Reimagining
St. Louis County’s
Future
Policy Brief
Overview
October 2012
Where We Are

Compared to 10 years ago, St. Louis County is **OLDER,** more **SUBURBAN,** with a diverse **HOUSING STOCK,**
remains a highly EDUCATED EMPLOYMENT hub,
and is more racially and ethnically DIVERSE.
St. Louis County is the most populous county in Missouri and the metropolitan region despite a slight population decline of 1.7 percent between 2000 and 2010 to 998,954 people. St. Louis County is diverse in terms of age, race and ethnicity, and family composition, but these characteristics tend to be spatially concentrated in different parts of the county. Though small, the Asian and Hispanic communities here are growing. Households in St. Louis County are getting smaller: the traditional nuclear family is now the minority and there are more single-person households.

While St. Louis County’s median age continues to increase, the Gen Y or Millenials are also a large generation that will have a significant impact on future live/work trends.

St. Louis County is still home to highly educated, professional and managerial workers with high earnings. However, disparities in household wealth exist, with poverty rates rising and low-income households concentrated in St. Louis County’s older, inner-ring communities.

Changing demographics have the power to shape communities. The population trends affecting St. Louis County will impact its ECONOMY, HOUSING MARKET, TRANSPORTATION SYSTEM, and SERVICE DELIVERY over the next several decades.

**Immigration: Promoting Growth and Vitality**

For the last 40 years, St. Louis County has lost population to out-migration, yet the number of people has continued to increase due to the natural increase of more births than deaths. This is no longer the case as the population ages and the out-migration trend continues. The superlinear relationship between population and productivity\(^1\) means that productivity increases by more than a factor of one when population increases. More population means the potential for a wider social network with more creative connections that feed a healthy economy. Thus, despite the highly skilled and education population, population loss is a trend that may hurt St. Louis County in the long-term.

A promising trend seen in the last few years has been the rise of diversity in the population. Currently, 56 percent (70,719) of the foreign-born population in the metropolitan region resides in St. Louis County. Their composition differs from that of the nation, with more Asians (43 percent) and fewer people of Hispanic heritage (16 percent). The foreign-born that are here are generally highly educated and earn on average 25 percent more than native-born Americans.

We know that the most economically productive regions in the U.S. have high percentages of population that are foreign-born. St. Louis County lags behind its peers in attracting a foreign-born population, and this is directly responsible for a portion of the low entrepreneurship, slow job creation, lower wages, and housing vacancies seen here in the last decade.\(^2\) With a low birth rate among native-born Americans and a historical net out-migration, St. Louis County will have to set itself apart as a desired destination for immigrants.

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2Strauss, J. (2012). *The Economic Impact of Immigration on St. Louis.* Simon Center for Regional Forecasting, St. Louis University.
THE BABY BOOMERS: 650,000 CANDLES A DAY

With 10,000 Baby Boomers turning 65 in the U.S. every day, there is no doubt that the country’s largest demographic group will continue to change the definition of aging. In St. Louis County, the generation born after WWII between 1946 and 1964 numbers almost 270,000 people or one-third of the population. This generation is active, healthy, and delaying retirement. And yet, due to the largely dispersed, suburban settlement pattern, boomers are car-dependent and living far from services in many cases.

As Baby Boomers become empty nesters, they are largely seeking an independent lifestyle that does not involve moving into nursing homes. They are expressing their preferences for staying in their own home (“aging in place”) or downsizing to smaller housing in more walkable, mixed-use and transit-served neighborhoods that provide access by foot, bike, or transit to cultural and recreational amenities. Facilitation of services to existing housing would not only allow seniors to age in place as they wish, but also avoid a glut of housing vacancy and a stagnating market as there is currently low demand for existing single-family suburban style housing by subsequent generations, particularly for the smaller, older homes built between 1940 and 1960.

In order to age in place, seniors will need assistance in retrofitting and repairing their homes; they will need transportation options that do not always rely on family members; and they will need accessible recreational and social activities. Providing decentralized, tailored services to seniors will be a challenge that the public and private sectors will need to partner on to be effective.

GENERATION NEXT

The next-largest generation in the U.S. is the Millennial generation, born between 1980 and 2000 to Gen Xers and Baby Boomers. These are the young adults who are getting their secondary education and starting their careers now. More than half (55 percent) of St. Louis County’s population is made up of Baby Boomers and Millennials. All other generations from very young children to Gen X adults to the elderly make up the other 45 percent.

Like the Boomers, Millennials have expressed a strong preference for a lifestyle that is less car-dependent in neighborhoods that are pedestrian- and transit-oriented. As Millennials come of age, they are not immediately buying cars and houses as the generations before them did. This is due to preference but also to the tough job market. Boomers are delaying retirement out of necessity or choice, and thus, Millennials are struggling to find employment.

As of the 2010 decennial census, GenXers and Baby Boomers are still the largest demographic age groups moving around the country. However, as these two demographic groups settle down and age, Millennials will be on the move around the country seeking good jobs. Stemming the loss of population in St. Louis County in the future will largely depend on our ability to raise our struggling youth and retain and/or attract educated workers and residents from the Millennial generation.

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Diversity in Housing is Key

St. Louis County has the largest (437,293 housing units) and most diverse housing stock within the metropolitan area and reflects the full spectrum of St. Louis County’s development phases, from pre-1940 communities to early post-World War II “inner-ring” suburbs to modern-day suburban subdivisions and in-fill redevelopment. More than half (59 percent) of St. Louis County’s housing units were built before 1970, with the largest component of St. Louis County’s housing stock constructed in the 1950s and 1960s.

Currently, 26 percent of the housing stock are mid-century frame or brick homes that are under 1,200 square feet and have few amenities such as modernized kitchens or more than one bathroom. Some of these homes coincide with the concentrated areas of poverty in the county and provide affordable housing options to lower income residents but will continue to have the greatest need for maintenance and upgrade services.

The Baby Boomers defined the development of the American suburbs. As the Boomers retire and downsize, and the Millennials grow up, these demographic groups will largely redefine our urban and suburban places. Redevelopment, upgrading, and expansion of older, single-family homes as well as densification of housing in the inner-ring core area are likely trends that we will likely continue to see. Housing options that are close to transit will become increasingly important. Maintaining and promoting diversity of housing types to meet demand will help keep St. Louis on the competitive edge as an attractive place to live, work, and play.


The Concentration of Poverty Magnifies

Poverty is increasing in St. Louis County. 10.6 percent of the population lives under the federally-defined poverty line of $11,000 for a single-person household or $23,000 for a family of four, according to the 2009-2011 American Community Survey three-year estimates. This is up from seven percent in 2000. And while St. Louis County has a lower rate of poverty than the state or the country, there are over 100,000 people living in poverty here: the most in the St. Louis region. Poverty is increasing in the counties surrounding us as well.

Concentrated poverty has multiplicative effects on quality of life indicators such as health, employment, crime, and education. In St. Louis County, we are seeing increasing concentrated poverty in the northern part of the county, as well as suburbanizing poverty spreading from east to west. There are currently three census tracts of extreme-poverty here, defined by forty percent or more of the population living in poverty. At the time of the 2000 census, there were none. We also have thirty high-poverty tracts with 20-40 percent of the population living in poverty. There are about 148,000 people living in these 33 census tracts. Though not all of them are classified as currently living under the federal poverty line, these individuals and families are living in high poverty concentration areas, and this makes them more vulnerable to the problems associated with poverty than if they lived in middle class neighborhoods.

This is the first time in the history of St. Louis County that we have seen such a high concentration and spread of poverty. To maintain a high quality of life and economic health here, we need to look toward the future and strategically plan how to stem the tide of poverty.
As the hub of the St. Louis metropolitan area, St. Louis County plays a vital role in the regional economy and provides a significant share of Missouri’s statewide employment. With 563,591 jobs at the end of 2011, St. Louis County accounts for 45 percent of the jobs in the region, and 50 percent of the regional wages earned. Statewide, just over 20 percent of Missouri jobs are located in St. Louis County, and these employees earn just over one-quarter of statewide wages. As of May 2012, the St. Louis County unemployment rate of the labor force was 6.8 percent – better than the 7.5 percent for the metropolitan area and 7.0 percent statewide.

St. Louis County is home to a highly educated workforce. The St. Louis metropolitan area is what the Brookings Institution refers to as a Skilled Anchor: slow growing, less diverse, and boasting higher-than-average levels of education. Like other Skilled Anchors, St. Louis is a former manufacturing center making the difficult transition to a service-based economy, with significant representation of medical and higher education institutions. Much of the modest recent job growth in the St. Louis region and other Skilled Anchor metro areas has occurred in the lower-density suburbs far from the most unemployed and underemployed.

One key characteristic of the region’s labor force is the percentage of immigrants in the workforce, and the skill level of the immigrant population. Though the immigrant share of the population is small here, the skill level of the immigrant population is relatively high. According to a recent Brookings Institution study, 46 percent of the St. Louis metropolitan area’s immigrant population was considered “high skill” (i.e., having a Bachelor’s degree or higher), three-times greater than what was considered “low skill” (not having a high school diploma).

Job growth is key to the health and welfare of this region as well as retaining our talented graduates and attracting new talent. In the future, we will need to make strategic investments to foster entrepreneurship and buoy existing emerging industries such as biotechnologies. It will be crucial to continue to invest in our transit system to bring the people to the jobs.

Where Do We Want To Be?

St. Louis County is changing. The level to which we are able to promote our assets and steer away from the negative consequences of this change will largely determine the health of our economy and people in the future. St. Louis County government takes its duty to protect the quality of life for all residents seriously and this Strategic Plan will reflect that effort.

This document provides an overview of the more in-depth policy briefs prepared by the St. Louis County Department of Planning for each critical issue area. The next step is to explore and develop ways to address the issues facing St. Louis County. We need to take a serious look at where we are today, ask ourselves where we want to be within the next decade, and then craft our strategy and set of policies for getting there.