



# **PLANNING COMMISSION**

## **WEDNESDAY, MARCH 13, 2024**

### **WORK SESSION**

3. Housing Our Future (Rybold) (45 minutes)



**PLANNING COMMISSION MEETING  
STAFF REPORT**

<b>Meeting Date: March 13, 2024</b>		<b>Subject:</b> Housing Our Future	
		<b>Staff Members:</b> Kimberly Rybold, AICP, Senior Planner Daniel Pauly, AICP, Planning Manager	
		<b>Department:</b> Community Development	
<b>Action Required</b>		<b>Advisory Board/Commission Recommendation</b>	
<input type="checkbox"/> Motion <input type="checkbox"/> Public Hearing Date: <input type="checkbox"/> Ordinance 1 <sup>st</sup> Reading Date: <input type="checkbox"/> Ordinance 2 <sup>nd</sup> Reading Date: <input type="checkbox"/> Resolution <input checked="" type="checkbox"/> Information or Direction <input type="checkbox"/> Information Only <input type="checkbox"/> Council Direction <input type="checkbox"/> Consent Agenda		<input type="checkbox"/> Approval <input type="checkbox"/> Denial <input type="checkbox"/> None Forwarded <input checked="" type="checkbox"/> Not Applicable  <b>Comments:</b> N/A	
<b>Staff Recommendation:</b> Select a Planning Commission member to serve as a representative on the Project Advisory Committee.			
<b>Recommended Language for Motion:</b> N/A			
<b>Project / Issue Relates To:</b>			
<input checked="" type="checkbox"/> Council Goals/Priorities: Increase housing opportunities for all and reach functional zero homelessness	<input checked="" type="checkbox"/> Adopted Master Plan(s): Comprehensive Plan	<input type="checkbox"/> Not Applicable	

**ISSUE BEFORE COUNCIL:**

Staff will provide an update on the Housing Our Future project, including a summary of the project’s initial outreach activities, and will seek a Planning Commission representative for the upcoming Housing Our Future Project Advisory Committee (PAC).

## EXECUTIVE SUMMARY:

The purpose of the Housing Our Future project is to analyze Wilsonville's housing capacity and need followed by creating strategies to meet housing needs. The City's last Housing Needs Analysis was adopted in 2014. Since that time the City has taken a number of follow up actions related to housing including completing Town Center and Frog Pond master plans and adopting the Equitable Housing Strategic Plan. The current project will build on these past housing initiatives and newly adopted policies. The project is required for continued compliance with Statewide Planning Goal 10 (Housing) under House Bill 2003 adopted by the Oregon legislature in 2019. Having begun in early 2023, the City anticipates the project to go through early to mid-2025.

The project includes two primary work products – the Housing Needs and Capacity Analysis (HNCA) and the Housing Production Strategy (HPS). The HNCA will identify unmet housing need in Wilsonville over the next 20 years, focusing on issues related to land need, as well as demographic change and housing affordability. This assessment consists of the following primary components:

- **Buildable lands inventory (BLI)** – The BLI examines the location of land within Wilsonville and its adjacent planning areas to determine where vacant and redevelopable land exists, excluding areas with environmental constraints and areas not planned for future residential use.
- **Assessment of need** – This includes an examination of historical and recent development trends, demographics, housing affordability, and forecasted housing growth to determine the types and quantity of new housing units the City will need over the next 20 years.
- **Assessment of capacity** – Examining the BLI results and assessment of need, this assessment will determine if there is sufficient land to accommodate the expected housing growth over the next 20 years.

Upon substantial completion of the HNCA, the project team will begin work on the HPS. Using the recommended actions of the 2020 Equitable Housing Strategic Plan as a starting point, the project team will provide additional information about key unmet housing needs in Wilsonville and propose actions that Wilsonville can take to help address the unmet housing needs. Several methods of gathering community input, including establishing a project advisory committee, participation in public events, and engagement through *Let's Talk, Wilsonville!* will inform development of the HPS.

The project team is led by consultants from ECONorthwest under a grant from the Oregon Department of Land Conservation and Development (DLCD). To align with DLCD's grant cycles, the Housing Our Future project is organized into three phases:

- **Phase 1:** Preliminary HNCA analysis, completed in mid-June 2023 under a DLCD project grant awarded in 2021. Information from the preliminary HNCA analysis was presented at the June 2023 work session.
- **Phase 2:** Initial public engagement for the project, starting in August 2023 through late 2023. This phase was funded by the City to fill a gap between available DLCD grant funding. At this work session, staff will provide an overview of the Phase 2 engagement,

which will inform the HNCA and HPS. Summaries of these engagement efforts are provided in Attachments 1-3.

- **Phase 3:** Completion of the HNCA and development of the HPS, starting in early 2024 and completed by mid-2025. This phase is funded through a second grant from DLCD, which was awarded in late 2023.

A key element in developing the HPS during Phase 3 will be input from a Project Advisory Committee (PAC) composed of people involved in real estate development (nonprofit and for profit), organizations with existing industry knowledge and experience around housing and housing development, and other non-profit service providers working in the Wilsonville community. The PAC is expected to meet five times and, after reviewing information and findings from the HNCA and other public input, will provide recommendations on policies and actions for consideration in the HPS to Planning Commission and City Council. The project team invites a Planning Commissioner with interest in developing these recommendations and sharing updates with the Planning Commission to participate on the PAC. The PAC will also include representatives from the City Council and DEI Committee. Staff expects the first PAC meeting to be held in May 2024.

During this work session the project team will look for the following questions to be answered by the Planning Commission:

1. Who does the Planning Commission select to serve on the Housing Our Future PAC?
2. What additional questions does the Planning Commission have about the overall direction or timeline of the Housing Our Future project?

**EXPECTED RESULTS:**

Selection of a Planning Commission representative to the PAC.

**TIMELINE:**

Preliminary work on the HNCA was completed in mid-June 2023. Initial public engagement events for the project, including an online survey, participation in the Community Party in the Park, and a Community Conversation on Cost Burden occurred in summer and fall 2023. Work to finalize the HNCA and develop the HPS will occur throughout 2024 into mid-2025.

**CURRENT YEAR BUDGET IMPACTS:**

A portion of City staff time in FY 2023-24 and 2024-25 is funded by a \$40,000 DLCD grant. Phase 3 consultant costs are funded directly by DLCD.

**COMMUNITY INVOLVEMENT PROCESS:**

The Housing Our Future project will be guided by an inclusive public outreach process. Proposed engagement includes creation of a project advisory committee, participation in a variety of public events, and engagement through *Let's Talk, Wilsonville!* Outreach will focus on engaging those

most impacted by the high costs of housing, particularly those who are typically underrepresented in these conversations.

**POTENTIAL IMPACTS OR BENEFIT TO THE COMMUNITY:**

As a result of this project, the City will have a clearer understanding of housing needs for the next 20 years and analysis to confirm if there is sufficient land area for the City to accommodate these needs. Creation of a HPS will provide an opportunity to assess the City's progress in implementing recommendations contained within the 2020 Equitable Housing Strategic Plan and prioritize additional actions the City should undertake to meet future housing needs of the community. Pursuit of strategies resulting from this project will continue Wilsonville's efforts to make housing more affordable and attainable for City residents and employees, ensuring Wilsonville provides housing opportunity for different household compositions, ages, and income ranges.

**ALTERNATIVES:**

Planning Commission may choose to not have a representative on the PAC.

**ATTACHMENTS:**

1. Party in the Park HNCA Public Engagement Summary – August 2023
2. Rent Burden Public Meeting Summary – November 2023
3. Housing Our Future Survey Summary – December 2023

DATE: August 28, 2023  
TO: Kim Rybold and Dan Pauly, Wilsonville  
FROM: Scott Goodman and Beth Goodman, ECONorthwest  
SUBJECT: Party in the Park HNCA Public Engagement summary

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This is a brief summary of the community engagement for the Wilsonville Housing Needs and Capacity Analysis (HNCA) that took place on Thursday, August 24, 2023 at the Wilsonville Party in the Park. ECONorthwest and Wilsonville city staff tabled at the Party in the Park event with an informational board (HNCA housing statistics and project plan/process), a four-sided chalk board inviting participants to answer the question “What would make your house better?,” QR codes linking to the online housing survey, paper copies of the same survey in both English and Spanish, comment cards, and a jar/bean activity to gauge interest in eight housing strategies the city could consider. The majority of the community engagement occurred through the bean/jar activity and conversations with participants.

The jar/bean activity gave participants three beans to “vote with” and put their beans into the jars that corresponded with their top three housing priorities out of the eight housing priority options displayed on the informational board. The results of the jar/bean activity for housing focus prioritization are as follows:

- Funding to support construction of needed infrastructure for development, like roads, water mains, and sewer systems (26 votes)
- Partnering with organizations that provide services to help people transition from homelessness to being housed (19 votes)
- Partnering with nonprofits who build affordable rental units for low-income households (19 votes)
- Providing down payment assistance to low-income households (15 votes)
- Developing a local funding source to support housing development for low- and middle-income households (13 votes)
- Refining regulations and processes to remove barriers to housing development (12 vote)
- Providing funding to support housing rehabilitation and repair for low-income homeowners (10 votes)
- Partnering with nonprofits who build homeownership units for low-income households (7 votes)

Additional feedback resulting from conversations with participants included a desire for more homeownership opportunities, more single-dwelling units, more mixed-use developments, and concerns about the traffic that additional housing would bring. No paper surveys or comment cards were completed during the Party in the Park event.

Below are a selection of the photos taken during the event:

Exhibit 1. Voting by beans, partway through the event



Exhibit 2. ECONorthwest staff discussing housing 1



Exhibit 3. ECONorthwest staff discussing housing 2



Exhibit 4. ECONorthwest staff discussing housing 3



Exhibit 5. "What would make your housing better?" chalkboard 1

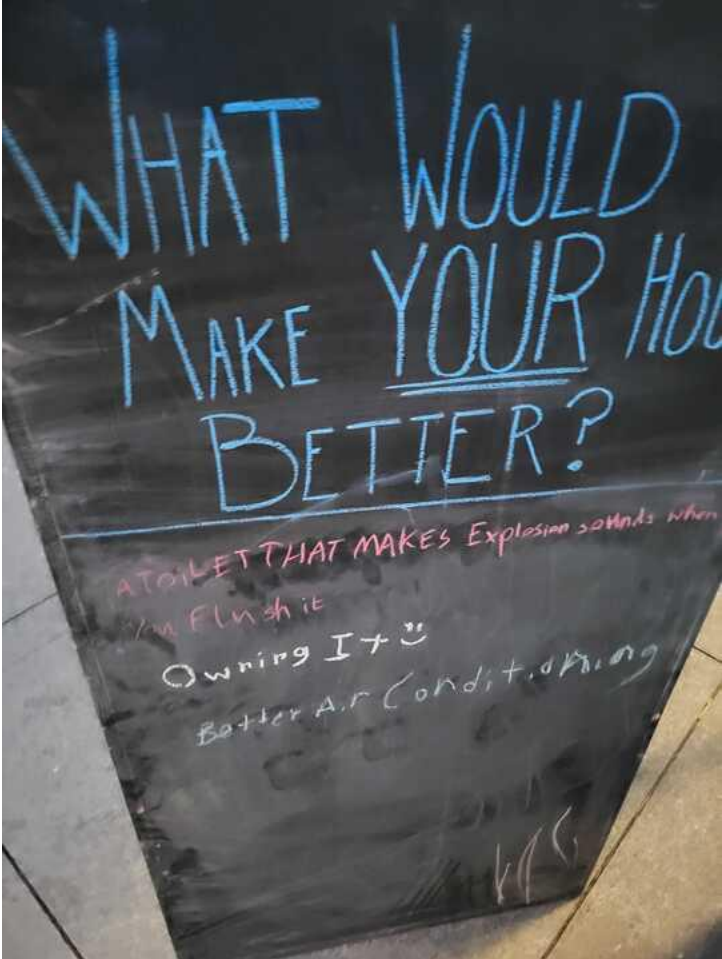




Exhibit 6. "What would make your housing better?" chalkboard 4

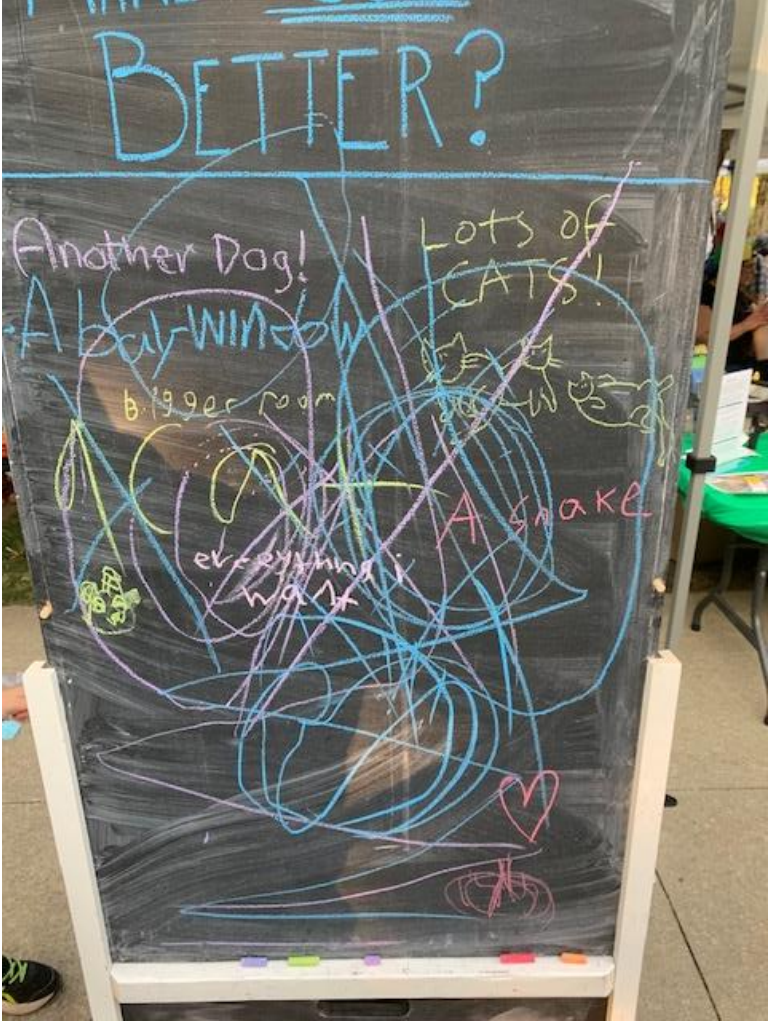
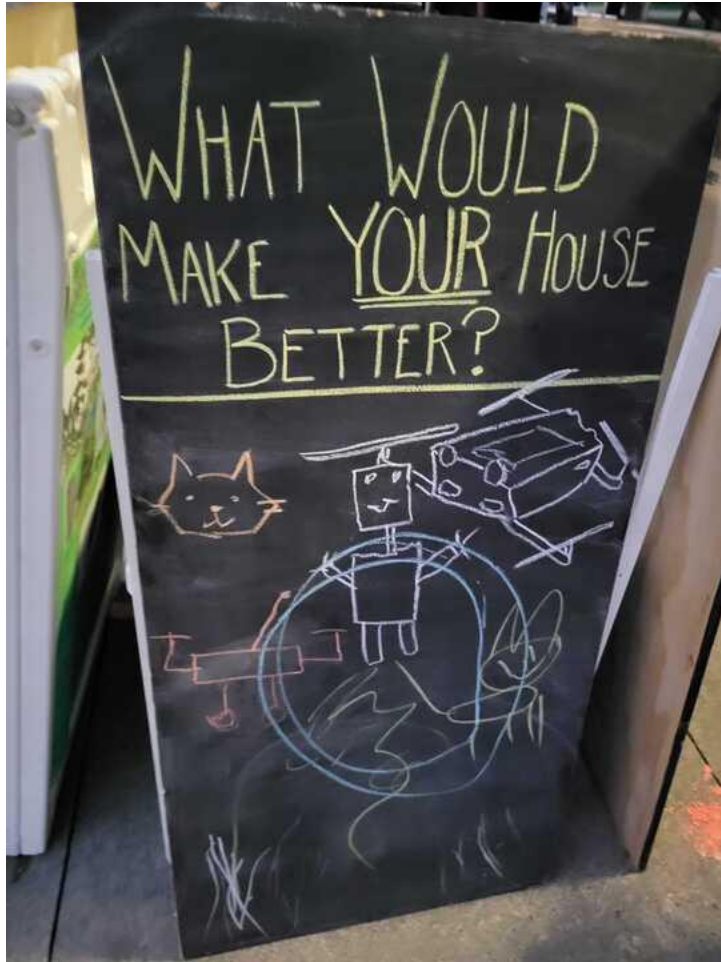


Exhibit 7. "What would make your housing better?" chalkboard 5



DATE: November 14, 2023  
TO: Kim Rybold and Dan Pauly, Wilsonville  
FROM: Scott Goodman and Beth Goodman, ECONorthwest  
SUBJECT: Rent Burden Public Meeting Summary

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The Wilsonville Planning Commission hosted a Community Conversation on Cost Burden on Wednesday, Nov 8, 2023. The meeting took place online and people could attend in person at the Wilsonville City Hall. City staff introduced the project overview for “Housing Our Future” and ECONorthwest presented key information from the HNCA related to renter households and cost burden and hosted a discussion to gather feedback related to two primary questions:

- What are the barriers to accessing affordable housing in Wilsonville?
- What would you like to see the City do to help increase access to affordable housing?

Eleven participants attended online, with eight of those attendees being officials from the Planning Commission and City Council. ECONorthwest used an online [MIRO board](#) to record participant feedback (screenshots from the MIRO board are included below in Exhibit 1 and Exhibit 2).

## What are the barriers to accessing affordable housing in Wilsonville?

We grouped responses to this prompt into three primary categories: housing costs, cost of development, and rental ownership.

### Housing Costs

Participants discussed the concerns of high housing costs for renters in addition to monthly rent payments, such as utilities, application fees, and first and last month rent payment, which all lead to additional housing cost burdens.

### Cost of Development

Participants discussed the high costs and risks associated with developing housing, including the current trend in rising interest rates. The group also discussed concerns that rent caps could further inhibit the already challenging financing of new rental housing development since they would reduce potential revenue streams from rent for developers, while rising interest rates have also made financing more difficult. There is a worry that these dual pressures would hamper efforts to increase the supply of rental housing.

### Ownership of Rental Properties

Participants discussed various challenges related to who owns rental properties and how they are managed. Local ownership with “mom and pop” landlords operate differently from larger, corporately owned, rental property agencies; more and more the larger, corporately owned, rental property agencies are controlling more of the rental housing stock.

Participants discussed the role of short-term rentals (Airbnb, VRBO, etc.) and its effect on rental housing, but this affects only a very small portion of the Wilsonville housing stock.

Participants discussed HOAs as an impediment to rental housing when there are prohibitions imposed on a unit's ability to be rented.

### What would you like to see the City do to help increase access to affordable housing?

Topics discussed for what the City can do to help increase access to affordable housing included:

#### Rental Unit Development/Supply

- Pursue Multiple Unit Property Tax Exemption (MUPTE) options to increase multifamily rental housing options at specific income levels
- Pursue Public Private Partnerships, including non-profits, to assemble mixed-use affordable housing with public use commercial tenants (e.g. ground floor library or social service office)
- Pursue modular rental housing production partnerships
- Explore what role the City can have to restrict HOAs from limiting rental availability
- Explore the use of Urban Renewal funds for select housing development
- Explore scaling System Development Charges (SDCs) to the size of units instead of number of units to increase housing supply
- Explore property tax abatements or other incentives/programs to landlords of income restricted rental units owned by private homeowners
- Explore "mid-term" housing (2 weeks to 2 months) in existing commercial spaces to accommodate students, professors, or other temporary housing uses

#### Financing/Rent Cost Supports

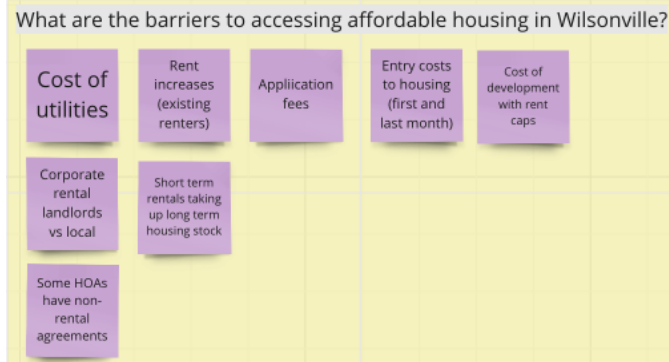
- Explore a city-wide Affordable Housing bond measure
- Lobby with the State for stronger rent control protections
- Promote non-profit partnerships for grants to reduce renter utility costs
- Pursue locally controlled banking options
- Leverage local philanthropic funding to housing-related community based organizations

#### Homeownership Supports

- Explore alternative home ownership models such as limited equity coops

Additional feedback from participants included a desire to see further information on the income levels of Wilsonville renters (available in the Wilsonville HNCA) and a desire to see the quantity of short-term housing stock reported in Wilsonville.

**Exhibit 1. MIRO board: What are the barriers to accessing affordable housing in Wilsonville?**



**Exhibit 2. What would you like to see the City do to help increase access to affordable housing?**



## Community Conversation on Cost Burden - 11.8.2023 - Meeting Attendees

<b>Name</b>	<b>Affiliation</b>
Nicole Hendrix	Planning Commission, Wilsonville Community Sharing
Caroline Berry	City Council
Morgan	not identified
Jennifer Willard	Planning Commission
Kaelyn Cassidy	Wilsonville Spokesman
Bob Zeil	Resident
Julie Fitzgerald	Mayor
Joanne Linville	City Council
Kamran Mesbah	Planning Commission
Kathryn Neil	Planning Commission
Kristen Akervall	City Council

Note: Due to the small size of Wilsonville, attendees are not representative of or affiliated with a specific geographic location in the City

## Community Conversation on Cost Burden - Meeting Notification List\*

<b>Name</b>	<b>Affiliation</b>
Maria Caballero Rubio	Centro Cultural
Mariana Valenzuela	Centro Cultural
Lyn Welchel	Heart of the City
Leigh Crosby	Wilsonville Community Sharing
General email	Housing Authority of Clackamas County
Devin Ellin	Housing Authority of Clackamas County
Trell Anderson	Northwest Housing Alternatives
General email	Cascade Management, Inc.
Robert Gibson	Palindrome
Heather Boyd	Palindrome
Maria Vargas	Latino Network
Sadie Wallenberg	Wilsonville Community Seniors
Seth Henderson	Level Development
Jennifer Jenkins	Level Development
Lauren Golden Jones	Capstone Partners
Stef Kondor	Related Northwest
General email	Chrisman Development
General email	Pinehurst Management
Eugene Labunsky	West Coast Home Solutions
General email	Clackamas County Social Services
General email	Caritas Community Housing Corporation
Zachary Howell	Accessible Living, Inc.
Jack Kohl	KWDS LLC
General email	Fair Housing Council of Oregon

\*in addition to those who receive Planning Commission meeting notifications

DATE: Dec 12, 2023  
TO: Kim Rybold and Dan Pauly (City of Wilsonville)  
FROM: Armster Edwards, Scott Goodman, & Beth Goodman (ECONorthwest)  
SUBJECT: Housing Our Future Survey Summary

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## Survey Methodology and Information

To support Wilsonville's *Housing Our Future* project, the City distributed an online survey to gather feedback on residents' housing issues and proposed actions for addressing local housing needs. The online survey was open from late August through early October, 2023 and was advertised through "Let's Talk Wilsonville," email messaging, and at the Wilsonville Party in the Park. The following memorandum provides a summary of the survey responses.

The survey asked the following questions:

- Which of the following types of housing do you live in?
- Which of the following housing types would you live in, if single-family detached housing was not an option due to cost or availability?
- If you could improve on thing about your housing now, what would it be?
- Have you personally experienced discrimination in renting or buying housing?
- Do you think our children and young adults will be able to afford housing in Wilsonville in 10+ years?
- Which of the listed expenses could you afford?
- Which of the listed options should the City of Wilsonville prioritize to address affordable housing needs?

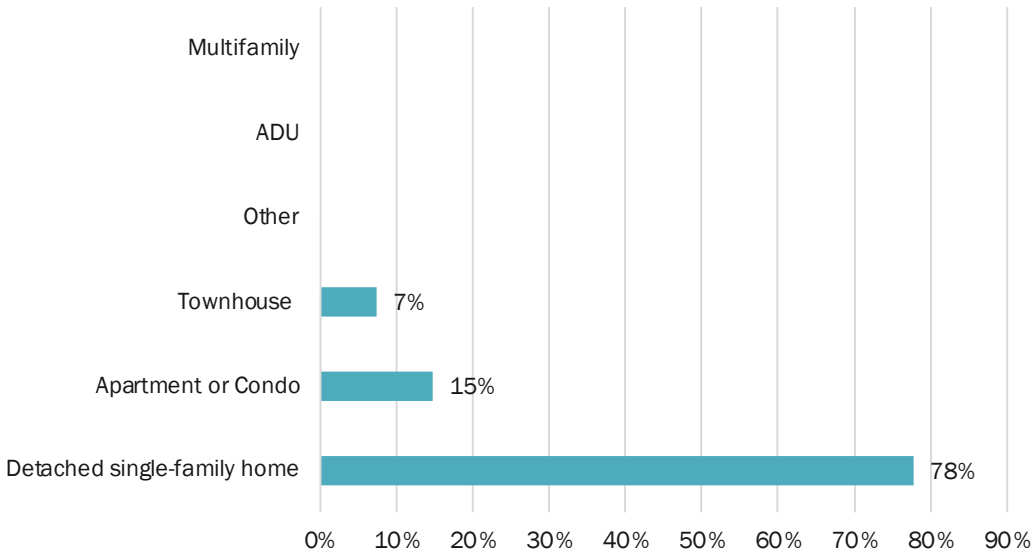
The survey was available in English and Spanish (all were completed in English and zero were completed in Spanish). The highest number of responses for any one of the questions was 27 and the fewest number of responses was one.

Note: The survey is not intended to be representative of all Wilsonville residents, as it is not a survey of randomly selected Wilsonville households. The information in the survey represents the opinions of the respondents and will be used to inform understanding of unmet housing needs in Wilsonville and provide input on potential options for housing policies for evaluation in the City's upcoming housing policy planning project.

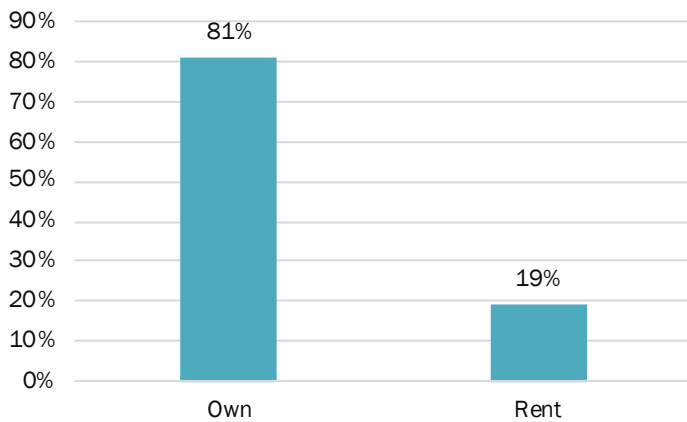
## Survey Respondent Housing Circumstances

We asked survey respondents about their current housing circumstances, including the type of housing they live in and whether they rent or own. Exhibit 1 shows most survey respondents—nearly 80 percent— live in a single dwelling detached home. The remainder of respondents were split among townhouse and apartment or condo. No survey respondents indicated they lived in multifamily, ADUs, or “Other” types of housing.

**Exhibit 1. Housing types where respondents live**



**Exhibit 2. Portion of respondents who rent vs. own their housing**



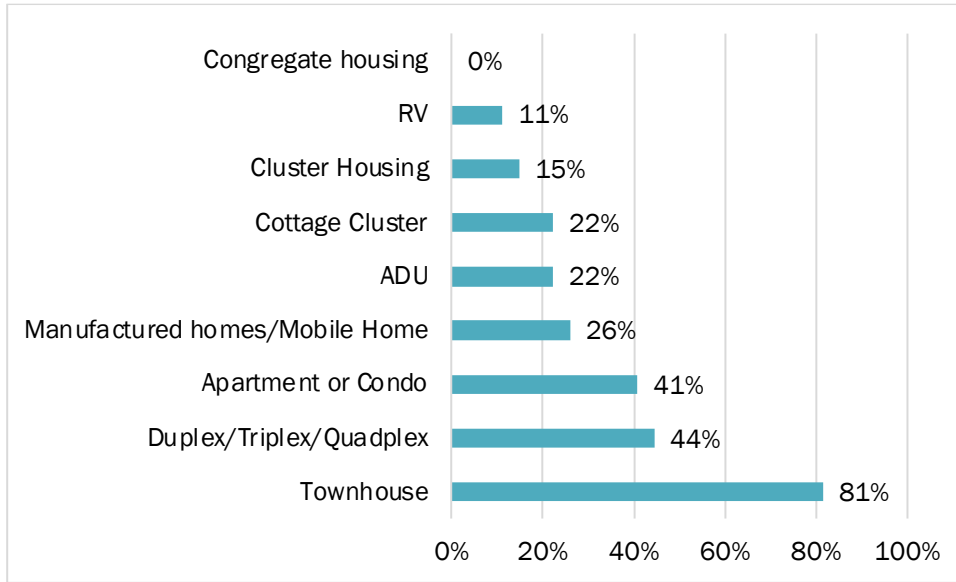
Given that most respondents indicated they live in single family detached housing, it is not surprising that most respondents also own their homes. While 81% of respondents own their homes, 19% rent their housing (Exhibit 2)<sup>1</sup>

<sup>1</sup> Wilsonville’s overall households was reported as 49% owner-occupied and 51% renter-occupied according to the US Census Bureau 2017-2021 survey.



When asked to choose their preferred housing type *if single-family detached housing was too expensive or not available* (Exhibit 3), the most popular alternative housing type was townhouses, with 81% of respondents selecting this option. Apartment or Condo and Duplex/Triplex/Quadplex also had significant support, at 41% and 44% respectively. Less traditional options like accessory dwelling units (ADUs), manufactured homes, and cluster housing had lower support in the 15 to 26% range.

**Exhibit 3. Preferred housing type of respondents if single-family detached weren't an option**

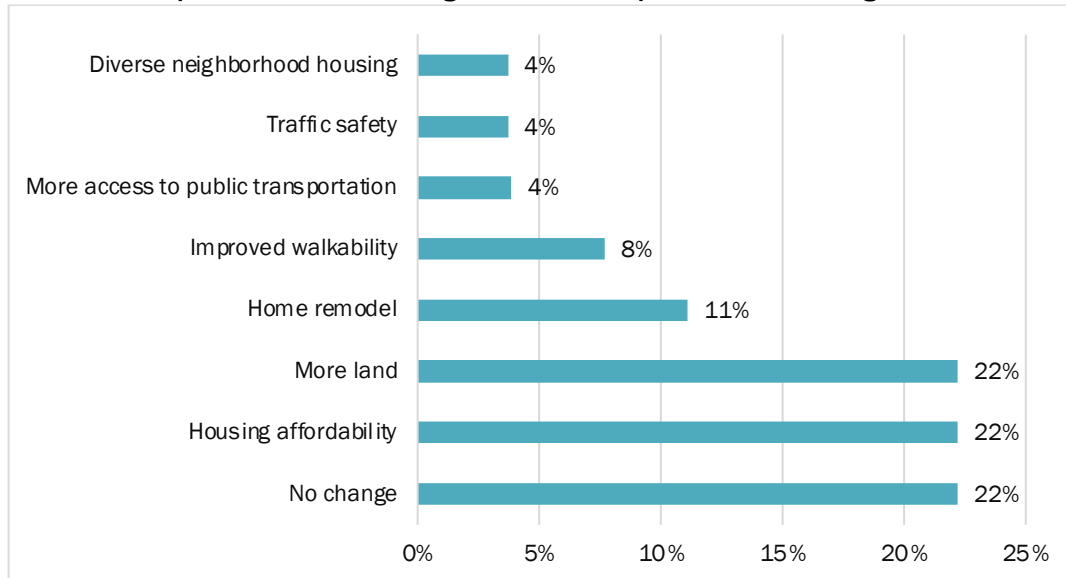


The survey suggests an openness of survey respondents to considering townhouses and also some willingness to consider apartments/plexes as housing options.

## Resident Sentiments towards Housing in Wilsonville

When respondents were asked an open response question on what they would improve if they could improve their housing, responses varied (Exhibit 4). We grouped the responses by theme, the top responses were evenly split between desiring more land (22%), wanting more affordable housing (22%), and being satisfied with no change (22%). The next most common response was wanting to remodel their current home (11%) followed by improved walkability (8%), more access to public transportation (4%), traffic safety (4%), and neighborhood housing diversity (4%). The survey showed mixed opinions - a portion of respondents want more space or affordability, some appear content with the status quo, and others want to upgrade their existing home.

**Exhibit 4. Respondents on one thing that would improve their housing in Wilsonville**



When asked about personal experiences of discrimination when buying or renting housing, the vast majority (89%) of the respondents responded that they had not personally experienced housing discrimination. A small number (7.4%, 2 people) *did* report experiencing discrimination. One specified example cited discrimination experienced regarding a VA home loan, in which the seller reportedly said that they would have rejected the buyer had they known it entailed VA financing.

Respondents feel pessimistic about future housing affordability for the next generation in Wilsonville (Exhibit 5). More than half of respondents (52%) don't think that housing in Wilsonville will be affordable for future generations in 10+ years. Only 15% believe future generations will be able to afford housing in Wilsonville in 10+ years and the rest of the respondents (33%) were uncertain. The responses indicate a prevalent view that housing will become less affordable for young people in the coming decade(s) in Wilsonville. With well over half answering no or expressing uncertainty about ability to afford housing, there are strong concerns about priced-out futures for the next generation of residents.

**Exhibit 5. Respondents when asked if they feel housing in Wilsonville will be affordable for future generations in 10+ years**

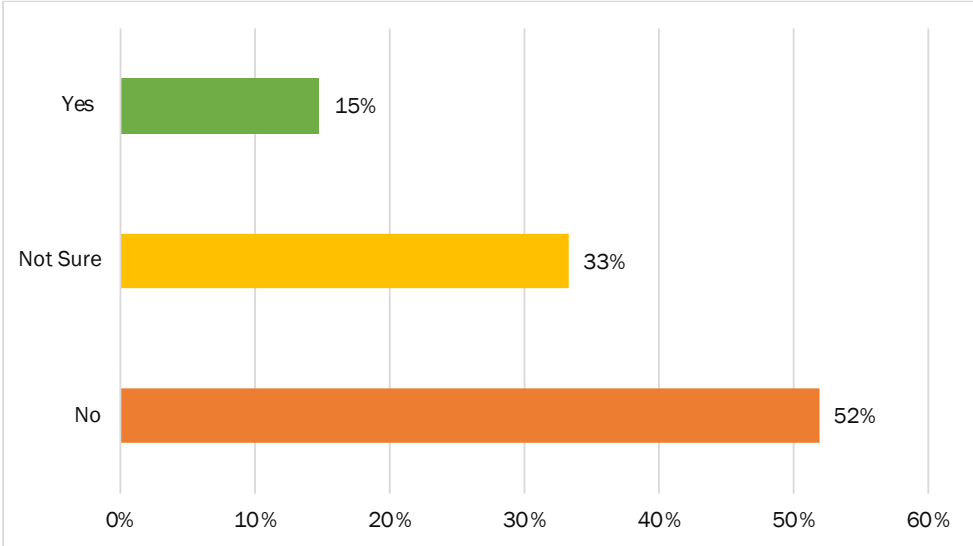
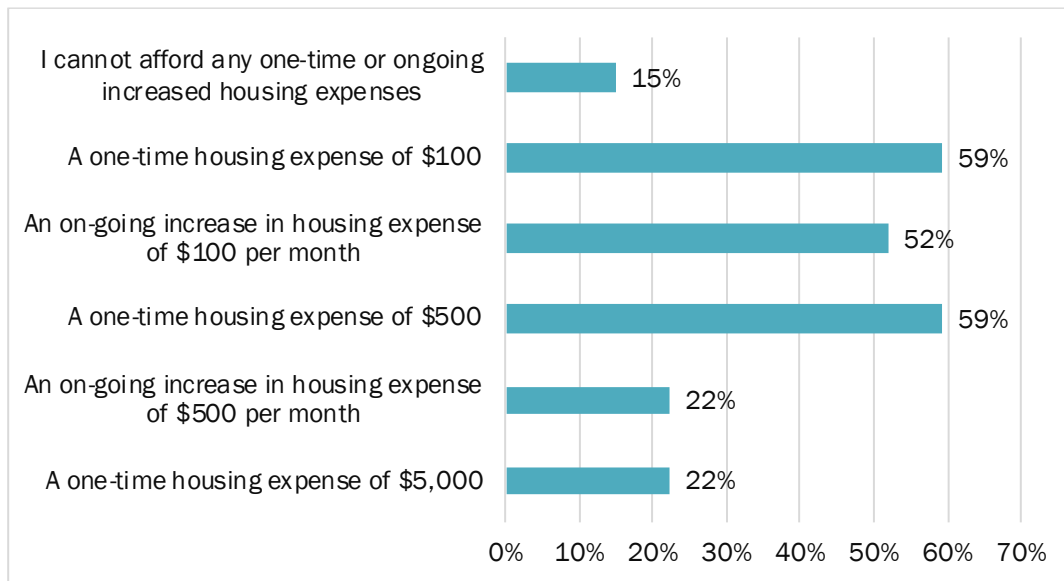


Exhibit 6 shows respondents’ ability to afford additional housing expenses.

- The majority of respondents (59%) can afford relatively small *one-time* housing expenses of \$100 or \$500.
- Half of respondents (52%) could afford a moderate \$100 per month increase or one-time expense above \$500 (59%).
- About 15% of respondents could not afford any one-time or on-going increases in housing expenses.

**Exhibit 6. Respondents’ ability to afford additional housing expenses**



## Housing Action Priorities in Wilsonville

The survey asked respondents to rank eight different housing affordability solutions, from lowest to highest priority. Two housing solutions received a ranking of “highest priority” from over 50% of survey respondents and an overall highest average ranking amongst all potential solutions. These highest supported solutions, highlighted in green in Exhibit 7 and Exhibit 8, are:

- Funding to support **construction of needed infrastructure** for development, like roads, water mains, and sewer systems.
- Partnering with nonprofits who **build homeownership units** for low-income households.

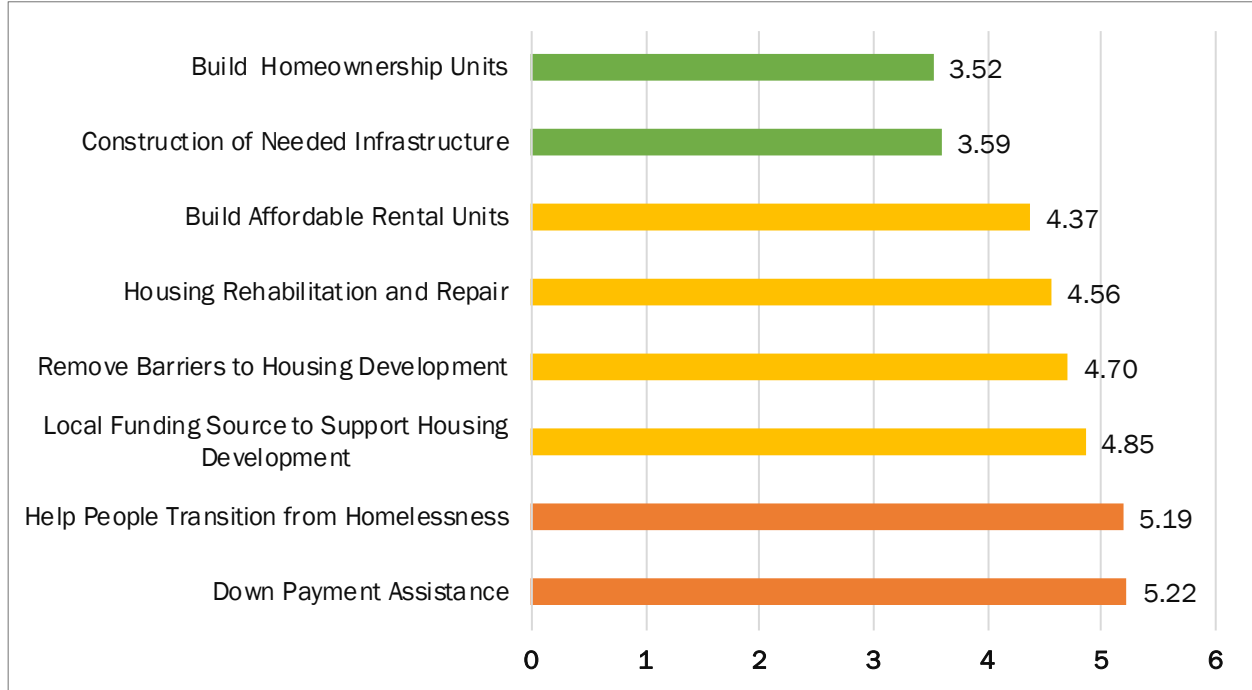
Exhibit 7 shows the percentage of respondents that ranked each solution as one of their top three priorities.

**Exhibit 7. Respondents’ prioritization of housing affordability solutions**

Description	Highest Priority
Funding to support <b>construction of needed infrastructure</b> for development, like roads, water mains, and sewer systems.	56%
Partnering with nonprofits who <b>build homeownership units</b> for low-income households.	52%
Partnering with nonprofits who <b>build affordable rental units</b> for low-income households.	37%
Providing funding to support <b>housing rehabilitation and repair</b> for low-income homeowners.	37%
Providing <b>down payment assistance</b> to low-income households.	33%
Refining regulations and processes to <b>remove barriers to housing development.</b>	30%
Developing a <b>local funding source to support housing development</b> for low- and middle-income households.	30%
Partnering with organizations that provide services to <b>help people transition from homelessness</b> to being housed	26%

Exhibit 8 shows the *average* ranking given to each housing solution, with lower average numbers indicating higher priority solutions. The top two solutions by highest average ranking also include build homeownership units and construction of needed infrastructure, matching the Exhibit 7 data for highest priorities as well.<sup>2</sup>

**Exhibit 8. Average respondent rankings of housing affordability solutions**



Note: Lower average number corresponds to higher priority.

<sup>2</sup> Note that the ordering of solutions does not exactly match between Exhibit 7 and Exhibit 8, this is because Exhibit 7 only shows the percentage of respondents ranking each solution as high priority (top three), while Exhibit 8 shows the average ranking across high, medium and low priorities (a ranking of one equates to the top priority for a respondent and a ranking of eight equates to the lowest priority for a respondent). For example, the build affordable rental units solution had a 33% top priority rank (5<sup>th</sup> highest) in Exhibit 7, but it has an overall average ranking of 5.22 (lowest) in Exhibit 8. This suggests that while some participants ranked it as high priority, there were also many who ranked it medium or low priority, which affected its relative average ranking.

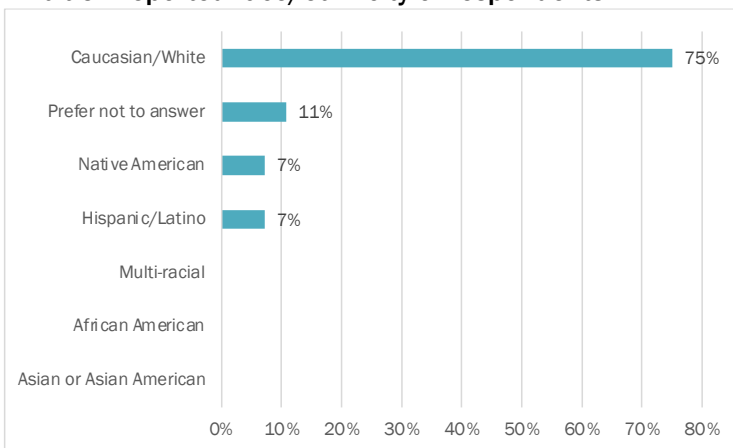
## Demographics of Respondents

To better understand the perspectives represented in the results, the following sections provide a brief demographic analysis of the survey respondents. As we review the findings, it is important to consider whether certain voices may be overrepresented while others underrepresented or missing entirely.

The survey received 27 responses in total. The housing survey respondents predominantly identified as Caucasian/White and middle-aged, with more female respondents than male.

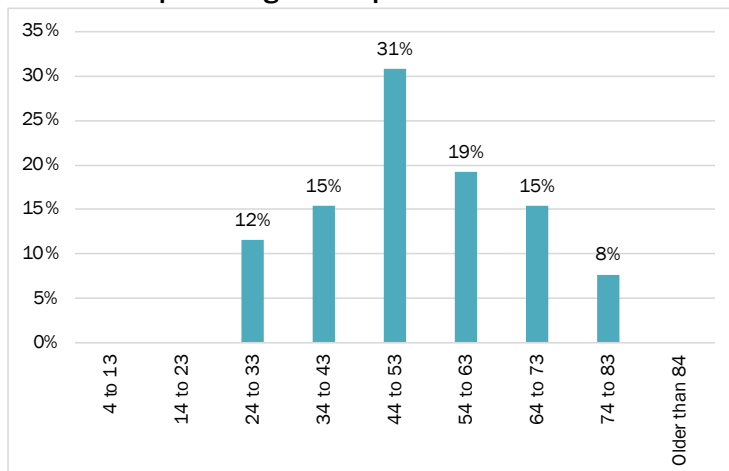
With regards to race/ethnicity (Exhibit 9), the majority of respondents (75%) identified as Caucasian/White. Two respondents (7%) identified as Hispanic/Latino and two (7%) identified as Native American. Three respondents (11%) preferred not to provide their race/ethnicity.

**Exhibit 9. Reported race/ethnicity of respondents**



For respondents by age (Exhibit 10), the survey asked respondents to report the decade they were born. The largest share of respondents were aged 44-53 (31%). The next most common age group was 54-63 (19.2%), followed by 34-43 and 64-73 (both 15.4%). Only 12% of respondents were aged 24-33 and no respondents were under 24 or over 84 years old.

**Exhibit 10. Reported age of respondents**



In terms of gender, 13 respondents (50%) identified as female, 10 (38%) identified as male, and 3 (12%) preferred not to answer (Exhibit 11).

**Exhibit 11. Reported gender of respondents**

