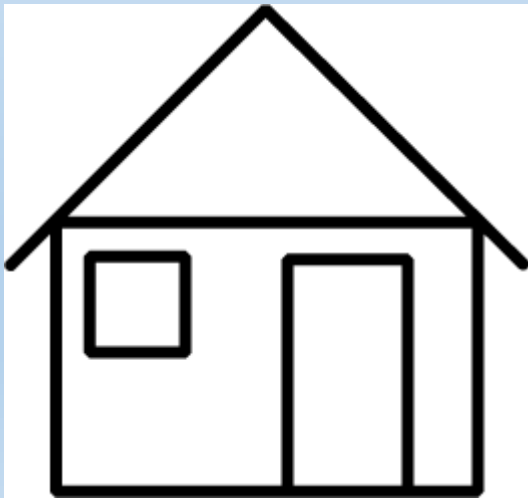




HB 4006 (2018)

Rent Burdened Households

December 18, 2018



HB 4006 (2018)

The intent of the legislation:

- Increase local awareness of rent burden causes and potential solutions in an effort to encourage local jurisdictions to take steps and/or communicate what support they need to address severe rent burden in their community;
- Collect housing related information to better understand the effectiveness of solutions; and
- Assist cities in housing planning efforts (technical assistance grants)

HB 4006 (2018)

Cities with populations over 10,000 where greater than 25% of renter households pay more than 50% of monthly income on rent must hold at least one public meeting to discuss rent burdens causes and potential solutions.

- Report meeting minutes and attendees
- Complete and submit a survey
- Report the number of permitted and produced residential units in several different categories

HB 4006 (2018)

Discussion Items:

1. Causes and consequences of severe rent burdens within the city.
2. Barriers to reducing rent burdens.
3. Possible solutions to reduce the rent burdened households.

BACKGROUND

Newberg share of households that spend more than 50 percent of income on rent

% Severely Rent Burdened	Population (2016)	Severely Rent Burdened	Total Renter Households
28%	22,749	790	2,853

Source: U.S. Census Bureau, 2012-2016 5-Year American Community Survey Estimates

BACKGROUND: Housing Newberg - proposals

1. Annexations
2. Accessory Dwelling Units
3. Construction Excise Tax
4. Housing Ombudsman
5. The Missing Middle
6. Work and Living Spaces
7. Expedited Review and Permitting
8. Public Street Standards
9. SDC Deferrals/Loans

BACKGROUND: Housing Newberg

Areas for future Review:

- Decrease time from substantial completion of utilities to final plat approval.
1. Reduce complexity, maintenance requirements and cost of storm water treatment.
 2. Lift building height restrictions outside of downtown.
 3. Allow sharing of utility lines (sewer, water) for more than one residential unit.
 4. Lift restriction on second kitchens in a residence to allow for 'in house' ADUs.
 5. Monitor impact of Short Term /Vacation Rentals on residential neighborhoods.

BACKGROUND

Income Guidelines Portland Metropolitan Statistical Area (MSA) - 2017

Family Size:	1	2	3	4
80% of Median	\$41,840	\$47,840	\$53,840	\$59,760

Source: HUD

BACKGROUND: What has been completed

- ✓ Annexation R-3 (Multi-family)
- ✓ Accessory Dwelling Units

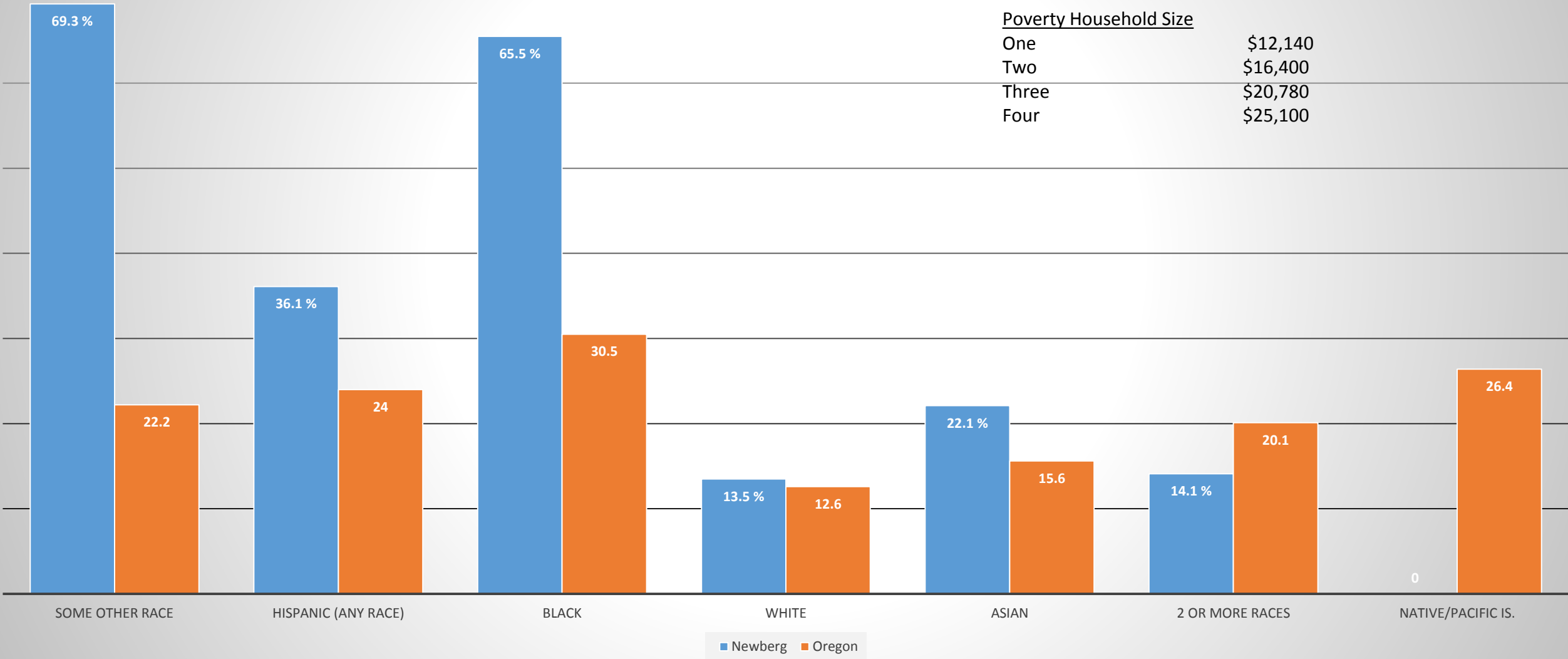
BACKGROUND: What is in process

- Housing Needs Analysis
- Urban Growth Boundary Expansion
- Riverfront Master Plan
- Construction Excise Tax Evaluation
- Missing Middle Housing – Duplex's/Triplex's in R-1

BACKGROUND: What is on the Horizon

- Urban Renewal program feasibility analysis and plan
- Manufactured Home Park regulations

Poverty Rates by Race

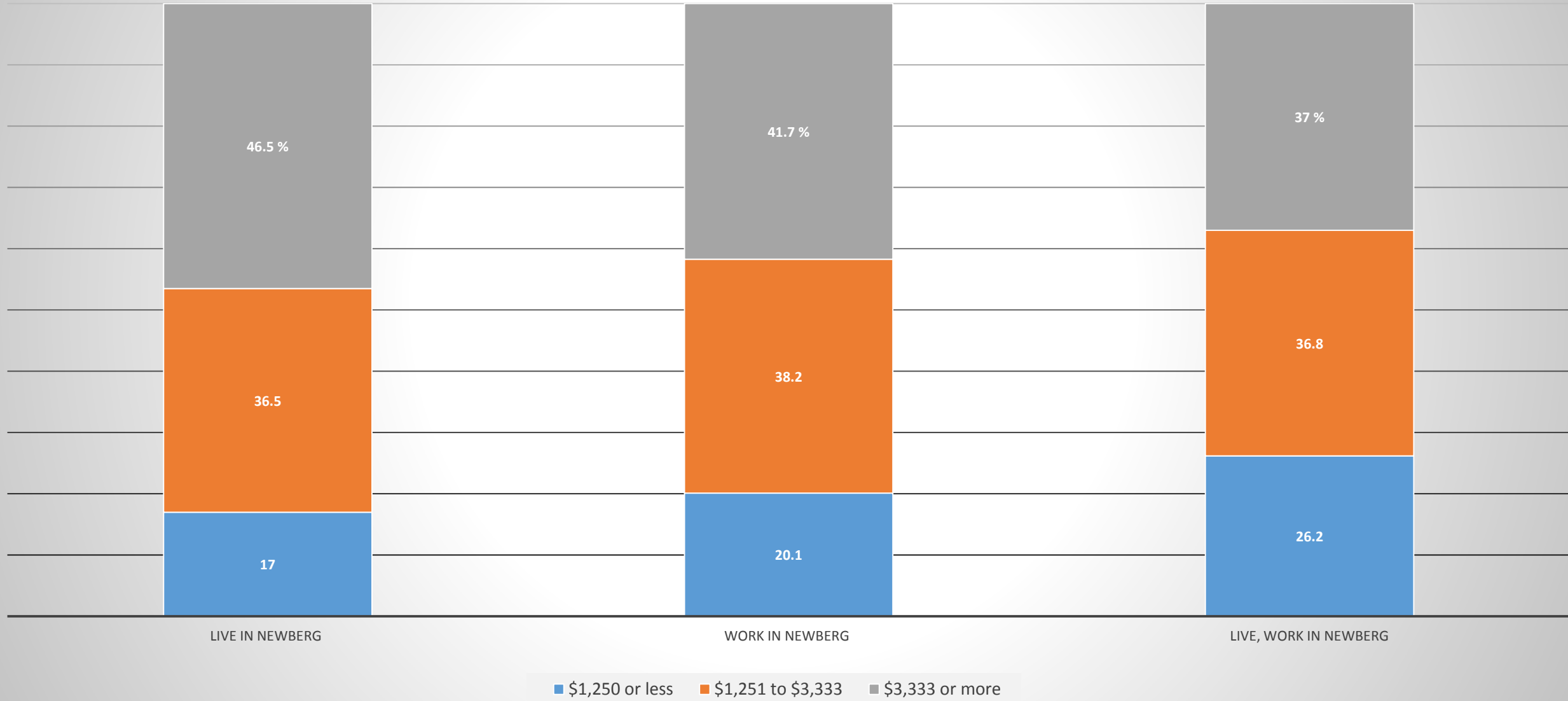


Poverty Household Size

One	\$12,140
Two	\$16,400
Three	\$20,780
Four	\$25,100

Source: Poverty Status in the Past 12 Months, U.S. Census Bureau, 2013-2017 American Community Survey 5-Year Estimates
 *NOTE: Because Black, Native American, Pacific Islander data is subject to potential error

Monthly Income



Source: OnTheMap, US Census Bureau, Center for Economic Studies, 2015. Accessed 10/30/2018

BACKGROUND: HOUSING COSTS



Housing Type	Newberg		Oregon	
	%	Median cost	%	Median cost
	30%+*	Median cost	30%+*	Median cost
Rental	56.4 %	\$943	52.9 %	\$941
Owned, mortgage	38.6	1572	33.7	1563
Owned, no mortgage	10.5	480	15	477

2018 Rent Rates

1 bed - \$950
2 bed - \$1246

Source: Selected Housing Characteristics, U.S. Census Bureau, 2012-2016 American Community Survey 5-Year Estimates

* 30%+ means cost is at least 30% of income

POSSIBLE BARRIERS (examples)

- ❖ Lack of economic opportunity (wages too low and/or too few jobs to support housing costs)
- ❖ Lack of affordable housing units
- ❖ Lack of funding for development of new affordable housing units
- ❖ Lack of affordable housing development in high opportunity areas

POSSIBLE BARRIERS (examples)

- ❖ Lack of housing vouchers
- ❖ Increasing demand for affordable housing units
- ❖ Lack of family-sized affordable housing units
- ❖ Other barriers?

POSSIBLE BARRIERS (examples)

Infrastructure

System Development Charges

Land cost

Parking

Construction Costs

Permit Fees

Land Supply

Neighborhood Opposition

Zoning Requirements

Financing

DISCUSSION ITEMS

1. Causes and consequences of severe rent burdens within the city.
2. Barriers to reducing rent burdens.
3. Possible solutions to reduce the rent burdened households.

Thank you for your participation

