

7



Housing

Prineville's Comprehensive Plan	
Table of Contents - Chapter 7	
Purpose and Intent	Housing
Issues, Goals, Policies, and Programs	
Household Size and Types	
Household and Family Structure	
Housing Snapshot	
Population Snapshot	
Housing Profiles	
Housing Affordability	
Aesthetic and Design Characteristics of Housing	
Housing Model Data	
Housing Values and Policies	
Housing Rehabilitation Values and Policies	
Alternative Housing Values and Policies	
Compatibility Values and Policies	
	April 2006

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.

In addition to inventories of buildable lands, this chapter of the Plan includes: (1) a comparison of the distribution of the existing population by income with the distribution of available housing units by cost; (2) a determination of vacancy rates, both overall and at varying rent ranges and cost levels; (3) a determination of expected housing demand at varying rent ranges and cost levels; (4) allowance for a variety of densities and types of residences; and (5) an inventory of sound housing in urban areas including units capable of being rehabilitated.

The Prineville community contains a variety of housing choices and vacant and redevelopable lands. Single-family homes are the dominant housing type. However, the City Housing Model data shows that additional lands for mixed-use and multi-family housing need to be addressed. This chapter examines housing supply, condition, occupancy, affordability, and available land supply to meet community needs over the 20 year planning horizon. Implementation programs for meeting future housing demand are also included in this chapter.

Affordability

The affordability of housing is a significant determinant to the livability and sustainability of the Prineville community. Housing affordability affects all segments of the local population. According to federal housing guidelines, no more than 30% of a family's gross monthly income should be spent on housing, including heating and other bills.

Housing Needs Model

The State of Oregon has developed a housing model that can predict the type and number of units needed for the desired growth period. The model is attached to this report and shows that an additional 1301.3 acres of residential land are needed beyond the recent 2004 UGB expansion. Some of the needed lands will be supplied by the rezoning of 569.0 acres of inappropriately zoned industrial lands as noted above. Remaining acreages may be obtained by expanding the UGB in appropriate areas as determined by additional study and findings necessary to meet State law. This program, in addition to other analysis techniques and planning tools, will enable the City to examine housing needs on a macro level with opportunity for local calibration. The program will enable the City to maintain consistent review of the housing environment and is a tool for the monitoring of housing needs and development of land and unit need projections. It is the basis for establishing accurate inventories and accommodates any needed revisions through local calibration and data collection. Use of the model, over time, will produce different outputs dependant upon changing characteristics and market trends in the community related to all needed housing types. The complete housing model and the 2005 outputs are available in the appendix of this document.

Housing

Issues, Goals, Policies, and Programs

Available, affordable, safe housing are critical ingredients to the success of how a community accommodates population growth. The attractiveness of Prineville to new residents relies upon the availability of many housing choices to accommodate varied citizen demands and pricing thresholds.

To understand the future of housing needs in Prineville, it is important to assess and analyze the existing characteristics of the community's housing stock. Various factors must be taken into consideration to obtain a clear picture of the situation. The following elements should be examined:

- Trends in housing types;
- Age of structures;
- Condition and value of structures;
- Household demographics;
- Income levels of households;
- Percentage of income spent for housing;
- Occupancy patterns;
- Vacancy rates;
- Ownership and rental trends

The tables in this section include data from the recent census and local economic development agencies, and other experts. Information was also obtained from other resources including DLCD, Crook County, EDCO, and personal interviews with Central Oregon Regional Housing Authority CORHA staff, local bank representatives, housing service providers, and others as noted. The data helps local decision makers understand the various aspects of housing and population change.

This chapter also takes into account the effects of utilizing financial incentives and resources to (a) stimulate the rehabilitation of substandard housing without regard to the financial capacity of the owner so long as benefits accrue to the occupants; and (b) bring into compliance with codes adopted to assure safe and sanitary housing the dwellings of individuals who cannot on their own afford to meet such codes.

Historical Housing

Prineville is the oldest communities in Central Oregon and the housing choices reflect the historical nature of the City. Prineville's history as a timber and agricultural community has shaped the stock of existing housing. Mill workers and agricultural workers typically lived in town near employment. Many millhouses are located near former mills and shipping areas. These homes are typically less than 1200 square feet in size and similar in style. Many do not have connections to City water and sewer services and lack efficient heating and proper insulation. Other areas of the community, near the central core, contain older homes in various condition where most are

Housing

connected to community infrastructure. Over the years and as the community economic situation diversified so has the variety of housing. A quick visual tour of Prineville shows a range of housing from older mill worker residences, Victorian-era homes to more modern homes developed post WWII. A recent influx of bedroom-community homes and recreational housing is evident throughout the community. Well-designed subsidized housing is also a new feature in the community.

Effects of Growth

Prineville has experienced unprecedented residential development within the UGB in the last 10 years. A significant amount of the new housing been built between 1994 and 2004. This consists of primarily detached, single family dwellings although a few large attached multi-family dwelling projects occurred during the same time. For the most part, these new dwelling units were built within the 2007 City limits.

While this growth has put a strain on public services, a positive aspect of this housing boom is that the newer dwelling units have been built under modern and more energy efficient structural, electrical, plumbing, and energy codes. The area between the City limits and the UGB tends to remain relatively rural with large lot development and agricultural uses that are transitioning to small family/hobby farms. Where development or redevelopment does occur on these UGB lands, it is primarily limited to detached, single-family subdivisions.

Snapshot of the Housing Market ¹

The housing market in Central Oregon is changing. A greater share of families/households is fundamentally “priced out” of Deschutes County (Bend, Redmond and Sisters), and thus, buyers are considering alternative options in Prineville.

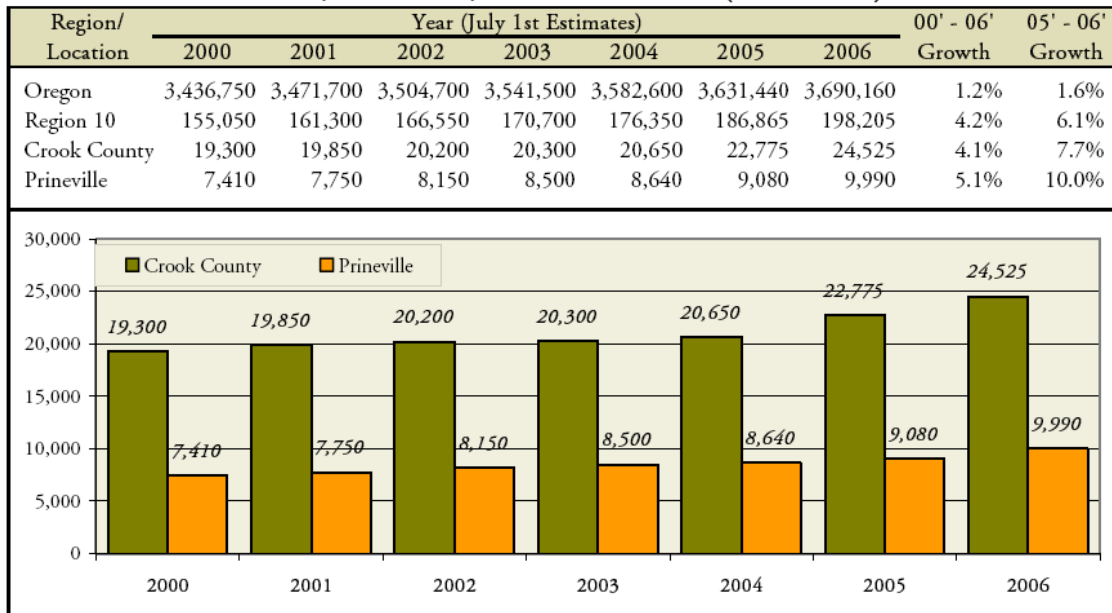
Over the past six years, Crook County has experienced robust population growth, which more than doubled the State’s five-year forecast and added over 5,000 individuals to the community. Much of this growth occurred in the City of Prineville, which grew by 2,580 individuals or over 30% during the six year period.

Over the next twenty years, the Oregon Office of Economic Analysis expects regional and county level population to continue a healthy growth pattern. Through 2025, State forecasts estimate an additional 91,382 individuals are expected to permanently reside within Region 10 (Deschutes, Jefferson and Crook Counties), 9,090 of which will locate in Crook County, roughly 9.94%. Additionally, roughly 82.3% of anticipated Crook County population growth will be realized through net in-migration. Total new ownership demand in Prineville is expected to exceed 3,510 units over the next ten years. The total demand profile by age indicates sizable demand from existing households among middle age and pre-retirees. Approximately 34% of all ownership demand is expected to be derived from households of 35-54 years. In other words, turnover demand from existing younger household will likely combine with demand from elderly households to provide a diverse range of qualified buyers within the primary market area over the next five to ten years.

Table H-1 outlines trends in the Bend / Redmond and Crook County housing markets over the past five years.

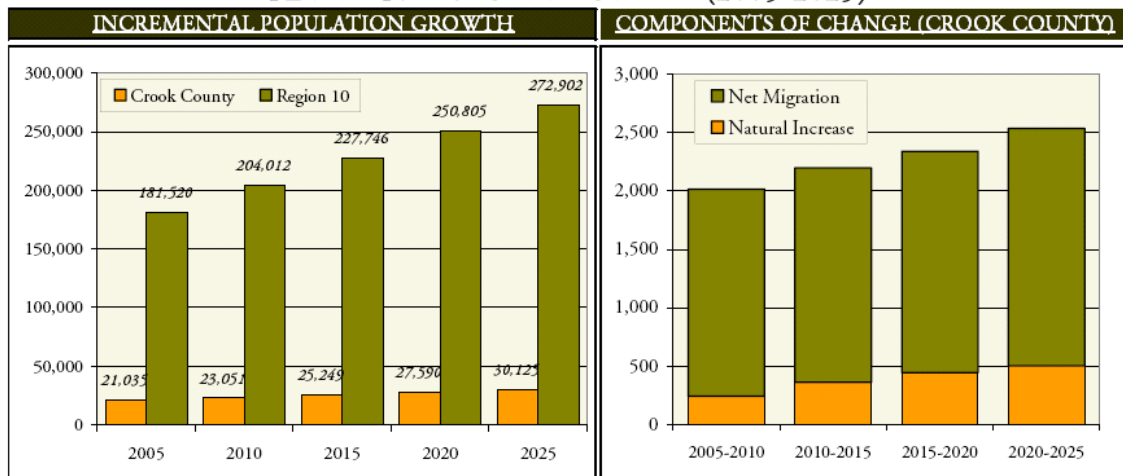
¹ Data on pages 110-120 obtained from JG Study and State Data Resources

Table H-1
ANNUAL POPULATION ESTIMATES
STATE, REGIONAL, & LOCAL TRENDS (2000-2006)



SOURCE: Oregon Population Research Center

Table H-2
20-YEAR POPULATION PROJECTION
REGION 10 AND CROOK COUNTY (2005-2025)



SOURCE: Oregon Office of Economic Analysis

Housing

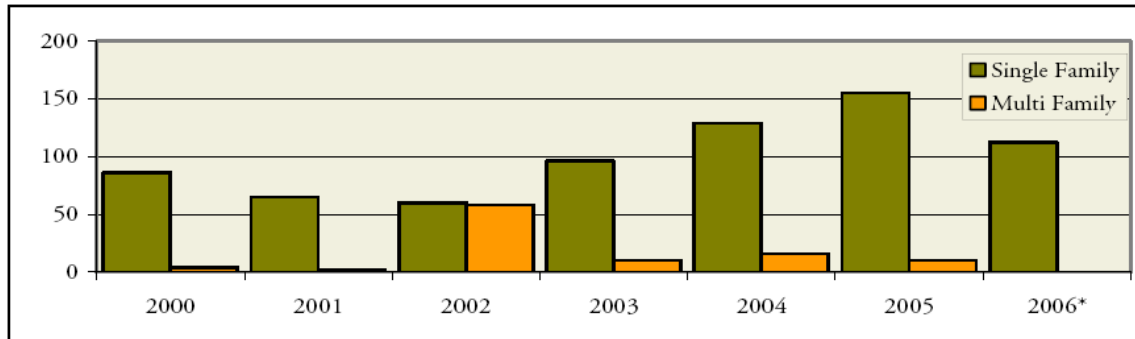
Building Permit Data

Residential construction, as measured by building permits, has been brisk in the central Oregon region for over 5 years. Driven largely by growth in the Bend/Redmond Market, the three city region has averaged over 2,416 permits annually since 2000 and in 2005 displayed a 12.8% increase over the previous year. However, 2006 year to date figures for Bend and Redmond indicate that residential permits have slowed significantly from the record levels of 2005. Prineville is expected to continue permit expansion as somewhere between 5,000 and 8,000 homes are in the planning stages.

Table H-3
RESIDENTIAL BUILDING PERMITS
BEND, REDMOND, & PRINEVILLE (2000-2006 YTD)

Location	2000		2001		2002		2003		2004		2005		2006*	
	S.F.	M.F.	S.F.	M.F.	S.F.	M.F.	S.F.	M.F.	S.F.	M.F.	S.F.	M.F.	S.F.	M.F.
Prineville	86	4	65	2	60	58	96	10	129	16	155	10	112	0
Redmond	358	10	477	16	392	16	487	133	699	108	829	45	504	35
Bend	829	137	944	222	1,195	299	1,156	669	1,663	570	2,050	506	1,422	154

PRINEVILLE PERMIT TRENDS



* Year to Date (October 2006)

SOURCE: U.S. Census Bureau

Residential construction in the City of Prineville has exhibited similar growth, albeit on a much smaller scale. Moreover, nearly 86.5% of construction in Prineville has been single-family homes as compared to 77.7% in Bend. Very few multi-family housing project permits were issued in 2006.

Table H-4

Housing

BASELINE HOUSEHOLD GROWTH SCENARIO PRINEVILLE, OREGON

Growth Area	2005	Estimates					'06-'26 Change
		2006	2011	2016	2021	2026	
Region 10 1/	186,865	191,282	214,984	239,994	264,293	287,579	96,297
City of Prineville 2/	9,080	9,295	10,446	11,662	12,842	13,974	4,679
<i>Prineville Capture of Regional Population</i>	4.9%	4.9%	4.9%	4.9%	4.9%	4.9%	n/a
Average HH Size in Prineville 3/	2.58	2.58	2.60	2.61	2.62	2.63	0.05
Estimated Household Growth	3,519	3,599	4,025	4,472	4,901	5,306	1,707

Year	Estimated Household Growth
2006	3,519
2011	3,599
2016	4,025
2021	4,472
2026	5,306

1/ Region 10 population forecasts from the Oregon Office of Economic Analysis

2/ Baseline 2005 figure from the Oregon Population Research Center. 2006 figure is a growth estimate.

3/ Annual increase represents trends exhibited between 1990 and 2002

Household Size and Types

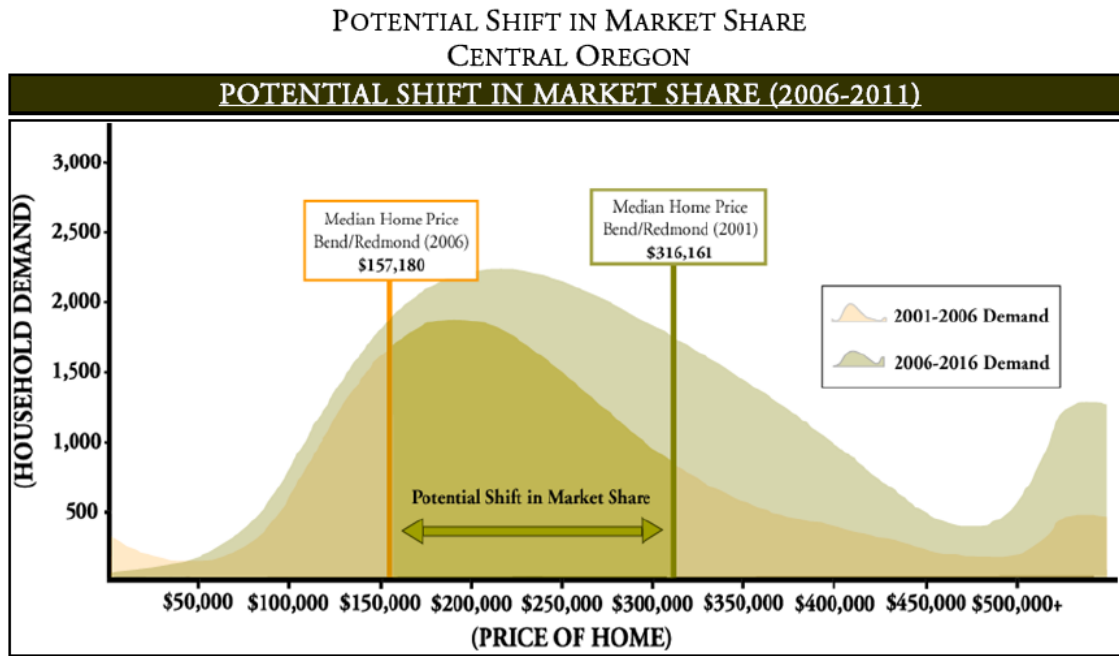
The average household sizes for owner occupied units and rental units in Prineville are 2.57 and 2.51 respectively. This data is important when determining actual units and unit types for needed housing during the planning period. Household types are listed below using data collected from the Census Bureau. Household trends appear to indicate a reduction in married couples and increases for single householders without spouses. The information can be read to mean that greater choices in housing types that appeal to single householders will need to be provided in the community. This information was used to calibrate the housing model.

In 2001, the Central Oregon region was rapidly gaining popularity around the country, yet, the housing market in Bend and Redmond had yet to take off and affordable options were relatively abundant. During this period, the median home price in Redmond and Bend were \$125,000.00 and \$168,950.00 respectively. At those levels, an estimated 26% of projected region demand was priced below the Bend median, or effectively "priced out" of the market. Only 12% was priced below the Redmond Median. In other words, 73% of forecasted growth household could afford a home in Bend if they so chose.

In 2006, the market appears to be experiencing an entirely different dynamic. Inflation in median housing prices have averaged better than 15% in Bend/Redmond over the past five years, effectively doubling the median price in both markets. Projected demand over the next ten-years has "pushed out" slightly relative to the 2001-2006 period; however, the shift is minute in comparison to housing prices. In 2006, an estimated 49% of the market is priced below the Redmond Median and an astounding 72% of demand is below Bend. In other words, at current pricing, only 28% of new growth households remain able to afford homes in Bend relative to 73% five-years ago. With a greater share of households fundamentally "priced out" of the Bend Redmond market, buyers are forced to consider alternative options in other regional markets such as Prineville.

Table H-5

Housing



Households priced below the 2001 median will obviously continue to be priced out of the Bend/Redmond Market and continue to seek housing in lower priced markets in surrounding areas like Prineville, Madras, or Powell Butte. Households priced above the 2006 Median will for the most part continue to at least shop the Bend/Redmond market for housing opportunities. Households priced between the two medians represent the potential shift in the market. Historically, these households fell within the affordability of the Bend/Redmond market but do not under current pricing. These households represent the shift in the market in which buyers will now seek alternative locations on a price point basis. This is a problem and creates a jobs/housing imbalance and waste of energy resources to accommodate longer vehicle trips to job markets. This situation cannot be easily corrected without significant investment in regional analysis and regional agreement and implementation of regional solutions.

Over the next ten years, new household growth are estimated to generate an additional 1,569 ownership households in the City of Prineville. A considerable proportion of growth, roughly 37%, will be derived from households earning less than \$25,000 annually, indicating a significant number of senior and retired buyers with non-income wealth. This condition is exemplified by 37.5% the new households entering the area falling in the 55+ age. However, working age/family households are also expected to have an increased presence in coming years. Households aged 25-44 earning between \$35,000 and \$99,999 are projected to grow by 132% over the next ten years.

Template 11 of the Prineville Housing Model (attached) shows that the community needs to provide additional opportunities for a greater mixture of housing types.

Add in template -

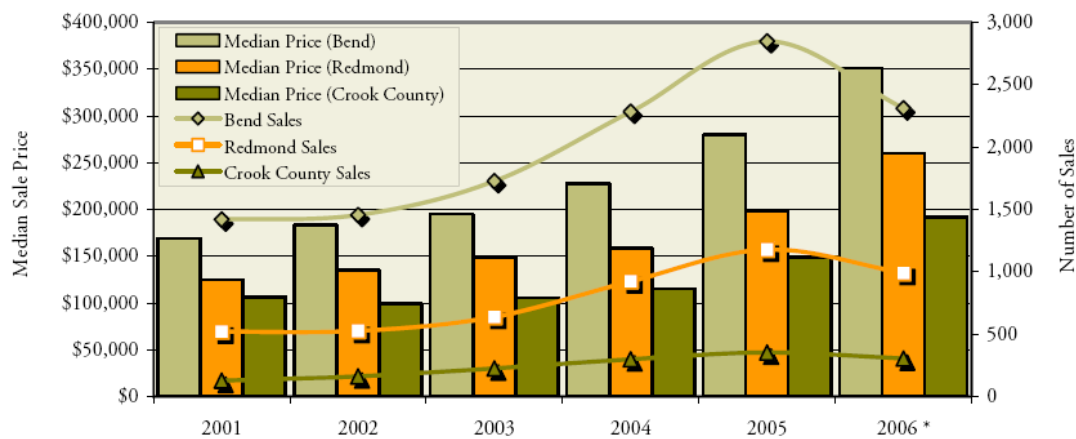
Turnover Demand

Housing

When turnover demand is considered, total new ownership demand in the area exceeds 3,510 units over the next ten years. The total demand profile by age cohort indicates sizable demand from existing households among middle age and pre retiree cohorts. Roughly, 34% of all ownership demand is expected to be derived from households of 35-54 years. In other words, turnover demand from existing younger household will likely combine with structural demand from elderly households to provide a diverse range of qualified buyers within the primary market area over the next five to ten years.

Table H-6
MARKET SALES TRENDS
CENTRAL OREGON (2001-2006 YTD)

Region	2001	2002	2003	2004	2005	2006 *	'01-'05 Chg.	'05-'06 Chg.
Bend								
Total Sales	1,419	1,456	1,727	2,284	2,849	2,311	100.8%	-18.9%
Average Price	\$208,097	\$225,866	\$235,882	\$271,457	\$334,570	\$404,972	60.8%	21.0%
Median Price	\$168,950	\$183,500	\$195,000	\$227,500	\$279,900	\$351,016	65.7%	25.4%
Average D.O.M	146	140	141	130	120	130	-17.8%	8.3%
Redmond								
Total Sales	519	525	638	923	1,178	990	127.0%	-16.0%
Average Price	\$136,481	\$147,515	\$162,377	\$182,759	\$226,238	\$289,755	65.8%	28.1%
Median Price	\$125,000	\$135,125	\$148,567	\$158,500	\$198,818	\$259,975	59.1%	30.8%
Average D.O.M	150	146	152	138	130	129	-13.3%	-0.8%
Crook County								
Total Sales	127	161	225	298	353	305	178.0%	-13.6%
Average Price	\$106,524	\$104,633	\$111,433	\$120,430	\$154,906	\$206,405	45.4%	33.2%
Median Price	\$106,524	\$99,400	\$105,450	\$114,928	\$149,275	\$191,695	40.1%	28.4%
Average D.O.M	178	170	144	102	91	97	-48.9%	6.6%
Bend/Redmond Price Spread								
Average Price:	52.5%	53.1%	45.3%	48.5%	47.9%	39.8%	-8.7%	-17.0%
Median Price:	35.2%	35.8%	31.3%	43.5%	40.8%	35.0%	16.0%	-14.1%
Crook County/Bend-Redmond Price Spread								
Average Price:	77.3%	96.0%	93.9%	104.2%	95.5%	79.5%	23.5%	-16.8%
Median Price:	58.6%	84.6%	84.9%	98.0%	87.5%	83.1%	49.3%	-5.0%



* Total sales data annualized from end of 3rd quarter.

SOURCE: Central Oregon Association of Realtors

Housing

Table H-7
AGE BY INCOME DISTRIBUTION OF HOUSEHOLDS
PRINEVILLE, OREGON (2006-2016)

Household Income Range 1/	Age of Householder							Total	Age of Householder							Total
	15-24	25-34	35-44	45-54	55-64	65-74	75+		15-24	25-34	35-44	45-54	55-64	65-74	75+	
2006									NET CHANGE (2006-2011)							
Under \$15,000	60	69	108	107	52	168	216	779	17	20	32	31	15	49	62	227
\$15,000-\$24,999	46	150	87	67	69	68	124	611	13	44	25	20	20	20	36	178
\$25,000-\$34,999	61	171	143	33	61	80	50	600	18	50	42	10	18	23	15	175
\$35,000-\$49,999	79	176	151	120	65	35	39	664	23	51	44	35	19	10	11	194
\$50,000-\$74,999	46	150	115	120	136	36	25	628	13	44	34	35	40	11	7	183
\$75,000-\$99,999	0	46	59	55	26	9	6	201	0	13	17	16	8	3	2	59
\$100,000-\$149,999	0	16	21	46	21	6	8	119	0	5	6	13	6	2	2	35
\$150,000-\$249,999	0	12	0	1	11	1	16	41	0	3	0	0	3	0	5	12
\$250,000-\$499,999	0	0	0	1	0	1	6	8	0	0	0	0	0	0	2	2
\$500,000 or More	0	0	0	0	0	0	1	1	0	0	0	0	0	0	0	0
TOTAL	291	791	684	549	440	405	491	3,651	85	231	200	160	128	118	142	1,064
2011									NET CHANGE (2011-2016)							
Under \$15,000	77	89	139	138	67	217	278	201	23	27	41	41	20	64	83	299
\$15,000-\$24,999	59	194	112	86	89	88	160	101	18	58	33	26	27	26	48	235
\$25,000-\$34,999	79	221	185	42	79	103	65	-14	23	66	55	13	23	31	19	230
\$35,000-\$49,999	102	227	196	155	83	45	50	-52	30	68	58	46	25	14	15	255
\$50,000-\$74,999	59	194	149	155	176	47	32	-27	18	58	44	46	52	14	9	241
\$75,000-\$99,999	0	59	76	71	33	12	8	8	0	18	23	21	10	4	2	77
\$100,000-\$149,999	0	21	27	59	27	8	11	11	0	6	8	18	8	2	3	46
\$150,000-\$249,999	0	15	0	2	14	2	21	21	0	5	0	0	4	0	6	16
\$250,000-\$499,999	0	0	0	2	0	2	8	8	0	0	0	0	0	0	2	3
\$500,000 or More	0	0	0	0	0	0	1	1	0	0	0	0	0	0	0	0
TOTAL	376	1,022	884	709	568	523	634	4,716	112	304	263	211	169	155	188	1,402
2016									NET CHANGE (2006-2016)							
Under \$15,000	100	116	181	179	87	281	361	1,305	40	47	73	72	35	113	145	526
\$15,000-\$24,999	77	252	146	112	116	114	208	1,024	31	102	59	45	47	46	84	413
\$25,000-\$34,999	102	287	240	55	102	134	84	1,005	41	116	97	22	41	54	34	405
\$35,000-\$49,999	132	295	254	201	108	59	65	1,113	53	119	102	81	44	24	26	449
\$50,000-\$74,999	77	252	193	201	228	61	41	1,052	31	102	78	81	92	25	17	424
\$75,000-\$99,999	0	77	98	92	43	16	10	336	0	31	40	37	17	6	4	136
\$100,000-\$149,999	0	28	35	77	35	10	14	199	0	11	14	31	14	4	6	80
\$150,000-\$249,999	0	20	0	2	18	2	27	69	0	8	0	1	7	1	11	28
\$250,000-\$499,999	0	0	0	2	0	2	10	14	0	0	0	1	0	1	4	6
\$500,000 or More	0	0	0	0	0	0	2	2	0	0	0	0	0	0	1	1
TOTAL	488	1,325	1,146	920	737	678	822	6,118	197	535	462	371	297	274	331	2,466

Table H-8
Most Recent 2000 Census Data

Recent Census Data	Age Distribution by Sex, 2000			
	Male		Female	
	Number	Percent	Number	Percent
Total Population	9,564	49.86%	9,618	50.14%
0-4	610	3.18%	644	3.36%
5-9	710	3.70%	663	3.46%
10-14	763	3.98%	726	3.78%
15-19	772	4.02%	642	3.35%
20-24	522	2.72%	493	2.57%
25-29	531	2.77%	542	2.83%
30-34	553	2.88%	549	2.86%
35-39	611	3.19%	647	3.37%
40-44	720	3.75%	737	3.84%
45-49	683	3.56%	696	3.63%
50-54	713	3.72%	705	3.68%
55-59	559	2.91%	560	2.92%
60-64	534	2.78%	479	2.50%
65-69	397	2.07%	425	2.22%
70-74	370	1.93%	387	2.02%
75-79	252	1.31%	291	1.52%
80-84	155	0.81%	245	1.28%
85+	109	0.57%	187	0.97%

Profile of General Demographic Characteristics: 2000

Geographic Area: Prineville city, Oregon

Subject Number Percent

Sex and Age	
Male	3,546
48.2	
Female	3,810
51.8	
Under 5 years	613
8.3	
5 to 9 years	593
8.1	
10 to 14 years	579
7.9	
15 to 19 years	568
7.7	
20 to 24 years	511
6.9	
25 to 30 years	1,014
13.8	
35 to 44 years	973
13.2	
45 to 54 years	785
10.7	
55 to 59 years	307
4.2	
60 to 64 years	273
3.7	
65 to 74 years	542
7.4	
75 to 84 years	436
5.9	
85 years and over	162
2.2	
Median age (years)	32.9
(X)	
18 years and over	5,190
70.7	

Housing

Male	2,433
33.1	
Female	2,765
37.6	
21 years and over	4,899
66.6	
62 years and over	1,301
17.7	
65 years and over	1,140
15.5	
Male	441
6	
Female	699
9.5	
TOTAL POPULATION	7,356
100%	

Relationship	
In Households	7,175
48.2	
Householder	2,817
38.3	
Spouse	1,447
19.7	
Child	2,230
30.3	
Own Child under 18 years	1,919
26.1	
Other relatives	301
4.1	
Under 18 years	136
1.8	
Non-relatives	380
5.2	
Unmarried partner	175
2.4	
In group quarters	181
2.5	
Institutionalized population	122
1.7	
Non-institutionalized	59
0.8	
TOTAL POPULATION	7,356
100%	

Household By Type

Family Households	7,175
67.7	
With own children under 18 years	696
35.8	
Married couple family	1,447
24.7	
With own children under 18 years	330
11.7	
Female householder, no husband	330
11.7	
With own children under 18 years	218
7.7	
Non-Family households	911
32.3	
Householder living alone	763
27.1	
Householder 65 years and older	372
13.2	
Households with individuals < 18	1,093
38.8	
Households with individuals > 65	781
27.7	
Average household size	2.55
(X)	
Average family size	3.09
(X)	
TOTAL HOUSEHOLDS	2,817
100%	

Housing

Housing Occupancy	
Occupied housing units	2,817
93.2	
Vacant housing units	205
6.8	
For seasonal, recreation or occasional use	
0.3	
Homeowner vacancy rate (percent)	2.80
(X)	
Rental vacancy rate (percent)	7.90
(X)	
TOTAL HOUSING UNITS	3,022
100%	

Owner occupied housing units	1,609
57.1	
Renter occupied housing units	1,208
42.9	
Occupied housing units	2,817
100%	

Average household size of owner-occupied units. 2.57 (X)

Average household size of renter-occupied units. 2.51 (X)

- Represents zero or rounds to zero. (X) Not applicable.

Source: U.S. Census Bureau, Census 2000.

Blue font denotes change from Council approved version.

Housing

Population Snapshot

Between 1990 and 2000, the Central Oregon population grew by an incredible 49% as compared to the State as a whole at 5.9%. Most of this growth is due to in-migration. Other areas of the nation, especially in the Southwestern states, also have high in-migration rates, but the demographics of those new residents vary greatly from Central Oregon.

Table H-10

US Census Bureau

Counties & Cities	Actual					
	2003	2002	2001	2000*	1995	1990*
Crook County	20,300	20,200	19,850	19,182	15,700	14,111
Prineville	8,500	8,150	7,750	7,356	7,205	5,355
Unincorporated	11,800	12,050	12,100	11,826	9,947	8,756
Deschutes County	130,500	126,500	122,050	115,367	89,500	74,958
Bend	62,900	57,750	55,080	52,029	29,425	20,469
Redmond	17,450	16,110	14,960	13,481	9,650	7,163
Sisters	1,430	1,080	960	959	765	679
Unincorporated	48,720	51,560	51,050	48,898	49,660	46,647
Jefferson County	19,900	19,850	19,400	19,009	15,400	13,676
Culver	840	840	800	802	600	570
Madras	5,370	5,290	5,200	5,078	4,290	3,443
Metolius	780	770	660	635	540	450
Warm Springs	NA	NA	NA	5,727	NA	NA
Unincorporated	12,910	12,950	12,740	6,767	9,905	9,213
Total Area Population	170,700	166,550	161,300	153,558	120,600	102,745

County Population Projections As Noted By Oregon Bureau of Economic Analysis

County	2000	2003	2005	2010	2015	2020	2025	2030	2035	2040
Crook	19,300	20,300	21,035	23,051	25,249	27,590	30,125	32,796	35,569	38,553
Deschutes	116,600	130,500	139,994	158,792	178,418	197,150	214,479	229,933	244,069	257,088
Jefferson	19,150	19,900	20,491	22,168	24,079	26,065	28,298	30,831	33,390	36,094
Tri-County Total	155,050	170,700	181,520	204,011	227,746	250,805	272,902	293,560	313,028	331,735

Housing

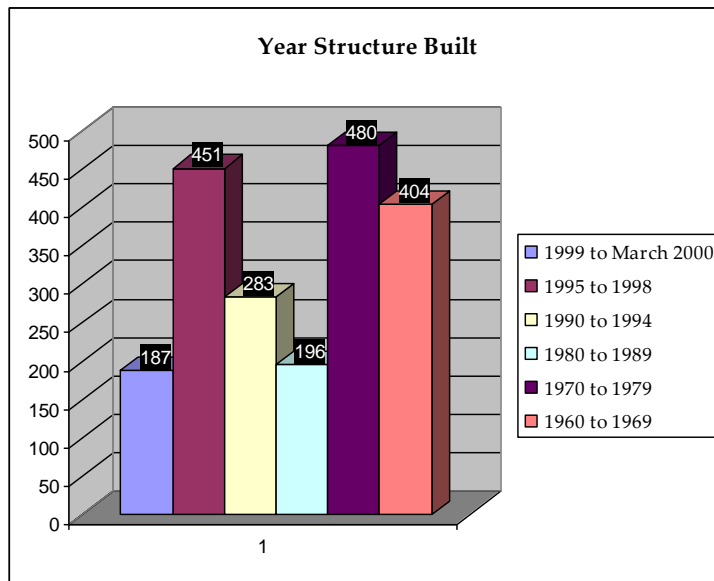
Crook County and Prineville Coordinated Population Forecast Data

The City and County have agreed to accept that in 2003 there was a population of 11,600 within the UGB and 21,500 within the entire county. They have also agreed that for the year 2023 there will be an estimated 21,778 people within the UGB and 37,138 within the entire county. The appendix contains the entire text of the coordinated population study; also acknowledged by DLCD. The above chart is a source of concern for Crook County and the City as both entities disagree with the chart projections as being too low.

Housing Profiles

The 2000 Census calculated that there were over 3,000 housing units within the incorporated area of Prineville. Activity since 1999 reveals that 1425 more housing units have been added to the inventory for a total of 3,430 housing units as of January 2005. It is no surprise that the largest housing group is detached single-family residential homes. This trend is expected to continue if low mortgage rates and market demand are sustained.

Table H-12



measures to ensure properly working private well and septic systems. Public health and safety issues are a concern as populations increase. This situation presents a significant problem with regard to community health and redevelopment potential. A number of homes may appear to satisfy affordable housing cost targets but they may have infrastructure problems that are not easy to catalog and identify. Thus, the number of true affordable housing units without serious basic service issues is difficult to assess. The water and sewer service rate structures are not yet high enough to enable the community to qualify for special grants and loans for extending infrastructure to disadvantaged areas. Other measures to extend public services to all areas of the community are underway.

Table H-11

Total housing units.	3,045	100.0
UNITS IN STRUCTURE		
1-unit, detached.	2,059	67.6
1-unit, attached	23	0.8
2 units	137	4.5
3 or 4 units	149	4.9
5 to 9 units	89	2.9
10 to 19 units	89	2.9
20 or more units	122	4.0
Mobile home.	347	11.4

As previously mentioned above, the bulk of the housing stock was built since 1960 with a significant portion built post-WWII. This has resulted in many homes in need of repair and upgrading in order to meet current building codes and energy efficiency regulations. Many of the older homes are located in areas without access to community water and sewer services. The result is demonstrated water contamination and extra cost to homeowners who have to take special

Housing

Residential Values

While the community appears to have adequate affordable housing supplies, the inventory of high-end or executive housing is virtually non-existent. This situation is typical of small, developing cities where inexpensive land near the urban area but outside of the UGB has developed at a faster rate than the lands within the City limits. View lots and other hobby-farm residential developments are typical in the outer areas of the UGB and the fringe areas along the UGB boundary and beyond. In 2006, several new development proposals included a range of housing types, including some high-end or executive housing.

Housing Affordability

Housing costs in Prineville, as compared to other Central Oregon cities, has been traditionally very favorable. Federal housing affordability standards recommend that no more than 30 % of household income be dedicated to mortgage payments. However, Census data shows that more than 22% of Prineville homeowners pay more than 30 percent of their income for mortgage payments. Renters tend to pay more than 31% of household income on gross rent. Thus, many Prineville households are spending more for shelter than they should. Alternatives to this situation range from more housing choices such as the development of more affordable housing types (like townhouses, zero-lot line homes, multi-family structures, manufactured housing or condominiums), and a better jobs market.

Table H-13

Average Cost of a Home (Residential on less than one acre)

	Median Home Price				Average Home Price			
	2003	2004	2005	2006	2003	2004	2005	2006
Bend	\$184,984	\$209,750	\$250,880	\$327,500	\$226,725	\$245,006	\$296,817	\$388,607
La Pine	\$90,000	\$116,850	\$129,600	\$154,000	\$90,097	\$118,375	\$136,626	\$165,170
Madras/Jefferson County	\$89,500	\$93,750	\$114,000	\$154,900	\$91,605	\$65,421	\$111,639	\$150,138
Prineville/Crook County	\$96,900	\$108,500	\$129,240	\$172,900	\$103,894	\$105,224	\$134,724	\$176,187
Redmond	\$138,500	\$151,897	\$171,685	\$238,000	\$148,926	\$164,031	\$195,021	\$266,057
Sisters	\$292,500	\$265,000	\$329,500	\$421,500	\$311,048	\$293,474	\$398,724	\$432,508
Sunriver	\$270,000	\$405,000	\$444,500	\$524,950	\$378,510	\$455,002	\$453,204	\$599,801

Source: Central Oregon Association of Realtors 2006

Aesthetic and Design Characteristics of Housing

Prineville's citizens have made it clear to local decision-makers that the small town feel of the community should also be a template for future neighborhood development. The "complete neighborhoods" mentioned in Chapter 1 is essential for meeting the expectations of the community with regard to residential development. New and redeveloping areas will need to take into consideration the template characteristics needed for constructing housing in "complete neighborhoods". Thus, adequate land for "complete neighborhood" components is essential as well as a mix of housing choices and open spaces. Mixed-uses and preservation of natural resources will also be part of the neighborhood design and could increase the need for additional residential land inventories.

Housing

Urban Interface Areas

Citizens have expressed a need for a Comprehensive Plan Policy and associated implementation program that would help reduce the potential negative effects sometimes associated with urban levels of development abutting established lower density area uses inside the City limits and/or abutting the Urban Growth Boundary (UGB) and outside of the City limits. While it is recognized that rural lands in the UGB will likely redevelop and lower density areas will urbanize to their ultimate Plan designation, it is necessary to provide a policy that transitions growth in these areas.

Goal # 1: Encourage a wide range housing types satisfying the urban development needs of the Prineville community.

Housing Values and Policies

- It is essential to develop strategies that increase the variety of housing choices in the community. These strategies must include an inventory and analysis of needed housing types, existing housing supplies, and strategies for meeting the changing community demographic.
- It is necessary to provide adequate buildable residential land for the 20 year planning horizon.
- It is necessary to accommodate growth and provide mechanisms to ensure that a variety of housing options for all income levels are available in both existing neighborhoods and new residential areas.
- It is necessary to encourage development and redevelopment of residential areas to make them safe, convenient, and attractive places to live and located close to schools, services, parks, shopping and employment centers.
- The community should maintain the feel of a small community through careful design of new and redeveloping residential areas.
- A regular housing analysis shall be the basis for understanding and projecting housing needs. City staff will need to manage the calibration data in order to accommodate local cultural characteristics and anomalies.
- The Prineville community needs a full range of housing types to sustain a healthy community.
- Development code regulations will need to be modified to encourage needed housing types within the UGB.

Housing

- The Prineville community desires to encourage and sustain affordable housing while protecting the physical characteristics of land relating to soils, slope, erosion, drainage, natural features, and vegetation.

Programs:

The City shall:

1. Regularly monitor and analyze residential land inventories each year.
2. Determine housing type demand and encourage mechanisms to permit development of needed housing types.
3. Allocate where the identified needed housing should be developed by using overlay mapping techniques and framework planning within 2 years of the date of acknowledgement of this Plan.
4. Encourage the development of “complete neighborhoods”. The City may need to update development regulations in order to remove any barriers that restrict quality residential design and/or hinder “complete neighborhood development”.
5. Update the development codes with regard to housing development and natural feature protection.

Goal # 2: Identify and analyze existing housing stock and determine opportunities for rehabilitation, redevelopment, and connection to urban infrastructure and services.

Housing Rehabilitation Values and Policies

- It is important to inventory existing residences in need of rehabilitation and develop strategies to improve housing stock
- Housing that is in need of rehabilitation, without connections to urban services limits the livability of the community, and diminishes redevelopment potential.
- The Prineville community understands that it is necessary for the public health and safety of the community to identify and remedy situations where residences are not connected to City sewer and water.
- Improved residential structural integrity and weatherproofing will reduce energy consumption levels for those living in older homes and the overall community.

Housing

Programs:

The City shall:

1. Inventory and determine which residential units and neighborhoods would benefit from rehabilitation and connection to urban services.
2. Encourage rehabilitation and maintenance of housing in existing neighborhoods to preserve the housing stock and increase the availability of safe and sanitary living units.
3. Explore funding options such as CDBG, HOME, and other local, State or Federal programs designed to help promote affordable housing and disadvantaged property owners rehabilitate their homes.
4. Study and develop a range of incentives and other programs aimed at helping the community understand the value of participating in the rehabilitation of housing units.

Goal # 3: Identify and permit alternatives to traditional stick-built homes, such as manufactured, mobile homes, and accessory dwellings necessary for providing a range of housing choices with in the UGB.

Alternative Housing Values and Policies

- Manufactured, mobile homes and accessory dwellings are appropriate in certain residential areas and subject to the same siting requirements and compatibility standards as traditional stick-built homes.
- It is necessary for the public health and safety of the community to allow for a full range of housing types for all income levels.
- The Prineville community contains a significant number of older mobile homes and manufactured homes that need repair or replacement.
- State law requires the City to establish clear and objective criteria and standards for the placement and design of mobile home or manufactured dwelling parks.
- In order to protect the public health and safety of all residents the City, in conjunction with the Crook County Building Department, Prineville shall impose safety and inspection requirements for homes, which were not constructed in conformance with the National Manufactured Home Construction and Safety Standards Act of 1974.
- In order to enhance industry and commerce, a mobile home or manufactured dwelling park shall not be established on land zoned for commercial or industrial use.

Housing

- Accessory dwellings to homes, i.e. “Granny flats”, are necessary to provide a range of housing types in new subdivisions and existing neighborhoods subject to appropriate compatibility standards and siting requirements.
- Temporary housing for medical hardships and the disadvantaged is necessary and shall be permitted in residential areas and subject to special development conditions.

Programs:

The City shall:

1. Revise and update the development codes to ensure that wide ranges of housing types are required and permitted throughout the community.
2. Inventory all manufactured, mobile and accessory dwellings.
3. Provide for mobile home or manufactured dwelling parks within the urban growth boundaries to allow persons and families a choice of residential settings.
4. Update regulations to require development of new mobile home parks and siting of individual mobile homes consistent with State law.
5. Develop special standards for the siting and development of accessory dwellings.
6. Institute fee mechanisms and programs that help to encourage the development of affordable housing.

Goal # 4: Promote and protect neighborhood qualities that reflect the small town appeal of Prineville and improve compatibility between various uses.

Compatibility Values and Policies

- Compatibility standards are effective tools for making sure neighborhood uses are consistent with community goals and design standards.
- It is necessary for the public health and safety of the community to monitor and manage neighborhood uses.
- The Prineville community desires to preserve, protect, and strengthen the vitality and stability of existing neighborhoods while permitting uses that make neighborhoods more “complete” and reduce vehicle miles traveled.
- Developments that border underdeveloped urban lands and/or rural lands at the edges of the Urban Growth Boundary (UGB) shall include design techniques to reduce the impact of

Housing

- new, denser urban development on abutting lower density lands. Examples of such techniques include the use of buffer areas, designing projects that work with the natural features of the site, shadow plats, and redevelopment plans that extend 300 feet off site, density transition zones, increased landscaping, master planning areas larger than the project site, etc.
- New residential developments in areas without an established character or quality should be permitted maximum flexibility in design and housing type consistent with densities and goals and objectives of this Plan.
 - New developments in existing residential areas where there is an established character deemed desirable by community standards should use a variety of compatibility techniques to blend in with surrounding developments, including landscaping, traffic patterns, mass, height, screened parking areas, public facilities, visual impact, architectural styles and lighting.
 - “Complete neighborhoods” include private and public nonresidential uses for the convenience and safety of the neighborhood residents. These uses should be permitted within residential areas. Such facilities shall be compatible with surrounding developments, and their appearance should enhance the area.
 - Multi-modal access should be provided internally and to adjacent new and existing neighborhood developments.
 - Where alleys are available, garages or parking areas in neighborhoods should be accessed from alleys instead of driveways connecting to public streets.
 - Residential units should be permitted above or as an incidental use in conjunction with certain commercial and industrial uses as a way to improve compatibility between uses and zones.
 - A range of housing types, including housing for the elderly, disabled, developmentally challenged and low income citizens of the community should be dispersed throughout those residential neighborhoods which are close to schools, services, parks, shopping and employment centers rather than concentrating these dwellings in just a few areas.
 - A range of lot sizes should be dispersed throughout the community to provide space for a full spectrum of housing types.
 - Higher density developments should be in close proximity to schools, services, parks, shopping, employment centers, and public transit.
 - Smaller lot sizes may be appropriate and should be encouraged with flexible Planned Unit Development (PUD) ordinances allowing a mix of lot sizes.
 - It is necessary to allow residential areas near the urban growth boundary to develop in a more efficient manner. A clustered approach or PUD style of development will provide a

Housing

buffer between the rural resource lands and the urban area. This technique can blend the uses and soften the edge between agriculture and urban residential densities.

- The City and County have agreed that no development can occur in the unincorporated residential areas until compatibility and transition issues are resolved by use of community planning and/or master planning techniques. Such techniques ensure proper development of the urban area and help protect existing neighborhood qualities and livability. New developments in existing residential neighborhoods (especially those not contiguous to the incorporated City) may provide for less density. New developments on larger parcels, not within established neighborhoods, are anticipated to develop a mixture of higher densities and other non-residential uses to support the development of new “complete neighborhoods.”
- Areas developed or designated for multi-family development should be compatible with adjoining land uses and not detract from the character of existing residential areas.
- The location of most multi-family housing will be best suited near the City core, major transportation corridors, schools, services, parks, shopping, employment centers, and transit corridors.
- The Prineville community demands a quality living experience for all residents and multi-family developments. Thus, site plans for multi-family developments or attached single-family housing are required to provide for adequate yard space for residents and play space for children which have distinct area and definite shape, appropriate for the proposed use, and are not just the residue left after buildings are designed and placed on the land.

Programs:

The City shall:

1. Modify the land use regulations to improve compatibility standards between uses in the development of “complete neighborhoods” and redevelopment in existing neighborhoods.
2. Modify the land use regulations to require multi-modal access in new and redeveloping neighborhoods as appropriate.
3. Modify the land use regulations to permit a range of housing types and flexible PUD standards that encourage more efficient use of land.
4. The City shall develop transition zoning overlay regulations and implementation ordinances to assist in reducing the potential negative impacts associated with urban development and lower density areas.

Housing

Goal # 5: Promote quality affordable housing and recognize that lack of affordable housing is an economic issue negatively affecting the community

Affordable Housing Values and Policies

- Affordable housing should be available for all income levels in the community. This issue affects all citizens.
- It is necessary for the public health, safety, and economic values of the community to improve awareness of affordable housing problems and to encourage affordable housing for all income levels.
- A lack of particular housing choices create traffic congestion as people commute from one community to another, increase costs for businesses related to employee travel time, employee absences, unnecessary street expansions and parking demand, reduced mobility for certain disadvantaged groups, and unnecessary community subsidy to remedy these and other impacts.
- The profit margin on affordable housing projects is very thin. Barriers to affordable housing will need to be removed from local regulations and land use processes to enable property owners and developers to pursue affordable housing projects.
- The City will be experiencing the same types of demographic forces that currently impact Bend, Redmond, and other communities in Oregon. For example, the population will age and the baby-boomer generation will retire. Households will become smaller. To prepare for this eventuality Prineville must provide for a variety of housing types. The variety will help meet affordability demand, and it will help meet new housing demand in general. Since there will be more single head of households, people will desire units that are smaller and those that will require less maintenance and can be located within walking distances of shopping, houses of worship, parks/recreation, schools, and medical facilities. This dictates development of more compact housing forms and innovations in how structures are designed and arranged to suit a variety of needs.
- The City and County should encourage subsidized housing to be located at a variety of locations in close proximity to support services and/or near transit.
- Residential zones and other neighborhoods should offer a wide variety of compatible housing types and densities.

Housing

Programs:

The City shall:

1. Participate with Housing Works(formerly Central Oregon Regional Housing Authority), COCAAN and/or other public or private non-profit organizations in the development of a regional housing plan to address issues and to establish programs which address housing affordability, density, home ownership, neighborhoods and location. Such plans should provide for a detailed management program to assign respective implementation roles and responsibilities to those governmental bodies operating in the planning area and having interests in carrying out the goal.
2. Provide funding for affordable housing when feasible and with community consensus.
3. Modify the development review process to expedite affordable housing proposals and reduce development and operating costs when such proposals are in accordance with zoning ordinances and with provisions of comprehensive plans.
4. Determine that SDC payments and other development deposits, fees and taxes for affordable housing projects will be deferred until title transfer or final occupancy of the structure. Additional methods and devices for reducing development barriers should be examined and, after consideration of the impact on lower income households, include, but not be limited to: (1) tax incentives and disincentives; (2) building and construction code revision; (3) zoning and land use controls; (4) subsidies and loans; (5) fee and less-than-fee acquisition techniques; (6) enforcement of local health and safety codes; and (7) coordination of the development of urban facilities and services to disperse low income housing throughout the planning area.
5. Examine any needed changes to local regulations to create incentives for increasing population densities in urban areas taking into consideration (1) key facilities, (2) the economic, environmental, social and energy consequences of the proposed densities and (3) the optimal use of existing urban land particularly in sections containing significant amounts of unsound substandard structures. This may include the promotion and development of institutional and financial mechanisms to provide for affordable housing and the investigation of available federal, state and local programs and private options for financing affordable and special needs housing.
6. Monitor the stability of existing affordable housing options to determine their sustainability and usefulness.
7. Encourage and support social and health service organizations, which offer support programs for those with special needs, particularly those programs that help people remain in the community.
8. Preserve existing affordable housing through adoption of land use regulations that promote affordable housing and examine alternatives for providing services, including transit.

Housing

9. Create an inventory of city-owned land that can be set aside for housing development this may include the development of organizational capability to coordinate such efforts.
10. Develop a density bonus program in which developers may receive “credit” in additional units (beyond what zoning allows) if units available and affordable to households under 80% of median income are integrated into new projects.
11. Modify the development regulations to allow housing above retail in the town center/downtown.
12. Develop workforce housing standards and implementation programs.
13. Build understanding and support for affordable housing by instituting a public information program and community forums.

Goal # 6: Recognize that addressing the housing needs of the community is essential to the successful future of Prineville as desirable place to live, work, shop, and play.

Housing Management Strategy Values and Policies

- Strategies to improve the type and range of housing choices in the community must be based upon careful examination of demographic data, trends, and local demands.
- Certain development regulations and techniques can influence the market-driven nature of housing development.
- The recent Census data is one of many resources necessary to examine for understanding local and regional demographics.
- The vitality of the City depends not just on the health of one aspect of housing but preferably by taking a systemic approach to growth and development, preservation and continuity.
- The greatest housing needs include a more diverse base of affordable rental opportunities signified by range of rent and housing type, particularly smaller sized structures such as duplexes and triplexes. However, the ability to take advantage of low interest rates has moved many people into homeownership where they are paying more than 30% of income on mortgages.
- The community needs affordable single-family homes. Some potential homebuyers are being priced out of the market due to insufficient income and escalating real estate prices. For renters, the census data and other information suggests that there is a high demand for units serving people under 80% of median income. It also appears there is adequate supply

Housing

of apartment units affordable to people at median income or less, and yet many households are paying more than 30% of household income for housing.

- There is a need for temporary shelters or transitional housing opportunities for people with special needs, including but not limited to, households experiencing domestic violence issues, or youth homelessness.
- The population projections anticipate more than 16,000 people will live in the UGB in the year 2024. This means that the community will need to provide more living units for new households where families will number 2.50 persons per household. Thus, over the 20-year period the community is expected to grow at 3-5 % per year on average.

Programs:

The City shall:

1. Examine the most recent sources of data to determine housing needs and monitor demographic trends.
2. Promote an awareness of housing issues and provide regulatory solutions. This may include changes to development regulations and increased flexibility for those who desire to build affordable housing units.
3. Provide flexible regulations as appropriate for those entities that propose to build temporary shelters and transitional housing opportunities.
4. Monitor and evaluate the population projections as they are amended from time to time. The City shall also inventory all new development and prepare a report of all new activity and housing unit creation, demolitions and expansion.
5. Budget funds for staffing to support a sustainable using program.