

Outreach Process

Oregon Housing and Community Services, through their development of the Regional Housing Needs Analysis Methodology, engaged with a variety of stakeholders and technical experts to address a key question – *how do you develop a methodology that can accurately measure regional housing needs and be applied statewide?* In building from this process, the Department of Land Conservation and Development sought to address a different question – *How could a RHNA fit within the Goal 10 implementation framework, and what issues would it address?*

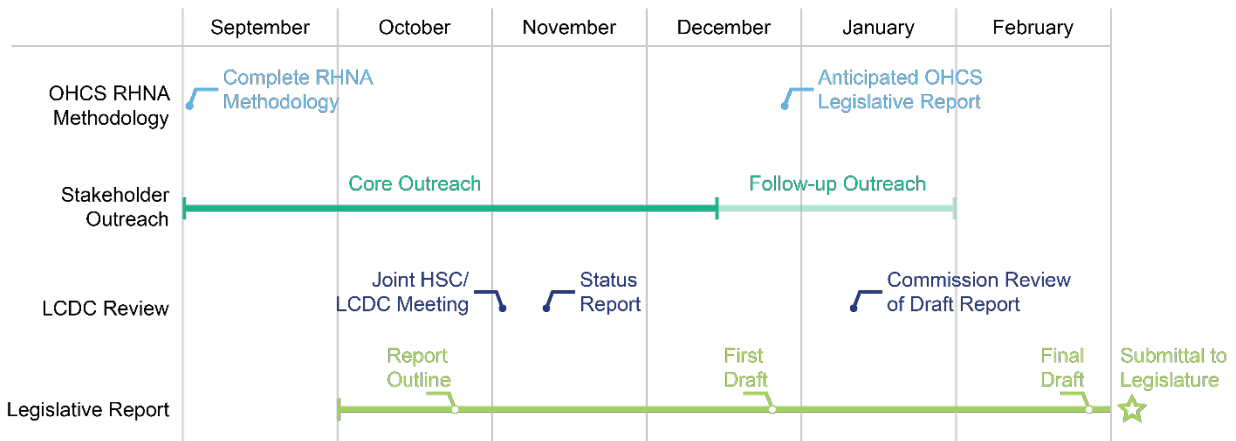
House Bill 2003 allows the department to consult with state agencies, subject matter experts, private firms, local governments, regional solutions centers, and other jurisdictions that have created or conducted regional housing needs analyses. To explore the implementation of a RHNA, the department developed an outreach process to discuss the methodology and results of the RHNA and think through broader implementation questions with a variety of advocates, housing providers, experts, and local and regional partners.

Engagement was organized into two broad categories: 1) larger facilitated discussion with local governments and entities to discuss **broader, more regional considerations** and 2) smaller discussions with advocates and experts on **focused topics**. These events were structured to both educate various stakeholders about the methodology and results of the RHNA and facilitate discussion on implementation considerations and how to achieve more affordable, fair, and equitable housing outcomes.

The diagram below depicts the timeline of the outreach to the legislative report-writing process.

Regional Housing Needs Analysis (RHNA) Legislative Report Timeline

Updated: October 6, 2020



Outreach Key Insights Summary

Department staff facilitated a total of five regional and five topical discussions, each focusing on various implementation considerations of the RHNA. Additionally, staff engaged in a variety of smaller engagement efforts, including presentations and discussions to local and regional organizations and governments, regular conversations and meetings with organizations working to promote housing equity, and one-on-one follow-up conversations to discuss specific RHNA



topics, concerns, or considerations. The summaries below highlight the key insights learned from specific engagement events or stakeholder groups. These key insights have been reflected via the considerations of issues raised and recommendations included in the report.

Topic Focused Meetings

Housing Need for People with Disabilities – October 9, 2020

Improving Data – There is a pathway to better define housing need for people who live with a disability. The Oregon Behavioral Risk Factors Surveillance System (BRFSS) is data collected by the Oregon Health Authority for people living with disabilities. It would be possible to design a module that assesses housing factors for these groups to be collected, cross-tabulated with disabilities, and provided to OHCS for inclusion in the RHNA. Additionally, more could be done to ensure ACS data is more reliable at finer scales, including utilization of 5-year estimates.

People with Intellectual and Developmental Disabilities (I/DD) - Of course, adding a module to the BRFSS only provides a generalized picture of need for these groups, and participants raised the importance of considering a more comprehensive approach collecting information from service providers through the Oregon Office of Developmental Disability Services (ODDS), but resources spent to better understand need must be balanced with capacity to implement policies that address need.

Adequate Housing – Participants noted that housing need for people with disabilities does not just equate with ADA accessibility, which is a frequent misconception. Rather, there are a variety of needs that housing needs to meet, including both the design of the household and the availability of housing for people with disabilities, which are critically lacking today. It will be important for any implementation effort to ensure that more units built with universal design and visitability principles and that affordable units that can accommodate people with disabilities are actually attainable for those groups.

Housing Production and Connecting Need to Production – Because people with disabilities tend to disproportionately fall into lower income brackets, and because universal design increases overall construction cost, there will be increased equity finance needs for the development of housing for people living with a disability. Additionally, because units are more specialized to accommodate people with disabilities, there will need to be increased focus on connecting need to appropriate housing.

Population Research Center and RHNA Implementation – October 16, 2020

Ready-to-Implement Measures – There are several data considerations that can be directly incorporated into the existing Oregon Population Forecast Program (OPFP) with appropriate legislative direction and resources. These would help support achieving more equitable housing outcomes with or without the implementation of a RHNA. These include:

Projections for American Indian/Alaskan Native areas (state, federal) can be included in the 4-year regional cycle, in alignment with UGB forecasts in each region.

Projections by race and ethnicity can be incorporated into population estimates and projections. Specific geographic level and which measures of race/ethnicity to be used



can ideally be vetted by the wider state government data community including OHA, ODOT as they also have expressed need for these data in projections.

Projections by disability status can be incorporated into population estimates and projections. These should be aligned with Oregon Behavioral Risk Factors Surveillance System (BRFSS) collected by the Oregon Health Authority, including the module to collect information on housing need, should it be implemented. Additionally, these should consider often overlooked disabilities such as schizophrenia and PTSD.

Projections by Income – While there is interest in incorporating income into population projections, there are technical challenges to incorporating this metric. One potential approach would be utilizing Oregon Employment Department projections by occupation/industry to produce a regional projection of income distributions, leveraging correlations between occupation/industry and wage/salary income. This effort would need to be a separate pilot project from the RHNA.

Gaps in Measuring Affordability – Many of the considerations affecting housing affordability, including wealth distribution and market rate affordability, have significant impacts on equitable housing outcomes, yet are challenging to capture with the existing tools available. While these issues may not be resolved through the implementation of a RHNA, their impact on equitable housing outcomes cannot be ignored.

Recommendations for the RHNA Methodology - Estimation of total regional need should be made using projected persons per household (PPH), not holding household size constant. Given population aging and other foreseeable changes, it is not feasible to hold PPH constant, and leads to large distortions. The language specifying RHNA design should be made flexible to allow multiple 1-year ACS samples, 5-yr ACS sample, or custom tabulation of the ACS by the US Census Bureau, which will be preferable in many cases to only a 1-year sample PUMS due to the latter's small sample size.

Centralization of Housing Needs Projections and Accountability – Centralizing housing needs projections into one organization reduces a significant degree of variation and analytic burden associated with local needs projections. There needs to be a clear accountability structure in place that ensures jurisdictions are meaningfully advancing policies that comprehensively address housing need.

Historically Unmet Housing Need – October 19, 2020

Historic Exclusionary Policy and Patterns – Participants raised the need to better incorporate historic patterns of exclusive policies and practices in the development of allocations to better break down resulting patterns of exclusion and segregation. Participants provided recent literature on a divergence index used in San Francisco to provide a metric that provides a baseline for OHCS to test and consider in their final recommendations.

Framing of Policy Recommendations - Framing of policy recommendations to achieve more equitable outcomes will be critical in the agency's report to the Legislature. It should be made clear that the primary objective of the Regional Housing Needs Analysis is to achieve more equitable housing outcomes, and that policy recommendations are made to that end.



Accountability and Capacity – In order for a RHNA to fully achieve more equitable housing outcomes, there will need to be clear parameters to ensure local accountability in addressing housing need. The success of a RHNA will depend on a strong implementation that delivers meaningful action from local, regional, state, and federal partners. Recommendations on accountability will need to be accompanied with appropriate expectations and resources for capacity building at the local level.

Understanding Affordability – There is a clear need to more comprehensively understand affordability beyond a lens of housing production and cost, including better understanding around other programs that connect people to housing such as subsidies provided to housing consumers (Housing Choice Vouchers).

Housing Need for People Experiencing Homelessness – December 8, 2020

Establishing a Statewide Methodology – While the RHNA methodology for estimating housing need for people experiencing homelessness represents a significant undercount of people experiencing homelessness, it is a good first step towards developing a meaningful target that state and local governments to address. Ensuring continued consideration for improving the RHNA estimate and allowing for further contextualization of need at the local level will be important to include in implementation recommendations.

Developing a Comprehensive Statewide Framework for Addressing Homelessness – While the direction of Housing Production Strategies to more explicitly incorporate planning to address housing need for people experiencing homelessness is a good first step, there is a clear need for directed conversation and clarification about the specific actions and responsibilities of local jurisdictions to remove barriers, develop policies, and align with service providers to more comprehensively address need. More specifically, there needs to be state-level conversations around the range of housing, short-term shelter, services, and other factors needed to serve people experiencing homelessness.

Planning Beyond Housing – While there has been a specific state focus on housing development, much of the housing crisis ties into other systemic issues including income, healthcare, economic development, and social services that cannot be ignored when developing a comprehensive approach to address need. DLCD and housing planners will need to consider and coordinate with other disciplines that, while not directly connected to the development of housing, play a significant role in affordability and access. These include Coordinated Care Organizations, who face significant limitations in the existing state framework to invest in permanent supportive housing options. Additionally, planners must be meaningfully engaged with the communities these policies ultimately affect (i.e. people experiencing homelessness).

The Role of the State – In order for housing need to be comprehensively addressed, the state will need to take a proactive role in setting policy direction, directing resources, enforcing accountability, and facilitating education with regard to housing. Recommendations included in the report need to clearly reinforce the responsibility of state agencies to take on these roles and provide the tools to meaningfully implement state policy direction.

Housing Need for Tribal Nations – Multiple Conversations

Eroding Federal Support – Much of the housing planning landscape for Tribal Nations is driven by federal programs, including the Indian Housing Block Grant Program administered by the



U.S. Department of Housing and Urban Development. Over time, the support from federal programs has diminished, especially as distribution of funding driven by Census data has become increasingly austere.

Measuring Need for Tribal Members – Incorporating tribal-owned lands into the Oregon Population Forecast Program is a good first step towards better measuring housing needs for tribal members, but it is important to recognize that many tribal members live elsewhere in the state. A separate data collection effort would be necessary to measure and better address that need. Any effort should recognize and anticipate a lack of trust in government within these communities.

Need for State Policy Action – While better measuring need is a good step forward, the effort spent measuring these issues means very little if they are not accompanied with policy actions to address the need. There is a clear need for policy direction that better supports the provision of housing to support tribal nations, especially publicly supported housing. While the statewide land use planning system does not typically intersect with housing planning in sovereign tribal nations, the RHNA report submitted by DLCD should emphasize the need for deliberate state policy action.

Housing Need to Advance Racial Equity – December 1, 2020

Enforcement and Accountability – A key concern of participants is the potential for inaction of agencies with regulatory authority to hold local jurisdictions accountable in the production of housing, especially affordable housing. Historically, the Land Conservation and Development Commission and Metro have been hesitant to enforce policies that would increase regional accountability for accommodating affordable housing options, and the result are continued patterns of segregation, exclusion, and inequitable housing outcomes. It is clear that the report to the Legislature must reinforce the responsibility of implementing agencies to use their regulatory authority to ensure regional accountability.

Levers for Enforcement – It is clear that the tools that the agency has at its disposal for enforcement are limited. Even the strongest tool, enforcement orders issued by LCDC, require significant resources to follow through and are limited in their ability to compel jurisdictions to act. One of the strongest state tools available to enforce regional accountability is through the provision of state funding for infrastructure and public facilities, especially transportation investment. These resources have traditionally been considered under very technical lenses, but have some of the greatest impacts on equity outcomes. A key recommendation should leverage the direction of these resources to both incentivize and enforce the provision of affordable and equitable housing options.

Addressing Segregation and Access to Opportunity – These topics will require continued deliberation in the methodology to provide local jurisdictions more concrete direction and tools to address these issues directly. It will be important to have extensive and continued dialogue and discussion about how to operationalize these concepts and what the goals should be. It is critical that these concepts are not used as a means to keep development of affordable housing options out of communities that have been historically exclusionary.

Market Rate and Subsidized Housing Need – Multiple Conversations



Underproduction and Buildable Lands – It is important that any changes to the Goal 10 planning framework include reforms to consider the role of underproduction in housing need as well as how buildable lands are inventoried and estimated. Currently, there are a wide range of assumptions that can be applied to lands that have significant impacts on the final inventory of buildable lands, which sometimes do not match on-the-ground conditions and can have significant effects on the amount of housing local jurisdictions are required to accommodate. These assumptions should be better clarified in rule to better reflect an accurate inventory.

Need for Policy Direction on Housing Type – Stakeholders understand the limitations with projecting housing type out for twenty years, but a consequence of that limitation is that the results of the RHNA are less useful for informing policy decisions at the local level. While future housing type is a policy decision, in lieu of state direction, many jurisdictions will elect to continue the types of housing development they are most comfortable with, which may not comprehensively address need. To remedy this, the Legislature should provide policy direction on the *future housing types* they would like to see.

Building on HB 2001 – It is clear that in both the short and long-term, the state will need to look into existing statutes that limit the provision of affordable housing options. Two clear avenues to begin this work include small-scale condominium and lot division reform for Middle Housing development. Both should be structure to make smaller scale developments more feasible and allow for homeownership opportunities for Middle Housing, which will significantly increase their market viability.

Regional Housing Needs Analysis Meetings

The Metro Region – October 19, 2020

RHNA Allocation – An area of key concern for participants regarded the allocation that the methodology utilized to assign regional housing need down to individual jurisdictions. It is clear that an Oregon RHNA cannot mirror the allocation process in California (where regions determine allocation methodology), because that would allow for existing power structures to reinforce inequitable housing outcomes. On the other hand, the current RHNA allocation based on distribution of population and jobs has the effect of allocating significant additional housing in regional job centers while allocating less housing in residentially-dominated exurbs. The methodology also does not account for buildable land and infrastructure, which results in allocations that may not be reasonably achievable for some jurisdictions in the Metro. Developing a unified allocation methodology that ensures local accountability and achieves more equitable housing outcomes is critical to the successful implementation of a RHNA.

Infrastructure and Transportation – It is clear that a significant amount of infrastructure will be needed to accommodate the scale of housing need identified in the RHNA. Participants raised the need to better assess the scale of infrastructure needed to fully meet the need identified in the RHNA. Additionally, they raised the need to address the Transportation Planning Rule in order to make it feasible for local jurisdictions to accommodate the production of needed housing. Additionally, participants raised the importance of providing housing in options for workers in the cities that they work in to reduce the overall need for transportation infrastructure.

Matching Housing Need to Market Supply – The current structure of planning for housing often leads to a mismatch lands zoned for housing and what the market would produce. Simply



zoning land to accommodate the number of units needed is insufficient. There must be a concerted effort to better facilitate the development of housing and ensure that policies are sensitive to market conditions.

Metro's Role in Housing Needs Analyses – Metro has a responsibility to forecast household growth, including household size, income, and age. Additionally, Metro assesses the adequacy of land supply within the Urban Growth Boundary. However, these analyses are generally more descriptive than prescriptive in nature, and these analyses leave the nuance of identifying and addressing housing need to local jurisdictions through their Housing Needs Analyses. To the extent a RHNA can facilitate more focus on housing production than land supply and ensure a system of accountability in producing needed housing is essential.

Larger Cities (>10,000 population) – October 26, 2020

Guidance, Accountability, and Support – A clear theme in discussion is the limited ability for many local jurisdictions to conduct the work required by House Bill 2003. To the extent that the state can provide guidance on needed housing units which reduce analysis workload for planning staff and provide clear goals for unit production will be helpful for local jurisdictions in fulfilling their obligations under Goal 10. Of course, local jurisdictions remain one partner among many in the development of housing, and a clear implication of the RHNA is a need for significant support from the state in meeting the identified housing need. Of particular interest is the ability of the RHNA to inform the allocation of affordable housing funding to areas with disproportionate identified need.

Infrastructure and Encouraging Development – Infrastructure remains a key challenge in the success of market rate and subsidized affordable housing developments, especially in smaller communities. It will be important to ensure that a RHNA is accompanied with the support needed to make land more suitable for development and reduce barriers to the development of housing, especially subsidized affordable housing.

The Timing of a RHNA – A RHNA should inform both short- (5-10 year) and long-term (20 year) planning horizons. One challenge is determining how often a RHNA should be conducted in light of the schedule of required HNA completion. While a RHNA cannot be conducted yearly, it should be conducted at a frequency that allows cities to conduct HNAs with reasonably recent data and information.

Allocation – The allocation methodology remains an essential consideration in the successful implementation of a RHNA. A key concern is its relationship with the availability of land suitable for development. Participants recommend significant discussion with stakeholders to develop an allocation methodology that reflects a variety of considerations.

The Oregon Coast and Communities with Second Homes – October 29, 2020

Capturing Cultural Context – Participants raised the importance of better capturing specific cultural needs, a factor that many quantitative analyses currently lack. More specifically, participants observed that most data used to inform housing policy tends to be biased towards assumptions about household composition that often do not reflect how other communities live. However housing need is estimated, there should be better accounting for the specific needs of different cultures and communities to ensure housing units serve those needs.



Getting the Estimate and Allocation Right – Participants expressed concern that estimates or allocations used to make decisions should represent an accurate and comprehensive picture of housing need for a particular jurisdiction. For example, there are concerns that the analysis may be getting an incomplete picture of housing need at lower incomes and smaller communities, making it more difficult to compete for limited funding to develop housing.

Comprehensively Accounting for Second Homes – Participants noted that in the housing markets they serve, the prevalence of second homes significantly warps the market, making consideration of them in the RHNA critical. While the RHNA methodology accounts for second home prevalence in the methodology, the methodology will need to more clearly identify and delineate the effects of second homes in these communities. Developing some type of estimate or guidance for local jurisdictions will be essential to this end.

Building Capacity – The RHNA illustrates a very striking need for housing, especially housing that will need some form of public assistance, throughout the state over the next twenty years. While current efforts to better plan for housing through Goal 10 will help build capacity critical to producing this housing, there are many gaps in the program, especially for smaller communities. For these communities, developing programs in which they can collaborate regionally to identify and implement strategies to provide housing and providing education for the options available to communities will be essential for comprehensively meeting housing need. Additionally, the planning provision of infrastructure remain a critical challenge in the development of housing, especially in smaller communities.

Smaller Cities (<10,000 population) and Rural Areas - November 2, 2020

Translating Need into Housing Production – While an analysis that comprehensively identifies housing need is necessary, there is clearly a need to pair any analysis with appropriate policies and resources to ensure that identified housing need can actually be met. One key element identified as critical is the provision of adequate land and infrastructure to make land ready for development. In small communities, the real and perceived limitations of existing infrastructure and costs associated with providing infrastructure significantly deter the development of housing. Additionally, linking housing with transit and transportation infrastructure is essential for ensuring access to opportunity for housing consumers.

Allocation and Accountability – Participants discussed the merits of the RHNA allocation methodology, noting that while the allocation appears rational, understanding its implementation and effects on the ground will be critical for evaluating the allocation. While the RHNA did not project and allocate housing type to cities, participants raised the need for accountability in planning for housing types to accommodate identified need.

Barriers to Affordable Housing Development – There are several key barriers to the development of affordable housing in smaller cities and rural areas. In particular, local political and regulatory factors can significantly delay or prevent the development of affordable housing options, including local opposition to projects as well as the complexity, risk, and long timelines associated with permitting. Compounding this is the difficulty in acquiring financing in rural areas. The development of affordable housing in these areas will require concerted effort to reduce barriers to affordable housing developments and build local capacity to finance, develop, and manage affordable housing.



Qualitative Feedback and Engagement – While a robust data-driven analysis can help inform policy decisions for housing, by itself, it is insufficient to capture the nuance and context needed to develop appropriate policy responses. The implementation framework of the RHNA should ensure meaningful engagement that informs local and statewide policy responses to housing need identified in the RHNA.

General RHNA Meeting - November 10, 2020

Addressing the Goal 10 Gap – While there is a framework for addressing housing need identified in the RHNA through Goal 10, this framework leaves a significant gap for smaller cities (less than 10,000 population) and rural areas where the requirements to periodically plan for housing do not apply. To ensure need is met comprehensively throughout the state, there should be some mechanism that ensures these areas are better able to address their housing needs. One suggestion was to establish a housing analysis done at the County level.

Leveraging Resources for Housing – There is a clear need to leverage resources for the purpose of providing more affordable housing options. Of particular interest in communities with a significant degree of tourism is the Transient Lodging Tax, which cannot currently be used to provide affordable housing for residents. Participants noted that many of the residents of these cities work in the hospitality industry and have a greater need for affordable options.

Ensuring Accountability – Previous efforts to estimate population and housing growth at the local level did not achieve its intended result because of the significant contention surrounding which cities received which allocations. Additionally, participants noted that there needs to be some mechanism for accountability in comprehensively addressing housing need.

Continuing Education – It will be important that any statewide housing planning effort incorporates education for communities where housing options have traditionally been limited. This will be particularly important for breaking down the “single-family vs multi-family” dichotomy that many communities fall into when discussing housing.

Addressing Existing Housing Inequities – One of the overarching purposes of the RHNA is to increase equitable housing outcomes throughout the state. Participants raised that there should be special consideration for all policies that contribute to housing inequities, including the inequities created by the Oregon system of property taxation created by Measures 5, 47, and 50.

Metro Staff Meetings – October 26, 2020 and December 1, 2020

The RHNA and Metro’s Urban Growth Management Functional Plan – There is acknowledgement that the implementation of a RHNA, especially a regional allocation of housing, will require significant clarification through stakeholder discussion to be compatible with Division 7 and Metro’s Urban Growth Management Functional Plan. The Legislature should provide clear policy guidance that are operationalized through changes to statute and administrative rule.

Achieving Equitable Outcomes and Accountability – However a RHNA and allocation are structured, there needs to be a clear, shared responsibility of local, regional, and state actors to comprehensively address housing need, especially affordable housing need. Policy direction



should make this very clear with measures in place to ensure accountability, including through the provision of resources and through reinforcing implementing agency regulatory authority.

Washington County Planning Directors Meeting – December 3, 2020

“Publicly Supported Housing” – There is significant question as to the precise meaning of the “equitable distribution of publicly supported housing”, and disagreement regarding whether the OHCS operationalization of that concept is appropriate. However a RHNA is structured, local governments should have a meaningful ability to demonstrate progress towards meeting expectations, including the provision of affordable housing.

Appropriate Expectations for Accountability – A key concern of planning directors is the expectation that local governments will be the primary party responsible for the provision of affordable housing options, when they lack the resources to fully address the need. Staff emphasized that the enforcement structure of the Housing Needs Analysis and Housing Production Strategy framework is to focus on actions, but it should be emphasized that comprehensively addressing the need identified in the RHNA will require significant resources directed towards meeting this need, much of which will be the responsibility of regional, state, and federal entities to provide.