

California's Changing Demography: Implications for Housing

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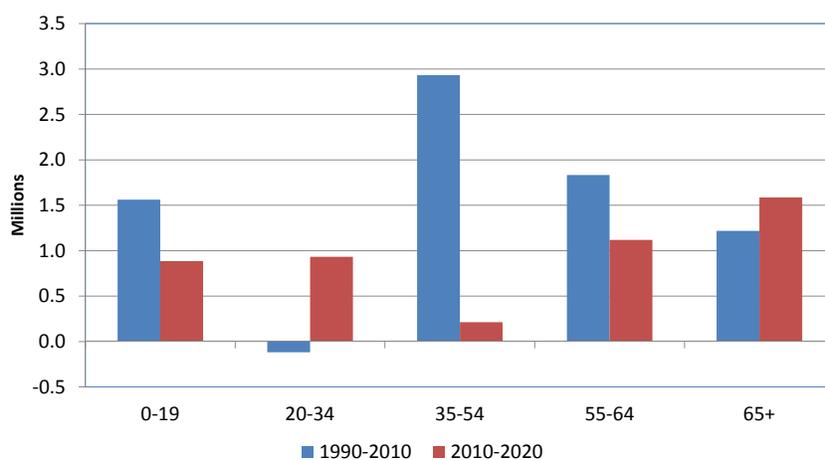
Changing Trends in Housing Demand

- Slower population growth between 2000 and 2010. The Census reported 135,000 fewer residents (-30%) added each year compared to previous DOF estimates showed.
- Major changes in the age composition will affect housing demand.
- Tightened lending standards and SCS/SB 375 planning will affect housing demand.

A Major Change in Housing Demand is Coming

- The largest population growth is in the 25-34 and 55 age groups
- The prime family forming age groups (35-54) will show little if any population growth over the next decade
- This will affect the size and location of future housing demand
- What will older households do as their children become adults?

The Age Component of Changing Housing Demand



Implications of Age Changes

- We are moving from two decades where the family age groups surged to a decade of no growth in the 35-54 age groups.
- Population growth and housing preferences will be determined by young adults and the 55+ age groups
- Demand will swing to smaller units and more urban locations

Implications (cont'd)

- The housing decisions of the 55+ age groups will be critical
 - How many will stay put and how many will move
 - Where will active older workers and families want to live
- There is likely to be greatly reduced need for new family housing

Implications for Policy

- Regional policy in support of housing and the economy—housing policy is also economic policy
- State policy in relation to housing, land use and the economy
- The implications of demographic change for public policy at the regional and state level