



2Q'09

April 1, 2009 – June 30, 2009

MEMORANDUM

DATE: August 10, 2009

Jeff Coder, Deputy City Manager
Chris Molison, Development Director
Greg Wheeler, Building and Code Director
Dee Torres, Business Development Director
David Boyd, Finance Director
Nicole Jeffers, Neighborhood Services Director
Jason O'Shea, Senior Civil Engineer
John Herman, GIS Manager
Greg Thompson, Current Planning Manager
Glenda Lainis, Policy Planning Manager
Jay Ruchti, Senior Planner
Rich Waldmeier, Senior Planner
Lori Hight, Senior Planner
Mike Mallon, Senior Planner
Rob Larsen, Planner II
Robin Brown, Senior Policy Analyst
Karen Widomski, Policy Analyst

Amy Schmaltz, Planning Intern III
Maria Cadena, Planning Technician
Susanna Sotelo, Neighborhood Resource Coordinator
Debra Gray, Housing Coordinator
Martin Postma, Urban Renewal Project Manager
Cory Buckman, Business Development Analyst
Angela Driskell, Public Education Officer
Adam Lovato, Environmental Services Manager
Emily Hunt, Water Resources Manager
Laura Wing, Water Resources Analyst
Pam Meis, Executive Assistant
Matt Schaefer, Adams Co. District 12

FROM: Glenda Lainis, AICP, Policy Planning Manager

SUBJECT: Second Quarter 2009, Population Estimate and Housing Inventory Report

INTRODUCTION:

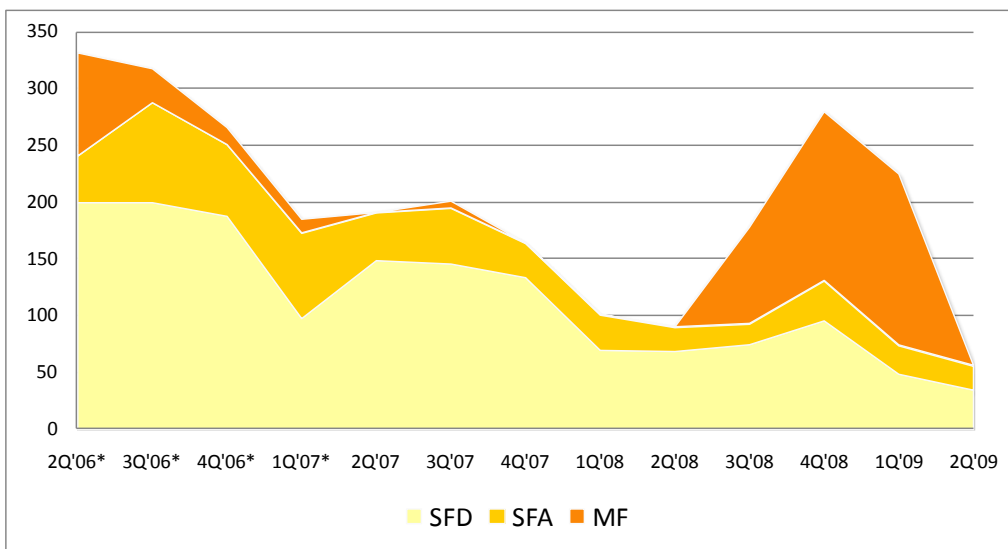
This report is produced quarterly by the City of Thornton's Policy Planning Division to provide up-to-date details on three subjects regarding the City's growth: an estimate of the City's population, the City's current housing count, and an assessment of anticipated housing unit construction in the near future.

Please contact the Policy Planning Division with your feedback, 303-538-7295.

SECOND QUARTER 2009— SUMMARY AND OUTLOOK

With only 56 units, CO issuance seemingly plummeted in the second quarter of 2009. Although the economy is in part to blame, the completion of Broadstone at Thornton, a large MF project accounted for much of the precipitous decline from last quarter. The chart below illustrates the impact of the Broadstone project, represented by the orange spike commencing in the third quarter of 2008, on housing growth over the previous three quarters. Compared to SFD and SFA developments, once building commences, MF projects are typically completed over a much shorter span of time.

HISTORICAL COMPARISON OF QUARTERLY DEVELOPMENT BY HOUSING TYPE



*Prior to 2Q07, BPs were reported in this chart. Data has been changed to COs for this and future reporting periods.

On a more positive note, at least one proposed project is set to be platted in the third quarter of 2009 opening the door for potential building activity. Additionally a large number of proposed projects still remain on the table providing the potential for building to pick up as the market begins to recover.

I. POPULATION ESTIMATE

The population estimate for the quarter is updated based on the number of Certificates of Occupancy (COs) issued during the previous three months. A CO is a document that certifies a building is in compliance with applicable building codes and suitable for occupancy. For each CO issued, a new housing unit is added to the housing count. The housing unit count is then combined with various rates to produce a population count.

The total population estimate for Thornton at the end of the second quarter of 2009 is **120,471**. This is an increase of **158** people from the first quarter of 2009.

FIGURE 1
POPULATION BY WARD & INCREASE OF PEOPLE
SECOND QUARTER 2009

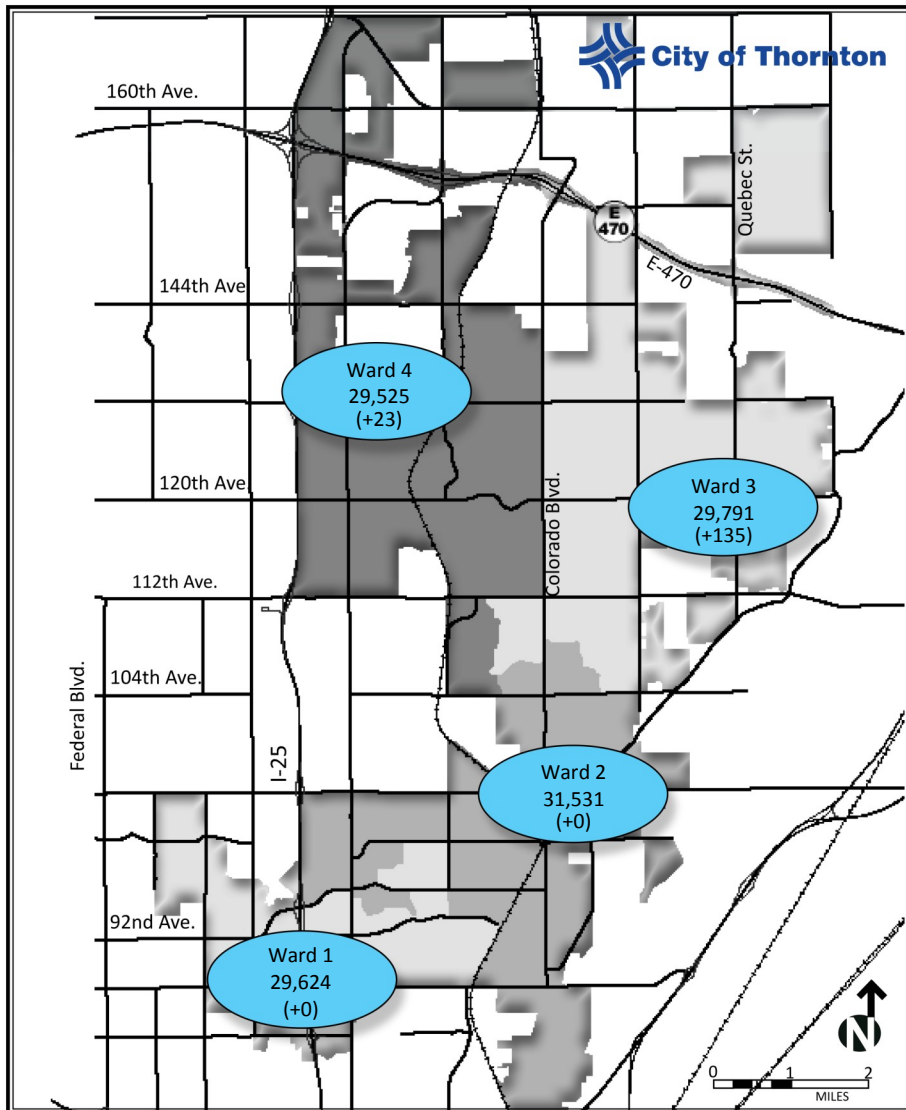


FIGURE 1 indicates the total population in each ward at the end of the second quarter 2009. The number of people estimated to have moved into the ward is in parentheses and is included in the total.

TABLE 1
ANNUAL GROWTH RATE
(POPULATION)

YEAR	GROWTH RATE
2003	4.3%
2004	3.8%
2005	3.5%
2006	2.6%
2007	0.6%
2008	1.5%

In 2008, Thornton’s population increased by 1.5%, the equivalent of 1,815 persons. Although the growth rate was not as strong as previous years, it is noteworthy that the growth rate realized in 2008 surpassed 2007’s growth rate, as indicated in TABLE 1.

II. HOUSING ESTIMATE

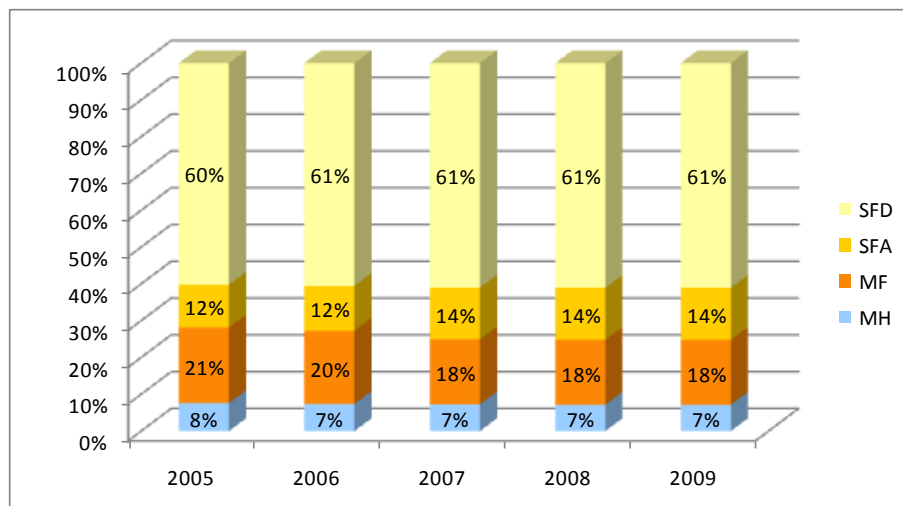
Thornton’s housing estimate is based on current housing market growth, or housing completions. Quarterly housing growth is determined by tracking the Certificates of Occupancy (COs) issued during the previous three months.

A. HOUSING UNIT COUNT

In the second quarter of 2009, Thornton’s total housing stock increased modestly from 43,553 to **43,609** units. The estimation for residential build out in the City, as indicated by Thornton’s Comprehensive Plan, is approximately 86,200 housing units.

FIGURE 2
COMPARISON OF SECOND QUARTER HOUSING DISTRIBUTION
2Q’05—2Q’09

FIGURE 2, portrays the number of total units of each type of residential dwelling: single-family detached (SFD), single-family attached (SFA), multi-family (MF) and manufactured homes (MH).



B. HOUSING UNIT DISTRIBUTION

As FIGURE 2 indicates, the housing type distribution across the City has changed slightly since 2007, based on the demand for specific types of residential dwellings.

C. HOUSING UNIT TYPES

In the second quarter 2009, **56** new residential COs were issued. TABLE 2 depicts, the housing types of the COs issued.

TABLE 2
CERTIFICATES OF OCCUPANCY ISSUED IN
EACH WARD, SECOND QUARTER, 2009

WARD	SFD	SFA	MF	MH	TOTAL
1	0	0	0	0	0
2	0	0	0	0	0
3	27	21	0	0	48
4	8	0	0	0	8
TOTAL	35	21	0	0	56

D. WARD DISTRIBUTION

TABLE 3 indicates the housing counts and population estimates for the end of the second quarter, 2009. FIGURE 3 on the next page, illustrates the housing type distribution for each ward.

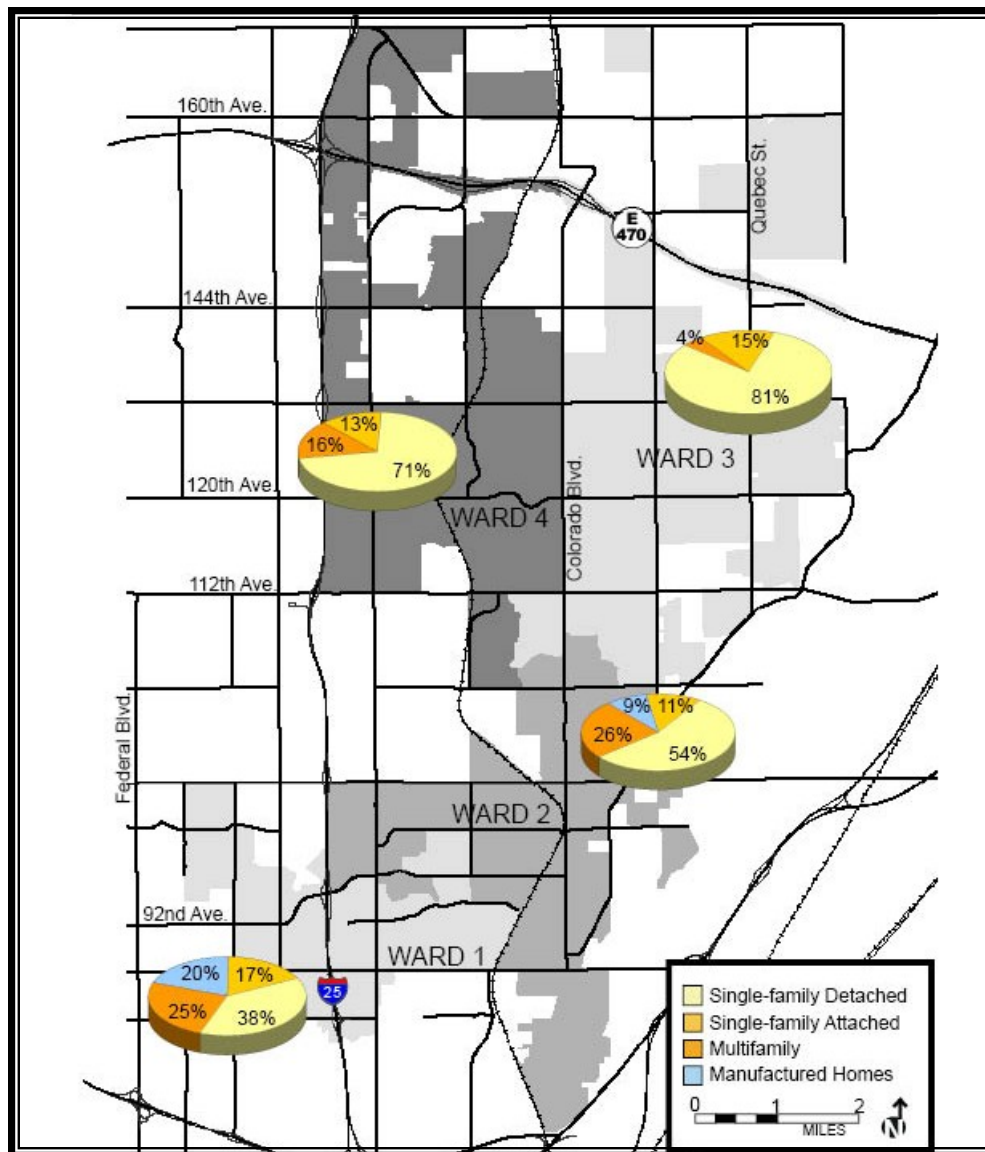
TABLE 3
HOUSING AND POPULATION COUNTS BY WARD
2Q'09

WARD	HOUSING COUNT	POPULATION
1	10,727	29,624
2	11,418	31,531
3	10,779	29,791
4	10,685	29,525
Total	43,609	120,471

SECOND QUARTER 2009, POPULATION AND HOUSING REPORT

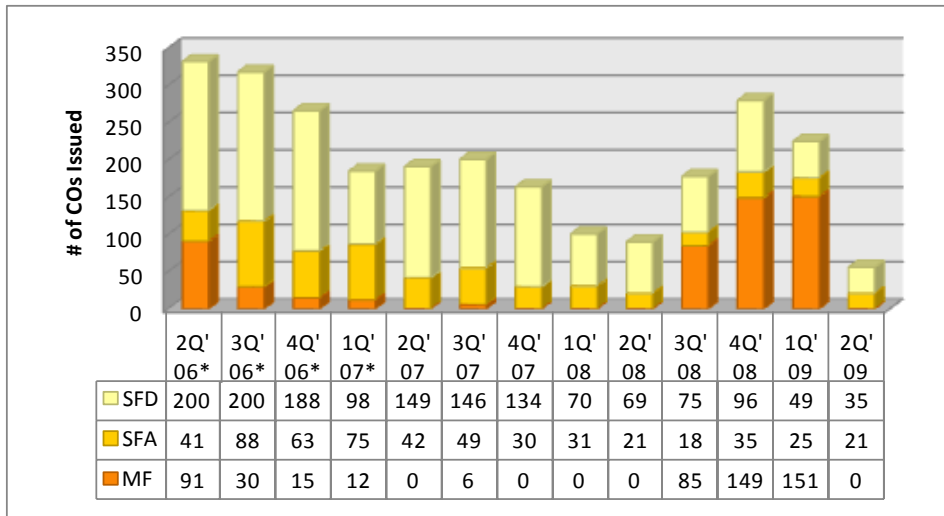
FIGURE 3 indicates the percentages of each housing unit type in each ward. While there is some variation between the housing stock amongst wards, the distribution of housing unit types in each ward tends to remain constant. Overall the housing type distribution in the City of Thornton did not change.

FIGURE 3
PERCENTAGES OF TOTAL HOUSING BY TYPE BY WARD, SECOND QUARTER 2009



From April 1, 2009 to June 30, 2009, 56 new housing units were built (as indicated by COs) in the City of Thornton. The total number of COs issued in the second quarter of 2009 was noticeably less than the 225 COs issued the previous quarter.

FIGURE 4
HISTORICAL COMPARISON OF QUARTERLY DEVELOPMENT BY HOUSING TYPE



*Prior to 2Q07, BPs were reported in this chart. Data has been changed to COs for this and future reporting periods.

III. FUTURE RESIDENTIAL DEVELOPMENT ESTIMATE

The quarterly estimate of future residential development is reported using the total number of anticipated residential units, which is derived from current planning documents, plat records, and Building Permits (BPs) issued during the previous quarter. While the number of BPs issued in a quarter are a good indicator of future construction, the number of COs issued in the quarter reflects actual residential growth.

The three categories of anticipated units are: active projects (projects where building permits have been issued), approved projects (projects platted without building permits), and proposed projects (projects received for review only). Across all three categories of development including all four types of housing, the total number of anticipated housing units is **27,990**. Due to the lagging economy, this figure has remained the same since 4Q08.

A. SINGLE-FAMILY DETACHED

Single-family detached housing is the dominant housing type in the city with 61% of total units (see FIGURE 2). As illustrated in FIGURE 5, SFD, represented by light yellow, is prevalent across the three project status categories ensuring a steady and predictable influx of SFD units. TABLE 4 predicts a 40% SFD distribution however, it is important to note that this figure is misleading due to the large number of proposed SFA and MF units. TABLE 5, on the next page, presents the future scenario of entitled units (active + approved). Excluding proposed projects reflects that SFD units comprise 63% of all units. Projects in the proposed stage are the most difficult to predict fruition especially in light of the current economic situation.

FIGURE 5
FUTURE DEVELOPMENT OF RESIDENTIAL UNITS ACCORDING TO PROJECT STATUS

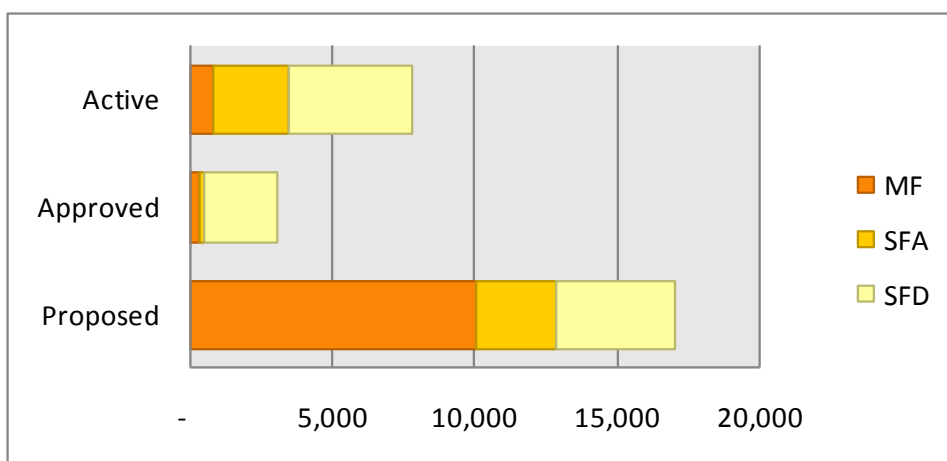


TABLE 4
FUTURE HOUSING UNITS BY TYPE AND STAGE OF DEVELOPMENT

PROJECT TYPE	ACTIVE	APPROVED	PROPOSED	TOTAL	% OF TOTAL
Single-Family Detached	4,321	2,624	4,152	11,097	40%
Single-Family Attached	2,684	98	2,869	5,651	20%
Multifamily	826	388	10,028	11,242	40%
TOTAL NUMBER OF UNITS	7,831	3,110	17,049	27,990	100%

B. SINGLE-FAMILY ATTACHED

Single-Family Attached housing is the second most common housing type in Thornton comprising 14% of Thornton’s total housing stock. Currently, SFA comprises 34% of active projects. While this category is lagging in the approved category, a significant number of SFA units have been proposed.

TABLE 5
FUTURE HOUSING UNIT TOTALS AND PERCENTAGES

HOUSING UNIT TYPE	EXISTING	%	ENTITLED UNITS*	EXISTING +	% OF TOTAL
	TOTAL	TOTAL		ENTITLED	
Single-family Detached	26,387	61%	6,945	33,332	61%
Single-family Attached	6,120	14%	2,782	8,902	16%
Multifamily	7,737	18%	1,214	8,951	16%
Manufactured Homes	3,084	7%	0	3,084	6%
TOTAL	43,328	100%	10,941	54,269	100%

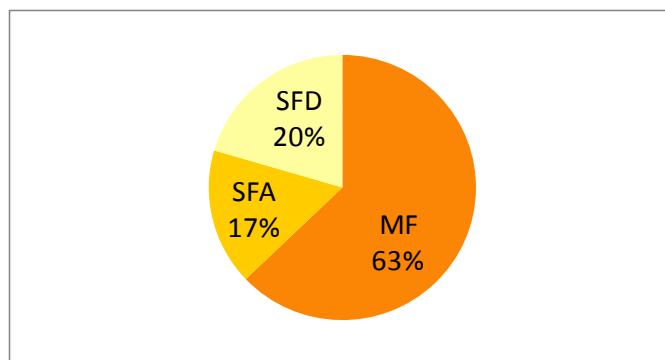
* Entitled units are those with recorded plats and are determined by the sum of active + approved units.

C. MULTIFAMILY

A majority of the MF projects in the pipeline fall into the “proposed” category. This category contains the most uncertainty, as projects in this category are in the initial proposal stage.

While MF buildings have typically been proposed as stand alone projects in the past, the trend is moving toward including MF in large, mixed-use developments. Mixed-use development is characterized by compact development that fosters a diversity of uses previously separated such as commercial and residential. Mixed-use development also often contains an assortment of housing types, for example, combining SFD, SFA, and MF, along with retail and commercial uses into one planned development. The mixed-use projects proposed in Thornton include: North End Station, Parterre, Stonehocker, Talon View, Thornton Valley, Village Green, Villages at Thorncreek, & Welby Station. FIGURE 6 illustrates the housing type breakdown of these projects and attributes more than half of the units, 63%, to MF housing.

FIGURE 6
HOUSING UNIT DISTRIBUTION OF PROPOSED MIXED-USE PROJECTS



While mixed-use has its advantages, the scale and scope of the projects make them extremely vulnerable to market conditions both from a financial and consumer preference standpoint.

D. WARD DISTRIBUTION

The location of new projects depend on many factors such as: land availability, zoning, and developer preference. FIGURE 7 illustrates the location of proposed projects (active, approved, and proposed) by ward and project housing type. A large majority of anticipated housing units is located in Ward 3, followed by Ward 4. Wards 3 and 4 are less developed than Wards 1 and 2 and thus have more land available for new developments.

FIGURE 7
DISTRIBUTION OF ANTICIPATED* HOUSING UNITS BY WARD AND TYPE

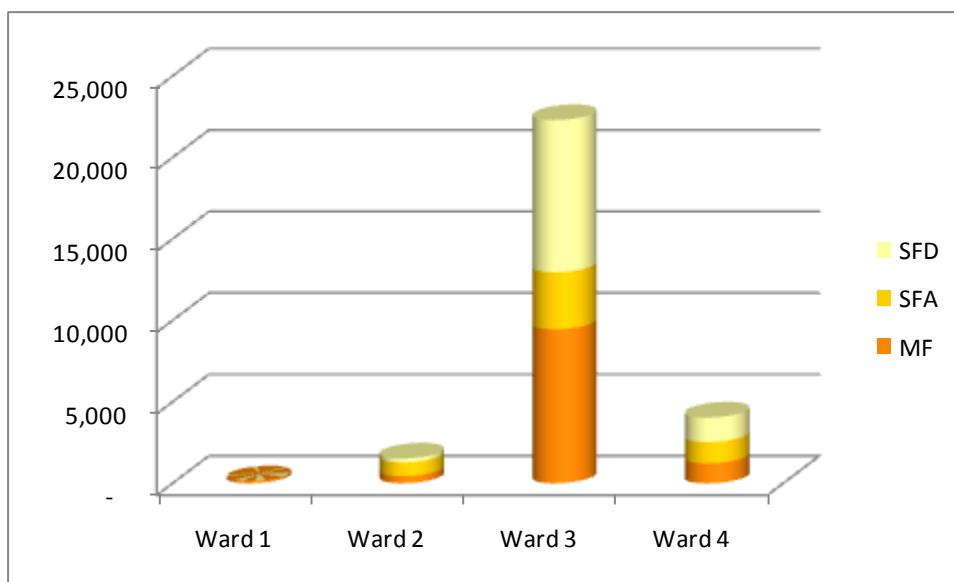
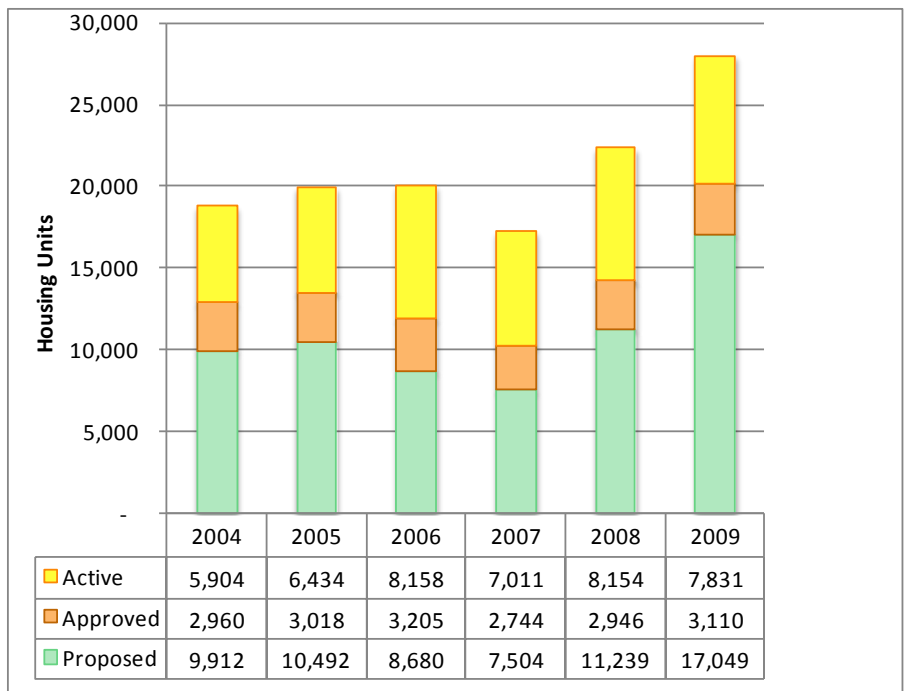


TABLE 6
ANTICIPATED* HOUSING UNITS BY WARD AND TYPE

Ward	MF	SFA	SFD	Total	% of Total
1	128	-	-	128	1%
2	438	841	245	1,524	5%
3	9,452	3,503	9,344	22,299	80%
4	1,224	1,307	1,508	4,039	14%
Total	11,242	5,651	11,097	27,990	100%

*anticipated units include: active projects (projects where building permits have been issued), approved projects (projects platted without building permits), and proposed projects (projects received for review only).

FIGURE 8
HISTORICAL COMPARISON OF 2ND QUARTER ANTICIPATED DEVELOPMENT BY STAGE



E. HISTORICAL COMPARISON

FIGURE 8 expounds on TABLE 5 by taking into account all proposed projects. This chart captures the number of additional units should 100% of the anticipated units be built. As the chart illustrates, the second quarter of 2009 contained a greater number of anticipated units than years past. Another interesting observation is that over half of these units, 61%, are in the proposed stage represented by green. Compared to previous years, more units fall into the proposed category. It is likely that the current economic situation has created a bottleneck in the development process preventing conceptual projects from moving on to the next stage. The appendix of this report breaks down FIGURE 8 by housing type. A comparison of SFD anticipated units indicates relative stability in the percentage of units in each of the three categories (proposed, approved, and active) over the years past. While the percentage of proposed SFA units appears higher than 2007 and 2008 levels, the 2Q09 figure is inline with earlier years. The most significant finding in this analysis is the dominance of MF proposed units in 2Q09 — comprising 89% of all anticipated units. Over 90% of proposed MF projects are part of mixed-use development projects. As indicated in the previous discussion on future MF housing on page 9, the scope and scale of mixed-use projects create additional hurdles in the way of advancing the development process.

IV. APPENDIX

