



Oregon

Tina Kotek, Governor

HPAC Work Group Recommendation Template

Last Update: June 21, 2023

Work Group

- Availability of land
- Land development permit applications
- Codes and design
- Workforce shortages
- Financing

Recommendation

ODOT to be additionally funded (\$20,000,000 per year) to create an “Immediate Housing Opportunity Fund” to support housing production through roadway improvements, to support the significant housing unit production over the next 10 years. Cost sharing with private developers and/or cities should be encouraged in order to leverage the fund to the maximum extent possible.

Note: The actual dollar amount should be considered a placeholder until economic analysis indicate whether this level of funding is sufficient.

Related Work Plan Topics

Identify topics assigned to the work group that informed the development of this recommendation.

The current land use and building permit process is too complex, at times not predictable, expensive, and time intensive. In addition, the process varies in every community creating additional challenges. The process needs to be changed to address the barriers to housing production that this creates.

Adoption of Recommendation

Adopted by consensus via email, 9/29/23.

Co-chairs Guidance: Standards for Analysis

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

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.

It is common to have an ODOT related project significantly limit the new housing units coming to market. If projects required by ODOT are not a major safety concern or if local TSPs do not adequately fund a necessary improvement, then the primary path moving forward would be for the developer to bear the cost. This is often not financially viable.

2. Provide an overview of the housing production issue, including quantitative/qualitative context if available.

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. Please In addition, describe how the status quo positively or negatively impacts different individuals or communities – why and how.

Through discussion with ODOT and cities throughout Oregon, funding for street improvement projects (e.g. traffic signal, bridge) that are crucial to open up additional housing opportunities are very often not available. Due to limited resources ODOT currently mostly funds new projects which are of significant safety concern. (This is in part due to decreasing gas tax revenues which is a primary source of ODOT revenue.) Many of these projects are in rural communities which would benefit from this program.

This recommendations is modeled after the Immediate Opportunity Fund that is focused on economic development, is funded out of the State Highway Fund and relies heavily on the partnership between Business Oregon, ODOT, and the local jurisdiction supporting the development. Generally, there is a 50/50 cost share between ODOT and the local jurisdiction/developer.

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.

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.

“Mac” Lynde—ODOT
Ron Irish—City of Albany
Derrick Tokos—City of Newport
Kenna West—City of Independence

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.

The primary goal is reducing impediments to housing production where ODOT improvements are required for projects to move forward. This will effectively increase the supply of land available for housing production.

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).

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

Add any additional context here.

MEDIUM TERM, HIGH FEASIBILITY, MEDIUM COST

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

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.

UNKNOWN

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

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.

Relying on cities to provide reporting for projects both (both built and yet to be built) would be the most immediate source of valuable information.

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

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.

Cities might overly rely on these funds when planning for funding of major transportation projects that are already earmarked to be funded through SDC'S.

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.