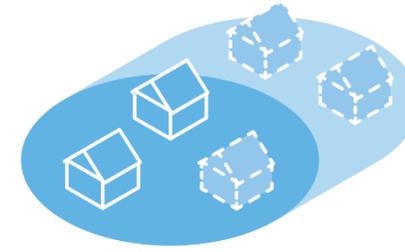
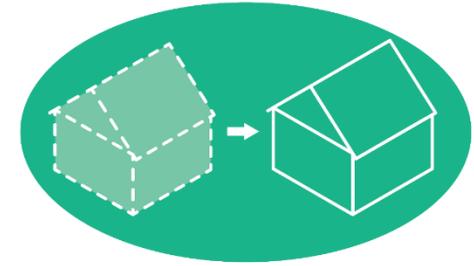


Oregon's Housing Planning System: Past, Present, and Future

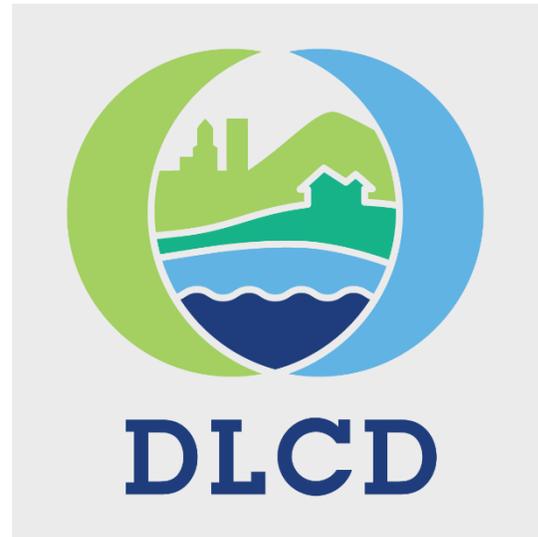
House Committee on Housing
June 1, 2021



Housing Needs/Capacity
Analysis (HNA)



Housing Production
Strategy (HPS)



Department of Land
Conservation and Development

Ethan Stuckmayer

Sean Edging

Palmer Mason

Oregon Housing and
Community Services

Kate Srinivasan

Megan Bolton

Nicole Stingh



Presentation Overview

Past

Policy Context and
History/Challenges of Goal 10

Present

House Bill 2003 (2019) and the
Housing Production Strategy

Future

Regional Housing Needs Analysis
and Housing Planning Reform



Vanport housing under construction. Image courtesy of the Oregon Historical Society.

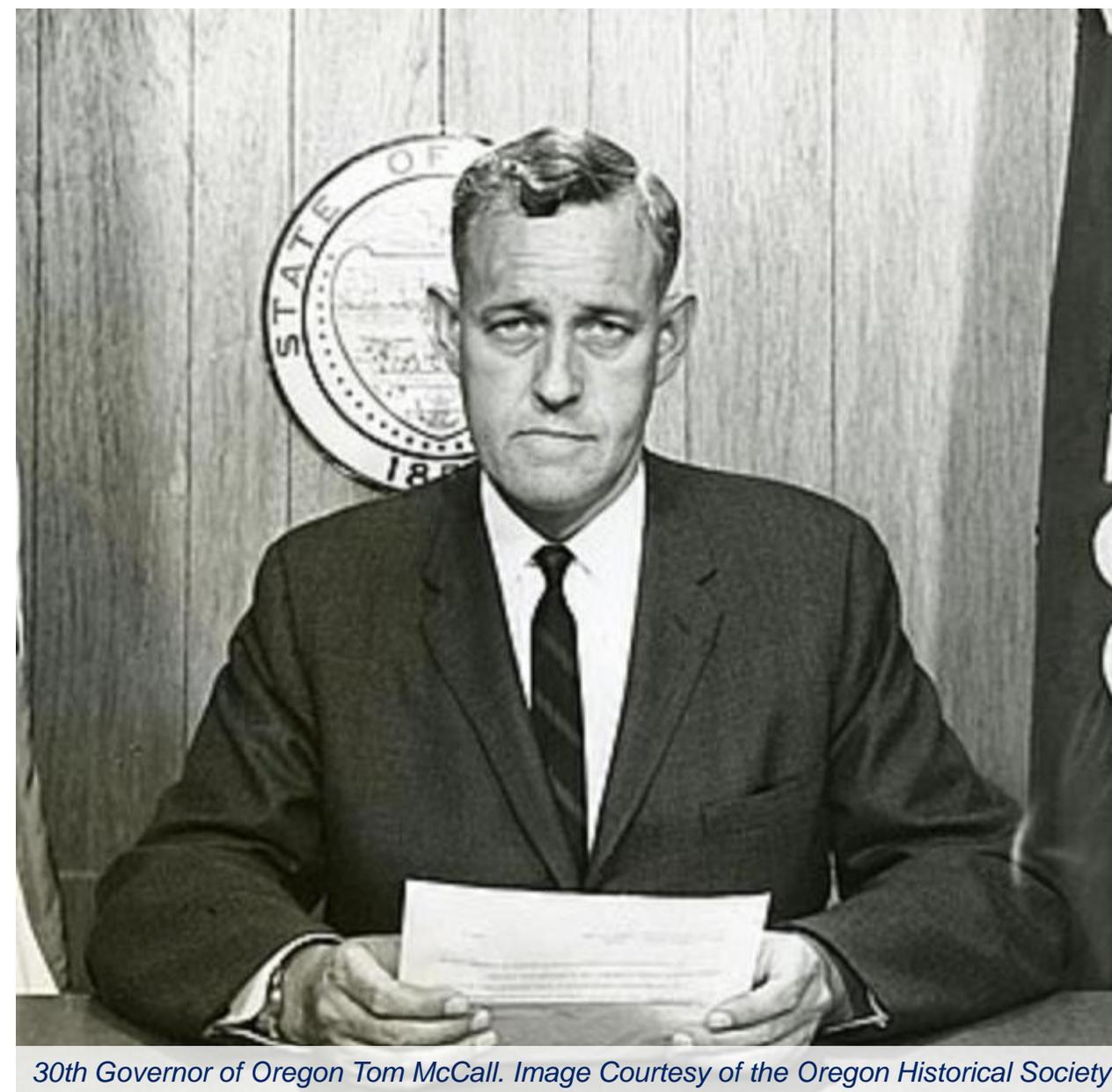
The Past:

A Brief Overview of Policy Context

Fair Housing and Oregon Planning



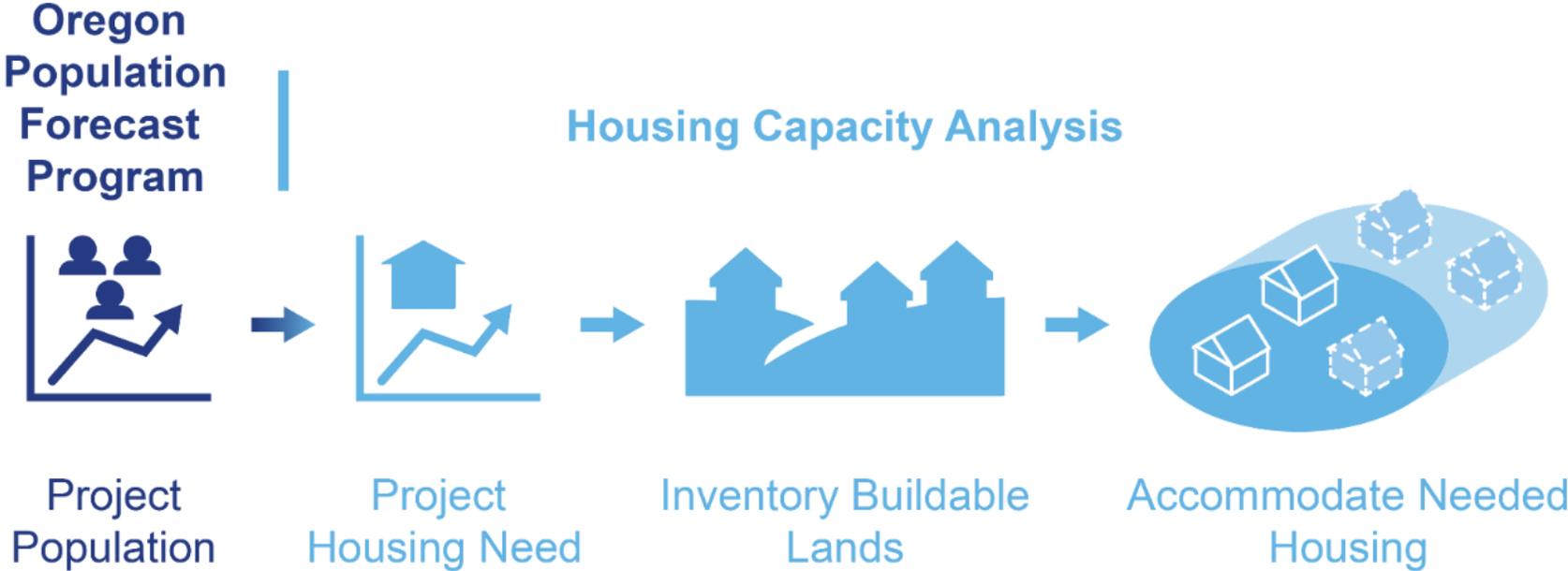
A Fair Housing Protest in Seattle, 1964. Creative Commons.



30th Governor of Oregon Tom McCall. Image Courtesy of the Oregon Historical Society

Goal 10 - Housing Needs Analysis

Process



Housing Needs Analysis

Historic Challenges and Gaps

Underestimate Housing Need



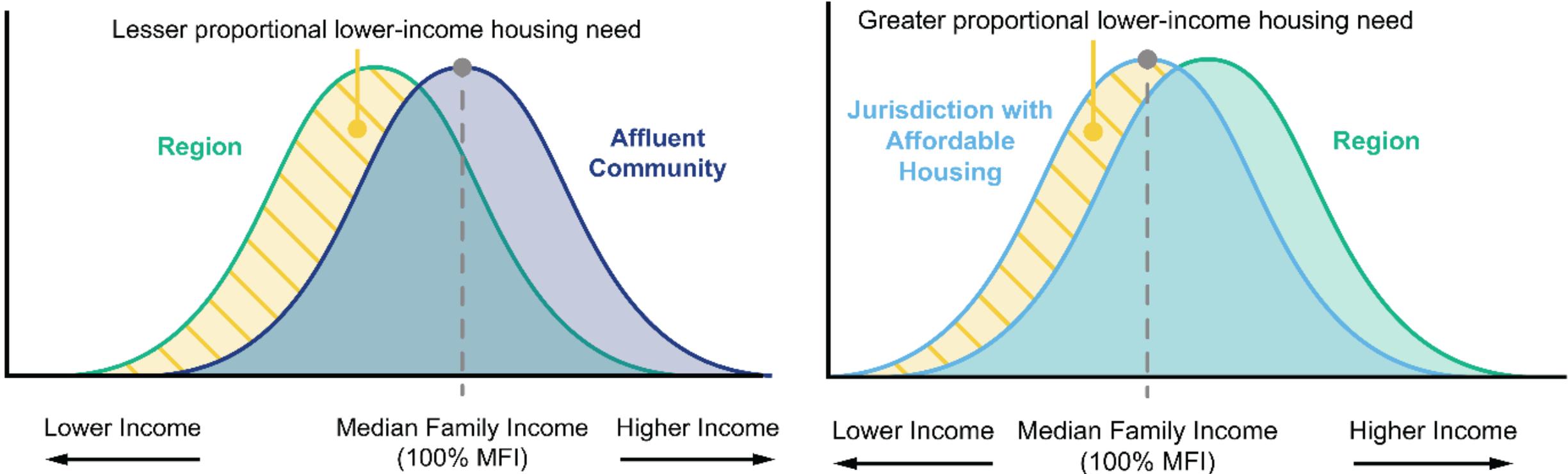
Reinforce Geographic Disparities



- Focus on land supply
- Not regularly updated
- Minimal focus on equity
- Incomplete need
- Future looks like the past

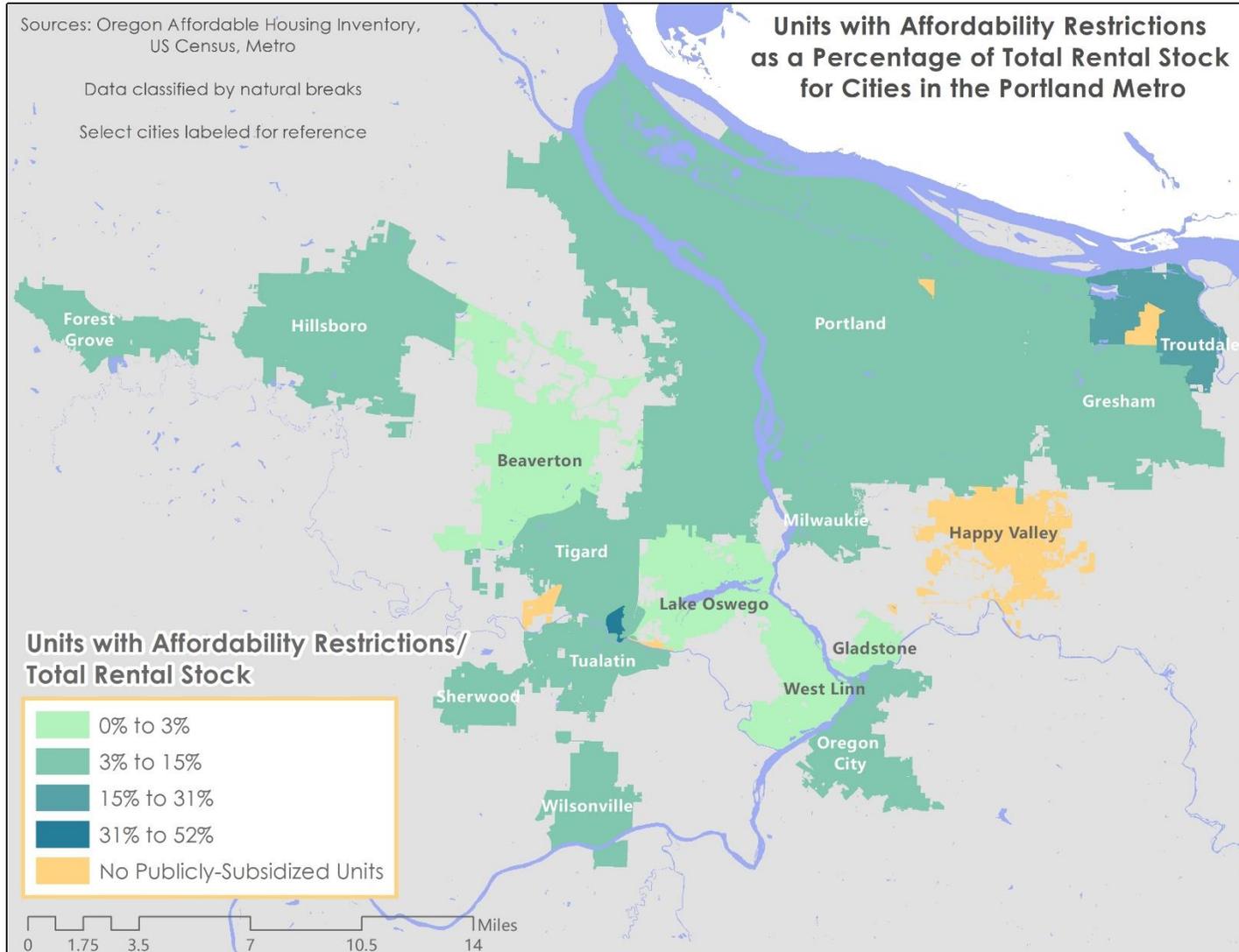
Projecting Inequitable Outcomes

Local housing needs projections reinforce geographic disparities

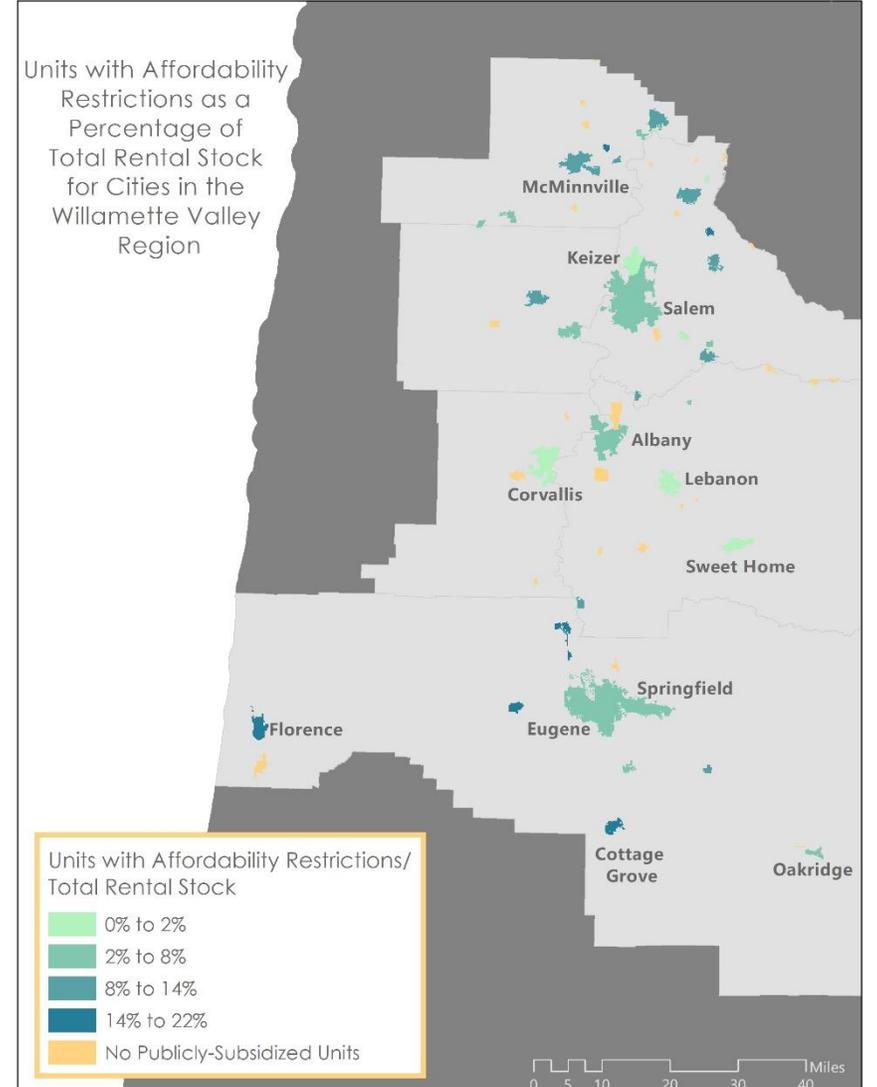


Results for Affordable Housing

Portland Metro

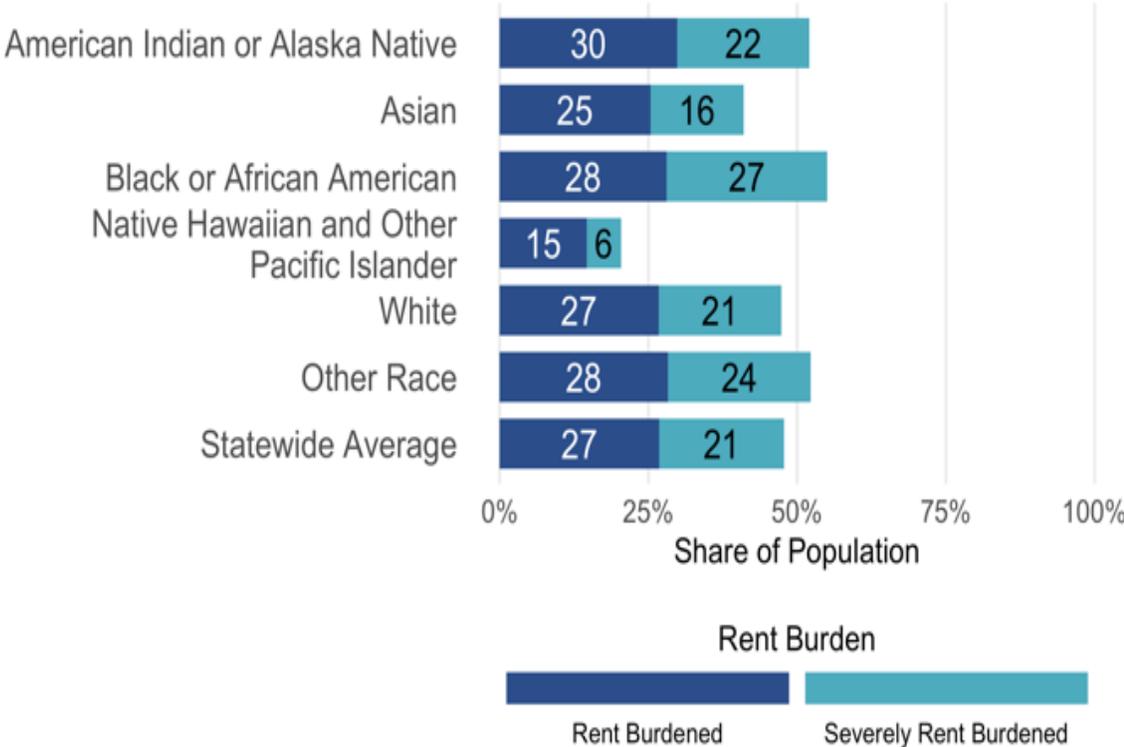


Willamette Valley

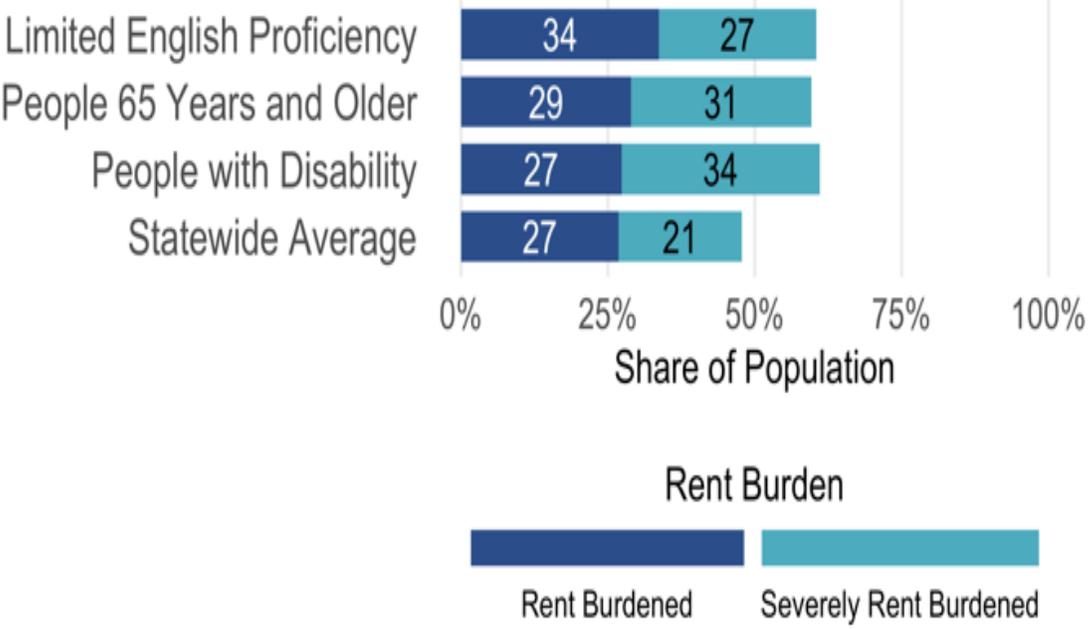


Results of Current System

Rent burden by race and ethnicity, Oregon



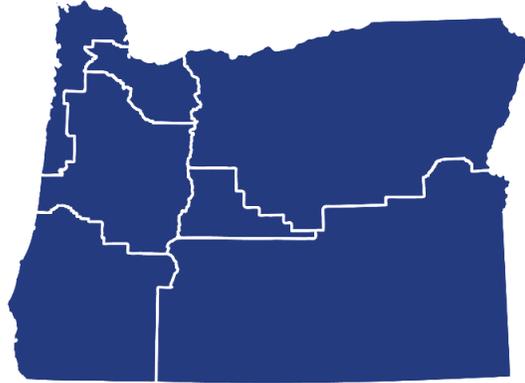
Rent burden by selected demographics, Oregon



Source: ECONorthwest analysis, U.S. Census 2018 ACS 1-year PUMS estimates

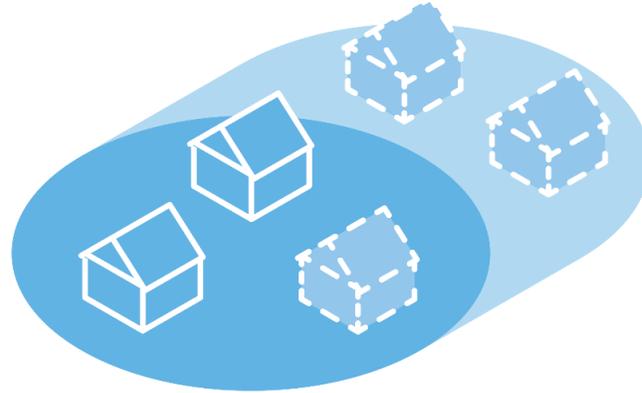
Clarifying Questions
On Current System and Policy Context
(Next Section: HB 2003 work)

Pilot a statewide housing analysis



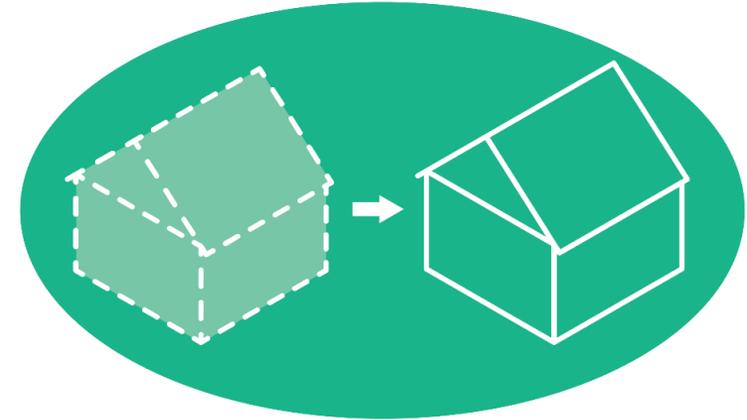
Regional Housing Needs Analysis (RHNA)

Plan to accommodate needed housing on a regular schedule



Housing Needs/Capacity Analysis (HNA)

Promote the development of needed housing



Housing Production Strategy (HPS)

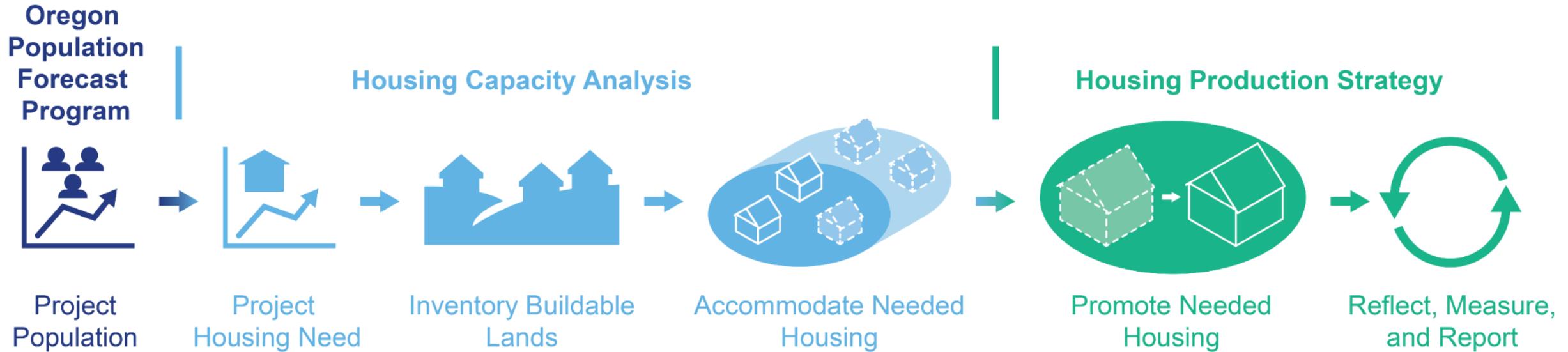
The Present:

House Bill 2003 and the Housing Production Strategy

“The state’s housing crisis has continued for far too long and demands a **bold set of solutions** from the Legislature... We must publicly finance **more affordable housing** across Oregon. We must create more **housing choice in exclusively single-family neighborhoods**. And we must smooth the way for **more construction** at the local level. This is the goal of House Bill 2003.”

March 5, 2019. Testimony in Support of House Bill 2003, House Committee on Agriculture and Land Use, Speaker of the House Tina Kotek.

HB 2003 Requirements



Existing requirement
newly fixed on a 6- or 8- year schedule

New requirement

Housing Production Strategy

HPS Report Structure



Contextualized Housing Need



Engagement



Strategies to Meet Need



Fair and Equitable Outcomes

Reporting

Compliance

House Bill 2003: a Major Step Forward

Housing Production Strategies address existing shortcomings

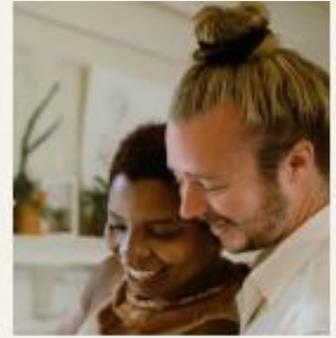
- Considers equitable outcomes directly
- Beyond land use to housing production
- Realistic, accountable implementation for jurisdictions

But existing Housing Needs Analysis challenges and gaps remain

- Chronically underestimating housing need
- Reinforces patterns of geographic inequity
- Housing markets are regional
- Unclear and contentious expectations for addressing housing need

Clarifying Questions on HPS

(Next Section: Regional Housing Needs Analysis - RHNA)

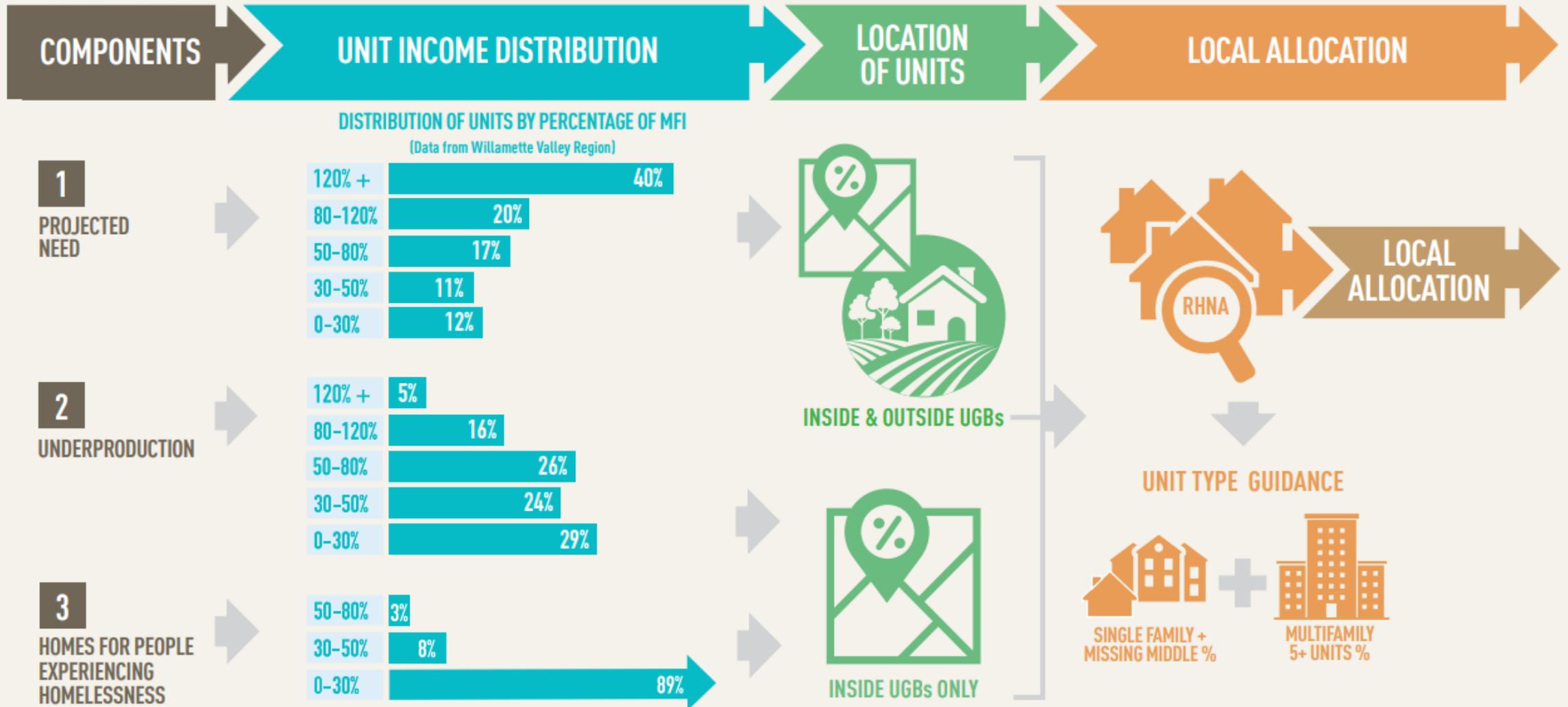


The Future:

The Regional Housing Needs Analysis and Reforming Goal 10

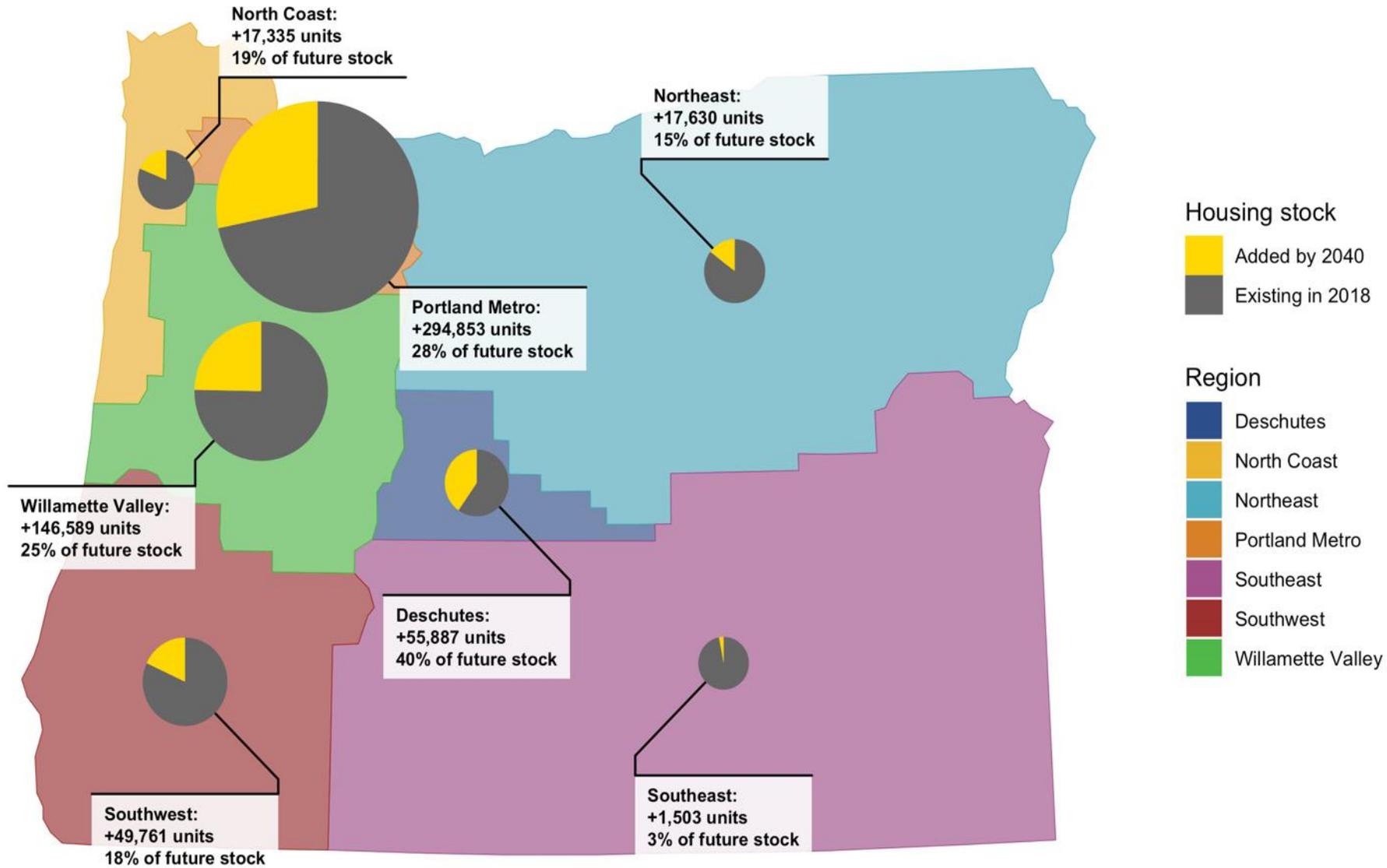


RHNA Methodology Overview



SOURCE: ECONorthwest, 2020
 NOTE: MFI is Median Family Income

Current (2018) Housing Stock Plus 20 Years of Housing Need



Source(s): ECONorthwest analysis; PSU, 2020-2070 Coordinated Population Forecasts; U.S. Census Bureau, 2018 ACS 1-year PUMS estimates; HUD, 2019 PIT count; ODE, SY 2018-2019 McKinney Vento data

Summary of housing need, regions and state, 2020 - 2040

Region	New units for each of the following...			Total Units	% of Units
	Projected Need	Underproduction	Housing for the Homeless		
Portland Metro	224,683	59,488	10,683	294,853	51%
North Coast	14,731	295	2,309	17,335	3%
Willamette Valley	101,704	35,913	8,972	146,589	25%
Southwest	34,896	10,287	4,579	49,761	9%
Deschutes	49,856	4,837	1,194	55,887	10%
Northeast	16,731	-	899	17,630	3%
Southeast	965	-	538	1,503	0%
Oregon	443,566	110,819	29,174	583,559	100%
% of Units	76%	19%	5%	100%	

Source(s): ECONorthwest analysis; PSU, 2020-2070 Coordinated Population Forecasts; U.S. Census Bureau, 2018 ACS 1-year PUMS estimates; HUD, 2019 PIT count; ODE, SY 2018-2019 McKinney Vento data

Summary of housing need, regions and state, 2020 - 2040

Region	New units for each of the following...			Total Units	% of Units
	Projected Need	Underproduction	Housing for the Homeless		
Portland Metro	224,683	59,488	10,683	294,853	51%
North Coast	14,731	295	2,309	17,335	3%
Willamette Valley	101,704	35,913	8,972	146,589	25%
Southwest	34,896	10,287	4,579	49,761	9%
Deschutes	49,856	4,837	1,194	55,887	10%
Northeast	16,731	-	899	17,630	3%
Southeast	965	-	538	1,503	0%
Oregon	443,566	110,819	29,174	583,559	100%
% of Units	76%	19%	5%	100%	

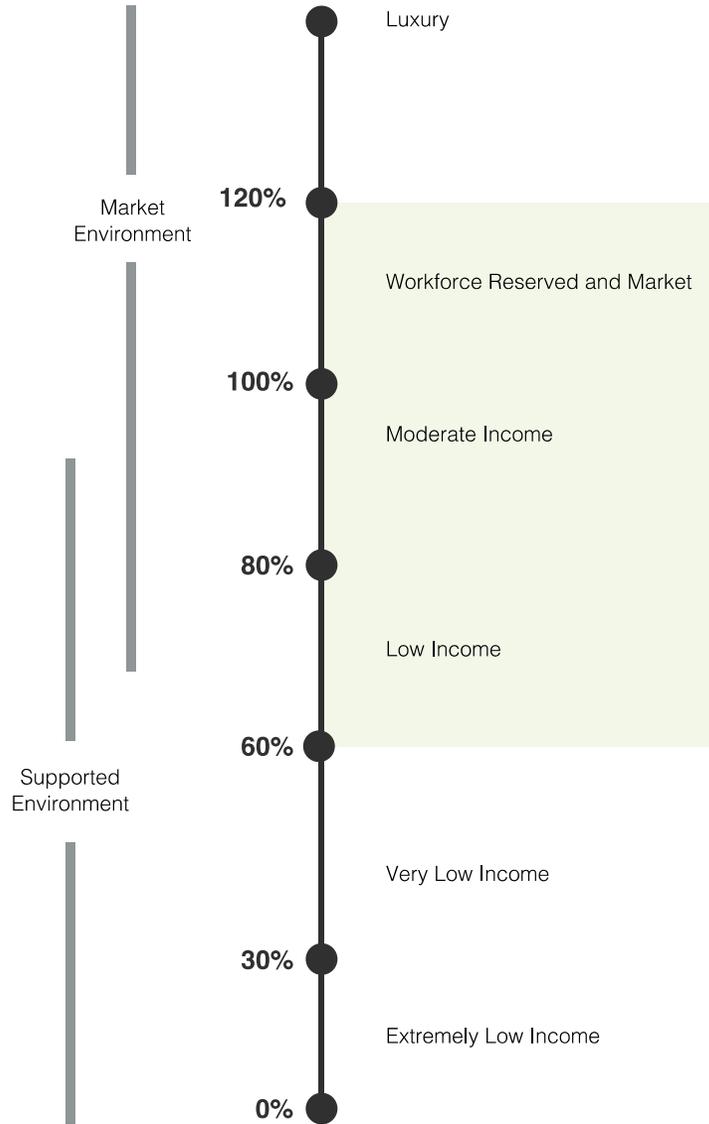
Source(s): ECONorthwest analysis; PSU, 2020-2070 Coordinated Population Forecasts; U.S. Census Bureau, 2018 ACS 1-year PUMS estimates; HUD, 2019 PIT count; ODE, SY 2018-2019 McKinney Vento data

Summary of housing need, regions and state, 2020 - 2040

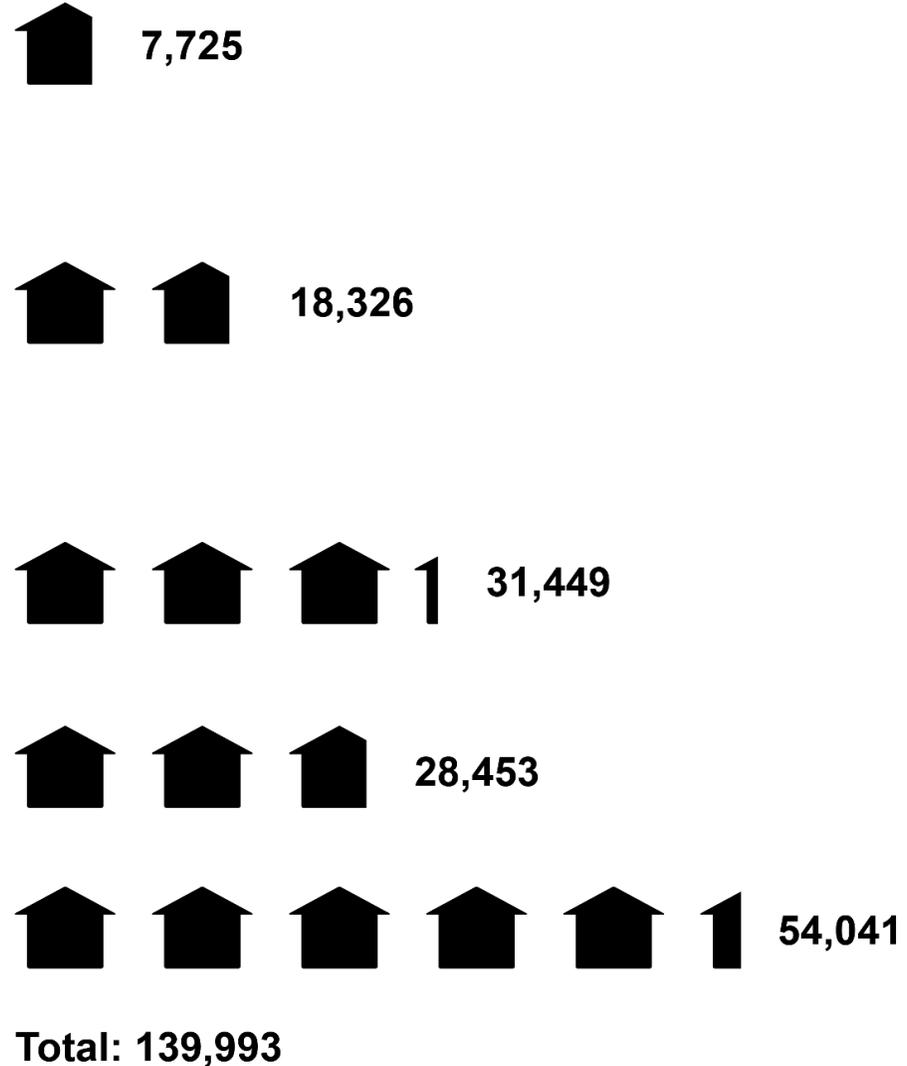
Region	New units for each of the following...			Total Units	% of Units
	Projected Need	Underproduction	Housing for the Homeless		
Portland Metro	224,683	59,488	10,683	294,853	51%
North Coast	14,731	295	2,309	17,335	3%
Willamette Valley	101,704	35,913	8,972	146,589	25%
Southwest	34,896	10,287	4,579	49,761	9%
Deschutes	49,856	4,837	1,194	55,887	10%
Northeast	16,731	-	899	17,630	3%
Southeast	965	-	538	1,503	0%
Oregon	443,566	110,819	29,174	583,559	100%
% of Units	76%	19%	5%	100%	

Source(s): ECONorthwest analysis; PSU, 2020-2070 Coordinated Population Forecasts; U.S. Census Bureau, 2018 ACS 1-year PUMS estimates; HUD, 2019 PIT count; ODE, SY 2018-2019 McKinney Vento data

The Housing Market Continuum



Housing Units Needed Right Now



Takeaway:

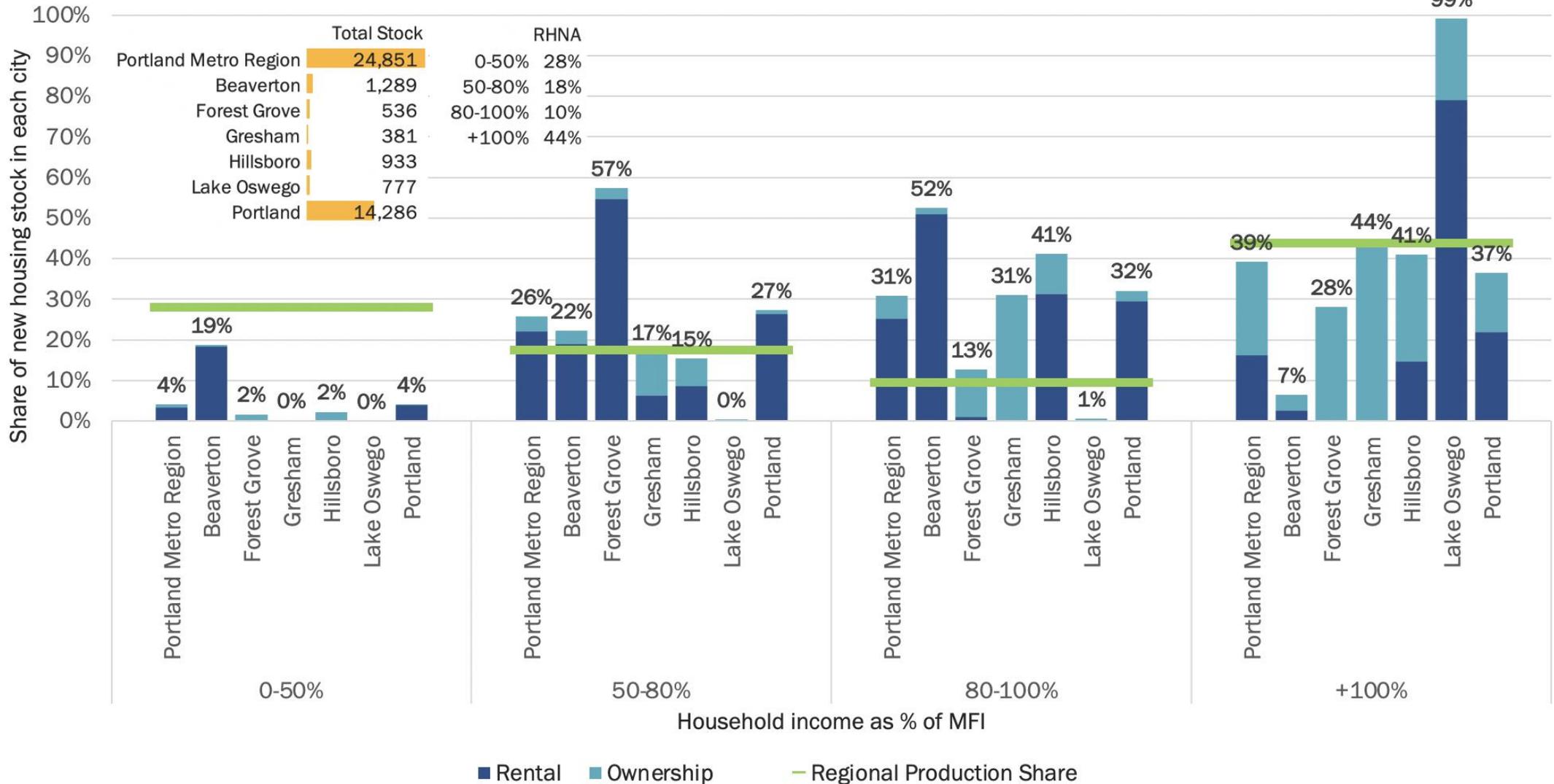
Over the next 5 years, we need to produce between 145,000 and 195,000 units

Annually: 30 – 40,000 units

Recent production: **20,000 per year**

Shared responsibility and housing equity

New Housing Construction (2017-2019) by Affordability and Compared to Regional Production Share

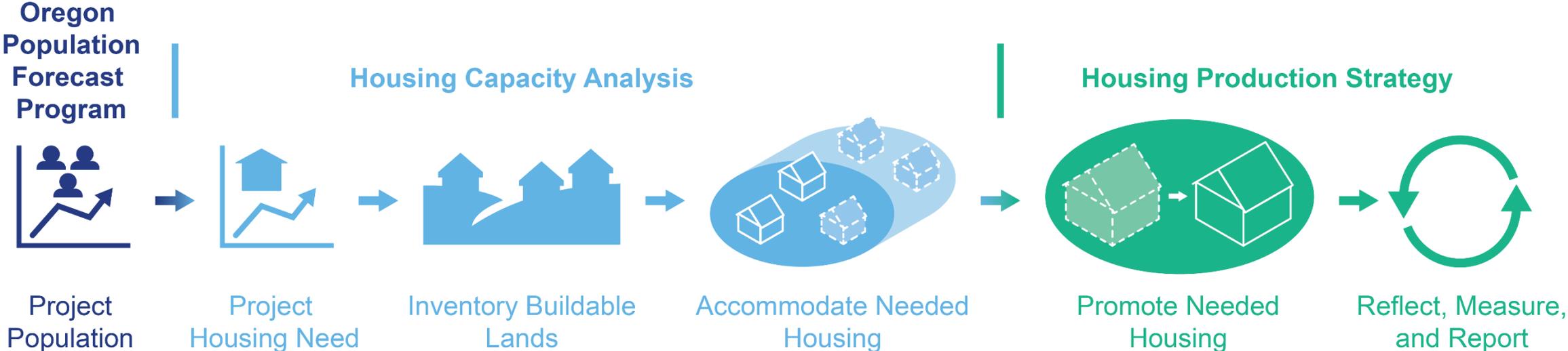


Source: CoStar, RLIS (assumes 20% down payment)

Clarifying Questions on RHNA Methodology

(Next Section: RHNA Evaluation)

RHNA Evaluation



Primary Focus

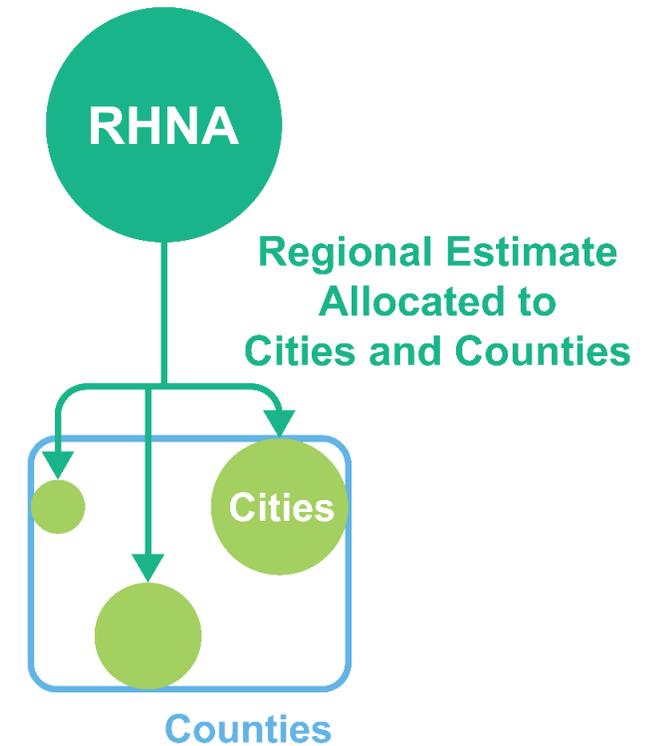
Housing Needs Projection

Local vs. Regional

Current Goal 10 Framework

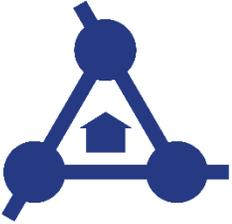


RHNA Framework



Establishes shared responsibility to address housing affordability within a region

Key Elements for Housing Planning Reform



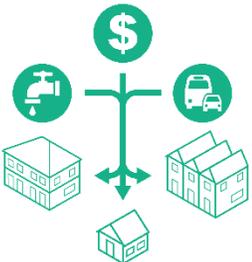
Shared Responsibility

Implementation of a RHNA



Realistic & Productive
Accountability

Developing an accountability framework



Directed & Coordinated
Resources

Identifying and leveraging investments

- **Accountability**
 - Administrative structures
 - Residential segregation
- **Tracking local progress**
- **Measuring outcomes**
- **Adjustments for specific local needs**
 - Metro
 - Tribal housing need
 - Student populations
- **Housing type**
- **Addressing Goal 10 gaps**
- **Who prepares and amends it**
 - The Metro region
- **Optimal frequency**
- **Review period for updates**
- **Reconciling second-home demand**
- **Addressing climate**
- **Leveraging investments and resources**
- **Necessary resources**

OHCS

DLCD

Shared Recommendations

- Adopt a RHNA
- Establish work group to recommend legislation & funding
- Clarify intent on unit type
- Improved data
- Improve housing planning in near-term

Questions and Discussion