



**HOUSING NEEDS ANALYSIS PROJECT ADVISORY COMMITTEE**  
**February 27, 2019**  
**Permit Center Conference Room, Newberg City Hall**  
**414 E First Street**

Chair Walker called the meeting to order at 3:06 pm.

**ROLL CALL**

Members present:	Curt Walker, Chair	Jessica Cain, Vice Chair
	Charlie Harris	Jack Kriz
	Todd Engle	Kevin Young, DLCD Project Manager

Members absent: Gregg Koskela, Chuck Sabin, Corey Zielsdorf,, Angela Carnahan (DLCD Rep), Sam Espindola, Yanira Vera, Stephanie Findley, Rick Rogers, Mike Corey, Council Liaison

Staff present: Keshia Owens (Assistant Planner), Doug Rux (Community Development Director)

Consultants: Bob Parker (EcoNW)

**PUBLIC COMMENTS**

None.

**INTRODUCTIONS**

Members provided brief introductions about themselves.

**OVERVIEW OF HOUSING NEEDS ANALYSIS**

Consultant Parker provided an update of the Housing Needs Analysis and noted the various factors affecting the demand and affordability of housing in Newberg. These factors include age, household income, sales price, cost burden, and household composition among others.

Consultant Parker said that cities are required to plan for needed housing types like single family attached and detached as well as multifamily units. He provided data that showed the percentage of detached homes and multifamily units have decreased, while single family attached homes have increased. He explained that tenure remained the same from 2000-2010 and 2012-2016 and added that the number of building permits decreased after 2005 and then began an increase starting in 2012, but permits issued for multifamily project have increased in recent years.

Member Engle asked how many projects have been submitted in recent years.

CDD Rux said that during the recession building permits dropped, however, around 2012-2013 there was an increase in permits due to Hess Creek development. He added that in 2015 and beyond Newberg saw permits for Gracie's Landing, Hazelwood Farm, and Columbia Estates.

Member Harris asked if the 140 permits shown in the data for 2017 was one project.

CDD Rux replied yes, Chehalem Pointe Apartments was a large project and other projects like Springbrook and Church Street Apartments have increased the total amount of multifamily permits submitted in recent years.

Consultant Parker explained that some of the factors affecting housing demand are age, income, and household composition. He said that Newberg saw an increase in population age 60 plus and a decrease in households of families with children. Consultant Parker explained the average income for Newberg is about \$53,000, which affects what households can afford.

Member Harris asked if there has been an increase in average family income from \$53,000 to \$81,000.

Consultant Parker explained that \$81,000 is projection provided by the Department of Housing and Urban Development and that projection includes the entire Portland MSA, which drives up the area's average income.

Member Harris later commented that decreases in income may increase the need for more multifamily homes.

Member Cain replied that smaller homes are not more affordable, as builders can make more with larger homes. She added that condos are no longer popular because phasing is required to be completed before the first unit sells.

Consultant Parker went on to explain median home sales price in Newberg and said prices in Newberg are more affordable than Sherwood, yet more expensive than McMinnville. He added that when looking at the data median rent is close to the top for Newberg and higher rents are seen in Sherwood because of the city's proximity to Portland. He also said that Newberg is a cost-burden community with 41% of the population spending more than 30% of income on housing.

Member Engle asked for clarification on cost-burden households.

Consultant Parker provided the example of a household making \$24,000 per year should not pay more than 30% of its income in rent, which would be no more than \$600 monthly.

Consultant Parker provided information on the preliminary housing forecast and commented that 10,816 people are expected to be in Newberg between 2020 and 2040 with a population over 36,000 by 2040. He then went on to say there is a deficit in the number of units for people making less than \$40,000 per year and people making more than \$100,000 per year. He also noted 25% of people live and work in Newberg with more than 6,000 people commuting in to the city for work and more than 7,400 people commuting out.

Member Engle asked if there is a sense of who is coming in and who is leaving.

Consultant Parker said specific data on people coming in and out of the city is confidential.

CDD Rux added that many employees come from McMinnville, Sherwood, the Salem area, and Tualatin.

Member Engle explained that there are people with lower incomes coming in to the city and many employees can't afford to live in Newberg. He added that there has been more hiring of high school students, but this has also led to more turn over.

Consultant Parker went on to explain that Newberg also has an underbuilt gap, as approximately 200 permits per year should be issued to meet future housing needs. He added that Newberg will need to develop strategies to meet the future housing needs of the community.

**Implications of various factors affecting housing:**

- More one person households due to growth in older households
- Additional demand for smaller units, for ownership and rental, and assisted living facilities
- Growth in households with families (Millennials) will result in demand for comparatively affordable units for ownership and rental
- Very few households can afford home sale prices
- Demand for greater ranges of housing types

Member Harris asked if there can be an increase the availability of land.

CDD Rux explained that rezoning land isn't that simple and added that there are some lands that have designations in place, but the market has not responded to them.

Member Cain commented that R-1 lands are not developing because of the costs of adding infrastructure.

Member Young added that in theory if land were upzoned, the costs may pencil out.

Consultant Parker noted that Newberg has a set target density and the city has been exceeding density in recent years. He added Newberg, however, has seen a deficit in lower income housing in recent years.

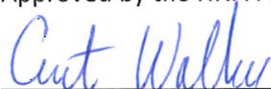
**Additional comments and preliminary recommendations:**

- Promote multifamily housing more
- Work to increase housing mix
- Continue to disperse multifamily housing
- Provide data showing density and aggregate density to better understand implications
- Make attached single-family housing more attractive to the community
- Add an additional column reflecting Newberg's actions to Housing Policy Alternatives
- Provide a recap of the HNA workshop held on the evening of February 27, 2019.

**ADJOURNMENT**

Chair Walker adjourned the meeting at 5:07 pm.

Approved by the HNA Project Advisory Committee this March 14, 2019.



Curt Walker, Chair



Keshia Owens, Assistant Planner