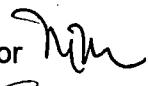


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**MEMORANDUM****CITY OF SPRINGFIELD**

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**DATE OF WORK SESSION:** November 6<sup>th</sup>, 2007**TO:** Springfield Planning Commission**PLANNING COMMISSION  
TRANSMITTAL  
MEMORANDUM****FROM:** Mark Metzger, Planning Supervisor David Reesor, Planner III **SUBJECT:** Residential Lands Study Progress Report

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**ISSUE:** Assumptions about the city's rate of growth will affect the final estimate of how much land is needed for future residential development. Three rates of growth are analyzed in the memorandum from ECONorthwest: 1.3%, 1.7%, and 2.1%. The resulting scenarios identify a need for between 740 and 1,655 acres of residentially designated land to meet Springfield's future needs. Each percentage rate can be supported from historic data or from past action of the Council (adoption of the 2004 Coordinated Population Allocation). At issue is the rate of growth that will be assumed in the Residential Lands Study. A brief discussion will also be facilitated regarding the impact of current and future land use efficiency measures.

**DISCUSSION:** Bob Parker of ECONorthwest, the consulting firm for the Study, will present the initial findings of the housing needs analysis that his firm has prepared. The findings described in the housing needs analysis reflect the completion of a land supply analysis that shows that the city has about 530 acres of vacant, redevelopable and underutilized land for future development. The assumptions and definitions used to define land that is vacant, redevelopable and underutilized were approved by Council in its June 6, 2006 work session.

Attachment 1 discusses the topics listed below. Staff and Mr. Parker will be prepared to discuss and answer questions about the following issues:

- Population scenarios
- Current inventory
- Housing need
- Comparison of current inventory with future housing need
- Land use efficiency measures

City Staff and ECONorthwest presented the attached memorandum to the Mayor and City Council during an October 22<sup>nd</sup> work session. The Mayor and Council agreed that looking at a 1.7% growth rate would be appropriate. For the methodology, they suggested the following:

- Coordinate with MWMC regarding services and the Springfield School District for growth trends.
- Include full range of housing from low-income to high end housing.
- Consider the human factor and other factors (such as traffic) when considering housing densities (high density next to low density issues).

**RECOMMENDATION:** The work-session is for discussion and information sharing purposes. No recommendation from Staff is included.

**ACTION REQUESTED:** The Planning Commission is requested to review the attached memorandum (Attachment 1) from ECONorthwest and provide feedback on the preliminary findings. Staff will also facilitate a discussion regarding land use efficiency measures, and request initial feedback from the Planning Commission on which efficiency measures to pursue.

**ATTACHMENT:** Attachment 1: Memorandum from ECONorthwest

# ECONorthwest

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29 October 2007

**TO: Springfield Planning Commission**  
**FROM: Bob Parker and Beth Goodman**  
**SUBJECT: PRELIMINARY RESULTS OF RESIDENTIAL LAND NEEDS ANALYSIS**

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ECONorthwest is conducting housing needs analysis for the City of Springfield. The study is intended to comply with statewide planning policies that govern housing, including Goal 10 (Housing), ORS 197.296, and OAR 660 Division 8. The primary goals of this study are to (1) project the amount of land needed to accommodate the city's future housing needs of all types, and (2) evaluate the existing residential land supply within the Springfield Urban Growth Boundary to determine if it is adequate to meet that need.

## BACKGROUND

The City of Springfield has not conducted a housing needs analysis since the *Eugene-Springfield Residential Lands and Housing Study* was completed in 1999. In the six years since the study was completed, Springfield's population has increased by nearly 3,000 residents, an increase of more than 5% over the six-year period.

The City of Springfield is interested in determining whether the City has sufficient land within the Springfield Urban Growth Boundary (UGB) to accommodate expected future housing needs. To make this determination, this report presents a housing needs analysis consistent with requirements of Goal 14, ORS 197.296, and OAR 660-008. Additionally, the analysis considers the "safe harbor" provisions found in OAR 660-024. The primary product of the housing needs analysis is an estimate the number of residentially zoned acres that will be necessary to accommodate all types of housing for the next twenty years.

The 2007 Legislature passed HB 3337 which allows Springfield to establish a separate UGB. Given that change, the City is conducting this study to evaluate the sufficiency of land available for residential uses in its UGB. A complicating factor is that the City does not have a coordinated population forecast.

## PRELIMINARY FINDINGS

The remainder of this memorandum presents preliminary findings from the Housing Needs Analysis that ECO is in the process of drafting. **The results presented here are based on a range of growth forecasts, preliminary land inventory data developed by the City, and the draft housing needs analysis completed by ECO.** The data presented in this memorandum will be refined and will ultimately depend on the City's coordinated population forecast.

## GROWTH FORECASTS

Prior to adopting the housing needs analysis, Springfield must have a population forecast to project expected population change over the 20-year planning period (in this instance, 2008-2028). On February 24, 2005, the Lane Council of Governments (LCOG) adopted a coordinated population projection consistent with ORS 195.036. Lane County’s forecast projected Springfield’s population as part of the Eugene-Springfield joint UGB. In order to conduct a housing needs analysis, Springfield needs a population forecast for the Springfield portion of the Metro UGB (essentially, everything in the UGB east of I-5).

Early in the project, ECO facilitated a series of discussions with the Stakeholder Committee about population. Because the City did not have a separate forecast, ECO recommended that a conservative figure be used for the initial needs analysis. Specifically, ECO proposed using the same rate assumption that LCOG used for the Metro UGB: 1.31% annually. ECO acknowledged that the figure would probably underestimate growth in Springfield and that local decisionmakers would almost certainly argue for a higher rate if a separate growth forecast was adopted.

LCOG is in the process of reviewing the regional population allocations. Staff requested ECO develop forecasts based on the following rate assumptions: 1.31%, 1.7% and 2.1%. As mentioned above, 1.31% is the growth rate assumption used for the Metro UGB in the adopted 2004 coordinated population estimate. The 1.7% figure is the average annual growth rate for Springfield between 1995 and 2006. The 2.1% figure is the growth rate for the city since 1970 as shown in the LCOG report, “Regional Trends, Data for Sound Decision Making,” (2006).

Table 1 summarizes historical and forecast population and employment in the Springfield City Limits.

**Table 1. Historical and forecast population and employment, Springfield City Limits, 2008-2058**

Year	Low (1.31%)	Medium (1.7%)	High (2.1%)
2006	57,065	57,065	57,065
<b>2008</b>	<b>58,570</b>	<b>59,022</b>	<b>59,487</b>
2025	73,074	78,608	84,695
<b>2028</b>	<b>75,984</b>	<b>82,686</b>	<b>90,144</b>
2030	77,988	85,521	93,970
<b>Change 2008-2028</b>			
Number	17,414	23,664	30,657
Percent	30%	40%	52%
AAGR	1.31%	1.70%	2.10%

Source: U.S. Census, LCOG; forecasts calculated by ECONorthwest.

## BUILDABLE LANDS INVENTORY

The buildable lands inventory is the component of the analysis that requires the most follow-up work. Staff are completing the BLI and are currently in the verification stage of the analysis. It is possible the numbers will change based on the verification steps.

Table 2 summarizes the residential buildable lands inventory. The results indicate that Springfield has about 530 buildable residential acres within its UGB. The inventory shows about 303 net acres of vacant, 57 net acres of redevelopable, and 170 net acres of underutilized (infill) land. It is notable that over 90% of the net buildable residential land in Springfield is in the low-density designation.

**Table 2. Total buildable residential land, Springfield UGB, 2007**

Plan Designation	Net Vacant	Net Redevelopable	Net		Total Net Buildable Acres	Percent of Total Acres
			Underutilized (infill)			
LDR	270.7	50.1	159.8		480.6	91%
MDR	27.3	4.9	6.1		38.4	7%
HDR	4.9	1.4	4.1		10.5	2%
<b>Total</b>	<b>303.0</b>	<b>56.5</b>	<b>170.0</b>		<b>529.5</b>	<b>100%</b>

Source: City of Springfield

The final step in a residential buildable lands inventory is to estimate the holding capacity of buildable land. The holding capacity of residential land is measured in dwelling units and is dependent on densities allowed in specific zones. In short, land capacity is a function of buildable land and density.

The buildable lands inventory indicates that Springfield has about 530 acres of vacant, redevelopable, and under-utilized residential land. Table 3 provides an estimate of how much housing could be accommodated by those lands based on the needed densities identified in Table 5.<sup>1</sup> ECO estimates that Springfield has capacity for 2,211 dwelling units within the existing UGB.

<sup>1</sup> The capacity analysis provides a more accurate assessment of how much housing could be built on residential land. It assumes that any LDR or MDR tax lot with less than 10,000 square feet has a capacity of 1 dwelling unit. Tax lots above that size have a capacity of the lot size in acres times the needed density in net acres. For tax lots with slope constraints, (all of which are in the LDR designation), we assumed 50% of the needed density (3 DU/net acre). This is slightly higher than 2.7 DU per net acre observed in the Mountaingate development.

**Table 3. Estimated development capacity, Springfield UGB, 2007**

Plan Designation	Total Net Buildable	
	Residential Acres	Capacity (in DU)
LDR	480.6	1,788
MDR	38.4	308
HDR	10.5	115
Total	529.5	2,211

Source: City of Springfield residential BLI; analysis by ECONorthwest

## HOUSING NEEDS

Table 4 shows an estimate of needed new housing units in Springfield during the 2008 to 2028 period. Depending on the population growth rate assumption, Springfield will need between 7,201 new dwelling units (low growth) and 12,678 new dwelling units (high growth) to accommodate population growth between 2008 and 2028. These figures do not include new group quarters. The forecast assumes 63% will be single-family housing types (single-family detached and manufactured) and 37% will be multifamily.

The results indicate that Springfield will need to issue permits for between 360 and 634 new dwelling units annually during the planning period. By comparison, Springfield averaged 300 dwelling units annually during the 1999 to 2006 period, and had a peak of 515 dwellings approved in 2002.

**Table 4. Demand for new housing units, Springfield, 2008-2028**

Variable	Low (1.31%)	Medium (1.7%)	High (2.1%)
Change in persons	17,414	23,664	30,657
<i>minus</i> Change in persons in group quarters	174	236	306
<i>equals</i> Persons in households	17,240	23,428	30,351
Average household size	2.54	2.54	2.54
New occupied DU	6,787	9,224	11,949
<b>Single-family dwelling units</b>			
Percent single-family DU	63%	63%	63%
New occupied single-family DU	4,276	5,811	7,528
Vacancy rate	5.0%	5.0%	5.0%
Total new single-family DU	4,501	6,117	7,924
<b>Multiple family dwelling units</b>			
Percent multiple family DU	37%	37%	37%
New occupied multiple-family DU	2,511	3,413	4,421
Vacancy rate	7.0%	7.0%	7.0%
New multiple family DU	2,700	3,670	4,754
<b>Totals</b>			
<i>equals</i> Total new occupied dwelling units	6,787	9,224	11,949
Aggregate household size (persons/occupied DU)	2.54	2.54	2.54
<i>plus</i> Vacant dwelling units	414	563	729
<i>equals</i> Total new dwelling units	<b>7,201</b>	<b>9,786</b>	<b>12,678</b>
Dwelling units needed annually	360	489	634

Source: Calculations by ECONorthwest based on population forecasts and US Census data.

Table 5 shows the forecast of needed housing units by density in Springfield for the low, medium, and high population growth increments. The forecasts shows land need in net and gross acres. Net acres is the amount of land needed for housing, not including public infrastructure (e.g., roads) or services (e.g., schools or parks). Gross acres is the estimated amount of land needed for housing inclusive of public infrastructure and services.

Under the low growth increment, the forecast indicates that Springfield will need about 1,000 net residential acres, or about 1,200 gross residential acres to accommodate new housing between 2008 and 2028. The forecast results in an average residential density of 7.2 dwelling units per net residential acre and of 6.0 dwelling units per gross residential acre. The average residential density between 1999 and 2006 was 6.26 dwellings per net acre. This represents an increase of 15% over historical levels.

**Table 5. Forecast of needed housing units by mix and density, Springfield, 2008-2028**

Housing Type	New DU	Percent	Density (DU/net res ac)	Net Res. Acres	Net to Gross Factor	Gross Res. Acres	Density (DU/gross res ac)
<b>Needed Units, Low Growth</b>							
<b>Single-family types</b>							
Single-family detached	4,105	57%	5.5	746.3	18%	910.2	4.5
Manufactured in parks	72	1%	6.0	12.0	15%	14.1	5.1
Single-family attached	648	9%	7.5	86.4	15%	101.7	6.4
Subtotal	4,825	67%	5.7	844.7		1,025.9	4.7
<b>Multi-family</b>							
Multifamily	2,376	33%	15.0	158.4	10%	176.0	13.5
Subtotal	2,376	33%	15.0	158.4		176.0	13.5
<b>Total</b>	<b>7,201</b>	<b>100%</b>	<b>7.2</b>	<b>1,003.2</b>		<b>1,202.0</b>	<b>6.0</b>
<b>Needed Units, Medium Growth</b>							
<b>Single-family types</b>							
Single-family detached	5,578	57%	5.5	1,014.2	18%	1,236.9	4.5
Manufactured in parks	98	1%	6.0	16.3	15%	19.2	5.1
Condo/Townhomes	881	9%	7.5	117.4	15%	138.2	6.4
Subtotal	6,557	67%	5.7	1,148.0		1,394.2	4.7
<b>Multi-family</b>							
Multifamily	3,229	33%	15.0	215.3	10%	239.2	13.5
Subtotal	3,229	33%	15.0	215.3		239.2	13.5
<b>Total</b>	<b>9,786</b>	<b>100%</b>	<b>7.2</b>	<b>1,363.3</b>		<b>1,633.4</b>	<b>6.0</b>
<b>Needed Units, High Growth</b>							
<b>Single-family types</b>							
Single-family detached	7,227	57%	5.5	1,313.9	18%	1,602.3	4.5
Manufactured in parks	127	1%	6.0	21.1	15%	24.9	5.1
Condo/Townhomes	1,141	9%	7.5	152.1	15%	179.0	6.4
Subtotal	6,557	67%	4.4	1,487.2		1,806.2	3.6
<b>Multi-family</b>							
Multifamily	4,184	33%	15.0	278.9	10%	309.9	13.5
Subtotal	3,229	33%	11.6	278.9		309.9	10.4
<b>Total</b>	<b>12,678</b>	<b>100%</b>	<b>7.2</b>	<b>1,766.1</b>		<b>2,116.1</b>	<b>6.0</b>

Source: ECONorthwest

The final step in the housing needs analysis is to allocate housing needs by plan designation to determine the number of needed housing units and gross acres required to meet identified housing needs for the 20-year period. Table 6 provides an allocation of housing units by Springfield's three residential plan designations. It also provides an estimate of the gross acres required in each zone to accommodate needed housing units. The acreages are based on the gross density assumptions shown in Table 5. Based on Table 6, the needed density by plan designations are:

- LDR – 5.5 DU/Net Acre; 4.5 DU/Gross Acre
- MDR – 11.8 DU/Net Acre; 10 DU/Gross Acre
- HDR – 22.2 DU/Net Acre; 20 DU/Gross Acre

**Table 6. Allocation of needed housing units by plan designation, 2007-2027**

<b>Plan Designation</b>	<b>Low Growth</b>	<b>Medium Growth</b>	<b>High Growth</b>
<b>Percent of Need</b>			
LDR	59%	59%	59%
MDR	31%	31%	31%
HDR	10%	10%	10%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
<b>Needed Dwellings</b>			
LDR	4,234	5,754	7,455
MDR	2,247	3,053	3,956
HDR	720	979	1,268
<b>Total</b>	<b>7,201</b>	<b>9,786</b>	<b>12,678</b>
<b>Needed Acres (Gross)</b>			
LDR	941	1,279	1,657
MDR	225	305	396
HDR	36	49	63
<b>Total</b>	<b>1,202</b>	<b>1,633</b>	<b>2,116</b>

Source: ECONorthwest

**PRELIMINARY COMPARISON OF LAND CAPACITY AND NEED**

Table 7 shows the capacity for residential development by plan designation. The results lead to the following findings:

- Springfield has a need for additional residential land under any growth scenario. The Springfield UGB has enough land for 2,111 new dwelling units. The housing needs forecast projects a need for between 7,200 and 12,678 dwelling units.
- The Low Density Residential designation has a deficit of approximately 544 to 1,259 gross acres in the UGB.
- The Medium Density Residential designation has a deficit of approximately 194 to 365 gross acres in UGB.
- The High Density Residential designation has a deficit of approximately 30 to 58 gross acres in the UGB.

**Table 7. Residential capacity for needed dwelling units by plan designation, Springfield UGB, 2008-2028**

<b>Plan Designation</b>	<b>Low Growth</b>	<b>Medium Growth</b>	<b>High Growth</b>
<b>Needed Dwelling Units</b>			
LDR	4,234	5,754	7,455
MDR	2,247	3,053	3,956
HDR	720	979	1,268
<b>Total</b>	<b>7,201</b>	<b>9,786</b>	<b>12,678</b>
<b>Capacity (Dwelling Units)</b>			
LDR	1,788	1,788	1,788
MDR	308	308	308
HDR	115	115	115
<b>Total</b>	<b>2,211</b>	<b>2,211</b>	<b>2,211</b>
<b>Surplus (Deficit) - Dwelling Units</b>			
LDR	(2,446)	(3,966)	(5,667)
MDR	(1,939)	(2,745)	(3,648)
HDR	(605)	(864)	(1,153)
<b>Total</b>	<b>(4,990)</b>	<b>(7,575)</b>	<b>(10,467)</b>
<b>Gross Residential Acres Needed for Addition to UGB</b>			
LDR	544	881	1,259
MDR	194	275	365
HDR	30	43	58
<b>Total</b>	<b>768</b>	<b>1,199</b>	<b>1,682</b>

Source: ECONorthwest

## IMPLICATIONS

The preliminary analysis suggests Springfield will be able to justify a UGB expansion for residential land. ORS 197.296 requires cities to consider land use efficiency measures if the housing needs analysis finds that the City may not meet identified housing needs. The measures are intended to increase the probability that the needed housing types will get built. Specifically, the statute states:

(6) If the housing need determined pursuant to subsection (3)(b) of this section is greater than the housing capacity determined pursuant to subsection (3)(a) of this section, the local government shall take one or more of the following actions to accommodate the additional housing need:

(a) Amend its urban growth boundary to include sufficient buildable lands to accommodate housing needs for the next 20 years. As part of this process, the local government shall consider the effects of measures taken pursuant to paragraph (b) of this subsection. The amendment shall include sufficient land reasonably necessary to accommodate the siting of new public school facilities. The need and inclusion of lands for new public school facilities shall be a coordinated process between the affected public school districts and the local government that has the authority to approve the urban growth boundary;

(b) Amend its comprehensive plan, regional plan, functional plan or land use regulations to include new measures that demonstrably increase the likelihood that residential development will occur at densities sufficient to accommodate housing needs for the next 20 years without expansion of the urban growth boundary. A local government or metropolitan service district that takes this action shall monitor and record the level of development activity and development density by housing type following the date of the adoption of the new measures; or

(c) Adopt a combination of the actions described in paragraphs (a) and (b) of this subsection.

(7) Using the analysis conducted under subsection (3)(b) of this section, the local government shall determine the overall average density and overall mix of housing types at which residential development of needed housing types must occur in order to meet housing needs over the next 20 years. If that density is greater than the actual density of development determined under subsection (5)(a)(A) of this section, or if that mix is different from the actual mix of housing types determined under subsection (5)(a)(A) of this section, the local government, as part of its periodic review, shall adopt measures that demonstrably increase the likelihood that residential development will occur at the housing types and density and at the mix of housing types required to meet housing needs over the next 20 years.

It is common for jurisdictions to adopt combinations of policies to manage growth and improve the efficiency and holding capacity of land uses. Such policy groupings, however, are not necessarily cumulative in their intent or impact. Policies that address similar issues may not be mutually reinforcing. For example, having policies in residential zones for maximum lot size and minimum density essentially address the same issue—underbuild in residential zones. Thus, Springfield should carefully consider their policy programs and evaluate each policy option both individually and in consideration of other policies.