



Newport Housing Capacity Analysis Project Advisory Committee Meeting #2

May 12, 2022

ECONNorthwest

ECONOMICS • FINANCE • PLANNING

PAC Meeting Dates and Topics

HAC	Date	Topic(s)
PAC 2	May 12	Housing need and forecast
PAC 3	June 8	Buildable lands inventory
PAC 4	Jul 21	Constructability assessment
PAC 5	Aug 25	Residential land needs
PAC 6	Oct 13	Housing measures and introduce the Housing Production Strategy
PAC 7	Jan 12	Identify additional potential housing strategies
PAC 8	Feb 16	Refine and narrow housing strategies
PAC 9	Mar 30	Finalize housing strategies



Newport Housing Conversation Guide

Completed:

- Project Advisory Committee (2)

Planned:

- Public Events (3)
- Interviews (12)
- Newport Housing Conversations
- Project Advisory Committee (7)
- Planning Commission and City Council (2)

Key Stakeholders

- Community members and housing consumers
 - Underrepresented community members
- Developers
 - Affordable housing and market-rate housing
- Service providers
- Elected and appointed officials

Purpose: Engage the community in a conversation about housing in an environment that is comfortable for those participating

Potential Participants

- Renters
- Low-income households
- Hispanic/Latino residents and other racial and ethnic minorities
- Immigrant and refugee communities
- Veterans
- People with disabilities
- Seniors
- Agricultural workers
- Formerly and currently homeless people
- People who work at businesses in Newport but live in other communities

Proposed Discussion Questions

- Why did you choose to live in Newport?
- Does Newport offer housing that meets your needs and the needs of those in your community? Why or why not?
- What barriers have you faced when trying to rent or buy housing in Newport?
- Can you describe your preferred housing type?
- What is most important to you about the location of your housing?
- What do you wish you could change about the location of your current housing?



Proposed Discussion Questions

- What ideas do you have for ways that the City can:
 - Help preserve existing housing?
 - Promote the development of new housing?
 - Help ensure that housing is affordable to people of different groups?
- Do you know of anyone that could help increase the supply of affordable housing, either on their own or in collaboration with the City?

Do you have any concerns with the structure of the guide?

Are there any changes to the discussion questions you recommend?



Housing Market and Housing Needs

Types of Housing: Owner- & Renter-Occupied

Single-Family Detached

Single-family detached
Manufactured and mobile homes
Cottage Housing



Multifamily (2 to 4 units per structure)

Duplexes
Tri- and Quad-Plexes



Single-Family Attached

Townhouses

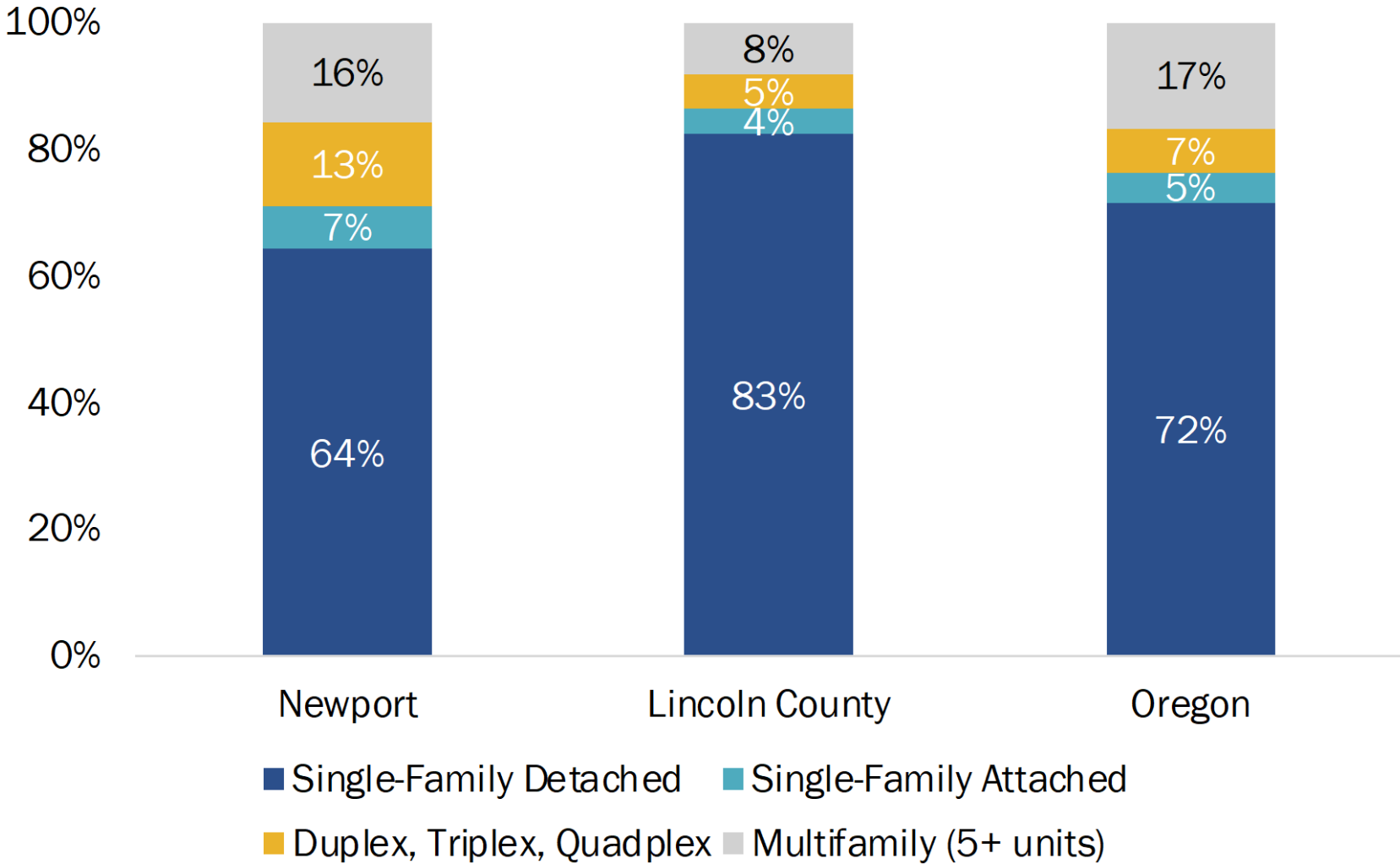


Multifamily (5+ Units per Structure)



Mix of Housing, Newport

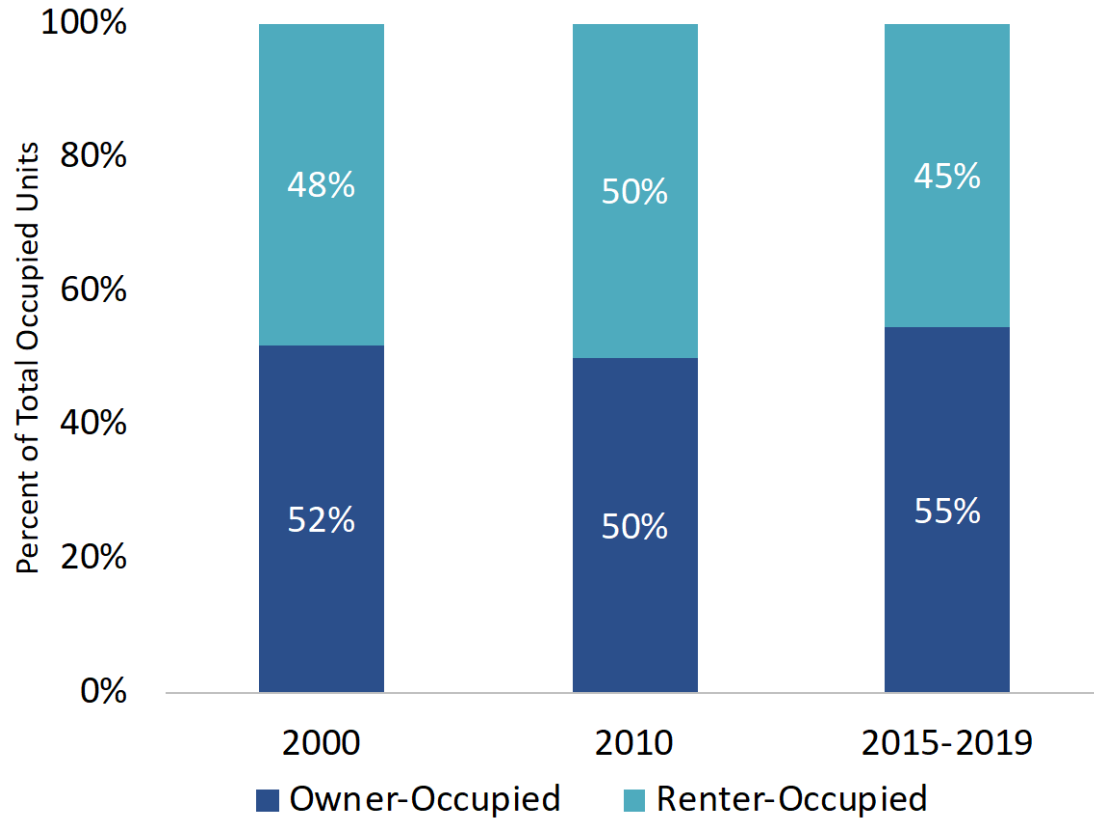
Housing Mix, Newport, Lincoln County, and Oregon, 2015-2019



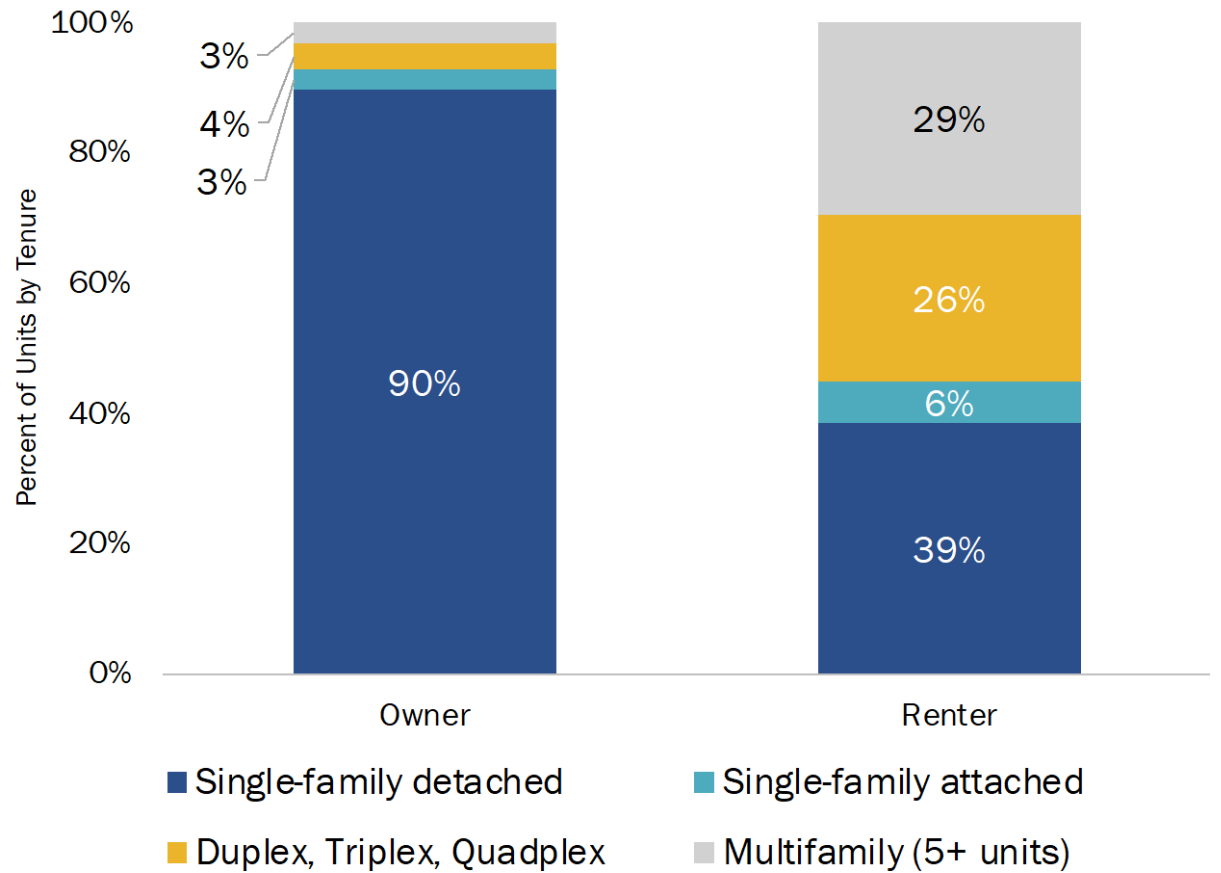
Source: U.S. Census, ACS 2015-2019, B25024

Housing Tenure in Newport

Change in Tenure of Occupied Units, Newport, 2000, 2010, and 2015-2019

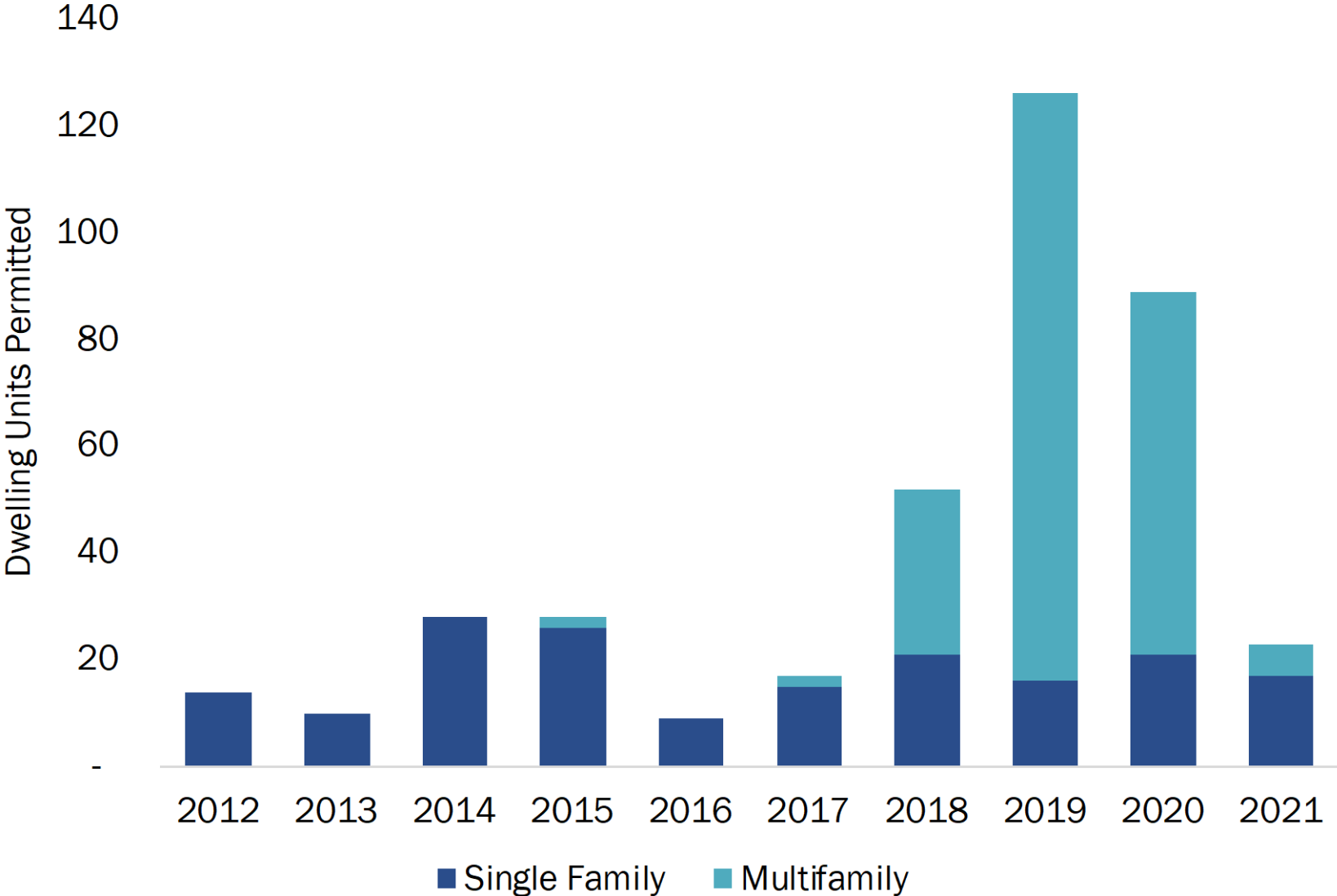


Housing Units by Type and Tenure, Newport, 2015-2019



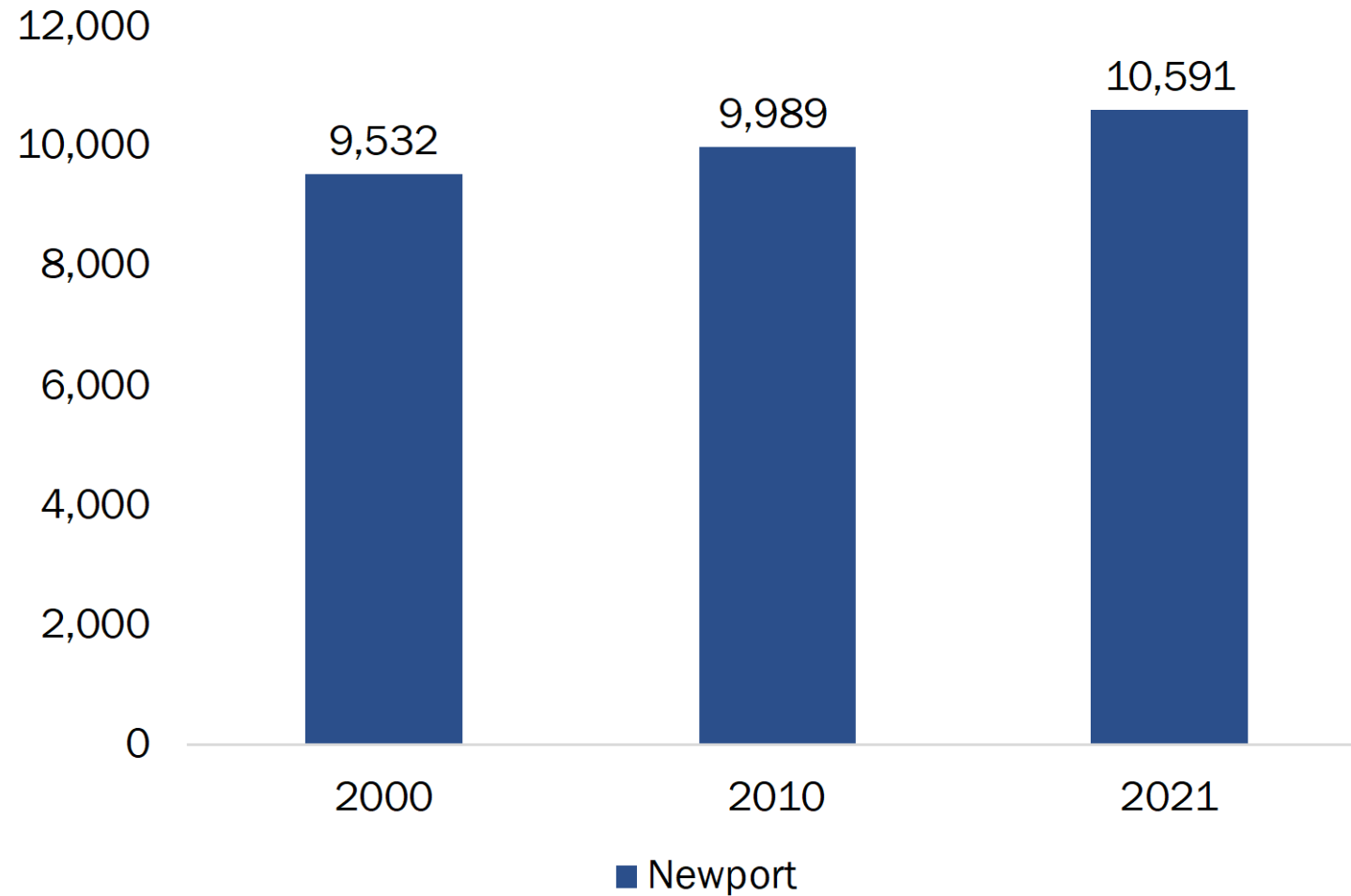
Building Permits Issued in Newport between 2012 to 2021

- Average units permitted per year: 40
- Single-Family units: 45%
177 units permitted
- Multifamily units: 55%
219 units permitted



Source: City of Newport Building Permit Database.

Newport's Population Growth, 2000 - 2021

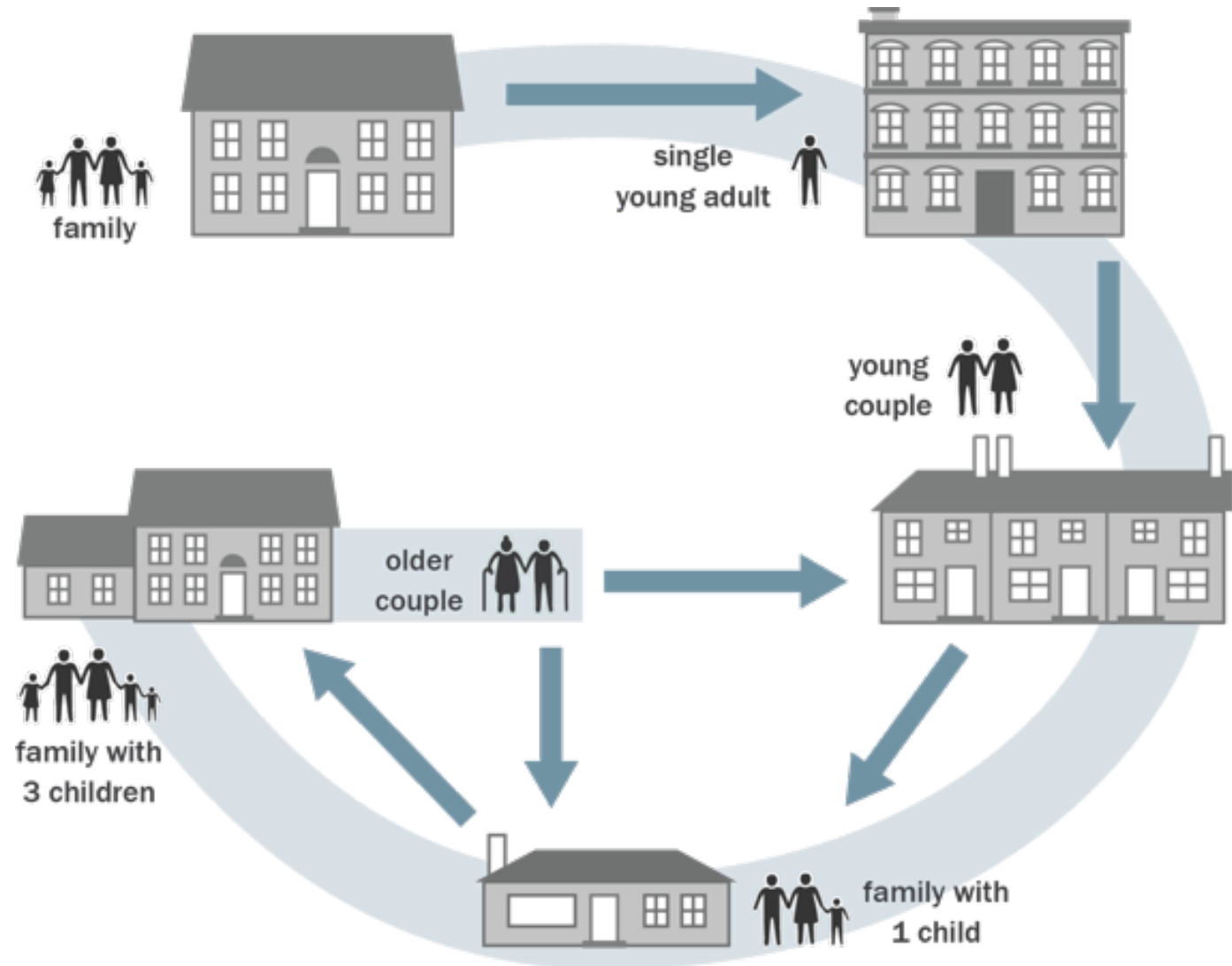


Newport's population increased by 1,059 people between 2000 and 2021

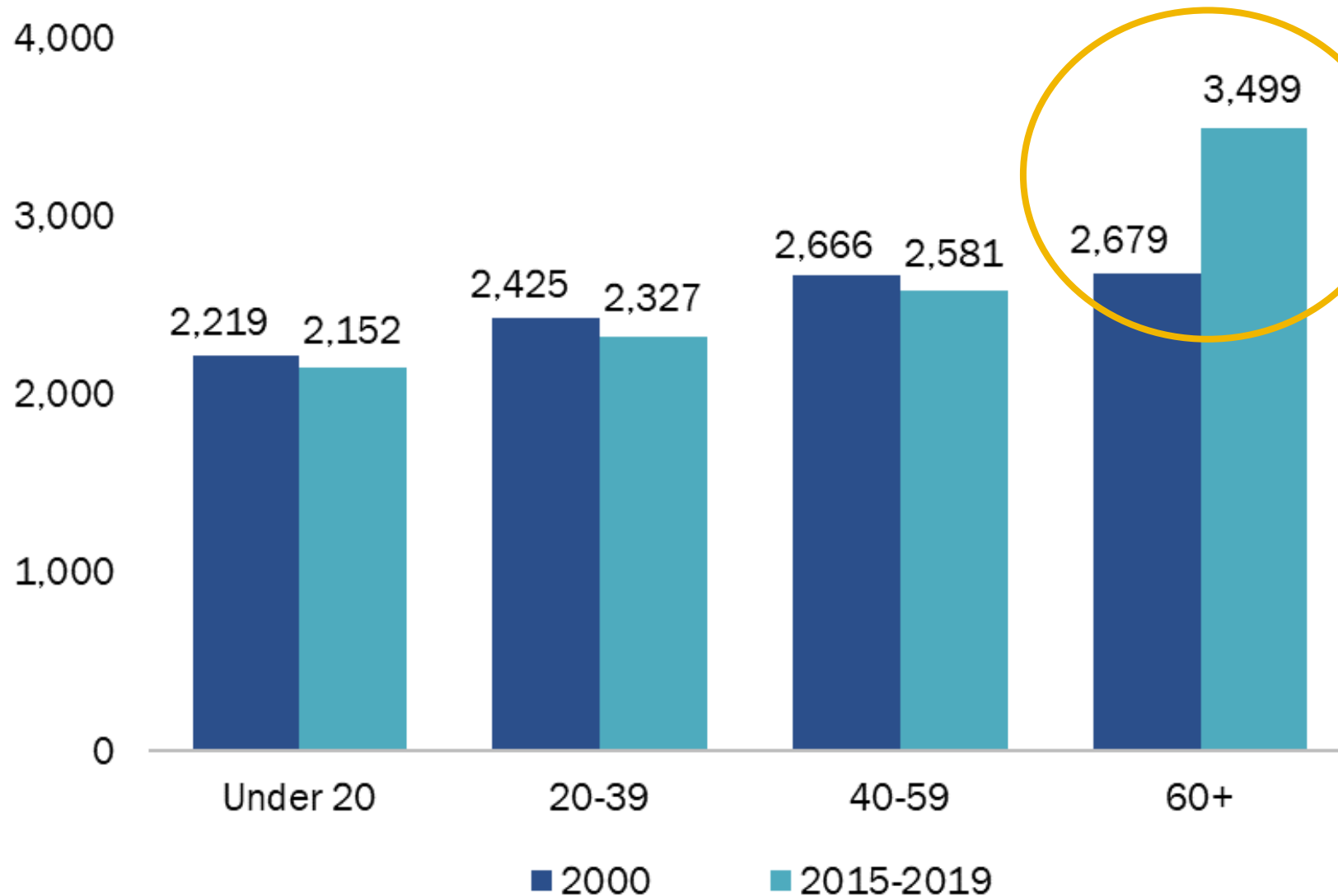
Source: U.S. Decennial Census 2000, and 2010 and PSU Population Estimate 2021.

Factors that affect housing demand

- Age
- Household Composition
- Income



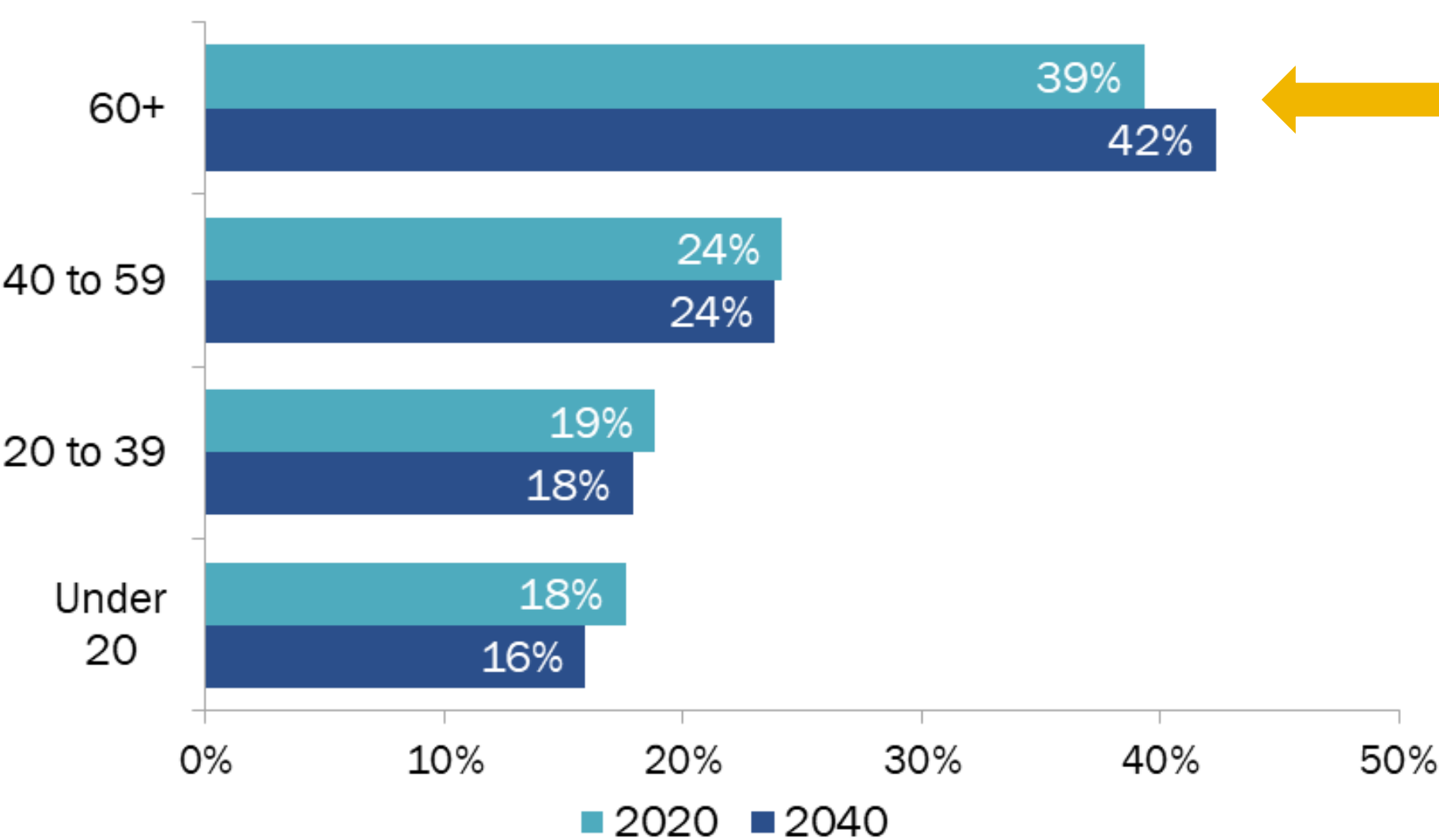
Aging Population, Newport



The largest increase in residents were those aged 60 and older, with growth of 820 people.

People 60 years and older account for 33% of Newport's population.

Population Forecast by Age, Lincoln County

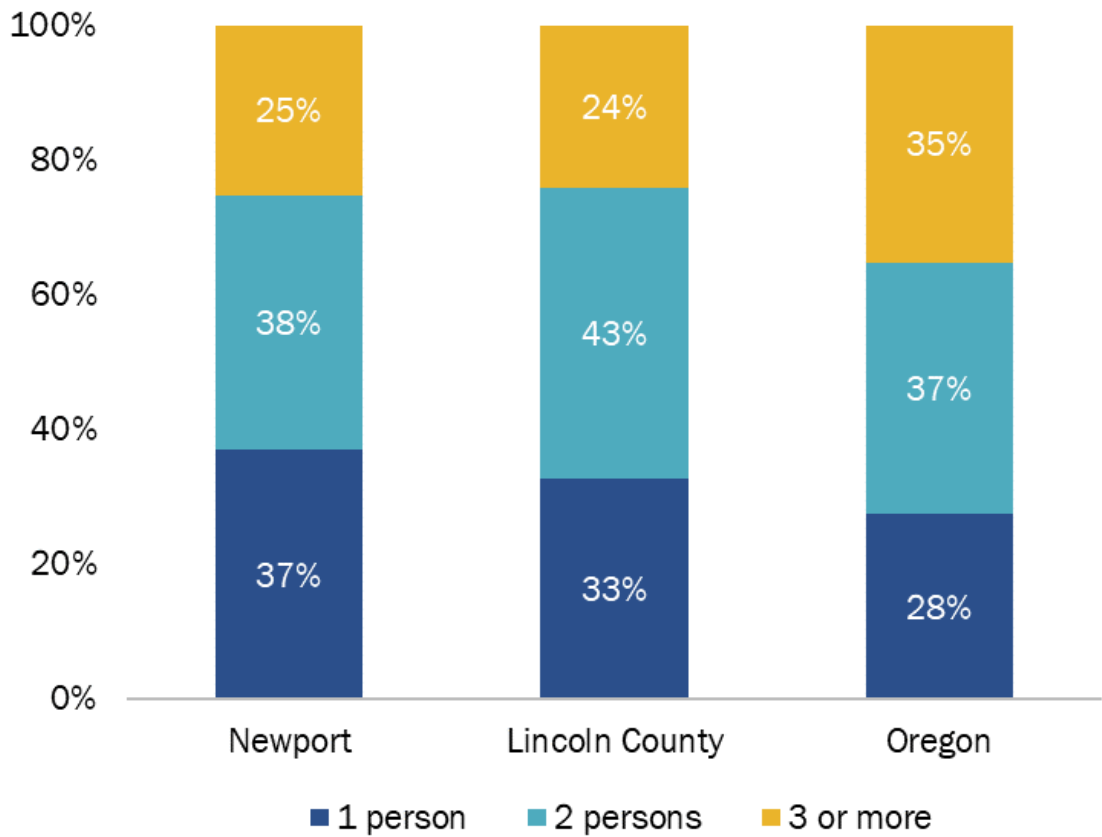


Lincoln County is expected to add 3,593 people over 60 years old by 2040

Source: Population Research Center, Portland State University, June 30th, 2021.

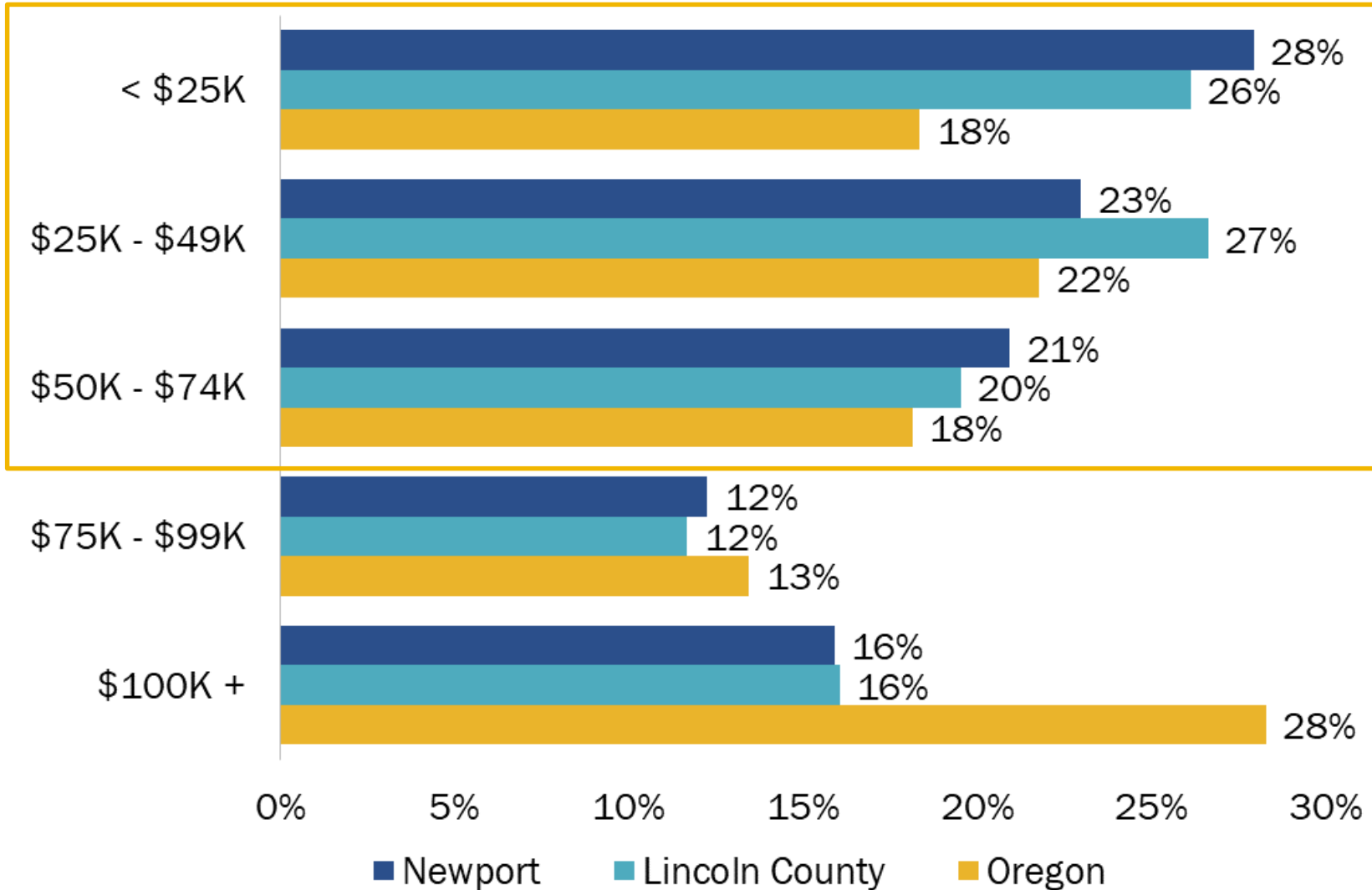
On average, Newport's households are smaller than Oregon's households, possibly as a result of the larger share of population aged 60 years and older.

Household Size, Newport, Lincoln County, Oregon, 2015-2019



Source: U.S. Census, Decennial Census ACS 2015-2019 Table B25010

Household Income, Newport



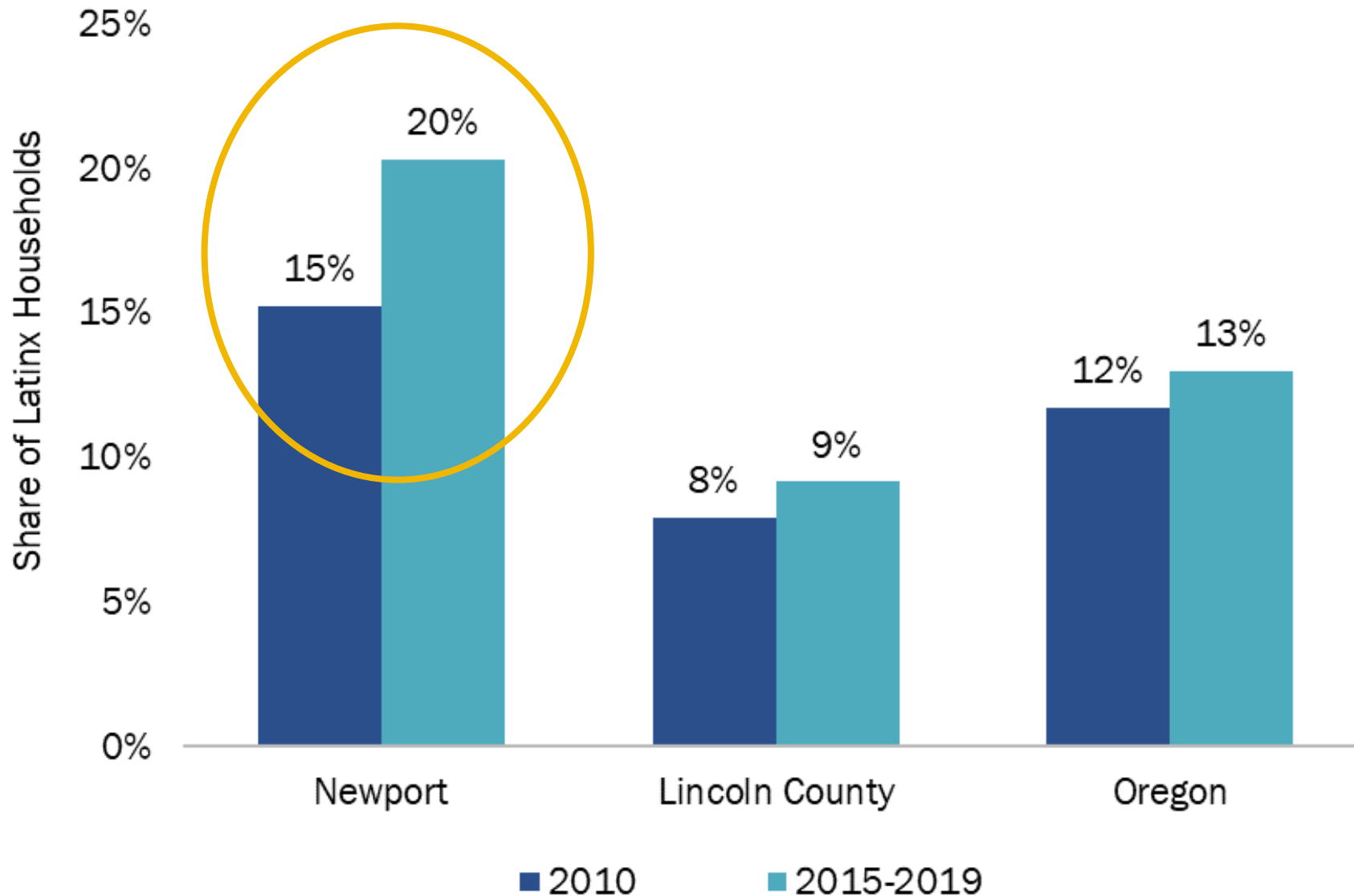
Median Household Income 2015-2019

Newport - \$49,039

Lincoln County - \$47,882

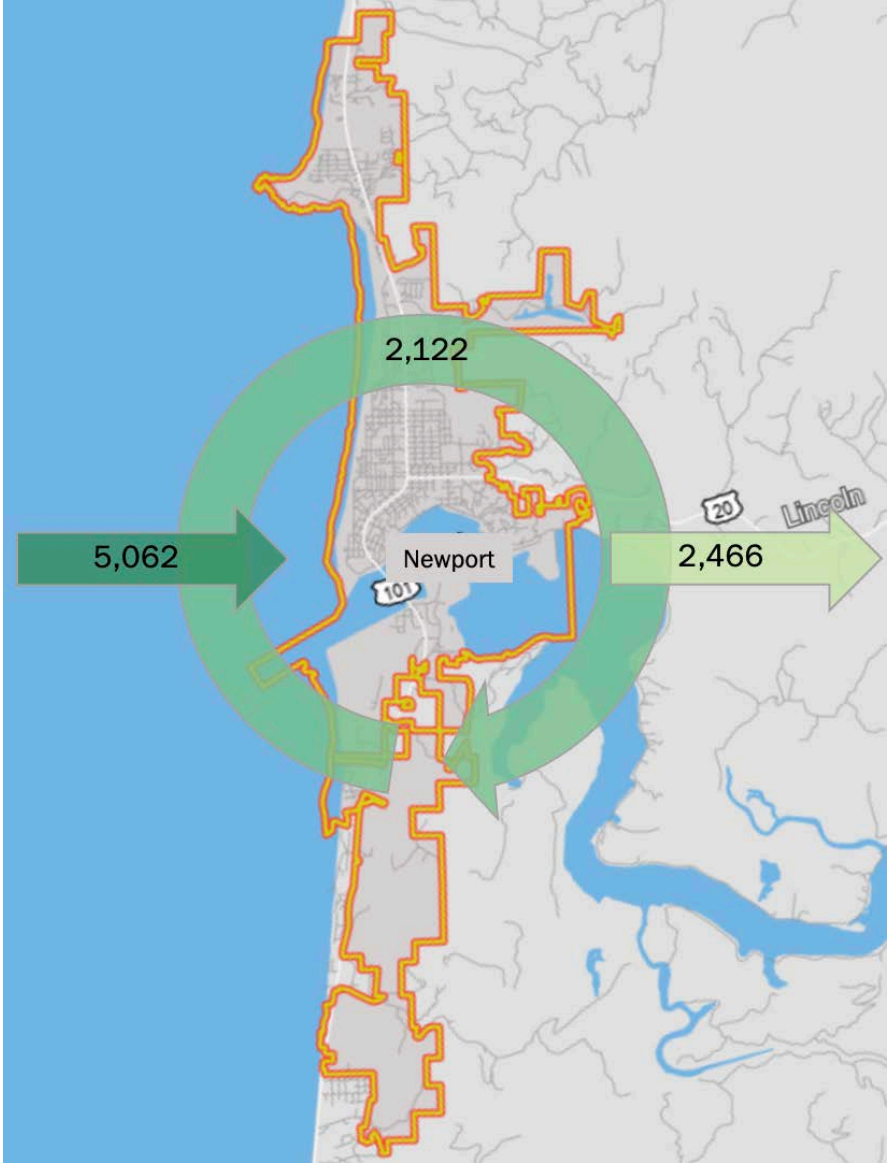
Oregon - \$62,818

Share of Latino Households, 2015-2019



Newport's Latino population grew by 621 people between 2010 and 2019

Commuting Flows, 2019

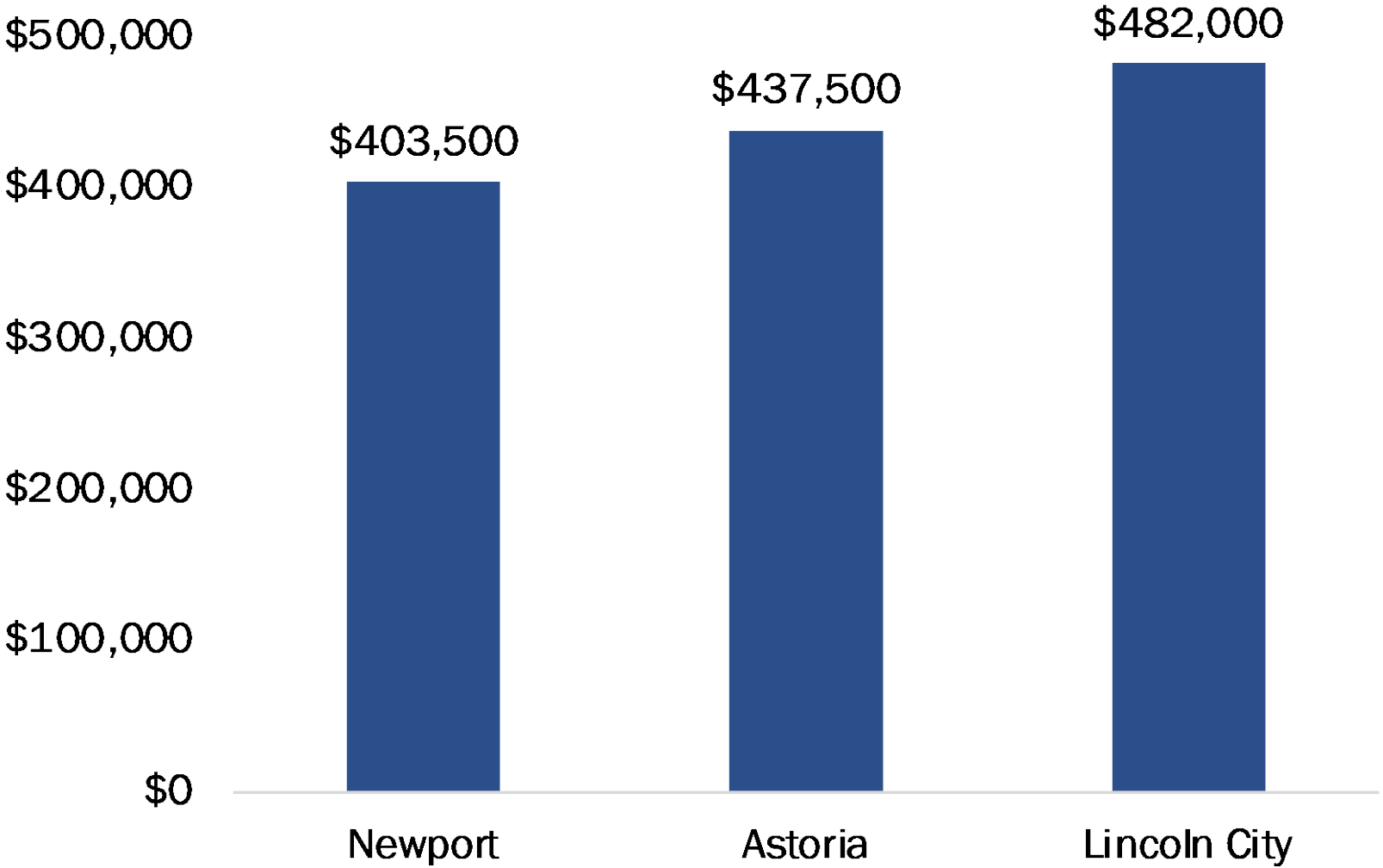


About 7,184 people work in Newport

Most of these people (5,062) commute into Newport for work.

Source: US Census Bureau, Census on the Map, 2019.

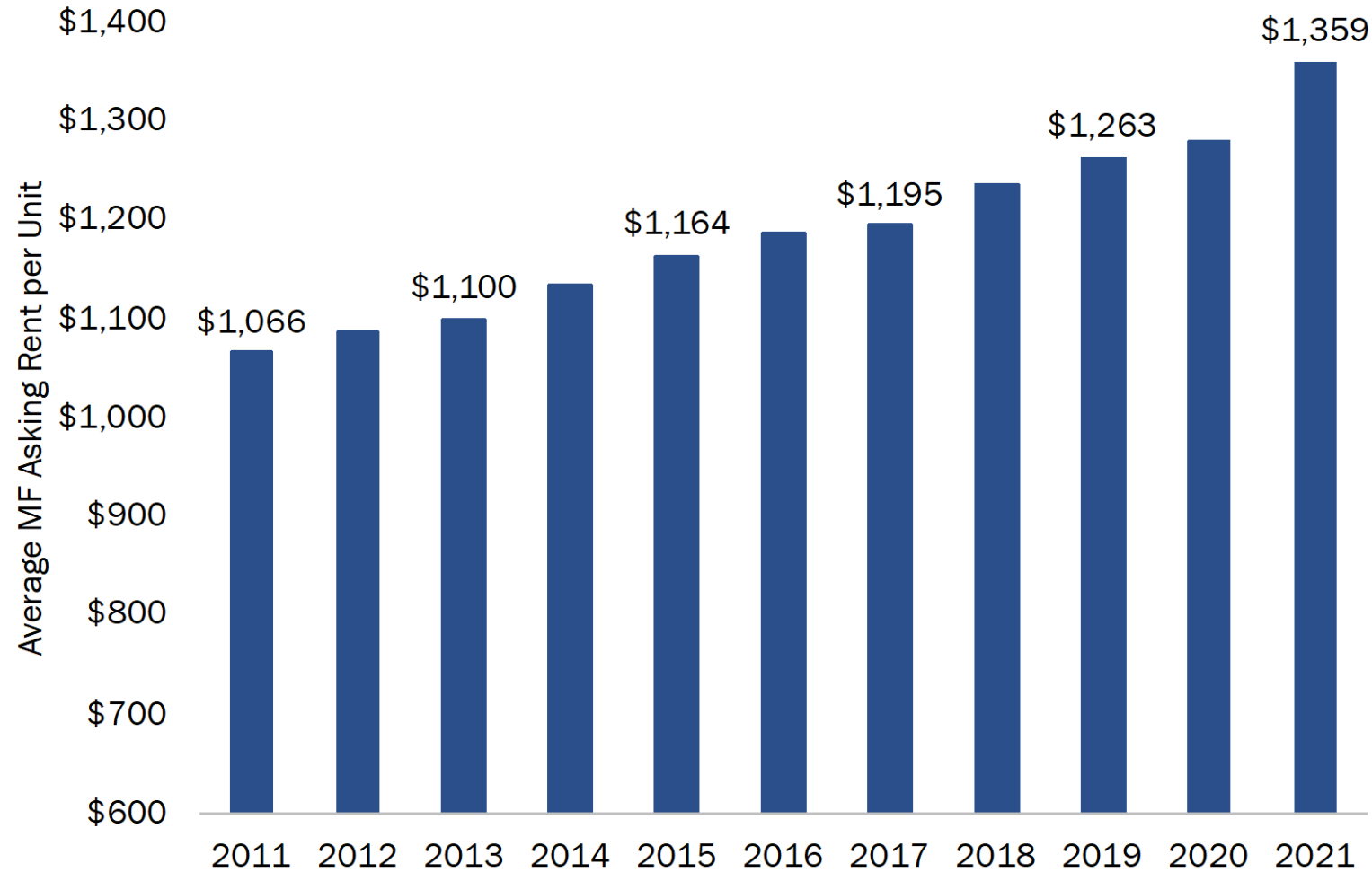
Median House Sales Price, 2021



Between December of 2016 to December of 2021, the median sales price in Newport increased by \$198,000 (96%) from \$205,500 to \$403,500

Source: Property Radar, December 2021

Monthly Asking Rent Costs, Newport

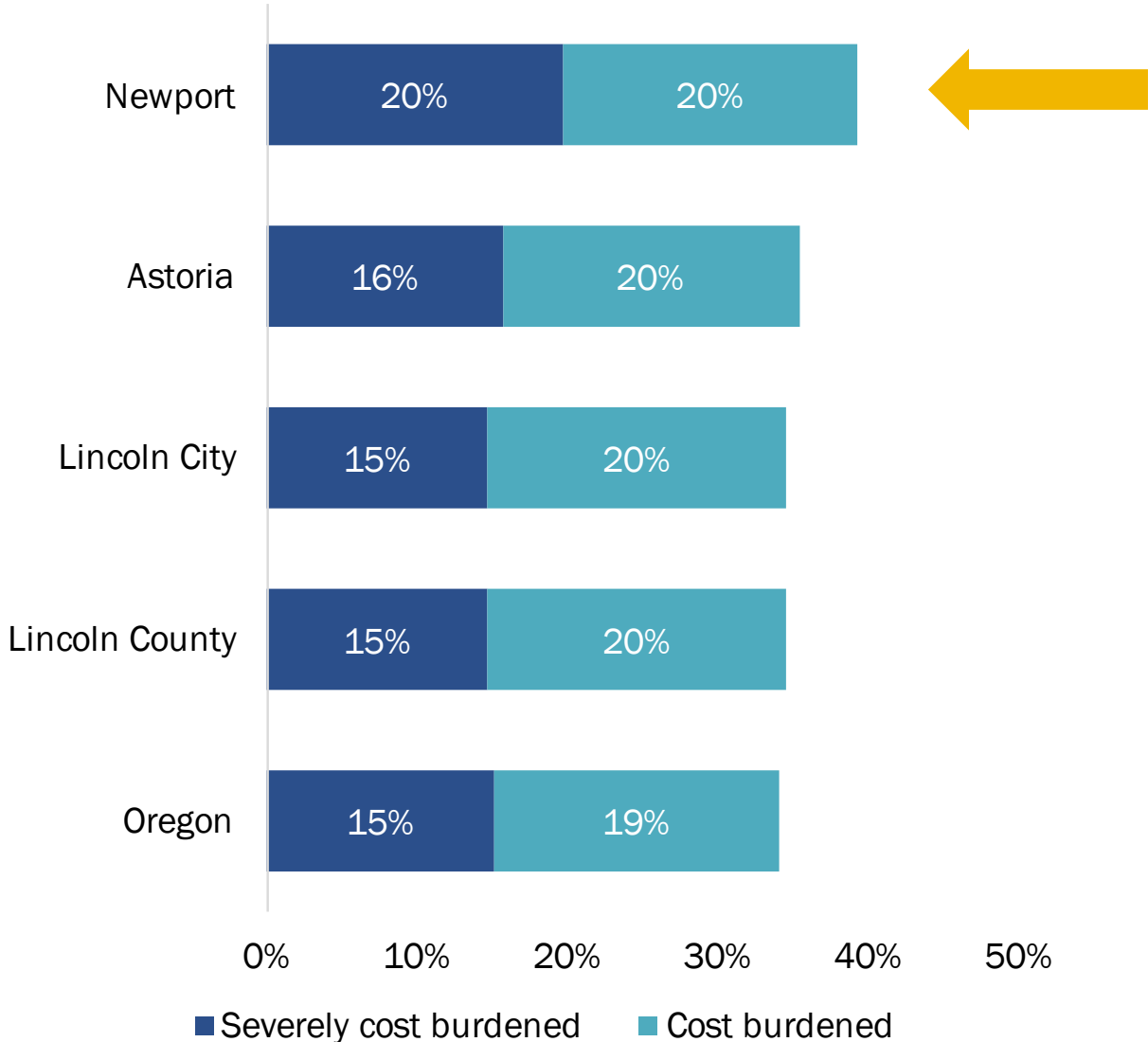


Between 2011 and 2021, Newport's average multifamily asking rent increased by 27% (\$293) to \$1,359 per month, not including utility costs.

Cost Burden, 2020

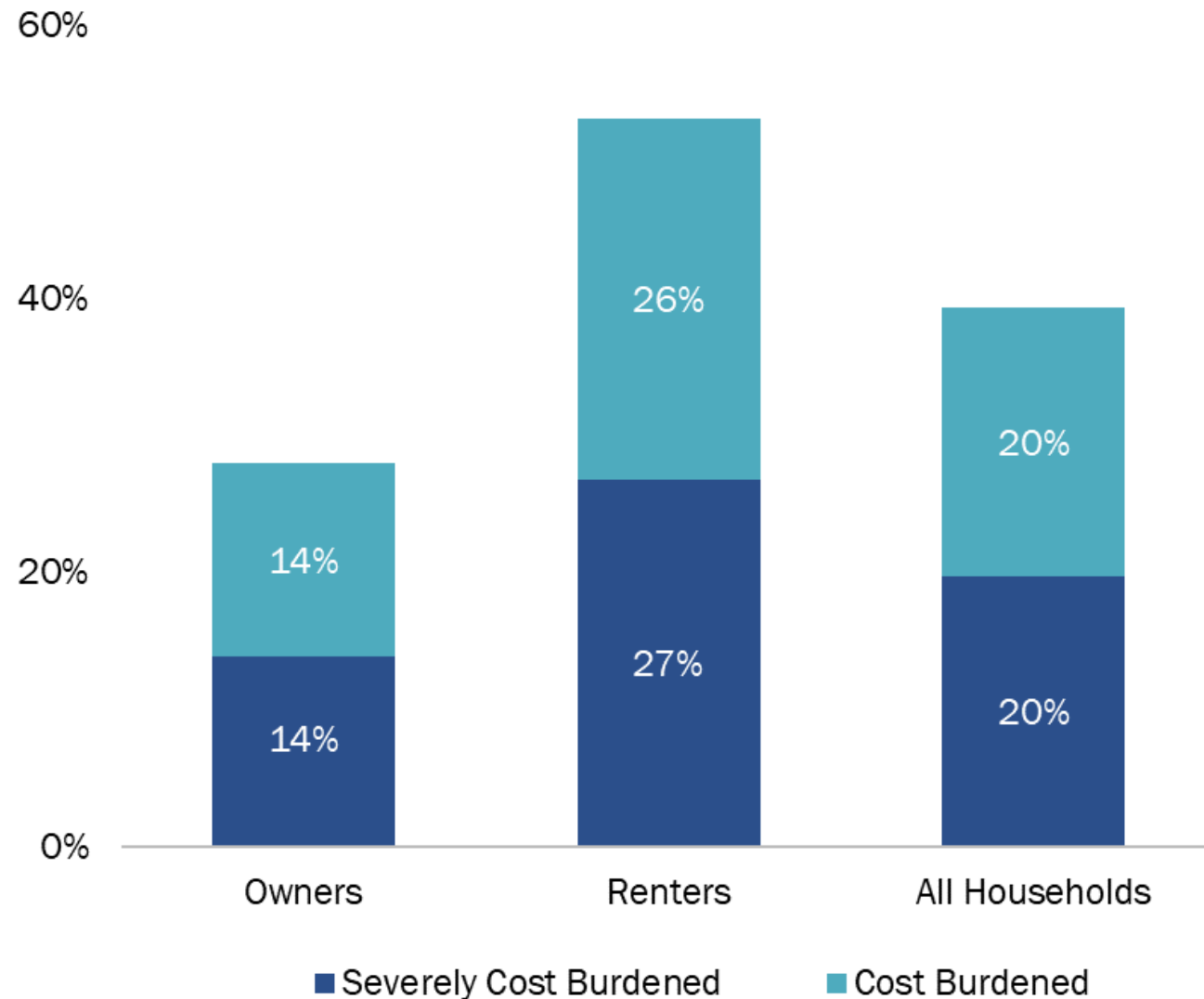
Cost burdened: spending more than 30% of income on housing costs

Severely cost burdened: spending more than 50% of income on housing costs



Source: U.S. Census, American Community Survey 2016-2020, Tables B25091 and B25070

Cost Burden by Tenure, Newport



About 53% of Newport's renters were cost burdened or severely cost burdened, compared to 28% of homeowners.

Financially Attainable Housing, Newport

If your household earns....

\$17,200

(30% of MFI)

\$28,700

(50% of MFI)

\$45,900

(80% of MFI)

\$57,400

(100% of MFI)

\$68,900

(120% of MFI)

Then you can afford....

\$430

monthly rent

\$720

monthly rent

OR

**\$86,000-
\$100,000**

home sales price

\$1,150

monthly rent

OR

**\$161,000-
\$184,000**

home sales price

\$1,440

monthly rent

OR

**\$201,000-
\$230,000**

home sales price

\$1,720

monthly rent

OR

**\$241,000-
\$276,000**

home sales price



Social Security
\$17,410



Cashier
\$30,900



Construction
Worker
\$47,000



Nursing Assistant
\$38,900



Firefighter
\$53,300



Real Estate
Agent
\$56,300



Elementary
School Teacher
\$62,800

Median Home Sale
Price: **\$403,500**

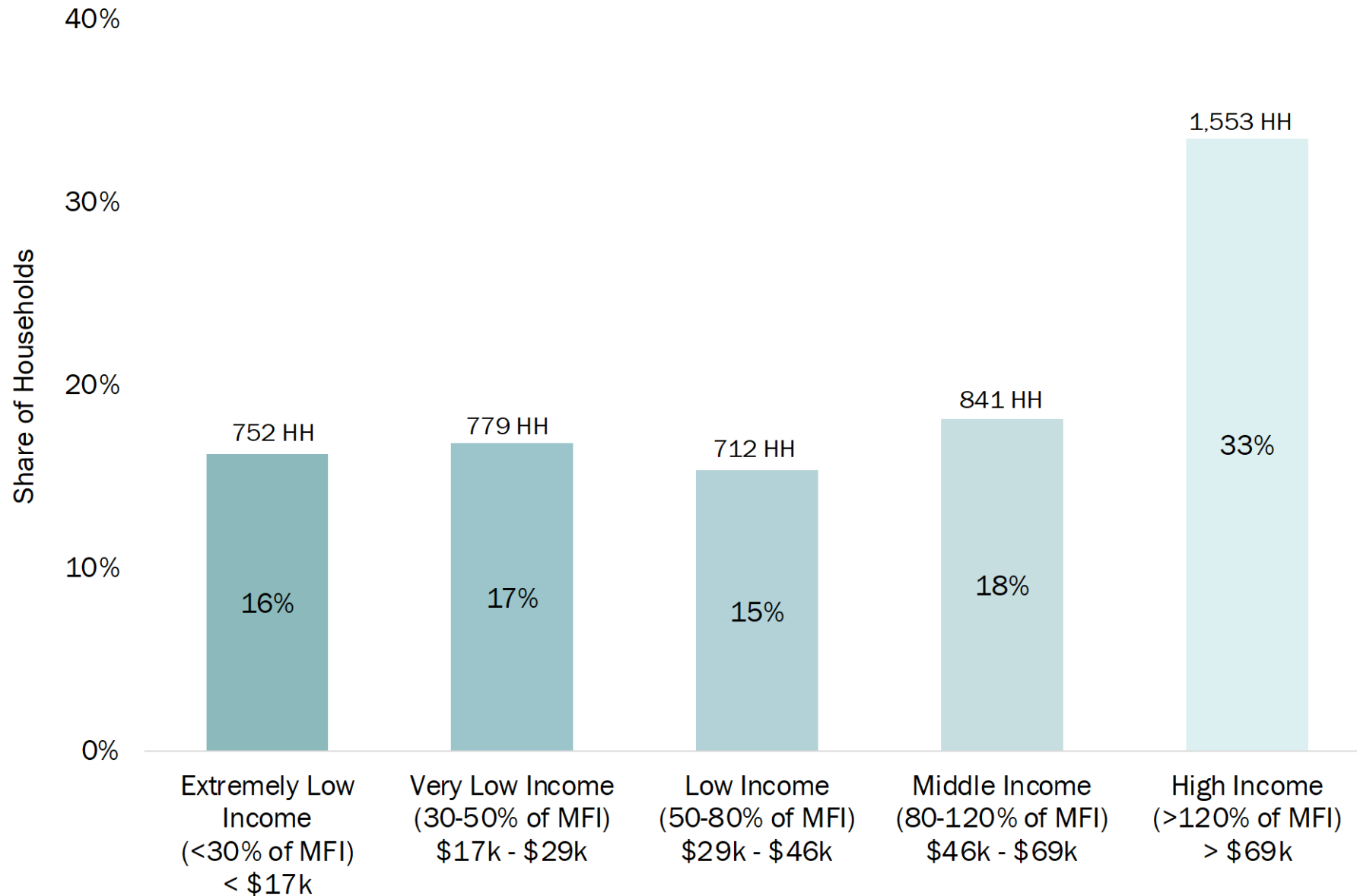
(property radar)

Requires \$107,000 income
(186% of MFI) to afford

Average Monthly Rent:
\$1,360 (not including utilities)
(CoStar)

Requires \$54,400 income
(95% of MFI) to afford

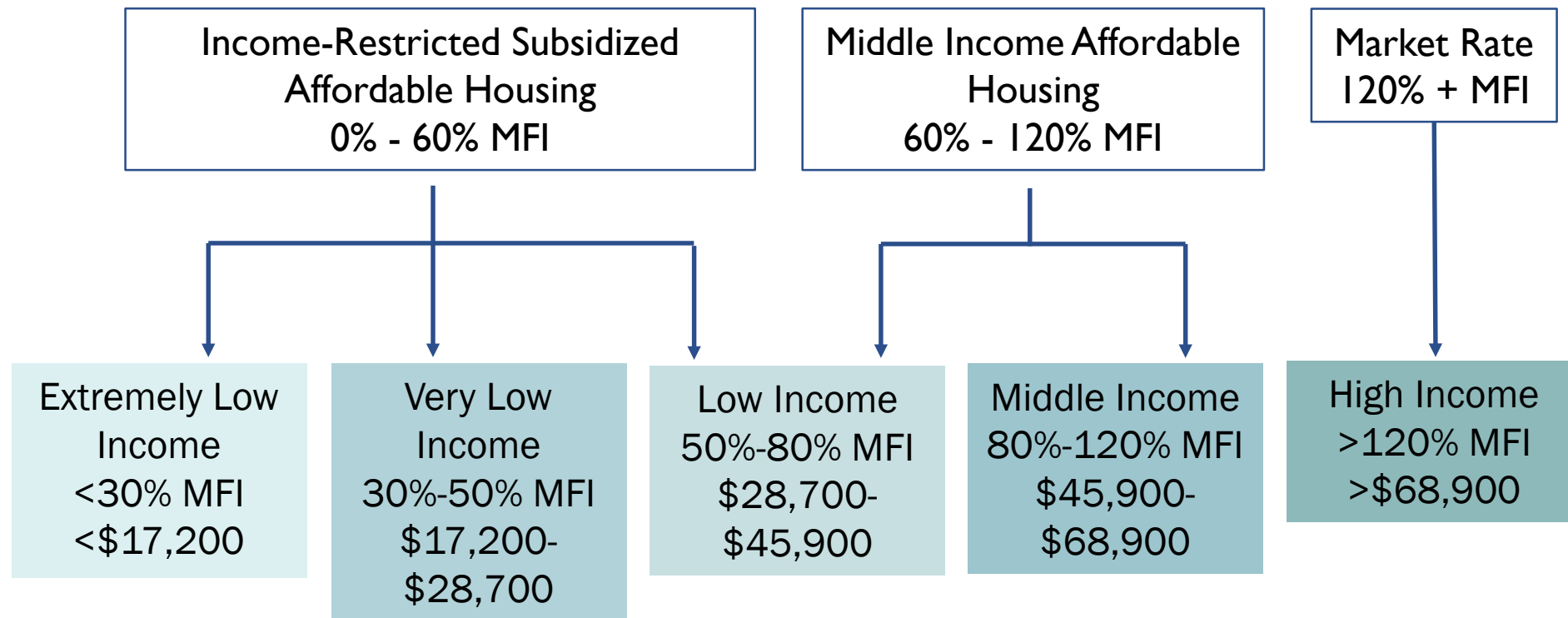
Existing Households by Income Level, Newport



This chart is based on the HUD MFI for Lincoln County and the ACS household income distribution for Newport.

Housing Affordability by Income Levels

The housing market cannot produce income-restricted, subsidized affordable housing and often does not produce middle income affordable housing without subsidy.

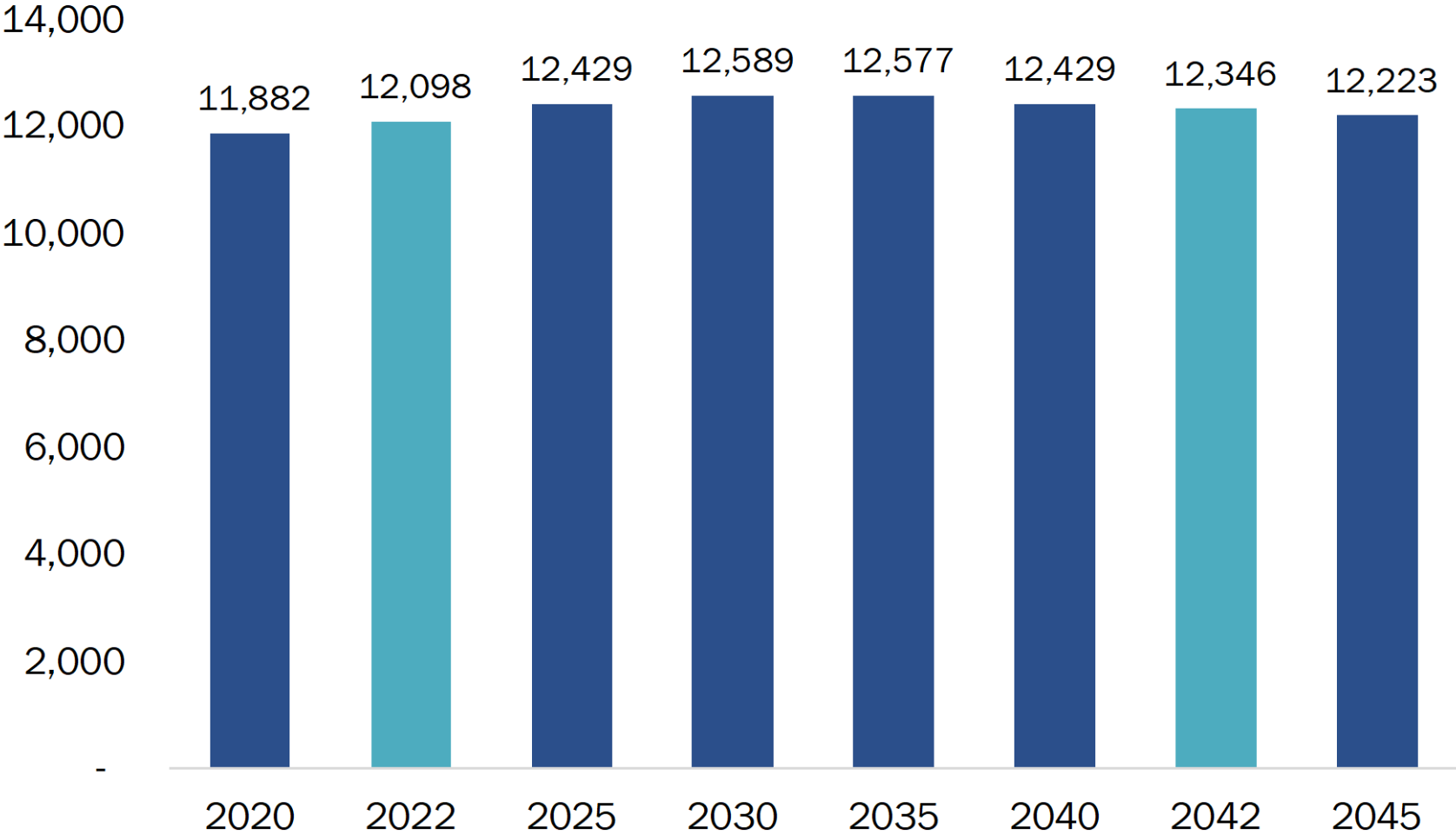




Preliminary Housing Forecast

Population Forecast, Newport UGB

2022-2042: 248 new residents



If Newport grows as it did over the last 11 years (0.59% per year), Newport would grow to about 13,358 people by 2042. That would be growth of 1,348 new residents.

Source: Population Research Center, PSU 2021.

Forecast of Housing Growth, Newport UGB, 2022 to 2042

Variable	New Dwelling Units (2022-2042)
Change in persons	248
Average household size	2.21
New occupied DU	112
<i>times</i> Vacancy rate	2.6%
<i>equals</i> Vacant dwelling units	3
Total new dwelling units	115
Annual average of new dwelling units	6

If Newport grows as it did over the last 11 years, adding 1,348 new residents, then Newport would add 626 new dwelling units.

Implications for Housing Needs

- Regional and local affordability problems will drive need for more affordable housing, especially rental housing.
 - **40%** of households are cost burdened
 - **53%** of renter households are cost burdened
 - The average rental cost is unaffordable to half of Newport's households
- Demographic trends suggest increases in demand for a wider range of housing types, for ownership and rental

What Types of Housing



Forecast of New Housing, 2022 to 2042

Newport is forecast to add **115** new dwellings

Single-Family
Detached



56

New Units
(50%)

Single-Family
Attached



12

New Units
(10%)

Duplex,
Triplex,
Quadplex



18

New Units
(15%)

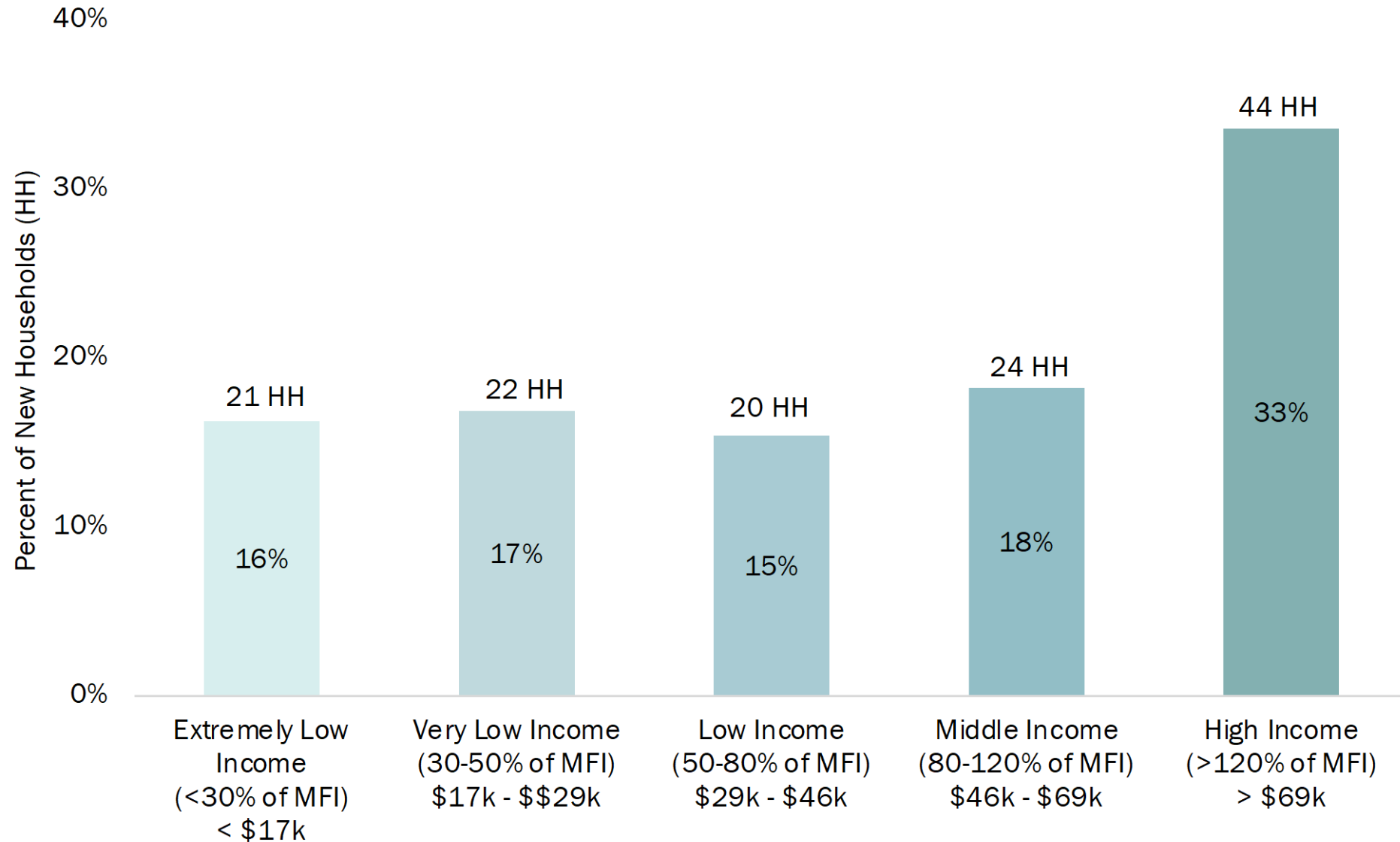
Multifamily
(5+ units)



29

New Units
(25%)

New Dwelling Units by Income, 2022 to 2042



Source: 2015-2019 ACS, U.S. Census; PRC at PSU (2020-2040); and U.S. Department of HUD 2021 MFI.

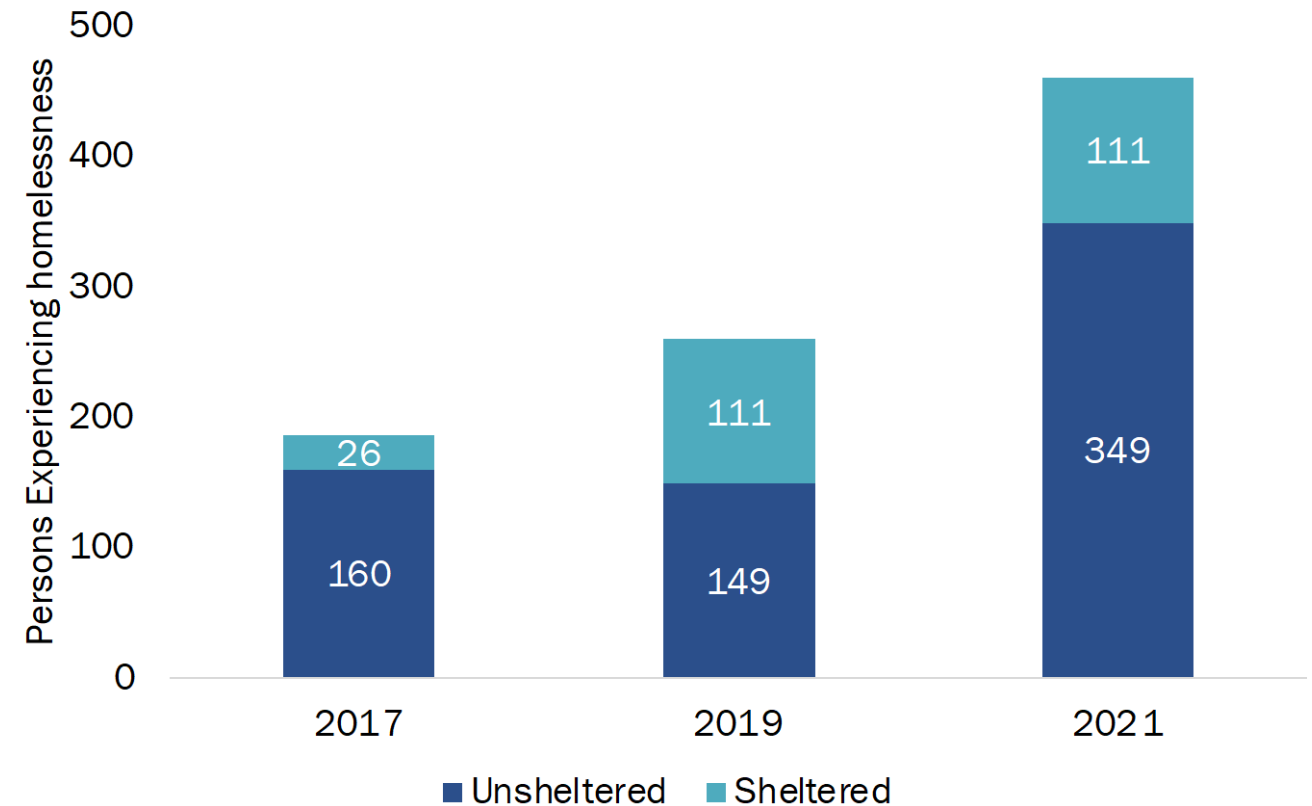


Implications for Housing Needs for the Housing Production Strategy

Housing Needs Often Differ by Group

- People experiencing homelessness:
 - Temporarily or chronically
 - Alone or with children
- Racial or ethnic groups
- People over 65 years old
- People with disabilities

Point-in-Time Homelessness Estimates, Lincoln county, 2017-2021



Source: Oregon Housing and Community Services.

Note: OHCS reported two counts in 2021 – estimated and reported counts. This is the estimated counts.

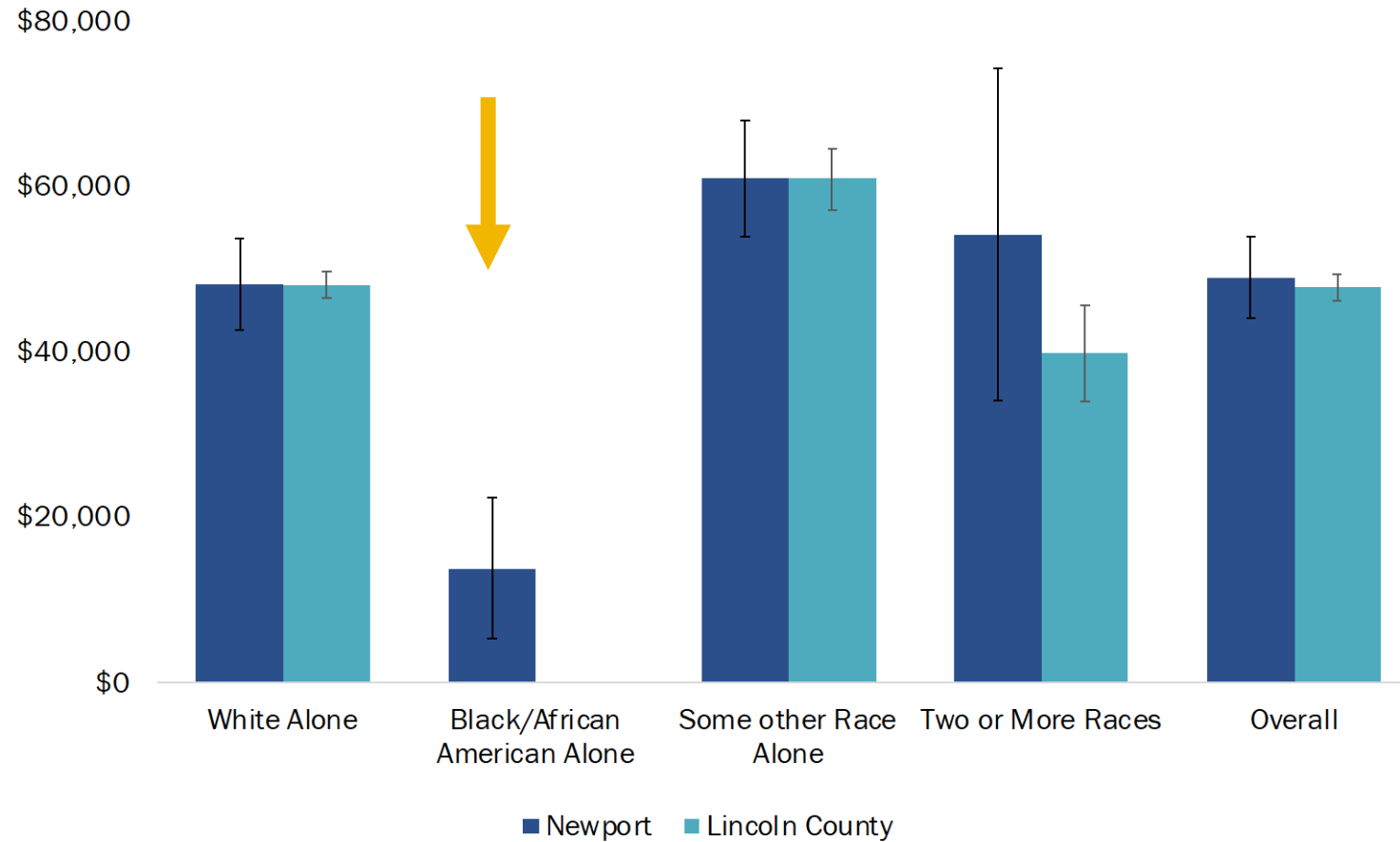
Conclusion: Housing Need for People Experiencing Homelessness

- Little data exists about the income of people experiencing homelessness
- Statewide income* for people experiencing homelessness is:
 - 89% have income below 30% of MFI
 - 8% have income of 30% to 50% of MFI
 - 3% have income of 50% to 80% of MFI
- People experiencing homeless are unable to afford market-rate housing
 - 460 persons were identified as homeless in Lincoln County in the 2021 estimated PIT Count
- Unique housing need that varies by reason for homelessness
 - Emergency assistance, including rent support
 - Permanent supportive housing, with services
 - Access to an affordable unit

* Source: OHCS data from EHA/SHAP

Ability to Pay for Housing by Race and Ethnicity

Median Household Income by Selected Race and Ethnicity, 2015-2019



The largest racial and ethnic groups in Newport are:

White alone: 7,491 people, 71% of population

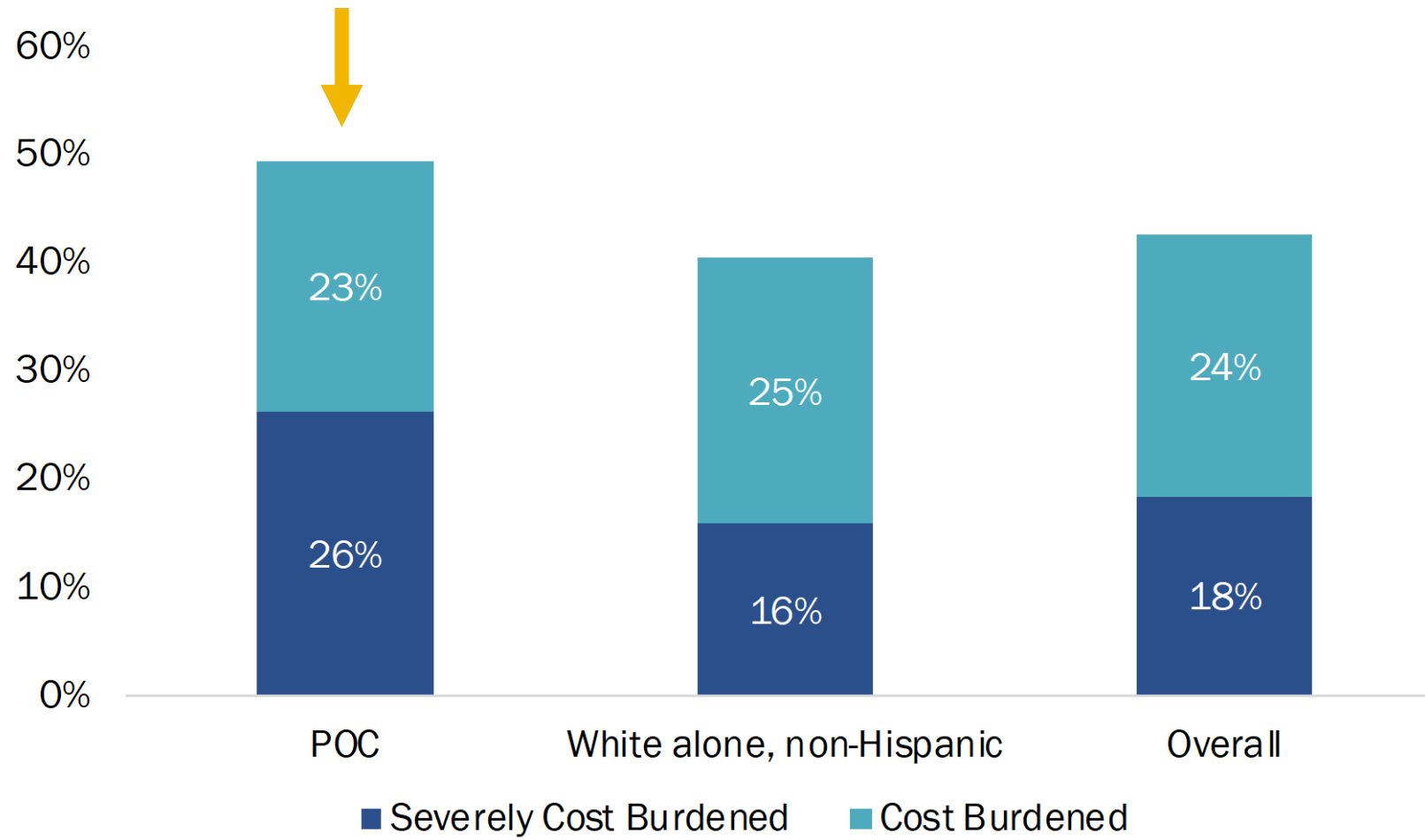
Latino: 2,146 people, 10% of population

Source: U.S. Census, American Community Survey 2015-2019

Note: Other races not included due to lack of data and / or high margins of error

Cost Burden by Race and Ethnicity, Newport

Cost Burdened Households by Race and Ethnicity, 2014-2018



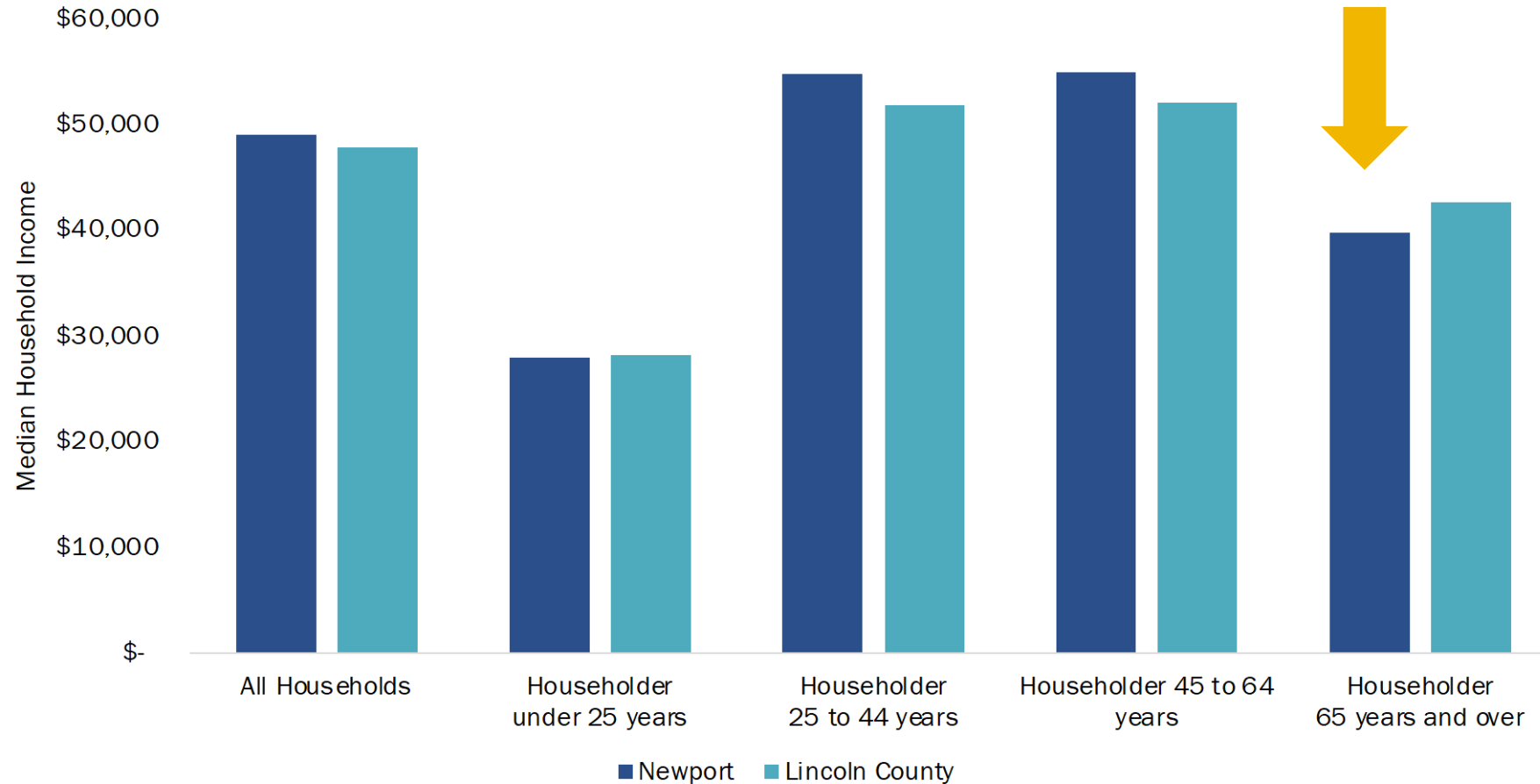
Source: CHAS 2014-2018, Table 9
Note: POC includes Latino

Conclusion: Housing Need by Race and Ethnicity

- Racial and ethnic groups have disproportionate cost burden
 - In Newport, households that identified as people of color (POC) were disproportionately cost burdened compared to the city's average.
 - Latino (any race) is the largest ethnic or racial Community of Color in Newport (20% of the population). In many Oregon communities, Latino households have lower median incomes than the city's average.
- Unique housing need
 - Access to affordable unit
 - Access to housing in locations with “high opportunity,” such as access to jobs, transit, services, or high-quality education
 - Access to housing without discrimination
- Uncertain housing preferences
 - Do some racial or ethnic groups rent at higher rates because of preference or because of lack of affordable homeownership opportunities?

People Aged 65 Years and Older: Ability to Pay for Housing

Median Household Income by Age



In Newport, median household income for people over 65 years is 81% of the overall average.

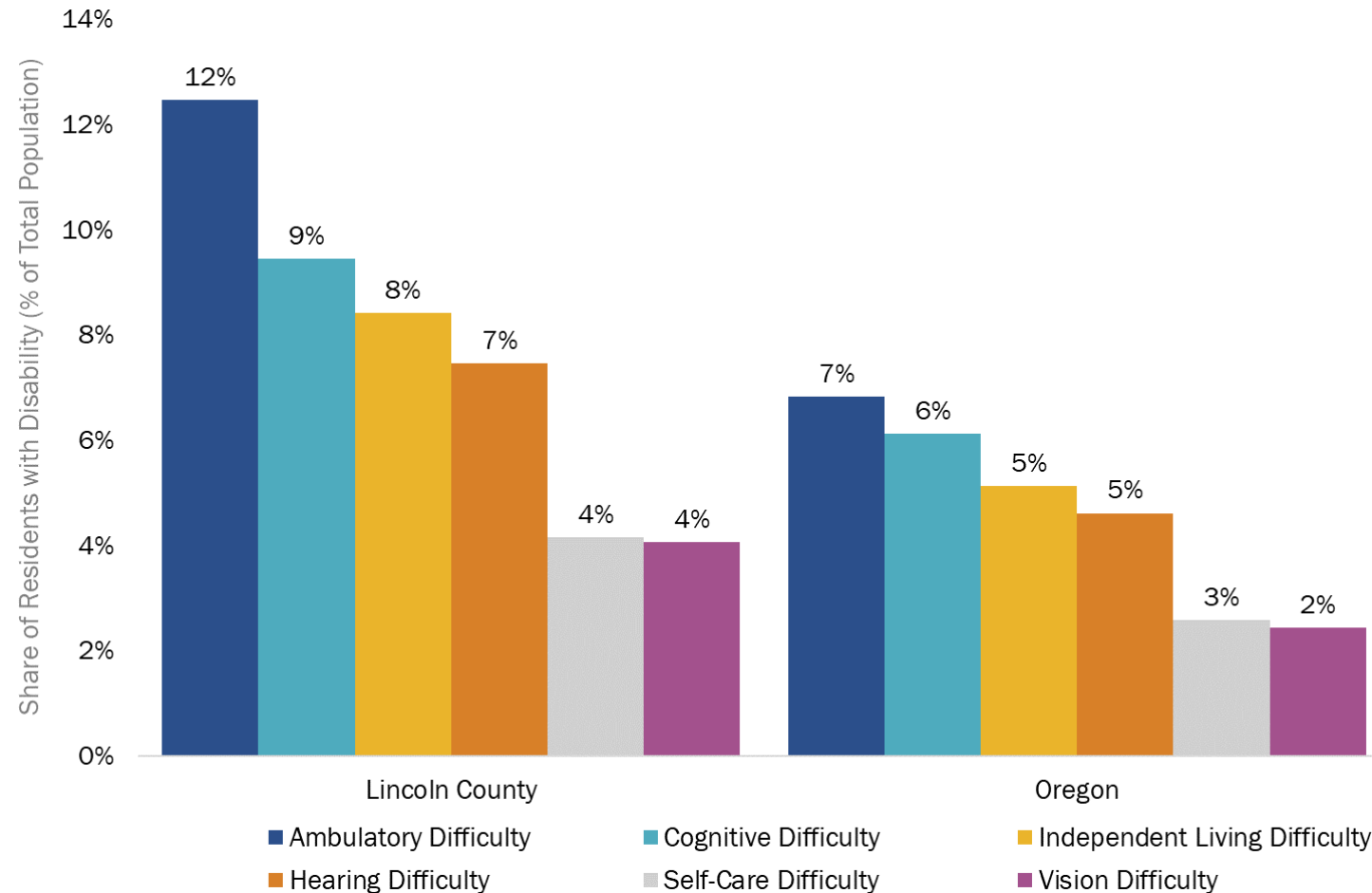
Conclusion: Housing Need for People 65 Years and Older

- People 65 years of age and older are disproportionately cost burdened
 - 57% in the North Coast Region* are cost burdened
 - 3,499 people are over 65 years of age in Newport and forecast to grow.
- Unique housing need that varies for seniors
 - Physically accessible housing
 - Access to affordable unit
 - Access to housing with needed services
 - Access to housing without discrimination

*From the Report *Implementing a Regional Housing Needs Analysis Methodology in Oregon: Approach, Results, and Initial Recommendations* by ECONorthwest, August 2020

Persons with a Disability

Share of Persons with a Disability by Type (% of Total Population), Lincoln County, 2015-2019



Nearly a quarter of Lincoln County's population has one or more disabilities which is larger than the statewide average.

Source: 2015-2019 American Community Survey, U.S. Census, Table K201803

Conclusion: Housing Need for People with a Disability

- People with a disability have disproportionate cost burden
 - 52% in the North Coast Region* are cost burdened
 - In Lincoln County, 11,298 residents have one or more disabilities and likely to grow with an aging population.
- Unique housing need that varies by disability
 - Physically accessible housing
 - Access to affordable unit
 - Access to housing with needed services
 - Access to housing without discrimination

*From the Report *Implementing a Regional Housing Needs Analysis Methodology in Oregon: Approach, Results, and Initial Recommendations* by ECONorthwest, August 2020

- Refine HCA and buildable land results
- Begin analyzing residential land needs
- PAC Meeting #3: **June 8 @ 6 PM**



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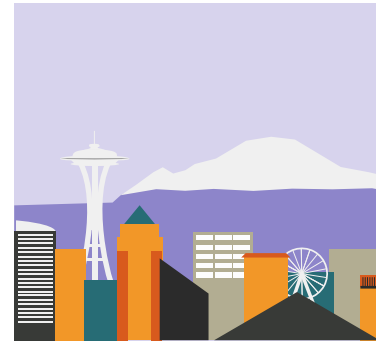
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Los Angeles



Portland



Seattle



Boise