



**CITY OF NORTH BEND, OR**

**HOUSING CAPACITY ANALYSIS  
(OREGON STATEWIDE PLANNING GOAL 10)**

**20-YEAR HOUSING NEED  
2022 - 2042**

April 2023



**JOHNSON  
ECONOMICS**

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# Acknowledgments

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## I. INTRODUCTION

This analysis outlines a forecast of housing need within the City of North Bend. Housing need and resulting land need are forecast to 2042 consistent with 20-year need assessment requirements of Oregon Revised Statutes.<sup>1</sup> This report presents a housing need analysis (presented in number and types of housing units) and a residential land need analysis, based on those projections.

The primary data sources used in generating this forecast were:

- Portland State University Population Research Center
- U.S. Census
- Environics Analytics Inc.<sup>2</sup>
- Oregon Employment Department
- City of North Bend
- Coos County
- Other sources are identified as appropriate.

This analysis relies heavily on Census data from both the Decennial Census, and the American Community Survey (ACS). Generally, data from the ACS has a larger statistical margin of error than the 10-year Census. This analysis relies whenever possible on the most recent ACS 5-year estimates. The 5-year estimates have the lowest margin of error in comparison to the ACS 3-year and 1-year estimates. All Census data feature some margin of error but remain the best source of data available on many demographic and housing subjects.

## II. CITY OF NORTH BEND DEMOGRAPHIC PROFILE

### SUMMARY

The following table (Figure 2.1) presents a profile of City of North Bend demographics from the 2000 and 2020 Census. It also reflects the estimated population of this area as of 2022, forecasted from 2020 using the growth rate since 2010.

- North Bend is a city of roughly 10,440 people located in northwest Coos County, surrounded on three sides by Coos Bay, where Coos River flows into the Pacific Ocean. To the south is the city of Coos Bay. There are many coastal parks and natural lands in the area of the city, across the bay to the north and west.
- Based on estimated population, North Bend is the 51<sup>st</sup> largest city in the state by population. North Bend has roughly two-thirds the population of Coos Bay and is similar in size to Newport or Astoria as coastal cities, or Cottage Grove inland.
- North Bend has experienced modest growth in population, growing an estimated 9% since 2000, a similar rate to Coos Bay. In contrast, Coos County population growth has been nearly flat since 2000, growing less than 1% while the state grew 24%. (US Census and PSU Population Research Center)
- North Bend is home to an estimated 4,300 households in 2022, an increase of 330 households since 2000. The percentage of families has risen somewhat since 2000, from 64% to 66%. The city has a higher share of family households than Coos County (61%) or the state (62%).

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<sup>1</sup> ORS 197.628; OAR 660-025

<sup>2</sup> Environics Analytics Inc. is a third-party company providing data on demographics and market segmentation. It licenses data from the Nielson Company which conducts direct market research including surveying of households across the nation. Nielson combines proprietary data with data from the U.S. Census, Postal Service, and other federal sources, as well as local-level sources such as Equifax, Vallassis and the National Association of Realtors. Projections of future growth by demographic segments are based on the continuation of long-term and emergent demographic trends identified through the above sources.

- Average household size is estimated to have risen since 2000. North Bend’s estimated average household size is now 2.4 persons, similar to the Coos County average of 2.3 and the statewide average of 2.5.

**FIGURE 2.1: NORTH BEND DEMOGRAPHIC PROFILE**

<b>POPULATION, HOUSEHOLDS, FAMILIES, AND YEAR-ROUND HOUSING UNITS</b>					
	<b>2000</b>	<b>2020</b>	<b>Growth</b>	<b>2022</b>	<b>Growth</b>
	<b>(Census)</b>	<b>(Census)</b>	<b>00-20</b>	<b>(PSU)</b>	<b>20-22</b>
Population <sup>1</sup>	9,577	10,353	8%	10,436	1%
Households <sup>2</sup>	3,983	4,309	8%	4,312	0%
Families <sup>3</sup>	2,564	2,840	11%	2,841	0%
Housing Units <sup>4</sup>	4,313	4,624	7%	4,651	1%
Group Quarters Population <sup>5</sup>	200	88	-56%	88	0%
<i>Household Size (non-group)</i>	<i>2.35</i>	<i>2.40</i>	<i>2%</i>	<i>2.40</i>	<i>0%</i>
<i>Avg. Family Size</i>	<i>2.95</i>	<i>2.69</i>	<i>-9%</i>	<i>2.69</i>	<i>0%</i>
<b>PER CAPITA AND MEDIAN HOUSEHOLD INCOME</b>					
	<b>2000</b>	<b>2020</b>	<b>Growth</b>	<b>2022</b>	<b>Growth</b>
	<b>(Census)</b>	<b>(Census)</b>	<b>00-20</b>	<b>(Proj.)</b>	<b>10-22</b>
Per Capita (\$)	\$16,703	\$33,549	na	\$35,972	7%
Median HH (\$)	\$33,333	\$59,577	na	\$63,139	6%

SOURCE: Census, PSU Population Research Center, and Johnson Economics

Census Tables: DP-1 (2000, 2010); DP-3 (2000); S1901; S19301

1 From US Census, growth rate 2000-2020 extended to 2022

2 2022 Households = (2022 population - Group Quarters Population)/2022 HH Size

3 Ratio of 2022 Families to total HH is based on 2019 ACS 5-year Estimates

4 2022 housing units are the '20 Census total plus new units permitted from '20 through '21 (source: Census, City)

5 Ratio of 2022 Group Quarters Population to Total Population is kept constant from 2020.

### **A. POPULATION GROWTH**

Since 2000, North Bend has grown by over 850 people within the UGB, or 9% in 22 years (the UGB is nearly coterminous with the city boundary, with a few small deviations). This was much higher than the countywide rate of growth. Coos County grew an estimated 3% since 2000 (Census). The growth in most Coos County cities was countered by a falling population in unincorporated areas.

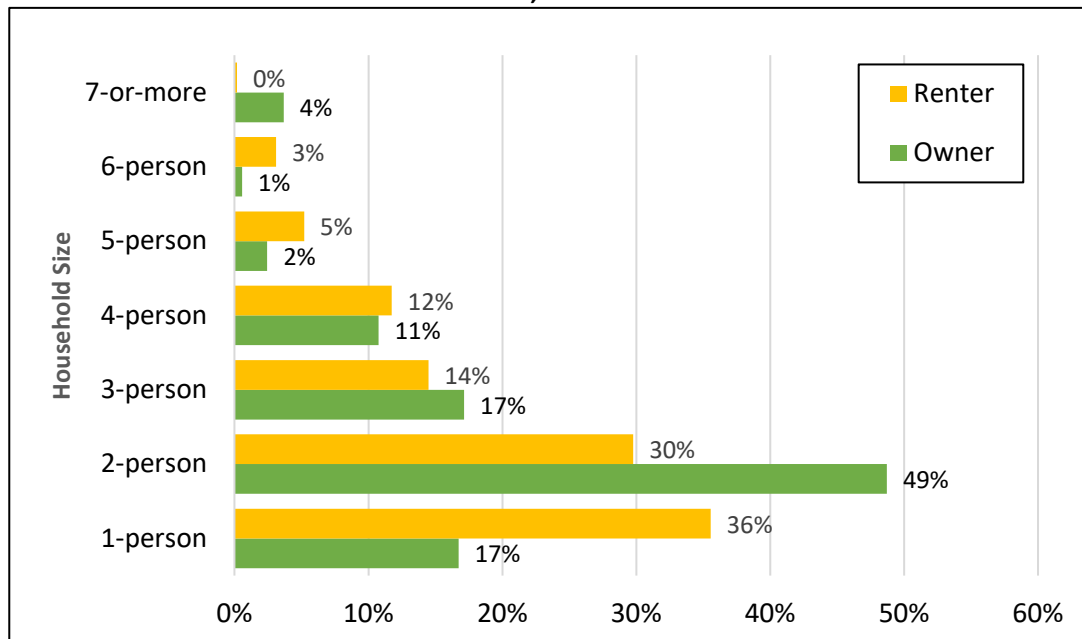
### **B. HOUSEHOLD GROWTH & SIZE**

As of 2022, the city has an estimated 4,312 households. Since 2000, North Bend has added an estimated 330 households. This is an average of roughly 15 households annually during this period. The growth since 2000 has roughly kept pace with the growth in new housing units, which have grown by roughly 14.5 units per year.

North Bend’s average household size of 2.4 people, with 66% family households, is higher than the average across Coos County. There has been a general trend in Oregon and nationwide towards declining household size as birth rates have fallen, more people have chosen to live alone, and the Baby Boomers have become “empty nesters.” While this trend of diminishing household size is expected to continue nationwide, there are limits to how far the average can fall.

Figure 2.2 shows the share of households by the number of people for renter and owner households in 2019 (latest data available), according to the Census. Renter households are more likely to have one person. Owner households are more likely to have two or three persons. Household size correlates to housing needs.

**FIGURE 2.2: NUMBER OF PEOPLE PER HOUSEHOLD, CITY OF NORTH BEND**



SOURCE: US Census, JOHNSON ECONOMICS LLC  
 Census Tables: B25009 (2019 ACS 5-yr Estimates)

**C. FAMILY HOUSEHOLDS**

As of the 2022, an estimated 66% of North Bend households were family households, up slightly from 64% of households in 2000. The total number of family households in North Bend is estimated to have grown by over 275 since 2000. The Census defines family households as two or more persons, related by marriage, birth or adoption and living together. In 2022, family households in North Bend have an estimated average size of 2.7 people.

**D. GROUP QUARTERS POPULATION**

The City of North Bend has an estimated group quarters population of 0.8% of the total population, or roughly 88 persons. Group quarters include such shared housing situations as nursing homes, prisons, dorms, group residences, military housing, or shelters. For the purposes of this analysis, these residents are removed from the estimated population total, before determining the amount of other types of housing that are needed for non-group households.

**E. HOUSING UNITS**

Data from the City of North Bend and the US Census indicate that the city added an estimated 340 new housing units since 2000, representing 8% growth in the housing stock. This number of new units is roughly equal to the growth in new households estimated during the same period (330), indicating that housing growth has kept pace with household growth.

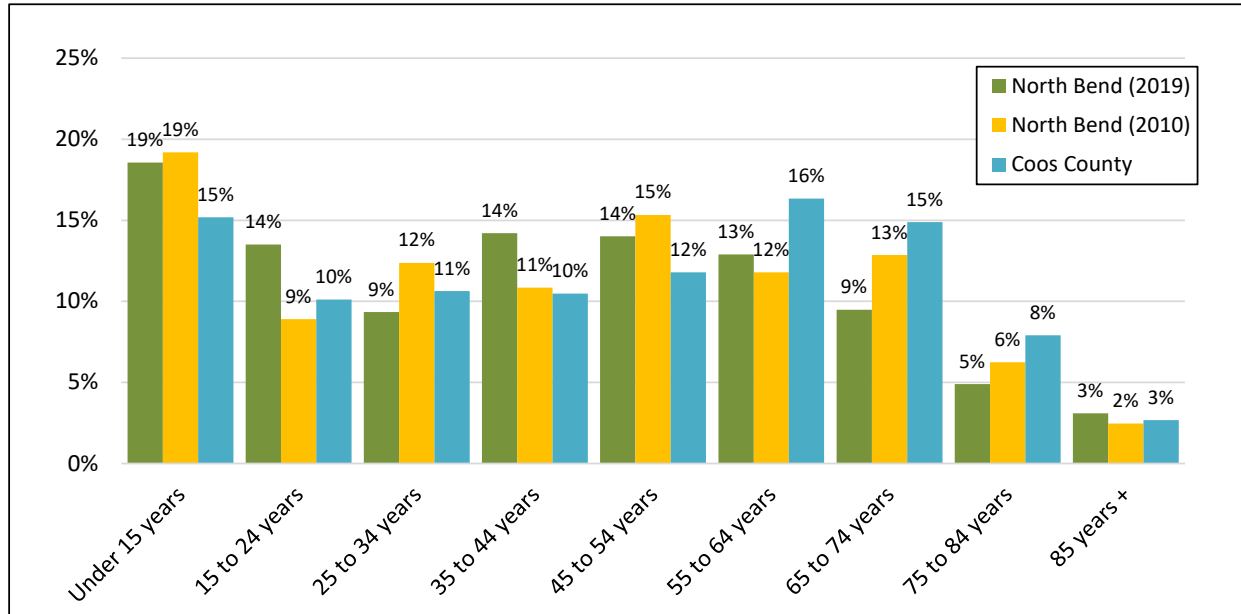
As of 2022, the city had an estimated housing stock of roughly 4,650 units for its 4,312 estimated households. This translates to an estimated average vacancy rate of over 7%. It appears that most of this vacancy may be second homes, seasonal, or vacation homes and not housing available on the general market. Real estate professionals report that vacancy for active homebuyers and renters in the market is likely much lower.

**F. AGE TRENDS**

The following figure shows the share of the population falling in different age cohorts between the 2010 Census and the most recent 5-year American Community Survey estimates. As the chart shows, the retirement or near-retirement generations of those 65 and older have grown as a share of the population. The youngest cohort of

children, and those aged 25 to 35 years, and 45 to 55 years grew in share of the population, while other young and middle age segments fell as an overall share. Overall, North Bend has a younger population than the county, which has a relatively greater share of the countywide population aged 55 or older.

**FIGURE 2.4: AGE COHORT TRENDS, 2010 - 2022**

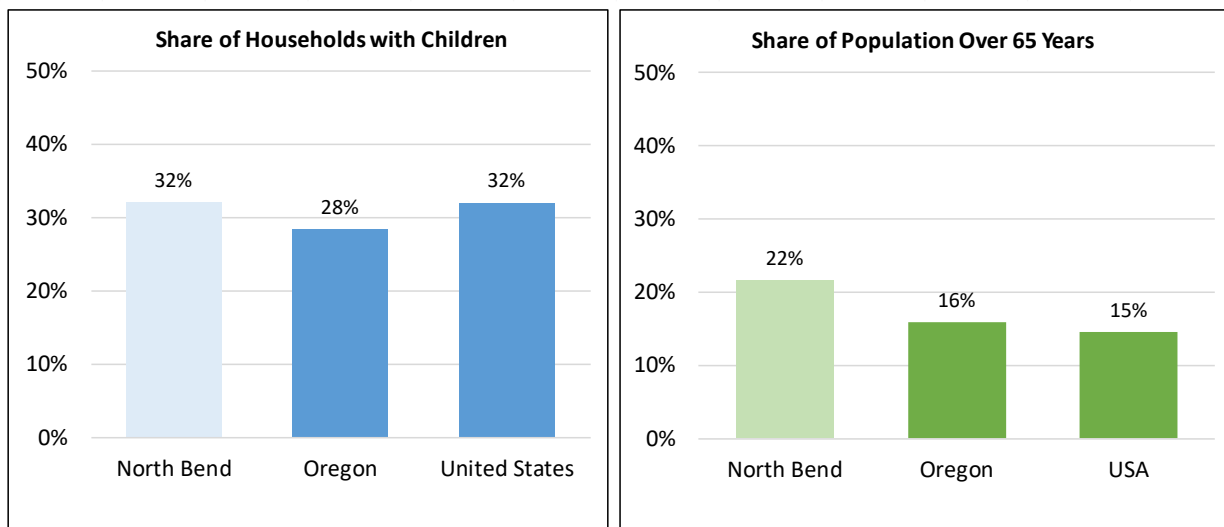


SOURCE: US Census, JOHNSON ECONOMICS LLC  
 Census Tables: QT-P1 (2000); S0101 (2019 ACS 5-yr Estimates)

- Despite the general aging of the population, an estimated 83% of the population is under 65 years of age.
- In the 2019 ACS, the local median age was an estimated 43 years, higher than the median of 39 years across Oregon.

Figure 2.5 presents the share of households with children, and the share of population over 65 years for comparison. Compared to the state, North Bend has a higher share of households with children, and a similar share to the US. At 22%, the share of population over 65 is significantly higher than the state and national figures.

**FIGURE 2.5: SHARE OF HOUSEHOLDS WITH CHILDREN/ POPULATION OVER 65 YEARS (NORTH BEND)**



SOURCE: US Census, JOHNSON ECONOMICS LLC  
 Census Tables: B11005; S0101 (2019 ACS 5-yr Estimates)

**G. INCOME TRENDS**

The following figure presents data on North Bend’s income trends.

**FIGURE 2.6: INCOME TRENDS, 2000 – 2022**

<b>PER CAPITA AND MEDIAN HOUSEHOLD INCOME</b>					
	<b>2000</b>	<b>2020</b>	<b>Growth</b>	<b>2022</b>	<b>Growth</b>
	<b>(Census)</b>	<b>(Census)</b>	<b>00-20</b>	<b>(Proj.)</b>	<b>10-22</b>
Per Capita (\$)	\$16,703	\$33,549	na	\$35,972	7%
Median HH (\$)	\$33,333	\$59,577	na	\$63,139	6%

SOURCE: Census, PSU Population Research Center, and Johnson Economics

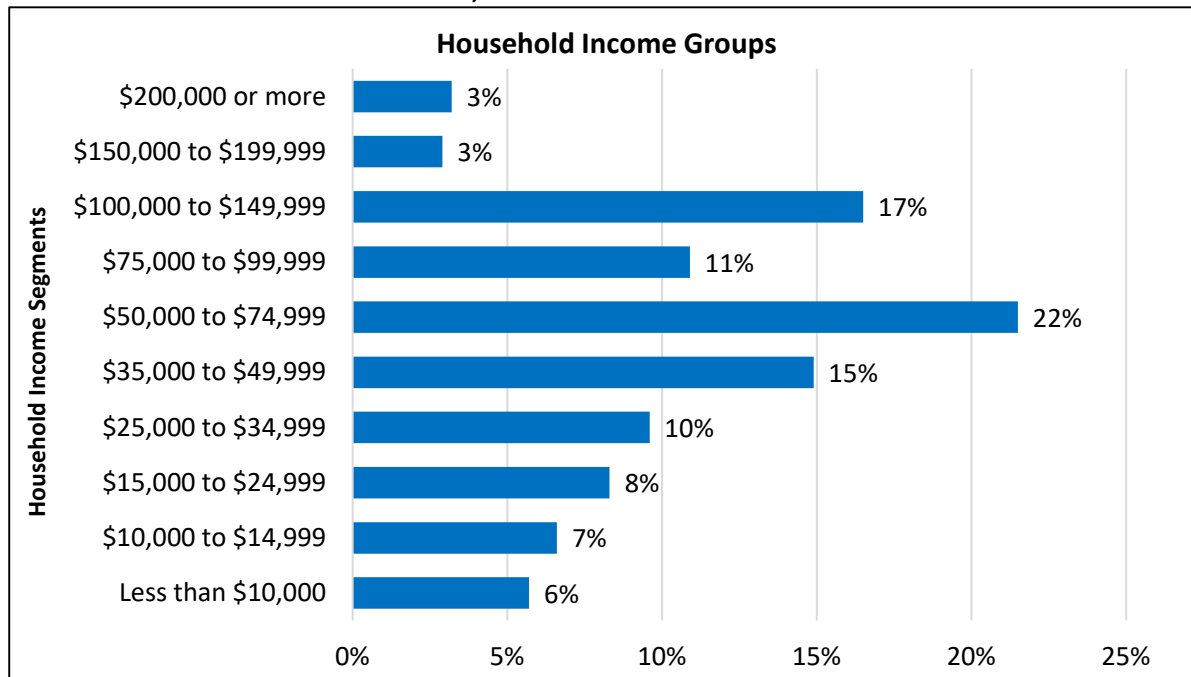
Census Tables: DP-1 (2000, 2010); DP-3 (2000); S1901; S19301

- North Bend’s estimated median household income was over \$63,000 in 2022. This is 20% higher than the Coos County median of \$49,500, and roughly 6% lower than the statewide median of \$67,000.
- North Bend’s per capita income is roughly \$36,000.
- Median income has grown an estimated 89% since 2000, in real dollars. Inflation was an estimated 56% over this period, so the local median income has well exceeded inflation. This is not the case in many regions and nationally, where income growth has not kept pace with inflation.

Figure 2.7 presents the estimated distribution of households by income as of 2019. The largest income cohorts are those households earning between \$50k and \$75k, followed by households earning between \$100,000 and \$150,000. Twenty-three percent of households earn more than \$100,000.

- 45% of households earn less than \$50k per year, while 55% of households earn \$50k or more.
- 21% of households earn less than \$25k per year.

**FIGURE 2.7: HOUSEHOLD INCOME COHORTS, 2019**



SOURCE: US Census, Census Tables: S1901 (2019 ACS 5-yr Est.)

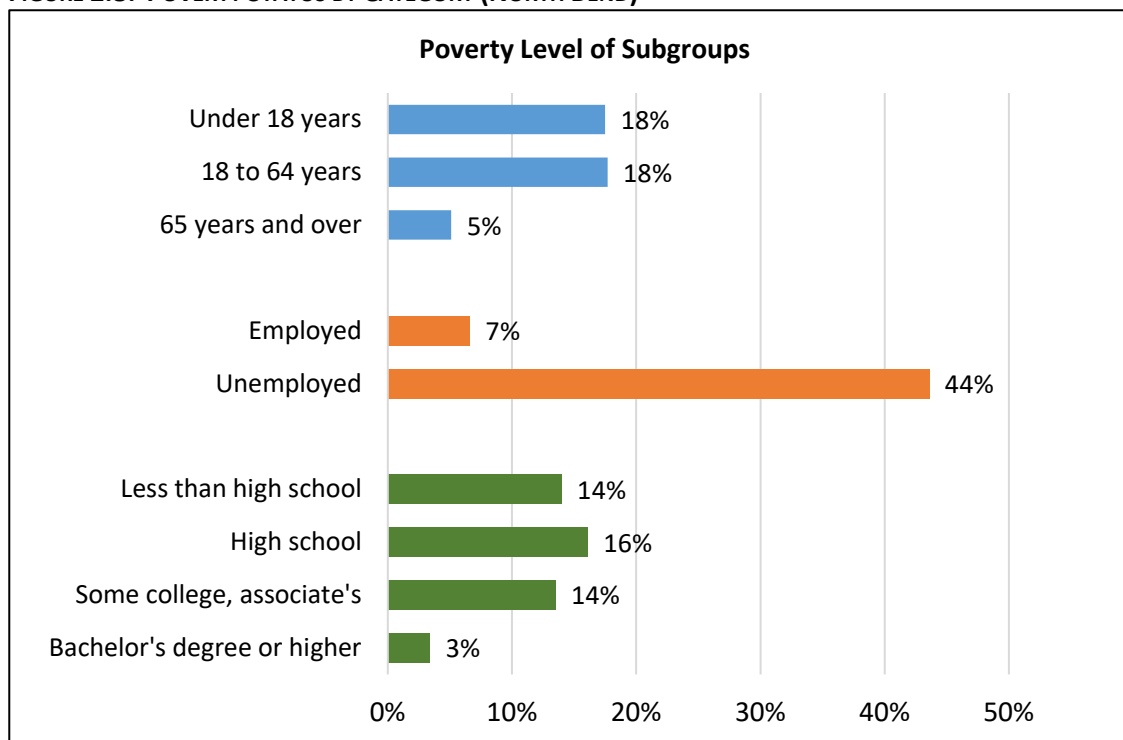
## H. POVERTY STATISTICS

According to the US Census, the official poverty rate in North Bend is an estimated 14.7% over the most recent period reported (2020 5-year estimates).<sup>3</sup> This is roughly 1,400 individuals in North Bend. In comparison, the official poverty rate in Coos County is 16%, and at the state level is 17%. In the 2016-20 period:

- The North Bend poverty rate is highest among children and those of prime working age, at 18%. The estimated rate for those 65 years of age and older is a lower 5%.
- For those with only a high school diploma, the poverty rate is 16%. For those with higher rates of education, that rate falls.
- Among those who are unemployed the poverty rate is a high 44%, while it is 7% for those who are employed.

Information on affordable housing is presented in Section III of this report.

**FIGURE 2.8: POVERTY STATUS BY CATEGORY (NORTH BEND)**



SOURCE: US Census  
Census Tables: S1701 (2020 ACS 5-yr Est.)

## I. EMPLOYMENT LOCATION TRENDS

This section provides an overview of employment and industry trends in North Bend that are related to housing.

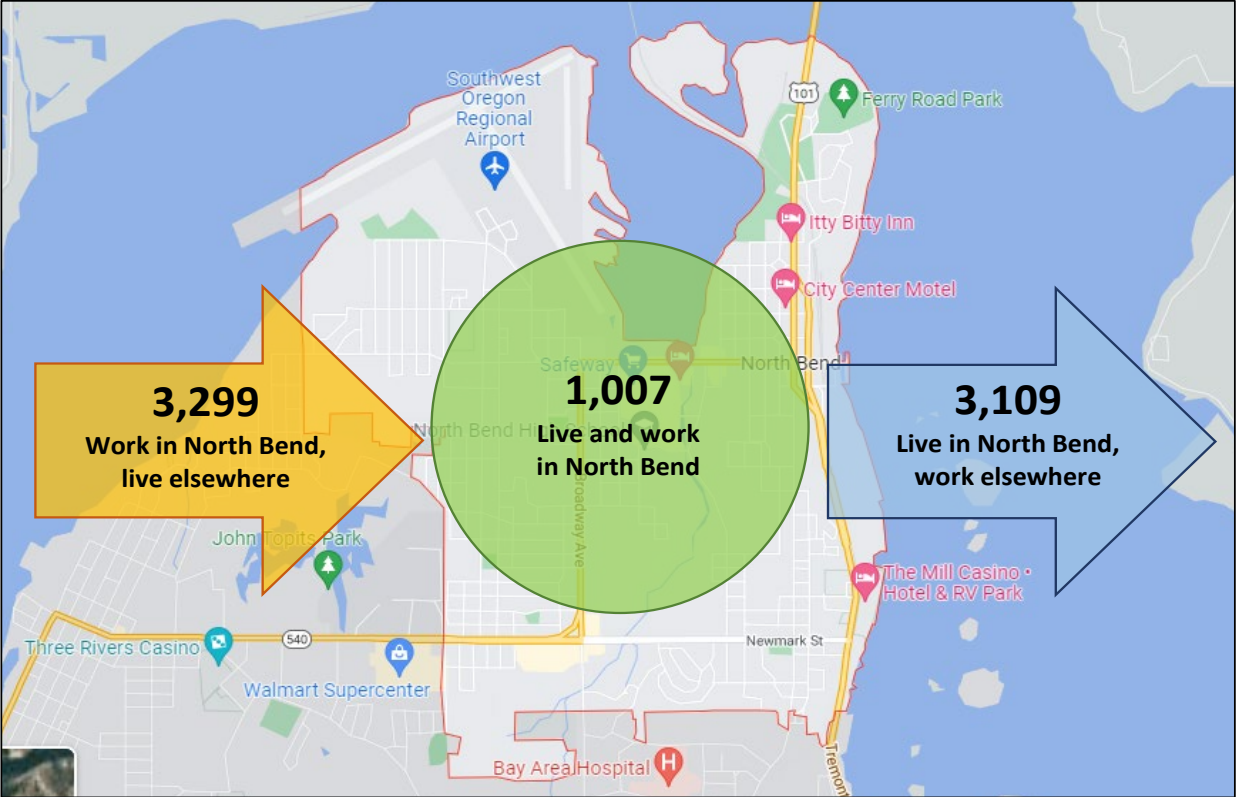
**Commuting Patterns:** The following figure shows the inflow and outflow of commuters to North Bend according to the Census Employment Dynamics Database. These figures reflect “covered employment” as of 2019, the most recent year available. Covered employment refers to those jobs where the employee is covered by federal unemployment insurance. This category does not include many contract employees and self-employed and therefore is not a complete picture of local employment. The figure discussed here is best understood as indicators of the general pattern of commuting and not exact figures.

<sup>3</sup> Census Tables: S1701 (2019 ACS 5-yr Estimates)

As of 2019, the Census estimated there were roughly 4,306 covered employment jobs located in North Bend. Of these, an estimated 1,007 or 23%, were held by local residents, while nearly 3,300 employees commuted into the city from elsewhere. This general pattern is fairly common among many communities within commuting distance of other cities and towns. The most common places of residence of workers commuting into the city are Coos Bay, Coquille, Bunker Hill and Lakeside.

Similarly, of the estimated 4,116 employed North Bend residents, 76% of them commute elsewhere to their employment. The most common destinations for North Bend commuters are Coos Bay, Coquille, and small shares in Roseburg or Medford.

**FIGURE 2.9: COMMUTING PATTERNS (PRIMARY JOBS), NORTH BEND**



Source: US Census Longitudinal Employer-Household Dynamics

**Jobs/Household Ratio:** North Bend features a balanced jobs-to-households ratio. There are an estimated 4,300 jobs in North Bend (covered), and an estimated 4,294 households in North Bend. This represents 1.0 jobs per household. There is no standard jobs-to-households ratio that is right for all communities, but it can provide a guide to the balance between employment uses and residential uses in the city. In the case of North Bend, there is a balance between the number jobs and number of working residents, though significant cross commuting as reflected above.

### III. CURRENT HOUSING CONDITIONS

This section presents a profile of the current housing stock and market indicators in North Bend. This profile forms the foundation to which current and future housing needs will be compared.

#### A. HOUSING TENURE

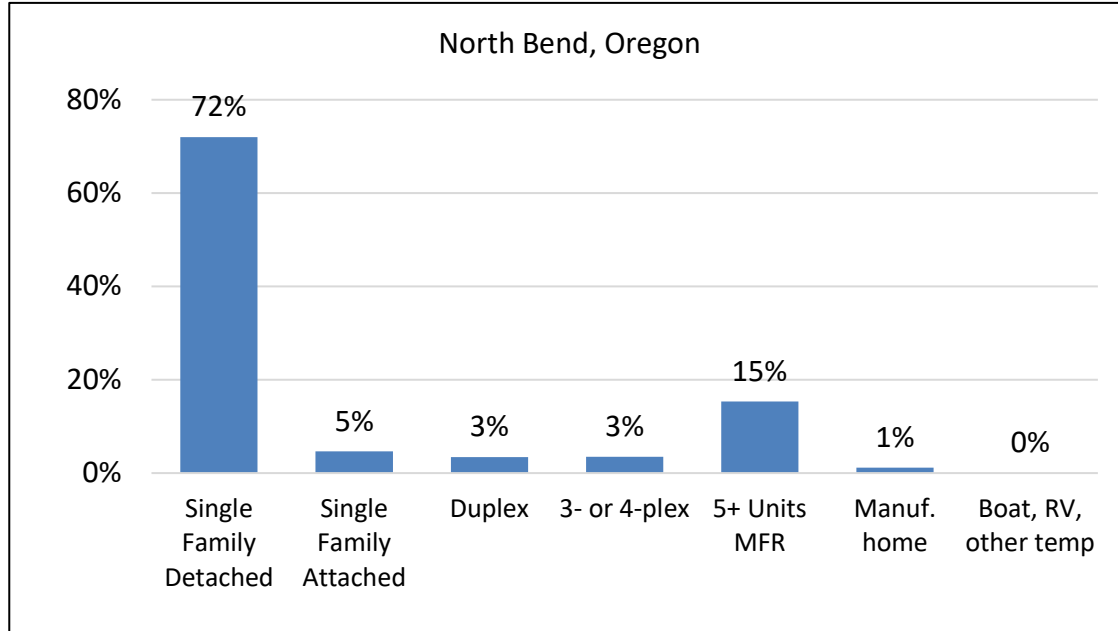
North Bend has a greater share of homeowner households than renter households. The 2019 American Community Survey estimates that 56% of occupied units were owner occupied, and 44% renter occupied. The ownership rate has fallen somewhat since 2000 (59%). During this period the statewide ownership rate fell to 61%. Nationally, the homeownership rate is now near the historical average of 65%.

The estimated ownership rate is higher across Coos County (63%) and statewide (61%).

#### B. HOUSING STOCK

As shown in Figure 2.1, North Bend had an estimated 4,620 housing units in 2022, with a vacancy rate of roughly 7% (includes ownership and rental units). The housing stock has increased by over 330 units since 2000, or growth of 7.5%.

**FIGURE 3.1: ESTIMATED SHARE OF UNITS, BY PROPERTY TYPE, 2022**



SOURCE: US Census, City of North Bend

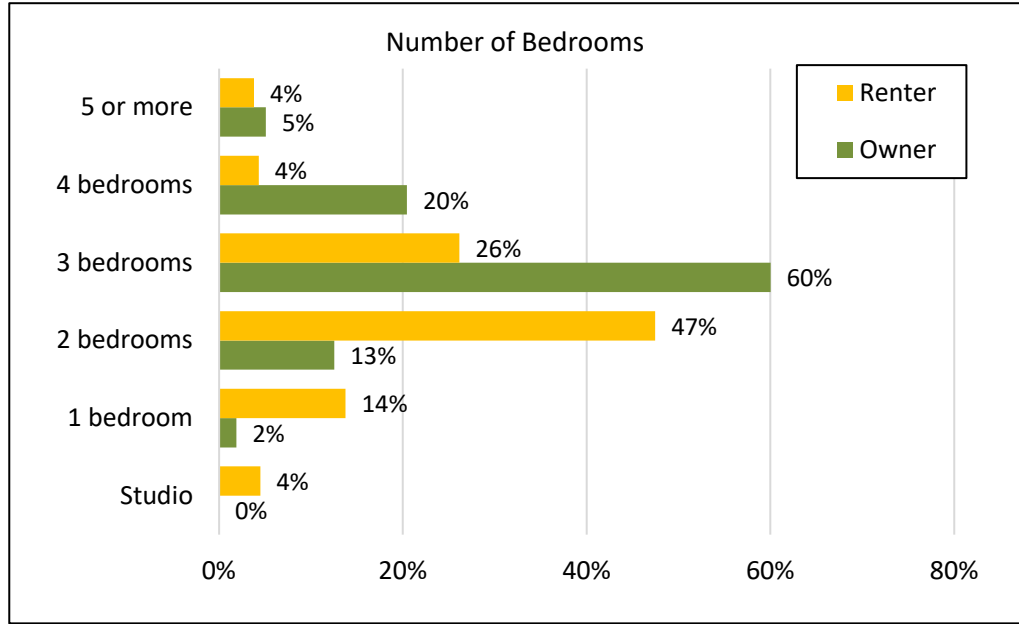
Figure 3.1 shows the estimated number of units by type in 2022 based on the US Census. Detached single-family homes represent an estimated 72% of housing units.

Units in larger apartment complexes of 5 or more units represent only 15% of units, and other types of attached homes represent an additional 11% of units. (Attached single family generally includes townhomes, and some 2 to 4-plexes which are separately metered.) Manufactured homes represent 1% of housing units.

#### C. NUMBER OF BEDROOMS

Figure 3.2 shows the share of units for owners and renters by the number of bedrooms they have. In general, owner-occupied units are much more likely to have three or more bedrooms, while renter-occupied units are more likely to have two or fewer bedrooms. However, rental units with three or more bedrooms do make up nearly 35% of units.

**FIGURE 3.2: NUMBER OF BEDROOMS FOR OWNER AND RENTER UNITS, 2019**



SOURCE: US Census  
Census Tables: B25042 (2019 ACS 5-year Estimates)

**D. UNIT TYPES BY TENURE**

As Figure 3.3 and 3.4 show, a large share of owner-occupied units (95%), are detached homes, which is related to why owner-occupied units tend to have more bedrooms. Renter-occupied units are much more distributed among a range of structure types. About 45% of rented units are estimated to be detached homes, while the remainder are some form of attached unit. Nearly 33% of rental units are in larger apartment complexes.

**FIGURE 3.3: CURRENT INVENTORY BY UNIT TYPE, FOR OWNERSHIP AND RENTAL HOUSING**

**OWNERSHIP HOUSING**

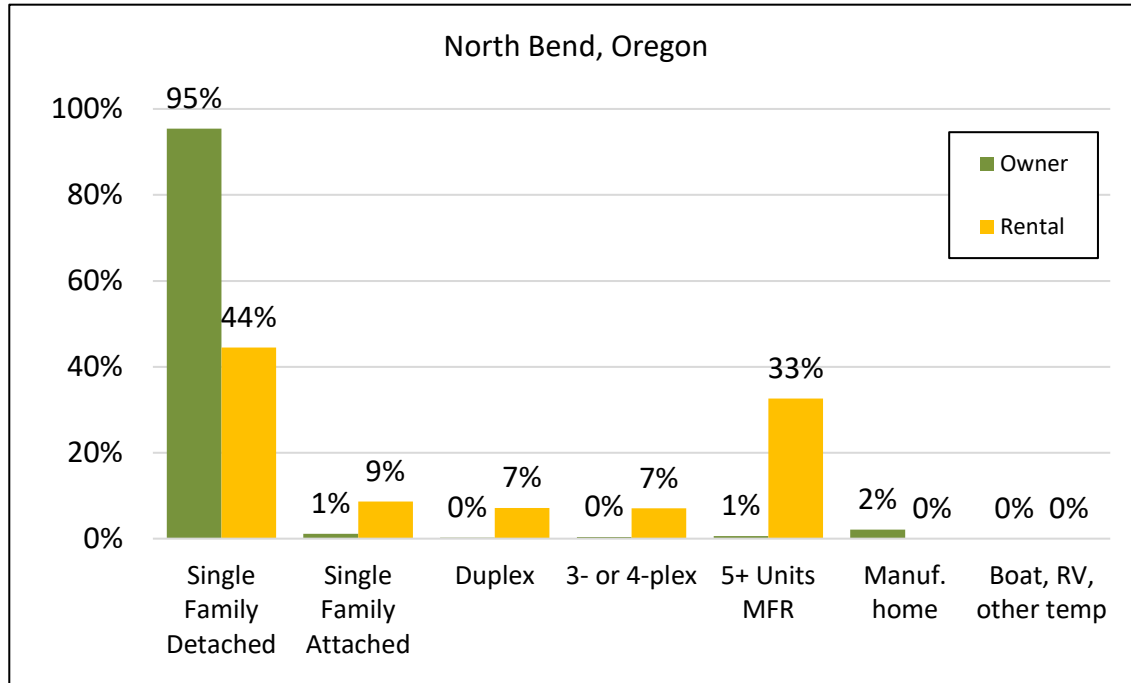
OWNERSHIP HOUSING							
	Single Family Detached	Single Family Attached	Duplex	3- or 4-plex	5+ Units MFR	Manuf. home	Total Units
<b>Totals:</b>	2,397	30	6	10	15	54	2,512
<b>Percentage:</b>	95.4%	1.2%	0.2%	0.4%	0.6%	2.2%	100%

**RENTAL HOUSING**

RENTAL HOUSING							
	Single Family Detached	Single Family Attached	Duplex	3- or 4-plex	5+ Units MFR	Manuf. home	Total Units
<b>Totals:</b>	951	185	154	151	698	0	2,139
<b>Percentage:</b>	44.5%	8.6%	7.2%	7.1%	32.6%	0.0%	100%

Sources: US Census, JOHNSON ECONOMICS, CITY OF NORTH BEND

**FIGURE 3.4: CURRENT INVENTORY BY UNIT TYPE, BY SHARE**

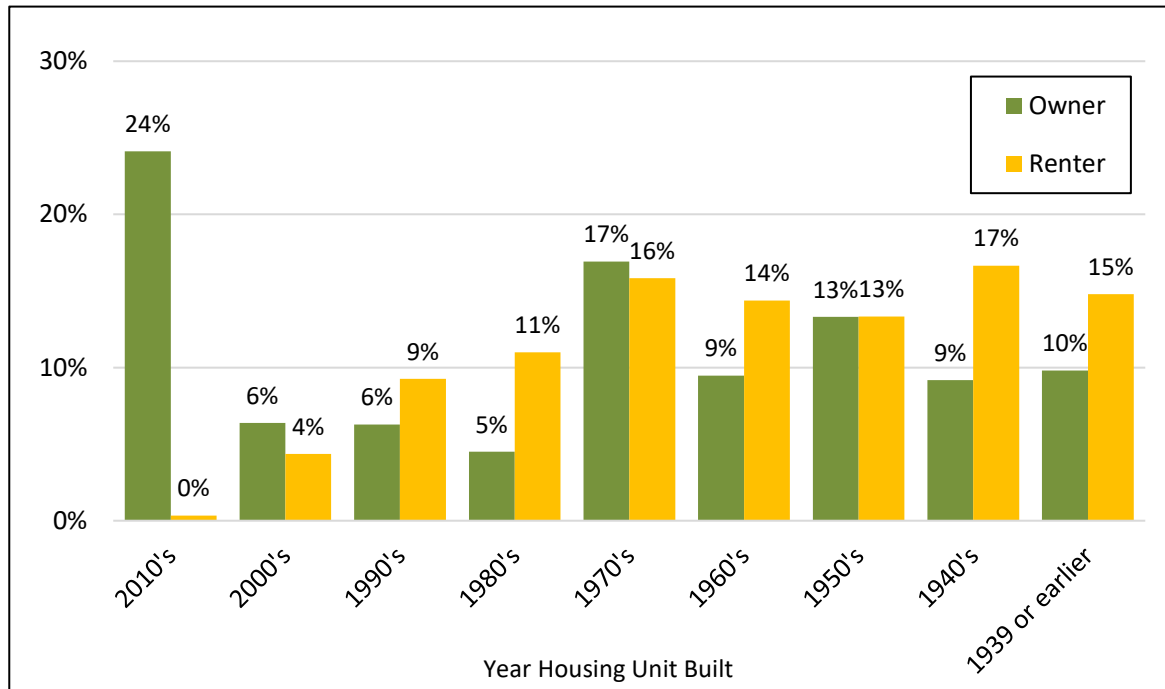


Sources: US Census, JOHNSON ECONOMICS, CITY OF NORTH BEND

**E. AGE AND CONDITION OF HOUSING STOCK**

North Bend’s housing stock reflects the pattern of development over time. An estimated 24% of owner housing has been built over the last decade, while much of the rental stock was built in the 1970’s or prior. (This does not reflect some apartment complexes permitted in the last two years.)

**FIGURE 3.5: AGE OF UNITS FOR OWNERS AND RENTERS**



SOURCE: US Census  
 Census Tables: B25036 (2019 ACS 5-year Estimates)

- Unfortunately, good quantitative data on housing condition is generally unavailable without an intensive on-site survey of all local housing that is beyond the scope of this analysis. Census categories related to housing condition are ill-suited for this analysis, dealing with such issues as units without indoor plumbing, which was more common in the mid-20<sup>th</sup> Century, but is an increasingly rare situation. Age of units serves as the closest reliable proxy for condition with available data.
- For ownership units, older homes may be in poor condition, but are also more likely to have undergone some repair and renovation over the years. Rental units are more likely to degrade steadily with age and wear-and-tear, and less likely to receive sufficient reinvestment to keep them in top condition, though this is not universally true.

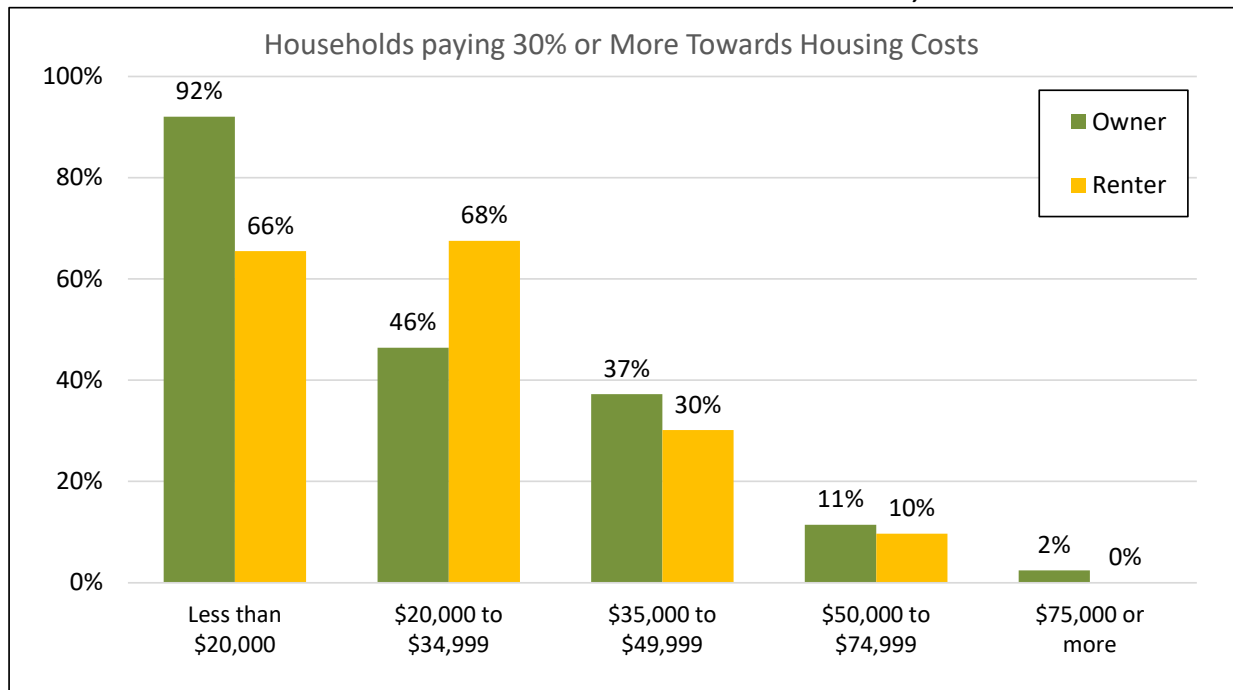
**F. HOUSING COSTS VS. LOCAL INCOMES**

Figure 3.6 shows the share of owner and renter households who are paying more than 30% of their household income towards housing costs, by income segment. (Spending 30% or less on housing costs is a common measure of “affordability” used by HUD and others, and in the analysis presented in this report.)

As one would expect, households with lower incomes tend to spend more than 30% of their income on housing, while incrementally fewer of those in higher income groups spend more than 30% of their incomes on housing costs. Of those earning less than \$20,000, it is estimated that most owner and renter households spend more than 30% of income on housing costs.

In total, the US Census estimates that over 27% of North Bend households pay more than 30% of income towards housing costs (2019 American Community Survey, B25106)

**FIGURE 3.6: SHARE OF HOUSEHOLDS SPENDING MORE THAN 30% ON HOUSING COSTS, BY INCOME GROUP**



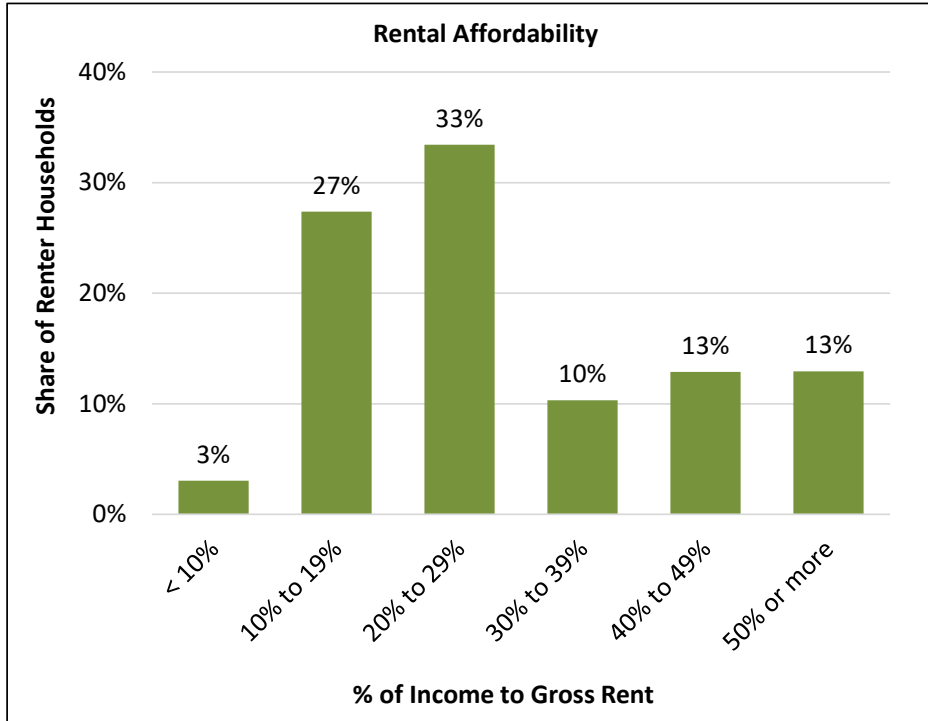
Sources: US Census, JOHNSON ECONOMICS  
 Census Table: B25106 (2019 ACS 5-yr Estimates)

Housing is generally one of a household’s largest living costs, if not the largest. The ability to find affordable housing options, and even build wealth through ownership, is one of the biggest contributors to helping lower income households save and cultivate wealth. Even if renting, affordable housing costs allow for more household income to be put to other needs, including saving.

The following figures shows the percentage of household income spent towards gross rent<sup>4</sup> for local renter households only. This more fine-grained data shows that not only are 36% of renters spending more than 30% of their income on gross rent, but an estimated 13% of renters are spending 50% or more of their income on housing and are considered severely rent-burdened.

Renters are disproportionately lower income relative to homeowners. Housing cost burdens are felt more broadly for these households, and as the analysis presented in a later section shows there is a need for more affordable rental units in North Bend, as in most communities.

**FIGURE 3.7: PERCENTAGE OF HOUSEHOLD INCOME SPENT ON GROSS RENT, NORTH BEND RENTER HOUSEHOLDS**



Sources: US Census, JOHNSON ECONOMICS  
 Census Table: B25070 (2019 ACS 5-yr Estimates)

### G. PUBLICLY ASSISTED HOUSING

North Bend is home to 156 subsidized affordable units in seven separate properties. Most units are for families (141), with smaller share for the disabled (2), veterans (11), or those in recovery from substance abuse (8). These are properties that are funded through HUD programs, tax credits and other programs which guarantee subsidized rents for qualified households.

The high share of renters paying over 30% of their income towards housing costs indicates that there is an ongoing need for rental units at the lowest price points.

**Agricultural Worker Housing:** North Bend does not currently feature any properties or units dedicated to agricultural workers.

#### Homelessness:

The one-night homeless count conducted in 2019 found 613 total unsheltered homeless individuals in Coos County, a rate of over 9 persons per 1,000. The count found 483 unsheltered individuals, or 79% of the homeless, and 130 individuals who were in some form of temporary shelter. These data do not include the impacts of the recent

<sup>4</sup> The Census defines Gross Rent as “the contract rent plus the estimated average monthly cost of utilities (electricity, gas, and water and sewer) and fuels (oil, coal, kerosene, wood, etc.) if these are paid by the renter (or paid for the renter by someone else).” Housing costs for homeowners include mortgage, property taxes, insurance, utilities and condo or HOA dues.

recession and impacts of Covid. The actual number of homeless individuals is likely more than this. In particular, those staying temporarily in the homes of friends and family are in a precarious housing situation, but unlikely to be counted in the one-night count. Data from the Oregon Coast Community Action count found 185 homeless individuals in North Bend, and 98 households.

At a rate of 9.4 homeless person per 1,000, Coos County had a rate significantly higher than the statewide average of 2.4/1,000. The counties with the highest rates of homelessness are the large urban counties, and the coast. The rate of homelessness speaks to the need for continuing to build a full spectrum of services and housing types to shelter this population, from temporary shelter to subsidized affordable housing.

While the Point-in-Time count is one of the few systematized efforts to count homelessness across the country in a regular, structured way, it is widely thought to undercount the population of homeless and precarious households. In addition, to the impossibility of finding all homeless people on the streets, the count is conducted in late January, when homeless counts are likely near their lowest of the year due to the inclement weather and relies on self-reporting.

An analysis of the ability of current and projected housing supply to meet the needs of low-income people, and the potential shortfall is included in the following sections of this report.

#### IV. CURRENT HOUSING NEEDS (CITY OF NORTH BEND)

The profile of current housing conditions in the study area is based on Census 2020, which the Portland State University Population Research Center (PRC) uses to develop yearly estimates through 2021. The 2020 estimate is forecasted to 2022 using the estimated growth rate realized since 2010.

**FIGURE 4.1: CURRENT HOUSING PROFILE (2022)**

CURRENT HOUSING CONDITIONS (2022)		SOURCE
Total 2022 Population:	10,436	PSU Pop. Research Center
- Estimated group housing population:	<u>88</u> (0.8% of Total)	US Census
<b>Estimated Non-Group 2022 Population:</b>	<b>10,348</b> (Total - Group)	
Avg. HH Size:	2.40	US Census
<b>Estimated Non-Group 2022 Households:</b>	<b>4,312</b> (Pop/HH Size)	
<b>Total Housing Units:</b>	<b>4,651</b> (Occupied + Vacant)	Census 2010 + permits
Occupied Housing Units:	4,312 (= # of HH)	
Vacant Housing Units:	339 (Total HH - Occupied)	
Current Vacancy Rate:	7.3% (Vacant units/ Total units)	

Sources: Johnson Economics, City of North Bend, PSU Population Research Center, U.S. Census

\*This table reflects population, household and housing unit projections shown in Figure 2.1

There is an estimated current population of roughly 10,440 residents, living in 4,312 households (excluding group living situations). Average household size is 2.4 persons.

There are an estimated 4,650 housing units in the city, indicating an estimated vacancy rate of 7%. This includes units vacant for any reason, not just those which are currently for sale or rent.

##### ESTIMATE OF CURRENT HOUSING DEMAND

Following the establishment of the current housing profile, the current housing demand was determined based upon the age and income characteristics of current households.

The analysis considered the propensity of households in specific age and income levels to either rent or own their home (tenure), in order to derive the current demand for ownership and rental housing units and the appropriate housing cost level of each. This is done by combining data on tenure by age and tenure by income from the Census American Community Survey (tables: B25007 and B25118, 2019 ACS 5-yr Estimates).

The analysis takes into account the average amount that owners and renters tend to spend on housing costs. For instance, lower income households tend to spend more of their total income on housing, while upper income households spend less on a percentage basis. In this case, it was assumed that households in lower income bands would *prefer* housing costs at no more than 30% of gross income (a common measure of affordability). Higher income households pay a decreasing share down to 20% for the highest income households.

While the Census estimates that most low-income households pay more than 30% of their income for housing, this is an estimate of current *preferred* demand. It assumes that low-income households prefer (or demand) units affordable to them at no more than 30% of income, rather than more expensive units.

Figure 4.2 presents a snapshot of current housing demand (i.e. preferences) equal to the number of households in the study area (4,312). The breakdown of tenure (owners vs. renters) reflects data from the 2020 ACS.

**FIGURE 4.2: ESTIMATE OF CURRENT HOUSING DEMAND (2022)**

Ownership				
Price Range	# of Households	Income Range	% of Total	Cumulative
\$0k - \$80k	113	Less than \$15,000	4.8%	4.8%
\$80k - \$130k	112	\$15,000 - \$24,999	4.8%	9.6%
\$130k - \$180k	128	\$25,000 - \$34,999	5.4%	15.0%
\$180k - \$240k	213	\$35,000 - \$49,999	9.1%	24.1%
\$240k - \$320k	410	\$50,000 - \$74,999	17.4%	41.5%
\$320k - \$370k	383	\$75,000 - \$99,999	16.3%	57.8%
\$370k - \$440k	276	\$100,000 - \$124,999	11.7%	69.5%
\$440k - \$510k	226	\$125,000 - \$149,999	9.6%	79.1%
\$510k - \$680k	291	\$150,000 - \$199,999	12.4%	91.5%
\$680k +	199	\$200,000+	8.5%	100.0%
<b>Totals:</b>	<b>2,351</b>		<b>% of All:</b>	<b>54.5%</b>

Rental				
Rent Level	# of Households	Income Range	% of Total	Cumulative
\$0 - \$400	317	Less than \$15,000	16.2%	16.2%
\$400 - \$700	218	\$15,000 - \$24,999	11.1%	27.3%
\$700 - \$900	237	\$25,000 - \$34,999	12.1%	39.3%
\$900 - \$1200	356	\$35,000 - \$49,999	18.1%	57.5%
\$1200 - \$1600	443	\$50,000 - \$74,999	22.6%	80.1%
\$1600 - \$1900	176	\$75,000 - \$99,999	9.0%	89.1%
\$1900 - \$2200	114	\$100,000 - \$124,999	5.8%	94.9%
\$2200 - \$2500	84	\$125,000 - \$149,999	4.3%	99.2%
\$2500 - \$3400	10	\$150,000 - \$199,999	0.5%	99.7%
\$3400 +	6	\$200,000+	0.3%	100.0%
<b>Totals:</b>	<b>1,961</b>		<b>% of All:</b>	<b>45.5%</b>

<b>All Households</b>	<b>4,312</b>
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Sources: PSU Population Research Center, Environics Analytics., Census, JOHNSON ECONOMICS  
 Census Tables: B25007, B25106, B25118 (2019 ACS 5-yr Estimates)  
 Environics Analytics: Estimates of income by age of householder

The estimated home price and rent ranges are irregular because they are mapped to the affordability levels of the Census income level categories. For instance, an affordable home for those in the lowest income category (less than \$15,000) would have to cost \$80,000 or less. Affordable rent for someone in this category would be \$400 or less.

The affordable price level for ownership housing assumes 30-year amortization, at an interest rate of 5% (less than the current rate of 6.7%, but in line with historic norms), with 10% down payment. These assumptions are designed to represent prudent lending and borrowing levels for ownership households. The 30-year mortgage commonly serves as the standard. In the 2000's, down payment requirements fell significantly, but standards have tightened somewhat since the 2008/9 credit crisis. While 20% is often cited as the standard for most buyers, it is common for homebuyers, particularly first-time buyers, to pay significantly less than this using available programs.

Interest rates are subject to disruption from national and global economic forces, and therefore impossible to forecast beyond the short term. The 5% used here is roughly the average 30-year rate over the last 20 years. The general trend has been falling interest rates since the early 1980's, but coming out of the recent recession, many economists believe that rates cannot fall farther and must begin to climb as the Federal Reserve raises its rate over the coming years.

Since the 2020 Covid-19 emergency, the Federal Reserve has again cut their benchmark funds rate to near zero, which has reduced mortgage rates moderately, but not dramatically. The economic uncertainty has the effect of making lenders more cautious, and this can balance the effect of a lower federal rate.

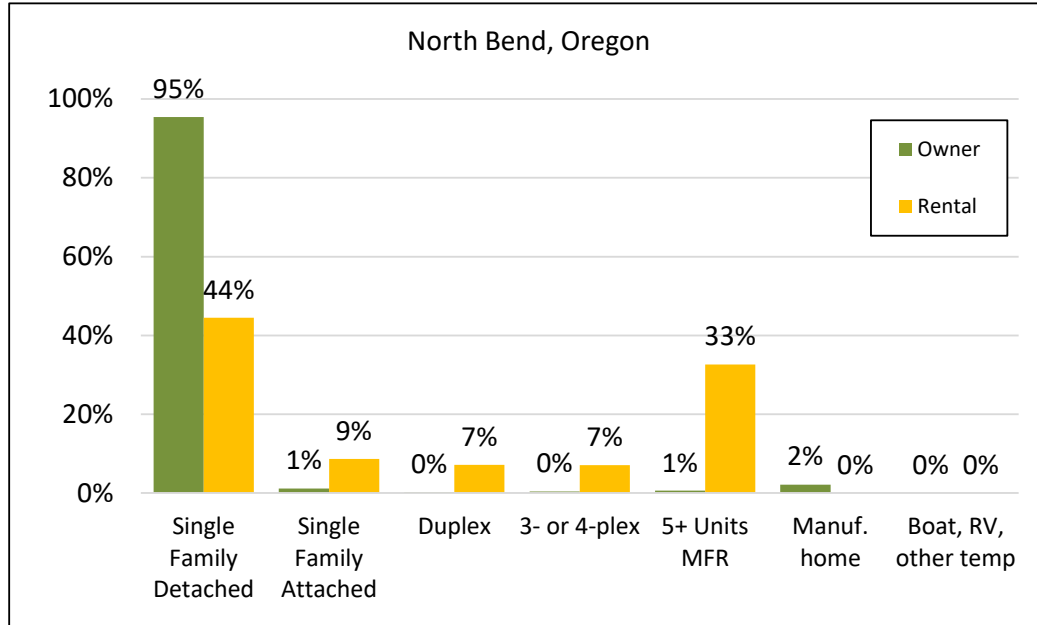
### **CURRENT HOUSING INVENTORY**

The profile of current housing demand (Figure 4.2) represents the preference and affordability levels of households. In reality, the current housing supply (Figures 4.3 and 4.4 below) differs from this profile, meaning that some households may find themselves in housing units which are not optimal, either not meeting the household's own/rent preference, or being unaffordable (requiring more than 30% of gross income).

A profile of current housing supply in North Bend was estimated based on permit data from the City of North Bend and Census data from the most recently available 2020 ACS, which provides a profile of housing types (single family, attached, manufactured home, etc.), tenure, housing values, and rent levels. The 5-year estimates from the ACS were used because 3-year and 1-year estimates are not yet available for North Bend geography.

- An estimated 54% of housing units are ownership units, while an estimated 46% of housing units are rental units. This is similar to the estimated demand profile shown in Figure 4.2. The inventory includes vacant units.
- 95% of ownership units are detached homes, along with 2% manufactured homes and a few attached units. 44% percent of rental units are single family homes, while 56% are in structures of 5 units or more.
- Of total housing units, an estimated 72% are detached homes, and an additional 1% are manufactured homes. Twenty-seven percent are some sort of attached unit type.
- The affordability of different unit types is an approximation based on Census data on the distribution of housing units by value (ownership) or gross rent (rentals).
- Most subsidized affordable housing units found in the city are represented by the inventory at the lowest end of the rental spectrum.
- Ownership housing found at the lower end of the value spectrum generally reflect older, smaller homes, or homes in poor condition on small or irregular lots. **It is important to note that these represent estimates of current property value or current housing cost to the owner, not the current market pricing of homes for sale in the city.** These properties may be candidates for redevelopment when next they sell but are currently estimated to have low value.
- Most housing in North Bend is found in price and rent levels affordable to those earning at least \$25,000 per year. Eighteen percent of housing is estimated to be affordable to those earning less than this. These figures reflect the entire supply of housing, much of which has either an existing mortgage or rental rate that has not changed recently. Costs for new housing coming on the market tend to be higher than these averages.

**FIGURE 4.3: PROFILE OF CURRENT HOUSING SUPPLY BY TYPE (2022)**



Sources: US Census, PSU Population Research Center, JOHNSON ECONOMICS  
 Census Tables: B25004, B25032, B25063, B25075 (2019 ACS 5-yr Estimates)

**FIGURE 4.4: PROFILE OF CURRENT HOUSING SUPPLY, ESTIMATED AFFORDABILITY (2022)**

Income Range	Ownership Housing		Rental Housing		Share of Total Units
	Affordable Price Level	Estimated Units	Affordable Rent Level	Estimated Units	
Less than \$15,000	\$0k - \$80k	109	\$0 - \$400	195	7%
\$15,000 - \$24,999	\$80k - \$130k	159	\$400 - \$700	366	11%
\$25,000 - \$34,999	\$130k - \$180k	693	\$700 - \$900	439	24%
\$35,000 - \$49,999	\$180k - \$240k	642	\$900 - \$1200	617	27%
\$50,000 - \$74,999	\$240k - \$320k	371	\$1200 - \$1600	319	15%
\$75,000 - \$99,999	\$320k - \$370k	203	\$1600 - \$1900	78	6%
\$100,000 - \$124,999	\$370k - \$440k	171	\$1900 - \$2200	39	5%
\$125,000 - \$149,999	\$440k - \$510k	69	\$2200 - \$2500	20	2%
\$150,000 - \$199,999	\$510k - \$680k	67	\$2500 - \$3400	13	2%
\$200,000+	\$680k +	28	\$3400 +	53	2%
		54% 2,512	46% 2,139		

Sources: US Census, PSU Population Research Center, JOHNSON ECONOMICS  
 Census Tables: B25004, B25032, B25063, B25075 (2020 ACS 5-yr Estimates)

**COMPARISON OF CURRENT HOUSING DEMAND WITH CURRENT SUPPLY**

A comparison of estimated current housing *demand* with the existing *supply* identifies the existing discrepancies between needs and the housing which is currently available. The estimated number of units outnumbers the number of households by roughly 340 units, indicating an average vacancy rate of 7%.

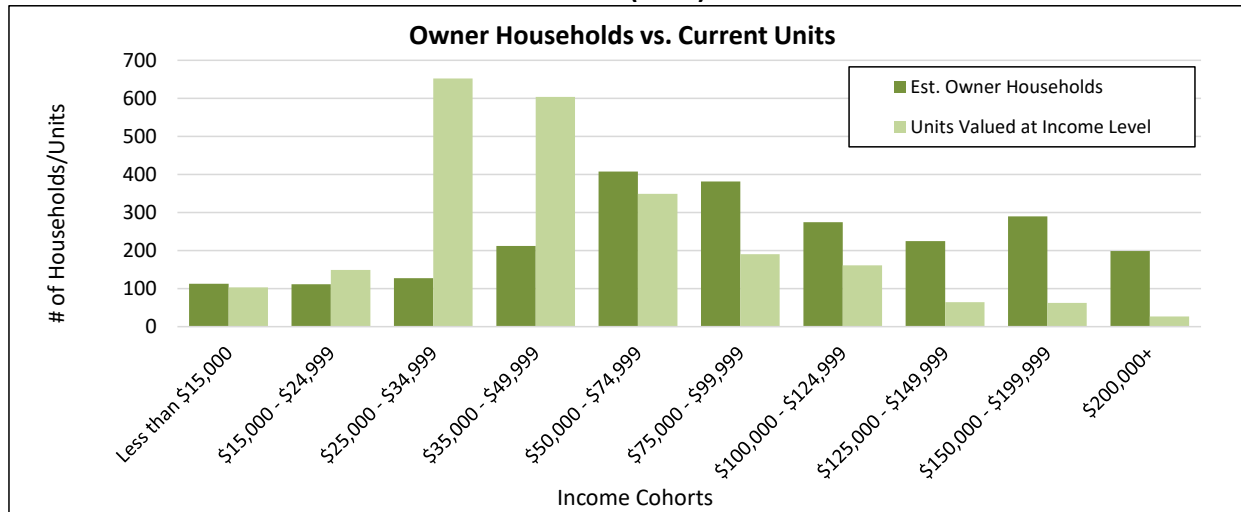
In general, this identifies that the middle portion of the market is generally well supplied for ownership households. There is a finding that upper income households in North Bend could perhaps support some more expensive

housing supply, though new housing built in recent years is filling this niche. The largest supply is found around the middle price points, near the median home price, while income is more broadly distributed.

The analysis finds that the current market rates for most rental units are in the \$800 to \$1,200/month range. Therefore, this is where most of the rental unit supply is currently clustered. There is support for more rental housing appropriate for the lowest income households. Rentals at the most expensive levels generally represent single family homes for rent.

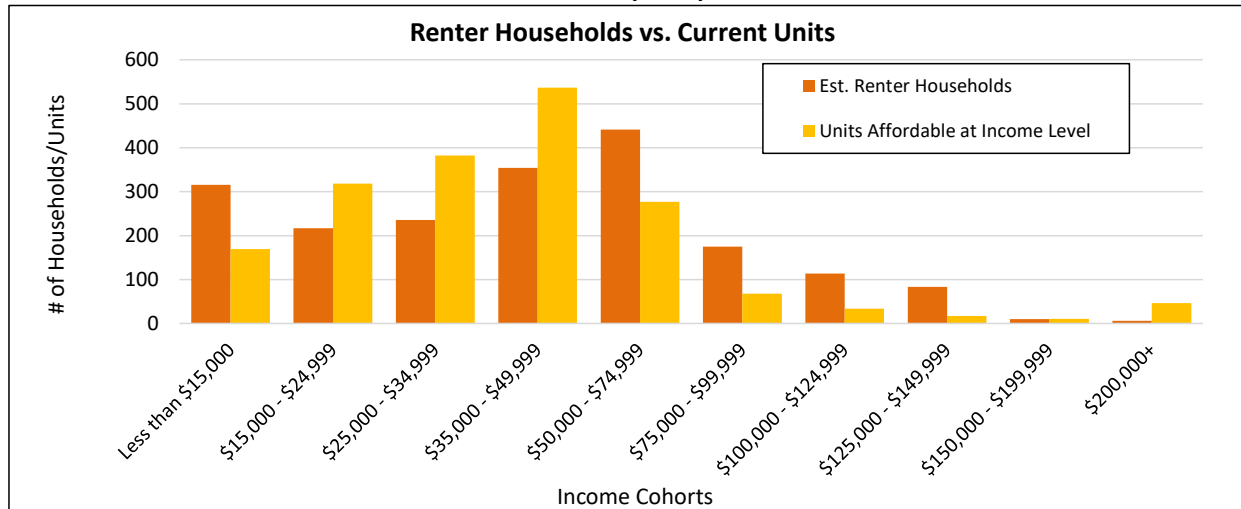
Figures 4.5 and 4.6 present this information in chart form, comparing the estimated number of households in given income ranges, and the supply of units currently valued (ownership) or priced (rentals) within those income ranges. The data is presented for owner and renter households.

**FIGURE 4.5: COMPARISON OF OWNER HOUSEHOLD INCOME GROUPS TO ESTIMATED SUPPLY AFFORDABLE AT THOSE INCOME LEVELS (2022)**



Sources: PSU Population Research Center, City of North Bend, Census, JOHNSON ECONOMICS

**FIGURE 4.6: COMPARISON OF RENTER HOUSEHOLD INCOME GROUPS TO ESTIMATED SUPPLY AFFORDABLE AT THOSE INCOME LEVELS (2022)**



Sources: PSU Population Research Center, City of North Bend, Census, JOHNSON ECONOMICS

The home value and rent segments which show a “surplus” in Figures 4.5 and 4.6 illustrate where current property values and market rent levels are in North Bend. Housing prices and rent levels will tend to congregate around those market levels. These levels will be too costly for some (i.e. require more than 30% in gross income) or “too

affordable” for others (i.e. they have income levels that indicate they could afford more expensive housing if it were available and they had the preference).

In general, these findings demonstrate that estimated incomes in the city have outpaced the estimated value of available housing for some owners. There is support for rentals for the lowest income households, as well as some rentals for higher-income households.

**HOME SALE PRICES**

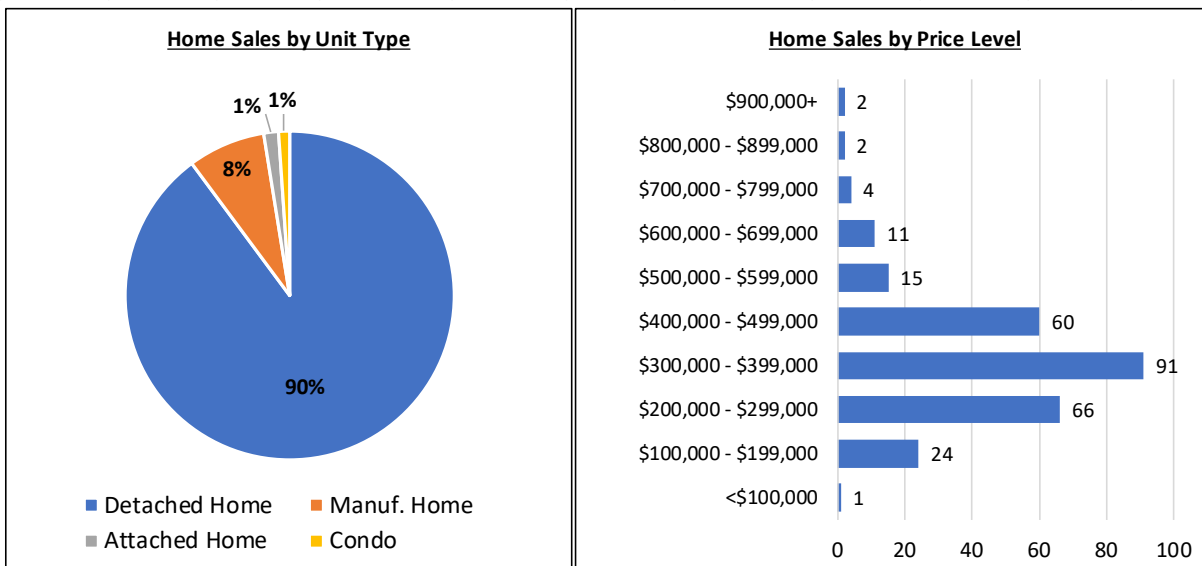
It is important to note that the figures presented in the prior section represent estimates of current *property value or current housing cost to the owner*, not the current market pricing of homes for sale in the city. For instance, a household living in a manufactured home that has been paid off over many years may have relatively low housing costs. This indicates that one owner household is living in a “lower value” unit. It does **not** indicate that units at this price point are available on the current market.

If this hypothetical household were to sell their home, it would sell at a higher price reflecting inflation and current achievable market prices. For this reason, many of the lower value or lower rent units found in the previous section will actually become higher-priced units when they are sold or become vacant.

For reference, this section presents home sales data from 2021 to indicate housing costs for new entrants into the market (Figure 4.7).

- The median sale price was \$348,000.
- The average (mean) sale price was a similar \$366,000.
- The average price per square foot was \$217/s.f.
- The median square footage was 1,592 s.f.

**FIGURE 4.7: NORTH BEND HOME SALES (12 MONTHS)**



Sources: RMLS, JOHNSON ECONOMICS

- 24% of sales were priced between \$200,000 and \$299,000.
- 33% of sales were priced between \$300,000 and \$399,000.
- 22% of sales were priced between \$400,000 and \$499,000.
- 12% of sales were priced at \$500,000 or more.
- 9% of sales were priced below \$200,000.

**Affordability:** As indicated, 57% of recent sales (reviewed in Spring 2022 in North Bend) took place within the \$200,000 to \$400,000 price range. Homes in this range should be mostly affordable to households earning between roughly \$40,000 and \$75,000. An estimated 24% of local households fall within these income segments.

Roughly 17% of households earn less than \$40,000 per year, meaning that the bulk of housing supply on the current for-sale market is likely too expensive for most of these households.

\* \* \*

The findings of current need form the foundation for projected future housing need, presented in the following section.

## V. FUTURE HOUSING NEEDS – 2042 (CITY OF NORTH BEND)

The projected future (20-year) housing profile (Figure 5.1) in the UGB study area is based on the current housing profile (2022), multiplied by an assumed projected future household growth rate. The projected future growth is the forecasted 2042 population for the City of North Bend UGB included in the most recent forecast from the PSU Population Forecast program (2022). This forecast estimates that the North Bend population will grow at a slow rate of 0.3% annually between 2022 and 2042. It should be noted that this 0.3% annual growth rate would be slower than the annual rate experienced since 2010, which is estimated at 0.6%.

While the City is required to use the growth rates established by PSU for the purposes of this analysis, these growth rates may underestimate the extent of growth the community could experience in the next 10-20 years. Community members and leaders in North Bend note that there currently are unmet demands for needed housing and economic development initiatives could further stimulate additional population growth and housing demand. If the community is successful in attracting new jobs, population and housing needs could significantly exceed the projections established by PSU and used in this analysis.

**FIGURE 5.1: FUTURE HOUSING PROFILE (2042)**

PROJECTED FUTURE HOUSING CONDITIONS (2022 - 2042)		SOURCE
2022 Population (Minus Group Pop.)	10,348	PSU
Projected Annual Growth Rate	0.3% PSU Forecast Program	PSU
2042 Population (Minus Group Pop.)	10,922 (Total 2042 Population - Group Housing Pop.)	
Estimated group housing population:	93 Share of total pop. (0.8%)	US Census
<b>Total Estimated 2042 Population:</b>	<b>11,015</b>	
<b>Estimated Non-Group 2042 Households:</b>	<b>4,551</b> (2042 Non-Group Pop./Avg. Household Size)	
New Households 2022 to 2042	239	
Avg. Household Size:	2.40 Projected household size	US Census
<b>Total Housing Units:</b>	<b>4,909</b> Occupied Units plus Vacant	
Occupied Housing Units:	4,551 (= Number of Non-Group Households)	
Vacant Housing Units:	358 (= Total Units - Occupied Units)	
Projected Market Vacancy Rate:	7.3% (Vacant Units/ Total Units)	

Sources: PSU Population Research Center, Census, JOHNSON ECONOMICS LLC

\*Projections are applied to estimates of 2021 population, household and housing units shown in Figure 2.1

The model projects growth in the number of non-group households over 20 years of roughly 240 households, with accompanying population growth of 580 new residents. (The number of households differs from the number of housing units, because the total number of housing units includes a percentage of vacancy. Projected housing unit needs are discussed below.)

### PROJECTION OF FUTURE HOUSING UNIT DEMAND (2042)

The profile of future housing demand was derived using the same methodology used to produce the estimate of current housing need. This estimate includes current and future households *but does not include a vacancy assumption. The vacancy assumption is added in the subsequent step.* Therefore, the need identified below is the total need for actual households in occupied units (4,551).

The analysis considered the propensity of households at specific age and income levels to either rent or own their home, in order to derive the future need for ownership and rental housing units, and the affordable cost level of each. The projected need is for *all* 2042 households and therefore includes the needs of current households.

The price levels presented here use the same assumptions regarding the amount of gross income applied to housing costs, from 30% for low-income households down to 20% for the highest income households.

The affordable price level for ownership housing assumes 30-year amortization, at an interest rate of 5%, with 10% down payment. Because of the impossibility of predicting variables such as interest rates 20 years into the future, these assumptions were kept constant from the estimation of current housing demand. Income levels and price levels are presented in 2022 dollars.

Figure 5.2 presents the projected occupied future housing demand (current and new households, without vacancy) in 2042.

**FIGURE 5.2: PROJECTED OCCUPIED FUTURE HOUSING DEMAND (2042)**

Ownership				
Price Range	# of Households	Income Range	% of Total	Cumulative
\$0k - \$80k	114	Less than \$15,000	4.6%	4.6%
\$80k - \$130k	113	\$15,000 - \$24,999	4.6%	9.3%
\$130k - \$180k	130	\$25,000 - \$34,999	5.3%	14.6%
\$180k - \$240k	217	\$35,000 - \$49,999	8.9%	23.5%
\$240k - \$320k	419	\$50,000 - \$74,999	17.1%	40.6%
\$320k - \$370k	404	\$75,000 - \$99,999	16.5%	57.2%
\$370k - \$440k	291	\$100,000 - \$124,999	11.9%	69.1%
\$440k - \$510k	238	\$125,000 - \$149,999	9.7%	78.8%
\$510k - \$680k	307	\$150,000 - \$199,999	12.6%	91.4%
\$680k +	211	\$200,000+	8.6%	100.0%
<b>Totals:</b>	<b>2,444</b>		<b>% of All:</b>	<b>53.7%</b>

Rental				
Rent Level	# of Households	Income Range	% of Total	Cumulative
\$0 - \$400	341	Less than \$15,000	16.2%	16.2%
\$400 - \$700	235	\$15,000 - \$24,999	11.1%	27.3%
\$700 - \$900	255	\$25,000 - \$34,999	12.1%	39.4%
\$900 - \$1200	383	\$35,000 - \$49,999	18.2%	57.6%
\$1200 - \$1600	481	\$50,000 - \$74,999	22.8%	80.5%
\$1600 - \$1900	186	\$75,000 - \$99,999	8.8%	89.3%
\$1900 - \$2200	121	\$100,000 - \$124,999	5.7%	95.0%
\$2200 - \$2500	88	\$125,000 - \$149,999	4.2%	99.2%
\$2500 - \$3400	11	\$150,000 - \$199,999	0.5%	99.7%
\$3400 +	7	\$200,000+	0.3%	100.0%
<b>Totals:</b>	<b>2,107</b>		<b>% of All:</b>	<b>46.3%</b>

<b>All Units</b>	<b>4,551</b>
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Sources: Census, Environics Analytics, JOHNSON ECONOMICS

The number of households across the income spectrum seeking a range of both ownership and rental housing is anticipated to grow. It is projected that the homeownership rate in North Bend will fall slightly over the next 20 years from 56% to 54% due to income and age changes.

### COMPARISON OF FUTURE HOUSING DEMAND TO CURRENT HOUSING INVENTORY

The profile of occupied future housing demand presented above (Figure 5.2) was compared to the current housing inventory presented in the previous section to determine the total future need for *new* housing units by type and price range (Figure 5.3).

*This estimate includes a vacancy assumption. As reflected by the most recent Census data, and as is common in most communities, the vacancy rate for rental units is typically higher than that for ownership units. An average vacancy rate of 5% is assumed for the purpose of this analysis.*

**FIGURE 5.3: PROJECTED FUTURE NEED FOR NEW HOUSING UNITS (2042), NORTH BEND**

OWNERSHIP HOUSING									
Unit Type:	Single Family Detached	Single Family Attached	Multi-Family			Manuf. home	Boat, RV, other temp	Total Units	% of Units
			2-unit	3- or 4-plex	5+ Units MFR				
Totals:	112	8	0	0	0	5	0	125	48.3%
Percentage:	89.6%	6.2%	0.0%	0.0%	0.0%	4.2%	0.0%	100%	

RENTAL HOUSING									
Unit Type:	Single Family Detached	Single Family Attached	Multi-Family			Manuf. home	Boat, RV, other temp	Total Units	% of Units
			2-unit	3- or 4-plex	5+ Units MFR				
Totals:	42	16	10	9	57	0	0	134	51.7%
Percentage:	31.5%	11.6%	7.2%	7.1%	42.6%	0.0%	0.0%	100%	

TOTAL HOUSING UNITS									
Unit Type:	Single Family Detached	Single Family Attached	Multi-Family			Manuf. home	Boat, RV, other temp	Total Units	% of Units
			2-unit	3- or 4-plex	5+ Units MFR				
Totals:	154	23	10	9	57	5	0	258	100%
Percentage:	59.6%	9.0%	3.7%	3.7%	22.1%	2.0%	0.0%	100%	

Sources: PSU, City of North Bend, Census, Environics Analytics, JOHNSON ECONOMICS

- The results show a need for roughly 260 new housing units by 2042.
- Of the new units needed, roughly 48% are projected to be ownership units, while 52% are projected to be rental units. This represents more renters than the estimated tenure split, but it is projected that more rental units will need to be added to balance the disproportionate share of ownership units in the current inventory, and the projection for a slightly decline in ownership rate.
- There is some need for new ownership housing at the lower-middle portion of the pricing spectrum. But income trends suggest that the greatest demand will remain in the middle and higher price ranges (\$200k to \$500k).
- The greatest need for rental units is found at the lowest and some higher price points. Market rents are currently clustered in the \$800 to \$1,200 range in current dollars. Therefore, most units are to be found in this range.

#### **Needed Unit Types**

The mix of needed unit types shown in Figure 5.3 reflects both past trends and anticipated future trends. Since 2000, detached single family units (including manufactured and mobile homes) have continued to constitute most

of the permitted units in North Bend, with some multi-family development. In keeping with development trends, and the buildable land available to North Bend, single family units are expected to continue to make up a large share of new housing development over the next 20 years. However, an increasing share of new needed units is anticipated to be attached housing types to accommodate renters and first-time home buyers.

- 60% of the new units are projected to be single family detached homes, while 38% is projected to be some form of attached housing, and 2% are projected to be new manufactured homes.
- Single family attached units (townhomes on individual lots) are projected to meet 9% of future need. These are defined as units on separate tax lots, attached by a wall but separately metered, the most common example being townhome units.
- Duplex, triplex, and four-plex units are projected to represent 7% of the total need. Duplex units would include a detached single-family home with an accessory dwelling unit on the same lot, or with a separate unit in the home (for instance, a rental basement unit.)
- 22% of all needed units are projected to be multi-family in structures of 5+ attached units.
- 2% of new needed units are projected to be manufactured home units, which meet the needs of some low-income households for both ownership and rental.
- Of ownership units, 94% are projected to be detached single-family homes or manufactured homes, and 6% projected to be attached forms.
- About 69% of new rental units are projected to be found in new attached buildings, with 42% projected in rental properties of 5 or more units, and 27% in other attached housing forms. 31% of new rental units are projected to be detached homes, including manufactured homes.

**Needed Affordability Levels**

Figure 5.4 presents the estimated need for net new housing units by major income segment, based on the projected demographics of new households to the market area. The needed affordability levels presented here are based on current 2022 dollars.

Figure 5.4 also discusses the housing types typically attainable by residents at these income levels.

**FIGURE 5.4: PROJECTED NEED FOR NEW HOUSING AT DIFFERENT INCOME LEVELS**

Household Income Segment	Income Level (Rounded)*	Afford. Rent Range	Afford. Price Range	Owner Units	Renter Units	Total	Share	Common Housing Product
Extremely Low Inc < 30% AMI	< \$19,300	<\$550	<\$100k	8	28	36	14%	Govt-subsidized; Voucher; Manuf. Homes
Very Low Income 30% - 50% AMI	\$19k - \$32k	\$550-\$850	\$100k-\$160k	8	20	28	11%	Aging rentals; Govt-subsidized; Voucher; M.H.
Low Income 50% - 80% AMI	\$32k - \$51.5k	\$850-\$1,200	\$160k-\$240k	14	31	45	17%	Market apts; Manuf. homes; Plexes; Aging SFR
Middle Income 80% - 120% AMI	\$51.5k - \$77k	\$1,200-\$1,700	\$240k-\$330k	22	30	52	20%	Single-family detached; Townhomes; Small homes; New apts
Upper Income > 120% AMI	> \$77,000	\$1,700 +	\$330k +	72	25	97	38%	Single-family detached
<b>TOTAL:</b>				<b>125</b>	<b>134</b>	<b>258</b>	<b>100%</b>	

\* Adjusted to 2022 dollars.

Sources: HUD, Census, Environics Analytics, JOHNSON ECONOMICS

- The median income level in Coos County is over \$64k (2021), meaning that what qualifies as “low income”, or 80% of area median income (AMI), is \$52k per year in household income. Many households in this group can be served by market-rate rental housing available at current rent levels in the community, if it is available. However, households at even lower income levels may find market rates unaffordable.
- Figure 5.3 presents the *net NEW* housing unit need over the next 20 years. However, there is also a *current* need for more affordable units. For all households, current and new, to pay 30% or less of their income towards housing in 2042, more affordable rental units would be required. This indicates that some of the current supply, while it shows up as existing available housing, would need to become less expensive to meet the needs of current households.
- There is a finding of some new need at the lowest end of the rental spectrum (\$550 and less).
- The projection of future ownership units finds that the supply at the lowest end of the spectrum will be insufficient due to the prevalence of newer homes most of which are detached houses. (This reflects the estimated *value* of the total housing stock, and not necessarily the average pricing for housing currently for sale.) Ownership options and lower and middle price points are often manufactured homes, older or substandard homes, townhomes, condos, and small detached homes, often on smaller lots.
- Figure 5.5 presents estimates of need at key low-income affordability levels in 2022 and in 2042. There is existing and on-going need at these levels, based on income levels specified by Oregon Housing and Community Services for Coos County. An estimated 40% of households qualify as at least “low income” or lower on the income scale, while 13% of household qualify as “extremely low income”. (Again, this is based on the Coos County median which is relatively high.)
- Typically, only rent-subsidized properties can accommodate these extremely-low-income households at “affordable” housing cost levels. As noted above, most in the “low income” and some in the “very low income” groups can be served by market-rate rental housing at current rent levels (see Figure 5.4).
- The city is not obligated to produce appropriate housing for all of these groups but should ensure that local policy and zoning code accommodates market-rate and non-profit agencies who wish to pursue projects to meet the full spectrum of local housing needs.

**FIGURE 5.5: PROJECTED NEED FOR HOUSING AFFORDABLE AT LOW INCOME LEVELS, NORTH BEND**

Affordability Level	Income Level*		Current Need (2022)		Future Need (2042)		NEW Need (20-Year)	
			# of HH	% of All	# of HH	% of All	# of HH	% of All
Extremely Low Inc.	30% AMI	\$19,320	573	13%	609	13%	36	14%
Very Low Income	50% AMI	\$32,200	1,023	24%	1,087	24%	64	25%
Low Income	80% AMI	\$51,520	1,746	40%	1,855	41%	109	42%

Sources: OHCS, Environics Analytics, JOHNSON ECONOMICS

\* Income levels are based on OHCS guidelines for a family of four.

### **Agricultural Worker Housing**

There are currently no affordable properties specifically offering units meant for agricultural workers in North Bend who may work in agricultural establishments outside the City in nearby rural areas. Based on the assumption that this type of housing will maintain its current representation in the local housing stock, this indicates that there will be no need for additional housing units dedicated specifically for this group. However, this population may also be served by other available affordable units, and new market rate units.

## VI. RECONCILIATION OF FUTURE NEED (2042) & LAND SUPPLY

This section summarizes the results of the Buildable Lands Inventory (BLI), which presented in detail in an accompanying memo to this report. The BLI provides an estimate of the remaining buildable residential lands with the UGB, and an estimate of the capacity to hold new housing units.

The following table (Figure 6.1) presents the estimated new unit capacity of the buildable lands identified in the City of North Bend and within the UGB (but outside the city limits). The table breaks down the City's zoning into broad categories of low, medium, and high density.

**FIGURE 6.1: ESTIMATED BUILDABLE LANDS CAPACITY BY ACREAGE AND NO. OF UNITS (2022)**

ZONING		Net Buildable Acres Minus ROW Assumption	Unit Capacity	
			Units	Share
<b>RESIDENTIAL ZONE</b>	<b>Category</b>			
R-10	Low-Density Res.	6.1	36	4%
R-7	Low-Density Res.	69.7	426	42%
R-6	Low-Density Res.	6.6	50	5%
R-5	Medium-Density Res.	13.1	98	10%
R-M	High-Density Res.	18.5	296	29%
R-T	Medium-Density Res.	0.8	5	0%
RR-5	Medium-Density Res.	13.9	105	10%
<b>TOTALS:</b>		<b>128.7</b>	<b>1,016</b>	<b>100%</b>
<b>ZONE CATEGORIES</b>	<b>Typical Housing Type</b>			
Low-Density Res.	Single-family detached; Some SF attached & plex	82.4	512	50%
Medium-Density Res.	SF attached; Manufact. home; 2-4 plexes	27.7	208	20%
High-Density Res.	Multi-family apartments	18.5	296	29%
<b>TOTALS:</b>		<b>128.7</b>	<b>1,016</b>	<b>100%</b>

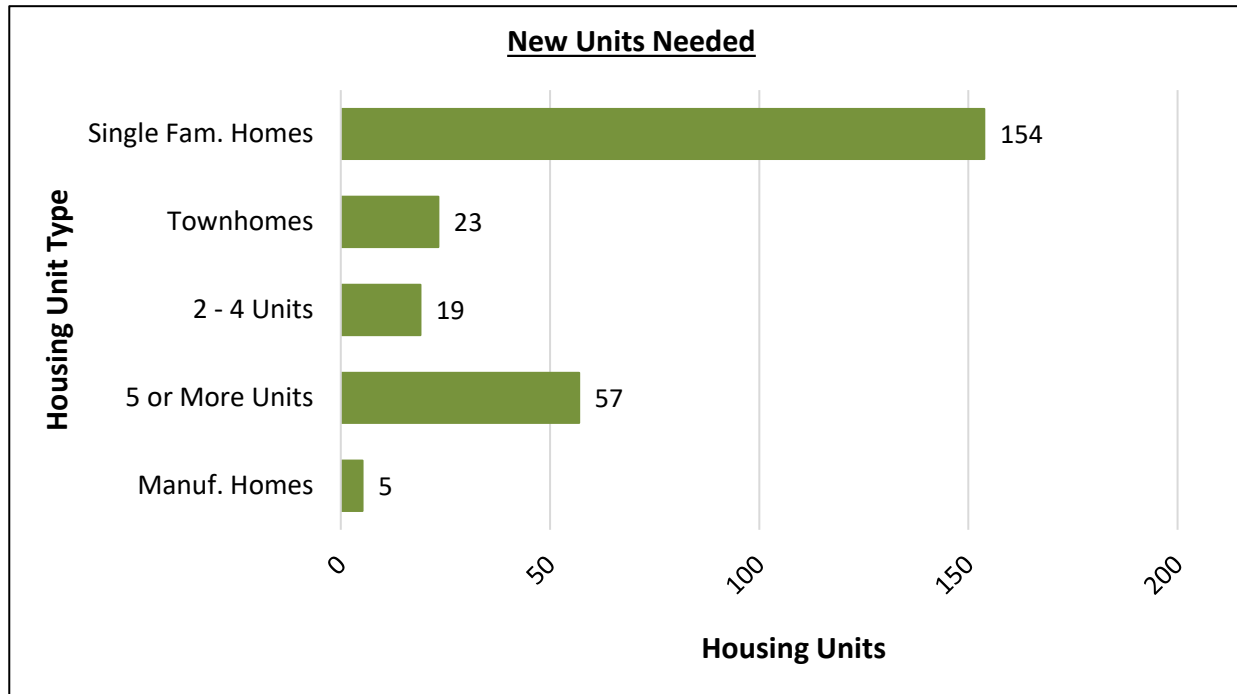
Source: MIG/APG

- There is a total estimated remaining capacity of 1,016 units of different types within the study area.
- Most of the remaining buildable acreage is in the low-density residential zones. At a total capacity of 512 housing units, these zones represent roughly 50% of the total unit capacity.
- There are sufficient buildable medium-density acres to accommodate 208 new units. This is 20% of the total unit capacity.
- There are sufficient buildable acres in the high-density zones to accommodate 296 units. In total, the capacity of these zones represents 29% of the total unit capacity.
- Figure 6.4 at the end of this section presents a map of buildable residential lands.

The following table summarizes the forecasted future unit need for North Bend. These are the summarized results from Section V of this report, presented here for reference.

**FIGURE 6.2: SUMMARY OF FORECASTED FUTURE UNIT NEED (2042)**

TOTAL HOUSING UNITS									
Unit Type:	Single Family Detached	Single Family Attached	Multi-Family			Manuf. home	Boat, RV, other temp	Total Units	% of Units
			2-unit	3- or 4-plex	5+ Units MFR				
Totals:	154	23	10	9	57	5	0	258	100%
Percentage:	59.6%	9.0%	3.7%	3.7%	22.1%	2.0%	0.0%	100%	



Sources: PSU Population Research Center, Census, Johnson Economics

**Comparison of Housing Need and Capacity**

There is a total forecasted need for roughly 260 units over the next 20 years based on the forecasted growth rate. This is lower than the estimated total capacity of 1,016 units. Figure 6.3 below presents a comparison of the BLI capacity for new housing units, compared to the estimate for new unit need by 2042.

- This analysis breaks down need by general zoning category (low-density, medium-density, and high-density residential). *These zoning categories do not correspond exactly to how they are defined in the City zoning code.* In this analysis, LDR is defined as housing density of less than 8 units/net acre. MDR is defined as supporting average density between 8 and 12 units/net acre. HDR is defined as supporting average density of greater than 12 units/net acre.
- The results find sufficient capacity for a variety of housing types across the residential zones. There is likely capacity to absorb growth for 20-years and beyond for these housing types.

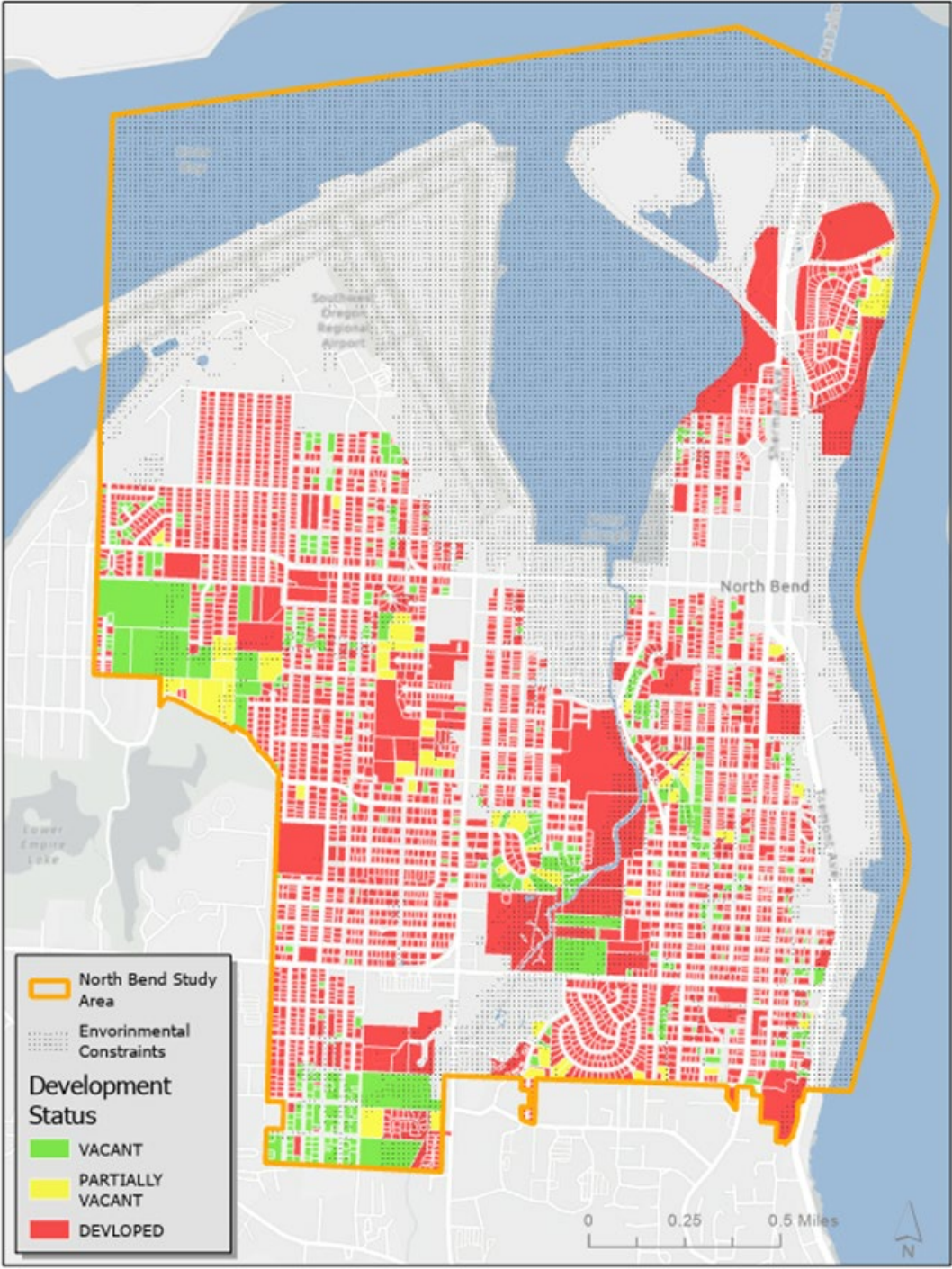
While this analysis indicates that there is an adequate supply of land to accommodate housing units needed over the next 20 years, much of the land in the City’s BLI faces challenges to development of housing in the shorter term. As noted previously in this document, state guidelines and requirements do not allow land to be removed from the BLI due to certain types of constraints that affect the ability to develop it in the shorter-term, such as property owner willingness to develop or sell, financial feasibility of development of housing at certain price ranges, direct availability of infrastructure, and similar factors. However, these conditions can pose significant challenges to the feasibility or likelihood of development of land for housing in the short term and sometimes in the longer term.

**FIGURE 6.3: COMPARISON OF FORECASTED FUTURE LAND NEED (2042) WITH AVAILABLE CAPACITY**

WITHIN CITY LIMITS		SUPPLY			DEMAND		
Zone & Plan Category	Typical Housing Type	Land Inventory			Growth Rate (0.1%)		
		Developable Acres	Unit Capacity	Avg. Density (units/ac)	New Unit Need (2040)	Surplus or (Deficit)	
					Units	Acres	
Low-Density	Single-family detached; Some SF attached & plex	82.4	512	6.2	162	350	56
Med-Density	SF attached; Manufact. home; 2-4 plexes	27.7	208	7.5	39	169	22
High-Density	Multi-family apartments	18.5	296	16.0	57	239	15
<b>TOTALS:</b>		<b>128.7</b>	<b>1,016</b>	<b>7.9</b>	<b>258</b>	<b>758</b>	<b>94</b>

Sources: MIG/APG, Johnson Economics

FIGURE 6.4: NORTH BEND UGB RESIDENTIAL LAND DEVELOPMENT STATUS (2022)



Sources: Buildable Land Inventory Memo, MIG/APG