Socio-Economic Trends and Future Land Use Implications
How will current and coming socio-economic trends influence land-use decisions and impacts?

- Jobs
  - Labor Force
  - Top Industries
  - Average Wage
  - Growth Trends

- Housing
  - Existing Land Use
  - Proposed Land Use
  - Demand for Housing
  - Land Use

- People
  - Population Growth
  - Age Distribution
  - Income Levels

- Retail
  - Consumer Expenditures
  - Trends by Type
  - Economic Indicators

- Cultural Preferences
People

- Population growth
- Household (HH) Formation
- HH type and size
- Race
- Age
- Median HH Income
- HH Tenure
Average Household Size

Pennsylvania:
- 1990: 2.87
- 2000: 2.44
- 2010: 2.44
- 2018: 2.44

United States:
- 1990: 2.62
- 2000: 2.57
- 2010: 2.57
- 2018: 2.57

15% percent decrease

2% percent decrease
The Return of the Multi-Generational Family Household

- Hispanics, blacks, and Asians are all significantly more likely than whites to live in a multi-generational family household.

**US Population Living in Multi-Generational Family Households, 1940-2008 (Millions)**

**Share of Population in Multi-Generational Family Households, by Race/Ethnicity, 2008**

## Pennsylvania at a Glance:

### Hispanic Population

<table>
<thead>
<tr>
<th>Metric</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Population</td>
<td>750,000</td>
</tr>
<tr>
<td>Percent of state population</td>
<td>6%</td>
</tr>
<tr>
<td>Median age</td>
<td>25 years</td>
</tr>
<tr>
<td>Median annual personal earnings, 16+</td>
<td>$20,000</td>
</tr>
<tr>
<td>Poverty rate, 17 and younger</td>
<td>45%</td>
</tr>
<tr>
<td>Without health insurance</td>
<td>22%</td>
</tr>
<tr>
<td>Percent homeownership</td>
<td>42%</td>
</tr>
<tr>
<td>Percent of all K-12 student</td>
<td>9%</td>
</tr>
</tbody>
</table>
Hispanic Share of the Population by County

Source: Pew Research Center, Census Bureau
Growth of Hispanic Population by County (2000-2011)
Top 10 Counties by Percent Hispanic Growth, 2000-2011

<table>
<thead>
<tr>
<th>Top 10 Counties</th>
<th>% Hispanic Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Stewart County, GA</td>
<td>1754%</td>
</tr>
<tr>
<td>2 Telfair County, GA</td>
<td>849%</td>
</tr>
<tr>
<td>3 Beadle County, SD</td>
<td>807%</td>
</tr>
<tr>
<td>4 Adams County, MS</td>
<td>697%</td>
</tr>
<tr>
<td>5 Trempealeau County, WI</td>
<td>616%</td>
</tr>
<tr>
<td>6 Luzerne County, PA</td>
<td>523%</td>
</tr>
<tr>
<td>7 Sevier County, TN</td>
<td>452%</td>
</tr>
<tr>
<td>8 Frederick County, VA</td>
<td>446%</td>
</tr>
<tr>
<td>9 Paulding County, GA</td>
<td>443%</td>
</tr>
<tr>
<td>10 Macon County, NC</td>
<td>400%</td>
</tr>
</tbody>
</table>

Hispanic Households

68.47% Increase

2000: 9.2 MILLION
2012: 15.5 MILLION

Non-Hispanic Households

0.7% Increase

2000: 100.1 MILLION
2012: 100.8 MILLION

Age Cohort Changes by Annualized Percentage Change, 2010-2018
The existence of aging baby boomers alongside other older demographic groups like the millennials has created not one single market segment, but a variety of market segments.
Lower fertility rates and fewer kids per household, than in decades past, has implications for land-use decisions involving housing, businesses and school facilities.
Millennials Living at Home (2012)
Percent of adults age 18 to 31 living at the home of their parents

Increase in Living at Home Concentrated among Less-educated Young Adults (2007 and 2012)
Percent living at home of parents(s)

Source: Pew Research Center, 2012
Millennials Living at Home (2012)

Percent of adults age 18 to 31 living at the home of their parents

<table>
<thead>
<tr>
<th>Labor Force Status</th>
<th>Not in Labor Force</th>
<th>Unemployed</th>
<th>Employed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Educational Attainment</td>
<td>Bachelor's Degree+</td>
<td>Some College</td>
<td>HS Grad or Less</td>
</tr>
<tr>
<td>Gender</td>
<td>Female</td>
<td>Male</td>
<td></td>
</tr>
<tr>
<td>Age</td>
<td>25-31</td>
<td>18-24</td>
<td></td>
</tr>
<tr>
<td>All Millennials</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Increase in Living at Home Concentrated among Less-educated Young Adults (2007 and 2012)

Percent living at home of parents(s)

Ages 25-31
- Bachelor’s Degree+: 2007: [value], 2012: [value]
- Some College: 2007: [value], 2012: [value]
- HS Grad or Less: 2007: [value], 2012: [value]

Ages 18-24
- Bachelor’s Degree+: 2007: [value], 2012: [value]
- Some College: 2007: [value], 2012: [value]
- HS Grad or Less: 2007: [value], 2012: [value]

Legend:
- Orange: 2007
- Blue: 2012
Median Household Income Comparison

- **Pennsylvania**
  - 2000 (Nominal): $40,000
  - 2013 (Nominal): $50,000
  - 2013 (in 2000 Prices): $36,000
  - 11.3% decline since 2000 after adjusting for inflation

- **United States**
  - 2000 (Nominal): $45,000
  - 2013 (Nominal): $55,000
  - 2013 (in 2000 Prices): $40,000
  - 9.2% decline since 2000 after adjusting for inflation
In short, consumers, who represent nearly 70-percent of U.S. Gross Domestic Product, are all but tapped out financially.
• Labor Force
• Top Industries
• Average Wage
• Growth Trends

Jobs
Job Trends

From 2010 to 2013, Pennsylvania gained approximately 7,600 new jobs, of which approximately 45 percent (3,400 jobs) were considered mid wage jobs—the highest percent share for all northeastern states.

Middle Wage Job Trends: Northeast

Source: QCEW Employees, Non-QCEW Employees & Self-Employed - EMSI 2013.3 Class of Worker
Average Earnings per Job (2013)

- Pittsburgh MSA: $56,975
- Philadelphia MSA: $64,785

Data source: QCEW Employees, Non-QCEW Employees & Self-Employed - EMSI 2013.3 Class of Worker
Pittsburgh MSA
2013 Jobs: 1.2 million
2010-2013 Change: 3%

Philadelphia MSA
2013 Jobs: 2.9 million
2010-2013 Change: 2%

Data source: QCEW Employees, Non-QCEW Employees & Self-Employed - EMSI 2013.3 Class of Worker
Housing

Housing Trends

- Location (urban vs suburban, proximity to amenities)
- Size (bedrooms, sq.ft.)
- Type
- Tenure
Life-Style Oriented and Inter-Generational

“Seniors of today, especially the Boomers, do not want to be isolated.
Millennials Don’t Want Your House

Young adults are averse to taking on more debt; experts say they could become 'career renters.'
Smaller is Better

More U.S. cities are embracing tiny apartments to house the boom in single residents.
Hispanics to Shape Future Housing Demand

Major Reason to Buy a Home

56 Percent of Hispanics consider buying a home a symbol of success

66 Percent of Hispanics buy a home to be closer to work, family, and friends.

VS.

32 Percent of All Americans

55 Percent of all Americans

Source: National Association of Hispanic Real Estate Professionals, 2013
The Rise of Walkable Urban Places

The next real estate cycle will be defined by the rise of Walkable Urban Places (WalkUPs) and the fall of sprawl development.

(Christopher Leinberger, Center for Real Estate and Urban Analysis)
Retail

- Consumer expenditures
- Vacancy rates and rents
- Trends by Type (regional vs neighborhood)
- Cultural preferences
The Death of the American Shopping Mall

“This declining retailer health of American malls and shopping centers in the form of very high vacancy rates and sluggish rents is an indicator that supply exceeds demand...
Purchase Power and Preferences

Hispanic households have purchase preferences that influence shopping habits for housing, and goods and services.

- Focus on family-oriented events
- Early adopters of technology and social media for shopping and entertainment
- Cook more frequently at home

Source: Univision, 2013
4WARD TM
PLANNING

Economic
Social
Fiscal
Environmental

So what?
Residential Land Use Implications

• Suburban areas need to allow for mixed-income, inter-generational housing near urban amenities means allowing for infill opportunities at higher densities (in-law suites)
• Urban areas need to permit for higher density, smaller housing options (micro-units)

"The future of American planning and public policy will be geared to meeting the needs of households without children."
Retail-Led Development is a Thing of the Past

• Many retail shopping centers and regional malls will need to be repurposed.
• Zoning needs to permit for a mixed of uses within retail centers.
• In suburban communities obsolescent shopping centers could become new town centers.
Pay Attention to Technology!

Rise of technology's role in business means less office space per worker.

Heard of "Show Rooming?"