

RESOLUTION NO. 1737

A RESOLUTION APPROVING THE CITY'S THIRD AFFORDABLE HOUSING REPORT TO METRO IN COMPLIANCE WITH TITLE 7 OF THE METRO URBAN GROWTH MANAGEMENT FUNCTIONAL PLAN

THE TROUTDALE CITY COUNCIL FINDS AS FOLLOWS:

1. Title 7 of the Metro Urban Growth Management Functional Plan, as amended in 2001, is intended to ensure a choice of housing types and to encourage a reduction of regulatory barriers to affordable housing within all jurisdictions of the Metro region.
2. In order to achieve these objectives among the local jurisdictions, Title 7 either requires, or seeks voluntary compliance with, specific tasks such as adoption of a voluntary affordable housing production goal, adoption of comprehensive plan amendments, and consideration of adoption of various affordable housing land use tools and strategies.
3. Local jurisdictions are required to submit first, second and third-year reports to Metro to document their progress in achieving affordable housing objectives. The City of Troutdale submitted a combined first and second-year progress report to Metro in June 2003 after the City Council had evaluated current measures the City is taking to accommodate affordable housing and after fully considering implementation of other strategies and tools recommended in Title 7.
4. In December 2003 and December 2004 Metro issued evaluations of local government Title 7 progress reports. The Metro compliance reports identified a number of outstanding items that required further review and consideration by the City.
5. The Troutdale City Council met on February 8, 2005 to discuss the outstanding items Metro had identified and to direct staff in the preparation of a third progress report responding to those remaining items.
6. The City Council desires to submit its third progress report to Metro on its consideration of the affordable housing tools and strategies in satisfaction of the reporting requirements of Title 7.

NOW THEREFORE BE IT RESOLVED BY THE COUNCIL OF THE CITY OF TROUTDALE


Section 1. The City of Troutdale's Title 7 Affordable Housing Report #3, dated February 15, 2005, as set forth in Attachment A, is hereby approved and is authorized to be submitted to Metro as required by section 3.07.740 of Title 7.

Section 2. This resolution shall take effect immediately.

YEAS: 7
NAYS: 0
ABSTAINED: 0



Sarah Greif, Office Support Specialist
Adopted: February 22, 2005



Paul Thalkofer, Mayor
Dated: February 24, 2005

CITY OF TROUTDALE
Title 7 Affordable Housing Progress Report #3
February 15, 2005

In Compliance with the Reporting Requirements of
Metro Code 3.07.740

This is the third and final affordable housing progress report to Metro in accordance with the reporting requirements of Title 7 of the Metro Urban Growth Management Functional Plan (codified as Title 7 of Chapter 3.07, Metro Code.) The first and second reports were combined into one report that was submitted to Metro on June 26, 2003. The purpose of this report is to follow up on information provided in the two previous reports. More particularly, it is to report on the outcome of any amendments to the City's comprehensive plan and implementing ordinances that were pending at the time of submittal of the prior reports; the outcomes of those affordable housing tools the City implemented at the time of, or since submittal of, the prior reports; and public response, if any, to any of the implementation strategies the City has adopted to increase its stock of affordable housing.

In May 2004, Metro issued a letter to the local jurisdictions in the region clarifying the requirements of the third report. The letter provided the following clarifications:

1. The report should address the outstanding issues identified in Metro's previous assessment of the City's first and second progress reports; and
2. The report should address "outcomes" and "public response" as referred to in Title 7.

The letter elaborated further on what is meant by "outcomes" and "public response" within the context of this particular progress report.

Outstanding Issues Identified in Metro's Assessment of the Previous Progress Reports

1. Ensuring that the comprehensive plan and implementing ordinances include measures to maintain the existing supply and increase dispersion of affordable housing.

Response: It is unclear why Metro identified this as an issue in its assessment of the previous reports. After a thorough review of the affordable housing strategies and tools listed in Title 7, the Troutdale City Council made a definitive finding that our

comprehensive plan and implementing ordinances are consistent with the goals and objectives of Title 7. Most notably, the Council determined that our plan and ordinances include actions and measures designed to maintain the existing supply of affordable housing as well as to increase the opportunities for new dispersed affordable housing. Discussion of the various strategies and tools within the previous report supports this finding.

2. Consideration of the amendment of the comprehensive plan and implementing ordinances to address fully the impact of all components of local regulatory constraints on affordable housing. (No measures are in place to address review design and development review standards for impact on affordable housing or the use of cost-benefit analysis to determine impact of new regulations.)

Response: Although the measures mentioned parenthetically by Metro under this outstanding item were not specifically addressed in the previous report, considerable attention was given to review of local regulatory constraints. The report pointed out a number ways that Troutdale's development review process and procedures reduce or eliminate regulatory obstacles. Based on the discussion under this category of affordable housing strategies, the report concluded that the City's development code already promotes efficient and effective permitting and review processes toward achieving more affordable housing projects.

The City does not have the resources to delve further into this particular strategy by conducting a review of design and development standards for impacts on affordable housing or using a cost-benefit analysis to determine the impact of new regulations. Suffice it to say that the City is very cognizant of the need for housing that is affordable to all income ranges and will continually look for ways of streamlining the permitting process and making changes to the planning and permitting process in order to reduce obstacles to affordable housing.

3. Consideration of the implementation of three of the other affordable housing strategies in Metro Code Section 3.07.760 (replacement housing resulting from urban renewal, inclusionary housing in urban renewal districts, and joint coordination activities).

Response: It is unclear why Metro has identified these three strategies as issues in their assessment of the previous progress report since that report explained that Troutdale does not have any urban renewal districts. The report fully discussed replacement housing and inclusionary housing. These measures were listed under Section 3.07.730B as affordable housing land use tools that local governments in the Metro region must consider for adoption or an explanation given as to why the City has decided not to adopt them. In the course of this discussion, the report explained that an attempt at creating an urban renewal district in 2001 was overturned by the voters when the issue was placed on the ballot through the petition process. In light of there being no urban renewal district in Troutdale, and none pending creation at this time, what further consideration is Metro seeking from us on this issue?

With respect to joint coordination activities, the full text of this strategy from Title 7 reads: *"Local jurisdictions are encouraged to consider joint coordination or action to meet their combined housing production goals."* The previous report did not speak to this strategy because it seemed pointless in coordinating with our immediate neighboring jurisdictions – Fairview, Gresham, and Wood Village – toward meeting a combined housing production goal when each of these jurisdictions has declined to adopt its voluntary affordable housing production goal, as has Troutdale. Metro's Title 7 compliance report acknowledges that each of the East County jurisdictions have either formally declined to adopt the voluntary goals, or have taken no action to adopt. Therefore, given our understanding of what is meant by joint coordination activities, it is unclear what further consideration of this strategy is expected of us.

The Outcome of the Comprehensive Plan and Implementing Ordinance Amendments Pending at the Time of Submittal of the Previous Progress Report

As defined in Metro's May 10, 2004 letter, outcomes that are to be addressed in this progress report include the following.

1. Affordable housing projects that were initiated or completed as a result of the implementation of the tools and strategies described in the previous sections, including the number of units produced and income level/s served.

Response: The City's previous report determined that its comprehensive plan and implementing ordinances already accomplish the goals and objectives of Title 7. The report concluded that it was unnecessary for the City to amend its comprehensive plan or to adopt any additional land-use related affordable housing tools. There were no amendments pending at the time of submittal of the previous progress report, nor are there any pending at the time of this report.

What the City can say is that since submittal of the last report in June 2003, 10 different housing projects have been approved, with construction of those projects either completed or in progress. Those housing projects total 224 housing units consisting of the following housing types.

- 81-unit senior citizen congregate care housing facility
- 82 detached single-family dwellings
- 52 attached townhouse dwellings
- 1 duplex
- 1 triplex
- 1 fourplex

To our knowledge, none of these housing developments was specifically labeled as an affordable housing project, although the congregate care facility is clearly meeting the needs of a disadvantaged sector of the population. The City does not have the personnel or the resources to track the income levels served by these housing

developments. However, these numbers demonstrate that existing City policies allow for a diversity of housing types.

2. Partnerships that were created between the city and affordable housing developers (non-profit developers and private sector developers.)

Response: Troutdale has not created any partnerships with non-profit or private sector housing developers.

3. Pending amendments to the comprehensive plan and implementing ordinances.

Response: Because the previous affordable housing progress report to Metro concluded that it was unnecessary for the City to amend its comprehensive plan or to adopt any additional land-use related affordable housing tools, there are no pending amendments.

Public Response to Any Implementation Adopted by the City to Increase the Communities Stock of Affordable Housing

As stated in Metro's May 10, 2004 letter, for purposes of this progress report public response means a summary of comments of developers and citizens expressed during consideration of affordable housing strategies, including the following.

1. Affordable housing production goals;
2. Policies to ensure diversity of housing types, maintaining the existing supply and increasing the opportunities for new dispersed affordable housing, and increasing opportunities for households of all income levels to live within the jurisdiction;
3. Land use affordable housing tools and strategies; a) density bonus; b) replacement housing; c) inclusionary housing; d) transfer of development rights; e) elderly and people with disabilities; f) local regulatory constraints – discrepancies in planning and zoning codes, and local permitting or approval process; and g) parking.
4. Other affordable housing tools and strategies: a) replacement housing resulting from urban renewal; b) inclusionary housing in urban renewal districts; c) fee waivers or funding incentives; d) promotion of affordable housing for incomes 50% to 120% of the regional median household income; and e) joint coordination or action to meet the affordable housing production goals; and
- 5) Funding for housing.

Response: The Troutdale City Council held a public meeting on June 10, 2003 to discuss Title 7 requirements and the contents of a draft progress report to Metro. At that time the council decided it was unnecessary to adopt a housing production goal. The council also discussed and evaluated the other affordable housing strategies and tools required to be considered by Title 7. The Council concurred with the draft report's finding that the City's comprehensive plan and implementing ordinances already accomplish the goals and objectives of Title 7. No members of the public attended this meeting, thus there is no public response to report.

At the June 24, 2003 regular meeting, the City Council adopted a resolution approving the City's affordable housing report to Metro in compliance with Title 7 of the Metro Urban Growth Management Functional Plan. The resolution effectively formalized the Council's decision not to adopt any affordable housing production goals and not to pursue amendments to our comprehensive plan or implementing ordinances. No member of the public testified on this agenda item. There is no public response to report.

Conclusion

This is the third and final progress report required by Title 7 of Metro's Urban Growth Management Functional Plan. This report reasserts the City's position expressed in the previous report to Metro. The City's position with respect to affordable housing can be summarized as follows:

1. Troutdale's comprehensive plan and implementing ordinances are consistent with the goals and objectives of Title 7.
2. The comprehensive plan and implementing ordinances already include strategies and tools to ensure a diverse range of housing types.
3. The plan and implementing ordinances include actions and measures to maintain the existing supply of affordable housing as well as to increase the opportunities for new dispersed affordable housing.
4. The plan and implementing ordinances include policies, actions and measure aimed at increasing opportunities for households of all income levels to live in affordable housing.
5. Given its limited staff and financial resources, Troutdale is unable to adopt, apply or administer any additional affordable housing strategies and tools beyond those already in place.