



POPULATION AND
HOUSING ELEMENT



6. POPULATION & HOUSING

6.1 INTRODUCTION

Rio Rancho has been characterized as a growing community since its incorporation in 1981. A number of population projections indicate that Rio Rancho will continue to increase in population over the next several decades. Rio Rancho's potential to grow is prefaced by its amount of undeveloped land. Currently, approximately two thirds of land within the City's limits is undeveloped. With this assumption in mind, the Population & Housing element examines the major issues related to the City's overall population and housing stock.

It is important to recognize Rio Rancho's relationship to the Albuquerque metropolitan area. According to the Census, Albuquerque is a city of more than half a million people. However, the Census Bureau defines the Albuquerque Metropolitan Statistical Area (MSA) to be all of Sandoval, Bernalillo, Valencia, and Tarrant counties. According to the Census, the overall population of the Albuquerque MSA is estimated to be almost 850,000. Both the City of Albuquerque and the Albuquerque MSA provide a regional context for examining the demographic and housing attributes of Rio Rancho. See Map PH-1 for the Albuquerque MSA boundaries.

6.2 POPULATION

6.2.1 POPULATION TRENDS

Rio Rancho is New Mexico's fastest-growing and third-largest city. Between 2000 and 2008 the City's population increased more than 50%, from 51,765 to 79,655.

Table PH-1: New Mexico Cities Population Comparison

Rank	City	2000	2008
1	Albuquerque	448,607	521,999
2	Las Cruces	74,267	91,865
3	Rio Rancho	51,765	79,655
4	Santa Fe	62,203	71,831
5	Roswell	45,293	46,198
6	Farmington	37,844	42,637
7	Alamogordo	35,582	35,757
8	Clovis	32,667	32,352
9	Hobbs	28,657	30,476
10	Carlsbad	25,625	25,629

Source: U.S. Census Bureau, 2008 Population Estimates, Census 2000

By 2010, Rio Rancho's population is estimated to be 85,516 (*Urban Growth Projections*, Bureau of Business and Economic Research, 2000). Estimates produced by the Business and Economic Research (BBER), released in 2008, and draft projections from MRCOG for the 2035 MTP, project Rio Rancho's 2035 population to be more than 210,000. If accurate, this would be an approximate average annual growth rate of 10%, effectively increasing the City's overall population by 150%. The potential for such rapid growth within a City that is largely undeveloped is both a burden and a blessing. Map PH-2 shows existing and projected population densities for the City of Rio Rancho.

Although there are many undeveloped areas within the City, there are specific areas that are likely to be fundamental for future development. Areas such as City Center, areas near the new Presbyterian Hospital on Unser Boulevard, and areas in proximity to major roads, such as Northern Boulevard, Unser Boulevard, Paseo del Volcan, Pat D'Arco Highway, and US 550 are likely to experience much of this growth in the near future. Proactive planning measures will help foster sound development that will help see the City's vision to fruition.

6.2.2 DEMOGRAPHICS

Rio Rancho is a young community. Rio Rancho citizens live in larger households, have more citizens in the workforce, and have greater household earnings than surrounding areas.

According to the Census, Rio Rancho's median age is 33.9 compared to 35.5 and 36 of the City of Albuquerque and the Albuquerque MSA respectively. Rio Rancho's average household size is 2.66 compared to 2.37 and 2.49 of Albuquerque and the Albuquerque MSA.

According to the Census, Rio Rancho is slightly less racially diverse than the metropolitan area. Caucasians make up approximately 70% of Albuquerque MSA. Conversely, more than 75% of Rio Rancho is Caucasians. Albuquerque and the Albuquerque MSA have larger Hispanic or Latino populations. Forty four percent of the populations in both areas are estimated to have Hispanic or Latino origins. Less than 35% of Rio Rancho's population is estimated to have Hispanic or Latino origins.

Overall, Rio Rancho is more educated than the surrounding areas. According to the Census, of Rio Rancho citizens that are at least 25 years of age, about 93% have at least a high school education. Less than 88% of the Albuquerque or the Albuquerque MSA populations, that are at least 25 years of age, have high school education. However, Rio Rancho has fewer residents with at least a bachelor's degree (26% of population 25 years or over). About one third of Albuquerque's population and almost 30% of the Albuquerque MSA population have a bachelor's degree).

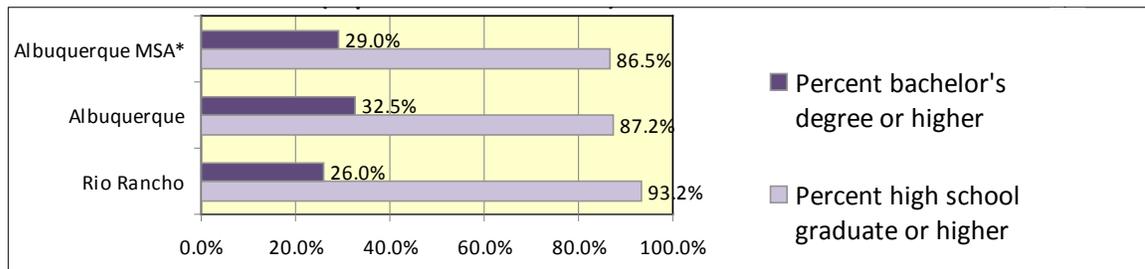
Rio Rancho also has more residents in the labor force. According to the Census, more than 70% of Rio Rancho's citizens are in the labor force. This is compared to 67.7% of Albuquerque residents and 65.7% of the Albuquerque MSA residents. Rio Rancho households earn a median income of \$60,597 which is more than Albuquerque (\$46,437) and the Albuquerque MSA (\$47,198). Figures PH-1 and PH-2 identify educational attainment and employment status. Map PH-3 shows projected population and employment growth, while Map PH-4 indicates projected employment density.

6.3. HOUSING

Housing addresses one of citizens' most basic needs, shelter. A home may be a "safe" place, may provide wealth in the case of homeownership, or may offer stability in one's life. Access to housing is essential to developing citizens who prosper and support themselves independently. However, housing is not equally accessible to all citizens, and different groups require different housing needs. Equal access—regardless of race/ethnicity, gender, familial status, physical or mental disability—is fundamental to pursuing employment, education, and personal life goals. Figure PH-3 shows housing units in Rio Rancho.

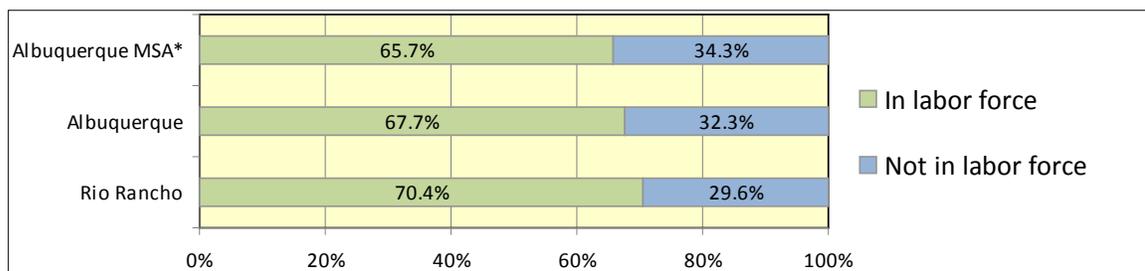
In addition, access to housing is the cornerstone of successful economic development. Employers routinely consider housing access and affordability for employees when deciding where to invest in new or expanded facilities.

Figure PH-1: Rio Rancho Educational Attainment (Population 25 years & over)



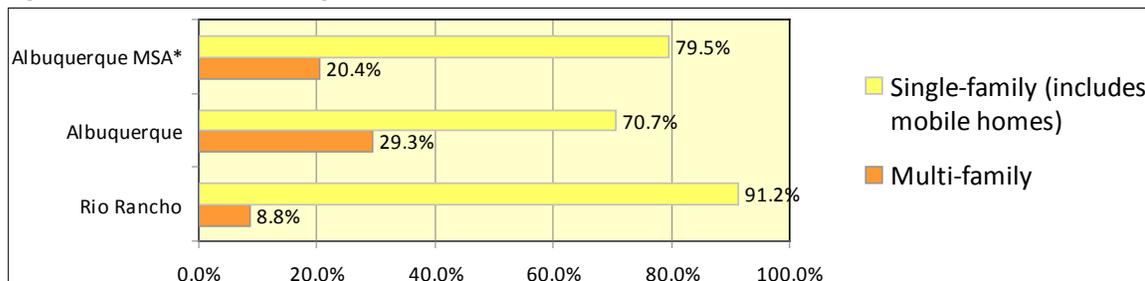
Source: American Community Survey

Figure PH-2: Rio Rancho Employment Status (Population 16 years & over)



Source: American Community Survey

Figure PH-3: Rio Rancho Housing Units



Source: American Community Survey

From the *Population* section, we know that Rio Rancho's citizens are young and hard-working. Rio Rancho's citizens also have a median income that is higher than the surrounding area.

In 2009, the City adopted a *Strategic Plan* to establish future City goals, and the strategies to achieve those goals. The second goal of the *Strategic Plan, Goal 2: Development*, states:

“Ensure the City has plans and policies in place to attract and create well-planned high-quality, stable, residential, commercial, and industrial development.”

It is the responsibility of the City to create opportunities for all types of housing. Planning for housing needs is imperative to meet the needs of current and future populations within the City. This section explores Rio Rancho's existing housing stock and identifies future needs.

6.3.1 OPPORTUNITIES

Rio Rancho has many opportunities to plan for its housing needs. Approximately two thirds of Rio Rancho is undeveloped, as of 2009. This amount of undeveloped land will afford Rio Rancho the opportunity to plan for new housing development that will accommodate future needs. However, the City will also identify and plan for housing needs in and around developed areas.

6.3.2 ANALYSIS OF IMPEDIMENTS

This section will provide the basis for understanding Rio Rancho's housing needs. In April 2006, the City competitively obtained consulting services to update the *Analysis of Impediments (AI)*, which was completed in September of 2006. The AI looks at barriers to housing choice in Rio Rancho and establishes a plan to improve those choices. A detailed analysis of obstacles to fair housing choice can be reviewed in the AI document. However, a summary of key findings will be outlined in this section.

6.3.2.1 HOUSING TENURE

Housing tenure refers to the relationship between a dwelling unit and its occupants—renters versus owners. Housing tenure is an indicator of neighborhood stability. Higher rates of homeownership tend to promote stable neighborhoods. However, rental properties provide housing opportunities for households that are unable, or do not desire, to purchase a home.

Rio Rancho has a high rate of homeownership. In 2000, 83% of the population lived in owner-occupied housing, with the remaining 17% living in renter-occupied housing.

As of 2008, it was estimated that about 80% of the population lived in owner-occupied housing, while about 20% lived in renter-occupied housing.

Homeownership is more widely available to minority households in Rio Rancho than it is New Mexico as a whole. In Rio Rancho, 84% of the Anglo population lives in owner-occupied housing, as does a near similar percentage of Hispanics (82%). Overall, Rio Rancho has stable neighborhoods.

6.3.2.2 HOUSING AFFORDABILITY

One measure of housing affordability is the ratio of an area's median housing value to its median household income. According to the responses of homeowners in the 2000 Census, the median housing value in Rio Rancho was \$112,900, and its median household income was \$47,169. The resulting affordability ratio of 2.4 indicates that it would have taken approximately that many annual household incomes to “acquire” a home in Rio Rancho at that time. This ratio is lower than the state ratio of 3.2 and Albuquerque's ratio of 3.3. Rio Rancho housing was also more affordable than any other incorporated place at the time of the data. Overall, Rio Rancho is comparatively affordable for the region. However, it is important to note that Rio Rancho has a higher median income than the surrounding areas.

6.3.2.3 HOUSING PROBLEMS

The *Comprehensive Housing Affordability Strategy (CHAS)* data published by the *US Department of Housing and Urban Development (HUD)* indicates the presence of housing problems in a community. Specifically, a housing problem refers to a housing unit with any of the following types of conditions:

- cost burden greater than 30% of income, or
- overcrowding (more than 1.01 persons per room), or
- lack of complete kitchen or plumbing facilities

According to the 2000 CHAS data, approximately 28% of all households in Rio Rancho had a housing problem. The CHAS data reveals some disparities in housing problems in Rio Rancho. For example, in 2000, the presence of housing problems among Hispanic households was 34% compared to 26% for Anglo households. When compared to the state and the City of Albuquerque, Rio Rancho has considerably fewer housing problems for the overall population and far fewer racial disparities in the presence of housing problems.

Despite the lower racial disparities of housing problems in Rio Rancho, the CHAS data indicate that many social groups in Rio Rancho experience very high rates of

housing problems. Very low-income households, defined as those earning less than 30% of the area's median family income, experience housing problem rates ranging from 77% for renters to 81% for homeowners. In general, however, renters are considerably more likely to occupy housing with housing problems than homeowners, and the problem is particularly acute for elderly renters and those with a disability.

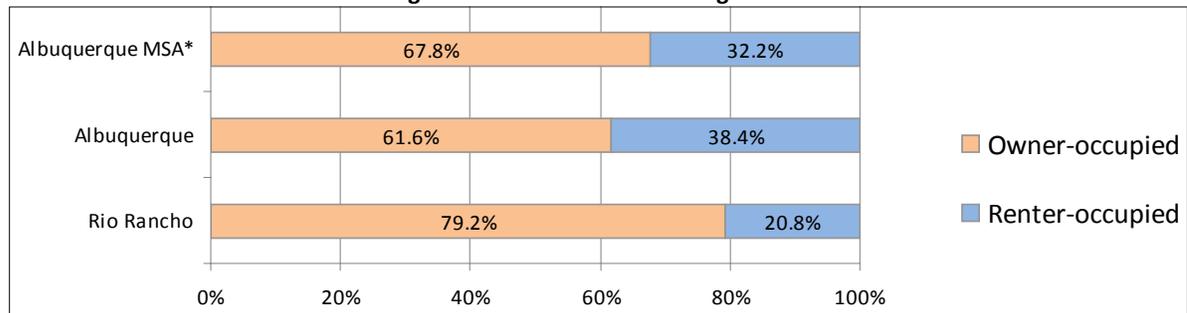
This data provides only a basis of understanding physical housing needs. It is the responsibility of the City to create plans, and thus opportunities, for helping Rio Rancho establish a quality mix of housing opportunities. Figure PH-4 illustrates the housing tenure in Rio Rancho.

6.3.2.4 HOME LENDING TRENDS

This section of the analysis uses data from the 2004 *Loan Application Register (LAR)*.

According to the 2004 LAR, 2,854 owner-occupant home purchase loans were originated in Rio Rancho. Of the 2,854 loans originated, 510 loan applications were denied, resulting in an overall denial rate of 15.2%. This rate is slightly higher than the rate observed in Sandoval County. However, it is lower than the statewide rate of 15.6%. Figure PH-5 shows Rio Rancho Home Loan Denial Rates.

Figure PH-4: Rio Rancho Housing Tenure



Source: American Community Survey

Figure PH-5: Rio Rancho Home Denial Rates



Source: US Census

Denial rates vary significantly by household income. In Rio Rancho, the denial rate for low-income households (<\$42,800 annually) was 18.4%, higher than denial rates for middle-income households (15.8%) and high-income households (10.8%). However, the income disparity in denial rates in Rio Rancho appears to be slightly smaller than income disparities elsewhere.

Census tract 107.16 in the southeast portion of the City had the lowest denial rate at 8.3%. This Census tract also had the City's lowest median household income and the lowest percentage of minorities. To its west lies Census tract 107.15. Ironically, the denial rate in this Census tract was the City's highest (36%).

Sub-prime lending also occurs in the City. Rio Rancho's overall sub-prime lending rate of 13.5% is higher than the rate for Sandoval County (12.2%) and statewide (10.5%).

Overall, Rio Rancho does not seem to be experiencing unique lending issues. However, there seems to be some unique lending disparities that have occurred geographically. Therefore, Rio Rancho must continue to seek equitable housing opportunities across the City.

6.3.2.5 HOUSING FOR OLDER ADULTS

Rio Rancho has a limited number of housing opportunities for older adults. There are four larger senior living facilities and an unknown number of smaller assisted living facilities within the City.

Buena Vista Active Adult Community is an independent living housing complex for those 55 plus and is located at 1355 Meadowlark Lane SE. As of the spring of 2010, Buena Vista Active Adult Community is at 90% capacity. Vista Grande Apartments is located at 4101 Meadowlark Lane SE and is another independent living facility.

Fairwinds offers both independent and assisted living located at 920 Riverview Drive SE.

Sandia Springs is an assisted living facility located at 1000 Riverview Drive SE.

6.3.2.6 COMMUNITY DEVELOPMENT BLOCK GRANT

The *Community Development Block Grant* (CDBG) program is a flexible program through HUD that provides communities with resources to address a wide range of unique community development needs. In 2001, the City became an entitlement city by reaching a population of 50,000. This means that the City no longer has to apply for funds annually from the State, but is entitled to the grant annually from the federal government.

The primary purpose of the City's *Financial Services CDBG Office* is to oversee the funding allocation of the *Community Development Block Grant*. Funded CDBG projects must meet a National Objective and consist of an eligible activity.

- Benefiting low- and moderate-income persons.
- Preventing or eliminating slums or blight.
- Meeting other community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community and other financial resources are not available to meet such needs.

CDBG funds have been utilized for programs that address decent housing, a suitable living environment, homelessness prevention, neighborhood revitalization, and expanding economic opportunities principally for low- and moderate-income persons.

As such, the City prepares an Action Plan annually. The *2009-2010 Annual Action Plan* identifies and provides crucial information regarding housing and non-housing community development needs.

Each activity in the *2009-2010 Annual Action Plan* corresponds to one of the following three objectives:

- Suitable Living Environment
- Decent Housing
- Creating Economic Opportunities

In addition, each activity must also choose an outcome category that best reflects what the participating jurisdiction is seeking to achieve. The three outcome categories are:

- Availability/Accessibility
- Affordability
- Sustainability

In general, the City has observed that its low- to moderate-income population is generally dispersed throughout the City. Contingent on the type of project, funds may either be used at large or within a specific geographic that has demonstrated a need.

There are only two Census block groups that qualify geographically for distribution of CDBG funds through the traditional method of allocation of funds. Therefore, during preparation of the *Consolidated Plan* in 2003, the City requested, and was approved by HUD, to apply the Quartile Method. As a result, nine of the City's 35 Census block groups qualify for CDBG funding, geographically.

Individually, Census block groups among these nine have Rio Rancho's single highest concentrations of the following populations:

- Low Income
- Moderate Income
- Hispanic Origin
- Children Ages 0 to 5
- Female
- Unemployed
- Renter-Occupied Housing
- Households with Public Assistance
- Median Monthly Owners' Cost as a Percentage of Income
- Percentage of Housing Units Lacking Complete Plumbing Facilities
- Black or African American
- American Indian and Alaskan Native
- Asian
- Some Other Race

No single Census group has a preponderance of multiple factors that renders its population significantly disadvantaged over that of the other parts of the City. Also, because the City's infrastructure and housing stock are relatively modern, the City does not have significant concentrations of housing in disrepair, overcrowding, sub-standard tenant housing, or displaced or homeless populations. However, to attract and create well-planned high-quality, stable, residential, commercial and industrial development, as the second goal of the City's *Strategic Plan* directs, we need to create a mix of housing opportunities.

6.3.2.7 PARTNERSHIPS

There is a working relationship between the City's *Financial Services CDBG Program Office* and the various housing and other service providers in Rio Rancho. Such service providers in Rio Rancho are:

- Town of Bernalillo Housing Authority
- Empowering Our Communities (EOC)
- New Mexico Mortgage Finance Authority (MFA)
- Haven House, Inc.
- Sandoval County
- New Mexico Public Health
- New Mexico Human Services Indigent Assistance
- St. Felix Pantry
- Boys and Girls Club of Rio Rancho
- Rebuilding Together Sandoval County
- RCI, Inc.
- Storehouse West
- Goodwill Industries
- YDI, Inc.
- Family Services for Children
- Share Your Care

These relationships are vital to the success of the CDBG program.

6.4. IMPLEMENTATION

6.4.1 DISCUSSION

The purpose of the Population & Housing element is to examine the overall demographic and housing characteristics of the City. This examination allows the City to better understand the needs of its residents. For example, an up-to-date estimate of the City's population will help the City procure federal, state, and local funds that are often allocated by population. The Population & Housing element is also designed to promote a variety of housing types to meet the needs of people in all income levels—allowing residents the opportunity to live and work within the City.

6.4.2 GOALS

Goal PH-1: To ensure that regulations do not have an unreasonable negative impact on the cost or supply of housing.

Goal PH-2: Maintain the strength, vitality, and stability of all residential neighborhoods and types.

Goal PH-3: Promote a variety of housing types to meet the needs of all members of the community.

Goal PH-4: To ensure that single-family and multi-family residential neighborhoods provide an attractive living environment.

6.4.3 POLICIES

Policy PH-1: Promote quality, community-friendly multifamily development, through features such as enhanced open space and pedestrian connectivity.

Policy PH-2: Initiate and encourage neighborhood and community involvement to foster a positive civic and neighborhood image.

Policy PH-3: Protect residential areas from illegal land use activities through enforcement of city codes.

Policy PH-4: Establish site and building design guidelines to create an effective transition, or necessary buffer, between substantially different land uses and densities.

Policy PH-5: Encourage mixed-use and mixed-income housing opportunities in designated growth nodes throughout the city.

Policy PH-6: Ensure that mixed-use development complements and enhances the character of neighboring residential and commercial development.

Policy PH-7: Support residential developments with appropriate amenities for families with children.

Policy PH-8: Work in partnership with public and private groups in the planning and development of housing.

Policy PH-9: Provide incentives to encourage residential development for a range of housing types and income levels throughout the city.

Policy PH-10: Encourage high-density, mixed-income residential development within the Downtown area.

Policy PH-11: Encourage detached accessory dwelling units in larger-lot, single-family developments.

Policy PH-12: Ensure that affordable housing opportunities are dispersed throughout the city.

Policy PH-13: Plan for housing for people with special needs throughout the city.

Policy PH-14: Encourage preservation, maintenance, and improvements to existing affordable housing.

Policy PH-15: Explore all available federal, state, and local programs and private options for financing affordable housing.

6.4.4 ACTIONS

Action PH-1: Establish a Neighborhood Enhancement Program, or similar program to provide improvements that will help establish a sense of community.

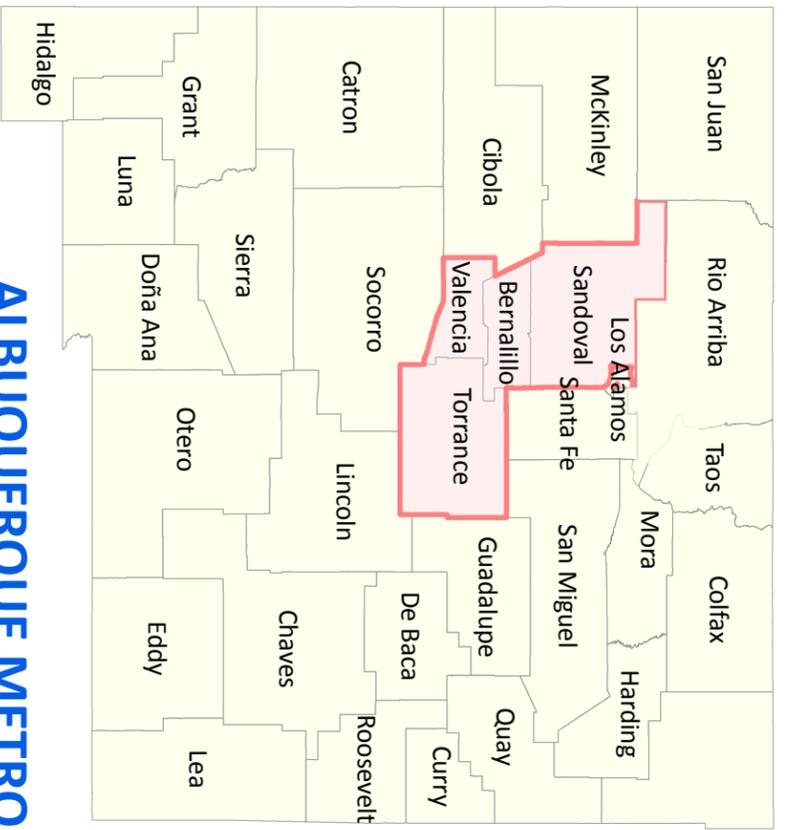
Action PH-2: Review land use regulations and permit processing requirements on an annual basis to ensure they are consistent with the Strategic and Comprehensive Plans.

Action PH-3: Amend the zoning ordinance to allow attached and detached accessory dwelling units in single-family districts subject to specific development, design, and owner occupancy standards.

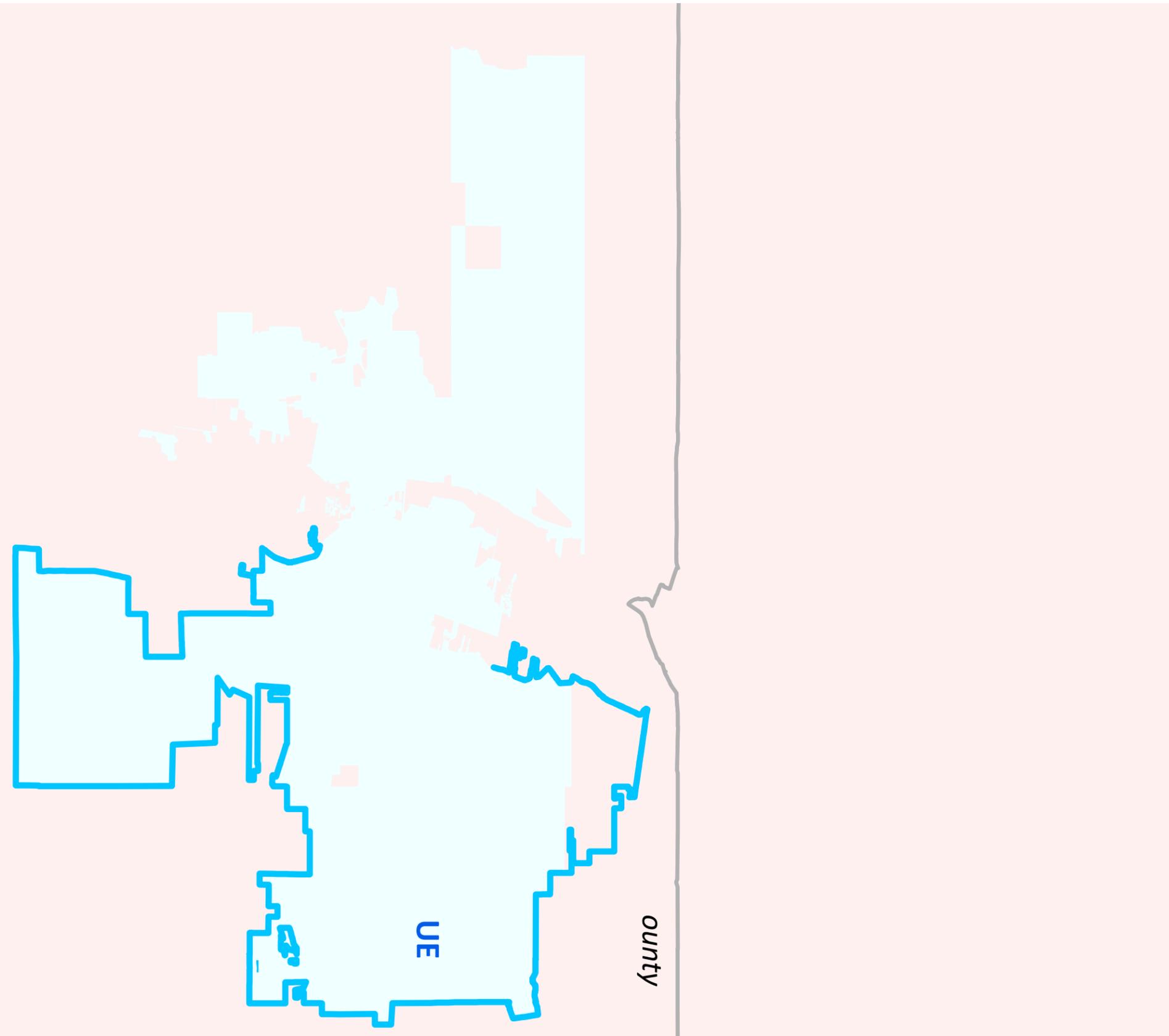
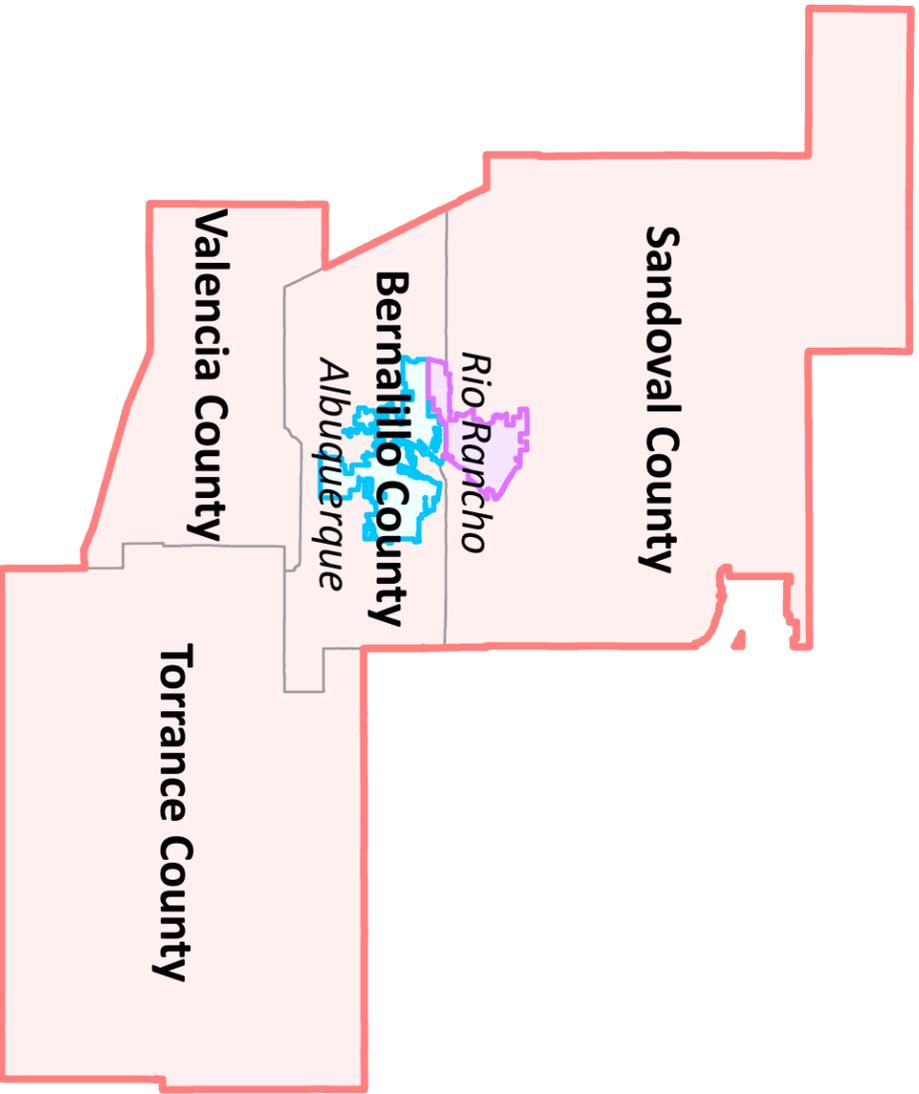
Action PH-4: Amend the zoning ordinance to remove barriers or unnecessary standards that decrease the affordability of housing.

Action PH5: Pursue and encourage opportunities to preserve and develop housing throughout the City to meet the needs of all income levels and those with special needs.

Action PH-6: Establish public and private partnerships to promote the development of affordable housing.



**ALBUQUERQUE METROPOLITAN
STATISTICAL AREA (MSA)**

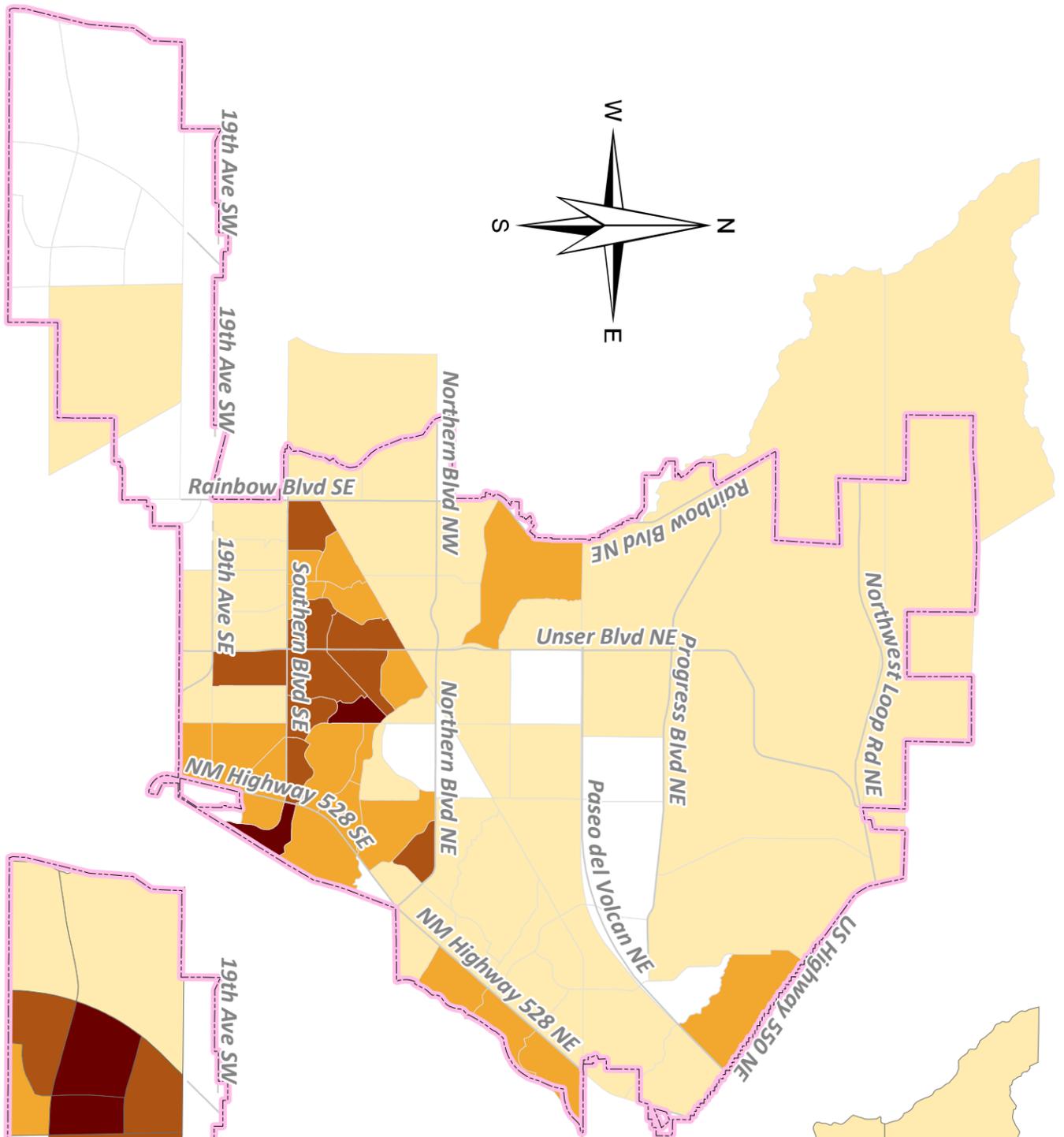


MAP PH-1: POPULATION & HOUSING COMPARISON AREAS

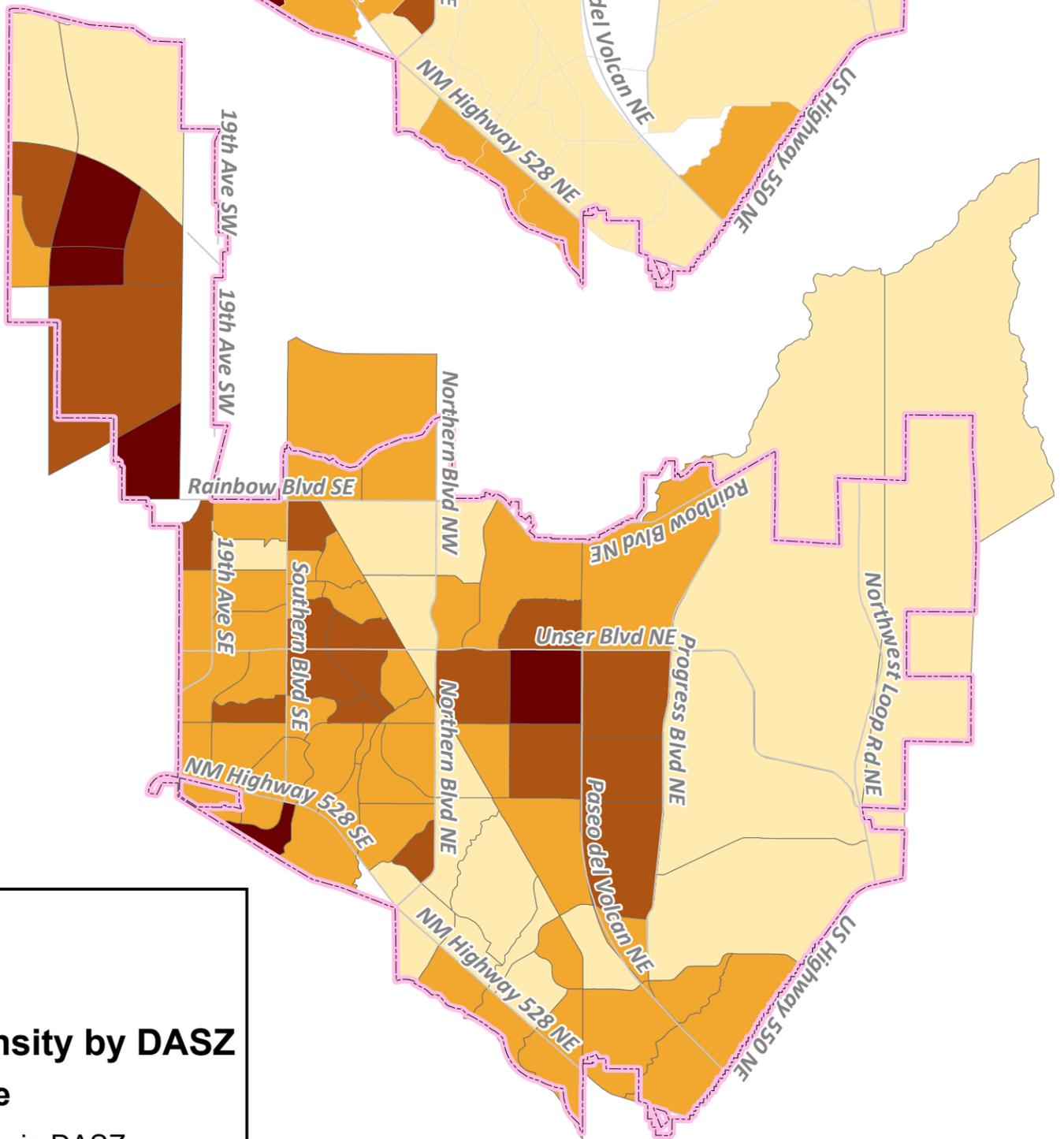
MID-REGION COUNCIL OF GOVERNMENTS 2010 DRAFT PROJECTION

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2008



2035

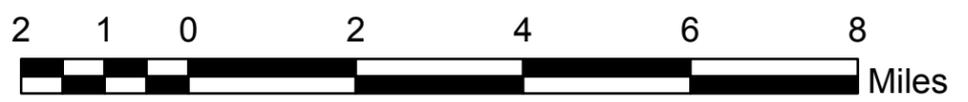


LEGEND

— City Limits

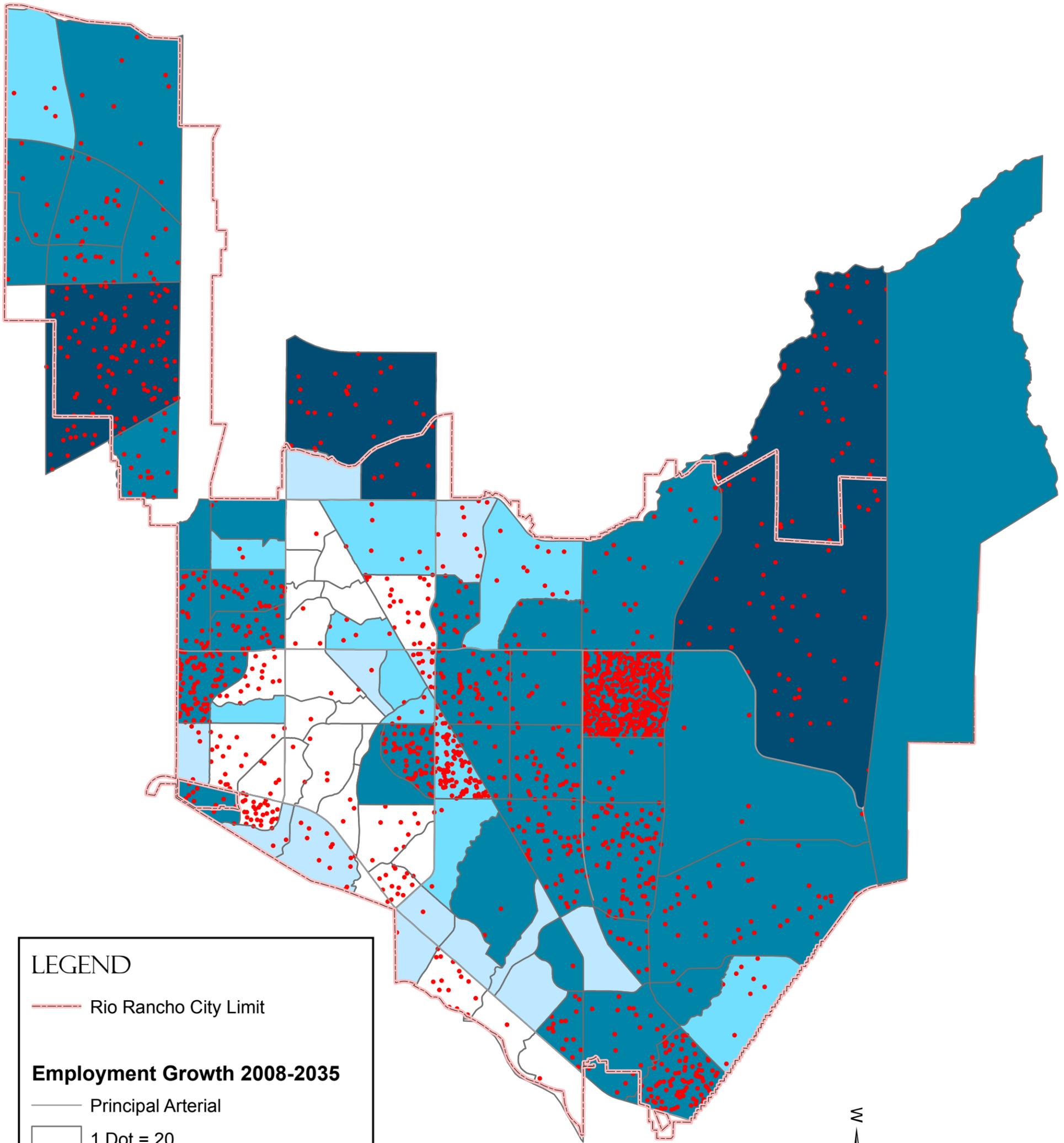
Population Density by DASZ
Persons per Acre

White	No Population in DASZ
Light Yellow	0.1 - 3
Orange	3.001 - 6
Brown	6.001 - 9
Dark Red	9.001 - 12



MAP PH-2: PROJECTED POPULATION DENSITY BY DASZ

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LEGEND

--- Rio Rancho City Limit

Employment Growth 2008-2035

— Principal Arterial

1 Dot = 20

• EMP08_35

Population Growth 2008-2035

POP08_35

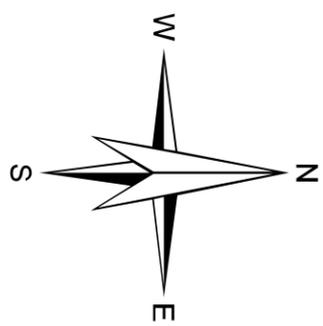
Little or No Growth

51 - 500

501 - 1000

1001 - 10000

10001+



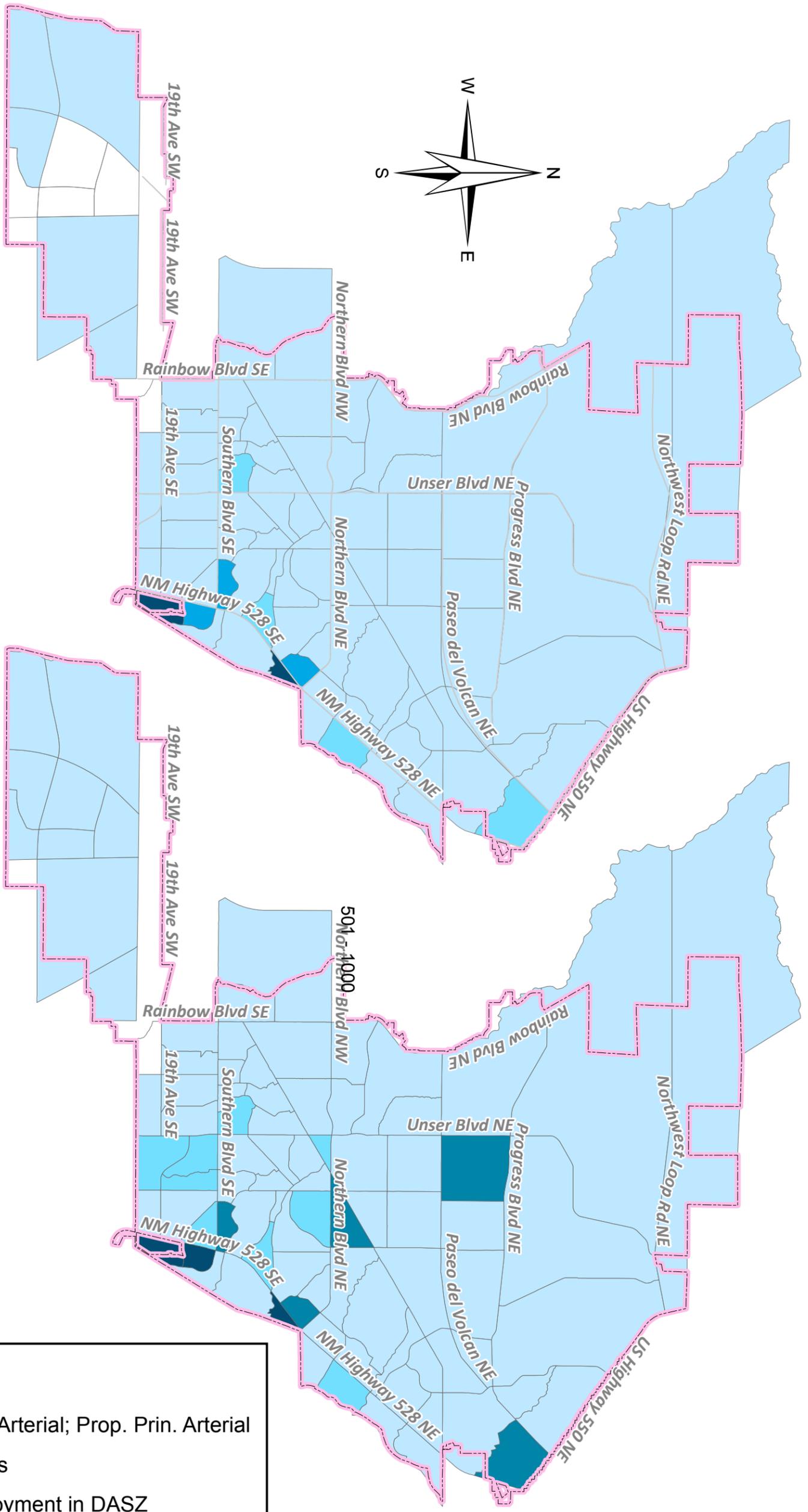
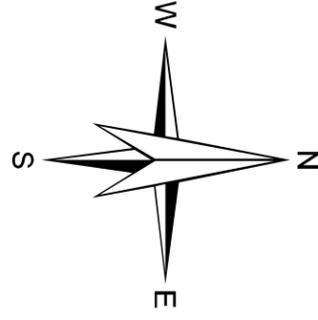
MAP PH-3: PROJECTED POPULATION AND EMPLOYMENT GROWTH

MID-REGION COUNCIL OF GOVERNMENTS 2010 DRAFT PROJECTION

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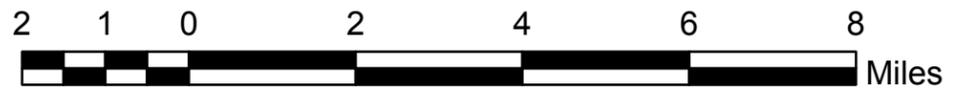
2008

2035



LEGEND

- Principal Arterial; Prop. Prin. Arterial
- City Limits
- No Employment in DASZ
- 0.001 - 2.000
- 2.001 - 5.000
- 5.001 - 10.00
- Above 10



MAP PH-4: PROJECTED EMPLOYMENT DENSITY BY DASZ
 MID-REGION COUNCIL OF GOVERNMENTS 2010 DRAFT PROJECTION

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