

Part 3: Population and Household Trends



PART 3

POPULATION AND HOUSEHOLD TRENDS

The Lehigh Valley was one of the fastest-growing regions in the Commonwealth between 2000 and 2005. Based on the Census Bureau's annual county population estimates,¹ the population of Northampton County increased 7.59% (from 267,066 to 287,334), while the population of Lehigh County increased 5.79% (from 312,090 to 330,168). Together, the growth rates of these two counties gave the Lehigh Valley a net increase of 38,346 residents in five years while the overall State population increased by only 1.01%. Over the past several decades, the Lehigh Valley has witnessed a steady and consistent population increase of 147,653 residents from 469,849 in 1970 to 617,502 in 2005.

Figure 3-1

Top Eleven Fastest Growing Counties in Pennsylvania from 2000 to 2005			
County	Rate of Population Growth	County	Rate of Population Growth
Forest	31.56%	York	6.92%
Pike	21.33%	Franklin	6.16%
Monroe	17.11%	Berks	6.05%
Chester	9.28%	Wayne	5.88%
Adams	9.26%	Lehigh	5.79%
Northampton	7.59%	Pennsylvania	1.01%

Source: U.S. Census Bureau, Mullin & Lonergan Associates, Inc.

County population estimates from the Census Bureau were used to calculate total population growth between 2000 and 2005. This data source includes all persons living in households as well as persons living in group quarters. There are two types of group quarters: institutional (for example, correctional facilities, nursing homes, and mental hospitals) and non-institutional (for example, college dormitories, military barracks, group homes, missions, and shelters). However, in order to provide a more description characterization of the Lehigh Valley population between 2000 and 2005, the Census American Community Survey (ACS) data from 2005 also was used. The primary distinction between decennial census data and ACS data is the exclusion of group quarter populations from the ACS data. ACS 2005 data, used throughout the remainder of this chapter for all population characteristics except for total population, provided detailed information on households, housing units, income levels and other characteristics of the population since Census 2000. No other reliable source of data exists for this time period since the last decennial census.

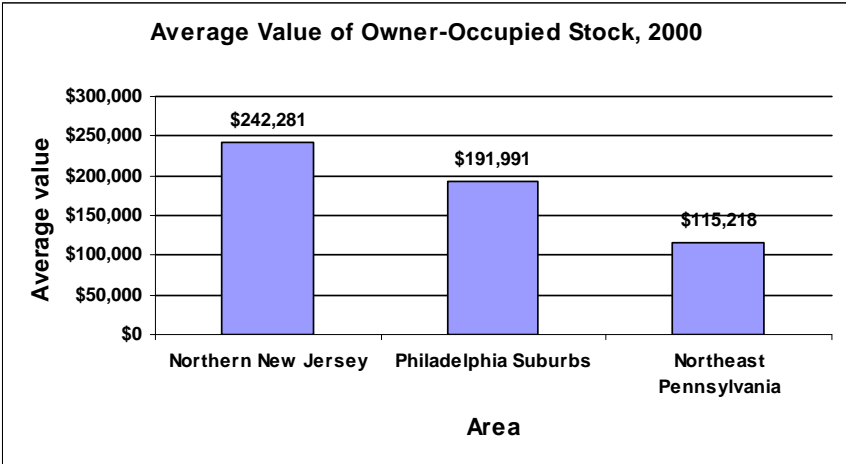
Many new residents are relocating from New York and New Jersey to the Lehigh Valley. Strong labor markets in these areas, and the Philadelphia market, are

¹ The rate of growth was calculated using the Census 2000 and the July 1, 2005 population estimates.

driving up the demand and cost of housing. As a result, the relatively convenient commuting distance to and from the Lehigh Valley on major transportation routes, and available new housing at lower prices are very appealing to households from these outside regions.²

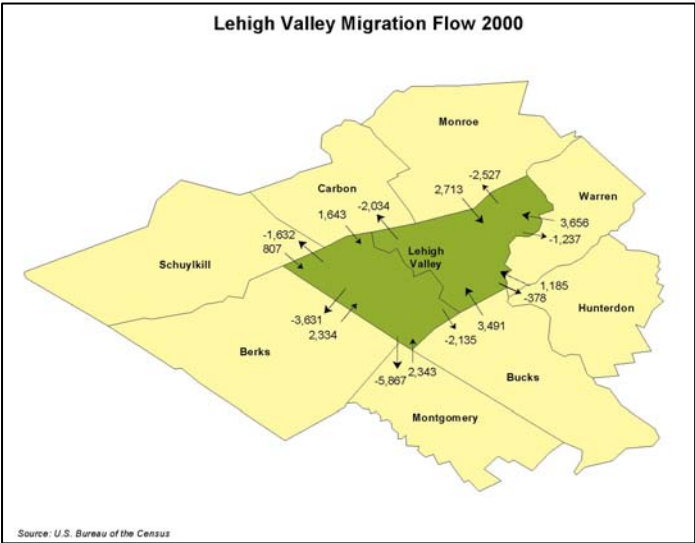
American Community Survey data from 2005 also supports that people are moving to the Lehigh Valley from another county or state. Lehigh Valley residents who were living in another county in 2004 numbered 33,022; about half of these residents were living in Pennsylvania and the other half were living out-of-state before relocating to the Lehigh Valley. These residents accounted for 42% of all persons moving from a different house (within the U.S.) to the Lehigh Valley from the previous year.

Figure 3-2



Source: An Analysis of Housing and Markets in Northeastern Pennsylvania

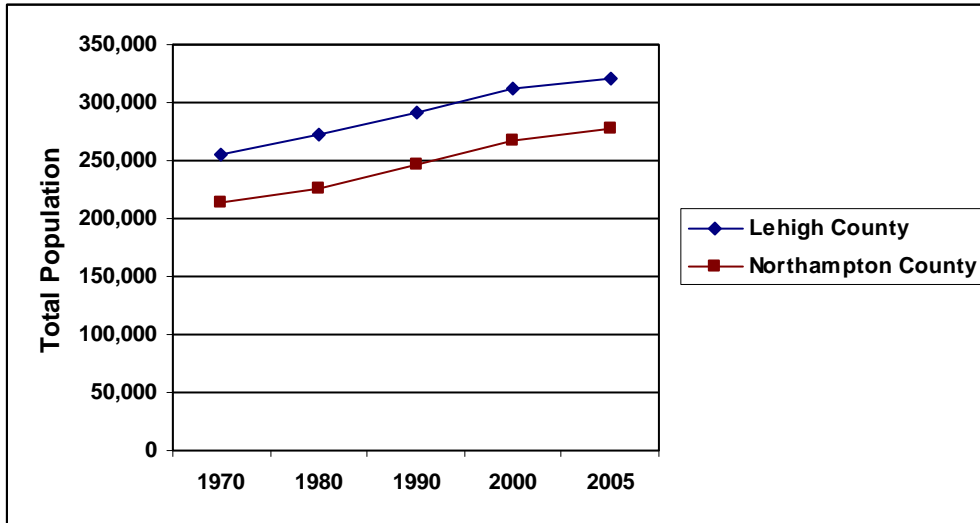
Figure 3-3



Source: U.S. Bureau of the Census

² czbLLC, An Analysis of Housing and Markets in Northeastern Pennsylvania: A Report Prepared by czbLLC for the Pennsylvania Housing Finance Agency (March 2006).

Figure 3-4: Trends in Total Population in the Lehigh Valley 1970-2005

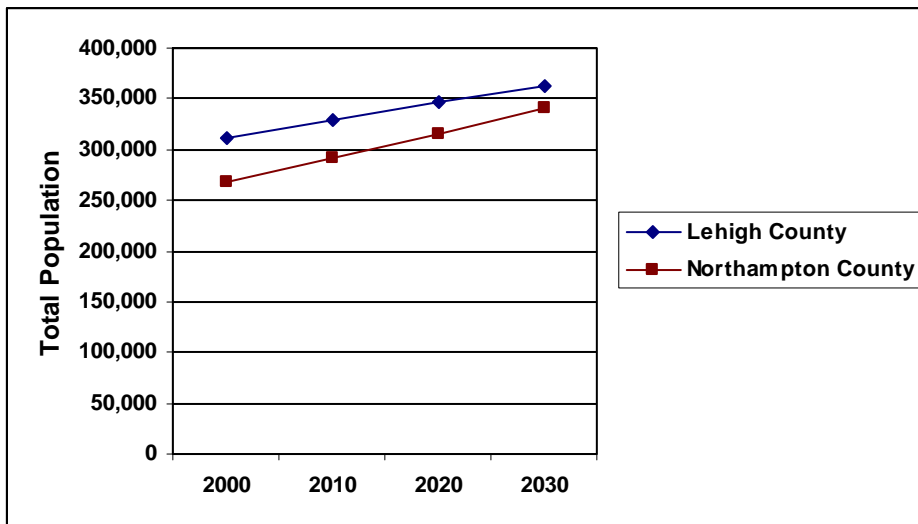


Source: U.S. Census Bureau

Population projections prepared by the Lehigh Valley Planning Commission (LVPC) in 2000 illustrate the anticipated continuing growth over the next twenty-five years. The rate of growth is expected to increase with Northampton County growing slightly faster than Lehigh County.

In the case of Lehigh County, the 2010 projection has already been surpassed based on population estimates released by the U.S. Census Bureau for July 1, 2005. LVPC projected the 2010 population of Lehigh County would be 329,552 while the Bureau's 2005 estimate was 330,168. The LVPC population projection for Northampton County for 2010 was 290,919 while the July 2005 estimate was 287,334.

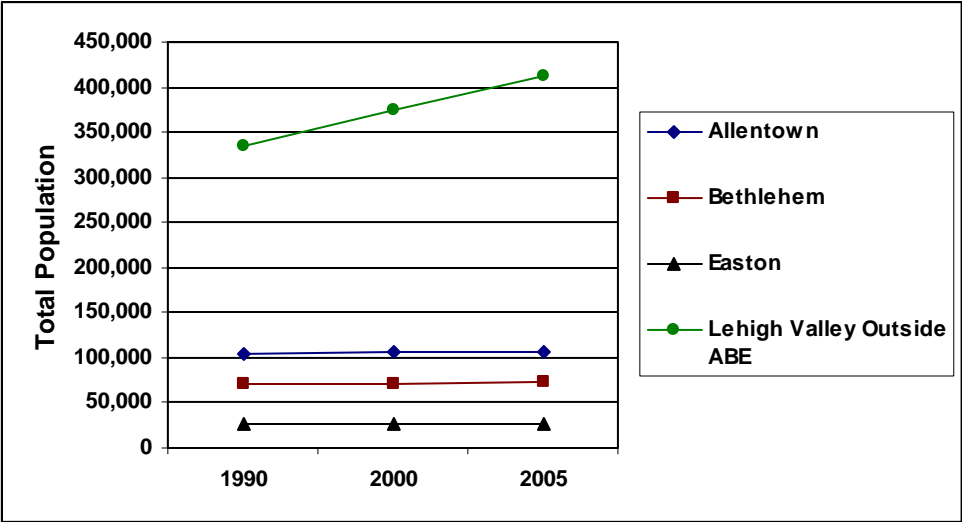
Figure 3-5: Total Population Projections in the Lehigh Valley 2000-2030



Source: Lehigh Valley Planning Commission

Growth in the Lehigh Valley is occurring outside of the three cities. Since 1990, Allentown’s population has increased 1.8% from 105,090 to 106,992 residents.³ Residents in Bethlehem have increased 2.1% from 71,428 to 72,895. And in Easton, the population remained virtually unchanged, decreasing by only 9 residents from 26,276 in 1990 to 26,267 in 2005. By comparison, the cumulative population increase in the surrounding boroughs and townships of the Lehigh Valley recorded an increase of 75,844 residents, an increase of 22.6% from 335,504 residents in 1990 to 411,348 in 2005. This trend parallels state and national trends where new housing development in suburban and rural areas is fueling population growth outside of inner cities.

Figure 3-6: Trends in Total Population for Lehigh Valley Counties and Cities, 1990-2005



Source: U.S. Census Bureau

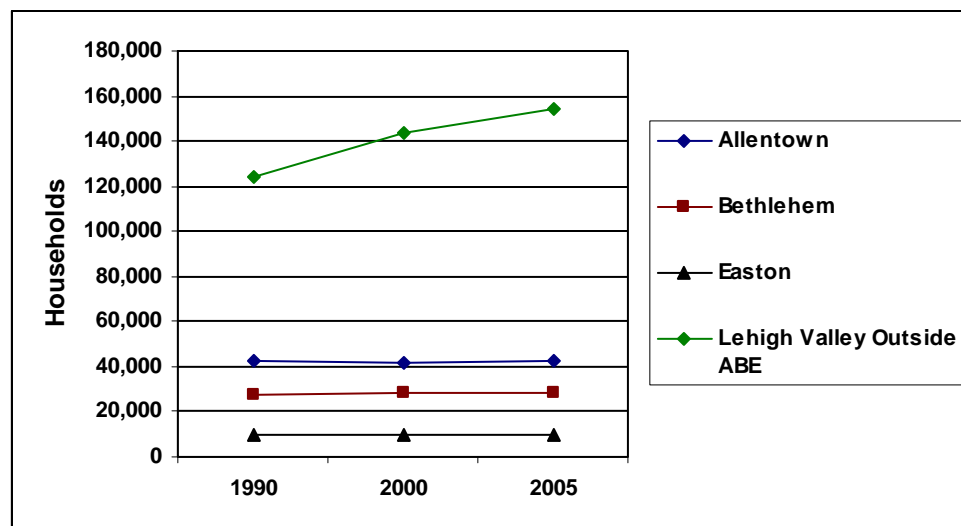
Household growth slightly outpaced population growth between 1990 and 2005. Across the valley, households increased 15.5% while total population grew 14.4%. The Census Bureau defines “population” as “all people, male and female, child and adult, living in a given geographic area.” The term “household” is defined to include “all the people who occupy a housing unit as their usual place of residence.” When describing housing markets and housing needs, focusing the discussion on *households* is much more relevant and accurate because each household requires a dwelling unit while several *people* may comprise the same household and live in the same housing unit. In other words, relating housing need to the number of *households* in a geographic area is much more accurate in determining housing need than trying to relate it to the number of *persons*.

For example, if one hundred family households each had a new child born in the same year, the population of the municipality would increase by 100 persons. However, there would be no need for additional housing units to accommodate this increase in population. By comparison, if 50 new households relocated to the municipality, then these 50 new households would each require their own housing unit.

³ The rate of growth was calculated using the Census 2000 and the July 1, 2005 population estimates.

In Bethlehem, household growth outpaced population growth. The city's total population increased 2.1% between 1990 and 2005 while households increased 4.9%. In Allentown, however, the rate of household growth lagged behind the rate of population growth. Total population in Allentown grew 1.8%; household growth increased only 0.3% from 42,775 to 42,918 households. In Easton, the comparison can only be made between 1990 and 2000 (using Census 2000 data) since 2005 ACS data is not available for places with populations less than 65,000. Between 1990 and 2000, the population of Easton remained virtually unchanged (26,276 residents compared to 26,263 residents) while the number of households increased 1.6% from 9,397 to 9,545. Household growth was even more pronounced outside of the three cities. Assuming that the number of households remained constant in Easton between 2000 and 2005, total households increased 24% outside of the cities.

Figure 3-7: Trends in Household Growth in the Lehigh Valley 1990-2005



Source: U.S. Census Bureau

Household size is shrinking and household composition is changing from traditional married-couple families to single-parent households and non-family households. The number of households increasing in relation to the population reflects a continued decline in the number of persons per household and indicates a change in the composition of households. Households containing both a husband and wife are declining in relation to non-family households and households with a single parent. The trend has important implications for housing, particularly for those headed by a single parent. Single-parent households, particularly female-headed households, will have less income than married-couple households impacting their ability to house themselves. Additionally, the combination of increasing population in both counties accompanied by a decreasing household size will result in a continuing need for new housing.

The overall reduction in household size from 2.56 in 1990 to 2.54 in 2005 reflects broad demographic and economic changes in society, such as deferred age of first marriage, increased divorce rates, and longer life expectancy. One-person households, non-family

households and single-parent households are growing as segments of all households while married-couple families (with and without children) are declining.

Figure 3-8

Household Types as a Percent of All Households in the Lehigh Valley			
	1990	2000	2005
Total Households	203,842	223,578	235,376
1-person households	23.6%	26.0%	26.3%
Married-couple family households:			
With children	26.3%	23.8%	22.2%
Without children	33.0%	31.4%	31.3%
Single householders:			
With children	6.8%	7.5%	8.7%
Without children	5.6%	6.1%	6.4%
Nonfamily households	4.6%	5.2%	5.0%
Average Household Size	2.56	2.50	2.54

Source: U.S. Census Bureau

Household size varied by race and Hispanic origin across the Lehigh Valley in 2000. Minority-headed households and households headed by persons of Hispanic origin were larger than white households in the two counties and the Commonwealth.

(Note: People who identify with the terms "Hispanic" or "Latino" are those who classify themselves in one of the specific Hispanic or Latino categories listed on the Census 2000 or ACS questionnaire - "Mexican," "Puerto Rican," or "Cuban" - as well as those who indicate that they are "other Spanish, Hispanic, or Latino." Origin can be viewed as the heritage, nationality group, lineage, or country of birth of the person or the person's parents or ancestors before their arrival in the United States. People who identify their origin as Spanish, Hispanic, or Latino may be of *any* race.)

Figure 3-9

Average Household Size by Race and Hispanic Origin, 2000			
	Lehigh County	Northampton County	Pennsylvania
White	2.40	2.49	2.44
African American	2.87	2.75	2.62
American Indian/Alaska Native	3.07	2.80	2.70
Asian	3.08	3.12	2.95
Pacific Islander	3.07	na	2.86
Other race	3.45	3.39	3.39
Two or more races	3.01	2.79	2.70
Hispanic Origin, any race	3.31	3.21	3.21

Source: U.S. Census Bureau

Households are forecasted to increase faster than population through 2020 with the higher rate of household formation increasing development pressure as new households will prefer suburban and rural locations, assuming present trends persist. Household projections forecasted by LVPC for 2010 are on track to be met in 2007 if the current rate of household growth continues. Between 2000 and 2005 Lehigh County averaged 1,010 new households each year. Continuing at this same rate, the forecasted number of households for 2010 (130,516) could be expected to be realized in 2007. Northampton County could also achieve its 2010 household count by 2007 if its annual rate of 957 new households each year continues unabated. Overall household size is also projected to continue to decrease.

Figure 3-10

Household Projections for the Lehigh Valley				
	2000	2010	2020	2030
Lehigh County	121,906	130,516	139,581	145,512
Northampton County	101,541	112,774	124,399	134,400
Lehigh Valley	223,447	243,290	263,980	279,912
Average Household Size				
Lehigh County	2.48	2.43	2.38	2.37
Northampton County	2.53	2.47	2.42	2.41
Lehigh Valley	2.50	2.45	2.40	2.39

Source: U.S. Census Bureau, Lehigh Valley Planning Commission

Figure 3-11

Rate of Household Growth versus Rate of Population Growth for the Lehigh Valley			
	2000-2010	2010-2020	2020-2030
Forecasted Population Growth Rate	7.1%	6.9%	6.1%
Forecasted Household Growth Rate	8.9%	8.5%	6.0%

Source: U.S. Census Bureau; Lehigh Valley Planning Commission; Mullin & Lonergan Associates, Inc.

Residents relocating to the Lehigh Valley are adding greater diversity to the population. Between 1990 and 2005, white residents increased by 10,009 from 504,459 to 514,468 but they decreased from 93.7% to 86.2% of the total population. African Americans doubled their numbers from 12,045 to 24,063 and increased from 2.2% to 4% of the total population. Asian and Pacific Islanders more than doubled from 6,370 to 14,236, representing 2.4% of the 2005 population. Persons of all other races also increased in significant numbers (by 20,591) and as a segment of the population (from 2.8% to 5.9%).

Persons of Hispanic origin (of any race) accounted for 11.2% of the total population in 2005, increasing from 4.9% just fifteen years earlier.

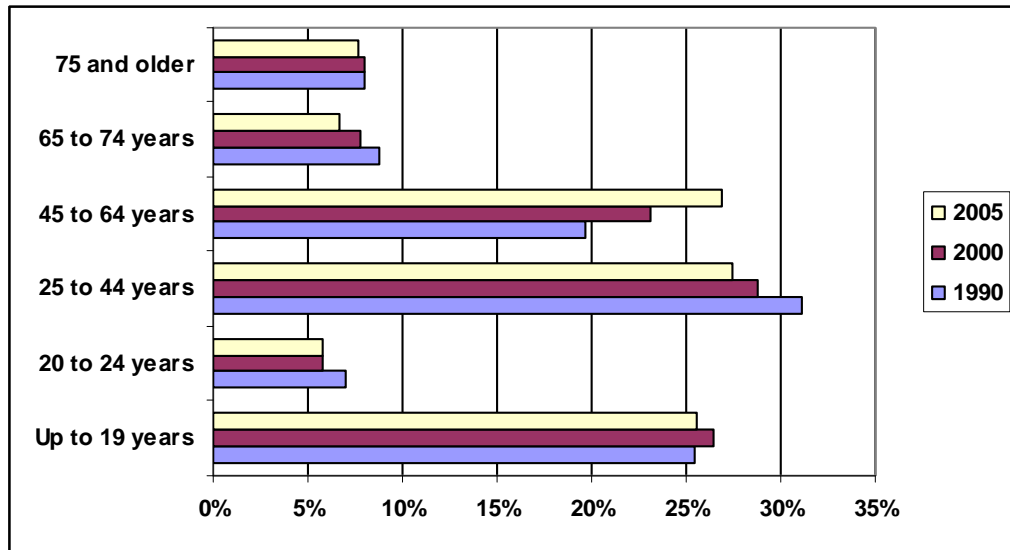
Figure 3-12

The Diversity of the Lehigh Valley Population						
	1990		2000		2005	
	Number	%	Number	%	Number	%
White	504,459	93.7%	515,229	89.0%	514,468	86.2%
African American	12,045	2.2%	18,497	3.2%	24,063	4.0%
American Indian/Alaska Native	529	0.1%	961	0.2%	631	0.1%
Asian/Pacific Islander	6,370	1.2%	10,405	1.8%	14,236	2.4%
Other race	14,832	2.8%	24,650	4.3%	35,423	5.9%
Two or more races	-	-	9,414	1.6%	8,050	1.3%
Total	538,235	100.0%	579,156	100.0%	596,871	100.0%
Hispanic Origin, any race	26,592	4.9%	49,749	8.6%	66,971	11.2%

Source: U.S. Census Bureau

Lehigh Valley residents are aging. Baby boomers in the 45-64 age group comprised 27% of the population in 2005 compared to 20% just five years earlier. Residents in the 25-44 age group declined from 31% of the population in 1990 to 27% in 2005.

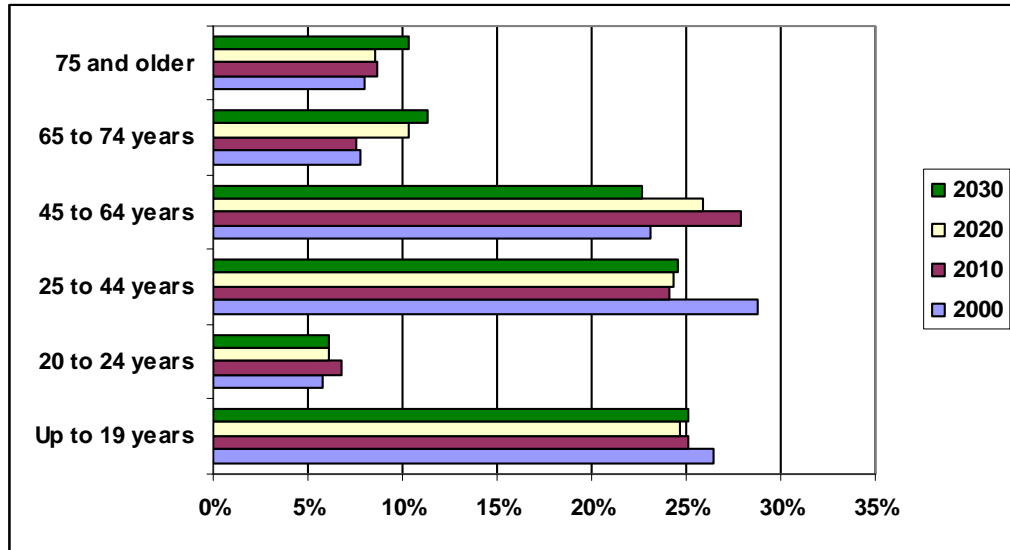
Figure 3-13: Trends in Population Age Cohorts in the Lehigh Valley, 1990-2005



Source: U.S. Census Bureau

Age cohort forecasts prepared by LVPC reveal that the “baby boomers” will gradually become the “elder boomers” as this group ages over the next twenty years. Persons 65-74 years of age will increase from 8% in 2000 to 11% by 2030. Persons 75 years and older will also increase but only to 10% of the population. Persons 25-44, who comprise the primary labor force and become homebuyers, will decrease from 29% to 25% of the population by 2030.

Figure 3-14: Forecasts of Age Cohorts in the Lehigh Valley, 2010-2030



Source: Lehigh Valley Planning Commission

The future population, both total population and the age of the future population, impacts housing demand. Population change over time has two components: natural change and migration. Natural change is the growth of the population from more births than deaths. Migration is the net sum of the number of persons who move into an area minus the number of people who moved out during the same period. Of the two components of population change, natural increase is the more predictable and stable because birth and death rates are a function of the age distribution of the existing population. Migration is based on some condition that attracts persons to an area such as job opportunities for working age people or the living environment, which is often an attraction for retirees. Thus, migration projections are tied to projections about the state of the economy. The population resulting from migration will need housing. The type and location of the housing needed by migrants will be determined by the age and income of the migrant population in addition to locational choices related to their job, desire to be near services such as transportation and schools, or other amenities. The population resulting from natural increase will need decent safe housing suited to their locational preferences and household circumstances.