

SECTION 9.400 HOUSING

Statewide Planning Goal 10 reads: "To provide for the housing needs of the citizens of the state".

Goal 10 requires incorporated cities to complete an inventory of buildable residential lands and to encourage the availability of adequate numbers of needed housing types in price and rent ranges commensurate with the financial capabilities of its households.

The Housing Section of the Adair Village Comprehensive Plan presents an inventory of existing housing, housing trends, housing demand, housing need and buildable land needs. Comparisons with conditions in 1976, 2000 and 2010 are presented representing the last 34 years between Incorporation in 1976 and the last Census in 2010.

Although these comparisons are informative, they are of limited value in assessing Adair Village's present trends and future projections. Municipal sewer and water system improvements will have a significant impact on the City's growth potential.

The Housing Element of the Adair Village Comprehensive Plan contains an inventory of existing housing in Adair Village including - total housing units, types, conditions and trends. Due to the uniqueness of Adair Village, techniques for projecting future housing demand are somewhat limited. There is a potential demand, however, and buildable residential lands that can accommodate that demand have been provided.

Adair Village offers a desirable living environment that has attracted increasing numbers of people who commute to work elsewhere. "Adair presently provides one of the few examples of affordable, moderate income housing within commuting distance from Corvallis and Albany" (North Benton Citizen Advisory Committee Plan). It can be expected that given the opportunity additional people will be drawn by the natural attractiveness and the recreational opportunities that the area offers. Adair Village also is the only community in North Benton County that offers a full range of public facilities.

The housing data will continue to vary somewhat depending upon where and when the data was obtained. However it remains within the same general order of magnitude.

SECTION 9.410 EXISTING HOUSING

The original 150 housing units within the City were constructed to accommodate the military housing needs of the U.S. Air Force in 1957. The base housing was acquired by a private developer in 1969 when the Federal Government declared the entire property surplus and placed it on the open market. The developer divided the property and offered it to the general public. The first residents moved into the housing units and formed a Homeowner Association in 1973. On May 25, 1976 the City of Adair Village was incorporated including the 150 former base housing units.

Housing Growth

Table 9.400 A summarizes the number of houses for each type and their percentage of the total housing in the community.

**TABLE 9.400 A
Housing Growth
1976-2010, Plus 2026 Estimate**

Year	Population	Housing Units	Single-family Homes		Multi-family Homes		Manufacture Homes	
			No.	%	No.	%	No.	%
1976 ₁	422	150	30	20%	120	80%	0	0%
2000 ₂	536	180	56	31%	124	69%	0	
2010	840	293	162	55%	131	44%	2	1%
2026 ₃	2,814	1,023	655	64%	348	34%	20	2%

- Sources:
- ¹ 1976 Incorporation Enumeration Summary
 - ² 2000 & 2010 U.S. Census.
 - ³ 2026 City/County Population Projection

Single-family Homes

At incorporation in 1976 there were 30 single-family housing units that accounted for only 20% of Adair Village’s housing. This was due to the configuration of military base housing when Adair Village was a military base.

The City has encouraged conversion of duplex units to single-family units and ten or more have been converted while some homeowners have also converted duplex units into larger single-family houses that helped to bring single-family units and home ownership into a better balance for the community.

Multi-Family Housing

At incorporation in 1976, there were 120 units of duplex multi-family housing that accounted for 80% of Adair Village’s housing. While duplex units are sometimes considered single-family structures, they are included herein with multi-family units since they are usually rental properties like other multi-family units. There are a total of 60 duplex buildings, one four-plex unit, and seven (7) multi-family units on the Santiam Christian School property. The 7 multi-family housing units located on the Santiam Christian School property house 15 people although this number can vary. This housing is private housing for the school and is not available to the general public.

Multi-family housing is the primary affordable housing opportunity for young families and the elderly in Adair Village.

The R-2 Single-family Residential District permits multiple-family housing in conformance with the “Planned Development” procedures in **Section 6.104 and 7.200 of the Adair Village Land Use Development Code** (Code).

Manufactured Homes

Adair Village has a relatively low percentage of manufactured homes (MH), 2 units for approximately 1% of Adair Village's total housing. Even these two units existed prior to annexation to the City. No MH units have been placed in the City. There are also no manufactured home parks within the City.

The City has made allowance in the Adair Village Land Use Development Code (LUDC) for more moderately cost housing by permitting manufactured homes on individual lots within the City's residential districts as specified by State standards.

Planned Developments

Planned Developments are permitted in the Adair Village Code, which encourages the application of new techniques to achieve efficiencies in land development while providing enhanced and economical living environments. In 2000, the City granted final approval to Creekside and Castlelands Planned Developments for the City's first Planned Developments. In 2000, final development plans were approved for Creekside Planned Development and Castlelands Planned Development that included 102 single-family lots and 11 duplex townhouse style lots. Most of the single family lots were developed by 2006.

Planning Area Housing

Housing within the Adair Village Planning Area offers a mix of housing types in four distinct areas.

1. The City R-1 Zone, Adair Meadows, is a 10,000 square foot minimum lot size Residential District that includes both multiple-family duplexes and single-family urban housing.
2. The City R-2 Zone, is a 8,000 square foot minimum lot size Residential District that is located north of Bower's Slough and is all single-family housing.
3. The City's Northern Urban Growth Boundary (UGB) area contains 18 acres north of the City's R-2 Zone with nine (9) houses on 11 lots in the 1 to 2.5 acre range.
4. The Rural Residential housing on Tampico Road is on lots of varying size, ranging from less than an acre to forty acres with newer medium to upper income homes.
5. The Calloway Drive area contains new upper income suburban type residential homes on approximately one-acre lots.

Housing Condition, Value & Tenure

Housing conditions in Adair Village are generally good. The 2000 Community Survey found no housing in "poor" condition. Housing in Adair Village is mostly moderate-income housing in sound condition. The newer housing in the R-2 Zone since 2000 ranges from moderate to upper-middle income housing and is in excellent condition.

Most of the housing in the R-1 Zone was built in 1954. Therefore half of Adair Village's housing is 60 years old.

The 2010 Census specifies the total number of housing units in Adair Village at 293. Of this total 279 were occupied and 14 vacant for a total vacancy rate of 4.8%. Only 3 houses were vacant for sale and only 4 units were vacant for rent. This clearly indicates that housing availability is exceptionally low in Adair Village.

Owner Units

Of the 279 occupied housing units only 175, or 62.7%, were identified as owner occupied in the 2010 Census.

Rental Units

Of the 279 occupied housing units, 104, or 37.3% were identified as renter occupied in the 2010 Census.

Housing Costs

Housing costs grew at rates nearly double incomes. The increasing cost of housing is beyond the means of many households without some form of assistance. A recognized standard of maximum shelter costs is 30 percent of household income. In Oregon, 37.2% of renters and 22.5% of owners pay more than 30% of their household income for housing.

Without financial assistance, many elderly and low-income families are forced to accept inadequate housing. For these households, the cost of either maintaining a home or finding rental shelter at a cost of less than 30 percent of their net income becomes very difficult.

Housing costs and rent levels in Adair Village are modest compared to many areas of the state. The City will continue to seek means of reducing housing costs within the City. However, it must be recognized that municipal water and sewer and other public facilities and services will contribute to higher housing costs, while Adair Village's low property tax rate (\$2.658/\$1,000) helps keep costs down. Reduced lot sizes, efficient planning and inexpensive construction alternatives can be utilized to maintain housing within affordable limits.

Affordable Housing

The State of Oregon has declared a Statewide Goal that all communities have the responsibility of providing an adequate number of household units at price ranges and rent levels commensurate with the financial capabilities of Oregon households.

Small communities like Adair Village are limited in their ability to affect the housing market. It is clear that the most a community can do is not to place undo burdens on the availability of land and the cost of municipal services. Maintaining administrative costs for land use decisions within reasonable limits and provision of timely decisions can also encourage developers to choose an Adair Village location.

Housing authorities in larger cities are more likely to address housing needs for special classes of individuals like low-income, those with disabilities, or other special needs. Small cities have a more difficult time specifically addressing these special housing needs especially when one considers that determining the socioeconomic needs and distribution for an expanding population is a highly speculative task at best.

Among the means at the City's disposal are Code provisions for smaller lots, the provision of multi-family zones in the community, as well as provisions for manufactured homes. It is also important that a community preserve and maintain its existing housing stock for the purposes of conserving natural resources used in home construction and for providing lower priced housing to residents of the community.

The City recognizes their existing housing stock as an extremely valuable resource. Therefore, the City has adopted policies pertaining to the rehabilitation of existing housing and the maintenance of a wide range of housing prices in Adair Village. Unfortunately, property assessment laws discourage a homeowner from making improvements to the home. By automatically raising the assessed valuation of a house after repair, these tax laws provide a disincentive to home repair.

Assisted Housing

There are a number of public and private housing assistance organizations that can help provide affordable housing in Adair Village. This assistance includes new home purchase, rent supplements, low interest loans and grants for rehabilitation as well as other programs.

The number of assisted housing programs in the City will continue to vary from year to year due to availability of funds and qualifications of applicants.

The City recognizes its responsibility to accommodate assisted housing in Adair Village. There is a strong preference for programs that assist households in obtaining housing already available in the community as opposed to targeted housing developments that concentrate assisted housing in one area or in single developments.

The Federal Fair Housing Act of 1988 protects the right to freely choose a place to live without discrimination.

Qualified citizens of Adair Village should be aware of available assistance programs, and should participate in them if they choose. The City can be a source of information concerning housing availability in general and should assist those seeking information on housing assistance.

SECTION 9.420 HOUSING TRENDS

Past housing trends provides little information that is helpful in projecting future needs. Municipal sewer and water system improvements will substantially increased housing opportunities providing an immediate incentive for housing production in Adair Village. This is evidenced by the Creekside and Castlelands developments.

There are several regional trends that will affect the type of housing needed in the next 20 years in addition to local conditions:

- About 70% of population increase will come from net migration.
- Household size is expected to continue declining.
- The region will add more residents that are 65 and older and group quarters will increase by about 2%.
- Younger people in the 20 to 34 age range are more mobile and generally have less income than people who are older and they are less likely to have children. All of these factors mean that young households are more likely to be renters and renters are more likely to be in multi-family housing.
- Baby boomers in their 50s are about to reach the "empty nest" stage and these households have different needs than families.
- Nationwide, the rate of family households has decreased from 81% to 66% between 1970 and 2012. Married households with children under 18 have decreased from 40% to 20% over the same period. One person households increased from 17% to 27%, while the average family size declined from 3.1 to 2.6 between 1970 and 2012. (America's Families and Living Arrangements 2012. Vespa, Lewis, Kreider, August 2013 US Census Bureau).
- Income statistics indicate a substantial preference for single-family housing and ownership when incomes allow that choice regardless of age.
- The rate of increasing housing costs is roughly double that of the rate of income increase.

Residential locational choice trend also include:

- Access to work.
- Access to shopping, recreation and friends.
- Public services.
- Community and neighborhood characteristics.
- Land and improvement characteristics.

In all, Adair Village's potential for growth and development will depend on these national and regional trends as well as local factors, but most of all it will be the City's

approach, responsiveness and preparedness that will guide Adair Village's housing development.

Single-family Homes

Although becoming increasingly expensive, single-family homes are the primary choice of homeowners in Adair Village. In 2000, the City approved the addition of 102 single-family homes in the Creekside and Castlelands subdivisions on the northern end of town. All are site-constructed homes. Single-family homes can be expected to continue as the housing of choice and their percentage of the total housing market will increase although Multi-family and Manufactured Home alternatives will show some gains also. Single-family housing has increased to 162 units in 2010 that now comprise 55% of the housing in Adair Village.

Multi-Family Housing

There are 131 multi-family housing units comprising 44% of Adair Village's 2010 housing units, most are duplex units. One four-plex unit and 7 multi-family units in the Santiam Christian School complete Adair Village's multi-family housing. This is a comparatively high percentage compared to other communities and was primarily due to type of construction preferred by the military when Adair Village was a military base. There has been limited new multi-family housing development in the Adair Village area.

The percentage of multi-family units is expected to decline overall while the actual number of multi-family may increase in the long term in Adair Village. Also the 12 townhouses in the R-2 Residential Zone are considered multifamily although they are intended for individual ownership as single-family units.

Manufactured Homes

The cost of single-family homes is beyond the means of an increasing number of families. Manufactured homes are therefore rapidly becoming a house of choice for low to moderate income families. They provide excellent value, and with housing costs growing at rates nearly double incomes, they will likely be the affordable housing choice. Manufactured homes comprised less than 1% of Adair Village's existing housing. Adair Village has not experienced manufactured housing placements although they may be expected to increase their share of the housing market during the planning period.

Planned Developments

The City approved two Planned Developments in 2000 that have been completed in the Creekside and Castlelands developments. Planned Development proposal trends are expected to continue during the planning period as a means of addressing the affordable housing issues in the community. Planned Developments can increase overall residential density while providing enhanced living environments that can help to reduce housing cost.

SECTION 9.430

PROJECTED HOUSING DEMAND & NEED

The language of Goal 10 and ORS 197.296 refer to housing need and requires communities to provide needed housing types for households at all income levels. Goal 10's broad definition of need covers all households.

House Bill HB2709 codified in the Statewide Land Use Planning Laws ORS 197.296 also requires an analysis of demand for new housing. Specifically it:

1. Refined the definition of buildable lands to include "redevelopable land".
2. Requires coordination of population projections with the County and State.
3. Sets criteria for prioritizing land for UGB expansions.
4. Sets specific requirements regarding buildable lands for needed housing.

Provisions 1 through 3 apply to all jurisdictions. Provision 4. Applies to only to certain jurisdictions. DLCD has waived the requirements of ORS 197.296 for 50 cities in Oregon including the City of Adair Village. However, ORS 197.296 restated pre-existing law or administrative rules that still apply to all jurisdictions.

Demand is what households are willing to purchase in the market place. Growth in population leads to a growth in households and implies an increase in demand for housing units that is usually met primarily by the construction industry based on the developer's best judgment about the types of housing that will be absorbed by the market.

Most plans make forecasts of new housing demand based upon population projections. Housing authorities are more likely to address housing needs for special classes of individuals like low-income, those with disabilities or other special needs.

Trying to determine the future socioeconomic and special housing needs for an expanding population is highly speculative at best.

Projected Housing Demand

Housing demand in the Adair Village and surrounding area cannot be accurately projected based upon past construction trends due to the unique circumstances surrounding development in the area.

As noted in **Table 9.300 B**, population growth in Adair Village had decreased by accumulated 10.5% between Incorporation in 1976 to the year 2000. While the projected increase from 2000 to 2010 was 56.7% and the actual period of growth was from 2001 to 2006.

The population forecasts contained in **Table 9.300 B** relies on the coordinated forecasts prepared by Benton County and the Office of Economic Analysis that allocated population growth to cities. Although constrained by these forecasts, they do provide the most logical place from which to begin an examination of housing demand for Adair Village.

As summarized in the **Section 9.300**, Adair Village is expected to witness a year 2026 population of 2,814 people. The 2010 U.S. Census indicates that the average household size in the U.S.A. was approximately 2.58 people per household; in 1976,

the year of Adair Village's incorporation, the number for the U.S.A. was 2.89. In Oregon, average household size was slightly lower at 2.47 per household in 2010. In both Oregon and the U.S.A., average household size has been dropping over the last 40 years.

For the purposes of revising the Adair Village Comprehensive Plan to accommodate the projected year 2026 population, it was assumed that an average household size of 2.75 persons per household would occur over the planning period. (In the 2010 Census, Adair Village had a population of 840 and 293 houses (14 of the houses were unoccupied, leaving 279 occupied houses), which makes the average size 2.87 persons per household in Adair Village, which is fairly consistent throughout Adair Village's history, assuming five percent non-occupied rate.

It is estimated that single-family units will increase to 64% by the end of the planning period in 2026. The estimated increase in multi-family units from 1976 is 228 units although the percentage has dropped from 80% in 1976 to 34% in 2026. The estimated increase in manufactured homes is quite small. A gain of only 18 units is presented however that is a doubling of the percentage from 1% to 2%. If state and regional trends increase Adair Village could expect a higher percentage of manufactured homes. The assumptions and estimates are intended to increase the single-family housing percentage while allowing for the other types of housing as their need increases.

Projected Housing Need

Although Adair Village has received a waiver from some of the needed housing requirements of ORS 197.296 it is apparent that needed housing in addition to housing demand is an issue that should be addressed.

Housing costs have grown at rates that are nearly double income rates. Due to rising land and housing costs, Oregon is witnessing a trend in which many people are seeking more affordable types of housing than conventional single-family units on large lots provide.

City of Adair Village has projected few additional units of multi-family housings because of the unusual circumstances that have created the high number of multi-family housing units. The 2010 mix of 44% multi-family units would drop to 34% by the end of the planning period in 2026. This is still well above the multi-family needs of most small communities including Adair Village. The City has made a strong commitment to accommodate low and moderate income housing needs. Most of the existing duplex units will continue to provide valuable rental housing during the planning period.

Although multi-family and mobile home trending has been minimal, the City has provided for future inclusion of both housing types in the Comprehensive Plan Policies and the Land Use Code to assist in reducing housing costs. In addition, the City has also encouraged division of existing duplex units to further assist in providing low cost housing opportunities for the area.

The duplex division procedures and the mobile home approval procedures and standards will accommodate these needs successfully. Additionally, the City can

accommodate new multi-family development through the PUD procedures. In combination, these techniques clearly allow the City to achieve a housing mix that is consistent with community needs and income capabilities.

As stated earlier, housing authorities are more likely to address housing needs for special classes of individuals like low-income, those with disabilities or other special needs. Small cities have a more difficult time specifically addressing these special housing needs especially when one considers that determining the socioeconomic needs and distribution for an expanding population is a highly speculative task at best.

However, **Goal 10 does require cities to address housing need.** The approach adopted by Adair Village is threefold:

1. The City will not discriminate against needed housing types and programs that address the needs of its citizens.
2. The City will provide for a variety of housing opportunities for its citizens through implementation of the Adair Village Land Use Development Code.
3. The City will seek means to reduce housing cost by providing a mix of housing type and density that address the needs of its citizens.

Presently it is estimated that that 30% of the duplex units will convert to owner-occupied units.

Single-family Homes

It is recognized that single-family homes will be the preferred housing type in the City of Adair Village and its share of the housing market is projected to increased although demand for multi-family housing and manufactured homes will also increase. The existing percentage of 55% for the single-family share is projected to be 64% by 2026, or 655 houses. This represents an increase of 493, over the existing 162 houses, during the planning period to 2026.

Multi-family Housing

It is assumed that multi-family housing will increase overall but the percentage of multi-family housing will decrease from its present level of 44% to 34% by the year 2026. However, 217 multi-family units are projected to be added during the 2026 planning period. Multi-family housing in Adair Village is anticipated to be low to medium density in nature and limited in numbers. It is assumed that multi-family housing will continue to take the form of two to four unit structures in most cases.

Manufactured Homes

Manufactured Homes are continuing to gain market share in Oregon because they have become one of the best values available to a home purchaser. Recognizing that the cost of single-family homes is beyond the means of an increasing number of families, there will be a demand and public need for manufactured homes. The Plan assumes that there will be a greater demand for manufactured housing during the

planning period resulting in a 2% share by 2026 for a total of 20 manufactured home units. An increase of 18 manufactured homes during the planning period. This number may be too low. The City could expect it to increase altering the percentages between site-built single-family and manufactured homes.

Planned Developments

The City expects and encourages more proposals for Planned Developments during the planning period. Planned Developments can increase residential densities while providing enhanced living environments that can help to reduce housing cost.

SECTION 9.440 BUILDABLE LANDS FOR RESIDENTIAL USE

Buildable lands, as defined by LCDC: "refers to lands in urban and urbanized areas that are suitable, available and necessary for residential use".

County-sized rural residential lands within the Planning Area total 276 acres, consisting of 84 parcels containing 60 housing units. Some 62 acres are zoned "Rural Residential 5 acres" and 142 acres are zoned "Rural Residential 10 acres PD".

It is apparent, therefore, that if additional development is to take place in the Adair Village area, it will have to be in areas that can be annexed to the City and provided with City services. With the availability of improved City services and the demonstrated desirability of the area for homes, it is apparent that the area can experience rapid growth in the future.

The accepted the population projection of 2,814 people, provided by Benton County and the Oregon Office of Economic Analysis, is the estimated base for determining future residential land use needs to the year 2026. The City will monitor development trends and will amend the Comprehensive Plan as needed to accommodate future growth.

As delineated in Section 9.830 Growth & Development Opportunities, Adair Village requires an additional 45 acres of buildable land, as identified in **Table 9.800 B** (Section 9.800-Growth Management), to accommodate the housing needs of the community based upon the coordinated population projections. Only 14 net acres are suitable for future urban development within the Adair Village northern Urban Growth Boundary (UGB) expansion area of 2000. There are only 62 net acres available in the southern UGB expansion area. The City is bounded in the north by E.E. Wilson Game Management Area; to the west by Or Highway 99W; to the east by the railroad and higher quality EFU (Exclusive Farm Use) lands. ODF&W land borders the southwest corner of the present City and County owned parcels which the City plans to develop as a downtown area.

TABLE 9.400 B BUILDABLE RESIDENTIAL LAND NEED SUMMARY

Existing Population	840 People
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Existing Housing Units ²	293	Units
Projected 2026 Population ¹	2,814	People
Projected Household Population	2.75	People
Projected Housing Units Needed	716	Units
Remaining Housing Need Shortage	233	Units
Projected Buildable Land Need	45	Acres
Available City & UGB Net Buildable Land	76	Acres

Notes: ¹ Benton County and the Oregon Office of Economic Analysis
² 2010 Census

The City and Urban Growth Boundary area can meet the initial residential land needs of the City. However, development trends will require an additional 45 acres to meet projections prior to the year 2026. The obvious and most viable expansion area is the remaining Weigel Trust property that was excluded from the Southern UGB expansion. The only other area capable of supporting future urban expansion is the area immediately east of the existing City UGB that contains portions of some of the same tax lots already in the UGB. This area contains 36 acres that is zoned EFU in the County and is the only other contiguous property available to the City.

Buildable land needs and growth management are addressed in detail in the **Section 9.800, Growth Management**. However, it is evident from the needs analysis that there is no residential land needed at this time to support the City's growth and development and no Urban Growth Boundary expansion is needed or proposed at this time. The City will continue to monitor growth trends and will seek UGB expansion in advance of needs as developments approach 75% of needed capacity.

The Plan's primary objective is to manage urban residential expansion and to maintain and improve the area's livability and environmental resources.

SECTION 9.490 HOUSING GOALS & POLICIES

GOALS & OBJECTIVES

1. To provide a housing policy plan that seeks to increase opportunities for all citizens to enjoy affordable, safe, energy efficient housing.
2. The City recognizes the need for an adequate supply of housing that includes a variety of types and designs that are responsive to community needs.

POLICIES & RECOMMENDATIONS

General

1. The City shall support through implementation of the Adair Village Land Use Development Code housing types and programs that address the needs of all its citizens.
2. The City shall provide a variety of housing opportunities for its citizens through implementation of the Adair Village Land Use Development Code.
3. The City shall seek means to reduce housing costs to address the needs of all its citizens.

Housing Types

1. The City shall support and encourage a range of lot sizes, housing types and densities within the locational criteria of the Adair Village Land Use Development Code.
2. The Urban Growth Area shall provide for single-family housing and manufactured homes on individual lots and multi-family alternatives will be considered under the City's "Planned Development" procedures of the Adair Village Land Use Development Code.
3. The City shall encourage innovative design and planning concepts to reduce the cost of housing and services through the "Planned Development" procedures of the Adair Village Land Use Development Code that may permit an increase in density if the project demonstrates improved livability.

Owner Occupancy & Rental Units

1. The City shall encourage an increase in owner-occupied housing within the City in order to achieve a higher ownership ratio for a more stable community population.
2. The City shall allow individual ownership of single duplex units using zero lot line procedures upon approval of an application request.

Housing Costs & Housing Assistance

1. The City supports the need to reduce housing costs and supports a variety of housing opportunities to accomplish this goal.
2. The City supports innovative methods of construction to reduce building costs.
3. The City supports housing and family assistance programs that would benefit the local community.
4. The City should identify and implement federal and state housing assistance programs that are compatible with community needs.