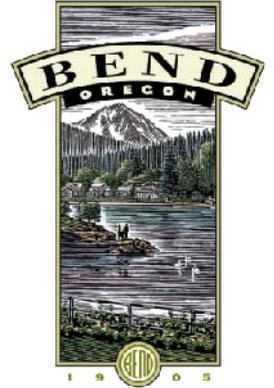


Analysis of Impediments to Fair Housing



City of Bend, Oregon

Completed July, 2006

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Introduction:

The U.S. Department of Housing and Urban Development (HUD) requires each entitlement jurisdiction to certify that it is in compliance with the Consolidated Plan Final Rule, published in the Federal Register (24 CFR91.225). The Consolidated Plan serves as:

- The long range planning document for affordable housing development and community service funding;
- Provides priorities for funding for HUD programs and strategies for implementing the priorities;
- Is an accessible tool to measure the effect of the local funding strategies; and
- A major component of the application for the City for the Community Development Block Grant (CDBG) program

Title VIII of the Civil Rights Act of 1968 (Fair Housing Act), as amended, prohibits discrimination in the sale, rental, and financing of dwellings, and in other housing-related transactions, based on race, color, national origin, religion, sex, familial status (including children under the age of 18 living with parents of legal custodians, pregnant women, and people securing custody of children under the age of 18), and handicap (disability).

The act further states, under 42 U.S.C. 3601(a)(B) that all HUD programs be: Subject to the provisions of ...of this title, the prohibitions against discrimination in the sale or rental of housing ... shall apply:

(B) dwellings provided in whole or in part with the aid of loans, advances, grants, or contributions made by the Federal Government,

Further, Sec. 808. [42 U.S.C. 3608] (a) Administration States: The authority and responsibility for administering this Act shall be in the Secretary of Housing and Urban Development.

and

[42 U.S.C. 3608] (e) 5) Functions of Secretary

The Secretary of Housing and Urban Development shall-- administer the programs and activities relating to housing and urban development in a manner affirmatively to further the policies of this subchapter...

2006 Analysis of Impediments

HUD's directive is that the Analysis of Impediments serve as the substantive, logical basis for fair housing planning and provide essential and detailed information to policy makers, administrative staff, housing providers, lenders and fair housing advocates. In its Fair Housing Planning Guide, HUD emphasizes that "although the grantee's AFFH (Affirmatively Further Fair Housing) obligation arises in connection with the receipt of Federal funding, its AFFH obligation is not restricted to the design and operation of HUD-funded programs at the state or local level. The AFFH obligation extends to all housing-related activities in the grantee's jurisdictional area whether publicly or privately funded." In addition, HUD believes the AI should assist in building public support for fair housing efforts both within the City's boundaries and beyond. "The principles embodied in the concept of 'fair housing' are fundamental to healthy communities, and communities must be encouraged and supported to include real, effective fair housing strategies in their overall planning and development process, not only because it is the law, but because it is the right thing to do."

In compliance with HUD's directive, the City of Bend is committed to promoting fair housing choice in an affirmative manner.

The Analysis of Impediments must include, according to HUD, the following elements:

1. Identification of Fair Housing concerns/problems
2. Demographic data and income characteristics
3. Employment and transportation profile
4. Housing profile
5. Maps
6. Identification and description of existing programs, services and activities that assist in the provision of fair housing
7. Identification of Impediments for fair housing choice
8. Identification of data sources

The Analysis of Impediments to Fair Housing Choice is a HUD required document. It is not directly approved by HUD but it is mandatory that each jurisdiction have such a document. As such, the Consolidated Plan requires each entitlement jurisdiction to show its commitment to affirmatively furthering fair housing choice by:

- Conducting an Analysis of Impediments to Fair Housing Choice;
- Taking appropriate actions to overcome the effects of impediments identified through that analysis; and
- Maintaining records that reflect the analysis and actions.

The HUD Regulatory Barriers Web-Site lists ten general categories of impediments to affordable housing. These are:

1. Administrative Processes and Streamlining
2. Building and Housing Codes
3. Fair Housing and Neighborhood De-concentration
4. Fees and Dedications
5. Planning and Growth Restrictions
6. Redevelopment and Infill
7. Rent Controls
8. State and Local Environmental and Historic Preservation Regulations/Enforcement Process
9. Tax Policies
10. Zoning, Land Development, Construction and Subdivision Regulations

Within these broad categories HUD has identified 1,995 individual impediments to fair housing.

Subsequently, the Analysis of Impediments document is the HUD established measure of fair housing for CDBG grantees and is intended to serve as:

- A comprehensive review of the City's laws, regulations, administrative policies, procedures and practices with regard to fair housing;
- An assessment of how those laws, regulations, policies, and procedures affect the location, availability, and accessibility of housing; and
- An assessment of public and private sector conditions affecting fair housing choice.

Section I: Identification of Fair Housing concerns/problems:

Prior to 2006 Bend had participated actively with the State of Oregon in their statewide analysis of impediments. As such much of the information regarding specific issues and concerns has been extrapolated from that source utilizing responses and concerns for Bend.

In addition local stakeholders, including the Central Oregon Regional Housing Authority (dba Housing Works), Central Oregon Community Action Agency Network, and other affordable housing providers were consulted regarding concerns of Fair Housing in Bend.

Based on findings for Bend from the State of Oregon Analysis of Impediments to Fair Housing, from stakeholder input, from the City of Bend Housing Summit, key person interviews, analysis of lending mortgage data, complaint data and legal cases, the most prominent fair housing impediments in Bend include the following.

Closures of Mobile Home Parks

The closure of mobile home parks and conversion of property to other types of residential development (e.g., single family residential development) has had a significant effect upon the City of Bend. The rising value of land in the Bend area has increasingly resulted in the sale, closure and conversion of mobile home parks for alternative uses. Closure of mobile home parks necessarily involves termination of the rental agreements mobile home owners have for spaces in the park, resulting in the forced eviction and displacement of park residents.

Mobile home parks provide housing affordable for low and moderate income persons, and market forces suggest that when mobile home parks are closed, that kind of affordable housing inventory is lost forever. Most mobile home park residents own the mobile home in which they live, and the closure of the park forces most of them to abandon their mobile homes without recovery of the home's value. Current state and local law does not give sufficient recognition to the fact that mobile home park closures affect a particularly vulnerable portion of our society. Relying on impact studies, Census figures, State Department of Revenue and State Housing and Community Services data:

- Bend has lost more than 700 of the 2,159 mobile home dwellings it had in 2000. Of the 1,885 mobile home park spaces listed in Bend in June 2005 by the Oregon Housing and Community Services Department, at least 243 spaces or 13 percent of the total are under eviction notices.

- The Council of the City of Bend has heard from residents who are being evicted from the mobile home parks on Brosterhous Road, Reed Market Road and Parrell Road about the financial and psychological hardships they are suffering, particularly seniors and disabled on fixed incomes as well as workers.

- In the event of park closure, the owners of mobile homes are not only forced from the park, but forced from their homes, and therefore lose their major asset. This is an especially serious problem in that a significant proportion of the owners of established parks are elderly and on fixed incomes.
- The majority of units in parks under eviction notice cannot be legally moved to a new site. Of those that can be moved to a new site there are currently no sites listed as available in the City of Bend.
- In addition to the private costs assumed by displaced park residents and their families, closure of mobile home parks involve substantial public costs, including increased utilization of tax-supported state and local housing assistance, and costs for welfare, medical and social services.

Housing Affordability

Rising home prices and land prices have become an increasingly detrimental element in fair housing choice in the City of Bend. These rising costs have priced many low and median income buyers out of the local housing market and have increased the number of people in the local workforce who commute from outlying communities. The continued rising costs of housing have become a significant factor in the continued livability of the City of Bend.

- Median Home Prices in Bend have increased from \$175,000 in 2002 to \$343,950 in 2006, and increase of 96%. This astronomical increase in housing costs has caused the City of Bend to find that affordable housing for its citizens is in increasingly short supply.
- The City of Bend Affordable Housing Task Force recommended that supply of affordable housing and funding mechanisms for affordable development is a top priority for the City of Bend.
- The lack of workforce housing has negatively affected local businesses' ability to recruit and retain employees.
- The future economic viability of Bend is directly linked to the availability of workforce housing
- A National Low Income Housing Coalition annual study indicates that almost 40 percent of Central Oregon renters are paying more rent than they can afford.
- The City of Bend understands that for a healthy community the provision of a range of affordable housing opportunities is a priority.

Housing Discrimination and Barriers to Housing Choice

It is not known if housing discrimination occurs regularly in the City of Bend. However, when it does occur, it is the sense of stakeholders that Familial Status is the most likely violation, most particularly that single mothers with small children are likely to be victims. There is a lack of knowledge about whether or not illegal aliens and non-U.S. citizens are covered under federal or state fair housing laws. HUD regulations that prevent persons with criminal histories from obtaining subsidized housing may unfairly affect persons with mental disabilities.

- People are taken advantage of if they do not speak English or are able to read English.
- People needing companion animals have a difficult time finding rental housing.
- There is a perception among providers and stakeholders that people with developmental disabilities may have a harder time accessing housing.

Housing Discrimination Complaints

Complaints filed with HUD and the Fair Housing Council of Oregon (FHCO), legal cases that demonstrate fair housing discriminatory behavior and responses to the citizen telephone survey lead us to the conclusion that housing discrimination exists in Oregon. This discrimination can take a variety of forms, but most commonly involves rental housing transactions. Examples of this type of discrimination include: refusing to rent to a family with children, refusing to rent to someone because of their disability and refusing to make accommodations to rental housing occupied by a disabled person.

Complaints alleging discrimination that are filed with HUD and FHCO by Oregon residents mostly involve discrimination based on disability and familial status. Complaint data and the citizen telephone survey suggest that discrimination based on familial status is more common in rural areas than urban areas. Although Bend is an entitlement community and is rapidly becoming urbanized, it is still considered by many residents to be mostly a rural community and, with the exception of more expensive developments, maintains an essentially rural, western feel.

Evidence of discrimination in State wide in Oregon included:

- Of the housing discrimination complaints filed by HUD, 27 percent involved some type of conciliation or settlement. On average, 24 fair housing complaints that are filed with HUD per year in Oregon involve some sort of settlement. Although settling a case is not proof of discrimination (the details of the complaints that reached settlement are not available), the fact that HUD investigators found cause to pursue these cases suggests that there existed some evidence of discriminatory activity.

- According to the citizen telephone survey conducted for the State of Oregon 2005 AI, more than one in 10 citizens in Oregon's non-entitlement areas (including Bend for this AI) (13 percent) have experienced housing discrimination.
- In addition, 19 percent of survey respondents said someone they know has experienced housing discrimination. And, 27 percent of respondents to the mail survey of stakeholders said they know of someone experiencing discrimination in their communities.
- The telephone survey data suggest that citizens are most commonly discriminated against because they have children, because of their gender and because of their race/ethnicity. Fair housing complaint data show that most complaints allege discrimination based on disability, familial status and national origin and race.
- According to stakeholders, persons with disabilities and non-English speaking citizens and/or immigrants are the groups in the State most vulnerable to housing discrimination.
- Finally, numerous legal cases where the court found that various forms of discrimination occurred provide evidence of discrimination in Oregon. Because very few fair housing complaints go to court, the number of legal cases, their findings, and the type of activities they represent cannot be used to determine the incidence of discrimination in the State. Instead, the court cases provide a greater context for how discrimination occurs, how citizens are affected and the process of proving the discriminatory activity. The court cases also often capture the most egregious violations of fair housing law.
- In Deschutes County between 1998 and 2005 the Fair Housing Council of Oregon received 11 complaints related to Fair Housing. Approximately 1/3 was based on Disability, 1/3 on Familial status, and the remainder was split between race and national origin. Requests were made to the HUD Seattle Fair Housing and Equal Opportunity Office for information regarding complaints that they received but data was not available at time of publication. This data will be amended to this document if and when it is received.

Section Two: Demographic Data and Income Characteristics Background Data

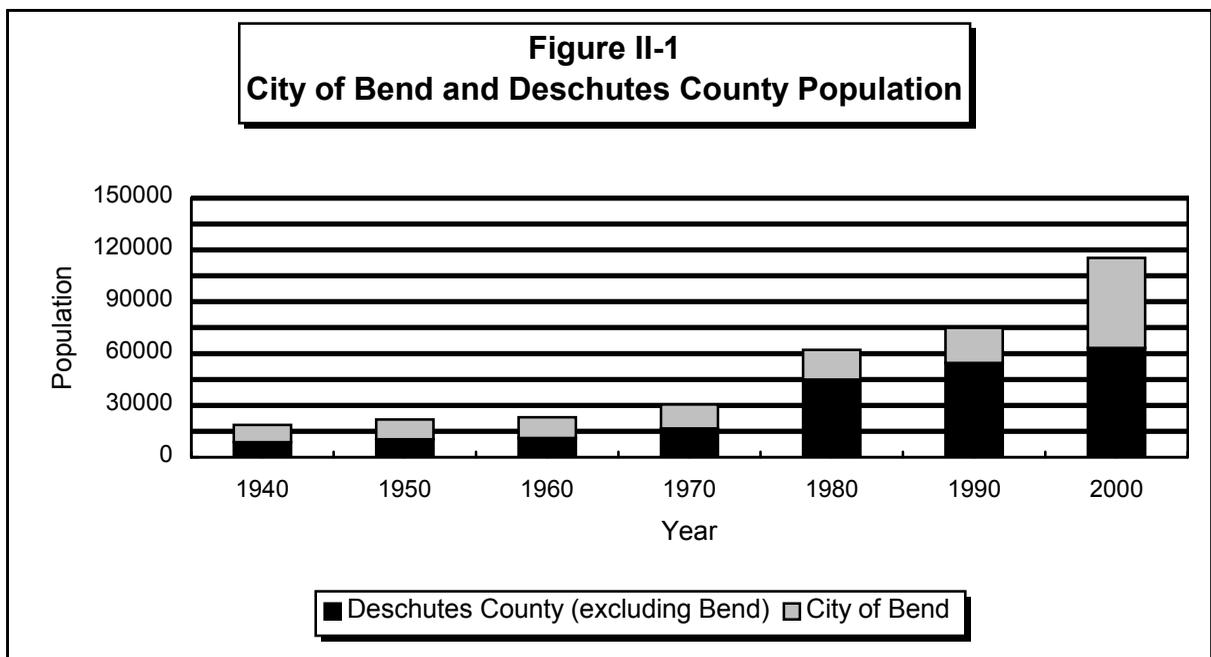
Rapid population growth is nothing new to Bend. Fifteen years after its incorporation as a city of about 500 persons in 1905, the population had exploded to more than 5,400 persons after the building of two large sawmills at the south edge of town. In later decades the Bend area and Deschutes County, like the rest of the state, experienced cycles of population growth tied to economic conditions. Bend is the eighth largest city in Oregon and the largest Oregon city east of the Cascade Mountains.

As the population has grown, it also has become younger and more affluent, conditions that can be traced in part to the expansion of the local outdoor recreation businesses and the in-migration of “baby-boomers” from California and the Northwest.

Population history

Historically, the City of Bend population made up about half of the Deschutes County population. This changed in the 1960s when thousands of rural recreational lots and suburban lots were platted in the county outside of urban areas.

Much of the county population growth in the 1970s and 1980s was driven by persons seeking open space rather than urban lots. Exhibit II-1 shows the change in population since the 1940 census.



The late 1980s marked the swing out of a recessionary period in Central Oregon and into better economic times. Bend's expanding role as the regional trade and service center, combined with its attractiveness as a year-round tourism and recreation area, fueled another surge of population and employment growth that continued through the 1990s and has become stronger during the early 2000s.

Growth during the 1990s

The 1990 census counted 20,469 persons within the city limits of Bend. The population within the county portion of the urban areas was estimated to be 12,100 based on census tract data for the "Bend District," for a total of 32,569 persons within the UGB in 1990.

During the 1990s, the rate of population growth in the City of Bend and Deschutes County was among the highest in the state. By the year 2000, the city population was 52,029 persons – up 31,560 persons since the 1990 census – although much of the city's increase during this period was due to annexing all unincorporated areas in the UGB in 1999. The Portland State University Center for Population Research and Census estimated the annexed population to be 13,648 persons. Even accounting for the annexations, the population of Deschutes County excluding the City of Bend increased by 8,849 persons, from 54,489 to 63,338 persons, much of this growth occurring in the Cities of Redmond and Sisters. The total population of the county, including the City of Bend increased from 74,958 to 115,367 persons in the year 2000, which equates to an average annual growth rate of 4.4 percent per year. At the same time, the average annual growth rate for the State of Oregon was 1.9 percent per year.

Excluding the 13,648 persons annexed in to the City of Bend in 1999, and another 3,411 annexed between 1990 and 1998, the city's population increased by 14,501 during the 1990s, which equates to an average annual growth rate of approximately six (6) percent per year.

The annual rate of growth in Bend during the 1990s was more than three times the statewide average. To put this increase in perspective, in the year 2000 one out of three Bend urban area residents did not live in the area in 1990. Exhibit II-1 below displays the results of the 1990 and 2000 Census counts for Deschutes County and how the population is distributed between the cities and the unincorporated county.

**Exhibit II-1
Distribution of County Population in 1990 and in 2000**

Jurisdiction	April 1, 1990 Population	Percent of Total	April 1, 2000 Population	Percent of Total
Deschutes County	74,958	100%	115,367	100%
Bend	20,469	27%	52,029	45%
Redmond	7,163	10%	13,481	12%
Sisters	679	1%	959	1%
Total Pop in Cities	28,311	38%	66,469	58%
Total Unincorporated	46,647	62%	48,898	42%

Source: U.S. Census Bureau Summary Tape File 1 (1990) and Summary File 1 (2000).

The growth pressures in the 1990s affected not only Bend, but all of Central Oregon. Between 1990 and 2000 Deschutes County was the fastest growing county in the state, Jefferson County was third, and Crook County was fourth. Although the total Deschutes County population increased by more than 40,400 persons in ten years, the growth pattern in the 1990s was different than the previous boom in that most of the new residents settled in the urban areas.

One result of this population growth is that Bend was designated by the federal government as a metropolitan statistical area in June of 2003. An MSA is county that has a city with a population of 50,000 or more. The purpose of defining geographic areas like an MSA is to establish nationally consistent area definitions for collecting, tabulating, and publishing federal statistics. The Bend MSA represents Deschutes County.

Age Distribution

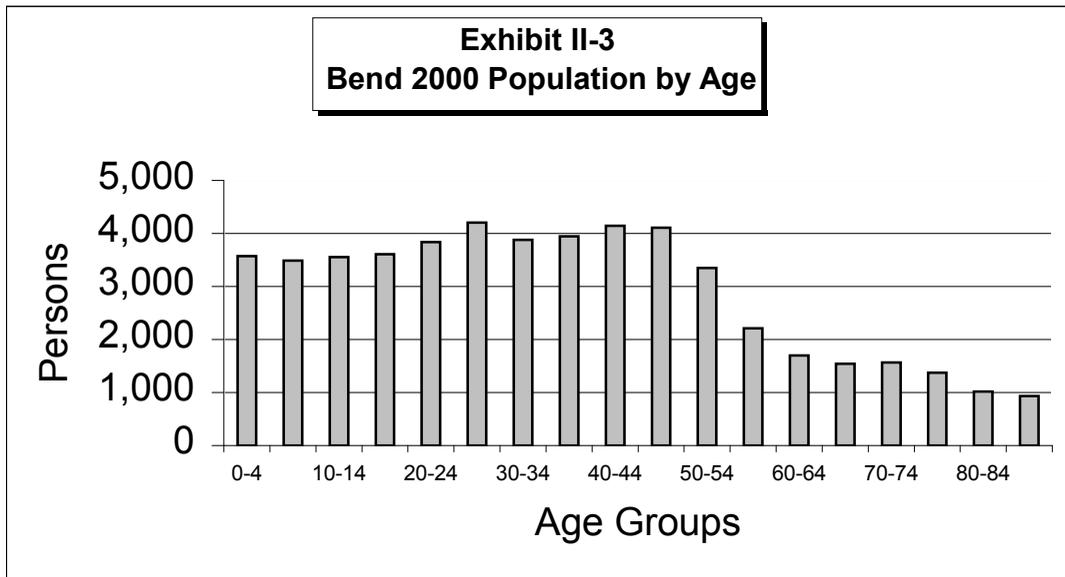
The Census data for Bend include demographic information on the age of residents. Exhibit II-2 compares the age distribution in four broad groupings for the city population since the 1970 census. The 2000 census data are also compared to the county and state populations, and show that the city population was younger than the overall county and statewide population averages.

**Exhibit II-2
Comparison of Bend Age Groupings Over Time**

Age Range	City of Bend				County	Statewide
	1970	1980	1990	2000	2000	2000
Age 0-24	43.5%	42.7%	35.3%	34.7%	32.6%	34.3%
Age 25-44	22.6%	31.6%	36.3%	31.1%	28.6%	29.2%
Age 45-64	22.3%	15.2%	14.9%	21.8%	25.7%	23.7%
Age 65+	11.6%	10.5%	13.5%	12.4%	13.1%	12.8%

Source: U.S. Census reports and Portland State University Center for Population Research and Census

Exhibit II-2 and Exhibit II-3 show that Bend’s population in 2000 was not that different from the populations of the County and the State. The greatest difference between these populations is that Bend’s population in 2000 included more persons between the ages of 25-44 than the county or the state. In contrast, the Census counted fewer people in the 45-64 range in Bend than in the county or the state.



Source: U.S. Census of Population and Housing, 2000: Summary File 2.

As was indicated above, Deschutes County was the fastest growing county in the state in the 1990s. Between 1990 and 2000, the County’s population grew by 40,409 people, an increase of almost 54 percent. A majority of the increase (88 percent) was from “positive net migration” – the number of people moving into the county exceeded the number of people moving out. Similarly, most of the increase in the Bend UGB population since 1990 is attributed to in-migrants. Exhibit II-4 displays the population change data by

natural increase and net migration for Deschutes County between 1980 and 2000. During the 1990 to 2000 period, population increase due to natural increase (births-deaths) decreased while the net migration component of population change (in-migrants – out-migrants) increased. Net migration accounted for 88 percent of the county’s population growth during the 1990s. In contrast, net migration accounted for 73 percent of the state’s population growth.

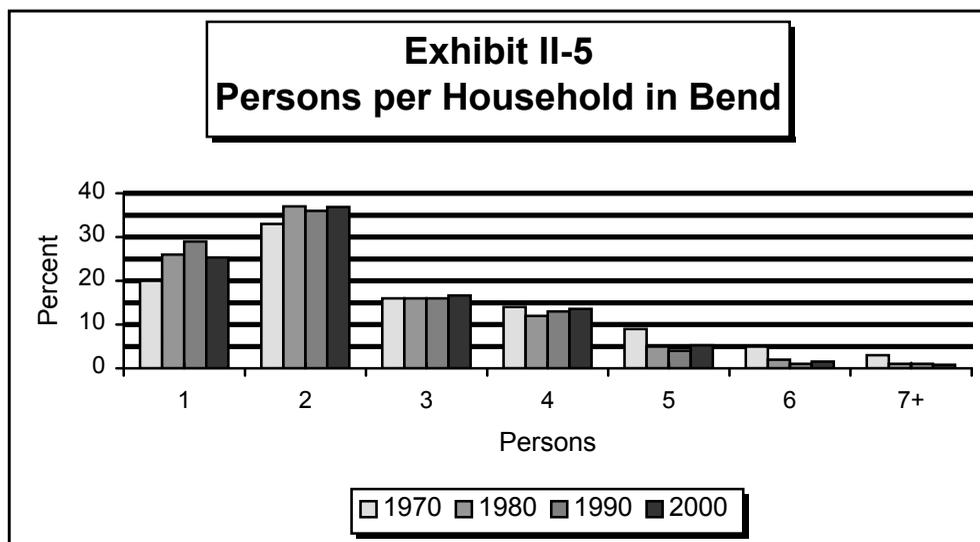
**Exhibit II-4
County Population Change and In-migration**

Time Period	Population Change	Natural Increase	Net Migration All Ages
4/1/80 - 4/1/90	+13,458	4,878 (36%)	8,580 (64%)
4/1/90 - 4/1/00	+40,409	4,713 (12%)	35,696 (88%)

Source: Portland State University Center for Population Research and Census

Persons per household

The average number of people living in a dwelling, whether as a family or a household of unrelated persons, is a useful measurement to help forecast how many dwellings will be needed in the future. Exhibit II-4 shows the percent of Bend households by number of persons for the past four census periods. Bend was following a trend toward smaller household size. However, the most recent Census data shows the number of households with three or four persons remains constant or represents a larger share of the number of households.



Source: U.S. Census of Population and Housing. For 2000 data, Summary File 1.

Exhibit II-6 compares the average household size for the city, county, and state since 1950. This comparison of persons per household shows a trend of fewer persons per household continuing for the county and the state. Bend differs in that an average

household size of 2.4 persons per household has remained constant between 1990 and 2000.

**Exhibit II-6
Average Persons Per Household**

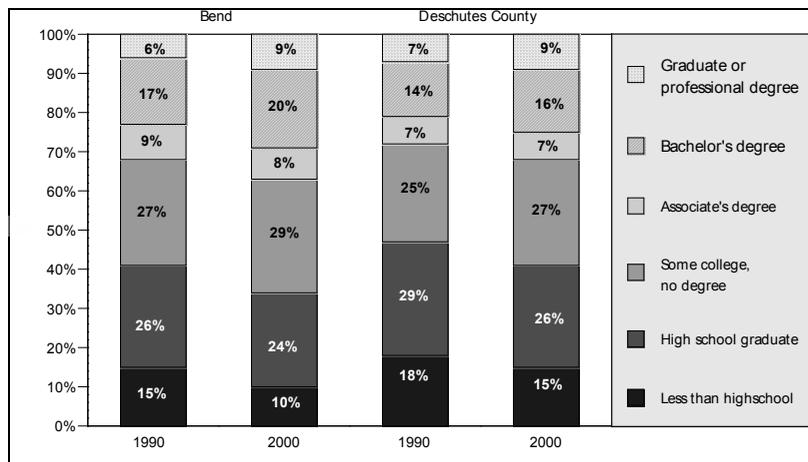
Area	1950	1960	1970	1980	1990	2000
All of Oregon	3.1	3.1	3.0	2.6	2.6	2.5
Deschutes County	3.2	3.1	3.0	2.7	2.6	2.5
City of Bend	3.0	3.0	2.9	2.5	2.4	2.4

Source: U.S. Census reports for Oregon

Education

As reported in the 2000 census, the education levels in Bend were a few percentage points higher than the county and the statewide averages. For those Bend residents aged 25 or older at the time of the 2000 census, 90.2 percent had a high school degree or higher, and 29.4 percent had a bachelor’s degree or higher. Many of the new jobs created in the urban area since the 1990s have been skilled or professional jobs in the service sector, finance, research, government, and manufacturing. This fact, combined with evidence from state surveys that a number of persons moving into the area have some college education, suggests that the percentage of education levels in the community will continue to increase.

Exhibit II-7.
Educational Attainment in
Bend and Deschutes
County, 1990 and 2000
Source:
U. S. Census Bureau,
1990 and 2000 Census.



Income levels

The median (middle) household income in the City of Bend in 1989 (from the 1990 Census) was \$25,787. The median household income in Deschutes County was a little higher, at \$27,317 during the same period. Exhibit II-8 displays the 2000 Census data for household and family income for Bend. The 2000 Census showed the median household income was \$40,857, and was \$45,357 for families. In 2006, the median household income had risen to \$58,800. The category of family with two workers represents the

large share of family households in Bend and those households that had the greatest median income in 1999.

Exhibit II-8
Income Levels in Bend (1999 dollars)

Household Category	Median for 1999	Percent of Total
Household	\$40,857	
Family with no workers	\$34,140	12.6%
Family with 1 worker	\$32,669	29.1%
Family with 2 workers	\$60,907	48.9%
All families	\$45,357	100%

Source: U.S. Census of Population and Housing, 2000: Summary File 4.

Exhibit II-9 shows the 1999 income levels of households by the age of the household. This information is particularly useful in planning for housing, especially in determining what forms of housing will be more affordable to certain households. The age groups with the lower income levels, according to this data, are younger individuals and families and older retired (75+) persons.

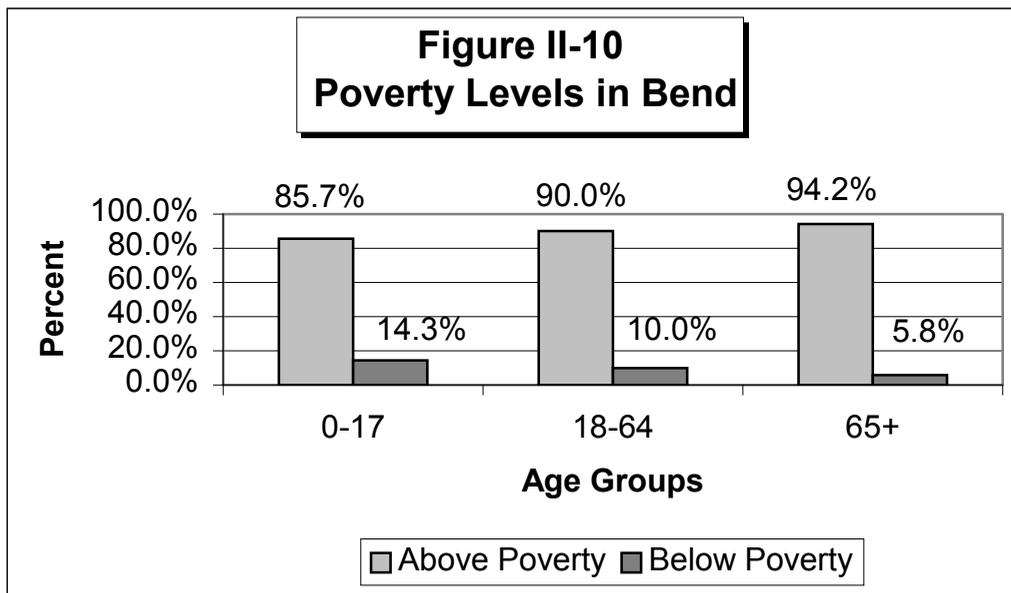
Exhibit II-9
Householder Age by Income Levels

1999 Gross Income	0 - 24	25 - 34	35 - 44	45 - 54	55 - 64	65 - 74	75+
Less than \$10,000	9.5%	4.9%	4.1%	5.2%	8.9%	7.7%	14.6%
\$10,000 to \$14,999	14.6%	5.8%	4.9%	3.8%	3.5%	6.3%	18.0%
\$15,000 to \$19,999	15.4%	7.1%	3.9%	5.3%	2.4%	10.0%	8.8%
\$20,000 to \$24,999	10.6%	6.8%	4.4%	5.3%	5.1%	7.5%	10.4%
\$25,000 to \$29,999	12.2%	7.5%	6.6%	5.6%	7.5%	8.7%	11.9%
\$30,000 to \$34,999	10.6%	8.5%	8.6%	4.6%	8.4%	12.6%	8.2%
\$35,000 to \$39,999	7.4%	8.9%	7.2%	4.1%	4.5%	6.4%	5.3%
\$40,000 to \$44,999	7.2%	5.6%	6.9%	5.8%	4.9%	5.8%	2.3%
\$45,000 to \$49,999	2.9%	7.2%	7.1%	5.2%	6.1%	4.7%	4.2%
\$50,000 to \$59,999	4.8%	13.9%	10.6%	11.9%	8.1%	4.9%	3.9%
\$60,000 to \$74,999	2.2%	13.0%	13.2%	11.9%	12.6%	7.3%	4.6%
\$75,000 to \$99,999	1.2%	6.1%	13.6%	14.2%	13.4%	8.9%	3.1%
\$100,000 to \$124,999	0.8%	2.9%	4.0%	7.8%	5.9%	1.9%	3.3%
\$125,000 to \$149,999	0.6%	0.6%	1.6%	3.4%	2.6%	3.6%	0.9%
\$150,000 to \$199,999	0.0%	0.6%	1.5%	2.8%	2.0%	3.0%	0.5%
\$200,000 or more	0.0%	0.6%	1.8%	3.1%	4.1%	0.7%	0.0%
<i>Columns read down</i> ↓	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Source: US Census of Population and Housing, 2000: Summary File 3.

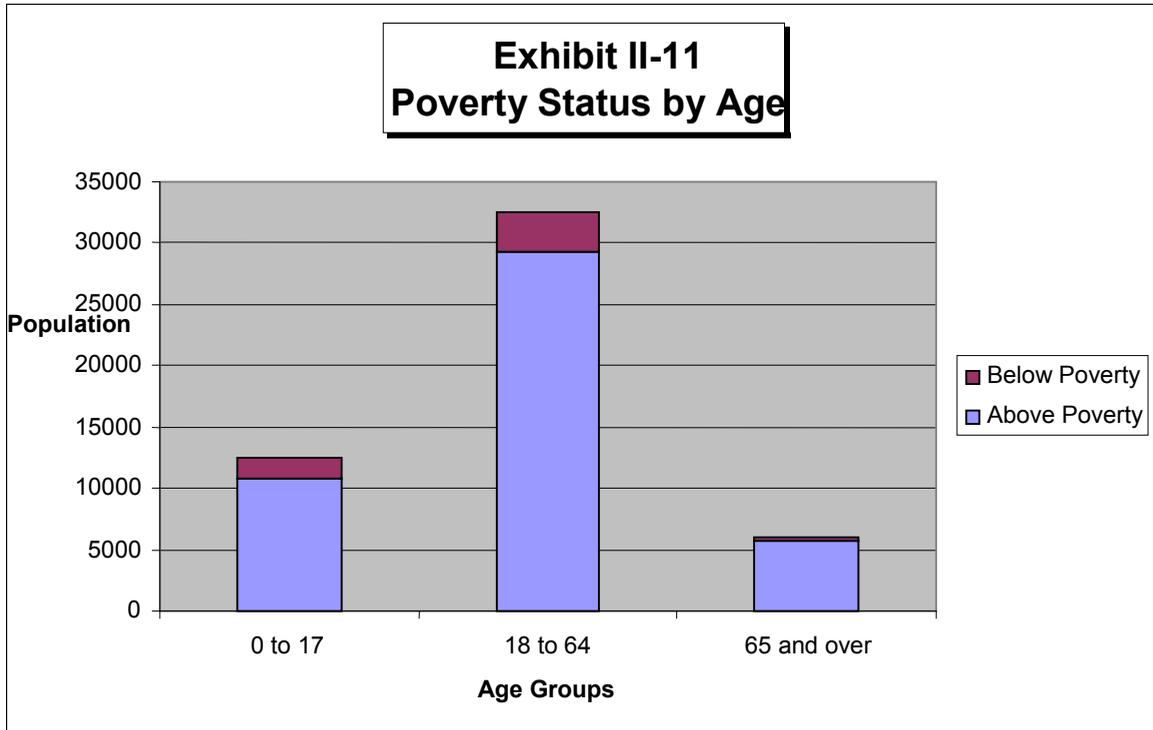
A related measure of income levels is the number of persons below the poverty level. Poverty levels reported in the 2000 Census are determined by comparing local incomes to a national standard of 48 income thresholds tied to the number and age of persons in the household. The national standards are not adjusted for state, regional, or local cost of living variations.

Exhibit II-10, using 2000 Census data, shows the relationship of persons in three broad age groups to the national poverty standards. Although the percentage of Bend residents living below the poverty level decreased from 13.2 percent in 1989 to 10.5 percent in 1999, the number of Bend residents living below the poverty level increased from 2,637 people in 1989 to 5,380 people in 1999. The poverty level in Bend is slightly higher than the county level of 9.2 percent. It is interesting to note that only 12.6 percent of Bend households below the poverty level are receiving public assistance. This may be due, in part, to the number of students and young recreational enthusiasts in Bend that generally have lower incomes.



Source: U.S. Census of Population and Housing, 2000: Summary File 3.

Exhibit II-11 provides detail on the number of persons above or below poverty.



Source: U.S. Census of Population and Housing, 2000: Summary File 3.

While Exhibits II-10 and II-11 show the relationship of Bend residents to the poverty levels, they do not show the magnitude of incomes below or above the poverty levels. Exhibit II-12 shows the levels at which Bend residents were below or above poverty in 1999.

**Exhibit II-12
Income Level in relation to Poverty Level**

Ratio of income to Poverty in 1999	Number of Persons	Percent of Total Population
Less than .50	1,670	3.3%
.50 to .74	1,330	2.6%
.75 to .99	2,380	4.7%
1.00 to 1.24	2,199	4.3%
1.25 to 1.50	2,100	4.1%
1.50 to 1.74	2,165	4.2%
1.75 to 1.84	816	1.6%
1.85 to 1.99	1,369	2.7%
2.00 and over	37,013	72.5%

Source: US Census of Population and Housing, 1990: Summary File 3

Both before and after the 1990 Census was taken, county income levels have shown a steady rise. The average income levels of county families and households increased almost 6 percent a year between 1984 and 1995, a rate faster than the statewide averages. Since Bend is the major employment center in the region it is assumed that income levels within the urban area more or less follow the county-wide patterns. The diverse and expanding economy in Bend provides a wide range of job possibilities, including entry level jobs in the trade and services, which allows young people and additional family workers access to jobs.

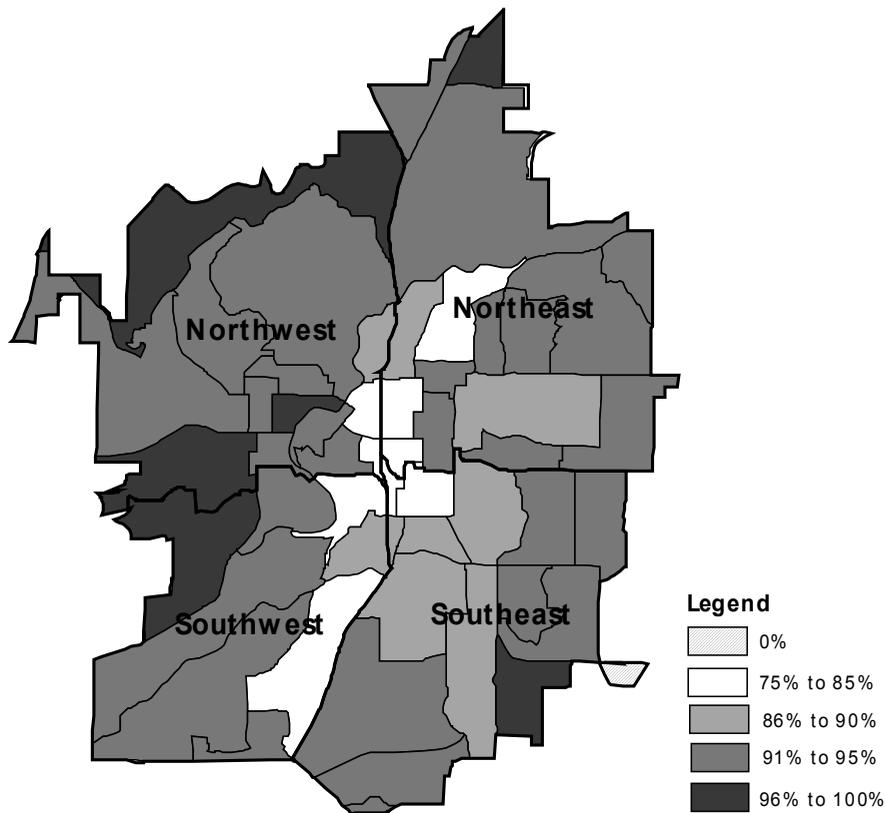
The Department of Housing and Urban Development estimated the 2006 median family income in Deschutes County at \$58,800— more than four thousand dollars above the average for non-metropolitan areas in the state. Since the last half of the 1980s the per-capita income levels in Deschutes County have steadily increased to match the state average. Even more interestingly, the county income levels have been above the Eugene, Medford, and Salem metropolitan areas since the early 1980s.

The Federal Bureau of Economic Analysis (BEA) reports personal income for counties on a per capita basis. For Deschutes County in 2002, the leading source of personal income was net earnings. Income in this category includes earnings from place of work (e.g. wages and salary) and accounted for 60 percent of total personal income in the county. Income from dividends, interest, and rent accounted for 24.2 percent of personal income. Finally, income from personal current transfer receipts (e.g. retirement benefits, Medicare, income maintenance benefits) accounted for 15.8 percent of total personal income.

Race and Ethnicity

2000 Census data reported that the minority population in Bend was nine percent of the total population. Hispanics comprised the largest minority group in the city at 5 percent of the population. Exhibit II-13 displays the ratio of White residents to all other races within each block group in Bend.

Exhibit II-13.
Non-Hispanic White Residents, Bend, 2000



Source: U.S. Census Bureau, 2000 Census and BBC Research & Consulting

The map above displays that there are relatively few block groups where the minority population is 15 to 25 percent of the share of population within the block group. Block groups with a slightly higher share of minority populations tend to be concentrated in the central city, at the meeting point of the four quadrants. This slight minority concentration likely comprises the Hispanic or Latino population, as they are the largest minority in Bend at 5 percent.

The state is slightly more diverse with 84 percent of residents non-Hispanic White, and with Hispanics making up the largest minority at 8 percent of the population. Exhibit II-14 displays race and ethnicity for Bend and Deschutes County in 2000.

Exhibit II-14.
Population by Race and Ethnicity, 2000

	Bend	Deschutes County
American Indian and Alaska Native	1%	1%
Black or African American alone	1%	1%
Hispanic or Latino	5%	4%
Native Hawaiian and Other Pacific Islander alone	0%	0%
White alone	91%	93%
Some other race alone	0%	0%
Two or more races	2%	1%

Note: “White alone” defines residents as White, not of Hispanic or Latino origin.
Source: U.S. Census Bureau, 2000 Census.

Race data in the 2000 Census are not directly comparable to the 1990 Census and other previous censuses. In the 2000 Census, people were able to identify themselves as more than one race, whereas in previous censuses, people could indicate only one race. Therefore, calculations reflecting percent change in race and ethnicity from 1990 to 2000 data could vary from actual experience. However, the general positive or negative direction of the change in particular population groups is likely to be accurate.

The population that grew most rapidly from 1990 to 2000 was the Hispanic/Latino population, increasing 394 percent in Bend and 182 percent in Deschutes County. While this increase is notable, the dramatic growth is largely due to the fact that Hispanics/Latinos make up a relatively small portion of the population in the city and county. This is also true of all other minority groups. However, it is important to note that minorities in the city and county have increased more than four-fold from 1990 to 2000, and will likely continue to grow similar to state trends.

Persons With Disabilities

Persons with disabilities face some of the greatest barriers to finding housing. Many persons with disabilities require housing that has accessibility features, is near public transit and supportive services and is affordable.

The 2000 Census definition of disability encompasses a broad range of categories, including physical, sensory, and mental disability. Within these categories, people with difficulties performing certain activities such as dressing, bathing or getting around inside the home (self-care disability), going outside the home alone (go-outside-home disability) and working at a job or business (employment disability) are included in the disability

total. People with disabilities included individuals with both long-lasting conditions, such as blindness, and individuals that had a physical, mental or emotional condition lasting six months or more that made it difficult to perform certain activities.

In 2000, 26 percent of Bend residents over the age of five had some form of disability. Seven percent of the total population indicated some form of physical disability; the largest of all types of disabilities. Within the physical disability category, nearly half of the people were elderly (65 years and over).

Employment and mental disability each comprised 5 percent of the total population, and go-outside-home disability composed 4 percent. Sensory and self-care disability comprised 3 and 2 percent, respectively, of the total population.

Student population in Bend.

The campuses of COCC and OSU are located in the northwest area of Bend. COCC is a community college primarily serving Crook, Deschutes, Jefferson, Klamath and Lake counties. In 2002, it had approximately 7,000 credit students, with another 10,000 community members taking classes that were not for credit. Approximately 83 percent of the college's students reside in Deschutes County and 40 percent are classified as full-time (defined as carrying 12 or more credit hours).

COCC and the OSU-Cascades branch have an agreement under which COCC will provide the first 2 years of an undergraduate education and OSU will provide the second 2 years. The OSU-Cascades branch graduated its first students in 2002, when it had 625 total students whose course loads translated into 340 "full time equivalent students." The colleges share one residence facility, Juniper Hall, which contains 109 beds. No other on-campus housing is available.

Despite the recent economic upturn in Oregon, because of recent declines in state revenues, COCC is unlikely to add students in the near future. On the contrary, it has recently cut over \$3.5 million from its \$24 million budget, including 20 administrative and 10 to 15 faculty positions. OSU, on the other hand, is expecting a 10 to 15 percent annual increase over the next five years, resulting in between 540 and 680 full-time equivalent students at the end of that period.

Section III: Employment and Transportation Profile

Bend has historically had a lumber industry-related economic base; however, due to the recession in the early 1980s, Bend began efforts to diversify the economy.¹ Today, Bend's major industries are services, retail trade, small manufacturing, construction, and tourism industries. Although lumber and wood production has declined over the decade, this sector still makes up about 39 percent of manufacturing in the county.² Job growth has been healthy throughout most of Bend's industry sectors due to Central Oregon's expanding population, which led to tremendous growth in both residential and commercial construction.

Employment base. The Oregon Department of Employment only releases comprehensive employment data by county. However, county data is likely to be similar to city data as Bend is the regional trade and service center in Deschutes County. The services sector and retail trade sector, the dominant employers in Bend, experienced healthy growth over the past decade at 79 percent and 69 percent, respectively. The mining sector was the fastest growing sector, growing by 150 percent. However, despite this dramatic growth, mining comprises a relatively small portion of the employment base (less than 1 percent). This also holds true for the construction sector and F.I.R.E. sectors, whose growth was high but whose employment comprises less than 10 percent each of the total employment base.³ No sector lost employment over the past decade, although the manufacturing sector grew the slowest at 10 percent from 1990 to 2000. Employment in lumber and wood products in Deschutes County decreased by 32 percent, but increases in other areas of the manufacturing sector offset this loss.⁴

As shown in Exhibit III - 1 the largest employment sectors in Deschutes County in 2000 were services at 27 percent, retail trade at 24 percent and government at 14 percent.

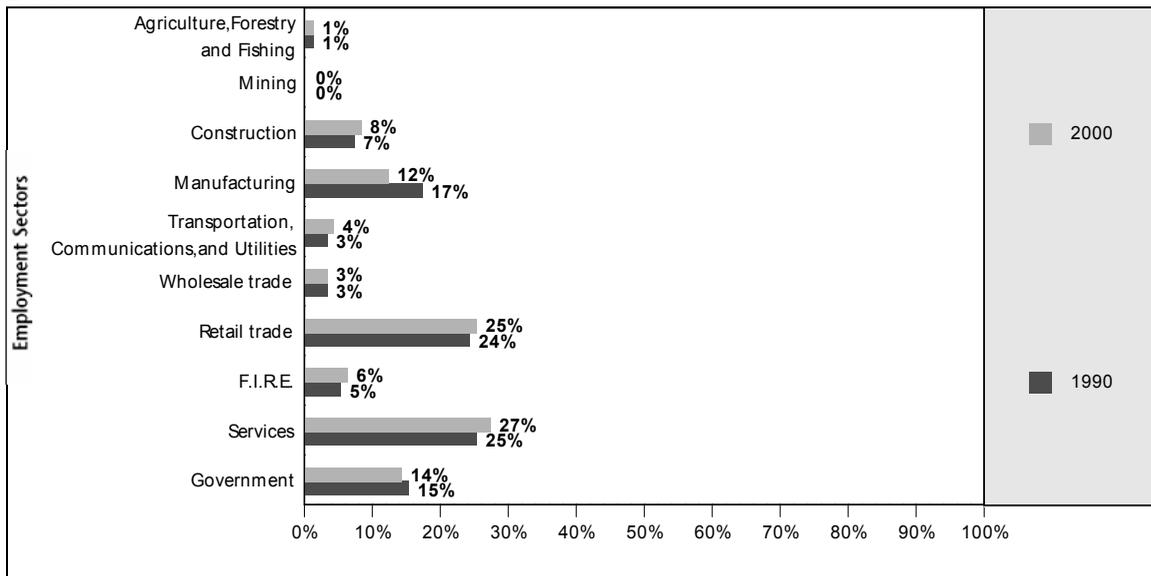
¹ Bend, Oregon website, Bend's Economy, <http://www.ci.bend.or.us/aboutbend/Economy.htm>

² Oregon Employment Department, *2002 Regional Economic Profile, Region 10*, pgs. 4 and 19.

³ FIRE includes finance, insurance and real estate.

⁴ Ibid, pg. 20.

Exhibit III-1. Major Employment Sectors, Deschutes County 1990 and 2000



Source: Oregon Labor Market Information System, 2000,.

Earning trends. The two largest employment sectors in Deschutes County — services and retail trade — pay relatively low wages, with annual average wages of \$25,080 and \$17,040 respectively. These wage levels represent 61 percent and 42 percent of the city’s median 2000 income. Transportation, communications and utilities employment claimed the highest average earnings in the county in 2000 at \$37,345. The government sector’s average earnings were the second highest at \$36,100, followed by wholesale trade at \$36,015.

In 1990, as in 2000, transportation, communications and utilities employment claimed the highest average earnings in the county at \$25,388. Wholesale trade yielded the second highest average earnings, followed by government and construction. The sector with the highest growth in average earnings over the past decade was the mining sector, which increased by 65 percent. The services sector had the second highest growth in average earnings, increasing 52 percent from 1990 to 2000. Overall, all sectors experienced healthy average earnings growth. Exhibit III-2 summarizes earning trends in major employment categories for 1990 and 2000.

Exhibit III-2.
Earning Trends in Major
Employment Categories,
1990 and 2000

Note:

Data reflects covered
employment.

Source:

Oregon Labor Market
Information System, 2000,
<http://www.qualityinfo.org/olmisj/CEP>.

Employment Category	1990	2000	Percent Change 1990 to 2000
Agriculture, Forestry and Fishing	\$13,864	\$19,866	43%
Mining	\$21,685	\$35,707	65%
Construction	\$23,298	\$29,281	26%
Manufacturing	\$21,887	\$32,038	46%
Transportation, Communications and Utilities	\$25,707	\$37,345	45%
Wholesale Trade	\$25,388	\$36,015	42%
Retail Trade	\$12,018	\$17,040	42%
F.I.R.E.	\$20,813	\$30,581	47%
Services	\$16,524	\$25,080	52%
Government	\$24,698	\$36,100	46%

Interestingly, dividends, interest, rent, transfer payments, and services accounted for almost 60 percent of growth in total personal income from 1989 to 1999 in Deschutes County.⁵ Of these, transfer payments experienced the highest growth. Growth in investment income and transfer payments is likely a reflection of the influx of relatively wealthy residents, including those of retirement age. These data support numerous key person interview findings that Bend residents derive a large portion of personal income from other sources than employment earnings in the city. As such, growing numbers of these in-migrants will continue to have a major impact on income in Deschutes County. Growth in services is a reflection of population growth, increased tourism and the creation of high paying service sector jobs.

Future trends. The Oregon Employment Department recently released 2 studies that contain useful employment projections for Oregon and its 15 sub-state regions. Deschutes County is part of the Region 10, the area of Central Oregon that includes Crook, Deschutes and Jefferson counties.

In 2000, the Oregon Employment Department released “Employment Projections by Industry 2000-2010: Oregon and Regional Summary.” According to the report, state

⁵ Transfer payments include retirement, health care, unemployment and income assistance, among other similar categories.

employment is expected to grow by 12 percent between 2000 and 2010, a pace that is substantially lower than the 29 percent growth that occurred from 1990 to 2000. This slower growth is due to the overall forecast that the manufacturing sector will be more restrained than in the past, and because new forecasts more rigidly limit Oregon's employment in "non-traded" (e.g., services) industries to match projected growth in Oregon's population and labor force. However, Central Oregon is projected to grow by 14 percent over the next decade, the third highest employment growth rate forecast in the state.

In 2002, the Oregon Employment Department issued the "2002 Regional Economic Profile," which included projections similar to the previous report and further, updated projections. This study projects that the non-manufacturing sector of Central Oregon will grow by 16 percent from 2002 to 2012, while statewide growth is projected at 14.5 percent. Manufacturing, however, will grow at a slower pace in Central Oregon (1.6 percent) compared with Oregon's projected growth rate of 2.1 percent. The high growth in the non-manufacturing sector is attributable to further expansion in the region's population, increased exposure of the region as a recreational destination and a continued movement away from a natural resource-based economy.

The following presents the occupational employment data for Deschutes County from April 2001 through April 2005 to highlight the changes in employment over the last four years.

**Exhibit III-3
Occupations in Deschutes County in April 2001 and April 2005**

Occupation	April, 2001	April, 2005	Change	Percent Change	Percent of Total in 2004
Natural resources, Mining, and Construction	4,430	6,330	1,900	43%	10.3%
Manufacturing	5,400	5,920	520	10%	9.6%
Trade, transportation, and utilities	10,720	12,110	1,390	13%	19.7%
Information	1,430	1,550	120	8%	2.5%
Financial activities	3,390	4,050	660	19%	6.6%
Professional and business services	4,630	6,190	1,560	34%	10.1%
Educational and health services	6,030	7,270	1,240	21%	11.8%
Leisure and hospitality	7,500	8,340	840	11%	13.6%
Other services	1,650	1,800	150	9%	2.9%
Government	7,370	7,880	510	7%	12.8%

Sources: Oregon Labor Market Information System April 2001 and April 2005 data for Bend MSA (Deschutes County).

Place of employment. The 2000 Census releases information on place of employment for workers 16 years and over. The data refers to the geographic location at which workers carried out their occupational activities during a one-week period, and is released at the state, county and place level.⁶ In 2000, 82 percent of Bend residents worked within the city limits and 18 percent of people who resided in Bend worked elsewhere than in the city. However, the number of people employed outside their place of residence is much higher in Deschutes County. Of county residents for whom data were available, approximately 34 percent work elsewhere than their place of residence. The markedly higher numbers of commuters from outside of Bend indicate substantial commuting into Bend from outlying areas. It is interesting to note that commuting rates are even higher at the state level, where over half of people for whom data are available do not work in their place of residence.

Census commute data show that the majority of Bend residents who did not work at home had a commute of 10 to 14 minutes to their place of employment. Data at the county level is similar to the city. For Bend residents who did not work at home, 12 percent had a commute of over 30 minutes, and 18 percent of Deschutes County residents had a commute of over 30 minutes. Although over one-quarter of Oregon residents have a commute of over 30 minutes, this is much lower than the national statistic of 34 percent. Nonetheless, the city adopted the *Bend Urban Area Transportation System Plan (TSP)* in October 2000, which includes the city's transportation goals, objectives, implementation, benchmarks and funding. Highlights of this report can be found in the updated *2001 Bend Area General Plan*. Some important goals identified in this report include:

Promoting land use patterns that support fewer vehicle trips and shorter trip lengths through mixed-use developments and planning of a long-range transportation system;
Reducing peak hour traffic loading on the roadway system and decreasing single occupant vehicle travel by altering driver behavior through education, regulating parking in commercial and business districts and developing park and ride facilities;
Supporting and encouraging increased levels of bicycling and walking as an alternative to the automobile by providing safe, accessible and convenient bicycling and walking facilities; and
Continuing to develop public transportation services by providing infrastructure and land use planning conducive to public transit.

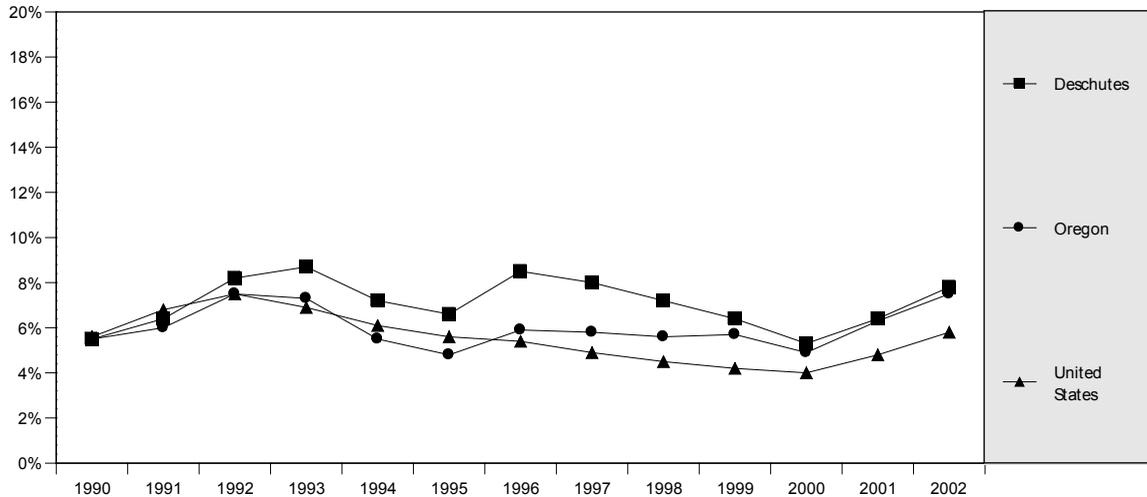
Unemployment. The unemployment rate (seasonally adjusted) in Deschutes County was 4.2 in May of 2006, compared to 6.8 percent in July of 2002. The average annual county rate in 2001 was 6.4 percent, just slightly higher than the state unemployment rate 6.3 percent. The current rate is lower than the average unemployment rate the county experienced was in 2000 at 5.3 percent. The rate peaked in 1993 at 8.7 percent, similar to

⁶ The Census defines a "place" as a concentration of population either legally bounded as an incorporated place, or identified as a Census Designated Place (CDP) including comunidades and zonas urbanas in Puerto Rico. Incorporated places have legal descriptions of borough (except in Alaska and New York), city, town (except in New England, New York or Wisconsin), or village.

trends at the state level. Although rates in most years have on average been lower than this peak by about one percent, unemployment rose to 8.5 percent in 1996 and was high at the beginning of 2002. Deschutes County's average employment rate has been consistently higher than the state's by approximately 1 percentage point, and about 1.6 percentage points higher than the nation's. Exhibit III-4 displays unemployment trends for Deschutes County, Oregon and the nation from 1990 to July of 2002.

Exhibit III-4.

Unemployment Rates Deschutes County, Oregon and United States, 1990 to November 2002



Note: Unemployment rate is the annual average from 1990 to 2001 and seasonally adjusted, except for January, July and November of 2002.

Source: Oregon Employment Department,
<http://www.qualityinfo.org/pubs/single/annualrates.pdf>.

A study by the Oregon Department of Employment attributes Oregon's consistently high unemployment rates to high levels of in-migration which causes frictional unemployment, a high degree of rural isolation in parts of the state and a high level of seasonality in many of the state's major industries.⁷ All three of these factors are likely to play a role in unemployment in Deschutes County, although the presence of the Redmond airport mitigates isolation.

Workforce education. Educational attainment levels in Bend increased from 1990 to 2000, with the greatest increase in those obtaining a bachelor's degree or a graduate or professional degree. The majority of residents in Bend have some college experience, but no degree. Exhibit II-22 displays educational attainment levels in 1990 and 2000 for the city and county.

⁷ Ayre, Art. "Why Does Oregon have a High Unemployment Rate?" Oregon Department of Employment, Oregon Labor Market Information System, March 2002, <http://www.olmis.org/olmisj/ArticleReader?itemid=00002350>.

Transportation Profile

The majority of transportation in Bend is via automobile. The street system provides a comprehensive system of transportation facilities serving the Bend urban area. It provides carrying capacity for automobiles, trucks, bicycle, pedestrian and public transportation. The existing Bend street system includes approximately 77 miles of arterials and 35 miles of collector roadways.

Several state highways serve the Bend area. These highways include the Dalles-California Highway and Bend Parkway, a controlled access *expressway*. (U.S. Highway Route 97), the McKenzie-Bend Highway (U.S. Highway Route 20 - “to the west”) and the Central Oregon Highway (U.S. Highway Route 20 - “to the east”). Also, Century Drive (State Highway No. 372) provides access to Mount Bachelor from Bend. Like many of the cities east of the Cascades, the state highway system represents the most significant transportation corridors within the community. They also provide important linkages to the city from adjoining areas of the county and other parts of the state.

The state highway system plays a dramatic role in the organization and layout of the town. Highway 97 (Bend Parkway) bisects the city into east and west halves, and the eastern extension of Highway 20 further divides the city into north and south sectors. The state highways carry the highest traffic volumes in the community. Land uses along these corridors are also highly automobile oriented including shopping malls, restaurants, lodging, recreation vehicle and automobile sales, gas stations and automobile service facilities.

Street System Design

A large portion of Bend’s *major street system* is laid out in a grid-like pattern. The grid street system is interrupted by prominent topographic features of the city such as; the Deschutes River, Awbrey, Overturf and Pilot buttes, the railroad, and the canal system. In these various topographically constrained areas, roadways have either followed the prevailing contours, bridges have been constructed, or the streets were discontinued.

The *local street system* was developed with a grid-like street pattern in neighborhoods beginning in the early 1900's and continuing on into the 1950's. In the decades that followed, street design turned to more curvilinear streets with less emphasis made on maintaining the street grid network. Yet later on, discontinuous streets and cul-de-sac construction became even more frequent.

Pedestrian (Sidewalk) System

The city of Bend requires the construction of sidewalks on both sides of a street in new residential areas, except in steep terrain areas, where exceptions allow sidewalks on one side of the street. Currently, there are about 60 miles of sidewalks along arterial and

collector streets, or about one-fourth of the major street system frontage has walkways (on at least one side of the street). There are many gaps in the sidewalk system.

Bikeway System

On-Street Facilities

On-street bikeway facilities have been constructed and striped along many of Bend's arterial and collector streets since the early 1980's. Today, about 70 miles or about two thirds of the *major streets* are striped with bike lanes, or wider "fog-lined" shoulders.

Because local streets carry considerably lower traffic volumes and speeds, there is rarely a need to stripe bike lanes on these types of roadways.

Off-Street Facilities

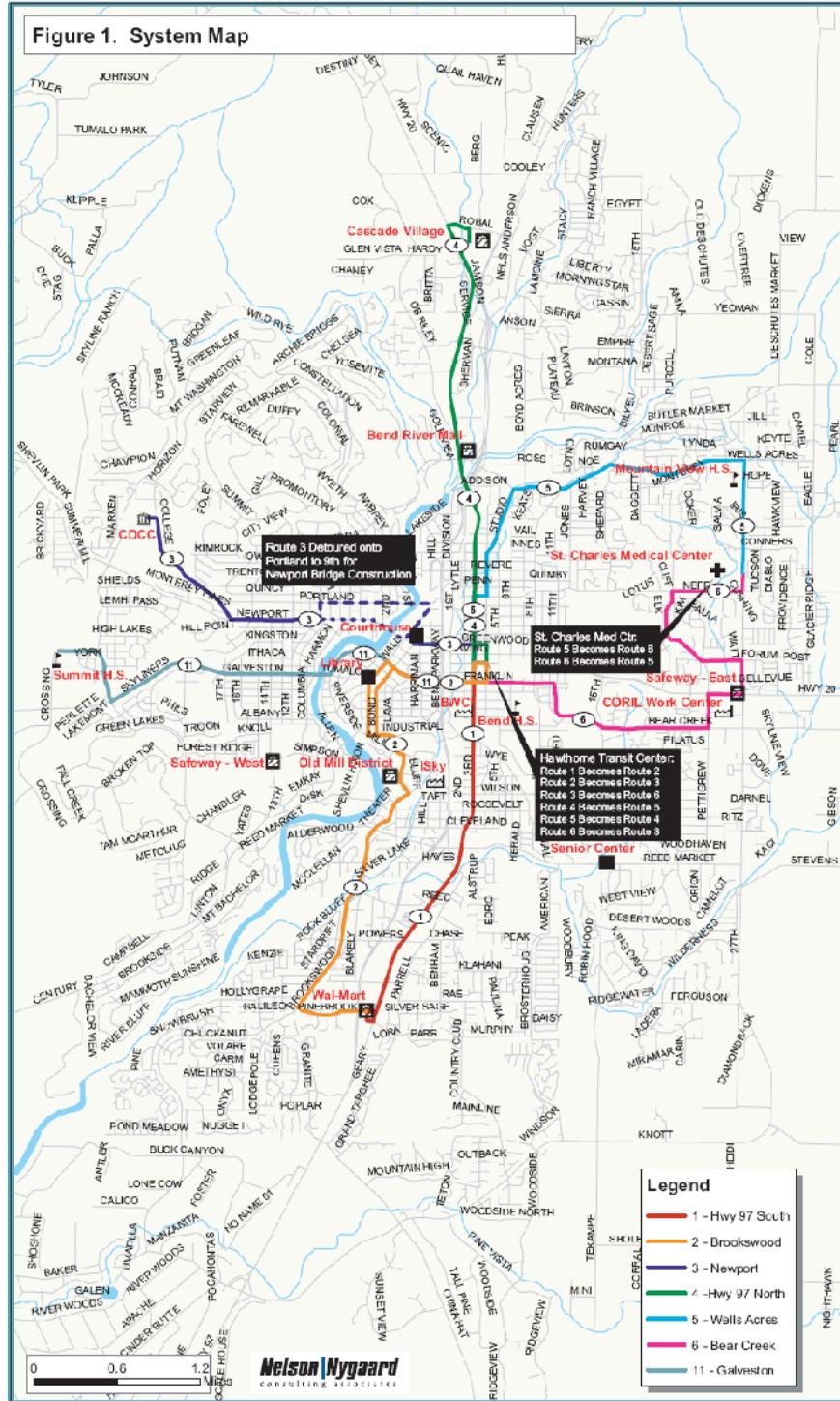
The off-street facilities (trails) are used by a wide range of people including; bikers, pedestrians, hikers, joggers, strollers, (even cross-country skiers in the winter), etc. Bend is renowned for its beauty, views and urban wildlife, and the system of off-street trails is used daily, by locals and visitors alike, to help gain access and enjoyment of these natural resource areas.

In 1995 a study, titled the *Bend Urban Trails Plan*., was prepared to provide a comprehensive inventory of trails, an analysis of opportunities and constraints, issues, design applications, standards and funding. Using this report as a basis, there are approximately 28 miles of trails open to the public in the Bend urban area. Approximately half of these trails are located on private property where public access is allowed. The majority of the existing trails are located along the river and on the west side of Bend. There are a number of other "informal" trails, "ditch rider" roads, utility corridors, access ways, and the like, that may not have a formal "easement" for public trail use, but are also used by the public on a daily basis. Estimates for this mileage can vary, depending upon which trails to include, but the additional mileage of these trails may be in excess of 50 miles. Most of these trails are located on the east side of the river. Due to some private property concerns, some of these areas have also been posted for "no trespassing".

Public Transportation System

Beginning in September, 2006 Bend will have a public bus system. The Bend Area Transit fixed route bus service will include six main routes and one peak service route (route 11). The main routes will run every 30 minutes Monday through Friday from 6:30am to 6:30pm and every hour on Saturday from 7:30am to 5:30pm. Paratransit service via Dial-a-Ride will be available Monday through Sunday and is available to riders with disabilities that preclude them from riding the fixed routes as well as low income seniors that do not live near a fixed route. All routes will interline at Hawthorne Station (3rd & Hawthorne) and will run on a pulsed schedule to allow riders to

conveniently transfer between routes. All Bend Area Transit vehicles are ADA accessible, and all fixed route buses will be equipped with bike racks.



Bend Dial-A-Ride Program

Bend's Dial-A-Ride system is available for use by seniors (60 and older) and eligible disabled persons. The Dial-A-Ride transit provides personalized door-to-door service and requires reservations up to seven days in advance of a planned trip. The service is provided to participants within the city limits. The program operates Monday through Friday from 7:00 AM to 8:00 PM, and on Saturday and Sunday, from 9:30 AM to 4:30 PM. The rides are provided at a cost of \$0.50 per one-way trip. There are ten vehicles scheduled for daily service - all are equipped with wheelchair lifts. The capacity of each vehicle ranges between 10 and 14 people dependent upon the number of wheelchair riders. The total number of passenger rides for fiscal year 97-98 was about 58,000.

Dial-A-Ride is unable to serve about 40 ride requests per month, although many of the ride requests can be accommodated at a different time or day.

Other Existing Public Transportation Facilities

Considering Bend does not have an existing public transportation system, the number of existing "transit" related facilities is quite limited. There is currently one formalized Park and Ride facility located in the north parking lot of the ODOT, Region 4, Administration Office. Additionally, a specialized park and ride lot is at the Mr. Bachelor Super Shuttle lot, located at the northeast corner of Simpson Avenue and Columbia Street. Other more informal park and ride activities may occur there but the lot is primarily designated for use by Mt. Bachelor employees and their customers. Capacity of this lot is currently about 580 parking spaces. Mt. Bachelor staff has estimated that peak weekends use about 85-percent of the lot and normal weekend ski activity uses about 60 to 70-percent of the lot. The lot has also been used as an overflow, shuttle parking lot for large events in the downtown area. Also, Commute Options for Central Oregon has been actively seeking other sites for Park and Ride activity and is currently working with ODOT to designate and improve some public right-of-way on the east side of Highway 97 between Robal and Cooley roads.

Other Public Transportation Services

There are several private transportation vendors and cab companies that provide regular daily service to and from the city from outside the Bend area. Major service providers include (fares vary):

- Valley Retriever Bus Lines:** Valley Retriever operates one bus daily Monday through Saturday to and from the Greyhound stop in Bend. It provides local connection to/from the cities of Salem, Albany, Corvallis and Newport (and some stops in between).
- Porter Stage Lines:** Porter Stage also uses the Greyhound stop in Bend. It provides daily service to/from Eugene and Coos Bay (and some stops in between).
- The People Mover:** The People Mover, operated by the Grant County Public Transit District, offers local connections to the cities of Redmond, Prineville and John Day three times a week.
- CAC Transportation:** CAC Transportation offers daily service to/from Portland from

The Riverhouse. CAC also offers a demand responsive shuttle service, by reservation, to the Redmond Airport.

- ***Mt. Bachelor Super Shuttle and Employee Shuttle:*** During the height of the skiing season (typically between Thanksgiving through mid-April), Mt. Bachelor Ski Resort operates eleven buses that provide rides between their park-and-ride lot, at Simpson and Colorado, and the skiing area for both employees and the general public. Cost to the public is currently \$1.00 per one way trip. There are about three morning departures and four returning trips, with extra service provided on weekends. The employee shuttle makes nine daily trips to and from the mountain.
- ***Go Green Mountain Express:*** A new system, beginning July 2006, provides a daily bus service, utilizing bio-diesel fuel, to Salem then continuing to Portland.

Rail, Air And Road Freight Systems

Rail Service

Freight Rail Service: The Burlington Northern-Santa Fe Railroad provides freight rail service to Bend. The rail line runs generally north/south through the center of town. The rail activity is primarily freight that is being hauled through the area. There is no existing or planned inter-modal truck-rail reload facility in Bend, but a few local industrial firms are served off short spur tracks. Most of the local rail users receive bulk shipments of materials used in manufacturing products that are shipped out by truck. One local user ships out pumice and other rock products mined near Bend. A railroad-switching yard is located east of the intersection of Colorado Avenue and Division Street. A rail car weigh station, serving the freight shipping needs of the Central Oregon area, is located west of Division Street along a spur track that runs south of, and parallel to, Colorado Avenue.

Passenger Rail Service: There is currently no passenger rail service in Bend. The nearest connection to passenger rail service in Central Oregon is in the town of Chemult, which is located about 70 miles south of Bend. The AMTRAK “Coast Starlight” train currently has daily service, in Oregon, to Klamath Falls, Chemult, Eugene, Albany, Salem and Portland. AMTRAK does offer a thru-way bus system that connects to stations in Chemult and Eugene. In addition this bus system connects to Burns, Oregon, 126 miles to the East on Highway 20.

Air Service

Local Air Service: The Bend Municipal Airport is located approximately five miles northeast of the Bend urban area. The airport is owned and operated by the city of Bend and is located in an unincorporated portion of Deschutes County. Development of the Bend Airport dates back to 1942 when the land was deeded to the city in an effort to establish a municipally owned and operated landing strip in the Bend area. The airport is classified as a General Aviation/General Utility airport. There is no regular scheduled commercial passenger service at this airport.

Regional Air Service: Daily air passenger service is provided to the Central Oregon area at the Redmond Municipal Airport, which is located approximately sixteen miles north of Bend. The Redmond airport is classified as a Primary Service/Transport airport. It provides scheduled passenger service, and it accommodates larger and higher performance aircraft than the Bend facility. The Redmond airport is currently occupied by four commercial carriers, Horizon Air, United Express, United Airlines and Delta. Currently, there are direct flights to Portland, Denver, Los Angeles, Salt Lake City, Eugene, Seattle and San Francisco.

Road Freight System

Both US Highway 97 and US Highway 20 are designated Freight Routes in the *Oregon Highway Plan*. These two routes in Bend serve as a major connection between north/south and east/west freight movement east of the Cascades in Oregon. All of the regional and inter-state truck freight moving through the city, or with a destination or origin in Bend, use US 97 and US 20.

Freight Generators and Receivers

The main truck freight generators in Bend are manufacturing firms that ship their products throughout the region or the country. A few regional trucking and delivery firms are based in the city. All of Bend's existing manufacturing and shipping areas are within 1 ½ mile of US 97 or US 20. The local arterial street system links these areas to the highways to provide efficient and direct movement of freight goods out of Bend and onto the state highway system.

Bend's population and role as a regional center has generated the development of large retailers – including supermarkets, vehicle sales, and restaurants – that receive all their goods by truck. The large retailers are mainly located along US 97 and US 20. Other retailers or service providers that receive large or frequent truck deliveries are on local arterial streets that connect into the state highways.

Section IV: Housing Profile

Bend offers a variety of living styles and residential choices. Housing options are provided in different density levels throughout the city. They include mixed use housing and commercial development in downtown Bend and Northwest Crossing, single family neighborhoods with a range of housing and lot sizes throughout the City, duplexes, triplexes and large apartment complexes in some locations and large-lot gated communities. While residents enjoy a variety of housing choices, they also face significant challenges in finding affordably priced housing in Bend as land and housing prices have increased significantly in the past decade, leaving fewer realistic housing options for many Bend residents and workers.

Overview

History of Housing in Bend

Bend, like other cities in Oregon, is required to help ensure that housing of different types at price ranges and rent levels commensurate with the financial capabilities of households the city is available in Bend. This goal is mandated by Oregon's statewide planning program, with an objective of ensuring that residents and workers in any community in the state can find housing that meets their needs and is within their financial means.

The City of Bend will face a variety of challenges over the coming years in meeting these needs, including:

- Maintaining an adequate supply land available and zoned appropriately to provide opportunities for a range of housing types needed in Bend in the face of rapid recent and expected continuing population growth. Bend's population increased by 154% between 1990 and 2000 and by another 50% between 2000 and 2005.
- Responding to a housing and land market that have appreciated significantly in recent years, driving the cost of housing up significantly and leaving relatively few market opportunities for low-cost owner-occupied housing. Land prices have reportedly increased three to four-fold during the past ten years and the median home price increased by 54% between 2001 and 2005.
- Working collaboratively with a variety housing providers and stakeholders, business and community groups and citizens to achieve the community's housing goals.

The city and urban area population has seen several periods of rapid growth in its history. Bend has had three significant housing booms since it was incorporated in 1905. The first was in 1910-1920 when the big sawmills started up and Bend's population went from 500 to more than 5,000 in a few years. The second housing boom came 50 years later when Central Oregon experienced a large in-migration of retired persons in the 1970s. The third, and biggest, of the housing booms hit the Bend urban area beginning in the 1990s and has been sustained through 2006. The most recent boom has been accompanied by significant increases in housing prices for owner-occupied housing,

coupled with relatively flat increases in wages and a limited increase in lower cost rental housing.

The early burst of housing construction shortly after the turn of the century was needed to house the hundreds of new sawmill workers and their families. Most of these homes were constructed between downtown and the mills on either side of the Deschutes River. After this initial housing boom, construction slowed to more normal levels until the mid-1970s.

Current Housing in Bend

Since 1990, Bend has seen some shifts in the mix of housing developed within the UGB. Table IV-1 shows housing unit counts by the number of units in each structure in Bend from the 1990 and the 2000 Census.

**Exhibit IV-1
Change in Units in Structure for City of Bend**

Units in Structure	1990 Census	2000 Census	Change	% Change	% Distribution	
					1990	2000
1-units detached	5,907	15,027	9,120	154%	66%	67%
1-unit attached	281	792	511	182%	3%	4%
2 to 4 units	990	1,723	733	74%	11%	8%
5 to 9 units	365	1,001	636	174%	4%	4%
10 or more units	978	1,681	703	72%	11%	7%
Mobile home/trailer/other	483	2,274	1,791	371%	5%	10%
Total units	9,004	22,498	13,494	150%		

Source: US Census Bureau, STF3 (1990) and SF3 (2000)

The city annexed 12 square miles of land with a population of approximately 13,648 people and 5,286 housing units on July 1, 1999. This included 3,877 detached single-family dwelling units and a significant number of manufactured homes on lots into the Bend UGB.

Since 2000, 7,699 units have been added to the housing stock. The following table compares the changes in units between the April 1, 2000 Census and May 2005.

Exhibit IV-2
Changes in Units in Structure between 2000 and 2005

Unit Type	Structure, 2000		Structure, 2005			
	# of Units	% of Total	# of Units	% of Total	# of Units	Percent
Single Family Dwellings	15,819	70%	21,866	72%	6,047	38%
Manufactured Home Park Units	2,159	10%	1,403	5%	(756)	-35%
Duplex	649	3%	1,642	5%	993	153%
Triplex/Fourplex	1,074	5%	1,141	4%	67	6%
5+ Apartment Units	2,682	12%	4,145	14%	1,463	55%
Total Units	22,498		30,197			

Source: US Census Bureau SF3 (1990) and 2005 Residential Lands Study database.

From 2000 to mid-year 2005, the proportion of housing units that are single family dwellings (attached and detached) increased from 70% to 72%, while the proportion of manufactured home park units decreased. Although the number of triples and fourplex units increased over the last four years, their respective share of housing units declined from 5% to 4%. The number of units in multi-family buildings (five or more units) has increased by 1,463 units, a 55% increase since April 1, 2000.

The City of Bend has five general plan designations for residential lands that are implemented through eight zoning districts. Exhibit IV-3 below summarizes the residential plan designations and zoning for the Bend UGB along with associated minimum lot sizes and density ranges. Two of the designations are intended to provide reserves for future urban development (urban reserves). Four of the designations provide for a range of residential land from low to high-density development. The final designation is a mixed-use designation that provides a residential component for mixed-use areas that also may include commercial and employment uses.

**Exhibit IV-3
Residential Plan Designations and Zones in Bend UGB**

General Plan Designation	Implementation Zones	Minimum Lot Sizes	Density Range
Urban Area Reserve	Urban Area Reserve (UAR-10)	10 acres	1 dwelling per 10 acres
	Suburban Residential (SR2.5)	2.5 acres	1 dwelling per 2.5 acres
Urban Standard Density	Residential Low Density (RL)	20,000 sq ft	1.1 to 2.2 dwellings per gross acre
	Residential Standard Density	4,000 sq ft or 6,000 sq ft	2.2 to 7.3 dwellings per gross acre
Urban Medium Density	Residential Medium Density (RM-10)	4,000 sq ft	6.0 to 10.0 dwellings per gross acre
	Residential Medium Density (RM)	2,500 sq ft then 2,000 sq ft	7.3 to 21.7 dwellings per gross acre
Urban High Density	Residential High Density (RH)	2,500 sq ft then 1,000 sq ft	21.7 to 43.0 dwellings per gross acre
Mixed Use Riverfront	Mixed-use Riverfront	None required	No minimum or maximum density

Exhibit IV-4 presents the number of residential units by type and zone within the Bend UGB. At mid-year 2005, 72% of the dwellings in residential zones were single family units. A majority of these units were developed in the RL and the RS zones. Most of the duplex, triplex and fourplex units were developed in the multi-family zones RM and RH, and the bulk of higher density housing (5 or more units per building) are in the RM zone.

**Exhibit IV-4
Residential Units by Type and Zone within the Bend UGB**

Unit Type	RL	RS	RM	RH	Total	M R	UA R 10	SR 2.5	Total
Single Family Units	2,889	16,580	2,117	63	21,649	19	127	71	21,866
Manufactured Dwelling Park Units	385	659	359	0	1,403	0	0	0	1,403
Duplex Units	38	234	1,300	36	1,608	2	0	32	1,642
Tri/Quadplex Units	11	40	1,021	69	1,141	0	0	0	1,141
5+ Multi-Family Units/Condos	8	420	3,012	641	4,081	64	0	0	4,145
Total	3,331	17,933	7,809	809	29,882	85	127	103	30,197

Note: Data presented does not include split-zoned lots (272 units); lots with a use type of public, recreational, or unbuildable; or nursing homes/transitional housing units/motels.
Source: 2005 Residential Lands Study database

Exhibit IV-5 present the actual density of housing based on four housing categories as of December 31, 2004. Densities range from three units to 44 per acre for these housing types.

**Exhibit IV-5
Actual Density and Mix of Housing Types**

Unit Type	Total Units	Total Acreage	Units per Acre
Single Family Dwelling	21,545	6,797.5	3.17
Manufactured Housing in Parks	1,403	269.2	5.21
Multi-family (2-4 units)	2,624	223.6	11.7
Apartments	3,559	183.4	19.4
Condominiums	522	11.95	43.7
Total	29,653	7,485.7	3.96

Notes: One condo is listed as having 1.55 acres of land. If this condo was removed, the average units per acre would be 50 (521 units on 10.4 acres).
Source: City of Bend Residential Lands Study database

By mid-year 2005, the density of housing city-wide was just less than four units per acre. The density for single family dwellings (detached and attached) was over three units per acre. Buildings with two or more dwelling units have a density of approximately 16 units per acre. The density of 5.4 units per acre for manufactured homes in parks includes all units developed before the end of the calendar year 1998.

For single family dwellings, the density of development has increased by 54% since January of 1999. Duplexes, triplexes and fourplexes have seen a 19% increase in density and apartment development has increased by 10% during the same period. The city has not seen any new manufactured homes established in parks in the past ten years.

As of the beginning of 2005, the City of Bend has approximately 2,297 acres of vacant residential land in its UGB. Most of this land is located in the RS Zone. The inventory demonstrates additional land may be needed for future RM and RH land because each zone district has less vacant land for higher density residential development. The density of development occurring in the Bend UGB has increased since the adoption of the Bend Area General plan in 1998. All categories of housing units have been developed at higher densities, with single family dwelling development seeing the greatest increase in density at 54%. The lack of manufactured homes developed in parks suggests residents are making different housing choices in the UGB.

Occupancy and Tenure

Occupancy refers to whether a housing unit is occupied or vacant. During the past decade, the city added 13,503 housing units through construction and/or annexation. The occupancy rate in Bend in 2000 was 94%. Conversely, the vacancy rate was 6%.

Tenure refers to whether a housing unit is owned (being purchased) or rented. The tenure changed during the decade as the proportion of owner occupied housing increased and the proportion of renter-occupied housing decreased. The number of renter-occupied units increased in raw numbers (+3,906 units) over the decade. However, the proportion of the total housing units that were renter-occupied decreased from 46% of the total units in 1990 to 37% of the total units in 2000.

Exhibit IV-6
Occupancy and Tenure for bend in 1990 and 2000

	1990		2000		Change 1990-2000	%Change 1990-2000
	Number	Percent	Number	Percent		
Occupancy						
All housing units	9,004	100%	22,507	100%	13,503	150%
Occupied housing units	8,526	95%	21,062	94%	12,536	147%
Vacant housing units	478	5%	1,445	6%	967	202%
Tenure						
Occupied housing units	8,526	100%	21,062	100%	12,536	147%
Owner-occupied housing units	4,614	54%	13,244	63%	8,630	187%
Renter-occupied housing units	3,912	46%	7,818	37%	3,906	100%

Source: US Census Bureau STF3 (1990) and SF3 (2000)

Households

Households are housing units occupied by a family, unrelated individuals, or married couples. An examination of data on households helps to determine the types of housing units that may be needed for different types of households. The following table presents the types of households counted in Bend in the 1990 and 2000 Censuses.

Exhibit IV-7
Change in Types of Households in Bend: 1990 and 2000

Households by Type	1990	2000	Percent of Total	Change	% Change
Total households	8,526	21,062	100%	12,536	147%
<i>Family households (families)</i>	5,198	13,396	64%	8,198	158%
<i>Married-couple family</i>	4,101	10,563	50%	6,462	158%
Non-family households	3,328	7,666	36%	4,338	130%
<i>Householder living alone</i>	2,519	5,497	26%	2,978	118%
<i>Householder 65 years and over</i>	875	1,819	9%	944	108%

Source: US Census Bureau STF3 (1990) and SF3 (2000)

The number of family households represents the greatest proportion of households in Bend in 2000. Non-family households represent 36% of Bend’s households and included households with a householder living alone.

Exhibit IV-8 presents the data for Bend by the size of household. By the year 2000, 63% of Bend’s households had one or two people. The remaining 37% consisted of households with three or more persons, with most of these households including three or four persons. The greatest increase over this period occurred with the growth in the number of households with six persons.

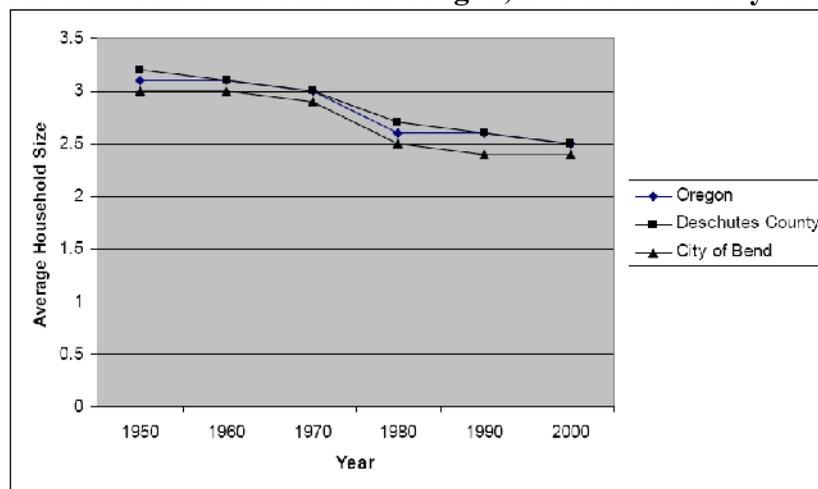
**Exhibit IV-8
Persons Per Household in Bend in 1990 and 2000**

Type of Household	1990	2000	Change	% Change	% of Total
1 person	2,515	5,516	3,001	119%	26%
2 persons	3,031	7,736	4,705	155%	37%
3 persons	1,353	3,511	2,158	159%	17%
4 persons	1,087	2,722	1,635	150%	13%
5 persons	377	1,065	688	182%	5%
6 persons	98	412	314	320%	2%
7 or more persons	75	88	13	17%	0%
Total households	8,536	21,050	12,514	147%	100%

Source: US Census Bureau STF3 (1990) and SF3 (2000)

Another way of looking at persons per household is through an average number of persons per household or household size. Exhibit IV-9 shows the average household size of Oregon, Deschutes County and Bend and the changes in this figure from 1950 through 2000.

Exhibit IV-9: Household Size Over Time for Oregon, Deschutes County and Bend



Source: Bend Area General Plan, Chapter 4, Population and Demographics

Counter to national trends that suggest shrinking household sizes, the persons in households in Bend remained relatively constant between 1990 and 2000. Oregon's household size has decreased by 24% over this period. The household size of Deschutes County also has shrunk by about 28%. Between 1990 and 2000, Bend's household size remained at about 2.4 persons per household. The most significant drop in Bend's household size occurred between 1970 and 1980, when household size decreased by 16%.

Household Income

Household income is income from one or multiple sources (e.g. earnings or rent) earned by one or more persons in a household. The following table presents the household income data for Bend in 1990 and in 2000.

Exhibit IV-10
Household Income in Bend in 1990 and 2000

Household Income	% of Total Households in 1990	% of Total Households in 2000	% Change between 1990 and 2000
Less than \$10,000	15%	7%	12%
\$10,000 to \$14,999	11%	7%	50%
\$15,000 to \$19,999	10%	7%	54%
\$20,000 to \$24,999	11%	7%	41%
\$25,000 to \$29,999	11%	8%	71%
\$30,000 to \$34,999	9%	8%	118%
\$35,000 to \$39,999	7%	6%	114%
\$40,000 to \$44,999	6%	6%	144%
\$45,000 to \$49,999	3%	6%	339%
\$50,000 to \$59,999	6%	10%	289%
\$60,000 to \$74,999	4%	11%	494%
\$75,000 to \$99,999	3%	10%	853%
\$100,000 to \$124,999	1%	4%	1,009%
\$125,000 to \$149,999	0%	2%	869%
\$150,000 or more	1%	3%	1,107%
Median Household Income	\$35,787	\$40,857	58%

Source: US Census Bureau STF3 (1990) and SF3 (2000)

The median household income in Bend increased by 58% between 1990 and 2000. The distribution of households with certain incomes also changed during this period. In 1990, approximately 58% of Bend households had incomes below \$30,000 per year. In 2000, 36% of Bend's households had incomes that were less than \$30,000 per year. In 1990, only 15% of Bend's households had incomes of \$50,000 or more. In 2000, the proportion of households had incomes that were less than \$50,000 or more. Also in 2000, the proportion of households with household incomes of \$50,000 or more increased

to 40%. The U.S. Department of Housing and Urban Development estimates that the 2006 median family income for the Bend MSA (Deschutes County) is \$58,800.

Cost of Housing

The rapid population growth and demand for housing during the past 15 years, coupled with the financial resources of newcomers to the area and increasing income levels, helped push housing costs up quickly.

In 2000, Bend had a total of 22,498 housing units. By the end of calendar year 2004, Bend had 30,197 housing units. Exhibit IV-11 shows the value of housing in Bend in 1990 and in 2000 reported through the Census.

Exhibit IV-11

Value of Owner Occupied Housing (including Median Value) in Bend in 1990 and 2000

Value	# of Units in 1990	# of Units in 2000	Change	% Change
Less than \$15,000	25	0	(25)	-100%
\$15,000 to \$19,999	9	0	(9)	-100%
\$20,000 to \$24,999	38	0	(38)	-100%
\$25,000 to \$29,999	85	18	(67)	-79%
\$30,000 to \$34,999	87	6	(81)	-93%
\$35,000 to \$39,999	123	28	(95)	-77%
\$40,000 to \$49,999	443	15	(428)	-97%
\$50,000 to \$59,999	564	45	(519)	-92%
\$60,000 to \$99,999	1,843	1,258	(585)	-32%
\$100,000 to \$124,999	318	2,102	1,784	561%
\$125,000 to \$149,999	125	2,409	2,284	1,827%
\$150,000 to \$174,999	56	1,480	1,424	2,543%
\$175,000 to \$199,999	51	922	871	1,708%
\$200,000 to \$249,999	66	971	905	1,371%
\$250,000 to \$299,999	43	612	569	1,323%
\$300,000 to \$399,999	40	552	512	1,280%
\$400,000 to \$499,999	0	228	228	100%
\$500,000 or more	0	249	249	100%
Median Value	\$69,000	\$145,500	\$76,500	111%

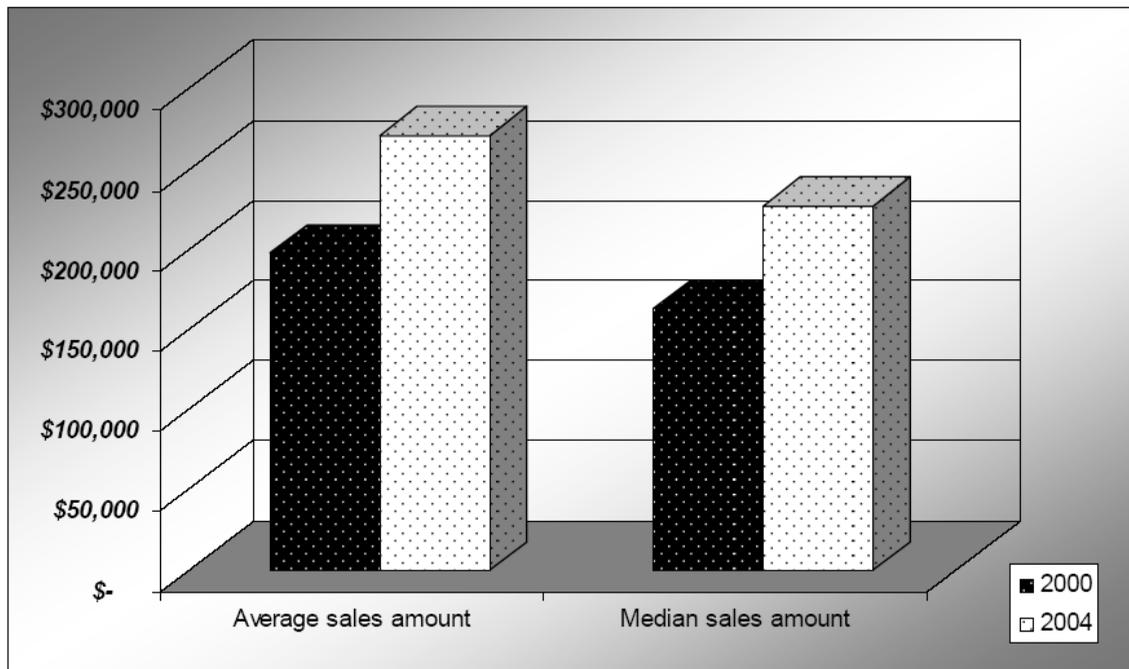
Source: US Census Bureau STF3 (1990) and SF3 (2000)

The number of housing units of less than \$60,000 in value decreased over the decade. The biggest increases in raw numbers were seen for housing units that were valued between \$100,000 and \$175,000. The proportion of housing units valued between \$125,000 and \$399,999 saw the largest percentage increase.

The price of housing has continued to rise in the last six years. In 2000, the median sales amount for residential property in Bend was \$163,000. By end of 2004, the median sales amount was \$227,500, an increase of \$64,500, or 40%, over this four year period. Sales data for the first quarter of 2005 shows the median sales amount was \$250,880. This median sales figure is 54% higher than the 2001 median figure of \$163,000. For first quarter of 2006 the median sales price is \$327,500, and increase of over 100% from the 2001 median figure. Current Median Sales Price in Bend, as of July, 2006, is \$343,950, an increase of 33% from the previous year.

Exhibit IV-12

Comparison of Year to Date Average and Median Sales Amounts for Bend, 2000 and 2004



The amount of rent charged for housing also has increased over the past decade. In 1990, the median contract rent in Bend was \$369.00. By 2000, the median rent was \$588.00, an increase of 59% over the period. The following table presents the number of units by rent in 1990 and 2000.

Exhibit IV-13**Contract Rents in Bend in 1990 and 2000 (Number of Units by Contract Rent)**

Rent	1990	2000	Change	% Change	Distribution in 2000
Less than \$100	82	95	13	16%	1%
\$100 to \$149	78	88	10	13%	1%
\$150 to \$199	203	62	(141)	-69%	1%
\$200 to \$249	294	95	(199)	-68%	1%
\$250 to \$299	411	104	(307)	-75%	1%
\$300 to \$349	532	144	(388)	-73%	2%
\$350 to \$399	805	335	(470)	-58%	4%
\$400 to \$449	554	533	(21)	-4%	7%
\$450 to \$499	291	1,134	843	290%	15%
\$500 to \$549	203	1,074	871	429%	14%
\$550 to \$599	85	731	646	760%	9%
\$600 to \$649	65	443	378	582%	6%
\$650 to \$699	47	783	736	1,566%	10%
\$700 to \$749	21	412	391	1,862%	5%
\$750 to \$999	41	1,243	1,202	2,932%	16%
\$1,00 or more	91	276	185	203%	4%
No cash rent	65	146	81	125%	2%
Total Units	\$369	\$588	219	59%	

Source: US Census Bureau STF3 (1990) and SF3 (2000)

Exhibit IV-14 presents two very different sets of data on rents and the number of units by the rent charged. During the decade, the number of units available for rent between \$150 and \$449 saw a significant decrease. In 1990, Bend had 2,799 units for rent between \$150 and \$449, representing 72% of the rental units. By 2000, this share of the rental units dropped to 16.5% of all rental units. Units with higher rents increased significantly during the same period. In 1990, 753 units were rented with rents from \$50 to \$999. Only 91 units were rented for rents of \$1,000 or more. By 2000, 5,820 units were rented with rents from \$450 to \$999. The number of units rented for \$1,000 or more increased by over 200% to 276.

Table Exhibit IV-14 shows the results of the 2005 Rental Owner Survey for Bend.

Exhibit IV-14
Average Rents in Bend - 2005

Type of Housing	Number of Bedrooms					
	Studio	One	Two	Three	Four	Five
Apartments	\$381	\$498	\$592	\$660	\$1,825	
Duplex	\$480	\$551	\$671	\$819		
Triplex/Fourplex	\$591	\$665	\$689	\$600		
House		\$562	\$751	\$935	\$1,109	\$1,200
Manufactured Home		\$400	\$594	\$711	\$900	

Source: 2005 Central Oregon Rental Survey Results. Central Oregon Regional Housing Authority and Central Oregon Rental Owners Association.

For comparison, Exhibit IV-15 compares data for the nation, Oregon, Deschutes County and Bend across several median figures of measurement.

Exhibit IV-15
Comparison of Median Values in 1990 and 2000

	United States	Oregon	Deschutes County	Bend
1990 Median				
Household Income	\$30,056	\$27,250	\$27,217	\$25,787
Value	\$79,100	\$67,100	\$74,500	\$68,800
Contract Rent	\$473	\$344	\$364	\$369
2000 Median				
Household Income	\$49,994	\$40,916	\$41,487	\$40,857
Value	\$119,600	\$152,100	\$148,800	\$145,400
Contract Rent	\$519	\$549	\$550	\$558
% Change				
Household Income	40%	50%	52%	58%
Value	51%	127%	100%	111%
Contract Rent	39%	60%	51%	51%

Source: US Census Bureau STF1 (1990) and SF3 (2000).

A comparison of monthly housing costs is expressed as a percentage of household income. This proportion takes the form of mortgage payments or rents. The monthly costs of housing for households buying or renting are used to determine how these trends will affect the projection for housing units.

The following series of tables examines the actual dollar amounts reported in the Census for mortgage and owner costs and rents and what these costs represent as a percentage of household income. Exhibit IV-16 displays the median monthly owner costs and mortgage status in 1990 and 2000 for Bend.

**Exhibit IV-16
Comparison of Monthly Owner Costs**

	Median Monthly Owner Costs			
	1990	2000	Change	% Change
Oregon	\$650	\$1,125	\$475	73%
Deschutes County	\$630	\$1,093	\$463	73%
Bend	\$606	\$1,108	\$502	83%
	As a Percentage of Household Income			
Oregon	20.4%	23.2%	2.8%	13.7%
Deschutes County	21.0%	23.4%	2.4%	11.4%
Bend	20.8%	23.2%	2.4%	11.5%

Source: US Census Bureau STF3(1990) and SF3 (2000).

Both Oregon and Deschutes County saw a significant increase in monthly owner costs over this period. Bend’s data reports larger increase of this same period. The table also expresses these costs as a percentage of household income. The purpose for comparing monthly housing costs, regardless of whether the costs are mortgage payments or rent, is to determine what proportion of household income is devoted to housing and whether a household is cost-burdened. Households that spend more than 30% of their income on housing are considered to be cost-burdened based on standards typically used by Federal and State housing agencies and mortgage lenders. From 1990 to 2000, the proportion of median monthly owner costs as a percentage of household income increased in the state, the county and in Bend. Statewide, the percentage increased by 13.7%. The increase in Bend and the county was slightly less, at around 11.5%.

The median gross rent of the state increased by over 50%. Median gross rents also increased in Deschutes County and Bend, but less significantly. More interesting is that while rents increased by almost half during the decade, median gross rent as a percentage of household income grew by a small percentage. For Bend specifically, median gross rent as a percentage of household income increased by only two percent during the decade.

**Exhibit IV-17
Comparison of Monthly Median Gross Rent**

	Median Gross Rent			
	1990	2000	Change	% Change
Oregon	\$408	\$620	\$212	52%
Deschutes County	\$438	\$644	\$206	47%
Bend	\$442	\$649	\$207	47%
	As a Percentage of Household Income			
Oregon	25.5%	26.9%	1.5%	6%
Deschutes County	25.9%	27.4%	1.5%	6%
Bend	26.7%	27.3%	0.6%	2%

Source: US Census Bureau STF3(1990) and SF3 (2000).

Neighborhood livability

Housing, and particularly single family housing, is the largest consumer of land within an urban area with about 75-80 percent of the total area dedicated to housing. The significant growth expected during the next 20 years will inevitably lead to changes in transportation patterns, a reduction in undeveloped lands, and higher housing densities in many areas.

**Exhibit IV-18
Current Mix of Housing**

	Totals	Percentage
Single Family Units	21,866	72.4%
Manufactured Dwelling Park Units	1,403	4.6%
Duplex Units	1,642	5.4%
Tri-Quadplex Units	1,141	3.8%
5+ Multi-Family Units	4,145	13.7%
Total Units*	30,197	100.0%
Total Dwelling Units*	30,197	

Source: Oregon Housing Needs Model for Bend.

This table presents the current inventory of dwelling units present in Bend's buildable lands inventory report. At the end of 2004, most housing units in Bend were single family dwelling units. Multi-family units with five or more units represented the next largest group of units.

Exhibit IV-19 takes the buildable lands inventory and housing unit inventory by zone and produces a table for estimating future land needs. It also calculates the density of each zone. The final row of data in the following data expresses this as existing units per acre.

Exhibit IV-19
Buildable Lands Inventory of Housing

	UAR	SR2.5	RL	RS	RM	RH	MR	Total
Current UGB Acres	104	73	1,703	7,652	938	251	159	10,880
Acres in Use	56	70	1,522	5,599	791	187	110	7,731
Available Acres	36	2	81	894	147	48	37	1,661
Existing Units Per Acres in Use	2.27	1.47	2.19	3.20	9.87	4.33	0.77	3.91

Source: Oregon Housing Needs Model for Bend.

For the four primary residential zones in Bend, the average density varies from 2.19 to 9.87 units per acre. Exhibit IV-20 summarizes the needed density ranges for each housing type based on the Buildable Lands Inventory Report.

Exhibit IV-20
Needed Density by Housing Type

Type of Housing	Needed Density (units/acre)
Single Family Dwellings	5
Manufactured Homes In Parks	5
Duplexes, Tri-Quadplexes	12
Apartments (5+ Units)	22

Source: Buildable Lands Inventory Report

The needed density of single family dwellings is five (5) units to the acre. This density is consistent with recent trends in single family development in subdivisions and planned developments with lots of 6,000 square feet to 10,000 square feet. The needed density of manufactured homes in parks is five units to the acre, which is consistent with manufactured home park development up to 1999. For units provided in duplexes, triplexes, and fourplexes (a.k.a “plexes) the needed density is 12 units to the acre, which reflects recent development trends and contemplates higher densities of development when property is developed with fourplexes rather than the other types of plexes. Finally, the needed density for apartments or multi-family buildings is 22 units to the acre. This density is higher than the 14 units to the acre contemplated in the RM Zone but somewhat lower than the average density of 32 units in the RH Zone. More density is possible in the RH Zone if additional lands are provided and better protected for multi-family housing.

Other Housing Needs

The analysis above describes long-term future housing needs by housing structure type, price range and zoning designation. It does not identify the housing needs of populations with special needs, including the homeless. The Bend Consolidated Plan includes extensive information about these types of housing needs, including current and projected five-year needs. Many households with special needs, including those with very low or low incomes (below 50% of median household income) cannot afford or obtain market rate housing and rely on some form of subsidized or publicly assisted housing. Summary statistics for households with special needs include the following:

- In 2000, there were 2,087 and 2,285 very low and low income households, respectively in Bend. There were only approximately 1,300 housing units available at prices at or under 30% of these households' monthly income (the standard federal definition for housing affordability). Over 90% of these were rental units.
- There were 6,431 people over the age of 65 (elderly) living in Bend in 2000, many of whom have low incomes and/or special housing needs. They live in a combination of their own homes, with relatives, in publicly assisted units or in assisted living facilities or nursing homes. The Consolidated Plan estimated that about 240 elderly residents lived in substandard housing in 2000. In addition, approximately 42 percent of seniors earned less than \$25,000, with 18% earning less than \$15,000 in that same year.
- In 2002, 178 homeless individuals received services in Bend out of a total of 269 in Deschutes County. This likely underestimates the number of homeless people in Bend, many of whom do not seek shelter or other services. In Central Oregon, there is an estimated unmet need for 154 beds for single individuals and 255 beds for people in families who are homeless. About 44% of these individuals are estimated to need services in Bend.
- Approximately 2,163 people in Bend are estimated to have some sort of developmental disability, with over 700 estimated to have severe disabilities. Services are available for approximately half this population, leaving over 300 people with severe disabilities without services.
- There are a potentially significant number of people living in Bend with some form of physical disability. However, the number of people and outstanding need for services or housing has not been estimated.
- The Consolidated Plan estimates a need for housing for between 40 and 65 people with HIV/AIDS.
- There were an estimated 4,000 people in Bend in 1998/99 with substance abuse or mental health problems; an estimated 24% of these received services. Many have a need for transition or other housing.
- Migrant agricultural workers in Bend also have significant issues with housing affordability. The number of workers in Bend has not been estimated.

Publicly assisted housing units are provided by the Central Oregon Regional Housing Authority both through publicly owned housing and vouchers administered by CORHA but used for market rate housing. Other assisted housing units for people with special needs, including the homeless are owned and managed by a wide variety of non-profit and other organizations. There were 598 publicly assisted units in Bend in 2003 and another 490 Section 8 vouchers administered by CORHA

Oregon Labor Market Information System.

One of the more disconcerting pieces of information related to housing in the City of Bend is the annual Oregon Labor Market Information System report that compares wages of various industries with Median Family Income and then indicates what various percentages of income for housing would equate to. As shown below, in Exhibit IV – 21, none of the various listed industries are equal to median income and none show enough monthly income to qualify for housing at median house price in Bend.

OLMIS Covered Employment and Wages					
Summary Report - Deschutes County - 2005					
				Staff Produced Estimates	
				30% of	40% of
Industry	Annual Pay	Monthly Pay	% of HUD 2006 MFI	Monthly pay for housing	Monthly Pay for Housing
Total All Ownerships	\$31,482	\$2,624	54%	\$787	\$1,049
Total Private Coverage	30,671	2,556	52%	767	1,022
Natural Resources & Mining	29,859	2,488	51%	746	995
Construction	35,496	2,958	60%	887	1,183
Manufacturing	35,346	2,946	60%	884	1,178
Trade, Transportation. & Utilities	29,140	2,428	50%	729	971
Wholesale	42,251	3,521	72%	1,056	1,408
Retail	24,999	2,083	43%	625	833
Transportation, Warehousing & Utilities	46,583	3,882	79%	1,165	1,553
Information	45,717	3,810	78%	1,143	1,524
Financial Activities	39,714	3,310	68%	993	1,324
Professional & Business Services	30,431	2,536	52%	761	1,014
Education & Health Services	37,626	3,136	64%	941	1,254
Leisure & Hospitality	16,105	1,342	27%	403	537
Accommodations & Food Services	16,063	1,339	27%	402	535
Other Services	22,729	1,894	39%	568	758
Private Non-Classified	53,509	4,459	91%	1,338	1,784
Total All Government	37,529	3,127	64%	938	1,251
Total Federal Government	53,774	4,481	91%	1,344	1,792
Total State Government	32,056	2,671	55%	801	1,069
Total Local Government	\$35,891	\$2,991	61%	\$897	\$1,196

Section V: Identification and description of existing programs, services and activities that assist in the provision of fair housing

Although there is no local organization expressly designated for addressing issues of fair housing, several of the local service providers do provide counseling and referral to appropriate sources. These local service providers include:

- **City of Bend:** The City is the local provider of Community Development Block Grant funds and the City of Bend Affordable Housing Fee funding.

- **The Central Oregon Regional Housing Authority, dba Housing Works:** The Central Oregon Housing Authority serves a population of more than 150,000 in Crook, Deschutes and Jefferson Counties. CORHA's Board of Commissioners consists of 9 members, three appointed by each county. In addition, one at-large member can be appointed by the board to represent central Oregon as a whole. The authority was founded in 1976 and currently owns and manages 48 properties in the communities of Bend, Culver, Madras and Redmond.

- **The Central Oregon Community Action Agency Network (COCAAN):** Since 1985, the Central Oregon Community Action Agency Network (COCAAN) has been a leader in developing solutions and bringing resources to the region to address poverty issues. COCAAN is not a government agency, but a private nonprofit agency whose funding comes from federal, state and local sources, grants from private foundations and donations from individuals and businesses. COCAAN provides both direct services such as the homebuyer education and counseling as well as indirect services including meaningful referrals to partners of the center. Other programs include low-income housing weatherization grants, housing rehabilitation loans, reverse mortgage counseling, credit counseling, down payment assistance programs, individual development accounts, state-funded loan programs and other affordable mortgage products. Additionally each winter, COCAAN assists an average of 3,200 Central Oregon households get help with their utility bills through the Low Income Energy Assistance Program (LIEAP). LIEAP is a federally funded program through the U.S. Department of Health and Human Services. Bend Aid is an emergency services program of COCAAN that serves Bend, La Pine, Sunriver and Sisters. Bend Aid is a program supported through Deschutes United Way. Other emergency service funding sources that COCAAN receives are funneled through Bend Aid also. Emergency Services assists with motel vouchers, offsetting move-in costs, eviction prevention, utility shut off prevention, and energy assistance. Due to the limited amount of funding, Bend Aid also provides information and referrals to other community resources that might aid a families or individuals in crisis. The philosophy guiding funding decisions is based on whether the funding helps to alleviate the problem, not just postpone it. A client also has to show they have the potential to stabilize their situation. Clients must show that they have or will have income that is able to meet their monthly housing and immediate needs (utilities and food).

○ **Deschutes County Legal Aid:** Deschutes County Legal Aid provides legal assistance to low income people in the areas of Family Law (self help divorce/custody classes, domestic violence cases, restraining orders, elder abuse, stalking orders, guardianship defenses); Housing (landlord/tenant, public housing); Administrative law (social security, welfare, child support, medicaid/care, unemployment); Consumer (unfair debt collection)

○ **Fair Housing Council of Oregon:** FHCO is a private, non profit agency. that serves the State of Oregon and Clark County, Washington. FHCO promotes equal access to housing by providing education, outreach, technical assistance, and enforcement opportunities related to:

- (Federal law), a person's gender, race, color, national origin, religion, disability, familial status (presence of children or pregnancy).
- (Oregon state law), marital status, source of income.
- (City of Portland, Multnomah County, Cities of Salem, Eugene and Corvallis laws) sexual orientation, age, gender identity.
- (City of Ashland law) sexual orientation.

FHCO's mission is to provide education and outreach services explaining fair housing laws, as well as enforcement and investigations following complaints we receive. FHCO provides a number of brochures explaining fair housing laws. They also have videos available for loan, demonstrating fair housing laws in action.

○ **Department of Housing and Urban Development:** HUD's office of *Fair Housing and Equal Opportunity* exists to create equal housing opportunities for all persons living in America by administering laws that prohibit discrimination in housing on the basis of race, color, religion, sex, national origin, age, disability, and familial status. The Office of Fair Housing and Equal Opportunity administers federal laws and establishes national policies that make sure all Americans have equal access to the housing of their choice. Particular activities carried out by the Office of Fair Housing and Equal Opportunity include implementing and enforcing the Fair Housing Act and other civil rights laws, including Title VI of the Civil Rights Act of 1964, Section 109 of the Housing and Community Development Act of 1974, Section 504 of the Rehabilitation Act of 1973, Title II of the Americans with Disabilities Act of 1990, the Age Discrimination Act of 1975, Title IX of the Education Amendments Act of 1972, and the Architectural Barriers Act of 1968. In addition, they manage the Fair Housing Assistance Program, administer the award and management of Fair Housing Initiatives Program grants, and propose fair housing legislation; work with other government agencies on fair housing issues; review and comment on Departmental clearances of proposed rules, handbooks, legislation, draft reports, and notices of funding availability for fair housing considerations; interpret policy, process complaints, perform compliance reviews and offer technical assistance to local housing authorities and community development agencies regarding Section 3 of the Housing and Urban Development Act of 1968; ensure the enforcement of federal laws relating to the elimination of all forms of

discrimination in HUD's employment practices; conduct oversight of the Government-Sponsored Enterprises, Fannie Mae and Freddie Mac, to ensure consistency with the Fair Housing Act and the fair housing provisions of the Federal Housing Enterprises Financial Safety and Soundness Act; and work with private industry, fair-housing and community advocates on the promotion of voluntary fair housing compliance. The Seattle Regional Office of FHEO is the contact for the City of Bend.

Section VI: Summary of Impediments and Actions to Address Impediments

Analysis of information on fair housing in Bend leads to the following list of impediments to fair housing choice in this community.

Education Individuals often times lack information on fair housing, specifically regarding their rights and their responsibilities on housing issues. Many impediments to fair housing could be addressed if people were better informed.

NIMBY As in many areas of the country, community resistance to the integration of diverse types of housing into existing neighborhoods is growing in Bend. The Planning Commission and City Council deal with “no tin-my-back-yard” arguments on a routine basis, relating to everything from the location of bike trails to group homes for persons with mental disabilities or for the homeless. The difficulties developers encounter when trying to site special needs housing facilities definitely have an impact on fair housing choice. The siting battle (or even the potential of a long and protracted battle) can influence the selection of a site and can even determine whether or not a housing project ever gets off the ground.

Affordability Affordable workforce housing, for both singles and families, is in short supply in Bend. Rapid increases in home prices have combined with growth in the (low wage) service sector to make it difficult for much of Bend’s workforce to live in the city. There are limited affordable housing grants, down payment assistance programs or other support systems to aid residents in attaining affordable housing. While the cost of rental housing has not increased as rapidly as house prices, recent rent increases are starting to place additional pressure on low-income households. High land costs are a significant factor driving increasing home prices. Many housing developers, advocates, other community stakeholders and city officials have commented on the difficulty of finding land with a purchase price that will allow for the construction of affordable housing. The increasing lack of housing affordable to low and moderate income households is resulting in many area workers purchasing homes and living in other communities, including Redmond, La Pine, Prineville and others. This is exacerbating traffic congestion and other issues caused by rapid growth in the community. It also affects the ability of area employers to attract workers for jobs at many income levels, including service and professional workers. These factors combined with the loss of a significant portion of affordable housing choice with the closure of Manufactured Home Parks make affordability one of the major issues in Fair Housing choice in Bend.

Special Needs Housing Special needs populations face gaps in service delivery, including transitional housing for low-income families, supportive transitional housing for people with substance abuse problems and mental illnesses and some emergency housing. These gaps may be exacerbated by the State of Oregon’s budget shortfall.

Local Clearinghouse for Complaints and Information: There is no local resource for receipt of complaints on Fair Housing issues in Bend. Currently there are several agencies that will refer complaints to the appropriate agency but a local resource to document and keep data, provide resources to both tenants and landlords, and to provide education to the community at large is conspicuously lacking.

Actions to Address Impediments to Fair Housing Choice

Fair Housing Education and Analysis

Many residents do not have knowledge about their fair housing rights, how to recognize discrimination or what to do about it. The City will:

- Continue to support consumer educational programs such as first-time homebuyer and ongoing fair housing presentations and training
- Participate in fair housing education efforts for City employees and CDBG subgrantees
- Continue to provide information to the public on the City's housing programs via the website, brochures, newsletters and public events
- Continue to support fair housing through its affordable housing activities
- Provide support to agencies attempting to better affordable housing opportunities in the City of Bend
- Continue with the partnership Housing Works, COCAAN and other providers to create and maintain affordable housing opportunities for low and extremely low income households
- Continue to support to agencies that assist the homeless
- Initiate a program, through partnership with local providers to provide information to the public on tenant/landlord rights and laws
- Work to identify fair housing issues in the community

Zone adequate land in specific designations to allow for production of future needed housing units.

- Establish and maintain the supply of land in each zoning district consistent with recommendations of the City's Housing Needs Analysis, as prepared in 2006 and updated every five years.
- Encourage or require a mix of housing types and densities within proposed large residential or mixed use developments.
- Implement strategies to allow for infill and redevelopment at increased densities, with a focus on opportunity areas identified by the City through implementation strategies associated with this policy.
- Minimize or prohibit development of single-family detached units in multi-family or mixed use zones.

Support the production of rental and owner-occupied affordable housing for residents with very low and low incomes and special needs.

- Support efforts to tie special needs services to affordable housing development for special needs populations.
- Support the development of transitional housing and emergency shelters in coordination and cooperation with the Central Oregon Regional Housing Authority (COHRA), non-profit housing developers, housing advocates and other organizations.
- Support programs implemented by COHRA, COCAAN and others that preserve and rehabilitate housing for low-income residents; provide financial and administrative support through administration of the City's Community Development Block Grant (CDBG) and possibly through dedication of a portion of revenues generated by city development fees.
- Assist in identifying, obtaining and leveraging funding sources for the development of new housing for low-income residents.
- Assist in acquiring property for the development of housing affordable to low-income households, using funds from city development fees and other sources.
- Encourage the development of affordable housing for low-income households through coordination and support of COHRA, COCAAN other housing providers and advocacy groups and other implementation strategies associated with this goal.

Support the production of rental and owner-occupied housing that is affordable to residents with moderate incomes.

- Assist in acquiring property for the development of housing affordable to moderate-income households, using funds from city development fees and other sources.
- Assist in identifying, obtaining and leveraging funding sources for the development of new housing for moderate-income residents.
- Encourage the development of affordable housing for moderate-income households through coordination and support of nonprofit and for profit housing providers.
- Implement changes to the City's code that facilitate the development of affordable housing for moderate-income residents, consistent with recent updates to the City's development code.
- Improve the community's "job/housing balance" by administering or supporting programs that provide housing for current workers who cannot afford to live in Bend, but desire to do so.

Neighborhood Diversity

- Study and support transportation improvements, including paratransit for individuals with disabilities
- Develop specific actions to create and encourage mixed income neighborhoods throughout the community. Individuals with disabilities, some of whom are homeless, frequently face barriers to housing choice in the form of neighborhood opposition to group homes or community living centers. Low income residents and residents of color may also face barriers to housing choice in the form of neighborhood opposition to publicly assisted housing.
- In conjunction with local providers, initiate a community-wide program to help reduce public opposition to group living facilities.
- Provide information on and support for enforcement of fair housing laws to help deter future efforts to block group homes, publicly assisted housing and other locally unwanted land uses.

Accessible Housing

People with disabilities have difficulty finding suitable and accessible housing. Even though the Fair Housing Act allows tenants to make physical modifications to render an apartment accessible, fixed or otherwise limited incomes present a financial barrier to a disabled person's ability to make physical modifications. In order to assist in remedying this situation the City of Bend, in partnership with providers, should:

- Educate developers, non-profit organizations and architects about ways they can enhance the accessibility of existing units and increase the availability of accessible units
- Systematically inform residents about their right to reasonable accommodations under fair housing law
- Consider using CDBG funds to assist persons with disabilities in making modifications to inaccessible rental units
- Consider creating incentives for property owners of housing built before 1991 to make their rental units physically accessible to persons with disabilities