

**POPULATION, EMPLOYMENT, AND HOUSEHOLD CHARACTERISTICS-
SAMPLE ANALYSIS
SAMPLE 1**

POPULATION TRENDS

Though Model City is located in a rural portion of the County, strong population growth has been occurring since 1990. This has put pressure on the existing housing stock and has increased demand for housing. Between 1990 and 2000, the City’s population increased 24.5 percent. Since 2000, Model City has continued to experience moderate growth and has reached an estimated population of 12,795.

**Table 1
Population Growth Trends**

Year	Population	Numerical Change	Percent Change	Average Annual Growth Rate
1990	8,456			
2000	10,524	2,068	24.5%	2.4
2005	12,250	1,726	16.4%	3.3
2008	12,795	545	4.4%	1.5

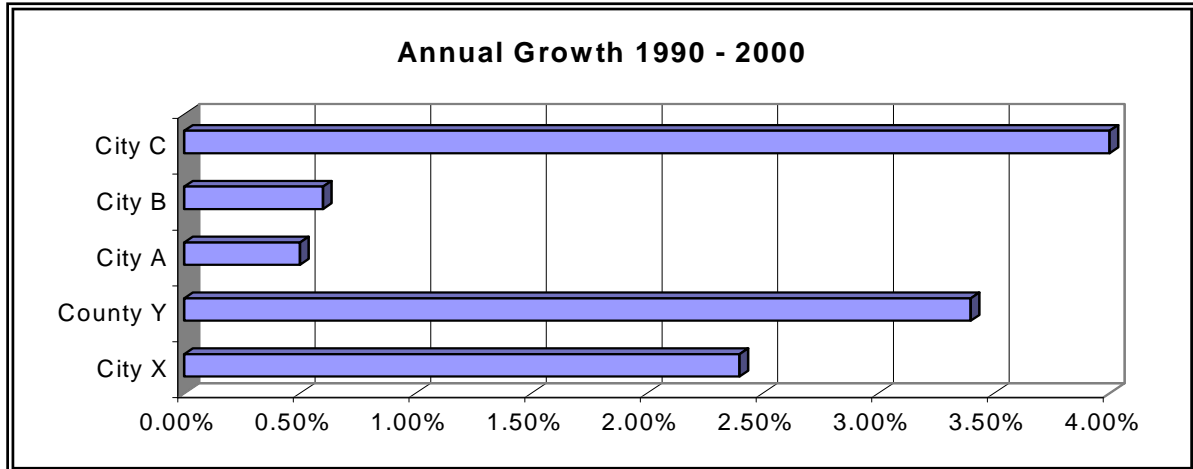
Source: 1990 and 2000 US Census, DOF

All of the jurisdictions within the County have experienced strong population growth between 1990 and 2000. While the smallest of the four cities in the County, the percentage population growth of Model City is second highest in the County. The rapid growth in Model City may be due to a population spill over effect from City C, the urban center of the County, which is located 30 miles south of Model City and experiencing high housing demand.

**Table 2
Population Trends - Neighboring Jurisdictions**

Jurisdiction Name	1990	2000	Change (1990-2000)	
			Number	Percent
Model City	8,456	10,524	2,068	24.5%
County Y	324,846	435,157	110,311	34.0
City A	23,857	25,051	1,194	5.0
City B	85,798	90,685	4,887	5.7
City C	110,258	154,789	44,531	40.4

Chart 1
Annual Population Growth Rate, 1990 - 2000



Between 1990 and 2000, Model City has seen a slight increase in the overall diversity of its population. According to the 2000 Census, persons who categorized themselves as Hispanic represent now 46.3 percent of the City's population. This is a 6.0 percent increase since 1990.

Table 3
Population by Race and Ethnicity

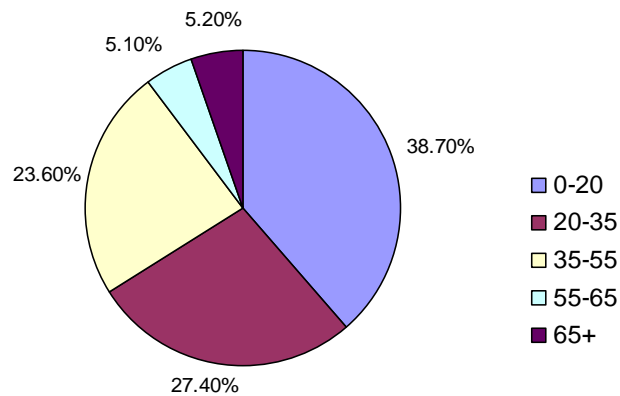
Category	1990		2000	
	Number	Percent	Number	Percent
White	5,370	63.5	6,493	61.7
Black	888	10.5	1,116	10.6
Am. Indian	338	0.4	31	0.3
Asian	1,717	20.3	1,926	18.3
Pacific Islander	42	0.5	53	0.5
Other	186	2.2	537	5.1
Two or More Races	220	2.6	368	3.5
TOTAL	8,456	100.0	10,524	100.0
Hispanic Origin	5,099	60.3	6,883	65.4

Source: 2000 US Census

**Table 4
Population by Age**

Age Group	1990		2000	
	Number	Percent	Number	Percent
0-9 years	1,717	20.3	2,115	20.1
10-19 years	1,777	21.0	2,168	20.6
20-24 years	778	9.2	894	8.5
25-34 years	1,624	19.2	1,778	16.9
35-44 years	939	11.1	1,473	14.0
45-54 years	769	9.1	1,010	9.6
55-59 years	271	3.2	305	2.9
60-64 years	211	2.5	231	2.2
65-74 years	194	2.3	316	3.0
75-84 years	135	1.6	158	1.5
85+ years	42	0.5	74	0.7
Total	8,456	100.0	10,524	100.0
Median Age	23.6		25.4	

**Chart 2
Model City Population by Age Category**



Over the last decade, with the exception of the 10-14 and 85+ age groups, there has been a numerical increase in almost every age group. The 35-44 age group experienced the largest numerical growth since the 1990 Census, followed by the 15-19 and 20-24 age groups respectively. According to the 2000 Census, the 0-9, 25-34, and 35-44 age groups represent the largest age groups in the City, respectively. The percent of the population under 20 represented 38.7 percent. The senior population, age 65 and over experienced an increase in the last decade, representing 5.2 percent of the population in 2000. The median age increased from 23.6 to 25.4 years of age, which implies an aging population with a strong proportion of children under 19.

Conclusions

As the population has grown larger and more diverse, the City's housing needs have become more complex. Population data suggests a growing demand for senior housing, along with programs to assist lower-income seniors who wish to "age in place" by adapting their homes to their changing needs. In addition, the City has seen an increase in the number of families with children. The data also suggests a need for improved housing opportunities for young adults who currently have limited housing choices within the City.

EMPLOYMENT TRENDS

Historically, manufacturing has been the biggest industry in Model City. The City also has a strong tourism industry. According to the 2000 Census, the top industry providing employment continues to be manufacturing, employing 26.1 percent of the labor force. The next largest industries are service and trade, respectively. Persons employed in agriculture represent 11.5 percent of the population.

Table 5
Employment by Industry

Industry Type	2000	
	Number	Percent
Agriculture, forestry, fishing and hunting, and mining:	621	11.5
Construction	243	4.5
Manufacturing	1,409	26.1
Wholesale trade	124	2.3
Retail trade	891	16.5
Transportation and warehousing, and utilities:	335	6.2
Information	43	0.8
Finance, insurance, real estate and rental and leasing:	86	1.6
Professional, scientific, management, admin.	605	11.2
Educational, health and social services:	346	6.4
Arts, entertainment, recreation, and services:	513	9.5
Other services	124	2.3
Public administration	59	1.1
TOTAL	5,400	100.0

The top employers in the City include Widget International, Smithson Glass Manufacturing, Valley Fresh Farms, and the Emanuel Medical Center. Employment is expected to remain stable in the City. Two new retail businesses and a school are expected to be built in the City in the next two years. This represents and increases of 150 jobs.

**Table 6
Major Employers**

Employer	Number of Employees
Widget International Inc.	600
Robertshaw Glass Manufacturing Company	568
Organic Valley Fresh Farms	400
Pilgrim Medical Center	300
City School District	275
Roth Trucking and Shipping	250
Grocery Store	200
B. Lee General Contractors	100
Karl's Auto Sale and Repair	50
City Government	60
Foothill Energy	45

Source: Chamber of Commerce

Table 7 includes annual EDD labor market wage data for occupations representative of those employed by the major employers in Table 6. Phone interviews with the major manufacturing companies revealed that wages for full-time labor staff range between \$28,000 to \$40,000 and \$45,000 to \$63,000 for managerial staff.

**Table 7
Typical Wages**

Occupation	2007 Mean Wage
Sales and Related Occupation	\$31,408
Secondary School Teacher	\$57,485
Elementary School Teacher	\$48,885
Construction Laborer	\$31,923
Machinist	\$34,740
Healthcare Practitioners	\$63,587

Source: California Employment Development Department Labor Market Information

According to the 2000 Census, 70.5 percent of the City’s residents are part of the City’s labor force. Only 29.5 percent work outside of the City. However, this represents a 6 percent increase since 1990. Between 1990 and 2000, commuting patterns have changed to show an increasing number of workers willing to travel longer distances to work. The majority of the workers, 50.2 percent, commute less than 30 minutes.

**Table 8
Employment by Commuting Patterns (1990-2000)**

Commuting Pattern	1990		2000	
	Number	Percent	Number	Percent
Worked in City	3,318	76.5	3,807	70.5
Worked outside of City	1,019	23.5	1,593	29.5
Worked in the County	4,247	97.9	5,249	97.2
Worked outside County	91	2.1	151	2.8
Commute Time to Work				
0-14 Minutes	1,388	32.0	1,112	20.6
15-29 Minutes	1,540	35.5	1,598	29.6
30-44 Minutes	816	18.8	1,534	28.4
45+ Minutes	573	13.2	999	18.5
Worked at Home	22	0.5	157	2.9

Source: 1990, 2000 Census

Note: numbers are mutual exclusive

Conclusions

Employment trends indicate a strong need for moderate- and lower-income housing to support the housing needs of persons employed by the retail and manufacturing industries within the City. The demand for affordable homes and apartments is likely to remain very high, while the supply is likely to remain tight. Many of the new jobs created will be in the retail and service sectors. These jobs ordinarily do not provide the income needed to buy a new home in the City. In addition, the City has seen an increasing trend of employed persons traveling farther distances to work most likely to the urban center of the County to the south.

HOUSEHOLD TRENDS

Household formation can be influenced by population growth, adult children leaving home, through divorce, and with the aging of the population. Between 1990 and 2000, Model City increased by 1,125 households or 33 percent. Currently, there is an estimated 5,803 households in the City. If current growth rates remain consistent, Model City is projected to have a 1,045 increase in households by 2014.

Table 9
Household Growth Trends (1990 - 2008)

Year	Households	Numerical Change	Annual Percent Change
1990	3,382		
2000	4,507	1,125	3.3
2008	5,803	1,296	3.6

Median Family Incomes (MFI) and Income Group Limits are estimated and published annually by the U.S. Department of Housing and Urban Development (HUD). Income group limits, consistent with government codes, are based on a Metropolitan Statistical Area or County MFI and adjusted for Census Current Population and American Community Surveys and Bureau of Labor Statistics data. The HUD MFI and Income Limits Table are used to determine eligibility for all government housing assistance programs nationwide. Model City is in the County Y MSA. The 2008 MFI for County Y MSA is \$45,900, based on a 4-person household.

The established standard income groups are generally defined as: (1) Very Low-Income: households earning less than 50 percent of the Median Income; (2) Low-Income: households earning between 50 percent and 80 percent of the Median Income; (3) Moderate-Income: households earning between 80 percent and 120 percent of the Median Income; and (4) Above Moderate-Income: households earning over 120 percent of the Median Income.

Based on the 2008 HUD household Income Limits Table, the proportion of very low and low-income groups comprises 39.2 percent of Model City households. Approximately, 28.3 percent of households in the City are classified as above moderate-income.

Since the last housing element, the City has been addressing the needs of very low- and low-income households. A 32-unit apartment complex targeting farmworkers has been developed; USDA financed housing targeting very low- and low-income families and seniors has been developed; and recently a 50-unit LIHTC complex has been constructed.

Table 10
Households by 2008 Income Categories

Income Category	Income Range	Percent
Very Low	Less Than \$22,950	18.2
Low	\$22,950 - \$36,720	21.0
Moderate	\$36,720 - \$55,080	32.5
Above Moderate	Greater Than \$55,080	28.3

Source: HUD

Tenure, or the ratio between homeowner and renter households, can be affected by many factors, such as housing cost (including interest rates, economics, land supply, and development constraints), housing type meaning single-family versus multifamily units, housing availability, income status, job availability, and consumer preference.

Over the last 18 years, renter households have out-paced owner households in Model City. Both renter and owner households have experienced numeric increases between 1990 and 2000, however the renter proportion continues to increase. According to the 2000 Census, the proportion of renter households represent 32.5 percent of all households.

Table 11
Households by Tenure

	1990		2000		2007	
	Number	Percent	Number	Percent	Number	Percent
Owner	2,384	70.5	3,042	67.5	3,617	65.2
Renter	998	29.5	1,465	32.5	1,930	34.8
TOTAL	3,382	100.0	4,507	100.0	5,548	100.0

HUD, 2007 City Survey

From 1990 to 2000 there has been a 54.8 percent increase in the number of renter households renting multifamily units. Comparatively, there has been a decrease in the number of households renting single-family homes. This indicates a strong demand for multifamily units.

**Table 12
Tenure by Unit Type -2000**

Tenure	Single-Family	Percent	Multifamily	Percent	Other	Percent
1990						
Renter	624	62.5%	363	36.4%	11	1.1
Owner	2,272	95.3%	83	3.5%	29	1.2
2000						
Renter	813	55.5%	617	42.1%	35	2.4
Owner	2,756	90.6%	192	6.3%	94	3.1

2000 Census

Conclusions

Model City is projected to experience continued household growth throughout the planning period. In addition, 71.7 percent of current households have moderate- or lower-income. As a result the demand for affordable homes and apartments is likely to remain very high, while the supply is likely to remain tight. Model City has 3 apartment complexes and another 2 under construction for a total of 500 units. Of these, 3 complexes are restricted to households with lower-income. Therefore, the demand for rental apartments and more affordable for-sale homes (such as condominiums) will remain strong in the future.