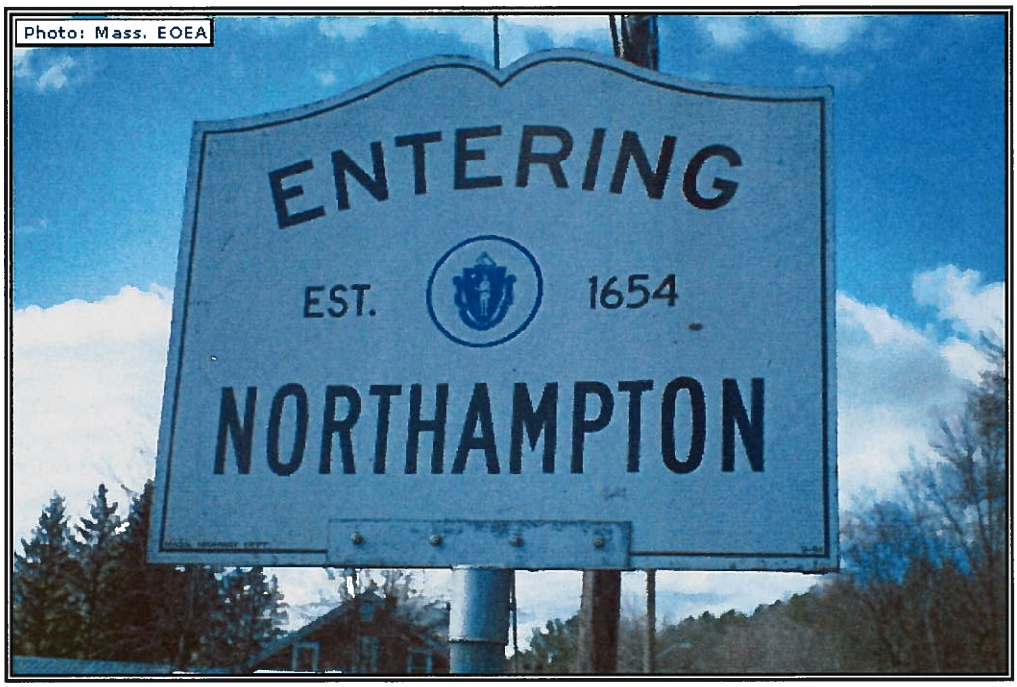
NORTHAMPTON COMMUNITY INDICATORS

Final Report

March 2006

Prepared by:
Pioneer Valley
Planning Commission

Northampton Community Indicator
Final Report



PURPOSE

In 2003, the city of Northampton hired the PVPC to prepare a summary of various community health indicators as part of the city's pre-planning for their E.O. 418 funded community development plan. This document is an update of the original document based on more recent data.

The original design of the community health indicators project was to replicate a study completed by the planning office in Devens, MA, and published in the AICP Planner's Casebook—supplemented by a series of indicators proposed by Norm Krumholz in an editorial response to the Devens article. Indicators help a community to understand its strengths and weaknesses in order to create a better tomorrow.

For the purposes of this report, Northampton identified eight categories of indicators: economic, education, environment, health, housing, poverty, social, and transportation. The following is a summary of the results of the updated community indicator study. In general, Northampton rated well in the areas of employment, retail trade, education, the environment, health, poverty, and social indicators. Northampton received lower ratings in the areas of wages, housing, and transportation.

Community Profile

The community has a strong and diverse economic base consisting of a mixture of traditional operations (wire protrusion, plastic molding) and innovative ones (production of heat sensing devices) and a large institutional base which includes county services and two hospitals. Northampton is also home to Smith College and is strongly influenced by Amherst College, Hampshire College, Mount Holyoke College and the University of Massachusetts as part of the five-college system in the region. The superb quality of life in Northampton contributes to its strong economic base with growing manufacturing, technology and service sectors. The local labor force is diverse, well educated and highly skilled.

The vibrant small city atmosphere of the community is enhanced by rich natural resources, which include the Connecticut River, agricultural and conservation lands and the Acadia Wildlife Sanctuary. Residents believe Northampton has a rich history and are confident in its future which will be built on its diverse population base, solid economic base and abundant resources.

(Information from Massachusetts Department of Housing and Community Development and the City of Northampton)

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Employment

According to November 2005 figures, Northampton has an unemployment rate of 3.4%, which is a lower rate than 255 of the 351 towns in Massachusetts and is lower than the unemployment rate of the State of Massachusetts at 4.4%. However, the unemployment rate in Northampton has increased since the first Community Indicator report in 2003 by 0.9%. The sector with the highest number of employees is the service sector which includes health care and education (63.5%). It also employs a higher percentage than the State. The next highest is retail/whole trade at 14.6%, which is 8.7% less than the total employment in Northampton in this sector in 2000. Northampton continues to see a decline in the number of people employed in the government, manufacturing, construction, information and management sectors between 2001 and 2004. Only the construction and government sectors are doing worse than the state average; all other sectors fair better than the Commonwealth as a whole. The percentages of people who are self-employed, work from home, and are part time continue to be greater than the State.

Year	Community	Labor force	Employment	Unemployment	Unemployment rate
1999	Northampton	15,852	15,480	372	2.3
	Massachusetts	3,355,324	3,245,761	109,563	3.3
2000	Northampton	17,119	16,777	342	2
	Massachusetts	3,366,582	3,276,737	89,845	2.7
2001	Northampton	17,154	16,726	428	2.5
	Massachusetts	3,400,624	3,274,561	126,063	3.7
2002	Northampton	17,298	16,742	556	3.2
	Massachusetts	3,427,900	3,247,094	180,806	5.3
2003	Northampton	17,248	16,581	667	3.9
	Massachusetts	3,413,782	3,215,624	198,158	5.8
2004	Northampton	17,259	16,623	636	3.7
	Massachusetts	3,393,122	3,219,487	173,635	5.1

Sector	EMPLOYEES	PERCENT
Services (Includes Health Care & Education)	11,233	63.5
Retail/Wholesale Trade	2,577	14.6
Manufacturing	1,099	6.2
Public Administration	923	5.2
Finance, Insurance, Real Estate	546	3.1
Construction	519	2.9
Information	431	2.4
Management of Companies and Enterprises	208	1.2
Transportation, Communication, Public Utilities	157	0.9
Agriculture, Forestry, Fishing	0	0
Average Annual Wage	$35,071	
Total Annual Payroll	$620,587,458	

Massachusetts Division of Career Services and Division of Unemployment Assistance, 2004 ES-202 Data

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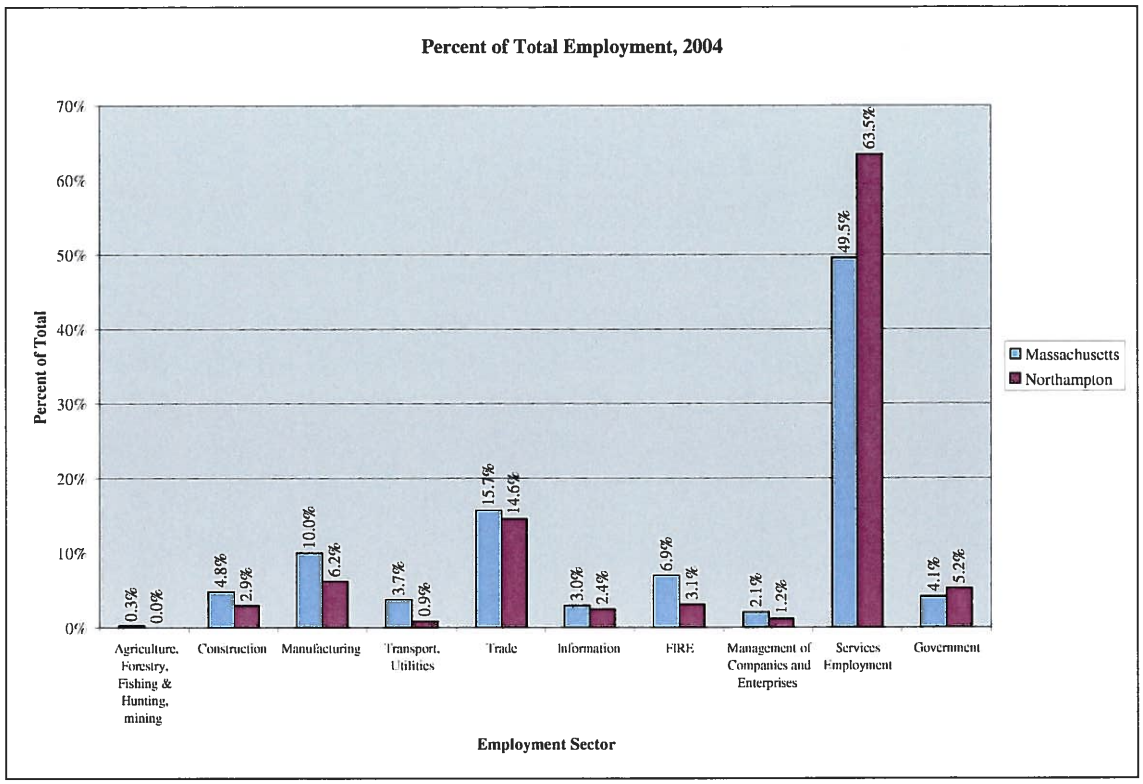

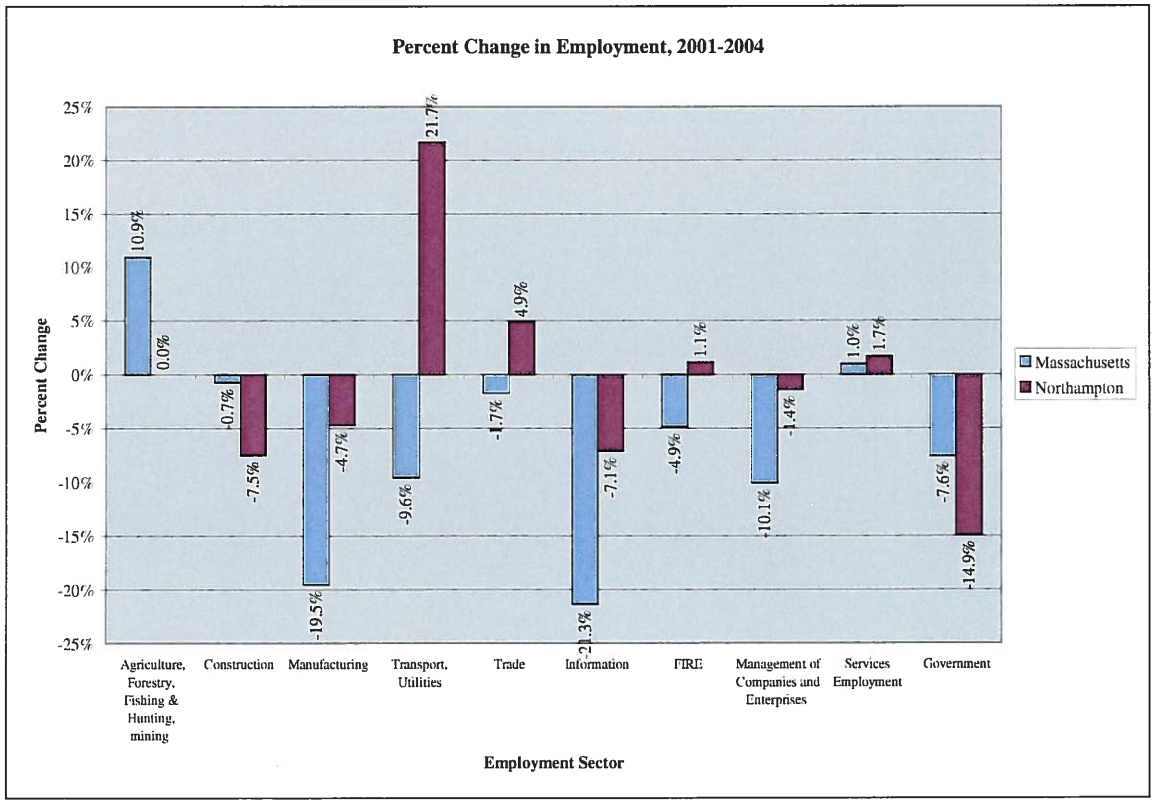

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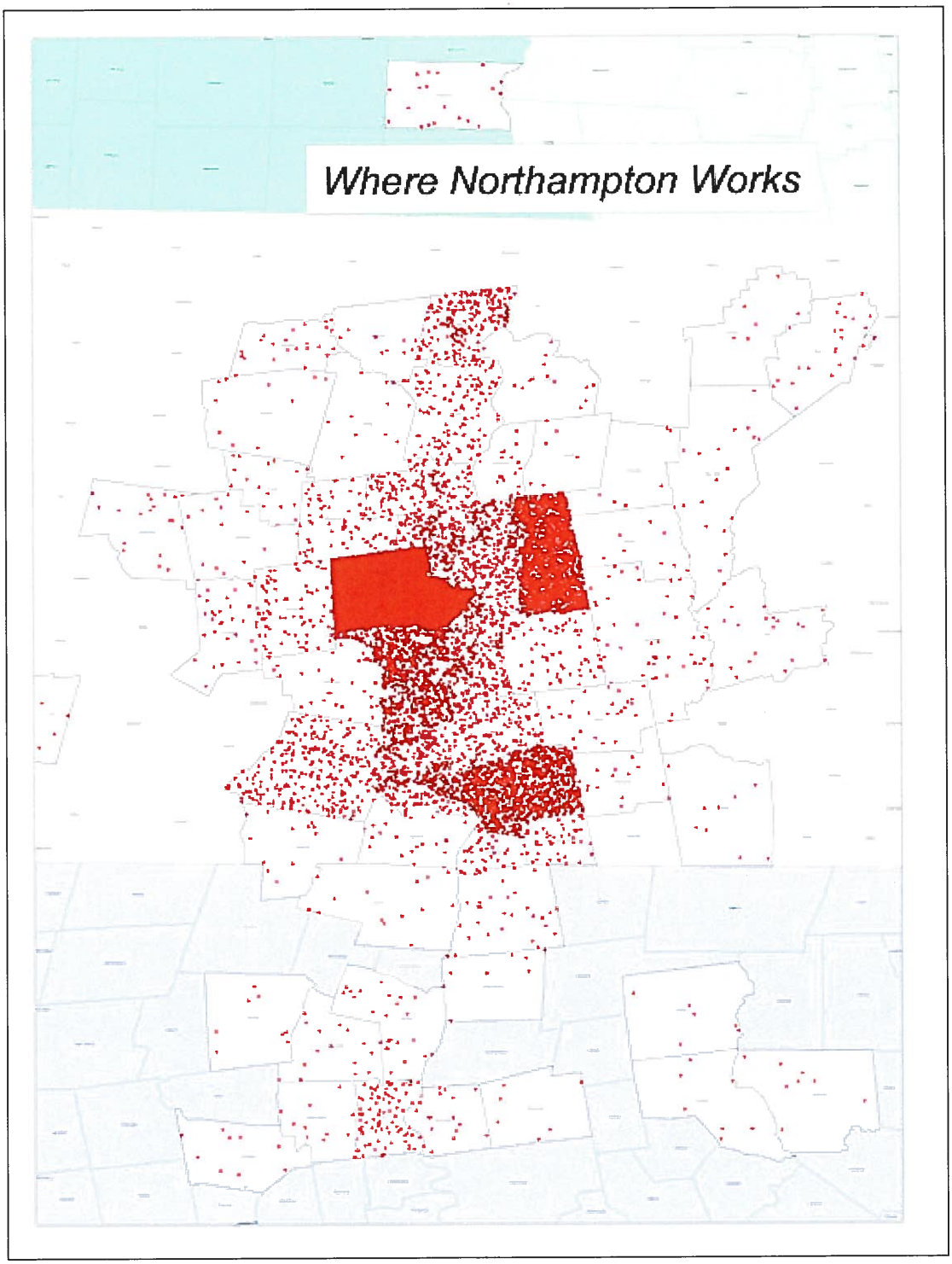

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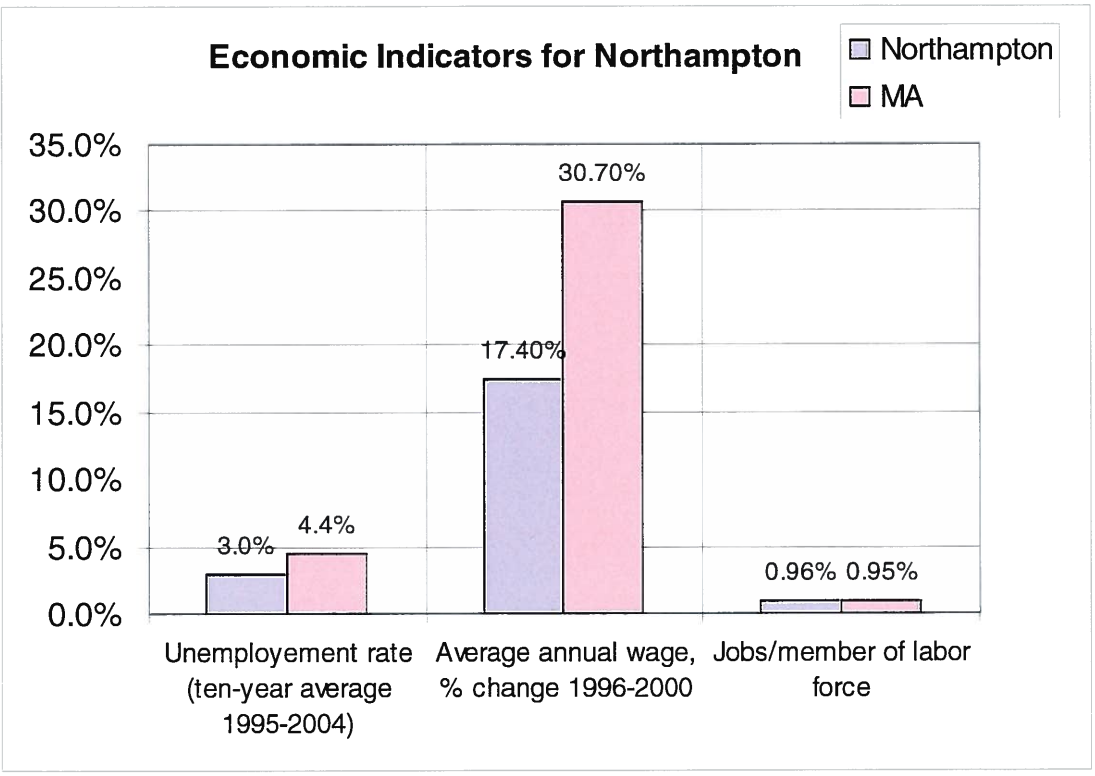
Wages

The average annual wage in Northampton is $35,071 whereas for the state it is $48,934. The percent change from 2001 to 2004 in the average annual wage was 8.8% for the state and 15.8% for Northampton.



Average Hourly Earnings

	2001 (in 2004$)	2004
Manufacturing	$22.09	$25.52
Durable Goods	$23.29	$30.40
Fabricated Metal Products	$19.03	$20.28
Nondurable Goods	$19.81	$14.85
Computer & Electronics	$28.88	$42.10
Electronic Instrument	N/A	$43.80
Furniture Related	$24.08	$21.00
Retail Trade	$11.27	$11.45
Education & Health Services	$16.86	$18.68
Leisure & Hospitality	$7.33	$7.30

Massachusetts Division of Career Services and Division of Unemployment Assistance, 2004 ES-202 Data

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Economic Clusters of Northampton

	NORTHAMPTON			COMPARISON	
Description	**Employment**	**Percent of Employment**	**Average Weekly Wages**	**Percent of MA Employment**	**Northampton Wages as a Percent of MA**
Total, All Industries	17,695		$674	0.6%	71.6%
Finance and Insurance	421	2.4%	$946	0.2%	47.9%
Professional and Technical Services	503	2.8%	$797	0.2%	51.9%
Utilities	67	0.4%	$1,428	0.5%	99.0%
Management of Companies and Enterprises	208	1.2%	$613	0.3%	42.6%
Information	431	2.4%	$748	0.5%	55.8%
Wholesale Trade	254	1.4%	$841	0.2%	65.3%
Manufacturing	1,099	6.2%	$1,021	0.4%	87.2%
Construction	519	2.9%	$877	0.3%	88.6%
Public Administration	923	5.2%	$1,018	0.7%	103.8%
Mining	0	0.0%	$0	0.0%	0.0%
Real Estate and Rental and Leasing	125	0.7%	$501	0.3%	54.3%
Educational Services	**2,673**	**15.1%**	**$767**	**0.9%**	**89.3%**
Transportation and Warehousing	90	0.5%	$734	0.1%	88.3%
Health Care and Social Assistance	**4,765**	**26.9%**	**$736**	**1.1%**	**91.9%**
Agriculture, Forestry, Fishing & Hunting	0	0.0%	$0	0.0%	0.0%
Administrative and Waste Services	333	1.9%	$492	0.2%	77.5%
Arts, Entertainment, and Recreation	328	1.9%	$300	0.6%	53.5%
Retail Trade	**2,323**	**13.1%**	**$458**	**0.7%**	**88.1%**
Other Services, Ex. Public Admin	730	4.1%	$405	0.6%	81.2%
Accommodation and Food Services	**1,901**	**10.7%**	**$290**	**0.8%**	**87.1%**

Source: Massachusetts Division of Career Services and Division of Unemployment Assistance ES-202

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EDUCATION INDICATORS

In addition to an outstanding public educational system, Northampton has a wide variety of libraries and museums available to its residents. They include the Botanic Garden of Smith College, Lyman Plant House, Calvin Coolidge Memorial Room, Forbes Library, Historic Northampton, and the Smith College Museum of Art.

School enrollment in the Northampton Public Schools fell by 2.2% between the 93-94 school year and the 04-05 school year. The Northampton school district spends about $7,609 per student (data from FY 2003) and in FY2004, Northampton spent $24,284,483 on education out of all municipal expenditures totaling $57,568,432.

Northampton-Smith Vocational High School – Public School District (grades 9-12)

Dropout/Attendance/Exclusions		
	District	State
Dropout Rate (%) – '03-'04	5.2	3.7
Attendance Rate (%) - '03-'04	92.5	94.1
Student Exclusion Per 1000 – '03-'04	---	---

Plans of High School Graduates - '03-'04		
Plan	% of District	% of State
Four Year College	8	57
Two Year College	40	20
Work	48	12

Technology - '03-'04		
	District	State
Students per Computer	3.7	4.8
Classrooms on the Internet (%)	100	95.5

Northampton – Public School District (grades PK-12)

Dropout/Attendance/Exclusions		
	District	State
Dropout Rate (%) – '03-'04	3.0	3.7
Attendance Rate (%) – '03-'04	95.3	94.1
Student Exclusion Rate per 1000 – '03-'04	---	---

Plans of High School Graduates – '03-'04		
Plan	% of District	% of State
Four Year College	66	57
Two Year College	15	20
Work	8	12

Technology – '03-'04		
	District	State
Students per Computer	10.0	4.8
Classrooms on the Internet (%)	100.4	95.5

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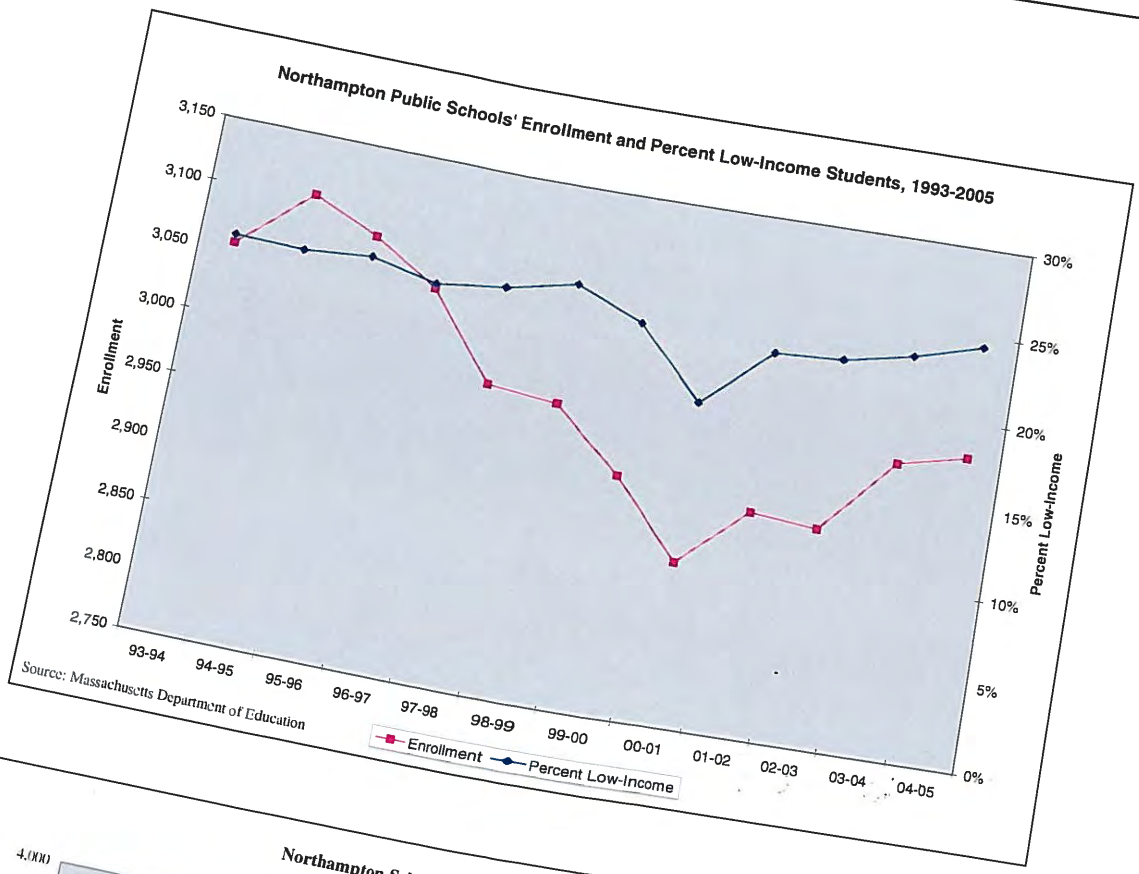
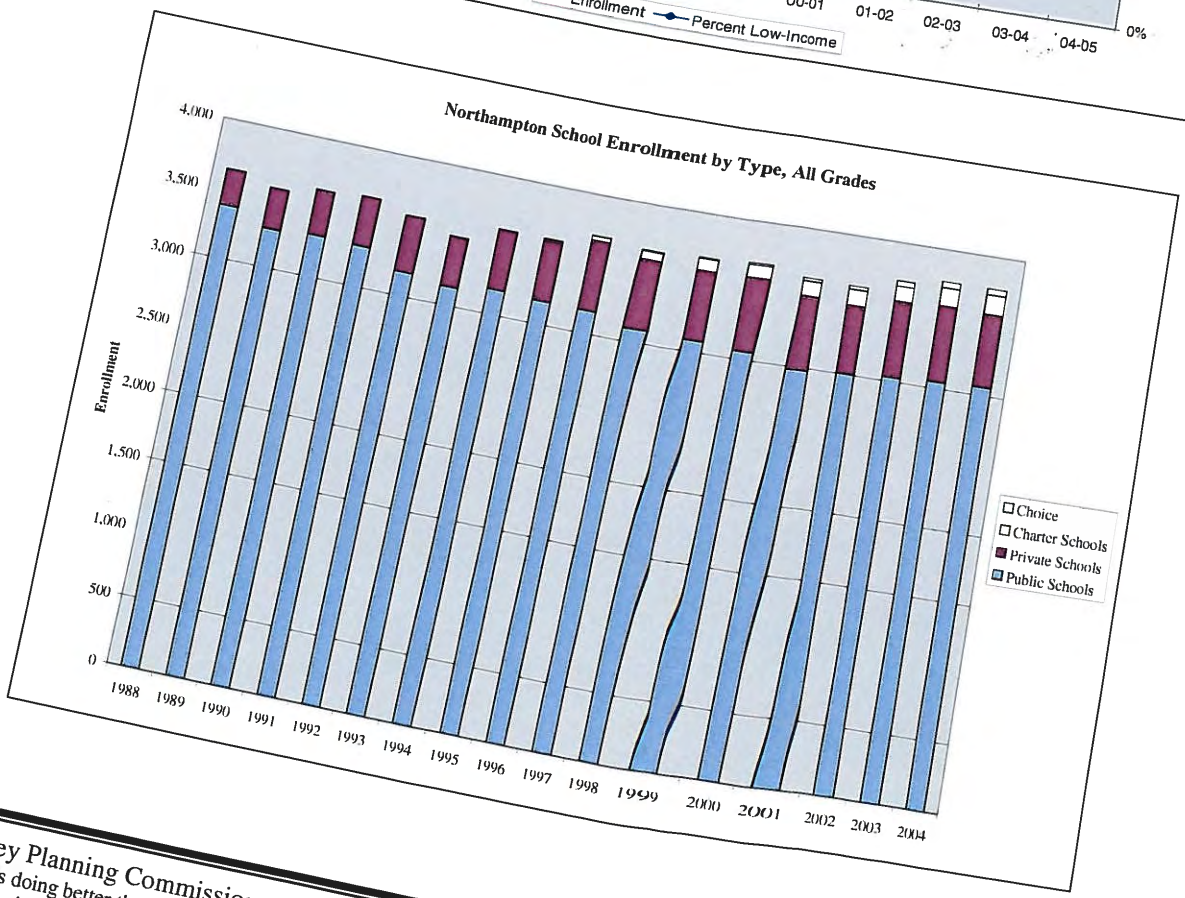


Source: Massachusetts Department of Education



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ENVIRONMENTAL INDICATORS

Northampton currently has an open space and recreation plan which was last updated in 2005. Based on data from MassGIS, the city contains 2,960 acres of permanently protected land, or approximately 13% of the total acres in the city. In addition, there are 426 acres of land under limited protection, meaning lands that are owned by a municipality and therefore are not fully protected. Finally, about 19.5% of the city is registered as land under Chapter 61, for a total of almost 4,500 acres.

Level of Protection	Northampton	% of Total Land Area	Commonwealth	% of Total Land Area
Permanently Protected	2,960 acres	13%	1,117,028.74 acres	21.5%
Limited Protection	426 acres	1.86%	80,622.01acres	1.5%
Chapter 61	4,477.70 acres	19.5%	293,272.18 acres	5.6%
APR	360 acres	1.6%	61,368.84 acres	1.2%

The capacity of the city's landfills is adequate and the percentage of solid waste that is recycled is much higher for Northampton (48%) than for the State (34%).

The city of Northampton is a leader in the Commonwealth with respect to residents signing up for the Massachusetts Clean Energy Choice program—an option available to Massachusetts residents living in communities that do not have municipal utilities. Ratepayers pay extra to assure purchase of renewable energy. The City of Northampton earned over $50,000 in matching funds from the Massahcusetts Technology Collaborative thanks to the more than 3% of Northampton residents who signed up for Clean Energy Choice. The city is using these matching funds to install a 10kW solar photovoltaic array on the JFK middle school. The city has also hired Ameresco to tap the energy potential of the municipal landfill and is building a Leeds certified Senior Center with a geothermal heating system located within walking distance of downtown. The LEED (Leadership in Energy and Environmental Design) Green Building Rating System® is a voluntary, consensus-based national standard for developing high-performance, sustainable buildings.

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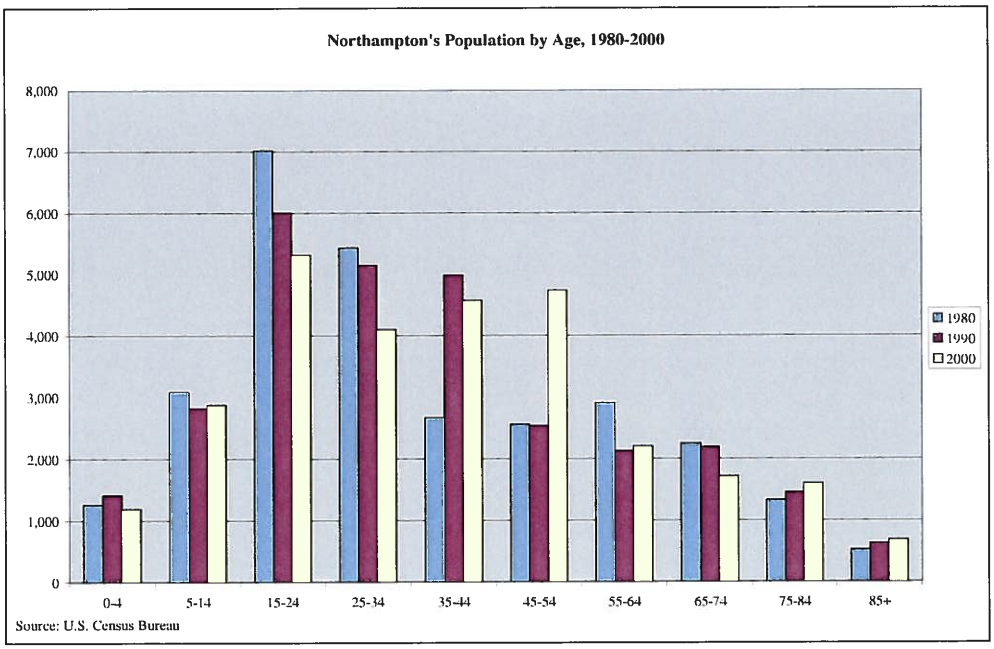
According to data from the 2000 Census, the resident population in the 15 to 24 and 25 to 34 age groups decreased between the years 1980-2000, a decline of 24% for both of these age groups. Other age groups that have decreased are the elder populations, with a 23% drop in population for the 55 to 64 and the 65 to 74 age groups. The 35-44 and 45-54 age groups have increased substantially over the same twenty year period. Between the years 1980 and 2000, Northampton residents between the ages of 45-54 increased by 85%, while the 35-44 age bracket increased by 71%.



Northampton's Population and Number of Households, 1950-2000

Year	Population	Households	People per Household*
1950	29,603		
1960	30,058		
1970	29,664		
1980	29,286	10,235	2.86
1990	29,289	11,164	2.62
2000	28,978	11,863	2.44

Source: U.S. Census Bureau

** This should not be confused with average family or household size as this is based on total population, some of which does not live in households.*

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Northampton Household Income, 1999

Total Household income	Number of Households (Year Round & Occupied)	% of total households	30% monthly income
Total	11,863		
Less than $10,000	1,246	11%	
$10,000 to $14,999	816	7%	
$15,000 to $19,999	559	5%	$375 - $500
$20,000 to $24,999	728	6%	
$25,000 to $29,999	697	6%	$625 - $750
$30,000 to $34,999	829	7%	
$35,000 to $39,999	708	(48%) 6%	$875 - $1000
$40,000 to $44,999	813	7%	
$45,000 to $49,999	479	4%	
$50,000 to $59,999	1,166	(21%) 10%	$1250 - $1500
$60,000 to $74,999	1,351	11%	
$75,000 to $99,999	1,076	(20%) 9%	$1875 - $2500
$100,000 to $124,999	568	5%	
$125,000 to $149,999	342	3%	
$150,000 to $199,999	223	2%	
$200,000 or more	262	2%	

Source: US Census, 2000

Affordable homes to purchase in Northampton are more difficult to find than affordable rental units. Based on anecdotal evidence confirmed by first-time homebuyer counselors for the Valley CDC and HAP, many young people want to live in Northampton but no longer even hope to find an affordable home. Data obtained through advisory realtors from the Multiple Listing Service shows that of the 191 houses sold from January 1 to December 8, 2005, the median sale price of a single-family home is $289,900. This is 10% higher than the median price in the previous year and 14% higher than 2003. At this price, currently no homes are affordable to a household in or below the median household income, which according to Table C, is 48% of the city's population. The year 2000 was the last year a household that earned the median household income could afford to purchase a home in Northampton.

Table D is structured to illustrate house prices that the median income household can afford versus what the City-assessors records show is the average price of single-family homes in Northampton. The third example is representative of the average cost of a home sold using listings by the MLS.

In addition to having unaffordable houses to purchase and limited rental units, the city of Northampton also has very low vacancy rates. The city has a consistent vacancy rate of less than 5% for rental apartments and houses for sale; however anecdotal evidence indicates that housing and especially rental vacancy rates started to increase in 2005. Competition for rental housing comes from the number of retired or elderly people on fixed incomes (12%), combined with the number of people who live alone (37%), and full-time students or younger workers in lower-wage retail, restaurant or service jobs who share rent with others.

As a result of low vacancy rates, there is tremendous competition for rental units, even though the city has a high percentage of rental units, as compared to the Commonwealth as a whole. Currently, 46.5% of the total housing stock in Northampton is renter-occupied housing units, approximately 5,525 units. Statewide, only 38.3% of all housing in Massachusetts was renter occupied units. However, despite having a high percent of rental units available, the city's vacancy rate of 3.4% is on par with the Commonwealth as a whole, which has a vacancy rate of 3.5%.

In addition, according to the 2000 census, 10.7% of the total households, or 1,276 households including rental units, are headed by persons over 65 years of age. If we subtract the number of renters over the age of 65 (796), from this total we might conclude that 480 homes could be owned by persons over the age of 65. This is approximately 8.3% of the total single family housing stock in Northampton.

The Warrren Group, a private real estate data company, reports sales of single-family homes and condo units. Since 2002, both types of real estate show price increases at 63% in 2005. Based on building permits reported by HUD and on file at the Northampton Building Department the supply of new single family homes has increased by 25 units in 2002, 47 units in 2003 and 2004. This is relatively low production when compared to similar-sized communities in the region. Table E compares the number of building permits in 2002-2004 for Northampton and other communities in the region.

Total Number of Residential Building Permits, New Housing Units

Community	2000	2001	2002	2003	2004	2005
Northampton	26	18	40	47	63	N/A
Agawam	55	50	56	71	53	40
Amherst	44	37	37	36	31	N/A
Belchertown	87	99	96	123	114	93
Easthampton	31	55	54	17	55	95
Hadley	9	15	19	17	10	N/A
South Hadley	26	17	56	28	36	44
Southwick	55	54	72	57	67	47

Source: SOCDS Building Permits Database

The city is a leader in the region for dedication of restricted affordable housing units. Northampton has reached the 10% threshold determined by the state Chapter 40B legislations, and dedicates 11.84% of its units to restricted affordable housing units. These restricted units are generally available to families whose income is 80% below the median family income,

These trends might explain why the average annual wage in Northampton is $35,071, compared to the Massachusetts state average wage of $48,934. Lower wages and higher concentrations of low wage industries may explain lower wages for those working in Northampton; however, the lower median income is a regional dynamic. Cost of living in western Massachusetts is lower than the rest of the state, therefore wages in this region will also be lower. Also, the high percentage (32.2%) of part-time employment, defined as jobs that are less than 35 hours per week, may also explain the lower annual wage.

As a result, the average annual wage in Northampton in 2004 is less than what is needed for two full-time workers to access homeownership in the city. As shown in Table D, the annual median household income needed to purchase a house at the average selling price in Northampton is $88,000. Based on the data, a two-person household both employed in Northampton and making the average annual wage of $35,071 could not afford a median priced home in Northampton. However, this same two-person household may be able to rent if they both contribute 30% of their monthly income to housing. A worker in Northampton who is making $35,071 would be able to contribute a maximum of $876 a month, or 30% of their income to housing. Considering the average rental price for a two-bedroom apartment in Northampton is around $1000, a two-person household each working at this level could well afford to rent, including utilities.

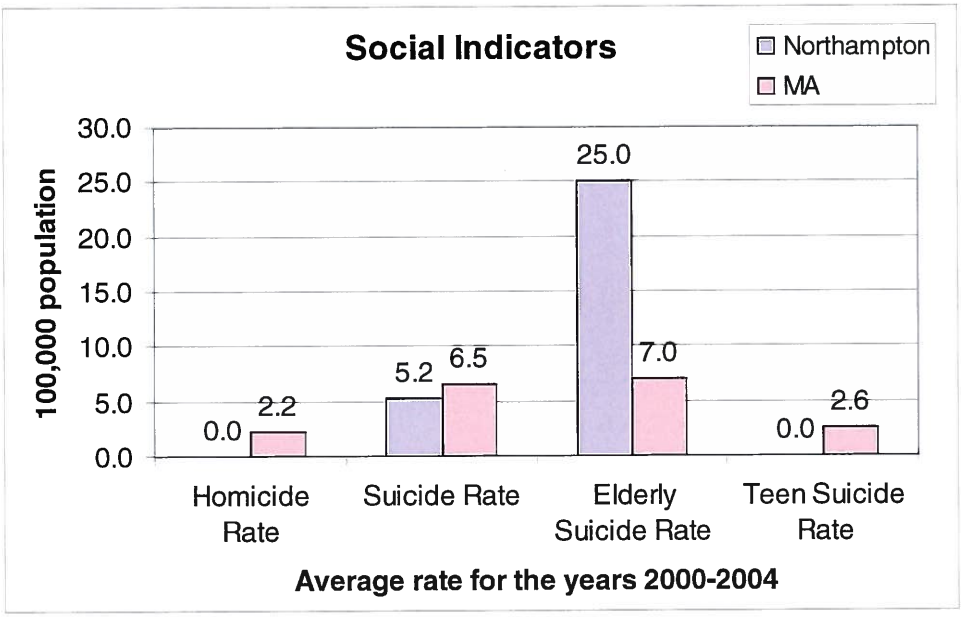
Housing Gap Analysis

The data show that the population of younger residents, primarily between the ages of 15-34, has dropped significantly over the past 20 years, possibly as a result of increased housing prices. Currently, the 15-34 age group on average can pay less than $1000 a month toward housing costs, based on their Gross Annual Income. This statement is also true for elderly populations in Northampton, 65 to 74 year olds, who can also pay less than $1000 a month towards housing. Rental properties are available for these populations; however a low vacancy rate in the city prevents these residents from "upgrading" to a new location. If renters need to move from their existing apartment, there are few options available.

Housing stock is also limited in Northampton, and expensive, compared to the median household income of $41,808. Currently, in order to purchase a home at the current market rate of $289,900, a household income of $88,000 is required at an interest rate of 6.5% over 30 years. Currently, only 21% of the total households in Northampton have a household income over $88,000 and would be able to afford to move. In addition, most people who work in Northampton live outside the city, probably due in part to the cost of housing. With the average annual wage of $35,071, many workers cannot afford to buy a home in Northampton, but most likely can afford to rent at least a one or two bedroom apartment.

Currently, only a small percentage of the working population can afford to live here. Competition for rental housing from the elderly, students and single people is surely an issue. If these trends continue, the demographics of the city may change, with the younger and elder populations continuing to decrease, and the wealthier 45-64 age group increasing. As stated earlier in the report, the 45-54 age group has increased by 85% over the past 20 years – this may

fell by 10.6% (43.2 crimes per 1,000 people to 38.6 crimes per 1,000 people). The violent crime rate fell from 6.2 crimes per 1,000 people to 5.9 crimes per 1,000 people, a drop of 4.8%.



CRIME STATISTICS		
Rates per 1,000 people		
	1992	2002
Murders:	0.0	0.0
Rapes:	0.685	0.632
Robberies:	0.685	0.632
Aggravated assaults:	4.80	4.76
Burglaries:	7.26	5.24
Larcenies:	24.62	24.69
Motor vehicle thefts:	5.10	2.83

Source: Department of Housing and Urban Development

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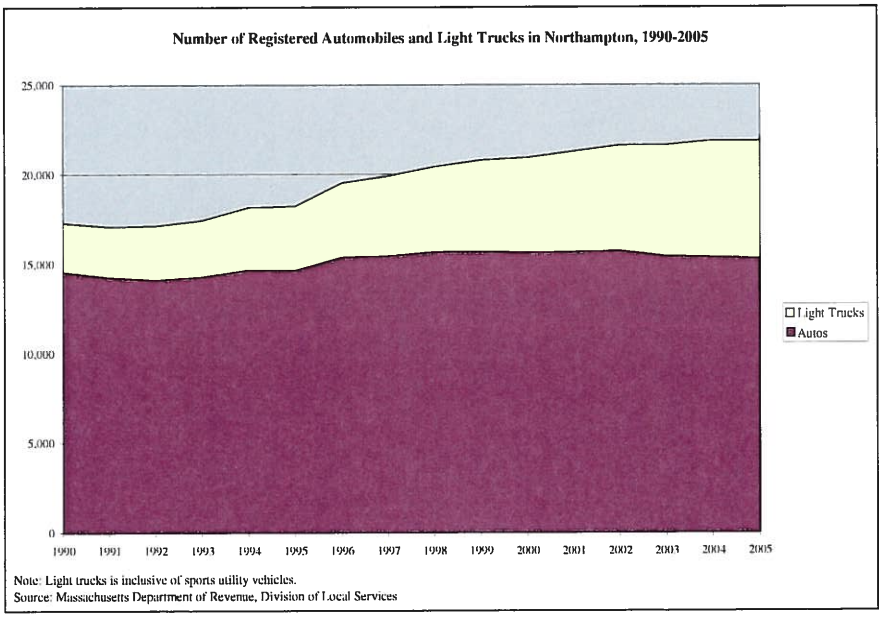
The percent of workers walking to work for Northampton was 13.7%, which is significantly greater than the percentage for the State of Massachusetts. On the other hand, less people use public transportation to get to work and the percent of occupied dwelling units with no car available is less than the State percentage.

Northampton Registered Cars and Trucks 1990-2005

Year	Autos	Trailers	Light Trucks	Heavy Trucks	Motor Cycles	Other	Total	Average Age
1990	14,556	744	2,733	363	69	743	19,208	
1991	14,259	736	2,820	317	61	609	18,802	
1992	14,110	751	3,016	294	132	492	18,795	
1993	14,295	716	3,139	286	146	413	18,995	7.39
1994	14,660	716	3,495	297	180	362	19,710	7.60
1995	14,653	719	3,578	300	175	331	19,756	7.66
1996	15,373	810	4,141	311	235	271	21,141	8.25
1997	15,438	825	4,463	351	365	266	21,708	8.57
1998	15,650	839	4,767	329	304	250	22,139	8.85
1999	15,680	856	5,101	366	420	262	22,685	9.00
2000	15,629	882	5,282	340	335	261	22,729	9.11
2001	15,649	901	5,617	323	336	249	23,075	9.20
2002	15,710	916	5,896	349	463	246	23,580	9.40
2003	15,405	969	6,210	379	384	241	23,588	9.46
2004	15,366	1,152	6,492	386	580	244	24,220	9.46
2005	15,286	1,251	6,571	402	611	246	24,367	9.21



+ Northampton is doing better than the State average; - Northampton is doing worse than the State average; = Northampton is equaling the State average; ? For this indicator, it is unclear what is better or worse.