



GROWING GREAT THINGS

Comprehensive Planning: The Hillsboro Way



The City of Hillsboro

Housing Needs Analysis
Summary Document
January 2015

Introduction

Hillsboro’s Housing Needs Analysis will provide the factual basis for the City’s update of the Housing Element of the Hillsboro Comprehensive Plan.

Hillsboro is planning for growth of 8,000 new housing units in South Hillsboro, many of which will be single-family detached housing.

Hillsboro is planning for new multifamily housing growth, concentrated in the redevelopment of AmberGlen and Tanasbourne.

Hillsboro is in the process of updating its Comprehensive Plan, which has not undergone a full update since 1984. Hillsboro has changed substantially over the last three decades. It has gone from a population of nearly 30,000 in 1980 to 95,000 in 2015, making it Oregon’s fifth largest city. Hillsboro has become a regional employment center, with the growth of businesses such as Intel, Wells Fargo, Nike (Administrative Offices), TriQuint Semiconductor, Solar World, and many others.

Hillsboro’s urban area changed as the city grew to accommodate new residents and businesses. The City expanded by about 7,600 acres since 1980 to its current size of about 15,360 acres, a 50% increase in geographic size. Much of the expansion occurred in the east and northeast direction. Hillsboro has grown up, as well as out. With development of the Westside Light Rail, Orenco Station grew to be a town center, with about 3,490 dwelling units and 2,100 jobs.

Hillsboro is planning for continued growth along the Westside Light Rail line in mixed-use areas. These include Tanasbourne, an area where the City is planning for redevelopment of 2,000 to 3,000 new units in a wider range of housing including higher density housing, and AmberGlen, a regional center where the City is planning for 5,000 to 7,000 new medium and high-density residential units. In South Hillsboro, the City is planning for growth of about 8,000 new dwelling units, mixing low and moderate-density, single-family detached, and single-family attached (e.g., townhomes), with some higher-density multifamily and commercial development.

The Housing Needs Analysis provides information about the factors that may affect residential development in Hillsboro over the next 20 years, including housing market changes, demographics, and other factors. The Housing Needs Analysis provides a factual basis for an evaluation and revision to the Housing Element in Hillsboro’s Comprehensive Plan, to ensure that Hillsboro meets the essential requirements of statewide planning Goal 10: to provide opportunities for development of housing that meets the needs of households of all income levels.

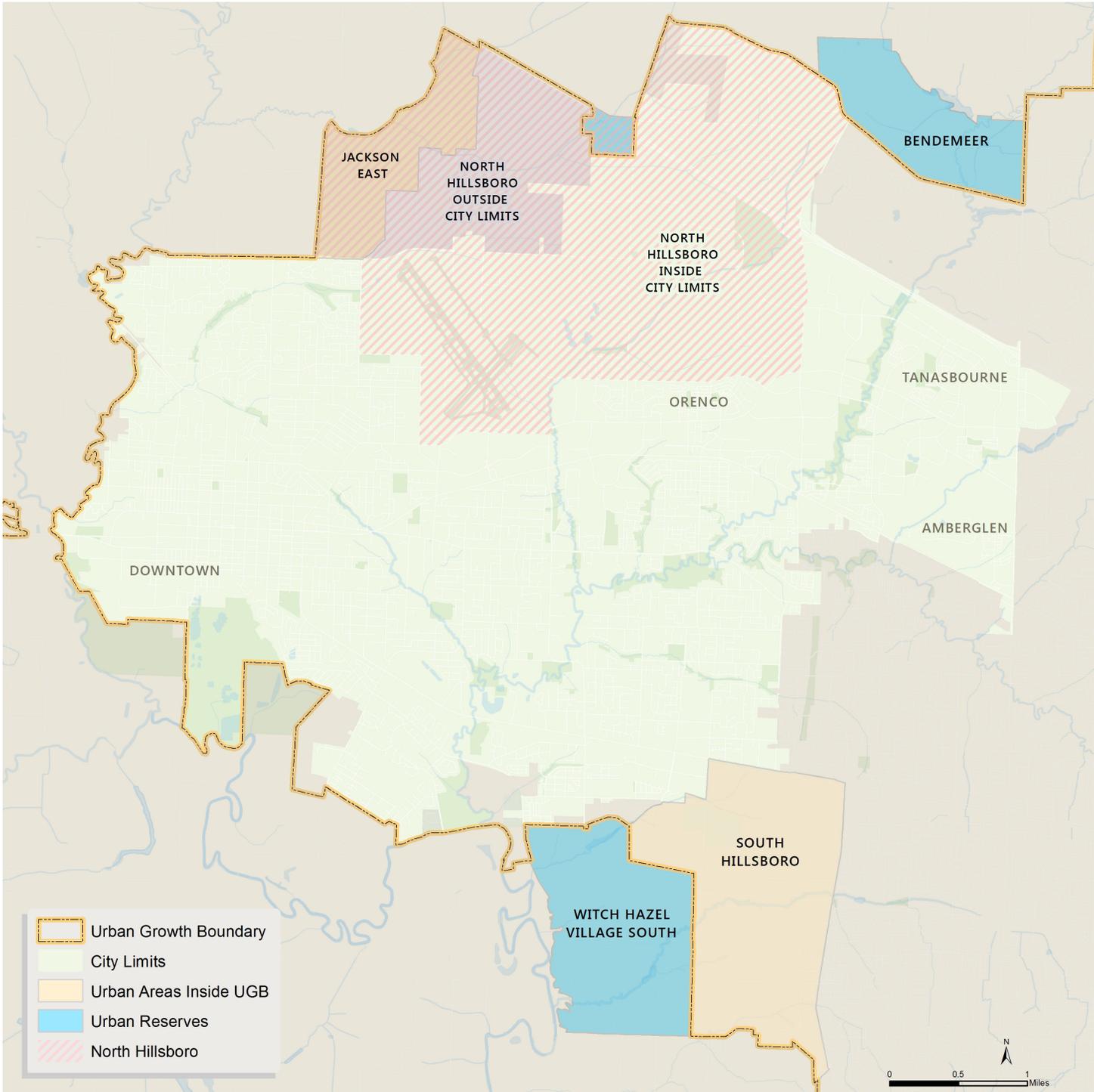
This summary report presents the results of two longer reports:

- **Hillsboro Housing Needs Analysis 2016 to 2036** presents the full results of the housing needs analysis (HNA) for Hillsboro and is intended to comply with statewide planning Goal 10 (housing) and Oregon Administrative Rule (OAR) 660-007.
- **Hillsboro Housing Policy and Implementation Strategies** presents recommendations for a complete revision to Hillsboro’s Comprehensive Plan Housing Element and implementation strategies intended to result in policy changes that provide opportunities for development of housing to meet Hillsboro’s identified housing needs.

City staff and ECONorthwest staff worked with the Housing Needs Analysis Sub-Committee (HNASC) and the Citizen Advisory Committee (CAC) to review the results of the Housing Needs Analysis and develop the Housing Policy and Implementation Strategies.

Hillsboro Planning Area

Hillsboro’s planning area for residential growth includes areas already within the city limits, urban areas outside of Hillsboro (i.e., South Hillsboro), and urban reserves (i.e., Witch Hazel Village South and Bendemeer)



Hillsboro's Population and Households

Population and housing characteristics are useful for better understanding Hillsboro and the people who live here. Characteristics such as population growth, age of residents, household size and composition, commuting patterns, average pay per employee, and home ownership provide useful information about how the characteristics of Hillsboro's households compared to Washington County and Oregon.

Unless otherwise noted, all data in this document are from the U.S. Census. This document defines the Portland Region as Washington County, Clackamas County, and Multnomah County.

Hillsboro's population grew by more than 57,000 people between 1990 and 2014, an increase of more than 150%.

AVERAGE POPULATION GROWTH PER YEAR, 2000-2014



POPULATION, 2014

Source: Portland State University, Population Research Center



Hillsboro's population is younger on average than Washington County or Oregon's median age.

MEDIAN AGE, 2013

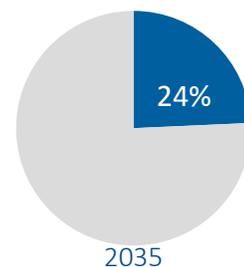
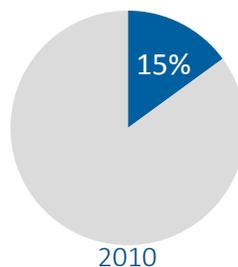


Between 2010 and 2035, population over 60 years old will increase from 15% to 24% in Washington County.

The percentage of people over 60 years old will also increase in Hillsboro.

POPULATION AGED 60 AND OLDER, WASHINGTON COUNTY 2010 & 2035

Source: Oregon Office of Economic Analysis



HILLSBORO'S POPULATION AND HOUSEHOLDS

PERCENT OF POPULATION THAT IS HISPANIC OR LATINO, 2000 AND 2013



Hillsboro is more ethnically diverse than other areas of Washington County. Hispanic and Latino populations have grown and now account for 25% of Hillsboro's population.

PERCENT OF POPULATION THAT IS ASIAN, 2000 AND 2013

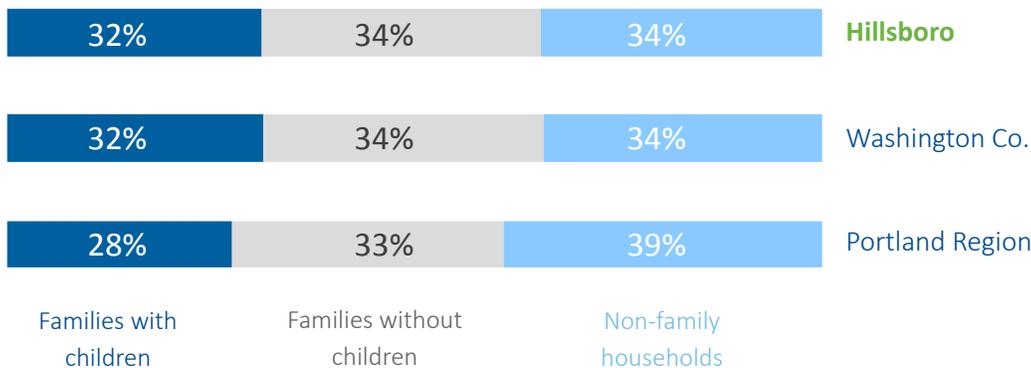


Hillsboro has a larger percentage of Asian residents than the Portland Region.

HOUSEHOLD COMPOSITION, 2013

A family household is one in which the resident is related to at least one other person in the household by birth, marriage, or adoption. Non-family households include people living alone, unmarried couples, and unrelated housemates.

Hillsboro has a larger percentage of family households than the Portland Region.



Hillsboro's Housing Market

Analysis of historical development trends in Hillsboro provides insight into how the local housing market functions in the context of Washington County. This report groups housing into the three types shown below.

HOUSING TYPES



Single-family detached
(includes mobile and
manufactured homes)



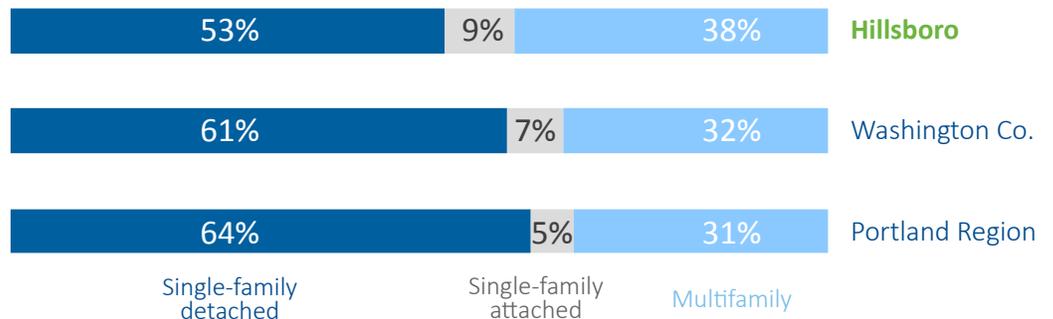
Single-family attached
(townhouses)



Multifamily
(condos, apartments, duplexes)

Hillsboro's mix of housing is more diverse than the Portland Region, which includes urban areas (e.g., Hillsboro and Beaverton) and unincorporated areas.

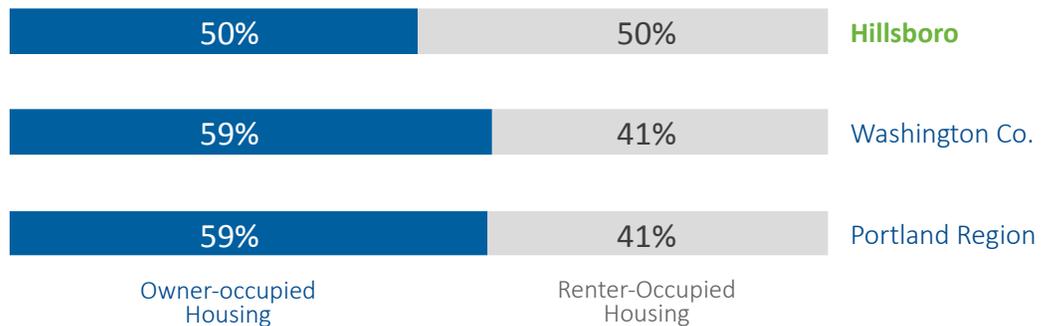
MIX OF EXISTING HOUSING TYPES, 2013



Half of Hillsboro's housing is owner-occupied.

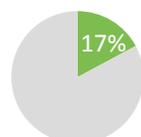
In comparison, 59% of the housing in Washington County and the Portland Region is owner-occupied.

TENURE, 2013

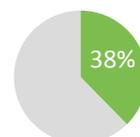


Renters live in all types of housing in Hillsboro.

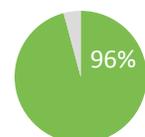
PERCENT OF HILLSBORO HOUSING UNITS THAT ARE RENTER-OCCUPIED, 2013



Single-family detached



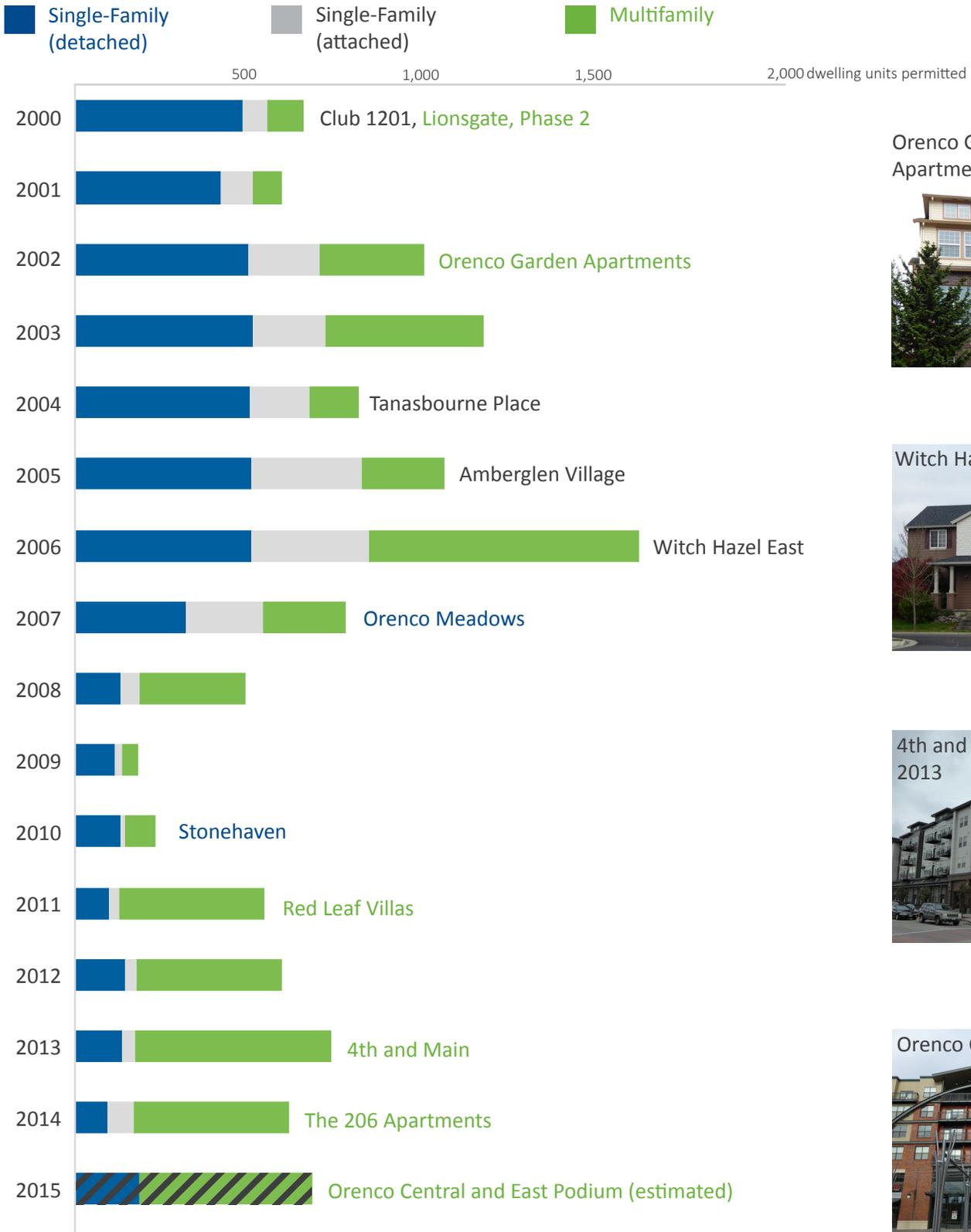
Single-family attached



Multifamily

DEVELOPMENT TIMELINE, 2000-2015

Source: City of Hillsboro Permit Data



Orenco Garden Apartments, 2002



Witch Hazel East, 2006



4th and Main, 2013



Orenco Central, 2015



Housing Affordability

Housing affordability considers the housing that is affordable to all households at all income levels.

A typical standard used to determine housing that is within the financial needs of a household is that a household should pay no more than 30% of household income for housing, including payments and interest or rent, utilities, and insurance.

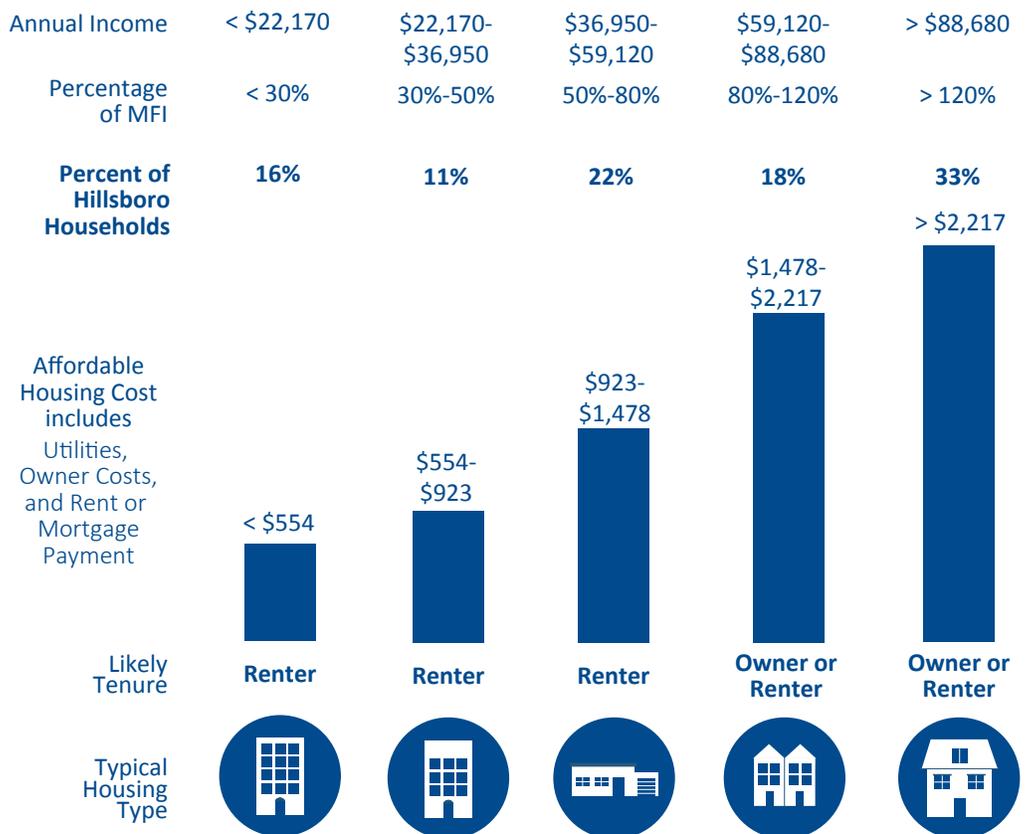
Hillsboro will need to ensure that there are opportunities for development of all types of affordable housing, from subsidized apartments to market-rate apartments to small single-family houses.

The term affordable housing refers to a household's ability to find housing within its financial means. Housing affordability affects both higher- and lower-income households and is an important issue for Hillsboro and the Portland region. Low-income households have fewer resources available to pay for housing and have the most difficulty finding affordable housing. Key points about affordability in Hillsboro include:

- Hillsboro will have an ongoing need for housing affordable to lower-income and moderate-income households.
- The City is planning for needed housing types for households at all income levels and works with nonprofit and private housing providers (including the Washington County Home Investment Partnership Consortium) to ensure availability of housing affordable to lower and moderate-income households. Hillsboro uses federal, regional, and city funds to support development of new affordable housing construction and rehabilitation of existing affordable housing.
- Future housing affordability will depend on the relationship between income and housing price. The key question, which is difficult to answer based on historical data, is whether housing prices will continue to outpace income growth.

HOUSING AFFORDABILITY BASED ON WASHINGTON COUNTY MEDIAN FAMILY INCOME (MFI) OF \$73,900 IN 2015

Source: US Department of Housing and Urban Development (HUD), 2014



PERCENT OF HOUSEHOLDS THAT ARE COST BURDENED, 2013

Cost-burdened households spend more than 30% of their gross income on housing.

37%
Hillsboro

38%
Washington Co.

43%
Portland

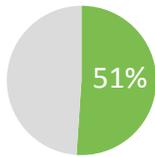
39%
Beaverton

45%
Gresham

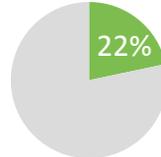
More than one-third of Hillsboro households are cost burdened and spend more than 30% of their gross income on housing.

More than half of Hillsboro's renter households are cost burdened, consistent with rates of renter cost burden in Washington County and the Portland Region.

PERCENT OF HILLSBORO'S HOUSEHOLDS THAT ARE COST BURDENED, BY OWNERSHIP STATUS, 2013



Renter-occupied households



Owner-occupied households

MEDIAN HOME SALES PRICES, 2014

Source: RMLS, 2014

\$225K
Hillsboro

\$286K
Washington Co.

\$317K
Portland

\$270K
Beaverton

\$223K
Gresham

The median home sales price in Hillsboro was \$45,000 lower than in Beaverton and \$92,000 lower than in the City of Portland.

RATIO OF MEDIAN OWNER-OCCUPIED HOUSING VALUE TO MEDIAN HOUSEHOLD INCOME, 2009-2013

Lower ratios indicate that housing is more affordable. HUD's standard is 3.0.

3.8
Hillsboro

4.4
Washington Co.

4.6
Oregon

Hillsboro's housing is comparatively affordable.

The median home value in Hillsboro was 3.8 times the median income, compared to the state average of 4.6.

AFFORDABLE HOUSING WAGE FOR A 2-BEDROOM APARTMENT, 2013

The affordable housing wage is based on the Fair Market Rent for a 2-bedroom apartment provided by the U.S. Department of Housing and Urban Development (HUD).

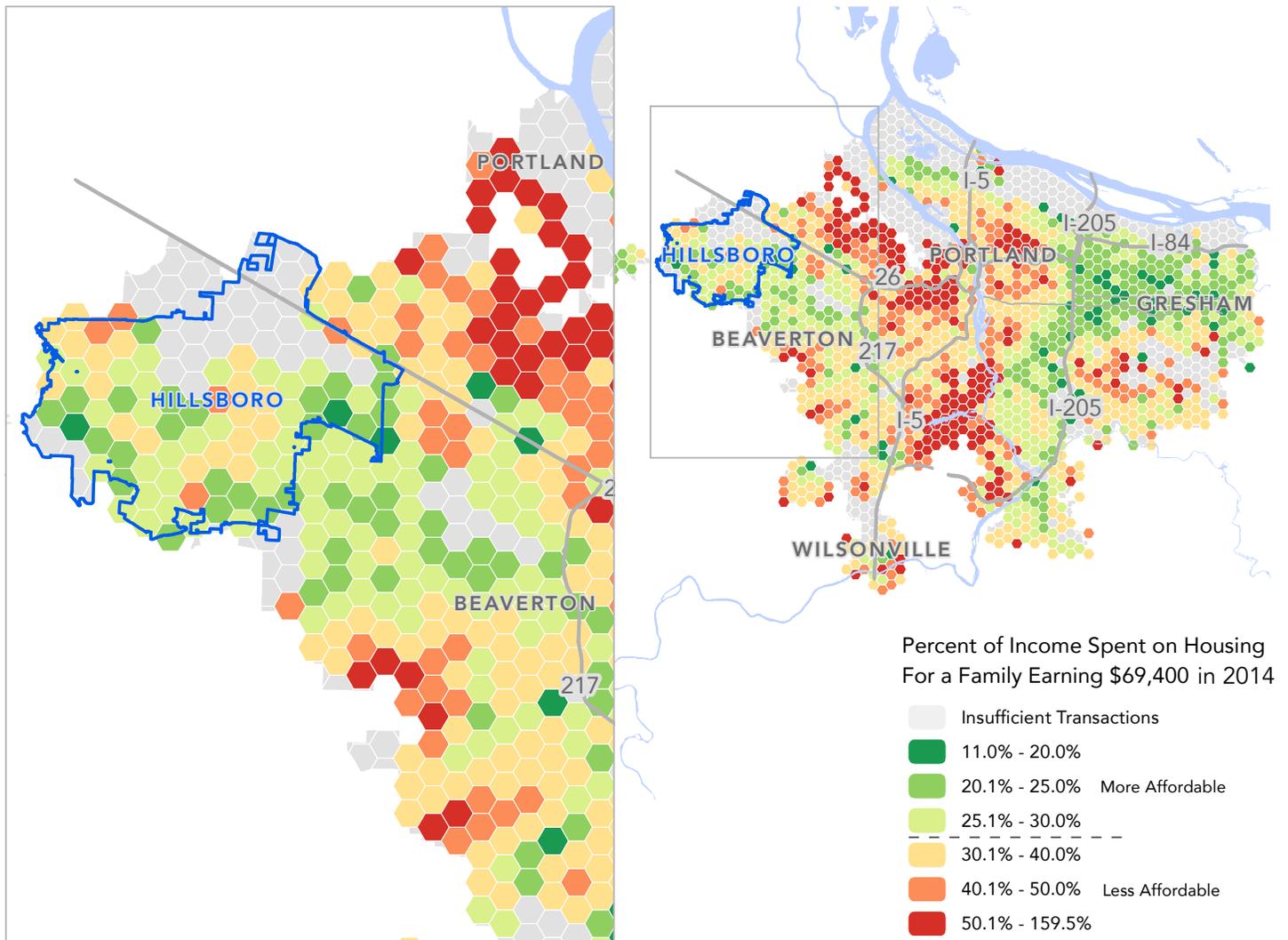
\$18.15
Washington Co.

A household in Washington County must earn \$18.15 per hour to afford a two-bedroom apartment.

SINGLE-FAMILY HOUSING AFFORDABILITY

PERCENT OF INCOME SPENT ON HOUSING FOR A FAMILY EARNING \$69,400 IN 2014

The map below shows the costs of single-family housing as a percent of income for a family of four earning the Portland Region's Median Family Income (\$69,400) in 2014. Areas shaded in green are considered affordable for these households, with households spending less than 30% of their income on housing costs, and areas in red are considered unaffordable. Hillsboro is relatively affordable compared to other parts of the Portland Region.



Source: ECONorthwest, Metro RLIS, US Department of Housing and Urban Development

Assumptions

Structure type:

Single-Family Homes and Owned Condominiums and Townhouses

Income:

4 person household
MFI: \$69,400

Affordability:

Affordable: Housing Costs=30% or less of gross family income
Down Payment: 20%
Mortgage: 30-year amortizing principal interest
Interest Rate: 4.17%

Property Tax Change Ratio: 64%
Property Tax Rate: \$18 per \$1,000
Insurance: Sales Price/1,000 * 03.5
Utilities: \$250 per month

Geography:

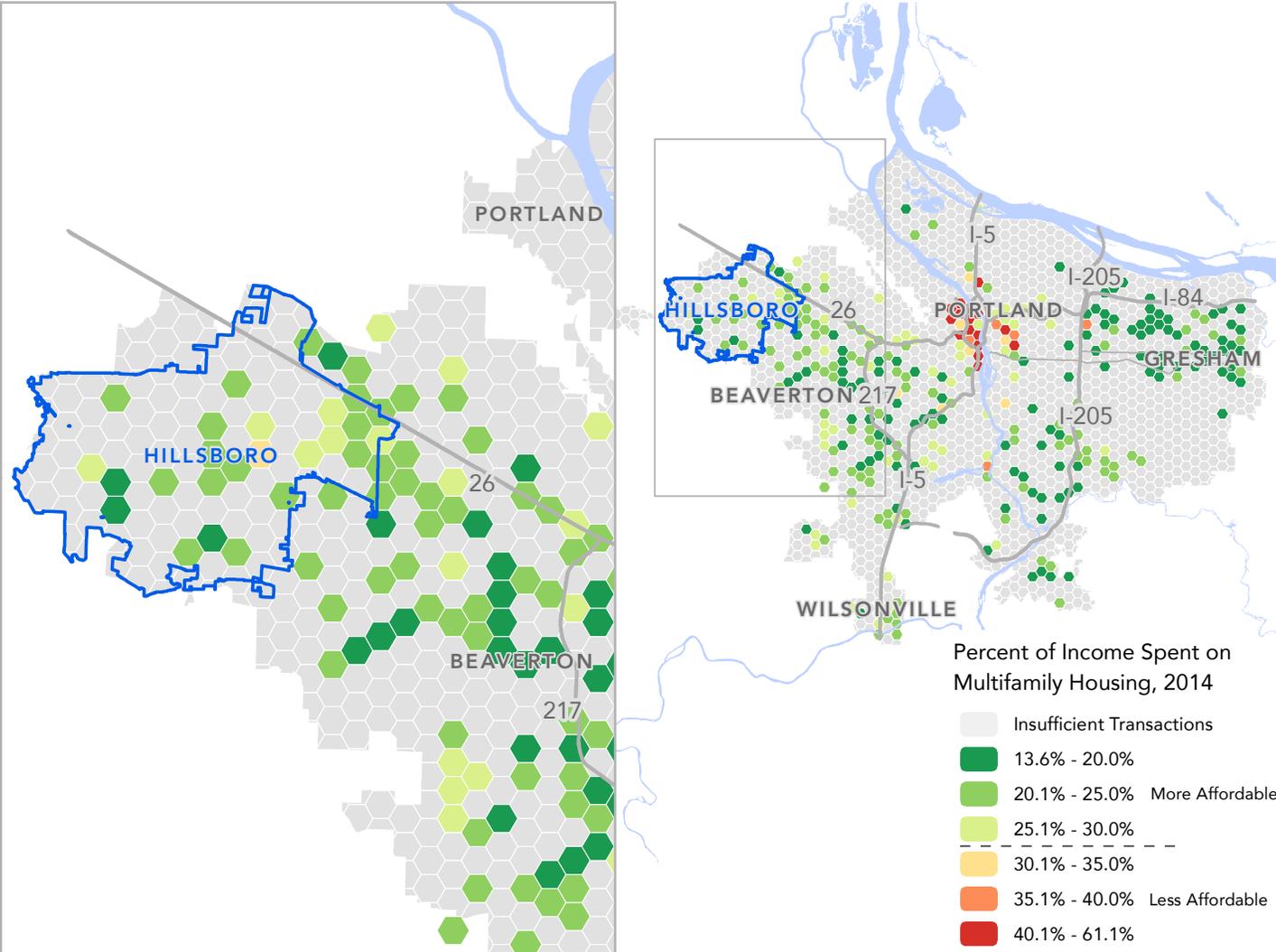
Portland Urban Growth Boundary (UGB)

Calculation:

Percent of MFI spent on Housing=Yearly Housing Costs [Mortgage Payment + Monthly Utilities]+Property Tax+Home Insurance] / MFI

PERCENT OF INCOME SPENT ON HOUSING FOR A FAMILY EARNING \$62,460 IN 2014

The map below shows the costs of two-bedroom multifamily housing as a percent of income for a family of three earning 90% of the Portland Region’s Median Family Income (\$62,460) in 2014. Overall, multifamily apartments are more affordable to households earning the regional median family income than buying a home. Hillsboro is relatively affordable for renting a two-bedroom apartment. Portland is the most expensive area in the region.



Source: ECONorthwest, REIS, Metro RLIS, US Department of Housing and Urban Development

Assumptions

Structure type:
2 bedroom unit
Rented Apartments, Townhouses, and Duplexes

Income:
3 person household (90% of MFI)
MFI: \$62,460 (HUD)

Affordability:
Affordable: Housing Costs = 30% or less of gross family income
Utilities: \$125 per month

Geography:
Portland Urban Growth Boundary (UGB).

Calculation:
Percent of MFI spent on Housing = Yearly Housing Costs, (Rent + Utilities) / MFI

Housing for Workers at Businesses in Hillsboro

About one-fifth of people that work at businesses located in Hillsboro also live in Hillsboro. One of the City’s residential policy objectives is to decrease commuting across the Portland Region by providing housing opportunities for people to both live and work in Hillsboro. This section provides information about the income of people who work in Hillsboro, which informs the type of housing needed by workers in Hillsboro.

The difference between the average and median pay, especially in Hillsboro, suggests that there is considerable variation in the distribution of pay among all workers. The analysis below shows that workers at businesses in Hillsboro are generally higher paid than workers across the Portland Region. The difference is most distinct for the highest wage workers.

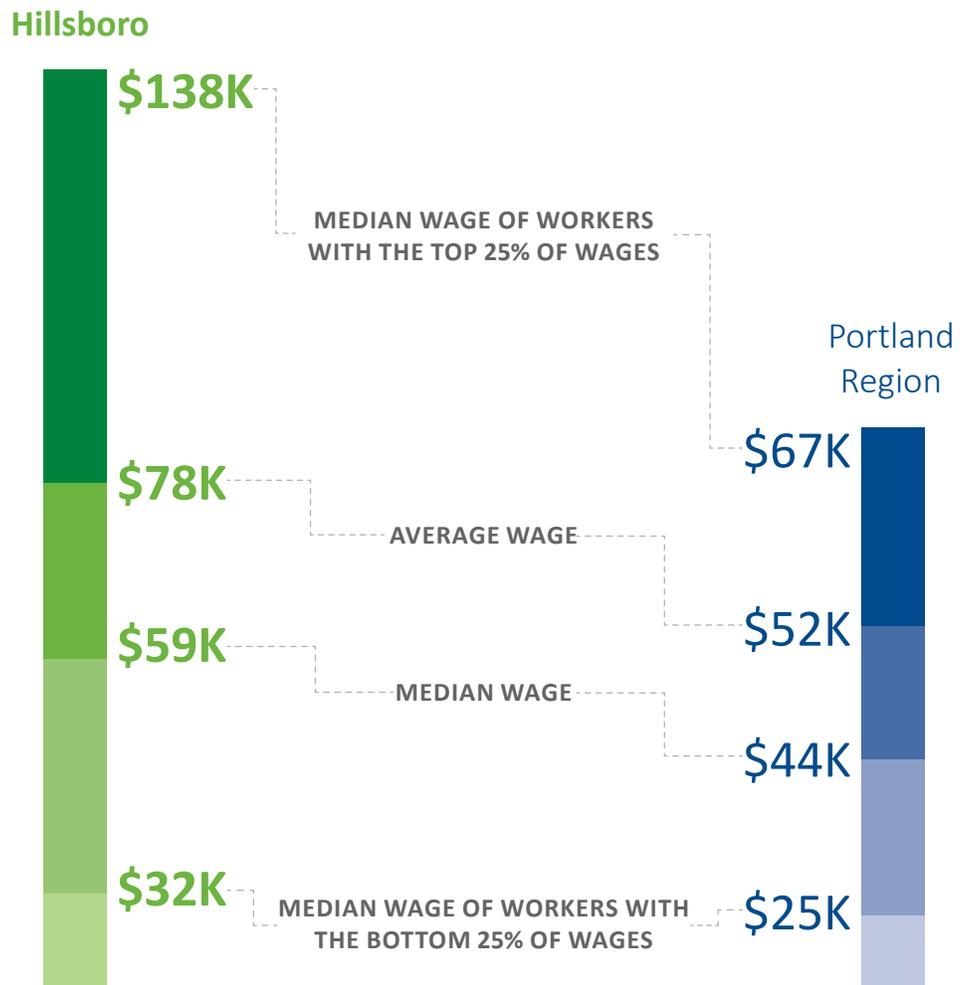
WAGES OF WORKERS EMPLOYED AT BUSINESSES IN HILLSBORO AND THE PORTLAND REGION, 2014

Source: Oregon Employment Department, Quarterly Census of Employment and Wages

Workers at businesses in Hillsboro have higher pay than the Portland Regional average.

The highest paid workers in Hillsboro have a median wage that is more than double that of the highest paid workers in the Portland Region.

The median wage of workers in Hillsboro is about \$15,000 above the median wage for workers in the Portland Region.



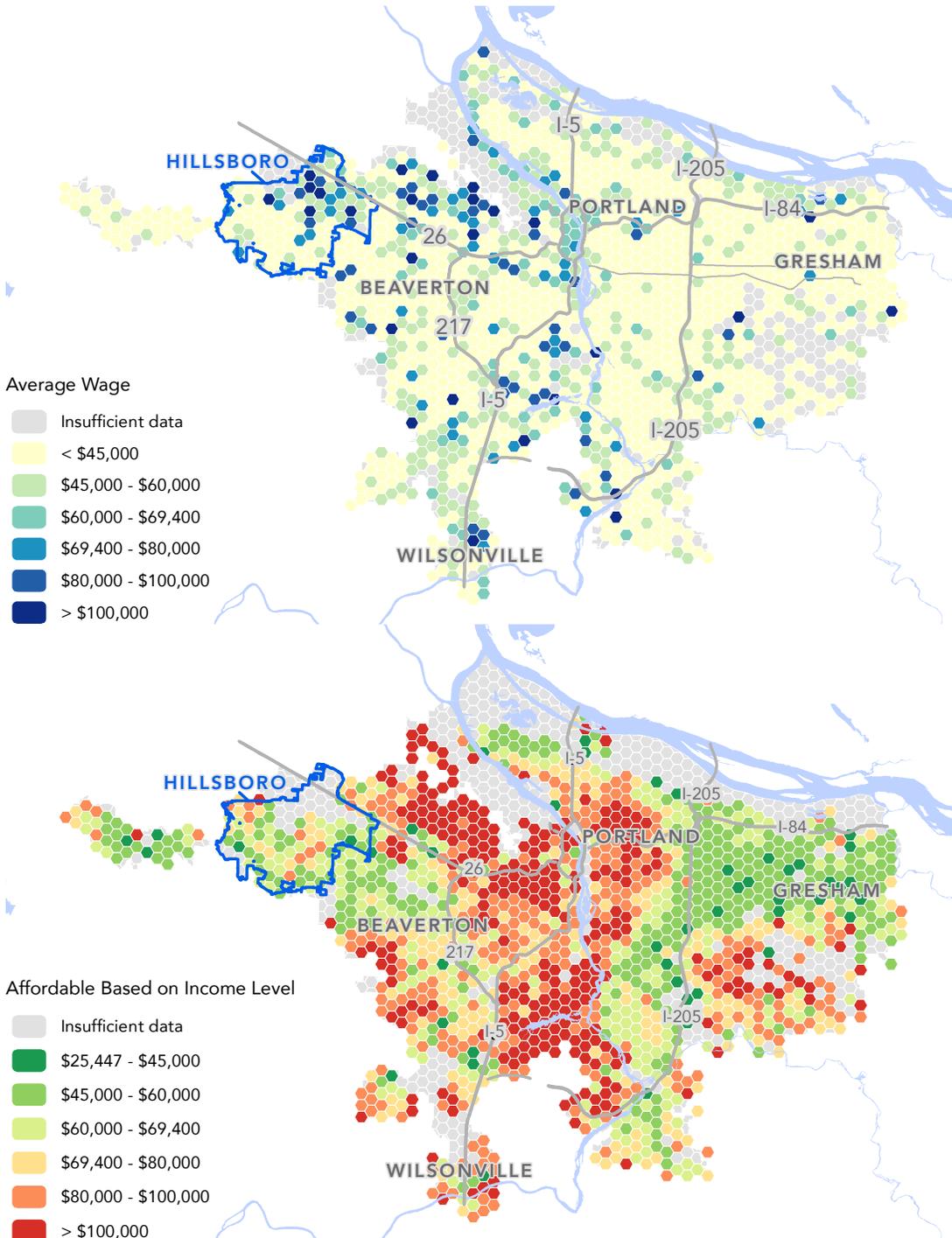
HOUSING FOR WORKERS AT BUSINESSES IN HILLSBORO

The maps below show the average wage and the income necessary to purchase a house. The median wage for workers in Hillsboro is generally higher than in most other parts of the Portland Region, with several areas showing an average wage of \$80,000 and above. The level of income necessary to afford a house in much of Hillsboro is at or below the median family income in 2014.

Hillsboro has a concentration of high wage jobs and relatively low cost housing.

While Hillsboro has a substantial number of high wage jobs, the city has relatively few areas with high amenity housing (e.g., single-family detached housing on lots 7,000 to 10,000 square feet or high amenity condominiums in the urban core). In contrast, Portland, Bethany, Lake Oswego, and other areas have higher concentrations of higher cost and higher

COMPARISON, AVERAGE WAGE AND SINGLE-FAMILY AFFORDABILITY 2014

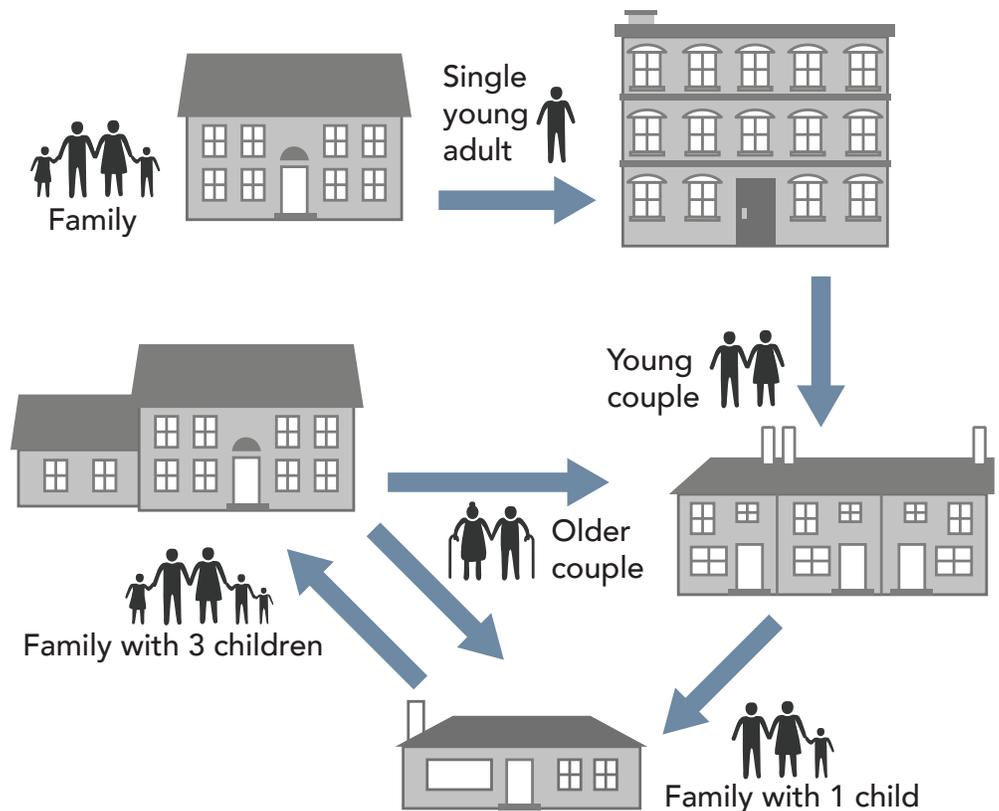


Factors Affecting Housing Need

Studies and data analyses have shown a clear linkage between demographic characteristics and housing choice, as shown in the figure below. Key relationships include:

- Housing needs change over a person's lifetime.
- Homeownership rates increase as income increases.
- Homeownership rates increase as age increases.
- Choice of single-family detached housing increases as income increases.
- Renters are much more likely to choose multifamily housing than single-family housing.
- Income is a strong determinant of tenure and housing-type choice for all age categories.

HOUSING LIFE CYCLE



Aging of the Baby Boomers

By 2035, 24% of the population of Washington County is forecast to be 60 and over, up from 15% in 2010.

LIKELY TRENDS AMONG BABY BOOMER HOUSEHOLDS:



Household sizes
(more 1 person households)



Homeownership rates
(especially after 75 years old)



Income

Aging of the Baby Boomers will result in demand for smaller single-family housing, townhouses, and multifamily housing in areas with access to urban services.

Growth of Millennial Households

By 2035, Millennials will be roughly between 35 and 55 years old. Between 2016 and 2036, Millennials will be a key driver in demand for housing for families with children.

LIKELY TRENDS AMONG MILLENNIAL HOUSEHOLDS:



Household sizes
(as they form families)



Homeownership rates



Income

The formation of new Millennial households will increase demand for relatively affordable housing.

In particular, housing that can accommodate children, especially in walkable neighborhoods. Many Millennials prefer single-family detached housing but may not be able to afford it, especially in their younger years.

Continued growth of the Hispanic/Latino Population

Hillsboro's Hispanic/Latino population grew by 10,252 people (6 percent) between 2000 and 2013. Nationwide, the Hispanic/Latino population is predicted to be the fastest growing racial/ethnic group over the next few decades.

CHARACTERISTICS OF HISPANIC HOUSEHOLDS COMPARED TO NON-HISPANIC HOUSEHOLDS:



Continued larger household sizes



Homeownership rates



Continued lower than average income

Growth in Hispanic and Latino households will drive demand for affordable housing that can accommodate larger, sometimes multigenerational, households.

Continued housing demand for high-income workers

About 80% of people who work at businesses in Hillsboro live outside of the city. The median pay of workers at businesses in Hillsboro is about 30% higher the Portland Region's median. The median sales price of housing in Hillsboro is about 20% below the median sales price for housing across the Portland Region (about \$68,000 lower).

People who work in Hillsboro may choose to live in Hillsboro if housing is available that fits their needs.

There is relatively little high-amenity housing to meet the needs of higher-income workers at businesses in Hillsboro.

Vacant Buildable Land

DEFINITIONS

Vacant land. Tax lots that have no structures whose buildings are less than 2,000 square feet and occupy less than 10% of the lot.

Developed land. Land that is developed at densities consistent with zoning.

Infill. Additional development potential on already developed lots either through subdividing the lot or otherwise increasing its density.

Redevelopment. Additional development potential on lots with existing development, primarily through demolition of existing buildings and development of multifamily housing, creating additional housing capacity.

Environmental constraints. Portions of taxlots with following environmental constraints were deducted from the estimate of vacant land: floodways, slopes steeper than 25%, Title 3 and 13 environmental constraints, and rights of way.

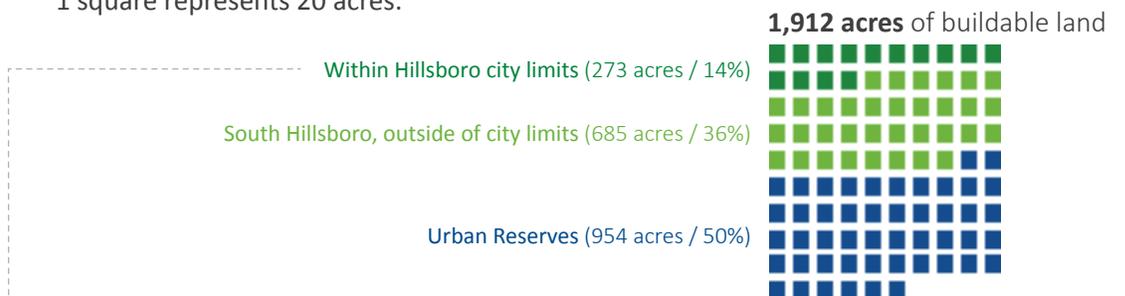
The City of Hillsboro performed its buildable lands inventory analysis based on Metro’s 2014 *Urban Growth Report*. The buildable lands inventory uses methods and definitions that are consistent with OAR 660-009 and OAR 660-024 and have been peer-reviewed. This summary presents the results of the buildable land analysis: vacant buildable land excluding environmental constraints.

The buildable lands inventory divides land into three broad categories:

- **Within Hillsboro city limits** is all areas within the existing city limits of Hillsboro.
- **South Hillsboro, outside of the city limits** is the portion of South Hillsboro that was not within the Hillsboro city limits as of August 2015. A portion of South Hillsboro was annexed into the city limits after August 2015 but this area is considered as outside the city limits because the buildable lands inventory was developed prior to August 2015. South Hillsboro is expected to be annexed into the Hillsboro city limits within the planning period and some of South Hillsboro has already been annexed into the City limits.
- **Urban Reserves** are urban reserve areas outside of the Metro UGB but expected to be brought into the Urban Growth Boundary (UGB) and annexed into Hillsboro in the future. These areas include Witch Hazel Village South and Bendemeer.

HILLSBORO’S VACANT UNCONSTRAINED BUILDABLE RESIDENTIAL LAND BY AREA, 2015

1 square represents 20 acres.



HILLSBORO’S VACANT UNCONSTRAINED BUILDABLE RESIDENTIAL LAND WITHIN CITY LIMITS BY AREA, 2015

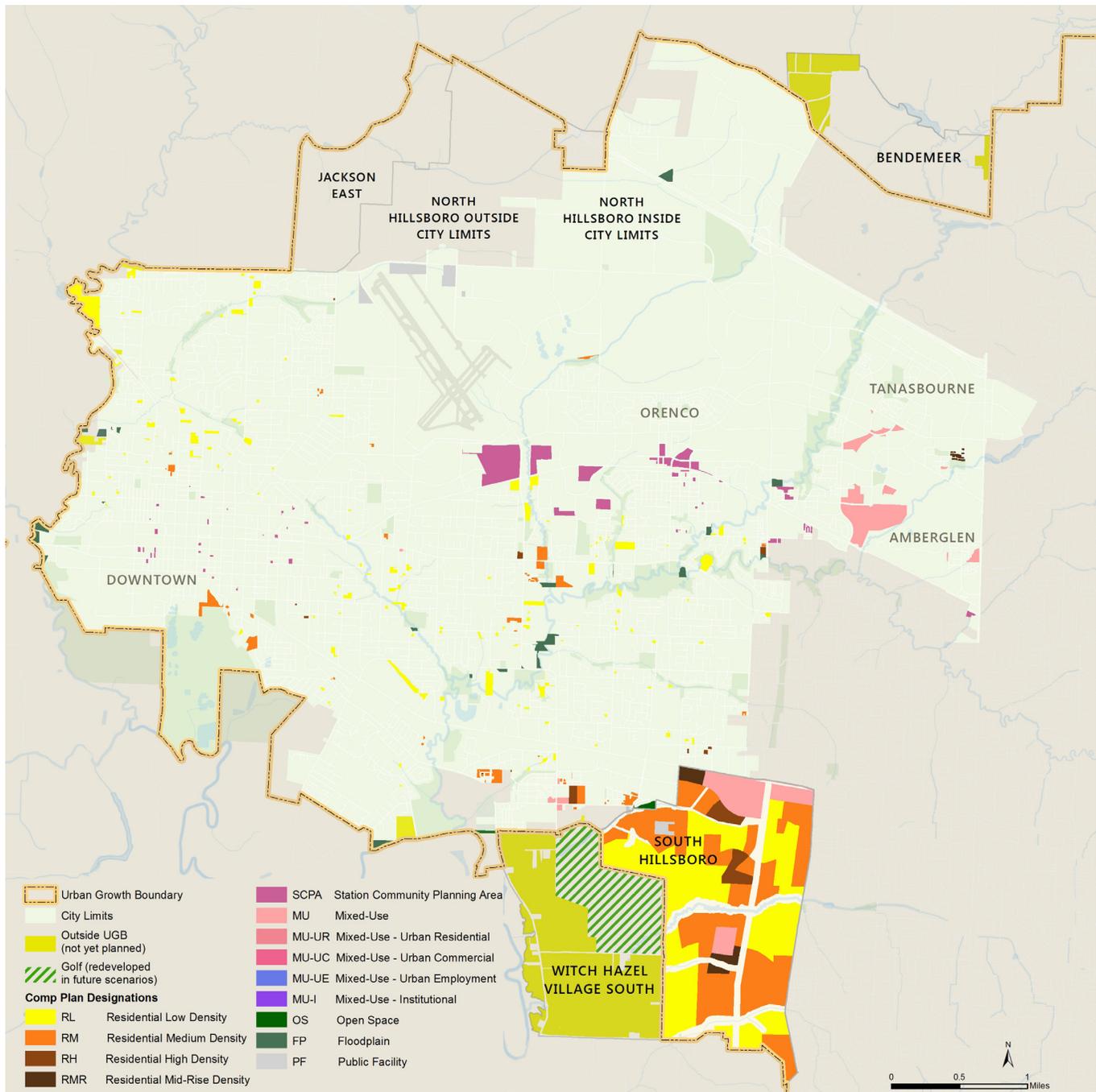
1 square represents 2 acres.



Hillsboro has about 1,900 vacant acres of residential land. Within the Hillsboro city limits, there are about 273 vacant net acres and 685 vacant net acres in the unannexed areas of South Hillsboro.

HILLSBORO RESIDENTIAL VACANT AND PARTIALLY VACANT LAND BY PLAN DESIGNATION, 2014

Source: City of Hillsboro Buildable Lands Inventory, 2014



HILLSBORO'S RESIDENTIAL LAND CAPACITY

Hillsboro has capacity for between 17,986 to 20,986 new dwelling units.

South Hillsboro is projected to have 8,000 residential dwelling units, and approximately 7,550 are located in areas that will be annexed in the future.

AmberGlen and Tanasbourne have capacity for between 7,000 to 10,000 new dwelling units. Some of the capacity will be on vacant land and the remaining capacity is for redevelopment resulting in 4,900 and 7,900 new dwelling units.

The capacity analysis estimates the number of new dwelling units that can be accommodated on Hillsboro's residential land supply. By applying assumptions based largely on the densities allowed in the Comprehensive Plan and historical development densities, the capacity analysis evaluates different ways that vacant suitable residential land could be developed. The capacity analysis estimated capacity based on vacant developable land, the range of densities allowed in each designation, and historical development densities.

HOUSING CAPACITY IN HILLSBORO WITHIN THE CITY LIMITS AND SOUTH HILLSBORO, 2015

1 square represents 500 dwelling units.



The estimated mix of new housing in Hillsboro was determined based on: the zoning of vacant land within the city limits, expected infill of single-family detached housing, plans for redevelopment of multifamily housing in AmberGlen and Tanasbourne, and the South Hillsboro Community Plan.

ESTIMATED MIX OF NEW HOUSING CAPACITY IN HILLSBORO WITHIN THE CITY LIMITS AND SOUTH HILLSBORO, 2015

1 square represents 500 dwelling units.



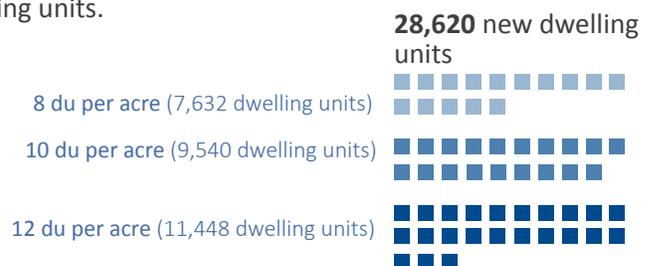
About one-third of Hillsboro's existing housing capacity is for single-family detached housing and two-thirds are for single-family attached and multifamily housing.

Capacity in the Urban Reserves of Witch Hazel Village South and Bendemeer will be determined through concept planning.

This analysis shows housing capacity at varying potential development densities.

POTENTIAL HOUSING CAPACITY ON VACANT LAND IN URBAN RESERVES, 2015

1 square represents 500 dwelling units.

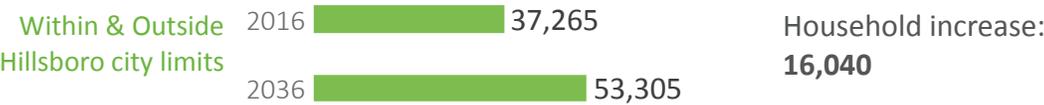


Accommodating Needing Housing

Metro’s forecast shows that Hillsboro will grow by 16,040 new dwelling units over the 2016 to 2036 period, growing at an average annual growth rate of 1.8% and adding 802 new dwelling units per year. Between 2000 and 2014, the City of Hillsboro issued building permits for about 11,000 dwelling units, at an average annual growth rate of 2.5% or 790 dwelling units per year. Metro’s forecast projects that growth in Hillsboro will slow over the next 20 years, compared with the prior 14 years.

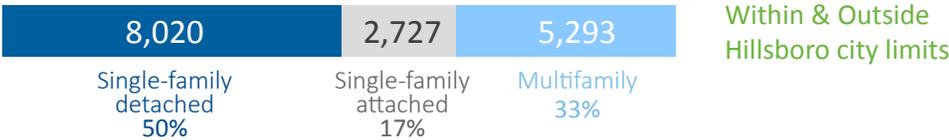
FORECAST OF HOUSEHOLD GROWTH, HILLSBORO AREA 2016-2036

Source: Metro “Gamma” Forecast, November 2012.



NEW DWELLING UNITS BY TYPE OF UNIT, HILLSBORO AREA 2016-2036

Source: Metro “Gamma” Forecast, November 2012. Calculations by ECONorthwest.



Within & Outside Hillsboro city limits

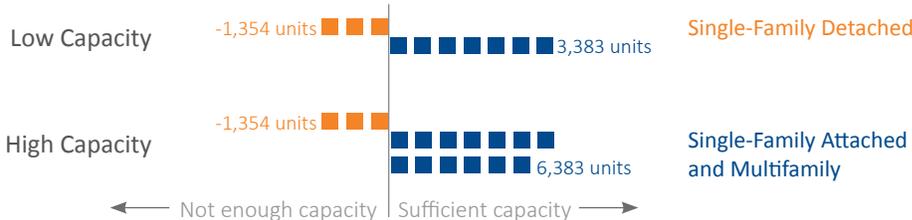
Hillsboro’s allocation of new housing to housing types is based on the requirement of OAR 660-007.

“Jurisdictions other than small developed cities must either designate sufficient buildable land to 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.”

COMPARISON OF THE FORECAST FOR NEW HOUSING WITH HILLSBORO’S CAPACITY FOR NEW HOUSING

Based on the capacity analysis and forecast of new housing:

- Hillsboro has a deficit of 1,354 single-family detached dwelling units, in both the low and high capacity scenarios.
- Hillsboro has a surplus of single-family attached and multifamily units, in both the low and high capacity scenarios. **The primary reason for the range in the surplus is the uncertainty about how much redevelopment will occur within AmberGlen and Tanasbourne.**



Conclusions

The key findings of the Hillsboro Housing Needs Analysis are:



- **Hillsboro’s current development policies exceed state requirements for future planning of development densities.** On vacant land within the Hillsboro city limits, planned densities meet the City’s obligation under OAR 660-007 to provide opportunity over an overall density of ten or more dwelling units per net buildable acre. Hillsboro’s overall average capacity on vacant buildable residential land is 16.6 dwelling units per net buildable acre. In addition, about one-third of Hillsboro’s housing capacity is for infill development of single-family housing and redevelopment with single-family attached and multifamily housing, which will increase development density substantially.



- **Hillsboro’s development policies result in a mix of housing that exceeds state requirements for future planning for mix of housing.** Under OAR 660-007, the city is required “to 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.” Up to two-thirds of Hillsboro’s new housing will be single-family attached and multifamily, based on the vacant land and redevelopment potential that Hillsboro has for residential development. About one-third of Hillsboro’s capacity of new single-family attached and multifamily housing are in AmberGlen and Tanasbourne.



- **Hillsboro is meeting its obligation to plan for needed housing types for households at all income levels.** Hillsboro’s residential development policies include those that allow for development of a range of housing types (e.g., duplexes, manufactured housing, and apartments) and that support government-subsidized housing. Hillsboro will have an on-going need for housing affordable to lower-income households.
- **Hillsboro is planning for a complete, balanced community.** Hillsboro’s plans have resulted in development of a balanced portfolio of different housing types that are well-designed and will be developed across the community to serve different people at different points in their lives. Hillsboro should continue to provide opportunities for development of a variety of housing choices to meet the housing needs at all income levels.
- **Hillsboro’s has a diverse housing stock, with 53% Hillsboro’s housing in single-family detached units, 9% single-family attached, and 38% multifamily.** The mix of development since 2000 has included a larger percentage of multifamily (42% of new housing developed between 2000 and 2014) and single-family attached (17%).

If Hillsboro develops as described in the capacity analysis, adding 6,666 new single-family detached units and 11,403 to 14,403 single-family attached and multifamily units, it will continue to have a diverse housing stock, with about half of the City’s housing in single-family attached and multifamily housing types.

- **Ensuring that development begins relatively soon in South Hillsboro is important to providing needed opportunities in Hillsboro.** Of Hillsboro’s areas that are planned, South Hillsboro has about two-thirds of the City’s capacity for new single-family detached housing. South Hillsboro is planned to provide a wide range of housing

opportunities, including single-family detached housing on larger lots (8,000 to 12,400 square feet), single-family detached housing on moderate sized and smaller lots (7,000 to 4,000 square feet), single-family attached, multifamily housing, and mixed-use housing.

- **Hillsboro will need to identify additional opportunities for more single-family detached housing.** An important consideration in continuing to plan for a balanced community will be identifying additional opportunities for single-family detached development. The housing needs analysis identified a deficit of 1,354 single-family detached dwelling units. Given this long time-frame to bring new areas into the UGB and get them planned and serviced, Hillsboro should work with regional partners to identify and begin planning for additional areas for single-family housing over the next five to ten years. The areas most likely to meet these housing needs are in the Witch Hazel Village South and Bendemeer Urban Reserves.



- **Hillsboro has opportunities to provide housing that meets the needs and preferences for people who work at businesses in Hillsboro but live elsewhere.** Like most other cities in the Metro region (and across the State), most workers at businesses in Hillsboro do not live in Hillsboro. The median wage for workers at businesses in Hillsboro is one-third higher than the Portland Region’s median wage. The wage for the highest paid workers in Hillsboro is about twice the wage for the highest paid workers across the Portland Region. At the same time, median home sale prices in Hillsboro are below the average of most other cities in the Portland Region.



The relatively high wages in Hillsboro, the large number of jobs in Hillsboro, and the high rates of commuting, suggest that Hillsboro’s housing market may not have the types of housing that meet the needs and preferences for high paid workers in Hillsboro. Discussions with real estate professionals suggest that Hillsboro lacks high amenity housing, such as larger single-family housing on lots about 7,000 to 10,000 square feet and larger condominiums in urban centers.

- **Hillsboro should continue to work towards redevelopment and increased density in AmberGlen and Tanasbourne.** Two-thirds of Hillsboro’s single-family attached and multifamily housing capacity is tied to redevelopment in AmberGlen and Tanasbourne. It is important to Hillsboro that these areas develop with the moderate to high-density residential development, as well as commercial and other development described in the community plan for each area. These areas are along the MAX line and provide opportunity for dense development in conjunction with high capacity transit.



- **Hillsboro should begin to plan for additional multifamily redevelopment opportunities.** While there is a substantial amount of multifamily capacity in AmberGlen and Tanasbourne, these areas are expected to substantially build out by over the 20-year planning period. In the next five to seven years, the City should begin to consider additional opportunities for multifamily redevelopment within the city core. Downtown Hillsboro may provide opportunities for redevelopment and multifamily housing development, such as the 4th Main apartments or multifamily development opportunities along the Tualatin Valley Highway corridor.

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