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*Analysis of the*  
**SPRINGFIELD, MASSACHUSETTS  
HOUSING MARKET**

as of January 1, 1966

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A Report by the  
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  
FEDERAL HOUSING ADMINISTRATION  
WASHINGTON, D. C. 20411

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ANALYSIS OF THE  
SPRINGFIELD, MASSACHUSETTS, HOUSING MARKET  
AS OF JANUARY 1, 1966

FIELD MARKET ANALYSIS SERVICE  
FEDERAL HOUSING ADMINISTRATION  
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

## Foreword

As a public service to assist local housing activities through clearer understanding of local housing market conditions, FHA initiated publication of its comprehensive housing market analyses early in 1965. While each report is designed specifically for FHA use in administering its mortgage insurance operations, it is expected that the factual information and the findings and conclusions of these reports will be generally useful also to builders, mortgagees, and others concerned with local housing problems and to others having an interest in local economic conditions and trends.

Since market analysis is not an exact science the judgmental factor is important in the development of findings and conclusions. There will, of course, be differences of opinion in the interpretation of available factual information in determining the absorptive capacity of the market and the requirements for maintenance of a reasonable balance in demand-supply relationships.

The factual framework for each analysis is developed as thoroughly as possible on the basis of information available from both local and national sources. Unless specifically identified by source reference, all estimates and judgments in the analysis are those of the authoring analyst.

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ANALYSIS OF THE  
SPRINGFIELD, MASSACHUSETTS, HOUSING MARKET  
AS OF JANUARY 1, 1966

Summary and Conclusions

1. Nonagricultural employment totaled 195,350 in 1964, representing an increase of 6,600 over the 1958 average of 188,750, or an annual increment of 1,100 jobs a year. The year-to-year changes varied widely, however, from an increase of 4,050 from 1958 to 1959 to a decline of 1,750 from 1962 to 1963. Manufacturing employment declined by about 1,950 during the 1958-1964 period, registering gains only in 1959 and 1964. Nonmanufacturing employment, on the other hand, recorded increases in each of the years between 1958 and 1964, attaining a peak increase in 1961 of 2,725 jobs.

Unemployment was relatively high throughout the 1960-1964 period. The peak of unemployment, both numerically and proportionately, was reached in 1961 when there were 14,450 persons unemployed (6.9 percent of the work force). In 1964, unemployment declined to a low of 12,750, or 6.1 percent.

It is estimated that nonagricultural employment in the HMA will increase by approximately 400 jobs a year during the two-year forecast period. Growth at this low rate reflects the prospect of a loss of approximately 3,050 jobs due to the transfer or closing of local plants.

2. The current median annual income, after deducting Federal income tax, is \$6,750 for all families and \$5,750 for renter families. The median annual income of all and renter families is expected to rise to \$7,125 and \$6,050 a year, respectively, by January 1968.
3. The current population of the Springfield HMA is approximately 520,300, an increase of about 30,000 since April 1960. By January 1968, the population of the area is projected to a level of 529,500, an increment of 9,200 persons.

Presently, there are about 156,300 households in the HMA, an annual increase of about 1,800 (1.2 percent) over the April 1960 figure of approximately 146,000 households. Households are expected to total 159,400 by January 1968, an addition of about 1,550 annually (1.0 percent).

4. As of January 1, 1966, there are 166,000 housing units in the Springfield HMA, representing a net gain since April 1, 1960 of about 10,750 housing units, or about 1,850 (1.2 percent) annually. Approximately 13,900 new units have been constructed since 1960, about 150 units have been added through conversion, while 3,300 units have been removed from the market through demolition. At present, about 900 units are under construction.

5. There are, currently, an estimated 6,200 available vacancies in the Springfield HMA--1,200 vacant units available for sale and 5,000 vacant units available for rent. Homeowner and renter vacancy ratios are 1.3 percent and 7.2 percent, respectively. These vacancy levels are somewhat above the levels that represent an acceptable relationship between demand and supply in an area with the growth characteristic of the Springfield area.
6. The volume of privately-owned additions to the housing supply that will meet the requirements of anticipated growth during the next two years and result in an acceptable quantitative demand-supply relationship in the market is approximately 1,890 units annually, 1,150 units of sales housing and 740 units of rental housing, including about 190 rental units a year if provided at the lower rents possible with public benefits or assistance in financing, exclusive of public low-rent housing and rent-supplement accommodations. A reduction in annual construction volume is indicated by the expected decline in household growth; should anticipated plant closings result in a greater reduction in the rate of growth, demand may be even lower. The demand for new sales housing by sales price range is expected to approximate the pattern indicated on page 23. The demand for rental units, by gross monthly rent and by unit size, is expected to approximate the pattern shown on page 24.

ANALYSIS OF THE  
SPRINGFIELD, MASSACHUSETTS, HOUSING MARKET  
AS OF JANUARY 1, 1966

Housing Market Area

The Springfield, Massachusetts, Housing Market Area (HMA) is comprised of five cities and fifteen towns in Hampden, Hampshire, and Worcester Counties (see map on page 2). In 1960, the population of the HMA was about 490,300 including a rural farm population of less than 1,000. The HMA lies in the southwest portion of the state of Massachusetts. Springfield, the largest city in the HMA, is located approximately 85 miles west of Boston, Massachusetts, and about 25 miles north of Hartford, Connecticut.

The HMA is quartered by Interstate Highways 91 and 90 which intersect at a point halfway between the cities of Springfield and Holyoke. Interstate 91 proceeds in a north-south direction and Interstate 90, the Massachusetts Turnpike, traverses the HMA in an east-west direction. Portions of Interstate 91, however, are still under construction. Plans have been announced for the construction of a highway extension to I-91 (391) which will connect the cities of Holyoke and Chicopee.

Topographically, the area is relatively level with intermittent mountains and trap rock ridges providing some degree of variation. Mount Tom, at 1,200 feet above mean sea level, is the highest point in the area. The Connecticut River, flowing south through the HMA, passes between the city of Springfield and the town of West Springfield and is the primary water artery in the HMA. The Chicopee and Westfield Rivers flow into the Connecticut river, the former from the east and the latter from the west.

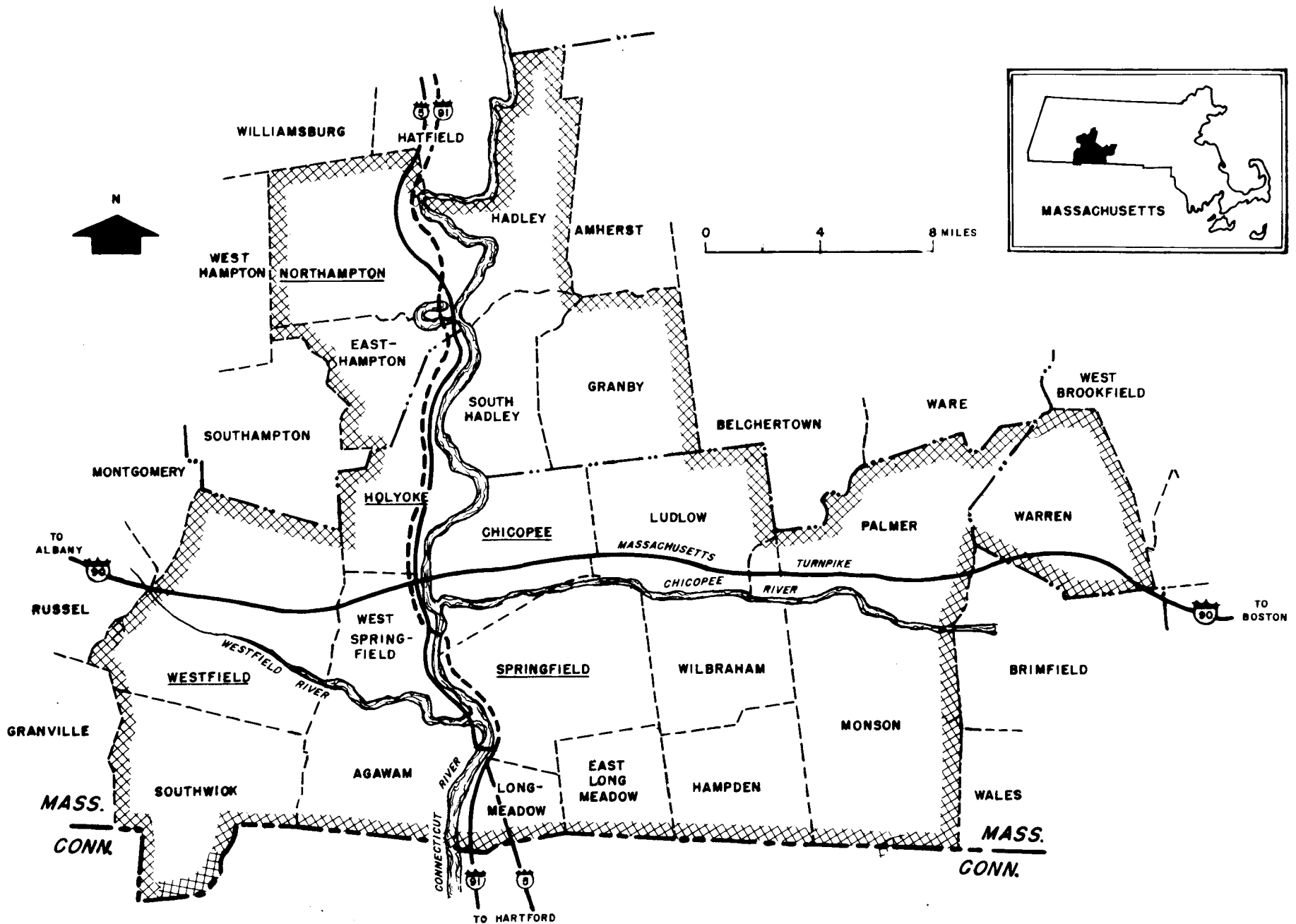
There are seven colleges in the Springfield HMA with a total enrollment, in the fall of 1964, of approximately 13,500. American International College, in Springfield, had the largest total enrollment, 3,100 students. The combined fall enrollment of the colleges is indicative of the rather significant impact which these institutions have upon the economy of the Springfield area.

In 1960, there was a net in-commutation of approximately 4,250 into the Springfield-Chicopee-Holyoke Massachusetts Standard Metropolitan Statistical Area (SMSA)<sup>1/</sup>. There was an in-commutation of about 13,600 and an out-commutation of approximately 9,350. Approximately half of the out-commutation (5,100) was to Hartford County, Connecticut, while almost 35 percent of the workers (4,700) commuting to the SMSA from outside the area came from Hampshire County, Massachusetts.

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<sup>1/</sup> The Springfield-Chicopee-Holyoke, Massachusetts, SMSA includes all of the towns and cities of the Springfield HMA with the exception of the towns of Hampden, Southwick and Granby.

# SPRINGFIELD, MASSACHUSETTS, HOUSING MARKET AREA





## Economy of the Area

### Character and History

The Springfield-Chicopee-Holyoke area was first settled in 1635 by a group of men from the Massachusetts Bay Colony led by William Pynchon. The name of the original settlement, Agawam, was subsequently changed to Springfield in honor of Pynchon's home town in England. Springfield was incorporated as a town in 1641 and as a city in 1852.

Originally settled as a fur-trading outpost, the principal economic activity of the area soon became agriculture and remained so until well into the nineteenth century. Around the middle of the eighteenth century saw mills and grist mills became increasingly important because of a readily available supply of waterpower. Prior to the American Revolution, the principal manufactures in the Springfield area were bricks and iron products. In 1794 an armory was founded in Springfield which initiated an influx of skilled laborers. With the completion of a dam in 1828 in the vicinity of Holyoke, textile, grain, and metal mills were established. By the middle of the century, production became specialized as several cotton mills located in Chicopee; Easthampton developed a rubber industry; silk and buttons were produced in Northampton; Holyoke became a textile and later a paper products center; and the heavy machinery industry concentrated in Springfield.

By 1910, Holyoke had become the largest industrial center in the area with respect to employment and product value. By 1920, however, Springfield had surpassed Holyoke in employment and by 1930 eclipsed Holyoke in both employment and product value with electrical machinery, printing and publishing, and foundries and machine shops providing the primary sources of employment.

In 1940, the major manufactures in the city of Springfield were electrical machinery, foundry and shop products, plastic and cellulose materials, machine tools and printing and publishing. Rubber tires, electrical machinery, sporting and athletic goods, meat packing, cotton goods, and firearms placed Chicopee second in employment and product value. Paper remained the dominant force in the economy of Holyoke while the textile industry diversified somewhat. The brush, hosiery, and cutlery industries led employment in Northampton while bicycle and textile machinery manufacture joined the paper and paper products industries as the prime industrial employers in Westfield.

Currently, the economic structure of the Springfield HMA is relatively diversified with no one industry in a dominant position with regard to employment. Manufacturing employment, representing about 35 percent of total nonagricultural employment in 1964, was widely dispersed among industries ranging from the manufacture of ordnance to transportation equipment. In 1964 the machinery industry (8,475), the largest component of the manufacturing category, represented less than five percent of total nonagricultural employment.

### Employment

Current Estimate. The current level of nonagricultural employment is reported to be 197,600, representing an increase of 8,850 over the 1958 level of 188,750. Nonagricultural wage and salary employment stands at approximately 179,250, an increase of about 10,550 over the 1958 level of 168,700. The number of domestics, self employed and unpaid family workers is estimated to have declined by approximately 1,750 since 1958, from 20,075 to 18,350.

Past Trend. Between 1958 and 1964, nonagricultural employment increased at an average annual rate of approximately 1,100 jobs a year. The year-to-year changes varied widely however, from an increase of 4,050 from 1958 to 1959 to a decline of 1,750 from 1962 to 1963. The table below demonstrates the erratic trend of nonagricultural employment in the 1958-1964 period.

#### Trend of Nonagricultural Employment Springfield, Massachusetts, HMA Annual Averages, 1958-1964

<u>Year</u>	<u>Number employed<sup>a/</sup></u>	<u>Changes from preceding year</u>	
		<u>Number</u>	<u>Percentage</u>
1958	188,750	-	-
1959	192,800	4,050	2.2
1960	192,000	-800	-.4
1961	193,400	1,400	.7
1962	194,150	750	.4
1963	192,400	-1,750	-.9
1964	195,350	2,950	1.5

Ten-month average:

1964 (Jan-Oct)	194,950	-	-
1965 (Jan-Oct)	197,600	2,750	1.4

<sup>a/</sup> Data rounded to the nearest 50.

Source: Massachusetts Department of Employment Security.

Declines in the manufacturing and the all other nonagricultural employment sectors were the primary factors in nonagricultural employment declines noted in 1960 and 1963.<sup>1/</sup> In the years 1959 and 1964, increases in both manufacturing and nonmanufacturing employment pushed nonagricultural employment to the respective peak levels of 192,800 and 195,350.

#### Employment by Industry

Of the 195,350 employed nonagricultural workers reported in 1964, 68,400 (35 percent) were employed in manufacturing and 108,100 (55 percent) were employed in nonmanufacturing industries (see table I).

Manufacturing employment declined from about 70,350 in 1958 to 68,400 in 1964, a decrease of 1,950. After rising by 2,550 jobs in 1959, manufacturing employment declined in the next four years. Employment in durable goods manufacturing industries declined from 1960 to 1961 and has increased moderately since. At 30,700 in the January-October 1965 period, durable goods manufacturing comprised about 16 percent of total nonagricultural employment as compared with 15 percent in 1958. Nondurable manufacturing reached a peak of 43,150 employees in 1960 (23 percent of the nonagricultural total) but declined in employment during the next three years. There were modest increases, however, in 1964 and 1965.

Nonmanufacturing employment increased in each year of the 1958 to 1964 period rising from a level of 98,350 in 1958 to a level of 108,100 in 1964. Nonmanufacturing gains during this period averaged 1,625 annually. Increases fluctuated from a low of 775 from 1959 to 1960 to a high of 2,725 from 1960 to 1961. Trade, the largest component of nonmanufacturing employment, paralleled total nonmanufacturing employment somewhat, as increases were noted in each year of the 1958-1964 period. The greatest annual increment occurred in 1960 when 1,125 jobs were added to a 1959 level of 31,325. The number of jobs in service industries, representing approximately 13 percent of total nonagricultural employment in 1964, also increased each year between 1958 and 1964. Services have been increasing in importance both nationally and locally for the past two decades. Government employment increased by 1,725 from 1960 to 1961 and, while this sector continued to grow through 1963, the rate of increase declined sharply and government employment fell by 25 jobs from 1963 to 1964. Employment in transportation, communications, and public utilities declined in most years throughout the 1958 to 1964 period. Average annual employment in construction fluctuated widely during the six year period, falling by 675 in 1960 and rising by 975 in 1964. Agriculture and mining exhibited only minor changes as gains and losses never exceeded 50 jobs a year between 1958 and 1964.

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<sup>1/</sup> There is no direct measure of the "all other" segment composed of the self-employed, domestic servants, and other difficult to measure groups. It is estimated primarily from census data. Instructions, for preparation of these estimates, are revised from time to time and account for part of the change in reported employment in this sector.

### Principal Employment Sources

The diversification of employment in the area is demonstrated by the fact that no one firm in the Springfield HMA provides more than two percent of total nonagricultural employment. The table below lists the largest employers in the HMA, and their primary product or service.

#### Principal Employers Springfield, Massachusetts, HMA January 1966

<u>Firm</u>	<u>Product or service</u>
American Bosch Arma	Diesel systems
Buxton	Leather products
City of Springfield	Government
General Instrument	Electrical components
Massachusetts Mutual	Insurance
Monsanto Chemical	Plastics
Pro-Phy-Lac-Tic Brush	Brushes and plastic parts
Savage Arms	Firearms
A.G. Spalding	Sporting goods
Springfield Armory	Firearms
Albert Steiger	Retail sales
U.S. Rubber	Tires and tread rubber
Westinghouse Electric	Electrical appliances

Source: Massachusetts Department of Employment Security.

### Military Employment

Military activities in the Springfield HMA, although not a dominant factor, form an important segment of the economic base of the area. In December 1965, the two major military installations in the HMA, the Springfield Armory and Westover Air Force Base, provided employment for about 11,650 persons. Of this number, 8,525 were military personnel and 3,100 were civilians. Since 1955, the combined military and civilian employment of the two installations has varied between a low of 10,800 in 1955 and a high of 14,300 recorded in 1957 (see table II).

The mission of the Springfield Armory is research, development, engineering, and production of individual weapons, machine guns, grenade launchers, and secondary armament for combat and tactical vehicles. The armory is scheduled to be phased-out by January 1968 and the facility is to be turned over to GSA by April 1968.

The Department of Defense has announced plans to inactivate all B-52 aircraft at Westover Air Force Base. This phase-out, however, will not be completed until 1971, and will not have a substantial effect upon the employment situation of the HMA during the next two years.

### Unemployment

Unemployment varied throughout the 1960-1964 period (the period for which data are available). Unemployment in the Springfield HMA averaged 14,450 during 1961, equal to 6.9 percent of the work force (see table below). This is the highest number of unemployed persons and the highest rate of unemployment recorded between 1960 and 1964. A comparison of the first ten months of 1965 with the comparable period in 1964 shows that unemployment dropped from an average of 13,050 (6.2 percent) in 1964 to 11,600 (5.5 percent) in 1965.

#### Work Force and Unemployment Springfield, Massachusetts, HMA 1960-1965

<u>Year</u>	<u>Work force</u>	<u>Unemployment</u>	<u>Percent of work force</u>
1960	207,550	13,400	6.5
1961	210,000	14,450	6.9
1962	210,400	13,975	6.6
1963	209,850	14,350	6.8
1964	210,300	12,750	6.1

#### Ten-month average:

1964 (Jan-Oct)	210,375	13,050	6.2
1965 (Jan-Oct)	211,700	11,600	5.5

Source: Massachusetts Bureau of Employment Security.

### Future Employment

It is estimated that nonagricultural employment in the Springfield Housing Market Area will increase by approximately 400 jobs a year during the forecast period. During the 1958-1964 period, employment increased at a rate of 1,100 jobs a year.

As noted previously, the Springfield Armory will be phased-out by January 1968. This will result in a drop of approximately 2,325 in employment at this facility over the next two years. The research and development function, with employment of approximately 600, will be moved to the Rock Island Arsenal in Illinois. While job transfers will be offered to the Springfield employees in research and development, relatively few acceptances are expected. Armory officials estimate, in view of the nature of the skills embraced and the current favorable employment picture that only between 15 and 20 percent of the research and development staff will accept a transfer. The Gilbert and Barker Manufacturing Company, producers of oil heating and service station equipment, will move out of the Springfield area sometime during 1966. With the exception of key personnel, the firm probably will not transfer workers to the new plant in Greensboro.

Nonagricultural employment reached a peak of 195,350 in 1964 (an increase of 2,950 over 1963) and continued to grow at a substantial rate during the first ten months of 1965. It is estimated, therefore, that the loss of approximately 3,050 jobs noted above will be more than offset by the general growth of the remainder of the economy, especially the trade and service sectors.

### Income

Average weekly gross earnings of manufacturing production workers in the Springfield HMA were \$99 in 1964, with a higher average in durable goods industries (\$105 a week) than in nondurable goods industries (\$95 a week). Gross weekly earnings in manufacturing have been increasing, coincident with the national trend, at a rate of 3.4 percent a year. While the level of weekly gross wages in the Springfield area exceeded statewide levels each year during the 1958-1964 period, they were slightly below national levels during the period.

Currently, the median income of families in the Springfield HMA is estimated to be \$6,750, after deduction of Federal income tax, an increase of about 23 percent since 1959. The estimated current median after-tax income of renter families is about \$5,750 a year. All-family and renter-family median incomes are projected to a level of \$7,125 and \$6,050 a year, respectively, by January 1968. The current and projected median after-tax income for the HMA and selected communities is presented in the table below. At present, about 16 percent of all families earn less than \$4,000 a year and 19 percent earn \$10,000 or more annually, after taxes (see table III). By 1968, it is expected that the percentage of families earning less than \$4,000 will fall somewhat to 14 percent; the percentage of families earning \$10,000 or more will rise from 19 to 22 percent.

Median After-Tax All Family Incomes  
Springfield, Massachusetts, HMA  
1966 and 1968

<u>Area</u>	<u>Median income <sup>a/</sup></u>	
	<u>1966</u>	<u>1968</u>
Springfield HMA	<u>\$6,750</u>	<u>\$7,125</u>
Springfield City	6,550	6,900
Chicopee City	6,750	7,075
Holyoke City	6,275	6,600
Westfield City	6,975	7,325
Northampton City	6,425	6,750
West Springfield Town	7,275	7,650

a/ After deduction of Federal income tax.

Source: Estimated by Housing Market Analyst.

## Demographic Factors

### Population

Current Estimate and Past Trend. As of January 1, 1966, the population of the Springfield, Massachusetts, HMA is estimated to be 520,300. This is an increase of about 30,000 since the 1960 Census and represents an annual growth rate of approximately 5,225 persons, or 1.1 percent.<sup>1/</sup> Among the communities in the area, the most dramatic shift in the rate of population change occurred in the city of Springfield in which average population growth dropped from 1,200 in the 1950-1960 decade to a decline of 150 a year in the 1960-1966 period. This decline was caused by increased out-migration from the city which resulted from a number of factors, the principal ones being: declining employment opportunity, increased property taxes, an aging housing inventory, and increased demolition of dwelling units. Current and past population levels and annual rates of population change of the primary constituent communities of the HMA are shown in table IV.

The 1960 Census of Population reported that there were about 490,300 persons in the Springfield HMA, representing an increase of 70,800, or 17 percent, since 1950 when there were approximately 419,500 persons in the area. The largest annual increments occurred in the cities of Chicopee and Springfield which grew at about 1,250 and 1,200 a year, respectively.

Estimated Future Population. In January 1968, the population of the Springfield HMA is expected to be approximately 529,500. This is a projected increase of 9,200 persons over the January 1966 figure of 520,300.

The rate of population growth fell from a level of 1.6 percent during the 1950-1960 decennial period to a rate of 1.1 percent since 1960. The rate of increase is expected to continue to decline, to 0.9 percent a year, primarily as a result of declining employment growth.

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<sup>1/</sup> All demographic average annual rates of change derived through the use of a formula designed to calculate the rates of change on a compound basis.



Population Changes  
Springfield, Massachusetts, HMA  
1950-1968

<u>Date</u>	<u>Population</u>	<u>Annual change</u>	
		<u>Number</u>	<u>Rate<sup>a/</sup></u>
1950	419,532	-	-
1960	490,297	7,077	1.6
1966	520,300	5,225	1.1
1968	529,500	4,600	0.9

<sup>a/</sup> Derived through the use of a formula designed to calculate the rate of change on a compound basis.

Sources: 1950 and 1960 Censuses of Population and estimates by Housing Market Analyst.

Natural Increase and Migration. During the April 1950-April 1960 decade, there was a net natural increase of about 58,100 (excess of resident births over resident deaths) in the Springfield HMA. When compared with a total population growth of nearly 70,800, an in-migration of approximately 12,700 is indicated. Since 1960, there has been a net natural increase of about 32,750 and a net out-migration of 2,750 persons. Decreasing employment opportunity has been a primary factor in the shift from a net in-migration of 1,250 a year in the 1950-1960 decade, to an annual net out-migration of 475 persons in the current period.

Military Strength. Currently, there are about 8,530 military personnel assigned to the two military establishments located in the HMA, 8,513 at Westover Air Force Base and 17 at the Springfield Armory. The military strength of the installations had been relatively constant in the 1958-1964 period, reaching a peak of 9,400 in December 1958 and a trough of 9,150 in December 1964. Between December 1964 and December 1965, however, military strength at the Armory and the Air Force Base declined by 620 to a level of 8,525 (see table II).

#### Households

Current Estimate and Past Trend. As of January 1966, it is estimated that there are 156,300 households in the HMA, indicating an annual increase of about 1,800 (1.2 percent) since 1960. The number of households increased from about 116,900 in 1950 to approximately 146,000 in 1960, an annual increment of about 2,900 households or 2.3 percent. The trend of household growth for the HMA and its constituent communities is presented in table V. The increase in the number of households between 1950 and 1960 reflects, in part, the change in census definition from "dwelling unit" in the 1950 Census to "housing unit" in the 1960 Census.

Future Households. By January 1968, households in the HMA are expected to total approximately 158,400, an annual average increment of about 1,550 (0.9 percent) over the present level (see table below). This estimate is based upon the anticipated increments in the population and employment during the next two years and on the assumption that the average household size will decline slightly over the forecast period.

Household Changes  
Springfield, Massachusetts, HMA  
1950-1968

<u>Date</u>	<u>Households</u>	<u>Annual change</u>	
		<u>Number</u>	<u>Rate</u> <sup>a/</sup>
1950	116,915	-	-
1960	145,984	2,907	2.3
1966	156,300	1,800	1.2
1968	159,400	1,550	1.0

a/ Derived through the use of a formula designed to calculate the rate of change on a compound basis.

Sources: 1950 and 1960 Censuses of Housing and estimates by Housing Market Analyst.

Household Size. Paralleling the national trend, the average household size in the Springfield HMA, as reported by the Census, decreased from 3.37 persons per household in 1950 to 3.22 persons per household in 1960. A portion of this reduction, reflects a change in definition of households from the occupants of a "dwelling unit" in 1950 to occupants of a "housing unit" in 1960. At present the average household in the HMA is estimated to have 3.19 persons; the average size is expected to decline somewhat during the forecast period to 3.18 persons.

## Housing Market Factors

### Housing Supply

Current Estimate. As of January 1, 1966, there are 166,000 housing units in the Springfield HMA, indicating a net gain since April 1, 1960 of approximately 10,750 (6.9 percent) housing units, or about 1,850 (1.2 percent) annually. In 1960, the city of Springfield accounted for about 38 percent of all housing units in the HMA. Since April 1, 1960, however, only about 16 percent (2,175 units) of all units constructed in the HMA have been built within the corporate limits of the city of Springfield. Over half (7,400) of the units built since 1960 have been constructed outside the five cities of the HMA.

Past Trend. During the 1950-1960 decade, the number of housing units in the Springfield HMA increased by 34,950, or about 3,500 (3.0 percent) annually, from 120,300 in 1950 to 155,300 in 1960. The annual addition during the 1960-1966 period was about 1,650 units lower than in the 1950-1960 decade. Contrasting with the trend noted between 1960 and 1966, over 30 percent of the units added to the housing inventory during the 1950-1960 period were in the city of Springfield. Some portion of the growth in the HMA reflected the conceptual change from "dwelling unit" to "housing unit" during the decade.

Type of Structure. At present, 55 percent of the housing units in the Springfield HMA are in single-family structures. This is an increase in the proportion of single-family units in the housing inventory since 1960 when the Census of Housing reported 54 percent of the housing inventory to be in single-family structures. Since 1960, 68 percent of all construction has been of single-family homes with approximately 9,300 new single-family structures completed out of a total of 13,700 units. The 1960 and 1966 housing inventories by type of structure are presented in the following table.

### Housing Inventory by Units in Structure

Springfield, Massachusetts, HMA  
April 1, 1960 and January 1, 1966

<u>Units in structure</u>	<u>April 1, 1960</u>		<u>January 1, 1966</u>	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
1 unit <u>a/</u>	83,395	53.7	92,050	55.0
2 units	27,228	17.5	27,100	16.0
3 or more units	44,610	28.8	46,850	29.0
Total <u>b/</u>	155,233	100.0	166,000	100.0

a/ Includes trailers.

b/ Differs slightly from the count of all units (155,254) because units by type of structure were enumerated on a sample basis.

Sources: 1960 Census of Housing and estimates by Housing Market Analyst.

Age of Structure. As of January 1966, approximately 8 percent of the dwelling units in the HMA were five years old or less. About 29 percent of the structures were between six and 26 years old and 63 percent were built prior to 1940 (see table below).

Distribution of the Housing Inventory by Year Built  
Springfield, Massachusetts, HMA  
January 1966

<u>Year built</u>	<u>Number</u>	<u>Percent</u>
April 1960-Jan. 1966	13,700	8.0
1950-March 1960	34,100	21.0
1940-1949	13,500	8.0
1939 or earlier	<u>104,700</u>	<u>63.0</u>
Total <u>a/</u>	166,000	100.0

a/ The basic data reflect an unknown degree of error in "year built" occasioned by the accuracy of response to enumerators' questions as well as errors caused by sampling.

Sources: 1960 Census of Housing and estimates by Housing Market Analyst.

The proportion of dwelling units in the HMA in 1960 which were 20 or more years old (69 percent) is somewhat above the national average of approximately 59 percent. The percentage of homes in the Springfield HMA which were 20 or more years old compared favorably, however, with the New England area taken as a whole, in which over 70 percent of all units were built prior to 1940.

Condition of the Inventory. Of the 166,000 dwelling units currently in the Springfield HMA, about 10,400 (6 percent) are dilapidated or are lacking some or all plumbing facilities. This reflects an improvement in the quality of housing in the HMA since 1960, when nearly 13,100 housing units, or 8 percent of the inventory, were dilapidated or lacked some plumbing facility. In 1950, approximately 15 percent (18,600 units) of the housing stock was so classified. Because the 1950 Census of Housing did not identify "deteriorating" units, it is probable that some units classified as "dilapidated" in 1950 would have been classified as "deteriorating" on the basis of 1960 enumeration procedures.

It is probable that there was some improvement in housing quality from 1950 to 1960, but measurement of this improvement is impossible because of the introduction in 1960 of a new condition status, "deteriorating."

### Residential Building Activity

The number of new, privately-financed, housing units authorized annually by building permits in the Springfield HMA has displayed an upward trend during the 1960 to 1965 period. The volume of new construction, as measured by the number of building permits issued, increased from about 1,750 in 1960 to approximately 2,675 in 1964 (see table VI). During 1965, a total of 2,960 permits were authorized within the HMA. There were a total of 13,000 privately-financed units built in the Springfield HMA in the 1960-1966 period, 9,300 single-family and about 3,700 multi-family units.

The number of privately-financed multifamily units authorized ranged from about 225 to over 1,200 in the 1960-1965 period (see following table). While about 70 percent of the permits issued since 1960 were for single-family homes, multi-unit construction has been increasing in the past four years, rising steadily from a level of 400 units in 1962 to a level of 1,150 in 1965.

Most of the multifamily construction (56 percent) took place in the central cities. As may be expected, the city of Springfield accounted for the greatest share of multi-unit construction with a total of approximately 950 (25 percent) units added since April 1960. The city of Chicopee was second in the number of multifamily units built during the six-year period (690), followed by Holyoke (270), Westfield (240), and Northampton (60). A considerable amount of multi-unit construction also has been taking place in the towns of West Springfield and Agawam, in which 610 and 560 units, respectively, have been built since April 1960.

Single-family construction was rather widely dispersed among the towns and cities of the HMA. The largest number of single-family structures added in any one community were the 1,400 units which were built in the city of Chicopee. The town of Longmeadow has added approximately 840 single-family homes to its housing inventory in the past six years and nearly 740 units were built in the city of Westfield.

#### Dwelling Units Authorized by Building Permits, by Type of Structure<sup>a/</sup> Springfield, Massachusetts, HMA, 1960-January 1, 1966

Type	1960	1961	1962	1963	1964	1965	Total
Single family	1,509	1,588	1,636	1,570	1,600	1,809	9,712
Two family	18	30	36	86	126	116	412
3 or more family	227	386	366	688	953	1,035	3,655 <sup>b/</sup>
Total	1,754	2,004	2,038	2,344	2,679	2,960	13,779 <sup>b/</sup>

<sup>a/</sup> Excludes 840 public housing units.

<sup>b/</sup> Includes 760 privately-financed units still under construction.

Sources: Massachusetts Department of Labor and Industries; Local Permit Offices; and estimates by Housing Market Analyst.

Units Under Construction. Based upon building permit data and the January 1966 postal vacancy survey, there are about 900 dwelling units under construction in the Springfield HMA at the present time. About 400 units under construction are single-family homes and 500 units are in multifamily structures, including 140 units of low-rent public housing.

Demolitions. While demolition and conversion data are not available for the entire HMA, it is estimated that an average of approximately 550 units have been demolished each year since 1960. A large portion of the demolition activity took place in the city of Springfield and was the result of urban renewal activity. The North End Project (Mass. R-7), has resulted in the demolition of about 1,200 dwelling units. An additional 100 units will be removed before completion of the project. Nearly 1,000 more units will be demolished or displaced as a result of construction activity on Interstate Highways 91 and 291. Construction of Route 391 will also cause displacements as about 250 dwelling units will be affected by the proposed link between the cities of Chicopee and Holyoke.

#### Tenure of Occupancy

Approximately 59 percent of all occupied housing units in the HMA are owner occupied. The current ownership ratio represents a slight increase over the 1960 ratio when 58 percent of all occupied dwellings were reported to be owner occupied. Between 1950 and 1960, owner occupancy increased significantly from 48 percent in 1950 to 58 percent in 1960. The following table represents the trend in tenure in the HMA since 1950.

Tenure Trends  
Springfield, Massachusetts, HMA  
1950-1966

<u>Tenure of occupancy</u>	<u>1950</u>		<u>1960</u>		<u>1966</u>	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
Owner	56,429	48.3	84,239	57.7	92,000	59.0
Renter	60,486	51.7	61,745	42.3	64,300	41.0
Total	116,915	100.0	145,984	100.0	156,300	100.0

Sources: 1950 and 1960 Censuses of Housing and Estimates by Housing Market Analyst.

### Vacancy

February 1960 Postal Vacancy Survey (PVS). A postal vacancy survey of the Springfield area was conducted during February 1960. This survey covered a total of 114,600 units (about 74 percent of the inventory) and reported 2,800 vacant units, an over-all vacancy rate of 2.4 percent. Approximately 1,200 (2.3 percent) of the residences were vacant and 1,600 units (2.5 percent) of apartments were recorded as vacant.

April 1960 Census. As of a date about two months later than the postal vacancy survey, the 1960 Census of Housing reported that there were about 5,975 nonseasonal, nondilapidated vacant housing units available in the Springfield HMA, 1,150 for sale and 4,825 for rent. The total available vacancy ratio was 3.9 percent, with a homeowner vacancy rate of 1.3 percent and a rental vacancy rate of 7.3 percent. Of the vacant units available for sale, about four percent lacked one or more plumbing facilities. Of the vacant units available for rent, approximately 30 percent lacked one or more plumbing facilities. It would appear, after adjustment of the postal survey to census tenure concepts and for the degree of coverage, that the postal survey had excluded about 2,300 vacancies; these were likely concentrated in old structures which had been converted to multifamily rental use. About 44 percent of the 1960 rental inventory was in structures with two to four units each and another 21 percent in structures with five to nine rental units each.

January 1966 Postal Vacancy Survey. A postal vacancy survey was again conducted in January 1966 (see table VII), covering a total of 147,400 possible deliveries (88 percent of the inventory). There were about 3,965 vacant units (a 2.7 percent vacancy ratio), 1,400 vacant residences and approximately 2,575 vacant apartments, for vacancy rates of 1.8 and 3.8 percent, respectively.

Postal vacancy survey data are not strictly comparable with vacancy data published by the Bureau of the Census because of differences in definition, area delineations, and methods of enumeration. The census reports units and vacancies by tenure, whereas the postal vacancy surveys report units and vacancies by type of structure. The Post Office Department defines a "residence" as a unit representing one stop for one delivery of mail (one mailbox). These are principally single-family homes, but they include some duplexes and structures with additional units created by conversion. An "apartment" includes all stops where more than one delivery of mail is possible. When used in conjunction with other vacancy data, however, the surveys serve a valuable function in the derivation of estimates regarding local market conditions.

Current Estimate. Based on the January 1966 postal vacancy survey and the relationship which existed between vacancies reported in the February 1960 survey and the vacancies recorded in the 1960 Census, it is estimated that there are a total of 6,200 available vacancies (3.8 percent) in the HMA.

It is assumed that the postal vacancy survey failed to enumerate a substantial number of rental vacancies for reasons indicated above. The present net available homeowner and rental vacancy ratios are 1.3 percent and 7.2 percent. The current homeowner and renter vacancy rates are above those which are generally deemed to represent a reasonable relationship between demand and supply in an area with the growth characteristics of the Springfield HMA, but quality characteristics limit the competitive influence of many of the vacant units. The trend of vacancies in the Springfield area since 1950 is shown in the table below.

Trend of Vacancies  
Springfield, Massachusetts, HMA  
1950-1966

<u>Item</u>	<u>April</u> <u>1950</u>	<u>April</u> <u>1960</u>	<u>January</u> <u>1966</u>
Total vacant	<u>3,347</u>	<u>9,270</u>	<u>9,700</u>
Available vacant	1,137	5,979	6,200
Percent of available inventory	1.0	3.9	3.8
Available for sale	504	1,147	1,200
Homeowner vacancy rate	0.9	1.3	1.3
Available for rent	633	4,832	5,000
Rental vacancy rate	1.0	7.3	7.2
Other vacant	2,210	3,291	3,500

Sources: 1950 and 1960 Censuses of Housing.  
1966 estimated by Housing Market Analyst.

Sales Market

General Market Conditions. It is the consensus of many of the major contractors and realtors in the Springfield HMA that the sales market has been improving in the past two years. The homeowner vacancy rate remained at the 1960 level of 1.3 percent. A large portion of the vacancies, however, are in the older and less desirable portions of the HMA and may no longer be competitive. Relatively little difficulty is experienced in the sale of either good existing houses or new homes. A comparison of the 1964 and 1965 FHA unsold inventory surveys (see page 19) indicates an improving market. The ratio of speculative units which were unsold at the time of the survey fell from a level of 23 percent on January 1, 1964 to 13 percent on January 1, 1965. On January 1, 1965, the survey recorded only seven units which were unsold two to three months, while in the January 1, 1964 survey 53 units were so classified. The January 1, 1966 survey (see table VIII) indicates a further strengthening of the market as only 26 units out of a total of 536 completions were reported as vacant (10 percent of the total of 263 speculative units).



A survey of vacant, unsold, new houses has been conducted locally for many years. The survey covers builders in the city of Springfield and four neighboring towns. From December 1952, the first year of the survey, to December 1960 the number of vacant new homes varied from a low of 130 in 1954 to a high of 233 in 1955. In more recent years, the number has varied, falling from 218 in 1960 to 101 in 1962, and rising again in 1964 to 139. On the 15th of December 1965, there were 103 new sales units vacant and unsold, nearing the 1962 low.

The ease or difficulty of sale of large old houses which abound in the HMA is a function of location. While sale of such units has proved troublesome in the central cities, there is a ready market for these larger units in the suburban areas.

The sales market in the city of Springfield has suffered as a result of a 1960 decision to assess residential property at 100 percent of value. This has had the effect of increasing the share of local taxes paid by residential property owners and has increased the annual costs of ownership. In addition to the increased tax liability, a growing lack of suitable land for development within the city limits of Springfield has affected new home construction.

The price of sales housing in the area has increased somewhat in the past six years. This increase has been the result of increased construction costs, rising land costs, and inflationary price pressures.

Subdivision Activity. Presently, there is a great deal of subdivision activity in the Springfield area. The unsold inventory survey of January 1, 1966 reported a total of 48 subdivisions with five or more completions during the previous twelve months. While they are scattered throughout the area, the bulk of the subdivisions are located in the suburban areas adjacent to the five central cities of the HMA. Activity has been distributed among a large number of contractors, with no one builder producing a major portion of the residential construction.

Speculative Construction. Based upon the January 1965 and 1966 unsold inventory surveys, speculative building in the HMA accounted for over 55 percent of completed sales houses during 1964 and about 49 percent of all completions in 1965. These surveys, however, can be used only as a general indication of speculative activity, because the unsold inventory survey includes only a portion of the single-family units constructed during these years.

Unsold Inventory. In January 1964, 1965, and 1966, the Boston Insuring Office of FHA surveyed all subdivisions in the Springfield area in which five or more sales houses were completed in the preceding twelve months. The January 1966 survey covered 48 subdivisions in which a total of 536 units were reported to have been completed during 1965, of which 273 (51 percent) were sold before construction started, and 263 were built

speculatively. Just 10 percent of the speculative units remained unsold as of January 1, 1966. Only one of the unsold units had been on the market for more than six months. In the previous survey nearly 13 percent of the speculatively-built units remained unsold and half had been on the market for more than six months. Detailed results of the three surveys, including a distribution of activity by price range are presented in table VIII.

### Rental Market

The market for rental housing in the HMA is relatively firm. While the current rental vacancy level stands at about seven percent, about 30 percent of the units available for rent lack some plumbing facility. Exclusion of these units from the available inventory would tend to lower the vacancy rate considerably. Many of the vacancies which exist are in the upper floors of four and five story walk-up apartments.

The older, well-located, and well-maintained projects have been able to maintain satisfactory occupancy ratios during the past few years. However, increased competition from new rental projects and locational problems have been cited as the main causes for high levels of vacancy in some projects. New rental projects in the moderate rent ranges have experienced little difficulty in maintaining a high level of occupancy. High-rent luxury-type structures, however, have proven somewhat difficult to rent.

### Military Housing

Currently, there is a total of about 1,600 on-base housing units at Westover Air Force Base and the Springfield Armory. The vast majority of the on-base units (1,569) are located at Westover AFB. There are only 14 military families quartered at the armory, thirteen officers and one enlisted man.

Of the 1,569 on-base dwellings at Westover, 1,067 are Wherry, 490 are Capehart and 12 are appropriated fund. There are 563 units designated as officer quarters and 1,006 as enlisted quarters. There are 88 one-bedroom units, 566 two-bedroom units, 745 three-bedroom units and 170 four-bedroom homes.

At the time of the March 31, 1965 housing survey at Westover AFB about 4,366 off-base dwelling units were being occupied by military families. The survey data revealed that 1,739 of these units were considered unsuitable. Thirty-two of the units were considered unsuitable due to excess distance; 1,219 were reported as substandard; and 488 were listed as unsuitable because of excess of cost.

### Urban Renewal

North End Project (Massachusetts R-7). The North End Renewal Project, a 200-acre area in Springfield's North End, is the largest urban renewal project in the HMA. Approximately 86 acres of the project are marked for acquisition and clearance and about 55 acres, exclusive of streets, are designated for rehabilitation. Interstate Highways 291 and 91 will join within the project area at a point between Dwight and Chestnut Streets.

Most of the acquisition and demolition is taking place between Main Street and Cass Street and, at the completion of the project, the demolition of approximately 1,300 dwelling units will result. There are 211 structures in the North End Project rehabilitation and conservation area and, as of July 1965, 191 of these units have received some form of rehabilitation treatment.

Brightwood Project (Massachusetts R-99). The Brightwood Urban Renewal Project, a 280-acre area, bounded by West Street, the Connecticut River, the Chicopee City line, and the Boston and Main Railroad, currently is in the planning stage. The project plan hinges on various unanswered questions: the impact of the 400-unit Riverview public housing project on the neighborhood, area isolation by rail and highway; educational, recreational, and social welfare service need, and the feasibility of rehabilitation. Only about 80 dwelling units will be affected by current rehabilitation proposals.

DeBerry School Project (Massachusetts R-58). A playground was constructed on the DeBerry School Project site which was available for use in August 1964. A small project, the playground resulted in the elimination of about 30 dwelling units.

### Public Housing

There are almost 3,500 units of public housing in the HMA, approximately 2,275 are State-aided veterans and elderly units and over 1,225 are Federally-aided low-rent and housing for elderly units (see table IX). At present, there are approximately 140 units under construction. Of the total public housing units, about 85 percent are located in the five cities of the Springfield HMA. Approximately 35 percent of the existing units provide housing for the elderly; 37 percent are veterans units; and 28 percent are designated for low income families.

## Demand for Housing

### Quantitative Demand

The demand for new housing in the Springfield, Massachusetts, HMA is based upon a projected household growth of 1,550 households annually during each of the next two years, which, in turn, is based upon a **prospective** reduced rate of employment growth during the forecast period. Adjustments are made for changes in the tenure of occupancy, the volume of residential demolition, the volume of conversion, and the current level of new construction. In addition to the above factors, consideration also has been given to the probability that some part of the demand for rental units will be supplied by single-family houses formerly occupied by owners and to the fact that some of the older rental units, although not dilapidated and not lacking plumbing facilities, are marginal in quality and location and will become less competitive as new rental units are added.

On this basis, it is estimated that the annual level of demand for new housing totals about 1,890 units, including 1,150 units of sales housing, 550 units of rental housing at rents based on current costs including market-interest-rate financing, and 190 middle income rental units that may be marketed only at the rents achievable with the aid of below-market-interest-rate financing or assistance in land acquisition and cost. This demand estimate does not include public low-rent housing or rent-supplement accommodations. A reduction from the current annual volume of about 2,000 units is indicated by the expected decline in household growth; should anticipated plant closings result in an even greater reduction in the rate of growth, demand may be even lower.

The annual prospective demand for privately-financed housing units is expected to be distributed among the communities of the HMA in the following manner: 250 units in Springfield, 300 units in Chicopee, 100 units in Holyoke, 200 units in Westfield, 60 units in Northampton, 230 units in West Springfield, 250 units in Agawam, and 460 units in the remainder of the HMA.

### Qualitative Demand

Sales Housing. The distribution of the annual demand for 1,150 additional new sales housing units is shown in the following table. This distribution is based on ability to pay, as measured by current family income and the ratio between income and purchase price found to be typical in the Springfield HMA, and on recent market experience.

Annual Distribution of the Prospective  
Demand for Sales Housing in the  
Springfield, Massachusetts, HMA  
January 1966 to January 1968

<u>Sales price</u>	<u>Number of units</u>	<u>Percentage</u>
\$10,000 - \$12,499	45	4
12,500 - 14,999	310	27
15,000 - 17,499	275	24
17,500 - 19,999	160	14
20,000 - 24,999	200	17
25,000 - 29,999	35	3
30,000 - 34,999	35	3
35,000 and over	90	8
Total	1,150	100

The foregoing distribution differs from that in table VIII, which reflects only selected subdivision experience during the years 1963-1965. It must be noted that the data do not include new construction in subdivisions with less than five completions during the year, nor do they reflect individual or contract construction on scattered lots. It is likely that the more expensive housing construction and some of the lower-value homes are concentrated in the smaller building operations which are quite numerous. The preceding demand estimates reflect all home building and indicate a greater concentration in some price ranges than a subdivision survey would reveal.

Rental Housing. Acceptable new privately-owned rental housing in the Springfield HMA can be produced only at gross rents at or above the minimum levels achievable under current construction and land costs. In the Springfield HMA, it is judged that minimum gross rents achievable without public benefits or assistance in financing or land purchase are \$80 for efficiencies, \$100 for one-bedroom units, \$120 for two-bedroom units, and \$140 for three-bedroom units.

The monthly rentals at which 740 units of privately-owned additions to the aggregate rental housing inventory might best be absorbed by the rental market are indicated for various size units in the following table. These net additions may be accomplished by either new construction or rehabilitation at the specified rentals with or without public benefits or assistance through subsidy, tax abatement, or aid in financing or land acquisition. The production of new units in higher rental ranges than indicated below may be justified if a competitive filtering of existing accommodations to lower ranges of rent can be anticipated as a result.

Estimated Annual Demand for New Rental Units  
Springfield, Massachusetts, HMA  
January 1, 1966 to January 1, 1968

<u>Monthly</u> <u>gross rent</u> <sup>a/</sup>	<u>Size of unit</u>			
	<u>Efficiency</u>	<u>One</u> <u>bedroom</u>	<u>Two</u> <u>bedroom</u>	<u>Three-or-more</u> <u>bedroom</u>
\$ 65 and over	45	-	-	-
70 " "	45	-	-	-
75 " "	45	-	-	-
80 " "	40	325	-	-
85 " "	35	315	-	-
90 " " - - - - -	30 - - - - -	300 - - - - -	- - - - -	- - - - -
95 " "	25	285	285	-
100 " "	20	255	255	-
110 " "	15	225	235	85
120 " "	10	195	215	70
130 " "	5	140	165	50
140 " " - - - - -	- - - - -	100 - - - - -	110 - - - - -	40
150 " "	-	60	60	30
160 " "	-	45	40	25
170 " "	-	35	30	20
180 " "	-	20	20	15
200 " "	-	10	10	10

a/ Includes all utilities.

Note: The above figures are cumulative, i.e., the columns cannot be added vertically.

Source: Estimated by Housing Market Analyst.

The preceding distribution of average annual demand for new apartments is based on projected tenant-family income, the size distribution of tenant households, and rent-paying propensities found to be typical in the area; consideration is also given to the recent absorption experience of new rental housing. Thus, it represents a pattern for guidance in the production of rental housing predicated on foreseeable quantitative and qualitative considerations. Even though a deviation may experience market success, it should not be regarded as establishing a change in the projected pattern of demand for continuing guidance unless thorough analysis of all factors involved clearly confirms the change. In any case, particular projects must be evaluated in the light of actual market performance in specific rent ranges and neighborhoods or sub-markets.

The location factor is of especial importance in the provision of new units at the lower-rent levels. Families in this user group are not as mobile as those in other economic segments; they are less able or willing to break with established social, church, and neighborhood relationships, and proximity to place of work frequently is a governing consideration in the place of residence preferred by families in this group. Thus, the utilization of lower-priced land for new rental housing in outlying locations to achieve lower rents may be self-defeating unless the existence of a demand potential is clearly evident.

Table I

Nonagricultural Wage and Salary Employment by Type of Industry  
Springfield, Massachusetts, HMA, 1958-1965

	<u>1958</u>	<u>1959</u>	<u>1960</u>	<u>1961</u>	<u>1962</u>	<u>1963</u>	<u>1964</u>	<u>Jan.-Oct.</u>	
								<u>1964</u>	<u>1965</u>
Civilian work force <sup>a/</sup>	NA	NA	<u>207,550</u>	<u>210,000</u>	<u>210,400</u>	<u>209,850</u>	<u>210,300</u>	<u>210,375</u>	<u>211,700</u>
Unemployed	NA	NA	13,400	14,450	13,975	14,350	12,750	13,050	11,600
Percent of work force	NA	NA	6.5	6.9	6.6	6.8	6.1	6.2	5.5
Labor-management disputes	0	0	0	0	150	925	50	50	150
Total employment	<u>190,900</u>	<u>194,950</u>	<u>194,150</u>	<u>195,550</u>	<u>196,300</u>	<u>194,550</u>	<u>197,500</u>	<u>197,275</u>	<u>199,950</u>
Agricultural employment	2,150	2,150	2,150	2,150	2,150	2,150	2,150	2,350	2,350
Nonagricultural employment	<u>188,750</u>	<u>192,800</u>	<u>192,000</u>	<u>193,400</u>	<u>194,150</u>	<u>192,400</u>	<u>195,350</u>	<u>194,925</u>	<u>197,600</u>
Wage & salary	168,700	172,475	172,375	173,300	174,750	173,750	176,500	176,000	179,300
Other	20,075	20,325	19,650	20,100	19,400	18,650	18,875	18,925	18,300
Manufacturing	<u>70,350</u>	<u>72,875</u>	<u>72,000</u>	<u>70,175</u>	<u>69,850</u>	<u>67,225</u>	<u>68,400</u>	<u>68,225</u>	<u>70,375</u>
Durable goods	<u>29,150</u>	<u>29,900</u>	<u>28,850</u>	<u>28,175</u>	<u>28,825</u>	<u>29,125</u>	<u>29,600</u>	<u>29,550</u>	<u>30,700</u>
Ordnance	1,550	1,675	1,725	1,625	1,550	1,575	1,650	1,650	1,900
Fab. metals	6,000	5,700	5,400	5,125	5,250	5,300	5,525	5,500	5,675
Nonelect. mach.	9,625	9,325	8,925	8,425	8,700	8,575	8,475	8,500	8,575
All other	11,975	13,200	12,800	13,000	13,300	13,675	13,950	13,900	14,550
Nondurable goods	<u>41,200</u>	<u>42,975</u>	<u>43,150</u>	<u>42,000</u>	<u>41,025</u>	<u>38,100</u>	<u>38,800</u>	<u>38,675</u>	<u>39,675</u>
Paper	7,350	7,575	7,925	7,850	7,925	7,975	8,100	8,100	8,125
Textiles	4,375	4,525	4,525	4,325	3,900	3,200	2,925	2,925	3,000
Apparel	4,775	5,050	4,825	4,475	4,675	4,700	4,575	4,600	4,425
Print. & pub.	5,100	5,450	5,525	5,250	5,825	5,800	5,950	5,950	6,150
Chemicals	4,225	5,025	5,200	5,225	5,000	4,475	4,525	4,550	4,425
All other	15,375	15,350	15,150	14,875	13,700	11,950	12,725	12,550	13,550
Nonmanufacturing	<u>98,350</u>	<u>99,600</u>	<u>100,375</u>	<u>103,100</u>	<u>104,900</u>	<u>106,525</u>	<u>108,100</u>	<u>107,775</u>	<u>108,925</u>
Agriculture, for. & fish	325	325	350	350	350	350	375	375	} 625
Mining	150	150	150	150	175	175	200	200	
Construction	5,775	6,375	5,700	5,775	5,650	5,975	6,950	7,025	6,775
Trans. comm. & util.	9,300	9,175	8,450	8,350	8,525	8,150	8,050	8,050	8,300
Wholesale & retail trade	31,250	31,325	32,450	33,175	33,950	34,775	35,175	34,850	35,175
Wholesale	5,625	5,575	5,850	6,275	6,425	6,600	6,625	6,600	6,550
Retail	25,625	25,750	26,600	26,900	27,550	28,175	28,550	28,250	28,600
Finance, ins. & real est.	7,800	7,900	8,125	8,275	8,500	8,550	8,550	8,550	8,600
Service	24,000	24,350	25,025	25,125	25,450	26,075	26,350	26,375	27,050
Medical	6,325	6,400	6,450	6,575	7,000	7,475	7,625	7,600	7,775
Education	5,175	5,175	5,200	5,200	5,200	5,250	5,225	5,250	5,200
All other	12,500	12,775	13,400	13,350	13,250	13,350	13,500	13,500	14,100
Government	19,750	20,000	20,150	21,875	22,300	22,450	22,425	22,350	22,425

<sup>a/</sup> Data rounded to the nearest 25; therefore, detail may not add to totals.

Note: Employment data above, with the exception of labor force, does not include workers on strike.  
 In the text discussion, however, strikers were included as employed.

Source: Massachusetts Department of Employment Security.



Table II

Civilian and Military Employment of Military Installations  
Springfield, Massachusetts, HMA, 1955-1965

<u>Date</u> <u>a/</u>	<u>Springfield Armory</u>			<u>Westover Air Force Base</u>			<u>Total</u>
	<u>Civilian</u> <u>b/</u>	<u>Military</u>	<u>Total</u>	<u>Civilian</u> <u>b/</u>	<u>Military</u>	<u>Total</u>	
1955	3,619	39	3,658	823	6,336	7,159	10,817
1956	2,831	37	2,868	835	8,414	9,249	12,117
1957	4,509	31	4,540	687	9,061	9,748	14,288
1958	2,088	19	2,107	712	9,378	10,090	12,197
1959	2,072	16	2,088	735	9,062	9,797	11,885
1960	2,273	21	2,293	712	8,872	9,584	11,877
1961	3,173	19	3,192	764	9,168	9,932	13,124
1962	3,127	19	3,146	816	9,304	10,120	13,266
1963	2,941	18	2,959	824	9,258	10,082	13,041
1964	2,343	18	2,361	815	9,131	9,946	12,307
1965	2,311	13	2,324	792	8,513	9,305	11,629

a/ All data are for the month of December with the exception of 1965 data for Westover AFB which are given for October.

b/ Civilian Civil Service.

Source: U.S. Department of Defense.

Table III

Estimated Percentage Distribution of Families by Annual Income  
After Deduction of Federal Income Tax  
Springfield, Massachusetts, HMA  
January 1966 and January 1968

<u>Family income</u>	<u>1966</u>		<u>1968</u>	
	<u>All families</u>	<u>Renter families</u>	<u>All families</u>	<u>Renter families</u>
Under \$2,000	4	8	3	7
\$2,000 - 2,999	5	9	5	7
3,000 - 3,999	7	10	6	9
4,000 - 4,999	10	13	9	13
5,000 - 5,999	13	16	13	13
6,000 - 6,999	14	12	13	14
7,000 - 7,999	10	10	10	12
8,000 - 8,999	10	8	11	9
9,000 - 9,999	8	5	8	5
10,000 - 14,999	14	8	16	8
15,000 and over	<u>5</u>	<u>1</u>	<u>6</u>	<u>3</u>
Total	100	100	100	100
Median	\$6,750	\$5,750	\$7,125	\$6,050

Source: Estimated by Housing Market Analyst.

Table IV

Population Trends for Communities Within the  
Springfield, Massachusetts, HMA  
1950, 1960, and 1966

<u>Area</u>	<u>1950</u>	<u>1960</u>	<u>1966</u>	<u>Average Annual Change</u>			
				<u>1950-1960</u>		<u>1960-1966</u>	
				<u>Number</u>	<u>Rate</u> <sup>a/</sup>	<u>Number</u>	<u>Rate</u> <sup>a/</sup>
<u>HMA total</u>	<u>419,532</u>	<u>490,297</u>	<u>520,300</u>	<u>7,077</u>	<u>1.6</u>	<u>5,225</u> <sup>b/</sup>	<u>1.1</u>
<u>Cities:</u>							
Springfield	162,399	174,463	173,600	1,206	.7	-150	-.1
Chicopee	49,211	61,553	66,700	1,234	2.3	900	1.4
Holyoke	54,661	52,689	52,650	-197	-.4	-5	- <sup>c/</sup>
Westfield	20,962	26,302	29,525	534	2.3	560	2.0
Northampton	29,063	30,058	30,750	100	.3	120	.5
<u>Towns:</u>							
Agawan	10,166	15,718	19,650	555	4.4	680	3.9
Easthampton	10,694	12,326	13,800	163	1.4	260	2.0
East Longmeadow	4,881	10,294	11,800	541	7.5	260	2.4
Granby	1,861	4,221	5,000	236	8.2	135	3.0
Hadley	2,639	3,099	3,675	46	1.6	100	3.0
Hampden	1,322	2,345	3,175	102	5.7	140	5.3
Longmeadow	6,508	10,565	13,000	406	4.8	420	3.7
Ludlow	8,660	13,805	15,600	515	4.6	310	2.2
Monson	6,125	6,712	7,300	59	.9	100	1.5
Palmer	9,533	10,358	11,000	83	.9	110	1.1
South Hadley	10,145	14,956	16,100	481	3.9	200	1.3
Southwick	2,855	5,139	5,600	228	5.9	80	1.5
Warren	3,406	3,383	3,575	-2	-.1	30	1.0
West Springfield	20,438	24,924	28,300	449	2.0	590	2.3
Wilbraham	4,003	7,387	9,500	338	6.2	370	4.4

<sup>a/</sup> Derived through the use of a formula designed to calculate the rate of change on a compound basis.

<sup>b/</sup> Detail will not add due to rounding.

<sup>c/</sup> Less than .1 percent.

Sources: 1950 and 1960 Censuses of Population and estimates by Housing Market Analyst.

Table V

Household Trends for Communities Within the  
Springfield, Massachusetts, HMA  
1950, 1960, and 1966

<u>Area</u>	<u>1950</u>	<u>1960</u>	<u>1966</u>	<u>Average Annual Change</u>			
				<u>1950-1960</u>		<u>1960-1966</u>	
				<u>Number</u>	<u>Rate<sup>a/</sup></u>	<u>Number</u>	<u>Rate<sup>a/</sup></u>
<u>HMA total</u>	<u>116,915<sup>b/</sup></u>	<u>145,984<sup>b/</sup></u>	<u>156,300</u>	<u>2,907<sup>b/</sup></u>	<u>2.3</u>	<u>1,800<sup>c/</sup></u>	<u>1.2</u>
<u>Cities:</u>							
Springfield	46,708	55,020	55,325	831	1.7	50	.2
Chicopee	12,588	16,886	18,500	430	2.9	280	1.6
Holyoke	16,283	17,432	17,850	115	.7	70	.5
Westfield	6,059	7,805	8,725	175	2.6	160	2.0
Northampton	6,655	7,902	8,150	125	1.8	40	.6
<u>Towns:</u>							
Agawan	2,487	4,417	5,625	193	5.8	210	4.3
Easthampton	3,065	3,816	4,050	75	2.3	40	1.1
East Longmeadow	1,179	2,867	3,300	169	8.9	75	2.5
Granby	525	1,071	1,275	55	7.1	35	3.1
Hadley	711	862	1,050	15	1.9	30	3.5
Hampden	386	659	925	27	5.3	50	6.0
Longmeadow	1,938	3,054	3,825	112	4.6	130	4.0
Ludlow	2,310	3,835	4,450	153	5.1	110	2.6
Monson	1,443	1,540	1,700	10	.7	30	1.8
Palmer	2,633	3,136	3,325	50	1.8	30	1.1
South Hadley	2,570	3,852	4,200	128	4.1	60	1.6
Southwick	808	1,513	1,650	71	6.3	20	1.6
Warren	998	1,063	1,100	7	.7	5	.6
West Springfield	5,657	7,225	8,500	157	2.5	220	2.9
Wilbraham	1,124	2,148	2,775	102	6.5	110	4.5

a/ Derived through the use of a formula designed to calculate the rate of change on a compound basis.

b/ Individual community data will not add to HMA totals as household data were enumerated on a sample basis.

c/ Detail may not add due to rounding.

Source: 1950 and 1960 Censuses of Housing and estimates by Housing Market Analyst.

Table VI

Housing Units Authorized by Building Permits <sup>a/</sup>  
Springfield, Massachusetts, HMA  
1960-1965

<u>Area</u>	<u>1960</u>	<u>1961</u>	<u>1962</u>	<u>1963</u>	<u>1964</u>	<u>1965</u>	<u>Total</u>
<u>HMA total</u>	<u>1,754</u>	<u>2,004</u>	<u>2,038</u>	<u>2,344</u>	<u>2,679</u>	<u>2,960</u>	<u>13,779<sup>b/</sup></u>
<u>Cities:</u>							
Springfield	289	359	135	340	366	307	1,796
Chicopee	153	287	392	390	440	504	2,166
Holyoke	99	133	91	133	85	194	735
Westfield	210	130	129	106	261	203	1,039
Northampton	43	47	54	91	59	53	347
<u>Towns:</u>							
Agawam	149	100	157	172	204	650	1,432
Easthampton	25	29	63	31	65	50	263
East Longmeadow	90	43	90	87	84	95	489
Grandby	67	50	39	29	36	26	247
Hadley	17	14	72	33	44	42	222
Hampden	13	28	29	53	119	75	317
Longmeadow	117	166	130	180	163	129	885
Ludlow	129	152	119	107	115	78	700
Monson	21	26	29	30	35	36	177
Palmer	43	38	32	34	35	30	212
South Hadley	50	84	65	76	80	55	410
Southwick	5	20	14	31	37	49	156
Warren	5	6	19	11	10	12	63
West Springfield	157	192	249	232	324	262	1,416
Wilbraham	72	100	130	178	117	110	707

a/ Excludes 840 public housing units.

b/ Includes 760 units under construction.

Sources: Division of Statistics, Department of Labor and Industries, Commonwealth of Massachusetts; local permit issuing offices; and estimates by Housing Market Analyst.

Table VII

Springfield-Chicopee-Holyoke, Massachusetts, Area Postal Vacancy Survey

January 10-18, 1966

Postal area	Total residences and apartments						Residences						Apartments						House trailers		
	Total possible deliveries	Vacant units				Under const.	Total possible deliveries	Vacant units				Under const.	Total possible deliveries	Vacant units				Under const.	Total possible deliveries	Vacant	
		All	%	Used	New			All	%	Used	New			All	%	Used	New			Va.	U.
The Survey Area Total	147,406	3,977	2.7	3,296	681	943	80,078	1,411	1.8	1,156	255	370	67,328	2,566	3.8	2,140	426	573	1,054	21	2.0
Springfield	55,962	1,833	3.3	1,521	312	152	33,708	790	2.3	690	100	116	22,254	1,043	4.7	831	212	36	244	4	1.6
Main Office	15,811	665	4.2	555	110	15	5,558	94	1.7	89	5	5	10,253	571	5.6	466	105	10	-	-	-
Stations:																					
Brightwood	5,594	247	4.4	247	-	1	1,044	124	11.9	124	-	1	4,550	123	2.7	123	-	-	-	-	-
Forest Park	19,335	505	2.6	323	182	100	17,377	300	1.7	221	79	100	1,958	205	10.5	102	103	-	-	-	-
Highland	15,222	416	2.7	396	20	36	9,729	272	2.8	256	16	10	5,493	144	2.6	140	4	26	244	4	1.6
Chicopee	21,568	381	1.8	310	71	70	8,142	67	0.8	41	26	40	13,426	314	2.3	269	45	30	203	13	6.4
Main Office	14,467	285	2.0	220	65	51	5,928	48	0.8	27	21	25	8,539	237	2.8	193	44	26	203	13	6.4
Stations:																					
Center	5,528	54	1.0	48	6	19	2,191	19	0.9	14	5	15	3,337	35	1.0	34	1	4	-	-	-
Westover AFB	1,573	42	2.7	42	-	-	23	-	-	-	-	-	1,550	42	2.7	42	-	-	-	-	-
Holyoke	23,259	941	4.0	860	81	193	7,233	163	2.3	145	18	24	16,026	778	4.9	715	63	169	2	2	10.0
Other Cities and Town	46,617	822	1.8	605	217	528	30,995	391	1.3	280	111	190	15,622	431	2.8	325	106	338	605	2	0.3
Agawan	3,423	6	0.2	6	-	88	3,228	6	0.2	6	-	8	195	-	-	-	-	80	47	-	-
Easthampton	4,047	60	1.5	53	7	35	2,202	18	0.8	15	3	23	1,845	42	2.3	38	4	12	15	1	6.7
East Longmeadow	3,640	51	1.4	25	26	14	3,640	51	1.4	25	26	14	-	-	-	-	-	-	-	-	-
Ludlow	4,404	93	2.1	79	14	43	3,659	66	1.8	52	14	43	745	27	3.6	27	-	-	147	-	-
Northampton	7,656	119	1.6	99	20	75	4,172	60	1.4	42	18	13	3,484	59	1.7	57	2	62	5	-	-
Palmer	2,165	70	3.2	68	2	14	1,449	38	2.6	36	2	6	716	32	4.5	32	-	8	199	-	-
South Hadley	4,632	49	1.1	37	12	23	3,453	46	1.3	34	12	23	1,179	3	0.3	3	-	-	-	-	-
Westfield	8,451	238	2.8	155	83	48	4,232	53	1.3	31	22	44	4,219	185	4.4	124	61	4	171	1	0.6
West Springfield	8,199	136	1.7	83	53	188	4,960	53	1.1	39	14	16	3,239	83	2.6	44	39	172	21	-	-

The survey covers dwelling units in residences, apartments, and house trailers, including military, institutional, public housing units, and units used only seasonally. The survey does not cover stores, offices, commercial hotels and motels, or dormitories; nor does it cover boarded-up residences or apartments that are not intended for occupancy.

The definitions of "residence" and "apartment" are those of the Post Office Department, i.e.: a residence represents one possible stop with one possible delivery on a carrier's route; an apartment represents one possible stop with more than one possible delivery.

Source: FHA postal vacancy survey conducted by collaborating postmaster(s).

Table VIII

FHA Unsold Inventory Surveys  
Springfield, Massachusetts, HMA  
January 1, 1964, 1965, and 1966

<u>Sales price</u>	<u>Total completions</u>	<u>Houses sold before construction start</u>	<u>Speculative homes</u>			
			<u>Total</u>	<u>Number sold</u>	<u>Number unsold</u>	<u>Percent unsold</u>
<u>January 1, 1964</u>						
\$10,000 - \$12,499	7	4	3	3	0	0
12,500 - 14,999	261	93	168	131	37	22
15,000 - 17,499	88	29	59	45	14	23
17,500 - 19,999	46	28	18	12	6	33
20,000 - 24,999	59	34	25	18	7	28
25,000 - 29,999	22	12	10	8	2	20
30,000 - 34,999	16	16	0	0	0	0
35,000 and over	<u>5</u>	<u>0</u>	<u>5</u>	<u>5</u>	<u>0</u>	<u>0</u>
Total	504	216	288	222	66	23
<u>January 1, 1965</u>						
\$10,000 - \$12,499	0	0	0	0	0	0
12,500 - 14,999	167	74	93	83	10	11
15,000 - 17,499	205	100	105	95	10	10
17,500 - 19,999	47	16	31	26	5	16
20,000 - 24,999	69	22	47	37	10	21
25,000 - 29,999	14	12	2	2	0	0
30,000 - 34,999	0	0	0	0	0	0
35,000 and over	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	502	224	278	243	35	13
<u>January 1, 1966</u>						
\$10,000 - \$12,499	0	0	0	0	0	0
12,500 - 14,999	112	48	64	56	8	12
15,000 - 17,499	207	98	109	102	7	6
17,500 - 19,999	64	41	23	21	2	9
20,000 - 24,999	60	26	34	30	4	11
25,000 - 29,999	61	37	24	21	3	13
30,000 - 34,999	0	0	0	0	0	0
35,000 and over	<u>32</u>	<u>23</u>	<u>9</u>	<u>7</u>	<u>2</u>	<u>22</u>
Total	536	273	263	237	26	10

Source: Federal Housing Administration, Boston, Massachusetts, Insuring Office.

Table IX

Public Housing  
Springfield, Massachusetts, HMA  
As of January 1966

<u>Area</u>	<u>State-aided units</u>			<u>Federally-aided units</u>			<u>Total</u>
	<u>Veterans</u>	<u>Elderly</u>	<u>Total</u>	<u>Low income</u>	<u>Elderly</u>	<u>Total</u>	
HMA total	<u>1,284</u>	<u>985</u>	<u>2,269</u>	<u>984</u>	<u>238</u>	<u>1,222</u>	<u>3,491</u>
Springfield	532	263	795	348	40	388	1,183
Chicopee	226	210	436	150	-	150	586
Holyoke	219	82	301	436	198	634	935
Westfield	62	102	164	-	-	-	164
Northampton	80	-	80	50	-	50	130
Agawam	44	40	84	-	-	-	84
Easthampton	31	30	61	-	-	-	61
East Longmeadow	-	40	40	-	-	-	40
Hadley	-	40	40	-	-	-	40
Ludlow	-	40	40	-	-	-	40
South Hadley	-	90	90	-	-	-	90
West Springfield	90	48	138	-	-	-	138

Sources: Local Housing Authorities.



# DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

## FEDERAL HOUSING ADMINISTRATION

# NEWS

Washington, D. C. 20411

FHA INFORMATION 382-4693

FOR RELEASE FRIDAY  
JULY 29, 1966

HUD-FHA-MA-66-52  
Poston

The Federal Housing Administration today released its analysis of the Springfield, Massachusetts, housing market. The housing market consists of Springfield, four other cities and fifteen towns in Hampden, Hampshire and Worcester Counties. Demand for new housing is predicted at about 1,890 units a year for the two years dating from January 1966.

A breakdown of yearly demand is given. The 1,890 units include 1,150 sales units and 740 rental units. Rental demand includes 190 middle-income units "that may be marketed only at rents possible with the aid of below-market interest rate financing or assistance in land acquisition and cost." Rental demand "does not include public low-rent housing or rent supplement housing."

January 1966 vacancy levels were "somewhat above" those for "an acceptable relationship between demand and supply." At that time, there were about 6,200 available vacant units. Of the total, 1,200 were for sale and 5,000 were for rent. These were homeowner and renter vacancy ratios of 1.3 percent and 7.2 percent.

Building volume is reported. About "13,900 new units have been constructed since 1960." In January 1966, "about 900 units were under construction."

Employment has not grown steadily, and gains during the forecast years are expected to fall below the average for the years from 1958 through 1964. "Non-agricultural employment totaled 195,350 in 1964. . . (This was) an increase of 6,600 over the 1958 average. . . The year-to-year changes varied widely, however, from an increase of 4,050 from 1958 to 1959 to a decline of 1,750 from 1962 to 1963." Employment is expected to increase by about "400 jobs a year during the two-year forecast period."

- more -

Unemployment was relatively high throughout the 1960-1964 period. The peak was reached in 1961 when 6.9 percent of the work force was unemployed. In 1964, unemployment declined to a low of 6.1 percent.

The study predicts family incomes will rise. In January 1966, the current median annual income, after deducting Federal income tax, was \$6,750 for all families and \$5,750 for renter families. These figures are expected to rise to \$7,125 and \$6,050 a year, respectively, by January 1968.

Projected gains in population exceed recent gains. In January 1966, the population was 520,300. This showed an increase of about 30,000 since April 1960. The population is expected to increase by 9,200 by January 1968. In January 1966, there were about 156,300 households, a yearly increase of about 1,800 (1.2 percent) over the April 1960 figure. An increase of about 1,550 (1.0 percent) a year is predicted for the forecast years.

Copies of the complete analysis are available through the FHA field office in Boston. Requests for copies should be directed to Mr. John W. Flynn, Director, Federal Housing Administration, John Fitzgerald Kennedy Federal Building, Boston, Massachusetts 02116.

\* \* \* \*

Library  
Room 103 Normandy Bldg.

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