

Housing Element

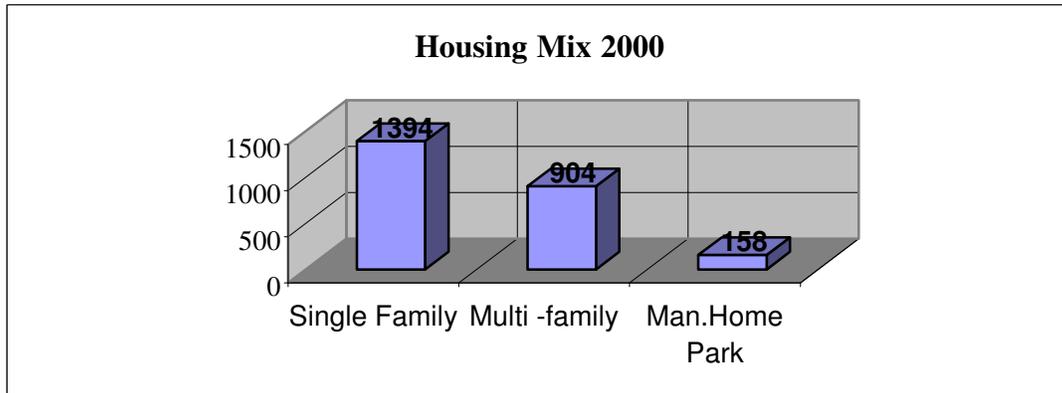
Existing Conditions

Figure 1 shows the existing mix of residential housing units within the city limits as determined through the buildable lands analysis. Of the 2,456 residential units, 1,394 units, or 57 percent are single-family residential units. Approximately 37 percent of the units are multifamily residences and the remaining six (6) percent of the units are manufactured homes within manufactured home parks.

An additional 501 units of student housing is provided on the Western Oregon University campus. University officials estimate that 964 students were housed on campus during the 1999-2000 school year.

Fifty-two (52) units of government-assisted housing are currently provided in Monmouth. This accounts for about 2.1 percent of all residential units. These units are offered at market rates and Housing and Urban Development (HUD) funds are used to subsidize a portion of the rent. All of the subsidized units are multifamily units.

Figure 1



Housing Needs Analysis

This section presents estimates of housing need for various age and income sectors in the city. The needs analysis data in this chapter come from a model created in 2000 by the Oregon Housing and Community Services Department. The data are mostly based on census figures. Other sources of information include *Regional Consumer Expenditure Survey* that is conducted every year by the U.S. Bureau of Labor Statistics as well as income data collected by *Claritas, Inc.* a private company. The model uses age, income, and expenditure information to predict the ability of households to afford housing. The analysis is intended to predict need for both owner-occupied and rental housing units at either end of a 20-year period from 1999 to 2020. A more detailed discussion of the methodology used in the model is included as Appendix B.

The analysis of housing need introduces the following assumptions:

- (1) **Vacancy Rates.** At any given time, a number of homes within the community are vacant. We have assumed a 5.0 percent vacancy rate for 1999 and 2020. This rate is based on an average vacancy rate calculated from the 1980 and 1990 Census data. In 1980, Monmouth's housing vacancy rate was 6.1 percent and the rate was 4.8 percent in 1990. The two vacancy rates average to 5.45 percent.

- (2) Persons per household. We have assumed there are approximately 3.12 persons per household for 1999, and that the household size will remain the same in 2020. While this information is included in the data, analysis conducted by the Oregon Housing and Community Services Department in developing the housing needs model showed that household size is not necessarily a factor affecting need for particular types of housing. Data from the 1980 Census showed 2.76 persons per household, and 1990 Census data showed 2.91 persons per household. The figure we use, 3.12 persons per household, was derived from the estimated 1999 population and the actual number of occupied residential units identified in the buildable lands study.
- (3) Group Quarters. The percentage of persons living in ‘group quarters’ will remain constant in both 1999 and 2020. The U.S. Census Bureau classifies all persons not living in households as living in group quarters. Persons living in group quarters include persons who are institutionalized or living in non-institutional group homes, rooming houses, assisted-living facilities, etc. This definition also includes students living in college dormitories.
- (4) The ratio of owner-occupied (owned) units to rental units is the same for vacant units as it is for occupied units.
- (5) The analysis cannot predict any major changes in the economy and any associated impacts to local household income. We assume that economic conditions in 2020 are similar to those in 1999. Household income, as well as housing costs, is expressed in 1999 dollars for ease of comprehension.
- (6) The analysis assumes that price ranges and rents are commensurate with the financial capabilities of local households. When defining “need” for housing we assume that no more than 30 percent of gross household income is used to pay housing costs. The 30 percent threshold is the same as that used by the Department of Housing and Urban Development to determine housing affordability. A housing affordability rule of thumb says the proportion of a household’s income spent on rent or mortgage payments and other housing expenses should not exceed 30 percent; if it is, the household is classified as cost burdened.

Current Housing Needs

The 1999 population estimate for Monmouth is that developed by the Center for Population Research and Census at Portland State University. The Center produces annual estimates for every incorporated city in Oregon. The 2020 population projection used in this report is based on the average annual growth rate for the city, 3.03 percent, between 1956 and 1996. The 2020 population projection has been adopted by Polk County for the City of Monmouth through a coordinated process required under state law (ORS195.036).

Table 1 shows various estimates regarding the local housing market in 1999. The estimated population is 8,310 persons and the total number of occupied dwelling units is 2,333. Estimated household size is 3.12 persons per dwelling. The relatively high number of persons living in group quarters, 1,042, includes an estimated 964 students housed at Western Oregon University.

**Housing Element- Table 1
Housing Status (estimated)
Monmouth, 1999**

| Population (estimated) | Persons in Group Quarters ¹ | Persons per Household | Total Dwelling Units ² | Occupied Dwelling Units ³ | Vacant Units ⁵ | Owner-Occupied Units | Rental Units | Owner-Occupied Units (percent) | Rental Units (percent) |
|------------------------|--|-----------------------|-----------------------------------|--------------------------------------|---------------------------|----------------------|--------------|--------------------------------|------------------------|
| 8,310 | 1,042 | 3.12 | 2,456 | 2,333 ⁴ | 123 | 1,101 | 1,230 | 47.2 | 52.7 |

Source: Oregon Housing and Community Services Housing Needs Model, 2000

¹ Persons living in group quarters includes persons who are institutionalized or living in non-institutional group homes, rooming houses, assisted-living facilities, etc. This definition also includes students living in college dormitories.

² "Total dwelling units" does not include group quarters dwelling units.

³ "Occupied dwelling units" does not include group quarters dwelling units.

⁴ Based on an assumed vacancy rate of 5 percent.

The housing model shows that 1,230 rental units are needed. The rental unit market is comprised of both multi-family residences (apartments, duplexes, etc.) and single-family dwelling units. From the buildable lands analysis we know that 904 multifamily units are located in Monmouth. The Joint Center for Housing Studies at Harvard University has noted that, nationwide, single-family residences account for fully one-third of all rental units.¹ Using this figure, we assume that as many as 406 single-family units are used as rental units. **Table 2** shows that the estimated supply of rental housing units in Monmouth exceeds the amount of rental housing needed.

**Housing Element – Table 2
Rental Housing Supply and Need
Monmouth, 1999**

| Rental Units Needed | Existing Multi-Family Units | Single-Family Units Used as Rentals | Total Number of Existing Rental Units | Difference Between Existing Rental Units and Rental Units Needed |
|---------------------|-----------------------------|-------------------------------------|---------------------------------------|--|
| 1,230 | 904 | 406 | 1,310 | +80 |

Source: Oregon Housing and Community Services Housing Needs Model and MWVCOG, 2000

Projected Housing Needs

As shown in **Table 3**, the projected population of Monmouth in 2020 is 15,117 persons. A total of 4,461 dwelling units will be needed to accommodate this population. This represents an additional 2,025 housing units that will be needed over the next 20 years (an estimated 20 units will also be removed - see Table 15). An additional 1,069 rental units will be needed. Assuming that 33 percent of these units will be single-family residences, about 716 new multi-family residences will be needed by 2020.

¹ The Joint Center for Housing Studies of Harvard University, *The State of the Nation's Housing: 2000*, June 27, 2000, page 20.

**Housing Element - Table 3
Projected Housing Status
Monmouth, 2020**

| Population (projected)¹ | Persons in Group Quarters² | Persons per Household | Total Dwelling Units³ | Occupied Dwelling Units⁴ | Vacant Units⁵ | Owner-Occupied Units | Rental Units | Owner-Occupied Units (percent) | Rental Units (percent) |
|---|--|------------------------------|---|--|---------------------------------|-----------------------------|---------------------|---------------------------------------|-------------------------------|
| 15,117 | 1,895 ² | 3.12 | 4,461 | 4,238 | 223 | 2,000 | 2,238 | 47.2 | 52.8 |

Source: Oregon Housing and Community Services Housing Needs Model, 2000

¹ The 2020 population projection has been coordinated with the projections for Polk County as required by Oregon Revised Statutes 195.036. This projection is based on Monmouth's average annual growth rate of 3.03 percent between 1956 and 1996. This figure was adopted as part of the Polk County Transportation Systems Plan, 1997.

² Persons living in group quarters includes persons who are institutionalized or living in non-institutional group homes, rooming houses, assisted-living facilities, etc.

³ Total dwelling units do not include group quarters dwelling units.

⁴ Occupied dwelling units do not include group quarters dwelling units.

⁵ Based on an assumed vacancy rate of 5 percent.

Table 4 shows the total number of additional dwelling units that will be needed to accommodate the 2020 population. With the estimated removal of 20 units from the housing supply (we assume that one demolition per year will occur), an estimated 2,025 additional dwelling units be needed by 2020.

**Housing Element - Table 4
Additional Dwelling Units Needed in Monmouth by 2020**

| Total Dwelling Units 2020 | Total Dwelling Units 1999 | Dwelling Units Removed | Additional Dwelling Units Needed | Additional Group Quarters Needed |
|----------------------------------|----------------------------------|-------------------------------|---|---|
| 4,461 | 2,456 | 20 | 2,025 | 853 |

Source: Oregon Housing and Community Services Housing Needs Model, 2000