The Urban Sun Belt:
An Overview

Photos by Daniel Weiss (top) and Carlos Alfonso (bottom) on Unsplash

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Executive Summary

Most population growth in the United States now takes place in the Sun Belt, and most of the Sun Belt's population growth occurs in large metropolitan areas across the Southern Tier of the nation.

Unfortunately, much of American urban policy is crafted — and, indeed, much urban policy research is conducted — with traditional Northeastern and Midwestern cities in mind.

The purpose of this white paper is to describe the nature of large Sun Belt metropolitan areas and highlight the differences between these metros and metros in other parts of the country. Through this research, we hope to begin a conversation about how large Sun Belt metropolitan areas might begin to tackle the urban policy challenges particular to them.

Therefore, this paper will focus most of its attention on larger metropolitan areas in the Sun Belt as defined by the Kinder Institute (all areas in the continental United States south of the 36°30' line.) In particular, this paper focuses on the 22 metropolitan statistical areas in the Sun Belt with a population of 1 million people or more. Together, these 22 metropolitan areas accounted for almost half of all population growth in the entire United States between 2010 and 2016.

These large Sun Belt metropolitan areas face a unique set of urban challenges, especially when compared to their counterparts in other parts of the country. These challenges include:

- Large Sun Belt metropolitan areas are growing much faster than their counterparts elsewhere.
- These metro areas are adding more younger and older residents than the rest of the nation.
- The economies of large Sun Belt metros are growing fast but job growth is increasing fastest in the high- and low-paying sectors.
- Poverty appears to be growing faster in large Sun Belt metros.
- While large Sun Belt metros have a reputation for housing affordability, that reputation appears to be in danger. Homeownership rates are on the decline and these metros have a high percentage of households that are housing cost-burdened.
- Because they are more auto-dependent, large Sun Belt metros have higher transportation costs and more pedestrian deaths. These metros have invested heavily in public transit in recent decades but, on a per capita basis, their ridership remains relatively low compared to other parts of the nation.

Education is another major policy issue in large metropolitan areas in the U.S., but education is beyond the scope of this short white paper. Nevertheless, we are mindful that educational performance and attainment are related to many of the topics discussed in this paper.

Overall, the combination of growing income inequality, rising housing costs, segregation and the automobile-centric nature of Sun Belt cities creates an interconnected set of challenges that would be difficult for any city or metropolitan area to deal with. The fact that these challenges are occurring in large, young, fast-growing metros makes the challenge doubly difficult.

Traditionally, social, economic and urban planning problems such as those listed above are addressed at the city and metropolitan level through two institutions: ***government*** and ***private philanthropy***. But these two institutions are not as strong in the Sun Belt as they are in other parts of the country. Therefore, the Sun Belt may have to find new mechanisms — or new combinations of mechanisms — to address these problems.

Introduction

Most of the nation's population growth now takes place in the Sun Belt, and most of the Sun Belt's population growth occurs in large metropolitan areas across the Southern Tier of the United States.

But large Sun Belt cities are different than other cities across the country. They are newer, more auto-oriented, more diverse and both older and younger at the same time. They are economically dynamic in different ways than the rest of the country — shedding manufacturing jobs at a slower rate than the Rust Belt while adding both high-paying and low-paying service jobs at a faster rate.

Increasingly, these large Sun Belt metros have commonalities that set them apart from the rest of the country's metro areas. They are more demographically diverse than metros in other parts of the country, although the rest of the country is beginning to catch up. After decades of growth, housing is becoming less affordable and, because of auto-oriented sprawl, the need to own a car is straining household finances. The low-income population is growing faster in these Sun Belt cities than elsewhere. Low-income neighborhoods in the Sun Belt often are located in inconvenient places far from jobs and hard to serve with transit.

Unfortunately, much of American urban policy is crafted — and, indeed, much urban policy research is conducted — with traditional Northeastern and Midwestern cities in mind. At the same time, in most parts of the Sun Belt, neither the local and state governments nor local philanthropies and nonprofits have the capacity to tackle these issues alone.

The purpose of this white paper is to describe the nature of large Sun Belt metropolitan areas and highlight the differences between these metros and metros in other parts of the country. Through this research, we hope to begin a conversation about how large Sun Belt metropolitan areas might begin to tackle the urban policy challenges specific to them.

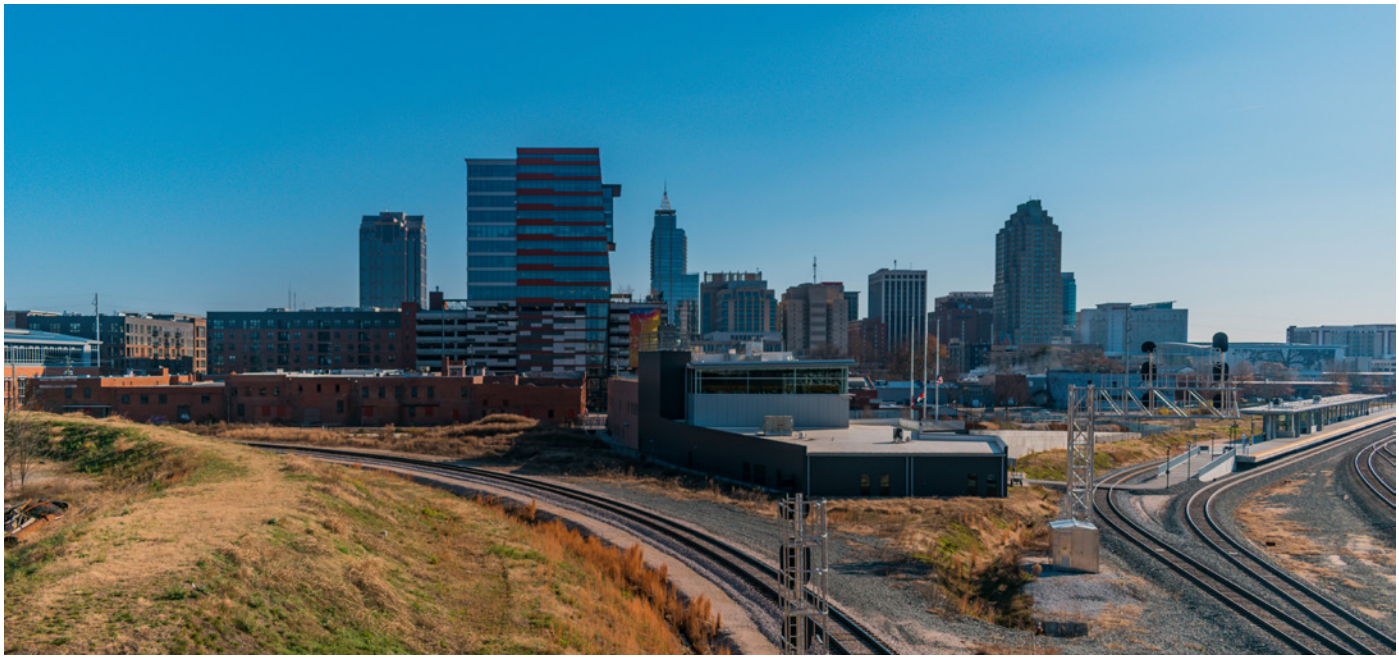


Photo by Elijah Mears on Unsplash

Defining the Sun Belt — and the Urban Sun Belt

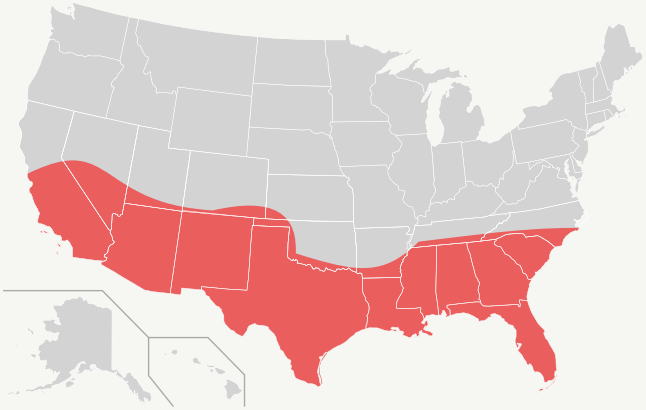
The Sun Belt

Over the past 50 years, there has been much conversation about the Sun Belt region — its rapid population growth, economic expansion and increasing political importance all have been discussed at length. Companies across the region have included "Sun Belt" in their name, journalists routinely use the term, even an NCAA athletic conference is its namesake. Yet there is no clear consensus on the definition of the geographical boundaries of the Sun Belt.

Political analyst Kevin Phillips coined the term "Sun Belt" in his book *The Emerging Republican Majority*, which was published in 1969. The book discussed the wave of people moving from decaying Northern industrial cities (the "Rust Belt") to the "oil, military, aerospace and retirement country stretching from Florida to California" (the "Sun Belt").

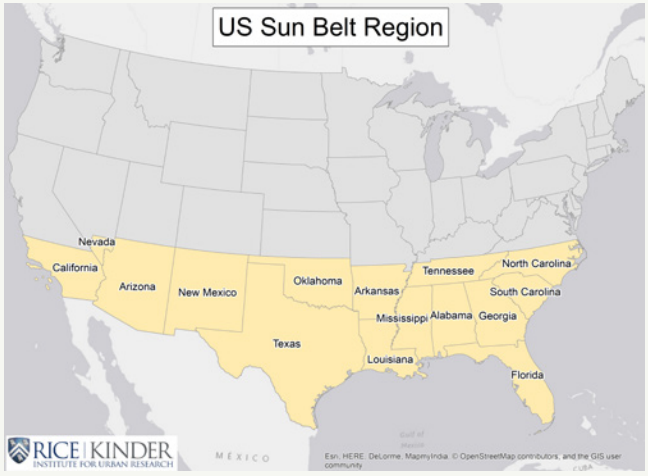
While the map below shows the area typically included in the Sun Belt, the boundaries vary. Specifically, the northern boundary differs among definitions.

FIGURE 1 **Historic U.S. Sun Belt**



By User:Derfel73; User:Theshibboleth - File:Map_of_USA_highlighting_Sun_Belt.pngThis file was derived from: Blank US Map.svg, CC BY-SA 3.0, https://commons.wikimedia.org/w/index.php?curid=16163642

FIGURE 2 **Kinder Institute definition of Sun Belt, using 36°30' line**



After considering the commonly accepted geographical boundaries, the Kinder Institute has decided to apply the definition of the Sun Belt that uses the 36°30' parallel as the northern border. Under this definition, 15 states make up the Sun Belt, including Alabama, Arizona, Arkansas, California, Florida, Georgia, Louisiana, Mississippi, Nevada, New Mexico, North Carolina, Oklahoma, South Carolina, Tennessee and Texas.

The Urban Sun Belt

Most parts of the Sun Belt are growing fast. But in terms of raw growth, the large metropolitan areas in the Sun Belt are experiencing more significant growth and also have a more complicated set of urban problems.

Small metro areas such as Fort Myers and Naples on Florida's Gulf Coast often get headlines because their rate of growth (13–15% between 2010 and 2016) tend to lead the nation. However, the raw number of people being added

to the population in such locations is dwarfed by the raw population growth in larger metros.

For example, between 2010 and 2016, the raw population growth for metropolitan Orlando was twice the total for Fort Myers and Naples combined. Dallas and Houston — the fastest-growing metro areas in the nation in raw numbers — each added more than four times as many residents as Fort Myers and Naples combined. The small metros may be growing rapidly in percentage terms but the scale of growth in the large metros is enormous by comparison.

Therefore, this paper will focus most of its attention on larger metropolitan areas in the Sun Belt — in particular, the 22 metropolitan statistical areas in the Sun Belt with a population of 1 million people or more.[1]

Together, these 22 metro areas accounted for almost half of all population growth in the entire U.S. between 2010 and 2016.

These metros are Atlanta, Austin, Birmingham, Charlotte, Dallas, Houston, Jacksonville, Las Vegas, Los Angeles, Memphis, Miami, Nashville, New Orleans, Oklahoma City, Orlando, Phoenix, Raleigh, Riverside, San Antonio, San Diego, Tampa and Tucson.

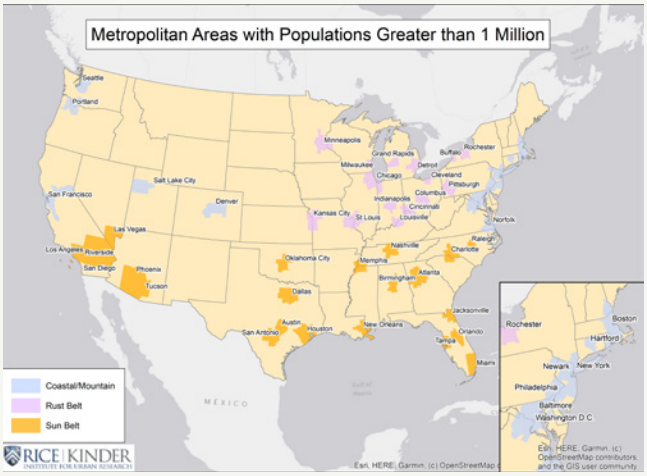
Most of these metropolitan areas are growing quickly. Dallas and Houston each added around 800,000 people between 2010 and 2016, while Phoenix, Miami, Atlanta and Los Angeles each added about 500,000 residents. But it is important to point out that not all Sun Belt cities are facing the same challenges. Despite the general prosperity and overall growth, some of the region's cities are outliers.

In many ways, for example, Memphis, New Orleans and Birmingham have more in common with Rust Belt cities. They have industrial pasts, they are not quickly adding population and their urban challenges are different than their Sun Belt counterparts.

In addition, this list is not static. Though growing relatively slowly by Sun Belt standards, Tucson crossed the 1 million-population threshold only a few years ago. Metro areas such as Albuquerque, Bakersfield, Baton Rouge, Tulsa and El Paso are likely to do the same in the next decade.

FIGURE 3

U.S. metros with more than 1 million people



Source: 2012–2016 American Community Survey

For the purposes of comparison with these large Sun Belt metros, we have divided the rest of the nation's large metros into two groups: Rust Belt and Coastal/Mountain.

In 2016, there were 53 metropolitan areas with more than 1 million people in the United States. About 177 million people — or 56% of the country's population — live in these 53 large metros. Roughly 75 million people — or 42% of the country's large metro area population — live in the 22 Sun Belt metros.

We designate all metro areas in the Great Lakes region, Midwest and Mid-South Ohio River Valley as "Rust Belt." This category comprises 15 metros and roughly 39 million people.

Cities of the Bos-Wash corridor and the Mountain West and Pacific coast north of the 36°30' are categorized as "Coastal/Mountain."[2] This category contains 16 metros with approximately 64 million residents.

In creating these three categories, we recognize that we have chosen to group these metros in geographical terms rather than similarity. For example, metros like Baltimore or Hartford — similar to Memphis and Birmingham — have more "Rust Belt"-like economies, while the Minneapolis or Louisville metro areas have not lost population like metro Detroit or Cleveland. But we have chosen to be consistent in the geographical groupings.

1 This paper separates Riverside-San Bernardino from the Los Angeles metropolitan area, even though they are part of the same expansive Consolidated Metropolitan Statistical Area. Riverside-San Bernardino is being broken out as a separate metro area more and more, even though it has a strong commuting relationship with Los Angeles.

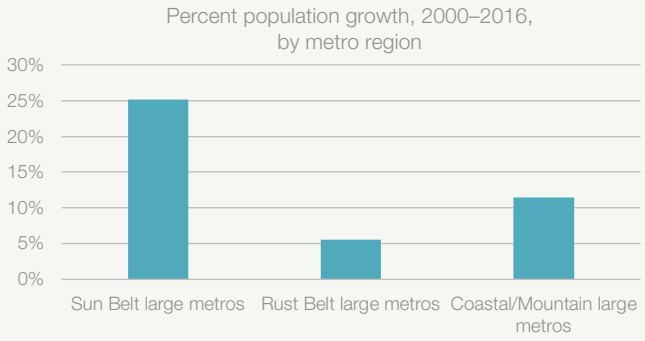
2 The Rust Belt and Coastal/Mountain metros are listed and defined in Appendix A.

A snapshot of the Urban Sun Belt

The metro Sun Belt is growing faster than other parts of the country. By adding 15 million people between 2000 and 2016, the large Sun Belt metros grew by approximately 25%. By contrast, large metros in the Rust Belt grew by only 6%, and large metros in the Coastal/Mountain region of the country grew by 11%.

FIGURE 4

Metropolitan area population growth, 2000–2016



Source: 2000 Census and 2012-2016 American Community Survey

Between 2000 and 2016, the United States, in total, added 37 million residents. During that period, the 22 large Sun Belt metro areas added 15 million residents, accounting for 41% of the nation's net population growth.

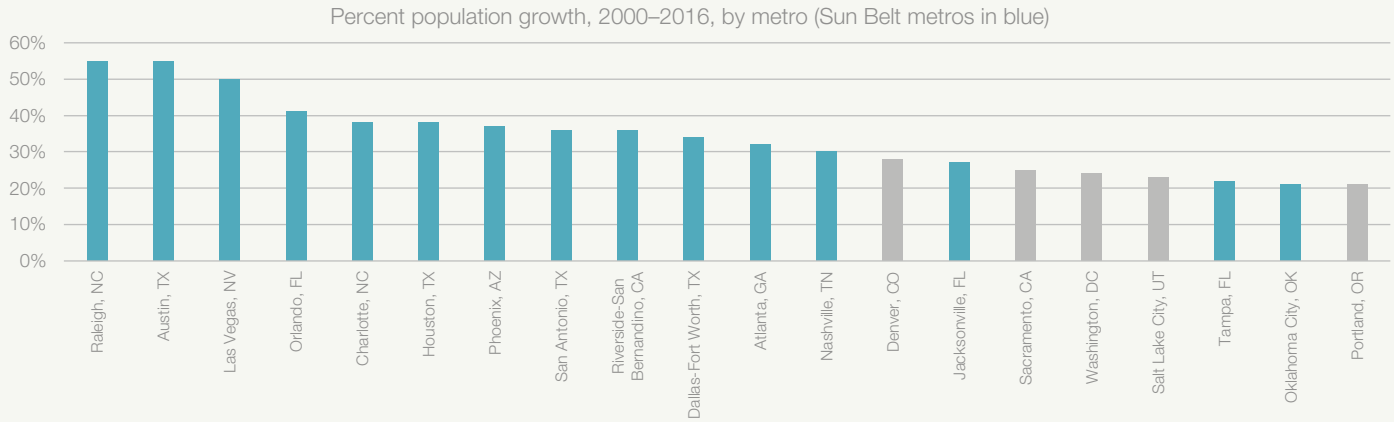
During this same time period, the 12 large metros with the highest population growth rates were in the Sun Belt. They were scattered across the region, from North Carolina and Florida to Texas, Arizona and California.

Younger and older

Large Sun Belt metros are growing at both ends of the age spectrum. The population of both young people and senior adults is increasing significantly.

FIGURE 5

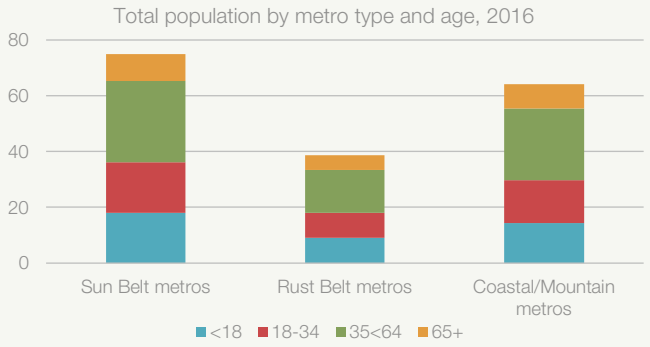
Growth rates of large U.S. metros, 2000–2016



Source: 2000 Census and 2012-2016 American Community Survey

FIGURE 6

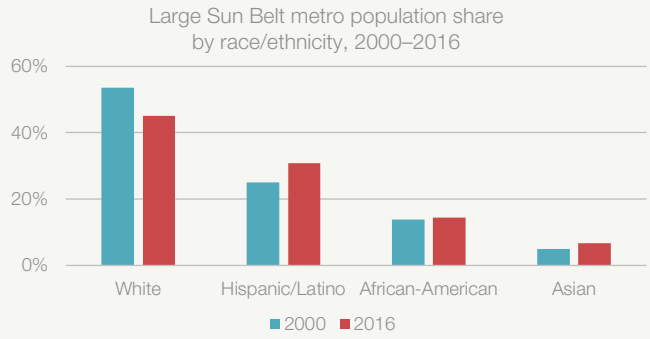
Total population by age, 2016



Source: 2000 Census, 2012-2016 American Community Survey

FIGURE 8

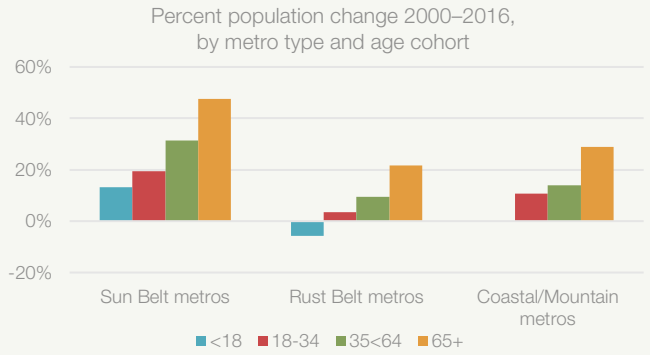
Population share by race and ethnicity



Source: 2000 Census, 2012-2016 American Community Survey

FIGURE 7

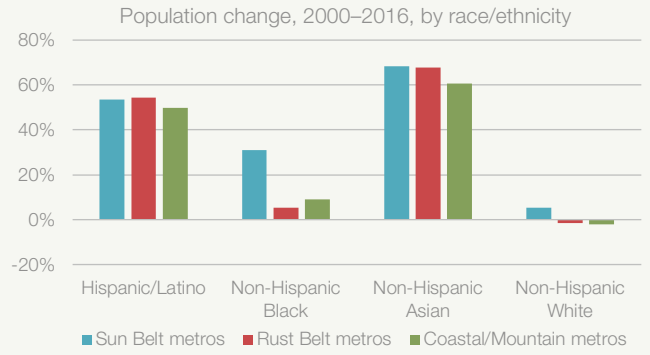
Population change by age cohort



Source: 200 Census, 2012-2016 American Community Survey

FIGURE 9

Population change by race/ethnicity



Source: 2000 Census, 2012-2016 American Community Survey

Not surprisingly, the Sun Belt also has a significant senior population. The large Sun Belt metros saw their over-65 populations increase 47%, while cities outside the Sun Belt only saw a 26% increase.

But the Sun Belt outpaced other age groups in growth as well. It was the only region of the country that saw a net increase in young people age 18 and under between 2000 and 2016. Young adults and the middle-aged population also vastly outpaced other parts of the country, especially the Rust Belt, as people ages 18 to 64 increasingly choose to migrate to the Sun Belt.

Increasing diversity

The U.S. is becoming increasingly racially and ethnically diverse. In many ways, America's future now can be seen in the Sun Belt, which is more diverse demographically and has been diversifying faster and longer than the rest of the nation. Between 2000 and 2016, the changes in population among major racial/ethnic groups were more pronounced in the Sun Belt metros for most groups.

During this period, the Sun Belt metros ceased to have a white majority. The white[3] population share dropped in the Sun Belt metros (down from 53.6% to 45.1%), more than in other areas; however, unlike the other large metro categories, the raw number of white people increased slightly. Yet this small increase in white population was outpaced by the growth in non-white populations.

The percentage of Hispanics grew more in the Sun Belt metros (from 25.1% to 30.8%) than in other metros.

Likewise, the African American population share grew in the Sun Belt metros (from 13.8% to 14.4%) but not in the other metro types. Compared to metros in other regions, large Sun Belt metros have seen higher rates of African American in-migration, in what is being dubbed the "Second Great Migration." Sun Belt metros' African American populations have grown by 30%, outpacing the rest of the country's large metro areas.

3 In this paper, all race data are strictly for "non-Hispanic" designations (unless stated otherwise). This is for consistency, as it allows accurate diversity and difference metrics to be employed later in this report.

The Asian population share grew in the Sun Belt metros as well (from 5.0% to 6.8%). Asians had the fastest growth rate of all large racial/ethnic groups categorized, yet still comprise a relatively small share of the population.

Segregation

Increasing diversity does not necessarily mean increased integration. The dissimilarity index[4] is one way to measure residential segregation within a metro area. The higher the dissimilarity index, the more segregated the metro area. Across our three groups of metros, the dissimilarity index shows that large metropolitan areas have relatively similar levels of segregation.

Thus, despite having a more famous history of *de jure* segregation (and being geographically defined by the Missouri Compromise parallel), large Sun Belt metros are altogether no more segregated than large metros across the U.S. Notably, Sun Belt metros have the lowest Black-white segregation. The mean dissimilarity index for all Sun Belt metros is 52.2, compared to 60.0 for the rest of the country's large metros.

Yet, Black-white segregation appears to be worsening across all large metros in the U.S. Interestingly, in the Sun Belt metros (as in other metros) white-Hispanic segregation has grown less severe during the same time period.

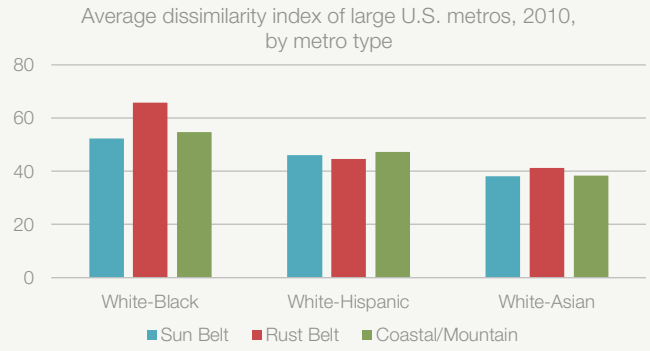
International immigration

Immigrant populations remain a significant part of Sun Belt metros' populations, continuing with historical trends. However, other demographic factors signal a small, yet notable, shift in immigrant population patterns.

The total foreign-born population of large Sun Belt metros grew 35% between 2000 and 2016, from 11.4 million to 15.5 million people. But the foreign-born *share* of the population remained relatively static (from 19.1% to 20.7% in the same time period). The foreign-born share grew considerably more in the non-Sun Belt metros (from 13.8% to 16.5%). In part, this may be due to the fact that international immigrants from the 1990s and 2000s have created families whose children are now native-born, so the second-generation immigrant population in the Sun Belt is probably quite high.

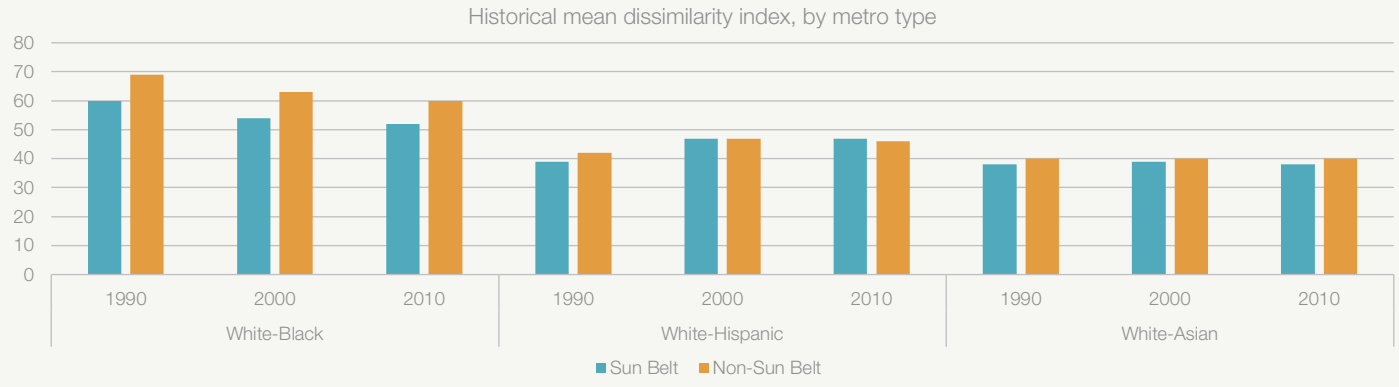
4 To measure regional segregation, we use a measure commonly employed by scholars to measure segregation (Frey & Myers, 2005): the dissimilarity index. The dissimilarity index, measured at the census tract level for our data, varies from 100 (total segregation) to 0 (total integration). The smaller the index, the more integrated the metro's census tracts. The index measures what percent of one group would have to relocate to other census tracts in order to achieve total integration (i.e., every census tract having the same share of racial group population). It only measures dissimilarity between two groups. We used 2010 data from the *Diversities and Disparities Project* of the Spatial Structure in Social Sciences project at Brown University in 2014.

FIGURE 10 **Dissimilarity index, 2010**



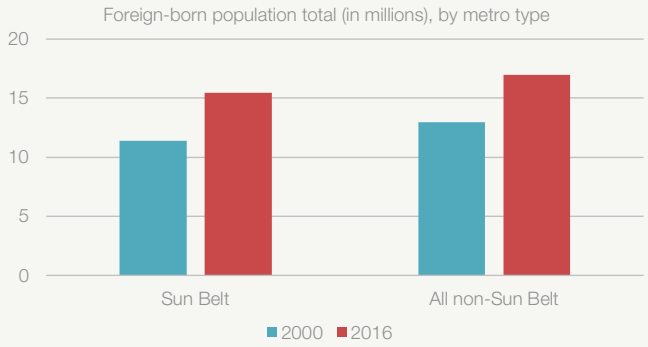
Source: Diversities and Disparities Project, 2014

FIGURE 11 **Historical dissimilarity index**



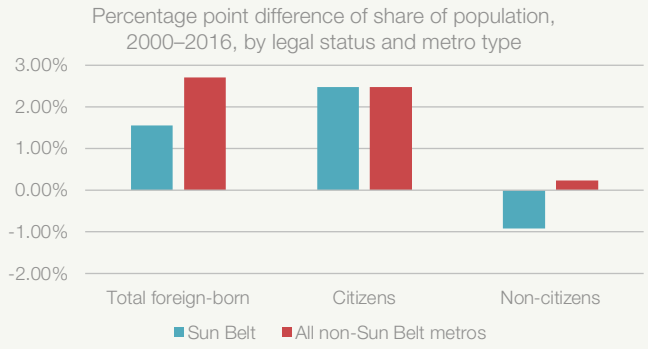
Source: Diversities and Disparities Project, 2014

FIGURE 12 **Foreign-born population**



Source: 2012-2016 American Community Survey

FIGURE 13 **Foreign population change, by status**



Source: 2012-2016 American Community Survey

While Sun Belt metros in Texas, Florida and California historically have received large numbers of immigrants, immigrants now appear to be settling in a broader set of metros across the nation. Still, as of 2016, the Sun Belt metros have roughly the same foreign-born population (15.5 million) as large metros everywhere else in the country combined (17.0 million). Large immigrant communities in Sun Belt metros, plus the urban areas' overall economic growth, have assured that Sun Belt cities will remain central immigrant-receiving communities in the U.S.

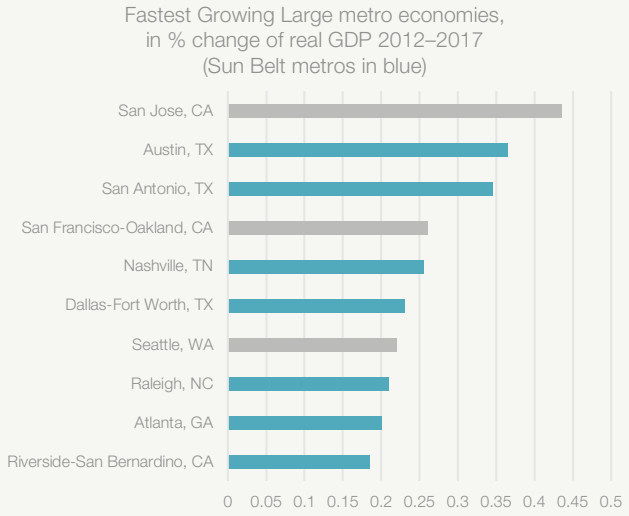
Overall, immigration to the Sun Belt appears to be slowing, albeit at a marginal rate. Immigration from Mexico and elsewhere in Latin America — in the past, a large source of immigrants to the Sun Belt — declined following the 2008 financial crisis. Perhaps because of this, the population share of non-citizens in the urban Sun Belt decreased from 2000 to 2016. This suggests that relatively fewer immigrants arrived in Sun Belt metros in recent years, compared to other large U.S. metros.

However, the 15 Sun Belt states did account for 39% of initial refugee placements in fiscal year 2016. California and Texas led the nation with 7,909 and 7,802 refugees settling in the states, respectively — far outpacing No. 3 New York, which had 5,026 refugees.

An expanding but unequal economy

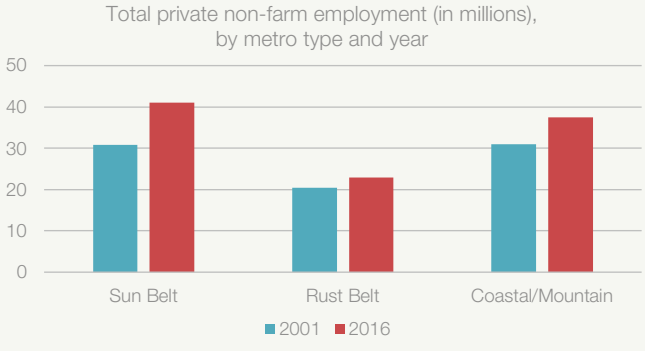
As Sun Belt metros grow in population, their economies are expanding and changing. By most measures, the urban Sun Belt has a strong economy. Large Sun Belt metros saw a 15.4% increase in real GDP between 2012 and 2017, higher than other large metros in the U.S. In fact, of the 10 large MSAs with the greatest GDP growth, seven were in the Sun Belt (and the only non-Sun Belt metros were West Coast cities with large "tech" sectors).

FIGURE 14 **Fasting growing metro economies**



Source: U.S. Bureau of Economic Analysis

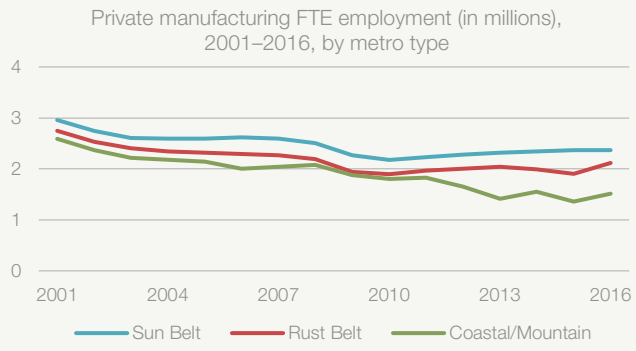
FIGURE 15 **Employment by metro type**



Source: U.S. Bureau of Economic Analysis

FIGURE 16

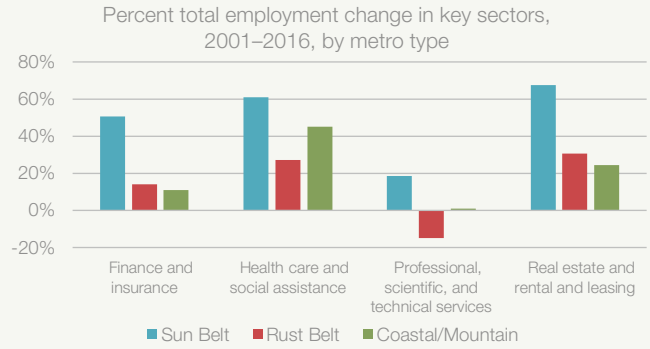
Manufacturing employment over time



Source: U.S. Bureau of Economic Analysis

FIGURE 17

Employment change in key sectors



Source: U.S. Bureau of Economic Analysis

Not surprisingly, the large Sun Belt metros have seen faster total employment growth. They have added the most jobs, both in total and as a proportion.

Breaking down this job growth by sector provides more context to the Sun Belt's strong economy.

Between 2001 and 2010, manufacturing employers aggressively moved their production facilities offshore. This caused significant decreases in manufacturing employment across the country. Sun Belt metros have seen a decrease in manufacturing employment but this decrease has been much less pronounced than in other parts of the nation.

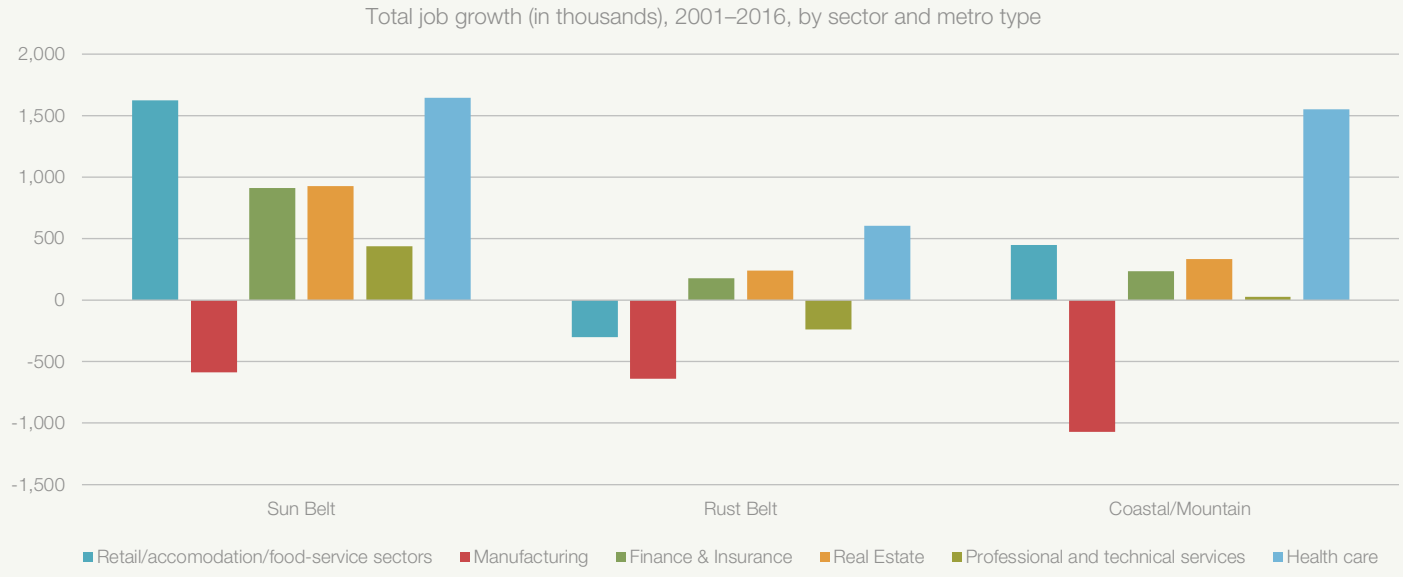
While manufacturing employment has shrunk, jobs in finance-insurance-real estate ("FIRE"), professional/scientific/technical services, and health care sectors, which pay well, have increased considerably in recent years.

Even when compared to the major Coastal/Mountain metros, which include major financial and tech centers like the Bay Area or New York City, the Sun Belt metros have seen larger — or effectively equal — employment gains in these sectors.

At the same time, the Sun Belt metros added an estimated 1.6 million retail, accommodation and food service jobs between 2001 and 2016. While the Sun Belt metros added more quality "new economy" jobs, they also added relatively more of these low-paying service jobs. The fact that the Sun Belt includes many warm-weather tourist destinations may help explain this increase.

FIGURE 18

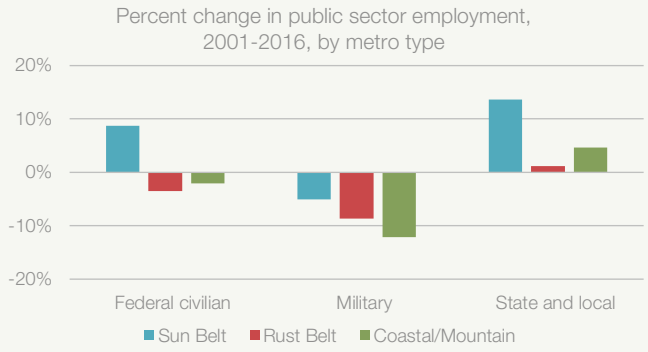
Job growth by sector



Source: U.S. Bureau of Economic Analysis

FIGURE 19

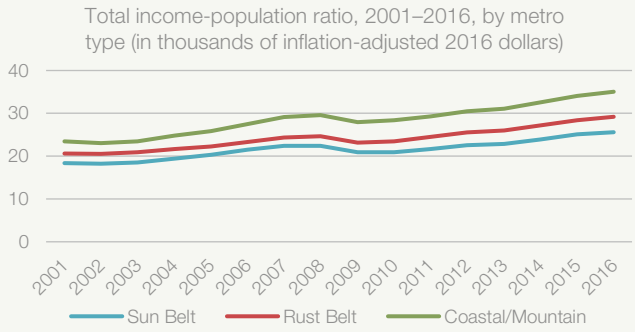
Public-sector employment



Source: U.S. Bureau of Economic Analysis

FIGURE 20

Income by population over time



Source: U.S. Bureau of Economic Analysis

As of 2016, the Sun Belt metros have the largest total share of employees in the public sector (10.0%, compared to 5.8% in the Rust Belt metros and 9.5% in Coastal/Mountain metros).[5] Military employment declined in all metro types between 2001 and 2016, but less in the Sun Belt than elsewhere. Notably, large Sun Belt metros were the only one of the three categories that gained federal employees during this time.

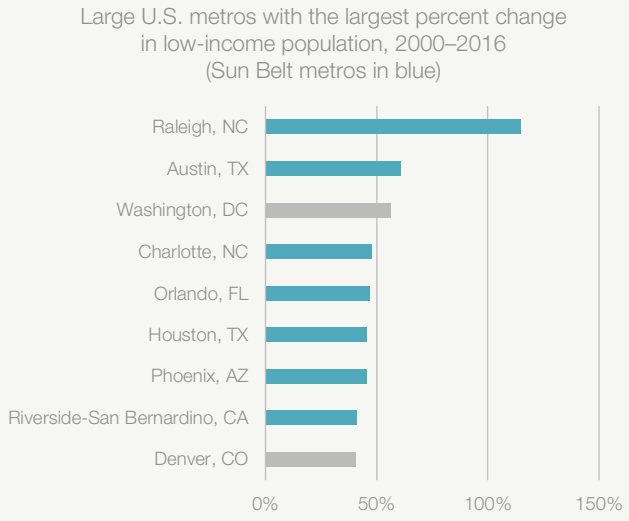
Interestingly, even though many Sun Belt states have a reputation for being low-tax, low-regulation states, the large Sun Belt metros have added more public sector jobs, especially in local government.

In sum, the Sun Belt metros have seen significant employment growth in well-paid private sector jobs, stable public sector jobs and low-paying service sector jobs.

5 All public sector job calculations exclude Washington, D.C., which is a high outlier.

FIGURE 21

Low-income population change



Source: 2000 U.S. Census, 2012-2016 American Community Survey

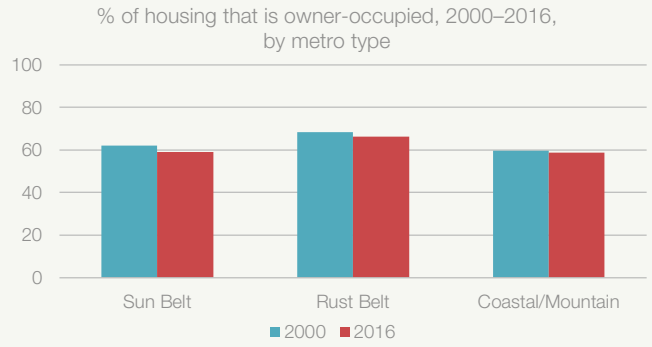
However, income data appear to paint the Sun Belt's economy in a less favorable light.[6] Inflation-adjusted (to 2016 dollars) incomes have increased across all metro types. Yet incomes in Sun Belt metros appear to be increasing at a slower rate than incomes in both Rust Belt and Coastal/Mountain metros. Once normalized to population, Sun Belt inflation-adjusted incomes grew the least from 2001 to 2016 (39.6%, compared to 41.8 and 49.4% for the Rust Belt and Coastal/Mountain, respectively).

And while Sun Belt cities have seen their economies grow overall, not all residents of the Sun Belt are benefiting. Between 2000 and 2016, the low-income population, as defined by the U.S. Department of Housing & Urban Development, jumped 22% in the Sun Belt's large MSAs, while only increasing 4% in the Rust Belt and Coastal/Mountain metros. Of the 10 metro areas with the highest percentage change in low-income population, nine were in the Sun Belt. However, Sun Belt metros still have the smallest share of low-income population (42.5%), although by a very small margin (44.0% and 45.5% in the Rust Belt and Coastal/Mountain metros, respectively).

6 For this analysis, we calculated the ratio of total area wages and salaries (which excludes proprietors' income, government transfer receipts and rental/dividend incomes) to population. This is an attempt to capture salaries *per se* and not money earned from investments or private capital.

FIGURE 22

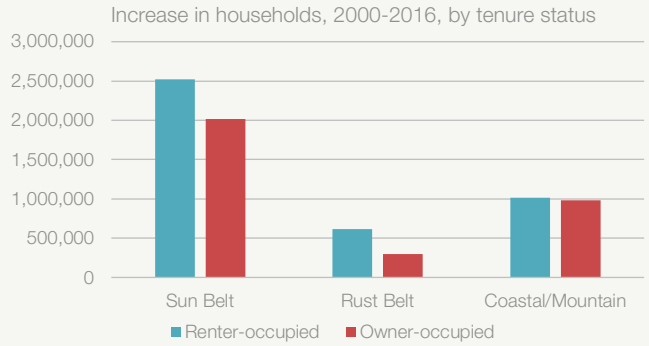
Homeowner occupancy rate, by metro type



Source: 2000 U.S. Census and 2016 American Community Survey

FIGURE 23

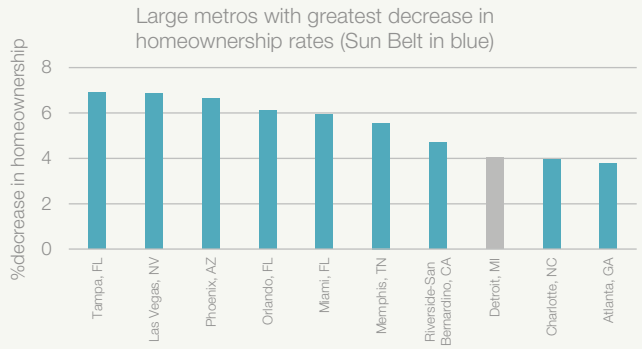
Tenure status data, 2000–2016



Source: 2000 U.S. Census, 2012-2016 American Community Survey

FIGURE 24

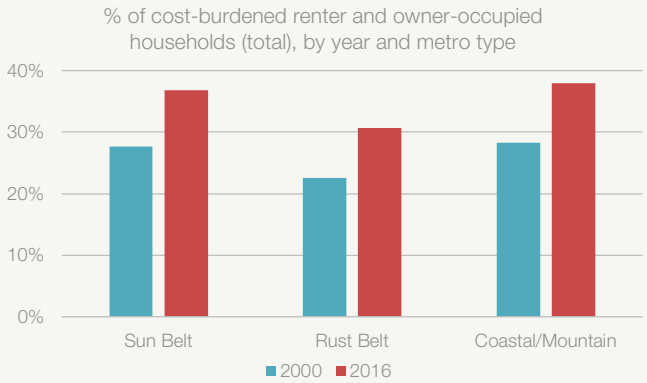
Decrease in homeownership rate, by metro



Source: 2000 U.S. Census, 2012-2016 American Community Survey

FIGURE 25

Housing cost burden



Source: 2000 U.S. Census, 2012-2016 American Community Survey

Housing affordability

The Sun Belt's low cost of living has been a big driver in its growth. With the rapid increase in population, however, this advantage is fading. In many cities in the Sun Belt, the cost of living is increasing at a much faster rate than income. Today, cities like Atlanta, Charlotte and Austin, which once had relatively low housing costs, are looking for ways to provide more attainable housing and solutions to gentrification and displacement.

The homeownership rate in large Sun Belt metros historically has been lower than in other parts of the country and this trend continued in the past two decades. In large Sun Belt metros, the share of owner-occupied households decreased from 62.0% to 58.9% between 2001 and 2016. Likewise, the other metro types saw decreases of 1 to 3 percentage points. Of the 10 large U.S. metros with the highest homeownership rates in 2016, the only metropolitan area in the Sun Belt is Birmingham. Of the 10 metros with the lowest homeownership rates, five are in the Sun Belt: Los Angeles, Las Vegas, San Diego, Dallas and Austin.[7]

The number of renter households in large Sun Belt metros grew by 2.5 million during this period, both as a result of new construction and homes transitioning from owner- to renter-occupied (a significant trend after the Great Recession).

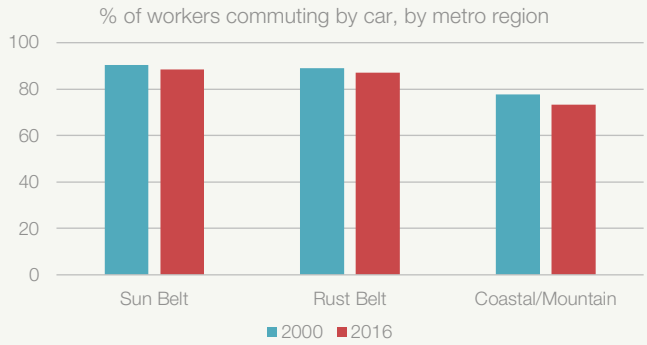
It's telling that, of the 10 metro areas with the biggest percentage-point decrease in homeownership rates from 2000 to 2016, nine were Sun Belt metro areas. Three of the nine are in Florida, but otherwise the nine are distributed across the Sun Belt. Detroit is the only metro on the list outside of the Sun Belt.

7 There does not appear to be a direct correlation between regional economic strength and regional homeownership rates. The metros with the highest homeownership rates include a mix of those with growing economies and populations (e.g., Minneapolis-St. Paul, Grand Rapids, Salt Lake City) and more struggling regions (Detroit, Rochester, St. Louis).

FIGURE 26 **Severe housing burden, top metros**

Source: 2012-2016 American Community Survey

FIGURE 27 **Commuting patterns**



Source: 2000 U.S. Census, 2012-2016 American Community Survey

Sun Belt residents are also becoming more housing-cost burdened. Between 2000 and 2016, large Sun Belt metros saw the greatest increase in renters and owners who were severely cost-burdened, meaning they spent more than 50% of their income on housing (from 11.5% to 17.2% of households). The share of regularly cost-burdened households (paying more than 30% on housing) increased across all metro types, but the Sun Belt metros saw the largest increase.

Of the 11 MSAs in which more than 50% of households are rent cost-burdened, seven are in the Sun Belt. Even metros that have a reputation for affordability — such as Riverside-San Bernardino, Orlando, Tampa and New Orleans — made the list, suggesting that even in Sun Belt metros with less expensive housing, there is a mismatch between housing price and household income.

Of the 10 large metros with the highest share of *severely* cost-burdened households (owners and renters paying more than 50% of their income on housing), six are in the Sun Belt.

Auto-dependency

Most Sun Belt metros have experienced the majority of their growth — and, especially, the majority of their infrastructure growth — during the automobile era.

This fact does not necessarily mean that Sun Belt metros are less dense than other metros overall, but it does mean they are historically more auto-oriented. Many Sun Belt cities are characterized by low-rise development, whether single- or multi-family. Southwestern cities tend to be denser, primarily because most suburban development requires hookup to water and sewer systems, whereas Southeastern cities tend to be more sprawling because suburban development can be more easily accomplished using water wells and septic systems.

In addition, low-wage workers increasingly are displaced from central locations with good transit and access to jobs and are relocating to less convenient, more auto-dependent locations.

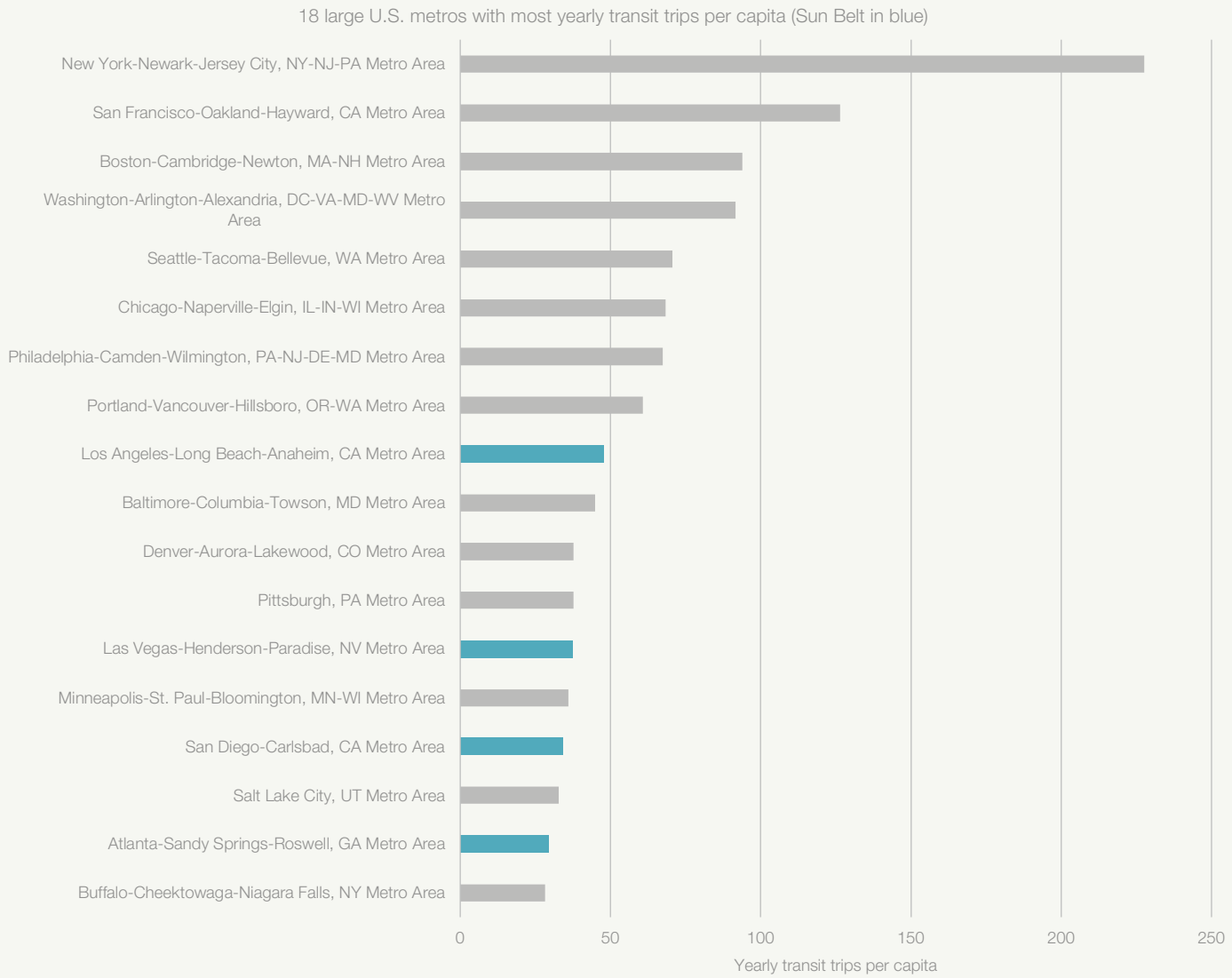
Large Sun Belt metros are noticeably more dependent on automobile transportation than large metros elsewhere in the country. The percentage of workers who commute by private vehicle held almost constant in the Sun Belt metros between 2000 and 2016, dropping only slightly from 90% to 88%. The number of households with at least one vehicle also increased — from 91% to 93% — during the same time period. Commuters in large Sun Belt metros are the most likely to use a car.

Because they were mostly built after World War II, many Sun Belt cities also feature wide arterial streets with fast-moving traffic. Perhaps this is part of the reason why Sun Belt metros large and small have the highest rate of pedestrian deaths, according to a recent analysis by Smart Growth America.[8]

Seven of the eight metros with the highest pedestrian fatality rates were in Florida, while 28 of the top 30 were in the Sun Belt. Many are smaller metros — Smart Growth America calculated the "Pedestrian Danger Index" for the largest 100 metros, a larger body than was used in this analysis — but all 22 large Sun Belt metros rank above the national average. And all 22 are within the top 50 of Smart Growth America's 100-metro sample.

8 See "Dangerous by Design": https://smartgrowthamerica.org/dangerous-by-design/

FIGURE 28 **Metros with most yearly transit trips per capita**



Source: 2019 Public Transportation Fact Book, American Public Transportation Association

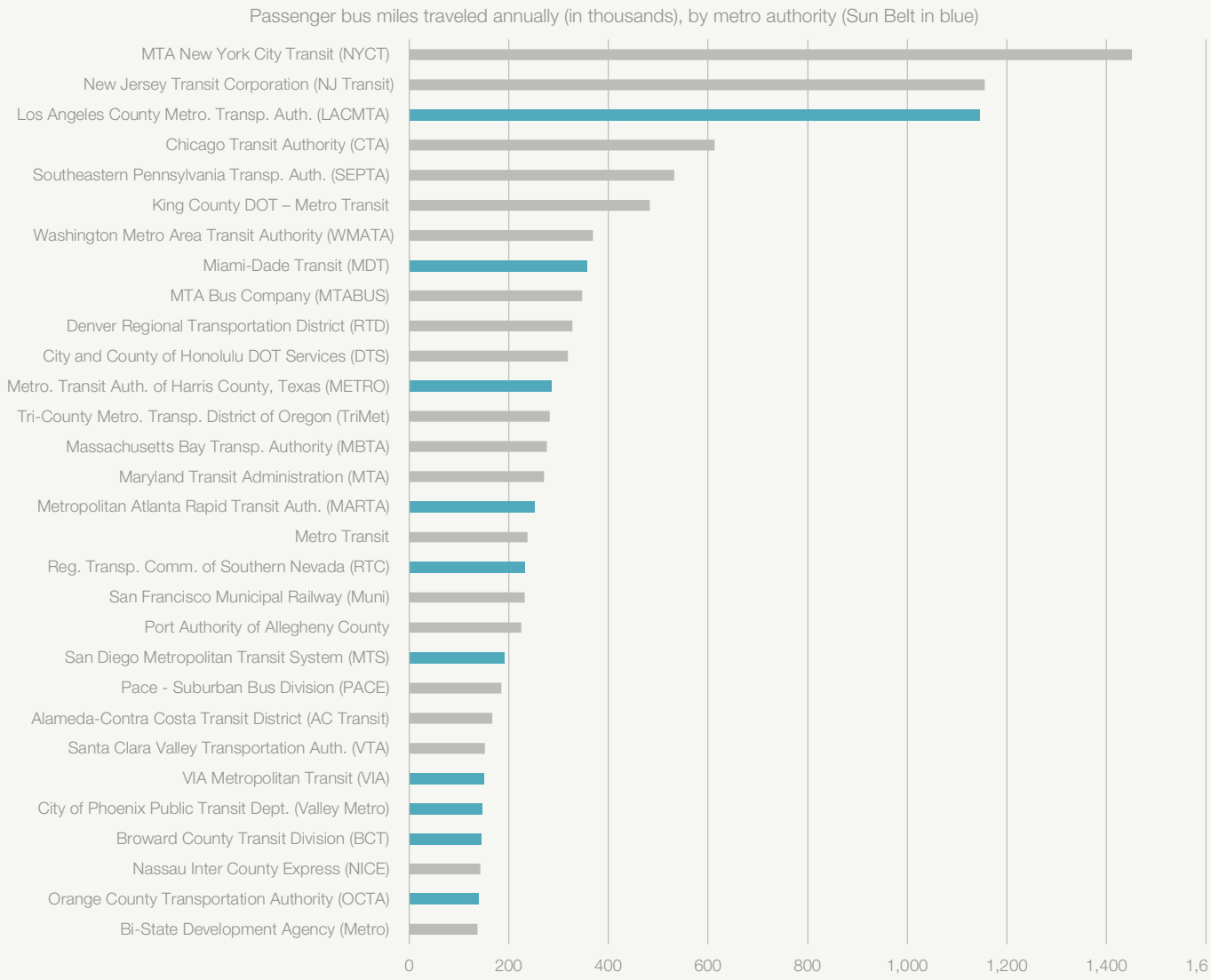
Some Sun Belt metros do have strong transit ridership. Eight of the 20 metros with the most transit travel are in the Sun Belt — Los Angeles, Miami, Atlanta, San Diego Houston, Dallas-Fort Worth, Las Vegas and Phoenix. All have an average transit ridership of 200,000 persons per day or more.

However, compared to the rest of the country, per capita ridership lags in the Sun Belt. No large Sun Belt metro is among the top 20 MSAs in the United States (of all sizes) with the most transit ridership per capita. Within the top 50, only four metros come from this white paper's large Sun Belt metro sample — Los Angeles, Las Vegas, San Diego and Atlanta.

Some of these transit agencies have stagnant or declining ridership, most notably Los Angeles. But Houston's ridership increased after its bus system was redesigned in 2015. Las Vegas' bus system carries about 200,000 passengers each day, even though the city had no reliable bus service until 1992.

Additionally, the Sun Belt already has significant transit infrastructure. The Sun Belt has five of the nation's 20 largest bus agencies (LA, Miami, Las Vegas, Atlanta and Houston) with several more ranked between No. 20 and No. 30, as well as six of the top 20 light rail agencies (LA, San Diego, Dallas, Houston, Phoenix, and Charlotte, all of which have built light rail systems in the recent past). Because of these regions' auto-orientation, Sun Belt metros' bus systems drive more miles despite having fewer riders per capita. Of the 30 bus systems with the most passenger miles, 10 are in the Sun Belt.

FIGURE 29 **Passenger bus miles traveled, by transit authority**



Source: 2019 Public Transportation Fact Book, American Public Transportation Association

More public transit investments are coming, which may improve efficiency and ridership. Most major Sun Belt cities have added some type of rail transit system in the past 20 years, most often light rail. Only Los Angeles and Atlanta have heavy rail transit systems as well.

Light rail ridership among large Sun Belt metros varies widely, with Houston, Los Angeles, San Diego and Phoenix all ranking in the Top 20 nationally in passengers per mile of rail.

Despite strong public transit ridership in certain large Sun Belt metros, the automobile orientation of these cities appears to be a factor in driving up transportation costs. According to the Center for Neighborhood Technology's Housing and Transportation (H+T®) Affordability Index, residents in the large Sun Belt metros are spending 24% of their household income on transportation, compared to 21% in non-Sun Belt MSAs.

The combined housing and transportation cost for residents of large Sun Belt metros is quite high by national standards. For example, the H+T index for Charlotte — a large but moderately priced Sun Belt metro — is 51%, meaning that housing and transportation consume 51% of the typical household's income. By contrast, the H+T index for Seattle — a comparably sized Northwestern city with high housing prices — is only 46% because of the availability of transportation alternatives.[9]

9 Data are available here: https://htaindex.cnt.org/download/

The Urban Sun Belt's challenges and capacity to respond

As can be seen in the data above, the urban Sun Belt faces significant challenges. Specifically:

- Large Sun Belt metropolitan areas are growing much faster than their counterparts elsewhere.
- These metro areas are adding greater numbers of both younger and older residents than the rest of the nation.
- The economies of large Sun Belt metros are growing fast, but job growth is increasing fastest in the high- and low-paying sectors.
- Poverty appears to be growing faster in large Sun Belt metros than the metros in the rest of the country.
- While large Sun Belt metros have a reputation for housing affordability, that reputation appears to be in danger. Homeownership rates are on the decline in Sun Belt metros and they have a high percentage of housing cost-burdened households.
- Because they are more auto-dependent, large Sun Belt metros have higher transportation costs and more pedestrian deaths. These metros have invested heavily in public transit in recent decades but, on a per capita basis, their ridership remains relatively low compared to other parts of the nation.

Education is another major policy issue in large metropolitan areas in the U.S., but education is beyond the scope of this short white paper. Nevertheless, we are mindful that educational performance and attainment, which are critical to the economic success of both individuals and the places where they live, are related to many of the topics discussed in this paper.

Overall, the combination of growing income inequality, rising housing costs, segregation and the automobile-centric nature of Sun Belt cities creates an interconnected set of challenges that would be difficult for any city or metropolitan area to address. The fact that these challenges are occurring in large, young and fast-growing metros makes the challenge doubly difficult.

Traditionally, social, economic and urban planning problems such as those listed above are addressed at the city and metropolitan level through two institutions: ***government*** and ***private philanthropy.*** However, these two institutions are not as strong in the Sun Belt as they are in other parts of the country.

Capacity to respond: Government

Unlike other parts of the nation, Sun Belt residents — even in large cities — are skeptical of the ability of the government to take on and solve large problems. This skepticism is reflected in the size of government.

State and local government across the Sun Belt is small. Outside of California, the Sun Belt prides itself on its low tax rates. Unsurprisingly, states in the Sun Belt spend less per capita. Sun Belt states spend, on average, $5,629 per capita. Non-Sun Belt states spend significantly more — $7,215 — per capita.[10]

Furthermore, the ability of Sun Belt states to expand government's role and revenue through sales tax — often the most politically acceptable form of additional taxation — appears to be limited. While property[11] and income tax rates are low in the Sun Belt, sales tax rates are some of the highest in the nation. In fact, eight of the 10 states with the highest average sales tax rates are in the Sun Belt.[12]

It is true, however, that local government fragmentation typically is less of a problem in the Sun Belt than in other

10 https://ballotpedia.org/Total_state_government_expenditures

11 Texas is an outlier on property tax, ranking 45th nationally on property tax rates. https://wallethub.com/edu/states-with-the-highest-and-lowest-property-taxes/11585/#real-estate

12 https://www.washingtonpost.com/news/the-fix/wp/2014/02/20/the-united-states-of-sales-tax-in-one-map/?utm_term=.fc8743b7b9df

parts of the country. Many large Sun Belt metros are characterized by a large central city located in a large central county. Houston and Phoenix are both good examples of this trend. This may create advantages by giving central cities and central counties a large tax base and the opportunity to execute with efficiency.

Even though Sun Belt states are increasingly urban, state legislatures in the Sun Belt often are dominated by rural and exurban interests. Sun Belt legislatures can be hostile to their state's urban areas. There are multiple examples of legislatures restricting how cities address issues such as housing affordability and transit.

Overall, therefore, it is fair to say — with the significant exception of California — government in the Sun Belt is less well-equipped to deal with major urban issues, and the political will to give government a larger role in those issues often is lacking.

Capacity to respond: Philanthropy

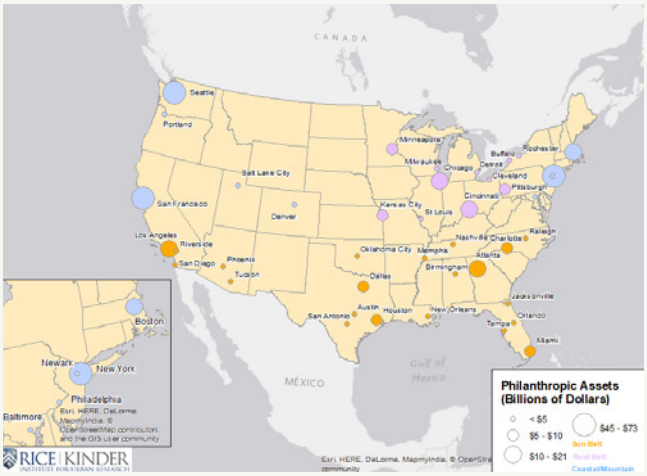
Philanthropies have played an important role in addressing the issues faced by Midwestern and Northeastern cities. But philanthropic and nonprofit organizations in the Sun Belt typically are younger and less well-endowed.

As the accompanying map shows, none of the 22 large metros in the Sun Belt have philanthropic activity that can rival the national leaders — or even the legacy cities of the Northeast and Midwest. New York ($73 billion), Seattle ($58 billion) and the San Francisco Bay Area ($45 billion) are such outliers that they have not been included in the map.

The large metropolitan areas that are also important business centers in the Sun Belt tend to have fairly large philanthropic amounts, including Los Angeles ($20 billion, including Orange County), Atlanta ($10.6 billion), Dallas-Fort Worth ($8.5 billion), Houston ($7 billion), Miami ($6.7 billion, including Broward and Palm Beach Counties) and Charlotte ($6.1 billion)

Philanthropic resources in other large Sun Belt metros are quite modest, especially in comparison to older Northeastern and Rust Belt cities that have small populations but rich industrial histories. So, for example, Cincinnati ($10.6 billion) has a larger philanthropic base than any Sun Belt city except for Los Angeles. Pittsburgh ($6.5 billion) has a philanthropic base equivalent to Charlotte and larger than such cities as San Antonio and Phoenix. Baltimore ($4.5 billion) has a philanthropic base that is twice that of Austin ($2.4 billion). Buffalo ($831 million) has a philanthropic base only slightly smaller than Orlando ($947 million).

FIGURE 29 **Philanthropic Assets in Selected U.S. Cities**



Source: The Foundation Center

In general, therefore, because the Sun Belt metropolitan areas are younger, the wealth they are creating as they expand has not yet been directed toward philanthropy. Overall, the Northeastern and Rust Belt cities have a much greater ability to leverage philanthropic resources to address urban problems, even if the host cities themselves are in decline.

Conclusion

As this paper has documented, the 22 large metropolitan areas located in the Sun Belt, as defined by the Kinder Institute, face a unique set of challenges.

In some cases, these challenges are similar to urban challenges faced in the Northeast, Midwest and West, but they are set against a backdrop of rapid growth and limited capacity to respond.

In other cases, these challenges are truly specific to the Sun Belt.

Furthermore, these challenges are likely to expand to other Sun Belt metropolitan areas as they grow. Several more Sun Belt metros are likely to cross the 1 million-population threshold in the next few years and, although we have not analyzed their situation in this paper, likely will experience similar concerns in the future.

It is clear that large Sun Belt metropolitan areas — and the large Sun belt states in which they are located — will have to find a unique set of policy and financial responses to effectively deal with these challenges.

Sun Belt metropolitan areas have grown extremely rapidly in the past several decades and do not have the political or civic infrastructure available to metropolitan areas in other parts of the country.

This is not to say that there is *no* infrastructure. As this report shows, local government employment is growing faster in the Sun Belt than in other parts of the nation, and as wealth is created, the region's philanthropic capacity is growing as well.

But it is reasonable to assume that, ultimately, the approaches taken in Sun Belt metropolitan areas to address these challenges will not be the same ones that have been used in the rest of the nation. The Sun Belt may have to find new mechanisms — or new combinations of mechanisms — to tackle concerns. This requires all the players in large Sun Belt metropolitan areas — political leaders, civic and philanthropic leaders, business leaders and, not least, academic research institutions such as the Kinder Institute — to work together to find the approaches, funding mechanisms and solutions that will best help the region finally address the urban issues that have emerged as a result of the Sun Belt's rapidly growing urban and metropolitan populations.

Photo by Tanner Boriack on Unsplash

Photo by Madeleine Ragsdale on Unsplash

Appendix A

Throughout this report, we compare three different groups of large metropolitan areas (metro areas with populations of 1 million people below): Sun Belt, Rust Belt, and Coastal/Metro. These three groups of metros are delineated below. As explained in the main text of the report, the groups were created geographically, not by the characteristics of each individual metro area.

Sun Belt

Atlanta, GA
Austin, TX
Birmingham, AL
Charlotte, NC
Dallas, TX
Houston, TX
Jacksonville, FL
Las Vegas, NV
Los Angeles, CA (including Orange County)
Memphis, TN
Miami, FL (including Broward and Palm Beach Counties)
Nashville, TN
New Orleans, LA
Oklahoma City, OK
Orlando, FL
Phoenix, AZ
Raleight, NC
Riverside, CA
San Antonio, TX
San Diego, CA
Tampa, FL (including St. Petersburg)
Tucson, AZ

Rust Belt

Buffalo, NY
Chicago, IL
Cincinnati, OH
Cleveland, OH
Columbus, OH
Detroit, MI
Grand Rapids, MI
Indianapolis, IN
Kansas City, MO
Louisville, KY
Milwaukee, WI
Minneapolis/St. Paul, MN
Pittsburgh, PA
Rochester, NY
St. Louis, MO

Coastal/Mountains

Baltimore, MD
Boston, MA
Denver, CO
Hartford, CN
New York, NY
Philadelphia, PA
Portland, OR
Providence, RI
Richmond, VA
Sacramento, CA
Salt Lake City, UT
San Francisco, CA
San Jose, CA
Seattle, WA
Virginia Beach, VA
Washington, DC

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