

III. STRUGGLING SUBURBS—THE GREAT SURPRISE

The challenges that were once concentrated in central cities have spread to many older, “inner ring” suburbs—places such as Euclid and Garfield Heights outside of Cleveland, Southfield and Royal Oak near Detroit, and Chicago Heights, just outside the city of Chicago. These communities, once thought immune to such urban ills as crime and poverty, are increasingly facing those challenges and more. The challenges are not restricted to one or two regions of the country but are national in scope.

Suburban pockets of concentrated poverty are becoming more common. For example, in the 1990s, 90 percent of Minneapolis’ inner ring suburbs have been gaining poor children at a faster rate than Minneapolis itself. Nearly a quarter of all children in these school systems now receive free school lunches. Crime has risen, too.¹² In fact, during the 1980s, inner-ring suburbs and very poor inner-city neighborhoods were the only communities in the Minneapolis metropolitan area where crime increased. Crime rates in these areas were 20 percent higher than in rates in more affluent suburban areas.

Six of the 10 communities in the San Francisco Bay Area with the highest poverty rates are older, inner ring suburbs surrounding the Bay. Moreover, areas of income decline in the Bay area are concentrated in these older cities and inner ring suburbs.¹³

The populations of many older suburbs are stagnating or declining and are becoming increasingly poor. As more affluent households have left our older suburbs in most metropolitan regions for newer suburbs further from the city center, businesses have followed. Many older suburbs have thus experienced job losses as dramatic as those seen in central cities; some have seen more dramatic declines. This disinvestment has created blighted areas of vacant lots and brownfields. Again, the very scores associated with older cities

Median incomes also tell the tale of continued out-migration from older to newer areas. In four Atlanta suburbs, the growth in median family income between 1960 and 1990 actually lagged income growth in the central city for that period. Income growth in the metropolitan area has centered on the newer suburbs further away from the urban core.¹⁴

Population and income in turn drive tax base. A study of the Rochester, New York metropolitan area found that assessed property values in three inner ring suburbs were only 40 percent of those in the three southeastern outer-ring suburbs. Also, between 1977 and 1995, the tax bases in these older suburbs grew an average of 28 percent, compared to a booming 122 percent in the outer-ring suburbs.¹⁵ The low tax bases of older suburbs creates a daunting task: overcoming increasing poverty concentration, increased crime, and disinvestment while providing services and upgrading infrastructure with fewer resources. The older suburban communities that surround central cities such as Rochester have lost much of the fiscal capacity to respond to important new challenges—the capacity to join the new economy and ensure a high quality of life for residents.

These trends are not restricted to Minneapolis, Rochester, or other metropolitan areas in the Northeast and Midwest. The decline of older suburbs is happening across the country. Such diverse metropolitan areas as Philadelphia, Cleveland, and Boston, and States like Maryland and California have documented many of these trends in their inner suburbs.¹⁶