



Feedback on HPS Compliance Action Menu

General Feedback

- **Clarify Evaluation Criteria:** Further clarity on how each action in the compliance menu was evaluated against the identified housing needs (i.e. - the column headings at the top of the matrix) would be helpful. The current matrix does not offer insight into why particular actions are or are not linked to specific needs. Similarly, the term 'if focused' seems to have varying or unclear meanings. This makes it difficult to assess appropriateness or impact.
- **Establish Compliance Considerations:** DLCD should consider offering a list for each action that outlines minimum compliance standards for meeting some of the needs the action is associated with in the matrix. This should include a combination of what to do/best practices, as well as what not to do (e.g. things that would render the action less impactful and/or increase risk of unintended consequences). This would improve consistency and clarity for both local governments and DLCD reviewers both for implementation of the items from the menu, as well as by providing guidance that could be leveraged when reviewing proposed rebuttal strategies.
- **Build in Flexibility:** The memo's example linking actions to known accessibility needs (p.8 of the document) is helpful, but it should be acknowledged that outcomes will not always result in perfect performance/outcomes. The approach should acknowledge that most actions are likely to underperform their target outcomes, and so the compliance pathway metrics should be calibrated higher than the target to increase the likelihood of success.
- **Prevent Lowest-Common-Denominator Outcomes:** Allowing choice between actions that may be more or less easy to implement may incentivize jurisdictions to select lower-impact, easier options. Because of this, we continue to have a preference for including a basic impact-rating for actions; however, at the very least, we encourage the team to ensure that there are mechanisms to ensure a city does not simply cherry pick low-hanging fruit, lower-impact options.
- **Further consideration of or acknowledgement of intersectional/co-benefit actions:** Consideration for where or how more program-based actions might intersect with or benefit these land use-based strategies are implemented would be beneficial. We have noted a couple of examples of this in our notes below.

Feedback on Specific Actions

Ref. #	Action	Comments
RR-1	Housing Mix Requirements	<ul style="list-style-type: none"> • Support with Caution: Broad conceptual support, particularly for potential to stabilize communities and support affordability through diversified housing types. • Need for Clear Guidance: DLCD should provide detailed implementation guidance (e.g., affordability incentives, risks associated with over-regulation, etc). • Consider when regulation vs incentive is appropriate: While certain unit types may appropriately benefit from explicit requirements for inclusion (i.e. - a percentage of Type A or B units), there should also be caution about overreach in regulating things like unit size or bedroom count. We support using incentive-based strategies for many of these needs such as considering how SDC programs are structured to encourage certain unit types and characteristics as well as SDC waiver opportunities, tax exemptions, or FAR bonuses instead of strict regulations. The state should be clear that mandating particular ratios of unit size or bedroom count within new buildings would risk limiting production.
RR-2	Inclusionary Zoning	<ul style="list-style-type: none"> • Appropriate as a Local Option: Useful in high-cost markets with local customization. But, we question how applicable this will be to the majority of cities in the state/how often it will actually be utilized. • Avoid State Mandate: Too complex for statewide implementation, so, having this as an optional but not mandated strategy is the correct approach if it is decided to keep this on the list. A model ordinance could support voluntary adoption.
RR-3	Negotiated Affordability Requirements for New Urban Areas	<ul style="list-style-type: none"> • Relevant for Greenfield Scenarios: Supports affordability in areas expecting UGB expansion or annexation. • Risk of Token Compliance: Could be misused by cities unlikely to expand. DLCD should tie adoption to real applicability (e.g. - relevancy based on the jurisdiction's latest BLI) • Need for Implementation Detail: Define minimum standards and provide examples to guide adoption.

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RR-4	Manufactured Housing Community Preservation Zone	<ul style="list-style-type: none"> • Support for Preservation: Effective tool to support housing stability for lower-income households. • Scalable and Referencable: Easily adoptable across cities; models already exist in Portland and other jurisdictions. • Clarify Affordability Role: This is one example across several where more clarity on how actions were evaluated against the issue areas (columns) would be helpful - both for feedback at this stage, but also for implementation purposes. We can venture how this might be leveraged as an affordable housing tool, but again, strong guidance and criteria for cities on benefits in addition to anti-displacement strategies would be important.
RR-5	Minimum Densities	<ul style="list-style-type: none"> • General Support: Generally agree with the coding in the matrix but continue to have questions about the use and intent of “if focused.” Useful tool to avoid underutilization and promote housing production. However, like with many of these tools, we also have concerns about misuse or unintended consequences of this tool if not well-crafted. • Provide examples of flexibility in implementation: DLCD should provide references to various models that may provide more flexibility while still achieving the intended outcome (e.g., Wilsonville’s average density strategy).
RB-4	Permit Ready Plans	<ul style="list-style-type: none"> • Generally Support: This can reduce barriers and accelerate housing development. • Possible Redundancy: May be duplicative if new legislation around state-based permit-ready plans passes; DLCD should clarify added value.
RB-6	Code Audit and Amendments	<ul style="list-style-type: none"> • Generally Support: Like the applicability of this across various issue areas which would allow a jurisdiction to do a somewhat simpler audit for one issue area or do a review for multiple issue areas. • Clarify Issue Linkage: DLCD should specify which housing issues each audit is meant to address. Meaning, there needs to be some assurance and further

Ref. #	Action	Comments
		definition of what exactly a jurisdiction should be looking for when responding to specific issue area(s).
RB-7	Upzone Residential Land	<ul style="list-style-type: none"> • High-Impact Tool: One of the most effective and scalable actions to address multiple housing issues. • Implementation Guidance Needed: DLCD should include best practices on minimum densities, FAR, setbacks, etc. (e.g. - provide the typical unit/acre metric that supports a typical LIHTC project and/or densities that trigger certain state-based accessibility requirements, note the trade-offs to requiring certain types of setback or step-backs, etc.) • Clarify Coding of Issue Areas: we felt a bit confused by which issue areas this is noted to effect and/or how it would effect (when “if focused” is used, for example). Need more clarity on the thought behind these since we feel this has the potential for a particularly broad application.
RB-8	Expand Residential Options in Commercial Zones	<ul style="list-style-type: none"> • Support with Nuance: Clarify that this should not include mixed-use mandates, which can highly impact feasibility for affordable housing in particular. • Clarify Impact: Similar to above, DLCD should provide some best practices for level of density/scale necessary to achieve some of the benefits noted in the menu matrix, especially for accessibility and affordability.
RB-9	Permitting Outcomes Review/Audit	<ul style="list-style-type: none"> • Positive Step: Review processes are valuable to identify procedural barriers to housing production. • Require Actionable Follow-Up: Audits should not be passive—require mitigation of barriers found. • Expand Scope: Include variance requests and conditional uses in the analysis.
ZI-1	Development Intensity Bonuses	<ul style="list-style-type: none"> • Support with Guardrails: Can be a powerful tool but must be calibrated carefully to produce intended outcomes. For example, bonuses like height are significantly less useful and less likely to work if they push projects into costlier construction types. Again, best practices, basic standards, etc should be provided by DLCD to ensure intended outcomes are achieved.

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ZI-2	Parking Reductions	<ul style="list-style-type: none"> • Clarify Utility: DLCD should clarify whether this tool is additive or redundant with existing reforms. Basically, what are the gaps this looks to fill and how substantial of an impact would it have if implemented? • Importance of Compliance Considerations: This is an example (among others), that would benefit from clear compliance expectations to ensure that this will be impactful and result in the intended outcome of increased housing production/meeting certain housing needs. In particular, we feel this would benefit from a similar audit process as described in other actions in this list, to consider how parking mandates interplay with other code elements to impact housing production.
ZI-3	Design and Development Standard Flexibility	<ul style="list-style-type: none"> • Strong Support: Flexible standards can meaningfully lower barriers to housing development. • Model After Proven Examples: Again, provide tangible examples and guidelines that fully describe best practices as well as land mines that may undermine the intent of this strategy. This should include a variety of examples including more static bonuses/incentives such as Portland's code, as well as more flexible options (such as Happy Valley's code, which allows developers to pick a certain number of "exceptions" from a set list that they can then get by right for affordable housing developments).