



Milwaukie: Housing Capacity and Housing Production

HCTC Meeting #2

June 30, 2022



HCTC Meeting Dates and Topics

HAC	Date	Topic(s)
HCTC 2	June 30	Housing need and forecast
HCTC 3	Aug 11	Buildable lands inventory and redevelopment analysis
HCTC 4	Sept 8	Residential land needs
HCTC 5	Oct 27	Introduce the Housing Production Strategy and begin policy discussion
HCTC 6	Dec 8	Continue discussion of potential actions
HCTC 7	Jan 26	Refine and narrow actions to include in HPS
HCTC 8	Mar 16	Develop details of each action
HCTC 9	April 27	Finalize housing action



Housing Market and Housing Needs

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CITY OF MILWAUKIE

Types of Housing: Owner- & Renter-Occupied

Single-Dwelling Detached

Single-dwelling detached
Manufactured and mobile homes
Cottage Housing



Plexes (2 to 4 units per structure)

Duplexes
Tri- and Quad-Plexes



Townhouses

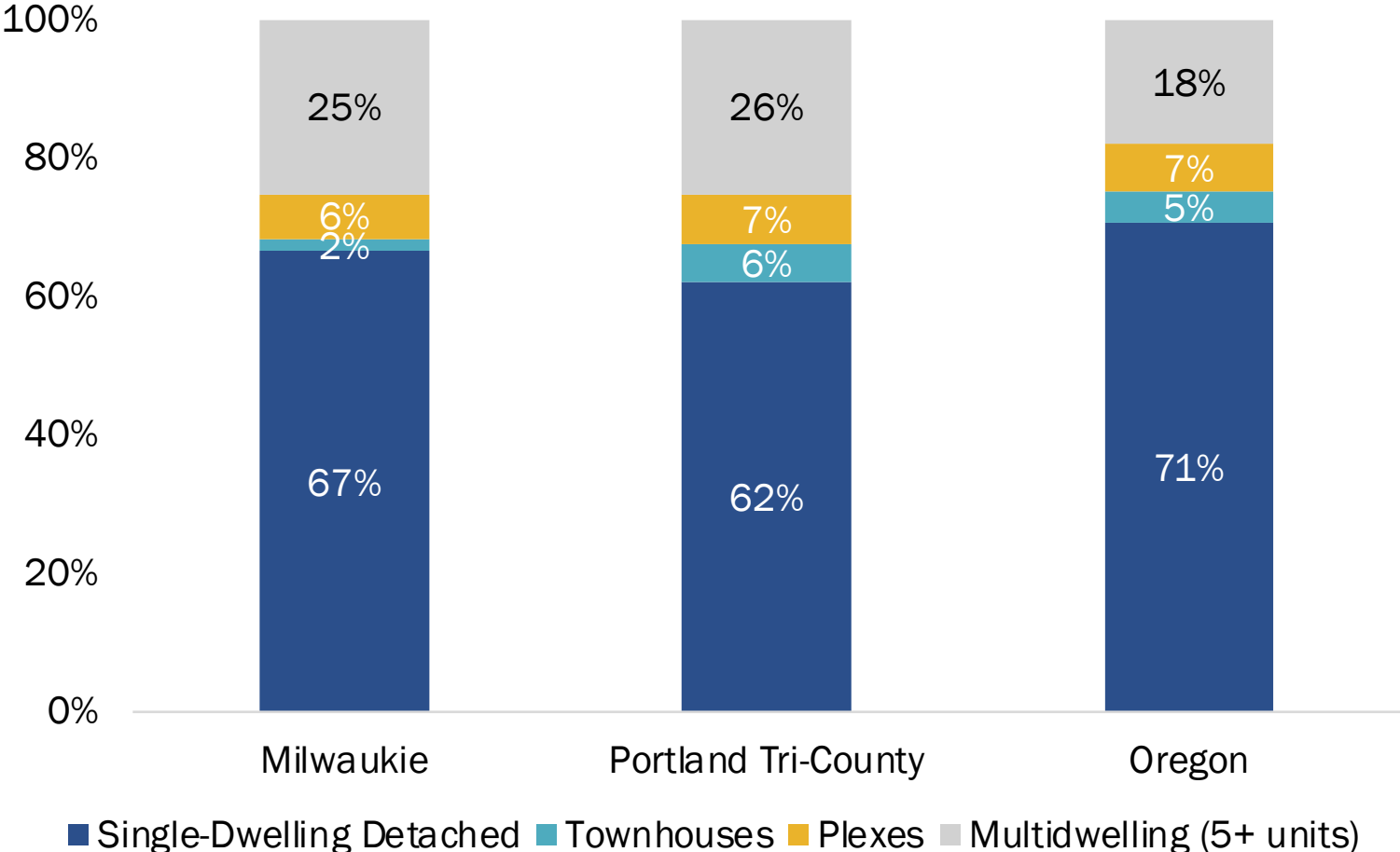


Multi-dwelling (5+ Units per Structure)



Mix of Housing, Milwaukie

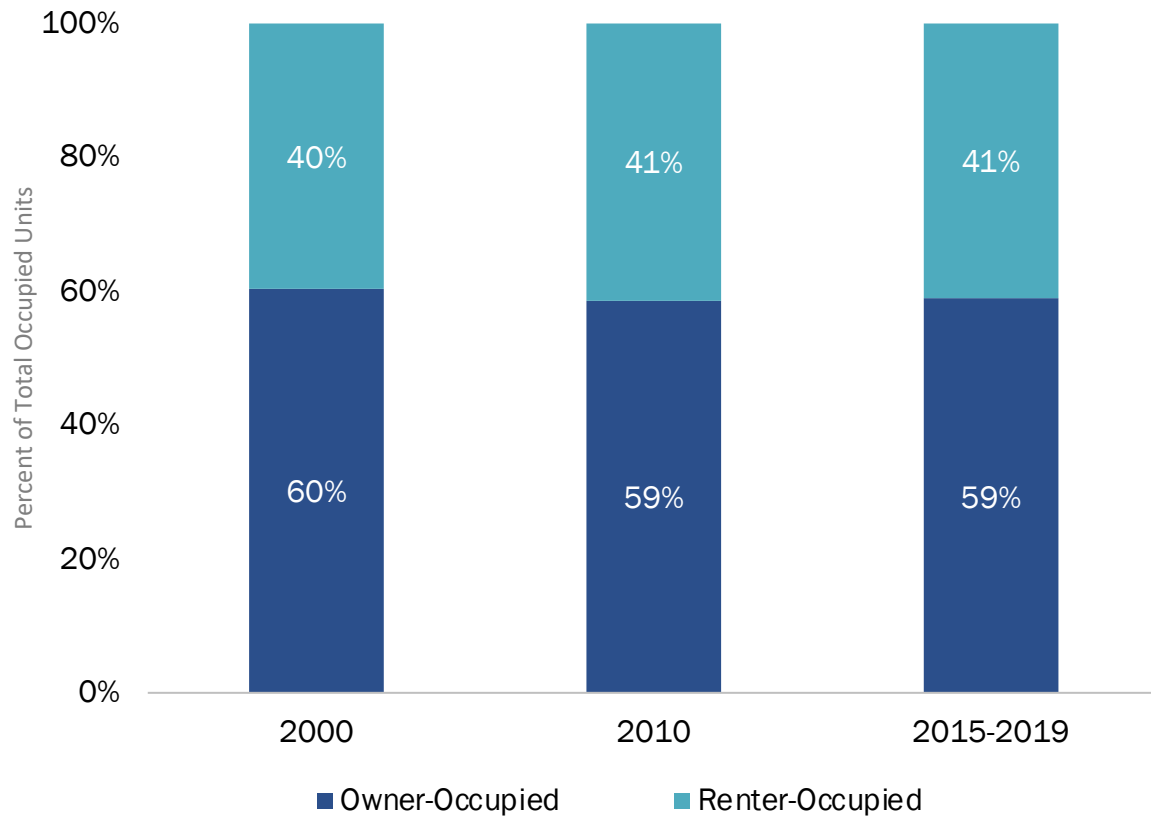
Housing Mix, Milwaukie, Portland Region, and Oregon, 2015-2019



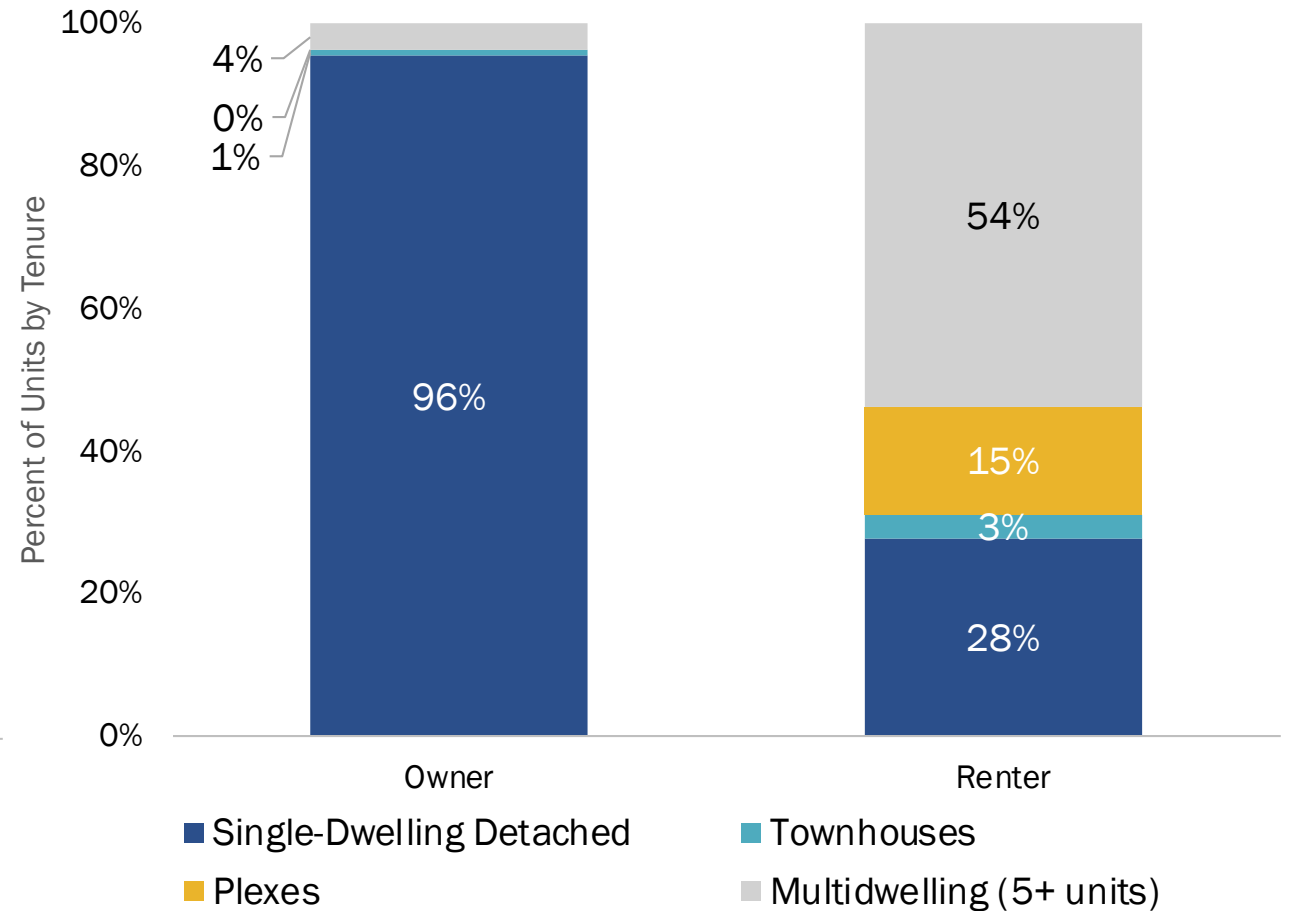
Source: U.S. Census, ACS 2015-2019, B25024

Housing Tenure in Milwaukee

Change in Tenure of Occupied Units, Milwaukee, 2000, 2010, and 2015-2019

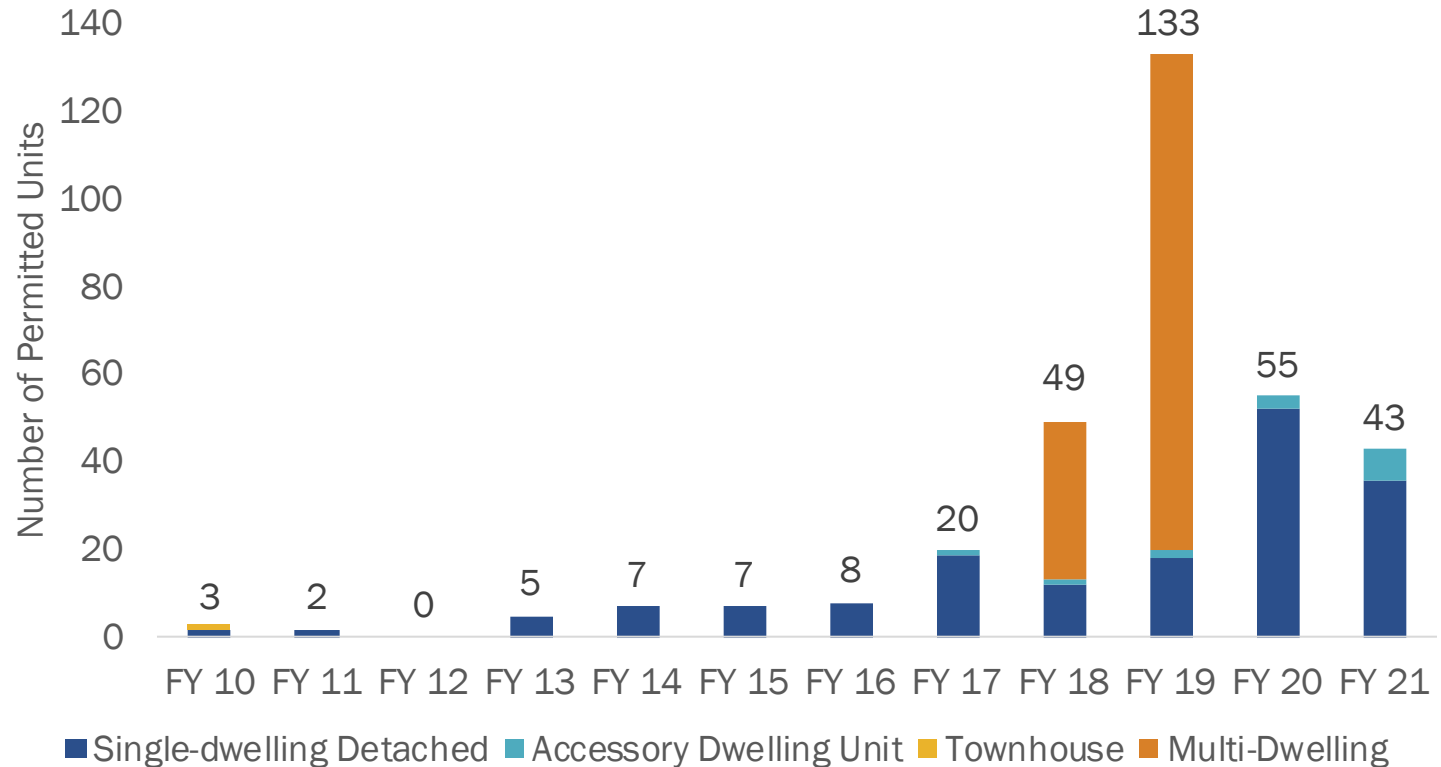


Housing Units by Type and Tenure, Milwaukee, 2015-2019



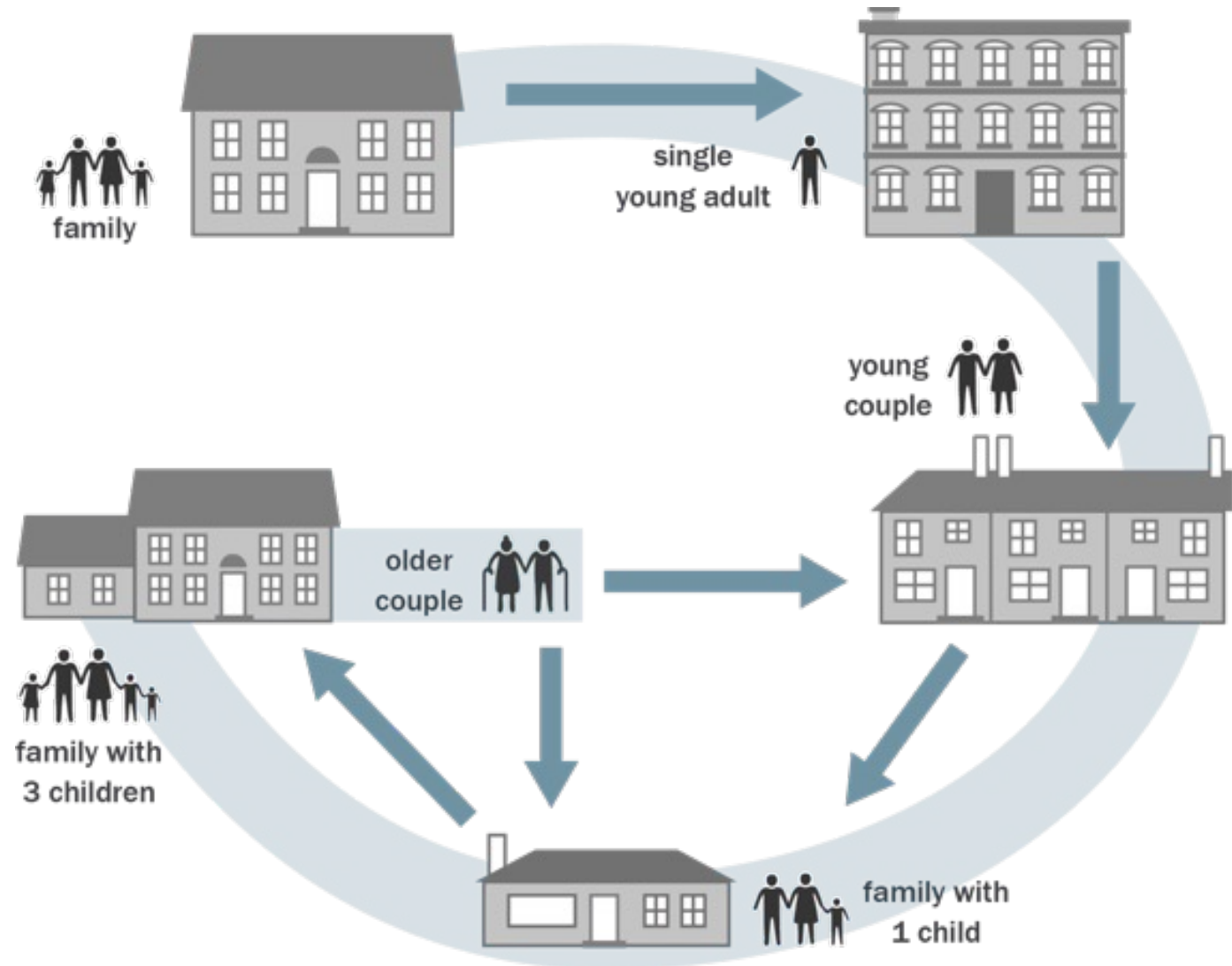
Building Permits Issued in Milwaukie between FY 2010 to 2021

- Average units permitted per year: 51
- Single-Detached units: 51%
168 units permitted
- Multi-Dwelling units: 45%
149 units permitted
- Accessory Dwelling units: 4%
14 units permitted

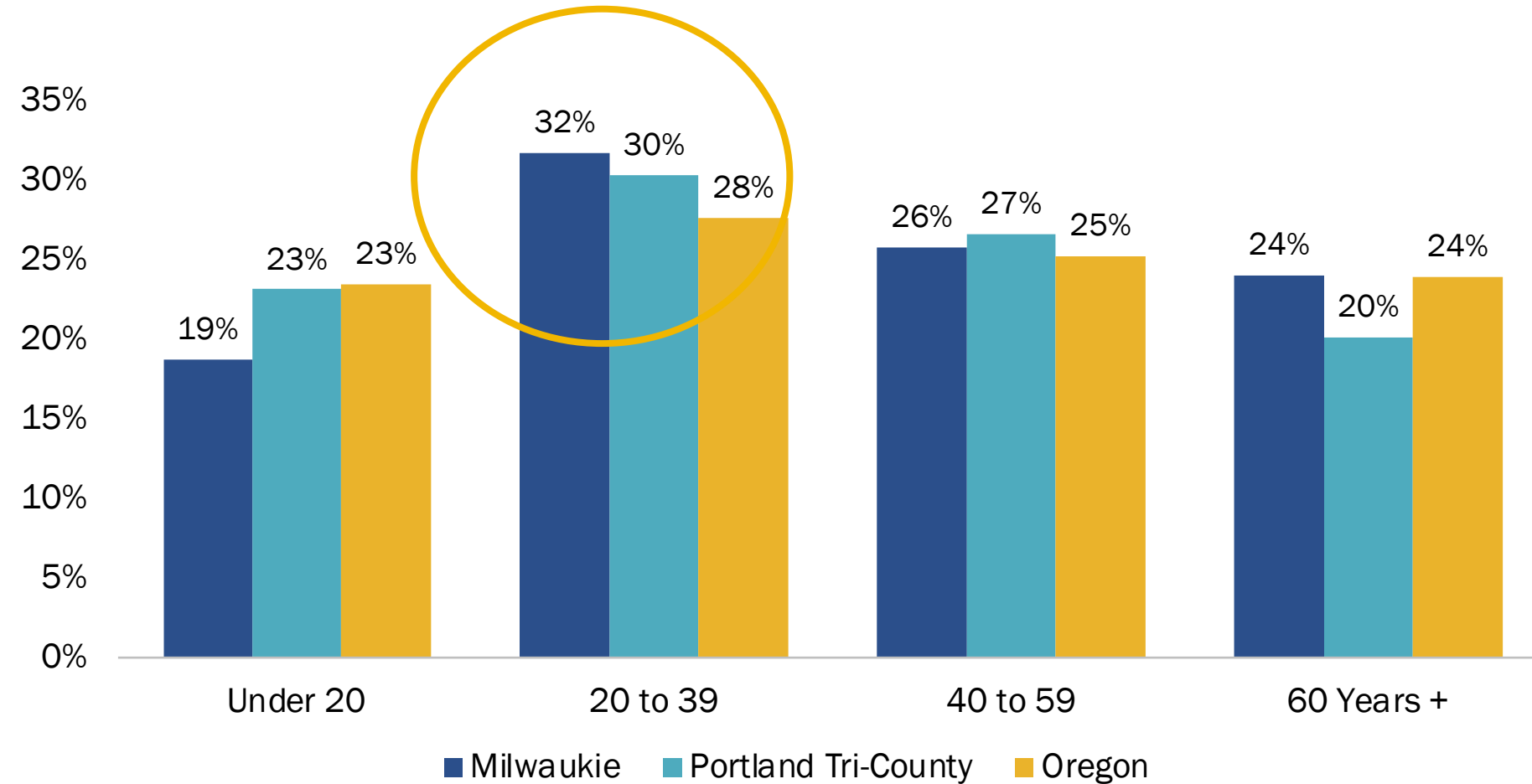


Factors that affect housing demand

- Age
- Household Composition
- Income



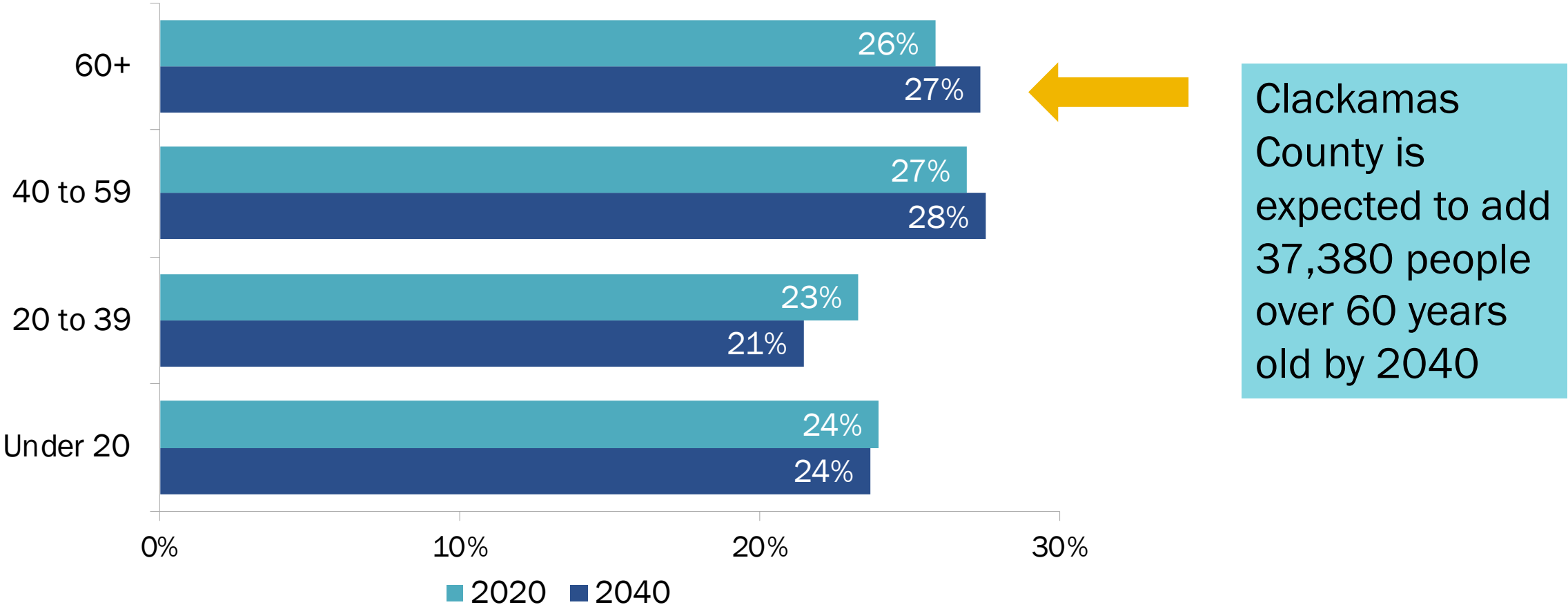
Growing Working Age Population, Milwaukie



The largest increase in residents were those aged 20-39, with growth of 1,121 people.

People 20 to 39 years account for 32% of Milwaukie's population.

Population Forecast by Age, Clackamas County

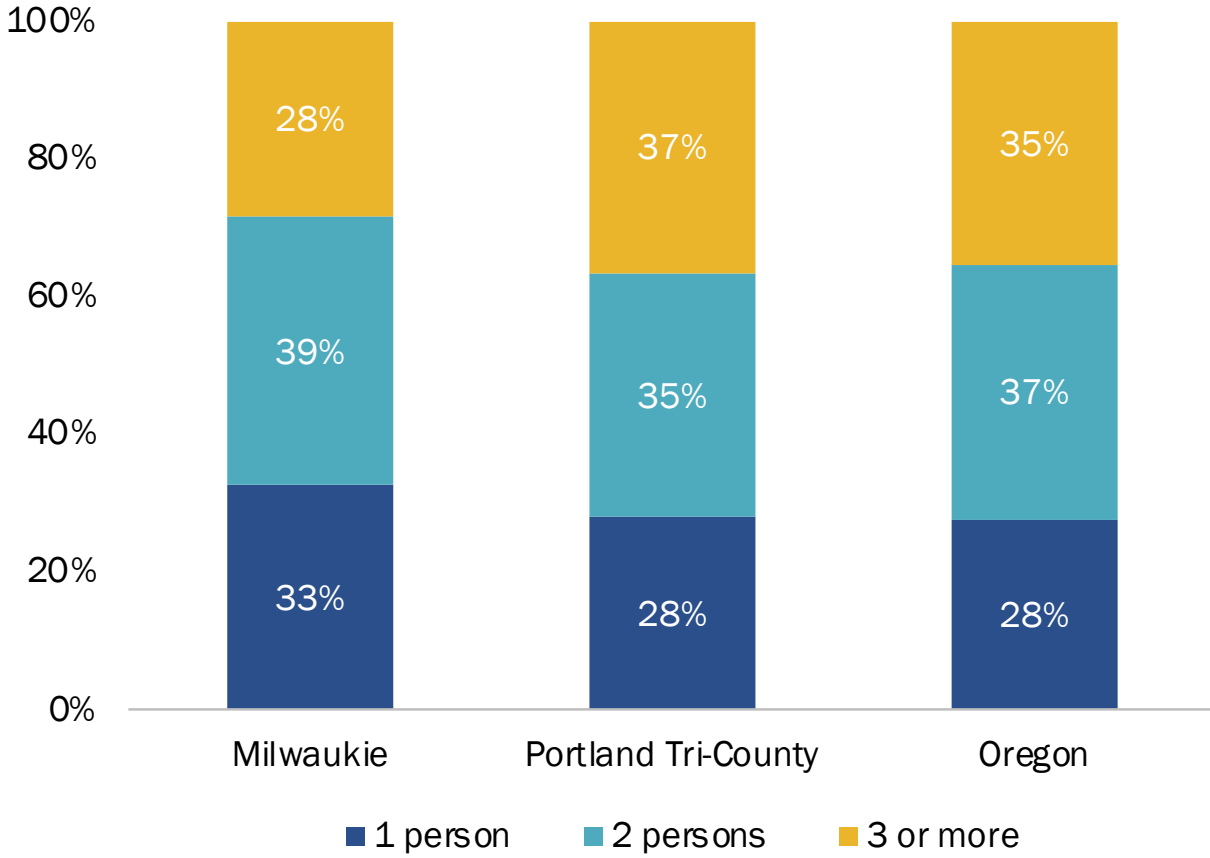


Source: Population Research Center, Portland State University, June 30th, 2021.

Household Size, 2019

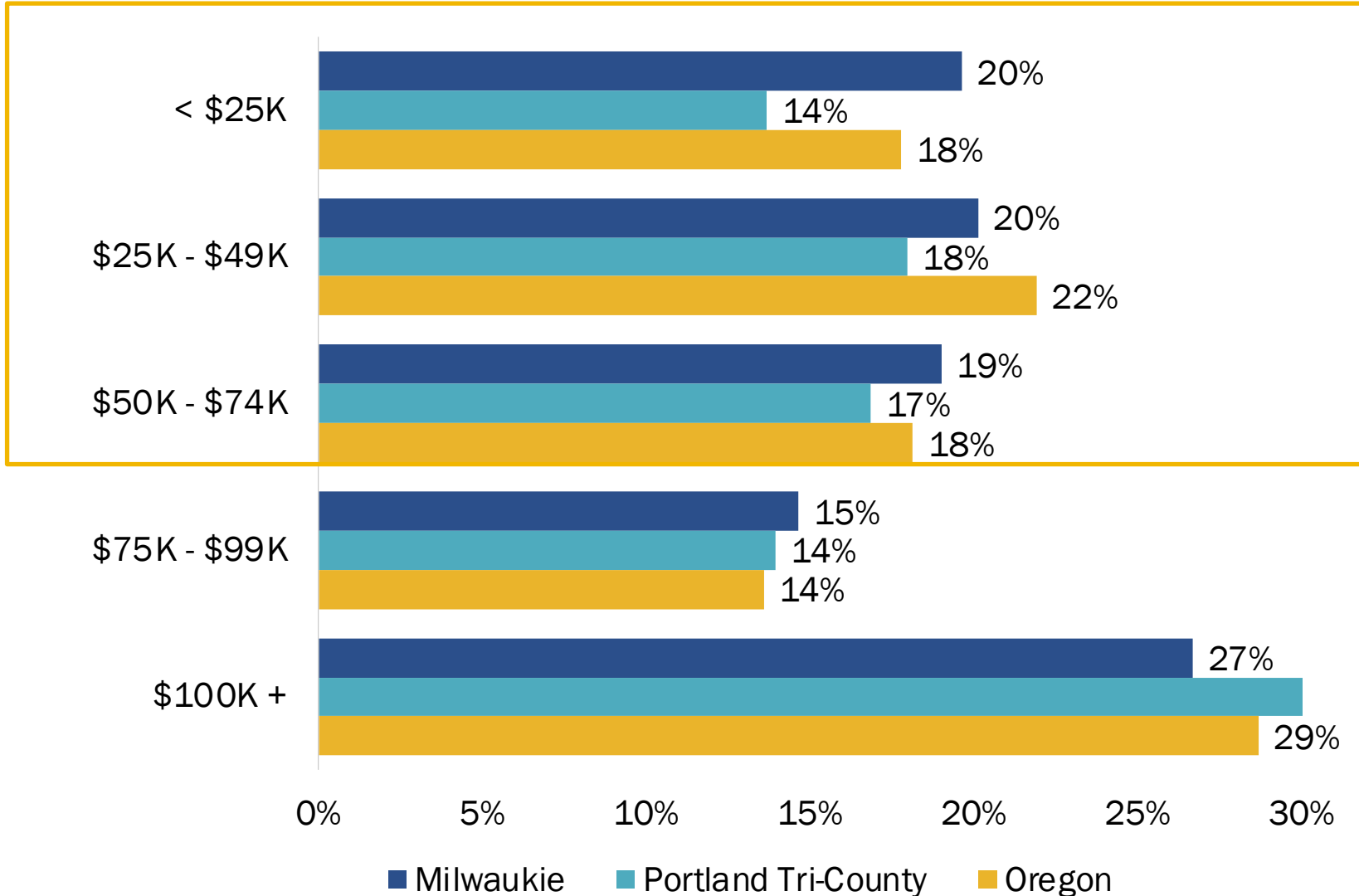
Household Size, Milwaukie, Portland Region, Oregon, 2015-2019

On average, Milwaukie's households are larger than Oregon's households, possibly as a result of the larger share of population aged 20-39 years.



Source: U.S. Census, Decennial Census ACS 2015-2019 Table B25010

Household Income, Milwaukie



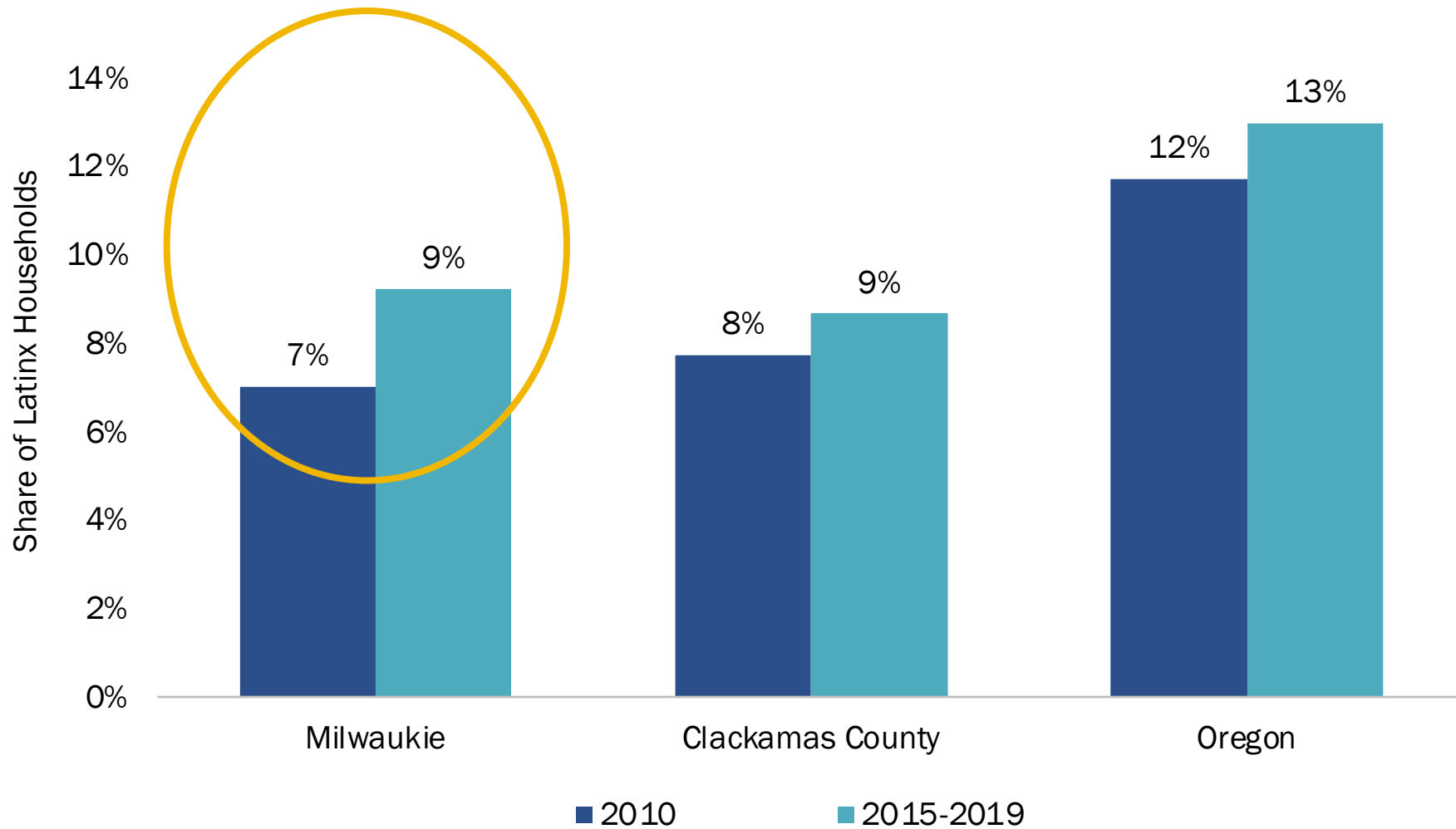
Median Household Income 2015-2019

Milwaukie - \$61,902

Clackamas County - \$80,484

Oregon - \$62,818

Share of Latino/a/x Households, 2015-2019



Milwaukie's Latino/a/x population grew by 516 people between 2010 and 2019

Commuting Flows, 2019

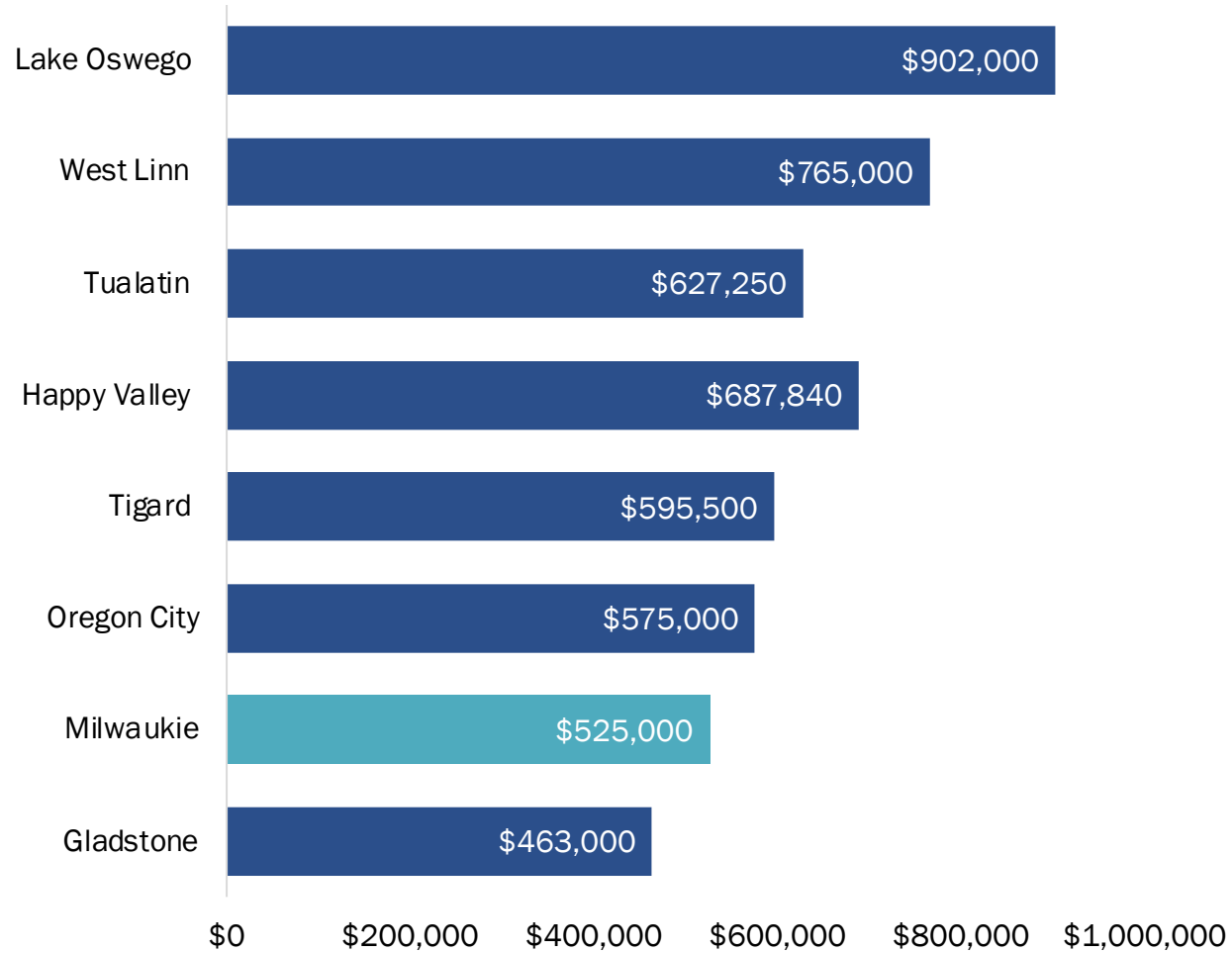


About 15,198 people work in Milwaukie

Most of these people (14,446) commute into Milwaukie for work.

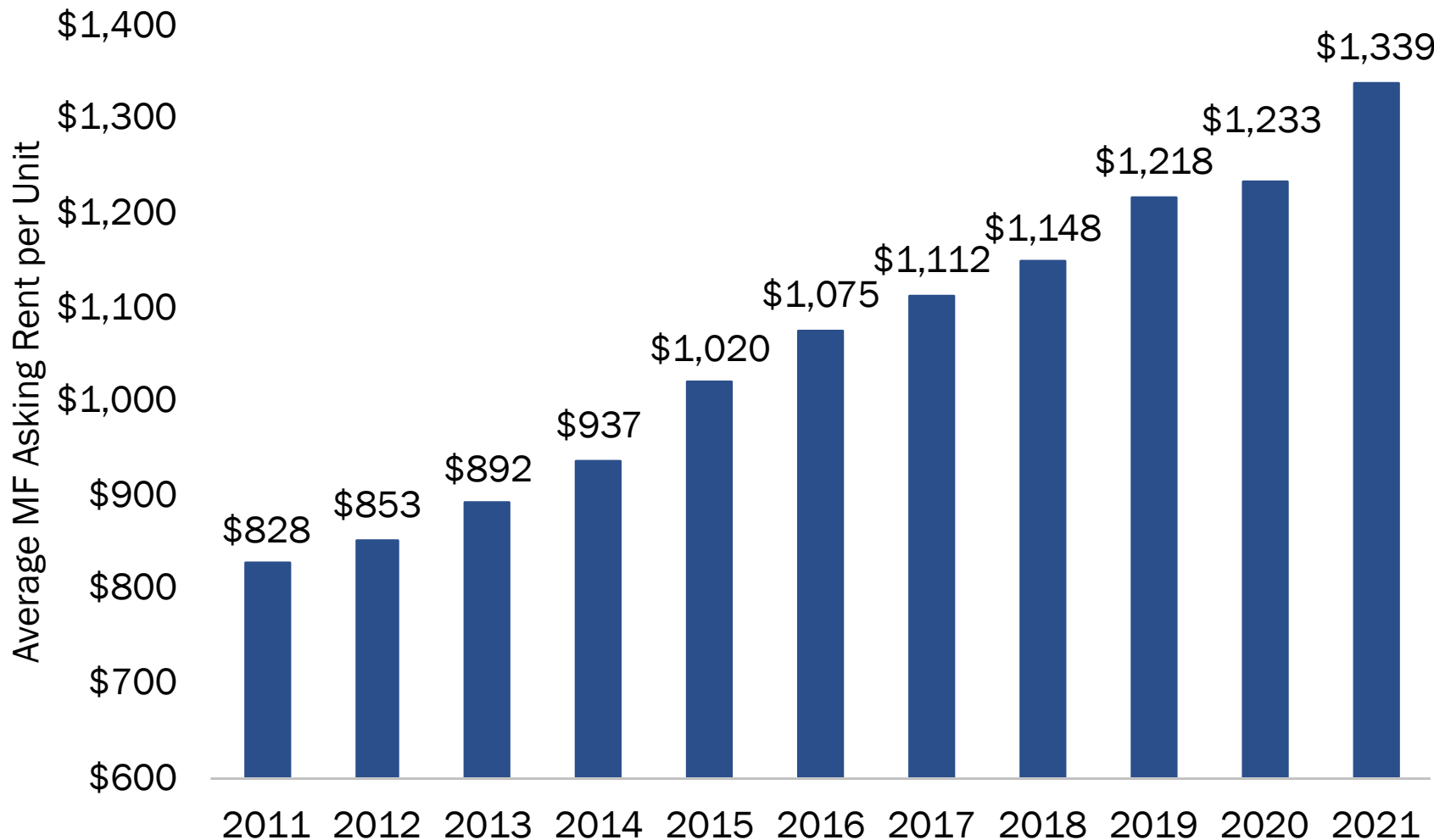
Source: US Census Bureau, Census on the Map, 2019.

Median House Sales Price, 2021



Between December of 2012 to December of 2021, the median sales price in Milwaukie increased by \$346,100 (193%) from \$178,900 to \$525,000

Monthly Asking Rent Costs, Milwaukie

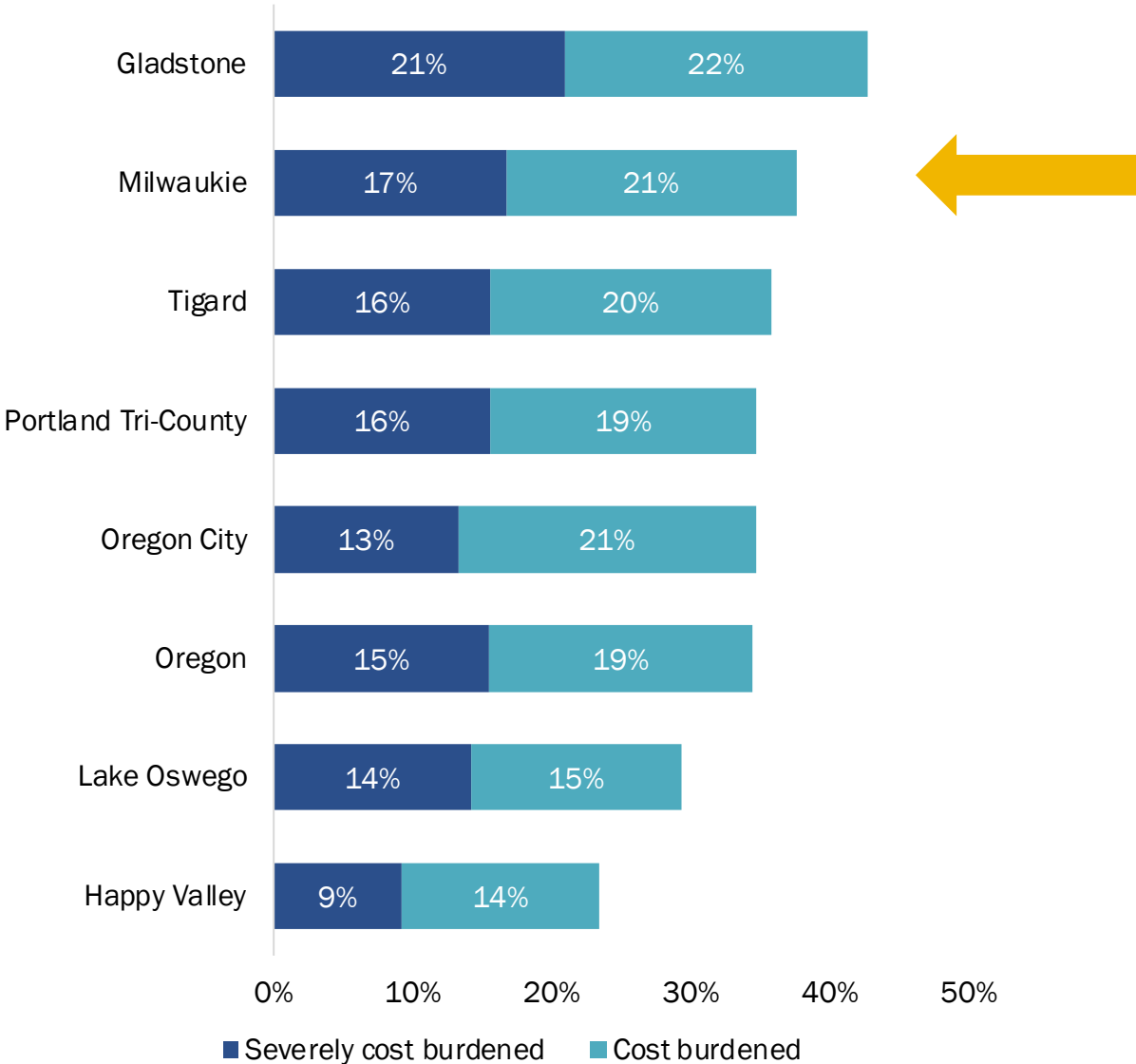


Between 2011 and 2021, Milwaukie's average multidwelling asking rent increased by 31% (\$319) to \$1,339 per month, not including utility costs.

Cost Burden, 2015-2019

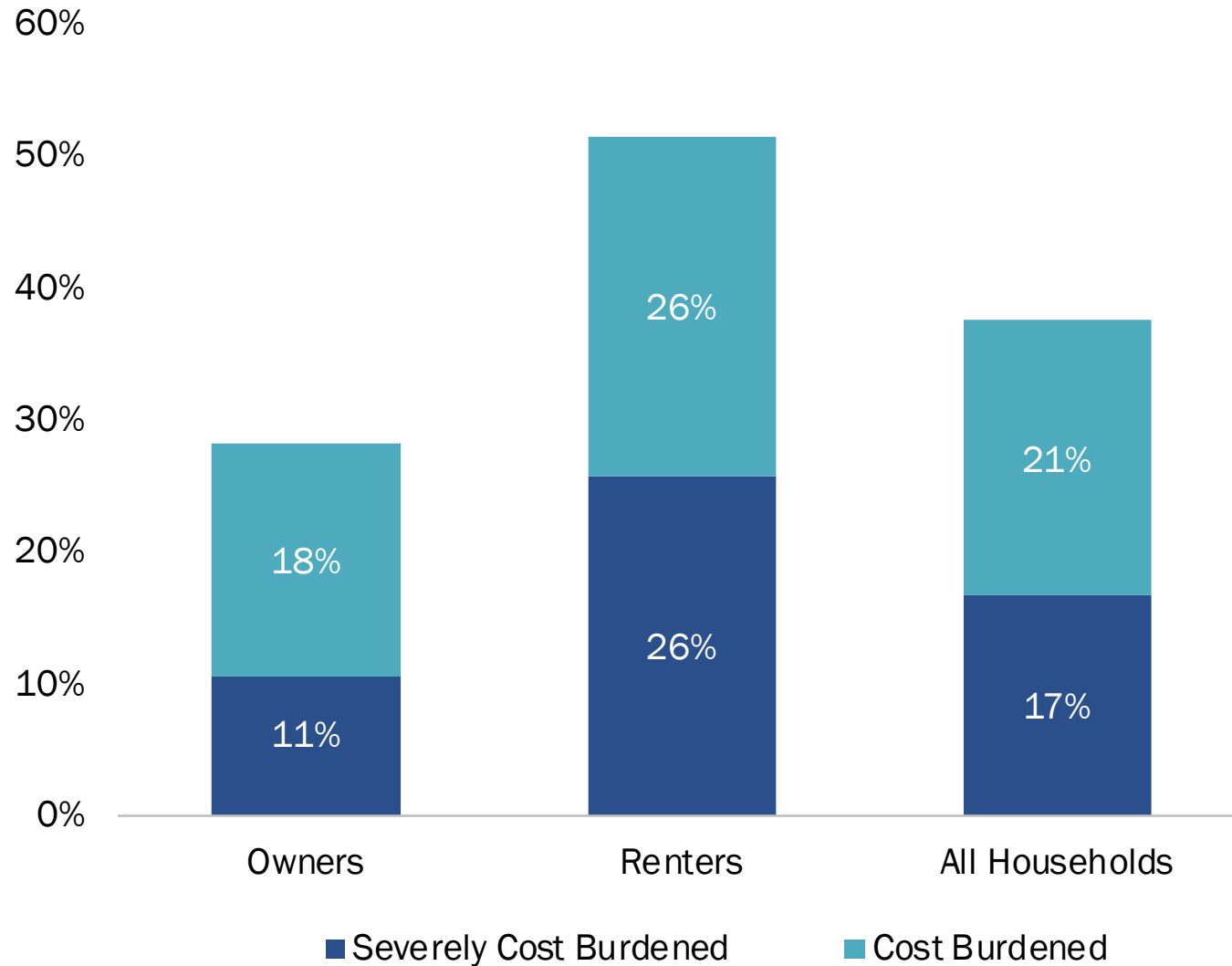
Cost burdened: spending more than 30% of income on housing costs

Severely cost burdened: spending more than 50% of income on housing costs



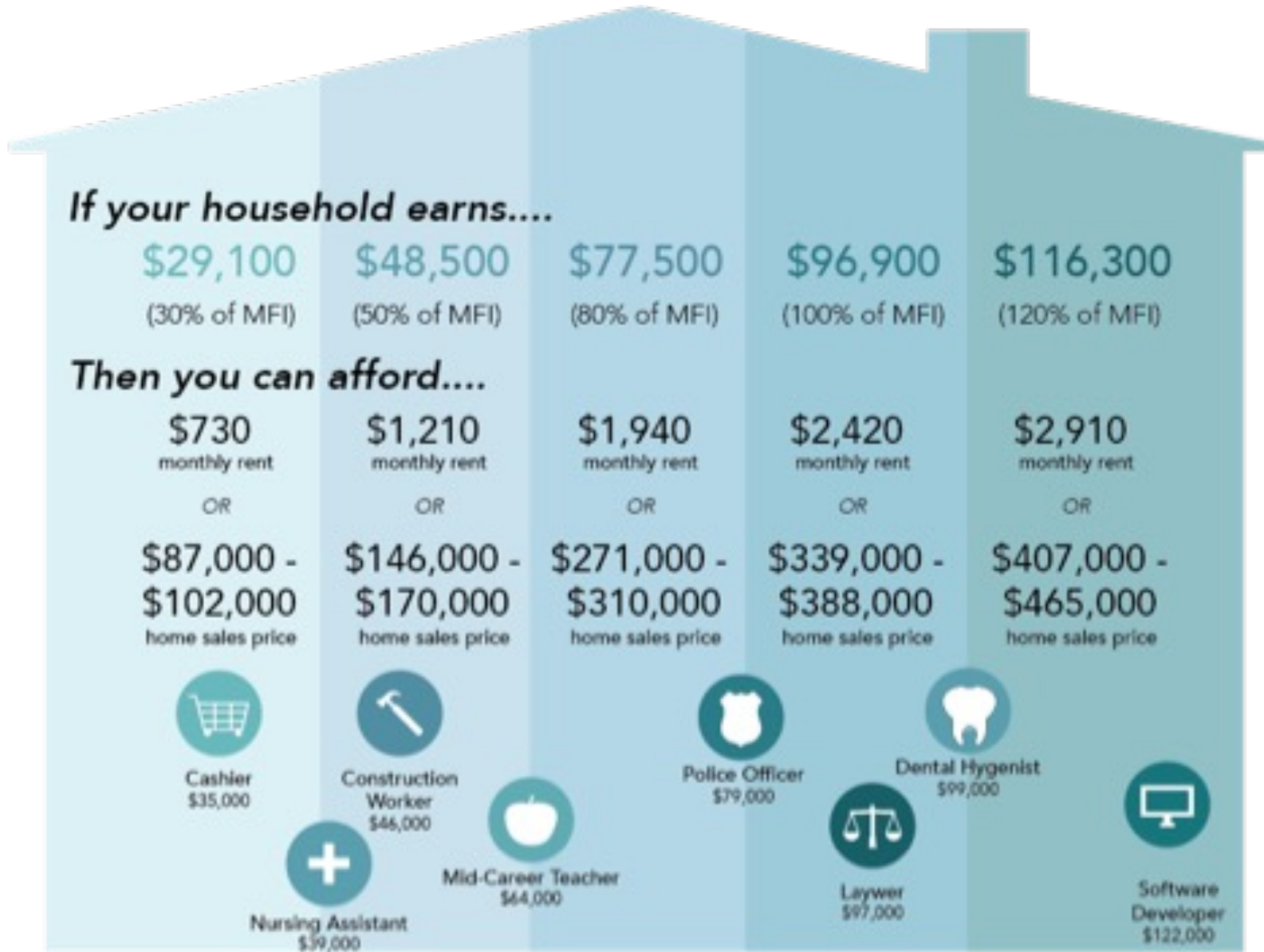
Source: U.S. Census, American Community Survey 2016-2020, Tables B25091 and B25070

Cost Burden by Tenure, Milwaukee



About 52% of Milwaukee's renters were cost burdened or severely cost burdened, compared to 29% of homeowners.

Financially Attainable Housing, Milwaukie



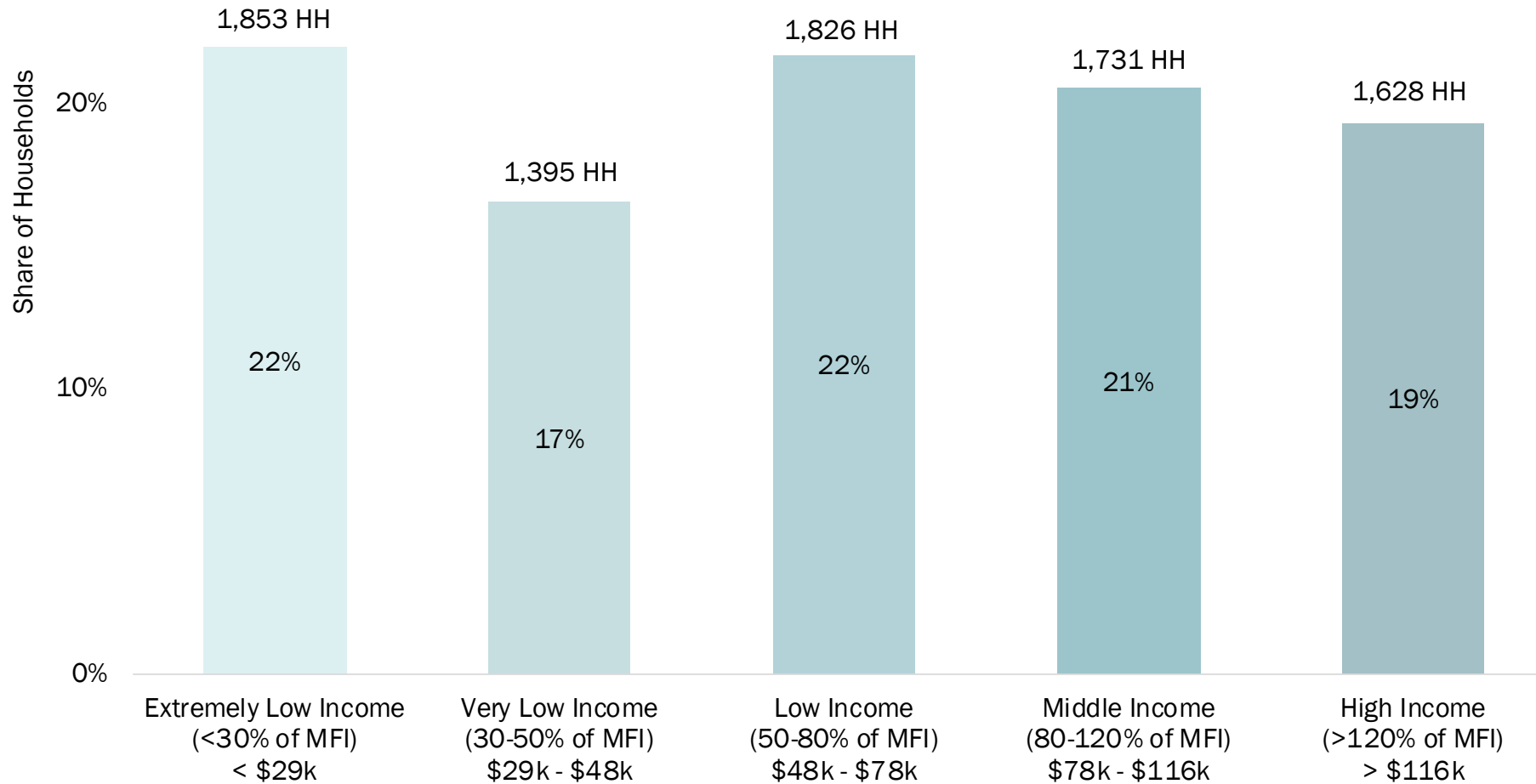
Median Home Sale Price: **\$525,000**
(Redfin)

Requires \$13,000 income (139% of MFI) to afford

Average Monthly Rent: **\$1,339** (not including utilities, 2-bedroom units, (CoStar))

Assuming \$250 per month in utilities (total of about \$1,590 in monthly cost), average rental housing costs requires \$63,000 income (65% of MFI) to afford)

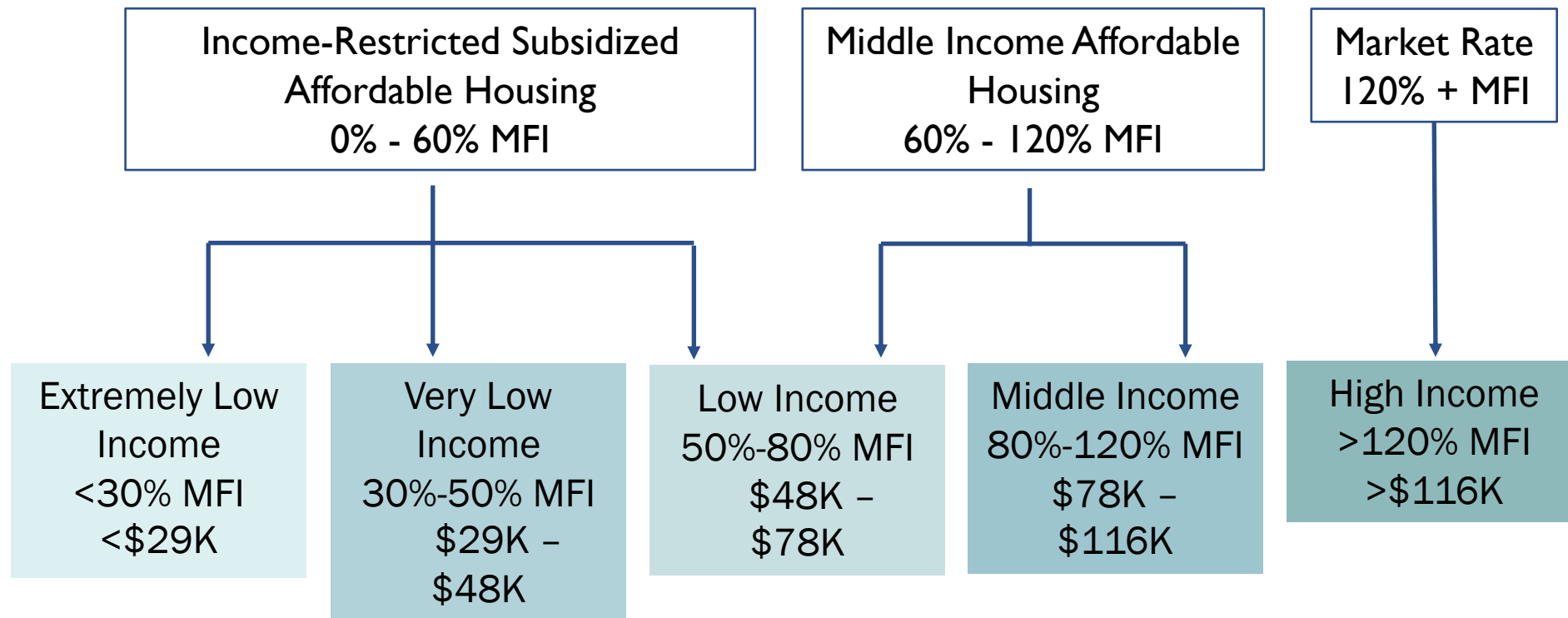
Existing Households by Income Level, Milwaukie



This chart is based on the HUD MFI for Clackamas County and the ACS household income distribution for Milwaukie.

Housing Affordability by Income Levels

The housing market cannot produce income-restricted, subsidized affordable housing and often does not produce middle income affordable housing without subsidy.



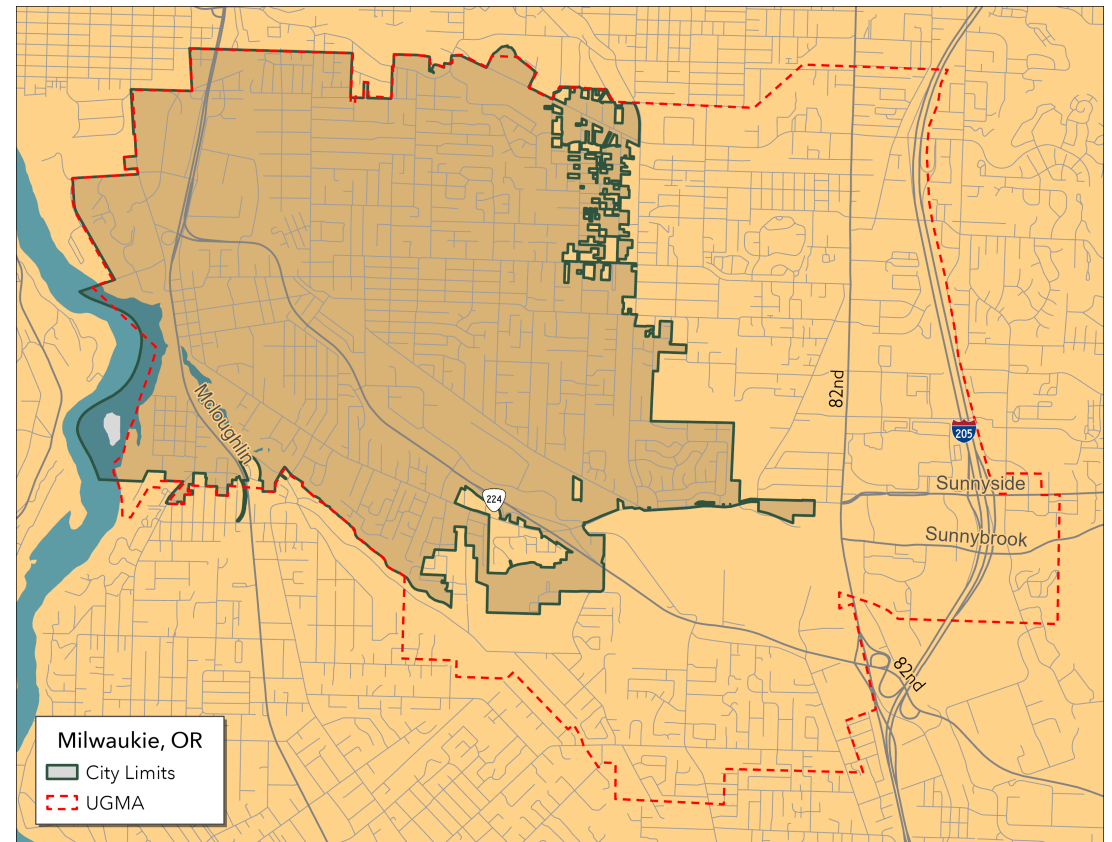


Preliminary Housing Forecast

Forecast of Housing Growth, Milwaukie UGB, 2022 to 2042

If Milwaukie grows as the Metro's 2045 Household Distributed Forecast predicts, then Milwaukie would add **11,230** new dwelling units within the city limits and **9,574** households within the UGMA.

Year	Household Forecast Milwaukie City Limits	Household Forecast Milwaukie UGMA
2023	9,559	8,613
2043	11,230	9,574
Change 2023 to 2043		
Number	1,670	961
Percent	17%	11%
AAGR	0.81%	0.53%



Implications for Housing Needs

- Regional and local affordability problems will drive need for more affordable housing, especially rental housing.
 - **38%** of households are cost burdened
 - **52%** of renter households are cost burdened
 - The average rental cost is unaffordable to half of Milwaukee's households
- Demographic trends suggest increases in demand for a wider range of housing types, for ownership and rental

What Types of Housing



Forecast of New Housing, 2023 to 2043

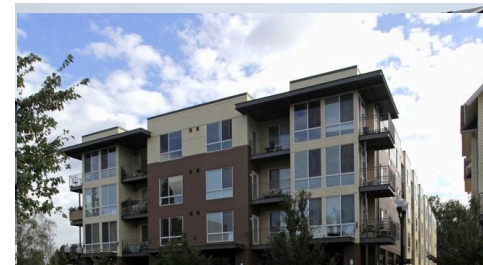
Milwaukie is forecast to add **1,670** new dwellings

Single Dwelling
Detached

Townhomes

Duplex, Triplex,
Quadplex

Multi
Dwelling
(5+ units)



668

New Units
(40%)

84

New Units
(5%)

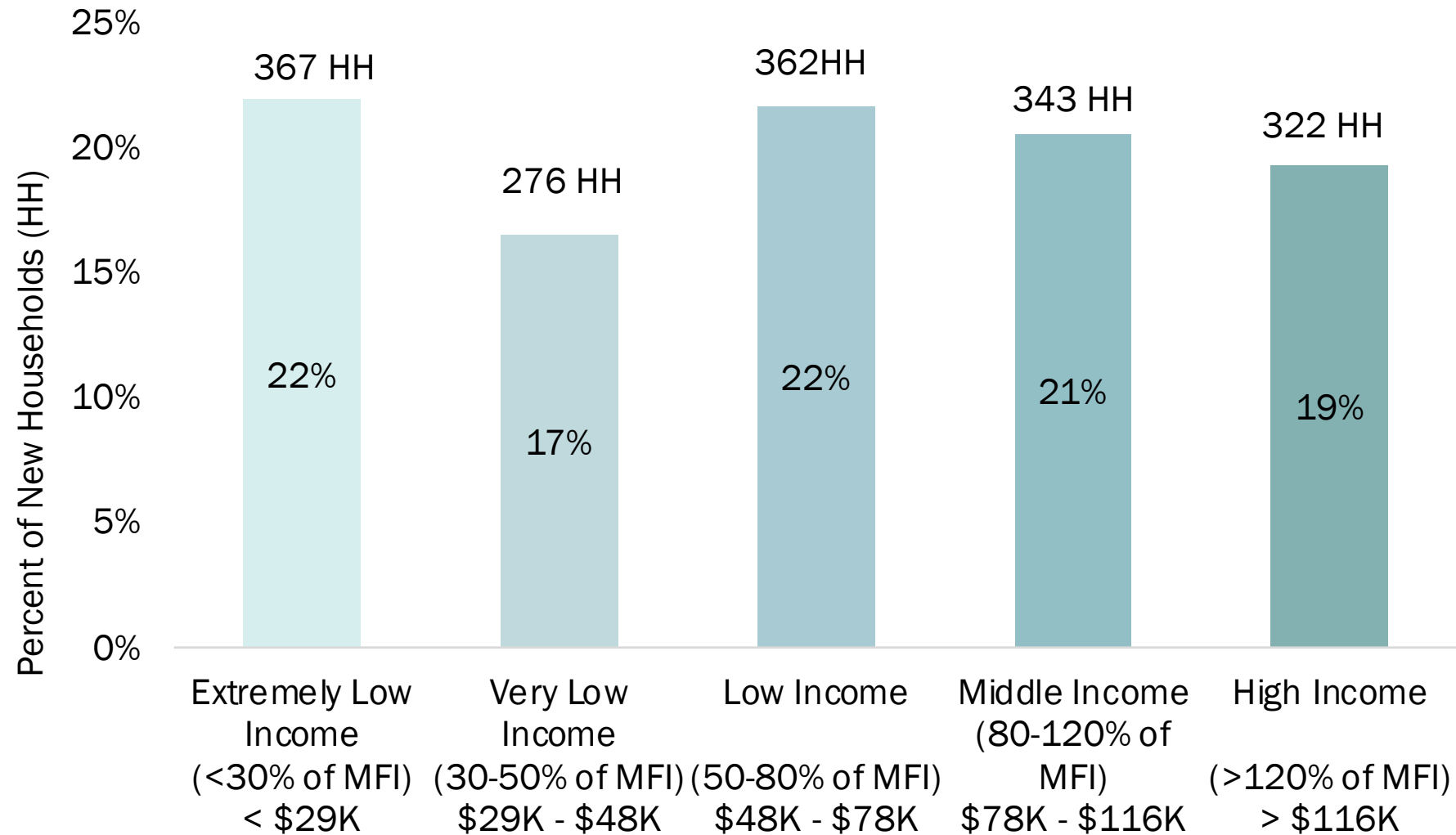
334

New Units
(20%)

585

New Units
(35%)

New Dwelling Units by Income in Milwaukee City Limits, 2023 to 2043



Source: 2015-2019 ACS, U.S. Census; PRC at PSU (2020-2040); and U.S. Department of HUD 2021 MFI.



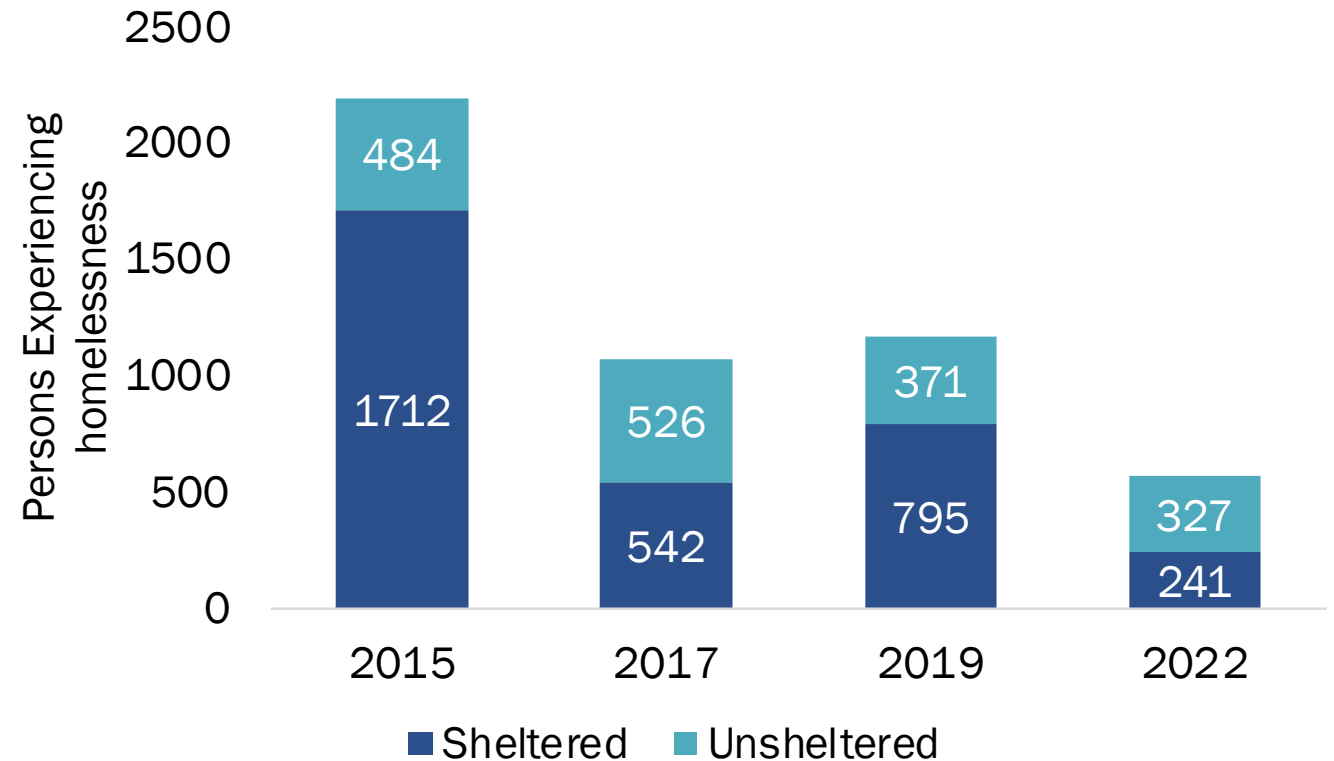
Implications for Housing Needs for the Housing Production Strategy



Housing Needs Often Differ by Group

- People experiencing homelessness:
 - Temporarily or chronically
 - Alone or with children
- Racial or ethnic groups
- People over 65 years old
- People with disabilities

Point-in-Time Homelessness Estimates, Clackamas County, 2015-2022



Source: Oregon Housing and Community Services.

Conclusion: Housing Need for People Experiencing Houselessness

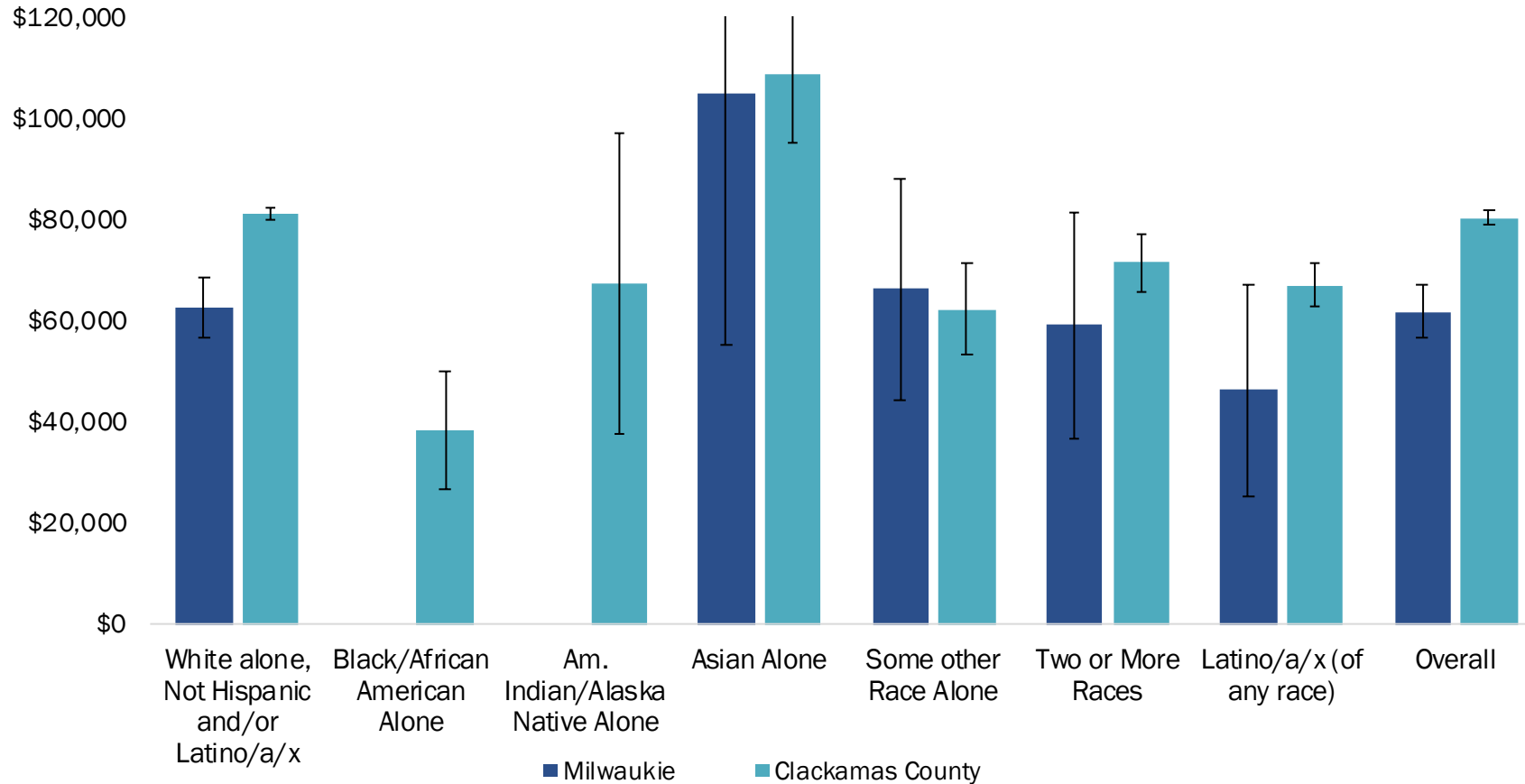
- Little data exists about the income of people experiencing houselessness
- Statewide income* for people experiencing houselessness is:
 - 89% have income below 30% of MFI
 - 8% have income of 30% to 50% of MFI
 - 3% have income of 50% to 80% of MFI
- People experiencing houselessness are unable to afford market-rate housing
- Unique housing need that varies by reason for houselessness
 - Emergency assistance, including rent support
 - Permanent supportive housing, with services
 - Access to an affordable unit

* Source: OHCS data from EHA/SHAP

From the Report *Implementing a Regional Housing Needs Analysis Methodology in Oregon: Approach, Results, and Initial Recommendations* by ECONorthwest, August 2020

Ability to Pay for Housing by Race and Ethnicity

Median Household Income by Selected Race and Ethnicity, 2015-2019



The largest racial and ethnic groups in Milwaukie are:

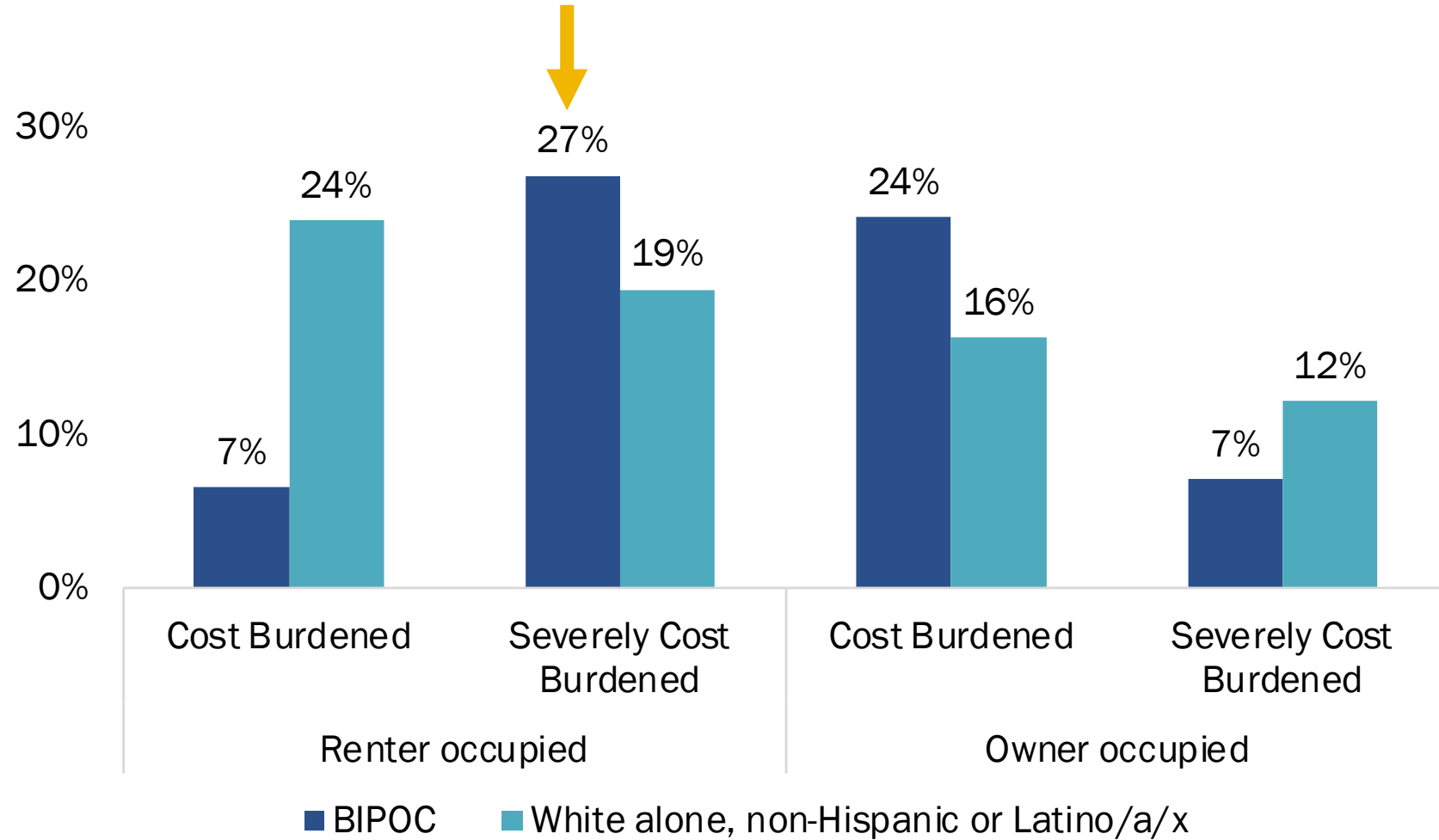
White alone: 17,449 people, 83% of population

Latino/a/x: 1,942 people, 9% of population

Source: U.S. Census, American Community Survey 2015-2019
 Note: Other races not included due to lack of data and / or high margins of error

Cost Burden by Race and Ethnicity, Milwaukee

Cost Burdened Households by Tenure and Race and Ethnicity, 2014-2018



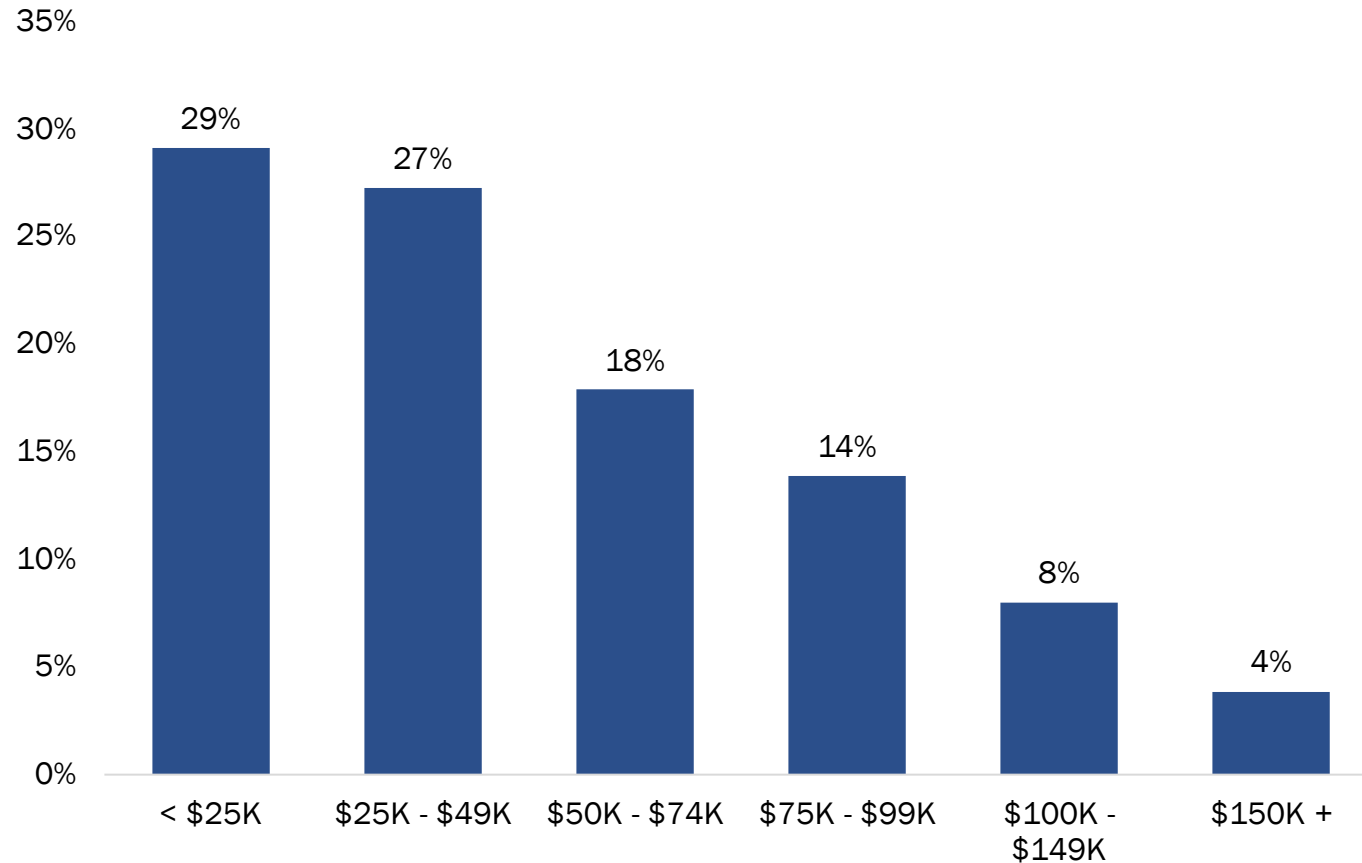
Source: CHAS 2014-2018, Table 9
Note: BIPOC includes Latino/a/x

Conclusion: Housing Need by Race and Ethnicity

- Racial and ethnic groups have disproportionate cost burden
 - In Milwaukie, households that identified as people of color (POC) were disproportionately cost burdened compared to the city's average.
 - Latino/a/x (any race) is the largest ethnic or racial Community of Color in Milwaukie (20% of the population). In many Oregon communities, Latino/a/x households have lower median incomes than the city's average.
- Unique housing need
 - Access to affordable unit
 - Access to housing in locations with “high opportunity,” such as access to jobs, transit, services, or high-quality education
 - Access to housing without discrimination
- Uncertain housing preferences
 - Do some racial or ethnic groups rent at higher rates because of preference or because of lack of affordable homeownership opportunities?

People Aged 65 Years and Older: Ability to Pay for Housing

Household Income by Age of Householder (Aged 65 Years and Older), Milwaukie, 2015-2019



In Milwaukie, median household income for people over 65 years is 81% of the overall average.

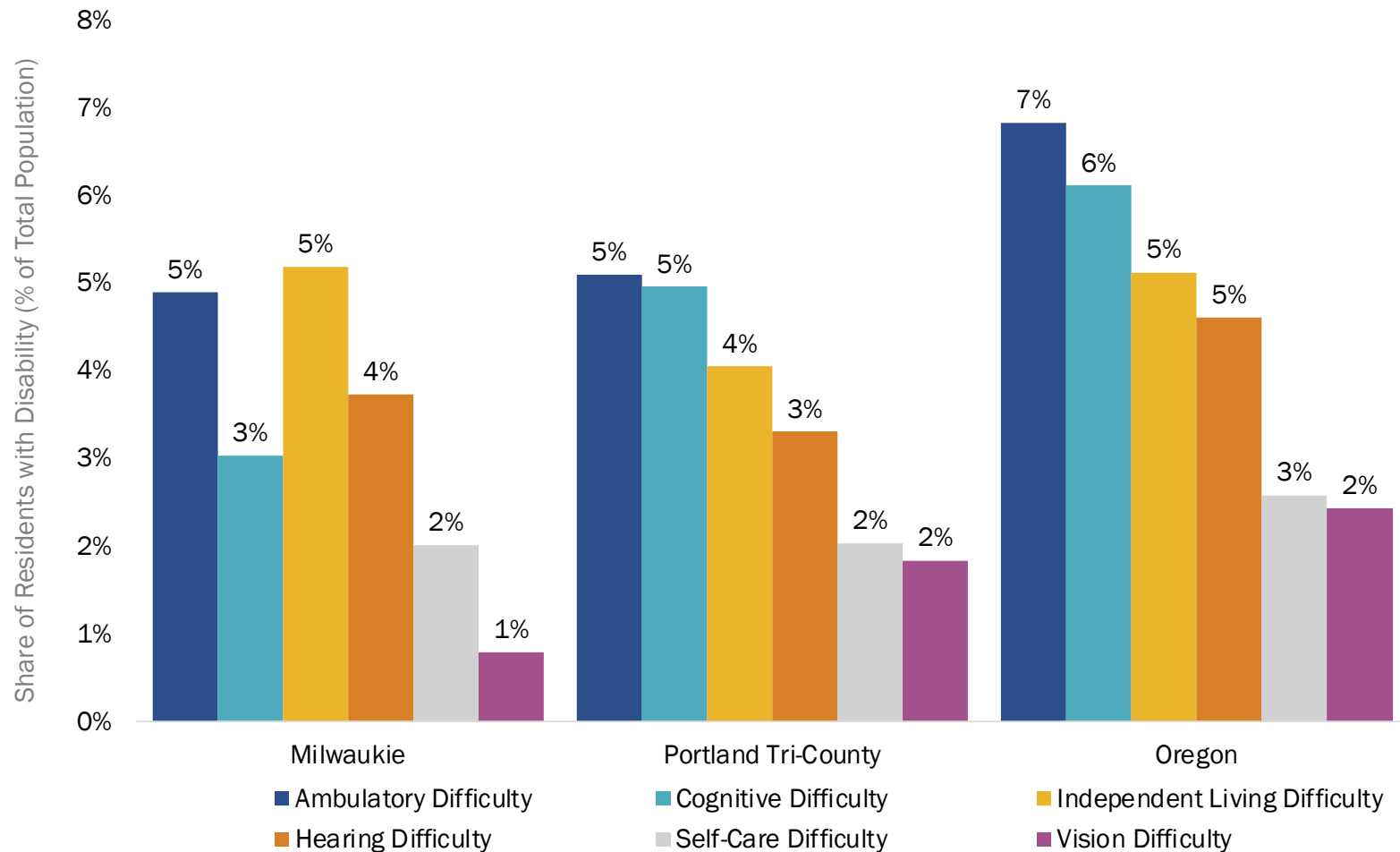
Conclusion: Housing Need for People 65 Years and Older

- People 65 years of age and older are disproportionately cost burdened
 - 62% in the Portland Metro Region* are cost burdened
 - 3,435 people are over 65 years of age in Milwaukie and forecast to grow.
- Unique housing need that varies for seniors
 - Physically accessible housing
 - Access to affordable unit
 - Access to housing with needed services
 - Access to housing without discrimination

*From the Report *Implementing a Regional Housing Needs Analysis Methodology in Oregon: Approach, Results, and Initial Recommendations* by ECONorthwest, August 2020

Persons with a Disability

Share of Persons with a Disability by Type (% of Total Population), 2015-2019



Nearly 17% of Milwaukie's population has one or more disabilities.

Source: 2015-2019 American Community Survey, U.S. Census, Table K201803

Conclusion: Housing Need for People with a Disability

- People with a disability have disproportionate cost burden
 - 53% in the Portland Metro Region* are cost burdened
 - In Milwaukie, 1,973 residents have one or more disabilities and likely to grow with an aging population.
- Unique housing need that varies by disability
 - Physically accessible housing
 - Access to affordable unit
 - Access to housing with needed services
 - Access to housing without discrimination

*From the Report *Implementing a Regional Housing Needs Analysis Methodology in Oregon: Approach, Results, and Initial Recommendations* by ECONorthwest, August 2020

- Refine HCA
- Develop buildable land inventory
- Begin redevelopment analysis
- HCTC Meeting #3: August 11 @ 6 PM



THANK YOU!



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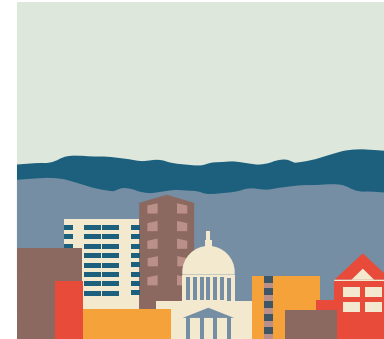
Los Angeles



Portland



Seattle



Boise