

# Housing Matters

January 31, 2022

# Agenda

- I. Welcome & Introductions
- II. Terms
- III. Where we Stand
- IV. Doing the Math
- V. Housing Strategy Status
- VI. Discussion
- VII. Next Steps



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# Welcome & Introductions



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# Welcome & Introductions



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# Welcome & Introductions



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# Definitions

## Affordable Housing

- Housing is considered “affordable” by HUD when a household spends no more than 30% of its annual income on housing costs.
- Mortgage lenders typically require that households spend no more than a set percentage of income on mortgage payments, taxes, and insurance.

## Workforce Housing

- Homeownership and rental housing that is reasonably affordable to middle income employees including retail salespeople, office and service workers, and public employees such as police officers, firefighters, and teachers who are integral to a community but cannot afford to live in the communities they serve.
- Urban Land Institute defines workforce housing as being affordable to households earning between 60 and 120 percent of the area median income.



# What Other Communities Have Done

Housing Program	Eligibility	Program Summary	Housing Options	Funding Source
APCHA (Aspen Pitkin County Housing Authority) Aspen, CO	Work at least 1,500 hours/year in Pitkin County, primary residence, use as primary residence.	Available to area employees who cannot otherwise afford to own or rent.	Rentals and sales of deed restricted dwelling units.	Property mgmt. & sales fees and a shared annual subsidy from the City & County.
Crested Butte, CO	Restricted to verified employees of Crested Butte/Gunnison Valley area.	Deed restrictions of up to 30% of town's housing stock for locals. Variety of rental unit types.	Rentals and sales of deed restricted dwelling units. Includes mixed use developments.	Sales tax, property tax levy, and short term rental tax.
Park City, UT	Local employees with 81-150% Area Median Income (AMI), all others 80% or less AMI.	Combination of affordable and workforce housing program.	Rentals and sales of deed restricted dwelling units. Includes mixed use developments.	Resort sales tax, property management & sales fees.





# APCHA

**Aspen Pitkin County Housing Authority – Aspen, CO**

- Total unit inventory: 3,045
  - 1,663 ownership units
  - 1,382 rentals units
- Demand based project planning that uses collaborative public involvement to identify community needs and develop project properties.



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*Information from APCHA website*



# Crested Butte, CO

- 305 deed restricted units
- 25% of town's housing stock with a plan to increase to 30%.
- Utilizes a mix of housing options including single family residences, ADUs, duplexes, multi-family housing, and mixed-use development.



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*Information from City of Crested Butte*

# Park City, UT

- 550 workforce housing units.
- City goal to ensure that at least 15% of the workforce is able to live in Park City.
- 19 projects of various sizes and unit types.
- Requires developers to provide housing units in an amount equivalent to 20% of total. Can be fulfilled through construction, conveyance, or payment in lieu.



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*Information from Park City website*



# Current Status – Cannon Beach

## Sea Lark Apartments

- 8 Units, Constructed in 2018
- Deed restricted to prevent converting the multifamily dwelling to condominium use or similar individual ownership arrangement or use as a short term rental, for ten years.
- Rent controlled, increases based on HUD reports, approximately \$50/month annually.

## Incentives for Development

- Permit fee waiver
  - \$19,207 total value

## Affordable Housing Funding

- Generated through permit fees
  - Current fund: \$255,000
  - \$50,000 annual average



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# Cannon Beach Comprehensive Plan

1. In order to maintain the city's village character and its diverse population, the city will encourage the development of housing which meets the needs of a variety of age and income groups, as well as groups with special needs.
3. To the extent possible, the city shall endeavor to accommodate affordable housing in a manner that disperses it throughout the community rather than concentrating it at specific locations.
6. The City recognizes the importance of its existing residential neighborhoods in defining the character of the community and will strive to accommodate new residential development in a manner that is sensitive to the scale, character and density of the existing residential development pattern.
10. The City will encourage the preservation of the older housing stock.
14. The City, in conjunction with the Cannon Beach Historical Society, should establish a voluntary program for protecting buildings with local historic merit.



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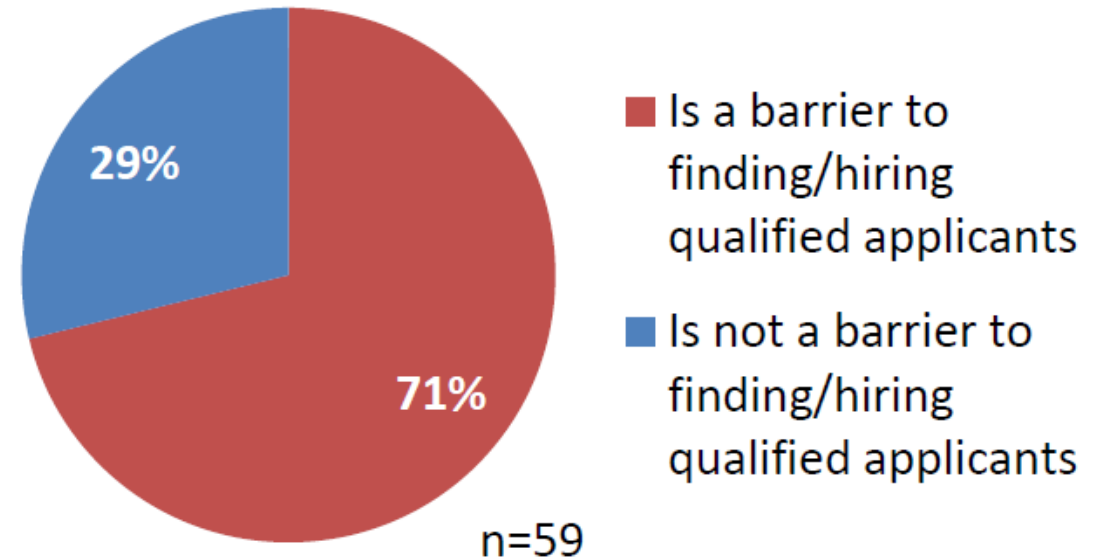


# 2014 Cannon Beach Housing Report

## Employers' Views on Housing

- The majority of local employers (79%) said that finding housing is a problem for their employees.
- A majority of employers (64%) who believe that affordable housing is a problem have at least one employee with a 20 minute or longer commute.

Do you think your employees' ability to find quality, affordable housing is a barrier to finding qualified applicants?



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# Do the Math

2019 American Community Survey

	National	Oregon	Clatsop County	Census Tract 9511
<b>Median Family Income</b>				
120%	\$92,716	\$92,335	\$86,098	\$79,382
100%	\$77,263	\$76,946	\$71,748	\$66,152
60%	\$46,358	\$46,168	\$43,049	\$39,691
<b>Housing Cost</b>				
Median Home Value	\$217,500	\$312,200	\$283,900	\$409,000
Annual/Monthly Cost	\$19,140/\$1,595	\$20,388/\$1,699	\$18,468/\$1,539	\$23,520/\$1,960
<b>Affordability (30% MFI)</b>				
120% MFI	\$27,815/\$2,318	\$27,700/\$2,308	\$25,829/\$2,152	\$23,815/\$1,985
100% MFI	\$23,179/\$1,931	\$23,083/\$1,923	\$21,524/\$1,794	\$19,846/\$1,654
60% MFI	\$13,907/\$1,159	\$13,850/\$1,154	\$12,915/\$1,076	\$11,907/\$992



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-Median Family Income data taken from 2019 ACS Table B19113

-Housing cost data taken from 2019 ACS Table DP04

-Census Tract 9511 contains the City of Cannon Beach and surrounding area



# Do the Math

## 2021 Cannon Beach Home Sale Price Analysis

### Average House for Sale – 2021

- 1,730 Sq. Ft.
- 3 Bedrooms, 2 Bathrooms
- \$862,000 Sale Price

### Hypothetical Cost Breakdown

- 20% Down Payment: \$172,400
- 3.6% Interest Rate, 30 Year Fixed
- \$3,135 Monthly Payment
- Minimum Income: \$131,220 or 198% 2019 Median Family Income to be considered affordable as defined by 30% of annual household income.



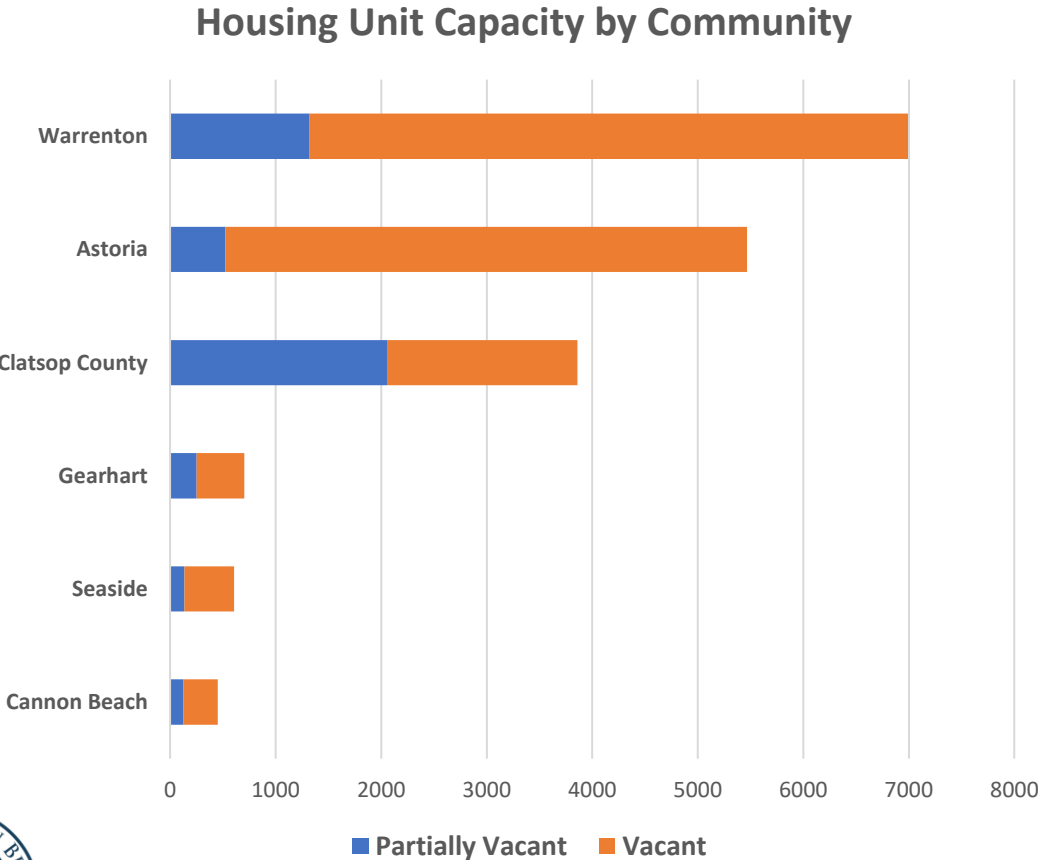
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*Methodology: 94 properties were identified through Zillow as having sold in 2021. Dates of sale, property details, and transaction prices were confirmed through the records of the Clatsop County Assessor's Office.*

# Buildable Lands Study

## Clatsop County

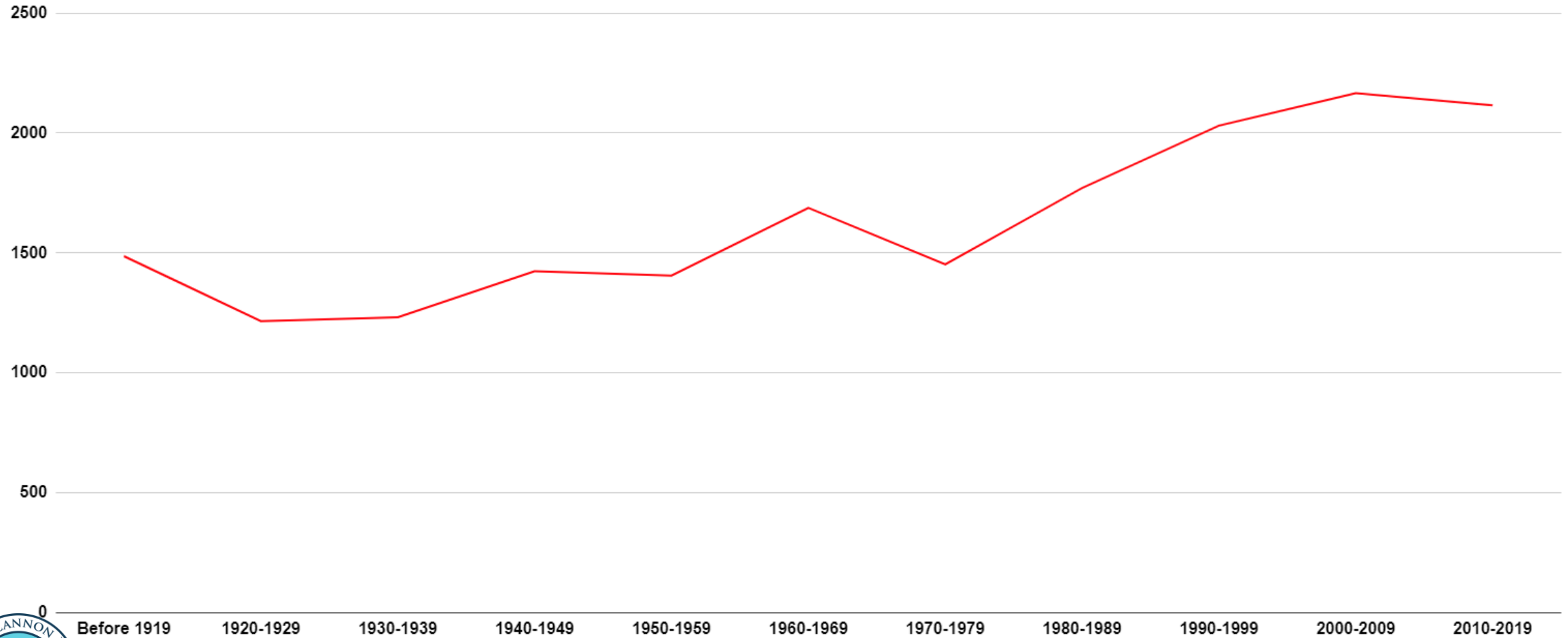


Jurisdiction	Potentially Buildable Acres		Housing Unit Capacity	
	Partially Vacant	Vacant	Partially Vacant	Vacant
Astoria	22	331	524	4,943
Cannon Beach	37	86	123	329
Clatsop County	3,239	4,175	2,054	1,806
Gearhart	71	146	249	452
Seaside	15	69	136	469
Warrenton	113	392	1,321	5,607



# Unit Sizing

Mean Unit Size



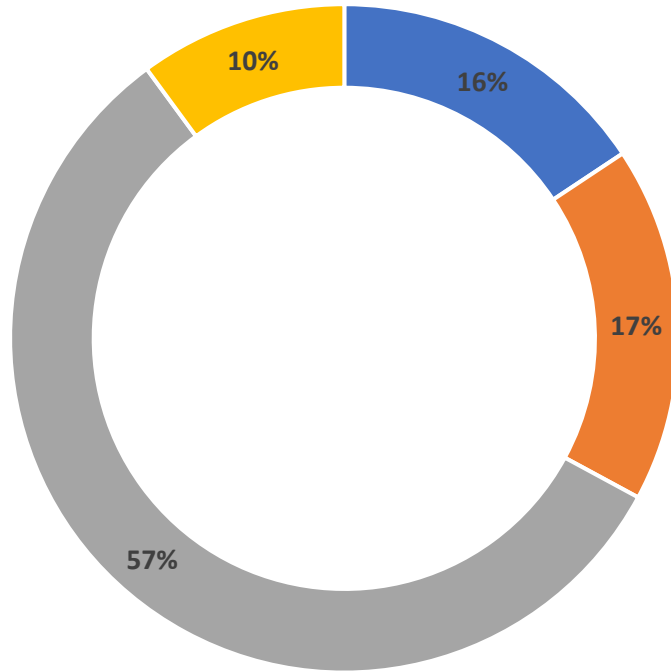
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*Data from Clatsop County Assessor's Office (July 2020)*



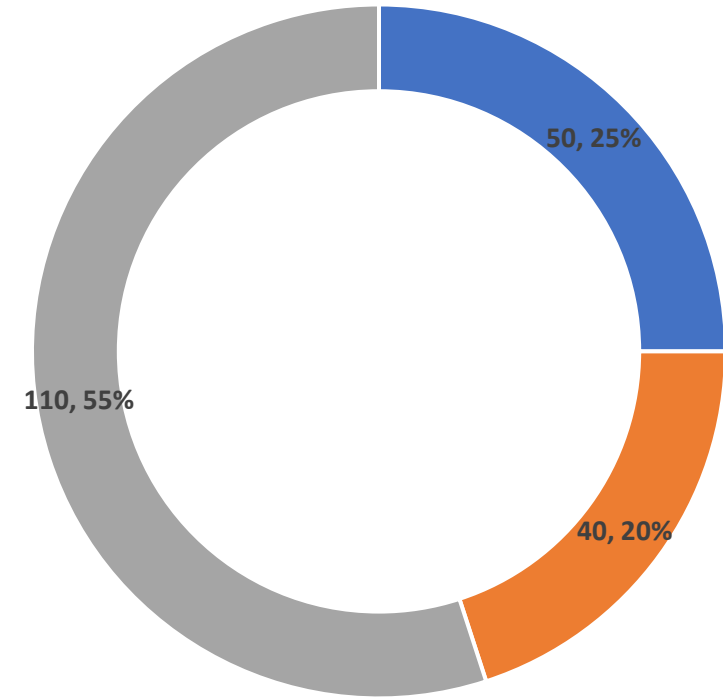
# Short Term Rentals

Tenancy by Type in Cannon Beach



■ Owner Occupied ■ Renter Occupied  
■ Seasonally Occupied ■ Short Term Rental

STR Permit by Type



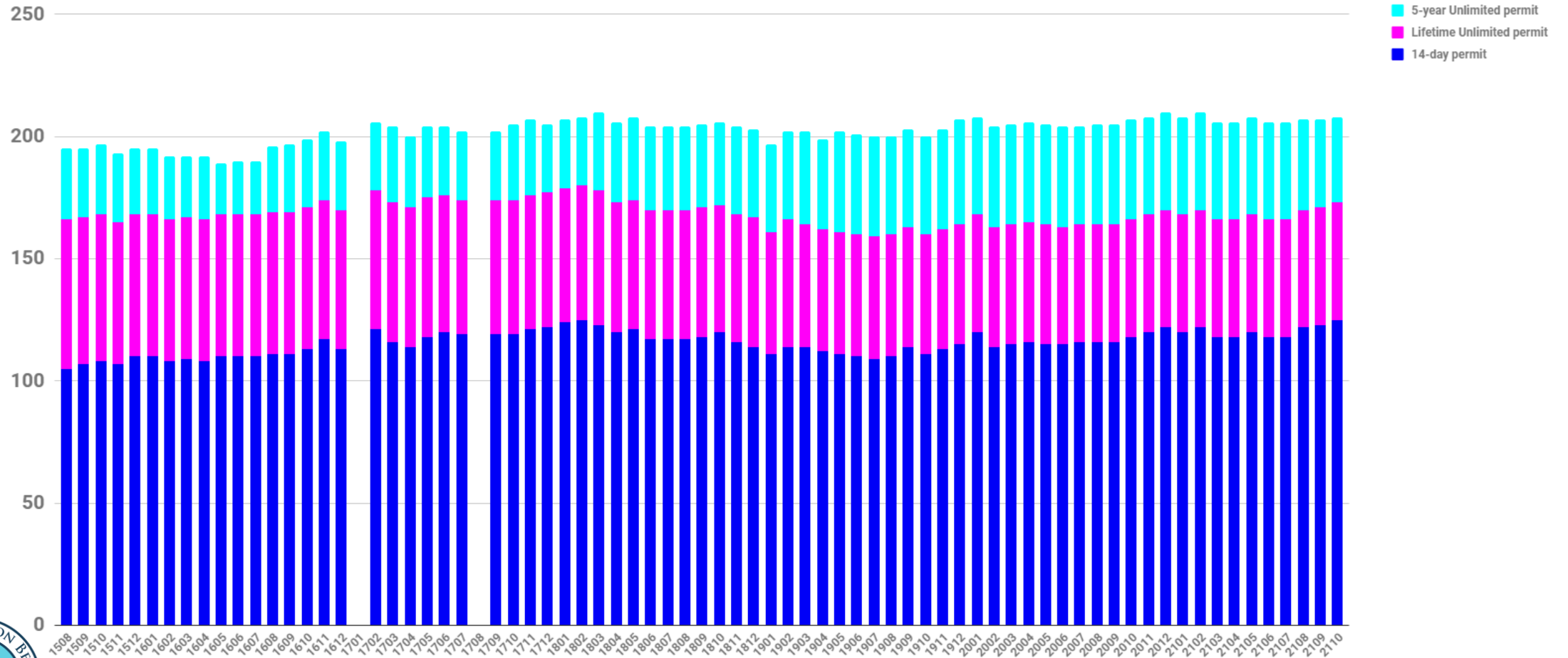
■ Lifetime Unlimited ■ Five Year Lottery ■ 14 Day



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# Short Term Rentals

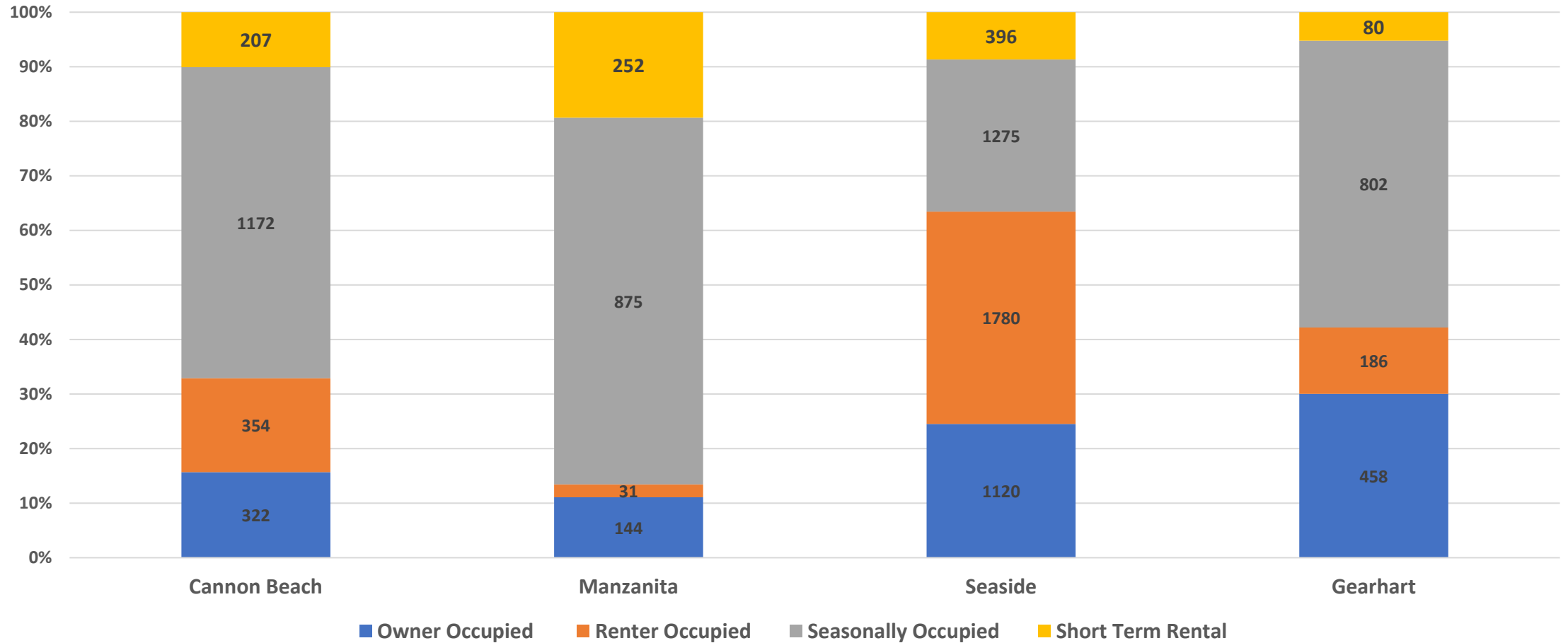
Cannon Beach STR Totals



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# STR Context Comparison

2017 5-Year American Community Survey

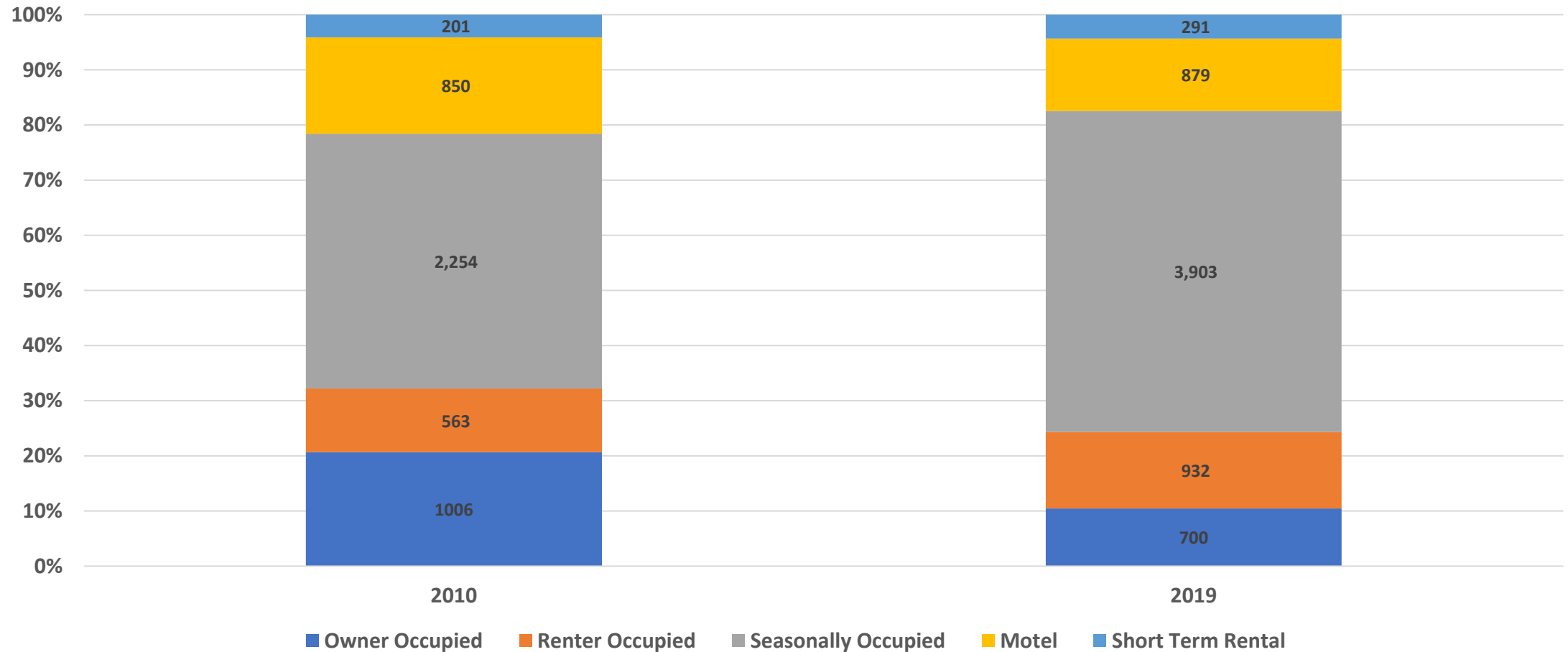


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# Bed Availability by Tenure Type

2010 vs. 2019 5-Year American Community Survey



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# Transportation & Housing

The Downtown area contains approximately 70 non-hotel commercial establishments of various sizes, non-resident employees of these establishments will by necessity commute to work.

Potential Parking Demand for Employees in the Downtown Area	
Average Number of Commuting Employees per Store	Potential Number of Parking Spaces Required
2	140
3	210
4	280
5	350
City-wide Employees 1,366	City-wide Spaces 1,446

Astoria to Cannon Beach via Public Transportation			
Southbound		Northbound	
Astoria Park & Ride	6:00 am	Gower St. Parking Lot	5:09 pm
Seaside Cinema	6:37 am	Seaside Cinema	5:30 pm
Layover in Seaside	28 minutes	Layover in Seaside	23 minutes
Seaside Cinema	7:05 am	Seaside Cinema	5:53 pm
Gower St. Parking Lot	7:25 am	Astoria Park & Ride	6:31 pm
<b>Total time:</b>	<b>1 hour 25 minutes</b>	<b>Total Time:</b>	<b>1 hour 20 minutes</b>

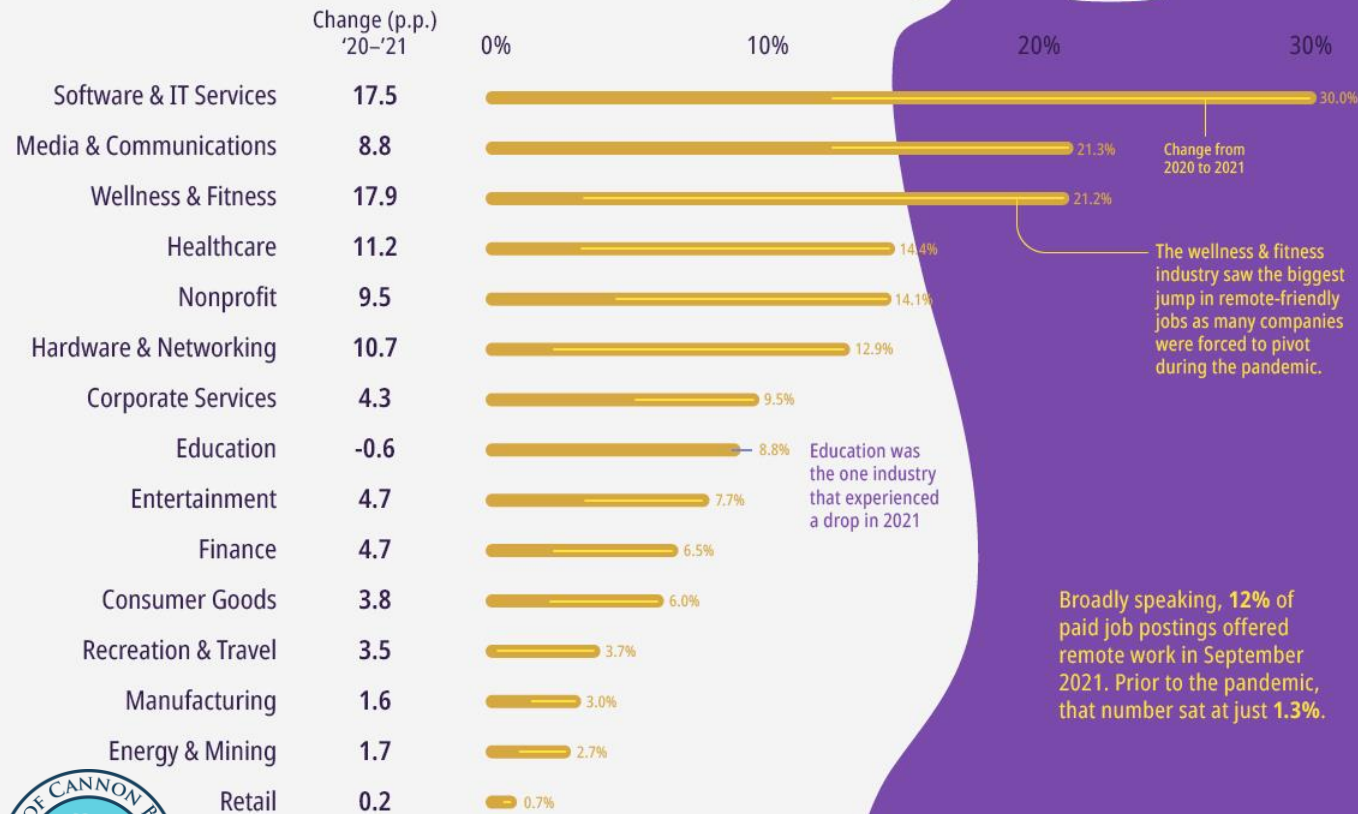


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*Scheduling information provided by Sunset Empire Transportation District*

# WHICH INDUSTRIES ARE EMBRACING REMOTE WORK?

New data from LinkedIn's Canadian Workforce Report shows that remote work may be here to stay, and could even become the norm in a few key industries.



Broadly speaking, 12% of paid job postings offered remote work in September 2021. Prior to the pandemic, that number sat at just 1.3%.

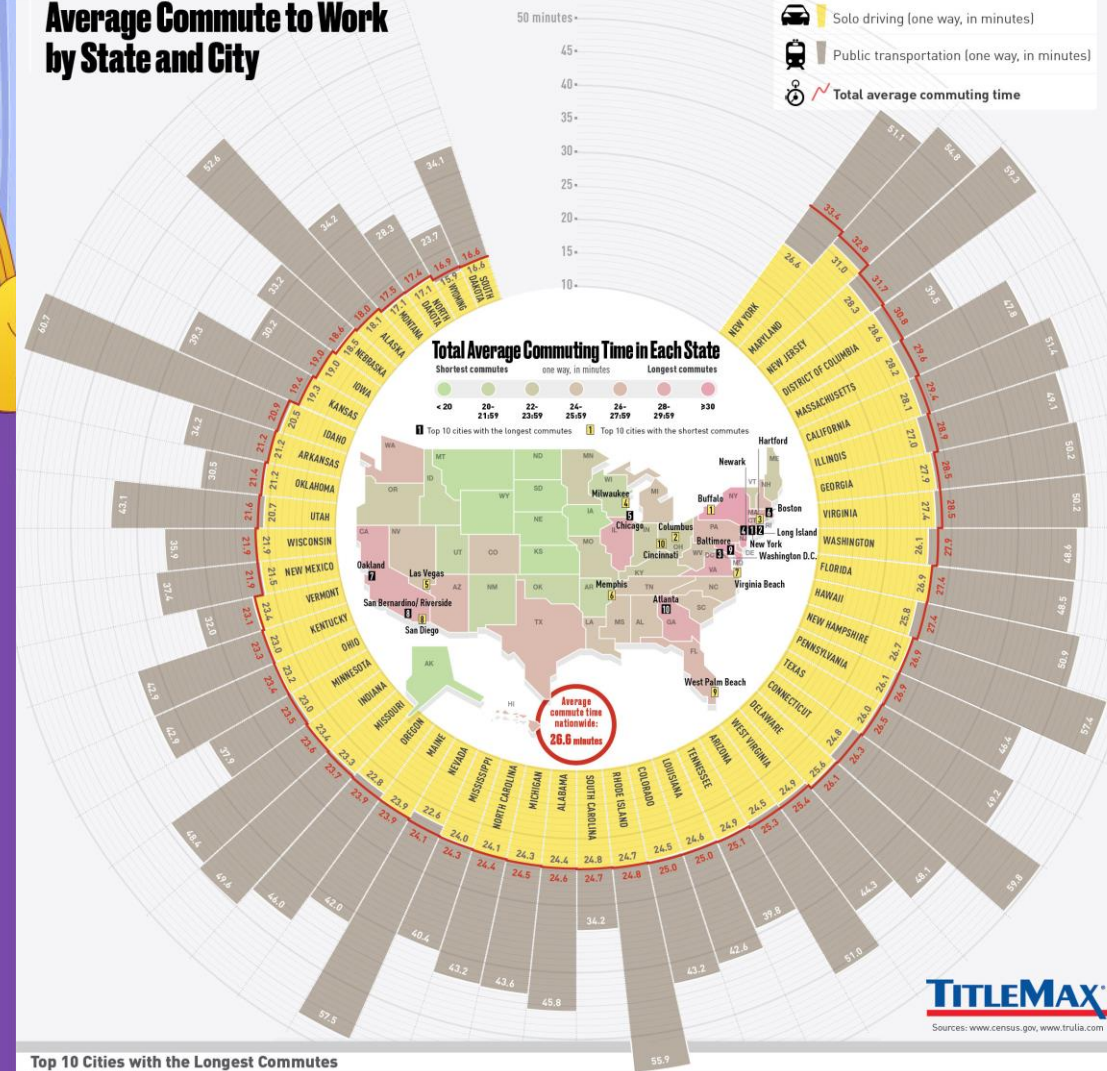


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Homelessness is a complex issue that still requires being in a specific location.

Source: LinkedIn Workforce Report – Sept 2021 (Canada)

## Average Commute to Work by State and City

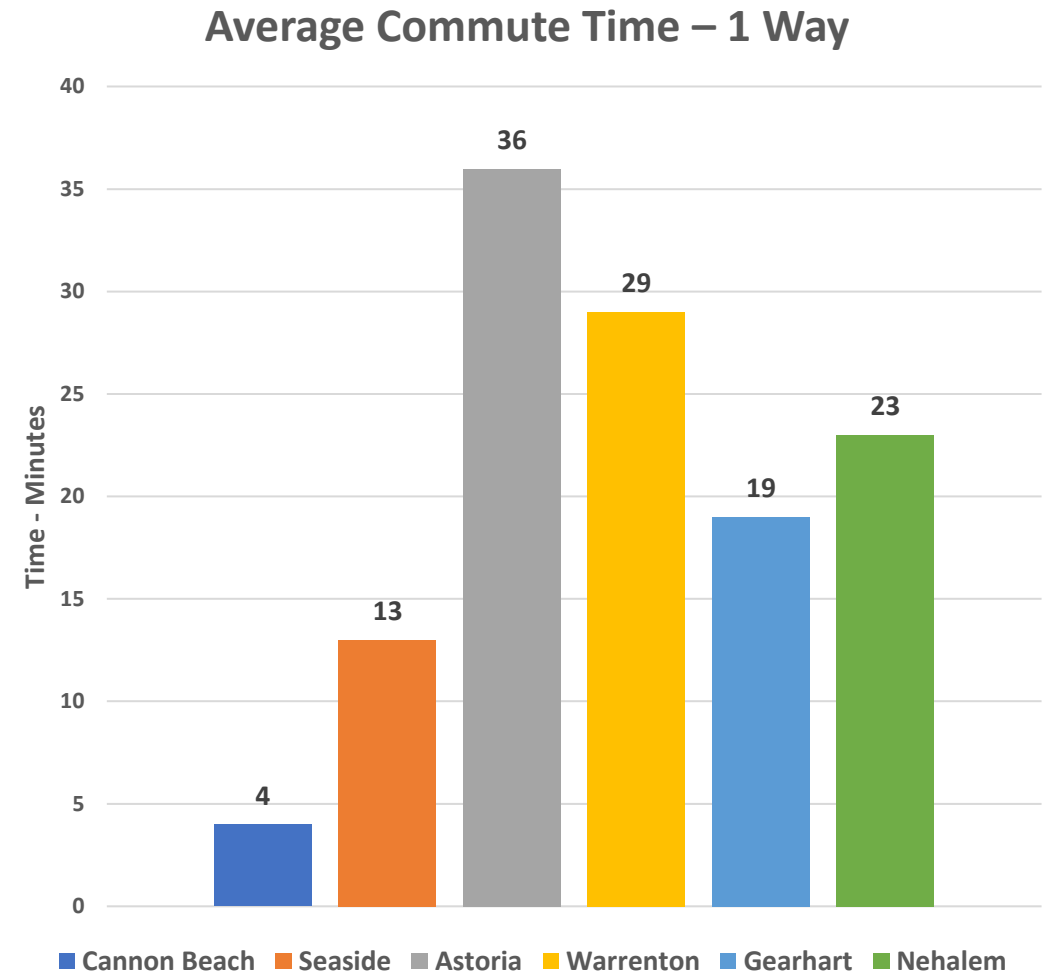
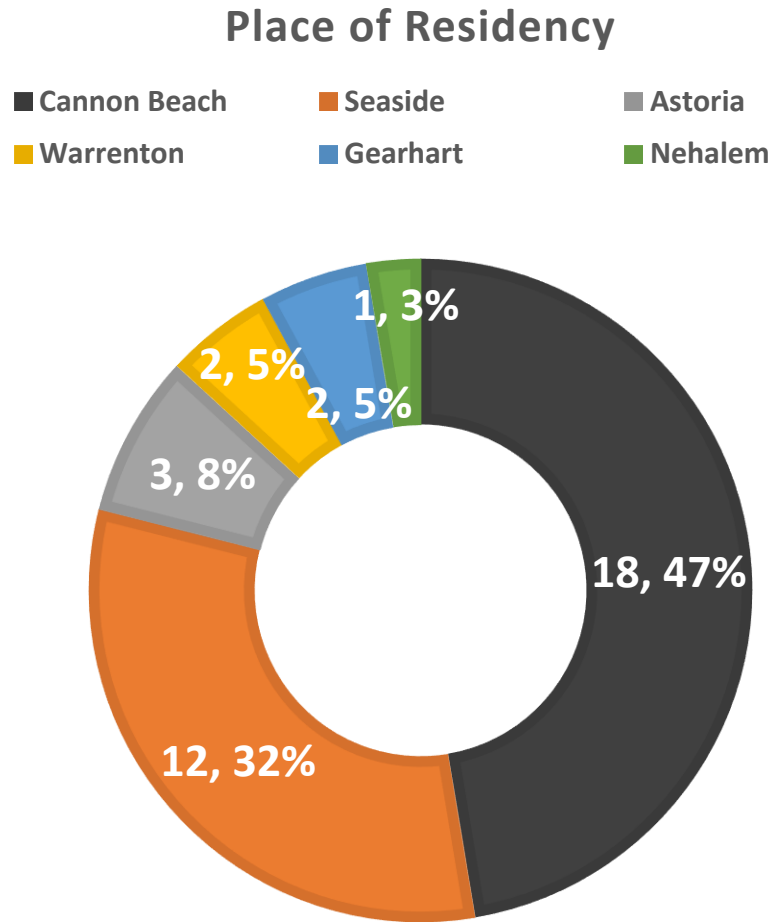


**TITLEMAX**  
Sources: www.census.gov, www.trulia.com



# Residency and Commuting

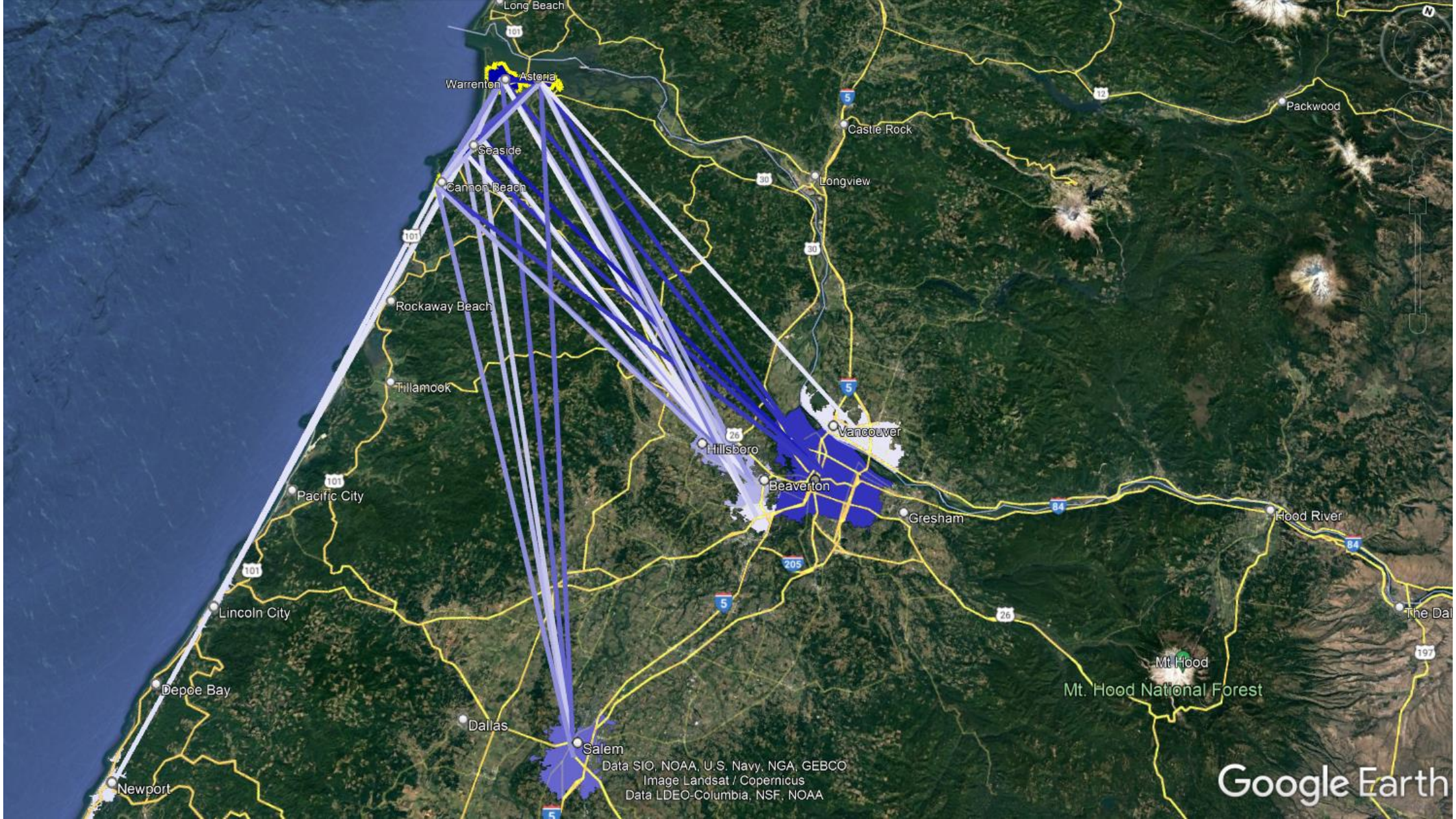
## City of Cannon Beach Employees



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*Information Taken from City of Cannon Beach employee records and Google Maps  
Note: Commute times do not include variables such as traffic or weather*



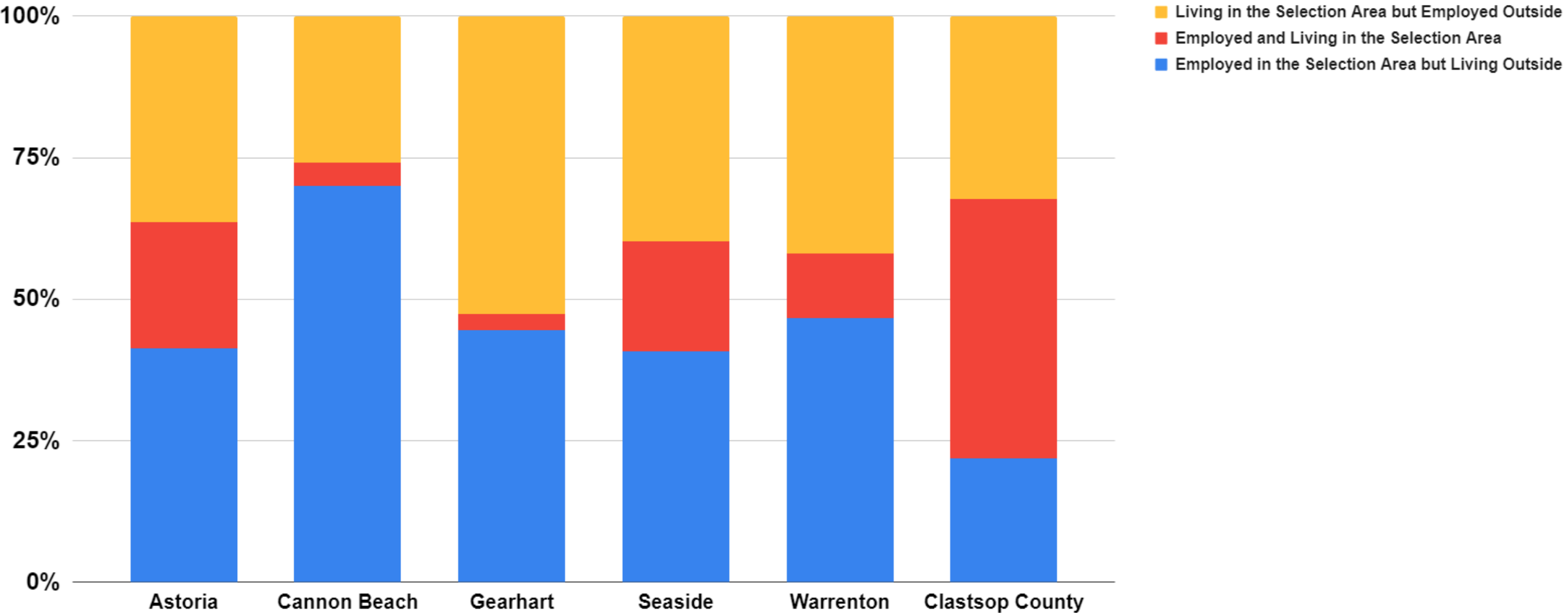


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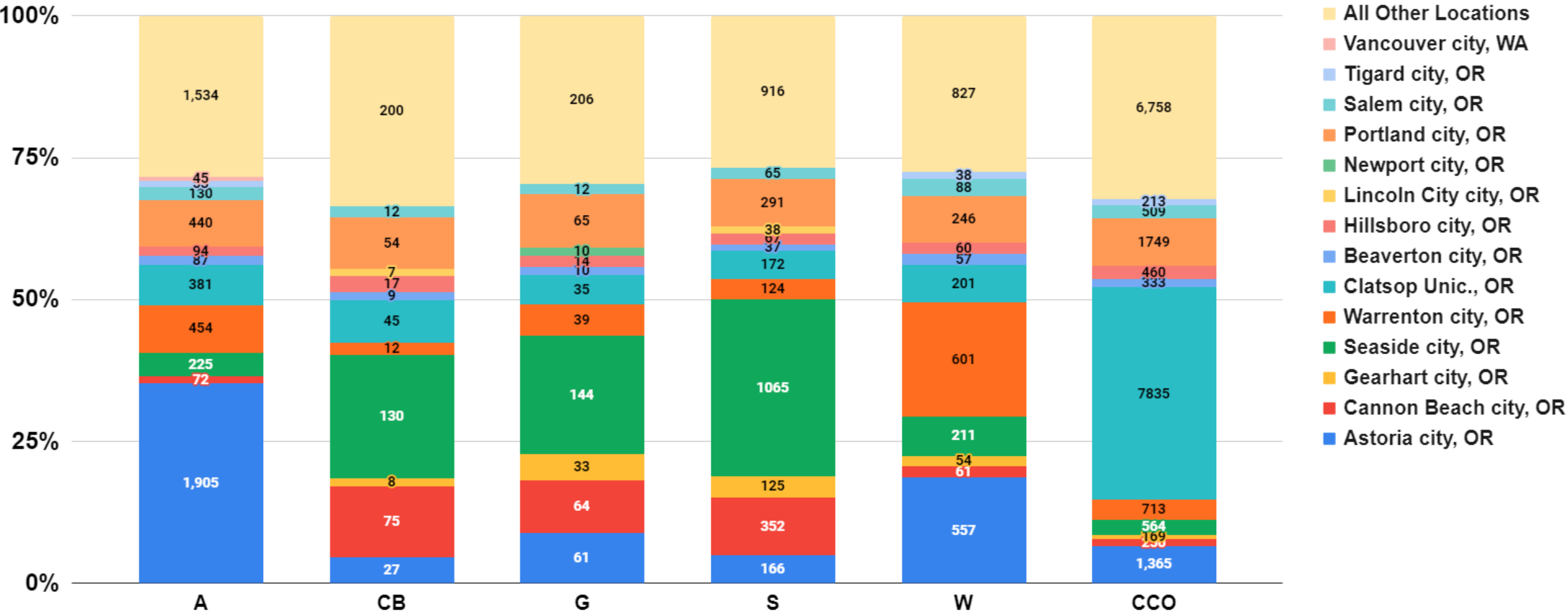
# Regional Workforce Commuting 2019



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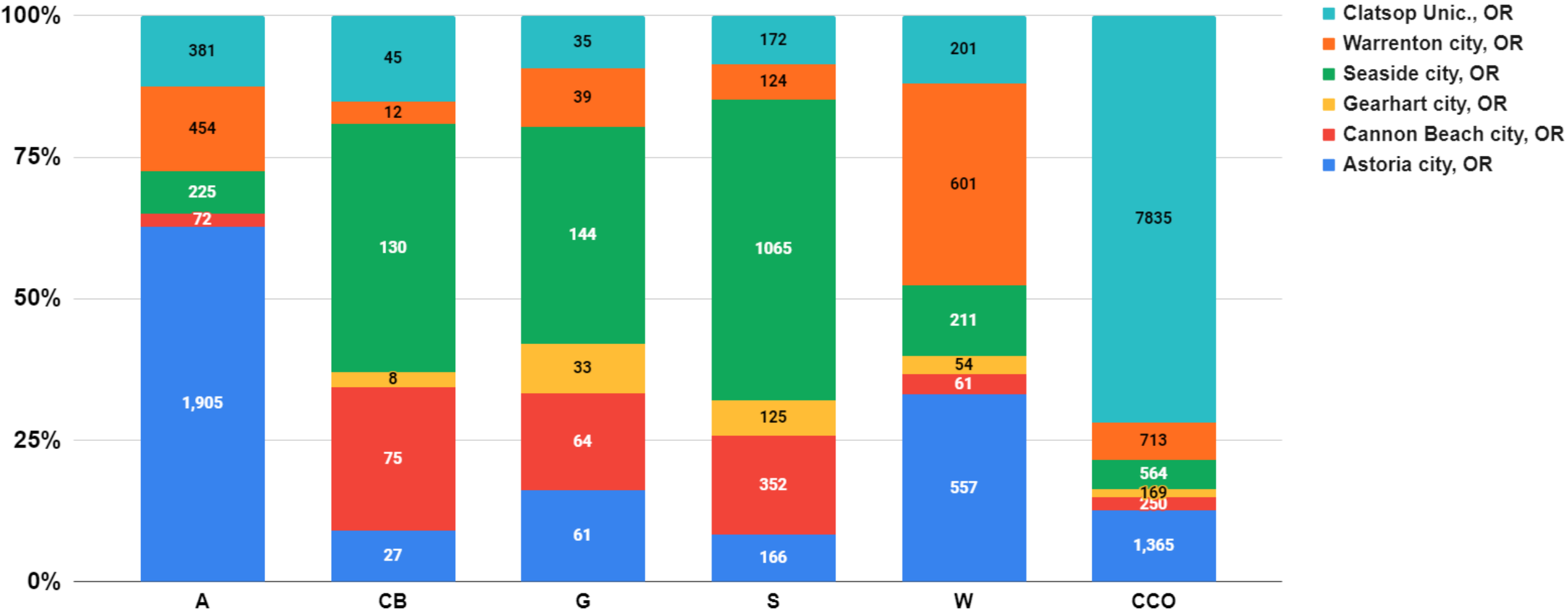
# Regional Workforce Commutershed



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# Regional Clatsop County Workforce Commutershed



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# Title

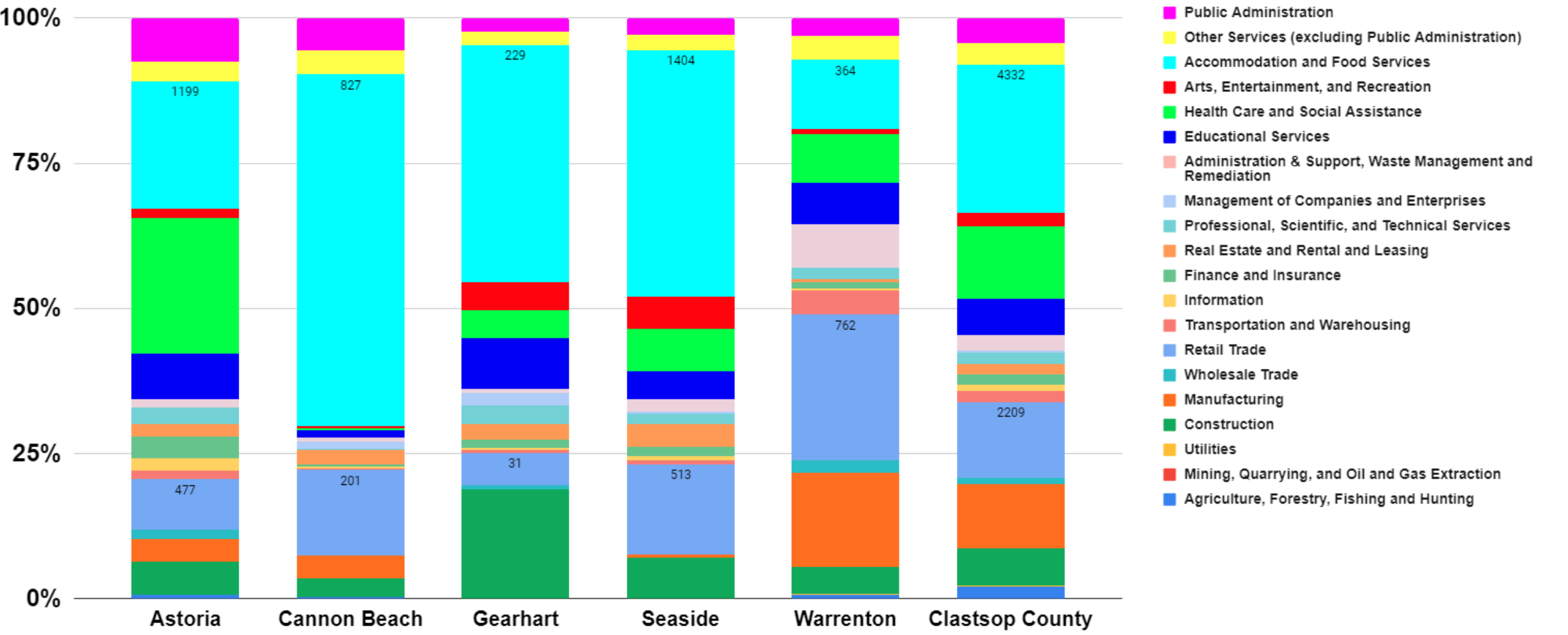
	A	CB	G	S	W	CCO
Astoria city, OR	1,905	27	61	166	557	1365
Cannon Beach city, OR	72	75	64	352	61	250
Gearhart city, OR		8	33	125	54	169
Seaside city, OR	225	130	144	1,065	211	564
Warrenton city, OR	454	12	39	124	601	713
Clatsop Uninc., OR	381	45	35	172	201	7,835
Beaverton city, OR	87	9	10	37	57	333
Hillsboro city, OR	94	17	14	67	60	460
Lincoln City city, OR		7		38		
Newport city, OR			10			
Portland city, OR	440	54	65	291	246	1,749
Salem city, OR	130	12	12	65	88	509
Tigard city, OR	53				38	213
Vancouver city, WA	45					
All Other Locations	1,534	200	206	916	827	6,758



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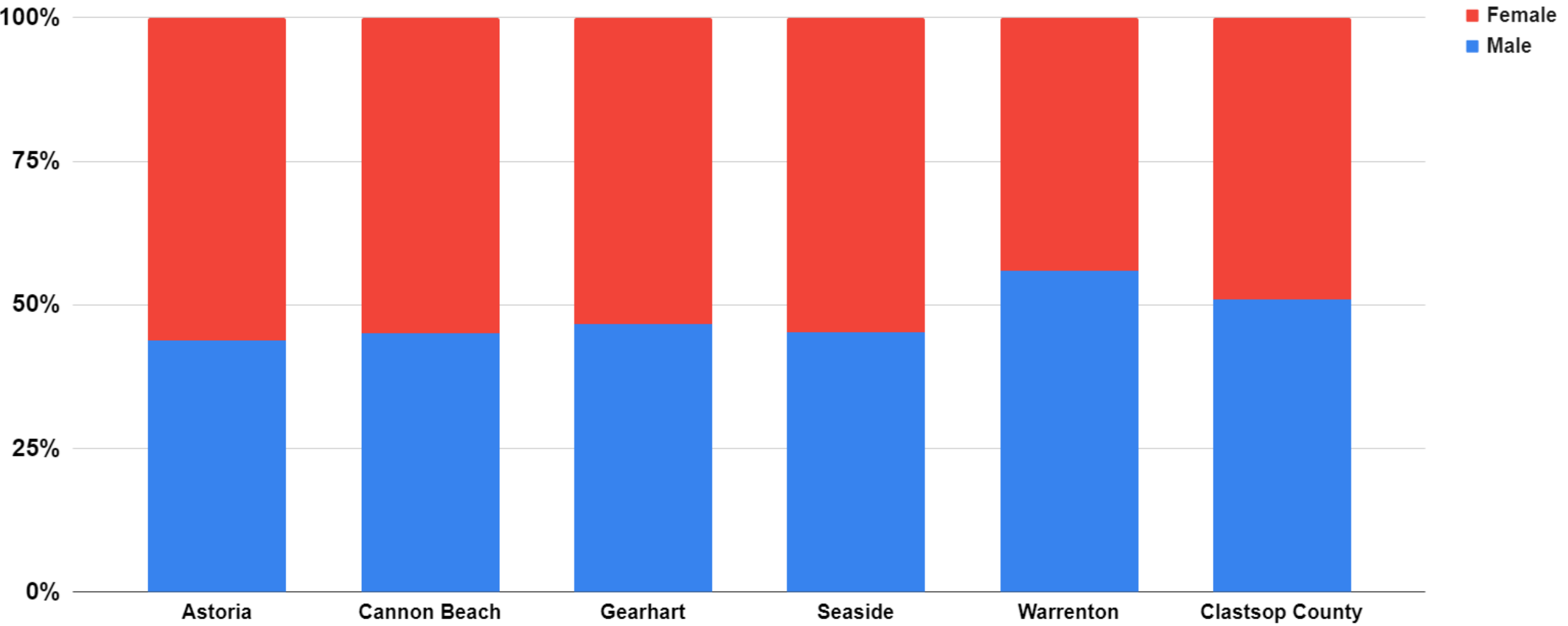
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# Regional Workforce Industry

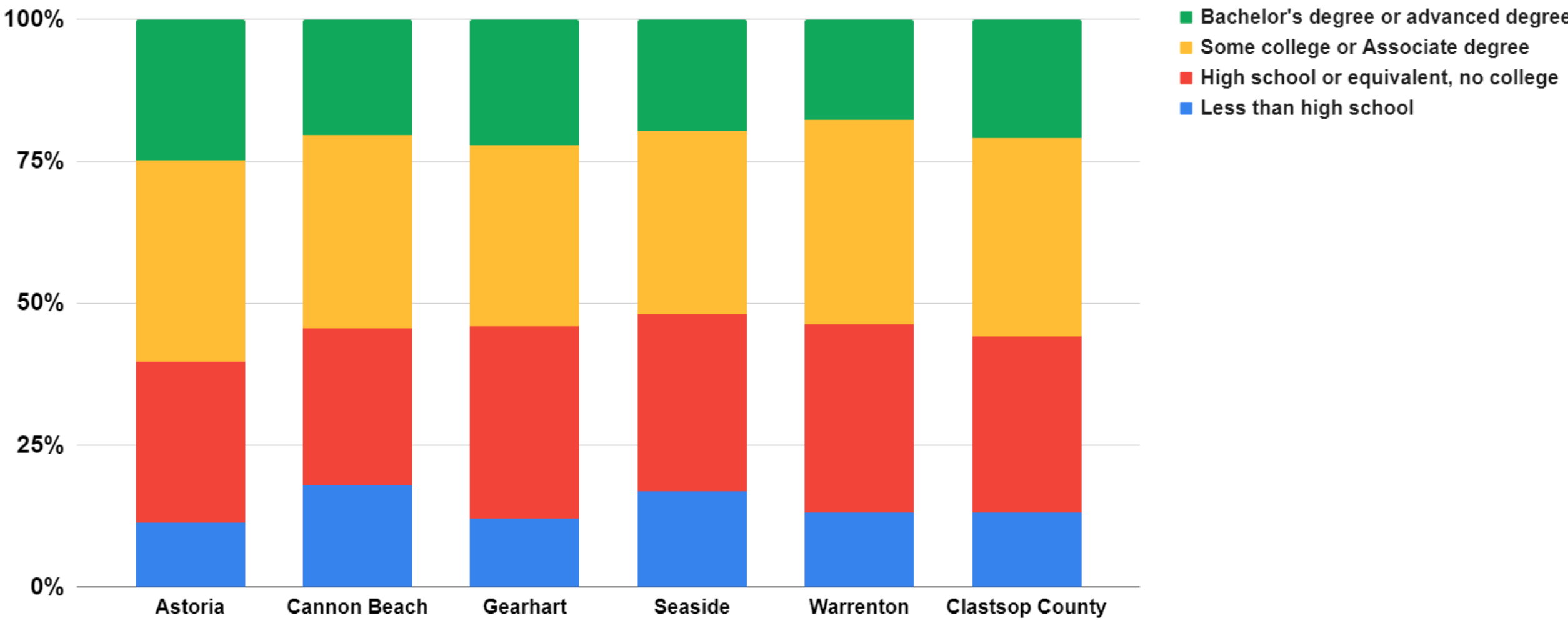




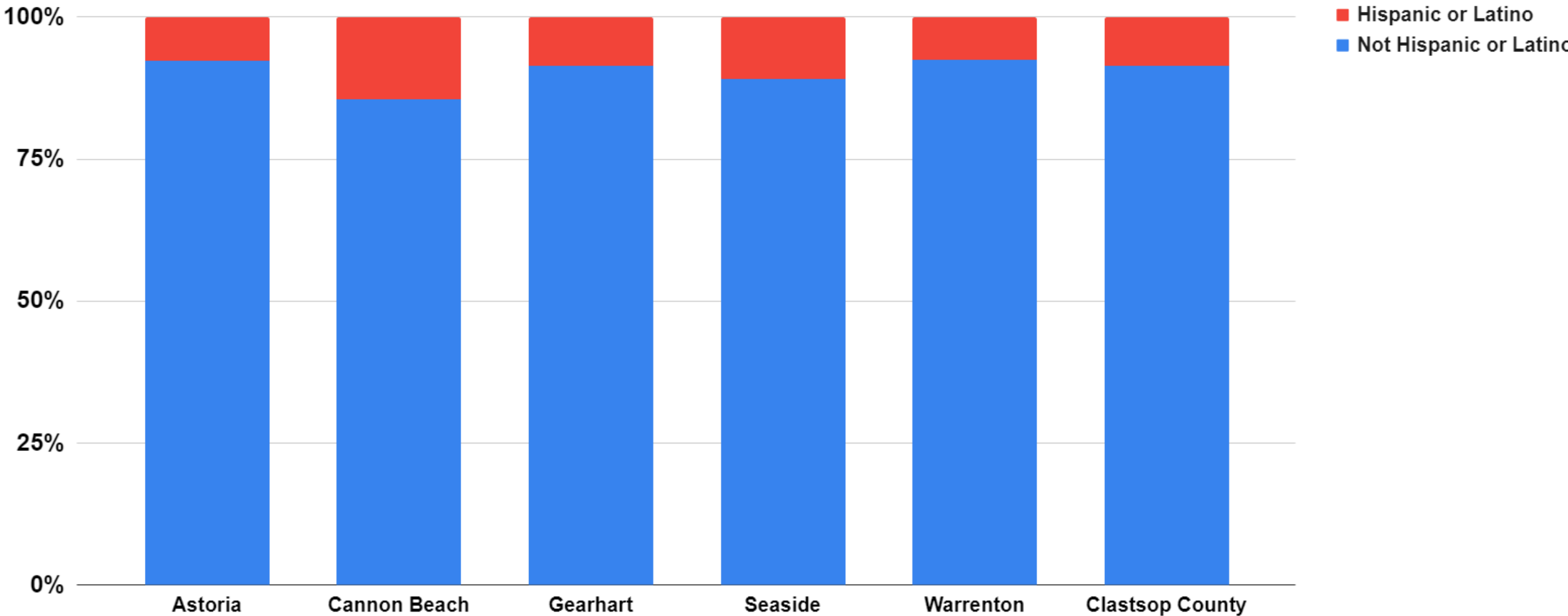
# Regional Workforce Sex



# Regional Workforce Education



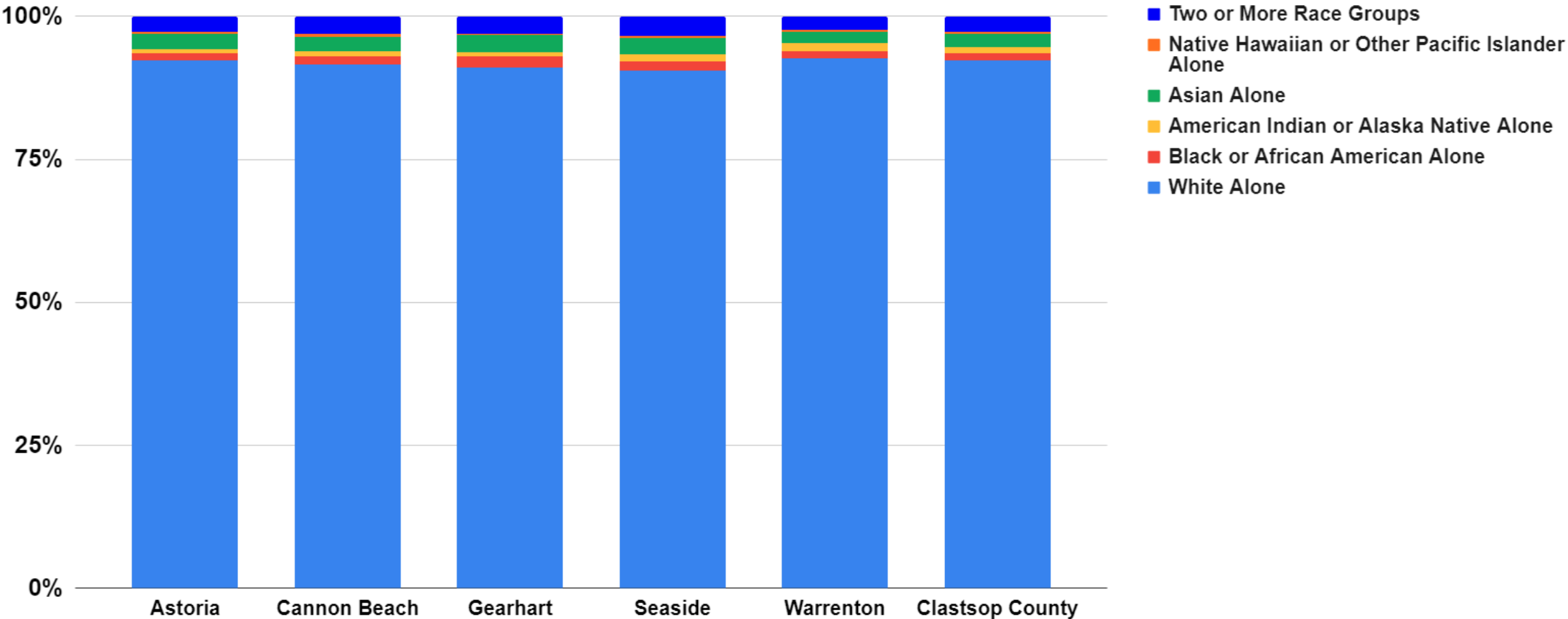
# Regional Workforce Ethnicity



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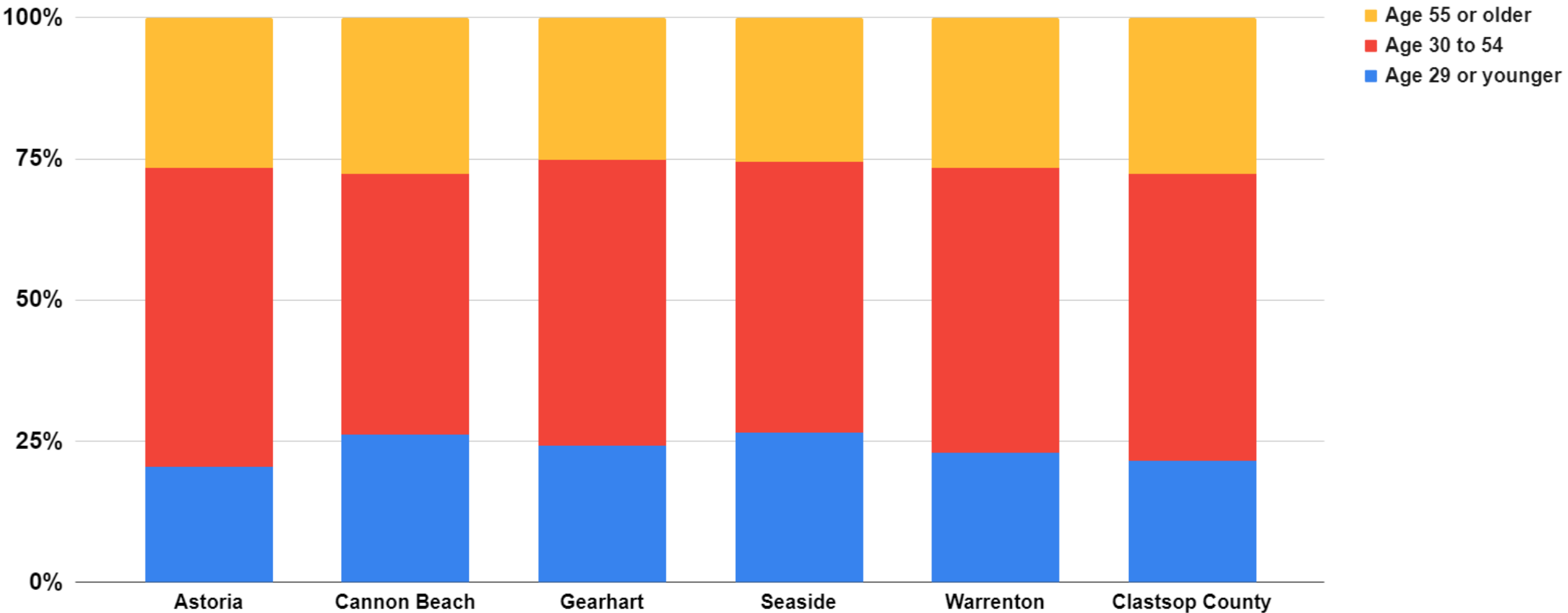
# Regional Workforce Race



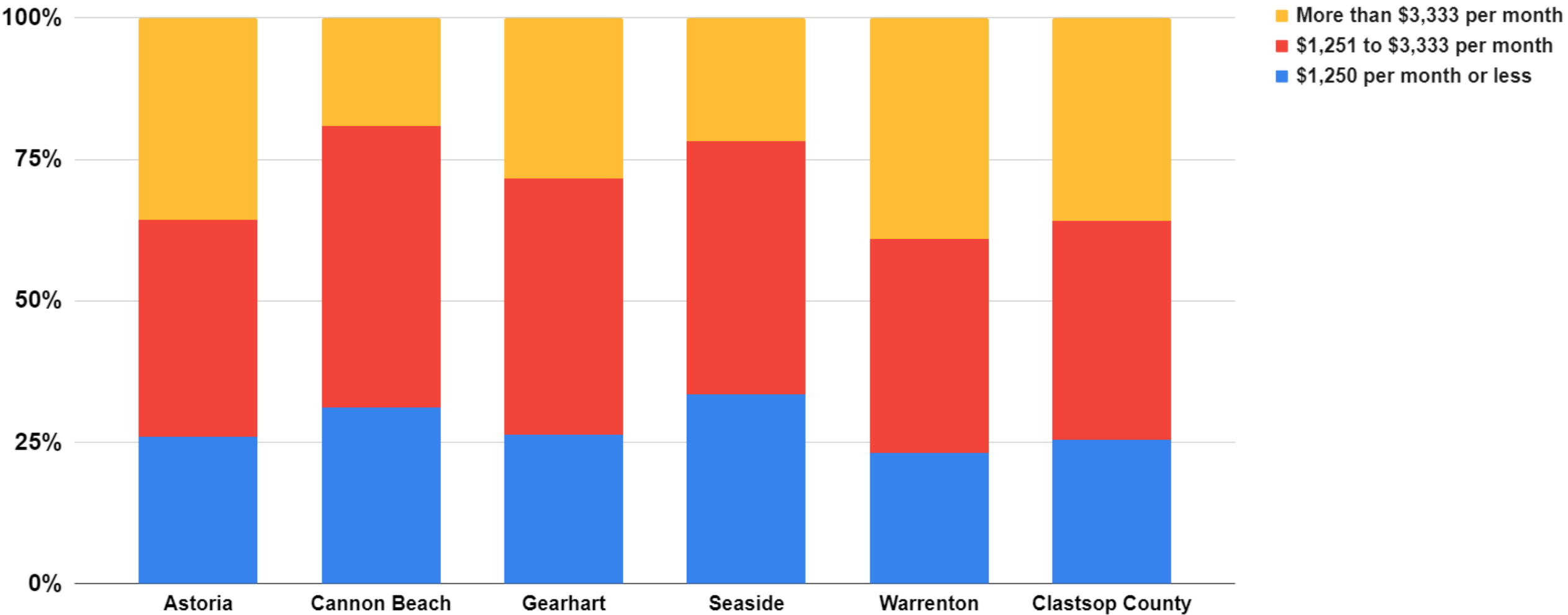
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# Regional Workforce Age

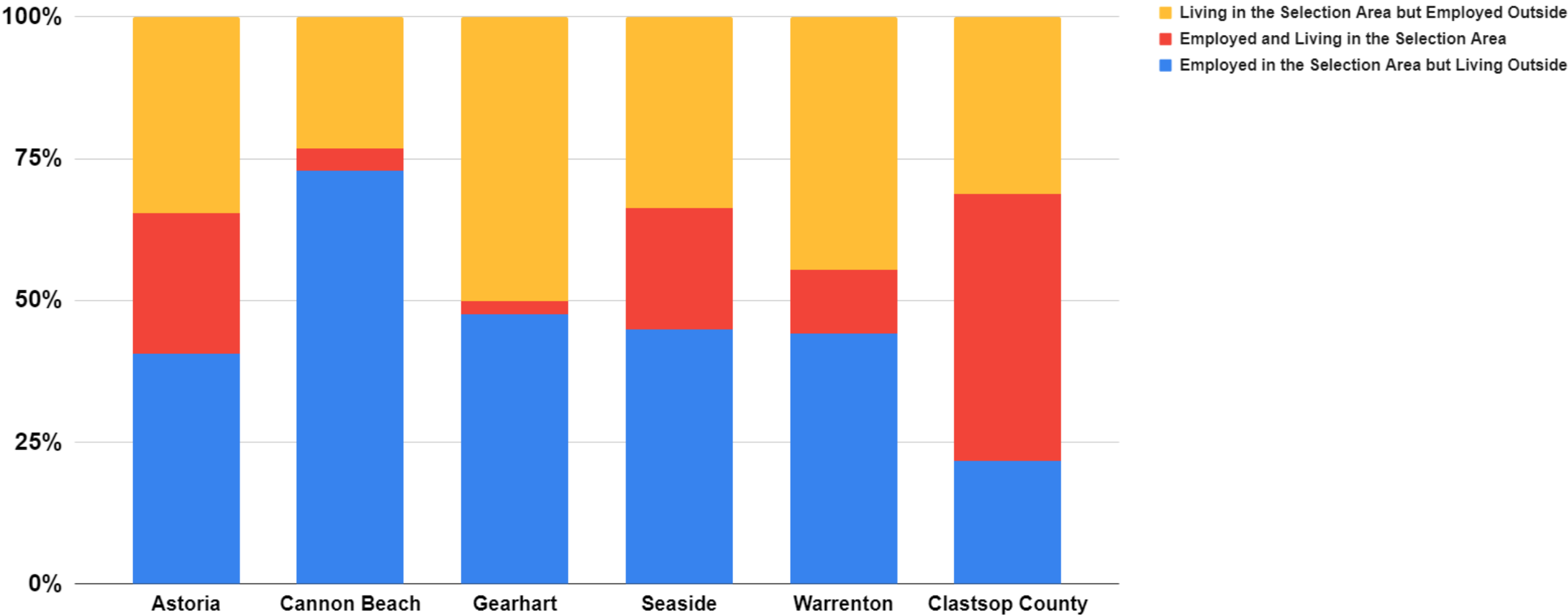


# Regional Workforce Earnings



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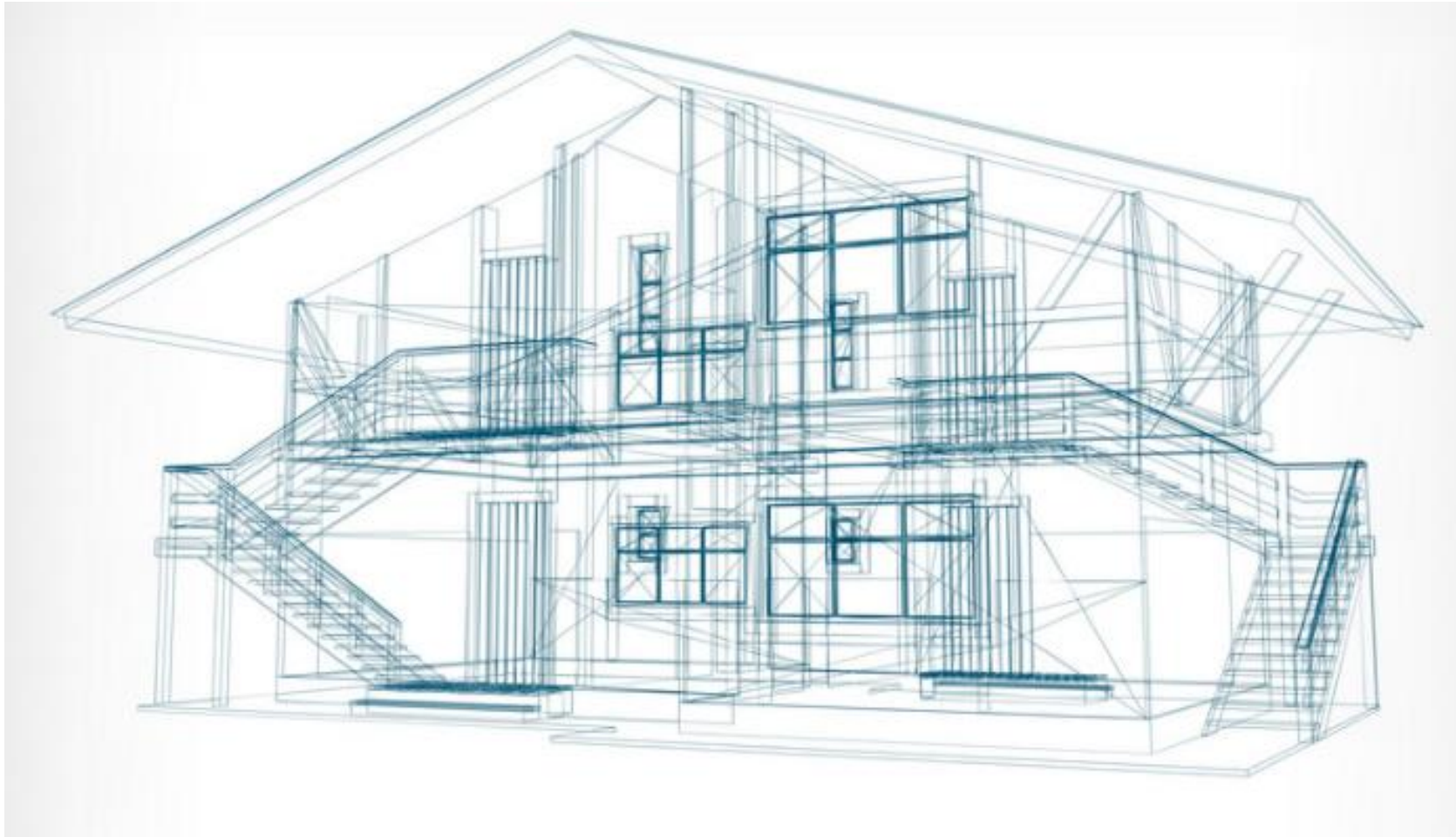
# Regional Workforce Commute Earning Less than \$1,250/mo.



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# Clatsop County Housing Strategy

July 2019



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# Land Supply

## Clatsop County Housing Strategies | Part 2: Recommendations

Based on the findings of this study, there is enough land overall within Clatsop County as a whole to meet future population and housing needs on a County-wide basis. However, the relative ability of individual jurisdictions to meet these needs varies to a large degree. In addition, the location of vacant land, natural resource constraints, ownership patterns, and land prices create challenges to the future development of land in a way that meets local housing needs, particularly for lower and moderate income households and workers. Following is a summary of strategies recommended to address issues of land supply.

1. Ensure land zoned for higher density uses is not developed at lower densities.
2. Further study the potential need for a UGB amendment in Seaside to help meet South County housing needs.
3. Refine BLI data and results.
4. Further assess and address infrastructure issues.



# Policy & Development Code

## Clatsop County Housing Strategies | Part 2: Recommendations

Broad land supply policies and decisions are not the only lever by which Clatsop County jurisdictions can affect the housing market and housing needs. Comprehensive plan policies and development code regulations can directly influence housing development by reducing regulatory complexity, removing unnecessary obstacles, and encouraging specific housing types. The following strategies were identified based on a review of each jurisdiction's existing comprehensive plan and development code. These strategies are grounded in the assessment of local policy and regulatory documents, and are informed by the conditions and needs identified in the housing needs analysis and buildable land inventory. The strategies are conceptual ideas for potential changes that are broadly applicable; however, they should be tailored to address specific needs and concerns within each community.

1. Adopt supportive and inclusive Comprehensive Plan policies
2. Establish minimum density standards
3. Revise maximum density, height or bulk standards in higher density residential zones
4. Support high density housing in commercial zones
5. Streamline and right-size minimum off-street parking requirements
6. Facilitate 'missing middle' housing types in all residential zones
7. Encourage cottage cluster housing
8. Promote Accessory Dwelling Units
9. Incentivize affordable and workforce housing
10. Limit short-term rental uses in residential zones



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# Development Incentives

## Clatsop County Housing Strategies | Part 2: Recommendations

The following market-based strategies can provide incentives to encourage developers to build desired housing types by helping to reduce costs of development. While the bulk of development costs are set by private market labor and material costs, these steps can provide incentives on the margin to facilitate development. Given the housing needs across the county, these steps can be used to encourage attached dwelling types, and can also be applied to accessory dwelling units to encourage infill development. All of these incentives come at some costs to the public through waived revenue from fees and taxes and/or staff costs. Therefore, these programs should be carefully calibrated to balance revenue loss versus public benefit.

1. Streamline permitting and review process
2. System development charge or fee waivers, exemption or deferrals
3. Tax exemptions and abatements



# Funding Tools & Uses

## Clatsop County Housing Strategies | Part 2: Recommendations

This section discusses potential funding tools available to local jurisdictions to participate in efforts to preserve existing housing and encourage desired housing types, as well as potential ways to use funding to meet housing goals. While prior sections of this report have discussed policy or regulatory approaches, creating funds dedicated to housing programs would allow the region to exert greater control and leverage over development activity.

1. Tax increment financing (urban renewal)
2. Construction excise tax
3. Affordable housing bond (regional or local)
4. Public private partnerships
5. Housing preservation fund
6. Land acquisition/use public lands
7. Community land trust
8. Regional housing coordination





# Regional Collaboration & Capacity Building

## Clatsop County Housing Strategies | Part 2: Recommendations

The findings of this study underscore the regional nature of the housing market in Clatsop County. While the County is made up of distinct cities, unincorporated communities, and rural areas, employment opportunities and housing needs do not stop at these jurisdictional boundaries. Achieving a balance of housing and jobs within each community can help to increase the odds that more people can live where they work. At the same time, existing development patterns, geo-physical constraints, and regional economic forces will almost certainly continue to perpetuate significant cross-commuting and economic interdependence between communities in the County. There are several benefits to institutionalizing regional collaboration and coordination on housing-related policies and programs.

1. Regulatory consistency
2. Funding strategies may be more effective if implemented at the regional level
3. Planning and coordination



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# What Are Our Communities Doing?

- Are we tracking new affordable/workforce housing?
- Are there workforce housing programs currently operating in the region or state?
- Do our communities currently have any policies or programs supporting affordable/workforce housing?
- Do we believe that there is a climate that would support regional coordination or cooperation?
- What is the perception of homestay/short term rental/vacation rental as a market factor on workforce housing availability?
- What solutions do you think would work in your community or the region at large?



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