Housing

Introduction

Housing planning and development is something that affects every resident of Tulsa. Well-planned, balanced housing means that each Tulsan has an affordable home, and that residents can choose from a variety of housing styles, sizes and neighborhoods. On the larger level, it means ensuring housing availability and affordability that will keep people in Tulsa and attract new residents and jobs to the city.

The analysis, goals and policies described in this plan are intended to look into the future. This chapter describes Tulsa's current housing inventory, the future demographic trends that will impact its future housing needs, the results of a housing needs analysis, goals for the future of housing in Tulsa, and the policies and implementation actions that will enable Tulsa to realize its vision for the future.

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Guiding Principles

Capturing hopes, dreams and aspirations for Tulsa's future contained in the following guiding principles is essential as we move forward in making our future vision a reality.

These principles serve as the foundation for future planning efforts, and will ensure that the comprehensive plan remains consistent with the vision. The principles that support the priorities, goals and policies in this section are shown in bold.

ECONOMY

- Downtown Tulsa should act as a thriving economic engine and cultural center for the entire region.
- Entrepreneurs, small businesses and large employers should find Tulsa an easy place to do business.
- Adequate space for expanding businesses into downtown, along main streets, or in employment centers should be easy to find.
- The city should invest in the critical infrastructure necessary to develop a robust and diversified economy.
- The city should have the ability to monitor trends, spot key opportunities and meet challenges strategically.

TRANSPORTATION

- A variety of transportation options should serve the city, so that all Tulsans can go where we need to go by driving if we want, but also by walking, biking or using public transit.
- Transit should be designed as a consumer good, to attract people without a vehicle, as well as people who do, with its quality and benefits.
- Employment areas also should provide nearby access to services such as child care, groceries and restaurants.

COMMUNITY AND HOUSING

- **Tulsans want a city where newcomers can move, buy a home and join the community.**
- **Future development should protect historic buildings, neighborhoods and resources while enhancing urban areas and creating new mixed-use centers.**
- **Tulsa residents envision a city with pockets of density to provide for a more livable, pedestrian-friendly and cost-efficient community.**
- **Tulsa should permit opportunities for a full range of housing types to fit every income, household and preference.**

EQUITY AND OPPORTUNITY

- **Tulsans want a cohesive city where we have the ability to create safe, healthy lives for ourselves and our families.**
- Tulsans want civic, business and government institutions to ensure that everyone has equal opportunity and access to housing, employment, transportation, education and health care, regardless of background, ethnicity, or neighborhood.
- Schools should be safe, easy to walk to, and part of a world-class education system.

ENVIRONMENT

- Tulsans expect our city to become a leader in sustainability and efficiency.
- Residents expect easy access to parks and natural areas.
- City parks should provide open space, available to each neighborhood, with access to fields, natural areas and greenways for outdoor relaxation and recreation.
- New buildings should meet high standards for energy and water efficiency while delivering high quality spaces and architectural design.

PLANNING PROCESS

- Tulsans expect city planning and decision-making to be an inclusive and transparent process.
- Once adopted, city-wide and neighborhood plans should be funded, implemented and monitored for performance.
- Development and zoning policies should be easily understood, workable and result in predicable development.
- Residents should have a voice in solving their community's problems today and be a part of planning for tomorrow.

Housing

Part I: Tulsa's Housing Today

Tulsa's Housing Chapter is based on the premise that every household should have high-quality options which cost less than 30% of the household's gross income – housing affordability. For example, a household earning Tulsa's median income of $39,373 (2008 American Community Survey) could afford to spend about $980 per month on housing-related expenses. While low-income households frequently have the hardest time finding housing that is affordable to them, this definition of affordability is much broader than simply low-income housing.

Charts #1 and #2 show a comparison of today's matches and mismatches in Tulsa's housing inventory by this definition of housing affordability. This is done by comparing the actual incomes of Tulsa's households with the actual housing costs converted to an affordable income. For renters, it means that there are more renters at both the upper and lower ends of the spectrum than there are units. Essentially some very low-income renters are spending more than 30% of their income on housing and many middle and upper-income renters are spending less than 30% of their

Chart 1: Comparing Actual **Rental** Household Incomes with Occupied Units Affordable at Each Income Level (2007)

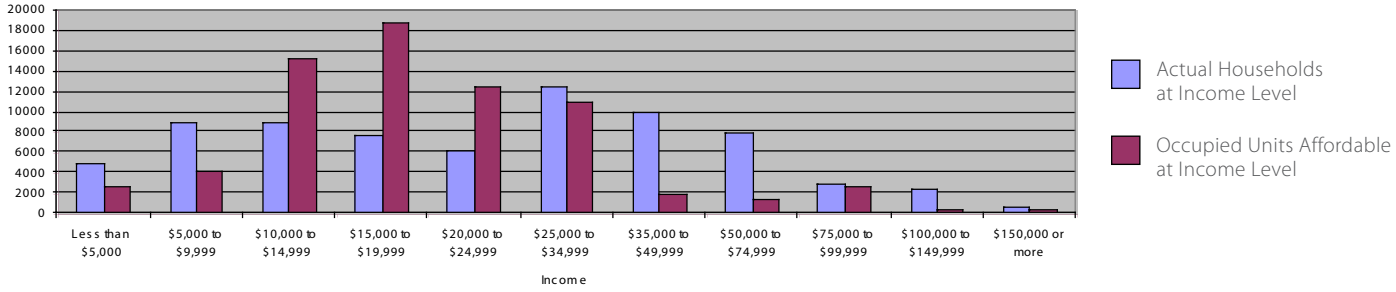
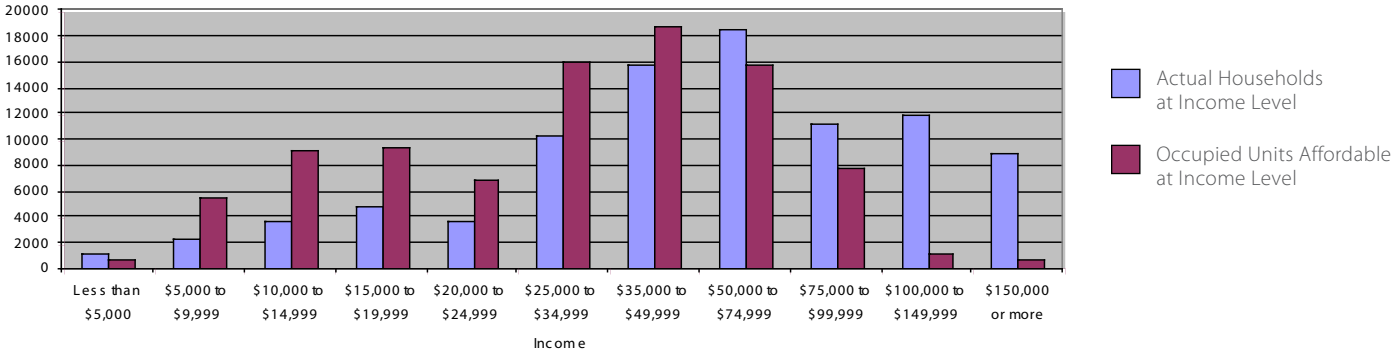
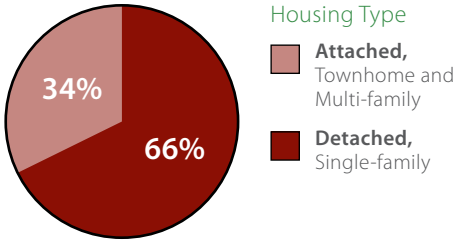
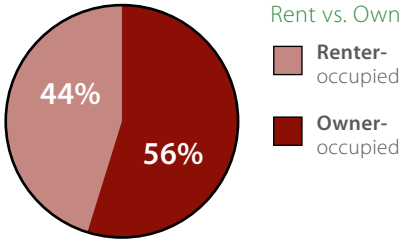


Chart 2: Comparing Actual **Owner** Household Incomes with Occupied Units Affordable at Each Income Level (2007)



Snapshot of Tulsa's Housing Supply





Median owner-occupied value: $109,000
Median rent: $632/month

Source: American Community Survey

Table 1: Tulsans Living in Unaffordable Housing (2008 ACS)

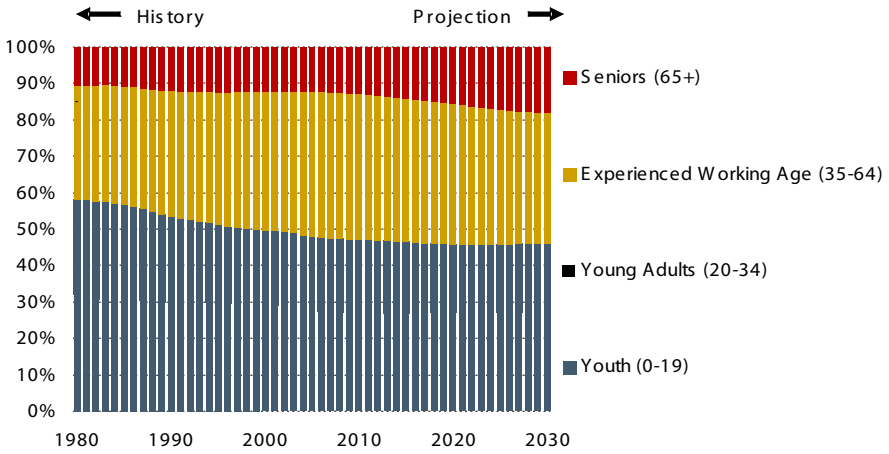
		Tulsa	Oklahoma	U.S.
% of Renters	Paying **Over 30% of their income**	46%	40%	46%
	Paying **Over 50% of their income**	24%	20%	23%
% of Owners	Paying **Over 30% of their income**	23%	19%	28%
	Paying **Over 50% of their income**	9%	7%	12%

incomes on housing. Tulsa's owner-occupied housing is better-matched – and almost one-third of the city's owners do not have a mortgage. However, there are many Tulsa households that earn over $100,000 for which there may be an important market opportunity for high-amenity urban housing options.

In Tulsa, about 23% of households in owner-occupied housing were economically stressed, spending more than 30% of their income on housing and housing-related costs; 9% were in even greater stress, spending over 50% of their incomes on housing. Of renters, 40% were spending over 30% of their incomes on housing with 20% of rental households spending over 50%. This highlights a need for more affordable options in Tulsa.

Given that the second largest expense for most households is transportation, the design and placement of housing in walkable, transit-accessible neighborhoods can also contribute to convenient, accessible housing in neighborhoods across the city. Nationally, combined housing and transportation costs of less than 48% of a household's gross income is considered affordable, according to the Center for Neighborhood Technology.

Table 2. Tulsa Metropolitan Area's Projected Age Profile



Source: US Census Bureau (accessed via Moody's Analytics)

The Future will be Driven by Shifting Demographics

Historically, Tulsa's residential development has been dominated by single family homes. However, some local and national trends point toward the benefits of a more diverse housing that would meet the needs of Tulsa's future citizens. The most prominent housing-related trends include demographic shifts, competition for employers and employees, and energy issues.

Again, demographic changes in Tulsa will determine the needs for planning in the city. Nationally, households are getting smaller and older. As the senior population continues to grow, it will drive demand for smaller, more easily-maintained homes that are located closer to services and shopping. Additionally, as seniors tend to have lower and/or fixed incomes, housing units targeted for the senior market may have to be less costly than typical single-family homes. Tulsa's aging population is one factor in the city's declining household sizes, and points to a growing need for housing desirable for one- and two-person households. Related to demographic changes, current economic shifts indicate that cities increasingly compete for both employers and a more mobile workforce. A balanced, affordable mix of housing types will provide communities like Tulsa with a critical advantage.

Finally, one of the biggest challenges facing Tulsa, the nation, and the world will be addressing climate change. According to the U.S. Department of Energy, a significant and growing amount of the nation's greenhouse gas emissions come from residential buildings. In the context of planning Tulsa's future housing inventory, this presents an extraordinary opportunity. This plan, including the Housing Chapter, are designed to align Tulsa's land use, transportation, economic and housing goals toward reducing the city's energy use and climate impact.

Planning for energy efficient housing will also save Tulsans money. According to the Lawrence Berkeley National Laboratory and the federal government's Home Energy Saver program, energy upgrades to an average home in Tulsa could reduce annual energy bills by $527 (from $1,724 to $1,197). Clearly, major savings are possible on a city-wide basis.

Housing

Part II: Tulsa's Future Housing Need

The housing needs analysis indicated that Tulsa's housing supply and demand are well-matched for many income groups and there are some opportunities to develop new housing that will meet gaps in Tulsa's current inventory, along with accommodating the city's future population growth. The appendix to this Housing Chapter provides a more detailed description of the methodology and growth forecasts used in this analysis.

Tulsa's rental housing inventory is relatively well-fit with its population; most of the city's renters earn under $35,000/year and most rental units are priced accordingly. In the future, there will be demand for both additional rental units for both lower income households (those earning less than $15,000 annually), along with moderate to high income households (those earning over $35,000 annually). These rental units would serve to accommodate some families who are likely overpaying (spending over 30% of income on housing) and some upper-middle and high-income households who would like to rent but cannot find high-amenity and more expensive rental housing available.

Owner-occupied housing in Tulsa holds a larger share of total housing in the city and is in general, mostly priced for households with annual incomes of less than $75,000/year. Future demand for ownership housing in this price range (often described as "workforce ownership housing") will continue; there will also be increased demand for higher-income housing in an urban setting, as seen in many other cities of Tulsa's size.

Chart 3: 2030 **Rental** Demand Compared to Current Housing Stock

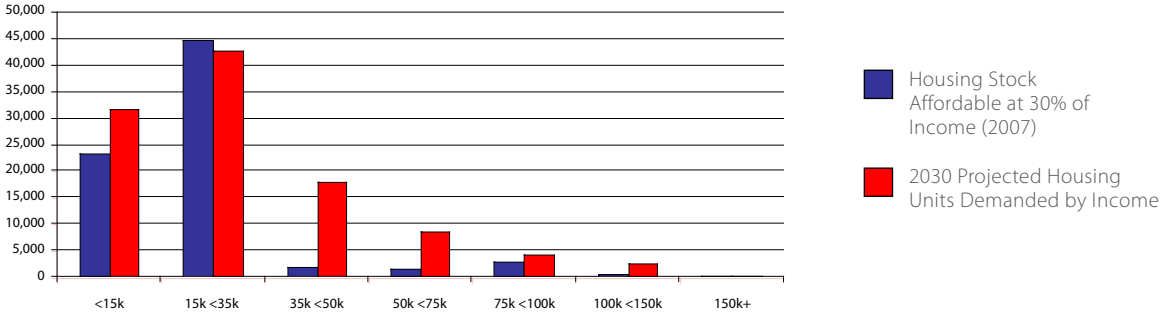
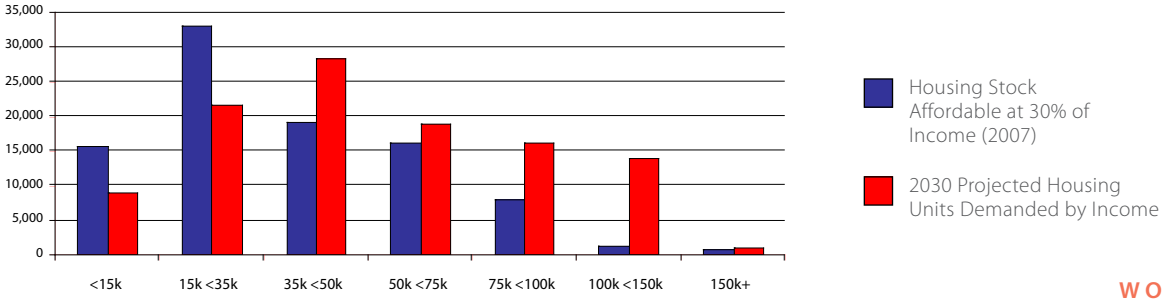


Chart 4: 2030 **Ownership** Demand Compared to Current Housing Stock



Expanding the Palette of Housing Options to Meet Tulsa's Future Needs

Tulsa has an opportunity to augment its existing housing supply with types of housing which, though they may be relatively new to Tulsa, have been built in other cities with much success. This plan is designed to expand housing to Tulsa to include high-quality rental and ownership housing targeted at the whole income and demographic spectrum – from young professionals to families to seniors. Lastly, these housing types will be most successful in proximity to transit, or designed as part of transit-oriented development (TOD).

SINGLE-FAMILY HOMES ON SMALLER LOTS

Large-lot subdivisions consume large amounts of land and infrastructure. By broadening the range of lot sizes in new neighborhoods, Tulsa can diversify the housing supply and still retain its tradition of single-family neighborhoods. In particular, Tulsa has an opportunity to develop new single family homes on lots ranging in size from 3,500 to 5,000 square feet. Some small lot single family designs include homes oriented around a communal courtyard or cottage-style homes. Others are designed in more traditional patterns. These smaller lot single family homes would be primarily owner-occupied.

TOWNHOMES

Townhomes are generally two to three stories tall and designed in a compact arrangement. Townhomes are attached to other townhomes, and generally include shared maintenance and other services. These homes fit well in many types of residential neighborhoods and can be used as infill development, in sizes as small as two or four units per building and on lots as small as 10,000 square feet. Townhomes can also be clustered around environmental constraints on parcels which could not effectively support single family development. Townhomes can vary considerably in design and architectural style, and may be either owner- or renter-occupied.

LIVE/WORK UNITS

Live/work units usually are designed to include two or three levels that combine residential and small business space. The "work" area is typically located on the

ground floor and features large windows and flexible spaces for offices, retail, or services. The "live" area is typically on the upper floors and often resembles a townhome in design. Live/work units are well-suited for the needs of neighborhood and personal services like salons and travel agencies or professional offices for architects, accountants, or attorneys. Most live/work units are owner-occupied, but some may be rented.

MULTI-FAMILY (LOW-, MID- AND HIGH-RISE)

Multi-family generally refers to housing with five or more units. Multi-family housing has become stigmatized in some parts of the country as only a low-income rental housing type. However, a number of successful multi-family developments, at a range of price-points and scales, are helping to break this stigma. This can be the ideal housing type for young singles and couples and older residents who want the combination of proximity to lively areas and a low maintenance lifestyle. Tulsa's future multi-family housing should be designed to fit into the scale of the existing neighborhoods, with high-rise units (likely to feature spectacular views) reserved for high-density urban areas, such as the downtown core.

While most multi-family units in Tulsa today are rental, the city is expected to see future demand for both high quality rental and ownership multi-family. In particular, some condominium projects would be well-suited for entry-level buyers while others may appeal to high income households.

MULTI-FAMILY IN MIXED-USE BUILDINGS

In addition to multi-family in single-use buildings, many cities – American and otherwise – have developed areas with mixed-use buildings that include both retail and residential uses. Mixed-use condominiums and apartments are combined with ground floor retail or office space, usually on a main street or transit corridor. They typically feature internal access so the street frontage is reserved for storefronts. These buildings can be owner- or renter-occupied; in many cases they could also provide student housing in or around mixed-use campuses.

Tulsa 2030 Goal and Tulsa's Housing Need

The Tulsa 2030 Goal was designed to meet Tulsa's demand for a variety of housing types and address the gaps in housing by income range. A housing need analysis was conducted to ensure that Tulsa can fill in gaps in the city's existing housing supply and meet the needs of its future demographics, such as those of an aging population.

Based on this analysis, the Tulsa 2030 Goal included about 64% single family homes, 8% townhomes and 28% multi-family units, both ownership and rental. While this new housing mix reflects a shift from current trends, it would also serve to meet the affordability needs of Tulsa's future citizens.

The diversity and location of housing was designed to fit best with Tulsa's existing character. This means that the most compact condos and apartments would be located in the downtown and along major corridors. Townhomes and compact single family homes would be located in vacant areas of existing single family neighborhoods, where compatible and appropriate. This would help ensure that there is housing to meet every Tulsan's need, while preserving the city's single family neighborhoods.

In the Tulsa 2030 Goal, Tulsa's downtown would see about 2,000 new units, 90% of which would be apartments or condos – many in mixed-use buildings with retail on the ground floor. This housing would range from condos with many amenities to entry level housing for young professionals and couples to senior-oriented apartments designed for a maintenance-free lifestyle.

The Tulsa 2030 Goal extends beyond downtown and across the city. For example, North Tulsa would see about 8,800 new units, most of which would be single family homes. Tulsa 2030 Goal considered the strong infill development potential of North Tulsa, along with opportunities for commercial space.

Table 3. Tulsa 2030 Goal Compared with Projected Demand by Type of Unit

	City-wide Projected Demand	Tulsa 2030 Goal
Single Family	65%	64%
Townhome	8%	8%
Multi-Family	27%	28%

Table 4. Today's Housing Units Units Compared with Tulsa 2030 Goal (by Affordable Income Range)

Affordable Income Range	Today's Housing	Tulsa 2030 Goal
<$15,000	23%	19%
$15,000-$35,000	46%	29%
$35,000-$50,000	13%	21%
$50,000-$75,000	10%	13%
$75,000-$100,000	6%	9%
$100,000-$150,000	1%	8%
$150,000+	1%	1%
Total	**100%**	**100%**

Major Lessons Learned

This analysis, along with the results from the PLANiTULSA public engagement process, points to several conclusions that guide the goals and policies of this Housing Chapter.

It is critical that Tulsa preserve its existing housing inventory.

Tulsa's highly-regarded strong neighborhoods provide a solid base for further development of a thriving city. A strong housing rehabilitation program in targeted areas would help revive some neighborhoods which may be struggling. At the same time, the City must prioritize preserving Tulsa's historic homes and neighborhoods. Criteria for rehabilitation funding may include historic designation, proximity to transit, access to commercial areas or location within a tax increment finance (TIF) district.

Tulsa needs a range of new housing types at various affordability levels for both renters and owners.

The housing types include single family homes and apartments already familiar to the Tulsa market and new housing types such as residential units in mixed-use developments and urban townhomes. As demographics shift, Tulsa's residential developers should consider housing design as well as size to serve a diverse mix of household composition and family size anticipated for the life of this plan. Additionally, the analysis indicates significant demand to provide more housing choices for people that make more than $100,000 a year for purchase, and rentals for people who make more than $50,000 per year.

Downtown Tulsa presents significant opportunities to provide new homes for Tulsans seeking urban-style living.

The PLANiTULSA citizen engagement process, parallel with national trends, showed strong preferences from diverse age groups for opportunities to live in a walkable downtown. Tulsa has underutilized historic buildings which could be retrofitted for housing. The downtown area also has vacant land and surface parking lots which could be redeveloped as mixed-use residential development.

Transit-oriented projects should be developed along key corridors.

As described previously, Transit Oriented Development (TOD) refers to housing and other uses which are developed around major transit hubs or stops. These developments are more compact than typical single family neighborhoods with homes in mixed-use buildings, multi-family buildings and townhomes. Transit-oriented development would also be included outside of the downtown area – for example, North and South Peoria Avenue is highlighted in the Land Use and Transportation chapters as the type of corridor with strong transit-oriented potential.

Tulsa needs more housing options for post-secondary students.

Successful colleges and universities are typically surrounded by quality, affordable student housing. Off-campus student housing includes apartments and single-family homes, primarily for rent, which are near campus and also accessible by transit, bike or on foot. The city and local public and private universities should partner to identify opportunities for new student-focused housing, as has been developed at the University of Tulsa and is contemplated at some of the other higher education institutions in Tulsa. In particular, planning for student housing could leverage funding from Tulsa's urban renewal program areas, particularly around OSU-Tulsa and Langston University.

Housing

Part III: Priorities, Goals & Policies

The following priorities, goals and policies are designed to help Tulsa maximize its existing housing inventory and encourage new development that is well-suited to meet future needs.

- **Priorities** are the big idea topic areas that address the guiding principles. They capture big picture changes that must occur to implement the plan.
- **Goals** establish specific, measurable, attainable and realistic objectives that guide plan implementation by ensuring that the community and stakeholders have a clear awareness of what must happen to move Tulsa toward the Vision.
- **Policies** delineate the steps needed to achieve the goals.

*In addition to **priorities, goals and policies,** the Plan recommends the **Strategic Actions** that should be taken in the first 3 to 5 years following plan adoption. These strategic actions are found in the Implementation and Action plan.*

HOUSING PRIORITY 1

PROMOTE BALANCED HOUSING ACROSS TULSA

The City should further develop its ability to preserve existing single family areas, in concert with building new housing types and creating places that will retain current residents and be attractive to future residents, including young people and entrepreneurs.

Goal 1: *A robust mix of housing types and sizes are developed and provided in all parts of the city.*

1.1 Establish land use and zoning designations that permit the creation of single family homes on small and medium sized lots, attached townhomes, and cottage or courtyard style housing. These housing types shall be permitted in new and existing residential neighborhoods.

1.2 Establish land use and zoning designations that permit the construction of mixed-use condominiums, apartments, and live-work lofts along corridors, downtown, and in new centers.

1.3 Establish land use and zoning designations that permit higher density mixed-use housing along transit lines and near station areas.

1.4 Work with the development community and other stakeholders to plan, design and build one or more catalytic mixed-use projects based on the PLANiTULSA innovative building model prototypes.

1.5 Encourage adaptive reuse of historic buildings as a key strategy to ensure a diverse housing mix.

1.6 Require that infill in historic neighborhoods is compatible in style and scale.

Goal 2: *Tulsa maintains an adequate supply of land with appropriate zoning designations to meet anticipated housing demand.*

2.1 Establish and maintain a forecast of housing type needs, and set periodic goals for housing production.

2.2 Monitor housing development activity, developable land supply, residential zoning capacity and owner-occupancy rates to inform progress toward housing goals and to enable midcourse adjustments.

2.3 When engaging in a small area planning process, as defined in the Land Use Chapter, ensure that the mix of housing types provided for in the plan reflect citywide needs.

Goal 3: *Downtown Tulsa offers expanded opportunities in which to live.*

3.1 Develop and execute an action plan to expand the range of housing options downtown, including retrofitting existing office buildings such as condominiums or apartments and building new multi-family buildings.

3.2 Collaborate with area philanthropic foundations and other institutions to develop incentives, leverage historic tax credits, and other programs to support catalytic downtown projects.

3.3 Develop and utilize an infill and revitalization toolkit to help facilitate housing development downtown.

3.4 Pursue creating National Register districts downtown in order to preserve its architectural heritage while leveraging tax credits.

Goal 4: *A healthy city-wide balance between jobs and housing is maintained*

4.1 Work to coordinate its business retention, recruitment, and other economic development activities with housing development programs.

4.2 Coordinate with Tulsa businesses to create Employer Assisted Housing programs, including down payment assistance, low-interest loans or rent assistance.

Goal 5: *Tulsa's existing housing inventory is preserved and maintained.*

5.1 Define targeted areas for preservation of existing housing.

5.2 Maintain and expand incentives for rehabilitation of existing housing in targeted areas.

5.3 Create a set of sample renovation plans, which could be approved through a streamlined permitting process. These plans could be promoted via City-supported low cost loans and modest rehabilitation subsidies.

5.4 Preserve housing that has been designated as historic by creating and expanding historic designations and refining and updating design review criteria.

5.5 Conduct additional surveys of historic buildings and work to preserve additional historic housing by expanding the number of National Register listings.

Goal 6: *Student and faculty housing options in college areas are enhancedthrough collaboration between the city, institutions of higher education and other stakeholders.*

6.1 Partner with local universities to encourage the development of attractive, high quality student and faculty housing conducive to the creation of a university district.

HOUSING PRIORITY 2

ENSURE HOUSING AFFORDABILITY FOR ALL RESIDENTS

Every Tulsa resident should have the opportunity to live in housing that is affordable to them.

Goal 7: *Low-income and workforce affordable housing is available in neighborhoods across the city.*

7.1 Work with for-profit and non-profit developers to encourage new mixed-income developments in every neighborhood of the city.

7.2 Ensure that land use and zoning regulations allow a mix of housing types, including single family homes, cottage homes, townhomes, condominiums and apartments that serve people at a variety of income levels.

Goal 8: *The combined cost of housing and transportation to Tulsa's residents is reduced.*

8.1 Coordinate planning of housing and public transportation with the goal of helping residents reduce housing and transportation costs to less than 48% of gross income."

HOUSING PRIORITY 3

ENCOURAGE ENERGY-EFFICIENT HOUSING ACROSS TULSA

A focus on sustainability in housing in Tulsa is one which could not only reduce the city's overall energy use, but also save its residents significant money.

Goal 9: *Tulsa promotes the sue of energy conservation and sustainability strategies in existing and new housing.*

9.1 Promote energy-efficiency programs in order to reduce both residents' energy usage and costs.

9.2 Work with developers to promote more development of LEED and other accredited "green" residential projects.

9.3 Encourage the development of unit types and sizes, including multi-family units and townhomes, which have lower energy use per unit than single family homes.

Goal 10: *Housing planning is coordinated with transportation planning to maximize the benefits of transportation investments.*

10.1 Coordinate land use and transportation planning to ensure that new housing is easily accessible to multiple transportation options, including walking, bicycling, and public transportation.

10.2 Work with developers to create transit-oriented projects in prime areas that include key corridors and the downtown.

Leaving room here to expand "Priorities, Goals and Policies" section with relevant guiding principles

Housing

Appendix: Methodology and Assumptions

Tulsa's future housing needs analysis used a model to determine what kinds of housing Tulsans might demand in the future, and to identify market opportunities. The model's results are driven by current and projected demographics and local tenure (ownership versus rental) choices. The model's outputs include needed housing units by tenure by income range. The model was used to find gaps that may represent current unmet needs and future housing needs.

In many areas around the country, the standard practice for estimating future housing need has been to simply extrapolate forward past trends in order to determine future housing requirements. However, it seems unlikely that the future is going to mimic the past. Fregonese Associates' Balanced Housing Model was used to determine the need by tenure choice and income level. In this model, "affordable" is not referring to low-income housing, but rather to the relationship between incomes and housing costs. The "30% rule" assumes that housing is only affordable for a household if it spends less than 30% of its gross income on housing expenses.

The model approach was based on research showing that two variables—age of head of household (Age—A) and household income (Income—I)—demonstrated significantly stronger correlation with housing tenure than other variables, including household size. These two variables are the primary demographic variables for the model. As one might expect, different Age/Income (AI) cohorts make significantly different housing tenure choices. For example, a household headed by a 53 year-old that earns $76,000 is likely to make a different housing choice than one headed by a 29 year-old that earns $28,000.

In the data sources for the population estimate, people in group quarters, and occupied housing units were taken from 2007 American Community Survey (ACS) of the Census Bureau. The number of households in each AI cohort for Tulsa was calculated by utilizing Census data to determine the percentages of households that are in the 28 AI cohorts (4 age cohorts and 7 income cohorts).

The Census-generated tenure parameters used in the model represent the probabilities of being a renter or homeowner for each of the 28 AI cohorts. Based on these tenure parameters, the model allocates those households in each AI cohort to an indicated number of rental and ownership units that are affordable for the Income range for that cohort. The model then aggregates the units demanded within each income range to show the total units that could be afforded at each income range by tenure.