Sweet Home Housing Needs Analysis

December 1, 2022, 6:30pm

3J CONSULTING
CIVIL ENGINEERING | WATER RESOURCES | COMMUNITY PLANNING

FCS GROUP
Solutions-Oriented Consulting

DLCD

Sweet Home
Oregon at its best!

Agenda

- Welcome
- Project Overview
- Buildable Land Inventory
- Housing Needs Projection
- Reconciliation of Residential Supply and Demand
- Housing Policy Recommendations
- Comprehensive Plan Chapter 4: Residential Lands and Housing
- Next steps

Housing Needs Analysis Overview

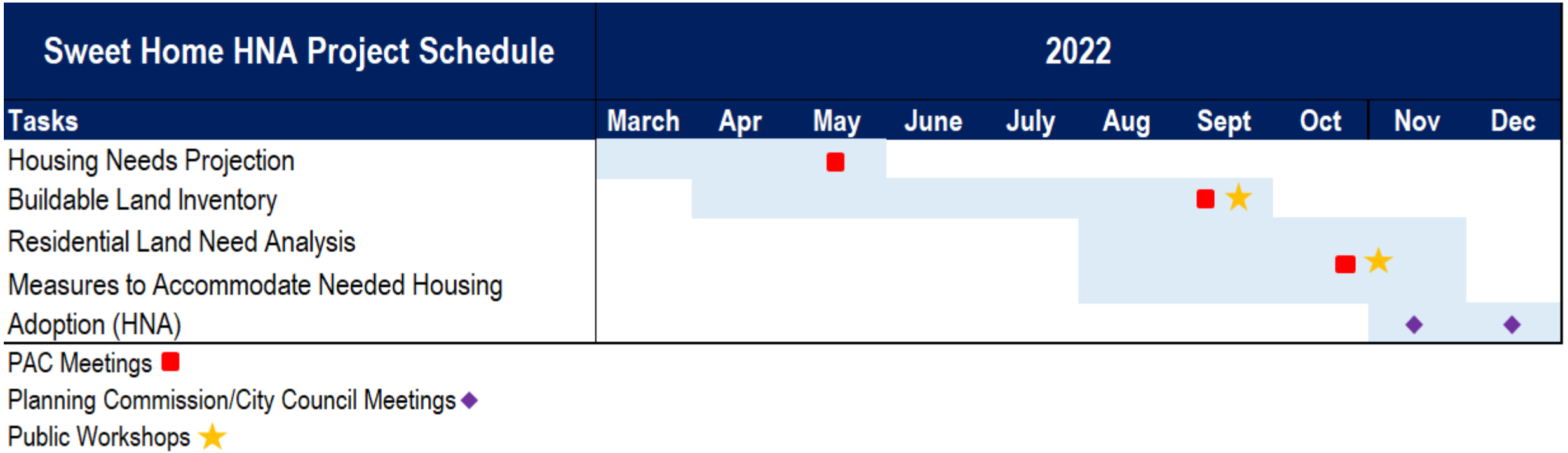
OAR 660, ORS 197.296 and divisions 7, 8 & 24 provide a framework for Comp. Plan amendments related to Housing Needs Analysis (HNA):

- Housing needs projection
- Buildable land inventory (BLI)
- Residential land needs analysis
- Policy measures for accommodating needed housing

*HB 4006 puts new emphasis on addressing severe rent burdens**

** When households spend over 50% of income on gross rent*

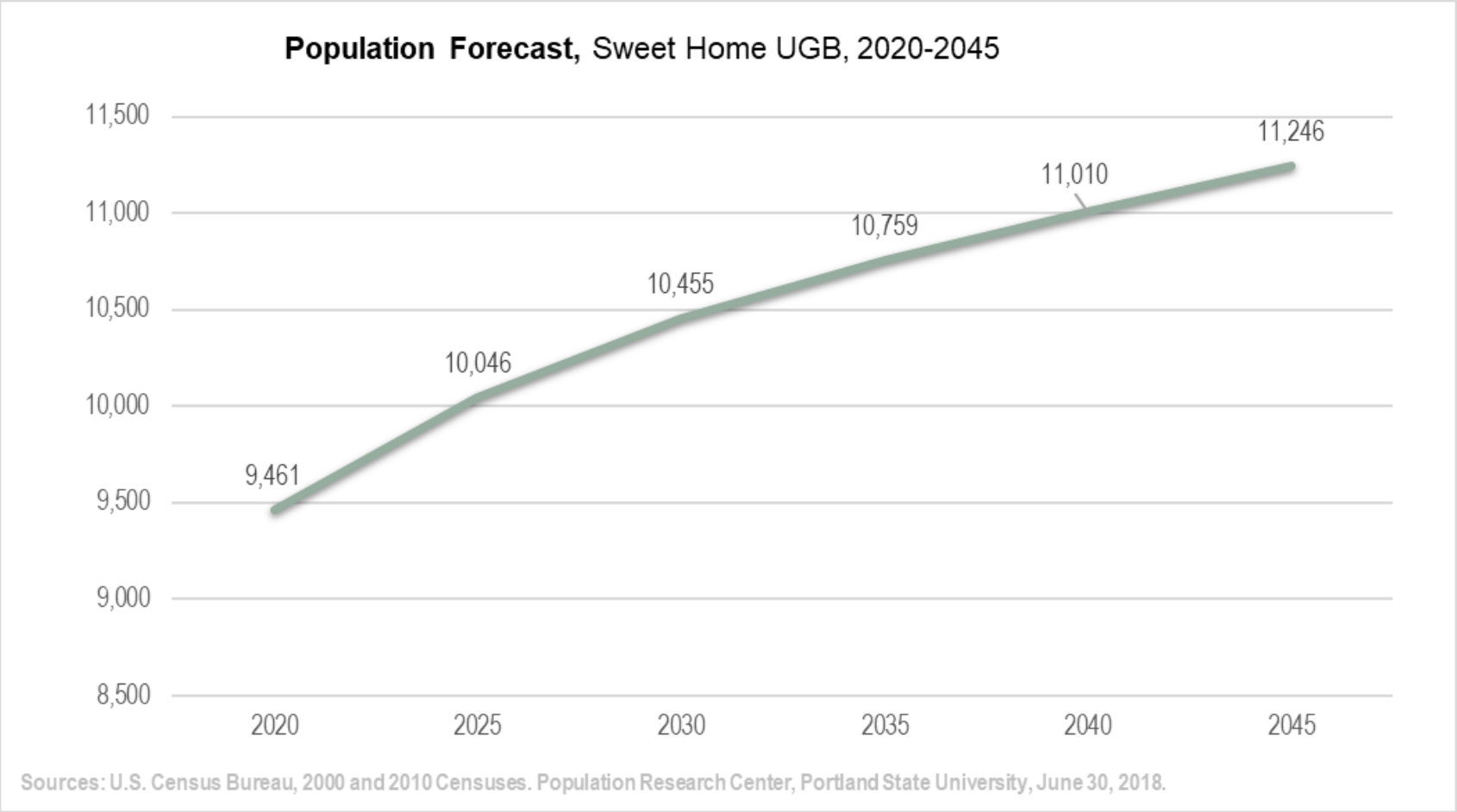
Project Overview



Housing Needs Projection

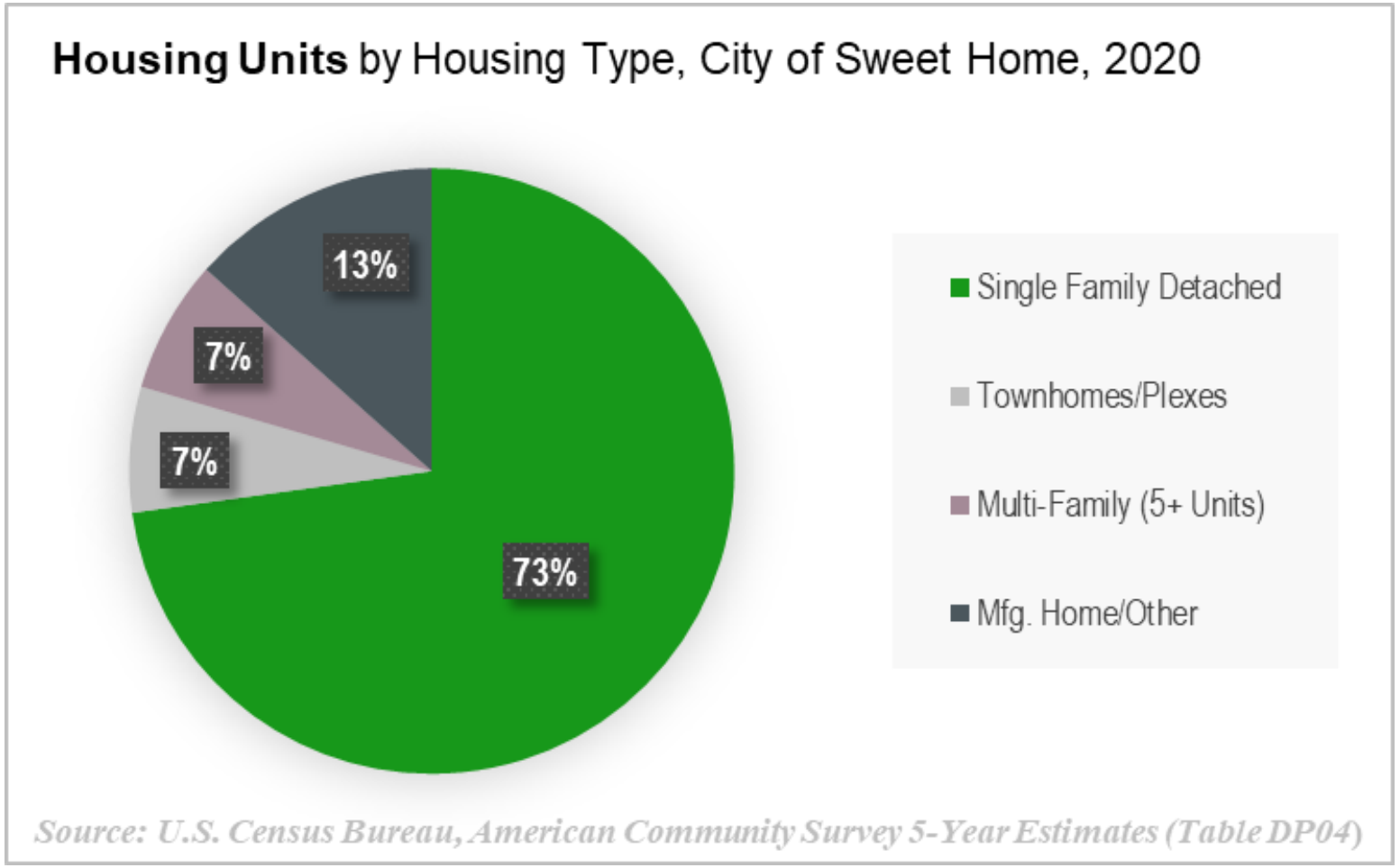
Population Growth Forecast

- **Sweet Home UGB is projected to add +/- 1,573 people over next 20 years**
- **Household growth tends to exceed population growth as the average household size shrinks**



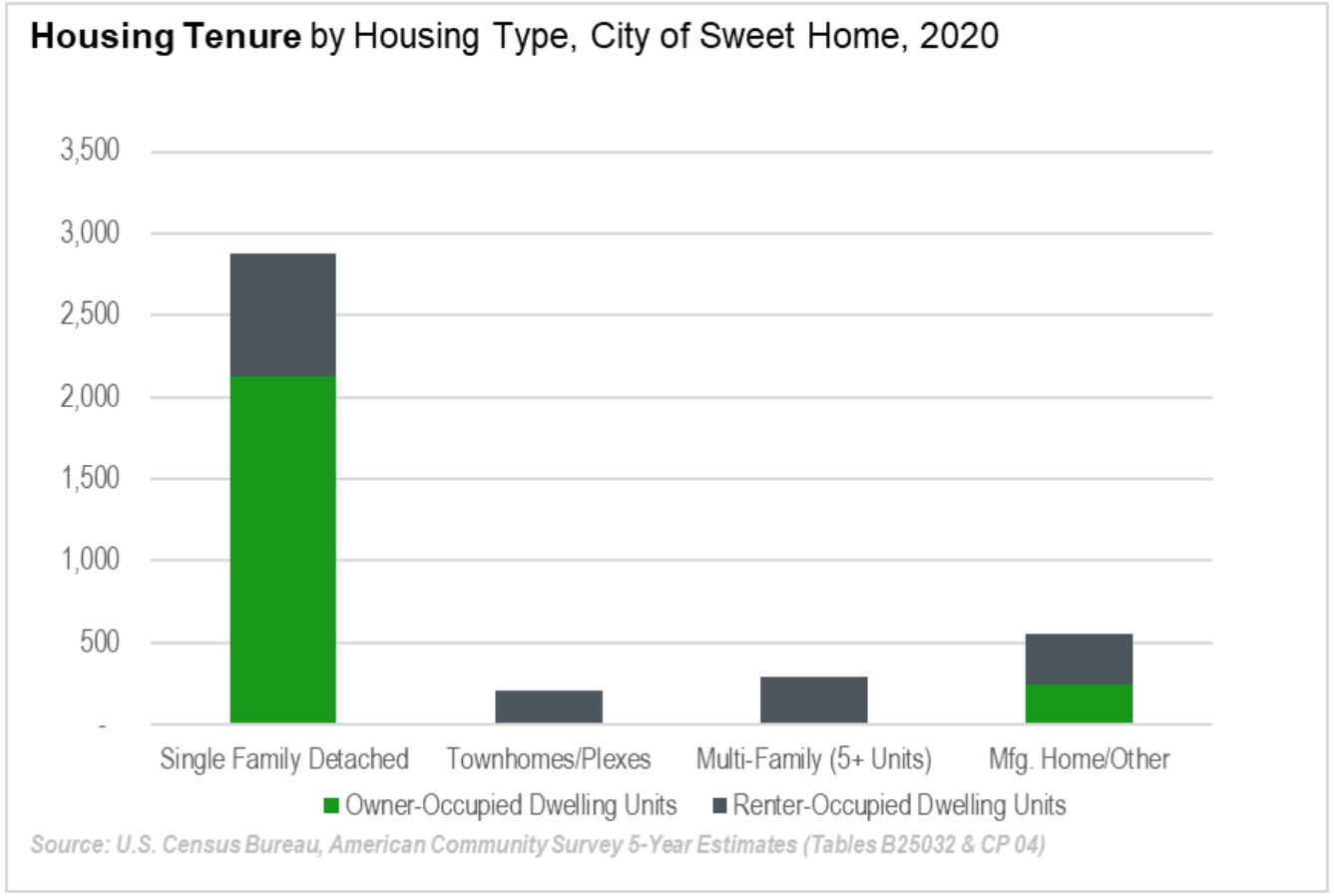
Housing Inventory

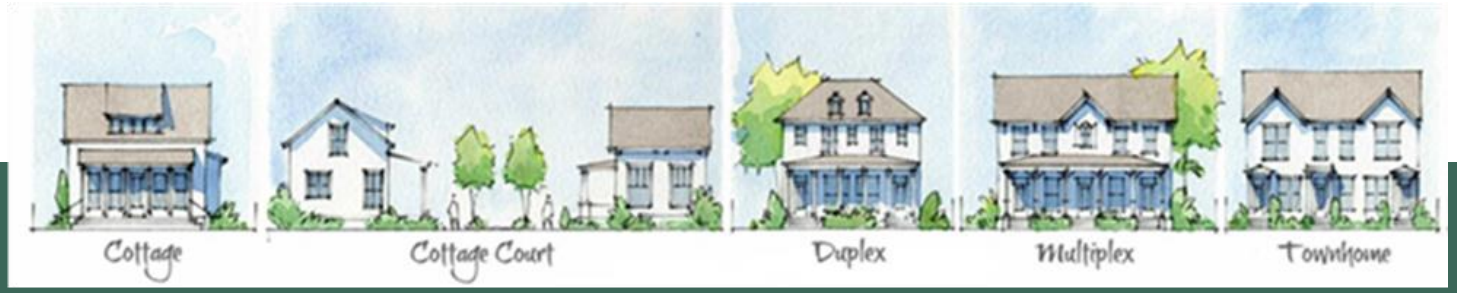
- **4,107 total housing units in Sweet Home** (city limits in year 2020)
- **73% of housing is single family detached**
- **14% "middle housing" (townhomes, plexes and apartments)**
- **Vacancy was 5% in 2020**



Tenure by Structure

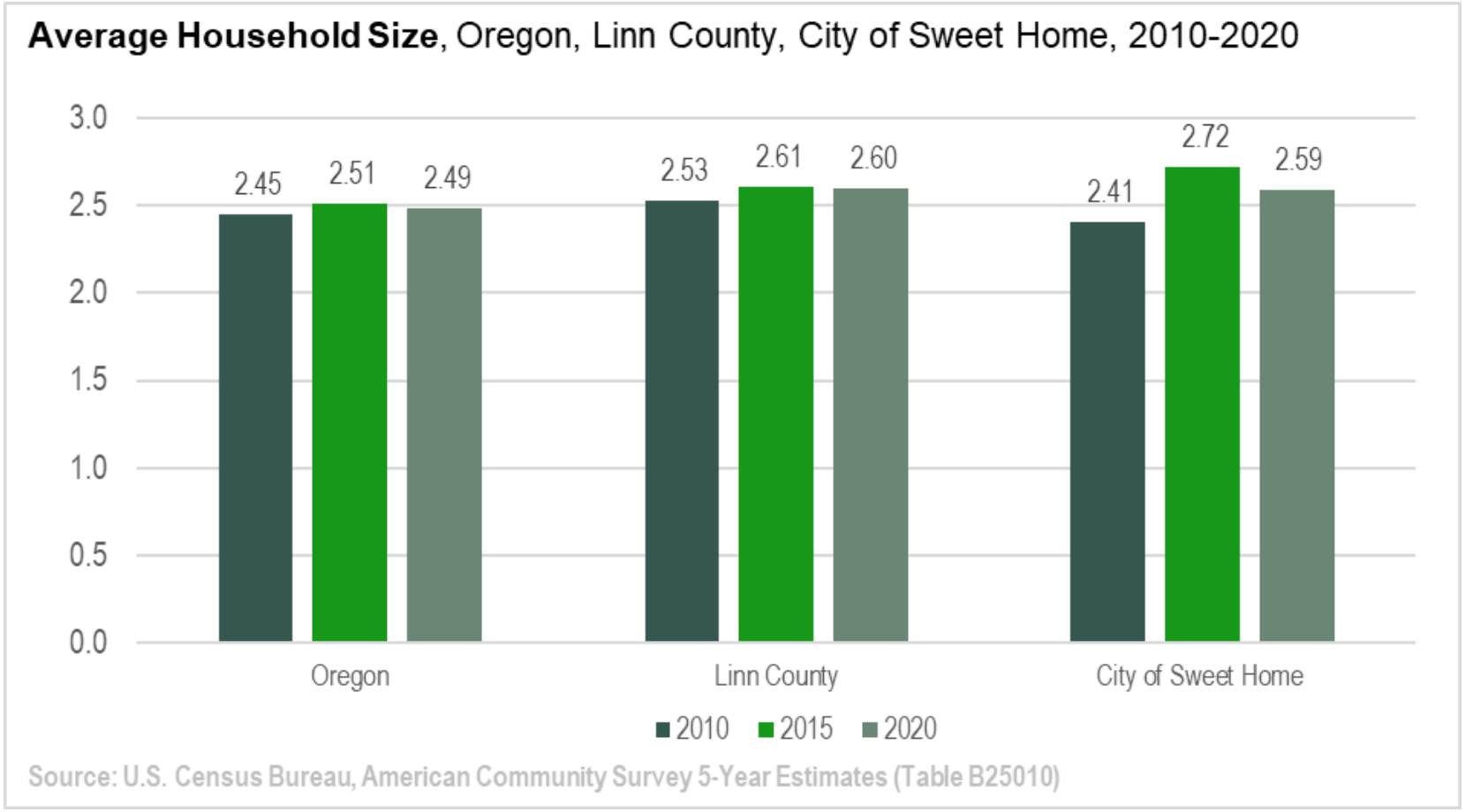
- **70% of single-family detached home units are owner-occupied**
- **100% of multifamily and townhomes are renter-occupied**
- **45% of mobile homes are owner-occupied**





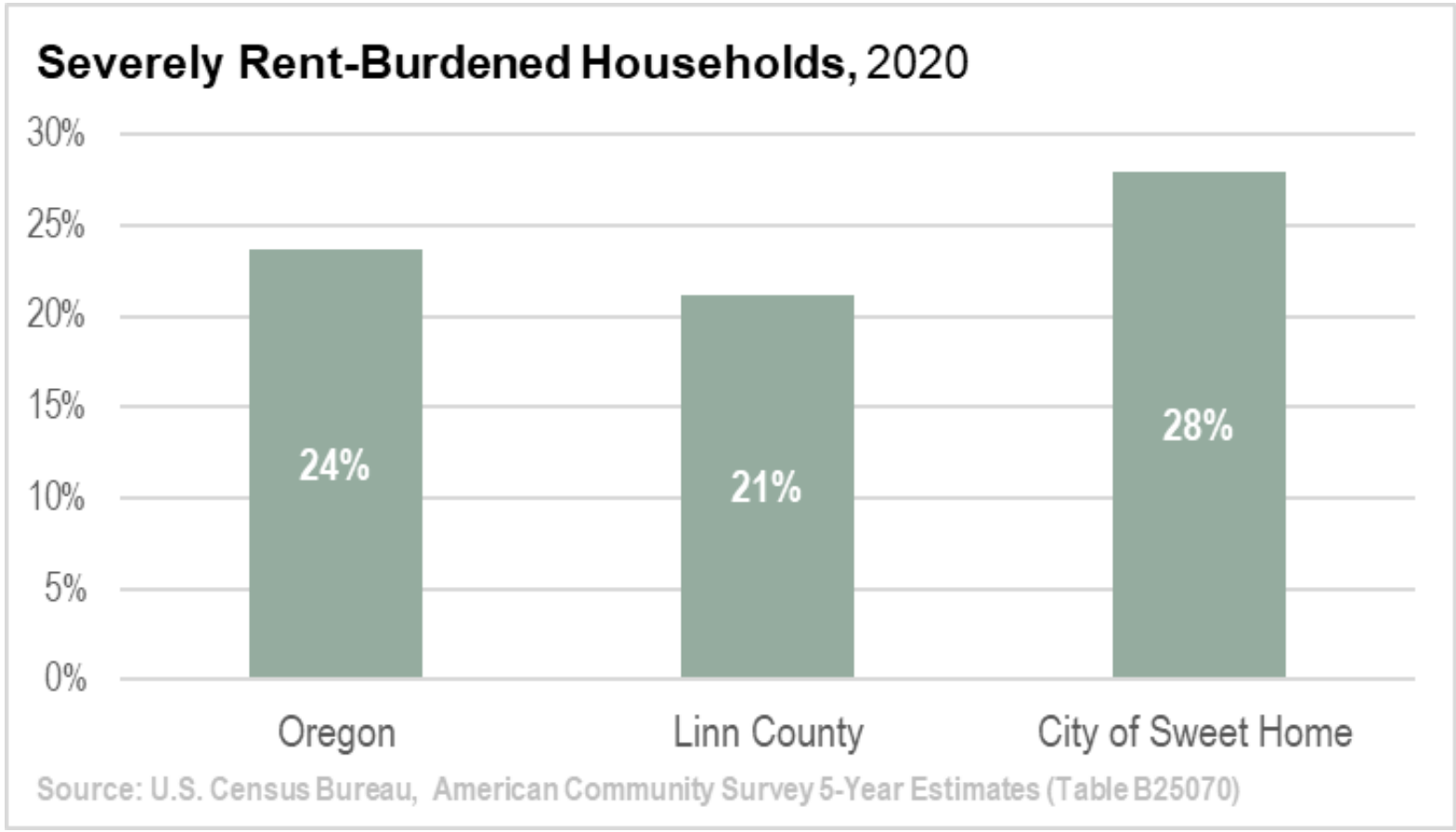
Average Household Size

- **Average household size in Sweet Home has fluctuated in the last decade**
- **Locally, household size is now above**
- **Smaller households usually demand smaller “middle” dwelling types**



Severe Rent Burden

- **Severe rent burden occurs when over 50% of income is spent on rent**
- **More than 1 in 4 households in Sweet Home experienced severe rent burden in 2020**
- **Since Pandemic, this share has likely increased**



Median Home Prices in Select Markets

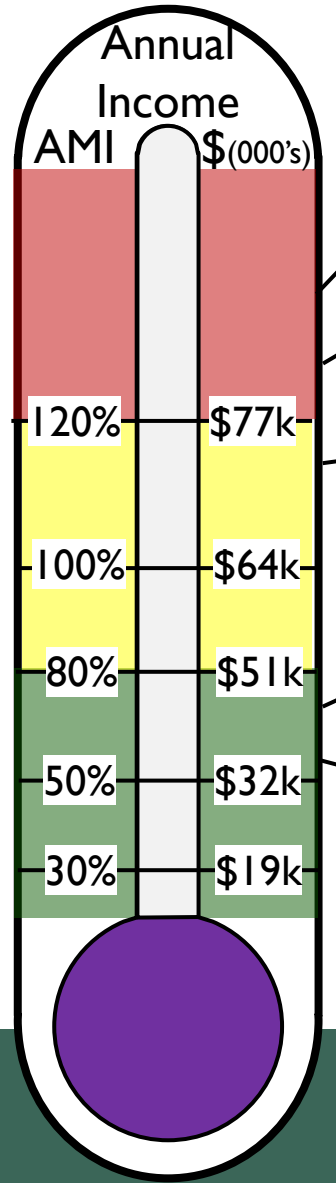
- **Home sales prices have been growing rapidly in the region**
- **Median prices in Sweet Home are about $348,000, up $104,000 in two years**
- **Sweet Home is still relatively affordable compared with surrounding cities**

	Mar-20	Mar-21	Mar-22	Annual Change %
Sweet Home	$244,000	$283,000	$348,000	19.4%
Lebanon	$277,000	$315,000	$387,000	18.2%
Brownsville	$300,000	$346,000	$420,000	18.3%
Albany	$304,000	$338,000	$414,000	16.7%
Junction City	$333,000	$373,000	$447,000	15.9%

Source: *Zillow.com; analysis by FCS Group 4/18/22*

Attainable Housing Thermometer

- The median income of all households
- HUD measures affordability by county
- HUD bases affordability on household size
- Useful for contextualizing home prices based on the affordability of expected monthly payments
- Allows for quantification of the suitability for housing types by income level



- **Lawyer**
  $128,000 *max rent:* $3,200
  Max mortgage: $655,000
- **Engineer**
  $85,000 *Max rent:* $2,000
  Max mortgage: $430,000
- **Teacher (middle school)**
  $67,000 *Max rent:* $1,600
  Max mortgage: $340,000
- **Medical Assistant**
  $41,700 (max rent: $1,000)
  Max mortgage: $210,000
- **Retail Salesperson**
  $33,350 (max rent: $800)
  Max mortgage: $170,000

Projected Housing Needs

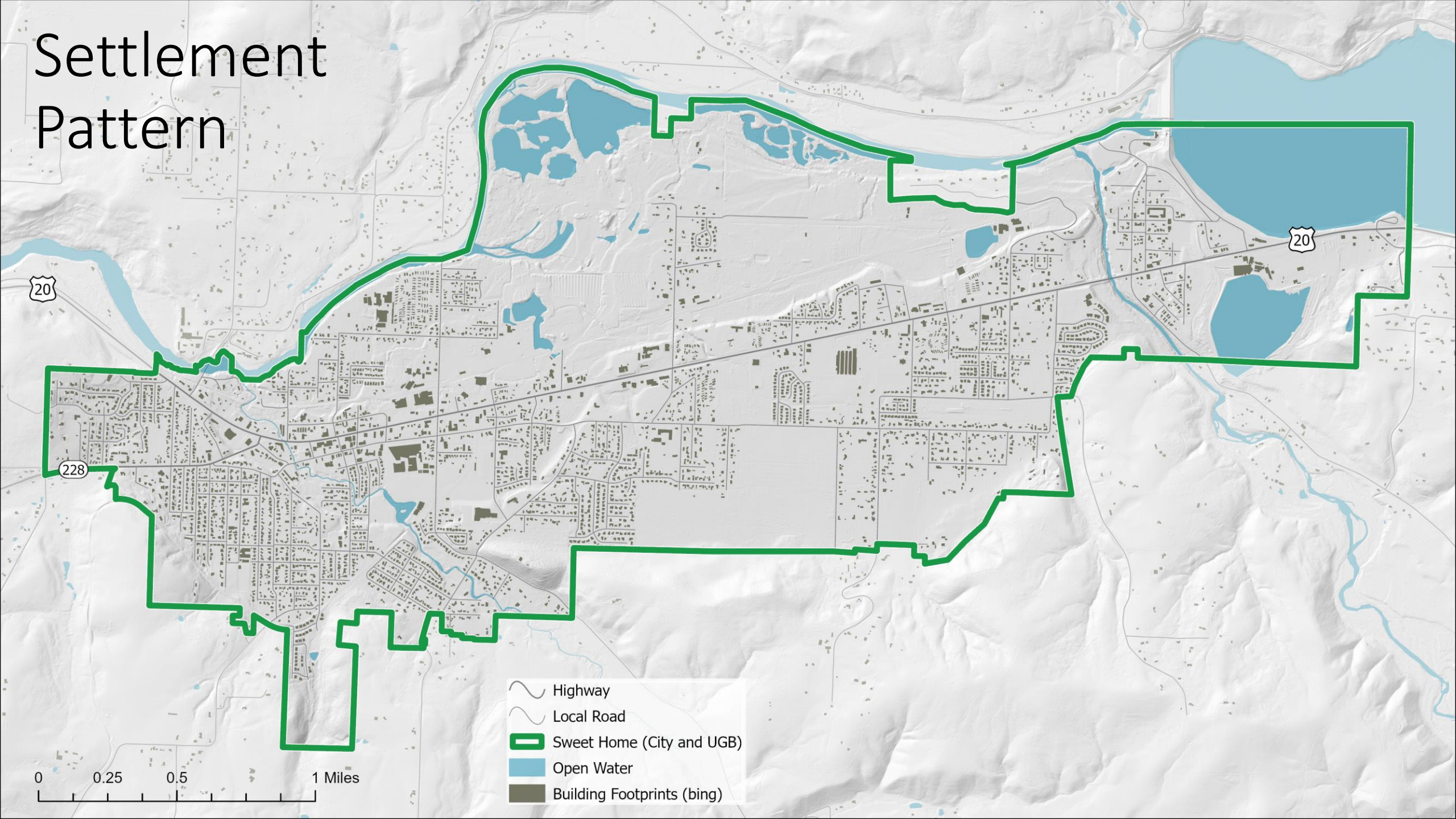
- **Baseline forecast = 632 new housing units and 15 people living in shared housing**
- **Potential Housing Mix: 73% detached and 14% middle housing types**
- **This forecast addresses population growth needs only; not replacement needs**

	Owner-Occupied Dwelling Units	Renter-Occupied Dwelling Units	Vacancy Assumption	Dwelling Units
Housing Tenure Distribution:	**363**	**238**	**31**	**632**
Housing Type Distribution				
Single Family Detached	325	114	20	460
Townhomes / Plexes	-	32	10	42
Multi family (5+ units)	-	45	0	45
Mfg. home/cottages	38	47	0	85
Total	**363**	**238**	**31**	**632**
Group quarters (pop)				**15**

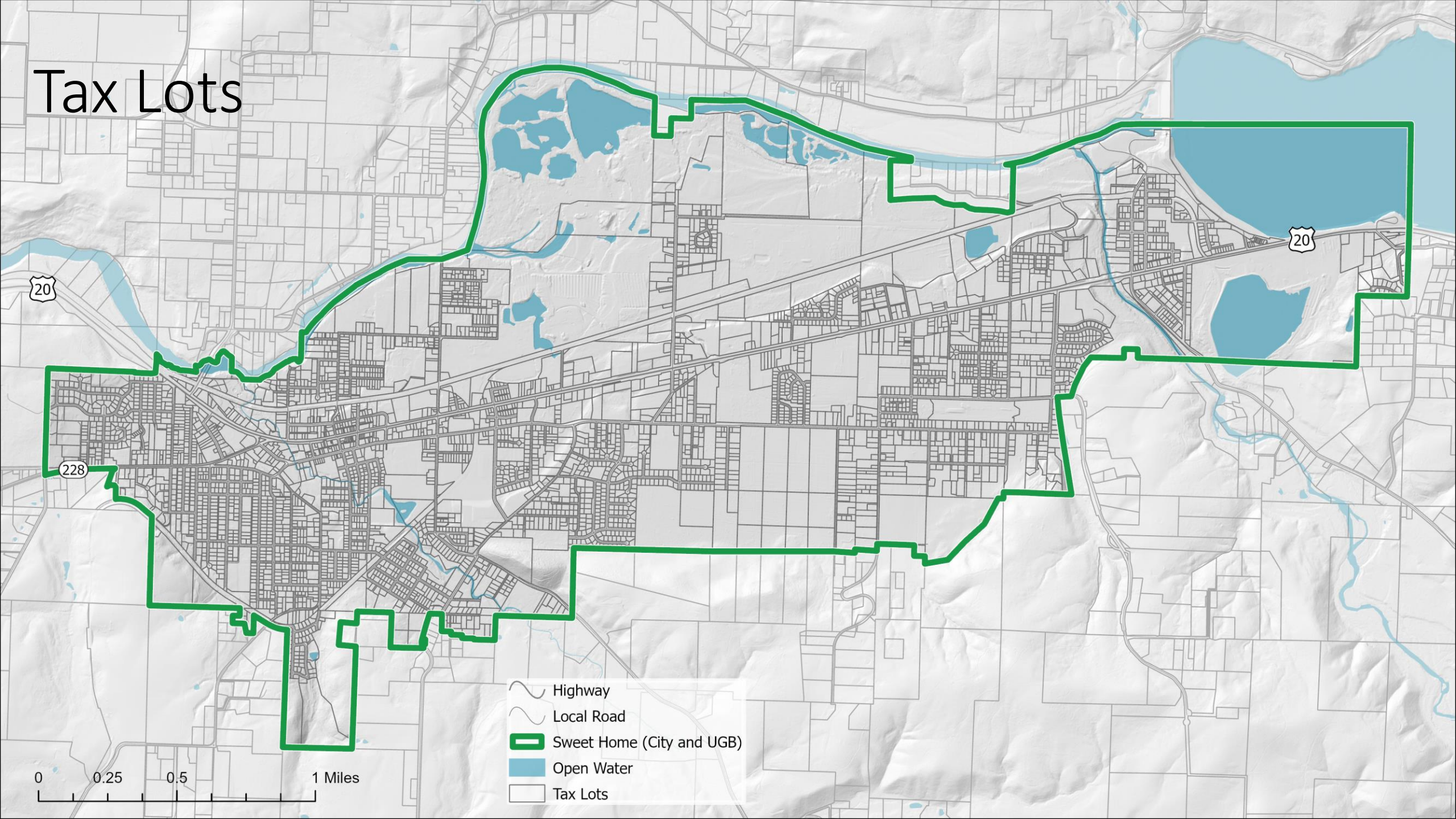
U.S. Census Bureau, American Community Survey 5-Year Estimates (Tables B25032 and CP04) & previous tables

Buildable Land Inventory

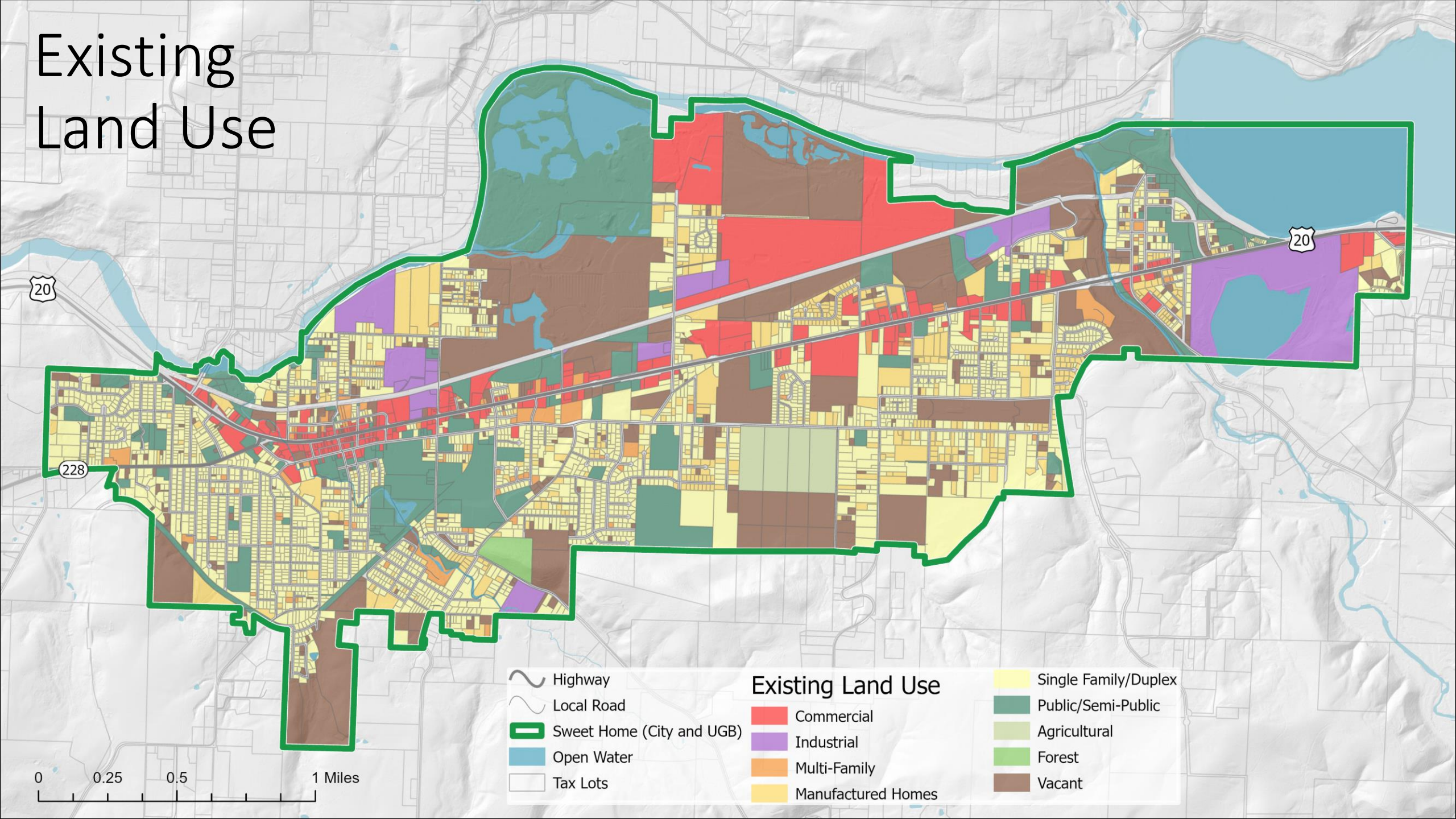
Settlement Pattern



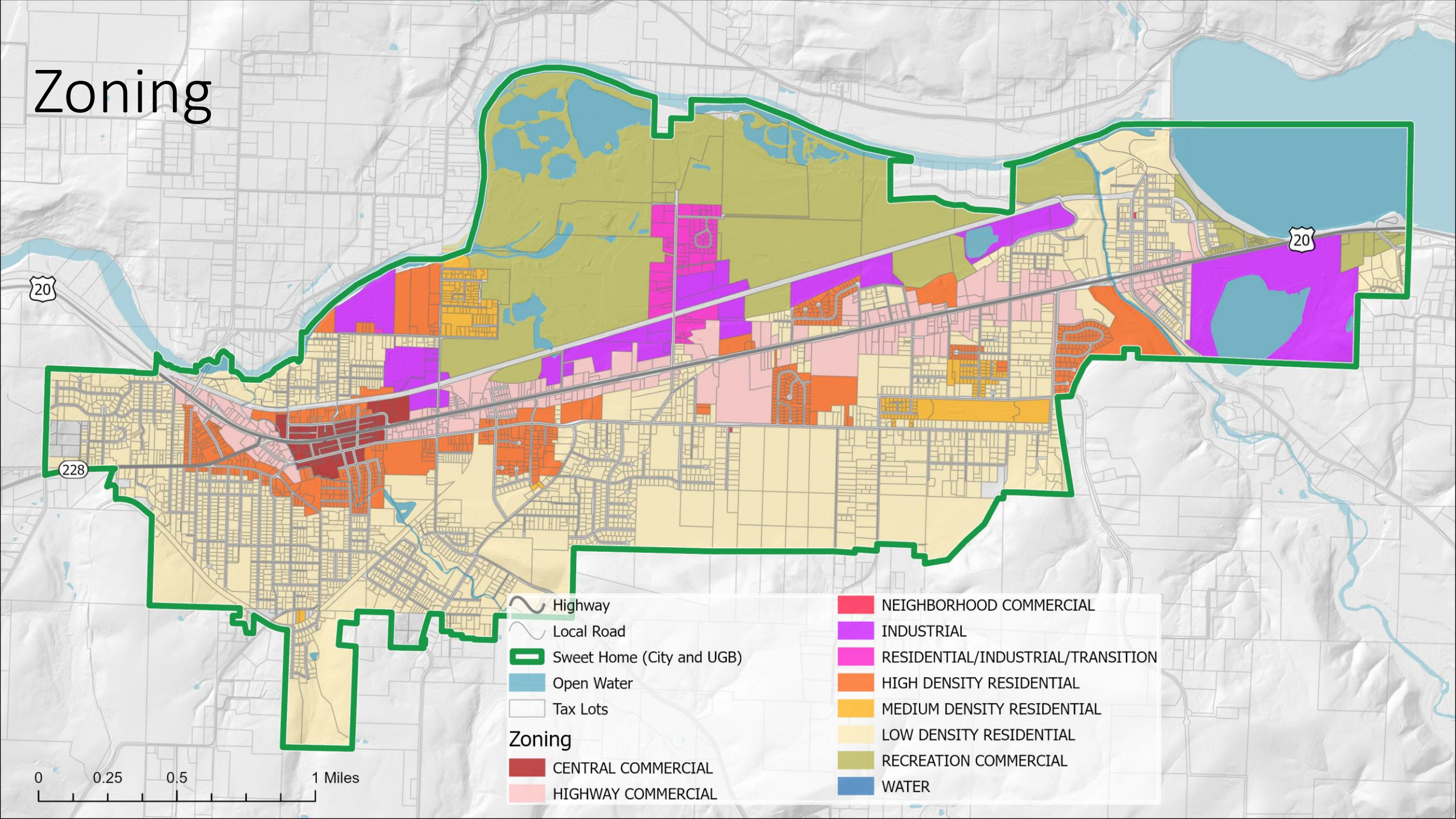
Tax Lots


20
228
20
Highway
Local Road
Sweet Home (City and UGB)
Open Water
Tax Lots
0
0.25
0.5
1 Miles

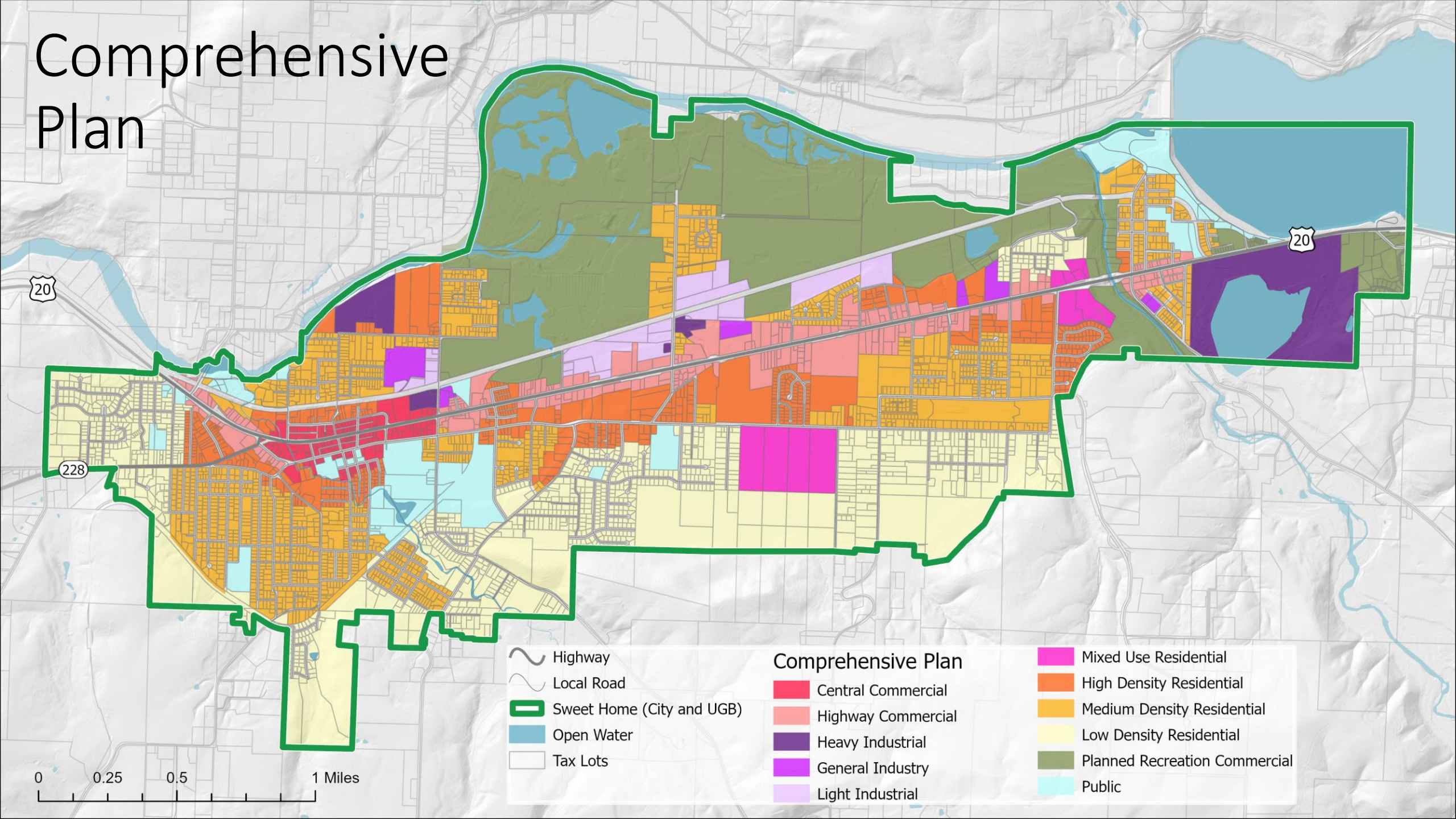
Existing Land Use



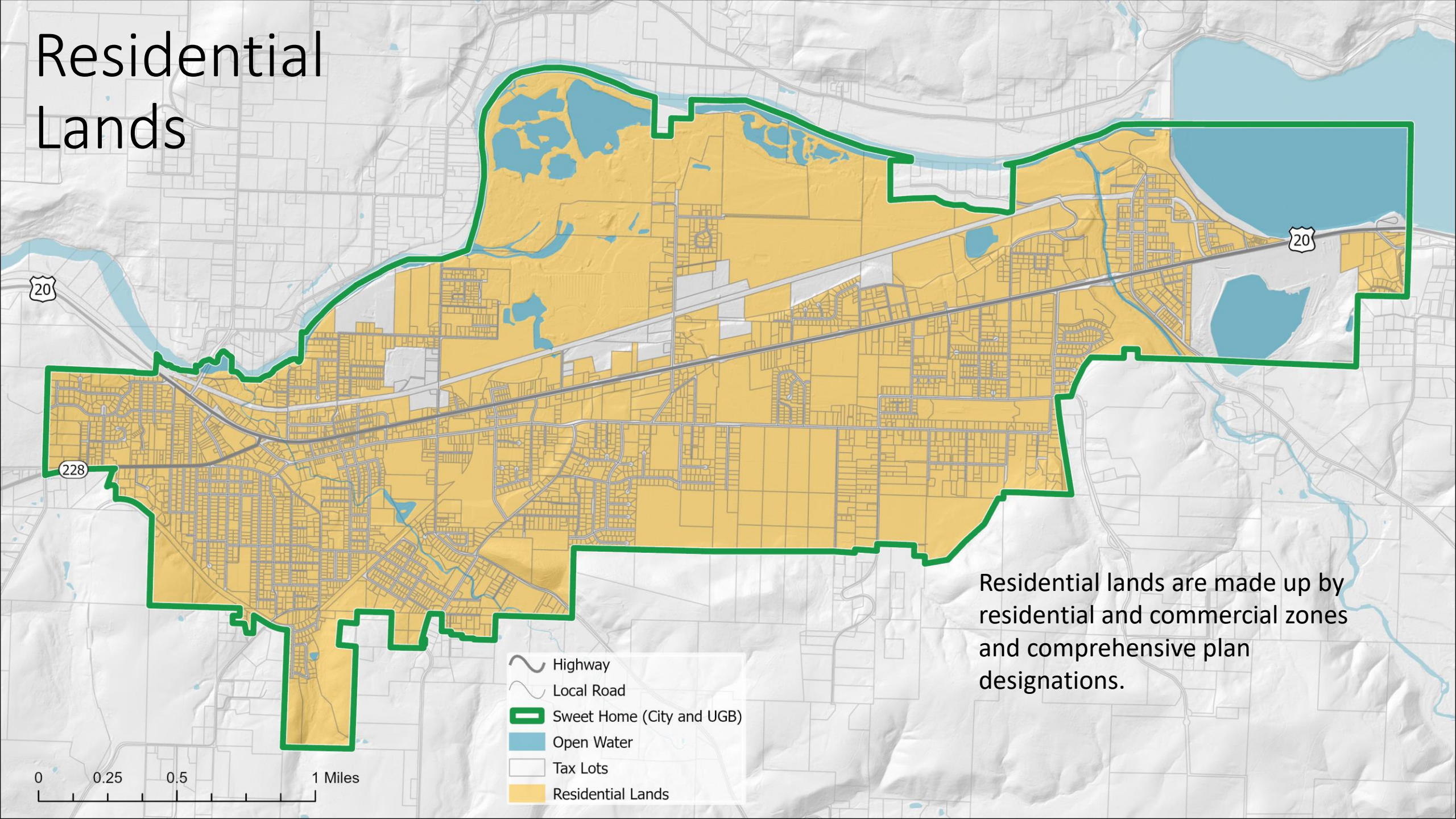
Zoning


20
228
20
Highway
Local Road
Sweet Home (City and UGB)
Open Water
Tax Lots
Zoning
CENTRAL COMMERCIAL
HIGHWAY COMMERCIAL
NEIGHBORHOOD COMMERCIAL
INDUSTRIAL
RESIDENTIAL/INDUSTRIAL/TRANSITION
HIGH DENSITY RESIDENTIAL
MEDIUM DENSITY RESIDENTIAL
LOW DENSITY RESIDENTIAL
RECREATION COMMERCIAL
WATER
0
0.25
0.5
1 Miles

Comprehensive Plan

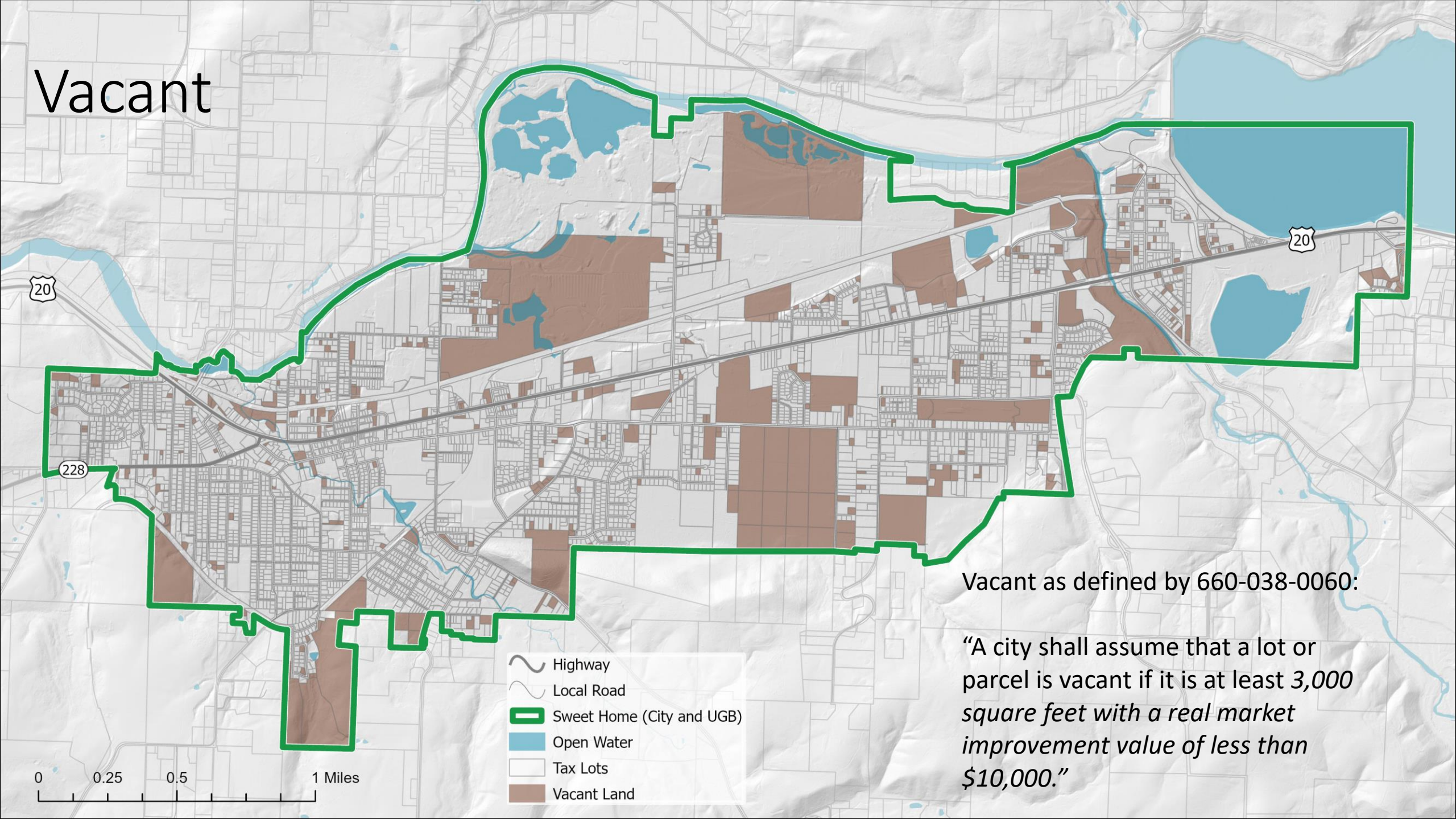


Residential Lands



Residential lands are made up by residential and commercial zones and comprehensive plan designations.

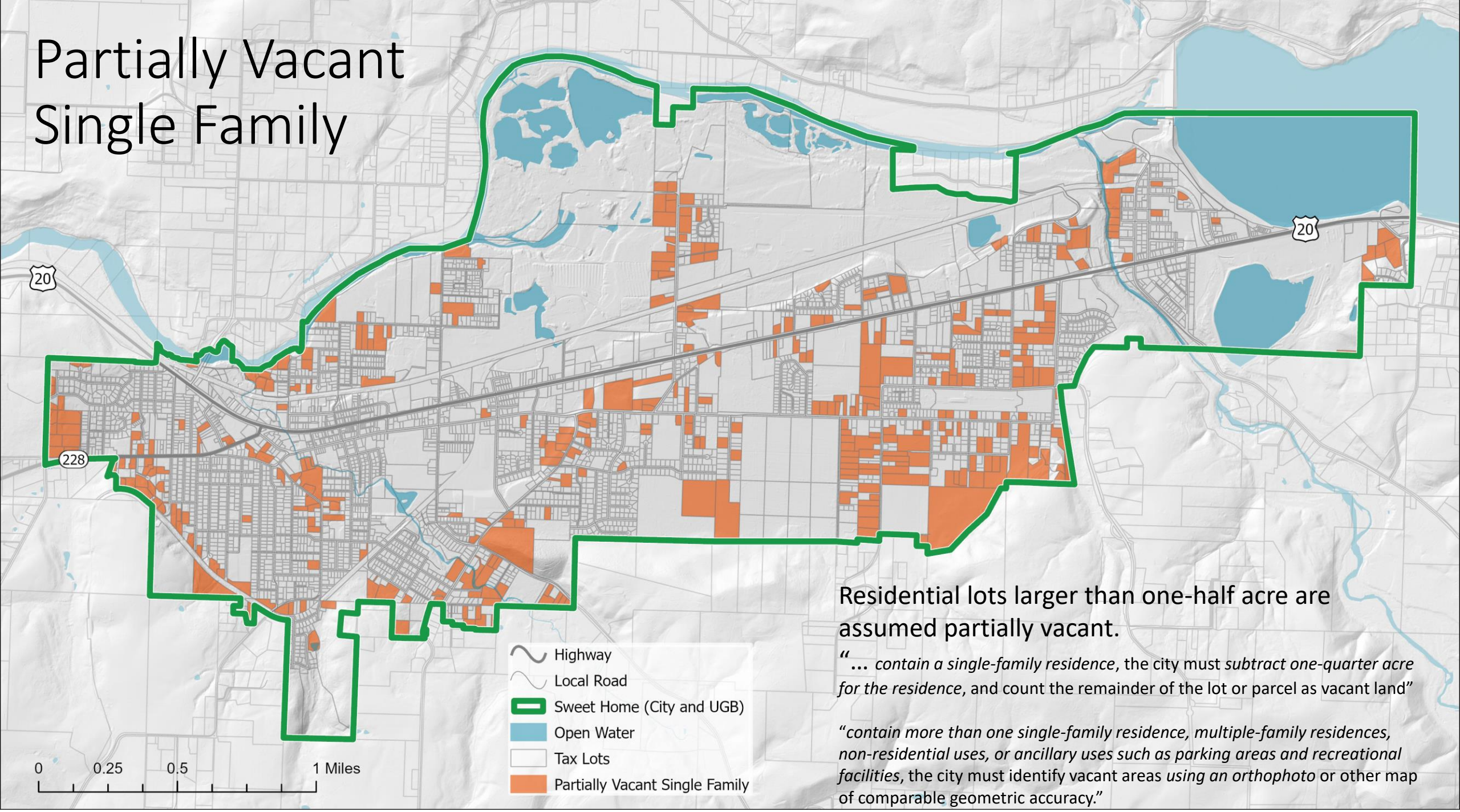
Vacant



Vacant as defined by 660-038-0060:

"A city shall assume that a lot or parcel is vacant if it is at least *3,000 square feet with a real market improvement value of less than $10,000.*"

Partially Vacant Single Family

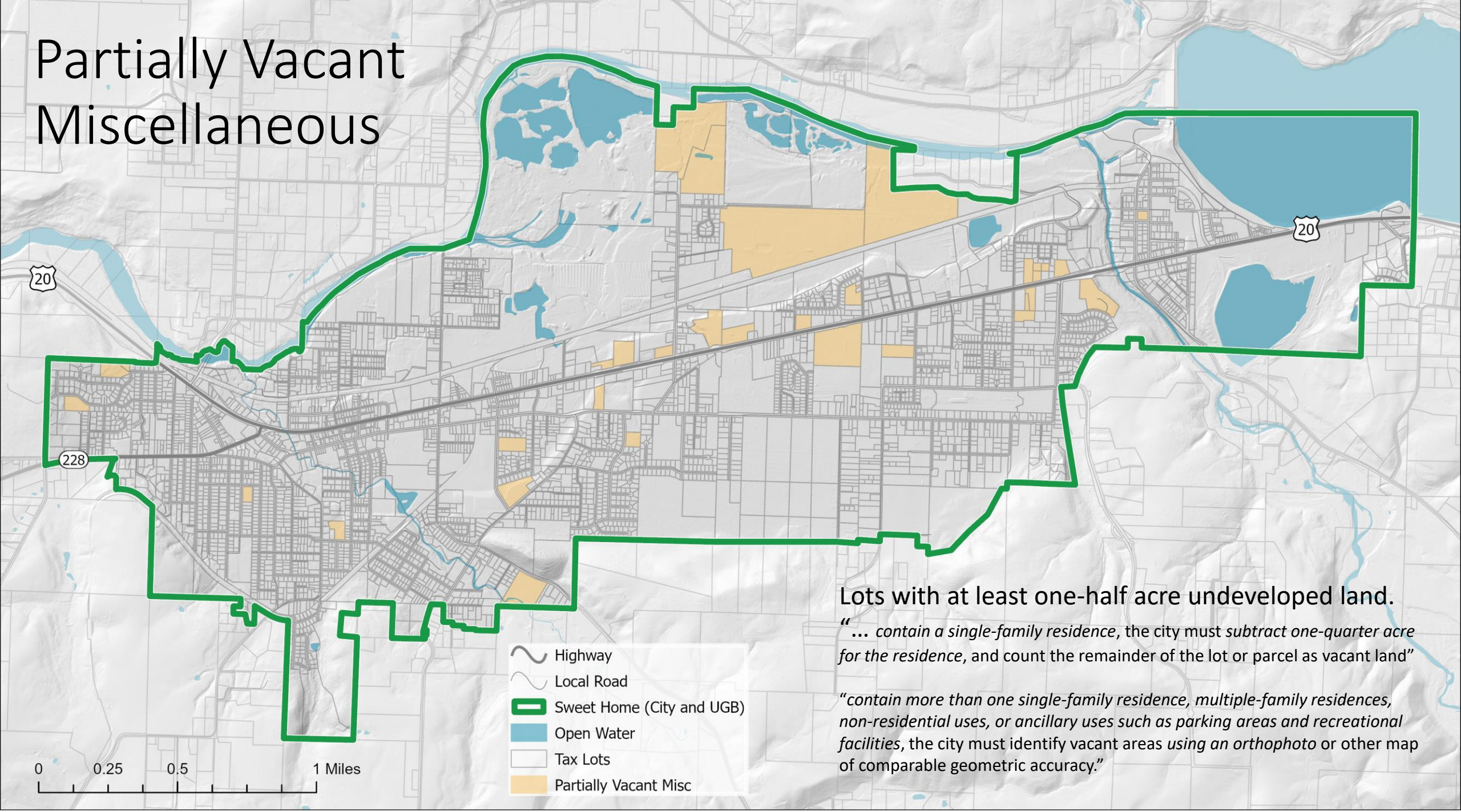


Residential lots larger than one-half acre are assumed partially vacant.

"... *contain a single-family residence*, the city must *subtract one-quarter acre for the residence*, and count the remainder of the lot or parcel as vacant land"

"*contain more than one single-family residence, multiple-family residences, non-residential uses, or ancillary uses such as parking areas and recreational facilities*, the city must identify vacant areas *using an orthophoto* or other map of comparable geometric accuracy."

Partially Vacant Miscellaneous

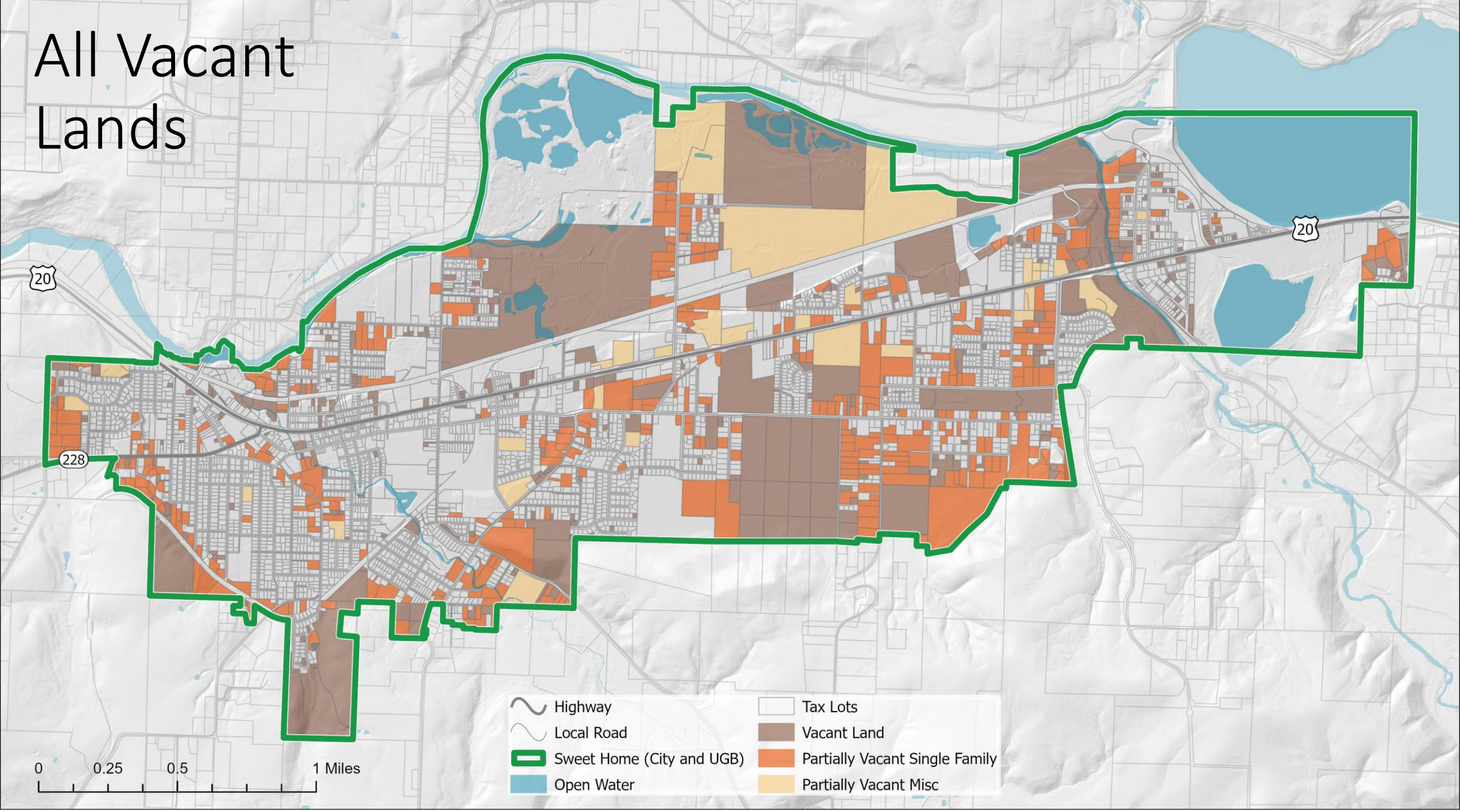


Lots with at least one-half acre undeveloped land.

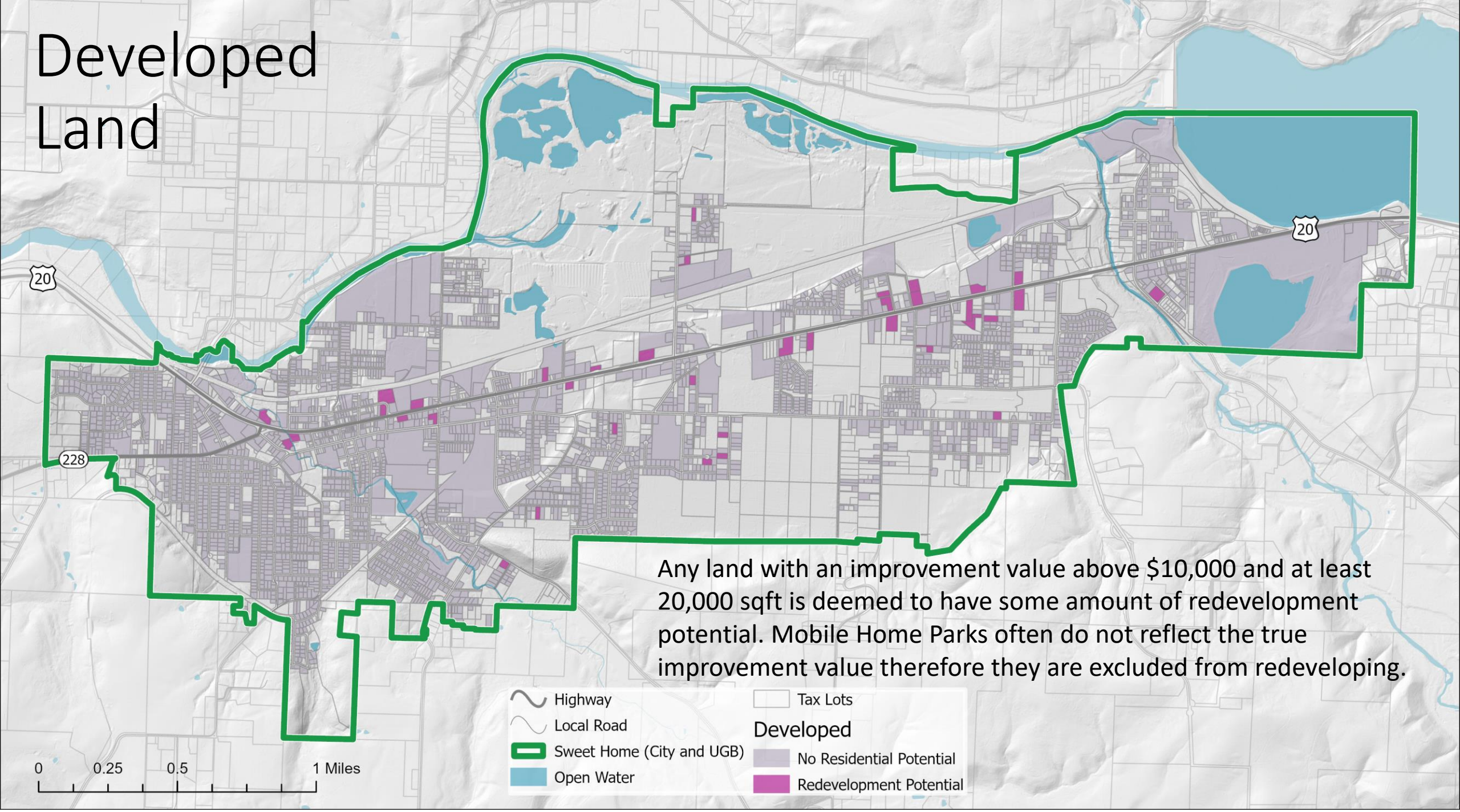
"**...** *contain a single-family residence*, the city must *subtract one-quarter acre for the residence*, and count the remainder of the lot or parcel as vacant land"

"*contain more than one single-family residence, multiple-family residences, non-residential uses, or ancillary uses such as parking areas and recreational facilities*, the city must identify vacant areas *using an orthophoto* or other map of comparable geometric accuracy."

All Vacant Lands

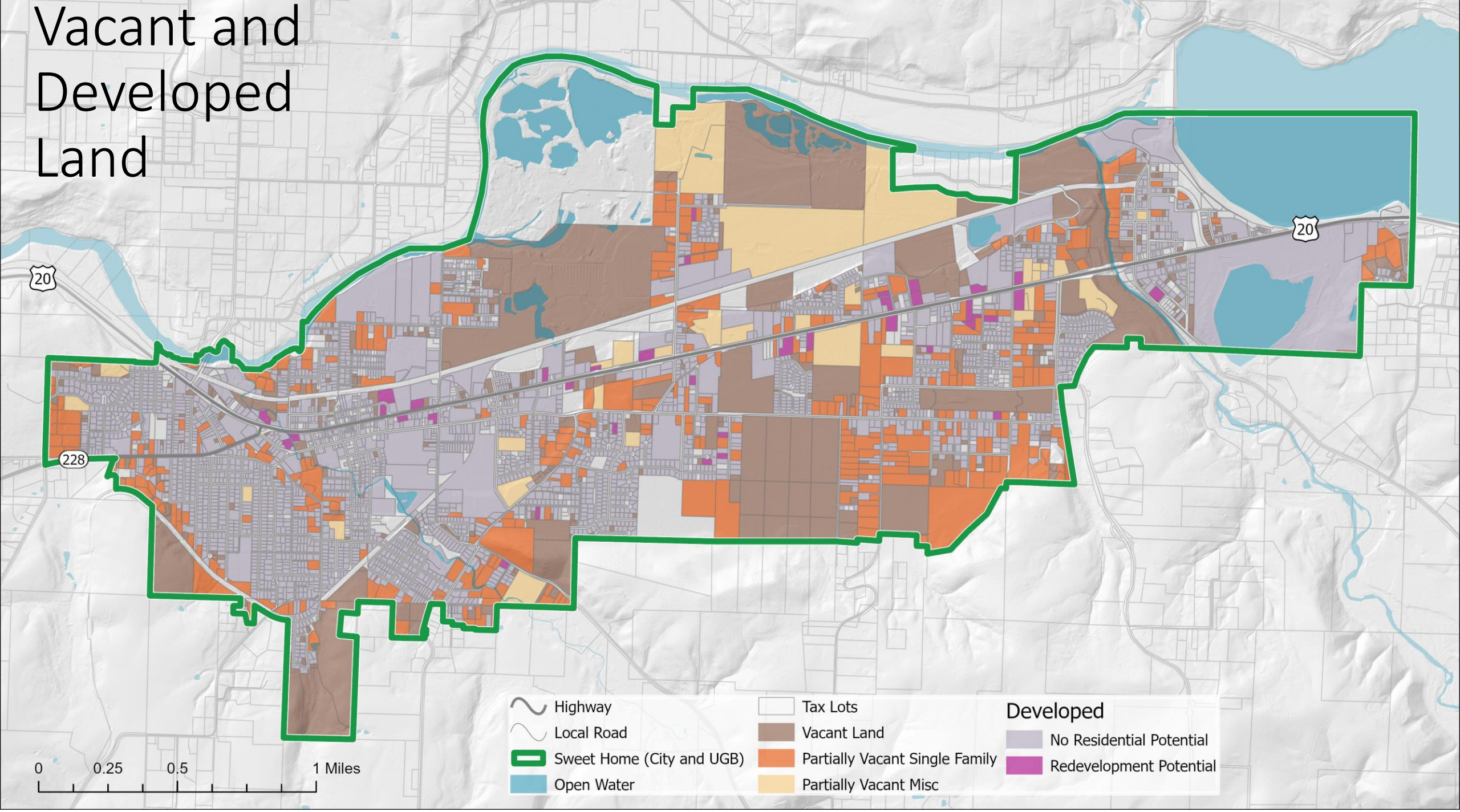


Developed Land



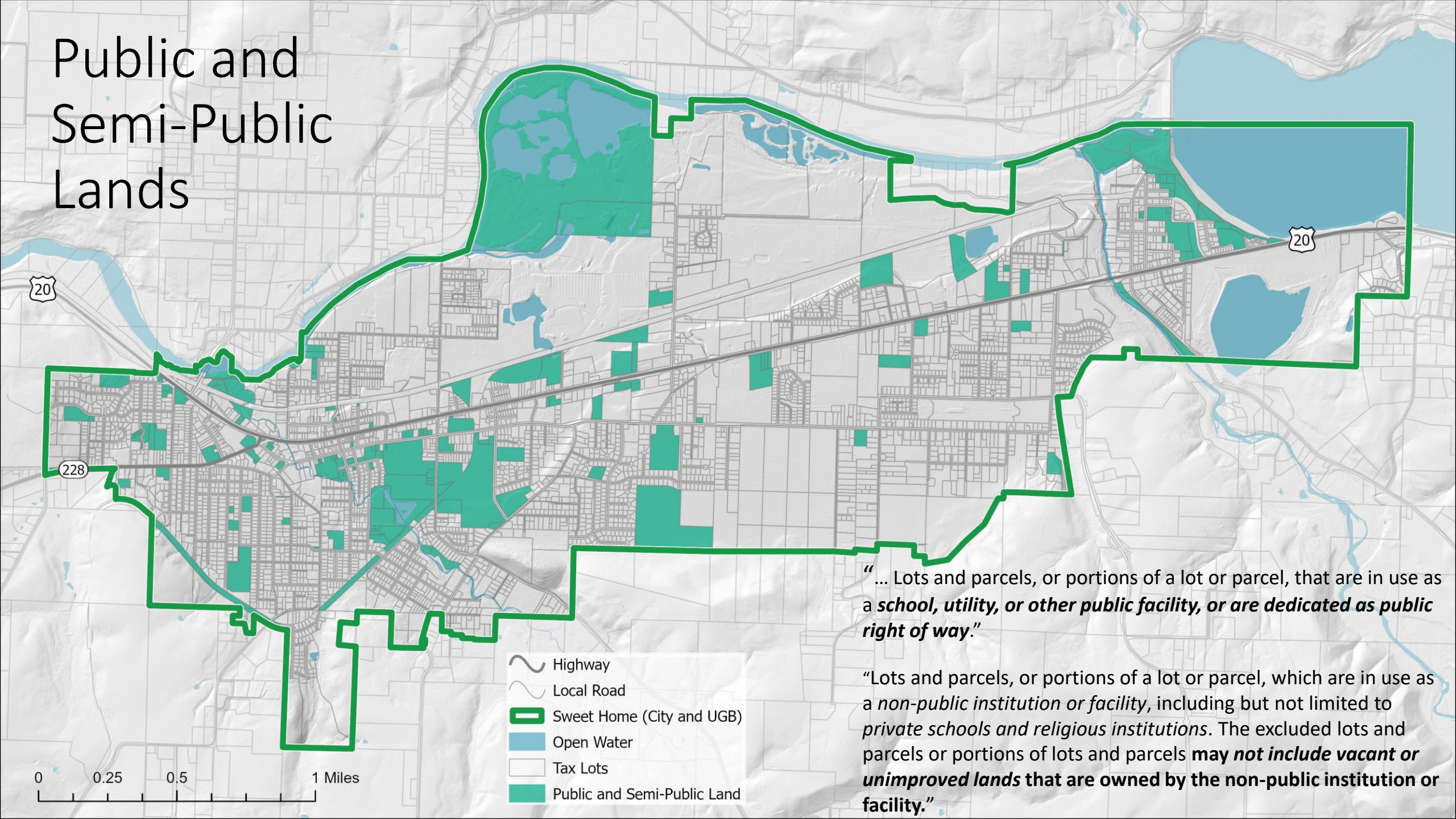
Any land with an improvement value above $10,000 and at least 20,000 sqft is deemed to have some amount of redevelopment potential. Mobile Home Parks often do not reflect the true improvement value therefore they are excluded from redeveloping.

Vacant and Developed Land



Constraining Factors

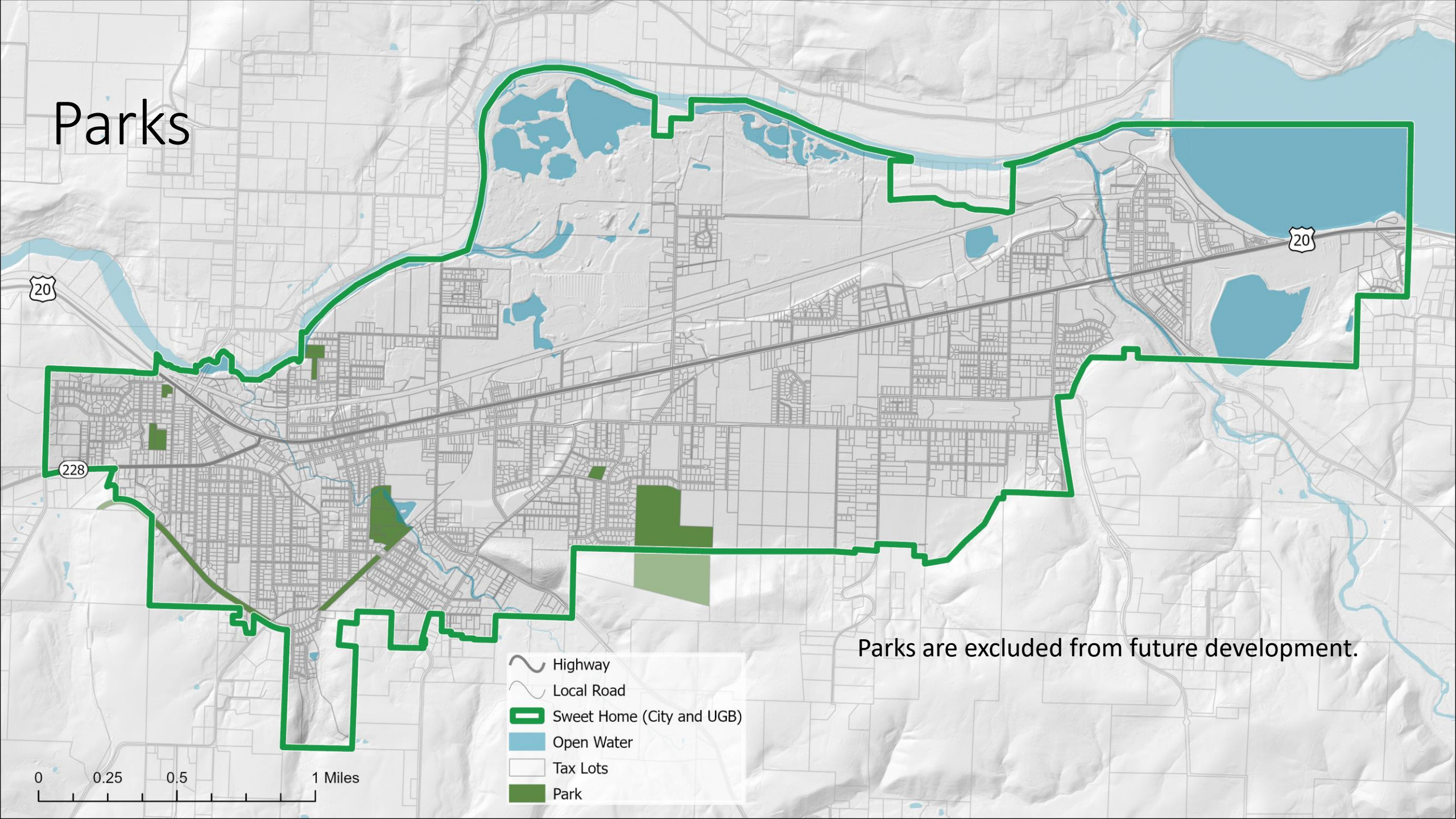
Public and Semi-Public Lands



"… Lots and parcels, or portions of a lot or parcel, that are in use as a ***school, utility, or other public facility, or are dedicated as public right of way***."

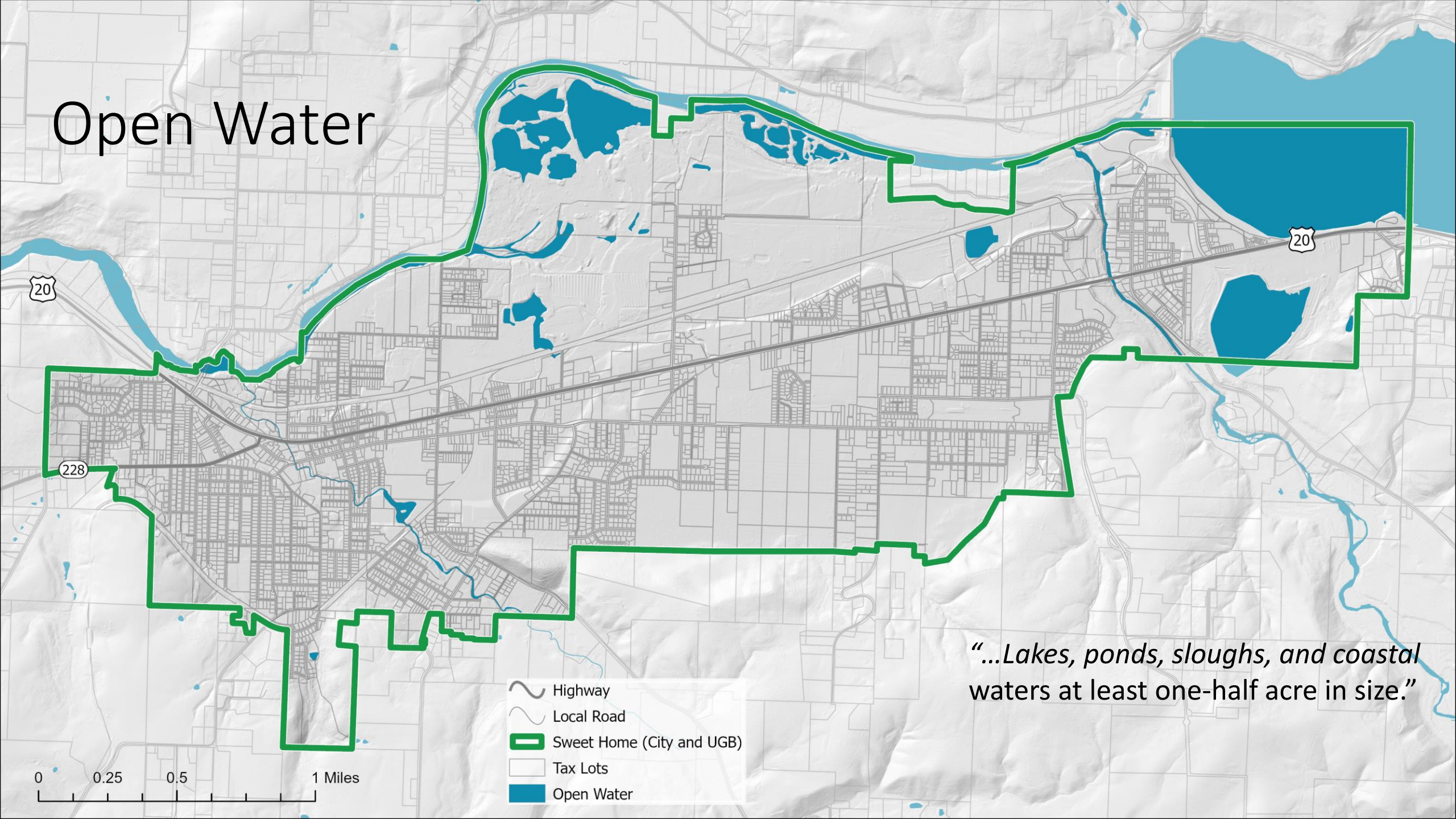
"Lots and parcels, or portions of a lot or parcel, which are in use as a *non-public institution or facility*, including but not limited to *private schools and religious institutions*. The excluded lots and parcels or portions of lots and parcels **may *not include vacant or unimproved lands* that are owned by the non-public institution or facility.**"

Parks



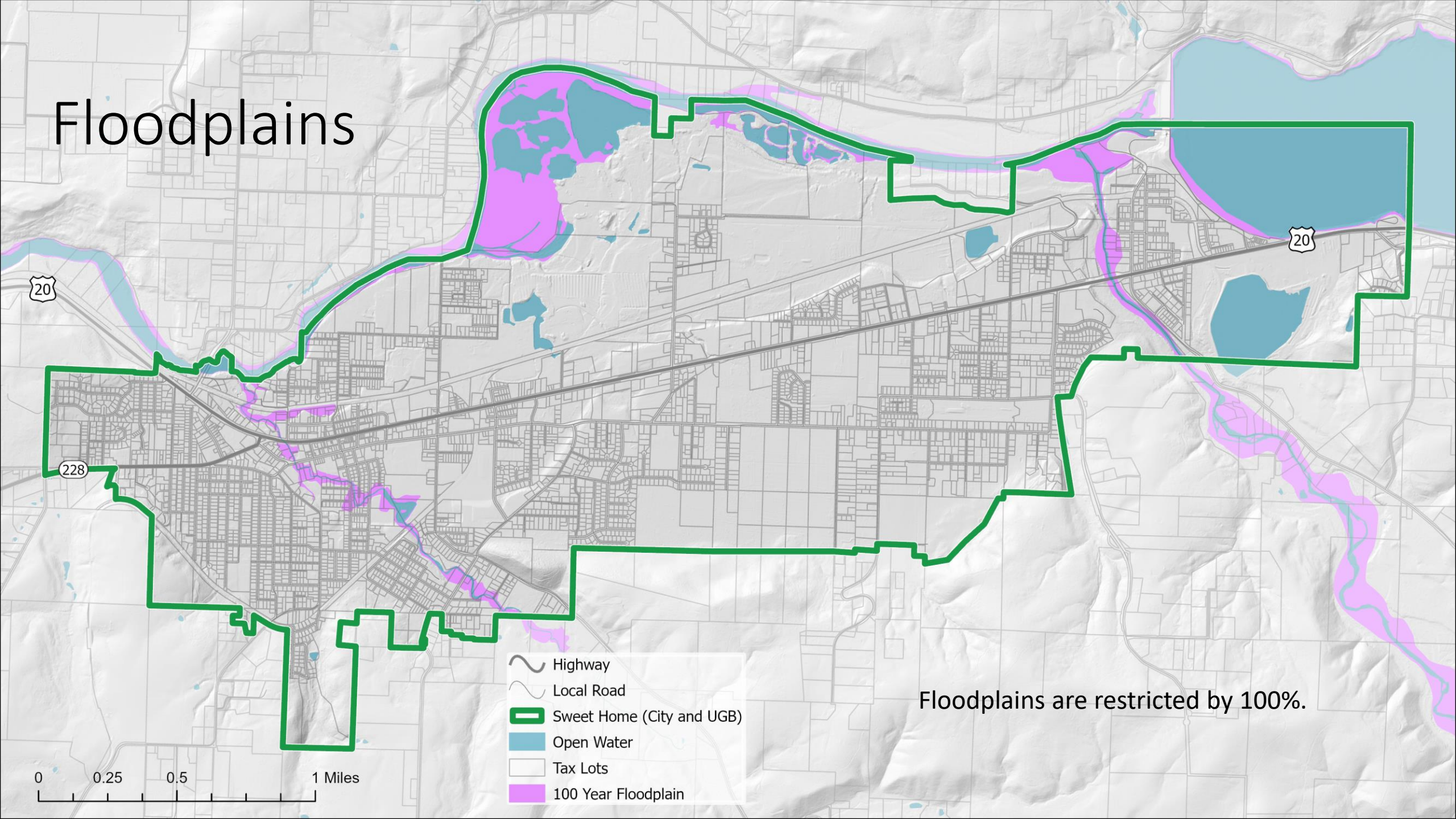
Parks are excluded from future development.

Open Water



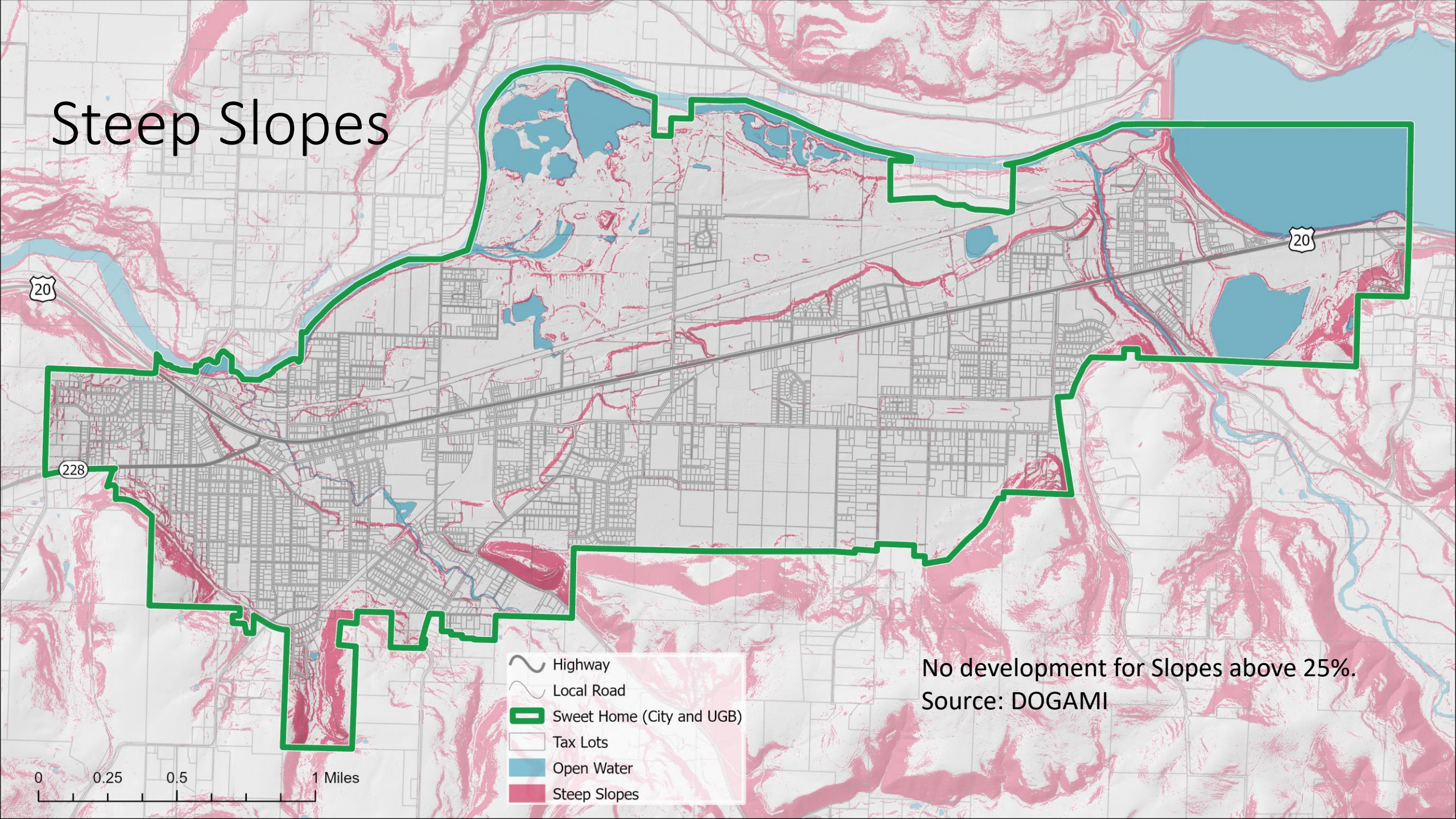
"…Lakes, ponds, sloughs, and coastal waters at least one-half acre in size."

Floodplains



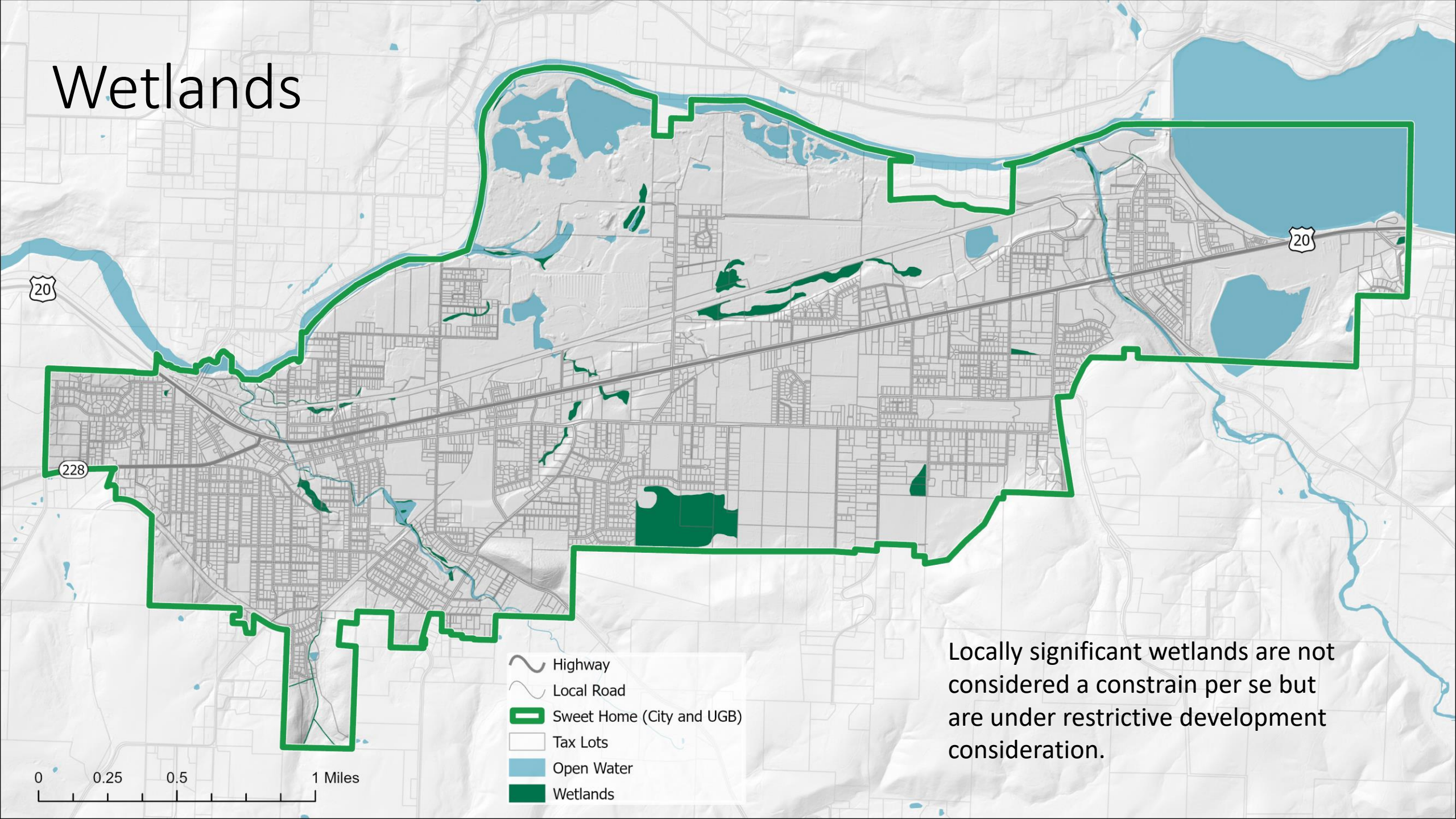
Floodplains are restricted by 100%.

Steep Slopes



No development for Slopes above 25%.
Source: DOGAMI

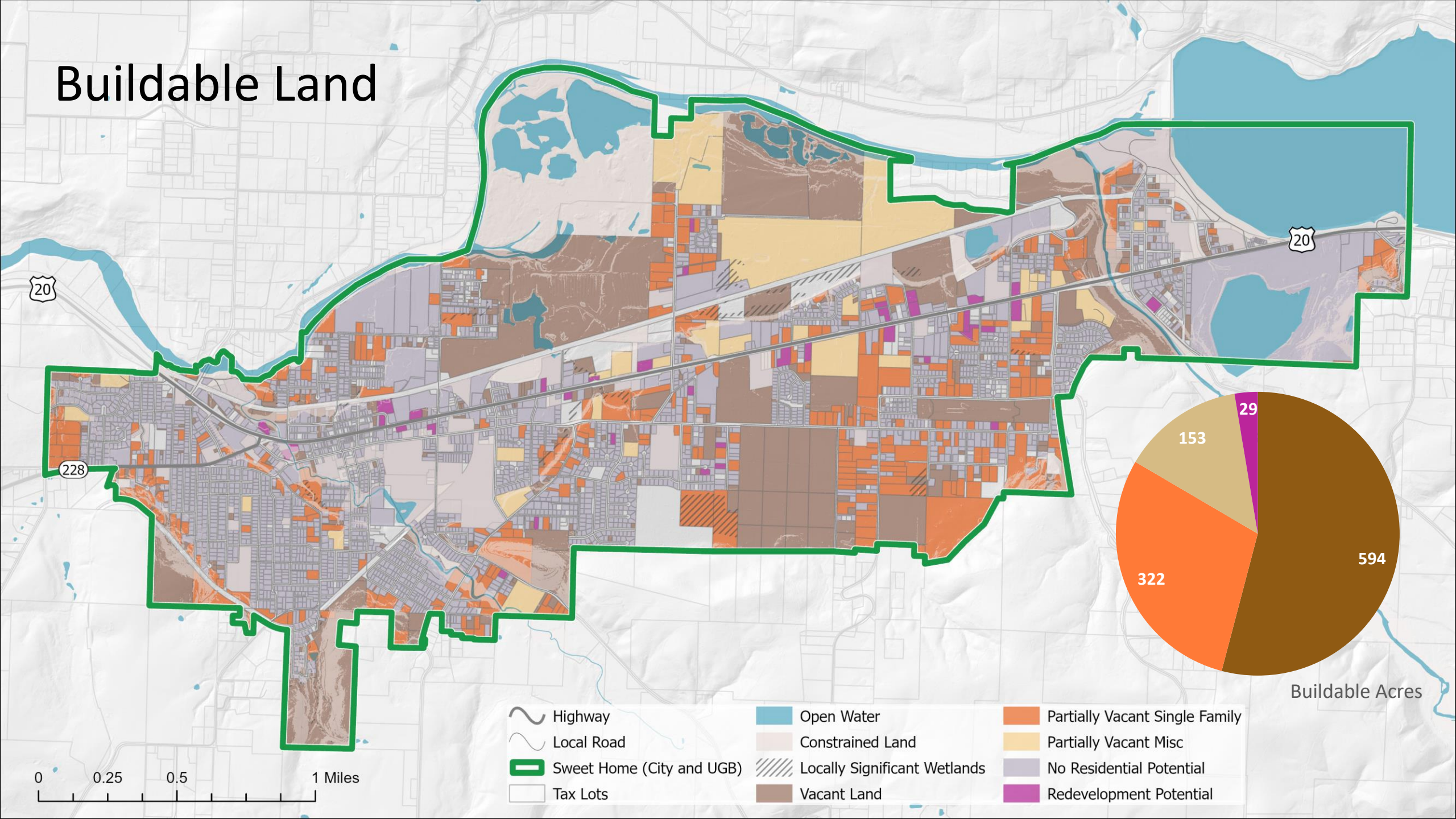
Wetlands



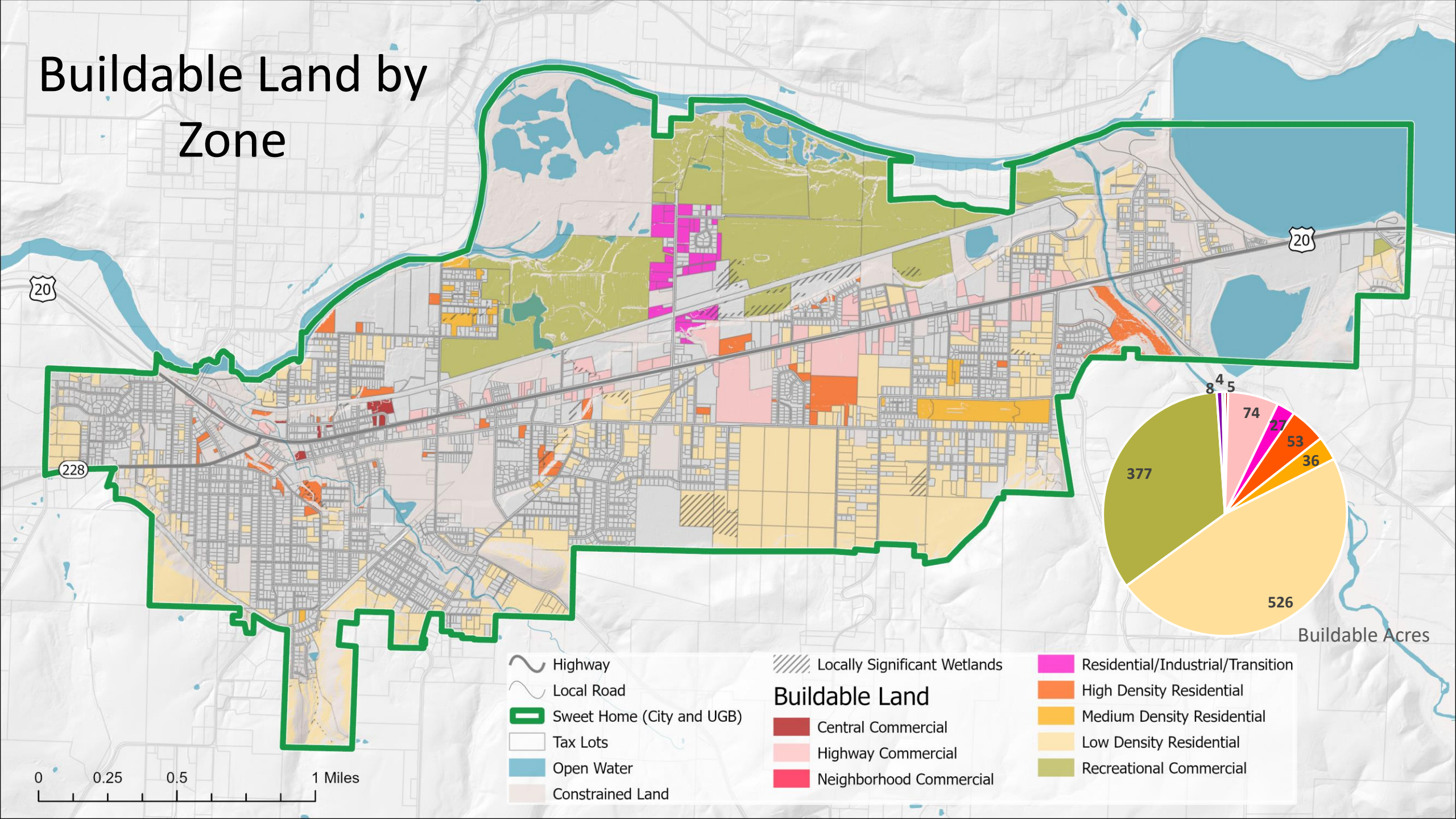
Locally significant wetlands are not considered a constrain per se but are under restrictive development consideration.

Buildable Land Supply

Buildable Land



Buildable Land by Zone



Draft Reconciliation of Residential Land Supply and Demand

Projected Housing Needs

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- **Potential Housing Mix: 73% detached and 14% middle housing types**
- **This forecast addresses population growth needs only; not replacement needs**

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Housing Tenure Distribution:	**363**	**238**	**31**	**632**
Housing Type Distribution				
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Townhomes / Plexes	-	32	10	42
Multi family (5+ units)	-	45	0	45
Mfg. home/cottages	38	47	0	85
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Group quarters (pop)				**15**

U.S. Census Bureau, American Community Survey 5-Year Estimates (Tables B25032 and CP04) & previous tables

Projected Residential Land Need (Demand)

- Baseline forecast shows demand for 169 gross acres to accommodate new housing units
- 144 acres for single family detached units, 25 acres for other housing types

Dwelling Unit Type	20-Year Dwelling Unit Demand	Applicable Plan Designation	Applicable Local Zones	Allowable Density (DU/Ac)	Avg. Development Density (DU/Ac)	Net Buildable Land Requirement	Gross Buildable Land Need*
Single Family Detached	460	LDR	RR-1, RR-2.5, LDR, R/I/T, RC	1 to 5	4.0	115	144
Mfd. Homes & Cottages	85	MDR	MDR	3 to 10	6.5	13	16
Townhomes / Plexes	42	MDR	MDR	6 to 12	9.0	5	6
Multifamily (5+ units)	45	CC, HC, NC, HDR	CC, HC, NC, HDR	14 to 36	18.0	2	3
Total	**632**					**135**	**169**

Source: prior tables; and interpretation of current zoning code and housing development/market conditions.

** Assumes 25% of site area required for future public facilities, roads, easements, etc.*

Buildable Land Inventory (Supply)

- 2,773 total residential acres in Sweet Home UGB
- 1,675 acres developed residential acres
- 1,098 gross acres of buildable land (minus constraints and exempt uses)

Zoning Categories	Developed/ Other	Vacant	Part Vacant & Redev.	Total Buildable	Total
Central Commercial	26	2	2	5	31
Highway Commercial	218	16	59	74	292
Neighborhood Commercial	0	0	0	0	0
Residential/Industrial/Transition	45	3	24	27	72
High Density Residential	200	34	19	53	253
Medium Density Residential	36	28	8	36	71
Low Density Residential	964	254	255	508	1,472
Recreation Commercial	171	251	126	377	548
RR-1	13	6	11	17	31
RR-2.5	2	0	1	1	3
Total	**1,675**	**594**	**504**	**1,098**	**2,773**

Source: Sweet Home Buildable Land Inventory August 16, 2022

Reconciliation of Land Inventory

- Land supply is generally sufficient to accommodate 20-year housing needs.
- Overall residential land surplus of 929 acres
- Surplus is significant among lower density residential land
- Surplus is also ample among higher density lands.

Dwelling Unit Type	Applicable Zoning Designation	Gross Buildable Land Requirement	Current Buildable Land Inventory	Buildable Land Surplus (Deficit)
Single Family Detached	LDR, MDR, R/I/T,	144	965	805
Mfd. Homes & Cottages	RR-1, RR-2.5, RC	16		
Townhomes/Plexes (2-4 units)	HDR, C	6	133	124
Multifamily (5+ units)		3		
Total		**169**	**1,098**	**929**

Source: prior tables; and interpretation of current zoning code and housing development/market conditions.

Housing Policy Recommendations

Current Housing Policies

1. Residential areas will offer a wide variety of housing types in locations best suited to each housing type.
2. Sweet Home will encourage rehabilitation or redevelopment of older residential areas.
3. The City encourages flexibility in design to promote safety, livability, and preservation of natural features.
4. Sweet Home establishes density recommendations in the Plan in order to maintain proper relationships between proposed public facilities, services, and population distribution.
5. The City will work with public and nonprofit organizations that provide affordable housing within the community.
6. Schools and parks shall be distributed throughout the residential section of the community.

Current Housing Policies

7. Where nonresidential uses abut residential areas in the community, nonresidential uses shall be subject to special development standards.
8. Efforts will be made to complete or connect existing sidewalks along routes to schools, parks, or commercial areas.
9. Development of residential local streets, whenever possible, will increase connectivity within and between neighborhoods.
10. The maximum net development densities (not including streets), in high density residential areas shall not exceed 35 multi-family dwelling units per acre, based on the standards for unit type.
11. In medium-density residential areas, single-family dwellings and two-family dwellings on corner lots would be consistent with the prevailing character of developed areas and compatible with adjoining land use in undeveloped areas. In these areas, the maximum net density shall not exceed 9 dwelling units per acre.

Current Housing Policies

12. The maximum net density (not including streets) in low density residential areas shall not exceed 5.4 dwelling units per acre for single-family dwellings.

13. Many of the hillside areas of Class II slope or less (25% slope or less) provide attractive sites for residential use. The City may enact special development standards governing hillside development on Class II slopes.

14. Efforts will be made to extend trails, pedestrian ways, and bikeways through existing residential areas.

15. To encourage connectivity and pedestrian access, residential blocks shall meet the development standards, except when topographical constraints make the standards impractical. When existing conditions or topography prevent a cross street, a pedestrian access way to connect streets should be considered as part of the development.

Housing Policy Recommendations

16. Ensure the land use code includes “clear and objective” standards for housing development and does not have the effect of discouraging needed housing through unreasonable cost or delay or reducing the proposed housing density already allowed by zoning.

17. Create a marketing campaign that increases awareness and participation with the federal solar tax credit to provide homeowners and renters assistance in upgrading their homes to be more energy efficient.

18. Conduct a Fair Housing audit of the City’s development processes and Development Code. An audit would look at existing definitions, restrictions, standards that trigger conditional use permits, and disparate impacts of policies on protected classes.

19. Identify areas of high priority for improving infrastructure to support new residential development, focusing on opportunities for new development in higher density zones. Particularly in areas with vacant land zoned for housing.

Housing Policy Recommendations

20. Plan for a 20-year supply of suitable land for Sweet Home to meet housing needs through regular monitoring and adjustments of available residential land.
21. Streamline the permitting process to reduce cost and delay of new housing units.
22. Promote the development of accessory dwelling units as a means to contribute to the overall housing stock and rental market.
23. Identify public owned properties that could be used for affordable housing.
24. Consider deferrals or waivers of SDCs for affordable housing developments.
25. Monitor annually the number of total housing units, regulated affordable units, multifamily units, regulated affordable multifamily units and single family units, and regulated affordable single family units.
26. Explore opportunities to remove undevelopable land from the buildable land inventory, including comprehensive plan amendments, rezoning and land exchanges.

Comprehensive Plan Chapter 4: Residential Lands and Housing

Chapter 4: Residential Lands and Housing

Chapter 4: Residential Lands and Housing

Community Goals

Sweet Home strives to establish residential areas that are safe, healthful and attractive places to live, and that will provide a maximum range of residential choices for the people in Sweet Home.

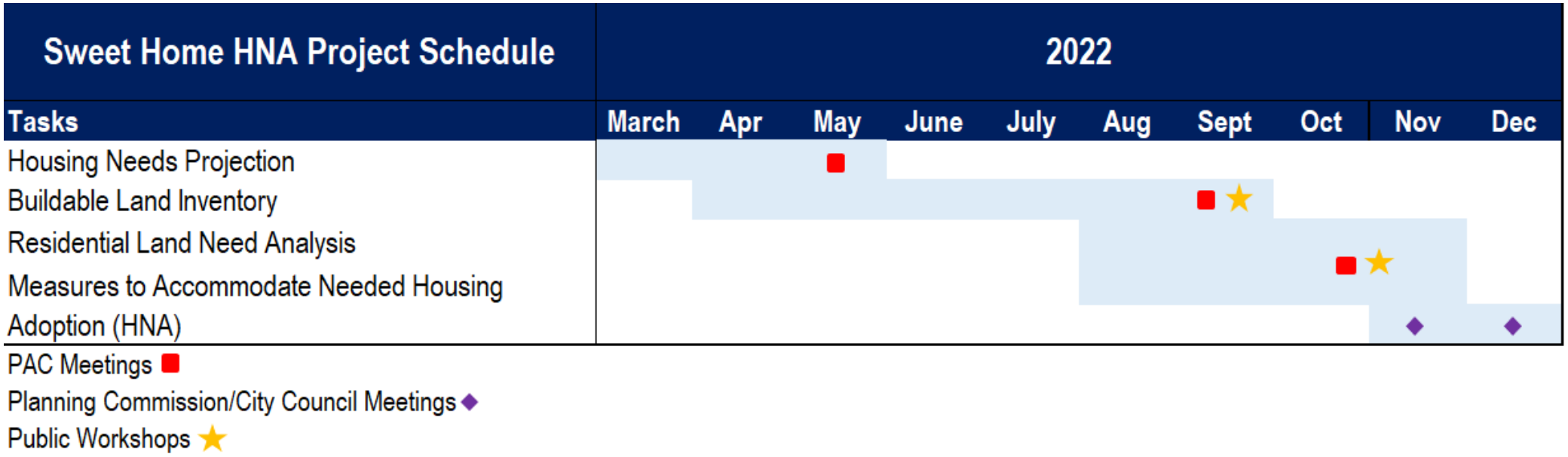
Overview

Through comprehensive planning, the City of Sweet Home can help guide the quantity, type, and affordability of its housing stock. Sweet Home recognizes the challenge of planning for a variety of housing options in both existing neighborhoods and new residential areas. How to achieve housing options that match the changing demographics and lifestyle of the residents will continue to be one of the challenges facing the community.

Next Steps

Next Steps

- Housing Needs Analysis adoption – Early 2023
- Comprehensive Plan Chapter 4: Residential Lands and Housing adoption – Early 2023



Thank You

December 1, 2022, 6:30pm

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Sweet Home
Oregon at its best!