

Metro Richmond –  
Paying the Price of  
Sprawl and Segregation  
By David Rusk<sup>1</sup>

Despite many achievements over the past decade, metropolitan Richmond continues to pay a heavy price for both unchecked, sprawling development, slow progress on racial integration, and rising economic segregation.

These trends diminish the quality of life of Richmond area residents and weaken the region's competitive position, particularly in the face of the challenge of North Carolina's economic powerhouses.

Signs of progress are very visible – for example, a new convention center (notably financed by tax contributions from the city and three adjacent counties); expansion of Virginia Commonwealth University; several thousand units of new or renovated housing downtown; and a lively restaurant and entertainment zone emerging in the Shockoe Slip district.

But Census 2000 traces a less visible tale of lagging regional progress and even decline in key areas. Let's examine interlocking trends regarding suburban sprawl, racial segregation, and concentrated poverty.

### Suburban Sprawl

Sprawl is like pornography – hard to define (one man's sprawl is another man's tax base) but you know it when you see it. One way to measure sprawl is to track trends in what the Census Bureau defines as “urbanized population” and “urbanized land” – a central city and its contiguous suburbs.

In 1950, greater Richmond's urbanized population was 258,000 occupying 48 square miles of urbanized land. Ninety percent of the urbanized population and 75 percent of the urbanized land fell within the

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city limits. The houses, streets, parks, schools, stores, offices, and factories covered less than a tenth of an acre for each urbanized resident.

By 1990, greater Richmond’s urbanized population had grown to 590,000 (only one-third within the city) occupying 303 square miles of contiguous, urbanized land (only one-fifth within the city). During four decades about a half acre had been consumed for each added resident.

Census 2000 has not yet released comparable figures for the past decade. However, between 1992 and 1997 the National Resources Inventory reports that some 58,800 additional acres were developed in greater Richmond. That compares with an estimated population increase of about 50,000 people. That means that during that period each new resident was consuming about one and one-fifth acres of land – some 14 times more land than the area’s population consumed per capita fifty years before. During the mid-1990s greater Richmond’s growth was consuming land at a rate of about 1.3 acres per hour!

Such constant outward growth was driven primarily by the movement of middle-class families and the stores and jobs that followed them. The Virginia General Assembly ended Richmond’s annexation powers in 1970. In an Age of Sprawl, such “inelasticity” of a city’s borders has a devastating effect on the socioeconomic profile of the city. But constant sprawl also traces an inexorable rise and fall of older suburbs, as shown in table 1.

**Table 1**  
**Median family income as percentage of**  
**metropolitan median family income**  
**from 1950 to 2000**

Jurisdiction	1950	1970	1980	1990	2000
Richmond	97%	86%	78%	72%	68%
Henrico	113	112	110	105	105
Chesterfield	98	111	119	120	116
Hanover	67*	100	108	113	117
Goochland	45*	----	91	100	115

\*not part of metro area as defined in 1950

In 1950, the typical family’s income in the city of Richmond was almost equal to the median family income of the three-county metropolitan

area (97 percent). By 2000, the city's median family income had fallen to only 68 percent of the 13-jurisdiction Richmond-Petersburg area.

However, Henrico also had hit its peak of wealth (113 percent) in 1950 and, though still wealthier than the average, has been slowly sliding down the scale ever since to 105 percent by 2000. Chesterfield was the rising star, having started slightly below (98 percent) regional median family income in 1950, and peaking at 120 percent in 1990, before beginning its relative decline (116 percent in 2000).

Hanover (67 percent) and Goochland (45 percent) were poor rural counties in 1950. However, as suburban sprawl stretched farther out, their median family income rose rapidly, reaching 117 percent and 115 percent, respectively, of the 13-jurisdiction region by 2000.

What does the future hold? By 2010, we can expect Richmond and its inner suburbs to have slid farther down the income scale. In fact, Henrico's median family income may drop below the regional median by 2010. Hanover and Goochland will continue to soar for several decades.

But the Iron Law of Urban Sprawl is: "Today's Winners Become Tomorrow's Losers." With sprawl unchecked, we can foresee that someday communities even farther out (Fluvanna? Louisa?) will replace Hanover and Goochland as the most favored communities.

Greater Richmond has the highest rate of sprawl in Virginia and consumes land at twice the national average.

### Race

Residential segregation of African Americans typically hit its high level nationwide around 1970 after three decades in which federal mortgage policy reserved new suburbs almost exclusively for white homebuyers. On a segregation index scale of 0 to 100 (with 100 indicating total apartheid), metro Richmond's segregation index was 77 in 1970. Thereafter, the index improved to 59 in 1990 (about the average rate of improvement for southern metro areas). During the past decade, however, the black segregation index improved almost imperceptibly to 57.

Richmond's index of 57 is far from metro Detroit's 85 (the country's most segregated region) but almost equally far from Albuquerque's 31 (the USA's most integrated housing market). And the rate of progress was

much greater in nearby Hampton Roads, which improved from 77 to 46 in the same three decades.

### Concentrated Poverty

Concentrated poverty is a phenomenon of black ghettos and Hispanic barrios. Poor whites rarely live in white slums. In 1990, for example, roughly three out of four of metro Richmond’s poor whites (73 percent) lived in working class and middle-class neighborhoods. Poor whites were usually part of mainstream neighborhoods and mainstream schools.

By contrast, in 1990, almost three out of four of metro Richmond’s poor blacks lived in poverty impacted ghettos. Poor blacks were isolated in high-poverty neighborhoods and high-poverty schools.

Census 2000 has not yet provided detailed information to update these calculations. However, we can track trends in what I have called a city’s “fair share of poverty index.”

The fair share of poverty index compares a jurisdiction’s poverty rate against the regional poverty rate. If, for example, the regional poverty rate were 10 percent and the jurisdiction’s poverty rate were 10 percent, then its “fair share of poverty index” would be 100; it would have its proportionate share of the region’s poor. An index of 200 would indicate that the jurisdiction would have twice its fair share of poor people; an index of 50, only half its fair share.

Table 2 tracks trends in the fair share of poverty index for 1970-00.

**Table 2**  
**Fair share of poverty index**  
**from 1970 to 2000**  
**(100 = fair share)**

Jurisdiction	1970	1980	1990	Pct poor	
				2000	in 2000
Metro area	100	100	100	100	9.3%
Richmond	149	179	213	230	21.4%
Henrico	45	58	55	67	6.2%
Chesterfield	62	43	44	48	4.5%
Hanover	83	73	44	39	3.6%
Goochland*	--	126	79	74	6.9%

\*not part of metro area as defined in 1970

Richmond's fair share of poverty index has risen steadily from 149 to 230 – more than twice its fair share. Though still well below its fair share, Henrico's poverty rate has also crept upward to 67. As in the previous table tracking median family income, Chesterfield's relative prosperity peaked out around 1980-90. Meanwhile, Hanover and Goochland (which was a very poor rural county) are suburbanizing prosperously.

Another way of measuring the concentration of poverty is to ignore jurisdictions and focus on neighborhood-by-neighborhood trends. Using the same segregation index utilized above, but applied to poor people rather than African Americans, we can see that economic segregation has increased steadily over the past three decades. (Remember: on a scale of 0 to 100, the higher the index number, the greater the degree of segregation.)

**Table 3**  
**Economic segregation of poor people (1970-90)**  
**and of low-income elementary school pupils (1990-2000)**  
**(segregation index: 100 = economic apartheid)**

Year	Housing	School
1970	39	--
1980	40	--
1990	44	56
2000	--	58

Economic segregation rose steadily from 39 in 1970 to 44 in 1990 – 11<sup>th</sup> highest out of the 100 largest metro areas and highest among all southern metro areas. Although new economic segregation indices have not yet been calculated from Census 2000, school segregation by income rose during the 1990s from an index of 56 to an index of 58 – 9<sup>th</sup> highest among 82 large metro areas and, again, highest among southern metro areas.

Thus, while barriers based strictly on race have been slowly coming down, barriers based on income have been going up. *Jim Crow by income is replacing Jim Crow by race.*

Compared to its own past, metro Richmond is sprawling at an increasing rate. The pace of desegregation has slowed, and economic segregation is steadily increasing. How does metro Richmond compare to other metro areas?

## Richmond vs. Raleigh

For my first book, *Cities without Suburbs* (1993), I compared the Richmond-Petersburg region with the Raleigh-Durham region. They were approximately of the same population size and racial mix. Their principal central cities are also state capitals in neighboring states.

Table 4 compares the growth of the urbanized areas of the two capital cities between 1970 and 1990.<sup>2</sup> The rates of sprawl were comparable. The Raleigh area had a faster rate of growth of urbanized population (+ 101 percent) than did the Richmond area (+ 42 percent) and a correspondingly faster rate of growth of urbanized land (+ 118 percent to + 72 percent). However, urbanization consumed more land per additional resident in the Richmond area (0.47 acres) than it did in the Raleigh area (0.31 acres) during these twenty years.

**Table 4**  
**Comparison of urbanized areas**  
**of Richmond and Raleigh**  
**from 1970 to 1990**

Category	Richmond	Raleigh
Urbanized population (1970)	417,000	152,000
Urbanized population (1990)	590,000	306,000
Urbanized land in sq. mi. (1970)	176	71
Urbanized land in sq. mi. (1990)	303	145
20-year growth of urbanized population	+ 41%	+ 101%
20-year growth of urbanized land	+ 72%	+ 118%
Land-to-population growth ratio	1.8 to 1	1.2 to 1
Acres used per net added person	.47	.31

Table 5 compares the two capital cities since 1970. The most significant difference is that, ever since its hotly-contested annexation of 23 square miles of Chesterfield County in 1970, Richmond's city limits have been frozen by state law at 60 square miles. By contrast, under North Carolina's liberal annexation laws, Raleigh has expanded from 45 square miles in 1970 to 115 square miles in 2000. In just thirty years, Raleigh has

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<sup>2</sup> The population of the combined Raleigh and Durham urbanized areas was 508,000 covering 281 square miles of urbanized land in 1990.

added an area greater than the entire city of Richmond to its municipal area. This has had significant consequences.

**Table 5**  
**A Tale of Two Cities**  
**Richmond and Raleigh**  
**from 1970 to 2000**

Category	Richmond	Raleigh
City area in sq. mi. (1970)	60	45
City area in sq. mi. (1990)	60	88
City area in sq. mi. (2000)	60	115
Urbanized land captured (1970-90)	0%	58%
City population (1970)	249,000	122,000
City population (1990)	203,000	208,000
City population (2000)	198,000	276,000
Urbanized population captured (1970-90)	- 20%	+ 56%
Population change (1970-00)	- 20%	+ 126%
City pct of metro median family income (2000)	68%	101%
City fair share of poverty index (2000)	230	116
City current bond rating (Moody's)	Aa3	Aaa

With its fixed boundaries, Richmond, of course, captured none of the newly urbanizing land; indeed, the city *contributed* – 20 percent of its own population to its suburbs’ population growth. By contrast, Raleigh captured + 58 percent of the urbanizing land and + 56 percent of the urbanizing population. Consequently, Raleigh more than doubled its population by 2000 (a growth rate of + 126 percent), while Richmond lost – 20 percent, regressing towards its 1940 population level.

The economic consequences are significant. As discussed earlier, Richmond is much poorer than its suburbs. With so many of its own “suburbs” captured within its expanding city limits, Raleigh maintained income parity with its suburbs (101 percent) and virtual parity with regard to poverty levels (a stable fair share of poverty index of 116).

Being a much healthier city economically pays off for Raleigh fiscally as well. Raleigh has a blue-chip Aaa bond rating while Richmond is rated three steps below (Aa3, having been raised from A1 in November 2002).

Table 6 shifts the focus from the state of the two cities to measures of racial and economic equity on a metropolitan-wide basis. Using the same

**Table 6**  
**Measures of racial and economic equity**  
**in metro Richmond and metro Raleigh**  
**in 2000**

Category	Metro Richmond-Petersburg	Metro Raleigh-Durham
Black housing segregation index	57	46
Poor housing segregation index (1990)	44	35
Black school segregation index	68	37
Poor school segregation index	58	33

index of segregation discussed above, Table 6 shows that throughout its metropolitan area, Raleigh’s neighborhoods and schools are much less segregated for both African Americans and low-income families and their school children than are Richmond’s.

Why should the great majority of middle-class, overwhelmingly white residents of Henrico, Chesterfield, Hanover, or Goochland care about Richmond’s slow decline or rising economic segregation? Many left the city or inner suburbs to get away from just such “city problems.”

Table 7 suggests, however, that the chickens come home to roost in the impact of such problems on the regional economy.

**Table 7**  
**Economic growth**  
**in metro Richmond and metro Raleigh**  
**during the 1990s**

Category	Metro Richmond-Petersburg	Metro Raleigh-Durham
Change in manufacturing jobs	- 6%	+ 11%
Change in non-manufacturing jobs	+ 19%	+ 49%
Real personal income per capita	+ 8%	+ 19%

Some might argue that metro Richmond’s continuing loss of manufacturing jobs could be chalked up to Richmond having more long-

established, increasingly obsolescent factories. Manufacturing employment, however, was almost equally important for both regions thirty years ago, with factory jobs representing 19 percent of Richmond's labor force in 1969 compared with 17 percent of Raleigh-Durham's.

The contrast between growth of *non-manufacturing* jobs in the two regions was striking. Service sector jobs grew + 19 percent in metro Richmond (about the national average). However, service sector jobs grew a mind-blowing + 49 percent in metro Raleigh-Durham.

The payoff is that the inflation-adjusted standard of living of Raleigh area residents grew at twice the rate (+ 19 percent) that Richmond area residents' standard of living grew (+ 8 percent) during the past decade.

Raleigh is an expanding, Aaa-bond rated, "Big Box" capital city at the heart of a dynamically growing region that is much less segregated racially and economically than most metropolitan areas. Richmond is frozen within fixed boundaries, a steadily shrinking, poverty-impacted capital city within the South's most economically segregated region whose economy is lagging its dynamic neighbor.

Richmond leaders are accustomed to comparing it with Charlotte. The reality is that Richmond hasn't been in Charlotte's league for at least two decades, and it is rapidly falling out of being a credible competitor for Raleigh. A decade from now, Richmond (city and metro area) may best be compared with Greensboro-Winston Salem, North Carolina's third-string team ... and may not win that comparison either. The highly-unified Piedmont Triad is a tough competitor.

The University of Pittsburgh's David Y Miller has found that highly unified metropolitan regions that are allowed to act with a high degree of local initiative by state government are both more racially and economically equitable regions and generate more dynamic economic growth. Jealous defenders of their "Dillon's Rule" prerogatives, Virginia's state legislators keep city and county governments on a tight leash. More than most states, Virginia emphasizes that local governments are "creatures of the state." And by freezing the boundaries of Virginia's 41 "independent cities" since 1979, the General Assembly has guaranteed that a declining city will lie at the core of each of the state's metropolitan areas.

## Recreating a Healthy Regional Core

Revitalizing Virginia's cities and reinvigorating its metropolitan economies requires the governor and General Assembly to change the current "rules of the game." Solutions fall within two broad categories: creating "Big Box" governments, or requiring the many smaller boxes to act as a "Big Box" on critical regional issues.

### A. Allow Richmond to become a Big Box again

1. The city of Richmond could break out of its jurisdictional straightjacket by unilaterally ending its status as an "independent city," becoming a dependent town within Henrico and Chesterfield counties, and proposing renewed annexation of surrounding subdivisions again (the "North Carolina Way"). Such local initiatives would certainly place the issue of Virginia's current city-strangling rules squarely before the General Assembly.
2. The city of Richmond could lobby the General Assembly to consolidate it with Henrico and Chesterfield counties (the "Indianapolis Way"). In 1970, the Indiana legislature consolidated the city of Indianapolis and Marion County without any local referendum.

### B. Make the smaller boxes act like a Big Box.

1. Control suburban sprawl and reverse urban disinvestment through the General Assembly's adopting a strong, anti-sprawl, growth management law applicable statewide or at least to the Richmond-Petersburg metro area (the "Portland Way").
2. Reverse growing economic segregation of the regional housing market by having the General Assembly make the current law authorizing inclusionary zoning (Virginia Code Sec. 15.2-2305) mandatory rather than voluntary for local governments as it is now.

Realistically, either of the strategies – annexation or city-county consolidation – to make the city of Richmond a healthy Big Box again won't happen. However, it would be well worth the state's historic central cities – Richmond, Norfolk, Roanoke, etc. – pushing the issue.

The short-term political barriers to a strong, anti-sprawl state law are also daunting, but not insurmountable. Neighboring Tennessee enacted such a law (though not as strong as Oregon's) in 1998.

The final strategy – inclusionary zoning – is more promising and has long-standing roots in Virginia. In early 1973, Fairfax County enacted a local inclusionary zoning law requiring that 12.5-15.0 percent of any new housing development of 50 or more units must be affordable for low- and moderate-income families (“Affordable Dwelling Units,” or “ADUs”). The county further authorized the county public housing authority to buy or rent one-third of the ADUs.

The Virginia courts promptly ruled that, under Dillon's Rule, Fairfax County lacked explicit authority from the General Assembly for its ADU law and nullified the county ordinance. Seventeen years later, Fairfax and Loudoun counties finally secured special authorizing legislation for their counties; a year later, the General Assembly broadened the law to make its provisions available to any local government in Virginia.

Table 8 projects the results if such laws had been in effect throughout

**Table 8**  
**Projected 30-year results of ADU law**  
**for metro Richmond-Petersburg**  
**at housing production level of past 30 years**

Jurisdiction	units built	“work-force” ADUs	“welfare-to-work” ADU	Pct poor pre-ADU	Pct poor post-ADU
Metro area	236,000	11,800	5,900	9.3%	9.3%
<b>Richmond</b>	<b>23,100</b>	<b>1,155</b>	<b>580</b>	<b>21.4%</b>	<b>16.3%</b>
Henrico	69,200	3,460	1,730	6.2%	7.9%
Chesterfield	78,800	3,940	1,970	4.5%	6.4%
Hanover	23,000	1,150	575	3.6%	5.3%
Goochland	4,600	230	115	6.9%	8.8%
<b>Petersburg</b>	<b>5,400</b>	<b>270</b>	<b>135</b>	<b>19.6%</b>	<b>14.9%</b>
<b>Hopewell</b>	<b>3,500</b>	<b>175</b>	<b>90</b>	<b>14.9%</b>	<b>11.3%</b>
All others	28,300	1,420	705	8.6%	8.7%

the past thirty years. Some 236,000 new housing units were built. I have assumed that Fairfax County's ADU formula would apply but that half of the units built were in developments too small to be covered by the inclusionary zoning policy. Thus, the policy would yield about 11,800 ADUs for purchase or rent by working class families. Many would be young police officers and firefighters, new school teachers, store clerks and other modest-income workers who could now live in the same communities they serve. Others might be long-term residents who are now retiring and seeking to step down in housing costs or young people who now cannot afford to live in the very communities where they grew up.

Another 5,900 ADUs would be purchased by the Richmond Redevelopment and Housing Authority (expanded to serve all metro jurisdictions) or a state housing agency with the same mission. Some would have been built in the three higher-poverty cities (Richmond, Petersburg, and Hopewell). But over 85 percent of RRHA-acquired ADUs would be integrated into new, middle-class, suburban subdivisions. While some units would be needed to meet existing suburban needs, many would be available to allow poor city families to relocate into suburban neighborhoods in small numbers (no more than five percent of any subdivision).

But the net effect of promoting "fair share" housing everywhere would be a substantial reduction in concentrated poverty within the cities and only minimal increases in suburban poverty levels. Richmond's poverty rate could have been reduced from 21.4 percent to an estimated 16.3 percent (its pre-1970 level). By contrast, Chesterfield's overall poverty rate would rise modestly from 4.5 percent to only an estimated 6.4 percent without the emergence of any concentrated poverty neighborhoods.

Every local government has the authority to adopt a Fairfax County-type inclusionary zoning policy right now. The challenge to Hope in the Cities and its many allies is to build the political will among city councils and county boards of supervisors to act. That is a tough political challenge, but it has been met in over 70 local communities, including Fairfax County, Montgomery County, Maryland, and Cambridge, Massachusetts – three of the nation's most progressive and economically successful communities.

The Richmond area has great assets. They are being squandered in a game that the cities cannot win. You must ally together to secure basic changes in the "rules of the game" – reforms that will truly create "hope in the cities."