INTRODUCTION

Micropolitan is defined as an area with over 10,000 residence but less than 50,000

It is estimated that 30 million Americans (10% of population) live in these areas

Researching the growth rate, and reasons for the growth in these micropolitan areas can lead to the creation of goals and standards to attract residence to their areas
MIGRATION TRENDS
Demographic Effectiveness
Migration up and down the urban hierarchy and across the life course
D. A. Planea,b, C. J. Henriec, and M. J. Perryd
PURPOSE AND CONTRIBUTION OF THE STUDY

- Micropolitan Areas Were First Defined in 2003
- This paper and resulting presentation attempts to add to the economic literature of migration determinants, in hopes of finding significant variables that cities and counties can use to curb out-migration as well as increasing in-migration
Kenneth Johnson discusses the trend in the 20th century of migration to non-metropolitan areas.

In this report, it is found that roughly 17% of the population, and 75% of the land area in the U.S. is classified as non-metro.

During the 1990's, larger micropolitan areas grew faster than those on the smaller side of the classification (MacKun, 2005).

The fastest growing micropolitan areas are shown to be located near larger metropolitan areas (Plane, 2003).
THE EMPIRICAL MODEL

\[
\text{Percent Growth in Migration During the 2000 – 2010 Period} = \text{Vector of Social Variables in 2000} + \text{Vector of Economic and Productivity Variables in 2000} + \text{Vector of Fixed Effects and Other Control Variables in 2000}
\]
DATA

- 2000 Census and Subsequent Census Estimates
- 48 Contiguous US States
- 554 Micropolitan Areas
- 668 Counties
THE EMPIRICAL MODEL

- Using Least Squares regression
- Used 59 total variables
- 18 proved to be significant
  - 16 at 5% level
  - 2 at 10% level
- The percentage level indicates how often you are going to be wrong when the results show they are correct (significant)
## The Empirical Model
### Econometric Study

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THE EMPIRICAL MODEL

Findings

- How old the housing is has a significant negative effect on migration
- Property tax and overall tax revenue effects migration negatively
- Average wages and births per 1000 people also effect the migration, also a negative effect
- Number of vacant houses has a negative effect
- Percent married has a positive effect on the migration

This leads me to believe the migration is mostly amenity oriented, due to wages, old housing and taxes being negative
While the average micropolitan area grew at over 5% from 2000-2010, Pittsburg grew at 2%.

The old, dilapidated housing stock seems to be a major factor.

52% of the housing in Pittsburg was built prior to 1959.

While tax rates are higher here, per capita income is lower, meaning less tax revenue.

10% of homes in Pittsburg are vacant.

Average wages are lower in Pittsburg on average when compared to other Micro areas.
Property taxes are higher in Pittsburg, which could be unattractive, since the housing is so old.

Sales tax is also higher here, which is an unattractive part of moving to a new place.

Take home message is that the Pittsburg housing stock does not seem to be conducive to amenity migration.

Population also had a positive effect, meaning larger micropolitan areas grew faster than the smaller ones, which corroborates the Plane and Mackun studies previously mentioned.
THE EMPIRICAL MODEL

Conclusions

- Variables that apply to Migration
  - Age of housing stock
  - Tax rates and revenues
  - Average wages
  - % of homes that are vacant
  - % of Married couples
- To help Pittsburg grow, a few suggestions would be
  - Make it easier/more accessible to build new housing
  - Temporarily lower property taxes, or reduce restrictions to entice people to build new housing
  - Getting more people in, and more housing build would improve the economic outlook, possibly increasing tax revenue, without having to adjust the rate
QUESTIONS