

INTERGOVERNMENTAL AGREEMENT

City of Sandy

This Agreement is between the State of Oregon acting by and through its **Department of Land Conservation and Development (“DLCD”)** and **City of Sandy (“City”)**, each a “Party” and, together, the “Parties.”

I. AUTHORITY

This Agreement is authorized by ORS 190.110.

II. EFFECTIVE DATE

This Agreement is effective on the date of the last signature (“Effective Date”), and terminates on **June 30, 2025**, unless terminated earlier.

III. BACKGROUND

During the 2023 legislative session, the legislature appropriated funds to DLCD for the purpose of allowing the DLCD to assist participating cities and counties (collectively, “Local Government”) implement House Bills 2001 and 2889. This assistance will be provided, in part, through the Housing Needs Technical Assistance and Housing Code Technical Assistance projects, which are important elements of this legislative package.

The projects are financed with State of Oregon General Funds. State funds are paid under this Agreement by DLCD to **ECOnorthwest (“Consultant”)**, who will assist the City as described in the Statement of Work (“SOW”) below. No funds will be given to the City for tasks outlined in this Intergovernmental Agreement (“IGA”) or any expenses incurred by the City because of this Agreement.

IV. PROJECT OBJECTIVE AND MAJOR DELIVERABLES

Housing Production Strategy (HPS)

The primary objective of this Agreement is to prepare a Housing Production Strategy (“HPS”) as described in ORS 197A.100 and [OAR 660-008-0050](#) (“Project”) that outlines how a city plans to promote the actual production of needed housing identified in an adopted Housing Capacity Analysis (“HCA”).

Cities with a population greater than 10,000 are required, within a year after their HCA deadline, to adopt an HPS. A HPS will outline the tools, actions, or policies a city plans to implement to encourage the production of needed housing identified in the adopted HCA. Administrative rules outlining the required elements of a HPS have been adopted and can be viewed on the Secretary of State web page under [OAR Chapter 660, Division 008](#).

V. ROLES AND RESPONSIBILITIES

City: Overall management of the Project will be the responsibility of the City. The City shall appoint a Project Manager to be the principal contact person representing the City on all matters relating to the Project.

Specific project management duties of City will include:

- a. Coordinating project schedule and deliverables with Consultant;

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- b. Coordinating City staff; and
- c. Ensuring the timely completion of tasks and delivery of supporting data/information to Consultant;
- d. Reviewing and editing Consultant work;
- e. Appointing a project advisory committee with representation from the community; and
- f. Noticing, scheduling, and managing advisory committee meetings and public official work sessions and public hearings, if any. Activities include but are not limited to preparing and distributing meeting notices, agendas, and summaries; and assisting the Consultant with meeting facilitation.

DLCD: DLCD is solely and exclusively responsible for payments to Consultant in connection with Consultant's performance of the SOW, pursuant to the terms of any Consultant contract. DLCD will provide financial, administrative, and technical assistance to the Project. DLCD will participate in advisory committees. Additional technical assistance may be provided as requested by the City or Consultant. DLCD will review Consultant's work, invoices, and progress reports. Additionally, DLCD will review the Consultant's performance and deliverables with the City prior to paying invoices received by the Consultant. DLCD will assist in the mediation of Consultant/City conflicts, or issues with the project or deliverables.

VI. COMPENSATION AND COSTS

Each Party shall assume its own costs of carrying out the tasks and responsibilities assigned to it under this Agreement. Under no circumstances is the Local Government responsible for payment of costs incurred under the contract between DLCD and the chosen Consultant.

VII. KEY CONTACTS

City

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Department of Land Conservation and Development

Project Manager
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Housing Team Technical Representative

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Consultant

ECONorthwest
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Portland, OR 97204

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Phone: 503-200-5085

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A Party may designate a new authorized representative by written notice to the other Party.

VIII. TERMINATION

- a) This Agreement may be terminated at any time by mutual written agreement of the Parties.
- b) This Agreement may be terminated by DLCD upon 45 days advance written notice and by Local Government upon 45 days advance written notice.

IX. INDEMNITY

To the extent permitted by the Oregon Tort Claims Act, each of City and DLCD agree to indemnify, defend, and hold the other party, and the other party's elected and appointed officials, agents, and employees, harmless from and against all claims, actions, or proceedings arising from or brought in connection with the negligent, grossly negligent or purposeful acts, omissions, or performance of its obligations under this Agreement.

X. NON-APPROPRIATION

DLCD's obligation to perform its duties under this Agreement is conditioned upon DLCD receiving funding, appropriations, limitations, allotments, or other expenditure authority sufficient to allow DLCD, in the exercise of its reasonable administrative discretion, to meet its obligations under this Agreement. Nothing in this Agreement may be construed as permitting any violation of Article XI, Section 7 of the Oregon Constitution or any law limiting the activities, liabilities, or monetary obligations of DLCD.

XI. STATEMENT OF WORK

Project Purpose: The City is engaging with Consultant to develop a HPS that will provide a City-led action plan to meet the housing needs of the City's residents. This HPS will identify actions to support development of affordable, fair, and equitable housing, meeting the needs identified in City's on-going HCA.

TASK 1: PROJECT KICK-OFF

Consultant shall hold a meeting with City staff to kick-off the project. Consultant will contact City via conference call to inquire about establishing project expectations and familiarize themselves with city-specific concerns. At the project kick-off, Consultant will obtain necessary information and background from City to familiarize Consultant with local conditions and with City's planning documents. Consultant will also use the kick-off to confirm the objectives of the project laid out in this Agreement with the City, refine the project schedule established in this Agreement with City (meaning add more detail as necessary to the established schedule), and provide necessary information to City to allow City to prepare for the Project.

Consultant will have monthly check-ins with the City to discuss major project milestones and work products, address questions, and identify follow-up actions.

Note: All meetings with the Planning Commission and City Council, including adoption, are part of a scope of work between the City and the Consultant.

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Task 1 Consultant Deliverables:

- 1.1: Summary of major tasks and action items for the Project, if different from the Scope of Work; and*
- 1.2: Proposed Project schedule.*

Timeline: January to February 2024

TASK 2: CONTEXTUALIZED HOUSING NEED

The purpose of “contextualizing” housing needs is to expand on the discussion of unmet housing needs from the HCA by providing additional data (where necessary) and information about housing needs. This task will result in further discussions of the implications of unmet housing needs within the City, which will inform consideration and selection of actions for inclusion in the HPS in Task 3.

Task 2.1: Data Collection and Analysis

Consultant will gather relevant data from the City’s Housing Capacity Analysis, Comprehensive Plan, Oregon Housing Needs Analysis, and other available sources as needed for the HPS to describe current and future housing needs in the context of population and market trends. The analysis of contextualized housing needs will include at a minimum:

- Socio-economic and demographic trends of a jurisdiction’s population, disaggregated by race to the extent possible with available data;
- Market conditions affecting the provision of needed housing;
- Existing and expected barriers to the development of needed housing;
- Housing need for those experiencing homelessness, using the best available data;
- Percentage of Rent Burdened Households;
- Housing by Tenure (owner vs renter);
- Percentage of housing stock that is market rate vs. subsidized; and
- Units that are tentatively approved by housing type.

The analysis of contextualized housing needs will also draw on information gathered through engagement with housing consumers, including underrepresented communities.

Task 2.2: Outreach and Engagement

Outreach and engagement in the HPS will focus on discussions (one-on-one interviews) with service providers about existing housing needs and input on actions under consideration for the HPS, as described below and in Task 3.

This outreach will build on previously conducted research regarding housing needs over the last several years based on a City-provided summary of outreach on housing topics in recent years, including a summary of the outcomes and housing needs identified in that outreach. The final HPS will describe the connection between what was heard in engagement and the strategies selected for inclusion in the HPS.

Consultant will work with City to plan for and execute on four (4) focus groups as part of Task 2, with the purpose of gaining an understanding of unmet housing needs of the following groups: renters, low-income households, Hispanic/Latinx residents, other racial and ethnic minorities and immigrant or refugee communities, veterans, people with disabilities, seniors, agricultural workers, and formerly and currently homeless people. Consultant will help plan the engagements, including facilitating the focus groups and summarizing discussions at the focus groups.

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Task 2.3: Summary Document

Following data analysis and synthesis of outreach, Consultant will produce a summary of contextualized housing needs. While this will initially be produced as a stand-alone memorandum, it will later become a section of the HPS.

Task 2 Consultant Deliverables:

2.1: Contextualized Housing Needs memorandum; and

2.2: Facilitation and summary of the results of one-on-one interviews with service providers.

Timeline: February 2024 – September 2024

TASK 3: STRATEGIES TO ACCOMMODATE FUTURE HOUSING NEED

Task 3.1: Summary of Existing Policies and Past Recommendations

City will prepare a summary memorandum of housing policies, especially policies related to affordability of housing, that the City has implemented in the last three to five years. These policies could include changes to the zoning code, such as complying with the requirements of HB 2001 (middle housing) or development of clear and objective standards. The summary may include City programs like Urban Renewal projects to support development of housing or other programs that support development of housing. The memorandum could include other policy changes that the City has made to support development of housing, preservation of existing affordable housing, or other substantial housing policy changes.

Consultant will review and provide input on the City-provided summary of measures already adopted by the City that promote the development of needed housing. Consultant will use this summary to understand what types of changes the City has made to policy, which will inform consideration of potential actions for inclusion in the HPS.

Task 3.2: Review Existing Policies and Identify Gaps in Policies

Consultant will evaluate contextualized housing needs and the summary of the City's existing measures to identify gaps where housing needs are not being met. Consultant will identify a preliminary list of policies and actions that could be considered in the HPS. Consultant will discuss potential actions with City staff to identify actions to carry forward into the next step of the analysis, for eventual consideration by the City Council.

Consultant will coordinate with the City to plan and execute five (5) one-on-one interviews or focus groups, with the purpose of gaining input from key stakeholders in the City. The focus groups or interviews may include participants of the interviews in Task 2, market rate housing developers, affordable housing developers, and other stakeholders identified by City.

Task 3.3: Strategy Refinement

City and Consultant will select actions that are likely for near- to mid-term implementation. Consultant will provide additional analysis for four (4) actions about potential benefits and costs for implementation, focusing on actions that provide financial support for housing development. This analysis may be quantitative, or it may be qualitative, involving additional discussions with key stakeholders. The purpose of this evaluation is to inform whether the City should include the actions in the HPS and to identify implementation considerations.

An important consideration for which strategies to include in the HPS is understanding what the City can accomplish in an eight-year period, given funding availability and City staff capacity.

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For the strategies that are recommended for inclusion in the City’s HPS, Consultant will produce the following for each strategy, based on Consultant’s evaluation, input from the City, and feedback gathered through outreach and engagement:

- A description of the strategy;
- Identified Housing Need being fulfilled (tenure and income) and analysis of the income and demographic populations that will receive benefit and/or burden from the strategy, including low-income communities, communities of color, and other communities that have been discriminated against, according to fair housing laws;
- Approximate magnitude of impact, including (where possible/applicable) an estimate of the number of housing units that may be created, and the time frame over which the strategy is expected to impact needed housing;
- Timeline for adoption and implementation;
- Actions necessary for the local government and other stakeholders to take in order to implement the strategy; and
- Opportunities, constraints, or negative externalities associated with adoption of the strategy.

Task 3 Consultant Deliverables:

3.1: Memorandum summarizing existing measures, previously identified strategies, and additional strategies for consideration to address gaps in the City’s housing policies;

3.2: Memorandum providing additional evaluation and refinement of selected strategies;

3.3: Memorandum summarizing information about each strategy selected for inclusion in the draft HPS, including a description of the strategy, identification of housing need being fulfilled, magnitude of the impact on the housing market, timeline for adoption, actions necessary for the City to implement the actions, and opportunities, constraints, or negative externalities associated with adoption of the strategy; and

3.4: Notes from five focus group discussions or one-on-one interviews with participants of the interviews in Task 2, market rate housing developers, affordable housing developers, and other stakeholders to seek input on the potential housing strategies.

Timeline: September 2024 – February 2025

TASK 4: DRAFT AND FINAL HPS REPORT

The draft HPS Report will include the following:

- Contextualized housing needs from Task 2;
- Summaries of existing measures and final proposed strategies from Task 3;
- How the City’s existing measures and final proposed strategies help to achieve fair and equitable housing outcomes, affirmatively further fair housing, and overcome discriminatory housing practices and racial segregation;
- Understanding of capacity limitations of City resources (primarily staff time and funding) for implementing the selected strategies for inclusion in the HPS; and
- A conclusion addressing the following:

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- A qualitative assessment of how the strategies collectively address the contextualized housing needs identified in the HCA and HPS;
- Discussion of how the proposed actions, taken collectively, will increase housing options for historically marginalized communities;
- How the City’s existing measures and proposed strategies will affirmatively further fair housing, link housing to transportation, provide access to areas with high Opportunity (such as areas with concentrations of jobs or services or accessible by transit), address needs for people facing homelessness and equitable distribution of services, create opportunities for rental housing and homeownership, and mitigate vulnerabilities to displacement and housing instability;
- The rationale for any identified needs not being addressed; and
- The City’s plan for monitoring progress on the housing production strategies.

Following review by the City and making revisions as needed, Consultant will produce a public review draft HPS for review and comment by the City’s Planning Commission, City Council, and the public. Following public review and comment, Consultant will produce a Final HPS document.

Task 4 Consultant Deliverables:

4.1: Draft Housing Production Strategy; and

4.2: Final Housing Production Strategy.

Timeline: January 2025 – May 2025

XII. OTHER CONSIDERATIONS

Except as provided herein, nothing in this agreement shall be construed as obligating the other party to expend funds or obligate future payment of money authorized by law and administratively available for this work.

SIGNATURE BLOCK

City Official

Authorized to sign on behalf of the City

Date

Printed Name

Department of Land Conservation & Development

Ethan Stuckmayer, Housing Services Division Manager

Date