January 29, 2020

Oregon Housing and Community Services
rhna@oregon.gov

Re: Oregon APA Comments on the Regional Housing Needs Assessment Scope of Work

The Legislative and Policy Affairs Committee of the Oregon Chapter of the American Planning Association (OAPA) has reviewed the scope of work proposed by the Department of Oregon Housing and Community Services (OHCS) for a Regional Housing Needs Assessment (RHNA). We have the following questions and comments (grouped by category):

**Projection and analysis**

1. Projecting wages, which the scope identifies as a possibility – at least for jobs – by using Oregon Employment Department data is a positive step.
2. Including transportation in housing affordability and cost burden is an excellent addition as it better represents the true cost of living.
3. How will affordability be defined and operationalized under Task 2? Will the income categories be the same used by HUD and OHCS?
4. The study of people who are experiencing homelessness, a potential inclusion of adjustment for overcrowding, and review by OHCS staff for homeless services and affordable rental housing, are all positive steps to address gaps in Goal 10 HNAs for temporary and transitional housing.
5. Please do include the Agency Homeless Services Team under Task 1.3.
6. In Task 1.1, how will “equitable distribution of publicly supporting housing” be defined and operationalized?
7. Housing projections and equity allocations should go beyond historical population and development patterns to ensure that more housing options are provided in expensive markets and in job rich communities. This could be accomplished through the following:
   a. Include the calculation for shortage of units, described in Task 2.3, in future housing need to address the backlog of housing needs.
   b. To ensure that all communities carry their share of the burden, it could be required that every city provide a minimum of 10% of their housing stock as income-restricted.
   c. Use market informed factors, such as target vacancy rates that have been shown to stabilize housing prices (7-8% rental and 3-4% owner), as inputs in determining housing need projections.
8. Housing targets by type should encourage the development of affordable housing with multiple units, in addition to small single-room units, to address the need for families and multi-generational housing.
9. What does “household formation by age groups” mean? Does it mean by age of householder?
10. How will overcrowding be measured for existing housing need?
11. Temporary and transitional housing should be included in the equitable distribution under the multifamily projections. A source for data on needs is defined in the OHCS Statewide Shelter Study.
12. The equity analysis scope needs to explain how this will be used beyond documenting unmet housing needs. For example, the scope should require the contractor to conduct an equity analysis and then document what actions were taken, or should be taken, as a result.

California RHNA

13. We are interested to hear what OHCS learns from the California RHNA literature review and feedback from the panel of experts with experience in California.
14. Up front, the scope describes a contractor who proposes to use the same methodology for developing the RHNA as that used by the State of California. Instead of assuming the methodology can just be replicated here, change the contingency tasks to required tasks. We agree that a hybrid of California’s RHNA will be needed because of differences in population and data sources, a desire to establish consistency in regional allocation, and HB2003 directs Oregon to study different factors, especially with affordable housing.
15. Unless cities want further state preemption, they should be ready to be held accountable for meeting RHNA projections, especially for low-income homes. From the lessons learned in California, this study should consult with cities to propose measures for not meeting RHNA targets.

Engagement

16. In Task 1.2, how will the agency identify and select stakeholders for the meetings?
17. Clarify how the technical experts panel will be selected, and whether their meetings/input will be available for public review and comments.
18. What software tools are envisioned to be built or developed to assist with the analysis of data?

Unclear statements or typos

19. Please clarify this statement: “Contractor shall continue expanding this understanding and development an approach for using the HCD RHNA methodology in Task 2.1”? Does this imply that the methodology will be tested for Oregon?
20. What does “contractor shall work with Agency ask and answer the questions” mean? Clarify the purpose statement on page 23.
21. In Task 2.2 under Purpose, what does it mean to execute the HCD RHNA regional methodology for all regions in Oregon? Will this be a test or is the use of the HCD methodology a forgone
21. Conclusion? How will the contractor and agency decide where to deviate from the HCD methodology? For what reasons?

22. Task 4 should be required of the contractor, and not left as a contingency. First, one of the risks of keeping this task as a contingency is that there is no guarantee it will be completed if the contractor burns through the contract and leaves no budget for this task, especially if the RHNA would benefit from it. Second, the scope needs to be clearer whether the contractor is expected to use the HCD RHNA methodology as created, or if it’s expected of the contractor that the methodology will be modified to better fit Oregon’s housing policy intent and context. OAPA expects that this is already the case, and that this task should be required.

23. This might be a typo, but “extremely low income” is included in task 2.1 categories, but not listed in part 1 overview.

24. See Page 28: This text needs to be clarified:

“Contractor’s approach to developing an alternative methodology will involve discussion within the project team to include additional subject matter experts within Contractor (beyond the staff working on Task 2), as well as staff with Agency, DLCD, and DAS, and potentially across other state agencies.”

a. Does this suggest that the Contractor will take on sub-contractors for this task? Or is it expected that additional subject matter experts will peer review?

Overall goals and coordination

25. The OHCS RHNA should be used as a blueprint to reform the Goal 10 land use system analysis. The housing production strategy could contain incentives for meeting or exceeding RHNA targets, and remediation for not. In addition, this consideration needs to recognize the relationship between Goals 10 (Housing) and 14 (Urbanization): the housing supply cannot be considered in a vacuum; housing needed and/or allocated to a city will inform whether a city’s land supply is adequate to meet a need or will need to be amended through some combination of changes inside the UGB (e.g. changing zoning) and amending the UGB to increase the land supply available for different types of housing.

26. The scope recognizes that as the Contractor executes allocations of housing using the HCD RHNA model, the contractor will need to decide where to deviate from the HCD methodology. The scope should require the contractor to also document the reasoning behind the deviation.

27. An impressive amount of work must happen in a relatively short amount of time (final report due by September 2020).

28. Consider that the goal is to ensure units that are needed are getting built. Additionally, to understand the true impact of inequality in Oregon’s housing market, the project methodology should first and foremost identify the full housing need. The housing production strategies could identify near-term actions for jurisdictions to fund and accommodate needs.
29. Regarding the question “Does the methodology need to account for available land supply or other building constraints?” Yes, the methodology should account for land supply and other constraints.

Thank you for your time and attention to our comments.

Sincerely,

Aaron Ray, AICP, President
Board of Directors

Damian Syrnyk, AICP, Chair
Legislative and Policy Affairs Committee