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Detroit Population Slumps to Lowest in Century as Housing Vacancies Double

By Jeff Green and Keith Naughton - Mar 23, 2011 12:00 AM ET

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General Motors Co. world headquarters stands in Detroit. Photographer: Jeff Kowalsky/Bloomberg

For three years, Jayesh Patel, an attorney, and his wife, Neethi, a pediatrician, were what he called "reverse commuters." They worked in the suburbs and lived in the city of [Detroit](#). Last July, the Patels moved out.

They joined 237,493 who left Detroit over the last decade, a 25 percent decline that left the city with 713,777, down from a peak of 1.85 million in 1950. The Patels abandoned their neighborhood of Victorian homes in the Corktown district, founded by Irish immigrants at the turn of the 20th Century, and moved to the affluent suburb of Birmingham in search of better schools for their two children.

"I was just shocked," Kurt Metzger, director of Data Driven Detroit, which collects demographic information, said about the 2010 Census figures for the city. "Even in my wildest dreams, my most depressed nightmares, I wasn't expecting this big of a decline."

Detroit's population fell from 951,270 in the previous decennial tally -- a loss of 65 residents per day since 2000 -- making it the lowest official count since 465,766 in 1910, according to U.S. Census data released yesterday. It joins [St. Louis](#), [Cleveland](#), Cincinnati and other Midwestern cities unable to reverse a six-decade population loss.

Detroit's decline also likely further eroded the broader metro area. The Detroit-Warren-Livonia area was the 11th-largest metropolitan region in the nation, with a population of 4,403,437, according to 2009 census estimates. That was already a drop from ninth in 2000, when it had 4,452,557 people.

Black, White Declines

Detroit's black population fell 24 percent and white residents declined 44.4 percent, pushing black residents to 82.2 percent of the city, from 81.2 percent, the data showed. White residents now make up 7.8 percent of Detroit, or slightly more than Hispanics who account for 6.8 percent of the city, up from 3.2 percent in 2000.

"It's not just white flight anymore, it's black movement to the suburbs," said [William Frey](#), a demographer at the Washington-based [Brookings Institution](#). "Part of it is younger people leaving. The city isn't where they want to be anymore. There are opportunities in the suburbs."

The number of vacant homes doubled in the city over the decade, census data show. In 2000, there were 38,668 vacant homes, or 10.3 percent of the total. The number climbed to 79,725 in 2010, or 22.8 percent of the total.

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'Shock Re-Energizes'

"I'm hoping that the shock re-energizes and makes people more committed to turning around the situation in this city," said Metzger, who expected no fewer than 775,000 people to be counted. "This reinforces the perception of the death of Detroit and ignores the efforts of so many excited urban pioneers."

The home region for Ford Motor Co., Chrysler Group LLC, and General Motors Co., Detroit never provided the public transportation of other American metro areas. That left many of the city's finest neighborhoods looking more like suburbs, with large detached homes and vast lawns, rather than rows of brownstones typical of urban centers.

Michigan's population fell 0.6 percent in the last decade to 9,883,640, census data show. Michigan is the only state in the U.S. to lose population in the past decade.

'Urban Sensibilities'

"Detroiters and people who live in the greater metropolitan area do not have the same urban sensibilities as people on the East Coast or Chicago or [San Francisco](#)," said Omar Blaik, president of U3 Ventures LLC in Philadelphia and an adviser to the Live Midtown program designed to draw in residents.

[Live Midtown](#) was financed by Detroit-based employers, the Henry Ford Health System; Detroit Medical Center, another hospital company; and [Wayne State University](#). The so-called midtown area draws about 30,000 employees daily and another 30,000 students.

Those employers this year began offering workers as much as \$25,000 in loans to buy a home or as much as \$3,500 in rent assistance to live in the city's midtown region, just north of downtown. Under the program, the loans could become grants.

Within the first six weeks, Live Midtown received 350 inquiries and the three employers pre-approved 42 applicants for financing. They are trying to draw 15,000 new residents by 2015.

In Foreclosure

Brad Dixon was the first person to close on a home under the Live Midtown program. On March 11, he bought a six-year-old, two-bedroom loft that was in foreclosure in Detroit's artsy midtown area for less than some people pay for a car.

"It was so cheap that I decided, let's just do it and pull the trigger," said Dixon, 34, who paid \$23,000 in cash for the unit that sold for about \$150,000 when built in 2005. About half the purchase price was covered by his employer, Health Alliance Plan, a unit of Henry Ford Health System, where he is a website administrator.

Dixon's loft is located behind the Fisher building, an art deco skyscraper built in 1928, in a neighborhood with restaurants, theaters and museums. He said he plans to walk to work, which is a block away, and bike to Wayne State, where he is studying for a master's degree in business administration.

The midtown area is already supporting a fledgling business district along Detroit's Willets Street, a short distance from GM's headquarters on the Detroit River and less than a mile from the Detroit Medical Center campus and southeast of Wayne State's campus.

Subsidize Purchases

University of Detroit-Mercy started a program to subsidize employee house purchases in 2008 and has so far drawn 20 new homeowners from 850 employees, said Steve Nelson, associate vice president of human resources at the Jesuit school on the city's northwest side.

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David Nantais, director of the university ministry, and his wife, Carrie, bought a 1909 house for about \$85,000 through the program, which kicked in \$5,000 and helped them qualify for other funds. They wanted a larger home for their son, who is now 11 months old.

"I lived in [Chicago](#) and I lived in [Boston](#) and I saw what positive urban living can be," Nantais, 40, said from his dining room, across from the kitchen renovated with program funds. "City living in other parts of the country is the place to be. Detroit is the odd man out in that."

Away from midtown, the challenge can be greater because there are fewer established business districts, said Kim Clayson, a resident of the Indian Village neighborhood on Detroit's east side. She and other neighbors are working to re-vitalize the tiny business district a few blocks from her home.

'Embrace' City

"Our job isn't to come in and completely change the city," said Clayson, who said she is part of the "Class of 2003," a group of newcomers who have banded together. She said those settling in Detroit want 'to embrace what it is and try to improve it where it needs help.'

The 30-year-old lawyer and her husband are expecting their first child in May and are rushing to finish renovations on a nine-bedroom home, built in 1911. They said they plan to educate their child in the city.

That sort of optimism faded for the Patel family, said Jayesh Patel, the attorney. Though they'd had one car stolen and another broken into, crime didn't drive them away, he said. Even worries that their 3-year-old son and 2-year-old daughter could be victims of crime didn't dampen their desire to live the urban lifestyle, he said.

"We weren't scared of that," Patel said. "Maybe my son gets beat up and his bike gets stolen; that's not that big a deal. We'd teach our kids not to care about the bike or the shoes or whatever."

Public Schools

It was the lack of decent public schools near their neighborhood that sent them packing to the suburbs north of Detroit, Patel said.

Detroit public schools ranked last among 17 big U.S. cities in science, reading and math scores of students participating in national assessment tests, administered in early 2009. Detroit public schools graduate 32 percent of their students, according to a study by [Michigan State University](#), compared with a national average of 72 percent.

So the Patels found a neighborhood school in Birmingham and nestled into a three-bedroom home nearby, with a larger lawn, a two-car garage and "a long, silly driveway I have to shovel," Patel said.

The shift of middle-class families from Detroit is one reason University of Detroit Jesuit High School finds it harder to enroll children from the city. The number of Detroit residents attending the Catholic, all-boys high school has fallen to 24 percent, from 26 percent a few years ago, said Father Karl Kiser, president of the preparatory school.

"We've done a lot in the city to try to increase enrollment, but those numbers are actually sinking," Kiser said. "Middle-class or working-class families in Detroit who really care about education have gotten out."

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