

McMinnville Housing Needs Analysis, Buildable Lands Inventory, and Housing Strategy

Project Advisory Committee Meeting #2

November 14, 2018

Agenda

1. Project Update
2. Public Involvement Plan
3. Residential Lands Inventory Approach, Methods, and Assumptions
4. Housing Needs Analysis, Housing Supply, Housing Demand and Needs
5. Preview of Housing Strategies Process and Discussion
6. Summary and next steps

Public Involvement Plan

Public Involvement

Objectives/Approach

- Broadly: ensure deep community input on the technical and policy aspects of this project
- Methods
 - PAC Meetings
 - Focus groups
 - Community workshops
 - Others?

Tentative PAC Schedule

Meeting 1	Project Kickoff	July 17, 2018
Meeting 2	Public Involvement, BLI/HNA Assumptions	Nov 14, 2018
Meeting 3	Draft BLI and HNA, Initial Housing Strategy	Dec 18 or 19, 2018
Meeting 4	EOA, Employment BLI (w/out consultant)	Jan 16 or 17, 2019
Meeting 5	Draft Housing Strategy	Jan 30 or 31, 2019
Meeting 6	Refine Housing Strategy	March 6 or 7, 2019
Meeting 7	Additional Discussion (w/out consultant)	April 16 or 17, 2019
Meeting 8	Additional Discussion (w/out consultant)	May 21 or 22, 2019

Do you have questions or comments?

Focus group meetings

- Purpose: provide an opportunity for small group discussion and input of key issues
- Potential Audience: key community shareholders
 - Developers, realtors, others familiar with private housing development in McMinnville
 - Affordable housing organizations
 - Others?

Community Workshops

- Workshop 1: HNA/BLI methods, assumptions, and results
- Workshop 2: Input on housing policy options
- Format??

Other Public Involvement Options

- Project website

(<https://www.mcminnvilleoregon.gov/planning/page/residential-buildable-lands-inventory-housing-needs-analysis-and-housing-strategy>)

- Online forums?
- Open house? – online or in person (one option for community workshop format)
- Online survey?

Residential Lands Inventory: Methods and Assumptions

Legal requirements

(2) “Buildable Land” means residentially designated land within the urban growth boundary, including both vacant and developed land likely to be redeveloped, that is suitable, available and necessary for residential uses. Publicly owned land is generally not considered available for residential uses. Land is generally considered “suitable and available” unless it:

- (a) Is severely constrained by natural hazards as determined under Statewide Planning Goal 7;
- (b) Is subject to natural resource protection measures determined under Statewide Planning Goals 5, 6, 15, 16, 17 or 18;
- (c) Has slopes of 25 percent or greater;
- (d) Is within the 100-year flood plain; or
- (e) Cannot be provided with public facilities.

Steps in the Buildable Lands

Inventory

1. Gather and Assemble Data
2. Classify Land
3. Identify Constraints
4. Identify Redevelopment Potential
5. Verification
6. Summarize Results

Figure 1. Framework for land and constraint classification in a buildable land inventory.

			Presence of Improvements	
			Developable	Developed
Constraining Conditions	Prohibitively constrained	Committed	No Capacity	
		Protected	No Capacity	
	Partially Constrained		Partial Capacity	Potential Infill/ Redevelopment Capacity
	Unconstrained		Full Capacity	

Major Assumptions in the BLI

- Land base
 - Based on requirements in 197.296(4)(a)
 - McMinnville has 1 residential plan designation, so need to use zoning in addition
- Development status
 - Classifications based on definitions in OAR 660-008.660-024
 - Supplement with rapid visual inspection
- Development constraints
 - Exclude constrained areas based on definitions in OAR 660-008, ORS 197-296
- Redevelopment potential
 - Based on requirements in 197.296(4)(a)(D)

Determine the Land Base

...a local government shall...Inventory the supply of buildable lands within the urban growth boundary

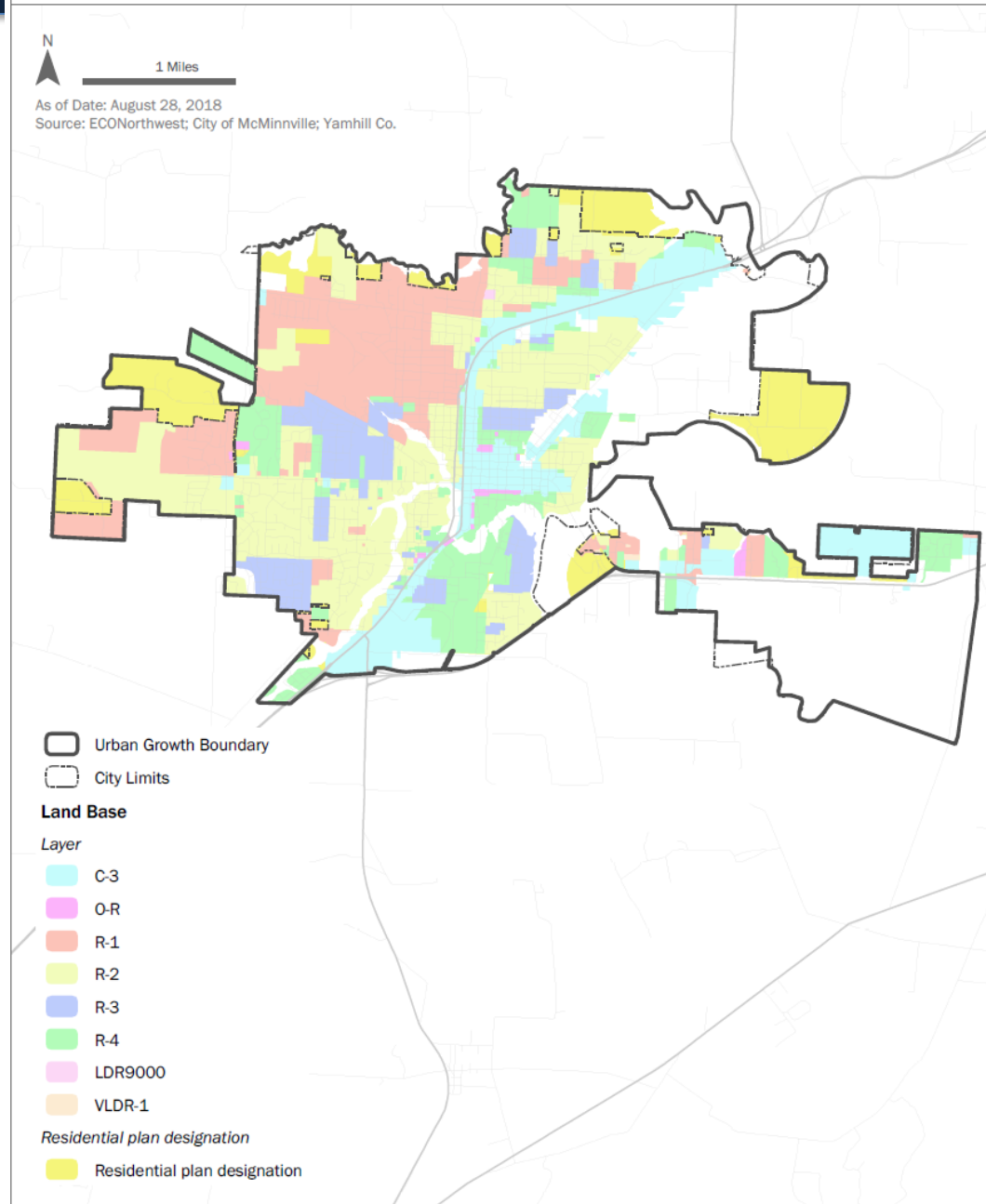
4)(a) For the purpose of the inventory described in subsection (3)(a) of this section, “buildable lands” includes:

- (A) Vacant lands planned or zoned for residential use;
- (B) Partially vacant lands planned or zoned for residential use;
- (C) Lands that may be used for a mix of residential and employment uses under the existing planning or zoning; and
- (D) Lands that may be used for residential infill or redevelopment.

MCMINNVILLE BLI 2018 LAND BASE - DRAFT

Land Base

- Land base will include:
 - Land in Residential plan designation
 - Land in zones that allow residential use outright:
 - R-1 Single-Family Residential
 - R-2 Single-Family Residential
 - R-3 Two-Family Residential
 - R-4 Multiple-Family Residential
 - O-R Office/Residential
 - C-3 General



Development Status

- Classified based on “safe harbor” definitions (note: McMinnville is ineligible for the safe harbors)
- Classifications of development status:
 - Developed land
 - Vacant land
 - Partially vacant land
 - Public land
 - Exempt land

Development Constraints

- Regulated wetlands
- Floodways
- 100-year floodplain
- Steep slopes (greater than 25%)
- Service constraints
- Easement constraints

Redevelopment and Infill

- Vacant and partially vacant lots are not infill or redevelopment lots
- Address infill as a function of two factors:
 - Accessory dwelling units
 - Lot partitions (single-family lots that are divided into 2 or 3 sublots)
- Estimate redevelopment potential using the following methods:
 - Identify single-family residences in multifamily zones.

Housing Supply

Types of Housing

Single-Family Detached

Single-family detached

Manufactured & mobile homes

Cottage Housing



Single-Family Attached

Townhouses



Multifamily

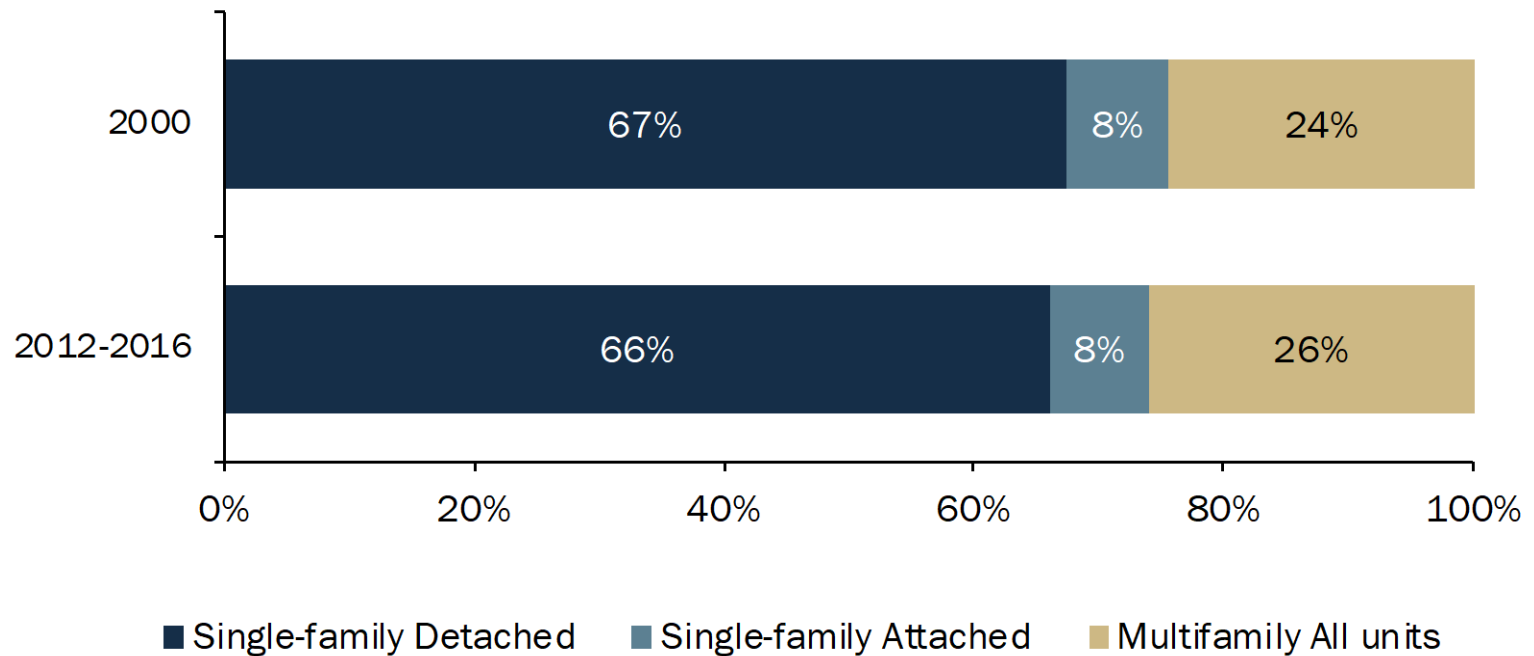
Duplexes

Tri- and 4-Plexes

Apartments

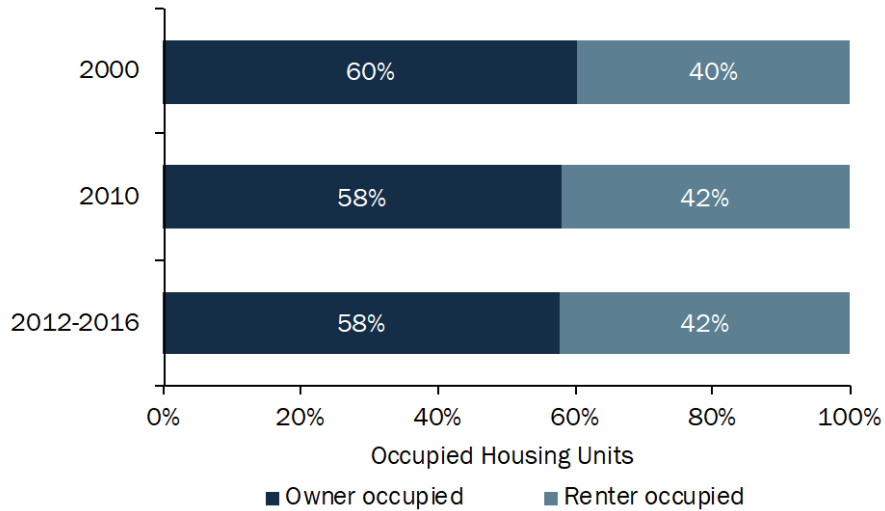


McMinnville Housing Mix

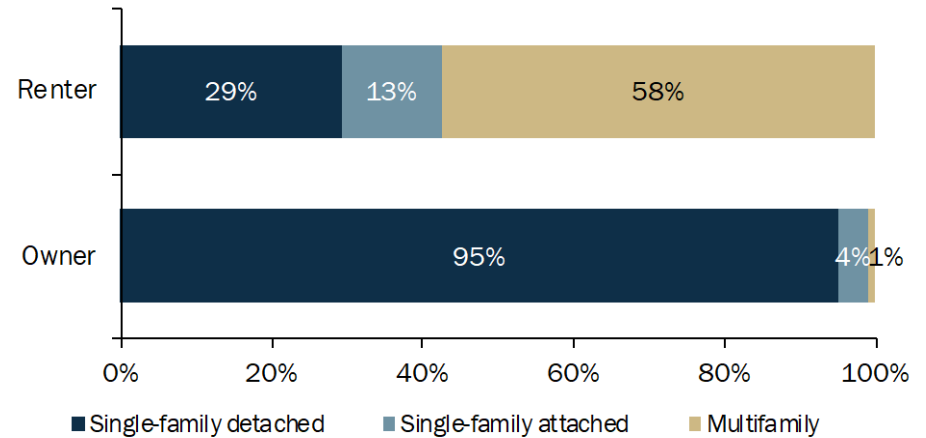


Housing Tenure

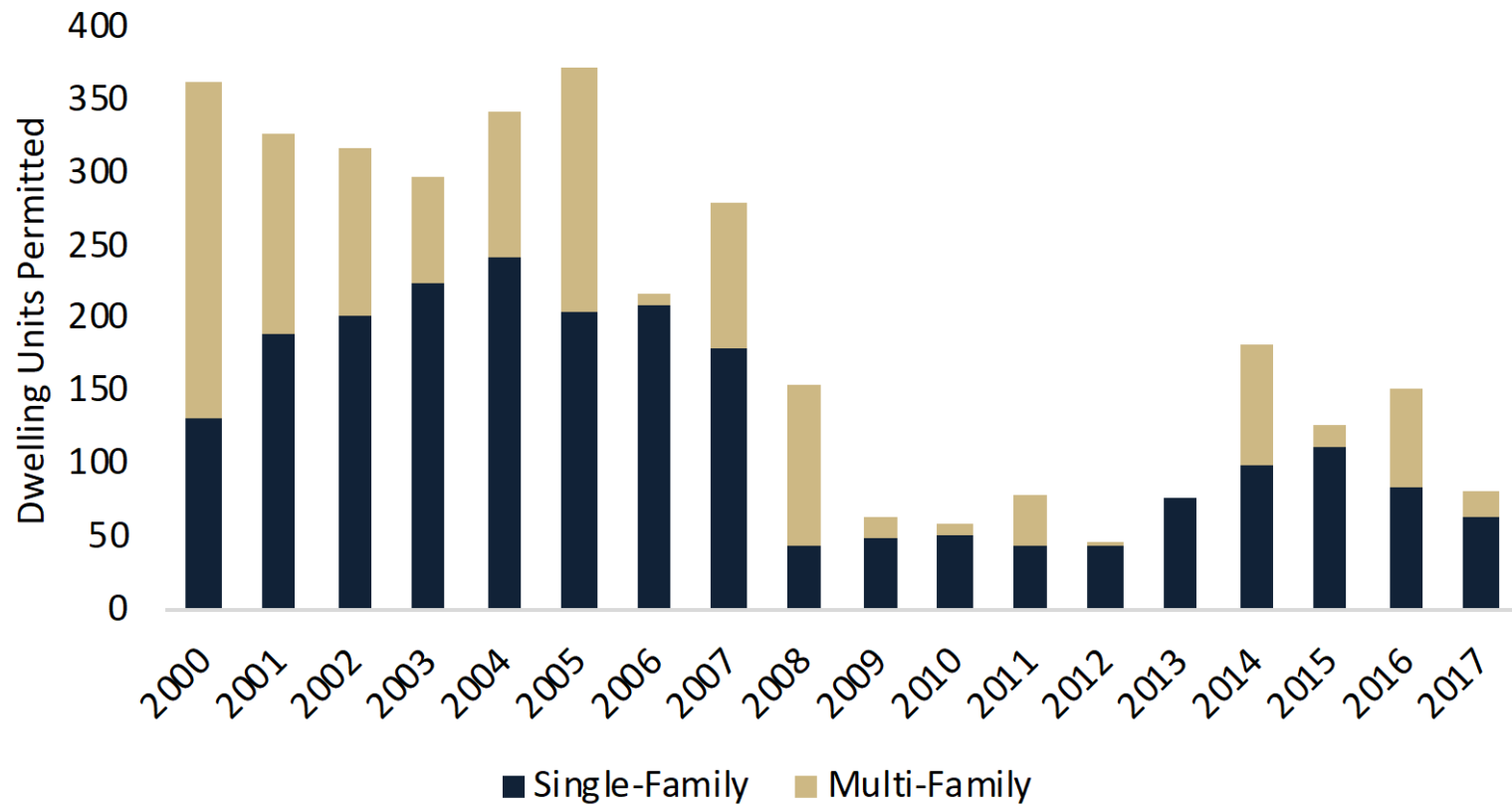
Change in Tenure



Tenure by Type of Unit, 2016



Building Permits, 2000 to 2017



Source: City of McMinnville Building Permit Database.

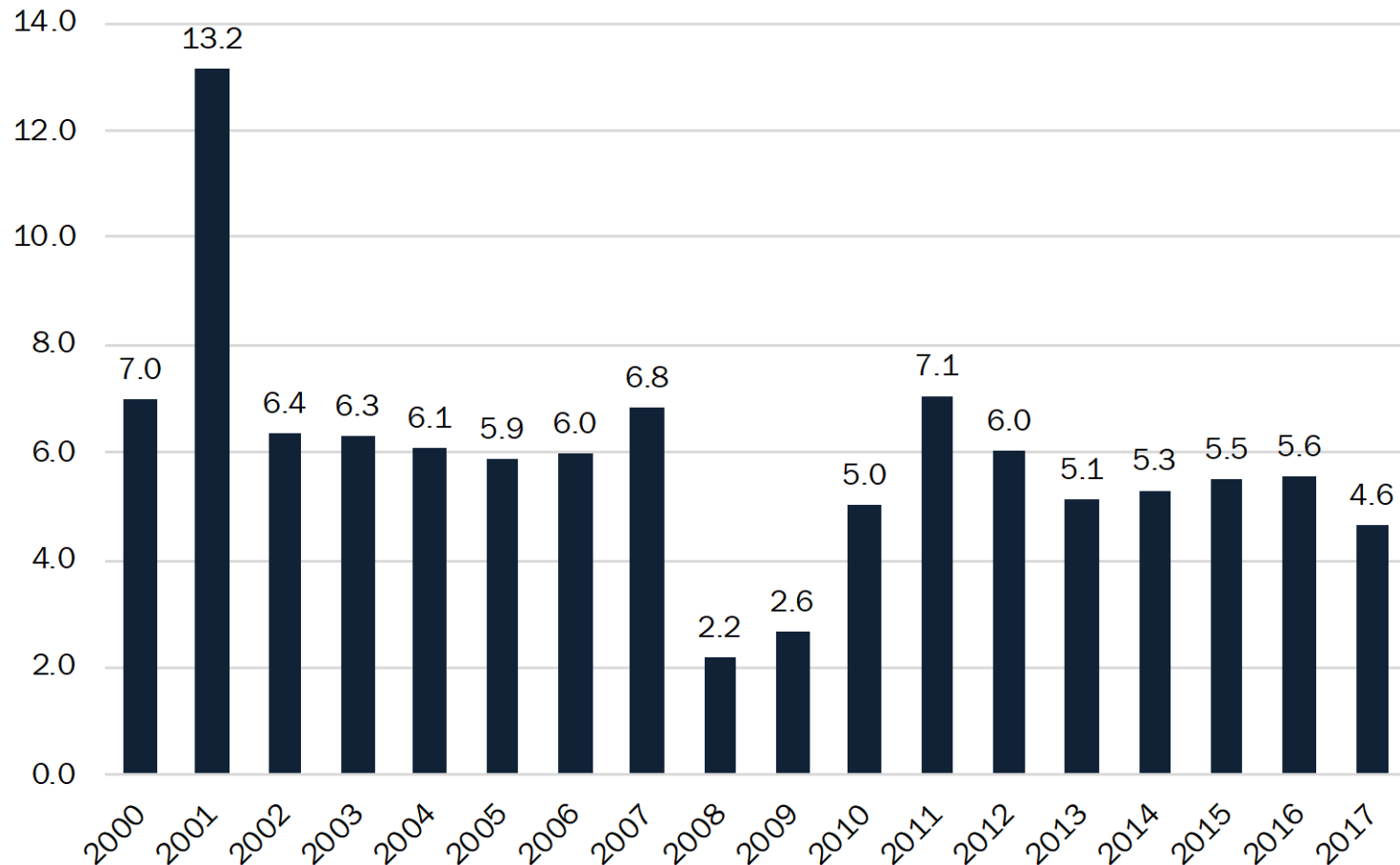
Recent Development Trends

Historical housing density by (1) housing type and plan designation and by (2) zone, 2000 – July 2018

	Single-Family Detached	Single-Family Attached	Duplex	Multifamily	Total
Residential	4.8 units/acre	12.3 units/acre	7.0 units/acre	16.5 units/acre	6.0 units/acre
Commerical	Too few to report	Too few to report	Too few to report	31.2 units/acre	31.2 units/acre

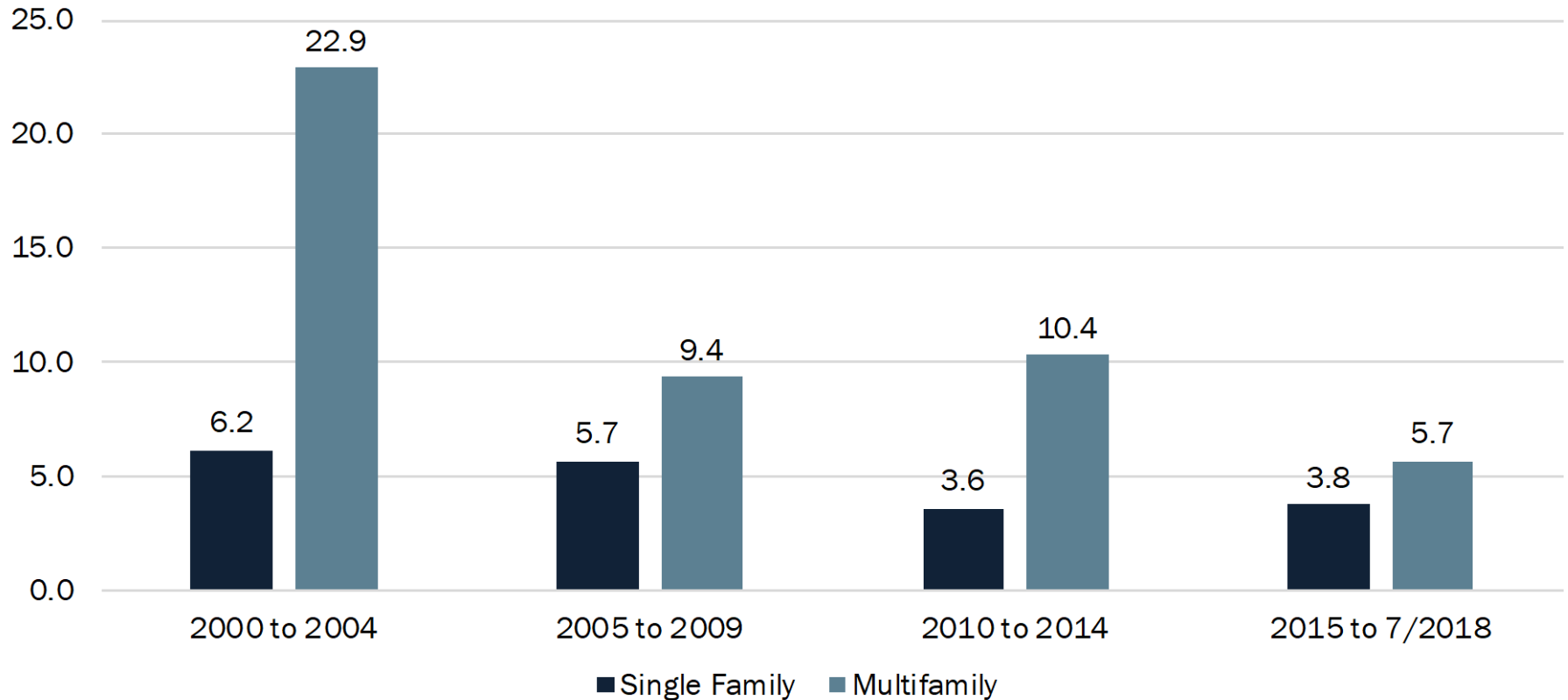
C-3	O-R	R-1	R-2	R-3	R-4
31.2 units/acre	7.6 units/acre	4.1 units/acre	5.8 units/acre	6.8 units/acre	7.9 units/acre

Residential Development Trends



Source: City of McMinnville Building Permits, Residential Plan Designation, 2000 – July 2018.

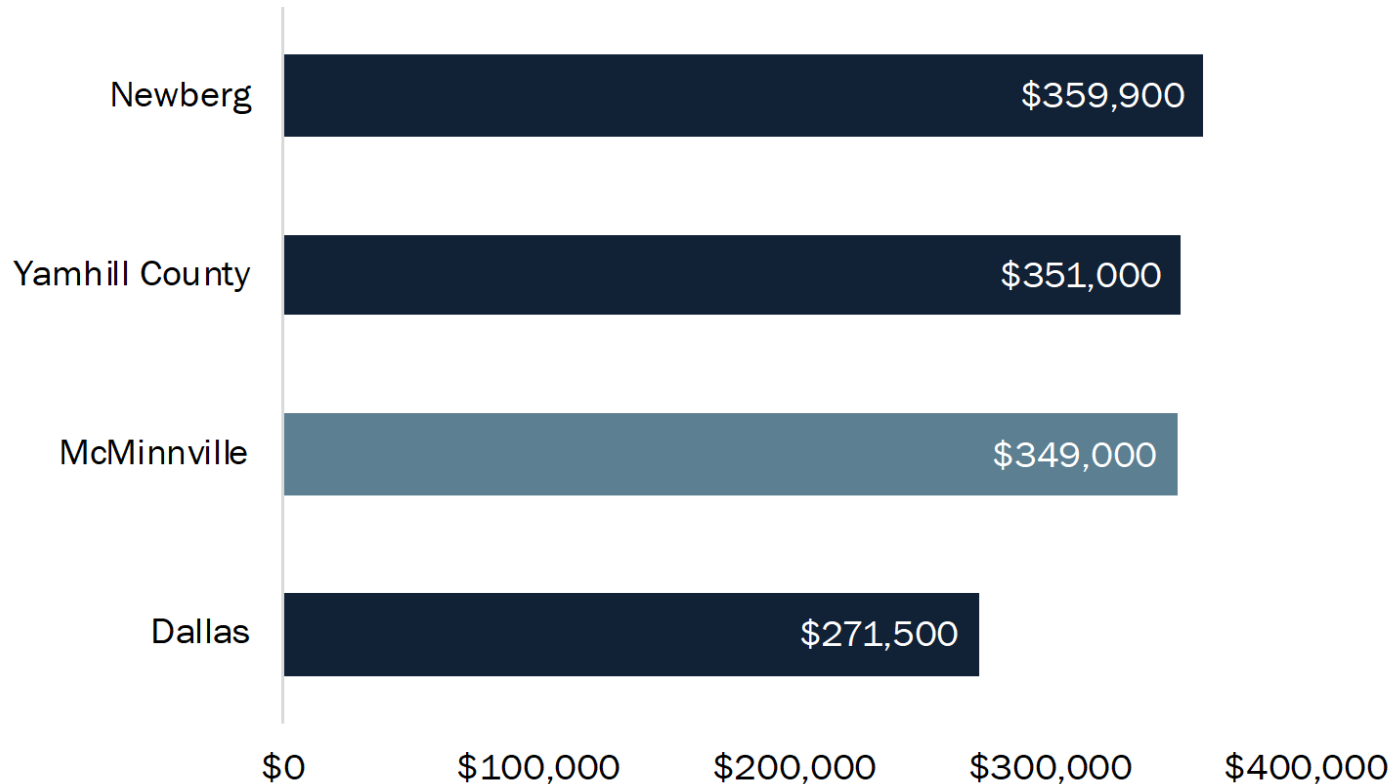
Residential Development Trends, cont.



Source: City of McMinnville Building Permits in Residential Plan Designation, 2000 - July 2018.

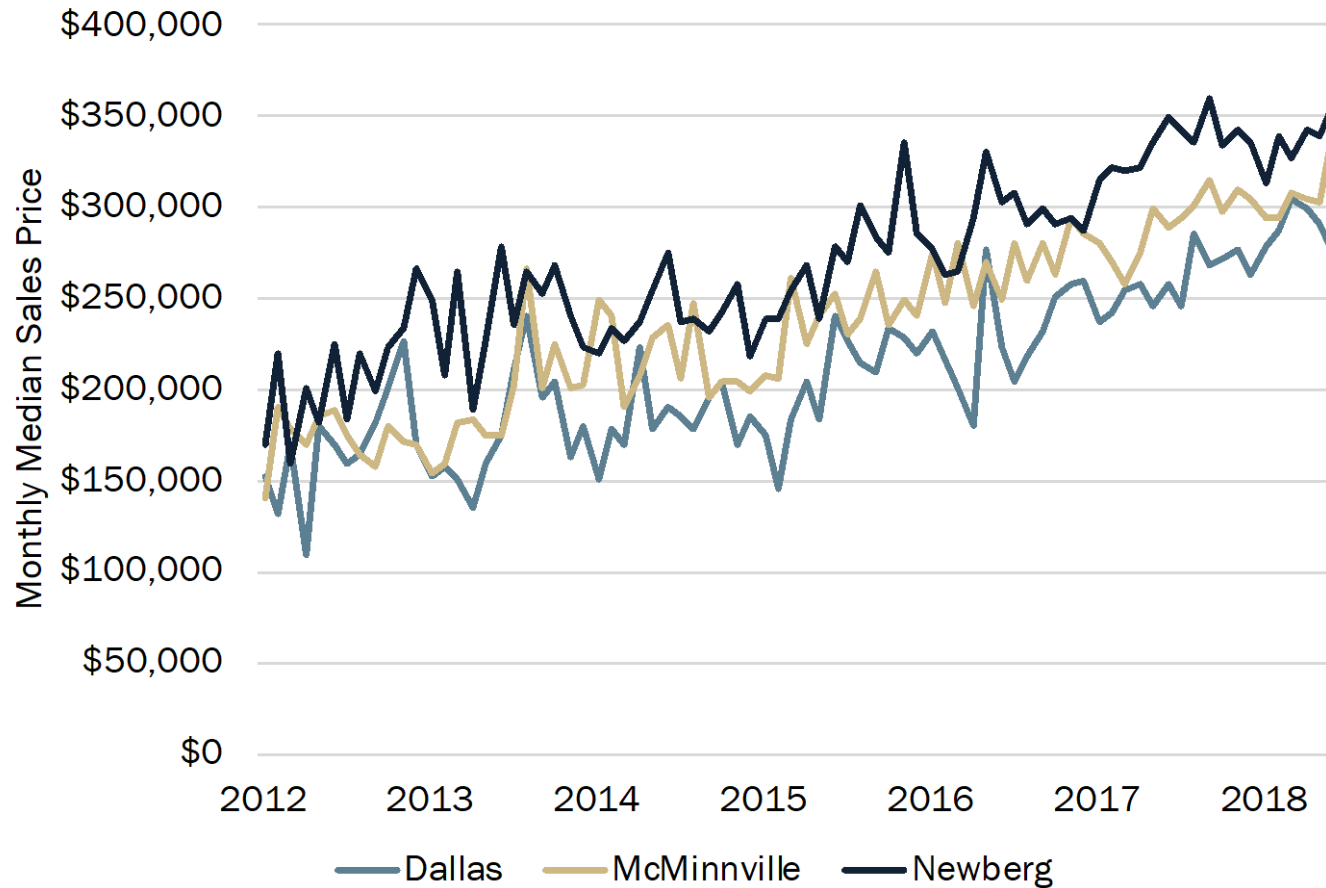
Housing Demand and Needs

Median Sales Price (single-family), 2018



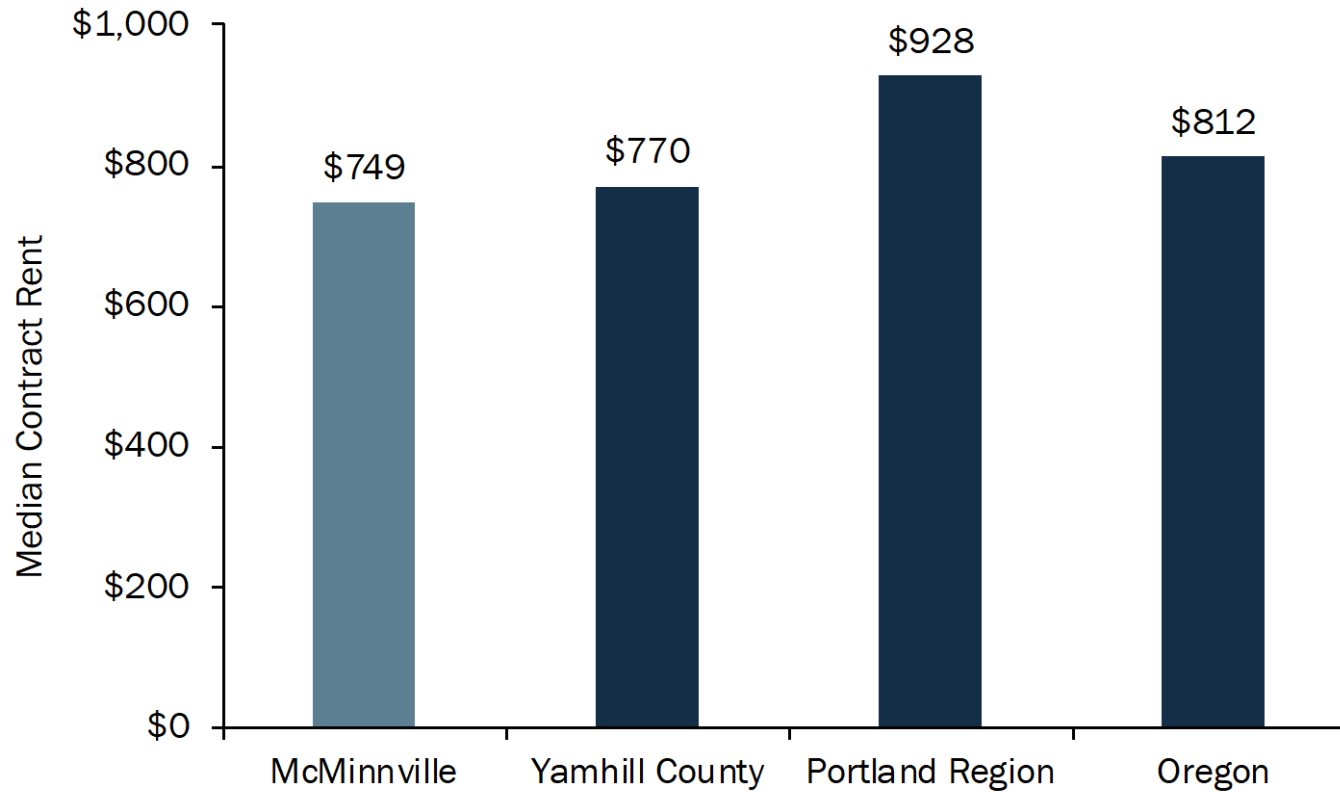
Source: Redfin.

Median Sales Price, 2012 to 2018



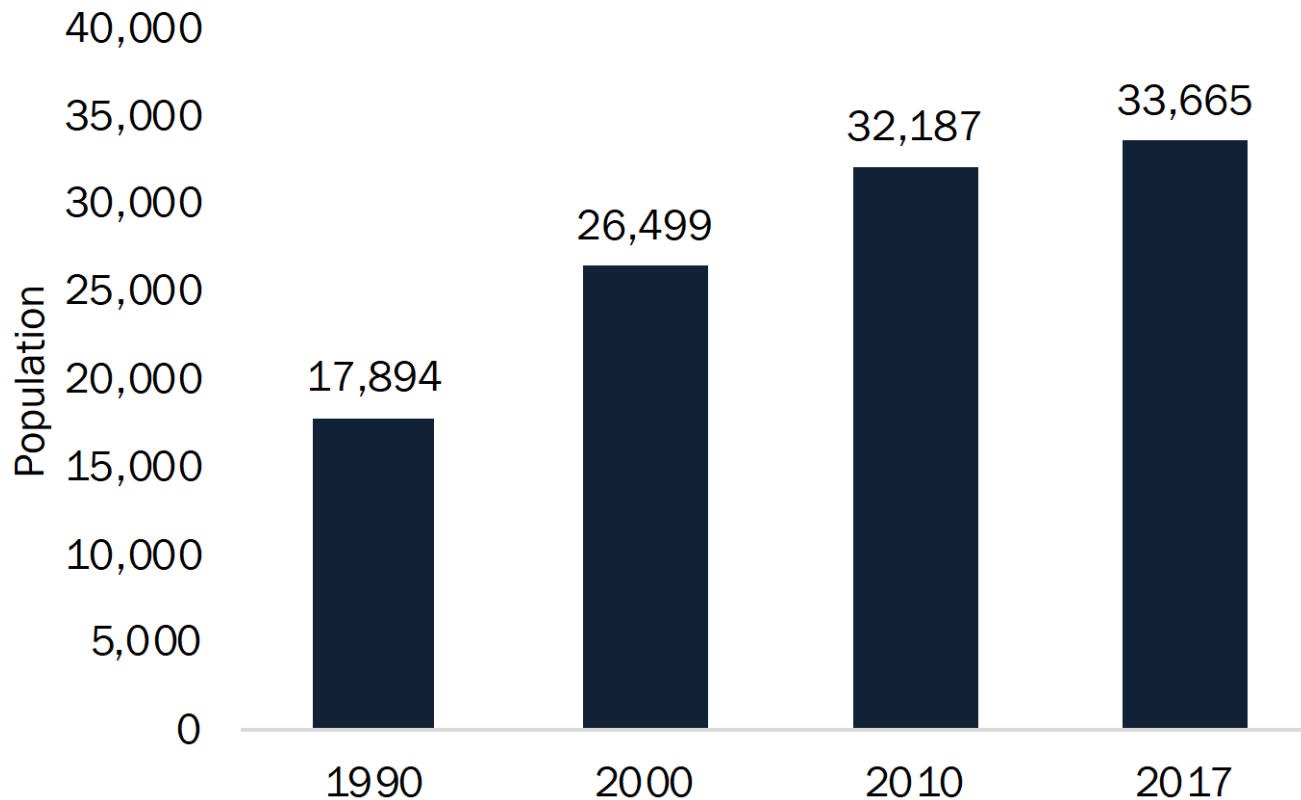
Source: Redfin.

Contract Rent, 2016



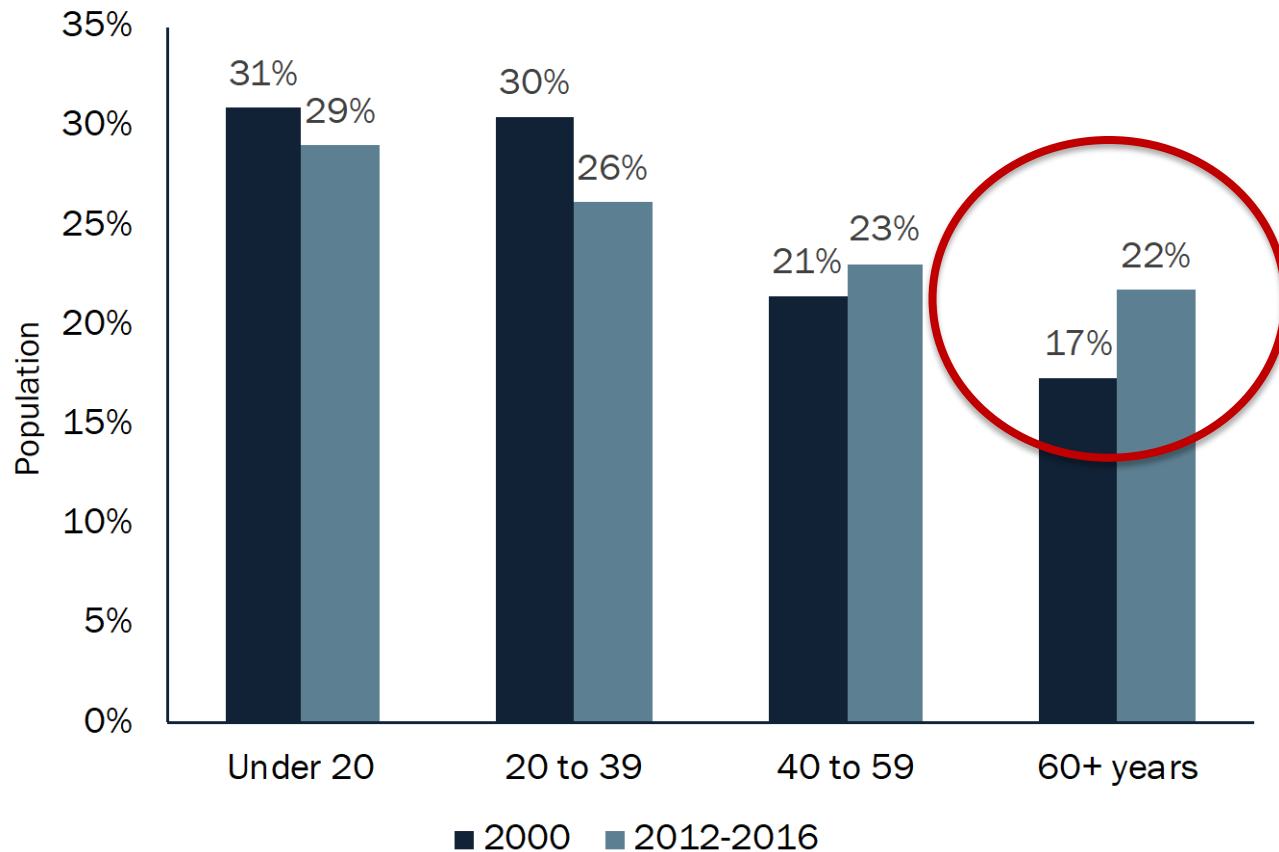
Source: U.S. Census, ACS 2012-2016

Population is Growing...but more slowly



Source: U.S. Decennial Census 1990, 2000, and 2010 and PSU Population Estimate 2017

The population is aging...

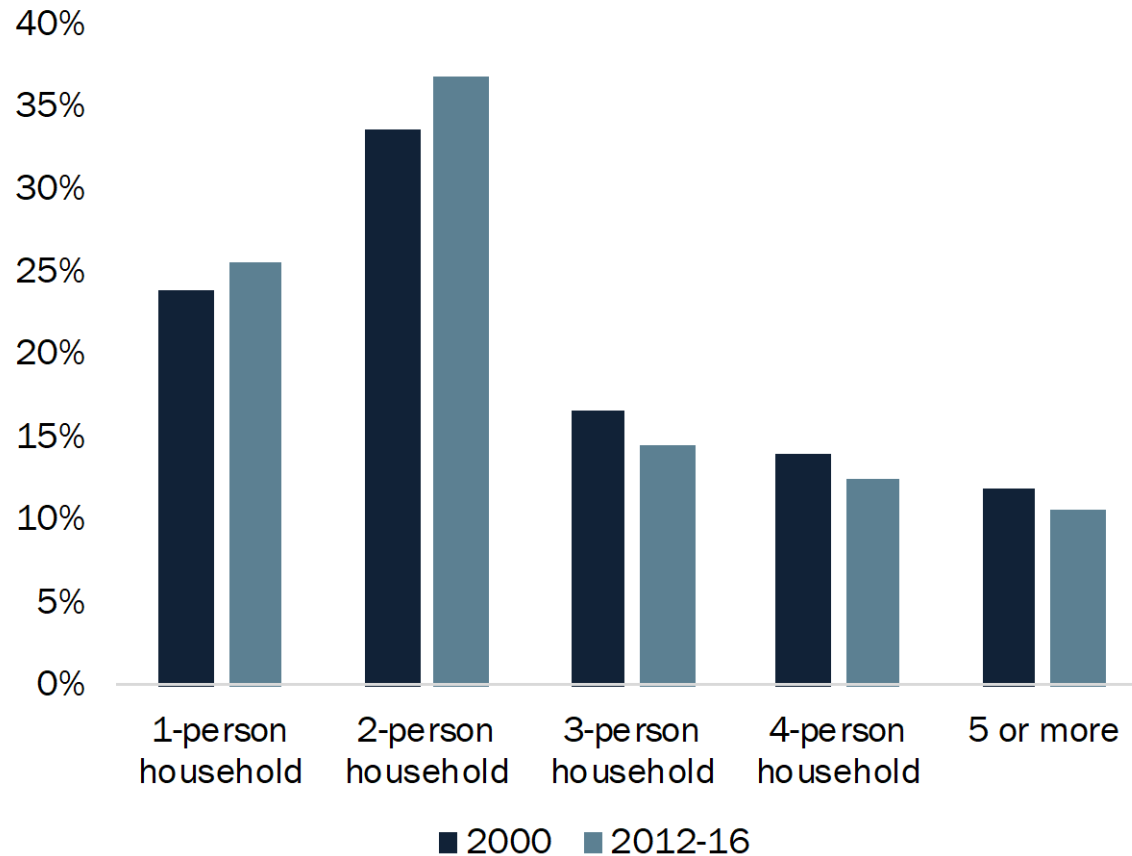


Source: U.S. Census, Decennial Census 2000 and ACS 2012-2016

And becoming more diverse...

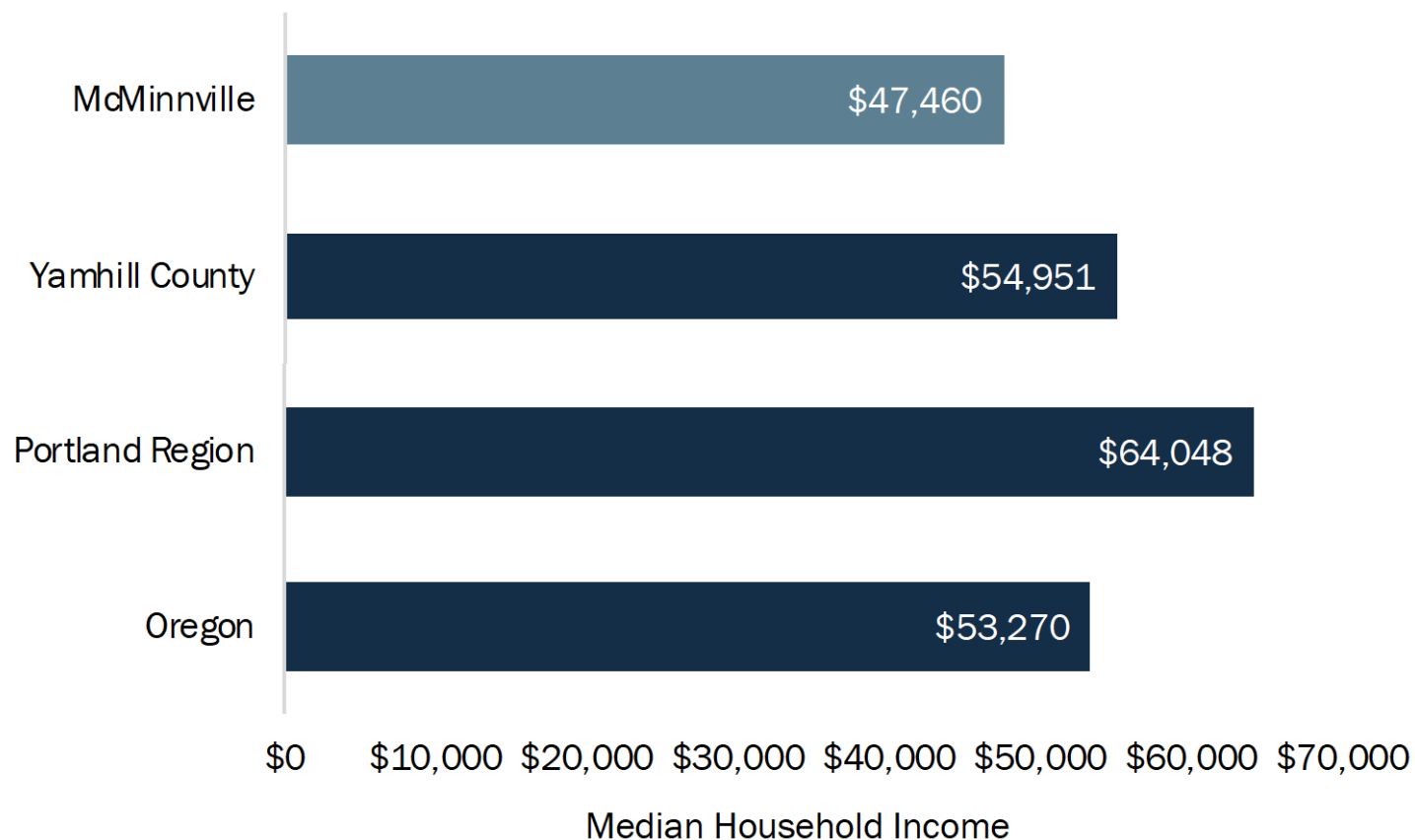
- From 2000 to 2016, McMinnville's population that is Hispanic/Latino grew from **15%** to **22%**
- **14%** of McMinnville's population is foreign-born
 - **78%** of that share immigrated from Mexico

More 1 and 2 person households...



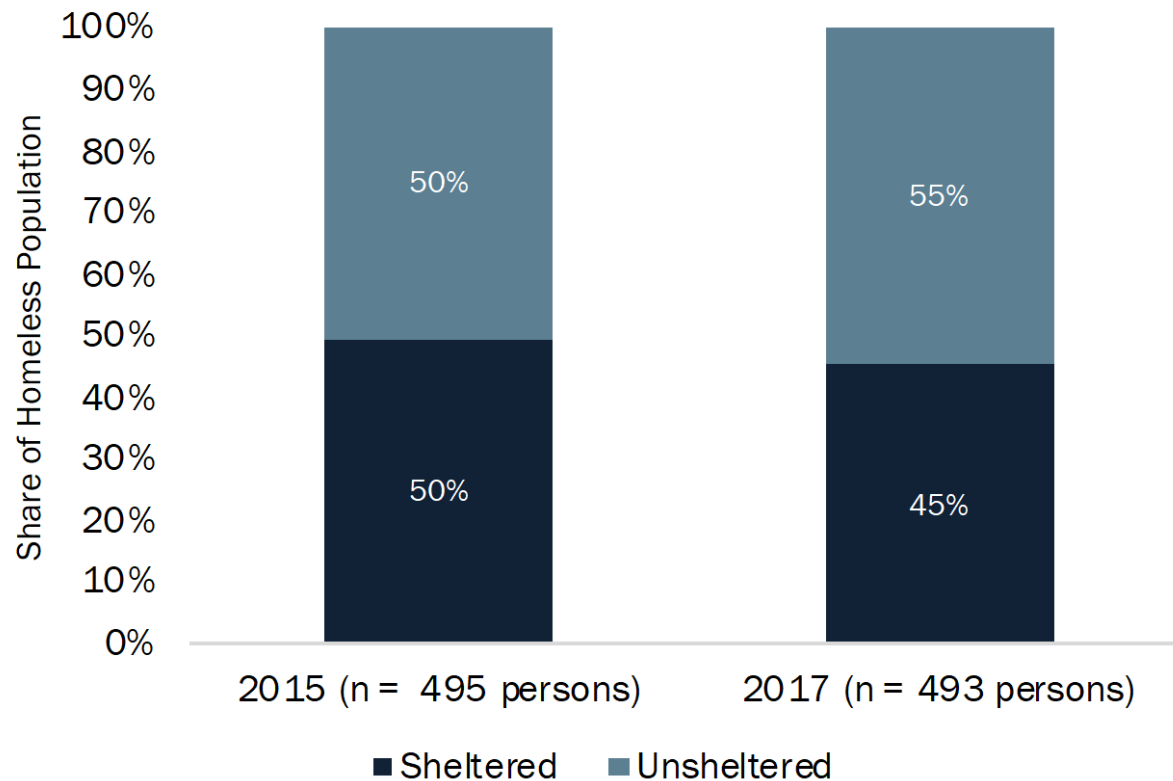
Source: U.S. Census, Decennial Census 2000 and ACS 2012-2016

Income is lower than the County...



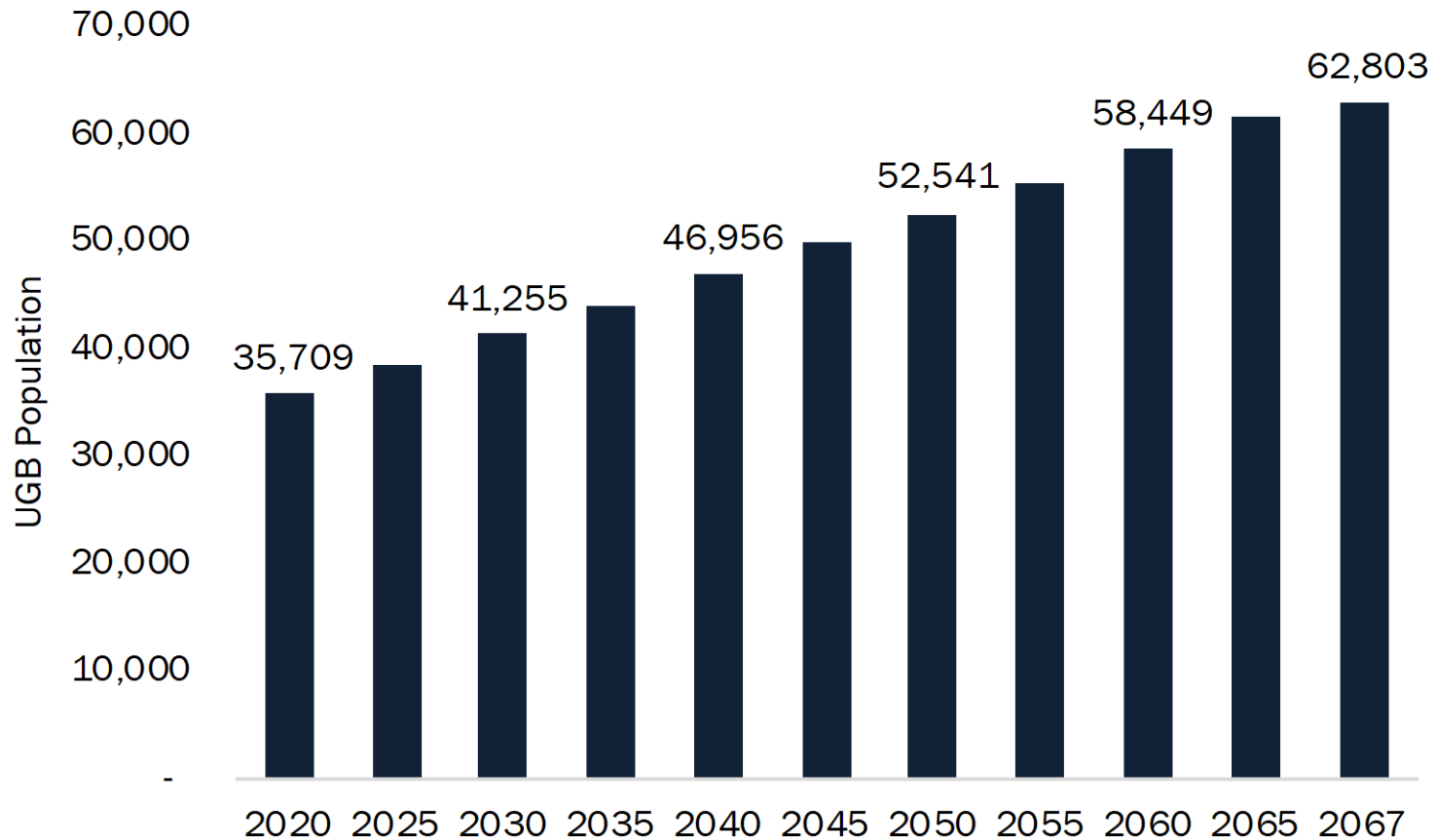
Source: U.S. Census, ACS 2012-2016

Homelessness is a pressing issue



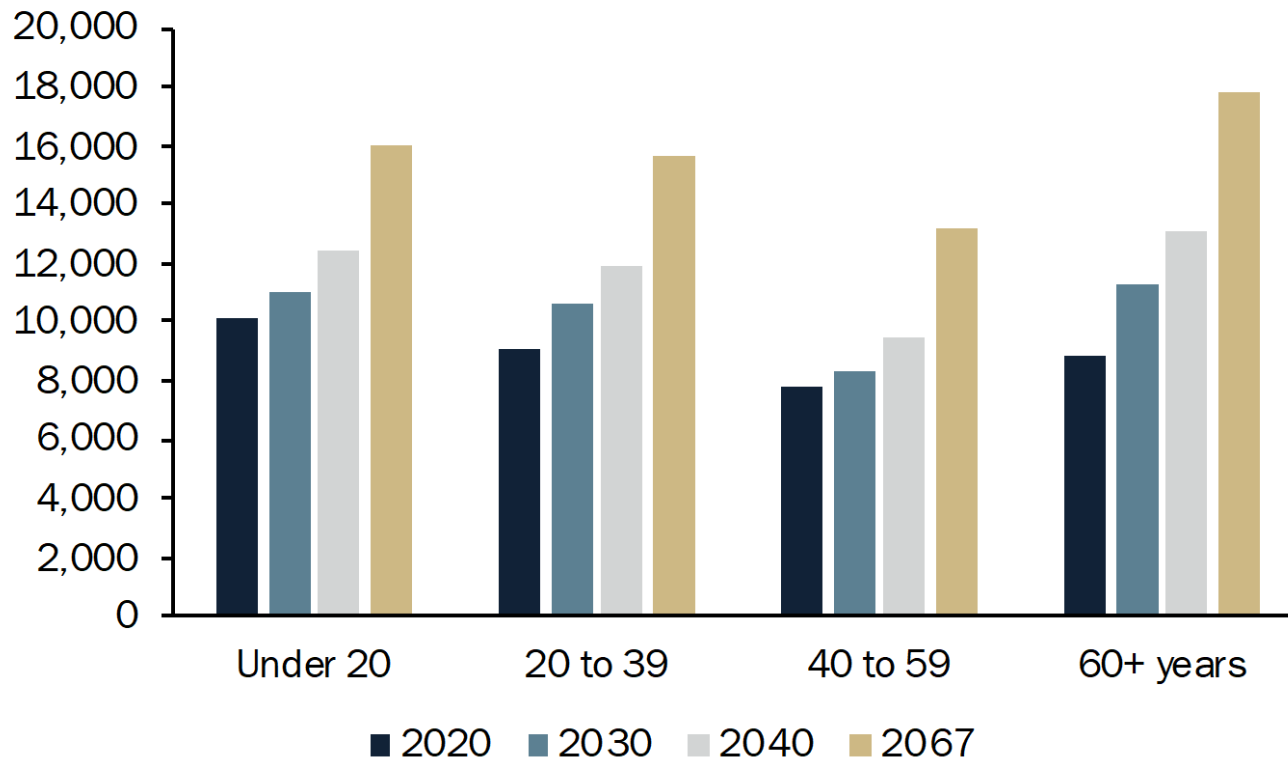
Source: Oregon Department of Housing and Community Services, 2015 and 2017

Population Forecast



Source: Population Research Center, PSU. Yamhill County Forecast, June 30 2017.

McMinnville Population Forecast by Age



Source: Population Research Center, PSU. Yamhill County Forecast, June 30 2017.

Summary of trends: implications for housing needs

- Increased demand for:
 - Housing affordable to low- and moderate-income households
 - A wider range of housing types (e.g. missing middle housing)
 - Multifamily housing
 - Housing in walkable neighborhoods near services

Housing Needs Analysis: Data and Assumptions

Major Assumptions in HNA

- Population Change
- Persons in Group Quarters
- Persons per Household (Average)
- Vacancy Rate
- Housing Mix
- Housing Density

Population Change

A 20-year population forecast (in this instance, 2020 to 2040) is the foundation for estimating needed new dwelling units.

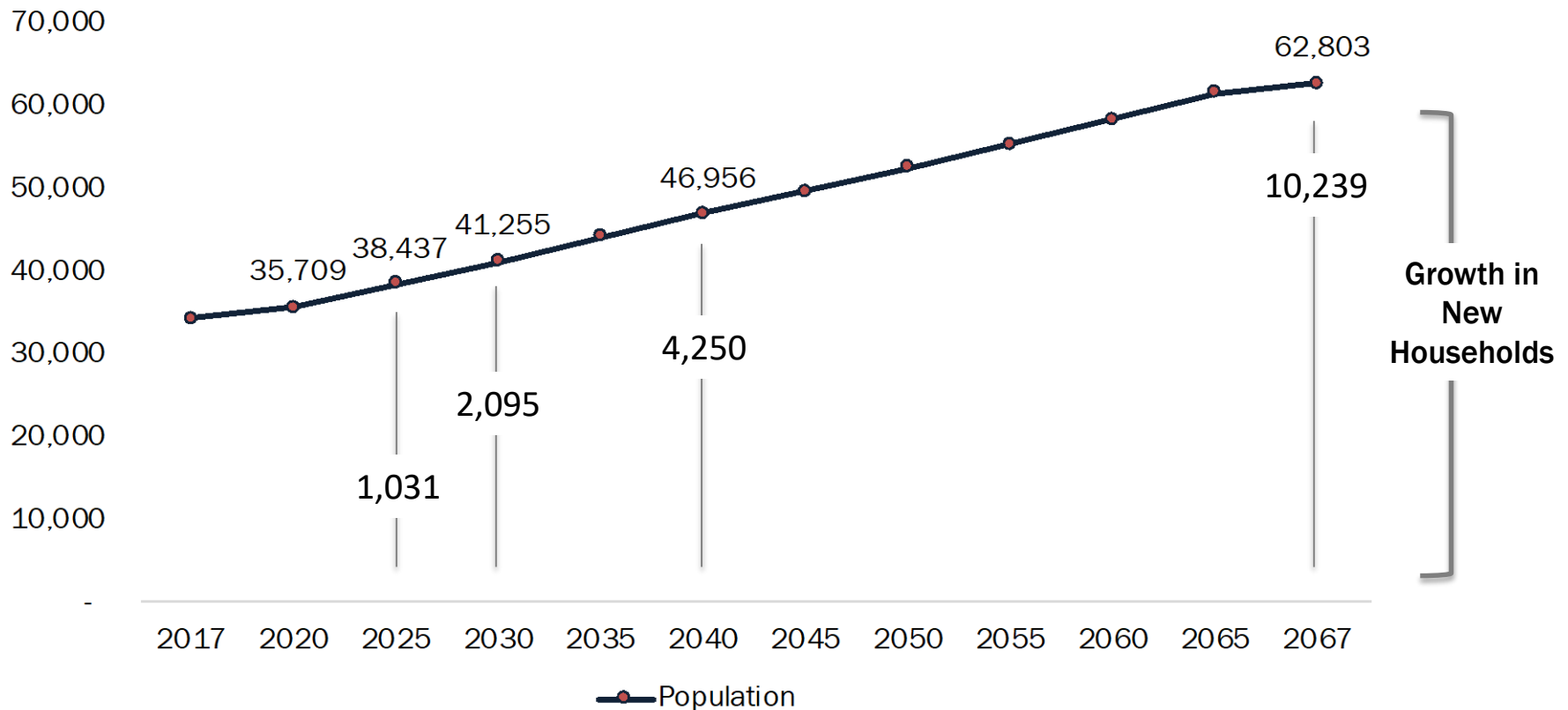
Official State Population Forecast for McMinnville.

Year	Population
2020	35,709
2040	46,956
Change 2020 to 2040	
Number	11,248
Percent	31%
AAGR	1.38%



Population Growth

(5, 10, 20, and 50-year Forecast)



Persons in Group Quarters

2000	2012-2016 (Baseline)	Basis
6%	4.9%	The U.S. Census tracks persons in group quarters. This is typically the source for information about group quarters.
U.S. Census Bureau, 2000 Decennial Census, Table P037.	U.S. Census Bureau, 2012-2016 ACS, 5-year estimates, Table B26001.	

Persons per Household (Average)

2000	2012-2016 (Baseline)	Basis
2.66	2.67	OAR 660-024 Section 8a established a “safe harbor” assumption for average household size—which is the figure from the most recent Census. While McMinnville is not eligible for the safe harbor, the Census figure provides a factual basis.
U.S. Census Bureau, 2000 Decennial Census, Table H012.	U.S. Census Bureau, 2012-2016 ACS, 5-year estimates, Table B25010.	

Vacancy Rate

2000	2012-2016 (Baseline)	Basis
4.7%	6.2%	OAR 660-024 Section 8e established a “safe harbor” assumption for average residential vacancies—which is the figure from the most recent Census. While McMinnville is not eligible for the safe harbor, the Census figure provides a factual basis.
U.S. Census Bureau, 2000 Decennial Census, Table QT-H1.	U.S. Census Bureau, 2012-2016 ACS, 5-year estimates, Table B25002.	

Housing Mix

Housing Type	2000 Census	2012-2016 Census	Building Permit Issued 2000 – July 2018	Basis
Single-Family Detached	67%	66%	62%	See Next Slide
Single-Family Attached	8%	8%	8%	
Multifamily	24%	26%	31%	
Source	U.S. Census Bureau, 2000 Decennial Census, Table H030.	U.S. Census Bureau, 2012-2016 ACS, 5-year estimates, Table B25024.	City of McMinnville, building permits, 2000 to July 2017	

Housing Mix and Density Basis

- ORS 197.296(5)

- (A) The number, density and average mix of housing types of urban residential development that have actually occurred;

- (B) Trends in density and average mix of housing types of urban residential development;

- (C) Demographic and population trends;

- (D) Economic trends and cycles; and

- (E) The number, density and average mix of housing types that have occurred on the buildable lands

Preliminary Baseline Forecast for New Housing

Variable	Assumptions	New Dwelling Units (2020-2040)
Change in persons		11,248
<i>minus</i> Change in persons in group quarters	556	
<i>equals</i> Persons in households		10,692
Average household size	2.67	
New occupied DU		4,004
<i>times</i> Aggregate vacancy rate	6.2%	
<i>equals</i> Vacant dwelling units		246
Total new dwelling units (2020-2040)		4,250
Annual average of new dwelling units		213

Preliminary Baseline Assumptions about Housing Mix

Variable	Assumptions	Baseline Housing Mix (2020-2040)
Needed new dwelling units (2020-2040)		4,250
Dwelling units by structure type		
Single-family detached		
Percent single-family detached DU	66%	
<i>equals</i> Total new single-family detached DU		2,805
Single-family attached		
Percent single-family attached DU	8%	
<i>equals</i> Total new single-family attached DU		340
Multifamily		
Percent multifamily	26%	
Total new multifamily		1,105
<i>equals</i> Total new dwelling units (2020-2040)		4,250

Preliminary Baseline Forecast

Variable	Baseline Forecast			
	2020 to 2025	2020 to 2030	2020 to 2040	2020 to 2067
Needed new dwelling units	1,031	2,095	4,250	10,239
Dwelling units by structure type				
Single-family detached				
Percent single-family detached DU	66%	66%	66%	66%
<i>equals</i> Total new single-family detached DU	680	1,383	2,805	6,758
Single-family attached				
Percent single-family attached DU	8%	8%	8%	8%
<i>equals</i> Total new single-family attached DU	82	168	340	819
Multifamily				
Percent multifamily	26%	26%	26%	26%
Total new multifamily	268	545	1,105	2,662
<i>equals</i> Total new dwelling units	1,030	2,096	4,250	10,239

Source: Baseline assumptions uses historical housing mix: U.S. Census, ACS 2012-2016, Table B25024

Housing Density

Single Family Detached	Single Family Attached	Multifamily	Basis
4.8 units/acre	7 units/acre	15 units/acre	ORS 197.26(5) (listed in previous slide)
City of McMinnville Building Permits, 2000 to July 2018			

Housing Strategies Preview

Identifying housing strategy options

- For December meeting:
 - Review list of broad options
 - Summarize what the city has already done
 - Work with staff to refine specific options
 - Bring to PAC for discussion

Next Steps

Next Steps

- Draft buildable lands inventory
- Draft housing needs analysis and projection
- Initial code analysis
- Initial discussion of housing strategies

ECONNorthwest

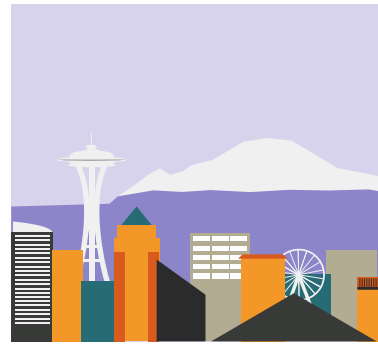
ECONOMICS • FINANCE • PLANNING



Eugene



Portland



Seattle



Boise