

**HOUSING NEEDS ANALYSIS
FINAL REPORT
CITY OF COOS BAY**

June 17, 2009

Presented by

The logo for Cogan Owens Cogan consists of the company name stacked vertically in a sans-serif font. A solid blue horizontal bar is positioned above the text, and another solid blue horizontal bar is positioned below the text.

**COGAN
OWENS
COGAN**



Angelo Planning Group

HOUSING NEEDS ANALYSIS FINAL REPORT
CITY OF COOS BAY
June 17, 2009

Statewide Planning Goal 10 requires cities to plan for future housing needs. More specifically, it requires them to provide opportunities for the development of adequate numbers of needed housing units at price ranges and rent levels that are commensurate with the financial capabilities of Oregon households. It also requires that they allow for flexibility of housing locations, types and densities. They are required to ensure that there is enough land within their urban growth boundary (UGB) to meet these needs for a 20-year period. The following steps have been taken to ensure that the City of Coos Bay meets these objectives:

- Conducted an inventory of “buildable” land within the City’s UGB that is zoned to allow for housing development.
- Identified long-term (20-year) needs for additional housing, considering the following factors:
 - Recent, current and expected future population trends related to household size, income and age.
 - Housing market characteristics, including the current mix of housing, cost of different types of housing, vacancy rates and other factors.
 - Types of housing allowed by different zoning classifications.
- Compared the supply of land in different zones to the estimated need for housing in each zone to ensure that there is enough land within the City’s UGB and that it is zoned appropriately to meet long-term housing needs.

The remainder of this document describes these efforts and the resulting findings. It is a snapshot in time of the ability of the City to meet long-term needs of future residents and should be reassessed and updated periodically to ensure that the City can continue to meet these needs.

LAND SUPPLY

Buildable land within the City’s UGB includes land that is completely vacant, as well as land that is partially vacant and theoretically has the potential for additional development based on parcel size, zoning, the location of existing development and environmental constraints. The buildable land supply was evaluated by reviewing the following information:

- Tax assessor data
- GIS data
- Aerial photographs
- Site visits to identify potential constraints to development or redevelopment
- Consultation with City staff and members of the Coos Bay Project Advisory Committee

There are approximately 810 acres of buildable land on 850 lots within Coos Bay’s UGB zoned for residential use (see Table 1). This does not include commercially zoned land where housing may be allowed under certain conditions. There are another 119 acres of commercially zoned land on 197 lots that could accommodate some additional residential development. Land considered potentially unbuildable due to environmental constraints was

removed from the inventory summarized in Table 1. The area or portion of each parcel subject to the environmental constraint(s) was deducted from the total land area on a parcel by parcel basis, rather than removing entire parcels of land. Land with environmental constraints includes riparian areas, area within the city’s tsunami zone (including estuary lands), and significant wetlands.

Another typical development constraint is land with steep slopes. The portion of each parcel with a slope of 25% or greater was determined and identified on the residential buildable lands inventory map. However, this acreage was not removed from the gross inventory due the fact the City does not have a building code that explicitly prohibits development on steep slopes; thus, this land is technically developable for purposes of the residential buildable lands inventory.

While these areas have been included in the inventory, it should be noted that the capacity and resulting density of development on land with slopes over 25% is typically lower, given cut-and-fill and other construction requirements in such areas. To note, land on steep slopes constitutes a significant portion of the BLI – over 330 acres, or 40%.

After subtracting for constraints, some parcels are very small. However, these very small lots tend to account for a relatively small proportion of the buildable area identified in Table 1. For example, of the 39 lots zoned R-1 in the inventory, 12 of them (over 25 percent) are less than 0.11 acres in size. However, they make up a smaller fraction of the total buildable land area in that zone (0.61 acres or less than 10 percent). Similarly over 240 parcels in the inventory zoned R-2 are less than 0.11 acres but account for only 12 acres of land (5 percent of the R-2 total). Some of these very small parcels may still be considered buildable if the city’s zoning code allows for constructing new homes on any lots of record, even if they are below the minimum lot size otherwise allowed for land division or development. As a result these parcels have been included in the buildable lands inventory.

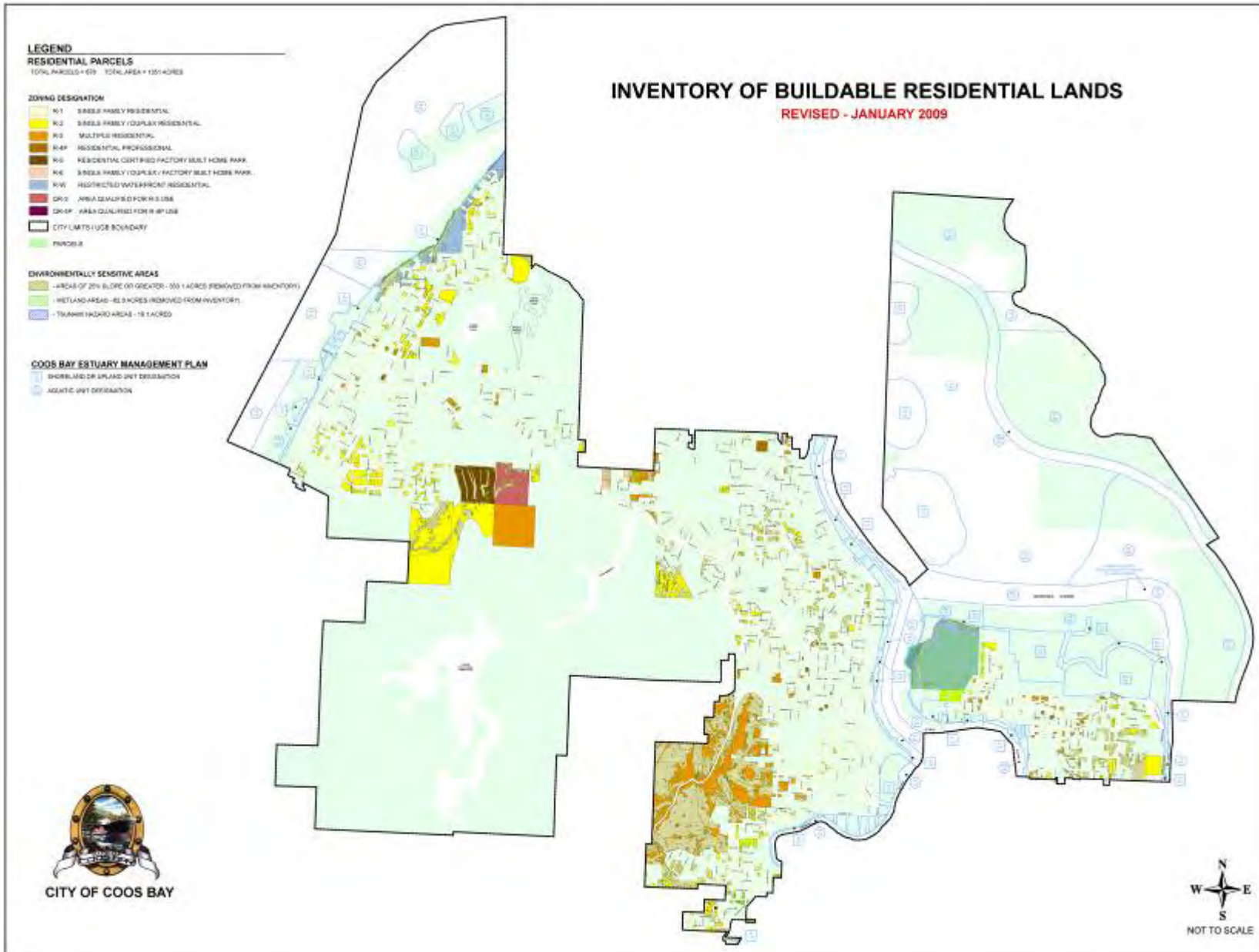
Table 1. Gross* Buildable Land by Zoning Designation, Coos Bay UGB

Zone	Acres	Lots
R-1	13.0	39
R-2	333.1	565
R-3	379.1	174
R-4P	6.2	22
R-5	31.9	2
R-6	5.6	5
RW	40.2	43
Total Resid.	809.2	850
C-1, C-2	119.28	197

*The remaining acreage after environmental constraints has been removed.

Map 1 illustrates an inventory buildable residential land in Coos Bay.

RESIDENTIAL BUILDABLE LANDS INVENTORY



POPULATION PROJECTIONS

Local governments are required by the Oregon Department of Land Conservation and Development (DLCD) administrative rules to use coordinated county and city population projections for the purposes of estimating housing and employment needs. If other projections are used, the jurisdiction must prepare and present enough data to justify the use of the alternative projections. Use of alternative projections ultimately requires the city and county to revise the coordinated county and city projections. Such a process typically requires a significant level of resources and takes several months. Coos County worked with cities within the county to prepare a set of coordinated population projections in the mid-1990s. These forecasts cover the period from 1996 through 2020.

Since the current County coordinated forecasts were prepared the Oregon Office of Economic Analysis (OEA) has updated its forecasts of statewide and County population. These forecasts were updated in 2004 and coordinated with Coos and other counties in Oregon. However, the County and cities have not updated their coordinated forecasts since this time. The 2004 forecasts are the most recent data available. They are used for planning purposes only, consistent with guidance from DLCD and not necessarily subject to adoption.

If a county and its cities do not have adopted forecasts that are less than 10 years old, urban areas are allowed to use a safe harbor approach to update their population forecast (Oregon Administrative Rule 660-024-0030). The applicable safe harbor approach OAR 660-024-0030 (4)(b) allows for the City to use an updated forecast that meets the following conditions:

- Extends the 2020 coordinated forecast to 2029.
- Incorporates county forecasts from the most recent OEA projections and most recent population estimates prepared by Portland State University (PSU).
- Assumes that the urban area continues to account for the same proportion of the overall county population as it does currently or according to the most recent PSU estimates.

The City has used this approach in estimating future population, including the following assumptions from the OEA projections, PSU data and previous population forecast:

- The estimated 2008 Coos Bay urban area population from PSU is 16,670.
- The City of Coos Bay’s share of total Coos County population is 26.5%.
- The OEA forecasted annual average growth rate for Coos County varies approximately 0.09% and 0.16% (per year).

Table 2 summarizes the forecasted population change.

Table 2. Historical and Future Population Data and Forecasts, Coos Bay urban area

	1990 *	2000*	2008**	2019	2029
City population	15,231	15,372	16,670	16,895	16,992

* Based on US Census data, except the county coordinated forecast.

**Based on coordinated forecast data, PSU estimate for OEA forecast.

HOUSING OCCUPANCY AND STRUCTURE TYPE

In 2007, based on population estimates obtained from ESRI, there were an estimated 6,668 households in the Coos Bay UGB. There were an estimated 7,314 housing units in Coos Bay in 2008, which include both occupied households and additional vacant units. By subtracting the number of occupied households from the total number of housing units, we know there are approximately 646 vacant units, indicating a vacancy rate of approximately 8.8%. Homes classified as vacant fall into two general categories – those that are vacant because they are in the process of being sold or rented and are temporarily unoccupied for relatively short periods of time; and those that are occupied only seasonally (second homes or vacation homes) and considered to be vacant during a majority of the year.

Only a modest percentage of vacant housing units in Coos Bay fall into the second category (seasonally occupied homes). Approximately 12% of vacant units and about one percent of all units are seasonally occupied. These percentages are much lower than many north coast communities (e.g., the City of Manzanita has a 73% vacancy rate with the vast majority of vacant units used for recreational or seasonal purposes).

Table 3 summarizes the distribution of housing units of different types (see list of Census definitions on p. 17). A significant majority of homes in Coos Bay are single-family dwellings (over 61.5% in 2000). The remainder is relatively evenly distributed among other housing types.

Table 3. Housing Units by Structure & Occupancy, 2000, City of Coos Bay

Unit Type	Total	Occupied
1 Unit Detached*	61.5%	62.4%
1 Unit Attached*	2.6%	2.2%
2 Units	5.6%	5.9%
3 or 4 Units	3.6%	3.8%
5-9 Units	5.8%	5.1%
10-19 Units	3.6%	3.5%
20-49 Units	3.8%	3.3%
50+ Units	2.1%	2.2%
Manufactured Homes**	9.8%	9.8%
Other	1.6%	1.8%

Source: US Census

* 1 unit-detached homes are single family homes (including manufactured homes) on individual lots; 1-unit attached homes are townhouses, rowhouses or other condominiums where each housing unit is contained within an individual structure but shares a wall with another structure.

** Manufactured homes in parks and on single lots per Census definition of Mobile Home.

In the City of Coos Bay, approximately 60% of homes are occupied by their owners, while 40% are occupied by renters.

HOUSING COSTS, HOUSEHOLD INCOMES AND HOUSING AFFORDABILITY

Based on data from ESRI BIS¹, average and median home values in 2008 were approximately \$189,000 and \$166,000 respectively; with 69% of homes in the \$100,000 - \$300,000 price range and only 11% over \$300,000 (see Table 4). Housing costs in Coos Bay are lower than for the state as a whole.

Table 4. Home Value of Specified Owner Units, 2008, City of Coos Bay

Home Value	Number of Homes	% of Total
Less than \$50,000	380	9.4%
\$50,000-\$99,999	430	10.7%
\$100,000-\$149,999	864	21.4%
\$150,000-\$199,999	984	24.4%
\$200,000-\$299,999	924	22.9%
\$300,000-\$399,999	233	5.8%
\$400,000-\$499,999	99	2.5%
\$500,000-\$749,999	98	2.4%
\$750,000-\$999,999	4	0.1%
\$1,000,000 and Above	16	0.4%
Total Units	4,032	100%
Average Home Value: \$188,859		
Median Home Value: \$166,132		

Source: US Census, ESRI BIS, Marketek

Table 5 summarizes data related to household income for Coos Bay residents in comparison to the state as a whole. It indicates a median household income of under \$40,000 in Coos Bay, about \$10,000 less than for the state as a whole. It also shows a higher percentage of residents in the lowest two income categories in Coos Bay compared to the state, a similar percentage in low to moderate income categories (e.g., earning \$25,000 to \$75,000 per year), and a lower percentage in the higher income categories than in the state as a whole.

¹ ESRI is a private data provider. ESRI BIS is ESRI's Business Information Services division which provides a variety of demographic, housing and economic data frequently used by demographers, planners, market analysts and others in evaluating planning and economic issues.

Table 5. Household Income, Coos Bay, 2008, City of Coos Bay

Income	Coos Bay	State of Oregon
Less than \$15,000	18.7%	11.9%
\$15,000 to \$24,999	14.6%	10.4%
\$25,000 to \$34,999	11.6%	11.1%
\$35,000 to \$49,999	16.3%	16.6%
\$50,000 to \$74,999	20.6%	20.8%
\$75,000 to \$99,999	10.5%	12.5%
\$100,000 to \$149,999	4.4%	10.8%
\$150,000 to \$199,999	1.5%	3.0%
\$200,000 and more	1.9%	2.9%
Median Household Income	\$39,637	\$50,051

Source: ESRI BIS, Marketek

Housing affordability is typically assessed in one of two ways – either by estimating the percentage of households which spend more than 30% of their monthly income on housing (the standard measure of affordability) or by comparing incomes to the supply of housing at prices that people in those income levels could afford. The most recently available data related to the first measure comes from the 2000 US Census. That data indicated that just over 20% of all homeowner households spent more than 30% of their incomes on housing, while about 46% of renter households did the same. Almost a third of all households in Coos Bay spend more their 30% of their income on housing. These percentages likely have climbed since the year 2000, given increases in housing costs, particularly for owner-occupied housing during this period across the state of Oregon and in Coos Bay.

PROJECTION OF FUTURE HOUSEHOLDS AND HOUSING UNITS

In some coastal communities, seasonal occupancy rates can have a significant impact on housing and land needs analyses. However, seasonal occupancy rates remain relatively low in Coos Bay and do not seem to be a significant factor in the local housing market. As a result, no significant changes have been forecast in vacancy or seasonal occupancy trends. In Coos Bay, demographic characteristics and housing price and availability conditions will be the primary determinants of housing needs.

Projections of future population, households and housing units are summarized in Table 6 and 8. The estimates assume a slight drop in average household size and a continuation of current vacancy rates based on previous trends and projected future trends at the state and national level.

Table 6. Historical and Projected Future Population, Households and Housing Units, Coos Bay UGB, 1990 - 2029

	1990 *	2009	2019	2029
Population	15,151	16,684	16,895	16,992
Households	6,328	7100	7,220	7,324
Average HH Size	2.39	2.35	2.34	2.32
Housing Units		7,681	7,811	7,923
Vacancy Rate		7.6%	7.6%	7.6%

FUTURE NEEDED HOUSING TYPES

The following trends are expected to affect the need for different types of housing:

- Increasing cost of land and housing in communities throughout Oregon. Right now housing costs are lower in Coos Bay than for the state as a whole and the state and nation are currently in the midst of a housing price slump. However, over the long term (next 20 years), we expect to continue to see an increase in housing and land costs, similar to historic long term trends.
- Relatively modest increases in wages, consistent with trends during the last ten years.
- Continued need for relatively low cost housing for households and families with lower incomes, including workers in the retail/tourism sector.
- Continued need for manufactured housing in parks as a potential supply of low-cost, workforce housing.
- An increase in the need and market for multi-family and single-family attached housing as a potential supply of low and moderate cost housing.
- Continued demand for housing on somewhat smaller lots (5,000 square feet and smaller), consistent with recent trends and zoning regulations for most residential zones in Coos Bay.

The following two tables identify current and projected percentages and numbers of homes by housing type in Coos Bay. These tables represent projected housing needs which the housing market may or may not accommodate on its own. The projections (see Table 6) show the following needs and trends related to future housing types:

- **Modest shifts in tenure mix.** The trends described above are expected to result in modest changes in the relative percentage of owner and renter-occupied housing. However, without knowing more about projected future incomes or housing costs, it is not appropriate to project significant changes in the tenure mix. A modest increase in the share of renter-occupied housing and a similar decrease in the share of owner-occupied housing will support the changes in housing need by structure type described in the following paragraphs.
- **Continued demand single-family detached homes, but with these units making up a smaller proportion of the total supply.** 2000 Census data and 2008 ESRI data shows that single-family detached homes account for 61.5% of all dwellings in Coos Bay. This does not include manufactured homes on individual lots which the Census includes in the supply of “mobile homes.” Other data indicates that approximately half of these “mobile

homes” are located on individual lots. As a result, closer to 68% of all dwellings would be classified as single-family detached homes per state guidelines. We have projected a reduction from over 66% to approximately 61.5% during the planning period. The modest reduction is based in part on current and recent trends in Coos Bay, including relatively low land values, falling housing prices and values, a relatively ample supply of land and relatively limited cost savings associated with other types of owner-occupied units (e.g., single-family detached units), given relatively low land values.

- **Need for a more balanced mix of housing** to address the needs of households in all income ranges, including those with lower incomes. While single-family detached dwellings will continue to make up a significant percentage of future housing needs, other housing types are expected to increase, given affordability considerations and the fact that the aging population in Coos Bay and throughout the state can be expected to need smaller housing units and different housing types. We project an increase in single-family attached units (2.2% to 5% of the total or an increase of over 100% in terms of the relative share of these units). We also project an increase in the relative share of duplexes (5.9% to 7.5% of the total), tri-plexes and four-plexes (3.8% to 5.0% of the total) and multi-family dwellings with 5 or more units (14% to 16% of the total).
- **Year-round residents need more alternatives to single family detached units** (e.g., duplexes and multi-family units) than the market is currently providing because these units have the potential to be more affordable to households with lower incomes. As noted above, we assume an increase in all of these types of housing in our projections (increasing from about 26% of the total in 2008 to about 35% of new units constructed during the planning period).
- **Continued need for manufactured homes in parks or on individual lots.** While the table appears to indicate a decrease in the percentage of manufactured homes, this is not actually the case. Rather the different percentages reflect how these units are accounted for in historical (2000) data versus future projections (2029). As indicated in the footnote to Table 3, 2000 Census data includes all manufactured homes (in parks and on individual lots). State guidelines direct us to only include manufactured homes in parks in our future manufactured home projections. Manufactured homes on individual lots are included in the definition of single-family detached homes. As noted above, approximately half of the manufactured homes in the 2000 Census data (about 5%) are assumed to be manufactured homes in parks. We are assuming that this proportion of total housing will not shift appreciatively during the planning period.

We also assume that densities of development will increase somewhat but not substantially, given relatively moderate land costs in Coos Bay. Assumed densities are similar to the City’s minimum lot size requirements which are in turn consistent with recent development trends. By assuming densities consistent with minimum lot sizes (rather than average lot sizes), we are assuming a trend towards relatively denser development.

The analysis identifies a projected increase in the number of housing units of 254 units with just over 60% of the new units in single-family detached units (including manufacture homes) on individual lots.

Table 7. Existing and Projected Future Housing Units by Type, Coos Bay UGB, 2008 – 2029, 7

Unit Type	Housing Units			
	2008		New Units, 2009-2029	
	<i>Number</i>	<i>Percent</i>	<i>Number</i>	<i>Percent</i>
1 Unit Detached	4,656	62.4%	149	61.5%
1 Unit Attached	164	2.2%	12	5.0%
Duplexes	440	5.9%	18	7.5%
Triplexes, four-plexes	284	3.8%	12	5.0%
5 or more units	1,052	14.1%	39	16.0%
Manufactured Home*	731	9.8%	12	5.0%
Total Units	7,462		242	

Source: US Census and Angelo Planning Group

*Note: 2008 data includes manufactured homes in parks and on single lots per Census definition of Mobile Home; 2029 projections are for manufactured homes in parks only

FUTURE LAND NEEDS

The amount of land needed for future housing depends on the number of housing units expected and the average density (or lot size) at which they are developed. State regulations require that the City estimate the amount of land needed in each zoning designation where housing is allowed. In Coos Bay, housing can be constructed in several residential (R-1, R-2, R-3, R-4P, R-5 and R-w) and commercial (C1 and C2) zones. Only housing built on upper floors over commercial uses is allowed in the commercial zones. Other types of new housing are prohibited in these zones. Based on the types of housing allowed in each zone and the relative supply of buildable land in each zone, the following future distribution among zones is expected:

- Most new single-family detached housing is expected to be located in the R-2 zone, with a modest amount (25% of the total) in the R-1 zone and a smaller amount in the R-4P and R-W zones. This is consistent with the fact that all of these zones allow for single-family detached homes at similar densities and that existing vacant land is concentrated in the R-2 zone, with smaller supplies in the other residential zones where single-family detached homes are allowed and historically have been constructed.
- Single-family attached housing will be located primarily in the R-3, with modest amounts in the R-4P and R-W zones. This is consistent with the fact that all three of these zones allow for single-family attached housing, the R-3 zone includes relatively more available, vacant land for housing and that city staff indicate that it is likely the most suitable for this type of housing, given its location relative to commercial and other services.
- Duplexes will be located primarily in the R-2, zone, with smaller percentages in the R-3, R-4P and R-W zones. This is consistent with the fact that all three of these zones allow for duplexes, the R-2 zone includes relatively more available, vacant land for housing and that duplexes are generally more compatible with other types of development typically found in the R-2 zone, compared to the other zones.

- Multi-family housing (i.e., apartments or other structures with five or more units as identified in the following tables) will be located primarily in the R-3 zone, with smaller amounts in the R-4P and R-W zones and with some units located in the city’s commercial zones as upper story housing over ground floor commercial or retail uses). This is consistent with the fact that all three of these zones allow for multi-family housing, the R-3 zone includes relatively more available, vacant land for housing and that city staff indicate that it is likely the most suitable for this type of housing, given its location relative to commercial and other services.
- Manufactured homes in parks will be located exclusively in the R-5 zone, given that they are only allowed outright in this zone.

The following table summarizes the projected distribution of future development by housing type and city zoning designation based on the assumptions above and should be considered a projection. It does not require a certain distribution among different zones or preclude a different percentage or number of housing units be built in any given zone or area, assuming there is adequate land to accommodate them.

Table 8. Projected Distribution of Future Housing Units by Housing Type and Zoning Designation, Coos Bay UGB, 2029

Housing Type	R-1	R-2	R-3	R-4P	R-5	R-6	R-W	C-1,2
1 Unit Detached *	25%	55%	0%	5%	0%	5%	10%	0%
1 Unit Attached	0%	0%	70%	10%	0%	0%	20%	0%
Duplexes	0%	60%	15%	5%	0%	5%	15%	0%
Triplexes, four-plexes	0%	0%	80%	5%	0%	0%	15%	0%
5 or more units	0%	0%	75%	5%	0%	0%	10%	10%
Manufactured Home **	0%	0%	0%	0%	100%	0%	0%	0%

Source: Angelo Planning Group

* Also includes manufactured homes on individual lots

** Only includes manufactured homes in parks

The following table summarizes projected lot sizes for future needed housing. As indicated previously, they based on the minimum lot sizes specified in the city’s zoning ordinance. This is consistent with the fact that most recent development has been built at minimum lot sizes and by assuming a trend towards minimum lot sizes, we are projecting a trend toward generally smaller lots, given that a certain proportion of homes will be built on lots that are larger than the minimum. This can be achieved through targeted future reductions in allowed minimum lot sizes or through the City’s variance process which allows for development on slightly smaller lots in certain circumstances.

Table 9. Projected Average Lot Size for Development by Zoning Designation and Housing Type, Coos Bay UGB, 2029

Housing Type	R-1	R-2	R-3	R-4P	R-6	R-5	R-W	C-1,2
1 Unit Detached *	6,000	5,000	5,000	5,000	5,000		5,000	
1 Unit Attached			2,000	2,500			2,000	
Duplexes		3,500	3,500	3,500	3,500		3,500	
Triplexes, four-plexes			2,200	2,200			2,200	
5 or more units			1,700	1,700			1,700	1,700
Manufactured Home **						6,000		

Source: Angelo Planning Group

* Also includes manufactured homes on individual lots

** Only includes manufactured homes in parks

Table 10 summarizes average gross and net densities for development. Net densities are based on assumed average lot sizes identified in Table 9. Gross densities incorporate land needed for roads and other utilities, as well as parks, schools and other public facilities. Consistent with standards identified in the *Guidebook for Residential Planning* and other similar reference sources, we have assumed that approximately 25% of gross buildable land will be needed for these types of facilities.

Based on direction from DLCD representatives, we have not included an efficiency factor in our land need calculations. The buildable land inventory reflects the total amount of vacant land in any given zone. In applying net and gross densities to calculate land need, we are assuming that all the land in each zone can be aggregated and then divided at maximum efficiency. However, that will not be the case, given that much of the future residential development will occur on smaller lots at lower efficiencies (e.g., a 12,000 square foot lot can actually accommodate only two single-family dwellings, not 2.4 as an average calculation would indicate. As a result, we believe it is important to note that our calculations of land need based on use of average densities may underestimate total future land need.

Table 10. Projected Average Lot Size for Development by Zoning Designation and Housing Type, Coos Bay UGB, 2029

Housing Type	Density (dwelling units per acre)	
	Net Density	Gross Density
1 Unit Detached *	7.2 - 8.7	5.8 - 7.0
1 Unit Attached **	17.4 - 21.8	13.9 - 17.4
Duplexes	12.4	10.0
Triplexes, four-plexes	19.8	15.8
5 or more units	25.6	20.5
Manufactured Home **	7.3	5.8

Source: Angelo Planning and Cogan Owens Cogan

* Density varies with lower number in R-1 zone and higher number in all other zones

** Density varies with lower number in R-4P zone and higher number in all other zones

Tables 11 and 12 indicate the number of new housing units and amount of land needed for each type of housing in each zoning designation for the lower growth scenario (A). Average densities in housing units per acre are shown as “net densities,” i.e., not including land needed for roads and other public services because such areas already have been subtracted from the supply of buildable land.

Table 11. Projected Total Future Housing Units and Acres of Land Needed by Housing Type and Zoning Designation, R-1, R-2 and R-3 zones, Coos Bay, 2029

Housing Type	R-1		R-2		R-3	
	<i>Units</i>	<i>Acres</i>	<i>Units</i>	<i>Acres</i>	<i>Units</i>	<i>Acres</i>
1 Unit Detached *	37	6.4	82	11.8	0	0.0
1 Unit Attached	0		0		8	0.5
Duplexes	0		11	1.1	3	0.3
Triplexes, four-plexes	0		0		10	0.6
5 or more units	0		0		25	1.2
Manufactured Home **	0		0		0	
Total	37	6.4	93	12.9	46	2.6

Source: Angelo Planning Group

* Includes manufactured homes on individual lots

** Only includes manufactured homes in parks

Table 12. Projected Total Future Housing Units and Acres of Land Needed by Housing Type and Zoning Designation, R-4P, R-5 and R-W zones, Coos Bay, 2029

Housing Type	R-4P		R-5		R-6		R-W	
	Units	Acres	Units	Acres	Units	Acres	Units	Acres
1 Unit Detached *	7	1.0	0		7	1.0	15	2.2
1 Unit Attached	1	0.1	0		0		2	0.1
Duplexes	1	0.1	0		1	0.1	3	0.3
Triplexes, four-plexes	1	0.1	0		0		2	0.1
5 or more units	5	0.2	0		0		5	0.2
Manufactured Home **	0		12	2.1	0		0	0.0
Total	15	1.5	12	2.1	8	1.1	27	2.9

Source: Angelo Planning Group

* Includes manufactured homes on individual lots

** Only includes manufactured homes in parks

In each of the scenarios a very small amount of commercial land also is projected to be needed (less than one acre in each case).

Table 13 summarizes the difference between the supply of buildable land and the amount of land needed in each zone to meet projected future land needs. This assessment indicates an overall surplus of residential land of over nearly 800 acres, not including a small amount of additional commercial land that potentially would be needed to meet a portion of the City's future housing needs.

The comparison also indicates adequate land in all zones to meet specific land needs for housing in each designation. While there is adequate land to meet projected housing needs based on our assumptions of where housing will likely be located, City staff indicate that some land zoned as R-3 on the Eastside may be more appropriately zoned as R-2 land given the character or existing housing this area. The City has a surplus of land in both designations. Rezoning a modest portion of the R-3 areas on the Eastside should not have any adverse impact on residential land capacity in the City.

**Table 13. Comparison Between Land Supply and Need
by Zoning Designation, Coos Bay UGB, 2029**

	Supply	Need	Surplus/(Gap)
R-1	13.0	6.4	6.6
R-2	333.1	12.9	320.3
R-3	379.1	2.6	376.5
R-4P	6.2	1.5	4.8
R-5	31.9	2.1	29.8
R-6	5.6	1.1	4.5
R-W	40.2	2.9	37.3
Total	809.2	29.4	779.7

Source: Cogan Owens Cogan, Angelo Planning Group

CONCLUSIONS AND RECOMMENDATIONS

Following is a brief summary of preliminary conclusions and recommendations.

- The housing needs analysis indicates a significant surplus of land overall within Coos Bay’s UGB and the ability to accommodate growth during a 20-year period within the city’s existing UGB.
- The projections show both an overall surplus and a surplus of land in each zoning designation.
- While housing values in Coos Bay are lower than in the rest of the state on average, approximately one-third of all Coos Bay households spend more than 30% of their income on housing (a typical measure of housing affordability). An even higher percentage of renter households spend more than 30% on housing (46%).
- Some of the data used to estimate housing needs and conditions, including data on housing values and prices, are several years old. As a result, the data likely underemphasizes gaps in housing affordability.
- The housing market cannot be expected to meet the projected housing needs of Coos Bay residents alone. A variety of strategies can be implemented by the City in partnership with non-profit and for-profit developers and others to encourage the development of housing in price ranges and types that would be affordable to a wider range of residents. Many of those strategies will be identified in a subsequent memorandum or report describing proposed housing policy amendments for the City’s Comprehensive Plan.
- While the housing needs analysis indicates a significant surplus of land, a number of factors could ultimately affect the actual surplus. Lands with steep slopes were included in the inventory and account for a significant percentage of it. However, the relative capacity and feasibility of development in these areas will likely be lower than on other lands in the inventory, potentially overstating the estimated supply. Furthermore, this analysis assumes maximum efficiency of land development on an average basis. This is not necessarily a realistic assumption and also may tend to overestimate the land supply or underestimate the land need. Accordingly, the City should carefully monitor its land

supply and development trends and update the results of this analysis as needed to reflect future trends and conditions.

- City staff should pursue rezoning some R-3 land in Eastside Coos Bay to R-2 to improve compatibility of existing and future uses, assuming this does not result in any gaps in the capacity of land needed for specific types of housing.

Census Definitions of Structure Types

The data on units in structure (also referred to as “type of structure”) were obtained from answers to long-form questionnaire Item 34, which was asked on a sample basis at both occupied and vacant housing units. A structure is a separate building that either has open spaces on all sides or is separated from other structures by dividing walls that extend from ground to roof. In determining the number of units in a structure, all housing units, both occupied and vacant, are counted. Stores and office space are excluded. The statistics are presented for the number of housing units in structures of specified type and size, not for the number of residential buildings.

1-unit, detached. This is a 1-unit structure detached from any other house; that is, with open space on all four sides. Such structures are considered detached even if they have an adjoining shed or garage. A 1-family house that contains a business is considered detached as long as the building has open space on all four sides. Mobile homes to which one or more permanent rooms have been added or built also are included.

1-unit, attached. This is a 1-unit structure that has one or more walls extending from ground to roof separating it from adjoining structures. In row houses (sometimes called townhouses), double houses, or houses attached to nonresidential structures, each house is a separate, attached structure if the dividing or common wall goes from ground to roof.

2 or more units. These are units in structures containing 2 or more housing units, further categorized as units in structures with 2, 3 or 4, 5 to 9, 10 to 19, 20 to 49, and 50 or more units.

Mobile home. Both occupied and vacant mobile homes to which no permanent rooms have been added are counted in this category. Mobile homes used only for business purposes or for extra sleeping space and mobile homes for sale on a dealer’s lot, at the factory, or in storage are not counted in the housing inventory. In 1990, the category was “mobile home or trailer.”

Boat, RV, van, etc. This category is for any living quarters occupied as a housing unit that does not fit in the previous categories. Examples that fit in this category are houseboats, railroad cars, campers, and vans.

IMPLEMENTATION

The following are suggested revisions and additions to the City of Coos Bay's existing Housing Comprehensive Plan policies:

Vision

The City of Coos Bay will provide opportunities for a wide range of housing types, available at varied price and rent ranges to accommodate the housing needs of its current and future citizens. Needed housing types are expected to include attached and detached single-family and duplex dwellings, row houses, apartments of varying densities, cluster housing, mobile homes, and condominiums

The City of Coos Bay will help ensure that housing is constructed and remains in safe, sanitary and decent condition.

Goals

Goal 1: Coos Bay shall designate and maintain an adequate supply of land zoned for a range of housing types and price ranges.	
	Policy
1.1	Coos Bay will continue to update its zoning provisions to allow for construction to provide a wide range of housing available at varied prices and rent ranges, and allow for flexible site and architectural design.
1.2	Coos Bay will regularly update the City's inventory of buildable land (at least every five years) and use it to both identify housing development opportunities and assess the ability to meet future housing needs. If growth is occurring at a faster rate than previously predicted, the city shall work with the County to update the county's coordinated population forecast and the City's housing needs analysis accordingly.
1.3	Coos Bay will explore and provide information about opportunities to consolidate buildable land where it will promote more efficient development.
1.4	Coos Bay will monitor public facility capacity to ensure that proposed new residential developments can be adequately served by water, sewer, transportation, drainage and other public facilities.

Goal 2: Support efforts of state, regional and local public, private and non-profit entities to provide needed housing for low and moderate income households and others with special housing needs.	
	Policy
2.1	Coos Bay will consider waiving or deferring city fees such as development fees or system development charges for affordable housing projects that meet defined criteria and result in permanently affordable housing.

2.2	Coos Bay will work with other public agencies and/or other organizations to provide or assist in obtaining technical assistance for transitional housing and housing projects targeted to households with low or moderate incomes developed by nonprofit organizations.
2.3	As appropriate, Coos Bay will advocate for national and state funding from the National Housing Trust Fund, Oregon Housing Trust Fund, and Lenders Tax Credit and other funding mechanisms that may be available.
2.4	Coos Bay will negotiate agreements to develop housing affordable to residents with low or moderate incomes on lands to be annexed.
2.5	Coos Bay will advocate for national and state funding from the National Housing Trust Fund, Oregon Housing Trust Fund, and Lenders Tax Credit.

Goal 3: Encourage the use of sustainable land use development practices and building materials including use of energy efficient materials and design principles.

	Policy
3.1	Coos Bay will continue to apply innovative regulations for planned unit development allowing flexibility in designing cluster housing, recognizing that such land development practices (1) result in lower costs per site than conventional subdivisions, (2) permit sound land economics, (3) enhance the environmental integrity of the land resources, (4) promote energy conservation, and (5) provide additional open space and common areas.
3.2	Coos Bay will continue to allow for and encourage small scale cluster housing concepts in residentially zoned areas to stimulate infill development. This strategy recognizes that infill development (1) is an acceptable way to wisely use undeveloped properties, (2) improves efficiency of land use, (3) helps conserve energy, and (4) takes advantage of established public facilities and services.
3.3	Promote and encourage energy efficiency and sustainable building practices.

Goal 4: Review land development ordinance to ensure promotion of development and affordable housing.

	Policy
4.1	Coos Bay shall exercise its site plan review for major residential land developments, recognizing that site review is necessary to provide development that (1) fosters sound energy conservation practices, (2) is aesthetically pleasing, and (3) complements the natural characteristics of the site.
4.2	Coos Bay will consider the use of density bonuses or other incentives to encourage the development of affordable housing, consistent with other housing and community goals.

Goal 5: Allow for, encourage and support the development of housing units in conjunction with commercial development (e.g., housing located above commercial uses).

Goal 6: The City of Coos Bay shall comply with federal and state fair housing laws which affirm access to housing opportunities for all people in Coos Bay.

Goal 7: The City of Coos Bay shall comply with the provisions of the Uniform Building Code and other specialty codes adopted by the City Council recognizing that this is the key to providing safe, sanitary, and decent housing for its residents.

	Policy
7.1	Dilapidated residential structures that flagrantly violate code provisions shall be demolished or rehabilitated to restore them to sound conditions.
7.2	The city shall continue to participate in the Housing Rehabilitation Program sponsored by the Housing and Urban Development through its Community Development Block Grant.