OHNA Local Government Forums
Meeting Summary
May 9, 2022 – August 9, 2022
(Published Aug 8, 2022)

Process

DLCD housing staff coordinated with DLCD Regional Representatives to engage land use planners and housing policy staff in local governments across the state in a series of fourteen (14) focus group discussions between May and August 2022. These focus group discussions were added to supplement the robust OHNA engagement program recognizing a need for deeper discussion and feedback from local land use planners and housing policy staff on the Statewide Planning Goal 10 Housing Program. It is important to note that one of the focus group discussions focused specifically on Tribal housing needs with participants from Tribal nations, leadership, and housing/planning staff to ensure their housing needs could be lifted to the Legislature as part of this process too.

Each forum discussion focused on three general key questions including how to better address underproduction, understanding the specific investments the state should focus on to support production (including infrastructure planning and finance), and how to adjust the housing capacity analysis and housing production strategy efforts to better plan and support communities in their housing production goals. Participants were also asked additional questions related to housing production and challenges specific to their region.

In all, DLCD staff engaged a wide swath of planners, developers, elected officials, housing policy staff, and advocacy groups throughout the state via local government forums. See Appendix A &B to review forum meeting dates and for a complete list of questions by region.

Summary of Key Themes

Discussion generally centered around three major themes: **partnership, accountability,** and **investment**.

Partnership
Capacity building support – Many local jurisdictions are already pursuing action to increase production but face capacity challenges.
- Small and rural communities tend to have fewer staff to support general city work. Staff typically do not have housing planning expertise which hinders good housing planning efforts and work.
- Many communities under 10,000 in population would like to opt-in and participate in the goal 10 housing planning program even though they are not required due to population threshold requirements. Those that do want to participate will require funding and technical assistance to fulfill statutory requirements.

- Communities with population thresholds above 10,000 with dedicated planning department and housing planner experts also face capacity constraints in advancing housing work. Some participants noted that funding applications require substantial resources, time, and staff capacity and there are long wait periods to receive funding. Many jurisdictions lack planners with in-depth housing planning experience and need support and guidance to advance meaningful policies and investments that increase production.
- Most communities are facing high levels of staff turnover making it difficult to advance housing planning projects generally and in a timely manner.
- Many participants expressed value for regional Council of Governments (COG) and circuit writers in providing housing and planning support generally, but reiterated the importance of direct grant and consultant support.

County involvement – There is a need for better partnership with counties and regional entities to ensure coordinated approaches to challenges associated with housing planning and other related intersecting disciplines (i.e., transportation, climate, etc.).
- Participants engaged in the Metro forums generally agree that urban, unincorporated areas in the tri-county metro area should participate in Goal 10 planning, especially if those lands will eventually be annexed into Metro cities.
- Participants engaged in the Metro Neighboring Cities forums would like stronger connections to their county planning department staff so that assumptions crafted by Counties for their cities are reported to Metro as accurately as possible.

Regional and state support – Participants would like to see better coordination between local, regional, and state planning departments to ensure better housing outcomes over time.
- Many participants felt regional coordination could reduce inefficiencies by sharing data, strategies, capacity, and resources.
- Other suggested a regional lens allows for better transportation connectivity and workhouse planning between nearby communities.
- Participants engaged in the South Coast forums expressed a major frustration for the historic lack of representation from the South Coast and rural communities more generally in housing policy. They suggested state agencies should be more closely coordinated and create partnerships with local communities to encourage housing production and affordability, and state policies should reflect rural contexts and needs.

Accountability
Strategic State-lead guidance and direction– Participants generally support policies that address challenges related to the implementation of the Goal 10 housing planning program. Policies must be paired with flexibility to allow local governments to apply a local lens to ensure consideration for local context in the housing planning process.
- Central Oregon and Coastal planners support safe harbors that could consider second and vacation home realities as part of their housing capacity analysis. This would allow better accuracy in terms of housing need and as a result better planning solutions for those communities facing these additional housing realities. There is tension about the appropriate level of state involvement with second and vacation homes – while some think greater

intervention would help local communities manage housing issues affected by second and vacation homes, others feel state involvement would complicate issues and local jurisdictions should be provided more tools to address them according to local policy priorities.

- Metro and Neighboring Cities liked the idea of enabling the application of safe harbor "market factors" as part of the housing capacity analysis to better reflect the actual developability of lands in the buildable land inventory. The idea here would be a market factor reduction for underutilized land or land that has never or will never develop based on state requirements and/or circumstances.
- Communities in the Willamette Valley and Southern Oregon would like increased state acknowledgment of the severe levels of wildfire risks in communities and the associated added layer of complexity to housing planning for the areas.
- Some planners raised the need for more policy attention to consider state regulations on nonsignificant wetlands in a buildable lands inventory that is part of the housing capacity analysis.
- Smaller and more rural communities expressed the need for the state to explore adding flexibility to many of the tools available for cities to pursue to promote housing development that is not a "one size fits all" approach and instead tools that enable and incentivize better housing development use. This includes financial incentives as well as land use planning processes, including the Goal 10 and refinement to the Urban Growth Boundary expansion process.

Tools and resources matter – Participants strongly agreed that state resources must be made available to raise awareness on recent housing planning requirements to elected officials, the public, and housing staff generally. The framing of the resources must be carefully crafted to ensure the new requirements are communicated in a way that underscores the value of the need for increased housing production.
- Small and rural community planners want the state to produce resources like FAQs, model codes, factsheets, research papers, etc., that local planners can use as guidance in housing planning work with community members and elected officials.
- Most participants suggest better messaging to communicate recent state level reforms to Goal 10 (i.e., middle housing and HPS) to reduce resistance to increase housing development at all levels – with elected officials, planning managers and staff, local leaders, and community members.
- Participants discussed the need for DLCD department staff support in various areas of housing planning: housing capacity analysis and housing production strategy, community education, and any way to take on certain work (i.e., technical assistance application, mapping, general data streamlining, etc.) that would allow planning staff more time to focus on housing projects.

Investment
Flexible funding is important – Participants need funding to support housing planning and housing production. While DLCD is equipped to provide the former, the latter is a type of funding support that does not currently exist in the statewide system.
- Participants raised the need for flexible funding to support the infrastructure and land costs associated with housing development, especially in greenfield areas.

- Participants generally like the idea of state provided funding for infrastructure contingent on affordable housing production and to backfill System Development Charges for affordable housing developments.
- Participants raised concern for the need for ongoing funding support for maintenance costs (i.e., sewer, water) and other associated housing development costs like schools, hospitals, and parks to ensure long-term sustainability.
- Some participants raised the need for state investment to increase the supply of land that is ready for development. This also includes site preparation necessary to support housing development.
- South Coast participants underscored major challenges of housing development for the area to step from scarcity of resources to prepare land for development. This includes resources to do housing planning work at the local level and resources to enable the development of housing, including site preparation and provision of public services. These are areas where state investment could greatly enhance communities' ability to produce more housing.

Key Themes from the conversation with Tribal Nations and their members

- Participants expressed need for better recognition between the important distinction between the nine federally recognized tribes in Oregon and culturally specific organizations that support native peoples. The major distinction is that the nine federally recognized tribes are eligible for tribal housing funding directly from the U.S. Department of Housing and Urban Development (HUD).
- In many ways, the goal 10 housing program doesn't make sense for tribal nations. Participants recommend moving away from population dynamics towards a focus on actions that tribes can and want to pursue to address housing needs specially focused on tribal people. Tribes should have the decision-making authority for housing planning specific to tribal nations.
- Participants appreciate HUD's block grant program set aside option for funding as it removes the competitive and time-consuming pressures and barriers associated with state and federal funding. Participants would like to see more of this kind of flexibility with housing funds.
- Participants suggested all pots of funding available for housing specifically for federally recognized tribal nations to be consolidated and allocated based on a formula.
- It's important to recognize that native peoples are reluctant to providing proprietary type data due to harmful past experiences from government. Careful thought in this data area is needed relative to native peoples.
- Many tribes have their own land use and zoning laws; more consideration should be given to tribal law.
- One size doesn't fit all – many individual differences among the nine tribes. Funding should be flexible enough to be nimble to the various housing needs by tribes.
- Recommend grounding in housing planning. The housing system tribes inherited from HUD is punitive and doesn't address tribal nation's core values in terms of housing support and planning.

Appendices

A. Forum dates and discussion topics

	Forum Date	Region	Participant Count
1	May 9, 2022	South Coast Forum	7
2	May 12, 2022	North Willamette Valley Forum	13
3	May 12, 2022	South Oregon Forum	13
4	May 17, 2022	Central Oregon Forum	22
5	May 24, 2022	South Oregon Forum	12
6	June 2, 2022	North Coast Forum	7
7	June 3, 2022	Central Oregon Forum	8
8	June 7, 2022	South Willamette Valley Forum	19
9	June 8, 2022	Metro Neighboring Cities Forum	10
10	June 22, 2022	Metro Region Forum	18
11	June 23, 2022	Eastern Oregon Forum	24
12	June 28, 2022	Tribal Nations Forum	3
13	July 6, 2022	South Coast Forum	18
14	August 9, 2022	Eastern Oregon Forum	Meeting pending

B. Forum discussion questions

The table below includes the three general key questions asked at each regional forum discussion and the additional questions asked to participants based on region.

General Questions

1. We know that, as a state, we are underbuilding housing and need to focus more readily on supporting production. What are you and your staff currently trying to support production, what challenges are you running into, and where could state support help address those challenges?

2. A significant hurdle towards achieving production is a lack of financial resources, especially for infrastructure planning and finance. Are there specific types of investments the state could make that would help your city in supporting housing production?

3. What supports or adjustments to housing capacity analyses and housing production strategies would help your community better plan for and support housing development? Especially including cities below 10,000 population.

Central Oregon Questions

1. Central Oregon and the Gorge have a significant share of short-term rentals, which creates a layer of additional demand on the local housing stock. What local, regional, and statewide tools would help you address that dynamic?

2. Central Oregon has faced some of the strongest statewide population growth and housing affordability pressure in recent years. What investments or tools would help your region support more housing development to accommodate this growth?

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3. The U.S. Census Bureau will not change regional data boundaries to align with the tri-county Central Oregon region, but in implementing an OHNA, we could explore other options that reflect the tri-county housing market. What option do you think would best support the outcomes we are trying to achieve?

4. What other local or regional barriers and issues warrant attention? How would you suggest addressing that issue?

Eastern Oregon Questions
1. Many communities in Eastern Oregon struggle with local market conditions, including labor and investment, that make housing development more challenging. Are there specific state policies that can help build better market conditions, including policies that will help attract builders and developers?

2. In Eastern Oregon, the housing market of any particular city is more interrelated with other Eastern Oregon cities and cities in neighboring states than it is with other regions of the state. Are there state policies that would better support inter-city/state collaboration and capacity to construct housing?
3. High speed internet and remote work has created additional demand for housing in smaller and more rural communities. How do you think this dynamic might affect your work? What opportunities and challenges exist in preparing for this potential growth?

4. What other local or regional barriers and issues warrant attention? How would you suggest addressing that issue?

Metro Region Questions
1. The implementation of an OHNA will require estimating need for a broader region and allocating that need to individual jurisdictions. How should this occur in the Metro? What will be important to ensure housing allocations reflect a shared responsibility among Metro cities to address housing affordability and equity?

2. The implementation of an OHNA raised a host of questions around implementation and sequencing in the light of the Regional Growth Management process:
    a. Should there be a period after allocations in which cities respond to allocations through their HPS to inform the regional growth management decision?
    b. What is the appropriate role of local Buildable Land Inventories? Should all cities > 10,000, even landlocked cities, be required to complete BLIs once every six years?
    c. Should counties be required to participate in Goal 10 planning for urban, unincorporated areas?

3. In the Metro, many areas contain zoned capacity to accommodate more housing development, but the major challenge is preparing and incentivizing land for development or redevelopment. What specific policies and investments from the state and Metro can better support local actions and housing production?

Metro Neighboring Communities Questions:

1. We recognize neighboring communities of Metro as distinct entities that nonetheless share a degree of interdependence due to regional housing, employment, and commuting dynamics. How do you think this distinction should be reflected in the implementation of an OHNA?

2. Many neighboring communities of Metro experience a significant degree of population and job growth as a result of spill-over effects from the region. What are the implications of this dynamic on policy?

3. What other local or regional barriers and issues warrant attention? How would you suggest addressing that issue?

Mid-Willamette Valley Questions:
1. Wildfire has devastated communities in the Mid-Willamette Valley and Cascades and will continue to threaten communities near the wildland-urban interface. What are the implications of this dynamic in achieving greater housing production in these communities?

2. Cities rebuilding after recent wildfires have faced stark challenges with infrastructure finance. While there has been support from the state for capital costs, many rebuilding communities have found that the ongoing maintenance liabilities of infrastructure far exceed the property tax revenues from the households they serve. What are the implications of this dynamic in achieving greater housing production in these communities and in general?

3. There are various urbanized, unincorporated areas in the Mid-Willamette Valley with minimal statutory obligation related to housing, despite housing significant shares of the region. How should these areas be considered in legislative work related to housing?

4. What other local or regional barriers and issues warrant attention? How would you suggest addressing that issue?

North Willamette Valley Questions:
1. Wildfire has devastated communities in the Mid-Willamette Valley and Cascades and will continue to threaten communities near the wildland-urban interface. What are the implications of this dynamic in achieving greater housing production in these communities?

2. Cities rebuilding after recent wildfires have faced stark challenges with infrastructure finance. While there has been support from the state for capital costs, many rebuilding communities have found that the ongoing maintenance liabilities of infrastructure far exceed the property tax revenues from the households they serve. What are the implications of this dynamic in achieving greater housing production in these communities and in general?

3. There are various urbanized, unincorporated areas in the Mid-Willamette Valley with minimal statutory obligation related to housing, despite housing significant shares of the region. How should these areas be considered in legislative work related to housing?

4. What other local or regional barriers and issues warrant attention? How would you suggest addressing that issue?

South Willamette Valley Questions:

1. Wildfire has devastated communities throughout the Willamette Valley and Cascades and will continue to threaten communities near the wildland-urban interface. What are the implications of this dynamic in achieving greater housing production in these communities?

2. Several communities in the Southern Willamette Valley have a significant share of students, which affects local housing dynamics. Are there specific policies that would help these communities incorporate housing for students in their plans?

3. What other local or regional barriers and issues warrant attention? How would you suggest addressing that issue?

North Coast Questions:
1. The North Coast has a significant share of short-term rentals, which creates a layer of additional demand on the local housing stock. What local, regional, and statewide tools would help you address that dynamic?

2. Many communities in the North Coast struggle with local market conditions, including labor, investment, and aging or insufficient infrastructure systems that make housing development more challenging. Are there specific state policies that can help build better market conditions?

3. In the North Coast, it is difficult for jurisdictions to respond quickly in response to changing market conditions, including new economic development opportunities. Are there specific incentives or investments that could help build capacity in coastal communities?

4. Coastal communities face a variety of localized constraints that inhibit housing development, including land affected by coastal dynamics (e.g. tsunami zones, estuaries, etc.) to inland hilly and forested terrain. Are there specific policies that would help promote housing development in areas that not affected by these constraints?
5. What other local or regional barriers and issues warrant attention? How would you suggest addressing that issue?

South Coast Questions:
1. The South Coast has a significant share of short-term rentals and second homes, which creates a layer of additional demand on the local housing stock. What local, regional, and statewide tools would help you address that dynamic?

2. Many communities in the North Coast struggle with local market conditions, including labor, investment, and aging or insufficient infrastructure systems that make housing development more challenging. Are there specific state policies that can help build better market conditions?

3. In the South Coast, capacity to plan for and support housing development is hard to come by. Are there specific incentives or investments that could help build capacity in coastal communities?

4. Coastal communities face a variety of localized constraints that inhibit housing development, including land affected by coastal dynamics (e.g. tsunami zones, estuaries, etc.) to inland hilly and

forested terrain. Are there specific policies that would help promote housing development in areas that not affected by these constraints?

5. The U.S. Census Bureau will not change regional data boundaries to align with the South Coast region, but in implementing an OHNA, we could explore other options that reflect the South Coast housing market. What option do you think would best support the outcomes we are trying to achieve?

6. What other local or regional barriers and issues warrant attention? How would you suggest addressing that issue?

South Oregon Questions:
1. Many communities in Southern Oregon struggle with local market conditions, including labor and investment, that make housing development more challenging. Are there specific state policies that can help build better market conditions?

2. Wildfire has devastated Southern Oregon communities and will continue to threaten communities near the wildland-urban interface. What are the implications of this dynamic in achieving greater housing production in Southern Oregon communities?

3. In the Southern Oregon region, the development community does not have as much experience or capacity to develop a broad range of housing options and choices, such as middle housing. What types of state policies or supports would better support building this capacity?

4. What other local or regional barriers and issues warrant attention? How would you suggest addressing that issue?

Tribal Nations Questions:
1. What policies would help Tribal Nations and members in addressing barriers to housing production?
2. What incentives would be helpful in housing production specifically for Tribal Nations and members?
3. What can we lift up to the legislature to better support housing need for Tribal members?