



City of Wilsonville

2025—2045 Housing Needs and Capacity Analysis

March 2025

Prepared for: City of Wilsonville

DRAFT REPORT

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Executive Summary

Wilsonville is an attractive residential destination in the Portland metro region, strategically located between Portland and Salem. This positioning offers residents proximity to both urban centers while providing access to rural landscapes, outdoor recreational opportunities, and wine country. Between 2000 and 2022, the city more than doubled in population, outpacing the growth rate of both the Portland region and the state. This growth has been fueled by well-planned communities that offer a diverse mix of housing types. Wilsonville's appeal is further enhanced by its local job market, providing employment opportunities within city limits.

Consistent with state and national trends, many Wilsonville residents continue to experience challenges with housing affordability despite the city having a diversity of housing types and a greater share of multifamily than seen in many other parts of the Portland metro region. Over the past decade, housing costs outpaced growth in incomes. The median home sales price in Wilsonville increased 72% from 2014 to 2024. Multifamily rents rose 58% from 2013 to 2023. Household income increased at a slower rate, by 29% between 2014 and 2022 (not adjusted for inflation). In 2022, 38% of all households in Wilsonville were cost burdened. Cost burden was most common among renters, with 55% of renters experiencing cost burden—29% of which were severely cost burdened.

What Is Cost Burden?

A household is defined as cost burdened if their housing costs exceed 30% of their gross income.

A household that spends 50% or more of their gross income on housing costs is said to be severely cost burdened.

Wilsonville last conducted a housing capacity analysis in 2014 (called the Residential Lands Study) and has implemented the recommendations from that report. Since the previous housing capacity analysis, the city has also experienced substantial housing growth, particularly in the Villebois and Frog Pond neighborhoods. Strong housing growth combined with increasing housing prices across the Portland region makes it an opportune time for Wilsonville to update its Housing Needs and Capacity Analysis (HNCA). This update aligns with Wilsonville’s forward-thinking approach to urban planning and meets the state’s timeline for this work. The new HNCA will enable the City to effectively plan for its housing needs over the next two decades, ensuring Wilsonville continues to address evolving housing needs and challenges proactively.

This report presents Wilsonville’s HNCA for the 2025 to 2045 period. It is intended to comply with statewide planning policies that govern planning for housing and residential development, including Goal 10 (Housing) and OAR 660 Division 8. This report focuses on the technical analysis to understand Wilsonville’s housing needs over the next twenty years. It presents information about buildable land and the capacity to meet residential housing needs in Wilsonville, as well as expected housing growth. It provides decision-makers with the necessary information to develop policy responses to Wilsonville’s housing needs.

This report distinguishes between housing *need* and housing *demand*. Goal 10 requires that communities plan for housing that meets the needs of households at all income levels, considering the demographics of people living in Wilsonville. Housing *need* focuses on access to housing that is affordable to each household, assuming that housing costs are less than 30% of a household's gross income, a definition used by the Department of Housing and Urban Development (HUD). Housing market *demand* is what households demonstrate they are willing to purchase in the marketplace regardless of whether they can afford the housing based on HUD's standard for affordability.

The technical analysis, which is the focus of this report, required a broad range of assumptions that influenced the outcomes. The City of Wilsonville and ECONorthwest solicited input about these assumptions from the City's Housing Our Future Task Force, Planning Commission, City Council, and the public. Local review and community input were essential to developing a locally appropriate and politically viable Housing Needs and Capacity Analysis that will feed into Wilsonville's Housing Production Strategy report.

How much housing will Wilsonville need?

Based on Metro's forecast, Wilsonville needs to plan for 2,815 new dwelling units (or about 141 new dwelling units per year) over the 20-year planning period to accommodate the city's forecasted household growth. This is a slower rate of growth than Wilsonville experienced over the past decade. Between 2013 and 2023, the City issued an average of 222 permits per year.

For planning purposes, the proposed housing mix includes 45% single-family detached homes, 15% townhouses, 5% duplexes, triplexes, and quadplexes, and 35% multifamily housing with five or more units in each structure. The distribution aligns with Wilsonville's historical housing mix and aligns with the City's anticipated need for a diverse range of housing types across various price points, described in more detail in the key findings section below.

How much buildable residential land does Wilsonville currently have?

Wilsonville has 269 acres of unconstrained vacant or partially vacant land, much of which is in the master-planned areas of Frog Pond (about 198 acres). Additionally, the City expects Town Center to redevelop over the 20-year planning period as outlined in the Town Center Plan. When combining the capacity of the unconstrained vacant and partially vacant land with the expected redevelopment in Town Center, the City is anticipated to have capacity for more than 3,634 new dwelling units.

It is important to note that while this document provides specific projections for housing development and capacity, actual development outcomes will vary. Town Center's redevelopment is complex due to existing structures and infrastructure, which could result in fewer or more units than the 880 anticipated capacity over the planning period. Frog Pond East and South, being a greenfield site, offers more straightforward development potential. However, actual build-out may differ from that projected in the master plans (and shown in this

report). Factors such as development feasibility, market conditions, and developer interest will influence the final number of units constructed. These projections serve as guidelines, acknowledging that real-world conditions may lead to outcomes that deviate from our current estimates. The city will need to remain flexible and responsive to these potential variations in development patterns.

What are the key findings of the Housing Needs and Capacity Analysis?

The key findings and conclusions of Wilsonville's Housing Needs and Capacity Analysis are:

- **Based on Metro's forecast for growth, Wilsonville has sufficient land to accommodate household growth over the 20-year planning period.** Metro's forecast projects that household growth will result in the demand for 2,815 new dwelling units between 2025 and 2045, averaging 141 new dwelling units annually. Wilsonville's vacant land and areas with active master plans have capacity for about 3,634 new dwelling units.

Wilsonville has the largest supply of vacant and unconstrained land in the master-planned areas of Frog Pond East and South with an expected capacity to accommodate 1,587 units (as outlined in the Frog Pond East and South Master Plan). To accommodate Metro's forecast of growth, two-thirds of this capacity would need to develop over the 20-year planning period. Town Center is expected to redevelop over the planning period with 880 new residential units (as outlined in the Town Center Plan). The City's ability to accommodate multifamily growth will depend, in part, on redevelopment in Town Center.

- **Wilsonville's household growth may exceed Metro's forecast.** Since 2014, the City has been tracking development activity through annual housing reports, as recommended in the 2014 housing needs analysis (called the Residential Lands Study). That study projected a demand for 3,749 new housing units between 2014 and 2034. As of 2023, approximately 55% of this forecast has occurred in the last nine years, indicating slightly faster growth than anticipated.

Development slowed in the past five years and may remain lower in the near term due to high interest rates and difficulties with financing multifamily development. The current HNCA estimates that Wilsonville has capacity for 3,634 new dwelling units and demand for 2,815 over the 2025-2045 planning period. The result is that Wilsonville has an anticipated surplus of about 819 dwelling units, surpassing the forecast of housing growth over the next twenty years. That surplus provides the ability to accommodate additional housing if Wilsonville grows faster than Metro's forecast.

Wilsonville will be required to update its HNCA in 2031 and every six years thereafter. This regular review process is crucial, as it allows the City to revise estimates and, if necessary, pursue additional land with Metro should growth outpace expectations. The City should maintain its practice of monitoring development activity and housing needs. Furthermore, as Oregon implements the new Oregon Housing Needs Analysis (OHNA) process, cities will receive new housing targets that consider the needs of

various demographic groups. Wilsonville's annual housing reports will play a vital role in ensuring compliance with new state laws and in identifying and implementing timely strategies to meet the evolving housing needs of its residents.

- **Diverse demographic trends are shaping Wilsonville's housing needs.** Wilsonville has an aging population, which is driving demand for senior-specific housing. Simultaneously, Wilsonville has a higher share of young adults than the region, influencing demand for rentals and affordable homeownership options. The city has a smaller average household size than the county and state but a higher share of households with children. A growing Latino/Hispanic population is expected to increase demand for affordable larger units suitable for multigenerational living. These varied trends necessitate a wide range of housing types. These trends and their implications are described in more detail below:

- **Aging Population.** Wilsonville's aging population mirrors statewide patterns. Between 2010 and 2021, the number of residents aged 60 and over increased by 1,648, a 47% growth. This age group now comprises 20% of Wilsonville's population, up from 18% in 2010.

The trend is expected to continue, with residents aged 60 and over projected to make up 29% of Clackamas County's population by 2040 compared to 27% in 2020. This demographic shift will drive demand for senior-specific housing options, such as small and easy-to-maintain dwellings, single-story dwellings, cottage housing, assisted living facilities, and age-restricted developments.

- **Younger Adult Households (Millennials and Gen Z).** Wilsonville has a higher share of young adults (20-39 years old) than the region and state. This demographic is more likely to rent early in their life cycle, driving demand for multifamily rental units. Affordability is a major concern for these generations. As young adults pursue homeownership, they will likely seek more affordable options such as smaller single-family detached homes, cottage cluster housing, middle housing types (townhouses, duplexes, triplexes, quadplexes), and multifamily housing. These housing types are often more affordable than traditional single-family detached homes and can provide a stepping stone to homeownership for younger residents.
- **Household Composition.** Wilsonville has a smaller average household size than Clackamas County and the state, with a higher share of one- and two-person households. These smaller households will increase the need for smaller housing units.

Despite smaller household sizes, Wilsonville also has a higher share of households with children than the region and state, including a higher proportion of single-parent households. Single-parent households in particular may face affordability concerns.

- **Latino/Hispanic Population Growth.** The growing Latino/Hispanic population in Wilsonville will influence housing needs. First-generation Hispanic/Latino

immigrants (and, to a lesser extent, second- and third-generation Hispanic/Latino immigrants) are more likely to have larger household sizes. Hispanic/Latino households are also twice as likely to live in multigenerational households and are more likely to have lower incomes than the overall median. This demographic trend will drive demand for larger dwelling units that are affordable for lower-income households. These homes need to be designed to meet the needs of diverse populations, including features that support multigenerational living arrangements.

- **Wilsonville has affordability challenges that require diverse housing solutions.** Wilsonville has a lower median household income than the region. Housing costs have been rising faster than incomes, consistent with state and national trends, decreasing housing affordability in Wilsonville and across the state. Thirty-eight percent of households in Wilsonville are cost burdened, with renter households more likely to face this challenge. This pattern of cost burden, particularly among renters, aligns with broader trends observed at the state and national levels. Decreasing housing affordability indicates that Wilsonville needs a wider range of housing price points than currently available. This includes providing opportunities for developing housing types across the affordability spectrum, including income-restricted housing and other lower-cost housing types such as accessory dwelling units, townhouses, duplexes, triplexes, quadplexes, and multifamily buildings with five or more units.
- **Wilsonville will need more income-restricted affordable housing.** Currently, about 42% of Wilsonville households (approximately 4,400) have incomes below 60% of Clackamas County's median family income (MFI). These households are the most vulnerable to experiencing cost burden. Looking ahead, Wilsonville expects approximately 1,180 additional households in this income range over the next 20 years. At present, Wilsonville has about 635 income-restricted affordable rental units. Given the high proportion of current and projected low-income households, Wilsonville will need to increase its stock of income-restricted affordable housing to adequately address housing affordability needs.
- **Wilsonville's housing mix is expected to shift to address the changing demographic needs and affordability concerns.** As of 2021, Wilsonville's housing stock consisted of 43% single-family detached homes, 10% townhouses, 5% other middle housing (duplexes, triplexes, quadplexes), and 42% multifamily units. Between 2013 and 2023, 2,217 new units were permitted in the city, 73% of which were for single-family detached units, 17% for townhouses, and 10% for multifamily units. Looking ahead, Wilsonville projects a future housing mix of 45% single-family detached homes, 15% townhouses, 5% duplexes, triplexes, and quadplexes, and 35% multifamily units. This distribution represents a shift from the 2013-2023 trends and the 2014 housing needs analysis, which planned for 50% single-family detached homes and 10% townhouses. This shift responds to demographic changes and affordability issues, with townhouses expected to gain market share as detached homes become less affordable. The implementation of House Bill 2001, allowing middle housing in traditionally single-family zones, should further diversify options, especially in areas like Frog Pond.

What are the City's next steps?

The City of Wilsonville Housing Needs and Capacity Analysis (this report) examines how household choices and the housing market have interacted in the Portland region, Clackamas County, and Wilsonville. It provides an overview of Wilsonville's current residential land inventory, demographics, market trends, housing demand, and need for housing that is affordable to allow people to live and work in Wilsonville. The report also forecasts residential land needs for 2025 to 2045 and assesses whether current land and zoning are sufficient to meet these projected land needs.

Following this analysis, the City will develop a Housing Production Strategy (HPS), which is a six-year action plan to address Wilsonville's unmet housing needs. The HPS will dig deeper into housing needs by demographic groups than is done in the HNCA. It will outline policies and strategies to support housing development and preservation, with a focus on achieving equitable outcomes for all residents. It will emphasize improving conditions for underserved communities, lower-income households, and state and federal protected classes. These strategies will provide the City with a range of tools to support housing development and address housing needs in Wilsonville.

1. Introduction

Consistent with state and national trends, many Wilsonville residents continue to experience challenges with housing affordability despite the city having a diversity of housing types and a greater share of multifamily than seen in many other parts of the Portland metro region. From 2000 to 2022, the percentage of cost-burdened households increased from 31% to 38% (Exhibit 58). Renters were disproportionately impacted, with 55% experiencing cost burden in 2022 (Exhibit 60). In Wilsonville, growth of housing costs outpaced growth in incomes. Between January 2014 and January 2024, the median home sales prices increased 72% (Exhibit 51). Multifamily asking rents increased by 58% between 2013 and 2023 (Exhibit 54). Household income increased at a slower rate, by 29% between 2014 and 2022 (not adjusted for inflation) (Exhibit 39). The challenge of housing affordability is consistent with state and national trends.

Wilsonville last conducted a housing capacity analysis in 2014 (called the 2014 Residential Land Study). Since then, there has been substantial housing growth, particularly in the Villebois and Frog Pond neighborhoods. The Villebois neighborhood added just over 1,400 new housing units since 2013. Initial housing construction as outlined in the Villebois Master Plan is almost complete. Frog Pond is, and will continue to be, an area of strong housing growth for the City. The Frog Pond West Master Plan was adopted in 2017, and the Frog Pond East and South Master Plan was adopted in 2022. About 271 units have been built in the Frog Pond area since 2017, with more units in the development pipeline.

Wilsonville's decision to update its Housing Needs and Capacity Analysis (HNCA) comes at an opportune time. Housing prices in the Portland region have continued to rise, leading to affordability concerns for many residents. The City's previous housing capacity analysis is now 10 years old, and Wilsonville has implemented all the recommendations from that analysis.

2014 RESIDENTIAL LAND STUDY POLICY RECOMMENDATIONS

The 2014 Residential Land Study included policy recommendations to guide Wilsonville's housing planning efforts. The City has since implemented these recommendations, strengthening its ability to address housing needs effectively.

Completed actions include:

- » Incorporating housing needs and state requirements into the Frog Pond Area Plan
- » Updating the Town Center vision and master plan
- » Developing a monitoring program to help the City understand housing need and how fast land is developing
- » Coordinating with Metro to bring Advance Road (Frog Pond East and South) into the UGB
- » Adopting code amendments to:
 - » Allow duplexes in all PDR zones
 - » Add clear and objective review for housing in the Old Town Overlay Zone
 - » Add clear and objective Site Design Review process for new multifamily development

The new HNCA, covering 2025 to 2045, aligns with Oregon's statewide planning policies, including Goal 10 (Housing) and OAR 660 Division 8. It provides decision-makers with current data on the housing market and community needs and an assessment of whether the city has sufficient land for 20-year growth projections. This analysis provides decision-makers with the information needed to develop policy responses to Wilsonville's housing needs.

Framework for a Housing Needs and Capacity Analysis

The City of Wilsonville Housing Needs and Capacity Analysis (this report) examines how household choices and the housing market have interacted in the Portland region, Clackamas County, and Wilsonville. It provides an overview of Wilsonville's current residential land inventory, demographics, housing needs, and affordability issues. The report also forecasts housing needs for 2025 to 2045 and assesses whether current land and zoning are sufficient to meet these projected needs.

Following this analysis, the City will develop a Housing Production Strategy (HPS), a six-year action plan to address Wilsonville's unmet housing needs as identified in the HNCA. The HPS will dig deeper into housing needs by demographic groups than is done in the HNCA. It will outline policies and strategies to support housing development and preservation, with a focus on achieving equitable outcomes for all residents. It will emphasize improving conditions for underserved communities, lower-income households, and state and federal protected classes. These strategies will provide the City with a range of tools to support housing development and address housing needs in Wilsonville.

Statewide Planning Goal 10

The passage of the Oregon Land Use Planning Act of 1974 (ORS Chapter 197) established the Land Conservation and Development Commission (LCDC) and the Department of Land Conservation and Development (DLCD). The act required the Commission to develop and adopt a set of statewide planning goals. Goal 10 addresses housing in Oregon and provides guidelines for local governments to follow in developing their local comprehensive land use plans and implementing policies.

At a minimum, local housing policies must meet the requirements of Goal 10 and the statutes and administrative rules that implement it (including ORS 197A.335, 197A.348, 197A.350, 197A.400, and OAR 600-008). Goal 10 requires incorporated cities to complete an inventory of buildable residential lands. Goal 10 also requires cities to plan for the numbers of housing units in price and rent ranges commensurate with the financial capabilities of its households.

Goal 10 defines needed housing types as “all housing on land zoned for residential use or mixed residential and commercial use that is determined to meet the need shown for housing within an urban growth boundary (UGB) at price ranges and rent levels that are affordable to households within the county with a variety of incomes, including but not limited to

households with low-incomes, very low-incomes and extremely low-incomes.” ORS 197A.348 defines needed housing types:

- (a) Attached and detached single-family housing, middle housing types, and multifamily housing for both owner and renter occupancy.
- (b) Government-assisted housing.¹
- (c) Mobile home or manufactured dwelling parks as provided in ORS 197.475 to 197.490.
- (d) Manufactured homes on individual lots planned and zoned for single-family residential use that are in addition to lots within designated manufactured dwelling subdivisions.
- (e) Housing for farmworkers.
- (f) Single-room occupancies as defined in ORS 197A.430.

Wilsonville must identify needs for all the housing types listed above as well as adopt policies that increase the likelihood that needed housing types will be developed. This Housing Needs and Capacity Analysis was developed to meet the requirements of Goal 10 and its implementing administrative rules and statutes.

This report distinguishes between housing *need* and housing *demand*.

- **Housing need.** Goal 10 requires communities to plan for housing that meets the needs of households at all income levels, considering the demographics of people living in Wilsonville. Housing need focuses on access to housing that is affordable to each household, assuming that housing costs are less than 30% of a household’s gross income, a definition used by the Department of Housing and Urban Development (HUD). Since everyone needs shelter, Goal 10 requires that a jurisdiction address, at some level, how every household will be affected by the housing market over a 20-year period. Households with unmet needs do not generally include households that can purchase or rent housing at an “affordable” price, consistent with the requirements of their household characteristics (e.g., household size or disability status). Households that cannot find and afford such housing have unmet need: they are either unhoused, in housing of substandard condition, overcrowded, or paying more than they can afford per federal standards.
- **Housing demand.** Housing market *demand* is what households demonstrate they are willing to purchase in the marketplace regardless of whether they can afford the housing based on HUD’s standard for affordability. Growth in population means growth in the number of households and implies an increase in demand for housing units. The private sector has primarily met this demand by building new housing units based on its judgments about the types of housing that will be absorbed by the market. In concept,

¹ Government-assisted (income-restricted) housing can be any housing type listed in ORS 197A.348 (a).

recent development trends typically describe the effective demand for new housing: it is the local equilibrium of demand factors, supply factors, and price.

This HNCA provides information about the City's housing needs, focusing on (1) whether the City's buildable residential land has sufficient capacity to accommodate Metro's forecast of housing growth for Wilsonville and (2) providing information to identify unmet housing needs based on affordability and socioeconomic characteristics of Wilsonville's population. Following this analysis, the City will develop a Housing Production Strategy (HPS) that will use the information from this report, especially information about unmet housing needs, to identify actions that the City can take to address the unmet needs. Many of the socioeconomic characteristics that describe unmet housing needs, such as affordability by income or housing need of historically marginalized communities, are addressed in more detail in the HPS.

Upcoming Changes to Goal 10

The State of Oregon is developing a new approach to implementing Goal 10 through the Oregon Housing Needs Analysis (OHNA) Program, per the requirements of House Bill 2001 (2023). The new methodology for forecasting growth of housing will begin to be available by January 2025. The Department of Land Conservation and Development (DLCD) is developing new rules for a housing needs and capacity analysis (this report), which will be available by January 2026.

This report is based on the rules for conducting a housing needs and capacity analysis in 2024 because Wilsonville is required by the State to complete and adopt its housing needs and capacity analysis by December 2025. When Wilsonville conducts a new housing needs and capacity analysis in 2031, the City will use the Oregon Housing Needs Analysis Program methodology.²

During development of this report, DLCD is developing the new rules for the OHNA Program, which is bringing additional focus to areas where the current rules governing an HNCA have gaps or room for improvement, such as:

- **Forecasting need for housing based on population forecasts.** The current rules for developing a housing need and capacity analysis start with Metro's forecast for new dwelling units. The OHNA Program addresses some of the issues with this approach. In particular, the OHNA will include a targeted forecast of future housing need that accounts for population growth, historical underproduction of housing, use of housing for second homes, and unmet needs of people experiencing homelessness.
- **Assuming future housing needs will reflect the current income distribution in Wilsonville.** Under the current rules, cities are allowed to assume that future housing need will be similar to the existing income distribution of its households. The OHNA Program requires cities to use the regional income distribution (for Clackamas,

² For more information about the Oregon Housing Needs Analysis Program rulemaking, see the following web page: <https://www.oregon.gov/lcd/Housing/Pages/Rulemaking.aspx>

Washington, and Multnomah Counties), accounting for housing needs resulting from underproduction and unmet needs of people experiencing homelessness. This results in an OHNA target for housing affordable at below 30% of area median income (AMI), 30-60% of AMI, 60-80% of AMI, 80-120% of AMI, and 120% of AMI and above. This change requires all cities in the metro region to plan for housing affordable at all income levels. Currently, some cities in the region are making fewer plans to accommodate lower-income households compared to others.

- **Focusing on housing types.** Under the current rules, cities use historical trends to forecast future housing needs by housing types. Under the OHNA Program, cities will be required to consider housing types, characteristics, and locations of needed housing. That may require cities to consider the relative affordability of different housing types, as well as characteristics such as visitability, accessibility, and location (e.g., in mixed-use areas served by transit).
- **Integrating Fair Housing.** Currently, Goal 10 does not explicitly integrate the concept of Affirmatively Furthering Fair Housing (AFFH). The OHNA Program integrates AFFH into the analysis of housing need and into the HPS actions that respond to unmet needs.

The OHNA Program will not solve all the deficiencies with forecasting future housing needs. Data limitations will still exist, especially for smaller cities like Wilsonville where there is not sufficient data available to describe the full range of housing needs by demographic characteristics, such as age or ethnicity. Those issues will still need to be addressed through qualitative data gathering (i.e., interviews or other discussions), analysis, and policymaking.

While the OHNA Program rules were not used in development of this HNCA or the Wilsonville Housing Production Strategy, the new rules will be in place when Wilsonville next updates its HNCA and Housing Production Strategy in 2031.

The Metropolitan Housing Rule

OAR 660-007 (the Metropolitan Housing rule) is designed to “assure opportunity for the provision of adequate numbers of needed housing units and the efficient use of land within the Metropolitan Portland (Metro) urban growth boundary.” OAR 660-0070-005(12) provides a Metro-specific definition of needed housing:

"Needed Housing" is defined as housing types determined to meet the need shown for housing within an urban growth boundary at particular price ranges and rent levels.

The Metropolitan Housing rule also requires cities to develop residential plan designations:

(1) Plan designations that allow or require residential uses shall be assigned to all buildable land. Such designations may allow nonresidential uses as well as residential uses. Such designations may be considered to be "residential plan designations" for the purposes of this division. The plan designations assigned to

buildable land shall be specific so as to accommodate the varying housing types and densities identified in OAR 660-007-0030 through 660-007-0037.

OAR 660-007 also specifies the mix and density of new residential construction for cities within the metro UGB:

“Provide the opportunity for at least 50 percent of new residential units to be attached single family housing or multiple family housing or justify an alternative percentage based on changing circumstances” OAR 660-007-0030 (1).

OAR 660-007-0035 sets specific density targets for cities in the metro UGB. Wilsonville’s average density target is eight dwelling units per net buildable acre.³

Metro Urban Growth Management Functional Plan

The Metro Urban Growth Management Functional Plan describes the policies that guide development for cities within the metro UGB to implement the goals in the Metro 2040 Plan.

Title 1: Housing Capacity

Title 1 of Metro’s Urban Growth Management Functional Plan is intended to promote efficient land use within the metro UGB by increasing housing capacity. Each city is required to determine its housing capacity based on the minimum number of dwelling units allowed in each zoning district that permits residential development and maintains this capacity.

Title 1 requires that a city adopt minimum residential development density standards by March 2011. If the jurisdiction did not adopt a minimum density by March 2011, the jurisdiction must adopt a minimum density that is at least 80% of the maximum density.

Title 1 provides measures to decrease development capacity in selected areas by transferring the capacity to other areas of the community. This may be approved as long as the community’s overall capacity is not reduced.

Metro’s *2023 Compliance Report* concludes that Wilsonville is in compliance with the City’s Title 1 responsibilities.

Title 7: Housing Choice

Title 7 of Metro’s Urban Growth Management Functional Plan is designed to ensure the production of affordable housing in the metro UGB. Each city and county within the metro region is encouraged to voluntarily adopt an affordable housing production goal.

³ OAR 660-024-0010(6) defines net buildable acres as “43,560 square feet of residentially designated buildable land after excluding future rights-of-way for streets and roads.”

Each jurisdiction within the metro region is required to ensure that their comprehensive plans and implementing ordinances include strategies to:

- Ensure the production of a diverse range of housing types,
- Maintain the existing supply of affordable housing, increase opportunities for new affordable housing dispersed throughout their boundaries; and
- Increase opportunities for households of all income levels to live in affordable housing (3.07.730).

Metro's *2023 Compliance Report* concludes that Wilsonville is in compliance with the City's Title 7 responsibilities.

Organization of This Report

The rest of this document is organized as follows:

- **Chapter 2. Residential Buildable Lands Inventory** presents a summary of the methodology and results of Wilsonville's inventory of residential land.
- **Chapter 3. Historical and Recent Development Trends** summarizes the state, regional, and local housing market trends affecting Wilsonville's housing market.
- **Chapter 4. Demographic and Other Factors Affecting Residential Development in Wilsonville** presents factors that affect housing need in Wilsonville, focusing on the key determinants of housing need: age, income, and household composition. This chapter also describes housing affordability in Wilsonville relative to the larger region.
- **Chapter 5. Housing Need in Wilsonville** presents the forecast for housing growth in Wilsonville, describing housing need by density ranges and income levels.
- **Chapter 6. Residential Land Sufficiency in Wilsonville** estimates Wilsonville's residential land sufficiency needed to accommodate expected growth over the planning period.
- **Appendix A. Residential Buildable Lands Inventory Overview of the Methodology**
- **Appendix B. National and State Demographic and Other Trends Affecting Residential Development in Wilsonville**

2. Residential Buildable Lands Inventory

This chapter presents the Buildable Lands Inventory (BLI) for the City of Wilsonville. The methods used for this study are consistent with those used by Oregon Metro in its 2018 Buildable Land Inventory, which is the basis for this analysis. ECONorthwest's methodology deviates only where local conditions require greater consideration or to attain greater precision in the calculations of buildable land. A detailed discussion of the methodology used in this study is provided in Appendix A.

The BLI for Wilsonville includes all land designated as residential in the Comprehensive Plan within a study area comprised of:

- Wilsonville City Limits,
- Wilsonville Master-Planned Areas with planned growth change, and
- Oregon Metro Transportation Analysis Zones (TAZ) 973, 979, and 982.

From a practical perspective, this means that all lands within tax lots identified by Metro that fall within this study area were inventoried. ECONorthwest used the most recent tax lot GIS files from Metro for the analysis. The inventory then builds from the tax lot-level database to estimate buildable land by comprehensive plan designation.

Residential Buildable Lands Inventory Results

The land base for the Wilsonville residential BLI includes all tax lots in the study area with residential plan designations and selected tax lots in traditionally nonresidential plan designations where City staff have indicated residential development could or is planned to occur (e.g., the Wilsonville Transit Center, which had a plan designation of industrial). Exhibit 1 shows the land base by plan designation within the study area.

Exhibit 1. Land Base by Plan Designation, Wilsonville Study Area, 2024

Source: Oregon Metro, ECONorthwest analysis.

Note: The number of tax lots represented is greater than the actual total number of tax lots in the analysis due to split plan designations.

Note: The Industrial area included in this inventory is a city-owned parcel where housing is planned. A Comprehensive Plan amendment/redesignation is not anticipated since this parcel will be developed with affordable housing as allowed by Senate Bill 8 (2021).

Jurisdiction/Comprehensive Plan Designation	Number of taxlots	Percent	Total taxlot acreage	Percent
Residential 0-1 du/ac	47	1%	82	4%
Residential 2-3 du/ac	333	5%	114	5%
Residential 4-5 du/ac	1,764	25%	475	21%
Residential 6-7 du/ac	1,036	15%	319	14%
Residential 10-12 du/ac	947	13%	324	14%
Residential 16-20 du/ac	10	0%	82	4%
Residential Neighborhood	383	5%	390	17%
Town Center	66	1%	136	6%
Village	2,449	35%	344	15%
Commercial	1	0%	5	0%
Industrial	1	0%	3	0%
Total	7,037	100%	2,275	100%

Development Status

Exhibit 2 below shows the total acres of residential tax lots classified by development status. We used a rule-based classification (described in Appendix A) to define an initial current development status. Broadly speaking, the development statuses used in the BLI are:

- **Vacant land** where there is currently minimal or no existing development.
- **Partially vacant land** where there is some existing development but room for more development within the existing zone, typically “infill” development.
- **Committed acres** is land that is committed to existing uses.
 - **Public land** that is in public ownership and is considered unavailable for new residential development, such as parkland or other publicly owned land.
 - **Developed land** is land that has existing development and does not fit into the other categories above.

- **Undevelopable land** includes lots smaller than 1,000 square feet.

We confirmed development status through a series of reviews by ECONorthwest and City staff, based on local knowledge and review of aerial maps.

Exhibit 2. Residential Land by Development Status, Wilsonville Study Area, 2024

Source: Oregon Metro, ECONorthwest analysis.

Note: The Industrial area included in this inventory is a city-owned parcel where housing is planned. A Comprehensive Plan amendment/redesignation is not anticipated since this parcel will be developed with affordable housing as allowed by Senate Bill 8.

Jurisdiction/Comprehensive Plan Designation	Total Acres	Committed Acres	Constrained Acres	Buildable Acres Unconstrained Vacant & Partially Vacant
Residential 0-1 du/ac	82	22	57	4
Residential 2-3 du/ac	114	76	38	0
Residential 4-5 du/ac	475	407	65	3
Residential 6-7 du/ac	319	241	64	14
Residential 10-12 du/ac	324	222	63	39
Residential 16-20 du/ac	82	62	20	-
Residential Neighborhood	390	77	121	192
Town Center	136	128	1	8
Village	344	234	108	2
Commercial	5	-	-	5
Industrial	3	-	1	3
Total	2,275	1,468	537	269

Development Constraints

The buildable lands inventory identifies the following conditions as constraints that prohibit development:

- BPA right-of-way
- FEMA regulatory floodway and 100-year floodplains
- Habitat Conservation Areas (Title 13)
- Significant Resource Overlay Zone (SROZ)
- Slopes greater than 25%
- Stream and Floodplain Protection (Title 3)

Exhibit 3 below shows these constraints.

Exhibit 3. Development Constraints, Wilsonville Study Area, 2024

Source: Bonneville Power Administration, FEMA, Oregon Metro, City of Wilsonville, ECONorthwest analysis.

Note: The study area shown represents the combination of the City limits, Master Plan Areas, and TAZ areas 973, 979, and 982.

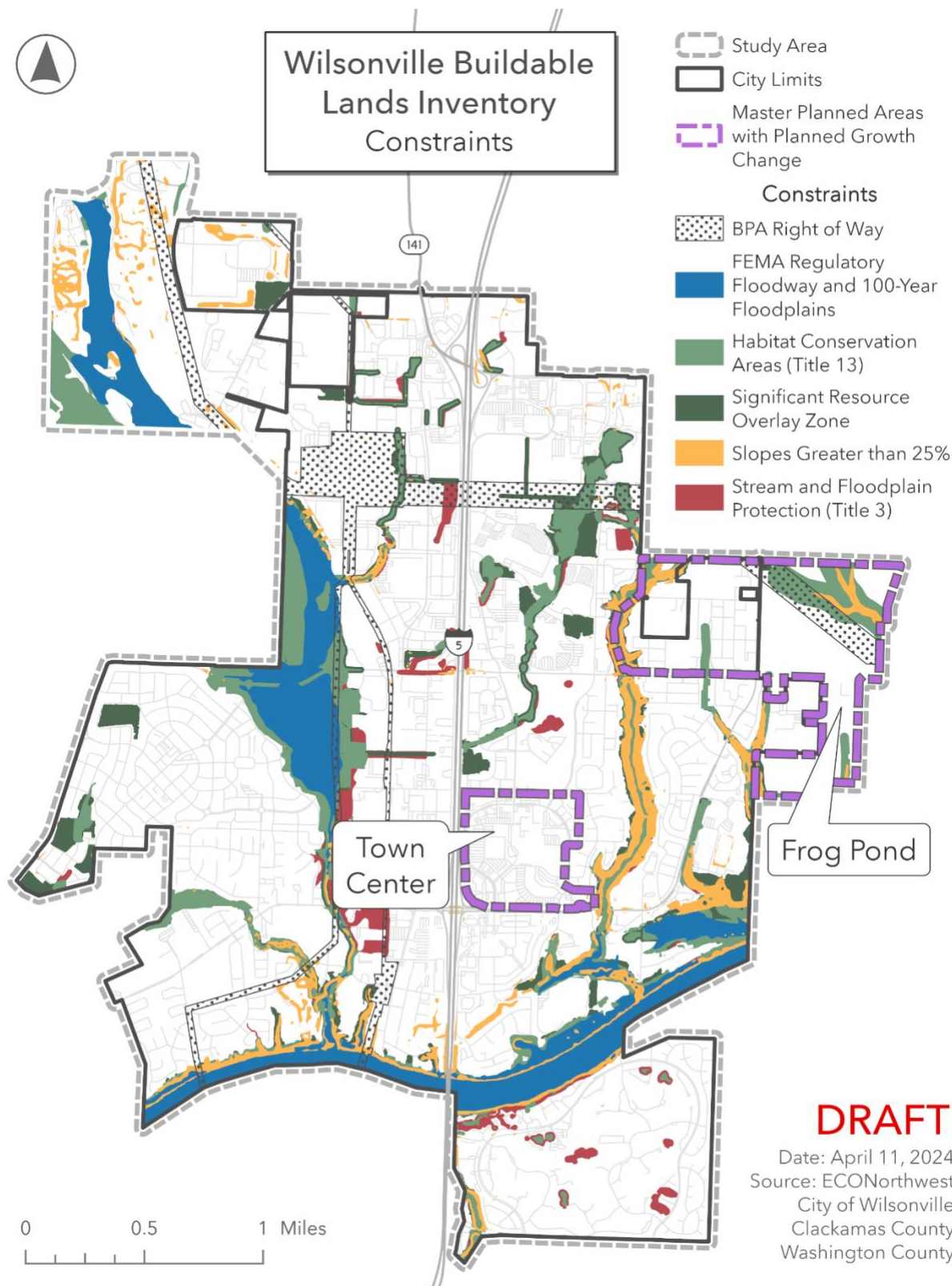
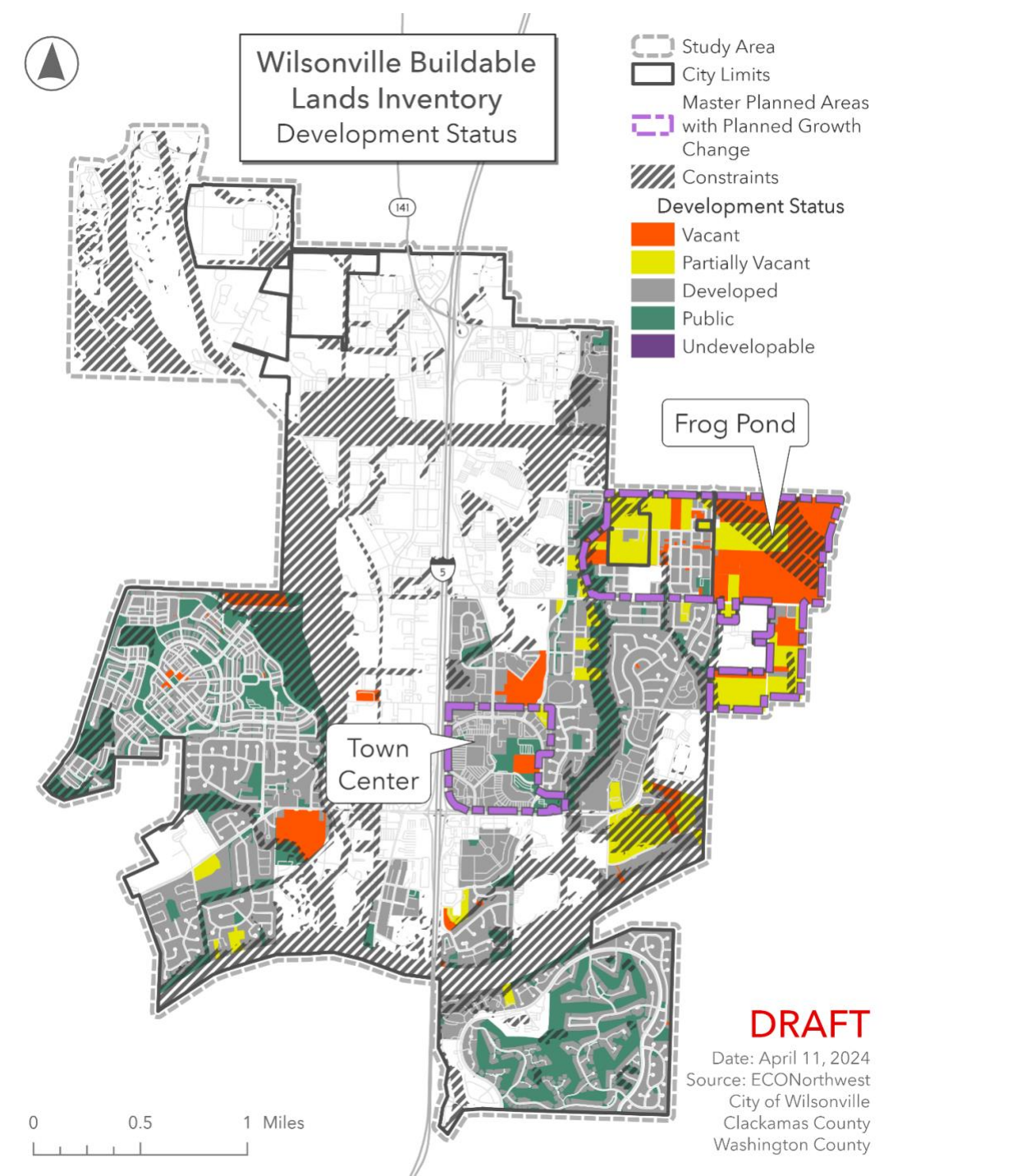


Exhibit 4 shows development status with constraints applied, resulting in buildable acres. Vacant or partially vacant land within these constrained areas is considered unavailable for development and was removed from the inventory of buildable land.

Exhibit 4. Development Status with Constraints, Wilsonville Study Area, 2024

Source: Oregon Metro, ECONorthwest analysis.
Note: Areas not represented by a color are tax lots in a plan designation that has been excluded from the BLI land base.



Vacant Unconstrained Buildable Land

Exhibit 5 below shows the quantity of buildable acres (i.e., acres in tax lots after constraints are deducted) for vacant and partially vacant land by plan designation for tax lots outside of Master-Planned Areas. For lots inside a Master Plan, the unconstrained vacant land is shown by the specific Master Plan Area.

Note that partially vacant land in Exhibit 4 shows the entire tax lot as being partially vacant without distinguishing the part of the tax lot that is not available for development. The buildable lands inventory database accounts for the portion of the tax lot that is developed (and considered unavailable for future development), and the portion of the tax lot that is vacant and therefore buildable is shown in Exhibit 5.

Exhibit 5. Buildable Acres in Vacant/Partially Vacant Tax Lots by Plan Designation, Wilsonville Study Area, 2024

Source: Oregon Metro, ECONorthwest analysis.

Note: The Industrial area included in this inventory is a city-owned parcel where housing is planned. A Comprehensive Plan amendment/redesignation is not anticipated since this parcel will be developed with affordable housing as allowed by Senate Bill 8.

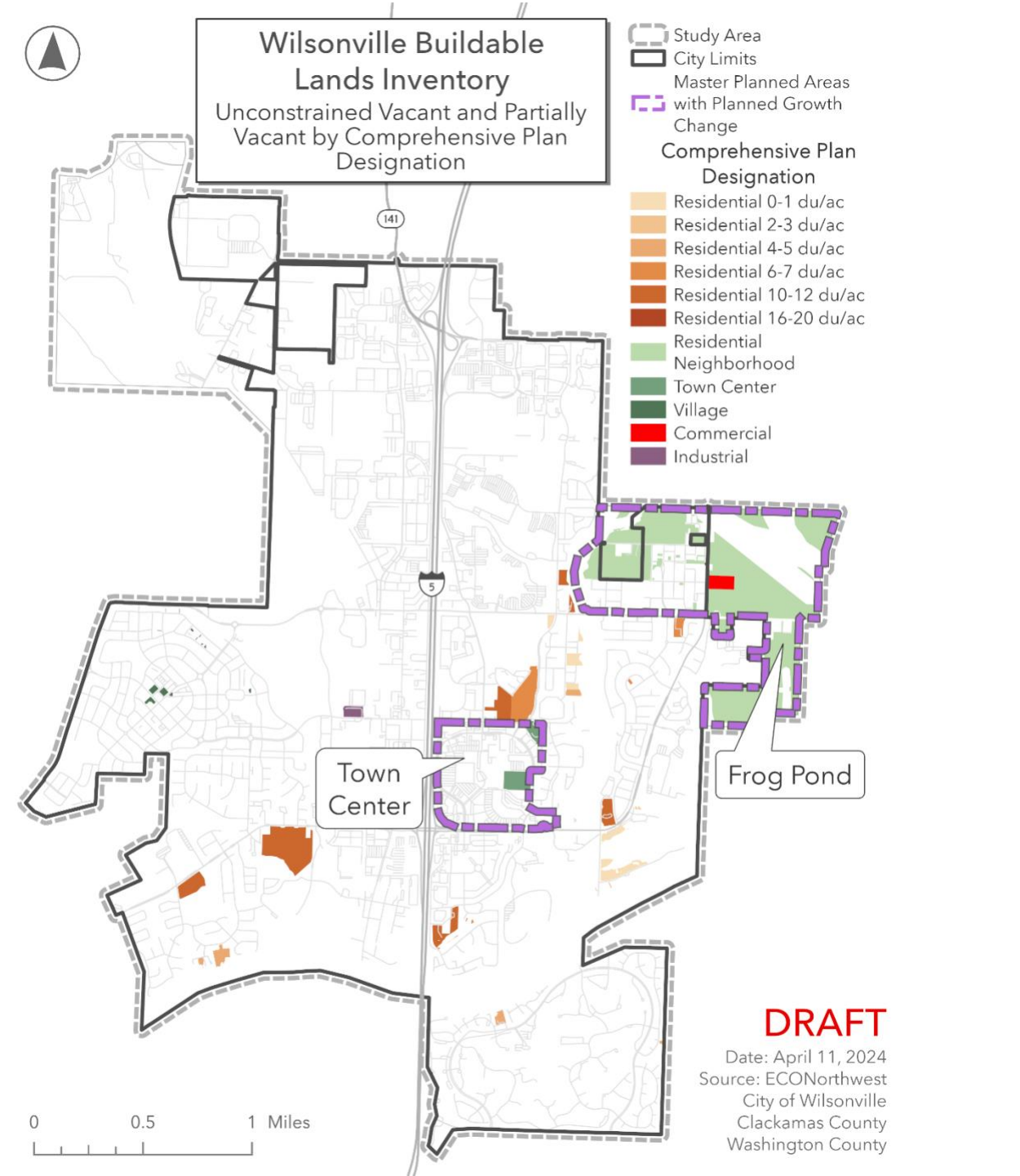
Note: Land with permitted units was considered “developed” and is not included in this table. However, land that is entitled but does not have permitted development is included as “buildable acres.”

Jurisdiction/Comprehensive Plan Designation	Buildable Acres on Vacant Lots	Buildable Acres on Partially Vacant Lots	Total Buildable Acres
Residential 0-1 du/ac	-	4	4
Residential 2-3 du/ac	-	-	-
Residential 4-5 du/ac	-	3	3
Residential 6-7 du/ac	13	1	13.5
Residential 10-12 du/ac	31	7	39
Village	2	-	2
Industrial	3	-	3
Master Planned Areas with Planned Growth Change	117	88	205
Frog Pond East	79	13	92
Frog Pond South	17	35	53
Frog Pond West	14	39	53
Town Center	7	1	8
Total	166	103	269

Exhibit 6 shows the locations of Wilsonville’s buildable vacant and partially vacant residential land.

Exhibit 6. Unconstrained Vacant and Partially Vacant Residential Land, Wilsonville Study Area, 2024
Source: Oregon Metro, ECONorthwest analysis.

Note: The Industrial area included in this inventory is a city-owned parcel where housing is planned. A Comprehensive Plan amendment/redesignation is not anticipated since this parcel will be developed with affordable housing as allowed by Senate Bill 8.



3. Historical and Recent Development Trends

Analysis of historical development trends in Wilsonville provides insight into the functioning of the local housing market. The mix of housing types and densities (along with demographic trends discussed in the next chapter) are key variables in forecasting the capacity of residential land to accommodate new housing and to forecast future land need.

This Housing Needs and Capacity Analysis examines changes in Wilsonville’s housing market from 2000 to 2022, as well as residential development from 2013 to February 2024. We selected this period because (1) Wilsonville last adopted its Housing Capacity Analysis in 2014 and (2) data about Wilsonville’s housing market during this period is readily available from sources such as the Census and the City building permit database. Since 2014, Wilsonville has also produced annual housing reports in response to a recommendation from the previous housing needs analysis. These reports document housing trends over the past decade and provided data to support this analysis.

For the purposes of this study, we grouped housing types based on (1) whether the structure is stand-alone or attached to another structure and (2) the number of dwelling units in each structure. The housing types used in this analysis are consistent with needed housing types as defined in ORS 197A.348 and Wilsonville’s Development Code:⁴

- **Single-family detached** includes single-family detached units, manufactured homes on lots and in mobile home parks, and accessory dwelling units. Single-family detached also includes cottage cluster housing.
- **Townhouses (also referred to as single-family attached)** are dwelling units constructed in a row of two or more attached units where each dwelling unit is located on an individual lot.
- **Duplexes, triplexes, and quadplexes** are attached structures with two to four units per structure, generally on a single lot.
- **Multifamily with 5 or more units** are attached structures with five or more units per structure on a single lot.

ORS 197.478 requires prefabricated to be permissible on all land zoned to allow the development of single-family dwellings, the same as manufactured housing. Wilsonville’s development code does not mention prefabricated housing, but it is allowed in all zones where single-family dwellings are allowed. In Wilsonville, government-assisted housing (ORS

⁴ ORS 197A.348 defines needed housing as “all housing on land zoned for residential use or mixed residential and commercial use that is determined to meet the need shown for housing within an urban growth boundary at price ranges and rent levels that are affordable to households within the county with a variety of incomes, including but not limited to households with low incomes, very low incomes and extremely low incomes, as those terms are defined by the United States Department of Housing and Urban Development.”

197A.348[b]) and housing for farmworkers (ORS 197A.348[e]) can be any of the housing types listed above. Analysis within this report discusses housing affordability at a variety of incomes, as required in ORS 197A.348.

Data Used in This Analysis

Throughout this analysis (including the subsequent Chapter 4) we used data from multiple well-recognized and reliable data sources. One of the key sources for housing and household data is the U.S. Census. This report primarily uses data from three Census sources:⁵

- The **Decennial Census**, which is completed every ten years and is a survey of *all* households in the United States. The Decennial Census does not collect detailed household information such as income, housing costs, housing characteristics, and other important household information, which are captured in the American Community Survey described below.
- The **American Community Survey (ACS)**, which is completed every year and is a *sample* of households in the United States. The ACS collects detailed information about households, including demographics (e.g., number of people, age distribution, ethnic or racial composition, country of origin, language spoken at home, and educational attainment), household characteristics (e.g., household size and composition), housing characteristics (e.g., type of housing unit, year unit built, or number of bedrooms), housing costs (e.g., rent, mortgage, utility, and insurance), housing value, income, and other characteristics. The most up-to-date ACS data available for this report when it was started was for the 2017-2021 period. We updated select data to the 2018-2022 period before completing the report. For readability throughout the report, we refer to the 2017-2021 ACS period as 2021 and the 2018-2022 ACS period as 2022.
- **Comprehensive Housing Affordability Strategy (CHAS)**, which is custom tabulations of American Community Survey (ACS) data from the US Census Bureau for the US Department of Housing and Urban Development (HUD). CHAS data show the extent of housing problems and housing needs, particularly for low-income households. CHAS data are typically used by local governments as part of their consolidated planning work to determine how to spend HUD funds and for HUD to distribute grant funds. The most up-to-date CHAS data when this report was started covered the 2016-2020 period, which was a year older than the most recent ACS data for the 2017-2021 period.

⁵ The American Community Survey (ACS) is a national survey that uses continuous measurement methods. It uses a sample of about 3.54 million households to produce annually updated estimates for the same small areas (census tracts and block groups) formerly surveyed via the Decennial Census long-form sample. All ACS data are subject to sample variability or “sampling error” that is expressed as a band or “margin of error” (MOE) around the estimate.

This report uses Census and ACS data because, despite the inherent methodological limits, they represent the most thorough and accurate data available to assess housing needs. We consider these limitations in making interpretations of the data and have strived not to draw conclusions beyond the quality of the data.

This report primarily uses data from the 2017–2021 ACS (reported as 2021), with select updates from the 2018–2022 ACS (reported as 2022) for variables like income and cost burden, which are more sensitive to inflation and housing costs. Where relevant, data from the 2000 and 2010 Decennial Census is also included. The 2020 Census was limited due to the COVID-19 pandemic and is not used in this report. Additional data sources include Oregon Housing and Community Services, the U.S. Department of Housing and Urban Development, and the City of Wilsonville.

In some cases, this analysis compares Wilsonville to nearby cities in the southern Portland region: Tualatin, Tigard, Oregon City, Lake Oswego, Sherwood, and West Linn. These cities share similar characteristics with Wilsonville. They are geographically close and are of similar sizes (smaller than major cities like Portland or Hillsboro). These comparisons highlight Wilsonville's similarities and differences with its neighbors in various aspects of housing and demographics.

Trends in Housing Mix

This section provides an overview of changes in the mix of housing types in Wilsonville and compares Wilsonville to the Portland region⁶ and Oregon. It shows the following trends in housing mix in Wilsonville:

- **Since 2000, Wilsonville's housing stock grew by about 67%.** Between 2000 and 2021, Wilsonville's housing stock increased by 4,288 new units.
- **Single-family detached housing accounted for most new housing permitted in Wilsonville between 2013 and 2023.** About 73% of permitted units were for single-family detached, 17% for townhouses, and 10% for multifamily.
- **Wilsonville's housing stock has more multifamily housing than most comparable cities in the Portland region.** This diversity in housing types is partially a result of Wilsonville's history as a newer community that has allowed for a variety of residential development through flexible zoning and master planning. As a relatively young city, most of Wilsonville's housing growth has occurred under modern zoning laws, contributing to the greater share of multifamily units.

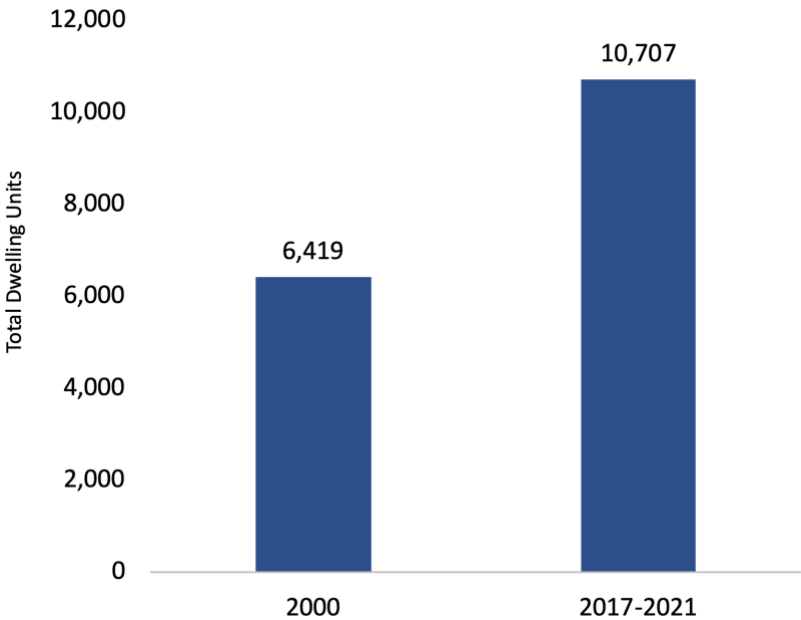
Specifically, 43% of Wilsonville's housing stock is single-family detached, 42% is multifamily (5+ units), 5% is duplexes, triplexes, or quadplexes, and 10% is townhouses. In contrast, only 25% of the Portland region's housing stock is multifamily (5+ units). This existing diversity should not be seen as a barrier to accommodating additional multifamily housing to meet the city's evolving needs. Rather, it reflects Wilsonville's proactive approach to providing a range of housing options for its residents through thoughtful planning and development.

⁶ The Portland region is Clackamas, Washington, and Multnomah Counties combined.

Housing Mix

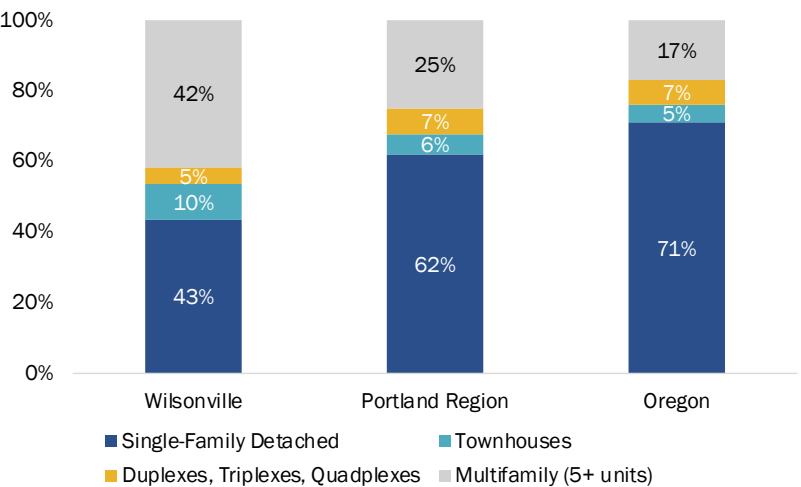
Wilsonville increased by **4,288 dwelling units (67%)** between 2000 and 2021.

Exhibit 7. Total Dwelling Units, Wilsonville, 2000 and 2017-2021
Source: US Census Bureau, 2000 Decennial Census, SF3 Table H030, and 2017-2021 ACS Table B25024.



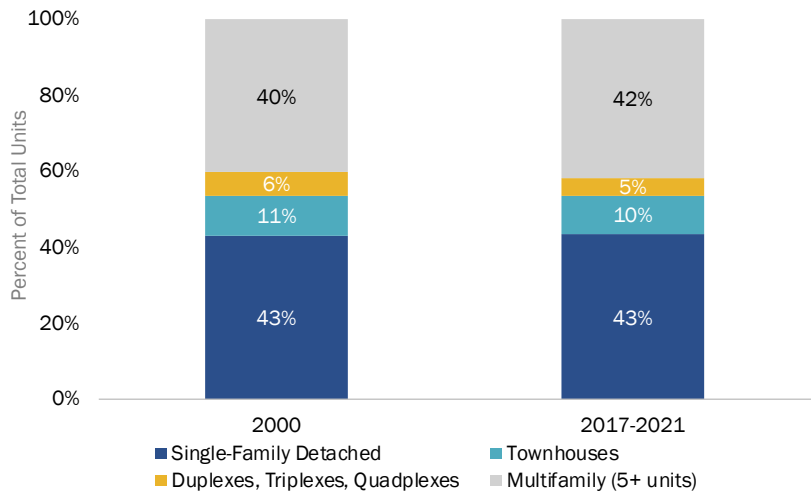
Compared to the Portland region, Wilsonville has a smaller share of single-family detached housing (43%) and a larger share of townhouses (10%) and multifamily (42%). In contrast, over 60% of all housing units in the Portland region are single-family detached.

Exhibit 8. Housing Mix, Wilsonville, Portland Region, and Oregon, 2017-2021
Source: US Census Bureau, 2017-2021 ACS Table B25024.



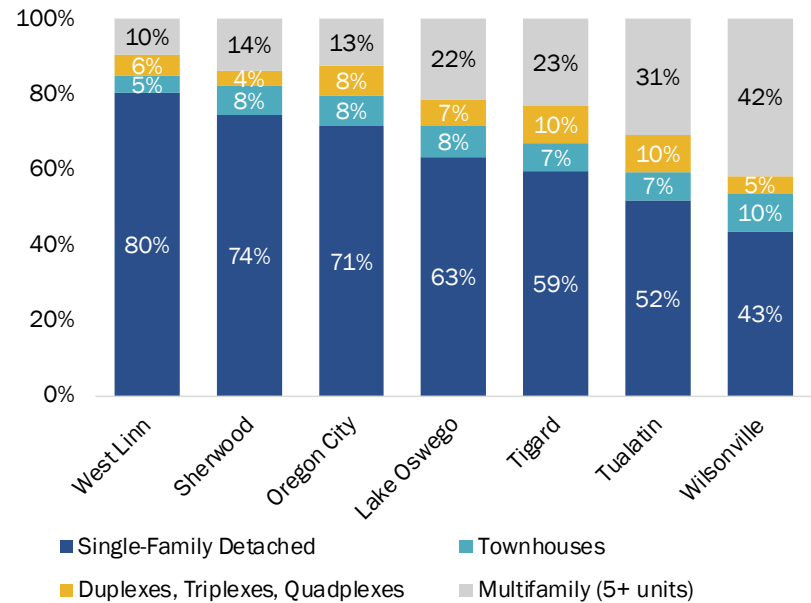
The housing mix in Wilsonville remained relatively stable between 2000 and 2021.

Exhibit 9. Change in Housing Mix, Wilsonville, 2000 and 2017-2021
Source: US Census Bureau, 2000 Decennial Census, SF3 Table H030, and 2017-2021 ACS Table B25024.



Wilsonville had the highest share of multifamily housing of comparable Metro cities.

Exhibit 10. Dwelling Units by Type, All Housing Stock, Selected Cities in the Portland Region, 2017-2021
Source: US Census Bureau, 2017-2021 ACS Table B25024



Building Permits

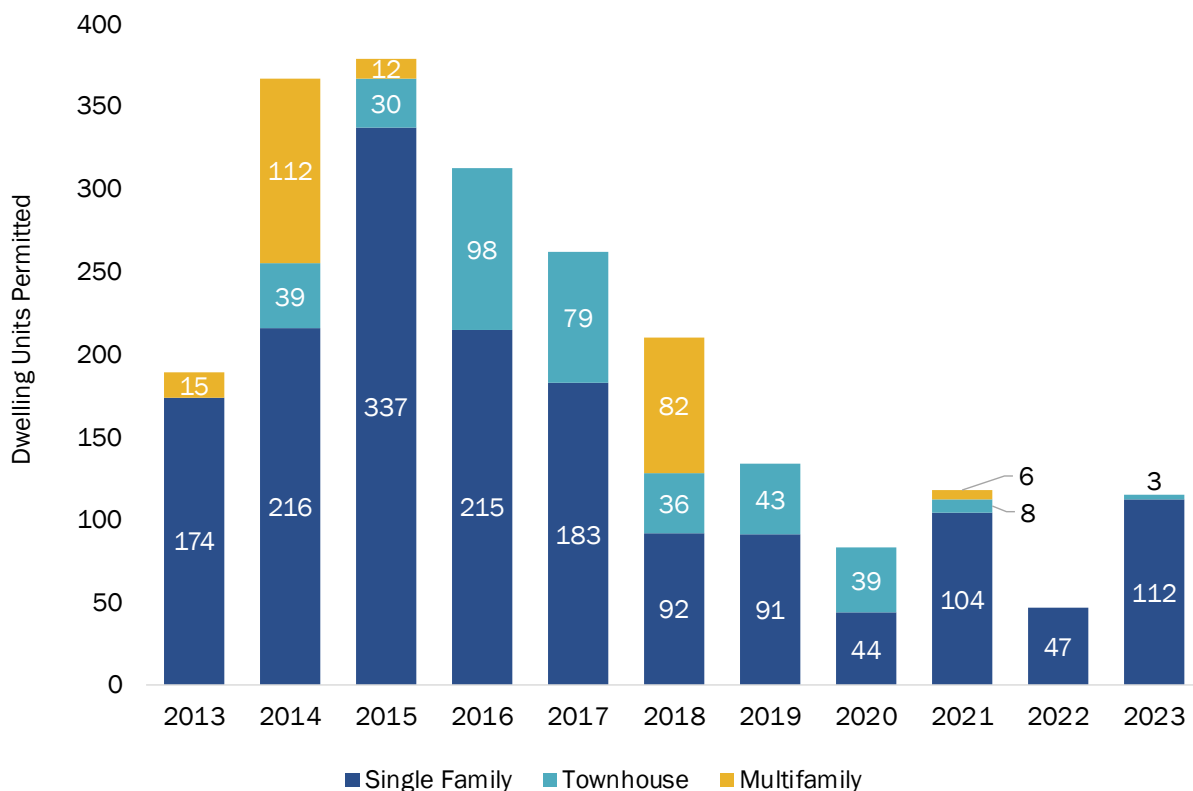
Over the 2013 to 2023 period, Wilsonville issued permits for 2,217 dwelling units, with an average of 222 dwelling units permitted annually. Of the 2,217 units permitted, about 73% were for single-family detached units, 17% were for townhouses, and 10% were for multifamily units. As of February 2024, 16 additional single-family detached units were permitted, which are not shown in Exhibit 11.

In addition to the housing development shown in Exhibit 11, the following housing has been entitled by Wilsonville; however, building permits were not yet issued and development had not started as of February 2024:

- Town Center Mixed-Use: 114 units of multifamily
- Villebois Village Center Mixed-Use: 143 units of multifamily and 11 live-work units
- Wilsonville Transit-Oriented Development: 121 affordable multifamily units

Exhibit 11. Building Units for New Residential Construction By Structure Type, Wilsonville FY 2013 through FY 2023

Source: City of Wilsonville.



Trends in Housing Density

Housing density is the density of housing by structure type expressed in dwelling units per net or gross acre.⁷ The U.S. Census does not track residential development density; thus, this study analyzes housing density based on building permit data, Comprehensive Plan Designations, and tax lot information between 2013 and February 2024. Exhibit 12 shows Wilsonville's residential development density by Comprehensive Plan Designations:⁸

- Development density in the Residential Neighborhood designation was 8.0 dwelling units per net acre.⁹
- Development density in the Residential Village designation was 15.7 dwelling units per net acre.
- The average development density in remaining residential designations was 8.3 dwelling units per net acre.

⁷ OAR 660-024-0010(6) uses the following definition of net buildable acre. "Net Buildable Acre" consists of 43,560 square feet of residentially designated buildable land **after excluding** future rights-of-way for streets and roads. While the administrative rule does not include a definition of a gross buildable acre, using the definition above, a gross buildable acre will include areas used for rights-of-way for streets and roads. Areas used for rights-of-way are considered unbuildable.

⁸ While the city's requirements for parks and open space can often be accommodated on constrained land (which has been removed from the analysis), in some cases these density estimates may overestimate capacity due to parks and open space requirements.

⁹ Density for the Residential Neighborhood designation is for Frog Pond West because Frog Pond East and South have not yet developed. When Frog Pond East and South develop, the density is expected to be higher.

Exhibit 12. Residential Development Density by Comprehensive Plan Designation, Wilsonville, 2013 to February 2024

Source: City of Wilsonville Building Permit Database 2024 and Comprehensive Plan and Zoning designations; Analysis by ECONorthwest

Note: The multifamily projects Brenchley Estates and Fox Center Apartments were included in the "Residential 6-7" Comprehensive Plan designation as portions of larger planned development approvals spanning multiple Comprehensive Plan designations. As outliers, their inclusion increased the average density for this designation, beyond the density typically achieved in the "Residential 6-7" designation. To better reflect expected future density under current code, these multifamily projects were separated out from the "Residential 6-7" analysis, providing a clearer understanding of achievable density ranges for this designation moving forward.

Comprehensive Plan Designation	Built Dwelling Units (DU)	Acres	Density (DU/Net Acre)
Residential Neighborhood	271	34	8.0
Residential Village	1,560	100	15.7
Residential 0-1 du/ac	3	6	0.5
Residential 2-3 du/ac	7	4	1.7
Residential 4-5 du/ac	86	13	6.4
Residential 6-7 du/ac			
Single Family Housing	125	16	7.7
Multifamily Housing	127	5	27.9
Residential 10-12 du/ac	48	3	14.0
Residential 16-20 du/ac	6	0	15.2
Total	2,233	182	12.3

Exhibit 13 shows density of residential development constructed in Wilsonville from 2013 to February 2024:

- The **average** density of housing developed during the 10-year period was 12.3 dwelling units per net acre.
- The average density of **single-family detached** housing was 10.1 dwelling units per net acre.
- The average density of **townhouses** was 28.0 dwelling units per net acre.
- The average density of **multifamily** housing was 30.4 dwelling units per net acre.

Exhibit 13. Residential Development Density by Housing Type, Wilsonville, 2013 to February 2024

Source: City of Wilsonville Building Permit Database 2024 and Comprehensive Plan and Zoning designations; Analysis by ECONorthwest

Note: Single-family includes single-family detached, accessory dwelling units, and manufactured homes.

Housing Type	Dwelling Units (DU)	Acres	Density (DU/Net Acre)
Single-family	1,631	161	10.1
Townhouses	375	13	28.0
Multifamily	227	7	30.4
Total	2,233	182	12.3

OAR 660-007-0035 sets specific density targets for cities in the metro UGB. OAR 660-007 requires that Wilsonville “provide for an overall density of eight or more dwelling units per net buildable acre.” The City’s achieved density from 2013 to February 2024 exceeds this requirement.

Wilsonville's higher density reflects efficient land use planning in the master-planned areas of Villebois and Frog Pond. Market forces, including land and infrastructure costs, also incentivized developers to prioritize higher density where permissible.

Trends in Tenure

Housing tenure describes whether a dwelling is owner or renter occupied. This section shows:

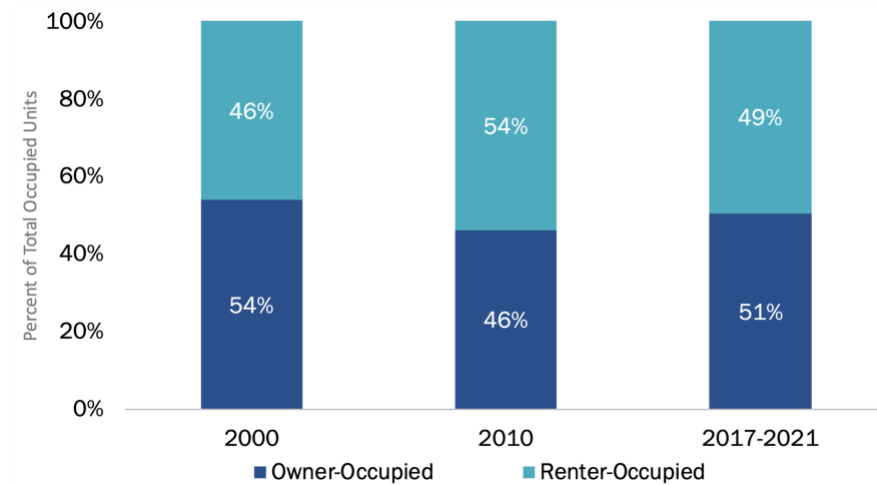
- **In Wilsonville, fewer people own their homes compared to the rest of the Portland region and Oregon.** About 51% of households in Wilsonville are homeowners compared to 60% in the Portland region and 63% in Oregon. This is reflective of the mix of unit types. Wilsonville has a higher share of multifamily housing, which is more likely to be rented rather than owned.
- **The share of people who own homes in Wilsonville declined between 2000 and 2021.** In 2000, 54% of Wilsonville households owned their homes, decreasing to 46% in 2010 and increasing to 51% in 2021.
- **Most of Wilsonville’s homeowners live in single-family detached housing (79%) or townhouses (17%), while almost all renters (88%) lived in multifamily housing** (including units in duplexes, triplexes, quadplexes, and housing with five or more units per structure). About 9% of renters lived in single-family detached and 3% lived in townhouses.

Homeownership rates decreased slightly since 2000.

Between 2000 and 2021, the percentage of owner-occupied housing units decreased by three percentage points.

Exhibit 14. Tenure, Occupied Units, Wilsonville, 2000, 2010, 2017-2021

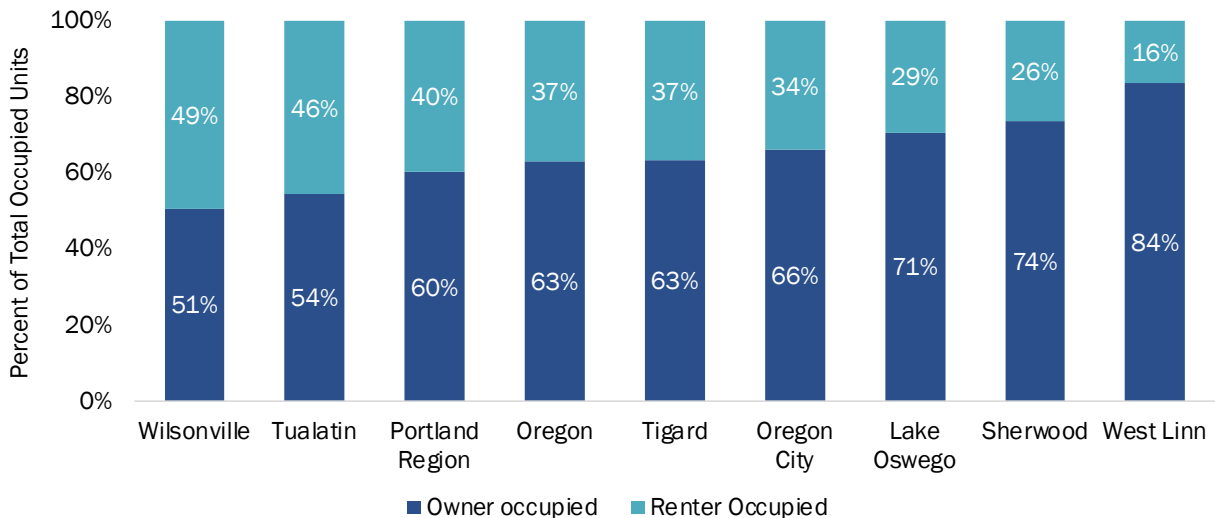
Source: US Census Bureau, 2000 Decennial Census SF1 Table H004, 2010 Decennial Census SF1 Table H4, 2017-2021 ACS Table B25003.



As shown in Exhibit 15, Wilsonville has a lower share of owner-occupied housing than the Portland region and Oregon. West Linn has the highest share of owner-occupied housing by a significant margin (84%), followed by Sherwood and Lake Oswego (74% and 71%, respectively), all of which are substantially higher than Wilsonville's (51%). Wilsonville's higher proportion of renter-occupied housing is likely attributable to its larger share of multifamily units compared to nearby cities. Multifamily dwellings are more likely to be rented rather than owner occupied.

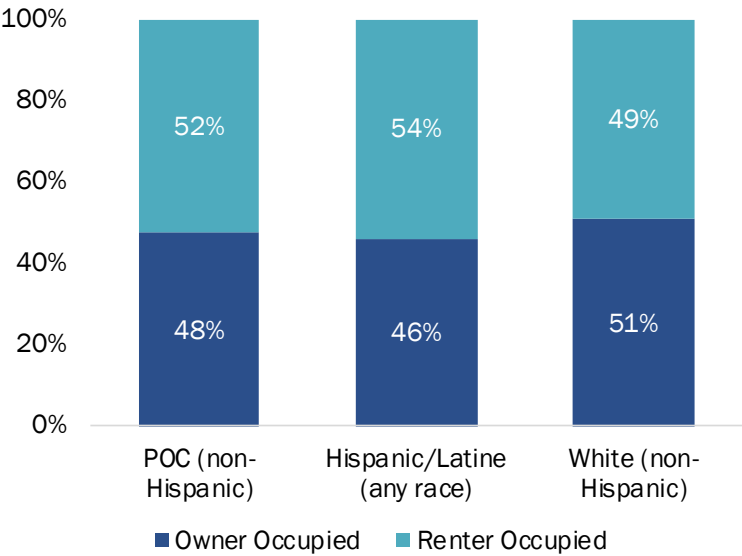
Exhibit 15. Tenure, Occupied Units, Wilsonville, the Portland Region, Oregon, and Comparison Cities, 2017-2021

Source: US Census Bureau, 2017-2021 ACS 5-Year Estimates, Table B25003.



People of Color (non-Hispanic), Hispanic/Latino and White (non-Hispanic) had similar rates of homeowners and renters.

Exhibit 16. Tenure by Race and by Ethnicity, Wilsonville, 2017-2021
Source: US Census Bureau, 2017-2021 ACS Table B25003A-I.

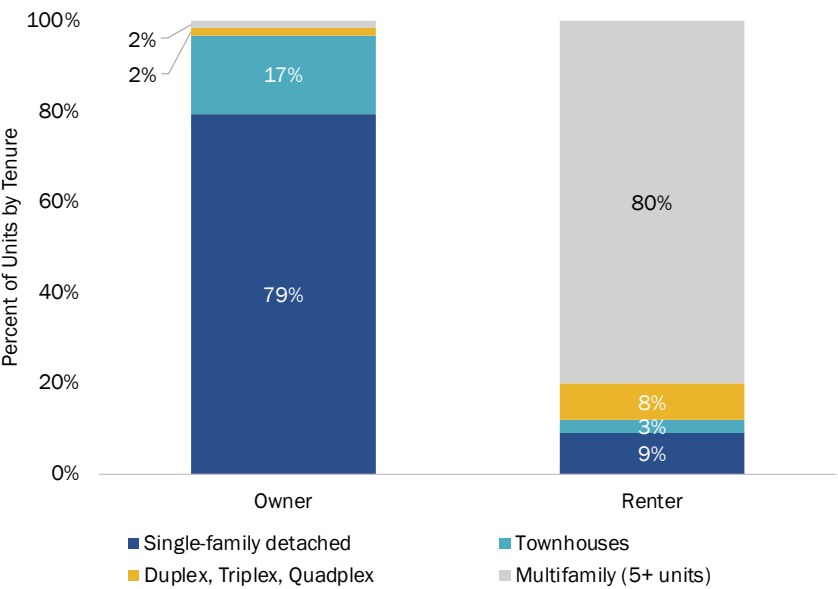


About 79% of Wilsonville’s homeowners lived in single-family detached housing and 17% lived in townhouses.

In comparison, 9% of Wilsonville households that rent lived in single-family detached and 3% lived in townhouses.

Eighty percent of renters lived in multifamily (5+ units) housing in Wilsonville.

Exhibit 17. Housing Units by Type and Tenure, Wilsonville, 2017-2021
Source: US Census Bureau, 2017-2021 ACS Table B25032.

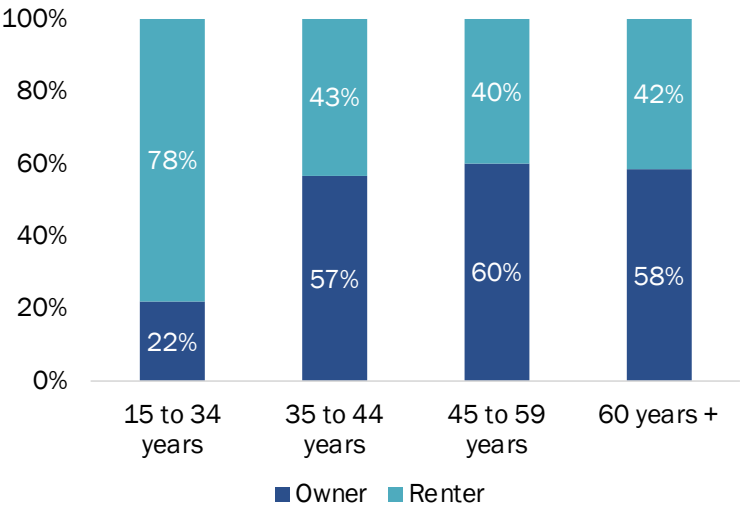


The percentage of homeowners among household heads ages 15 to 34 was the lowest compared to any other age group.

Homeownership rates increased substantially for those with household heads who were 35 and over, and it stayed relatively stable across older age groups. The homeownership differences by age are consistent with homeownership trends across the State.

Exhibit 18. Tenure by Age of the Head of Household, Wilsonville, 2017-2021

Source: US Census Bureau, 2017-2021 ACS Table B25007.



Vacancy Rates

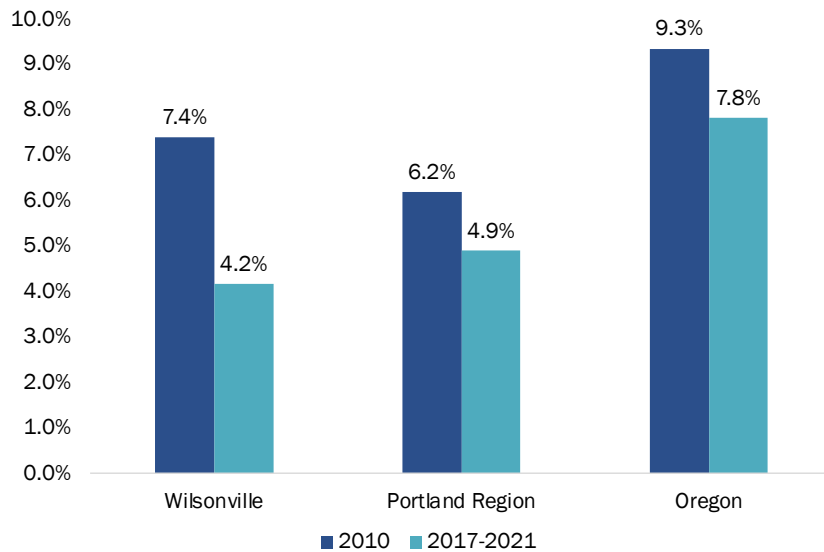
Housing vacancy is a measure of housing that is available to prospective renters and buyers. It is also a measure of unutilized housing stock. The Census defines vacancy as "unoccupied housing units...determined by the terms under which the unit may be occupied, e.g., for rent, for sale, or for seasonal use only." A healthy housing vacancy rate depends on local market conditions and housing policies. For example, coastal cities often have higher vacancy rates due to a greater prevalence of second and vacation homes, unlike areas with lower tourism activity. Regular monitoring and analysis of vacancy rates are important for maintaining a housing market that meets community needs.

In Wilsonville and the Portland metro region, declining vacancy rates over the past decade suggest that housing supply is not keeping pace with demand. While vacancy rates are one indicator of constrained supply, they should be analyzed alongside other factors, such as housing costs, to fully understand market conditions. In Wilsonville and the broader region, falling vacancy rates combined with rising housing prices indicate a constrained housing supply.

Between 2010 and 2021 the vacancy rate in Wilsonville declined from 7.4% to 4.2%, while the Portland region dropped from 6.2% to 4.9% and Oregon dropped from 9.3% to 7.8%

Exhibit 19. Housing Vacancy Rate, Wilsonville, 2017-2021

Source: ACS 5-year estimates, 2017-2021, Table B25002 and 2010 Census, Table H003001



Government-Assisted Housing

Governmental agencies and nonprofit organizations offer a range of housing assistance to low and moderate-income households to rent or purchase a home. There are 11 government-assisted housing developments in Wilsonville with a total of 635 dwelling units. These are rental units that were constructed with federal and state funds, the majority of which are multifamily.

Exhibit 20. Government-Assisted Housing, Wilsonville, 2022

Source: Oregon Department of Health and Human Services, Affordable Housing Inventory in Oregon, January 2022. List from City Public Affairs Director.

Development Name	Total Units	Unit Size					
		SRO	Studio	1-bd	2-bd	3-bd	4-bd
SW MONTEBELLO DR	2	-	-	-	-	-	-
AUTUMN PARK	144	-	-	-	-	-	-
BEAVER STATE - MONTEBELLO	84	-	-	16	34	-	-
CHARLESTON APTS	52	-	-	15	-	-	-
CREEKSIDE WOODS	84	-	-	44	-	-	-
DUCK COUNTRY - WILSONVILLE HEIGHTS	76	-	-	4	16	4	-
RAIN GARDEN	30	-	-	-	-	-	-
RENAISSANCE COURT	21	-	-	20	-	-	-
WIEDEMANN PARK APTS	58	-	-	34	24	-	-
WINDFIELD VILLAGE (SENIOR LIVING)	84	-	-	-	-	-	-
Total	635	-	-	133	74	4	-

The Clackamas County Continuum of Care (CoC), which covers all of Clackamas County, has 236 emergency shelter beds (including overflow), 54 transitional shelter beds, and 1,020 permanently supportive housing beds for people experiencing homelessness in Clackamas County.

Exhibit 21. Facilities and Housing Targeted to Households Experiencing Homelessness, Clackamas County Continuum of Care Region, 2022

Source: HUD 2022 Continuum of Care Homeless Assistance Programs, Housing Inventory Report, Clackamas County CoC

	Family Units	Family Beds	Adult-Only Beds	Child-Only Beds	Total Yr-Round Beds	Overflow / Voucher	Subset of Total Bed Inventory		
							Chronic Beds	Veteran Beds	Youth Beds
Emergency Shelter	25	79	102	-	181	55	-	25	-
Transitional Housing	15	33	21	-	54	-	-	2	25
Permanent Housing	190	584	436	-	1,020	-	180	222	99
Total	230	696	559	-	1,255	55	180	249	124

Manufactured Homes

Manufactured homes provide a source of affordable housing in Wilsonville. They provide a form of homeownership that can be made available to low and moderate-income households. Cities must plan for manufactured homes—both on lots and in manufactured home parks (ORS 197.475-492).

Generally, manufactured homes in parks are owned by the occupants who pay rent for the space. Monthly housing costs are typically lower for a homeowner in a manufactured home park for several reasons, including the fact that property taxes levied on the value of the land are paid by the property owner rather than the manufactured homeowner. The value of the manufactured home generally does not appreciate in the way a conventional home would, however. Manufactured homeowners in parks are also subject to preferences of the property owner in terms of rent rates and increases. It is generally not within the means of a manufactured homeowner to relocate to another manufactured home to escape rent increases. Living in a park as a homeowner is desirable for some due to the added security of a community with on-site managers and convenient amenities like laundry and recreation facilities. OAR 197.480(4) requires cities to inventory the mobile home or manufactured dwelling parks sited in areas planned and zoned or generally used for commercial, industrial, or high-density residential development.

Exhibit 22 presents the inventory of mobile and manufactured home parks within Wilsonville as of 2023. Wilsonville has 2 manufactured home parks within its UGB. Within these parks, there are a total of 120 spaces (of which 0 spaces were vacant as of March 2023).

Exhibit 22. Inventory of Mobile/Manufactured Home Parks, Wilsonville UGB, 2023

Source: Oregon Manufactured Dwelling Park Directory, 2023.

Name	Location	Type	Total Spaces	Vacant Spaces	Comprehensive Plan Designation
Oakleaf Park	10660 SW Wilsonville Rd	Family	63	0	Residential 10-12 DU/acre
Walnut Mobile Home Park	28455 SW Boones Ferry Rd	Family	57	0	Industrial
Total			120	-	

4. Demographic and Other Factors Affecting Residential Development in Wilsonville

Demographic trends are important for a thorough understanding of the dynamics of the Wilsonville housing market. Wilsonville exists in a regional economy; trends in the region impact the local housing market. This chapter documents demographic, socioeconomic, and other trends relevant to Wilsonville at the national, state, and regional levels.

Demographic trends provide a context for growth in a region; factors such as age, income, migration, and other trends show how communities have grown and how they will shape future growth. To provide context, we compare Wilsonville to the Portland region, Clackamas County, and Oregon. We also compare Wilsonville to nearby cities where appropriate. Characteristics such as age and ethnicity are indicators of how the population has grown in the past and provide insight into factors that may affect future growth.

Demographic and Socioeconomic Factors Affecting Housing Choice

Analysts typically describe housing demand as the preferences for different types of housing (e.g., single-family detached or apartment) and the ability to pay for that housing (the ability to exercise those preferences in a housing market by purchasing or renting housing; in other words, income or wealth).

Many demographic and socioeconomic variables affect housing choice. However, the literature about housing markets finds that age of the householder, size of the household, and income are most strongly correlated with housing choice.

- **Age of householder** is the age of the person identified (in the Census) as the head of household. Households make different housing choices at different stages of life. This chapter discusses generational trends, such as housing preferences of baby boomers (people born from about 1946 to 1964), millennials (people born from about 1981 to 1996) and Generation Z (people born from about 1997 to 2012).
- **Size of household** is the number of people living in the household. Younger and older people are more likely to live in single-person households. People in their middle years are more likely to live in multi-person households (often with children).
- **Household income** is probably the most important determinant of housing choice. Income is strongly related to the type of housing a household chooses (e.g., single-family detached housing, duplexes, or buildings with more than five units) and to household tenure (e.g., rent or own).

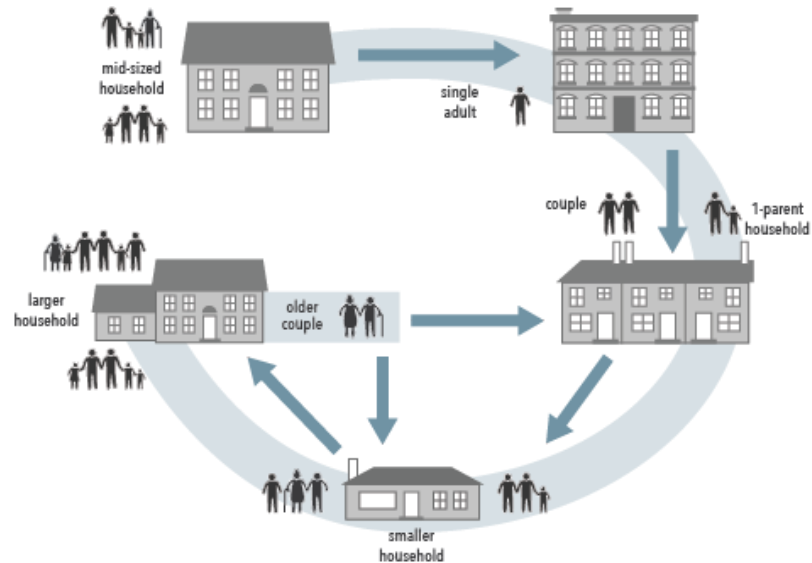
An individual's housing needs change throughout their life, with changes in income, family composition, and age. Exhibit 23 depicts the most common effects of these demographic changes on a person's housing need. The types of housing needed by a 20-year-old college student differ from the needs of a 40-year-old parent with children or an 80-year-old single adult. The housing characteristics by age data below reveal this cycle in action in Wilsonville.

Housing needs and preferences change in predictable ways over time, such as with changes in marital status and size of family.

Households of different sizes need different types of housing.

Exhibit 23. Effect of Demographic Changes on Housing Need

Source: ECONorthwest, adapted from Clark, William A.V. and Frans M. Dieleman. 1996. Households and Housing. New Brunswick, NJ: Center for Urban Policy Research.



Regional and Local Demographic Trends May Affect Housing Need in Wilsonville

This section shows key characteristics of Wilsonville's population, with implications for future housing demand in Wilsonville.

Growing Population

Wilsonville's population growth will drive future demand for housing in the City over the planning period. Exhibit 24 shows that Wilsonville's population grew by 96% between 2000 and 2022, a far higher rate than the state or region. Wilsonville added 13,423 new residents, at an average annual growth rate of 3.1%.

Exhibit 24. Population, Wilsonville, the Portland Region, Comparison Counties, Oregon, U.S., 2000, 2010, 2022

Source: US Decennial Census 2000 and 2010, and PSU Certified Population Estimates 2022.

Note: AAGR = Average Annual Growth Rate

	2000	2010	2022	Change 2000 to 2022		
				Number	Percent	AAGR
Wilsonville	13,991	19,509	27,414	13,423	96%	3.1%
Portland Region	1,444,219	1,641,036	1,849,881	405,662	28%	1.1%
Clackamas County	338,391	375,992	430,421	92,030	27%	1.1%
Multnomah County	660,486	735,334	810,242	149,756	23%	0.9%
Washington County	445,342	529,710	609,219	163,877	37%	1.4%
Oregon	3,421,399	3,831,074	4,281,851	860,452	25%	1.0%
United States	281,421,906	308,745,538	333,287,557	51,865,651	18%	0.8%

Aging Population

Growth in the senior population and a higher share of young adults relative to the region will influence the types of housing demanded in Wilsonville. These trends are summarized below.

- **Growth in seniors and retirees.** Wilsonville currently has a smaller share of people over 60 years old than the state, but that group accounted for the largest percent increase by age group in the city between 2000 and 2021. The Clackamas County forecast from Portland State University suggests that the population over 60 will continue to grow at a faster rate than other age groups. The share of residents aged 60 years and older is expected to account for 29% of the population in 2040 compared to 27% in 2020. It is reasonable to expect that Wilsonville's senior population growth will keep pace with regional trends, which will increase demand for housing that is suitable for seniors.

Senior housing demand will grow over the planning period as baby boomers continue to age and retire and as members of Generation X begin to retire. The impact of Wilsonville's growing senior population will depend, in part, on whether older people already living in Wilsonville continue to reside there as they retire. National surveys

show that, in general, most retirees prefer to age in place by continuing to live in their current home and community as long as possible.¹⁰

Growth in the number of seniors will result in demand for housing types specific to seniors, such as small and easy-to-maintain dwellings, assisted living facilities, or age-restricted developments. Senior households will make a variety of housing choices as they age, including remaining in their homes if they are able, downsizing to smaller single-family homes (detached and attached) or multifamily units, or moving into group housing (such as assisted living facilities or nursing homes). The challenges aging seniors face in continuing to live in their community include changes in healthcare needs, loss of mobility, the difficulty of home maintenance, financial concerns, and increases in property taxes.¹¹

- **Wilsonville has a larger proportion of younger working-age people than the Portland region and Oregon.** People roughly ages 28 to 43 are now referred to as the millennial generation and account for the largest share of population in Oregon. By 2045, millennials will be about 49 to 64 years of age and Generation Z will be 33 to 48 years of age. As they age and form their own households, their housing needs will contribute to housing needs in Wilsonville.

Wilsonville currently has higher rates of millennials than the rest of the Portland region. About 33% of Wilsonville's population is between 20 and 39 years old, compared to 30% of the Portland region and 27% of Oregon. The community's ability to continue to attract and retain people in this age group will depend, in large part, on whether the City has opportunities for housing that both appeals to and is affordable to millennials and Generation Z.

In the near term, millennials and Generation Z may increase demand for rental units. Some households in this age group will need housing that accommodates children. As of 2021, about 28% of households in Wilsonville have children. In the long term, surveys about housing preference suggest that millennials want affordable single-family homes in areas that offer transportation alternatives to cars, such as areas with walkable neighborhoods.¹² Recent growth in homeownership among millennials proves that millennials prefer to become homeowners, with the millennial homeownership rate increasing from 33% in 2009 to 43% in 2019.¹³ While researchers do not yet know how

¹⁰ A survey conducted by AARP indicates that 90% of people 50 years and older want to stay in their current home and community as they age. See <http://www.aarp.org/research>.

¹¹ "Aging in Place: A toolkit for Local Governments" by M. Scott Ball.

¹² The American Planning Association, "Investing in Place; Two generations' view on the future of communities." 2014.

"Access to Public Transportation a Top Criterion for Millennials When Deciding Where to Live, New Survey Shows," Transportation for America.

"Survey Says: Home Trends and Buyer Preferences," National Association of Home Builders International Builders

¹³ "Millennials and Housing: Homeownership Demographic Research." Freddie Mac Single-Family, 2021.

https://sf.freddie.com/content/_assets/resources/pdf/fact-sheet/millennial-playbook_millennials-and-housing.pdf.

Generation Z will behave in adulthood, many expect they will follow patterns of previous generations.¹⁴

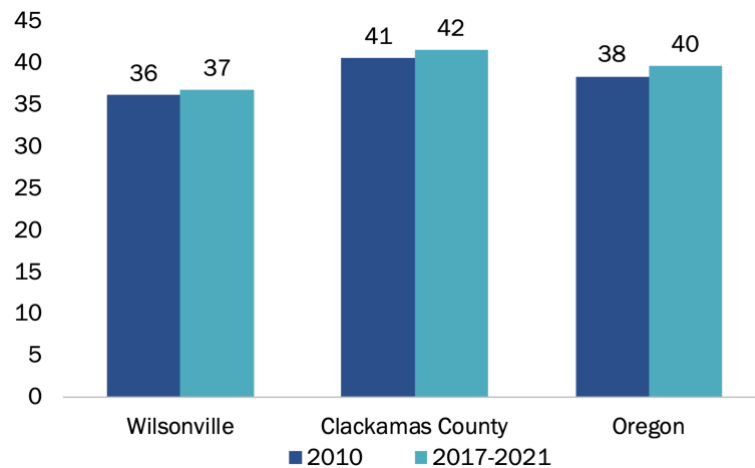
Growth in millennials and Generation Z in Wilsonville will result in increased demand for affordable single-family detached housing (such as small single-family detached units like cottages) and townhouses and multifamily housing which are typically more affordable than single-family detached housing. Demand will be for both ownership and rental opportunities. There is potential for attracting new residents to housing in Wilsonville's commercial areas, especially if the housing is relatively affordable and located in proximity to services. Smaller household sizes in Wilsonville relative to the region point to demand for smaller housing units, which are generally more affordable than larger units.

Wilsonville saw an increase in median age between 2010 and 2021.

Wilsonville's median age was 37, 3 years younger than the median age in Oregon and 5 years younger than the median age in Clackamas County.

Exhibit 25. Median Age, Wilsonville, Clackamas County, and Oregon, 2000 to 2017–2021

Source: US Census Bureau, 2000 Decennial Census Table B01002, 2017–2021 ACS, Table B01002.



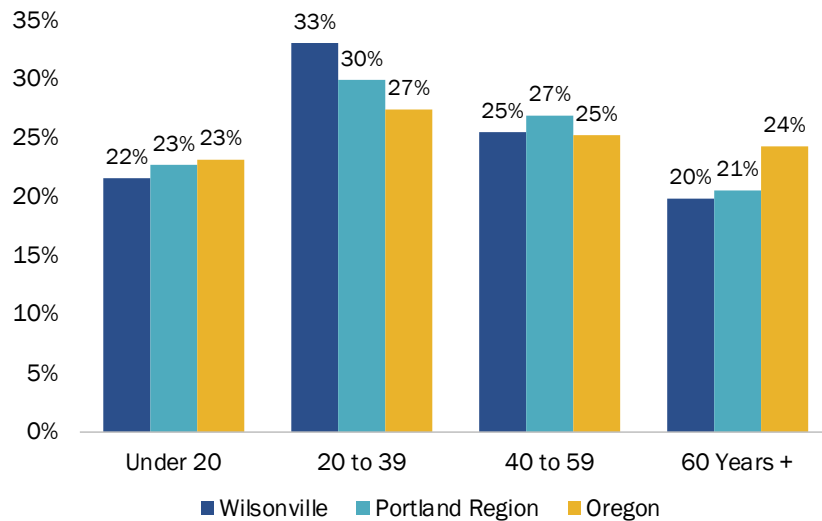
¹⁴ "2021 Home Buyers and Sellers Generational Trends Report." National Association of Realtors, 2021. <https://www.nar.realtor/sites/default/files/documents/2021-home-buyers-and-sellers-generational-trends-03-16-2021.pdf>.

One-third of Wilsonville's population is between the ages of 20 and 39.

Wilsonville has a higher share of residents between 20 and 39 compared to the region and state.

Exhibit 26. Population Distribution by Age, Wilsonville, the Portland Region, and Oregon, 2017–2021

Source: US Census Bureau, 2017–2021 ACS, Table B01001.

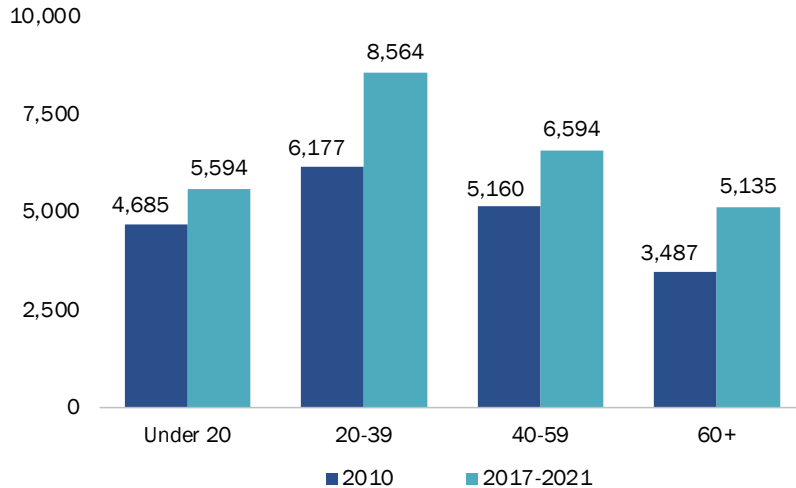


Wilsonville saw substantial growth across all age groups, with the largest increases among residents age 60 and over and residents ages 20-39.

Residents age 60 and over grew by 1,648 people between 2010 and 2021, while residents ages 20-39 grew by almost 2,400 people (47% and 39%, respectively).

Exhibit 27. Population Growth by Age, Wilsonville, 2010, 2017–2021

Source: US Census Bureau, 2000 Decennial Census Table P012 and 2017–2021 ACS, Table B01001.



People in all age groups are expected to grow in Clackamas County over the next two decades.

People age 60 and over are forecast to increase 31% between 2020 and 2040, adding more than 34,500 new people. People ages 40 to 59 are forecast to grow by nearly as many, adding 32,500 people.

By 2040, Clackamas County residents age 40 and older will make up 57% of the county's total population, a 3% increase in share from 2020.

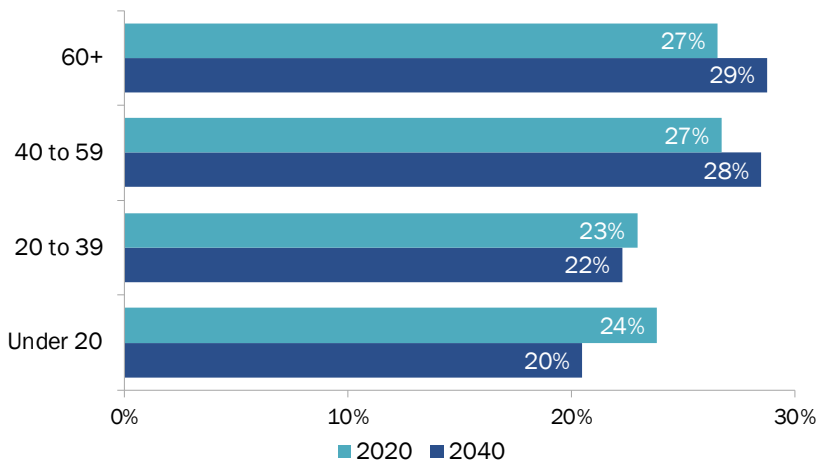
Exhibit 28. Fastest-Growing Age Groups, Clackamas County, 2020 to 2040

Source: PSU Population Research Center, Clackamas County Forecast, June 2020

Under 20	20-39 Yrs	40-59 Yrs	60+ Yrs
4% Growth (4,060 People)	18% Growth (16,808 People)	29% Growth (32,576 People)	31% Growth (34,579 People)

Exhibit 29. Population Growth by Age Group, Clackamas County, 2020 and 2040

Source: PSU Population Research Center, Clackamas County Forecast, June 2020.



Racial and Ethnic Diversity

Wilsonville has a similar racial and ethnic makeup as the state of Oregon, with about 17% of Wilsonville residents identifying as a person of color (Asian, Black or African American, American Indian and Alaska Native, Some Other Race alone, and Two or More Races) or Hispanic/Latino. Housing needs do not generally differ by race or ethnicity, but other characteristics of households that affect housing needs (and the housing choices available to these households) may vary by race or ethnicity. For example, Exhibit 40 shows a difference in income by race and ethnicity. These differences in income result in households making different choices (often by necessity) based on income and the availability of affordable housing. To the extent that characteristics of current housing situations for people of color are different from the overall average, these differences are more likely to reflect availability of affordable housing rather than different preferences by race or ethnicity.

Exhibit 30 shows Wilsonville's population by race and ethnicity, excluding those who identified as White alone. Wilsonville has a large population of Hispanic/Latino residents, more than double the next highest race or ethnic group represented in Wilsonville.

Exhibit 30. Number of People by Race (non-White) and Ethnicity, Wilsonville, 2017-2021

Source: US Census Bureau, 2017-2021 ACS, Table B03002.

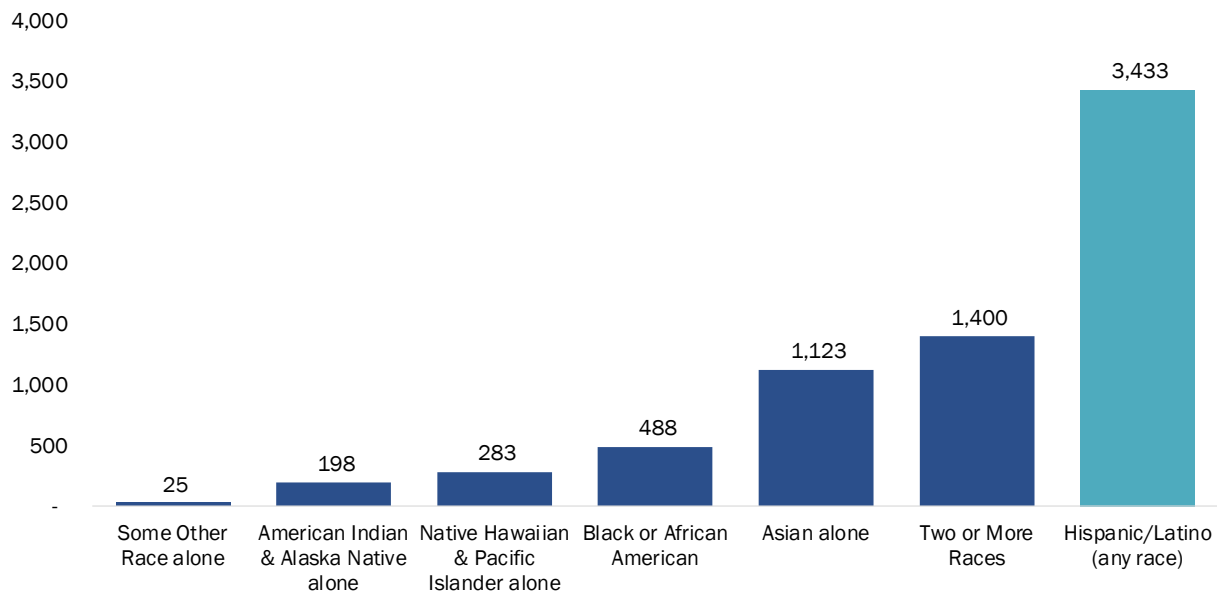


Exhibit 31 shows that Wilsonville has a similar racial and ethnic makeup as the state of Oregon and Portland region. About 13% of residents identify as Hispanic/Latino. Nearly 14% identify as a race other than White, non-Hispanic.

Exhibit 31. Population by Race/Ethnicity as a Percent of Total Population, 2017–2021

Source: US Census Bureau, 2016–2020 ACS Table B02001 and B03002.

	Wilsonville	Portland Region	Clackamas County	Washington County	Oregon
Not Hispanic or Latino	87%	87%	91%	83%	86%
White	73%	69%	80%	64%	74%
Black or African American	2%	3%	1%	2%	2%
American Indian and Alaska Native	1%	0%	0%	0%	1%
Asian	4%	8%	4%	11%	4%
Native Hawaiian and Pacific Islander	1%	0%	0%	0%	0%
Some Other Race alone	0%	0%	0%	0%	0%
Two or More Races	5%	5%	5%	5%	5%
Hispanic or Latino	13%	13%	9%	17%	14%

The number of residents that identified as Hispanic/Latino increased in Wilsonville by 1,073 people, from 2,360 people in 2010 to 3,433 people in 2021. The US Census Bureau forecasts that at the national level, the Hispanic/Latino population will continue growing faster than most other non-Hispanic/Latino populations between 2020 and 2040. The Census forecasts that the Hispanic/Latino population will increase by 93% between 2016 and 2060 and foreign-born Hispanic/Latino populations immigrating to the United States will increase by about 40% in that same time.¹⁵ It is reasonable to assume that the Hispanic/Latino population will continue to grow in Wilsonville as the population nationally increases.

Continued growth in the Hispanic/Latino population will affect Wilsonville's housing needs in a variety of ways. Growth in first-generation Hispanic/Latino immigrants (and, to a lesser extent, second- and third-generation Hispanic/Latino immigrants) will increase demand for larger dwelling units to accommodate the larger household sizes for these households. In fact, Hispanic/Latino households are twice as likely to include multigenerational households than the general populace.¹⁶ As Hispanic/Latino households change over generations, household size typically decreases and housing needs become similar to housing needs for all households.

According to the *State of Hispanic Homeownership* report from the National Association of Hispanic Real Estate Professionals, the Hispanic/Latino population accounted for 29% of the nation's new household formation between 2017 and 2021.¹⁷ The rate of homeownership for Hispanic/Latino households increased from 45.6% in 2015 to 48.4% in 2021. Hispanic/Latino homeownership growth has remained steady over the last decade and is at its highest rate since 2009.

¹⁵ US Census Bureau, *Demographic Turning Points for the United States: Population Projections for 2020 to 2060*.

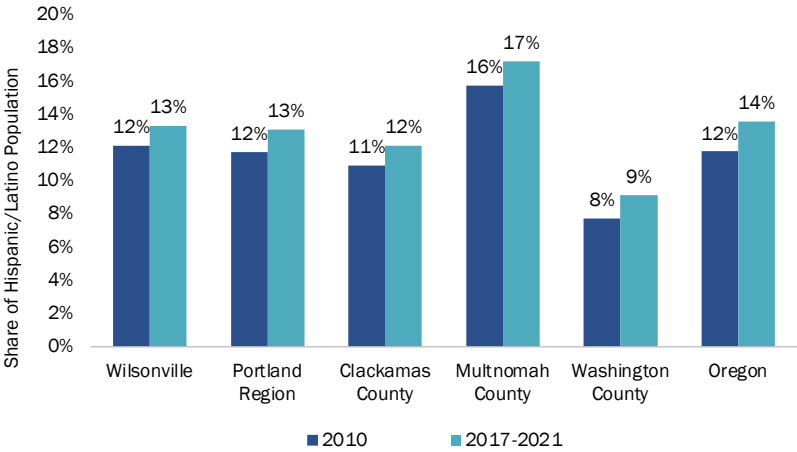
¹⁶ Pew Research Center. (2013). *Second-Generation Americans: A Portrait of the Adult Children of Immigrants*.

National Association of Hispanic Real Estate Professionals (2019). *2019 State of Hispanic Homeownership Report*.

¹⁷ National Association of Hispanic Real Estate Professionals (2021). *2021 State of Hispanic Homeownership Report*.

Wilsonville saw an increase in the percentage of the population identifying as Hispanic/Latino, similar to comparison areas.

Exhibit 32. Hispanic/Latino Population as Percent of Total Population, Wilsonville, the Portland Region, Comparison Counties, and Oregon, 2010 and 2017–2021
Source: US Census Bureau, 2000 Decennial Census Table P008, 2017–2021 ACS Table B03002.



Household Size and Composition

Wilsonville has a smaller average household size than Clackamas County and the state, with a slightly higher share of one- and two-person households than the region, likely driven by its higher proportion of young adults.

Wilsonville’s average household size was slightly smaller than Clackamas County’s and Oregon’s.

Sixty-six percent of households in Wilsonville are one- and two-person households.

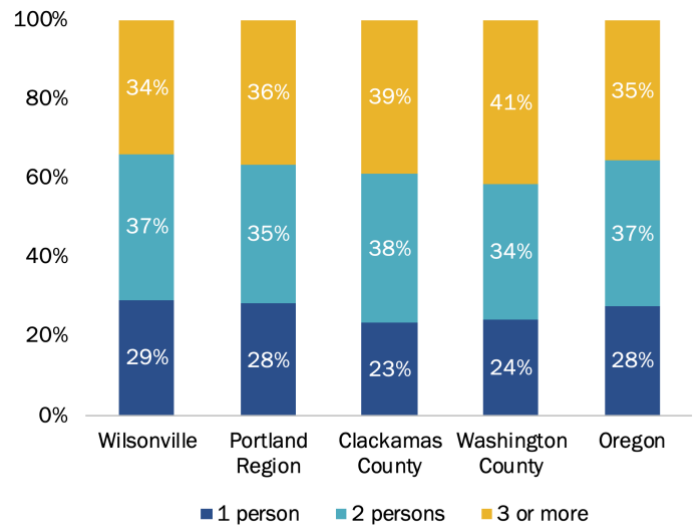
Exhibit 33. Average Household Size, Wilsonville, Clackamas County, Oregon, 2017-2021

Source: US Census Bureau, 2017-2021 ACS 5-Year Estimate, Table B25010.



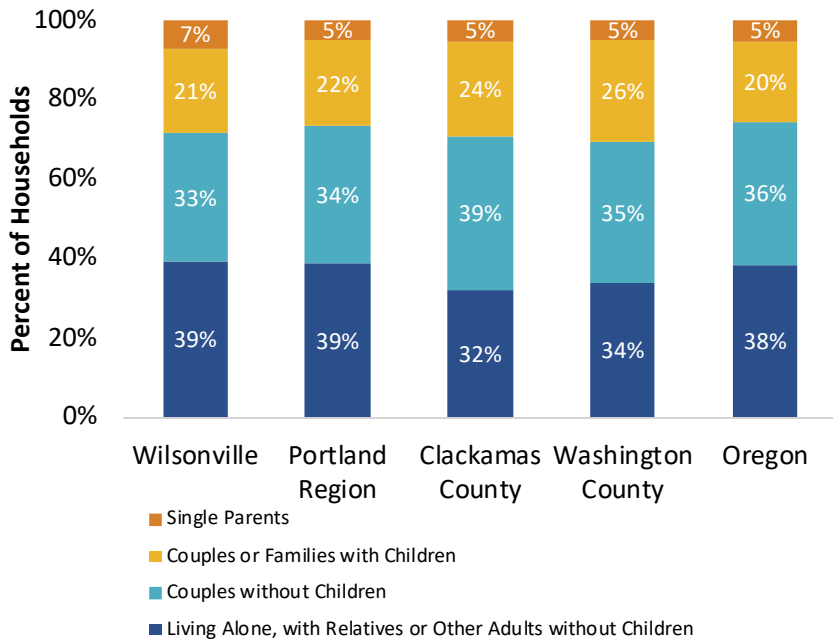
Exhibit 34. Household Size, Wilsonville, the Portland Region, Comparison Counties, and Oregon, 2017-2021

Source: US Census Bureau, 2017-2021 ACS 5-Year Estimate, Table B25010.



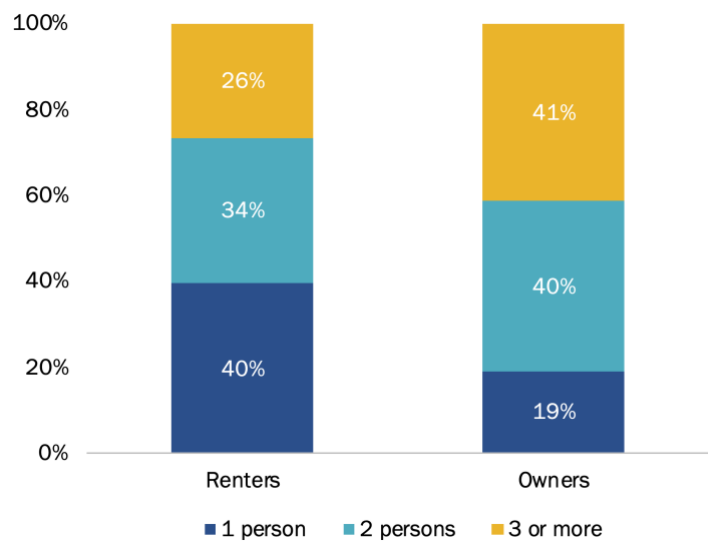
Twenty-eight percent of households in Wilsonville have children present, similar to the region as a whole.

Exhibit 35. Household Composition, Wilsonville, the Portland Region, Comparison Counties, and Oregon, 2017-2021
Source: US Census Bureau, 2017-2021 ACS 5-Year Estimate, Table DP02.



Owner-occupied households had a higher percentage of households with 2 people and 3 or more people than renter-occupied households.

Exhibit 36. Tenure by Household Size, Wilsonville, 2017-2021
Source: US Census Bureau, 2017-2021 ACS 5-Year Estimate, Table B25009

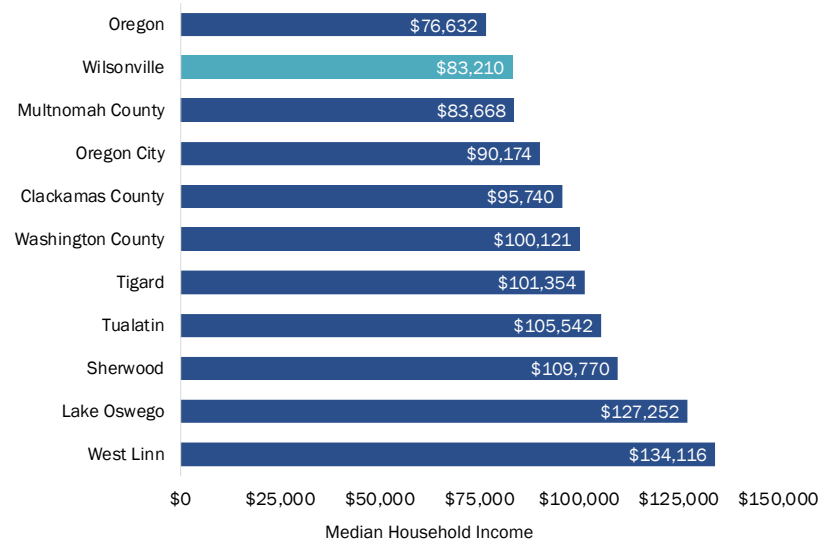


Income of Wilsonville Residents

Income is a key determinant in housing choice and households’ ability to afford housing. Wilsonville’s median household income was lower than the Clackamas County median (about \$12,000 lower). Adjusted for inflation, Wilsonville’s household income decreased by 8% since 2000, which is inconsistent with regional and state trends. While the exact cause for this decline is unclear, Wilsonville’s higher share of multifamily units could mean that housing is attainable for households with lower incomes at a greater rate than many nearby cities. Ignoring inflation adjustments, median household income in Wilsonville increased by 61% between 2000 and 2022 (29% between 2014 and 2022). This is lower than Clackamas County and Oregon, where the median household income (ignoring inflation adjustments) increased by 85% and 88%, respectively, between 2000 and 2022.

Wilsonville has a lower median household income when compared to the region and many nearby cities but is higher than Oregon overall.

Exhibit 37. Median Household Income, Wilsonville, Comparison Counties, Oregon, Comparison Cities, 2018-2022
Source: US Census Bureau, 2018-2022 ACS 5-Year Estimate, Table B25119

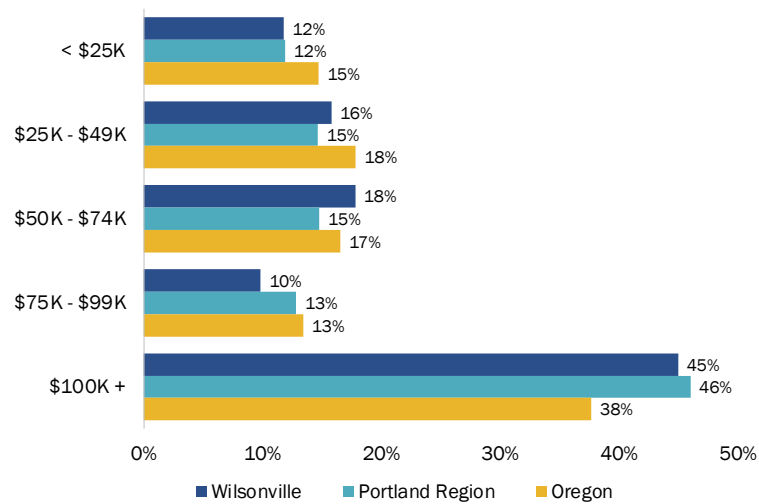


The share of households making more than \$100,000 in Wilsonville is similar to the Portland region but greater than the state overall.

About 55% of households in Wilsonville make less than \$100,000. Twenty-eight percent make less than \$50,000.

Exhibit 38. Household Income, Wilsonville, Portland Region, Oregon, 2018-2022

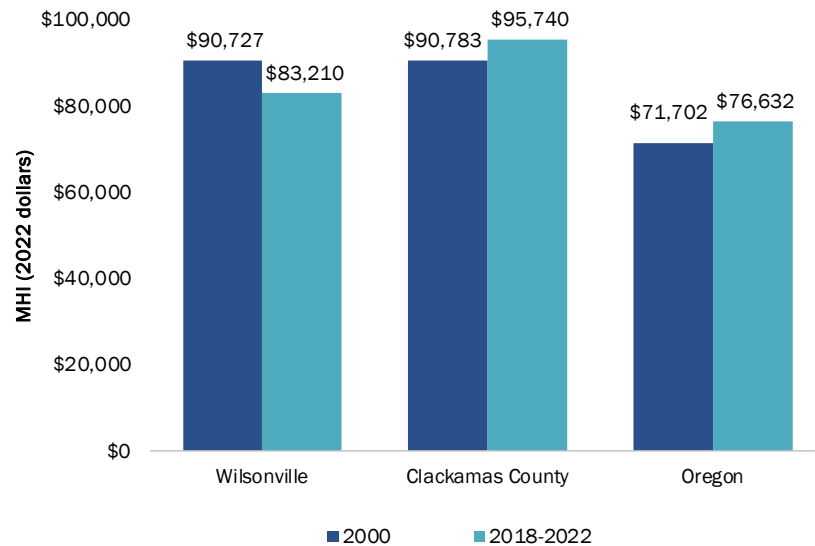
Source: U.S. Census Bureau, 2018-2022 ACS 5-year estimate, Table B19001.



Wilsonville's inflation-adjusted median household income decreased between 2000 and 2022, in contrast to Clackamas County and Oregon, which both increased.

Ignoring inflation adjustments, median household income in Wilsonville increased by 61% between 2000 and 2022 (29% between 2014 and 2022). This is lower than Clackamas County and Oregon, where the median household income (ignoring inflation adjustments) increased by 85% and 88%, respectively, between 2000 and 2022.

Exhibit 39. Change in Median Household Income, Wilsonville, Clackamas County, Oregon, 2000 to 2018-2022, Inflation-Adjusted
Source: US Census Bureau, 2000 Decennial Census, Table HCT012; 2018-2022 ACS 5-Year Estimate, Table B25119.



In Clackamas County, Hispanic/Latino households had median household incomes between \$65,000 and \$82,000, which was below the overall county median household income.

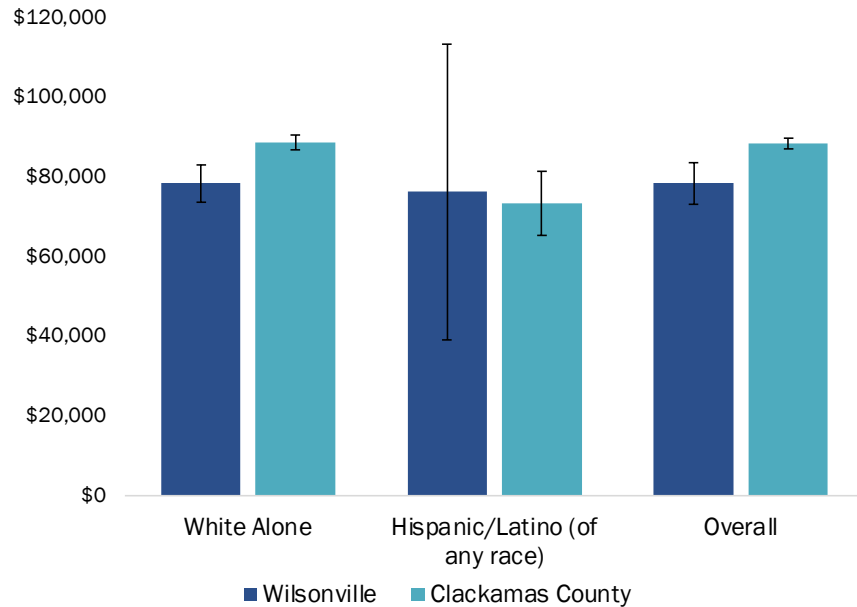
While City-level data had a high margin of error, it is reasonable to assume that Hispanic/Latino households may also have lower median household incomes than the City's overall median household income.

Exhibit 40. Median Household Income by Race/Ethnicity of the Head of Household, Wilsonville, 2017-2021

Source: US Census Bureau, 2017-2021 ACS 5-Year Estimate, Table S1901.

Note: The black lines for each bar in this chart denote an estimate's margin of error. These are displayed because when parsing Census survey data for a cross section of data, there is more statistical noise when computing estimates. The inclusion of the bars indicates the range in which the true estimate likely lies (within a degree of statistical certainty).

Note: American Indian/Alaska Native, Asian, and two or more races were not included at the City level due to very high margins of error.

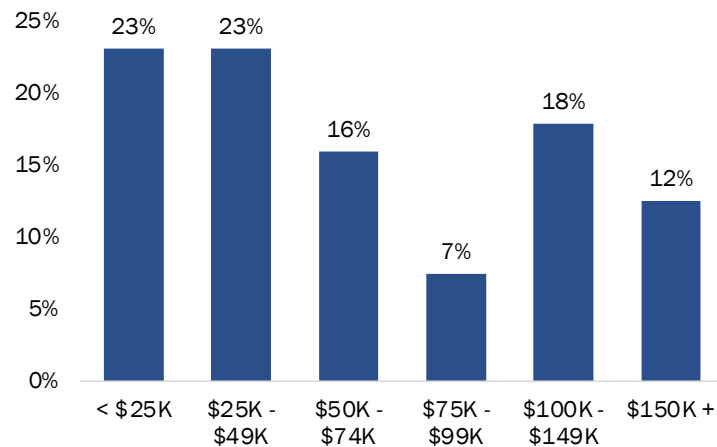


Almost half of all 65+ households make less than \$50,000 annually in Wilsonville.

Thirty percent of 65+ households have a household income of more than \$100,000.

Exhibit 41. Household Income (Age 65 and Older), Wilsonville, 2017-2021

Source: US Census Bureau, 2017-2021 ACS 5-Year Estimate, Table B19037.



Commuting Trends

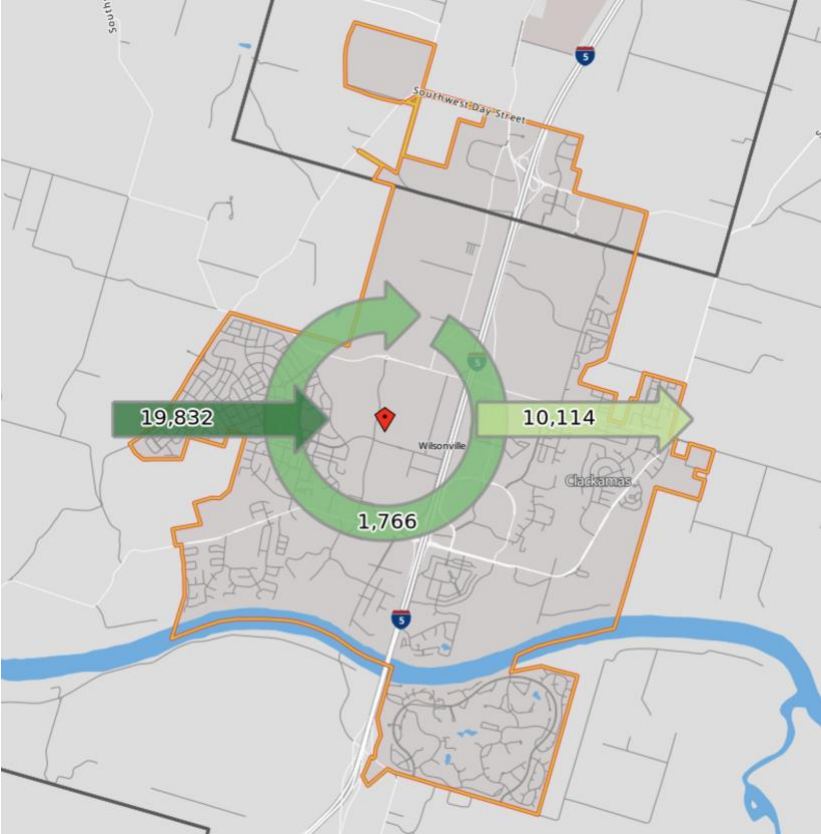
Wilsonville is part of the complex, interconnected economy of the Portland region. Of the 21,598 jobs in Wilsonville, 92% of workers commute into Wilsonville from other areas, most notably from Portland, Salem, Beaverton, Tigard, and Tualatin. About 10,114 residents of Wilsonville commute out of the city for work, many of them to Portland, Tualatin, and Tigard.

About 21,598 people work in Wilsonville. A majority of these people commute into Wilsonville for work.

About 1,766 people live and work in Wilsonville.

About 10,114 people live in Wilsonville but commute outside of the city for work.

Exhibit 42. Commuting Flows, Wilsonville, 2021
Source: US Census Bureau, Census on the Map.



About 8% of Wilsonville’s workforce lives in Wilsonville.
The remainder commute from Portland and other cities in the Portland region.

About 15% of Wilsonville residents who work are employed in Wilsonville.

Exhibit 43. Where Workers in Wilsonville Lived, 2021
Source: US Census Bureau, Census on the Map.



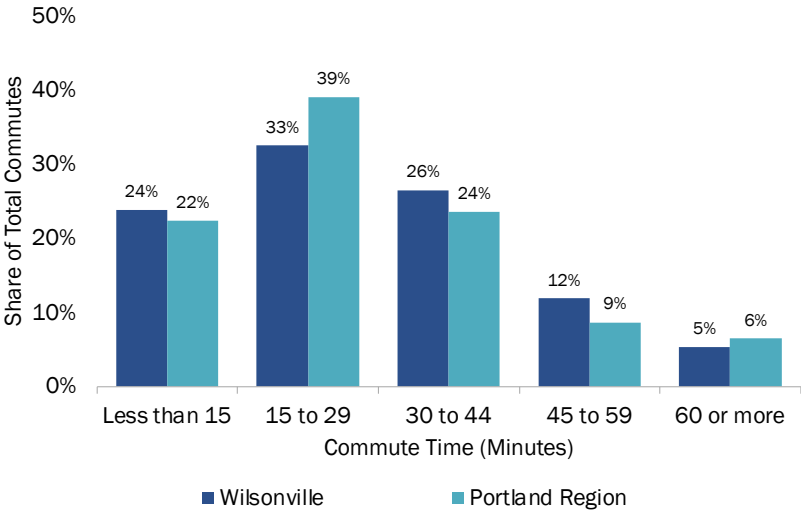
Exhibit 44. Where Wilsonville Residents Who Work Are Employed, 2021
Source: US Census Bureau, Census On the Map.



About a quarter of Wilsonville residents commute less than 15 minutes to work.

Exhibit 45. Commute Time by Place of Residence, Wilsonville and the Portland Region, 2017-2021

Source: US Census Bureau, 2017-2021 ACS 5-Year Estimate, Table B08303.



Populations with Unique Needs

People Experiencing Homelessness

Gathering reliable data from individuals experiencing homelessness is difficult precisely because they are unstably housed. People can cycle in and out of homelessness and move around communities and shelters. Moreover, the definition of homelessness can vary between communities. Individuals and families temporarily living with relatives or friends are insecurely housed, but they are often neglected from homelessness data. Even if an individual is identified as lacking sufficient housing, they may be reluctant to share information. As a result, information about people experiencing homelessness in Wilsonville is not readily available.

According to HUD’s 2022 Annual Homeless Assessment Report (AHAR), across the United States, the number of people experiencing homelessness increased slightly (less than one percent) between 2020 and 2022. This increase reflects a three percent increase in people experiencing *unsheltered* homelessness, offset by a two percent decline in people experiencing *sheltered* homelessness. However, between 2021 and 2022, *sheltered* homelessness increased by 7%, possibly due to the easing of pandemic-related restrictions that resulted in fewer beds available and declines in the perceived health risks of staying in a shelter.

Homelessness Data Sources

Point-in-Time (PIT) count: The PIT count is a snapshot of individuals experiencing homelessness on a single night in a community. The count records the number and characteristics of people who live in emergency shelters, transitional housing, rapid re-housing, Safe Havens, or permanent supportive housing (PSH), in addition to recording those who are unsheltered.

McKinney Vento data: This data records the number of school-age children who live in shelters or hotels/motels and those who are doubled up, unsheltered, or unaccompanied. This is a broader definition of homelessness than that used in the PIT.

Although these sources of information are known to undercount people experiencing homelessness, they are consistently available for counties in Oregon.

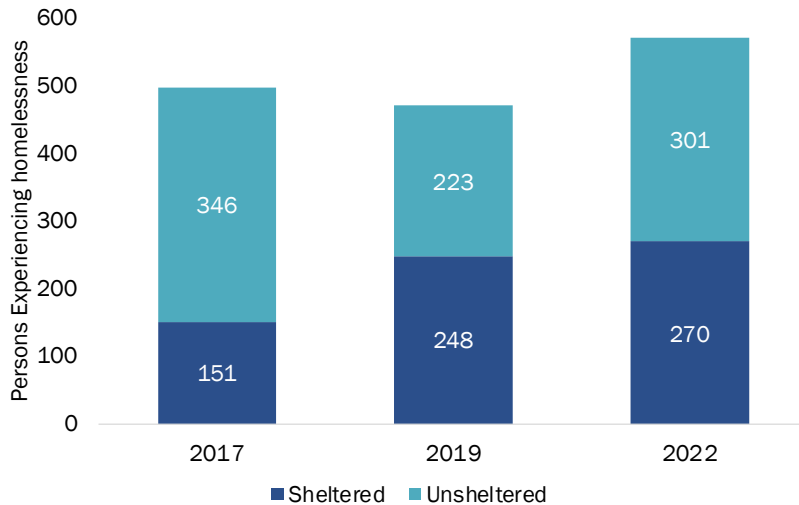
About 571 sheltered and unsheltered people were identified as experiencing homelessness in Clackamas County in 2022.

Exhibit 46. Number of Persons Experiencing Homelessness, Sheltered and Unsheltered, Clackamas County, Point-in-Time Count, 2017, 2019, and 2022
Source: HUD Point-in-Time Counts



In 2022, 47% of people experiencing homelessness were sheltered (270 people) and 53% were unsheltered (301 people).

Exhibit 47. Number of Persons Homeless by Living Situation, Clackamas County, Point-in-Time Count, 2017, 2019, and 2022
Source: HUD Point-in-Time Counts

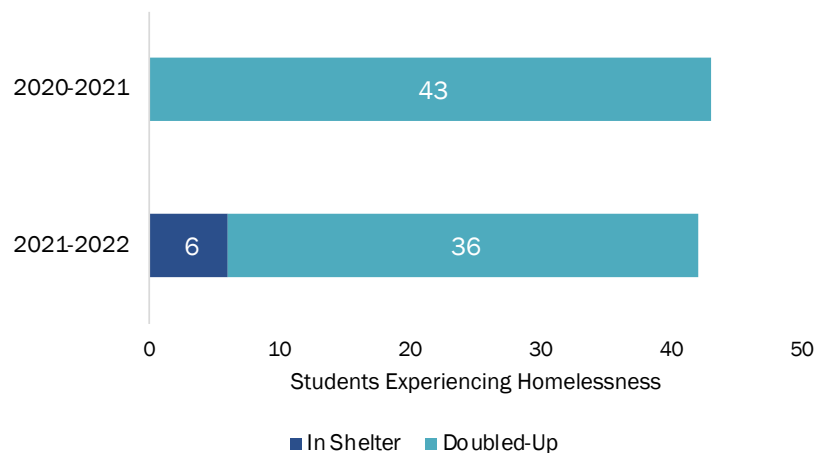


In the 2021-22 school year, 42 students experienced homelessness.

Of the 42 students in 2021-22 experiencing homelessness, 6 were unaccompanied.

Thirty-six students were doubled up, which means that the student was sharing housing with another family or individual. This typically implies that the student and their family do not have an adequate nighttime residence of their own and are temporarily staying with others. Six students were reported as staying in a shelter.

Exhibit 48. Students Homeless by Living Situation, West Linn-Wilsonville School District, 2020-2021 and 2021-2022
Source: McKinney Vento, Homeless Student Data.



People with Disabilities

Exhibit 49 presents data on the share of individuals living with disabilities in Wilsonville, the Portland region, and the State bucketed into six categories (as defined by Census Bureau):

- **Hearing difficulty:** Deaf or having serious difficulty hearing.
- **Vision difficulty:** Blind or having serious difficulty seeing, even when wearing glasses.
- **Cognitive difficulty:** Because of a physical, mental, or emotional problem, having difficulty remembering, concentrating, or making decisions.
- **Ambulatory difficulty:** Having serious difficulty walking or climbing stairs.
- **Self-care difficulty:** Having difficulty bathing or dressing.
- **Independent living difficulty:** Because of a physical, mental, or emotional problem, having difficulty doing errands alone such as visiting a doctor's office or shopping.

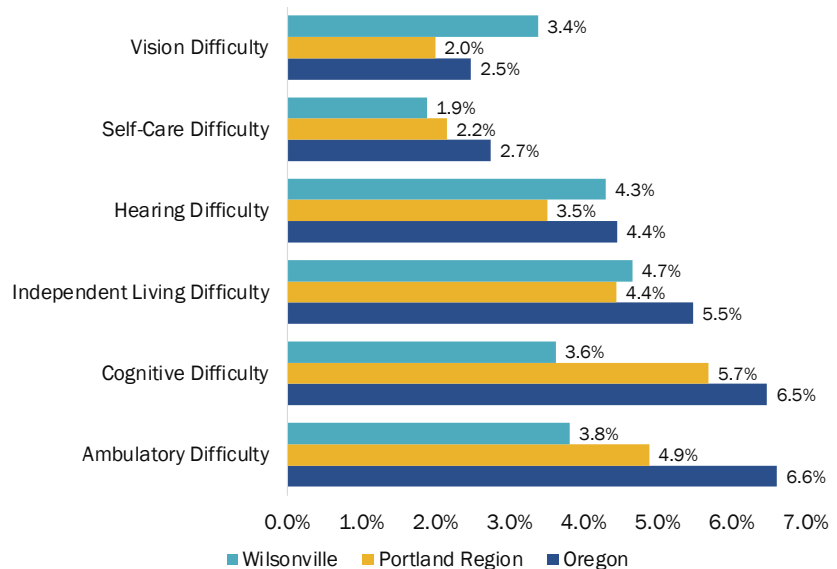
Persons with disabilities often require special housing accommodations such as single-story homes or ground floor dwelling units, unit entrances with no steps, housing options that allow for service animals, and other accessibility features. Due to an insufficient supply of these housing options, this group often experiences additional barriers to accessing affordable housing that meets their needs. Some people with disabilities have limited and fixed incomes, making them more susceptible to having housing affordability challenges. Statewide, 60% of renter households with a disability were cost burdened, compared with the average of 48% of all renter households in 2018.

Wilsonville has a lower share of persons living with a disability than the Portland region and Oregon overall.

Wilsonville had a total of 2,956 people with one or more disabilities, accounting for 12% of people in Wilsonville. The most common disabilities were independent living difficulty and hearing difficulty.

Exhibit 49. Persons Living with a Disability by Type and as a Percent of Total Population, Wilsonville, the Portland Region, Oregon, 2017-2021

Source: US Census Bureau 2017-2021 ACS, Table K201803.



Regional and Local Trends Affecting Affordability in Wilsonville

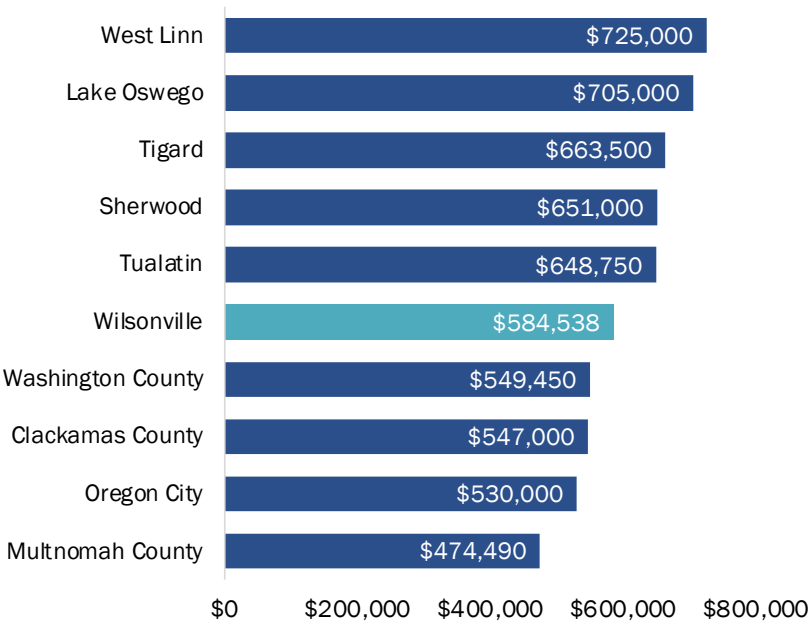
This section describes changes in sales prices, rents, and housing affordability in Wilsonville compared to other places in the region. This section shows:

- **Wilsonville’s median home sales price increased by 72% between January 2014 and January 2024 from \$339,900 to \$584,500.** Wilsonville’s median home sales price is less expensive than some nearby cities and more expensive than others.
- **Multifamily average asking rents in Wilsonville increased by 58% between 2013 and 2023.** The average asking rent in Wilsonville was \$1,733 in 2023, not including costs of utilities. Asking rents in 2023 vary from \$1,513 for a one-bedroom unit to \$2,154 for a three-bedroom unit.
- **About 37% of Wilsonville households are cost burdened.** Over half of renter households in Wilsonville experience cost burden (55%), compared with 23% of owner households. Wilsonville has some of the highest levels of cost burden in relation to comparable cities, in part because Wilsonville has a higher percentage of renter households (who have higher rates of cost burden than owner households) than comparable cities.

Changes in Housing Costs

Wilsonville’s median home sales price was higher than both Multnomah County and Clackamas County but lower than many comparison cities.

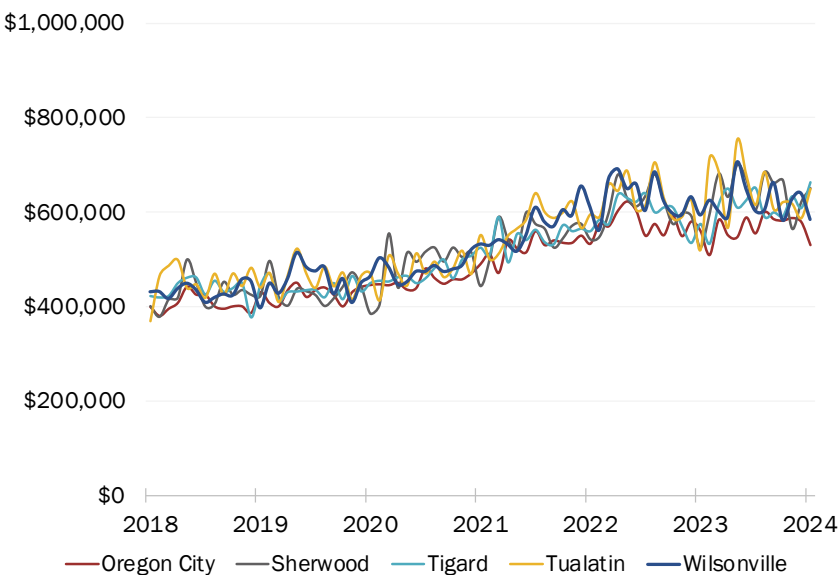
Exhibit 50. Median Home Sales Price, Wilsonville, Comparison Counties, and Comparison Cities, January 2024
Source: Redfin



Between January 2018 and January 2024, the median sales price in Wilsonville increased by 35% from around \$432,000 to \$584,500. Wilsonville’s median sales price is similar to many nearby cities.

Between January 2014 and January 2024, Wilsonville’s median home sales price increased by 72% (\$245,000).

Exhibit 51. Median Home Sales Price, Wilsonville, Oregon City, Sherwood, Tigard, and Tualatin, 2018 through January 2024
Source: Redfin



When compared to Lake Oswego and West Linn, two higher-cost cities in the metro region, Wilsonville’s median sales price is consistently lower.

Exhibit 52. Median Home Sales Price, Wilsonville, Lake Oswego, and West Linn, 2018 through January 2024
Source: Redfin

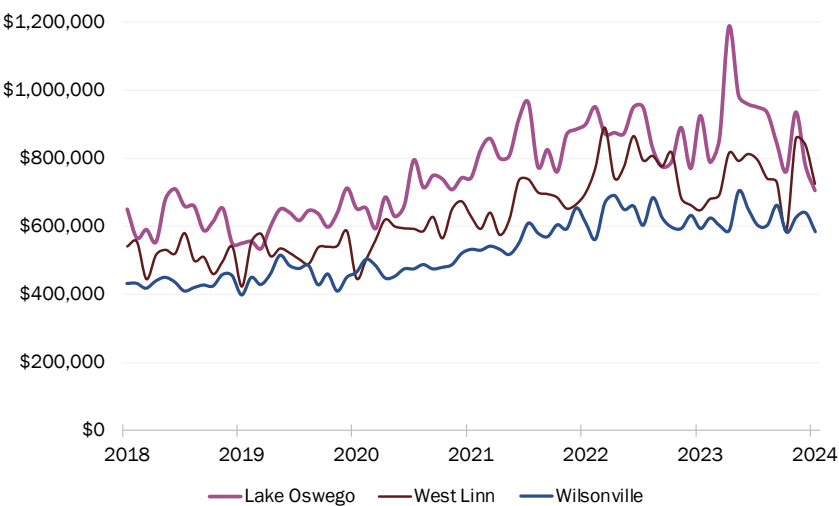
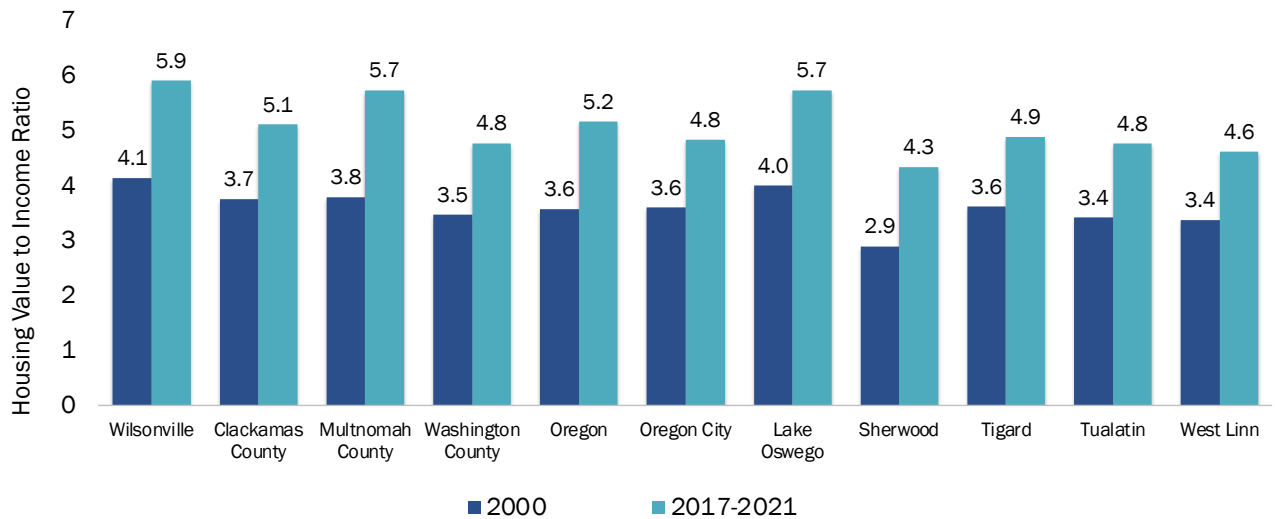


Exhibit 53 shows that, since 2000, housing costs in Wilsonville and comparison cities increased faster than incomes. The household-reported median value of a house in Wilsonville was 4.1 times the median household income in 2000 and 5.9 times the median household income in 2021.

Exhibit 53. Ratio of Median Housing Value to Median Household Income in the Past 12 Months, Wilsonville, Comparison Counties, Oregon, and Comparison Cities, 2000 to 2017-2021¹⁸

Source: US Census Bureau, 2000 Decennial Census (Table HCT012, H085); 2017-2021 ACS (Table B19013, B25077).



Rental Costs

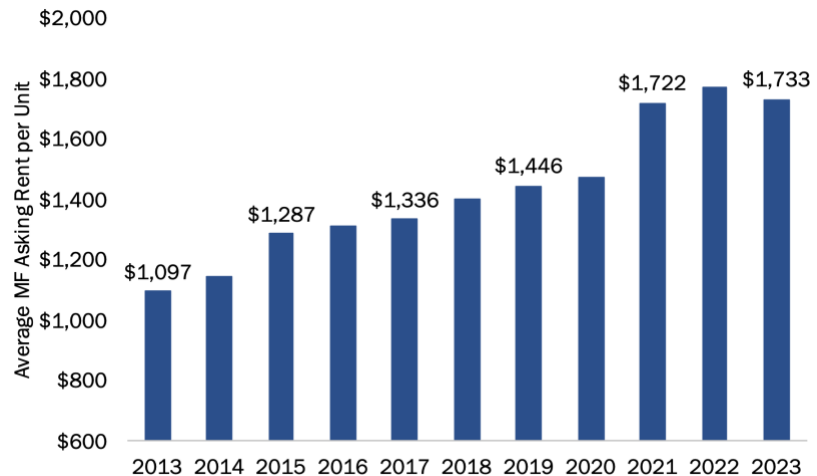
Multifamily asking rents increased by 58% in the last 10 years.

Between 2020 and 2023 they increased by 17%.

Average asking rents in Wilsonville were similar to average asking rents in Tigard (\$1,601), Tualatin (\$1,652), and Oregon City (\$1,750) in 2023.

Exhibit 54. Average Multifamily Asking Rent per Unit, Wilsonville, 2013 through 2023

Source: CoStar.

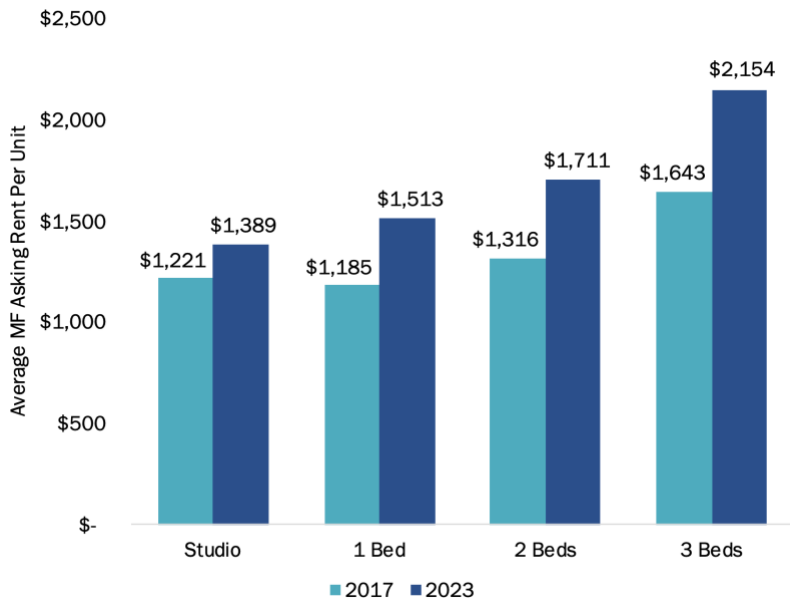


¹⁸ This ratio compares the median value of housing in Wilsonville (and other places) to the median household income in the past 12 months.

Multifamily asking rent has increased across all bedroom sizes. Between 2017 and 2023, studios increased by 14% and one-bedroom, two-bedroom, and three-bedroom units all increased by more than 27%.

Exhibit 55. Average Multifamily Asking Rent per Unit by Number of Bedrooms, Wilsonville, 2017 and 2023

Source: CoStar.



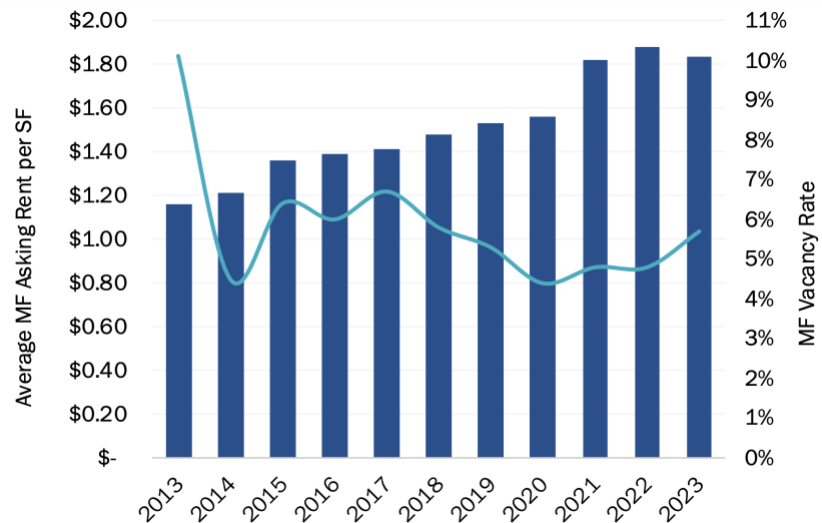
Multifamily asking rent per square foot increased by 58% between 2013 and 2023.

Multifamily vacancy rates declined since 2013 and remained below 6% since 2018.

Rising rents combined with declining vacancy rates suggest unmet demand. Increasing multifamily housing inventory is likely necessary to stabilize or lower rents.

Exhibit 56. Average Multifamily Asking Rent per Square Foot and Average Multifamily Vacancy Rate, Wilsonville, 2013 to 2023

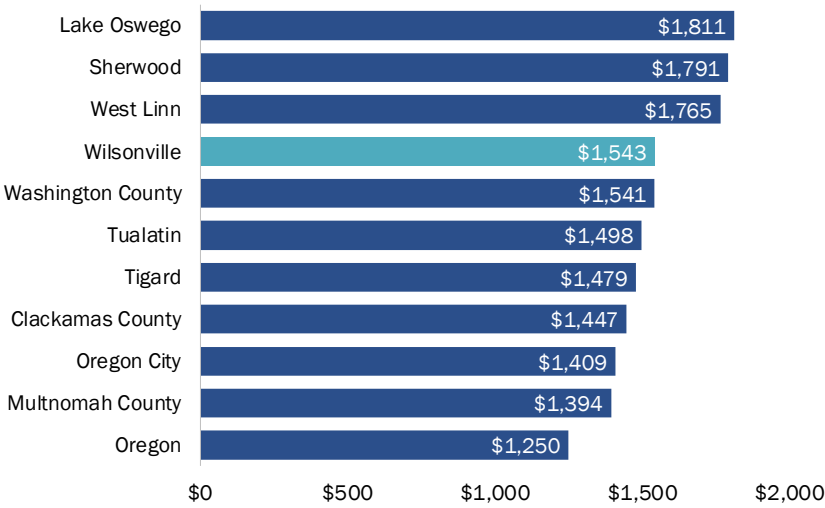
Source: CoStar.



The median gross rent in Wilsonville was \$1,543 in 2021, which was higher than Multnomah, Clackamas, and Washington Counties.¹⁹

Of the comparison cities, only West Linn, Sherwood, and Lake Oswego had higher median gross rents.

Exhibit 57. Median Gross Rent, Wilsonville, Comparison Counties, Oregon, and Comparison Cities, 2017-2021
Source: US Census Bureau, 2017-2021 ACS (Table B25064).



¹⁹ The median gross rent refers to the midpoint value of all rental prices for a specified geographic area. Median gross rent includes both the cost of rent and any additional fees or utilities associated with the rental property. Average asking rent, on the other hand, calculates the mean of all observed rental prices, which can be influenced by extreme values. We use both in this section since the median gross rent can provide a more accurate middle value but the average asking rent is based on more current data.

Housing Affordability

A typical standard used to determine housing affordability is that a household should pay no more than a certain percentage of household income for housing, including payments and interest or rent, utilities, and insurance. The Department of Housing and Urban Development's 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 one method of determining how well a city is meeting the Goal 10 requirement to provide housing that is affordable to all households in a community.

For example, about 18% of Wilsonville's households have an income of less than \$35,400 per year. These households can afford rent of less than \$890 per month. Most but not all, of these households are cost burdened.

About 38% of Wilsonville's households were cost burdened in 2022, and of that, 19% (half) were severely cost burdened. In this period, about 55% of *renter* households were cost burdened or severely cost burdened, compared with 23% of homeowners. Overall, a larger share of households in Wilsonville experienced cost burden when compared to households in Clackamas County, Oregon, and comparison cities.

Wilsonville faces housing affordability challenges compared to nearby communities. While rents and housing sales prices in Wilsonville are similar to surrounding areas, median household incomes in the city are lower than in neighboring localities, potentially due to the greater share of rental housing that is often more attainable for lower-income households. Over the past decade, rents and housing prices have risen sharply in Wilsonville, with even steeper increases occurring in recent years. However, income growth in the city has not kept pace with these rapid housing cost escalations. While housing costs outpacing incomes is not a problem specific to Wilsonville, Wilsonville's relatively lower household incomes compared to the region can make these cost escalations more burdensome for households. As a result of this growing disparity between housing costs and incomes, cost burden rates for both renters and homeowners are higher in Wilsonville than in proximate communities.

While cost burden is a common measure of housing affordability, it does have some limitations. A household is defined as cost burdened if the housing costs exceed 30% of their gross income, regardless of actual income. The remaining 70% of income is expected to be spent on nondiscretionary expenses, such as food or medical care expenses, and discretionary expenses. Households with higher incomes may be able to pay more than 30% of their income on housing without impacting the household's ability to pay for necessary nondiscretionary expenses.

In addition, cost burden compares income to housing costs and does not account for accumulated wealth. As a result, the estimate of how much a household can afford to pay for housing does not include the impact of a household's accumulated wealth.

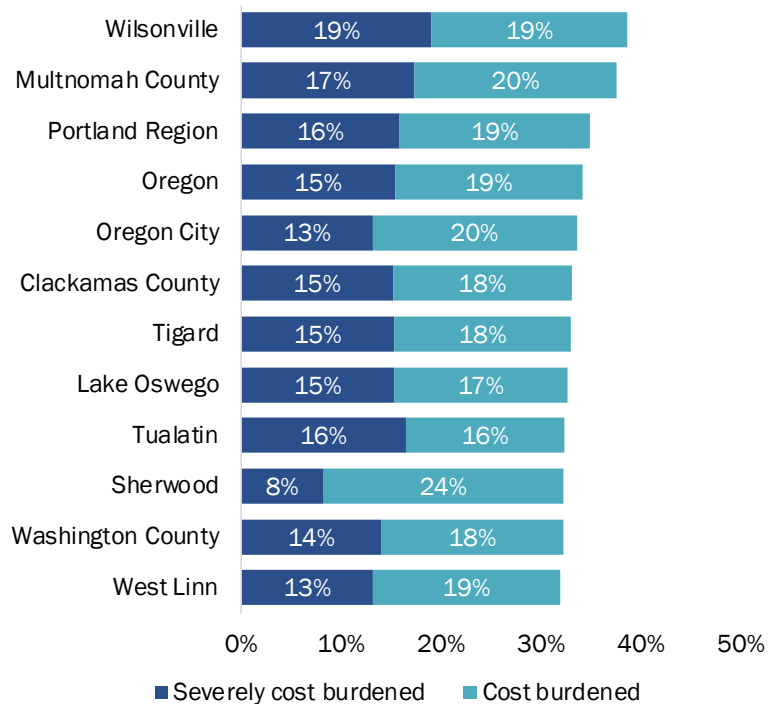
Cost burden also does not account for debts, such as college loans, credit card debt, or other debts. As a result, households with high levels of debt may be less able to pay up to 30% of their income for housing costs.

About 38% of Wilsonville's households were cost burdened, with 19% of households being severely cost burdened.

Cost burden in Wilsonville was higher than other comparable cities in the region. This may be reflective of the fact that Wilsonville has a larger percentage of renter households, who have higher rates of cost burden (see Exhibit 60).

Exhibit 58. Housing Cost Burden, Wilsonville, Comparison Counties, the Portland Region, Oregon, Other Comparison Cities, 2018-2022

Source: US Census Bureau, 2018-2022 ACS Tables B25091 and B25070.

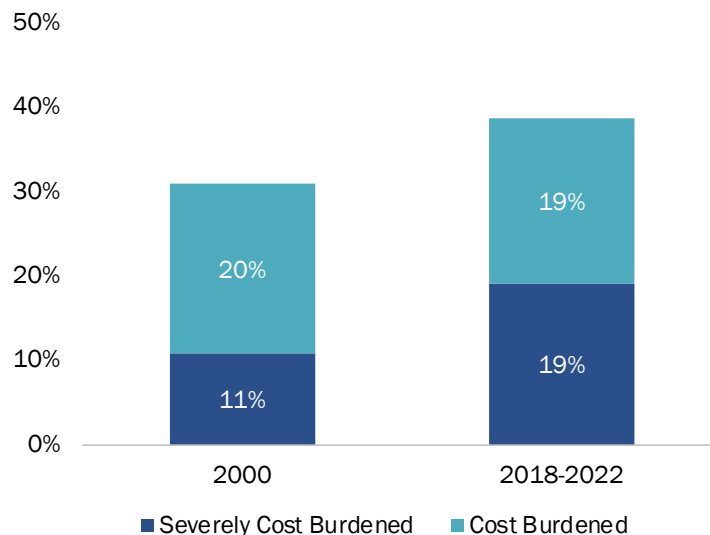


The percentage of severely cost-burdened households increased 7% between 2000 and 2022.

This change reflects the relatively rapid increases in housing costs but slower increases in income over the last two decades.

Exhibit 59. Change in Housing Cost Burden, Wilsonville, 2000 to 2018-2022

Source: US Census Bureau, 2000 Decennial Census, Tables H069 and H094 and 2018-2022 ACS Tables B25091 and B25070.

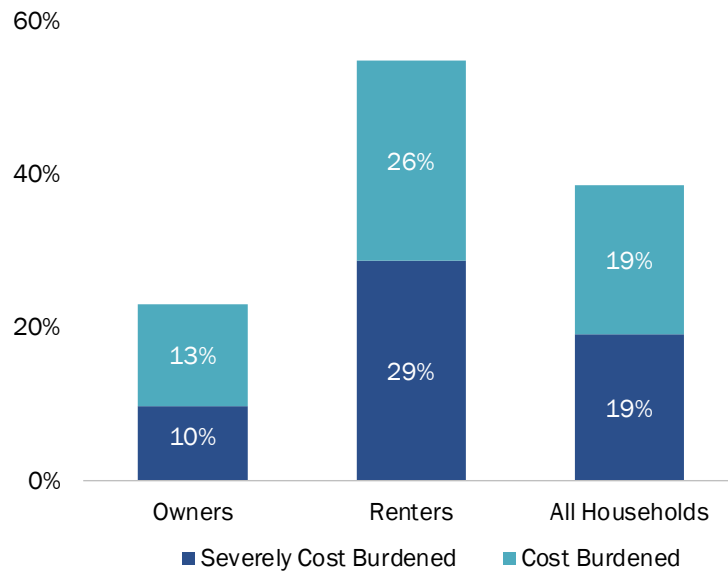


The renter cost burden was 55%, compared with 23% of owner households.

About 29% of Wilsonville's renter households were severely cost burdened.

Exhibit 60. Housing Cost Burden by Tenure, Wilsonville, 2018-2022

Source: US Census Bureau, 2018-2022 ACS Tables B25091 and B25070.



Most renter households earning less than \$35,000 were severely cost burdened.

Most renter households earning between \$35,000 and \$50,000 were cost burdened.

Exhibit 61. Cost-Burdened Renter Households, by Household Income, Wilsonville, 2017-2021

Source: US Census Bureau, 2017-2021 ACS Table B25074.

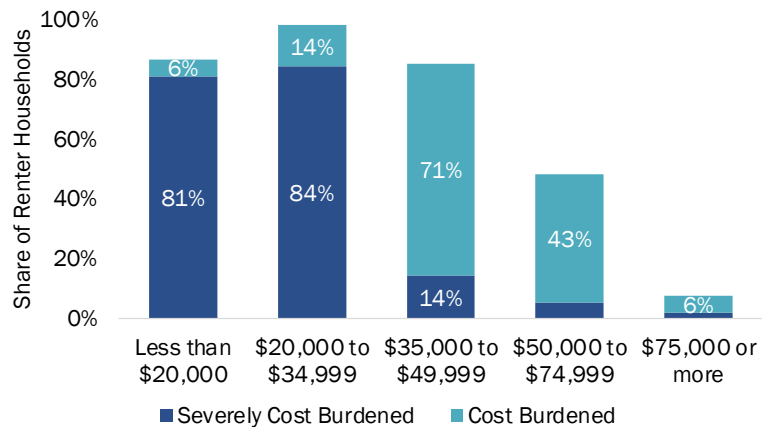


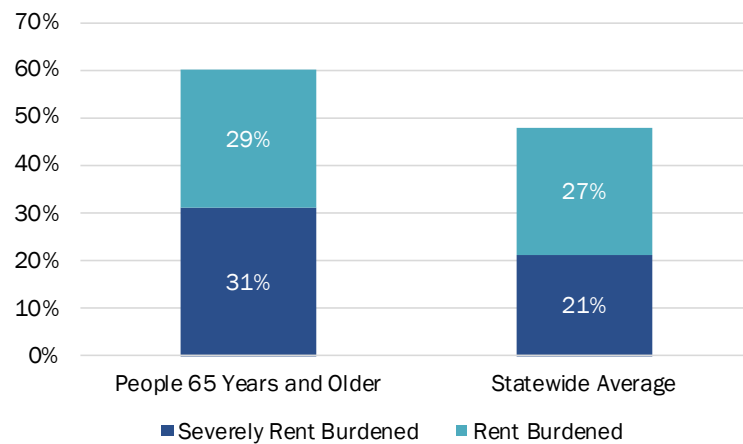
Exhibit 62 through Exhibit 64 show cost burden in Oregon for renter households for seniors, people of color, and people with disabilities.²⁰ This information is not readily available for a city with a population as small as Wilsonville, which is why we present statewide information. These exhibits show that these groups experience cost burden at higher rates than the overall statewide average.

Renters 65 years of age and older were disproportionately rent burdened compared to the state average.

About 60% of renters age 65 and older were rent burdened, compared with the statewide average of 48% of renters.

Exhibit 62. Cost-Burdened Renter Households, for People 65 Years of Age and Older, Oregon, 2018

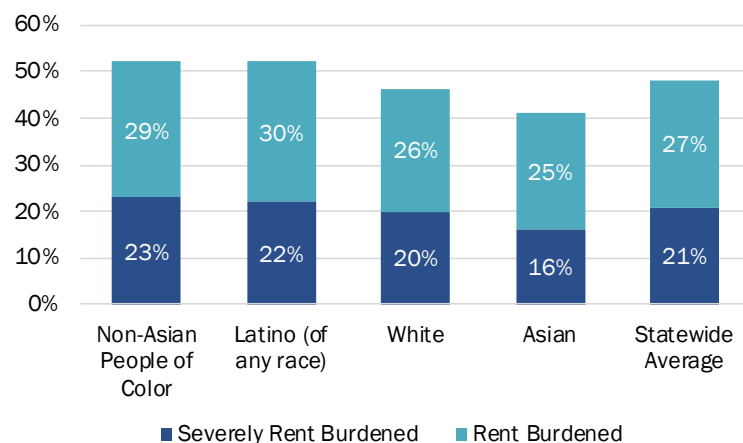
Source: US Census, 2018 ACS 1-Year PUMS Estimates. From the Report *Implementing a Regional Housing Needs Analysis Methodology in Oregon: Approach, Results, and Initial Recommendations* by ECONorthwest, August 2020.



Compared to the average renter household in Oregon, those that identified as a non-Asian person of color or as Latino were disproportionately rent burdened.

Exhibit 63. Cost-Burdened Renter Households, by Race and Ethnicity, Oregon, 2018

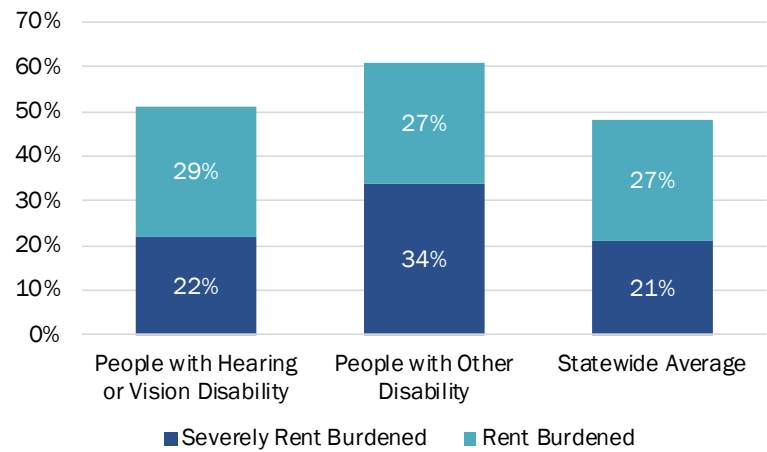
Source: US Census, 2018 ACS 1-Year PUMS Estimates. From the Report *Implementing a Regional Housing Needs Analysis Methodology in Oregon: Approach, Results, and Initial Recommendations* by ECONorthwest, August 2020.



²⁰ From the report *Implementing a Regional Housing Needs Analysis Methodology in Oregon*, prepared for Oregon Housing and Community Services by ECONorthwest, March 2021.

Renters with a disability in Oregon were disproportionately cost burdened.

Exhibit 64. Cost-Burdened Renter Households, for People with Disabilities, Oregon, 2018
Source: US Census, 2018 ACS 1-Year PUMS Estimates. From the Report *Implementing a Regional Housing Needs Analysis Methodology in Oregon: Approach, Results, and Initial Recommendations* by ECONorthwest, August 2020.



Another way of exploring the issue of financial need is to review housing affordability at varying levels of household income.

Fair Market Rent for a 2-bedroom apartment in the Portland-Vancouver-Hillsboro, OR-WA MSA was \$1,839 in 2023.

Exhibit 65. HUD Fair Market Rent (FMR) by Unit Type, Portland-Vancouver-Hillsboro, OR-WA MSA, 2023
Source: US Department of Housing and Urban Development.



A household needed to earn at least \$35.37 per hour to afford a two-bedroom unit at the 2023 Fair Market Rent. That is about \$73,560 for a full-time job. Only about 55% of Wilsonville’s households have income above \$75,000 per year.

Exhibit 66. Affordable Housing Wage, Portland-Hillsboro-Washington, OR-WA MSA, 2023
Source: US Department of Housing and Urban Development; Oregon Bureau of Labor and Industries.
\$35.37 per hour
Affordable housing wage for two-bedroom unit in Portland-Vancouver-Hillsboro, OR-WA MSA

Exhibit 67 shows housing affordability based on incomes for Clackamas County. The regional median family income (MFI) is used by HUD to understand the differences in housing affordability in different places across the nation. In Clackamas County (and the rest of the Portland region), the MFI for a family of four was \$116,900 in 2024. Exhibit 68 shows the percentage of Wilsonville's household in each income grouping from Exhibit 67.

A household earning 100% of MFI (\$116,900) can afford monthly housing costs of about \$2,920, or a home roughly valued between \$321,000 and \$380,000. To afford the median home sales price of \$584,500, a household would need to earn about \$180,000, or 154% of MFI. About 16% of Wilsonville's households have income sufficient to afford this median home sales price.

A household would need to have income of about \$80,000 (about 68% of MFI) to afford the average asking rent for multifamily housing of nearly \$1,733 or \$2,000 including basic utilities like power, heat, and water. About 47% of Wilsonville's households earn less than \$80,000 and cannot afford these rents. In addition, about 18% of Wilsonville's households have incomes of less than \$35,000 (30% of MFI) and are at risk of becoming unhoused.

Exhibit 67. Financially Attainable Housing Based on 2024 Median Family Income (MFI) in Clackamas County (\$116,900) for a Family of Four

Source: U.S. Department of Housing and Urban Development, Portland MSA, 2024. Oregon Employment Department for occupational data, Clackamas County 2023. Note: The estimates of affordable home sales prices below are rough estimates. Affordability will vary for each borrowing household based on interest rates, loan term, down payment, and similar factors. These sales prices are illustrative estimates and do not make assumptions about interest rates, amount of down payment, whether mortgage insurance will be required, or other factors that are unique to an individual household's mortgage.



Exhibit 68. Share of Wilsonville Households by 2024 Median Family Income (MFI) in Clackamas County for a Family of Four

Source: US Department of HUD. US Census Bureau, 2018-2022 ACS Table 19001.

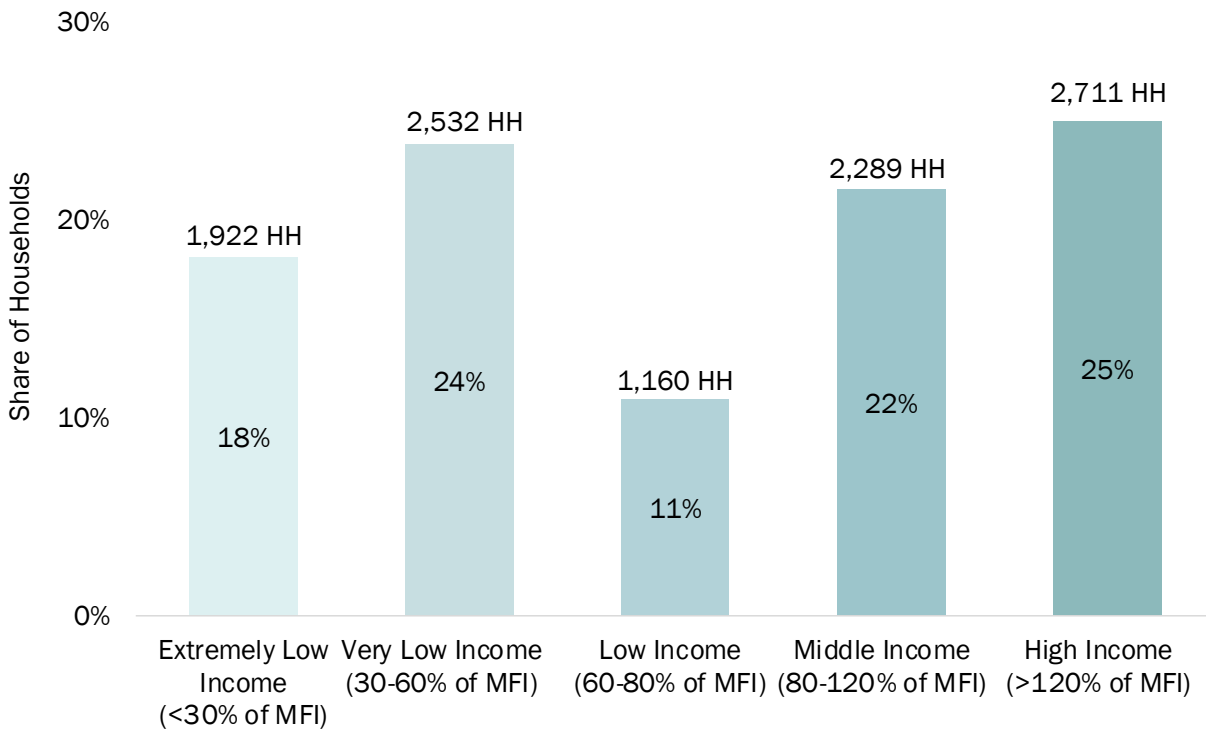
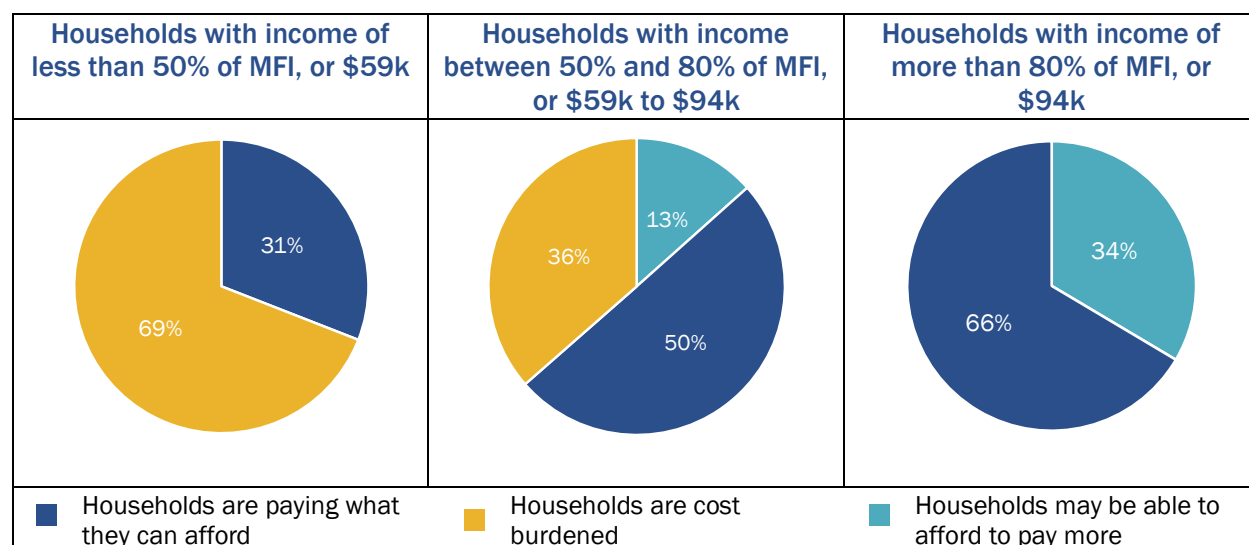


Exhibit 69 illustrates housing unit affordability based on information from HUD and the US Census about unit affordability and household income. It compares the amount that the household could pay for housing with the amount that they are paying for housing.

- Households with income of less than 50% of MFI (or \$59,000) are most likely to be cost burdened. About 31% of households in this income group (725 households) can afford their housing. About 69% of households are cost burdened (1,619 households). Wilsonville would need an additional 1,209 units affordable to households with income below \$59,000 to address these unmet needs.
- Half of households with income between 50% and 80% of MFI (or \$59,000 to \$94,400) (860 households) can afford their housing costs. In addition, 13% of households (230 households) may be able to afford to pay more than they do for their housing. And about 36% of households in this income group are cost burdened (625 households).
- All households with income of more than 80% of MFI (or \$94,400) can either afford their current housing or may be able to afford to pay more than they do for their housing.

Exhibit 69. Unit Affordability by Household Income, Share of Households, Wilsonville, 2015-2019

Source: CHAS, 2015-2019, Table 18.



Wilsonville currently has a deficit of housing units for households earning 0 to 50% of MFI (less than \$59,000 per year), which is contributing to cost burden of these households. This indicates a deficit of more affordable housing types (such as government-subsidized housing, existing lower-cost apartments, and manufactured housing). This finding is consistent with the other information presented in this section.

For households earning 50 to 80% of MFI, some are cost burdened likely because they cannot find housing that is affordable. Some households earning 50 to 80% of MFI and some earning more than 80% of MFI may be able to afford more expensive housing, which means that they are occupying units affordable to lower-income households. These households may be able to afford more expensive housing but either choose to live in cheaper housing or cannot find higher-cost housing that meets their needs.

Summary of the Factors Affecting Wilsonville's Housing Needs

The purpose of the analysis thus far has been to provide background on the kinds of factors that influence housing choice. While the number and interrelationships among these factors ensure that generalizations about housing choice are difficult to make and prone to inaccuracies, it is a crucial step to informing the types of housing that will be needed in the future.

There is no question that age affects housing type and tenure. Willingness to move housing is substantially higher for people ages 20 to 34. People in that age group will also have less income on average than people who are older, and they are less likely to have children. These factors mean that younger households are much more likely to be renters, and renters are more likely to be in multifamily housing.

The data illustrates 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, and income affects the ability of a household to afford a preferred housing type. The connection between socioeconomic and demographic factors and housing choice 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), and the "empty nesters." Thus, simply looking at the long wave of demographic trends can provide good information for estimating future housing demand.

Still, one is ultimately left with the need to make a qualitative assessment of the future housing market. The following is a discussion of how demographic and housing trends are likely to affect housing in Wilsonville over the next 20 years:

- **Housing affordability is a growing challenge in Wilsonville.** Housing affordability is a challenge in the entire Portland metro region. Wilsonville is affected by these regional trends. In Wilsonville, growth of housing costs has outpaced growth in incomes. Between January 2014 and January 2024, the median home sales prices increased 72%. Multifamily asking rents increased by 58% between 2013 and 2023. Household income increased by 29% between 2014 and 2022 (not adjusted for inflation).

In addition, over half of renter households in Wilsonville experience cost burden (55%), compared with 23% of owner households. Wilsonville has some of the highest levels of cost burden in relation to comparable cities, in part because Wilsonville has a higher percentage of renter households (who have higher rates of cost burden) than comparable cities. Wilsonville's key challenge over the next 20 years is providing opportunities for the development of relatively affordable housing of all types but especially of housing that is affordable to moderate- and low-income households.

- **Demographic trends will change Wilsonville's housing needs over the planning period.** Key demographic and economic trends that will affect Wilsonville's future housing needs are (1) the aging of millennials and Generation Z, (2) the growth of the older adult population, and (3) the growth in the Hispanic/Latino population.
 - *Millennials and Generation Z will continue to form households and make a variety of housing choices.* Wilsonville has a greater share of younger working-age people than the Portland region and Oregon. About 33% of Wilsonville's population is between 20 and 39 years old, compared to 30% for the Portland region and 27% for Oregon. This age group includes both millennials (who will be ages 45 to 65 by 2045) and Gen Z (who will be 25 to 45 years old by 2045). The ability to retain current millennial and Gen Z residents in Wilsonville as they age will depend on the City's availability of renter and ownership housing that is large enough to accommodate growing families while still being relatively affordable.

Homeownership is becoming increasingly common among millennials, but financial barriers to homeownership remain for some millennials and Gen Zers, resulting in

the need to rent housing, even if they prefer to become homeowners. Housing preferences for Gen Z are not yet known but are expected to be similar to millennials, with the result that they will also need affordable housing, both for rental and, later in life, for ownership. Wilsonville's relatively high percentage of multifamily units will help with affordability as long as housing production keeps pace with the growing population. Some millennial and Gen Z households will occupy housing that will become available over the planning period, such as housing that is currently owned or occupied by baby boomers. The need for housing large enough for families may be partially accommodated by these existing units.

- *Growth in the senior population.* Wilsonville saw substantial growth across all age groups between 2010 and 2021, with the largest percent increase among residents age 60 or older (47%). Although Wilsonville currently has a smaller percentage of residents age 60 or older (20%) than the Portland region (21%) or the state (24%), the gap is shrinking. A rise in the number of Wilsonville's older adult population will result in an increased demand for housing types specific to this population, such as assisted living facilities or age-restricted developments.
- *Hispanic/Latino population will continue to grow.* Hispanic/Latino population growth will be an important driver in the growth of housing demand in Wilsonville, both for owner and renter-occupied housing. Growth in the Hispanic/Latino population, similar to regional and statewide trends, will drive demand for housing for families with children and multigenerational households. Given the lower income for some Hispanic/Latino households, especially first-generation immigrants, growth in this group will also drive demand for affordable housing, both for ownership and renting.

5. Housing Need in Wilsonville

Projected New Housing Units Needed in the Next 20 Years

The forecast of new housing need by type of unit is based on (1) the official household forecast for growth in Wilsonville over the 20-year planning period, (2) information about Wilsonville's housing market relative to the Portland metro region, Oregon, and nearby cities, and (3) the demographic composition of Wilsonville's existing population and expected long-term changes in the demographics of the Portland metro region as documented in Chapter 4.

Forecast for Housing Growth

A 20-year household forecast (in this instance for 2025 to 2045) is the foundation for estimating needed new dwelling units. The forecast for Wilsonville is based on Metro's *2045 Distributed Household Forecast* (2021). The projection of household growth includes areas currently within Wilsonville, as well as areas within the metro urban growth boundary expected to be annexed into Wilsonville. We call this combined area the "Wilsonville Planning Area" (Exhibit 70).²¹

²¹ Metro forecasts household growth by Transportation Analysis Zone (TAZ) areas. The Wilsonville Planning Area includes all areas within Wilsonville and areas currently outside of Wilsonville but within the metro UGB that are expected to be annexed by 2045 (TAZ 979, 973, 982 and a portion of 976). This forecast does **not** include areas within Metro Urban Reserves.

Exhibit 70. Wilsonville Planning Area, 2024
Source: Oregon Metro, ECONorthwest analysis.

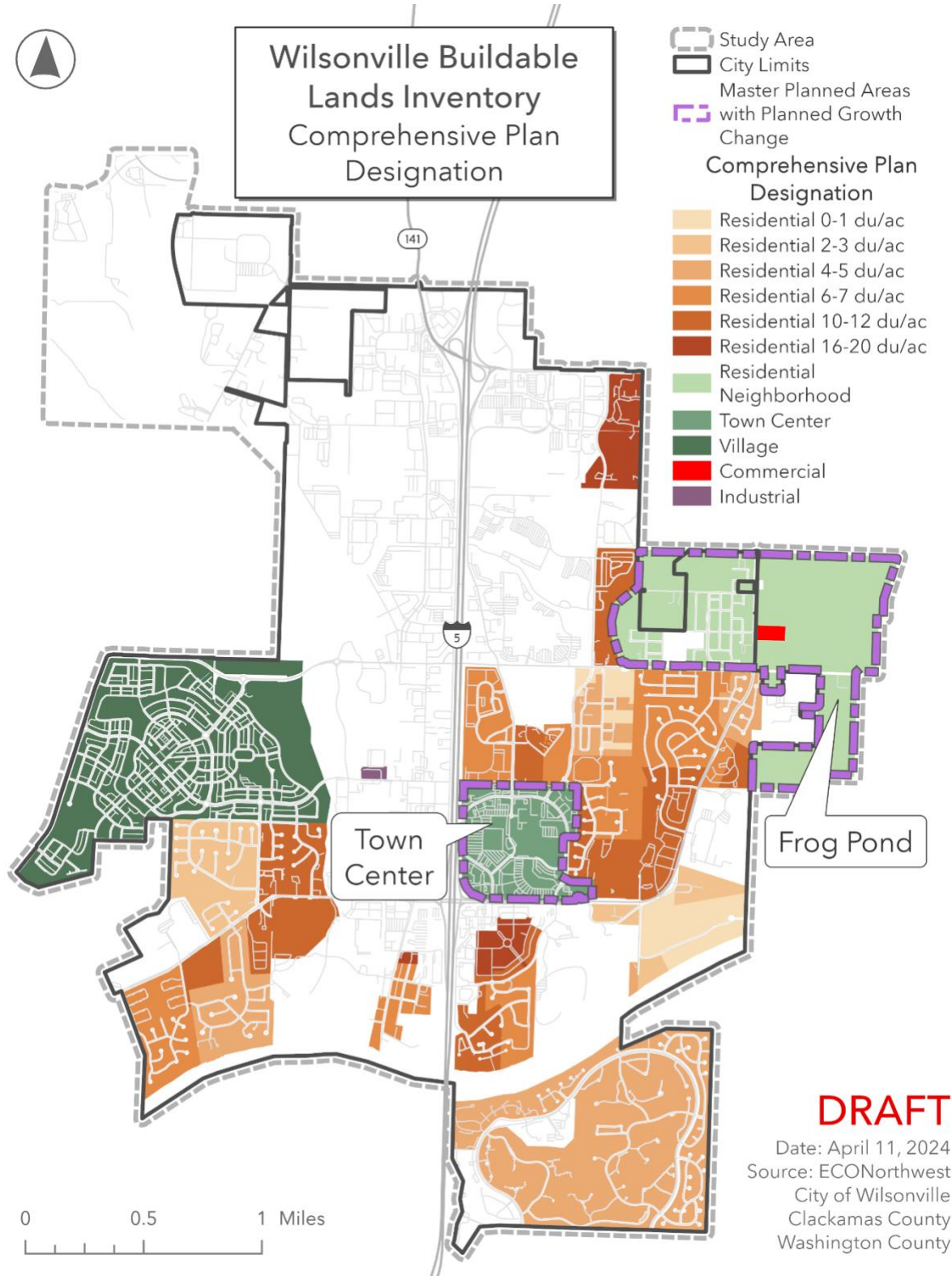


Exhibit 71 shows that the Wilsonville Planning Area will add 2,815 new households between 2025 and 2045. To accommodate household growth, Wilsonville will need to add new dwelling units over the 20-year period. The projected demand is for 141 new dwelling units annually, representing an average annual growth rate of 1.2%.

Exhibit 71. Metro Forecast for Housing Growth, Wilsonville Planning Area, 2025 to 2045

Source: Metro's 2045 Distributed Household Forecast, 2021.

Wilsonville Planning Area	
Year	
2025	10,843
2045	13,658
Change 2025 to 2045	
Number	2,815
Percent	26%
AAGR	1.2%

Housing Units Needed over the Next 20 Years

Exhibit 71 presents a forecast of new housing in Wilsonville's UGB for the 2025 to 2045 period. This section determines the needed mix and density for the development of new housing developed over this 20-year period in Wilsonville.

Over the next 20 years, Wilsonville will continue to need a wide range of housing types and housing that is more affordable. These housing types include smaller units for smaller households, larger units for households with children and multigenerational households, housing suitable for seniors, housing that is accessible to people with disabilities, and a range of housing types for people experiencing homelessness (from affordable rental housing to transitional housing to permanent supportive housing). Wilsonville needs housing with these characteristics affordable for both rental and homeownership. This conclusion is based on the following information found in the previous sections:

- Wilsonville has a larger share of attached and multifamily housing than the Portland region overall. In 2021, 43% of Wilsonville's housing was single-family detached, 10% was townhouses, 5% was duplexes, triplexes, and quadplexes, and 42% was multifamily. In comparison, the mix of housing for the Portland region was 62% single-family detached, 6% townhouses, 7% duplexes, triplexes, and quadplexes, and 25% multifamily.
- Demographic changes in Wilsonville suggest increases in demand for all housing types, including single-family detached housing, townhouses, duplexes, triplexes, quadplexes, cottage clusters, and multifamily structures with 5 or more units. The key demographic trends that will affect Wilsonville's future housing needs are the aging of baby boomers,

the household formation of millennials and Generation Z, and growth in Hispanic/Latino populations. The implications of the trends are increased demand from small, older (often single-person) households and increased demand for affordable housing for families, both for ownership and rent.

- Housing costs grew faster than income in Wilsonville, consistent with trends across the Portland region. Wilsonville’s median household income increased by 29% between 2014 and 2022, without accounting for adjustments to inflation. Between January 2014 and January 2024, the median home sales prices increased 72%. Multifamily asking rents increased by 58% between 2013 and 2023. The median value of a house in Wilsonville was 4.1 times the median household income in 2000 and increased to 5.9 times the median household income in 2021.
- About 38% of Wilsonville’s households are cost burdened (paying 30% or more of their household income on housing costs), compared to the Clackamas County average of 33% of households. About 55% of Wilsonville’s renter households are cost burdened, with 29% severely cost burdened (paying 50% or more of their income on housing costs). The higher rates of cost burden in Wilsonville relative to the county and other cities in the Portland region are likely reflective of the fact that Wilsonville has a larger percentage of renter households who often have lower household incomes and higher rates of cost burden.
- About half (47%) of Wilsonville’s households cannot afford the average asking rent of \$1,733 or \$2,000 including basic utilities like power, heat, and water. High cost burden rates for Wilsonville renters suggest a need for more affordable housing types for renters.
- About 84% of Wilsonville’s existing households cannot afford the median home sales price (\$584,500) in Wilsonville based on income alone. Housing sales prices increased in Wilsonville over the last six years. From 2018 to January 2024, the median housing sales price increased by about \$153,000 (35%), from about \$432,000 to \$585,000. A household can start to afford median home sales prices at about 154% of Clackamas County’s median family income.

These factors suggest that Wilsonville will continue to need housing with a wide range of price points. This includes providing opportunity for and supporting (as will be discussed in the Wilsonville Housing Production Strategy report) the development of housing types across the affordability spectrum, such as smaller single-family detached housing (e.g., small-lot single-family detached units, cottages, accessory dwelling units, and “traditional” single-family homes), townhouses, duplexes, triplexes, quadplexes, and multifamily buildings with five or more units. Exhibit 72 shows the forecast of needed housing in Wilsonville during the 2025 to 2045 period.

- **About 45% of new housing will be single-family detached**, a category which includes manufactured housing, cottage housing, and accessory dwelling units. About 43% of Wilsonville’s existing housing was single-family detached in 2021.

- **About 15% of new housing will be townhouses.** About 10% of Wilsonville's existing housing was townhouses in 2021.
- **About 5% of new housing will be duplexes, triplexes, and quadplexes.** About 5% of Wilsonville's existing housing was plexes in 2021.
- **About 35% of new housing will be multifamily housing (with five or more units per structure).** About 42% of Wilsonville's existing housing was multi-dwelling in 2021.

Exhibit 72. Mix of New Dwelling Units, Wilsonville Planning Area, 2025 to 2045

Source: Calculations by ECONorthwest.

Future Housing Mix 2025-2045	
Needed new dwelling units (2024-2044)	2,815
Dwelling units by structure type	
Single-family detached	
Percent single-family detached DU	45%
Total new single-family detached DU	1,267
Townhouses	
Percent townhouses	15%
Total new townhouses	422
Duplex, Triplex, Quadplex	
Percent duplex, triplex, quadplex	5%
Total new duplex, triplex, quadplex	141
Multifamily (5+ units)	
Percent multifamily (5+ units)	35%
Total new multifamily (5+ units)	985
Total new dwelling units (2024-2044)	2,815

Exhibit 73 allocates needed housing to plan designations and active master-planned areas in Wilsonville. The allocation is based, in part, on the types of housing allowed in the zoning districts of each plan designation or master-planned area. It also considers the densities allowed and required in each designation and master-planned area. Exhibit 73 shows:

- **Residential Designation:** Wilsonville's Residential Zone allows a variety of housing types, including single-family detached homes, middle housing (duplexes, triplexes, quadplexes, townhouses), multifamily units, and accessory dwelling units (ADUs). The city's Comprehensive Plan establishes density ranges for various areas. The Buildable Lands Inventory identified available buildable acres that could accommodate additional housing in the following vacant or partially vacant tax lots across three density ranges: 4-5, 6-7, and 10-12 dwelling units per gross acre. For each range, the first number indicates the minimum gross density permitted, while the second number represents the maximum gross density allowed.
- **Village:** Allows single-family detached, middle housing types, multifamily, and ADUs. We determined remaining unit capacity by examining total planned units (2,747)

identified in the Villebois Master Plan (modified slightly after discussions with city staff) and subtracting already constructed units. The remaining capacity was allocated to housing types most likely to be developed in the available space. This allocation includes 143 multifamily units and 11 live-work units currently entitled in Villebois.

- **Industrial:** Capacity on specific industrial-designated land is for a planned Transit-Oriented Development (TOD) site. A Comprehensive Plan amendment/redesignation is not anticipated since this parcel will be developed with affordable housing as allowed by Senate Bill 8.
- **Frog Pond East and South:** Allows single-family detached, middle housing types, multifamily, and ADUs. We determined unit capacity by taking the total planned units (1,587) identified in the Frog Pond East and South Master Plan and allocating the most likely housing types.
- **Frog Pond West:** Allows single-family detached and middle housing types. The remaining unit capacity was determined by taking the maximum planned units (581) identified in the Frog Pond West Master Plan (we used the maximum number due to changes mandated by state legislation that allow middle housing in all areas) and subtracting already constructed units. The remaining units were allocated to the most likely housing types for the remaining space.
- **Town Center:** Allows primarily multifamily and limited middle housing. The Town Center Plan projected that the area would accommodate 880 new residential units over the next 20 years. The Housing Needs and Capacity Analysis (HNCA) uses this assumption to project capacity even though full build-out can accommodate significantly more dwelling units. Much of the housing development in Town Center will occur on land with existing development (redevelopment), rather than on vacant land.²² This includes 114 units that are already entitled as part of a mixed-use multifamily development.

²² It is important to note that Town Center redevelopment is likely to be more complex and time-consuming than developing greenfield (undeveloped) land. The 880-unit projection for Town Center is an estimate for the entire 20-year period. The timing of this redevelopment is flexible; it could occur gradually throughout the period or be concentrated toward the end. The plan doesn't assume a specific timeline for when these units will be built within the 20-year window. This approach acknowledges the uncertainties and potential delays inherent in urban redevelopment projects while still accounting for Town Center's role in Wilsonville's future housing supply.

Exhibit 73. Allocation of Forecasted Housing by Housing Type and Plan Designation or Active Master-Planned Area, Wilsonville Planning Area, 2025 to 2045

Source: ECONorthwest

*Village is the implementing designation for the Villebois Master Plan. Villebois is expected to include approximately 2,747 units when fully built out. This is slightly higher than the original master-planned assumption of 2,645 but was confirmed with staff in June of 2024. Villebois has approximately 196 units remaining to be built as of the end of June 2024, 154 of which are entitled but not yet permitted in the Village Center.

**Capacity on land designated industrial is on a planned TOD site. A Comprehensive Plan amendment/redesignation is not anticipated since this parcel will be developed with affordable housing as allowed by Senate Bill 8.

Housing Type	Plan Designations					Active Master Planned Areas			TOTAL
	Residential 4-5 du/ac	Residential 6-7 du/ac	Residential 10-12 du/ac	Village*	Industrial**	Frog Pond East and South	Frog Pond West	Town Center	
Dwelling Units									
Single-family detached	15	70	197	42	-	704	239	-	1,267
Single-family attached	-	-	112	-	-	141	-	169	422
Duplex, triplex, quadplex	-	-	-	-	-	85	56	-	141
Multifamily (5+ units)	-	-	141	154	121	84	-	485	985
Total	15	70	450	196	121	1,014	295	654	2,815
Percent of Units									
Single-family detached	0.5%	2.5%	7.0%	1.5%	0.0%	25.0%	8.5%	0.0%	45%
Single-family attached	0.0%	0.0%	4.0%	0.0%	0.0%	5.0%	0.0%	6.0%	15%
Duplex, triplex, quadplex	0.0%	0.0%	0.0%	0.0%	0.0%	3.0%	2.0%	0.0%	5%
Multifamily (5+ units)	0.0%	0.0%	5.0%	5.5%	4.3%	3.0%	0.0%	17.2%	35%
Total	0.5%	2.5%	16.0%	7.0%	4.3%	36.0%	10.5%	23.2%	100%

Exhibit 74 shows the assumed development densities in gross acres (accounting for land for rights-of-way) for vacant and partially vacant land in Wilsonville's Comprehensive Plan Designations. Chapter 3 of the HNCA provides the results of the historic density analysis by Comprehensive Plan designation between 2013 and February 2024. We use the historic density to estimate future capacity over the 2025–2045 period for areas that are not in active master-planned areas. For active master-planned areas, we use the planned unit assumptions as outlined in the master plans. The average gross densities by plan designation are as follows. Please note that several Comprehensive Plan designations are not included since they do not anticipate growth over the planning period given the lack of unconstrained buildable land.

- Residential 4-5: 4.8 dwelling units per gross acre
- Residential 6-7: 6.2 dwelling units per gross acre (for single-family detached)
- Residential 10-12: 11.7 dwelling units per gross acre

Exhibit 74. Density Assumptions by Comprehensive Plan Designation for Areas outside of Active Master-Planned Areas, Wilsonville 2024

Source: City of Wilsonville, ECONorthwest analysis. Note: DU is dwelling unit.

* The multifamily projects Brenchley Estates and Fox Center Apartments were included in the "Residential 6-7" Comprehensive Plan designation as portions of larger planned development approvals spanning multiple Comprehensive Plan designations. As outliers, their inclusion increased the average density for this designation beyond the density typically achieved in the "Residential 6-7" designation. To better reflect expected future density under current code, these multifamily projects were separated out from the "Residential 6-7" analysis, providing a clearer understanding of achievable density ranges for this designation moving forward.

Comprehensive Plan Designation	Avg. Net Density (DU/net acre)	% for Rights-of-Way	Avg. Gross Density (DU/gross acre)
Residential 4-5 du/ac	6.4	25%	4.8
Residential 6-7 du/ac*			
Single Family Detached	7.7	20%	6.2
Attached Housing	27.9	20%	22.4
Residential 10-12 du/ac	14.0	16%	11.7

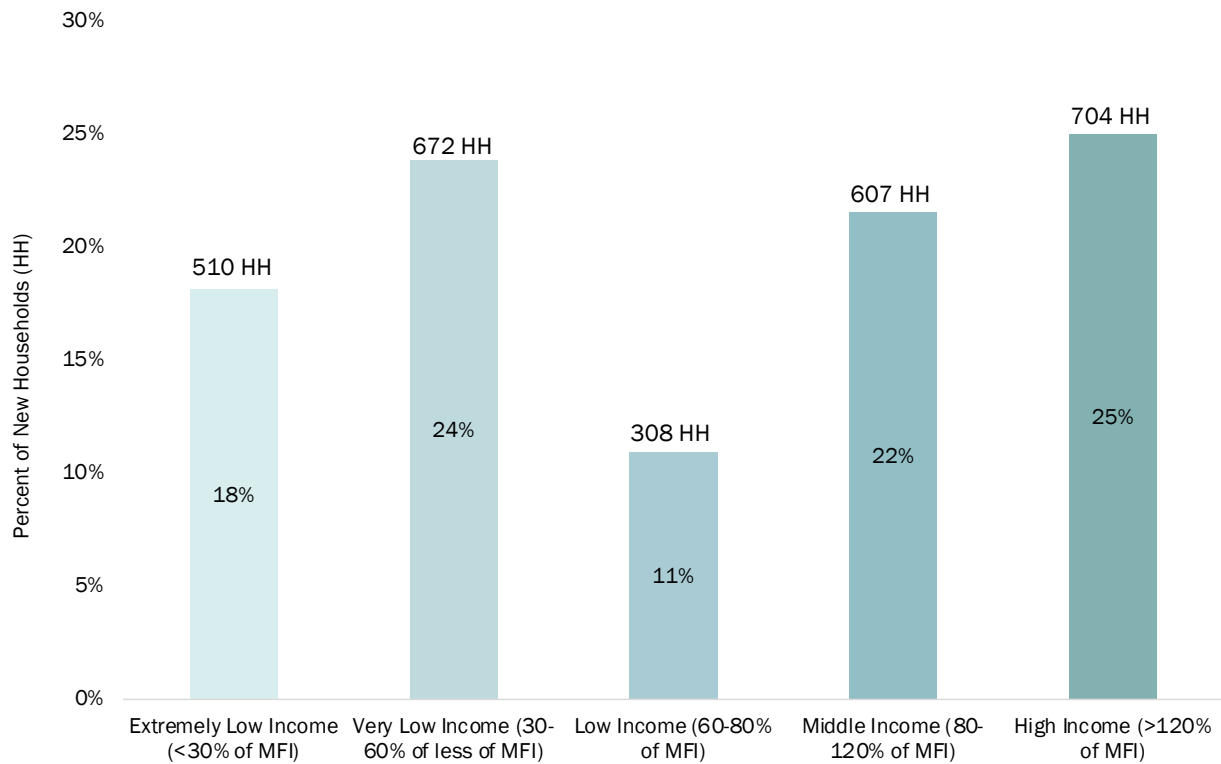
Needed Housing by Income Level

The next step in the Housing Needs and Capacity Analysis is to develop an estimate of need for housing by income and housing type. This analysis requires an estimate of the income distribution of current and future households in the community. Estimates presented in this section are based on secondary data from the Census and analysis by ECONorthwest.

The analysis in Exhibit 75 is based on Census data about household income levels for existing households in Wilsonville (see Exhibit 68). Income is distributed into market segments consistent with HUD income level categories, using Clackamas County’s 2024 median family income (MFI) of \$116,900. Since forecasting changes in household incomes involves numerous uncertainties, no reliable projections are available. Therefore, this analysis assumes that the future distribution of households across different market segments will remain approximately the same as it is currently. Based on these assumptions, about 42% of future Wilsonville households will have income below 60% of Clackamas County’s median family income (less than \$70,140). About 33% will have incomes between 60% and 120% of the county’s MFI (between \$70,140 and \$140,280). This shows that as Wilsonville’s population grows, Wilsonville will continue to have demand for housing across the affordability spectrum.

Exhibit 75. Future (New) Households, by Median Family Income (MFI) for Clackamas County (\$116,900, 2024 MFI), Wilsonville, 2025 to 2045

Source: US Department of HUD, Clackamas County, 2024, US Census Bureau, 2018-2022 ACS Table 19001.



Other Housing Needs

ORS 197A.348 require cities to plan for government-assisted housing, farmworker housing, manufactured housing on lots and in parks, single-room occupancies, and housing for people with disabilities and for people experiencing homelessness.

- **Income-restricted and government-subsidized housing.** Government subsidies can apply to all housing types (e.g., single-family detached, apartments, etc.). Wilsonville allows development of government-assisted housing in all residential plan designations, with the same development standards for market-rate housing. This analysis assumes that Wilsonville will continue to allow government housing in all its residential plan designations.
- **Farmworker housing.** The statutes and rules that guide Goal 10 do not define farmworker housing. It can apply to all housing types, locations, and duration of housing (whether temporary or permanent housing). Wilsonville allows development of farmworker housing in all residential zones, with the same development standards as market-rate housing. This analysis assumes that Wilsonville will continue to allow farmworker housing in all its residential zones.
- **Manufactured and prefabricated housing on lots.** Wilsonville allows manufactured homes in all its residential plan designations and zoning districts. Wilsonville development code does not mention prefabricated housing, but it is allowed the same as manufactured homes.
- **Single-room occupancies (SROs).** Single-room occupancies are “a residential development with no fewer than four attached units that are independently rented and lockable and provide living and sleeping space for the exclusive use of an occupant but require that the occupant share sanitary or food preparation facilities with other units in the occupancy” (ORS 197A.430). Wilsonville does not specifically address SROs in its Development Code but allows them as required by state law.
- **Manufactured housing in parks.** Wilsonville allows manufactured homes in parks in Residential, Planned Development Residential, and Residential Neighborhood zones. OAR 197.480(4) requires cities to inventory the mobile home or manufactured dwelling parks sited in areas planned and zoned or generally used for commercial, industrial, or high-density residential development. According to the Oregon Housing and Community Services’ Manufactured Dwelling Park Directory,²³ Wilsonville has two manufactured home parks within the city, with 120 spaces.

ORS 197.480(2) requires Wilsonville to project need for mobile home or manufactured dwelling parks based on (1) population projections, (2) household income levels, (3) housing market trends, and (4) an inventory of manufactured dwelling parks sited in

²³ Oregon Housing and Community Services, Oregon Manufactured Dwelling Park Directory, <http://o.hcs.state.or.us/MDPCRParcs/ParkDirQuery.jsp>

areas planned and zoned or generally used for commercial, industrial, or high-density residential development. Manufactured home parks provide an important opportunity for affordable housing for homeownership. Preserving existing manufactured home parks and allowing smaller manufactured units in manufactured home parks are important ways to provide opportunities for affordable, lower-cost homeownership opportunities.

- Exhibit 71 shows that Wilsonville will grow by 2,815 dwelling units over the 2025 to 2045 period. Analysis of housing affordability shows that about 42% of new Wilsonville households will be considered very low or extremely low income, earning 60% or less of the region's median family income. One type of housing affordable to these households is manufactured housing. The households most likely to live in manufactured homes in parks are those with incomes between \$35,400 and \$70,140 (30% to 60% of MFI), which includes 24% of Wilsonville's households. However, households in other income categories may live in manufactured homes in parks.
- Manufactured housing in manufactured home parks accounts for about 1% of Wilsonville's current housing stock. If the City has additional need for a new manufactured home park over the 2025-2045 period, it would be for about 29 new units (1% of new units) on 4 to 5 acres of land, with 6 to 8 dwelling units per acre. If an additional new manufactured home park were developed in Wilsonville, the City would have sufficient capacity to accommodate it in zones where manufactured housing is allowed. However, due to high land prices, the development of new manufactured home parks is unlikely. The housing forecast includes new manufactured homes on lots and in parks in the category of single-family detached housing.
- Over the next 20 years (or longer), one or more manufactured home parks may close in Wilsonville. This may be a result of manufactured home park landowners selling or redeveloping their land for uses with higher rates of return, rather than lack of demand for spaces in manufactured home parks. Manufactured home parks contribute to the supply of low-cost affordable housing options, especially for affordable homeownership. The closure of manufactured home parks may be especially difficult in terms of availability of affordable housing, given the large need for affordable homeownership opportunities in the Portland metro region and Wilsonville.

There is statewide regulation of manufactured home park closures designed to lessen the financial difficulties of closures for park residents.²⁴ Wilsonville also has its own mobile home park closure ordinance providing additional relocation

²⁴ ORS 90.645 regulates rules about the closure of manufactured dwelling parks. It requires that the landlord must give at least one year's notice of park closure and pay tenants between \$5,000 and \$9,000 for each manufactured dwelling park space, in addition to not charging tenants for demolition costs of abandoned manufactured homes.

assistance.²⁵ The City also has a role to play in ensuring that there are opportunities for housing for the displaced residents. The City's primary roles are to ensure that there is sufficient land zoned for new multifamily housing and to reduce barriers to residential development to allow for the development of new, relatively affordable housing.

In addition to these required housing types, this section also addresses housing for people with disabilities and housing for people experiencing homelessness.

- **Housing for People with Disabilities.** Housing for people with disabilities can apply to all housing types. It can also apply to other residential/group living uses (such as nursing homes, residential care homes or facilities, or room and boarding facilities) as well as government-subsidized housing (including units that are population restricted). Broadly, housing options for people with disabilities include (1) living in housing independently (alone or with roommates/family), (2) living in housing with supportive services (e.g., with help from a live-in or visiting caregiver), or (3) living in housing in a supervised residential setting. Meeting the housing needs for people with disabilities will require addressing affordability issues, as well as ensuring that people with disabilities have access to housing that addresses their disability and that they have access to housing without discrimination.
- **Housing for People Experiencing Homelessness.** Meeting the housing needs of people experiencing homelessness ranges from emergency shelter, transitional housing, and permanent supportive housing (including supportive housing with services) and improved access to an affordable unit (including rent and utility assistance). Persons experiencing homelessness or those at risk of becoming homeless will require assistance with addressing individual, complex barriers to improve long-term housing stability.

²⁵ Wilsonville's ordinance requires landlords to obtain a closure permit. To obtain a permit, the applicant must include a Closure Impact Report and a Relocation Plan. 6.341. – Relocation Plan (1) A Relocation Plan for tenants of the mobile home park shall be submitted for review and approval as part of the application for a Closure Permit. The Relocation Plan shall provide, at a minimum, for the following: (a) The Relocation Plan shall provide for the owner to pay all reasonable relocation costs to a comparable mobile home park space within 25 miles to any tenant who relocates from the park after City approval of the closure Permit. When any tenant has given notice of their intent to move prior to City approval of the Use Permit, eligibility to receive moving expenses shall be forfeited. (b) The relocation plan shall identify those mobile homes that cannot be relocated to a comparable mobile home park space within 25 miles. The owner shall be required to offer to purchase any mobile home that cannot be relocated in conformance with this chapter. The offer to purchase the mobile home will be made at the real market value of the home as reported on the most recent property tax assessment roll.

6. Residential Land Sufficiency in Wilsonville

This chapter presents an evaluation of the sufficiency of vacant residential land in Wilsonville to accommodate expected residential growth over the 2025 to 2045 period. It includes an estimate of residential development capacity (measured in new dwelling units) and an estimate of Wilsonville's ability to accommodate forecasted new housing units for the 2025 to 2045 period. The chapter ends with a discussion of the conclusions and recommendations for the Housing Needs and Capacity Analysis.

Capacity Analysis

Wilsonville's Development Code is flexible, allowing most housing types in all residential plan designations and zones. The densities for future development will depend on the number of dwelling units being built and whether the housing is built as part of an active master plan.

Exhibit 76 shows that **Wilsonville has 64 acres of vacant or partially vacant land outside of active master-planned areas to accommodate approximately 867 new dwelling units.** This analysis is based on the following assumptions:

- **Buildable residential land.** The capacity estimates start with the number of buildable acres in Comprehensive Plan designations that allow residential uses outright, as shown in Exhibit 5 in Chapter 2.
- **Future densities.** The capacity analysis estimates the development potential of vacant residential land to accommodate new housing based on the densities shown in Exhibit 74, which assumes that development would occur at historical densities.

Exhibit 76. Estimate of Capacity on Land Not within an Active Master-Planned Area, Wilsonville city limits, 2025 to 2045

Source: Buildable Lands Inventory; Calculations by ECONorthwest.

*Village is the implementing designation for the Villebois Master Plan. Since it was nearly built out at the time of this report, it is not included in the active master-planned areas. Capacity was determined according to the Villebois Master Plan. Villebois is expected to include approximately 2,747 units when fully built out. This is slightly higher than the original master-planned assumption of 2,645 but was confirmed with staff in June of 2024. Villebois has approximately 196 units remaining to be built as of the end of June 2024, 154 of which are entitled but not yet permitted in the Village Center.

**Capacity on land designated industrial is on a planned TOD site. A Comprehensive Plan amendment/redesignation is not anticipated since this parcel will be developed with affordable housing as allowed by Senate Bill 8.

Comprehensive Plan Designation	Total Unconstrained Buildable Acres	Density Assumption (DU/Gross Acre)	Capacity (Dwelling Units)
Residential 0-1 du/ac	4	0.4	1
Residential 4-5 du/ac	3	4.8	15
Residential 6-7 du/ac	14	6.2	83
Residential 10-12 du/ac	39	11.7	451
Village*	2	N/A	196
Industrial**	3	N/A	121
Total	64		867

Exhibit 77 shows the number of units left to build in active master-planned areas in Wilsonville. **Wilsonville has capacity for approximately 2,767 additional units in the master plan areas of Frog Pond and Town Center.** This is based on the following assumptions:

- **Frog Pond East and South** will build out as outlined in Table 4 of the 2022 Frog Pond East & South Master Plan, with a housing capacity of 1,587 units. It is assumed that none of these units have been built yet.
- **Frog Pond West Master Plan** originally included a minimum and maximum number of dwelling units permitted by subdistrict. With the middle housing code updates that the City completed in 2021, the Master Plan now allows additional middle housing development and the minimum and maximum number of dwelling *units* changed to dwelling *lots*. For this process, we assume that Frog Pond West will build out with the original maximum allowed number of 571 dwelling units. We make this assumption because Frog Pond West was already partially built out when the middle housing code changes took place and not all remaining lots will be developed with middle housing. However, the middle housing that will be built is likely to push the capacity to the higher limit originally planned. This leaves approximately 300 units left to build.
- **The Town Center Plan** included a 20-year and 40-year forecast but did not include an official start date for the planning period. For this analysis, we assume the capacity for net new development of 880 units as outlined in the 20-year forecast in Table 3-1 of the Master Plan.

Exhibit 77. Unit Capacity of Active Master-Planned Areas in Wilsonville, 2025 to 2045

Source: City Permit Data and Master Plans; Calculations by ECONorthwest.

Active Master Planned Areas	Total Planned Dwelling Units	Units Already Built	Remaining Units to be Built
Frog Pond East and South	1,587	-	1,587
Frog Pond West	571	271	300
Town Center	880	-	880
Total	3,038	271	2,767

Residential Land Sufficiency

The next step in the analysis of the sufficiency of residential land within Wilsonville is to compare the demand for housing by plan designation (Exhibit 73) with the capacity of land by plan designation and active master-planned areas (Exhibit 76 and Exhibit 77).

Exhibit 78 and Exhibit 79 show that Wilsonville **has** sufficient land to accommodate housing development in each of its residential plan designations. Wilsonville has capacity for 867 dwelling units in areas not actively master planned and 2,767 dwelling units in active master-planned areas. Wilsonville has a demand for 2,815 dwelling units. The result is that Wilsonville has a surplus of capacity for housing beyond the forecast of housing growth over the next twenty years of about 819 dwelling units. The largest surplus is in the Frog Pond East and South master-planned areas. It is possible, perhaps even probable, that less development may occur in Wilsonville's Residential Comprehensive Plan Designations and more development will occur in active master plan areas, specifically Frog Pond.

Exhibit 78. Comparison of Capacity of Existing Residential Land by Comprehensive Plan Designation with Demand for New Dwelling Units, Wilsonville, 2025 to 2045

Source: Buildable Lands Inventory; Calculations by ECONorthwest.

*Village is the implementing designation for the Villebois Master Plan. Since it was nearly built out at the time of this report, it is not included in the active master-planned areas. Capacity was determined according to the Villebois Master Plan. Villebois is expected to include approximately 2,747 units when fully built out. This is slightly higher than the original master-planned assumption of 2,645 but was confirmed with staff in June of 2024. Villebois has approximately 196 units remaining to be built as of the end of June 2024, 154 of which are entitled but not yet permitted in the Village Center.

**Capacity on land designated industrial is on a planned TOD site. A Comprehensive Plan amendment/redesignation is not anticipated since this parcel will be developed with affordable housing as allowed by Senate Bill 8.

Plan Designation	Total Capacity (Dwelling Units)	Demand (Dwelling Units)	Capacity less Demand (Dwelling Units)
Residential 0-1 du/ac	1	-	1
Residential 4-5 du/ac	15	15	0
Residential 6-7 du/ac	83	70	13
Residential 10-12 du/ac	451	450	1
Village*	196	196	0
Industrial**	121	121	0
Total	867	852	15

Exhibit 79. Comparison of Capacity of Existing Residential Land in Active Master-Planned Areas with Demand for New Dwelling Units, Wilsonville, 2025 to 2045

Source: Buildable Lands Inventory; Calculations by ECONorthwest.

Active Master Planned Areas	Total Planned Dwelling Units	Units Already Built	Capacity (Remaining Units to be Built)	Demand (Dwelling Units)	Capacity less Demand (Dwelling Units)
Frog Pond East and South	1,587	-	1,587	1,014	573
Frog Pond West	571	271	300	295	5
Town Center	880	-	880	654	226
Total	3,038	271	2,767	1,963	804

Conclusions

The key findings and conclusions of Wilsonville's Housing Needs and Capacity Analysis are:

- **Based on Metro's forecast for growth, Wilsonville has sufficient land to accommodate household growth over the 20-year planning period.** Metro's forecast projects that household growth will result in the demand for 2,815 new dwelling units between 2025 and 2045, averaging 141 new dwelling units annually. Wilsonville's vacant land and areas with active master plans have capacity for about 3,634 new dwelling units.

Wilsonville has the largest supply of vacant and unconstrained land in the master-planned areas of Frog Pond East and South with an expected capacity to accommodate 1,587 units (as outlined in the Frog Pond East and South Master Plan). To accommodate Metro's forecast of growth, two-thirds of this capacity would need to develop over the 20-year planning period. Town Center is expected to redevelop over the planning period with 880 new residential units (as outlined in the Town Center Plan). The City's ability to accommodate multifamily growth will depend, in part, on redevelopment in Town Center.

- **Wilsonville's household growth may exceed Metro's forecast.** Since 2014, the City has been tracking development activity through annual housing reports, as recommended in the 2014 housing needs analysis (called the Residential Lands Study). That study projected a demand for 3,749 new housing units between 2014 and 2034. As of 2023, approximately 55% of this forecast has occurred in the last nine years, indicating slightly faster growth than anticipated.

Development slowed in the past five years and may remain lower in the near term due to high interest rates and difficulties with financing multifamily development. The current HNCA estimates that Wilsonville has capacity for 3,634 new dwelling units and demand for 2,815 over the 2025-2045 planning period. The result is that Wilsonville has an anticipated surplus of housing capacity for about 819 dwelling units beyond the forecast of housing growth over the next twenty years. That surplus provides the ability to accommodate additional housing if Wilsonville grows faster than Metro's forecast.

Wilsonville will be required to update its HNCA next in 2031 and every six years thereafter. This regular review process is crucial, as it allows the City to revise estimates and, if necessary, pursue a UGB expansion with Metro should growth outpace expectations. The City should maintain its practice of monitoring development activity and housing needs. Furthermore, as Oregon implements the new Oregon Housing Needs Analysis (OHNA) process, cities will receive new housing targets that consider the needs of various demographic groups. Wilsonville's annual housing reports will play a vital role in ensuring compliance with new state laws and in identifying and implementing timely strategies to meet the evolving housing needs of its residents.

- **Diverse demographic trends are shaping Wilsonville's housing needs.** Wilsonville has an aging population, which is driving demand for senior-specific housing.

Simultaneously, Wilsonville has a higher share of young adults than the region, influencing demand for rentals and affordable homeownership options. The City has a smaller average household size than the county and state but a higher share of households with children. A growing Latino/Hispanic population is expected to increase demand for larger, affordable units suitable for multigenerational living. These varied trends necessitate a wide range of housing types. These trends and their implications are described in more detail below:

- **Aging Population.** Wilsonville's aging population mirrors statewide patterns. Between 2010 and 2021, the number of residents age 60 and over increased by 1,648, a 47% growth. This age group now comprises 20% of Wilsonville's population, up from 18% in 2010.

The trend is expected to continue, with residents age 60 and over projected to make up 29% of Clackamas County's population by 2040, compared to 27% in 2020. This demographic shift will drive demand for senior-specific housing options, such as small and easy-to-maintain dwellings, single-story dwellings, cottage housing, assisted living facilities, and age-restricted developments.

- **Younger Adult Households (Millennials and Gen Z).** Wilsonville has a higher share of young adults (20-39 years old) than the region and state. This demographic is more likely to rent early in their life cycle, driving demand for multifamily rental units. Affordability is a major concern for these generations. As young adults pursue homeownership, they will likely seek more affordable options such as smaller single-family detached homes, cottage cluster housing, middle housing types (townhouses, duplexes, triplexes, quadplexes), and multifamily housing. These housing types are often more affordable than traditional single-family detached homes and can provide a stepping stone to homeownership for younger residents.
- **Household Composition.** Wilsonville has a smaller average household size than Clackamas County and the state, with a higher share of one- and two-person households. These smaller households will increase the need for smaller housing units.

Despite smaller household sizes, Wilsonville also has a higher share of households with children than the region and state, including a higher proportion of single-parent households. Single-parent households in particular may face affordability concerns.

- **Latino/Hispanic Population Growth.** The growing Latino/Hispanic population in Wilsonville will influence housing needs. First-generation Hispanic/Latino immigrants (and, to a lesser extent, second- and third-generation Hispanic/Latino immigrants) are more likely to have larger household sizes. Hispanic/Latino households are twice as likely to live in multigenerational households and are also more likely to have lower incomes than the overall median. This demographic trend will drive demand for larger dwelling units that are affordable for lower-income

- households. These homes need to be designed to meet the needs of diverse populations, including features that support multigenerational living arrangements.
- **Wilsonville has affordability challenges that require diverse housing solutions.** Wilsonville has a lower median household income than the region. Housing costs have been rising faster than incomes, consistent with state and national trends, decreasing housing affordability in Wilsonville and across the state. Thirty-eight percent of households in Wilsonville are cost burdened, with renter households more likely to face this challenge. This pattern of cost burden, particularly among renters, aligns with broader trends observed at the state and national levels. Decreasing housing affordability indicates that Wilsonville needs a wider range of housing price points than currently available. This includes providing opportunities for developing housing types across the affordability spectrum, including income-restricted housing and other lower-cost housing types such as accessory dwelling units, townhouses, duplexes, triplexes, quadplexes, and multifamily buildings with five or more units.
 - **Wilsonville will need more income-restricted affordable housing.** Currently, about 42% of Wilsonville households (approximately 4,400) have incomes below 60% of Clackamas County's median family income (MFI). These households are the most vulnerable to experiencing cost burden. Looking ahead, Wilsonville expects to add about 1,180 households in this income range over the next 20 years. At present, Wilsonville has about 635 income-restricted affordable rental units. Given the high proportion of current and projected low-income households, Wilsonville will need to increase its stock of income-restricted affordable housing to adequately address housing affordability needs.
 - **Wilsonville's housing mix is expected to shift to address the changing demographic needs and affordability concerns.** As of 2021, Wilsonville's housing stock consisted of 43% single-family detached homes, 10% townhouses, 5% middle housing (duplexes, triplexes, quadplexes), and 42% multifamily units. Between 2013 and 2023, 2,217 new units were permitted in the city, 73% of which were for single-family detached units, 17% for townhouses, and 10% for multifamily units. Looking ahead, Wilsonville projects a future housing mix of 45% single-family detached homes, 15% townhouses, 5% duplexes, triplexes, and quadplexes, and 35% multifamily units. This distribution represents a shift from the 2013-2023 trends and the 2014 housing needs analysis, which planned for 50% single-family detached homes and 10% townhouses. This shift responds to demographic changes and affordability issues, with townhouses expected to gain market share as detached homes become less affordable. The implementation of House Bill 2001, allowing middle housing in traditionally single-family zones, should further diversify options, especially in areas like Frog Pond.

What are the City's next steps?

The City of Wilsonville Housing Needs and Capacity Analysis (this report) examines how household choices and the housing market have interacted in the Portland region, Clackamas County, and Wilsonville. It provides an overview of Wilsonville's current residential land

inventory, demographics, market trends, and housing needs. The report also forecasts housing needs for 2025 to 2045 and assesses whether current land and zoning are sufficient to meet these projected needs.

Following this analysis, the City will develop a Housing Production Strategy (HPS), which is a six-year action plan to address Wilsonville's unmet housing needs. The HPS will dig deeper into housing needs by demographic groups than is done in the HNCA. It will outline policies and strategies to support housing development and preservation, with a focus on achieving equitable outcomes for all residents. It will emphasize improving conditions for underserved communities, lower-income households, and state and federal protected classes. These strategies will provide the City with a range of tools to support housing development and address housing needs in Wilsonville.

Appendix A: Residential Buildable Lands Inventory

The buildable lands inventory uses methods and definitions that are consistent with Goal 10/OAR 660-008. This appendix describes the methodology that ECONorthwest used for this report based on data up to 2024. The results of the BLI are discussed in Chapter 2.

Overview of the Methodology

Following are the statutes and administrative rules that provide guidance on residential BLIs:

OAR 660-008-0005(2):

“Buildable Land” means residentially designated land within the urban growth boundary, including both vacant and developed land likely to be redeveloped, that is suitable, available, and necessary for residential uses. Publicly owned land is generally not considered available for residential uses. Land is generally considered “suitable and available” unless it:

- (a) Is severely constrained by natural hazards as determined under Statewide Planning Goal 7;*
- (b) Is subject to natural resource protection measures determined under Statewide Planning Goals 5, 6, 15, 16, 17, or 18;*
- (c) Has slopes of 25 percent or greater;*
- (d) Is within the 100-year flood plain; or*
- (e) Cannot be provided with public facilities.*

The methods used for conducting the Wilsonville residential BLI will be consistent with Oregon statutes. However, the methods used for inventorying land within the city will initially be based on the BLI completed by Metro for the 2018 Urban Growth Report (UGR). Metro is required to complete a BLI for land within the regional UGB every six years, and the agency updated the BLI (based on 2016 data) in January 2018. The methods used for inventorying Wilsonville lands attempt to be consistent with Metro’s results while also accounting for new development since 2016 and other local conditions, such as unique environmental constraints.

Metro Buildable Lands Inventory

Metro’s BLI estimates the housing capacity of land within the regional UGB. Based on Oregon statute, buildable lands include “vacant and developed land likely to be redeveloped that is suitable, available, and necessary for residential uses.”²⁶ The broad steps Metro uses for identifying buildable lands include:

- Identify vacant and developed tax lots
- Remove tax lots that do not have the potential to be developed
- Deduct unbuildable areas of the remaining tax lots (environmental constraints, future rights-of-way, etc.)
- Calculate the housing capacity on vacant and developed lots that could redevelop

Metro uses more detailed methods and criteria for identifying vacant and redevelopable land, which are summarized below.

Vacant

Metro identifies vacant tax lots using several different criteria, including:

- Tax lots that are considered fully vacant based on Metro aerial photos
- Tax lots with less than 2,000 square feet of developed area, where that developed area is less than 10% of the total lot area
- Tax lots that are 95% or more vacant based on Metro’s GIS vacant land inventory

Vacant residential lots that cannot be developed because of their use (such as for parks, utility easements, religious buildings, etc.) are removed, which results in a set of “vacant buildable” tax lots. Metro then deducts identified environmental constraints from the vacant and buildable tax lots to determine the “net unconstrained” portion of these lots that can support additional development.

Redevelopable

Over the 20-year study period, a share of developed lots are likely to redevelop within new buildings. To account for the development capacity on these developed lots, Metro identifies a subset of developed lots as “redevelopable.” Metro has created two “filters” to identify lots with the potential to redevelop.

- **Threshold Method.** This method identifies lots where redevelopment would result in a net increase of 50% more than the current number of units on the site. The method uses property value thresholds where it is economically viable for a lot to redevelop at this intensity. For suburban areas in the regional UGB, the threshold is \$10 per square foot of

²⁶ OAR 660-008-0006(2) (2)

property value for multifamily structures and \$12 per square foot for mixed-use structures. If a lot's current property value is below these thresholds, it is assumed to have the potential to redevelop.

- **Historic Probability Method.** This method determines the probability of a lot being redeveloped based on a statistical analysis of lots that historically redeveloped within the region. The probability for each lot is multiplied by the total zoned capacity of the lot to determine the likely future residential capacity.

Additionally, in the Metro BLI, lots that could be further developed under current development standards without demolishing existing structures are classified as either vacant or developed depending on the size of the lot and size of the development on the lot. The redevelopment capacity is calculated separately from the calculation of unconstrained buildable land.

ECONorthwest used the threshold method above as one of two ways in which to initially identify tax lots that might be partially vacant.

Partially Vacant

Metro's 2018 BLI does not give tax lots a final development status designation of partially vacant. Instead, partially vacant lots are identified mid-analysis as tax lots with at least a half acre of vacant land. These lots are then filtered through the above redevelopment filters to derive the redevelopment capacity of a tax lot.

Because a tax lot with redevelopment potential is not the same as a partially vacant tax lot (i.e., infill capacity), ECONorthwest created a separate classification for partially vacant that used either the vacant half-acre threshold or the redevelopment filters. Lots that were given an initial development status of partially vacant under these classification thresholds were then manually verified using aerial imagery and City staff feedback.

Inventory Steps

The BLI consists of several steps:

1. Generate UGB "land base"
2. Classify land by development status
3. Identify constraints
4. Verify inventory results
5. Tabulate and map results

Step 1: Generate "land base"

Per Goal 10, this involves selecting all tax lots in the Wilsonville study area with plan designations that allow residential uses, County plan designations that could potentially include residential uses in the future, or tax lots in specific City nonresidential plan

designations where City staff have indicated residential development could or is planned to occur. Plan designations included in the residential inventory:

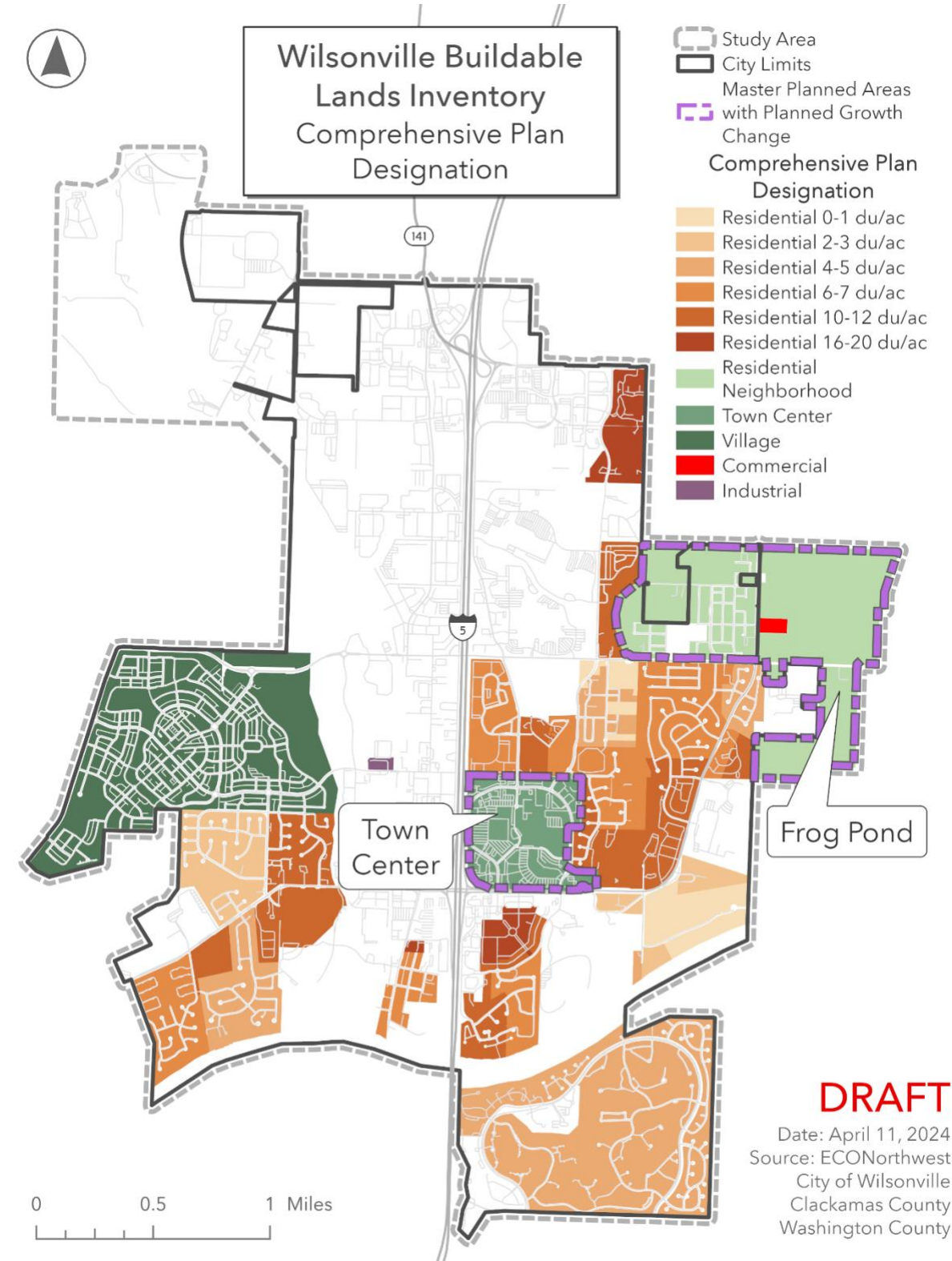
- City Limits
 - Residential 0-1 du/ac
 - Residential 2-3 du/ac
 - Residential 4-5 du/ac
 - Residential 6-7 du/ac
 - Residential 10-12 du/ac
 - Residential 16-20 du/ac
 - Residential Neighborhood
 - Town Center
 - Village
 - Commercial
 - Industrial²⁷

The Commercial and Industrial plan designations each include one tax lot specifically identified by City staff as potentially available for residential development. The Commercial lot is located within the Frog Pond East Master Plan Area and was identified as allowing mixed-use development. The Industrial lot is a City-owned partially vacant lot. Staff noted that this is the site of a planned transit-oriented affordable housing development, and they requested its inclusion in the residential land base.

Exhibit 80 shows the plan designations included in the BLI.

²⁷ Note: The Industrial area included in this inventory is a city-owned parcel where housing is planned. A Comprehensive Plan amendment/redesignation is not anticipated since this parcel will be developed with affordable housing as allowed by Senate Bill 8.

Exhibit 80. Residential Land Base by Zone, Wilsonville Study Area, 2024
Source: Oregon Metro, ECONorthwest analysis.



Step 2: Classify lands

In this step, ECONorthwest classified each tax lot with a zone that allows residential uses into one of five mutually exclusive categories based on development status:

- Vacant land
- Partially vacant land
- Undevelopable land
- Public land
- Developed land

ECONorthwest identified buildable land and classified development status with a rule-based methodology consistent with the methodology used by Metro in its 2018 Buildable Land Inventory, though with modifications regarding how partially vacant land was classified. The rules are described below in Exhibit 81.

Exhibit 81. Rules for Development Status Classification

Development Status	Definition	Statutory Authority
Vacant Land	<p>Tax lots designated as vacant by Metro based on the following criteria:</p> <ol style="list-style-type: none"> 1) Fully vacant based on Metro aerial photo. 2) Tax lots with less than 2,000 square feet developed AND developed area is less than 10% of lot. 3) Lots 95% or more vacant from GIS vacant land inventory. 	OAR 660-008-0006(2) (2) “Buildable Land” means residentially designated land within the urban growth boundary, including both vacant and developed land likely to be redeveloped, that is suitable, available, and necessary for residential uses. Publicly owned land is generally not considered available for residential uses.
Partially Vacant Land	<p>Vacant tax lots that meet Metro’s initial partially vacant threshold (1) or redevelopment filter (2):</p> <ol style="list-style-type: none"> 1) Lots where some development has occurred with at least a half acre of vacant land remaining. 2) Single-family tax lots that are 2.5 times larger than the minimum lot size and a building value less than \$300,000 or lots that are 5 times larger than the minimum lot size (no threshold for building value). <p>Developed acreages of these lots are determined by taking a lot’s developed land according to Metro’s developed land inventory and subtracting constraints. Therefore, to avoid double counting constraints and developed land where the two may overlap, committed land on</p>	No statutory definition

Development Status	Definition	Statutory Authority
	partially vacant lots as shown in the tables above are <i>unconstrained</i> committed land.	
Undevelopable Land	Derived from Metro's BLI methodology, tax lots less than 1,000 square feet in size are considered undevelopable.	No statutory definition
Public Land	Lands in public or semipublic ownership are considered unavailable for residential development. This includes lands in Federal, State, County, or City ownership as well as lands owned by churches and other semipublic organizations and properties with conservation easements. These lands are identified using Metro's definitions and categories.	OAR 660-008-0005(2) - Publicly owned land is generally not considered available for residential uses.
Developed Land	<p>Lands not classified as vacant, partially vacant, or public/exempt are considered developed. Developed land includes lots with redevelopment capacity, which are also included in BLI.</p> <p>Developed land that was previously vacant in 2016 will be identified through building permits provided by the City.</p>	No statutory definition

Step 3: Identify constraints

Consistent with OAR 660-008-0005(2) guidance on residential buildable lands inventories, ECONorthwest deducted certain lands with development constraints from vacant and partially vacant lands. We used the following constraints in accordance with Metro's methodology, as well as local constraints regulated by City ordinances.

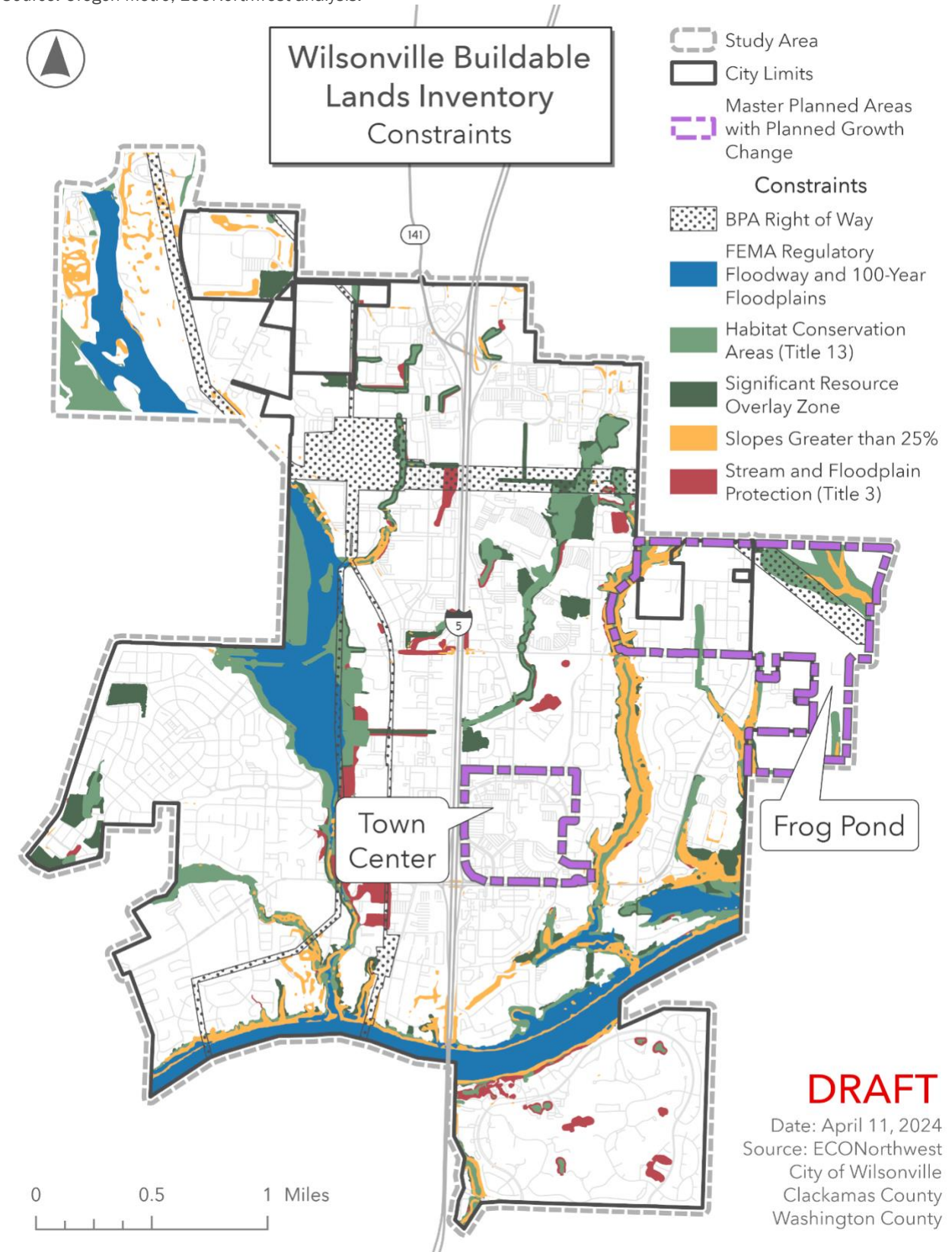
Exhibit 82. Constraints to Be Included in BLI

Constraint	Statutory Authority	Threshold	Source
Goal 5 Natural Resource Constraints			
Stream and Floodplain Protection (Title 3)	OAR 660-015-0000(5)	Lands within Title 3 area	Metro RLIS
Habitat Conservation Areas (Title 13)	OAR 660-015-0000(5)	Moderate or high conservation areas	Metro RLIS
Significant Resource Overlay Zone	OAR 660-015-0000(5)	Lands within the SROZ	City of Wilsonville
Natural Hazard Constraints			
Regulatory Floodway	OAR 660-008-0005(2a)	Lands within FEMA FIRM-identified floodway	FEMA via National Map
100-Year Floodplain	OAR 660-008-0005(2d)	Lands within FEMA FIRM 100-year floodplain	FEMA via National Map
Steep Slopes	OAR 660-008-0005(2c)	Slopes greater than 25%	Metro RLIS
Other Constraints			
BPA Right-of-Way	No Statutory Authority	Lands within the BPA right-of-way area	Bonneville Power Administration

We treated these areas as prohibitive constraints (unbuildable) as shown in Exhibit 83. All constraints were merged into a single constraint file, which was then used to identify the area of each tax lot that is constrained. These areas were deducted from lands that are identified as vacant or partially vacant.

Lack of access to water, sewer, power, road, or other key infrastructure cannot be considered a prohibitive constraint unless it is an extreme condition. This is because tax lots that are currently unserved could potentially become serviced over the 20-year planning period.

Exhibit 83. Residential Development Constraints Wilsonville Study Area, 2024
Source: Oregon Metro, ECONorthwest analysis.



Step 4: Verification

ECONorthwest used a multistep verification process. The first verification step involved a “rapid visual assessment” of land classifications using GIS and recent aerial photos. The rapid visual assessment involves reviewing classifications overlaid on recent aerial photographs to verify uses on the ground. ECONorthwest reviewed all tax lots included in the inventory using the rapid visual assessment methodology.

City staff and ECONorthwest performed multiple additional rounds of verification, such as the verification of partially vacant land described in Exhibit 81, which involved verifying the development status determination and the results of the rapid visual assessment.

ECONorthwest amended the BLI based on City staff review and a discussion of the City’s comments.

Step 5: Tabulation and mapping

The results are presented in tabular and map format. We included a comprehensive plan map, the land base by classification, vacant and partially vacant lands by plan designation, and vacant and partially vacant lands by plan designation with constraints.

Appendix B: National and State Demographic and Other Trends Affecting Residential Development in Wilsonville

National Trends

This summary on national housing trends builds on previous work by ECONorthwest, findings from Urban Land Institute (ULI) reports, conclusions from *The State of the Nation's Housing* report from the Joint Center for Housing Studies of Harvard University, and other research cited in this section. *The State of the Nation's Housing* report (2024) summarizes the national housing outlook as follows:

Both homeowners and renters are struggling with high housing costs. On the for-sale side, millions of potential homebuyers have been priced out of the market by elevated home prices and interest rates. Homeowner cost burdens are also on the rise, driven by growing taxes and insurance costs. For renters, the number with cost burdens has hit an all-time high as rents have escalated. While single-family construction is accelerating and a surge of new multifamily rental units is slowing rent growth, any gains in affordability are likely to be limited by robust household growth, ongoing development constraints, and high construction costs. All stakeholders must work together to address the affordability crisis and many related urgent housing challenges, including the inadequate housing safety net, the record number of people experiencing homelessness, and the growing threat of climate change.

The U.S. housing market continues to face a range of interwoven challenges. Limited inventory of entry-level homes keeps homeownership out of reach for many, particularly younger and lower-income buyers. Mortgage rate increases have further constrained affordability, reducing both demand and supply as homeowners with low-interest mortgages delay selling. Meanwhile, high costs of labor and materials, coupled with regulatory barriers, limit new housing construction despite persistent demand.

While new housing starts remain strong, particularly in the single-family sector, they have not been sufficient to close the gap in the housing supply. High borrowing costs have also impacted the multifamily sector, with rising interest rates contributing to a sharp decline in multifamily housing starts in 2023. The constraints in both for-sale and rental housing markets continue to exacerbate affordability challenges nationwide. The following sections summarize key housing trends and issues shaping the national landscape.

- **Rising interest rates since early 2022 have placed downward pressure on new construction, particularly in the multi-dwelling sector.** Higher financing costs have made it more difficult for developers to secure loans for multifamily housing projects. As a result, multifamily housing starts declined 15% year-over-year in 2024, reversing

the strong post-pandemic recovery in that sector.²⁸ In the third quarter of 2024, single-family housing starts totaled 970,000 units, reflecting a 3.4% decline from the previous quarter and a 0.2% decrease compared to the same period in 2023. This remains below the December 2020 peak of 1,315,000 units.²⁹

- **Strong construction numbers post-pandemic did not alleviate the shortage of existing homes for sale.** Inventories fell from three months in December 2019 to just under two months in December 2020, well below what is considered balanced (six months), with lower-cost and moderate-cost homes experiencing the tightest inventories. While *The State of the Nation's Housing* report cited the COVID-19 pandemic as sharing some blame for these tight conditions, the larger cause was the result of underproduction of new homes since the mid-2000s. Restrictive land use regulations, the cost and availability of labor, and the cost of building materials were also cited as constraints on residential development.

More recently, **higher mortgage rates have further reduced housing availability by discouraging homeowners from selling.** Many homeowners with historically low mortgage rates locked in before 2022 have chosen to stay in place rather than trade up or down, a phenomenon referred to as the "lock-in effect." This trend has contributed to tight inventory levels despite slowing home sales. Additionally, a study by the Federal Housing Finance Agency (FHFA) found that this mortgage rate lock-in led to a 57% reduction in home sales with fixed-rate mortgages in the fourth quarter of 2023, preventing approximately 1.33 million sales between the second quarter of 2022 and the fourth quarter of 2023.³⁰

- **High housing costs and rising mortgage rates have slowed homeownership growth, particularly among first-time buyers.** In 2023, the homeownership rate for households under 35—a key first-time buyer demographic—declined by 0.4 percentage points, contributing to a modest 0.1 percentage point increase in the overall U.S. homeownership rate of 65.9%, the smallest gain since 2016.

Persistently high mortgage rates have made homeownership even less accessible. The 30-year fixed mortgage rate peaked at 7.79% in October 2023, the highest in over 20 years, before briefly dipping in early 2024. By mid-April 2024, rates climbed back above 7%, more than twice the average rate of 3% in 2020-2021.

Racial disparities in homeownership remain significant. As of early 2024, 46.6% of Black households and 49.9% of Hispanic households owned homes, compared to 74.0% of White households. While Black and Hispanic homeownership rates had slightly outpaced national growth since 2019, rising costs disproportionately impacted these

²⁸ U.S. Department of Housing and Urban Development (HUD), *National Housing Market Summary: 3rd Quarter 2024*, HUD User, accessed March 2025, https://www.huduser.gov/portal/sites/default/files/pdf/NationalSummary_3Q24.pdf.

²⁹ Ibid

³⁰ Federal Housing Finance Agency. *Mortgage Rate Lock-In: Impacts on Housing Supply and Sales*. FHFA Working Paper 24-03, February 2024. Retrieved from <https://www.fhfa.gov/research/papers/wp2403>.

groups in 2023. By Q1 2024, only 8% of Black and 13% of Hispanic renter households had sufficient income to afford a median-priced home, compared to 16% of White and 29% of Asian households.³¹

- **Housing affordability remains a widespread issue, with 19.7 million homeowners now considered cost burdened**—meaning they spend more than 30% of their income on housing. Between 2019 and 2022, the share of cost-burdened homeowners rose from 21% to 23%, an increase of 3 million households. Factors such as rising property insurance premiums and increasing property taxes have further strained affordability.

For renters, the affordability crisis is even more severe. As of 2022, a record-breaking 22.4 million renter households were cost burdened, representing 50% of all renters, with 12.1 million spending more than 50% of their income on housing costs.³²

- **Long-term growth and housing demand.** The Joint Center for Housing Studies forecasts that, nationally, demand for new homes could total as many as 10 million units between 2018 and 2028 if current low immigration levels continue. Much of the demand will come from baby boomers, millennials, Gen Z,³³ and immigrants. The Urban Land Institute cites an increased acceptance of working from home as increasing demand in more suburban or rural environments over close-in markets.
- **Growth in rehabilitation market.**³⁴ Aging housing stock and poor housing conditions are growing concerns for jurisdictions across the United States. With the median age of the US housing stock rising from 34 years in 2009 to 41 years in 2019, Americans are spending more than \$400 billion per year on residential renovations and repairs. As housing rehabilitation becomes the primary solution to addressing housing conditions, the home remodeling market has grown nearly \$20 billion in 2017, topping out at \$433 billion in 2021.

Despite trends showing growth in the rehabilitation market, rising construction costs and complex regulatory requirements pose barriers to rehabilitation. Lower-income households (who are more likely to live in older housing than higher-income

³¹ Harvard Joint Center for Housing Studies, *The State of the Nation's Housing 2024* (Cambridge, MA: Harvard University, 2024), https://www.jchs.harvard.edu/sites/default/files/reports/files/Harvard_JCHS_The_State_of_the_Nations_Housing_2024.pdf

³² Harvard Joint Center for Housing Studies, *The State of the Nation's Housing 2024* (Cambridge, MA: Harvard University, 2024), https://www.jchs.harvard.edu/sites/default/files/reports/files/Harvard_JCHS_The_State_of_the_Nations_Housing_2024.pdf

³³ According to the Pew Research Center, millennials were born between the years of 1981 and 1996 and Gen Zers were born between 1997 and 2012 (inclusive). Read more about generations and their definitions here: <http://www.pewresearch.org/fact-tank/2018/03/01/defining-generations-where-millennials-end-and-post-millennials-begin/>.

³⁴ These findings are copied from the Joint Center for Housing Studies. (2021). *Improving America's Housing*, Harvard University. Retrieved from: https://www.jchs.harvard.edu/sites/default/files/Harvard_JCHS_Improving_Americas_Housing_2019.pdf

households) or households on fixed incomes may defer maintenance for years due to limited financial means, escalating rehabilitation costs. At a certain point, the cost of improvements may outweigh the value of the structure, which may necessitate new responses such as demolition or redevelopment. Regardless, there is a rising urgency with the aging housing stock, particularly with respect to increased disaster events caused by changes in climate. In 2019, spending on disaster repairs hit a record high of 10% of total rehabilitation spending, and 2020 saw a record number of billion-dollar climate-related disasters.

Declining residential mobility. Residential mobility rates have declined steadily since 1980. Nearly one in five Americans moved every year in the 1980s, compared to one in ten Americans between 2018 and 2019.³⁵ Since 2022, however, rising mortgage rates have contributed to further declines in mobility. With fewer homeowners willing to sell and fewer buyers able to afford new mortgages, housing turnover has slowed, reinforcing inventory constraints and housing affordability challenges. The impact of this trend is particularly pronounced among first-time buyers, who face both high interest rates and elevated home prices.³⁶

Other reasons for decline in residential mobility include factors such as demographics and labor-related changes. For instance, as baby boomers and millennials age, mobility rates are expected to fall, as people typically move less as they age. Other factors that may impact mobility include the rise in dual-income households (which complicates job-related moves), the rise in work-from-home options, and the decline in company-funded relocations. While decline in mobility rates span all generations, they are greatest among young adults and renters, two of the more traditionally mobile groups.

- **Changes in housing demand.** Housing demand will be affected by changes in demographics, most notably the aging of baby boomers, housing preferences of millennials and Gen Zers, and growth of immigrants.
 - *Baby boomers.* In 2020, the oldest members of this generation were in their seventies and the youngest were in their fifties. The continued aging of the baby boomer generation will affect the housing market. In particular, baby boomers will influence housing preference and homeownership trends. Preferences (and needs) will vary for boomers moving through their sixties, seventies, and eighties (and beyond). They will require a range of housing opportunities. For example, “aging baby boomers are increasingly renters-by-choice, [preferring] walkable, high-energy, culturally evolved communities.”³⁷ Many seniors are also moving to planned retirement destinations earlier than expected as they experience the benefits of work-from-home

³⁵ Frost, R. (2020). “Are Americans stuck in place? Declining residential mobility in the US.” Joint Center for Housing Studies of Harvard University’s Research Brief.

³⁶ Consumer Financial Protection Bureau, “Data Spotlight: The Impact of Changing Mortgage Interest Rates,” published October 2024, <https://www.consumerfinance.gov/data-research/research-reports/data-spotlight-the-impact-of-changing-mortgage-interest-rates/>.

³⁷ Urban Land Institute. Emerging Trends in Real Estate, United States and Canada. 2019.

trends (accelerated by COVID-19). Additionally, the supply of caregivers is decreasing as people in this cohort move from giving care to needing care, making more inclusive, community-based, congregate settings more important. Senior households earning different incomes may make distinctive housing choices. For instance, low-income seniors may not have the financial resources to live out their years in a nursing home and may instead choose to downsize to smaller, more affordable units. Seniors living in proximity to relatives may also choose to live in multigenerational households.

Research shows that “older people in western countries prefer to live in their own familiar environment as long as possible,” but aging in place does not only mean growing old in their own homes.³⁸ A broader definition exists, which explains that aging in place means “remaining in the current community and living in the residence of one’s choice.”³⁹ Some boomers are likely to stay in their home as long as they are able, and some will prefer to move into other housing products, such as multi-dwelling housing or age-restricted housing developments, before they move into a dependent-living facility or into a familial home. Moreover, “the aging of the US population, [including] the continued growth in the percentage of single-person households, and the demand for a wider range of housing choices in communities across the country is fueling interest in new forms of residential development, including tiny houses.”⁴⁰

- *Millennials.* Over the last several decades, young adults have increasingly lived in multigenerational housing—more so than older demographics.⁴¹ However, as millennials move into their early thirties to mid-thirties, postponement of family formation is ending and they are more frequently becoming homeowners, frequently of single-family detached homes.

Millennials only started forming their own households at the beginning of the 2007–2009 recession. The number of millennial homeowners has seen an uptick over the past few years. While the overall US homeownership rate slowly decreased from 2009 to 2019, the millennial homeownership rate increased from 33% in 2009 to 43% in 2019, with 6% of that growth since 2016. The age group of people 35 years old and younger accounted for about 15% of the annual household growth in 2019, up from about 10% in 2018. Older millennials (those ages 35–44) also accounted for a growing share of growth in homeownership.⁴² However, racial disparities also exist in

³⁸ Vanleerberghe, Patricia, et al. (2017). The quality of life of older people aging in place: a literature review.

³⁹ *Ibid.*

⁴⁰ American Planning Association. Making Space for Tiny Houses, Quick Notes.

⁴¹ According to the Pew Research Center, in 1980, just 11% of adults ages 25 to 34 lived in a multigenerational family household, and by 2008, 20% did (82% change). Comparatively, 17% of adults ages 65 and older lived in a multigenerational family household, and by 2008, 20% did (18% change).

⁴² The Joint Center for Housing Studies of Harvard University’s publication “The State of the Nation’s Housing 2021.”

millennial homeownership rates, with Non-Hispanic White homeowners accounting for 53%, Hispanic homeowners for 35%, and Black homeowners for 21%.⁴³

As this generation continues to progress into their home-buying years, they will seek out affordable, modest-sized homes. This will prove challenging, as the market for entry-level single-family homes has remained stagnant. Although construction of smaller homes (< 1,800 sq. ft.) increased in 2019, it only represented 24% of single-family units.

Millennials' average wealth may remain far below boomers and Gen Xers, and student loan debt will continue to hinder consumer behavior and affect retirement savings. As of 2022, millennials comprised 43% of homebuyers while Gen Xers comprised 22% and boomers 29%.⁴⁴ "By the year 2061, it is estimated that \$59 trillion will be passed down from boomers to their beneficiaries," presenting new opportunities for millennials (as well as Gen Xers).⁴⁵

- *Generation Z.* In 2020, the oldest members of Gen Z were in their early twenties and the youngest in their early childhood years. By 2040, Gen Z will be between 20 and 40 years old. While they are more racially and ethnically diverse than previous generations, when it comes to key social and policy issues, they look very much like millennials. Gen Z enters adulthood with a strong economy and record-low unemployment, despite the uncertainties of the long-term impacts of the COVID-19 pandemic.⁴⁶

Gen Z individuals have just started entering the housing market in the past few years, and with the oldest Gen Zers only being 23 as of 2022, this age cohort is the smallest so far in terms of homebuyers and sellers, accounting for 2% of each type. While researchers do not yet know how Gen Z will behave in adulthood, many expect they will follow patterns of previous generations.⁴⁷ A segment is expected to move to urban areas for reasons similar to previous cohorts (namely, the benefits that employment, housing, and entertainment options bring when they are in close

⁴³ "Millennials and Housing: Homeownership Demographic Research." Freddie Mac Single-Family, 2021. https://sf.freddie.mac.com/content/_assets/resources/pdf/fact-sheet/millennial-playbook_millennials-and-housing.pdf.

⁴⁴ National Association of Realtors. (2020). 2020 Home Buyers and Sellers Generational Trends Report, March 2020. Retrieved from: <https://www.nar.realtor/research-and-statistics/research-reports/home-buyer-and-seller-generational-trends>

⁴⁵ PNC. (n.d.). Ready or Not, Here Comes the Great Wealth Transfer. Retrieved from: <https://www.pnc.com/en/about-pnc/topics/pnc-pov/economy/wealth-transfer.html>

⁴⁶ Parker, K. & Igielnik, R. (2020). On the cusp of adulthood and facing an uncertain future: what we know about gen Z so far. Pew Research Center. Retrieved from: <https://www.pewsocialtrends.org/essay/on-the-cusp-of-adulthood-and-facing-an-uncertain-future-what-we-know-about-gen-z-so-far/>

⁴⁷ "2021 Home Buyers and Sellers Generational Trends Report." National Association of Realtors, 2021. <https://www.nar.realtor/sites/default/files/documents/2021-home-buyers-and-sellers-generational-trends-03-16-2021.pdf>.

proximity). However, this cohort is smaller than millennials (67 million vs. 72 million), which may lead to slowing real estate demand in city centers.

- *Immigrants.* Research on foreign-born populations shows that immigrants, more than native-born populations, prefer to live in multigenerational housing. Still, immigration and increased homeownership among minorities could also play a key role in accelerating household growth over the next ten years. Current population survey estimates indicate that the number of foreign-born households rose by nearly 400,000 annually between 2001 and 2007, and they accounted for nearly 30% of overall household growth. Beginning in 2008, the influx of immigrants was staunch by the effects of the Great Recession. After a period of declines, the foreign-born population again began contributing to household growth, despite decline in immigration rates in 2019. The Census Bureau’s estimates of net immigration in 2021 indicate that just 247,000 immigrants moved to the United States from abroad, down from a previous high of 1,049,000 between 2015 and 2016.⁴⁸ As noted in *The State of the Nation’s Housing 2020* report, “because the majority of immigrants do not immediately form their own households upon arrival in the country, the drag on household growth from lower immigration only becomes apparent over time.”
- *Diversity.* The growing diversity of American households will have a large impact on the domestic housing markets. Over the coming decade, minorities will make up a larger share of young households and constitute an important source of demand for both rental housing and small homes. The growing gap in homeownership rates between White and Black/African American households, as well as the larger share of minority households that are cost burdened, warrants consideration. White households had a 74.4% homeownership rate in 2021 compared to a 43.1% rate for Black households.⁴⁹ This 30 percentage point gap is the largest disparity since 1983. Although homeownership rates are increasing for some minorities, Black and Hispanic households are more likely to have suffered disproportionate impacts of the pandemic, and forced sales could negatively impact homeownership rates. This, combined with systemic discrimination in the housing and mortgage markets and lower incomes relative to White households, leads to higher rates of cost burden for some groups of people. For example, of renters in arrears, Black renters account for 29% and Hispanic renters for 21%, compared to White renters at 11%. For low-income homeowners, 72% of Hispanics, 74% of Blacks, and 84% of Asians faced cost burdens compared to 68% of White households. As noted in *The State of the Nation’s Housing (2020)* report, “the impacts of the pandemic have shed light on the growing racial and income disparities in the nation between the nation’s haves and have-nots

⁴⁸ Jason Schachter, Pete Borsella, and Anthony Knapp (US Census, December 21, 2021), <https://www.census.gov/library/stories/2021/12/net-international-migration-at-lowest-levels-in-decades.html>.

⁴⁹ “Federal Reserve Economic Data: Fred: St. Louis Fed,” Federal Reserve Economic Data (Federal Reserve Bank of St. Louis), accessed April 18, 2022, <https://fred.stlouisfed.org/>.

are the legacy of decades of discriminatory practices in the housing market and in the broader economy.”

- **Changes in housing characteristics.** The US Census Bureau’s Characteristics of New Housing Report (2020) presents data that show trends in the characteristics of new housing for the nation, state, and local areas. Several long-term trends in the characteristics of housing are evident from the New Housing Report:⁵⁰
 - *Larger single-family units on smaller lots.* Between 2000 and 2020, the median size of new single-family dwellings increased by nearly 10% nationally, from 2,057 sq. ft. to 2,261 sq. ft., and by 14% in the western region, from 2,014 sq. ft. in 1999 to 2,279 sq. ft. in 2020. Moreover, the percentage of new units smaller than 1,400 sq. ft. nationally decreased by half, from 14% in 2000 to 7% in 2020. The percentage of units greater than 3,000 sq. ft. increased from 18% in 2000 to 23% of new single-family homes completed in 2020. In addition to larger homes, a move toward smaller lot sizes was seen nationally. Between 2010 and 2020, the percentage of lots less than 7,000 sq. ft. increased from 25.5% to 34.8% of lots.

Based on a national study about home-buying preferences that differ by race/ethnicity, African American homebuyers wanted a median unit size of 2,664 sq. ft., compared to 2,347 sq. ft. for Hispanic buyers, 2,280 sq. ft. for Asian buyers, and 2,197 sq. ft. for White buyers.⁵¹ This same study found that minorities were less likely to want large lots.

- *Larger multi-dwelling units.* Between 2000 and 2020, the median size of new multi-dwelling units increased by 4.6% nationally. In the western region, the median size increased by 3.6%. Nationally, the percentage of new multi-dwelling units with more than 1,200 sq. ft. increased from 29.5% in 2000 to 32.8% in 2020 and increased from 23.3% to 25.2% in the western region.
- *Household amenities.* Across the United States since 2013, an increasing number of new units had air-conditioning (fluctuating year by year at over 90% for both new single-family and multi-dwelling units). In 2000, 93% of new single-family houses had two or more bathrooms, compared to 96.8% in 2020. The share of new multi-dwelling units with two or more bathrooms decreased from 55% of new multi-dwelling units to 42.6%. As of 2020, 92% of new single-family houses in the United States had garages for one or more vehicles (from 88% in 2000). Additionally, if work-from-home dynamics remain a more permanent option, then there may be rising demand for different housing amenities such as more space for home offices or larger yards for recreation.
- *Shared amenities.* Housing with shared amenities grew in popularity, as it may improve space efficiencies and reduce per-unit costs/maintenance costs. Single-room

⁵⁰ US Census Bureau, Highlights of Annual 2020 Characteristics of New Housing. Retrieved from: <https://www.census.gov/construction/chars/highlights.html>

⁵¹ Quint, Rose. (April 2014). *What Home Buyers Really Want: Ethnic Preferences*. National Association of Home Builders.

occupancies (SROs),⁵² cottage clusters, cohousing developments, and multi-dwelling products are common housing types that take advantage of this trend. Shared amenities may take many forms and include shared bathrooms, kitchens, other home appliances (e.g., laundry facilities, outdoor grills), security systems, outdoor areas (e.g., green spaces, pathways, gardens, rooftop lounges), fitness rooms, swimming pools, tennis courts, and free parking.⁵³

State Trends

In August 2019, the State of Oregon passed statewide legislation—Oregon House Bill 2001 and 2003. **House Bill 2001 (HB2001)** required many Oregon communities to accommodate middle housing within single-family neighborhoods. “Medium cities”—those with 10,000 to 25,000 residents outside the Portland metro area—are required to allow duplexes on each lot or parcel where a single-family home is allowed. “Large cities”—those with over 25,000 residents and nearly all jurisdictions in the Portland metro urban growth boundary (UGB)—must meet the same duplex requirement, in addition to allowing single-family homes and triplexes, fourplexes, townhomes, and cottage clusters in all areas that are zoned for residential use. Note that the middle housing types (other than duplexes) do not have to be allowed on *every* lot or parcel that allows single-family homes, which means that larger cities maintain some discretion.

Middle housing is generally built at a similar scale as single-family homes but at higher residential densities. It provides a range of housing choices at different price points within a community.

House Bill 2003 (HB2003), passed in 2019, envisioned reforming Oregon’s housing planning system from a singular focus (on ensuring adequate available land) to a more comprehensive approach that also achieves these critical goals: (1) support and enable the construction of sufficient units to accommodate current populations and projected household growth and (2) reduce geographic disparities in access to housing (especially affordable and publicly supported housing). In that, HB 2003 required the development of a methodology for projecting *regional* housing need and required allocating that need to local jurisdictions. It also expanded local government responsibilities for planning to meet housing need by requiring cities to develop and adopt housing production strategies.

House Bill 2001, passed in 2023, built upon HB 2003 to establish the Oregon Housing Needs Analysis (OHNA), which directed the Land Conservation and Development Commission

⁵² Single-room occupancies are residential properties with multiple single-room dwelling units occupied by a single individual. From: US Department of Housing and Urban Development. (2001). *Understanding SRO*. Retrieved from: <https://www.hudexchange.info/resources/documents/Understanding-SRO.pdf>

⁵³ Urbsworks. (n.d.). Housing Choices Guidebook: A Visual Guide to Compact Housing Types in Northwest Oregon. Retrieved from: https://www.oregon.gov/lcd/Publications/Housing-Choices-Booklet_DIGITAL.pdf

Saiz, Albert and Salazar, Arianna. (n.d.). Real Trends: The Future of Real Estate in the United States. Center for Real Estate, Urban Economics Lab.

(LCDC) to adopt and amend rules related to housing and urbanization (Land Use Planning Goals 10 and 14). The goal of this rulemaking is to implement the OHNA Program, which redirects the implementation of Goal 10 toward a more comprehensive framework. The OHNA emphasizes the role of local actions in promoting housing production, affordability, and choice. LCDC adopted rules to address housing needs and production and the housing accountability framework in December 2024. LCDC expects to adopt rules about housing capacity and urbanization by January 1, 2026. While these rules were not used in development of the Wilsonville HNCA or the Wilsonville Housing Production Strategy, the new rules will be in place when Wilsonville next updates its HNCA and Housing Production Strategy in 2031.

Oregon developed its *2021-2025 Consolidated Plan*, which includes a detailed housing needs analysis as well as strategies for addressing housing needs statewide. The plan concluded that the “state’s performance in accomplishing past goals has been very strong, and project areas of focus remain consistent with the current needs identified in this new five-year plan. Tenant based rental assistance, in particular, has demonstrated strong demand, as has the ongoing need for rental units (including those newly developed) which meet fair market rent standards, and community facilities. The unusual events during 2020—the COVID-19 pandemic and historical wildfire activity—tilt current needs and priorities toward housing stability efforts, as well as community health care projects and access to telehealth services.” It identified the following top needs in its Needs Assessment:⁵⁴

- The most common housing problem in Oregon is cost burden. Nearly 390,000 households pay more than 30% of their incomes toward housing costs, up by 7% since the last five-year Consolidated Plan. Renters are more likely to be cost burdened. About 27% of Oregon renter households were found to be severely cost burdened. This proportion increased significantly from 2000 (19%) and disproportionately falls on persons of color in the state: more than 50% of households with persons of color are cost burdened compared to 34% of White households.
- Cost burden largely affects those with lower incomes—especially extremely low and very low-income renters, who have cost burden rates of 70% and 76%, respectively.
- According to Oregon’s Statewide Housing Plan for 2019-2023, more than 85,000 units affordable to extremely low-income households (making less than 30% of AMI) are needed to meet demand and more than 26,000 units affordable to moderate-income households (making 50% to 80% of AMI) are needed to meet demand. This is down from the previous gap of 102,500 units in the 2016-2021 Plan.

By income range and special need, the estimated needs of Oregon households include the following:

⁵⁴ These conclusions are copied directly from the report, Oregon’s 2021–2025 Consolidated Plan. Retrieved from: <https://www.oregon.gov/ohcs/development/Documents/conplan/2021-2025%20Action%20Plan/State-of-Oregon-2021-2025-Consolidated-Plan-Final-with-appendices.pdf>.

- Extremely low-income families—those earning incomes below the poverty level—total nearly 182,000 households in Oregon. Those with unmet housing needs will grow by 10,000 households over the next five years.
- Low-income families—those earning incomes between the poverty level and the median income—total 261,000 in Oregon. Their needs will grow by much less (8,300 additional households) over the next five years.
- Elderly households (62+) total nearly 905,381 and live in 526,675 households. Of these households, 23% have unmet housing needs. Those with unmet housing needs are expected to grow by 7,000 households by 2025. Many of these needs will take the form of home accessibility modifications, home repairs, and home healthcare, as seniors make up a large share of residents who live alone and who have disabilities. Frail elderly (defined as an elderly person who requires assistance with three or more activities of daily living) total 61,518 residents.
- Oregon residents with disabilities total 581,000 and occupy 428,000 households. By 2025, these households with needs are forecast to grow by nearly 12,000.
- More than 300,000 persons in Oregon struggled with substance abuse challenges before the COVID-19 pandemic occurred, and these needs grew during the pandemic. Oregonians who have ever had mental health challenges total 757,000, with 172,000 having serious mental health challenges.
- Approximately 178,000 residents 18 and older in Oregon have experienced some type of domestic violence, dating violence, sexual assault, and/or stalking by an intimate partner in the previous year. In the most severe cases, these victims must leave their homes—an estimated 4,200 residents who are victims of domestic violence in Oregon require housing services each year.
- Nearly 16,000 people were identified as experiencing homelessness in Oregon in 2019, an increase of 13% since 2017. Two in three people are unsheltered.
- Nearly 17,000 households live in substandard housing, based on Census surveys of housing units lacking complete plumbing or kitchen facilities. The number of households in substandard housing decreased by 4% compared to the 2021-2025 plan.
- Approximately 29,000 households live in units that are either overcrowded or severely overcrowded. The number of households in overcrowded conditions increased by 19% since the last plan.

As part of the Consolidated Plan’s stakeholder perspective, activities to address urgent housing needs selected by the greatest number of respondents were:

- Housing activities that result in more rental units for households with income below 60% of AMI and households with incomes between 60% and 80% of AMI, emergency shelters for people who are houseless, and transitional housing for people moving out of homelessness.
- Repurposing vacant buildings for affordable housing.

- Affordable and accessible housing for people with disabilities.
- In 2022, minimum wage in Oregon⁵⁵ was \$12.75, compared to \$14.00 in the Portland metro region and \$12.00 for nonurban counties.

Oregon developed its *Statewide Housing Plan 2019-2023* in 2019.⁵⁶ The Plan identified six housing priorities to address in communities across the state over the 2019 to 2023 period (summarized below). In January 2022, Oregon Housing and Community Services (OHCS) released a summary of their progress.⁵⁷ The following section includes summaries and excerpts from their status report:

- **Equity and Racial Justice.** Advance equity and racial justice by identifying and addressing institutional and systemic barriers that have created and perpetuated patterns of disparity in housing and economic prosperity.

OHCS continued to build relationships, tools, and connections to further its equity and racial justice focus. OHCS continued to update the Culturally Specific Organization (CSO) list, tracking funding received by CSOs. OHCS developed customized tools for equity and racial analysis and prepared to start equity and inclusion training for OHCS staff and committee chairs.

- **Homelessness.** Build a coordinated and concerted statewide effort to prevent and end homelessness, with a focus on ending unsheltered homelessness of Oregon's children and veterans.

The Homeless Services Section (HSS) made progress in demonstrating increased Housing Stability with 26,940 households paid out via the Oregon Emergency Rental Assistance Program. Additional staffing and funding (\$100 million) were secured to build a program of eviction prevention. OHCS developed a dashboard to provide transparency in processing, equity, and capacity issues related to homelessness. OHCS executed grant agreements with HSS providers to deliver strategic housing stability services. Work is ongoing to enter more partnerships with new investments in eviction prevention.

- **Permanent Supportive Housing.** Invest in permanent supportive housing (PSH), a proven strategy to reduce chronic homelessness and reduce barriers to housing stability.

OHCS funded and/or created 915 units, part of their target to create 1,000 PSH units. In addition, 416 of the 915 supportive home units were funded with PSH resources. Other

⁵⁵ The 2016 Oregon Legislature, Senate Bill 1532, established a series of annual minimum wage rate increases beginning July 1, 2016, through July 1, 2022. Retrieved from:

<https://www.oregon.gov/boli/whd/omw/pages/minimum-wage-rate-summary.aspx>

⁵⁶ This section uses many direct excerpts from the OHCS Statewide Housing Plan 2019-2023. Oregon Statewide Housing Plan. <https://www.oregon.gov/ohcs/Documents/swhp/SWHP-Report-Y1-Summary.pdf>

⁵⁷ This section uses many direct excerpts from the OHCS Statewide Housing Plan, Year 3 Quarter 1 Update September 2021 Report to HSC. Oregon Statewide Housing Plan, Status Reports. <https://www.oregon.gov/ohcs/Documents/swhp/01-07-2022-JAN-SWHP-Quarterly-Summary.pdf>

accomplishments included developing a compliance and monitoring plan for PSH, distribution of service funds, outreach to partners to ensure PSH resource information is reaching tribal and rural partners, and a hiring staff to support the PSH program.

- **Affordable Rental Housing.** *Work to close the affordable rental housing gap and reduce housing cost burden for low-income Oregonians.*

OHCS funded and/or created 18,329 affordable rental homes, part of their target to create 25,000 homes. OHCS developed internal tools, such as a reporting matrix for analysis of subcontracts and an incorporated Compliance Policy, and conducted community outreach with a tribal housing workgroup rules committee. OHCS also conducted a survey to get initial feedback on key program topics and projected changes, along with additional outreach on related issues.

- **Homeownership.** *Provide more low and moderate-income Oregonians with the tools to successfully achieve and maintain homeownership, particularly in communities of color.*

OHCS assisted 1,187 households in becoming successful homeowners, part of its target to assist a total of 6,500 households. OHCS made strides by doubling the number of homeowners of color in its homeownership programs. OHCS launched new programs to support homeownership, including lending programs. To align programs with the needs of communities of color, OHCS developed relationships with underrepresented organizations, maintained addressing the needs of communities of color as a focus in its programmatic frameworks, and regularly shared and encouraged training opportunities with its team.

- **Rural Communities.** Change the way OHCS does business in small towns and rural communities to be responsive to the unique housing and service needs and unlock the opportunities for housing development.

OHCS focused on developing a better understanding of rural community needs and increasing rural capacity to build more affordable housing. OHCS hired a program manager for rural communities and delivered funding for multiple direct awards, increased funding for CSOs, and updated its Land Acquisition Program to include new funding amounts and set-asides. OHCS funded and/or created 2,158 units in rural communities out of a total of 2,543 units in the five-year goal, or 85% of its target.