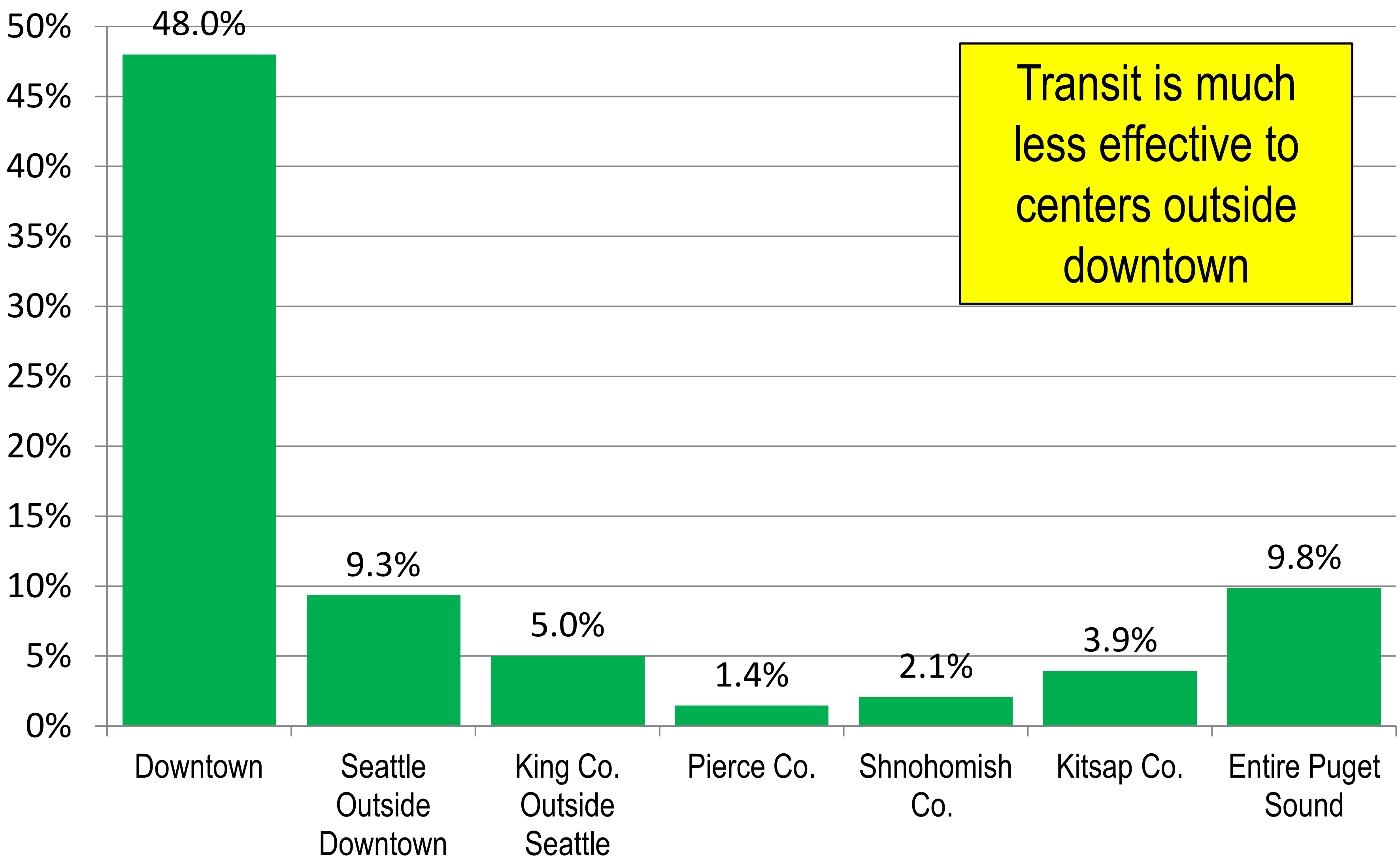

Legacy Cities Share of US Transit & Jobs
2010-2019 B7 2019 MEDIAN MULTIPLE
60%
50%
40%
30%
20%
10%
0%
Work
Trips
Share of Transit Destiinations
Share of Employment

Figure 10

Transit Work Location Market Share

PUGET SOUND REGION (SEATTLE): 2017

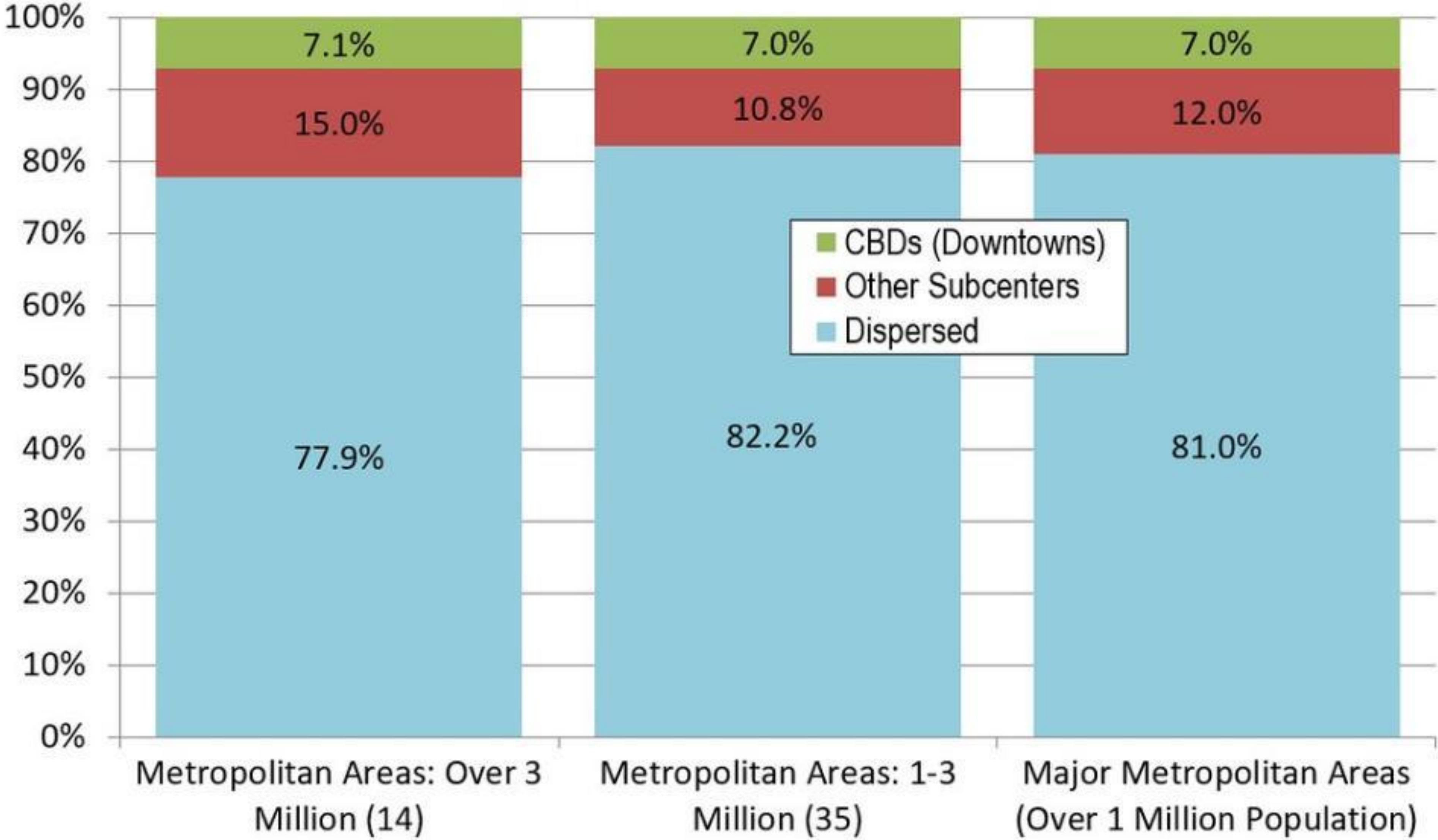


Derived from American Community Survey 2017 & commuteseattle.com

Figure 11

US Major Metropolitan Area Employment

DISPERSION & CONCENTRATION: 2000

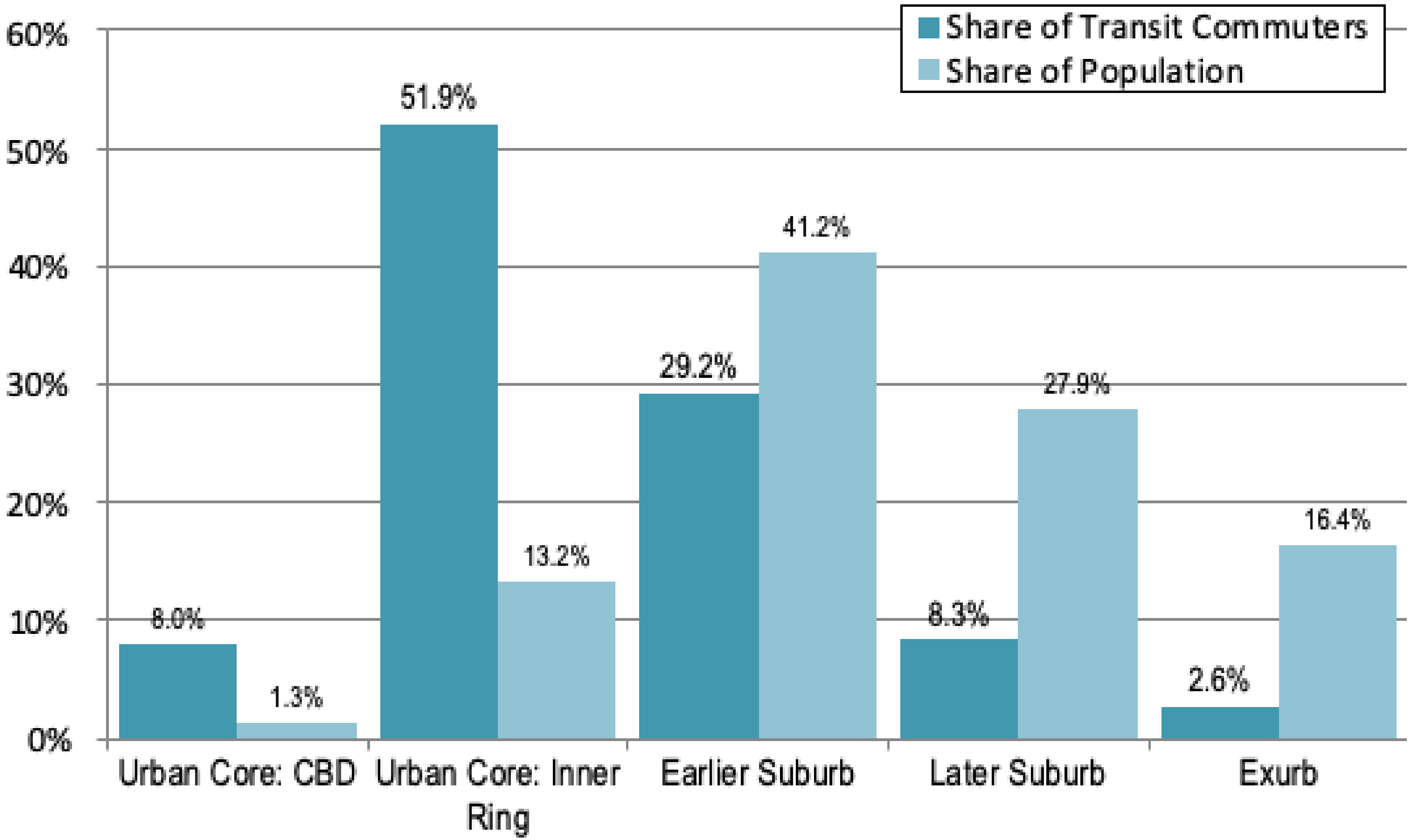


Source: Lee and Gordon, 2007

Figure 1

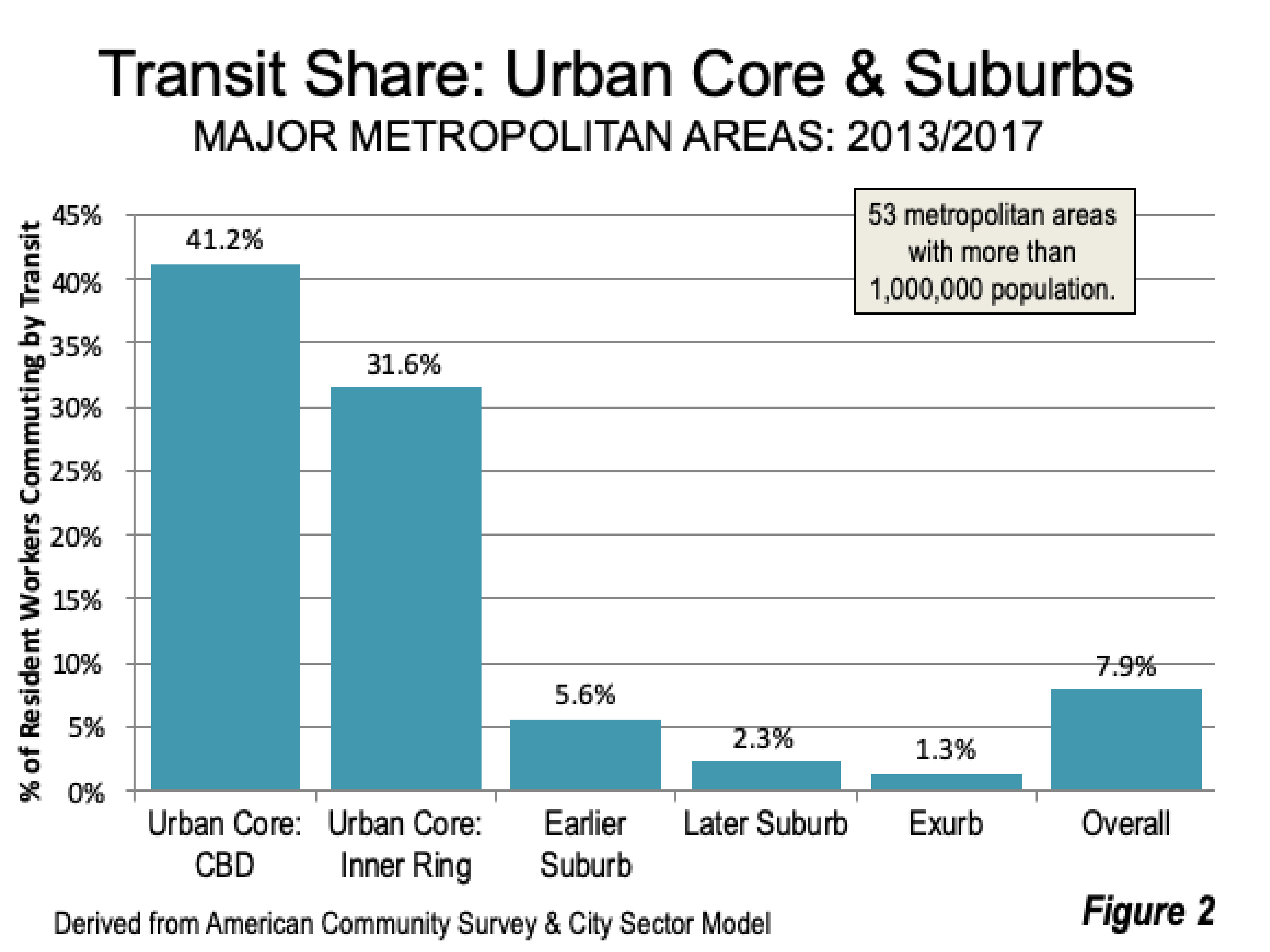
Transit & Population Share by City Sector

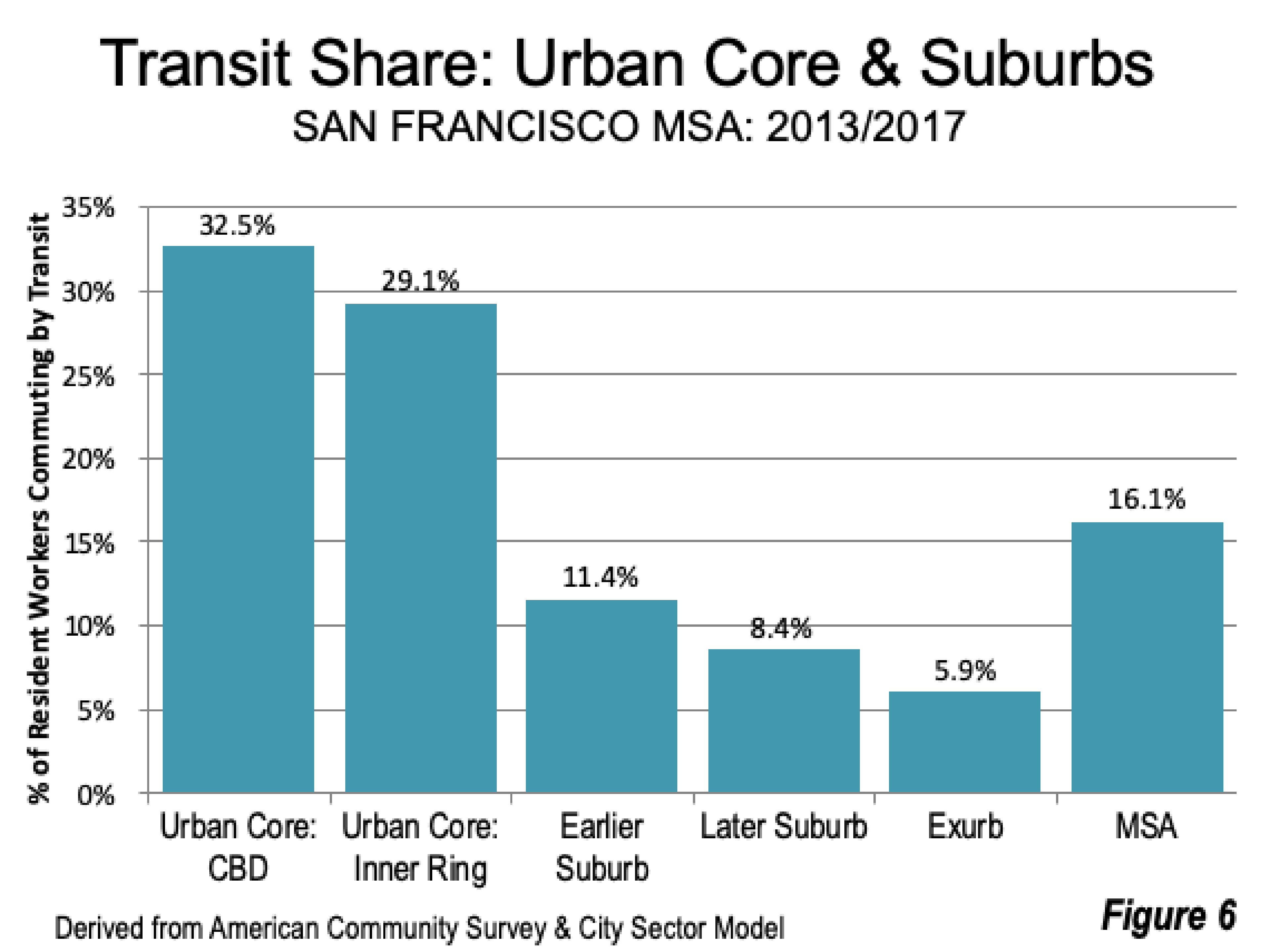
2013/2017



Derived from American Community Survey, 2017.

Figure 1


Transit Share: Urban Core & Suburbs
MAJOR METROPOLITAN AREAS: 2013/2017
53 metropolitan areas with more than 1,000,000 population.
% of Resident Workers Commuting by Transit
45%
40%
35%
30%
25%
20%
15%
10%
5%
0%
41.2%
31.6%
5.6%
2.3%
1.3%
7.9%
Urban Core: CBD
Urban Core: Inner Ring
Earlier Suburb
Later Suburb
Exurb
Overall
Derived from American Community Survey & City Sector Model
Figure 2


Transit Share: Urban Core & Suburbs
SAN FRANCISCO MSA: 2013/2017
% of Resident Workers Commuting by Transit
35%
30%
25%
20%
15%
10%
5%
0%
32.5%
29.1%
11.4%
8.4%
5.9%
16.1%
Urban Core: CBD
Urban Core: Inner Ring
Earlier Suburb
Later Suburb
Exurb
MSA
Derived from American Community Survey & City Sector Model
Figure 6

Democratization of Prosperity

ASSOCIATION BETWEEN MOBILITY & AFFLUENCE

Chicago

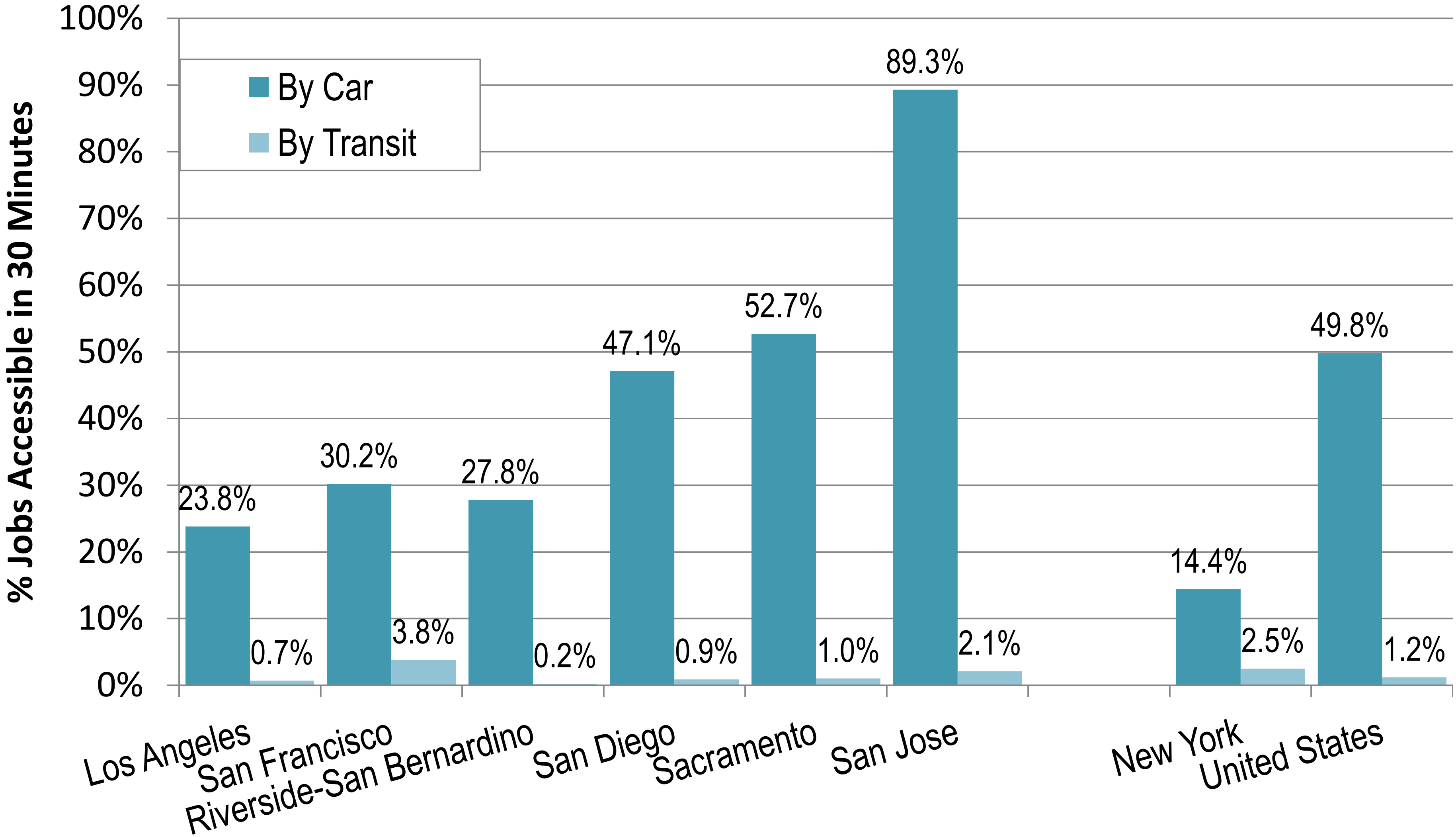
Reduced Minority Unemployment With Cars
U. of California

PRUD'HOMME
Mobility Improves Productivity
U. Of Paris

HARTGEN-FIELDS
Mobility Improves Productivity

Access: Jobs within 30 Minutes (Average)

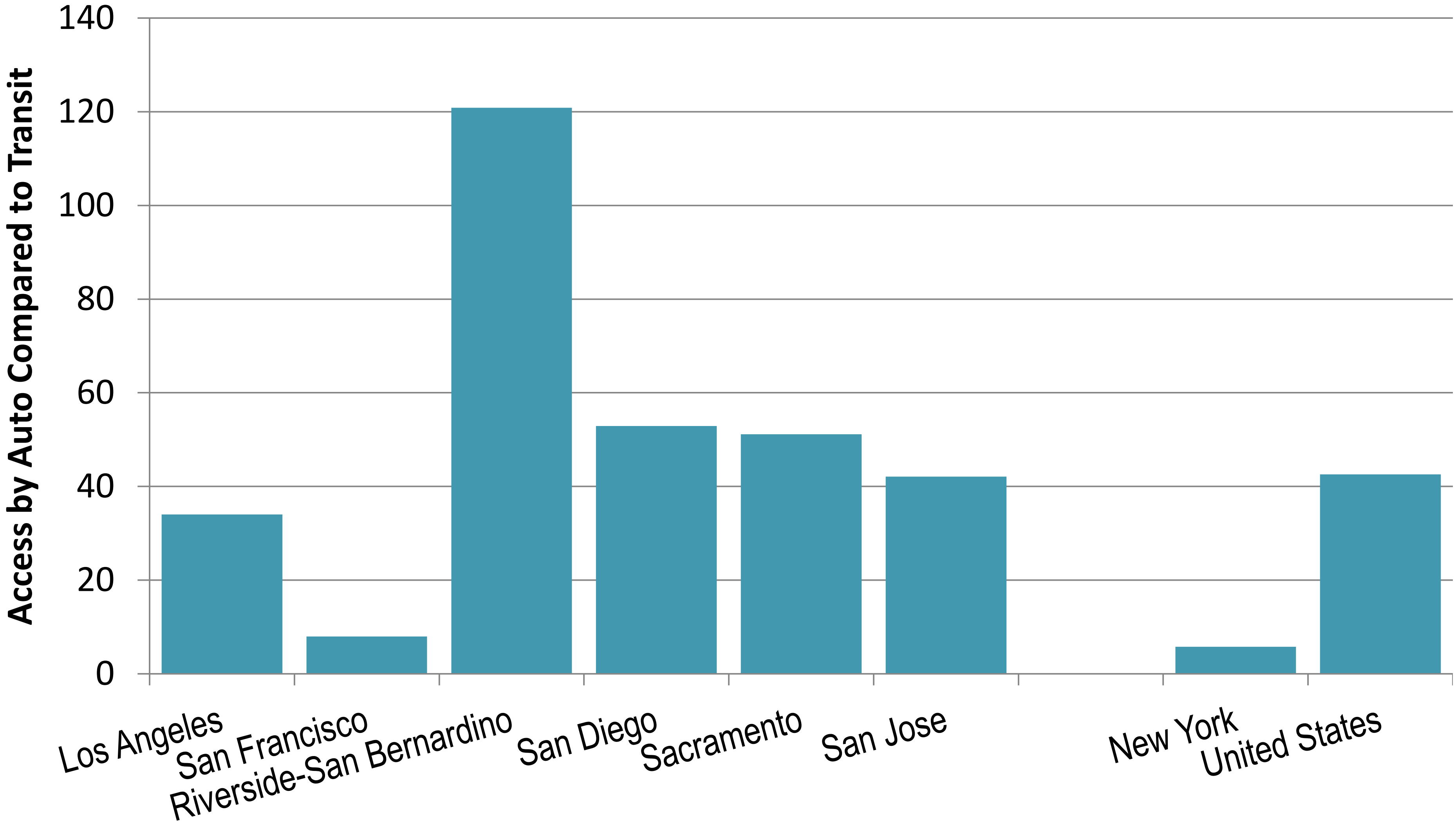
CALIFORNIA MAJOR METROPOLITAN AREAS: 2017



Derived from University of Minnesota

Access: Auto & Transit Compared

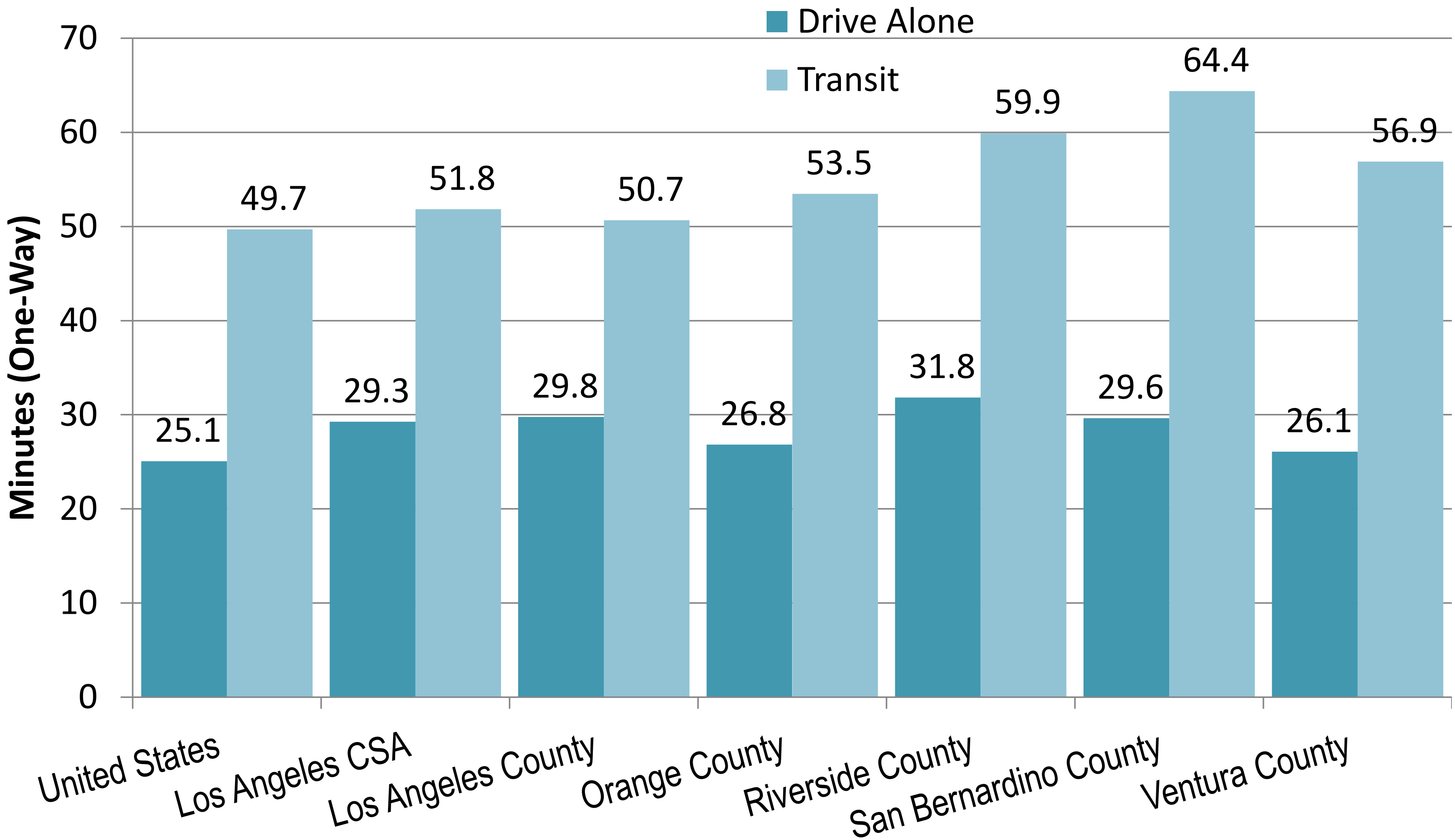
CALIFORNIA MAJOR METROPOLITAN AREAS: 2017



Derived from University of Minnesota

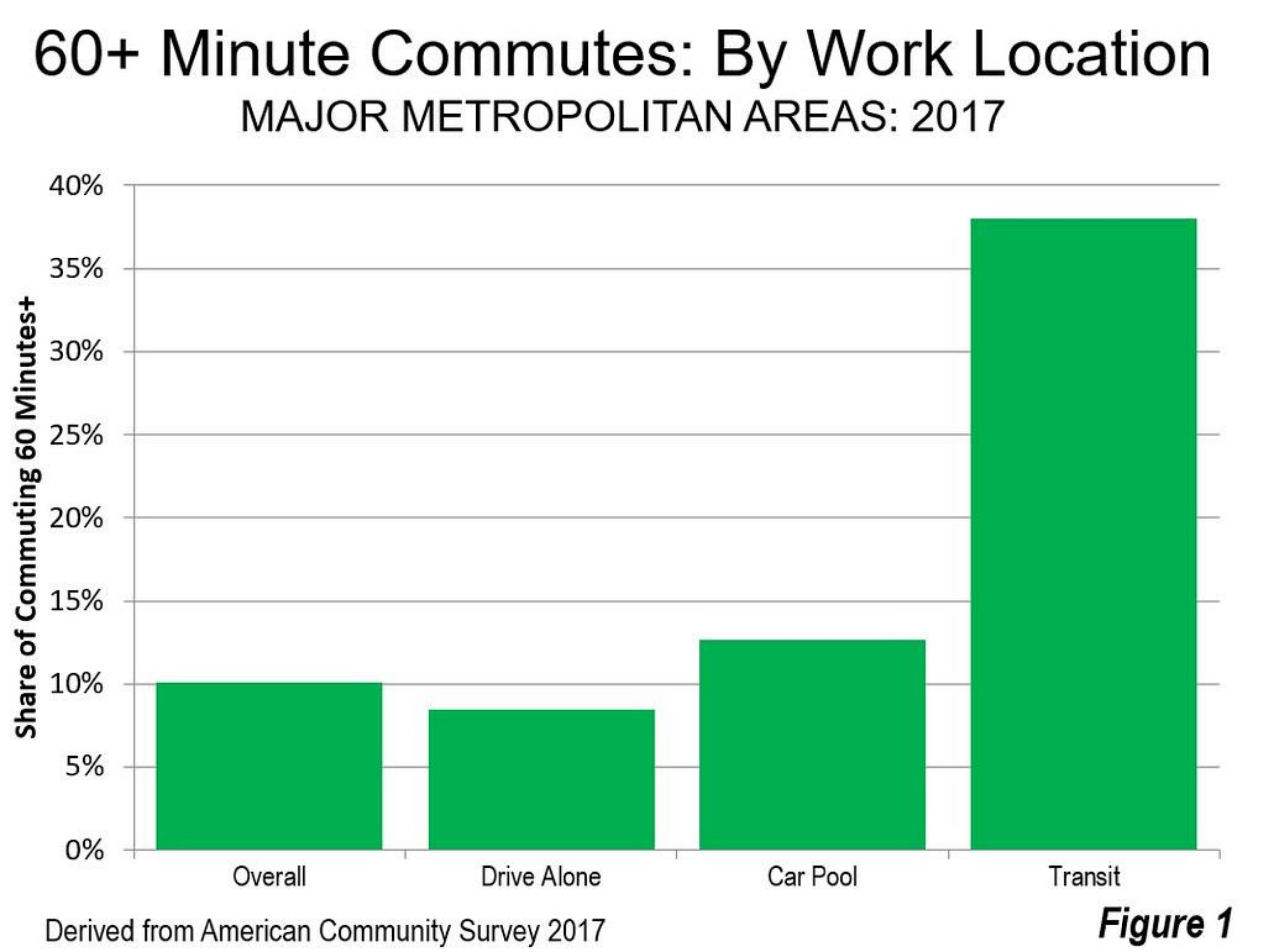
Commuting Time by Mode

CSA, COUNTIES & US (2013/2017)



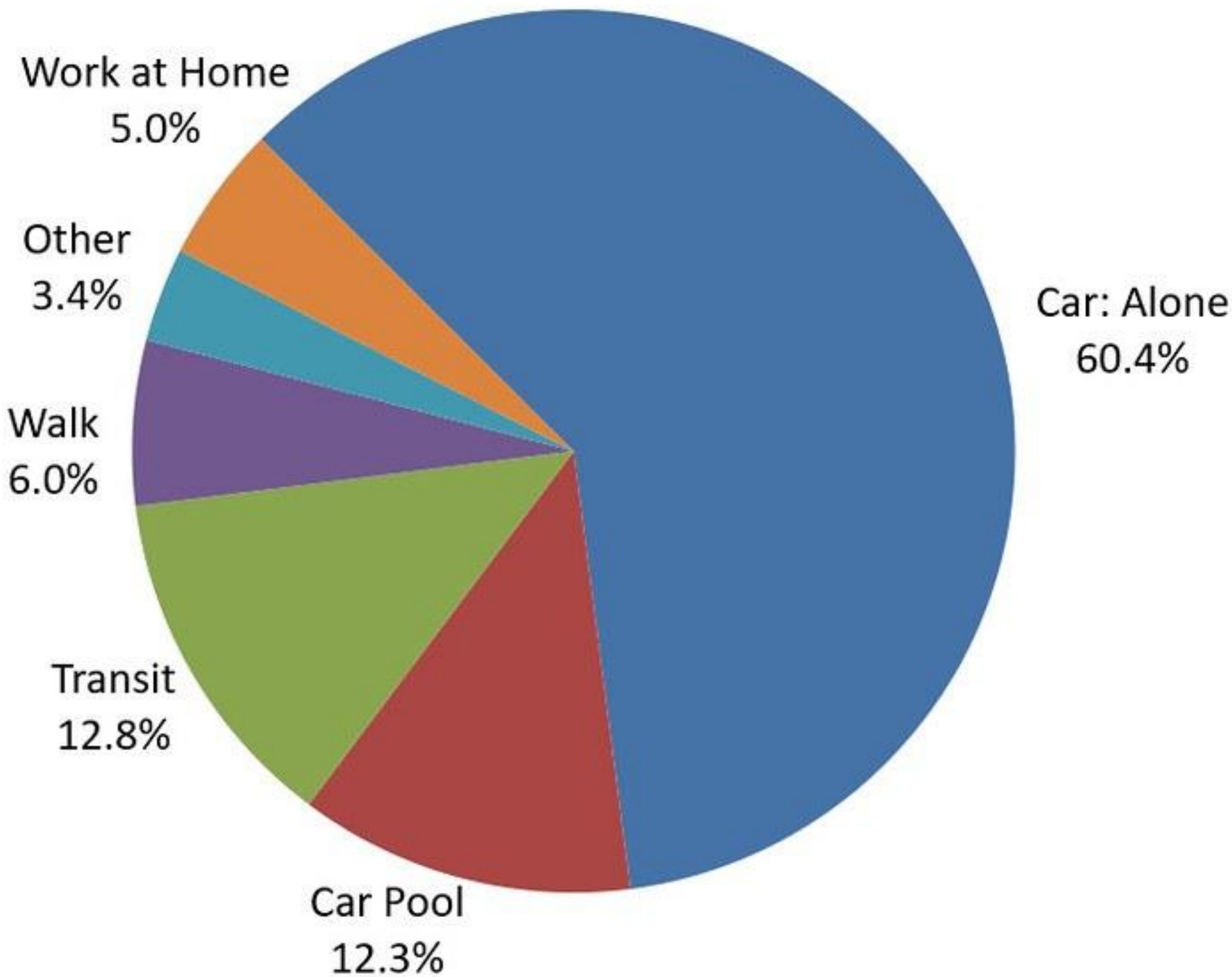
Derived from American Community Survey, 2013/2017.

Figure 7-19


60+ Minute Commutes: By Work Location
MAJOR METROPOLITAN AREAS: 2017
Share of Commuting 60 Minutes+
40%
35%
30%
25%
20%
15%
10%
5%
0%
Overall
Drive Alone
Car Pool
Transit
Derived from American Community Survey 2017
Figure 1

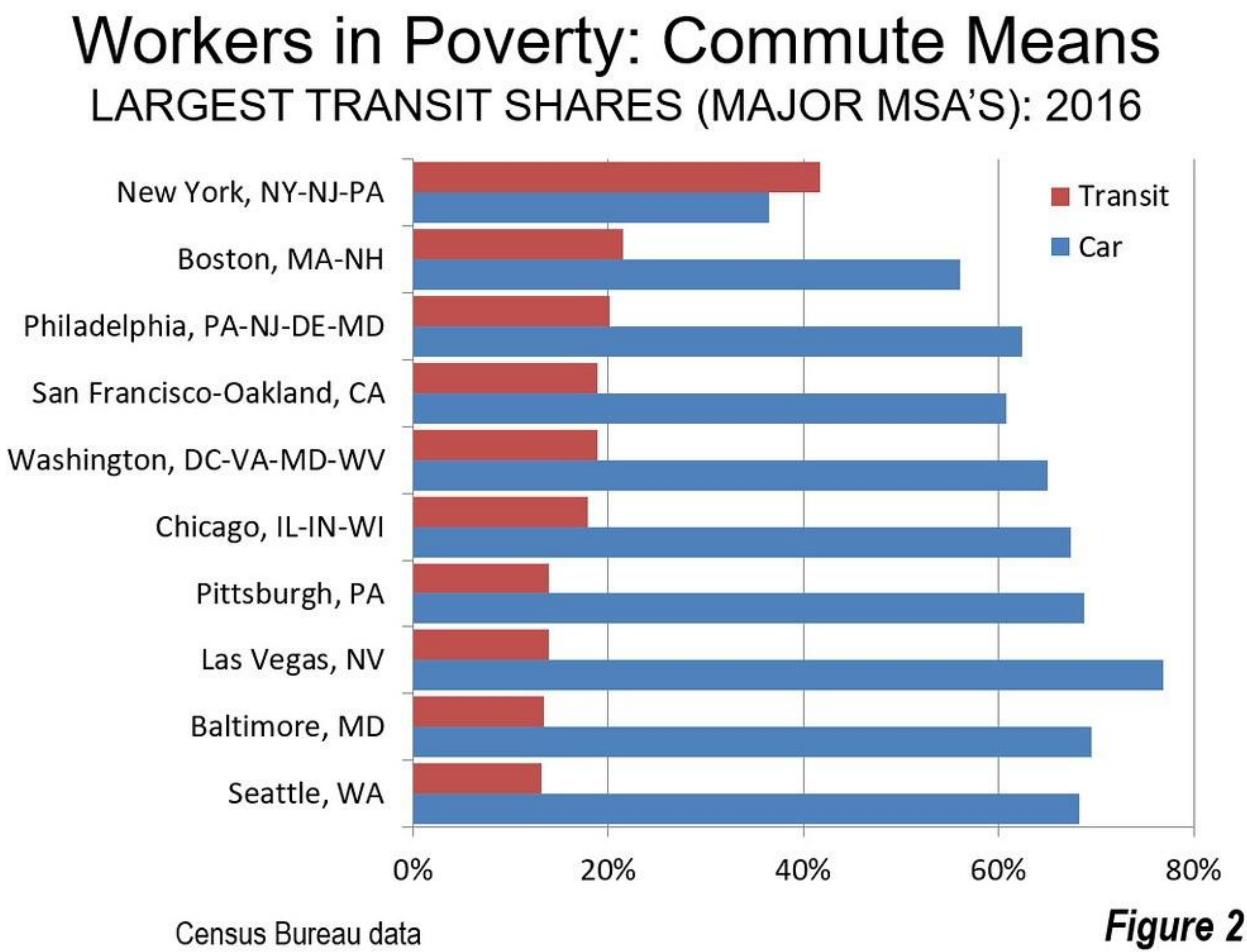
Journey to Work: Under Poverty Level

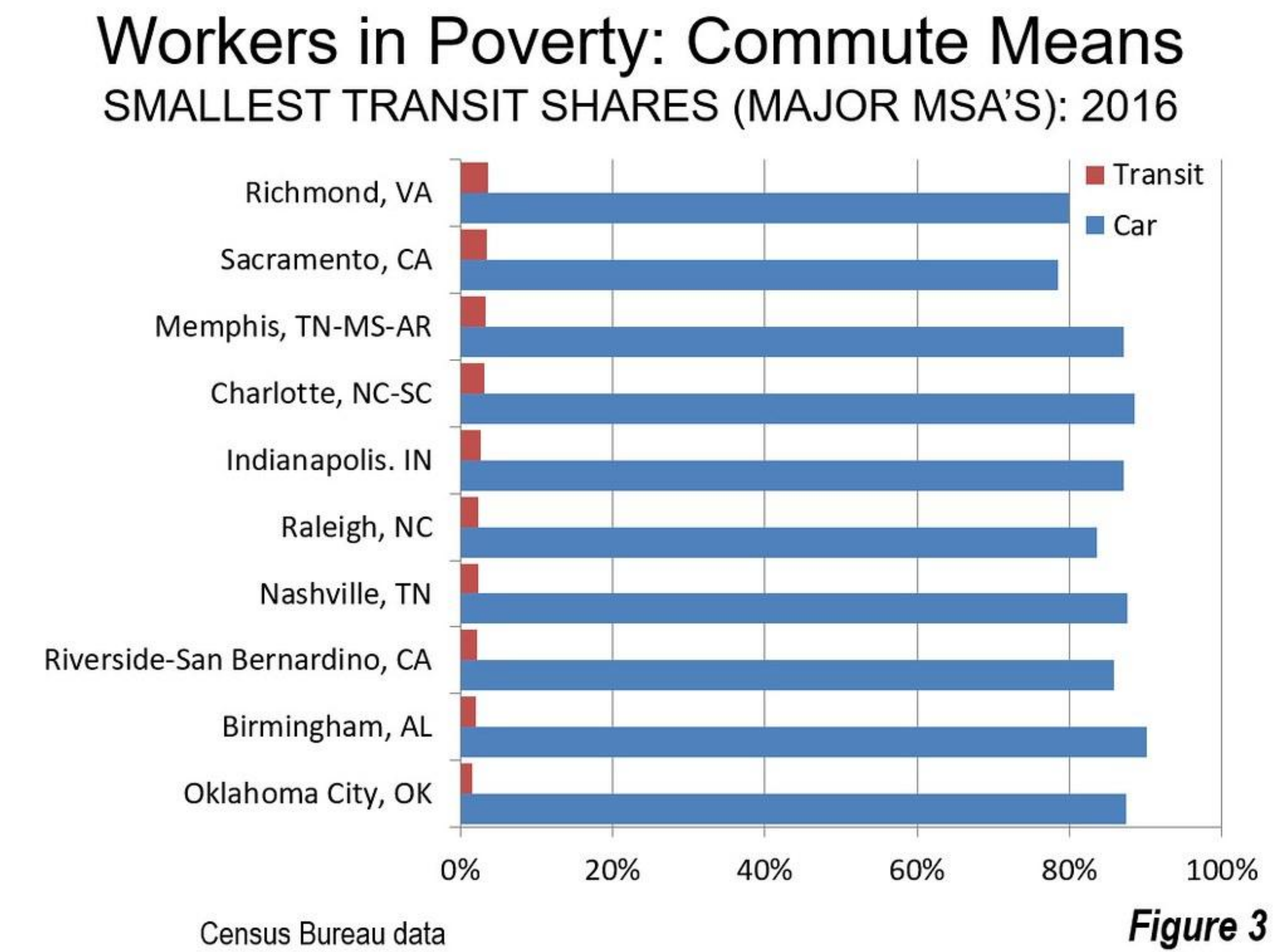
2016 BY MODE



Census Bureau data

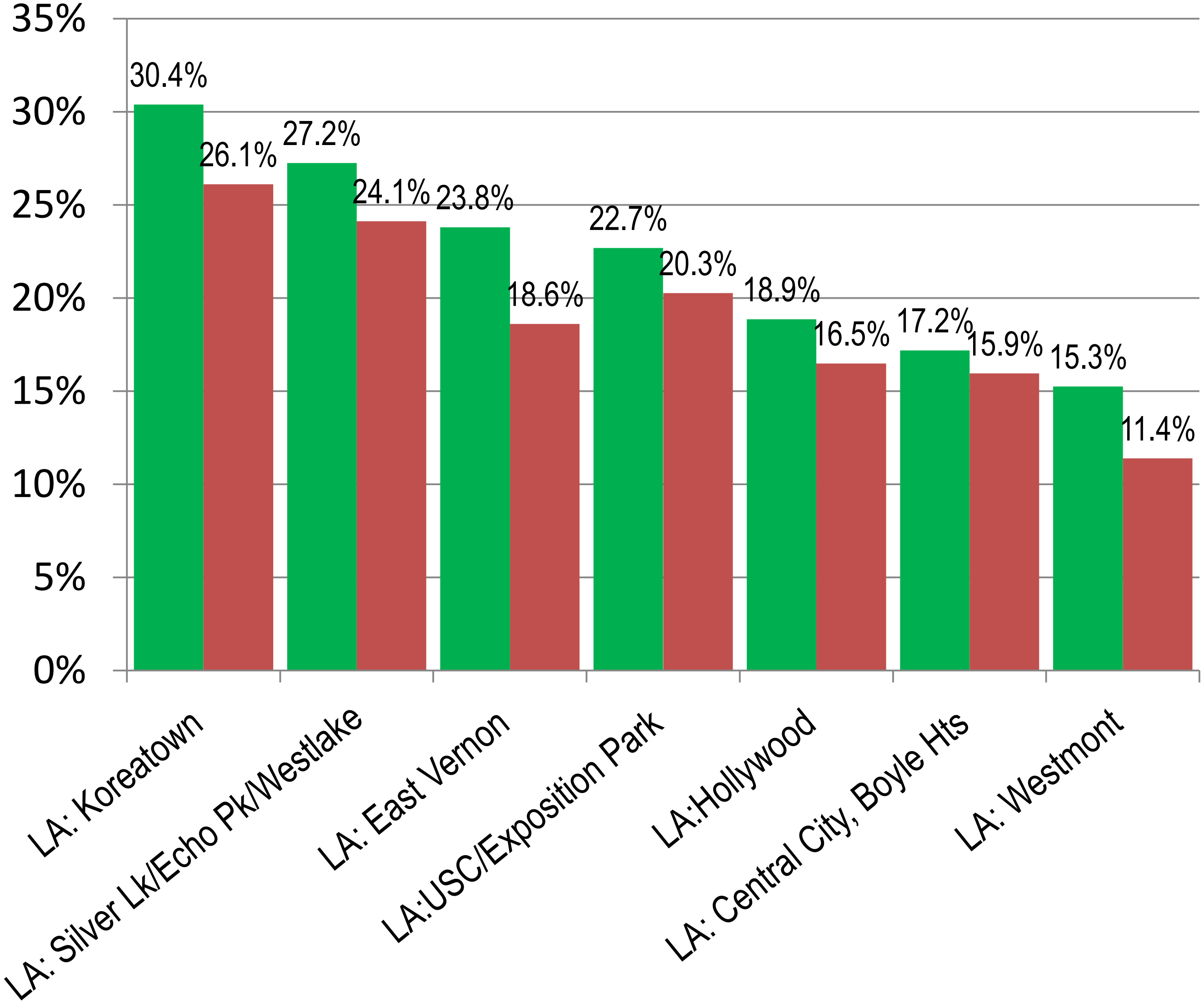
Figure 1


Workers in Poverty: Commute Means
LARGEST TRANSIT SHARES (MAJOR MSA'S): 2016
New York, NY-NJ-PA
Boston, MA-NH
Philadelphia, PA-NJ-DE-MD
San Francisco-Oakland, CA
Washington, DC-VA-MD-WV
Chicago, IL-IN-WI
Pittsburgh, PA
Las Vegas, NV
Baltimore, MD
Seattle, WA
Transit
Car
0%
20%
40%
60%
80%
Census Bureau data
Figure 2


Workers in Poverty: Commute Means
SMALLEST TRANSIT SHARES (MAJOR MSA'S): 2016
Transit
Car
Richmond, VA
Sacramento, CA
Memphis, TN-MS-AR
Charlotte, NC-SC
Indianapolis. IN
Raleigh, NC
Nashville, TN
Riverside-San Bernardino, CA
Birmingham, AL
Oklahoma City, OK
0%
20%
40%
60%
80%
100%
Census Bureau data
Figure 3

Transit Commuting Trends: LA County

2008/12 – 2013/17 BY 2008/12 MARKET SHARE

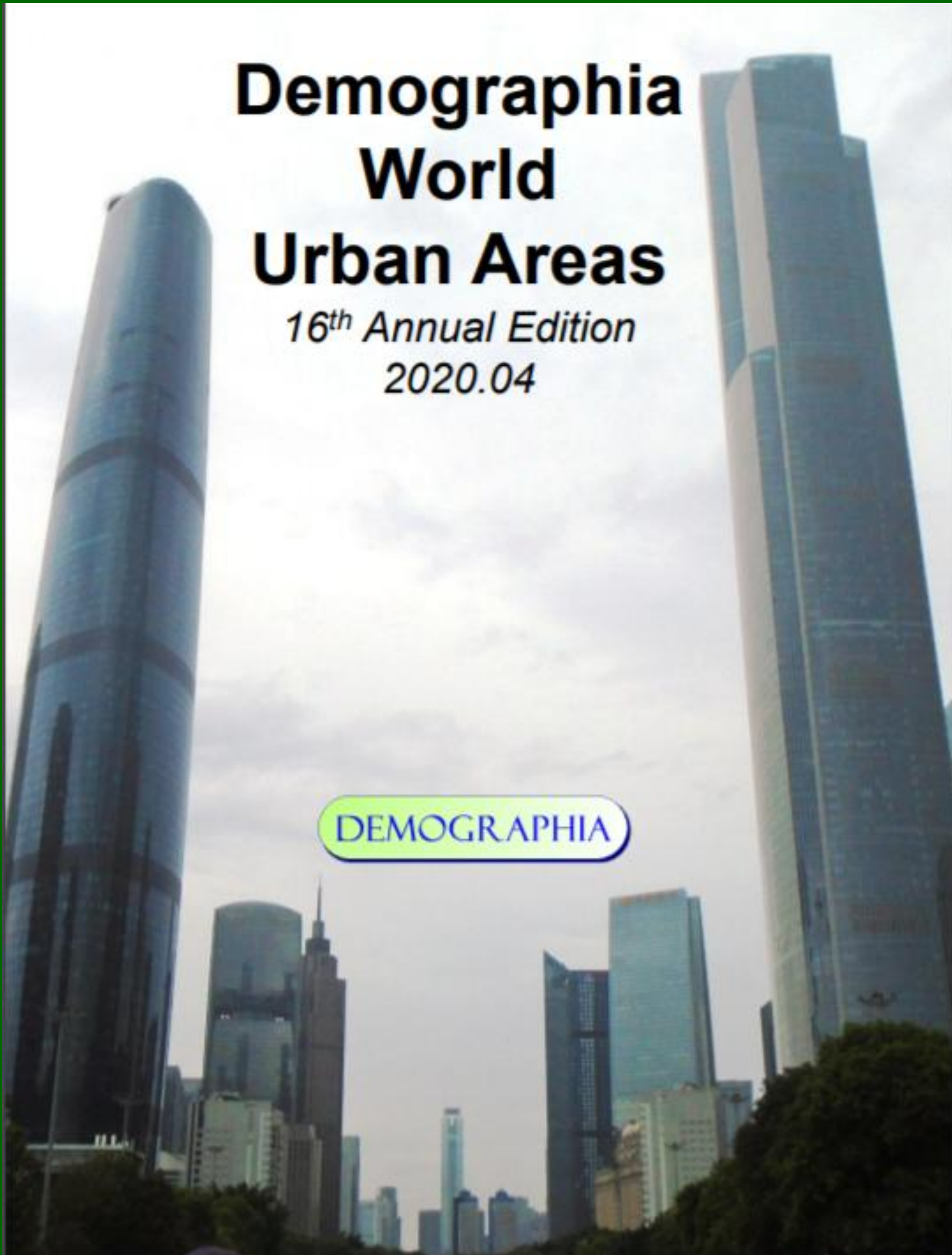


PUMAs with >15% market share 2008/12

"Transit is causing gentrification" Tracey Jeane Rosenthal *Los Angeles Tenants Union*

East L.A. down more than 35%

Derived from American Community Survey..

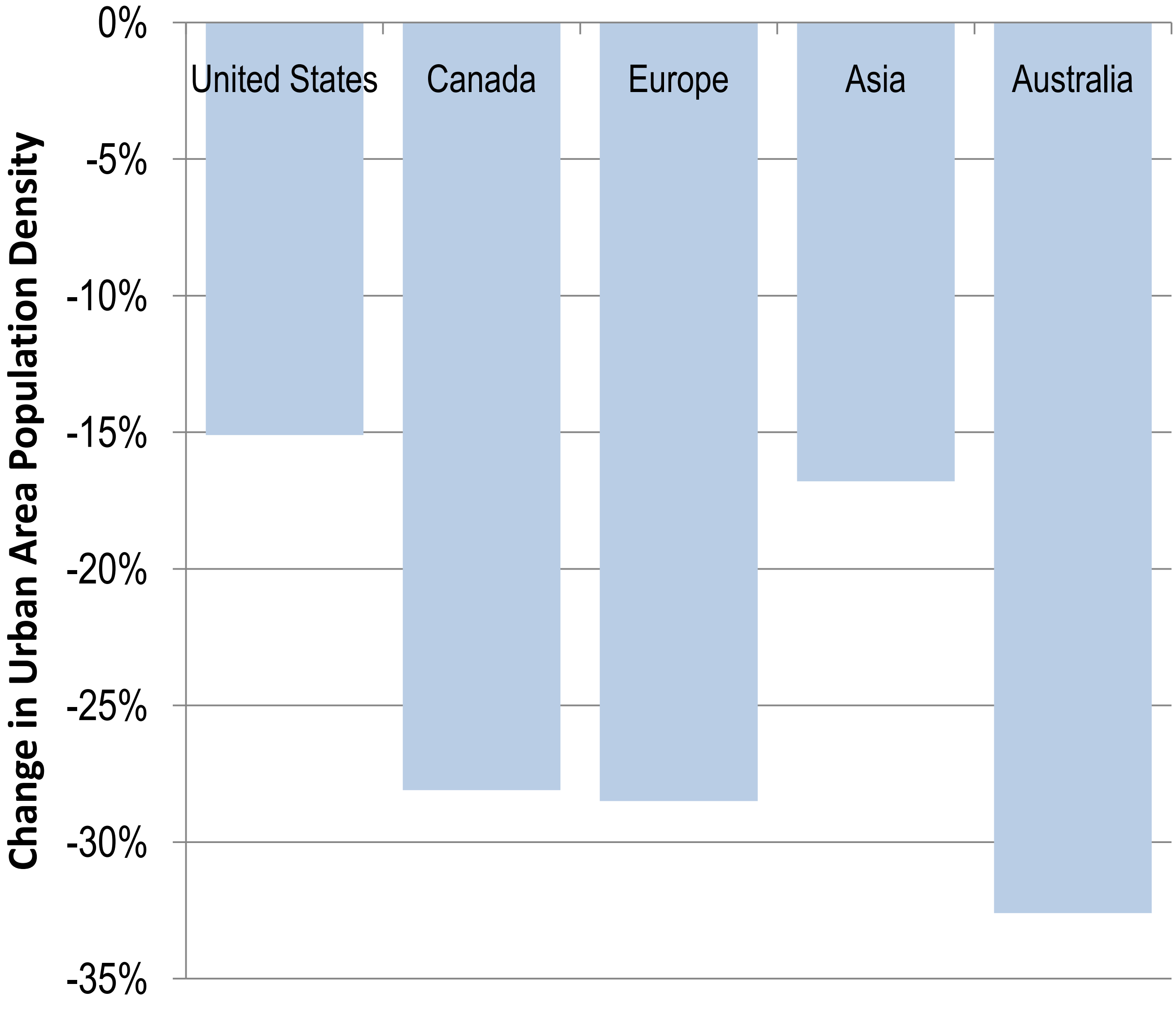


2020 Edition:
All identified
Urban areas over
500,000 (1,050+)

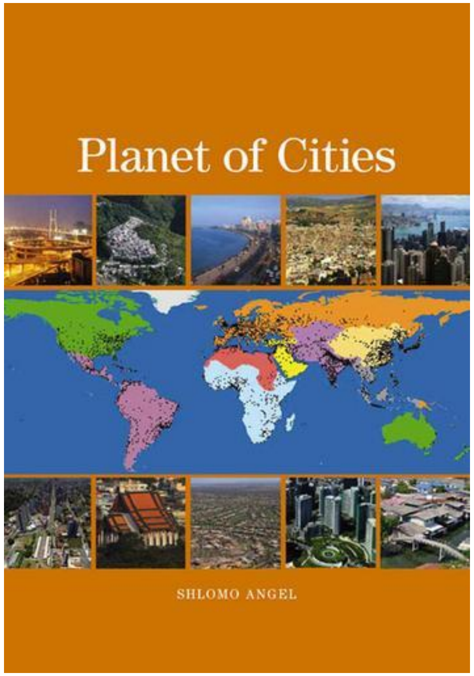
Urban population
Urban land area
Urban density

World Urban Area Population Densities

1960-1990: 53 CASES

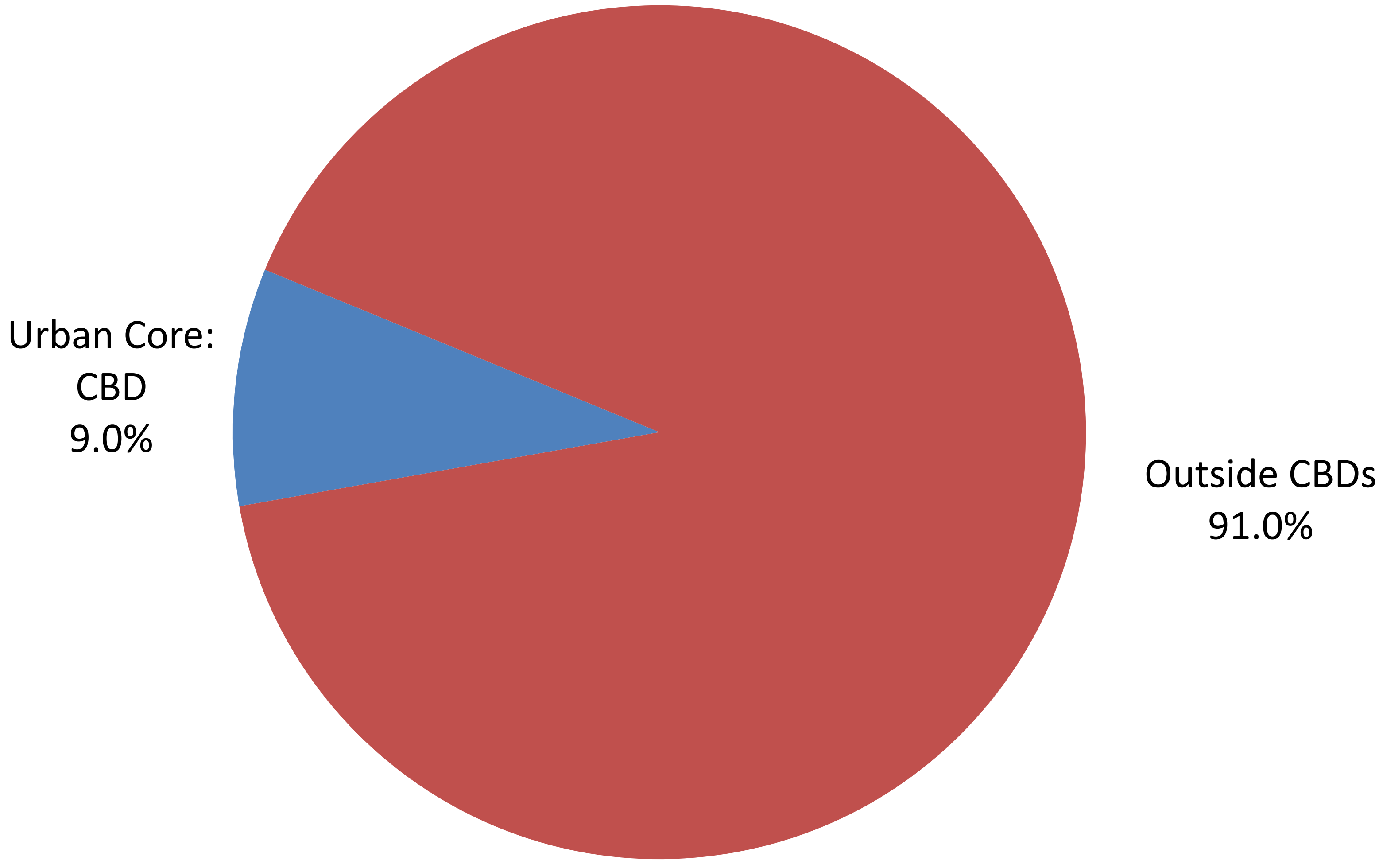


Urban areas becoming less dense as they grow larger



Employment Growth: 2010 – 2014/18

MAJOR METROPOLITAN AREAS: 2014/2018



Derived from County Business Patterns (US Census Bureau)

Figure 27

Urban Areas & Metropolitan Areas: Contrast

EXAMPLE: PARIS URBAN & METROPOLITAN AREA

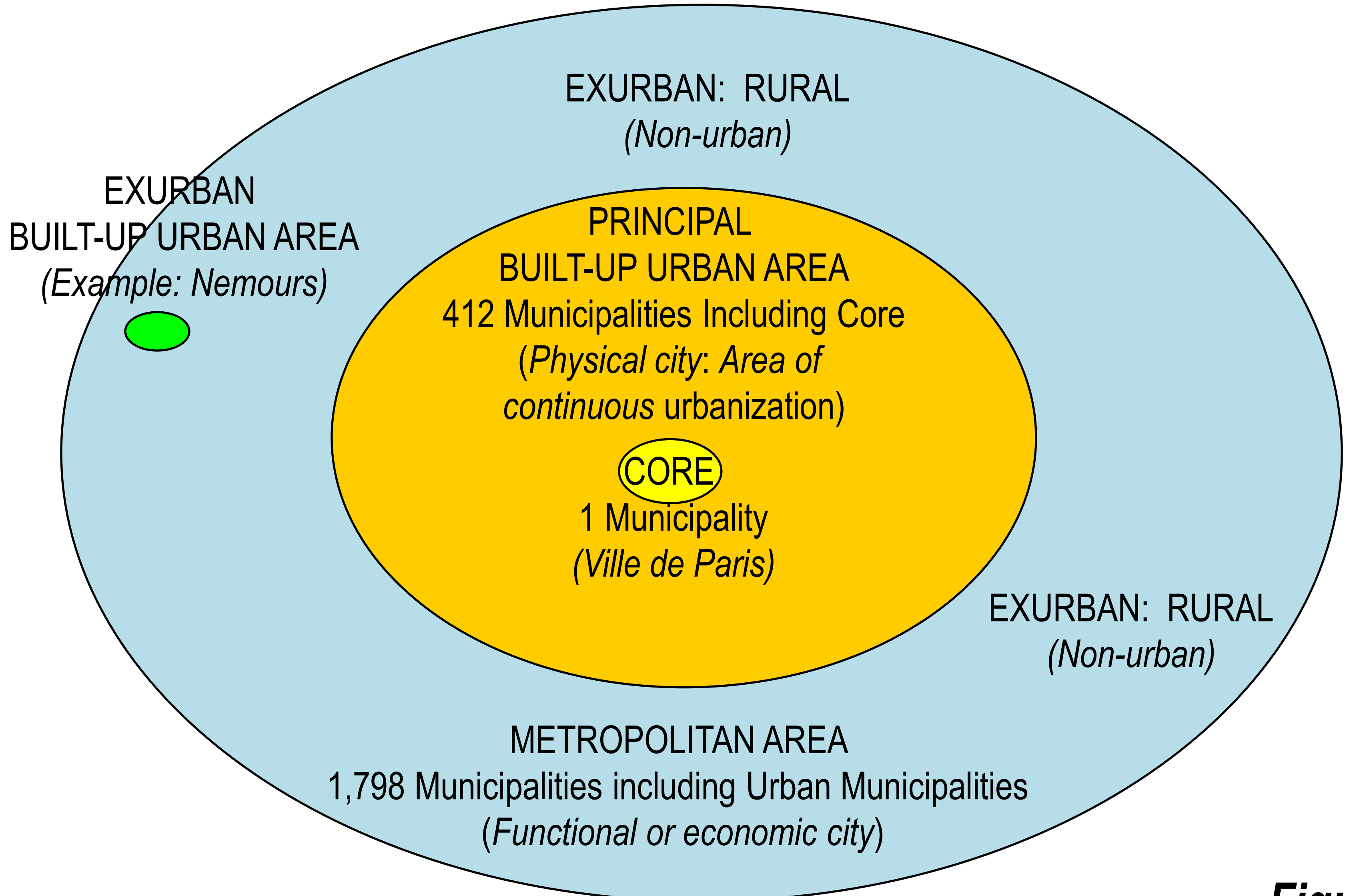


Figure 28

LOS ANGELES

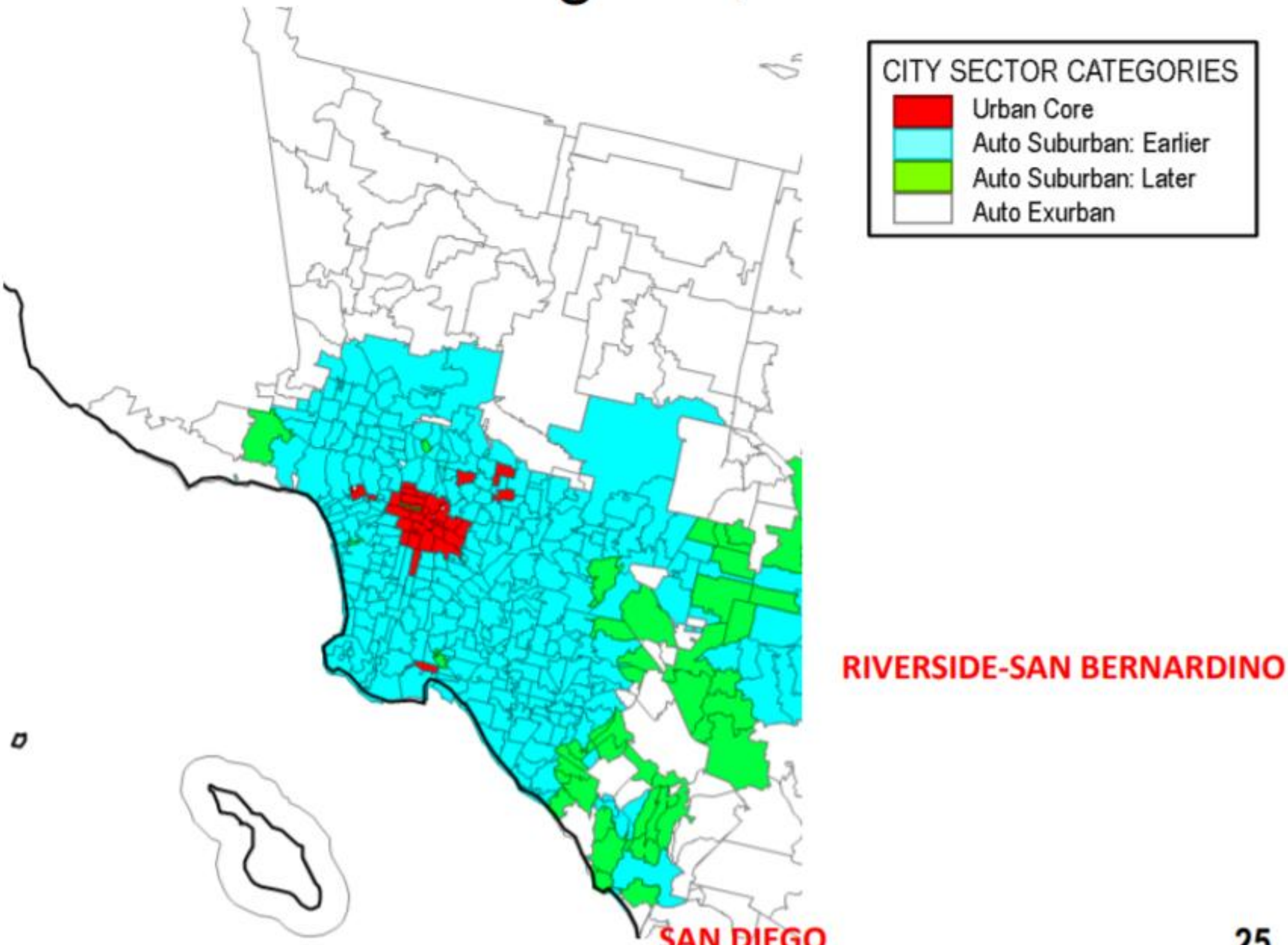
Los Angeles, CA
15,440,000
6,299
2,300
POP:KM2:DENSITY

City Sector Model Criteria

CITY SECTOR & **Relationship to City**	**Criteria 1**	**Criteria 2**
Pre-WW2 Urban Core : Downtown (URBAN CORE-CBD) (in physical and functional city)	Employment density >19,999 per square mile	
Pre-WW2 Urban Core: Outside Downtown (URBAN CORE-INNER RING) (in physical and functional city)	In principal urban area (AND) Population density >7,499 density per square mile (AND) Transit, Walk & Bike Share >19.9%	(OR) In pr. urban area (&) Median year house built before 1946
Post-WW2 Suburban : Earlier (EARLIER SUBURB) (in physical and functional city)	Not URBAN CORE (AND) Not EXURB	(AND) Median year house built before 1980
Post-WW2 Suburban : Later (LATER SUBURB) (in physical and functional city)	Not URBAN CORE (AND) Not EXURB	(AND) Median year house built after 1979
Exurban (EXURB) (In functional city, not physical city)	Outside 2010 principal urban area (largest urban area in the metropolitan area).	(OR) Under 250 density per square mile

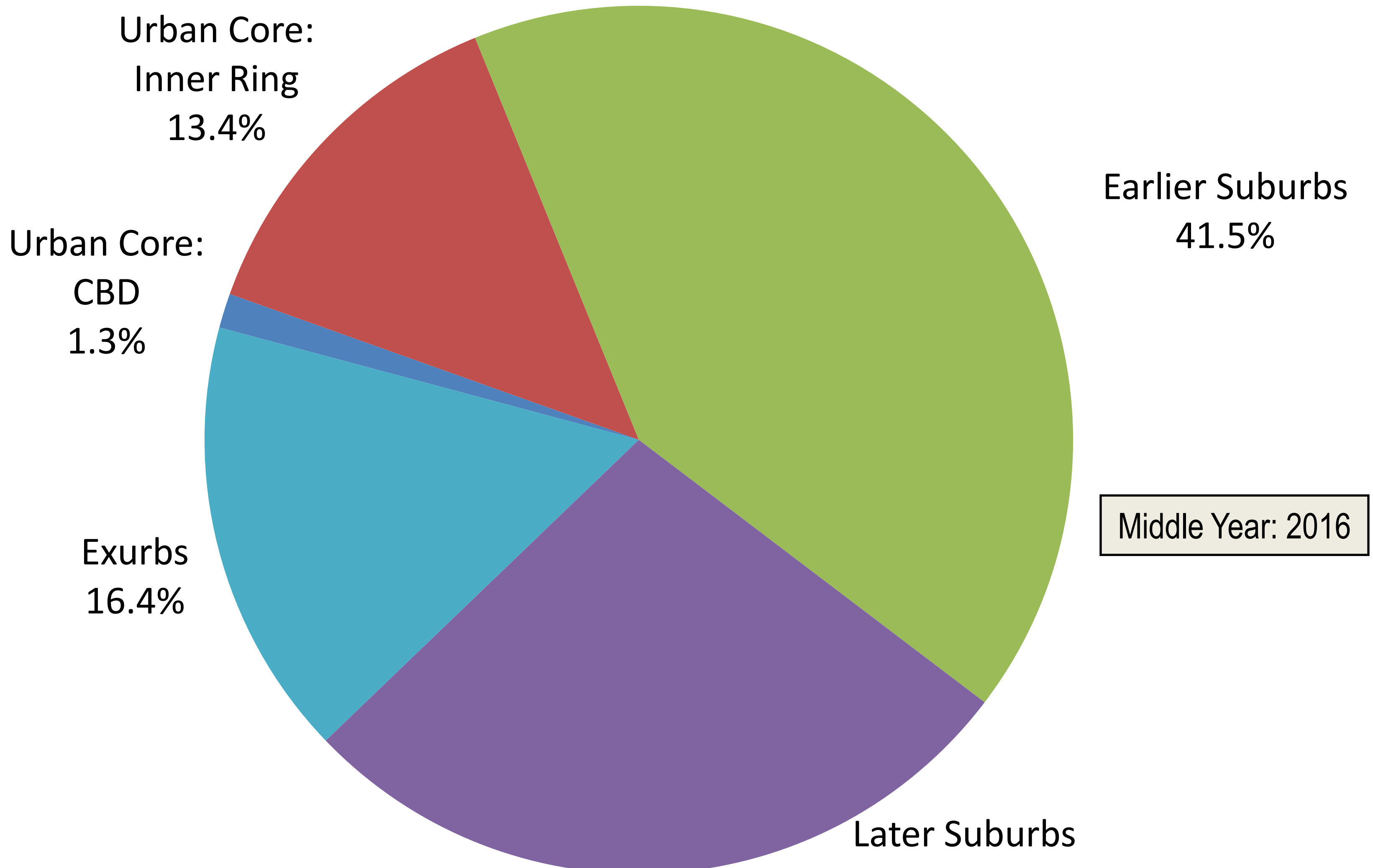
Figure 30

Los Angeles, CA



Urban Core, Suburban Population

MAJOR METROPOLITAN AREAS: 2014/2018

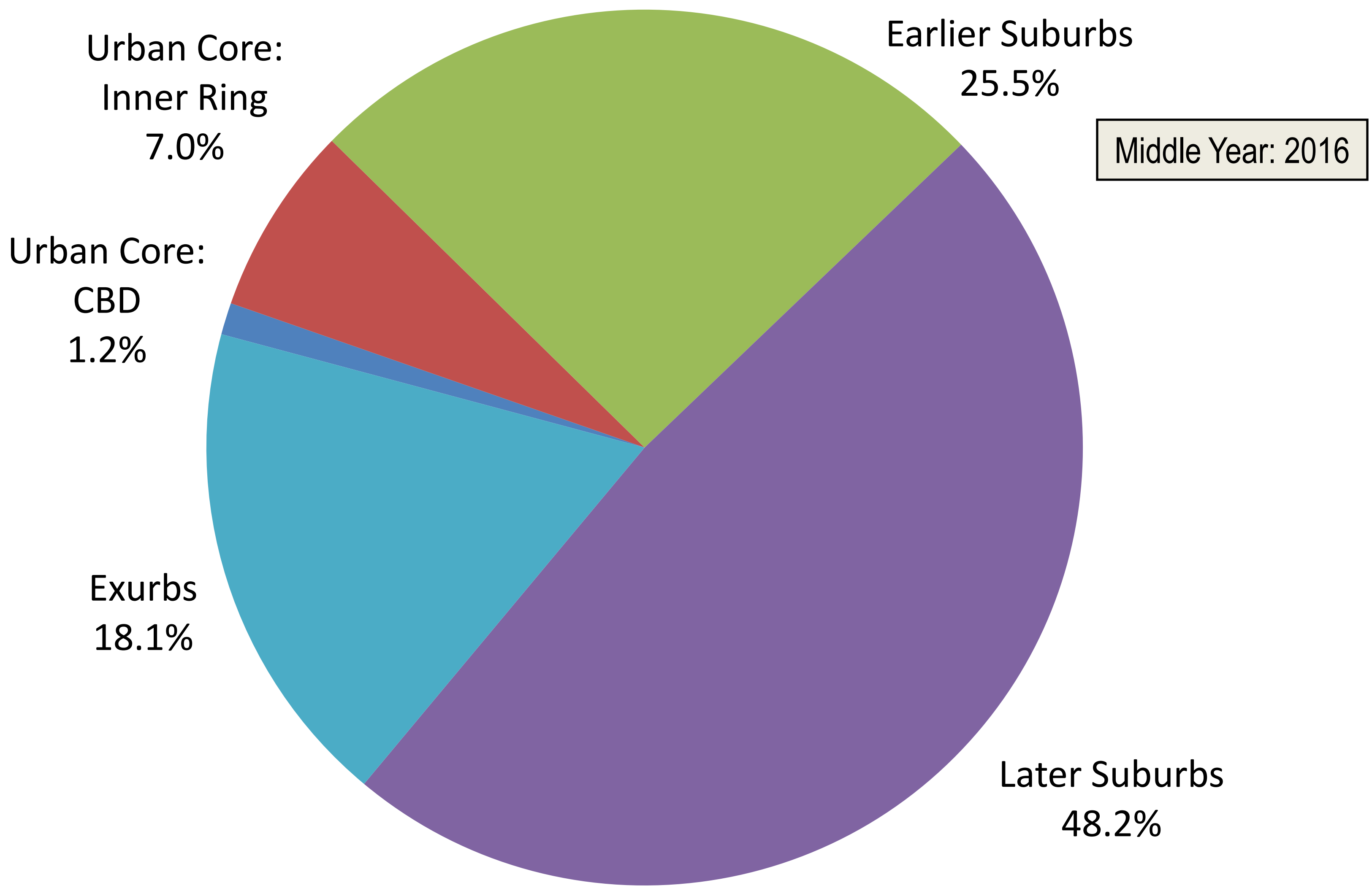


Derived from American Community Survey, 2014/2018 & City Sector Model

Figure 32

Share of Growth by Sector

MAJOR METROPOLITAN AREAS: 2010 TO 2014/2018



Derived from American Community Survey, 2014/2018 & City Sector Model

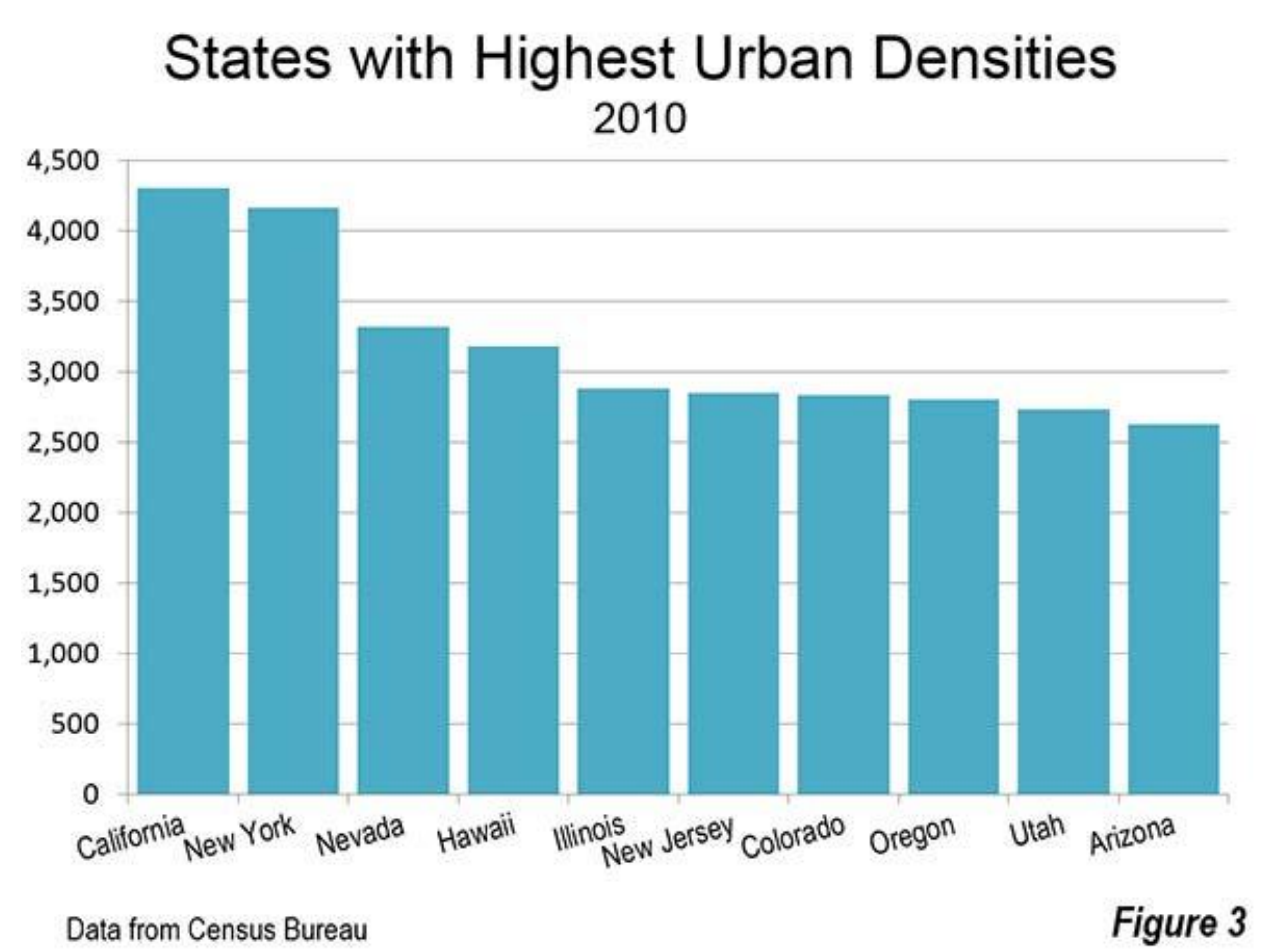
Figure 33

2010 – 2014/2018 Growth Share

BY METROPOLITAN AREA CLASSIFICATION

Derived from American Community Survey, 2014/2018 & City Sector Model

Figure 34


States with Highest Urban Densities
2010
4,500
4,000
3,500
3,000
2,500
2,000
1,500
1,000
500
0
California
New York
Nevada
Hawaii
Illinois
New Jersey
Colorado
Oregon
Utah
Arizona
Data from Census Bureau
Figure 3

10 Most Dense US Urban Areas: 2010

WITHIN MAJOR METROPOLITAN AREAS

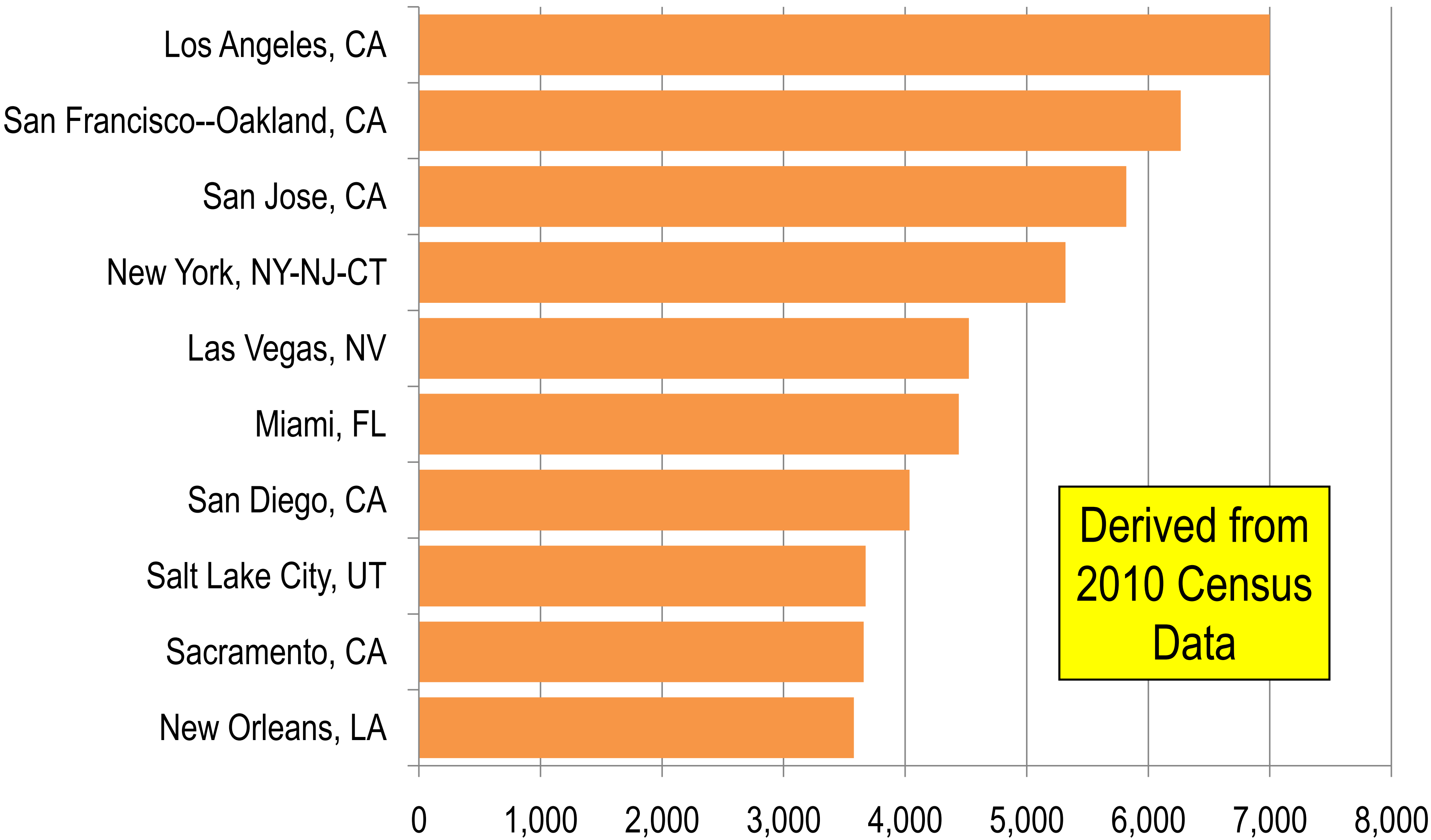
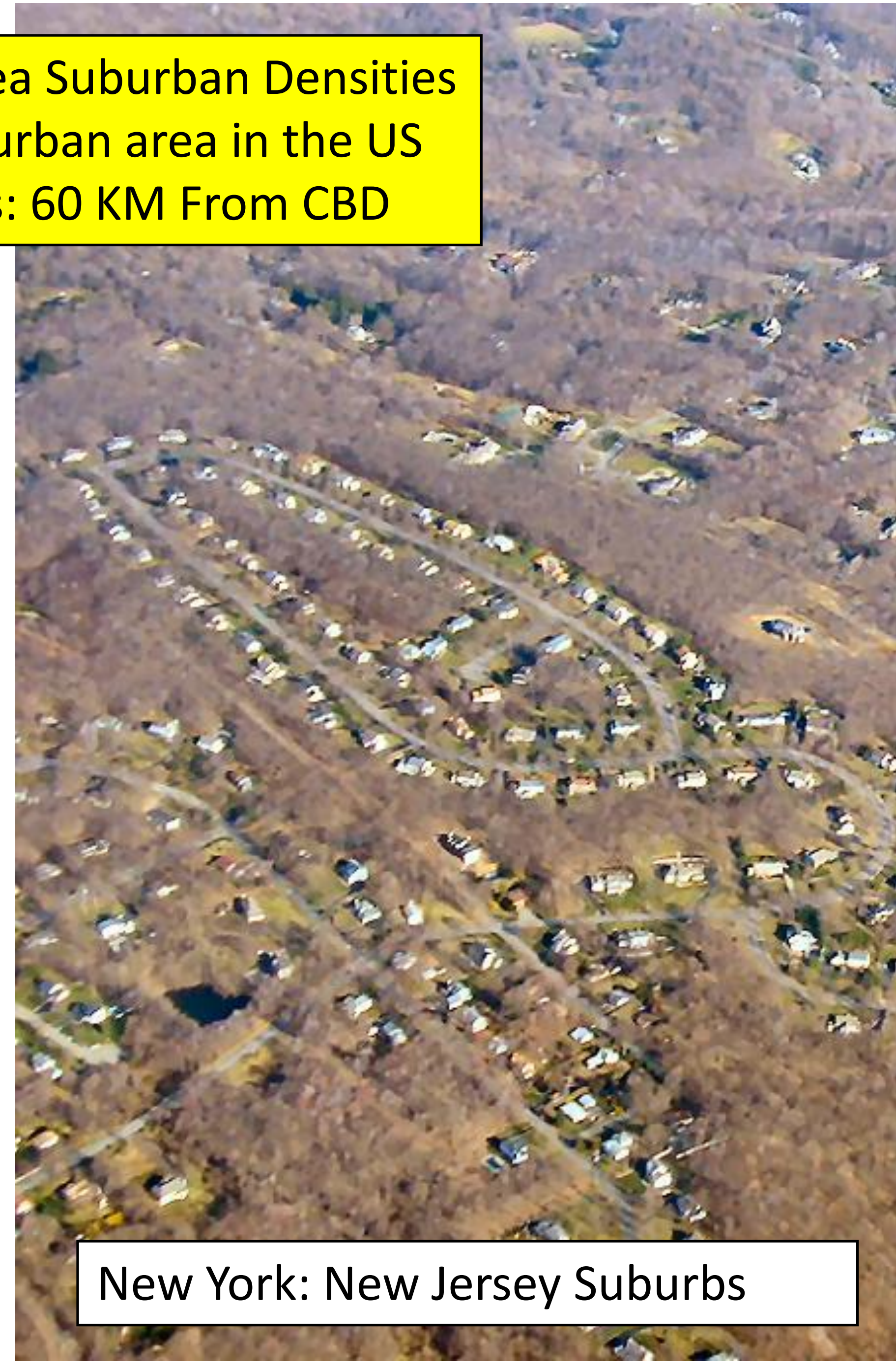


Figure 36

Higher Los Angeles Area Suburban Densities Make it the densest urban area in the US Comparing Suburbs: 60 KM From CBD


Los Angeles: East Suburbs


New York: New Jersey Suburbs

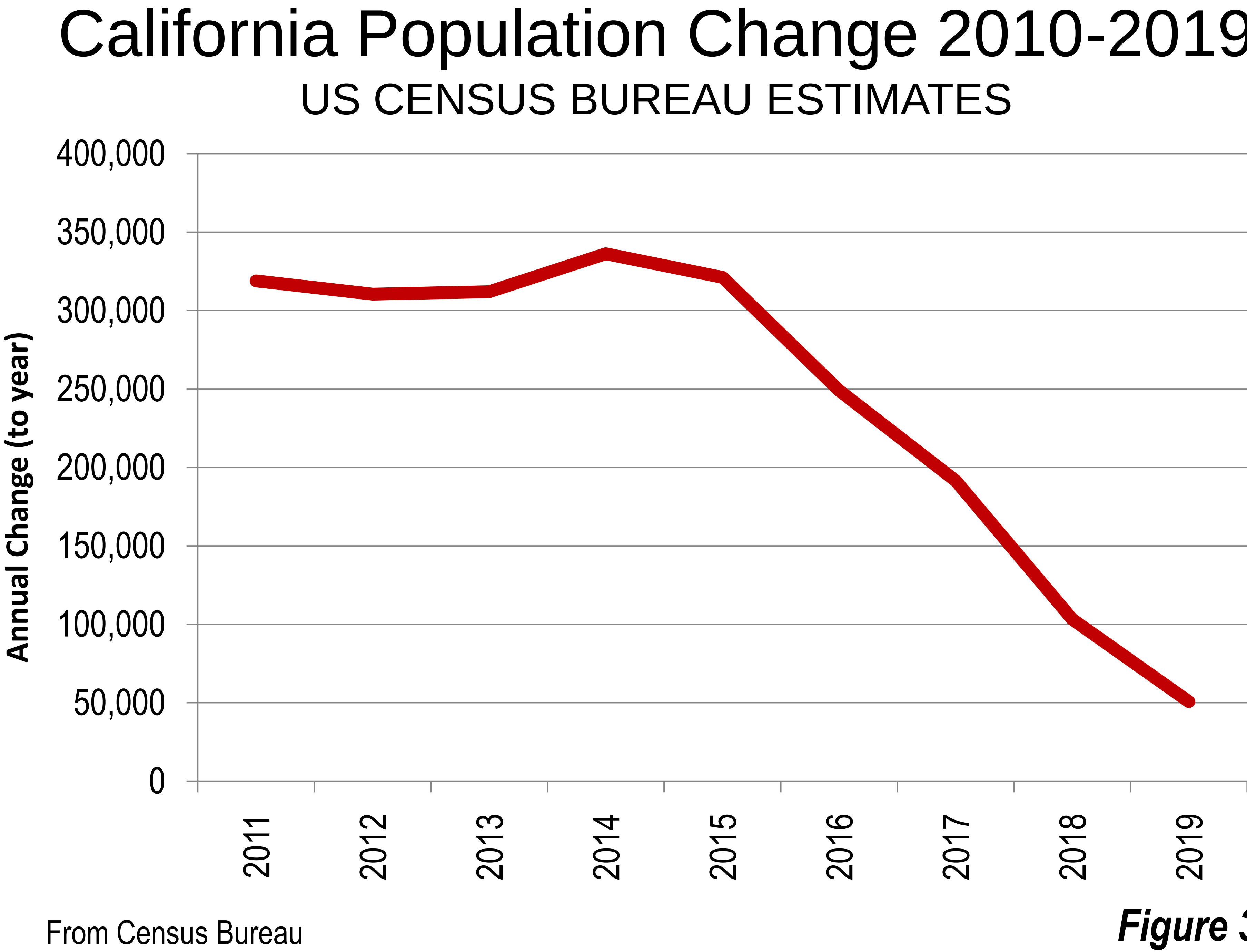
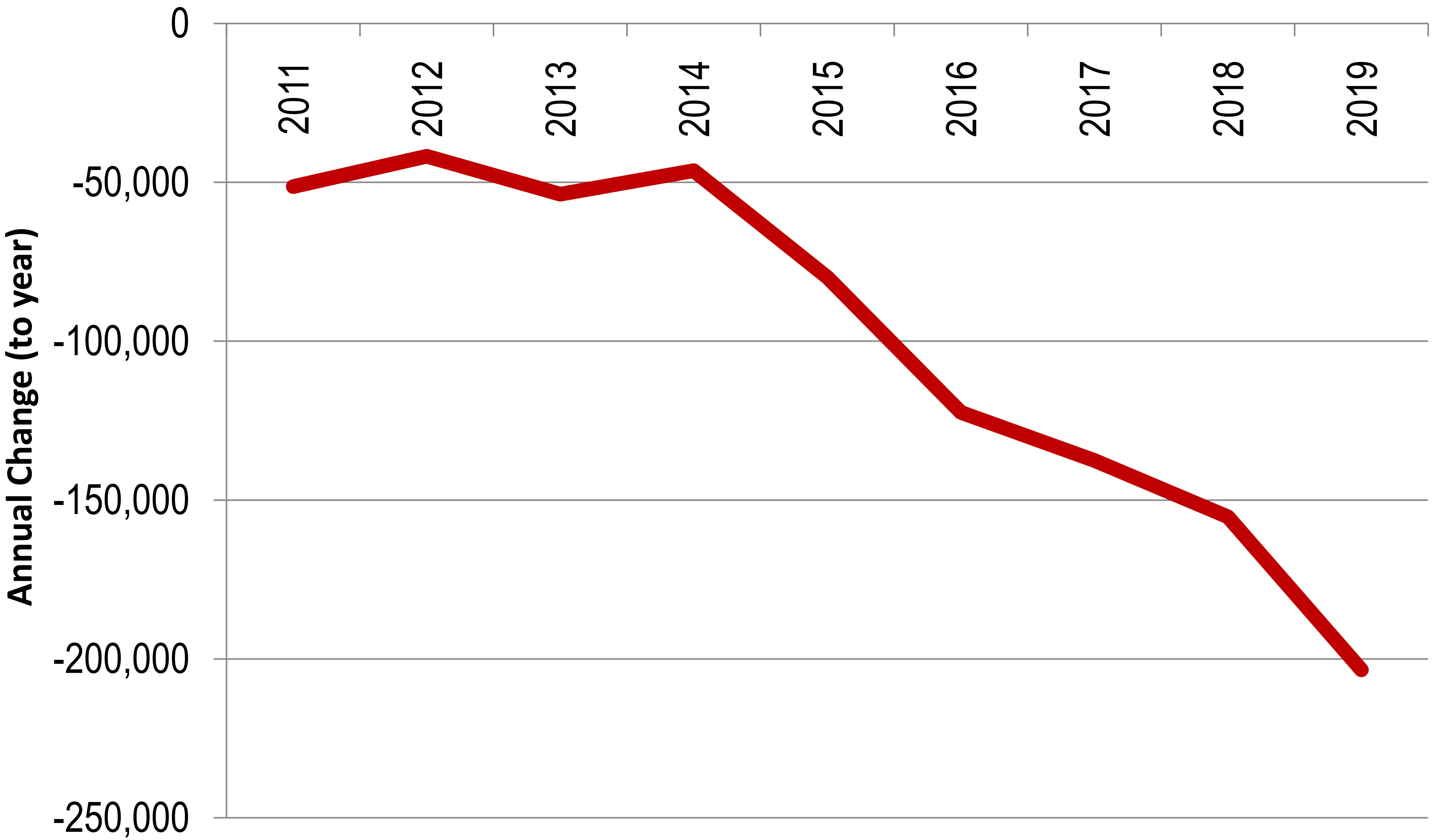

California Population Change 2010-2019
US CENSUS BUREAU ESTIMATES
Annual Change (to year)
400,000
350,000
300,000
250,000
200,000
150,000
100,000
50,000
0
2011
2012
2013
2014
2015
2016
2017
2018
2019
From Census Bureau

Figure 38

California: Net Domestic Migration

2010-2019 US CENSUS BUREAU ESTIMATES

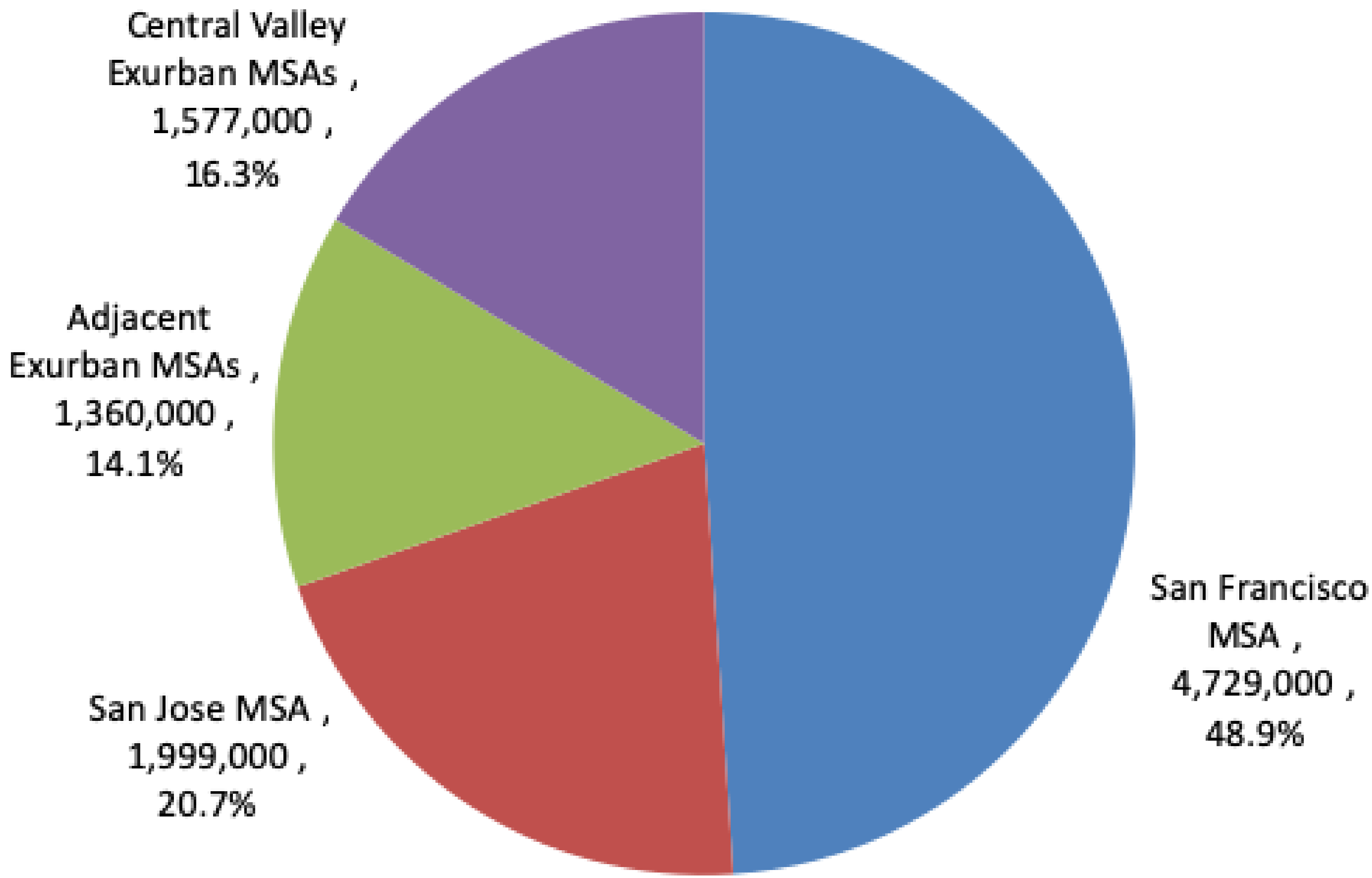


From Census Bureau

Figure 39

Bay Area CSA Population Distribution

2018

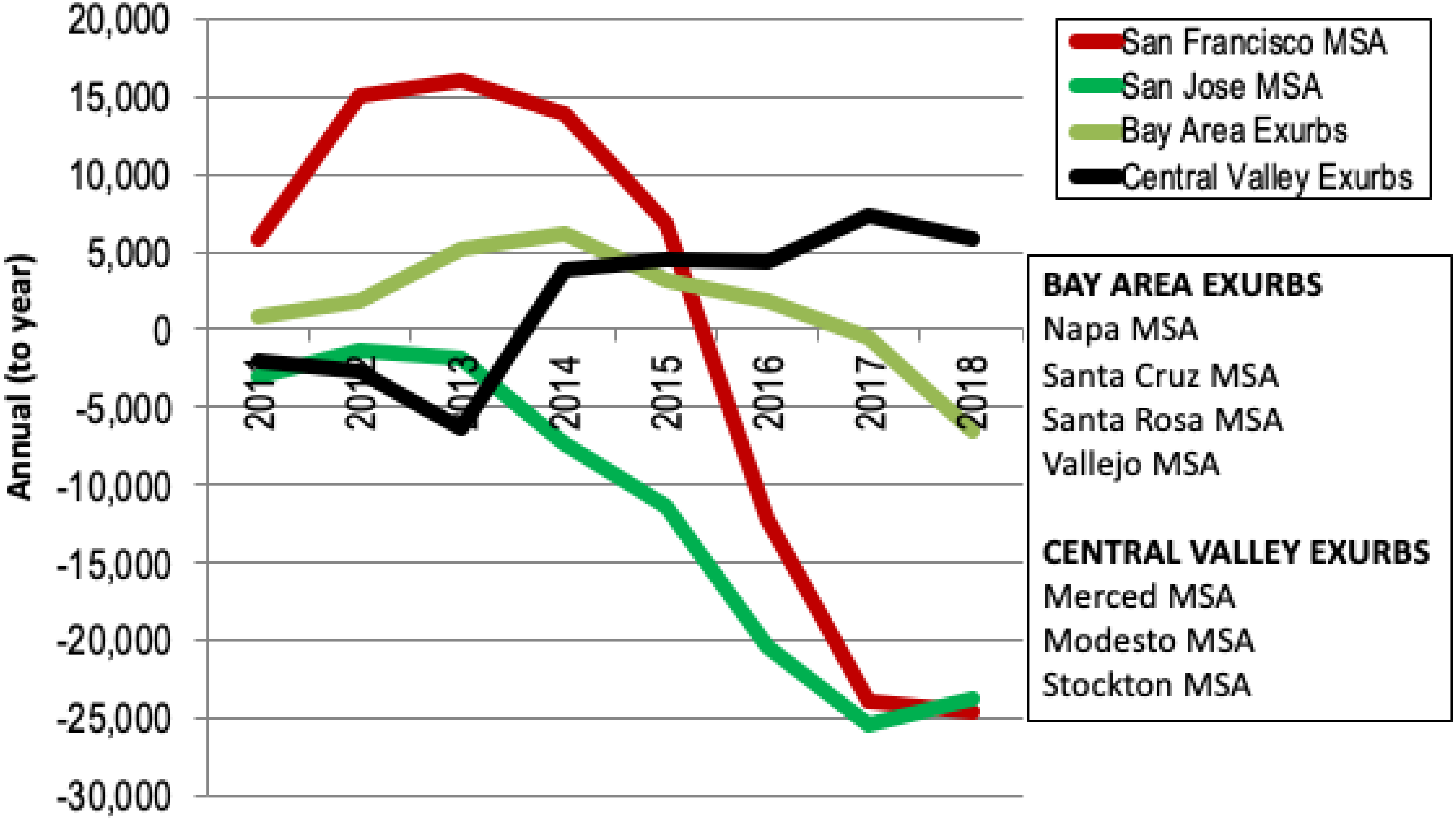


Source: Census Bureau population estimates

Figure 1

Bay Area CSA: Domestic Migration by MSA

2010 TO 2018 POPULATION CHANGE

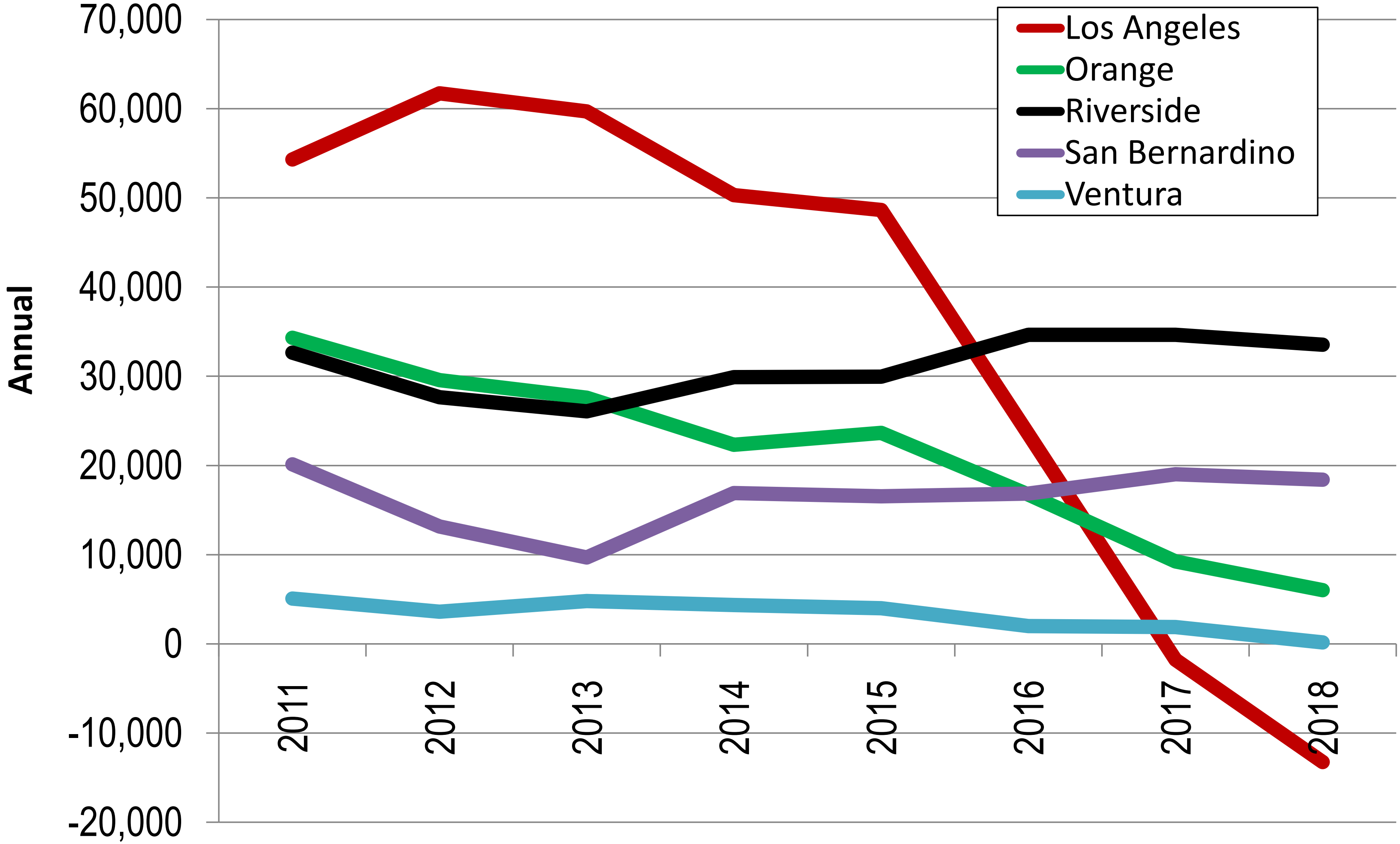


Derived from Census Bureau Population Estimates 2018

Figure 7

County Population Trend: Los Angeles CSA

2010 TO 2018

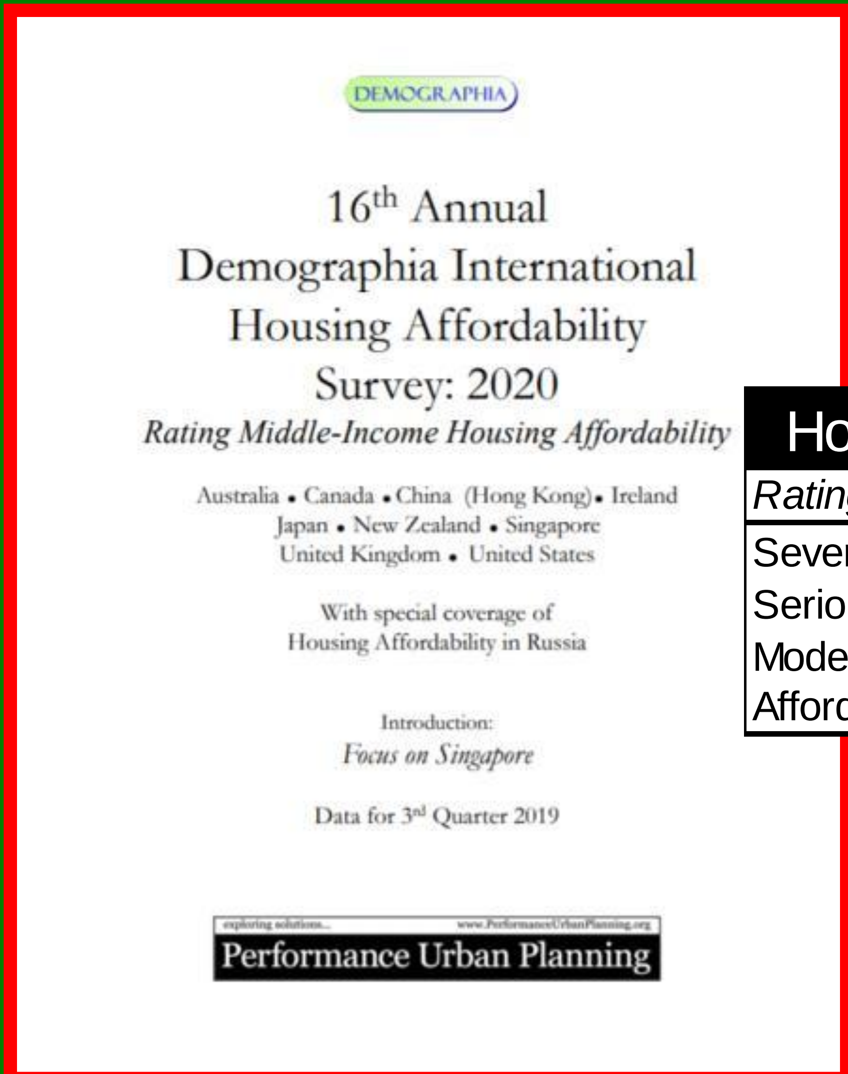


Derived from Census Bureau Population Estimates 2018

Figure 42

International Housing Affordability

THE *DEMOGRAPHIA SURVEY*


DEMOGRAPHIA

16th Annual
Demographia International
Housing Affordability
Survey: 2020

Rating Middle-Income Housing Affordability

Australia • Canada • China (Hong Kong) • Ireland
Japan • New Zealand • Singapore
United Kingdom • United States

With special coverage of
Housing Affordability in Russia

Introduction:
Focus on Singapore

Data for 3rd Quarter 2019

exploring solutions... www.PerformanceUrbanPlanning.org
Performance Urban Planning

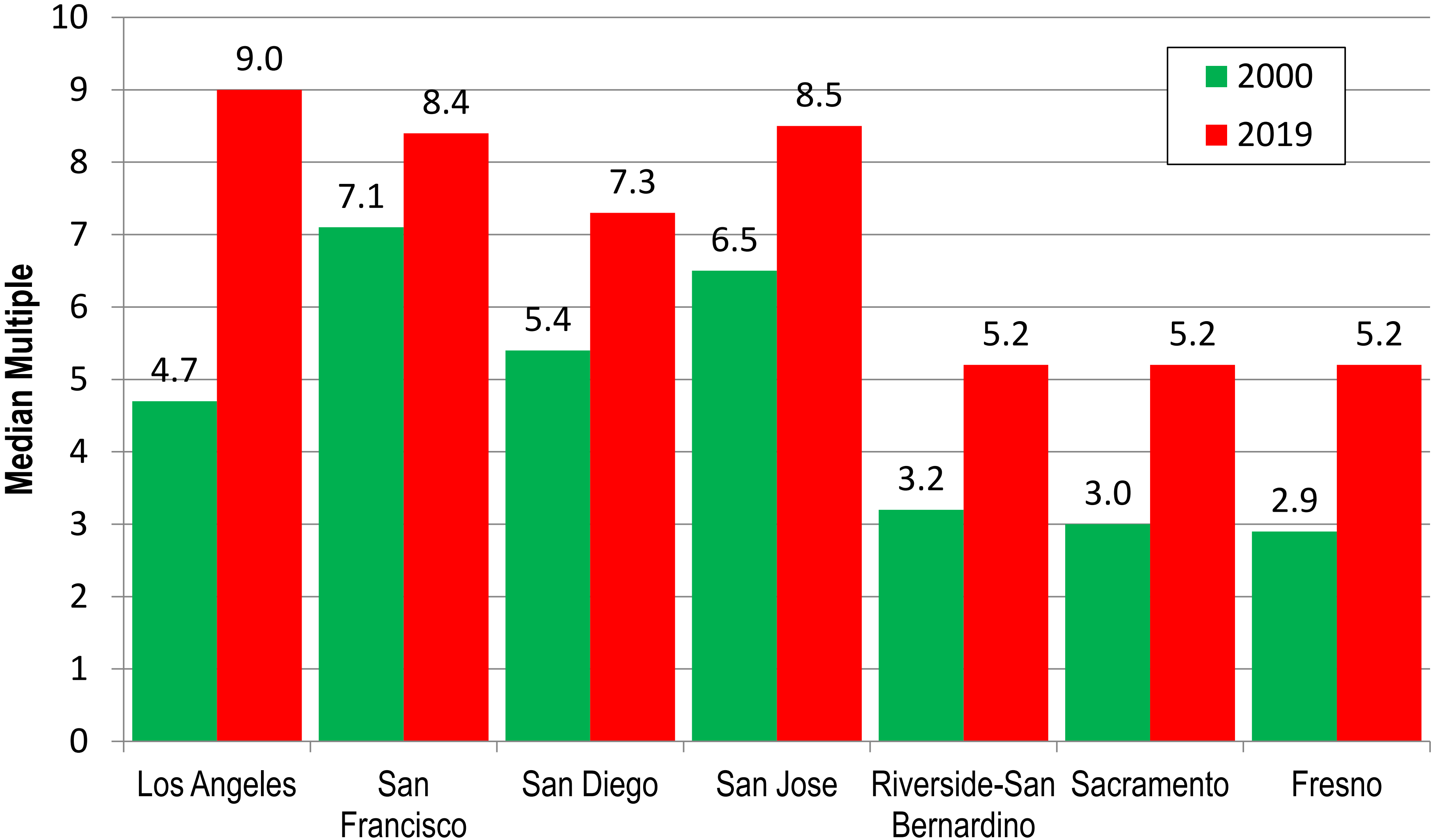
MEDIAN MULTIPLE
Median house price divided by
Median household income

Housing Affordability Rating Categories	
Rating	*Median Multiple*
Severely Unaffordable	5.1 & Over
Seriously Unaffordable	4.1 to 5.0
Moderately Unaffordable	3.1 to 4.0
Affordable	3.0 & Under

16th ANNUAL
8 Nations
92 Major Markets
309 Total Markets

Housing Affordability Deterioration

LARGEST CALIFORNIA METROPOLITAN AREAS: 2000-2019



Derived from Census Bureau, Harvard University and Demographia.

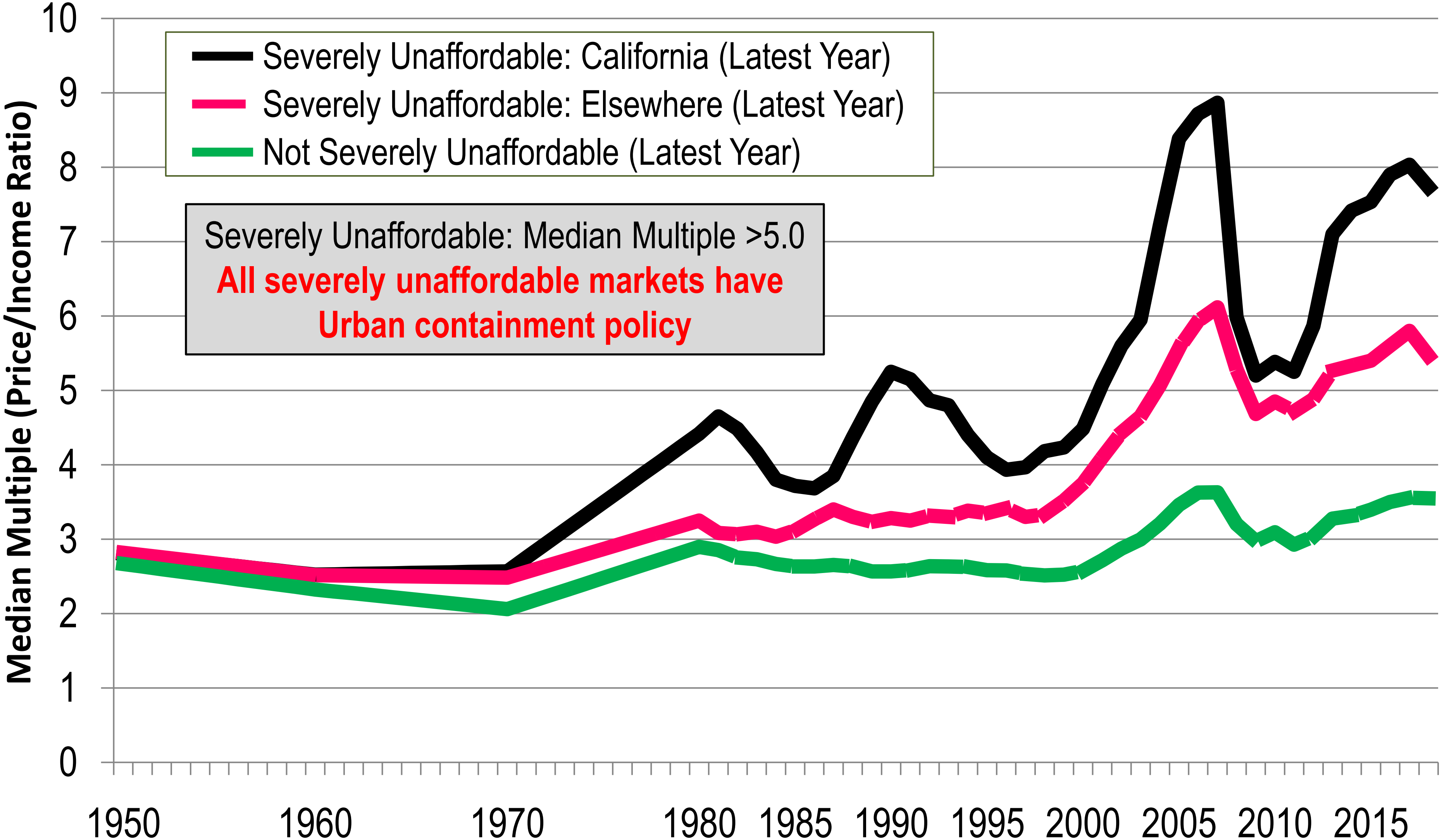
1. A Look at Demographia's latest housing affordability survey

** In this interview, Wendell Cox talks about Demographia's latest housing affordability. Wendell Cox is an American urban policy analyst and academic. He is the principal of Demographia (Wendell Cox Consultancy). and sole owner of Wendell Cox Consultancy/Demographia. The survey is co-authored with Hugh Pavletich of Performance Urban Planning.*

Hites Ahir: You recently released the 16th Annual Demographia International Housing Affordability Survey: 2020. Tell us about the housing affordability measure used in the survey.

California & the United States Compared

MIDDLE-INCOME HOUSING AFFORDABILITY: FROM 1950

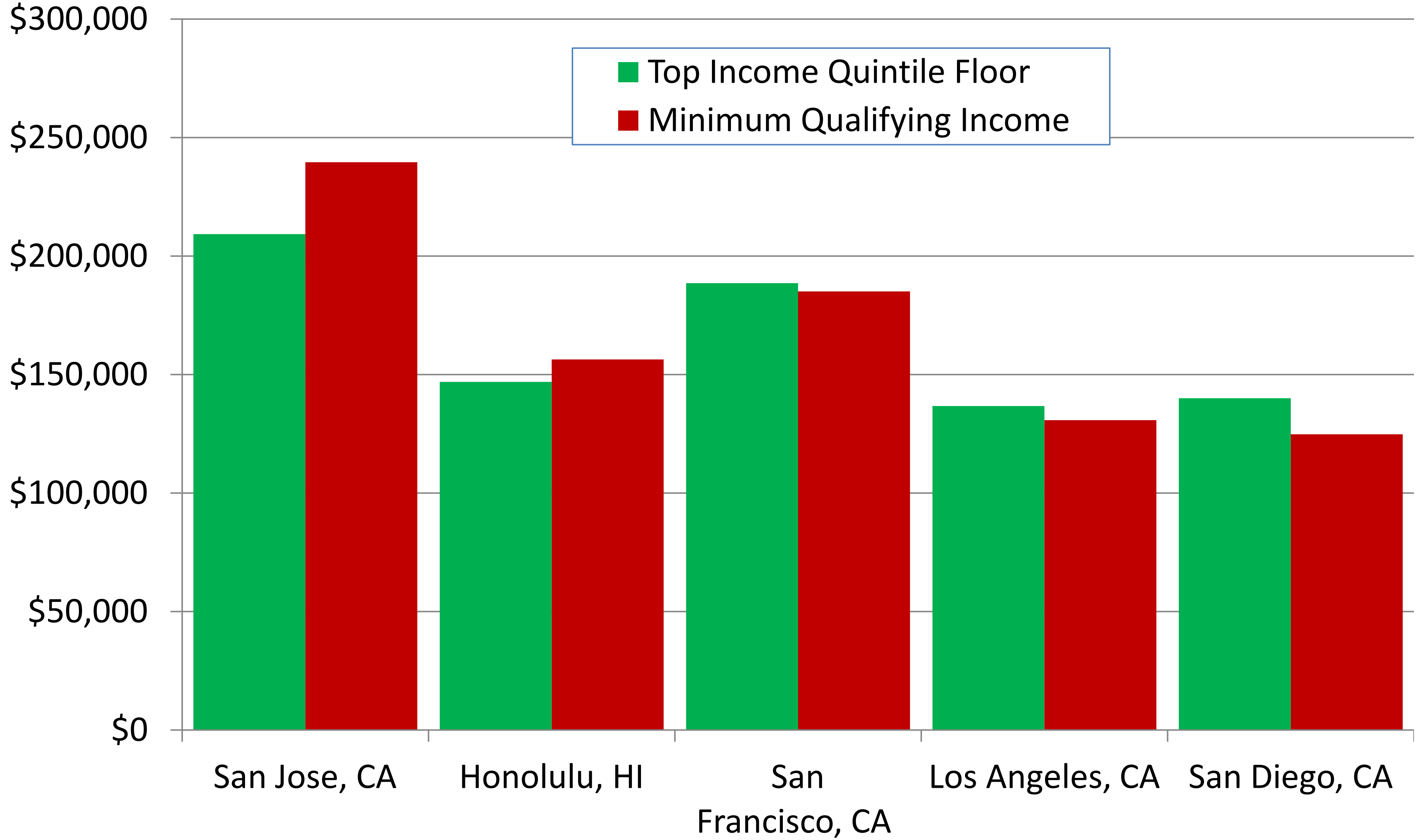


Derived from Census Bureau, Harvard University and Demographia.

Figure 46

Qualifying Income for Median Priced House

LEAST AFFORDABLE MARKETS: HOUSEHOLD INCOME: 2017

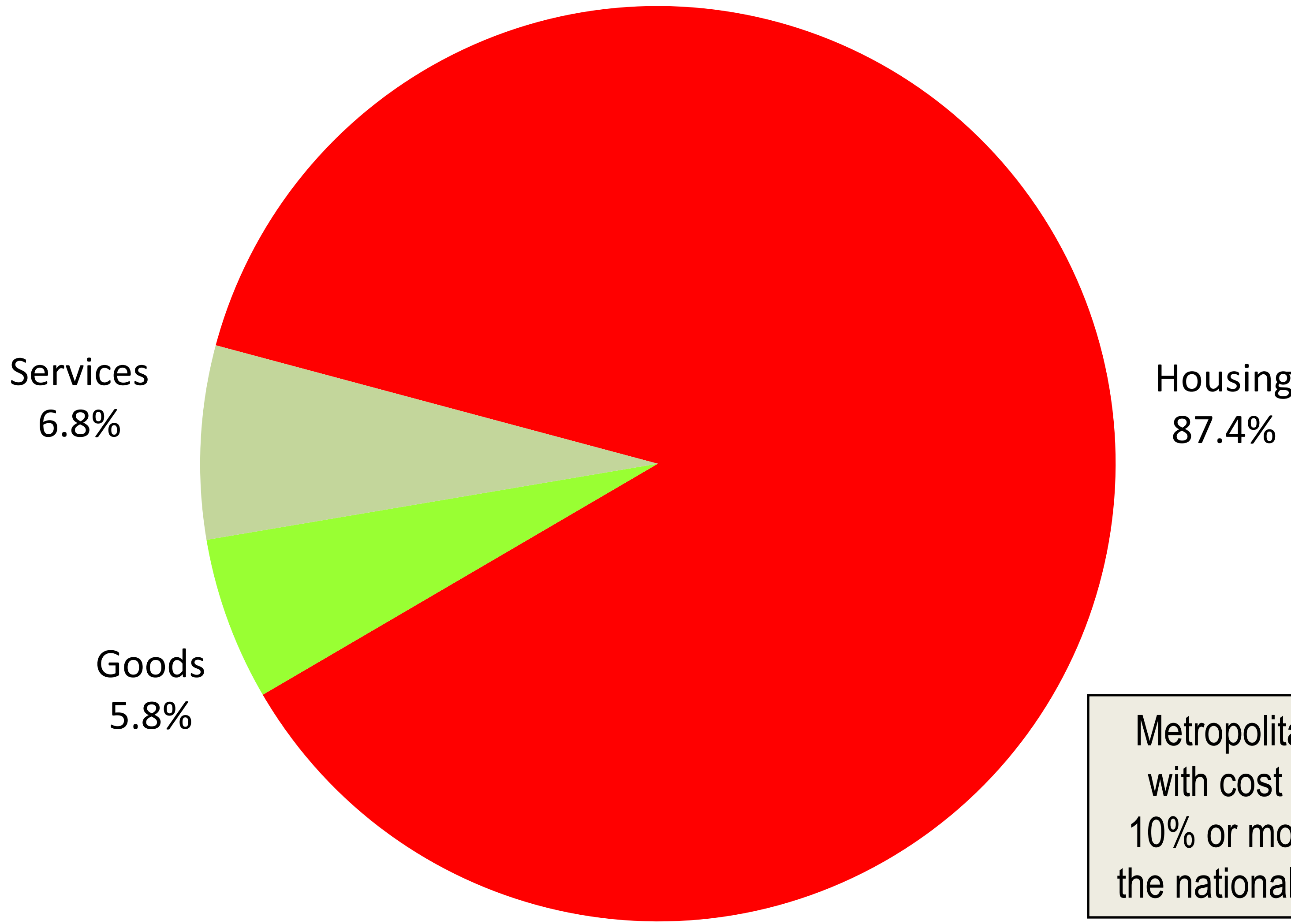


Derived from ACS 2017 & National Association of Realtors and Demographia data

Figure 47

Housing Share of Excess Costs of Living

MOST EXPENSIVE UNITED STATES MARKETS: 2017



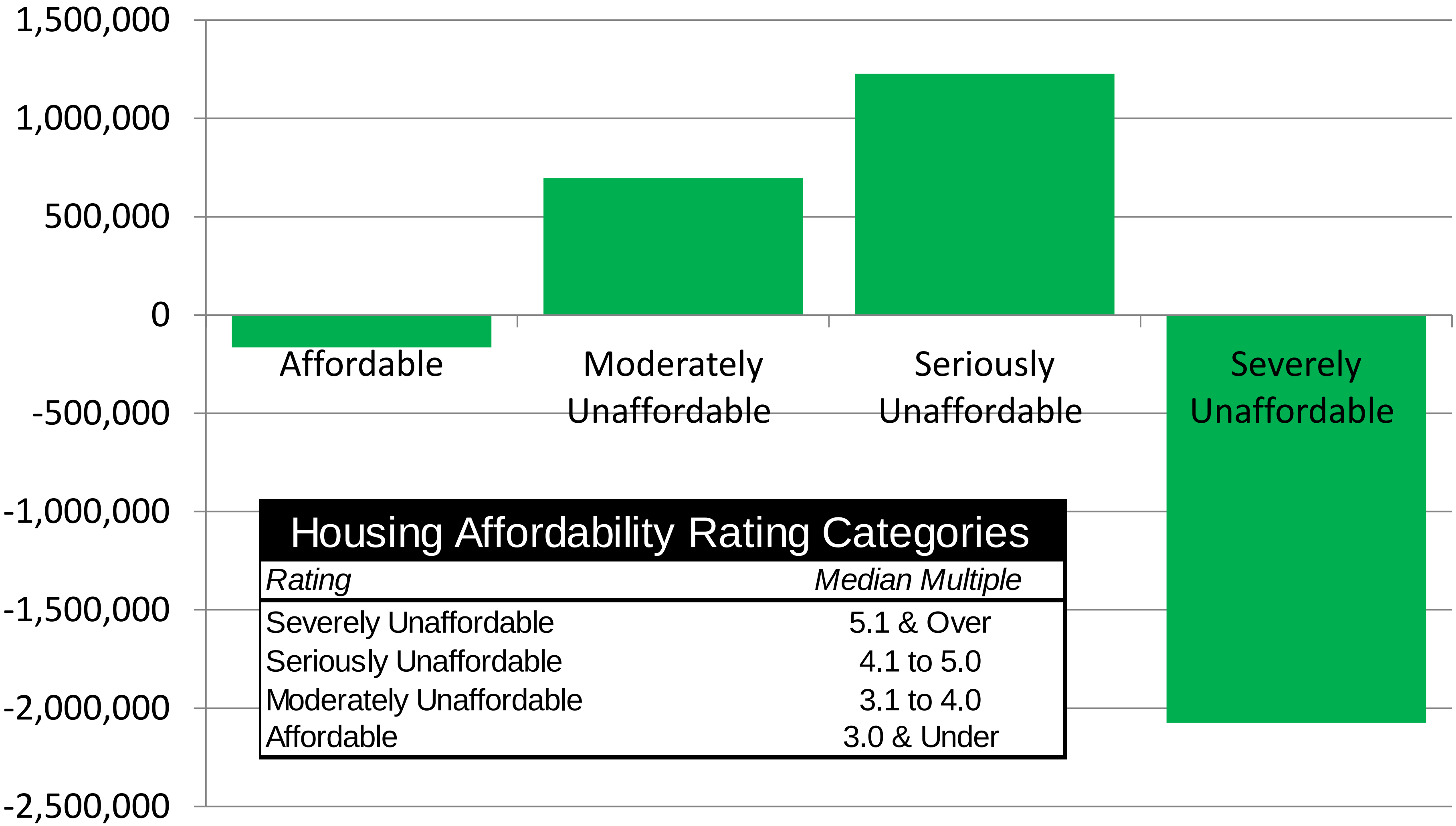
Metropolitan areas with cost of living 10% or more above the national average.

Estimated from Bureau of Economic Analysis & American Community Survey Data

Figure 48

Domestic Migration by Housing Affordability

2010-2019 B7 2019 MEDIAN MULTIPLE



From *Demographia International Housing Affordability Survey: 2020*

Figure 49

Thank you

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