



City of Tualatin

CITY OF TUALATIN Staff Report

TO: Tualatin Planning Commissioners
THROUGH: Steve Koper, Assistant Community Development Director
FROM: Karen Perl Fox, Senior Planner
DATE: 12/10/20

SUBJECT:

Discussion on and Introduction to Tualatin's Housing Production Strategy.

EXECUTIVE SUMMARY:

The Tualatin Planning Commission will be presented an overview of a Housing Production Strategy, its purpose, and what input is needed from the Planning Commission.

- **What is Housing Production Strategy (HPS)?** It is a document that would be adopted by the City that includes a list analyzing specific actions for policymakers to consider to help Tualatin meet the housing needs identified in its 2019 Housing Needs Analysis and through public outreach. These actions could be regulatory – increasing buildings heights or density – or financial – provide tax exemption or abatement for affordable housing – or newly adopted policy.
- **Why adopt a Housing Production Strategy?** As part of the Tualatin 2040 project, which is intended to address an ongoing need for housing in Tualatin, it will help implement the 2019 Housing Needs Analysis and other pieces of the newly updated Housing Element of the Comprehensive Plan. Actions from the Housing Production Strategy could also help support the middle housing code update being done as part of Tualatin's House Bill 2001 work.
- **What input is needed on the Housing Production Strategy?** The Presentation (Attachment A) provides an overview and the Memo (Attachment B) provides more detail. Based on this information:
 - Are there any key housing needs missing? Any questions?
 - Do you agree with the broad categories of strategies? Any questions?
 - Are there any missing strategies, measures or actions?
 - Which strategy or strategies do you want to know more about?

MORE INFORMATION ABOUT THE PROJECT:

How does the HPS relate to the HNA?

The HPS is a separate effort, but builds upon the HNA, Housing Strategies and Policy Priorities produced under Tualatin 2040 work in 2019. The HPS can expand upon that earlier work to promote the development of identified housing needs and must achieve fair and equitable housing outcomes.

The City of Tualatin completed its first HNA in 2019, which was acknowledged and accepted by City Council on December 9, 2019 under Resolution No. 5479-19. Tualatin's HNA is an assessment of housing need and capacity that includes the inventory, determination and analysis required under OAR 660-007 (the Metropolitan Housing Rule). The new revised rules in OAR 660-008 now refer to an HNA as a Housing Capacity Analysis (HCS), which is the same as an HNA. To meet the new requirements under House Bill 2003, the City is required to adopt an HNA and incorporate it into its comprehensive plan by ordinance. The adoption of the HNA into the City's Comprehensive Plan is currently scheduled to come before City Council at its meeting on December 14, 2020.

What is the timeline for the HPS grant?

This project kicked-off in late September 2020 and must be completed by June 15, 2021. The City may be able to continue some aspects of the HPS that go beyond the grant work after June 2021. The HPS grant project timeline is provided with this report. **See Attachment D.**

What are the key tasks for the HPS?

- Task 1 - Project Kick Off
- Task 2 - Contextualized Housing Need and Engagement
- Task 3 - Strategies to Meet Future Housing Need
- Task 4 - HPS Report: Achieving Fair and Equitable Housing Outcomes

For additional detail on the key tasks, **See Attachment C** (under Exhibit A Statement of Work pages 16-20).

Background

In 2019 the Oregon Legislature passed Housing Bill 2003, a law to ensure that communities meet the diverse housing needs of Oregonians. The law requires Oregon's medium and large cities with over 10,000 people to study the future housing needs of their residents and to develop strategies to make sure the housing needed is produced.

House Bill 2003 requires cities with over 10,000 people to analyze what housing is needed for current and future residents based on an understanding of housing needs in the context of household income and demographics (such as housing needs of senior households, racial and ethnic minority housing needs, and the housing needs of people with disabilities). The bill requires each city to adopt a housing production strategy within one year of completing the analysis. The housing production strategy will describe policies and programs that the City intends to develop and adopt over the next six years.

On June 8, 2020, City of Tualatin was awarded a grant from the Oregon Department of Land Conservation and Development (DLCD) to develop a prototype Housing Production Strategy (HPS) - one of four HPS prototypes across the state. On September 14, 2020, City Council adopted Resolution No.5520-20 authorizing the City Manager to execute an intergovernmental agreement with DLCD for grant assistance

with a Housing Production Strategy and Housing Code Update. Under the grant, DLCD matched the City of Tualatin with consultant, ECONorthwest, to help with this work. The scope of work and contract with DLCD for this grant is provide with report. **See Attachment C.**

In November 2020, the Land Conservation and Development Commission (LCDC) passed revisions to Oregon Administrative Rules (OAR) 660-008 to implement the requirements of developing a HPS, as described in House Bill 2003. The newly adopted rules require cities to develop housing production strategies to achieve fair and equitable housing outcomes.

HPS Progress to Date (October-November 2020):

Task 2 - Contextualized Housing Need and Engagement

- Initial steps have focused on data compilation and information gathering on outreach and engagement conducted to date.
- The PowerPoint presentation prepared by ECONorthwest summarizes the key background data, outreach and engagement efforts conducted to date that will inform the housing production strategies. **See Attachment A.**

Task 3 - Strategies to Meet Future Housing Need

Evaluation of Existing Measures and Identification of Gaps and Summary

- City staff and consultant reviewed Tualatin’s existing housing measures including the Tualatin 2040 housing strategies and existing code and then they identified gaps. Next, they reviewed approximately one hundred potential housing production strategies from an extensive list provided by DLCD. The new measures were reduced down in number to those most applicable to meet the housing needs in Tualatin. Next, the measures will be refined, further developed and evaluated.
- A memo prepared by ECONorthwest titled “Tualatin’s Existing Housing Measures and Potential New Measures” describes the process that was involved to review existing housing measures and to identify new measures for consideration. The memo includes a table that lists and summarizes the new measures under consideration. **See Attachment B.**
- Next, City staff and consultant will work with the Planning Commission to reduce the list of measures down to approximately twenty to take to the next level of consideration.

Next Steps:

Task 2 - Contextualized Housing Need work continues

Task 3 - Strategy Refinement

- Outreach and Engagement with Housing Producers and Service Providers

Upcoming TPC Meetings with HPS: February 18, 2021, March 18, 2021, May 20, 2021

ATTACHMENTS:

- Attachment A: Presentation
- Attachment B: Memo on Tualatin’s Housing Measures and Gaps from ECONorthwest
- Attachment C: Scope and Contract 19122 under DLCD Grant for Tualatin’s HPS
- Attachment D: Project Schedule under DLCD Grant for Tualatin’s HPS