

Table 4-2. Dwelling units by type and tenure, Springfield city limits, 1990 and 2000

Housing Units	1990 Census		2000 Census		New DU 90-00		
	Number	Percent	Number	Percent	Number	Percent	% Increase
Single-family detached	9,687	53.5%	11,721	54.3%	2,034	58.9%	21%
Single-family attached	1,755	9.7%	1,794	8.3%	39	1.1%	2%
Multifamily	4,777	26.3%	6,118	28.4%	1,341	38.9%	28%
Mobile/Manufactured	1,902	10.5%	1,939	9.0%	37	1.1%	2%
Total housing units	18,121	100.0%	21,572	100.0%	3,451	100.0%	19%
Occupied Housing Units	17,447	100.0%	20,514	100.0%	3,067	100.0%	18%
Owner-occupied	8,599	49.3%	10,987	53.6%	2,388	77.9%	28%
Renter-occupied	8,848	50.7%	9,527	46.4%	679	22.1%	8%

Source: U.S. Census of Population and Housing; SF-3 1990 and 2000.

Table 4-3 shows type of dwelling by tenure (owner/renter-occupied) in 2000. The results show that single-family and manufactured housing types have a much higher ownership rate than other housing types—about 95% of owner-occupied units were in these housing types. Multifamily housing types, including duplexes were predominately renter occupied. It is also notable that 88% of the single-family attached dwellings were renter occupied. By contrast, 20% of single-family detached and 13% of mobile homes were renter occupied in 2000.

Table 4-3. Housing units by type and tenure, Springfield city limits, 2000

Housing Type	Owner-Occupied			Renter-Occupied			Total	
	Number	% by Tenure	% by Type	Number	% by Tenure	% by Type	Number	% by Type
Single-family detached	8,989	80%	82%	2,219	20%	23%	11,208	55%
Single-family attached	204	12%	2%	1,494	88%	16%	1,698	8%
Multifamily-duplex	118	10%	1%	1,113	90%	12%	1,231	6%
Multifamily-3+ units	89	2%	1%	4,447	98%	47%	4,536	22%
Mobile home	1,581	87%	14%	244	13%	2%	1,825	9%
Total	10,981	54%	100%	9,517	46%	100%	20,498	100%

Source: US Census 2000, Summary File 3; Percentages calculated by ECONorthwest.

Note: Total number of units is slightly different than reported in Table 4-2 due to different data sources (this table uses Summary File 3 sample data; Table 9.30.2 uses Summary File 1, 100% count data).

Table 4-4 shows changes in Springfield's housing mix from 2000-July 2008 based on 2000 Census and residential building permit data provided by the City of Springfield. Between 2000 and July 2008, Springfield increased its housing stock about 13%, adding 2,799 dwelling units. The mix of housing changed slightly, with multifamily dwellings accounting for about 0.9% greater share in July 2008 than 2000.

Table 4-4. Estimated dwelling units by type, Springfield city limits, 2000 and July 2008

Housing Units	2000 Census		2006 Est.		New DU 00-06		
	Number	Percent	Number	Percent	Number	Percent	% Increase
Single-family detached	11,721	54.3%	13,220	54.2%	1,499	53.6%	13%
Single-family attached	1,794	8.3%	1,794	7.4%	na	na	0%
Multifamily	6,118	28.4%	7,147	29.3%	1,029	36.8%	17%
Mobile/Manufactured	1,939	9.0%	2,210	9.1%	271	9.7%	14%
Total housing units	21,572	100.0%	24,371	100.0%	2,799	100.0%	13%

Source: U.S. Census of Population and Housing; SF-3 1990 and 2000; City of Springfield Building Permit Data, 2006.

Note: the City building permit data does not distinguish between single-family attached and detached dwellings. Thus, the 2008 estimate probably overestimates single-family detached dwellings and underestimates single-family attached dwellings.

DENSITY

Table 4-5 summarizes approved *net* residential densities by housing type from July 1999 through July 2008. During this period, 2,860 dwelling units were approved by residential building permits. The dwellings are associated with individual tax lots to calculate the net residential density (expressed in dwelling units per acre).⁹ This development consumed 436.3 net vacant acres. New housing in Springfield developed at an average net density of 6.6 dwelling units per net buildable acre between 1999 and July 2008.

The data indicate that single-family detached housing types averaged a density of 5.4 dwelling units per net acre, while manufactured homes achieved a lower density of 4.6 dwelling units per net acre. Multifamily housing types show more variation—from 25 units per net acre for triplexes, to 8.5 dwelling units per net acre for fourplexes, and 24.4 dwellings per net acre for apartment buildings with five or more units.

⁹ OAR 660-024-0040(9) defines a net buildable acre as follows: For purposes of this rule, a "Net Buildable Acre" consists of 43,560 square feet of residentially designated buildable land, after excluding present and future rights-of-way, restricted hazard areas, public open spaces and restricted resource protection areas.

Table 4-5. Actual residential density by housing type, in net acres, Springfield, July 1999 – July 2008

Housing Type	Dwelling Units	Percent of DU	Net Acres	DU/Net Acre
Single-Family Detached	1,529	53%	280.7	5.4
Manufactured Home	280	10%	61.2	4.6
Duplex	233	8%	37.5	6.2
Triplex	30	1%	1.2	25.0
Fourplex	304	11%	35.9	8.5
Apartments 5+ Units	484	17%	19.8	24.4
Total	2,860	100%	436.3	6.6

Source: City of Springfield building permit data

Chapter 2 described the framework for conducting a housing "needs" analysis. ORS 197.296 (HB 2709) requires cities over 25,000 or fast growing cities to conduct a housing needs analysis. A recommended approach is described in Task 3 of the HB 2709 Workbook. The specific steps in the housing needs analysis are:

1. Project number of new housing units needed in the next 20 years.
2. Identify relevant national, state, and local demographic and economic trends and factors that may affect the 20-year projection of structure type mix.
3. Describe the demographic characteristics of the population and, if possible, housing trends that relate to demand for different types of housing.
4. Determine the types of housing that are likely to be affordable to the projected households based on household income.
5. Estimate the number of additional needed units by structure type.
6. Determine the needed density ranges for each plan designation and the average needed net density for all structure types.

STEP 1: PROJECT NUMBER OF NEW HOUSING UNITS NEEDED IN THE NEXT 20 YEARS

Step 1 in the housing needs analysis is to project the number of *new* housing units needed during the planning period. This section describes the key assumptions and estimates of new housing units needed in Springfield between 2000 and 2020.

POPULATION

Springfield must have a population forecast to project expected population change over the 20-year planning period (in this instance, 2010-2030). Lane County adopted coordinated population forecasts for the County and its incorporated cities in June 2009. The forecasts include figures for Springfield for 2010 and 2030.

Table 5-1 shows the coordinated population forecast for the Springfield city limit, urban area (the area between the city limit and UGB), and the UGB for 2010 to 2030. The UGB forecast for 2030 is 81,608 persons—an increase of 14,577 persons during the 20-year planning period.

Table 5-1. Springfield coordinated population forecast, Springfield UGB, 2010 to 2030

Year	City Limit	Urban Area	UGB
2010	58,891	8,140	67,031
2030	74,814	6,794	81,608
Change 2010-2030			
Number	15,923	(1,346)	14,577
Percent	27%	-17%	22%
AAGR	1.2%	-0.9%	1.0%

Source: Lane County Rural Comprehensive Plan, 1984 (Amended in 2009), Table 1-1, pg 5

PERSONS IN GROUP QUARTERS

Persons in group quarters do not consume standard housing units: thus, any forecast of new people in group quarters is typically backed out of the population forecast for the purpose of estimating housing need. Group quarters can have a big influence on housing in cities with colleges (dorms), prisons, or a large elderly population (nursing homes). In general, one assumes that any new requirements for these lodging types will be met by institutions (colleges, state agencies, health-care corporations) operating outside what is typically defined as the housing market. Group quarters, however, require land and are typically built at densities that are comparable to multiple-family dwellings.

Table 5-2 shows persons in group quarters in the City of Springfield as reported by the 1980, 1990, and 2000 Census.

Table 5-2. Persons in group quarters, City of Springfield, 1980, 1990, and 2000

VARIABLE	1980	1990	2000
Total Population	41,621	44,683	52,864
Persons in Group Quarters	184	298	635
Percent in Group Quarters	0.44%	0.67%	1.20%

Source: U.S. Census of Population and Housing, Summary File 1

For the purpose of estimating housing needs for Springfield, ECO assumed that 2% of new persons (291 persons) will reside in group quarters. This assumption reflects the trend shown in Table 5-2. The majority of these new persons will live in assisted living quarters.

A final note on persons in group quarters: persons in group quarters require land. While the Planning for Residential Growth workbook backs this component of the population out of total population that needs housing, it does not otherwise make accommodations for land demand for new group quarters. For the purpose of this analysis, we assume that persons in group quarters require land at

approximately the same density as multiple family housing. Land needed for group quarters is estimated at the end of this chapter.

HOUSEHOLD SIZE AND COMPOSITION

Twenty years ago, traditional families (married couple, with one or more children at home) accounted for 29% of all households in Oregon. In 1990 that percentage had dropped to 25%. It will likely continue to fall, but probably not as dramatically. The average household size in Oregon was 2.60 in 1980 and 2.52 in 1990. One and two person households made up the majority of Oregon households in 1990. The direct impact of decreasing household size on housing demand is that smaller households means more households, which means a need for more housing units even if population were not growing.

Table 5-3 shows average household size for Springfield as reported by the 1980, 1990, and 2000 Census. OAR 660-024-0040(7)(a) established a “safe harbor” assumption for average household size—which is the figure from the most recent Census (2.54 persons). The estimate of future housing needs uses an average household size of 2.54 persons, as allowed by the safe harbor.

Table 5-3. Average household size, Springfield, 1980, 1990 and 2000

Year	Average household size
1980	2.57
1990	2.54
2000	2.54

Source: U.S. Census of Population and Housing, Summary File 1

VACANCY RATE

Vacant units are the final variable in the basic housing need model. Vacancy rates are cyclical and represent the lag between demand and the market’s response to demand in additional dwelling units. Vacancy rates for rental and multiple family units are typically higher than those for owner-occupied and single-family dwelling units.

Table 5-4 shows that the average vacancy rate for Springfield varies by time period. The most recent Census showed an overall vacancy rate of 5%. The HCS housing needs model, however, requires separate vacancy rate figures for single-family and multifamily units. The vacancy rate in 2000 was 4.7% for single-family units and 5.7% for multifamily units.

Table 5-4. Average vacancy rate, Springfield, 1980, 1990 and 2000

Variable	1980	1990	2000
Housing Units	17,469	18,121	21,500
Occupied Housing Units	16,173	17,447	20,426
Vacant Housing Units	1,296	674	1,074
Vacancy Rate	7.42%	3.72%	5.00%

Source: U.S. Census of Population and Housing, Summary File 1

Thus study assumes an average vacancy rate of 5%--the same figure as reported in the 2000 Census. The countywide vacancy rate was 6.1% in 2000.

FORECAST OF NEW HOUSING UNITS, 2010-2030

The preceding analysis leads to a forecast of new housing units likely to be built in Springfield during the 2010 to 2030 period. Based on the assumptions shown in Table 5-5, Springfield will need 5,920 new dwelling units to accommodate forecast population growth between 2010 and 2030. These figures do not include new group quarters. The forecast assumes 60% will be single-family housing types (single-family detached and manufactured) and 40% will be multifamily. The rationale for the household mix is described in the housing needs analysis section of this chapter.

The results indicate that Springfield will need to issue permits for about 296 new dwelling units annually during the planning period. This figure is consistent with the 300 dwelling units approved annually during the 1999 to July 2008 period, but is still significantly below the 515 dwellings approved in 2002.

The forecast of new units does not include dwellings that will be demolished and replaced. This analysis does not factor those units in; it assumes they will be replaced at the same site and will not create additional demand for residential land.

Table 5-5. Demand for new housing units, Springfield UGB, 2010-2030

Variable	Assumptions / Results
Change in persons	14,577
<i>minus</i> Change in persons in group quarters	291
<i>equals</i> Persons in households	14,286
Average household size	2.54
New occupied DU	5,624
Average vacancy rate	5%
Total new DU	5,920
Single-family dwelling units	
Percent single-family DU	60%
New occupied single-family DU	3,552
Multiple family dwelling units	
Percent multiple family DU	40%
New occupied multiple-family DU	2,368
Totals	
<i>equals</i> Total new occupied dwelling units	5,920
Dwelling units needed annually	296

Source: Calculations by ECONorthwest based on safe harbor population forecast and assumptions described above.

STEP 2: IDENTIFY RELEVANT NATIONAL, STATE, AND LOCAL DEMOGRAPHIC AND ECONOMIC TRENDS AND FACTORS THAT MAY AFFECT THE 20-YEAR PROJECTION OF STRUCTURE TYPE MIX

NATIONAL HOUSING TRENDS

The overview of national, state, and local housing trends builds from previous work by ECO and conclusions from *The State of the Nation's Housing, 2008* report from the Joint Center for Housing Studies of Harvard University. The Harvard report summarizes the national housing outlook for the next decade as follows:

“Housing markets contracted for a second straight year in 2007. The national median single-family home price fell in nominal terms for the first time in 40 years of recordkeeping, leaving several million homeowners with properties worth less than their mortgages. With the economy softening and many home loans resetting to higher rates, an increasing number of owners had difficulty keeping current on their payments. Mortgage performance—especially on subprime loans with adjustable rates—eroded badly. Lenders responded by tightening underwriting standards and demanding a higher risk premium, accelerating the ongoing slide in sales and starts.

“It is still uncertain how far, and for how long, the housing crisis will drive down household growth. Regardless, given the solid underpinnings of long-term demand—including the recent strength of immigration and the aging of the echo-boom generation into young adulthood—household growth will pick up again once the economy recovers. But if the nation suffers a prolonged economic downturn that results in lower immigration and more doubling up, household growth in 2010-2020 may fall short of the 14.4 million level currently projected.

This evaluation presents a bleak outlook for housing markets and for homeownership in the short-term brought on by the subprime mortgage crisis. However, the image painted of the future looks brighter, as the increase in housing demand is naturally induced by the growth of the population in the necessary age groups. Following is a summary of key national housing trends:

- By 2006, higher prices and rising interest rates had a negative impact on market demand. Investor demand, home sales and single-family starts dropped sharply. Growth in national sales prices also slowed. By 2007 and early 2008, housing market problems had reached the rest of the economy, resulting in a nationwide economic slowdown and fear of recession.
- Homeownership rates are decreasing. After 12 successive years of increases, the national homeownership rate slipped in 2005, again in 2006 to 68.8%, and again in 2007 to 68.1%. The Joint Center for Housing Studies predicts that once the corrections made to work off the housing oversupply and prices start to recover, a return to traditional mortgage products and the strength of natural demand will invigorate the homeownership rate.
- The long-term market outlook shows that homeownership is still the preferred tenure. Over the next decade, 88% of net household growth is expected to come from gains in the number of homeowners. While further homeownership gains are likely during this decade, they are not assured.
- Population increases will drive future demand. The Joint Center for Housing Studies indicates that demand for new homes could total as many as 14.4 million units nationally between 2010 and 2020. Nationally, the vast majority of these homes will be built in lower-density areas where cheaper land is in greater supply.
- People and jobs have been moving away from central business districts (CBDs) for more than a century: the number of the country’s largest metropolitan areas with more than half of their households living at least 10 miles from the CBD has more than tripled from 13 in 1970 to 46 in 2000; in six metropolitan areas more than a fifth of households live at least 30 miles out. While people older than 45 years are generally continuing to move away from CBDs, younger people have begun to move nearer to CBDs.

- Demand for higher density housing types exists among certain demographics. They conclude that because of persistent income disparities, as well as the movement of the echo boomers into young adulthood, housing demand may shift away from single-family detached homes toward more affordable multifamily apartments, town homes, and manufactured homes. Supply-side considerations, however, outweigh these demographic forces.
- Immigration will play a key role in accelerating household growth over the next 10 years. Between 2000 and 2006, immigrants contributed to over 60% of household growth. Minorities will account for 68% of the 14.6 million projected growth in households for the 2005 to 2015 period. Immigrants now comprise a growing share of young adults and children in the United States. Twenty percent of Americans ages 25-34 are foreign born, and an additional 9% are second generation Americans.
- An aging population, and of baby boomers in particular, will drive changes in the age distribution of households in all age groups over 55 years. A recent survey of baby boomers showed that more than a quarter plan to relocate into larger homes and 5% plan to move to smaller homes. Second home demand among upper-income homebuyers of all ages also continues to grow. Households aged 50 to 69 are expected to account for the purchase of nearly half a million second homes between 2005 and 2015.
- The Joint Center for Housing studies expects rental housing demand to grow by 1.8 million households over the next decade. Minorities will be responsible for nearly all of this increased demand. The minority share of renter households grew from 37% in 1995 to 43% in 2005. The minority share is forecast to exceed 50% of renter households in 2015. Demographics will also play a role.
- Ratios of rent to income are forecast to continue to increase. In 2006, one in three American households spent more than 30% of income on housing, and more than one in seven spent upwards of 50%. The national trend towards increased rent to income ratios is mirrored regionally in that a salary of two to three times the 2007 Federal minimum wage of \$5.85 is needed to afford rents in Lane County.

The U.S Bureau of Census Characteristics of New Housing Report presents data that show trends in the characteristics of new housing for the nation, state, and local areas. Several trends in the characteristics of housing are evident from the New Housing Report:

- Larger single-family units on smaller lots. Between 1997 and 2007 the median size of new single-family dwellings increased 15%, from 1,975 sq. ft. to 2,277 sq. ft. nationally and 18% in the western region from 1,930 sq. ft. to 2,286 sq. ft. Moreover, the percentage of units

under 1,200 sq. ft. nationally decreased from 8% in 1997 to 4% in 2007. The percentage of units greater than 3,000 sq. ft. increased from 15% in 1997 to 26% of new one-family homes completed in 2007. In addition to larger homes, a move towards smaller lot sizes is seen nationally. Between 1994 and 2007 the percentage of lots under 7,000 sq. ft. increased by 13% from 29% of lots to 33% of lots. A corresponding 4% decrease in lots over 11,000 sq. ft. is seen.

- Larger multifamily units. Between 1999 and 2007, the median size of new multiple family dwelling units increased by 15%. The percentage of multifamily units with more than 1,200 sq. ft. increased from 26% to 47% in the western region and from 28% to 50% nationally. The percentage of units with less than 600 sq. ft. stayed at 1% both regionally and nationally.
- More household amenities. Between 1994 and 2007 the percentage of single-family units built with amenities such as central air conditioning, fireplaces, 2 or more car garages, or 2 or more baths all increased. The same trend in increased amenities is seen in multiple family units.

A clear linkage exists between demographic characteristics and housing choice. This is more typically referred to as the linkage between life-cycle and housing choice and is documented in detail in several publications. Analysis of data from the Public Use Microsample (PUMS) in the 2000 Census to describe the relationship between selected demographic characteristics and housing choice. Key relationships identified through this data include:

- Homeownership rates increase as income increases;
- Homeownership rates increase as age increases;
- Choice of single-family detached housing types increases as income increases;
- Renters are much more likely to choose multiple family housing types than single-family; and
- Income is a stronger determinate of tenure and housing type choice for all age categories.

STEP 3: DESCRIBE THE DEMOGRAPHIC CHARACTERISTICS OF THE POPULATION AND, IF POSSIBLE, HOUSING TRENDS THAT RELATE TO DEMAND FOR DIFFERENT TYPES OF HOUSING

State and regional demographic and housing trends are important to a thorough understanding of the dynamics of the Springfield housing market. Springfield exists in a regional economy; trends in the region impact the local

housing market. This section documents state and regional demographic and housing trends relevant to Springfield.

DEMOGRAPHIC TRENDS

This section reviews historical demographic trends in the Lane County and Springfield. Demographic trends provide a broader context for growth in a region; factors such as age, income, migration and other trends show how communities have grown and shape future growth. To provide context, we compare the Springfield with Lane County and Oregon where appropriate. Characteristics such as age and ethnicity are indicators of how population has grown in the past and provide insight into factors that may affect future growth.

State Demographic Trends

Oregon's *2006-2010 Consolidated Plan* includes a detailed housing needs analysis as well as strategies for addressing housing needs statewide.¹⁰ The plan concludes that "Oregon's changing population demographics are having a significant impact on its housing market." It identified the following population and demographic trends that influence housing need statewide:

- 11th fastest growing in the United States
- Facing dramatic housing cost increases
- Facing median and adjusted incomes less than those of 1999
- Growing faster than national rates: 4.0% v. 3.3% and expecting a non-entitlement growth during this consolidated plan of about 6%, 82% of which will come from in-migration.
- Increasingly older
- Increasingly diverse
- Increasingly less affluent¹¹

Richard Bjelland, State Housing Analyst at the Housing and Community Services Department of the State of Oregon, analyzed recent demographic changes taking place in Oregon and discussed their implications in a 2006 presentation "Changing Demographics: Impacts to Oregon and the US." Some of Bjelland's most significant findings are summarized below:

- Oregon's **minority population is growing** quickly. Minorities made up 9.2% of the population in 1990 and 16.5% of the population in 2000, a 52% increase.
- **Hispanics and Latinos make up a large share of that population** and their growth rate is higher than non-Hispanics/ Latinos. The growth rate of

¹⁰ http://www.ohcs.oregon.gov/OHCS/HRS_Consolidated_Plan_5yearplan.shtml

¹¹ State of Oregon Consolidated Plan, 2006-2010, pg. 23.

- Oregon's non-Hispanic/ Latino population between 1990 and 2000 was 15.3% compared to 144.3% for Hispanics and Latinos.
- The **birth rates** of Hispanic/ Latino residents are higher than non-Hispanic/ Latino residents. In 1998, for the US, white non-Hispanic/ Latino residents had a birth rate of 12.3 per 1,000, lower than Asians and Pacific Islanders (16.4 per 1,000), black non-Hispanics (18.2 per 1,000) and Hispanic/ Latino (24.3 per 1,000).
- The share of resident births and deaths in Oregon shows the implications of that birthrate: Hispanic/ Latino residents accounted for 17.4% of births but only 1.4% of deaths in Oregon for 2001. In addition, **Hispanic/ Latino Oregonians are younger than non-Hispanic/ Latino residents**: in 2000, 75.9% of Hispanic/ Latino residents of Oregon are under age 35, compared to 45.7% of non-Hispanic/ Latino residents.
- In Oregon, Hispanic/ Latino **per capita income** in 2005 was only 44% of white per capita income.
- Hispanic/ Latino residents of Oregon become **homeowners** at younger ages than non-Hispanic/ Latino residents. Table 5-6 shows that Hispanic/ Latino Oregonians under 45 have higher homeownership rates than non-Hispanic/ Latino residents.

Table 5-6. Oregon homeownership rates by age of householder, 2000

Age of householder	Non-Hispanic/ Latino	Hispanic/ Latino
25-34	10.2%	25.7%
35-44	20.6%	31.0%
45 and older	68.1%	39.4%

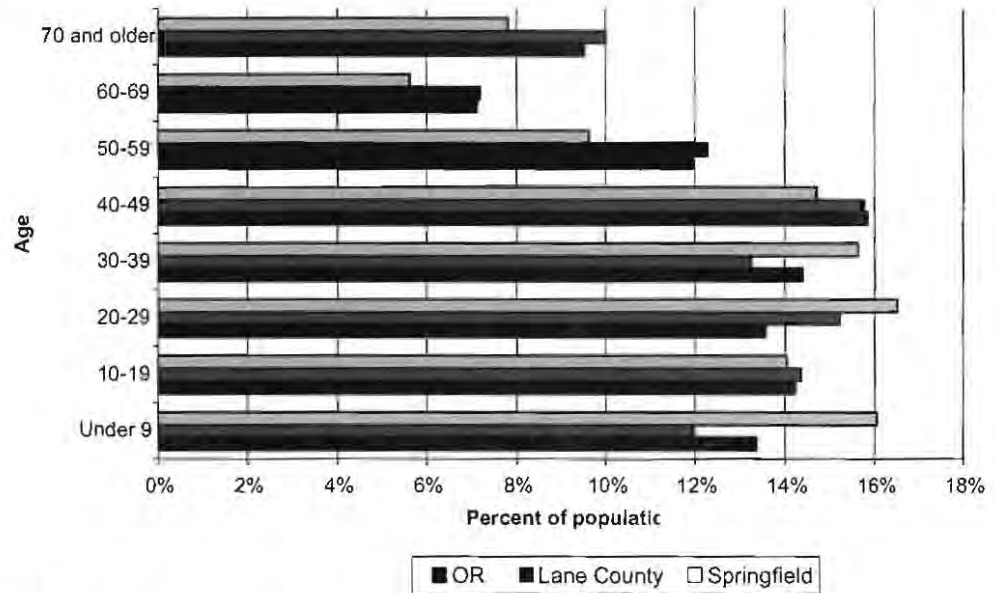
Source: Richard Bjelland, State Housing Analyst at the Housing and Community Services Department of the State of Oregon, "Changing Demographics: Impacts to Oregon and the US" 2006. He obtained his data from US Census 2000. Note: Percentages represent percent of households in each age group that own homes; columns do not sum to 100%.

Regional Demographic Trends

Regional demographic trends largely follow the statewide trends discussed above, but provide additional insight into how demographic trends might affect housing in Springfield.

Figure 5-1 shows the populations of Oregon, Lane County, and Springfield by age for 2000. Springfield has a greater proportion of its population less than 40 years old than Oregon and Lane County, especially residents aged 20-29 and under 9 years. Springfield has comparatively fewer residents over 40 than the state.

Figure 5-1. Population distribution by age, Oregon, Lane County, and Springfield, 2000



Source: U.S. Census, 2000

Some outlying communities in the region have populations similar in age distribution to Springfield. Outlying communities with the largest percent of households with children from the 2000 census were: Creswell (41%), Veneta (40%), Junction City (40%), and Coburg (38%). The communities with the smallest percent of households with children were Eugene (27%), Oakridge (28%), and Cottage Grove (35%).

In the communities with larger shares of children, attendance rates of children in elementary school are *not* declining, unlike districts such as Oakridge, McKenzie, and Pleasant Hill. School districts that have experienced increases in the Kindergarten-2nd grade populations are Fern Ridge District 28J (increased since 2003), Lowell 71 (since 2004), Creswell 40 (since 1999 with a dip in 2004), and Junction City 69 (from 2002 to 2005). However, this data is based on small districts with small class sizes, so it is not entirely conclusive.

Outlying communities with the largest percent of persons 65 and over from the 2000 Census were: Oakridge (21%) and Cottage Grove (15%). The community with the smallest percent of persons 65 and older was Veneta (9%). These data indicate that some outlying communities' trend toward older populations, others trend towards younger populations with families with younger children.

Table 5-7 shows population by age for Lane County for 2000 and 2006. The data show that Lane County grew by 13,479 people between 2000 and 2006, which is a 4% increase. The age breakdown shows that the County experienced an increase in population for every age group over age 25. The fastest growing age

groups were aged 45 to 64 years and 65 and over. The group that experienced the fastest negative growth was ages 18-24.

Table 5-7. Population by age, Lane County, 2000 and 2006

Age Group	2000		2006		Change		
	Number	Percent	Number	Percent	Number	Percent	Share
Under 5	18,584	6%	18,056	5%	-528	-3%	0%
5-17	55,230	17%	52,730	16%	-2,500	-5%	-1%
18-24	38,662	12%	34,666	10%	-3,996	-10%	-2%
25-44	88,849	28%	95,171	28%	6,322	7%	1%
45-64	78,680	24%	88,926	26%	10,246	13%	2%
65 and over	42,954	13%	46,889	14%	3,935	9%	1%
Total	322,959	100%	336,438	100%	13,479	4%	0%

Source: U.S. Census, 2000 and Claritas, 2006

Table 5-8 shows Claritas Inc. population forecast by age for Lane County from 2006 to 2011. The data show that, with the exception of the 5-17 and 18-24 year old groups, each age group will experience growth and that groups aged 65 years and older and 45 to 64 years will grow at the fastest rates. The forecast shows that the 5 to 17 and 18 to 24 year age groups will decline.

Table 5-8. Claritas Inc. population projection by age, Lane County, 2006 and 2011

Age Group	2006		2011		Change		
	Number	Percent	Number	Percent	Number	Percent	Share
Under 5	18,056	5%	18,615	5%	559	3%	0%
5-17	52,730	16%	51,098	15%	-1,632	-3%	-1%
18-24	34,666	10%	31,827	9%	-2,839	-8%	-1%
25-44	95,171	28%	99,401	29%	4,230	4%	0%
45-64	88,926	26%	94,999	27%	6,073	7%	1%
65 and over	46,889	14%	52,765	15%	5,876	13%	1%
Total	336,438	100%	348,705	100%	12,267	4%	0%

Source: Claritas, 2006

The data in Tables 5-7 and 5-8 suggest that Lane County is attracting older people and experiencing comparatively slow growth (or negative growth) in people under 44 years old. The age distribution in Figure 3 suggests a higher percentage of young adults (20-29) and children live in Springfield, indicating that Springfield's population and age trends are somewhat different from the projections for the county as a whole.

Between 1990 and 1999, almost 70% of Oregon's total population growth was from net migration (in-migration minus out-migration), with the remaining 30% from natural increase (births minus deaths).¹² Migrants to Oregon tend to have many characteristics in common with existing residents, with some differences—recent in-migrants to Oregon are, on average, younger and more educated, and are

¹² Portland State University, Population Research Center, 2000. *1990-2000 Components of Population Change*

more likely to hold professional or managerial jobs, compared to Oregon's existing population. The race and ethnicity of in-migrants generally mirrors Oregon's established pattern, with one exception: Hispanics make up more than 7% of in-migrants but only 3% of the state's population. The number-one reason cited by in-migrants for coming to Oregon was family or friends, followed by quality of life and employment.¹³

Migration is a significant component of population growth in Lane County. Seventy-three percent of population growth in Lane County between 1990 and 2000 was from in-migration. This figure remained at 73% for the 2000-2005 period.¹⁴

The U.S. Census collects information about migration patterns. Specifically, it asks households where their residence was in 1995 (5 years prior to the Census count). Table 5-9 shows place of residence in 1995 for Oregon, Lane County, and Springfield. The data show that Springfield residents are more mobile than Lane County and Oregon residents. Less than half of residents in Oregon, Lane County or Springfield lived in the same residence in 1995 as in 2000. Twenty-four percent of Oregonians, 20% of residents of Lane County and 19% of residents of Springfield lived in a different county in 1995. Eleven percent of residents of Springfield and 13% of residents of Lane County lived in a different state in 1995, compared with 12% of Oregonians.

Table 5-9. Place of residence in 1995, Oregon, Lane County, and Springfield, persons 5 years and over

	Oregon		Lane County		Springfield	
	Persons	Percent	Persons	Percent	Persons	Percent
Population 5 years and older	3,199,323	100%	304,463	100%	48,403	100%
Same house in 1995	1,496,938	47%	142,447	47%	20,023	41%
Different house in 1995	1,702,385	53%	162,016	53%	28,380	59%
Same county	863,070	27%	94,788	31%	18,610	38%
Different county	755,954	24%	61,639	20%	9,085	19%
Same state	356,626	11%	23,526	8%	3,599	7%
Different state	399,328	12%	38,113	13%	5,486	11%

Source: U.S. Census, 2000

Table 5-10 shows the number of persons of Hispanic or Latino origin for Oregon, Lane County, and Springfield for 1990 and 2000. Springfield has a lower proportion of Hispanic/Latino residents as Oregon and a higher proportion than Lane County. In 2000, Springfield's population was 6.6 % Hispanic/Latino, compared with 4.5% of residents in Lane County.

The Hispanic/Latino population grew faster in Springfield than in Lane County from 1990 to 2000. Springfield's Hispanic/Latino population grew by 168% between 1990 and 2000. During the same period, Lane County's

¹³ State of Oregon, Employment Department. 1999. *1999 Oregon In-migration Study*.

¹⁴ Portland State University, Population Research Center, 2005. *2005 Oregon Population Report and contents*

Hispanic/Latino population grew by 111% and Oregon's Hispanic/Latino population grew by 143%.

Table 5-10. Persons of Hispanic or Latino origin, Oregon, Lane County, and Springfield, 1990 and 2000

	Oregon	Lane County	Springfield
1990			
Total population	2,842,321	282,912	44,683
Hispanic or Latino	112,707	6,852	1,299
Percent Hispanic or Latino	4.0%	2.4%	2.9%
2000			
Total population	3,421,399	322,959	52,729
Hispanic or Latino	273,938	14,488	3,475
Percent Hispanic or Latino	8.0%	4.5%	6.6%
Change 1990-2000			
Hispanic or Latino	161,231	7,636	2,176
Percent Hispanic or Latino	143%	111%	168%

Source: U.S. Census, 2000

Table 5-11 shows the number of Hispanic and Latino residents and the percent of Hispanic/Latino residents as a percent of the total population between 1990 and 2000. The number of Hispanic and Latino residents is growing in all outlying areas, especially in Cottage Grove and Junction City, according to the US Census 1990 and 2000.

Table 5-11. Persons of Hispanic or Latino origin, outlying communities, 1990 and 2000

	1990		2000		Change	
	Number	Percent of total	Number	Percent of total	Number	Percent
Coburg	18	2%	29	3%	11	61%
Cottage Grove	162	2%	417	5%	255	157%
Creswell	109	4%	251	7%	142	130%
Eugene	3,051	3%	6,843	5%	3,792	124%
Junction City	73	2%	391	8%	318	436%
Oakridge	141	5%	158	5%	17	12%
Springfield	1,299	3%	3,651	7%	2,352	181%
Veneta	50	2%	115	4%	65	130%

Source: US Census 1990 and 2000

Table 5-12 shows household size by ethnicity for Oregon, Lane County, and Springfield. The number of people per household is similar for Oregon, Lane County, and Springfield for non-Hispanic households and Hispanic households. In each area, non-Hispanic households have a little less than 2.5 people per household. Households for Hispanic residents are larger, with between 3.2 and 3.9 people per household. The data show that Hispanic residents have between 0.7 and 1.4 additional people per household than non-Hispanic residents.

Table 5-12. Household size by ethnicity for Oregon, Lane County, and Springfield, 2000

	Oregon Lane County Springfield		
Non-Hispanic/ Latino	2.42	2.39	2.49
Hispanic/ Latino	3.87	3.19	3.50

Source: U.S. Census, 2000

In conclusion: (1) Springfield residents are younger than residents of Lane County, even as county-wide age levels are trending older; (2) Springfield has a growing population of Hispanic/ Latino residents, whose higher average household size is larger than non-Hispanic/ Latino residents.

Household type and relationship also has implications for housing needs. For example, one-person households need smaller dwellings than family households with children. Table 5-13 shows household type and relationship in Springfield for 1990, 2000, and the 2005-07 period. The data show an increase in all household types during this period. With respect to share of household types, one-person households increased from 25% to 30% of Springfield households. A corresponding decrease in share occurred in two or more person households, with most of the decrease in share coming from married couple family households.

Table 5-13. Household type and relationship, Springfield, 1990, 2000 and 2005-07

Household Type	1990		2000		2005-07 ACS		Change 1990-2005/07		
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Share
1-person household	4,346	25%	5,206	25%	6,646	30%	2,300	53%	5%
2 or more person household	13,101	75%	15,308	75%	15,707	70%	2,606	20%	-5%
Family households:	11,593	66%	13,479	66%	13,915	62%	2,322	20%	-4%
Married-couple family	8,572	49%	9,373	46%	9,832	44%	1,260	15%	-5%
Other family:	3,021	17%	4,106	20%	4,083	18%	1,062	35%	1%
Male householder, no wife present	658	4%	1,164	6%	1,017	5%	359	55%	1%
Female householder, no husband present	2,363	14%	2,942	14%	3,066	14%	703	30%	0%
Nonfamily households:	1,508	9%	1,829	9%	1,792	8%	284	19%	-1%
Total	17,447	100%	20,514	100%	22,353	100%	4,906	28%	

Source: U.S. Census, 1990, 2000. American Community Survey (2005-07)

Note: 2005-07 American Community Survey is based on pooled data from household surveys conducted in 2005, 2006 and 2007.

HOUSING TRENDS

Table 5-14 shows the total number of permitted dwellings (single-family and multi-family) by year for selected Lane County cities between 2000 and 2007. Table 5-14 shows that Eugene had the highest number of permitted units during the period, with Springfield and Creswell having the second- and third-highest. Junction City and Oakridge had the lowest number of permitted units. Most cities showed the highest numbers of permitted units over the time period either in 2004 or in 2005, although Springfield's highest total was in 2003.

Table 5-14. Total permitted dwellings (all types) by year, selected Lane County cities, 2000-2007

City	2000	2001	2002	2003	2004	2005	2006	2007	Total
Eugene	744	760	828	611	876	1,327	731	555	6432
Springfield	274	272	290	324	164	231	211	265	2031
Creswell	26	67	82	93	153	62	56	84	623
Cottage Grove	29	17	28	68	44	86	53	32	357
Junction City	15	12	12	13	10	13	8	78	161
Veneta	11	24	43	96	112	117	128	62	593
Oakridge	1	4	1	0	8	4	9	13	40
Total	1,100	1,156	1,284	1,205	1,367	1,840	1,196	1,089	10,237

Source: U.S. Census, Building permits data site, <http://censtats.census.gov/bldg/bldgprmt.shtml>
 Note: These numbers are different than those provided by the City of Springfield that were used for the historical density analysis. We believe the data provided by the City are more accurate.

Table 5-15 shows the permits issued for new single-family dwellings in selected Lane County cities between 1996 and 2007. Table 5-15 shows that Springfield's number of permits issued for single-family dwellings remained consistently between 220 and 245 between 1998 and 2003, and has recently fluctuated at lower levels.

Table 5-15. Permits issued for new single-family dwellings, selected Lane County cities, 1996-2007

City	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Eugene	845	721	665	656	619	633	673	559	583	756	528	297
Springfield	N/A	192	221	239	222	225	243	232	128	98	134	170
Coburg	12	9	11	10	3	1	7	6	2	6	4	1
Creswell	30	43	45	32	26	67	80	91	133	60	56	84
Cottage Grove	37	19	54	45	29	17	15	19	34	70	39	22
Junction City	53	19	13	28	15	12	34	13	10	13	8	78
Veneta	13	10	11	19	11	24	43	96	112	117	128	62
Oakridge	5	2	1	12	1	2	1	0	8	4	9	11
TOTAL	995	1,015	1,021	1,041	926	981	1,096	1,016	1,010	1,124	906	725

Source: www.city-data.com.

Table 5-16 shows the total permitted single-family and multifamily dwellings (aggregated) by year between 2000 and 2007 for selected Lane County cities. Table 5-16 shows that Eugene consistently issues permits for the most multifamily units among the cities shown, whereas Oakridge, Veneta, Junction City and Creswell only issue permits for the occasional multifamily unit. Springfield typically issues permits for around 50 multifamily units each year, although it issued permits for 133 units in 2005.

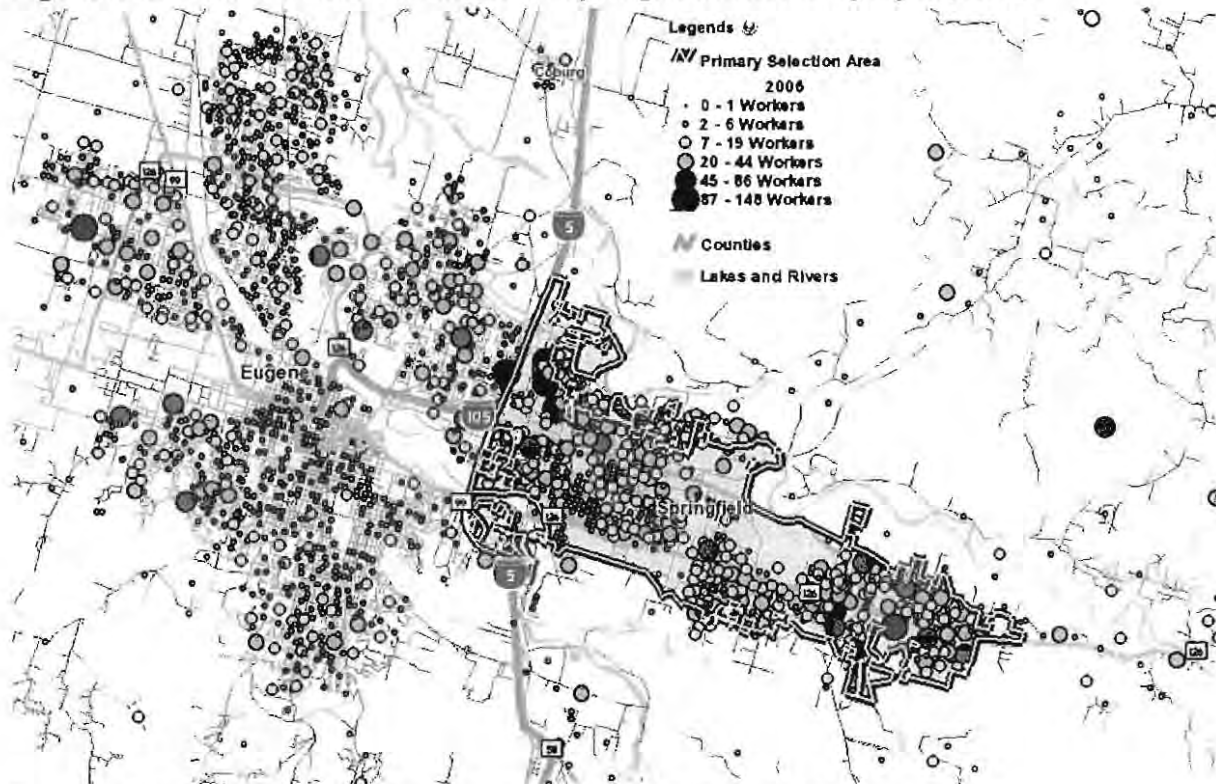
Table 5-16. Total permitted single-family and multifamily dwellings (aggregated) by year, selected Lane County cities, 2000-2007

City	2000	2001	2002	2003	2004	2005	2006	2007
Eugene								
Single family	619	633	673	559	583	756	528	297
Multifamily	125	127	155	52	293	571	203	258
Springfield								
Single family	222	225	243	232	128	98	134	170
Multifamily	52	47	47	92	36	133	77	95
Coburg								
Single family	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Multifamily	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Creswell								
Single family	26	67	80	91	133	60	56	84
Multifamily	0	0	2	2	20	2	0	0
Cottage Grove								
Single family	29	17	15	19	34	70	39	22
Multifamily	0	0	13	49	10	16	14	10
Junction City								
Single family	15	12	12	13	10	13	8	78
Multifamily	0	0	0	0	0	0	0	0
Veneta								
Single family	11	24	43	96	112	117	128	62
Multifamily	0	0	0	0	0	0	0	0
Oakridge								
Single family	1	2	1	0	8	4	9	11
Multifamily	0	2	0	0	0	0	0	2

Source: U.S. Census, Building permits data site, <http://censtats.census.gov/bldg/bldgprmt.shtml>

Figure 5-2 and Table 5-17 show where residents of Springfield worked in 2006. Figure 5-2 and Table 5-17 show that more than 80% of residents of Springfield worked in Lane County, with 26% of Springfield residents working in Eugene and 28% working in Springfield. About 27% of Springfield residents worked in unincorporated Lane County.

Figure 5-2. Places where residents in Springfield were employed, 2006



Source: US Census Bureau, LED Origin-Destination Data Base (2nd Quarter 2003)

Table 5-17. Places where residents of Springfield were employed, 2003

Location	Number	Percent
Lane County	18,706	81%
Springfield	6,512	28%
Eugene	6,034	26%
Other Lane County	6,160	27%
Linn County	641	3%
Washington County	619	3%
Multnomah County	488	2%
Marion County	468	2%
Douglas County	463	2%
All Other Locations	1,837	8%
Total	23,222	100%

Source: US Census Bureau, LED Origin-Destination Data Base (2nd Quarter 2003)

Note: Percent column adds to 101% due to rounding errors

The implication of the data presented in this section is that majority of Springfield’s workforce lives in Lane County, but many do not reside in the City of Springfield. Residents of Springfield are more likely to work in Eugene than in

Springfield. This analysis shows that businesses in Springfield have access to the labor force in parts of Lane County.

SUMMARY OF KEY DEMOGRAPHIC AND HOUSING TRENDS

Springfield has a larger share of young people than Lane County as a whole

- Springfield has a higher percentage of people under age 30 than Lane County.
- Between 2000 and 2006, Lane County experienced changes in the age structure of its residents. Age groups under age 25 experienced negative growth; the fastest growing age groups were people aged 45 to 64 and 65 and over. This indicates that retirees or people nearing retirement are moving to Lane County; Springfield's share of young people shows that its age structure is experiencing different age trends.

Migration is an important component of recent growth in Lane County and will continue to be a key factor in future population growth.

- In-migration accounted for 73% of population growth in Lane County between 1990 and 2000 and between 2000 and 2005.
- Springfield's population was more mobile than the County's as a whole. Only 41% of the residents of Springfield lived in the same house in 2000 as they did in 1995 compared to 47% for all of Lane County. A greater share of the population in Springfield moved within Lane County during that time period (38%) than for Lane County as a whole (31%).

Single-person households are increasing faster than other household types.

- Between 1990 and 2005/07 one-person households increased from 25% to 30% of Springfield households. A corresponding decrease in share occurred in two or more person households, with most of the decrease in share coming from married couple family households

Springfield is becoming more ethnically diverse.

- Springfield's Hispanic/Latino population grew by 168% (2,352 persons) between 1990 and 2000, compared with 111% growth in Lane County's Hispanic/Latino population during the same period.
- Other smaller communities near Springfield experienced significant growth in Hispanic/ Latino populations. The communities experiencing the largest increase in the Hispanic/ Latino populations were Eugene (3,792), Junction City (318), Cottage Grove (255), and Creswell (142).

Hispanic/Latino residents have larger, younger households.

- The birth rates for Hispanic/ Latino residents (1998 data) are 24.3 per 1,000 compared to 12.3 per 1,000 for non-Hispanic/ Latino residents.
- Hispanic/ Latino residents accounted for 17.4% of births and only 1.4% of deaths in Oregon in 2001.
- In 2000, 75.9% of Hispanic/ Latino Oregonians are under 35 compared to 45.7% of non-Hispanic/ Latino residents.
- The average size of a Hispanic/Latino household in 2000 in Lane County was 3.2 people, compared with 2.4 people in non-Hispanic households. Household sizes in Springfield were larger: 2.5 for non-Hispanic households and 3.5 for Hispanic/ Latino households.

Hispanic/Latino residents typically have lower incomes but become homeowners at younger ages than non-Hispanic/ Latino residents.

- Per capita income in Oregon in 2005 for Hispanic and Latino residents was only 44% of white per capita income/
- 56.7% of Hispanic/ Latino residents of Oregon under age 45 are homeowners, compared to 30.8% of non-Hispanic/ Latino residents

Springfield is part of a complex, interconnected regional housing market.

- Among selected Lane County cities, Springfield has the third-highest permit average permit valuation for 2005 (behind Coburg and Eugene) and average construction costs for 2005 were highest in Springfield.
- However, median sales prices for Springfield were lower between 1999 and 2007 than median prices in Lane County, and Springfield had the lowest median sales prices in 2007 among all of the selected cities.
- Commuting is typical throughout the region: Springfield's workforce lives in Lane County, but many do not reside in the City of Springfield.

Since 2000, housing starts in the selected cities within Lane County have been dominated by single-family types.

- The data show that new housing development in the 2000-2007 period was predominately single-family housing types. In fact, only 32% of all units for which building permits were issued in the 2000-2007 were for multifamily housing types.
- Springfield's number of permits issued for single-family dwellings remained consistently above 220 between 1998 and 2003, and dropped to below 135 per year between 2004 and 2007.

Housing types are trending towards larger units on smaller lots.

- Between 1997 and 2007 the median size of new single-family dwellings increased 15%, from 1,975 sq. ft. to 2,277 sq. ft. nationally and 18% in the western region from 1,930 sq. ft. to 2,286 sq. ft. Moreover, the percentage of units under 1,200 sq. ft. nationally decreased from 8% in 1997 to 4% in 2007. The percentage of units greater than 3,000 sq. ft. increased from 15% in 1997 to 26% of new one-family homes completed in 2007.
- In addition to larger homes, a move towards smaller lot sizes is seen nationally. Between 1994 and 2007 the percentage of lots under 7,000 sq. ft. increased by 13% from 29% of lots to 33% of lots. A corresponding 4% decrease in lots over 11,000 sq. ft. is seen.
- Even when controlling for income and savings, level of education, age, marital status, family size, the housing market in which the unit was located [and other factors], compared to whites both black families and Hispanic families had significantly lower likelihood of homeownership, lower house values (for owners) and lower rents (for renters).¹⁵
- Minority households have substantially lower rents than white households.¹⁶
- Hispanic households, particularly low-income families, have higher levels of mortgage debt than do white households, although their house values are lower than whites. This suggests a substantial difference in borrowing or loan terms for Hispanics.¹⁷

IMPLICATIONS OF DEMOGRAPHIC AND HOUSING TRENDS FOR HOUSING NEED

The purpose of the analysis thus far has been to give some background on the kinds of factors that influence housing choice, and in doing, to convey why the number and interrelationships among those factors ensure that generalizations about housing choice are difficult and prone to inaccuracies.

There is no question that age affects housing type and tenure. Mobility is substantially higher for people aged 20 to 34. People in that age group will also have, on average, less income than people who are older. They are less likely to have children. All of these factors mean that younger households are much more likely to be renters; renters are more likely to be in multi-family housing.

¹⁵ Boehm, Thomas P. and Alan M. Schlottmann, "Housing Tenure, Expenditure, and Satisfaction Across Hispanic, African American, and White Households: Evidence from the American Housing Survey." US Department of Housing and Urban Development, February 2006.

¹⁶ Boehm, Thomas P. and Alan M. Schlottmann, "Housing Tenure, Expenditure, and Satisfaction Across Hispanic, African American, and White Households: Evidence from the American Housing Survey." US Department of Housing and Urban Development, February 2006.

¹⁷ Boehm, Thomas P. and Alan M. Schlottmann, "Housing Tenure, Expenditure, and Satisfaction Across Hispanic, African American, and White Households: Evidence from the American Housing Survey." US Department of Housing and Urban Development, February 2006.

The data illustrate what more detailed research has shown and what most people understand intuitively: life cycle and housing choice interact in ways that are predictable in the aggregate; age of the household head is correlated with household size and income; household size and age of household head affect housing preferences; income affects the ability of a household to afford a preferred housing type. The connection between socioeconomic and demographic factors, on the one hand, and housing choice, on the other, is often described informally by giving names to households with certain combinations of characteristics: the "traditional family," the "never marrieds," the "dinks" (dual-income, no kids), the "empty nesters."¹⁸ Thus, simply looking at the long wave of demographic trends can provide good information for estimating future housing demand.

Thus, one is ultimately left with the need to make a qualitative assessment of the future housing market. Following is a discussion of how demographic and housing trends are likely to affect housing in Springfield for the next 20-years:

- *On average, future housing will look a lot like past housing.* That is the assumption that underlies any trend forecast, and one that allows some quantification of the composition of demand for new housing. As a first approximation, the next five years, and maybe the first 10 years, of residential growth will look a lot like the last five years.
- *If the future differs from the past, it is likely to move in the direction (on average) of smaller units and more diverse housing types.* Most of the evidence suggests that the bulk of the change will be in the direction of smaller average house and lot sizes for single-family housing. In summary, smaller households, an aging population, increasing housing costs, and other variables are factors that support the conclusion of smaller and less expensive units and a broader array of housing choices.
- *No amount of analysis is likely to make the long-run future any more certain: the purpose of the housing forecasting in this study is to get an approximate idea about the long run so policy choices can be made today.* It is axiomatic among economic forecasters that any economic forecast more than three (or at most five) years out is highly speculative. At one year one is protected from being disastrously wrong by the shear inertia of the economic machine. But a variety of factors or events could cause growth forecasts to be substantially different.

¹⁸ See *Planning for Residential Growth: A Workbook for Oregon's Urban Areas* (June 1997).

STEP 4: DETERMINE THE TYPES OF HOUSING THAT ARE LIKELY TO BE AFFORDABLE TO THE PROJECTED POPULATION BASED ON HOUSEHOLD INCOME

Step four of the housing needs assessment results in an estimate of need for housing by income and housing type. This requires some estimate of the income distribution of future households in the community. ECO developed these estimates based on estimated incomes of households that live in Springfield.

INCOME AND AFFORDABILITY OF HOUSING

This section summarizes regional and local income trends and housing cost trends. Income is one of the key determinants in housing choice and households' ability to afford housing. A review of historical income and housing price trends provides insights into the local and regional housing markets.

Table 5-18 shows a set of inflation adjusted income indicators for Eugene, Springfield and Lane County. The results paint a mixed picture, but generally suggest that income (by most measures) decreased during the 1980s, and increased during the 1990s. Overall, median household and median family incomes remained relatively flat during the 20-year period between 1979 and 1999.

The data show that the percentage of persons below the poverty level increased in Springfield and Lane County, and decreased slightly in Eugene between 1979 and 1999.

Table 5-18. Inflation adjusted income indicators (in 1999 dollars), Eugene, Springfield and Lane County, 1979, 1989, and 1999

City	Year		
	1979	1989	1999
Eugene			
Median HH income	\$34,493	\$34,248	\$35,850
Median Family income	\$46,960	\$46,107	\$48,527
Per Capita Income	\$18,029	\$18,746	\$21,315
% Persons Below Poverty Level	14.7%	17.0%	14.4%
Springfield			
Median HH income	\$34,248	\$29,608	\$33,031
Median Family income	\$38,981	\$34,332	\$38,399
Per Capita Income	\$14,676	\$13,800	\$15,616
% Persons Below Poverty Level	15.2%	16.5%	17.1%
Lane County			
Median HH income	\$37,521	\$34,112	\$36,942
Median Family income	\$44,920	\$41,530	\$45,111
Per Capita Income	\$16,837	\$16,970	\$19,681
% Persons Below Poverty Level	12.8%	14.5%	17.9%

Source: U.S. Census.

Notes: All dollar amounts in 1999 dollars. 1979 income converted to 1999 dollars using 3.06 inflation factor. 1989 income converted to 1999 dollars using 1.35 inflation factor.

A typical standard used to determine housing affordability is that a household should pay no more than 30% of its total monthly household income for housing, including utilities. According to the U.S. Census, nearly 19,000 households in the region—about one-third—paid more than 30% of their income for housing in 2000.

One way of exploring the issue of financial need is to review wage rates and housing affordability. Table 5-19 shows an analysis of affordable housing wage and rent gap for households in Springfield at different percentages of median family income (MFI). The data are for a typical family of four. The results indicate that a household must earn about \$14.00 an hour to afford a two-bedroom unit according to HUD's market rate rent estimate.

Table 5-19. Analysis of affordable housing wage and rent gap by HUD income categories, Eugene-Springfield, 2007

Income Level	Number		Crude Estimate of		Est.	Est.	Surplus (Deficit)	Notes
	of HH	Percent	Affordable Monthly Housing Cost	Affordable Purchase Owner-Occupied Unit	Number of Owner Units	Number of Renter Units		
Less than \$10,000	2,240	12%	\$0 to \$250	\$0 to \$25,000	33	706	(1,501)	
\$10,000 to \$14,999	1,574	8%	\$250 to \$375	\$25,000 to \$37,000	14	825	(735)	
\$15,000 to \$24,999	3,254	17%	\$375 to \$625	\$37,500 to \$62,500	172	6,523	3,441	2007 HUD FMR studio: \$478; 1 bdrm: \$581; 2 bdrm: \$654
\$25,000 to \$34,999	2,870	15%	\$625 to \$875	\$62,500 to \$87,500	1,019	959	(892)	HUD FMR 2 bdrm: \$735
\$35,000 to \$49,999	3,625	19%	\$875 to \$1,250	\$87,500 to \$125,000	4,791	152	1,318	HUD FMR 3 bdrm: \$1028
\$50,000 to \$74,999	3,476	18%	\$1,250 to \$1,875	\$125,000 to \$187,500	2,938	42	(496)	
Lane County MFI: \$52,200			\$1,305	\$130,500				
\$75,000 to \$99,999	1,066	6%	\$1,875 to \$2,450	\$187,500 to \$245,000	495	9	(563)	
\$100,000 to \$149,999	573	3%	\$2,450 to \$3,750	\$245,000 to \$375,000	133	0	(440)	
\$150,000 or more	188	1%	More than \$3,750	More than \$375,000	56	0	(132)	
Total	18,865	100%			9,650	9,215	0	

Source: HUD, Oregon office; analysis by ECONorthwest
MFI: Median family income

The total amount a household spends on housing is referred to as cost burden. Total housing expenses are generally defined to include payments and interest or rent, utilities, and insurance. HUD guidelines indicate that households paying more than 30% of their income on housing experience “cost burden” and households paying more than 50% of their income on housing experience “severe cost burden.” Using cost burden as an indicator is consistent with the Goal 10 requirement of providing housing that is affordable to all households in a community.

Table 5-20 shows housing costs as a percent of income by tenure for Springfield households in 2000. The data show that about 26% of Springfield households experienced cost burden in 2000. The rate was much higher for homeowners (31%) than for renters (18%). This finding is unusual for Oregon cities—it is much more common for renters to experience higher rates of cost burden.

Table 5-20. Housing cost as a percentage of household income, Springfield, 2000

Percent of Income	Owners		Renters		Total	
	Number	Percent	Number	Percent	Number	Percent
Least than 20%	4,125	12%	11,965	64%	16,090	30%
20% - 24%	8,852	26%	1,238	7%	10,090	19%
25% - 29%	6,376	19%	1,018	5%	7,394	14%
30% - 34%	4,437	13%	989	5%	5,426	10%
35% - 49%	5,551	16%	1,338	7%	6,889	13%
50% or more	4,988	15%	2,036	11%	7,024	13%
Total	34,329	100%	18,584	100%	52,913	100%
Cost Burden	10,539	31%	3,374	18%	13,913	26%
Severe Cost Burden	4,988	15%	2,036	11%	7,024	13%

Source: 2000 Census

Table 5-21 shows a rough estimate of affordable housing cost and units by income levels for Springfield in 2000. Several points should be kept in mind when interpreting this data:

- Because all of the affordability guidelines are based on median family income, they provide a rough estimate of financial need and may mask other barriers to affordable housing such as move-in costs, competition for housing from higher income households, and availability of suitable units. They also ignore other important factors such as accumulated assets, purchasing housing as an investment, and the effect of down payments and interest rates on housing affordability.
- Households compete for housing in the marketplace. In other words, affordable housing units are not necessarily *available* to low income households. For example, if an area has a total of 50 dwelling units that are affordable to households earning 30% of median family income, 50% of those units may already be occupied by households that earn more than 30% of median family income.

The data in Table 5-21 indicate that in 2000:

- About 20% of Springfield households could not afford a studio apartment according to HUD's estimate of \$478 as fair market rent;
- Approximately 45% of Springfield households could not afford a two-bedroom apartment at HUD's fair market rent level of \$735;
- A household earning median family income (\$52,200) could afford a home valued up to about \$130,500.

Table 5-21. Rough estimate of housing affordability, Springfield, 2000

Income Level	Number of HH	Percent	Affordable Monthly Housing Cost	Crude Estimate of Affordable Purchase Owner-Occupied Unit	Est.	Est.	Surplus (Deficit)	Notes
					Number of Owner Units	Number of Renter Units		
Less than \$10,000	2,240	11.9%	\$0 to \$250	\$0 to \$25,000	33	706	-1,501	
\$10,000 to \$14,999	1,574	8.3%	\$250 to \$375	\$25,000 to \$37,000	14	825	-735	
\$15,000 to \$24,999	3,254	17.3%	\$375 to \$625	\$37,500 to \$62,500	172	6,523	3,441	2007 HUD FMR studio: \$478; 1 bdrm: \$581; 2 bdrm: \$654
\$25,000 to \$34,999	2,870	15.2%	\$625 to \$875	\$62,500 to \$87,500	1,019	959	-893	HUD FMR 2 bdrm: \$735
\$35,000 to \$49,999	3,625	19.2%	\$875 to \$1,250	\$87,500 to \$125,000	4,791	152	1,318	HUD FMR 3 bdrm: \$1028
\$50,000 to \$74,999	3,476	18.4%	\$1,250 to \$1,875	\$125,000 to \$187,500	2,939	42	-495	
Lane County MFI: \$52,200			\$1,305	\$130,500				
\$75,000 to \$99,999	1,066	5.7%	\$1,875 to \$2,450	\$187,500 to \$245,000	495	9	-563	
\$100,000 to \$149,999	573	3.0%	\$2,450 to \$3,750	\$245,000 to \$375,000	133	0	-440	
\$150,000 or more	188	1.0%	More than \$3,750	More than \$375,000	56	0	-132	
Total	18,866	100.0%			9,651	9,215	0	

Sources: 2000 Census, HUD Section 8 Income Limits, HUD Fair Market Rent. Based on Oregon Housing & Community Services. Housing Strategies Workbook: *Your Guide to Local Affordable Housing Initiatives*, 1993.
Notes: FMR-Fair market rent

The conclusion based on the data presented in Table 5-21 is that in 2000 Springfield had a significant deficit of more than 2,200 affordable housing units for households that earn less than \$15,000 annually. Housing prices have increased significantly in the past five years; the affordability gap for lower income households has probably increased considerably. The next section examines changes in housing cost since 2000.

Changes in housing cost

According to the Office of Federal Housing Enterprise Oversight, the average sales price of a single-family home in the Eugene-Springfield MSA increased 229% between 2000 and 2006. A key concern expressed by the City was that the housing needs analysis and runs of the HCS housing needs model reflect recent trends in the regional housing market. To quantify these trends, ECO analyzed data from two sources: (1) sales data from the Lane County Assessor; and (2) rental data from Duncan & Brown, an Eugene-based real estate analysis firm that conducts rent surveys for the Metropolitan Region.

The sales database provided to ECO by the City of Springfield included 34,680 property sales.¹⁹ For purposes of comparison, the database included Creswell, Cottage Grove, Eugene, Junction City, Springfield, and Veneta.

Table 5-22 shows sales prices for single-family dwellings for Lane County and Springfield between 1999 and 2006. Table 5-22 shows that Springfield median sales prices have been lower than median sales prices in Lane County over the entire time period. Median sales prices also increased at a slower rate in Springfield; percent change in median sales prices between 1999 and 2006 for Lane County was 73%; in Springfield it was 64%. Sales prices for single-family dwellings peaked in 2007 and had declined to about \$175,000 by the first quarter of 2009.

¹⁹ The sales data was obtained through queries of the Regional Land Information Database (www.rlid.org).

Table 5-22. Sales price for single-family dwellings, Lane County and Springfield, 1999-2006

Year	Lane County			Springfield		
	# of Sales	Average Sales Price	Median Sales Price	# of Sales	Average Sales Price	Median Sales Price
1999	3,940	140,564	127,900	843	118,520	112,745
2000	3,171	144,142	129,900	687	119,152	112,750
2001	3,808	149,252	133,000	881	122,700	118,450
2002	4,291	156,603	138,165	886	129,432	121,900
2003	4,761	168,780	149,000	1,042	135,719	128,000
2004	5,092	183,497	162,500	1,112	149,082	137,900
2005	5,326	222,835	194,000	1,157	177,260	165,000
2006	4,291	249,438	221,000	973	201,000	185,000
Change 1999-2006						
Number	351	108,874	93,100	130	82,480	72,255
Percent	9%	77%	73%	15%	70%	64%

Source: RLID, Analysis by ECONorthwest

Table 5-23 shows the average and median sales prices for single-family dwellings in selected Lane County cities between 1999 and 2006. Table 5-23 shows that median sales prices increased throughout the county during this period. In 2006, the highest median sales prices were in Eugene, the rest of the county, and Creswell. Lowest median sales prices in 2006 were in Springfield and Junction City. Prices increased the most in Creswell (87%) and Eugene (80%). Prices increased the least in Springfield (64%) and Junction City (67%).

Table 5-23. Average and median sales price, single-family dwellings, Lane County cities, 1999-2006

City	Year								Increase (1999-2006)	
	1999	2000	2001	2002	2003	2004	2005	2006	Dollars	Percent
Median Sales Price										
Cottage Grove	112,000	103,500	109,750	110,000	120,000	128,000	157,000	195,000	83,000	74%
Creswell	112,500	118,000	109,000	121,750	125,000	142,500	180,750	210,500	98,000	87%
Eugene	136,900	140,000	143,500	149,900	163,000	179,900	215,000	247,000	110,100	80%
Junction City	113,250	112,500	115,150	119,638	120,750	138,000	162,000	189,000	75,750	67%
Springfield	112,745	112,750	118,450	121,900	128,000	137,900	165,000	185,000	72,255	64%
Veneta	115,250	110,000	112,000	119,950	126,500	139,500	173,635	200,000	84,750	74%
Rest of County	111,000	108,750	110,000	121,250	127,750	160,000	212,500	216,000	105,000	95%
Average Sales Price										
Cottage Grove	118,112	106,767	113,150	116,152	122,298	134,854	168,828	193,157	75,045	64%
Creswell	115,662	121,697	114,497	130,475	129,891	162,095	200,008	223,307	107,645	93%
Eugene	152,872	159,920	165,366	173,351	188,484	202,750	246,272	275,674	122,802	80%
Junction City	120,218	116,282	120,164	131,761	130,170	149,294	169,287	191,574	71,356	59%
Springfield	118,520	119,152	122,700	129,432	135,719	149,082	177,260	201,000	82,480	70%
Veneta	121,039	111,754	111,961	118,976	134,297	148,313	178,916	213,220	92,181	76%
Rest of County	124,741	120,724	136,013	134,572	152,744	181,894	234,178	246,311	121,570	97%

Source: RLID, Analysis by ECONorthwest

Table 5-24 shows the median contract rent for Lane County cities. The highest median contract rents from the 2000 Census were in Eugene and Springfield. The lowest median contract rents were in Oakridge and Creswell.

Table 5-24. Median contract rent, Lane County cities, 1999

Location	Rent
Eugene	\$ 566
Springfield	\$ 518
Veneta	\$ 502
Coburg	\$ 498
Junction City	\$ 491
Cottage Grove	\$ 456
Creswell	\$ 417
Oakridge	\$ 384

Source: US Census 2000

Vacancy rates have generally decreased in Eugene-Springfield rental market since 2000. Vacancy rates for studio, 1- and 2-bedroom apartments all decreased from between 4.1-4.7% to between 1.1-2.1% between fall 2000 and 2006. Apartment rents have remained relatively stable, increasing between 4% and 10% between 2000 and 2005.²⁰

Table 5-25 shows average monthly cost of rental units in Springfield for the 2000 to 2005 period. Rental units were separated into two categories: (1) units built prior to 1988 and (2) units built since 1988. The majority of Springfield's units were built prior to 1988.

Rents increased based on the number of bedrooms. Rents ranged from \$392 for a studio unit in 2000 to \$646 for a three-bedroom unit in 2004. Rents for units with a similar number of bedrooms were higher for newer units. For instance, the average rental cost of a two-bedroom unit built prior to 1988 was \$529 compared to \$620 for a two-bedroom unit built since 1988, a difference of \$91 per month.

Over the six-year period, rents increased by between \$19 and \$56 per month. Monthly rental costs of two-bedroom units had the largest increases, \$34 per month for older units and \$56 per month for newer units. Rent for studio, one-bedroom, and three-bedroom units increased all increased by about \$20 per month.

²⁰ Duncan & Brown Apartment Report. Fall 2000-Fall 2006. Daniel J. Puffinburger, Corey S. Dingman, Duncan & Brown Real Estate Analysts

Table 5-25. Average rental monthly costs by unit type, Springfield, 2000 to 2005

Year	Units Built Prior to 1988				Units Built Since 1988			
	Studio	One Bedroom	Two Bedrooms	Three Bedrooms	Studio	One Bedroom	Two Bedrooms	Three Bedrooms
2000	\$392	\$428	\$514	\$594	--	--	\$588	--
2001	\$394	\$423	\$523	\$601	--	--	\$583	--
2002	\$389	\$431	\$526	\$619	--	\$575	\$615	--
2003	\$386	\$438	\$531	\$600	\$550	\$550	\$642	--
2004	\$388	\$437	\$533	\$633	--	\$575	\$646	--
2005	\$414	\$447	\$548	\$615	--	\$575	\$644	--
Change 2000 to 2005								
Amount	\$22	\$19	\$34	\$21	--	--	\$56	--
Percent	5.6%	4.4%	6.6%	3.5%	--	--	9.5%	--
AAGR	1.10%	0.87%	1.29%	0.70%	--	--	1.84%	--

Source: Duncan & Brown Apartment Rent Report, 2000 to 2005; Calculations by ECONorthwest
 Note: Blank values indicate that there were too few units in the survey to include in the summary.

Table 5-26 shows a comparison of change in rental costs during the 2000 to 2005 period for Springfield and Eugene. Rental costs were higher in Eugene than in Springfield. The difference in rental costs for all units, regardless when they were built, ranged from \$39 per month for a studio unit to \$211 per month for a three-bedroom unit, increasing with the number of bedrooms.

The difference in average rental costs was greater for newer and larger units. Newer one-bedroom units cost an average of \$74 per month more to rent in Eugene than Springfield. Newer two-bedroom units cost an average of \$166 more to rent in Eugene than Springfield.

Table 5-26. Comparison of average rental monthly costs by unit type, Springfield and Eugene, 2000 to 2005

	Studio	One Bedroom	Two Bedrooms	Three Bedrooms
Springfield				
Built prior to 1988	\$394	\$434	\$529	\$610
Built since 1988	--	\$569	\$620	--
All rentals	\$416	\$488	\$574	\$610
Eugene				
Built prior to 1988	\$400	\$483	\$611	\$719
Built since 1988	\$623	\$645	\$786	\$924
All rentals	\$456	\$564	\$699	\$822
Difference (Eugene minus Springfield)				
Built prior to 1988	\$6	\$49	\$82	\$109
Built since 1988	--	\$76	\$166	--
All rentals	\$40	\$74	\$124	\$211

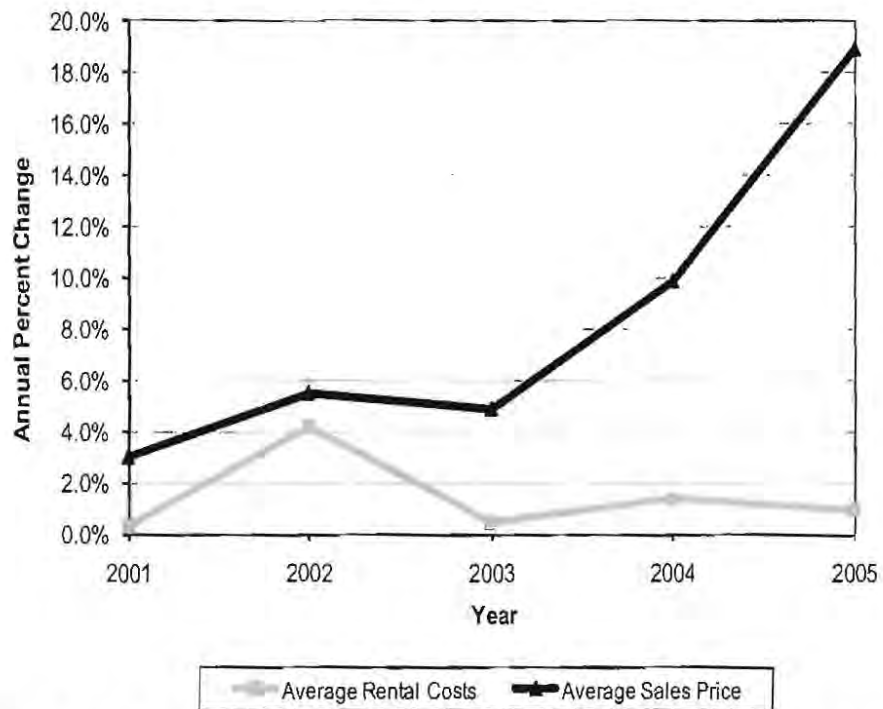
Source: Duncan & Brown Apartment Rent Report, 2000 to 2005; Calculations by ECONorthwest
 Note: Blank values indicate that there were too few units in the survey to include in the summary.

Figure 5-4 shows a comparison of change in average rental costs and average sales price in Springfield between 2000 and 2005. Over the five-year period average sales price increased by 46%, compared to a 7% change in average rental

costs. The greatest increases in average sales price occurred since 2003, while average rental costs remained relatively flat since 2003.

Since 2005, average sales prices have continued increasing at a faster rate than average rental costs. The increase in average sales price in Springfield between 2005 and 2006 was about 13%. According to the Fall 2006 Duncan & Brown Apartment Report, changes in average rental costs in Springfield were comparable to increases in recent years.²¹

Figure 5-4. Comparison of annual change in average rental costs and average sales price, Springfield, 2000 to 2005



Source: Duncan & Brown Apartment Rent Report, 2000 to 2005; RLID; Calculations by ECONorthwest

The analysis of housing starts, sales prices, and rents presented in this section leads us to several conclusions:

- The housing market peaked in 2007 and sales prices declined in 2008 and the first quarter of 2009. Springfield single-family housing starts have declined since 2003. The overall number of permits for new single-family residences issued regionwide has remained remarkably stable;

²¹ The Fall 2006 Duncan & Brown Apartment Report did not present average rent by unit type like they did in previous reports. As a result, we were not able to include 2006 average rents in this analysis.

- New construction costs are higher than regional averages. Springfield's permit valuations and construction costs have generally been on or near the middle or towards the high end compared with selected Lane County cities;
- Price increases are lower than in other cities. Springfield's median sales prices for single-family dwellings have increased the smallest amount compared with selected Lane County cities;
- Single-family development has dominated new construction. Multi-family dwelling units do not make up a high percentage of units constructed in Springfield and other selected Lane County cities;
- Sales prices increased much faster than rental rates. Over the five-year period between 2000 and 2005 average sales price increased by 46%, compared to a 7% change in average rental costs.

The implications of the data shown above are that ownership costs increased much faster than rents and incomes, but declined as the housing bubble burst in 2008. Table 5-27 underscores this trend for the Eugene-Springfield MSA.²² Between 1990 and 2000, incomes increased about 46% while median owner value increased 115%. Rents increased 44%--about the same as incomes. Since 2000, the data show housing costs have increased faster than incomes. The owner values include all units in the MSA; the sales data presented earlier in this section suggest that owner costs have increased much faster than the Census data suggest. Finally, the results show that the median owner value was 2.6 times median household income—a figure that increased to 4.7 by 2005.

Table 5-27. Comparison of income, housing value, and gross rent, Eugene-Springfield MSA, 1990, 2000, and 2005

Indicator	1990	2000	2005	Change	
				1990-2000	2000-2005
Median HH Income	\$25,268	\$36,942	\$37,290	46%	1%
Median Family Income	\$30,763	\$45,111	\$49,555	47%	10%
Median Owner Value	\$65,600	\$141,000	\$173,600	115%	23%
Median Gross Rent	\$418	\$604	\$683	44%	13%
Percent of Units Owned	61%	62%	63%		
Housing Value/Income					
Median HH Income	2.6	3.8	4.7		
Median Family Income	2.1	3.1	3.5		

Source: U.S. Census of Population and Housing, 1990 and 2000; American Community Survey, 2005

In summary, the data indicate that homeownership is increasingly expensive in Springfield and that the cost of homeownership is prohibitive for low- and

²² 2005 data from the American Community Survey is not available for Springfield.

moderate-income households. The data indicate that homeownership rates in the Metropolitan area and Springfield have increased, despite the rapid increase in sales prices. This is probably due in large part to a much broader array of financing options available to households than existed previously.

STEP 5: ESTIMATE THE NUMBER OF ADDITIONAL NEEDED UNITS BY STRUCTURE TYPE AND TENURE²³

Step five of the housing needs assessment results in an estimate of need for housing by income and housing type. This requires some estimate of the income distribution of future households in the community. ECO developed these estimates based on (1) secondary data from the Census, and (2) analysis by ECONorthwest.

The next step in the analysis is to relate income levels to tenure and structure type. Table 4-3 showed tenure by structure type from the 2000 Census. Table 5-28 shows an estimate of needed housing by structure type and tenure for the 2010-2030 planning period. The housing needs analysis suggests that a higher percentage of multifamily units will be needed, thus, the housing mix changes from approximately 63% single-family/37% multifamily during the 1999-July 2008 period to 60% single-family/40% multifamily.²⁴ The housing needs analysis also suggests the City will see a higher rate of homeownership in the future. Thus, the tenure split is increased from 54% owner-occupied/46% renter occupied to 57% owner-occupied/43% renter occupied.

Table 5-28. Estimate of needed dwelling units by type and tenure, Springfield, 2010-2030

Housing Type	Owner-Occupied		Renter-Occupied		Total	
	New DU	Percent	New DU	Percent	New DU	Percent
Needed Units, 2010-2030						
Single-family types						
Single-family detached	2,729	81%	351	14%	3,079	52%
Manufactured in Parks	53	2%	6	0%	59	1%
Single-family attached	340	10%	75	3%	414	7%
Subtotal	3,122	93%	431	17%	3,552	60%
Multi-family						
Multifamily	253	8%	2,115	83%	2,368	40%
Subtotal	253	8%	2,115	83%	2,368	40%
Total	3,374	101%	2,546	100%	5,920	100%

²³ Note: Manufactured dwellings are a permitted use in all residential zones that allow 10 or fewer dwellings per net buildable acre. As a result, Springfield is not required to estimate the need for manufactured dwellings on individual lots per OAR 660-024-0040 (7) (c).

²⁴ Single-family attached dwellings typically achieve densities closer to multifamily housing types. If these higher density housing types are included with multifamily, the housing mix is 53% lower density, and 47% higher density types.

The analysis (Table 5-28) indicated that Springfield needs 5,920 new dwelling units for the 2010-2030 period. The next step in estimating units by structure type is to evaluate income as it relates to housing affordability. Table 5-29 shows an estimate of needed dwelling units by income level for the 2010-2030 period. The analysis uses market segments consistent with HUD income level categories. The analysis shows that about 49% of households in Springfield could be considered high or upper-middle income in 2007 and that about 49% of the housing need in the 2010-2030 period will derive from households in these categories.

Table 5-29. Estimate of needed dwelling units by income level, Springfield, 2010-2030

Market Segment by Income	Income range	Number of Households	Percent of Households	Financially Attainable Products		
				Owner-occupied	Renter-occupied	
High (120% or more of MFI)	\$68,640 or more	1,804	30%	All housing types; higher prices	All housing types; higher prices	Primarily New Housing
Upper Middle (80%-120% of MFI)	\$45,760 to \$68,640	1,129	19%	All housing types; lower values	All housing types; lower values	
Lower Middle (50%-80% of MFI)	\$28,600 to \$45,760	1,283	22%	Manufactured on lots; single-family attached; duplexes	Single-family attached; detached; manufactured on lots; apartments	Primarily Used Housing
Low (30%-50% or less of MFI)	\$17,160 to \$28,600	748	13%	Manufactured in parks	Apartments; manufactured in parks; duplexes	
Very Low (Less than 30% of MFI)	Less than \$17,160	955	16%	None	Apartments; new and used government assisted housing	

Source: ECONorthwest

STEP 6: DETERMINE THE NEEDED DENSITY RANGE FOR EACH PLAN DESIGNATION AND THE AVERAGE NEEDED NET DENSITY FOR ALL DESIGNATIONS

This section summarizes the forecast of needed housing units in Springfield for the period 2010-2030. Table 5-30 shows the forecast of needed housing units in Springfield for the period 2010-2030. Springfield makes the following findings in support of the density assumptions used in Table 5-30:

- Springfield had an average residential density of 6.6 dwelling units per net acre or about 6,600 square feet of land per dwelling unit between 1999 and

2008 (Table 4-5). Average single-family detached density was 5.4 units per net acre. Manufactured homes averaged 4.6 dwelling units per net acre, while all multifamily housing types averaged 11.1 dwelling units per net acre.

- National homeownership rates increased to nearly 70% in 2006 before declining as the housing bubble burst. The homeownership rate in Springfield in 2000 was considerably lower at 54%. It is the policy of the City to provide homeownership opportunities to Springfield residents.
- National trends are towards larger units (both single-family and multifamily) on smaller lots.
- More than 28% of dwelling units in Springfield in 2000 were multifamily types.
- The “needed” density for single-family dwellings in the housing needs analysis is 5.5 dwelling units per net acre. This assumption is a slight increase over the historical density of 5.4 dwellings per net acre for single-family detached units. Increasing the average density of single-family detached dwellings should result in the provision of more affordable single-family detached units as a result of decreased lot sizes.
- Topography, lot configurations, and other factors typically reduce land use efficiency. The achieved density may be lower for single-family detached dwellings in areas with slopes.
- The City assumes an average multifamily density of 18.0 dwellings per net acre or a land area of about 2,420 square feet per dwelling unit. This assumption is an increase of about 62% over historical density of 11.1 dwellings per net acre for all multifamily types.
- The City assumes an average density for all housing types of 7.9 dwelling units per net acre. This is an increase of about 20% over the historical density of 6.5 dwelling units per net acre.

In summary, the City assumes that average densities will increase significantly (by about 20% over average historical densities) during the planning period, that ownership rates will increase, and that an increasing percentage of households will choose single-family attached housing types. These assumptions are consistent with the housing needs analysis presented in this chapter. These findings support the City’s overall density assumption of 7.9 dwelling unit per net acre.

The forecast indicates that Springfield will need about 745 net residential acres, or about 918 gross residential acres to accommodate new housing between 2010 and 2030. The forecast results in an average residential density of 7.9 dwelling units per net residential acre and of 6.5 dwelling units per gross residential acre. This represents a 20% increase in density over the historical average of 6.6 dwelling units per net acre.

Table 5-30. Forecast of new dwelling units and land needed by type, Springfield 2010-2030

Housing Type	New DU	Percent	Density (DU/net res ac)	Net Res. Acres	Net to Gross Factor	Gross Res. Acres	Density (DU/gross res ac)
Needed Units, 2010-2030							
Single-family types							
Single-family detached	3,079	52%	5.5	560	20%	700	4.4
Manufactured in parks	59	1%	8.0	7	18%	9	6.6
Single-family attached	414	7%	9.0	46	15%	54	7.7
Subtotal	3,552	60%	5.8	613		763	4.7
Multi-family							
Multifamily	2,368	40%	18.0	132	15%	155	15.3
Subtotal	2,368	40%	18.0	132		155	15.3
Total	5,920	100%	7.9	745		918	6.5

Source: ECONorthwest

Table 5-31 provides an allocation of housing units by Springfield's three residential plan designations. Dwelling units were allocated to plan designations based, in part, on historic development trends within each plan designation and on the type of development allowed in each plan destination. Table 5-31 also provides an estimate of the gross acres required in each designation to accommodate needed housing units for the 2010-2030 period. The acreages are based on the gross density assumptions shown in Table 5-30. The residential land needs presented in Table 5-31 may change based on policy decisions related to land use efficiency measures, which may result in increased or decreased land need.

Based on the housing needs analysis, dwellings have been allocated by plan designation and type:

- The overall needed housing mix is 60% single-family (including manufactured and single-family attached units) and 40% multifamily.
- The density assumptions increase by plan designations as shown in Table 5-30.
- Fifty-six percent of needed dwelling units will locate in the Low Density residential designation, which allows single-family detached and manufactured homes. This designation also allows duplex, single-family attached, and some multifamily dwellings in conjunction with discretionary review.
- Thirty-one percent of needed dwellings will locate in the Medium Density residential designation, which allows single-family detached, single-family attached, manufactured home parks, townhomes, duplexes, and multifamily dwellings.
- Thirteen percent of needed dwelling units will locate in High Density or Mixed-Use residential designations, which allow single-family detached,

townhomes, manufactured (single detached and manufactured home parks), duplexes, and multifamily.

- Manufactured units in parks will locate in the Low-Density plan designation.

Table 5-31. Allocation of needed housing units by plan designation, Springfield 2010-2030

Housing Type	Plan Designation							
	Low Density		Medium Density		High Density/ Mixed-Use		Total	
	DU	Gross Ac	DU	Gross Ac	DU	Gross Ac	DU	Gross Ac
Single-family								
Single-family detached	3,079	700	0	-	0	-	3,079	700
Manufactured in parks	59	9	0	-	0	-	59	9
Single-family attached	178	23	236	31	0	-	414	54
Subtotal	3,316	732	236	31	0	-	3,552	763
Multi-family								
Multi-family	0	-	1,598	116	770	38	2,368	155
Subtotal	0	-	1,598	116	770	38	2,368	155
Total	3,316	732	1,835	147	770	38	5,920	918
Percent of Acres and Units								
Single-family								
Single-family detached	52%	76%	0%	0%	0%	0%	52%	76%
Manufactured in parks	1%	1%	0%	0%	0%	0%	1%	1%
Single-family attached	3%	3%	4%	3%	0%	0%	7%	6%
Subtotal	56%	80%	4%	3%	0%	0%	60%	83%
Multi-family								
Multi-family	0%	0%	27%	13%	13%	4%	40%	17%
Subtotal	0%	0%	27%	13%	13%	4%	40%	17%
Total	56%	80%	31%	15%	13%	4%	100%	100%

Source: ECONorthwest

In addition to the housing types shown in Table 5-31, Springfield needs to plan for additional group quarters. The analysis assumes the City will add 291 persons in group quarters between 2010 and 2012. The City will need to add a similar number of group quarter units during this period. Assuming that group quarters achieve densities comparable to multifamily units, the City will need approximately 19 gross residential acres for these units (291 divided by 15.3 units per gross acre). The majority of these units will probably be residential care facilities which are permitted as a discretionary use in the Low Density residential designation and a special use in the Medium- and High-Density designations.

Comparison of Supply and Demand

This chapter summarizes from data and analysis presented in Chapters 2 through 5 to compare “demonstrated need” for vacant buildable land with the supply of such land currently within the Springfield UGB and city limits. Chapter 2 described the policy framework, Chapter 3 described land supply, Chapter 4 described historical development patterns, and Chapter 5 described residential land needs.

The following section estimates land needed for other uses; the chapter concludes with a comparison of land supply and land demand for the 2010-2030 time period.

TOTAL RESIDENTIAL LAND NEED, 2010-2030

This section estimates total residential land need for the period between 2010 and 2030. In addition to land needed for new residential units, it estimates land needed for parks, public facilities, and other semi-public uses to arrive at an estimate of total need for land designated for residential purposes.

LAND NEEDED FOR NEW RESIDENTIAL DWELLING UNITS

Chapter 5 presented estimates of land needed for new residential dwellings (see Tables 5-30 and 5-31). Table 6-1 summarizes land needed for new housing by plan designation for the 2010-2030 period. Note that group quarters is a separate category that can locate in any plan designation.

Table 6-1. Land needed for new housing by plan designation, Springfield UGB, 2010-2030

Plan Designation	DU	Gross Ac
Low-Density Residential	3,316	732
Medium-Density Residential	1,835	147
High-Density Residential/Mixed-Use	770	38
Group Quarters	291	19
Total	6,211	936

Source: Table 5-31

LAND NEEDED FOR OTHER USES

Cities need to provide land for uses other than housing and employment. Public and semi-public facilities such as schools, hospitals, governments, utilities, churches, parks, and other non-profit organizations will expand as population increases. Many communities have specific standards for parks. School districts typically develop population projections to forecast attendance and need for additional facilities. All of these uses will potentially require additional land as a

city grows. Land needed for other uses was not addressed in the Springfield Economic Opportunities Analysis. Thus, all other land needs are addressed in this document, and allocated to plan designations. That allocation includes significant needs that will occur in non-residential plan designations—particularly the Parks and Open Space designation.

This section considers other uses that consume land and must be included in land demand estimates. Demand for these lands largely occurs independent of market forces. Many can be directly correlated to population growth. For the purpose of estimating land needed for other uses, these lands are classified into three categories:

- *Lands needed for public operations and facilities.* This includes lands for city offices and maintenance facilities, schools, state facilities, substations, and other related public facilities. Land needs are estimated using acres per 1,000 persons for all lands of these types.
- *Lands needed for parks and open space.* The estimates use a parkland standard of 14 acres per 1,000 persons based on the level of service standard established in the *Willamalane Park and Recreation Comprehensive Plan*, which projected need for parkland in Springfield between 2002 and 2022.
- *Lands needed for semi-public uses.* This includes hospitals, churches, non-profit organizations, and related semi-public uses. The analysis includes land need assumptions using acres per 1,000 persons for all lands of these types.

Table 6-2 shows land in public and semi-public uses by type. The data show a total of 1,636 acres in public and semi public uses in the Springfield UGB in 2009. This equates to 24.8 acres per 1,000 persons.

Table 6-2. Summary of public and semi-public land need by type, Springfield UGB, 2010-2030

Type of Use	Acres	Assumed		
		Acres / 1000 Persons	Need (Ac/1000 Persons)	Estimated Acres 2010-2030
Government	581	8.8	3.0	44
Utilities	134	2.0	2.0	30
Parks	563	8.5	14.0	357
Schools	277	4.2	0.9	14
Church/Charities/Other	81	1.2	1.2	18
Total	1,636	24.7	21.1	463

Source: City of Springfield GIS data; analysis by ECONorthwest

Table 6-2 shows that there will be an additional need of about 463 acres of land for all new public and semi-public uses or 21.1 acres per 1,000 people

between 2010 and 2030. The information in Table 6-2 is based on the following assumptions:

- Government land in 2007 includes a 271-acre site that is owned by the Bureau of Land Management (BLM) and the 115-acre Booth-Kelly mixed-use site. Not including these sites, Springfield has 195 acres of government land or 3.0 acres per 1,000 people. The assumed land need for 2010 to 2030 is 3.0 acres per 1,000 people, assuming that the City's land need will not include more sites like the BLM or Booth-Kelly site.
- Park land needs are based on the level-of-service established in Willamalane's parks plan of 14 acres per 1,000 persons, which will require 207 new acres of parkland. In addition, park land includes need for 150 acres of parkland for need identified in the *Park and Recreation Comprehensive Plan* and to serve residents that moved to Springfield between 2002 and 2008.²⁵
- School land needs are based on the fact that the Springfield School District will need to add one 14 acre site in the Jasper-Natron area over the planning period.²⁶ The land need of 0.9 acres per 1,000 persons was based on population growth and the District's need for one 14 acre site.
- Land needs for utilities, recreation, and churches/charities/other are based on maintaining the same ratio of acre to population as currently exists for these land uses.

The next step in determining other land needs is to allocate the land needs to plan designations. Table 6-3 shows existing public and semi-public land use in 2009 based on Springfield tax lot data and land use data from the Lane Council of Governments. The results show that categories of land use are spread across plan designations, but tend to cluster in the appropriate plan designations. For example, the majority of park lands (62%) are in the Parks and Open Space designation, or the majority of government lands (85%) are in the Government plan designation.

²⁵ According to Greg Hyde, the Planning and Development Manager with the Willamalane Park & Recreation District, Springfield acquired 37 acres of park land between 2002 and 2008. The *Park and Recreation Comprehensive Plan* identified a deficit of 130 acres to serve population in 2002 (at the 14 acres per 1,000 person level of service). That deficit was reduced to 93 acres with the addition of the 37 acres of parkland. In addition, Springfield's population grew by 4,095 people between 2002 and 2008, resulting in an additional need for 57 acres of parkland. Together, Springfield has a need for 150 acres of parkland to serve the City's population in 2008 at the 14 acres per 1,000 person level of service.

²⁶ According to Jeff DeFranco, the Springfield Public Schools Director of Communications and Facilities, the school district has one 14-acre site that will be sold (the Rainbow (Chase) Property). The City owns a 65-acre site in East Springfield has no services. The District owns a 15-acre site in the Clear Water area that is outside of the UGB, which will be developed when there is more residential development in the area.

Table 6-3. Summary of existing public and semi-public lands by plan designation and use, 2009

Plan Designation	Land Use					Total
	Schools	Government	Religious/ Charitable	Public (includes Parks)	Utilities	
Acres						
Low Density Residential	155	22	48	81	28	334
Medium Density Residential	9	1	7	0	1	18
High Density Residential	3	0	0	0	2	5
Parks & Open Spaces	0	66	5	361	43	475
Other Plan Designations (emp/govt)	94	490	20	141	59	804
Total	261	578	81	582	134	1636
Percent of Acres						
Low Density Residential	59%	4%	60%	14%	21%	20%
Medium Density Residential	3%	0%	9%	0%	1%	1%
High Density Residential	1%	0%	0%	0%	2%	0%
Parks & Open Spaces	0%	11%	6%	62%	32%	29%
Other Plan Designations (emp/govt)	36%	85%	25%	24%	44%	49%
Total	100%	100%	100%	100%	100%	100%

Source: City of Springfield GIS data; LCOG land use data; analysis by ECONorthwest

The data in Table 6-3 provides a basis for allocating public and semi-public land needs to plan designations. Table 6-4 shows the allocation of public and semi-public land need to plan designations. Based on the data in Table 6-3, the City assumes the following public and semi-public needs by plan designation:

- With the exception of parks, all public and semi-public land needs will follow the existing distribution by plan designation (as show in Table 6-3)
- Most parks will locate in the parks and open space designation. The allocation assumes that it is in the public interest for parks to mostly be located in the Park and Open Space designation, with a few smaller parks located in residential designations that service neighborhoods. The City assumes the following distribution for parks:
 - 80% will locate in the parks and open space designation
 - 14% will locate in low-density residential
 - 4% will locate in medium-density residential
 - 2% will locate in high-density residential

Table 6-4. Public and semi-public land needs by use and plan designation, 2010-2030

Public/semi-public use	Plan Designation					Total
	LDR	MDR	HDR	P/OS	Govt/Emp	
Government	2	0	0	5	37	44
Utilities	6	0	0	9	15	30
Parks	50	14	7	286	0	357
Schools	8	0	0	0	5	14
Church/Charities/Other	11	2	0	1	5	18
Total	77	17	7	300	62	463

Source: City of Springfield GIS data; LCOG land use data; analysis by ECONorthwest

BUILDABLE LAND INVENTORY AND CAPACITY

The capacity of residential land is measured in dwelling units and is dependent on densities allowed in specific zones as well as redevelopment potential. In short, land capacity is a function of buildable land and density.

The buildable lands inventory indicates that Springfield has about 1,447 acres of vacant and partially-vacant residential land and an additional 21 acres in the Glenwood mixed-use refinement plan area (these acres were included in the commercial and industrial lands inventory and are included here only for the purpose of estimating residential capacity).²⁷ This yields a total of 1,468 buildable acres.

Table 6-5 provides an estimate of how much housing could be accommodated by those lands based on the needed densities identified in Table 5-30 after making deductions for development constraints. It includes capacity for areas with approved master plans that were not included in the acreage estimates. This includes Marcola Meadows (518 dwellings in the MDR designation) and RiverBend (730 dwellings in the MDR designation). Total residential capacity includes capacity for redevelopment, which is assumed as 5% of needed new dwellings, or 296 dwellings. The basis for this assumption is presented in Chapter 4. Table 6-5 shows that Springfield has capacity for 9,018 dwelling units within the existing UGB.

²⁷ Capacity in the Glenwood mixed-use area was calculated as follows: 21 buildable acres (45% of the 47-acre site; the policy requires 30% to 60% of the site be used for housing) multiplied by 15 dwelling units per gross acre equals 317 dwelling units, minus 47 dwelling units that would be displaced from the River Bank Mobile Home Park equals 270 dwelling units.

Table 6-5. Estimated residential development capacity, Springfield UGB, 2009

Plan Designation	Buildable Acres	Residential Capacity (DU)	Percent of Capacity
Low Density Residential	1,301	5,379	60%
Medium Density Residential	128	2,718	30%
High Density Residential	18	355	4%
Mixed-Use (Glenwood)	21	270	3%
Redevelopment	na	296	3%
Total	1,468	9,018	100%

Source: City of Springfield residential BLI; analysis by ECONorthwest
 Note: Estimated residential development capacity includes sites with approved master plans (RiverBend – 730 DU and Marcola Meadows – 518 DU. All of this capacity is in the Medium Density Residential plan designation).

COMPARISON AND CONCLUSIONS

Table 6-6 shows the capacity for residential development by plan designation. The results show that, not considering other land needs (public and semi-public), Springfield has an overall surplus of residential land. The Springfield UGB has enough land for 9,018 new dwelling units. The housing needs forecast projects a need for 5,920 dwelling units and 291 group quarter dwellings, or 6,211 total dwellings. The 291 group quarter dwellings are evenly allocated between the Medium-Density and High-Density residential designations.

Table 6-6. Residential capacity for needed dwelling units by plan designation, Springfield UGB, 2010-2030

Plan Designation	1 Need (DU)	2 Capacity (DU)	3 Surplus/ Deficit (DU)	4 Needed Density (DU/GRA)	5 Housing Land Need (Gross Acres)	6 Housing Surplus/ Deficit (Gross Ac)
Low Density Residential	3,316	5,379	2,063	4.5	-455	455
Medium Density Residential	1,982	3,136	1,154	12.5	-93	93
High Density Residential	914	503	-411	20.0	21	-21
Total	6,211	9,018	2,807		-527	527

Source: ECONorthwest

Column Notes:

1. Plan designations
2. Needed dwellings by plan designation (table 5-30)
3. Capacity by plan designation (table 6-2); Note: MDR capacity includes capacity in master planned areas (Glenwood, Marcola Meadows, Riverbend); MDR and HDR includes capacity for redevelopment.
4. Capacity (column 3) minus Need (column 2); Note: a positive number denotes enough capacity within the existing UGB
5. Needed Gross Density (from bottom of page 62)
6. Total additional land needed (if a deficit exists). Equals -column 4 divided by column 5
7. Surplus/deficit gross acres (negatives mean a UGB expansion). Equals Column 4 divided by Column 5

The last step in the analysis is to add in public and semi-public land needs. Table 6-7 shows the reconciliation of land need and supply. The results show that Springfield has an overall surplus of residential land, but has deficits in the High-Density Residential and Parks and Open Space categories.

Table 6-7. Reconciliation of land need and supply, Springfield UGB, 2010

Plan Designation	Residential	Public/Semi-	Total Surplus/ Deficit
	Land Surplus/Deficit (From Table 6-6)	Public Land Need	
Low Density Residential	455	77	378
Medium Density Residential	93	17	76
High Density Residential	-21	7	-28
Parks and Open Space		300	-300
Government/Employment		62 Met through land need in EOA	
Total	527	463	126

Source: ECONorthwest

The results lead to the following findings:

- The Low Density Residential designation has a *surplus* of approximately 378 gross acres.
- The Medium Density Residential designation has a *surplus* of approximately 76 gross acres.
- The High Density Residential designation has a *deficit* of approximately 28 gross acres. At a minimum, the City will meet the deficit of 411 dwellings (21 acres) through land its redevelopment strategies in Downtown and Glenwood. The additional seven acres of public/semi-public land is intended to provide public open space for the higher density development, as well as any needed public facilities. This need could potentially be met through a variety of approaches—from designating seven additional acres high-density residential to ensuring that land designated park and open space is provided adjacent to high density residential developments.
- The Parks and Open Space designation has a *deficit* of 300 acres. This need does not imply that the City should expand the UGB for parks and open space. The City has a surplus of buildable lands in the low and medium density residential plan designations that can provide land for future parks within those designations, consistent with the objectives of the adopted Park and Recreation Comprehensive Plan. A portion of the parks and open space need can also be met on residentially designated land that has constraints and therefore is not counted as buildable acres (e.g., ridgeline trail systems). Since no surplus of land designated for high density residential uses exists, the 21-acre high density residential plan

designation deficit has been increased by seven (7) acres to provide parkland immediately adjacent to the proposed high density residential district.

- Government and employment land needs will be met through existing lands or land needs identified in the Springfield Economic Opportunities Analysis.

Context for Assessing Housing Needs

WHAT IS AFFORDABLE HOUSING?

The terms “affordable” and “low-income” housing are often used interchangeably. These terms, however, have different meanings:

- *Affordable housing* refers to households’ ability to find housing within their financial means. Households that spend more than 30% of their income on housing and certain utilities are considered to experience *cost burden*.²⁶ As such, any household that pays more than 30% experiences cost burden and does not have *affordable* housing. Thus, affordable housing applies to all households in the community.
- *Low-income housing* refers to housing for “low-income” households. HUD considers a household low-income if it earns 80% or less of median family income. In short, low-income housing is targeted at households that earn 80% or less of median family income.

These definitions mean that any household can experience cost burden and that affordable housing applies to all households in an area. Low-income housing targets low-income households. In other words, a community can have a housing affordability problem that does not include only low-income households.

It is important to underscore the point that many households that experience cost burden have jobs and are otherwise productive members of society. A household earning 80% of median family income in Springfield earns about \$39,000 annually—or about \$18.50 per hour for a full-time employee. The maximum affordable purchase price for a household earning \$39,000 annually is about \$120,000. Depending on household size, many of these households are eligible for government housing assistance programs.

In summary, any household can face housing affordability problems. Because they have more limited financial means, the incidence of cost burden is higher among low-income households. Statewide planning Goal 10 requires cities to adopt policies that encourage housing at price ranges commensurate with incomes. In short, state land use policy does not distinguish between households of different income levels and requires cities to adopt policies that encourage housing for all households.

²⁶ Cost burden is a concept used by HUD. Utilities included with housing cost include electricity, gas, and water, but do not include telephone expenses.

WHAT OBJECTIVES DO HOUSING POLICIES TYPICALLY TRY TO ACHIEVE?

The *Practice of State and Local Planning*²⁹ classifies goals that most government housing programs address into four categories:

- *Community life.* From a community perspective, housing policy is intended to provide and maintain safe, sanitary, and satisfactory housing with efficiently and economically organized community facilities to service it. In other words, housing should be coordinated with other community and public services. Although local policies do not always articulate this, they are implicit in most local government operations. Comprehensive plans, zoning, subdivision ordinances, building codes, and capital improvement programs are techniques most cities use to manage housing and its development. Local public facilities such as schools, fire and police stations, parks, and roads are usually designed and coordinated to meet demands created by housing development.
- *Social and equity concerns.* The key objective of social goals is to reduce or eliminate housing inadequacies affecting the poor, those unable to find suitable housing, and those discriminated against. In other words, communities have an obligation to provide safe, satisfactory housing opportunities to all households, at costs they can afford, without regard to income, race, religion, national origin, family structure, or disability.
- *Design and environmental quality.* The location and design of housing affect the natural environment, residents' quality of life, and the nature of community life. The objectives of policies that address design and environmental quality include neighborhood and housing designs that meet: household needs, maintain quality of life, provide efficient use of land and resources, reduce environmental impacts, and allow for the establishment of social and civic life and institutions. Most communities address these issues through local building codes, comprehensive land use plans, and development codes.
- *Stability of production.* Housing is a factor in every community's economy. The cyclical nature of housing markets, however, creates uncertainties for investment, labor, and builders. The International City Manager's Association suggests that local government policies should address this issue—most do not. Moreover, external factors (e.g. interest rates, cost of building materials, etc.) that bear upon local housing markets tend to undermine the effectiveness of such policies.

Despite the various federal and state policies regulating housing, most housing in the U.S. is produced by private industry and is privately owned. While the land

²⁹ *The Practice of Local Government Planning, 2nd Edition*, International City Managers Association, 1988.

use powers of local government have been an important factor in the production of housing, the role of local government has largely focused on regulation for public health and safety and provision of infrastructure. More recently, awareness has grown regarding the impact policies and regulations have had on the other aspects of community life such as costs of transportation and other infrastructure, access of residents to services and employment, and social interactions.

DEMAND VERSUS NEED

The language of Goal 10 and ORS 197.296 refers to housing *need*: it requires communities to provide needed housing types for households at all income levels. Goal 10's broad definition of need covers all households—from those with no home to those with second homes. State policy, however, does not make a clear distinction between need and demand. Following is our definition, which we believe to be consistent with definitions in state policy:

- *Housing need* can be defined broadly or narrowly. The broad definition is based on the mandate of Goal 10 that requires communities' plan for housing that meets the needs of households at all income levels. Thus, Goal 10 implies that everyone has a housing need because everyone needs housing. However, definition used by public agencies that provide housing assistance (primarily the Department of Housing and Urban Development – HUD, and the Oregon Housing and Community Services Department - HCS) is more narrow. It does not include most of the households that can purchase or rent housing consistent with the requirements of their household size for a price that is affordable. Households that cannot find and afford such housing have need: they are either unhoused, in housing of substandard condition, overcrowded, or paying more than their income and federal standards say they can afford.
- *Housing market demand* is what households demonstrate they are willing to purchase in the market place. Growth in population leads to a growth in households and implies an increase in demand for housing units that is usually met primarily by the construction of new housing units by the private sector based on developers' best judgments about the types of housing that will be absorbed by the market. ORS 197.296 includes a market demand component: buildable land needs analyses must consider the density and mix of housing developed over the previous five years or since their most recent periodic review, whichever is greater.

In short, a housing needs analysis should make a distinction between housing that people might need (housing needs) and what the market will produce (housing market demand).

Figure A-1 shows a schematic that distinguishes between housing needs that are unmet and those that are met via market transactions. All housing need is the total number of housing units required to shelter the population. In that sense, it is approximately the number of households: every household needs a dwelling place. But some of that need is met through market transactions without much