

RURAL HOUSING, from page 9

Another woman, who had been a longtime donor to FAN, came to Summerton recently. She told Summerton she knew a woman who was homeless, living in her car, had no gas and could not drive to a job interview. She asked Summerton for a gas card that she could give to her friend.

Summerton soon found out that the woman and the woman's friend were the same person. "She was reticent to tell even me," Summerton said. "She had no idea where to go. She was completely shut down as far as what to do."

The housing crisis does not only affect the most impoverished. People with full-time jobs who could have afforded housing on their wages a few years ago no longer can.

Mariah Tennison, 19, graduated from Mountain View High School last June. Born and raised in Bend, she knew she wanted to continue living in her hometown. She is studying criminal justice at Central Oregon Community College and works part-time at Goody's, a family-owned chocolate and fountain shop that has operated in downtown Bend for decades, making minimum wage, \$10.25 an hour.

Ever since she turned 18, Tennison has wanted to move out. She's driven around and looked online for apartments. She can't find anything affordable.

"For a studio apartment, it's at least a thousand dollars. It's crazy," she said.

She still lives with her parents, as do most of her friends who have stayed in Bend. Her parents "want me to move out, too," Tennison said. "But I can't. There's nowhere to move to."

Chris Frye, 37, is the dock boss of Central Oregon Irrigation and Feed, another decades-old business that supplies the area's ranchers and farms with hay, feed and other supplies. He makes \$15 an hour and works full-time but lives in an RV park in Crooked River Ranch.

"Everything is so astronomically expensive," he said.

He rents a space in the RV park for \$480 a month and also pays for electricity and water. "I'm scraping by," he said.

And people continue moving to Central Oregon – despite the well-known unavailability and high cost of housing.

"I'm just baffled," Summerton said. "They show up in the middle of a winter, in a fairly harsh climate, with no jobs and no housing plans – no plan at all. They assume that it's going to work out."

"(Central Oregon) has great recreational opportunities and it's pretty and it's small and the schools are good. I see that," Summerton said. "(But) you can't just move here."

The lack of affordable housing has begun to create a domino effect of displacement. People who lived, or wanted to live, in Bend move to Redmond 16 miles away. People who lived in Redmond move to Sisters, 20 miles to the west, or Prineville, 20 miles to the east, or LaPine, 50 miles south.

That adds a roundtrip commute of at least 45 minutes. A bus ticket for a ride from Prineville to Bend costs \$10.

"That's real money that hits (people) in the pocket," said Preston Callicott, the CEO of Five Talent Software, a Bend-based software development company.



PHOTOS BY AMANDA WALDROUPE

At top, Mariah Tennison, 19, goes to school and works part time. Her minimum wage doesn't cover what it takes to move into her own apartment. Above, Chris Frye makes \$15 an hour working full time and says he's "scraping by," living in an RV park near Bend.

On March 20, Housing Works, the housing authority that provides federally subsidized housing in Central Oregon, broke ground on Village Meadow Apartments, a 48-unit apartment complex that will include 32 one-bedroom apartments, eight two-bedroom apartments, and eight three-bedroom apartments.

All the units will be affordable to people who make 60 percent of the area median income (AMI), or \$38,400 a year for a family of four.

The city of Sisters contributed \$300,000 to the project, approximately 6 percent of the city's annual General Fund.

Kucera, Sister's city manager, said the expenditure is indicative of how serious an issue Sisters considers affordable housing development.

"How many cities of 2,500 in Oregon take \$300,000 out of their general fund to make sure that affordable housing developments get built?" he said.

In the last two years, an average of 120 residential building permits have been issued each year in Sisters – a record number.

The city has a policy akin to inclusionary zoning, which requires developers to set

aside 10 percent of development as affordable to people who earn 60 percent of area median income.

That means that, roughly, a dozen units of affordable housing are being built each year in Sisters. That does not sound like much, but Kucera said it's "significant" for the community of 2,573.

"This is definitely going to be the most affordable housing we've seen come online probably in our history," Kucera said.

Like Sisters, other cities have enacted measures to incentivize affordable housing construction.

In 2006, the city of Bend was the first city in Oregon to create a construction excise tax, which added a 1 percent tax on each city-issued building permit. The revenue is dedicated to the city's Affordable Housing Fund, which helps fund housing projects affordable to people who make 80 percent of AMI or less.

At the time the tax was created, Bend's housing market was white hot. Lynne

McConnell, Bend's affordable housing manager, said even in 2006 "it was getting incredibly challenging to keep any form of affordability in the market."

"To some degree, it was like throwing spaghetti at the wall," McConnell said. "What can we do as a city to help this?"

The tax has generated \$7 million since its creation, and helped fund the construction of 770 units. According to the city, the funds have leveraged more than \$77 million in state and federal funds, as well as \$28 million in private equity.

More recently, as of Dec. 1, the city of Bend is waiving all city system development charges, or SDCs, for affordable housing projects. SDCs, which can run up to \$22,000, are charged for each building built in Bend and help pay for the added strain on city utilities, including sewer, water, roads and parks.

In 2015, Bend changed its zoning laws to allow for the construction of cottage-cluster style housing, single-family homes that would be about 1,000 square feet in size, with two bedrooms and one bathroom, with a shared front yard and shared parking area.

Bend also changed its zoning laws so that accessory dwelling units (ADUs) can be built on lots that already contain single family homes.

The city also has a density bonus in place allowing developers to build one and a half times more densely if half the housing built is affordable to 80 percent of AMI for home owners and 60 percent of AMI for renters.

Two years ago, the city of Sisters raised its hotel tax by 1 percent and dedicates a third of that percent to affordable housing. "It's not a ton of money," Kucera said. But every cent – and every unit – counts.

In 2006, Bend applied to the state's Department of Land Conservation and Development to expand the city's urban growth boundary (UGB) by 8,800 acres.

After a protracted process of back and forth between the city and the state, the state approved a UGB expansion of 2,380 acres. To prevent urban sprawl, the state mandated that Bend build more densely,

especially in nine "opportunity areas" that have land for infill development.

Those who hoped that more land would allow for more housing and ease Bend's affordable housing crisis were crestfallen. But there are those who think that it is ridiculous for Bend to not be more dense, given its size, and view denser construction as an opportunity.

"The highest building in Bend is five stories. We're the fourth largest city in Oregon. What's wrong with buildings that are 10 stories tall?" said Long, Bend's former affordable housing manager.

Mixed-use buildings, which often include retail businesses on the bottom floor and apartment units on the top floors, are still relatively new phenomena in Central Oregon. Many look to projects like Putnam

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– JIM LONG
BEND'S FORMER AFFORDABLE HOUSING MANGER.