

## CENTRAL OREGON HOUSING & AFFORDABILITY ROUNDTABLE SUMMARY

OCTOBER 2, 2023

### CURRENT CONDITION OF HOUSING IN CENTRAL OREGON (FACTS FROM ROUNDTABLE)

- Median Home Prices: In Redmond - \$598,000, In Bend - \$742,000
- Average Deschutes County Wage: \$57,000
- Redmond Example: You have to make almost \$90,000 to pay a home price of \$598,000 at 7.55% Interest with \$119,000 down payment if you want to put down 20%. If you go 0% down at 3.5%, you are adding another \$1000 to your monthly payment. Then you are looking at \$3500 plus a month, BEFORE taxes and insurance.
- Knopp Personal Example: Bought his third home in Bend in 2001 – a 4 bedroom 2 ½ bath 2000 square feet, and it cost \$136,000. That same home today is pushing \$700,000 to \$750,000 which he could not afford today.
- Cost of Framing: In just half a decade, we have seen the price for house framing go from \$2 per square foot to the present day cost of \$7-\$12 per square foot.
- Cost of Living: **Most people are one unforeseen crisis away from becoming unhoused.**  
Neighborhood Impact services about 68,000 people in the TriCity and Warm Springs areas a month.

### RECAP OF THE DISCUSSION

**Government Permitting** – For a home project of over 200 homes, a one-month delay in government processing could put that project out \$500,000, adding \$2,500 to each consumer. Non-profit developers and organizations have an even more strenuous permitting process than even for-profit builders. Governments CAN control the cost of infrastructure if the state prioritizes this.

**Land Use** – Oregon’s Land Use System hasn’t been updated in 50 years. Government must bring stakeholders together for a comprehensive look at the system. **We cannot continue to do the same things and expect results.**

**Childcare** – Redmond allows childcare in most zones, except industrial.

**Wages** – Wages are high in Bend, but subsidized housing is geared toward 80% or lower of the median income. That means most people in Bend won’t qualify. No one in Helt’s restaurant could qualify.

**Educating the Next Generation** – EDCO is working with Redmond High School on their CTE Program, and COCC with their Manufactured and Applied Technology Center. Baker Tech Institute training for heavy equipment operators in Prineville. Pahlisch Homes is providing 40 scholarships for kids pursuing the trades.

**Homelessness** – Homeless population occupying many of the areas zoned for economic development.

### LIGHT BULB MOMENTS

**We hear a lot about “affordable housing,” but this crisis is impacting those looking at 6-figure jobs:**

- Recently met with a company in Redmond - neither the CEO or the CFO live in Central Oregon because they cannot afford to live there. One lives in Salem and one in Wala Wala. They commute.
- In the last two years, Pahlisch Homes has had \$125,000-\$150,000 executive level positions open. They have people sign up, say they want to do it, then they come to Central Oregon, try to find housing and change their minds.

**Impacts to Oregon’s highways:**

- As Bend and Redmond get more expensive, we are pushing people out into Prineville, La Pine, Madras – increasing transportation issues with more commuters, especially with winter weather.