



Job Sprawl in Metro New Orleans

Based on 2008 Local Employment Dynamics Data from the U.S. Census Bureau

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Jobs in the New Orleans metropolitan area are distributed in a manner very differently than people. While residences are fairly evenly dispersed across the cityscape, most jobs occur in three major clusters (the Central Business District, Greater Elmwood, and the Veterans/Causeway/I-10 area) as well as roughly a half-dozen secondary clusters and 40 additional smaller ones. The differing geographies of where people live and where they work shed light on the problems of road congestion, commuting time and expense, and reduced worker productivity and reliability. The maps and data in this brief may be used to inform policy on workforce housing, public transportation, land use, zoning, and economic development.

Background

Over the past several decades, residents have moved away from New Orleans' city center and into increasingly distant parishes.ⁱ While "people sprawl" and its effects on road congestion are well understood, "job sprawl" and its impacts have received less attention. When new workplaces form along interstates and commercial corridors, it is difficult to design public transportation to access them effectively. Thus, workers are more dependent on autos, increasing road congestion and commuting time. In addition, research suggests that lower-density employment reduces opportunities for knowledge spillovers and high-value innovation activity by diminishing interactions among proximate firms and workers.ⁱⁱ The spatial distribution of jobs, therefore, has implications not only for housing and transportation policies, but also for economic development.

The New Orleans metro area has experienced significant job sprawl since the 1990s.ⁱⁱⁱ Jefferson Parish now has more jobs than Orleans Parish in all income categories, and together the two parishes account for three-quarters of all regional jobs. Jefferson has more than 43,000 low-wage jobs (paying less than \$1,250 per month) with nearly 22,000 of these workers commuting into the parish for work. Orleans Parish has the second largest number of low-wage jobs, and, like Jefferson, *imports* more low-wage workers for those jobs than it exports to other parishes. Orleans and Jefferson both have a sizable number of moderate-wage jobs paying \$1,251 to \$3,333 per month (59,554 and 81,441 moderate-wage jobs respectively). Lower housing costs in other parishes like St. John the Baptist and St. Bernard seem to be drawing residents working at low and moderate-wage jobs in Orleans and Jefferson. These long commutes add to road congestion and reduce worker productivity.^{iv}

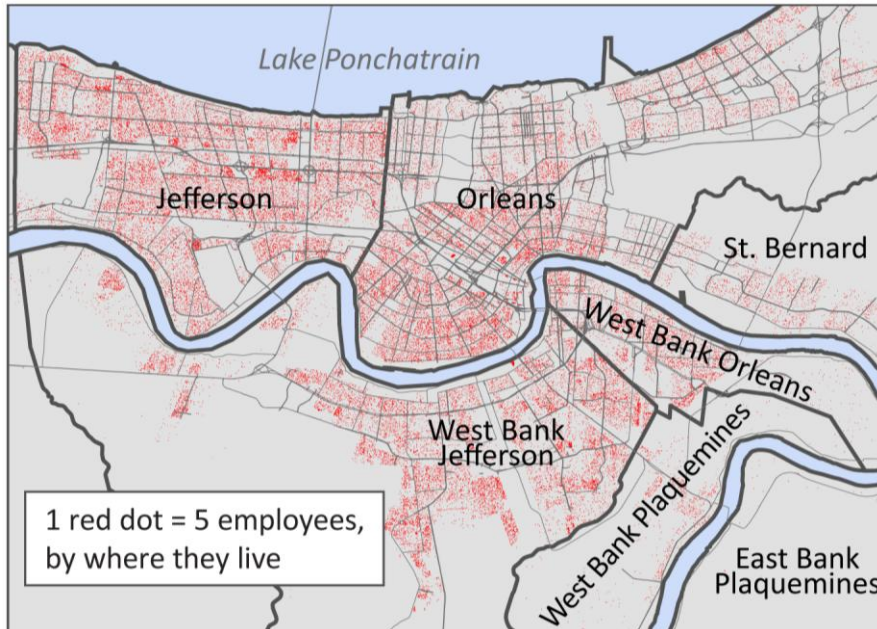
This brief examines exactly where jobs are located within Jefferson and Orleans parishes, compared to where workers live. It looks at where industries are clustered geographically and identifies the clusters with the largest numbers of low-, moderate-, and high-wage jobs. This analysis can help inform policies that support the location of workforce housing near low- and moderate-wage jobs to increase worker productivity and reliability, as well as the site-selection decisions of knowledge-dependent enterprises.

Findings

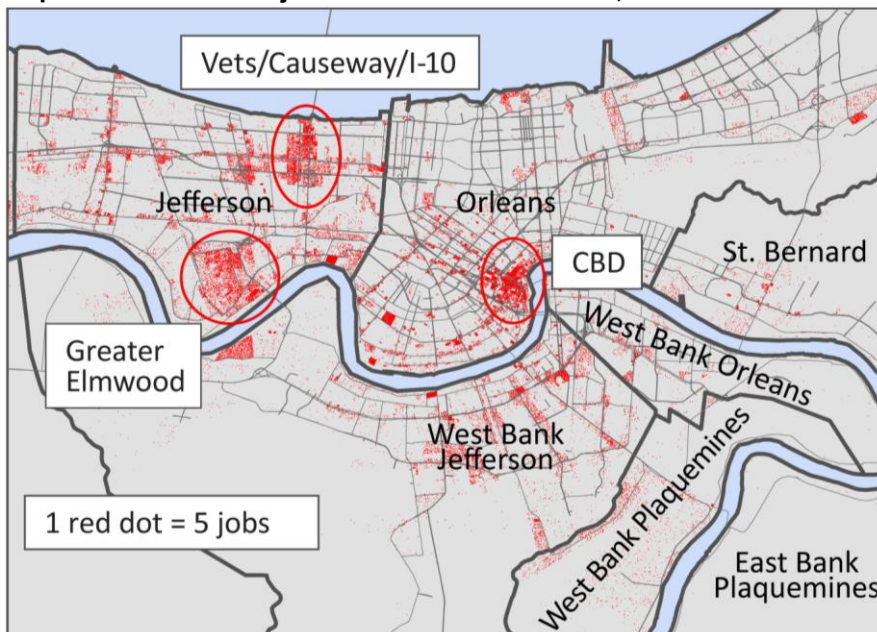
Distribution of All Workers and Jobs

Job distributions do not neatly align with neighborhood boundaries, rather, they cluster in commercially zoned districts that oftentimes fall between or across residential neighborhoods. **Map 1** shows how employees' residences are dispersed throughout the core of the metropolitan area, in a pattern generally representative of the overall population. **Map 2**, which shows where their workplaces are located, depicts a very different distribution. Instead of an even dispersion, we see three major job clusters (the Central Business District of New Orleans, the Greater Elmwood area of Jefferson Parish, and the Veterans/Causeway/I-10 area of Jefferson Parish), as well as roughly a half-dozen secondary clusters and 40 additional smaller clusters.

Map 1. Distribution of employees by their residences in Metro New Orleans, 2008



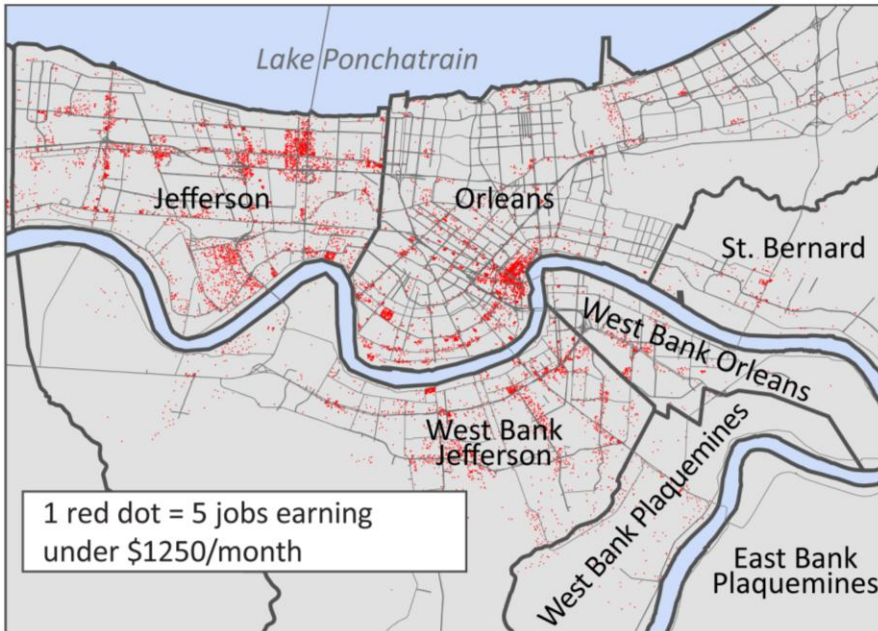
Map 2. Distribution of jobs in Metro New Orleans, 2008



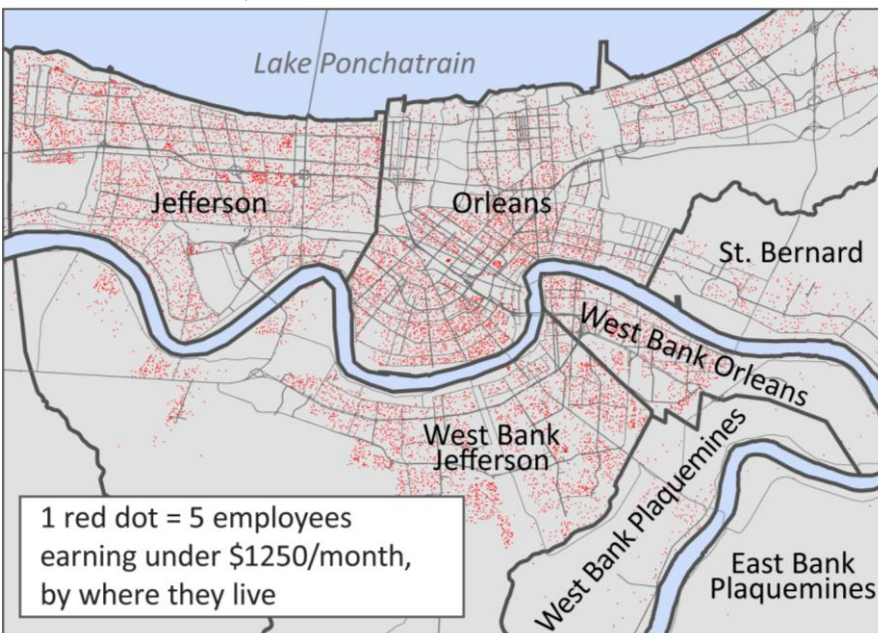
Distribution of Low-Wage Jobs and Workers

Map 3 depicts the location of jobs for low-wage workers, paying \$1,250 or less per month (roughly the amount one earns working 40 hours per week for minimum wage). This map can be compared to where the low-wage workers live, depicted in **Map 4**. The difference between these two patterns illustrates the commuting distances endured by thousands of local workers. It illustrates the potential locations for affordable housing developments and possibly public transportation routes that would enhance worker productivity and reduce traffic congestion. All told, Jefferson Parish accounts for the largest number of low-wage jobs in the region. At 43,855 jobs paying less than \$1,250 per month, Jefferson Parish has 50 percent more low-wage jobs than Orleans Parish.

Map 3. Distribution of low-paying jobs in Metro New Orleans, 2008



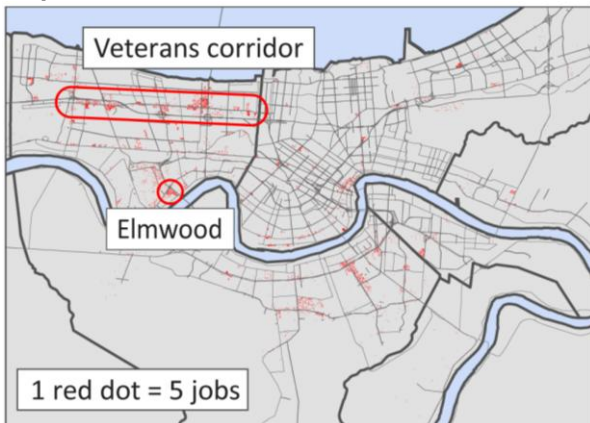
Map 4. Distribution of low-wage employees by their residences in Metro New Orleans, 2008



Note: The dots in Map 3 and Map 4 are the same size. However, they are slightly larger than the dots in the other maps in this publication to enhance visibility.

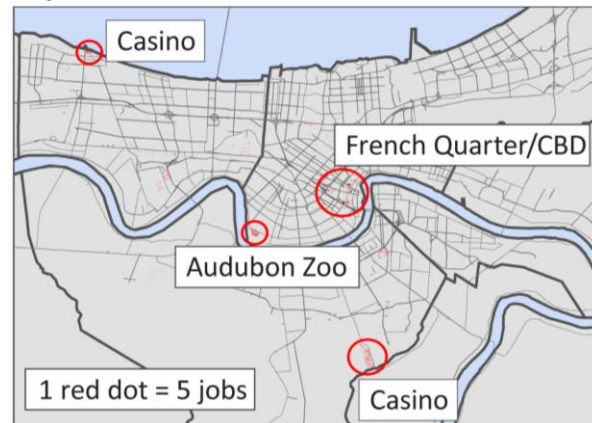
Distribution of jobs in key industries in Metro New Orleans, 2008

Map 5. Retail



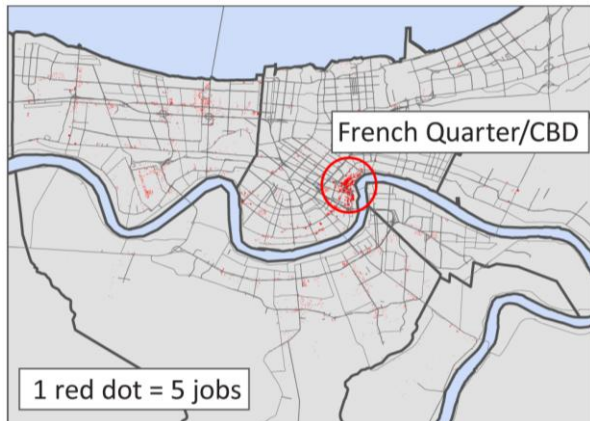
Retail jobs account for many of the low-wage jobs in Jefferson Parish. Fully 32,000 people are employed in the retail sector in Jefferson Parish, most significantly along the Veterans corridor, in Elmwood, and on the west bank. In contrast, Orleans Parish is host to only 12,000 retail jobs.

Map 6. Arts, entertainment, and recreation



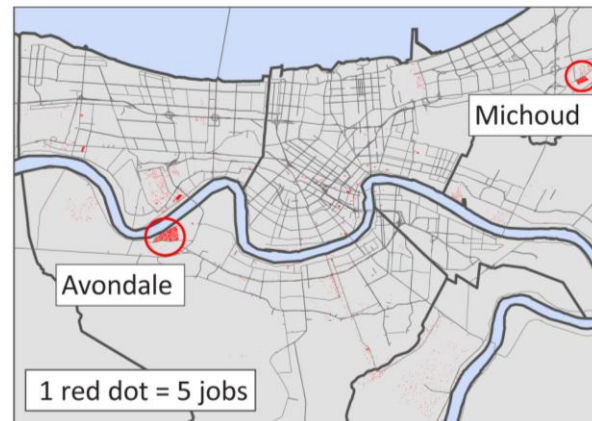
Jefferson and Orleans have more comparable numbers of jobs in the arts, entertainment and recreation at 4,000 and 6,000 respectively. In New Orleans these jobs are concentrated in the French Quarter and CBD and at the Audubon Zoo, while in Jefferson these jobs are mostly in isolated casino locations.

Map 7. Accommodation (hotel) & food service



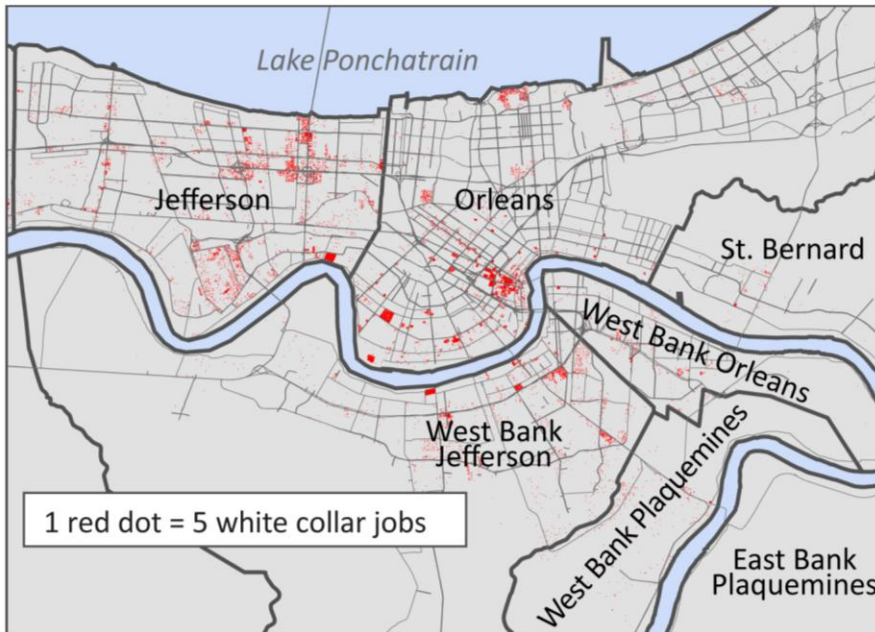
Orleans Parish has more hotel and food service jobs than Jefferson Parish (24,500 and 18,000 respectively). In New Orleans, hotel and food service jobs are densely concentrated in the French Quarter and Central Business District, while such jobs are spread throughout the retail corridors of Jefferson Parish.

Map 8. Manufacturing



Manufacturing jobs, never particularly plentiful in this region, although still an important economic driver, are clustered near the extreme ends of Jefferson and Orleans parishes: around the Avondale shipyard in West Jefferson and around the Michoud NASA facility in eastern New Orleans.

Map 9. Distribution of white-collar jobs in Metro New Orleans, 2008

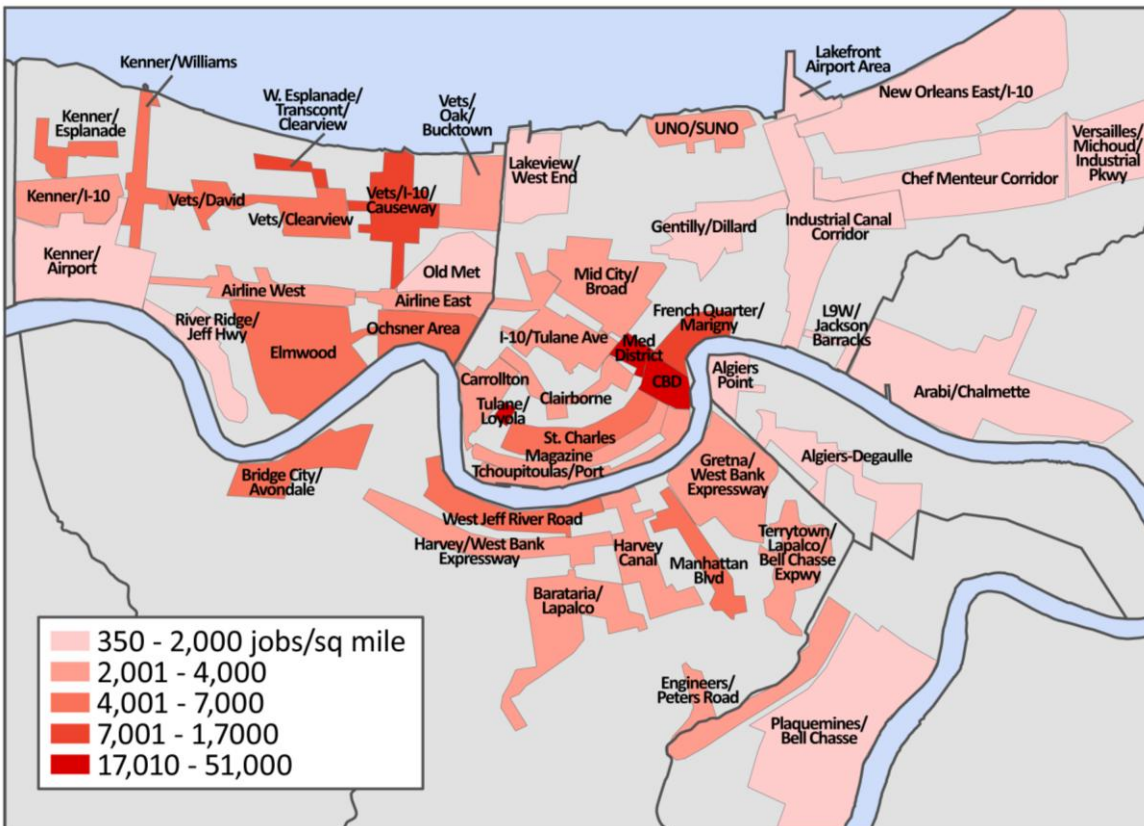


Many white-collar jobs, including jobs in information, finance, insurance, real estate, professional, scientific, technical, management, education, health care, and public administration, are the source of higher incomes in the region. These jobs are largely clustered in the Central Business District, at universities, and in hospital and medical districts.

Analysis of Job Clusters

To tabulate job counts, we identified roughly 50 commercial clusters of varying sizes across Jefferson and Orleans parishes, based on zoning and land use; job distributions; major commercial arteries, corridors, and districts; geographical features such as canals and airports; and political boundaries. These clusters were used to tabulate absolute counts of total jobs, and job density statistics on a per-square-mile basis (**Map 10**).

Map 10. Jobs per square mile by commercial cluster, 2008



Overall, Orleans Parish businesses are much more densely situated than Jefferson Parish businesses. Fully 62 percent of New Orleans' 146,530 jobs in 2008 were located in five inner-city clusters spanning less than 5 percent of the parish's developed land area. The Central Business District, French Quarter/Marigny, the Medical District area, and the St. Charles Avenue and I-10/Tulane Avenue corridors (together covering 6.3 square miles) were home to 91,005 jobs.

In contrast, jobs in Jefferson Parish are not nearly as clustered as in Orleans. In 2008, 30 percent of Jefferson's jobs (59,819 out of 197,742) were spread across Greater Elmwood and the Veterans/Causeway/I-10 areas. Separated from these job clusters by the Mississippi River, is the next largest Jefferson job cluster -- Downtown Gretna/ West Bank Expressway corridor.

Low-Wage Jobs

The largest number of low-wage jobs is located in Jefferson Parish in the Veterans/Causeway/I-10 corridor (**Table 1**). Although this area and several others in Jefferson host the largest numbers of low-wage jobs, the number of low-wage jobs per square mile here is less than in the CBD and French Quarter of Orleans. Low-wage workers in these Jefferson clusters are unlikely to have access to the kind of frequent public transit that serves downtown New Orleans. Although some may be high school students with access to family cars, low-wage workers handling daytime shifts are likely adults significantly reliant on these jobs for their livelihoods, and as such, are in need of proximate low-cost housing.

Table 1. Top ten low-wage job clusters in Orleans and Jefferson Parishes

Commercial Cluster	Number of low-wage jobs	Density of low-wage jobs	Total number of jobs (all wage levels)
Jefferson-East: Vets-Causeway-I-10	6,672	2,858 /sq mi	29,586
Orleans-Central Business District	5,884	7,575	39,293
Jefferson-East: Greater Elmwood	4,741	981	30,233
Orleans-French Quarter/Marigny	4,400	4,348	17,073
Jefferson-West: Downtown Gretna-West Bank Expwy	3,688	1,010	14,451
Jefferson-East: Vets-Clearview-I-10	2,907	2,032	9,525
Jefferson-West: Barataria/Lapalco Area	2,640	798	8,382
Orleans-St. Charles Ave Corridor	2,624	1,440	10,108
Jefferson-East: Kenner-Williams Corridor	2,405	1,963	8,373
Jefferson-West: Manhattan Blvd Corridor	2,301	1,717	7,867

Note: Low-wage jobs are those that pay \$1,250 per month or less.

Moderate-Wage Jobs

Moderate-wage jobs (e.g., cooks, hotel housekeeping staff, healthcare support workers and administrative assistants) are most prevalent in many of the same clusters as low-wage jobs -- the exceptions being the medical districts in New Orleans and Ochsner, which have among the largest number of moderate-wage jobs but fewer lower-wage jobs (**Table 2**). Here again we see that the Jefferson clusters are more spread out, hosting fewer moderate-wage jobs per square mile and likely forcing these workers to be auto-dependent, thus, increasing road congestion in those areas.

Table 2. Top ten moderate-wage job clusters in Orleans and Jefferson Parishes

Commercial Cluster	Number of moderate-wage jobs	Density of high-wage jobs	Total number of jobs (all wage levels)
Orleans-Central Business District	15,915	20,489 /sq mi	39,293
Jefferson-East: Greater Elmwood	12,756	2,641	30,233
Jefferson-East:Vets-Causeway-I-10	11,377	4,873	29,586
Orleans-French Quarter/Marigny	8,337	8,239	17,073
Jefferson-West: Downtown Gretna-West Bank Expwy	6,352	1,739	14,451
Orleans-Medical District	5,651	13,905	16,077
Jefferson-East: Ochsner Area	4,598	2,728	10,644
Orleans-St. Charles Ave Corridor	4,302	2,361	10,108
Jefferson-East:Vets-Clearview-I-10	4,227	2,955	9,525
Jefferson-East: Kenner-Williams Corridor	3,709	3,028	8,373

Note: Moderate-wage jobs are those that pay between \$1,251 and \$3,333 per month.

High-Wage Jobs

The cluster with the largest number of workers earning over \$3,333 per month is located in New Orleans' Central Business District (**Table 3**). Although the New Orleans region has experienced significant job sprawl in recent years, the Central Business District still retains the preponderance of oil and gas, information, finance, managerial, professional, scientific and technical jobs. In fact, white-collar jobs in management, finance, health care, and other professions give the Central Business District and Medical District the region's highest concentration of high-earning jobs per square mile.

Table 3. Top ten high-wage job clusters in Orleans and Jefferson Parishes

Commercial Cluster	Number of high-wage jobs	Density of high-wage jobs	Total number of jobs (all wage levels)
Orleans-Central Business District	17,494	22,522 /sq mi	39,293
Jefferson-East: Greater Elmwood	12,736	2,637	30,233
Jefferson-East:Vets-Causeway-I-10	11,537	4,942	29,586
Orleans-Medical District	8,650	21,285	16,077
Jefferson-West: Bridge City/Avondale	5,062	2,546	8,091
Jefferson-West: River Road Corridor	4,726	2,495	8,885
Jefferson-East: Ochsner Area	4,627	2,745	10,644
Jefferson-West:Downtown Gretna-West Bank Expwy	4,411	1,207	14,451
Orleans-French Quarter/Marigny	4,336	4,285	17,073
Orleans-Eastern:Michoud-Indust Pkwy	4,154	726	6,088

Note: High-wage jobs are those that pay more than \$3,333 per month.

Job Density

In the same way that the proximity of professionals on college campuses and in medical centers enhances knowledge sharing and productivity, other professionals such as lawyers, bankers, and managers benefit from proximity to peers in their industries. It is no surprise, then, to observe that high-wage jobs are disproportionately represented in the clusters that enjoy the highest overall job density -- in the Central Business District of New Orleans, on the twin campuses of Tulane and Loyola, and in the Medical District of New Orleans (Table 4). In contrast, low- and moderate-wage jobs are disproportionately represented in less dense clusters in Jefferson Parish.

Table 4: Top ten densely concentrated job clusters in Orleans and Jefferson Parishes

Commercial Cluster	Square Miles	Total number of jobs	Jobs per square mile	% of jobs that are low-wage	% of jobs that are moderate-wage	% of jobs that are high-wage
Orleans-Central Business District	0.8	39,293	50,586	15%	41%*	45%*
Orleans-Tulane/Loyola Univ Area	0.1	5,613	45,036	18%	38%	44%*
Orleans-Medical District	0.4	16,077	39,560	11%	35%	54%*
Orleans-French Quarter/Marigny	1.0	17,073	16,872	26%*	49%*	25%
Jefferson-East:West Esplan-Transcont-Clearview	0.4	6,108	14,786	16%*	44%*	40%
Jefferson-East:Vets-Causeway-I-10	2.3	29,586	12,673	23%*	38%	39%
Jefferson-East:Kenner-Williams Corridor	1.2	8,373	6,835	29%*	44%*	27%
Jefferson-East:Vets-Clearview-I-10	1.4	9,525	6,659	31%*	44%*	25%
Jefferson-East:Vets-David-I-10	0.7	4,874	6,504	35%*	46%*	19%
Jefferson-East:Ochsner Area	1.7	10,644	6,315	13%	43%*	43%*
New Orleans Metro area overall		461,112		22%	40%	38%

*Percentage of jobs in these wage categories in these commercial clusters is above the metro average

Conclusions

Job sprawl can diminish the prosperity of regional economies by reducing worker productivity and reliability and by isolating employees of various professions from essential relationships and networks. The geography of jobs thus has implications for a range of policy issues. In Jefferson Parish, there are limited public transportation options for workplaces widely spread out along commercial corridors. But quality affordable housing built near these workplaces could increase the productivity of Jefferson’s many low- and moderate-wage workers, while at the same time reducing road congestion. In Orleans Parish, frequent and reliable metro-wide bus service could effectively connect workers with many low- and moderate-wage jobs densely situated in the CBD, French Quarter, and Medical District.

Policies and practices that support the proximal location of innovation-dependent firms can facilitate industry cluster knowledge sharing and relationship building. Knowledge enterprises often understand the value of choosing sites that are proximal to peers. In the Des Moines, Iowa metropolitan area, which specializes in information industry companies, firms have disproportionately chosen densely situated office space, making Des Moines one of the most centralized metros in the nation.^v On a much smaller scale, this dynamic is evident in New Orleans in hubs such as the new “Intellectual Property” building, where entrepreneurs intuitively understand the value of proximity and have chosen to co-locate. Although the Internet has greatly facilitated knowledge interchange between businesses, executives should not underestimate the value of proximity to peers and members of their supply chains for relationship building. Networks built across industry clusters often contribute to high-value innovation activity and a stronger, more competitive regional economy. For their part, municipal officials can support businesses’ desires for proximity through the development of appropriate land use, zoning, and transportation policies and investments.

About this data source

The source for the 2008 jobs data is information filed by employers with the State of Louisiana for the purpose of administering unemployment insurance taxes. The state, in turn, supplies this data to the U.S. Census Bureau, where it is aggregated to census blocks and broken down by three wage levels, three employee-age levels, and twenty economic sectors. State unemployment insurance programs have relatively comprehensive coverage in the United States labor force. Approximately 96 percent of the wage and salary civilian labor force and 98 percent of nonagricultural employment are covered by state unemployment insurance laws, and so are reflected in the data. The prime exclusions to coverage are self-employed individuals, agriculture workers, U.S. Armed Forces military personnel, and work-study students. Employment in the fishing industry, which is critical to the economies of Plaquemines and other coastal parishes, is heavily undercounted due to these limitations. One additional limitation of this dataset is that some jobs, in particular government-sector jobs, may be reported at a central administrative office rather than where the compensated activity actually occurs.

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- ⁱ “New Orleans After the Storm: Lessons from the Past, a Plan for the Future.” Muro, M. September 2005.
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- ⁱⁱ “Job Sprawl Revisited: The Changing Geography of Metropolitan Employment.” Kneebone, E. Brookings. April 2009.
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- ⁱⁱⁱ “Job Sprawl Revisited: The Changing Geography of Metropolitan Employment.” Kneebone, E. Brookings. April 2009.
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- ^v “Job Sprawl Revisited: The Changing Geography of Metropolitan Employment.” Kneebone, E. Brookings. April 2009.
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