



City of Sherwood
PLANNING COMMISSION
Sherwood City Hall Community Room
22560 SW Pine Street,
Sherwood, OR 97140
Wednesday, September 26, 2018

Joint Work Session with Comprehensive Plan Community Advisory Committee

6:30 PM

Items

1. Housing Needs Analysis

Meeting documents are found on the City of Sherwood website at www.sherwoodoregon.gov/meetings or by contacting the Planning Staff at 503-925-2308. Information about the land use applications can be found at www.sherwoodoregon.gov/projects.



**City of Sherwood
JOINT PLANNING COMMISSION AND
COMPREHENSIVE PLAN CAC WORK SESSION**

**September 26, 2018, 6:30- 8:30 PM
City Hall Community Room**

AGENDA

Time	Subject	Lead
6:30	Welcome and Introductions	All
6:40	Draft Vision Goals	Carrie Brennecke, City of Sherwood
6:55	Housing Needs Analysis (HNA) Overview	Beth Goodman, ECONorthwest
7:10	Housing Needs Analysis Results	Beth/All
7:40	Housing Policy Implications	Beth/All
8:15	Public Comments	Public
8:25	Closing Comments and Announcements	Carrie
8:30	Adjourn	

Attachments: Housing Needs Analysis



FINAL SHERWOOD 2040 COMPREHENSIVE PLAN VISION STATEMENT

In the year 2040, residents of Sherwood appreciate their safe, connected, family-oriented and friendly community. Those who grew up in Sherwood stay for higher-wage jobs and a high quality of life, and those who raised their families here can retire in the place they proudly call home. Sherwood is renowned for its excellent schools, parks, thriving local businesses, small town feel and access to metropolitan amenities, jobs and natural areas.

Strong Community, Culture, and Heritage

In 2040, Sherwood successfully retains its treasured small-town character and strong sense of community while welcoming diverse businesses and residents. Old Town preserves its historic atmosphere as an attractive place to shop, dine and gather. The library and performing arts center play a vital role as place of learning and sharing, and art and creativity are woven into the fabric of the city. A variety of community events uphold a legacy of bringing the community together and giving Sherwood a sense of place.

Attractive and Attainable Housing

In 2040, Sherwood has a range of housing choices for a diversity of ages and income levels, providing community members the ability to live in Sherwood throughout all stages of life.

Thriving and Diversified Economy

In 2040, the Sherwood economy has grown to include a variety of businesses big and small that offer stable employment opportunities, higher-wage jobs, and expand the tax base to protect and maintain Sherwood’s quality of life. Sherwood provides great destinations and experiences for both residents and visitors.

Coordinated and Connected Infrastructure

In 2040, the city’s transportation system is efficient, safe and provides transportation options. The town has an active and connected transportation network where residents enjoy walking and bicycle paths between neighborhoods, parks, schools, the Tualatin National Wildlife Refuge and Old Town. Quality public facilities, services, and utilities contribute to a high quality of life. Sherwood has an excellent school system, an asset that draws families to the community. Sherwood residents of all ages enjoy the city’s robust park system, community centers and state-of-the-art athletic and recreation facilities.

Heathy and Valued Ecosystem

In 2040, Sherwood is a leader as a steward of its natural environment. Vegetated corridors are protected and weave through the city providing habitat, safe passage for wildlife, clean water and air, and a place for people to connect with nature. The city actively preserves mature trees and natural areas.

Strategic and Collaborative Governance

In 2040, residents enjoy well-funded police, fire and emergency response services that keep Sherwood safe. The city is governed in a fiscally responsible and responsive manner that allows for strategic, well-planned growth and the adequate provision of services.

09.26.18
Date

PC Joint CAC
Gov. Body

WS
Agenda Item

Not Referenced
Exhibit #

VISION → DRAFT GOAL STATEMENTS → COMPREHENSIVE PLAN POLICIES

Vision Statement Elements	Topic Area	DRAFT Goal Statements	Associated Comprehensive Plan Chapter	Associated Policies (<i>in development</i>)
<i>Attractive and Attainable Housing</i>	Housing	<ol style="list-style-type: none"> 1. Provide the opportunity for a variety of housing types in locations that meet the needs of current and future households. 2. Preserve and enhance the character of existing neighborhoods. 3. Plan new residential developments to integrate with existing Sherwood as complete neighborhoods where community members can live, shop and recreate. 	(2) Land Use Planning (10) Housing (13) Energy Conservation	
<i>Thriving and Diversified Economy</i>	Economic Development	<ol style="list-style-type: none"> 1. Prioritize and promote economic development to increase the city tax base by providing and managing a supply of land to target growth industries and support Sherwood's desired economic growth. 2. Plan and provide adequate infrastructure efficiently and timely to support employment growth. 3. Support the growth of local businesses and attract new businesses that increase the City's tax base, provide stable, high wage jobs and capitalize on Sherwood's location and high-quality of life to create destinations and experiences for both residents and visitors of Sherwood. 	(9) Economic Development (14) Urbanization (13) Energy Conservation	<p>Policy 1: The City will plan for a 20-year supply of suitable commercial and industrial land on sites with a variety of characteristics (e.g., site sizes, locations, visibility, and other characteristics) and manage the supply of employment land to make most efficient use of commercial and industrial land.</p> <p>Policy 2: Provide adequate infrastructure to support employment growth, with a focus on the Tonquin Employment Area.</p> <p>Policy 3: The City will support retention and expansion of existing businesses, growth of entrepreneurial business, and attraction of new businesses that align with Sherwood's revised Community Vision. The types of businesses the City wants to attract most are non-polluting businesses with wages at or above the Washington County average, such as the industries identified in the Economic Opportunities Analysis.</p>

<p><i>Heathy and Valued Ecosystem</i></p>	<p>Nature, Parks and Trails</p>	<ol style="list-style-type: none"> 1. Pursue the expansion and enhancement of the city's trail system and greenways that connect people to nature and connect people to their destinations. 2. Plan, develop and enhance recreation opportunities and recreation facilities for Sherwood residents of all ages and abilities. 3. Promote natural resources as a shared and critical community asset by being good stewards of Sherwood's natural resources, ecosystems, and urban forest and protecting and enhancing their function, quality and diversity. 4. Develop a funding strategy and pursue funding sources for land acquisition, parks and recreation facility development, operations and maintenance. 	<p>(5) Natural Resources, Scenic and Historic Areas, and Open Space (8) Recreational Needs (6) Air, Water and Land Resource Quality (12) Transportation</p>	
<p><i>Strong Community, Culture, and Heritage</i></p>	<p>Community Engagement</p>	<ol style="list-style-type: none"> 1. Value diverse community wisdom and participation by working together and thinking creatively to produce meaningful, informed and innovative solutions. 2. Actively explore accessible, cutting-edge and effective methods of communication and participation to foster transparency and connection to the community. 3. Foster a culture of collaboration and partnership between residents, community groups, businesses, service providers and government. 	<p>(1) Citizen Involvement</p>	
<p><i>Coordinated and Connected Infrastructure</i></p>	<p>Transportation</p>	<ol style="list-style-type: none"> 1. Plan and implement a transportation system that is forward-looking, responsive and innovative to maximize capacity and ensure safety, efficiency and retention of Sherwood's livability and small-town character. 2. Create and enhance safe, multi-modal, and viable transportation options for travel between destinations locally and regionally with particular attention to connecting the areas of Sherwood east and west of Highway 99E. 3. Identify funding sources and collaborative partnerships to leverage resources for transportation system maintenance and improvements. 	<p>(12) Transportation (13) Energy Conservation</p>	

	Infrastructure	<ol style="list-style-type: none"> 1. Ensure reliable, safe, affordable and adequate public facilities to meet Sherwood’s existing and future needs. 2. Work with partner agencies to coordinate efficient service delivery, including but not limited to the Sherwood School District, Clean Water Services, Willamette River Water Treatment Plant, Portland General Electric, Comcast, Frontier, and Pride Disposal. 	<p>(11) Public Facilities and Services (14) Urbanization (13) Energy Conservation</p>	
<i>Strategic and Collaborative Governance</i>	Governance and Growth Management	<ol style="list-style-type: none"> 1. Coordinate with adjacent jurisdictions, local service providers and regional and state governmental agencies to manage growth and development in Sherwood. 2. Provide timely, orderly and efficient delivery of public facilities and services to balance the development of complete neighborhoods, employment areas, schools and public spaces. 3. Ensure that the rate, amount, type, location and cost of new development will preserve and enhance Sherwood’s quality of life. 	<p>(11) Public Facilities and Services (2) Land Use Planning (14) Urbanization</p>	
	Community Health and Safety	<ol style="list-style-type: none"> 1. Ensure a high level of public safety by providing well-funded and well-planned police and fire protection, and emergency services and preparedness to existing and new development in Sherwood. 2. Maintain and improve the quality of the air, water and land resources. 3. Encourage land use patterns that locate land use activities in close proximity, reduce or shorten vehicle trips and encourage energy conservation through sustainable site planning, landscaping and construction practices. 4. Minimize impacts and risk to life and property from natural hazards and disasters. 	<p>(6) Air, Water and Land Resource Quality (7) Areas Subject to natural Disasters and Hazards (11) Public Facilities and Services</p>	

Sherwood Housing Needs Analysis

Joint Meeting CAC and Planning Commission

September 26, 2018

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3J CONSULTING
CIVIL ENGINEERING | WATER RESOURCES | LAND USE PLANNING

09.26.18
Date

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WS
Agenda Item

A
Exhibit #

Overview of a Housing Needs Analysis

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Why is Sherwood doing an HNA

- How much growth?
- How much land?
- Where is the buildable land?
 - Vacant; unconstrained physically or by policy
- What development patterns make sense?
- Does Sherwood have enough buildable residential land?
 - What about Sherwood West?



Goal 10: Housing

“Buildable lands for residential use shall be inventoried and plans shall encourage the availability of adequate numbers of needed housing units at price ranges and rent levels which are commensurate with the financial capabilities of Oregon households and allow for flexibility of housing location, type and density.”

Needed Housing Types (ORS 197.303)

- Housing that includes, but is not limited to, attached and detached single-family housing and multiple family housing for both owner and renter occupancy;
- Government assisted housing;
- Mobile home or manufactured dwelling parks as provided in ORS 197.475 to 197.490; and;
- Manufactured homes on individual lots planned and zoned

State Requirements

- Goal 10 and OAR 660-007 require:
 - Housing Needs Analysis
 - Analysis of national, state and local trends
 - Historical density and mix
 - Needed housing by price and type
 - 20-year supply of buildable land
- Standards for future housing mix and density
 - Housing mix
 - Housing density

State Requirements continued

- OAR 660-007 sets standards for future housing mix and density :
 - Housing mix: at least 50% of new units single-family attached or multifamily
 - Jurisdictions...must either designate sufficient buildable land to provide the opportunity for at least 50 percent of new residential units to be attached single family housing or multiple family housing or justify an alternative percentage based on changing circumstances.*
 - Housing density: 6 dwelling units per net acre

Steps in the Housing Needs

Analysis

1. Project the number of new housing units needed in the next 20 years
2. Review relevant national, state, and local demographic and economic trends and factors that may affect housing mix
3. Describe the demographic characteristics of the population, and, household trends that relate to demand for different types of housing
4. Determine the types of housing that are likely to be affordable to the projected households based on household income
5. Estimate the number of additional needed units by structure type
6. Determine the needed density ranges for each plan

Parts of a Housing Needs Analysis

- *Demand* is a function of population and employment growth
- *Supply* is a function of land base and housing stock
- Demand
 - Population
 - Demographics
 - Age
 - Household composition
 - Income
 - Housing costs
- Supply
 - Vacant, partially vacant, and redevelopable land
 - Housing stock and characteristics

Housing: Demand v. Need

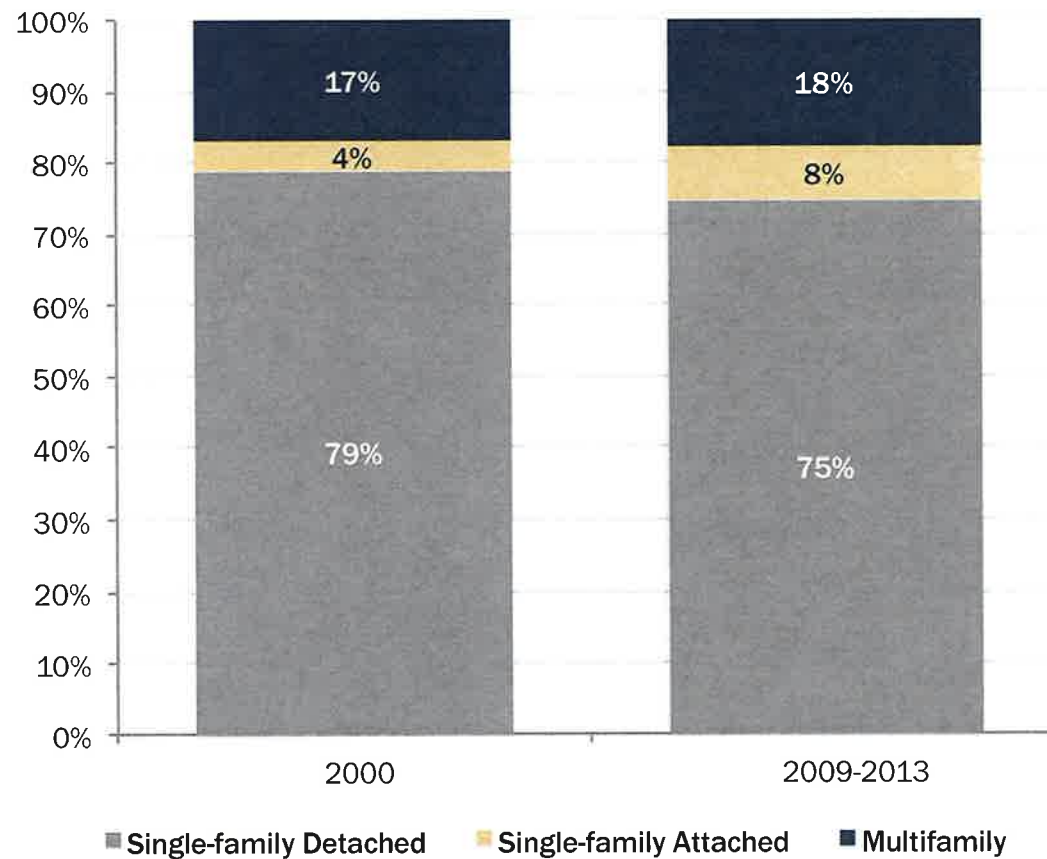
- *Housing need* is based on the principle that a community's plan for housing should meet the needs of households at all income levels.
- *Housing market demand* is what households demonstrate they are willing to purchase in the marketplace.
- Need
 - Type
 - Tenure
 - Financial
 - Condition
 - Crowding
 - Special Populations
- Demand
 - Evidenced by recent development trends (e.g., type, price, and mix)

Housing Needs Analysis

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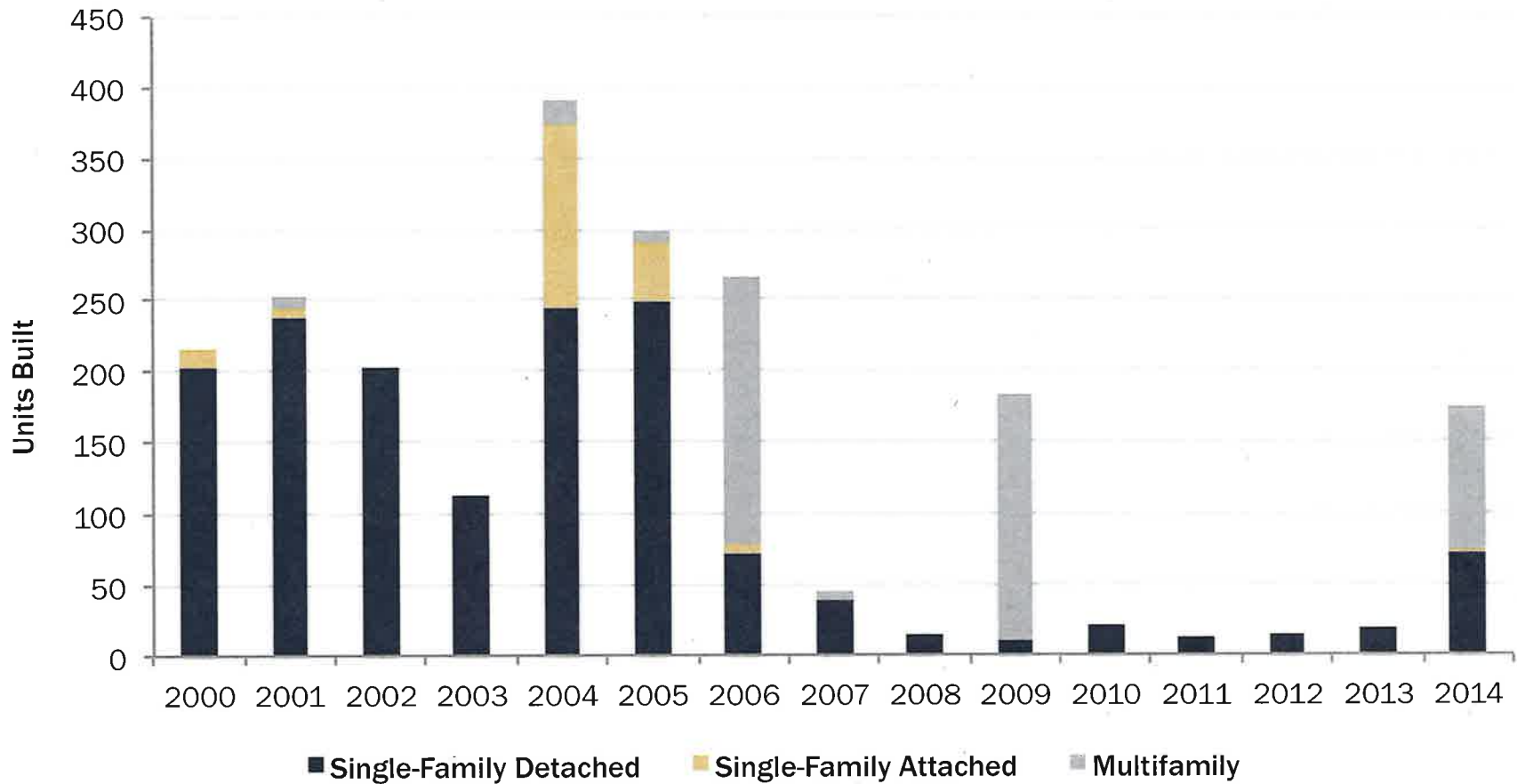
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Mix of Existing Housing Types, Sherwood



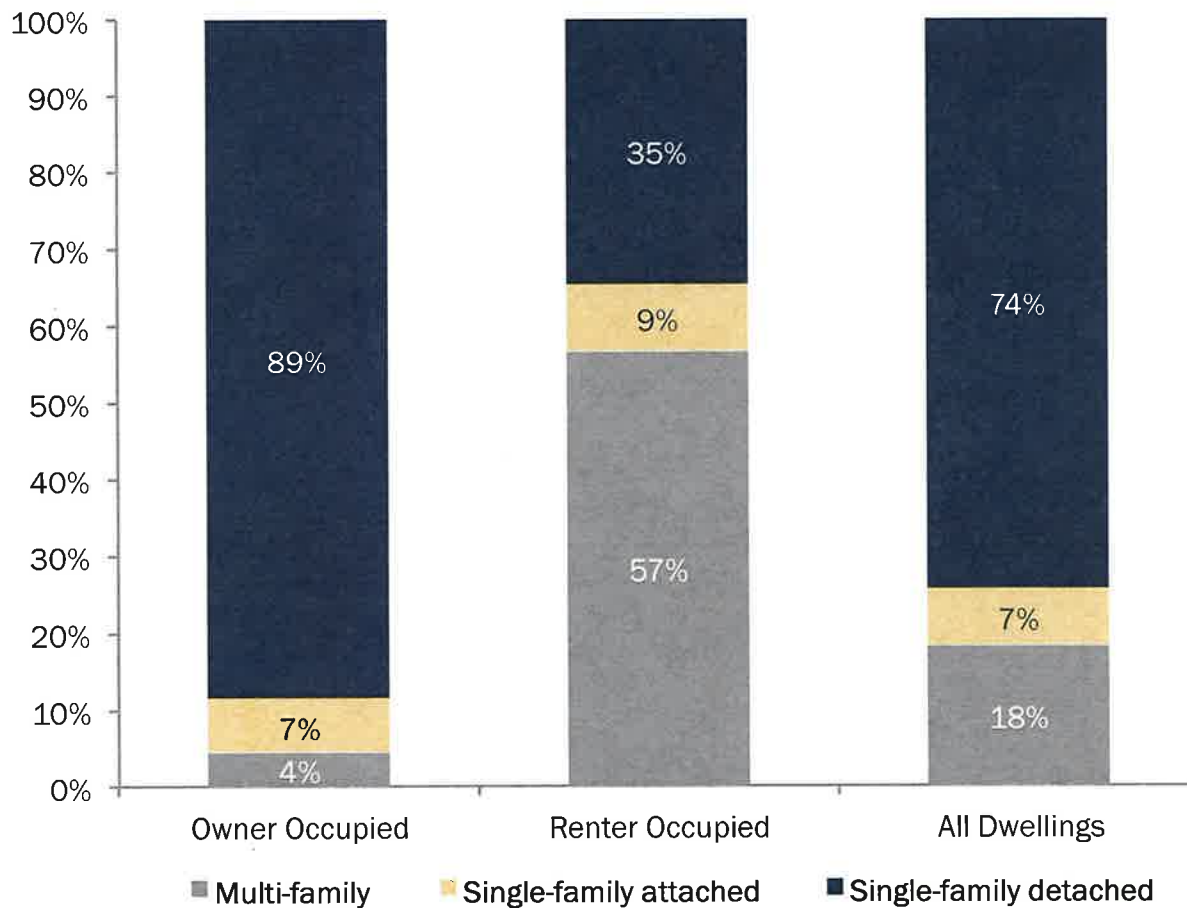
Source: U.S. Census 2000, American Community Survey 2009-2013

Units Permitted by Type of Unit, Sherwood



Source: City of Sherwood

Homeownership Rate, Unit Type, Sherwood



Source: U.S. Census 2000, American Community Survey 2009-2013

Historical Development Densities, 2000-2014, Sherwood

Zone	New and Existing Units	Acres	Density (dwelling unit per acre)
Residential Zones			
Very Low Density Residential	53	18	2.9
Low Density Residential	807	124	6.5
PUD	487	64	7.6
Non-PUD	320	59	5.4
Medium Density Residential-High	301	39	7.7
Medium Density Residential-Low	368	60	6.1
High Density Residential	605	32	19.1
Residential subtotal	2,134	273	7.8

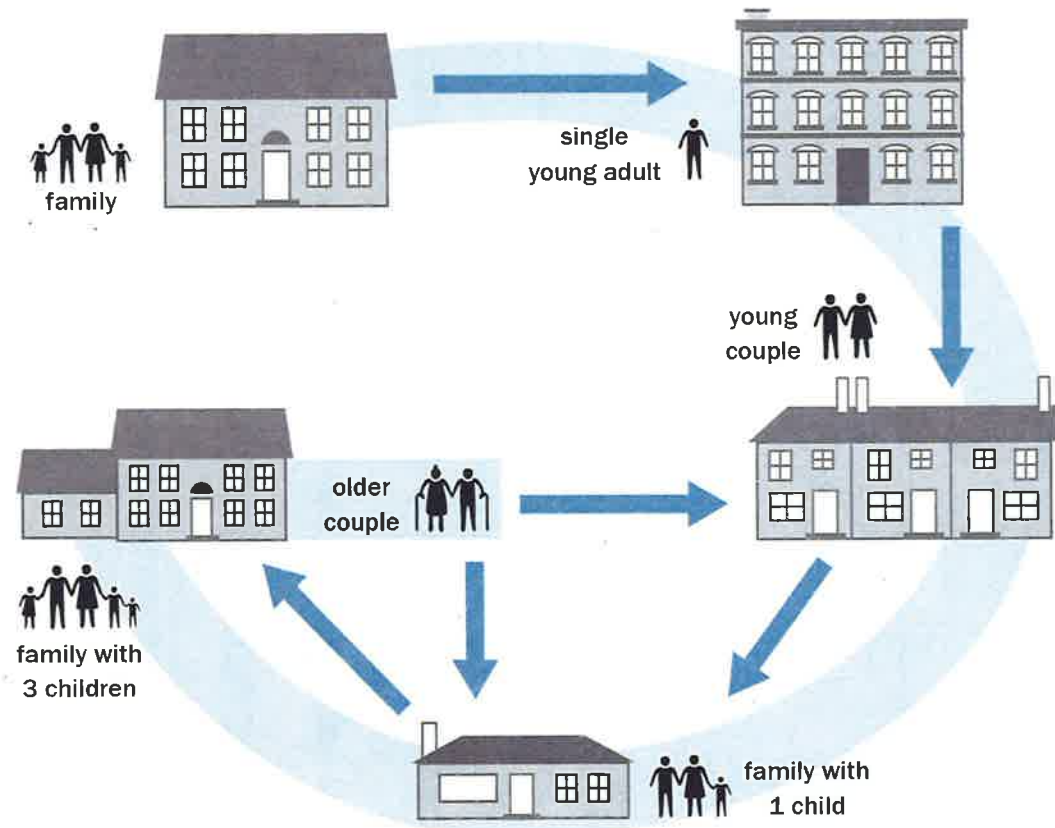
Source: City of Sherwood

Factors that will affect housing demand in Sherwood over the 2018-2038 period

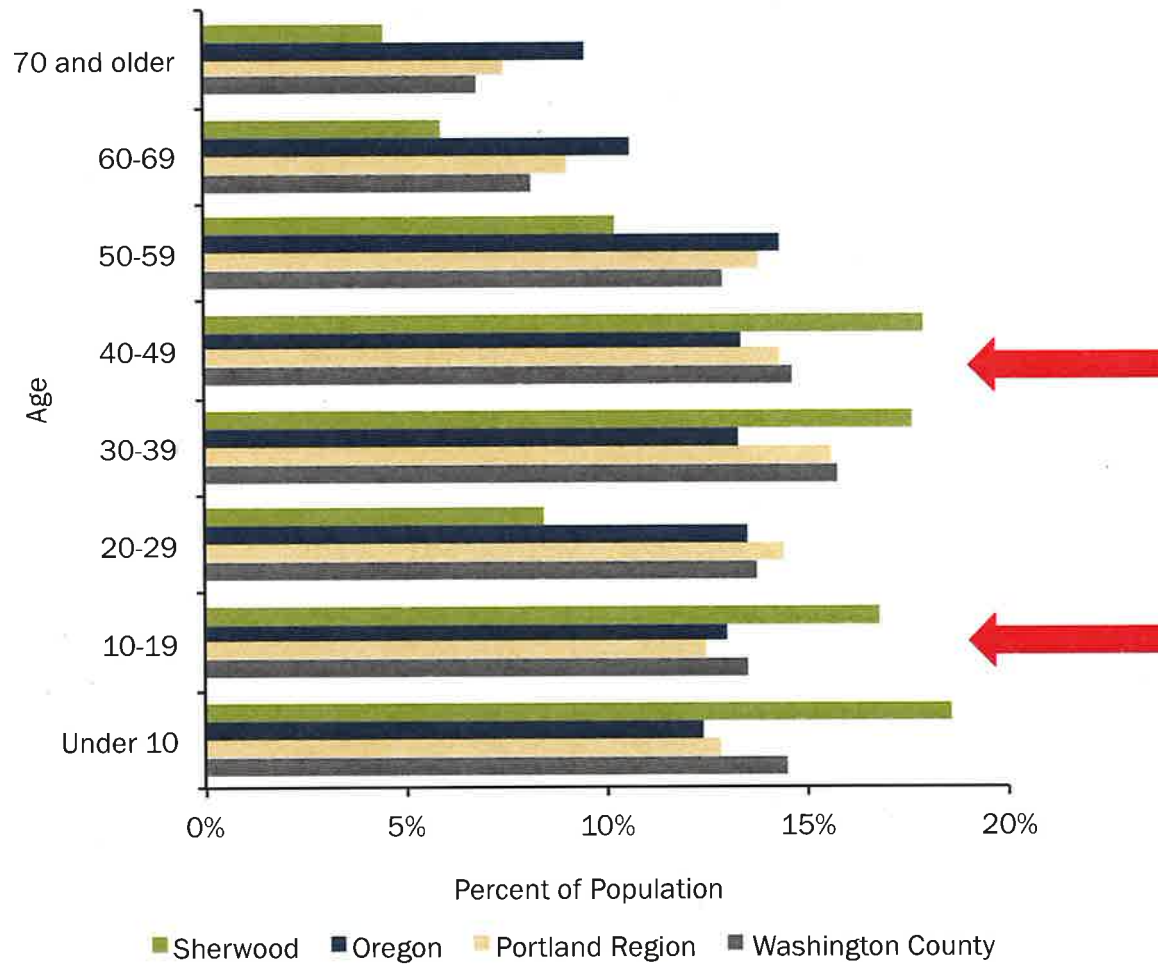
Age

Household
Composition

Income

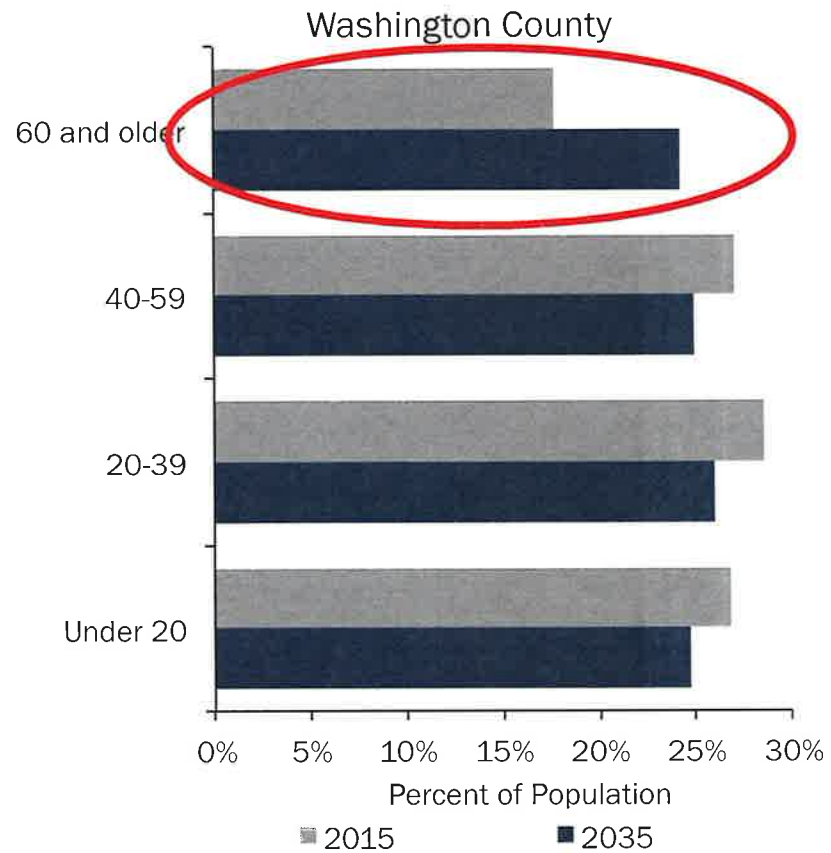
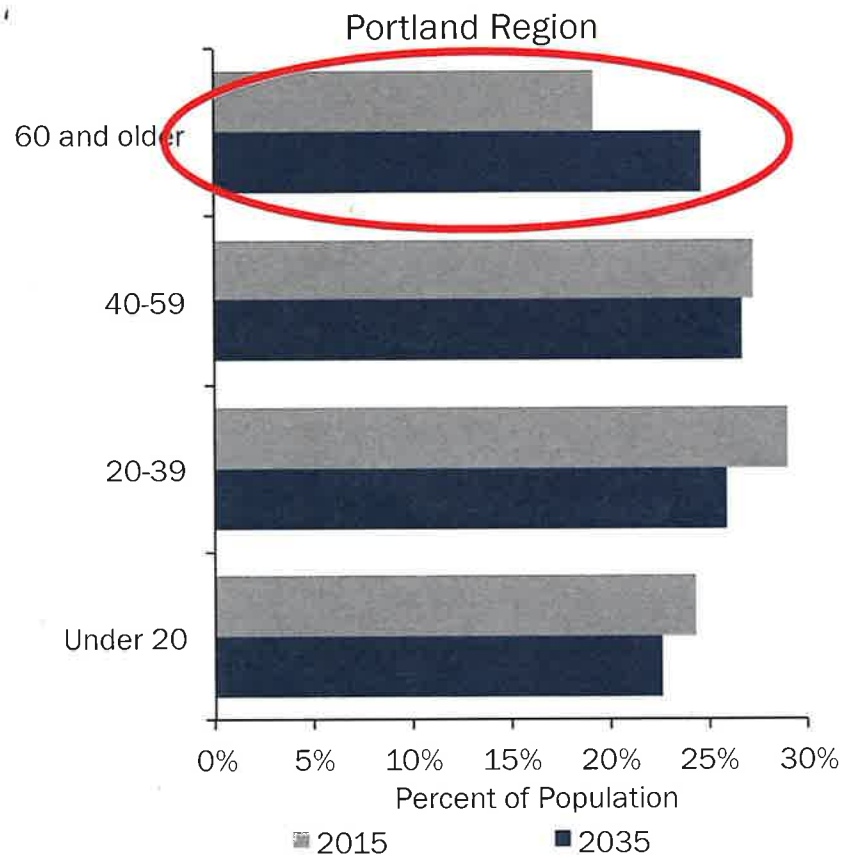


Age Distribution



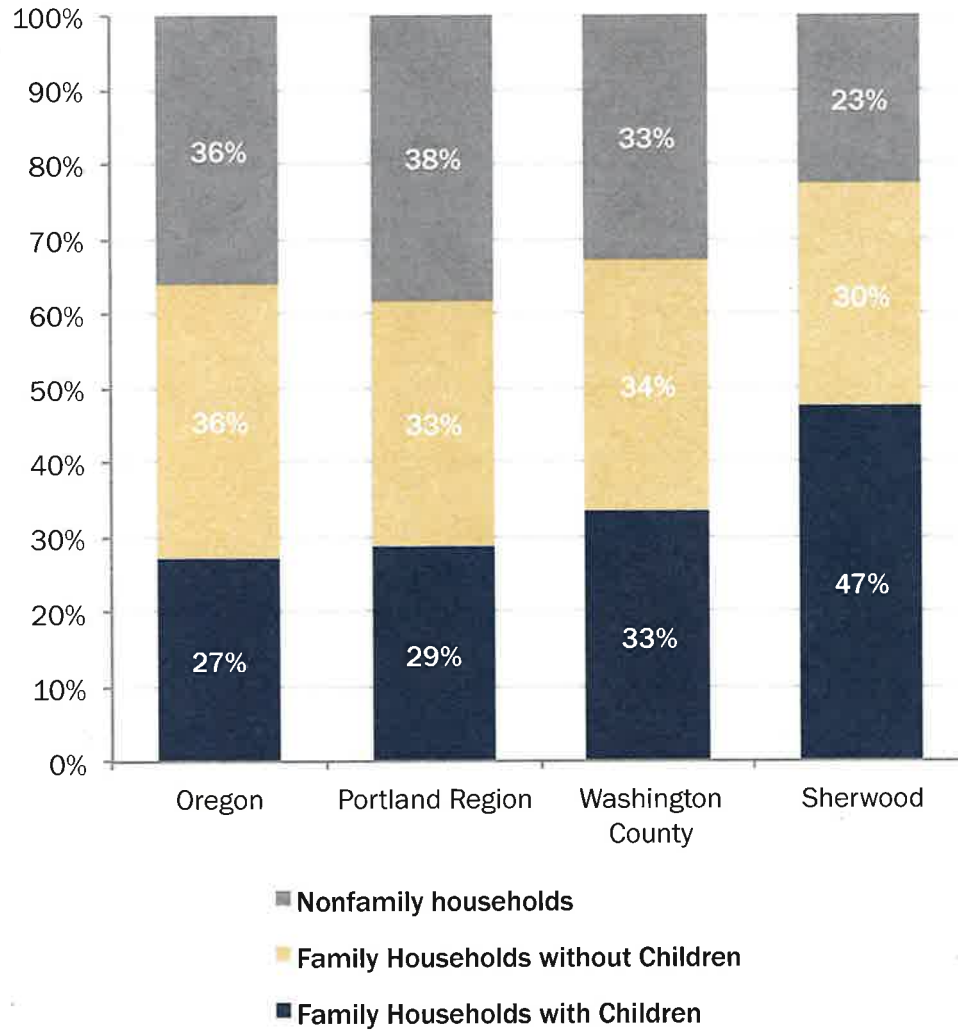
Source: U.S. Census 2000, American Community Survey 2009-2013

Regional Change in Age Distribution, 2015-2035



Source: Oregon Office of Economic Analysis

Household Composition



Source: U.S. Census 2000, American Community Survey 2009-2013

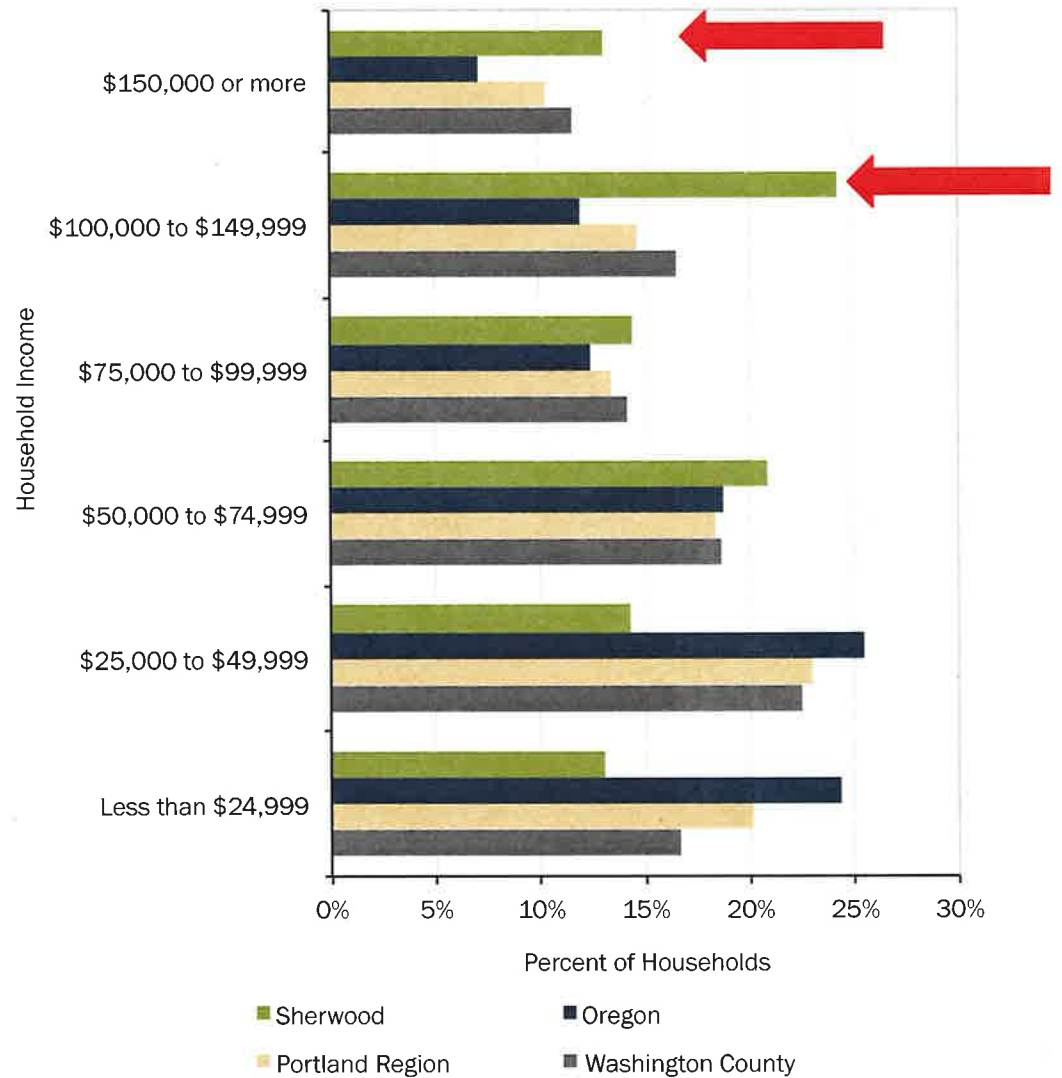
Household Income

Median Household Income

Oregon: \$50,300

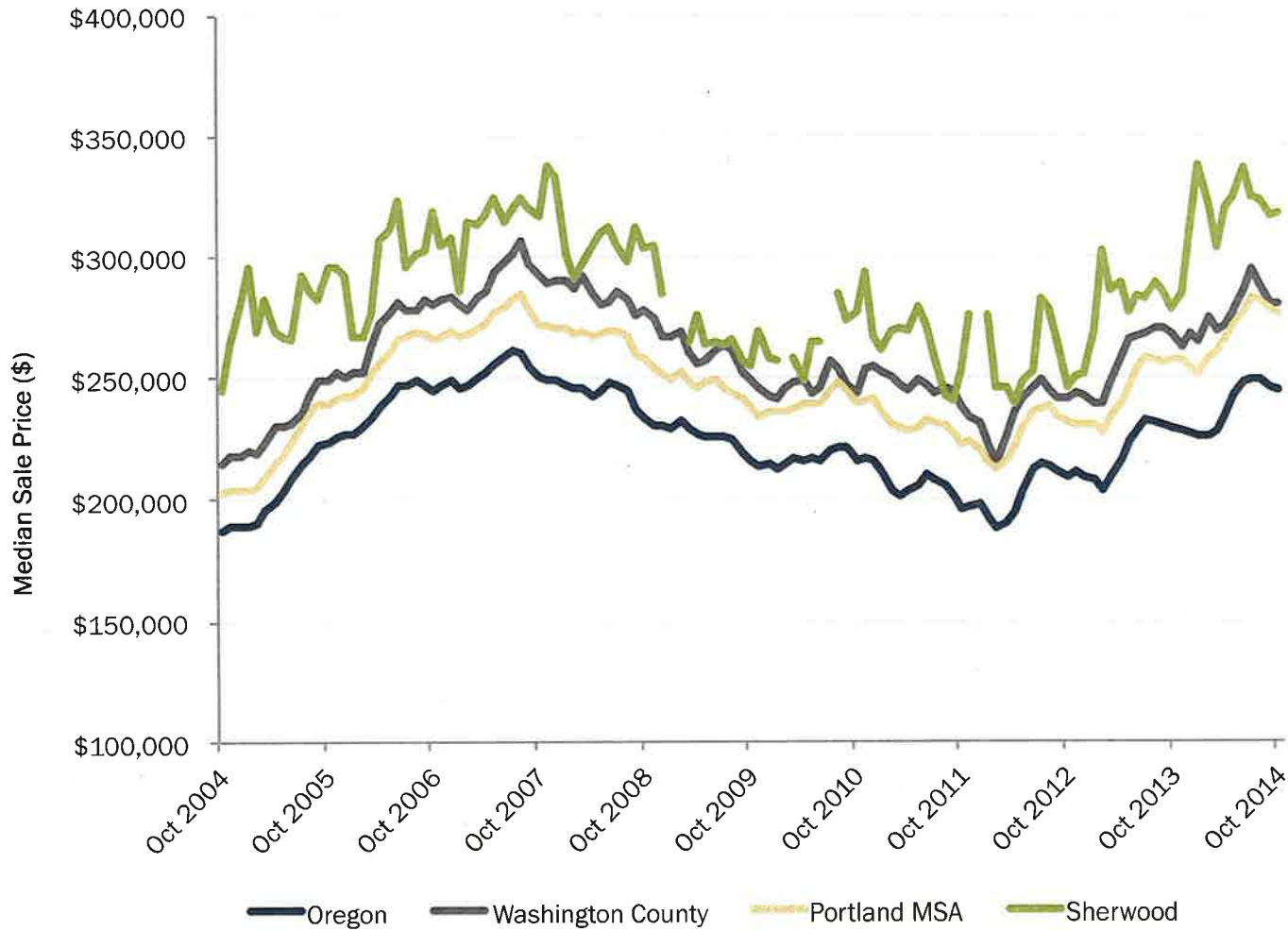
Washington County: \$64,200

Sherwood: \$78,400



Source: U.S. Census 2000, American Community Survey 2009-2013

Median Housing Sales Prices



Source: Zillow Real Estate Research

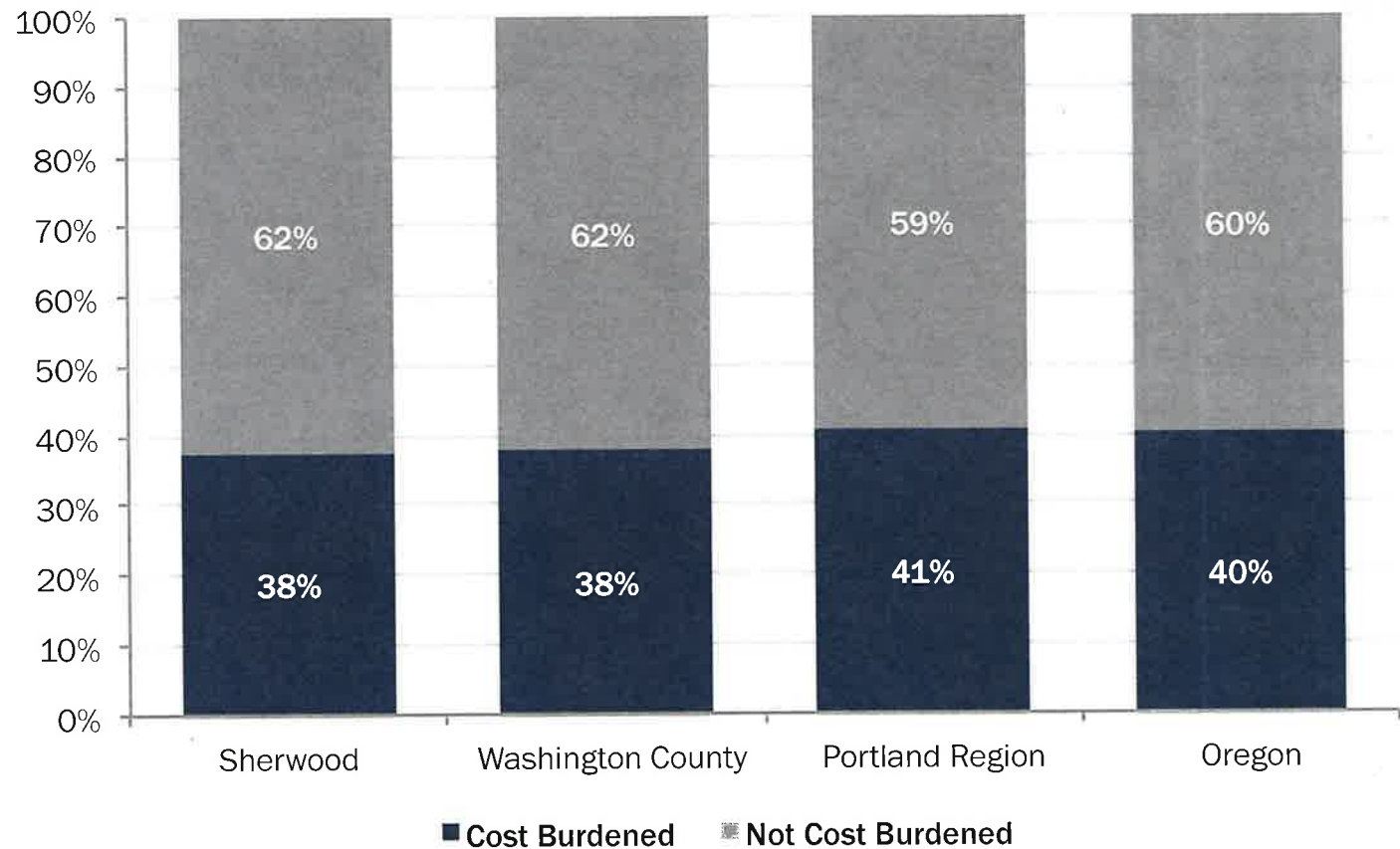
Cost Burden

Households paying 30% or more for housing costs are said to be cost burdened

Cost Burden in
Sherwood

Renters: 44%

Owners: 35%



Source: U.S. Census 2000, American Community Survey 2009-2013

Forecast of Housing Growth, Sherwood city limits, 2018 to 2038

Year	Households			Sherwood West (50-Year Forecast)
	Sherwood City Limits	Brookman Area	Sherwood Planning Area	
2018	6,883	282	7,165	The Housing Needs Analysis does NOT include Sherwood West at this point because it is outside of the Metro UGB
2038	7,580	1,238	8,818	
Change 2015 to 2040				
Households	697	956	1,653	
Percent	10%	339%	23%	
AAGR	0.5%	7.7%	1.0%	

Forecast of Housing Growth by Type of Unit, Sherwood City Limits 2018 to 2038

OAR 660-007 requires assuming at least 50% of new housing will be single-family attached or multifamily

Housing Type	New Dwelling Units (DU)	Percent
Single-family detached	827	50%
Single-family attached	165	10%
Multifamily	661	40%
Total	1,653	

Estimate of Needed New Dwelling Units by Income, Sherwood City Limits, 2018 to 2038

Market Segment by Income Portland MSA MFI: \$69,400	Income Range	Number of new households in Sherwood	Percent of Households in Sherwood (currently)
High (120% or more of MFI)	\$83,280 or more	693	42%
Upper Middle (80%-120% of MFI)	\$55,520 to \$83,280	446	27%
Lower Middle (50%-80% of MFI)	\$34,700 to \$55,520	222	13%
Lower (30%-50% of less of MFI)	\$20,820 to \$34,700	112	7%
Very Low (Less than 30% of MFI)	Less than \$20,820	180	11%

Based on existing households in Sherwood. (See Household Income slide)

Assumes that in the future, some households will have income above the Portland Region's average and some will have income below the Region's average.

Source: U.S. Census 2000, American Community Survey 2009-2013



Implications for Housing Needs

- Growth in older households will result in more one-person households and additional demand for smaller units, for ownership and rental
- Growth in households with families (Millennials) will result in demand for comparatively affordable units, for ownership and rental
- Some households lack housing that is affordable

Sherwood will need to provide opportunity for development of a wider range of housing types



MissingMiddleHousing.com is powered by Opticos Design.
Illustration © 2015 Opticos Design, Inc.



Missing middle housing options

Small Lot Single-Family Detached

Single-family detached housing on smaller lots



CHARACTERISTICS

- Each unit has a street frontage
- If part of an affordable housing development, residency can be limited to a range of median family income or to selected employment types

Source: Excerpt from Sherwood West Implementation Strategy, SERA Architects

Cottage Clusters

Small standalone units clustered around an open space



CHARACTERISTICS

- Smaller dwellings: well-suited for young couples and empty-nesters
- Lower building and land costs per unit
- Reduce parking requirements
- Shared courtyards bolster community activity

Source: Excerpt from Sherwood West Implementation Strategy, SERA Architects

Duplexes

Two attached unit on the same lot



CHARACTERISTICS

- Match with existing housing stock
- Often a single party owns both units and uses the second dwelling as a rental unit

Source: Excerpt from Sherwood West Implementation Strategy, SERA Architects

Townhouses

Attached single-family units on an individual lot



Source: Excerpt from Sherwood West Implementation Strategy, SERA Architects

CHARACTERISTICS

- Units available for individual ownership; common elements are jointly held by all owners
- Can be built as infill, with 2-20+ units
- Shared open spaces and group parking
- Each unit features a private entrance and patio or balcony space

Courtyard Housing

Multiple attached unit with large shared central open space



CHARACTERISTICS

- Can accommodate 10 or more units
- Private living quarters and ownership opportunities with access to open space

Source: Excerpt from Sherwood West Implementation Strategy, SERA Architects

Small Multiplex

Two or three story buildings with 5 to 10 units



CHARACTERISTICS

- Apartment/condo ownership models
- Smaller dwellings are well-suited for young couples and empty-nesters
- Reduced parking requirements
- Shared open spaces and amenities

Source: Excerpt from Sherwood West Implementation Strategy, SERA Architects

Mixed-Use Multifamily Housing

Multifamily housing built in a commercial area, with commercial uses in the building



CHARACTERISTICS

- Can vary significantly in scale to blend with surrounding neighborhood

Source: Excerpt from Sherwood West Implementation Strategy, SERA Architects

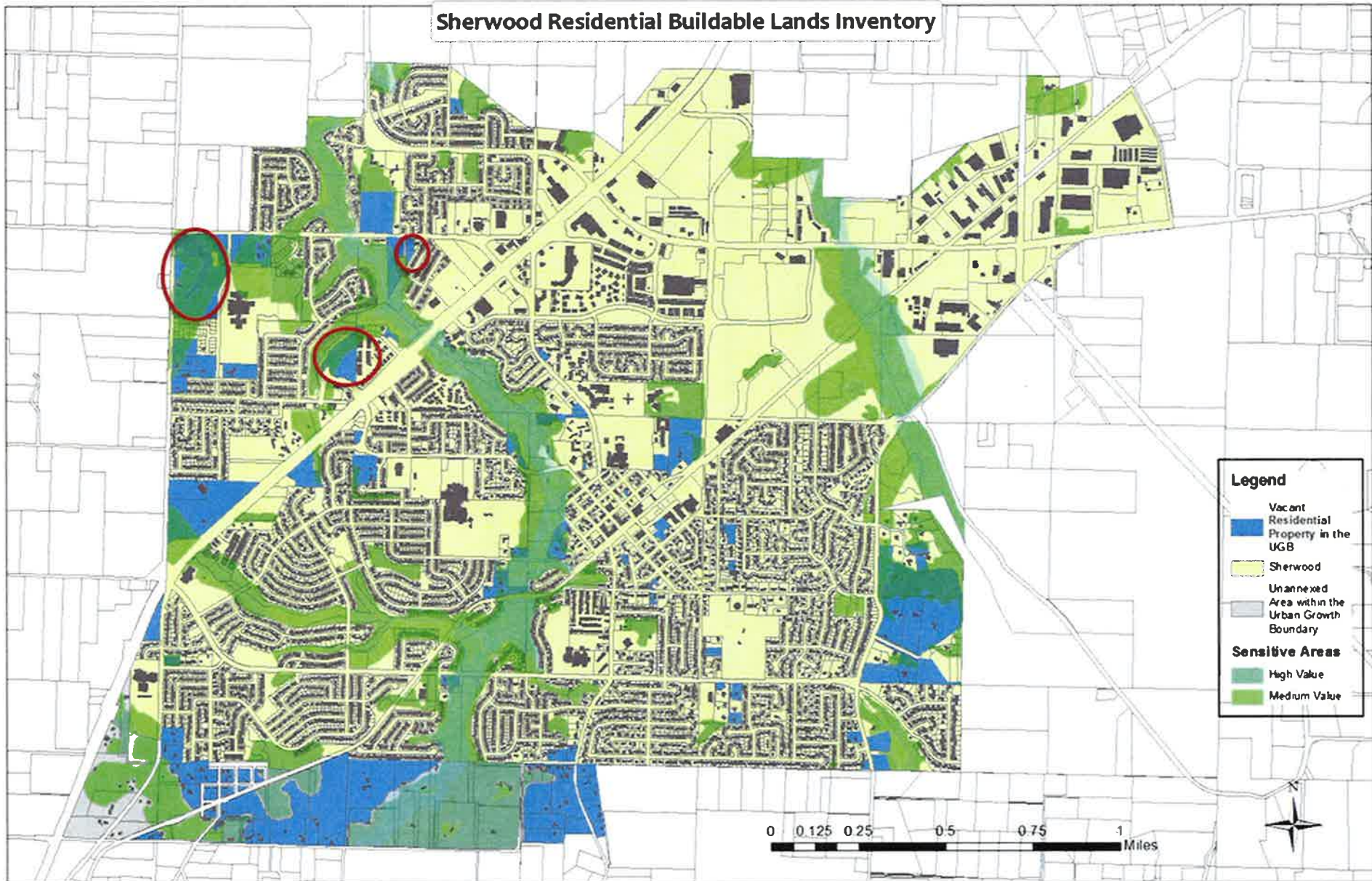
Buildable Lands Inventory Draft Results

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Buildable Residential Land, Sherwood City Limits

Zone	Gross Acres	Percent of Total
Land within City Limits		
Very Low Density Residential (VLDR)	24	14%
Very Low Density Residential Planned Unit Development (VLDR-PUD)	1	1%
Low Density Residential (LDR)	22	13%
Medium Density Residential-Low (MDRL)	14	8%
Medium Density Residential-High (MDRH)	21	12%
High Density Residential (HDR)	14	8%
Subtotal	96	55%
Brookman and Other Unincorporated Areas		
Very Low Density Residential (VLDR)	1	1%
Medium Density Residential-Low (MDRL)	52	30%
Medium Density Residential-High (MDRH)	8	4%
Medium Density Residential- Low/High* (MDRL/H)	15	8%
High Density Residential (HDR)	3	2%
Subtotal	79	45%
Total	175	100%

Sherwood Residential Buildable Lands Inventory



Capacity of Vacant Land

Based on historical densities in Sherwood

	Buildable Acres	Density Assumption	Dwelling units
Very Low Density Residential	26	2.9	76
Low Density Residential	22	6.5	144
Medium Density Residential-Low	68	6.1	392
Medium Density Residential-High	41	7.7	291
High Density Residential	17	19.1	253
Total	175	6.6	1,156

Comparison of Land Capacity and Land Demand, Sherwood City Limits

Zone	Capacity (Needed Densities)	Housing Demand	Comparison Capacity <i>minus</i> Demand (dwelling units)
Very Low Density Residential	76	90	-14
Low Density Residential	144	174	-30
Medium Density Residential-Low	392	513	-121
Medium Density Residential-High	291	444	-153
High Density Residential	253	432	-179
Total	1,156	1,653	-497

Conclusions

- Sherwood is able to meet state requirements
 - Provide opportunity for 50% of new housing to be single-family attached or multifamily
 - Meet density requirements within the mix of new housing
- Sherwood is planning for housing types for all income levels
- Sherwood has a deficit of land for housing

Conclusions Continued

- Existing neighborhoods were built since 1990 and are unlikely to redevelop or infill during this planning period
- Sherwood has a limited supply of land for moderate- and high-density housing



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Eugene



Portland



Seattle



Boise

Capacity of Vacant Land

Based on the historical densities in Sherwood

Zone	Buildable Acres	Capacity based on Zoning: Minimum Densities		Capacity based on Zoning: Maximum Densities and Minimum Lot Sizes		Capacity based on Historical Development Densities		
		Dwelling units	Derived Density	Dwelling units	Derived Density	Density Assumption	Dwelling units	
Land within City Limits								
VLDR	24	19	0.8	94	3.9	2.9	69	
VLDR_PUD	1	-	-	4	3.8	2.9	3	
LDR	22	71	3.2	113	5.1	6.5	144	
MDRL	14	75	5.2	112	7.8	6.1	88	
MDRH	21	111	5.3	223	10.7	7.7	161	
HDR	14	224	16.0	303	21.7	19.1	266	
Subtotal	96	500	5.2	849	8.8		731	
Brookman and Other Unincorporated Areas								
VLDR	1	2	1.6	4	3.2	2.9	3	
MDRL	52	275	5.3	401	7.7	6.1	317	
MDRH	8	36	4.7	62	8.1	7.7	58	
MDRL/H*	15	78	5.3	109	7.5	7.5	109	
HDR	3	49	15.4	70	22.1	19.1	60	
Subtotal	79	440	5.6	661	8.4		547	
Total	175	940	5.4	1,510	8.6	7.3	1,278	

APPROVED MINUTES

City of Sherwood, Oregon
Planning Commission with Comprehensive Plan Community Advisory Committee (CAC)
Joint Work Session
September 26, 2018

Planning Commissioners Present:

Chair Jean Simson
Vice Chair Christopher Flores
Commissioner Doug Scott
Commissioner Mark Cottle
Commissioner Justin Kai

Staff Present:

Carrie Brennecke, Senior Planner
Erika Palmer, Planning Manager
Colleen Resch, Records Technician

Planning Commission Members Absent:

Commissioner Laurie Holm
Commissioner Daniel Matzinger

Council Members Present:

Council President Sean Garland

CAC Members Present:

Susan Claus
John Davis
Patricia Distler
Angi Ford
Megan Thornton
Tess Kies
Jamie Stasny
Jason Wuertz
Jean Simson

CAC Members Absent:

Frank Funk
Jacqueline Head
Paul Mayer
Melanie Mildenberger
Thomas Quesenberry
Rachel Schoening
Damon Starnes
Matt Staten
Russell Griffin

1. Call to Order/Roll Call

Chair Jean Simson convened the meeting at 6:32 pm.

2. Topics

A. Housing Needs Analysis

Senior Planner Carrie Brennecke referred to the 2040 Comprehensive Plan Vision Statement in the packet and asked the group to review the document and provide her with comments no later than Monday. She said the next CAC meeting is Wednesday, October 24. Vision Summit II is October 29 at the Center for the Arts at 6 pm. She said they will distribute stay warm coffee mugs with the City of Sherwood 2040 logo and provide warm drinks and pumpkin pie. Consultant Anais Methez said the purpose of the Vision Summit II is to discuss different policy considerations and get direction from the community. Ms. Brennecke said the event will be publicized and posted throughout town.

Ms. Brennecke introduced Beth Goodman with ECONorthwest and provided a history of the Housing Needs Analysis (HNA). She said the HNA was first drafted in 2015 for Sherwood West and it was revised in the fall of 2017 for the purpose of a possible Urban Growth Boundary (UGB) expansion.

Ms. Goodman with ECONorthwest provided a Sherwood HNA 2018 to 2038 presentation (see record, Exhibit A). She noted this HNA does not consider Sherwood West. She referred to Statewide Planning Goal 10 that requires that states “Buildable lands for residential use shall be inventoried and plans shall encourage the availability of adequate numbers of needed housing units at price ranges and rent levels which are commensurate with the financial capabilities of Oregon households” and said this will be broken down throughout the HNA. She commented on the needed housing types and said it is housing that includes, but is not limited to, attached and detached single-family housing and multiple family housing for both owner and renter occupancy, government assisted housing, mobile home or manufactured dwelling parks, and manufactured homes on individual lots planned and zoned for single-family housing.

CAC Member Megan Thornton asked if Sherwood is required to have all of these housing types. Ms. Goodman said Sherwood is required to provide opportunity for development of these different housing types and have zones that allow them.

Chair Simson asked if Sherwood’s code allows for different housing type and is generally in compliance with State and Metro guidelines. Staff said yes.

Ms. Goodman commented on Goal 10 and OAR 660-007 that require the City conduct a HNA that considers national, state and local housing market trends, historical density and mix, and needed housing by price and type. She said OAR 660-007 sets standards for future housing mix and density and states that housing mix shall be at least 50% of new units be single-family attached or multifamily. She said jurisdictions must either designate sufficient buildable land to provide the opportunity for at least 50 percent of new residential units to be attached single-family housing or multiple family housing or justify an alternative percentage based on changing circumstances. Discussion followed regarding justifying an alternative.

Ms. Goodman referred to the steps in developing a HNA which include:

1. Project the number of new housing units needed in the next 20 years
2. review relevant national, state, and local demographics and economic trends and factors that may affect housing mix
3. Describe the demographic characteristics of the population, and, household trends that relate to demand for different types of housing
4. Determine the types of housing that are likely to be affordable to the projected households based on household income,
5. Estimate the number of additional needed units by structure type
6. Determine the needed density ranges for each plan designation and the average needed net density for all structure types.

She commented on demand versus supply, said demand is the function of population and employment growth, and supply is a function of land base and housing stock. She commented on demand versus need, said housing need is based on the principle that a community's plan for housing should meet the needs of households at all income levels, and housing market demand is what households demonstrate they are willing to purchase in the marketplace.

Ms. Goodman referred to the mix of existing housing types in Sherwood and said approximately 75% of the housing stock in 2013 was single-family detached, 18% multifamily, and 8% single-family attached. She said this has not changed much since 2013. She referred to building permits by type of unit in Sherwood since 2000, said 2,225 permits have been issued, and 69% have been single-family detached, 9% single family attached, and 23% multifamily. She commented on homeownership rate by type of housing and said 89% of single family detached are owner occupied and noted that 35% of renter occupied housing is single family detached. She commented on historical development densities from 2000 to 2014 and said there are 7.8 dwelling units per acre. Discussion followed.

Ms. Goodman said the HNA needs to consider what factors will affect housing demand from 2018-2028 and the factors include household age, household composition, and income and she noted they are all related. She referred to the age distribution in Sherwood and said there is a larger share of residents between 39 and 49 years old and a larger share of residents under 19. She referred to the regional change in age distribution from 2015 to 2035 and said the State is predicting the residents 60 and older will be the group to grow the largest. Discussion followed.

Ms. Goodman referred to household composition and said Sherwood has a larger share of family households with children. In terms of household income, Sherwood's median household income is \$78,400 and a larger share of household with incomes above \$100,000. She commented on housing prices and said Sherwood's prices are higher than the region and state average. She referred to cost burden, which is households paying 30% or more of their gross income for housing costs, and said 38% of Sherwood household are cost burden which is typical. She said 44% of renters in Sherwood are cost burden.

Ms. Goodman discussed forecasting and said based on the Metro forecast for household growth from 2018 to 2028, they are predicting 1,653 new households which equals a 1% average annual growth rate. She said between 1990 and 2013, Sherwood grew an average of 8% per year and between 2000 and 2013 Sherwood grew an average of 3.4% per year. She stated Metro forecasting considers the capacity within the city limits and that allows for 1% growth. She said OAR 660-007 requires at least 50% of new housing will be single-family attached or multifamily. She said the 50% can be divided a number of ways but recommended not having less than 20% multifamily as it presents the risk of DLCD not accepting the HNA. Chair Simson said historical Sherwood has had 69-75% single-family detached homes. Ms. Goodman explained that OAR 660-007 requires cities inside the Metro UGB allow opportunity for development of at least 50% of new housing be single-family attached and multifamily, or justify an alternative. She said she cannot think of a way to justify that Sherwood's needed mix is different. Chair Simson is concerned that this will change the character of Sherwood. Discussion followed. Ms. Goodman responded that we are not looking at changing densities, but changing the housing types and the amount

of land allowed for different housing types.

Ms. Ford asked how the HNA can be translated to match the vision, which will drive policy. Ms. Goodman said she understands the consternation and will give this more thought. She has noted the support for an increased percentage of single-family attached, such as townhouses.

Ms. Goodman commented on the implications of the HNA and said growth in older households will result in more one-person households and additional demand for smaller units for ownership and rental, growth in households with families will result in demand for comparatively affordable units for ownership and rental, and some households lack housing that is affordable. She said Sherwood will need to provide opportunity for development of a wider range of housing types. She provided examples of housing types. She recommended well-designed design standards.

Ms. Brennecke commented on the concerns and said this is the background data and there are somethings the City needs to do, but how we do it is up to us. She said the City cannot zone for just single-family detached homes, they have to provide the opportunity for a mix. Ms. Goodman said they are attempting to develop a HNA that is as open and flexible as possible while still being acknowledgeable by the DLCD.

Ms. Goodman referred to the comparison of land capacity and land demand and said Sherwood has a deficit of housing in all categories. She concluded that Sherwood is generally able to meet state requirements to provide opportunity for 50% of new housing to be single-family attached or multifamily and meet density requirements within the mix of new housing. She concluded that Sherwood is planning for housing types for all income levels and has a deficit of land for housing. She stated the existing neighborhoods were built since 1990 and are unlikely to redevelop or infill during this 20 year planning period. She concluded that Sherwood has a limited supply of land for moderate and high-density housing. She said the next step is to discuss potential policies.

Ms. Brennecke said the housing policy discussions will begin in November and said the HNA is a background document will be adopted by reference into the comprehensive plan. She asked the committee for input on creating housing policies.

Ms. Goodman said it is her understanding that the committee is not supportive of high density. She said she has a list of typical policies that cities throughout Oregon have used and she could consider the policies from cities similar to Sherwood. The committee suggested that Ms. Goodman provide a list of typical policies for them to consider. Ms. Brennecke said she will provide the CAC and the Planning Commission with a document illustrating different housing types and where they are located.

Ms. Goodman suggested adding an introductory letter that discusses the tradeoffs in the housing policies how they were addressed to fit Sherwood's character. Ms. Brennecke said she could add that to the text of the Comprehensive Plan noting that these are the parameters we have to operate in.

Planning Manager Erika Palmer said she will work with Ms. Brennecke to look at comparable cities and

with the feedback they have received, they will draft some policies for the group to weigh in on.

With no further discussion, the meeting was adjourned.

3. Adjourn

Chair Simson adjourned the meeting at 8:47 pm.

Submitted by:

Colleen Resch

Colleen Resch, Administrative Assistant II

Approval Date: 01-22-19