

REQUEST FOR COUNCIL ACTION

DATE ACTION REQUESTED: December 21, 2020

Order ___ Ordinance ___ Resolution ___ Motion ___ Information XX
No. No. No.

SUBJECT: Briefing - Draft City of Newberg Housing Needs Analysis Update, Draft Newberg Housing Strategy – 2020 Update, and Newberg Public and Semi-Public Land Need 2021–2041

Staff: Doug Rux, Community Development Director
Department: Community Development

Work Session ___ Business Session X

Order on Agenda: New Business

RECOMMENDATION:

Information only.

EXECUTIVE SUMMARY:

The City entered into a contract with ECONorthwest on August 6, 2020 to assist the City in updating its Housing Needs Analysis (HNA) for the Buildable Lands Inventory and population forecast. The update is being funded by a Department of Land Conservation and Development (DLCD) grant of \$10,000.

The City entered into a contract with ECONorthwest on August 3, 2020 to assist the City in conducting a Public – Semi Public Land Needs Analysis. The project is funded through the City’s General Fund in the amount of \$4,500.

The HNA Citizens Advisory Committee (CAC) met four times since the project initiation in August. The first CAC meeting occurred on August 6, 2020 as a briefing and orientation to the project. The CAC held their first official meeting on technical aspects on October 1, 2020. On October 22 they met to review draft housing forecast information. On December 3, 2020 they met to review the final draft of the Housing Needs Analysis Update. Attached is the Power Point Presentation that was provided to the CAC along with a copy of the Draft HNA, Draft Newberg Housing Strategy – 2020 Update, and Draft Public/Semi Public Land Need Analysis.

The Housing Needs Analysis (HNA) includes updates to the Buildable Lands Inventory (BLI), Population Forecast, and Housing Strategy. The analysis also includes information on the need for Public and Semi Public Land Needs.

The HNA BLI indicates an Unconstrained Vacant Residential Land supply of 631 acres. This is a reduction from the 2019 HNA that showed total of 675 buildable acres. Updated population information indicates that Newberg will be growing slower over the 20 year period compared to the 2019 HNA. In 2041 Newberg is forecast to have a population of 33,199 (growth of 7,995 people) at an Annual Average Growth Rate of 1.39%. The prior forecast showed growth of 10,819 new people, a decrease of 2,824 people.

The HNA concludes, factoring in Public and Semi Public Land Need, that Newberg has a surplus of 31 acres of Low Density Residential, deficit of 37 acres of Medium Density Residential, and a deficit of 44 acres of

High Density Residential over the 20 year horizon.

The Public and Semi Public Land Need analysis indicate the need for 28.5 acres of land for Municipal purposes (City, ODOT, and Yamhill County), 60 acres for parks, and 32 acres for Semi Public uses.

In the Draft Newberg Housing Strategy – 2020 Update no strategies are proposed to be modified. Dates and other technical information in the document were updated. The time horizon to implement the strategies was adjusted and reflects the time horizons reviewed by the City Council on November 2, 2020 as part of the Housing Work Program.

A formal review of the Housing Needs Analysis, Housing Strategy and Public-Semi Public Land Analysis will come before the City Council at its February 16, 2021 meeting. The Planning Commission will be reviewing the documents at their January 14, 2021 meeting to develop a recommendation.

FISCAL IMPACT:

Funding for the HNA and Housing Strategy update was provided by the Department of Land Conservation and Development in the amount of \$10,000 and is budgeted in 01-4110-533011. Funding for the Public and Semi Public Land Need analysis is funded out of the General Fund, 01-4110-580000.

STRATEGIC ASSESSMENT: (Relate to Council Goals if applicable)

2020 Council Goals:

2. Further develop an operational culture that adopts and cherishes Diversity, Equity, and Inclusion as core values.
3. Promote development of housing affordability such as houselessness, transitional housing, workforce housing.

Newberg HNA Update & Public/Semi-Public Land Needs

CAC Meeting 4

December 3, 2020

ECONorthwest

ECONOMICS • FINANCE • PLANNING

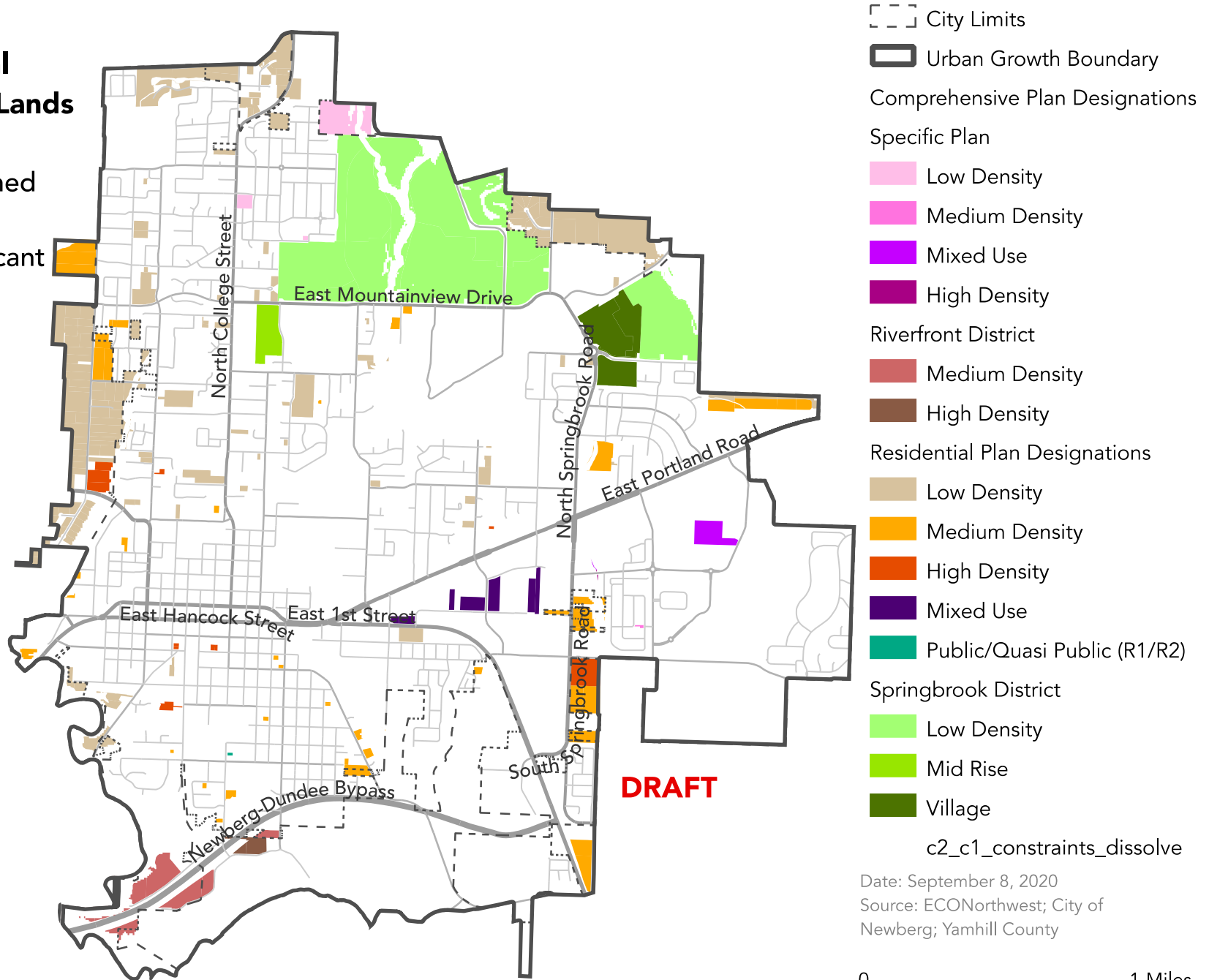
Final BLI

Methodology

1. Update land base using 2020 data
 - Update plan designations and tax lot boundaries since 2018 BLI
2. Review development status
 - Verify vacant and partially vacant parcels
 - Update status based on permit data
3. Re-calculate constrained area
4. Calculate buildable area

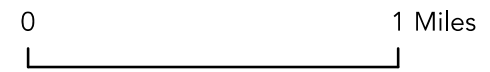
Newberg Residential Buildable Lands Inventory

Unconstrained Vacant and Partially Vacant Land



c2_c1_constraints_dissolve

Date: September 8, 2020
 Source: ECONorthwest; City of Newberg; Yamhill County



Unconstrained Vacant Residential Land

Generalized Plan Designation	Total buildable acres	Buildable acres on vacant lots	Buildable acres on partially vacant lots
Low-Density Residential	188	29	159
Medium-Density Residential	62	25	37
Mixed Use	10	6	4
High-Density Residential	13	1	12
Public/Quasi-Public (R-1 and R-2 zones)	-	-	-
Northwest Specific Plan			
Low-Density Residential	14	-	14
Riverfront Master Plan			
Medium-Density Residential	18	4	14
High-Density Residential	3	3	-
Springbrook District			
Low-Density Residential	283	161	122
Mid-Rise Residential	11	11	-
Village Residential*	22	7	15
Springbrook Oaks Specific Plan			
Medium-Density Residential	-	-	-
Mixed Use	7	7	-
High-Density Residential	-	-	-
Total	631	254	377

2019 HNA showed total of 675 buildable acres

Discussion of special considerations for Springbrook District in later slides

Updates to 2019 HNA

Summary of changes to the 2019 HNA

- New data for safe harbors, which require using most-recent data source:
 - Household size
 - Group quarters
 - Vacancy rate
 - Housing mix
- Updated data related to affordability to understand any changes in Newberg's housing market
 - Housing sales and rent
 - Median Family Income

Summary of changes to the 2019 HNA

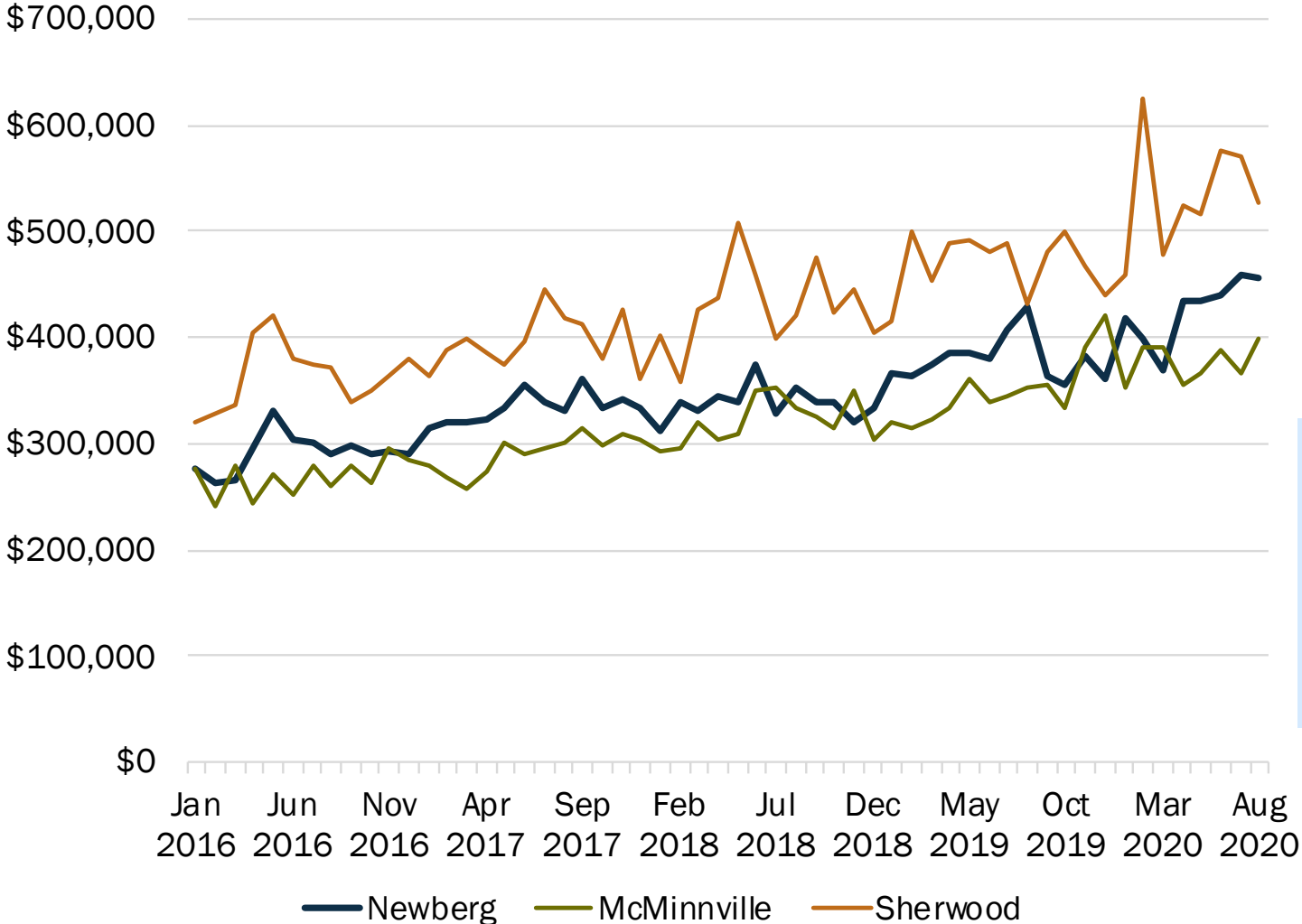
- Updated housing forecast
 - Update PSU population forecast to use June 30, 2020 forecast
- Refined capacity and allocation based on changes to the BLI and population forecast.

Group Quarters

- 7.2% (577) people were living in Group Quarters in Newberg during the 2014–2018 period (ACS)
- 2010 Census reported that college/university student housing accounted for 73% of the GQ population
 - 2010 Census is most-recent year available for this breakdown of Group Quarters
- Based on public / semi-public land needs analysis, George Fox does not plan to build more student housing.
- Updated HNA assumes that 27% of the GQ population will require new housing units.
- Results in 155 people in Group Quarters

Updates 2019 HNA: Sales

Median Sales Price, Newberg and Comparison Cities, January 2016 to August 2020



**Newberg
Median Sales
Price:
2020: \$430k
2018: \$340k**

Source: Redfin

Housing Affordability in Newberg

**Financially
Attainable
Housing, by
Median Family
Income (MFI)
for Yamhill
County
(\$92,100),
Newberg,
2020**

If your household earns....

\$27,600

(30% of MFI)

\$46,100

(50% of MFI)

\$73,700

(80% of MFI)

\$92,100

(100% of MFI)

\$110,500

(120% of MFI)

Then you can afford....

\$690

monthly rent

\$1,150

monthly rent

OR

**\$138,000-
\$161,000**

home sales price

\$1,840

monthly rent

OR

**\$258,000-
\$295,000**

home sales price

\$2,300

monthly rent

OR

**\$322,000-
\$368,000**

home sales price

\$2,760

monthly rent

OR

**\$387,000-
\$442,000**

home sales price



Fast Food Workers
\$30,763



Substitute Teachers
\$46,093



Claims Adjusters
\$72,727



Dental Hygienists
\$92,102



Construction Managers
\$112,091



Nursing Assistants
\$37,357



Carpenters
\$60,278



Computer Programmers
\$83,886

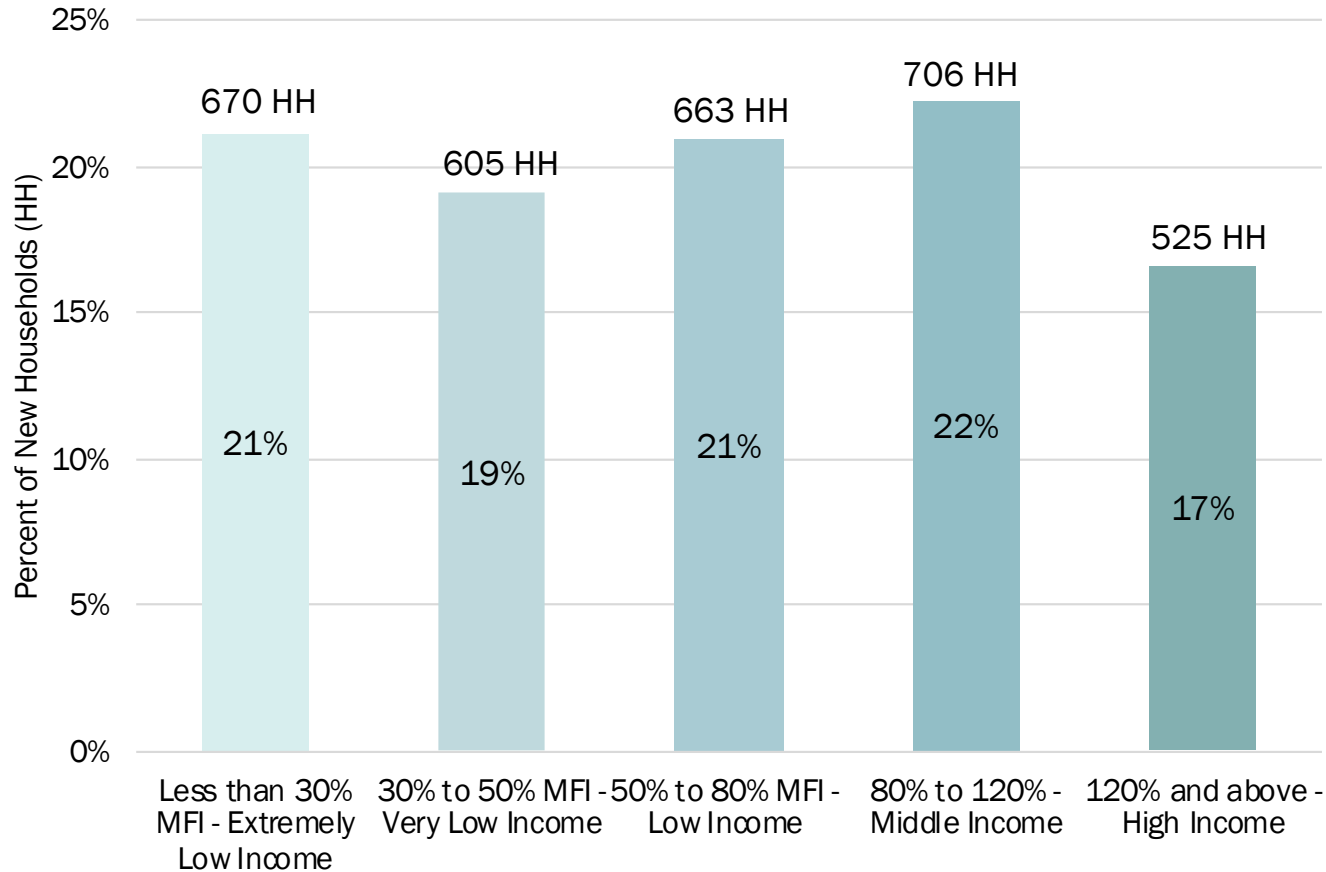


Chemical Engineers
\$103,854

Source: U.S. Department of Housing and Urban Development, Yamhill County, 2020. Bureau of Labor Services, Portland MSA, 2020.

Future Housing Affordability in Newberg

Future (New) Households, by Median Family Income (MFI) for Yamhill County (\$92,100), Newberg, 2021 to 2041



A household would need to have income of \$105,000 to afford the median sales price of \$430,000.

Updates to 2019 HNA: Population Forecast

Population Forecast, Newberg UGB, 2021-2041

Year	Population
2021	25,204
2041	33,199
Change 2021 to 2041	
Number	7,995
Percent	32%
AAGR	1.39%

The prior forecast showed growth of 10,819 new people, a decrease of 2,824 people.

Source: Population Research Center,
Portland State University, June 30, 2020.

Updates to 2019 HNA: Housing Forecast

New Dwelling Units, Newberg UGB, 2021-2041

Variable	New Dwelling Units (2021-2041)
Change in persons	7,995
<i>minus</i> Change in persons in group quarters	155
<i>equals</i> Persons in households	7,840
Average household size	2.61
New occupied DU	3,004
<i>times</i> Aggregate vacancy rate	5.5%
<i>equals</i> Vacant dwelling units	165
Total new dwelling units (2021-2041)	3,169
Annual average of new dwelling units	158

2019 HNA forecast showed a total of 4,035 new dwelling units (a difference of 866 units)

Since the last meeting, we updated the number of people in group quarters, based on information from George Fox University

Updates to 2019 HNA: Needed Mix

New Dwelling Units by Needed Mix, Newberg UGB, 2021-2041

Variable	Needed Mix
Needed new dwelling units (2021-2041)	3,169
Dwelling units by structure type	
Single-family detached	
Percent single-family detached DU	60%
equals Total new single-family detached DU	1,901
Single-family attached	
Percent single-family attached DU	8%
equals Total new single-family attached DU	254
Multifamily	
Percent multifamily	32%
Total new multifamily	1,014
equals Total new dwelling units (2021-2041)	3,169

Needed mix share (%) by structure type remained the same as the 2019 HNA.

ADUs and Redevelopment

	New Dwelling Units (2021- 2041)
Dwelling Units Accomodated by ADU or through Redevelopment	
Single-family detached	20
Single-family attached	
Multifamily	100
Total Units in ADU or Redevelopment	120
Dwelling Units Requiring Vacant or Partially Vacant Unconstrained Land	
Single-family detached	1,881
Single-family attached	254
Multifamily	914
Total Units Requiring Vacant or Partially Vacant Land	3,049

The number of units accommodated by ADU or redevelopment (120 units) did not change since 2019 HNA.

Updates to 2019 HNA: Allocation

Allocation of Units to Vacant Land by Housing Types (continued)

- The remaining **1,636** units were allocated to low, medium, and high-density plan designations.
- The mix of housing types was based on the needed mix assumptions (and after accounting for ADUs and redevelopment).

Comprehensive Plan Designation	Residential Plan Designations			Master and Specific Planned Areas		Total
	Low Density	Medium Density	High Density	Northwest Specific Plan	Springbrook District	
Dwelling Units						
Single-family detached	482	457	-	68	874	1,881
Single-family attached	-	12	6	-	236	254
Multifamily	9	152	518	-	235	914
Total	491	621	524	68	1,345	3,049
Percent of Units						-
Single-family detached	16%	15%	0%	2%	29%	62%
Single-family attached	0%	0%	0%	0%	8%	8%
Multifamily	0%	5%	17%	0%	8%	30%
Total	16%	20%	17%	2%	44%	100%

Updates to 2019 HNA: Capacity

- The capacity for low, medium, and high-density plan designations are based on historical densities.
 - 4.8, 7.6, and 18.7 dwelling units/gross acre, respectively
- The capacity for the NW Specific Plan is based on the density assumed in the plan (4.9 du/gross acre).
- The capacity for the Springbrook District is based on the count of units in the Master Plan.

Plan Designation	Capacity (Dwelling Units)
Low Density	904
Medium Density	678
High Density	316
Northwest Specific Plan	68
Springbrook District	1,345
Total	3,311

Updates to 2019 HNA: Density

Plan Designation/Zone	Total Unconstrained Buildable Acres	Capacity (Dwelling Units)	% DU	Assumed Density (du/gross acre)
Low Density	188	904	27%	4.8
Medium Density	89	678	20%	7.6
High Density	17	316	10%	18.7
Northwest SP				
Low-Density Residential	14	68	2%	4.9
Springbrook District				
Low-Density Residential*	227	874	26%	3.8
Mid-Rise Residential	11	206	6%	18.4
Village Residential	22	265	8%	12.1
Overall Average Density	568	3,311		5.8

*Based on estimate of unconstrained buildable land in SD/LDR that will develop with residential units.

Springbrook District Notes:

- **1,345** total dwelling unit capacity
 - *Same assumption as Master Plan & 2019 HNA*
- **Village Residential – 22 acres** (of 34) assumed to develop as residential

- **LDR – 227 of 283 acres in BLI** will develop with dwelling units.
 - *Additional consideration of environmentally sensitive areas and parks in master plan.*
 - *Affects density calculation in Exhibit 58, pg. 82*

Updates to 2019 HNA: Land Needed for Other Uses

Land Needed for Group Quarters	Assumption
New Population in Group Quarters	155
Needed Dwelling Units for Group Quarters*	155
Density Assumption (HDR)	18.7
Needed Gross Acres for Group Quarters (HDR)	8.3
(Total deficit of land in HDR, including Group Quarters)	(19)

Plan Designation	Land Needed for Employment Uses	Land Needed for Public/Semi-Public Uses
Low Density	(8)	(46.1)
Medium Density	(9)	(35.7)
High Density	(1)	(23.5)

Note: Land for Public and Semi-Public uses will be described in the following section.

Updates to 2019 HNA: Land Sufficiency

Plan Designation	Land Sufficiency for Future Housing Development	Employment Uses in Res. Plan Des.	Public/Semi- Public Uses in Res. Plan Des.	Land Needed for Group Quarters (Gross Acres)	Land Sufficiency (Gross Acres)
Low Density	413	(8)	(46)		31
Medium Density	57	(9)	(36)		(37)
High Density	(208)	(1)	(24)	(8)	(44)
Northwest Specific Plan	0				n/a
Springbrook District	0				n/a

The 2019 HNA showed a deficit of land in LDR, MDR, and HDR of 20, 26, and 62 acres, respectively.

The 2019 HNA did not include land for employment uses in residential plan designations or public/semi-public land.

Final Public and Semi-Public Land Needs

Public and Semi-Public Land Needs

Public and Semi-Public Land Needs, Newberg, 2021–2041

Municipal

- City: 15.4 acres
 - Public works facilities (water and wastewater booster pump stations (4), water treatment plan expansion, regional water quality facility)
 - Library site and city hall expansions
 - Downtown parking lots (3)
- County: 2 acres
 - Park ‘n’ Ride facility
 - County transit bus parking
- State: 11.1 acres
 - ODOT Bypass Phase 2 land acquisition

Results are based on interviews, review of master plans, analysis of levels of service, and discussions with city staff

Public and Semi-Public Land Needs

Public and Semi-Public Land Needs, Newberg, 2021 to 2041 [continued]

- **Parks**

- 60 acres

Based on level of service for Neighborhood and Community parks adopted into the Comprehensive Plan

- **Schools**

- School district staff identified no need for additional school sites

- **Semi-Public**

- Churches: 28 acres
- Other Semi-Public: 4 acres

Based on existing uses per 1,000 people in Newberg

Public and Semi-Public Land Needs

Public and Semi-Public Land Needs in Newberg by Plan Designation, 2021 to 2041

Use	Estimated Land Need (Acres)					Total
	Residential Plan Des.			Commercial Plan Des.	Industrial Plan Des.	
	Low Density	Medium Density	High Density			
Municipal	7.0	9.3	-	2.2	10.0	28.5
Parks	20.0	20.0	20.0	-	-	60.0
Semi-Public	19.1	6.4	3.5	0.7	2.3	32.0
Total	46.1	35.7	23.5	2.9	12.3	120.5

Allocations to plan designation based on existing distribution of uses, plans for future uses, and compatibility of uses within each plan designation

Next Steps

- Final comments on the HNA or Public and Semi-Public Land Need to Doug by 12/11/2020
- Planning Commission: January 14, 2021
- City Council: February 16, 2021

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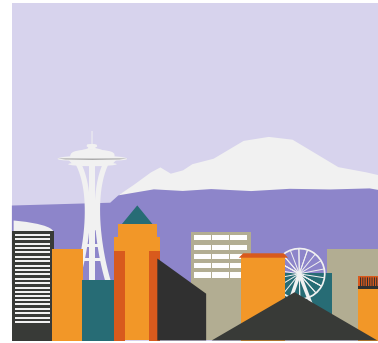
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Eugene



Portland



Seattle



Boise