



**GEOSPATIAL &  
POPULATION STUDIES**

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# **Population Growth, Housing and Workforce Needs in New Mexico's Permian Basin**

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# Context

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## □ UNM-GPS' expertise

- New Mexico's demographic liaison to United States Census Bureau
- Publishes biennial state and county population projections for New Mexico
- Appointed as state liaison for the Local Update of Census Addresses program and to the New Mexico 2020 State Complete Count Commission
- Analyzed population dynamics for the Lea County Community Improvement Corporation in December 2015

## □ Challenges to measuring population/housing dynamics in the Permian Basin

- Transient nature of workforce
- Usual residents population (de jure census) vs. physically present population (de facto census)
- Nine years have passed since last decennial census = high uncertainty for population estimates
- Eddy and Lea County's population dynamics do not parallel

# Population Change in New Mexico's Permian Basin

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- ❑ Eddy and Lea Counties are growing in population while most of NM's population remains flat or in decline
- ❑ The number and share of residents ages 0-17 and 65+ are increasing in both counties.
- ❑ Eddy and Lea Counties are becoming more Hispanic, more male and more urbanized compared with the rest of New Mexico
- ❑ Much of the growth is transient or semi-permanent though **school enrollment is up 19.7% in both counties since 2010**
- ❑ Population change remains relatively volatile though not as volatile as in previous boom/bust cycles
- ❑ *Resident vs. transient* population changes are difficult to estimate

# Population Estimates

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	<b>2010</b>	<b>2018</b>	<b>8 Year Growth Rate</b>
<b>Eddy County</b>	53,829	57,900	7.6%
<b>Lea County</b>	64,727	69,611	7.5%
<b>New Mexico</b>	2,059,179	2,095,427	1.8%



# Population Characteristics

## Age Distribution

	2010	2018	8 Year Growth Rate
<b>Eddy County</b>			
Median Age	37.3	35.3	-2.0*
0-17	26.1%	26.5%	1.5%
18-64	59.9%	59.0%	-1.5%
65+	14.0%	14.5%	3.6%
<b>Lea County</b>			
Median Age	31.9	32.3	0.4
0-17	29.4%	29.8%	1.4%
18-64	59.8%	58.8%	-1.7%
65+	10.8%	11.4%	5.6%
<b>New Mexico</b>			
Median Age	36.7	38.1	1.4
0-17	25.2%	23.0%	-8.7%
18-64	61.6%	59.5%	-3.4%
65+	13.2%	17.5%	32.4%

## Percent Hispanic

	2010	2018	8 Year Growth Rate
<b>Eddy County</b>	44.1%	47.4%	7.4%
<b>Lea County</b>	51.1%	57.0%	11.5%
<b>New Mexico</b>	46.3%	49.1%	6.1%

## Percent Male

	2010	2018	8 Year Growth Rate
<b>Eddy County</b>	49.9%	50.3%	0.8%
<b>Lea County</b>	51.1%	51.4%	0.6%
<b>New Mexico</b>	49.4%	49.5%	0.2%

\* - changes in median age reflect additions rather than rates

Source: U.S. Census Bureau, Population Estimates Program, Vintage 2018; <https://factfinder.census.gov/>



# Population Indicator Growth Rates 2010-2017

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	School Enrollment	Medicaid Recipients	Registered Voters	Licensed Drivers	Traffic Crashes
<b>Eddy County</b>	19.7%	4.3%	9.6%	9.6%	56.9%
<b>Lea County</b>	19.7%	7.1%	22.6%	15.3%	-19.0%
<b>New Mexico</b>	0.1%	26.1%	7.5%	-1.4%	7.3%



Sources: New Mexico Public Education Department, <https://webnew.ped.state.nm.us/bureaus/information-technology/stars/>; Centers for Medicare & Medicaid Services, <https://dnav.cms.gov/>; NM Secretary of State, <https://www.sos.state.nm.us/voting-and-elections/data-and-maps/voter-registration-statistics/>; UNM-GPS Annual Crash Report, <https://gps.unm.edu/tru/crash-reports/annual-reports>

# Components of Population Change

## Natural Increase

	2010 Population	Births 2010-17	Deaths 2010-2017	7 Year Natural Increase	Natural Increase as Percent of 2010 Population
<b>Eddy County</b>	53,829	6,595	4,385	2,210	4.1%
<b>Lea County</b>	64,727	8,869	4,333	4,536	7.0%
<b>New Mexico</b>	2,059,179	208,205	137,680	70,525	3.4%

## Migration

	2010 Population	Net Migration 2010-2017	Domestic	International	Net Migration as Percent of 2010 Population
<b>Eddy County</b>	53,829	2,886	1,133	642	5.4%
<b>Lea County</b>	64,727	43	(1,111)	1,154	0.1%
<b>New Mexico</b>	2,059,179	(34,628)	(62,051)	27,423	-1.7%

# Share of Population in Incorporated Places

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	<b>2010</b>	<b>2018</b>	<b>8 Year Growth Rate</b>
<b>Eddy County</b>	72.9%	74.4%	1.6%
<b>Lea County</b>	77.6%	78.5%	0.9%
<b>New Mexico</b>	66.1%	66.8%	0.7%



# UNM-GPS Population Projections

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- ❑ Based largely on the cohort-component method i.e. a demographic accounting model
- ❑ Projection of current trends in fertility, mortality, migration across all age/sex cohorts
- ❑ The Cohort-Component method does not directly incorporate the local economy or jobs as inputs to the model
- ❑ Demographic-Economic models such as REMI have not performed well in New Mexico
- ❑ Updated state and county projections are in production

# UNM-GPS Population Projections

## UNM-GPS *Preliminary* 2019 Population Projections

	2010 Population	2020 Projection	2025 Projection	2030 Projection	2035 Projection	2040 Projection
<b>Eddy County</b>	53,829	58,511	59,447	59,915	60,383	60,617
<b>Lea County</b>	64,727	70,832	72,358	73,274	73,885	74,190
<b>New Mexico</b>	2,059,179	2,102,677	2,111,376	2,117,901	2,122,251	2,124,425

## *Preliminary* Growth Rates from 2010

	2010 Population	10 Year Growth	15 Year Growth	20 Year Growth	25 Year Growth	30 Year Growth
<b>Eddy County</b>	53,829	8.7%	10.4%	11.3%	12.2%	12.6%
<b>Lea County</b>	64,727	9.4%	11.8%	13.2%	14.1%	14.6%
<b>New Mexico</b>	2,059,179	2.1%	2.5%	2.9%	3.1%	3.2%

# Housing as a Potential Constraint to Population Growth

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- ❑ There is strong demand for housing at all income levels evidenced by:
  - Price/availability of housing/hotels
  - Growth of single family units, multi-family units, and man camps
  - *Update of the Census for Lea County: Population Dynamics* and *City of Hobbs Housing Needs Assessment*
  - Anecdotal accounts
- ❑ Limited housing goes to the highest bidders who are often temporary workers
- ❑ A variety of housing is needed: apartments, single family homes, senior living, mobile homes and temporary housing
- ❑ Housing is being built, but:
  - Current building trends which are currently above recent norms must continue since the housing market appears to remain saturated
  - Vacancy rates may be misleading due to age/condition of the housing stock
  - Housing construction is more difficult during an oil boom
  - Subsidized housing rehabilitation is another option
- ❑ Other constraints to permanent population growth exist e.g. transportation, education, healthcare

# Housing Estimates

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	2010 Housing Units	2018 Housing Units	8 Year Growth Rate
<b>Eddy County</b>	22,585	24,782	9.7%
<b>Lea County</b>	24,919	26,648	6.9%
<b>New Mexico</b>	901,388	943,208	4.6%



# Housing Characteristics

## Persons per Household

	2010	2017	7 Year Change
Eddy County	2.68	2.64	-0.04
Lea County	2.82	3.07	0.25
New Mexico	2.61	2.65	0.04

## Vacancy Rates

	2010	2017	7 Year Change
Eddy County	14.0%	11.4%	-2.6%
Lea County	13.9%	15.1%	1.2%
New Mexico	14.8%	17.0%	2.2%

## Age of Housing Stock

	Median Year Structure Built	Percent Built Pre-1950
Eddy County	1970	35.9%
Lea County	1973	29.8%
New Mexico	1982	18.5%

# Summary

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- ❑ Eddy and Lea County are growing in population while most of New Mexico's population remains flat or in decline
- ❑ Housing availability/affordability could constrain population growth at all income levels
- ❑ New residential units are being constructed, but growth must remain at or above current levels for several years to absorb new permanent residents

# Areas for Primary Research

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- ❑ Assessment of current housing demands
  - ❑ Assessment of housing stock condition
  - ❑ More timely and accurate vacancy rates
  - ❑ Potential constraints of other factors such as transportation, education and healthcare
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- ❖ Note that the 2020 Census is nine months away with detailed results available in April, 2021
    - Lea and Eddy Counties will be difficult to accurately enumerate due to transient populations
    - Nonetheless, the decennial census will provide more accurate data than is currently available