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APPENDIX F:

**TECHNICAL MEMORANDUM:
ECONOMIC AND DEMOGRAPHIC
CONDITIONS AND TRENDS**

Technical Memorandum

Chicopee West End Study: Economic and Demographic Conditions and Trends

To: Cecil Group
From: FXM Associates
Date: September 12, 2011

I. Introduction

The City of Chicopee is located in western Massachusetts in Hampden County about a mile east of the junction of I-90 and I-91. This Technical Memorandum is part of the Brownfields Area-Wide Planning Project for the Chicopee West End neighborhood.

This Technical Memo assesses key population, business and employment characteristics and trends affecting economic development potential in the city of Chicopee. Data have been compiled and analyzed for the Brownfields Study Area, the City of Chicopee, Hampden County and Massachusetts overall.

The Brownfields Study Area is shown in Figure 1.

This Introduction section notes data sources used for the analysis. Section II covers Study Area Characteristics for the Brownfields Area-Wide Planning Project in the Chicopee West End neighborhood. Section III discusses Population-related Trends, and Section IV assesses Employment-related Trends in Chicopee and Hampden County.

Data Sources

FXM compiled extensive population, income and employment data from public and private data sources. These were:

- US Department of Commerce, Bureau of Economic Analysis, Regional Economic Information System, 2010. Tables CA 04, county level income and employment summary; CA 25N, full and part-time employment by NAICS industry code; CA 25, county level full and part-time employment by SIC industry code; and CA 30, regional economic profile including population and employment.
- US Bureau of Labor Statistics (“BLS”). Quarterly Census of Wages and Employment by NAICS industry code.
- US Census Bureau, Division of Population Estimates, 1990-2010 estimates for cities and towns. On the Web at www.census.gov/popest/cities/SUB-EST2010-states.html; and Tables SUB-EST2008-0525 and SU-99-10_RI.
- Massachusetts Executive Office of Labor and Workforce Development (“Mass Labor”), 2010. ES-202, Employment and wages data; CES-790, Current Employment Statistics.

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- Nielsen Claritas Business Data and Site Reports, 2010. Proprietary demographic and employment data for calendar year 2010.
- Claritas Site Reports and Claritas Business Facts for the Year 2010, by the Nielsen Company, August 3, 2011. Claritas is a proprietary data service that purports to use the most recent US Economic Census and “other” government and private data sources, including proprietary algorithms to disaggregate the data to the community level. Claritas provides data for their current or most recent year estimates (2010), and 5-year projections for certain population-related variables.
- The Massachusetts Department of Labor & Workforce Training (MassDOL) provides job and wage estimates for a generalized list of industries at the community level. The job estimates provided by MassDOL (called ES 202 data series) are only for those jobs covered by unemployment insurance. This data does not include self-employed or part-time workers who are not covered by unemployment insurance. MassDOL job estimates may be below the estimates provided by Claritas or other local estimates, as many industries are comprised of small firms or individuals not covered by unemployment insurance (especially professional and technical services, retail and financial services). However, MassDOL does provide 10-year historical data at the community level that is not available from any other source.
- Pioneer Valley Planning Commission’s historical and forecast data on population, households and employment estimates for the City of Chicopee from the PVPC’s Draft of Regional Transportation Plan (RTP), Chapter 10.

These sources provided continuous data on changes in population and employment characteristics at the county level from 1969 to 2000 by SIC industry group code and from 2001-2009/10 by NAICS industry group code. SIC stands for Standard Industry Classification and was the employment classification system used by the states and federal government to track employment data by industry. In 2001, the federal government adopted the North American Industry Classification System (NAICS) that established a common industry classification system for the US, Mexico and Canada. FXM conducted extensive analysis of SIC and NAICS data for Massachusetts and Hampden County to establish a consistent dataset for 1990 to 2010 based on NAICS industry classifications to analyze trends in state and county employment.

Nielsen Claritas Site Reports is a proprietary database, which provides annual detailed demographic and employment estimates and is reconciled with government estimates only for Census years. For all other years, Claritas conducts independent research and uses proprietary formulas to derive its estimates.

Figure 1. Chicopee Brownfields Study Area



II. Brownfields Study Area Characteristics

The Brownfields Area-Wide Planning Project Study Area is located in west Chicopee. The Study Area is bounded by the Connecticut River on the west, the Chicopee River on the north and SR 116 on the southeast. I-391 runs north-south through the site, and its interchange with the Massachusetts Turnpike (I-90) is located about one mile north of the site. The I-391/I-91 interchange lies about a mile south of the site, thus giving the Brownfields Study Area excellent regional access.

Demographics

Table A compares population and households within the Brownfields Study Area to those within the City of Chicopee, Hampden County and Massachusetts overall, and it shows projected changes in each through 2015. In 2010, the Brownfields Study Area had an estimated population of 1,300 people and 600 households. The Study Area has fewer persons per household than the city, county and state; this is expected to increase slightly from 2.14 in 2010 to 2.16 in 2015. Both population and households within the City and County are expected to decline slightly through 2015.¹

Table A. Regional Population and Households, 1990 - 2015

Population	Study Area	Chicopee	Hampden Co	Massachusetts
1990 Census	1,269	56,649	456,310	6,016,425
2000 Census	1,302	54,670	456,228	6,349,097
2010 Estimate	1,299	54,072	461,022	6,535,679
2015 Projection	1,287	53,310	459,663	6,575,093
Growth 1990-2000	2.60%	-3.49%	-0.02%	5.53%
Growth 2000-2010	-0.23%	-1.09%	1.05%	2.94%
Growth 2010-2015	-0.92%	-1.41%	-0.29%	0.60%

Households	Study Area	Chicopee	Hampden Co	Massachusetts
1990 Census	593	22,634	169,906	2,247,110
2000 Census	614	23,126	175,288	2,443,580
2010 Estimate	606	23,100	177,279	2,521,928
2015 Projection	597	22,865	176,565	2,536,967
Growth 1990-2000	3.54%	2.17%	3.17%	8.74%
Growth 2000-2010	-1.30%	-0.11%	1.14%	3.21%
Growth 2010-2015	-1.49%	-1.02%	-0.40%	0.60%

Source: Claritas SiteReports, 2010.

Selected key demographic variables in the Brownfields Study Area are compared to the City of Chicopee and Hampden County in Table B using Claritas *Site Reports* estimates for 2009. Key observations from Table B include:

- Persons per household in the Study Area (2.14) are fewer than in the City (2.34) and Hampden County as a whole (2.59).
- More than a third (37%) of persons aged 25 and over in the Brownfields Study Area have not completed a high school level education compared to 19% in the City of Chicopee and 16% in Hampden County overall.

¹ Claritas Demographic Snapshot, 2010.

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- For residents of the Brownfields Study Area, Median Household Income (\$27,716) is about 70% of median household income in the City (\$43,489) and 45% of Hampden County overall (\$48,052). Per Capita Income (\$18,505) is about 82% of that for residents of the overall City of Chicopee. Twenty-eight percent (27%) of Families in the Brownfields Study Area have incomes below the Poverty Level, compared to 11% in the City and 13% in Hampden County overall.
- The lower income levels in the Project Area are partly explained by the higher percentage of persons over age 16 who are Not in the Labor Force -- 40% in the Study Area compared to 37% in the City and County overall -- and are further reinforced by the lower Number of Vehicles per Household (1.1 in the Study Area compared to 1.6 in the City and County overall). Nearly 29% of household in the Study Area have no vehicles compared to 12% of households in the City and County who report having no vehicles.
- The majority (77%) of housing units in the Project Area are Renter Occupied. For those few that are Owner Occupied, the Median Value of this housing is about 85% of that of other housing in Chicopee.
- Only a few households in the Project Area live in residential structures with 50 or more units; most are in groups of 3 to 19 units (64%). Only about 11% of households are in single-family homes.

Table B. Selected Brownfields Study Area Demographic Characteristics (2010)

Description	Study Area	City of Chicopee	Hampden County
2010 Est. Population	1,299	54,072	459,663
2010 Est. Households	606	23,100	177,279
Persons per Household	2.14	2.34	2.59
Median Age, years	31.50	40.6	37.46
Educational Attainment (Age 25+)			
Less than 9th grade	18.8%	6.6%	6.0%
Some high school, no diploma	18.2%	12.5%	10.0%
High school graduate	31.5%	39.7%	33.3%
College	31.5%	41.2%	50.7%
Median Household Income	\$27,716	\$43,489	\$48,052
Per Capita Income	\$18,505	\$22,464	\$23,948
% Families Below Poverty Level	27.3%	11.4%	12.8%
Population Age 16+ by Employment Status			
Not in Labor Force	39.5%	36.7%	36.7%
Unemployed	7.4%	4.8%	5.6%
Employed	53.1%	57.9%	57.5%
Population Age 16+ by Occupation Classification			
Blue Collar	43.0%	29.0%	22.2%
Service and Farm	19.5%	19.4%	19.1%
White Collar	37.5%	51.6%	58.7%
Average travel time to work, minutes	23.5	20.8	23.6
Average number of vehicles per household	1.1	1.5	1.6
% with No Vehicles in Household	28.7%	11.6%	12.5%
Tenure of Occupied Housing Units			
Owner Occupied	23.4%	61.6%	64.3%
Renter Occupied	76.6%	34.4%	35.7%
Median Value Owner-Occupied Housing	\$140,079	\$164,198	\$181,003
Housing Units by Units in Structure			
1 unit attached	1.2%	5.1%	3.5%
1 unit detached	10.4%	46.2%	56.4%
2 units	17.4%	13.6%	11.8%
3 to 19 units	64.2%	26.6%	19.1%
20 to 49 units	4.9%	2.6%	3.0%
50 or more units	1.8%	3.9%	5.0%
Modile home, trailer, boat, RV, etc.	0.0%	2.0%	1.2%

Source: Claritas SiteReports, 2010

Employment and Businesses

There are an estimated 153 business establishments within the Chicopee Brownfields Study Area with more than 1,100 employees and nearly \$119 million in annual business sales. Table C summarizes the number of establishments, employees and sales by major industry group for the Brownfields Study Area, Chicopee overall and Hampden County. The Brownfields Study Area contains about 5% of total jobs and less than 1% of business sales in the City of Chicopee.² Other observations from the data shown in Table C include:

- The estimated 12 manufacturers within the Brownfields Study Area comprise 12% of all manufacturing establishments in Chicopee overall. These businesses account for 14% of city-wide manufacturing jobs and 17% of city-wide manufacturing sales, so most manufacturers within the Study area are comparable to city-wide averages in manufacturing.
- The retail sector is the industry group least represented in the Brownfields Study Area relative to all business types, accounting for less than 4% of city-wide retail jobs and business sales.

Table D shows a more detailed breakdown of establishments and business sales for key sectors within the Brownfields Study Area. A single establishment in Chemicals and Allied Products is the leading generator of business sales in the Brownfields Study Area with 18% of all Brownfields Study Area sales; however it accounts for only 1% of Citywide sales in that industry. Wholesale Trade businesses capture 11% of Study Area sales and 19% of Citywide Wholesale Trade Services.

Table E presents similar data for employees by industry. Wholesale Trade, Educational Services, and Eating and Drinking Places are the top categories in number of employees (although the numbers of employees in each category is relatively small). These three categories account for 33% of sales and 16% of employment in the Brownfields Study Area.

² Claritas Business Facts for Massachusetts, Hampden County and City of Chicopee, 2010.

Table C. Summary of Employment by Geographic Area (2010)

Hampden County

SIC Code	Business Description	Total Establishment	Total Employees	Sales (in Millions)	Sales Per Employee
TOT	All Industries	17,007	235,157	24,080.9	\$102,404
MAN	All Manufacturing (SIC 20-39)	1,004	26,780	2,168.3	\$80,967
RET	All Retailing (SIC 52-59)	3,520	40,761	4,414.8	\$108,309
SERV	All Services (SIC 70-89)	7,163	104,332	9,699	\$92,965
ADM	Public Administration (SIC 90-97)	650	11,071	0	\$0

Chicopee City

SIC Code	Business Description	Total Establishment	Total Employees	Sales (in Millions)	Sales Per Employee
TOT	All Industries	1,588	20,787	2,116.3	\$101,809
MAN	All Manufacturing (SIC 20-39)	102	2,780	220.3	\$79,245
RET	All Retailing (SIC 52-59)	369	3,965	435.7	\$109,887
SERV	All Services (SIC 70-89)	600	6,587	568.5	\$86,306
ADM	Public Administration (SIC 90-97)	72	1,730	0.0	\$0

Study Area

SIC Code	Business Description	Total Establishment	Total Employees	Sales (in Millions)	Sales Per Employee
TOT	All Industries	153	1,138	118.8	\$104,394
MAN	All Manufacturing (SIC 20-39)	12	401	36.3	\$90,524
RET	All Retailing (SIC 52-59)	26	147	11.8	\$80,272
SERV	All Services (SIC 70-89)	54	232	23.5	\$101,293
ADM	Public Administration (SIC 90-97)	16	93	0	\$0

Source: Claritas SiteReports, 2010 and FXM Associates

Table D. Key Study Area Sales by Category for 2010

Business Description	Establishment	Sales*	% of Study Area Total Sales	% of Chicopee City Category Sales	% of Hampden County Category Sales
Chemicals and Allied Product	1	21.5	18.1%	1.0%	0.2%
Wholesale Trade	10	13.0	10.9%	18.7%	8.6%
Educational Services	3	4.9	4.1%	9.0%	9.4%
Construction-Special Trade C	3	3.7	3.1%	8.5%	3.7%
Automobile Dealers and Gas	1	.4	0.3%	5.1%	4.3%
Social Services	1	.2	0.2%	4.0%	4.9%
Health Services	7	1.5	1.3%	3.9%	12.1%
General Merchandise Stores	1	.3	0.3%	3.7%	1.9%
Eating and Drinking Places	8	2.8	2.4%	3.4%	2.9%
Depository Institutions	4	11.7	9.8%	3.1%	2.6%
Food Stores	5	2.9	2.4%	2.8%	2.8%
Real Estate	8	4.3	3.6%	2.3%	2.5%

* in millions of dollars per year

Source: Claritas Site Reports, 2010, and FXM Associates

Table E. Key Study Area Employees by Category for 2010

Business Description	Establishment	Employees	% of Study Area Total Employees	% of Chicopee City Category Employees	% of Hampden County Category Sales
Wholesale Trade	10	64	5.6%	10.0%	4.8%
Educational Services	3	47	4.1%	9.0%	9.6%
Eating and Drinking Places	8	68	6.0%	7.6%	6.6%
Social Services	1	2	0.2%	5.3%	6.2%
Construction-Special Trade C	3	21	1.8%	5.2%	2.4%
Health Services	7	14	1.2%	4.7%	13.5%
Exec., Leg. and Gen. Govt.	9	51	4.5%	4.7%	1.6%
General Merchandise Stores	1	5	0.4%	3.5%	1.8%
Paper and Allied Products	1	20	1.8%	2.9%	1.1%
Amusement and Recreational	2	3	0.3%	2.6%	1.4%
Motor Freight Transportation	2	8	0.7%	2.1%	1.0%
Printing, Publishing and Allie	2	15	1.3%	2.0%	1.4%

Source: Claritas Site Reports, 2010, and FXM Associates

III. Population-related Trends

Hampden County has a population of 461,000 persons, and the City of Chicopee’s population is estimated at 54,000 persons (2010 estimates).³ As shown by data in Table A, Hampden County grew modestly in population and households over the past 10 years but grew significantly less than Massachusetts overall during that period. The City of Chicopee is estimated to have declined in population (-3.5%) but increased its number of households (1.1%) over this same period. According to data provided by Claritas *Site reports*, Chicopee is projected to continue to lose both population and households over the next five years, as shown by data in Table A.⁴

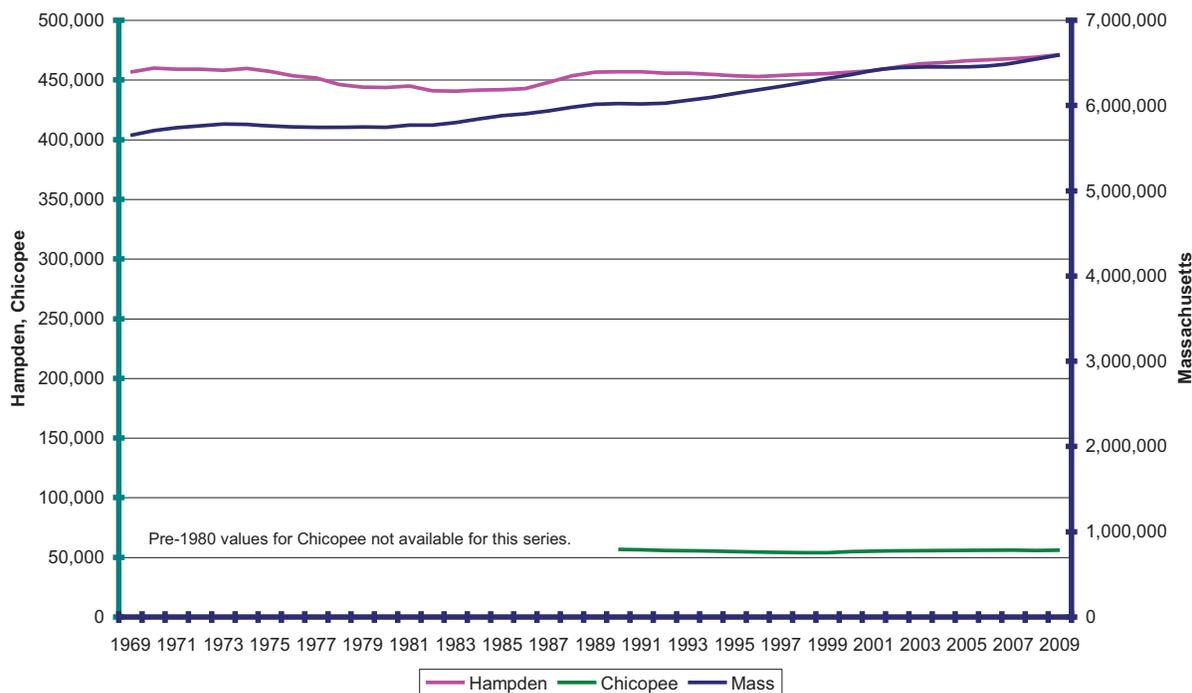
As indicated in Figure 2, Hampden County population has remained nearly constant since 1969, while the state has slowly but steadily gained population. Note that the scales are different with the left-hand scale applying to Hampden County and Chicopee and the right-hand scale applying to the state of Massachusetts.

Figure 3 compares annual population trends for Massachusetts, Hampden County and Chicopee from 1990 to 2009. This chart shows even more clearly than Table A the gradual increase in Massachusetts and Hampden County population from 2000 to 2009 and the relative stability of Chicopee population.

³ Claritas Site Reports, Massachusetts, Hampden County, city of Chicopee, 2010.

⁴ Ibid.

Figure 2. Hampden County and Massachusetts Population, 1969 - 2009



Source:

The 2009 population estimates for Chicopee and Hampden County do not match exactly the values in Table A because they are from different sources. The data in Figure 2 are from published government sources and are intended to show short- and long-term trends in major characteristics; they do not attempt to match the Claritas level of detail between Censuses.

One method commonly used to portray growth trends between two or more datasets is to create an index chart using a common base year and the ratio of annual values to that base year. For Chicopee, Hampden County and Massachusetts, 1990 was selected as a common base year. Growth relative to 1990 is shown in Figure 3; this graph clearly shows that the State of Massachusetts has grown steadily since 1992. Chicopee’s population declined from 1990 to 1999, increased between 1999 and 2003-2004, and has remained about the same since then.

A similar method is used to portray personal income data. That is to again use a common base year and illustrate income growth (total, by household or per capita) in current dollars (i.e., the year in which the dollars were earned) and in constant dollars (showing changes in relative purchasing power). Figure 4 shows the trend in per capita income for Massachusetts and Hampden County. These data are readily available only at the state and county levels. Income per capita has increased steadily since 1969, although statewide income has outpaced Hampden County income since 1990. Comparing Figures 4 and 5, which shows state and county per capita incomes in constant \$1969 dollars, Hampden County income doubled in current dollars between 1990 and 2009, but it increased by less than 20% in constant \$1990 dollars.

Current dollars are the value of income in the year it is recorded (i.e., \$1999 dollars are those earned in 1999), while constant dollars represented the change in purchasing power relative to

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the 1969 base year. As an example, an income of \$38,000 in 2000 only buys as much as \$30,000 would have in 1990. Personal income data were not available for the city of Chicopee.

The number of persons per household has been declining across the state since 1990, and as illustrated in Figure 6, that trend is reflected in Chicopee and Hampden County. Hampden County has approximately the same profile as Massachusetts, but Chicopee has a lower rate of persons per household at 2.34 versus 2.60 (2010 value).

As shown by data in Figure 7, 64% of all dwelling units are owner occupied in Hampden County and Massachusetts overall, while only about 23% of dwelling units are owner-occupied in the immediate Brownfields Study Area.

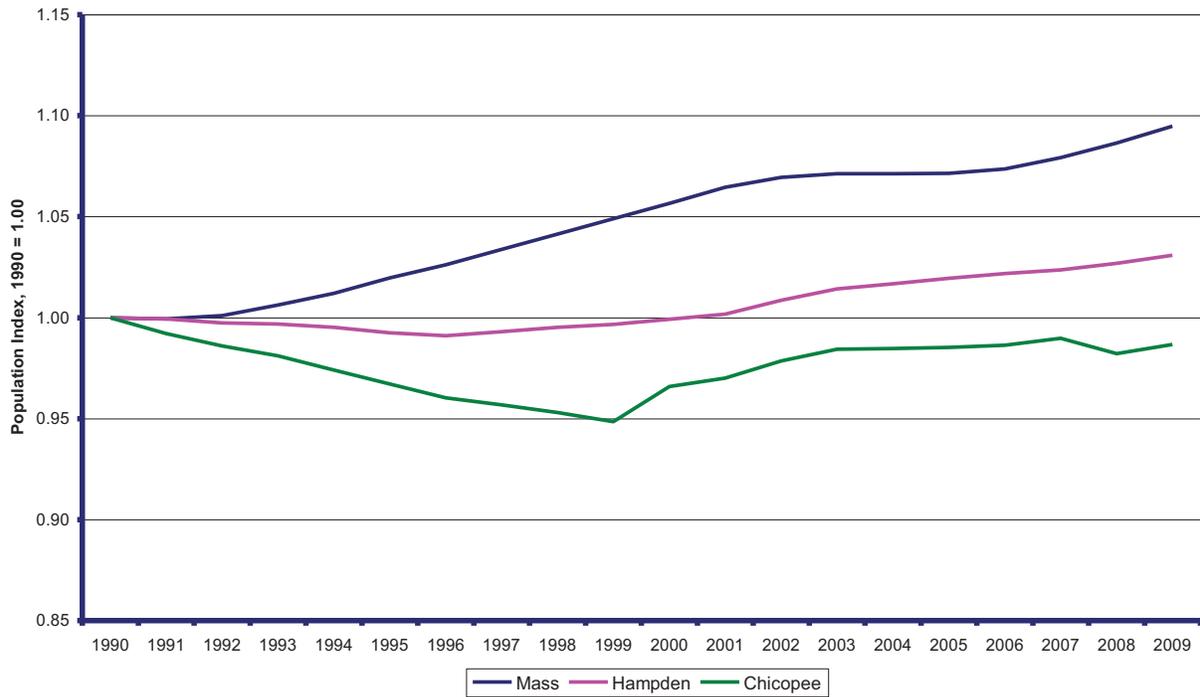
Other relevant demographic observations include:

- Both Hampden County (\$48,100) and Chicopee (\$43,500) have median household incomes significantly less than the statewide median (\$65,200). (Figure 8)
- Both Hampden County (\$23,900) and Chicopee (\$22,500) have per capita incomes significantly less than the statewide average (\$33,700). The Chicopee per capita income is only 67% of the state average. (Figure 8)
- Residents of Hampden County and Chicopee are significantly less well educated than the rest of the state. Only 23% of residents in Chicopee have college degrees compared to 33% for the county and 45% for the state as a whole. (Figure 9).
- About 45% of the Chicopee labor force lives and works in Chicopee.⁵
- Residents of Chicopee have a 15% shorter commute to work at 21 minutes than the average for Hampden County (24 minutes).⁶

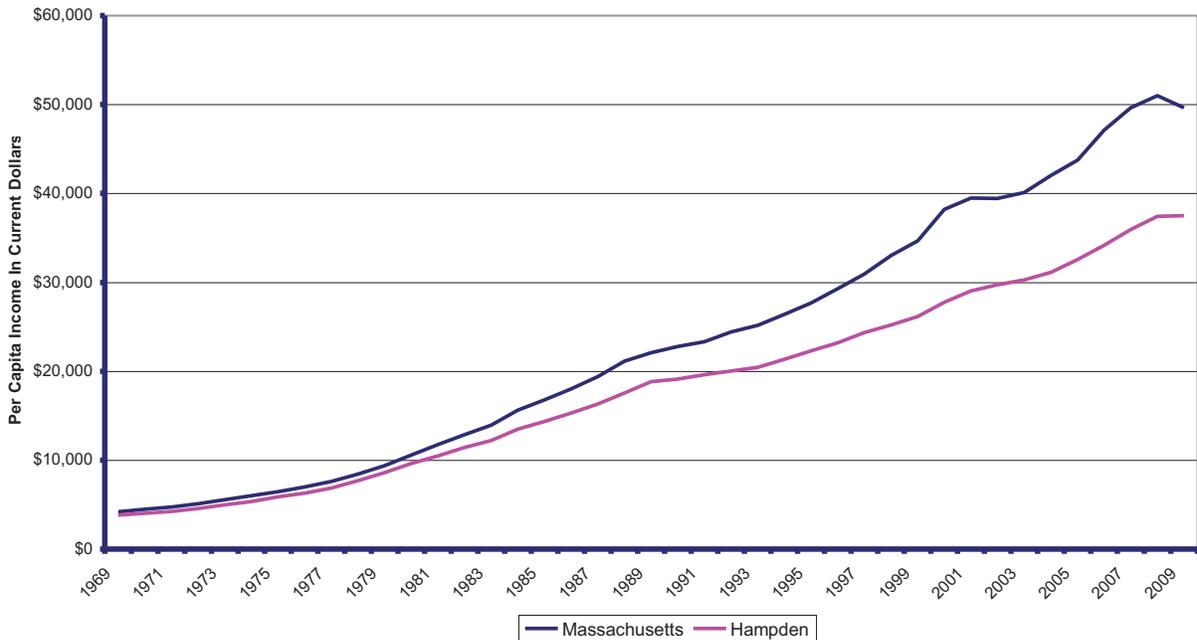
⁵ US Bureau of the Census, Journey-to-Work database, 2000.

⁶ Claritas Site Reports, 2010.

**Figure 3. Chicopee, Hampden County and Massachusetts Population Indices
1990 = 1.00**



**Figure 4. Hampden County Personal Income per Capita,
Current Dollars and Constant Dollars, 1969 - 2009**



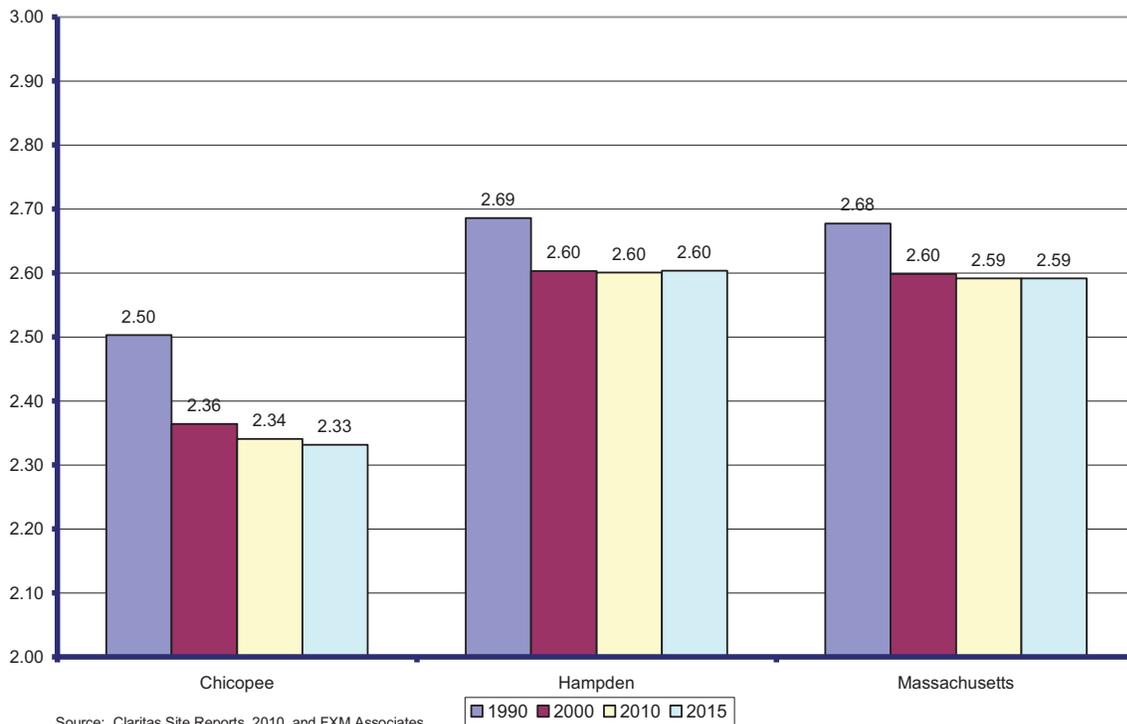
Source: US Department of Commerce, REIS Database, Table CA30 and FXM Associates.

Figure 5. Hampden County and Massachusetts Income per Capita, 1969 - 2009 in Constant \$1969 Dollars



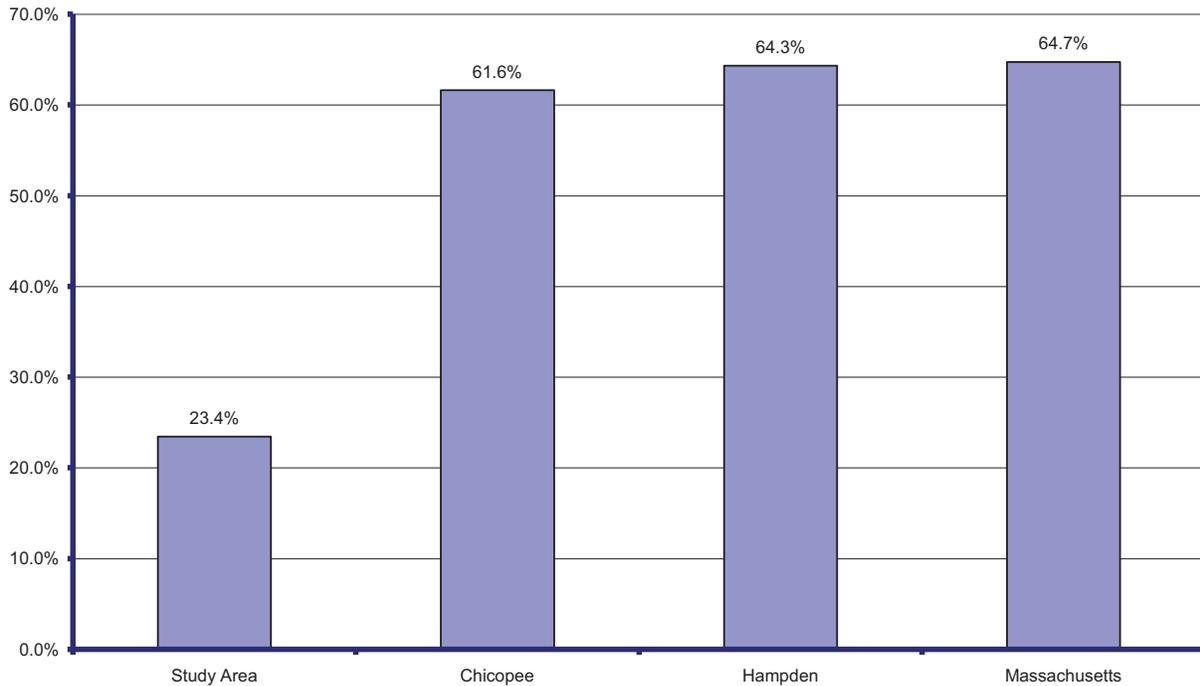
Source: US Department of Commerce, REIS Database, Table CA30 and FXM Associates.

Figure 6. Chicopee, Hampden County and Massachusetts Persons per Household, 1990 - 2015



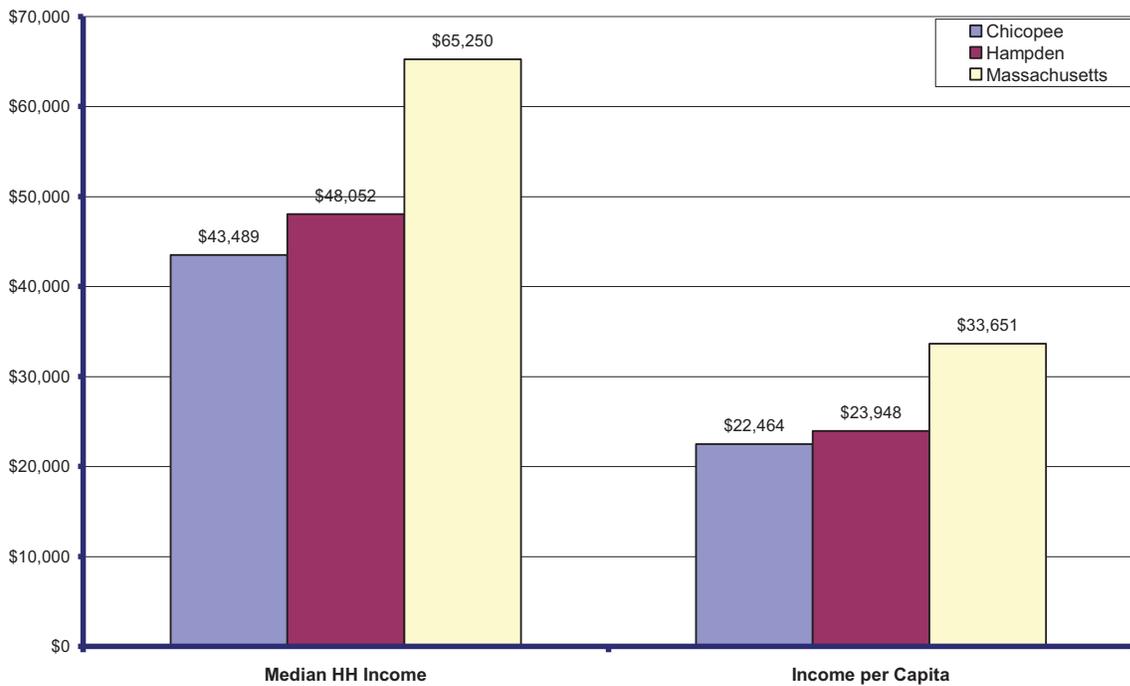
Source: Claritas Site Reports, 2010, and FXM Associates.

Figure 7. Percent of Dwellings Owner Occupied, 2009



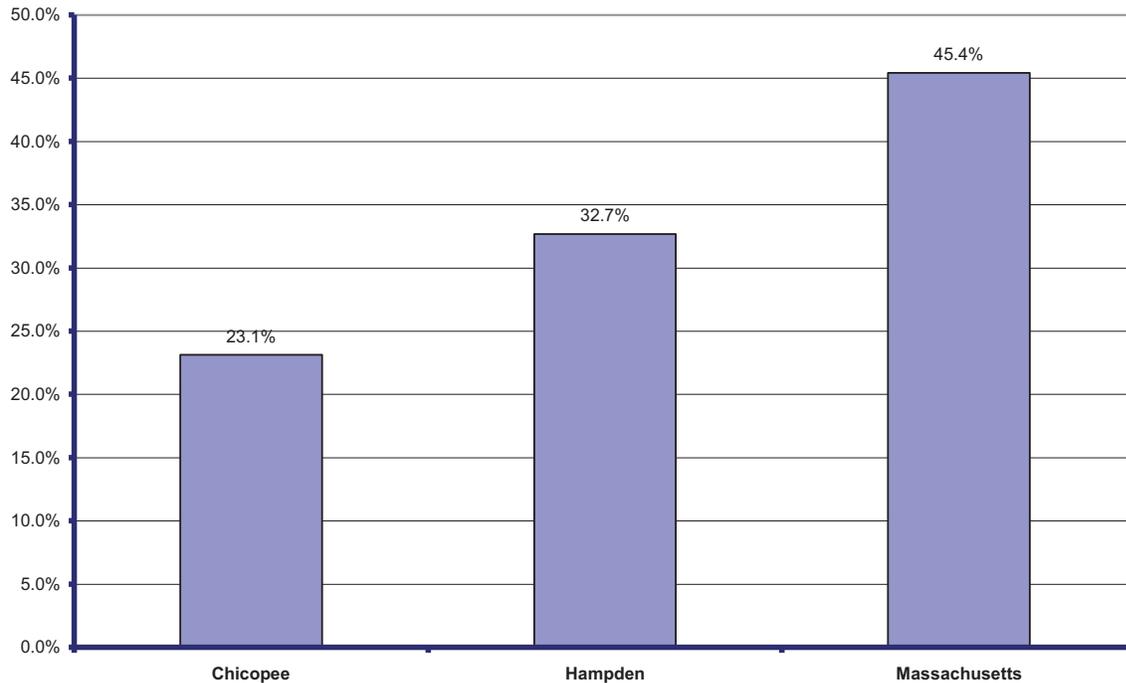
Source: Claritas Site Reports, 2010, and FXM Associates.

Figure 8. Chicopee, Hampden County and Massachusetts Income Comparison, 2010



Source: Claritas Site Reports, 2010, and FXM Associates.

**Figure 9. Chicopee, Hampden County and Massachusetts
Percent of Adult Population with College Degrees, 2009**



While historical changes in population and households are important to consider in understanding baseline, or Existing Conditions within the Brownfields Study Area, as well as the larger city-wide and county-wide social environment, they are not necessarily indicative of future conditions. Potential population and household growth over the long term and the assumptions that underlie such forecasts have been carefully considered by the regional planning agency (Pioneer Valley MPO for 2012 Update of the Regional Transportation Plan) in its forecasting process for year 2035 demographics. The same caveat needs to be considered in the subsequent section on Employment-related Trends.

IV. Employment-related Trends

Figure 10 shows long-term employment trends in Hampden County and Massachusetts for 1969 to 2009. The graph reflects that Hampden County’s employment generally parallels that of Massachusetts as a whole. There was decline in state and county employment from 1988 through 1991, but employment has steadily risen since that time.

Figure 11 shows the relative employment growth indexed to 1990 for the county and state for 1990 to 2009.

Figure 10. Hampden County and Massachusetts Employment, 1969 - 2009

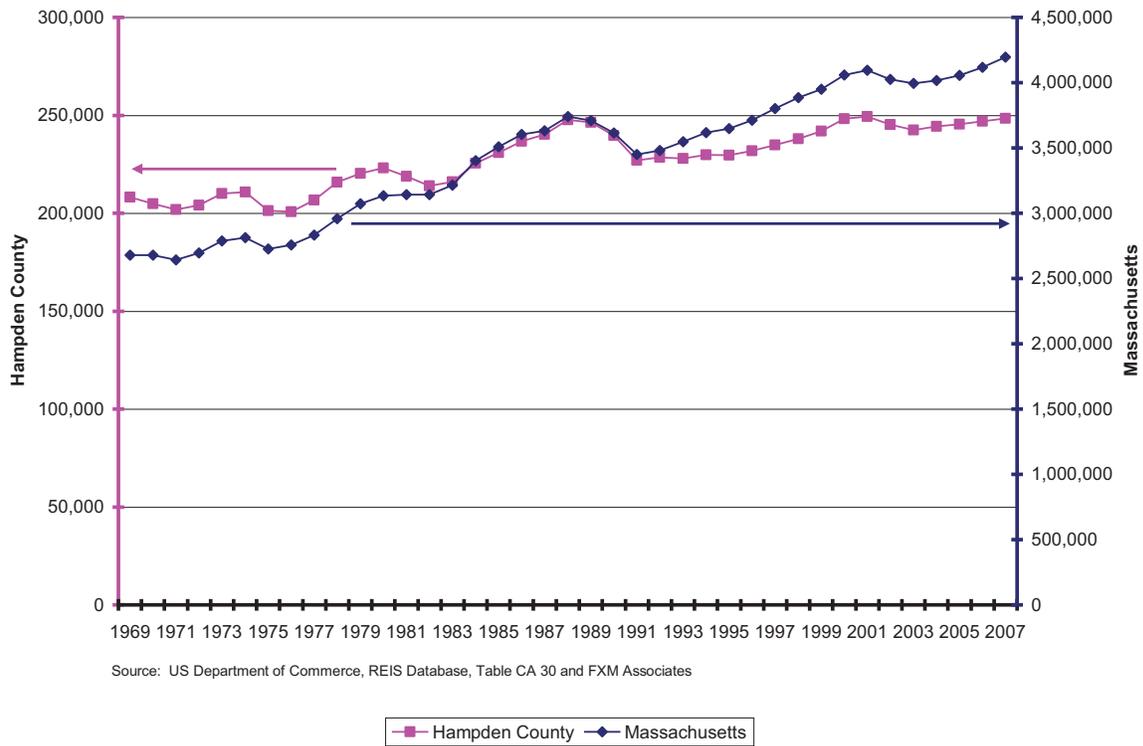


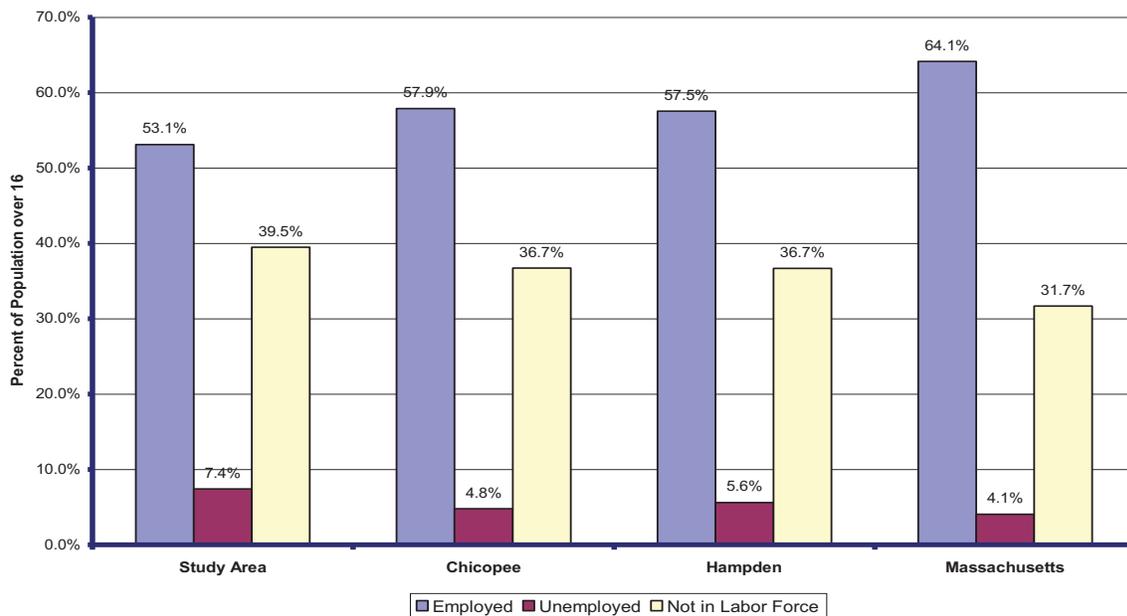
Figure 11. Hampden County and Massachusetts Employment Indices, 1990 = 1.00



Figures 12 through 14 present a snapshot of key employment characteristics for 2010 from Claritas Site Reports.

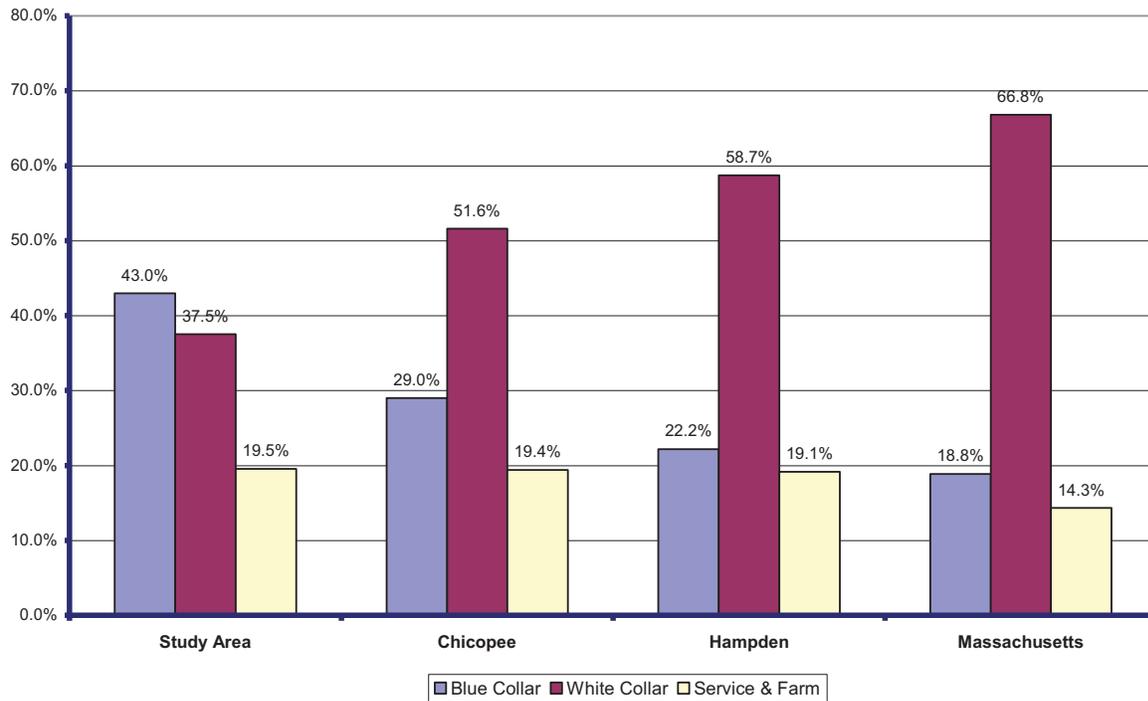
- Figure 12 indicates labor force status for the four geographic areas used in this analysis. The Brownfields Study Area has the lowest percent employed (53%) and the highest percentage not in the labor force (40%).
- Figure 13 shows that the city of Chicopee and the Brownfields Study Area have noticeably higher rates of blue collar employment compared to the County and the statewide averages.
- Figure 14 illustrates the percentage of employed persons by occupation in Chicopee, Hampden County and Massachusetts. This graph shows higher employment rates in Management, Office/Admin Support, Production and Sales-Related occupations, and it shows lower employment in Farming, Legal and Life Science occupations.

Figure 12. Employment Status, 2010



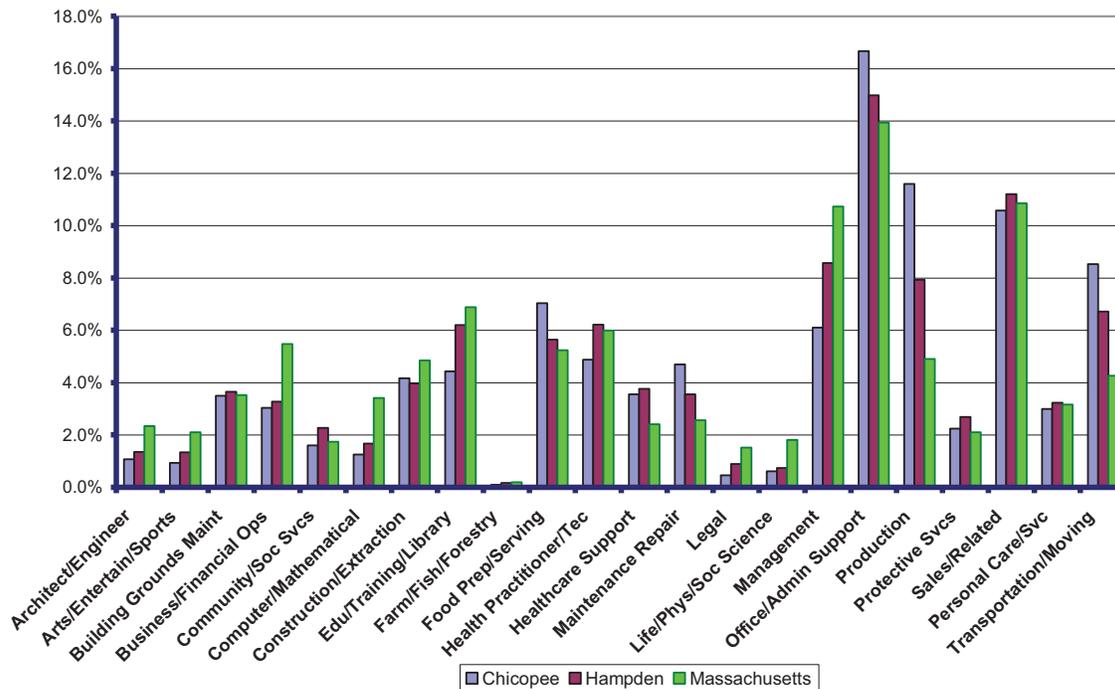
Source: Claritas Site Reports, 2010, and FXM Associates.

Figure 13. Percent of Workers by Occupation Class, 2009



Source: Claritas Site Reports, 2010, and FXM Associates.

Figure 14. Chicopee, Hampden County and Massachusetts Percent of Workers by Occupation, 2009



Source: Claritas Site Reports, 2010, and FXM Associates.

Figure 15 portrays long-term trends in Hampden County for total employment by wage and salary jobs and sole proprietors' employment. Both population and employment have been increasing slowly but steadily since 1991. Wage and salary employment declined after 2000 with roughly 200,000 jobs in 2009. However, the number of proprietors in the county has grown by 26% since 2000, indicating that one- and two-person firms have been a primary source of new jobs in recent years.

Figure 16 shows growth indices for total employment and total county population indexed to 1990 levels. County population dipped from 1990 to 1996, while employment has been up and down for the past two decades. The latest downward trend shows total employment approaching the same level as in 1990.

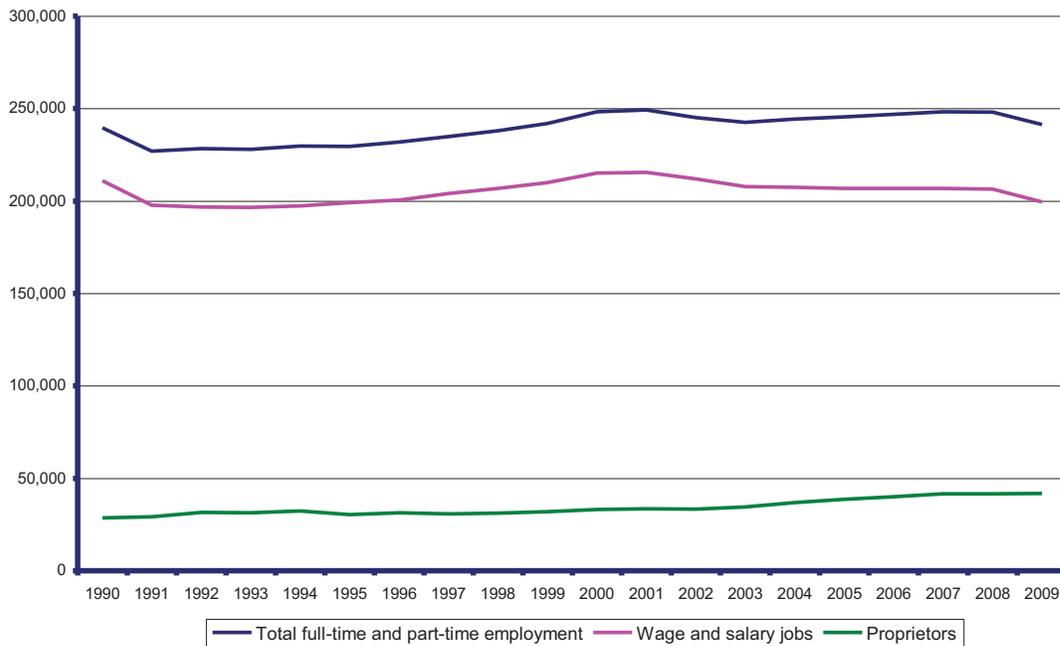
Figure 17 shows Massachusetts jobs per capita increased from 0.60 in 1990 to 0.65 in 2008 but dropped to 0.62 by 2009. Values for Hampden County have been more constant going from 0.52 jobs per capita in 1990 to 0.51 in 2009.

Employment in Chicopee is shown in Figure 18 for wage and salary employment that is covered by state unemployment insurance. Although this graph does not account for all employment in Chicopee, it does provide a good indication of recent trends. Total ES 202 employment in Chicopee has declined in recent years with 21,000 jobs in 2001 and about 18,500 jobs in 2010.

Figure 19 illustrates the trends in major sectors of employment in Chicopee from 2001 to 2010. The major job categories are Manufacturing, Health Care and Social Services, and Retail Trade. Manufacturing has declined by about 35% since 2001, Retail Trade has grown by about 22%, and Educational Services increased by 20%; other categories have remained relatively constant.

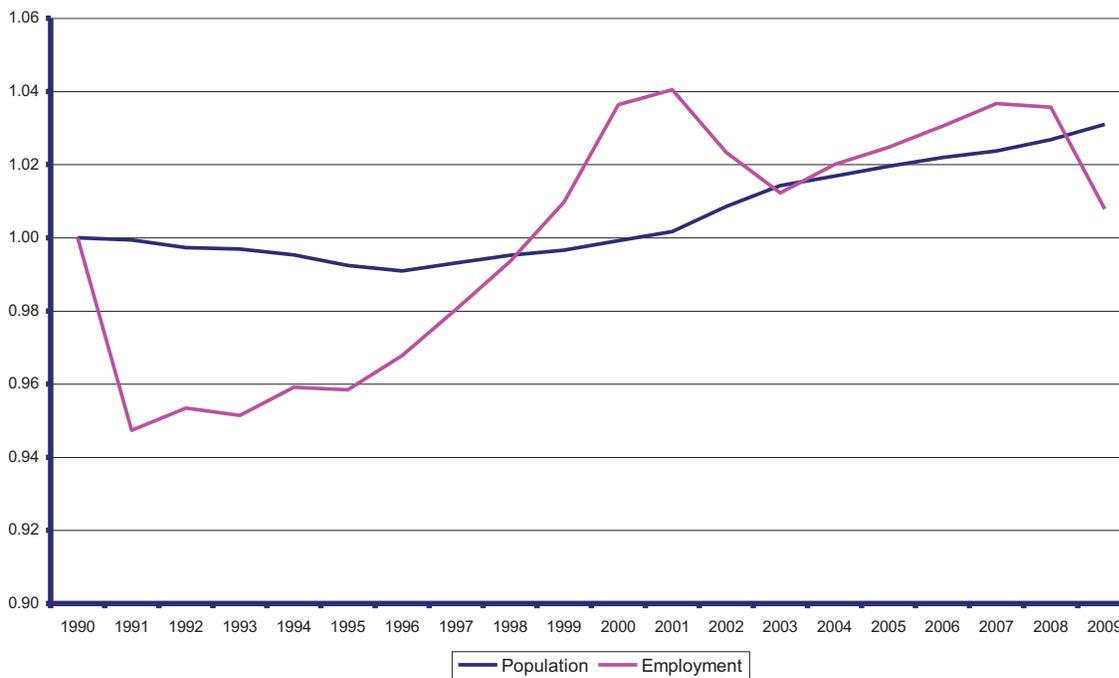
As mentioned above, FXM used two basic data sources for employment: the Bureau of Economic Analysis (BEA), Regional Economic Information System (REIS); and the Massachusetts Labor Market Information's Quarterly Census of Employment and Wages (QCEW). Figure 20 shows a comparison of employment estimates from these two sources of employment by category. The principal difference between the two datasets is that QCEW includes only those workers covered by state unemployment insurance, while REIS includes all full-time and part-time employees and sole proprietors regardless of whether they are eligible for unemployment compensation or not. The differences are found in those jobs which have a considerable amount of part-time seasonal employment (Construction and Utilities) or self-employed people (Real Estate, and Professional and Technical Services). For unknown reasons, there are also large discrepancies in Manufacturing and Educational Services between the two sources; Public Administration differs in that public education employees are not subject to ES 202 withholding.

Figure 15. Hampden County Total, Wage and Salary, and Proprietors Employment, 1990 - 2009



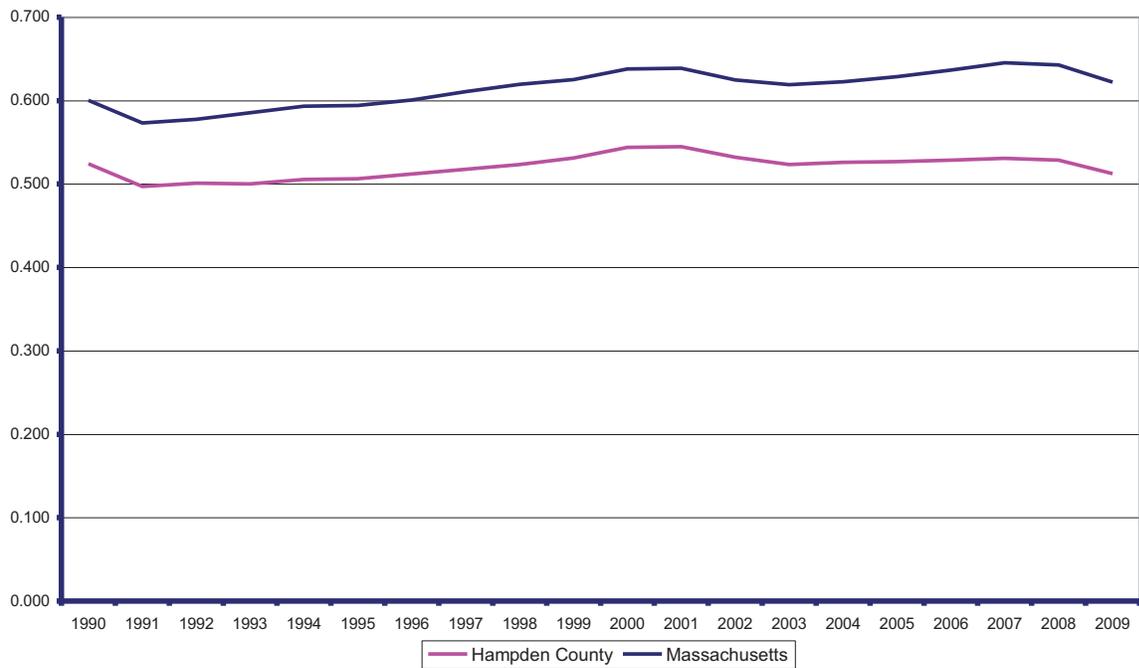
Source: US Department of Commerce, REIS Database, Table CA 30 and FXM Associates.

Figure 16. Hampden County Population and Employment Indices, 1990 - 2009 (1990 = 1.00)



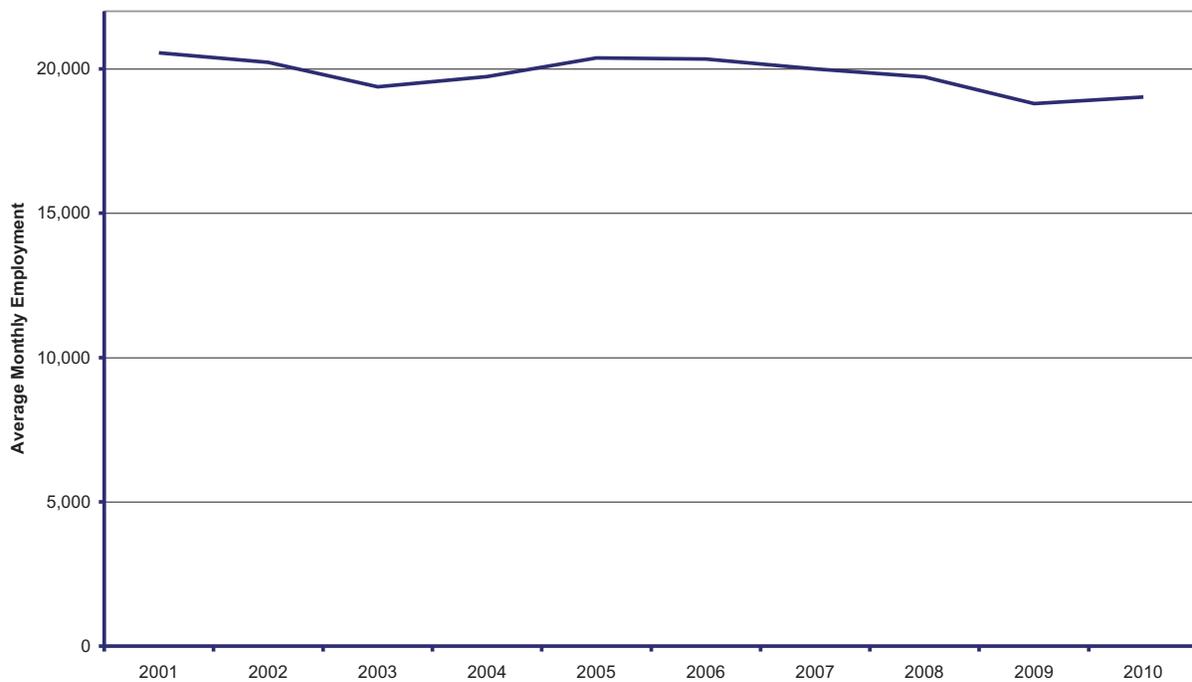
Source: US Department of Commerce, REIS Database, Table CA 30 and FXM Associates.

Figure 17. Hampden County and Massachusetts Employees per Capita, 1990 - 2009



Source: US Department of Commerce, REIS Database, Table CA 30 and FXM Associates.

Figure 18. Chicopee ES 202 Employment, 2001 - 2009



Source: Massachusetts Department of Labor (Mass DOL), ES 202 data, and FXM Associates

Figure 19. Chicopee Employment Trends by NAICS Category, 2001 – 2010

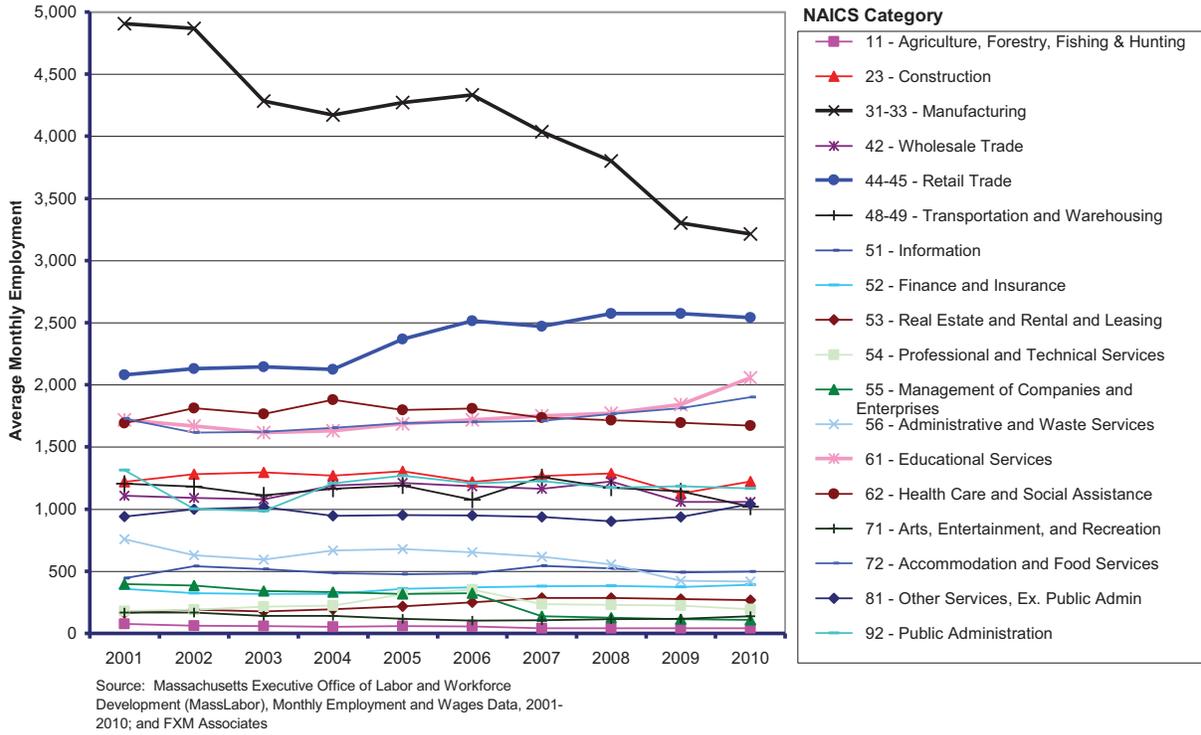
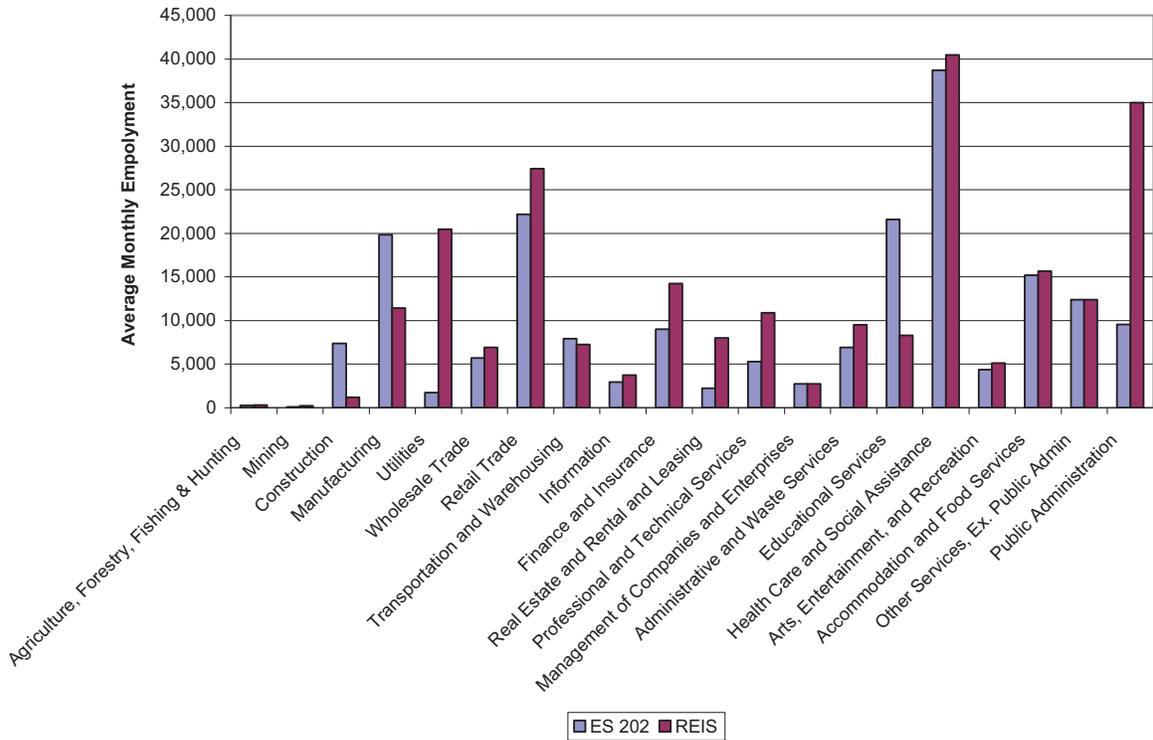


Figure 20. Compare REIS and ES 202 Sources for Hampden County Employment, 2010



Year 2010 employment by NAICS category are shown in Table F and Figure 21 for Hampden County and Chicopee. In the county, the top employers are in the Health Care and Social Assistance, Retail Trade, Educational Services and Manufacturing sectors. In the City of Chicopee, the leading categories are Manufacturing, Retail Trade and Educational Services.⁷

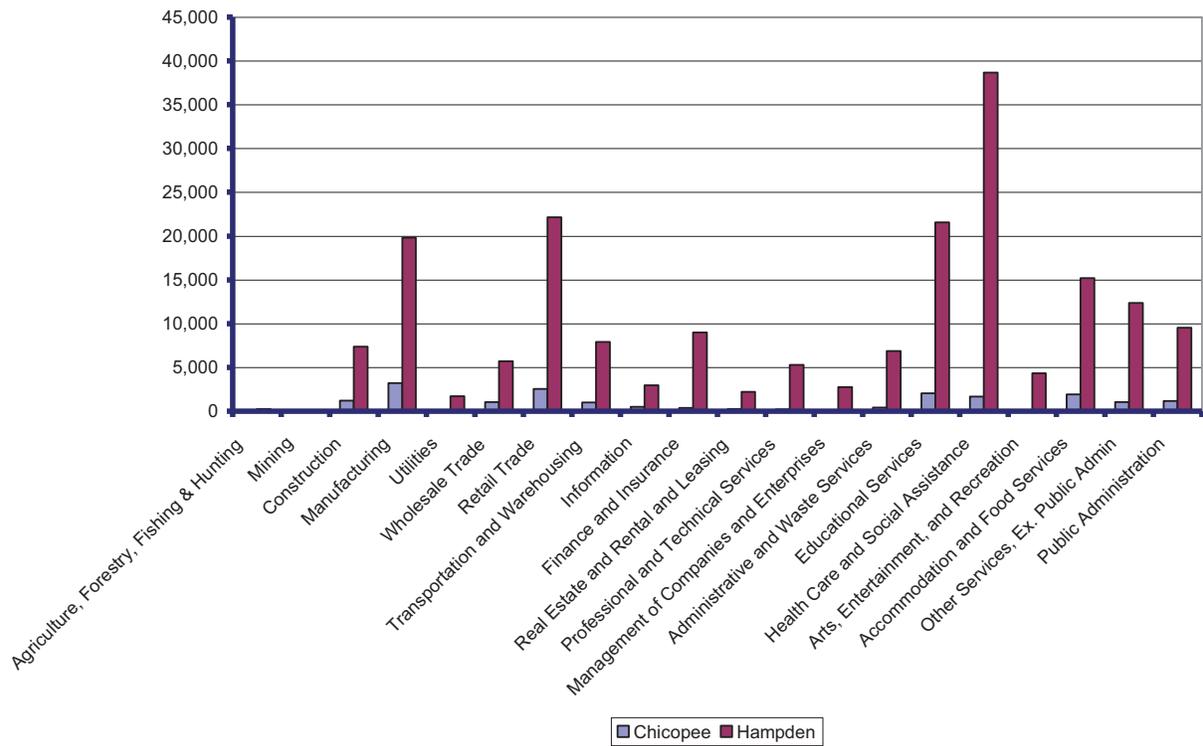
Table F. Chicopee and Hampden County Employment by NACIS Category, 2010

NAICS Category	Chicopee	Hampden
Agriculture, Forestry, Fishing & Hunting	40	248
Mining	n/a	76
Construction	1,222	7,374
Manufacturing	3,215	19,803
Utilities	n/a	1,726
Wholesale Trade	1,059	5,685
Retail Trade	2,541	22,157
Transportation and Warehousing	1,019	7,891
Information	496	2,940
Finance and Insurance	392	8,974
Real Estate and Rental and Leasing	268	2,221
Professional and Technical Services	195	5,269
Management of Companies and Enterprises	108	2,727
Administrative and Waste Services	417	6,880
Educational Services	2,057	21,562
Health Care and Social Assistance	1,672	38,685
Arts, Entertainment, and Recreation	138	4,342
Accommodation and Food Services	1,901	15,197
Other Services, Ex. Public Admin	1,039	12,367
Public Administration	1,166	9,533
Total, All industries	19,024	195,657

Source: US Department of Labor, Bureau of Labor Statistics, Quarterly Census of Employment and Wages, average for 2010 calendar year.

⁷ US Department of Labor, Bureau of Labor Statistics, Quarterly Census of Employment and Wages, 2010.

Figure 21. Chicopee and Hampden County Employment by NAICS Code, 2009



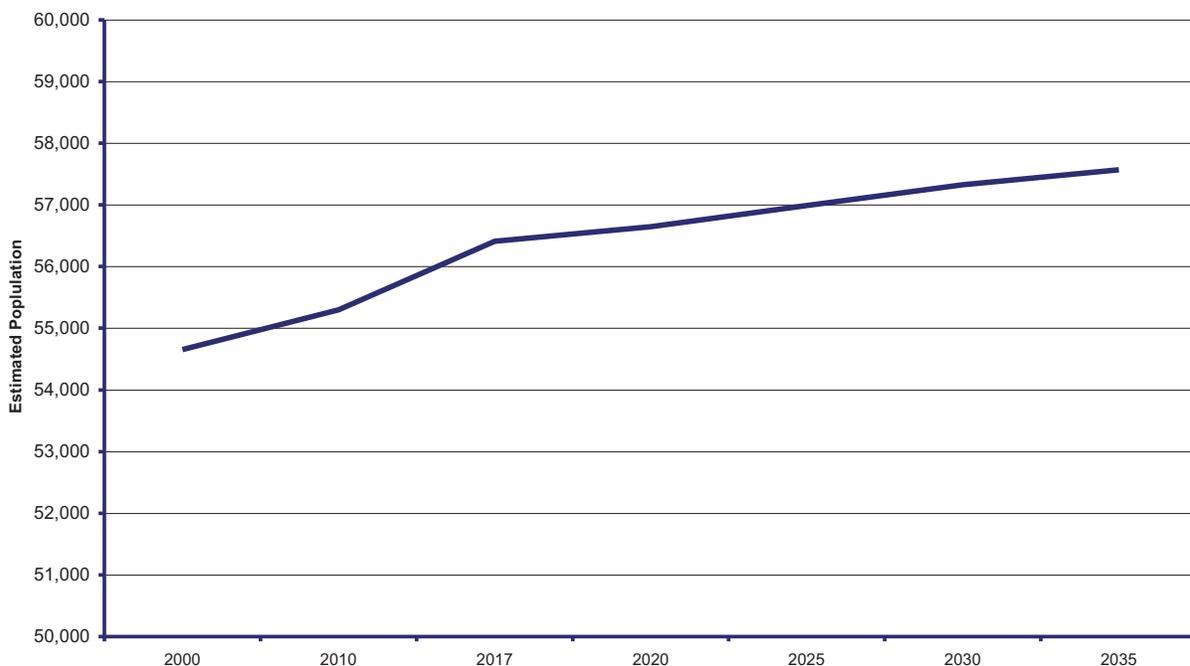
III. Population and Employment Forecasts and Comparisons to RKG Report

This section summarizes the updates to socioeconomic data for the City of Chicopee presented in “Baseline Conditions And Market Analysis For The Redevelopment Of The Former Uniroyal/Facemate Properties In Chicopee Falls, Massachusetts” dated April 21, 2010 by RKG Associates, Inc. The RKG report was produced before the 2010 Census data were available, and it contains values and conclusions about trends which were shown to be incorrect based on currently available data. This is not meant as a criticism of RKG’s work: We simply note that more recent data have led to different conclusions.

A key conclusion from the RKG report was not confirmed by the 2010 Census: “*The total population of Chicopee was 56,600 in 1990 and has steadily declined since, [and it is] projected to be 52,500 in 2014.*” The actual 2010 Census population for Chicopee was 55,298 persons or an increase of 645 persons since the 2000 Census (54,653 persons). The Pioneer Valley MPO projects small increases in Chicopee population through 2035; for instance, Chicopee is estimated to increase by 3.65% over 2000 population by 2020. The MPO’s forecasts are based on the 2010 Census and represent the latest available data.

Figure 22 illustrates this projected growth.

Figure 22. Chicopee Population, 2000 - 2035

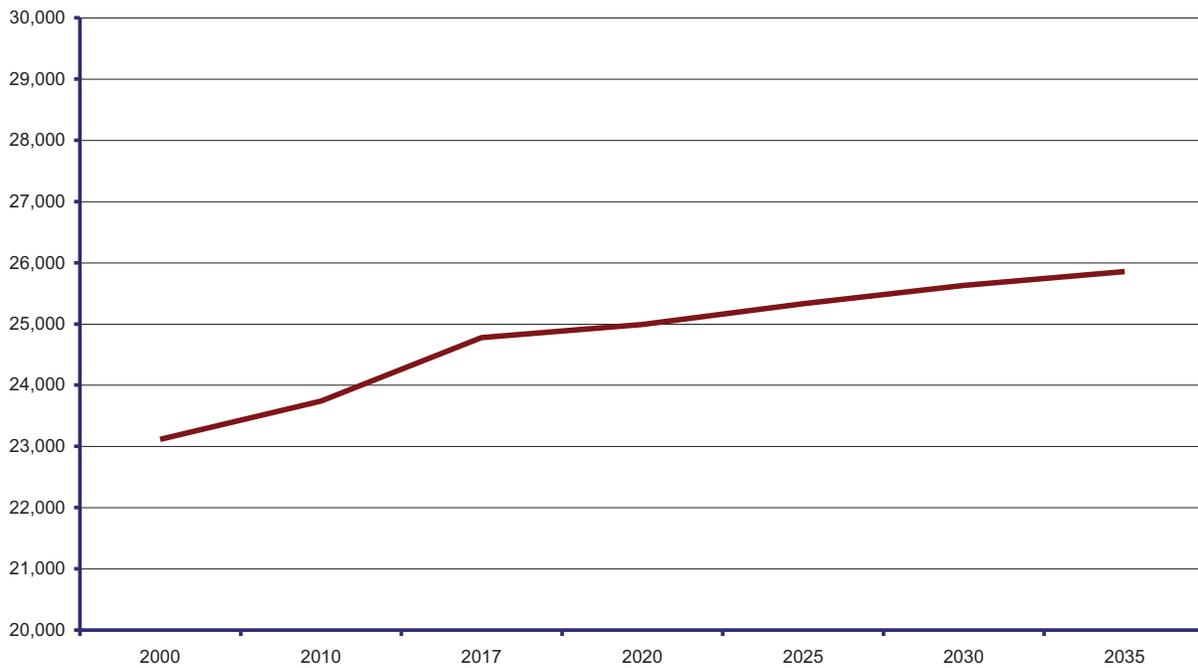


Source: Pioneer Valley Planning Commission, Regional Transportation Plan, Chapter 10 and FXM Associates.

Households

The number of households in Chicopee has been and is projected to be growing about twice as fast as population. This reflects a national trend towards smaller households. This trend is presented in Figure 23.

Figure 23. Chicopee Households, 2000 - 2035



Source: Pioneer Valley Planning Commission, Regional Transportation Plan, Chapter 10 and FXM Associates.

Total Employment

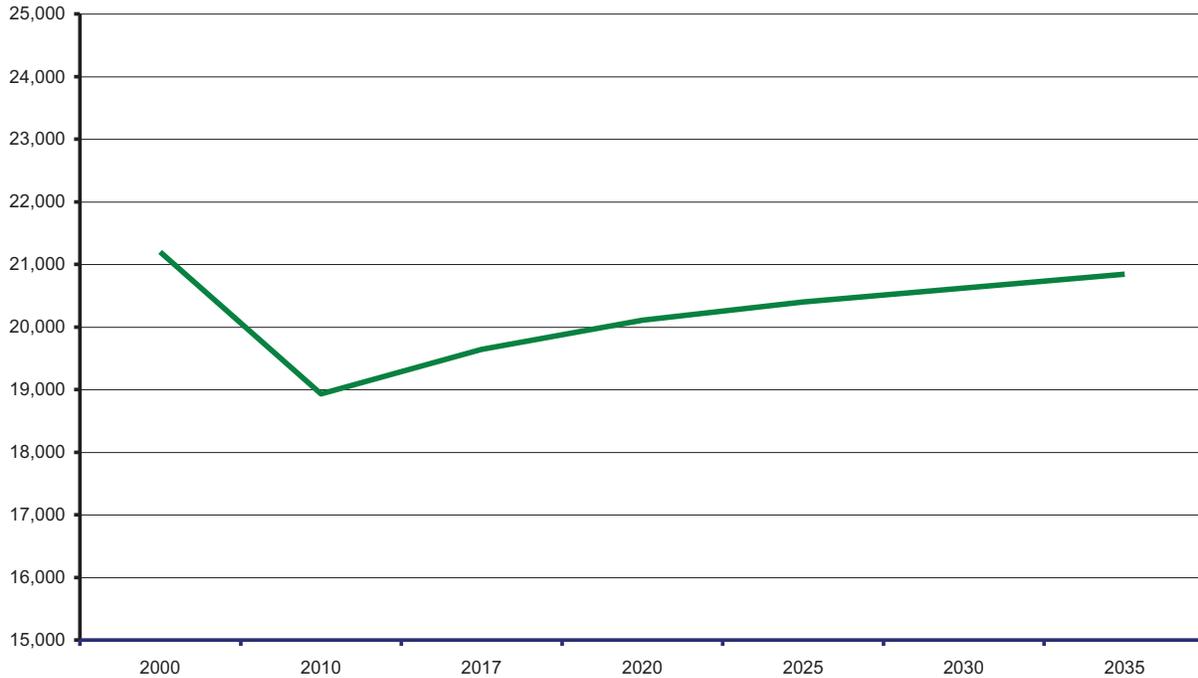
Total employment trends in Chicopee are also tracked by the Pioneer Valley MPO. For 2000 and 2010, PV-MPO’s estimates agree with the MassDOL’s ES 202 data. MassDOL does not have current forecasts for expected employment in Chicopee.

Figure 24 shows historical and future employment in Chicopee. These estimates are derived from ES 202 monthly data for unemployment insurance, and therefore, they do not include self-employed or part-time workers.

Employment by Category

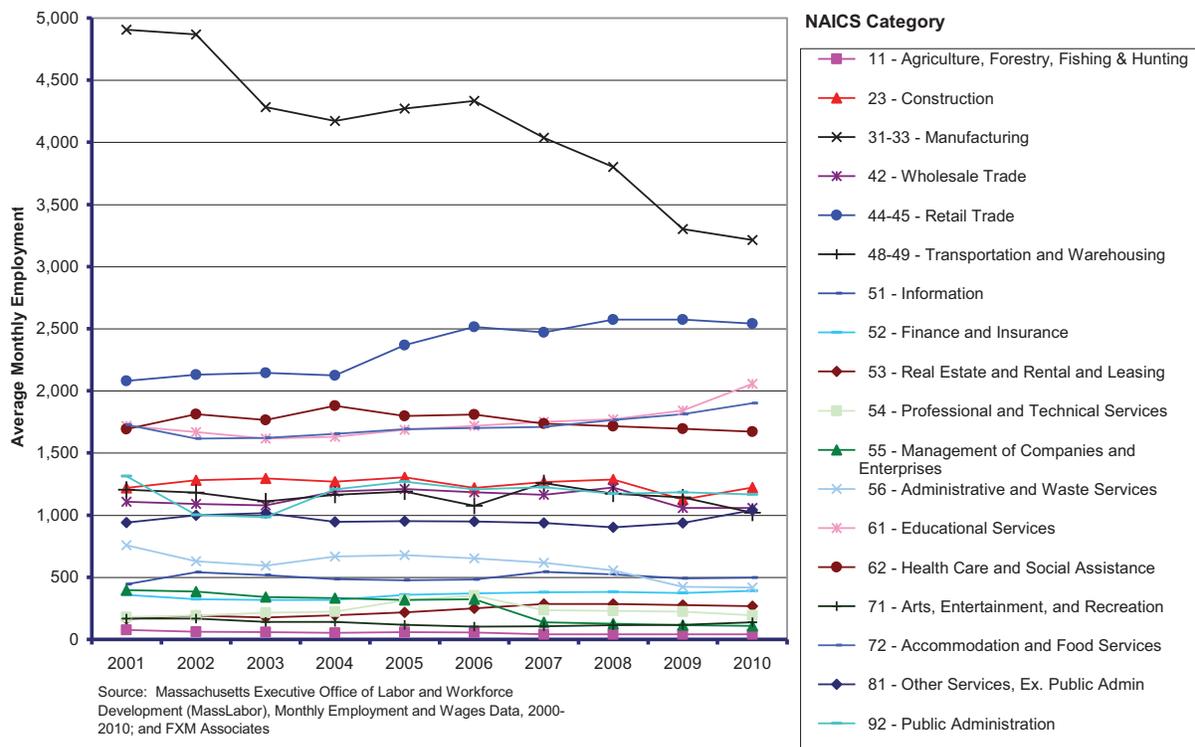
Figure 25 shows trends in Chicopee employment by ES 202 category for 2001-2010. Table G shows the absolute and percentage changes in employment categories between 2001 and 2010. In total, Chicopee experienced a decline of 1,536 jobs (-7.5%) since 2001. Manufacturing lost 1,692 jobs (-34.5%) over the 10-year period, and Retail Trade gained 460 jobs (22.1%).

Figure 24. Chicopee Total Employment, 2000 - 2035



Source: Pioneer Valley Planning Commission, Regional Transportation Plan, Chapter 10 and FXM Associates.

Figure 25. Chicopee ES 202 Employment by Category, 2000 - 2010



Source: Massachusetts Executive Office of Labor and Workforce Development (MassLabor), Monthly Employment and Wages Data, 2000-2010; and FXM Associates

Table G. Chicopee ES 202 Employment by Category, 2001 and 2010

Category	2001	2010	Change	% Change
11 - Agriculture, Forestry, Fishing & Hunting	77	40	-37	-48.1%
23 - Construction	1,219	1,222	3	0.2%
31-33 - Manufacturing	4,907	3,215	-1,692	-34.5%
42 - Wholesale Trade	1,108	1,059	-49	-4.4%
44-45 - Retail Trade	2,081	2,541	460	22.1%
48-49 - Transportation and Warehousing	1,204	1,019	-185	-15.4%
51 - Information	443	496	53	12.0%
52 - Finance and Insurance	358	392	34	9.5%
53 - Real Estate and Rental and Leasing	165	268	103	62.4%
54 - Professional and Technical Services	180	195	15	8.3%
55 - Management of Companies and Enterprises	397	108	-289	-72.8%
56 - Administrative and Waste Services	757	417	-340	-44.9%
61 - Educational Services	1,719	2,057	338	19.7%
62 - Health Care and Social Assistance	1,693	1,672	-21	-1.2%
71 - Arts, Entertainment, and Recreation	168	138	-30	-17.9%
72 - Accommodation and Food Services	1,728	1,901	173	10.0%
81 - Other Services, Ex. Public Admin	939	1,039	100	10.6%
92 - Public Administration	1,312	1,166	-146	-11.1%
Total, All Industries	20,560	19,024	-1,536	-7.5%

Source: Massachusetts Executive Office of Labor and Workforce Development (MassLabor), ES 202 Employment and Wages Data, 2001-2010; and FXM Associates

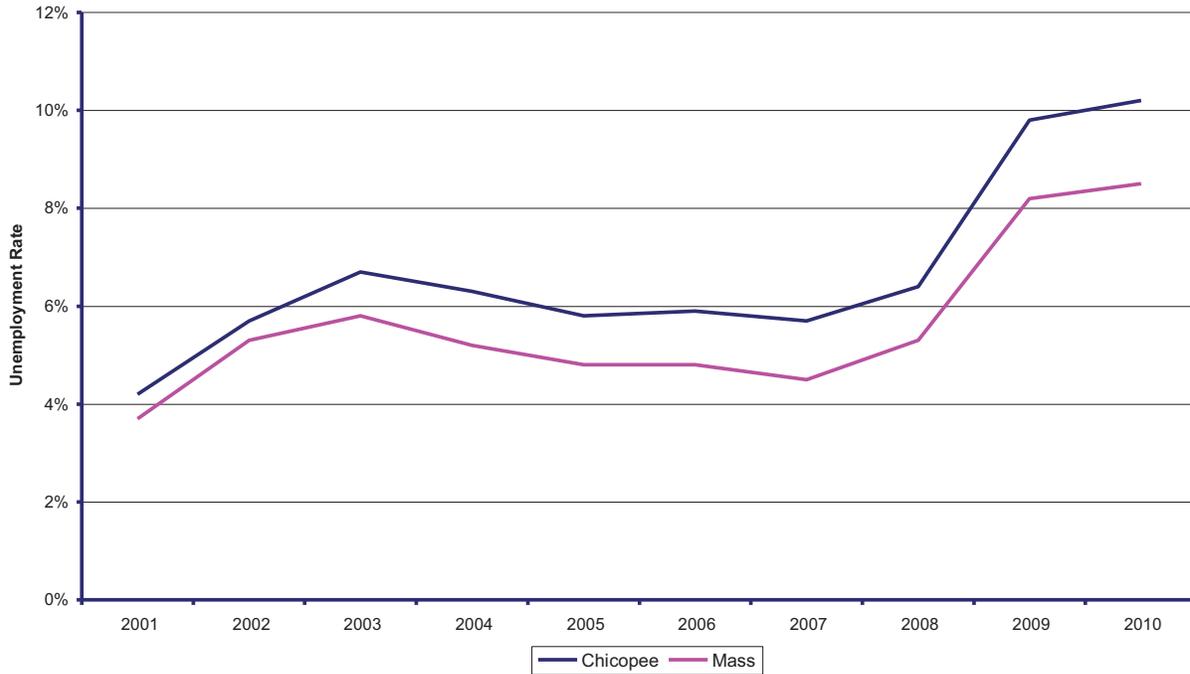
Labor Force and Unemployment

Chicopee’s labor force and unemployment rate have changed since the RKG report. Current data from MassDOL show 28,300 persons in the labor force with an unemployment rate of 9.4% compared to RKG’s estimates of 27,549 labor force and 10.8% unemployment for December 2009.

Figure 26 compares the statewide and Chicopee unemployment rates from 2001 to 2010. Chicopee’s rate has consistently been 1 to 2 percentage points greater than the statewide rate, although the two trends have generally moved in parallel. In 2009, the Chicopee and Massachusetts unemployment rates jumped up by 3 percentage points, and they have increased slightly since then.

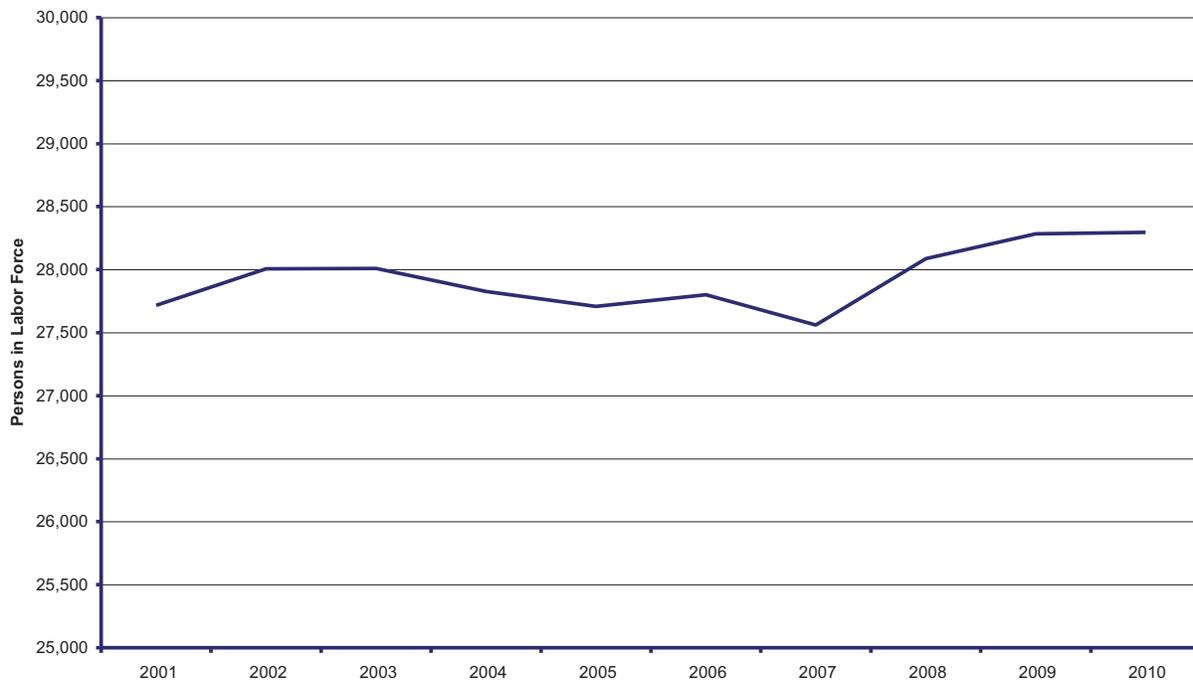
Figure 27 charts fluctuations in Labor Force in Chicopee since 2001. The City has increased the labor force by about 500 persons over the past 10 years.

Figure 26. Chicopee Unemployment Rate, 2001 - 2010



Source: Massachusetts Executive Office of Labor and Workforce Development (EOLWD), Labor Force and Unemployment, and FXM

Figure 27. Chicopee Labor Force, 2001-2010



Source: Massachusetts Executive Office of Labor and Workforce Development (EOLWD), Labor Force and Unemployment, and FXM