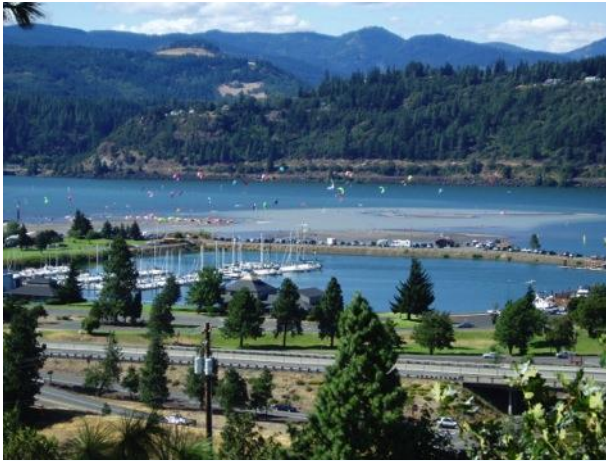


# Making a Welcoming & Livable Community Role of the Land Use System

Mary Kyle McCurdy

Deputy Director, 1000 Friends of Oregon



# 1000 Friends of Oregon - Who we Are

- Founded in 1975 by Gov. Tom McCall and Henry Richmond
- Non-profit, statewide organization
- Focused on implementing and improving Oregon's land use planning program
- Research, advocacy, outreach, education, litigation



# Mission of 1000 Friends of Oregon

- We work with Oregonians across the state, rural and urban
- Livable towns and cities that are walkable with housing and transportation choices
- Economically healthy rural areas with protection for farms, ranches, and forests and iconic landscapes







# Hood River – Welcoming & Livable

## Population in UGB (PSU)

- 2016: 9,675
- 2035: 12,576
  - Average annual growth rate of 1.4%

## Agriculture

- Hood River Co. leads the world in Anjou pear production
- Annual pear value @ \$150 million, Oregon #2 in US
- Annual apple value @ \$60 million, Oregon #2 in US
- Annual cherries value @ \$80 million, Oregon #2 in US

## Tourism

- \$111 million in spending in Hood River Co.
- About 1,200 people employed

# Statewide Planning Goals

- **Goal 1: Citizen Involvement** (1974)
- **Goal 2: Land Use Planning** (1974)
- **Goal 3: Agricultural Lands** (1974)
- **Goal 4: Forest Lands** (1974)
- **Goal 5: Natural Resources, Scenic and Historic Areas, and Open Spaces** (1974)
- **Goal 6: Air, Water, and Land Resources Quality** (1974)
- **Goal 7: Areas Subject to Natural Hazards** (1974)
- **Goal 8: Recreational Needs** (1974)
- **Goal 9: Economic Development** (1974)
- **Goal 10: Housing** (1974)
- **Goal 11: Public Facilities and Services** (1974)
- **Goal 12: Transportation** (1974)
- **Goal 13: Energy Conservation** (1974)
- **Goal 14: Urbanization** (1974)
- **Goal 15: Willamette River Greenway** (1975)
- **Goal 16: Estuarine Resources** (1976)
- **Goal 17: Coastal Shorelands** (1976)
- **Goal 18: Beaches and Dunes** (1976)
- **Goal 19: Ocean Resources** (1976)

## *Goal 10 - Housing*

“To provide for the housing needs of citizens of the state.”

“... plans shall encourage the availability of adequate numbers of needed housing units at **price ranges and rent levels** which are commensurate with the financial capabilities of Oregon households and allow for flexibility of housing **location, type and density.**”



## Betty Niven, Chair of State Housing Council, 1975:

*“Goal 10-required reforms in local zoning policies can make housing more affordable to more Oregonians. This is achieved by requiring local bodies to change their zoning and subdivision procedures so that local land use policy is sensitive to what people can afford to pay for a house...Hence, local practices which drive up housing costs – such as **large lots, shortages of multi-family zoning, higher fees, delays in approval, vague standards, lack of buildable land inventories and the like – must be eliminated or modified.**”*



## Statutes implementing Goal 10

ORS 197.307:

*(1) The availability of **affordable, decent, safe and sanitary housing** opportunities for persons of lower, middle and fixed income, including housing for farmworkers, **is a matter of statewide concern.***

*(3) When a need has been shown for housing within an urban growth boundary at particular price ranges and rent levels, **needed housing** shall be permitted in one or more zoning districts or in zones described by some comprehensive plans as overlay zones with sufficient buildable land to satisfy that need*

## *Needed Housing: What does it mean?*

*“All housing on land zoned for residential use or mixed...use that is determined to meet the need shown for housing within a UGB at price ranges and rent levels that are affordable to households within the county with a variety of incomes, including but not limited to households with low incomes, very low incomes and extremely low incomes.”*

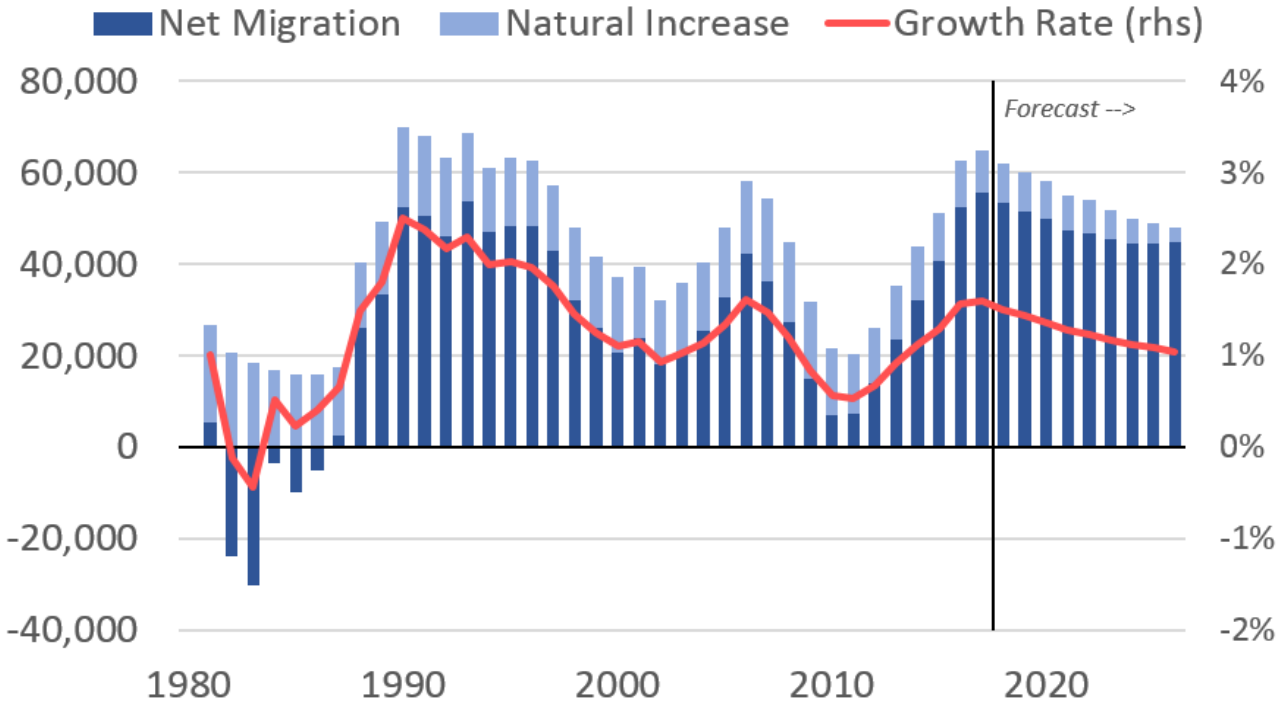
*This includes:*

- attached and detached single-family housing
- multiple family housing
- manufactured homes and mobile home parks
- government assisted housing
- farmworker housing
- whether occupied by owners or renters

## What are local governments suppose to do?

- Housing Needs Analysis
  - ✓ Hood River - done
- Plan & zone lands inside UGBs to meet housing need
  - ✓ Hood River - underway
- Use clear & objective standards in permit application process

# Oregon Population Growth



Last Actual: 2017 | Source: Census, Portland State University, Oregon Office of Economic Analysis



# Oregon's Statewide Housing Needs

Oregon needs:

- 100,000+ more housing units for middle-income households, and
- 110,000 + more for housing units lower income households
- Need to build 30,000 new housing units per year
- Almost no city in which a family making median income can afford the median priced home, for rent or purchase, based on paying 30% of one's income on housing.



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# *Housing Affordability & Availability in Hood River*

## **Affordability**

- Median household income: \$64,000
- Median home price: \$431,200
  - up 7.8% in one year; increase expected to be ½ that in 2019
- @ 1/3 of Hood River families unable to afford current housing
- Poverty rate: 19.5 %
- Service sector (22%) median income : \$17,300 (men)  
\$12,000 (women)
- Office/sales (24%) median income : \$26,000
- Rental vacancy rate < 1%

# *Housing Affordability & Availability in Hood River*

Availability shrinking, population growing

Construction not keeping pace with population

Second homes/vacation rentals

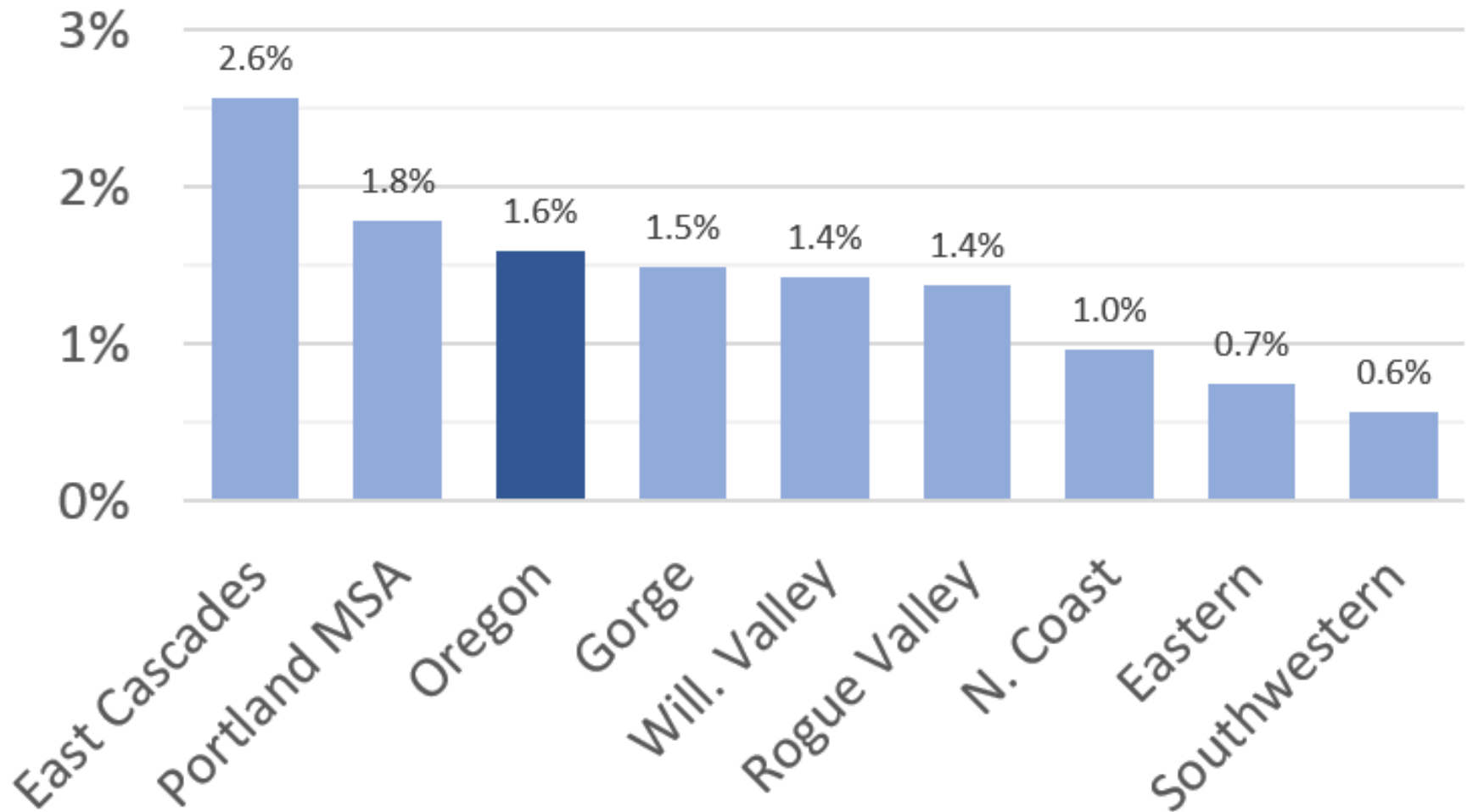
- 8-12% of housing supply

Rental vacancy rate

- <1%



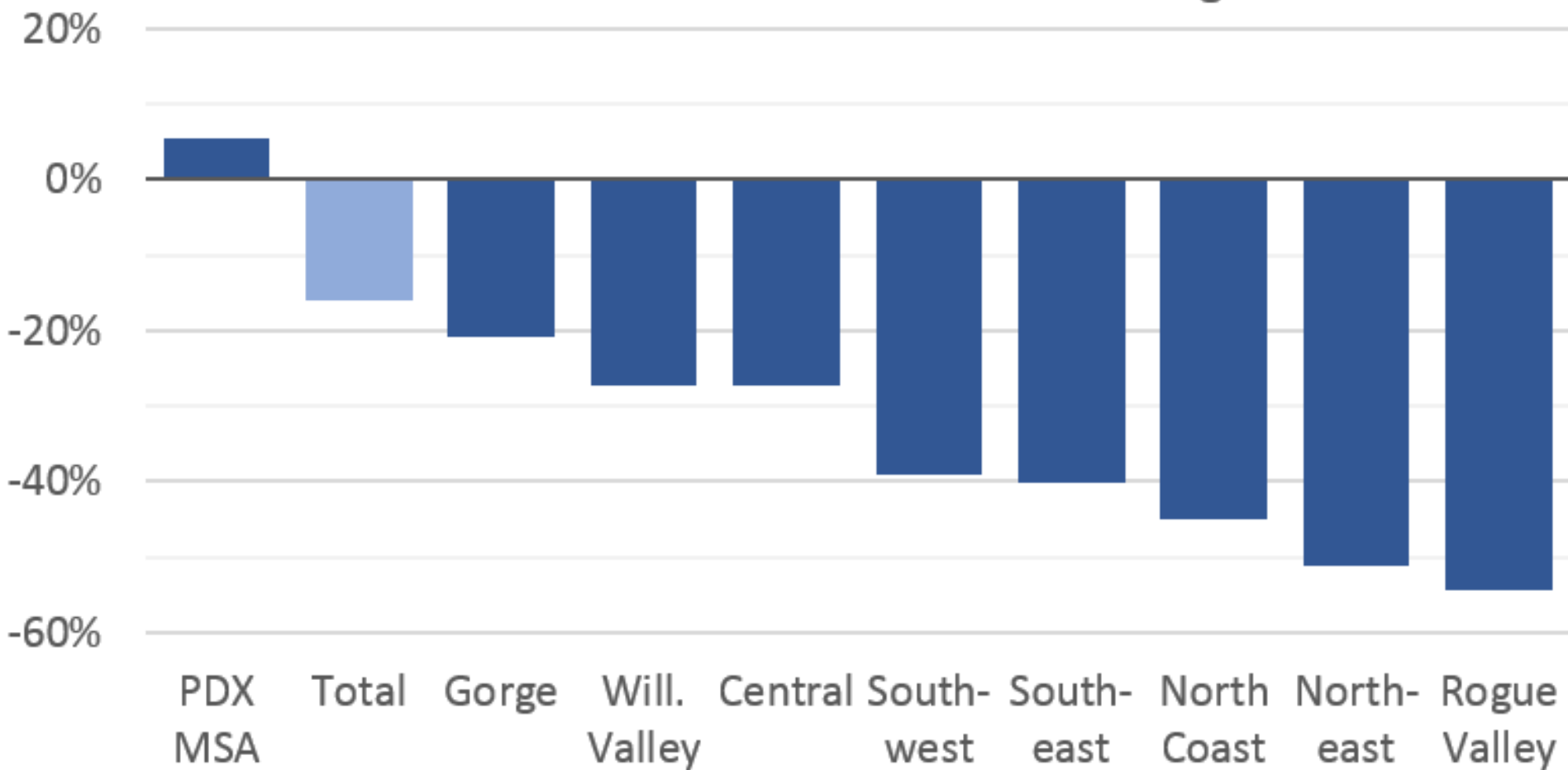
# Oregon Population Growth, 2017



N. Coast: Clatsop, Lincoln, Tillamook | Portland MSA: Clackamas, Columbia, Multnomah, Washington, Yamhill | Willamette Valley: Benton, Lane, Linn, Marion, Polk | Gorge: Gilliam, Hood River, Sherman, Wasco, Wheeler | Southwestern: Coos, Curry, Douglas | Rogue Valley: Jackson, Josephine | East Cascades: Crook, Deschutes, Jefferson, Klamath, Lake | Eastern: Baker, Grant, Harney, Malheur, Morrow, Umatilla, Union, Wallowa | Source: Portland State, Oregon Office of Economic Analysis

# Low Levels of New Construction

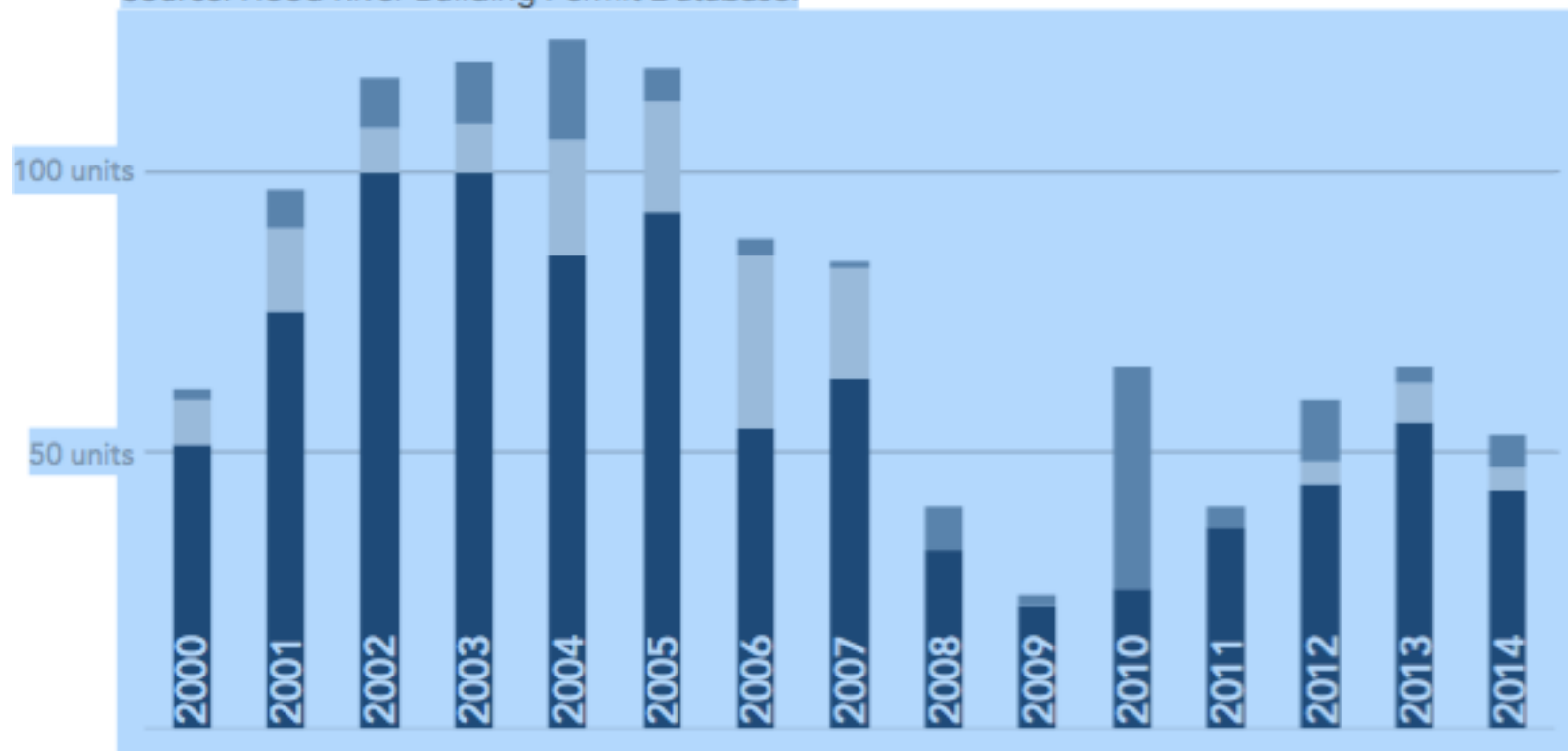
2017 Permits Relative to 1998-2004 Average



2017 Estimated Based on Data through October. | Source: HUD, Oregon Office of Economic Analysis

## BUILDING PERMITS ISSUED, 2000-2014

Source: Hood River Building Permit Database.



# Oregon's Families v. Local Zoning

## A structural mis-match

- **Statewide:** 2/3 of all households are 1-2 persons
  - Yet 72% of housing stock is SF
- **Hood River:** 35% of all households are 1 person
  - 62% of housing stock is SF detached
  - 49% of residential land inside UGB zoned low density; 36% standard urban density. Only 14% high density, and that allows SF, too.
- **Medford:** 63% of HH are 1-2 persons
  - 67% of residential land is zoned SF detached
- **Bend:** 68% of HH are 1-2 persons
  - 70% of housing stock is SF detached
- **Portland:** 2/3 of HH 1-2 persons
  - 70% of residential land is SF detached



# What's Missing?

## Middle Housing: Plexes, ADUs, Cottage Clusters



# Hood River Housing Strategies

## Zoning

- Rezone land for more multi-family development
- Allow attached townhouses as permitted use
- Reduce SF lot sizes in several zones
- Develop Cottage Code to allow denser SF detached housing.
- Allow more ADUs
- Regulate/manage short term rentals



**Wyer's End in White Salmon,  
a cottage cluster of small homes**





## Other tools: non-zoning

- Identify public property that could be used for affordable housing
- Right of 1<sup>st</sup> sale of tax delinquent properties to nonprofit affordable housing providers
- Tax abatement programs: e.g., multiple-unit limited tax exemption program
- Land trusts for permanently affordable housing, including public/private partnerships
- Identify tools to preserve existing affordable housing
- Work with local non-profits to develop affordable housing
- Reduce off-street parking requirements
- Allow internal conversion of SF homes
- Consider other financial mechanisms, like CET

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