2010 where we stands community indicators for metropolitan philadelphia

metropolitan philadelphia indicators project supported by the william penn foundation

and temple university

Introduction and Acknowledgments

This year's edition of *Where We Stand* includes a novel way for us to pursue a longstanding goal of the Metropolitan Philadelphia Indicators Project. We continually strive to provide data and maps to inform policy conversations about improving the quality of life in the region's communities. In that spirit, this year's publication demonstrates a new capability that MPIP is developing to organize and display indicators according to legislative boundaries for both state assembly districts and senate districts. During the economic downturn that casts a continuing shadow over our region, many of our most urgent challenges call for action by state governments in Pennsylvania and New Jersey. Therefore, in the first section of this report, we present three recessionrelated indicators that map changes in Job Loss, Food Stamps, and Foreclosure using legislative boundaries to portray patterns across the region.

In addition to the recession indicators, this annual report monitors seven other dimensions of community life, selecting critical indicators to tell us where we stand as a region and within individual local communities. Most sections of this report show how greater Philadelphia ranks in comparison with eight other metropolitan areas. We provide annual updates for the indicators contained in this publication, as well as many others, in order to track changes in our communities, identify strengths, and focus attention on problem areas. We invite readers to visit MPIP's website (www.temple.edu/mpip) to make free use of *MetroPhilaMapper*, a web resource that allows users to easily find data about all communities in the region, to view the information displayed in charts, tables, and maps, and to compare data that used to be scattered across multiple sources. *MetroPhilaMapper* provides over 300 local and regional indicators, including land use patterns, population characteristics, school district spending and performance, income and wage data, and crime patterns for the two-state, nine-county region. Increasingly during the coming months, users will find many of those indicators displayed by state assembly and senate districts.

This project was possible with a grant from the William Penn Foundation.



Recession: Job Loss

In a recession, a core concern of the public and policymakers at all levels is job loss. Between June 2008 and June 2009, the Philadelphia region lost about 97,000 jobs or four percent of its 2008 total. But even in a recession, some areas will lose jobs and others will gain. **Maps 1.1** and **1.2** display the percentage changes in jobs lost and gain over the year by state assembly and senate districts. Gains or losses of less than one percent are considered chance variability. New Jersey and Pennsylvania exhibit different patterns. In New Jersey, all districts but one lost jobs. In Pennsylvania, 14 assembly saw job gains of more than one percent.

The most complex pattern of gains and losses is within Philadelphia: 11 of the 14 districts with job growth are entirely or substantially within the city. Three of these districts, 170, 191, and 197 saw growth of more than five percent. Assembly District 197, encompassing a significant part of North Philadelphia—a long-depressed area, actually had the region's largest percentage and third largest absolute job gains (10.8 percent and 927, respectively). The city also had the largest percentage loss (15.4 percent and 3,430 jobs) in Assembly District 172 in the Lower Northeast. The largest absolute loss (6,265 jobs and 5.8 percent) was in New Jersey Assembly District 6 which extends from Cherry Hill south and east in Camden County.

With the larger state senate districts, gains and losses are more muted in Pennsylvania's districts with **Map 1.2** showing more gains in the suburbs and losses in the city. New Jersey does not change because its assembly and senate district boundaries do not change.



Recession: Food Stamps

The recession has dramatically raised the number of persons needing food stamp program assistance. Nationally more than 39.6 million persons participated in the food stamp program in February 2010—the highest number in history and a dramatic 51 percent higher than in April, 2007.¹ As news stories have documented, food stamp participation now reaches well into the middle class.

For the Philadelphia region, overall participation is 32.8 percent higher in 2010 than in 2007. Across state assembly districts, the growth in program participation ranges from 10 to more than 100 percent, as shown in **Map 2.1**, and suburban growth generally exceeds that in the city. The lesser growth in Philadelphia reflects the higher levels of participation in the city relative to the suburbs in 2007.

Another clear division separates the New Jersey and Pennsylvania suburbs and partially reflects Pennsylvania's slightly more generous eligibility requirements.² New Jersey has the only suburban assembly districts (Districts 3-6) in the lowest category of growth, occupying much of Camden, Gloucester, and Salem counties.³ In Pennsylvania's suburban assembly districts growth ranges upward from 35 percent. But virtually all assembly districts in Bucks County are at least 75 percent higher than two years ago, and most of the districts covering Montgomery County are at least 55 percent higher.

Growth in program participation among state senate districts is somewhat lower because senate districts are larger than assembly districts in Pennsylvania and reach into Berks, Lancaster, and Lehigh counties—but they tell much the same story.

The broad reach of the growth in food stamp program participation reveals the deepening bite of the recession as families confronted reduced hours, forced furloughs, job losses, and earnings stagnation.



Recession: Foreclosure

When the United States entered the current recession in 2008, the wrenching and continuing collapse of the home mortgage and sales markets was already more than a year old. Homeowners now find that their homes have declined in value, with many finding themselves "under water" owing more on their mortgages than their homes are worth if they were sold. Delinquencies and defaults on mortgages have increased, resulting in foreclosures, sheriffs' sales, and properties owned by banks or other financial entities.

A recent projection by the U.S. Department of Housing and Urban Development (HUD) suggests that there are many parts of the region that are at risk for increased foreclosure rates. **Maps 3.1** and **3.2** depict the distribution of predicted foreclosure levels (using 2008 housing market and state-wide foreclosure data) by state senate and assembly districts across the Philadelphia metropolitan area. Both expected and unexpected results are apparent. As might be expected, communities in Philadelphia, Camden, and the districts encompassing the older industrial suburbs rank high in foreclosure risk levels. More surprising are the high levels of foreclosure risks across virtually all the legislative districts of southern New Jersey. Unlike New Jersey, where assembly and senate districts have the same boundaries, Pennsylvania's smaller state assembly districts show that predicted foreclosures are tightly clustered.

For the region as a whole, the prediction is sobering: foreclosures are expected to impact roughly 10 percent of homes currently carrying a mortgage, with dire potential impacts for both homeowners and the communities they live in. As foreclosures rise, we can expect to see prices deteriorate and home values and real estate tax bases fall.

Regional Growth

MPIP tracks patterns of regional growth by looking at the rate of building permit activity—permits issued by municipalities per 1,000 residential housing units. Map 4 indicates communities in the western and northern suburbs, as well as in southern New Jersey, continue to be the focal points of development. This dispersed growth, clustering in communities often at the edge of the region, continues to feed concerns over transportation and environmental impacts for the region as a whole, along with the demands for increased public services in these communities that have traditionally accompanied such expansion.

The effects of the economic downturn are immediately apparent when we compare Philadelphia to the eight metropolitan regions we have used in prior years (Figure 4). Philadelphia remains in the middle of the comparison group of metropolitan areas, despite a significant reduction in its overall rate of permits. Philadelphia's permit rate declined by about one-third; Minneapolis and Phoenix declined to a level roughly half the previous year's. Chicago declined by an even greater proportion. However, in 2009 Philadelphia dropped one place to tie with Boston, each with 3.3 permits per 1,000 residential units in the metropolitan area. Baltimore continues to show continued development activity over these two years, outpacing the Philadelphia region.

Boston's housing market has boomed over the past decade, and its comparatively low level of residential permits may be surprising to many, given the high demand suggested by the region's elevated housing costs. The comparatively low level of permit activity probably reflects the effects of the recession in the residential construction industry combined with the limited opportunities for new housing construction in that region. High existing density levels and complex local regulatory processes have been suggested as one explanation for this reduced level of residential construction.⁴





FIGURE 4: Permitted building units per 1,000 residential units, 2008 and 2009 Sources: U.S. Census, Building Permits Data, 2008 and 2009.

Economy: Change in Earnings

Recessions cost both jobs and income. In terms of both jobs (see Recession: Job Loss) and earned income, the recession has not affected the Philadelphia region as harshly as many other regions. Compared to its metropolitan peers in Figure 5, Philadelphia saw a decline in real earnings (adjusted for inflation) of just 0.8 percent between the second guarter of 2008 and the second guarter of 2009. This period represents the depth of the recession thus far. While not the increase in earnings seen in Baltimore and Pittsburgh, Philadelphia's experience stands out as considerably better than that of the other six regions—and markedly so with respect to five of them.

Metropolitan average earnings rise both because workers are being paid more for the same time and because low wage workers are being discharged. Earnings may rise if a community's jobs are concentrated in sectors where demand increases despite overall economic decline. Currently, the health and education sectors have been examples.⁵ But an irony of recessions is that even as jobs are lost, average earned incomes often rise because the lowest paid are typically those most likely to be laid off. The brunt of recessions falls most heavily on those least able to bear it. All of the metropolitan regions in **Figure 5** lost jobs, whether average earnings rose or fell.

Map 5 displays the changes in earnings for the municipalities of the region and the 12 planning analysis divisions of the city of Philadelphia. It is clear that the New Jersey municipalities fared less well than those in Pennsylvania. Thirty-nine percent of Pennsylvania's municipalities saw their average earnings rise by more than three percent between the second quarter of 2008 and the second quarter of 2009, but only 24 percent of New Jersey's communities did. At the opposite end of the distribution, 30 percent of New Jersey's communities had an earnings decline, but only 18 percent of Pennsylvania's did.



MAP 5: Percentage change in average earnings, second quarter 2008 to second quarter 2009*

	2009	% Change from 2008
Balitmore	\$47,600	1.6 🕈
Boston	57,169	-3.9 🖊
Chicago	48,497	-3.1 🖊
Cleveland	41,601	-3.9 🖊
Detroit	47,179	-4.1 🖊
Minneapolis	48,121	-3.1 🖊
Philadelphia	49,834	-0.8 🖊
Phoenix	43,831	-1.2 🖊
Pittsburgh	42,298	0.5 🛨

FIGURE 5: Average annual earnings and percentage change from second quarter 2008 to second quarter 2009*

Sources: U.S. Bureau of Labor Statistics, Quaterly Census of Employment and Wages, 2008 and 2009. *Earnings annualized from second quarter data for 2008 and 2009 adjusted for inflation.

Early Education

It is hard to overstate the importance of early education to a child's life chances. A good start in school can influence a young person's entire educational career, in turn affecting both livelihoods and life satisfaction. Recognizing this, many regions of the nation have been increasing support for education in children's early years. Figure 6 suggests that from 2007 to 2008 all the metropolitan areas except Cleveland, Phoenix, and Pittsburgh improved the proportion of their 3-4-year-olds who were enrolled in preschool. By virtue of its gains in 2008, Philadelphia ranked behind only the Boston region, which led the field by a substantial margin. While the state governments of both New Jersey and Pennsylvania increased their spending on preschool programs in 2008, New Jersey continued its pattern of spending far more per child (\$10,989) than did Pennsylvania (\$6,252).⁶

Once they enter the primary grades, children benefit from small class sizes, so student-teacher ratio is an important indicator of the learning experience, especially in the lower grades. (Note that the studentteacher ratio is a close, but not precisely equivalent measure to actual class sizes, since the ratio includes not only regular classroom teachers but also special-purpose teachers.) Nationally, the student-teacher ratio in public elementary schools in 2007-2008 was 15.6.⁷

Map 6 shows that many of the school districts in the region exceeded that national average. Not surprisingly, they included Philadelphia, Chester, and a number of districts in lower Bucks County. More surprising is the concentration of districts with unfavorable student-teacher ratios in Camden and Gloucester counties on the New Jersey side.





Sources: U.S. Census, American Community Survey, 2007 and 2008.

Higher Education

At the opposite end of the spectrum from primary school, Philadelphia leaders are focusing attention on raising the percentage of young adults with college degrees. Figure 7 shows that by this measure, greater Philadelphia is clearly competitive among its peer regions. In 2008 only Boston outranked Philadelphia, which found itself in a virtual tie with Pittsburgh and Minneapolis. This is a notable achievement for the Philadelphia region, whose suburban educational profile helps compensate for the city's low college attainment. While all regions except Phoenix improved slightly from 2007 to 2008, Boston not only led the rest by a wide margin but also showed the largest annual gain. It is worth noting that Boston's business and academic leaders were anything but complacent about the talent advantage they enjoyed. Despite their outstanding rate of educational attainment, the Greater Boston Chamber of Commerce published a 2008 report urging

even greater efforts to retain young talent.⁸ They worried that the absolute number of young adults in New England was not growing fast enough, and therefore even their high percentage of college-educated young adults would not be sufficient to fuel economic growth.

To gauge students' readiness to succeed in college, we can compare schools districts across the Philadelphia region on their students' performance on the SAT Reasoning Test. When compared with test takers in public high schools across the nation, the majority of the Pennsylvania districts in **Map 7** achieved scores above the national average. However, the map also shows that a good many districts serving older communities along the Delaware River were lagging behind the national average. Many fewer districts in New Jersey than in Pennsylvania achieved scores above the national average.





Health

The Obama health care plan calls for the Medicaid program to expand substantially to incorporate a sizable fraction of the 47 million Americans now uninsured. But, since states share the cost of Medicaid with the federal government, many states, already facing fiscal challenges, fear the plan's effects on their budgets. It is therefore important to understand the size and growth of the program. In 2009, the latest year for which data are available, 14.1 percent of the U.S. population were Medicaid beneficiaries, a figure almost a full percentage point higher than in 2008. The current recession should raise the percentage further for 2010.

The Philadelphia region reflects the growth nationally. Comparison of **Map 8** with the 2007 map published in last year's *Where We Stand* annual report (accessible at www. temple.edu/mpip) shows a broadly similar picture, but with many communities moving into higher levels of program participation. Even communities with relatively affluent populations, such as those along the Main Line, have higher percentages on Medicaid than in our earlier report. And, as in the past, New Jersey's more generous eligibility standards mean that Medicaid enrollments generally are higher in New Jersey than in Pennsylvania.

The growth in Medicaid is also generally seen in our comparison metropolitan areas. The data in Figure 8 actually understate the changes because we pooled the data for 2007-2008 and 2008-2009 to provide greater statistical reliability. The effect of including 2008 in both time points is to dampen observed growth. Nonetheless, eight of the nine regions registered growth. Only Cleveland defies the trend. As noted last year, these figures, drawn from the U.S. Census' Current Population Survey, probably understate the percentage of the population on Medicaid. For example, the 2008-2009 figure for the Philadelphia region is 4.5 percent lower than New Jersey and Pennsylvania records actually reveal.



FIGURE 8: Percentage of persons on Medicaid, 2007-2008 and 2008-2009 Sources: U.S. Census, Current Population Survey, March, 2007, 2008, and 2009.

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6

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10

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14

16

18

Arts and Culture

National arts organizations report that the economic downturn has taken a toll on attendance at arts and culture events. Americans for the Arts discovered that although more people are making art and playing music, attendance at mainstream arts organizations and events has declined in recent years.9 Similarly, a recent report from the National Endowment for the Arts echoed this finding that adult attendance at cultural events has diminished.¹⁰ Neither study attributes the decline exclusively to the recession, citing additional factors such as technology that has made it more possible to consume culture at home, and a decreasing emphasis on arts education in schools. However, both of those national reports regard the country's economic woes as a significant contributor to the downward trend in attendance.

Map 9 confirms the association between arts participation and people's economic circumstances. A number of the region's high-income communities like Lower Merion, Radnor, Whitemarsh, Lower Gwynedd and Lower Moreland show the highest rates of arts attendance. In general, participation rates are significant in the affluent suburbs along the Bucks County border with New Jersey, in the communities of middle Bucks and Montgomery counties, around King of Prussia, and spreading west from the border that divides Chester and Delaware countries. Some of the lowest attendance rates occurred in older communities along the Delaware River, as well as in the communities that sit at the outer edge of the region where access to performances and exhibits is more limited.

The most striking aspect of **Figure 9** is that nonprofit arts organizations lost revenue in recent years in all of the metropolitan areas except Phoenix. The figure shows that in 2008-2009, Philadelphia fell in the bottom half among the selected metropolitan areas in terms of the revenues collected by arts organizations per thousand residents.





9



FIGURE 9: Revenues of cultural organizations per 1,000 residents, 2007 and 2009 Source: National Center for Charitable Statistics, 2007 and 2009.

Safety

While violent crime captures headlines, far more people have their lives affected by property crime. Across the U.S, property crimes reported to the police average seven times the number of violent crimes. And lives are changed by property crimes in ways that are guite similar to violent crimes. Victims, traumatized by the crime, often change their behaviors in ways that significantly diminish their quality of life. If they have the resources, they may move. As with violent crime, community life is undermined when high property crime rates create fears that discourage the neighborliness and informal social networks that contribute much to local quality of life.

Map 10 reveals that property crimes are broadly distributed throughout the region. While high rates describe older communities on both sides of the Delaware River near the center of the region such as Philadelphia, Camden, and Chester, they also characterize communities at the suburban fringe such as West Sadsbury and New Garden Townships in Chester County, Quakertown and Richland Township in Bucks County, and Bass River and Woodland Townships in New Jersey.

While it is often recognized that property crime rates are higher in low income communities when they lack adequate social structures to connect residents to each other, it is less widely understood that rates also are higher in "places of opportunity" such as commercial centers—prime examples being the King of Prussia Mall in Upper Merion Township at the junction of 176 and U.S. 202 and commercial centers between 195 and U.S. 1 in lower Bucks County. Other examples include commercial developments along U.S. 30 and U.S. 1 in Pennsylvania.

Relative to our comparison metropolitan areas, Philadelphia has the third lowest property crime rate. However, it ticked upward slightly from 2007 as did Baltimore. In contrast, Cleveland had a substantial 11 percent increase, while Minneapolis and Phoenix showed significant decreases.





FIGURE 10: Property crimes per 100,000 residents 2007 and 2008 Sources: Federal Bureau of Investigation, Uniform Crime Reports, 2007 and 2008.

*Either less than 75% of the agencies within the MSA reported data to the UCR program and/or principal cities submitted less than 12 months of data.

Endnotes

RECESSION: FOOD STAMPS

¹ www.fns.usda.gov/pd/34SNAPmonthly.htm, accessed on May 16, 2010. In 2008, the program was renamed the Supplemental Nutrition Assistance Program.

² www.fns.usda.gov/snap/applicant_recipients/eligibility.htm and www.dpw.state.pa.us/ ServicesPrograms/FoodStamps/003681135.htm, accessed on May 16, 2010.

³ In New Jersey, state assembly and senate districts have the same boundaries and cross county lines. Depending upon the specific district, the maps will include parts of Atlantic, Cumberland, and Ocean counties.

REGIONAL GROWTH

⁴ Glaeser, Edward L., Jenny Schuetz, and Bryce Ward (2006). "Regulation and the Rise of Housing Prices in Greater Boston," Cambridge: Rappaport Institute for Greater Boston, Harvard University and Boston: Pioneer Institute for Public Policy Research.

ECONOMY: CHANGE IN EARNINGS

⁵ U.S. Bureau of Labor Statistics, *Employment and Wages: Annual Averages, 2008,* Figure 3.

EARLY EDUCATION

⁶ National Institute for Early Education Research, *The State of Preschool 2008*. New Brunswick, NJ, Rutgers University, 2009.

⁷ National Center for Educational Statistics, *Digest of Education Statistics 2009*.

HIGHER EDUCATION

⁸ Greater Boston Chamber of Commerce, *Greater Boston's Challenge: Sustaining the Talent Advantage*, Boston, October 2008.

ARTS AND CULTURE

 9 R.J. Kushner & R. Cohen, National Arts Index 2009. Washington, DC: Americans for the Arts, 2010.

¹⁰ 2008 Survey of Public Participation in the Arts. Research Report #49. Washington, DC: National Endowment for the Arts, 2009.

Technical Appendix

Map 1.1 and Map 1.2. We obtained data from the New Jersey Department of Labor and the Pennsylvania Department of Labor & Industry on every taxpaying establishment in both states for the second quarter of 2008 and the second quarter of 2009. These data include a monthly accounting of the number of employees, the total wages for each quarter, an address for each establishment and a North American Industry Code (NAIC) classifying their industry. We mapped each establishment to a state assembly and senate district.

Map 4 and Figure 4. The total number of housing permits issued in 2008 and/ or 2009 divided by the number of occupied housing units in 2000.

Map 5. We obtained data from the New Jersey Department of Labor and the Pennsylvania Department of Labor & Industry on every taxpaying establishment in both states for the second quarter of 2008 and the second quarter of 2009. These data include a monthly accounting of the number of employees, the total wages each quarter, an address for each establishment and a North American Industry Code (NAIC) classifying their industry. We mapped each establishment to a municipality and adjusted the earnings for inflation.

Figure 7. The total number of 18 to 34 year olds who are currently enrolled in higher education institutions or have already completed at least a bachelor's degree, divided by the total number of 18 to 34 year olds in the metropolitan statistical area.

Figure 8. This figure shows the estimated population receiving health insurance through Medicaid divided by the estimated total population in the metropolitan statistical area, and the estimated population without health insurance divided by the estimated total population in the metropolitan statistical area. The estimated population receiving health insurance through Medicaid and the estimated population without health insurance are derived from the Current Population Survey's March Supplement. The estimated total population in the metropolitan statistical area is derived from the U.S. Census' Population Estimates data.

Map 9. Arts and Cultural participation data is based on analysis of the Greater Philadelphia Cultural Alliance's Mail List Co-op, a database of over 1.9 million households collected from over 130 organizations in the Greater Philadelphia region in December 2009.

Figure 9. Contributions to cultural organizations per resident were calculated by dividing the total contributions to cultural organizations by the total population in the metropolitan statistical area. Contributions per resident as a percentage of expenditures were calculated by dividing the total amount contributed by the total expenditures.

An Invitation to *MetroPhilaMapper*

Dear Reader,

In our annual reports, we at MPIP present only a small fraction of the more than 300 indicators of the quality of life in the Philadelphia metropolitan region we collect. To put the power of our data in your hands, we and Avencia Inc., invite you to try *MetroPhilaMapper*, our new browser-based software application, that allows you to create maps, graphs, tables, and reports from all of our indicators. We believe it sets a new standard of combining ease of use with powerful analytic capabilities, and it is free for all users.

MetroPhilaMapper provides geographically-based data for:

Municipalities Philadelphia Planning Analysis Sections Zip codes High school districts Elementary school districts Census tracts and, later this summer, state legislative districts

You may choose to look at the entire region or any part of it. You may choose to define an area by clicking on places, drawing a radius around a specific place, or drawing a boundary around the places you want. You can map and create graphs, tables, and reports about any of these places, and you may download all of the maps, graphs, tables, and reports you produce. You can also download the original data on which your work has been based should you wish to use the data in other ways. To help you get started, we offer video tutorials on MetroPhilaMapper's major functions.

Did we mention that MetroPhilaMapper is free? Try it at www.metrophilamapper.org

