

U.S. Cities Attracting Young Adults

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Issue

Provide information, based on the most recently available data, regarding which urban areas in the United States are attracting young adults and summarize research highlighting factors that may be driving these migration trends.

Summary

There are a variety of recent analyses that present urban migration trends among young adults in the United States. Though the methodologies of these studies vary, the findings generally show that "Sun Belt" cities and metropolitan areas in the South and West are experiencing the most growth among, and highest shares of, young adults. A large body of research exists around the factors driving the migration trends of young adults and a number of recent academic studies emphasize the importance of high-amenity environments more typical of urban areas.

Urban Migration Trends Among Young Adults

There are numerous analyses of the migration trends of young adults in the United States. Such analyses tend to focus either on the migration trends of millennials, or more specifically, college-educated young adults (often referred to as young professionals).

The media has frequently cited these groups as key contributors to the "back-to-the-city" trend of the early 2010s, which was defined by [surging urban population](#) in many metropolitan areas across the country (e.g., see this [May 28, 2019 article in Bloomberg CityLab](#) and this [March 27, 2014 article in The Atlantic](#)). Analyses of urban migration trends among millennials and young professionals often vary methodologically, including in the underlying data being analyzed and in

the definitions of "millennial" and "young professional" being used. Below are several examples of recent analyses on this topic. Where possible, we have included data for Connecticut metropolitan areas for comparison purposes.

Growth Rate, Share, and Net Migration of Millennials by Metro Area

The Brookings Institution Metropolitan Policy Program's January 2018 report "[The Millennial Generation](#)," authored by William H. Frey, examined the demographic makeup of millennials in the United States. It found that the following metropolitan areas, of the nation's 100 largest, recorded the highest growth rate of young adults ages 18 to 34 between 2010 and 2015:

Table 1: Growth Rate of Young Adults, by Metro Area (2010-2015)

RANK	METRO AREA	GROWTH RATE (%)
1	Colorado Springs	14.7
2	San Antonio	14.4
3	Denver	12.8
4	Orlando	12.7
5	Honolulu	12.2
6	Austin	11.8
7	Cape Coral (FL)	11.7
8	Houston	11.7
9	Sarasota (FL)	11.1
10	Seattle	10.8
31	Bridgeport	7.3
61	Hartford	5.0
87	New Haven	2.5

Source: Author's (Frey) analysis of U.S. Census Bureau population estimates

The report found that the following metropolitan areas had the highest shares of millennials in 2015:

Table 2: Share of Millennials, by Metro Area (2015)

RANK	METRO AREA	SHARE OF MILLENNIALS (%)
1	Provo-Orem (UT)	30.4
2	Austin	27.2
3	San Diego	27.0
4	Virginia Beach	26.9
5	Madison	26.8
6	Colorado Springs	26.4
7	Bakersfield (CA)	26.3
8	Honolulu	26.3
9	Salt Lake City	26.2
10	Baton Rouge	26.1
66	New Haven	23.0
78	Hartford	22.5
95	Bridgeport	20.7

Source: Author's (Frey) analysis of U.S. Census Bureau population estimates

Additionally, Frey's 2019 report "[How migration of millennials and seniors has shifted since the Great Recession](#)," found that the following major metropolitan areas of at least one million people had the greatest average annual net migration of 25- to 34-year-olds from elsewhere in the United States during the 2012-2017 period:

Table 3: Average Annual Net Migration, Ages 25-34, by Metro Area (2012-2017)

RANK	METRO AREA	AVERAGE ANNUAL NET MIGRATION
1	Houston	14,767
2	Denver	12,667
3	Dallas	12,665
4	Seattle	11,244
5	Austin	8,933
6	Charlotte	8,024
7	Portland	7,203
8	Riverside (CA)	6,849
9	Phoenix	6,682
10	Nashville	5,742
38	Hartford	(-839)

Source: Author's (Frey) analysis of U.S. Census Bureau ACS five-year estimate, 2013-2017

Increase in and Growth of College-Educated Young Adults in Close-In Urban Neighborhoods by Metro

City Observatory's June 2020 report "[Youth Movement: Accelerating America's Urban Renaissance](#)," authored by Joe Cortright, found that the number of 25- to 34-year-olds with at least a four-year degree living in close-in urban neighborhoods (i.e., census tracts within three miles of the center of a metropolitan region's principal central business district) increased in all the nation's large metropolitan areas between 2010 and 2016. The following metropolitan areas, of the nation's 52 largest, recorded the greatest increase of college-educated young adults in their close-in neighborhoods over this time period:

Table 4: Population Increase of College-educated Young Adults in Close-in Urban Neighborhoods, by Metro Area (2010-2016)

RANK	METRO AREA	POPULATION INCREASE
1	San Francisco	25,213
2	Seattle	22,120
3	Washington	21,400
4	Philadelphia	21,395
5	Boston	20,799
6	Chicago	17,441
7	Denver	14,984
8	New York	13,875
9	Los Angeles	13,247
10	Austin	11,382
41	Hartford	1,845

Source: City Observatory analysis of U.S. Census Bureau ACS five-year estimates, 2014-2018 and 2008-2012

Additionally, the report found that the following metropolitan areas recorded the highest average annual growth rates of college-educated young adults in close-in neighborhoods between 2010 and 2016:

Table 5: Average Annual Growth Rate of College-educated Young Adults in Close-in Urban Neighborhoods, by Metro Area (2010-2016)

RANK	METRO AREA	AVERAGE ANNUAL GROWTH RATE (%)
1	Detroit	16.0
2	Phoenix	12.9
3	Indianapolis	11.3
4	Nashville	10.4
5	Kansas City	9.5
6	Seattle	8.8
7	Los Angeles	8.4
8	Dallas	8.3
9	Richmond	8.1
10	Oklahoma City	8.0
43	Hartford	4.0

Source: City Observatory analysis of U.S. Census Bureau ACS five-year estimates, 2014-2018 and 2008-2012

Net Migration of Millennials by City

The financial technology company Smart Asset publishes an annual study on the migration trends of millennials ages 25 to 39. According to its [June 2020 report](#), the following cities experienced the largest net migration of millennials in 2018:

Table 6: Net Increase of Millennials, by City (2018)

RANK	CITY	NET INCREASE OF MILLENNIALS
1	Seattle, WA	11,284
2	Denver, CO	6,241
3	Austin, TX	5,561
4	San Antonio, TX	4,186
5	Charlotte, NC	3,808
6	Houston, TX	3,235
7	Nashville, TN	3,235
8	Phoenix, AZ	2,873
9	Paradise, NV	2,802
10	Columbus, OH	2,733

Source: Smart Asset analysis of U.S. Census Bureau ACS one-year estimate, 2018

Millennial Index by City

POLITICO Magazine's April 2018 report "[The United States of Millennials](#)," developed with Stateline at the Pew Trusts, utilizes a "millennial index" to identify cities where millennials make the most collective impact. The report's millennial index consists of the following weighted factors:

- share of individuals ages 25 to 34 (32%);
- metropolitan area per capita gross domestic product (32%);
- prevalence of individuals ages 25 to 34 with college degrees (12%);
- share of individuals ages 25 to 44 using alternative commuting methods (12%); and
- share of individuals ages 25 to 34 who reported moving during that previous 12 months (12%).

Using the millennial index, the report ranks cities with a population of at least 200,000:

Table 7: Millennial Index, Top 10 Cities (2016)

RANK	CITY	COLLEGE DEGREE	ADULTS AGES 25-34	MOVED RECENTLY	ALTERNATIVE COMMUTE	GDP PER CAPITA
1	San Francisco, CA	19%	23%	14%	54%	\$87,000
2	Boston, MA	19%	23%	15%	52%	\$78,000
3	Washington, D.C.	19%	23%	14%	59%	\$73,000
4	Jersey City, NJ	18%	23%	15%	61%	\$71,000
5	Seattle, WA	18%	22%	14%	38%	\$77,000
6	Denver, CO	15%	22%	19%	14%	\$63,000
7	Minneapolis, MN	15%	22%	14%	24%	\$61,000
8	Oakland, CA	11%	19%	14%	32%	\$87,000
9	Austin, TX	14%	22%	14%	9%	\$61,000
10	Portland, OR	12%	20%	15%	27%	\$63,000

Source: POLITICO and Stateline analysis of U.S. Census Bureau ACS five-year estimate, 2012-2016

Explaining Urban Migration Trends Among Young Adults

City Observatory's 2020 "[Youth Movement](#)" report (see above) provides a concise literature review highlighting recent academic research supporting its general findings. A number of the cited studies relate to young adults' preference for urban living. Findings from these studies include the following:

- Dwindling leisure time among working age, high-income households increases demand for central city housing that provides these households with shorter commutes and easier access to consumer services like restaurants and bars ([Edlund et al., 2015](#), revised 2019).
- Increasing valuations of the amenities found in central urban areas post-2000 encouraged college-educated whites to move into these neighborhoods and other whites to remain, which contributed to reversing the population decline of previous decades ([Baum-Snow & Hartley, 2019](#)).
- The young and college-educated drove the urban revival that occurred in most large U.S. cities between 2000 and 2010, in major part, due to a preference for locations with a high density of non-tradable service consumption amenities like restaurants and nightlife ([Couture & Handbury, 2017, revised 2019](#)).
- High-skilled workers' increasing valuation of time drives their preference for living in central city neighborhoods that provide shorter commute times and drives increased demand for housing in these locations, resulting in further improvement in amenities ([Su, 2020](#)).
- Young adults in the 2000s have been particularly drawn to central, mixed-use neighborhoods with a high concentration of consumption amenities like retail, entertainment, recreation, and food services ([Lee et al., 2019](#)).

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