

Detroit's exodus will continue without a revival

By COREY WILLIAMS

DETROIT

For over a month, Detroit has been reeling from new census numbers that showed the city lost more population in the last 10 years than anyone realized -- 230,000 or about 25 percent. City officials are trying to get the estimate increased, arguing that thousands of residents went uncounted.

More troubling is the outlook for the city's next 10 years. Rather than a rebound, which community leaders are publicly talking up, demographers are projecting losses of another 100,000 to 200,000 people, leaving the city somewhere between Tucson, Ariz., and Memphis in size-- 500,000-plus, only without much of a middle class.

"I can safely say the population there shows no sign of bouncing back any time soon," said Mark Mather of the Population Reference Bureau, a Washington, D.C.-based nonprofit that analyzes national population, health and environmental data. "Most demographers would suggest a continuation of the decline we've seen unless there is a dramatic turnaround in the economy and revitalization of parts of the city."

In population decline, "We're not done yet," said financial consultant James McTevia, president of a Michigan-based firm that specializes in turnaround management.

But, bad as it is, Detroit could still go in either direction, some experts say, since turnarounds do happen. Not long ago, urban areas like Brooklyn and Jersey City, N.J., were also afflicted with blight and economic decay, only to reverse course and begin getting better.

City leaders and supporters are now focusing on what it would take to change Detroit's trajectory, knowing that an expanding wasteland would be the alternative. No single plan has emerged, but efforts now are directed at salvaging the center city and a smattering of other viable neighborhoods, at trying to create an inviting environment for artists and at attracting more technology jobs. These are seen as keys to making Detroit a place where middle class people would be willing to live.

"Many young professionals are looking for greenways, walking trails, bike paths, parks; also a diversity in housing," said Jeff Nutting, a demographer with the Southeast Michigan Council of Governments. "In addition to traditional single-family homes, you need to have condos, loft conversions." These are things Detroit could offer, along with a modest cost of living.

But no one talks anymore about returning Detroit to its past glory -- a city of 1.8 million in 1950, and a center of the nation's manufacturing industry.

"Bigger isn't always better," said Mayor Dave Bing, who added Detroit "may be smaller in the future, but can certainly be and remain a vibrant city that meets the needs of those who live here."

The obstacles are formidable. After the crash of the auto industry and the huge exodus of working class and middle class residents to the suburbs and other states, Detroit is a city of mostly lower-income people and high unemployment. The median household income was \$29,447 in the most recent data, compared to \$48,700 for the state and \$51,425 nationally. About 33 percent of residents between ages 20 and 24 are unemployed.

The city faces a \$155 million budget deficit, with declining property and business tax revenue. Hundreds of residential blocks are all but empty, and the public schools are plagued by a large deficit and dismal graduation rate.

At this point, Detroit doesn't have the jobs or the quality of life to keep or attract people who have alternatives, said McTevia,

"I see 200,000 (more) people moving out," he said. "If I'm a resident and I see my schools downsizing, and I see the infrastructure in the city collapsing around me, and I see the enormous amount of unemployment, I'm getting out and taking my kids with me. I'm gone. I'm leaving."

Kurt Metzger, a demographer and director of a nonprofit data gathering group in Detroit, is more optimistic. "I see the population bottoming out at 650,000 to 675,000 over the next three to five years." The recent census put the population at 713,777, down from 951,000 a decade ago. "I think the city will right size at about 850,000 to 900,000 within 10 to 15 years," he said, "though there will be trials and tribulations over that period."

Any rebound depends on some of the current revival efforts working.

The hope for more technology jobs depends on projects like TechTown at Wayne State University, which is incubating small businesses. Also, several corporate leaders have agreed to move operations to the city. Software developer Compuware Corp. and online retail mortgage lender Quicken Loans have moved their headquarters and thousands of jobs downtown and are urging other companies to do the same.

"The engine of our vision is to create, nurture and persuade to come down here as many private companies as possible," said Dan Gilbert, founder and chair of Quicken Loans, which moved 1,700 jobs from the suburbs into downtown. Even workers who commute would provide an economic boost during business hours.

Owners of partially empty Detroit office buildings are offering reduced rents, and the city is providing tax incentives. For workers, "Detroit will be more technology based. It's going to be exciting for people out of the universities. It's a brain economy we're in," said Gilbert.

More jobs in health care also are a target. The Detroit Medical Center, Henry Ford Health System and Wayne State University are offering incentives to get employees to move into the area.

Metzger says he believed some central city neighborhoods could begin attracting residents. Midtown already is seeing some growth in population and retail. Several miles north of downtown, Midtown is anchored by Wayne State, the medical center and cultural institutions like the Detroit Institute of the Arts and Orchestra Hall.

One local organization is using grants to attract artists and others to the Sugar Hill Arts District in Midtown, known for its jazz music between 1920 and 1960. Lured by cheap rents and work space, artists are seen as the urban pioneers who could rescue a blighted area that has architectural character.

Bing is moving forward with plans to demolish thousands of vacant houses and move residents out of sparsely populated neighborhoods. Five eastside neighborhoods had population losses of 40 percent or more over the past decade.

Detroit needs people in decent jobs to support growing retail and tax base, according to John Mogk, a Wayne State University law professor. "Those who have the potential for investment and creating jobs, what do they want to do in the city?" he said.



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