

VIRGINIA ASSOCIATION OF PLANNING
DISTRICT COMMISSIONS

Demographic Trends in Virginia During the 2020s and Beyond



Weldon Cooper Center
for Public Service

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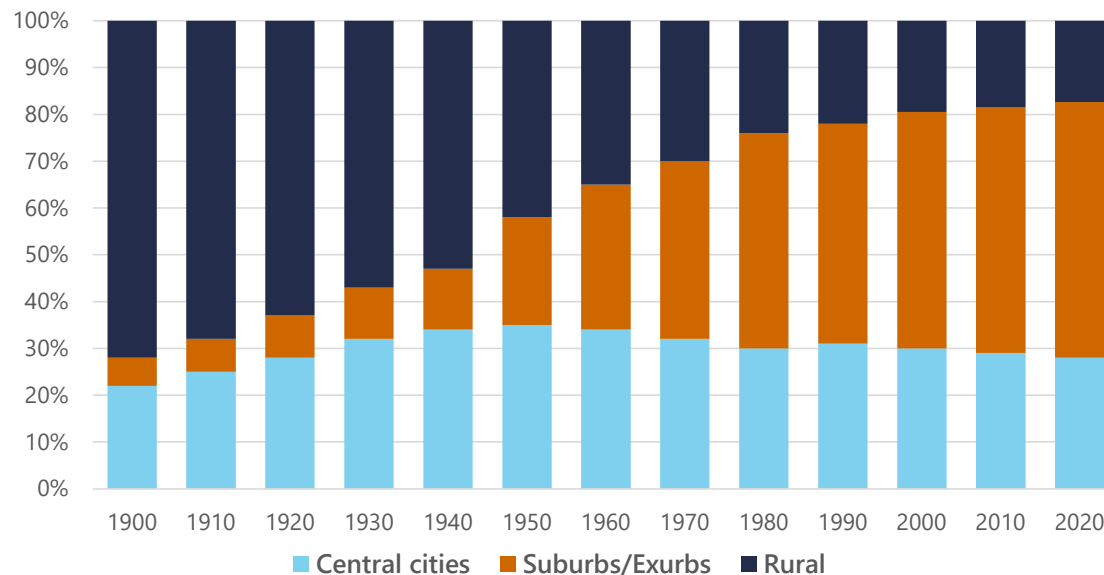


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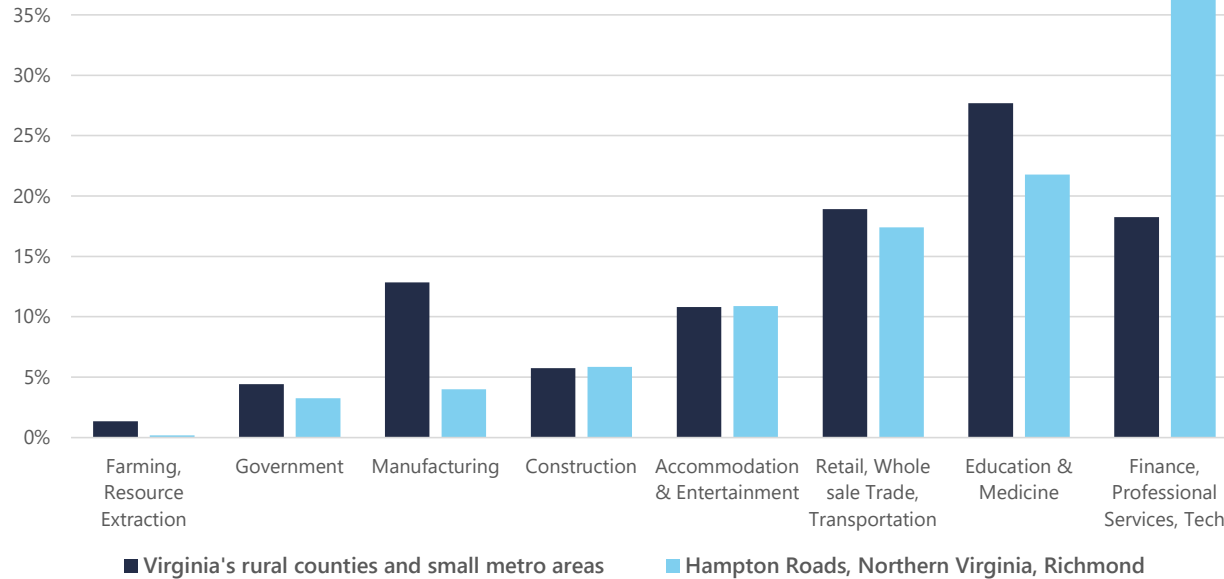
The share of Americans living in urban or suburban areas has grown for over a century



U.S. Population by Location (1900 to 2020)

- In each Census since 1900, the percent Americans living in rural areas has fallen.
- Since 1950, the share of Americans living urban areas has steadily declined as the suburban population has grown.
- Today most Americans live in the suburbs of large metro areas.

Virginia's large cities have very different economies than its towns and rural counties

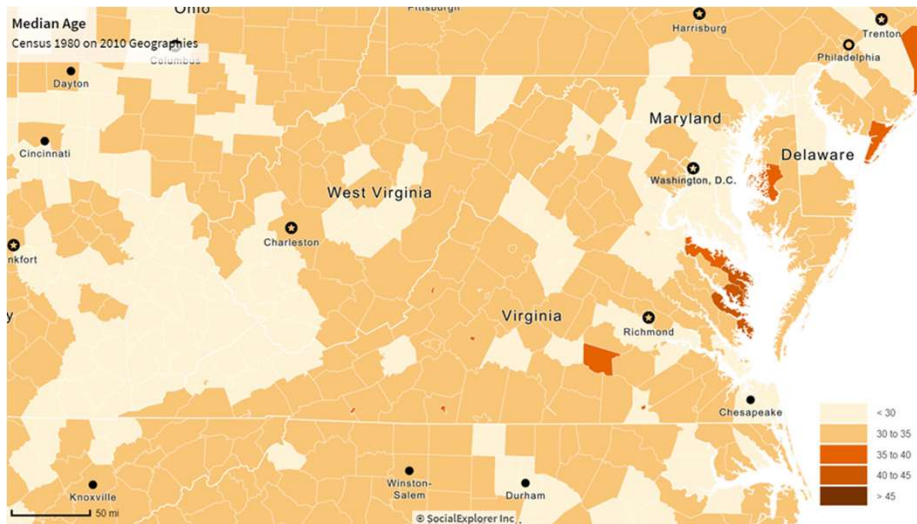


Virginia Workforce Distribution by Industry and Region in 2023

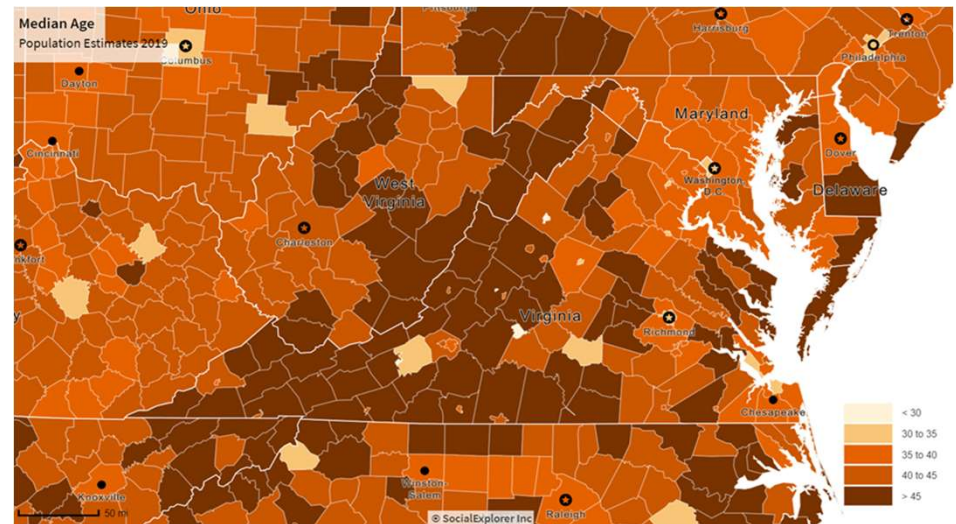
- Rural Virginians are over three times more likely to work in manufacturing than residents in Virginia's largest metro areas.
- The share of Virginians in white-collar industries like finance, management, and tech is twice as high in its three largest metro areas as in its small towns and rural counties.

Prior to 2020, Virginia's age distribution was growing more polarized

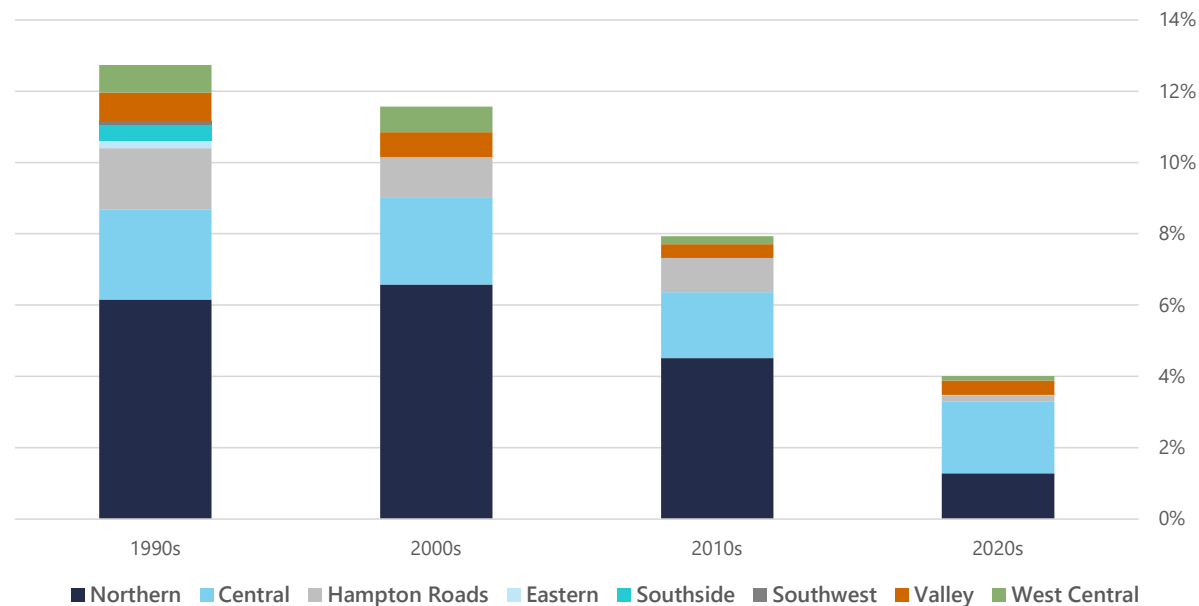
Median Age, 1980



Median Age, 2019



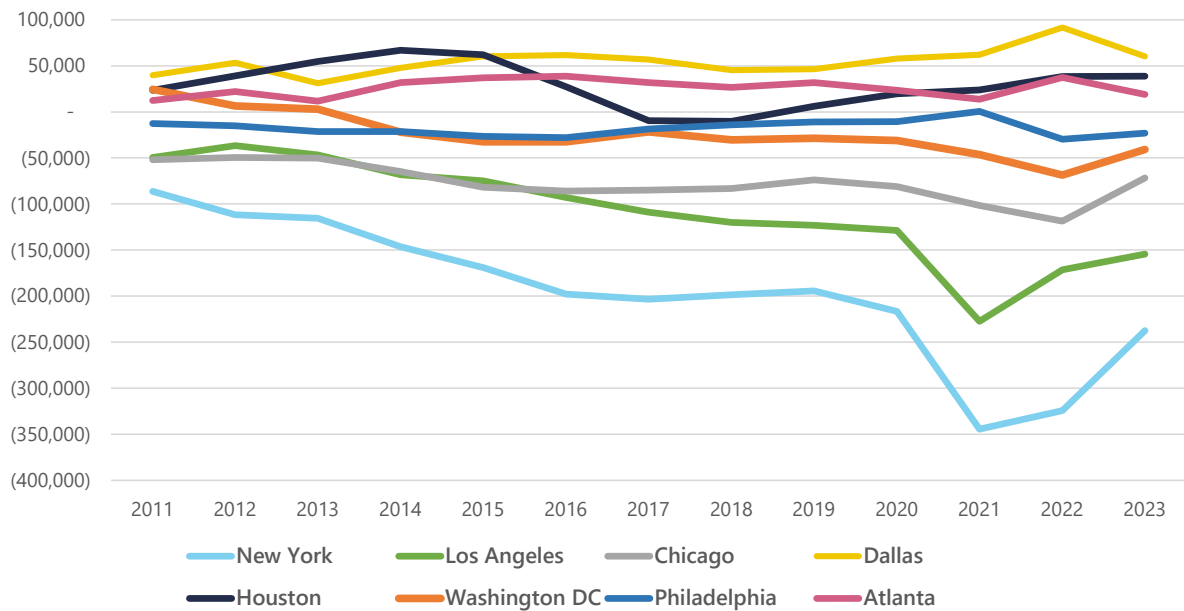
In recent decades, Northern Virginia has driven most of Virginia's population growth



Population Change by Regions (total % change is total for VA)

- Northern Virginia has accounted for an increasing share of the Commonwealth's population growth, contributing to over three-fifths during the 2010s.
- Virginia's population outside its urban crescent has declined since 2010 because of its birth-death imbalance.
- Most of Virginia's recent slowdown in growth has come from a fall off in population growth in Northern Virginia.

Migration from large metro areas, including Washington DC, is curbing growth in some states

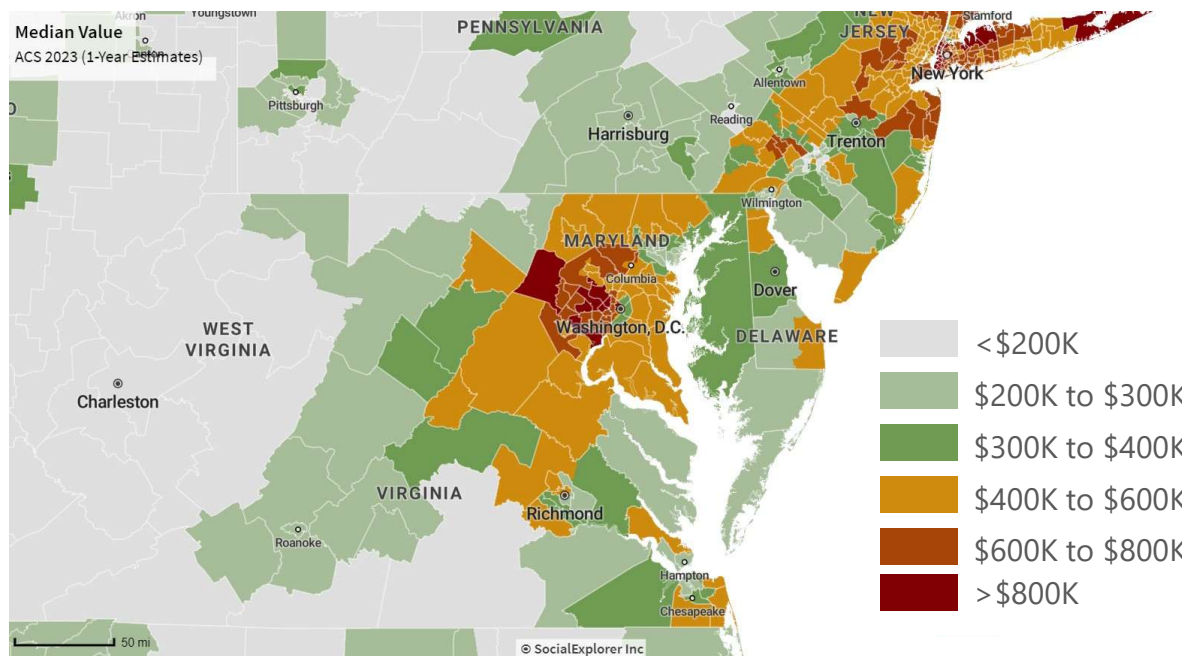


Domestic Migration for the Eight Largest US Metro Areas

- Migration from large, high-cost metro areas has also risen in previous periods of economic expansion.
- Before 2020, most metro areas with over 4 million residents saw more people leaving than arriving domestically.
- In 2023, the number of people leaving large metro areas remained nearly 50 percent higher than before the pandemic.

What Is Driving Virginia's Migration Trends?

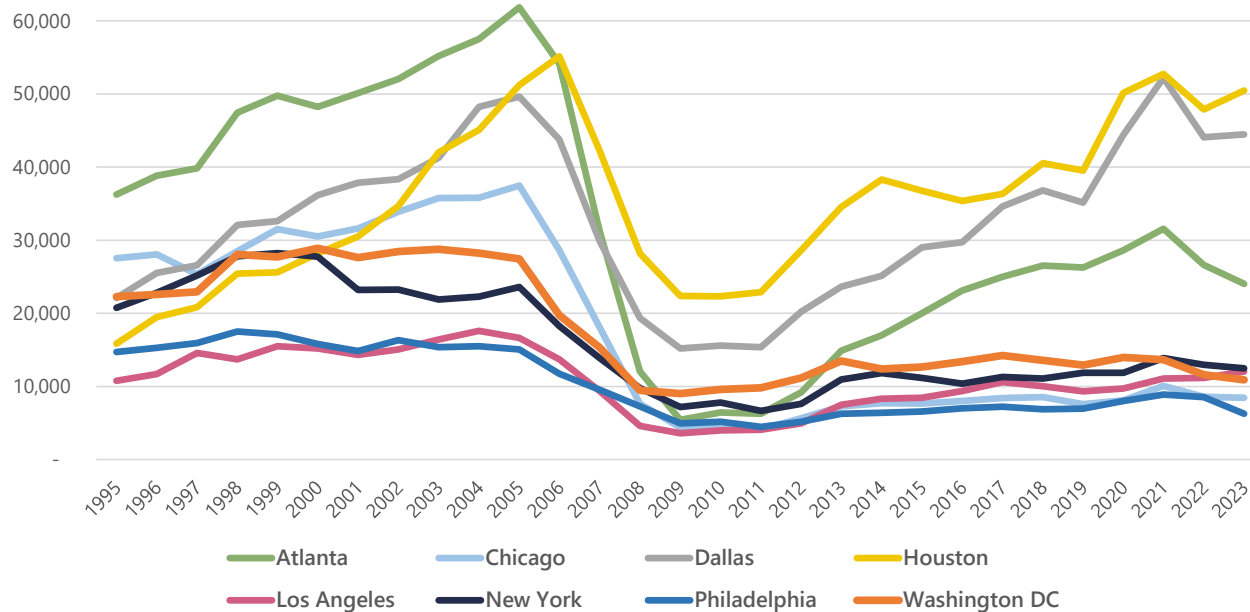
The concentration of growth in major cities has significantly increased the cost of living in them



Median Home Value, 2023, *Census American Community Survey*

- Over the past two decades, Northern Virginia has had the largest increase in home prices compared to East Coast Metro Areas.
- The gap between home prices in large metro areas, including Washington, D.C., and the rest of the country widened in the 2000s and 2010s.
- Since the late 2010s, migration has increased from expensive metro areas to more affordable regions nearby.

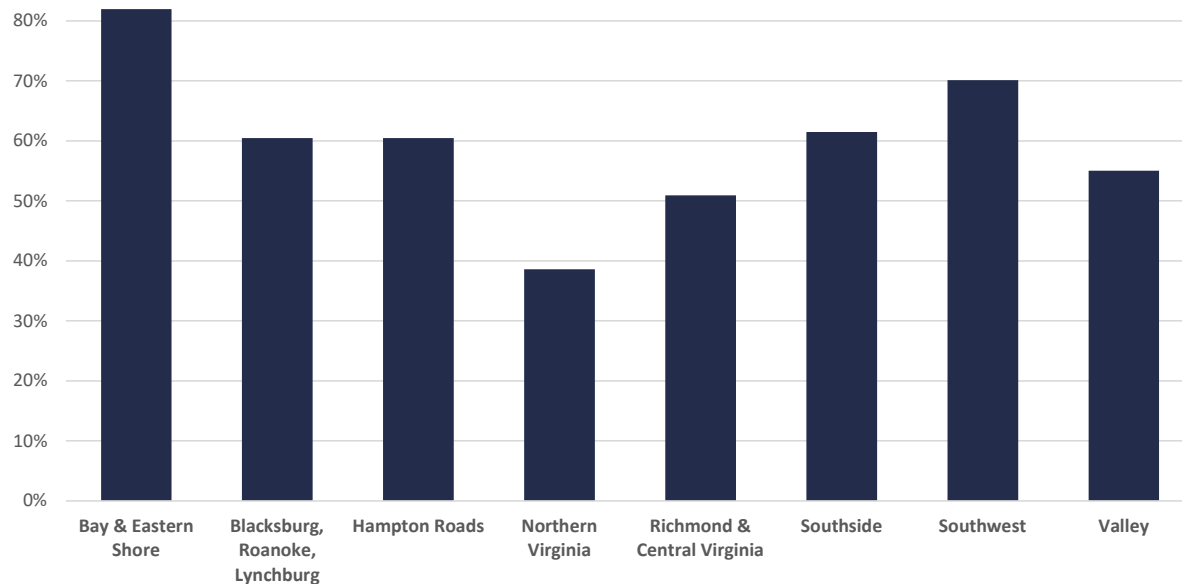
Migration has increased from large metro areas with low home construction levels



New Home Construction for the Eight Largest US Metro Areas

- Every U.S. metro area with a median home value over \$500K and a population above 1 million is experiencing domestic out-migration.
- In 2023, the U.S. constructed 5 percent fewer homes than in 2000, while Virginia constructed 26 percent fewer.
- Northern Virginia is building new housing at half the rate it did during the 2000s, many small towns are also struggling to build new housing.

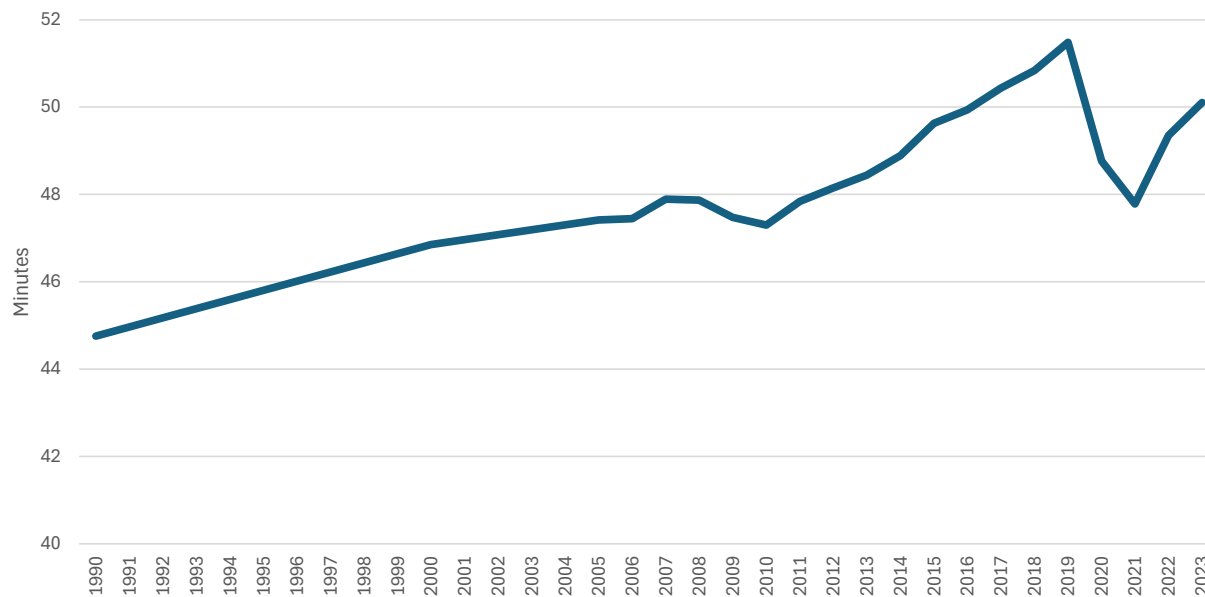
Rising business formation is boosting job growth outside Virginia's major metro areas



Increase in the number of new businesses formed annually between 2019 and 2023 by region

- Since 2019, new business applications have grown 13% faster in small metro areas and rural counties than in other parts of the U.S.
- Since 2019 in Virginia, new business applications have increased 33% more in rural Chesapeake Bay counties and 21% more in Southwest Virginia compared to the statewide average.

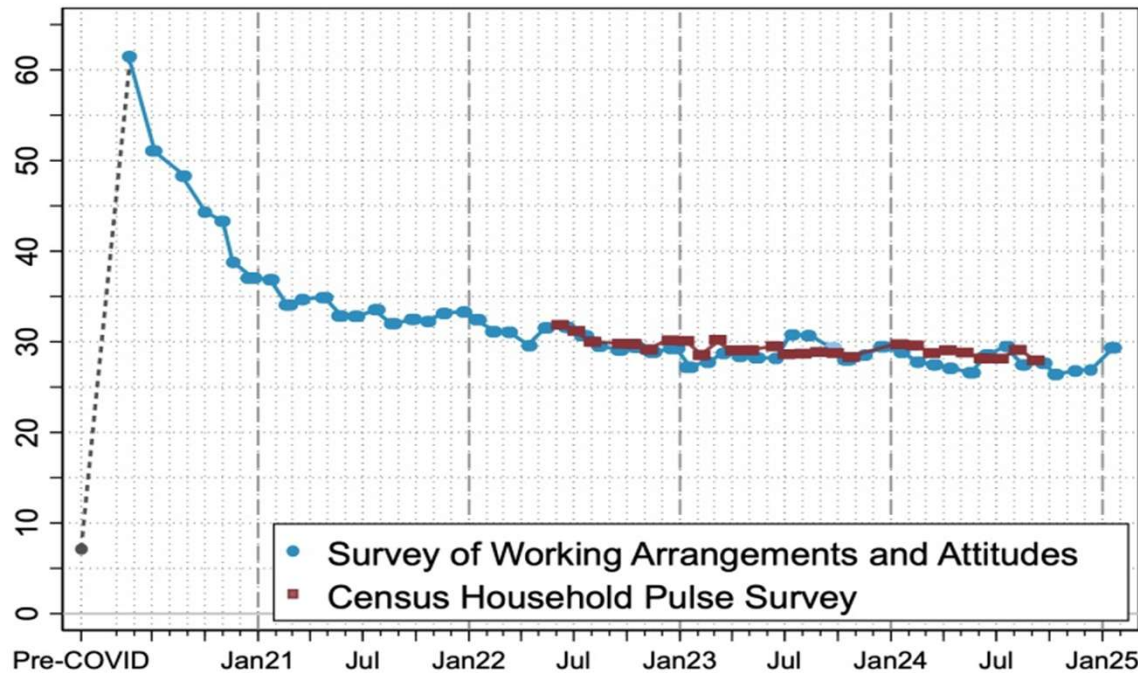
Work commutes have lengthened over time, particularly in large metro areas



Average daily round-trip commute for U.S. workers

- By the late 2010s, the average American spent 30 more hours commuting annually than in 2010.
- Despite increased transit, walking, and biking in the 2010s, over 90% of commuter growth came from car users.
- During the 2010s, the number of fully remote workers rose by 3 million, while transit commuters grew by 1 million.

Remote work remains prevalent, offering greater geographic flexibility to the workforce

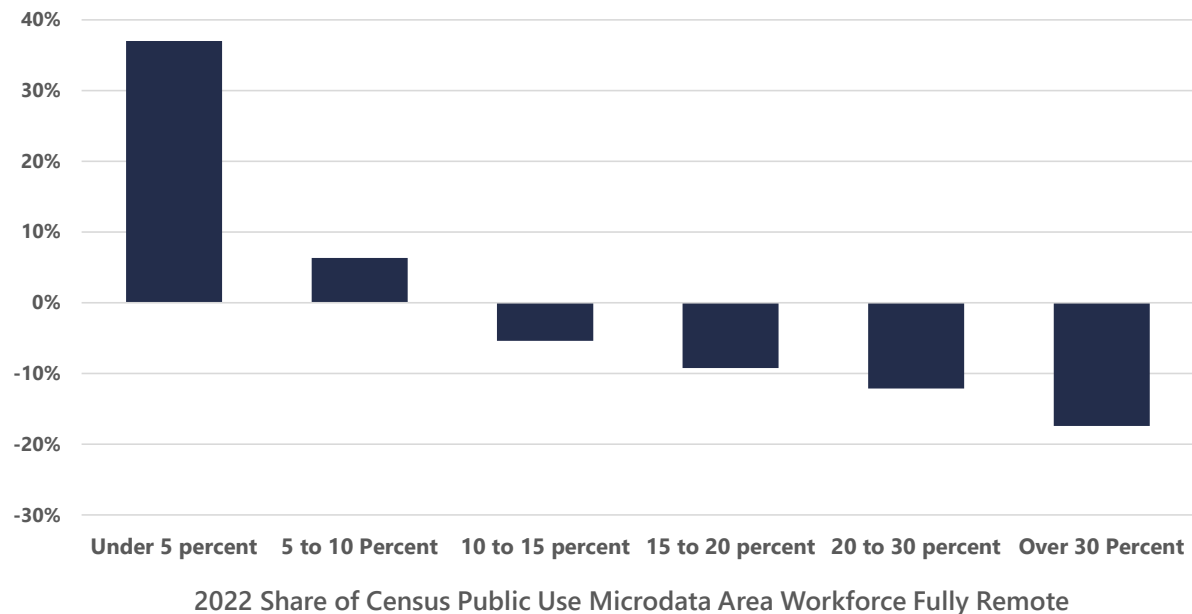


Percentage of all paid full days that were worked from home in the U.S.

- Despite return-to-office policies, the share of work done remotely remains significantly higher than before 2020.
- In 2025, one-quarter of all workers worked remotely at least one day a week, an additional one in eight U.S. workers were fully remote.
- The average distance new U.S. hires live from their workplace has doubled since 2020.

Which places are most impacted by migration trends?

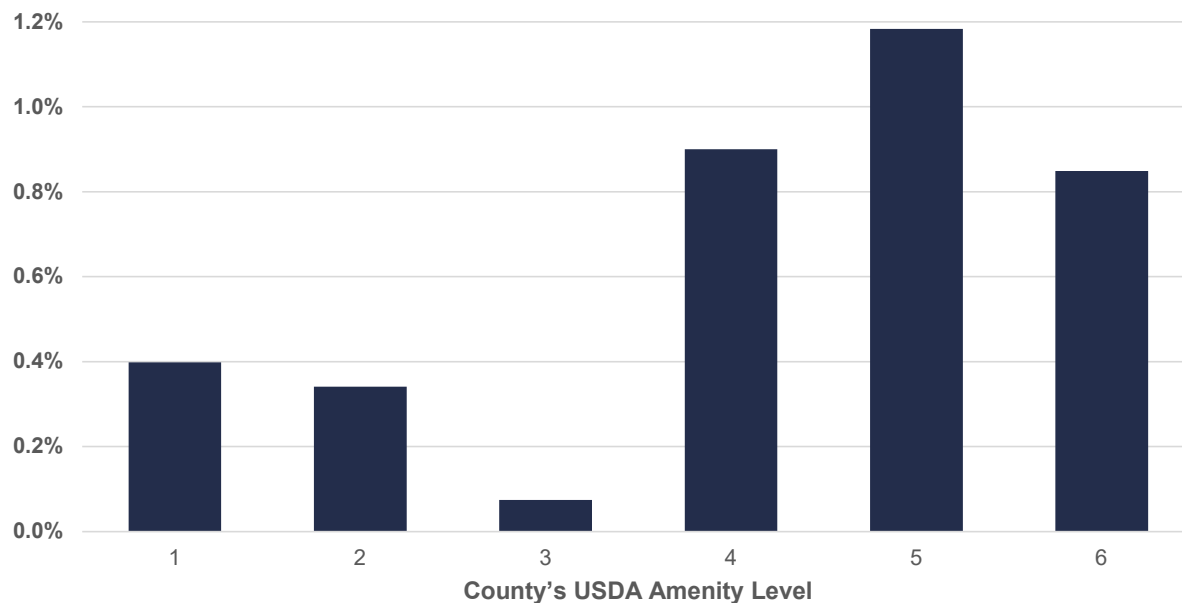
Many remote workers have relocated from large metro areas across the U.S.



Change in Number of Fully Remote Workers, 2022 to 2023 by Census Area

- In predominantly rural U.S. areas, where less than 5% of the workforce was remote in 2022, the number of remote workers increased by 37% between 2022 and 2023.
- Between 2019 and 2022, the number of Virginians working in the Washington, D.C., Metro Area but living elsewhere in Virginia increased by nearly 24,000.
- The increase in remote white collar workers in Virginia's rural counties and small metro areas is diversifying their economies.

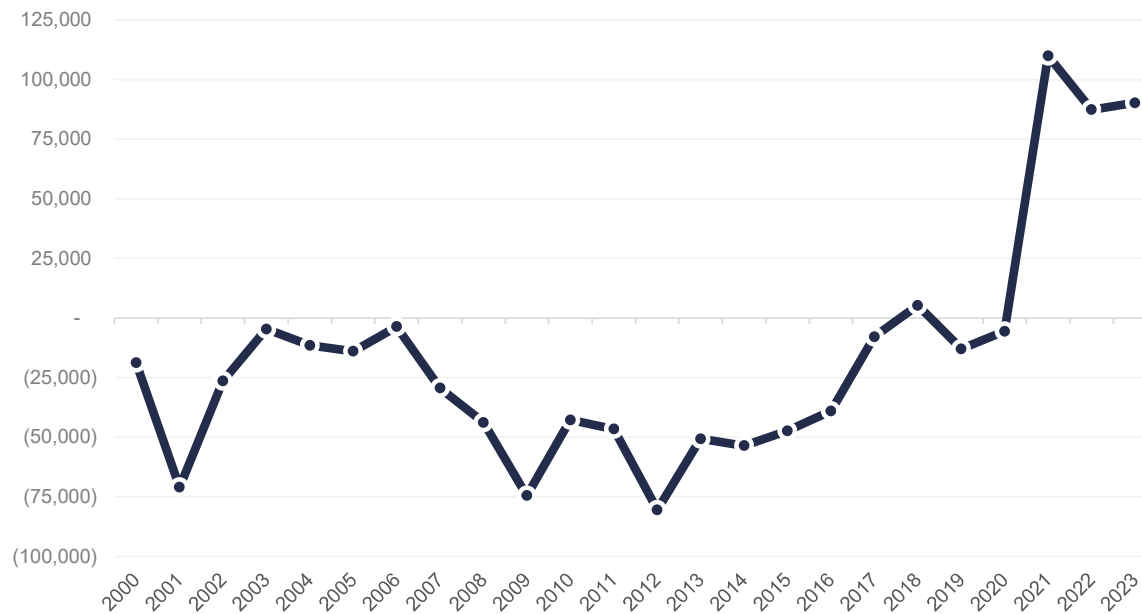
Since 2020, migration has become increasingly amenity driven



Change in population age 25 to 44, 2020 to 2023 by U.S. county's USDA rated Natural Amenity Levels

- Communities with relatively affordable housing near large metro areas, including Washington DC, have experienced a surge in growth.
- Rural counties with abundant natural amenities, such as Highland and Northumberland, are attracting young adults at the highest rates.
- Counties with abundant natural amenities have seen the largest income gains among new residents since 2020.

In 2023, migration into rural communities remained near record highs



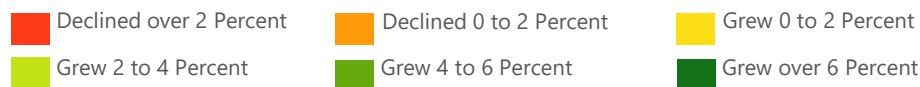
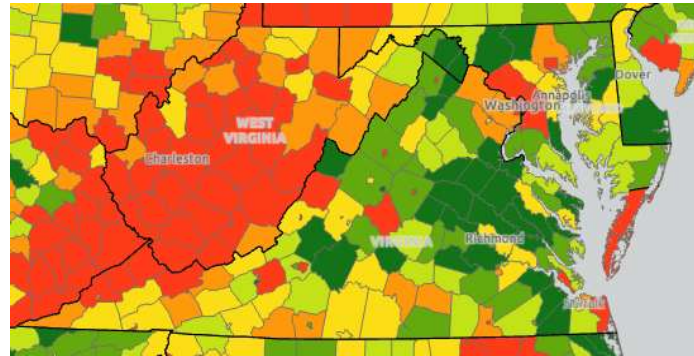
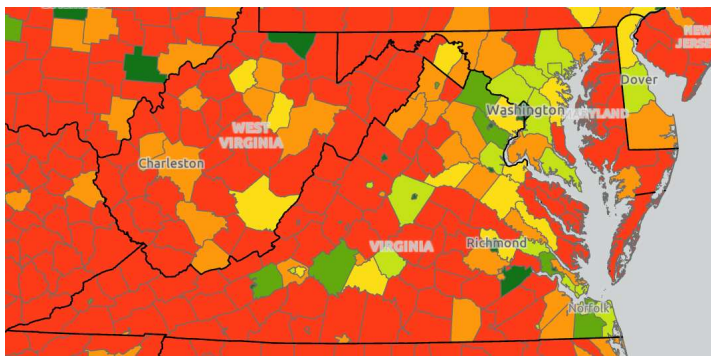
Annual Domestic Migration for U.S. Rural Counties

- Migration from large metro areas has increasingly flowed to rural counties and small towns and cities.
- In the past, migration from rural counties has lessened during periods of economic expansion.
- In 2023, migration to rural counties accelerated, after reaching record highs in 2021.

Recent migration trends have diverged significantly from those of previous decades

Percent Change 2010 to 2013

Percent Change 2020 to 2023



Change in population age 25 to 44

- Since 2020, the population under age 65 has declined by over 30,000 across Hampton Roads, Northern Virginia and Richmond.
- Since 2020, 25 to 44 year olds have driven most of the population growth outside Virginia's three largest metro areas.
- In 2023, small towns and rural counties became top destinations for people moving within the U.S. for the first time in decades.

Concluding Thoughts

- During the 2020s, fewer Americans entering the labor force and widespread remote work will give workers greater flexibility in choosing which community and state they live in.
- Retaining and attracting workers will be increasingly vital for economic development. Quality of life factors—such as housing affordability, access to natural amenities, and transportation links to job centers—will play a significant role in determining the success of these efforts.
- Demographic trends since 2020 are the best indicator of what the rest of the 2020s may look like for the Commonwealth.

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