



**CITY COUNCIL MEETING  
STAFF REPORT**

<b>Meeting Date:</b> February 20, 2025		<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 actions to include in the City’s Housing Production Strategy.			
<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:**

The project team will present recommendations for which actions to include in the City’s Housing Production Strategy (HPS), share input from the project Task Force’s review of the recommendations, and seek City Council direction on which actions to include in the draft HPS.

## **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 builds 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 mid-2025.

The project includes two primary work products – the Housing Needs and Capacity Analysis (HNCA) and the Housing Production Strategy (HPS). The HNCA identifies 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. City Council reviewed an initial draft of the HNCA at a joint work session with Planning Commission in July 2024, and feedback from that work session was incorporated into the final draft HNCA. Using the recommended actions of the 2020 Equitable Housing Strategic Plan (EHSP) as a starting point, the HPS will propose actions that Wilsonville can take to help address the unmet housing needs.

Development of the HPS has been ongoing since mid-2024. Throughout this process, the project Task Force, Planning Commission, and City Council reviewed data from the HNCA, along with the results of interviews the project team conducted with local service providers, non-profits, and educational institutions to gather qualitative information on the unmet housing needs in Wilsonville (Attachment 1). Based on this input, throughout fall 2024 the Task Force, Planning Commission, and City Council assessed several different actions that the City could pursue to support the City's anticipated housing needs.

At the December 2, 2024 work session, City Council recommended that the project team and Task Force further assess 15 of these actions for possible inclusion in the HPS. These actions were evaluated in a memorandum highlighting key components of each proposed action, along with information on implementation steps, partners, staffing needs, and funding implications of each action (Attachment 2). The memorandum also highlights recent and ongoing actions related to housing, illustrating interrelationships between existing and proposed actions.

The Task Force reviewed this memorandum at its fourth meeting on January 28, along with the project team's recommendations of which actions would be best suited to include within the HPS. In making recommendations, the project team considered which actions would meet the City's identified housing needs while being able to be implemented within the six-year period of the HPS, considering funding and staffing limitations. Based on discussion at the Task Force meeting, the project team recommends the following actions for inclusion in the HPS:

- **Planning Work Program Actions:** Actions A (rezoning land), B (housing variety), C (administrative review), F (accessibility requirements), and N (preserve affordability) generally involve policy decisions related to the Comprehensive Plan and/or Development Code. These actions can be accommodated within the Planning Division’s work program during the next six years, either as standalone projects or within other upcoming projects. Taken together, these actions would support the production of a variety of housing types at various price points, along with the preservation of existing affordable housing units.
- **Foundational Actions for the Future:** Actions G (housing specialist) and I (Construction Excise Tax) set the stage for a more comprehensive and robust approach to the City’s housing actions in the future. Several of the actions evaluated for consideration in the HPS indicated the need for additional housing-specific staff capacity and funding tools that the City does not currently have and would take time to develop. As several of these actions were broadly supported by the Task Force, Planning Commission, and City Council, it is critical to implement Actions G and I in this six-year HPS period. Action G, which involves creating position requirements for a housing specialist, was a primary focus of the Task Force’s discussion of the proposed actions as it was seen as an essential action to enable the City to implement additional desired actions in the future. Action I would provide a dedicated source of funding for this position and future housing initiatives, reducing reliance on the City’s General Fund. An excerpt from the City’s *Equitable Housing Strategic Plan* (Attachment 3) provides additional information on this funding tool and how it could be implemented.

Additional actions that were considered but are not recommended for inclusion in the HPS include the following:

- **Actions to Pursue in a Future Housing Program:** Actions K (land banking), L (community land trust), M (homebuyer assistance), and O (affordability preservation) are important steps the City could pursue to support homeowners and renters, but the ability to implement these actions is dependent on implementation of the *Foundational Actions for the Future* to establish sufficient staff capacity and funding. While it is not certain that these actions can be implemented during the six-year period of the HPS, establishment of the Housing Specialist position and availability of funding may make it possible to begin implementation of these actions. Actions K, L, and M may be utilized in conjunction with one another to support affordable homeownership opportunities, while Action O is intended to ensure that the City’s rental housing stock remains safe for current and future tenants.
- **Other Actions:** Actions D (live-work units), E (scaled system development charges), H (urban renewal), and J (infrastructure needs) were not recommended for inclusion in the HPS for various reasons, including the magnitude of impact on housing production, concerns about legal viability, and possible conflict with other City priorities. While the City could reconsider these actions in the future, they were not determined to be as high of a priority as the *Actions to Pursue in a Future Housing Program*.

To confirm which actions the City Council would like included in the HPS, the project team seeks feedback on the following questions:

1. Do you agree with the list of actions recommended for inclusion in the HPS? Should any actions be removed or added?
2. Are there additional implementation considerations for these actions that should be included in the HPS?

**EXPECTED RESULTS:**

Presentation of project team and Task Force feedback on draft housing production actions and confirmation of which actions should be included in the HPS.

**TIMELINE:**

Selected actions will be included in the draft HPS, which City Council will review at a work session in spring 2025. Adoption of the final HNCA and HPS documents is anticipated in mid-2025.

**CURRENT YEAR BUDGET IMPACTS:**

A portion of City staff time in fiscal year 2024-25 is funded by a \$40,000 grant from the Oregon Department of Land Conservation and Development (DLCD). Phase 3 consultant costs are funded directly by DLCD for a total estimated project cost of \$115,000. Additional project outreach costs of approximately \$10,000 are funded by the Planning Division’s professional services budget.

**COMMUNITY INVOLVEMENT PROCESS:**

The Housing Our Future project is guided by an inclusive public outreach process. Engagement includes creation of a project task force, participation in a variety of public events, interviews, distribution of a housing conversation guide, and engagement through *Let’s Talk, Wilsonville!* Outreach is focused 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, helping ensure Wilsonville has housing opportunities for different household compositions, ages, and income ranges.

**ALTERNATIVES:**

City Council may suggest the addition, modification, or removal of actions for the HPS.

**CITY MANAGER COMMENTS:**

N/A

**ATTACHMENTS:**

1. Wilsonville Housing Production Strategy – Data Summary: Housing Needs and Capacity Analysis and Contextualized Housing Need – February 2025
2. Wilsonville HPS – Additional Information on Potential Actions – January 21, 2025
3. Construction Excise Tax Implementation Roadmap