



CITY OF SANDY  
**Housing  
Production  
Strategy**

October 2025

This document is funded  
in part by a grant from  
the Oregon Department  
of Land Conservation and  
Development.

# ACKNOWLEDGEMENTS

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### **PREFACE:**

This document represents a Housing Production Strategy that focuses on housing needs and potential strategies the City of Sandy is considering for adoption during 2025. The findings contained in this report reflect current statistics from available data sources and the contents will be updated based on future data and input that is received from local stakeholders and state agencies prior to adoption.

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# Sandy Housing Production Strategy

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## Glossary

**Accessory Dwelling Unit (ADU):** A second dwelling unit either in or added to an existing single-family detached dwelling, or in a separate accessory structure on the same lot as the single-family dwelling, for use as a complete, independent living facility with provisions within the accessory apartment for cooking, eating, sanitation and sleeping. Such a dwelling is an accessory use to the single-family dwelling.

**Affordable For-Sale Housing:** An owner-occupied dwelling with an annual housing cost (mortgage payments, utilities, property taxes, etc.) that equates to no more than 30% of household income.\*

*\*A healthy housing market includes a variety of housing types that are affordable to a range of household income levels. However, the term “affordable housing” is often used to describe income-restricted housing available only to qualifying low-income households. Income-restricted housing can be located in public, non-profit, or for-profit developments. It can also include housing vouchers to help pay for market-rate housing (see “Vouchers” below for more details).*

**Affordable Rental Housing:** A dwelling that is rented by a person or household whose monthly housing costs, including utilities other than telephone, do not exceed 30% of the household's monthly income.

**American Community Survey (ACS):** This is an ongoing nationwide survey conducted by the U.S. Census Bureau. It is designed to provide communities with current data about how they are changing.

**Area median income (AMI):** This term refers to area-wide median family income calculations provided by the U.S. Department of Housing and Urban Development (HUD) for a county or region. Income limits to qualify for affordable housing are often set relative to AMI in this report, unless otherwise indicated.

**Buildable Lands Inventory (BLI):** An assessment of the capacity of land to accommodate forecasted housing and employment needs.

**Buildable Residential Land:** Includes land that is designated for residential development that is vacant and partially-vacant and not constrained by existing buildings or environmental issues.

**Cost Burdened:** Defined by the U.S. Department of Housing and Urban Development (HUD) as households who spend over 30% of their income on housing.

**Cottages:** Small, detached units, often on their own lots and sometimes clustered around pockets of shared open space. A cottage is typically under 1,000 square feet in footprint.

**Density:** Defined by the number of housing units on one acre of land.

**Development density:** Expected number of dwelling units (per acre) based on current zoning designations.

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**Fair market rent (FMR):** HUD determines what a reasonable rent level should be for a geographic area and sets this as the areas FMR. Housing choice voucher program holders are limited to selecting units that do not rent for more than fair market rent.

**Group Quarters:** People living in shared housing facilities, such as a college dormitory, military barrack, nursing home, or temporary shelter are not considered households and are counted as group quarters population.

**High Density:** Housing with density of no less than 10 or more than 20 units per net buildable acre.

**Housing Unit (or Dwelling Unit):** A house, an apartment or other group of rooms, or a single room is regarded as a housing unit when it is occupied or intended for occupancy as separate living quarters; that is, when the occupants do not live and eat with any other person in the structure and there is direct access from the outside or common hall.

**Household:** Consists of all people that occupy a housing unit. The occupants can be related, such as a family or unrelated. A person living alone is also a household.

**HUD:** Acronym for the U.S. Department of Housing and Urban Development, the federal agency dedicated to strengthening and supporting the housing market.

**Low Density:** Housing with density of no less than 3 or more than 8 units per net buildable acre.

**Low-Income:** Families designated as low-income may qualify for subsidized housing and/or income-based deed-restricted housing units. HUD classifies families based on median family income levels as shown below:

| Income Category      | Household Income*  |
|----------------------|--------------------|
| Extremely low-income | 30% of MFI or less |
| Very-low income      | 30-50% of MFI      |
| Low income           | 50-80% of MFI      |
| Moderate income      | 80-100% of MFI     |
| Above median income  | > 100% of MFI      |

\* Median Family Income (MFI) for the HUD defined market area.

**Manufactured Housing:** A structure constructed for movement on the public highways that has sleeping, cooking and plumbing facilities, that is intended for human occupancy, that is being used for residential purposes and that was constructed in accordance with federal manufactured housing construction and safety standards and regulations in effect at the time of construction.

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**Median Family Income (MFI):** The median sum of the income of all family members 15 years and older living in the household. Families are groups of two or more people (one of whom is the householder) related by birth, marriage, or adoption, and residing together; all such people (including related subfamily members) are considered as members of one family. Median income of non-family households tends to be lower than for family households. In this report both MFI and AMI refer to the U.S. Department of Housing and Urban Development Area Median Family Income (AMI), unless otherwise specified.

**Medium Density:** Housing with density of no less than 8 or more than 14 units per net buildable acre.

**Middle Housing:** Typically includes duplexes, triplexes, quadplexes, townhomes, and cottage clusters.

**Mixed Use:** Characterized as two or more residential, commercial, cultural, institutional, and/or industrial uses into one combined building or building(s) on the same parcel of land.

**Partially-vacant land:** Unconstrained land that has some existing development but can be subdivided to allow for additional residential development.

**Permanent Resident Population:** This refers to the count of all people (citizens and noncitizens) who are living in the location at the time of the census. People are counted at their usual residence, which is the place where they live and sleep most of the time.

**Plexes:** Two to four separate dwelling units within one structure. In most instances each duplex, triplex, or quadplex unit has its own separate entry.

**Residual Land Value:** The amount a developer would typically be willing to pay for the land/site in order to build a specific real estate improvement based on underlying assumptions and market conditions.

**Seasonal dwellings:** These units are intended by the owner to be occupied during only certain seasons of the year. They are not anyone's usual residence. A seasonal unit may be used in more than one season; for example, for both summer and winter sports. Published counts of seasonal units also include housing units held for occupancy by migratory farm workers. While not currently intended for year-round use, most seasonal units could be used year-round.

**Severely Cost Burdened:** Defined by the U.S. Department of Housing and Urban Development (HUD) as households who spend over 50% of their income on housing.

**Single Family Attached:** Residential structures comprised of two to four housing units with a shared wall that separates each unit.

**Single Family Detached:** Free standing residential building, unattached, containing separate bathing, kitchen, sanitary, and sleeping facilities.

**Subsidized Housing:** Public housing, rental assistance vouchers, and developments that use Low-Income Housing Tax Credits (LIHTC). Subsidized housing lowers overall housing costs for its

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occupants. Affordable housing and subsidized housing are different even though the terms are sometimes used interchangeably.

**Tenure:** Tenure refers to the ownership of the housing unit in relation to its occupants. According to the U.S. Census Bureau, a housing unit is “owned” if the owner or co-owner(s) live in the unit, even if it is mortgaged or not fully paid for. A cooperative, condominium or mobile home is “owned” only if the owner or co-owner lives in it. All other occupied housing units are classified as “rented.”

**Townhome:** Attached housing units, each on a separate lot, and each with its own entry from a public street, shared driveway, or common tract.

**Vacant housing unit:** A housing unit is vacant if no one is living in it at the time of enumeration unless its occupants are only temporarily absent. Units temporarily occupied at the time of enumeration entirely by people who have a usual residence elsewhere are also classified as vacant.

**Vacant land:** Vacant land identified within the local buildable land inventory that is not developed and unconstrained for future planned residential development.

**Vouchers (Tenant-based and Project-based):** HUD provides housing vouchers to qualifying low-income households to offset a portion of their rents. These are typically distributed by local housing authorities. Vouchers can be “tenant-based,” meaning the household can use them to help pay for market-rate housing in the location of their choice. The tenant pays the difference between the fair market rent and 30% of the tenant’s income. Or vouchers can be “project-based,” meaning they are assigned to a specific building.



# EXECUTIVE SUMMARY

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The City of Sandy (City) is actively addressing local housing issues, needs, and local land use policies through this Housing Production Strategy (HPS), and the recently completed Housing Capacity Analysis (HCA). **This HPS examines how the City can enhance local housing production, affordability, access, and choice, while maintaining stability and limiting displacement.**

The HPS process included a review of the City's current policies, past actions, future housing needs, and an analysis of residents that are at risk of being left behind in the existing housing environment. At its core, the HPS identifies which tools, actions, or policies the City can implement to address housing production, affordability, and choice, especially as it relates to the needs identified in the HCA.

The City of Sandy has already adopted several policy measures over the past few years that provide additional housing production opportunities including:

### **Recent Policy Measures Adopted by the City of Sandy:**

- **Clear and Objective Housing Audit** – this recent housing audit was conducted to clearly define current local housing regulations (adoption 2024).
- **Parks and Trails Master Plan** – provided decisions on future park and trail investments by prioritizing equity and access for all residents within all neighborhoods (adoption 2022).
- **Housing Capacity Analysis** – analyzed the housing capacity and needs within the Sandy Urban Growth Boundary over the next 20 years (adoption 2024).
- **Comprehensive Plan** – established new housing policies such as coordinating capital improvements with housing planning and locating multifamily housing near amenities such as schools and planned transit routes (adoption 2024).
- **Sanitary Sewer impact mitigation program with new equivalent residential unit (ERU) assignment program** – new local program to allow some housing to be constructed during the sanitary sewer moratorium (implemented in 2024).
- Sandy's Police Department **coordinates with AntFarm** (a local non-profit organization) to provide housing assistance for people experiencing homelessness (initiated in 2023).
- **Transportation System Plan** – will guide how the City invests in its transportation system to meet the future needs of the city and provides service to buildable residential land (adopted in 2023).
- New City policy established **designated camping regulations for use by people experiencing homelessness** (adoption in 2022).

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- **Water Master Plan** – estimates future water requirements, including potential water system expansion areas to serve buildable residential land in the city (adopted 2022).
- The City established a **community service officer position** to assist people experiencing homelessness (initiated in 2025).
- Concurrent with the HCA and the HPS planning process, the City staff worked with housing service providers and the City Council and Planning Commission and held public meetings to better understand housing needs in the community.

### **Construction-Related Actions that Support Housing:**

- The City has invested over \$34 million to date on upgrading the sanitary sewer system infrastructure so that near-term housing construction could move forward despite a current sanitary sewer moratorium.
- The City constructed 362nd Drive and Bell Street to connect neighborhood residents with employment, shopping, schools, and other community amenities.

## Meetings with Decision Makers

As part of the HPS planning process, City staff and consultants met with local decision makers to keep them informed of the contents and progress of the report. Those meetings included:

- **Joint Planning Commission and City Council meetings** – the project included three joint meetings with the Planning Commission and the City Council. The meetings occurred on September 16, 2024, May 19, 2025, and October 6, 2025, including a review of proposed policies to be considered, the issue of the development moratorium stemming from wastewater capacity constraints imposed on the City, and the requirements of the HPS process.
- **Future joint work session with the Planning Commission and the City Council**
- **Legislative hearing with the Planning Commission**
- **Legislative adoption hearing with the City Council**

**As part of the HCA and HPS planning procedures, two rounds of community outreach were conducted with local and regional “housing stakeholders” that are knowledgeable about housing issues within the city of Sandy.**

## Stakeholder Outreach (2024)

Over the summer of 2024, ECONorthwest staff interviewed four service providers in Sandy. These providers offer services to low-income households, seniors, at-risk youth, the Latino population, and people experiencing homelessness. The interviews focused on understanding community housing needs and identifying strategies for initial consideration. Additionally, ECONorthwest hosted conversations with interested City Council members to better understand their perspectives on their constituents' needs.

These interviews involved representatives from the following organizations:

- Todos Juntos

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- Community Action Center
- Senior Center
- Antfarm
- City Councilors (two members were interviewed)

The following summary summarized the key housing needs and issues identified during the initial round of community stakeholder input:

- **Rising costs of housing, utilities, and necessities are straining residents.** This financial pressure particularly affects young families, single parents, lower-income workers, and seniors on fixed incomes. Sandy's rising utility rates are a significant affordability issue for income-strapped residents. Many households now require multiple jobs to make ends meet, leading to increased demand for support services like food banks and energy assistance. Some seniors face difficulties accessing support services, especially when information and applications are only available online.
- **There is perceived to be limited support for residents experiencing homelessness.** This at-risk population segment includes local youths, low-income residents, and elderly residents on social security. There is a perceived community resistance to homeless services in Sandy which can make it more challenging to meet the needs of those experiencing homelessness. Additionally, Sandy lacks transitional and emergency housing. Lastly, mental health was noted as a significant barrier to accessing housing for some people experiencing homelessness.
- **Housing options in Sandy are limited.** There is a perceived shortage of housing inventory across all housing types, including affordable, rental, entry-level, and larger homes. Income-restricted units have long waitlists.
- **Residents choose Sandy for its public safety and ties to family and community.** However, this choice often comes with increased transportation expenses due to the need for an automobile. Many seniors wish to remain in Sandy as they age but encounter various challenges (noted above) to aging in place.

### Stakeholder Outreach (2025)

After HPS policies were drafted in the summer of 2025, FCS staff conducted a second round of stakeholder interviews with service providers and housing developers who work in the Sandy housing market. These interviews focused on how appropriate the policies being considered by the City were to the issues being faced by residents.

Discussions were held with the following stakeholders:

- Zac Baker, Development Manager, Southport Financial Services
- Kirsten D. Pitzer, Sandy Community Action Center Director
- Tiana Rundell, Interim Parks and Recreation Director

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Stakeholders were provided with a list of the policies under consideration for the Sandy HPS and were asked their opinion on each. A summary of stakeholder input is provided below.

- **Pursue accommodation from the State of Oregon to ensure additional housing development can be provided within the current UGB by making science-based improvements to the City's National Pollutant Discharge Elimination System (NPDES) Permit.**
  - This would be very helpful.
  - The process sounds cumbersome and costly.
- **Complete and adopt the wastewater system facility plan amendment.**
  - This would be helpful in providing more developer certainty.
  - This is a must for the city to move beyond the development moratorium.
- **Pursue non-local funding for wastewater system improvement projects to keep utility rates affordable.**
  - Could increase developer interest and, for what it is worth, there is a template for this in Washington called the "CHIP" program - Connecting Housing to Infrastructure Program. Geared toward affordable housing production but could be tailored differently in Oregon.
- **Construct capital improvements necessary to convey the wastewater to a permanent discharge location.**
  - This would make sense if it were done in tandem with the above.
- **Improve the wastewater treatment plant and related system infrastructure.**
  - I'm not sure that this would increase the production of housing unless the improvements also increase capacity.
- **Implement a local affordable housing construction excise tax.**
  - Adopting a local real estate tax exemption program may be better. They've done this in other places such as Bend, Redmond, and Portland. There is already State law providing the authority to the local jurisdiction to "write the script" for who qualifies, the term of the exemption, and other specifics about how the program works.
- **Amend the zoning code to allow additional middle housing options.**
  - Cottage cluster housing might not provide much additional housing. There isn't a great sense for how common this housing is in Oregon now that it has become a popular middle housing product from a policy standpoint.
- **Promote accessible design standards.**
  - This would produce a more accessible product for residents of Sandy but would not necessarily increase housing production.
- **Monitor and require registration for short-term rentals.**
  - Regulations have historically pushed developers away, so this may have a negative impact on housing production.
- **Support the preservation of manufactured homes and mobile home parks.**
  - This would help maintain some housing affordability in the area but would likely not increase production.

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- **Utilize surplus public land for housing development.**
  - This practice can lead to public-private partnerships to produce housing. Especially if there is an efficient program for land use approvals or rezoning, if needed.
- **Expand City partnership with local housing service providers and continue to fund the community services officer position to support the homeless population.**
  - This could help produce affordable housing by attracting resources at the State level.
  - This program is not likely to address current needs for market-rate housing.

Input provided during the community involvement process has been integrated throughout this report and is used to inform which policies are being considered and how they are to be implemented. The remainder of this report summarizes findings regarding the housing market in Sandy as well as key demographic and socio-economic trends to provide a deeper understanding of how the housing market is experienced by all Sandy residents.

### HPS Actions

The housing production strategies considered in this report are as follows:

- A. Pursue accommodation from the State of Oregon to ensure additional housing development can be provided within the current UGB by making science-based improvements to the City's National Pollutant Discharge Elimination System (NPDES) Permit.
- B. Complete and adopt the wastewater system facility plan amendment.
- C. Pursue non-local funding for wastewater system improvement projects to keep utility rates affordable.
- D. Construct capital improvements necessary to convey the city's wastewater to its permanent discharge location.
- E. Improve the wastewater treatment plant and related system infrastructure.
- F. Implement a local affordable housing construction excise tax.
- G. Amend the zoning code to allow additional middle housing options.
- H. Promote accessible design standards.
- I. Monitor and require registration for short-term rentals.
- J. Support the preservation of manufactured homes and mobile home parks.
- K. Utilize surplus public land for housing development.
- L. Expand the City "partnership" with local service providers and continue to fund the community services officer to support the homeless population.

# I. INTRODUCTION

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## Purpose

Communities across the state of Oregon are facing unprecedented challenges with providing safe and affordable housing. In response, the Oregon legislature passed a series of measures designed to mandate cities to proactively look ahead and identify local housing policies which will meet existing and future housing needs for all residents.

In Sandy, the City is undertaking comprehensive studies that evaluate housing issues, needs, and local policy recommendations in the form of a recently completed Housing Capacity Analysis (HCA) and this Housing Production Strategy (HPS). This HPS is intended to expand on the work of the HCA by examining how a city can impact housing affordability, access and choice issues, displacement, and housing stability. The HPS process includes a review of the City's policies, past actions, future housing needs, and an analysis of who is at risk of being left behind in the existing housing environment. Community input was obtained to identify and evaluate recommended policy changes that can be implemented to increase production of needed subsidized and market-rate housing.

At its core, the HPS identifies which tools, actions, or policies the City can implement to promote housing production, affordability, and choice, especially as it relates to the needs identified in the HCA.

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*The Housing Production Strategy addresses the following questions:*

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- *What tools, actions, or policies will the City implement to promote housing production, affordability, and choice?*
  - *What local policies and actions can be taken to produce additional affordable and market rate housing?*
- 

## Approach

Key steps in the creation of this report include the following:

- **Contextualized Housing Needs Analysis:** This memo sets the stage for the overall HPS. The memo summarizes findings beyond those discussed in the HCA; identifies actions already taken by the City to foster housing production; and identifies the housing needs of key demographics in the City of Sandy whose housing needs may be unique. Those demographics include residents living in rental units, people with disabilities, older Oregonians, people experiencing homelessness, and Latino community members. This report can be found in **Appendix A**.
- **Stakeholder Input.** Through the HCA and HPS process, interviews were conducted with housing stakeholders including developers, affordable housing advocates, real estate brokers,

## Sandy Housing Production Strategy

housing consumers, and others to confirm housing development barriers and opportunities. Input was also gathered through discussions with the City Council and the Planning Commission. These outreach efforts provided local context regarding existing conditions in Sandy's housing market as well as direction on the policies under consideration.

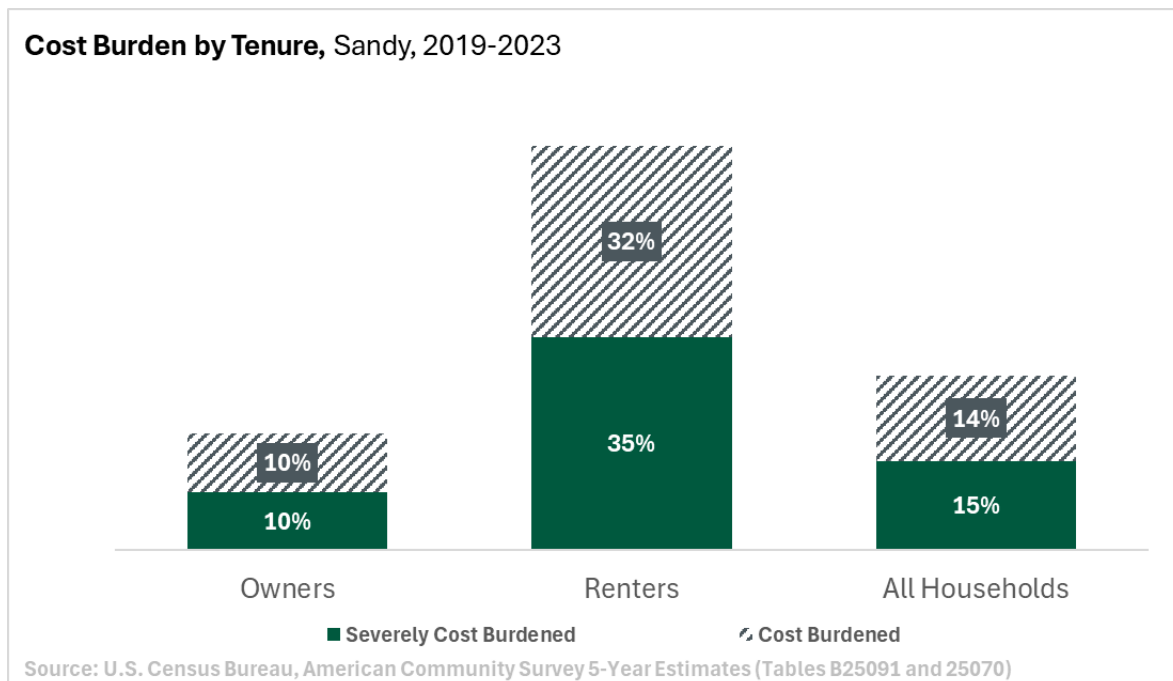
- **Development of Recommended Strategies to Accommodate Future Housing Need.** Based on data gathered through public outreach and review of the City's HCA, the consultant team identified strategies recommended for inclusion in the HPS.
- **HPS Report.** The findings and recommendations of the HPS are compiled in this report.

## II. SANDY'S HOUSING NEEDS

Key characteristics of housing needs in Sandy include the following.

- **Population in Sandy has increased faster than the statewide, countywide average.** According to U.S. Census data, population in the Sandy has increased by 7,548 since 2000, this equates to a 3.7% average annual rate of growth. That is much higher than the state (0.9%) and Clackamas County (1%) annual population growth rates during the same period.
- **The vast majority (80% of occupied dwellings) in Sandy are owner-occupied.** Sandy's homeownership rate increased by twelve percentage points between 2000 and 2023. The City's home ownership rate is well above the overall rate in the County (71%) and the State (63%).
- **Sandy households are larger.** U.S. Census data shows that the average household size in Sandy (2.74) was larger than the Clackamas County (2.57) and Oregon (2.43) averages.
- **Renters in Sandy face cost burden.** About 67% of Sandy's renters spend more than 30% of their income on housing, compared to 19% of homeowners. 32% of Sandy's renters pay more than 50% of their income on housing.

**Housing Cost Burden by Tenure, Sandy, 2019-2023**



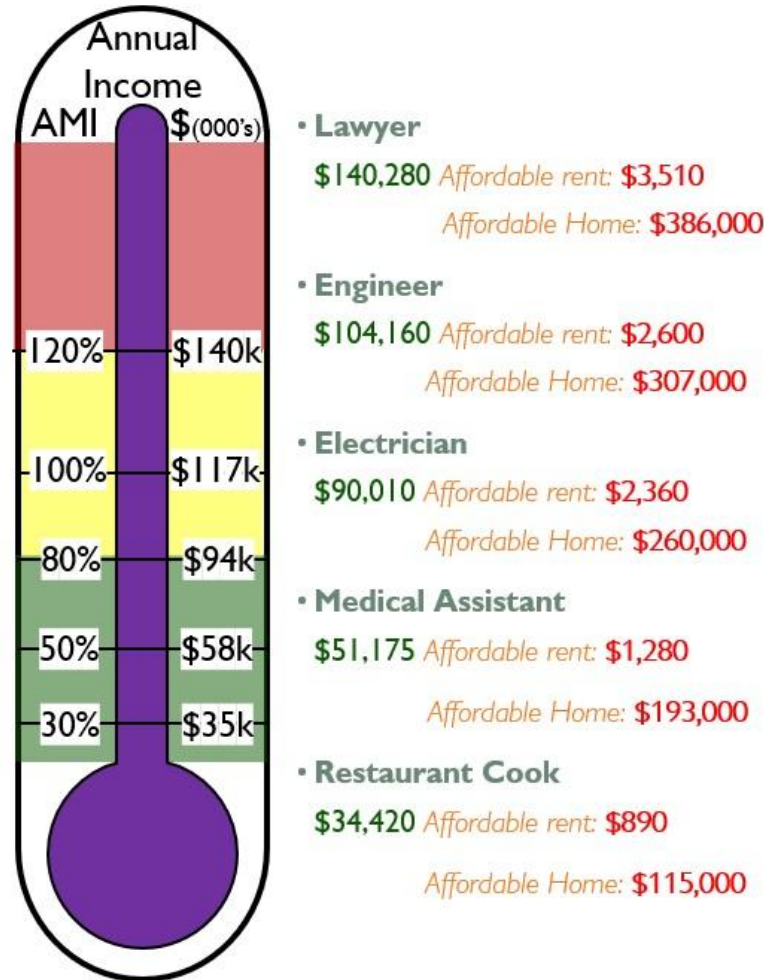
- **Low-income households in Sandy have few housing options.** Costs for both rental and ownership housing are much higher than many residents can afford. In Sandy, a household must



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make 129% of MFI (\$151,000) to afford the median sales price of a home (\$507,000). To afford the average apartment rent plus utilities (\$1,850) a household must earn 63% of MFI (\$74,000). About 80% of housing in Sandy is single family detached which is often more expensive than attached housing or multifamily housing types.

### Financially Attainable Housing by MFI for Clackamas County, 2024



Source: U.S. Department of Housing and Urban Development, Portland MSA, 2024. Oregon Employment Department (2023 wage estimates)

- **Future Housing Demand prospects are very strong in Sandy.** The 2024 HCA forecasts a need for 2,424 units to keep pace with projected population growth. The forecasted housing needs analysis concluded that:
  - Approximately 60% of the new units were projected to be single-family detached homes.
  - An additional 7% of new units are expected to be single-family-attached homes.

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- 5% of new units are projected in the form of plexes (duplex, triplex, and quadplex).
- High density units are expected to make up the remaining 28% of projected future need.
- **Future Housing Demand can be broadly distributed by income level.** The 2024 HCA projects that demand will be a relatively even distribution between household income levels.
  - 363 dwelling units will need to be affordable for those in the extremely low-income bracket (those making less than \$34,000 per year).
  - 361 dwelling units will need to be available for those making between \$34,000 and \$57,000 annually.
  - 532 dwelling units will need to be available for those making between \$53,000 and \$85,000.
  - 626 dwelling units will need to be available for those making between \$85,000 and \$137,000.
  - 542 dwelling units will need to be available for those making over \$137,000 annually.

## ACTIONS BY THE CITY TO MEET HOUSING NEEDS

The City of Sandy has already adopted policy measures that provide additional housing production opportunities including:

### Policy actions

- Clear and Objective Housing Audit – clearly defined current housing regulations (adoption 2024).
- Parks and Trails Master Plan – provided decisions on future park and trail investments by prioritizing equity and access for all residents within all neighborhoods (adoption 2022).
- Comprehensive Plan – established new housing policies such as coordinating capital improvements with housing planning and locating multifamily housing near amenities such as schools and planned transit routes (adoption 2024).
- Created an equivalent residential unit (ERU) assignment program so that needed housing could move forward during the sanitary sewer moratorium.

### Service actions

- Sandy's Police Department coordinates with AntFarm (a local non-profit organization) to provide housing assistance for people experiencing homelessness (2023).
- Local policy established designated camping regulations for use by people experiencing homelessness (2022).
- The City established a community service officer position to assist people experiencing homelessness.
- Concurrent with the HCA and the HPS planning process, the city engaged with service providers and the City Council and Planning Commission in public meetings to better understand housing needs in the community.

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## Construction actions

- The City has invested over \$34 million to date on upgrading the sanitary sewer system so that near-term housing construction could move forward despite a current sanitary sewer moratorium.
- The City constructed 362nd Drive and Bell Street to connect neighborhood residents with employment, shopping, schools, and other community amenities.

## Evaluation of Additional Local Policy Actions

The core of the Housing Production Strategy is to address housing needs for all citizen and to help remove regulatory “barriers” to the development of needed housing through locally preferred actions, such as:

- A. Pursue accommodation from the State of Oregon to ensure additional housing development can be provided within the current UGB by making science-based improvements to the City's NPDES Permit.
- B. Complete and adopt the wastewater system facility plan amendment.
- C. Pursue non-local funding for wastewater system improvement projects to keep utility rates affordable.
- D. Construct capital improvements necessary to convey the City's wastewater to its new permanent discharge location.
- E. Improve the wastewater treatment plant and related system infrastructure.
- F. Implement a local affordable housing Construction Excise Tax (CET).
- G. Amend the zoning code to allow additional middle housing options.
- H. Promote accessible design standards.
- I. Monitor and require registration for short-term rentals.
- J. Support preservation of manufactured home and mobile home parks.
- K. Utilize surplus public land for housing development.
- L. Expand partnerships with local service providers and continue to fund the Community Services Officer to support the homeless population.

The eventual adoption/implementation of these new policy actions will help foster additional near-term housing construction for all needed housing types. An evaluation of key policy measures is provided in **Section IV**.

### III. COMMUNITY ENGAGEMENT

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Throughout the HCA and HPS process, Sandy and their consultants conducted stakeholder interviews with key housing producers, employers, and non-profit housing representatives. Examples include developers, real estate agents, housing advocates, and consumers and consumer representatives for priority populations.

#### Stakeholder Outreach (2024)

During the HCA process, ECONorthwest staff interviewed four service providers in Sandy. These providers offer services to low-income households, seniors, at-risk youth, the Latino population, and people experiencing homelessness. The interviews focused on understanding community housing needs and identifying strategies for initial consideration. Additionally, ECONorthwest hosted conversations with interested City Council members to better understand their perspectives on their constituents' needs.

These interviews involved representatives from the following organizations:

- Todos Juntos
- Community Action Center
- Senior Center
- Antfarm
- City Council (two were interviewed)

The following summary outlines the key housing needs identified during these conversations:

- **Rising costs of housing, utilities, and necessities are straining residents.** This financial pressure particularly affects young families, single parents, lower-income workers, and seniors on fixed incomes. Sandy's rising utility rates are a significant affordability issue for income-strapped residents. Many households now require multiple jobs to make ends meet, leading to increased demand for support services like food banks and energy assistance. Some seniors face difficulties accessing support services, especially when information and applications are only available online.
- **There is a perception that there is limited support for residents experiencing homelessness.** This population includes local youth, lower-income workers, and people on social security. There is a perceived community resistance to homeless services in Sandy which can make it more challenging to meet the needs of those experiencing homelessness. Additionally Sandy lacks transitional and emergency housing. Lastly, mental health was noted as a significant barrier to accessing housing for some people experiencing homelessness.

## Sandy Housing Production Strategy

- **Housing options in Sandy are limited.** There is a shortage of housing across all housing types, including affordable, rental, entry-level, and larger homes. Income-restricted units have long waitlists.
- **Residents choose Sandy for its perceived safety and ties to family and community.** However, this choice often comes with increased transportation expenses due to the need for an automobile. Many seniors wish to remain in Sandy as they age but encounter barriers to aging in place.

### Stakeholder Outreach (2025)

After HPS policies were drafted in the summer of 2025, FCS conducted stakeholder interviews with service providers and developers who work in the Sandy housing market. These interviews focused on how appropriate the policies being considered by the City were to the issues being faced by residents.

A list of stakeholders was developed by City staff which includes housing developers, City staff impacted by homelessness, and representatives from nonprofit organizations serving Sandy. Outreach was conducted from June 16 to June 30.

Discussions were held with the following stakeholders:

- Zac Baker, Development Manager, Southport Financial Services
- Kirsten D. Pitzer, Sandy Community Action Center Director
- Tiana Rundell, Interim Parks and Recreation Director

### Discussion of Housing Policies

Stakeholders were provided with a list of the policies under consideration for the Sandy HPS and were asked their opinion on each. A summary of stakeholder input is provided below.

- **Pursue accommodation from the State of Oregon to ensure additional housing development can be provided within the current UGB by making science-based improvements to the City's National Pollutant Discharge Elimination System (NPDES) Permit.**
  - This would be very helpful.
  - The process sounds cumbersome and costly.
- **Complete and adopt the wastewater system facility plan amendment.**
  - This would be helpful in providing more developer certainty.
  - This is a must for the city to move beyond the development moratorium.
- **Pursue non-local funding for wastewater system improvement projects to keep utility rates affordable.**
  - Could increase developer interest and, for what it is worth, there is a template for this in Washington called the "CHIP" program - Connecting Housing to Infrastructure Program. Geared toward affordable housing production but could be tailored differently in Oregon.

## Sandy Housing Production Strategy

- **Construct capital improvements necessary to convey the city's wastewater to its permanent discharge location.**
  - This would make sense if it were done in tandem with the above.
- **Improve the wastewater treatment plant and related system infrastructure.**
  - Improvements increase housing development capacity to be effective.
- **Implement a local affordable housing construction excise tax.**
  - Adopting a local real estate tax exemption program may be better. This policy has been pursued in markets such as Bend, Redmond, and Portland.
- **Amend the zoning code to allow additional middle housing options.**
  - Cottage cluster housing might not provide much additional housing. This policy should emphasize all middle housing types.
- **Promote accessible design standards.**
  - This would produce more accessible housing for residents of Sandy but would not necessarily increase housing production.
- **Monitor and require registration for short-term rentals.**
  - Regulations have historically pushed developers away, so this may have a negative impact on housing production.
- **Support the preservation of manufactured homes and mobile home parks.**
  - This would help maintain some housing affordability in the area but would likely not increase production.
- **Utilize surplus public land for housing development.**
  - This could help produce housing. Especially if there was an efficient program for land use approval or rezoning if needed.
- **Expand the partnership with local service providers and continue to fund the community services officer to support the homeless population.**
  - This could help produce affordable housing by attracting resources at the State level.
  - Unsure that this would impact the production of market rate housing.

### Other Input

Stakeholders also provided broad input about the housing market in Sandy during interviews. Their observations are shared below:

- The City is struggling to afford senior services such as meals on wheels and energy assistance programs. The City also provides services to Welches, Estacada, and unincorporated Clackamas County.
- Several homeless residents of Sandy are staying overnight in Meinig Park, which is located south of City Hall. The park has seen an uptick in the number of homeless people spending days under covered structures. At night, those folks move to the forest behind the park. These individuals appear to be experiencing mental health and drug addiction issues and have refused the assistance offered by City and County staff.
- Housing affordability is a huge issue. Finding a rental in Sandy is hard.

## Sandy Housing Production Strategy

- The City should consider some sort of real estate tax exemption program. Either a multifamily tax exemption (MFTE), a new construction tax exemption, or an affordable housing tax exemption program. Granting a hypothetical 20-year exemption on vacant property inside the UGB would not materially change the City's revenue for the next 20 years, but it would produce housing and economic activity and would create substantial additional revenue when the exemption ends 20 years from now.
- The City should also consider some form of local zoning incentives for affordable housing. For instance, if 20% of a development is "affordable" at 60% AMI, there might be a 5% density bonus. If 50% of the units are affordable at 80% AMI, maybe there is a 10% density bonus. Concept being that if developers can spread their land development/site work costs across a greater number of units, it will help make their development model more feasible.

## HOW WAS INPUT CONSIDERED?

Feedback provided by stakeholders and decision-makers was used to formulate policies that make an impact on the housing issues facing Sandy. Additionally, this feedback provided a sense for what new policies might be politically feasible in the near term (1 to 8 years). Examples include:

- Broad support for wastewater capacity increases.
- Skepticism from decision-makers regarding adding cottage clusters versus a more broad-based approach to additional middle housing options.
- General support for more accessible units.

## FUTURE OUTREACH RECOMMENDATIONS

The following recommendations for public outreach are not limited to housing policy development efforts but can be implemented on a regular basis.

- The opportunity to hear from the public in an open house setting is beneficial. Members of the public appreciate the opportunity to learn what City staff are working on and like to have their opinions heard. This exercise also improves the mutual understanding of concerns being faced by housing consumers in Sandy.
- As the impacts of the Covid-19 pandemic ease, additional efforts should be made to meet with the public at locations that are convenient to them (such as community events, farmers markets, club meetings, etc.).
- The City could consider convening a housing committee. This model exists in other communities of similar size to Sandy. The ad hoc housing committee could assist with updates to local housing market data and serve as a sounding board for the review of new local policies.

## IV. STRATEGIES TO MEET FUTURE NEEDS

The following strategies are intended to increase the provision of needed housing in Sandy, as required by ORS 197A.100. Strategies listed below have been analyzed to determine citywide housing impact as well as how well they meet the needs of key demographics.

### A. Pursue accommodation from the State of Oregon to ensure additional housing development can be provided within the current UGB by making science-based improvements to the City's National Pollutant Discharge Elimination System (NPDES) Permit.

#### Description

- City of Sandy will pursue accommodations to Sandy's NPDES permit to discharge into Tickle Creek, particularly basing discharge limitations on stream flows rather than calendar dates. Agreements are needed to protect the City against possible future adverse actions and/or Capacity Assurance Program restrictions pursuant to the Consent Decree with Oregon DEQ and US EPA.
- This policy is recommended because of an identified need for future housing as highlighted in the Housing Capacity Analysis in conjunction with the moratorium on new development imposed by Sandy in October of 2022.

#### Implementation Steps

- City staff and legal representatives need to continue to meet with relevant stakeholders from state and federal agencies.
- City staff and engineering representatives to provide technical analysis of stream flow vs calendar dates approach.
- Grant of relief will provide the City wider latitude to mitigate the impact of the 2023 Consent Decree.

#### Timeframes

- For Adoption: 2025
- For Implementation: 2026
- For housing Impacts: 2027+

#### Estimated Magnitude of Impact

- Housing Type Impact: Increase in housing development across types.
- Housing Tenure Impact: Increase in rental and ownership units.
- Income Demographic Served: Extremely low to high income households (0-120%+ MFI)
- Housing Production Impacts: The development moratorium imposed in October 2022 and later limited by the September 2023 consent decree allows for limited development in the city of



## Sandy Housing Production Strategy

Sandy. The extent of housing impacts resulting from successful implementation of this strategy would depend on what relief is provided, however, it is expected that the impact could be significant in allowing Sandy to produce the 2,400+ units called for in the City's latest housing capacity analysis.

- **Benefits**

- **Low-income communities:** Assuming that this strategy is successful, and relief is provided to Sandy, there is expected to be a benefit to lower income households by providing more housing supply which will reduce housing costs over time. It is not anticipated that any negative consequences will result for low-income residents relative to baseline.
- **Communities of color:** As with low-income communities, Sandy's communities of color are also expected to benefit from an increase in housing supply driving down costs. It is not anticipated that any negative consequences will result for residents of color relative to baseline.
- **People with disabilities:** To the extent that Sandy is allowed to permit residential development, disabled residents will marginally benefit from modern, more accessible developments. This benefit can be made more significant should Sandy also pursue and adopt pre-approved plans that meet accessibility goals (discussed later in this document). No negative consequences will result for disabled residents relative to baseline.
- **Individuals experiencing homelessness:** Assuming successful implementation, this strategy will increase housing choice and the opportunity for new shelter or subsidized housing development that may benefit homeless residents of Sandy. This strategy, coupled with community partnerships and continued funding of the Community Services Officer (discussed later in this report), or the affordable housing construction excise tax policy strategy would result in added benefit to homeless residents of Sandy. It is not anticipated that any negative consequences will result for homeless residents relative to baseline.
- **Seniors:** Assuming successful implementation, this strategy would have a direct benefit to older residents of Sandy to the extent that there is desire to downsize (e.g., move from a single-family home to a more centrally located, smaller "middle housing" dwelling unit), as well as providing increased housing choice. It is not anticipated that any negative consequences will result for seniors in Sandy relative to baseline.

### Revenue Impacts:

- The current development moratorium would be significantly modified or repealed. This would likely result in increased property tax revenue for the City's general fund and the affordable housing construction excise tax revenue fund as new housing construction occurs over time.
- Increased residential development and related population increase will result in additional demand and administrative costs for City services, such as police and general government.

### B. Complete and adopt the wastewater system facility plan amendment.

#### Description

- This strategy centers around the City adopting the November 2024 City of Sandy Facility Plan Amendment.
- The Wastewater System Plan amendment includes several alternatives the City may pursue to alleviate the wastewater discharge issue, which is at the root of the development moratorium preventing Sandy from approving new residential development.

#### Implementation Steps

- City staff will brief City Council members on the Amendment
- City staff will bring the Wastewater Facility Plan Amendment before City Council for adoption.
- City staff will identify the most feasible wastewater discharge alternative.
- City shall obtain funding for development of needed wastewater transmission improvements.

#### Timeframes

- For Adoption: 2025
- For Implementation: 2026
- For housing Impacts: 2027-2035+

#### Estimated Magnitude of Impact

- Housing Type Impact: Increase in housing across all types.
- Housing Tenure Impact: Increase in rental and ownership units.
- Income Demographic Served: Extremely low to high income households (0-120%+ MFI)
- Housing Production Impacts: The development moratorium imposed in October 2022 and later limited by the September 2023 consent decree allows for limited development in the city of Sandy. This strategy alone will not alleviate the moratorium, but it is a necessary step in securing a long-term solution to Sandy's wastewater discharge.
- Benefits and Burdens
  - This strategy will not have a negative or positive impact on residents of Sandy, but is a required strategy in modifying or repealing the moratorium on development.

#### Revenue Impacts:

- Minimal revenue impact on the City's general fund in the near-term. In the long-term, adoption of the Plan and implementing the preferred alternative will allow for additional housing units to be constructed, generating system development charge revenue and additional rate revenue from new rate payers.

### C. Pursue non-local funding for wastewater system improvement projects to keep utility rates affordable.

#### Description

- To facilitate housing development, Sandy must address its wastewater capacity limitations. Rising utility costs pose a threat to housing affordability, with rates having increased substantially in recent years. This is a long-term challenge and without federal or state financial assistance, the City is limited in its ability to accommodate housing development as costs for system upgrades are estimated over \$200 million. The City will pursue federal and state funding including loans and grants to support system upgrades.

#### Implementation Steps

- The City will lead efforts to secure state and federal funding, coordinate with agencies, and oversee project implementation.
- Requires extensive interagency collaboration and advocacy, as well as detailed planning and environmental approvals.

#### Timeframes

- For Adoption: 2025
- For Implementation: 2026+
- For housing Impacts: 2031+

#### Estimated Magnitude of Impact

- Housing Type Impact: Once funding is secured and improvements are made, all housing types are expected to be added.
- Housing Tenure Impact: Increase in owner-occupied and renter-occupied units.
- Income Demographic Served: Extremely low to upper income households (0%-120%+ MFI)
- Housing Production Impacts: Significant, securing funding and eliminating the development moratorium could result in the production of the 2,400+ units called for in the Sandy HCA
- Benefits
  - Homebuyers/renters: Enables more housing to be built; potential for more affordable housing types.
- Burdens
  - Existing residents: Potential for increased costs to utility customers to fund upgrades (if funded through rate revenue); low-income residents may be particularly burdened by higher utility rates and system development charges.

#### Revenue Impacts:

- Substantial funding is needed for infrastructure upgrades; external grants and loans will play a critical role by helping limit the cost burden on local residents.

### D. Construct capital improvements necessary to convey the City's wastewater to its new permanent discharge location.

#### Description

- Once a preferred alternative identified and funding secured, Sandy will construct the necessary infrastructure improvements to eliminate the development moratorium.

#### Implementation Steps

- Finalize wastewater transmission plans.
- Solicit bids for construction of improvements identified.
- Award contract to winning proposer.
- Complete wastewater transmission project, with approvals from Oregon DEQ.

#### Timeframes

- For Adoption: 2026+
- For Implementation: 2030+
- For housing Impacts: 2032+

#### Estimated Magnitude of Impact

- Housing Type Impact: Once funding is secured and improvements are made, all housing types are expected to be added.
- Housing Tenure Impact: Increase in owner-occupied and renter-occupied units.
- Income Demographic Served: Extremely low to upper income households (0%-120%+ MFI)
- Housing Production Impacts: Significant, securing funding and eliminating the development moratorium could result in the production of the 2,400+ units called for in the Sandy HCA.
- Benefits
  - Homebuyers/renters: Enables more housing to be built; potential for more affordable housing types.
- Burdens
  - Existing residents: Potential for increased costs to fund upgrades (if funded through loans); low-income residents may be particularly burdened by high fees.

#### Revenue Impacts:

- Significant revenue impact to the wastewater fund.

### E. Improve the wastewater treatment plant and related system infrastructure.

#### Description

- Complete wastewater treatment plant improvements necessary to secure approval from EPA and DEQ to raise the City's Consent Decree Capacity Assurance Program Limit by 190 equivalent residential units (ERUs).

#### Implementation Steps

- Identify wastewater treatment plan improvements necessary to receive additional development capacity.
- Solicit bids for construction of improvements identified.
- Award contract to winning proposer.
- Complete wastewater treatment plant project, pass approvals by DEQ.

#### Timeframes

- For Adoption: 2025
- For Implementation: 2026
- For housing Impacts: 2027

#### Estimated Magnitude of Impact

- Housing Type Impact: Once funding is secured and improvements are made, all housing types are expected to be added.
- Housing Tenure Impact: Increase in owner-occupied and renter-occupied units.
- Income Demographic Served: Extremely low to upper income households (0%-120%+ MFI)
- Housing Production Impacts: A portion of the 190 ERUs will be allocated to new dwelling units once this improvement is completed and it passes DEQ/EPA.
- Benefits
  - **Homebuyers/renters:** Enables more housing to be built; potential for more affordable housing types.
- Burdens
  - **Existing residents:** None, as this is funded by federal American Rescue Plan Act (ARPA) funds.

#### Revenue Impacts:

- This project is primarily being funded by federal American Rescue Plan Act (ARPA) funds and has limited financial impact on local residents and developers. In the medium and long term, the additional capacity will allow for development in Sandy which will result in additional SDC revenues.

## F. Implement a local affordable housing Construction Excise Tax (CET).

### Description

- A CET is a tax on construction permits to fund affordable housing programs. If the City were to adopt a CET, the tax would be set up to 1% of the construction permit valuation on residential construction and a to be determined rate on commercial and industrial construction. CET funds can be used to pay for a variety of affordable housing programs and incentives.
- This policy would allow the City to accumulate funding for future housing development opportunities, such as land purchases and SDC buydowns for qualifying developments.

### Implementation Steps

- The City would be responsible for designing the tax structure, adoption by the City Council, implementing collection procedures, and managing the funds generated.
- This would require coordination with the Development Services Department and City Administration to collect funds, manage funds, and distribute funds to qualifying developments.
- Near-term stakeholder outreach is needed to address any concerns from the development community.

### Timeframes

- For Adoption: 2028
- For Implementation: 2029
- For housing Impacts: 2030+

### Estimated Magnitude of Impact

- Housing Type Impact: Future impact across all housing types, with primary focus on leveraging middle housing development in the city.
- Housing Tenure Impact: Owners and/or renters depending on program criteria.
- Income Demographic Served: Low- and moderate-income households. Depending on program criteria, housing could focus on specific populations.
- Housing Production Impacts: Small to Moderate, depending on funding available.
- Benefits
  - **Low-income communities:** More affordable housing in targeted areas, depending on how funds are used by the City.
  - **Communities of color:** More affordable housing possible, especially if funds are used to produce demographic-specific housing.
  - **Individuals experiencing homelessness:** Once funds have accumulated, they may be used on shelters or affordable housing developments which would be a direct benefit to the homeless people in Sandy.
  - **Affordable housing developers:** Additional funding for affordable housing projects.

## Sandy Housing Production Strategy

- Burdens
  - **Market-rate developers:** Increased project costs that could be passed on to buyers or renters.
  - **Buyers/renters of market rate housing:** Increased rents/sales prices if the tax is passed to the end user.

### Revenue Impacts:

- Implementation costs are relatively low, primarily involving administrative setup, which can be paid from CET funds.
- The City is likely to generate significant funding from new developments once the moratorium is lifted. Example: every 100 new dwelling units in Sandy would generate +/- \$300,000 in CET funds.

### G. Amend the zoning code to allow additional middle housing options.

#### Description

- Allow triplex and quadplex dwellings by right in the R-2 and R-3 zoning districts.
- Consider allowing additional middle housing types across more zoning districts.
- Middle housing types can provide a range of needed housing. Examples include duplex, triplex, quadplex, or other attached unit types.
- This policy is recommended because of the need for smaller scale, more affordable housing units documented in the HCA and the Contextualized Housing Needs Analysis.

#### Implementation Steps

- Determine the need for consultant assistance for public outreach or technical analysis.
- The City would amend development codes and streamline permitting for new middle housing.
- The City would conduct research, engage stakeholders, and identify potential incentives.
- Requires the Planning Commission to review and the City Council to adopt code modifications.

#### Timeframes

- For Adoption: 2030
- For Implementation: 2032
- For housing Impacts: 2033+

#### Estimated Magnitude of Impact

- Housing Type Impact: Increase in middle housing options.
- Housing Tenure Impact: Increase in rental units as well as “starter home” ownership and opportunities and downsizing opportunities for “empty nesters”.
- Income Demographic Served: Extremely low to low-income households (0-80% MFI)
- Housing Production Impacts: Increased infill housing production with the potential for greater impact if incentives such as construction excise taxes are adopted in conjunction with this strategy.
- Benefits
  - **Low-income communities:** Direct benefit to middle-income households in a market-rate setting. Sandy could also provide incentives for development of middle housing aimed at lower income households. Some middle housing types may also provide home ownership opportunities to residents who may not otherwise be able to afford to buy a home in Sandy, increasing housing choice for residents of a broad income spectrum. This strategy does potentially burden low-income communities with an increased risk of displacement in areas where middle housing development is allowed.
  - **Communities of color:** An indirect benefit is expected given that households of color in Sandy are more likely to be renters and this style of development is likely to increase the amount and variety of housing choice. This benefit could be twofold given that, as stated



## Sandy Housing Production Strategy

above, some middle housing types can provide home ownership opportunities that may not otherwise be available in Sandy.

- **Individuals experiencing homelessness:** Taken alone this policy will not provide a direct benefit to Sandy's homeless population. The City could consider providing incentives to nonprofits that work with homeless residents on a case-by-case basis which would provide a direct benefit.
- **Seniors:** To the extent that there is desire to downsize (e.g. move from a single-family home to a more centrally located, higher-density home), middle housing development will benefit Sandy's seniors. In addition, several other communities in Oregon have seen the development of middle housing developments targeted towards seniors (especially lower-income seniors), which could provide additional affordable housing choice. To the extent that these developments are allowed adjacent to amenities, seniors could also benefit from greater access to services.
- **Developers:** Potential incentives to support development
- **Burdens**
  - **Current property owners:** May create design conflicts with some adjacent existing low-density detached homes.

### Revenue Impacts:

- Increased density may result in an increase in infrastructure system efficiencies and a relatively positive return on public investment per buildable acre (compared with lower density single family detached homes).
- Increases in residential population may result in an increased need for City services.

### H. Promote accessible design standards.

#### Description

- The City would provide accessible design guidelines that meet standards like Universal Design or Lifelong Housing Certification.
- The City would explore regulations that either require a certain percentage of new units to be ADA accessible—e.g., 10% of units—or the City would provide incentives in the development code to increase the number of units designed to meet Universal Design, Lifelong Housing Certification, and other similar standards.
- Examples of potential incentives include: planning and building fee reductions, system development charge deferrals, and density or building height bonuses. This policy is recommended based on conversations with housing providers and more accurately reflects modern townhome construction practices.
- This policy directly addresses the demonstrated need for housing that are accessible to seniors and residents with disabilities.

#### Implementation Steps

- The City could design or adopt pre-approved plans.
- The City could develop and implement incentives or requirements for accessible design in new developments.
- This might involve modifications to the Development Code.
- Incentives generally well received but requirements may generate developer concern.

#### Timeframes

- For Adoption: 2029
- For Implementation: 2030
- For housing Impacts: 2031+

#### Estimated Magnitude of Impact

- Housing Type Impact: Ideally among all types with particular focus on single-family detached and multifamily housing.
- Housing Tenure Impact: Renters and owners.
- Income Demographic Served: Low to upper income residents (50-120%+ MFI)
- Housing Production Impacts: Increased development of housing accessible to all residents of Sandy.
- Benefits
  - **People with disabilities and Seniors:** Increased access to housing that meets their needs.
- Burdens
  - **Developers:** May face higher construction costs to meet accessibility standards, which could impact overall affordability.

## Sandy Housing Production Strategy

- **Renters/homeowners:** Higher costs may be passed on to the end user.

### Revenue Impacts:

- Costs could include plan development which will primarily be staff and attorney time. This primarily involves policy changes and can be implemented through existing development review processes.

## I. Monitor and require registration for short-term rentals.

### Description

- To mitigate the potential impact of short-term rentals (STRs) on housing availability and affordability, the City can implement regulations on short-term rentals starting with mandatory registration and the collection of Transient Lodging Taxes. As part of this process, the City would monitor STR activity to assess its effects on local housing supply.
- Based on the findings, the City could implement additional measures, such as limiting the number of STRs, restricting their operation to certain zones, or requiring owner occupancy. The City could also consider defining different types of STRs and setting occupancy limits to prevent adverse effects on the long-term rental market.
- This strategy addresses the need for more rental housing observed in the HCA.

### Implementation Steps

- Determine the need for consultant assistance for public outreach or technical analysis.
- Develop short-term rental regulations and adopt them through required public hearings.
- Maintain and monitor database and collect registration fees.

### Timeframes

- For Adoption: 2026
- For Implementation: 2026
- For housing Impacts: 2027

### Estimated Magnitude of Impact

- Housing Type Impact: Increase in available units for Sandy residents.
- Housing Tenure Impact: Increase in long-term rental units and potentially ownership units.
- Income Demographic Served: Extremely low to high-income households (0-120% MFI)
- Housing Production Impacts: Likely not applicable.
- Benefits:
  - **Residents:** Increased availability of long-term rental units and/or houses for homeownership.
  - **City:** Additional revenue from transient lodging taxes.
- Burdens:
  - **STR owners:** New regulatory requirements and potential limitations.
  - **Tourists:** Possible reduced availability of short-term accommodations.

### Revenue Impacts:

- Revenue from STR registration fees can offset initial setup costs.
- Revenue from STR taxes can offset tourism impacts.

### J. Support preservation of manufactured home and mobile home parks.

#### Description

- Preserve and support development of existing manufactured housing parks because they play a significant role in providing naturally occurring affordable housing.
- Should an owner consider selling the manufactured home park, work with residents to preserve the park through a co-op ownership approach or nonprofit ownership.
- Take advantage of Oregon Housing and Community Services (OHCS) Manufactured Dwelling Park Loan program to preserve manufactured home parks up for sale.
- Develop connections with organizations that provide support for manufactured home park preservation including Oregon Housing and Community Services (OHCS), Network for Oregon Affordable Housing, Banner Bank, and Community Development Financial Institutions (CDFIs).
- This policy is recommended based on Sandy resident's desire for affordable home ownership opportunities.

#### Implementation Steps

- Partner with organizations listed above and the Clackamas County Housing Authority to support preservation efforts.
- Inventory and monitor manufactured home parks in the Sandy UGB.

#### Timeframes

- For Adoption: 2028
- For Implementation: 2029
- For housing Impacts: 2030+

#### Estimated Magnitude of Impact

- Housing Type Impact: Increase in naturally occurring affordable housing.
- Housing Tenure Impact: Maintenance of affordable home ownership options.
- Income Demographic Served: Extremely low to medium-income households (0-100% MFI).
- Housing Production Impacts: Limited housing production impacts will result from this strategy.
- Benefits
  - **Low-income communities:** The impact of this strategy on low-income residents living in a mobile home park that is for sale. This strategy will also maintain mobile home parks and protect naturally occurring housing for low-income Sandy residents.
- Burdens
  - **Mobile Home Park owners:** Potential restrictions on redevelopment opportunities

#### Revenue Impacts:

- Costs are limited to staff time and minimal public outreach expenses.

## K. Utilize surplus public land for housing development.

### Description

- The City would periodically conduct an inventory of City-owned land to identify surplus parcels suitable for affordable housing. Additionally, the City would collaborate with the County, State, and School District to identify other publicly owned land that may be repurposed for housing.
- Specifically, this policy aims to leverage public ownership of a developable parcel into housing affordability concessions from developers. This could include deed-restricted affordable units.
- This policy will help the City prepare for housing development opportunities in anticipation of the eventual repeal of the development moratorium.
- This policy addresses residents' desires for more attainably priced rental and home ownership opportunities.

### Implementation Steps

- Inventory public-owned land in the Sandy UGB.
- Identify appropriate surplus sites that are vacant or underutilized.
- Reach out to public-sector landowners, determine interest, and negotiate land disposition agreements.
- Conduct highest/best use site redevelopment feasibility studies. Issue RFPs to seek private or non-profit development of housing on government and special district owned surplus properties.

### Timeframes

- For Adoption: 2029
- For Implementation: 2030
- For housing Impacts: 2031+

### Estimated Magnitude of Impact

- Housing Type Impact: Middle-to-high-density, depending on parcel conditions.
- Housing Tenure Impact: Increase primarily in multifamily rental units.
- Income Demographic Served: Extremely low to medium-income households (0-100% MFI).
- Housing Production Impacts: Increased infill housing production. Scale is dependent on availability of sites.
- Benefits
  - **Low-income communities:** Assuming efforts are successful, low-income households are likely to be the beneficiaries of any negotiated deed-restricted affordable housing.
  - **Individuals experiencing homelessness:** Assuming this strategy successfully leverages deed-restricted affordable housing, Sandy's homeless population will benefit to the extent that they qualify.
- Burdens

## Sandy Housing Production Strategy

- **Broader community:** Public-owned land used for housing would not be available for other City, government or special district priorities.

### Revenue Impacts:

- The City will expend some staff time coordinating this effort.
- Land disposition would not require additional City funds.

### L. Expand partnership with local service providers and continue to fund the Community Services Officer to support the homeless population.

#### Description

- City staff will work with community-based organizations to support the local homeless population by enhancing collaboration on housing solutions.
- Coordinate with existing Clackamas County entities such as the Clackamas County Housing Authority, to address the supply of affordable housing and to assist those experiencing homelessness.
- Partner with Clackamas County Health, Housing and Human Services (H3s) Divisions to support housing programs in and around Sandy to alleviate housing cost burden and displacement.
- Partner with the Clackamas County Housing and Homelessness Task Force to find ways to secure a clear path to shelter and reduce wait times for those experiencing homelessness.
- This policy reflects Sandy resident's desire for the City to take actionable steps to incentivize affordable housing as well as the construction of attainably priced rental housing.
- Sandy may also retain the Community Services Officer position to help coordinate these efforts.

#### Implementation Steps

- Identify agencies and organizations that can help the City address the needs of those at risk of losing their housing.
- Reach out and hold meetings with relevant County staff and local service providers.
- Identify a permanent funding source for the Community Services Officer.

#### Timeframes

- For Adoption: 2026
- For Implementation: 2026
- For housing Impacts: 2026+

#### Estimated Magnitude of Impact

- Housing Type Impact: Potential increase in shelter and transitional housing types.
- Housing Tenure Impact: Potential increase in temporary group quarters housing. Maintaining access to rental and ownership housing for those at risk.
- Income Demographic Served: Extremely low to low-income households (0-80% MFI)
- Housing Production Impacts: Potential for increase in shelter and group quarters housing.
- Benefits
  - **Low-income communities:** To the extent that resources are provided through a partnership, low-income residents at risk of losing their housing will benefit.
  - **Individuals experiencing homelessness:** Assuming that this strategy results in increased provision of resources, there will be a direct, substantial benefit for homeless residents of Sandy, particularly housing navigation and financial resources.



## Sandy Housing Production Strategy

- Burdens
  - **Broader Community:** Requires funding resources which could otherwise be available to pursue other City priorities.

### Revenue Impacts:

- Requires sustained funding for service delivery and housing assistance programs.

## V. ACHIEVING FAIR & EQUITABLE HOUSING OUTCOMES

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### Location of Housing

Many of the recommended housing policies in this HPS would result in an increase in compact, residential development which will have a positive impact on housing affordability more broadly. Pursuing these strategies will result in higher density development through a mix of regulatory and financial incentives. Policies expected to have a positive impact on location of housing considerations include the following.

- Pursue accommodation from the State of Oregon to ensure additional housing development can be provided within the current UGB by making science-based improvements to the City's National Pollutant Discharge Elimination System (NPDES) Permit.
- Complete and adopt the wastewater system facility plan amendment.
- Pursue non-local funding for wastewater system improvement projects to keep utility rates affordable.
- Construct capital improvements necessary to convey the City's wastewater to its new permanent discharge location.
- Improve the wastewater treatment plant and related system infrastructure.
- Amend the zoning code to allow additional middle housing options.
- Support preservation of manufactured home and mobile home parks.
- Utilize surplus public land for housing development.

### Fair Housing and Housing Choice

Many policies recommended in the HPS will result in an increase in the supply of housing at various price-points and locations throughout Sandy. While none of these policies explicitly require increased access to federally protected classes it is expected that an increase in supply will indirectly provide increased access to all residents of Sandy. It is also expected that the increase of supply will occur throughout the city, providing access to neighborhoods with high-quality community amenities, schooling, employment and business opportunities, and a healthy and safe environment. Policies expected to positively impact fair housing and housing choice considerations include the following.

- Pursue accommodation from the State of Oregon to ensure additional housing development can be provided within the current UGB by making science-based improvements to the City's National Pollutant Discharge Elimination System (NPDES) Permit.
- Complete and adopt the wastewater system facility plan amendment.

## Sandy Housing Production Strategy

- Pursue non-local funding for wastewater system improvement projects to keep utility rates affordable.
- Construct capital improvements necessary to convey the City's wastewater to its new permanent discharge location.
- Improve the wastewater treatment plant and related system infrastructure.
- Amend the zoning code to allow additional middle housing options.
- Promote accessible design standards.
- Support preservation of manufactured home and mobile home parks.
- Utilize surplus public land for housing development.

### Housing Options for Residents Experiencing Homelessness

Many of the policies recommended by the HPS would have a direct impact on housing options for residents experiencing homelessness, specifically strategies aimed at increasing the amount and variety of housing available in the City and preserving mobile home parks. Strategy L directly calls for building connections to services, shelter, and dedicated staffing for Sandy's residents experiencing homelessness. At full implementation of strategy L, these services would be provided locally, allowing residents of Sandy who are experiencing homelessness to remain where they are most comfortable. In addition, strategies A through E are aimed at mitigating the moratorium on development in Sandy, a prerequisite for any development that may address the housing needs of homeless residents in Sandy. A summary of strategies aimed at improving housing options for homeless residents of Sandy are as follows:

- Pursue accommodation from the State of Oregon to ensure additional housing development can be provided within the current UGB by making science-based improvements to the City's National Pollutant Discharge Elimination System (NPDES) Permit.
- Complete and adopt the wastewater system facility plan amendment.
- Pursue non-local funding for wastewater system improvement projects to keep utility rates affordable.
- Construct capital improvements necessary to convey the City's wastewater to its new permanent discharge location.
- Improve the wastewater treatment plant and related system infrastructure.
- Amend the zoning code to allow additional middle housing options.
- Promote accessible design standards.
- Support preservation of manufactured home and mobile home parks.
- Utilize surplus public land for housing development.
- Expand partnership with local service providers and continue to fund the Community Services Officer to support the homeless population.

### Affordable Homeownership and Affordable Rental Housing

Several policies recommended in the HPS would have a direct impact on the provision of affordable housing. More affordable rental units will be realized by increasing middle housing options. Examples of policies that will increase affordable rental and ownership housing options include the following.

- Pursue accommodation from the State of Oregon to ensure additional housing development can be provided within the current UGB by making science-based improvements to the City's National Pollutant Discharge Elimination System (NPDES) Permit.
- Complete and adopt the wastewater system facility plan amendment.
- Pursue non-local funding for wastewater system improvement projects to keep utility rates affordable.
- Construct capital improvements necessary to convey the City's wastewater to its new permanent discharge location.
- Improve the wastewater treatment plant and related system infrastructure.
- Amend the zoning code to allow additional middle housing options.
- Promote accessible design standards.
- Monitor and require registration for short-term rentals.
- Support preservation of manufactured home and mobile home parks.
- Utilize surplus public land for housing development.

### Gentrification, Displacement, and Housing stability

Policies throughout the HPS are aimed at improving housing stability and preventing displacement as new development occurs in Sandy. In part, this issue is addressed by simply providing a variety of housing types, tenures, and price points so that residents can continue to reside in Sandy as their needs change. However, to completely address the risks of displacement and housing instability, the City will need to be more proactive than simply providing the opportunity for housing development. Sandy will have to incentivize and pursue the development of deed restricted housing, actively maintain naturally occurring affordable housing, and conduct outreach to residents facing housing instability. Policies expected to positively impact fair housing and housing choice considerations include the following.

- Pursue accommodation from the State of Oregon to ensure additional housing development can be provided within the current UGB by making science-based improvements to the City's National Pollutant Discharge Elimination System (NPDES) Permit.
- Complete and adopt the wastewater system facility plan amendment.
- Pursue non-local funding for wastewater system improvement projects to keep utility rates affordable.
- Construct capital improvements necessary to convey the City's wastewater to its new permanent discharge location.
- Improve the wastewater treatment plant and related system infrastructure.

## Sandy Housing Production Strategy

- Amend the zoning code to allow additional middle housing options.
- Promote accessible design standards.
- Monitor and require registration for short-term rentals.
- Support preservation of manufactured home and mobile home parks.
- Utilize surplus public land for housing development.

## MEASURING STRATEGY IMPLEMENTATION AND PROGRESS

As stipulated in ORS 660-008-0050, a city's first HPS report must include measurements of progress towards housing outcomes made by the City.

Sandy will be required to report progress on HPS goals to DLCD every four years from HPS adoption. This report must include the following elements:

- A summary of the actions already taken by the City to implement the Strategies to Meet Future Housing Need adopted in the City's most recent Housing Production Strategy Report. If the City has not implemented Strategies to Meet Future Housing Need on the schedule adopted in their most recent Housing Production Strategy Report, the City must provide an explanation of the circumstances or factors that posed a barrier to implementation and a plan for addressing the identified need that the strategy addressed.
- A reflection of the relative efficacy of the strategies adopted through the HPS. This section requires the City to report progress observed in addressing housing needs in Sandy and discussing how adopted HPS strategies may have impacted the changes observed.
- A reflection of the actions taken in response to the factors discussed above (e.g. progress towards fair housing or mitigation of displacement).

With the goal of statutory compliance and ease of reporting progress in mind, the following are recommended metrics for the City to monitor annually.

### Affordability Metrics

- Citywide median rent
- Citywide median home value
- Estimated median cost of new housing
- Estimated median rent for new development

### Provision of New Needed Housing

- Tracking the number and type of new units developed in Sandy
- To the extent possible, new units constructed by location
- To the extent possible, new units constructed by zone
- Number of new units constructed in mixed use developments

## Sandy Housing Production Strategy

- Number of new middle housing units constructed

### Other Considerations

- Average density of development in low, medium, and high-density zoning districts
- New housing for homeless residents by type (e.g., shelter, permanent supportive housing, subsidized, etc.)

# APPENDIX A: CONTEXTUALIZED HOUSING NEEDS ANALYSIS

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Across Oregon, many low- and middle-income households face challenges in finding affordable and suitable housing. Beyond affordability, some households also struggle to find homes that meet specific needs, such as accessibility for people with disabilities, multigenerational living spaces, or housing with support services. Housing discrimination further limits options for certain groups, contributing to substantial unmet housing needs across the state.

A Housing Production Strategy (HPS) aims to address these unmet needs by focusing on actions that promote the production of affordable housing across all income levels, preserve existing affordable housing, enhance housing stability, provide options for individuals experiencing homelessness, and advance Fair Housing initiatives.

Before developing strategies to encourage affordable housing, the City of Sandy first needed to assess the unique housing needs of its residents. While the Sandy Housing Capacity Analysis (HCA), completed in 2024, provided valuable insights into housing needs based on demographic factors like age and income, the HPS takes a broader approach. The HPS examines housing needs through additional lenses, including race, ethnicity, disability status, and homelessness.

This appendix summarizes key findings from the HCA and supplements it with detailed data on housing needs for various demographic groups. Drawing on engagement as well as sources such as the U.S. Census, Oregon Housing and Community Services, HUD, Costar, and City data, this appendix contextualizes Sandy's housing needs beyond the scope of the HCA, fulfilling the requirements for the HPS.

## UNDERSTANDING HOUSING NEEDS IN SANDY

Like other Oregon communities, many households in Sandy face housing affordability challenges. The following appendix summarizes key findings about Sandy housing needs with the focus on the populations facing housing affordability issues.

Every household desires housing that is affordable to them. Therefore, when defining housing needs in Sandy, we begin with affordability for both current and future residents. However, housing needs extend beyond affordability and must also address the specific requirements of each household, including factors like household size and composition, age, disability status, and the relationships between household members.

Additionally, housing needs are shaped by location, impacting access to transportation and proximity to essential services. Many households desire housing close to schools, workplaces, and amenities such as retail, medical services, parks, and open spaces. Access to transit services, bicycle infrastructure, and pedestrian infrastructure are also important for many households.

Another critical aspect of housing need is access to housing free from discrimination, which is a right that is protected under federal Fair Housing law. Oregon and its cities have a legal responsibility to Affirmatively Further Fair Housing (AFFH). The Sandy HPS considers AFFH requirements when evaluating the City's existing policies and developing actions to be included in a strategy.

### AFFIRMATIVELY FURTHERING FAIR HOUSING (AFFH)

AFFH requires jurisdictions to take meaningful steps to overcome historical segregation and create inclusive communities free from barriers based on protected characteristics, including race, color, national origin, religion, sex, familial status, and disability. Oregon also protects additional classes: sexual orientation, gender identity, age, and marital status.

AFFH requires jurisdictions to understand and address Oregon's long history of discrimination that precluded many people from accessing housing and homeownership. The Fair Housing Council of Oregon (FHCO) is a statewide civil rights organization that advocates for housing justice, equity, and inclusion. Their report, [State of Fair Housing in Oregon 2014-2022](#), provides information about housing discrimination across Oregon. The key findings of the report are:

- » FHCO receives about 2,000 housing complaints annually, though they estimate only 10% of discriminatory acts are reported.
- » Complaints most commonly come from people with disabilities, people of color, and women, with many involving multiple protected classes.
- » Common discrimination issues include failure to provide reasonable accommodation for disabilities, unfair lease terms, tenant harassment, refusal to rent (especially to Section 8 voucher holders), and evictions.

## HOUSING NEED KEY FINDINGS

**Sandy must plan for 2,424 new housing units through 2043 to accommodate a projected 6,350 new residents.** This growth will necessitate a diverse array of housing types affordable across all income levels. Forecasts point towards a need for greater variety in housing types, with a heightened emphasis on multi-dwelling and attached housing types. The challenge of providing more housing supply in Sandy is hampered due to current limitations on new development due to wastewater treatment capacity constraints and state discharge permitting requirements. The HCA found that Sandy would need to add units in the following categories of housing type:

- **Single-Family Detached:** 1,454 units to be added by 2043
- **Single-Family Attached:** 170 units to be added by 2043



## Sandy Housing Production Strategy

- **Duplex, Triplex, Quadplex:** 121 units to be added by 2043
- **Multifamily:** 679 units to be added by 2043

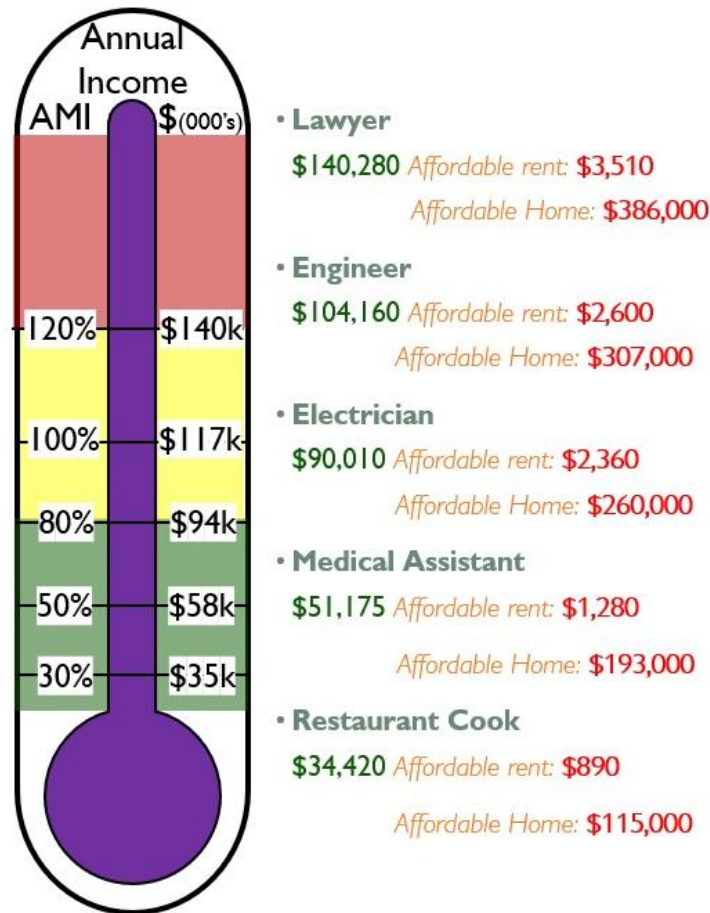
**Housing costs in Sandy have risen substantially in recent years, consistent with national trends.**

Between 2014 and 2024, Sandy's average multifamily dwelling asking rent increased 49% from \$1,086 per month to \$1,614 per month, excluding utilities). Sandy's median home sales price increased 133% between 2014 and 2024 from \$215,000 to \$502,000.

**Using U.S. Housing and Urban Development standards for housing affordability, a household earning 100% of median family income (MFI) for a family of four in Sandy (\$116,900) can afford monthly housing costs of about \$2,920. Exhibit 1** shows financially attainable housing across income levels, based on the standard that households should spend no more than 30% of their gross income on housing (including utilities). Households exceeding this threshold may struggle to afford other essentials.

## Sandy Housing Production Strategy

Exhibit 1. Financially Attainable Housing by MFI for Clackamas County, 2024<sup>1</sup>



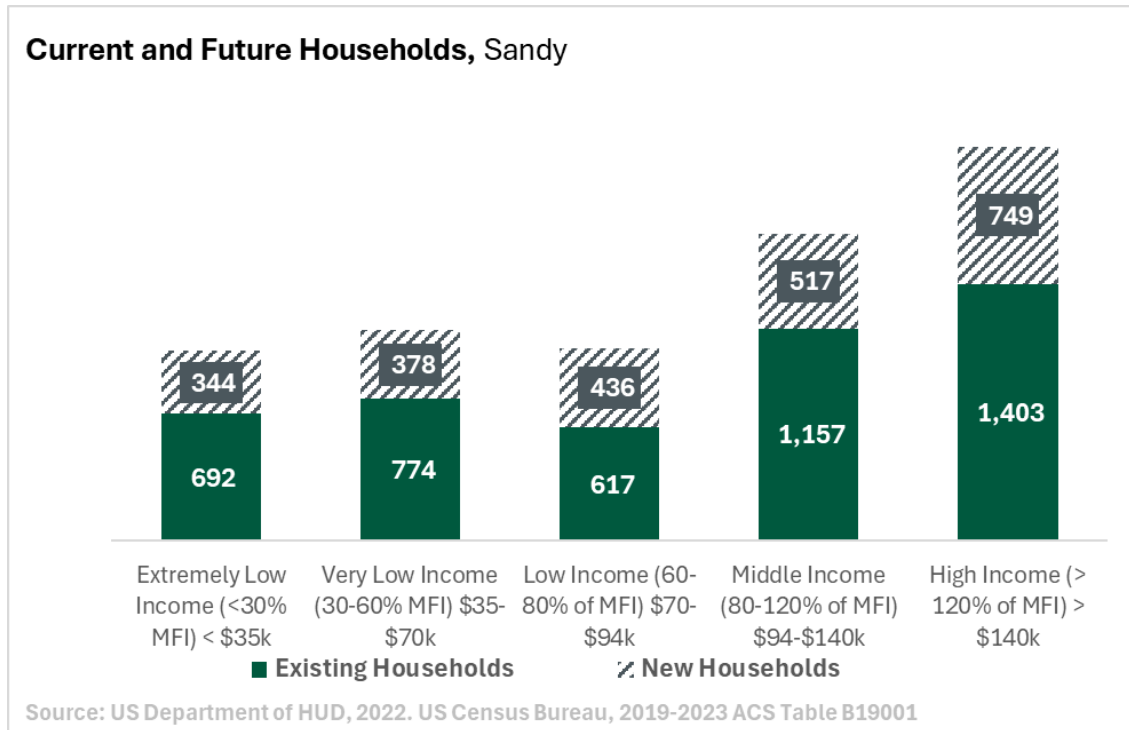
Source: Source: Department of Housing and Urban Development, Portland MSA, 2024. Oregon Employment Department (2023 wage estimates)

Recent Census data shows that there were 692 households in Sandy with income levels at 30% or less of the MFI (less than \$35,000 per year). Affordable rents for these very low-income households are under \$900 per month (**Exhibit 1**). **Exhibit 2** shows that 31% of Sandy's households had incomes less than 60% of MFI (\$70,140). At that income level, the affordable rent would be below \$1,754 per month.

<sup>1</sup> Affordable home sales prices are illustrative estimates and do not make assumptions about specific interest rates, amount of down payment, whether mortgage insurance will be required, or other factors that are unique to an individual household's mortgage. These are based on income only and do not consider accumulated wealth or debt.

## Sandy Housing Production Strategy

Exhibit 2: Sandy's Current and Existing Households by MFI for Clackamas County



**Low-income households in Sandy have few housing options.** Costs for both rental and ownership of housing are much higher than many residents can afford. In Sandy, a household must make 129% of MFI (\$151,000) to afford the median sales price of a home (\$507,000). To afford the average apartment rent plus utilities (\$1,850) a household must earn 63% of MFI (\$74,000). About 80% of Sandy's housing stock is single family detached housing which is often more expensive than attached housing or multifamily housing types.

**About a quarter of households in Sandy pay more than 30% of their income on housing due to limited affordable housing options.** Because Sandy must limit housing production due to wastewater treatment capacity constraints and state permitting requirements, there are limits on new housing to meet market rate demand as well as income-restricted affordable housing.

**About a quarter of households in Sandy have sufficient income to afford the median home sales price of \$502,000.**

**About one-third of Sandy households are unable to afford the average rent.**

## Sandy Housing Production Strategy

**Sandy residents have a variety of housing needs, with some populations facing more barriers to accessing housing.** These challenges often stem from potential discrimination, as well as socioeconomic factors. To gain a better understanding of housing needs in Sandy, the project team conducted interviews with service providers and obtained feedback from the City Council, Planning Commission, and City staff.

This community feedback revealed several key issues for the following groups:

**Latino Population:** Many Latino residents in Sandy work in agriculture, which tends to be a lower-wage occupation. Many households have children and may need larger housing sizes. Some Latino residents choose to live in Sandy due to the perception of increased safety relative to other areas in the Portland Metro region.

**People Experiencing Homelessness:** This group in Sandy includes local youth, lower-income workers, individuals on social security, and those without jobs. Some of this population faces mental health and addiction challenges. These individuals often need access to emergency and transitional housing with services. There is perceived community resistance to homeless services in Sandy, which complicates efforts to address their needs.

**Seniors:** Many seniors need help accessing available resources, especially as information and applications move online. Some seniors struggle with mental health issues related to loneliness and isolation. Those seniors on fixed incomes face challenges with rising property taxes, housing maintenance, and utility costs, even if they've paid off their homes. Some seniors want to remain in the community and need support to age in place. A local assisted memory care facility recently closed, reducing available services.

**Young Families and Single Parents:** Many households in Sandy require multiple jobs to make ends meet, which is especially challenging for single parents. One-income families are increasingly turning to supportive services, like the Sandy Community Action Center, due to rising costs. Childcare costs are also a significant burden.

Housing affordability is a major concern across these groups. Many low-income households indicated that they need to prioritize which bills to pay and may rely on support services like the Sandy Community Action Center and energy assistance so that they have enough money to cover their mortgage or rent. The already high cost of utilities in Sandy is expected to rise further due to challenges with wastewater and water systems, exacerbating affordability issues.

These findings underscore the need for focused efforts to address the unique housing challenges faced by lower-income residents in Sandy.

**Exhibit 3** underscores the demographic scale of need for these family cohorts and potential policy actions to meet those needs.

### WHAT IS COST BURDEN?

**A household is defined as cost burdened if their housing costs exceed 30% of their gross income.**

**A household that spends 50% or more of their gross income on housing costs is said to be severely cost burdened.**

## Sandy Housing Production Strategy

**Exhibit 3. Populations with Unmet Housing Needs**

| TARGET POPULATION                                  | SCALE OF NEED                                                                                                                                                      | MEETING FUTURE NEED                                                                                                                                                                    |
|----------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Extremely Low Income (&lt;30% MFI)</b>          | 15% of total households <ul style="list-style-type: none"> <li>692 existing households</li> <li>344 new households by 2043</li> </ul> Afford up to \$875 per month | New subsidized housing; preserving existing income-restricted housing                                                                                                                  |
| <b>Very Low Income (30% to 60% MFI)</b>            | 17% of total households <ul style="list-style-type: none"> <li>774 existing households</li> <li>378 new households</li> </ul> Afford up to \$1,750 per month       | New subsidized housing; preserving existing “naturally occurring affordable housing”                                                                                                   |
| <b>Low Income (60% to 80% MFI)</b>                 | 13% of total households <ul style="list-style-type: none"> <li>617 existing households</li> <li>436 new households</li> </ul> Afford up to \$2,340 per month       | New subsidized housing; preserving existing “naturally occurring affordable housing”                                                                                                   |
| <b>Middle Income (80% to 120%)</b>                 | 25% of total households <ul style="list-style-type: none"> <li>1,157 existing households</li> <li>517 new households</li> </ul> Afford up to \$3,500 per month     | New market-rate rental housing and smaller market rate homes for ownership; preserve existing smaller, older homes                                                                     |
| <b>People of Color (POC), including Latino</b>     | 18% of existing households<br>The largest community of color is Latino, accounting for 691 people in Sandy.                                                        | Increased access to affordable housing options; housing for larger households; access to housing without discrimination                                                                |
| <b>People with a Disability</b>                    | 12% of Clackamas County’s population have a disability <sup>2</sup><br>Housing need: 290 new units (12% of total need)                                             | Housing with design standards that meet their needs; access to housing without discrimination; access to services; access to public transportation                                     |
| <b>People Experiencing Homelessness</b>            | Estimated 571 individuals in Clackamas County as of 2022.<br>Estimated 10 adults and 40 youth in Sandy as of 2023.                                                 | Emergency assistance and shelter; permanent supportive housing; deeply affordable units; access to housing without discrimination                                                      |
| <b>Seniors</b>                                     | 19% of Sandy’s population is over 60 years old (2,391 people)                                                                                                      | Access to affordable housing options; access to supports to “age in place”, homes in intergenerational communities, access to services and transportation; support accessing resources |
| <b>Young families and single-parent households</b> | TBD                                                                                                                                                                | Increased access to affordable housing options; access to affordable childcare                                                                                                         |

<sup>2</sup> The sample size provided by the U.S. Census for Sandy is too small to provide an accurate count of persons with disabilities; so instead Clackamas County data is used to approximate population counts in this cohort.

### Demographic and Socio-Economic Characteristics Affecting Sandy's Housing Needs

This section identifies future housing needs for people in Sandy by age, race and ethnicity, disability, household size and composition, and household income.

#### Data Used in this Analysis

Throughout this analysis, data is relied upon using multiple well-recognized and reliable data sources. One of the key sources for housing and household data is the U.S. Census. This report primarily uses data from three Census sources:<sup>3</sup>

**The Decennial Census**, which is completed every ten years and is a survey of all households in the United States. The Decennial Census does not collect more detailed household information, such as income, housing costs, housing characteristics, and other important household information.

**The American Community Survey (ACS)**, which is completed every year and is a sample of households in the United States. The ACS collects detailed information about households, including demographics (e.g., number of people, age distribution, ethnic or racial composition, country of origin, language spoken at home, and educational attainment), household characteristics (e.g., household size and composition), housing characteristics (e.g., type of housing unit, year unit built, or number of bedrooms), housing costs (e.g., rent, mortgage, utility, and insurance), housing value, income, and other characteristics. The most up-to-date ACS data available for the HCA was for the 2016-2020 period. For readability throughout the report, we refer to the 2016-2020 ACS period as 2020. We included updates to the ACS data for the 2019-2023 ACS period, for the purpose of the HPS. This data is referred to as 2023 data for readability.

**Comprehensive Housing Affordability Strategy (CHAS)**, which is custom tabulations of American Community Survey (ACS) data from the US Census Bureau for the US Department of Housing and Urban Development (HUD). CHAS data show the extent of housing problems and housing needs, particularly for low-income households. CHAS data are typically used by local governments as part of their consolidated planning work to plan how to spend HUD funds and for HUD to distribute grant funds. The most up-to-date CHAS data covers the 2015-2019 period, which is a year older than the most recent ACS data for the 2016-2020 period.

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<sup>3</sup> The American Community Survey (ACS) is a national survey that uses continuous measurement methods. It uses a sample of about 3.54 million households to produce annually updated estimates for the same small areas (census tracts and block groups) formerly surveyed via the Decennial Census long-form sample. All ACS data are subject to sample variability or “sampling error” that is expressed as a band or “margin of error” (MOE) around the estimate.

This report uses Census and ACS data because, despite the inherent methodological limits, they represent the most thorough and accurate data available to assess housing needs. We consider these limitations in making interpretations of the data and have strived not to draw conclusions beyond the quality of the data.

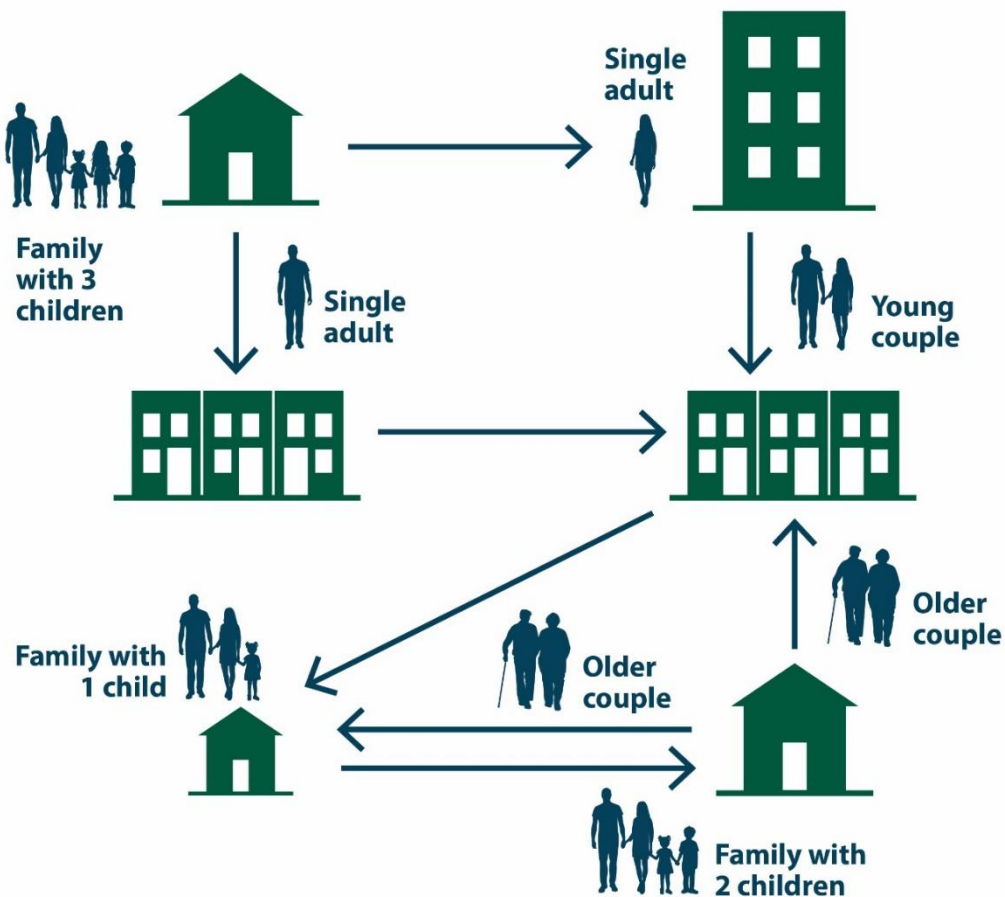
## Sandy Housing Production Strategy

### Regional and Local Demographic Trends May Affect Housing Need in Sandy

Demographic trends that might affect the key assumptions used in the baseline analysis of housing need are (1) the aging population, (2) changes in household size and composition, and (3) increases in diversity.

An individual's housing needs change throughout their life, with changes in income, family composition, and age. The types of housing needed by a 20-year-old college student differ from the needs of a 40-year-old parent with children, or an 80-year-old single adult. As Sandy's population ages, different types of housing will be needed to accommodate older residents. As shown in **Exhibit 4**, demographic changes in households lead to changes in housing needs over time.

**Exhibit 4. Effect of Demographic Changes on Housing Need**



### Sandy's Population is Growing

Sandy's population growth will drive future demand for housing in the city over the planning period.

## Sandy Housing Production Strategy

**Exhibit** shows that Sandy’s population grew by 140% between 2000 and 2024, adding 7,548 new residents at an average annual growth rate of 3.7%. Population in Sandy has been increasing 3-4 times faster than the growth that has been occurring in Clackamas County and Oregon.

**Exhibit 5. Population, Sandy, Clackamas County, Oregon, U.S., 2000, 2010, 2023**

| Population Trends | 2000      | 2010      | 2024      | Change  |         |      |
|-------------------|-----------|-----------|-----------|---------|---------|------|
|                   |           |           |           | Number  | Percent | AAGR |
| Oregon            | 3,421,399 | 3,831,074 | 4,263,385 | 841,986 | 25%     | 0.9% |
| Clackamas County  | 338,391   | 375,992   | 426,567   | 88,176  | 26%     | 1.0% |
| Sandy             | 5,385     | 9,570     | 12,933    | 7,548   | 140%    | 3.7% |

Source: US Decennial Census 2000 and 2010, and Portland State University, Population Research Center.

### Age of People in Sandy

Sandy has a younger population compared to Clackamas County and Oregon, with a larger proportion of working-age people under 39 years old. The fastest growing age group from 2010-2023 was people aged 40-59. This growth of Gen X and baby boomers will drive demand for affordable ownership units, housing with enough bedrooms, as well as affordable downsizing opportunities such as townhouses, and plexes in walkable neighborhoods.

While Sandy currently has a smaller senior population than the county overall, the forecast shows the 60+ age group will grow substantially in the coming decades. Senior households will make a variety of housing choices, including remaining in their homes as long as they are able, downsizing to smaller single-family homes (detached and attached) or multi-dwelling units, or moving into group housing (such as assisted-living facilities or nursing homes) as they age. The challenges aging seniors face in continuing to live in their community include changes in health-care needs, loss of mobility, the difficulty of home maintenance, financial concerns, and increases in property taxes.<sup>4</sup>

As shown in **Exhibit 6**, Sandy’s median age is lower than the County or State averages. From 2010 to 2020, Sandy’s median age increased from approximately 33 to 38 years old.

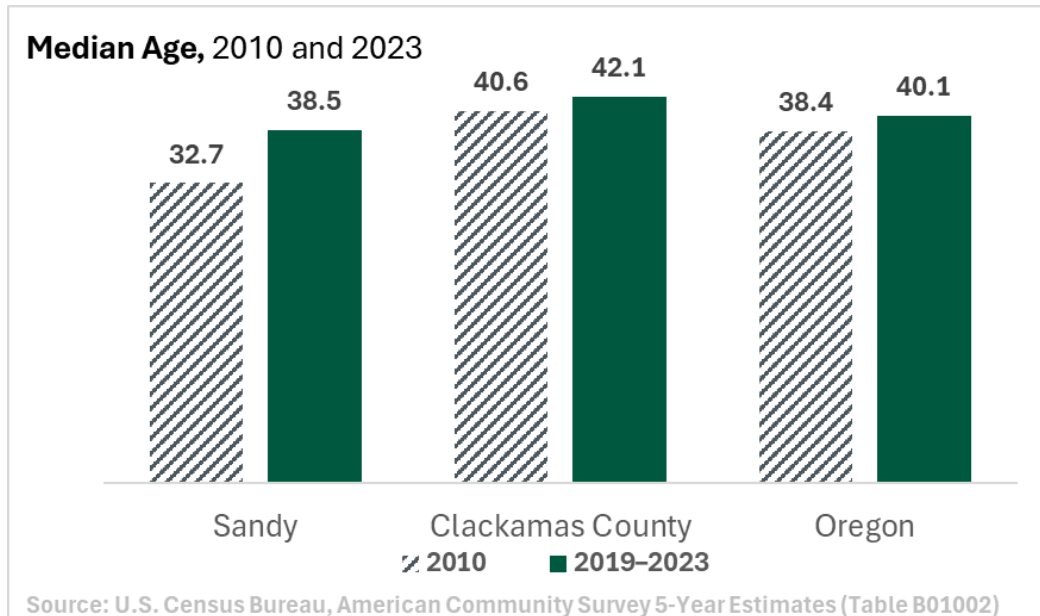
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<sup>4</sup> “Aging in Place: A toolkit for Local Governments” by M. Scott Ball.



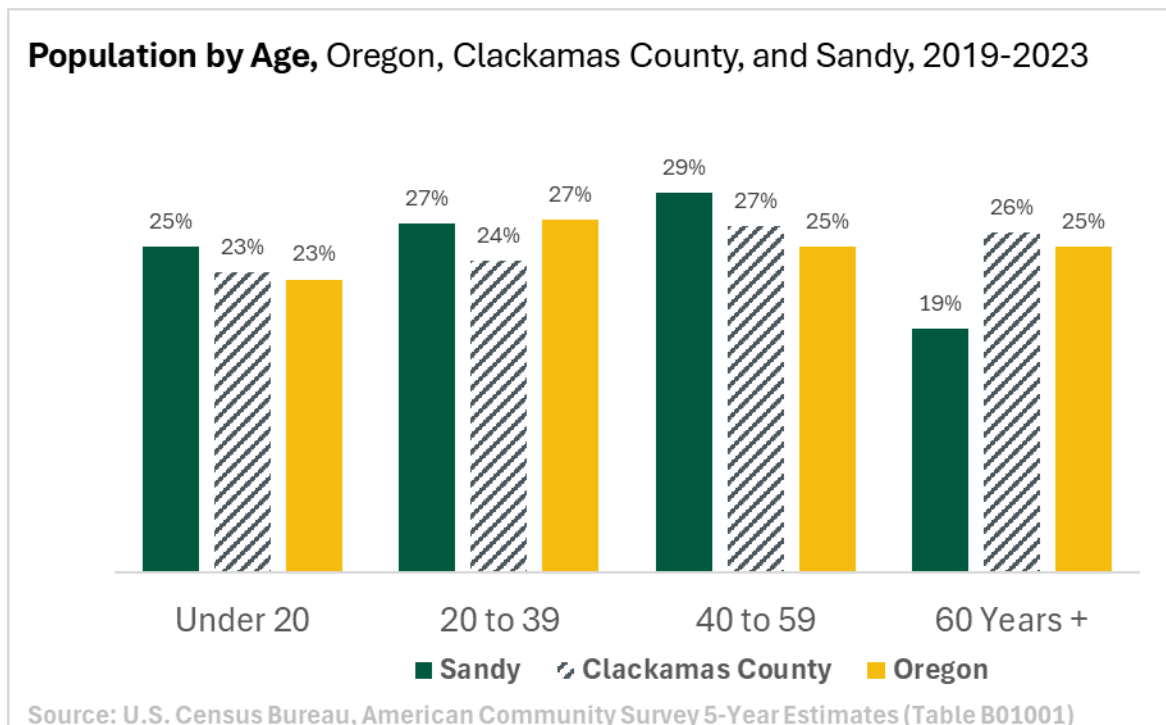
## Sandy Housing Production Strategy

Exhibit 6. Median Age, Sandy, Clackamas County, and Oregon, 2010 to 2019-2023



As shown in **Exhibit 7**, approximately 27% of Sandy’s residents were between the ages of 20 and 39 years old in 2023. Sandy had a much lower share of people over the age of 60 years old when compared to Clackamas County and Oregon. A quarter of Sandy’s population is under 20 years old.

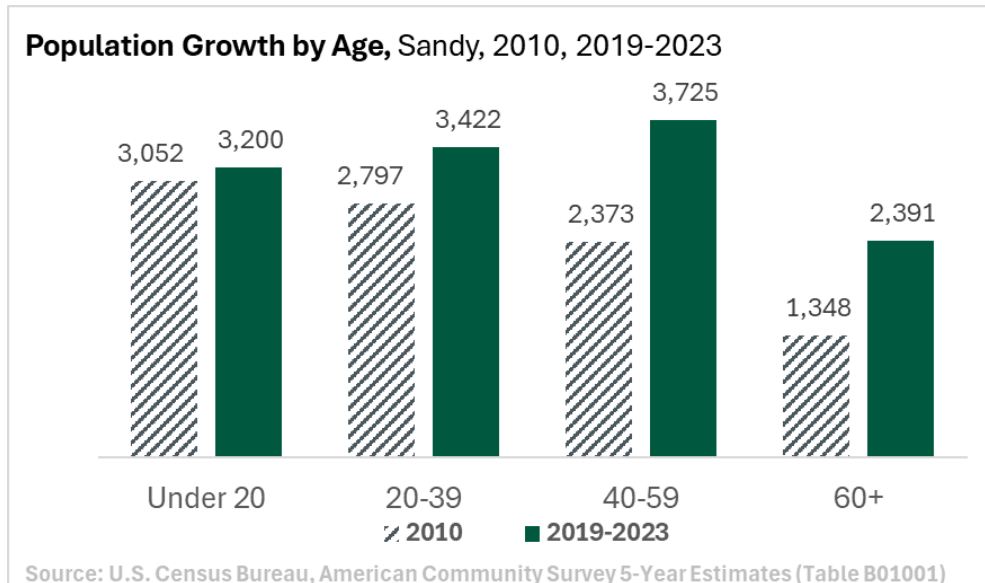
Exhibit 7. Population Distribution by Age, Sandy, Clackamas County, and Oregon, 2019-2023



## Sandy Housing Production Strategy

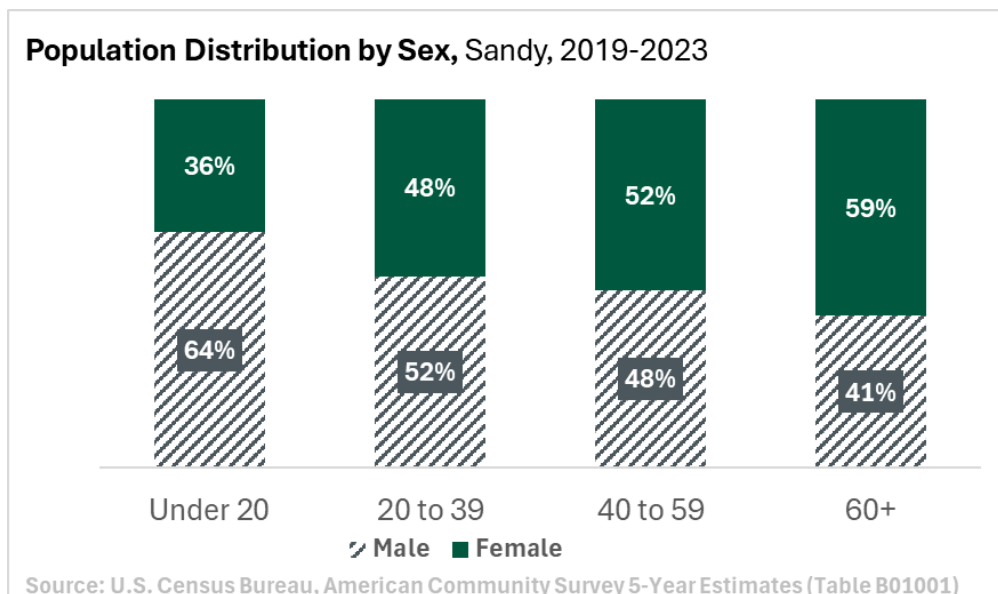
As shown in **Exhibit 8**, between 2010 and 2023 all age groups in Sandy increased. The largest increase in residents were comprised of those aged 40-59 (increase of 1,352 people) followed by those aged 60+ (increase of 1,043 people).

**Exhibit 8. Population Growth by Age, Sandy, 2010, 2019-2023**



As shown in **Exhibit 9**, Sandy has a majority share of female residents that is greater than male residents for those over age 40. The male population segment has a majority share of overall population for those under the age of 40.

**Exhibit 9. Population Distribution by Sex for Each Age Group, Sandy, 2019-2023**



**Exhibit 10** shows that all age groups are expected to grow over the next two decades in Clackamas County. People over age 60 are forecast to increase by 31%, adding more than 34,500 people to that cohort by year 2040. People within the age 40 to 59 cohort are expected to increase measurably by 32,576 people over the next 20 years.

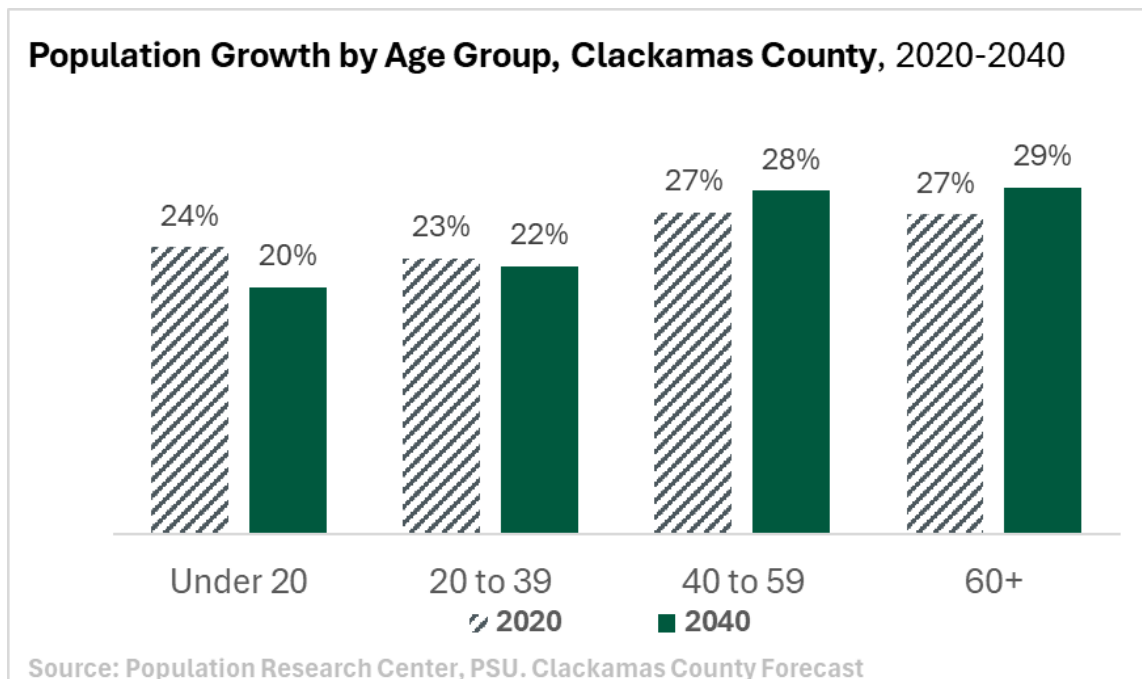
**Exhibit 10. Fastest-Growing Age Groups, Clackamas County, 2020 to 2040**

|          | Change | % Change |
|----------|--------|----------|
| Under 20 | 4,060  | 4%       |
| 20 to 39 | 16,808 | 18%      |
| 40 to 59 | 32,576 | 29%      |
| 60+      | 34,579 | 31%      |

Source: Population Research Center, PSU. Clackamas County Forecast

As shown in **Exhibit 11**, by 2040 Clackamas County residents over age 40 are expected to account for nearly 6 out of 10 residents.

**Exhibit 11. Population Growth by Age Group, Clackamas County, 2020 and 2040**

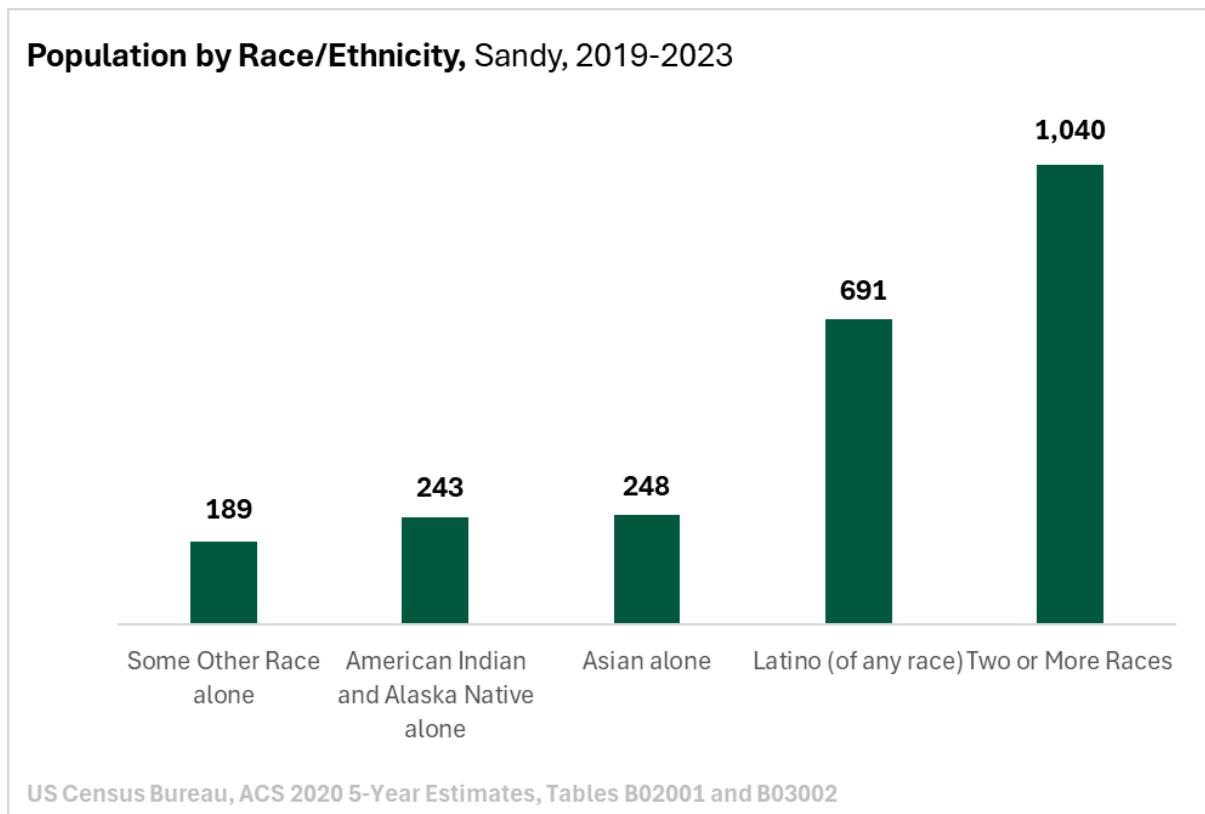


### RACE AND ETHNICITY

Understanding the race and ethnicity characteristics<sup>5</sup> in Sandy is important for evaluating the potential for discrimination.

In Sandy, there are approximately 2,415 people with a race or ethnicity other than White. The largest segment includes non-Hispanic, accounting for about 18% of Sandy's population (**Exhibit 12**). Not shown in the following exhibit, Sandy has 10,818 people identifying as White, non-Hispanic.

**Exhibit 12. Population by Race/Ethnicity, Sandy, 2019-2023**



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<sup>5</sup> The U.S. Census Bureau considers race and ethnicity as two distinct concepts. Latino is an ethnicity and not a race, meaning individuals who identify as Latino may be of any race.

## Sandy Housing Production Strategy

Overall, Sandy's population is less racially diverse than the broader Clackamas County and state of Oregon counterparts (**Exhibit 13**).

**Exhibit 13. Population by Race/Ethnicity as a Percent of Total Population, Sandy, Clackamas County, Oregon 2019-2023**

|                                                  | Clackamas |        |        |
|--------------------------------------------------|-----------|--------|--------|
|                                                  | Sandy     | County | Oregon |
| Native Hawaiian and Other Pacific Islander alone | 0%        | 0%     | 0%     |
| Some Other Race alone                            | 1%        | 3%     | 5%     |
| American Indian and Alaska Native alone          | 0%        | 1%     | 2%     |
| Black or African American alone                  | 2%        | 1%     | 1%     |
| Two or More Races                                | 2%        | 5%     | 4%     |
| Asian alone                                      | 8%        | 10%    | 11%    |
| Latino/a/x (of any race)                         | 5%        | 10%    | 14%    |
| White Alone, not hispanic or latino              | 85%       | 78%    | 72%    |

Source: US Census Bureau, ACS 2020 5-Year Estimates, Tables B02001 and B03002

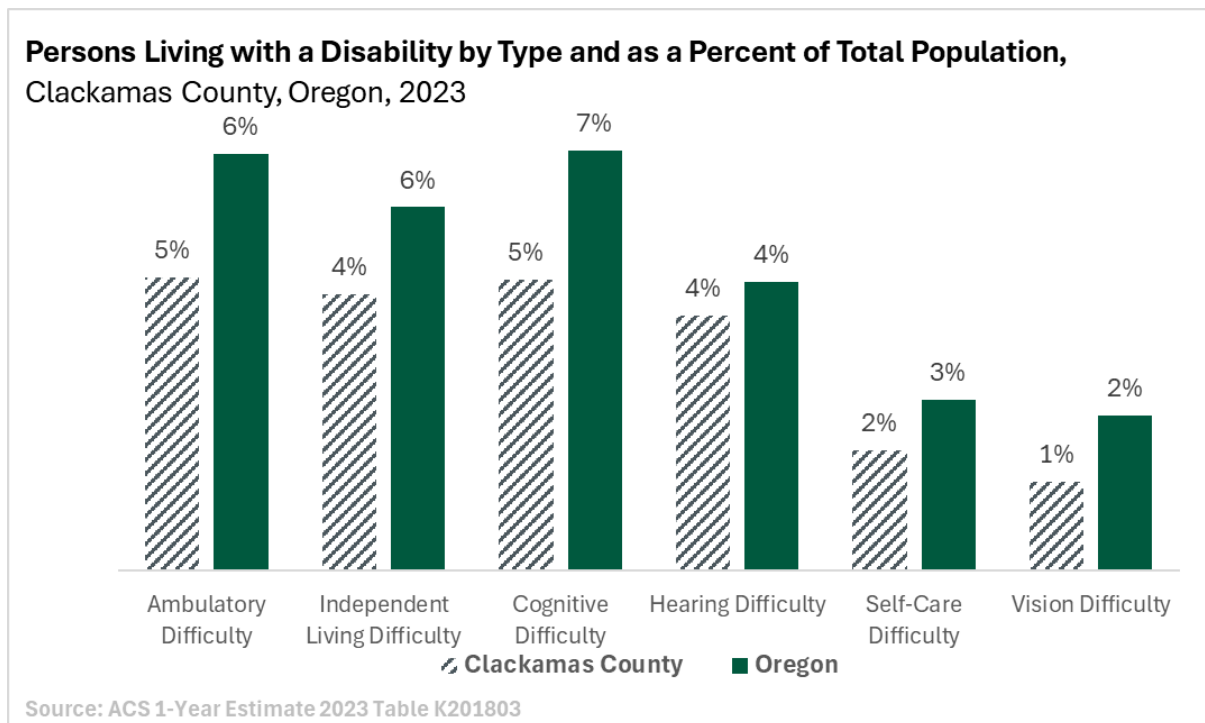
## Sandy Housing Production Strategy

### People with Disabilities

People with one or more disabilities have special housing needs because they may need housing that is physically accessible, housing that meets the needs of people with cognitive disability, or housing with specialized services.

The U.S. Census sample size for the city of Sandy is considered to be too small to have accurate persons with disabilities data, so instead, **Exhibit 14** relies upon Census data for Clackamas County and the state of Oregon. It is estimated that approximately 12% of Clackamas County's population has one or more disabilities –slightly lower than the overall state average of 15%.

**Exhibit 14. Persons Living with a Disability by Type and as a Percent of Total Population, Clackamas County, Oregon, 2019-2023.**

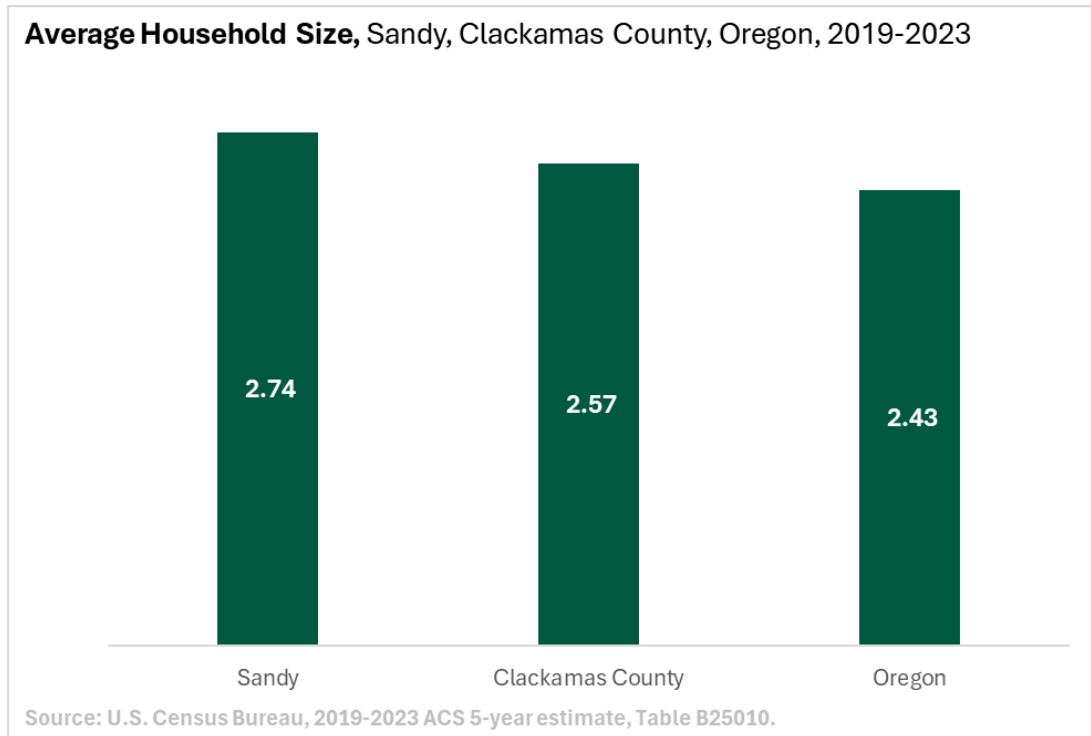


### Household Size and Composition

Housing need varies by household size and composition. The housing needs of a single-person household are different than those of a multi-generational family. On average, Sandy's households are larger than Clackamas County's and Oregon's. Sandy's average household size (2.74) was larger than the Clackamas County (2.57) and Oregon (2.43) average (**Exhibit 15**).

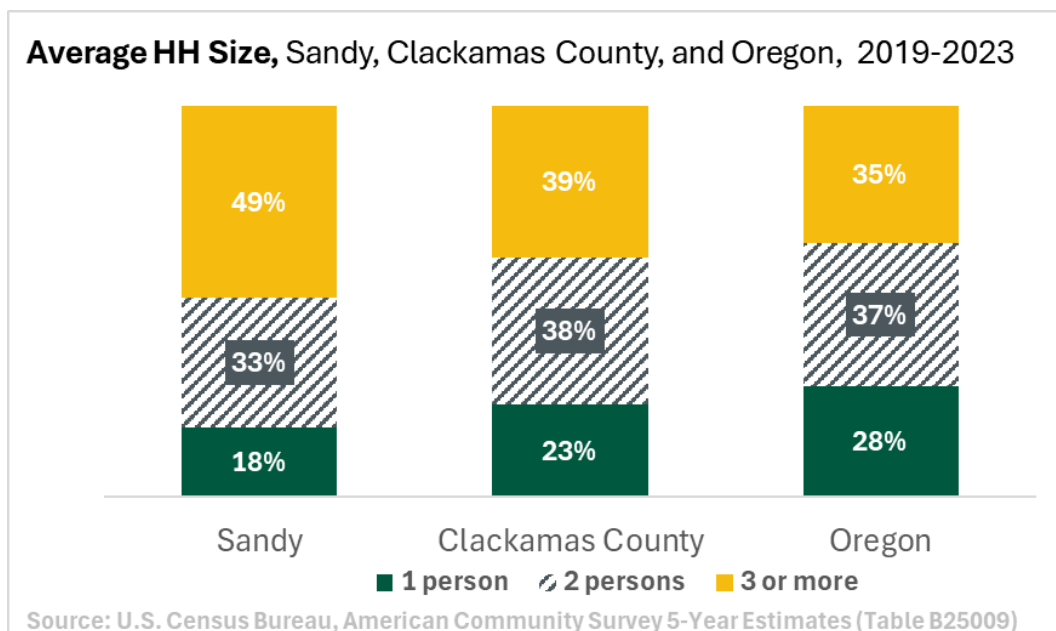
## Sandy Housing Production Strategy

**Exhibit 15. Average Household Size, Sandy, Clackamas County, Oregon, 2019-2023**



Sandy had a larger share of households with 3 or more people than Clackamas County and Oregon (Exhibit 16).

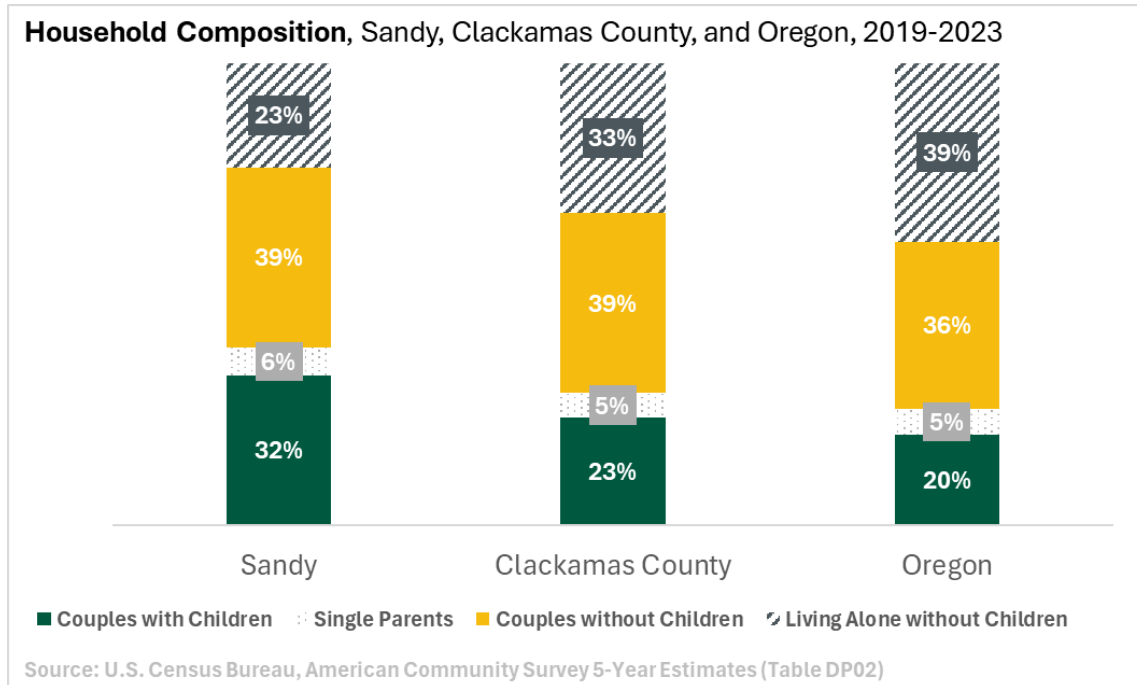
**Exhibit 16. Household Size, Sandy, Clackamas County, and Oregon, 2019-2023**



## Sandy Housing Production Strategy

Sandy has a larger share of households with children (38%) than Clackamas County (28%) or Oregon (25%) (**Exhibit 17**).

**Exhibit 17. Household Composition, Sandy, Clackamas County, and Oregon, 2019-2023**



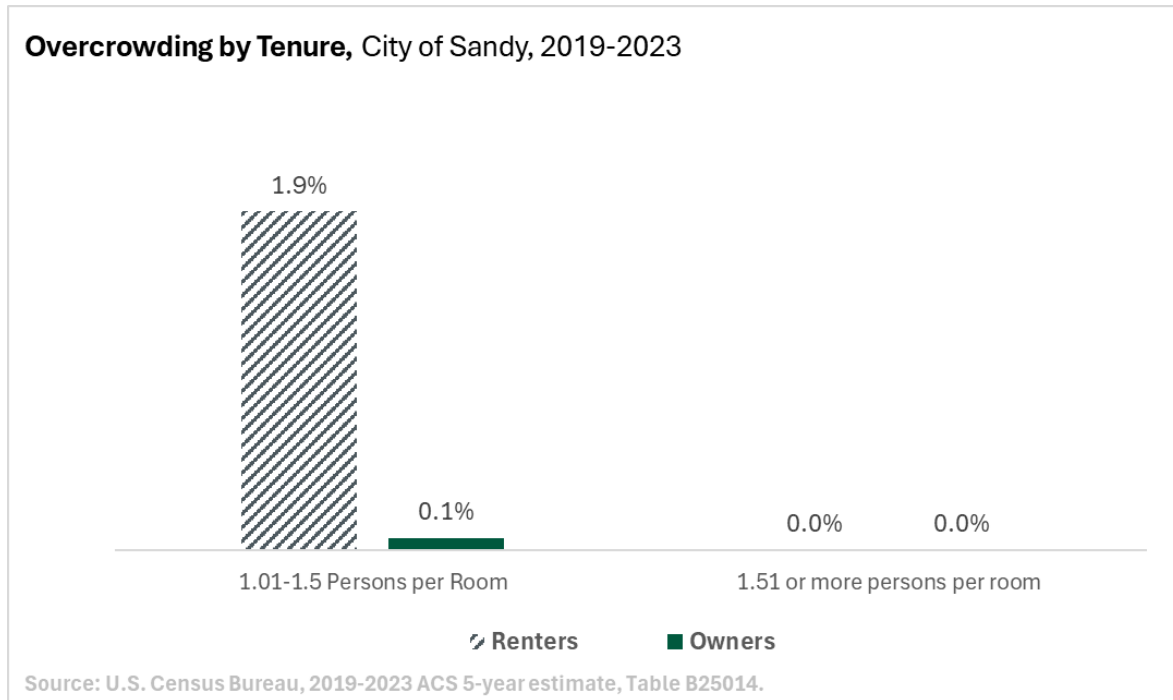
### Overcrowding

Overcrowding occurs when a household “double-ups” with another household or lives in a smaller housing unit in order to afford food and other basic needs. An overcrowded household is defined by the Census as having more than one person per room, excluding bathrooms, kitchens, hallways, and porches. Severely overcrowded households are those with more than 1.5 persons per room. Overcrowding can indicate that the community does not have an adequate supply of affordable housing, especially for larger families.

In Sandy it is estimated that 1.9% of all renter households experience overcrowding (**Exhibit 18**).



**Exhibit 18. Overcrowding by Tenure, City of Sandy, 2019-2023**



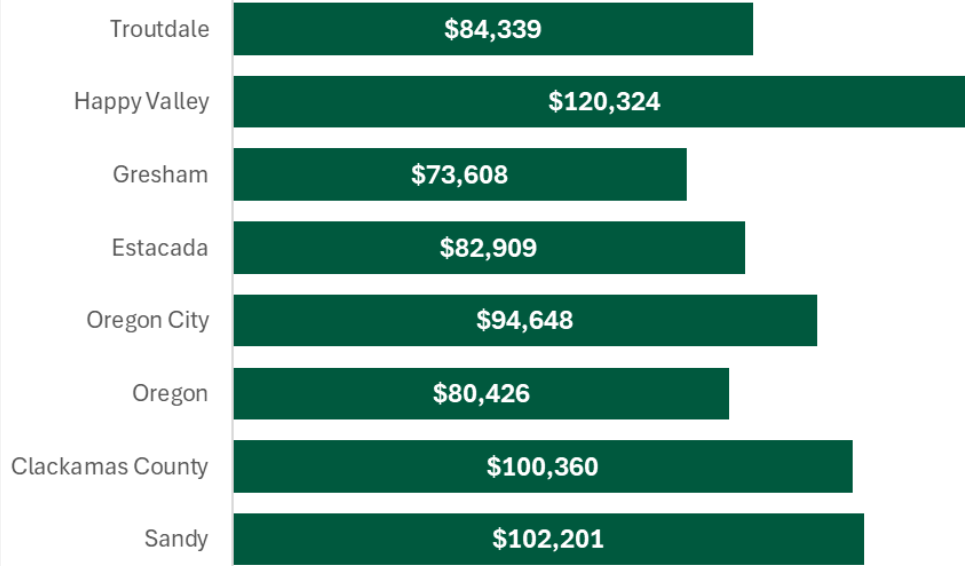
## Household Income

Income is one of the key determinants in housing choice and a household's ability to afford housing. In 2023, As shown in **Exhibit 19**, Sandy's median household income (\$102,201) was slightly higher than the Clackamas County median (\$100,360). Without adjusting for inflation, Sandy's household income nearly doubled since 2000, eclipsing county and statewide growth trends. The increase in household income occurred at a time when rent and housing prices in Sandy and the region increased substantially.

## Sandy Housing Production Strategy

**Exhibit 19. Median Household Income, Sandy, Clackamas County, Oregon, Comparison Cities, 2019-2023**

### Median Household Income, Sandy, Clackamas County, Oregon, Comparison Cities, 2019-2023

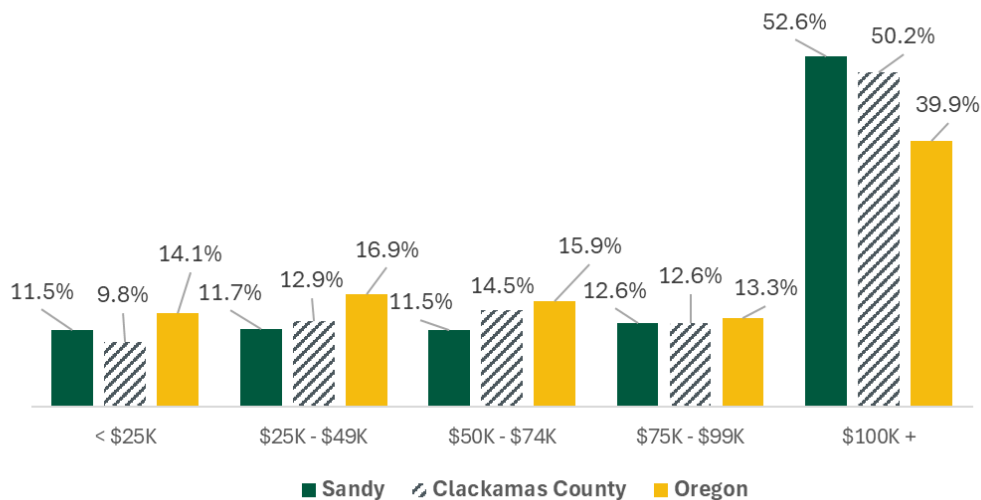


Source: U.S. Census Bureau, 2019-2023 ACS 5-year estimate, Table B25119.

Just under two thirds of all households in Sandy (65%) earned more than \$75,000 per year, compared to 63% of Clackamas County households and 53% of Oregon households. Sandy has a smaller share of households earning less than \$50,000 than the state (**Exhibit 20**).

**Exhibit 20. Household Income Distribution, Sandy, Clackamas County, Oregon, 2019-2023**

### Household income, Sandy, Clackamas County, and Oregon, 2019-2023

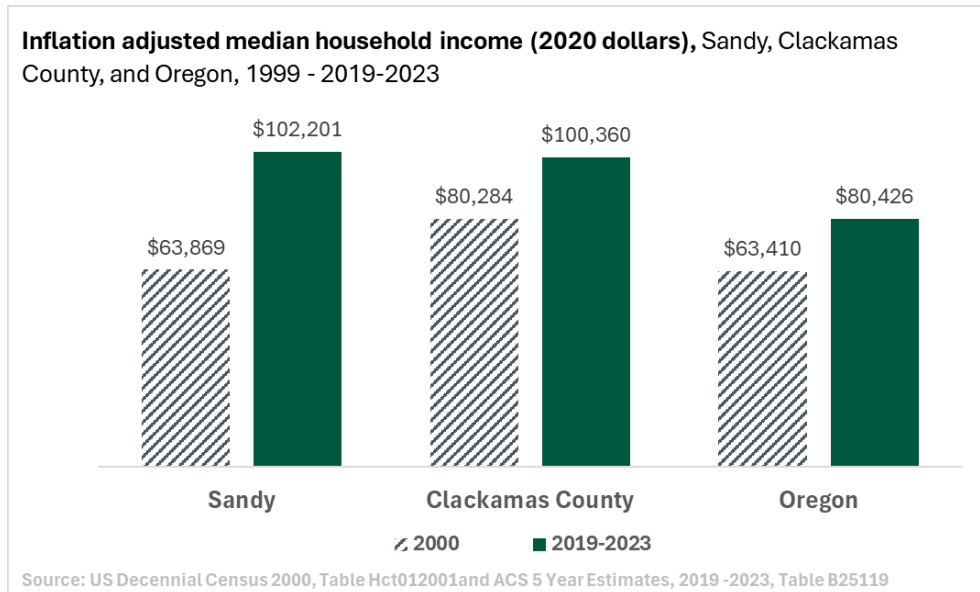


Source: ACS 5-Year Estimates 2019-2023 Table B19001

## Sandy Housing Production Strategy

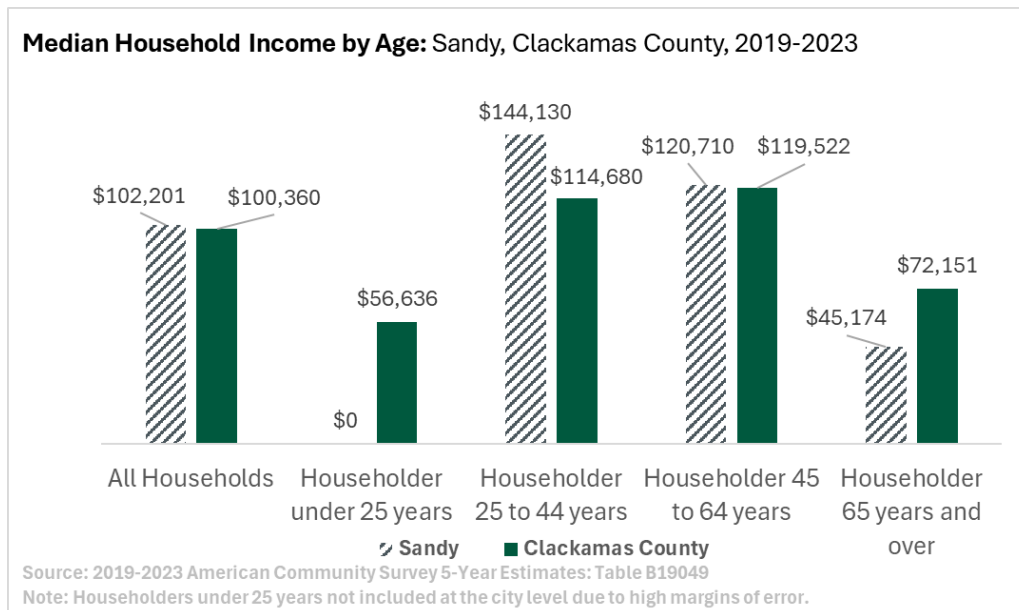
Adjusting for inflation, Sandy's median household income increased by 60% between 1999 and 2023—from \$63,869 in 1999 to \$102,201 in 2023. This was a faster rate of income growth than experienced at the county and state levels (**Exhibit 21**).

**Exhibit 21. Median Household Income, Sandy, Clackamas County, Oregon, 2019-2023, not Inflation-Adjusted**



Senior households (over age 65) had median household income of approximately \$45,000 in 2023 which was well below the overall citywide median household income (\$102,201). Working-aged households (those 25 to 65 years old) had the highest median income, consistent with county and state data (**Exhibit 22**).

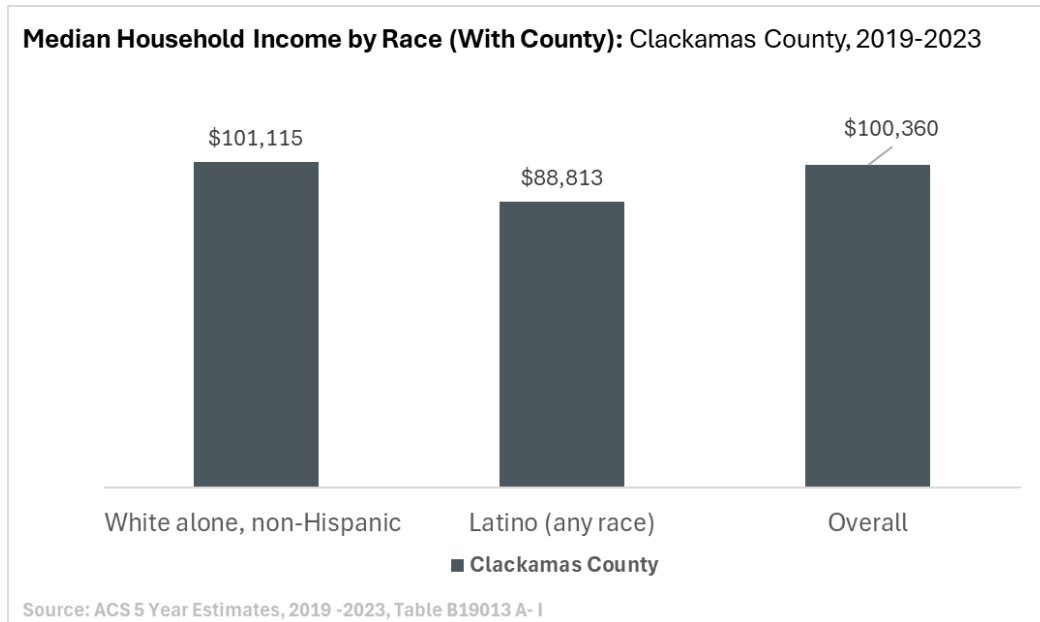
**Exhibit 22. Median Household Income by Age of Householder, Sandy, 2019-2023**



## Sandy Housing Production Strategy

In Clackamas County, Latino households had a median household income of \$89,000, which was below the overall county median household income of \$103,000 (**Exhibit 23**). City-level data was omitted due to a relatively high margin of error.

**Exhibit 23. Median Household Income by Race/Ethnicity of the Head of Household, Sandy, 2019-2023**



## HOUSING MARKET CONDITIONS AND TRENDS

An analysis of housing market conditions and trends in Sandy provides insight into the local housing market. The housing types used in this analysis are consistent with needed housing types as defined in ORS 197.303:

**Single-family detached** includes single-family detached units, manufactured homes on lots and in mobile home parks, and accessory dwelling units. Single-family detached also includes cottage cluster housing.

**Single-family attached** are all structures with a common wall where each dwelling unit occupies a separate lot, such as row houses or town houses.

**Multi-dwelling with 2 to 4 units** are attached structures such as duplexes, triplexes, and quadplexes. These units are referred to as “plexes” in this report.

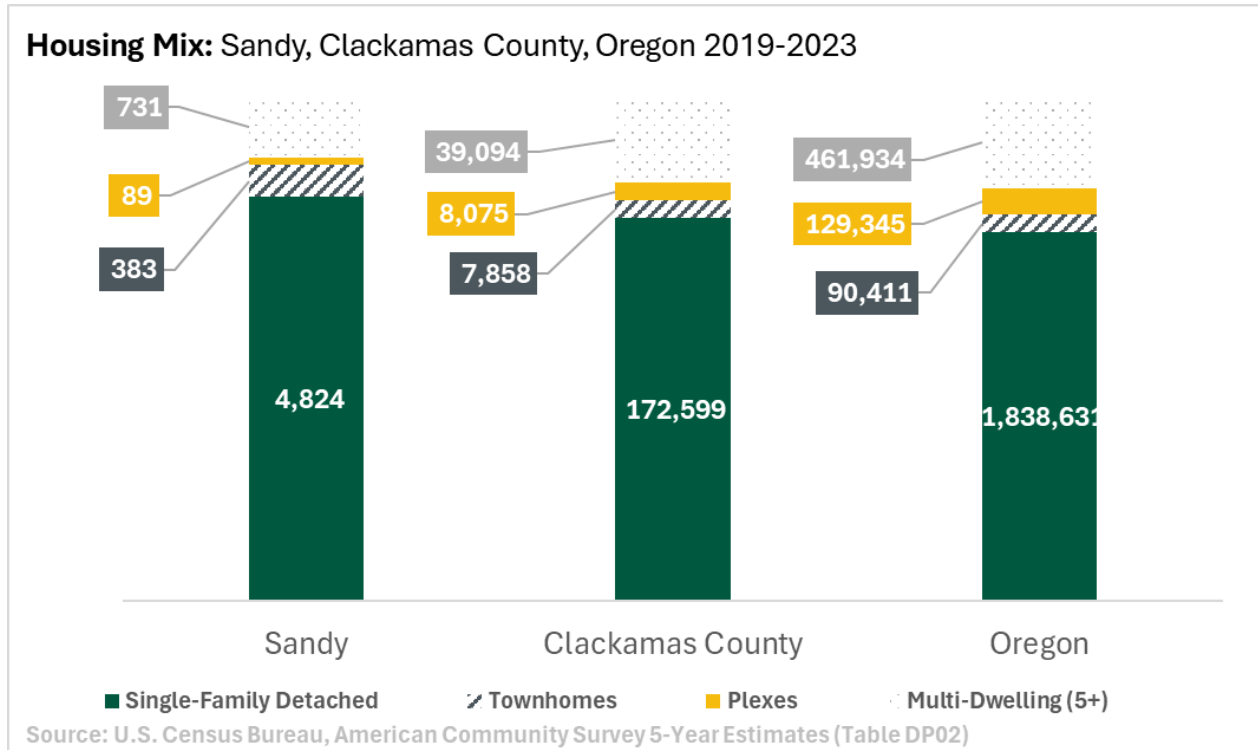
**Multi-dwelling with 5 or more units** are attached structures with five or more dwelling units per structure.

## Sandy Housing Production Strategy

### Existing Housing Stock

According to the 2019-2023 American Community Survey (ACS) from the U.S. Census, Sandy had 6,027 dwelling units, an increase of 3,948 dwelling units between 2000 and 2023. Most new housing units were single-family detached dwellings. In total, 80% of Sandy's existing housing inventory consists of single-family detached homes (**Exhibit 24**).

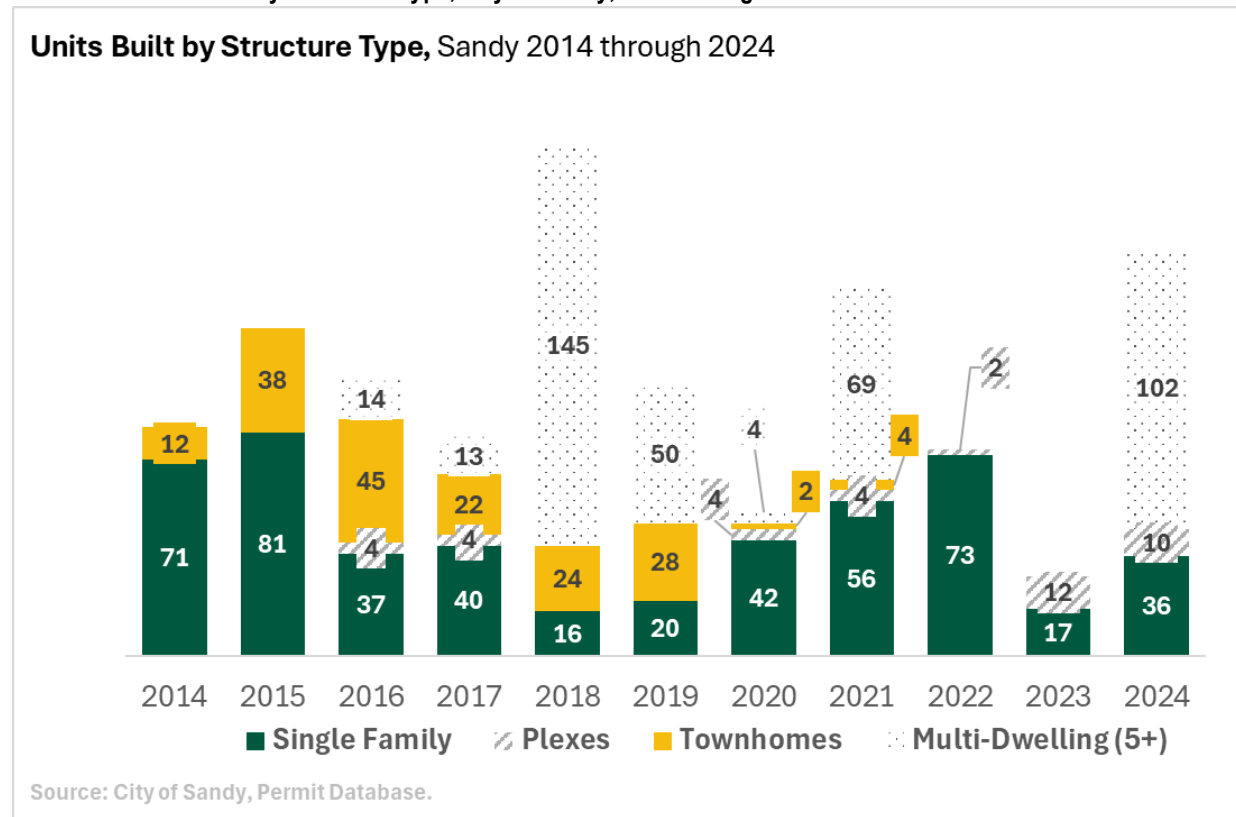
**Exhibit 24. Housing Mix, Sandy, Clackamas County, and Oregon, 2019-2023**



## BUILDING PERMITS

Over the 2014 through year-end 2024 period, 1,101 new housing units were built in the City of Sandy. Of the 1,101 units built, 44% were single-family units, 16% were townhomes, 4% were plexes, and 36% were multi-dwelling units (**Exhibit 25**).

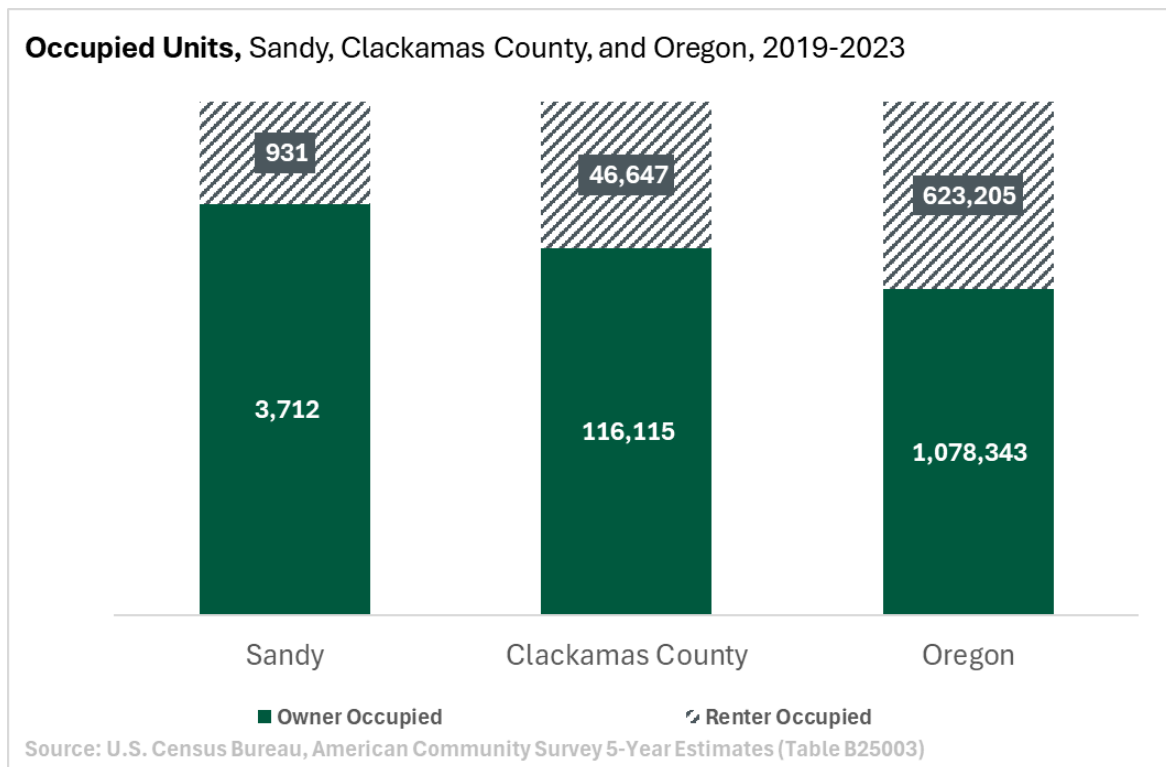
**Exhibit 25. Units Built by Structure Type, City of Sandy, 2014 through 2024**



## HOUSING TENURE

Housing tenure describes whether a dwelling is owner-occupied or renter-occupied. Currently it is estimated that approximately 8 in 10 housing units are owner occupied and 2 in 10 are renter occupied. Sandy's homeownership rate increased by twelve percentage points between 2000 and 2023. The City's home ownership rate is well above the overall rate in the County and the State (**Exhibit 26**).

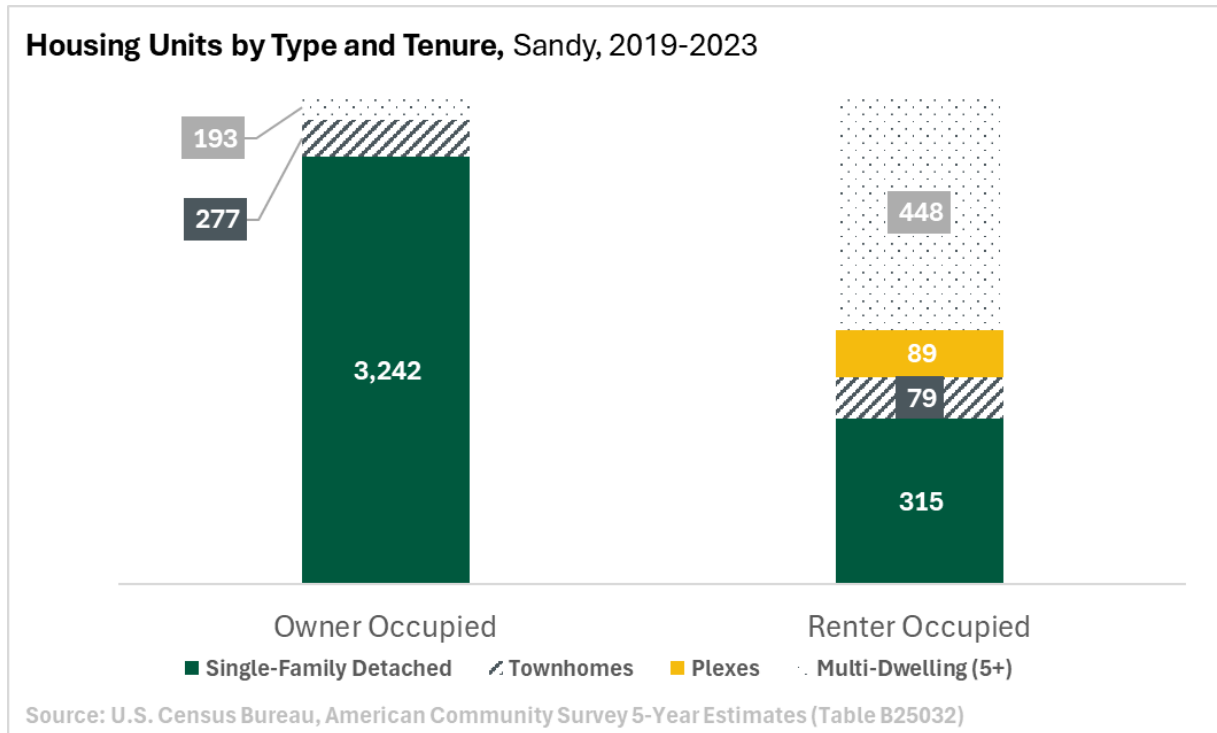
**Exhibit 26. Tenure, Occupied Units, Sandy, Clackamas County, and Oregon, 2019-2023**



## Sandy Housing Production Strategy

Most of Sandy's homeowners (87%) reside in single-family detached housing. In comparison, 34% of Sandy renters reside in single-family detached housing; 10% live in duplex, triplex, or quadplex housing; and 48% live in multi-dwellings while the remaining 8% live in townhomes (**Exhibit 27**).

**Exhibit 27. Housing Units by Type and Tenure, Sandy, 2019-2023**

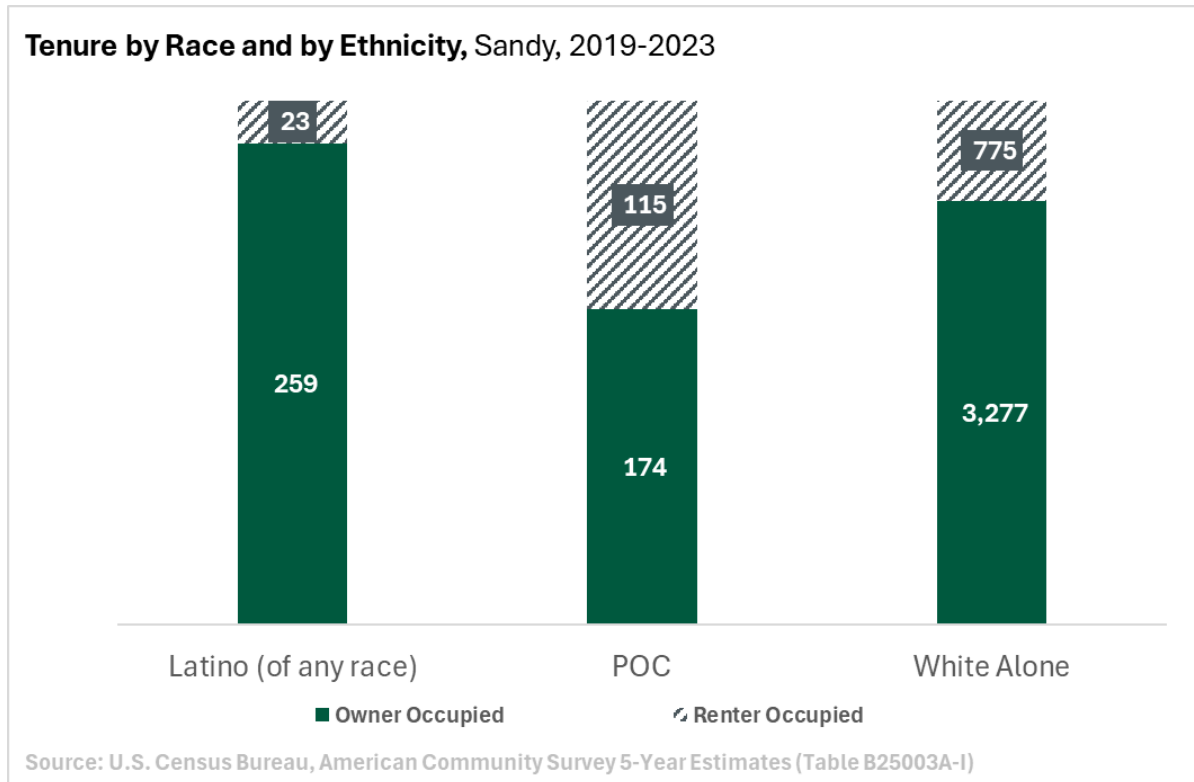




## Sandy Housing Production Strategy

An analysis of local home ownership by race and ethnicity indicates that 8 in 10 white households own their homes compared with 6 in 10 persons of color households and 9 in 10 Latino households (**Exhibit 28**).

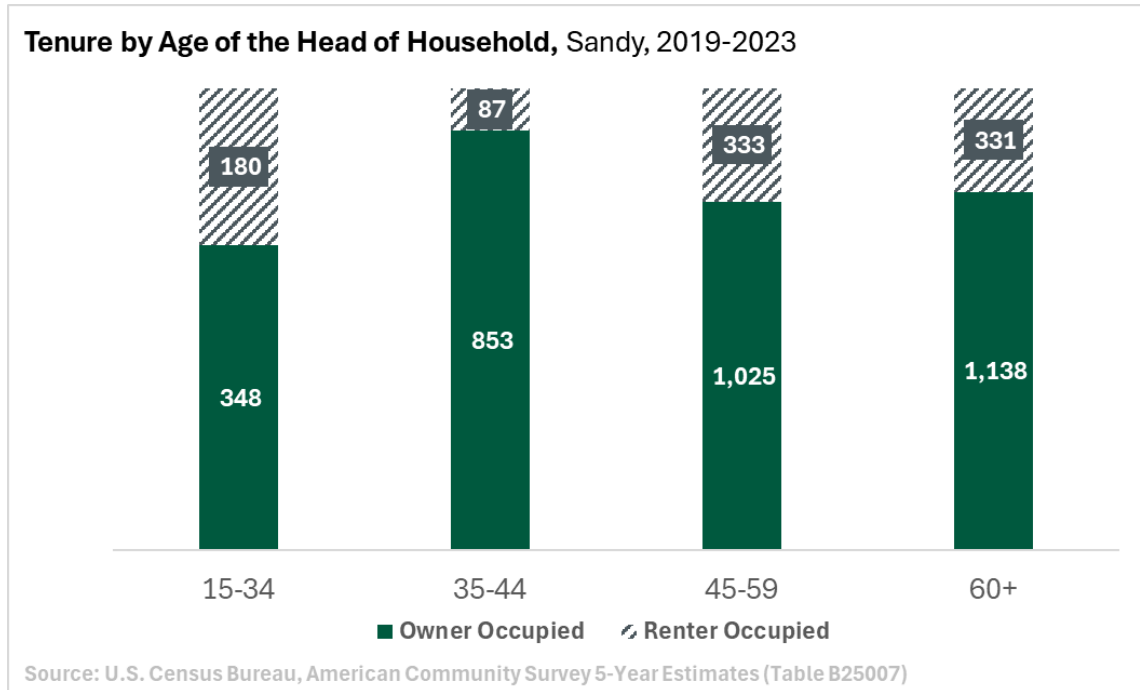
**Exhibit 28. Tenure by Race and by Ethnicity, Sandy, 2019-2023**



## Sandy Housing Production Strategy

The homeownership rate in Sandy is also high across all age groups. As would be expected, the homeownership rate is slightly lower for younger households under age 35 (**Exhibit 29**).

**Exhibit 29. Tenure by Age of the Head of Household, Sandy, 2019-2023**



### Rent-Restricted and Emergency Housing

Governmental agencies and nonprofit organizations offer a range of housing assistance to low and moderate-income households in renting or purchasing a home. There are six government-assisted housing developments in Sandy with a total of 142 dwelling units (**Exhibit 30**).

**Exhibit 30. Government-Assisted Housing, Sandy, 2022**

| Development Name              | Total Units | SRO      | Studio   | 1-bd      | 2-bd      | 3-bd      | 4-bd     |
|-------------------------------|-------------|----------|----------|-----------|-----------|-----------|----------|
| Cedar Park Gardens            | 20          | -        | -        | 18        | 2         | -         | -        |
| Country Garden Apts           | 10          | -        | -        | 10        | -         | -         | -        |
| Evans Street Senior           | 28          | -        | -        | 24        | 4         | -         | -        |
| Hummingbird Apts              | 6           | -        | -        | 6         | -         | -         | -        |
| Sandy Vista I                 | 30          | -        | -        | 10        | 8         | 12        | -        |
| Sandy Vista II                | 24          | -        | -        | -         | 10        | 10        | 4        |
| Timer Grove - Firwood Village | 24          | -        | -        | 2         | 16        | 6         | -        |
| <b>Total</b>                  | <b>142</b>  | <b>-</b> | <b>-</b> | <b>70</b> | <b>40</b> | <b>28</b> | <b>4</b> |

Source: Oregon Department of Health and Human Services, Affordable Housing Inventory in Oregon, July 2022.

## Sandy Housing Production Strategy

The Clackamas County Continuum of Care (CoC) region has 198 emergency shelter beds, 37 transitional shelter beds, and 1,447 permanently supportive housing beds supporting people experiencing homelessness in the Clackamas County region (**Exhibit 31**).

**Exhibit 31. Facilities and Housing Targeted to Households Experiencing Homelessness, Clackamas County Continuum of Care Region, 2024**

|                      | Family Units | Family Beds | Adult-Only Beds | Child-Only Beds | Total Yr-Round Beds | Subset of Total Bed Inventory |              |            |
|----------------------|--------------|-------------|-----------------|-----------------|---------------------|-------------------------------|--------------|------------|
|                      |              |             |                 |                 |                     | Chronic Beds                  | Veteran Beds | Youth Beds |
| Emergency Shelter    | 32           | 100         | 98              | -               | 198                 | n/a                           | 24           | 0          |
| Transitional Housing | 9            | 17          | 20              | -               | 37                  | n/a                           | 0            | 11         |
| Permanent Housing    | 247          | 726         | 720             | 1               | 1,447               | 182                           | 222          | 50         |
| <b>Total</b>         | <b>288</b>   | <b>843</b>  | <b>838</b>      | <b>1</b>        | <b>1,682</b>        | <b>182</b>                    | <b>246</b>   | <b>61</b>  |

Source: [https://files.hudexchange.info/reports/published/CoC\\_HIC\\_State\\_OR\\_2024.pdf](https://files.hudexchange.info/reports/published/CoC_HIC_State_OR_2024.pdf)

## MANUFACTURED HOMES

Manufactured homes provide a source of attainable housing in Sandy. They provide a form of homeownership that can be made available to low- and moderate-income households. Cities are required to plan for manufactured homes—both on lots and in parks (ORS 197.475-492). Sandy has five manufactured home parks within its UGB. Within these manufactured home parks, there are a total of 247 spaces (of which 7 spaces were vacant as of 2025) (**Exhibit 32**).

**Exhibit 32. Inventory of Mobile/Manufactured Home Parks, Sandy UGB, 2025**

| Name                       | Location               | Type   | Total Spaces | Vacant Spaces | Zone |
|----------------------------|------------------------|--------|--------------|---------------|------|
| Hood Chalet Mobile Estates | 17655 Bluff Rd Sp 1    | Family | 82           | 0             | R-3  |
| Johnston Park              | 17805 Sue Ln           | Family | 16           | 7             | R-3  |
| Knollwood Mobile Estates   | 37600 Sunset St        | Family | 52           | 0             | R-3  |
| Swiss Meadow Village       | 38595 Strawbridge Pkwy | Family | 50           | 0             | R-3  |
| Sandy Trailer Park         | 17340 University Ave   | Family | 7            | unknown       | C-2  |
| <b>Total</b>               |                        |        | <b>247</b>   | <b>7</b>      |      |

Source: OHCS, Manufactured Dwelling Park Directory, <https://Appsprod.Hcs.Oregon.Gov/Mdpcrparks/Parkdirquery.Jsp>

### People Experiencing Homelessness

Gathering reliable data from individuals experiencing homelessness is difficult precisely because they are unstably housed. People can cycle in and out of homelessness and move around communities and shelters. Moreover, the definition of homelessness can vary between communities. Individuals and families temporarily living with relatives or friends are often insecurely housed, but they are often not included in homelessness data. Even if an individual is identified as lacking sufficient housing, they may be reluctant to share information. As a result, information about people experiencing homelessness in Sandy is limited. AntFarm Youth Services, a community partner that serves the homeless population in Sandy, estimated there are 10 adults (25 and older) and 40 youth (24 and younger) experiencing homelessness in Sandy as of 2023.<sup>6</sup>

According to HUD's 2022 Annual Homeless Assessment Report (AHAR), across the United States, the number of people experiencing homelessness increased slightly (less than one percent) between 2020 and 2022.<sup>7</sup> This increase reflects a 3% increase in people experiencing *unsheltered* homelessness, offset by a 2% decline in people experiencing *sheltered* homelessness. However, between 2021 and 2022, *sheltered* homelessness increased by 7%, possibly due to the easing of pandemic-related restrictions that resulted in fewer beds available and declines in the perceived health risks of staying in a shelter. The following exhibits provide more localized estimates of homelessness in Sandy's region.

About 571 sheltered and unsheltered people were identified as experiencing homelessness in Clackamas County in 2022 (**Exhibit 33**).

#### Homelessness Data Sources

**Point-in-Time (PIT) count:** The PIT count is a snapshot of individuals experiencing homelessness on a single night in a community. The count records the number and characteristics of people who live in emergency shelters, transitional housing, rapid rehousing, Safe Havens, or PSH—as well as recording those who are unsheltered.

**McKinney Vento data:** This data records the number of school-aged children who live in shelters or hotels/motels and those who are doubled up, unsheltered, or unaccompanied. This is a broader definition of homelessness than that used in the PIT.

Although these sources of information are known to undercount people experiencing homelessness, they are consistently available for counties in Oregon.

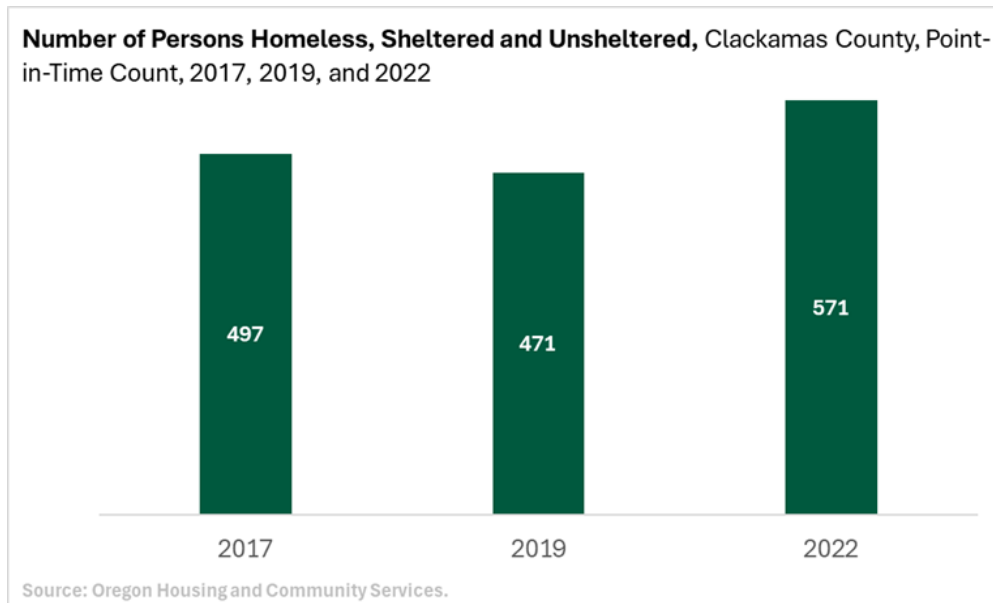
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<sup>6</sup> These numbers are for all of the Sandy zip code and not necessarily within city limits.

<sup>7</sup> From 2020 and 2022 the number of people in the US increased 0.6%. The proportion of people experiencing homelessness compared to the total US population stayed about the same.

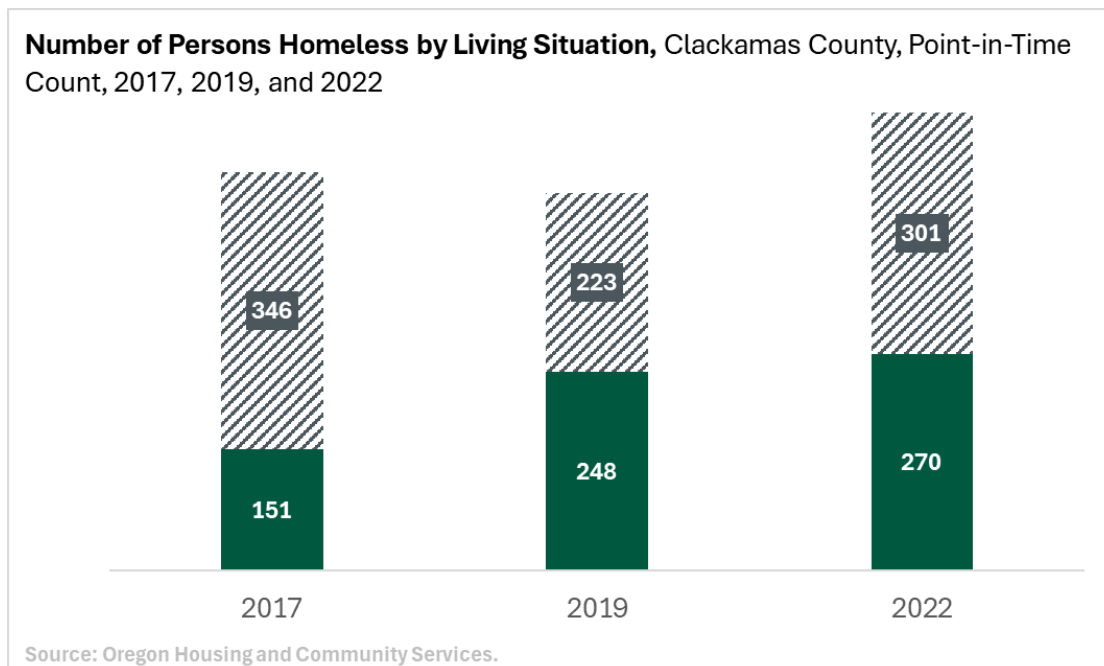
## Sandy Housing Production Strategy

**Exhibit 33. Number Homeless, Sheltered and Unsheltered, Clackamas County, Point-in-Time Count, 2017, 2019, and 2022**



In 2022, 47% of people experiencing homelessness were sheltered (270 people) and 53% were unsheltered (301 people)(**Exhibit 34**). AntFarm, a nonprofit serving the homeless population in Sandy, estimate that there were 10 adults experiencing homelessness in Sandy in 2023.

**Exhibit 34. Number of Persons Homeless by Living Situation, Clackamas County, Point-in-Time Count, 2017, 2019, and 2022**

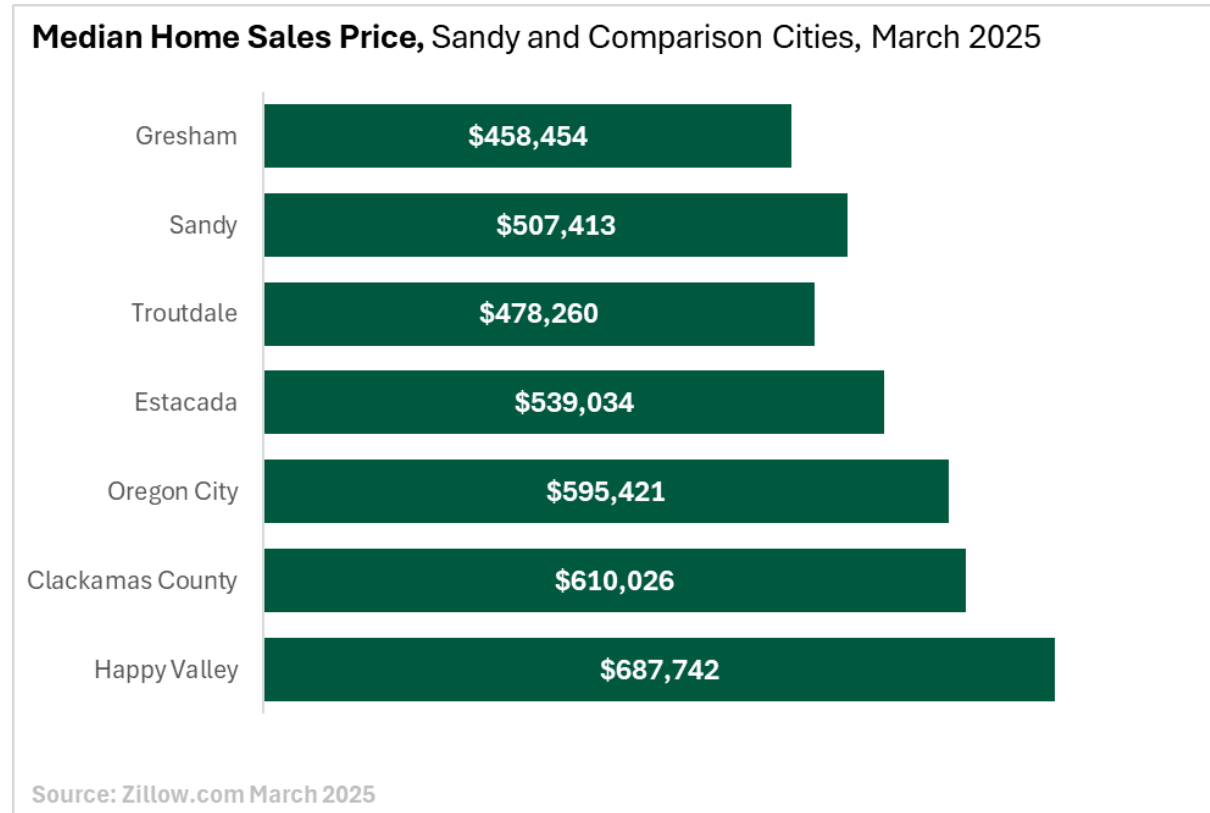


## Sandy Housing Production Strategy

### Housing Affordability Considerations

This section describes changes in sales prices, rents, and housing affordability in Sandy and a comparison of geographies. Both housing sale prices and rents have increased in Sandy and the greater region over the last several years. As shown below in **Exhibit 35**, Sandy's median home sales price was \$507,413 in February 2024.

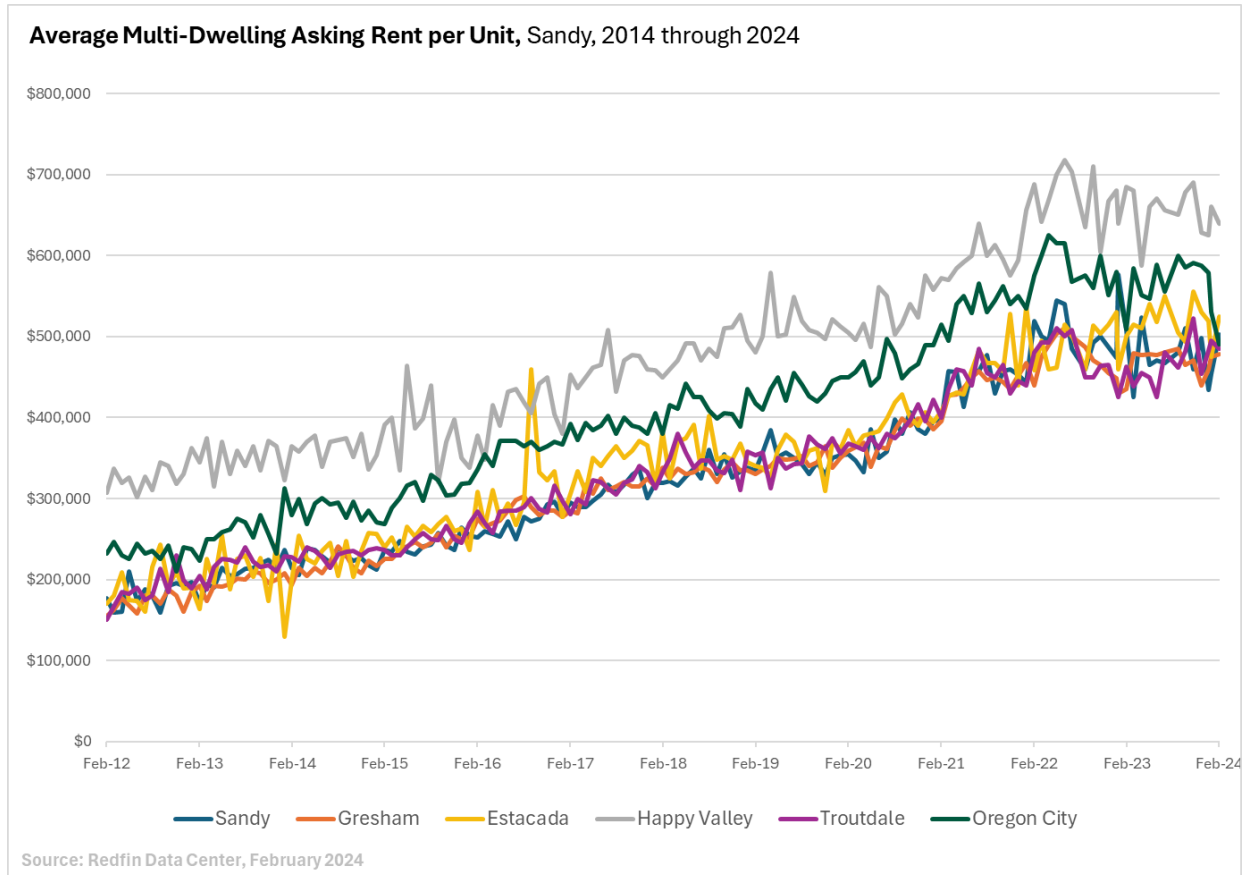
**Exhibit 35. Median Home Sales Price, Sandy and Comparison Cities, February 2024**



## Sandy Housing Production Strategy

Sandy's median home sales price increased by \$287,000 (133%), from \$215,000 in February 2014 to \$502,000 in February 2024 (**Exhibit 36**).

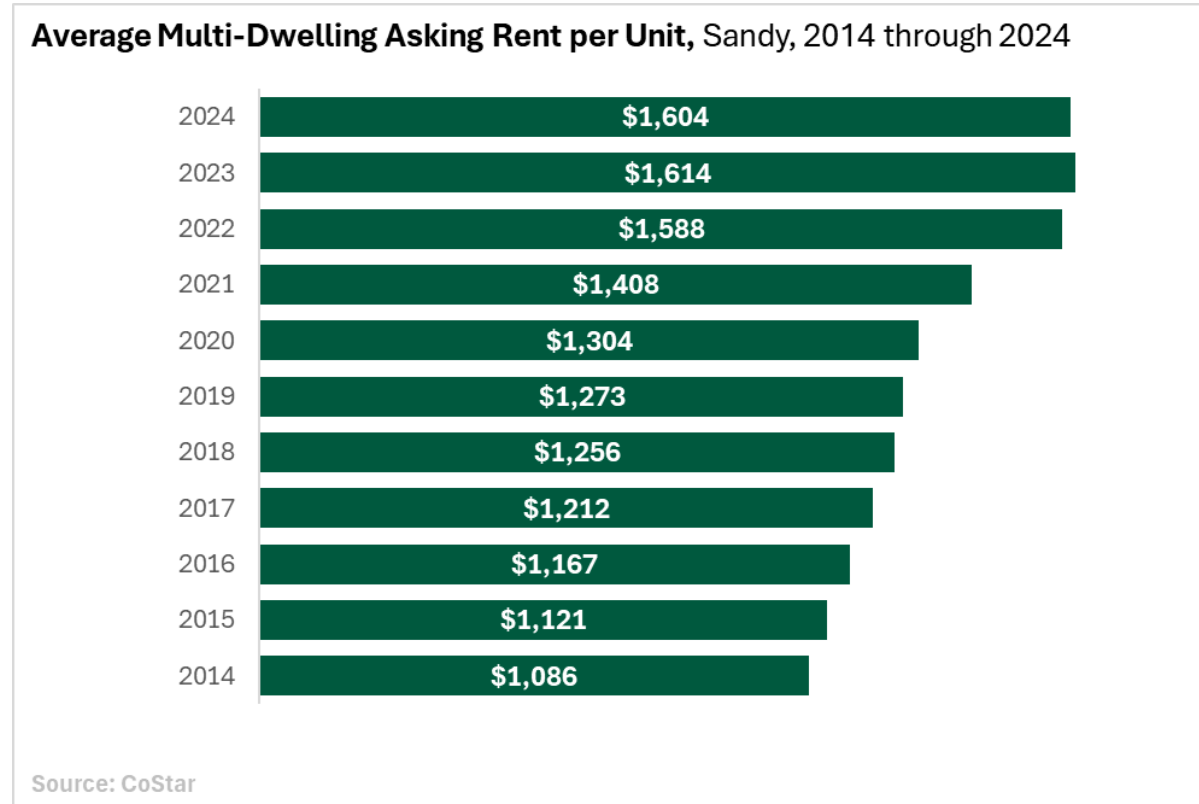
**Exhibit 36. Median Sales Price, Sandy and Comparison Cities, Feb 2014 through Feb 2024**



## Sandy Housing Production Strategy

The average monthly rental rate per multi-dwelling unit in Sandy has increased over the past decade. Between 2014 and 2023, Sandy's average multi-dwelling asking rent increased by nearly 50% from \$1,086 per month to \$1,614 per month (**Exhibit 37**).

**Exhibit 37. Average Multi-Dwelling Asking Rent per Unit, Sandy, 2014 through 2023**

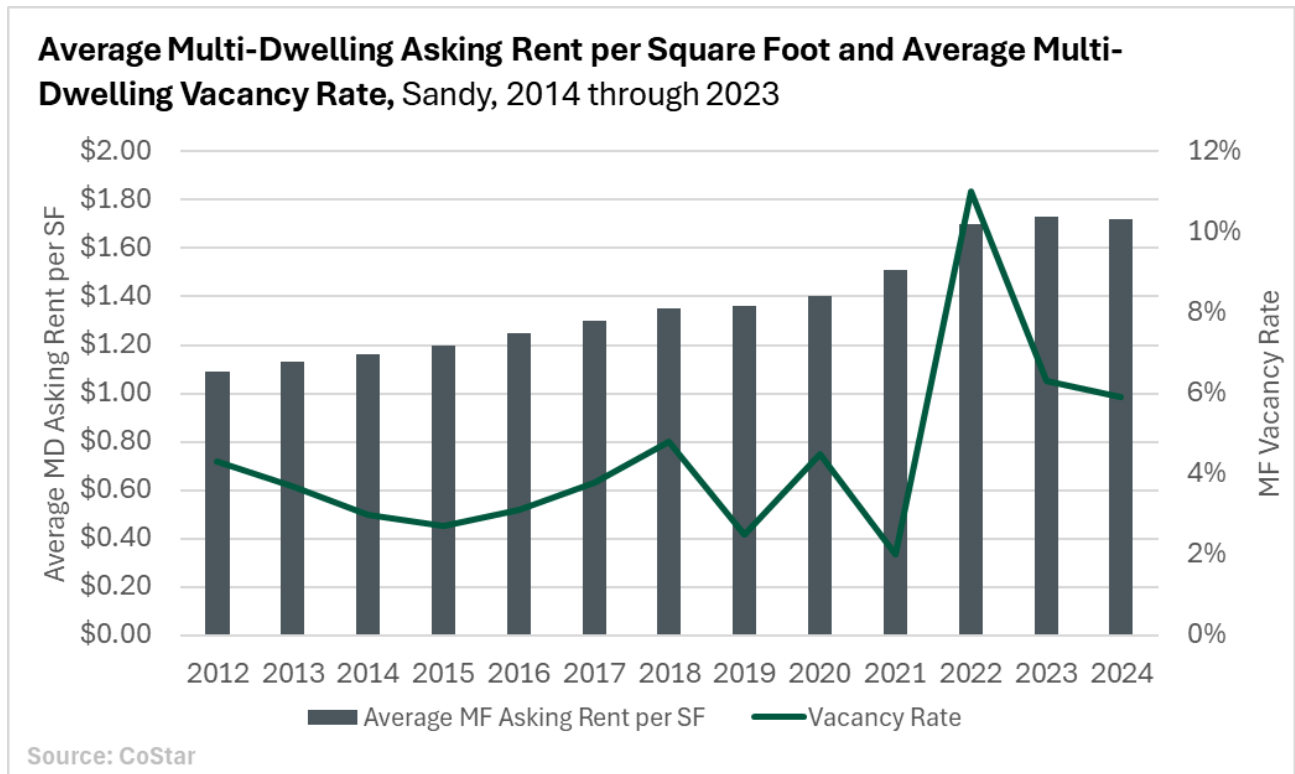




## Sandy Housing Production Strategy

In 2023, Sandy's average multi-dwelling asking rent was \$1.73 per square foot, up from \$1.16 per square foot in 2014 – a 49% increase. During that period of time, according to Costar data, Sandy's multi-dwelling vacancy rate increased from 3.0% in 2014 to 6.3% in 2023. The recent increase in vacancy is likely attributable to new multi-unit developments coming online that have since increased the supply of apartments (**Exhibit 38**).

**Exhibit 38. Average Multi-Dwelling Asking Rent per Square Foot and Average Multi-Dwelling Vacancy Rate, Sandy, 2014 through 2023**



### Housing Cost Burden

Median home sale prices increased 136% between February 2014 and February 2025, from \$215,000 to \$507,000. Between 2014 and 2023, Sandy's average multi-dwelling asking rent increased 49% from \$1,086 per month to \$1,614 per month, excluding utilities. Sandy's median household income increased 60% from \$63,000 in 2000 to \$102,000 in 2023 (inflation adjusted).

Financially attainable housing costs for households across the income spectrum in Clackamas County were identified in **Exhibit 1**. For example, a household earning median family income in Clackamas County (about \$117,000 per year) can afford a monthly rent of about \$2,920 or a home roughly valued between \$321,000 and \$380,000 without cost burdening themselves.

In Sandy, a household needs to earn about \$155,000 (132% of MFI for a family of four) to afford the median sales price of \$507,000 for a home in Sandy. A household would need to earn about \$74,000

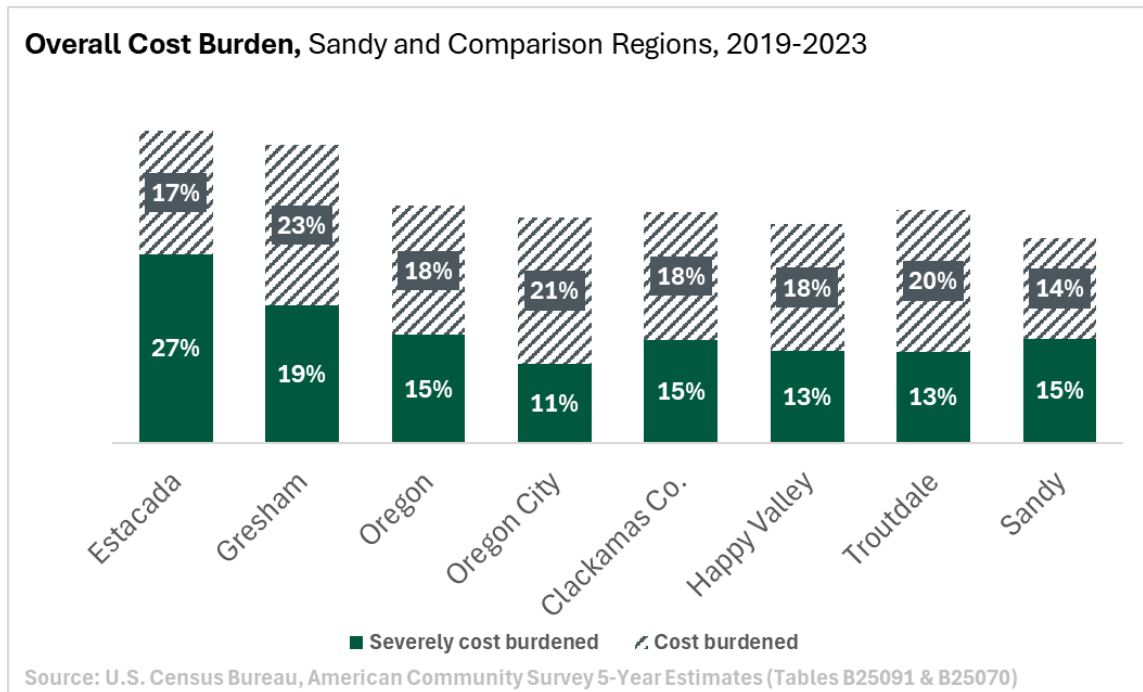
## Sandy Housing Production Strategy

(about 63% of MFI) to afford the average asking rent for multi-dwelling housing plus basic utilities of \$1,850.<sup>8</sup>

Because the local housing market cannot produce income-restricted, subsidized affordable housing at sufficient levels – and because it cannot often produce middle income/workforce housing without some type of public subsidy, nearly 3 out of 10 households in Sandy are cost burdened. A household is defined as cost burdened if their housing costs exceed 30% of their gross income. A household that spends 50% or more of their gross income on housing costs is said to be severely cost burdened.

As shown in **Exhibit 39**, in 2023, 29% of all households in Sandy were cost burdened, which is less than Clackamas County (33%) and lower than the state average (34%).

**Exhibit 39. Housing Cost Burden, Sandy, Clackamas County, Oregon, Other Comparison Cities, 2019-2023**

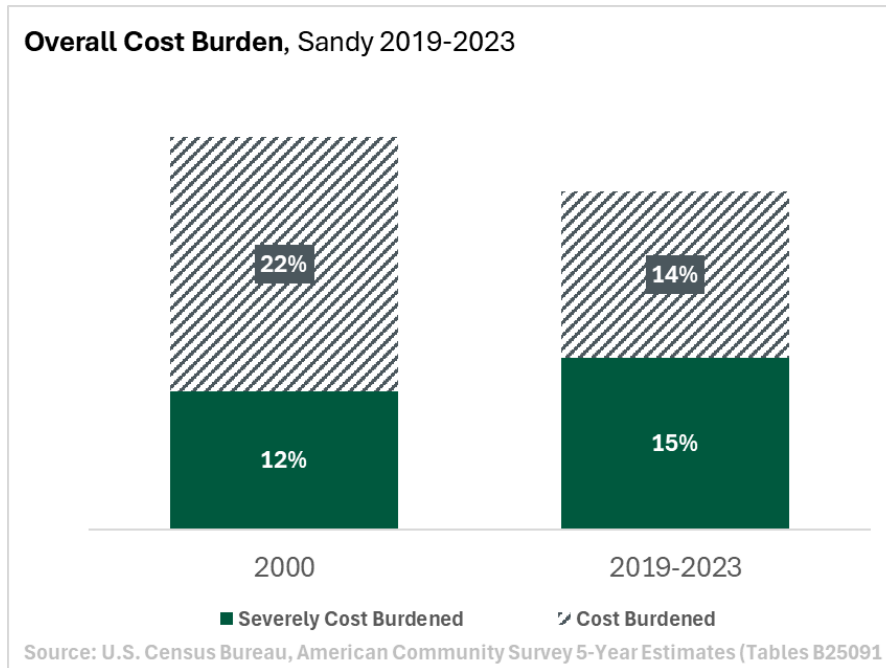


<sup>8</sup> Average asking rent was about \$1,590 in 2022 according to Costar. This analysis assumed \$250 per month for utilities for a total housing cost of \$1,850.

## Sandy Housing Production Strategy

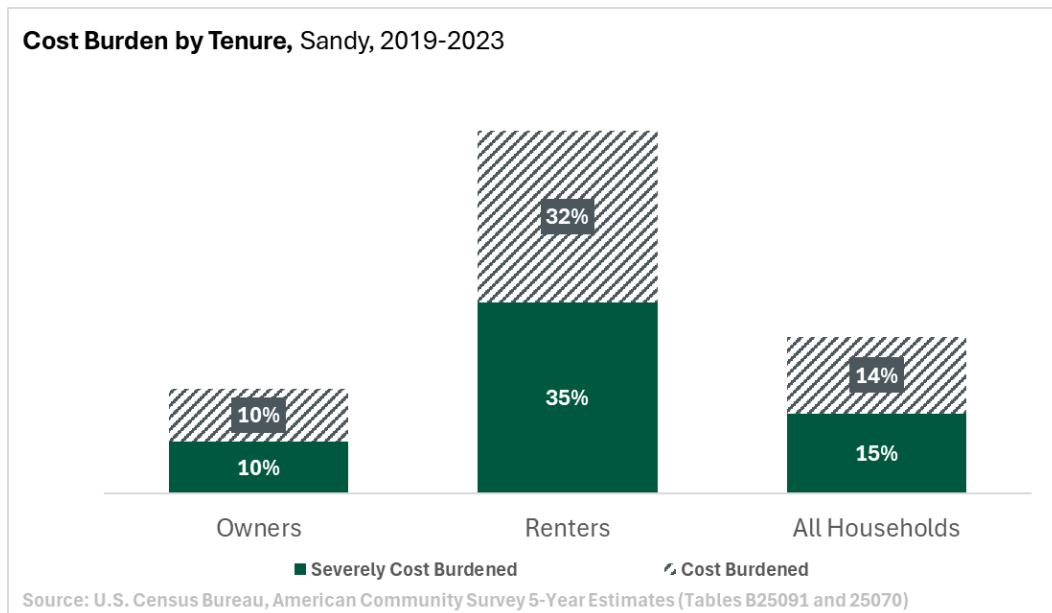
From 2000 to 2022 the number of cost-burdened households decreased by 5% (**Exhibit 40**).

**Exhibit 40. Change in Housing Cost Burden, Sandy, 2000 to 2019-2023**



Renters in Sandy are much more likely to be cost burdened than homeowners. About 67% of Sandy's renters were cost burdened or severely cost burdened, compared to 19% of homeowners. 32% of Sandy's renters were severely cost burdened. Severely cost burden means households pay over 50% of their income on housing costs alone (**Exhibit 41**).

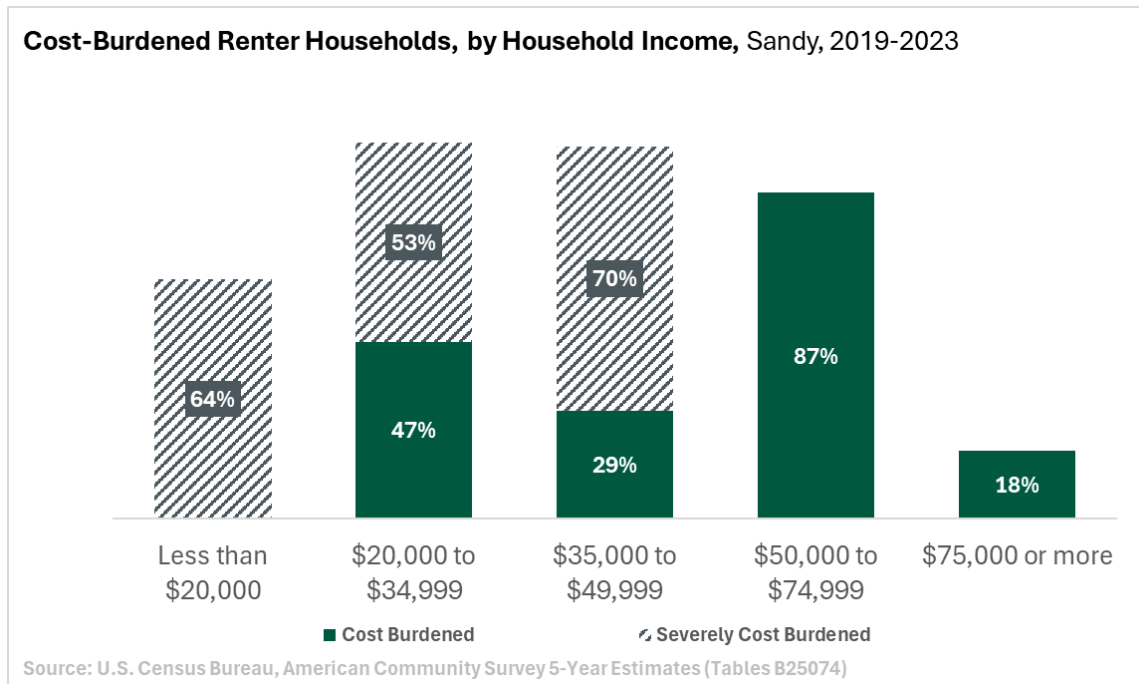
**Exhibit 41. Housing Cost Burden by Tenure, Sandy, 2019-2023**



## Sandy Housing Production Strategy

As would be expected, cost burden is highest for renter households with the lowest incomes. Most renter households earning less than \$50,000 are cost burdened, with a significant share of those households experiencing severe cost burden. In 2023, 64% of renter households that earn less than \$20,000 were severely cost burdened. Cost burden is significantly less among renter households earning \$75,000 or more (**Exhibit 42**).

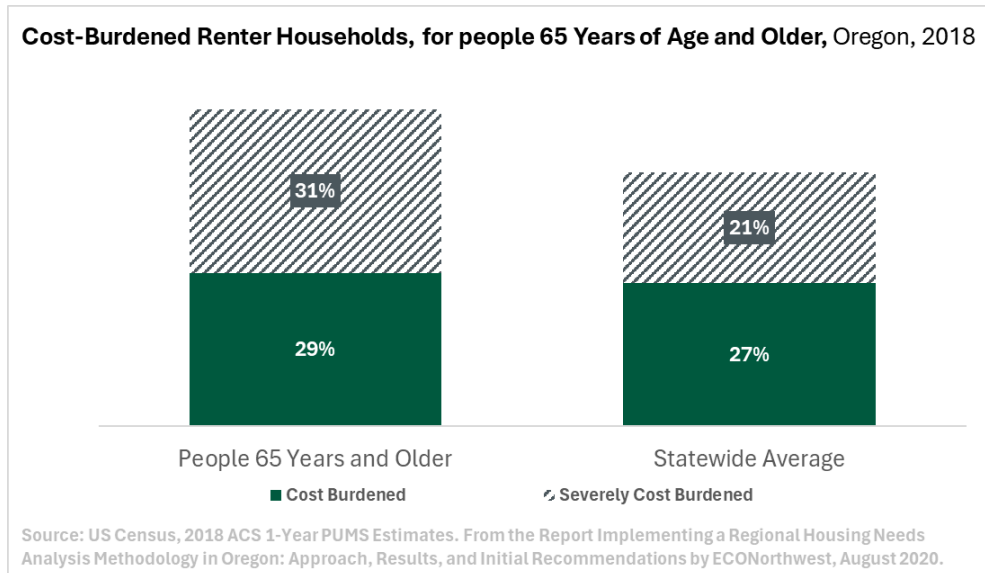
**Exhibit 42. Cost-Burdened Renter Households, by Household Income, Sandy, 2019-2023**



**Exhibit 43 through Exhibit 45** show cost burden in Oregon for renter household subgroups, including seniors, people of color, and people with disabilities.<sup>9</sup> This data is not currently available for a city with a population as small as Sandy, which is why we present statewide information. Overall, this analysis indicates that these demographic subgroups experience cost burden at a relatively higher rate than the overall average.

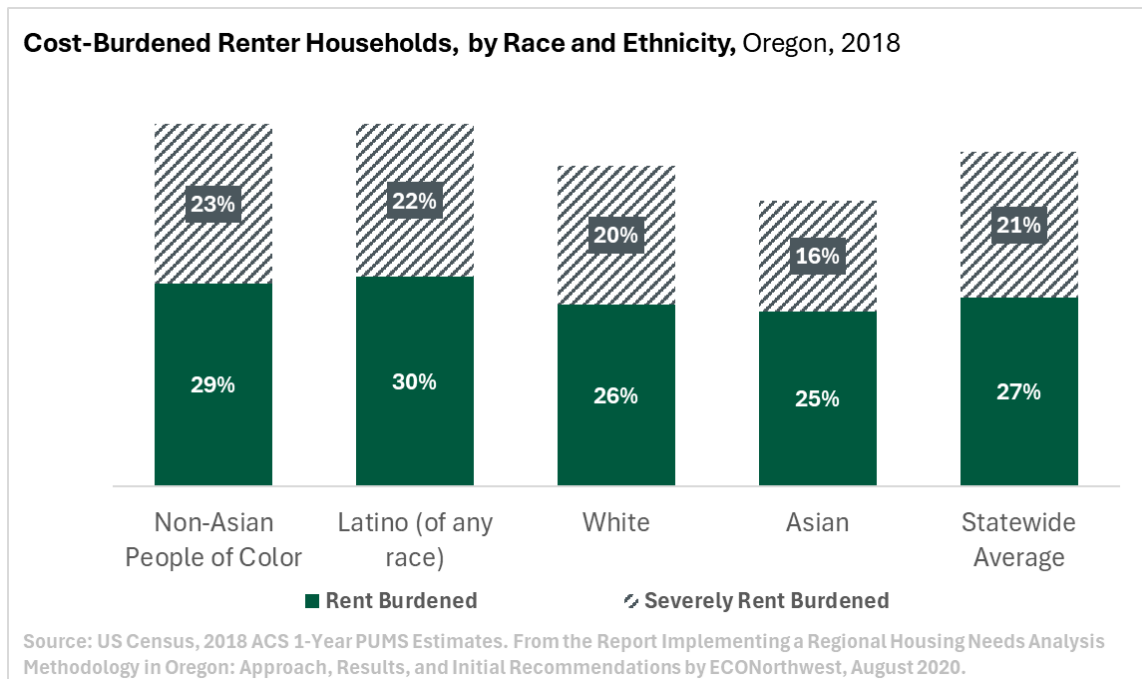
<sup>9</sup> From the report *Implementing a Regional Housing Needs Analysis Methodology in Oregon*, prepared for Oregon Housing and Community Services by ECONorthwest, March 2021.

**Exhibit 43. Cost-Burdened Renter Households, for People 65 Years of Age and Older, Oregon, 2018**



Compared to the average renter household in Oregon, those that identified as a non-Asian person of color or as Latino of any race were disproportionately rent burdened (**Exhibit 44**).

**Exhibit 44. Cost-Burdened Renter Households, by Race and Ethnicity, Oregon, 2018**



## Sandy Housing Production Strategy

People with a disability who are renters in Oregon are also disproportionately cost burdened (**Exhibit 45**).

Exhibit 45. Cost-Burdened Renter Households, for People with Disabilities, Oregon, 2018

