



Oregon

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September 12, 2025

Darren Wyss, Planning Manager
22500 Salamo Rd.
West Linn, OR 97068
Sent via e-mail



RE: Review of City of West Linn Housing Production Strategy

Dear Planning Manager Wyss,

On May 19, 2025, the Department of Land Conservation and Development (DLCD or department) received a submittal from the City of West Linn notifying the department of the adoption of the city's Housing Production Strategy (HPS). Per Oregon Revised Statute (ORS) 197A.103(4), the department posted the city's HPS for a 45-day public comment period on May 20, 2025. Upon the close of the public comment period on July 4, 2025, the department received [two comments](#) on the city's HPS.

Per ORS 197A.103(6) (formerly ORS 197.291(6)), the department must review the city's submittal to determine whether to:

1. Approve the Housing Production Strategy Report;
2. Approve the Housing Production Strategy Report, subject to further city review and actions as recommended by the department; or
3. Remand the Housing Production Strategy Report for further modification as identified by the department.

The department is required to complete this review and issue a decision within 120 days of the city submittal. In the case of the City of West Linn's Housing Production Strategy, the department must make a final decision by September 17, 2025. Per ORS 197A.103(7) (formerly ORS 197.291 (7)), the department's decision is final and may not be appealed.

*Based on the department's review of the City of West Linn's Housing Production Strategy against the review criteria established in Oregon Administrative Rule (OAR) 660-008 as it was in effect prior to amendments adopted by the Land Conservation and Development Commission in December 2024, which remains applicable to this review pursuant to ORS 197A.025 (Section 9), the department **approves the City's Housing Production Strategy Report with five conditions described below.***

As part of the department's review of the City of West Linn's HPS, staff evaluated the city's adopted actions against the applicable statutory requirements in ORS 197. The city was actively developing its Housing Capacity Analysis (HCA) and HPS at the time House Bill 2001 (HB 2023) was enacted. Anticipating such situations, HB 2001 included provisions allowing the Land

Conservation and Development Commission (LCDC) to allow cities to continue operating under the statutes and rules in effect prior to the bill's changes. Specifically, ORS 197A.025(9)(4) provides:

To avoid interference with current planning activities or to avoid unjust or surprising results, the Land Conservation and Development Commission may postpone, for cities specified by the commission, the applicability of section 13 [ORS 197A.210], 21 [ORS 197A.280], 22 [ORS 197A.270] or 23 [ORS 197A.018], chapter 13, Oregon Laws 2023, and the amendments to ORS 197.286, 197.290, 197.296 [renumbered ORS 197A.350], 197.297 [renumbered ORS 197A.335] and 197.303 [renumbered ORS 197A.348] by sections 12 and 25 to 28, chapter 13, Oregon Laws 2023, until a date that is not later than January 1, 2027.

Accordingly, the department reviews the City of West Linn's HPS under the applicable statutory framework in ORS 196 and 197, rather than under the updated statutes in ORS 197A (2023).

The review criteria applicable to the City of West Linn's HPS are available for reference through the Oregon Secretary of State's Archives Division here:

- *Chapters 196, 197, edition 2021:*
https://www.oregonlegislature.gov/bills_laws/Pages/ORSarchive.aspx
- *Chapter 660, Division 8:*
<https://secure.sos.state.or.us/oard/viewCompDocument.action?compDocRsn=1240>

Department Findings based on OAR 660-008-0050

(1) Contextualized Housing Need – A contextualization and incorporation of information from the most recent Housing Capacity Analysis that describes current and future housing needs in the context of population and market trends.

The City of West Linn adopted its HCA in 2021 and its HPS in May 2025, meeting its statutory obligation to adopt these housing planning documents as prescribed by ORS 197A.103 (formerly ORS 197.291).

The city's HPS includes a Contextualized Housing Needs (CHN) Assessment as "Appendix A", which provides an overview of the city's demographic and socio-economic characteristics and affordability metrics, disaggregated by race and ethnicity.

The HCA found that between 2000 and 2020, the city grew by 23%, which is slightly below the growth rate in Clackamas County (24.2%) and the state (23.8%) over that same period. In 2022, the city's Median Household Income (MHI) was \$134,116, significantly higher than the county's (\$97,419) and the state's (\$75,657). This is also a substantial

increase from 2010, when the MHI was \$84,295. The CHN includes a disaggregation of households living in existing Needed Housing by race and ethnicity. In 2020, the city's population identified as 81% white not Hispanic or Latino, 7% two or more races, 6% Hispanic or Latino, 5% Asian, 1% Black or African American, and 1% some other race. For comparison, the population in Clackamas County that year was 77% white not Hispanic or Latino, 10% Hispanic or Latino, 6% two or more races, and 5% Asian. While West Linn is less racially and ethnically diverse than the county and state, this does represent a shift from 2010, when the city was 88% white not Hispanic or Latino, 4% Hispanic or Latino, and 3% two or more races. This information satisfies the requirements of OAR 660-008-0050(1)(a)(A).

OAR 660-008-0050(1)(a)(B) requires a description of the measures the city has already adopted to promote the development of Needed Housing. Appendix A, includes a section titled "*Existing Adopted Measures*" which contains this information, satisfying this rule.

The CHN section titled "*Market Conditions*" provides information on the current housing market in West Linn. Between 2023 and 2024, the median sale price was \$790,000, a sharp increase from 2021, when the median price was \$585,000. It further outlines that nearly 50% of sales were priced at over \$800,000 and nearly 25% were priced at over \$1 million. Single unit detached homes represented 80% of new home sales, while multi-unit housing made up 15%, and 5% were attached homes. The average rental price in West Linn has also nearly doubled since 2000 to \$2,050 per unit. The CHN notes a particularly sharp increase beginning in 2014. This section satisfies the requirements of OAR 660-008-0050(1)(a)(C).

The CHN section titled "*Existing and Expected Barriers to Developing Needed Housing*" highlights a number of challenges to the city's ability to meet its housing needs. This includes aging housing stock, limited buildable land, community resistance to infill housing, high System Development Charges (SDCs), high land costs, restrictive zoning codes and overlays, and slow permitting processes. This information satisfies the requirements of OAR 660-008-0050(1)(a)(D).

The CHN section titled "*Publicly Assisted Housing*", reports that in 2023, 411 people in Clackamas County were experiencing homelessness. Of this number, 56% were in emergency shelters, warming shelters, or transitional housing, while 44% unsheltered. McKinney-Vento Act reporting for the 2022-2023 found a total of 39 students in the West Linn-Wilsonville School District who were living in temporary "doubled up" situations. This information satisfies the requirements of OAR 660-008-0050(1)(a)(E).

The CHN section titled "*Housing Affordability*" states that nearly 32% of West Linn households are cost burdened, defined as paying more than 30% of income on housing

costs. Among renters, this rate is nearly 70%, including 31% of renters who spend more than 50% of their income on housing, which is considered severely cost burdened. This information satisfies the requirements of OAR 660-008-0050(1)(a)(F). The CHN section titled “*Needed Housing Units by Affordability Range and Type*” includes the following graphic which shows the projected housing need by income level based on the 2021 HCA:

Figure 22. Projected Need for New Housing at Different Income Levels, West Linn

Household Income Segment	Income Level (Rounded)*	Afford. Rent Range	Afford. Price Range	Owner Units	Renter Units	Total	Share	Common Housing Product
Extremely Low Inc. < 30% AMI	< \$27,500	<\$800	<\$150k	21	76	97	10%	Govt-subsidized; Voucher
Very Low Income 30% - 50% AMI	\$27.5k - \$46k	\$800-\$1,100	\$150k-\$225k	27	54	80	8%	Aging/substandard rentals; Govt-subsidized; Voucher
Low Income 50% - 80% AMI	\$46k - \$73.5k	\$1,100-\$1,600	\$225k-\$330k	59	90	150	15%	Market apts; Manuf. homes; Plexes; Aging SFR
Middle Income 80% - 120% AMI	\$73.5k - \$110.5k	\$1,600-\$2,100	\$330k-\$475k	113	35	148	15%	Single-family detached; Townhomes; Small homes; New apts
Upper Income > 120% AMI	> \$110,500	\$2,100+	\$475k+	459	70	530	53%	Single-family detached
TOTAL:				679	326	1,005	100%	

* Adjusted to 2020 dollars. The median household income level in 2020 will be will be inflated from current levels.

Additionally, the CHN found that in 2022, 83% of occupied units in West Linn were owner occupied, compared to 71% in Clackamas County and 62% in the state. It also includes a breakdown of unit types by tenure, distinguishing between renter and owner-occupied households. In the 2021 HCA, 90.3% of owner-occupied households were in single unit detached, 5.2% were in single unit attached, 0.2% were in duplexes, 2.1% were in three- or four-plexes, 2.1% were in multi-unit, and 0.2% were in manufactured homes. Among renter households, these shares were 29.9% in single unit detached, 7.8% in single unit attached, 15.9% in duplexes, 15.4% in three- or four-plexes, 28.5% in multi-unit, and 2.5% in manufactured homes. This information satisfies the requirements of OAR 660-008-0050(1)(a)(G).

The CHN section titled “*People with Disabilities and Seniors*” states that an estimated 8.4% of individuals in West Linn have one or more disabilities, with the most common types of disability being ambulatory, independent living, cognitive, and hearing related difficulties. This is much lower than the percentage of people who have one or more disabilities in Clackamas County (13%) and the state (15%), which could reflect barriers to accessible housing opportunity within the city. The CHN also finds that, while residents over 65 years of age only make up 18.4% of the city’s population, it is also the

fastest growing age group, so the need for more accessible housing is likely to increase. This information satisfies the requirements of OAR 660-008-0050(1)(a)(H).

(2) Engagement – A Housing Production Strategy Report must include a narrative summary of the process by which the city engaged Consumers of Needed Housing and Producers of Needed Housing, especially with regard to state and federal protected classes. A city may conduct engagement for a Housing Production Strategy concurrent with other housing planning efforts within the city including, but not limited to, a Housing Capacity Analysis, Consolidated Plans for Community Development Block Grant Entitlement Communities, and public engagement for Severely Rent Burdened Households as described in OAR 813-112-0010.

The city undertook engagement activities as part of the development of the HPS as required by OAR 660-008-0050(2). This process and findings are detailed in a section titled “*Engagement Summary*”.

The city hosted four meetings of a Project Work Group (PWG) which was made up of realtors, home builders, affordable housing developers, housing advocates, staff from Clackamas County Housing Authority, and representatives from the City Council and Planning Commission. The city additionally conducted ten interviews with interested parties, many of which were the same representatives who served on the PWG. Lastly, the City Council and Planning Commission had several work sessions on the HPS at key points in the development process. Collectively, this satisfies the requirements of OAR 660-008-0050(2)(a). However, the engagement program was a limited scope that missed broader community participation, which the city acknowledges and addresses in its evaluation of future engagement practices.

The description of each engagement activity also summarizes the feedback received by that group, as required by OAR 660-008-0050(2)(b). Key themes identified in the PWG included strong support for SDC modifications, referrals to housing assistance programs, a Home Owner Limited Tax Exemption (HOLTE) program, and land banking. Stakeholder interviews identified challenges including aging housing stock, limited land availability, high SDC and land costs, and permitting procedures. Infill and middle housing were identified as an opportunity. The City Council and Planning Commission noted high home prices and low housing inventory as challenges, as well as concern about the impacts of certain actions on revenue. They expressed support for land acquisition for affordable housing, as well as opportunities for synergy between HPS actions and existing planning projects.

Each summary of key themes by engagement activity within the “*Engagement Summary*” section includes a subsection titled “*Influence on HPS*”. It describes how feedback from

each engagement activity informed the selection of actions and consideration of how they would be implemented. This information satisfies OAR 660-008-0050(2)(c).

The HPS includes an evaluation of how to improve engagement practices for future housing engagement efforts conducted by the city, as required by OAR 660-008-0050(2)(d). The recommendations include conducting initial community surveys and gathering input, as well as undertaking focused engagement with a variety of community-based groups. These engagement improvements are not only encouraged by the department but are required engagement elements of the CHN rules LCDC adopted in December 2024. As such, conducting this level of engagement would set the city on the right path for complying with engagement rules in future HPS cycles.

Note: As part of the department's 45-day public comment period initiated in accordance with ORS 197A.103(4), the department received [two comment letters](#).

(3) Strategies to Meet Future Housing Need – A Housing Production Strategy Report must identify a list of specific actions, measures, and policies needed to address housing needs identified in the most recent Housing Capacity Analysis. The strategies proposed by a city must collectively address the next 20-year housing need identified within the most recent Housing Capacity Analysis and contextualized within the Report as provided in section (1). A Housing Production Strategy Report may identify strategies including, but not limited to, those listed in the Housing Production Strategy Guidance for Cities published by the Commission under Exhibit B.

The city's HPS outlines 12 actions for implementation within its six-year HPS cycle to address identified housing needs. These actions are detailed in the HPS chapter titled "*Recommended Actions*". As a reminder, an adopted HPS is an action plan containing a list of actions which the city is committed to adopting, completing, and implementing over the HPS cycle, regardless of whether they are framed as recommendations.

To provide clarity and structure, the city organized these actions into three categories:

- Housing Options and Choice Actions
- Affordable Housing Actions
- Equitable Housing Opportunities Actions

Each action in the HPS includes a title and description which meets the requirements of OAR 660-008-0050(3)(a).

In the HPS chapter "*Recommended Actions*" each action includes a section titled "*Time Frame*". This section includes the headings "Adoption", as required by OAR 660-008-0050(3)(b), and "Implementation", as required by OAR 660-008-0050(3)(c). It also includes the heading "Impact", meeting the requirement in OAR 660-008-0050(3)(d)(D) to describe the time frame over which the action is expected to impact Needed Housing.

The graphic below illustrates the overall timeline for the adoption and implementation of all the actions, aligning with the structure outlined in the “Time Frame” sections.

Implementation Timeline

	2024	2025	2026	2027 (Midpoint)	2028	2029	2030
1. Rezone land							
2. Small dwelling unit development							
3. SDC updates							
4. Multiple Unit Property Tax Exemption (MUPTe)							
5. TIF to support affordable housing							
6. Surplus Land, Land Acquisition, and Banking							
7. Public-private partnerships for affordable housing				Ongoing			
8. Low-income Rental Housing Tax Exemption							
9. Zoning incentives for workforce/affordable housing							
10. Construction Excise Tax (CET)							
11. Homebuyer Opportunity Limited Tax Exemption (HOLTE)							
12. Fair Housing education, referral, and other services				Ongoing			

** Refer to the action descriptions for details about phasing.*

Each action description includes a section titled “Anticipated Impact”, as required by OAR 660-008-0050(3)(d). The line titled “Magnitude” thoroughly describes why each action is “Low”, “Medium”, or “High” impact, meeting the intention of the rule.

OAR 660-008-0050(3)(d)(A) requires an assessment of the housing need addressed by each action, categorized by tenure and income. The “Population served”, “Income level”, and “Housing tenure” headings within the “Anticipated Impact” section of each action includes this information, thereby satisfying the rule requirement.

OAR 660-008-0050(3)(d)(C) requires an analysis of the income and demographic populations that are anticipated to receive benefit or burden from each action, including:

- (i) Low-income communities;
- (ii) Communities of color;
- (iii) People with disabilities; and
- (iv) Other state and federal protected classes

Each action contains the heading “Benefits and Burdens” within the “Anticipated Impact” section which provides detail on the benefits and burdens arising from each action, which provides detail on the benefits and burdens arising from each action.

However, while the city identified the risk of displacement associated with Action 1 (“Rezone Land”) and Action 5 (“Tax Increment Financing”) under the associated “Benefits and Burdens” section in the action descriptions, the Action does not articulate any specific mitigating actions to be implemented to offset those identified burdens, as required under OAR 660-008-0050(3)(d)(C). As a result of this omission, the department finds that this requirement is not fully satisfied. Additionally, because this omission directly affects the city’s ability to demonstrate compliance with OAR 660-008-0050(4)(f), noted below, which requires the city to show how it is increasing housing stability and mitigating displacement, the department is applying the following condition:

Condition of Approval 1: The city must work with Department staff to develop an addendum to the HPS that reflects the city’s commitment to specific anti-displacement mitigating actions that will be implemented alongside Action 1 (“Rezone Land”) and Action 5 (“Tax Increment Financing”). These commitments are necessary to fully comply with OAR 660-008-0050(3)(d)(C) and to substantiate the city’s demonstration under OAR 660-008-0050(4)(f). This addendum will be submitted to the Department within 90 days following this decision, no later than December 11, 2025.

While the adopted actions are generally well-defined, Action 7 “Public-Private Partnerships for Affordable Housing” contains a variety of different concepts. Several of them, including acquiring and donating land and utilizing surplus land owned by faith-based organizations, are included in other committal actions. Others, such as supporting community land trusts, are not committal as written. The “Description” section also includes a note which indicates that this action was intended to be further refined prior to adoption. The department appreciates these concepts and encourages the city to pursue them. However, for the purpose of the HPS review, this action does not in and of itself address a housing need. If the city implements this item in a manner that directly results in partnerships to other actions as mentioned in this item’s description, reporting on this at the City’s midpoint submission is encouraged. The remainder of the HPS includes actions which are committal and the department finds they satisfactorily address the needs in the CHN.

(4) Achieving Fair and Equitable Housing Outcomes – A Housing Production Strategy Report must include a narrative summarizing how the selected Housing Production Strategies, in combination with other city actions, will achieve equitable outcomes with regard to the following factors:

(a) Location of Housing – How the city is striving to meet statewide greenhouse gas emission reduction goals, established under Executive Order No. 20-04, by creating compact, mixed-use neighborhoods available to people who are members of state

and federal protected classes. Within Metro, cities subject to this rule shall describe actions taken by the city to promote the production of regulated affordable units, as defined in ORS 456.586(1)(b); to promote the production of accessible dwelling units; to mitigate or avoid the displacement of members of state and federal protected classes; and to remove barriers and increase housing choice for members of state and federal protected classes within Region 2040 centers.

The HPS specifies three actions which directly support the goal of reducing greenhouse gas emissions, promoting compact, mixed-use neighborhoods, and increasing opportunities to live in neighborhoods near services and amenities:

- Action 1. Rezone Land
- Action 4. Multiple Unit Property Tax Exemption (MUPTE)
- Action 5. Tax Increment Financing (TIF) for Affordable Housing

Additionally, the department notes that West Linn is on track to complete its Region 2040 work this year, supporting both this rule and the program outcomes of the Climate Friendly and Equitable Communities (CFEC) rules. This information satisfies OAR 660-008-0050(4)(a).

(b) Fair Housing – How the city is affirmatively furthering fair housing for all state and federal protected classes. Affirmatively furthering fair housing means addressing disproportionate housing needs, patterns of integration and segregation, racially or ethnically concentrated areas of poverty, and disparities in access to housing opportunity.

The HPS lists one action that works towards achieving fair housing as required by this rule:

- Action 12. Fair Housing Education, Referral, and Other Services

Action 12 as written only commits to “promoting fair housing policies and programs”, however, it proposes a number of other steps the city “*could* also pursue... to affirmatively further fair housing and work to reverse discrimination, exclusion, and concentrations of wealth in West Linn” (emphasis added), including:

- Add additional fair housing protected classes
- Create an Analysis of Impediments to Fair Housing
- Conduct fair housing training for Council, Planning Commission, and other relevant policymakers
- Provide residents, property owners, property managers, realtors, lenders, and others involved with real estate transactions with access to fair housing information and referrals

- Ensure that City staff know how to identify potential fair housing violations and make referrals to the Fair Housing Council of Oregon and state and local enforcement agencies.
- Partner with and fund Fair Housing Council of Oregon to provide periodic Fair Housing Audit Testing, customized outreach and education and other specialized services

The department observes that several of the proposed steps above overlap in purpose. Specifically, the three bullets related to fair housing trainings (for Council, Planning Commission, and other relevant policy makers, for city staff, for real estate and housing professionals, and for residents) appear to be different only in audience. These trainings could be grouped into a single category such as partnering with the Fair Housing Council of Oregon (FHCO) to deliver customized outreach, education, and training for a range of audiences.

Additionally, during the city's next Housing Production Strategy, the city will be assessing fair housing choice more deeply as part of the city's Contextualized Housing Need. The CHN is intended to closely align with the key tenants of an Analysis of Impediments and it makes sense to integrate this effort into that future work. This approach will ensure consistency, reduce duplication, and better position the city to meet future program rules.

Considering this, the department finds that there are three clear and actionable pathways, including:

- Add additional fair housing protected classes by amending the city's development code;
- Partner with and fund Fair Housing Council of Oregon to provide periodic Fair Housing Audit Testing; and,
- Partner with and fund Fair Housing Council of Oregon to provide customized outreach and education and other specialized services to different audiences including Council, Planning Commission, and other relevant policymakers, city staff, property owners, property managers, realtors, lenders, and others involved with real estate transactions, and residents

Accordingly, the department is applying the following condition of approval:

Condition of Approval 2: At the time of the Midpoint Report, the city will demonstrate progress on Action 12 by initiating or advancing at least one of the three proposed steps from the list above. The department strongly encourages the city to implement the other identified steps as well.

With the inclusion of Condition of Approval 2, OAR 660-008-0050(4)(b) will be met.

(c) Housing Choice – How the city is facilitating access to housing choice for communities of color, low- income communities, people with disabilities, and other state and federal protected classes. Housing choice includes access to existing or new housing that is located in neighborhoods with high-quality community amenities, schooling, employment and business opportunities, and a healthy and safe environment.

The HPS identifies four actions that work towards achieving housing choice as required by this rule:

- Action 1. Rezone Land
- Action 2. Small Dwelling Unit Development
- Action 3. Update SDCs
- Action 4. Multiple Unit Property Tax Exemption (MUPTE)

As noted in the CHN, the percentage of West Linn residents who have one or more disabilities is well below that of Clackamas County and the state, possibly indicating that significant barriers to people with disabilities accessing accessible housing exist within the city. It is therefore unacceptable that no actions commit to expanding accessible housing opportunities, with Action 3 “Update SDCs” and Action 4 “MUPTE” noting that they “*may*” or “*could*” be used to encourage accessible units (emphasis added). Accordingly, the department is applying the following condition:

Condition of Approval 3: To meet the requirements of OAR 660-008-0050(4)(c), the city must adopt and implement one or more of the following committal actions in a way that increases production of accessible housing units:

- Action 3. Update SDCs
- Action 4. MUPTE
- Action 9. Zoning Incentives for Workforce and Affordable Housing

The department notes that in Appendix B “*Future Actions to Consider*”, the proposed action titled “Accessible Design” includes both incentives and mandates which are related to these actions. The city will further commit to implementation steps which ensure that accessible units are produced in amenity- and service-rich areas, as required by OAR 660-008-0050(4)(a).

The city will describe which of the three above measures it has committed to adopt and implement with accessible housing production as a priority to the department. The department notes that the City has applied for a 2025-2027

Housing Planning Assistance Grant to implement Actions 3 and 9. To provide sufficient time for the city to assess where accessibility incentives can be included within these actions, the department expects a response to this condition within 180 days of the decision letter (by March 11, 2026).

With the inclusion of Condition of Approval 3, OAR 660-008-0050(4)(c) will be met.

(d) Housing Options for People Experiencing Homelessness – How the city is advocating for and enabling the provision of housing options for residents experiencing homelessness and how the city is partnering with other organizations to promote services that are needed to create permanent supportive housing and other housing options for residents experiencing homelessness.

The HPS states that it does not include any actions that are specifically aimed at addressing homelessness or reducing the risk of households becoming homeless. The city does note that several of the HPS actions support affordable housing development, such as Action 7 “Public-private partnerships for affordable housing”, could be targeted to benefit extremely low-income households, but it offers no committal steps towards accomplishing this as noted previously.

The CHN highlights that people experiencing homelessness are disproportionately affected by the lack of affordable housing. Approximately 411 individuals were unsheltered in Clackamas County in 2023, and 13% of West Linn households earn at or below 30% median family income and are at risk of homelessness. Nearly all of these households are cost burdened, with many severely cost burdened, and include seniors, people with disabilities, and people of color who have distinct housing needs.

Several actions (Actions 3 “Update SDCs”, 5 “Tax Increment Financing (TIF) for Affordable Housing”, 6 “Surplus Land, Land Acquisition, and Banking for Affordable Housing”, 8 “Low Income Rental Housing Tax Exemption”, 9 “Zoning incentives for workforce and affordable housing” and 10 “Construction Excise Tax (CET)”) list broader income ranges such as 0-80% or 0-60% AMI, which include households at or below 30% AMI. This income level is technically incorporated in the ranges above and the department assumes this population will benefit in some fashion from implementation of these actions. However, the lack of explicit identification for 0-30% AMI households in the “income level” section and the city’s own language that they feel a specific action does not address this need, presents a need for clarification. Action 10 “CET” is the only action that directly references 0-30% AMI somewhere in the action description, but explicit

committal language to that effect was not found in the implementation steps of the action. Action 6 “Surplus Land, Land Acquisition, and Banking for Affordable Housing” is particularly well suited to support permanent supportive housing or other deeply affordable housing for this population. As with Action 10, however, additional explicit committal language that prioritizes households at or below 30% AMI in the implementation steps was not found.

While the department finds that OAR 660-008-0050(4)(d) may be minimally satisfied, in order to confirm compliance, the following condition is being applied:

Condition of Approval 4: The city will describe which of the adopted actions that include broader income ranges (specifically Actions 3 “Update SDCs”, 5 “Tax Increment Financing (TIF) for Affordable Housing”, 6 “Surplus Land, Land Acquisition, and Banking for Affordable Housing”, 8 “Low Income Rental Housing Tax Exemption”, 9 “Zoning incentives for workforce and affordable housing” and 10 “Construction Excise Tax (CET)”) will be tailored to meet the needs of households at or below 30% AMI.

As with Condition 3 above, the department recognizes that the city will be advancing work on some of these actions via a 2025-2027 Housing Planning Assistance Grant. To provide sufficient time for the city to assess where accessibility incentives can be included within these actions, the department expects a response to this condition within 180 days of the decision letter (by March 11, 2026).

This condition ensures that the city’s commitments are clear, enforceable, and responsive to the unique housing needs of residents experiencing homelessness through the existing intent reflected in these actions.

(e) Affordable Homeownership and Affordable Rental Housing – How the city is supporting and creating opportunities to encourage the production of affordable rental housing and the opportunity for wealth creation via homeownership, primarily for state and federal protected classes that have been disproportionately impacted by past housing policies.

The HPS includes eight actions that work towards achieving affordable homeownership and affordable rental housing options:

- Action 4. Multiple Unit Property Tax Exemption (MUPTE)
- Action 5. Tax Increment Financing (TIF) to support affordable housing
- Action 6. Surplus Land, Land Acquisition, and Affordable Housing

- Action 7. Public-private partnerships (PPP) for affordable housing
- Action 8. Low Income Rental Housing Tax Exemption
- Action 9. Zoning incentives for workforce and affordable housing
- Action 10. Construction Excise Tax (CET)
- Action 11. Homebuyer Limited Opportunity Tax Exemption (HOLTE)

The HPS states that these actions will support equitable outcomes for people with lower incomes, but in order to prioritize benefits for communities of color, the city will:

- Partner with culturally specific organizations or other organizations that often work with certain underserved or disadvantaged groups (e.g., faith-based organizations).
- Target programs to certain city areas with higher proportions of people of color (e.g., tax abatements within certain neighborhoods).
- Use equitable engagement actions to reach diverse communities

While the city did not explicitly identify “Action 3 Update SDCs” as an action supporting affordable homeownership or rental housing in this section of its HPS, the department recognizes and commends the city’s committal language in the implementation steps description for this action. Specifically, this section states *“City Council action: Adopt modified SDC schedule by resolution or ordinance that scales SDCs by housing type **and waives or defers SDCs for affordable housing and ADUs.**(emphasis added)”* This step reflects a clear commitment to affordability, and the department is therefore flagging Action 3 within this section as a meaningful contribution in supporting the affordable homeownership and rental housing opportunities factor for achieving fair and equitable housing outcomes.

This information meets the requirements of OAR 660-008-0050(4)(e).

(f) Gentrification, Displacement, and Housing Stability – How the city is increasing housing stability for residents and mitigating the impacts of gentrification, as well as the economic and physical displacement of existing residents resulting from investment or redevelopment.

The HPS notes that many of the included actions will increase housing stability and mitigate the impacts of gentrification and displacement, particularly through the affordable homeownership opportunities created through Action 2 “Small Dwelling Unit Development” and Action 11 “Homebuyer Opportunity Limited Tax Exemption (HOLTE)”.

It also points out that some actions, including Action 1 “Rezone Land” and Action 5 “Tax Increment Financing”, could increase the risk of displacement for existing residents. It states that the city will need to ensure that the implementation of these actions will need to be paired with the anti-displacement actions listed above. While the city’s HPS acknowledges this risk under the “Benefits and Burdens” section for these Actions, the city does not go as far as committing to specific anti-displacement mitigating actions to accompany Actions 1 and 5 as noted previous under OAR 660-008-0050(3)(d)(C).

Finally, while affordable homeownership opportunities are an important method for increasing housing stability, these measures will only benefit a fraction of the households who are vulnerable to displacement. As addressed in OAR 660-008-0050(4)(e), the adopted HPS includes a number of actions which will increase affordable rental opportunity. The department expects the city to also target these actions in redeveloping areas in order to mitigate the impact of displacement on renter populations.

With this consideration and Condition 1 applied, the city will be able to meet OAR 660-008-0050(4)(f).

(5) A Housing Production Strategy Report must include the following additional elements:

(a) A description of any opportunities, constraints, or negative externalities associated with adoption of the elements of proposed Housing Production Strategies;

Each HPS action contains a section titled “Opportunities, Constraints, or Negative Externalities” which includes a detailed description of potential impacts and implementation considerations which should be made as a result.

This information meets the requirements of OAR 660-008-0050(5)(a).

(b) A description of actions that the city and other stakeholders must take to implement the proposed Housing Production Strategies;

Each action contains sections titled “Implementation Actions” and “Lead & Partners” which collectively meets the requirements of OAR 660-008-0050(5)(b).

(c) If the Housing Production Strategy Report is the first produced under this division, a description of how the city will measure strategy implementation and progress;

The HPS chapter “*Monitoring Progress and Outcomes*” states that four categories of metrics will be utilized to measure the results of the HPS actions:

- Permitted/constructed housing units
- Economic and demographic changes
- Programs and adoption actions
- Outreach and community input

This meets the requirements of OAR 660-008-0050(5)(c).

As the HPS notes, the city will be producing annual monitoring summaries in addition to its Midpoint Report. The department is interested in the annual summaries for informational and educational purposes. As such, the department is applying the following condition of approval:

Condition of Approval 5: The department requests that, at the time the city submits its three-year Midpoint Report (by December 2027) to the department under OAR 660-008-0230, the city provides all annual monitoring summaries thus far to the department. These annual summaries are not required as part of the submittal under OAR 660-008-0230 and will not be used to make any final approval decisions. Rather, they will help the department better understand local implementation trends and support broader learning across cities.

(d) If the Housing Production Strategy Report is not the first produced under this section, a summary of strategies that the city has previously adopted and implemented, and a reflection on the efficacy of each implemented strategy; and

Not applicable.

(e) A copy of the city’s most recently completed survey to meet the requirements of ORS 456.586.

The HPS includes an attachment to Appendix A, “*Contextualized Housing Needs Assessment*” which meets the requirements of ORS 456.586. OAR 660-008-0050(5)(e) is met.

The department truly appreciates the dedication and hard work the city has invested in the development of the HPS. Our commendations go out to the city for describing how implementation of the actions therein can further the city’s commitment to ensuring fair and

equitable housing options and outcomes. We are eager to continue our partnership with West Linn as we work together toward this shared goal. Please reach out to the DLCD Housing Division at housing.dlcd@dlcd.oregon.gov if the city would like to discuss this decision further.

Sincerely,

A handwritten signature in black ink, appearing to read "Ethan Stuckmayer", with a stylized flourish at the end.

Ethan Stuckmayer
Housing Division Manager, Department of Land Conservation and Development

Cc: Brenda Bateman, DLCD
Kirstin Greene, DLCD
Kelly Reid, DLCD
Ingrid Caudel, DLCD