



## Reconnecting Massachusetts' Gateway Cities City Profile: Holyoke

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This profile provides key economic and demographic trends faced by Holyoke relating to the MassINC / Brookings Institution report "Reconnecting Massachusetts' Gateway Cities: Lessons Learned and an Agenda for Renewal." To read the entire report, see [www.massinc.org](http://www.massinc.org) or [www.brookings.edu/metro/massgateways.htm](http://www.brookings.edu/metro/massgateways.htm).

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### **In recent years, Holyoke has lost jobs faster than Greater Boston**

Between 2001 and 2005 the City of Holyoke lost 1,800 jobs—a 7.5 percent decrease—compared to Greater Boston's 6.0 percent, 99,000-job loss over the same timeframe. Employment trends in Holyoke's region (known as the Springfield region) resulted in a 4,600-job loss for the entire region.

### **Since 1960, the city has also lost over half its manufacturing jobs**

From 1960 to 2000, Holyoke lost 68 percent of its manufacturing employment, or 8,300 jobs, while Greater Boston lost 138,000 manufacturing jobs—a 48 percent loss.

### **More recently, Holyoke has experienced a decrease in knowledge industry employment**

Between 2001 and 2005, the City of Holyoke had a 16.5 percent decrease in knowledge industry jobs, while the entire region experienced an 11.9 percent drop. This loss of 200 higher-paying jobs for the city and 4,100 jobs for the region represents a greater rate of decline than in Greater Boston, which experienced a 7.9 percent, 38,000-job loss over the same period.

### **However, technology firms are beginning to locate there**

While only 4 technology firms existed in Holyoke in 1991, by 2004 the city was home to 11 such firms according to CorpTech data. Likewise, Holyoke's region (the Springfield region) added 77 tech firms, bringing its total up from 66 to 143. This significant percentage increase for Holyoke and its surrounding towns—like most other Gateway Cities and regions—is overshadowed by the enormous gains in Greater Boston, where almost 1,600 new tech firms were established. In fact, Greater Boston increased its share of the state's tech firms from 53 to 60 percent in the 13-year period.

### **Nevertheless, Holyoke's per capita income growth is relatively weak**

Holyoke's real per capita income growth of 13 percent between 1980 and 2000 trailed the Gateway City average of 24.7 percent and was less than a quarter the rate of Greater Boston's 59.1 percent gain. Holyoke's region (the Springfield region) fared somewhat better, with income growth of 30.9 percent.

### **And less than one in five adults in the city holds a bachelor's degree**

At 16.9 percent, the share of Holyoke's 25-and-older population that holds at least a bachelor's degree is less than half Greater Boston's 41.6 percent figure. Even Holyoke's regional mark of 24.6 percent is little more than half of Greater Boston's attainment rate.

**Meanwhile, Holyoke has rebounded from population losses in recent years**

Holyoke's 8.8 percent population decline in the 1990s lagged well behind Greater Boston's 4.5 percent increase. Since 2000 however, the tables have turned: Holyoke generated a slight 0.3 percent gain between 2000 and 2005, while Greater Boston posted a 1.4 percent loss.

**Foreign-born residents are continuing to make up an increasing share of the population**

Holyoke, like many of the other Gateway Cities, experienced an increase in its foreign-born resident share in the 1990s. The city's roughly 4-point gain over the decade—from 21.9 to 26.3 percent—continued to keep it well ahead of Greater Boston's 18.8 percent foreign-born share in 2000.

**Housing prices in Holyoke are rapidly appreciating yet remain relatively affordable**

From 2000 to 2005, real median home prices in the City of Holyoke rose 59 percent—far exceeding Greater Boston's 37 percent increase. Yet even with the rapid appreciation, the median home price of \$155,000 in Holyoke remains much more affordable than the \$429,000 price tag in Greater Boston.

**Moreover, housing unit production is rising**

According to Census building permit data, Holyoke is increasing its production of housing units. The city's 48-permit annual average between 2003 and 2005 represented a 12 percent jump over the 43-permit average in the years 2000 to 2002. This compared to a 55 percent increase for Greater Boston.