

RHNA Working Group - Meeting 1

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Question and Answer Written Response
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Key Insights

Data Landscape and Policy Direction – Members noted that in spite of the issues regarding the data landscape that affects any statewide housing analysis, it doesn't change the need to address housing issues through changes to policy. Addressing gaps via qualitative methods, including engagement, will be important for addressing the full scope of need, especially where data is incomplete.

Implementation of Goal 10 – While the core text of Goal 10 remains appropriate at the high level, the historic implementation of Goal 10 has overemphasized planning for unit type, mix, and density as well as the capacity of land, while ignoring many other dimensions of housing need, especially for communities that have been historically underserved by government. It will be important that this work result in planning processes that more comprehensively address these dimensions of need.

Parameters of the Process – Working Group members agree that establishing clear parameters of the process and resultant legislative recommendations is critical at this stage of work. Members discussed the merits of highly detailed versus broad statutory language in both achieving the desired outcomes and improving the likelihood of adoption and implementation. DLCD staff will follow up with members to solicit greater clarity on the project goal and process parameters.

RHNA Overview

House Bill 2003

- The Regional Housing Needs Analysis is one part of House Bill 2003 – It directed OHCS to create a prototype methodology to estimate housing need across the state. It also directed DLCD to assess the methodology and whether it can be implemented in the land use planning program.

House Bill 2003 Requirements

- Goal of RHNA: Estimates the number of dwelling units for housing needed now and for next 20 years, for all of Oregon's cities, by income level, including people experiencing homelessness
- Current methodologies (i.e. housing needs analyses or HNAs) only estimate future need, and do not account for underproduction and people experiencing homelessness
 - Current methodologies also do not consider overcrowding and low vacancies

RHNA Methodology

- 3 major components to estimate housing need
 - Projected need: units needed to accommodate future population growth over 20 years
 - Using PSU forecast models
 - Under production: units that have not been produced to date in the region, but are needed to accommodate current population (i.e. the deficit we are in today)
 - Current homeless: units needed to house those who are currently experiencing homelessness
 - Point in time count data set is an underestimate
 - McKinney-Vento data set is good to understand doubling up of population

Methodology Results

- Nearly 584,000 units needed over the next twenty years, and roughly one-quarter are needed today. To catch up with the deficit of housing needed today over the next five years, we would need to double market rate production and triple publicly-supported production.
- For people with lower incomes (less than 80% Median Family Income), the need is disproportionately high (roughly half of total needed units).
 - Market is unlikely to produce housing affordable to people earning below 80% MFI without public support

RHNA Methodology Questions

Q: In discussions, was there distinction between those experiencing doubled up overcrowding and those experiencing sheltered homelessness?

A: This was a conversation during methodology discussion, and the methodology did partially account for this using McKinney-Vento data. However, they did not land on defined numbers for each group specifically. This answer could also be different city-to-city and region-to-region.

Q: For future housing, there are some cities where there are no shelters in some cities and lots of people experiencing homelessness in others. Is there an opportunity to secure transitional housing and emergency shelters into the future?

A: The current framework doesn't adequately distinguish shelter vs. housing, but it is a really good point to think about, in addition to discussion around permanent supportive housing (PSH)

Q: Goal 10 speaks about adequate supply of housing at affordable prices, as well as rentals. Somewhere along the line, emphasis has been on housing type, not tenure. There are huge discrepancies of homeownership between POCs and other communities. Is there a way to capture that discrepancy to find better solutions?

A: Housing type has historically been an ineffective proxy for the outcomes we were aiming to see. Today, the HPS has provisions now to account for those seeking both affordable homeownership and rentals and will continue to be a consideration in this work. A question we face is how is that best addressed via Goal 10?

Q: How does methodology take into account urban v. rural? Households with those experiencing disabilities have higher household costs than those who don't. How does methodology take that into account? How does methodology support need for accessible housing?

A: Generally, the methodology estimates housing need for an entire region and allocates it to cities and urban portions of counties based on population growth and regional job share. On accessible housing – there is a need for a strategic choice of whether that would be built in statewide or addressed at the local level. Data availability may be tough to do this consistently across the state. We are also currently incorporating disabilities data to improve PSU population forecast in recognition of this data deficiency.

Q: We know we cannot fully rely on data for housing need since there are large gaps in current data landscape. Could there be some room for latitude at local level to interpret in addition to just relying on data?

A: Yes, this is a major reason why the HPS includes qualitative outreach and discussion to better understand what is happening at the local level. Discussions on this should continue.

Q: I recognize there is a lack of data, but that shouldn't stop creating as robust a methodology across the state. Could local communities identify need for more data and gather more data?

A: A major point of this work (that we will discuss) is that, regardless of the data landscape, our policies create and reinforce systemic inequities that we will need to address. Data helps define the issue with granularity and precision, but it doesn't change the overall need to implement measures that address systemic inequities.

RHNA Assessment

- Major question: Is something like this implementable via Goal 10? Why should we consider implementing something like this?
 - What is Goal 10? It is the statewide planning goal to plan for and accommodate for housing of all housing types and affordability levels

Goal 10 Historic Implementation (Housing Needs Analysis)

- Housing Needs Analysis (HNA) answers the question: is there enough land zoned to the appropriate densities within an UGB to accommodate housing need projected over 20 years?
 - Begins with a population projection → PSU or Metro
 - Projected Housing Need → based on local parameters (unit types, size of households, market dynamics, etc.), translated into a number of housing units by unit type

- Inventory buildable lands → where are lands vacant and built out?
- Measures to accommodate needed housing → needed if buildable land is insufficient to accommodate projected growth. It includes:
 - Measures that increase capacity inside the Urban Growth Boundary (UGB) – e.g. infill policies, up-zoning, code amendments, etc.
 - A UGB expansion
- The HNA is a very incomplete way of accommodating need – many needs are not directly addressed in this process, nor does it ensure that housing will actually be built.

Projecting Inequitable Outcomes

- Housing needs projections chronically underestimate housing need, because there is no way to estimate the number of units needed on the ground today (i.e. current underproduction) – it only includes future growth. This dynamic is especially bad for lower income housing.
- Localized housing needs projections (i.e. planning for need only within a city) reinforce existing geographic disparities – In looking at the distribution of where affordable housing actually gets built, it tends to be in lower opportunity areas and disproportionately in some cities (and not in others).

A RHNA, if implemented thoughtfully, can address both of these issues by creating a shared responsibility among cities to address housing affordability within the region.

Work Schedule

- Major components
 - Population forecast (race, disability, AIAN)
 - Working Group
 - Engagement

RHNA Assessment Questions

Q: How are you considering the fact the Oregon is aging?

A: Our Goal 10 system has historically just focused on land capacity and unit density, and housing needs by age haven't historically been addressed. The HPS is beginning to look at this, but as of now, there isn't a mechanism by which factors like age affect the types of units needed in an HNA.

Q: How much latitude do we have for updates? Is it just refining Goal 10 a little? Or do we have latitude to create a whole new one?

A: That is the topic of the next section.

Q: We know that BIPOC communities have been pushed outward. You would think that they are pushed out, that there is land available. The further the land is, the further we continue segregating community members, removing access to amenities for them. Any plans to deal with that?

A: This is often a theme when conversations about location of affordable housing arise – i.e. should we build as many as we can on the periphery or locate fewer in high opportunity areas. In spite of these conversations, the maps demonstrate that we are very clearly making a decision. Affordable housing usually isn't in high opportunity areas. When we think about this question about where to build housing, we need to think about this more.

Q: population forecasts from PSU are not broken down by socio-economic dynamics, not taking into account who's needing what kinds of housing. Affordable housing and subsidized affordable housing doesn't take into account location and healthy communities. We need to take this into account. Cities can decide to just expand UGB to accommodate affordable housing without doing the hard work politically to infill housing outside UGB, but there are no amenities further out.

A: Yes, currently breaking down projections into socio-economic status is determined at the local level which reinforces the dynamics we've discussed. This issue will certainly require more discussion to address thoughtfully.

Q: Curious about the scope of this process. How do we bring in these hard questions/parameters?

A: That leads very well into our next section

Framing and Establishing Parameters for this work

- What does success look like in this process? How do we design with timing in mind?
- Consideration of policy impact and policy design. We have limited time to conduct this work, and we need to be strategic about the range of issues we address and the detail of legislative recommendations.

Working Goal Statement

Prepare legislative recommendations for the adoption of a modernized housing planning system, addressing affordable and market-rate housing production. The system will:

- Advance fair housing and center equitable housing outcomes for low-income households and federal and state protected classes, especially addressing systems that reinforce patterns of racial and economic segregation
- Implement a consistent system of measuring housing need (the RHNA) that serves as the foundation for:
 1. Local land use planning and growth management, including federal funding distribution
 2. State, regional, and local affordable housing funding
 3. Statewide and local housing policy
 4. Regional coordination for housing implementation
 5. Public facilities planning
- Create organizational capacity at the state to implement technical aspects of RHNA, facilitate increased housing production, and lead housing policy
- Create systems of shared responsibility and accountability for state, regional, and local governments to meet housing need identified in the RHNA, especially for publicly-supported affordable units

General Working Group Role

- Will need feedback and advice to know if we're asking the right questions
- Implementation issue > Engagement > Working Group > Policy Development
- DLCD charge is to develop legislative recommendations
- Working group role – ground truth and advise to ensure recs are implementable

- Meetings are open to the public and recorded
- Not intended to be representative of all interests; engagement will solicit broader input

Discussion

Comment: From a political standpoint, there is value in taking the position that what we are doing is fulfilling in terms of statewide housing goal from the beginning. Everything we are doing is to bring that goal into greater focus and reality. We are not throwing something out or going in a new direction. To the extent that we are creating proposals that hone-in on Goal 10.

Comment: There should be high-level framework so that agency has flexibility to change over time. Land use planning system, Goal 10, is challenging for the legislature to understand the depth and nuance of specific details. RHNA should affirmatively further fair housing, which means supporting Goal 10.

Focusing outcomes in legislature

Flexibility in rulemaking

As opposed to making it so strict that there will need to be ongoing changes back and forth

Comment: From a policy framing perspective, we need to move beyond housing need as just affordability.

Location, access to services, habitability of housing

We shouldn't remove affordability as an element

Comment: We should focus on policy outcomes, rather than thinking about whether detail on implementation should be in rules vs statutes

What do success and failure look like?

- Definitions of regions
- Success looks like getting housing built for those who most need it
 - Questions about political will and funding. Not getting stuck in analysis at the expense of policy.
- Concern about looking at housing need in a region, could possibly be a jurisdiction that doesn't want to pull its own fair share of housing. Might be a problem that disrupts regional approach. Can't just be about just land and inventory and expanding UGB or not. What are the assets a city has to utilize the land that we have?
- Failure or something that could sink us is lack of agility. This group could move more flexibly than other groups before.
- In order for us to be successful, we need to think about this outside of Goal 10
- How to best solicit feedback from working group?
 - Sub-working groups around particular topics

Next Steps

- Conflict with the next meetings on November 18th, due to other rulemaking, an LCDC meeting, and AOC conference. Consider alternatives