

# Siletz Housing Needs Analysis

## **Introduction**

The Housing Needs Analysis (HNA) reviews current and projected housing needs by type and density in order to ensure that the City of Siletz meets the full range of housing needs for the next 20 years. The analysis follows methodology recommended by the State of Oregon in *Planning for Residential Growth: A Workbook for Oregon's Urban Areas* and seeks to meet Statewide Planning Goal 10: Housing. The results of the analysis will inform and support policies outlined in the comprehensive plan.

Prior to this study, the last housing needs analysis was completed for the 1987 Comprehensive Plan revision, and includes data from as far back as 1978. Since that time, changes have occurred in the economy, real estate market and housing patterns that have likely had an impact on housing needs and housing demand in Siletz. The proportion of owner-occupied housing has grown and declined, corresponding to the local timber industry. The prevalence of manufactured homes has continued to grow since that period, and new home construction costs continue to grow throughout Lincoln County. The most apparent trend, however, is the growth of residential development outside of Siletz city limits on property owned by the Confederated Tribes of Siletz Indians. Because this development is technically outside of the city and not subject to County building permits, it is not captured in many data sources.

The City of Siletz is a unique community with a large amount of land owned by the Tribe and a considerable population living in tribal housing just outside of the city. While this residential development is not factored into the Housing Needs Analysis, it contributes to the character of the community and creates an additional draw for residents to the area.

In the 1987 Comprehensive Plan revision, the City outlined a vision for a growing residential center that would primarily serve as a bedroom community for employment centers outside of the community. Today, that vision has grown to encompass greater employment opportunities for local residents and a greater mix of residence types to meet the needs of all residents. The Housing Needs Analysis describes what those needs are expected to be in the next 20 years, outlines the amount and types of residential land that will be needed to meet those needs, and will provide several recommendations for meeting those needs while maintaining the safe, walkable and “small town” community its residents value.

## **Population and Household Trends and Projections**

Population growth in The City of Siletz and Lincoln County will drive the demand for future residential land within the Siletz urban growth boundary (UGB). The following is an analysis of historic and projected population trends, which will be used to forecast the demand for additional residential units.

## Historic Trends and Current Situation

The City of Siletz has maintained a relatively stable population in recent decades, growing 4.8% between 2000 and 2008. This is a healthy rate in comparison to Lincoln County's 0.53% growth rate during the same period. The 2008 population estimate was 1,190, approximately 2.66% of the Lincoln County population. The 2008 population estimate for Lincoln County was 44,715, according to Portland State University certified estimates. (See Table 1.)

**Table 1: Siletz Population Growth**

Year	Lincoln County Population	City of Siletz Population	Siletz Share of County Population
<b>1980 census</b>	35,264	1,001	2.84%
<b>1990 census</b>	38,889	926	2.38%
<b>2000 census</b>	44,600	1,133	2.54%
<b>2006 census</b>	44,520	1,150	2.58%
<b>2008 estimate</b>	44,715	1,190	2.66%

Source: US Census. <http://www.census.gov/>. Estimated data from PSU certified population estimates: <http://www.pdx.edu/prc/>.

According to the 2000 Census figures, the average household size in the City of Siletz was 2.7 persons. Dividing the population estimate for 2008 of 1,190 by 2.7 provides an estimate of the current number of households within the City: 441.

## Household Characteristics

A number of demographic factors have been shown to correlate to housing need and choice including the age of the head of the household, household composition, household size and household income. Several long-term socioeconomic trends are affecting household characteristics and thus housing needs within the United States.

- Household composition is changing – with more households composed of “empty-nesters”, young singles, and couples than the “traditional” family.
- Average household size is declining, with an increase in one or two-person households. This trend of declining household size indicates a shift toward smaller sized housing, other things (such as income) being equal.
- Age of the head of household is increasing, largely resulting from the aging baby-boomer generation. This trend will likely continue in upcoming years, with large increases in the 55-64 and over 65 age groups. A greater propensity toward homeownership is expected to follow this trend, as the older age groups may have a greater ability to purchase housing. In age groups over 65, there is also an expectation that households will “trade down” to smaller housing units.
- Household income has generally increased, but has not kept pace with housing prices and rent. More households are spending in excess of the recommended 30% of monthly income on housing. As a result of this trend, there may be an

increased demand for affordable housing, including manufactured homes, apartments, townhouses, and small-lot single-family houses.

These trends are evident at the County level. Lincoln County and other coastal counties in Oregon have more residents in the 65+ age group than the rest of Oregon. Corresponding with this demographic, nearly 70% of households are one or two-person households.

While these broader trends have affected and will continue to shape the regional housing market, to date, they have not played out as significantly in the community of Siletz. As indicated in Table 2, within Siletz there is a higher rate of homeownership, a larger average household size, and slightly younger heads of household than for the county as a whole. The correlation of these characteristics can provide a good indication of housing needs, and is done by the Public Use Micro Data (PUM) for larger metropolitan areas.<sup>1</sup>

**Table 2: Household Income, Size, Age and Tenure, Lincoln County and Siletz 2000**

	Lincoln County		Siletz	
<b>Income</b>	<b>Households</b>	<b>% Share</b>	<b>Households</b>	<b>% Share</b>
Households	19,352	100	445	100
Less than \$10,000	2,065	10.7	39	8.8
\$10,000 to \$14,999	1,610	8.3	51	11.5
\$15,000 to \$24,999	3,516	18.2	69	15.5
\$25,000 to \$34,999	3,165	16.4	45	10.1
\$35,000 to \$49,999	3,279	16.9	97	21.8
\$50,000 to \$74,999	3,325	17.2	116	26.1
\$75,000 to \$99,999	1,321	6.8	23	5.2
\$100,000 to \$149,999	644	3.3	5	1.1
\$150,000 to \$199,999	215	1.1	0	0
\$200,000 or more	212	1.1	0	0
<b>Median household income</b>	<b>32,769</b>	<b>--</b>	<b>38,542</b>	<b>--</b>
<b>Household Size</b>	<b>Households</b>	<b>% Share</b>	<b>Households</b>	<b>% Share</b>
Total households	19,296	100	420	100
1-Person	5,657	29.3	83	19.8
2-person	7,963	41.3	143	34
3-person	2,534	13.1	78	18.6
4-person	1,845	9.6	69	16.4
5-person	845	4.4	33	7.9
6-person	274	1.4	9	2.1
7+ people	178	0.9	5	1.2
<b>Average Household Size</b>	<b>2</b>	<b>--</b>	<b>2.7</b>	<b>--</b>
<b>Age of Head of Household</b>	<b>Households</b>	<b>% Share</b>	<b>Households</b>	<b>% Share</b>
Total occupied housing units	19,296	100	420	100
15 – 24	716	3.7	19	4.5
25 – 34	1,986	10.3	57	13.6
35 – 44	3,385	17.5	106	25.2

<sup>1</sup> Public Use Micro Data (PUM) is only available for metropolitan areas over 100,000 people.

45 – 54	4,292	22.2	90	21.4
55 – 64	3,185	16.5	54	12.9
65+	5,732	29.7	94	22.4
<b>Tenure<sup>2</sup></b>	<b>Households</b>	<b>% Share</b>	<b>Households</b>	<b>% Share</b>
Occupied housing units	19,296	100	420	100
Owner-occupied housing units	12,674	65.7	295	70.2
Renter-occupied housing units	6,622	34.3	125	29.8

Source: US Census 2000, QT-P32, QT-P10, QT-H2, DP-1

## Household Projections

The first step in projecting households is projecting population. The State of Oregon requires each county to adopt a coordinated population forecast, pursuant to ORS 195. In lieu of adopting the coordinated forecast, a county may choose to take a “safe harbor” approach and adopt a forecast based on the Oregon Office of Economic Analysis county forecasts. The safe harbor approach requires that urban areas within the county maintain a share of the projected population equal to their current share (ORS 660-024-0030). Lincoln County has not adopted a coordinated population forecast and thus the City of Siletz must take the safe harbor approach. This approach generates a population of 1,429 residents by 2030. (See Table 3.)

**Table 3: Projected Population Growth for the City of Siletz**

Year	Lincoln County Population	City of Siletz Population	Siletz Share of County Population
<b>2008 estimate</b>	44,715	1,190	2.66%
<b>2020 projected</b>	50,379	1,340	2.66%
<b>2030 projected</b>	53,710	1,429	2.66%

Source: US Census. <http://www.census.gov/>. Estimated data from PSU certified population estimates: <http://www.pdx.edu/prc/>. Projected data from the Oregon Office of Economic Analysis: [http://www.oregon.gov/DAS/OEA/demographic.shtml#Long\\_Term\\_County\\_Forecast](http://www.oregon.gov/DAS/OEA/demographic.shtml#Long_Term_County_Forecast)

To gain a more accurate perspective of how population growth translates into a need for housing units and additional residential land, population is converted to household units. Using the methodology supported by the State of Oregon, individuals residing within the City’s urban fringe are added to the population. To get an estimate of the number of residents in the urban fringe, the City’s average household size of 2.7 people is multiplied by the number of homes in the fringe. The 29 households in the fringe are thus assumed to account for an additional 78.3 residents. (The State’s methodology also requires accounting for residents of group facilities such as nursing homes and dormitories; however there are currently no such facilities in Siletz.) This translates to an additional 117 housing units needed by 2030 (See Table 4.)

<sup>2</sup> The U.S. Census data is inconsistent on housing units and tenure. Based on Tables QT-P32, QT-P10, QT-H2 and DP-1, there are a total of 420 occupied housing units with 65.7% owner-occupied and 34.3% renter occupied. However, according to Census Tables QT-H10 and QT-H5, there are a total of 439 occupied units, with 74% occupied by owners and 26% occupied by renters.

**Table 4: Projected Household Units to 2030**

Current population (2008 estimate)	1190
Divide by historic household size (2.7)	441
Total Projected Population	1,429
- Projected Population in Group Quarters	0
+ Population in UGB	78
<b>Projected Combined Population</b>	<b>1,507</b>
<b>Projected Households</b>	<b>558 households</b>
<b>Projected Change in Households</b>	<b>+ 117</b>

Source: US Census. <http://www.census.gov/>. Projected data from the Oregon Office of Economic Analysis: [http://www.oregon.gov/DAS/OEA/demographic.shtml#Long\\_Term\\_County\\_Forecast](http://www.oregon.gov/DAS/OEA/demographic.shtml#Long_Term_County_Forecast)

### Housing Trends, Characteristics, and Forecasts

In addition to changes in population and household size, housing needs will also be driven by housing trends and community characteristics. Changes in housing costs, relative to income, can have a great impact on the type of housing that will be needed by area residents. The data used to describe and predict these trends and characteristics is as current as possible; however, the most recent Census data available for the City of Siletz is dated from 2000. Data from other sources, including the Lincoln County Assessor and other sources is more current.

### **Housing Tenure and Housing Type**

In the 2000 Census, 91% of units were recorded as single-family and 9% were multi-family or duplex units. Of all housing units approximately 68% were owner-occupied and 24% were renter-occupied<sup>3</sup>. This compares to a 66% ownership rate and 34% rental rate at the County level in 2000. Owner-occupied units in Siletz were evenly split among single family “site-built” homes and single-family manufactured units. Details of Siletz housing tenure are included in Table 5. Although the Census data does not distinguish manufactured homes on individual lots from those in parks, the Lincoln County Assessor reported 71 units in manufactured home parks in March, 2009.

**Table 5: Housing Units by Tenure and Vacancy Status: Siletz, 2000**

Structure Type	Owner Occupied		Renter Occupied		Vacant		Total Units
	Units	% Share	Units	% Share	Units	% Share	
SF Detached	163	50.2%	49	43%	24	58.5%	236
Duplex	0	0%	7	6.1%	2	4.9%	9
Multi-Family (3+ units)	0	0%	36	31.6%	0	0%	36
Manufactured Home	162	49.8%	22	19.3%	15	36.6%	199
<b>Total</b>	<b>325</b>		<b>114</b>		<b>41</b>		<b>480</b>

Source: US Census 2000, QT-H10, QT-H5

<sup>3</sup> The U.S. Census data is inconsistent on housing units and tenure. Based on Tables QT-P32, QT-P10, QT-H2 and DP-1, there are a total of 420 occupied housing units with 65.7% owner-occupied and 34.3% renter occupied. However, according to Census Tables QT-H10 and QT-H5, there are a total of 439 occupied units, with 74% occupied by owners and 26% occupied by renters.

Of the 24% of housing units that were rental units in 2000, 43% of those were also single-family “site-built” homes, 31% were multi-family apartments, 19% were manufactured or mobile homes<sup>4</sup>, and 6% were duplex units. In total, 9.4% of Siletz housing units were multi-family or duplex units.

In 2000, the vacancy rate of 8.5% was much higher than it had been for the 1990 Census rate of 4.6%, and much higher than the rate that is considered “healthy” for a real estate market<sup>5</sup>. Of the vacancies in 2000, approximately 10% of single-family detached units were vacant, but no multi-family units were vacant. The high vacancy rates may be the result of recent housing construction in the community or surrounding areas, and are not necessarily indicative of annual or average vacancy rates. The clear difference in multi-family and single-family vacancy rates can, however, suggest an imbalance between existing and needed housing types in Siletz, with an under-supply of multi-family attached units.

### **Housing Prices and Affordability**

Regional real estate trends indicate that the median sale price for all single-family housing units is quickly increasing throughout Lincoln County, but to a lesser degree in the City of Siletz. The difference between Siletz and the County overall may be attributed to a variety of factors, including lower property values in Siletz, different types of residential development, and market demand differences. This section will provide additional clarity on how regional real estate trends may affect the demand for specific housing types in Siletz.

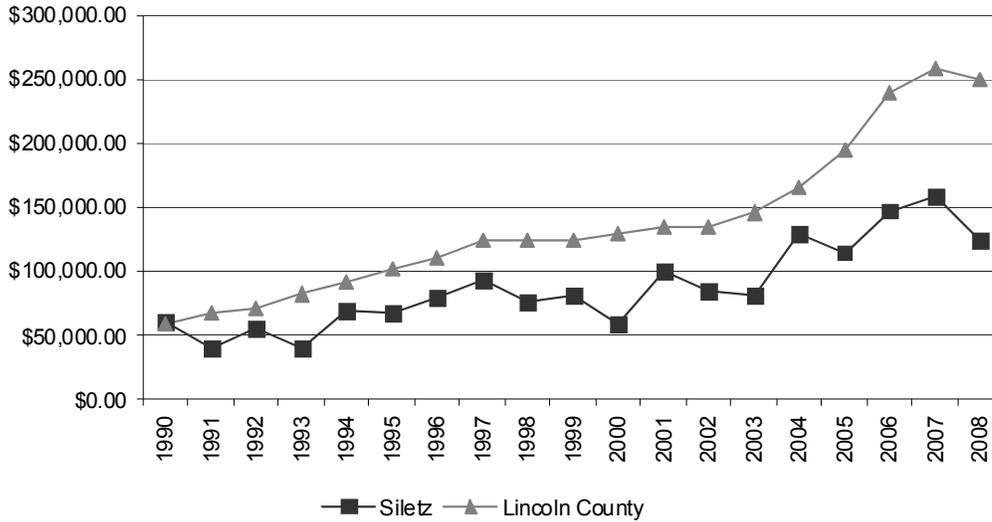
The sale price for single-family homes in Lincoln County and Siletz increased at a steady, similar rate between 1990 and 2004, until the sale price of homes at the County level began to grow much faster than the traditional trajectory. Including this recent surge, the sale price for single family homes has, nearly tripled from \$59,500 in 1990 to a peak of \$257,750 in 2007. Between 1995 and 2008, the median sale price for single-family homes in Lincoln County increased 150%, from \$102,006 to \$250,000. In comparison, the median sale price in Siletz increased 85%, to reach \$124,000. There was a slight decline in both markets during 2008, due to a national decline in the housing market. (See Figure 1.)

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<sup>4</sup> In 1976, The US Department of Housing and Urban Development (HUD) established the Manufactured Home Construction and Safety Standards, whereby all manufactured homes constructed after that date would be required to meet certification standards and receive HUD tags. Mobile homes are not covered under these standards; however, the Assessor includes pre-existing mobile homes within the same category as manufactured homes.

<sup>5</sup> 1990 Census, H004

**Figure 1: Median Sale Price for Single-Family Housing Units, 1990-2008**



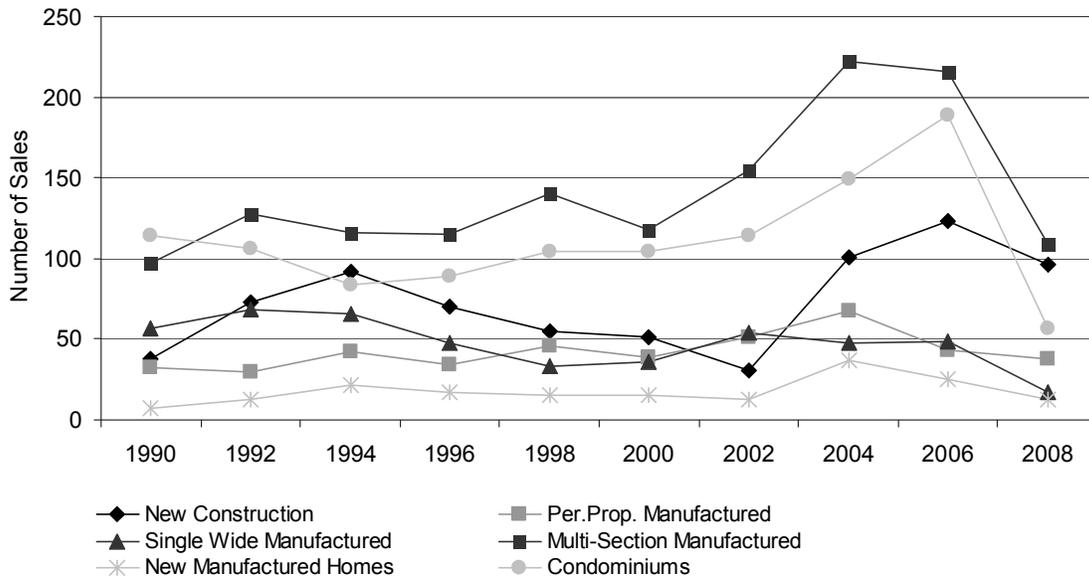
\*Includes all single family site-built homes and manufactured or mobile homes with land  
 Source: Lincoln County Assessor

Reflecting median sale prices, the assessed value of single-family detached homes (including “site-built” and manufactured) increased 1.64% between 1995 and 2008. Manufactured homes without land decreased in value by 35%. Land was assessed independent from improvements, and increased in value by 2.08% throughout Siletz<sup>6</sup>. In 2008, the Lincoln County Assessor adjusted both land and single family homes by 1.16% (not including property in the Siletz Mobile Home Park). In comparison, the City of Toledo saw a 4.35% increase in land values and a 15.15% increase in improvements. These assessed values indicate first that the value of land is increasing faster than the value of improvements in Siletz, and second, that the value of both is appreciating at a slower rate than nearby communities.

The sales of multiple section manufactured homes, condominiums and new construction have all increased considerably in Lincoln County since 1990, while personal property manufactured homes, and new manufactured homes have all remained at a generally steady but lower percentage of overall sales. During the recent housing market downturn, the most drastic decline was in the sale of condominium units, indicating their greater susceptibility to market fluctuations. While it does not account for all real estate sales, or specific site characteristics, Figure 2 illustrates these general trends in Lincoln County.

<sup>6</sup> Lincoln County Assessor historic sales ratio reports.

**Figure 2: Sales of Select Types of Improved Property: Lincoln County 1990-2008**



Source: Lincoln County Assessor

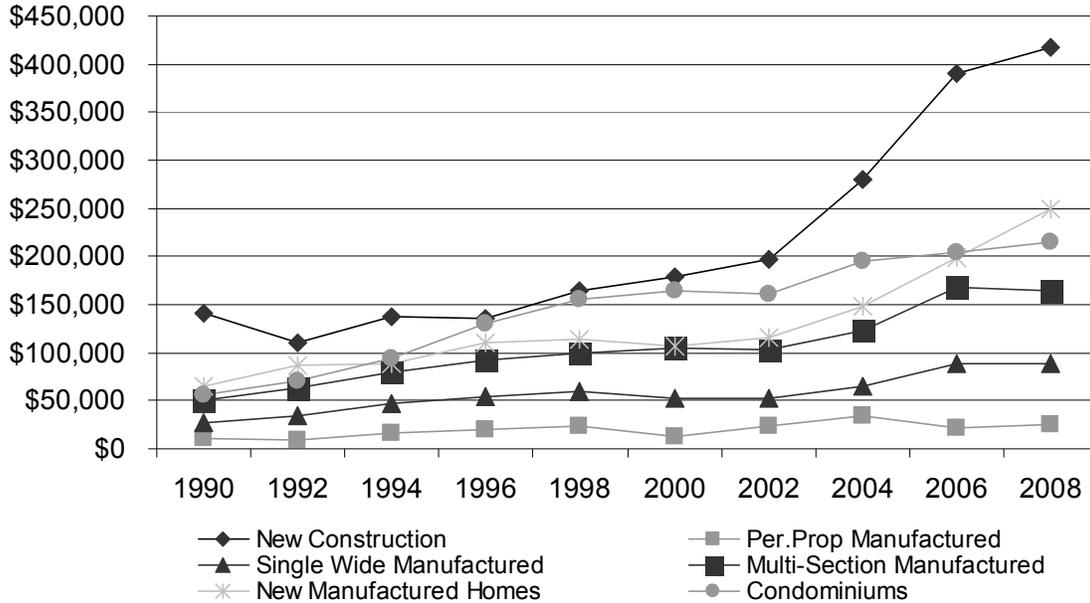
During this same time period, the cost of purchasing a newly constructed home rose considerably. In part, this can be contributed to the increasing cost of bringing materials and labor into rural areas. (See Figure 3.) Because housing development is largely driven by relative development costs, and what a market will accept at the least cost, this has resulted in increased construction of manufactured homes in many rural areas throughout Oregon. This includes Siletz, where nearly half of single-family detached units are manufactured homes.

In the City of Siletz, since 1995, 49 building permits were issued for manufactured homes on real property and only 3 permits were issued for site-built houses on real property. An additional 22 permits were issued for personal manufactured homes to be placed in the manufactured home park (on leased property).<sup>7</sup> The manufactured home park has 71 sites that are currently full, and it is assumed that the majority of the home placements since 1995 were replacements. Overall, 70% of building permits between 1995 and 2008 were for single-family detached units, all on individual infill lots. Two lot partitions occurred, splitting existing lots into two smaller lots. 30% were for manufactured units in parks.

Subdivision development has occurred only on tribal land, where 80 housing units have been constructed since 1995. Because the tribe is not required to apply for city or county building permits, these units are not included in the totals above, but do represent the local development of a variety of single-family detached, multi-family and duplex units.

<sup>7</sup> Based on building permits filed with the City of Siletz and Lincoln County between 1995 and 2008.

**Figure 3: Improved Property Sale Price: Lincoln County 1990-2008**



Source: Lincoln County Assessor

In summary, Lincoln County trends show a large jump in the median sale price of homes in recent years, and significant increases in the sale of condominiums and newly constructed units. Factors pushing sales prices higher are the increased cost of construction, and the growing market for high-end ocean-view properties, unique to the coast. The City of Siletz is characterized by lower priced land without ocean views, lower appreciation rates and an even mix of single-family site-built and manufactured homes, indicating that it can provide a lower cost alternative for home-buyers in Lincoln County. Since 1992, there have been more sales of multiple-section manufactured homes than any other housing type in Lincoln County. Because manufactured homes are typically less expensive than other housing types, it is assumed that demand for manufactured homes will continue. There is no evidence to counter the data and corresponding trend in the next 20 years.

It is expected that over the longer term, economic conditions and public policies will continue to turn consumer demand away from larger lots and units to smaller, more economical units. A combination of this trend and the shrinking supply of affordable land along the Oregon coast may bring additional residents to the Siletz area.

In Lincoln County, employees of the large tourism and hospitality industry are unable to secure affordable housing as a rising demand for coastal property continues to push up housing costs<sup>8</sup>. In this situation, there is a need for more affordable housing; however, the market is responding to a more lucrative demand for high-end ocean-view properties. The Lincoln County Community Development Association and the Lincoln County

<sup>8</sup> *A Demographic and Economic description of the Oregon Coast; 2006 Update*, Oregon Coastal Zone Management Association (OCZMA)

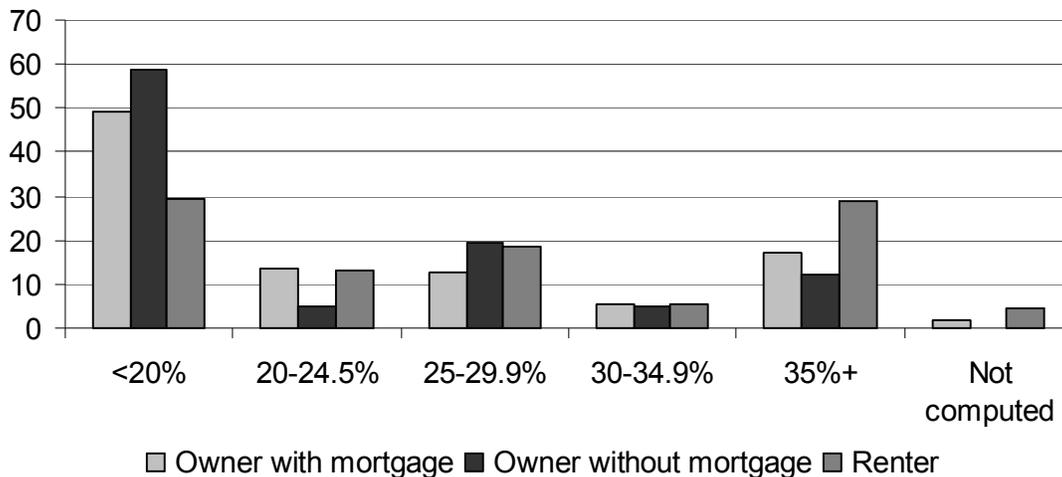
Housing Authority are responding to this discrepancy in market demand and local needs by securing grants and working with cities to develop workforce and assisted living housing in Yachats, Toledo, Lincoln City and Newport. It is likely that this county-wide trend will impact housing needs in Siletz, as area residents seek out more affordable places to rent or own a home. With both property and land values appreciating and selling at a slower rate than the County and the nearby community of Toledo, Siletz becomes a logical destination for prospective homeowners with a moderate income.

### Housing Affordability

When determining the future housing needs of a community, it is important to consider what types of housing would be affordable relative to the income of projected households, and to accommodate all income levels. According to the U.S. Department of Housing and Urban Development, housing can generally be considered affordable if it requires no more than 30% of a household’s income. This is particularly true for households at or below 80% of area median income. Nationally, incomes are not rising as quickly as housing costs – creating a widening gap between housing costs and earnings.

According to the 2000 Census, the Siletz median household income was \$38,542. 40% of households (76 households) had income below 80% of the median (\$30,834). Although the median income has most likely risen since 2000, these numbers are the best available for considering future housing needs. When looking to the affordability of housing types, it is shown that 34% of renters, 23% of homeowners with mortgages and 17% of homeowners without mortgages spent more than 30% of their income on housing.

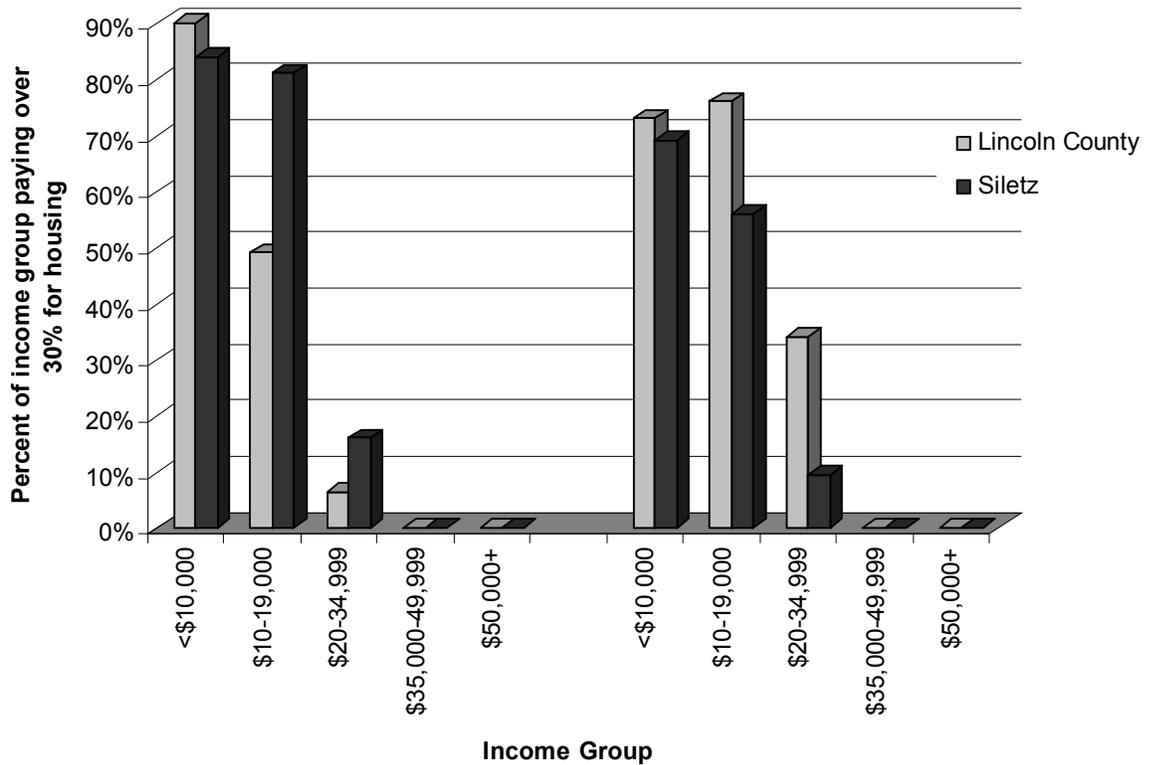
**Figure 6: Percent of Income Spent on Housing Costs**



Source: 2000 Census, QT-H15, DP-4

The percentage of low income rental households paying over 30% of their income on housing decreased between 1990 and 2000 in Siletz, while rental costs rose more dramatically relative to income throughout Lincoln County (See Figure 7.)

**Figure 7: Gross Rent as a Percent of Household Income, 1990 & 2000**



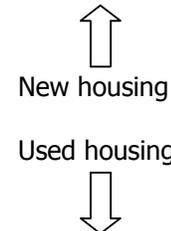
Source: 1990 US Census H050, 2000 US Census, H73

This being said, the majority of Siletz residents spent less than 30% of monthly income on housing in 2000, and could afford a range of housing types. (See Table 6.) Nearly half (48%) of Siletz households had income of \$35,000 to \$74,999 per year. Typically, these households can afford a range of housing, including single-family detached, multi-family, and duplex units. Although there has been a historic preference for single-family detached homes, especially in rural areas like Siletz, housing preferences may shift as more options come into the marketplace, including clustered housing on smaller lots and attached single-family units.

An additional 26% of households had incomes between \$15,000 and \$34,999, which generally can afford multi-family units or manufactured homes in parks. 20% of Siletz households had income of less than \$15,000. These households typically find apartments, manufactured homes in parks and subsidized housing affordable. 6% of Siletz residents were considered “high income” and able to afford all housing types.

**Table 6: Housing Affordability for Siletz Households, 2000**

Market Segment by Income	Household Income Range	Percent of Siletz Households	Financially Attainable Products
High	\$75,000 or more	6%	All housing types
Upper Middle	\$35,000-\$74,999	48%	Small lot single-family detached, single-family and multi-family, manufactured homes
Lower Middle	\$15,000-\$34,999	26%	Manufactured homes in parks, Apartments
Low	Less than \$15,000	20%	Apartments, manufactured homes in parks, subsidized housing



Source: Adapted from Planning for Residential Growth: A Workbook for Oregon’s Urban Areas, available on the DLCD website

Currently, subsidized housing in Siletz is available through the Confederated Tribes of Siletz Indians for tribal members. The Tribe has 84 mutual help homes and 57 low income apartments in or adjacent to city limits. This includes duplex units, apartments, and single-family homes. There are additional properties throughout the region that are managed by the Tribe and accept housing vouchers. Due to the high demand for these subsidized units, there is a 3-4 year wait for tribally-owned subsidized apartments and a 5-10 year wait for homes<sup>9</sup>.

**Summary**

Reviewing housing and real estate trends at the regional and national level, as well as the local level, several predictions can be made regarding future demand for specific housing types in Siletz.

- There will be an increased demand for apartments, based on affordability for Siletz residents and national trends toward smaller households and more retirees “downsizing” to smaller units.
- There will be a continued demand for affordable and government-assisted housing, based on the percent of Siletz households currently paying more than 30% of income on housing and the demand for subsidized housing throughout Lincoln County.
- Siletz will see a slight decrease in demand for single-family detached homes, relative to multi-family housing. However, demand for single-family homes will remain higher in Siletz than the county as a whole based on affordability to Siletz residents and the large proportion of householders aged 25-54, which can afford and seek single-family homes.

<sup>9</sup> Data from the Confederate Tribes of Siletz Indians Housing Department staff

- It is anticipated that the long-term trend of higher land values and home prices in coastal cities will continue, thus driving those seeking lower-cost housing options to inland communities, such as Siletz.
- There will be a continued demand for sites at manufactured home parks, based on affordability for Siletz residents, which will be met in part by existing facilities.

### **Future Land Needs**

Currently, 76% of housing units are single-family detached “site-built” or manufactured homes; 16% are manufactured homes in parks; and 8.9% are multi-family units. This housing mix reflects historic housing needs and demand, and does not necessarily reflect current or projected needs or demand. The data in this analysis indicates that there is an unmet need for multi-family rental units and a demand for housing affordable to low income residents. Currently this need is being met through manufactured homes in parks, where 30% of residential development activity has occurred since 1995. Development of single-family detached units made up the remaining 70% of activity.

Recognizing recent trends and the projected needs, it can be expected that 65% of development will continue to be for single-family residential use, and 35% will be allocated toward the development of smaller and lower cost housing through 2030. It is recommended that the actual mix of housing types become more diverse, however, with 65% allocated for single family detached units, 20% allocated for multi-family and duplex development, and 15% allocated for manufactured homes in parks. It is assumed that some of the demand for manufactured homes in parks will continue to be met by the existing manufactured home park which currently accommodates 71 units.

To allow for a healthy real estate market and consumer choice, a vacancy rate of 5% will be included in the housing needs projections. This number is lower than the vacancy rate recorded in the 2000 Census, but is consistent with overall vacancies in 1990 and is more consistent with the goals of the community. The high vacancy rate in 2000 (10% for single-family detached units, and 8.5% overall) could have been due to a number of unique factors, including recent housing construction on land within or in proximity to the City of Siletz, including tribal housing. Allowing for a 5% vacancy rate, there is a projected need for 123 additional housing units, including 80 single-family units, 19 manufactured units in parks and 24 multi-family or duplex units.

If this projected residential development were to occur at the recent development density of 2.7 units per acre for single-family detached units and 5.5 units per acre for manufactured units in parks, there would be a need for 38.17 acres of land. This pattern of development is not advisable for future development, however. The rate of single-family development is far below the 1987 target density of 4.4 units per acre, and is far below the allowable density for manufactured home parks – 8.7 units per acre. Recent development patterns are also inconsistent with state and local development goals, which encourage efficient use of land and the development of a safe and walkable community.

It is advisable that the City seek to meet these goals by developing at a higher average density and a minimum lot size of less than 7,500 square feet. Defining an overall minimum density standard of 5-7 units per acre will also help to address demographic and economic trends, global climate change concerns, and guidelines for housing and efficient land use set by Statewide Planning Goals 10 and 14.

**Table 9: Projected Housing Needs by Type**

<b>Household projections</b>		
	Population	Households
2008 estimates	1,190	441
2030 projections (including UGB)	1,507	558
<b>Total projected change</b>	<b>317</b>	<b>117</b>
<b>Projections by housing type</b>		
<b>Single-family detached (incl. manufactured)</b>		
Land use designation (permitted outright)	SR, GR, GC	
Current units	403	
Projected need	76	
Vacancy rate (5%)	4	
Total projected need	80	
Recommended density (units/acre)	5-7	
<b>Projected acres needed</b>	<b>16</b>	
<b>Manufactured homes in parks</b>		
Land use designation (permitted outright)	GR, GC	
Current units	83	
Projected need	18	
Vacancy rate (5%)	1	
Total projected need	19	
Recommended density (units/acre)	8.71	
<b>Projected acres needed</b>	<b>3.42</b>	
<b>Duplex &amp; multi-family</b>		
Land use designation (permitted outright)	GR, GC	
Current units	45	
Projected need	23	
Vacancy rate (5%)	1	
Total projected need	24	
Recommended density (units/acre)	5.81	
<b>Projected acres needed</b>	<b>4.13</b>	
<b>Total projected housing needs through 2030</b>		
<b>Total units</b>	<b>123</b>	
<b>Total acres</b>	<b>23.55 (16 SR / 7.55 GR)</b>	

Source: Lincoln County Assessor (Duplex and Multi-Family unit count based on 2000 US Census data). Population projections from the Oregon Office of Economic Analysis and PSU certified population estimates.

The City of Siletz currently has four land use designations, three of which permit residential development outright. The development of single-family detached units are permitted outright in SR, GR and GC zones; the development of manufactured home

yards and multi-family units is permitted outright in GR and GC zones. Multi-family units and manufactured home parks are also permitted with conditions in SR zones.

While there is some variability in where each housing type is located, the majority of single-family development has occurred in SR zones and the vast majority of manufactured home park and multi-family development has occurred in GR zones. For the purposes of this analysis, we are assuming that this development trend will continue. To ensure that enough land is zoned appropriately to meet projected needs for each type of housing, single-family development needs will refer to a need for SR designated land, while manufactured home park and multi-family development needs will refer to a need for GR land.

### **Comparison of Need and Supply**

The Buildable Lands Inventory found 94.52 total acres of buildable land within the City of Siletz, which included vacant, partially vacant, and redevelopable land. This included 57.18 acres of SR designated land and 29.51 acres of GR designated land. An additional 7.83 acres of GC land was included in the Buildable Lands Inventory (BLI). Based on the projected need for 16 acres of SR land and 7.55 acres of GR land, and accounting for market choice and site diversity, the current supply of buildable land will readily meet housing needs and demands through 2030. (See Table 10.)

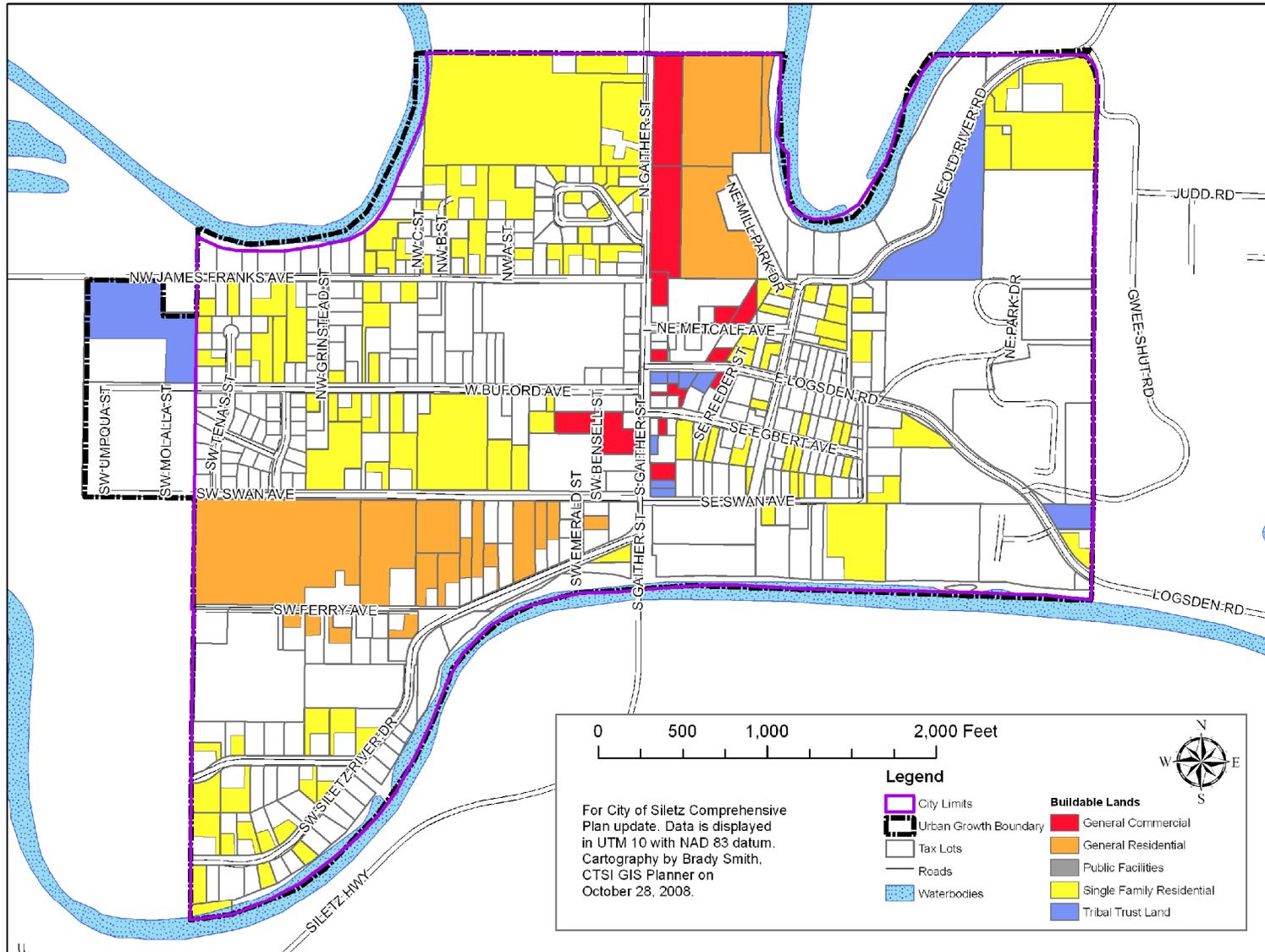
**Table 10: Summary Table: Siletz Buildable Residential Land**

<b>Comprehensive Plan Designation</b>	<b>Total Acres</b>	<b>Total Buildable Acres</b>	<b>Projected Land Needs</b>
SR – Single Family Residential	164.63	57.18	16
GR – General Residential	62.77	29.51	7.55
GC – General Commercial	20.40	7.83	n/a
PF – Public Facilities	21.83	0	n/a
<b>Total</b>	<b>269.63</b>	<b>94.52</b>	<b>23.55</b>
TT – Tribal Trust Land*	89.85	8.40	--

Source: Based on GIS data from Lincoln County and CTSI.

\* Not a City of Siletz Comprehensive Plan designation

**Figure 7: Siletz Buildable Lands Inventory**



**Table 11: Siletz Housing Mix, Actual and Needed**

Housing Type	Units built 1995-2008	Actual housing mix	Needed housing mix	Difference to fulfill needs
Single-family detached (incl. manufactured)	52	68.42%	65%	-3.42%
Manufactured homes in parks	22	28.95%	15%	-13.95%
Duplex & multi-family	0	2.63%	20%	17.37%
<b>Total</b>	<b>74</b>	<b>100%</b>	<b>100%</b>	<b>--</b>

Source: Lincoln County and City of Siletz building permit data 1995-2008

Based on actual development densities since 1995, there is an adequate supply of buildable SR and GR residential land to meet projected housing development, if it were to continue at the same density. The actual mix of recent housing development will not continue to meet housing needs, however.

**Table 12: Siletz Housing Density, Actual and Needed**

	Recent Development Density	1987 Target Density	Recommended Density (units/acre)
Average net density (1995-2008)	3.27	--	6-8
Single-family detached	2.7	4.4	5-7
Manufactured homes in parks	5.56	8.71 (allowable)	8.71
Duplex	n/a	4.4	5-7
Multi-family	n/a	12	17

Source: Lincoln County and City of Siletz building permit data 1995-2008

### **Conclusion and Recommendations**

The Housing Needs Analysis demonstrates that the City of Siletz has an adequate supply of buildable land within the UGB and can accommodate projected residential growth through 2030. The analysis further finds, however, that the mix of housing types and density of development may need to change in order to accommodate current and projected housing needs. A lack of vacant and available multi-family rental units reported in the 2000 Census, input from the community survey, national and regional trends toward affordable housing and recommended housing mix standards all point to a need for affordable and multi-family housing in Siletz.

### **Alternatives for Addressing Future Housing Needs**

The State of Oregon requires that local comprehensive plans project future land needs 20 years into the future and then facilitate efficient land use and accommodate for a range of local housing needs. These housing needs include single-family detached houses, manufactured home parks, multi-family units and affordable housing options. To meet these State requirements and the housing needs defined in this analysis, the City may consider the following alternatives.

### ***Create a multi-family overlay***

Create a multi-family overlay district that will encourage and direct multi-family development in a manner appropriate for the context of the community. The district can be ‘overlaid’ on the existing General Residential district upon approval of a multi-family housing development.

The City can require specific site characteristics when applying the overlay, including parcel sizes between ½-5 acres, adequate access to prevent traffic and pedestrian impacts and appropriate neighborhood characteristics. Examples of lots that may be appropriate are: 10.10.09BC-00100 and 10.10.09BD-00501.

The multi-family overlay can include incentives for developers including:

- Increase height limits to 35 feet. This is the current limit for the General Commercial zone and for multi-family districts in Newport, Toledo and Lincoln County.
- Increase maximum lot coverage to 50%, which is comparable to the maximum lot coverage in Toledo (55%) and Newport (57%) for multi-family developments.

The multi-family overlay district can also implement development standards to ensure neighborhood compatibility. Standards can include:

- Architectural guidelines (i.e., pitched roofs, porches, balconies and window placement);
- Parking in the rear only;
- Inclusion and orientation of open space;
- Landscaping.

### **Pros and Cons**

- + More control over multi-family development
- + City can identify sites for the overlay
- +/- Would allow slightly greater lot coverage and height
- Overlay would not expand or protect MF areas
- Additional (minor) design standards imposed on developers
- Height and lot coverage standards may not be enough of an incentive for developers

### ***Adopt development standards for duplex and multi-family uses***

Duplex and multi-family uses are currently permitted outright the General Residential and General Commercial zones and are not permitted in the Single Family zone. To ensure that future developments of this type are compatible with the existing neighborhood, development standards and compatibility requirements can be adopted. These can include:

- Building mass standard with a maximum width or length;
- Common open space requirement, which can be a percentage of the total site area ;
- Building and open space orientation;
- Architectural guidelines (i.e., pitched roofs, porches, balconies and window placement);
- Parking in the rear only;
- Landscaping.

#### Pros & Cons

- + Ensure compatibility with existing development
- + Incorporate open space and other amenities
- If there are too many development standards, development may not occur

#### *Allow accessory dwelling units*

An accessory dwelling unit is typically a small, secondary housing unit on a single family lot, usually the size of a studio apartment. The unit can be a detached cottage, a unit attached to a garage, or in a portion of an existing house. In some areas, these units are called ‘granny flats’ and are meant to house an individual related to the owner of the property. In other areas, accessory dwelling units are rented, with the requirement that the property owner resides in the primary housing structure. Housing density standards usually do not apply to these units, due to their small size and low occupancy level. The City of Siletz currently does not allow accessory dwelling units.

Accessory dwelling units provide a diversity of housing options and can help meet the need for affordable and rental housing in a community. The City of Siletz can consider allowing accessory dwelling units outright in SR and/or GR zones. The City would be able to provide appropriate development and compatibility requirements.

Development standards can address key issues such as: occupancy, access, unit size, window placement, parking and setbacks.

#### Pros and Cons

- + Provide greater diversity of housing options and rental units (depending on who is allowed to live in the accessory dwelling unit)
- + Can allow residents to ‘age in place’
- + Can provide some homeowners with an additional source of income
- + Development standards can limit impact on neighborhood
- Hard to predict impact on neighborhood

### ***Encourage duplex development***

A duplex is a structure with two single-family housing units that are either side by side or on two different floors. They share a common wall or ceiling but they typically have separate entrances and look like two houses put together. This design usually them more affordable to develop, purchase and rent.

Duplex units are currently permitted outright in the General Residential zone on 7,500 square foot lots, but are not allowed in the Single Family (SR) zone. The City can encourage duplex development by permitting development outright in the SR zone or allowing development on corner lots in the SR zone. To ensure compatibility with the character of the existing neighborhood, the City can provide development standards to requiring that duplex units look no different from a single-family detached home.

#### Pros and Cons

- + Development standards can ensure compatibility with neighborhood character

### ***Limit residential uses in General Commercial zone***

All residential uses permitted in the General Residential and Single Family zones are currently permitted outright in the General Commercial zone with the same development standards. This means that single-family homes can be developed anywhere on the main street on a 7,500 square foot lot with 20 foot set backs and a garage. This type of residential development is atypical for new development in a downtown commercial area, and would impact the density and pattern of commercial development along the main street.

The City can choose to limit residential development in General Commercial zones to multi-family and mixed-use development, in order to foster a vital downtown area and ensure that new residential construction is compatible with commercial activities.

To do this, the City can provide development standards for mixed-used buildings. Standards can address: setbacks, off-street parking, screening, access and pedestrian orientation. The City can also limit residential development to above and behind commercial units.

#### Pros and Cons

- + Retain 'downtown' character
- + Support variety of housing options and locations
- Increased traffic in downtown area

### *Adjust density standards*

The Oregon Statewide Planning Goals direct cities to plan for efficient land use, protect natural resources, agricultural land and open space, and to provide for efficient transportation, among numerous other goals. Adjusting residential density standards to encourage slightly smaller lots and greater overall density would help the City of Siletz meet those State goals.

The City currently has enough residential land to accommodate 20 years of development; however, the City may want to think farther into the future and consider how current patterns of development will play out over the long term (i.e., 30-40 years). The City can plan now to prevent sprawling, suburban-type developments by limiting lot sizes and adjusting density standards.

To limit sprawling developments, the City can:

- Maintain a minimum lot size of 7,500 square feet but create a maximum lot size of 9,000 square feet and set a higher overall density goal of 5-7 units per acre (equivalent to lot sizes ranging from 6,200 - 8,700 square feet).
- Adopt a smaller minimum lot size (i.e., 6,000 square feet), a maximum lot size of 10,000 square feet, and an overall density target of 5-7 units per acre.

Using standards like these will help to ensure that new construction remains compatible with the character of the community while also ensuring efficient land use.

#### Pros and Cons

- + Will allow more efficient land use
- + The City will remain at current size for a longer time
- + Will promote a walkable community and prevent sprawling growth
- + Changes would be consistent with standards in nearby communities
- New construction may be on slightly smaller lots

## **Definitions**

*Buildable Land* refers to parcels in urban or urbanizable areas that is suitable, available, and necessary for development

*Government-Assisted Housing* means housing that is financed in whole or in part by either a federal or state housing agency or a local housing authority as defined in ORS 456.005 to 456.720, or housing that is occupied by a tenant or tenants who benefit from rent supplements or housing vouchers provided by either a federal or state housing agency or a local housing authority.

*Household* refers to one or more persons occupying a single housing unit

*Manufactured Homes* means structures with a Department of Housing and Urban Development (HUD) label certifying that the structure is constructed in accordance with the National Manufactured Housing Construction and Safety Standards Act of 1974 (42 USC 5401 et seq.), as amended August 22, 1981.

*Needed Housing Units* means housing types determined to meet the need shown for housing within an urban growth boundary at particular price ranges and rent levels. On and after the beginning of the first periodic review of a local government's acknowledged comprehensive plan, "needed housing units" also includes government assisted housing. For cities having populations larger than 2,500 people and counties having populations larger than 15,000 people, "needed housing units" also includes (but is not limited to) attached and detached single-family housing, multi-family housing, and manufactured homes, whether occupied by owners or renters.