

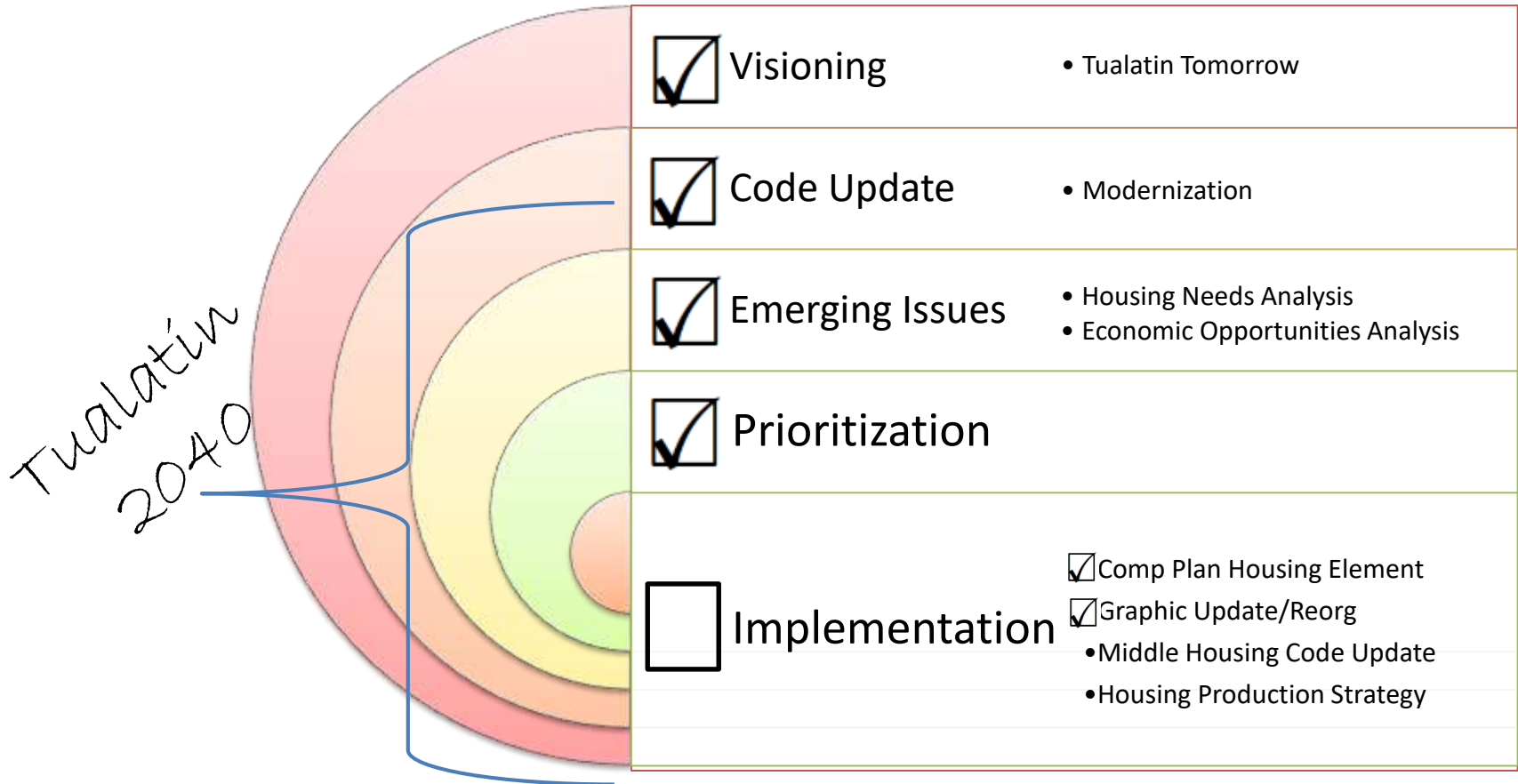
# Tualatin's Housing Production Strategy

City Council Work Session  
February 22, 2021

**ECONorthwest**  
ECONOMICS • FINANCE • PLANNING

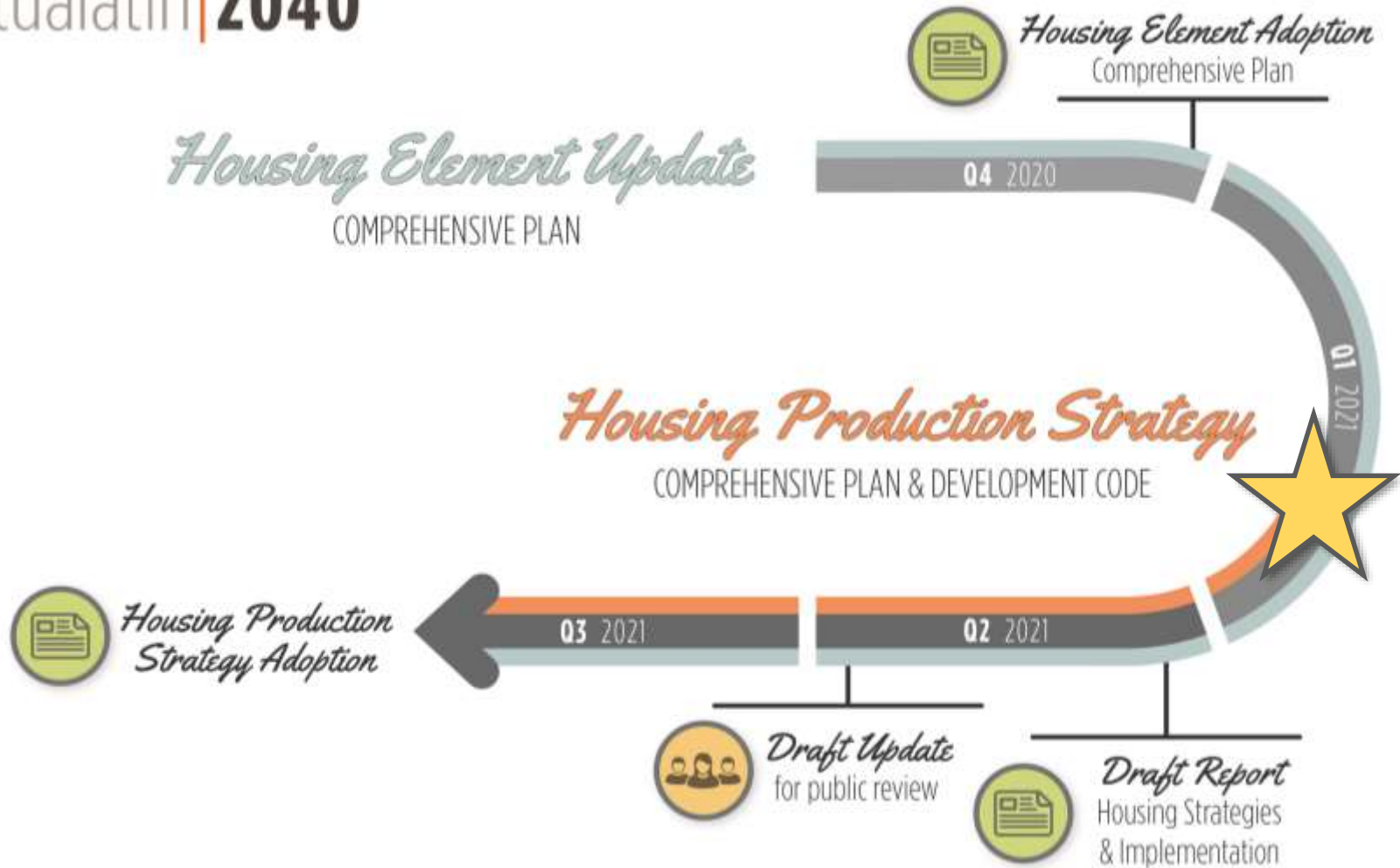
- Purpose
- Overview
- Review of the preliminary analysis of Tualatin's key housing needs
  - Do you have questions about the preliminary results?
- Review and discuss draft policies
  - Do you have feedback on the draft policies?
  - Are there policies that the City should consider that are not currently included?

# Tualatin 2040 Implementation



# Where We're Headed

tualatin|2040



# What is House Bill 2003

**House Bill 2003 was passed in 2019, to help communities meet the diverse housing needs of Oregonians.**

- **Cities over 10,000 people required develop strategies to address those needs based on their most recent housing needs survey (analysis).**
- **Tualatin adopted its *Housing Needs Analysis* into its Comprehensive Plan in late 2019.**
- **The draft *Housing Production Strategy* identifies Tualatin's future commitment to implement policies or strategic actions to address its housing needs.**



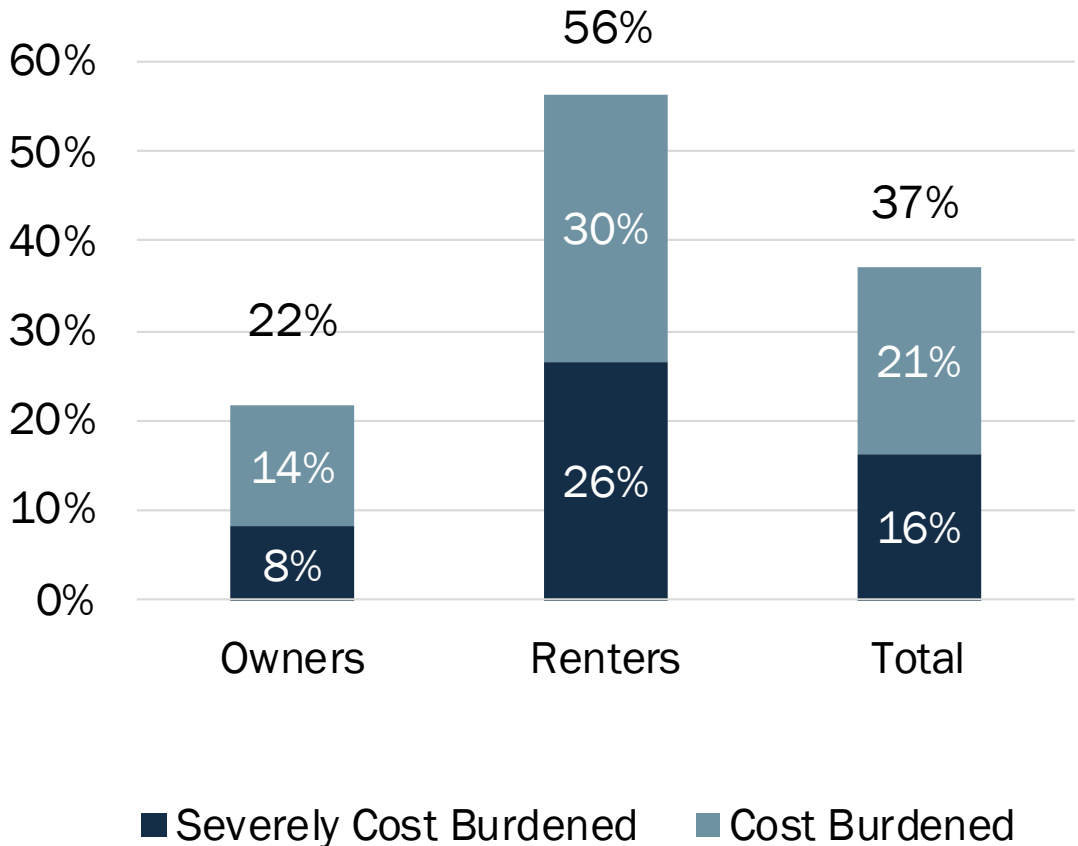
# Tualatin's Key Housing Needs

# Tualatin's Cost Burdened Households

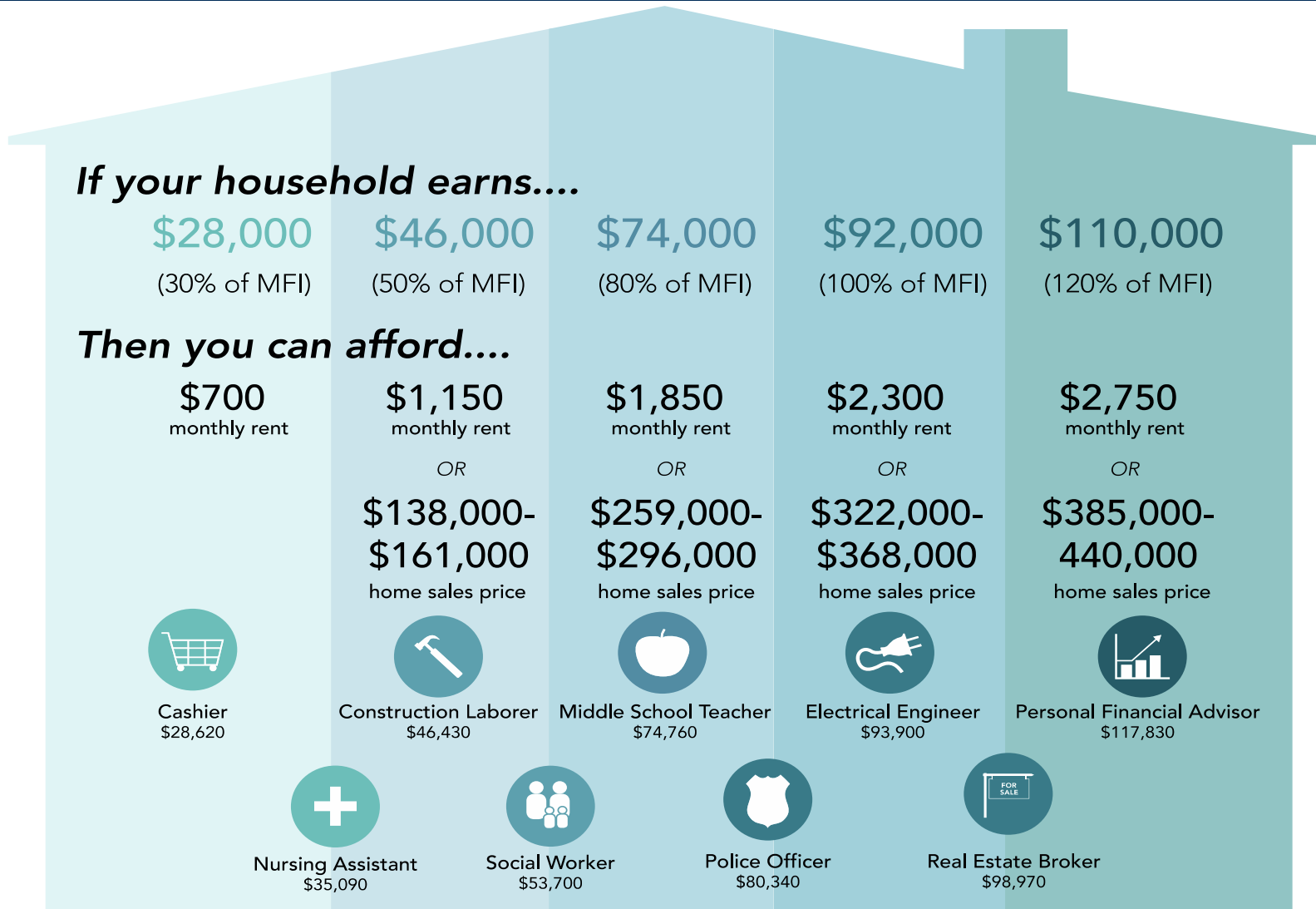
## Cost Burden by Tenure, Tualatin, 2013-2017

**Cost burdened:**  
spending more than  
30% of income on  
housing costs

**Severely cost burdened:**  
spending more than  
50% of income on  
housing costs



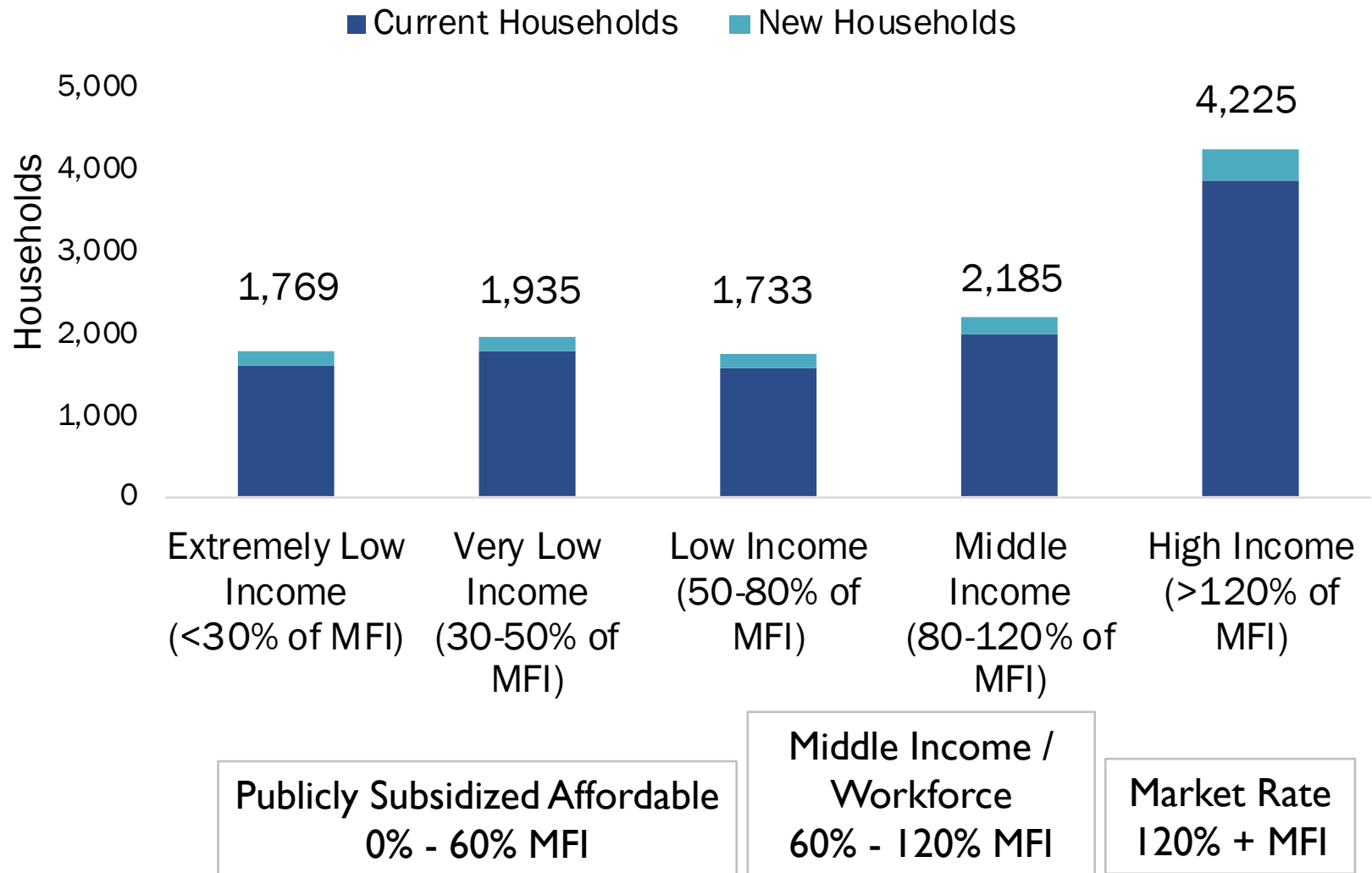
# What's considered affordable?



Source: U.S. Department of HUD 2020. U.S. Census Bureau, 2014-2018 ACS Table I9001.  
 Note: MFI is Median Family Income for a Family of 4.



# Tualatin's Current & Future Households by Income

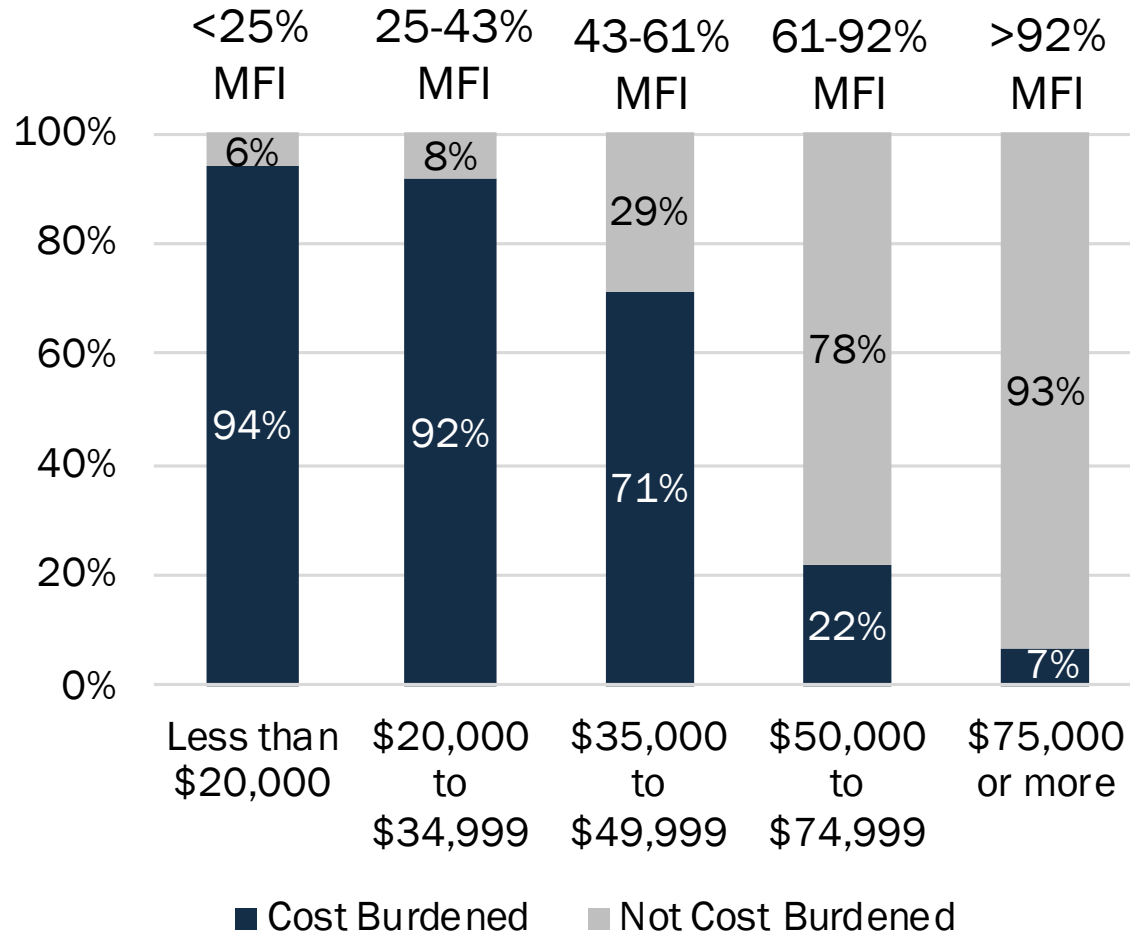


Source: 2014-2018 ACS, U.S. Census; PRC at PSU (2020-2040); and U.S. Department of HUD 2020 MFI.

Note: Median Family Income is estimated for a family of 4.

# Low-Income Renters Struggle the Most to Afford Housing

## Renter Cost Burden by Income, Tualatin, 2013-2017



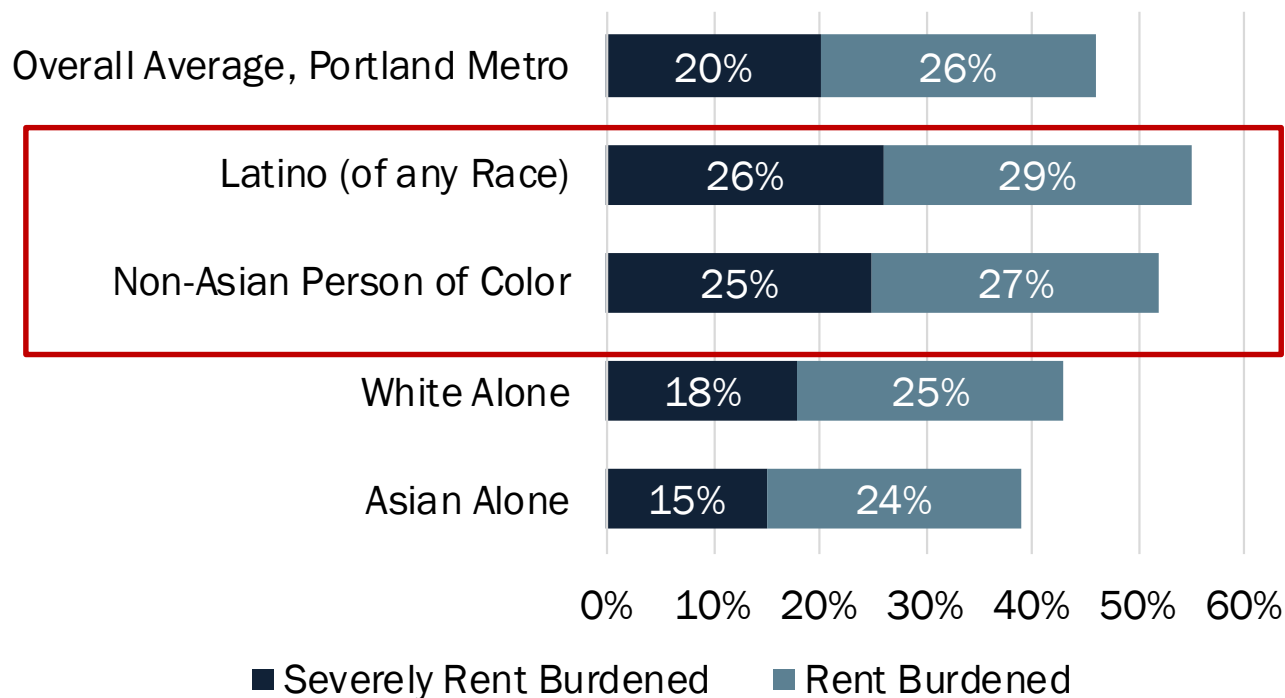
Source: 2013-2017 American Community Survey, U.S. Census and U.S. Department of HUD (2018).  
Note: MFI is median family income for a family of 4.

# Rent Burden by Race/Ethnicity, Portland Region

## Cost Burden of Renters by Race and Ethnicity, Portland, Region, 2018

Latino and Non-Asian People of Color are more likely to be rent burdened and severely rent burdened than other groups.

Latino and Non-Asian People of Color are more likely to rent than other groups.

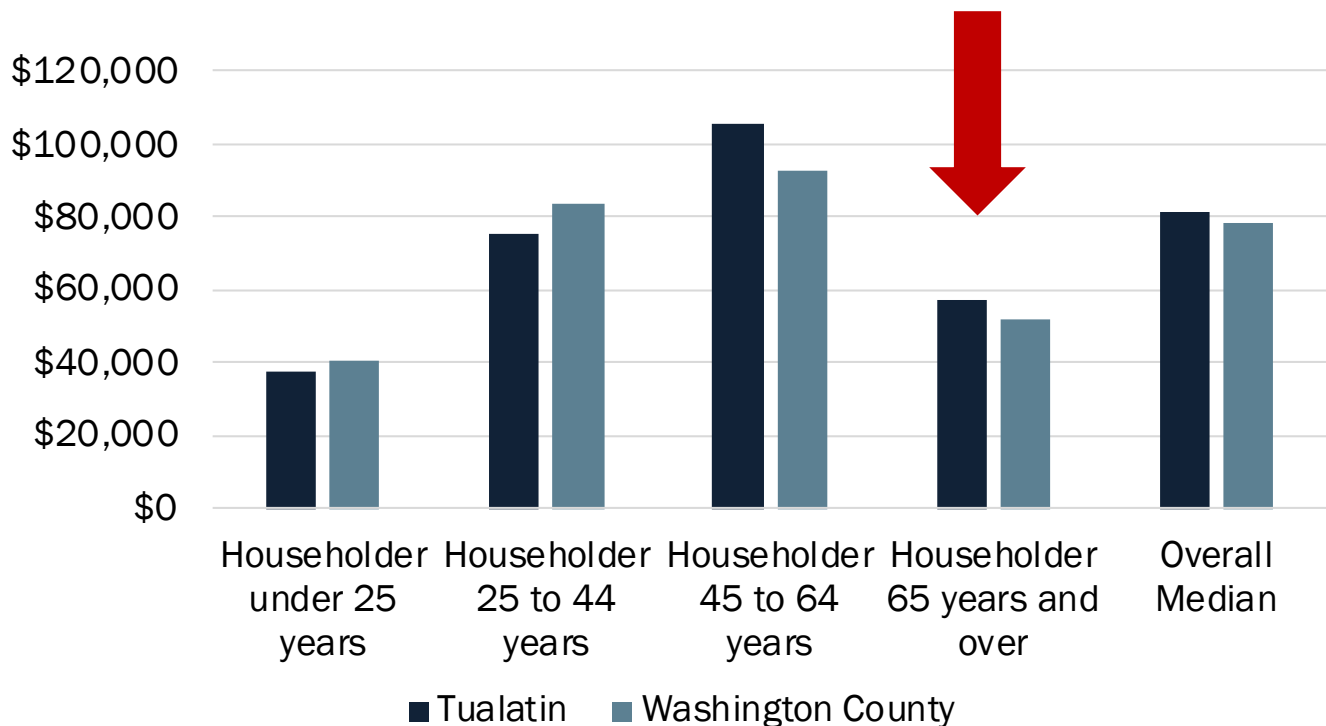


Source: U.S. Census, 2018 ACS 1-year PUMS Estimates

From the Report *Implementing a Regional Housing Needs Analysis Methodology in Oregon: Approach, Results, and Initial Recommendations* by ECONorthwest, August 2020

# People Aged 65 and Older: Ability to Pay for Housing

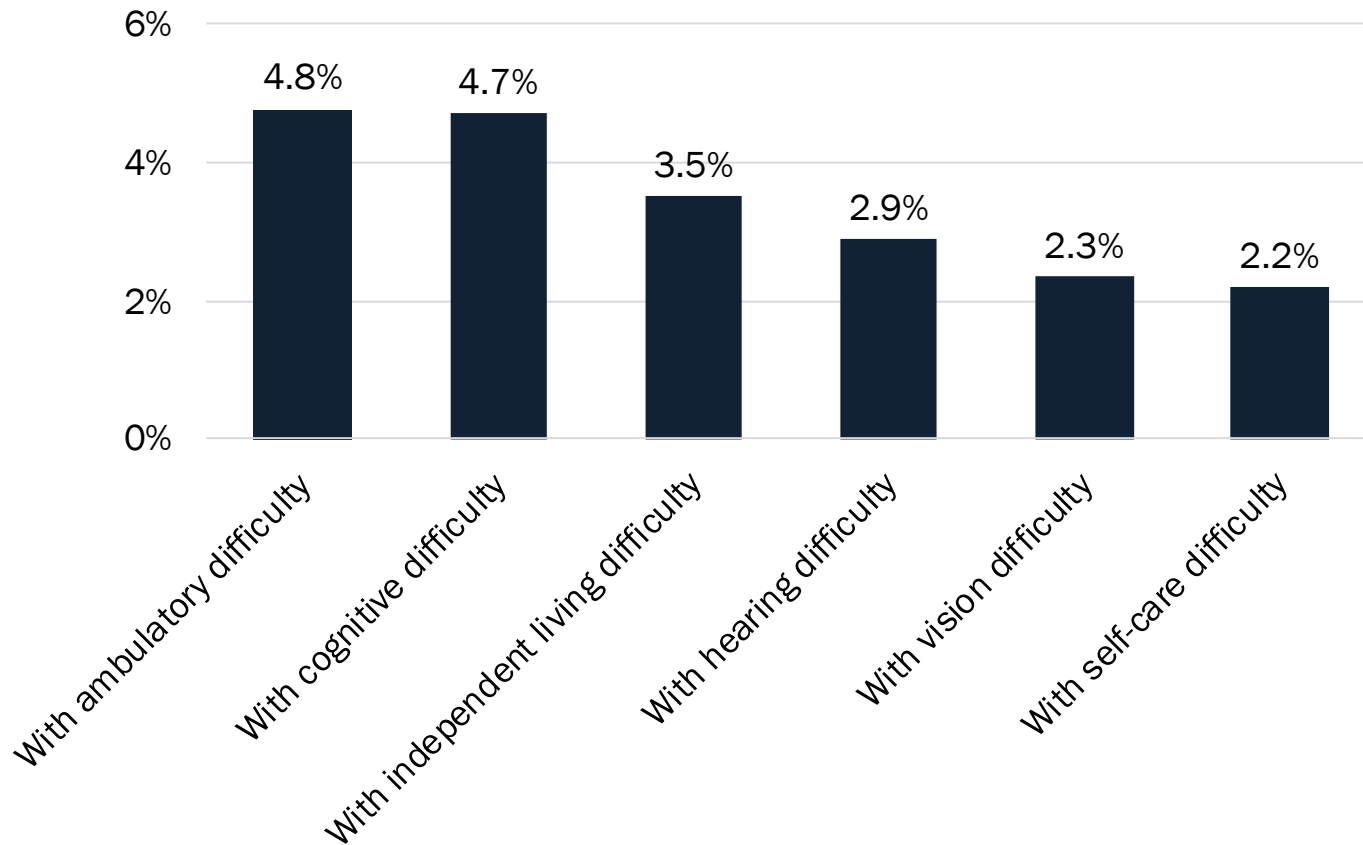
## Median Household Income by Age, 2014-2018



In Tualatin, income for people over 65 years is 70% of the overall average.

# People with a Disability

Share of People with a Disability by Type (% of Total Population), Tualatin, 2014-2018



65% of people with a disability are rent burdened in the **Portland Region**, compared with an overall average of 46% rent burdened



# Review and Discuss Preliminary Policies for the HPS Report

# Factors that Influence Housing Development

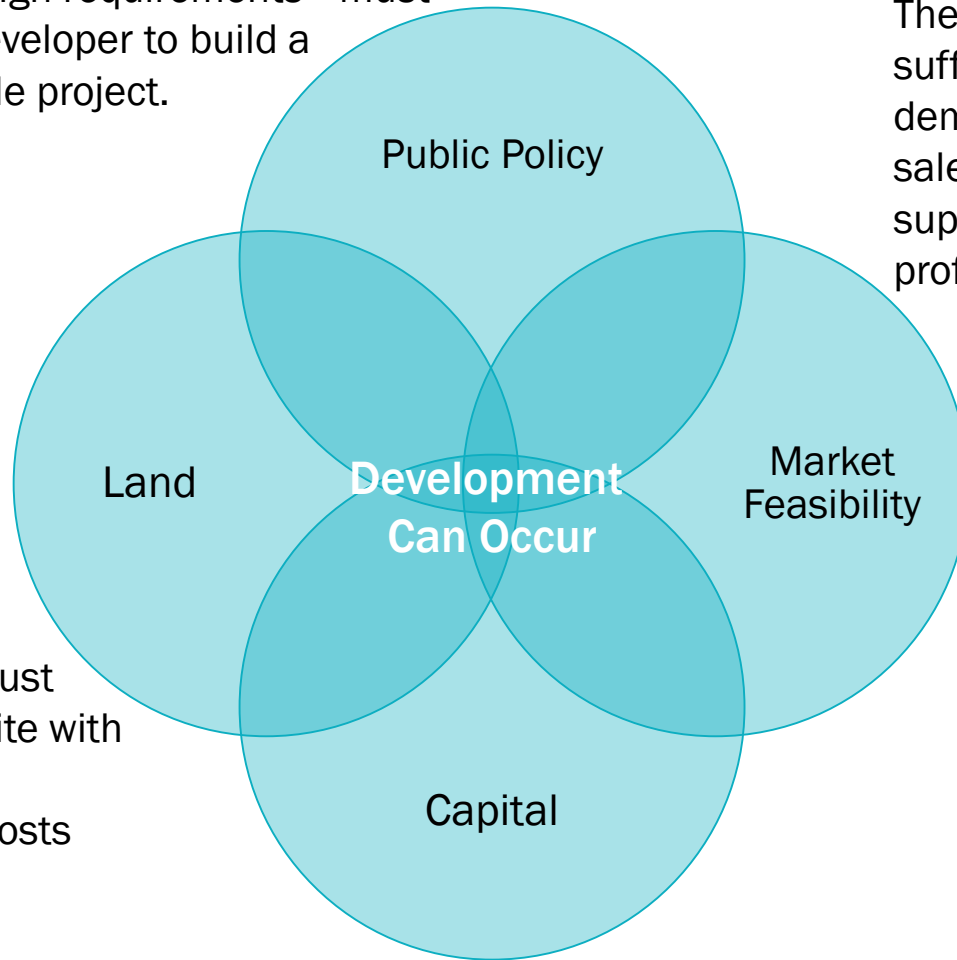
Policy—including zoning, density, and design requirements— must allow developer to build a profitable project.

There must be sufficient demand (rents, sales prices) to support a profitable project

Tualatin can directly influence public policy, land, and infrastructure.

Tualatin may have limited influence on market feasibility

Developer must control the site with reasonable acquisition costs



Developer must be able to access resources for investment (e.g., equity investment, bank loans)

# Impact of Different Strategies

## Types of Strategies to Support Housing Production



**Produce  
Informational  
Resources**



**Partner to  
Leverage  
Efforts and  
Resources**



**Remove  
Regulatory  
Barriers**



**Waive or  
reduce up-  
front or  
on-going  
charges on  
development**



**Allocate  
Funding**



**Land  
Acquisition  
and  
Disposition**

Less Impactful

More Impactful

The degree of impact varies depending on context.



- **Policy 1. Affordable Housing:** Strongly prioritize, encourage and support affordable rental housing development to increase affordable housing for households earning 0% to 60% of MFI.
- **Policy 2. Affordable Homeownership:** Encourage and support affordable homeownership to create opportunities for wealth creation.
- **Policy 3: Preservation of Affordable Housing:** Preserve affordable housing to prevent the loss of existing affordable housing units and to prevent resident displacement.

- **Policy 4. Preservation of NOAH:** Preserve naturally occurring affordable housing (NOAH), where possible, to prevent loss of affordable units and to mitigate for resident displacement.
- **Policy 5. Racial and Social Equity for Housing:** Implement all housing policies, projects, programs and partnerships through a racial and social equity lens.
- **Policy 6. Workforce Housing:** Encourage, plan for, and support the development of workforce housing for households earning 61% to 80% of MFI, for owners and renters, to increase the jobs-housing balance, reduce commute times, and provide attainable housing for workers in Tualatin.

- **Policy 7. Housing Stabilization:** Prevent and address homelessness to provide for safe living conditions for everyone living in Tualatin.
- **Policy 8. Housing Rehabilitation:** Plan for and support housing programs and initiatives that are responsive to the safety and health needs of households earning 0% to 80% of MFI.
- **Policy 9. Accessible and Specialized Design:** Encourage and support Universal Design, Lifelong Housing Certification, and other similar standards.

- **Policy 10. Mixed Use Housing and Redevelopment:** Encourage and support development of mixed-use, mixed-income, and multifamily housing in commercial zones and urban renewal areas for households earning 0% and 80% of MFI.
- **Policy 11. Regulatory and Zoning Changes:** Increase housing development opportunities through regulatory and zoning changes to accommodate a diverse range of housing types and price points to meet Tualatin's housing needs.
- **Policy 12. Transportation and Public Infrastructure:** Plan for and develop infrastructure to support affordable, workforce, mixed use, and mixed income housing.

- Continue to refine the measures and actions highlighted in the HPS
- Continue to interview housing producers

**Mark your calendar!**

The next City Council Meeting  
focused on the HPS is on:

**May 24, 2021**

Questions?