

MINUTES

PLANNING COMMISSION and CITY COUNCIL
JOINT WORK SESSION NUMBER 1

May 2, 2024
5:30 p.m.

City Hall Council Chambers
313 Court Street, The Dalles, Oregon 97058
Via Zoom / Livestream via City Website

PRESIDING: Cody Cornett, Chair

COMMISSIONERS PRESENT: John Grant (arrived at 6:20 p.m.), Philip Mascher, Mark Poppoff, Nik Portela (arrived at 5:35 p.m.)

COMMISSIONERS ABSENT: Addie Case, Maria Peña

COUNCIL PRESENT: Darcy Long, Timothy McGlothlin, Rod Runyon, Scott Randall, Dan Richardson

COUNCIL ABSENT: Mayor Rich Mays

STAFF PRESENT: Director Joshua Chandler, City Manager Matthew Klebes, City Attorney Jonathan Kara, Economic Development Officer Dan Spatz, City Clerk Amie Ell, Associate Planner Cia Keys, Associate Planner Frank Glover

CALL TO ORDER

The meeting was called to order by Chair Cornett at 5:30 p.m.

PLEDGE OF ALLEGIANCE

Chair Cornett led the Pledge of Allegiance.

APPROVAL OF AGENDA

It was moved by Mascher and seconded by Long to approve the agenda as submitted. The motion carried 8/0; Cornett, Mascher, Poppoff, Long, McGlothlin, Runyon, Randall, and Richardson voting in favor, none opposed, Case, Grant, Peña, Portela and Mays absent.

APPROVAL OF MINUTES

Approval of the February 1, 2024 Minutes were postponed due to a lack of quorum.

PUBLIC COMMENT

None.

DISCUSSION ITEM

Please note: Some comments during the discussion were inaudible.

2024 Housing Production Strategy

Director Chandler introduced Jamin Kimmell of Cascadia Partners, an Oregon-based consulting firm, assisting Staff with the 2024 Housing Production Strategy (HPS). Over the next year, the City will work on the HPS to outline specific tools, actions and policies to address housing needs and affordability. Led by Cascadia Partners and funded by a grant through the Department of Land Conservation and Development (DLCD), this work will build off the recently adopted 2023 Housing Needs Analysis and Residential Buildable Lands Inventory.

As part of this process, City Staff and Cascadia Partners will be conducting numerous work sessions throughout the year, including a project specific Advisory Committee and additional work sessions with the Planning Commission and City Council. This process will culminate with the adoption of the HPS by year-end.

This is the first of three work sessions; the following sessions will be held July 18, 2024 and October 3, 2024 as part of regularly scheduled Planning Commission meetings.

Mr. Kimmell provided the presentation, Attachment 1. He said Alex Joyce and Lydia Ness, both of Cascadia Partners, will assist with the project. Mr. Kimmell provided background on the HPS and timeline for completion. The HPS is a new state requirement for all cities in Oregon with a population greater than 10,000. The HPS must be adopted by 2024 year-end.

Commissioner Mascher asked what are the consequences if a city does not fulfill these obligations? Mr. Kimmell replied there is an enforcement process to address a lack of progress. He is unfamiliar with the process, but will provide more information at the next meeting.

Councilor Runyon stated an agency was missing from the meeting. He said this is not only about low income. "Affordability" is mentioned, and he asked for the parameters of affordability. Mr. Kimmell replied this would be discussed. The strategy is to determine housing needs for all income levels. Director Chandler noted Joel Madsen, Executive Director for Mid-Columbia Housing Authority, is included in the Advisory Committee.

Councilor Long hoped this group would look at strategies to address density. The City cannot expand the Urban Growth Boundary (UGB). We need to consider the lack of buildable land, and plan further ahead than the state's requirement.

Mr. Kimmell stated no multi-family units were developed over the past three years. Director Chandler noted the 2023 housing unit numbers collected for the Housing Needs Analysis (HNA) were collected toward the beginning of the year. Mr. Kimmell said the numbers will be updated prior to the next meeting.

Councilor Runyon disagreed with the figures stating Latino households are cost burdened at the highest rate in Oregon. He noted The Dalles has a higher number of Latino households

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compared to Oregon; we probably are not at the same level as the state. Mr. Kimmell replied the point was, if this number holds true at the county or city level with the state average, then Latino households would be more cost burdened. This figure may not hold true, but it is more likely it does. Mr. Kimmell said if you were to look at this number at the local level, it would still be a percentage of the local Latino community.

Councilor Runyon asked if updated data would be included at the July meeting. Mr. Kimmell replied more current data from the American Community Survey is not available. We know that compared to other ethnic groups, the Latino community is more cost burdened. It is most likely that average holds within the City.

Attorney Kara asked if the American Community Survey was the only data set used. Mr. Kimmell replied he would welcome more data sets, if available.

Mr. Kimmell provided examples of strategies used by cities to increase housing. He said some cities have acquired land specifically for affordable housing. Councilor Richardson asked if Hood River acquired land for the Rand Road project, underway now. That would be useful and instructive, to reference as a project in our back yard. Director Chandler confirmed the acquisition of land for the project. Nate Stice stated Hood River continues to secure land for future development.

Councilor Long was told by a constituent that the Oregon Constitution prohibits public/private partnerships for housing, but that prohibition was ignored. She asked if that had come up. Mr. Kimmell said there are rules around gifting of public resources; the constituent may have been referring to that prohibition. Mr. Kimmell was unsure of the answer. Many public/private partnerships are executed through a land lease. The land is not given away, but a 99-year lease at a very low rate may be a work-around.

Mr. Kimmell spoke of an infrastructure strategy to spur development. More specific recommendations related to infrastructure will be provided at the July meeting. Director Chandler said the strategy was specifically added. After many years, a house on E. 9th Street, directly in the right-of-way, was removed. A six-plex is now under review for the site.

Mr. Kimmell asked:

- Priorities – What housing types or needs are priorities for the City?
- Levers – What types of strategies (regulatory, incentives) will most effectively address housing needs?
- Incentives – Are there specific concerns or questions for new incentives such as property tax abatement, SDC reductions, etc.?
- Funding Tools – To make investments and implement strategies like land banking, new revenue may be needed. What are your concerns or questions about tools for raising revenue for housing programs?

Commissioner Grant inquired about conceptualized housing needs. Is there data on individuals from other locations coming over to The Dalles for more affordable residences? Is there any

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data on a healthy ratio of affordable housing compared to middle and high incomes residences? Hopefully, we would have a high ratio of affordable housing.

Mr. Kimmell said data was not specifically collected on people relocating to The Dalles. There is some data available on migration across counties. This data is not yet incorporated, but will be useful information. He will research further.

In terms of the ratio of market rate housing to affordable housing in the community, Cascadia takes the ratios in the HNA and the projection of housing need by income bracket as the appropriate target or ratio we should look at.

Commissioner Poppoff would like to see more emphasis on owner-occupied housing, especially at lower income levels. In regards to multi-family, costs will go up with the need for sound and firewalls. Units over three stories require steel or reinforced masonry and an elevator, adding costs to square footage.

Mr. Kimmell said they will try to identify strategies that will help with homeownership options for lower or moderate incomes.

Commissioner Poppoff suggested cottage clusters. Mr. Kimmell replied there is a “sweet spot” in construction costs and density. Construction costs per square foot tend to level off, even go down, when considering wood framed, no elevator, three-story apartment buildings. When approaching higher densities with additional construction requirements, costs tend to escalate. The sweet spot is the lowest cost to build on a square footage basis with the most density.

Councilor Richardson asked for names of Advisory Committee members. Director Chandler replied, Kenny LaPoint, Joel Madsen, Nate Stice, Jorge Barragan, Charlie Foote, Debra Whitefoot, Maria Peña, Lisa George, and Megan Thompson.

Chair Cornett suggested focusing on the discussion questions.

Councilor Richardson liked the big levers, looking at urban renewal and land, and the construction excise tax (CET). The CET looks like a small investment that might pay off in a big way if we were strategic. Securing a parcel or parcels of land where we could appropriately direct densities or affordable housing might be helpful to us.

Councilor Long said the Urban Renewal Agency is considering a second district. She liked the idea as long as we take into consideration things like the Fire District. If tax dollars are collected from the District to incentivize building, as a result, they may need additional equipment to serve new housing. It would be nice to use Urban Renewal dollars to infill or help with expensive projects that do not pencil out without assistance.

Mr. Kimmell noted there are many complications and a large amount of work to set up an urban renewal district. As part of this project, the outcome would be identifying the district as a potential strategy and outlining concepts to show how it would directly support housing. If the district is not feasible it is still an acceptable outcome. If the strategy is included in the HPS, it say, “Evaluate the feasibility of forming an urban renewal district,” rather than “Form an urban renewal district.”

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Chair Cornett said on one hand, larger multiplexes, we just need somewhere for people to go. The more units we have that are apartment rentals or multi-family rentals, will help create market competition. Lower rental rates will alleviate affordability issues. The Dalles needs starter homes. Chair Cornett said most developers begin to make a good profit at 1,500 sq. ft. He suggested creating an incentive for developers that build homes of 1,200 sq. ft. or less.

Mr. Kimmell agreed. Many cities around the state are looking at a variety of ways, generally smaller units, especially small home ownership units. Shifting the market to create smaller units meets the need for starter homes.

Chair Cornett said he often talks with people who do not need 1,200 sq. ft. houses. Some builders are recognizing that much larger houses are selling, but still need to make a profit. Where is the perfect line where something sells?

We have many homes on oversize lots. It would be a nice opportunity to incentivize those property owners to partition the lots. When a property is partitioned, the property is reassessed. Chair Cornett suggested offering sellers a property tax abatement for a number of years, as long as the property is maintained.

Mr. Kimmell thought they may be constraints for an abatement, but will research further.

Commissioner Mascher said tiny homes and container homes, although popular, do not have Code to approve them. Overall costs are lower than building a home or an accessory dwelling unit (ADU).

Mr. Kimmell replied there is effort at the state level to define rules for site built tiny homes. Tiny homes on wheels are considered recreational vehicles. In the zoning code, the use must be classified differently.

Director Chandler said the City does not have an in-house building department. A container home considered a modular home built off-site does not comply with residential building code. Tiny homes and modular homes have difficulties at the state level because they are not classified as typical residential construction. We can approve something at the City level, but when it gets to the building code level, the builder may run into roadblocks.

Commissioner Poppoff said he understood that modulares are built to uniform building code standards, whereas manufactured houses are not.

Director Chandler said the City Code spells out modular homes differently than manufactured homes. Modulares must go through additional steps with the Oregon building code division. Manufactured homes are built to residential building code standards.

City Manager Klebes brought Mr. Kimmell's attention to the City's recent Brownfield Program, as well as upcoming Brownfield initiatives with the Mid-Columbia Economic Development District (MCEDD) and the City. The program can apply to residential lots, mixed-use housing, and commercial areas. It might be helpful to better connect strategies to reduce production costs, and the difference between production costs and home costs. Reducing the development cost does not necessarily reduce the cost of the home. Clarity of the effects of suggested levers might be beneficial.

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Mr. Kimmel said one of the assumptions in “If you reduce the cost of development more, you will reduce the cost of housing” is that you do not have a market as a significant supply constraint. If you have a significant supply constraint and the house sells above the margin, the developer may pocket that margin.

As you move towards a market less supply constrained, reducing the cost of development does reduce the potential cost of housing, but there is not a direct link.

Many cities have chosen, if they have an incentive program and are putting up resources to reduce the cost of development for specific projects, to attach that to an affordability requirement. They are not leaving it up to the market. However, some cities are offering incentives for market rate, new, multi-family housing because they want to enable more development.

One example is that some cities will require a developer to access a property tax exemption to prove that the project would otherwise not be feasible but for the property tax exemption. This ensures an incentive offered by the city is actually causing production rather than increasing the developer’s profits.

Councilor Long referenced the pre-approved building plan, and asked if it could spark construction of ADUs or smaller projects. Director Chandler thought pre-approved plans, in general, are a great idea. The state has some for garages; the applicant can download the plan and bring it to the local planning office. The applicant just needs a site plan showing the structure can meet the setbacks, and then go right to the building office. Seattle rolled out an ADU package with 10-15 different options for houses.

Director Chandler suggested an opportunity for aspiring architects and designers – a City sponsored competition to design pre-built plans. Each year a winning plan is selected. The City would then offer a scholarship for the winner.

Chair Cornett asked if the City has an outreach program within the community for pre-built plans, or any type of incentives the City offers for any kind of project. Director Chandler replied the biggest outreach recently was the Urban Renewal Incentive Program. The Brownfield and vertical housing programs were also well promoted.

Chair Cornett said it would be a smart idea to reach out to specific property owners and provide ideas, information about available incentives, and how to apply. Many property owners are unaware of possibilities for their property.

Commissioner Portela said there was a lot of talk regarding development and established homeowners. He asked if there were incentives to help people become homeowners. Although a house is affordable, it is not necessarily feasible.

Mr. Kimmell replied, generally, the more the City can do to reduce barriers to homeownership for lower- and middle-incomes would be a way to make it easier for them to enter the housing market and access these incentives.

Commissioner Portela asked if land purchases by the City, and protecting that land for specific uses, would work well together.

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Mr. Kimmel said they would; many cities have tried to create opportunities for homeownership for people with lower incomes. Primarily, it is accomplished through a community land trust. Many cities have offered up properties they own to a community land trust that then works with an organization like Habitat for Humanity. The participant owns the home, but not the land beneath the home. The trust will ensure the home remains affordable in the through any future sales.

Chair Cornett said Big River Land Trust is a similar organization in our area. They have acquired a piece of land but have not yet built the house. The biggest hurdle with land trusts in the Gorge is that every urban growth boundary (UGB) is an island, and land is expensive. He thought land trusts were great, privately, but was apprehensive to take it on as a City.

Mr. Kimmell said typically the city provides resources or land to the trust. The trust then operates the homes and process. The city is not involved in the actual operation of the land trust.

Chair Cornett said when we come up with incentive programs and ideas to help the greater housing issue, we want to ensure that every move we make will create the biggest impact on our very limited land.

Mr. Stice added the Mid-Columbia Housing Authority is also doing a land trust. In terms of the commentary and the necessary administrative heft, they are better positioned for success with a land trust. A land trust model is now being deployed in Wasco County.

Chair Cornett felt there should be a tiered program that provides a reduction in SDCs for each unit. He added there are dead zones in the City without available utilities. We should devise a plan that if utilities are within a specific area, the City will pay to extend utilities to the lot for development.

Commissioner Poppoff agreed.

Councilor Richardson suggested we might incentivize ourselves to build out utilities in undeveloped lots if we did so with some idea of the development plans.

Mr. Kimmell noted many cities have used urban renewal funds for those type of programs.

City Manager Klebes felt those were worthy ideas to explore, but in one fell swoop you have reduced the revenue source to fund the very thing you have asked the City to provide.

Commissioner Poppoff noted the school district owns approximately 100 acres in Columbia Heights. Could we encourage them to sell the land?

Director Chandler said throughout the state there are institutions (both schools and churches) looking to develop some of their vacant land. We should explore strategies to encourage development. Mr. Kimmell said that is one of the most impactful strategies for the HPS.

Economic Development Officer (EDO) Spatz said we should never take for granted the availability of a work force to build things. On that note, there is a Construction Trades Program at Columbia Gorge Community College to engage students in construction.

Mr. Kimmell said there will be two more Advisory Committee meetings and two more meetings with tonight's group. Outside of the Advisory Committee, we are having focus group meetings

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with housing producers and developers. One requirement of the process is that the City engage with populations most affected by housing issues in the community.

Later this summer, a community virtual open house will explain the HPS, summarize the strategies, and request input through an online survey.

COMMISSIONER COMMENTS / QUESTIONS

Director Chandler thanked everyone for coming.

The next Planning Commission meeting will be cancelled.

We anticipate a project for the Basalt Commons will come in soon.

COMMISSIONER COMMENTS / QUESTIONS

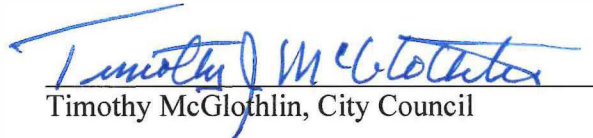
None.

ADJOURNMENT

Chair Cornett adjourned the meeting at 7:42 p.m.

Submitted by/
Paula Webb, Secretary
Community Development Department

SIGNED:


Timothy McGlothlin, City Council

ATTEST:


Paula Webb, Secretary
Community Development Department



City of The Dalles Housing Production Strategy

PC/CC Work Session #1

May 2, 2024



OUR TEAM: Working on Housing Across Oregon

PARTNERS

ALEX JOYCE



IRENE KIM



JAMIN KIMMELL



ALEX
STEINBERGER



SACHI
ARAKAWA



ASSOCIATES

SYLVIA LEON
GUERRERO



VICTOR TRAN



PAULINE RUEGG



PAUL RUNGE



AYANO HEALY



SARA GOLDSTEIN



RACHEL COTTON



RHEY HAGGERTY



ANGELICA MARTINEZ
SULVARAN



LYDIA NESS



TARA SORRELS



LANIER HAGERTY



AGENDA

1	Project Background	What is an HPS? What is the process?	5 min
2	Contextualized Housing Need	How much housing is needed? What other critical context is available?	5-10 min
3	Policy Framework for the HPS & Discussion	<ul style="list-style-type: none"> • What types of policies are available? • How do they affect production? • What good policies already exist in The Dalles and other cities? • What policies is the PC/CC interested in and why? 	25-35 min
4	Public Engagement & Outreach	Who will we be engaging and how? What feedback are we looking for?	5-10 min

Project Background

- What is a Housing Production Strategy (HPS)?
- What is The Dalles' timeline for completing its HPS?

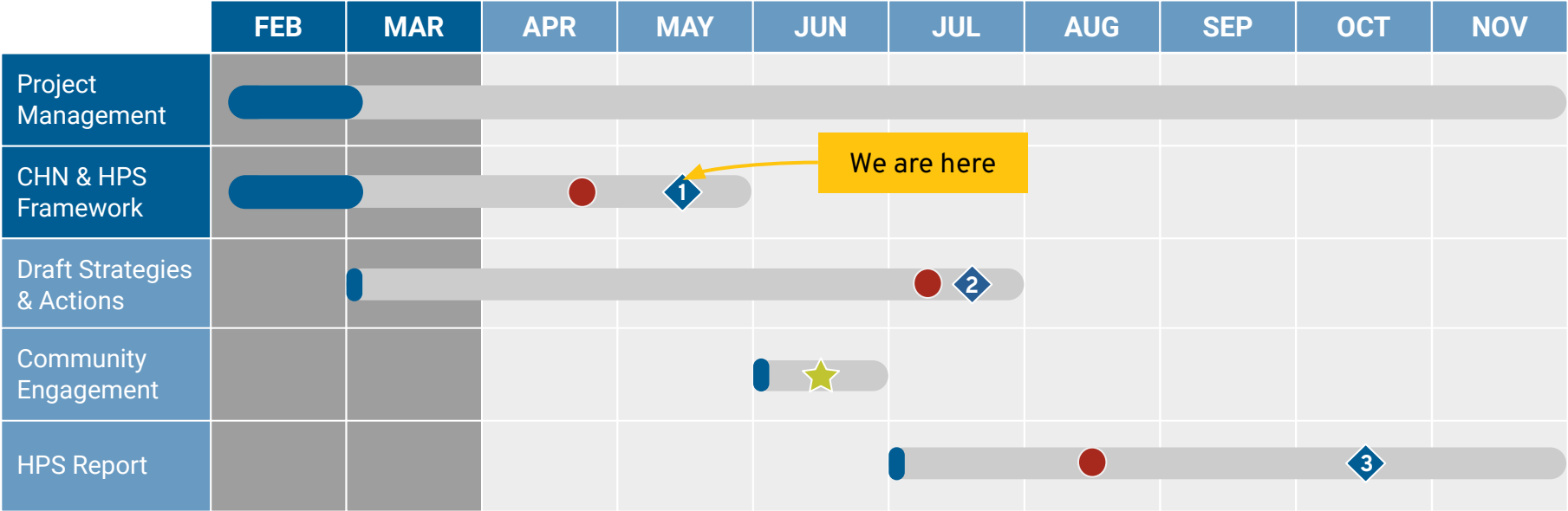
The HPS will provide a work program to be implemented over the next 8 years.

- New **state requirement** for all cities in Oregon with a population over 10,000.
- Must be updated each time the Housing Needs/Capacity Analysis (HCA or HNA) is updated, **every 8 years**.
- Must identify **strategies and actions** the city will take to facilitate development of needed housing.
- Must demonstrate that the strategies will collectively address the 20-year housing need.

The Dalles' Deadline for Adoption: **December 31, 2024**



Project timeline: HPS must be adopted by end of year



- Advisory Committee Meetings
- ◆ Planning Commission/City Council Meetings
- ★ Virtual Open House & Survey

This is the first of several opportunities to provide input on housing strategies

We will discuss and solicit potential housing production strategies and actions in three phases:

Today:

- Discuss the **landscape** of housing needs, strategies, and actions
- Share examples of strategy types
- Broadly discuss your interests, priorities, and concerns

July 18:

- Review and discuss a **refined** set of draft strategies and actions
- Share how the refined list is informed by what we hear from you today, feedback from City staff, and community input

October 3:

- **Review** the draft HPS report
- Identify and discuss remaining questions

What is the role of the state in approving and enforcing the implementation of the HPS?

- DLCD will review the HPS and evaluate whether it meets the applicable requirements of OAR 660-008-0050
- DLCD may request revisions or apply conditions of approval
- The City must submit a **status report** on implementation of the HPS four years out from adoption of the HPS (2028)
- If a strategy/action has not been implemented, then City must identify **alternative strategies** that will address same housing need.



Adding Context to The Dalles' Housing Need

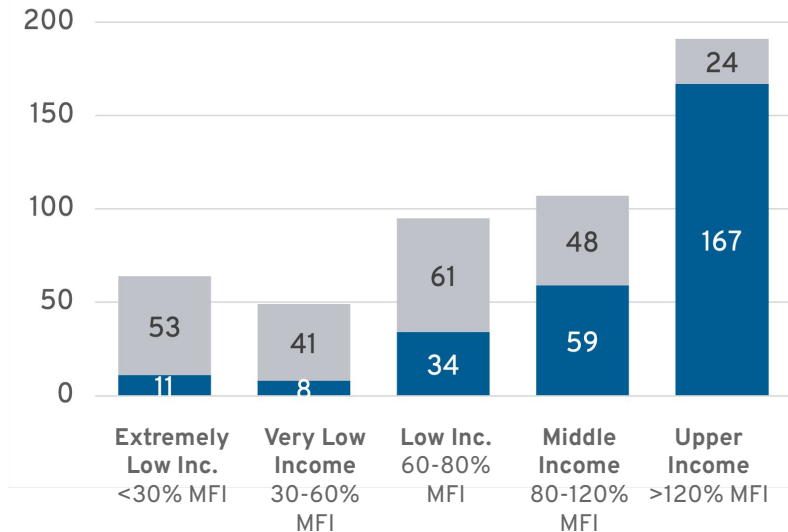
- What's The Dalles' housing need?
- How is the need impacting affordability overall and for different groups?

HNA says 505 units needed over 20 years, including 384 affordable

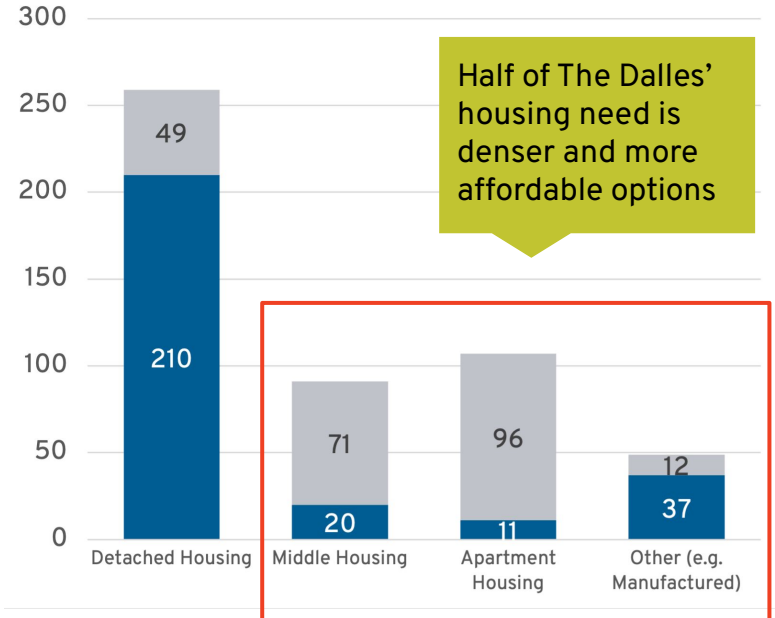
Ownership

Rental

Housing Units Needed by Income Level



Housing Units Needed by Structure Type



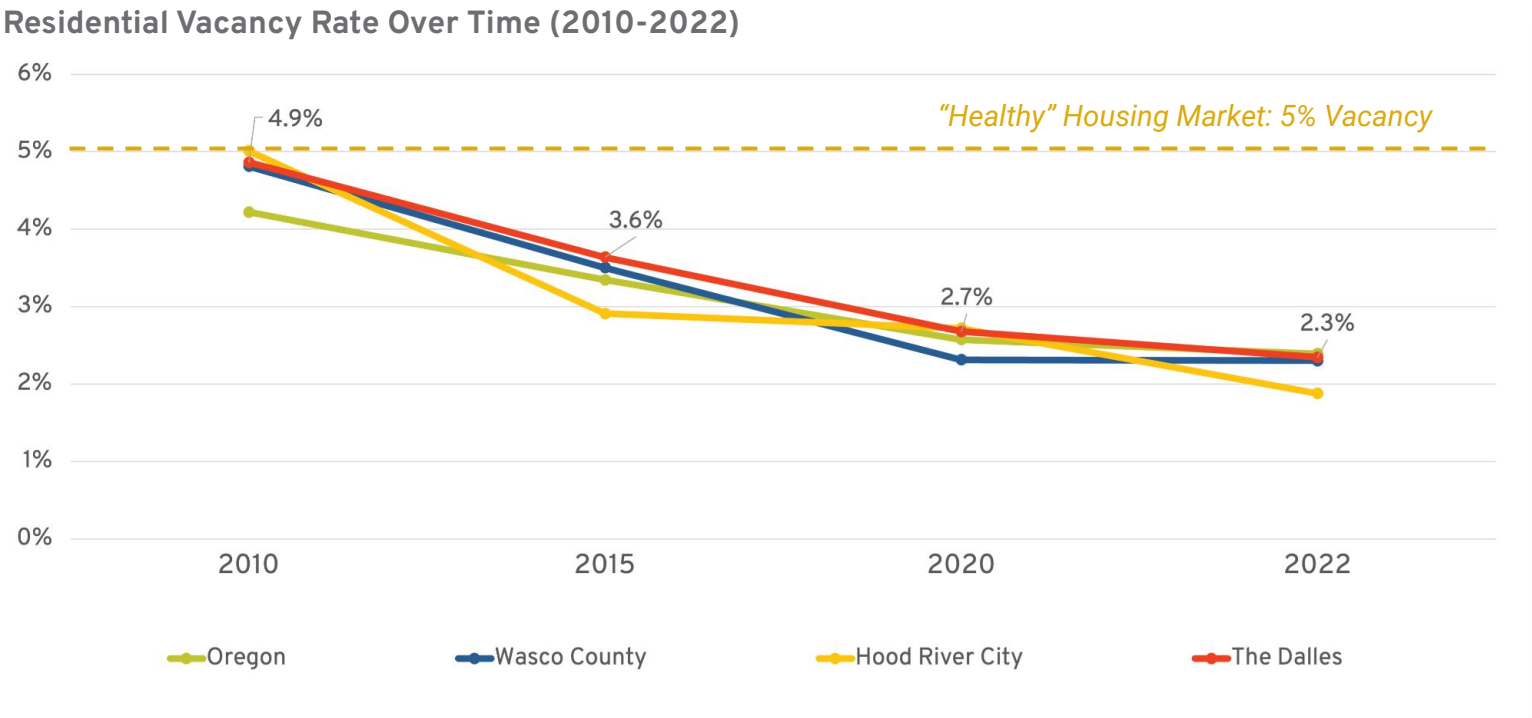
Over the last 3 years, more middle housing and manufactured dwellings have been permitted but no multi-family developments

Permitted Units by Housing Type (2021-2023)

Housing Type	2021	2022	2023
Single-Family	30	23	13
Middle Housing	20	11	9
Multi-Family (5+ units)	0	0	0
Manufactured Dwelling	2	4	7
Total Units	52	38	29

Multi-family
apartments absent
from recent
housing production

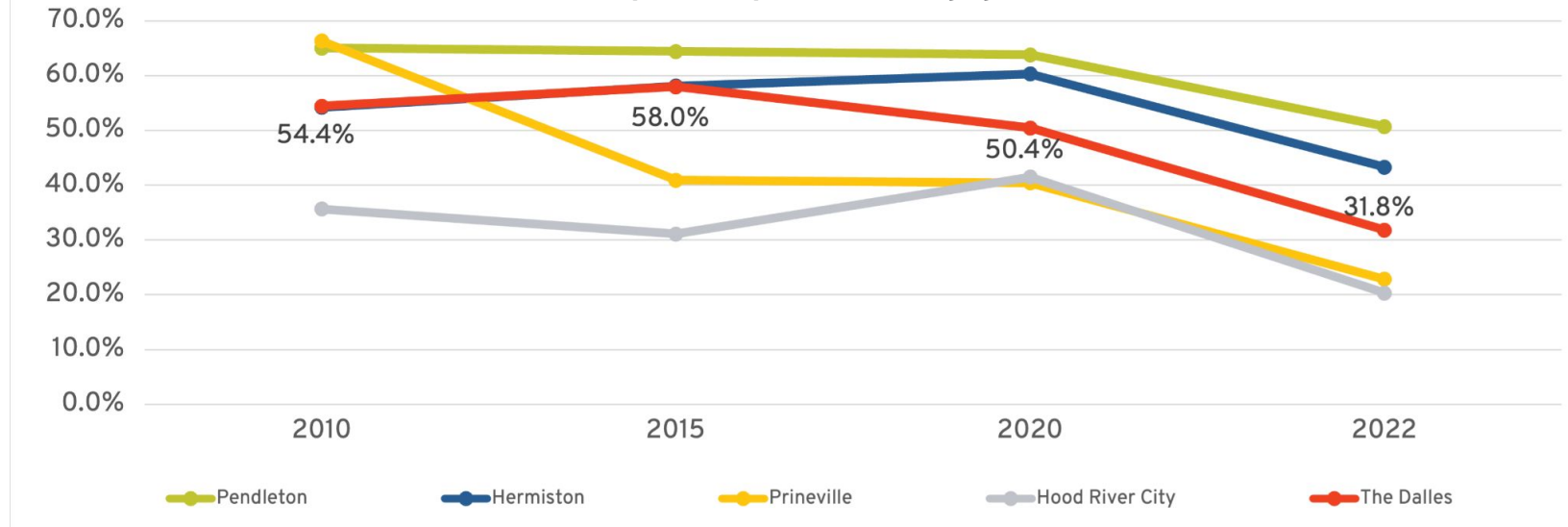
The Dalles fell from a healthy 5% vacancy rate to less than half of that in 2022.



American Community Survey 5-Year Estimates, Table B25004. Includes typical market vacancy (e.g. for sale, for rent), excludes recreational and seasonal housing and "other" vacancy (e.g. abandonment, foreclosure)

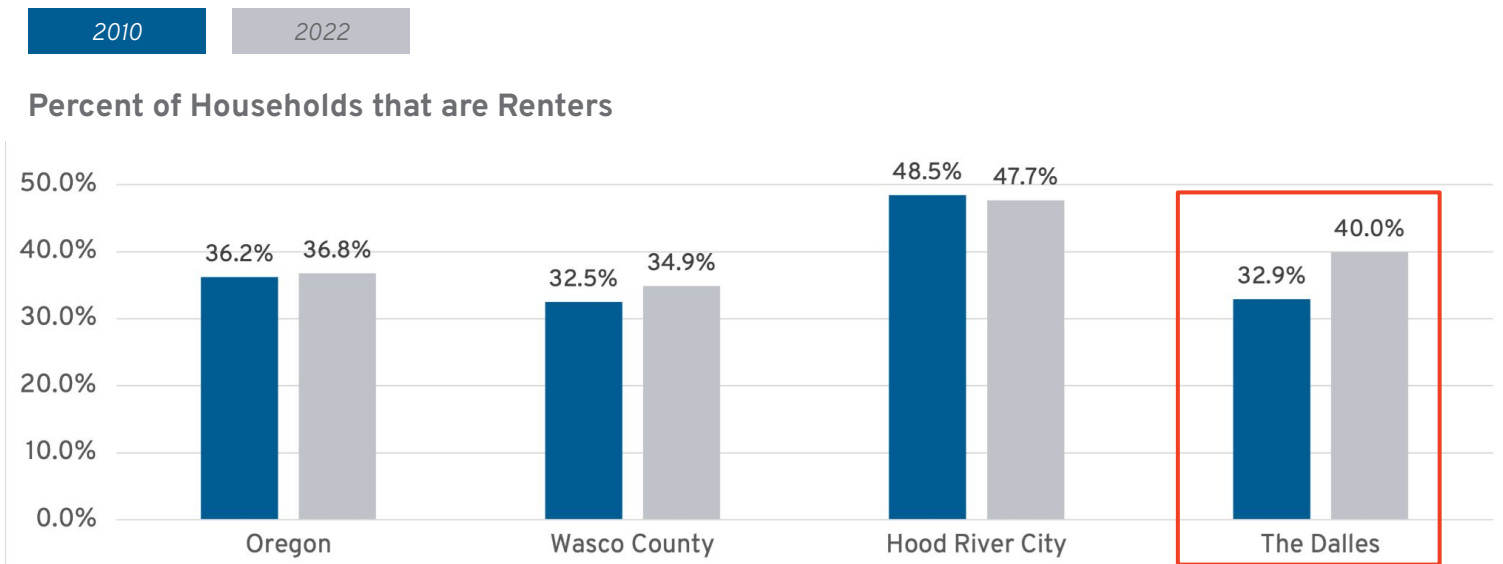
Until 2020, over 50% of households could afford a new mortgage; now, only 32% can.

Percent of Households that Can Afford to Pay a Newly Issued Mortgage on Median Home Over Time (2010-2022)

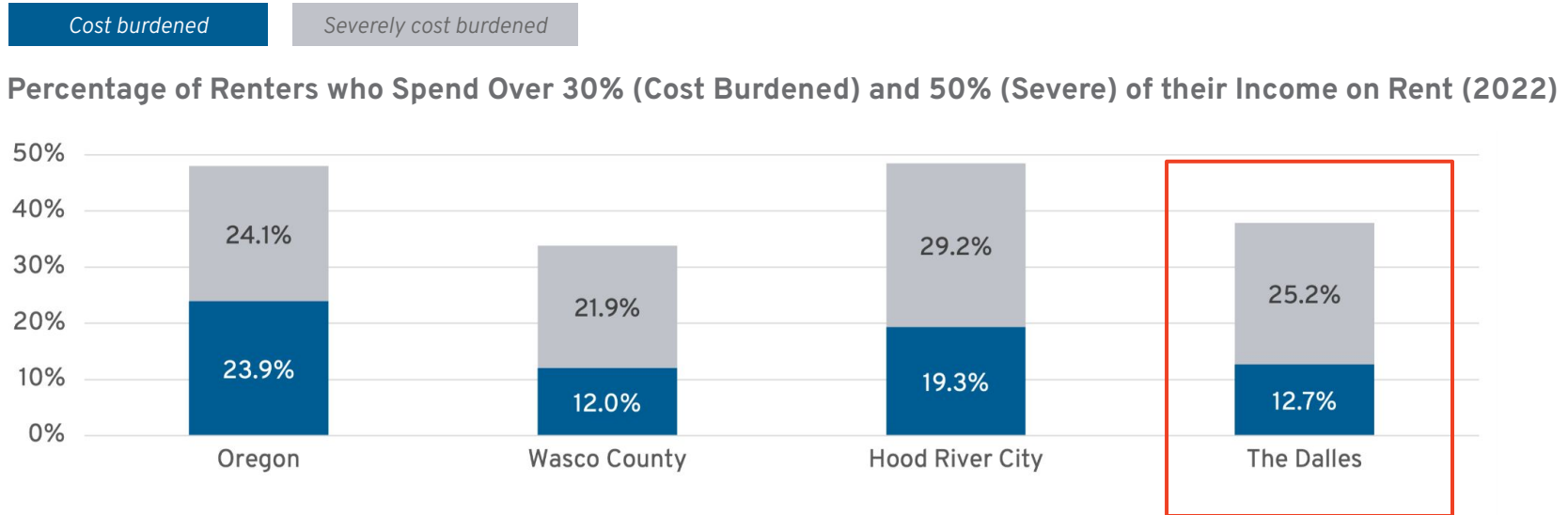


Zillow Home Value Index (seasonally adjusted, all for sale homes)

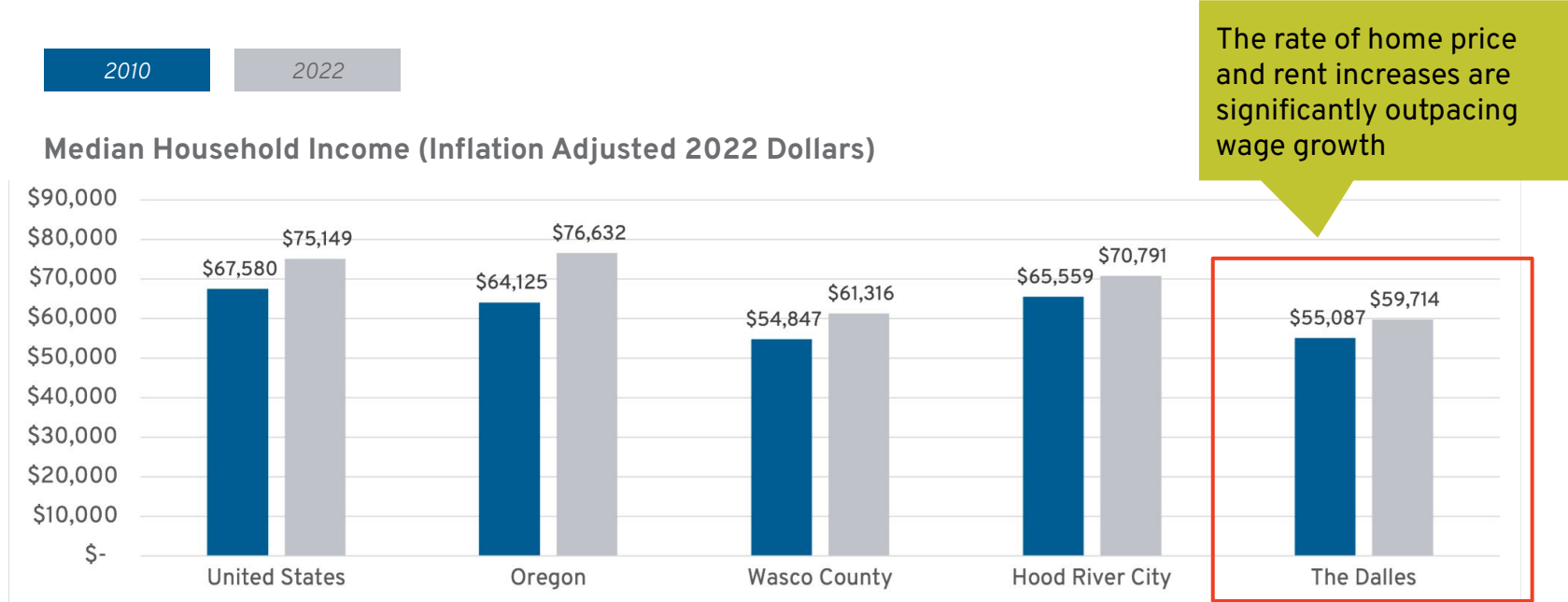
The percentage of renters is growing in The Dalles, whereas it's holding steadier in other places.



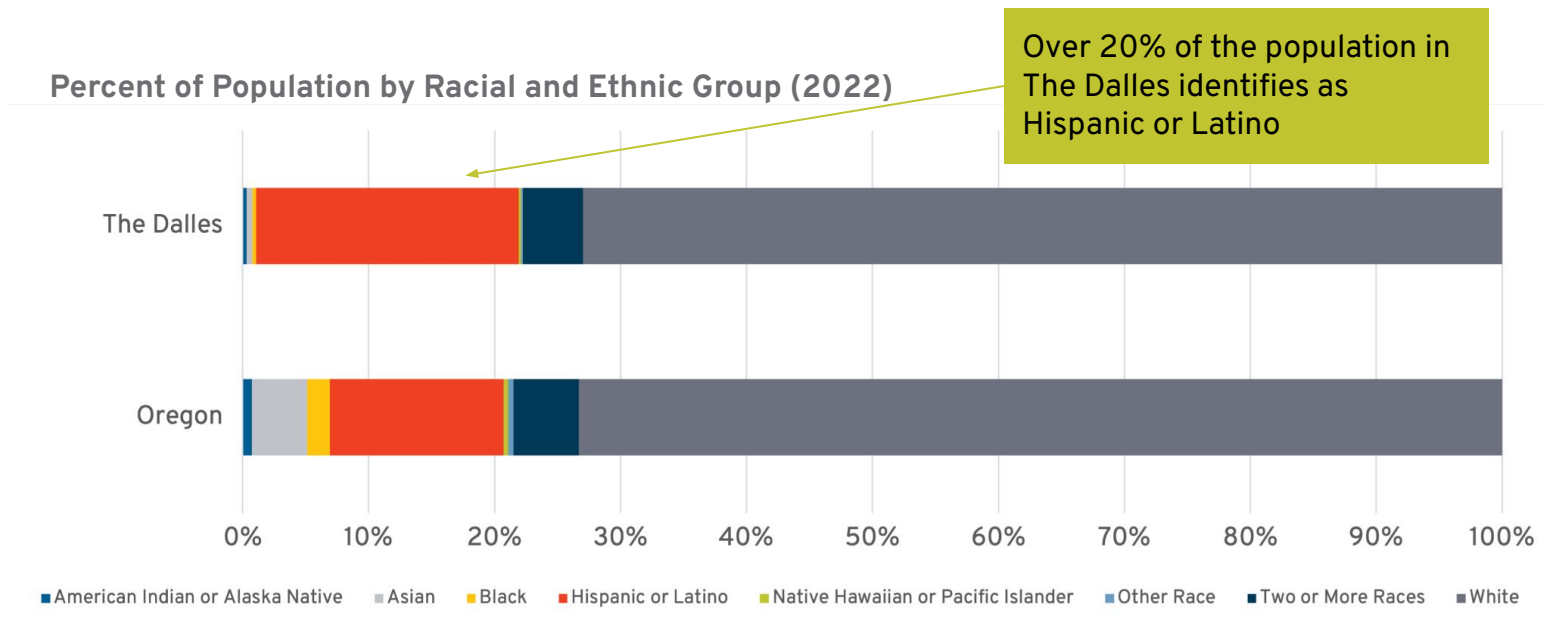
Renters in the Columbia Gorge tend to be severely cost burdened, meaning extremely financially stretched and likely with very low incomes.



Oregon Median Household Income grew by ~20% from 2010 and 2022; The Dalles only grew by 8%.



The Dalles has a higher percentage of Hispanic or Latino compared to Oregon.

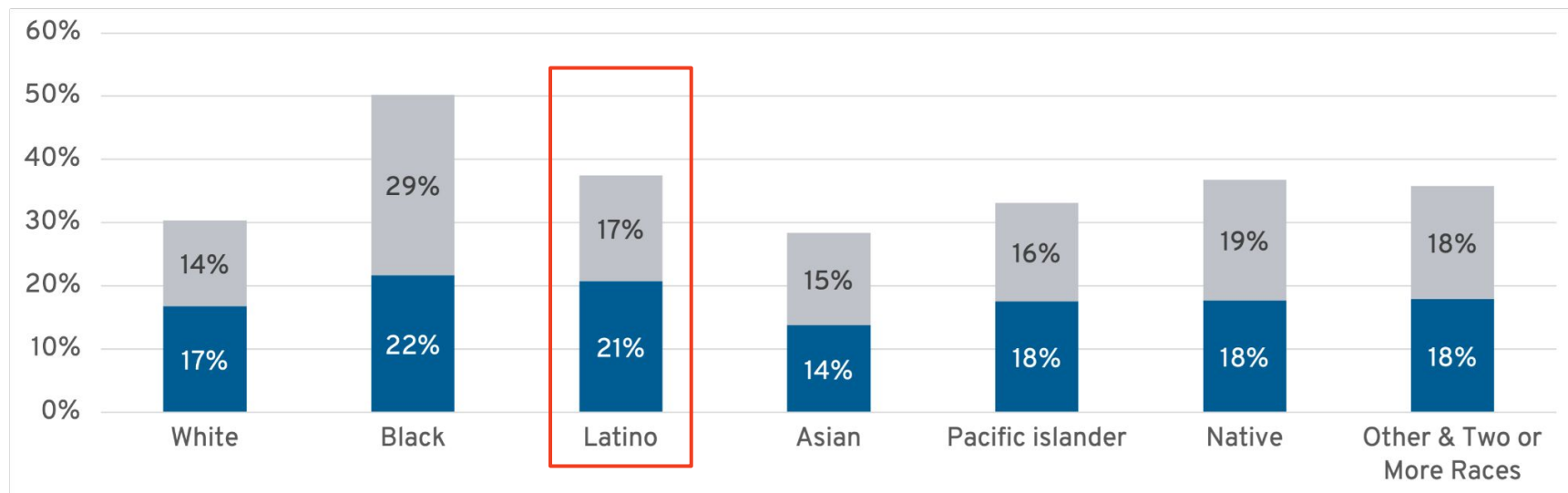


Disparities: Latino households cost burdened at highest rates in Oregon*

Cost burdened

Severely cost burdened

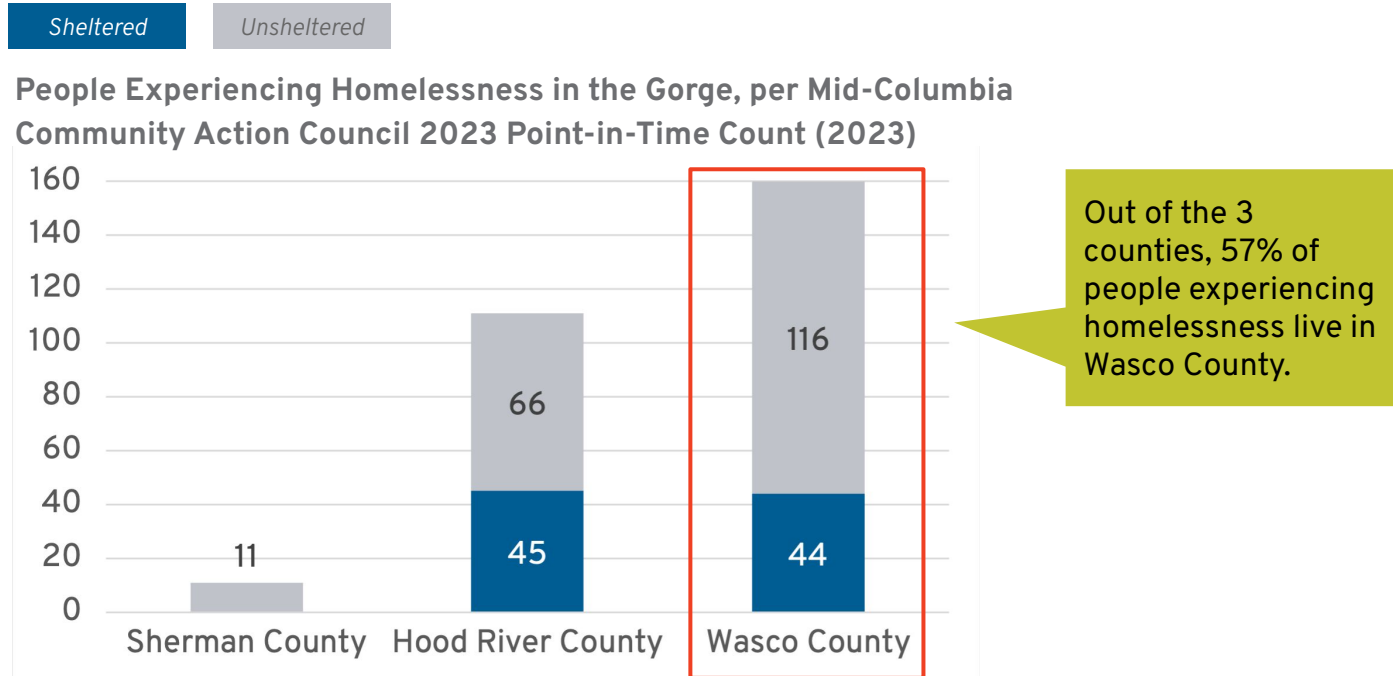
Percentage of Race and Ethnic Groups in Oregon that are Cost Burdened (2020)



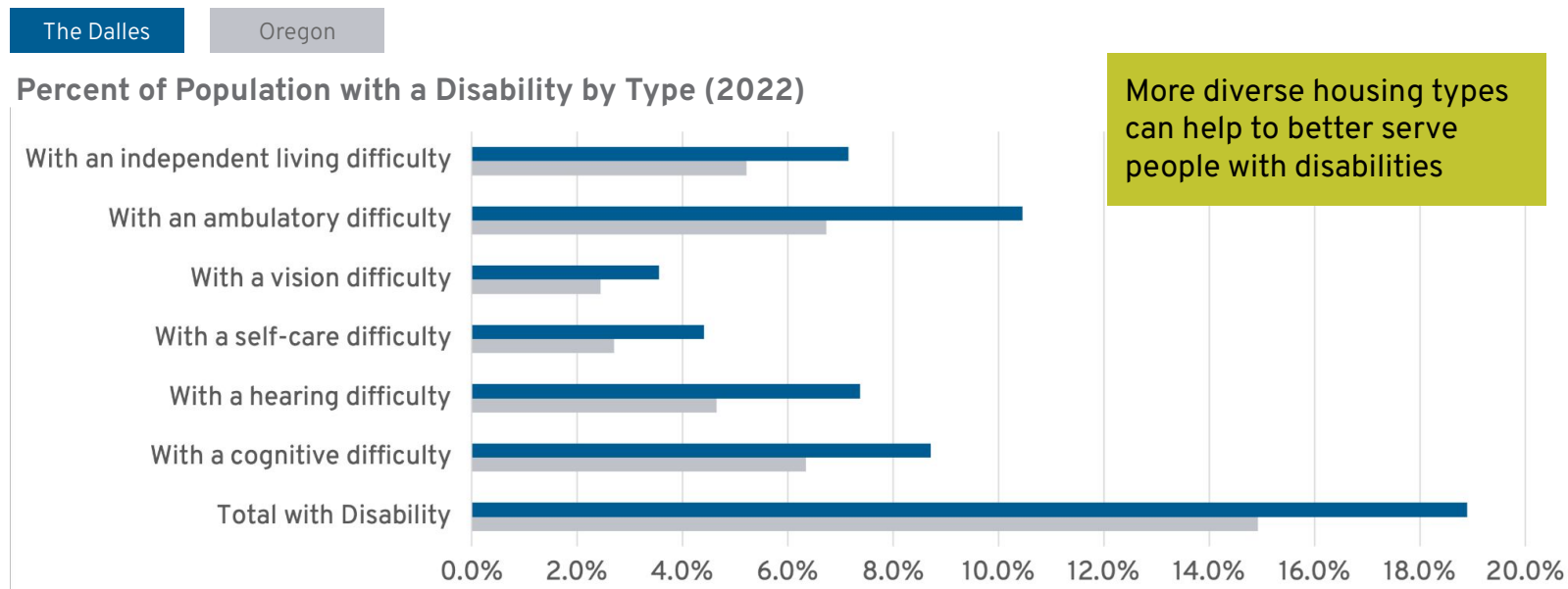
HUD Comprehensive Housing Affordability Strategy (CHAS) data, Table 9, 2016-2020 estimates

*Margins of Error were too high for Wasco County

Since 2022, counties in the Columbia Gorge together have seen a 5% increase in individuals experiencing homelessness.



The Dalles has an elevated rate of disability relative to statewide. Roughly 19% of the population lives with one or more disabilities.



Key Takeaways from the Contextualized Housing Need

- Given the adjacency to a hot market and home price and rent increases outpacing wage growth, **The Dalles is highly sensitive to market changes**
- There is a need for more **affordable, smaller units**
- The Dalles Population Characteristics:
 - The Dalles has held steady in its age distribution compared to the state
 - Higher percentage of **Latino population** compared to the state
 - Higher percentage of population that **lives with one or more disabilities** compared to the state

Key Takeaways from the Advisory Committee

- In addition to the populations and data highlighted, strategies also need to address and consider **farmworkers** and **college students**
- Housing in The Dalles is aging, which is impacting the quality of housing
- As larger employers, like Google, are building new developments there will be an **influx of temporary workers** that will need to be housed
 - Strategies to both address the **temporary housing** needed but how that can also help to address **long-term housing needs**, as well

Policy Framework for The Dalles' HPS

- What types of policies are available to include in the HPS?
- How do those various policy types impact housing production?

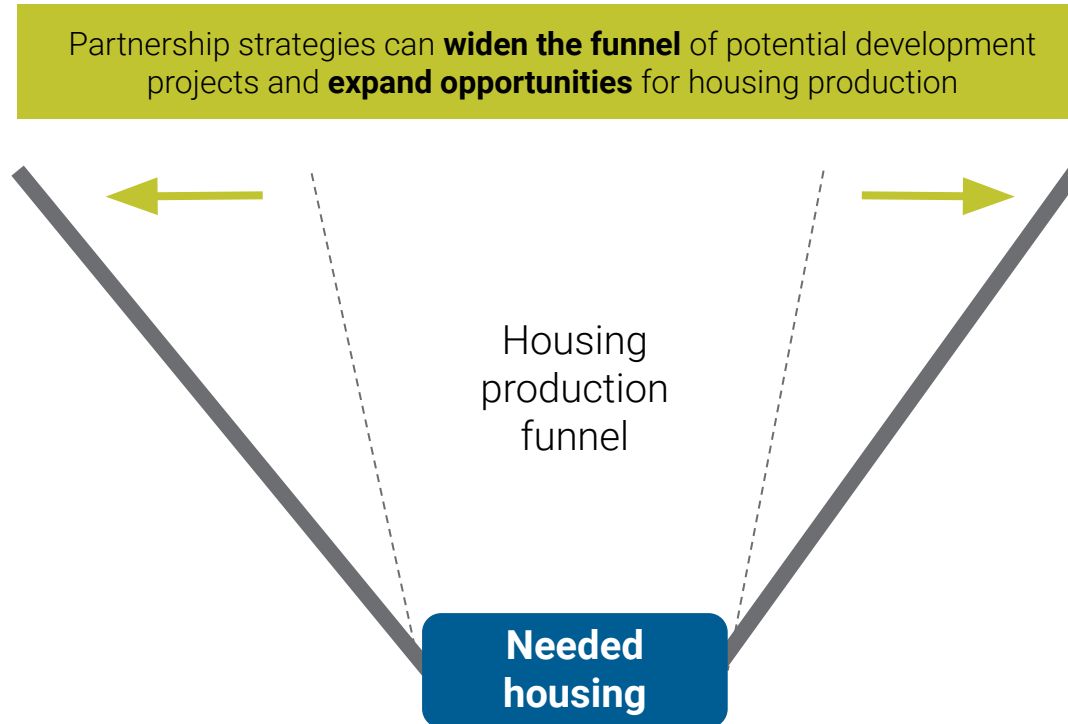
The City has 5 main levers to facilitate housing production.





PARTNERSHIP STRATEGIES

Partnership strategies do not directly lower costs or provide financing, but they can unlock development opportunities so more housing is possible





PARTNERSHIP STRATEGIES

Facilitate connections and share information to foster more opportunities for housing production.

The Dalles is already doing things like:

- Partnering with the Columbia Cascade Housing Corporation on a Home Repair Program
- Partnering with the Columbia Cascade Housing Corporation on a Covid Housing Assistance through Community Development Block Grant

**OR State Sponsored*
Home Repair Loans**



No Interest!

Deferred Payment!

Nosotros Hablamos Español!

- Up to \$20,000 per applicant
- Hood River/Wasco County-wide program

Limited number of applications, so sign up today!
Available on Primary residence of low income homeowners

**Funded by Business Oregon*

Mid Columbia Housing Resource Center
Mayra Ledezma 541-370-2739
mayrat@columbiacascadehousingcorp.org
500 E 2nd St. The Dalles, OR





PARTNERSHIP STRATEGIES

Facilitate connections and share information to foster more opportunities for housing production.

Strategy examples:

- Providing staff assistance to potential housing projects, such as grant-writing, facilitating connections, and permitting support.
- Creating informational and educational resources to make City regulations easier to use.
- Adopting pre-approved building plan programs to expedite permitting for a set group of designs
- Pursue employer and institutional collaboration on new housing

**OR State Sponsored*
Home Repair Loans**

No Interest!

Deferred Payment!


Nosotros Hablamos Español!

• Up to \$20,000 per applicant
• Hood River/Wasco County-wide program

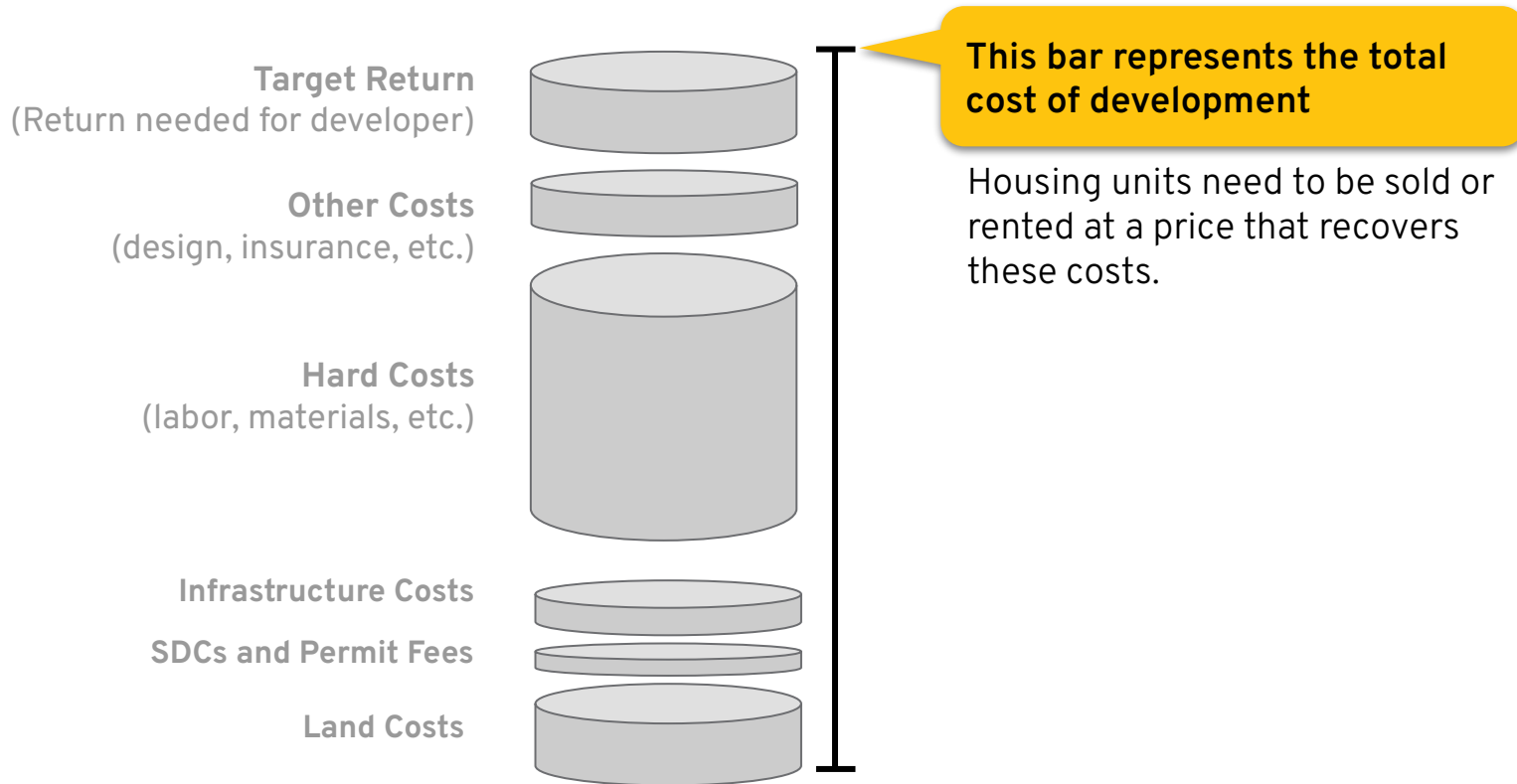
Limited number of applications, so sign up today!
Available on Primary residence of low income homeowners

**Funded by Business Oregon*

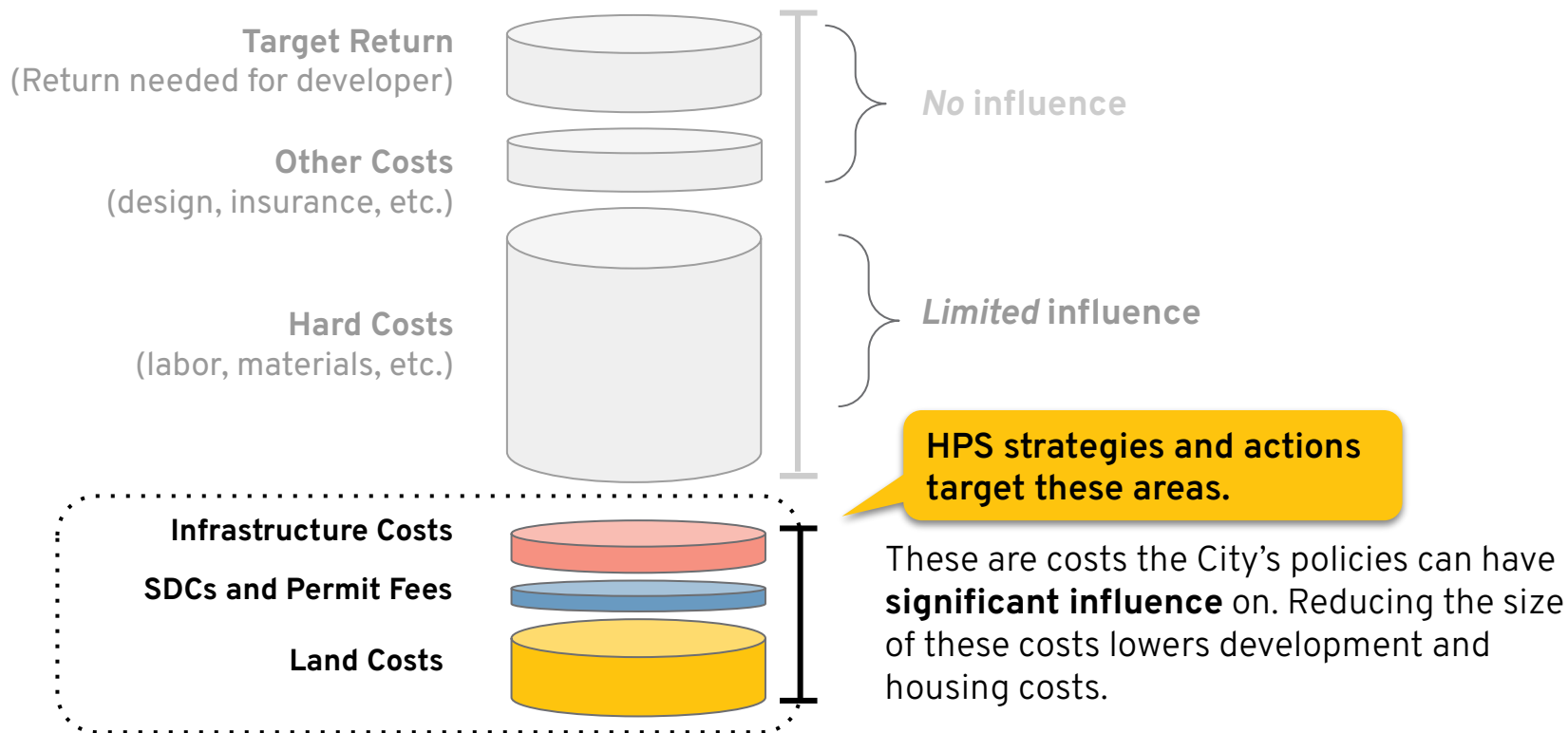
Mid Columbia Housing Resource Center
Mayra Ledezma 541-370-2739
mayrat@columbiacascadehousingcorp.org
500 E 2nd St. The Dalles, OR



Economics of Housing Development



City actions can have varying levels of influence on the cost of development.



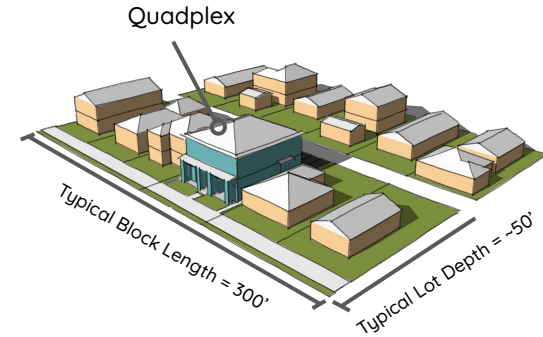


REGULATORY STRATEGIES

Reform zoning and land use codes to reduce barriers to development and create more opportunities to meet housing needs.

The Dalles is already doing things like:

- Revisions to review procedures and dwelling entrance standards
- Clarification and increase in density across residential zones
- Allowing shelter housing and transitional housing in commercial and industrial zoning districts
- HB2001 code updates



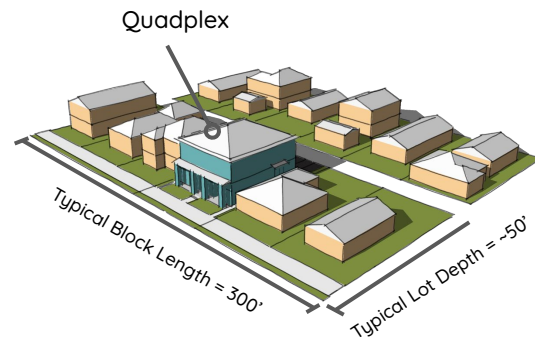


REGULATORY STRATEGIES

Reform zoning and land use codes to reduce barriers to development and create more opportunities to meet housing needs.

Strategy examples

- Further reduce code barriers to housing development (e.g.- reduce minimum lot size, increase densities, reduce lot coverage, reduce multi-family parking requirements)
- Define and allow cottage cluster housing
- Improving standards and streamline review processes for smaller infill projects
- Providing density bonus incentives for affordable units
- Remove barriers to adaptive reuse





INCENTIVE STRATEGIES

Restructure fees or taxes to reduce the cost of development and catalyze projects that meet key housing needs.

The Dalles is already doing things like:

- Vertical Housing Tax Exemption for projects in downtown, which may include new buildings, as well as renovation of upper story residences.
- Reduced City SDCs for ADUs



Harrison Apartments is an 80-unit MUPTE project in Cottage Grove.



INCENTIVE STRATEGIES

Restructure fees or taxes to reduce the cost of development and catalyze projects that meet key housing needs.

Strategy Examples

- Swapping out Vertical Housing Tax Exemption for MUPTE, a more flexible, customizable property tax abatement tool (e.g. Cottage Grove)
- Collecting SDCs later in permitting process: Certificate of Occupancy or Final Inspection (e.g. Pendleton or Madras)
- Scaling SDCs to incentivize smaller (more affordable) unit sizes (e.g. Newport)



Harrison Apartments is an 80-unit MUPTE project in Cottage Grove.



LAND STRATEGIES

Deploy a range of strategies to assist with securing land for housing production.

Strategy examples

- Keeping an active inventory of publicly owned, foreclosed, or underutilized properties that could potentially be used for affordable housing development
- Utilizing excess or underutilized City-owned land for public-private affordable housing development
- Proactively acquiring vacant or distressed properties and holding them for affordable housing development (land banking)



Clatsop County has a program to inventory and publish information on surplus lands. They accept "Expressions of Interest" from special districts, local non-profits, and affordable housing developers interested in developing the sites.

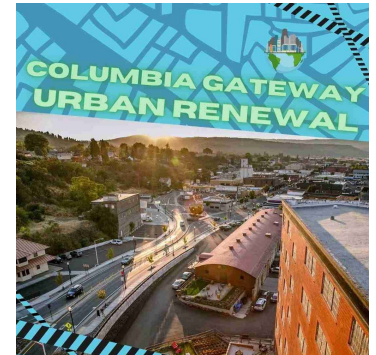


INVESTMENT STRATEGIES

Contribute resources to spur housing production through both infrastructure and direct project investments.

The Dalles is already doing things like:

- Urban Renewal Incentive Program
 - SDC payments for new housing up to \$10,000 per new unit
 - Mixed-Use Projects: Up to \$150,000
- Urban Renewal Development Funding Agreements
- Infrastructure (sewer, storm, and sidewalk) investment in specific areas



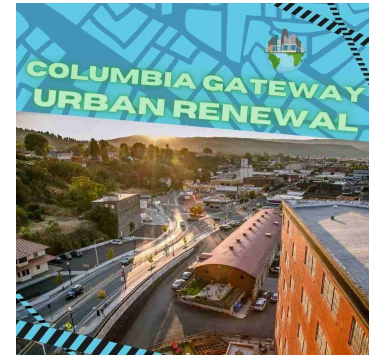


INVESTMENT STRATEGIES

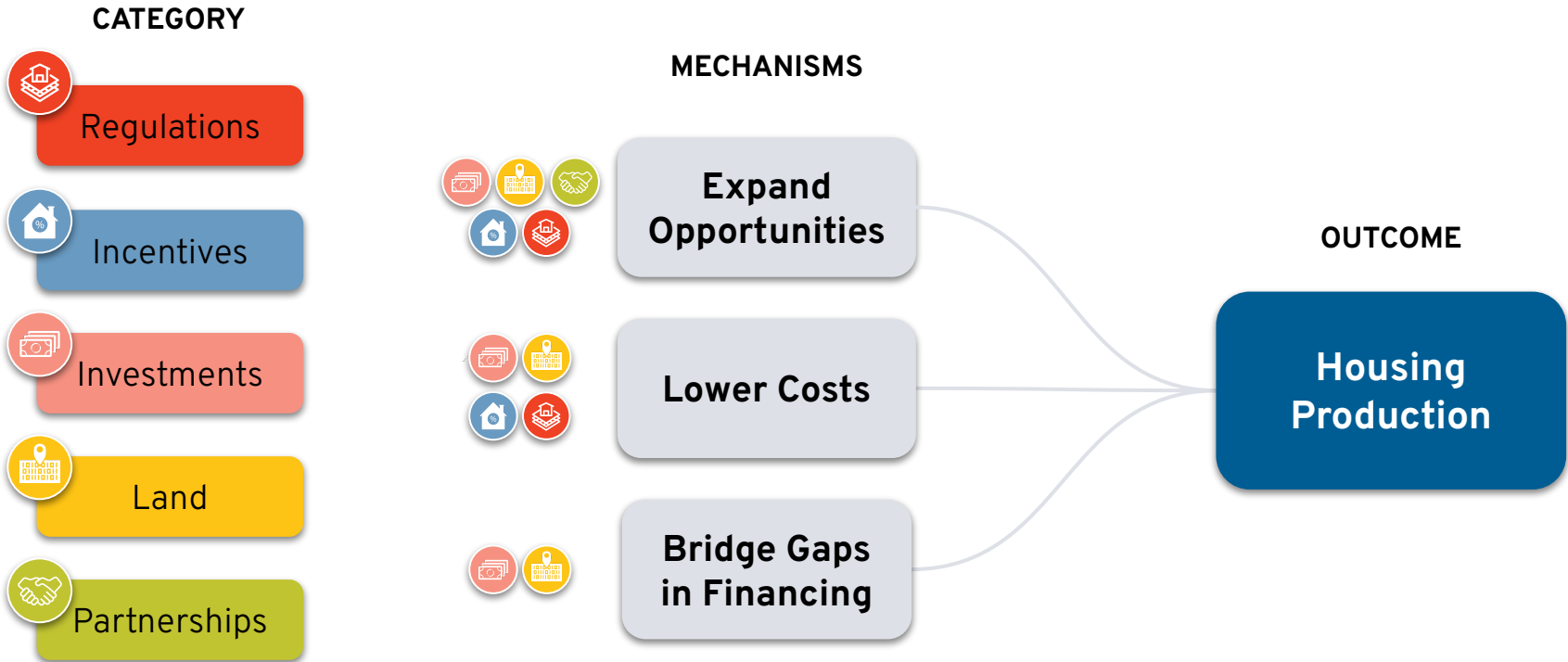
Contribute resources to spur housing production through both infrastructure and direct project investments.

Strategy examples:






- Implementing a dedicated affordable housing funding source like a Construction Excise Tax to fill gaps and leverage state & federal money more consistently (e.g. CET in Milwaukie, Hood River, Cannon Beach, Newport)
- Expanding the use of Urban Renewal (TIF) for the purposes of supporting housing production and infrastructure upgrades
- Pursuing new state funding to support housing (e.g. Middle Housing, Revolving Loan Fund for Infrastructure)



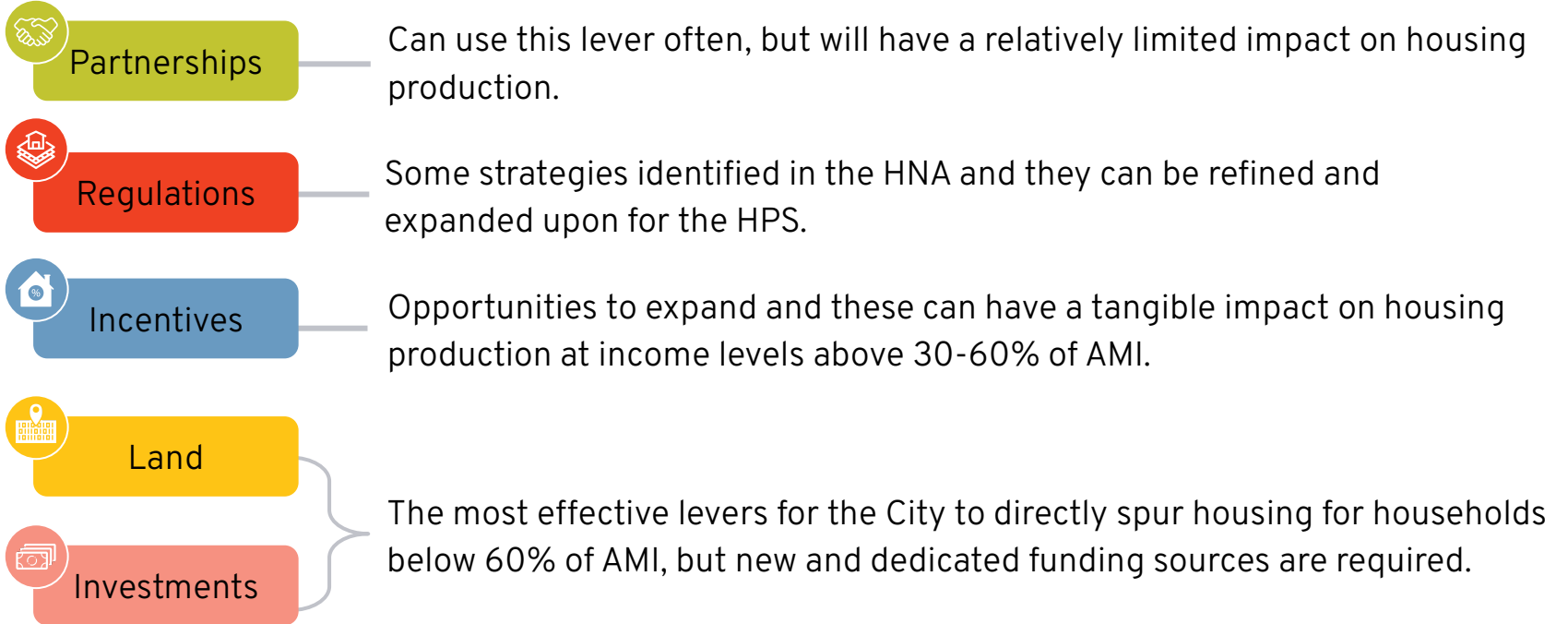
These strategies impact housing production through 3 key mechanisms



The levers vary in level of impact on housing production by income level.

	Extremely Low Inc. <30% MFI	Very Low Income 30-60% MFI	Low Income 60-80% MFI	Middle 80-120% MFI	Upper >120% MFI
 Partnerships	Some impact				
 Regulations	Some impact			More impact	
 Incentives	Some impact	More impact		Most impact	
 Land	Most impact			Most impact, can be unnecessary	
 Investments	Most impact			Most impact, can be unnecessary	

Implications for the HPS



Key Takeaways from the Advisory Committee

- The AC mentioned referencing the Housing Strategies Report conducted in 2017 and carrying forward strategies into the HPS that have not been addressed
- Key interests in strategies, such as:
 - **Land trusts**
 - Successful examples employer-city **partnerships to provide workforce housing**
 - **Expanding** the Urban Renewal programs/incentives into other areas of the city
 - **Code updates**, such as impervious surfaces
 - **Positioning** the city and partners to successfully pursue state **funding**, including new funding passed in the last session

Discussion Questions

- **Priorities:** What housing types or needs are your highest priority for City action and resources?
- **Levers:** What levers or types of strategies (regulatory, incentives, etc.) do you think will be most effective at addressing your priority housing needs? Do you have any specific concerns or questions about certain levers?
- **Incentives:** Do you have any specific concerns or questions for the consulting team as they evaluate recommendations for new incentives to be included in the HPS? Examples: property tax abatement, SDC reductions, etc.
- **Funding Tools for Investment and Land Strategies:** Do you have any specific concerns or questions for the consulting team as they evaluate recommendations for new new tools to raise revenue for investments or land strategies? Examples: Construction Excise Tax, Urban Renewal District, etc.

Public Engagement & Outreach

- Who will we be engaging and what methods will we use?
- What feedback are we looking for?

Feedback from community members and stakeholders will inform the strategies and actions included in the HPS.

Engagement Activity	Audience for Outreach
Advisory Committee Meetings (3)	Housing producers and users
Joint PC & CC Meetings (3)	Decisionmakers
Meetings with Housing Producers (up to 3 interviews)	<ul style="list-style-type: none">• Local and regional developers of infill, mixed-use, and subdivision housing• Lenders
Engagement with Equity Priority Populations (up to 3 events)	<ul style="list-style-type: none">• Residents of affordable housing and manufactured home parks, included farmworkers• Hispanic/Latinx community members• Young families
Community Virtual Open House and Survey	Community members

Next Steps

Project Next Steps

- Community engagement will be held in June
- Develop a list of **draft strategies and actions** that responds the feedback from the Planning Commission, City Council, City staff, and Advisory Committee
- The next PC/CC work session will discuss **draft strategies** and actions and **provide updates** from what we've heard from **community engagement** and the **Advisory Committee**

