

SOCIOECONOMIC SHIFTS IN THE CHICAGO REGION

Understanding demographic trends is crucial to developing plans and policies related to the region’s land use, economic development, housing, and transportation systems. Socioeconomic shifts affect important economic factors including labor supply, job distribution, and [labor market polarization](#). By planning effectively for these demographic changes, the region can set the stage for [inclusive growth](#) that benefits all of its communities and residents.

This Policy Update analyzes recent data from the U.S. Census Bureau’s Population and Housing Unit Estimates, focusing on trends in the racial and ethnic composition within the CMAP region’s seven counties: Cook, DuPage, Kane, Kendall, Lake, McHenry, and Will. This update supplements a previous CMAP [analysis](#) indicating that the region’s population is declining, aging, and losing families. It also builds on a recent ON TO 2050 [demographics snapshot](#)—which highlighted regional trends of age, ethnicity, race, and other factors—by expanding that analysis to include income.

As prior [Updates](#) and the snapshot report indicated, while the Chicago region experiences stagnation and declines in population, it continues to grow increasingly diverse. Hispanic and Asian populations are growing in the region, while white and black populations are declining. While some of these shifts are occurring nationwide, the declining black population in the Chicago region is of concern because it is not occurring in peer metropolitan areas. Data on income by race also suggests our region has been unable to retain and attract lower-income or minority households.

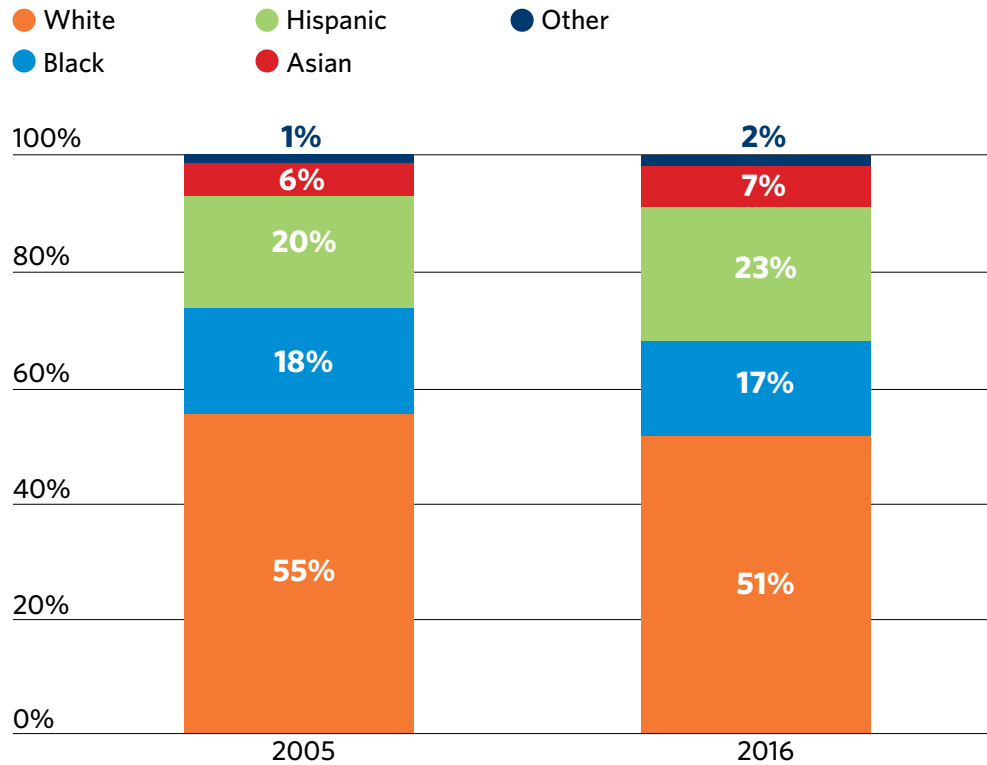
Residents choose to live where economic opportunities exist for them. A shrinking resident base suggests limited economic opportunity and further inhibits economic growth. These demographic trends have significant implications for the region’s economy, quality of life, and cost of living, requiring long-term planning to help retain residents and businesses.

Growing diversity in the Chicago region

Though the region's white population is its largest, this group is declining both in total counts and as a share of total population. The region's increased diversity may also be attributable to the growth in residents of color. The region added almost 440,000 residents of color from 2005-16, a 12 percent increase. As a result, residents of color now represent 49 percent of the region's population. In 2005, white residents represented 55 percent of the total population, and black residents, the second largest population in the region at that time, were at 20 percent. Since then, these groups have declined by 5.0 percent and 5.1 percent, respectively. Other persons of color, including the Hispanic and Asian populations, grew in raw counts and as a share of total population.

Race as a share of total population in the Chicago region, 2005 and 2016

Source: Chicago Metropolitan Agency for Planning analysis of U.S. Census Population Estimates Program data, 2005 and 2016.

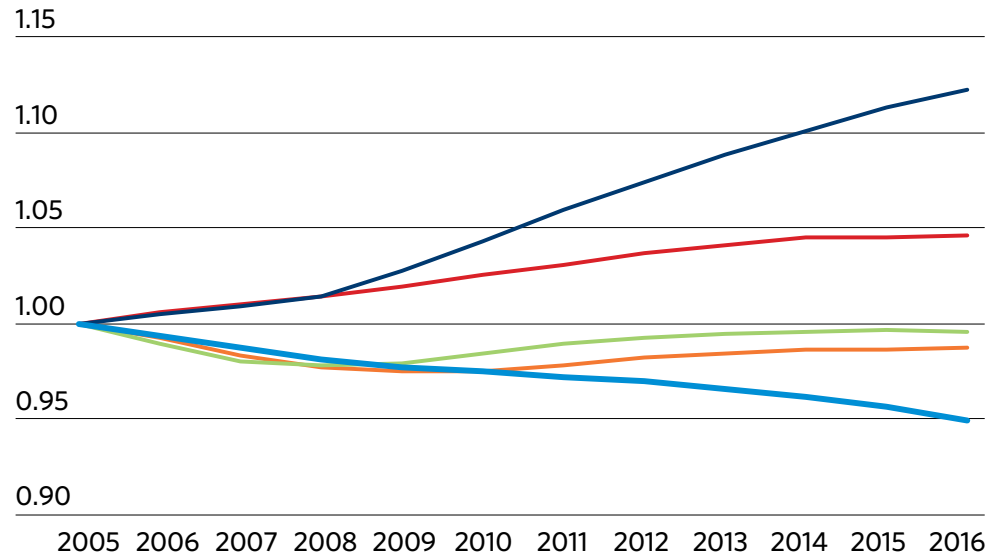


The data highlight a concerning finding: The number of the Chicago region's black and white populations declined every year since 2005. For the black population, this equals a loss of almost 80,000 residents. After initial declines during the recession, peer regions that include Los Angeles, Philadelphia, New York City, and Washington, D.C., have since increased their black populations.

Black population indexed to 2005, the Chicago region and select peer regions

● Chicago ● New York City ● Washington, D.C.
● Los Angeles ● Philadelphia

Source: Chicago Metropolitan Agency for Planning analysis of U.S. Census Population Estimates Program data, 2005-2016.

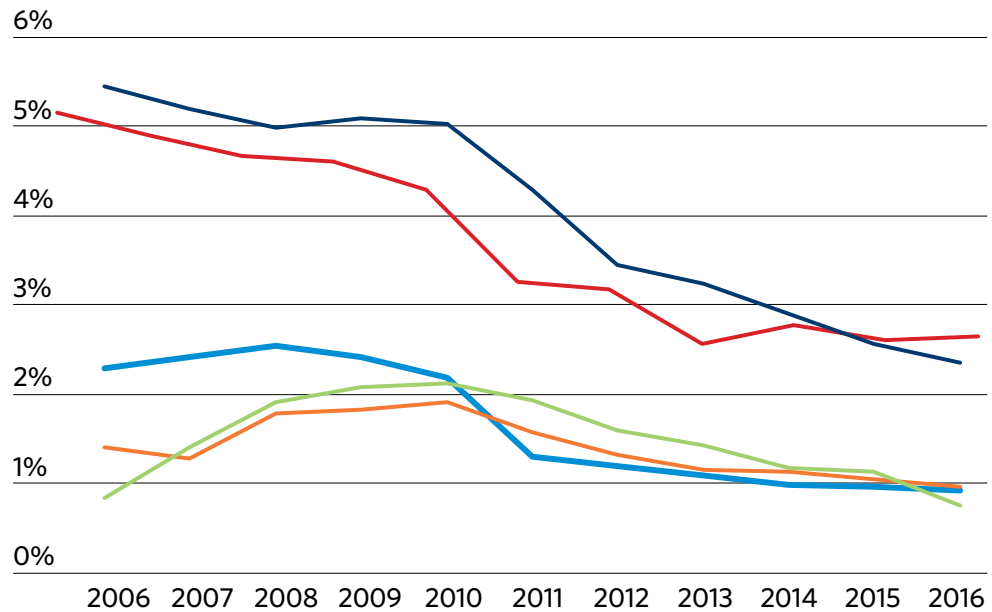


Prior to 2015, growth in Hispanic and Asian populations helped to offset decreases in the white and black populations. This may no longer be the case. Since 2010, the Asian population has been the region’s fastest growing racial group in both raw count and percentage terms, supported by an increase in foreign-born Asian immigrants. But this increase is too small to overcome declines in other groups.

The Hispanic population, though larger, has been growing more slowly in recent years. That declining growth rate began during the recession and has persisted each year since 2009. Prior CMAP analysis indicates that Hispanic immigrants constitute around 40 percent of all foreign-born people moving into the region. However, international immigration of Hispanic residents to the region has stagnated, potentially driving slower population growth. Similar trends are occurring in peer regions, but metropolitan Chicago has shown the lowest Hispanic population growth rate in five of the last six years.

Hispanic population growth rates in the Chicago region and select peer regions, 2006-16

Chicago New York City Washington, D.C.
Los Angeles Philadelphia



Source: Chicago Metropolitan Agency for Planning analysis of U.S. Census Population Estimates Program data, 2005-2016.

The geographic distribution of increasing diversity

While the Census data shows varied growth patterns for the region's white, black, and Hispanic populations, each county experienced significant growth in its Asian population. For example, Cook County saw the largest increase in its Asian population, adding more than 78,000 Asian residents, a 27 percent increase from 2005-15.

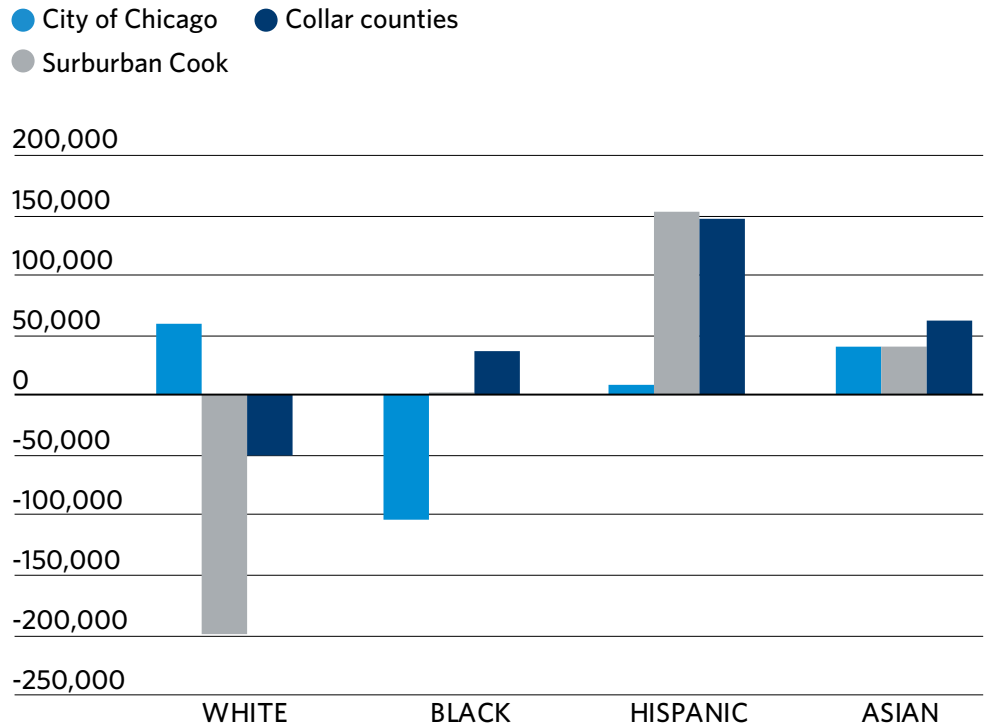
More variation is found in growth trends for the white, black, and Hispanic populations. Data show that white population loss varied by degree across the region, though most of the counties lost white residents. Suburban Cook County experienced the largest loss in white residents, a decline of almost 200,000 residents since 2005. White population, however, increased in Kendall County by approximately 22,000 and in the city of Chicago by about 60,000.

Unlike the rather widespread regional decline of white population, black population loss was almost entirely concentrated in the city of Chicago, which lost approximately 104,000 black residents. The black population in suburban Cook also decreased, but by less than 2,000 residents since 2005. The rest of the region saw black populations increase by approximately 35,000 residents across all six other counties. These trends suggest that black residents from Chicago are choosing to leave the region altogether rather than migrate to another area in the seven counties.

Hispanic population growth was ubiquitous in the region, with roughly half of the growth in Cook County and the other half spread among the remaining counties. Hispanic population growth in Cook has been focused within suburban areas, with approximately 152,000 new Hispanic residents since 2005 located in suburban Cook and 7,000 within Chicago.

Change in population by race and ethnicity in the Chicago region, 2005-15

Source: Chicago Metropolitan Agency for Planning analysis of U.S. Census Population Estimates Program data, 2005 and 2015.



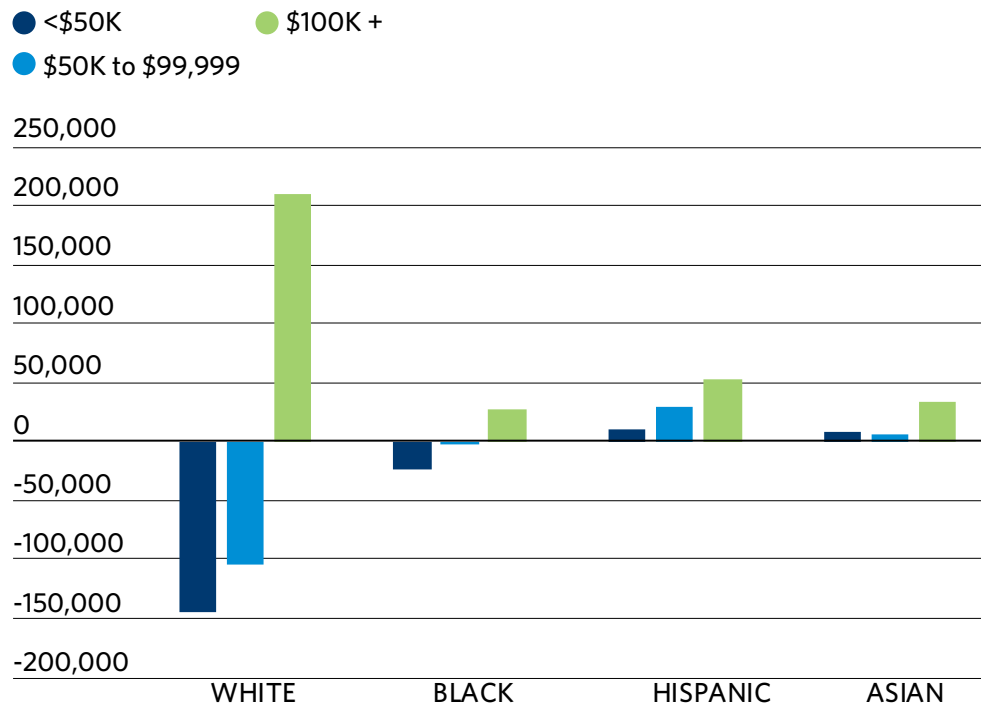
Gains in high-income households

Recognizing the relationship between population growth and economic opportunity, this section assesses the interaction between household income and race and ethnicity in the Chicago region. Regional changes in race and ethnicity by household are generally consistent with changes in population by race and ethnicity described above, although black household counts have been remaining flat instead of declining.

Household income data from 2005-15 indicates that the region lost lower income households and gained higher income households. Since 2005, the Chicago region saw a decrease in households with incomes less than \$100,000, particularly in households with incomes below \$50,000. This loss was tempered by a significant increase in households with incomes above \$100,000. More than half of the growth in higher income households is attributable to white households, contrasting overall population trends in this racial group. Black and Asian households have also increased in higher income ranges, while household growth for Hispanic residents has been distributed more broadly across incomes.

Change in households in the Chicago region by income and race and ethnicity, 2005-15

Note: Not adjusted to inflation.
 Source: Chicago Metropolitan Agency for Planning analysis of American Community Survey data, 1-year estimates, 2005 and 2015.



Looking ahead

Understanding these demographic changes presents opportunities to improve and [adjust planning at the local](#) and regional levels. For example, as the population of metropolitan Chicago continues to diversify, workforce training programs for the region’s existing and growing resident base should emphasize skillsets needed by growing industries. To promote opportunities for all, these efforts could be targeted to industries that offer individuals opportunity for upward mobility. These individualized efforts must work in tandem with broader efforts to grow the region’s economy, such as supporting traded economic clusters that connect the region to the rest of the world, coordinating on how to attract and retain businesses, and addressing state and local fiscal challenges. These efforts can produce strong human capital, grow the region’s economic clusters, and promote inclusive growth that can benefit all residents.

Development of ON TO 2050, the region’s next comprehensive regional plan, includes analyses of the region’s socioeconomic trends and the identification of economic, infrastructure, and community strategies to promote broad and inclusive economic growth. Future efforts will consider how to leverage the region’s growing diversity, including analyses of a diversifying workforce, a changing economy, and the workforce’s ability to respond to market changes.

One of the ON TO 2050 Alternative Futures focuses on the effect of a transformed regional economy. Please [explore this future](#) and register to [attend a forum on July 19](#) to discuss how it may affect our region.

312-454-0400
info@cmap.illinois.gov
www.cmap.illinois.gov

Visit the online version at cmap.is/2PtCnz3