

Summary and Conclusion

Miami Valley Housing Assessment

Demographic and Housing Unit Growth Patterns

Butler and Warren counties were the most often cited areas of high-growth, in terms of demographic, economic/income, and housing data. Employment, population, and housing unit growth all seem to be concentrated around I-675 and the southern portion of I-75. The cities were most often noted as areas of decline. It is also worth noting that, especially in terms of data such as income and housing prices, the areas that were more well-off in terms of having higher incomes and more expensive housing were also areas where these same variables had shown high levels of growth between 1990 and 2000. Similarly, those areas that were the least well off were also areas that had shown high levels of decline between 1990 and 2000.

Overall, the Region's population and households are growing at a moderate rate. The population is aging, though, and the average household size is decreasing. Single householders, both with and without children, are increasing their shares of total households in the Region.

In terms of housing units, the Region is unquestionably dominated by single family, owner-occupied housing units. This trend seems to be continuing, with construction of single-family units increasingly outpacing construction of multi-family units. Growth in total housing units has been increasingly outpacing growth in total households, leading to rising vacancy rates, especially in the central cities.

Housing Affordability

When examining only median data, the Region seems to be doing well in terms of affordability. Both household and family median incomes have been increasing and the number of families in poverty has been decreasing. Also, the median costs of housing (both rental and ownership) are below what would be affordable for a median income household. However, according to the 2004 Resident Perception Survey, conducted by the Miami Valley Regional Planning Commission, 57.4% of respondents believed that "the Miami Valley needs a lot more affordable housing" and "74.5% stated that the Miami Valley does not need any more higher priced homes".

The survey results are not surprising, especially given the rising numbers of foreclosure filings and cost-burdened homeowners. In general, the cost of owning a home in the Region is rising, with more higher-priced housing being built in the most rapidly growing areas. Montgomery, Clark, and Butler counties were all in the top 20 in terms of population per foreclosure filing for 2005 (total county population / total number of new foreclosure filings). The rise in cost-burdened owner-occupied housing from 1990 to 2000 was enough to reverse the ratio of renter to owner cost-burdened households. Geographically, this rise was seen largely in more suburban areas and especially west of I-75.

Renter-occupied housing seems to have fared better in the decade from 1990 to 2000, with the number of cost-burdened renter households actually decreasing. However, rather than having these households more evenly dispersed throughout the Region, they tend to be concentrated in the Region's cities, with some block groups having as much as 77.5% cost-burdened renter households.

Future Housing

If housing construction, as reflected in the number of housing construction permits issued, continues at the same rate as it has for the past twenty years there will be more than enough housing to supply the Region's future population. In fact, it may be so much more that the issue of vacant housing units could become more of a problem than it has been thus far.

It was beyond the scope of this report to determine anything past the number of rental and ownership housing units needed. Useful future analyses would be to use the projections to calculate the price ranges within which these new units should fall or where in the Region they should be built, both at the Regional and local levels.

Overall Conclusions

The Miami Valley Region is very diverse in terms of its housing. Its cities tend to contain more low-income and rental housing, its suburbs are growing rapidly and tend to contain more owner-occupied housing and be higher-income than other areas, and its rural areas tend to be a mix of mid- and lower-income owner households. Most of the Region is not growing or declining at a particularly fast rate, however there are some areas that are growing or declining faster than others, namely the suburbs and the cities. National-level studies have noted that as people achieve economic success, their options for housing and locations expand, which enables them to choose communities that offer a housing product and community amenities which are unavailable in older communities. Mature communities may have to turn to redevelopment and offer innovative amenities to retain or attract new households.

The housing situation will surely continue to change over time, and it is hoped that this study will only be the beginning of a process of exploration into this issue, both at the Regional and the local levels.