RENT BURDENED: CAUSES & SOLUTIONS

Newberg Community Open House December 14, 2022







Welcome to the Open House for the Newberg community discussion on the causes and solutions of rent burdened members of the community.



Newberg needs community input to address rising rents

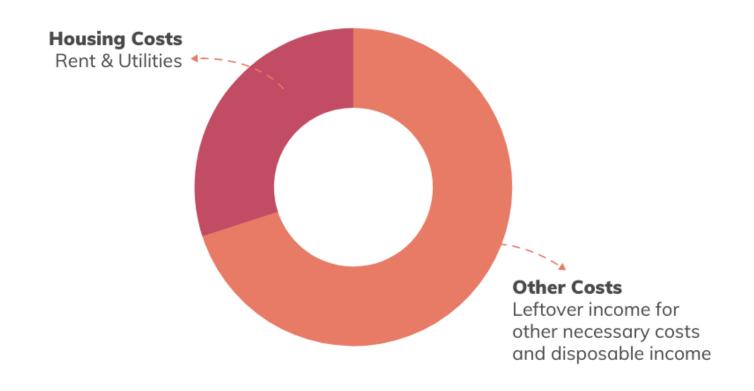
Since 2018, the City of Newberg has been holding community meetings and discussions around housing affordability and rent burdened households.



What does "Rent Burdened" Mean?

RENT COST BURDENED

Paying 30% or more of your Monthly Income on Housing Costs

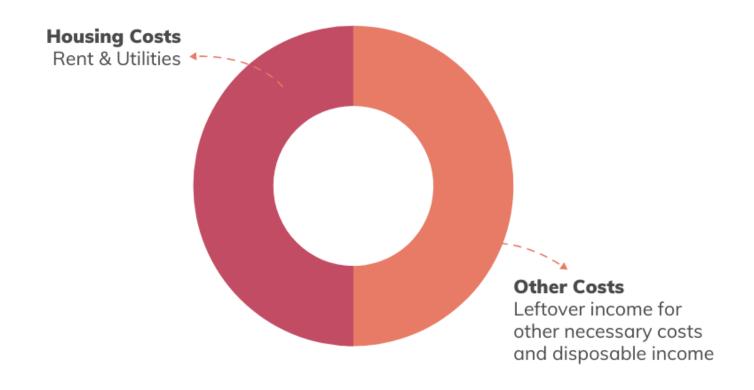




What does "Rent Burdened" Mean?

SEVERE RENT COST BURDENED

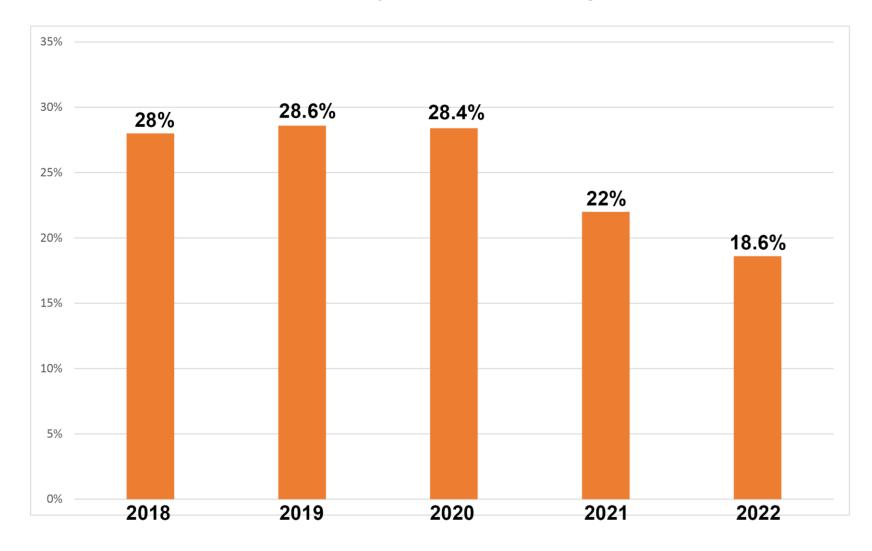
Paying 50% or more of your Monthly Income on Housing Costs





In Newberg, the percentage of renters who are severely rent burdened has been decreasing slightly over the years with 2022 **showing 18.6%** of the renter population being considered severely rent burdened.

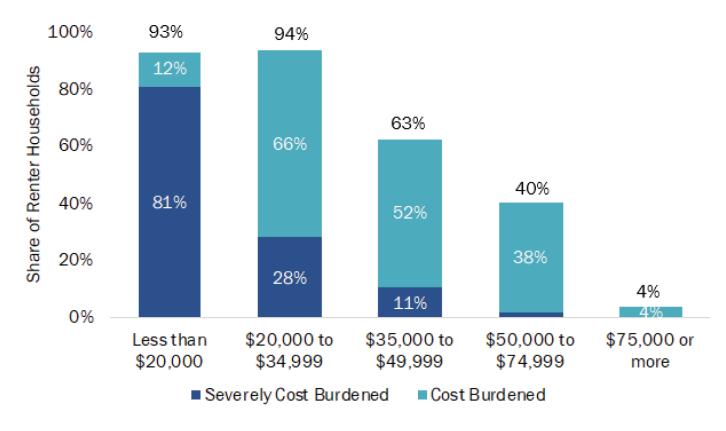
Percentage of Severe Rent Burdened Community Members in Newberg





In Newberg, the less your median household income (annually) the more likely you are to be severely rent burdened. Meaning, if you are lower-income and make less money annually, it is increasingly harder to find housing that is affordable.

Cost Burden by Income for **Renter** Households, Newberg, 2015-2019



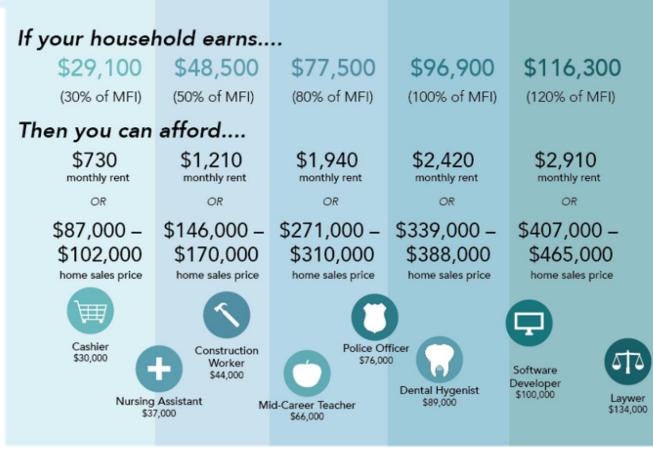
Source: U.S. Census, American Community Survey 2015-2019

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In Newberg, workers of all types are finding it harder to find housing that is affordable to them based on the income they earn.





Median Home Sale Price in Newberg: \$443,000

A household would need to earn about \$126,600 (131% of MFI) to afford these prices.

2-bedroom rent in newly built multifamily in Newberg (2022): \$1,700*

A household would need to earn about \$67,800 or 70% of MFI to afford this rent.

*includes \$1,450 per month for rent and \$250 for utilities

Source: U.S. Census Bureau, ACS 2015-2019, Table B19001; HUD, FY 2021 MFI.





The City of Newberg adopted a **5-Year Housing Work Program** in November of 2020.

This list has about **50 items** and are **actively being addressed** by City Staff.



City staff are currently working on...





A Housing **Production** Strategy – which will result in a report with a list of strategies to help produce housing that is most needed in Newberg





Multi-Family Code Audit & Amendments Project – reviewing the Newberg Development Code and assessing where code changes may be needed around multi-family housing development





Researching other communities and cities that allow **Tiny Homes on Wheels** as a permanent housing type.

Understanding the pros and cons to this.





Construction **Excise Tax (CET)** implementation working on creating documents and criteria for affordable housing projects to receive **CET** funding

Thank you for joining and participating!

