

Hood River Affordable Housing Production Strategy

**Advisory Community Task Force
Meeting #1**

September 15, 2021

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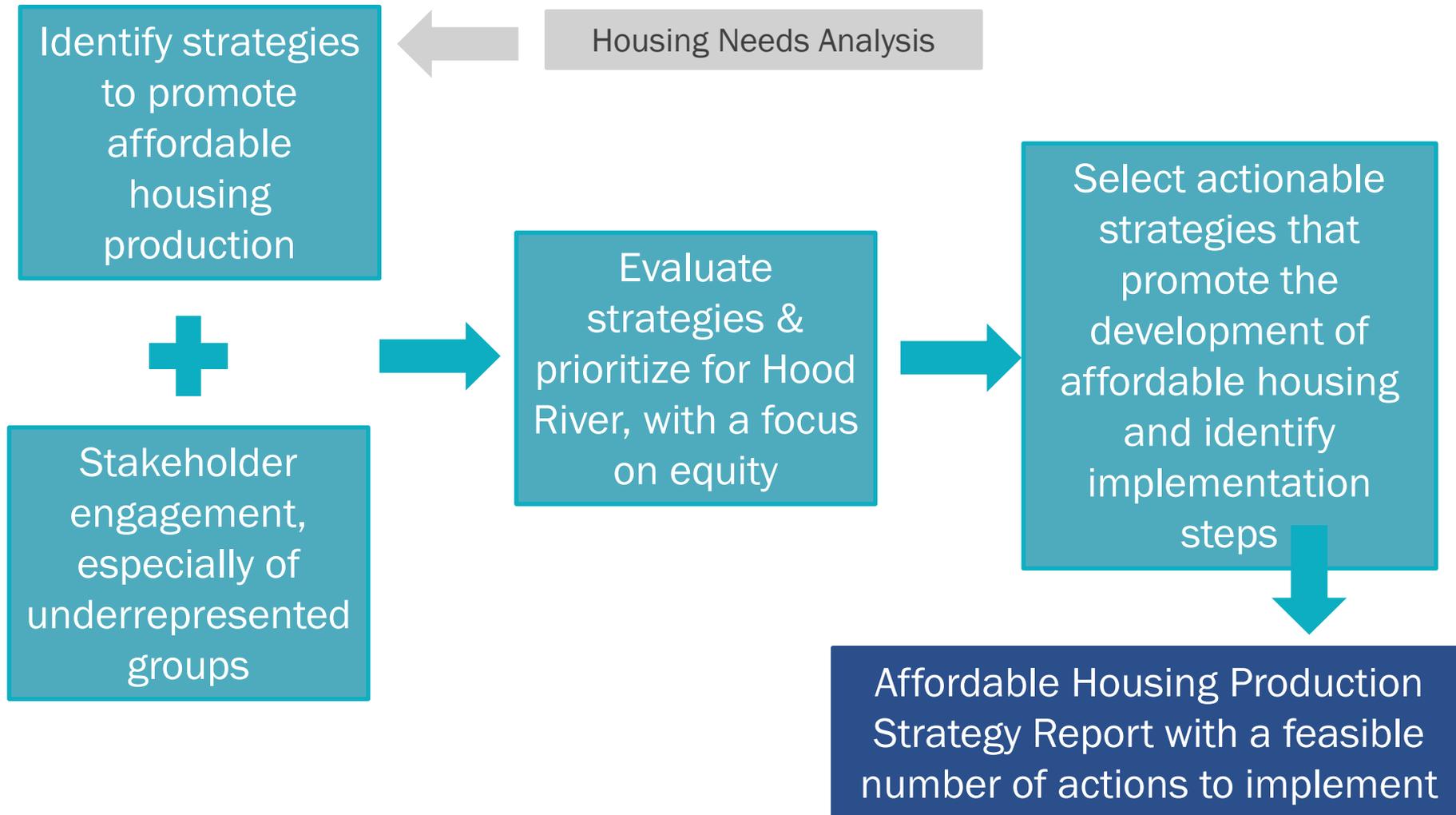


Source: Mid-Columbia Housing Authority



What is an Affordable Housing Production Strategy?

Affordable Housing Production Strategy is an Action Plan

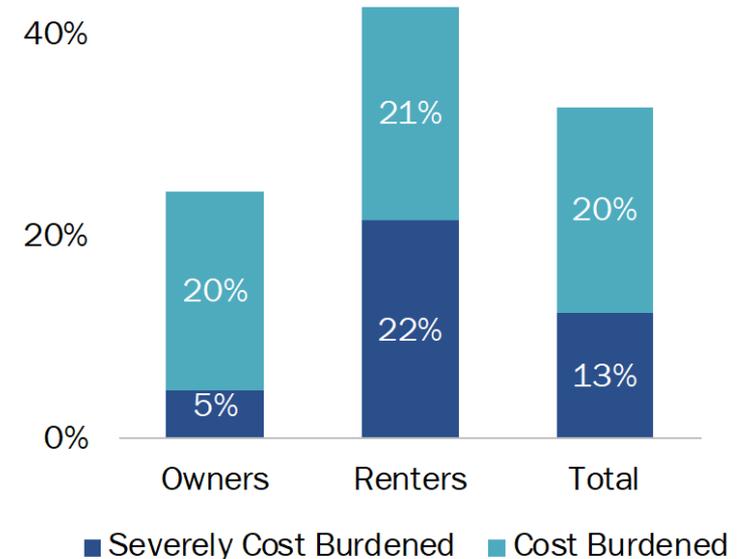


Why is Hood River Conducting an AHPS?

- Build on Hood River's efforts to meet the city's housing needs
- Increase and retain housing opportunities for households with incomes up to 120% of Hood River's Median Family Income (MFI).
- Adopt limited and actionable number of strategies with strong likelihood to result in affordable housing development.
- Provide clear guidance about the specific policies, tools and actions the city will use to encourage the development of affordable housing.

Cost Burden by Tenure, Hood River, 2015-2019

Source: 2015-2019 American Community Survey, U.S. Census



The City's Role in Affordable Housing Production

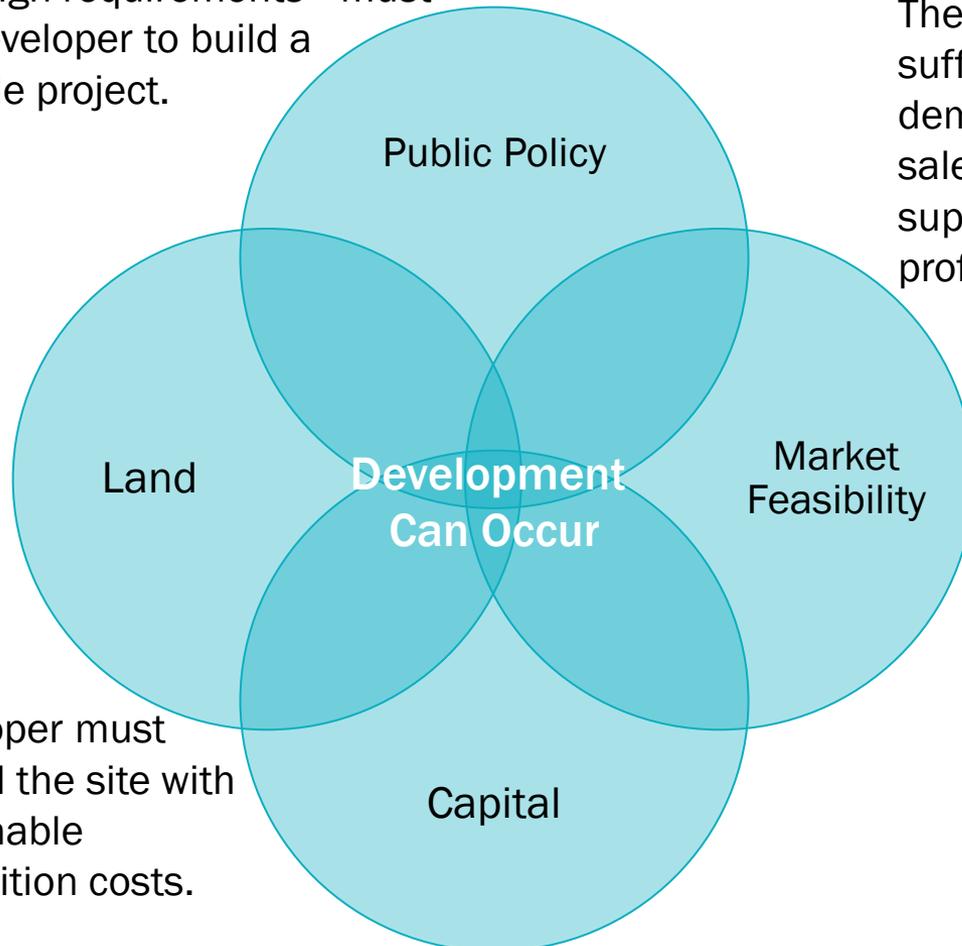
Hood River can directly influence public policy, land, and infrastructure.

Hood River may have limited influence on market feasibility.

Cities rarely build housing themselves.

Policy—including zoning, density, and design requirements—must allow developer to build a profitable project.

There must be sufficient demand (rents, sales prices) to support a profitable project.



Developer must control the site with reasonable acquisition costs.

Developer must be able to access resources for investment (e.g., equity investment, bank loans).

Project Goals: City Council

- Increase & retain housing opportunities for households with incomes up to 120% MFI.
- Engage residents, employers, housing advocates, service providers and others affected by housing costs to ensure under-represented voices are included in project outcomes.
- Adopt limited and actionable number of strategies with strong likelihood to result in affordable housing development.
- Ensure strategies address equity.
- Provide clear guidance about the specific policies, tools and actions the city will use to encourage the development of affordable housing.



Source: Mid-Columbia Housing Authority

Equity Considerations for Developing the Strategies

- Evaluate who would benefit or be burdened by housing strategies.
- Assess potential unintended consequences of strategies.
- Propose mitigation measures for potential disparate impacts on marginalized groups.
- Make recommendations that address relevant systemic inequities.
- Make deliverables accessible to a broad audience, including directly affected groups or communities.





Hood River's Key Housing Needs

What are Housing Needs for the Hood River AHPS?

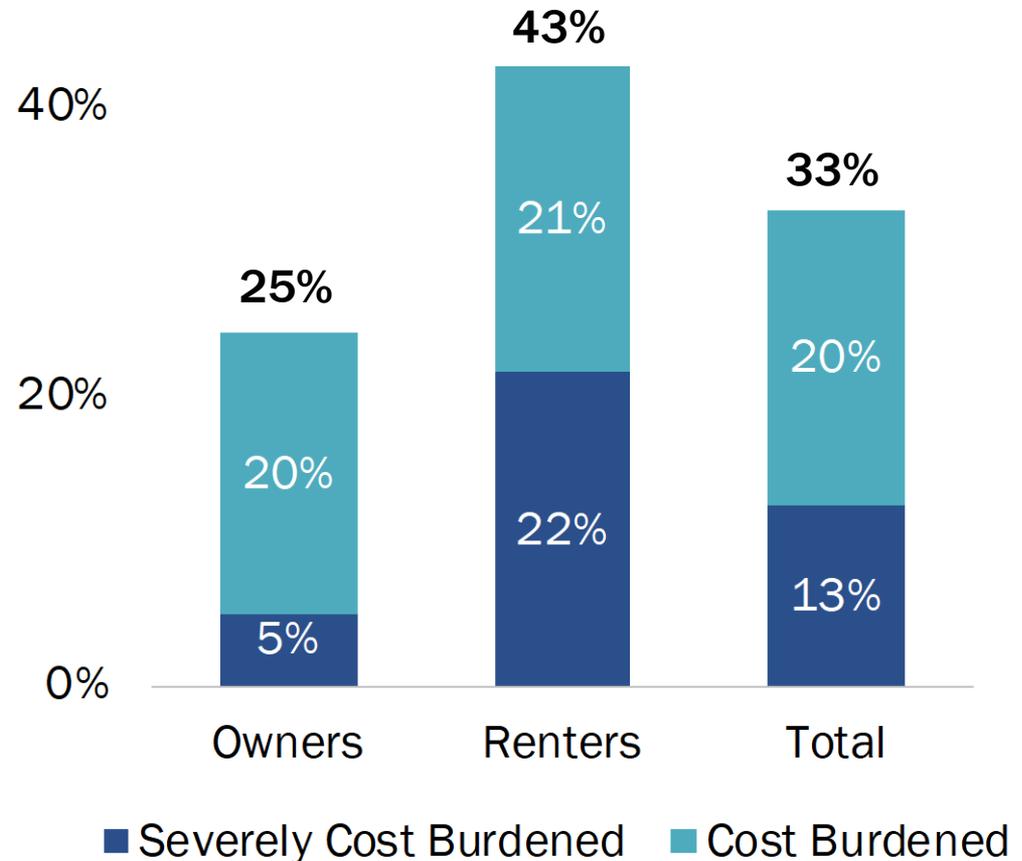
- **Housing that is affordable based on income for households with income below \$92,000 (120% MFI)**
 - Access to housing where housing costs are less than 30% of a households' gross income
 - HUD standard that does not account for wealth, debts, special costs
- **Access to housing that meets the unique needs of a household**
 - Size and household composition
 - Location relative to work and school, "high opportunity" areas
 - Characteristics of unit and neighborhood
 - Access without discrimination (Fair Housing)

Renters Particularly Struggle to Afford Housing

Cost Burden by Tenure, Hood River, 2015-2019

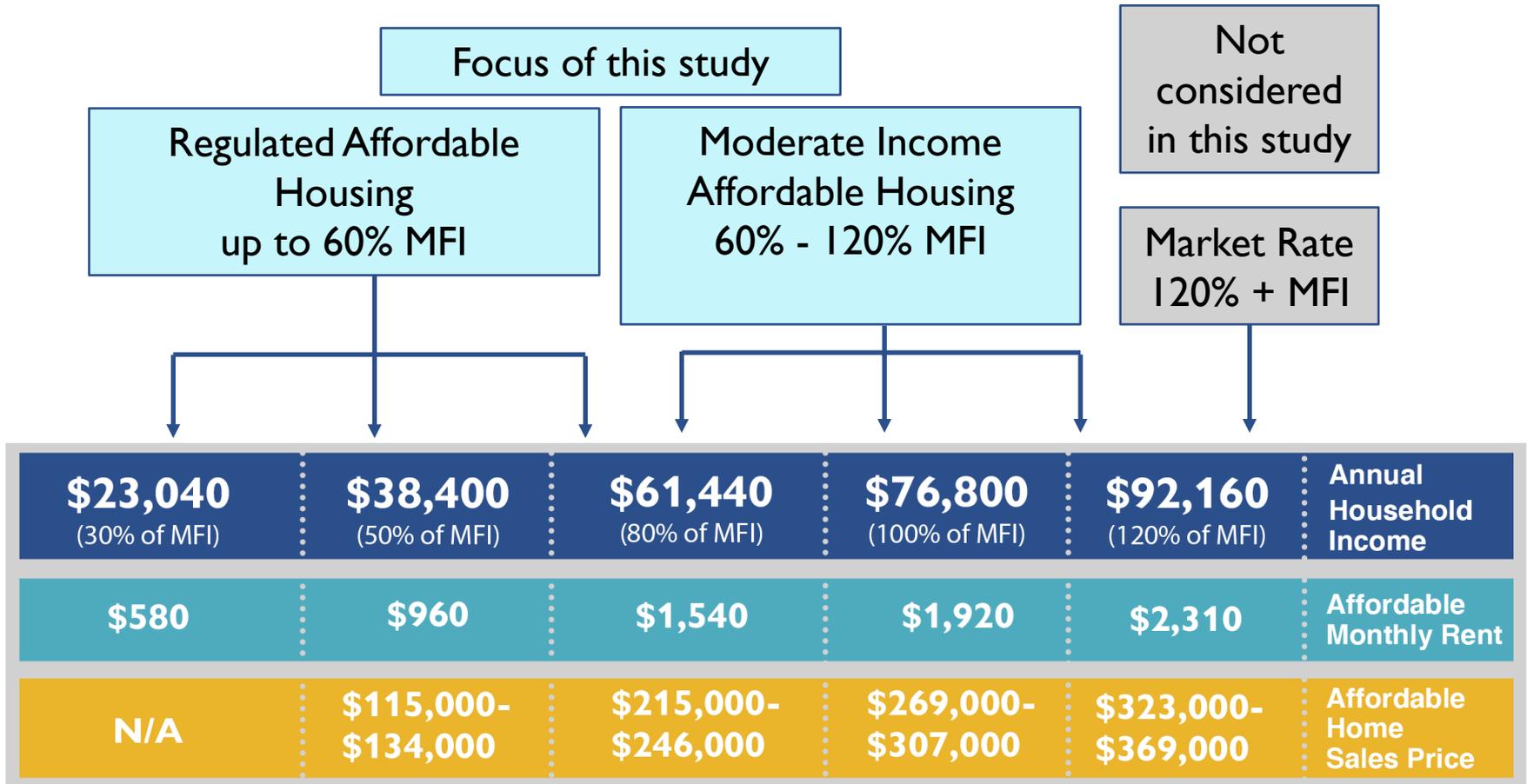
Cost burdened:
spending more than 30% of income on housing costs.

Severely cost burdened:
spending more than 50% of income on housing costs



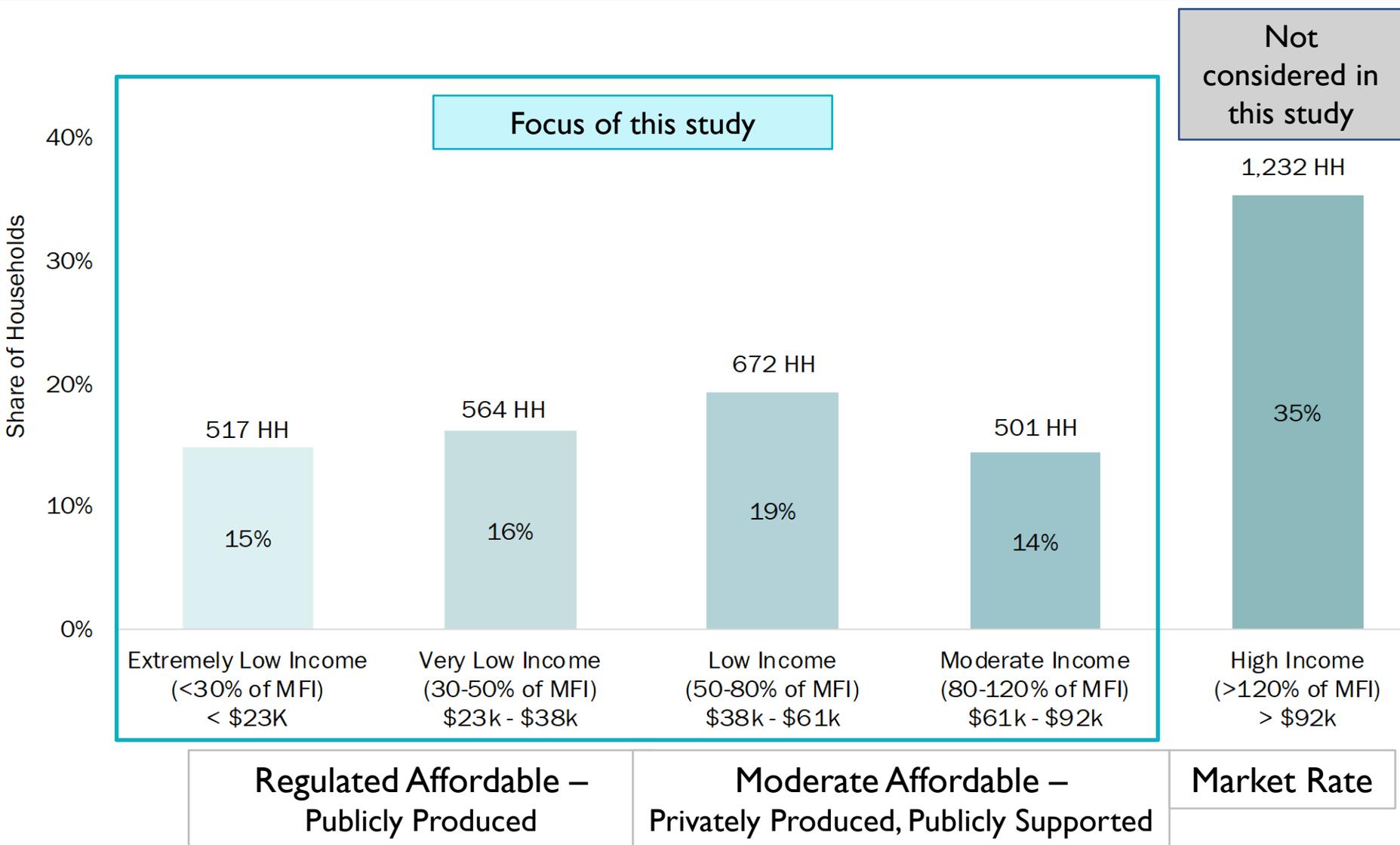
Center the Strategies on Affordable Housing Needs

In Hood River, private housing developers are not producing housing affordable to households earning less than 120% MFI.



Source: U.S. Department of HUD 2021. U.S. Census Bureau, 2015-2019 ACS Table I9001.
 Note: MFI is Median Family Income for a Family of 4.

Hood River's Current Households by Income



Source: 2015-2019 ACS, U.S. Census; PRC at PSU (2020-2040); and U.S. Department of HUD 2021 MFI.
Median Family Income (MFI) is estimated for a family of 4.

Current rents: A quick scan of what is out there

Recent Rentals

These rents are based on interviews with three local rental agencies. Do they seem plausible to you?

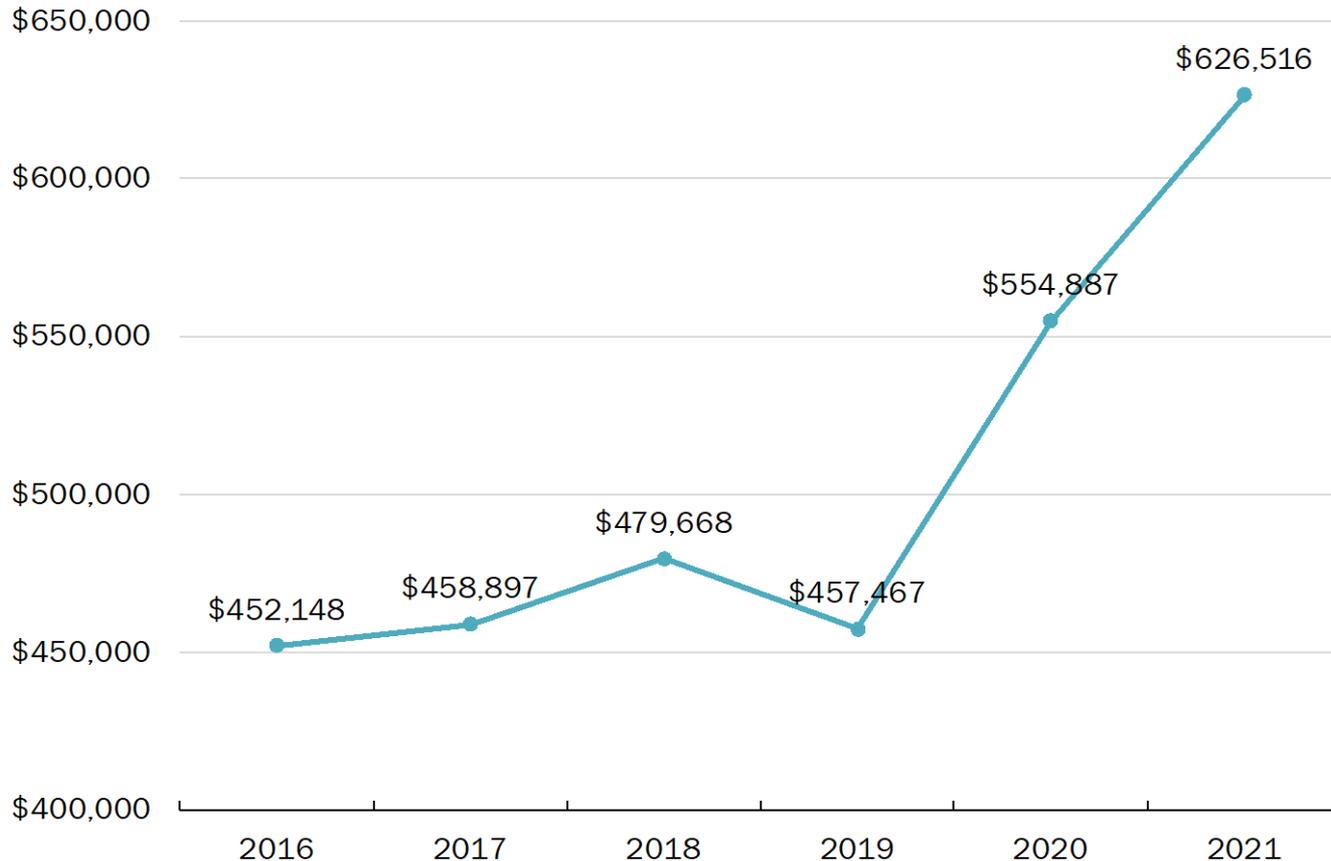
| | |
|-------------|-------------------|
| Studio | \$750 – \$1,300 |
| 1-bedroom | \$900 – \$2,000 |
| 2-bedrooms | \$1,200 – \$1,800 |
| 3-bedrooms | \$1,200 – \$3,000 |
| 4+ bedrooms | \$1,600 – \$2,750 |

The rental cost of a two-bedroom unit will require income of between \$48,000 (63% MFI) and \$72,000 (94% MFI).

Source: Nunamaker Property Management, John L. Scott and Gorge Rentals Property Management

Sales prices in have grown since 2016

Annual Average Sales Price, 2016 – 2021



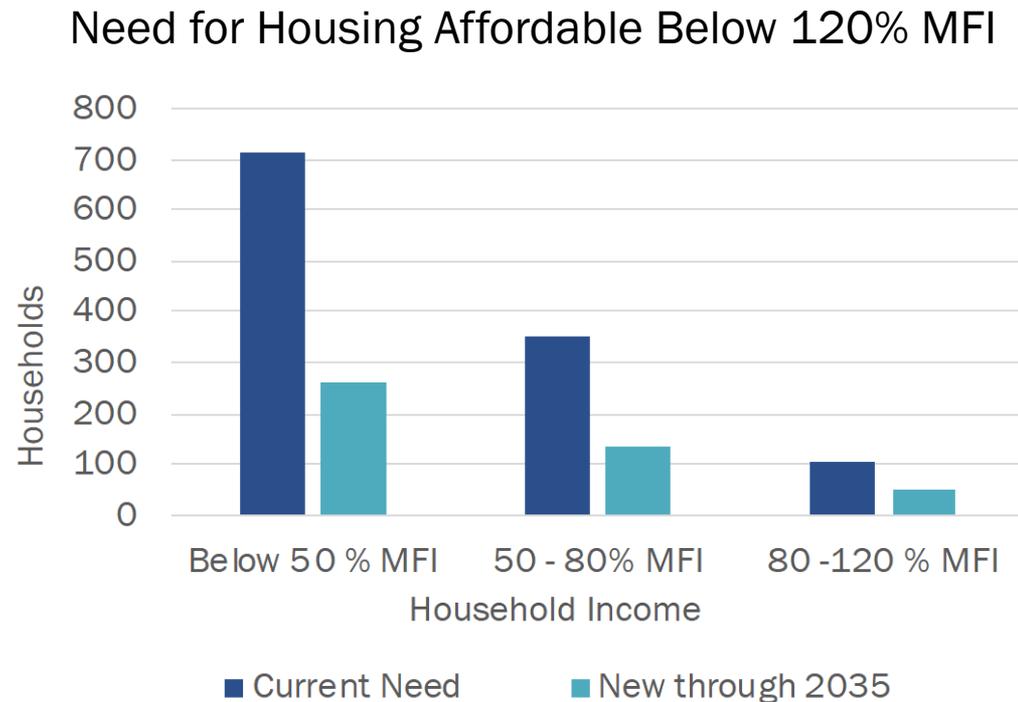
2021 YTD
Average Sales
Price in Hood
River of
\$626,500 is
affordable for a
household with
and income of
\$155,000 or
202% of
Median Family
Income

Source: Redfin.

Magnitude of affordable housing need

Need for housing affordable below 120% MFI*:

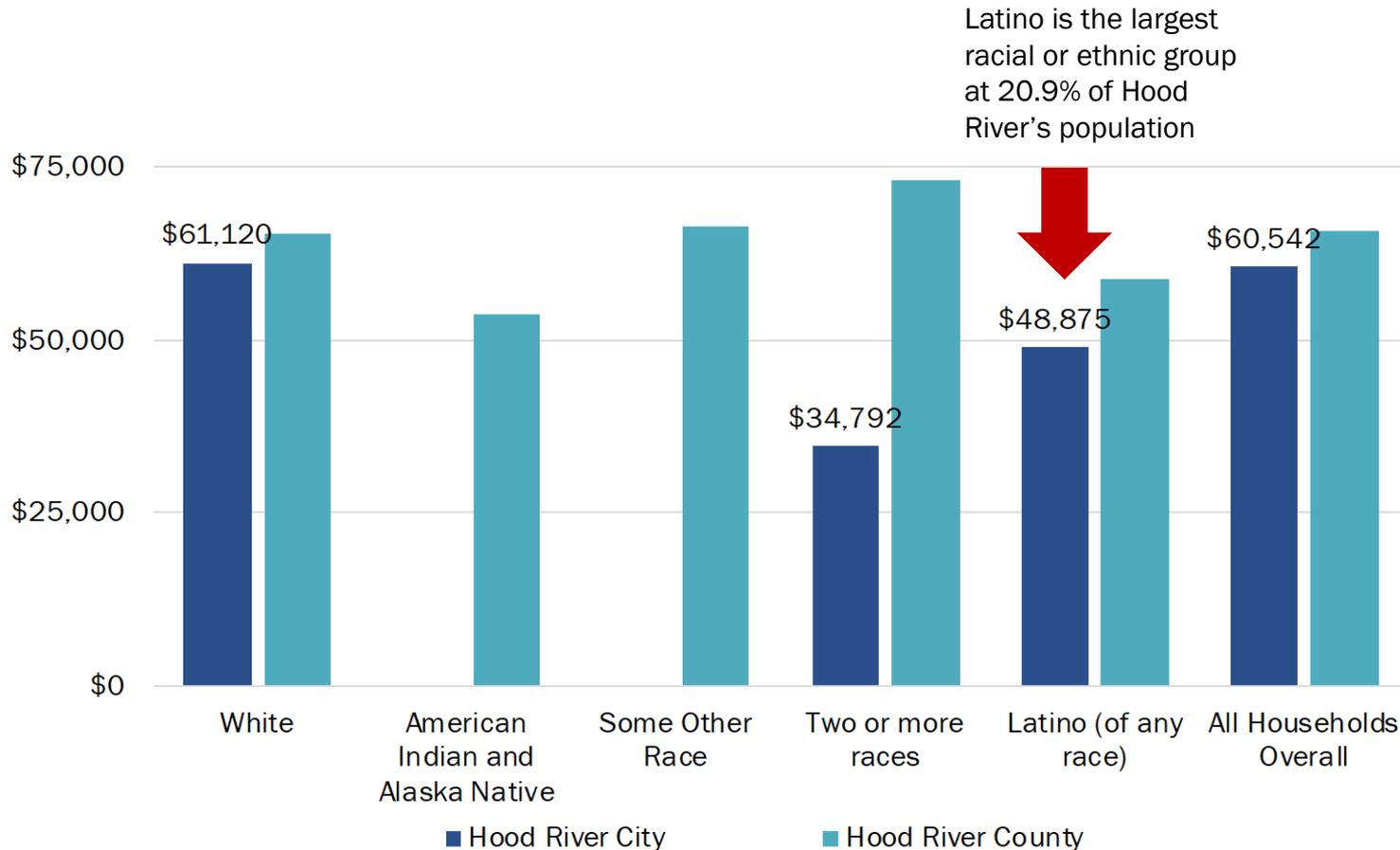
- Current need: 1,162 households
- Additional need through 2035: 444 households
- The majority of this need comes from households earning less than 50 % AMI



* Assumes: all cost burdened households need new affordable housing. Current households already have existing housing; likely an overestimate of housing that will be developed.

Race/Ethnic Groups: Ability to Pay for Housing

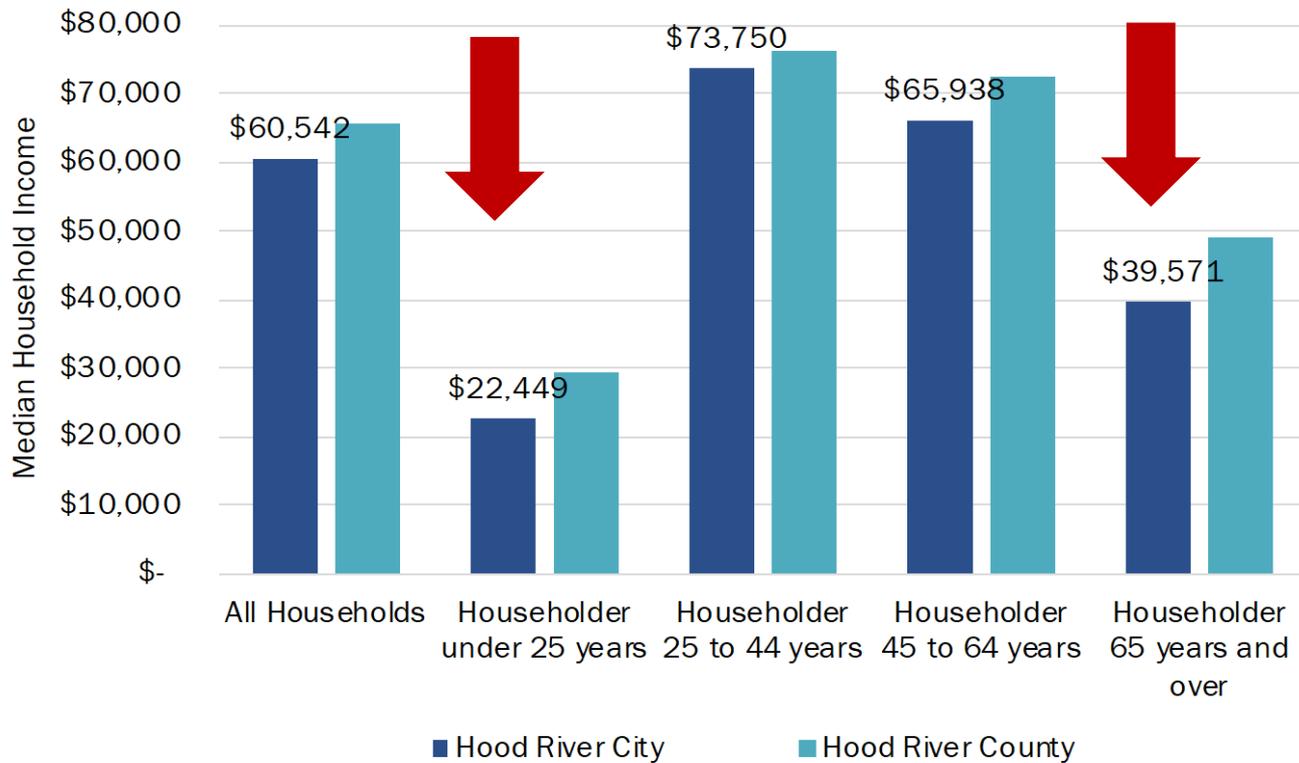
Median Household Income by Race and Ethnicity, 2015-2019



Source: 2015-2019 American Community Survey, U.S. Census

Note: Where data is unavailable it is not represented on this chart, "American Indian and Alaska Native" and "Some Other Race" were available only for the County

Median Household Income by Age, 2015-2019

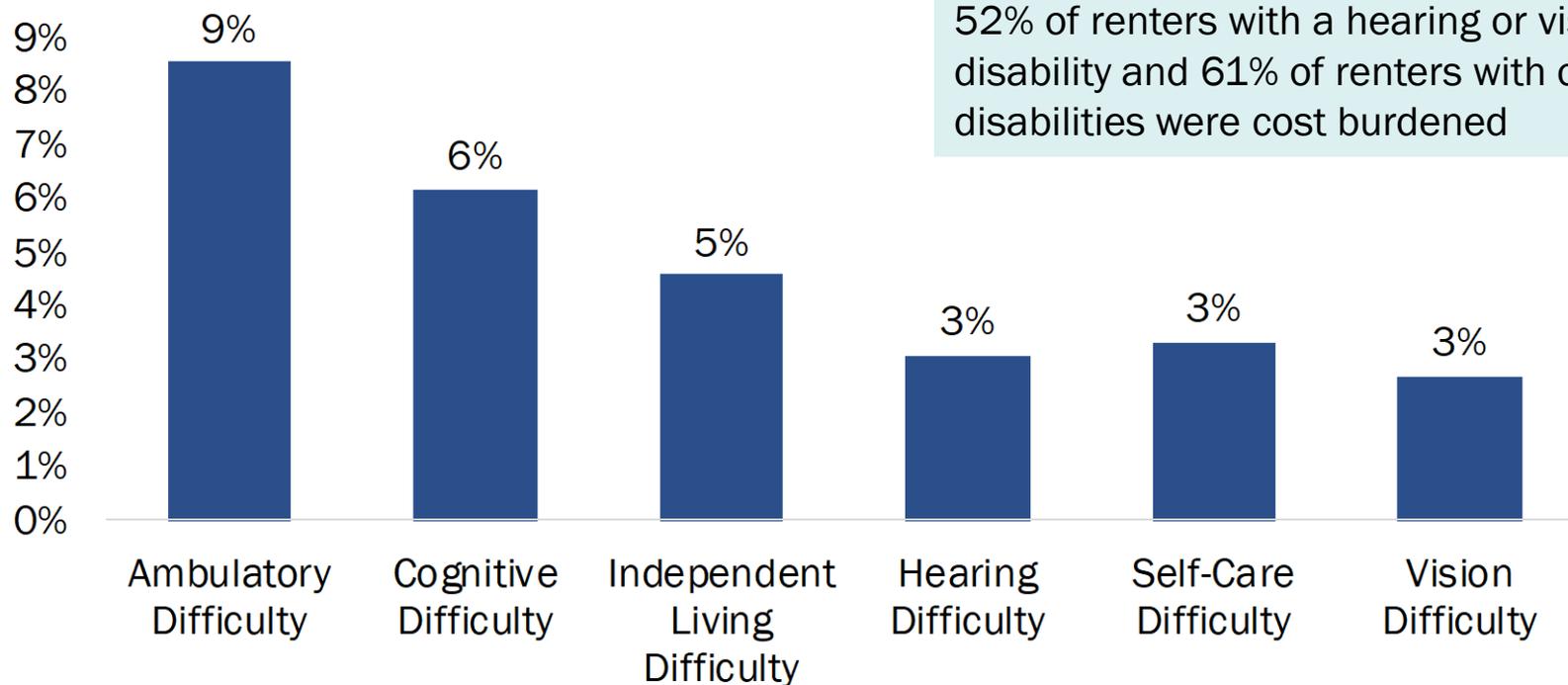


In Hood River, income for people over 65 years is 65% of the overall average.

Income for people under 25 is 37% of the overall average.

Persons with a Disability

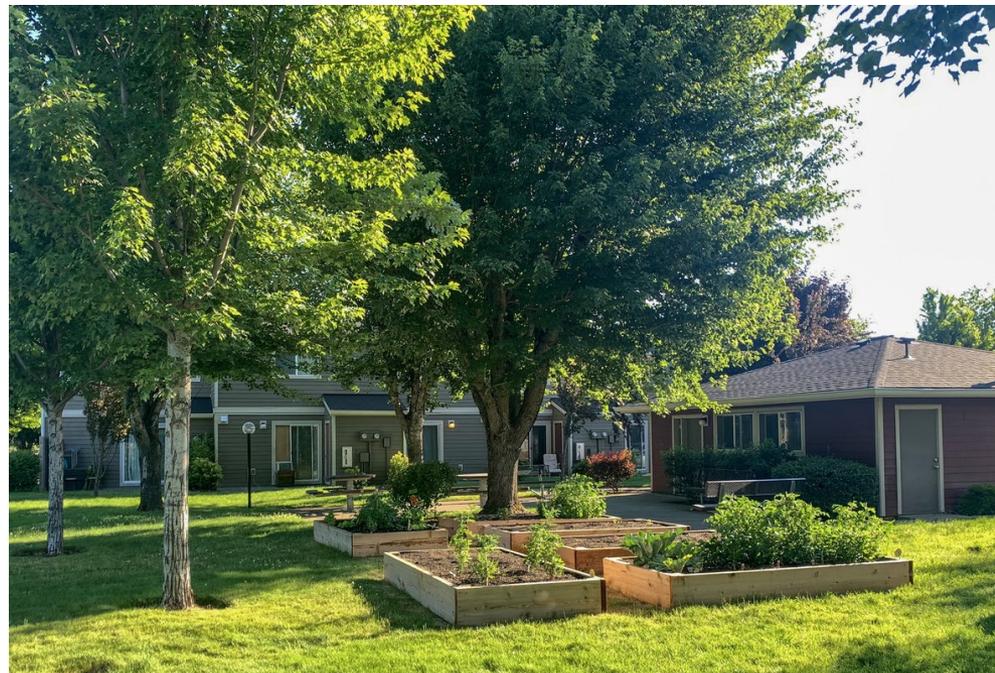
Share of Persons with a Disability by Type (% of Total Population), Hood River County, 2015-2019



On average, 48% of Oregon's renters were cost burdened in 2018. In contrast, 52% of renters with a hearing or vision disability and 61% of renters with other disabilities were cost burdened

Source: 2015-2019 American Community Survey, U.S. Census

- What do you hope comes out of this project?
- What are your concerns related to this project?



- Begin to discuss housing strategies
 - What has the City already done?
 - What are the roles for public agencies and government, nonprofit organizations and developers?
 - What can else can the City do?
- Develop a list of potential strategies for discussion with the Task Force.