

ORDINANCE NO. 2179

AN ORDINANCE AMENDING THE HERMISTON COMPREHENSIVE PLAN FOR POLICIES AND IMPLEMENTING ACTIONS RELATING TO STATEWIDE PLANNING GOAL 10 REGARDING HOUSING NEEDS.

THE CITY OF HERMISTON DOES ORDAIN AS FOLLOWS:

SECTION 1. The existing Policy 21 (Housing Availability and Affordability) is hereby repealed and replaced with the revised Policy 21 as follows:

POLICY 21: HOUSING AVAILABILITY AND AFFORDABILITY

Overview

Population Trends

Current Housing Needs and Supply

Projected Housing Needs

Buildable Lands vs. Future Land Need

Housing Policies and Implementing Actions

Overview

The City of Hermiston is a quickly growing community and important center of population, employment and commerce in Umatilla County. While strong growth is expected to continue over the coming decades, an ample supply of buildable residential lands, in multiple zoning classifications will provide the flexibility to provide a range of housing units of different types and at different price levels.

Population Trends

The City of Hermiston has been one of the fastest-growing jurisdictions in Umatilla County for multiple decades. Between 2000 and 2010, the city has grown at 2.7% for the past 50 years, while the county has grown at 1%. The effect is that Hermiston has grown over time to represent a greater share of the Umatilla County population, growing from 10% in 1960 to 23% in 2010.

Figure 10.1: Population Trends, City of Hermiston (1960 – 2010)

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<u>Year</u>	<u>Hermiston City</u>	<u>Umatilla County</u>	<u>City Share</u>
1960	4,402	44,352	10%
1970	4,893	44,923	11%
1980	9,408	58,861	16%
1990	10,047	59,249	17%
2000	13,260	70,850	19%
2010	16,380	72,720	23%
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50-year change:	11,978	28,368	
20-year change:	6,333	13,471	
10-year change:	3,120	1,870	
Annual growth rate (50 year):	2.7%	1.0%	
Annual growth rate (20 year):	2.5%	1.0%	
Annual growth rate (10 year):	2.1%	0.3%	

Source: US Census, Johnson Reid LLC

Current Housing Needs and Supply

The following table presents a profile of housing in Hermiston in 2010. 55% of households own their homes, while 45% rent. Overall housing vacancy is 5.4%.

Figure 10.2: Profile of Households, City of Hermiston (2010)

CURRENT HOUSING CONDITIONS (2010)		SOURCE
Total 2010 Population:	16,745	PSU Pop. Research Center
- Estimated group housing population:	153 (1% of Total)	Claritas Inc.
Estimated Non-Group 2010 Population:	16,592 (Total - Group)	
Avg. HH Size:	2.63	Claritas, US Census
Estimated Non-Group 2010 Households:	6,309 (Pop/HH Size)	
Total Housing Units:	6,649 (Occupied + Vacant)	
Occupied Housing Units:	6,309 (= # of HH)	
Vacant Housing Units:	341	
Current Vacancy Rate:	5.4%	US Census
% of Home Owners:	54.6%	US Census
% of Home Renters:	45.4%	

Source: US Census, Claritas Inc., Johnson Reid LLC

Figure 10.3 presents a comparison of the estimated housing needs of 2010 households, with the estimated 2010 supply of housing units in Hermiston. The estimate of housing needs is based on the propensity of households in specific age and income levels to either rent or own their home (Census).

The estimated affordable price levels presented here assume that an “affordable” housing payment equals 30% of a household’s gross income (HUD standard). The affordable price level for ownership housing assumes 30-year amortization, at an interest rate of 6.5%, with 20% down payment.

Figure 10.3: Profile of Households, City of Hermiston (2010)

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Ownership				Rental			
Price Range	Estimated Current Need	Estimated Current Supply	Unmet (Need) or Surplus	Rent	Estimated Current Need	Estimated Current Supply	Unmet (Need) or Surplus
\$0 - 70k	220	1,066	846	\$0 - 375	565	619	54
\$70k - 120k	347	1,736	1390	\$375 - 625	645	1,667	1022
\$120k - 170k	284	624	341	\$625 - 875	433	568	135
\$170k - 240k	645	157	(488)	\$875 - 1,250	476	68	(408)
\$240k - 370k	765	53	(712)	\$1,250 - 1,875	575	67	(509)
\$370k - 490k	426	0	(426)	\$1,875 - 2,500	180	0	(180)
\$490k - 610k	323	0	(323)	\$2,500 - 3,125	83	0	(83)
\$610k - 730k	163	0	(163)	\$3,125 - 3,750	20	0	(20)
\$730k - 980k	61	25	(36)	\$3,750 - 5,000	4	0	(4)
\$980k +	94	0	(94)	\$5,000 +	0	0	0
Totals:	3,326	3,661	335	Totals:	2,982	2,988	6

Occupied Units:	6,309
All Housing Units:	6,649
Total Unit Surplus:	341

Source: US Census, Claritas Inc., Johnson Reid LLC

The results indicate a current surplus of inexpensive ownership units (including mobile home units) and a current need for more units in the median and upper price range. In other words, the 2010 housing stock offers ample lower end units, and insufficient median and higher price units.

These numbers should not be construed as precise but as providing a general picture of the housing environment. However, in general the results indicate that rental need and rental supply are fairly well-balanced, while most vacancies are found in single family homes.

The total surplus reflects the overall 2010 vacancy rate of 5%, which is considered a healthy rate.

Projected Housing Needs

The following table presents a projection of population and household growth to the year 2030. The population is projected to grow from roughly 16,750 (2010) to 25,800 (2030), an increase of 9,050 people, or an annual growth rate of 2.2%.

In 2030 there will be an estimated 9,900 households (not including group-living quarters) and a total of 10,530 housing units. This represents an increase of nearly 3,900 housing units over the 20-year period.

Figure 10.4: Projected Growth in Population and Households, City of Hermiston (2010 - 2030)

PROJECTED FUTURE HOUSING CONDITIONS (2010 - 2030)		SOURCE
2010 Population (Minus Group Pop.)	16,592	PSU Pop. Research Center
Projected Annual Growth Rate	2.2%	Average growth rate '00 - '10 PSU Pop. Research Center
2030 Population (Minus Group Pop.)	25,640	2010 population at projected growth rate
Estimated group housing population:	194	(2010 share of 2% of Total) City of Hermiston
Total Estimated 2030 Population:	25,834	
Estimated Non-Group 2030 Households:	9,899	(Est. population / Avg. HH Size)
New Households 2010 to 2030	3,590	
Avg. HH Size:	2.59	(Projected trend, extended to 2030) Claritas, Census
Total Housing Units:	10,531	(Occupied Units + Vacant Units)
Occupied Housing Units:	9,899	(= Number of Households)
Vacant Housing Units:	632	(Calculated from Vacancy Rate)
Projected Vacancy Rate:	6.0%	(Historical Average since 1986) Census, Johnson Reid

Source: US Census, Claritas Inc., Johnson Reid LLC

Figure 10.5 presents the profile of total housing needs of Hermiston households in 2030. The estimate of housing needs is based on the propensity of households in specific age and income levels to either rent or own their home (Census). The estimated affordable price levels presented

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here assume that an “affordable” housing payment equals 30% of a household’s gross income (HUD standard).

In 2030, 56% of households are projected to own their homes, while 44% are projected to rent. This would be just a slightly greater share of owners than found in 2010.

Figure 10.5: Total Projected Housing Needs, City of Hermiston (2030)

Ownership			
Price Range	# Units	% of Units	Cumulative
\$0 - 70k	353	6.0%	6.0%
\$70k - 120k	501	8.5%	14.5%
\$120k - 170k	422	7.1%	21.6%
\$170k - 240k	896	15.2%	36.8%
\$240k - 370k	1,312	22.2%	59.0%
\$370k - 490k	857	14.5%	73.5%
\$490k - 610k	651	11.0%	84.5%
\$610k - 730k	415	7.0%	91.5%
\$730k - 980k	249	4.2%	95.7%
\$980k +	252	4.3%	100.0%
Totals:	5,908	% of All:	56.1%

Rental			
Rent	# Units	% of Units	Cumulative
\$0 - 375	892	19.3%	19.3%
\$375 - 625	924	20.0%	39.3%
\$625 - 875	641	13.9%	53.2%
\$875 - 1,250	656	14.2%	67.3%
\$1,250 - 1,875	911	19.7%	87.1%
\$1,875 - 2,500	372	8.0%	95.1%
\$2,500 - 3,125	167	3.6%	98.7%
\$3,125 - 3,750	47	1.0%	99.7%
\$3,750 - 5,000	13	0.3%	100.0%
\$5,000 +	0	0.0%	100.0%
Totals:	4,622	% of All:	43.9%

All Units
10,531

Source: US Census, Claritas Inc., Johnson Reid LLC

Figure 10.6 shows the projected new units that would be required by 2030 to meet the need detailed above. These are new units, in addition to the 2010 housing inventory. There is a projected need for nearly 3,900 new units.

Of all the new units needed, the large majority (70%) are projected to be single family types. The remainder will be some form of attached housing. Duplex, tri-plex, or four-plex units are projected to represent 13% of the total need. 17% of all needed units are projected to be multi-family in structures of 5+ attached units.

Needed ownership units are projected to be weighted very heavily towards single-family homes (96%), while rental units are projected to be mostly attached types (63%).

Figure 10.6: New Needed (Additional) Housing Units, City of Hermiston (2030)

OWNERSHIP HOUSING									
Price Range	Single Family	Duplex	3- or 4-plex	5+ Units MFR	Mobile home	Boat, RV, other	Total Units	% of Units	Cummulative %
Totals:	2,076	33	19	26	0	0	2,154	% All Units:	55.5%
Percentage:	96.4%	1.5%	0.9%	1.2%	0.0%	0.0%	100.0%		

RENTAL HOUSING									
Price Range	Single Family	Duplex	3- or 4-plex	5+ Units MFR	Mobile home	Boat, RV, other	Total Units	% of Units	Cummulative %
Totals:	641	255	198	634	0	0	1,728	% All Units:	44.5%
Percentage:	37.1%	14.8%	11.4%	36.7%	0.0%	0.0%	100.0%		

TOTAL HOUSING UNITS								
	Single Family	Duplex	3- or 4-plex	5+ Units MFR	Mobile home	Boat, RV, other	Total Units	% of Units
Totals:	2,716	288	216	660	0	0	3,881	100%
Percentage:	70.0%	7.4%	5.6%	17.0%	0.0%	0.0%	100.0%	

Source: PSU Population Research Center, US Census, Claritas Inc., Johnson Reid LLC

Buildable Lands vs. Future Land Needs

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The housing units needed to accommodate future population will require sufficient buildable lands to accommodate new housing development. The nearly 3,900 new units will require an estimated 700 acres of residential land.

As Figure 10.7 and 10.8 present, a 2010 inventory of buildable residential lands in Hermiston finds 1,995 vacant buildable acres in a variety of residential zoning designations. This buildable capacity is far in excess of the estimated 20-year need of 700 acres. Therefore there is no current identified need to add residential acreage.

Figure 10.7: Building Capacity of Current Vacant Residential Lands, City of Hermiston (2010)

ZONING DESIGNATION		Net Vacant Buildable Acres	Capacity of Vacant Lands (Units)	Density (Units/ Net Acre) ¹
FU-10	Future Urban, 10-Acre	959.3	3,714	3.9
R-1	Single Family Residential	309.5	1,198	3.9
R-2	Duplex Residential	120.3	762	6.3
R-3	Multi-Family Residential	187.4	2,223	11.9
R-4	Multi-Structural Residential	134.7	2,347	17.4
R-R	Recreational Residential	283.8	1,648	5.8
Totals/Averages:		1995.0	11,893	6.0

Figure 10.8: Projected 20-Year Housing Need, City of Hermiston (2010)

Comp Plan Designation	TOTAL NEW UNITS NEEDED (2030)					Capacity of Vacant Lands (In Units) ¹	Vacant Lands - Total 20-year Need (Surplus)	Net Acreage Needed	
	Single Family	Duplex	3- or 4-plex	5+ Units MFR	Total Units				
FU-10	Future Urban, 10-Acre	380				3714	3,335	0.0	
R-1	Single Family Residential	1,198				1198	0	0.0	
R-2	Duplex Residential	380	144			762	238	0.0	
R-3	Multi-Family Residential		144	108	330	582	1,641	0.0	
R-4	Multi-Structural Residential			108	330	438	1,908	0.0	
R-R	Recreational Residential	759				759	889	0.0	
Totals/Averages:		2,716	288	216	660	3,881	11,893	8,012	0.0

Source: Real Urban Geographics, City of Hermiston, Johnson Reid LLC

While strong growth is expected to continue over the coming decades, an ample supply of buildable residential lands, in multiple zoning classifications will provide the flexibility to provide a range of housing units of different types and at different price levels.

Housing Policies and Implementing Actions

POLICY 21: HOUSING AVAILABILITY AND AFFORDABILITY

Nearly 3,900 additional housing units will be required to accommodate Hermiston's projected population growth between 2010 and 2030. As housing choice is influenced both by lifestyle and income, the City should encourage and facilitate the provision of a variety of housing opportunities including single-family detached and attached housing, duplexes, apartments, government-assisted housing, manufactured and mobile homes. The city should encourage the provision of these housing types for both ownership and rental at reasonable prices. Insuring an adequate supply of rental housing, particularly for low income households is an important priority.

THE CITY OF HERMISTON WILL ENCOURAGE THE HOME-BUILDING INDUSTRY TO PROVIDE A VARIETY OF HOUSING OPPORTUNITIES IN SUFFICIENT QUANTITIES AT AFFORDABLE PRICES TO MEET THE HOUSING NEEDS OF ITS RESIDENTS. IN SUPPORT OF THIS GOAL, THE CITY OF HERMISTON ADOPTS THE FOLLOWING POLICIES:

- A) Provision of an adequate supply of housing for low- and moderate-income households is a top priority;
- B) To assure a variety of housing types, the City also places a high priority the provision of sufficient housing opportunities for households at middle to higher income levels;

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- C) The City will maintain an adequate supply of land to provide for housing types within the City's residential land use categories consistent with the findings from the adopted housing needs analyses;
- D) The City *may* identify, through an adequate public process, specific areas to become the focus of redevelopment, and/or housing infill opportunities (for instance, the Downtown area);
- E) The City supports the provision of housing for senior citizens and other residents of the city with specialized needs, such as physical disabilities.

IMPLEMENTING ACTIONS

- Has designated an adequate amount of vacant buildable land for all types and densities of residential development on the Comprehensive Plan and zoning maps for the City and urban portion of the UGB. When zoning newly converted urban land, insure a balance between low and medium/high densities based on the updated needs analysis.
- Encourage innovative siting, design, and construction techniques in new residential developments through use of planned unit development (PUD) provisions.
- The City supports public sector and non-profit programs which facilitate the construction of affordable housing for moderate and low income households, and provision of Section 8 housing vouchers. Encourage the Umatilla Housing Authority and other affordable housing providers to integrate government-assisted housing into the fabric of economically diverse neighborhoods and the community as a whole.

SECTION 2. Policy 22 (Neighborhood Quality) is hereby repealed and replaced with the following Policy 22:

POLICY 22: NEIGHBORHOOD QUALITY

City officials recognize the importance of promoting livable, safe and quiet neighborhoods, both in new residential development and in existing neighborhoods. This can be accomplished by minimizing the negative effects of high traffic on neighborhood streets; minimizing conflicts from incompatible design, noise and other factors associated with high-intensity uses; encouraging rehabilitation of housing stock, and updating public facilities in older neighborhoods.

THE CITY OF HERMISTON WILL PROTECT AND ENHANCE THE QUALITY OF LIFE
IN RESIDENTIAL NEIGHBORHOODS BY:

IMPLEMENTING ACTIONS

- Designating neighborhood streets as local access streets, rather than arterials or collectors, on the Streets Classification Map.
- Requiring buffering and/or screening between residential neighborhoods and incompatible uses in the zoning code.
- Permitting the location of small shops in neighborhoods. As part of the PUD review or conditional use process, evaluate proposed commercial development in terms of its scale, design, and pedestrian and automobile access to insure compatibility with surrounding residences.
- Enforcing building and fire code provisions and nuisance laws, e.g., by governing junk cars, improving neighborhood safety, health and livability.
- Identifying needed improvements in older neighborhoods including the upgrading of water and sewer systems, streets, sidewalks, storm drainage, and lighting. Utilize the Capital Improvements Plan to schedule improvements as time and funding allow.

SECTION 3. The findings of fact as adopted by the City Council on July 25, 2011 are incorporated herein by reference.

SECTION 4. The effective date of this ordinance shall be the thirtieth day after enactment.

PASSED by the Common Council this 25th day of July, 2011.

SIGNED by the Mayor this 25th day of July, 2011.

MAYOR

ATTEST:

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CITY RECORDER