

## Why Demographic Data Matters

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### What's the Big Deal about Demographics?

Demographics—statistics about the population of a particular geography such as your town/city, state, or nation—profoundly affect how important decisions are made. Not only do demographics give communities information they need to plan future investments and services, data from sources such as the US Census and the Bureau of Labor Statistics also help determine who gets Federal aid, where assistance programs are targeted, what businesses might move to your community, and how your vote counts in the Electoral College. In fact, demographic data impact nearly everything you do: how far you travel to the store, how much you pay in property taxes, and how much support your child's school receives from local, state, and Federal sources.



### What is Demographic Data?

Demographics comprise an array of socioeconomic information, including the breakdown of a population by gender, age, ethnicity, income, employment status, home ownership, and even internet access. Demographics offer a generalization of a particular geography's population, based on a sampling of people in that geography. Of course, not everyone fits a given demographic profile, as demographics only provide an aggregate picture of a population. Furthermore, demographics capture a snapshot in time, such as 2014, or February of 2014. Yet, by examining data at different points in time, one can see historical changes, such as whether the population in your county is aging or new people are moving to your community.

### Why is Demographic Data Relevant to Community Planning?



Local officials charged with making land use decisions, such as Planning Board members, must compile and use credible information to guide local land use policies, such as the Master Plan and zoning regulations. Demographic data offers one source of reliable data that provides valuable insights about a community's future infrastructure needs, resource allocation, and demand for municipal and other services. All municipal Master Plans, which present a vision for growth and development, should include a section dedicated to demographic trends that informs and/or relates to the community vision.

### What do I need to Know about Demographic Data?

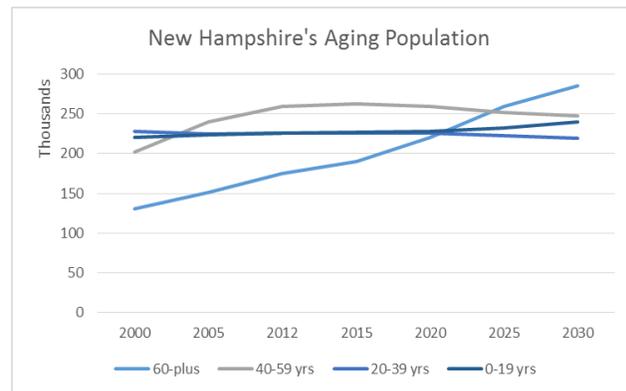
In the world of demographics, not all data is equal. Thus, one should know where data comes from and how it is derived before using it to make key decisions. The US Census, updated every 10 years, furnishes the most comprehensive population sampling to derive demographic data. The Census' abbreviated annual version, the American Community Survey (ACS), furnishes another excellent source. The Census houses a vast source of information on local, state, and national population characteristics. While there are certainly other data sources, most draw from the Census and ACS to model their projections. Additionally, private companies, such as Dun and Bradstreet, collect primary data on everything from consumer behavior to voting patterns.



## Five Key Demographic Changes Impacting New Hampshire

The following factoids demonstrate the power of demographic data and how it can inform community decision-making about infrastructure, housing, community services, and land use.

**Aging Population:** According to Census projections, the number of people 65 years of age in New Hampshire will double in the next three decades. This trend will be more pronounced in rural parts of the state, such as New Hampshire's North Country. While the state's current senior population roughly equals that of the nation as a whole, New Hampshire is aging faster than other New England States. As a result, communities will have to deal with rising demand for certain health and human services, accessibility of public and other facilities, and a rising demand for senior housing.

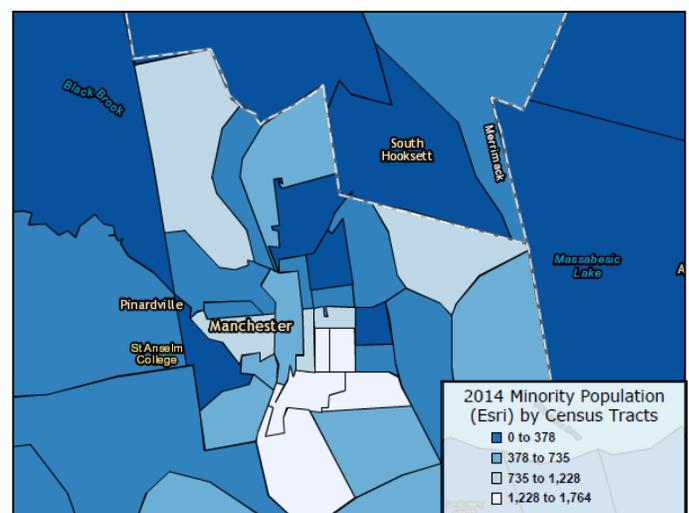


Source: US Census Bureau Projections, 2010

**A Decline of the State's Adult Population:** As New Hampshire's senior population burgeons; its young adult population (age 18-24) is projected to decline in the next five years. According to Census estimates, people ages 18-24 currently make up 17.2 percent of New Hampshire's total population. This figure is projected to drop to 14.2 percent over the next five years. Demographers refer to this decline as the "receding echo." The echo is due to lower birthrates in the 1990s than in previous decades, resulting in a smaller number of individuals in the young adult age cohort. While "outmigration" of young adults accounts for some of the population loss of this age cohort, it is actually the echo that accounts for the majority of the loss. Significantly, this will lead to workforce shortages and greater competition for student enrollment by colleges.

**A Slowing of NH's Population Growth:** From 1950 -2000, New Hampshire saw double digit growth rates. However, from 2000 to 2010, the population grew by only 6.5%, indicating a slowing. Census projections suggest that this trend towards a slowing of growth will continue into the future. Albeit New Hampshire's population gain was still greater than other New England States from 2000 to 2010, much of the growth is owed to in-migration from other states rather than to natural births. This supports studies suggesting that people are moving to New Hampshire to capitalize on its natural amenities. The challenge will be ensuring that enough workers remain in New Hampshire to sustain communities and the economy. Furthermore, a slowing of the population growth rate may lead to a deficit of new homebuyers at a time when more seniors will be looking to downsize their homes.

**The State's Growing Diversity.** Around 8 percent of New Hampshire's population are minorities, comprising mainly Hispanics, Asians, and African Americans. While New Hampshire is one of the least diverse states, it is changing faster than other New England states. In fact, the minority population almost doubled between 1990 and 2010. And according to a recent report by Ken Johnson of the UNH Carsey School of Public Policy, minorities accounted for nearly 50 percent of the state's population gain over the last decade<sup>1</sup>. Continued growth of this population is helping to stabilize communities and contributes to the workforce. Schools in places such as the Merrimack Valley, where much of the growth will occur, must provide educational and other services to an increasingly diverse population



<sup>1</sup> Johnson, K. 2012. New Hampshire Demographic Trends in the 21<sup>st</sup> Century. Carsey Institute, UNH.

**A Rise in Child Poverty:** According to five year estimates by the US Census, just over eight percent of New Hampshire residents lived in poverty in 2012. While New Hampshire boasts one of the lowest poverty rates in the nation, it increased faster than other New England states over the past twenty years. And the rate for children living in poverty has nearly doubled in New Hampshire. Between 2005 and 2012, the number of children living in poverty increased from nine percent to 16 percent—an increase of 40 percent in just seven years. As educational attainment, employment, income, and many other factors strongly correlate with child poverty, this rising trend could signal challenges ahead. More work needs to be done to identify implications of the rise in child poverty to families and the economy. As the recent Carsey report on poverty found, child poverty can lead to lifelong challenges.

## Six Excellent Sources of Demographic Data

- 1. Census Bureau of the United States:** This is the official source of U.S. demographic data which consists of a variety of datasets, from population and housing to labor and health statistics. One useful Census resource site is **American Factfinder**, which aggregates data from several sources and enables one to find a range of data and maps about your community. <http://www.census.gov/>
- 2. Housing & Demographic Data:** This New Hampshire Housing Finance Authority website provides a wealth of population, housing, employment, and income data for the state of New Hampshire. <http://www.nhhfa.org/housing-data-demographics.cfm>
- 3. Innovation Data Browser:** This tool allows you to view and download economic data for any state, metro, micro, district, or county in the nation. <http://www.statsamerica.org/innovation/anydata/index.asp>
- 4. New Hampshire Department of Employment Security:** This is an excellent source of Labor Market information for New Hampshire. <http://www.nhes.nh.gov/elmi/>
- 5. NH Granit:** The site provides geospatial datasets related to land cover, floodplain and water resources, and information pertaining to community-level master plans. <http://www.granit.sr.unh.edu/>
- 6. Economic Profiling System:** The Economic Profile System (EPS) by Headwaters Economics is a free, easy-to-use software application used by public lands managers, county planners, economic development professionals, county commissioners, businesses, and others to produce detailed socioeconomic profiles of their communities, counties, and regions. <http://headwaterseconomics.org>

## Spotlight: The Mount Washington Valley Uses Data to Guide Economic Development

The Mount Washington Valley is the state's greatest tourist attraction, drawing millions of visitors to enjoy the area's hiking, skiing, and outdoor activities. "In spite of the fact that these attractions have bolstered the region's economy, there is still more we need to do to ensure continued economic vitality and quality of life for the people of the region", explains Theresa Kennett, director of the Mount Washington Valley Housing Coalition (MWWHC).



A major challenge facing the region is lack of affordable housing for working families. In fact, 40 percent of homes in the region are second homes, making competition for single family homes and rental units fierce. "This drives up the housing price", notes Kennett. "And if housing is unaffordable to working families, who is going to be the workforce that will ensure that the people of the region can access needed goods and services?"

In response, the MWW's Housing Coalition, Economic Council, and Chamber of Commerce engaged area leaders to form the *MWW Regional Collaborative* to examine the region's needs and opportunities. Ultimately, they seek to lay forth an action plan to help the region's 13 towns work together to grow the economy.

The first task of the collaborative was to examine demographic data to better understand demographic trends facing the region. "We found that we not only have a shortage of affordable housing, but the region is rapidly aging compared to the rest of the state," says Kennett. Our median age is 49, which is six years older than the state average."

The collaborative, which is less than two years old, has used objective data to drive participation from community leaders across the region. "The data has greatly informed their understanding of the region's needs and opportunities. And local officials—such as planning board members—now see themselves as keepers of the economy." Their policies, including zoning and subdivision regulations, have a lot to do with the region's ability to attract a workforce, lure new businesses, and grow existing businesses. "So data does provide a basis for decision making," Kennett says.

## Three Things You Can Do with Demographic Data Right Now!

**1. Make Sure Demographic Data Informs Your Community's Vision and Priorities:** The best way to accomplish this is to check to see if your community's Master Plan has a demographic trends section. If it does, see if you can answer the following questions:

- Are the data sources well-documented?
- What are the key takeaways from the data?
- Does the section suggest what the implications of the data are?
- Does the data inform the vision and priorities laid forth in the Master Plan?

If you are able to answer "yes" to these questions, then your community is at least basing its land use policies on relevant trends. If you are forced to answer "no" to any of these questions, encourage your Planning Board/Master Plan Advisory Committee and local experts to discuss what trends they perceive to have current or potential future impact on the community and how they could be addressed through the Master Plan.

**2. Determine if you are Representing Diverse Interests:** It is often said that Planning Boards lack diversity of individuals with respect to age, gender, race, income, among other characteristics. Challenge yourself to get new individuals who represent a diversity of community needs and values to serve on town boards. Start by taking a look at your community's demographic characteristics and ask the following questions:

- Do diverse subsets of the population (e.g. minorities, working families, young adults) enjoy representation on local boards and committees?
- Does your data point to specific needs, such as lack of affordable housing, unemployment, and child poverty that the community has failed to adequately address?

If you answer "yes" to these questions, then your community shows serious commitment to engaging diverse segments of the population and understanding their needs. If you answer "no" to any of these questions, consider reaching out to "under-represented" segments of the population to find out what their concerns are and how they would like to be involved with community decision making. You may discover that few of these individuals have been asked to participate or that they need a little coaxing to take an active role in community planning decisions. To learn more about engaging diverse populations, refer to the information brief in this series entitled, "Community Outreach and Engagement".

**3. Use Data to Tell a Story and Garner Resources:** If you serve on a local Board or committee and want to move a project that requires resources forward, we challenge you to use demographic data in a compelling way to make the case for the project's need. Data and trends, when portrayed graphically, clearly, and succinctly, can exert a great influence on funders and other resource providers as they decide where to allocate their resources. Draw from the data sources provided on the previous page and don't be afraid to ask for help from area agencies and organizations.

Information is critical for making informed decisions at the local, state and national level. Start by exploring the US Census to see what data are available. The website has a number of tools/resources that you can use, such as the interactive population map at: <http://www.census.gov/2010census/mediacenter/census-data/interactive-map.php>

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