Bloomington Population Growth
1835 - 2015

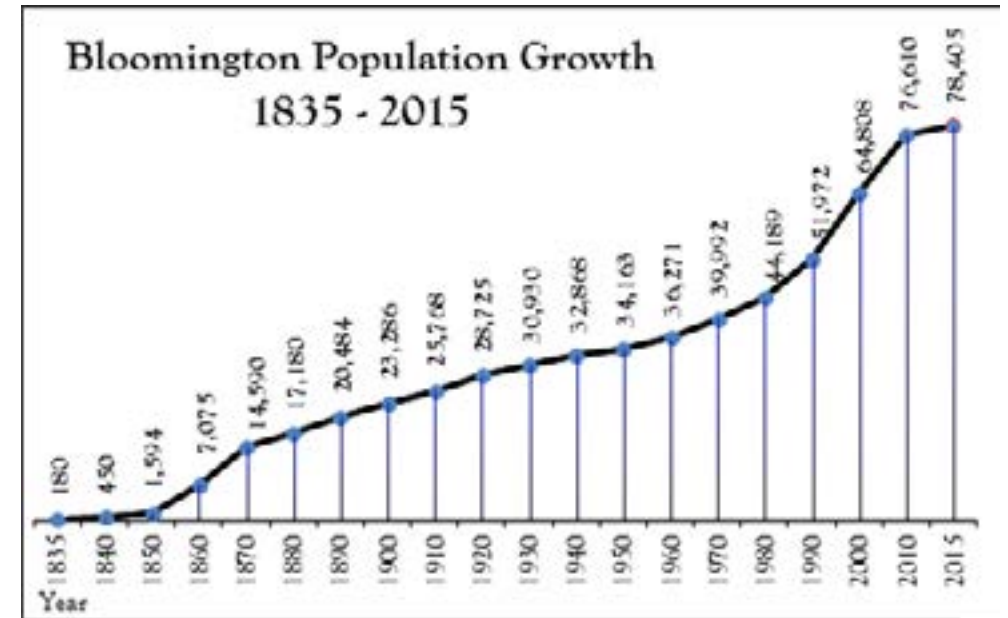## DEMOGRAPHIC TRENDS

Bloomington and McLean County have for many years outperformed population estimates from state and federal sources. During the period of very high population growth peaking in the 1990s and continuing through the 2007 recession (see Figure 2-1), expectations for future growth grew with the City. The results of the 2010 Census reminded the community that not all trends are self-sustaining. In the aftermath and in the context of the comprehensive planning process, population growth assumptions were re-evaluated.

Certain trends derive from national population data available through the U.S. Census Bureau, including the decennial Census, and the American Community Survey of municipalities with populations greater than 50,000. The Census Bureau also publishes reports regarding specific demographic issues that affect policy. When considered in the light of local experience, this information clarifies expectations for future population parameters.

First among these issues is the impact from the ongoing generational march of the Baby Boom generation. The Census Bureau expects that by 2029, within the time horizon of the comprehensive plan, all of the "boomers" will have reached age 65. Not all will retire at that point, and some will find it difficult to finance retirement, but the group will have reached the stage in life when their view of what is desirable in a city may shift. The policy implications of their changing status extend from national programs such as Medicare and the Affordable Care Act to local decision-making regarding services to older residents and accommodating new housing alternatives designed for their needs.

People in this group may downsize their households and prefer not to manage suburban-style houses and yards. Access to medical care and public transportation is of great importance, and access to resources for everyday living is critical. Given the uncertainties of retirement income in an era of lengthening lifespans, affordability in housing and the cost of living have new significance. Ultimately, these demographic changes will require consideration of City policies and regulations, and their impact on residents' choices and options for aging in Bloomington.

The baby boomer cohort's move into retirement indirectly heralds another trend, the shift in the proportions of the local population in the workforce versus those who have retired or are semi-retired. This too is a policy issue on a national level but will also have consequences for local tax revenue and expenditures. Economic development goals targeting workforce retention and recruiting address the need to balance an expanding population of residents aged 65 or above, some of whom may remain in the workforce, with an substantial proportion of active workers anchoring economic activity.
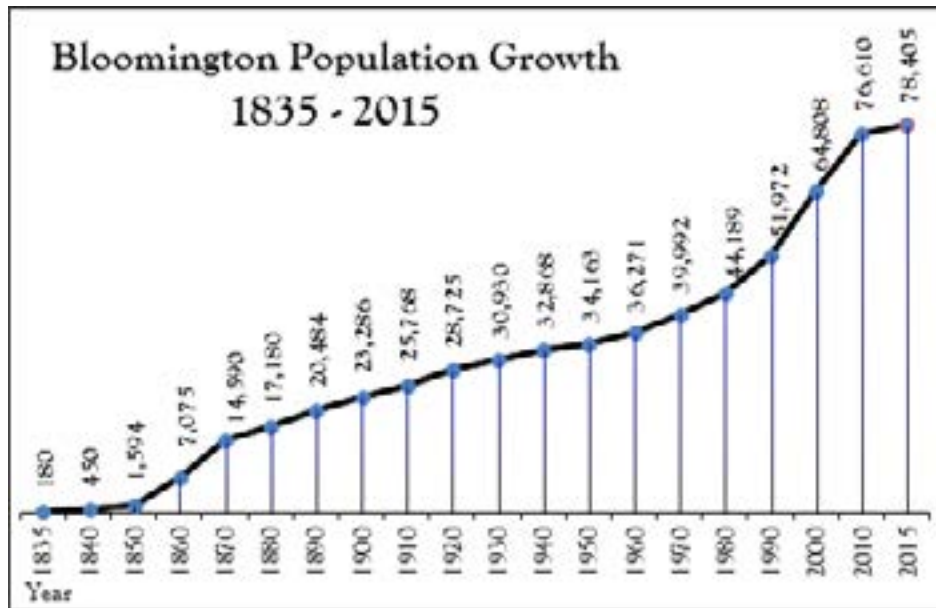
Although Census findings

Figure 2-1. Bloomington Population Growth

New Census Bureau Analyzes U.S. Population Projections

On March 3, 2015, the U.S. Census Bureau released an in-depth analysis of the nation's population looking forward to 2060, including its size and composition across age, sex, race, Hispanic origin and nativity. According to the report, Projections of the Size and Composition of the U.S. Population: 2014 to 2060:

- The U.S. population is expected to grow more slowly in future decades than it did in the previous century. Nonetheless, the total population of 319 million in 2014 is projected to reach the 400 million threshold in 2051 and 417 million in 2060.
- Around the time the 2020 Census is conducted, more than half of the nation's children are expected to be part of a minority race or ethnic group. This proportion is expected to continue to grow so that by 2060, just 36 percent of all children (people under age 18) will be single-race non-Hispanic white, compared with 52 percent today.
- The U.S. population as a whole is expected to follow a similar trend, becoming majority-minority in 2044. The minority population is projected to rise to 56 percent of the total in 2060, compared with 38 percent in 2014.
- While one milestone would be reached by the 2020 Census, another will be achieved by the 2030 Census: all baby boomers will have reached age 65 or older (this will actually occur in 2029). Consequently, in that year, one in five Americans would be 65 or older, up from one in seven in 2014.
- By 2060, the nation's foreign-born population would reach nearly 19 percent of the total population, up from 13 percent in 2014.

Source: U.S. Census Bureau, Colby et al., Projections of the Size and Composition of the U.S. Population: 2014 to 2060, 2014
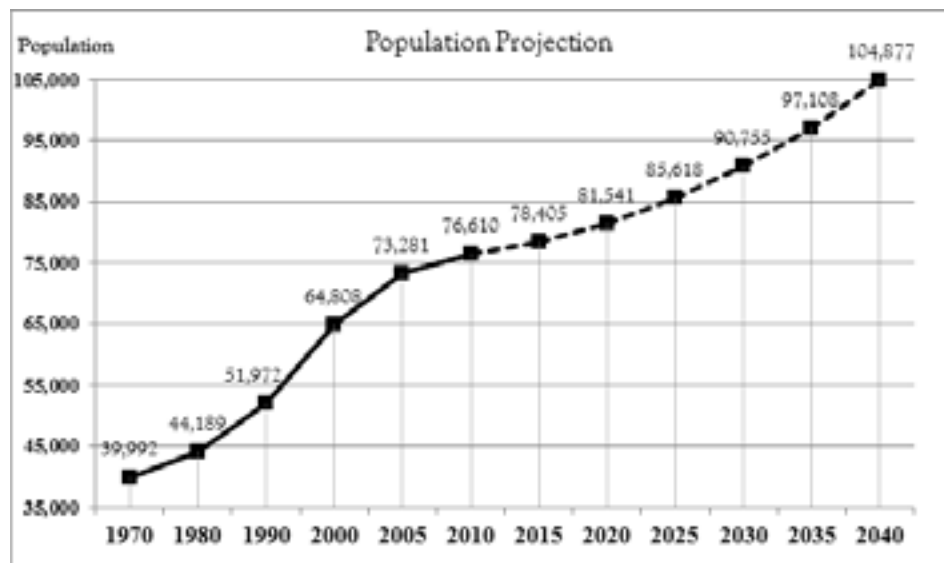
Figure 2-2. Population Projection

suggest that the trend towards smaller family size may have reached its peak, Census data also suggests the trend is most prevalent in the Midwest. Smaller families and a greater proportion of one and two-person households will also alter demand for housing and establish a market for smaller and more manageable houses. A smaller group of children enrolled in local schools would alter the economic picture for school districts and municipalities. However, as with all age cohorts, there will be some population growth; it is the proportional representation of each age group that will shift. The possibility of smaller classes will require decisions about maintaining extra capacity in schools, other infrastructure maintenance and investment, in the inverse of an expanding population of older residents requiring new infrastructure investment. Long-term planning must also consider the needs of the children of the millennial generation as they make their way through the school system.

POPULATION PROJECTIONS

Understanding the probabilities of future population is essential to the formulation of the comprehensive plan. The population to be housed, provided municipal services, educated and employed profoundly affects the nature of the City's growth and the action needed to provide community resources and infrastructure.

This projection considers the influence on growth of the recent global economic downtown and recession, as well as the City's historical growth trends, particularly from 1970 forward (see Figure 2-2). It postulates a gradual recovery from population change attributable to the recession in the short term, with growth rates increasing later in the plan's target timeframe.

The projection forecasts a 2035 population of approximately 97,000 persons, a 26.8% increase over the 2010 Census population result and producing an average annual rate of population growth of slightly more than 1%. The projection also indicates a rising rate of growth later in the planning period, predicated on action by the City and the region to foster economic development. The estimated population for 2015 is based on recent population data, including the 2010 Census, and on analysis of 2014 residential vacancies and issuance of permits by the City.

Methods and Analysis

Analysis of potential population change was done using a cohort-component model. As described by the U.S. Census Bureau, in a cohort-component method,
"the components of population change are projected separately for each birth cohort (persons born in a given year) based on past trends. The base population is advanced each year by using projected survival rates and net international migration. Each year, a new birth cohort is added to the population by applying the projected fertility rates to the projected female population."

Two population scenarios were derived from an age-cohort component model that incorporates racial or ethnic identification as well as age and gender. This permits more complex evaluation of population change, but it also requires that data inputs be obtained or imputed from a broader array of sources, for those data elements not collected or available locally. In some instances, data is available only at the state or national level. This information was incorporated into the model with adjustments to data derived from larger geographies, to better reflect patterns of growth and demographics in McLean County.

The model does not permit the forecasting of population for individual racial groups but does indicate a trend towards greater demographic diversity in all growth scenarios, a function of the changes in population composition reflected in the Census data used by the model.

County-level data incorporated in the model from the 2000 and 2010 Census years showing considerable divergence in migration behavior, reflecting the impact of the recession that preceded the 2010 Census. To reduce the anomalous impact of the 2010 data, migration rates in the model were modified to levels falling between the 2000 and 2010 rates.

Any projection should be regarded as predictive, but not prescriptive. As with any forecast, the population projection is not set in stone. The next update of the comprehensive plan should have the benefit of the 2020 Census data

in assessing projections.

When evaluating the potential for population growth in Bloomington over the next twenty years there is a danger of over-emphasizing recent challenges, both local and global. The impacts of recession and the consequences of corporate repositioning by a major employer are important considerations, but not determinative. Policy making and implementation by the City can affect how growth occurs in the years ahead.

A comparison of the projection (in black) and a range of deviation represented by two scenarios shown in blue and orange, is shown in Figure 2-3. The solid black line common to all of the scenarios illustrates Census population tallies from 1970 to 2010.

Scenario 1 (Historic Growth Pattern)

The first scenario considered for Bloomington's population growth is based on historic growth trends. This scenario indicates that by 2035 Bloomington could expect a total population on the order of 108,000 persons, a 41% increase over the 2010 Census population. This

represents an average annual growth rate of 1.65% across the 25-year period. The chart puts the scenarios in the context of Bloomington's growth since the 1970 Census.

The assumptions underlying the historical population analysis and projections for the comprehensive plan provide a basis for refining the extrapolation of Census and other demographic data to arrive at population estimates that reflect Bloomington's past experience.

The core assumptions made in developing the historical population scenario include:

- Bloomington's geographic location and accessibility support continued growth;
- Future growth trends will not be significantly impacted by natural or man-made disasters;
- Bloomington demonstrates economic resiliency;
- Bloomington's land use and regulatory conditions favor growth, and;
- Bloomington's demographic profile indicates potential for growth in population and workforce participation.

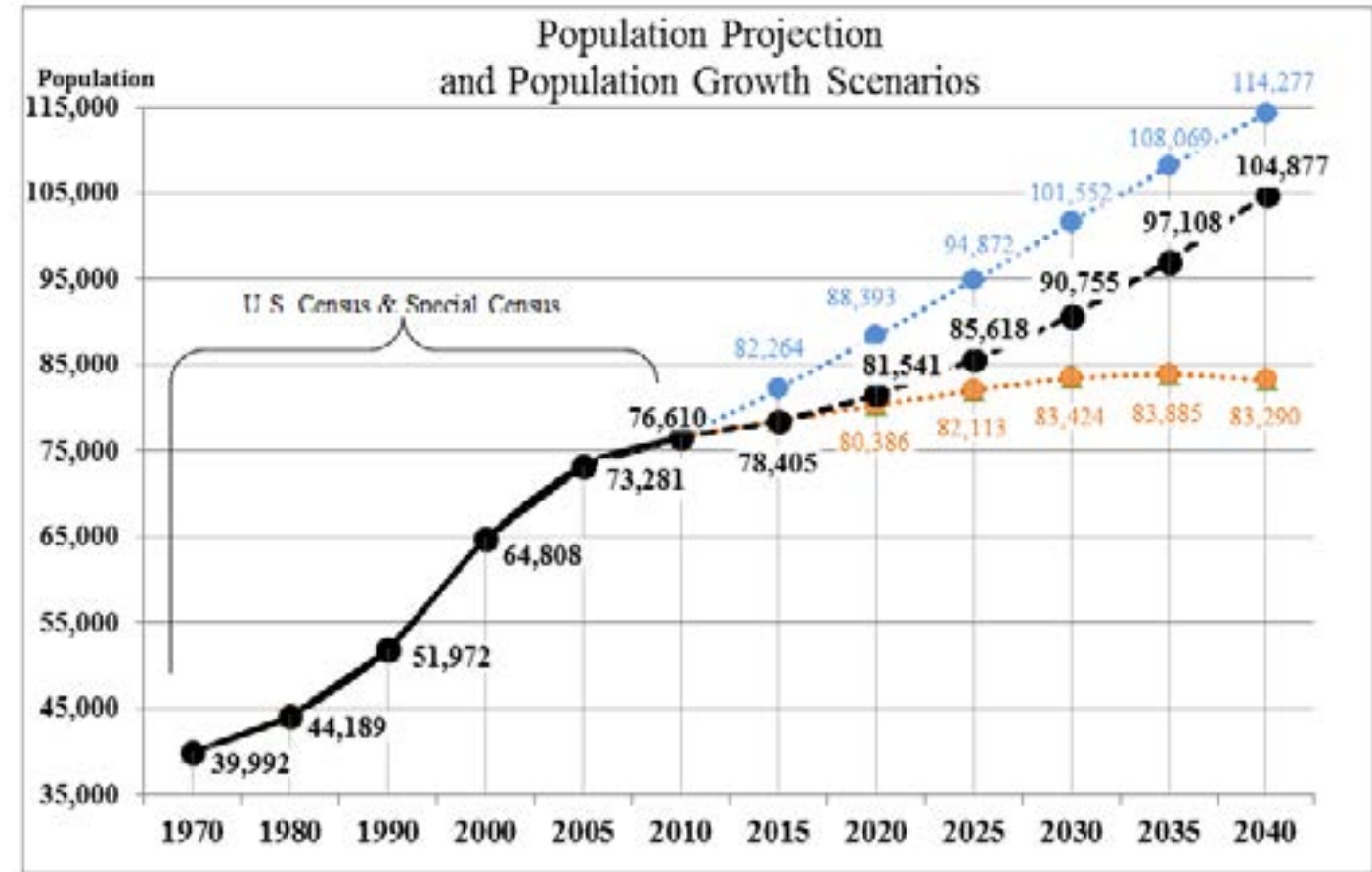The assumptions reflect long-term trends in Bloomington's history and their influence on

Figure 2-3. Population Projection and Population Growth Scenarios

population levels and growth. Generally, Bloomington and the Bloomington-Normal metropolitan area have consistently demonstrated resiliency during periods of national economic stress, and the ability to capitalize on the advantages of location and resources beyond that of other central Illinois communities.

This forecast suggests lower average annual growth than occurred during the period between 1990 and 2005, years impacted by an expanding global economy and market conditions driven by rapid technology shifts. This period also coincided with accelerated changes

in local economic conditions, including expansion by local employers.

As we now know, these accelerated conditions were not sustainable in the face of the global recession, and as a result of corporate restructuring. The City may wish to assess underlying

assumptions in the context of structural changes in the economy at local, regional and global levels, and to apply that context in considering future development policy.

Considering and emphasizing recent housing and economic trends produces a less dynamic growth picture. In the slower growth scenario, Bloomington's population in 2015 is estimated at approximately
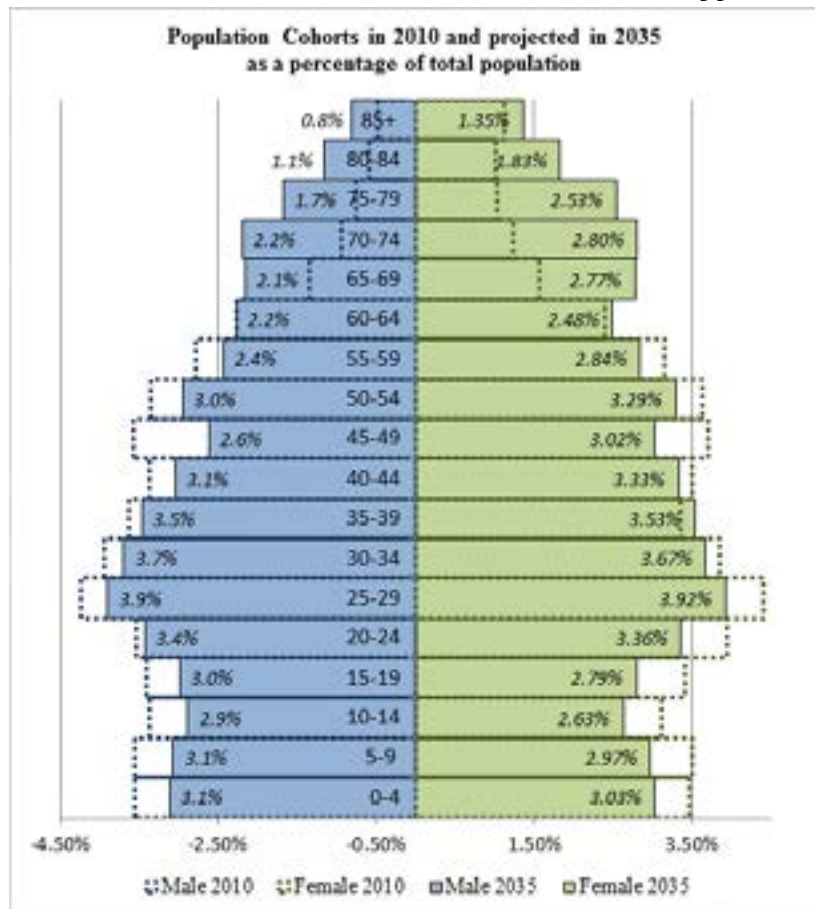

Figure 2-4. Population Cohorts in 2010 and Projected in 2035

78,400, as opposed to 82,296 in the first scenario. This is based on available data for residential vacancies, and City statistics regarding housing permits. Assuming that the reduced rate of growth persists, in 2035 the City population may be on the order of 84,546, a 10.4 % increase over the 2010 population, resulting in an average annual growth rate of .41% over 25 years. This rate is approximately one-quarter of the anticipated growth rate produced by the historic trend scenario described above.

The slow growth scenario assigns lower importance to some of the base assumptions in the historic growth scenario, due to recent local population and economic changes resulting from the recession and local corporate restructuring. Although the Bloomington-Normal area sustained less recessionary impact than other Central Illinois communities, recent data argue against too much reliance on historical patterns of economic resiliency. Reducing the estimated 2015 population to conform with the City's current data sources results in a lowered level of population growth projected across the period of the plan, and a

substantial reduction in the average annual growth rate.

It should be noted that this trend assumes that no countervailing action to encourage growth takes place over the period of the plan. This projection is based on the prevailing conditions during a very limited time frame. As noted above, demographic projections generally are carried out using long-term trends as a guide to future behavior, and deriving long-term estimates from very short-term conditions increases the chance of miscalculation. As further noted, estimates and projections are predictive but neither prescriptive or determinative. Policy options and action exist that may shift long-term trends. Such options would

support the population projection for 2035 of 97,108 persons proposed above.

The population projection also considers demographic shifts anticipated over the planning period, discussed above. In accordance with the global and national trend, Bloomington can expect an increase in the number of older residents in its population within the time horizon of the comprehensive plan. Greater ethnic diversity in the population is also anticipated, and as noted above, fewer children per family than in the past. The composition of the population in five-year age cohorts in 2010 and expected in 2035 is shown in the population pyramid illustration in Figure 2-4.

Year	Total Housing Units	% Owner Occupied	Owner occupied units	% Rental Units	Rental Units
1970	14,459	58.15	8,044	41.9	5,790
1980	20,050	57.1	10,386	42.9	7,818
1990	22,640	58.3	12,545	41.7	8,956
2000	28,431	63.1	16,802	36.9	9,840
2010	34,339	62.9	19,904	37.1	11,759
2020	36,732	62	20,952	38	12,841
2030	40,998	60	23,893	40	14,644
2035	44,267	60	25,799	40.5	15,812
Change 2010 to 2035	9,928		5,895		4,053

Table 2-1. Housing Unit Demand

HOUSING ESTIMATES AND PREFERENCES

The population projection is the foundation for determining future housing needs. In Table 2-1, the historical record of housing ownership also provides a basis for estimating the allocation of housing types and rental versus owned housing. The latter metric has been relatively stable for the last forty years, and thus is held at those levels for future allocation.

The forecast of housing demand also considers emerging trends and preferences for housing and neighborhoods. A 2013 national community preference survey conducted by American Association of Realtors (see Figure 2-5), revealed that a majority of respondents preferred houses with small yards and easy walks to schools, stores and restaurants over houses with large yards requiring residents to drive to get to local destinations, and especially preferred such housing combined with short commutes. People also preferred walkable mixed-use neighborhoods as opposed to strictly residential neighborhoods requiring driving. The survey revealed that mixed neighborhoods with a diversity in ages, income and ethnicities are more important to housing consumers than ever before, with a majority of respondents indicating a preference for diversity in race and ethnicity and income levels.

As of 2013, however, detached single-family houses, even where longer commutes were necessary, were still preferred over shared-space housing such as condominiums, townhouses or apartments. This preference is less pronounced than in past surveys, and the 2013 survey results show a strong minority of nearly forty percent selecting the more compact housing options. Over time, as the proportion of smaller households increased, this choice may move closer to a majority position.

As Bloomington incorporates the goals and objectives of the comprehensive plan into the development review process, a move towards greater diversity in housing and neighborhood choices can be brought about across the implementation horizon of the plan, as the preferences of residents evolve to meet their personal and professional circumstances.
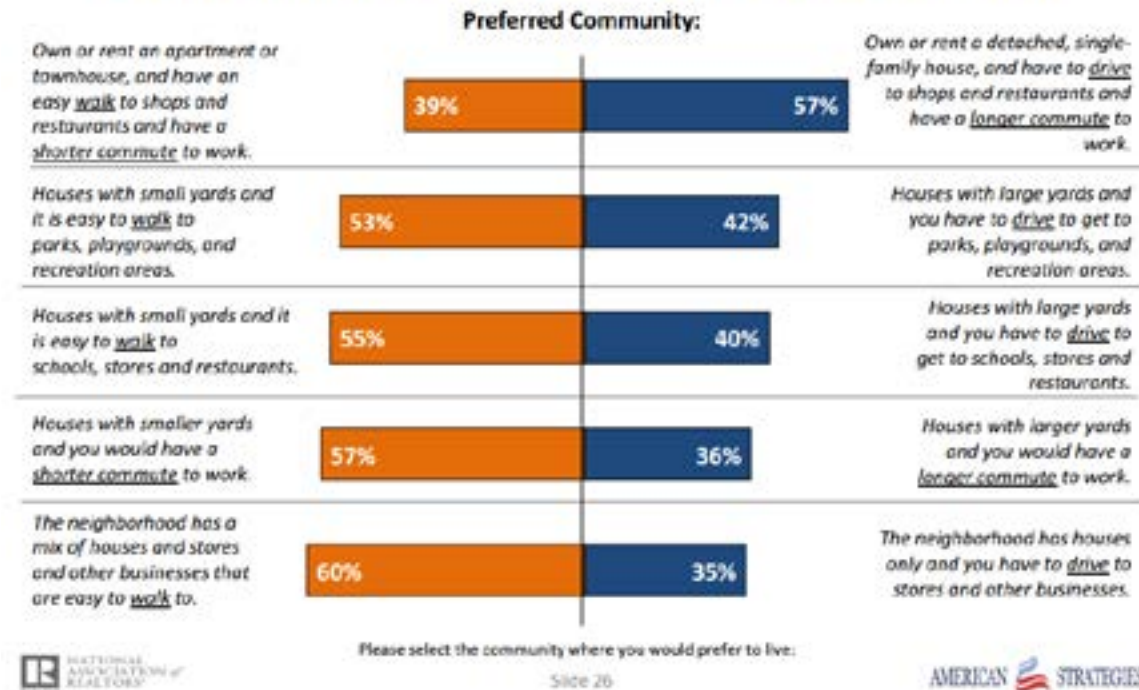

Figure 2-5 Community Preference Survey