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Housing

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Chapter 7 Housing

Purpose and Intent

The purpose of this chapter is to ensure the provision of appropriate types and amounts of land within urban growth boundary supporting a range of housing types necessary to meet current and future needs. These lands should support suitable housing for all income levels. Likewise, the Plan must also ensure that the appropriate type, location and phasing of public facilities and services are sufficient to support housing development in areas presently developed or undergoing development, or redevelopment.

This Chapter includes three supporting documents: (1) A Buildable Lands Inventory produced by Angelo Planning Group dated May 2, 2019; (2) A Housing Need Analysis produced by Johnson Economics dated June, 2019; and (3) A Housing Strategies Report produced by Angelo Planning Group dated June 10, 2019. These documents are the sources of information found in this Chapter and provide additional information for reference.

Introduction

Having affordable, quality housing in safe neighborhoods with access to community services is essential for all Oregonians. Like other cities in Oregon, the City of Prineville is responsible for helping to ensure that its residents have access to a variety of housing types that meet the housing needs of households and residents of all incomes, ages and specific needs. The City does this primarily by regulating residential land uses within the City, and working with and supporting non-profit and market rate developers, and other housing agencies in developing needed housing.

In addition, the City has undertaken and will continue to implement and update a variety of activities to meet current and future housing needs:

- Conduct and periodically update an analysis of current and future housing conditions and needs. The City most recently conducted this analysis in 2019. The results are summarized in this element of the Comprehensive Plan and described in more detail in a supporting Housing and Residential Land Need Assessment Report.
- Conduct and periodically update an inventory of buildable residential land (BLI) to ensure that the City has an adequate supply of land zoned for residential use to meet projected future needs. The City most recently conducted this analysis in 2019. The results are summarized in this element of the Comprehensive Plan and described in more detail in a supporting Buildable Lands Inventory Report.
- Adopt and amend, as needed, a set of housing-related Comprehensive Plan policies to address future housing needs.
- Regularly update and apply regulations in the City's Zoning and Land Division Ordinances to meet a variety of housing needs identified in the Comprehensive Plan and supporting documents.
- Implement additional strategies to address housing needs in partnership with state and county agencies and other housing organizations. Potential strategies are described in more detail in section 4 of the Housing Strategies Report prepared as part of the Housing Needs Analysis in 2019.

Demographic Conditions and Trends

Unless otherwise noted, the flowing discussion refers to the Prineville Urban Growth Boundary (UGB) area, not the city limits.

- Prineville is a City of an estimated 10,000 people within its City limits, (11,910 people within the UGB), located in Crook County in Central Oregon. An estimated 19% of the population in the UGB lives outside the city limits.
- Prineville has experienced steady growth, growing over 36% in population since 2000. In contrast, Crook County and the state experienced population growth of 15% and 21% respectively. (US Census and PSU Population Research Center)
- The Prineville UGB was home to an estimated 5,218 households in 2018, an increase of roughly 1,850 households since 2000. The percentage of families fell between 2000 and 2018 from 67% to 53% of all households. The city has a smaller share of family households than Crook County (65%) and the state (63%).
- Prineville's estimated average household size is 2.26 persons, having also fallen since 2000. This is lower than the Crook County average of 2.31 and the statewide average of 2.47.

FIGURE 1.1: PRINEVILLE DEMOGRAPHIC PROFILE (UGB)

POPULATION, HOUSEHOLDS, FAMILIES, AND YEAR-ROUND HOUSING UNITS					
	2000	2010	Growth	2018	Growth
	(Census)	(Census)	00-10	(PSU)	10-18
Population ¹	8,755	11,010	25.8%	11,910	8.2%
Households ²	3,362	4,415	31.3%	5,218	18.2%
Families ³	2,275	2,879	27%	2,755	-4%
Housing Units ⁴	3,596	4,975	38%	5,307	7%
Group Quarters Population ⁵	181	236	30%	118	-50%
Household Size (non-group)	2.55	2.44	-4%	2.26	-7%
Avg. Family Size	3.09	2.98	-4%	2.96	-1%
PER CAPITA AND MEDIAN HOUSEHOLD INCOME					
	2000	2010	Growth	2018	Growth
	(Census)	(Census)	00-10	(Proj.)	10-18
Per Capita (\$)	\$14,163	\$17,692	25%	\$18,503	5%
Median HH (\$)	\$30,435	\$30,628	1%	\$33,195	8%

SOURCE: Census, PSU Population Research Center, and Johnson Economics

Census Tables: DP-1 (2000, 2010); DP-3 (2000); S1901; S19301

¹ From PSU Population Research Center, Population Forecast Program, final forecast for Crook Co. (2017)

² 2018 Households = (2018 population - Group Quarters Population)/2018 HH Size

³ Ratio of 2018 Families to total HH is based on 2016 ACS 5-year Estimates

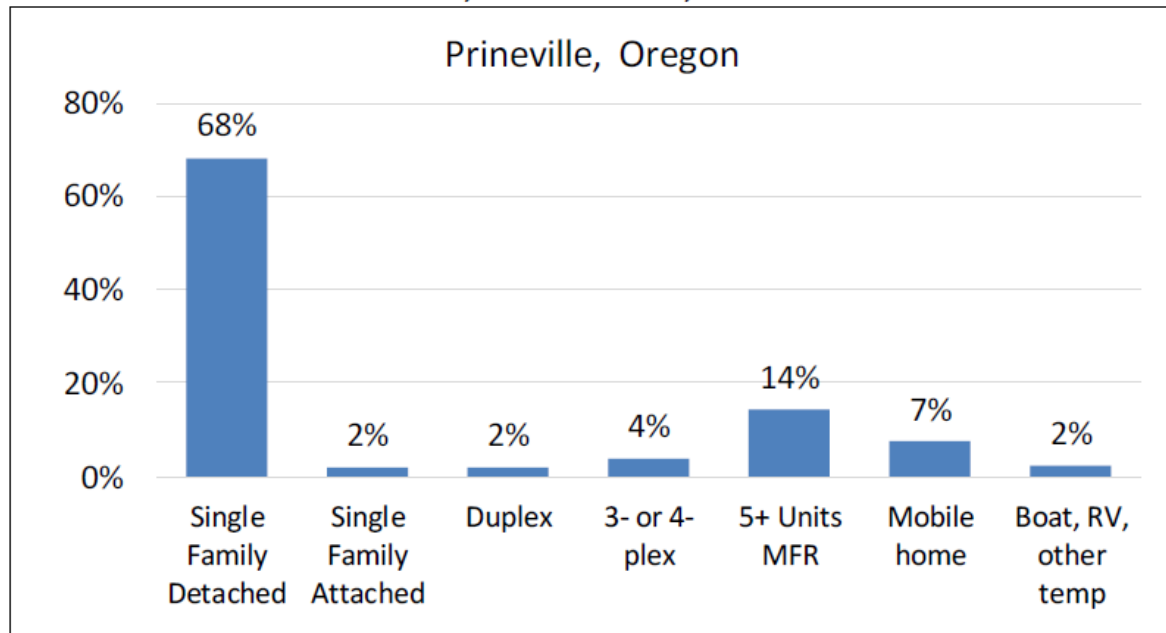
⁴ 2018 housing units are the '10 Census total plus new units permitted from '10 through '18 (source: Census, Cities)

⁵ Ratio of 2018 Group Quarters Population to Total Population is kept constant from 2010.

Housing Conditions and Trends

- **Housing Tenure.** Prineville has a greater share of owner households (55%) than renter households (45%) according to the Census. The ownership rate in Prineville has fallen significantly from 63% since 2000. During this period the statewide rate fell from 64% to 61%. Nationally, the homeownership rate has nearly reached the historical average of 65%, after the rate climbed from the late 1990's to 2004 (69%). The estimated ownership rate is higher in Crook County (67%) and statewide (61%).
- **Housing Stock.** The Prineville UGB had an estimated 5,300 housing units in 2018, with a very low estimated vacancy rate (includes ownership and rental units). Figure 2.1 shows the estimated number of units by type in 2017. Detached single-family homes represent an estimated 68% of housing units (includes manufactured homes on a single-family lot). Units in larger apartment complexes of 5 or more units represent 14% of units, and other types of attached homes represent an additional 8% of units. (Attached single family generally includes townhomes, some condo flats, and plexes which are separately metered.) Mobile homes (in parks) represent 7% of the inventory.

FIGURE 2.1: ESTIMATED SHARE OF UNITS, BY PROPERTY TYPE, 2017



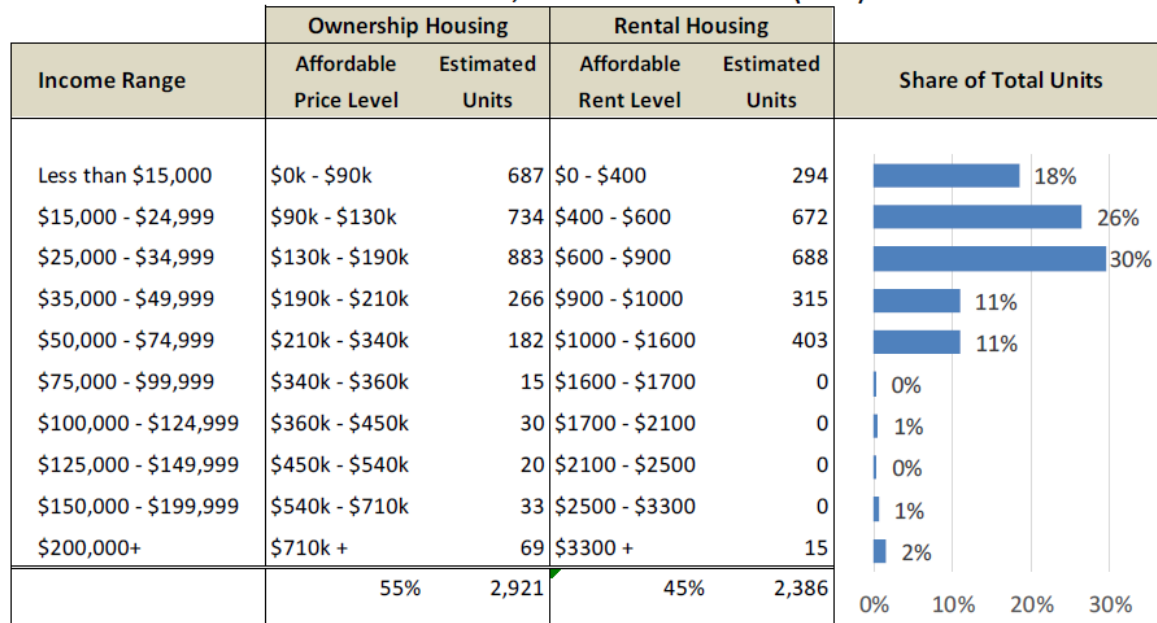
SOURCE: City of Prineville, Census ACS 2017

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Current and Projected Housing Needs

- The results show a need for 1,020 new housing units by 2039.
- Of the new units needed, roughly 57% are projected to be ownership units, while 43% are projected to be rental units. This is due to the forecast of a slightly higher homeownership rate in the future.
- The table shows no new need for ownership housing at the low-end of the pricing spectrum, but in the middle. This is because these are the value levels where a majority of the city's housing is currently found. Therefore, what Figure 4.3 represents is that there may be support for some units at higher price points.
- The greatest need for rental units is found at the lowest and middle price points. There is support for some units in the \$900 to \$1,100 rent levels, which is above most current market rents. This shows that there is some support for new, more expensive rental supply. There is also a need for some single-family homes for rent at higher price points.

FIGURE 3.4: PROFILE OF CURRENT HOUSING SUPPLY, ESTIMATED AFFORDABILITY (2018)



Sources: US Census, PSU Population Research Center, JOHNSON ECONOMICS
Census Tables: B25004, B25032, B25063, B25075 (2017 ACS 5-yr Estimates)

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FIGURE 4.3: PROJECTED FUTURE NEED FOR NEW HOUSING UNITS (2039), PRINEVILLE

OWNERSHIP HOUSING										
Price Range	Single Family Detached	Single Family Attached	Multi-Family			Mobile home	Boat, RV, other temp	Total Units	% of Units	Cumulative %
			2-unit	3- or 4-plex	5+ Units MFR					
\$0k - \$90k	0	0	0	0	0	0	0	0	0.0%	0.0%
\$90k - \$130k	0	0	0	0	0	0	0	0	0.0%	0.0%
\$130k - \$190k	0	0	0	0	0	0	0	0	0.0%	0.0%
\$190k - \$240k	17	21	0	7	0	59	0	104	17.8%	17.8%
\$240k - \$320k	121	0	0	0	0	0	0	121	20.7%	38.6%
\$320k - \$360k	181	0	0	0	0	0	0	181	31.1%	69.6%
\$360k - \$450k	108	0	0	0	0	0	0	108	18.6%	88.2%
\$450k - \$540k	49	0	0	0	0	0	0	49	8.5%	96.7%
\$540k - \$710k	19	0	0	0	0	0	0	19	3.3%	100.0%
\$710k +	0	0	0	0	0	0	0	0	0.0%	100.0%
Totals:	495	21	0	7	0	59	0	582	% of All Units:	57.0%
Percentage:	85.0%	3.6%	0.0%	1.2%	0.0%	10.2%	0.0%	100.0%		

RENTAL HOUSING										
Price Range	Single Family Detached	Single Family Attached	Multi-Family			Mobile home	Boat, RV, other temp	Total Units	% of Units	Cumulative %
			2-unit	3- or 4-plex	5+ Units MFR					
\$0 - \$400	33	20	19	31	143	20	15	280	63.9%	63.9%
\$400 - \$600	0	0	0	0	0	0	0	0	0.0%	63.9%
\$600 - \$900	0	0	0	0	0	0	0	0	0.0%	63.9%
\$900 - \$1100	85	0	5	5	5	5	0	107	24.3%	88.2%
\$1100 - \$1500	0	0	0	0	0	0	0	0	0.0%	88.2%
\$1500 - \$1700	23	0	0	0	0	0	0	23	5.2%	93.4%
\$1700 - \$2100	5	0	0	0	0	0	0	5	1.1%	94.5%
\$2100 - \$2500	2	0	0	0	0	0	0	2	0.5%	95.1%
\$2500 - \$3300	22	0	0	0	0	0	0	22	4.9%	100.0%
\$3300 +	0	0	0	0	0	0	0	0	0.0%	100.0%
Totals:	170	20	24	36	149	25	15	439	% of All Units:	43.0%
Percentage:	38.8%	4.5%	5.5%	8.2%	33.9%	5.7%	3.4%	100.0%		

TOTAL HOUSING UNITS									
	Single Family Detached	Single Family Attached*	Multi-Family			Mobile home	Boat, RV, other temp	Total Units	% of Units
			2-unit	3- or 4-plex	5+ Units MFR				
Totals:	665	40	24	43	149	84	15	1,021	100%
Percentage:	65.2%	4.0%	2.4%	4.2%	14.6%	8.3%	1.5%	100.0%	

Sources: PSU, City of Prineville, Census, Envirionics Analytics, JOHNSON ECONOMICS

- Figure 4.4 presents estimates of need at key low-income affordability levels in 2018 and in 2039. There is existing and on-going need at these levels, based on income levels specified by Oregon Housing and Community Services for Crook County. An estimated 55% of households qualify as at least “low income” or lower on the income scale, while 17% of household qualify as “extremely low income”. Typically, only rent-subsidized properties can accommodate these households at “affordable” housing cost levels.

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FIGURE 4.4: PROJECTED NEED FOR HOUSING AFFORDABLE AT LOW INCOME LEVELS, PRINEVILLE

Affordability Level	Income Level		Current Need (2018)		Future Need (2039)		NEW Need (20-Year)	
			# of HH	% of All	# of HH	% of All	# of HH	% of All
Extremely Low Inc.	30% AMI	\$16,410	862	17%	993	17%	131	13%
Very Low Income	50% AMI	\$27,350	1,811	35%	2,086	35%	275	27%
Low Income	80% AMI	\$43,760	2,876	55%	3,313	55%	437	43%

Sources: OHCS, Environics Analytics, JOHNSON ECONOMICS

* Income levels are based on OHCS guidelines for a family of four.

Comparison of Projected Need and Buildable Land Supply

- There is a total forecasted need for 1,021 units over the next 20 years. This is well below the estimated capacity of over 10,000 units. As Figure 5.3 below demonstrates, there is sufficient capacity to accommodate all projected new unit types. After this need is accommodated, there is an estimated remaining capacity of over 1,900 additional units, mostly in the medium-density residential zone.
- The following table shows the same comparison, converting the forecasted residential need and capacity by acres, rather than units. There is a projected need for 216 acres of new residential development, but a buildable capacity of 1,569 acres.
- There is currently sufficient buildable capacity within Prineville to accommodate projected need. Some of this capacity is in the form of parcels with the potential for infill or redevelopment for future multi-family units. The character of this supply can help guide housing policy and strategy recommendations to be included in subsequent reports and ultimately integrated in the City's updated Comprehensive Plan.

FIGURE 5.1: ESTIMATED BUILDABLE LANDS CAPACITY BY ACREAGE AND NO. OF UNITS (2019)

ZONE	Buildable Acreage				Projected Unit/ Net Acre	Housing Unit Capacity			
	Partially Vacant	Vacant	Total	Share		Partially Vacant	Vacant	Total	Share
R1 - Limited Residential	12	20	32	2%	4	42	93	135	1%
R2 - General Residential	171	728	899	57%	8	1,320	5,767	7,087	69%
R3 - County Residential	310	284	594	38%	4	1,097	1,523	2,620	26%
R4 - Resid. Redevelopment	3	4	7	0.4%	10	24	35	59	0.6%
CMU - Mixed Use	24	8	32	2%	10	239	77	316	3%
TOTALS:	520	1,044	1,564		7	2,722	7,495	10,217	
<i>Low Density Residential</i>	<i>322</i>	<i>304</i>	<i>626</i>	<i>40%</i>		<i>1,139</i>	<i>1,616</i>	<i>2,755</i>	<i>27%</i>
<i>Medium Density Residential</i>	<i>171</i>	<i>728</i>	<i>899</i>	<i>57%</i>		<i>1,320</i>	<i>5,767</i>	<i>7,087</i>	<i>69%</i>
<i>High Density Residential</i>	<i>27</i>	<i>12</i>	<i>39</i>	<i>2%</i>		<i>263</i>	<i>112</i>	<i>375</i>	<i>4%</i>

Source: Angelo Planning Group

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FIGURE 5.3: COMPARISON OF FORECASTED FUTURE LAND NEED (2039) WITH AVAILABLE CAPACITY

<u>LAND INVENTORY VS. LAND NEED</u>	Unit Type			<u>TOTAL</u>
	Single Family Detached	Medium-Density Attached*	Multi-Family	
Buildable Land Inventory (Acres):	626	899	39	1,564
Estimated Land Need (Acres):	187	14	15	216
<i>Land Surplus (Inventory - Need:)</i>	<i>439</i>	<i>885</i>	<i>24</i>	<i>1,348</i>

Sources: Angelo Planning Group, Johnson Economics

For more detail on these findings please refer to the “Housing and Residential Land Needs Assessment Report” and the Buildable Lands Inventory (BLI) maps prepared for the city.

Strategies to Accommodate Future Housing Needs

The Housing Needs Analysis and Buildable Lands Inventory conducted for the City in 2019 indicated that the City had an adequate supply of buildable residential land within its urban growth boundary (UGB) to meet projected housing needs during the next 20 years. If population growth occurs at a faster rate than projected at that time, the City could find that additional land is needed in the future.

Although the City is not anticipated to need to expand its UGB during the planning period, it can continue to consider and implement a variety of strategies in the future to further provide opportunities for a wide range of housing choices, efficient land use, and development of housing affordable to people with low and moderate incomes. For the purposes of this Plan, “affordable housing” is defined as housing that is affordable to a household that spends 30% or less of its income on housing, including rent or mortgage payments and utilities. Households with low incomes are those who make 80% or less of median household income. Those with moderate incomes make 81-95% of median household income.

The City is already implementing a variety of land use and other strategies that help provide for a wide range of housing options in Prineville. Potential strategies not currently being undertaken by the City, or existing strategies with the potential to be strengthened or enhanced, are summarized in the following table. The ability to implement them will depend on available resources, community priorities and other factors.

These strategies are described in more detail in section 4 of the Housing Strategies Report prepared by the City as part of its Housing Needs Analysis project in 2019.

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Strategy	Primary goal
1. Urban Growth Boundary (UGB) Amendment or Adjustment (Swap) Amend the city's UGB in the future if the supply of land within the UGB cannot accommodate the amount needed for future development. Alternatively, consider exchanging land inside the UGB for land outside the boundary if it will improve the likelihood of future development inside the UGB. Prior to pursuing an expansion, the city must consider measures to improve the efficiency of future land use within the existing boundary.	Ensure an adequate land supply for future residential development
2. Code Amendments for Small Housing Types Consider developing specific standards for cottage cluster housing and/or develop additional standards, as needed for duplexes, triplexes, four-plexes, townhomes, and other "missing middle" housing types to ensure compatibility of size and scale with surrounding housing.	Remove regulatory barriers
3. Incentive Zoning Creates incentives to developers to provide a community benefit (such as affordable housing), in exchange for ability to build a project that would not otherwise be allowed by the development code.	Increase development flexibility / reduce housing costs
4. System Development Charge (SDC) Deferral Deferral or exemption of SDCs for affordable housing or other desired housing types. Can be applied to regulated affordable housing and/or specific housing types (such as ADUs).	Reduce development costs
5. Expedited Development Review Variety of strategies to reduce review and processing times for regulated affordable housing development, such as formally adopting shortened review timelines for applications or giving priority in scheduling hearings and meetings with staff.	Reduce development costs / remove process barriers
6. Tax Abatements or Exemptions Tax exemptions or abatements offer another financial incentive to developers that can improve the long-term economic performance of a property and improve its viability. This can be a substantial incentive, but the City will forego taxes on the property, generally for ten years. Other taxing jurisdictions are not included, unless they agree to participate. Tax exemption programs are authorized by the state for specific purposes: Vertical Housing; Multiple-Unit Housing; Non-Profit Low-Income.	Reduce development costs
7. Public-Private Partnerships (PPPs) and Community Land Trusts Arrangements between public and private entities to create more and/or affordable housing. PPPs can promote a variety of affordable housing programs or projects and include partnerships from multiple entities (public, private, and non-profit), including community land trusts.	Promote construction of new affordable housing

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8. Tenant Protection Programs and Policies

Local regulations and enforcement programs that provide protections for tenants of existing affordable housing and low-cost market rate housing against evictions, excessive rent increases, discrimination, and health and safety violations.

Protect affordable units and reduce displacement

9. Land Acquisition and Banking

Land acquisition is a tool to secure sites for affordable housing. Land banking is the acquisition and holding of properties for extended periods without immediate plans for development, but with the intent that properties eventually be used for affordable housing.

Reduce land costs

10. Construction Excise Tax

Adopt a tax on new construction of between 1 and 3% to help pay for other affordable housing strategies identified here. The tax is a one-time tax assessed on new construction. State law requires it to be spent on specific types of programs and activities.

Provide source of funding for other affordable housing programs

11. Financial Assistance Programs

A range of tools that can be used to maintain housing affordability or to help keep residents in their homes. Possible tools include rent assistance, loans for homeowners, or assistance to low-cost apartment owners for repairs and upgrades.

Protect affordable units and reduce displacement

Housing Goal: Provide opportunities for a wide range of housing types that meet the needs of residents with a full range of incomes and circumstances.

Policies

1. The City shall apply zoning designations and standards that create opportunities for wide variety of housing types, including but not limited to single-family detached homes, manufactured homes, duplexes, triplexes, four-plexes, townhomes, apartments, accessory dwelling units, cottage cluster housing, recreational vehicle parks, and mixed commercial and residential use.
2. The City shall encourage development of higher density and multifamily housing in close proximity to services and major transportation corridors or other areas designated for this use and limit low-density housing in these locations.
3. The City shall seek partnerships with non-profit housing developers and other agencies to create the opportunity to provide moderate-and low-income housing development and rehabilitation activities within the City.

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4. The City shall continue to implement its Natural Feature Overlay District (NFOD) to help reduce the amount of development in hazardous areas such as floodplains and steep slopes as well as natural areas such as wetlands and rimrock.
5. The City shall employ strategies that support federal and state Fair Housing laws and other federal and state fair housing requirements to affirmatively further fair housing.
6. The City shall allow and support the development of Accessory Dwelling Units in all residential zones where single-family detached homes are allowed, as required by State law.
7. The City shall allow for a mix of residential uses with other compatible uses in appropriate locations.
8. The City shall support the maintenance and development of manufactured homes as an affordable housing choice in appropriate locations.
9. The City shall continue to support and publicize programs implemented by partner organizations which promote energy efficiency and use of other sustainable building materials and practices in the construction and rehabilitation of housing.
10. The City will support programs implemented by partnering agencies which address the needs of the unhoused, as well as people with specialized housing needs, including medical hardships.
11. The City shall encourage maintenance and rehabilitation of the existing housing stock, including the extension of services and support local or regional programs that provide funding for these efforts.
12. The City shall encourage efficient use of residential land within the Urban Growth Boundary.
13. The City shall regularly monitor its supply of buildable land and shall provide a sufficient amount of residential land to accommodate residential growth.
14. The City shall continue to provide opportunities for the flexible design and siting of housing through use of its Planned Unit Development provisions and other alternative land use permitting procedures and processes.
15. The City shall support and encourage multi-modal transportation designs and provide access internally and adjacent to new and existing developments.