

# Population Change, Employment Growth, Workforce Restructuring, and Demand for Multi and Single Family Housing

**Bill Lilly**  
City of El Paso  
Director, Community Development



# Fort Bliss Growth 2006-2012

	Baseline 2005		2006	2007	2008	2009	2010	2011	2012	Endstate 2012
Soldiers	9330	+/-	3848	948	2778	2388	5845	4405	3927	24139
		Cumulative	13178	14126	16904	19292	25137	29542	33469	33469
Spouses	4945	+/-	2232	550	1611	1385	3390	2555	2278	14001
		Cumulative	7177	7727	9338	10723	14113	16668	18946	18946
Children	10385	+/-	2955	728	2134	1834	4489	3383	3016	18539
		Cumulative	13340	14068	16202	18036	22525	25908	28924	28924
6-12 years (34%)	3531	+/-	1005	248	725	624	1526	1150	1025	6303
		Cumulative	4536	4783	5509	6132	7659	8809	9834	9834
13-18 years (29%)	3012	+/-	857	211	619	532	1302	981	875	5376
		Cumulative	3869	4080	4699	5231	6533	7514	8388	8388
Total School Age	6543	+/-	1862	459	1344	1155	2828	2131	1900	11679
		Cumulative	8405	8863	10208	11363	14191	16322	18222	18222

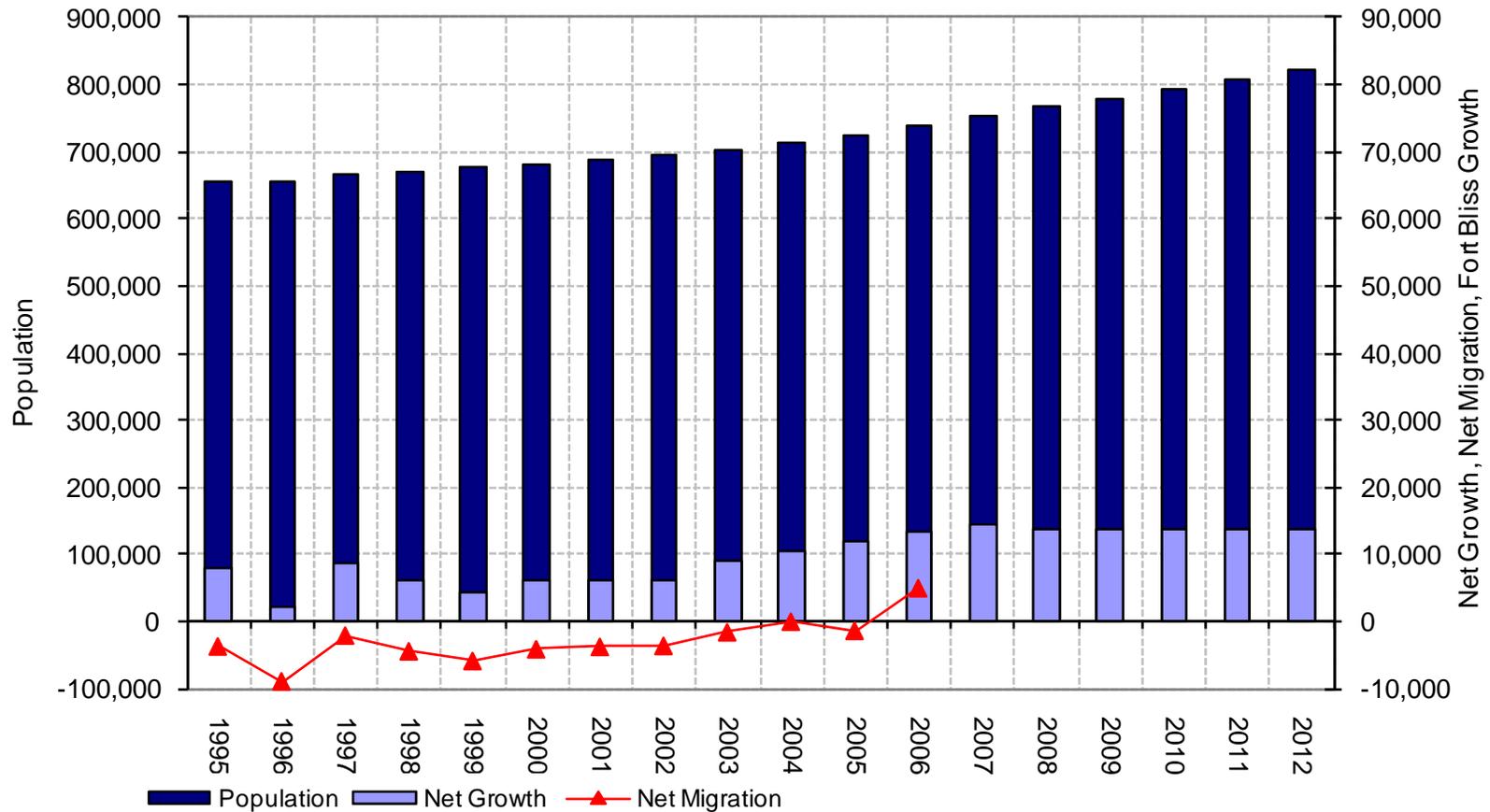
FMWRC/MCEC Model:

Spouses = # of Soldiers \* .58

Children = (# of Soldiers \* .48) \* (1.6 Kids)

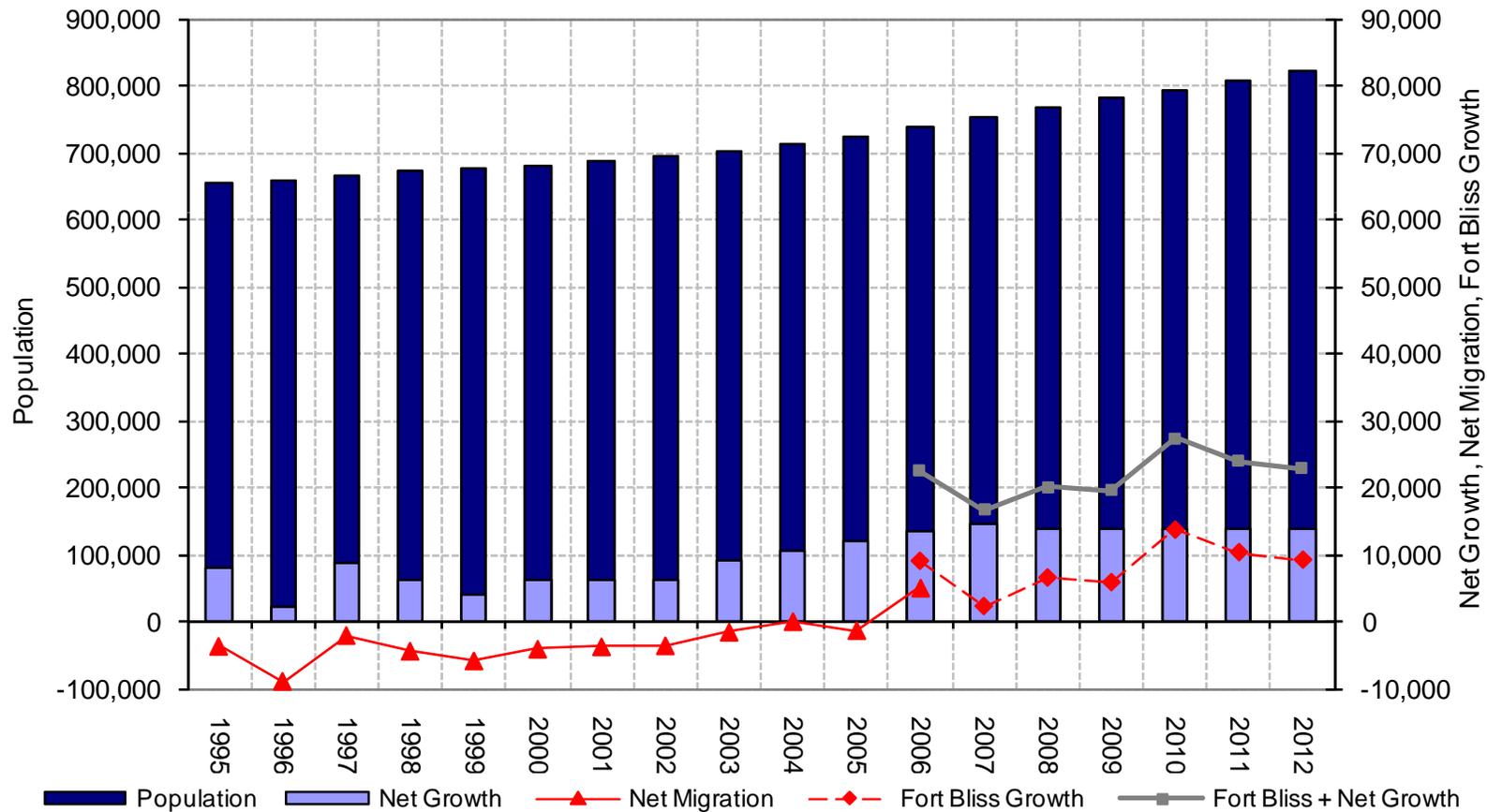
School-age = # of children \* .63

# Growth Trends in El Paso



Sources: US Census Bureau mid year estimates (BEA) and forecast values from the Border Region Modeling Project, Fort Bliss Transformation Office.

# Growth Trends in El Paso



Sources: US Census Bureau mid year estimates (BEA) and forecast values from the Border Region Modeling Project, Fort Bliss Transformation Office.

# Population Change

## Forecasts

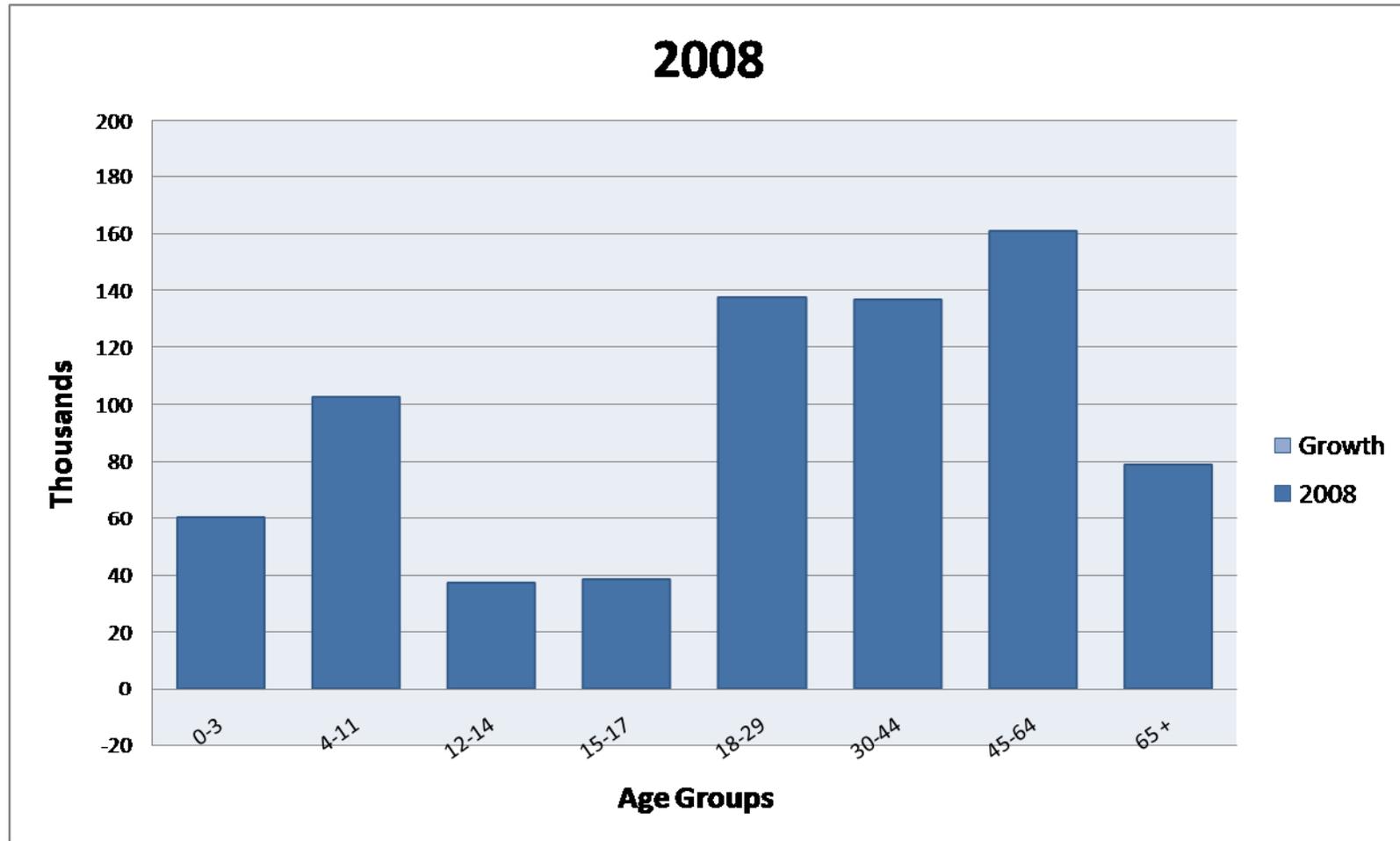
	<b>2005-Baseline</b>	<b>2008-Baseline</b>	<b>Low</b>	<b>Medium</b>	<b>High</b>
<b>2008</b>	732,757	750,585	750,585	750,585	750,585
<b>2012</b>	759,359	784,087	831,438	841,405	855,016
<b>2015</b>	776,512	808,210	863,101	876,085	895,159
<b>2020</b>	799,308	842,567	907,690	923,014	949,725
<b>2025</b>	815,561	871,331	945,532	962,548	994,178
<b>Net 08-12</b>	<b>26,602</b>	<b>33,502</b>	<b>80,853</b>	<b>90,820</b>	<b>104,431</b>
<b>Net 08-25</b>	<b>82,804</b>	<b>120,746</b>	<b>194,947</b>	<b>211,963</b>	<b>243,593</b>

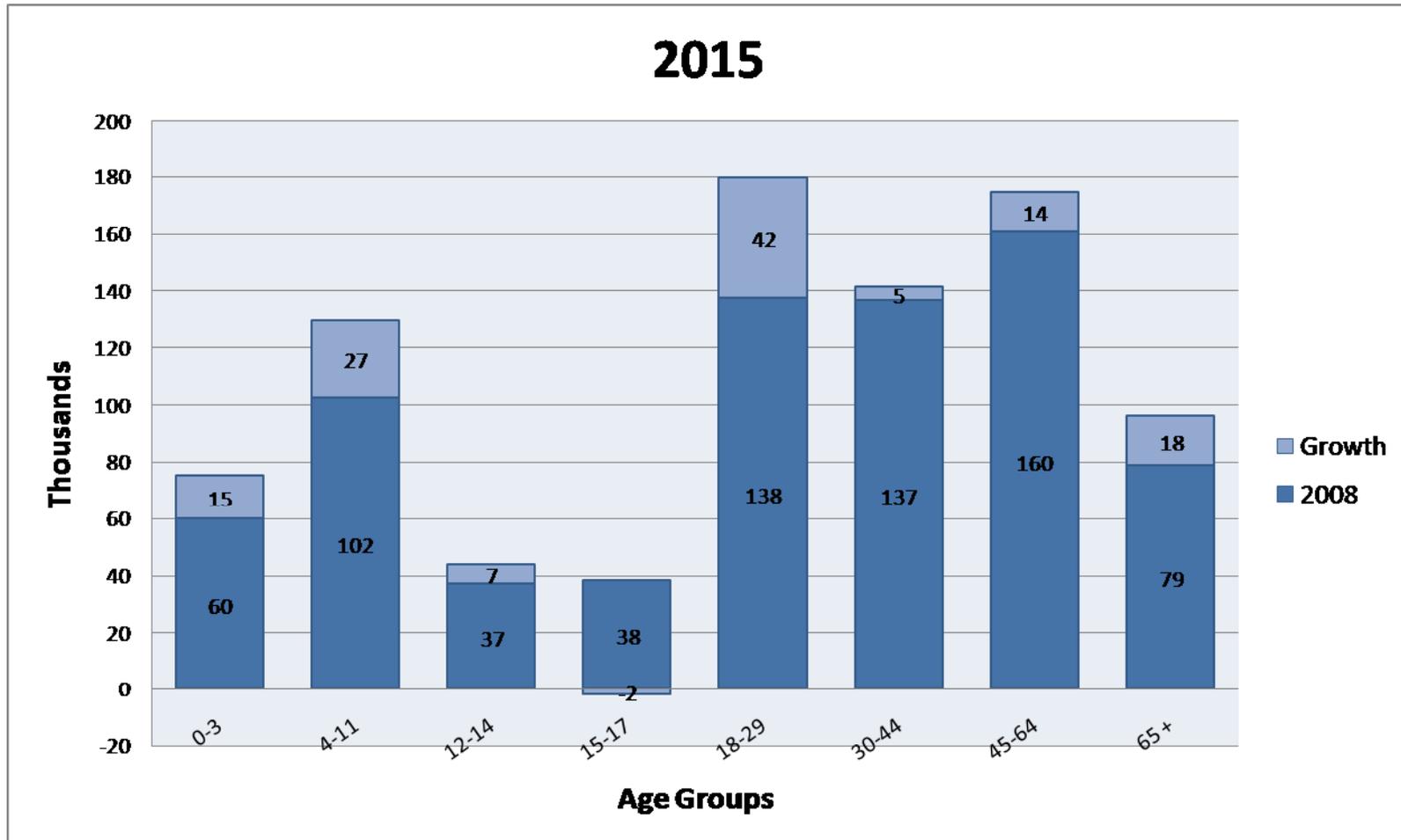
# El Paso Age Distributions

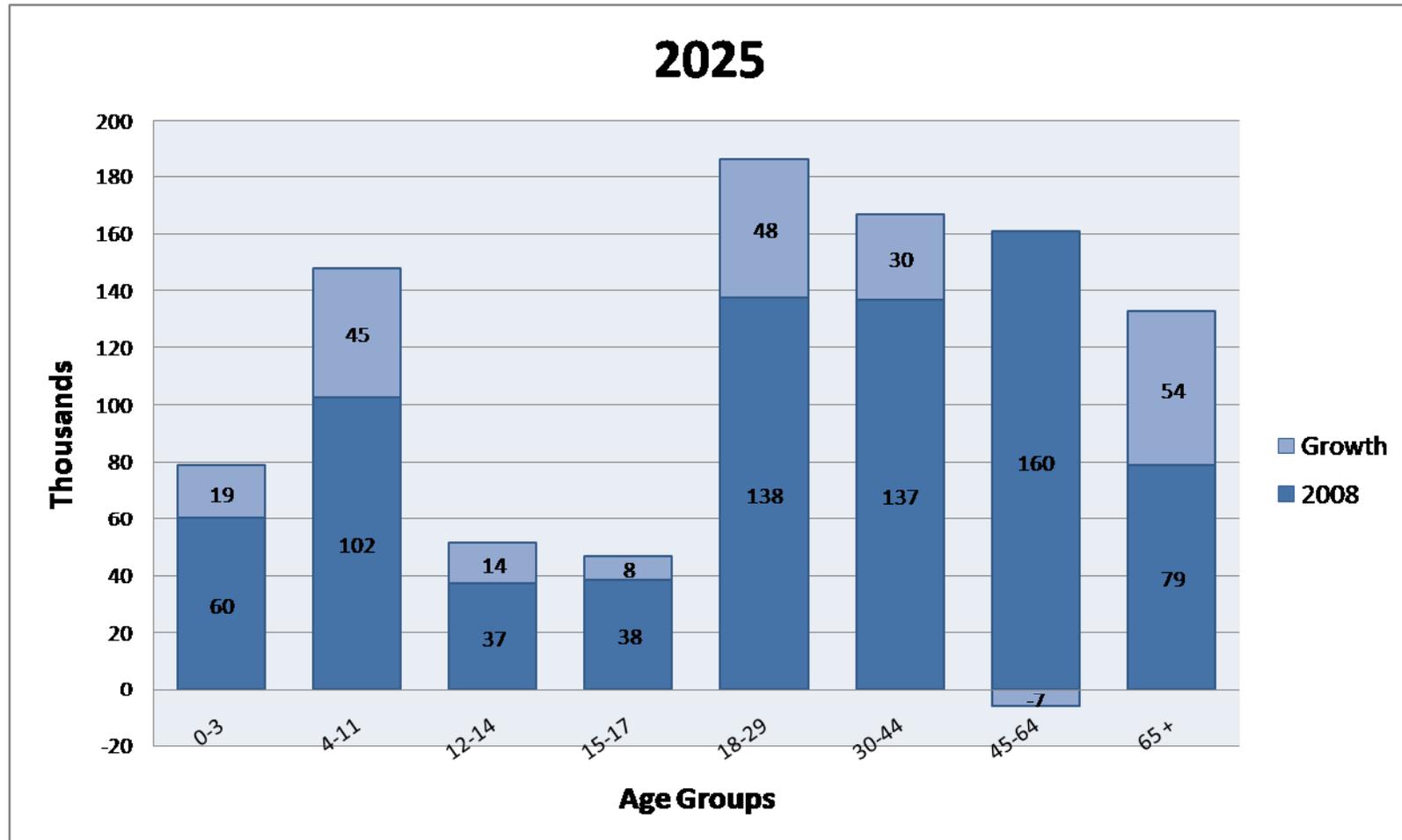
The demographics of the military population will have the greatest growth impact on children under the age of 12 (due to higher birth rates following long deployments) and on the 18 to 24 year old age group (due to younger enlistments).

As the population grows, a large share of the growth including military demographics will be from children. As a result, the relatively young population base for El Paso will get younger.

By 2025, persons under the age of 25 is projected to comprise 46.2 percent of El Paso's population, up from 43.7 percent in 2008.







# El Paso Non-Military Jobs Forecasts

- By 2012, low simulation estimates project non-military employment to increase by 36,400; the medium and high projections show an increase of 43,400 and 66,900, respectively.
- By 2025, non-military jobs ranging between 443,400 and 479,600.

	2005-Baseline	2008-Baseline	Low	Medium	High
<b>2008</b>	355,940	368,126	368,126	368,126	368,126
<b>2012</b>	364,714	382,245	404,561	411,520	435,071
<b>2015</b>	369,890	390,894	413,630	424,057	446,576
<b>2020</b>	377,910	405,643	430,779	441,413	465,526
<b>2025</b>	379,189	415,505	443,390	454,271	479,646
<b>Net 08-12</b>	<b>8,774</b>	<b>14,119</b>	<b>36,435</b>	<b>43,394</b>	<b>66,945</b>
<b>Net 08-25</b>	<b>23,249</b>	<b>47,379</b>	<b>75,264</b>	<b>86,145</b>	<b>111,520</b>

Source: Institute for Policy and Economic Development, UTEP

# El Paso Housing

- The Military Demand is not the Only Driver
  - Recall the gain in total Population
    - About 125,000 by 2015 and about 75,000 by 2025
  - Taken Together, the Demand May Exceed 14,000 dwelling units.
- Housing and Commercial Construction will Continue to be Major Activity in El Paso

# El Paso Housing Background

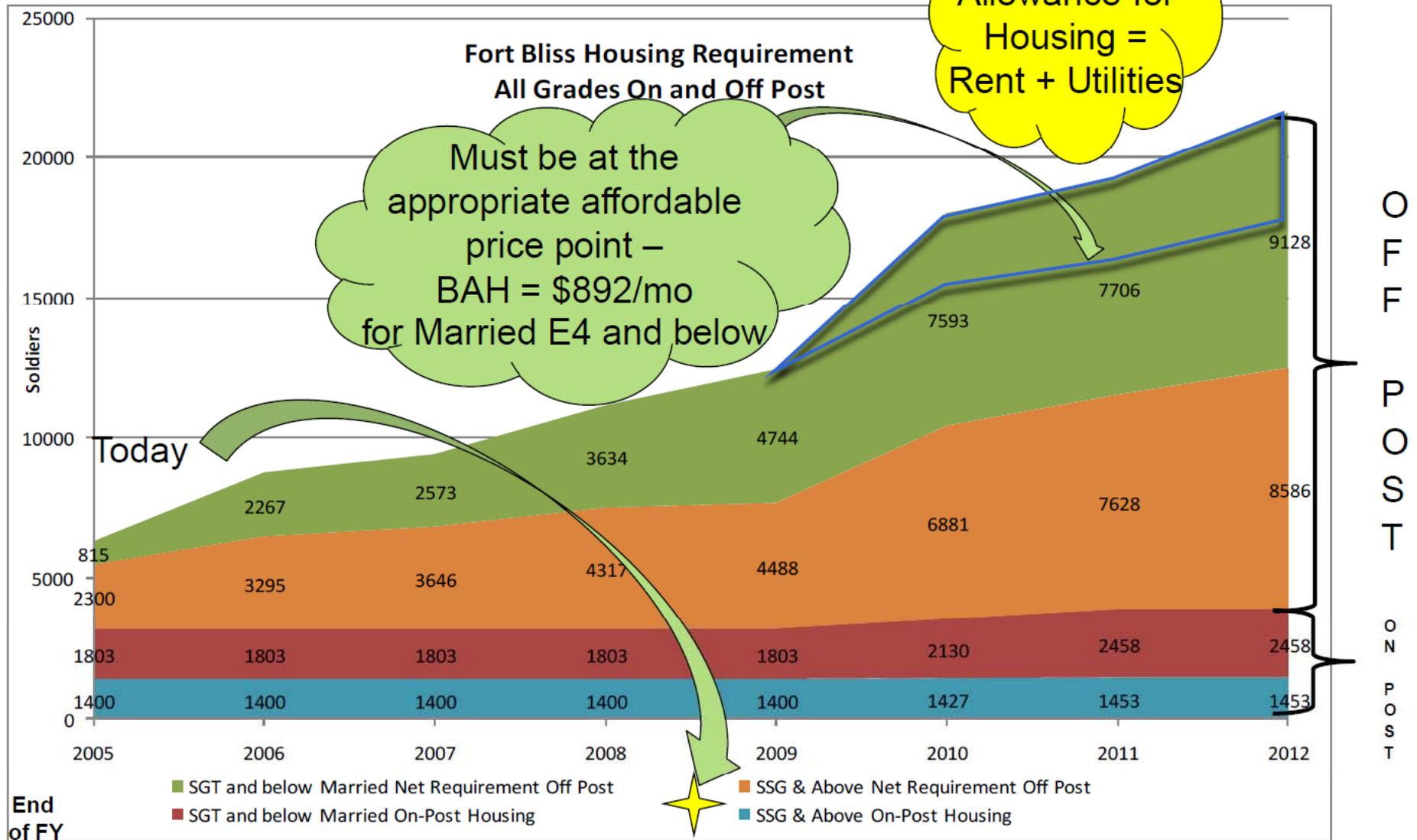
- Expected Population Growth
  - 2008 – 755k                      2015 – 898k                      2025 – 974k
- Existing Housing Mix
  - Single Family – 66%                      Rental – 34%
- Affordability Mix
  - 2008
    - The median cost home in El Paso is more affordable than elsewhere (115)
    - Bit beyond the reach of the average first time buyer
  - 2025
    - The median cost home in El Paso is substantially more affordable than elsewhere (130)
    - The median priced home will be within the reach of a first time buyer without assistance.

## City of El Paso Residential Growth

<b>Forecast Population</b>				
	<b>2007</b>	<b>2010</b>	<b>2015</b>	<b>2020</b>
LOW	606,913	632,881	676,161	700,532
MEDIUM	606,913	636,904	686,888	711,857
HIGH	606,913	640,177	695,618	721,125
<b>New Households</b>				
	<b>2007-2010</b>	<b>2010-2015</b>	<b>2015-2020</b>	<b>2007-2020</b>
LOW	8,627	14,379	8,097	31,103
MEDIUM	9,964	16,606	8,295	34,865
HIGH	11,051	18,419	8,474	37,944
<b>Residential Land Area Requirements (Acres)</b>				
	<b>2007-2010</b>	<b>2010-2015</b>	<b>2015-2020</b>	<b>2007-2020</b>
LOW	1,871	3,119	1,756	6,747
MEDIUM	2,161	3,602	1,799	7,563
HIGH	2,397	3,995	1,838	8,231

# Housing Needs

- Two Different Trends
  - 55,000 military new comers to El Paso by 2012
  - 200,000 new comers by 2025
- Most Military New-Comers will be Renters
  - 70% of incoming soldiers will be E-5 and below
  - Family rental units will be the largest demand
- Most of the others will probably fit existing mold
  - (majority owners, minority renters)
- The demand curves appear to say that there will be a slight surplus of non-military owner occupied and rental housing but an overwhelming demand for both rental and ownership properties (SAIC, Final Report, page 3-73.)



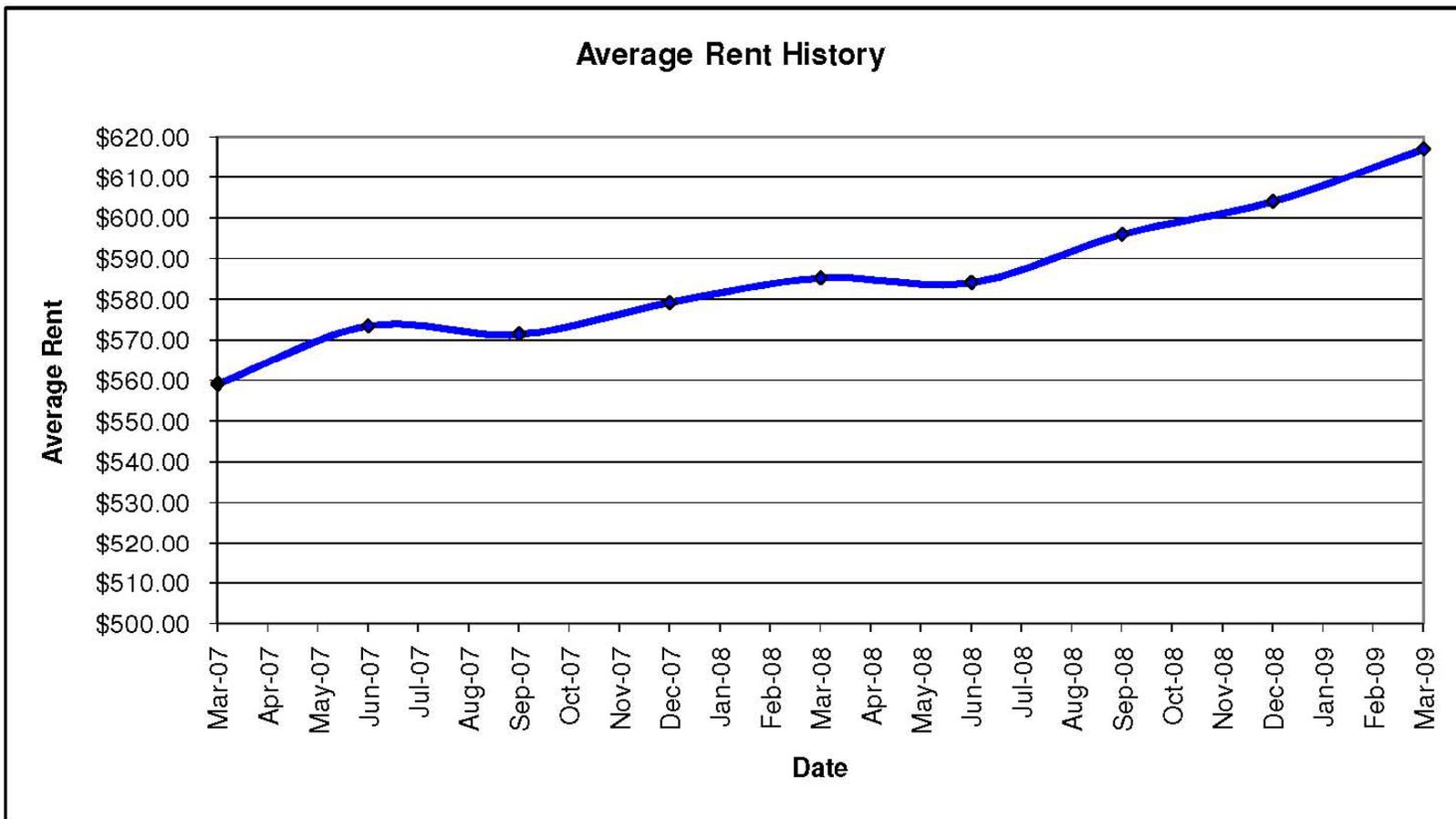
## Apartment Occupancy Rates March 2009

Austin	87.5%
Dallas	89.0%
<b>El Paso</b>	<b>93.8%</b>
Fort Worth	87.3%
Houston	87.6%
San Antonio	88.1%

## Change in Average Rent March 2008- March 2009

Austin	-2.2%
Dallas	-1.4%
<b>El Paso</b>	<b>5.5%</b>
Fort Worth	-0.6%
Houston	2.6%
San Antonio	0.5%

# Average Apartment Rent History March 2007 - March 2009



## City of El Paso Incentive Program Multifamily Housing

- 100% rebate of the City's portion of any increase in property taxes from base year for five years
- Minimum 150 units per project are required (with exception for in-fill which requires 10 units)
- Must be current on all state and local taxes
- Permits must not have been pulled at time of application
- Incentive is capped at 4,000 units