Are New Residential Developments Segregated? Evidence from California's Newest Neighborhoods

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SUMMARY

New residential developments are often the subject of much controversy. Some regard these neighborhoods and their proliferation as serious problems, contributing to environmental degradation, increased traffic, as well as leading to increased segregation and economic exclusivity. Others are concerned that not enough new neighborhoods are being built and that the high price of housing is a reflection of the difficulty in gaining regulatory approval to build the large new housing developments necessary to keep pace with the nation's growing population.

In this paper, we examine California's newest neighborhoods. California is at the epicenter of racial and ethnic change in America, and the state's newest residential neighborhoods could either reflect or respond to such change. We find that California's newest neighborhoods are home to many families with children, yet do not reflect the full diversity of the state's population by race and ethnicity. In particular, the poor – who are disproportionately non-white -- are priced out of these new neighborhoods.

CONTEXT

California's newest neighborhoods are the subject of much debate and concern. Some argue that there are not enough of them -- that California needs more large housing developments to keep pace with population growth and to improve affordability. Others argue that there are too many new neighborhoods in California

and that state and local officials should do more to encourage infill within already built-up areas. Many people worry about the effect of new neighborhoods on traffic and congestion, air pollution, the conversion of farmland, and civic life. In addition, some claim that new neighborhoods are exclusionary – built only for the rich and not responsive to California's changing demographics.

Clearly, Californians are conflicted over new development. Although a large majority of the state's residents consider population growth and development to be a problem, relatively few are willing to trade their preference for low-density single-family housing for high-density housing convenient to public transit (Baldassare, 2002).[1] Californians are divided over where new development should occur: 50 percent say local governments should direct growth to already developed areas to preserve open space and encourage the use of public transit, but 44 percent support allowing growth in undeveloped areas to avoid high density and traffic congestion (Baldassare 2002). Citizen opposition to new development is particularly strong in the Bay Area (Lewis and Nieman, 2000). And in Southern California, even some celebrities have become involved, with Rob Reiner and Martin Sheen publicly opposing the large Ahmanson Ranch development proposed for Ventura County.

State policymakers are also conflicted about new housing developments. On the one hand, the state's Department of Housing and Community Development lists as one of its primary responsibilities to "advocate and support housing development for all Californians" (California Department of Housing and Community Development, 2003). And the state has a number of programs to encourage new housing, particularly

[1] Only 31 percent of survey respondents would choose to live in a high-density neighborhood (with less automobile reliance) over a low-density neighborhood where they would have to drive a car even to travel locally. Still, 31 percent represents a sizable market niche.

affordable housing. On the other hand, lawmakers are concerned about the environmental consequences of new housing developments. For example, legislation recently signed into law (Senate Bill 221) requires the developer of a large housing project (generally 500 or more units) to provide written verification that there is an adequate and reliable supply of water for the project.[2] Local officials place housing toward the bottom of their list of preferred new development on vacant land, ahead only of heavy industrial uses (Lewis and Barbour, 1998).

This report provides a profile of California's newest neighborhoods. Where are they located? Who lives in them? How expensive are they? How long are commutes? We also consider the extent to which new neighborhoods created in the 1990s are different from other neighborhoods, and whether these differences are simply part of the life cycle of a neighborhood. Answers to these and other questions about California's newest residential developments can help inform the housing debates, shedding light on concerns such as location, supply, price, ethnic and economic diversity, and traffic.

TEXT BOX: COUNTING CALIFORNIA'S NEIGHBORHOODS

Data from the 2000 Census allow us to examine California's newest residential developments in geographic detail. Our focus is on new neighborhoods rather than individual housing units, although the two are closely aligned. Our definition of *new* neighborhoods is based on the year of construction of housing units.[3]

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[2] Similar rules do not exist for other kinds of land uses that might have higher water demands.
[3] The age of housing is self-reported by the census respondent, and although not perfectly reported, is generally reliable (Myers, 1992).

The Census Bureau divides all cities, towns, and rural areas into census block groups. We consider each of California's 22,133 census block groups to be a neighborhood. These block groups average 552 housing units and cover the entire state. Some are quite large in area, although the housing located in them may be only in a small portion of the area. We primarily use summary file data from the 2000 census, but also consider new neighborhoods at the time of the 1990 census using summary file data from that year.

We identify 14 different types of neighborhoods determined by the primary years of construction of the housing units in the neighborhood (Table 1). For example, a 1970s neighborhood is one in which over half the housing units in the block group were built in the 1970s. In many of California's block groups, no single decade of construction constitutes more than half of the housing units. In those neighborhoods, we combine the two leading and temporally adjacent decades of construction to determine if together more than half of the housing units were built in those decades. For example, a 1970s-1980s neighborhood is one in which over half the housing units were built in the twenty year period of the 1970s and 1980s. In many census blocks, housing units were built over several decades with no two adjacent decades of construction constituting a majority; we designate those neighborhoods "mixed," meaning that housing units in those neighborhoods represent a mix of decades.

We define new neighborhoods as those block groups in which over half of the housing units were built in the last ten years. In 2000, new neighborhoods are those in which over half the housing units were built in the 1990s; in 1990, new neighborhoods are those in which over half the housing units were built in the 1980s. Thus, we equate neighborhoods with block groups. Census block groups may or may not coincide with

perceived neighborhood boundaries, especially when they are predominantly non-residential. We sometimes use the term 'residential developments' rather than neighborhood, again noting that residential developments are not perfectly defined by census block groups. A block group might include many different developments, and some developments might extend across more than one block group.

Finally, our discussion of neighborhood life cycles is based on data from individual housing records from the 1960, 1970, 1980, and 1990 censuses as well as the 2000 Census Supplementary Survey. These data are not ideal for discussing neighborhood life cycles, because not all housing in a neighborhood is constructed during the same decade, and the data do not allow us to identify specific neighborhoods. However, neighborhoods do tend consist of housing built over the same time period, and thus we are comfortable using these data as a proxy to judge neighborhood life cycles over long periods of time.

HOW MANY AND WHERE?

California's Neighborhoods by Number and Location

Half as many new neighborhoods were created in the 1990s (845) as were created in the 1980s (1,739).[4] The decline in the number of new neighborhoods outpaced the slow-down in the state's population growth. The number of new neighborhoods declined by half, whereas the state's population increase was one-third lower in the 1990s as compared to the 1980s. In 2000 there were fewer new neighborhoods

[4] At the time of the 1990 Census, 1,739 neighborhoods consisted of housing that was primarily built in the last 10 years (that is, during the 1980s). Some of these neighborhoods added a substantial number of new housing units during the 1990s, and by the time of the 2000 Census were no longer neighborhoods of housing primarily built in the 1980s. For example, some of the neighborhoods that were new in 1980 became 1980s-1990s neighborhoods by 2000. Thus, Table 1 shows 1,092 1980s neighborhoods at the time of the 2000 Census.

(neighborhoods composed primarily of 1990s housing) than neighborhoods of houses from any other single decade of construction except the 1940s and 1960s (see the text box, "Counting California's Neighborhoods" for our definition of new neighborhoods). Overall, only 6 percent of the state's housing units were located in neighborhoods composed primarily of 1990s housing. The largest number of neighborhoods in California include a mix of housing from several decades (Table 1). Because the number of new housing units in California in the 1990s was much lower than in previous decades, it is not surprising that the number of new neighborhoods also declined.[5] Still, California's new neighborhoods are home to over 2 million people.

New residential developments are more common in some regions of California than in others. In 2000, 8 percent of all neighborhoods in the Sacramento Metro region were new, whereas less than 1 percent of the neighborhoods in the Sierras consisted of mostly new housing (Table 2, first column of numbers).[6] Rural and less populated areas tend to have smaller new housing developments, and therefore fewer new neighborhoods. In Colusa County, for example, eleven of the thirteen neighborhoods consisted of a mix of housing from several decades of construction. Because they are home to so many large housing developments, metropolitan areas of the state are much more likely to have neighborhoods with housing construction mostly from a single

[5] 1,5 million housing units had been built in the last 10 years at the time of the 2000 Census, compared to 2.5 million at the time of the 1990 census.

[6] The counties that form each region are: **North Coast and Mountains**:Del Norte, Humboldt, Lake, Lassen, Mendocino, Modoc, Nevada, Plumas, Sierra, Siskiyou, and Trinity; **Sierras**: Alpine, Amador, Calaveras, Inyo, Mariposa, Mono, and Tuolumne; **Upper Sacramento Valley**: Butte, Colusa, Glenn, Shasta, Sutter, Tehama, and Yuba; **Sacramento Metro**: El Dorado, Placer, Sacramento, and Yolo; **San Joaquin Valley**: Fresno, Kern, Kings, Madera, Merced, San Joaquin, Stanislaus, and Tulare; **Bay Area:** Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, Solano, and Sonoma; **Central Coast:** Monterey, San Benito, San Luis Obispo, Santa Barbara, Santa Cruz; **South Coast**: Los Angeles, Orange, and Ventura; **Inland Empire**: Riverside and San Bernardino; **San Diego**: Imperial and San Diego.

decade. Orange County is a striking example of this phenomenon --only 8 percent of the neighborhoods in Orange County include a substantial mix of housing from several decades, and neighborhoods of 1970s housing are the most common.

The inland areas of the state could be said to be providing more than their fair share of large new housing developments (Table 2, right hand columns). The Inland Empire, the San Joaquin Valley, and the Sacramento Metro region account for almost half of the state's new neighborhoods. Together with Orange County, which continues to develop large tracts of suburban housing, they account for nearly two-thirds of all new neighborhoods but less than one-third of the state's population. In contrast, the Bay Area and Los Angeles County are home to disproportionately few new neighborhoods.

In many of California's metropolitan areas, the newest residential developments tend to be located near the urban fringe. PPIC's Data Depot, available online at http://www.ppic.org/main/datadepot.asp, includes maps that show the location of California's newest neighborhoods for many of the state's largest cities and metropolitan areas. In the Bay Area, even San Francisco has some new neighborhoods. More commonly, however, new Bay Area neighborhoods are located along the edge of suburban cities, as in the San Jose area, and especially in the East Bay with most new neighborhoods well east of the older cities around the bay.[7] Metropolitan areas in the Central Valley exhibit a classic pattern of spreading into former rural and agricultural areas. In Sacramento, most new neighborhoods are in the distant northern and eastern suburbs, although several new neighborhoods are also located south and west of the city. In Fresno, new development is concentrated in the north and east, whereas

[7] Notable exceptions include new neighborhoods in the Oakland Hills (a result of new construction after Oakland's firestorm of 1991) and new development in the Marina Bay area of Richmond.

Bakersfield's newest neighborhoods are in the south and west. In Southern California, the picture is slightly more mixed, with relatively few new neighborhoods in Los Angeles County (where large tracts of developable land are located far from the urban core) and many new neighborhoods in the Inland Empire, built between the city of Riverside and Orange County. Orange County's newest neighborhoods are in its last remaining large tracts of developable land, primarily in the southern part of the county. San Diego's newest neighborhoods are in its northern and eastern suburbs.

GROWTH PATTERNS: INFILL OR SPRAWL?

California's newest neighborhoods comprised primarily new housing, but California's newest housing is not always located in its newest neighborhoods. Some of the state's new housing was built in older neighborhoods, some next to housing built more recently, and some built in entirely new areas. An important question is whether there has been an increase in the number and proportion of new housing units built in previously built-up areas -- an indication of infill rather than sprawl -- and whether new developments are more or less dense than previous developments. We attempt to answer these questions first by examining the location of new housing in the 1980s and 1990s, secondly by considering whether such new housing was located in urbanized areas, and third by estimating changes in the amount of developed land in the state.

The amount of housing built in older neighborhoods is of keen significance for planners, policymakers, and others concerned with the consequences of population growth. We used census data to determine the location of new housing in 1990 and 2000, the age of the neighborhoods in which that housing was built, and assess the degree to which new housing in each of those decades was built in older versus newer neighborhoods. We found that housing built in the 1990s was less concentrated in new

neighborhoods than was housing built in the 1980s. At the time of the 2000 Census, about one-third of new housing units were built in new neighborhoods, compared to 42 percent of new housing at the time of the 1990 Census. However, the share of new housing in older neighborhoods (those at least 20 years old) was low and not much different in 2000 than in 1990 -- 13 percent in 2000, 11 percent in 1990 (Table 3).[8] These findings suggest that while California's newest housing is less concentrated in new neighborhoods today than in the past, infill in much older neighborhoods is not increasing substantially. Much of the new housing in California in the 1990s is in neighborhoods that were largely created in the 1980s. Thus, as in past decades, most new residential development occurs in new or nearly new neighborhoods, often located near the urban fringe.

California's newest neighborhoods in 2000 were also more likely to be in urbanized areas than were new neighborhoods at the time of the 1990 census.[9] Overall, the vast majority of housing units in California are in urbanized areas: 87 percent in 2000 and 85 percent in 1990. Statewide, only 11 percent of the housing units in California's newest neighborhoods were *outside* of urbanized areas in 2000, compared to 20 percent of housing units in neighborhoods that were new in 1990. This finding could be attributed to several factors, including an increase in new neighborhoods in the urban cores of California's metropolitan areas (e.g., the new neighborhoods in San Francisco), construction of new neighborhoods next to already built-up areas (rather than leapfrog

[8] There was a substantial increase in the share of new housing built in mixed neighborhoods. However, the vast majority of 1990s housing that was built in mixed neighborhoods was built in neighborhoods where 1970s, 1980s, and 1990s housing forms the majority.

[9] Urbanized areas are defined by the Census Bureau as "one or more places ('central place') and the adjacent densely settled surrounding territory ('urban fringe') that together have a minimum of 50,000 persons" (U.S. Census Bureau, 1995). To be considered urbanized, a census block must meet a minimum population density and be part of, or close to, a place that meets the minimum population threshold.

development), and changes in the definitions of urbanized areas. Further research is necessary to determine the relative importance of these factors.

Using estimates of the amount of developed land in California, we do not find evidence that housing built in the 1990s was more dense than preexisting housing.[10] Many California urban spaces consume less land per person than elsewhere in the nation (Fulton et al. 2000). However, as shown in Table 4, the number of housing units per acre of developed land in California *declined* between 1987 and 1997. This is probably primarily due to a decline in multifamily housing. However, it could also be attributed to an increase in land consumed by new residential developments, even if lot sizes did not increase (e.g., wider roads, more parks, longer access roads), or to an increase in non-residential development. Further research is necessary to determine the causes of this trend.[11] Imprecision in the estimates of developed land could alter the pattern.[12] Still, the pattern of declining density is consistent with California's new neighborhoods being located at the edge of suburban cities and the lack of new multifamily housing.

WHAT TYPE OF HOUSING?

One way to house a lot of people on relatively little land is through multifamily housing, yet multifamily housing is one of the least preferred forms of development

[10] The majority of newly developed land in California is devoted to housing and related residential land-uses (residential roads, parks, and schools). The United States Department of Agriculture (2000) develops estimates of the amount of developed land in every state. Estimates from 1982, 1987, 1992, and 1997 can be used in conjunction with the estimates of the number of housing units in California to estimate trends in the number of housing units per developed acre. It is important to note that the land estimates are for all developed land, residential as well as non-residential.

[11] Data from the 2000 Census Supplementary Survey suggest that lot sizes for houses built in the 1980s and 1990s were larger than for houses built in earlier decades. Lot sizes are self-reported by residents of single-family houses or mobile homes, and only indicate whether the lot was less than or bigger than one acre.

[12] An analysis of densities based on the California Farmland Mapping and Monitoring Program maps found an *increase* in densities between 1984 and 1996 in 20 of 24 counties for which data were available (Landis et al., 2000).

among city officials in California, ranking ahead only of heavy industrial uses (Lewis and Barbour 1999). In the 1990s, apartments composed a smaller share of new housing units than in any decade since the 1950s. Only 17 percent of housing units in new neighborhoods in 2000 consisted of multifamily units, compared to almost one of every three units statewide.[13] Neighborhoods built in the 1950s have even fewer multifamily units (8 percent). In every major region, the share of multifamily units in new neighborhoods is much lower than in other neighborhoods. Moreover, the share of multifamily units in new neighborhoods in 2000 was much lower than in neighborhoods that were new in 1990 (17 percent versus 32 percent).

As a consequence, renters are relatively uncommon in California's new neighborhoods. In 2000, only 23 percent of housing units in new neighborhoods were rented compared to 48 percent of units in other neighborhoods. This low level of rented units mirrors patterns observed for neighborhoods largely constructed in the 1950s and 1960s, with fewer than one in four housing units in those neighborhoods rented in 2000. Neighborhoods of housing built over several decades and old neighborhoods have the most rental units (61 percent and 62 percent respectively). In new neighborhoods of every major region of the state, homeowners vastly outnumber renters.

WHO LIVES THERE?

Are California's newest neighborhoods being built to accommodate large flows of international immigrants? For the most part, the answer seems to be no. On average, California's newest neighborhoods tend to have fewer immigrants and are less racially

[13] Twenty-nine percent of *all* new housing units built in the 1990s (both in new neighborhoods and in other neighborhoods) were multifamily housing, a substantially lower percentage than in previous decades. Other types of housing, such as mobile homes, are uncommon (less than 4 percent of new units in 2000).

diverse than other neighborhoods. New neighborhoods are also home to more children and are more likely to be home to two-parent families than are other California neighborhoods. Residents of new neighborhoods tend to have high levels of educational attainment. However, substantial regional variation exists.

Foreign-born residents are less likely than U.S.-born residents to live in new neighborhoods. Constituting 26 percent of the state's population, immigrants make up only 18 percent of the residents of new neighborhoods. This difference is driven primarily by patterns in the South Coast region, where one in three residents is foreign-born but only one in five residents of new neighborhoods is foreign born. By contrast, in the Central Coast region, immigrants are over-represented in new neighborhoods. Elsewhere in the state, the percentages of immigrants in new neighborhoods are fairly close to the overall regional share.

California's newest neighborhoods tend to be less racially and ethnically diverse than the rest of the state's neighborhoods. Whites (non-Hispanic) constitute a majority of the population in the state's newest neighborhoods (57 percent), but a minority (46 percent) elsewhere. Asians and people of more than one race are also over-represented in California's newest neighborhoods, while African Americans and especially Hispanics are under-represented (Figure 1).

These patterns vary dramatically by region, and even within some regions. For example, within the Bay Area, both San Francisco and Santa Clara Counties had an overall population that was 44 percent white in 2000, but 65 percent of the residents in San Francisco's newest neighborhoods were non-Hispanic white compared to only 39 percent in Santa Clara County's newest neighborhoods. New neighborhoods in the Central Coast region are much more likely to be populated by Hispanics (47 percent)

than are older neighborhoods in that region (33 percent), a reflection of both large increases in the Latino population of the region and the location of those new neighborhoods away from expensive coastal cities. However, the South Coast, also a region with large Latino population growth, saw a very different pattern, with new neighborhoods having populations that are much more likely to be white (64 percent) than other neighborhoods (37 percent).[14]

Traditional nuclear families are especially attracted to California's new residential developments. Two of every five households in California's new neighborhoods consist of a married couple with children, compared to one in every four households in other neighborhoods. Single parent families are less common, representing just 7 percent of households in new neighborhoods (compared to 10 percent statewide). In every region of the state, married couples with children are more prevalent in new neighborhoods than in any other neighborhoods. The age structure of California's new neighborhoods reflects this household structure. Children constitute almost one of every three residents of new neighborhoods, compared to one of four residents elsewhere in the state.[15] Because of this household structure, the number of people per household is higher in California's newest neighborhoods than in the rest of the state. Substantially fewer older adults live in new neighborhoods than elsewhere in California (9 percent versus 14 percent).

ARE NEW NEIGHBORHOODS ECONOMICALLY EXCLUSIVE?

[14] See the *California Counts* report Volume 4, Number 2, "Who's Your Neighbor? Residential Segregation in California," for detailed information on residential segregation in California.
[15] A notable exception is the city and county of San Francisco, where remarkably only 3 percent of the residents of new neighborhoods are children.

California's newest neighborhoods exhibit certain characteristics of economic exclusivity. Incomes are higher, poverty rates are lower, and rents are much higher than in the rest of the state. However, new neighborhoods are not characterized by ultra-expensive and exclusive housing: newer residential developments are similar to other California neighborhoods with respect to median housing values.[16] Purchasers of homes built in the last ten years had to pay much higher prices than those who bought their homes in the 1980s and earlier; however, the market values of homes in both older and newer developments are similar.

Household incomes in California's newest neighborhoods are much higher than in neighborhoods of other eras. Almost half of households in new neighborhoods have incomes greater than $75,000, compared to just 29 percent in the state as a whole (Table 5). In every region, incomes are higher in new neighborhoods than in other neighborhoods. Not surprisingly, poverty rates are correspondingly low in California's newest neighborhoods, less than half of statewide levels. In 2000, only 6 percent of residents of new neighborhoods lived in poverty, compared to 15 percent of residents in other neighborhoods. Among the counties with large populations, differences in poverty rates between new neighborhoods and other neighborhoods were particularly dramatic in Orange, Alameda, San Joaquin, and Sacramento counties, with poverty rates in new neighborhoods less than one-third those of other neighborhoods.

California's newest developments do not offer much affordable housing for the less affluent (Figure 2). Values in new neighborhoods are slightly more homogenous than in other neighborhoods, with fewer very high-priced homes (those more than $500,000) and substantially fewer lower-priced homes (those less than $100,000).

[16] Values are for owner-occupied housing units.

California's most expensive neighborhoods are its oldest neighborhoods. About one-third of the homes in neighborhoods where most of the housing units were built in the 1930s or earlier are worth more than $500,000. This is partly because most such neighborhoods in California are in the very expensive Bay Area, but older neighborhoods are also the most expensive neighborhoods in the Sacramento Metro region, the Central Coast, the South Coast, and San Diego. Exceptions include the Inland Empire and the San Joaquin Valley, where the most expensive neighborhoods are new neighborhoods. Even so, new housing developments in those areas are much more affordable relative to housing in other large regions of the state. In the Inland Empire, San Joaquin Valley, and Sacramento Metro region, over half of the houses in new neighborhoods had values of less than $200,000 in 2000, compared to less than one of every four in new neighborhoods in the Bay Area, San Diego, and South Coast (Table 6). These regional differences illustrate why so many new homebuyers look inland for new homes.

Houses in new neighborhoods are much larger than the average-size house statewide.[17] Over one-third (34 percent) of housing units in California's new neighborhoods have four or more bedrooms, compared to only one in seven in other neighborhoods. New neighborhoods in Ventura County stand out as having especially large housing units, with almost half containing four or more bedrooms. California's largest houses are those in neighborhoods that were built primarily in the 1960s, with 36 percent of the housing units in such neighborhoods containing four or more bedrooms. California's smallest housing units are those in older neighborhoods and neighborhoods

[17] The Census Bureau does not collect data on square footage but does ask census respondents for the number of bedrooms.

of housing built over several decades, with two of every three housing units in those neighborhoods consisting of two bedrooms or fewer.

Owners of houses in new neighborhoods are not any more likely to be 'house poor' than residents of other neighborhoods. Housing costs as share of income are similar in new neighborhoods and in other neighborhoods in California, with about one in four households paying more than 35 percent of their income in housing costs (mortgage, property tax, and insurance payments).[18] This figure does not vary substantially across most of California's regions, although 30 percent of residents of new neighborhoods in the Central Coast pay 35 percent or more of their income in housing costs compared to only 22 percent in the San Joaquin Valley.

Rents in new neighborhoods are much higher than in other neighborhoods. In 2000, over half (51 percent) of renters in new neighborhoods paid more than $1,000 per month in rent, compared to only one-fourth of renters in all other neighborhoods. Despite these higher rents, renters in new neighborhoods are not particularly financially stressed – they tend to spend a lower share of their income on rent than renters in other neighborhoods. The reason, of course, is that even though rents are high in new neighborhoods, incomes of renters are higher still. That rents are much higher than in the rest of the state but housing values are not suggests that a relatively high share of rental units in new neighborhoods are single-family homes.

HOW'S THE TRAFFIC?

Residents of new neighborhoods almost certainly generate more traffic than residents of other neighborhoods. Both the number of vehicles per household and the

[18] High housing cost burdens of above-moderate to high-income households reflects broad discretion in the use of disposable income, and therefore are not of as much concern as for lower income households.

time spent commuting are greater in new neighborhoods than elsewhere. It is likely that retail space is more distant from new neighborhoods than from more established neighborhoods, leading to longer trips for shopping as well. Residents of new neighborhoods are much less likely to take public transportation to work than other Californians. These patterns reflect the location of new neighborhoods – along the urban fringe and in areas of the state less served by public transit. As employment centers and retail outlets eventually move into some newer neighborhoods, these patterns will change. Still, the length of time for employment and services to develop in newer areas could be quite long, especially in the case of public transportation.

Workers who live in new neighborhoods spend more time commuting than residents of any other neighborhood. In 2000, almost one in four commuters from new neighborhoods spent at least 45 minutes (one way) to get to and from work, compared to one in six commuters elsewhere. Residents of new neighborhoods in the Inland Empire, Los Angeles County, and the edges of the Bay Area (Solano County, San Joaquin County, Merced County, and San Benito County) had the worst commutes in the state, with over one-third of the workers in those neighborhoods commuting at least 45 minutes.

Like the vast majority of Californians, residents of new neighborhoods drive alone to work. However, they are somewhat more likely to drive alone than other Californians and, as shown in Table 7, much less likely to take public transit or some alternative form of transportation (walk, bicycle, or motorcycle).[19] In every region of the state, residents of new neighborhoods are more likely than residents of older

[19] As low as public transit use was in 2000 for residents of new neighborhoods, it was lower still in 1990 for neighborhoods that were new at that time. In 1990, only 1.7 percent of residents of new neighborhoods took public transit to work. Statewide, the use of public transit increased from 4.9 percent of all workers in 1990 to 9.6 percent in 2000.

neighborhoods to drive alone to work. In the Bay Area, the region with the lowest percentage of drive-alone commuters, 72 percent of residents of new neighborhoods drove alone, compared to 61 percent of residents in other neighborhoods; in the South Coast, 80 percent of residents of new neighborhoods drove alone, compared to 68 percent of other residents.

Given these commute patterns, it is not surprising that the number of cars per household is higher in new neighborhoods than in other neighborhoods. In 2000, 71 percent of households in new neighborhoods had two or more cars, compared to just over half of households in other neighborhoods. California's oldest neighborhoods (those built prior to 1940) have the fewest cars per household, with most households (62 percent) having either no car or only one car.

FUTURE PROSPECTS OF TODAY'S NEW NEIGHBORHOODS

Using data on the year of construction of housing units, we considered whether some of the above noted characteristics of California's new neighborhoods in 2000 are simply a reflection of the nature of new housing regardless of when it was built, or whether new housing in California in 2000 was different than new housing in the past.[20] In particular, we wondered whether as a neighborhood ages, commute times improve as

[20] We used data from the 1960, 1970, 1980, and 1990 public use microdata files of the U.S. Census Bureau, as provided by the Integrated Public Use Microdata Series (Ruggles and Sobek, 1997), and 2000 data from the Census Supplementary Survey. The analysis in this section is not based on new neighborhoods but on new housing units. We compare housing units built in the last ten years with older housing units for each of the census years. This is not the same as evaluating neighborhoods themselves over many decades -- something we cannot do with the data we have. See the text box for more details.

jobs move to where people live, and whether the concentration of children and married-couple families becomes less pronounced.[21]

Residents of new housing units tend to have longer commutes than residents of older housing units. This was true in 1980 and 1990 as well as 2000. Commutes have worsened for residents of most housing units, regardless of when those units were built, with one notable exception (Figure 3). The exception is that commute times for residents of housing units built in the 1980s actually declined between 1990 and 2000. This is consistent with a pattern of job creation in which jobs move out of the core of metropolitan areas to suburban and urban fringe areas where population growth is strong and new housing is plentiful. It remains to be seen whether this pattern will continue in the future.

The population living in new housing units ages as those housing units age, but the relationship is not particularly strong. Across censuses, we find that housing units built in the ten years prior to the census tend to have more children and fewer older adults than older housing. As a neighborhood ages, the proportion of children declines. For example, 41 percent of residents of new housing units in 1960 (housing built in the 1950s) were children, somewhat higher than the statewide percentage; by 2000, the proportion of children in those housing units had declined to 26 percent, a bit below the statewide percentage. This change is to be expected, as new housing units tend to attract young families.

CONCLUSION

[21] The movement of jobs to the suburbs is a well-known nationwide trend. In California, Orange County is a net importer of commuters, after being a net exporter during much of its era of tremendous population growth. The Inland Empire had stronger job growth during the 1990s than it did population growth, but remains a net exporter of commuters.

California is known for its large tracts of suburban houses. Given the state's growing economy and population, new housing is essential. Questions of where, when, how much, and for whom remain the subject of considerable local and statewide controversy.

This report shows that although large tracts of new housing were still being built in the 1990s, there were far fewer of them than in previous decades. If building large new housing tracts has become more difficult in California, we might expect to see an increase in infill housing. We did not. The decline in the number of new neighborhoods was *not* offset by an increase in new housing units in older neighborhoods.

The characteristics of California's newest neighborhoods suggest reasons why some oppose them: they tend to be located along the urban fringe, leading to long commutes by workers driving alone in their cars. They also appear to be economically exclusive, or at least do not accommodate many lower-income Californians. They contain relatively few multifamily units. Other opposition to new neighborhoods, and perhaps the most common source of opposition, derives from concerns about growth and development in general, especially at the scale necessary in California to accommodate the state's high levels of population and employment growth.

Nonetheless, California's newest neighborhoods are responding to real housing needs. Families are particularly drawn to these neighborhoods, and for many they are the fulfillment of a dream that almost all Californians share of living in their very own (and large) single family detached housing unit.

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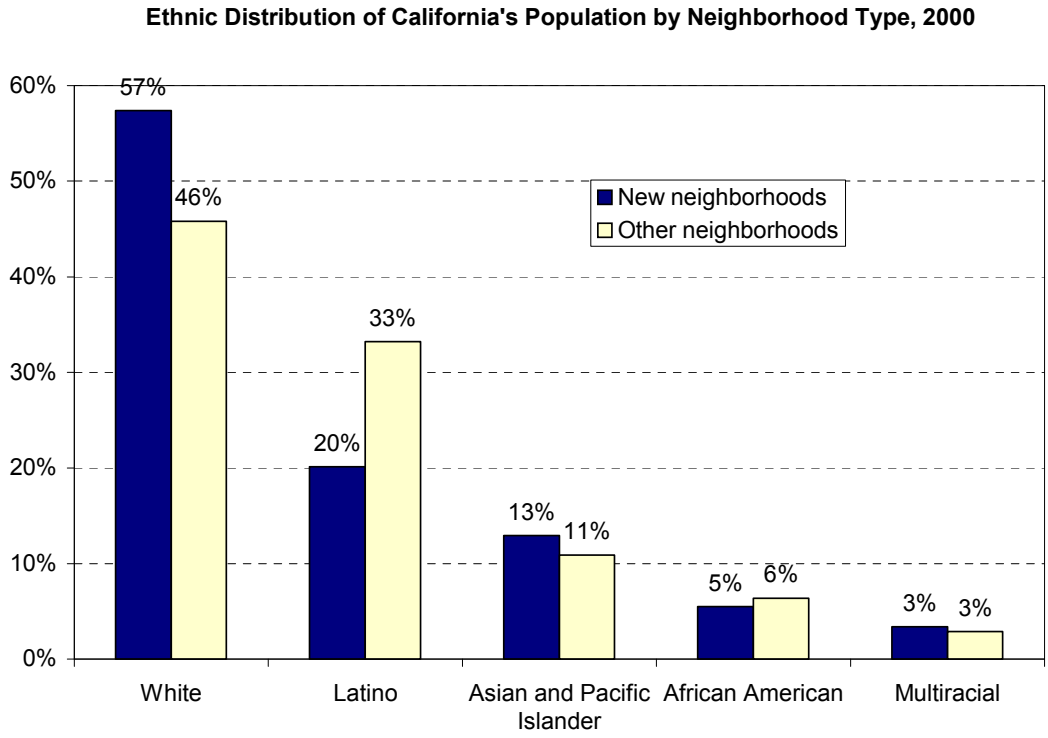
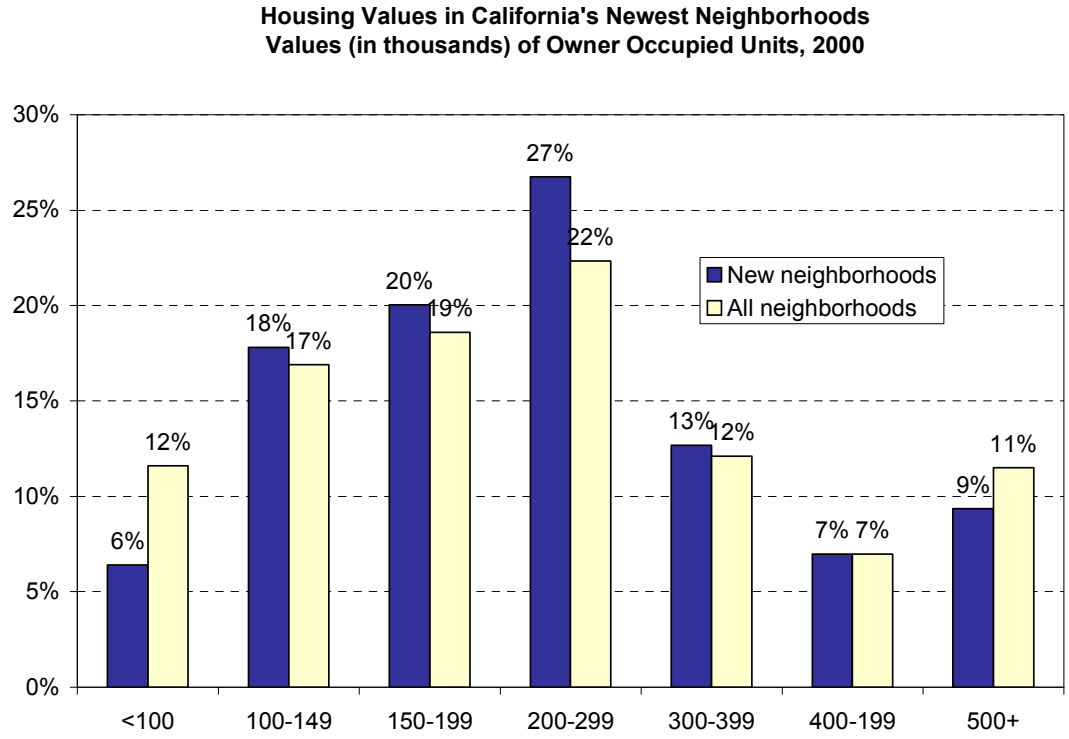
Figure 1.



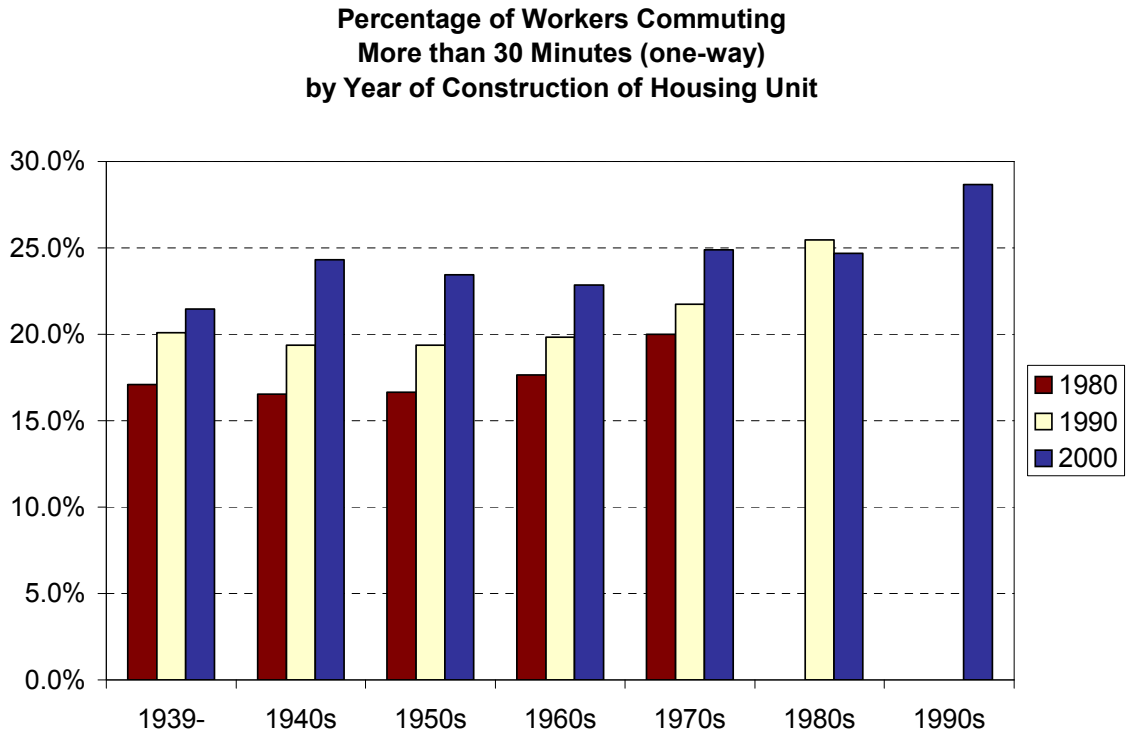
Source: Authors' calculations using 2000 Census data.

Figure 2



Source: Authors' calculations using 2000 Census data.

Figure 3.



Source: Authors' calculations using 1980, 1990, and 2000 Census data.

Table 1

California Neighborhoods by Primary Year of Construction

Primary year of construction	Number of neighborhoods	Housing units in neighborhoods	Population in neighborhoods
1930s and earlier	940	442,400	1,000,995
1930s-1940s	1,331	577,791	1,551,402
1940s	247	85,088	231,547
1940s-1950s	1,328	531,529	1,595,158
1950s	1,493	550,669	1,708,190
1950s-1960s	2,007	1,009,193	3,046,659
1960s	820	381,767	1,101,755
1960s-1970s	2,135	1,385,825	3,677,381
1970s	1,452	799,025	2,189,370
1970s-1980s	1,987	1,361,320	3,502,950
1980s	1,092	712,209	1,983,572
1980s-1990s	946	725,715	1,978,160
1990s	845	737,428	2,115,234
Mix of several decades	5,510	2,914,590	8,189,275
Total	22,133	12,214,549	33,871,648

Source: Authors' calculations using 2000 Census data.

Table 2.

Percentage Distribution of California's Neighborhoods by Region, 2000

	Percentage of region's neighborhoods that are new	Share of state's: New neighborhoods	Share of state's: All neighborhoods
North Coast and Mountains	1.6%	0.8%	2.0%
Sierras	0.6%	0.1%	0.7%
Upper Sacramento Valley	2.7%	1.5%	2.2%
Sacramento Metro	8.2%	11.2%	5.3%
San Joaquin Valley	7.2%	19.2%	10.1%
Bay Area	2.6%	13.4%	20.0%
Central Coast	2.8%	3.0%	4.0%
South Coast	2.5%	25.2%	38.7%
Los Angeles County	0.9%	6.7%	28.7%
Orange County	7.8%	16.9%	8.3%
Inland Empire	6.8%	15.3%	8.6%
San Diego	4.7%	10.3%	8.4%
State total	3.8%	100.0%	100.0%

Source: Authors' calculations using 2000 Census data.

Table 3

Location of New Housing Units by Age of Neighborhood, 1990 and 2000

	1990	2000
New neighborhoods	42%	34%
Nearly new neighborhoods	36%	34%
Old neighborhoods	11%	13%
Mixed neighborhoods	11%	19%

Source: Authors' calculations using 1990 and 2000 Census data.
Note: We define new neighborhoods as those with most housing built in the last 10 years, nearly new neighborhoods as those built primarily in the last 11-20 years, old neighborhoods as those with most housing at least 21 years old, and mixed neighborhoods as those with housing from at least three different decades.

Table 4

Developed Land and Housing Units in California

	Developed land (thousands of acres)	Housing units (thousands)	Housing units per developed acre
1982	4,138	9,582	2.33
1987	4,404	10,531	2.38
1992	4,903	11,523	2.33
1997	5,456	11,968	2.17

Source: USDA (2002) estimates of developed land; Census Bureau and Department of Finance estimates of housing units.

Table 5

Household Incomes in California's Neighborhoods

	New neighborhoods	All neighborhoods
Less than $30,000	15 %	31 %
$30,000-49,999	17	21
$50,000-74,999	23	19
$75,000 or more	45	29

Source: Authors' calculations using 2000 Census data.

Table 6

Percentage of Housing Units Valued at less than $200,000 in 2000 for California's Most Populated Regions

	New neighborhoods	All neighborhoods
Bay Area	15 %	18 %
Sacramento Metro	52	69
San Joaquin Valley	78	88
Central Coast	31	30
South Coast	22	40
Inland Empire	61	79
San Diego	20	42
Statewide – all regions	44	47

Source: Authors' calculations using 2000 Census data.

Table 7

Mode of Transportation to Work in 2000

	New neighborhoods	All neighborhoods
Drive alone	77.3 %	68.4 %
Carpool	12.8	13.8
Public transit	3.5	9.6
Other (walk, bike, motorcycle)	2.5	4.5
Work at home	3.9	3.6

Source: Authors' calculations using 2000 Census data.