5) Obtaining financing for affordable housing following the dissolution of the Redevelopment Agency and as tax credits become more competitive make it more difficult to obtain financing for affordable housing.

2. Demographic Profile

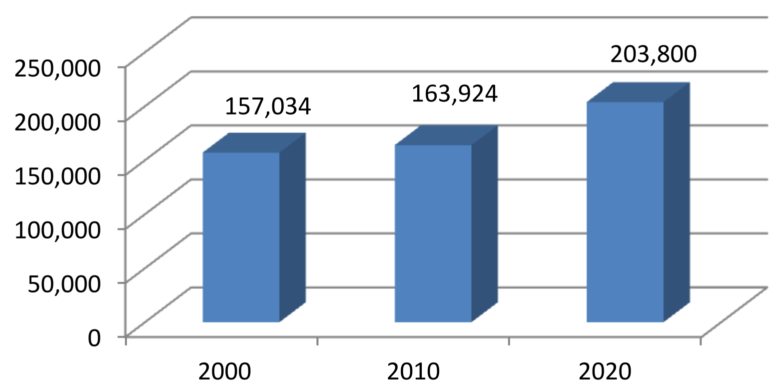
A variety of demographic factors influence existing and future housing needs in Ontario. This section describes and analyzes the primary demographic characteristics of population growth and change, household characteristics, special housing needs, and economic trends to provide insight into the type and magnitude of housing needs in the city.

Population Growth

Ontario is the fourth largest community in San Bernardino County. According to the US Census Bureau, Ontario's population was 163,924 as of April 1, 2010. The City's population made significant gains during the 1960s and 1970s through new home construction and annexations of unincorporated areas in San Bernardino County. During the 1980s, 1990s, and 2000s, however, significant increases in population were primarily due to increases in the average size of households, rather than new housing.

The General Plan projects that Ontario's population could exceed 360,000 by buildout. During the period covering the 2013–2021 Housing Element, the Southern California Association of Governments projects the population to increase to 203,800 by 2020 (Figure H-1). Population growth is expected to be driven by the development of housing in the New Model Colony, the Ontario Airport Metro Center, and Downtown and through demographic changes. This growth will not only bring demographic change but also a different type of housing demand.

Figure H-1. Ontario Population Growth, 2000–2020



Race and Ethnicity

The County of San Bernardino, much like California as a whole, is experiencing racial and ethnic diversification. From 2000 to 2010, the composition of communities in San Bernardino County continued to shift from a white majority to a Hispanic majority. Ontario is experiencing the same general trend. Table H-1 displays changes in the race and ethnicity of Ontario residents from 2000 to 2010.

According to the 2010 Census, Hispanic residents experienced a 20 percent increase and are the largest ethnic group in Ontario, at 69 percent of the population. White residents experienced the most significant decrease, declining 29 percent. The Asian ethnic group experienced the fastest growth, yet accounts for only 5 percent of the total population. Between 2000 and 2010, Ontario saw a decline in the number of residents in the African American and American Indian ethnic groups.

Table H-1
Changes in Race and Ethnicity

Race and Ethnicity	2000		2010		Percentage Change
	Number	Percentage	Number	Percentage	
Hispanic	94,610	60%	113,085	69%	20%
Asian1	6,433	4%	8,078	5%	26%
White	42,048	27%	29,898	18%	-29%
African American	11,317	7%	9,598	6%	-15%
American Indian2	475	<1%	361	0%	-24%
All Others3	3,124	2%	2,904	2%	-7%
Total	158,007	100%	163,924	100%	4%

Source: US Census Bureau 2000, 2010.
1. Asian category includes Asian, Hawaiian, and Pacific Islander.
2. American Indian category includes American Indian, Eskimo, and Aleut.
3. “All other” includes multiracial categories; the 2000 and 2010 categories are not comparable.

Race and ethnicity are key determinants of housing demand, in particular for the one-third of foreign-born residents. The living arrangements of foreign-born households differ from those of native-born households. Immigrant households are more likely to include more family members, married couples with children, and adults beyond the head of household or spouse. These trends suggest immigrants will favor homes designed to accommodate larger or extended families.

Differences in race/ethnicity and housing preferences suggest patterns in associated housing problems. For example, to the extent that immigrants prefer larger homes and that first-generation households earn lower incomes than second- or third-generation or native-born households, one would expect lower rates of homeownership and higher rates of overpayment and overcrowding among immigrant families.

Age Characteristics

The age characteristics of Ontario's residents are related to differences in the type of housing needed. Younger households and seniors typically prefer smaller housing units, with the former preferring rental accommodations and the latter ownership units. Middle-aged adults typically prefer to move up to larger homes that can accommodate families with children. Ontario is unique in that its future demand will be driven not only by changes in age characteristics but by the type of housing built in strategic focus areas.

Ontario's population is one of the youngest in the county with a median age of 30, versus a median age of 31.7 years countywide. Approximately 72 percent of the City's adult residents were below age 44, and nearly 42 percent of all residents were below age 24. As shown in Table H-2, the City's largest age group is almost evenly split among those less than 18 years and those between the ages of 25 and 44. Consistent with the broader region and reflective of the baby boom generation, adults ages 45 to 64 were the fastest-growing group, increasing 36 percent.

Table H-2
Changes in Age Characteristics

Age Groups	*2000*		*2010*		*Percentage Change*
	Number	*Percentage*	*Number*	*Percentage*	
Less than 18	54,304	34%	49,443	30%	-9%
18–24 (college age)	17,734	11%	19,296	12%	9%
25–44 (young adults)	51,179	32%	49,428	30%	-3%
45–64 (middle age)	25,468	16%	34,703	21%	36%
65+ (seniors)	9,322	6%	11,054	7%	19%
Total	158,007	100%	163,924	100%	4%

Source: US Census Bureau 2000, 2010.

The age characteristics of Ontario's existing residents suggest a greater need for family housing and senior housing. A large presence of families and middle-aged persons also implies a high demand for single-family housing that is large enough to accommodate children. Increases in the middle-age population, should they remain in Ontario over the next decade, should materialize in an increasing demand for senior housing, such as condominiums, that require less maintenance than a single-family home.

Although household age characteristics traditionally influence housing demand, development plans will also attract different age groups as well. As the City builds out the Ontario Airport Metro Center with amenitized apartments and condominiums, the vibrant 24-hour lifestyle environment will likely attract adults between the ages of 18 and 44. Similarly, the lower-density single-family development envisioned for the New Model Colony area will attract middle-aged families, many with children.

Household Type and Size

Household type and size influence housing demand. For example, families with young children typically seek the living space and the financial investment that single-family homeownership has to offer. In contrast, single-person households tend to desire apartments, condominiums, and townhomes that are generally easier to maintain. These preferences underscore the importance of providing a diversity of housing types and prices suitable to residents in all household types.

Family Household - Comprises persons related through birth, marriage, or adoption. A nonfamily household comprises unrelated persons living together or one person living alone.

Ontario is known as a predominantly family-oriented community; 79 percent of households are families. The most significant increase in household types between 2000 and 2010 occurred in the "other families" category, implying an increase in the occurrence of single parents and family members sharing housing. The prominent household types in Ontario suggest a higher demand for family housing. Table H-3 shows changes in household types from 2000 to 2010.

Table H-3
Changes in Household Type

Household Type	*2000*		*2010*		*Percentage Change*
	Number	*Percentage*	*Number*	*Percentage*	
Family Households	34,969	80%	35,595	79%	2%
Married families w/children	15,676	36%	13,205	29%	-16%
Married families, no children	9,093	21%	10,584	24%	16%
Other families	9,930	23%	11,806	26%	19%
Nonfamily Households	8,826	20%	9,336	21%	6%
Single persons	6,583	15%	6,741	15%	2%
All other households	2,243	5%	2,595	5%	16%
Total	43,525	100%	44,931	100%	3%
Household Size					
Single person	6,583	15%	6,741	15%	2%
2 to 4 persons	24,398	56%	24,936	56%	2%
Large families (5 or more)	12,544	29%	13,254	29%	6%
Average Size	3.6		3.6		–

Source: US Census Bureau 2000, 2010.

Average household size remained the same between 2000 and 2010 at an average of 3.6 persons per household. This is larger than the average household size of 3.26 persons per household for San Bernardino County as a whole. This trend is reflected by an increase between 2000 and 2010 in households with five or more members (6 percent). This increase in household size has implications for overcrowding, which is discussed in more detail in the Housing Problems section.

Employment

Housing demand is also driven by the wages earned by households, affecting the types of housing that can be afforded. Moreover, overall employment in the City also affects housing demand, because as employment levels increase in Ontario, some of these future workers will desire to live in Ontario. This section describes current patterns in employment levels by industry and occupation.

Employment and Occupations

Table H-4 details the types of occupations held by residents in 2010. Residents are employed primarily in two major occupations—sales/office occupations and production/transportation/material-moving occupations, with approximately 50 percent of the city's total workforce. These occupations earn an average income of approximately $32,300 and $28,400, respectively. The management, business, financial, and professional occupations, following at 21 percent, offer the highest wages of residents at $67,800, with service occupations offering the next highest wages ($63,600) making up 18 percent of the city's workforce. The service, construction, extraction, and maintenance occupations round out most of the remainder of the city's employed residents.

Table H-4
Occupations by Type

Occupations	*2010*		*Average Annual Salary*
	Number	*Percentage*	
Management, business, science, and arts occupations	15,693	21%	$67,800
Service occupations	13,137	18%	$63,600
Sales and office occupations	21,519	29%	$28,400
Natural resources, construction, and maintenance occupations	8,347	11%	$45,200
Production, transportation, and material moving occupations	16,223	22%	$32,300
Total	**74,919**	**100%**	

Source: US Census Bureau 2010; Employment Development Department 2011

The American Community Survey points to additional changes in the occupational mix of Ontario residents. It appears that significant growth is also occurring in the two highest pay brackets, as more residents are employed in management and professional jobs. With the development of the New Model Colony and the desire to provide a suitable living environment for Ontario's current and future workforce, the General Plan envisions an increasing share of the workforce will be devoted to management, business, financial, and professional occupations.

Household Income

Along with housing costs, household income is the most fundamental factor affecting housing opportunity. According to the 2006–2010 American Community Survey, the City's median household income was $57,800, slightly higher than the San Bernardino County median of $55,485. Median family income in Ontario was slightly higher at $60,800 but still comparable to the median for the entire county (see Table H-5).

Table H-5 illustrates the household income distribution for different types of households in Ontario. The median income represents the point where 50 percent of all households earn less than that point. Married families without children tend to earn the highest income, presumably because both adults are working. Other families and nonfamilies typically earn the lowest incomes, because these households often consist of single persons or seniors living on fixed incomes.

Table H-5
Household Income by Type, 2010

Household Type	*2010 American Communities Survey*	
	Percentage of Households	*Median Income**
All Households	100%	$57,800
Family Households	79%	$60,800
Married families w/children	36%	$63,200
Married families, no children	21%	$59,300
Other Families	23%	$31,800
Nonfamily Households	20%	$39,100

Source: US Census Bureau 2006–2010 American Community Survey.

* Median income rounded to nearest $100.

Although difficult to forecast, the City's median household income will significantly increase over the planning period of the 2030 General Plan. Residential development in the New Model Colony and Ontario Airport Metro Center, the increasing relocation of corporation headquarters to

Ontario, and significant revitalization efforts ongoing throughout the community are anticipated to broaden the income makeup of Ontario's future population.

Household Income Distribution

The California Department of Housing and Community Development (HCD) analyzes the distribution of income among households in a community relative to the area median income (AMI), as adjusted for households of different sizes. Households are grouped into five income classifications for purposes of determining the need for assistance. Each year, HCD analyzes the distribution of income by county and develops maximum income limits for each income classification. The 2012 income limits set by HCD for San Bernardino County are:

- ***Extremely low:*** households earning 30 percent or less of AMI, or a maximum income of $20,100 for a four-person household
- ***Very low:*** households earning 31 to 50 percent of AMI, or a maximum income of $33,500 for a four-person household
- ***Low:*** households earning 51 to 80 percent of AMI, or a maximum of $53,600 for a four-person household
- ***Moderate:*** households earning 81 to 120 percent of AMI, or a maximum income of $75,950 for a four-person household
- ***Above moderate:*** households earning above 120 percent of AMI for a four-person household, or an annual income greater than $75,950 for a four-person household.

State income guidelines also often combine extremely low and very low income into one category, called "very low income." The extremely low-, very low-, and low-income categories are also often combined into a larger "lower" income category, a term used throughout this Housing Element. This is because lower-income households as a whole have markedly different housing needs than moderate- and above moderate-income households.

Table H-6 describes the income distribution of households by tenure. As shown below, 36 percent of all households earn lower incomes, with 9 percent of total households categorized as extremely low income. Homeowners have a much higher proportion of moderate- or above income-households, while renters have a higher share of lower-income households.

Table H-6
Household Income Distribution

Income Categories	*Tenure of Households*				*Total of Households*	*Percentage of Total*
	Owners	*Percentage of Households*	*Renters*	*Percentage of Households*		
Extremely Low	1,525	5%	2,730	14%	4,255	9%
Very Low	2,280	8%	3,375	18%	5,655	12%
Low	4,530	16%	2,745	14%	7,275	15%
Moderate or Above Moderate	19,600	70%	10,380	54%	29,980	64%
Total	**27,935**	**100%**	**19,230**	**100%**	**47,165**	**100%**

Source: Comprehensive Housing Affordability Strategy (CHAS), 2010.

Note: Numbers differ from the Regional Housing Needs Assessment (RHNA) because the CHAS household income levels are adjusted for household size, whereas the RHNA distribution is not adjusted for household size.

3. Housing Profile

This section describes and analyzes various housing trends and housing characteristics to provide a basis for assessing the demand and supply of available housing for the community. They include housing growth trends, housing characteristics, age and condition of housing, housing prices and rents, and homeownership trends.

Housing Growth

Between 2000 and 2010, communities in San Bernardino County increased 11 percent in total housing, more than 1 percent annually. Housing in the City of Ontario, which contains approximately 7 percent of the county's housing, increased 6 percent during the same period. In fact, during the 1990s, housing production lagged behind population growth, with a growth of ten residents for every new home. This increase is reflected in the growing average household size.

The 2030 General Plan Land Use Element projects significant housing growth. With the gradual development of the 8,200-acre New Model Colony, the Ontario Airport Metro Center, specific plans, and other areas of the community, Ontario is projected to have approximately 87,300 housing units by 2035. For the 2013–2021 Housing Element planning period, the City is projected to increase housing production by more than 10,000 units (Figure H-2).