The New Normal: Fiscal and Demographic Trends Shaping Florida and Tampa Bay

Demographic Implications for Tampa Bay

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The Population is Growing

- Tampa Bay Region Population is 3,023,000 today, by 2034, 3,643,000 (+20%)
- Hispanic (white and non-white) 515,000 today (16%), rising to 861,000 by 2034 (+27%)
Epic Demographic Change

Tampa Bay Age Groups 2013, 2024, & 2034, in thousands

- **2013**
  - 0-15: 549
  - 16-64: 1907
  - 65+: 567

- **2024**
  - 0-15: 586
  - 16-64: 1988
  - 65+: 770

- **2034**
  - 0-15: 633
  - 16-64: 2067
  - 65+: 917
Aging Trends

- Over 65 population is now 26%, by 2034, 35%
- Over 75 population is now 12%, by 2034 19%
The Graying Labor Market

• Aging is a powerful factor in shaping the labor market and how society allocates resources to dependent populations
• For communities, labor market conditions and characteristics are key for potential employers and investors
• Aging also impacts the fiscal bottom line of communities (e.g., spending on taxable goods) and housing decisions that influence the real estate landscape
• Aging will also influence decisions we make about how our communities are designed
Labor Market Conditions

• TB population grows by 600,000 by 2034 (20%)
• Labor pool grows by 164,000 (8%)
• Many businesses require large labor markets to accommodate employee turnover (e.g., trucking is over 100% annual turnover), high tech will require highly educated staff
Age and the Macro-Economy

• Dependency Ratios are generally more relevant to national economies—income taxes, social security
• Greater emphasis on dependent needs at the federal level may mean fewer dollars for other programs (states must pick up the tab)
• Traditional US trade partners will have more dependent populations (China, Japan, EU) than the US

For Comparison Purposes
• TB: In 2013 there are 29 seniors for every 100 working age adults (like France),
• TB: by 2034 that will be 44 seniors for every 100 working age adults (More than Japan today)—the US average today is 21/100. Total dependency—for every 100 working age adults, 77 people will not be working age
The Big Picture of Aging

• Personal spending peaks at 45
• At 45, average annual spending is $60,500
• Over 75, spending is about half, at $34,382
• As we age we spend less and spending priorities change
  – After 75, more spending on rental housing
Spending Impacts the Bottom Line

• Aging impacts local fiscal affairs with relatively less spending on taxable items, even as demand increases for some services
• Even if total revenues grow with population, per capita revenues may decline
Spending through the Arc of Life

- An Aging population will shape spending patterns, with winners.... And losers....
Health

Eye Care

Hearing Aides

Nursing Homes

Prescription drugs and medicines
Upkeep Expenses

Safe deposit box rental

Home Garden and Lawn

Home Alarms and Security
Consumption Drops

Cigarettes

Men's underwear

Camping equipment

New cars

Personal care services for males, including haircuts
Who cares if the grandchildren visit?

Airline fares

Toys, games, hobbies, tricycles, and battery powered riders

Intercity Bus Fares
1 out of 4 residents is over 65. By 2034, 1 out of 3 residents will be over 65.
1 out of 8 residents is over 75.
By 2034, 1 out of 5 will be over 75.
• Elderly can experience deteriorated vision
• Diminished hearing and
• Diminished ability to react quickly (2X wrong-way crashes on freeways as younger drivers), especially exit ramps, problems with glare
• Elderly pedestrians can be slower on crosswalks, difficulties with depth perception
Urban Mobility for 2034

• Driving: Increase striping brightness, photo-luminescent paints
• Driving: Signage size and position. Fonts—Times New Roman easier than San Serif fonts
• Driving: Self-driving vehicles
• Pedestrians: Curb cut outs, tactile paving, wayfinding maps and paths, audio cues, sharp contrast with pavers & steps
• Pedestrians: Increase crosswalk signal timing
Market Place Transformations

• By age 65, seniors become net sellers of housing—generally—in AZ, FL and NV, the crossover point is 75
• Spend less on taxable goods, more on services
• Travel technologies-Uber, Self-Driving Vehicles, demand responsive transit
• Alternative fuels, efficiency—disrupt transportation finance
• Improved communications—remote work, 3D printers, disrupting office environment
• Job trends—hollowing of middle class, will older workers return after recessions?
• Will hollowed out middle-class lead to smaller homes? More dependence on transit?
Mega-Trends

- The Tampa Bay Area is becoming more Hispanic and older.
- Will 75 be the new 65?
- How will we fund public services?
- What do these trends suggest for tax referenda?
- What about schools?
- What about the impacts of technology on work and work-life balance?
Mega-Trends and Millennials

- Will people start car-sharing?
- Multi-platform shopping via web
- Impact on live sporting events/concerts
- What about the death of the pension
- VMT has hit historical lows, and has not recovered to 2005 levels—are we done with driving?
Thank You

Some Sources

• Slides 2-4, 6 REMI PI+ REMI Inc, 2004.
• Slide 7, OECD
• Slide 8, BLS-CES
• Slides 10-14, HS Dent Foundation
Talking ‘bout My Generation
Panel Discussion

- Reuben Pressman, CheckImHere
- Leigh Fletcher, Attorney, Fletcher & Fischer
- Wilma Norton, Community Foundation Tampa Bay
- Jim Cloar, Downtown Advisory Services

Moderator
- Avera Wynne, TBRPC
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<tbody>
<tr>
<td><strong>Age in 2014</strong></td>
<td>72-89</td>
<td>50-74</td>
<td>30-49</td>
<td>10-29</td>
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<td><strong>Influences</strong></td>
<td>Great Depression</td>
<td>Highest divorce rate in history</td>
<td>First gen to underperform parents</td>
<td>Broken homes, 1st gen of kids with schedules</td>
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<td><strong>Workplace</strong></td>
<td>Believes hard work = long hours</td>
<td>Log term commitment</td>
<td>Seeks work/life balance, flexible hours</td>
<td>Integrates technology into workplace</td>
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<td>Often multiple careers and employers</td>
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<td></td>
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<td>Expect multiple careers and employers</td>
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<td><strong>Values</strong></td>
<td>Conformity, dedication, don’t question authority.</td>
<td>Challenge authority, live to work, flat org. style</td>
<td>Lack of org loyalty, informality, tech literacy</td>
<td>Untethered to the clock, expect to influence job conditions</td>
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<td><strong>Choices</strong></td>
<td>Single family ownership, through retirement</td>
<td>Own as mature family, empty nester, retirement</td>
<td>Own home as young single couple</td>
<td>Mostly rentals, little ownership</td>
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<td>Transportation</td>
<td>One car households, Bus and rail transit</td>
<td>Two car household, women are in the workforce, decline of transit</td>
<td>Diversification: 2 cars in suburban areas, 1 or zero cars in urban areas. Transit and bicycles for commuting.</td>
<td>Transit, uber, bikes, skateboards</td>
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<tr>
<td>Communication/technology</td>
<td>Rotary telephones, radio</td>
<td>Touch tone telephone, color TV</td>
<td>Cell phones, video arcade, fax</td>
<td>Smartphones, email, twitter, Xbox</td>
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