

The background image shows a park-like setting with lush green trees, a large stone monument in the foreground, and a bird in flight in the upper center. A semi-transparent yellow box is overlaid on the center of the image, containing the text.

**Housing Needs
Analysis 101
Tualatin Planning
Commission
October 18, 2023**



Tonight's Presentation

- What's a Housing Needs Analysis (HNA)?
- Opportunities for Needed Housing
- What Tualatin's HNA Found
- Developing the Housing Strategies
- Implementing the HNA
- Tualatin's Next HNA
- A New Regional Approach
- Summary and Questions



What's a Housing Needs Analysis

A Housing Needs Analysis (HNA):

1. Projects new housing units needed in the next 20 years, using Metro's adopted forecast
2. Examines demographic and socioeconomic trends related to housing need
3. Identifies types of housing likely to be affordable based on household income
4. Determines whether Tualatin has enough land to accommodate growth by Zone.
5. Provides strategies and recommendations for changes to housing policies



Opportunities for Needed Housing

Single-Family Detached

Single-family detached
Manufactured & mobile homes
Cottage Housing



Multifamily (3+ Units per Structure in Tualatin)

Tri- and 4-Plexes
Apartments – owner & renter occupied



Single-Family Attached





Findings

Buildable Lands Inventory

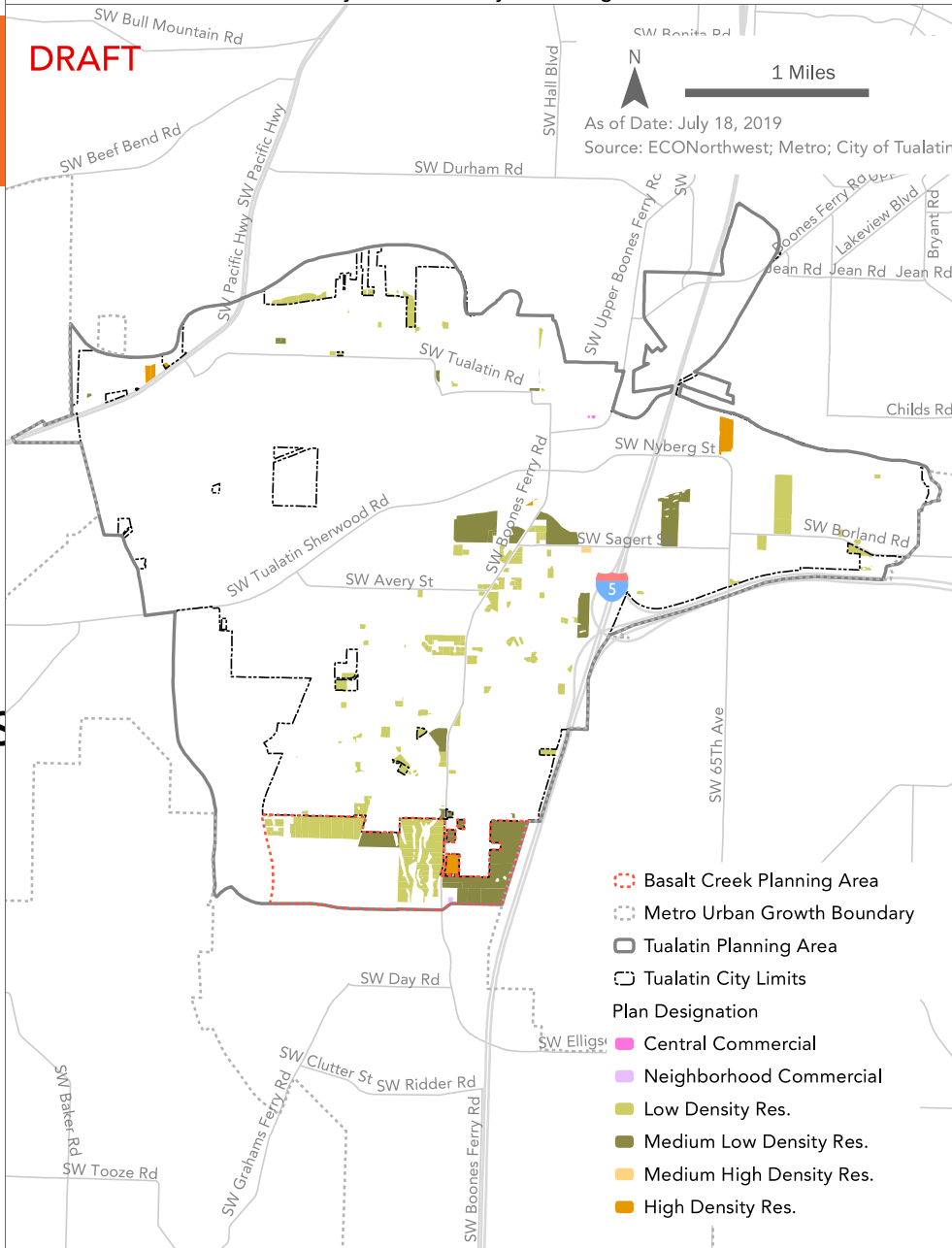
Low Density: 162 acres

Medium Low: 142 acres

Medium High: 1 acres

High Density: 17 acres

High High Rise: 0 acres





Findings: Buildable Land Inventory

| Plan Designation | Total Acres | Acres on Vacant/Partially Vacant Lands | Acres in Basalt Creek |
|-------------------------|--------------------|---|----------------------------------|
| Low Density | 162 acres | 86 acres | 76 acres |
| Medium Low | 142 acres | 73 acres | 69 acres |
| Medium High | 1 acre | 1 acre | 0 acres |
| High Density | 17 acres | 12 acres | 5 acres |
| High High Rise | 0 acres | 0 acres | 0 acres |



Finding: Future Housing Needs

| Variable | Mix of New Dwelling Units (2020-2040) |
|---|---------------------------------------|
| Needed new dwelling units (2020-2040) | 1,014 |
| Dwelling units by structure type | |
| Single-family detached | |
| Percent single-family detached DU | 40% |
| <i>equals</i> Total new single-family detached DU | 406 |
| Single-family attached | |
| Percent single-family attached DU | 15% |
| <i>equals</i> Total new single-family attached DU | 152 |
| Multifamily | |
| Percent multifamily | 45% |
| Total new multifamily | 456 |
| <i>equals</i> Total new dwelling units (2020-2040) | 1,014 |



Finding: Housing Capacity Results

| Residential Plan Designations | Dwelling Units | | |
|----------------------------------|------------------------------|-------------------------------|---------------------|
| | Capacity (in City Limits) | Capacity (in Basalt Creek) | Capacity (Total) |
| Low Density | 485 | 134 | 619 |
| Medium Low Density | 802 | 374 | 1,176 |
| Medium High Density | 17 | - | 17 |
| High Density | 245 | 67 | 312 |
| High Density / High-Rise | - | - | - |
| Total | 1,549 | 575 | 2,124 |

Note: The *Basalt Creek Concept Plan* informed capacity results for the Basalt Creek Planning Area.



Finding: Affordability

If your household earns....

\$24,000

(30% of MFI)

\$41,000

(50% of MFI)

\$65,000

(80% of MFI)

\$81,000

(100% of MFI)

\$98,000

(120% of MFI)

Then you can afford....

\$600

monthly rent

\$1,018

monthly rent

\$1,625

monthly rent

\$2,025

monthly rent

\$2,450

monthly rent

OR

OR

OR

OR

**\$123,000-
\$144,000**

home sales price

**\$228,000-
\$260,000**

home sales price

**\$284,000-
\$324,000**

home sales price

**\$343,000-
\$392,000**

home sales price



Cashier
\$25,930



Postal Carrier
\$42,240



Landscape
Architect
\$62,860



Real Estate
Manager
\$81,830



Electrical
Engineer
\$96,550



Nursing Assistant
\$32,350



Teacher
\$55,150



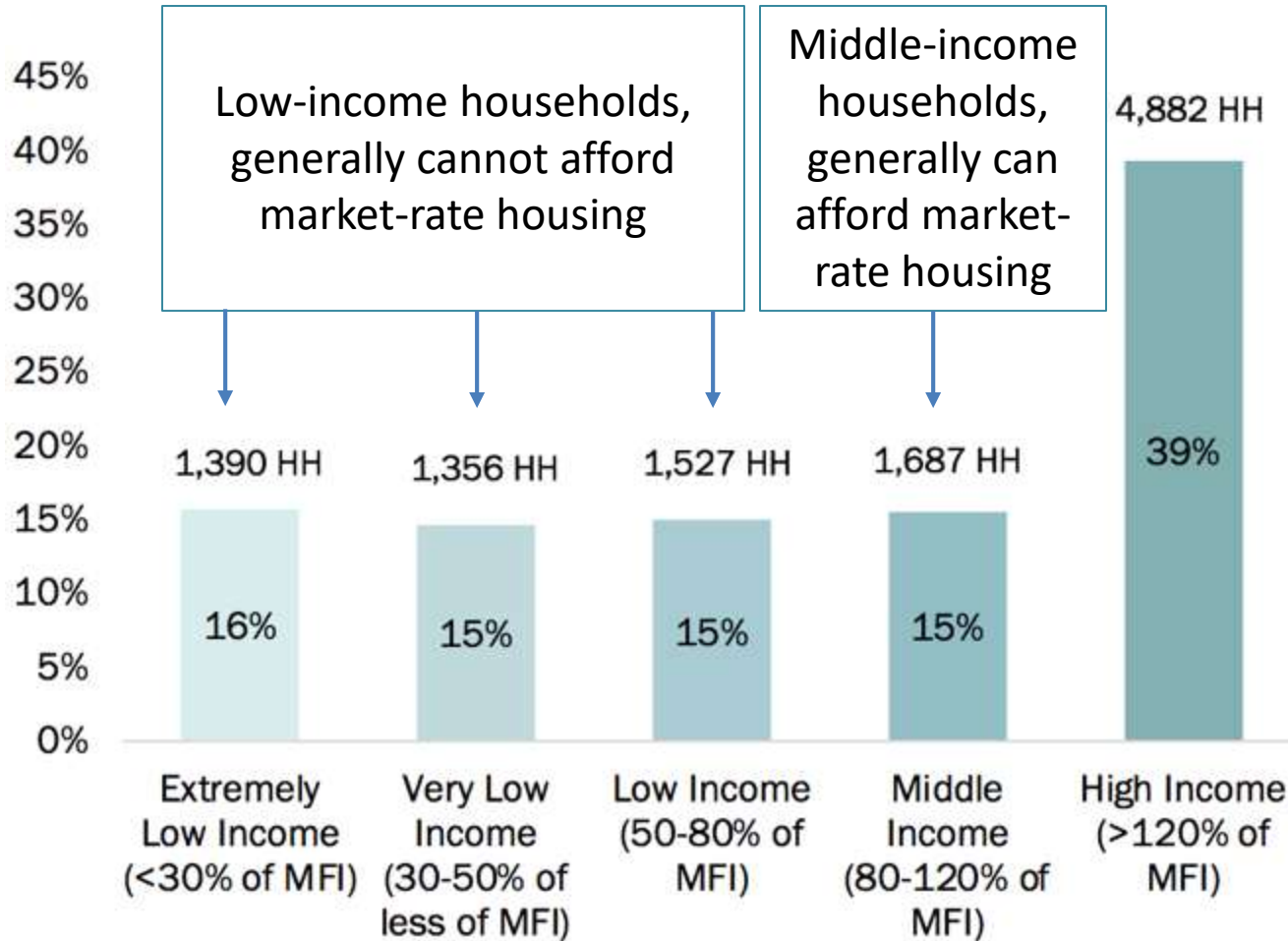
Police Officer
\$73,400



Financial Analyst
\$90,180

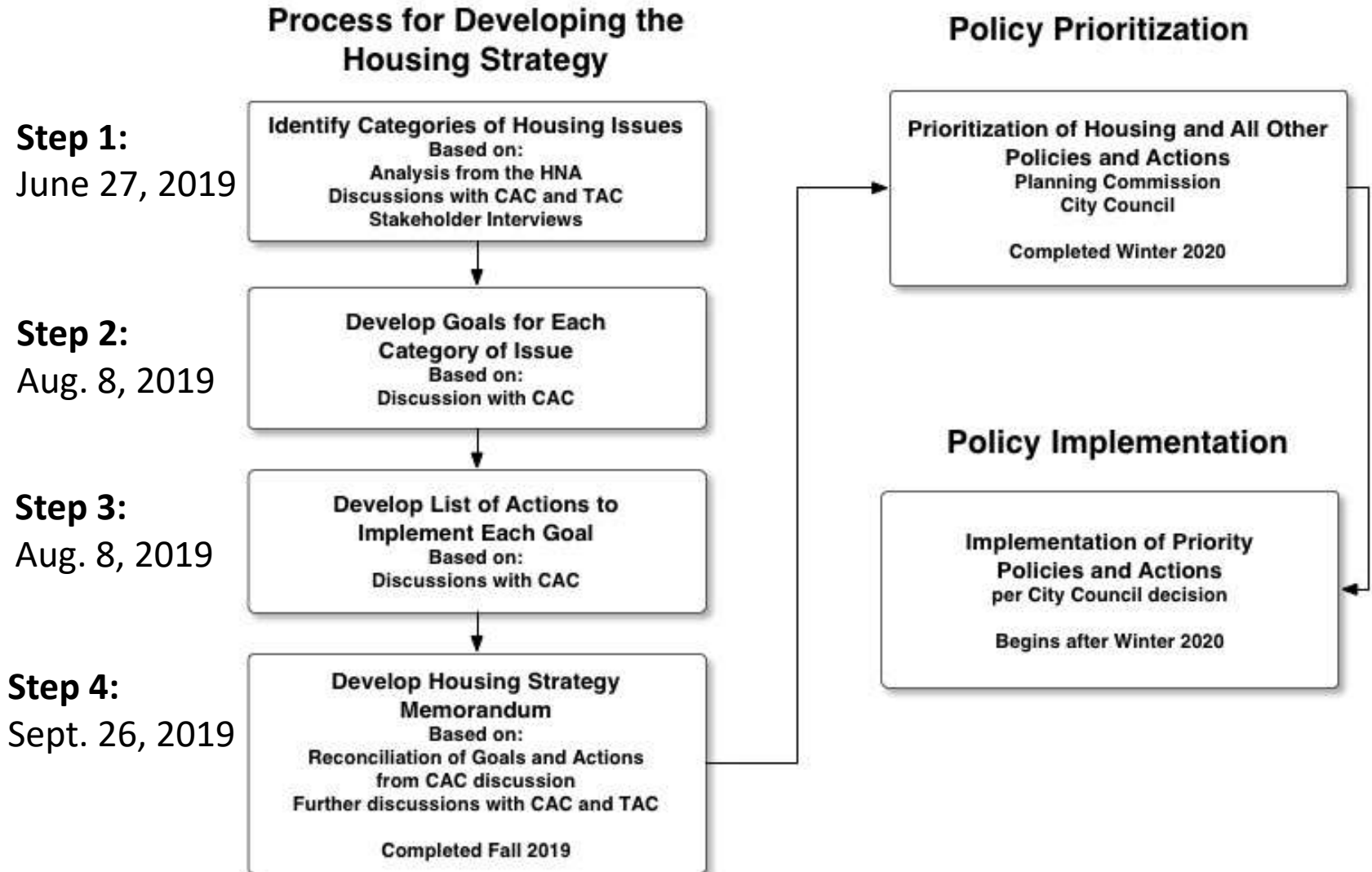


Finding: Households by Income Level





Developing the Housing Strategies





Developing the Housing Strategies

Tualatin's Housing Strategy

Summary of Actions

The table below summarizes the strategies, actions, and recommendations made by the CAC. The priority shown in the table is based on discussions with the CAC about the actions they view to be in need of prompt attention. Low-priority actions represent actions that the CAC thinks are important but that may be executed later in the Tualatin 2040 process. At some level, all of the actions in this strategy are a high priority for the CAC.

| Strategies, Actions, and Recommendations | Priority |
|--|----------|
| Strategy 1: Ensure an adequate supply of land that is available and serviceable. | |
| Action 1.1. Evaluate opportunities to increase development densities within Tualatin's existing zones by modifying the Development Code. <ul style="list-style-type: none"> ▪ Recommendation 1.1a: Evaluate increasing densities in the Residential High and Residential High Density / High Rise residential designations by allowing buildings that are five to eight stories tall. ▪ Recommendation 1.1b: Conduct an audit of the City's Development Code to identify barriers to residential development (e.g., lot size, setbacks, and lot coverage ratio) and identify alternatives for lowering or eliminating the barriers. ▪ Recommendation 1.1c: Evaluate off-street parking requirements for multifamily housing to identify opportunities for reduction in parking requirements, especially for housing developed for groups who have fewer cars. ▪ Recommendation 1.1d: Adopt a Planned Unit Development (PUD) ordinance to allow flexibility in both development standards and housing types. | High |
| Action 1.2. Evaluate opportunities to rezone land to provide additional opportunities for multifamily housing development. <ul style="list-style-type: none"> ▪ Recommendation 1.2a: Identify opportunities to rezone industrial or commercial land for mixed-use that includes employment and residential uses. ▪ Recommendation 1.2b: Evaluate opportunities to re-zone Residential Low Density and Residential Medium Low Density residential land for higher-density housing. ▪ Recommendation 1.2c: Evaluate merging High Density zone and the High Density / High Rise zone into one zone and evaluate increasing the maximum density and maximum height limit allowed. | High |
| Action 1.3. Plan for infrastructure development to support residential development, consistent with Strategy 6. <ul style="list-style-type: none"> ▪ Recommendation 1.3a: Identify opportunities to increase coordination between transportation planning and residential growth to manage congestion from growth. ▪ Recommendation 1.3b: Identify opportunities to increase transit service. | Medium |
| Action 1.4. Plan for long-term development in Tualatin through 2040 and beyond. <ul style="list-style-type: none"> ▪ Recommendation 1.4a: Actively work with Metro staff on upcoming Regional Growth Management reports. Coordinate Tualatin's planning with regional plans. ▪ Recommendation 1.4b: Develop and implement a system to monitor the supply of residential land every two years. ▪ Recommendation 1.4c: Reevaluate Tualatin's housing needs and land sufficiency on a schedule tied to the Metro Growth Management cycle. ▪ Recommendation 1.4d: When needed in the future, work with Metro on potential expansion of the Metro UGB to include the Stafford area. | High |



Implementing the HNA

3

HOUSING & RESIDENTIAL GROWTH



*Tualatin's vision
for the future*

COMPREHENSIVE PLAN 2040

Goals & Policies

POLICY 3.1.5 FUNCTIONAL PLANNING. Consider the development-ready residential land supply as part of ongoing functional planning efforts to provide necessary urban services in support of residential development.

POLICY 3.1.6 INFRASTRUCTURE PLANNING. Evaluate future infrastructure planning for consistency with the Housing Needs Analysis and Housing Strategies.

POLICY 3.1.7 COORDINATION. Coordinate with local, state, and regional governments, districts, and stakeholders to support Tualatin's housing land supply needs.

GOAL 3.2 HOUSING FOR ALL.

Encourage development and preservation of housing that is affordable for all households in Tualatin.

POLICY 3.2.1 HOUSING TYPE DIVERSITY. Support development of townhomes, duplexes, triplexes, quadplexes, cottages, courtyard housing, accessory dwelling units, single story units, senior housing, and extended family and multi-generational housing in all residential zoning districts.

GOAL 3.3 AFFORDABLE HOUSING.

Encourage the establishment of funding sources to support development of affordable housing and related public infrastructure.

Strategic Actions

- Evaluate opportunities to increase development densities to address deficiencies identified in the Housing Needs Analysis within Tualatin's existing zones.
- Evaluate opportunities to rezone land to provide additional opportunities for multifamily housing development.
- Evaluate Tualatin's land supply every two years, and make regular updates to the City's Buildable Lands Inventory and Housing Needs Analysis.

Strategic Actions

- Identify policies to support development of housing affordable to households earning less than 60% of the median family income in Washington County as identified in the most recent American Community Survey.
- Develop policies to prevent and address homelessness.
- Develop policies to prevent or mitigate residential displacement resulting from redevelopment and increases in housing costs in Tualatin.
- Evaluate partnerships with organizations to establish a land bank or land trust.
- Evaluate system development charge financing opportunities.

Strategic Actions

- Evaluate how best to leverage funds from regional, state, and other sources to support development of affordable housing.
- Evaluate the establishment of local funding sources for affordable housing such as a construction excise tax.



Implementing the HNA

Exhibit 1. Summary of Goals and Strategic Actions

| Goal and Strategic Actions | Income Levels Served (MFI) | Magnitude of Impact | Expected Year of Adoption |
|--|----------------------------|---------------------|---------------------------|
| 1. Affordable Housing: Strongly prioritize, encourage, and support affordable rental housing development to increase affordable housing for households earning 0-60% Median Family Income. | | | |
| 1.a Evaluate a Low-Income Housing Property Tax Exemption Program for Affordable Rental Housing | | | |
| 1.b Evaluate Changes to Systems Development Charges | | | |
| 1.c Evaluate Implementation of a Construction Excise Tax (CET) | | | M Pos |
| 1.d Evaluate Support for Affordable and Workforce Rental Housing as part of Urban Renewal | | | |
| 1.e Evaluate Financial Resources for Local Contributions to Affordable Housing Development | | | |
| 1.f Evaluate Buildable or Redevelopable Public and Institutional Land Potentially Suitable for Affordable Housing | | | |
| 1.g Evaluate Development Code Changes to Allow and Support Other Affordable Rental Housing Types in Tualatin | | | |
| 1.h Evaluate Municipal Code, Development Code, Public Works Construction Code, and Building Code Processes to Make Building Affordable Housing Easier | | | |

HPS Actions and Funding Plan Tools

The tools included in this funding plan align with some of the specific actions in the 2021 Tualatin Housing Production Strategy. The table below demonstrates the associated actions and funding tools.

| HIP Tool | HPS Action |
|--------------------------------|--|
| Construction Excise Tax | 1.c Evaluate Implementation of a Construction Excise Tax |
| Urban Renewal Area | 1.d Evaluate Support for Affordable and Workforce Rental Housing as part of Urban Renewal |
| Other Funding Tools | 1.e Evaluate Financial Resources for Local Contributions to Affordable Housing Development |



Tualatin's Next HNA

Housing Capacity Analysis Update Schedule for Oregon Cities with a population above 10,000 (Required by ORS 197.296)

Cities within a Metropolitan Service District

(must update HNA every six years)

| | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 |
|----|----------|--------------|----------|--------------|-----------|-------------|------|------|
| 1 | - None - | Beaverton | - None - | Forest Grove | Sherwood | Gladstone | N/A | N/A |
| 2 | | Fairview | | | Troutdale | Cornelius | | |
| 3 | | Gresham | | | Tualatin | Tigard | | |
| 4 | | Happy Valley | | | | Oregon City | | |
| 5 | | Hillsboro | | | | | | |
| 6 | | Lake Oswego | | | | | | |
| 7 | | Milwaukie | | | | | | |
| 8 | | Portland | | | | | | |
| 9 | | West Linn | | | | | | |
| 10 | | Wilsonville | | | | | | |



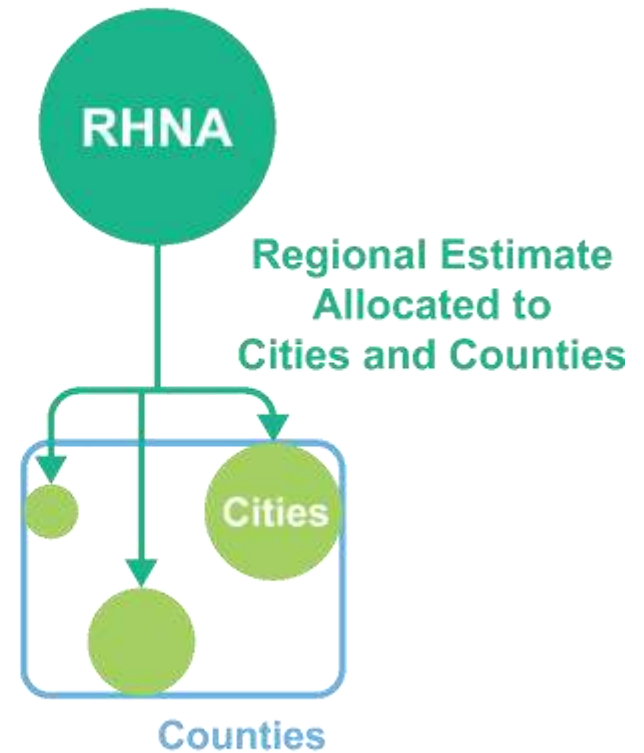
A New Regional Approach

Housing Needs Projection From Local to Regional

Current Goal 10 Framework



RHNA Framework

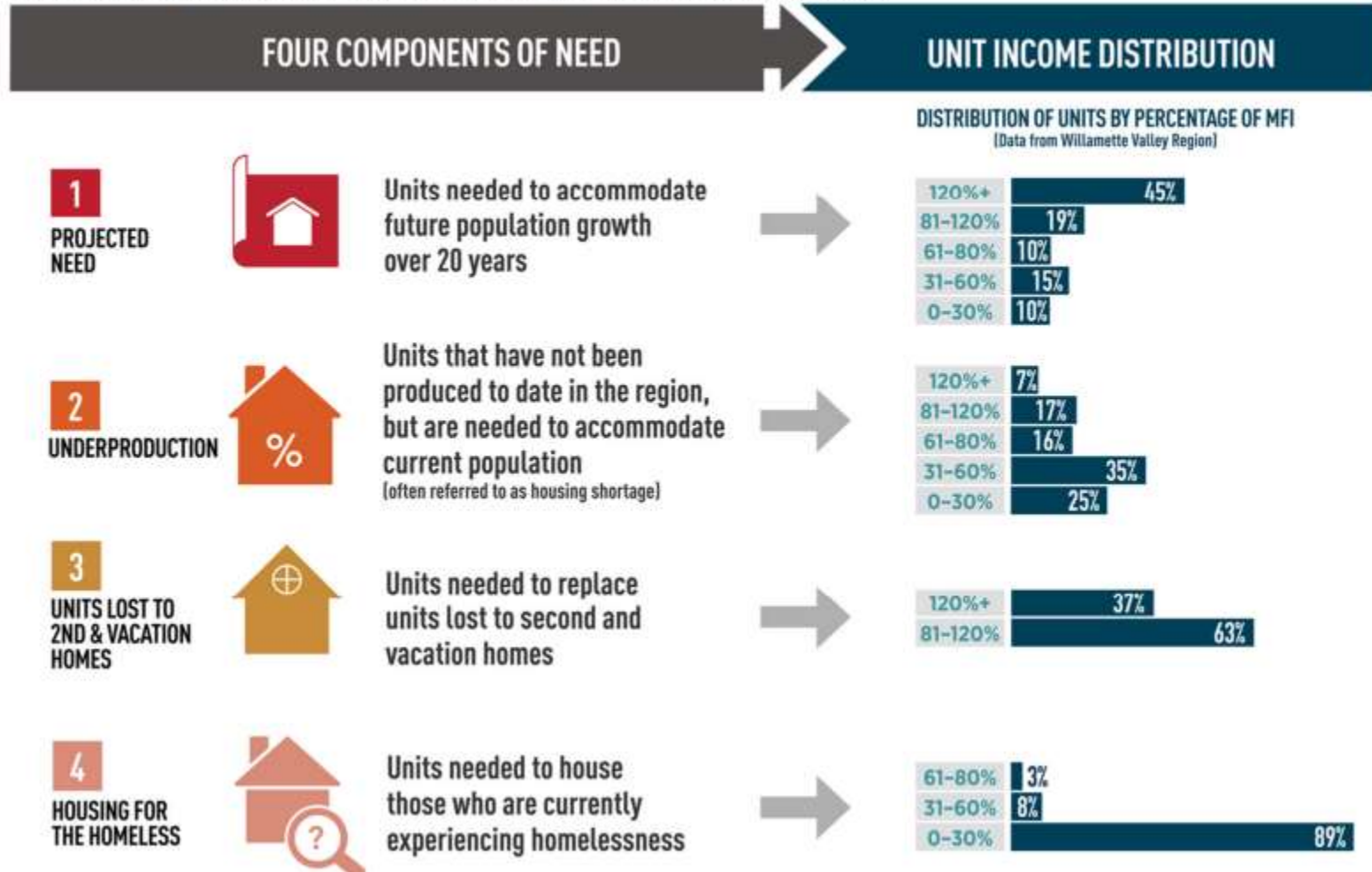




Regional HNA Methodology

Figure 14. Summary of OHNA Components and Income Distribution in Revised Methodology

Note: Data for units distributed by income are for the Willamette Valley Region



Source: Oregon Housing Needs Analysis Legislative Recommendations Report: Leading with Production Legislative Report December 2022 Oregon Department of Land Conservation and Development Oregon Housing and Community Services



Potential Future Outcome

Exhibit 58. Comparison of Total New Units Forecast in Local HNAs and the RHNA

Source(s): ECONorthwest analysis; City of Dallas Housing Needs Analysis (FCS Group, June 2019); City of Klamath Falls Housing Needs Analysis (ECONorthwest, June 2019); Monmouth Housing and Residential Land Needs Assessment (APG and Johnson Economics, June 2019); Prineville Housing and Residential Land Needs Assessment (APG and Johnson Economics, June 2019); City of Redmond Housing Needs Analysis (ECONorthwest, June 2019); City of Roseburg Housing Needs Analysis (ECONorthwest, June 2019); City of Silverton Housing Needs Analysis (ECONorthwest, January 2020); City of St. Helens Housing Needs Analysis (FCS Group, May 2019); City of Tualatin Housing Needs Analysis (ECONorthwest, December 2019); and City of Warrenton Housing Needs Analysis (APG, June 2019).

| | Local HNA (Units) | RHNA Total (Units) | Difference between Local HNA and RHNA | |
|---------------|----------------------|--------------------------|--|-----------------------------------|
| | | | Number of Units | % Difference from Local HNA |
| Dallas | 2,768 | 2,827 | 59 | 2% |
| Klamath Falls | 609 | 833 | 224 | 37% |
| Monmouth | 1,207 | 1,537 | 330 | 27% |
| Prineville | 1,021 | 1,475 | 454 | 44% |
| Redmond | 6,963 | 10,127 | 3,164 | 45% |
| Roseburg | 2,678 | 5,285 | 2,607 | 97% |
| Silverton | 1,158 | 1,695 | 537 | 46% |
| St. Helens | 1,621 | 2,348 | 727 | 45% |
| Tualatin | 1,014 | 5,240 | 4,226 | 417% |
| Warrenton | 1,117 | 1,338 | 221 | 20% |

Source: Implementing a Regional Housing Needs Analysis Methodology in Oregon: Approach, Results, and Initial Recommendations March 2021 Prepared for: Oregon Housing and Community Services Technical Report



Summary

- Tualatin adopted its most recent Housing Needs Analysis in 2019
- Tualatin's 2019 HNA projected a need for 1,014 units over the next 20 years based on previous population trends
- The HNA also resulted in updated/supportive Comp Plan Goals and Policies, a Housing Production Strategy, and an Financing Plan
- Tualatin's next HNA will need to be completed by January 1, 2026 (so work will start in late 2024/early 2025)
- The next HNA will calculate Tualatin's share of the region's housing need rather than historic population growth and will include more specific performance goals
- Questions?