

## Reconnecting Massachusetts' Gateway Cities City Profile: Lowell

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This profile provides key economic and demographic trends faced by Lowell 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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### **Lowell has suffered job losses in recent years, but at a lower rate than Greater Boston**

Between 2001 and 2005 the City of Lowell lost 1,500 jobs—a 4.3 percent loss—compared to Greater Boston's 6.0 percent, 99,000-job loss over the same timeframe. Employment trends in Lowell's surrounding towns gave the Lowell region a 7,900-job loss.

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

From 1960 to 2000, Lowell lost 62 percent of its manufacturing employment, or roughly 11,000 jobs, while Greater Boston lost 138,000 manufacturing jobs—a 48 percent loss

### **More recently, though, the city of Lowell has added knowledge industry employment**

Between 2001 and 2005, the City of Lowell generated a 2.6 percent increase in knowledge industry jobs, while the Lowell region experienced a 14.4 percent loss in such employment. This translates to over 200 new higher-paying jobs for the city and a loss of 4,200 jobs for the region. The city's growth in knowledge industry jobs contrasts starkly with the 7.9 percent, 38,000-job loss in Greater Boston.

### **Furthermore, technology firms are continuing to locate there**

While Lowell was home to 27 technology firms in 1991, by 2004 there were 34 such firms in the city, according to CorpTech data. Likewise, the Lowell region added 159 tech firms, bringing its total up from 125 to 284. This significant percentage increase for Lowell 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, Lowell's per capita income growth is relatively weak**

Lowell's real per capita income growth of 27.2 percent between 1980 and 2000 was slightly above the Gateway City average of 24.7 percent but was less than half that of Greater Boston's 59.1 percent gain. The Lowell region fared better, with income growth of 52.9 percent.

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

At just 18.1 percent, the share of Lowell'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 Lowell's respectable regional mark of 28.2 percent falls well behind Greater Boston's attainment rate.

**Meanwhile, Lowell is experiencing recent population declines**

Lowell's 1.7 percent population growth in the 1990s lagged well behind Greater Boston's 4.5 percent increase. Since 2000, Lowell has experienced population declines, with its 2.0 percent loss between 2000 and 2005 exceeding Greater Boston's 1.4 percent drop over the period.

**Foreign-born residents are making up an increasing share of the population**

Like many other Gateway Cities, Lowell experienced a strong growth in its foreign-born resident share in the 1990s. The city's nearly 7-point gain—from 20.1 to 26.7 percent—moved it further ahead of Greater Boston's 18.8 percent foreign-born share.

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

From 2000 to 2005, real median home prices in the City of Lowell rose a remarkable 78 percent—more than double the rate of Greater Boston's 37 percent increase. Yet even with the rapid appreciation, the city's median home price of \$252,000 remains much more affordable than the \$429,000 price tag in Greater Boston.

**Moreover, housing unit production is quickly rising**

According to Census building permit data, Lowell is increasing its production of housing units significantly faster than Greater Boston. The city's 224-permit annual average between 2003 and 2005 represented a 149 percent jump over the 90-permit average in the years 2000 to 2002, the highest such increase of all the Gateway Cities. This compared to a 55 percent increase for Greater Boston over the same period.