



# **Urban growth management: Preliminary housing needs analysis results**

**UGR Roundtable  
April 26, 2024**

# Bureaucratic wayfinding

- Oregon Housing Needs Analysis
- Response to State's housing crisis
- 2019 legislation (HB 2003) refined in 2021 and 2022

# Oregon Housing Needs Analysis

- State will produce housing targets (# of units) for cities and urban-unincorporated areas
- Cities/counties then produce **Housing Production Strategies** with actions to achieve their target

# Regional Housing Coordination Strategy

- Metro does not receive a target
- Metro must produce a **Regional Housing Coordination Strategy** 1 year after UGB decision (December 2025)
- Includes actions Metro will undertake to promote development of diverse housing types

# Oregon Housing Needs Analysis

## Cities/Counties

### **Housing Production Strategy**

Identifies actions to achieve assigned housing unit target

## Metro

### **Regional Housing Coordination Strategy**

Includes: policies, measures, coordinating actions

# Other ongoing Metro work

## Planning, Development & Research

Regional  
Housing  
Coordination  
Strategy

Brownfields  
program

Small site  
industrial  
readiness

Cooling  
Corridor Study

2040 Planning  
and  
Development  
grants

2040 Growth  
Concept update

## Other Metro Departments

Parks System  
Plan

Affordable  
Housing Bond  
and Supportive  
Housing  
Services

**&  
more**

# Activity: Historic development trends

**Log in to [menti.com](https://menti.com)  
and enter code  
4472 1029**

## Technical work and analysis: Developing the urban growth report

- Buildable land inventory (BLI)
- Regional forecast
- Capacity analysis
- Employment trends and site characteristics
- Housing needs analysis
- Residential readiness analyses
- Draft urban growth report (UGR)

## City expansion proposals

- Letters of interest
- Expansion proposals

*2040 planning and development grants available*

## Metro Council decision

- Consider Metro staff and advisory group recommendations
- Public hearings
- Policy direction
- Final decision

Nov 2022 - July 2024

Dec 2023 - April 2024

Aug 2024 - Dec 2024

Residential readiness analyses

Capacity analysis - begin BLI and regional proforma model

Draft capacity analysis available for local review

Regional forecast updated

Housing needs analysis

Draft UGR public comment period

Public hearing

Letters of interest due

Proposals due

Advisory group input

Final UGB decision



## Engagement

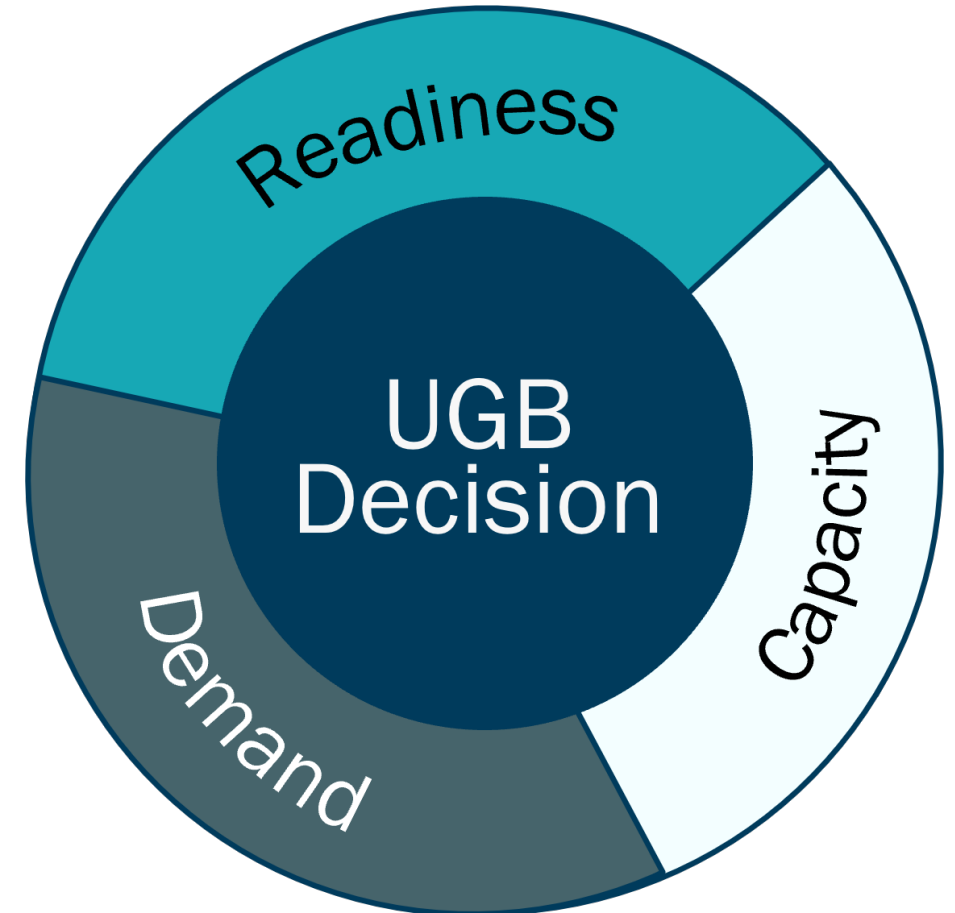
- MTAC
- MPAC
- CORE
- Land Use Technical Advisory Group
- Jurisdictional outreach
- Urban growth report roundtable
- Youth cohort
- Interest group presentations

# Project timeline

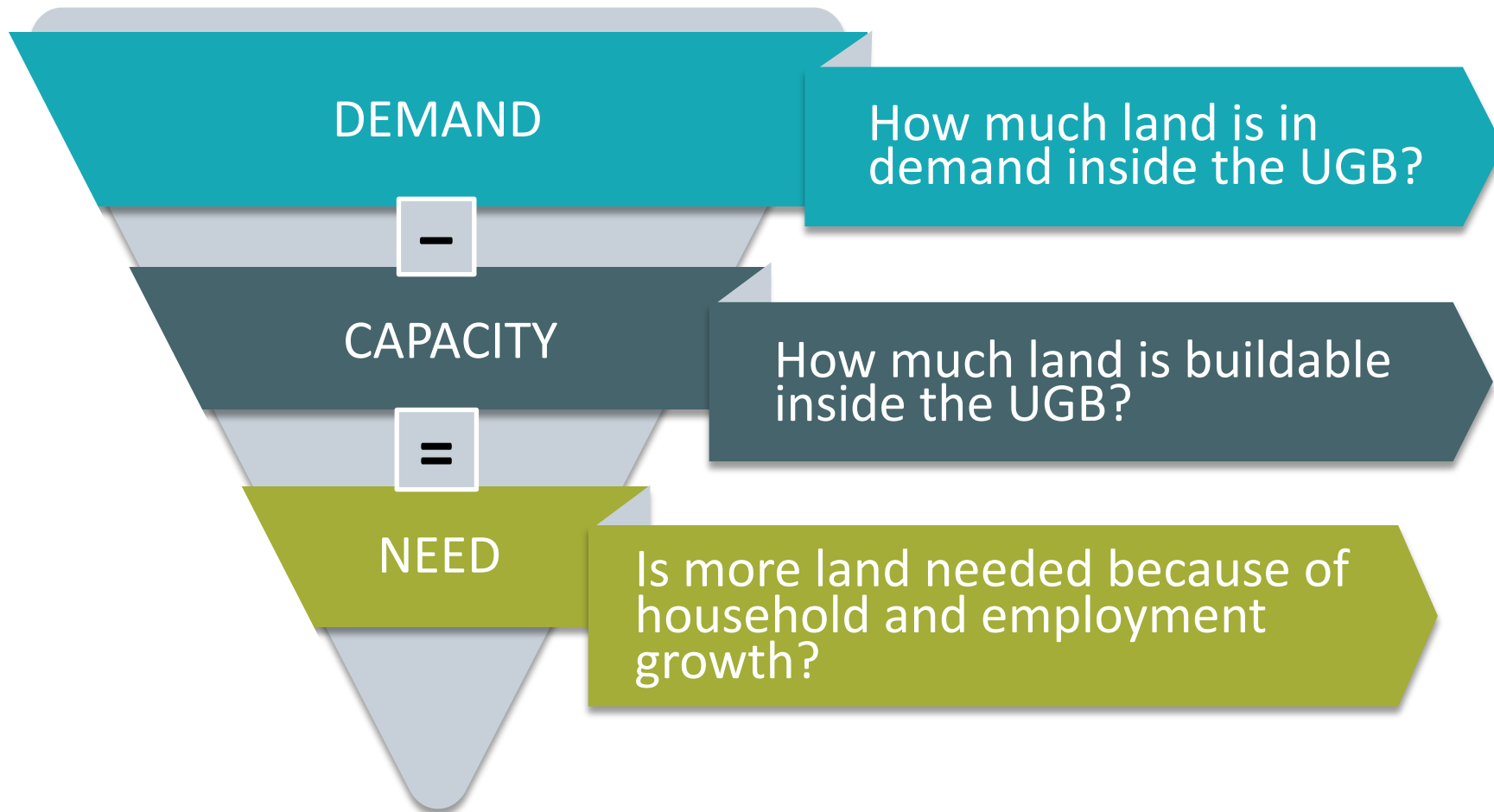


# A decision support tool

The Urban Growth Report (UGR) is a decision-making tool for the Metro Council.

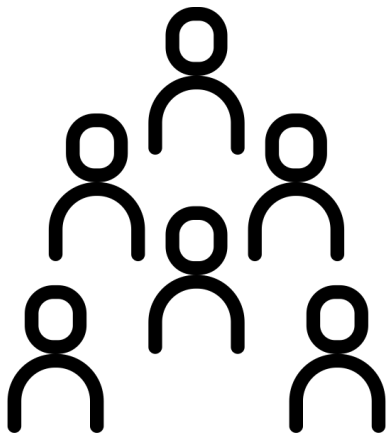


# Back to the math equation



# So how do we translate the household forecast into land demand?

People in the region in 2044



Regional 7-county household forecast x capture rate

Household Characteristics

\$ Income

Age

Household size

Presence of kids

&

Housing Characteristics

*What housing types are needed to match the needs and choices of the region's households?*

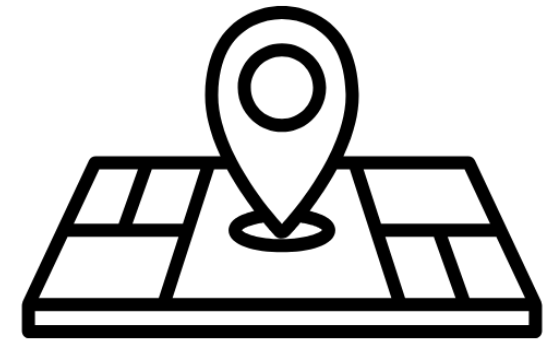
Single family detached

Middle housing

Multi-family

Housing needs analysis

Demand for land



# The housing needs analysis will include assessments of future and existing needs

## **FUTURE**

20-year forecast

Housing demand based on:  
Regional population forecast  
&  
Household forecast

## **EXISTING**

Housing needed for those  
experiencing homelessness  
&  
Historic underproduction - what is  
the backlog of housing units to  
date?

**Preliminary 20-Year  
Housing Needs  
Projections**

# Future housing needs

## MSA (7-county) forecast

- Total growth rate
- 20-year time horizon
- Peer reviewed

## UGB capture rate

- Metro UGB vs. other areas
- Based on past trends

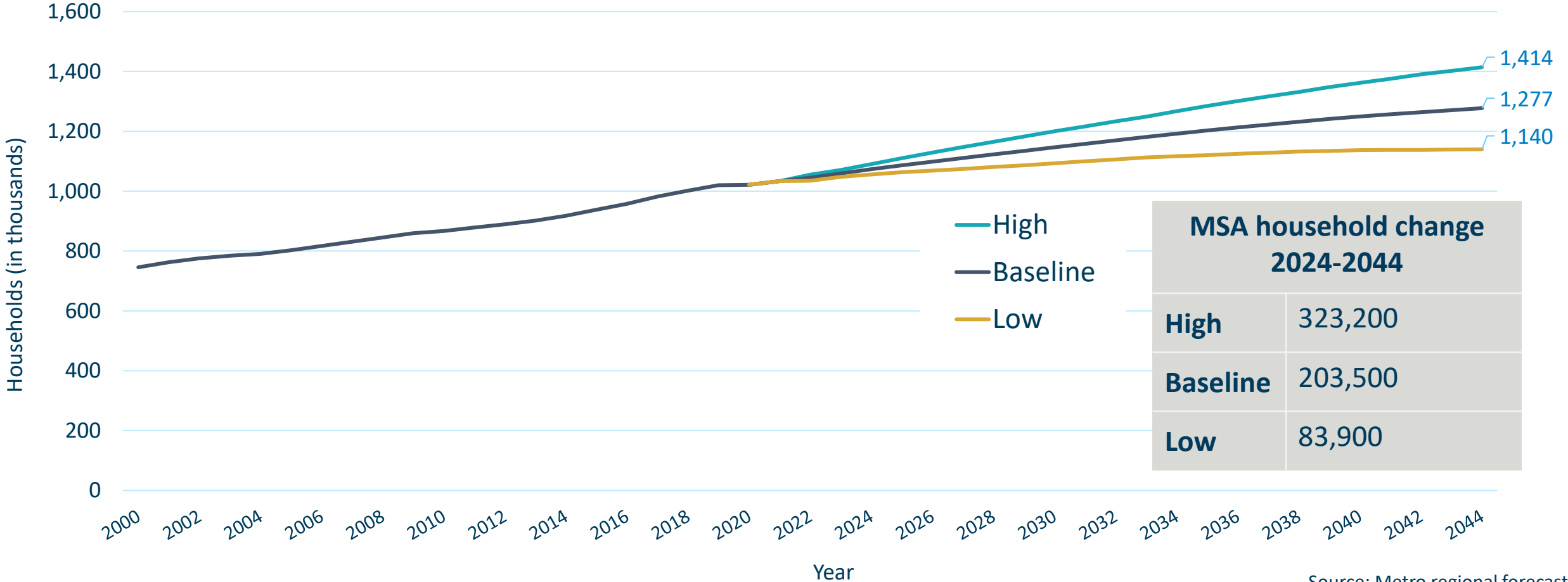
## Demographics

- Age (of householder)
- Household Size (number of people)
- Presence of Kids (<18)
- Income

## Housing needs

- Affordability / price point
- Housing type

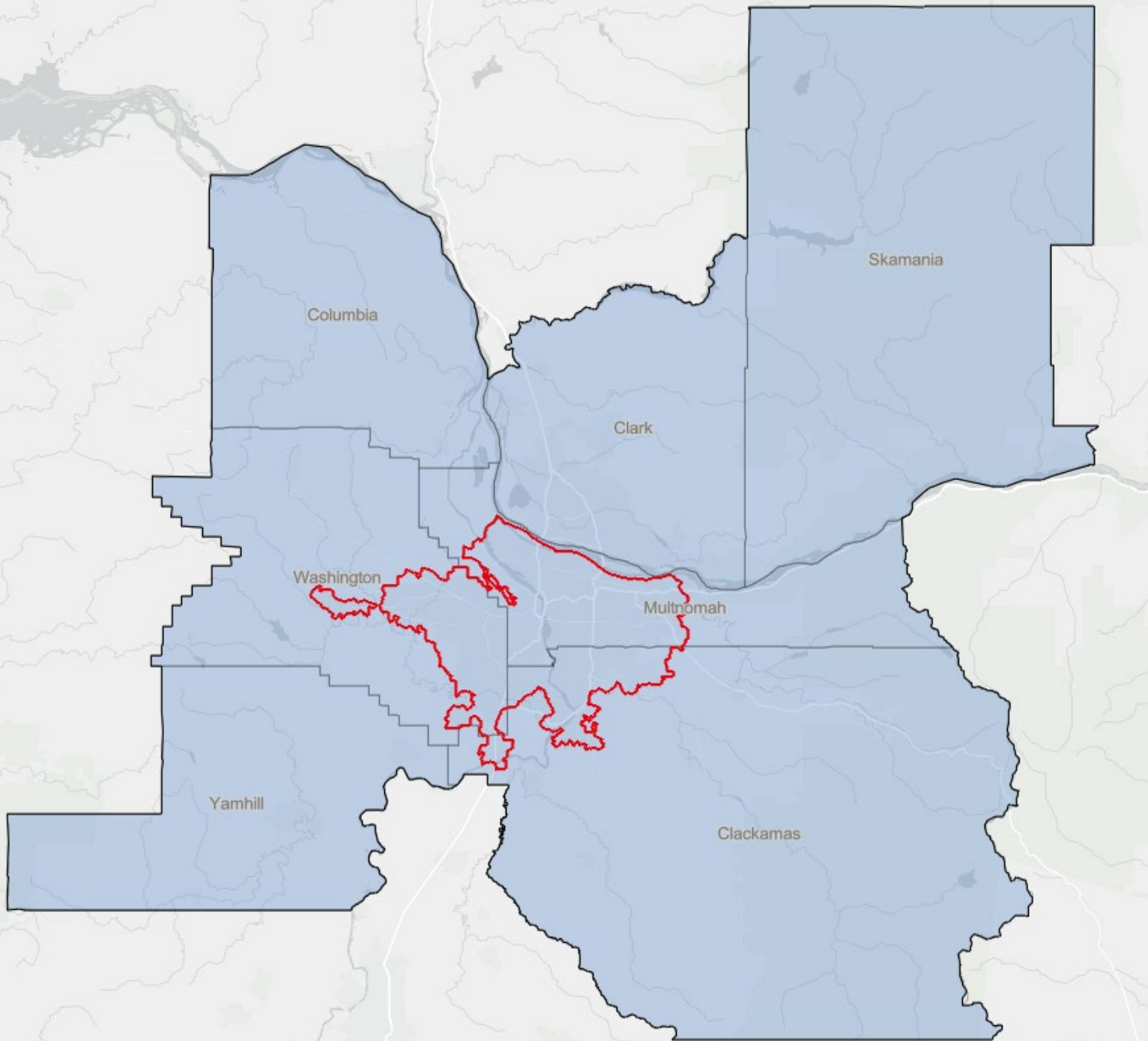
# MSA household forecast



Source: Metro regional forecast

# UGB capture rate

How much of the household forecast is expected to fall within the UGB compared to the overall MSA?

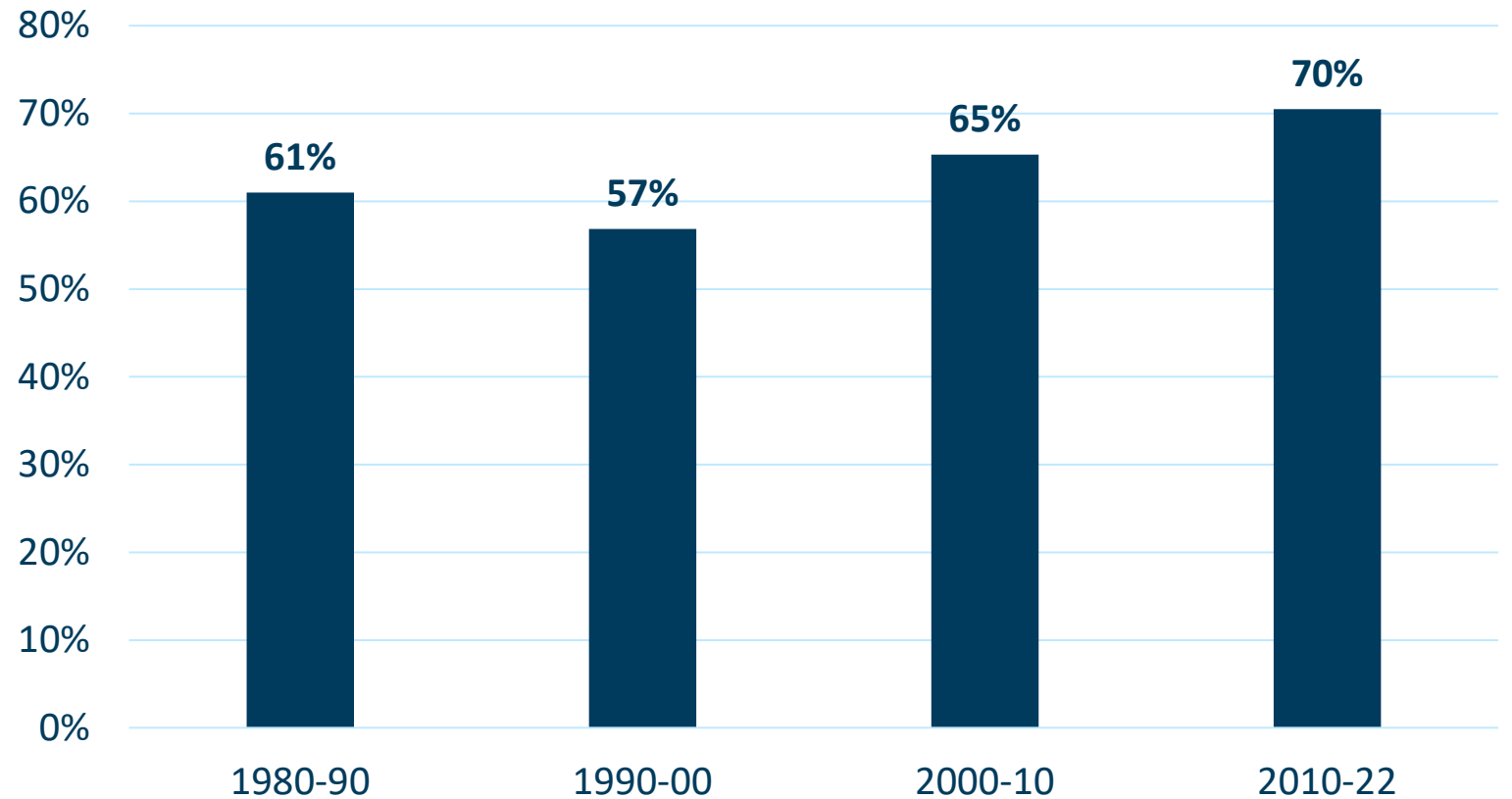




# UGB capture rate

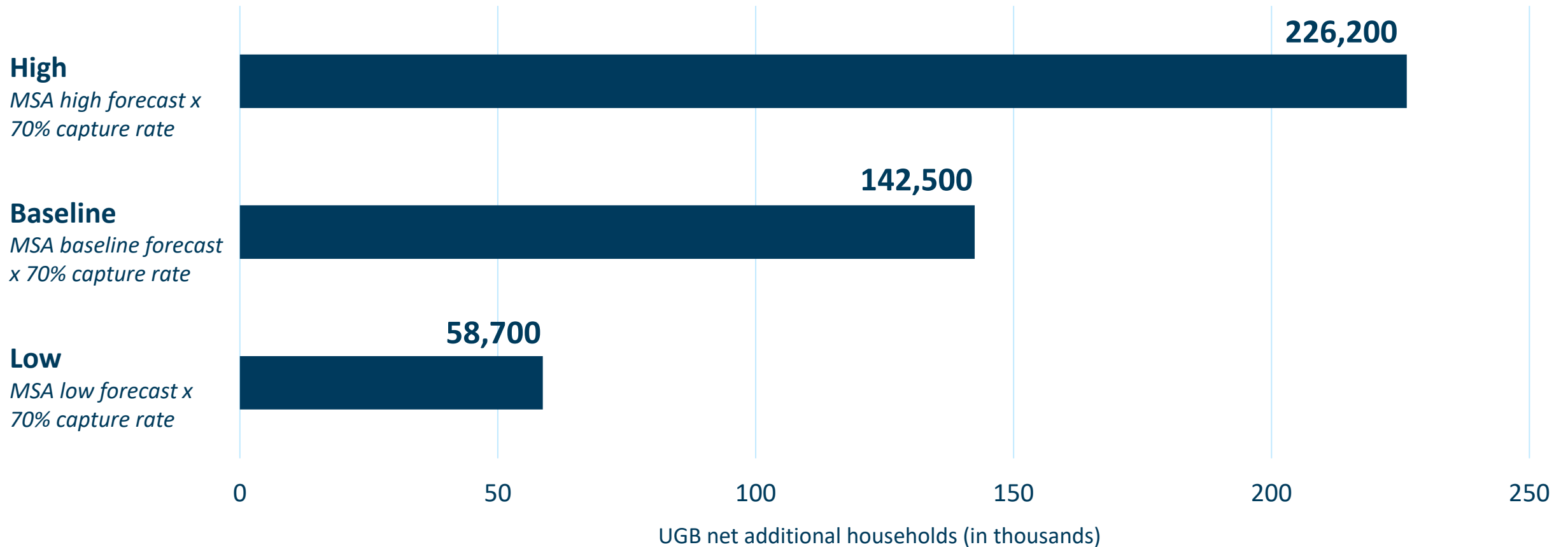
How much of the forecasted growth in the MSA will the Metro UGB “capture”?

Historic UGB resident capture rate of 7-county MSA

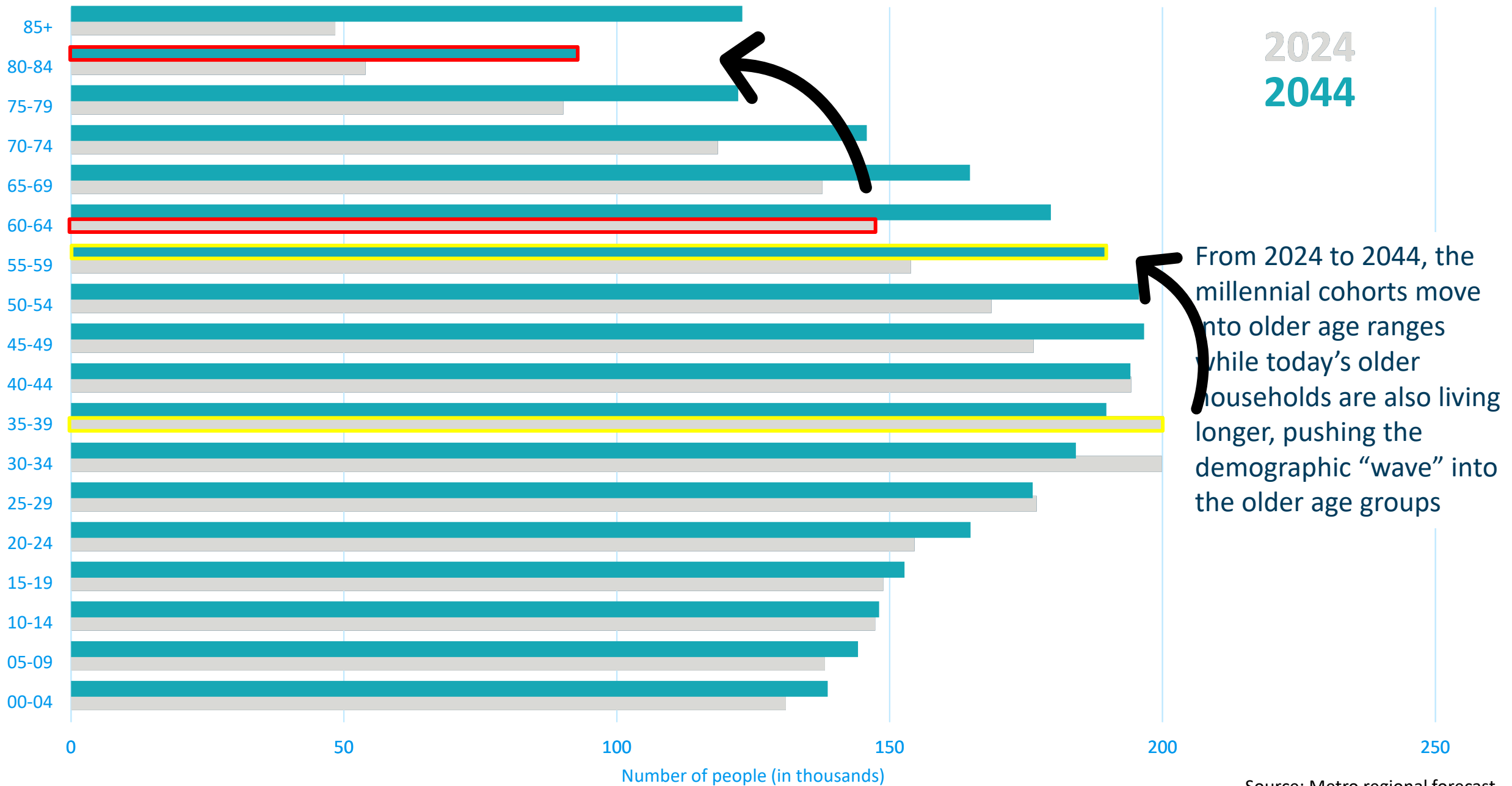


# UGB household forecast = (MSA forecast) X (capture rate)

## UGB net additional households from 2024 to 2044

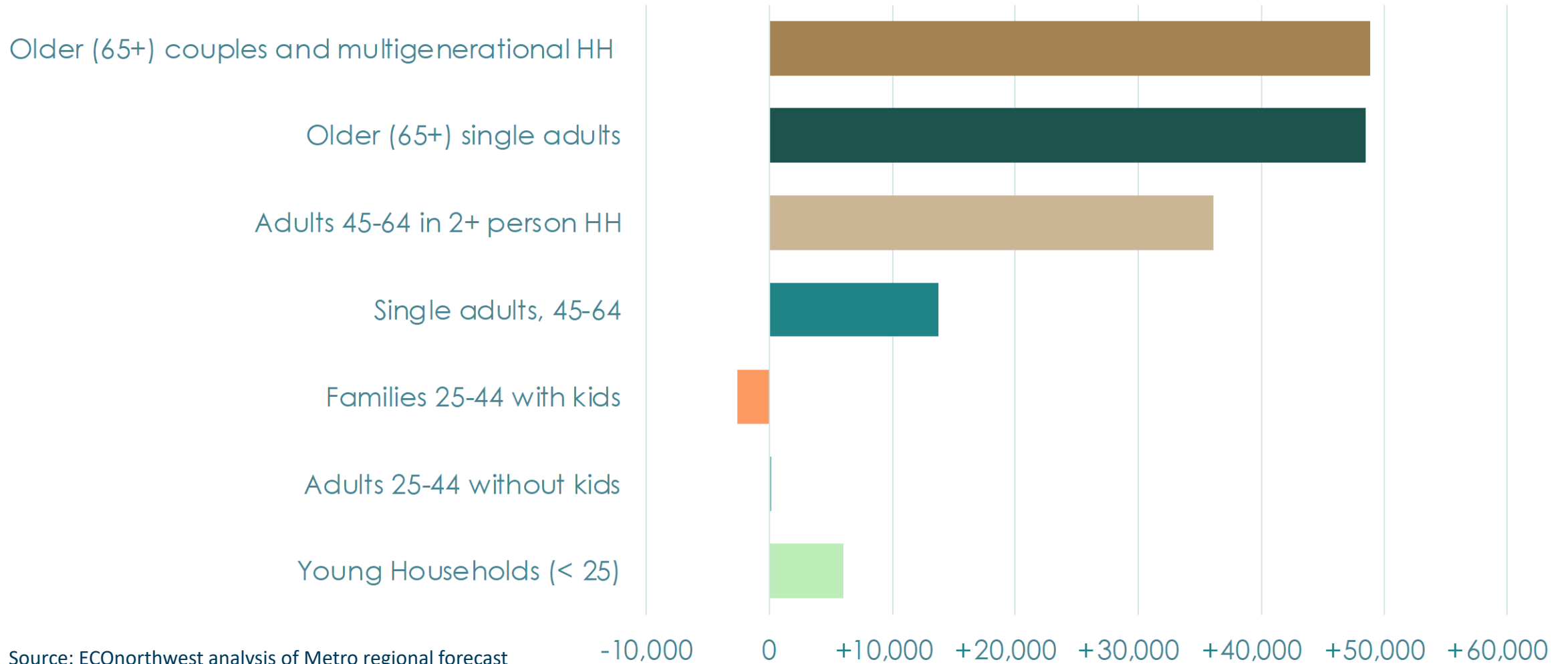


# MSA population forecast by age cohort



# Net growth is in older households

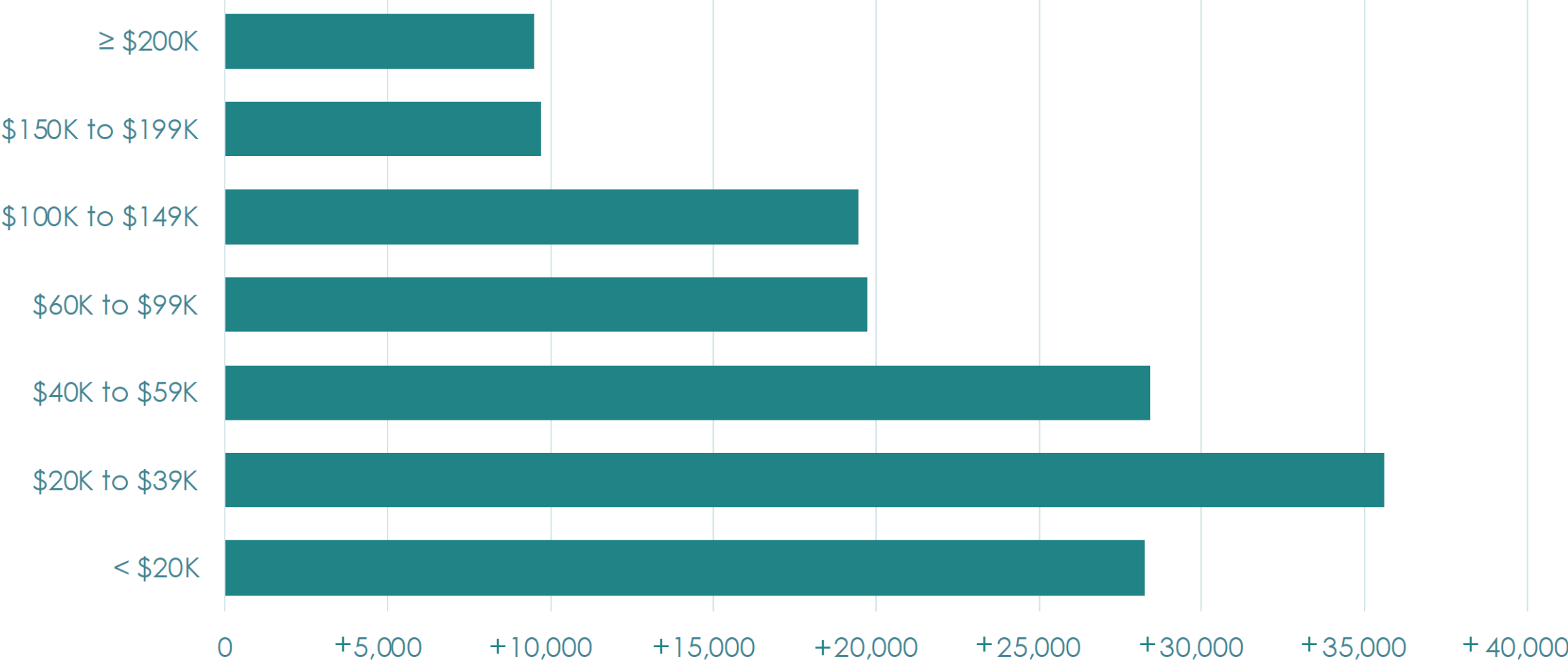
2024-2044 Household Change by Life Stage (Metro UGB)



Source: ECONorthwest analysis of Metro regional forecast

# More retirees = lower incomes

2024-2044 Household Change by Income Level (Metro UGB)



Source: ECONorthwest analysis of Metro regional forecast

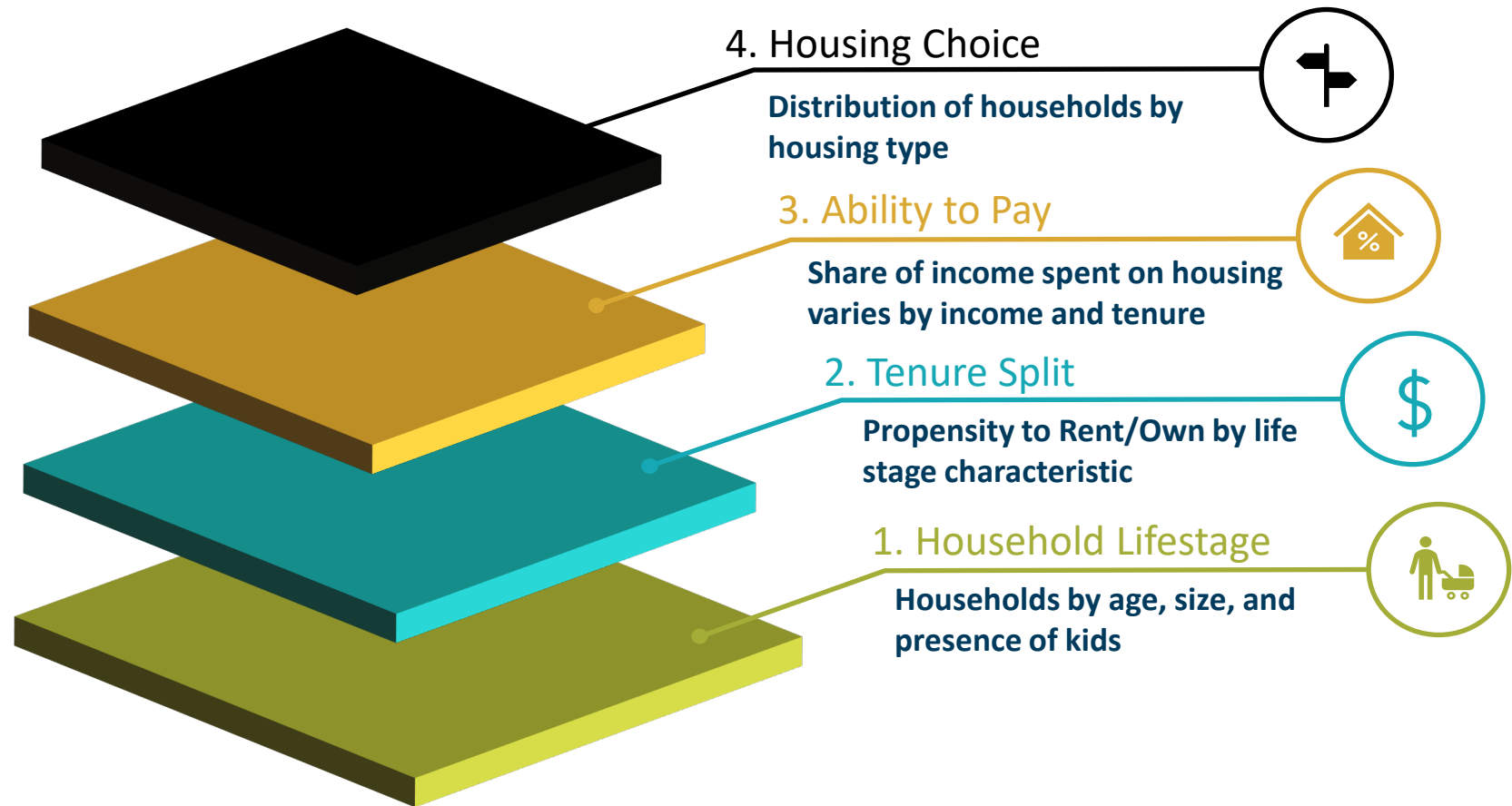
# Households → housing units

Add margin for healthy vacancy rate to future household growth



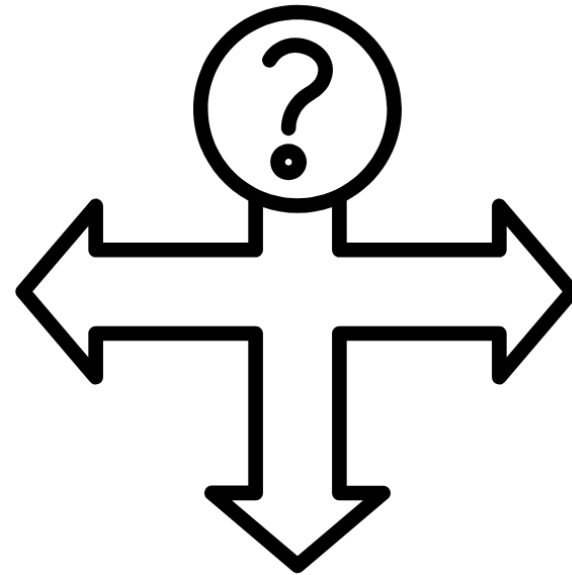
# Future housing: Housing demand model overview

The demand methodology combines forecasts of households by socioeconomic characteristics (from Metro) with factors impacting housing choice to estimate housing demand by housing typology.



# Housing demand scenarios

**Following in footsteps:** Housing choices at each life-stage remain constant – as current households age, their housing choices look the same as those of older households today.



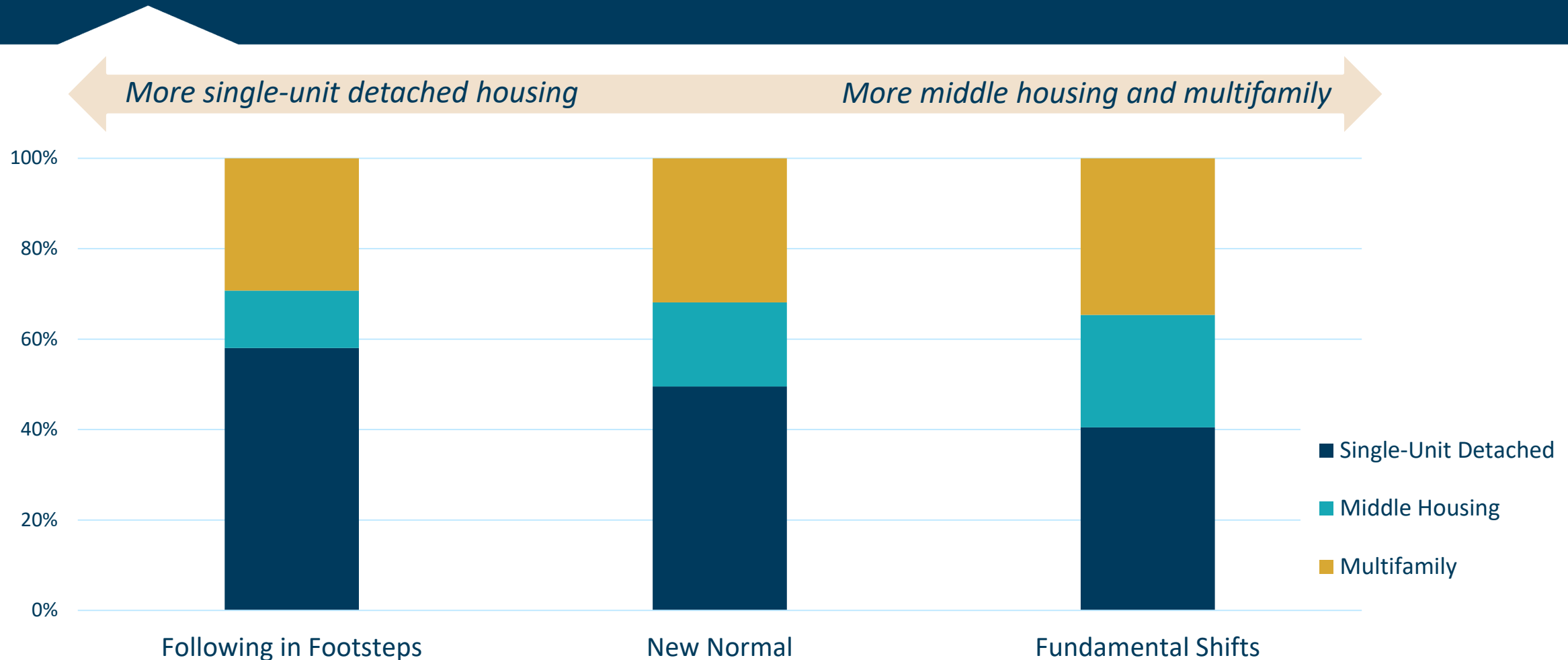
**Fundamental shifts:** Housing choices shift substantially towards attached housing based on affordability.



**New normal:** As households age, their housing choices shift towards those of older households today, but not to same extent.



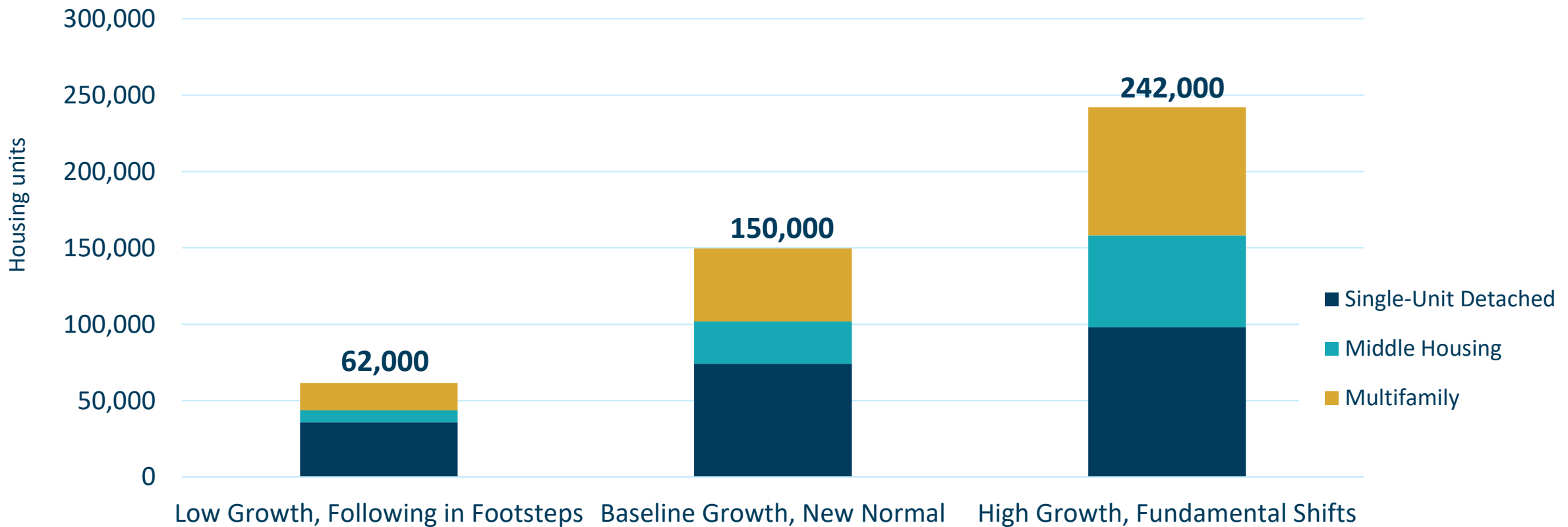
# Fundamental shifts mean more multifamily and middle housing



# Putting it together – future demand by housing type

## New Units Needed for Growth 2024-2044 by Type (Metro UGB)

*All assuming a 70% capture rate*



# Existing housing needs inside UGB

18,000 homes  
from  
underproduction

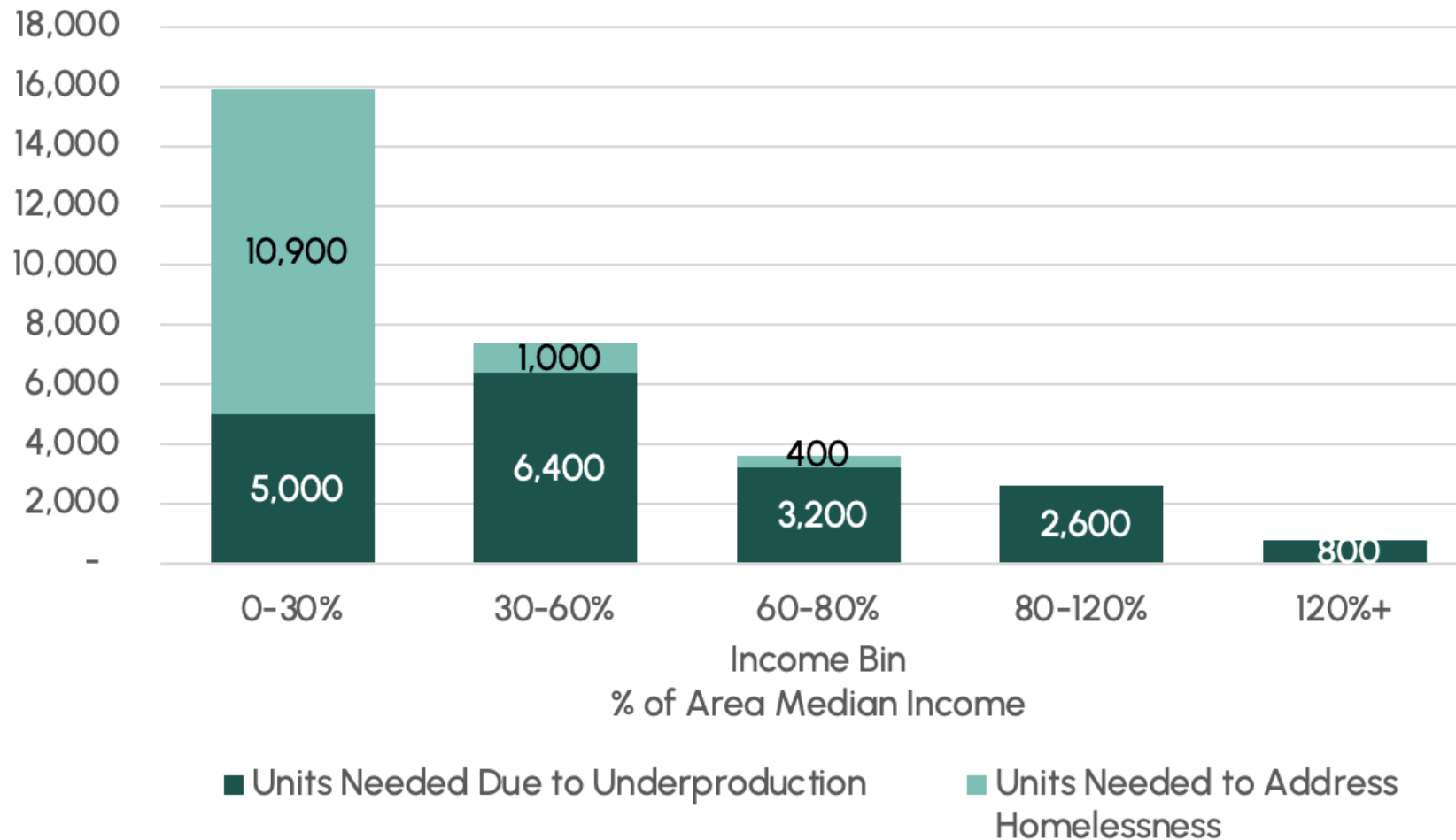


12,300  
homes for  
people  
experiencing  
houselessness



30,300 additional  
homes needed today in  
total

# Existing needs are for lower incomes

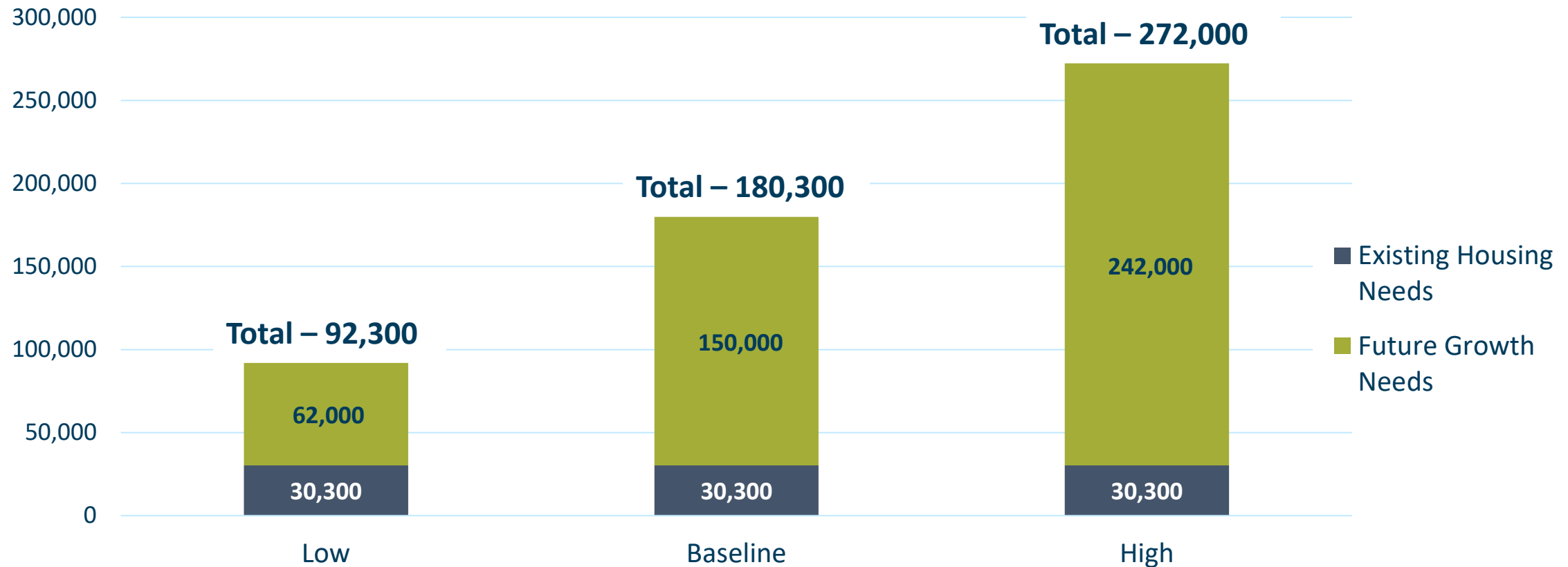


Area Median Income (AMI) for a family of 4 in the Metro region: **\$114,400 (2023)**

# Total need

## Total Additional Housing Units Needed in Metro UGB 2024-2044

*Assumes 70% capture rate*



**Questions?**

# What's next

- Sherwood West Concept Plan
- Member feedback survey
- Continued discussion of COO recommendation – how will the roundtable feedback be incorporated?

[oregonmetro.gov](http://oregonmetro.gov)

