

POPULATION

An analysis of the components and trends of the City's population is useful to help understand the magnitude and character of Pipestone's growth and development. A study of Pipestone's population characteristics will aid in the determination of future land use demands and other areas of development related to the planning process.

Historic Trends

The Minnesota Demographic Center estimates the City of Pipestone's current population at 4,333 (2007). Population growth in the Pipestone area was quite rapid in the early years of settlement with the influx of new residents. The City of Pipestone had 2,536 persons living in the city in 1900, and 9,263 in the county. In the next 50 years, the city increased by slightly over 50% of its 1900 population. The changes during these years were sporadic with large increases being followed by modest population gain.

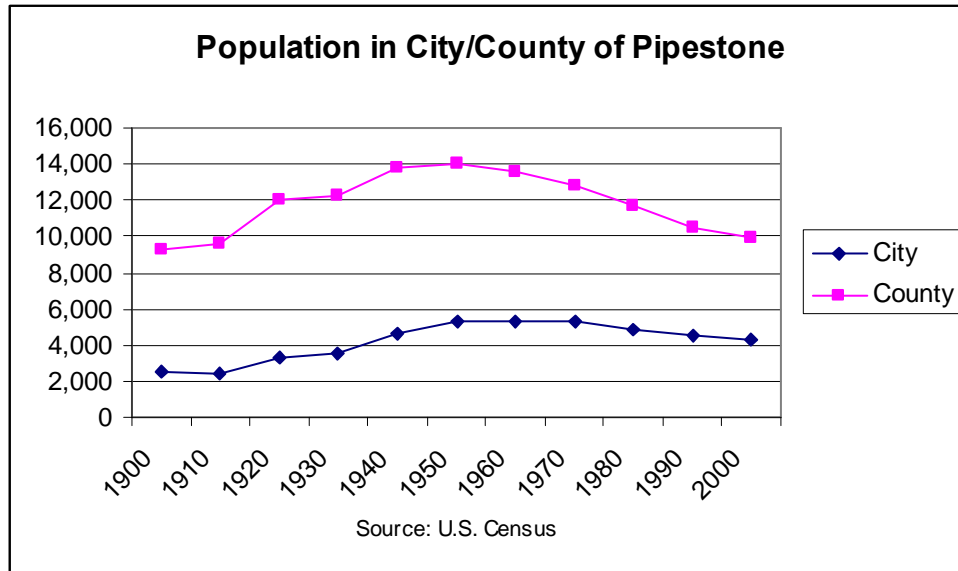
The entire Midwest experienced a leveling in population during the decade between 1950 and 1960. The County and City of Pipestone experienced just such a trend, and that trend continued through 1970. The productivity of farmers increased dramatically during this time as well, which led to a decrease in the number of families engaged in farming. The resulting migration to larger communities helped Pipestone gain slightly in population, but many families moved out of the county.

Table 2-1
City of Pipestone Population Change

Year	Population	Absolute Change by Decade	Percent Change by Decade
1900	2,536		
1910	2,475	-61	-2.4%
1920	3,325	850	34.3%
1930	3,489	164	4.9%
1940	4,682	1,193	34.2%
1950	5,269	587	12.5%
1960	5,324	55	1.0%
1970	5,328	4	0.1%
1980	4,887	-441	-8.3%
1990	4,554	-333	-6.8%
2000	4,280	-274	-6.0%

Source: U.S. Census, UMN Center for Small Towns

Figure 2-1



Our Aging Population

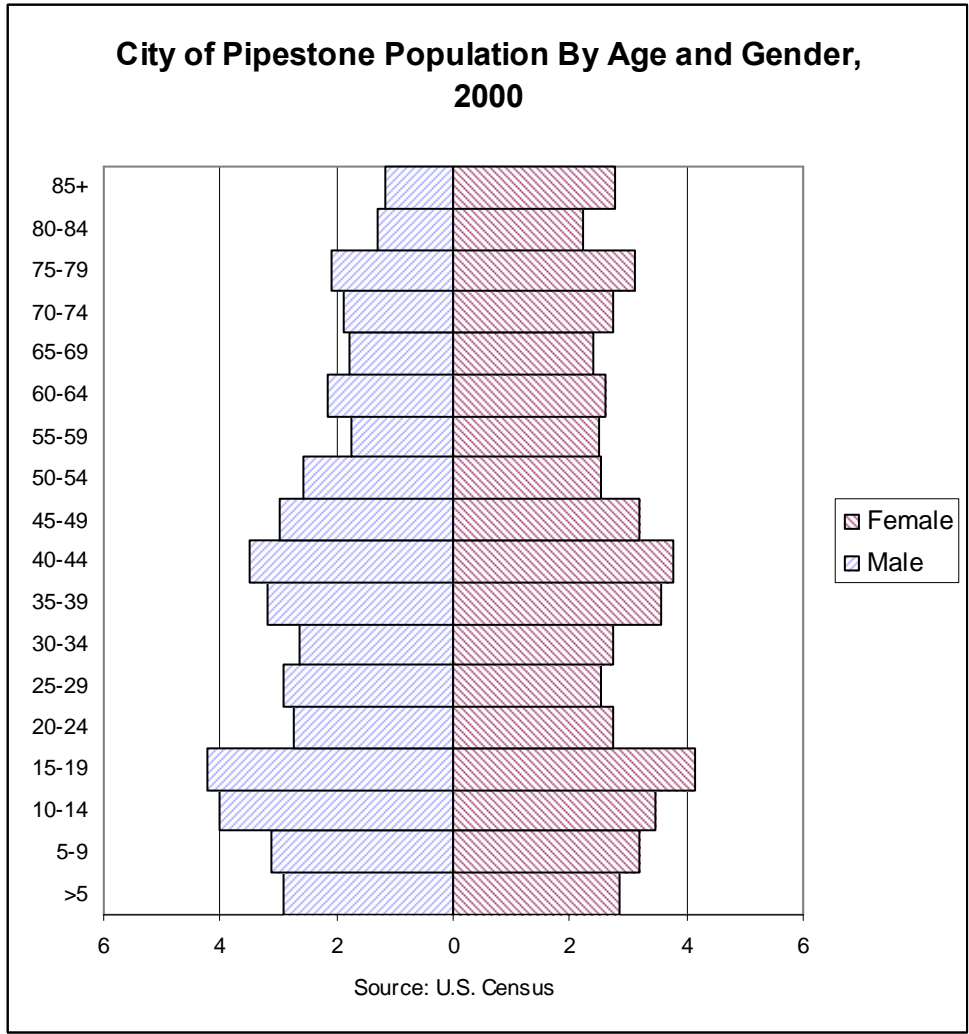
Today, Pipestone appears to be traveling the same path as many small cities in rural areas. The general trends of nearly all Midwest farming areas indicate that the out-migration from the rural countryside has peaked and is leveling off, or showing a reversal in population change. Looking at local population by age and gender, we see the impact as the baby boom ages. In coming years, a greater proportion of local residents will be in older age groups. At the same time there may be relatively fewer residents at ages where they would typically be entering the workforce, creating new families with children in the local school systems. This may lead to changing demands for services and different housing types.

Table 2-2
City of Pipestone Population By Age and Gender, 2000

Age Group	Male	Female	Total
Under 5	125	122	247
5 to 9	133	137	270
10 to 14	172	148	320
15 to 17	109	112	221
18 to 21	121	119	240
22 to 29	191	173	364
30 to 39	250	270	520
40 to 49	277	298	575
50 to 59	185	215	400
60 to 69	168	215	383
70 to 79	169	251	420
80 and Over	106	214	320
Total	2006	2274	4280

Source: U.S. Census

Figure 2-2



Population By Race and Ethnicity

Table 2-3 shows the distribution of race for 1990 and 2000. As the table demonstrates, the minority populations have increased in the past decade. Overall, the City is slightly more diverse than the County overall—6% of City residents considered themselves non-white while only 3% of County residents did so. All indications would suggest that the City’s minority population will continue to grow in the next decade.

Table 2-3
City of Pipestone Population By Race and Ethnicity

Race*	1990	2000
White	4,344	4,033
Black	4	12
American Indian	134	126
Asian/Pacific	64	34
Other	8	75
Total	4,554	4,280
Hispanic or Latino	29	41

* On the 2000 Census total count, respondents could indicate one or more races. Categories above include one race alone answers. Population of two or more races are included in the "Other" category.

Source: U.S. Census

Family Status

Shifting demographics and changing personal preferences can be seen in Census reports of marital and family status. In 2000, there were 1,900 households in the City of Pipestone, 47% of all households in the county. The average household size was 2.22 persons in the City and 2.38 in the County. While the number of households in the City was only slightly fewer than in 1990, Married Couple Families declined from 979 to 890 in 2000, while the combined number of Single-Person and Nonfamily households rose from 744 to 762.

Maxfield Research pointed out in their study, *Housing Market Analysis and Demand Estimates for Pipestone, Minnesota* (October 2006) that the increase of non-family households illustrates the social trends of unmarried couples living together and students living with roommates. Of significance is the number of family households with single parents and unmarried couples with children. “With only one income,” Maxfield Research notes, “many of these single-parent families are likely to need affordable housing, both rental and for-sale” (page 21).

Table 2-4
City of Pipestone Households by Household Type, 2000

Household Type		
Single Person Household		681
Male Householder	245	
Female Householder	436	
Nonfamily Households		81
Family Households		1,138
Married Couple Family without own children	525	
Married Couple Family with own children	365	
Male Householder with no wife	57	
Female Householder with no husband	191	
Total Households		1,900

Source: U.S. Census

Population Projections

Long-term forecasting for small areas such as cities and rural counties is a complicated matter. Short-term projections are relatively reliable within a single city, as one can readily count recent trends in new building permits and vacancy rates of existing units, new job creation and losses. However, reliable, timely, and consistent information for long-term demographic and economic forecasting is typically only available at the national and state level, and only occasionally at the county or city level.

The decennial United States Census is the accepted figure for historical population. The Minnesota State Demographer (or Demographic Center MDC) provides population estimates between the 10-year Census complete count. MDC and others also complete projections and forecasts. A projection is a conditional statement about future conditions based on a given set of assumptions. A forecast is a statement by an analyst of the most likely outcome. This document

presents projections based on historic and current trends, without making a forecast of the most likely outcome.

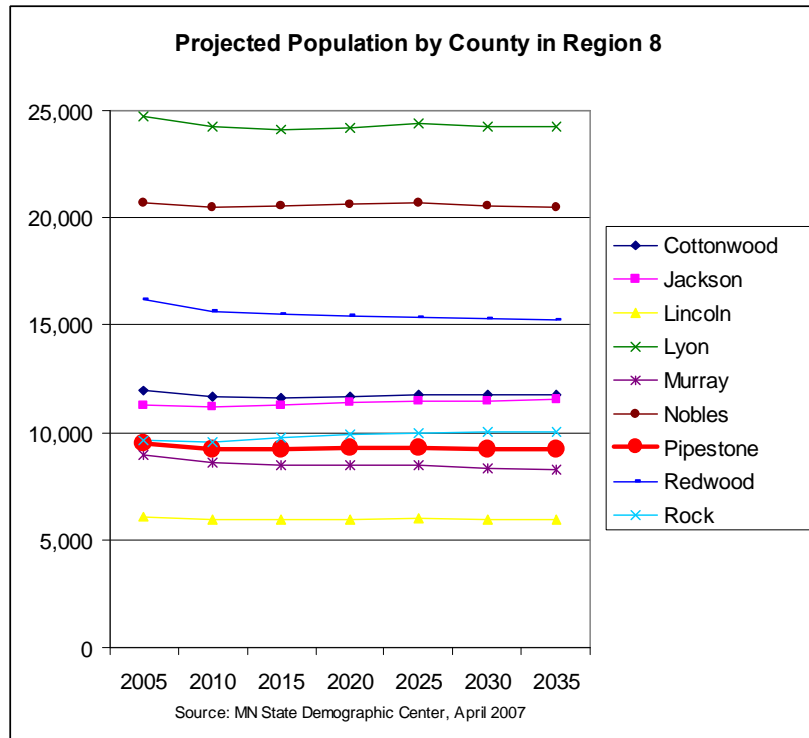
Population projections have been included for both the County and the City. The County projections were provided by the MN Office of the State Demographer based on trends prior to 2006. Although some of the information may be outdated, the projections can indicate regional trends that will apply to the City.

Table 2-5
Projected Population by Age and Gender

	Estimated 2005		Projected 2010		2015		2020		2025		2030		2035	
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
Pipestone County														
0 to 4	278	263	320	310	360	340	360	340	330	320	320	300	310	300
5 to 9	272	276	280	260	310	300	340	320	340	320	310	300	300	290
10 to 14	316	318	280	280	290	270	320	300	340	330	330	320	310	300
15 to 19	374	296	330	280	300	250	300	250	330	270	340	280	340	280
20 to 24	251	375	200	200	180	190	160	170	170	180	170	180	180	190
25 to 29	240	151	190	370	180	250	170	240	160	220	150	220	160	230
30 to 34	234	224	250	230	220	430	210	330	200	310	180	290	180	290
35 to 39	269	252	240	230	260	230	240	390	230	310	220	300	200	270
40 to 44	354	356	260	250	230	220	250	220	230	360	220	290	210	280
45 to 49	377	383	370	340	280	240	250	220	270	220	250	330	250	280
50 to 54	327	321	330	350	330	320	250	230	230	210	240	210	230	310
55 to 59	267	260	300	320	310	350	300	310	230	230	210	210	220	210
60 to 64	201	215	240	250	270	300	280	330	270	300	210	230	200	210
65 to 69	182	238	210	210	260	250	290	300	300	330	300	300	240	230
70 to 74	193	236	170	230	200	210	240	240	280	290	290	330	290	300
75 to 79	159	246	160	210	140	200	170	190	210	220	240	270	260	300
80 to 84	148	216	120	200	120	170	110	170	140	170	170	200	200	240
85+	134	313	150	310	150	310	150	310	160	310	180	320	230	370
Gender totals	4,575	4,938	4,400	4,820	4,370	4,840	4,400	4,870	4,420	4,910	4,360	4,890	4,320	4,890
Total population		9,513		9,220		9,210		9,270		9,320		9,250		9,210

Source: Minnesota State Demographic Center, April 2007

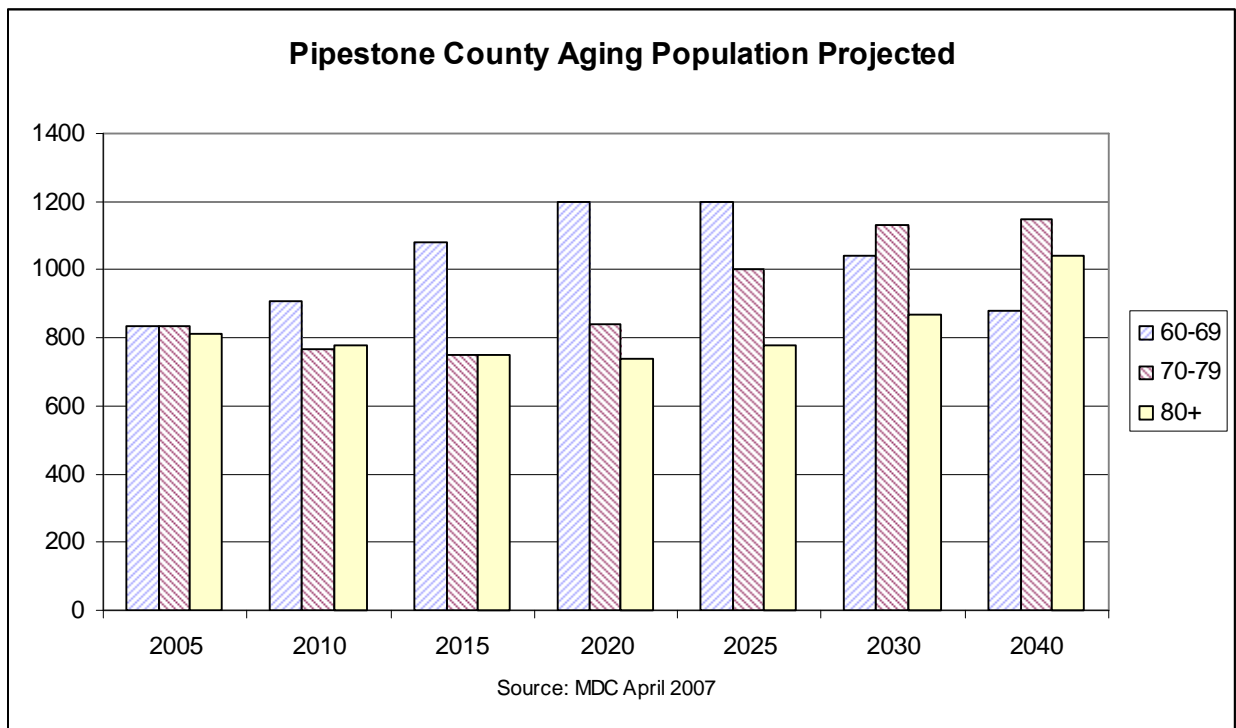
Figure 2-3



The information included on Table 2-5 and Figure 2-3 is supplied to give the reader an indication of future trends for the County. In brief, the population for the County is expected to decrease by about 3% every 5 years for the next decade then stabilize, which is similar to other counties in southwestern Minnesota.

Some points of interest can be drawn from Table 2-5. These figures have been provided to show how certain age groups are expected to change in the coming years. MDC expects the number of new births in Pipestone County to grow slightly over the next decade, then decline along with the cohort of typical mothers. The number of school aged children will decline in the next few years and then recover in the long-term. On the other end of the demographic curve, the elderly population in the county shows an increase into the foreseen future, as is seen in regional and state trends. When viewing the percent change in the “Frail Elderly” category (80+), it is again evident that a long-term increase is likely over the next 30 years.

Figure 2-4



In brief, the State Demographer’s information suggests that even with a declining population, the number of elderly and frail elderly will be expected to increase, whereas the decrease in youth is similar to the rate of decline projected for the County. If the projections prove valid, the City of Pipestone can be expected to receive additional elderly individuals from surrounding areas that lack the facilities, health care, and other services necessary to accommodate their needs.

Table 2-6
City of Pipestone Population Projections

Population	Method A	Method B	Method C
1990	4,554	4,554	4,554
1995	4,553	4,553	4,553
2000	4,280	4,280	4,280
2005	4,400	4,342	4,252
2010	4,520	4,296	4,121
2015	4,560	4,323	4,116
2020	4,600	4,372	4,143
2025	4,683	4,417	4,165
2030	4,767	4,431	4,134
2035	4,853	4,439	4,116

Note: Each method relies on a unique estimate of the City population in 2005.

Source: Historical--U.S. Census; Estimates and Projections--MDC, Maxfield Research, SRDC

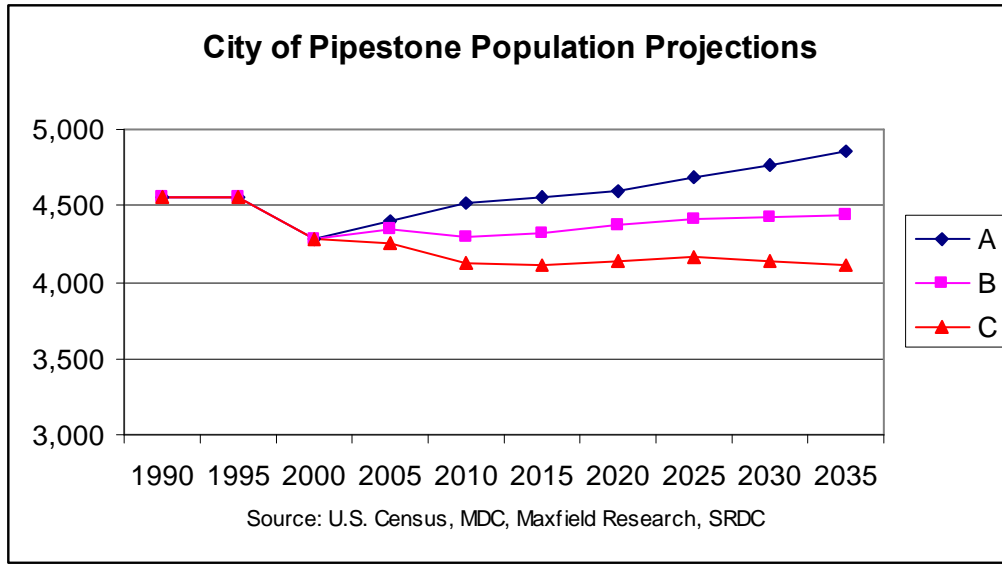
There are a variety of methods to project future population. The Minnesota Demographer prepares sophisticated projections based on cohort analysis, which age groups are mostly likely to have children, and historical birth and death rates. MDC recently projected a population of about 4,440 in the City of Pipestone thirty years from now (Method B in Table 2-6 and Figure 2-5). This projection indicates a reversal of recent trends and is somewhat optimistic.

The October 2006 housing study prepared by Maxfield Research for the City projects a 2020 population of 4,600, based on estimates by MDC and commercial economic and demographic forecasters. If we extrapolate Maxfield's 2010 and 2020 figures in a straight-line projection, the City of Pipestone would have a population of about 4,850 by 2035 (Method A).

MDC is much less optimistic about prospects for Pipestone County overall. If we apply their rate of change for the County (over each five-year period) to the City, we would reach a projected 2035 population of just over 4,100 (Method C).

Often a worst-case scenario is useful to illustrate the bottom-line. The City lost an extraordinary amount of population from 1980 to 2000. While less than the population loss from 1970 to 1990, this still represents a potential trend should the City experience a severe economic or natural disaster. If we applied the 1980 to 2000 growth in a straight-line trend would result in a 2035 population of about 3,440. While uncharted and unlikely given recent trends, the result should motivate citizens to be proactive in the economic development of the community.

Figure 2-5



The projections made specifically for the City are based solely upon past trends and do not take into account items such as economic conditions, and/or social influences. With increased job opportunities or other unseen factors, the City will obviously experience population changes not accounted for in the projections. Nevertheless, however error-prone these methods may be, they do serve as an available guide for projecting population; thus providing an indirect way of assisting in determining future needs.

Summary

Planning for a community is driven by the needs of the population. Historically the general trends for the City suggest a population decline can be expected in the future. Much of this is due to younger population leaving the rural areas in search of better job opportunities in the metropolitan areas. However, recent economic growth and state demographic projections suggest opportunities for future growth. Pipestone's future growth is primarily dependent upon its ability to attract the younger labor force into the community and to provide a solid economic and social base for the area.

POPULATION

Goals and Strategies

Goal

It is the goal of the City of Pipestone to increase its population to insure stability and vitality in the City.

Strategies

- to encourage orderly growth in the future
- to encourage a balanced growth
- encourage job creation in order to provide opportunities for young adults