



# Oregon

Tina Kotek, Governor

## HPAC Work Group Recommendation Template

*Last Update: July 7, 2023*

### Work Group

#### Availability of land

- Land development permit applications
- Codes and design
- Workforce shortages
- Financing

### Recommendation #1: Leverage State Owned and Leased Land for Housing Production

#### Declare State of Emergency For Housing Production:

- Expand and extend Executive Order 23-02 (merge with EO 23-04) to include production of 36,000 housing units annually as an emergency order.
- Authorize Oregon Emergency Management (OEM) to expand land inventory process in EO 23-02 1.a.vi to include property suitable for housing development an accessible as a public facing available tool.
- Authorize the Department of Administrative Services (DAS) to expand the Enterprise Asset Management process to include analysis for potential housing production and an equitable disposition process for divesting properties suitable for housing production.
- Expand and extend EO-23-03 (merge with 23-04) to include directing state agencies to prioritize production of 36,000 units annually as an emergency, including expediting processes.
- Authorize State of Emergency Siting Procedures to expedite housing production on State Owned property.

### Related Work Plan Topics

Production Increase Inside Urban Growth Boundaries (UGB): Leverage State Owned and Leased Lands

### Adoption Date:

July 5, 2023

### Method of Adoption

This recommendation was on the initial list of topics assigned to the Land Availability work group from the Full HPAC Council. Upon the work group creation, a survey was sent to the

work members asking to prioritize the recommendation based on speed of implementation, production of housing units, AMI levels of affordability and cost. The work group prioritized the State-Owned Lands as the first recommendation to be considered.

At the July 5th, Land Availability Work Group meeting the attending work group members voted to adopt “Leverage State Owned and Leased Land for Housing Production” recommendation as outlined in this standard of analysis form. The four members present at the time of vote were Karen Rockwell, Deb Flagan, Joel Madsen (1st motion), and Elissa Gertler (2nd motion) voting unanimously to adopt and advancing this recommendation to the Full HPAC scheduled for July 14, 2023.

## **Co-chairs Guidance: Standards for Analysis**

### **1. Clearly describe the housing production issue that the recommended action(s) will address.**

- a. Describe the barrier(s) or solution(s) the recommendation seeks to address, and how the existence of the barriers hinders production or how the solution supports production.*

In Oregon, our statewide land use system emphasizes efficient use of land in order to preserve farm and forest land. Land is only added to Urban Growth Boundaries when the 20-year land supply needs to be replenished, which emphasizes the need to use land inside UGB’s as efficiently as possible. When land is added to UGB’s, it often takes years to plan, fund, and build the infrastructure needed to serve new housing development, and permitting processes also take years to complete before homes can be occupied.

For these reasons, land that is suitable for housing development is in high demand and can be expensive for developers to assemble. Yet state agencies own land and buildings that may be suitable for housing development which may already be served by infrastructure and subject to state, rather than local permitting rules. These properties may be able to produce housing more quickly than sites outside UGBs.

Directing DAS to evaluate state owned and leased properties and identify which may be suitable for housing development could create a pipeline of housing development opportunities across the state. Creating an equitable, low barrier disposition process that prioritizes culturally specific, culturally responsive, not for profit, public housing authority developers to achieve rapid housing production on these properties. Entering into low-cost or long-term leases would reduce land costs for affordable housing developers and create a mechanism to keep public properties affordable for the long term.

Elevating housing production to the same emergency level as the state’s homeless response recognizes that the same level of enterprise-wide focus on this topic is necessary. It also recognizes that much of the work that is underway as a result of empowering state agencies to focus on homelessness as an emergency can be leveraged and expanded, allowing for more efficient and rapid scaling up of efforts focused on identifying state land for housing production.

### **2. Provide a quantitative, if possible, and qualitative overview of the housing production issue.**

- a. *Summarize the quantitative and qualitative information available, and reviewed by the work group, that informed the analysis of the barrier or solution and led to the recommendation included in this form.*

Executive Order 23-04 clearly defines the housing production issue across the State and establishes a statewide housing production goal establishing a target of 36,000 homes annually for the next 10 years at all levels of affordability.

In addition, the Oregon Housing Needs Analysis report developed in partnership by the Department of Land Conservation and Development (DLCD) and Oregon Housing and Community Services (OHCS), which informed the Governor's executive order 23-4, included the following two recommendations and supportive information. This data helped reinforce the proposed recommendation.

Recommendation 2.1 – Commit sustained, coordinated investment.

- Oregon needs 554,691 new housing units to accommodate 20 years of population growth and to account for current underproduction and the lack of units for people experiencing homelessness. About 176,300 of these units, or 32 percent, will need to be affordable for households earning less than 60 percent of statewide area median income (AMI).
- On its own, the market will not meet the housing needs of all Oregonians. Housing for the lowest income Oregonians will always require public support, and the funding gap for meeting that need is daunting.
- Overall, approximately 49% of Oregon's needed housing over the next 20 years will require some public subsidy.
- Investments should be targeted to the development types that the market would not otherwise produce on its own, such as housing for the lowest income Oregonians that requires public support.
- The most challenging unmet need to address is at the lower end of the income spectrum of households earning less than 60 percent of area median income (AMI). While public support is needed for many types of development, it is most acute to produce about 9,000 units per year that are affordable to low-income households. Lower-income Oregonians are affected most severely by the housing shortage and live with the greatest housing instability. This intervention point has the most urgent need for additional direct subsidies and support.

Recommendation 3 – Commit to working together with urgency.

- Currently, there is no specific agency of state government responsible for overall housing production, and many of the available regulatory tools are better suited to preventing unwanted developments than to encouraging those that are needed. As a result, the policy response to the current housing shortage has been disjointed, with siloed policy discussion and action occurring at several agencies without meaningful, systemic coordination between them or with local and regional partners.
- A comprehensive, production-focused system needs leadership and coordination across the many entities engaged in some aspect of housing production.
- Coordinated statewide action would require sufficient authority to (a) convene agency leadership, (b) develop and refine policies to achieve desired housing production outcomes, (c) administer programs with accountability in housing production as well as fiscal and budget, contracting, HR, and IT services, (d)

provide specialized housing production expertise to local partners, (e) direct funding for housing and public infrastructure, and (f) provide regular reporting to the Legislature and Governor's office.

Lastly, DAS staff provided a report that is used for public record requests that has data on current state property leases the agency administers. Per the report, the state of Oregon expends \$8,605,960 per month or \$103,271,520 a year on 14,196,468 square feet on state property leases. A large majority of these leases are secured for office space for state employees and activities. With a shift to remote work, leases that are not being fully utilized or are vacant should be accessed for housing opportunities with possible prioritization of motels/hotels, mobile home parks and parking lots.

### **3. To assess the issue and potential action(s), include subject matter experts representing all sides of the issue in work group meetings, including major government, industry, and stakeholder associations.**

a. *List the observers and participating SMEs at the work group meetings as the recommendation was developed. Identify which participating SMEs provided information to the work group and how. Summarize the information and perspective provided by the participating SMEs. If the participating SMEs expressed disagreement or concern with the work group recommendation, describe the reason.*

- Availability of Land Work Group members engaged with staff at state agencies that own lands to better understand the state landscape as it relates to the state property transaction process, requirements, and the emergency order requirement for EO-23-02 and EO-23-03. Meeting summaries attached.
  - **On 6/8/2023**, Joel Madsen (Land Availability Work Group member) and Mari Valencia Aguilar (DLCD staff) met with Robert Underwood, Real Estate Services, Dept. of Administrative Services (DAS).
  - **On 6/9/2023**, Mari Valencia Aguilar (DLCD staff) met with Amber Mckernan, Eastern Region Manager, Real Property, Dept. of State Lands (DSL).
  - **On 6/13/2023**, Joel Madsen (Land Availability Work Group member) and Mari Valencia Aguilar (DLCD staff) met with Stan Thomas, Deputy Director, Oregon Emergency Management (OEM).
  - **On 6/22/2023**, Joel Madsen (Land Availability Work Group member) and Deb Flagan (Chair) met with Stan Thomas, Deputy Director, Oregon Emergency Management (OEM), Jeremy Miller, Business Operations Administrator, DAS, and Paul Platosh, GIS Analyst DAS.
  - **On 7/3/2023**, Joel Madsen and Deb Flagan met with Shannon Ryan, Business Operations Administrator 2, DAS.
- **At the Land Availability meeting held on 5/25/2023**, Sean Edging, Housing Planner with the DLCD, provided an overview of the Oregon Housing Needs Analysis Recommendation Report and the OHNA implementation work that the department will be working on over the 23-25 biennium. The OHNA policy implementation work ahead focuses on housing production, affordability, and choice. Sean's ppt presentation is attached.

- **At the Land Availability meeting held on 6/21/2023**, David Brandt, Exec Director of Housing Works, a nonprofit affordable housing developer, provided a presentation. He described his experience working with state and public entities for land acquisition for the development of affordable housing.
- **On 6/28/2023**, work group member, Elissa Gertler, spoke with Jason Kenney, California Department of General Services, to learn more about California's implementation of their Public Lands for Affordable Housing Program established under EO N-06-19. Meeting summary attached.
- **At the Land Availability meeting held on 7/5/2023**, Lynne McConnell, City of Bend Housing Manager, provided a presentation. Discussion included what items are required for emergency citing for homeless shelters under [HB2004](#) and [HB 3395-6&7](#).
- **Land Availability Meeting 1 (4/25/2023) Observers included:** n/a
- **Land Availability Meeting 2 (5/8/2023) Observers included:** n/a
- **Land Availability Meeting 3 (5/25/2023) Observers included:** Mary Kyle McCurdy (1000 Friends), Ted Red (Metro), Anneliese Koehler (Metro), Laura Combs (Metro) and Michael Burdick (AOC), Brian Hoop (Housing Oregon), Ariel Nelson (League of Oregon Cities), Michael Burdick (Association of Oregon Counties)
- **Land Availability Meeting 4 (6/7/2023) Observers included:** Mary Kyle McCurdy (1000 Friends), Ted Reid (Metro), Anneliese Koehler (Metro), Laura Combs (Metro), Brock Nation (Oregon Realtors), and Michael Burdick (AOC), Brian Hoop (Housing Oregon), Ariel Nelson (LOC),
- **Land Availability Meeting 5 (6/21/2023) Observers included:** Mary Kyle McCurdy (1000 Friends), Ted Reid (Metro), Anneliese Koehler (Metro), Laura Combs (Metro), Brock Nation (Oregon Realtors), Jeremy Rogers (Oregon Realtors) and Ariel Nelson (LOC).
- **Land Availability Meeting 6 (7/6/2023) Observers included:** Mary Kyle McCurdy (1000 Friends), Brian Hoop (Housing Oregon), Brock Nation (Oregon Realtors), Trell Anderson (Housing Oregon), Ramsay Weit (Housing Oregon)

**4. Provide an overview of the expected outcome of the recommended action(s), including quantitative/qualitative context if available.**

- Outline the desired result or outcome of the recommendation for both housing production and different individuals and communities.*

Identify and enter into development agreements on 5 – 100 state owned properties per year for ten years that can be developed for housing.

**5. Estimate of the time frame (*immediate, short, medium, long-term*), feasibility (*low, medium, high*), and cost (*low, medium, high*) for implementation of the recommended action(s).**

<b>Time Frame</b>	<b>Feasibility</b>	<b>Cost</b>
<input type="checkbox"/> Long-term	<b>X High</b>	<input type="checkbox"/> High
<input type="checkbox"/> Medium-term	<input type="checkbox"/> Medium	<input type="checkbox"/> Medium
<b>X Short-term</b>	<input type="checkbox"/> Low	<b>X Low</b>
<input type="checkbox"/> Immediate		

**Add additional context here:**

Leveraging the work that has already been created based on EO 23-02 and EO 23-03 directive, the time frame can be completed in the short term, feasibility is easily executed by expanding current directive to include statewide mapping for land inside the UGB's and the cost is relatively low due to utilizing the existing state agency structure. DAS may require an additional staff member for GIS system management as well as a housing production planner.

**6. Provide a general overview of implementation, the who and how for the recommended action(s).**

- a. *To the extent the work group knows, is this implemented in state statute or rule, by the state or local government, by a particular agency, etc.*

Governor's Office: Update Executive Orders 23-02, 23-03, and 23-04 with the consideration of HB3395 6-7.

Office of Emergency Management: expand property evaluation and inventory mapping to include suitability assessment for statewide housing production within urban growth boundaries.

Department of Administrative Services: expand Enterprise Asset Management real property process to create and implement an expedited disposition and development process for affordable housing properties. Emphasize creation of housing on state property that addresses income levels and populations identified in the Oregon Housing Needs Analysis and supports capacity and growth of community-serving and/or culturally specific affordable housing developers. A cost basis recovery model or alternative to be considered resulting in a reduced land price.

State Agencies: prioritize processes and decisions to facilitate housing production as described in EO-23-03. Recommend that the following criteria is used to evaluate the sale/leased or land swap of State property; to include total number of housing units, AMI thresholds as outlined by OAS, secured funding resources to be used, and time frame of when units would be completed for occupancy with the consideration of ORS 456.270 to 456.295.

**7. Outline the data and information needed for reporting to track the impact and implementation of the recommended action(s).**

- a. *Identify the data the Governor's Office would need to track to determine if the recommendation is increasing housing production. Flag any areas where data does not exist leaving a gap in understanding outcomes or impacts.*

Pursuant to EO 23-02 and 23-03, OEM is developing a mapping tool to identify state-owned properties that could be utilized to support people experiencing homelessness. This mapping tool would be further developed to support this recommendation.

DAS to report annually on all state lands (real property and land leases). The report would identify all sold properties that changed ownership and/or leased properties that were repurposed within the last fiscal year. The report would include the name of the entity that purchased/leased the property, the sale/lease amount, lease term, the number of housing units scheduled to be constructed, the AMI targets for the housing units and the date the units are available for occupancy.

## **8. Identify any major externalities, unknowns, tradeoffs, or potential unintended consequences.**

- a. *Based on the work group's analysis and information provided by participating SMEs, outline what is unknown, the tradeoffs exist by implementing the recommendations, and any known potential unintended consequences. Identify if there are any potential unintended impacts on different individuals or communities.*

Lessons learned from California's implementation of a similar program highlight the tradeoffs faced by state agencies who want to be good stewards of the property in their purview that may be in service to their department mission. Prioritizing state property for housing production may lead to tradeoffs in how state departments utilize land or buildings to deliver their missions. In some cases, there may be costs to relocate or consolidate state functions to free property for housing development. Agencies may require additional resources to make their land available.

California has been able to pilot innovative co-location models, such as adding housing atop redeveloped Department of Motor Vehicles property, that both allow for the agency to deliver its mission, while also finding opportunities to increase housing production in suitable areas.

Oregon has a crisis in both unsheltered homelessness and in production of housing, and by recognizing that both issues have risen to the level of statewide emergencies, it is critical to also recognize their interconnection. Producing more subsidized, permanent affordable housing is one key element of addressing the homelessness crisis in Oregon, but it must be coupled with the resources to ensure that those who are housed are able to remain housed with the supportive services they need.

With scarce state resources, an inadvertent trade-off could occur between prioritizing resources, processes, and decisions for addressing homelessness and prioritizing resources, processes, and decisions for producing housing. While this recommendation intentionally elevates housing production to the same emergency response level as addressing homelessness, the work group sees these issues as linked and does not intend to set up a competition for resources between the two issues that both fundamentally seek to ensure more people can access and afford places to live. By

empowering state agencies to prioritize both key issues, there is more opportunity to leverage resources, rather than compete for them.

**Please include any relevant reports, data analyses, presentations, or other documents that would be informative and useful for the full HPAC as the recommendation is discussed and considered.**

Links to relevant resources:

- [OHNA Recommendations Report](#)
- [Oregon EO 23-02](#)
- [Oregon EO 23-03](#)
- [Oregon EO 23-04](#)
- [California EO N-06-19](#)
- [Public Lands for Affordable Housing Development | California Department of Housing and Community Development](#)
- [Presentation Summary of California's EO N-06-19](#)
- [Housing and Local Land Development Opportunities](#)
- [Statewide Housing Plan \(arcgis.com\)](#)
- [HB 3395-6&7](#)
- [House Bill 2984](#)
- [OAR456.270 to 456.295](#)
- <https://www.oregon.gov/das/Facilities/Pages/ResServ.aspx>
- <https://www.oregon.gov/odot/row/pages/property-sales.aspx>
- <https://www.oregon.gov/dsl/Land/Pages/SLI.aspx>

Attachments:

- Matrix summarizing Land Availability engagement with state land owning agencies.
- Meeting summary from engagement with California staff.
- Summary document describing state land owning agency assessment.
- Power Point presentation developed by Sean Edging, Housing Planner with the Department of Land Conservation and Development.
- Presentation notes developed by Lynn McConnell, City of Bend.
- DAS Lease Public Records Report 2023.



Agency	State Lands Program/Background Information/Mtg Information	Important Considerations/Notes	Resources or Case Studies
<p data-bbox="201 269 596 334"><b>Dept. of Administrative Services (DAS)</b></p> <p data-bbox="201 375 443 407">Mtg Date: 6/8/2023</p> <p data-bbox="201 448 352 480">Participants:</p> <ul data-bbox="201 483 590 727" style="list-style-type: none"> <li>-Robert Underwood, Real Estate Services, DAS</li> <li>-Joel Madsen, Land Availability Work Group Member</li> <li>-Mari Valencia Aguilar, Housing Planner, DLCD staff to Land Availability Work Group</li> </ul>	<ul data-bbox="632 269 1083 1089" style="list-style-type: none"> <li>• The Real Estate Services program is part of DAS' Enterprise Asset Management division, and provides market-based commercial lease brokerage, space planning and move coordination, land acquisition, sales, portfolio strategy and real estate development services for client agencies.</li> <li>• It manages a portfolio of 547 private sector and 99 public sector leases, closing 250-300 transactions per year.</li> <li>• The group maintains an average 3.1% vacancy rate in the DAS-owned building portfolio.</li> <li>• The program also supports and informs statewide long-term facilities planning and policy, and enterprise-wide change initiatives around real estate practices and space utilization.</li> </ul>	<ul data-bbox="1108 269 1514 1377" style="list-style-type: none"> <li>• DAS administers a Statewide Facility Planning Process that requires biennial submission of key facility-related information to satisfy the statutory requirements of ORS 276.227. This important information allows DAS to evaluate state facility condition and needs for developing financing and budgeting strategies that address these needs. It also informs DAS in establishing guidelines and standards for acquiring, managing, and maintaining state facilities that best serve the strategic, long-range interests of the state.</li> <li>• Public Lands Advisory Committee is the governing body for transactions. The Governor appoints the PLAC which includes 2 legislators, 2 state agencies, and 3 other experts from the real estate, property management, and landuse industries.</li> </ul>	<p data-bbox="1535 269 1860 334"><a href="#">Statewide Facility Planning Process Plan</a></p> <p data-bbox="1535 375 1759 407"><a href="#">ORS 270, OAR 125</a></p> <p data-bbox="1535 448 1892 618">Robert suggested the following examples he knows about where state-owned properties/lands were used for affordable housing:</p> <ul data-bbox="1583 626 1871 797" style="list-style-type: none"> <li>- North Campus in Salem</li> <li>- City of Bend (still to be developed – stevens road)</li> </ul>

Agency	State Lands Program/Background Information/Mtg Information	Important Considerations/Notes	Resources or Case Studies
<p><b>Dept. of State Lands (DSL)</b></p> <p>Mtg Date: 6/9/2023</p> <p>Participants:            -Amber Mckernan, Eastern Region Manager, Real Property, DSL            -Mari Valencia Aguilar, Housing Planner, DLCD, staff to Land Availability Work Group</p>	<ul style="list-style-type: none"> <li>• DSL is the oldest agency in the state. Their lands have been managed, used, or leased for the main focus of supporting the common school fund.</li> <li>• DSL has an Asset Management Plan which guides the direction of the agency's planning efforts which include land sales, exchanges, acquisitions, planning and development. The plan is currently being updated and intended to be completed by Feb 2024. The focus in the new plan is to acquire more Industrial Commercial Residential (ICR) lands since they are money makers for the common school fund.</li> </ul>	<ul style="list-style-type: none"> <li>• DSL does not have a lot of lands within UGBs; mostly natural or resource lands, forest lands, and other lands for special uses like towers.</li> <li>• DSL does not own buildings.</li> <li>• All proposed sales and other land transactions must be approved by the State Land Board. This board has a lot of power to direct content within the Asset Management Plan.</li> <li>• The state-owned land inventory system is maintained by DSL in cooperation with DAS and the land-owning agencies.</li> </ul>	<p><a href="#">Common School Fund</a></p> <p><a href="#">Real Estate Asset Management Plan (2012)</a></p> <p><a href="#">State Land Inventory System</a></p> <p><a href="#">DSL website on state owned lands</a></p>
<p><b>OR Emergency Mngt (OEM)</b></p> <p>Mtg Date: 6/13/2023</p> <p>Participants:            -Stan Thomas, Deputy Director, OEM            -Joel Madsen, Land Availability Work Group Member            -Mari Valencia Aguilar, Housing Planner, DLCD, staff to Land Availability Work Group</p>	<ul style="list-style-type: none"> <li>• OEM and DAS were directed to develop a GIS tool that identifies all state property including surplus property through executive order 23-02.</li> <li>• The tool is intended to help identify opportunities to support "immediate shelter for people experiencing homelessness".</li> </ul>	<ul style="list-style-type: none"> <li>• The following are the major land owning agencies: ODOT, DAS, DSL, forestry.</li> <li>• The GIS tool is not fully completed.</li> </ul>	<p><a href="#">Executive Order 23-02</a></p>

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<p><b>OEM and DAS</b></p> <p>Mtg Date: 6/22/2023</p> <p>Participants:            -Stan Thomas, Deputy Director, OEM            -Jeremy Miller, Business Operations Administrator, DAS            -Paul Patosh, GIS Analyst, DAS            -Joel Madsen, Executive Director, Mid-Columbia Housing Authority and Columbia Cascade Housing Corporation            -Deb Flagan, Chair, Land Availability Work Group</p>	<ul style="list-style-type: none"> <li>State agency staff overviewed the GIS mapping system responding to EO 23-02 &amp; 23-03 with Joel and Deb.</li> <li>The map identifies seven specific areas for possible siting of homeless shelters per the Governor’s request.</li> </ul>	<p>Recommendation Refinements:</p> <p><b>Recommendation</b> could include the issuance of an executive order for housing production that would direct OEM and DAS to build off EO 23-02 &amp; 23-03 mapping to evaluate parcels suitable for affordable housing production. No additional staffing is needed/could be added fairly easily. A bit of extra time to add statewide.</p> <p><b>Recommendation</b> to add leased lands with the name of lessor and expiration date to available search criteria. Once the EO expires, DAS would assume responsibility of the GIS mapping tool going forward.</p>	<p>n/a</p>
<p><b>DAS</b></p> <p>Mtg Date: 7/3/2023</p> <p>Participants:            -Shannon Ryan, Business Operations Administrator 2, DAS            -Joel Madsen, Executive Director, Mid-Columbia Housing Authority and Columbia Cascade Housing Corporation</p>	<ul style="list-style-type: none"> <li>Deb and Joel met with Shannon to follow up on a few items from the meeting with OEM and DAS agencies held on 6/22/2023 (described above). Those items included information related to a state-owned list, pricing on lands, sale process, and leased space specifics.</li> </ul>	<p>Recommendation refinements:</p> <p><b>Recommendation</b> from Land Availability WG to require DAS to work with each state agency and compile a state agency asset plan for all state lands <i>inside the UGB</i> (help to narrow the focus) and outline property that could be leveraged for housing.</p>	<p><b>Is there a compiled state owned land list?</b> Currently, DSL is statutorily required to keep a log of all state owned land (keeper of the deeds). It is a running list with no analysis. As we learned from our previous meeting with OEM and DAS that at the completion of EO-2, DAS will be responsible for</p>

Agency	State Lands Program/Background Information/Mtg Information	Important Considerations/Notes	Resources or Case Studies
<p>-Deb Flagan, Chair, Land Availability Work Group</p>		<p><b>Recommendation</b> to make GIS a public facing tool to be maintained by DAS. A dedicated staff resource (1 person would be needed) for this GIS analysis</p> <p><b>Recommendation</b> should encourage contemplating below market value for public benefit (what does state agencies need not just want...) Opportunity for recommendation optimal delivery for public benefit of housing while not harming the State.</p> <p><b>Recommendation</b> for analysis of sale and selection of developer (RFP) to be added to include selection criteria based on the following:</p> <ol style="list-style-type: none"> <li>1. Production in Units</li> <li>2. Levels of Affordability</li> <li>3. Timeliness (C of O)</li> </ol> <p><b>Recommendation</b> should direct DAS to review, analyze and pursue housing production in current and future lease negotiations in current office space, motel leases, mobile home</p>	<p>taking on the long term management of the GIS interface created based on EO-2.</p> <p><b>Regarding price put on the lands:</b> Currently, state agencies is set to receive FMV for any parcel it is selling, however DAS Director can approves otherwise. DAS is working to lead efforts where State Agencies are recouping costs and not always obtaining Fair Market value.</p> <p><b>Sale Process:</b> Currently, state own land informs DAS they want to sell. Within 30 days the land is offered to the following and is based on the highest price.</p> <ol style="list-style-type: none"> <li>1. Any other state entity</li> <li>2. Tribes</li> <li>3. Affordable Housing Developers.</li> </ol> <p>This process can be executed in approx. 30 days.</p> <p><b>Leased Space:</b> State is tenant on significant amount of</p>

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		<p>land and/or other possible housing opportunities. <i>More specifics provide to set clear direction is helpful to DAS.</i></p> <p>DAS would need a dedicated real estate analyst (1 person) for pursuing housing production.</p>	<p>leased space (6-7 Million Sq ft) with 675 discreet lease agreements. Leases are negotiated within DAS. Six brokers on Staff.</p>

June 28 2023

Meeting with Jason Kenney, California DGS, Elissa Gertler, Clatsop County/HPAC Land Availability Group

#### Before They Started

- State property not vested with a department, held in trust by depts to facilitate mission
- Decentralized decision making, preference to state agencies, or to lease it out
- Agencies had no incentive to declare excess, 1-3 props per year were declared excess statewide
- Top down was needed to create incentive to agencies to look at property differently
- DGS had to help HCD, DGS is the development agency, HCD is policy and funding agency

#### Housing Suitability Exercise

- Reasonable adjacency, absent site features, prioritizing not eliminating
- 500 parcels statewide determined suitable—then had to take from departments
- Down to 100 truly usable sites

#### Align Sites With Financing

- Adjacency isn't enough—what really matters is can you get the money? Does a site score well for tax credits or other subsidy? Emphasizes redevelopment of urbanized sites
- Lesson learned—align tax credit eligibility with housing suitability assessment, finds most developable sites

#### Solicitation approach

- RFP didn't work, only so many firms can compete, same firms in same areas
- Did an RFQ to short list firms, reduced barriers to entry, don't be site specific so if you have multiple sites with similar characteristics, can mix urban and rural together, make standards flexible, brought more developers to go after rural projects.
- No matter how well we do it, people want process to move faster.

#### State Sovereignty

- Overrides local regs, if state owns the property it is their regs that apply, e.g. building code, state not subject to local regs. Avoids local processes, uncertainty.

#### Most Frustrating Part

- Transportation agency, no one is forcing them to let go of property, they buy and sell the most property of all state agencies. Caltrans pipeline is key to future of program. Requires lots of negotiation.

#### Next Steps for California

- Update Inventory (includes negotiations with CalTrans)
- Update Solicitation Process
- Legislative changes to look at redevelopment (e.g. new DMV with housing above)
- Interagency coordination an ongoing challenge

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# HPAC – LAND AVAILABILITY AND READINESS

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## LEVERAGE STATE OWNED *[AND LEASED]* LAND FOR AFFORDABLE HOUSING

### What's in play today?

i. [State Land Inventory System](#)

The State Land Inventory System (SLIS) contains information about real property currently owned by the State of Oregon and administered by its various agencies. The system is maintained by the Oregon Department of State Lands (DSL) in cooperation with the Department of Administrative Services (DAS) and the land-owning agencies.

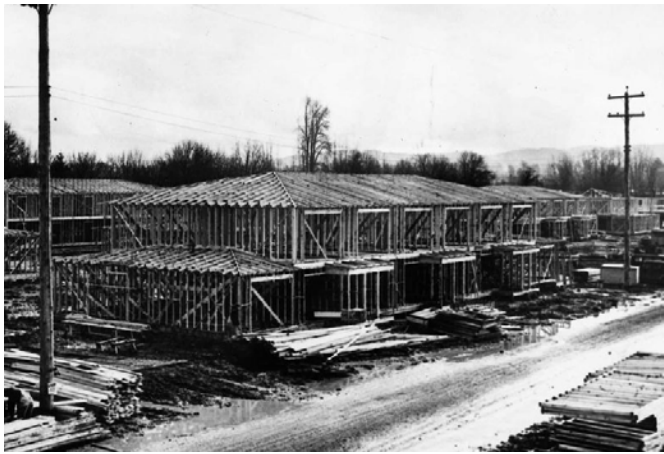
The SLIS conforms to state laws (ORS 270.180, 273.099 and 273.790) requiring DAS and DSL to keep a record of all state-owned property.

State Agency Property Ownership Reports:

- [Ownership Statewide](#)
- [State Ownership by County](#)
- [State Ownership by Agency](#)
- [Agency Ownership by Senate District](#)
- [Agency Ownership by House District](#)
- [Agency Ownership by Zip Code](#)
- [Agency Surplus Ownership by County](#)

### [State Land Inventory Map \(Map of State Owned Lands\)](#)

- ii. State of Oregon expends \$8,605,960 / mnth or \$103,271,520 / year on 14,196,468 square feet
- iii. [Executive Order NO. 23-02](#) Declaring State of Emergency Due to Homelessness [*What can we lean into for work already underway and directive's given in this EO?*]
- a) Applicable to a select few continuum of care regions (collectively, 'emergency areas')
  - b) OEM directed to activate State's Emergency Operations Plan and coordinate access to and use of personnel and equipment of all state agencies necessary to assess, alleviate, respond to, mitigate or recover....
    - 1) **Coordinating an inventory of vacant and surplus lands ow(n)ed by state agencies and agency recommendations regarding suitability of inventoried land for use in responding to the emergency.**
  - c) OHCS repurpose up to \$40m for response
  - d) Executive State Agencies
    - 1) All executive state agencies authorized to take action
    - 2) Emergency exemption from competitive procurement
    - 3) Exemption from legal sufficiency review



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# Oregon Housing Needs Analysis (OHNA)

Housing Production Advisory Council

*Land Availability Work Group*

May 25, 2023

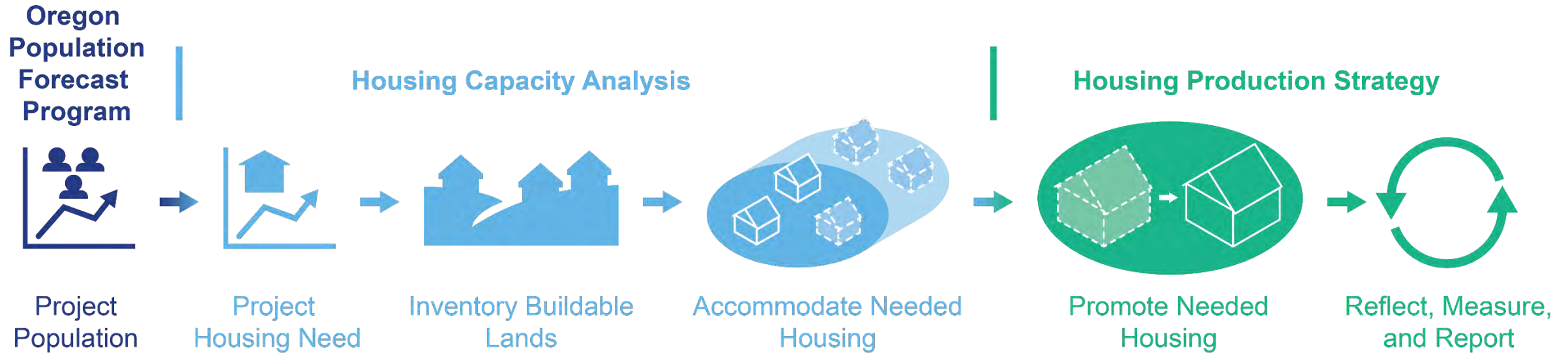
Brenda Ortigoza Bateman, Director  
Sean Edging, Housing Planner  
Mari Valencia Aguilar, Housing Planner  
Thea Chroman, Housing Planner



# OHNA Policy Recap

# Goal 10 – Housing

*“To provide for the housing needs of citizens of the state. Buildable lands for residential use shall be inventoried and plans shall encourage the availability of adequate numbers of needed housing units at price ranges and rent levels which are commensurate with the financial capabilities of Oregon households and allow for flexibility of housing location, type and density.”*



# OHNA Legislative Recommendations

## Recommendation 1: Plan for what's needed



1.1) Plan for more housing, especially affordable housing



1.2) Set targets, track progress and outcomes



1.3) Refocus local action on production



1.4) Unlock land, where it's needed

## Recommendation 2: Build what's needed, where it's needed



2.1) Fund housing the market would not produce on its own



2.2) Make “housing choice for all” a state policy goal

## Recommendation 3: Commit to working together with urgency



3.1) Coordinate state agencies on housing production



3.2) Organize continuing policy work to support production

# House Bill 2001 (2023 Session)

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\*

# OHNA Methodology



**1**  
PROJECTED  
NEED



Units needed to accommodate future population growth over 20 years

**2**  
UNDERPRODUCTION



Units that have not been produced to date in the region, but are needed to accommodate current population (often referred to as housing shortage)

**3**  
UNITS LOST TO  
2ND & VACATION  
HOMES



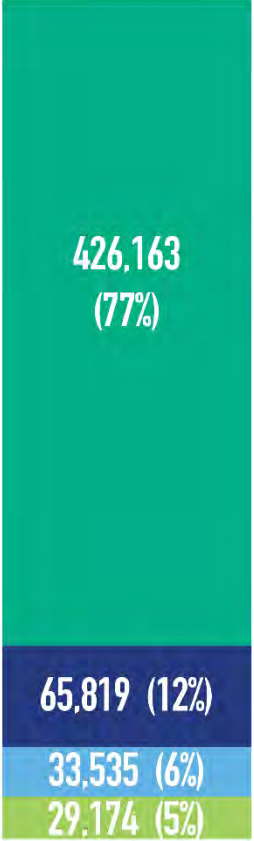
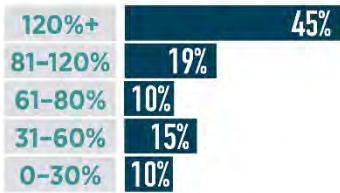
Units needed to replace units lost to second and vacation homes

**4**  
HOUSING FOR  
THE HOMELESS



Units needed to house those who are currently experiencing homelessness

DISTRIBUTION OF UNITS BY PERCENTAGE OF MFI  
(Data from Willamette Valley Region)



554,691 TOTAL UNITS

## OEA & OHCS

Estimates full statewide need:

- 20-year growth
- Underproduction
- Homelessness
- 2<sup>nd</sup> & Vacation Homes

Allocation to cities and counties

Establishes production targets

Measure progress and outcomes

# Goal 10 - Housing



## DLCD

Goal 10 refocus on production, affordability & choice

LCDC Rulemaking

- “Off the shelf” capacity methodological assumptions
- UGB/Urban reserve
- Local policies – e.g. permit-ready plans, equity planning

“Development-ready lands”

UGB & Urban Reserve refinements

Accountability (next slide)

# **OHNA Policy – Land Availability & Housing Production**

# “Development-Ready Lands”

Subset of Buildable Lands that are likely to support housing production over 6 or 8 years. They are:

- Annexed & zoned to allow housing through clear & objective process
- Readily served through adjacent infrastructure or identified for near-term improvements in adopted capital improvement plan
- Not encumbered by local, state, or federal protective regulations or are appropriately entitled

When a city lacks sufficient development-ready lands, they must include strategies to prepare lands for development in adopted HPS.



# LCDC Rulemaking

LCDC Housing Rulemaking – focus on three major focus areas:

## Housing Capacity & Urbanization

- “Off the shelf” methodologies & assumptions – e.g. BLI, UGB, etc.
- Greater clarity/certainty for analyses, UGB amendments, land exchanges, & urban reserves
- Facilitate development-readiness of lands brought into the UGB

## Housing Production, Affordability, & Choice

- OHNA implementation; “needed housing”
- Adoption-ready policy options – e.g. permit-ready plans, SDC/public facilities, permitting/review, etc.
- Integrate fair and equitable housing into Housing Production Strategy

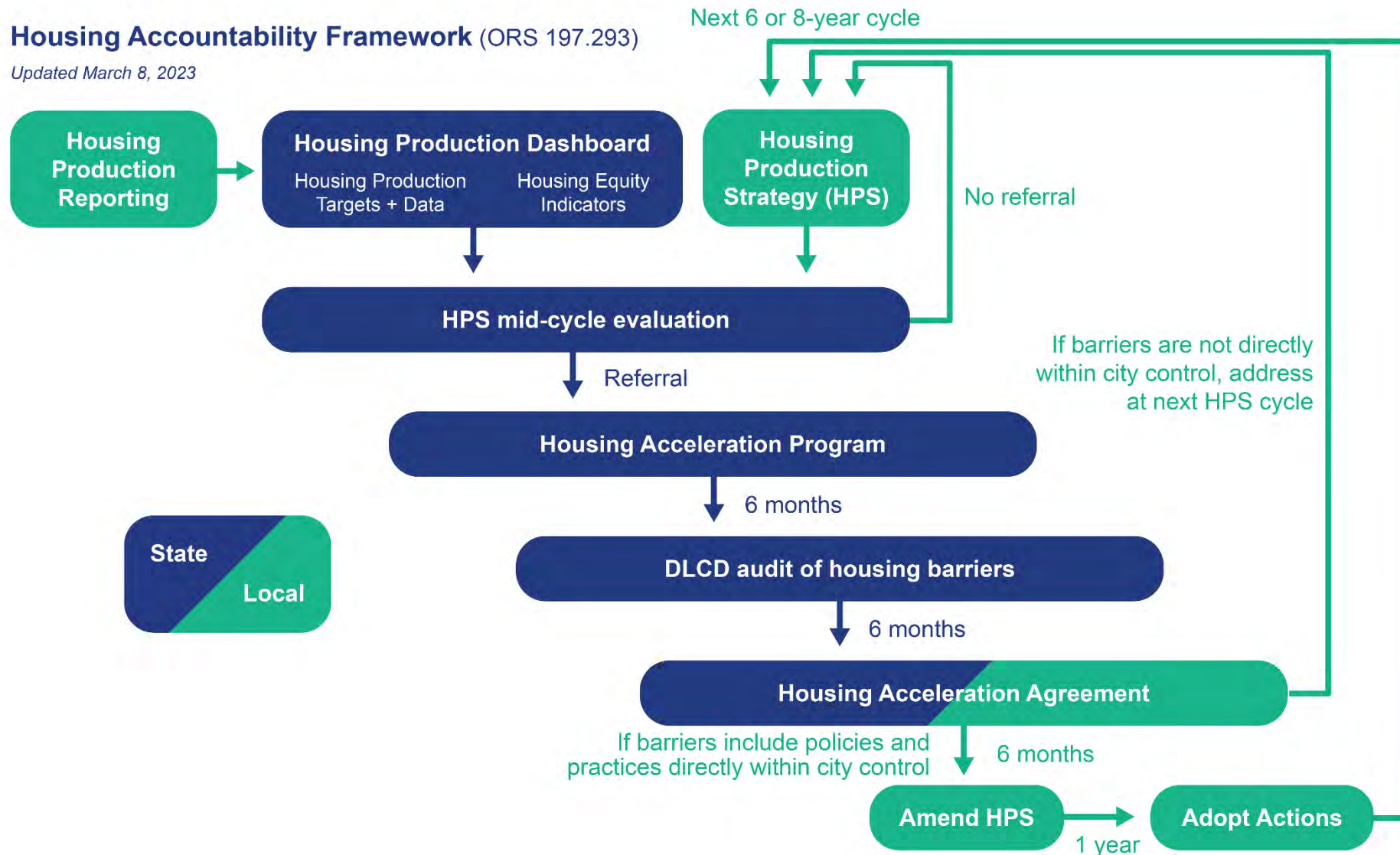
## Housing Accountability

- Measuring (under)performance
- Scope and process of DLCD review of local/state barriers to housing production
- Steps to ensure local gov’ts take meaningful actions to address identified barriers

# Housing Accountability

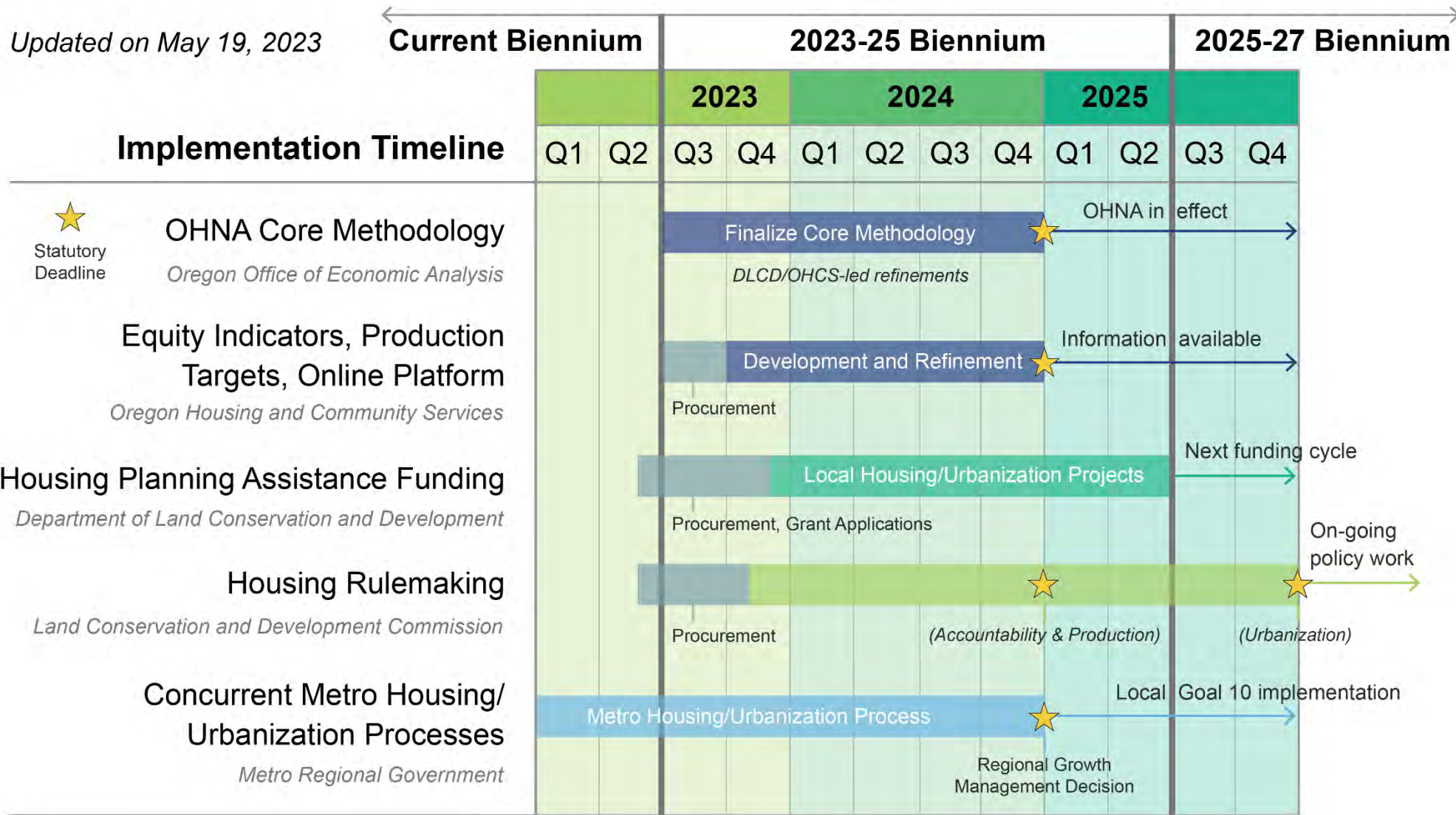
## Housing Accountability Framework (ORS 197.293)

Updated March 8, 2023



# OHNA Implementation Timeline

Updated on May 19, 2023





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# Discussion

Housing Production Advisory Council – Land Availability Work Group

May 25, 2023

**Lynne McConnell, City of Bend, Housing Director SME**

**7/5/2023**

HB 2006, just made permanent-ish through HB 3395 sections 6&7:

- a. By right approval for certain shelters, no longer a land use process
    - i. Parameters around health and safety, what can be considered part of shelter
    - ii. Makeup of the operating and owning entity (basically that you've done this work before)
    - iii. No public input, administrative decision
    - iv. Contains attorneys fees if unsuccessfully challenged
    - v. Design standards and non-essential codes are out the window
  - b. Pros are evident to this group in that it cuts through the red tape, challenges are that land and development cost still exists, challenging for building officials to determine exactly what applies and there's variation on how cities are approving
  - c. Rec: if you expand the housing types, keep this group in the mix and pull together city folks in charge of implementing. We were able to make a couple of changes to make it more practical as we went.
2. Why are we talking about land supply when we're held up as the best planning in the country?
- a. Bend: 2015 HNA, need for about 16,000 units, with 4000+ affordable
  - b. Then major university OSU Cascades, sited in Bend. We continued growing until a global pandemic, that shifted the way we live. Bend named Zoom town and prices basically doubled, and here we are. Our low and moderate income populations are desperate, need for food assistance quadrupled, and the problem has become so acute that we can't even recruit doctors to Bend (my hub is a nurse and their surgery center just lost and anesthesiologist!)
3. Inside UGB, we have properties that couldn't be developed due to lack of major infrastructure.
- a. Murphy crossing is approx. 230 acres adjacent to Hwy 97 in Bend
  - b. Overlay zoning district to create complete community in 200\_(?)
  - c. Urban renewal area adopted around 2008
  - d. Almost no development until 2019
  - e. Needed major sewer and transportation, had to wait for City CIP and murphy crossing and interchange. Still signif proportionate share costs
  - f. What drove this forward was city reprioritizing CIP to meet AH needs
  - g. Why not just deannex?
    - i. – cost to deannex is signif. M49 takings if UGB deannexation.
  - h. Note on State surplus: ODOT parcel here that has been surplussed for AH, this has been the most powerful tool we have locally besides cash.
    - i. Challenge is req to sell at market rate, not a long enough "lead" time for the affordable housing window (30 days)
    - ii. No OHCS defined "culturally specific orgs" in CO
    - iii. Look for ways to allow mixed use on these sites, and streamline as necessary. For instance, MU doesn't need to be vertical. Maybe some OHCS work in allowing this in QAP explicitly