

APPENDIX A – CONTEXTUALIZED HOUSING NEEDS ASSESSMENT

INTRODUCTION

House Bill 2003 (2019) requires cities with populations over 10,000 to adopt a Housing Production Strategy (HPS). The HPS needs to be adopted within approximately one year of adoption of the City’s most recent Housing Needs Analysis (HNA). This HPS will outline tools, actions, and policies that West Linn will use to address its housing needs, based on the City’s recently adopted HNA. Part of developing an HPS includes preparing a Contextualized Housing Needs Assessment (CHNA), which builds on the HNA to describe demographic, housing, and market conditions, project future housing needs, assess affordability, identify barriers, and review existing programs.

This memorandum summarizes data from the 2021 HNA, US Census, and other sources, providing context on socio-economic, demographic trends, and market conditions. It also includes information from stakeholder meetings with developers, affordable housing providers, and underrepresented community members. The memo also includes data and information for people experiencing homelessness, low-income households, renters, and other underrepresented groups.

SOCIO-ECONOMIC AND DEMOGRAPHIC TRENDS

This section provides information on the housing needs in West Linn by age, household size and composition, household income, poverty statistics, race and ethnicity, and disability.

Population Growth

The following table presents a profile of City of West Linn demographics from the 2000 and 2020 Census. West Linn is a City of nearly 27,400 people located in Clackamas County on the southern edge of the Portland metropolitan area. Based on estimated population, West Linn is the 25th largest city in the state by population, similar in size to other cities in and around the Portland metropolitan region such as Tualatin, Wilsonville, and Forest Grove. West Linn has about 75% of the population of neighboring Oregon City.

West Linn has grown by over 5,100 people since 2000, or 23%. In contrast, Clackamas County and the state experienced population growth of 24.2% and 23.8% respectively. West Linn was home to

an estimated 10,119 households in 2020, an increase of roughly 2,300 households since 2000. This is an average increase of roughly 120 households annually during this period. The growth since 2000 has outpaced the growth in new housing units, which have been permitted at the rate of roughly 90 units per year, helping contribute to a relatively tight housing market.

Figure 1. West Linn Demographic Profile

Population, Households, and Housing Units						
	2000 Census	2010 Census	Growth 00-10	2020 Census	Growth 10-20	2040 Forecast*
Population	22,261	25,109	13%	27,373	9%	27,861
Households	7,745	9,523	23%	10,119	6%	10,907
Average Household Size	2.72	2.62	-4%	2.68	2%	2.54
Housing Units	8,697	10,035	15%	10,491	5%	11,481
Group Quarters Population	92	127	38%	253	99%	141

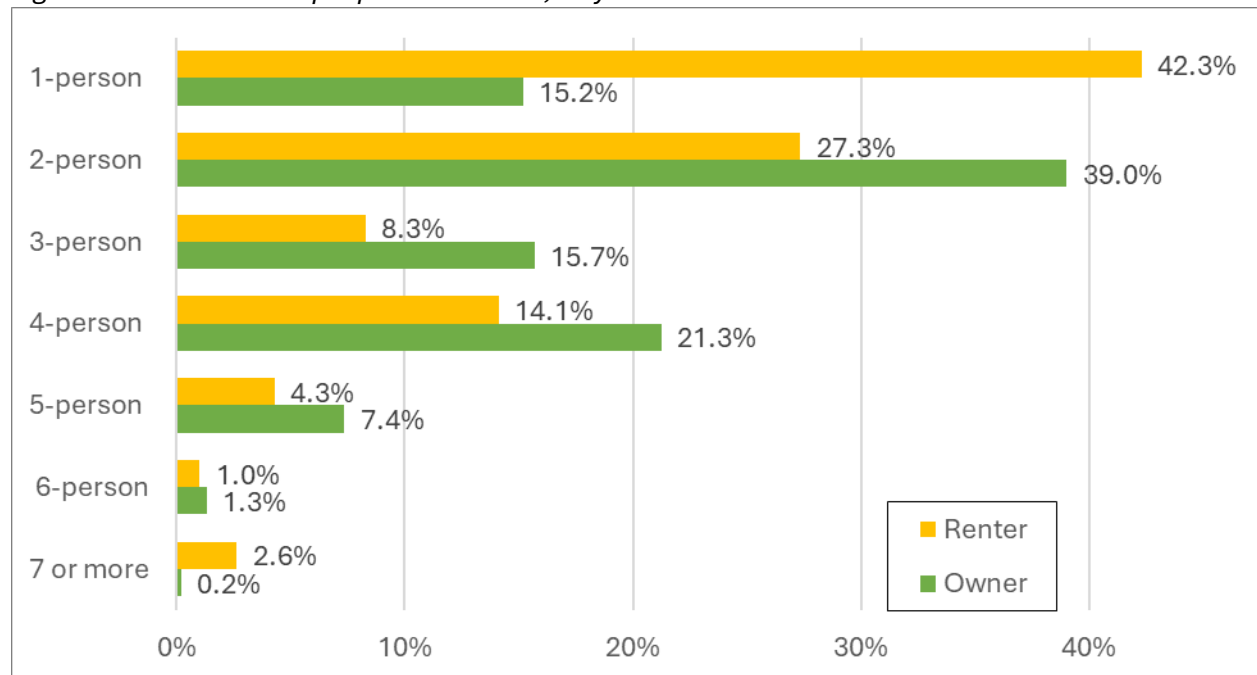
* Source: Metro, Johnson Economics

Source: US Census DP-1 (2000, 2010); DP-3 (2000); S1901; S19301; 2020 Decennial Redistricting Data (PL 94-171), PSU Population Research Center, and Johnson Economics

Household Growth & Size

As shown in Figure 2, West Linn’s estimated average household size is 2.68 persons, slightly larger than that of Clackamas County (2.6) and the statewide average of 2.48. As shown in Figure 2, most households have three or less people. 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.

Figure 2. Number of People per Household, City of West Linn



Source: US Census 2022 ACS 5-yr Estimates, Table B25009

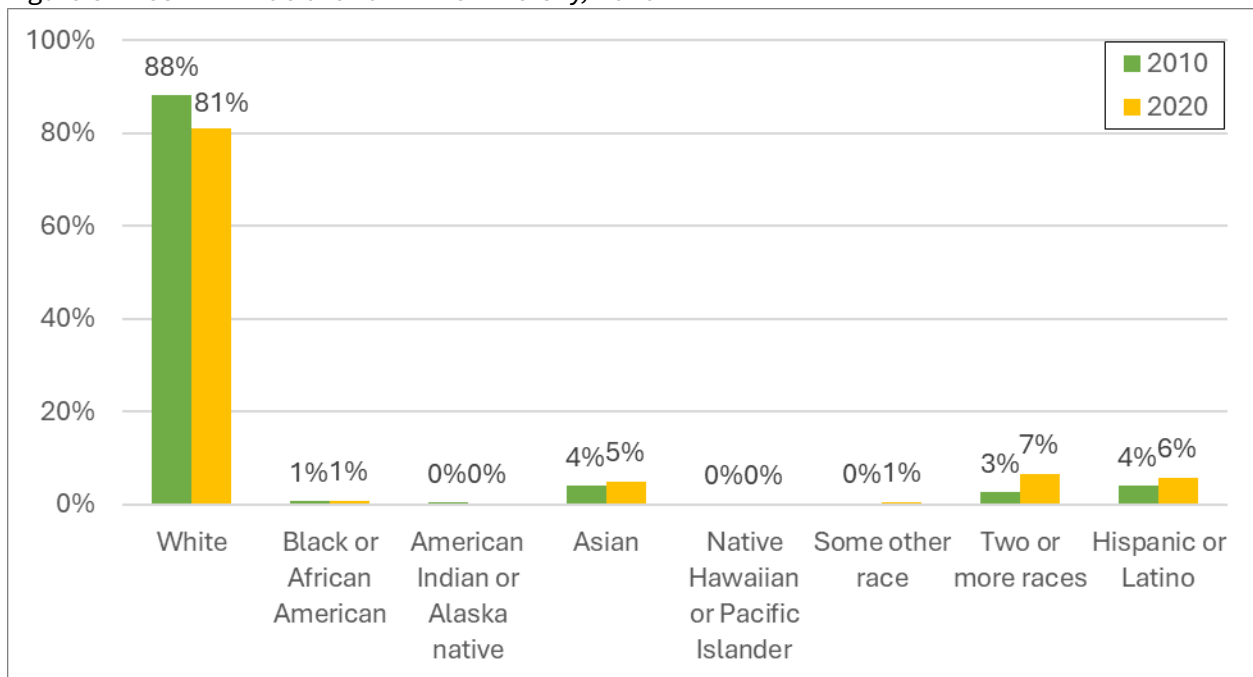
Family Households

The Census defines family households as two or more persons, related by marriage, birth or adoption and living together. As of the 2022 Census, 75% of West Linn households were family households, roughly the same as 2010. It is a relatively high number, especially when compared to Clackamas County, which has a rate of 69%, and the state of Oregon, which stands at 62%. Family households in West Linn had an average size of 3.1 people.

Race and Ethnicity

The following figure presents the distribution of West Linn’s population by race and Hispanic/Latino ethnicity. The community grew more diverse between the 2010 and 2020 Census, with the white share of the population falling from 88% to 82%. While all individual racial categories increased their share in general, those identifying as “Two or more races” more than doubled their share, growing in share of population from 3% to 7%.

Figure 3. West Linn Racial and Ethnic Diversity, 2020



Source: US Census 2020 Decennial Redistricting Data (PL 94-171)

Figure 4. Race and Ethnicity, City of West Linn

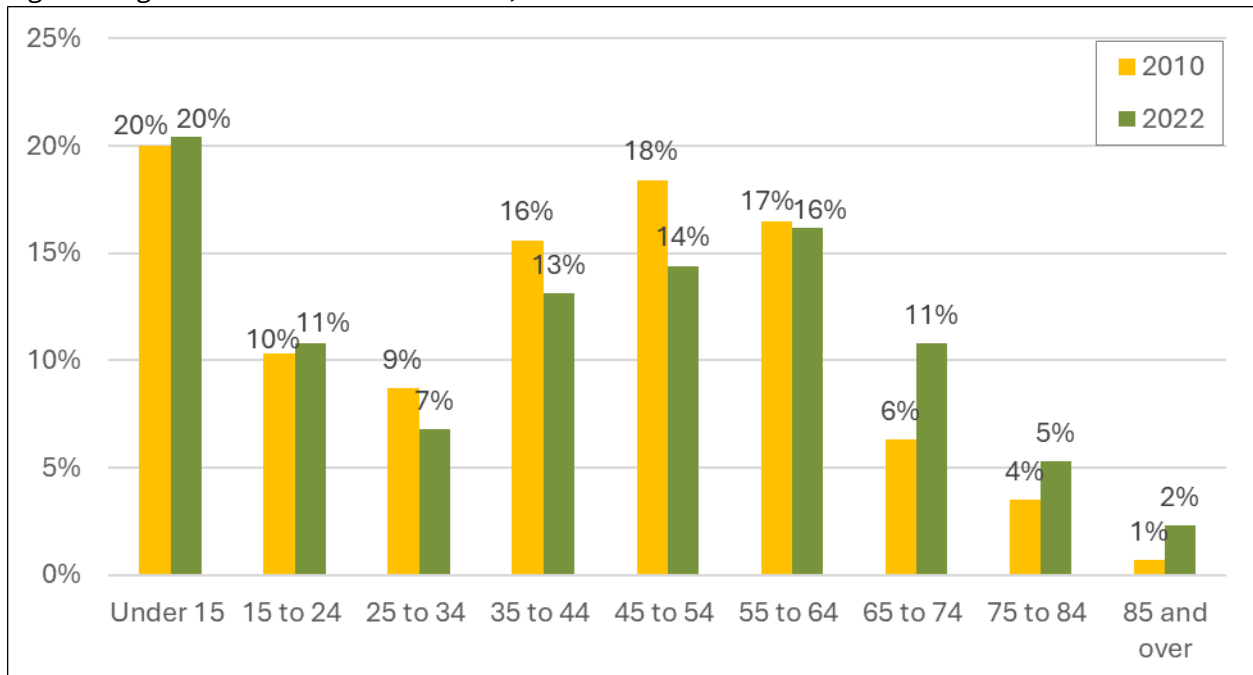
	2010	2020	Change
Not Hispanic/Latino Total	24,111	25,800	7.0%
White	22,122	22,186	0.3%
Black or African American	164	220	34.1%
American Indian or Alaska native	80	73	-8.8%
Asian	992	1,346	35.7%
Native Hawaiian or Pacific Islander	35	32	-8.6%
Some other race	51	142	178.4%
Two or more races	667	1,801	170.0%
Hispanic or Latino	998	1,573	57.6%

Source: US Census 2010, 2020 Decennial Redistricting Data (PL 94-171)

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, middle age cohorts have declined as a share of total population, while older cohorts have grown in share. This is in keeping with the national trend caused by the aging of the Baby Boom generation. The cohort which grew the most in share during this period were those aged 65 to 74 years. Still, an estimated 81.7% of the population is under 65 years of age. In the 2022 ACS, the local median age was an estimated 44.2 years, compared to 42.4 years in Clackamas County and 40.5 years in Oregon. The share of the City’s youngest residents also increased slightly during this period.

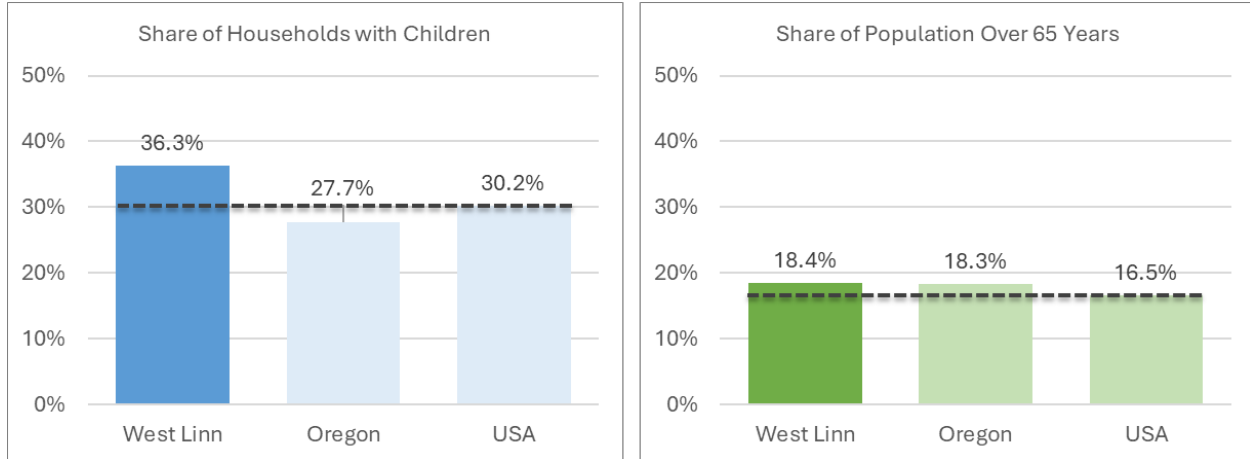
Figure 5. Age Cohort Trends in West Linn, 2010-2022



Source: US Census 2010, 2022 ACS 5-yr Estimates, Table S0101

The figure below presents the share of households with children, and the share of population over 65 years for comparison. Compared to state and national averages, West Linn has both a larger share of households with children and households with people 65 years old or older.

Figure 6. Share of Households with Children, Population over 65 years, City of West Linn



Source: US Census, 2022 ACS 5-yr Estimates, Table B11005, S0101

Household Income

The following figure presents data on West Linn’s income trends.¹ West Linn’s estimated median household income was \$134,116 in 2022. This is 37.6% higher than the Clackamas County median of \$97,419, and 77% higher than the statewide median of \$75,657. The City’s per capita income is roughly \$65,000

Figure 7. Per Capita and Median Household Income, City of West Linn

Per Capita and Median Household Income		
	2010	2022
Per Capita Income	\$42,483	\$64,714
Median Household Income	\$84,295	\$134,116

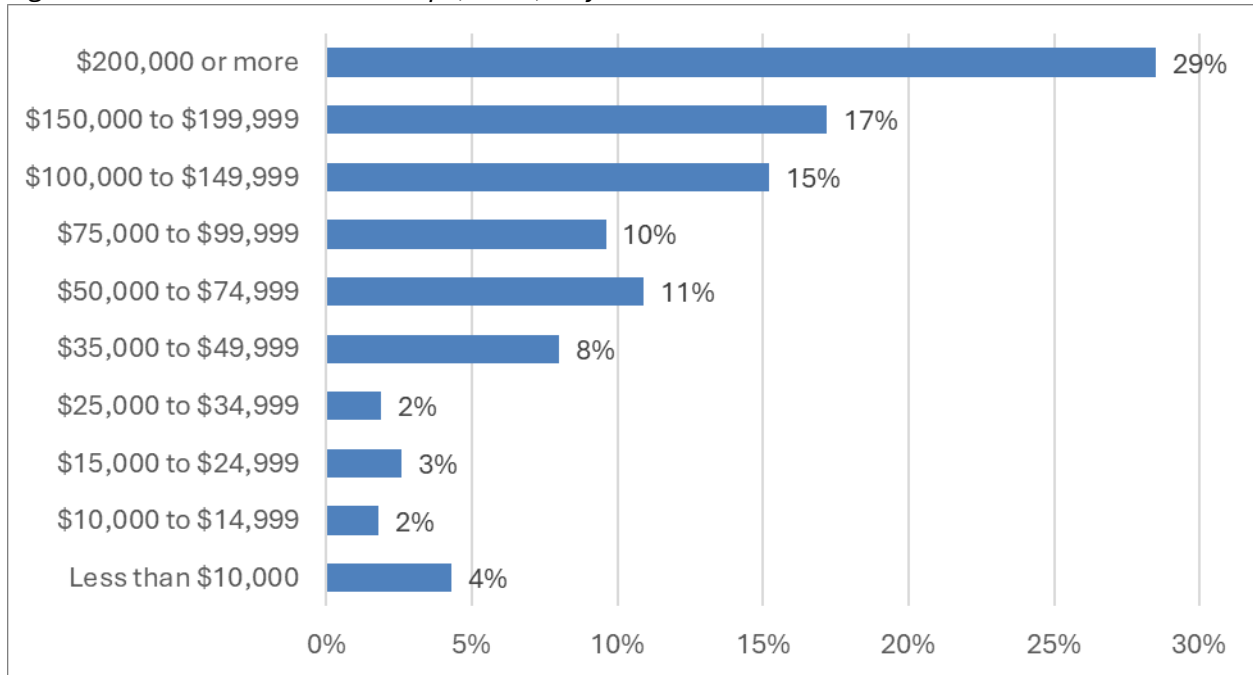
Source: US Census, 2010, 2022 ACS 5-yr Estimates, Table S1901, DP03

Figure 8 presents the estimated distribution of households by income as of 2022. The largest income cohorts are those households earning over \$200k, followed by households earning between \$150k and \$200k. Sixty-one percent of households earn more than \$100,000.

- Only 18.6% of households earn less than \$50k per year, while 81.4% of households earn \$50k or more.
- Only 8.7% of households earn less than \$25k per year.

¹ 2000 Census data on income is not available for West Linn.

Figure 8. Household Income Groups, 2022, City of West Linn



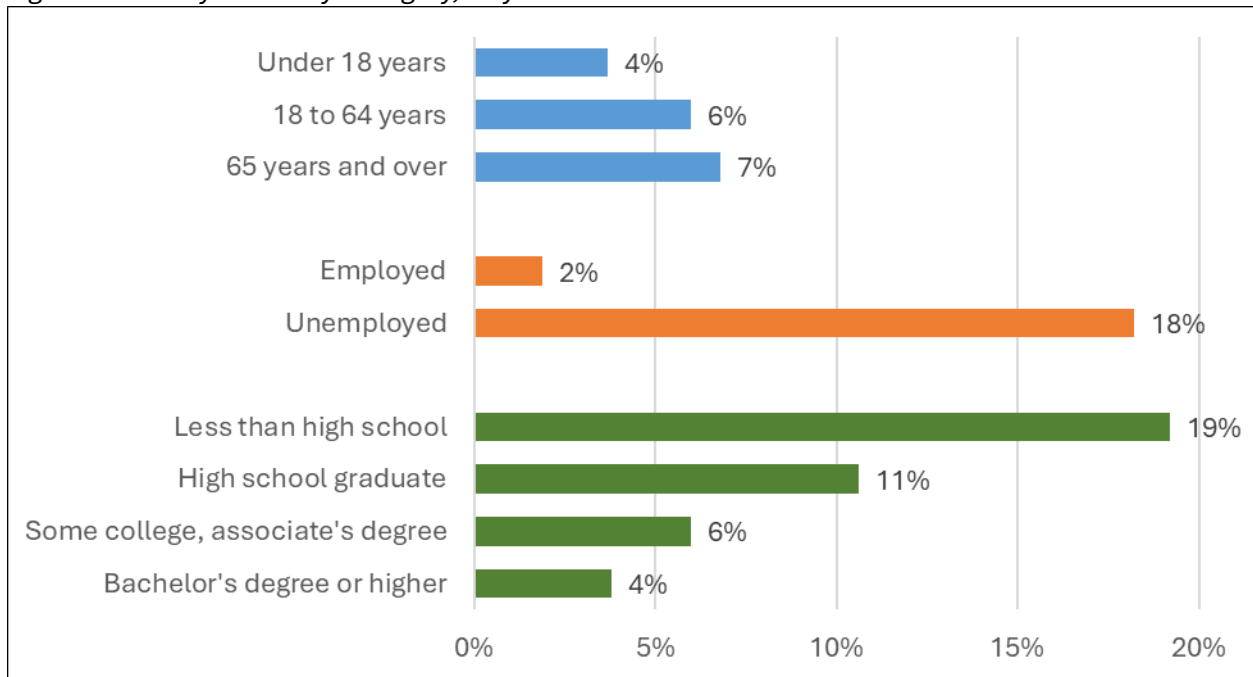
Source: US Census 2022 ACS 5-yr Estimates, Table S1901

Poverty Status

According to the US Census, the official poverty rate in West Linn is an estimated 5.6% over the most recent period reported (2022 5-year estimates). This is roughly 1,500 individuals in West Linn. In comparison, the official poverty rate in Clackamas County is 8.2%, and at the state level is 12.1%. In the 2018-22 period:

- The West Linn poverty rate is low among all groups, but highest among those over 65 years of age at 7%. The rate is 5% among those under 65 years of age.
- For those with only a high school diploma, the poverty rate is 11%.
- Among those who are employed the poverty rate is 2%, while it is 18% for those who are unemployed.

Figure 9. Poverty Status by Category, City of West Linn



Source: US Census 2022 ACS 5-yr Estimates, Table S1701

Group Quarters Population

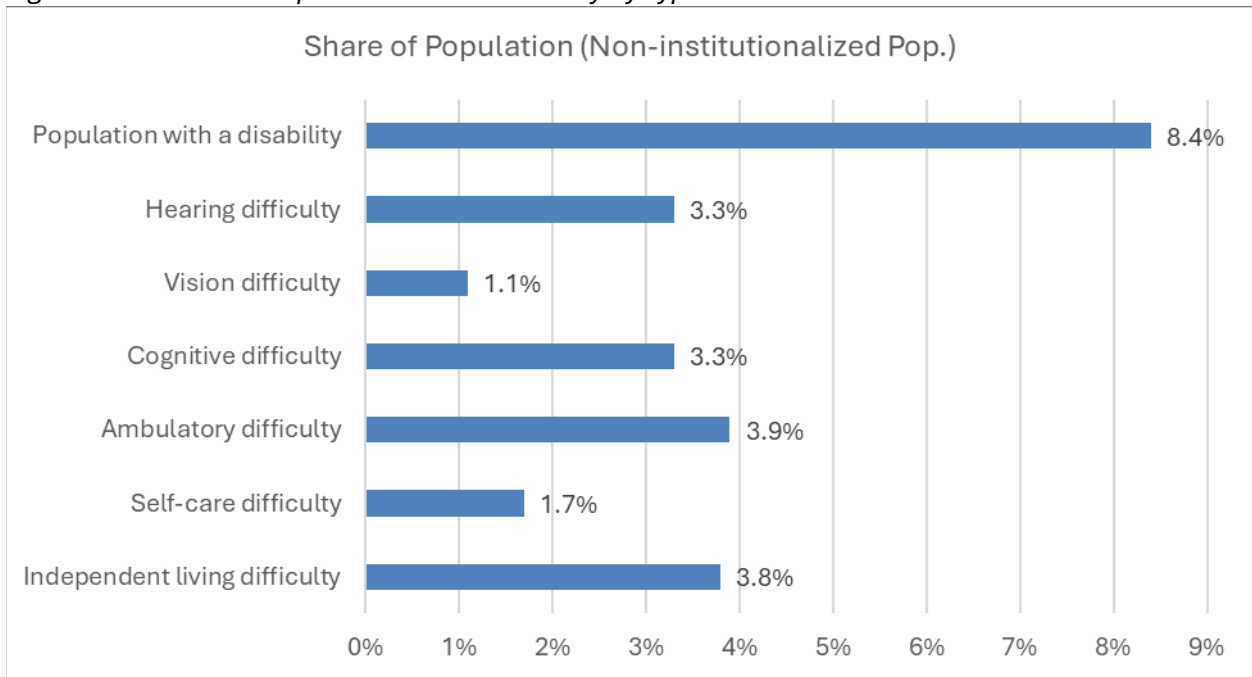
As of 2020, the City of West Linn has an estimated group quarters population of 0.9% of the total population, or 253 persons.² Group quarters include such shared housing situations as nursing homes, prisons, dorms, group residences, military housing, or shelters. In West Linn, senior housing facilities account for the majority of this population.

People with disability

Of the non-institutionalized population in West Linn, an estimated 8.4% or 2,268 people report having some form of disability (Figure 10). Any type of disability impacts the type of housing that may be appropriate for a resident, but those with the greatest impact on needed unit type are generally an ambulatory, self-care, or independent living disability. Those with an ambulatory disability often need units with expanded access for wheelchair, walker, or scooter. Those with self-care or independent living disabilities may require additional safety precautions around the home to protect a resident who cannot always be directly monitored.

² 2020 Decennial Redistricting Data (PL 94-171), Portland State University Population Research Center

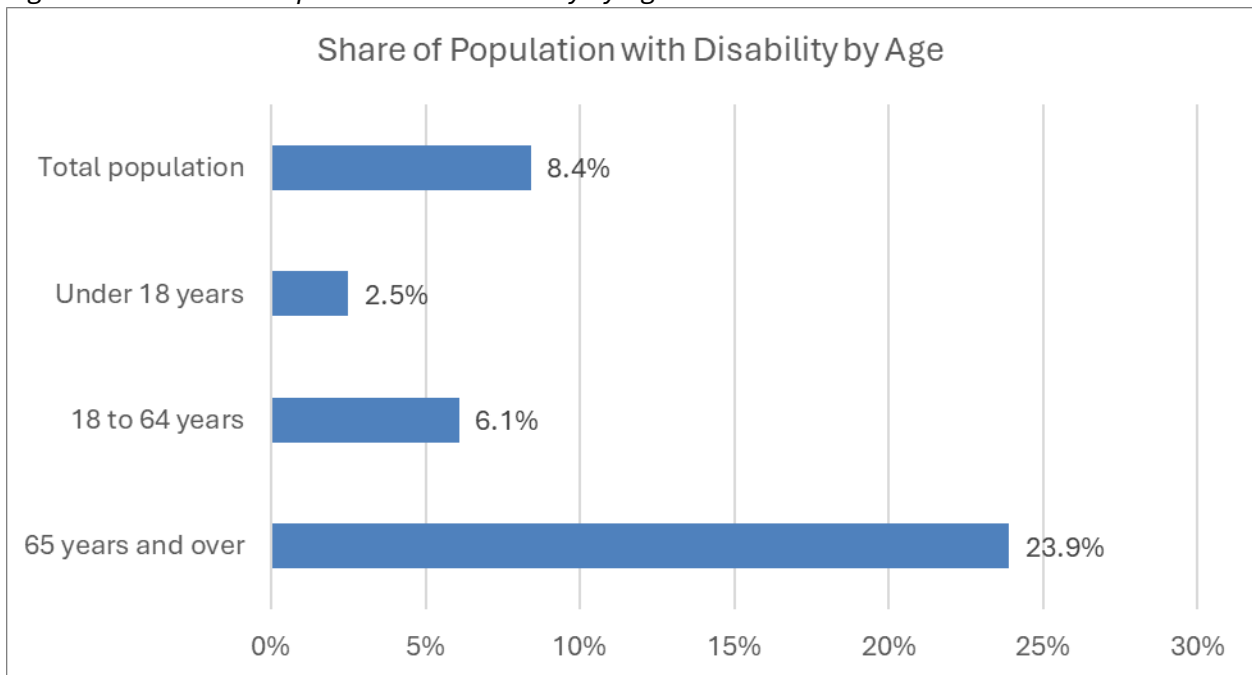
Figure 10. West Linn Population with a Disability by Type



Source: US Census 2022 ACS 5-yr Estimates, Table S1810

As shown in Figure 11, Older residents are more likely to report a disability, including about 24% of those over 65 years old. Of those in prime working years, 6.1% of the total population and 2.5% of children report a disability.

Figure 11. West Linn Population with Disability by Age



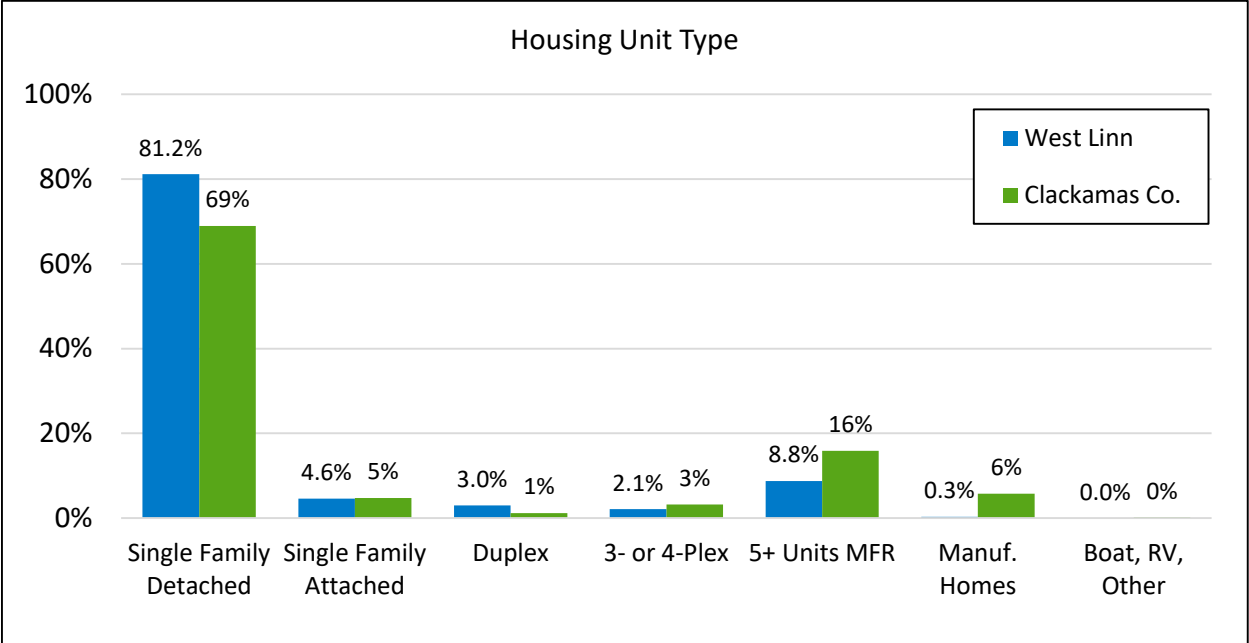
Source: US Census 2022 ACS 5-yr Estimates, Table DP02

MARKET CONDITIONS

Housing Stock

West Linn had an estimated 10,476 housing units in 2020 (HNA), with a vacancy rate of 5% (includes ownership and rental units). As shown in the following figure, over 81% of units are estimated to be detached single family homes, with the remainder distributed among mostly attached housing types, and some manufactured homes. Nine percent of housing units are estimated to be units in multi-family properties of at least five units. The county as a whole has a smaller share of detached homes and larger share of multi-family apartments.

Figure 12. Estimated Share of Units, 2022, City of West Linn

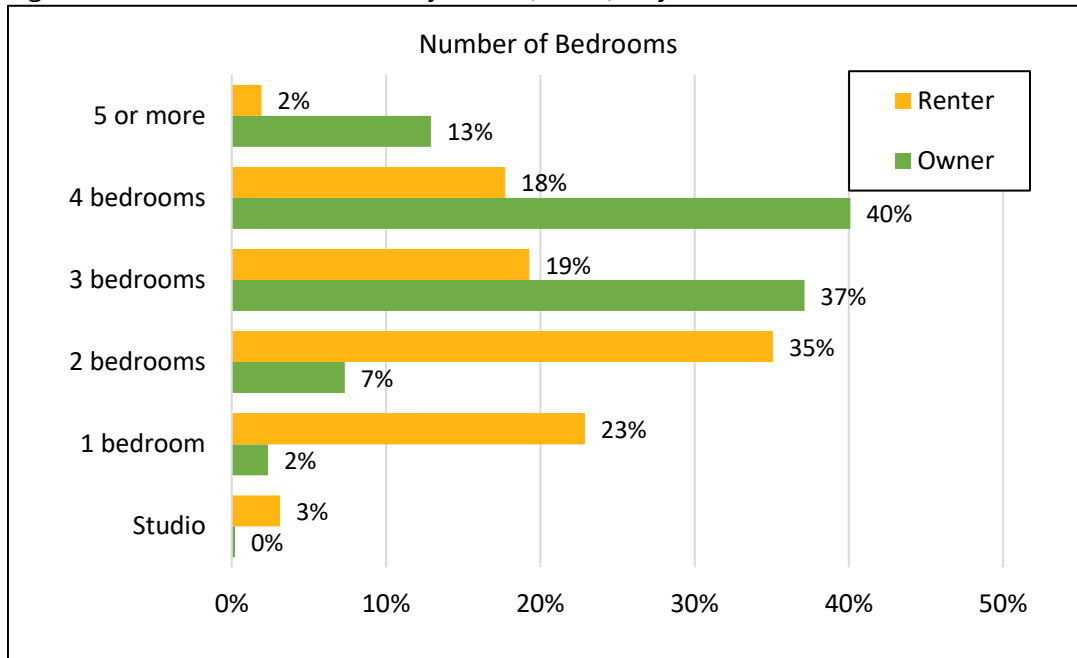


SOURCE: US Census 2022 ACS 5-yr Estimates, Table B25032

Number of Bedrooms

The following figure 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.

Figure 13. Number of Bedrooms by Tenure, 2022, City of West Linn



SOURCE: US Census 2022 ACS 5-yr Estimates, Table B25042

Unit Types by Tenure

West Linn has a much greater share of homeowner households than renter households. The 2022 American Community Survey estimated that 83% of occupied units were owner occupied, and only 17% renter occupied. The ownership rate has risen since 2000 (78%). This is significantly higher than the estimated ownership rate across Clackamas County (71%) and statewide (62%). The ownership rate locally and statewide has risen even since the time of the 2021 HNA.

As the next figure shows, a large share of owner-occupied units (90%) are detached homes, which is related in part to why owner-occupied units tend to have more bedrooms. Renter-occupied units are more evenly distributed among a range of structure types. About 32% of rented units are estimated to be detached homes or manufactured homes, while the remainder are some form of attached unit. An estimated 29% of rental units are in larger apartment complexes.

Figure 14. Housing Inventory by Unit Type, Owner and Renter, 2021 (HNA), City of West Linn

OWNERSHIP HOUSING

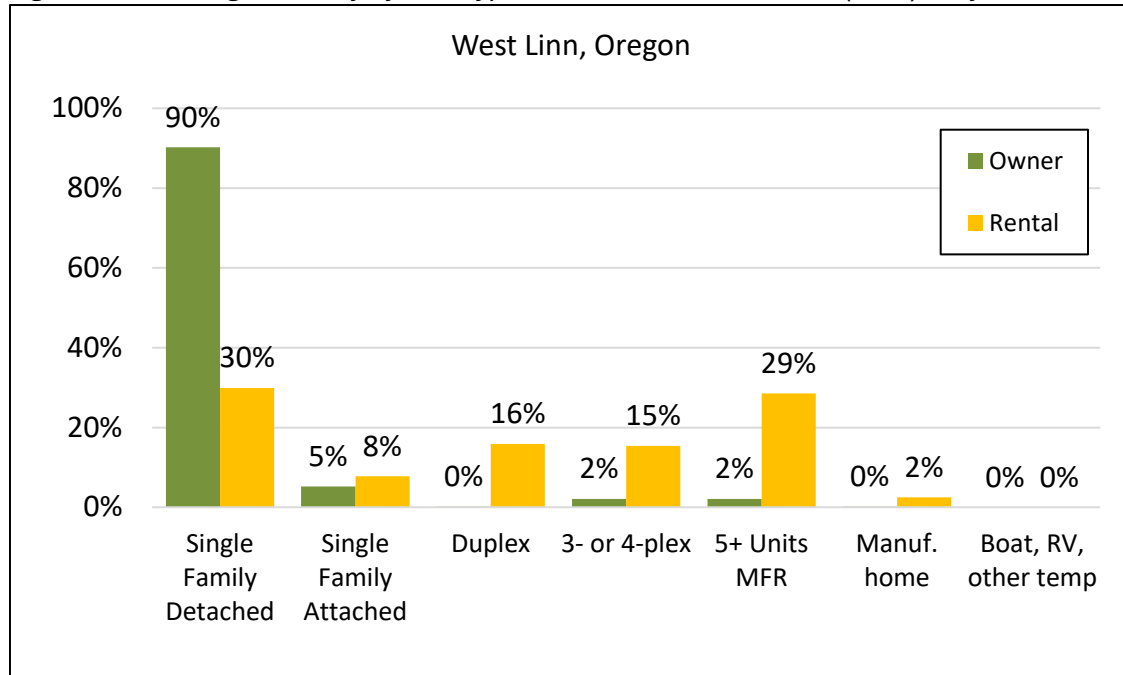
OWNERSHIP HOUSING								
	Single Family Detached	Single Family Attached	Duplex	3- or 4-plex	5+ Units MFR	Manuf. home	Boat, RV, other temp	Total Units
Totals:	7,460	432	13	175	170	14	0	8,264
Percentage:	90.3%	5.2%	0.2%	2.1%	2.1%	0.2%	0.0%	100%

RENTAL HOUSING

RENTAL HOUSING								
	Single Family Detached	Single Family Attached	Duplex	3- or 4-plex	5+ Units MFR	Manuf. home	Boat, RV, other temp	Total Units
Totals:	662	172	352	341	631	54	0	2,212
Percentage:	29.9%	7.8%	15.9%	15.4%	28.5%	2.5%	0.0%	100%

Sources: US Census, City of West Linn, West Linn Housing Needs Analysis, 2021

Figure 15. Housing Inventory by Unit Type, Owner and Renter, 2021 (HNA), City of West Linn



Source: US Census, City of West Linn, West Linn Housing Needs Analysis, 2021

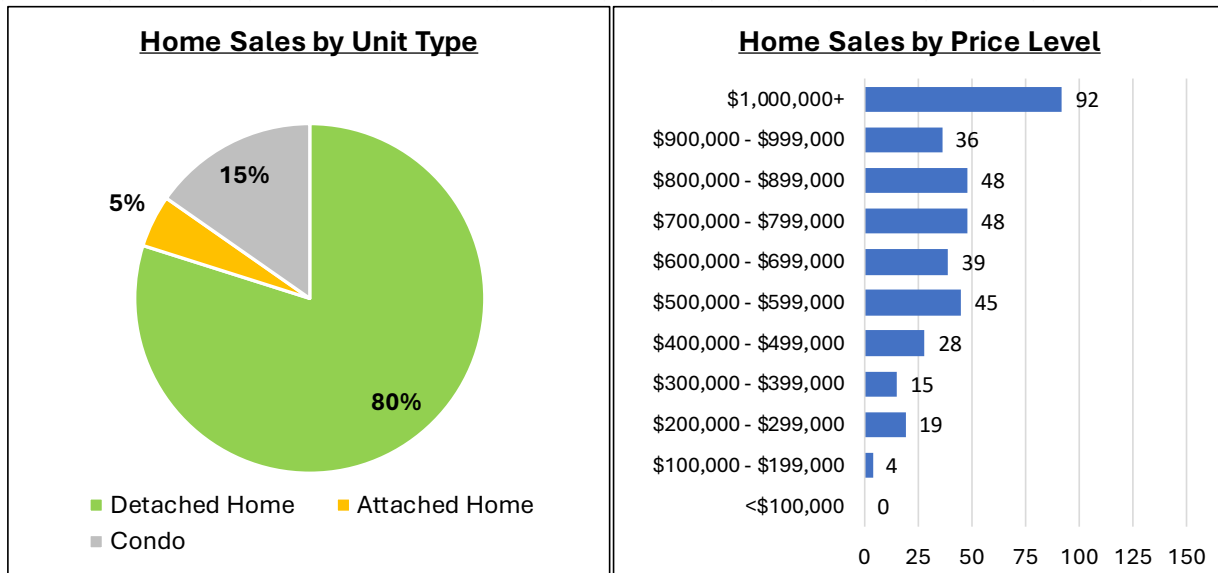
Home Price

This section presents home sales data from spring 2023 to spring 2024 to indicate housing costs for new entrants into the housing market. Some key figures for home price include the following:

- The median sale price was \$790,000.
- The average (mean) sale price was \$868,000.
- The average price per square foot was \$320/s.f.
- The median square footage was 2,600 s.f.
- 17% of home sales were priced below \$500,000.
- 35% of sales were priced between \$500,000 and \$800,000.
- Nearly 50% of sales were priced over \$800,000, with nearly 25% priced over \$1 million.

Home sale prices have risen sharply since completion of the 2021 HNA, when the median sale price of the prior 12 months was \$585,000. This represents an increase of 35% in the median price over four years, or an average increase of 8% per year. As shown in Figure 16, the majority of home sales were for detached homes and a significant proportion of home sales were over \$500,000.

Figure 16. Home Sales, Prior 12 Months, May 2024, City of West Linn

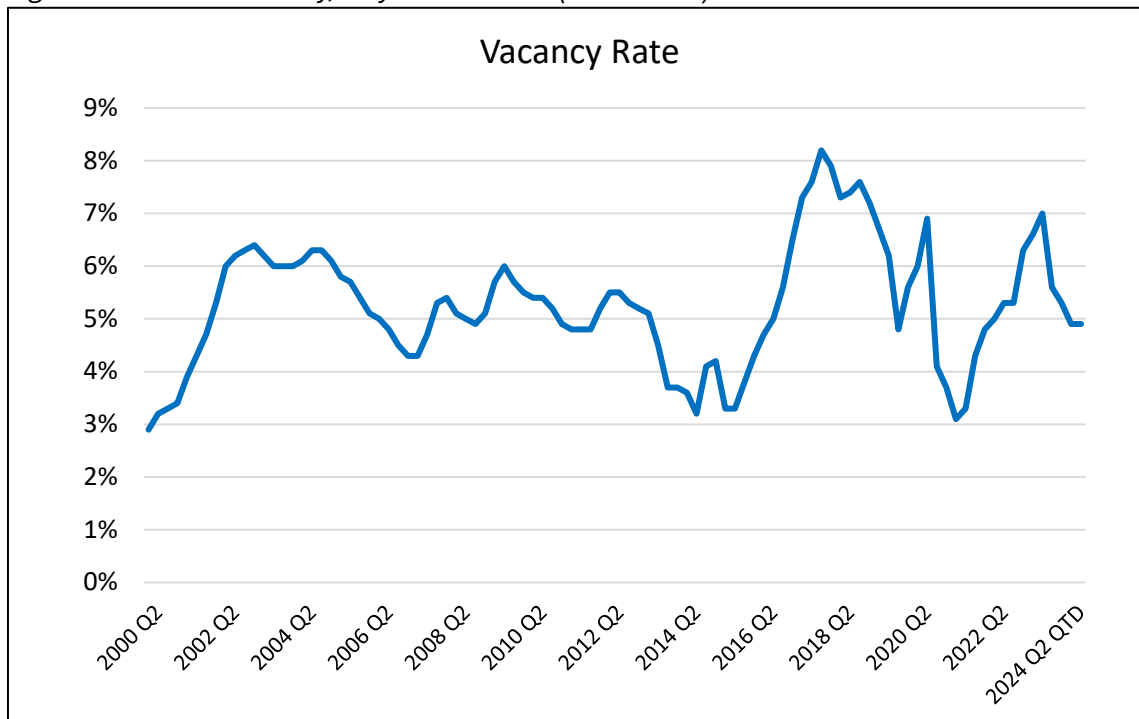


Sources: RMLS, Johnson Economics

Rental Vacancy and Average Rent

As shown in Figure 17, West Linn has experienced an uneven vacancy rate over the last two decades, according to data from CoStar. The following figure shows that rental vacancy in the area has fallen at times in the prior decade to a low vacancy of 3%. In 2024, rental vacancy is estimated at 5%.

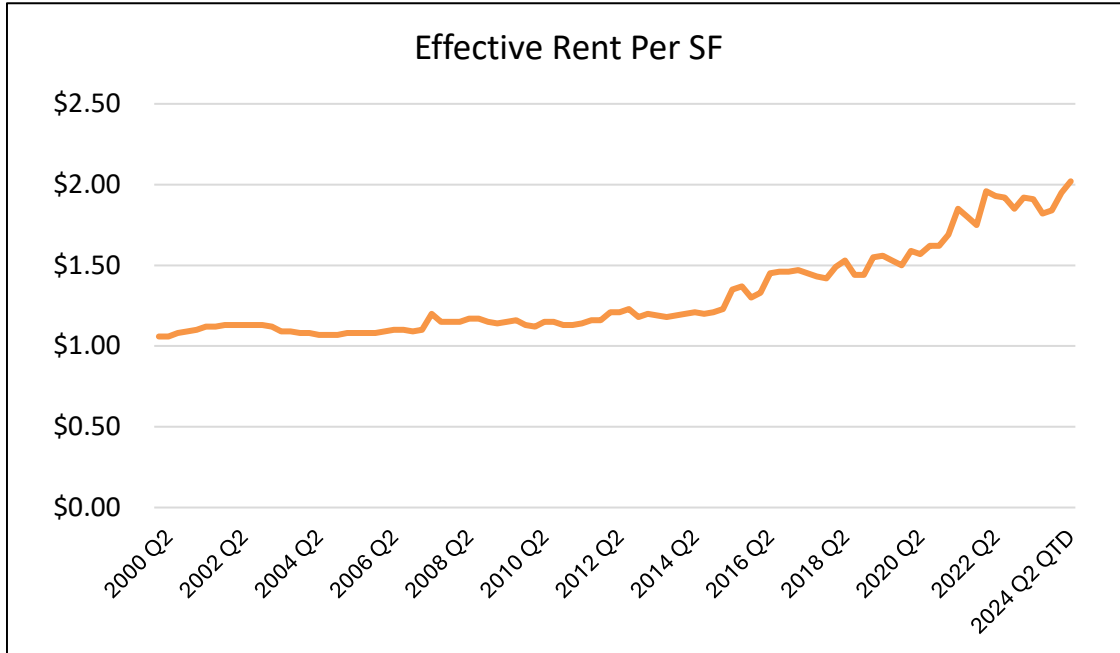
Figure 17. Rental Vacancy, City of West Linn (2000-2024)



Source: CoStar, Johnson Economics

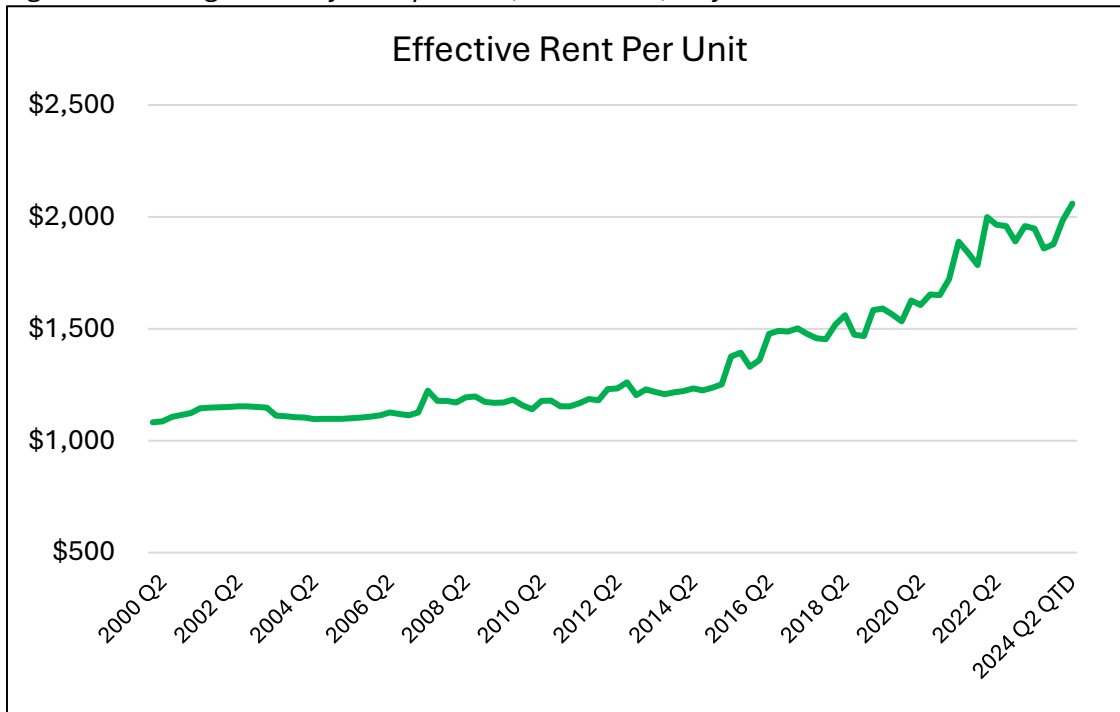
As shown in Figure 18 and Figure 19, average rents have climbed steadily since 2014. The average rent in West has nearly doubled over that period, increasing to roughly \$2.02/square foot, or an average of \$2,050/month according to data from CoStar.

Figure 18. Average Rent per Square Foot, 2000-2024, City of West Linn



Source: CoStar, Johnson Economics

Figure 19. Average Monthly Rent per Unit, 2000-2024, City of West Linn



Source: CoStar, Johnson Economics

Housing Units in the development pipeline

In the last two years, the City has issued 43 permits for 45 units, most of which were for new single family dwellings (27 permits in 2022, 16 permits in 2023). Two permits were issued for duplexes, and 10 of the dwellings were for “detached” plexes that were subsequently subdivided and function as single family homes.

HOUSING AFFORDABILITY

Housing Cost Burden by Income Cohort

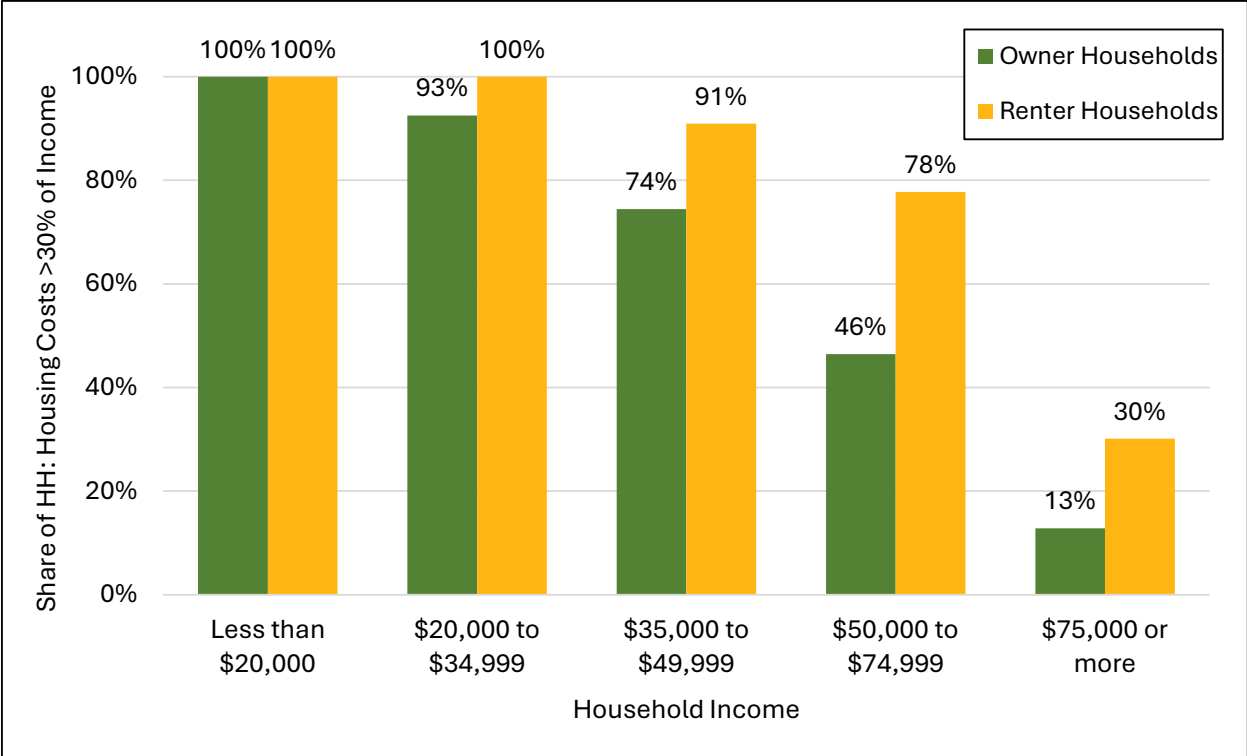
Figure 20 below shows the share of owner and renter households who are paying more than 30% of their household income towards housing costs, by income segment.³

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 \$35,000, it is estimated that nearly 100% of households spend more than 30% of their income on housing costs, whether owners or renters. Although there are relatively few households in these lower income segments compared to other cities in the region, those who do exist experience severe cost burdens. Therefore, it is important to not overlook the challenges faced by lower income households in the community, regardless of the overall composition of the community’s household incomes.

In total, the US Census estimates that nearly 32% of West Linn households pay more than 30% of income towards housing costs. The city was identified on the Oregon Housing and Community Service (OHCS) “Severely Rent Burdened Cities” list from 2024.

Figure 20. Share of Households Spending More than 30% on Housing Costs, by Income Group

³ 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.



Source: US Census 2022 ACS 5-yr Estimates, Table B25106, Johnson Economics

The following figures shows the percentage of household income spent towards gross rent⁴ for local renter households only. This more fine-grained data shows that not only are nearly 70% of renters spending more than 30% of their income on gross rent, but an estimated 31% 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 West Linn, as in most communities.

⁴ 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.

Figure 21. Percentage of Households Spent on Gross Rent, West Linn Renter Households



Sources: US Census, 2022 ACS 5-yr Estimates, Table B25070, Johnson Economics

Publicly Assisted Housing

West Linn currently has very few subsidized apartment properties, according to Oregon Housing and Community Development (OHCS). These are properties that are funded through HUD programs, tax credits and other programs which guarantee subsidized rents for qualified households. There are an estimated 10 such units in West Linn, which appear to be in separate single-family homes rather than in a multi-family development. Given the 10,500+ estimated units in West Linn, the share of subsidized units is essentially 0%.

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. In addition, there may be ownership opportunities that are available for residents in lower income brackets through various programs that support affordable homeownership.

Agricultural Worker Housing: West Linn is not currently home to properties dedicated to agricultural workers. This population may also be served by other available affordable units.

Homelessness: A Point-in-Time count of homeless individuals in Clackamas County conducted in January of 2023 found 411 homeless individuals on the streets, in shelters, or other temporary and/or precarious housing. This number was 1,166 individuals in the 2019 count, indicating that the rate of homelessness has fallen significantly as the economy has recovered since the 2021 HNA. Note that these figures are for the entire county.⁵ In 2023, this included:

⁵ Figures via Clackamas County Health, Housing, and Human Services, and North Clackamas School District

- 56% of those counted were in emergency shelter, warming shelter, or transitional housing programs.
- 44% people unsheltered.
- 75% of the individuals were non-Hispanic white people.
- 173 (42%) were chronically homeless.
- 30% reported experiencing serious mental illness.
- 20% reported experiencing domestic violence.
- 7% were veterans.
- An estimated 54% of those counted were male, 38% female, and the rest non-reporting.

In the 2022/23 school year, the West Linn-Wilsonville tracked homeless school-aged children in keeping with the McKinney-Vento Act. Thirty-nine students lived in temporary “doubled up” situations, in the homes of other family or friends. The other tracked categories (hotel/motel, sheltered, unsheltered, unaccompanied) each report five or less students per category, meaning the data is kept confidential.

Needed Housing Units by Affordability Range and Type

The following figure 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. This forecast is from the 2021 HNA report. Over time, incomes and housing costs will both inflate, so the general relationship projected here is expected to remain unchanged.

The figure also discusses the housing types typically attainable by residents at these income levels.

Figure 22. Projected Need for New Housing at Different Income Levels, West Linn

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	< \$27,500	<\$800	<\$150k	21	76	97	10%	Govt-subsidized; Voucher
Very Low Income 30% - 50% AMI	\$27.5k - \$46k	\$800-\$1,100	\$150k-\$225k	27	54	80	8%	Aging/substandard rentals; Govt-subsidized; Voucher
Low Income 50% - 80% AMI	\$46k - \$73.5k	\$1,100-\$1,600	\$225k-\$330k	59	90	150	15%	Market apts; Manuf. homes; Plexes; Aging SFR
Middle Income 80% - 120% AMI	\$73.5k - \$110.5k	\$1,600-\$2,100	\$330k-\$475k	113	35	148	15%	Single-family detached; Townhomes; Small homes; New apts
Upper Income > 120% AMI	> \$110,500	\$2,100+	\$475k+	459	70	530	53%	Single-family detached
TOTAL:				679	326	1,005	100%	

* Adjusted to 2020 dollars. The median household income level in 2020 will be inflated from current levels.

Source: US Census, City of West Linn, West Linn Housing Needs Analysis, 2021

- Figure 22 presents the *net NEW* housing unit need over the next 20 years. However, there is also a *current* need for more affordable units. In order for all households, current and new, to pay 30%

or less of their income towards housing in 2040, more affordable rental or owner units would be required.

- The projection of future ownership units finds that the supply at the lowest end of the spectrum is currently 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 townhomes, condos, and small detached homes, often on smaller lots.
- Figure 23 presents estimates of need at key low-income affordability levels in 2020 and in 2040. There is an existing and on-going need at these levels, based on income levels specified by Oregon Housing and Community Services for Clackamas County. An estimated 30% of households qualify as at least “low income” or lower on the income scale, while 9% of household qualify as “extremely low income.”
- Typically, only rent-subsidized properties can accommodate these lowest-income households at “affordable” housing cost levels. (The threshold income levels presented here are generated for the entire county based on the significantly lower county-wide average household income in comparison to West Linn.)

Figure 23. Projected Need for Housing Affordable at Low Income Levels, West Linn

Affordability Level	Income Level*		Current Need (2020)		Future Need (2040)		NEW Need (20-Year)	
			# of HH	% of All	# of HH	% of All	# of HH	% of All
Extremely Low Inc.	30% AMI	\$27,630	848	9%	945	9%	97	10%
Very Low Income	50% AMI	\$46,050	1,569	16%	1,746	16%	178	18%
Low Income	80% AMI	\$73,680	2,940	30%	3,267	30%	327	33%

Source: US Census, City of West Linn, West Linn Housing Needs Analysis, 2021

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

EXISTING AND EXPECTED BARRIERS TO DEVELOPING NEEDED HOUSING

The Consultant team conducted interviews with a variety of key stakeholders involved with the provision of needed housing in West Linn. The interviews were conducted with 10 individuals, with a focus on the diverse housing needs, underrepresented communities, and affordable housing development. The key themes of the information gathered in the interviews identified the existing and expected barriers to the development of needed housing. The information gathered in these interviews include to barriers to the development of needed housing, along with the data and information on housing trends, market conditions, and housing affordability considerations. The interview findings help provide additional context of the housing needs in West Linn and will help inform the identification and evaluation of housing production strategies.

The following is a summary of recurring themes and comments from the interviews regarding the barriers to the production of needed housing in West Linn.

Aging Housing Stock and Limited Land Availability

- The majority of the city was built out in the 1990s, and therefore much of the housing stock is aging.
- There is limited land availability for larger subdivisions, with most development limited to smaller partitions of 6-10 lots.
- West Linn has limited room for growth compared to neighboring cities like Wilsonville, with financing constraints for infrastructure/public facilities improvements.
- There is limited land supply for the market West Linn has traditionally attracted.
- Topography and geological constraints make housing development in West Linn challenging.

Market Potential and Constraints

- Market potential exists for infill and middle housing, but space is constrained.
- There are limited opportunities for dense housing or urban amenities, especially outside the Willamette Drive area.
- Community buy-in can be a barrier to attached/middle housing. Some community members prefer single-family homes at higher price points and resist higher density infill developments that don't align with the perceived neighborhood's character.

Cost and Affordability Issues

- West Linn has the highest System Development Charges (SDCs) in the state, making affordability difficult to achieve without reductions in these fees and/or other measures that can significantly reduce housing construction and land costs.
- Land costs are higher in West Linn, and the building permit process is relatively expensive, contributing to challenges in bringing affordable housing projects to fruition.
- Most development costs (e.g., SDCs) are borne by the applicant/developer and/or passed on to homebuyers, making it more difficult to deliver affordable products.

Regulatory and Procedural Challenges

- Historic overlays and restrictive zoning codes may inhibit development of needed housing in some areas.
- Lack of clarity for SDCs for middle housing has caused confusion and challenges for developers.
- Developers express a need for clarity in definitions, fee structures, and the overall process to navigate through permits and inspections.
- Lack of accurate infrastructure data and records poses challenges for development and may increase costs for public improvements for housing development.
- Slow engineering reviews and lack of simultaneous review contribute to inter-department communication issues and delays.
- Lack of clarity on the entire permitting process can be a barrier for developers who do not have experience in the community or for smaller-scale developers with fewer resources.

EXISTING ADOPTED MEASURES

The City of West Linn currently uses a mix of housing strategies intended to enable or facilitate the production of housing. Housing production measures are intended to encourage needed housing, increase affordability, and reduce rent burden on renters.

The City submitted a pre-HPS Survey to DLCD in 2022 that summarizes existing measures the City currently uses. According to the Pre-HPS Survey, the City is implementing the measures listed below to address housing needs in West Linn.

Policy and Development Code Strategies

- Zoning Changes to Facilitate the Use of Lower-Cost Housing Types
 - The recently adopted West Linn HNA identified a deficiency in multi-family zoned land. The City recently rezoned several parcels from lower density to higher density designations to correct this deficiency and to encourage development of new multi-family projects.
- Code Provisions for ADUs
 - The City reviewed ADU regulations in the code and adopted Ordinance 1742 in order to remove existing barriers to their construction. The City also recently passed an Ordinance exempting ADUs from half-street improvements, which was the primary barrier. An evaluation of SDCs will also be undertaken.
- Middle Housing Code Update
 - The City's recent middle housing update resulted in the City allowing duplexes, triplexes, quadplexes, townhomes, and cottage cluster housing in a broad range of residential zones.
- Rezoning low-density residential area to middle-to-high density residential
 - The City recently increased the allowed density in one or more zones to allow for more compact development and/or a wider range of housing types in specific areas. This addresses the housing needs identified in HNA and to also comply with HB 2003.

Reduce Regulatory Impediments

- Remove or Reduce Minimum Parking Requirements
 - As part of the implementation of CFEC rules, the City will be making a policy decision on whether to eliminate parking minimums for the entire community. If the City does not remove these requirements citywide, it will still eliminate minimum requirements in a variety of areas consistent with state requirements.
- Reduce Regulatory Barriers to Lot Division
 - The City will be codifying SB458 rules in the Community Development Code. SB458 applications are currently being processed as a staff decision. However, the CDC requires an ELD which is processed through the Planning Commission and the City Attorney's office has advised this runs afoul of ORS/OARs. The code will be amended in the next round of clean-up.

- Pro Affordable Housing Agenda
 - The City recently updated its Comprehensive Plan Goal 10 Housing policies to promote development of affordable housing as part of the HB2003 HNA adoption.

Financial Incentives and Funding Sources

- Modify SDC fee schedules
 - The City is finalizing a contract to review the SDC calculations for ADUs and Middle Housing Types. The review will also look at rates for affordable housing projects.
- Nonprofit Low-Income Rental Housing Exemption
 - As part of the HPS, the City will review and propose a number of programmatic/policy initiatives for tax relief for affordable projects.
- Dedicated Revenue Sources for Affordable Housing
 - The City will review and potentially adopt various programmatic/policy initiatives as part of the HPS to encourage affordable housing development. A number of tools will be analyzed, including vertical tax credits, CET, property tax waivers, etc.

Land Supply Strategies

- Surplus Land for Affordable Housing
 - As part of the HPS, the City will analyze strategies and identify surplus properties that could be developed as affordable housing projects in partnership with the County and local providers.

HOUSING NEEDS OF UNDERREPRESENTED COMMUNITIES

The contextualized housing needs analysis finds disproportionate housing needs for low-income households, people experiencing homelessness, people of color, people with disabilities, workforce, seniors, and veterans. The people in these groups have housing needs not met with the housing type and price points the market provides. Producing housing for the special needs of these groups requires public intervention in order to increase the inventory of needed housing. The HPS will evaluate the strategies with a focus on the forementioned underserved groups.

Low-income households

West Linn has an unmet current and future need of housing for the extremely low to low-income households. This demonstrates a need for subsidized affordable housing for renters and affordable homeownership. In 2022, the US Census estimated that about 64% of the renter households in West Linn pay more than 30% of income towards housing costs. With the low vacancy rate, competition for lower-priced affordable units and subsidized units is high, and many cannot afford the rents or housing sales prices without cost burdening themselves. HUD housing vouchers frequently do not provide enough money to cover market rate rent of stable housing without supplemental income which many recipients do not have available. In addition, the number of

available units that accept vouchers is limited and typically is much lower than the number of vouchers that otherwise could be used in the community. The low vacancy rate of housing unit (5%), which is likely even lower for lower cost rental units, is causing an increase in the need for shelters and transitional housing in West Linn which is pushing the extremely low and very low income people onto the threshold of homelessness and needing those services in order to be housed. Currently, there are a very limited number of publicly assisted housing units in West Linn and a limited number of HUD vouchers are being used there at this time.

People Experiencing Homelessness

People experiencing homelessness are disproportionately affected by the lack of affordable housing. There were an estimated 411 people counted as homeless and unsheltered in Clackamas County as of 2023. In addition, an estimated 13% of households in West Linn may be at risk of homelessness because they have income at or below 30% of MFI. Almost all of these households are cost burdened, with many likely being severely cost burdened. Their broad housing needs include immediate assistance, such as rent support, permanent supportive housing with services, and better access to affordable units. Additionally, the housing needs of homeless individuals who are seniors, disabled, or Persons of Color encompass the specific needs of these groups as well.

People of Color

West Linn grew more diverse between the 2010 and 2020 Census, with the white share of the population falling from 88% to 81%. The individual racial groups increased their portions taking 1% to 7%. Minority households typically have larger average household sizes compared to the overall population. Racial and ethnic minorities are less likely to own their homes, resulting in a greater demand for rental units due to a combination of historical, systemic, and economic factors. These factors create barriers to homeownership, leading to a greater reliance on rental housing. Because of these barriers, minorities are more likely to rent than own homes, creating a greater demand for rental units in the housing market. This increased reliance on renting often means minorities face additional challenges, such as higher rent burdens, less housing stability, and fewer opportunities to build long-term or generational wealth that is associated with homeownership. They also typically fall behind their white counterparts in terms of the ability to accumulate intergenerational wealth, including through home ownership. These groups also tend to have lower average incomes and are more likely to live below the official poverty level compared to the general population. This contributes to their higher proportion of renter households and affects the types of housing they require.

People with Disabilities and Seniors

In West Linn, an estimated 8.4% or 2,268 people report having some form of disability. This is lower than the statewide rate and county rate of 14.9% and 12.6% respectively. Any type of disability influences the appropriate type of housing for a resident, but those with ambulatory, self-care, or independent living disabilities typically have the greatest impact on the required unit type. While the housing needs of individuals with one or more disabilities vary depending on the type of disability, generally the needs include better access to affordable housing, enhanced physical accessibility of housing units, access to housing with necessary services and transit.

In 2022, the proportion of the West Linn population over 65 was 18.4%, which was relatively high compared to both the state and national averages. Although West Linn's poverty rate for those 65 and older was 6.8%, lower than that of Clackamas County and Oregon, the senior population remains vulnerable to being cost-burdened and losing housing in the competitive rental market. Many live on fixed incomes with increasing housing costs. Many seniors also have a specific need for housing that is accessible for people with mobility limitations, or physical or self-care disabilities. This includes housing with adequate accessibility features and/or single-story units. As this group grows, West Linn will need more housing that is affordable, physically accessible, and in proximity to needed services such as nearby health care or in-home assistance.

Workforce

Approximately 25% of West Linn households earn between \$75k and \$150k, which is the income bracket for the community's middle-income workforce. Middle-income workers find it increasingly challenging to buy or rent housing near their workplaces, particularly in more affluent communities with higher housing costs such as West Linn. This difficulty arises partly because wages have not kept pace with rising living costs and partly because there is a limited supply of affordable housing for these workers. Consequently, many middle-income workers relocate to the outskirts of their regions, resulting in longer commutes, increased traffic, and various other negative impacts on the surrounding area. Because affordable housing programs focus on serving households making 60 percent or lower of AMI, middle-income workers are often left with fewer housing options available to them in the cities where they work.

Veterans

This group is identified as having specific needs and is often under-represented in housing planning. Veterans, in particular, may suffer from physical or mental health disabilities due to injuries or stress from their service. They often have fixed, lower incomes and require access to services provided by the US Veterans Administration or other organizations. Consequently, veterans share many of the same unmet needs as people with disabilities, low-income households, and, in some cases, senior residents.

Figure 24. Vulnerable and Disadvantaged Community Group Summary, West Linn

Low Income (HUD Definitions)¹	Households	Households Below Level
Household Income Median (\$134k)	5,004	50%
Low Income (80% of Median) (\$107k)	4,135	41%
Very Low income (50% of Median) (\$67k)	2,606	26%
Extremely Low Income (30% of Median) (\$40k)	1,340	13%
Population Below Poverty Level	1,501 persons	6%

Homelessness (Countywide, 2023)²	Individuals	Share (%)
Total Homeless Count	411	100%
Unsheltered	179	44%
Emergency Shelter	182	44%
Transitional Housing	50	12%
Chronic Homeless	173	42%
Not Chronic	238	58%
Male	229	56%
Female	176	43%
Nonbinary, Unreported	6	1%
Experiencing Serious Mental Illness	125	30%
Have Experienced Domestic Violence	83	20%
Homeless Veterans	30	7%

Racial and Ethnic Demo. (Census 2020)³	Individuals	Share (%)
White alone (Population)	22,186	81%
Hispanic or Latino	1,573	0.06
Black or African American alone	220	1%
American Indian and Alaska Native alone	73	0%
Asian alone	1,346	5%
Native Hawaiian and Other Pacific Islander alone	32	0%
Some Other Race alone	142	1%
Population of two or more races:	1,801	7%
Language Spoken at Home (Other than English)	2,813	10%

Persons with Disabilities⁴	Individuals	Share (%)
Total Population (West Linn)	27,046	100%
Disabled Individuals (Total)	2,268	8%
With a hearing difficulty	899	3%
With a vision difficulty	288	1%
With a cognitive difficulty	849	3%
With an ambulatory difficulty	997	4%
With a self-care difficulty	448	2%
With an independent living difficulty	763	3%

Workforce⁵	Individuals	Share (%)
Estimated Labor Force (of Total Adult Pop.)	12,766	60%
Labor Force Employed	12,168	95%
Labor Force Unemployed	598	5%

Households Aged 60 or Older⁶	Households	Share (%)
Total Households (West Linn)	10,008	100%
Householder Aged 60 or Older	4,062	41%
Family Households (Aged 60 or Older)	2,892	29%
Non-Family Households (Aged 60 or Older)	1,170	12%
Seniors below the poverty level (Population)	416 persons	6%
Owner Households	3,645	90%
Owner Housing Costs >30% of Income	1,032	0.28
Renter Households	417	10%
Renter Costs >30% of Income	286	69%
Veterans⁷	Individuals	Share (%)
Veterans	1,140	6%
Period of Service	Share of Vets	
Gulf War (9/2001 or later) veterans	264	23%
Gulf War (1990 to 8/2001) veterans	299	26%
Vietnam era veterans	387	34%
Korean War veterans	80	7%
World War II veterans	22	2%
Other	88	8%
Veteran Age	Share of Vets	
18 to 34 years	21	2%
35 to 54 years	417	37%
55 to 64 years	98	9%
65 to 74 years	261	23%
75 years and over	343	30%
Veteran Poverty Status	55	5%
Veterans with a Disability	275	24%

¹ Source: US Census, S1901, ACS 2022 5-Year

² Source: US Census, S1701, ACS 2022 5-Year

³ Source: US Census, P2, 2020 Decennial Census

⁴ Source: US Census, S1810, ACS 2022 5-Year

⁵ Source: US Census, DP03, ACS 2022 5-Year

⁶ Source: US Census, S0102, ACS 2022 5-Year

⁷ Source: US Census, S2101, ACS 2022 5-Year