

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF ENTERING AN ) Resolution No. 05-3600  
ORDER RELATING TO COMPLIANCE WITH )  
THE URBAN GROWTH MANAGEMENT )  
FUNCTIONAL PLAN ) Introduced by David Bragdon, Council President

WHEREAS, Title 8 of Metro Code Chapter 3.07, the Urban Growth Management Functional Plan ("UGMFP"), requires the Chief Operating Officer to submit a report to the Metro Council on the status of compliance of cities and counties with each requirement of the UGMFP, and to provide public notice of the report; and

WHEREAS, the Chief Operating Officer submitted a report to the Metro Council, entitled "Urban Growth Management Functional Plan Annual Compliance Report, December 23, 2004", and provided public notice of the report; and

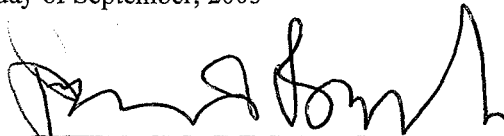
WHEREAS, the Metro Council held a hearing for the purpose of taking testimony on the question whether cities and counties have complied with the UGMFP on September 29, 2005, and heard testimony from interested persons, cities and counties and the Metro staff on the question; and

WHEREAS, Title 8 requires the Metro Council to enter an order that determines the status of each city's and county's compliance with the requirements of the UGMFP, and to send a copy of the order to all cities and counties and all persons who participated at the hearing; now, therefore,

BE IT RESOLVED:

1. The Metro Council adopts Order No. 05-002, attached to this resolution as Exhibit A, which accepts the "Urban Growth Management Functional Plan Annual Compliance Report, December 23, 2004", as revised on August 31, 2005, as the Council's determination of the status of city and county compliance with the UGMFP, pursuant to subsection 3.07.880C of the Metro Code.
2. The Metro Council directs the Chief Operating Officer to send a copy of Order No. 05-002, with the Compliance Report, to all cities and counties and all persons who participated at the hearing, pursuant to subsection 3.07.880C of the Metro Code.

ADOPTED by the Metro Council this 29<sup>th</sup> day of September, 2005

  
David Bragdon, Council President

Approved as to form:

  
Daniel B. Cooper, Metro Attorney

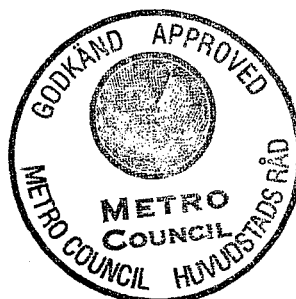


Exhibit A to Resolution No. 05-3600

Order No. 05-002

RELATING TO COMPLIANCE WITH THE  
URBAN GROWTH MANAGEMENT FUNCTIONAL PLAN

IT IS ORDERED THAT:

1. The Metro Council accepts the report from the Chief Operating Office entitled “Urban Growth Management Functional Plan Annual Compliance Report, December 23, 2004”, attached to this order as Exhibit B, as fulfilling the requirements of subsection 3.07.880A of Title 8 of the Urban Growth Management Functional Plan (“UGMFP”).
2. Based upon the Urban Growth Management Functional Plan Annual Compliance Report and testimony received at the public hearing on September 29, 2005, the Council adopts Appendix A of the Compliance Report as its determination of the status of city and county compliance with the requirements of the UGMFP, as required by of section 3.07.880 of Title 8 of the UGMFP.

ENTERED this 29th day of September, 2005.

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David Bragdon, Council President

Approved as to form:

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Daniel B. Cooper, Metro Attorney

**URBAN GROWTH MANAGEMENT FUNCTIONAL PLAN  
ANNUAL COMPLIANCE REPORT  
December 23, 2004  
Revised August 31, 2005  
Revised September 26, 2005  
DRAFT**

**INTRODUCTION**

Metro Code 3.07.880 requires an annual Urban Growth Management Functional Plan Compliance Report and requires that this report include:

- An accounting of compliance with each requirement of the Functional Plan by each city and county in the district.
- A recommendation for action that would bring a city or county into compliance with the functional plan requirement and advice to the city or county whether it may seek an extension pursuant to Metro Code 3.07.850 or an exception pursuant to Metro Code 3.07.860.
- An evaluation of the implementation of the Functional Plan and its effectiveness in helping achieve the 2040 Growth Concept.

This report outlines the status of each local government's effort to comply with Titles 1 through 7 and Title 11 of the Functional Plan since the adoption of the 2003 Compliance Order and any outstanding compliance issues. Compliance for Titles 1 through 7 is presented in a compliance matrix in Appendix A, Tables 1 through 7 and summarizes compliance by jurisdiction. Attachment 1 to this compliance report is the Title 7 Affordable Housing component that provides a detailed analysis of Title 7 compliance issues. Title 11 reporting is presented by area rather than by jurisdiction.

**EVALUATION OF THE IMPLEMENTATION OF THE FUNCTIONAL PLAN**

A primary goal of regional policy contained in the Regional Framework Plan is efficient use of land within the urban growth boundary (UGB). The Urban Growth Management Functional Plan helps the region achieve that goal by setting forth specific actions that local governments can take to use land more efficiently. Those actions include setting minimum densities, increasing zoned capacities for dwelling units and jobs, permitting accessory dwelling units, limiting the amount of land dedicated to parking and enhancing the role of centers in the region.

The region has reached a compliance rate of 99% for Titles 1 through 6 requirements as shown in Appendix B. Compliance for Title 7 is at 62% and only four local governments have met all of the Title 7 reporting requirements. Passage of ballot measure 37 has delayed some local government action on Title 3 compliance legislation.

Some progress is being made by those local governments that have Title 11 planning responsibilities, however, compliance with Title 11 is complex and expensive. For example, new areas will often be governed and serviced by more than one jurisdiction or service provider, requiring multi-party coordination. Even if the area falls within one jurisdiction, it can be costly and time-consuming to carry out the Title 11 planning. Furthermore, some of the areas are not contiguous to city boundaries, requiring intervening land to be annexed prior to Title 11 planning. As a result of these issues, several areas will likely not meet deadlines scheduled for

2005. According to the Office of Metro Attorney, the Council has several options available to it should local governments not meet their Title 11 deadline. These include 1) extension of time to complete planning, 2) amending the UGB ordinance to allow more time for completion by a local government, 3) providing Metro resources to assist local government, 4) relying on landowners in an area to complete Title 11 planning for consideration by the local government or 5) pursue an enforcement action according to Metro Code. These may not be the only options available to the Council. If the Council chooses, staff can research further possible options.

## **GENERAL COMPLIANCE ISSUES**

Ordinance No. 02-969B, adopted by the Metro Council in December 2002, contained amendments to Titles 1, 4 and 6 of the Functional Plan. Ordinance No. 04-1040B, adopted by the Metro Council in June 2004, amended Title 4 of the Functional Plan. A number of these amendments require local governments to take action by July 7, 2005 to comply with new requirements. In addition, when land is brought into the Urban Growth Boundary, conditions including a timeline for compliance are placed on those areas. In May 2004, the Chief Operating Officer sent a letter to local governments clarifying the requirements of the third year (2004) report of Title 7. These compliance issues are summarized below.

### Title 1: Requirements for Housing and Employment Accommodation

Two reporting requirements were added to Title 1. Local governments are required to report annually on changes in capacity and biennially on the actual density of new residential development.

### Title 4: Industrial and Employment Areas

A new design type, Regionally Significant Industrial Areas (RSIAs) was added and changes were made to Industrial Areas. Local jurisdictions will have new reporting requirements in 2005.

### Title 6: Central City, Regional Centers, Town Centers and Station Communities

Title 6 requires each city and county with a center shown on the 2040 Growth Concept Map to develop a strategy to enhance centers within their jurisdiction by December 31, 2007. To assist in evaluating the effectiveness of Title 6, each local government with a center is to biennially report on the progress of Centers. The next report will be due April 15, 2006.

### Title 7: Affordable Housing

Title 7 requires each jurisdiction to: a) adopt voluntary affordable housing production goals; b) adopt policies ensuring that their comprehensive plan and implementing ordinances include diverse range of housing, measures to maintain existing supply and increase dispersion of affordable housing, and measures to increase housing for all income levels; c) consider amendment of their comprehensive plan and implementing ordinances with land use tools and strategies; and d) submit three progress reports in 2002, 2003 and 2004.

In May 2004, Metro's Chief Operating Officer sent a letter to local jurisdictions clarifying the requirements of the third year (2004) report due in June 2004. The third report requires that:

*"...each city and county within the Metro region shall report to Metro on the outcome of the amendments to its comprehensive plan and implementing ordinances pending at the time of submittal of the report described in subsection B of this section and on the public response, if any, to any implementation adopted by the city and county to increase the*

*community's stock of affordable housing, including but not limited to the tools and strategies in subsection 3.07.730.B. "*

As used above:

Outcome includes:

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; and
2. Partnerships that were created between the city and affordable housing developers (non-profit developers and private sector developers)
3. Pending amendments to the comprehensive plan and implementing ordinances.

Public response means: A summary of comments of developers and citizens expressed during the 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 household of all income levels to live within the jurisdiction;
3. Land use affordable housing tools and strategies: i) density bonus; ii) replacement housing; iii) inclusionary housing; iv) transfer of development rights; iv) elderly and people with disabilities; vi) local regulatory constraints – discrepancies in planning and zoning codes, and local permitting or approval process; and vii) parking;
4. Other affordable housing tools and strategies: i) replacement housing resulting from urban renewal; ii) inclusionary housing in urban renewal districts; iii) fee waivers or funding incentives; iv) promotion of affordable housing for incomes 50% to 120% of the regional median household income (RMHI); and v) joint coordination or action to meet the affordable housing production goals; and
5. Funding for housing.

#### Title 8: Compliance Deadlines

Metro is required to notify local governments of the deadlines for compliance with the requirements of the Functional Plan. Appendix C lists the schedule of compliance dates.

#### Title 11: Planning for New Urban Areas

The purpose of Title 11 is to guide planning for conversion from rural to urban use for land that is brought into the UGB. Interim protection measures and planning requirements are placed on the land as a condition to the ordinances that add land to the UGB. The conditions include a timeline for compliance that varies by area.

### **OUTSTANDING COMPLIANCE ISSUES BY TITLE**

**Title 1:** Wilsonville has not provided a capacity analysis as required by Title 1.

**Title 3:** Lake Oswego, West Linn and Clackamas County have not fully complied with the Water Quality Performance Standards as required by Title 3. Clackamas County has requested an exception to Title 3 Water Quality Performance Standards.

**Title 6:** Gresham did not submit a progress report on Centers as required by Title 6.

**Title 7:**

- Four jurisdictions – Beaverton, Portland, Multnomah County and Washington County – have fully complied with all the requirements of Title 7 by submitting the three progress reports, adopting affordable housing production goals and policies in their comprehensive plans and code, and adopting most of the land use strategies.
- Two jurisdictions – Fairview and King City – have complied with almost all of the Title 7 requirements by indicating the two strategies currently implemented in the cities, and considering but declining to adopt the rest of the strategies.
- Four jurisdictions – Cornelius, Johnson City, Rivergrove and Sherwood – have not submitted any of the three progress reports.
- The other 18 jurisdictions<sup>1</sup> have complied partially with the Title 7 requirements.

These compliance issues are shown in Appendix D, Outstanding Compliance Elements.

**RECOMMENDATIONS FOR ACTION TO BRING JURISDICTIONS INTO COMPLIANCE WITH TITLES 1 THROUGH 7**

Titles 1 through 6

There are five jurisdictions – Gresham, Lake Oswego, West Linn, Wilsonville, and Clackamas County -- that have not yet met all of the requirements of Titles 1 through 6. Lake Oswego and West Linn are not in compliance for Title 3 Water Quality Resource Area Performance Standards. Gresham has not submitted a Centers progress report as required by Title 6 and Wilsonville has not submitted a capacity analysis required by Title 1. Lake Oswego and West Linn are working on their compliance requirements. Clackamas County is requesting an exception to Title 3 for a small portion of the county. Staff recommends that Gresham and Wilsonville formally be requested to attend the public hearing on compliance to explain to the Council the status of their compliance work and when the work will be completed.

Title 7

Nine jurisdictions (Beaverton, Durham, Fairview, Gladstone, Maywood Park, Portland, West Linn, Multnomah County and Washington County) have submitted the three progress reports by December 2004, but only four (Beaverton, Portland, Multnomah County and Washington County) have fully complied with Title 7 requirements. Among the remaining jurisdictions, some have submitted one or two reports that do not have complete information, while four (Cornelius, Johnson City, Rivergrove and Sherwood) have not submitted any report.

Staff recommends that the assessment of the region's affordable housing supply effort in early 2005 will provide comprehensive information on factors creating barriers to affordable housing production in the region. The information will help the new HTAC to be created in early 2005 by the Metro Council to understand the housing problems in the region and recommend appropriate roles for the variety of local jurisdictions in the region.

**TITLE 11: PLANNING FOR NEW URBAN AREAS**

Title 11 guides planning for converting land brought into the UGB from rural to urban uses. Title 11 has interim protection measures (Metro Code 3.07.1110) and planning requirements (Metro

<sup>1</sup> The new City of Damascus is not included in this count.

Code 3.07.1120). When land is brought into the boundary, meeting the requirements of Title 11 is one of the conditions of approval. Title 11 does not require interim protection measures to be codified in local comprehensive plans and implementing ordinances.

Since land is added to the UGB by area, not all jurisdictions are required to comply with Title 11. A jurisdiction may have more than one area added at one time or over a series of additions to the boundary and all must meet the requirements of Title 11. As a result, compliance is reported on an area basis rather than on a jurisdictional basis.

### 3.07.1110 Interim Protection of Areas Brought into the Urban Growth Boundary

This section requires no affirmative actions by local governments. Instead, it includes four provisions for preserving the condition of land until the planning requirements of Metro Code 3.07.1120 are completed. The local governments responsible for the protection measures are the counties. An exception to this is Area 94 brought into the UGB in 2002 and largely within the City of Portland.

Under this section, a county may not approve any of the following four actions:

1. Land use regulations or zoning map amendments that increase residential density
2. Land use regulations or zoning map amendments that allow commercial and industrial uses not previously allowed to occur prior to the completion of the concept planning process
3. Any land division or partition that would result in the creation of any new parcel that would be less than 20 acres in total size
4. In a Regionally Significant Industrial Area, a commercial use that is not accessory to an industrial use, schools, churches or other institutional or community services intended to serve people who do not work or reside in the area

The counties, under Title 8 (Metro Code 3.07.820), are currently required to report to Metro land use regulations or zoning map amendments such as items 1 and 2 above. During this reporting period, Metro has not received notification of any such action by Clackamas, Multnomah or Washington counties. The Metro Code does not require counties to notify Metro of "land use decisions" such as land divisions or conditional use permits in a specific zone thus Metro has no information to report on measures 3 and 4. During the past year, Clackamas, Multnomah and Washington counties have not approved any of the above listed actions and thus are in compliance with the Title 11 interim protection measures.

### 3.07.1120 Urban Growth Boundary Amendment Urban Reserve Plan Requirements

This section requires that all land added to the UGB be subject to adopted comprehensive plan amendments consistent with all applicable titles of the Functional Plan including the requirements of Title 11 planning. Either a city or a county can complete the planning. As a condition of approval for all land added to the UGB in 2002 and 2004 a timeframe was placed on individual areas for completion of the Title 11 planning. At this time, no local jurisdiction is out of compliance with Title 11 planning requirements; however, several jurisdictions will likely not meet their March 2005 planning timeline. The chart below summarizes the status of each Title 11 planning area. A map showing these areas will be available in January 2005.

**TITLE 11 NEW AREA PLANNING  
(as of December, 2004)**

<b>Project</b>	<b>Lead Government</b>	<b>Plan Deadline</b>	<b>Status</b>
<b>1998 UGB Expansion</b>			
Pleasant Valley Concept Plan	Gresham and Portland	NA	Concept plan and implementation planning completed; zoning adopted
<b>1999 UGB Expansion</b>			
Villebois Village	Wilsonville	NA	Concept plan and comprehensive plan amendments & zoning complete; construction underway
Witch Hazel Community Plan	Hillsboro	March 2005	Concept plan complete; City adopted comprehensive plan amendment in February 2004; zoning will be adopted upon annexation.
<b>2002 UGB Expansion</b>			
Springwater Community Plan	Gresham	March 2005	Planning process ongoing; three alternatives have been narrowed to one
Damascus/Boring Concept Plan	Clackamas County	March 2007	Core values completed; inventory phase complete; alternatives developed and now being evaluated
Park Place Master Plan	Oregon City	March 2007	Developer portion of area to work with neighborhood residents in developing plan for all three sites
Beavercreek Road	Oregon City	March 2007	Area residents hired consultant to develop a concept plan
South End Road	Oregon City	March 2007	City has no plans for this area yet
West Linn	West Linn or Clackamas County	March 2005	City has no plans for this area yet <b>Not likely to complete on time</b>
East Wilsonville	Wilsonville	March 2007	No action; some early talks on part of residents and homebuilders
Northwest Wilsonville	Wilsonville	March 2007	No action; the city had a consultant do a preliminary urban reserve plan in 1998
Brookman Road Area	Sherwood or Washington Co	March 2007	No plans for concept planning at this time
Study Area 59	Sherwood or Washington County	March 2005	City to work with school district to site facilities; concept planning and annexation complete within 3 years; <b>Not likely to complete on time</b>
Cipole Road	Sherwood	March 2005	No plans for concept planning at this time <b>Not likely to complete on time</b>
99W Area	Sherwood	March 2005	No plans for concept planning at this time. City Transportation System Plan to be completed first <b>Not likely to complete on time</b>
NW Tualatin	Tualatin	March 2005	The city received a TGM grant and planning is underway
Tonquin Site	Tualatin	March 2007	These two sites, known as 'SW Tualatin', are being planning together. The city received a TGM grant for \$170,000 and will be underway
Tigard Sand and Gravel Site	Tualatin	March 2007	



<b>Project</b>	<b>Lead Government</b>	<b>Plan Deadline</b>	<b>Status</b>
King City	King City	March 2005	Planning completed; annexed to city
Bull Mountain Area (Study Area 63)	Tigard or Washington County	March 2005	City and county need to first work out agreements about serving areas and then a planning timeline <b>Not likely to complete on time</b>
Bull Mountain Area (Study Area 64)	Tigard or Washington County	March 2005	City and county need to first work out agreements about serving area and then a planning timeline <b>Not likely to complete on time</b>
Cooper Mountain	Washington County, Beaverton or Hillsboro	March 2005	Washington County and Beaverton not pursuing planning at this time <b>Not likely to complete on time</b>
Study Area 69	Washington County or Hillsboro	March 2005	Washington County and Hillsboro not pursuing planning at this time (area not in Beaverton planning areas)
Study Area 71	Hillsboro	March 2005	Portion contained in Witch Hazel Community Plan; remainder of area to be planned in new few years <b>Not likely to complete on time</b>
Study Area 77	Cornelius	March 2005	Concept plan complete; City adopted comprehensive plan and zoning amendments, and annexed the area in January 2004
Shute Road Site	Hillsboro	March 2005	Concept plan complete; City adopted comprehensive plan and zoning in late 2003; annexed to Metro; shovel-ready site status pending
Forest Grove Swap	Forest Grove	March 2005	Work plan being developed <b>Not likely to complete on time</b>
Bethany	Beaverton or Washington County	March 2005	County to do planning after appeals completed <b>Not likely to complete on time</b>
Bonny Slope (Study Area 93)	Multnomah County	March 2005	County analyzing options to implement Title 11; some land owners examining privately-lead plan and self-funding; Metro Council adopted Resolution 04-3518 directing Metro staff to facilitate the completion of concept planning <b>Not likely to complete on time</b>
Area 94	Portland	March 2009	City considering budgeting for planning during FY 2005-06. Appeal is pending for this area
<b>2004 UGB Expansion</b>			Areas not yet acknowledged by LCDC

# APPENDICES

**Appendix A:  
Status of Compliance by Jurisdiction  
by Functional Plan Title**

**Titles 1 through 7**

<b>Title 1: Housing and Employment Accommodation</b>								
	Capacity Analysis Metro Code 3.07.120	Change in capacity reporting 3.07.120(D) <sup>2</sup>	Map of design types 3.07.130	Minimum density 3.07.140(A)	Partitioning standards 3/07.140(B)	Accessory dwelling units 3.07.140(C)	Accessory dwelling units in centers 3.07.140(C)	Reporting Requirements <sup>3</sup> 3.07.140(D)
Beaverton	In compliance		In compliance	in compliance	in compliance	in compliance	07/07/05	4/15/06
Cornelius	In compliance		In compliance	In compliance	In compliance	In compliance	N/A	4/15/06
Durham	In compliance		In compliance	In compliance	In compliance	In compliance	N/A	4/15/06
Fairview	In compliance		In compliance	In compliance	In compliance	In compliance	07/07/05	4/15/06
Forest Grove	In compliance		In compliance	In compliance	In compliance	In compliance	07/07/05	4/15/06
Gladstone	In compliance		In compliance	In compliance	In compliance	In compliance	07/07/05	4/15/06
Gresham	In compliance		In compliance	In compliance	In compliance	In compliance	07/07/05	4/15/06
Happy Valley	In compliance		In compliance	In compliance	In compliance	In compliance	07/07/05	4/15/06
Hillsboro	In compliance		In compliance	In compliance	In compliance	In compliance	07/07/05	4/15/06
Johnson City	In compliance		In compliance	In compliance	In compliance	In compliance	N/A	4/15/06
King City	In compliance		In compliance	In compliance	In compliance	In compliance	07/07/05	4/15/06
Lake Oswego	In compliance		In compliance	In compliance	In compliance	In compliance	07/07/05	4/15/06
Maywood Park	In compliance		In compliance	In compliance	In compliance	In compliance	N/A	4/15/06
Milwaukie	In compliance		In compliance	In compliance	In compliance	In compliance	07/07/05	4/15/06
Oregon City	In compliance		In compliance	In compliance	In compliance	In compliance	07/07/05	4/15/06
Portland	In compliance		In compliance	In compliance	In compliance	In compliance	07/07/05	4/15/06
Rivergrove	In compliance		In compliance	In compliance	In compliance	In compliance	N/A	4/15/06
Sherwood	In compliance		In compliance	In compliance	In compliance	In compliance	07/07/05	4/15/06
Tigard	In compliance		In compliance	In compliance	In compliance	In compliance	07/07/05	4/15/06
Troutdale	In compliance		In compliance	In compliance	In compliance	In compliance	07/07/05	4/15/06
Tualatin	In compliance		In compliance	In compliance	In compliance	In compliance	07/07/05	4/15/06
West Linn	In compliance		In compliance	In compliance	In compliance	In compliance	07/07/05	4/15/06
Wilsonville	<b>In progress</b>		In compliance	In compliance	In compliance	In compliance	07/07/05	4/15/06
Wood Village	In compliance		In compliance	In compliance	In compliance	In compliance	07/07/05	4/15/06
Clackamas County	In compliance		In compliance	In compliance	In compliance	In compliance	07/07/05	4/15/06
Multnomah County	In compliance		In compliance	In compliance	In compliance	In compliance	N/A	4/15/06
Washington County	In compliance		In compliance	In compliance	In compliance	In compliance	07/07/05	4/15/06

<sup>2</sup> Required if capacity changes

<sup>3</sup> Report contains actual density of new residential development per net developed acre authorized in those zoning districts that allow residential development in the preceding 24 months.

<b>Title 2: Regional Parking Policy</b>	Minimum/Maximum Performance Standards 3.07.220(A)(1) and (2)	Variance Process 3.07.220(A)(3)	Blended Ratios 3.07.220(B)
Beaverton	In compliance	In compliance	In compliance
Cornelius	In compliance	In compliance	In compliance
Durham	In compliance	In compliance	In compliance
Fairview	In compliance	In compliance	In compliance
Forest Grove	In compliance	In compliance	In compliance
Gladstone	In compliance	In compliance	In compliance
Gresham	In compliance	In compliance	In compliance
Happy Valley	In compliance	In compliance	In compliance
Hillsboro	In compliance	In compliance	In compliance
Johnson City	In compliance	In compliance	In compliance
King City	In compliance	In compliance	In compliance
Lake Oswego	In compliance	In compliance	In compliance
Maywood Park	In compliance	In compliance	In compliance
Milwaukie	In compliance	In compliance	In compliance
Oregon City	In compliance	In compliance	In compliance
Portland	In compliance	In compliance	In compliance
Rivergrove	In compliance	In compliance	In compliance
Sherwood	In compliance	In compliance	In compliance
Tigard	In compliance	In compliance	In compliance
Troutdale	In compliance	In compliance	In compliance
Tualatin	In compliance	In compliance	In compliance
West Linn	In compliance	In compliance	In compliance
Wilsonville	In compliance	In compliance	In compliance
Wood Village	In compliance	In compliance	In compliance
Clackamas County	In compliance	In compliance	In compliance
Multnomah County	In compliance	In compliance	In compliance
Washington County	In compliance	In compliance	In compliance

	<b>Title 3: Water Quality, Flood Management and Fish and Wildlife Conservation</b>		
	Flood Management Performance Standards 3.07.340(A)	Water Quality Performance Standards 3.07.340(B)	Erosion and Sediment Control 3.07.340(C)
Beaverton	In compliance	In compliance	In compliance
Cornelius	In compliance	In compliance	In compliance
Durham	In compliance	In compliance	In compliance
Fairview	In compliance	In compliance	In compliance
Forest Grove	In compliance	In compliance	In compliance
Gladstone	In compliance	In compliance	In compliance
Gresham	In compliance	In compliance	In compliance
Happy Valley	In compliance	In compliance	In compliance
Hillsboro	In compliance	In compliance	In compliance
Johnson City	In compliance	In compliance	In compliance
King City	In compliance	In compliance	In compliance
Lake Oswego	In compliance	<b>In progress</b>	In compliance
Maywood Park	NA	NA	In compliance
Milwaukie	In compliance	In compliance	In compliance
Oregon City	In compliance	In compliance	In compliance
Portland	In compliance	In compliance	In compliance
Rivergrove	In compliance	In compliance	In compliance
Sherwood	In compliance	In compliance	In compliance
Tigard	In compliance	In compliance	In compliance
Troutdale	In compliance	In compliance	In compliance
Tualatin	In compliance	In compliance	In compliance
West Linn	In compliance	<b>In progress</b>	In compliance
Wilsonville	In compliance	In compliance	In compliance
Wood Village	NA	In compliance	In compliance
Clackamas County	In compliance	<b>Exception Requested</b>	In compliance
Multnomah County	In compliance	In compliance	In compliance
Washington County	In compliance	In compliance	In compliance

	<b>Title 4: Industrial and Other Employment Areas</b>		
	Protection of Regionally Significant Industrial Areas* 3.07.420	Protection of Industrial Areas 3.07.430*	Protection of Employment Areas 3.07.440
Beaverton	NA	7/22/07	In compliance
Cornelius	NA	7/22/07	In compliance
Durham	NA	7/22/07	In compliance
Fairview	7/22/07	7/22/07	In compliance
Forest Grove	NA	7/22/07	In compliance
Gladstone	NA	NA	In compliance
Gresham	7/22/07	7/22/07	In compliance
Happy Valley	7/22/07	NA	NA
Hillsboro	7/22/07	7/22/07	In compliance
Johnson City	NA	NA	NA
King City	NA	NA	NA
Lake Oswego	NA	7/22/07	In compliance
Maywood Park	NA	NA	NA
Milwaukie	NA	7/22/07	In compliance
Oregon City	7/22/07	7/22/07	In compliance
Portland	7/22/07	7/22/07	In compliance
Rivergrove	NA	NA	NA
Sherwood	NA	7/22/07	In compliance
Tigard	NA	7/22/07	In compliance
Troutdale	7/22/07	7/22/07	In compliance
Tualatin	7/22/07 <sup>4</sup>	7/22/07	In compliance
West Linn	NA	NA	In compliance
Wilsonville	7/22/07	In compliance	In compliance
Wood Village	NA	7/22/07	In compliance
Clackamas County	7/22/07	7/22/07	In compliance
Multnomah County	NA	7/22/07	In compliance
Washington County	NA	7/22/07	In compliance

\* Compliance dates revised from December 23, 2004 version to reflect two years from date of acknowledgement by LCDC

<sup>4</sup> Area is in unincorporated Washington County but Tualatin has grant to plan for area and area is expected to be annexed to Tualatin

<b>Title 5: Neighbor Cities and Rural Reserves</b>		
	Rural Reserves 3.07.520	Green Corridors 3.07.520
Beaverton	NA	NA
Cornelius	NA	NA
Durham	NA	NA
Fairview	NA	NA
Forest Grove	NA	NA
Gladstone	NA	NA
Gresham	NA	In compliance
Happy Valley	NA	NA
Hillsboro	NA	In compliance
Johnson City	NA	NA
King City	NA	NA
Lake Oswego	NA	NA
Maywood Park	NA	NA
Milwaukie	NA	NA
Oregon City	NA	In compliance
Portland	NA	NA
Rivergrove	NA	NA
Sherwood	NA	In compliance
Tigard	NA	NA
Troutdale	NA	NA
Tualatin	NA	In compliance
West Linn	NA	In compliance
Wilsonville	NA	In compliance
Wood Village	NA	NA
Clackamas County	In compliance	In compliance
Multnomah County	NA	In compliance
Washington County	In compliance	In compliance



<b>Title 6: Central City, Regional Centers, Town Centers and Station Communities</b>				
	Develop a Strategy to Enhance Centers (Due 12/31/2007) 3.07.620	Special Transportation Areas 3.07.630 <sup>5</sup>	Encourage Siting Government Offices in Centers 3.07.640	Reporting on Centers Progress 3.07.650
Beaverton	In compliance	07/07/05	07/07/05	In compliance
Cornelius	NA	NA	NA	NA
Durham	NA	NA	NA	NA
Fairview	12/31/07	07/07/05	07/07/05	In compliance
Forest Grove	12/31/07	07/07/05	07/07/05	In compliance
Gladstone	12/31/07	07/07/05	07/07/05	In compliance
Gresham	12/31/07	07/07/05	07/07/05	<b>In progress</b>
Happy Valley	12/31/07	07/07/05	07/07/05	In compliance
Hillsboro	12/31/07	07/07/05	07/07/05	In compliance
Johnson City	NA	NA	NA	NA
King City	12/31/07	07/07/05	07/07/05	In compliance
Lake Oswego	12/31/07	07/07/05	07/07/05	In compliance
Maywood Park	NA	NA	NA	NA
Milwaukie	12/31/07	07/07/05	07/07/05	In compliance
Oregon City	12/31/07	07/07/05	07/07/05	In compliance
Portland	12/31/07	07/07/05	07/07/05	In compliance
Rivergrove	NA	NA	NA	NA
Sherwood	12/31/07	07/07/05	07/07/05	In compliance
Tigard	12/31/07	07/07/05	07/07/05	In compliance
Troutdale	12/31/07	07/07/05	07/07/05	In compliance
Tualatin	12/31/07	07/07/05	07/07/05	In compliance
West Linn	12/31/07	07/07/05	07/07/05	In compliance
Wilsonville	12/31/07	07/07/05	07/07/05	In compliance
Wood Village	12/31/07	07/07/05	07/07/05	In compliance
Clackamas County	12/31/07	07/07/05	07/07/05	In compliance
Multnomah County	12/31/07	07/07/05	07/07/05	In compliance
Washington County	12/31/07	07/07/05	07/07/05	In compliance

<sup>5</sup> Any city or county that has adopted a Centers Development Strategy (3.07.620) and measures to discourage commercial retail use along state highways outside of centers shall be eligible for designation of a center as a Special Transportation Area. A Special Transportation Area is a designation authorized by the Oregon Transportation Commission for urban street design features on state highways.

<b>Title 7: Affordable Housing</b>								
	<b>Voluntary Goals</b>	<b>15 Strategies Addressed</b>	<b>First Progress Report – 2002</b>		<b>Second Progress Report – 2003</b>		<b>Third Progress Report – 2004</b>	
			<b>Report Received</b>	<b>Consideration by Elected Body</b>	<b>Report Received</b>	<b>Consideration by Elected Body</b>	<b>Report Received</b>	<b>Consideration by Elected Body</b>
Beaverton	Adopted	Completed	Received	No	Received	Yes	Received	Yes
Cornelius								
Durham		Partial	Received	No	Received	Yes	Received	Yes
Fairview		Partial	Received	Yes	Received	Yes	Received	Yes
Forest Grove		Partial	Received	Yes				
Gladstone		Partial	Received	Yes	Received	Yes	Received	Yes
Gresham		Partial	Received	Yes	Received	Yes		
Happy Valley		Partial	Received	Yes				
Hillsboro		Partial	Received	No				
Johnson City								
King City					Received	Yes	Received	Yes
Lake Oswego					Received	Yes	Received	Yes
Maywood Park		Partial	Received	Yes	Received	Yes	Received	Yes
Milwaukie		Partial	Received	Yes				
Oregon City		Partial	Received	Yes	Received	Yes		
Portland	Adopted	Completed	Received	No	Received	Yes	Received	Yes
Rivergrove								
Sherwood								
Tigard		Partial	Received	Yes	Received	Yes		
Troutdale		Partial	Received	Yes	Received	Yes		
Tualatin		Partial	Received	No				
West Linn		Partial	Received	No	Received	No	Received	Yes
Wilsonville		Partial	Received	Yes	Received	Yes		
Wood Village		Partial	Received	No	Received	Yes		
Clackamas County		Partial	Received	No				
Multnomah County	Adopted	Completed	Received	No	Received	No	Received	Yes
Washington County	Adopted	Completed	Received	Yes	Received	Yes	Received	Yes

**APPENDIX B**  
**Summary of Compliance with the Functional Plan**

Functional Plan Title	No. of Applicable Jurisdictions	No. of Jurisdictions in Compliance	Percentage Complete
Title 1 – minimum densities	27	27	100%
Title 1 – partitioning standards	27	27	100%
Title 1 – accessory dwelling units	27	27	100%
Title 1 – map of design types	27	27	100%
Title 1 – capacity analysis	27	26 (analysis completed)	96%
<b>Total Title 1</b>	<b>135</b>	<b>134</b>	<b>99%</b>
Title 2 – minimum/maximum standards	27	27	100%
Title 2 – variance process	27	27	100%
Title 2 – blended ratios	27	27	100%
<b>Total Title 2</b>	<b>81</b>	<b>81</b>	<b>100%</b>
Title 3 – floodplain standards	25	25	100%
Title 3 – water quality standards	26	23	88%
Title 3 – erosion control standards	27	27	100%
<b>Total Title 3</b>	<b>78</b>	<b>75</b>	<b>96%</b>
Title 4 – retail in Industrial Areas	20	20	100%
Title 4 – retail in Employment Areas	22	22	100%
<b>Total Title 4</b>	<b>42</b>	<b>42</b>	<b>100%</b>
Title 5 – rural reserves	2	2	100%
Title 5 – green corridors	10	10	100%
<b>Title 5 - Total</b>	<b>12</b>	<b>12</b>	<b>100%</b>
Title 6 – Centers Development Strategy	22	Due December 2007	
Title 6 – Siting Government Offices	22	Due July 2005	
Title 6 – Reporting on Centers Progress	22	21	95%
<b>Total Title 6</b>	<b>22</b>	<b>21</b>	<b>95%</b>
<b>Total Titles 1-6</b>	<b>370</b>	<b>365</b>	<b>99%</b>
<b>Title 7 – 1st progress report</b>	27 – due January 31, 2002	21 (received)	78%
<b>Title 7 – 2nd progress report</b>	27 – due December 31, 2003	17 (received)	63%
<b>Title 7 – 3rd progress report</b>	27 – due June 30, 2004	12 (received)	44%
<b>Total Title 7</b>	<b>81</b>	<b>50</b>	<b>62%</b>

**APPENDIX C:  
COMPLIANCE DATES FOR THE  
URBAN GROWTH MANAGEMENT FUNCTIONAL PLAN**

Functional Plan Requirement	When Local Decisions Must Comply		
	Plan/Code Amendment 3.07.810(D) <sup>6</sup>	Land Use Decision 3.07.810(E) <sup>7</sup>	Adoption 3.07.810(B) <sup>8</sup>
<b>Title 1:</b> Determine capacity for housing and jobs (3.07.120.A)			12/08/02
<b>Title 1:</b> Report changes to jobs/housing capacity annually (3.07.120.D)			07/07/05 and 4/15 each subsequent year
<b>Title 1:</b> Map design types (3.07.130)	12/08/00	12/08/01	12/08/02
<b>Title 1:</b> Adopt minimum density (3.07.140.A)	12/08/00	12/08/01	12/08/02
<b>Title 1:</b> No prohibition to partition lots twice the minimum size (3.07.140.B)	12/08/00	12/08/01	12/08/02
<b>Title 1:</b> Allow accessory dwelling unit in SFD (3.07.140.C)	12/08/00	12/08/01	12/08/02
<b>Title 1:</b> Allow accessory dwelling unit in attached SFD in Centers and Stations (3.07.140.C)	07/07/03	07/07/04	07/07/05
<b>Title 1:</b> Report density of residential development (3.07.140.D)			07/07/05
<b>Title 2:</b> Parking minimum and maximum standards (3.07.220.A.1)	01/07/98	01/07/99	01/07/00
<b>Title 2:</b> Adopt maximum parking standards (3.07.220.A.2)	01/07/98	01/07/99	01/07/00
<b>Title 2:</b> Adopt blended parking ratios in mixed-use areas (3.07.220.B)	01/07/98	01/07/99	01/07/00
<b>Title 2:</b> Establish a variance process (3.07.220.A.3)	01/07/98		01/07/00
<b>Title 2:</b> Monitor and report parking data annually (3.07.220.D)	01/07/98		01/07/00 and each subsequent year

<sup>6</sup> A city or county that amends its plan to deal with the subject of a Functional Plan requirement any time after the effective date of the requirement (the date noted) must ensure that the amendment complies with the Functional Plan

<sup>7</sup> A city or county that has not yet amended its plan to comply with a Functional Plan requirement must, following one year after acknowledgement of the requirement (the date noted), apply the requirement directly to land use decisions

<sup>8</sup> Cities and counties must amend their plans to comply with a new Functional Plan requirement within two years after acknowledgement of the requirement (the date noted)

Functional Plan Requirement	When Local Decisions Must Comply		
	Plan/Code Amendment 3.07.810(D) <sup>6</sup>	Land Use Decision 3.07.810(E) <sup>7</sup>	Adoption 3.07.810(B) <sup>8</sup>
<b>Title 3:</b> Adopt model or equivalent and map or equivalent (3.07.330.A)	12/08/00)	12/08/01	12/08/02
<b>Title 3:</b> Floodplain management performance standards (3.07.340.A)	12/08/00	12/08/01	12/08/02
<b>Title 3:</b> Water quality performance standards (3.07.340.B)	12/08/00	12/08/01	12/08/02
<b>Title 3:</b> Erosion control performance standards (3.07.340.C)	12/08/00	12/08/01	12/08/02
<b>Title 3:</b> Fish and wildlife habitat Conservation (3.07.350)			
<b>Title 4:</b> Map RSIA's in new UGB additions (3.07.420.A)	07/22/05	07/22/06	07/22/07
<b>Title 4:</b> Map RSIA's in pre-expansion UGB (3.07.430.B)	07/22/05	07/22/06	07/22/07
<b>Title 4:</b> Limit uses in Regionally Significant Industrial Areas (3.07.420)	07/22/05	07/22/06	07/22/07
<b>Title 4:</b> Limit retail uses in Industrial Areas (3.07.430)	07/22/05	07/22/06	07/22/07
<b>Title 4:</b> Limit retail uses in Employment Areas (3.07.440)	07/07/03	07/07/04	07/07/05
<b>Title 5:</b> Rural reserves (3.07.520)	01/07/98		01/07/00
<b>Title 5:</b> Green corridors (3.07.520)	01/07/98		01/07/00
<b>Title 6:</b> Develop a strategy for each Center (3.07.620)			12/31/07

<sup>6</sup> A city or county that amends its plan to deal with the subject of a Functional Plan requirement any time after the effective date of the requirement (the date noted) must ensure that the amendment complies with the Functional Plan

<sup>7</sup> A city or county that has not yet amended its plan to comply with a Functional Plan requirement must, following one year after acknowledgement of the requirement (the date noted), apply the requirement directly to land use decisions

<sup>8</sup> Cities and counties must amend their plans to comply with a new Functional Plan requirement within two years after acknowledgement of the requirement (the date noted)

Functional Plan Requirement	When Local Decisions Must Comply		
	Plan/Code Amendment 3.07.810(D) <sup>6</sup>	Land Use Decision 3.07.810(E) <sup>7</sup>	Adoption 3.07.810(B) <sup>8</sup>
<b>Title 6:</b> Address barriers to siting government offices in centers (3.07.640)			Based on Center Development Strategy
<b>Title 6:</b> Require demonstration that government offices cannot be located in Centers (3.07.640.B)	07/07/03	07/07/04	07/07/05
<b>Title 6:</b> Reporting on progress biennially (3.07.650)			4/15/04 and every two years
<b>Title 7:</b> Consider specific tools and strategies (3.07.730.B, 3.07.760)	12/31/03	12/31/03	
<b>Title 7:</b> Adopt strategies and measures to increase housing opportunities (3.07.730.A)			06/30/04
<b>Title 8:</b> Compliance procedures	02/14/03		
<b>Title 9:</b> Performance Measures			
<b>Title 10:</b> Definitions	12/08/00	12/08/01	12/08/02
<b>Title 11:</b> Set interim protection for areas brought into the UGB (3.07.1110)	12/08/00	12/08/01	12/08/02
<b>Title 11:</b> Prepare a comprehensive plan and zoning provisions for territory added to the UGB (3.07.1120)	12/08/00		Metro sets date as condition
<b>Title 12:</b> Establish level of service standards for parks (3.07.1240.A)			2 years after Parks Functional Plan Adopted
<b>Title 12:</b> Provide access to parks by walking, bicycling, transit (3.07.1240B)			07/07/05

<sup>6</sup> A city or county that amends its plan to deal with the subject of a Functional Plan requirement any time after the effective date of the requirement (the date noted) must ensure that the amendment complies with the Functional Plan

<sup>7</sup> A city or county that has not yet amended its plan to comply with a Functional Plan requirement must, following one year after acknowledgement of the requirement (the date noted) apply the requirement directly to land use decisions

<sup>8</sup> Cities and counties must amend their plans to comply with a new Functional Plan requirement within two years after acknowledgement of the requirement (the date noted)

### APPENDIX D

#### Outstanding Compliance Elements

	Title 1	Title 2	Title 3	Title 4	Title 5	Title 6	Title 7
Beaverton							
Cornelius							See Title 7 section
Durham							See Title 7 section
Fairview							See Title 7 section
Forest Grove							See Title 7 section
Gladstone							See Title 7 section
Gresham						Centers progress report	See Title 7 section
Happy Valley							See Title 7 section
Hillsboro							See Title 7 section
Johnson City							See Title 7 section
King City							See Title 7 section
Lake Oswego			Water quality				See Title 7 section
Maywood Park							See Title 7 section
Milwaukie							See Title 7 section
Oregon City							See Title 7 section
Portland							
Rivergrove							See Title 7 section
Sherwood							See Title 7 section
Tigard							See Title 7 section
Troutdale							See Title 7 section
Tualatin							See Title 7 section
West Linn			Water quality				See Title 7 section
Wilsonville	Capacity Analysis						See Title 7 section
Wood Village							See Title 7 section
Clackamas County			Exception Requested				See Title 7 section
Multnomah County							
Washington County							

## **Attachment 1**

# **Title 7 (Affordable Housing) Component of the 2004 Annual Compliance Report of the Urban Growth management Functional Plan**



**METRO**

December 14, 2004

*[Revised September 26, 2005]*

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## **SUMMARY OF 2004 COMPLIANCE OF METRO URBAN GROWTH MANAGEMENT FUNCTIONAL PLAN TITLE 7 (AFFORDABLE HOUSING)**

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### **BEAVERTON**

Metro received Beaverton's third year report in August 2004. A first year (2002) report was received in November 2002, and a second year (2003) report in December 2003.

- A. **Metro Code 3.07.720:** *Each city or county should adopt the Voluntary Affordable Housing Production Goals as a guide to measure progress towards meeting the affordable housing needs of households with incomes between 0% and 50% of the regional median family income.*

The City adopted the voluntary affordable housing production goal (656 units) in its Comprehensive Plan in 2001. The City's 2004 Title 7 compliance report states that this requirement has been met.

- B. **Metro Code 3.07.730.A:** *Cities and counties shall ensure that their comprehensive plan and implementing ordinances address: 1) diversity; 2) maintaining the existing supply of affordable housing and increasing new dispersed affordable housing; and 3) increasing affordable housing opportunities for household of all income levels.*  
(See Metro Functional Plan Title 7 for more details on these three policies)

Beaverton reports that section 4.2.2 of the City's Comprehensive Plan titled "Availability of Housing Types" addresses the issue of diversity. The report states, that the City adopted a goal to "Provide an adequate variety of quality housing types to serve Beaverton's citizenry" in addition to other policies and action statements that would "advance the City toward achieving that goal" including reducing restrictions that "discourage the development of innovative housing types such as co-housing and halfway houses which were not previously addressed."

The City's report states that Goal 4.2.3.1 of the Comprehensive Plan, "Promote the retention of existing affordable housing stock in the City" satisfies the Metro requirement to address maintaining the existing supply of affordable housing.

Lastly, the report states that, "through the process of considering and adopting amendments to its comprehensive plan to increase the supply of affordable housing, in compliance with Title 7, it has increased opportunities for households of all income levels to live within their individual jurisdiction in affordable housing."

Metro staff finds that the City of Beaverton Comprehensive Plan contains adequately addresses these requirements.

- C. **Metro Code 3.07.730.B:** *Cities and counties shall consider amendment of their comprehensive plan and implementing ordinances with the following affordable housing land use tools and strategies: 1) density bonus; 2) replacement housing; 3) inclusionary housing; 4) transfer of development rights; 5) elderly and people with disabilities; 6) local regulatory*

*constraints – discrepancies in planning and zoning codes, and local permitting or approval process; and 7) parking.*

(See Metro Functional Plan Title 7 for more details on these seven tools and strategies)

Metro’s previous compliance summary reported that Beaverton had adopted two of the Title 7 strategies prior to January 2001 but that they other five strategies had not been completely addressed. The City’s final report updates the City’s process in considering these land use tools and strategies. The City’s recent efforts include preparation of a detailed analysis of each strategy (including information on the tool’s use in other jurisdictions) and discussing the application of each tool to Beaverton.

<i>Land use strategy (Metro Code)</i>	<i>Jurisdiction Action</i>
Density bonus	Adopted with the following intent. The City states that it has amended its Comprehensive Plan to explore “various tools to encourage the development of affordable housing” and to “consider implementing a density bonus or density credit program”. The City’s third year report ranks this strategy as a “high priority” for the City.
Replacement housing	Adopted with the following intent. The City amended its Comprehensive Plan to “consider future implementation of a residential demolition delay policy targeted for residentially zoned properties where redevelopment of the property could result in the loss of affordable units.” The City’s third year report ranks this strategy as a “low priority” for the City.
Inclusionary housing	Adopted with the following intent. The City amended its Comprehensive Plan to “Explore implementing a voluntary inclusionary housing program to be used in combination with various affordable housing incentives.” The City’s third year report ranks voluntary inclusionary housing as a “low priority” for the City.
Transfer development rights	Declined to adopt. City decision is based on interview of stakeholders and preference to pursue other tools.
Elderly and people with disabilities	In use prior to January 2001. In addition, the City has adopted into its Comprehensive Plan to “consider comments received from developers of affordable senior and disabled housing when considering amendments to the City’s Development Code in order to minimize impediments to such projects’ and to “assist housing developers in determining market demand for low income, elderly and special needs housing in the City and identify specific buildable parcels for affordable housing to serve these populations.” The

	City's third year report lists this strategy as a "high priority" for the City.
Local regulatory constraints	New tools added to those in use prior to 2001. Metro's 2003 compliance review found that this tool was in partial use prior to January 2001. Beaverton's 2004 report states that their Comprehensive Plan has been amended to include four additional action items that include assigning a single staff member to serve as a contact to developers in order to better coordinate and review affordable housing projects.
Parking	Adopted with the following intent. The City amended its Comprehensive Plan to "consider refining and clarifying criteria for approving alternative parking requirements to reduce the cost of providing parking for affordable housing projects." The City's third year report ranks voluntary inclusionary housing as a "low priority" for the City.

**D. Metro Code 3.07.760:** *Local jurisdictions are encouraged to consider implementation of the following affordable housing tools and strategies: 1) replacement housing resulting from urban renewal; 2) inclusionary housing in urban renewal districts; 3) fee waivers or funding incentives; 4) promotion of affordable housing for incomes 50% to 120% of the regional median household income (RMHI); and 5) joint coordination or action to meet the affordable housing production goals.*

(See Metro Functional Plan Title 7 for more details on these five tools and strategies)

<i>Other affordable housing strategies (Metro Code)</i>	<i>Jurisdiction Action</i>
Replacement housing resulting from urban renewal	Declined to adopt with following reason. The City's 2004 report states that, " <u>no urban renewal area exists in the City</u> " and "under the City's charter, to establish such a program would require voter approval" and since this action is "not likely to occur in the near future, the City did not consider this tool."
Inclusionary housing in urban renewal districts	Declined to adopt with following reason. (See City comment on replacement housing in urban renewal.)
Fee waivers or funding incentives	New tools added to those in use prior to 2001. Metro's 2003 compliance review found that this tool was use prior to January 2001. However, the City's 2004 report states that further consideration of this tool by the City has "revealed that the City Council is willing to commit to a loan program for development fees through administrative approval" and has adopted an action statement into the

	Comprehensive Plan to “Establish a revolving loan program to assist affordable housing developers with system development charges, development review and permit fees.” The City’s third year report ranks voluntary inclusionary housing as a “low priority” for the City.
Efforts promoting affordable housing for other income groups (50% to 120% of the regional median household income)	In use prior to January 2001. The City’s 2004 report specifically mentions administering a HOME funded rehabilitation program since 1996 and “a variety of service organizations and capital improvement projects which may benefit populations within the 50% to 120% range.”
Joint coordination or action	In use prior to January 2001.

**E. Metro Code 3.07.740.C:** *By June 30, 2004, each city and county within the Metro region shall report to Metro on the outcome of the amendments to its comprehensive plan and implementing ordinances pending at the time of submittal of the report described in subsection B of this section and on the public response, if any, to any implementation adopted by the city of county to increase the community’s affordable housing, including but not limited to the tools and strategies in subsection 3.07.730B.*

*i) 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.*

The City report states, “although a majority of the tools and strategies described in this report have only recently been converted into Comprehensive Plan policies and action statements, many have been used in the City for some time. Over the past years for example, the City has directed various resources toward several affordable housing projects.”

The City’s report included the following table.

<b>Project</b>	<b># of units</b>	<b>Income Served</b>	<b>Population Served</b>	<b>Tools and Strategies</b>
The Bridge in Beaverton	12	0-60% MHI	Developmentally Disabled Adults	Fee Waiver, Land Banking, Admin Support, HOME, HUD 811, and CDBG Funding
Downtown Mixed-Use Housing	66	0-60% MHI	Seniors	Home Funding and Administrative Support
Merlo Station Affordable Housing	84	0-60% MHI	Mix of Families and Singles	Administrative Support
Community Housing Trust Fund	----	Undetermined	Undetermined	\$100,000 Contribution Budgeted

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

The City report states that it has partnered with Tualatin Valley Housing Partners and the Bridge Housing Corporation. The City report states that staff have recently received project related inquiries and service requests from several other groups, and have contributed administrative support in many cases. It was for this reason that the City decided to broaden the Comprehensive Plan language pertaining to affordable housing related partnerships to formally include these parties. In the meantime, staff continues to informally provide support to the following organizations.

- Tualatin Valley Housing Partners
- The Bridge Housing Corporation
- The Housing Development Corporation
- Community Partners for Affordable Housing
- Habitat for Humanity
- The Housing Advocacy Group

iii) *Pending amendments to the comprehensive plan and implementing ordinances.*

The City report states, “No additional amendments to the City’s Comprehensive Plan and implementing ordinances are pending at this time. As staff proceeds with the program development phase of the Title 7 implementation process, the need for further amendments may become apparent; however, such actions are not currently anticipated.”

iv) *Public response to code changes.*

The City report states that it received “a number of informal comments from the public” regarding shortage of housing for low income families, especially housing for families earning less than 30% of the regional medial income. The public also gave testimony to support increased funding for housing and suggested real estate tax as a funding source.

**F. Metro Code 3.07.730.B: Compliance with amendment of comprehensive plan and implementing ordinances with affordable housing land use tools and strategies is achieved when the governing body of a city or county considers each tool or strategy.**

The Beaverton City Council adopted Ordinance #4319 on August 2004, which amended the city’s Comprehensive Plan to include policies, action statements and the related text that appear in the City’s 2004 compliance report to Metro.

**G. Local initiatives not required or encouraged by Title 7.**

Beaverton’s 2003 report listed several tools and strategies currently in use or existing in the form of action statements within the City’s comprehensive plan: 1) use of federal funds to assist community housing development organizations; 2) housing rehabilitation with federal funds; 3) supporting infrastructure development for existing affordable housing with federal funds; 4) provision that permits accessory dwelling units (required by Title 1 of the Functional Plan) that typically consist of smaller affordable housing units; 5) provision of

manufactured housing in all zones that allow single family housing; 6) public education strategy for affordable housing; 7) land banking for affordable housing.

The 2003 report also listed a number of additional strategies the City is considering including in its comprehensive plan. These included affordable housing public education, supporting the Washington County Trust Fund, supporting the Real Estate Transfer tax, participation in a county-wide employer assisted housing program.

Beaverton's 2004 report states that the City Council adopted several Comprehensive Plan policy and action statements (including strategies that are a "high priority" for the City) to implement other local initiatives, not required by Title 7, including the following.

- Public Education efforts
- Revolving fund for deferral of payment or permitting or development fees
- Tax abatements
- Land banking and assembly
- Housing trust fund (partnering with Washington County)
- Long-term affordability requirements
- Non-profit organization partnerships including faith-based organizations
- Employer assisted housing

*H. Other information provided.*

Beaverton's first-year compliance report stated that it was the City's intention to conduct research on the cost/benefit aspects of local regulatory constraints, and to report this information to Metro in its second-year and third-year report. However, Beaverton's 2004 report states the City chose to first hire a consultant to conduct an impartial analysis of the potential tools and strategies. Based on the results of this project, the 2004 report states:

"the City chose to adopt a project methodology based upon consensus and ranking of alternatives. Although cost/benefit was a factor in the ranking process, other criteria such as ability to leverage other resources, consistency with existing policy, administrative complexity, political feasibility, and ability to implement in the short-term were also considered."

Outstanding Items:

The City has met all Title 7 requirements.

## **SUMMARY OF 2004 COMPLIANCE OF METRO URBAN GROWTH MANAGEMENT FUNCTIONAL PLAN TITLE 7 (AFFORDABLE HOUSING)**

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### **CORNELIUS**

The City has not submitted the 2002, 2003 and 2004 reports to address the following requirements in the Metro Functional Plan Title 7.

- A. **Metro Code 3.07.720:** *Each city or county should adopt the Voluntary Affordable Housing Production Goals as a guide to measure progress towards meeting the affordable housing needs of households with incomes between 0% and 50% of the regional median family income.*
- B. **Metro Code 3.07.730.A:** *Cities and counties shall ensure that their comprehensive plan and implementing ordinances address: 1) diversity; 2) maintaining the existing supply of affordable housing and increasing new dispersed affordable housing; and 3) increasing affordable housing opportunities for household of all income levels.*  
(See Metro Functional Plan Title 7 for more details on these three policies)
- C. **Metro Code 3.07.730.B:** *Cities and counties shall consider amendment of their comprehensive plan and implementing ordinances with the following affordable housing land use tools and strategies: 1) density bonus; 2) replacement housing; 3) inclusionary housing; 4) transfer of development rights; 5) elderly and people with disabilities; 6) local regulatory constraints – discrepancies in planning and zoning codes, and local permitting or approval process; and 7) parking.*  
(See Metro Functional Plan Title 7 for more details on these seven tools and strategies)
- D. **Metro Code 3.07.760.B:** *Local jurisdictions are encouraged to consider implementation of the following affordable housing tools and strategies: 1) replacement housing resulting from urban renewal; 2) inclusionary housing in urban renewal districts; 3) fee waivers or funding incentives; 4) promotion of affordable housing for incomes 50% to 120% of the regional median household income (RMHI); and 5) joint coordination or action to meet the affordable housing production goals.*  
(See Metro Functional Plan Title 7 for more details on these five tools and strategies)
- E. **Metro Code 3.07.730.C:** *By June 30, 2004, each city and county within the Metro region shall report to Metro on the outcome of the amendments to its comprehensive plan and implementing ordinances pending at the time of submittal of the report described in subsection B of this section and on the public response, if any, to any implementation adopted by the city of county to increase the community's affordable housing, including but not limited to the tools and strategies in subsection 3.07.730B.*
- i) *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.*
  - ii) *Partnerships that were created between the city and affordable housing developers (non-profit developers and private sector developers)*
  - iii) *Pending amendments to the comprehensive plan and implementing ordinances.*
  - iv) *Public response to code changes.*

*F. **Metro Code 3.07.730:** Compliance with amendment of comprehensive plan and implementing ordinances with affordable housing land use tools and strategies is achieved when the governing body of a city or county considers each tool or strategy.*

Outstanding Items:

1. All of the above requirements are yet to be addressed.
2. Specific third-year reporting requirements (Metro Code 3.07.740.C).



**SUMMARY OF 2004 COMPLIANCE OF METRO URBAN GROWTH MANAGEMENT FUNCTIONAL PLAN TITLE 7 (AFFORDABLE HOUSING)**

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**DURHAM**

The City's first year (2002) report was received in January 2003, and the second year (2003) report was received in March 2004. The third year report was received in July 2004.

- A. **Metro Code 3.07.720:** *Each city or county should adopt the Voluntary Affordable Housing Production Goals as a guide to measure progress towards meeting the affordable housing needs of households with incomes between 0% and 50% of the regional median family income.*

The 2004 report states that the City is declining to adopt the voluntary affordable housing production goals. The reported rationale for this decision is "a substantial portion of the City's housing stock presently serves low income families", including an existing 210-unit apartment complex located in South Durham, "already surpasses the quantitative goal of meeting the housing needs of households with incomes between zero and 50 percent of median household income within Durham's jurisdiction."

- B. **Metro Code 3.07.730.A:** *Cities and counties shall ensure that their comprehensive plan and implementing ordinances address: 1) diversity; 2) maintaining the existing supply of affordable housing and increasing new dispersed affordable housing; and 3) increasing affordable housing opportunities for household of all income levels.*  
 (See Metro Functional Plan Title 7 for more details on these three policies)

The City currently implements measures to increase affordable housing opportunities for households of all income levels. However, the report stated that the City initiated discussion in 2003 of potential changes to its comprehensive plan and implementing code to ensure inclusion of the above three strategies.

- C. **Metro Code 3.07.730.B:** *Cities and counties shall consider amendment of their comprehensive plan and implementing ordinances with the following affordable housing land use tools and strategies: 1) density bonus; 2) replacement housing; 3) inclusionary housing; 4) transfer of development rights; 5) elderly and people with disabilities; 6) local regulatory constraints – discrepancies in planning and zoning codes, and local permitting or approval process; and 7) parking.*  
 (See Metro Functional Plan Title 7 for more details on these seven tools and strategies)

<i>Land use strategy (Metro Code)</i>	<i>Jurisdiction Action</i>
Density bonus	Declined to adopt. The 2004 report states "the City lacks sufficient resources to provide the staff time and capability that would be necessary for the administration and monitoring requirements of the density bonus tool."
Replacement housing	In use prior to January 2001.
Inclusionary housing	Declined to adopt.

	The City's report states that it lacks staff and resources to develop and implement this strategy. The report also states that the city has "adopted a plan policy criterion for considering the impacts on affordable housing of a zone change."
Transfer development rights	Declined to adopt. The City declined to adopt this strategy because of a lack of resources and due to "the small amount of vacant residential land (less than 40 acres)" in Durham. Additionally, the report states, "Durham does not have a Main Street or Town Center, so there would be no up-zoning for implementing a TDR program in these areas."
Elderly and people with disabilities	In use prior to January 2001
Local regulatory constraints	Declined to adopt. The City reports having refined the permitting process in the past to "promote qualitative development and not impose undue burden for obtaining affordable housing approval." However, the report states that the City lacks the resources to implement this strategy as outlined in Title 7.
Parking	Declined to adopt. The City reports that it has adopted Title 2 parking requirements but lacks the staff and resources to adopt this strategy as outlined in Title 7.

**D. Metro Code 3.07.760.B:** Local jurisdictions are encouraged to consider implementation of the following affordable housing tools and strategies: 1) replacement housing resulting from urban renewal; 2) inclusionary housing in urban renewal districts; 3) fee waivers or funding incentives; 4) promotion of affordable housing for incomes 50% to 120% of the regional median household income (RMHI)  
(See Metro Functional Plan Title 7 for more details on these five tools and strategies)

<i>Other affordable housing strategies (Metro Code)</i>	<i>Jurisdiction Action</i>
Replacement housing resulting from urban renewal	Declined to adopt because it is impractical to implement in the city (due to lack of urban renewal zones)
Inclusionary housing in urban renewal districts	Declined to adopt because it is impractical to implement in the city (due to lack of urban renewal zones)
Fee waivers or funding incentives	Declined to adopt. The rational (in the 2003 report) is potential conflict with contractual agreements for services provided by other agencies for the city. The 2004 report sites a lack of resources.
Efforts promoting affordable housing for other	Declined to adopt.

income groups (50% to 120% of the regional median household income)	The 2003 report states “it is impractical to implement in the City” however the 2004 report states that “the City will continue to promote housing affordable to all citizens in the Durham community, including households with incomes 50% to 80% to 120% of regional median household income.”
Joint coordination or action	Declined to adopt. The 2003 report states it is impractical to implement in the City, however the 2004 report states “should the opportunity arise, the City would consider coordinating or taking action that would result in the production of additional affordable housing units in Durham.”

**E. Metro Code 3.07.730.C:** *By June 30, 2004, each city and county within the Metro region shall report to Metro on the outcome of the amendments to its comprehensive plan and implementing ordinances pending at the time of submittal of the report described in subsection B of this section and on the public response, if any, to any implementation adopted by the city or county to increase the community’s affordable housing, including but not limited to the tools and strategies in subsection 3.07.730B.*

- i) 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.*
- ii) Partnerships that were created between the city and affordable housing developers (non-profit developers and private sector developers)*
- iii) Pending amendments to the comprehensive plan and implementing ordinances.*
- iv) Public response to code changes.*

The above requirements were not addressed in the City’s report.

**F. Metro Code 3.07.730:** *Compliance with amendment of comprehensive plan and implementing ordinances with affordable housing land use tools and strategies is achieved when the governing body of a city or county considers each tool or strategy.*

The report was reviewed and approved by the City Council on June 22, 2004.

**Outstanding Items:**

1. Ensuring that the City’s comprehensive plan and implementing ordinances include diversity strategies and measures to maintain the existing supply of affordable housing and increase dispersion of affordable housing. (Metro Code 3.07.730.A)
2. Specific third-year reporting requirements (Metro Code 3.07.740.C).

**SUMMARY OF 2004 COMPLIANCE OF METRO URBAN GROWTH MANAGEMENT FUNCTIONAL PLAN TITLE 7 (AFFORDABLE HOUSING)**

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**FAIRVIEW**

Metro received a single report in July 2003 that was intended to serve as the City's first (2002) and second (2003) year reports. Metro received the City's third-year report on June 23, 2004.

- A. **Metro Code 3.07.720:** *Each city or county should adopt the Voluntary Affordable Housing Production Goals as a guide to measure progress towards meeting the affordable housing needs of households with incomes between 0% and 50% of the regional median family income.*

The City declined to adopt the voluntary goal in their 2002/2003 report. The report stated that the City's current affordable housing stock is adequate to address their community's affordable housing needs. The report also stated, "the City does not believe additional incentives to attract more affordable housing is necessary or appropriate."

- B. **Metro Code 3.07.730.A:** *Cities and counties shall ensure that their comprehensive plan and implementing ordinances address: 1) diversity; 2) maintaining the existing supply of affordable housing and increasing new dispersed affordable housing; and 3) increasing affordable housing opportunities for household of all income levels.*  
(See Metro Functional Plan Title 7 for more details on these three policies)

The City currently has policies to implement the three strategies. The 2002/2003 report and the 2004 report cited section of the comprehensive plan addressing provision of these strategies.

- C. **Metro Code 3.07.730.B:** *Cities and counties shall consider amendment of their comprehensive plan and implementing ordinances with the following affordable housing land use tools and strategies: 1) density bonus; 2) replacement housing; 3) inclusionary housing; 4) transfer of development rights; 5) elderly and people with disabilities; 6) local regulatory constraints – discrepancies in planning and zoning codes, and local permitting or approval process; and 7) parking.*  
(See Metro Functional Plan Title 7 for more details on these seven tools and strategies)

<i>Land use strategy (Metro Code)</i>	<i>Jurisdiction Action</i>
Density bonus	In use prior to January 2001
Replacement housing	Declined to adopt. The City's 2004 report states, "No-net-loss is not an issue in a community that is a "build out" as there is no housing to lose through plan amendments, unless redevelopment is proposed."
Inclusionary housing	Declined to adopt due to limited tax base and demand on general fund will create undue hardship.
Transfer development rights	Declined to adopt because existing land is either already developed or being developed and/or zoned.
Elderly and people with	In use prior to January 2001

disabilities	
Local regulatory constraints	Declined to adopt The 2004 report states “Fairview’s affordable housing is already in-place and the remainder of the city is substantially built out,” deemed the title 7 measures “unnecessary” to implement.
Parking	Declined to adopt. The City reports being in compliance with Metro’s Title 2 parking standards. However, there is no direct mention of parking regulations specifically intended to increase affordable housing opportunities as outlined in Metro Code 3.07.730.B. The City’s 2004 report states “further authority is unwarranted.”

**D. Metro Code 3.07.760.B:** *Local jurisdictions are encouraged to consider implementation of the following affordable housing tools and strategies: 1) replacement housing resulting from urban renewal; 2) inclusionary housing in urban renewal districts; 3) fee waivers or funding incentives; 4) promotion of affordable housing for incomes 50% to 120% of the regional median household income (RMHI); and 5) joint coordination or action to meet the affordable housing production goals.*

(See Metro Functional Plan Title 7 for more details on these five tools and strategies)

<i>Other affordable housing strategies (Metro Code)</i>	<i>Jurisdiction Action</i>
Replacement housing resulting from urban renewal	Declined as a strategy (see above). The 2004 report states that Fairview has no urban renewal zones.
Inclusionary housing in urban renewal districts	Declined as a land use strategy (per reasons in previous section regarding inclusionary housing).
Fee waivers or funding incentives	Declined to implement due to due to contractual agreements for building inspection services provided by another city (Troutdale).
Efforts promoting affordable housing for other income groups (50% to 120% of the regional median household income)	Declined due to “build-out” condition.
Joint coordination or action	The City’s report states, “the City would be happy to discuss such collaboration if requested”.

**E. Metro Code 3.07.730.C:** *By June 30, 2004, each city and county within the Metro region shall report to Metro on the outcome of the amendments to its comprehensive plan and implementing ordinances pending at the time of submittal of the report described in subsection B of this section and on the public response, if any, to any implementation adopted by the city of county to increase the community’s affordable housing, including but not limited to the tools and strategies in subsection 3.07.730B.*

- i) *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.*

The City report states “while no housing projects were initiated the City has been successful in creating information and enforcement programs that has enhanced and maintained existing affordable housing in Old Town.

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

The report states “because of the lack of vacant residentially zoned land there has been no opportunity for partnerships with affordable housing developers. In the past the City has used its master planning ability to produce more affordable housing in such areas as Lake Side Estates and to a lesser extent Fairview Village.”

- iii) *Pending amendments to the comprehensive plan and implementing ordinances.*

There are “no pending amendments pertinent to this topic area proposed” as reported by the City.

- iv) *Public response to code changes.*

This requirement was not addressed.

**F. *Metro Code 3.07.730: Compliance with amendment of comprehensive plan and implementing ordinances with affordable housing land use tools and strategies is achieved when the governing body of a city or county considers each tool or strategy.***

The report was sent to Metro with a cover letter signed by the mayor and stated that the attached report reflects the views of the Fairview City Council.

**G. *Local initiatives not required or encouraged by Title 7.***

The City's 2002/2003 report states that the City has several local tools that contribute to housing affordability. These include encouraging multi-family housing development along Sandy Blvd., Halsey St, 201<sup>st</sup> Ave., and Fairview Ave., south of Halsey St. The City also participates in the Housing Opportunities Plan (HOP) for the Portland region and permits manufactured homes on individual lots in designated residential zones subject to site development standards. Manufactured homes are also a permitted use in designated residential zones.

**H. *Other information provided.***

The City reports that 59% of their current housing stock consists of manufactured homes, apartments, duplexes and townhouses. Their 2002/2003 report states, “The City Council believes it is counterproductive and unnecessary to modify current housing policies that already provide for a wide range of housing types and tenures.”

**Outstanding Items:**

1. One section (public response) of the specific third-year reporting requirements (Metro Code 3.07.740.C).

**SUMMARY OF 2004 COMPLIANCE OF METRO URBAN GROWTH MANAGEMENT FUNCTIONAL PLAN TITLE 7 (AFFORDABLE HOUSING)**

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**FOREST GROVE**

The second (2003) and third year (2004) reports were not received by Metro. The City's first year (2002) report was received by Metro in March 2003.

- A. **Metro Code 3.07.720:** *Each city or county should adopt the Voluntary Affordable Housing Production Goals as a guide to measure progress towards meeting the affordable housing needs of households with incomes between 0% and 50% of the regional median family income.*

The City declined to adopt the voluntary goal. However, the report states that the city supports the regional goal of providing affordable housing but declined to adopt the voluntary affordable housing production goal in Title 7 because of the following reasons: a) lack of control over land cost, funding sources, tax credit and development impact fees; b) City does not build affordable housing; c) City is not a Community Development Block Grant (CBDG) entitlement community; and d) City is concerned that the "voluntary" goal could turn into a requirement in the near future, similar to affordable housing requirements in California.

- B. **Metro Code 3.07.730.A:** *Cities and counties shall ensure that their comprehensive plan and implementing ordinances address: 1) diversity; 2) maintaining the existing supply of affordable housing and increasing new dispersed affordable housing; and 3) increasing affordable housing opportunities for household of all income levels.*

(See Metro Functional Plan Title 7 for more details on these three policies)

The City currently implements most elements of the three strategies. The report stated that the City comprehensive plan and zoning ordinances contain goals, policies and standards that encourage and ensure diverse range of housing, avoid shortages and adverse impact on price, rent and choice of housing, encourage rehabilitation of substandard housing, provision of good quality housing for all segments of the City's population, including but not limited to people of all incomes, race, family size, etc. The report did not address the City's efforts related to dispersal of affordable housing.

- C. **Metro Code 3.07.730.B:** *Cities and counties shall consider amendment of their comprehensive plan and implementing ordinances with the following affordable housing land use tools and strategies: 1) density bonus; 2) replacement housing; 3) inclusionary housing; 4) transfer of development rights; 5) elderly and people with disabilities; 6) local regulatory constraints – discrepancies in planning and zoning codes, and local permitting or approval process; and 7) parking.*

(See Metro Functional Plan Title 7 for more details on these seven tools and strategies)

<i>Land use strategy (Metro Code)</i>	<i>Jurisdiction Action</i>
Density bonus	Discussed but no action taken
Replacement housing	Declined to adopt because the city has an ample supply of affordable housing units.
Inclusionary housing	Discussed but no action taken

Transfer development rights	Declined to adopt due to existing high multifamily residential density that would not encourage affordable housing production.
Elderly and people with disabilities	In use prior to January 2001 (Title 7)
Local regulatory constraints	Discussed but no action taken. The report stated that the City has a streamlined permitting process, which results in a quick turn-around for residential projects, and that a special process for affordable housing is not needed.
Parking	Not addressed in the report

**D. Metro Code 3.07.760.B:** Local jurisdictions are encouraged to consider implementation of the following affordable housing tools and strategies: 1) replacement housing resulting from urban renewal; 2) inclusionary housing in urban renewal districts; 3) fee waivers or funding incentives; 4) promotion of affordable housing for incomes 50% to 120% of the regional median household income (RMHI); and 5) joint coordination or action to meet the affordable housing production goals.

(See Metro Functional Plan Title 7 for more details on these five tools and strategies)

<i>Other affordable housing strategies (Metro Code)</i>	<i>Jurisdiction Action</i>
Replacement housing resulting from urban renewal	Not addressed in the report
Inclusionary housing in urban renewal districts	Not addressed in the report
Fee waivers or funding incentives	Not addressed in the report
Efforts promoting affordable housing for other income groups (50% to 120% of the regional median household income)	In use prior to 2001 (Title 7)
Joint coordination or action*	In use prior to 2001 (Title 7)

\*Although the report stated the City has expanded the existing affordable housing capacity in Forest Grove, it did not clearly state what role the City played in the development of the Jose Arciga Apartments (94 units), Covey Run (40 units), or in the Habitat for Humanity project (one unit).

**E. Metro Code 3.07.730.C:** By June 30, 2004, each city and county within the Metro region shall report to Metro on the outcome of the amendments to its comprehensive plan and implementing ordinances pending at the time of submittal of the report described in subsection B of this section and on the public response, if any, to any implementation adopted by the city or county to increase the community's affordable housing, including but not limited to the tools and strategies in subsection 3.07.730B.

- i) 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.
- ii) Partnerships that were created between the city and affordable housing developers (non-profit developers and private sector developers)
- iii) Pending amendments to the comprehensive plan and implementing ordinances.
- iv) Public response to code changes.

These requirements were not addressed.



- F. **Metro Code 3.07.730:** *Compliance with amendment of comprehensive plan and implementing ordinances with affordable housing land use tools and strategies is achieved when the governing body of a city or county considers each tool or strategy.*

The 2003 report was reviewed and approved by the City Council via resolution.

- G. *Local initiatives not required or encouraged by Title 7.*

Leveraging CBGD funds for public improvements in low income neighborhoods that help maintain the supply of affordable housing.

- H. *Other information provided.*

The report states that Forest Grove has the most affordable housing in the Portland metropolitan area. Based on the 2000 Census, median rent was \$614 compared to \$720 in Washington County, and the median rent in Forest Grove rent is affordable to a four person household with an income of \$26,200 (50% of median family income). Also, based on the 200 Census, a median home value of \$155,000 in Forest Grove is well below the median home value of \$172,800 for the Portland-Vancouver MSA.

Outstanding Items:

2. Ensuring that the comprehensive plan and implementing ordinances include measures to increase dispersion of affordable housing. (Metro Code 3.07.730.A)
3. Consideration of the amendment of comprehensive plan and implementing ordinances to include four of the land use strategies in Metro Code Section 3.07.730.B (density bonus, inclusionary housing, local regulatory constraints, and parking).
4. Encouraged consideration of the implementation of three other affordable housing strategies in Metro Code Section 3.07.760 (replacement housing in urban renewal areas, inclusionary housing in urban renewal areas, and fee waivers).
5. Specific third-year reporting requirements (Metro Code 3.07.740.C).

**SUMMARY OF 2004 COMPLIANCE OF METRO URBAN GROWTH MANAGEMENT FUNCTIONAL PLAN TITLE 7 (AFFORDABLE HOUSING)**

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**GLADSTONE**

On April 16, 2004, Metro received the City’s report. The report stated that the report addressed all the Title 7 reporting requirements for the first year (2002), second year (2003) and third year (2004).

- A. **Metro Code 3.07.720:** *Each city or county should adopt the Voluntary Affordable Housing Production Goals as a guide to measure progress towards meeting the affordable housing needs of households with incomes between 0% and 50% of the regional median family income.*

The report states that while the City have not adopted the goals, it will use them to measure progress towards providing sufficient levels of affordable housing within the city.

- B. **Metro Code 3.07.730.A:** *Cities and counties shall ensure that their comprehensive plan and implementing ordinances address: 1) diversity; 2) maintaining the existing supply of affordable housing and increasing new dispersed affordable housing; and 3) increasing affordable housing opportunities for household of all income levels.*  
(See Metro Functional Plan Title 7 for more details on these three policies)

The report includes policies in the City’s comprehensive plan that addresses the need to provide diversity of housing choices and increase opportunities for households of all income levels to live in the city. However, the report did not include actions and implementation measures for maintaining the City’s existing housing supply and for increasing the dispersion of affordable housing within its boundaries.

- C. **Metro Code 3.07.730.B:** *Cities and counties shall consider amendment of their comprehensive plan and implementing ordinances with the following affordable housing land use tools and strategies: 1) density bonus; 2) replacement housing; 3) inclusionary housing; 4) transfer of development rights; 5) elderly and people with disabilities; 6) local regulatory constraints – discrepancies in planning and zoning codes, and local permitting or approval process; and 7) parking.* (See Metro Functional Plan Title 7 for more details on these seven tools and strategies)

The City’s report stated that the City Council found the existing Comprehensive Plan, Municipal Code, and non-land use programs currently provide sufficient means for creating affordable housing alternatives, hence it choose not to amend the comprehensive plan and municipal code. In addition, the report stated that adoption of local standards to boost affordable housing production would have a substantial effect on the City’s ever shrinking supply of funds in this time of increasing need for services.

<i>Land use strategy (Metro Code)</i>	<i>Jurisdiction Action</i>
Density bonus	Discussed but unclear what action the City has taken
Replacement housing	Discussed but unclear what action the City has taken
Inclusionary housing	Discussed but unclear what action the City has taken

Transfer development rights	Discussed but unclear what action the City has taken
Elderly and people with disabilities	In use prior to January 2001
Local regulatory constraints	Reviewing development and design standards for impact on housing, considering use of cost/benefit analysis to determine the impact of new regulation on housing production were not specifically addressed.
Parking	Discussed but unclear what action the City has taken

- D. **Metro Code 3.07.760.B:** Local jurisdictions are encouraged to consider implementation of the following affordable housing tools and strategies: 1) replacement housing resulting from urban renewal; 2) inclusionary housing in urban renewal districts; 3) fee waivers or funding incentives; 4) promotion of affordable housing for incomes 50% to 120% of the regional median household income (RMHI); and 5) joint coordination or action to meet the affordable housing production goals. (See Metro Functional Plan Title 7 for more details on these five tools and strategies)

As mentioned earlier, the City’s report stated that the City Council found the existing Comprehensive Plan, Municipal Code, and non-land use programs currently provide sufficient means for creating affordable housing alternatives, hence it choose not to amend the comprehensive plan and municipal code.

<i>Other affordable housing strategies (Metro Code)</i>	<i>Jurisdiction Action</i>
Replacement housing resulting from urban renewal	Discussed but unclear what action the City has taken
Inclusionary housing in urban renewal districts	Discussed but unclear what action the City has taken
Fee waivers or funding incentives	Discussed but unclear what action the City has taken
Efforts promoting affordable housing for other income groups (50% to 120% of the regional median household income)	Not addressed in the report
Joint coordination or action	In use prior to January 2001

- E. **Metro Code 3.07.730.C:** *By June 30, 2004, each city and county within the Metro region shall report to Metro on the outcome of the amendments to its comprehensive plan and implementing ordinances pending at the time of submittal of the report described in subsection B of this section and on the public response, if any, to any implementation adopted by the city of county to increase the community’s affordable housing, including but not limited to the tools and strategies in subsection 3.07.730B.*

- i) 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.*
- ii) Partnerships that were created between the city and affordable housing developers (non-profit developers and private sector developers)*
- iii) Pending amendments to the comprehensive plan and implementing ordinances.*
- iv) Public response to code changes.*

The City has not addressed these requirements.

- F. **Metro Code 3.07.730:** *Compliance with amendment of comprehensive plan and implementing ordinances with affordable housing land use tools and strategies is achieved when the governing body of a city or county considers each tool or strategy.*

The 2003 report was reviewed and approved by the City Council via resolution.

- G. *Other information provided.*

The City's report stated that the City of Gladstone, through Clackamas County implements strategies that support the production of affordable housing. The strategies include property tax exemption, home Repair Loan Program, and homes for disabled persons.

Outstanding Items:

1. Ensuring that the City's comprehensive plan and implementing ordinances include measures to maintain the City's existing supply of affordable housing and increase the dispersion of affordable housing. (Metro Code 3.07.730.A)
2. Required consideration of the amendment of comprehensive plan and implementing ordinance amendments to include density bonus, replacement housing, inclusionary housing, transfer of development rights, parking, and local permitting and approval process that includes reviewing development and design standards for impact on housing and considering use of cost/benefit analysis to determine the impact of new regulation on housing production. (Metro Code 3.07.730.B)
3. Encouraged consideration of the amendment of comprehensive plan and implementing ordinance amendments to include the implementation of replacement housing and inclusionary housing in urban renewal areas, fee waivers or funding incentives, and promotion of affordable housing for incomes 50% to 120% of the regional median household income as outlined in Metro Code Section 3.07.760.
4. Specific third-year reporting requirements (Metro Code 3.07.740.C).

**SUMMARY OF 2004 COMPLIANCE OF METRO URBAN GROWTH MANAGEMENT FUNCTIONAL PLAN TITLE 7 (AFFORDABLE HOUSING)**

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**GRESHAM**

The third year (2004) report was not received by Metro. The City’s first year (2002) report was received in January 2002, and the second year (2003) report was received in January 2003.

A. **Metro Code 3.07.720:** *Each city or county should adopt the Voluntary Affordable Housing Production Goals as a guide to measure progress towards meeting the affordable housing needs of households with incomes between 0% and 50% of the regional median family income.*

The City declined to adopt the voluntary goal. The report states that Gresham considered but declined to adopt Metro voluntary goal because “regional funding was not put in place to assist with affordable housing production.”

B. **Metro Code 3.07.730.A:** *Cities and counties shall ensure that their comprehensive plan and implementing ordinances address: 1) diversity; 2) maintaining the existing supply of affordable housing and increasing new dispersed affordable housing; and 3) increasing affordable housing opportunities for household of all income levels.*  
(See Metro Functional Plan Title 7 for more details on these three policies)

The report includes excerpts from the City’s comprehensive plan that adequately address maintaining the City’s existing housing supply, increasing the dispersion of housing and maintaining housing diversity, and providing a housing supply for all income levels.

C. **Metro Code 3.07.730.B:** *Cities and counties shall consider amendment of their comprehensive plan and implementing ordinances with the following affordable housing land use tools and strategies: 1) density bonus; 2) replacement housing; 3) inclusionary housing; 4) transfer of development rights; 5) elderly and people with disabilities; 6) local regulatory constraints – discrepancies in planning and zoning codes, and local permitting or approval process; and 7) parking.*  
(See Metro Functional Plan Title 7 for more details on these seven tools and strategies)

<i>Land use strategy (Metro Code)</i>	<i>Jurisdiction Action</i>
Density bonus	Declined to adopt. The reason for declining to adopt are: a) the amendment of the city code in recent years to provide higher minimum densities that encourages duplexes and single family attached dwellings in neighborhoods historically dominated by single family detached dwellings; and b) city staff advice that developers are not seeking higher densities than those provided in the code.
Replacement housing	Declined to adopt because of the current job/housing imbalance that exist in the city.
Inclusionary housing	In use prior to January 2001

Transfer development rights	Declined to adopt because it is unlikely that to be effective in Gresham as the market does not exist for projects that have density in excess of what the city code permits.
Elderly and people with disabilities	Adopted in May 2002
Local regulatory constraints	In use prior to January 2001
Parking	In use prior to January 2001

**D. Metro Code 3.07.760.B:** *Local jurisdictions are encouraged to consider implementation of the following affordable housing tools and strategies: 1) replacement housing resulting from urban renewal; 2) inclusionary housing in urban renewal districts; 3) fee waivers or funding incentives; 4) promotion of affordable housing for incomes 50% to 120% of the regional median household income (RMHI); and 5) joint coordination or action to meet the affordable housing production goals.*

(See Metro Functional Plan Title 7 for more details on these five tools and strategies)

<i>Other affordable housing strategies (Metro Code)</i>	<i>Jurisdiction Action</i>
Replacement housing resulting from urban renewal	The City declined replacement housing as a land use strategy (see previous section), no mention of its use in urban renewal districts
Inclusionary housing in urban renewal districts	Inclusionary housing exists as a land use strategy. There is no mention of its use in urban renewal districts.
Fee waivers or funding incentives	No mention of these tools
Efforts promoting affordable housing for other income groups (50% to 120% of the regional median household income)	In use prior to January 2001
Joint coordination or action	In use prior to January 2001

**E. Metro Code 3.07.730.C:** *By June 30, 2004, each city and county within the Metro region shall report to Metro on the outcome of the amendments to its comprehensive plan and implementing ordinances pending at the time of submittal of the report described in subsection B of this section and on the public response, if any, to any implementation adopted by the city of county to increase the community's affordable housing, including but not limited to the tools and strategies in subsection 3.07.730B.*

- i) 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.*
- ii) Partnerships that were created between the city and affordable housing developers (non-profit developers and private sector developers)*
- iii) Pending amendments to the comprehensive plan and implementing ordinances.*
- iv) Public response to code changes.*

These requirements were not addressed.

**F. Metro Code 3.07.730:** *Compliance with amendment of comprehensive plan and implementing ordinances with affordable housing land use tools and strategies is achieved when the governing body of a city or county considers each tool or strategy.*

The 2003 report was sent to Metro with a cover letter signed by the mayor that states that the housing report was recommended by the City of Gresham Community Development and Housing Committee, reviewed by the City of Gresham Planning Commission, and approved by the Gresham City Council on January 21, 2003.

**G. Local initiatives not required or encouraged by Title 7.**

The City has several local tools that contribute to housing affordability. These include newly developed Infill Development Standards to “facilitate infill development while promoting neighborhood compatibility and to reduce the overall cost of housing while meeting community objectives.” The City also adopted the West Gresham Housing Mix Plan which “focuses on preserving affordable single family detached housing in West Gresham while permitting the development of new attached housing on single parcels in areas zoned for that purpose.”

**H. Other information provided.**

The City’s report states that “Gresham has one of the region’s largest inventories of lower-cost non-subsidized rental housing.” According to the City, “in Spring 2001, the average cost of this Gresham housing was affordable to households earning about 52%-57% MFI.” In developing a methodology for estimating the supply and expected demand for affordable units in the region, the Metro Housing Technical Advisory Committee emphasized the importance of housing affordable to populations below 50% of MFI. Gresham is interested in adjusting this emphasis in order to receive credit for their existing housing stock.

Additionally, the Gresham report also states, “the formula used to generate the Regional Affordable Housing Production Goals does not take into account the difficulties faced by communities that have a jobs/housing ratio that is atypical. Gresham’s jobs/housing ratio of 1 to 1.17 is the lowest in the region, and is significantly worse than the regional average of 1 to 1.7.” Gresham states, “the jobs/housing balance issue is one of great significance for lower-income residents and jurisdictions. It is not addressed adequately in the formula used to set the regional affordable housing production goals.”

The Gresham report states that additional regional resources are needed to increase the region’s supply of affordable housing.

**Outstanding Items:**

1. Consideration of the amendment of the comprehensive plan and implementing ordinances to include implementation of fee waivers or funding incentives as a strategy for creating affordable housing as outlined in Metro Code Section 3.07.760. Also, the City declined replacement housing but did not mention its potential use in urban renewal areas. Also, inclusionary housing is an adopted tool in place in Gresham and it was not mentioned if this policy is used in urban renewal areas. (Metro Code 3.07.760.B )
2. Specific third-year reporting requirements (Metro Code 3.07.740.C).

**SUMMARY OF 2004 COMPLIANCE OF METRO URBAN GROWTH MANAGEMENT FUNCTIONAL PLAN TITLE 7 (AFFORDABLE HOUSING)**

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**HAPPY VALLEY**

The third year (2004) report was not received by Metro. The City’s first year (2002) report was received by Metro in April 2003. The second year (2003) report was not received.

A. **Metro Code 3.07.720:** *Each city or county should adopt the Voluntary Affordable Housing Production Goals as a guide to measure progress towards meeting the affordable housing needs of households with incomes between 0% and 50% of the regional median family income.*

The report stated that the City accepts and is prepared to adopt the voluntary affordable housing production goals. The City Council has directed staff to “produce a workable program to accomplish this end.”

B. **Metro Code 3.07.730.A:** *Cities and counties shall ensure that their comprehensive plan and implementing ordinances address: 1) diversity; 2) maintaining the existing supply of affordable housing and increasing new dispersed affordable housing; and 3) increasing affordable housing opportunities for household of all income levels.*  
(See Metro Functional Plan Title 7 for more details on these three policies)

The report stated that the Housing Element of the City comprehensive plan includes policies to “provide a variety of lot sizes, diversity of housing types and a range of prices in all future residential development which will preserve and promote the character of the Happy Valley area.” Future work will focus on the affordability aspect of the diversity of housing types.

The City did not address the remaining two strategies in this section (measures to maintain the existing supply, and increase dispersion of affordable housing, and measures to increase affordable housing opportunities for household of all income levels.

C. **Metro Code 3.07.730.B:** *Cities and counties shall consider amendment of their comprehensive plan and implementing ordinances with the following affordable housing land use tools and strategies: 1) density bonus; 2) replacement housing; 3) inclusionary housing; 4) transfer of development rights; 5) elderly and people with disabilities; 6) local regulatory constraints – discrepancies in planning and zoning codes, and local permitting or approval process; and 7) parking.*  
(See Metro Functional Plan Title 7 for more details on these seven tools and strategies)

The City has considered and decided not to adopt two of the above land use tools (density bonus and inclusionary housing). The City’s efforts on the other tools is as follows:

<i>Land use strategy (Metro Code)</i>	<i>Jurisdiction Action</i>
Density bonus	Declined to adopt
Replacement housing	Discussed but no action taken
Inclusionary housing	Declined to adopt
Transfer development rights	Discussed but no action taken



Elderly and people with disabilities	Mentioned without an explanation of action being taken
Local regulatory constraints	Discussed but no action taken
Parking	Unclear explanation of City action

**D. Metro Code 3.07.760.B:** *Local jurisdictions are encouraged to consider implementation of the following affordable housing tools and strategies: 1) replacement housing resulting from urban renewal; 2) inclusionary housing in urban renewal districts; 3) fee waivers or funding incentives; 4) promotion of affordable housing for incomes 50% to 120% of the regional median household income (RMHI); and 5) joint coordination or action to meet the affordable housing production goals.*  
 (See Metro Functional Plan Title 7 for more details on these five tools and strategies)

The report indicated that the City does not qualify for urban renewal development. The report did not state how the City intends to address the two related tools in Title 7, replacement housing in urban renewal areas and inclusionary housing in urban renewal areas.

<i>Other affordable housing strategies (Metro Code)</i>	<i>Jurisdiction Action</i>
Replacement housing resulting from urban renewal	Report stated that the City does not qualify for urban renewal development
Inclusionary housing in urban renewal districts	Not addressed in the report, however, the report states that the City does not qualify for urban renewal development.
Fee waivers or funding incentives	Discussed, however, "as development of units progresses the City will monitor unit rentals for affordability to determine if fee waivers will reduce rental rates.
Efforts promoting affordable housing for other income groups (50% to 120% of the regional median household income)	Not addressed in the report
Joint coordination or action	In use prior to January 2001 (Title 7)

**E. Metro Code 3.07.730.C:** *By June 30, 2004, each city and county within the Metro region shall report to Metro on the outcome of the amendments to its comprehensive plan and implementing ordinances pending at the time of submittal of the report described in subsection B of this section and on the public response, if any, to any implementation adopted by the city or county to increase the community's affordable housing, including but not limited to the tools and strategies in subsection 3.07.730B.*

- i) *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.*
- ii) *Partnerships that were created between the city and affordable housing developers (non-profit developers and private sector developers)*
- iii) *Pending amendments to the comprehensive plan and implementing ordinances.*
- iv) *Public response to code changes.*

These requirements were not addressed.

**F. Metro Code 3.07.730:** *Compliance with amendment of comprehensive plan and implementing ordinances with affordable housing land use tools and strategies is achieved when the governing body of a city or county considers each tool or strategy.*

The 2002 report stated that the City Council approved the report.

Outstanding Items:

1. Consideration of the voluntary affordable housing production goals.
2. Ensuring that the comprehensive plan and implementing ordinances include measures to maintain the existing supply of affordable housing and increase dispersion of affordable housing, and measures to increase affordable housing opportunities for household of all income levels in the comprehensive plan and implementing ordinances. (Metro Code 3.07.730.A)
3. Consideration of the amendment of comprehensive plan and implementing ordinances to include five land use strategies (replacement housing, transfer of development rights, elderly and people with disabilities, local regulatory constraints, and parking). (Metro Code 3.07.760)
4. Encouraged consideration of the amendment of comprehensive plan and implementing ordinances to include two of the other affordable housing strategies in Metro Code Section 3.07.760 (fee waivers or funding incentives, and promotion of affordable housing for incomes 50% to 120% of the regional median household income).
5. Specific third-year reporting requirements (Metro Code 3.07.740.C).

**SUMMARY OF 2004 COMPLIANCE OF METRO URBAN GROWTH MANAGEMENT FUNCTIONAL PLAN TITLE 7 (AFFORDABLE HOUSING)**

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**HILLSBORO**

Metro received the City's second year (2003) and third year (2004) report on January 27, 2005.

The City's first year (2002) report was received by Metro in February 2002. The second year (2003) report was not received.

- A. **Metro Code 3.07.720:** *Each city or county should adopt the Voluntary Affordable Housing Production Goals as a guide to measure progress towards meeting the affordable housing needs of households with incomes between 0% and 50% of the regional median family income.*

The report stated that the City discussed their affordable housing production goal in November 2000, when the Metro Affordable Housing Technical Advisory Committee was still developing the regional affordable housing production goals (i.e., prior to the adoption of Title 7 by the Metro Council in January 2001).

- B. **Metro Code 3.07.730.A:** *Cities and counties shall ensure that their comprehensive plan and implementing ordinances address: 1) diversity; 2) maintaining the existing supply of affordable housing and increasing new dispersed affordable housing; and 3) increasing affordable housing opportunities for household of all income levels.*  
(See Metro Functional Plan Title 7 for more details on these three policies)

The City did not address the above three strategies in its report.

- C. **Metro Code 3.07.730.B:** *Cities and counties shall consider amendment of their comprehensive plan and implementing ordinances with the following affordable housing land use tools and strategies: 1) density bonus; 2) replacement housing; 3) inclusionary housing; 4) transfer of development rights; 5) elderly and people with disabilities; 6) local regulatory constraints – discrepancies in planning and zoning codes, and local permitting or approval process; and 7) parking.*  
(See Metro Functional Plan Title 7 for more details on these seven tools and strategies)

The City has not considered adoption of the seven strategies. The report stated that the City "will further analyze the feasibility of the seven land use tools" and that within the next two years it "foresees adoption of an updated comprehensive plan which will likely include a number of affordable housing policies."

<i>Land use strategy (Metro Code)</i>	<i>Jurisdiction Action</i>
Density bonus	Not addressed in the report
Replacement housing	Not addressed in the report
Inclusionary housing	Not addressed in the report
Transfer development rights	Not addressed in the report
Elderly and people with disabilities	Not addressed in the report

Local regulatory constraints	Not addressed in the report
Parking	Not addressed in the report

**D. Metro Code 3.07.760.B:** Local jurisdictions are *encouraged to consider* implementation of the following affordable housing tools and strategies: 1) replacement housing resulting from urban renewal; 2) inclusionary housing in urban renewal districts; 3) fee waivers or funding incentives; 4) promotion of affordable housing for incomes 50% to 120% of the regional median household income (RMHI); and 5) joint coordination or action to meet the affordable housing production goals.

(See Metro Functional Plan Title 7 for more details on these five tools and strategies)

One of the other affordable housing strategies in use in the City prior to adoption of Title 7 is the “joint coordination or action” strategy.

<i>Other affordable housing strategies (Metro Code)</i>	<i>Jurisdiction Action</i>
Replacement housing resulting from urban renewal	Not addressed in the report
Inclusionary housing in urban renewal districts	Not addressed in the report
Fee waivers or funding incentives	Not addressed in the report
Efforts promoting affordable housing for other income groups (50% to 120% of the regional median household income)	Not addressed in the report
Joint coordination or action	In use prior to January 2001 (Title 7) The City coordinates with other agencies to increase affordable housing production

**E. Metro Code 3.07.730.C:** By June 30, 2004, each city and county within the Metro region shall report to Metro on the outcome of the amendments to its comprehensive plan and implementing ordinances pending at the time of submittal of the report described in subsection B of this section and on the public response, if any, to any implementation adopted by the city or county to increase the community’s affordable housing, including but not limited to the tools and strategies in subsection 3.07.730B.

- i) 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.
- ii) Partnerships that were created between the city and affordable housing developers (non-profit developers and private sector developers)
- iii) Pending amendments to the comprehensive plan and implementing ordinances.
- iv) Public response to code changes.

These requirements were not addressed.

**F. Metro Code 3.07.730:** *Compliance with amendment of comprehensive plan and implementing ordinances with affordable housing land use tools and strategies is achieved when the governing body of a city or county considers each tool or strategy.*

The 2002 report was sent to Metro under a cover letter signed by the Planning Director. The cover letter and the report did not indicate that the report was reviewed and approved by the City Council.

**G. Local initiatives not required or encouraged by Title 7.**

The report indicated that the City has other affordable housing tools and strategies such as the light rail zoning in the six Station Community Planning Areas that offers a diversity of affordable housing. Government rental assistance through the Washington County Section 8 program, and first time home-buyer program are additional local initiatives the City report mentioned.

**H. Other information provided.**

The City's report included a summary of the key findings of its 2020 Housing Needs Study (November 2000), the status of affordable housing in the City and related policies and initiatives, and a timeline for updating its Comprehensive Plan with Functional Plan Title 7 affordable housing policies. The City's housing needs study indicated a need for 2,707 affordable housing units for households earning less than 40% of Hillsboro median family income.

**Outstanding Items:**

1. Clarification if the elected body had reviewed and approved the annual compliance report prior to submitting it to Metro. (Metro Code 3.07.730)
2. Consideration of the voluntary affordable housing production goals. (Metro Code 3.07.720 )
3. Ensuring that the comprehensive plan and implementing ordinances include diversity strategies, measures to maintain the existing supply of affordable housing and increase dispersion of affordable housing, and measures to increase affordable housing opportunities for household of all income levels (Metro Code 3.07.730.A).
4. Consideration of the amendment of comprehensive plan and implementing ordinance with the seven land use strategies in Metro Code 3.07.730.B.
5. Encouraged consideration of the implementation of four of the other affordable housing strategies in Metro Code Section 3.07.760 (replacement housing in urban renewal areas, inclusionary housing in urban renewal areas, fee waivers and funding incentives, and the promotion of affordable housing for incomes 50% to 120% of the regional median household income).
6. Specific third-year reporting requirements (Metro Code 3.07.740.C).

## **SUMMARY OF 2004 COMPLIANCE OF METRO URBAN GROWTH MANAGEMENT FUNCTIONAL PLAN TITLE 7 (AFFORDABLE HOUSING)**

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### **JOHNSON CITY**

The City has not submitted the 2002, 2003 and 2004 reports to address the requirements in the Metro Functional Plan Title 7 listed below.

- A. **Metro Code 3.07.720:** *Each city or county should adopt the Voluntary Affordable Housing Production Goals as a guide to measure progress towards meeting the affordable housing needs of households with incomes between 0% and 50% of the regional median family income.*
- B. **Metro Code 3.07.730.A:** *Cities and counties shall ensure that their comprehensive plan and implementing ordinances address: 1) diversity; 2) maintaining the existing supply of affordable housing and increasing new dispersed affordable housing; and 3) increasing affordable housing opportunities for household of all income levels.*  
(See Metro Functional Plan Title 7 for more details on these three policies)
- C. **Metro Code 3.07.730.B:** *Cities and counties shall consider amendment of their comprehensive plan and implementing ordinances with the following affordable housing land use tools and strategies: 1) density bonus; 2) replacement housing; 3) inclusionary housing; 4) transfer of development rights; 5) elderly and people with disabilities; 6) local regulatory constraints – discrepancies in planning and zoning codes, and local permitting or approval process; and 7) parking.*  
(See Metro Functional Plan Title 7 for more details on these seven tools and strategies)
- D. **Metro Code 3.07.760.B:** *Local jurisdictions are encouraged to consider implementation of the following affordable housing tools and strategies: 1) replacement housing resulting from urban renewal; 2) inclusionary housing in urban renewal districts; 3) fee waivers or funding incentives; 4) promotion of affordable housing for incomes 50% to 120% of the regional median household income (RMHI); and 5) joint coordination or action to meet the affordable housing production goals.*  
(See Metro Functional Plan Title 7 for more details on these five tools and strategies)
- E. **Metro Code 3.07.730.C:** *By June 30, 2004, each city and county within the Metro region shall report to Metro on the outcome of the amendments to its comprehensive plan and implementing ordinances pending at the time of submittal of the report described in subsection B of this section and on the public response, if any, to any implementation adopted by the city of county to increase the community's affordable housing, including but not limited to the tools and strategies in subsection 3.07.730B.*
- i) *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.*
  - ii) *Partnerships that were created between the city and affordable housing developers (non-profit developers and private sector developers)*
  - iii) *Pending amendments to the comprehensive plan and implementing ordinances.*
  - iv) *Public response to code changes.*

F. **Metro Code 3.07.730:** *Compliance with amendment of comprehensive plan and implementing ordinances with affordable housing land use tools and strategies is achieved when the governing body of a city or county considers each tool or strategy.*

Outstanding Items:

1. All of the above requirements are yet to be addressed.

**SUMMARY OF 2004 COMPLIANCE OF METRO URBAN GROWTH MANAGEMENT FUNCTIONAL PLAN TITLE 7 (AFFORDABLE HOUSING)**

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**KING CITY**

The City's submitted the second year (2003) report that Metro received in January 2003. The first year (2002) report was not received. Metro received the City's 2004 report on June 21, 2004.

- A. **Metro Code 3.07.720:** *Each city or county should adopt the Voluntary Affordable Housing Production Goals as a guide to measure progress towards meeting the affordable housing needs of households with incomes between 0% and 50% of the regional median family income.*

The City's 2003 report declined to adopt the voluntary goal. The report stated "the City Council has determined that setting an affordable housing goal is unnecessary". The report went on to say that the voluntary goal of 5 units is declined "due to the small size of the City, the wide selection of affordable housing in the city and adjacent unincorporated area, and residential zoning that is conducive to provide additional affordable housing."

- B. **Metro Code 3.07.730.A:** *Cities and counties shall ensure that their comprehensive plan and implementing ordinances address: 1) diversity; 2) maintaining the existing supply of affordable housing and increasing new dispersed affordable housing; and 3) increasing affordable housing opportunities for household of all income levels.*  
(See Metro Functional Plan Title 7 for more details on these three policies)

The City's 2003 and 2004 report include excerpts from the City's comprehensive plan that address maintaining housing diversity and providing a housing supply for all income levels. The City's compliance reports do not make direct mention of specific comprehensive plan language to maintain the existing housing supply and increase the dispersion of housing. However, King City is persuasive in the contention that their unique situation as a retirement community, with housing that serves a predominantly lower income senior population, exempts them from the need to adopt these comprehensive plan policies.

- C. **Metro Code 3.07.730.B:** *Cities and counties shall consider amendment of their comprehensive plan and implementing ordinances with the following affordable housing land use tools and strategies: 1) density bonus; 2) replacement housing; 3) inclusionary housing; 4) transfer of development rights; 5) elderly and people with disabilities; 6) local regulatory constraints – discrepancies in planning and zoning codes, and local permitting or approval process; and 7) parking.*  
(See Metro Functional Plan Title 7 for more details on these seven tools and strategies)

<i>Land use strategy (Metro Code)</i>	<i>Jurisdiction Action</i>
Density bonus	Declined to adopt because of the relatively high existing and planned residential densities in the city.
Replacement housing	Declined to adopt. The 2004 report states, "there is virtually no pressure to convert existing residences into nonresidential uses."



Inclusionary housing	Declined to adopt because of ample affordable housing units in the city.
Transfer development rights	Declined to adopt due to small city size and administrative complexity.
Elderly and people with disabilities	In use prior to January 2001
Local regulatory constraints	In use prior to January 2001
Parking	Declined. The City's 2004 report states that it has adopted Title 2 parking requirements and does not address parking policies as they relate to housing affordability as outlined in Title 7.

**D. Metro Code 3.07.760.B:** *Local jurisdictions are encouraged to consider implementation of the following affordable housing tools and strategies: 1) replacement housing resulting from urban renewal; 2) inclusionary housing in urban renewal districts; 3) fee waivers or funding incentives; 4) promotion of affordable housing for incomes 50% to 120% of the regional median household income (RMHI); and 5) joint coordination or action to meet the affordable housing production goals.*  
 (See Metro Functional Plan Title 7 for more details on these five tools and strategies)

<i>Other affordable housing strategies (Metro Code)</i>	<i>Jurisdiction Action</i>
Replacement housing resulting from urban renewal	Declined as a tool. (see above) In addition, the City does not have urban renewal districts.
Inclusionary housing in urban renewal districts	Declined as a tool. (see above) In addition, the City does not have urban renewal districts.
Fee waivers or funding incentives	Declined. The 2004 report states, "the city's land use applications review procedures are streamlined.." and "the city has the ability to waive an application if the condition warrants it."
Efforts promoting affordable housing for other income groups (50% to 120% of the regional median household income)	Declined. The City states, "(King City) has a wide range of existing affordable housing, and much of it would accommodate this household income range."
Joint coordination or action	Declined. The report states, "it does not appear to the city there is any joint coordination or action required with any other agency or jurisdiction".

**E. Metro Code 3.07.730.C:** *By June 30, 2004, each city and county within the Metro region shall report to Metro on the outcome of the amendments to its comprehensive plan and implementing ordinances pending at the time of submittal of the report described in*

*subsection B of this section and on the public response, if any, to any implementation adopted by the city of county to increase the community's affordable housing, including but not limited to the tools and strategies in subsection 3.07.730B.*

- i) 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.*

Although this requirement was not addressed directly, King City states "with the exception of recently annexed land (100+ acres), the city is almost entirely developed. The report states also that the recently annexed area will soon begin to produce new housing within the density range prescribed in the Metro 2040 Growth Concept, and consistent with the existing housing stock in the city.

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

Though King City does not address the issue of partnership, the City addressed coordination by stating "...it does not appear to the city there is any joint coordination or action required with any other agency or jurisdiction."

- iii) Pending amendments to the comprehensive plan and implementing ordinances.*

No pending amendments were reported, other than the changes to the comprehensive plan that may have been associated with the recently annexed 100+-acre area previously known as Urban Reserve #47.

- iv) Public response to code changes.*

This requirement was not addressed.

**F. Metro Code 3.07.730: Compliance with amendment of comprehensive plan and implementing ordinances with affordable housing land use tools and strategies is achieved when the governing body of a city or county considers each tool or strategy.**

The combined 2002 & 2003 report states that the content of the report was "reviewed and discussed" by the King City Council in January, 2003. The 2004 report was also reviewed and discussed at a June 16, 2004 meeting of the King City Council.

**G. Local initiatives not required or encouraged by Title 7.**

The City's reports do not detail any additional local approaches being taken to support affordable housing. However, the reports all state that King City was originally conceived as a retirement community in order to provide affordable housing for elderly persons on fixed incomes. Despite this, the report notes that the City's housing supply has diversified to include "affordable single family, duplex, and multi family residences".

**Outstanding Items:**

One section (public response) of the specific third-year reporting requirements (Metro Code 3.07.740.C).

## **SUMMARY OF 2004 COMPLIANCE OF METRO URBAN GROWTH MANAGEMENT FUNCTIONAL PLAN TITLE 7 (AFFORDABLE HOUSING)**

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### **LAKE OSWEGO**

Metro received the City's 2004 report on June 2004. The City's second year (2003) report was received by Metro in December 2003. A first year (2002) report was not submitted.

- A. **Metro Code 3.07.720:** *Each city or county should adopt the Voluntary Affordable Housing Production Goals as a guide to measure progress towards meeting the affordable housing needs of households with incomes between 0% and 50% of the regional median family income.*

The City declined to adopt the goals. The City's 2004 report states, "...the City Council has reviewed and considered the 5-year voluntary affordable housing goals and has concluded that the adoption of those goals for Lake Oswego would not be of any practical value for the community or the region for the following reasons:

- There is no sufficient time remaining between now and 2006 to make substantial progress towards the attainment of those goals.
- Lake Oswego has not had a local affordable housing program in the past and it will take some time for the recently appointed task force to complete its work, and for the recommendations of the task force to be reviewed and implemented.
- Lake Oswego has relatively little vacant land and developable residential land remaining within the City limits. What land is available is among the most expensive residential property in Oregon. The adoption of a set of goals will have no effect without programs that address land availability and land value. The City has not yet prepared any such programs, but the Affordable Housing Task Force will be addressing these issues.
- The City's Affordable Housing Task Force is being asked for recommendations that can lead to meaningful programs for affordability, some of which may be implemented fairly quickly and some of which may take some years to be effective.

- B. **Metro Code 3.07.730.A:** *Cities and counties shall ensure that their comprehensive plan and implementing ordinances address: 1) diversity; 2) maintaining the existing supply of affordable housing and increasing new dispersed affordable housing; and 3) increasing affordable housing opportunities for household of all income levels.*  
(See Metro Functional Plan Title 7 for more details on these three policies)

The City's 2003 report highlighted some existing policies in its comprehensive plan and implementing ordinances addressing diversity and supply of affordable housing for all income levels. The 2004 report provides no further information.

- C. **Metro Code 3.07.730.B:** *Cities and counties shall consider amendment of their comprehensive plan and implementing ordinances with the following affordable housing land use tools and strategies: 1) density bonus; 2) replacement housing; 3) inclusionary housing; 4) transfer of development rights; 5) elderly and people with disabilities; 6) local regulatory constraints – discrepancies in planning and zoning codes, and local permitting or approval process; and 7) parking.*  
(See Metro Functional Plan Title 7 for more details on these seven tools and strategies)

The 2004 report states that the Lake Oswego Planning Commission and City Council have conducted studies in the last two years to review affordable housing programs, and created a task force to advise the Commission and City Council on the issues of affordable housing. The recommendation of the task force is expected by the end of calendar year 2004.

Following table represents the City's progress in complying with the above requirements as detailed in the City's 2003 report.

<i>Land use strategy (Metro Code)</i>	<i>Jurisdiction Action</i>
Density bonus	Discussed with no action taken
Replacement housing	Discussed with no action taken
Inclusionary housing	Declined to adopt because the City have no designated funding source to defray subsidies that would help initiate implementation of the tool.
Transfer development rights	Discussed with no action taken
Elderly and people with disabilities	In use prior to January 2001
Local regulatory constraints	Discussed with no action taken
Parking	Discussed with no action taken

- D. **Metro Code 3.07.760.B:** *Local jurisdictions are encouraged to consider implementation of the following affordable housing tools and strategies: 1) replacement housing resulting from urban renewal; 2) inclusionary housing in urban renewal districts; 3) fee waivers or funding incentives; 4) promotion of affordable housing for incomes 50% to 120% of the regional median household income (RMHI); and 5) joint coordination or action to meet the affordable housing production goals.*

(See Metro Functional Plan Title 7 for more details on these five tools and strategies)

Following table represents the City's progress in complying with the above requirements as detailed in the City's 2003 report.

<i>Other affordable housing strategies (Metro Code)</i>	<i>Jurisdiction Action</i>
Replacement housing resulting from urban renewal	Not addressed in the report
Inclusionary housing in urban renewal districts	Declined to adopt (per reasons in the previous section regarding inclusionary housing)
Fee waivers or funding incentives	Discussed with no action taken
Efforts promoting affordable housing for other income groups (50% to 120% of the regional median household income)	Discussed with no action taken
Joint coordination or action	Discussed with no action taken

E. **Metro Code 3.07.730.C:** *By June 30, 2004, each city and county within the Metro region shall report to Metro on the outcome of the amendments to its comprehensive plan and implementing ordinances pending at the time of submittal of the report described in subsection B of this section and on the public response, if any, to any implementation adopted by the city or county to increase the community's affordable housing, including but not limited to the tools and strategies in subsection 3.07.730B.*

- i) *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.*
- ii) *Partnerships that were created between the city and affordable housing developers (non-profit developers and private sector developers)*
- iii) *Pending amendments to the comprehensive plan and implementing ordinances.*
- iv) *Public response to code changes.*

The outcome of the City's affordable housing program and public response to its code changes are expected in its forthcoming report.

F. **Metro Code 3.07.730:** *Compliance with amendment of comprehensive plan and implementing ordinances with affordable housing land use tools and strategies is achieved when the governing body of a city or county considers each tool or strategy.*

The City's 2003 report states that the City Council reviewed and approved the report. The 2004 report was signed by Community Development Director Stephan Lashbrook, and includes a copy of Resolution 04-28, creating the City's Affordable Housing Task Force.

G. *Other information provided.*

Clackamas County Housing Authority provides most of the affordable housing programs affecting the city. The City's report states "extremely high land values make it difficult to provide sufficient incentives to motivate the private sector to develop affordable housing."

Outstanding Items:

1. Ensuring that the City's comprehensive plan and implementing ordinances include measures to maintain the existing supply of affordable housing and increase dispersion of affordable housing (Metro Code 3.07.730.A)
2. Consideration of the amendment of comprehensive plan and implementing ordinances with the following five land use strategies in Metro Code 3.07.730.B. (density bonus, replacement housing, transfer development right, local regulatory constraints, parking).
3. Encouraged consideration of the implementation of four of the other affordable housing strategies in Metro Code Section 3.07.760 (replacement housing in urban renewal areas, fee waiver or funding incentives, efforts to promote affordable housing for other income groups, joint coordination or action).
4. Specific third-year reporting requirements (Metro Code 3.07.740.C).

**SUMMARY OF 2004 COMPLIANCE OF METRO URBAN GROWTH MANAGEMENT  
FUNCTIONAL PLAN TITLE 7 (AFFORDABLE HOUSING)**

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**MAYWOOD PARK**

Per letter signed by the City's Mayor, the report that Metro received in January 2004 was intended to serve as the City's first year (2002), second (2003) year and third year (2004) reports.

- A. **Metro Code 3.07.720:** *Each city or county should adopt the Voluntary Affordable Housing Production Goals as a guide to measure progress towards meeting the affordable housing needs of households with incomes between 0% and 50% of the regional median family income.*

Due to the methodology employed in the 1998 Regional Affordable Housing Strategy, the City was apportioned affordable housing production goal of zero.

- B. **Metro Code 3.07.730.A:** *Cities and counties shall ensure that their comprehensive plan and implementing ordinances address: 1) diversity; 2) maintaining the existing supply of affordable housing and increasing new dispersed affordable housing; and 3) increasing affordable housing opportunities for household of all income levels.*  
(See Metro Functional Plan Title 7 for more details on these three policies)

The City did not address the above three strategies in its report.

- C. **Metro Code 3.07.730.B:** *Cities and counties shall consider amendment of their comprehensive plan and implementing ordinances with the following affordable housing land use tools and strategies: 1) density bonus; 2) replacement housing; 3) inclusionary housing; 4) transfer of development rights; 5) elderly and people with disabilities; 6) local regulatory constraints – discrepancies in planning and zoning codes, and local permitting or approval process; and 7) parking.*  
(See Metro Functional Plan Title 7 for more details on these seven tools and strategies)

The report states that the City has revised its parking ordinance consistent with Metro's Functional Plan (Title 2). Metro's Title 2 does not address affordable housing, hence the City has not completely considered this strategy. The City discussed the other six land use strategies and decided not to adopt them.

<i>Land use strategy (Metro Code)</i>	<i>Jurisdiction Action</i>
Density bonus	Declined to adopt because the City has no developable land.
Replacement housing	Declined to adopt because the City "is not proposing any planned map amendment which will result in loss of affordable housing."
Inclusionary housing	Declined to adopt because the City has no developable land and cannot therefore offer developers this strategy.
Transfer development rights	Declined to adopt because the City is completely

	developed.
Elderly and people with disabilities	Declined to adopt because residential zoning is not in conflict with accommodation of elderly and people with disabilities.
Local regulatory constraints	Declined to adopt because the City has no regulatory constraints inhibiting development.
Parking	Unclear what action the City has taken

**D. Metro Code 3.07.760.B:** *Local jurisdictions are encouraged to consider implementation of the following affordable housing tools and strategies: 1) replacement housing resulting from urban renewal; 2) inclusionary housing in urban renewal districts; 3) fee waivers or funding incentives; 4) promotion of affordable housing for incomes 50% to 120% of the regional median household income (RMHI); and 5) joint coordination or action to meet the affordable housing production goals.*

(See Metro Functional Plan Title 7 for more details on these five tools and strategies)

<i>Other affordable housing strategies (Metro Code)</i>	<i>Jurisdiction Action</i>
Replacement housing resulting from urban renewal	Declined to adopt (per reasons in the previous section regarding replacement housing)
Inclusionary housing in urban renewal districts	Declined to adopt (per reasons in the previous section regarding inclusionary housing)
Fee waivers or funding incentives	Not addressed in the report
Efforts promoting affordable housing for other income groups (50% to 120% of the regional median household income)	Not addressed in the report
Joint coordination or action	Not addressed in the report

**E. Metro Code 3.07.730.C:** *By June 30, 2004, each city and county within the Metro region shall report to Metro on the outcome of the amendments to its comprehensive plan and implementing ordinances pending at the time of submittal of the report described in subsection B of this section and on the public response, if any, to any implementation adopted by the city or county to increase the community's affordable housing, including but not limited to the tools and strategies in subsection 3.07.730B.*

- i) 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.*
- ii) Partnerships that were created between the city and affordable housing developers (non-profit developers and private sector developers)*
- iii) Pending amendments to the comprehensive plan and implementing ordinances.*
- iv) Public response to code changes.*

These requirements were not addressed.

F. **Metro Code 3.07.730:** *Compliance with amendment of comprehensive plan and implementing ordinances with affordable housing land use tools and strategies is achieved when the governing body of a city or county considers each tool or strategy.*

The combined 2002 & 2003 report stated that the City Council reviewed and approved the report.

Outstanding Items:

Although the City's report stated that the report satisfies Metro's Title 7 requirements for the third/final (2004) annual report, the following are the outstanding items the City would have to address to be in compliance.

1. Ensuring that the City's comprehensive plan and implementing ordinances include diversity strategies, measures to maintain the existing supply of affordable housing and increase dispersion of affordable housing, and measures to increase affordable housing opportunities for household of all income levels. (Metro Code 3.07.730.A)
2. Consideration of the amendment of comprehensive plan and implementing ordinances with the parking measures that encourages affordable housing (Metro Code 3.07.730.B)
3. Encouraged consideration of the implementation of three of the other affordable housing strategies in Metro Code Section 3.07.760 (fee waivers or funding incentives; efforts targeted at households at 50-80% and 80-120% of the regional median household income, and joint coordination).
4. Specific third-year reporting requirements (Metro Code 3.07.740.C).



**SUMMARY OF 2004 COMPLIANCE OF METRO URBAN GROWTH MANAGEMENT FUNCTIONAL PLAN TITLE 7 (AFFORDABLE HOUSING)**

**MILWAUKIE**

Metro received the City's first year (2002), second year (2003) and third year (2004) report on January 20, 2005.

The City did not submit the first year (2002) and second year (2003) reports but did submit letters (January 2002, March 2003 and June 2004) updating Metro on the City's efforts to formally address Title 7 requirements.

A. **Metro Code 3.07.720:** *Each city or county should adopt the Voluntary Affordable Housing Production Goals as a guide to measure progress towards meeting the affordable housing needs of households with incomes between 0% and 50% of the regional median family income.*

The 2004 submission states that the City has yet to publicly consider the voluntary affordable production goals. However, the 2004 submission lists the consideration of the goals among the tasks the City Council will address by November 1, 2004. As of the writing of this report (December, 2004) no additional information has been received.

B. **Metro Code 3.07.730.A:** *Cities and counties shall ensure that their comprehensive plan and implementing ordinances address: 1) diversity; 2) maintaining the existing supply of affordable housing and increasing new dispersed affordable housing; and 3) increasing affordable housing opportunities for household of all income levels.*  
(See Metro Functional Plan Title 7 for more details on these three policies)

The City's 2004 submission cites specific comprehensive plan sections that satisfy this Title 7 requirement, however, it is unclear if the submission was reviewed and considered by the City Council.

C. **Metro Code 3.07.730.B:** *Cities and counties shall consider amendment of their comprehensive plan and implementing ordinances with the following affordable housing land use tools and strategies: 1) density bonus; 2) replacement housing; 3) inclusionary housing; 4) transfer of development rights; 5) elderly and people with disabilities; 6) local regulatory constraints – discrepancies in planning and zoning codes, and local permitting or approval process; and 7) parking.*  
(See Metro Functional Plan Title 7 for more details on these seven tools and strategies)

<i>Land use strategy (Metro Code)</i>	<i>Jurisdiction Action</i>
Density bonus	Unclear of action taken by the City.
Replacement housing	Not addressed in the report
Inclusionary housing	Not addressed in the report
Transfer development rights	Unclear of action taken by the City. This strategy is referenced in the 2004 report as an existing tool employed by the City. However, additional information is needed to address the way the tool is used to create affordable housing.
Elderly and people with disabilities	Unclear of action taken by the City.
Local regulatory constraints	Declined to adopt. The report states that the City has no regulatory constraints inhibiting development.

Parking	Unclear what action the City has taken
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D. **Metro Code 3.07.760.B:** Local jurisdictions are encouraged to consider implementation of the following affordable housing tools and strategies: 1) replacement housing resulting from urban renewal; 2) inclusionary housing in urban renewal districts; 3) fee waivers or funding incentives; 4) promotion of affordable housing for incomes 50% to 120% of the regional median household income (RMHI); and 5) joint coordination or action to meet the affordable housing production goals.

(See Metro Functional Plan Title 7 for more details on these five tools and strategies)

<i>Other affordable housing strategies (Metro Code)</i>	<i>Jurisdiction Action</i>
Replacement housing resulting from urban renewal	Not addressed in the report
Inclusionary housing in urban renewal districts	Not addressed in the report
Fee waivers or funding incentives	Not addressed in the report
Efforts promoting affordable housing for other income groups (50% to 120% of the regional median household income)	Not addressed in the report
Joint coordination or action	Unclear what actions the City has taken in the past or currently. The City's 2004 report states its "participation in regional and county programs aimed at identifying housing need, administering state and federal monies .."

E. **Metro Code 3.07.730.C:** By June 30, 2004, each city and county within the Metro region shall report to Metro on the outcome of the amendments to its comprehensive plan and implementing ordinances pending at the time of submittal of the report described in subsection B of this section and on the public response, if any, to any implementation adopted by the city or county to increase the community's affordable housing, including but not limited to the tools and strategies in subsection 3.07.730B.

- i) 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.
- ii) Partnerships that were created between the city and affordable housing developers (non-profit developers and private sector developers)
- iii) Pending amendments to the comprehensive plan and implementing ordinances.
- iv) Public response to code changes.

The City did not address these requirements.

F. **Metro Code 3.07.730:** Compliance with amendment of comprehensive plan and implementing ordinances with affordable housing land use tools and strategies is achieved when the governing body of a city or county considers each tool or strategy.

There was no indication that the letter and supplementary information sent to Metro by the Mayor was reviewed and approved by the governing body of the City.

G. Other information provided.

Milwaukie's 2004 submission explains that the City adopted a strategy on May 4, 2004 for completing the requirements of Title 7. The City also states that it has "completed research on city demographics, housing characteristics, and historical housing production and the Title 7 task of identifying existing affordable housing policies and implementation measures."

Milwaukie also mentions the following other strategies that are currently in use:

1. Encouragement of multifamily, manufactured and mobile homes in appropriate locations.
2. Encouragement of infill housing that "uses innovative development techniques that reduce housing costs."
3. Identification and assistance to "individuals and neighborhoods in obtaining funds for housing rehabilitation, neighborhood parks, and rental assistance."
4. Encouragement of programs to "assist needy homeowners in rehabilitating and maintaining their property".
5. Encouragement of diverse housing types and a "diverse range of affordable housing" in the Milwaukie Town Center.

#### Outstanding Items

1. Clarification if the elected body had reviewed and approved the report prior to submitting it to Metro. (Metro Code 3.07.730)
2. Consideration of the voluntary affordable housing production goals. (Metro Code 3.07.720)
3. The City's 2004 submission includes excerpts from the comprehensive plan and implementing ordinances that outline diversity strategies, measures to maintain the existing supply of affordable housing and increase dispersion of affordable housing, and measures to increase affordable housing opportunities for household of all income levels (Metro Code 3.07.730.A). However, the City Council must officially consider the compliance report in order for the information to count towards compliance.
4. Consideration of the amendment of comprehensive plan and implementing ordinance with the seven land use strategies in Metro Code 3.07.730.B. (The 2004 submission mentions density bonus, transfer of development rights, and strategies to provide affordable housing for the elderly and disabled as existing, and declining to adopt local regulatory constraints. However, the City Council must officially consider the compliance report in order for this information to count towards compliance.)
5. Encouraged consideration of the implementation of four of the other affordable housing strategies in Metro Code Section 3.07.760 (replacement housing in urban renewal areas, inclusionary housing in urban renewal areas, fee waivers and funding incentives, and the promotion of affordable housing for incomes 50% to 120% of the regional median household income).
6. Specific third-year reporting requirements (Metro Code 3.07.740.C).

**SUMMARY OF 2004 COMPLIANCE OF METRO URBAN GROWTH MANAGEMENT FUNCTIONAL PLAN TITLE 7 (AFFORDABLE HOUSING)**

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**OREGON CITY**

Metro received the first year (2002) and second year (2003) reports on October 20, 2004.

A. **Metro Code 3.07.720:** *Each city or county should adopt the Voluntary Affordable Housing Production Goals as a guide to measure progress towards meeting the affordable housing needs of households with incomes between 0% and 50% of the regional median family income.*

Discussed and no formal action taken, however, it will use the goals as guideline for supporting the production of affordable housing. The City’s Housing Resource Document concluded that in order to find housing, low-income households may have to double up or accept substandard units.

B. **Metro Code 3.07.730.A:** *Cities and counties shall ensure that their comprehensive plan and implementing ordinances address: 1) diversity; 2) maintaining the existing supply of affordable housing and increasing new dispersed affordable housing; and 3) increasing affordable housing opportunities for household of all income levels.*  
(See Metro Functional Plan Title 7 for more details on these three policies)

The City adopted new policies in its updated comprehensive plan addressing the three strategies. The report did not state if the policies have been adopted into the city’s implementing ordinances.

C. **Metro Code 3.07.730.B:** *Cities and counties shall consider amendment of their comprehensive plan and implementing ordinances with the following affordable housing land use tools and strategies: 1) density bonus; 2) replacement housing; 3) inclusionary housing; 4) transfer of development rights; 5) elderly and people with disabilities; 6) local regulatory constraints – discrepancies in planning and zoning codes, and local permitting or approval process; and 7) parking.*  
(See Metro Functional Plan Title 7 for more details on these seven tools and strategies)

<i>Land use strategy (Metro Code)</i>	<i>Jurisdiction Action</i>
Density bonus	Discussed with no action taken. Proposed in its comprehensive plan amendment, to allow housing development that would be affordable to residents earning less than 50% of the City’s median income.
Replacement housing	Unclear of action taken. Although the City’s second annual report states it expects to adopt the strategy pending final review of the updated comprehensive plan (page 2), it states also “tool adopted” in another section (page 5).
Inclusionary housing	Existing (partial). Mixed use zones have parking reductions; City’s policy is consistent with Clackamas

	County Consolidated Plan that guide affordable housing production; proposed density bonus for housing for less than 50% MFI.
Transfer development rights	Declined to adopt because the availability of vacant land and higher densities allowed in downtown and along Molalla Boulevard negates the need for a TDR to develop high density housing in the City.
Elderly and people with disabilities	In use prior to January 2001
Local regulatory constraints	Unclear how City addressed specific measures listed in Title 7 or how its actions would support the production of affordable housing. The City's evaluation of this tool is ongoing.
Parking	Adopted (new)

**D. Metro Code 3.07.760.B:** *Local jurisdictions are encouraged to consider implementation of the following affordable housing tools and strategies: 1) replacement housing resulting from urban renewal; 2) inclusionary housing in urban renewal districts; 3) fee waivers or funding incentives; 4) promotion of affordable housing for incomes 50% to 120% of the regional median household income (RMHI); and 5) joint coordination or action to meet the affordable housing production goals.*

(See Metro Functional Plan Title 7 for more details on these five tools and strategies)

<i>Other affordable housing strategies (Metro Code)</i>	<i>Jurisdiction Action</i>
Replacement housing resulting from urban renewal	Discussed with no action taken
Inclusionary housing in urban renewal districts	Discussed with no action taken
Fee waivers or funding incentives	In use prior to January 2001 (Title 7)
Efforts promoting affordable housing for other income groups (50% to 120% of the regional median household income)	No mention of this strategy
Joint coordination or action	No mention of these tools

**E. Metro Code 3.07.730.C:** *By June 30, 2004, each city and county within the Metro region shall report to Metro on the outcome of the amendments to its comprehensive plan and implementing ordinances pending at the time of submittal of the report described in subsection B of this section and on the public response, if any, to any implementation adopted by the city or county to increase the community's affordable housing, including but not limited to the tools and strategies in subsection 3.07.730B.*

- i) 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; and*
- ii) Partnership that were created between the city and affordable housing developers (non-profit developers and private sector developers)*
- iii) Pending amendments to the comprehensive plan and implementing ordinances.*

*iv) Public response to the voluntary affordable housing production goals, policies, tools and strategies for affordable housing, and funding for housing.*

The City did not address these requirements.

**F. Metro Code 3.07.730.B:** *Compliance with amendment of comprehensive plan and implementing ordinances with affordable housing land use tools and strategies is achieved when the governing body of a city or county considers each tool or strategy.*

The 2002 and 2003 reports were sent to Metro with the city Resolution approved on September 15, 2004.

**G. Local initiatives not required or encouraged by Title 7.**

1) Adopted new policies to allow site-built manufactured housing to meet requirements of state and federal law, and to allow accessory dwelling units; 2) Transit-oriented projects may receive parking reductions (10% to 50% reductions, depending on the zone) in mixed areas downtown and along transportation corridors; 3) Proposed to ensure potential loss of affordable housing is replaced when considering amendments to its comprehensive plan.

Outstanding Items:

1. Consideration of the voluntary affordable housing production goal. (Metro Code 3.07.720 )
2. Consideration of the amendment of comprehensive plan and implementing ordinance with the following five land use strategies in Metro Code 3.07.730.B. (density bonus, replacement housing and local regulatory constraints).
3. Encouraged consideration of the implementation of four of the other affordable housing strategies in Metro Code Section 3.07.760 (replacement housing resulting from urban renewal areas, inclusionary housing in urban renewal areas, promotion of affordable housing for incomes 50% to 120% of the regional median household income, and joint coordination or action).
4. Specific third-year reporting requirements (Metro Code 3.07.740.C).

**SUMMARY OF 2004 COMPLIANCE OF METRO URBAN GROWTH MANAGEMENT FUNCTIONAL PLAN TITLE 7 (AFFORDABLE HOUSING)**

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**PORTLAND**

Metro received the third year (2004) report in June 2004. The City's first year (2002) report was received in July 2002. The second year (2003) report was received on December 29, 2004.

- A. **Metro Code 3.07.720:** *Each city or county should adopt the Voluntary Affordable Housing Production Goals as a guide to measure progress towards meeting the affordable housing needs of households with incomes between 0% and 50% of the regional median family income.*

The City adopted the voluntary affordable housing production goal (1,791 units). In addition, the City adopted the voluntary affordable housing production goal (134 units) for the Multnomah County unincorporated areas within the Portland Urban Service Boundary.

- B. **Metro Code 3.07.730.A:** *Cities and counties shall ensure that their comprehensive plan and implementing ordinances address: 1) diversity; 2) maintaining the existing supply of affordable housing and increasing new dispersed affordable housing; and 3) increasing affordable housing opportunities for household of all income levels.*  
(See Metro Functional Plan Title 7 for more details on these three policies)

The City currently implements all elements of the three strategies. The City reported existing strategies in its comprehensive plan addressing diversity of affordable housing, maintaining the existing supply and dispersal of affordable housing, and providing affordable housing opportunities for households of all income levels.

- C. **Metro Code 3.07.730.B:** *Cities and counties shall consider amendment of their comprehensive plan and implementing ordinances with the following affordable housing land use tools and strategies: 1) density bonus; 2) replacement housing; 3) inclusionary housing; 4) transfer of development rights; 5) elderly and people with disabilities; 6) local regulatory constraints – discrepancies in planning and zoning codes, and local permitting or approval process; and 7) parking.*  
(See Metro Functional Plan Title 7 for more details on these seven tools and strategies)

<i>Land use strategy (Metro Code)</i>	<i>Jurisdiction Action</i>
Density bonus	In use prior to January 2001 (Title 7)
Replacement housing	In use prior to January 2001 (Title 7)
Inclusionary housing	In use prior to January 2001 (Title 7)
Transfer development rights	In use prior to January 2001 (Title 7)
Elderly and people with disabilities	In use prior to January 2001 (Title 7)
Local regulatory constraints	In use prior to January 2001 (Title 7)
Parking	In use prior to January 2001 (Title 7)

- D. **Metro Code 3.07.760.B:** *Local jurisdictions are encouraged to consider implementation of the following affordable housing tools and strategies: 1) replacement housing resulting from urban renewal; 2) inclusionary housing in urban renewal districts; 3) fee waivers or funding*

*incentives; 4) promotion of affordable housing for incomes 50% to 120% of the regional median household income (RMHI); and 5) joint coordination or action to meet the affordable housing production goals.*

(See Metro Functional Plan Title 7 for more details on these five tools and strategies)

<i>Other affordable housing strategies (Metro Code)</i>	<i>Jurisdiction Action</i>
Replacement housing resulting from urban renewal	In use prior to January 2001 (Title 7)
Inclusionary housing in urban renewal districts	In use prior to January 2001 (Title 7)
Fee waivers or funding incentives	In use prior to January 2001 (Title 7)
Efforts promoting affordable housing for other income groups (50% to 120% of the regional median household income)	In use prior to January 2001 (Title 7)
Joint coordination or action	In use prior to January 2001 (Title 7) The City coordinates with numerous agencies to increase affordable housing production

**E. Metro Code 3.07.730.C:** *By June 30, 2004, each city and county within the Metro region shall report to Metro on the outcome of the amendments to its comprehensive plan and implementing ordinances pending at the time of submittal of the report described in subsection B of this section and on the public response, if any, to any implementation adopted by the city of county to increase the community's affordable housing, including but not limited to the tools and strategies in subsection 3.07.730B.*

*i) 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;*

The City implements affordable housing through various city agencies (Portland Development Commission, Bureau of Housing and Community Development, Bureau of Planning and Housing Authority of Portland). The activities of these agencies have resulted in affordable units produced by non-profits providers that are scattered across the City. These agencies also coordinates with the for-profit developers to provide affordable housing in the South Waterfront District (375 units affordable to households earning less than 50% of MFI and 800 units affordable to households earning less than 120% of MFI), Central City District (zoning code provisions increasing the number of units required per acre from 29 units to 43 units as required to promote housing for larger households) and St. Johns Lombard District. In addition, over 5,000 units have been built that have made use of the City's tax exemption program.

*ii) Partnership that were created between the city and affordable housing developers (non-profit developers and private sector developers).*

Joint coordination with developers in the Central City District, South Waterfront District and St. Johns Lombard District.

*iii) Pending amendments to the comprehensive plan and implementing ordinances.*



Although the City has met the requirements of Title 7, there are on-going code amendments and budget actions that will contribute to the production of more affordable housing units. For example, the City proposed allocation of \$11 million from the general fund for affordable housing in the next three years.

*iv) Public response to code changes.*

Various groups and citizens provided public comments supporting the adoption of the affordable housing production goals, the North Macadam Urban Renewal Area, Pleasant Valley Concept Plan (allowing duplexes, smaller lot sizes, accessory units), St. Johns Lombard Plan, and City of Portland Tax Exemption Programs (adding affordability requirements for rental projects)

**F. Metro Code 3.07.740.C:** *Compliance with amendment of comprehensive plan and implementing ordinances with affordable housing land use tools and strategies is achieved when the governing body of a city or county considers each tool or strategy.*

The 2003 report was adopted by the City Council.

**G. Local initiatives not required or encouraged by Title 7.**

The City proposed allocation of \$11 million from the general fund for affordable housing in the next three years. Over 15 other tools and strategies are currently in use or exist in the form of housing policy in the City's comprehensive plan, strategies and incentives in the City's Zoning Code (Title 33), and in the City's various housing programs. These tools include: 1) a housing preservation program (guaranteeing 60 years of continued affordability for units assisted with public funds); 2) a program to ensure no net loss of housing for the central city; 3) fair housing program for minorities and low income people in protected classes; 4) homebuyer opportunity areas; 5) Portland Community Land Trust; 6) the permitting of accessory dwelling units (required by Title 1 of the Functional Plan) that typically consist smaller affordable housing units; 6) floor area ratio (FAR) bonuses; 7) single room occupancy (SRO) housing; 8) property tax exemption; 9) staffing and funding a region-wide web-based Housing Connections site to provide information on low income housing and service availability; 10) funding support for the Portland Housing Center; 11) funding support for African-American, Latino, and Asian-American Homebuyer Fairs; 12) funding assistance for the HOPE VI project undertaken by the Housing Authority of Portland; 13) leadership for the HOME consortium; 14) leadership for the Housing for Persons with AIDS consortium; 15) extensive use of Community Development Block Grant funds for direct and indirect housing activities; 16) continued support for the creation of a Regional Housing Trust Fund.

**H. Other Information Provided:**

The City reported that its Auditor report documented that \$100 million of City resources have assisted over 11,700 housing units during the four-year period from FY1996/97 to FY 1999/00.

Outstanding Items:

The City has met all Title 7 requirements.

## **SUMMARY OF 2004 COMPLIANCE OF METRO URBAN GROWTH MANAGEMENT FUNCTIONAL PLAN TITLE 7 (AFFORDABLE HOUSING)**

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### **RIVERGROVE**

The City has not submitted the 2002, 2003 and 2004 reports to address the requirements in the Metro Functional Plan Title 7 listed below.

- A. **Metro Code 3.07.720:** *Each city or county should adopt the Voluntary Affordable Housing Production Goals as a guide to measure progress towards meeting the affordable housing needs of households with incomes between 0% and 50% of the regional median family income.*
- B. **Metro Code 3.07.730.A:** *Cities and counties shall ensure that their comprehensive plan and implementing ordinances address: 1) diversity; 2) maintaining the existing supply of affordable housing and increasing new dispersed affordable housing; and 3) increasing affordable housing opportunities for household of all income levels.*  
(See Metro Functional Plan Title 7 for more details on these three policies)
- C. **Metro Code 3.07.730.B:** *Cities and counties shall consider amendment of their comprehensive plan and implementing ordinances with the following affordable housing land use tools and strategies: 1) density bonus; 2) replacement housing; 3) inclusionary housing; 4) transfer of development rights; 5) elderly and people with disabilities; 6) local regulatory constraints – discrepancies in planning and zoning codes, and local permitting or approval process; and 7) parking.*  
(See Metro Functional Plan Title 7 for more details on these seven tools and strategies)
- D. **Metro Code 3.07.760.B:** *Local jurisdictions are encouraged to consider implementation of the following affordable housing tools and strategies: 1) replacement housing resulting from urban renewal; 2) inclusionary housing in urban renewal districts; 3) fee waivers or funding incentives; 4) promotion of affordable housing for incomes 50% to 120% of the regional median household income (RMHI); and 5) joint coordination or action to meet the affordable housing production goals.*  
(See Metro Functional Plan Title 7 for more details on these five tools and strategies)
- E. **Metro Code 3.07.730.C:** *By June 30, 2004, each city and county within the Metro region shall report to Metro on the outcome of the amendments to its comprehensive plan and implementing ordinances pending at the time of submittal of the report described in subsection B of this section and on the public response, if any, to any implementation adopted by the city of county to increase the community's affordable housing, including but not limited to the tools and strategies in subsection 3.07.730B.*
- i) *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.*
  - ii) *Partnerships that were created between the city and affordable housing developers (non-profit developers and private sector developers)*
  - iii) *Pending amendments to the comprehensive plan and implementing ordinances.*

iv) *Public response to code changes.*

F. **Metro Code 3.07.730:** *Compliance with amendment of comprehensive plan and implementing ordinances with affordable housing land use tools and strategies is achieved when the governing body of a city or county considers each tool or strategy.*

Outstanding Items:

1. All of the above requirements are yet to be addressed.
2. Specific third-year reporting requirements (Metro Code 3.07.740.C).

## **SUMMARY OF 2004 COMPLIANCE OF METRO URBAN GROWTH MANAGEMENT FUNCTIONAL PLAN TITLE 7 (AFFORDABLE HOUSING)**

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### **SHERWOOD**

The City has not submitted the 2002, 2003 and 2004 reports to address the requirements in the Metro Functional Plan Title 7 listed below.

- A. **Metro Code 3.07.720:** *Each city or county should adopt the Voluntary Affordable Housing Production Goals as a guide to measure progress towards meeting the affordable housing needs of households with incomes between 0% and 50% of the regional median family income.*
- B. **Metro Code 3.07.730.A:** *Cities and counties shall ensure that their comprehensive plan and implementing ordinances address: 1) diversity; 2) maintaining the existing supply of affordable housing and increasing new dispersed affordable housing; and 3) increasing affordable housing opportunities for household of all income levels.*  
(See Metro Functional Plan Title 7 for more details on these three policies)
- C. **Metro Code 3.07.730.B:** *Cities and counties shall consider amendment of their comprehensive plan and implementing ordinances with the following affordable housing land use tools and strategies: 1) density bonus; 2) replacement housing; 3) inclusionary housing; 4) transfer of development rights; 5) elderly and people with disabilities; 6) local regulatory constraints – discrepancies in planning and zoning codes, and local permitting or approval process; and 7) parking.*  
(See Metro Functional Plan Title 7 for more details on these seven tools and strategies)
- D. **Metro Code 3.07.760.B:** *Local jurisdictions are encouraged to consider implementation of the following affordable housing tools and strategies: 1) replacement housing resulting from urban renewal; 2) inclusionary housing in urban renewal districts; 3) fee waivers or funding incentives; 4) promotion of affordable housing for incomes 50% to 120% of the regional median household income (RMHI); and 5) joint coordination or action to meet the affordable housing production goals.*  
(See Metro Functional Plan Title 7 for more details on these five tools and strategies)
- E. **Metro Code 3.07.730.C:** *By June 30, 2004, each city and county within the Metro region shall report to Metro on the outcome of the amendments to its comprehensive plan and implementing ordinances pending at the time of submittal of the report described in subsection B of this section and on the public response, if any, to any implementation adopted by the city of county to increase the community's affordable housing, including but not limited to the tools and strategies in subsection 3.07.730B.*
- i) *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.*
  - ii) *Partnerships that were created between the city and affordable housing developers (non-profit developers and private sector developers)*
  - iii) *Pending amendments to the comprehensive plan and implementing ordinances.*
  - iv) *Public response to code changes.*

*F. **Metro Code 3.07.730:** Compliance with amendment of comprehensive plan and implementing ordinances with affordable housing land use tools and strategies is achieved when the governing body of a city or county considers each tool or strategy.*

Outstanding Items:

1. All of the above requirements are yet to be addressed.
2. Specific third-year reporting requirements (Metro Code 3.07.740.C).

**SUMMARY OF 2004 COMPLIANCE OF METRO URBAN GROWTH MANAGEMENT  
FUNCTIONAL PLAN TITLE 7 (AFFORDABLE HOUSING)**

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**TIGARD**

Metro received the City's third year (2004) report on February 15, 2005.

The evaluation below is in the Metro 2003 Annual Compliance Report, and was based on the City's first year (2002) report received in May 2002, and the second year (2002) report received in February 2003.

- A. **Metro Code 3.07.720:** *Each city or county should adopt the Voluntary Affordable Housing Production Goals as a guide to measure progress towards meeting the affordable housing needs of households with incomes between 0% and 50% of the regional median family income.*

The report states that the City Council has considered adopting the voluntary affordable housing goal but has taken no formal action. The Council feels that the adoption of the goal might "help highlight the need for more affordable housing", but "would not in and of itself result in the production of additional units."

- B. **Metro Code 3.07.730.A:** *Cities and counties shall ensure that their comprehensive plan and implementing ordinances address: 1) diversity; 2) maintaining the existing supply of affordable housing and increasing new dispersed affordable housing; and 3) increasing affordable housing opportunities for household of all income levels.*  
(See Metro Functional Plan Title 7 for more details on these three policies)

The report includes excerpts from the City's comprehensive plan that address maintaining housing diversity and a housing supply for all income levels. However, the City's report did not outline specific comprehensive plan strategies for maintaining the City's existing housing supply and increasing the dispersion of affordable housing.

- C. **Metro Code 3.07.730.B:** *Cities and counties shall consider amendment of their comprehensive plan and implementing ordinances with the following affordable housing land use tools and strategies: 1) density bonus; 2) replacement housing; 3) inclusionary housing; 4) transfer of development rights; 5) elderly and people with disabilities; 6) local regulatory constraints – discrepancies in planning and zoning codes, and local permitting or approval process; and 7) parking.*  
(See Metro Functional Plan Title 7 for more details on these seven tools and strategies)

<i>Land use strategy (Metro Code)</i>	<i>Jurisdiction Action</i>
Density bonus	Discussed but no action taken
Replacement housing	Declined to adopt because the City does not have staff time to conduct an inventory of affordable housing units that is needed to implement this strategy.
Inclusionary housing	Declined to adopt without clear reason.

Transfer development rights	Discussed but no action taken
Elderly and people with disabilities	In use prior to January 2001
Local regulatory constraints	In use prior to January 2001 (partial)
Parking	In use prior to January 2001

**D. Metro Code 3.07.760.B:** *Local jurisdictions are encouraged to consider implementation of the following affordable housing tools and strategies: 1) replacement housing resulting from urban renewal; 2) inclusionary housing in urban renewal districts; 3) fee waivers or funding incentives; 4) promotion of affordable housing for incomes 50% to 120% of the regional median household income (RMHI); and 5) joint coordination or action to meet the affordable housing production goals.*

(See Metro Functional Plan Title 7 for more details on these five tools and strategies)

<i>Other affordable housing strategies (Metro Code)</i>	<i>Jurisdiction Action</i>
Replacement housing resulting from urban renewal	Declined replacement housing as a land use strategy (per reasons in the previous section regarding replacement housing), no mention of its use in urban renewal districts
Inclusionary housing in urban renewal districts	Declined inclusionary housing as a land use strategy (per reasons in the previous section regarding replacement housing), no mention of its use in urban renewal districts
Fee waivers or funding incentives	In use prior to January 2001
Efforts promoting affordable housing for other income groups (50% to 120% of the regional median household income)	In use prior to January 2001
Joint coordination or action	In use prior to January 2001

**E. Metro Code 3.07.730.C:** *By June 30, 2004, each city and county within the Metro region shall report to Metro on the outcome of the amendments to its comprehensive plan and implementing ordinances pending at the time of submittal of the report described in subsection B of this section and on the public response, if any, to any implementation adopted by the city or county to increase the community's affordable housing, including but not limited to the tools and strategies in subsection 3.07.730B.*

- i) 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.*
- ii) Partnerships that were created between the city and affordable housing developers (non-profit developers and private sector developers)*
- iii) Pending amendments to the comprehensive plan and implementing ordinances.*
- iv) Public response to code changes.*

The City did not address these requirements.

- F. **Metro Code 3.07.730:** *Compliance with amendment of comprehensive plan and implementing ordinances with affordable housing land use tools and strategies is achieved when the governing body of a city or county considers each tool or strategy.*

The 2003 report indicated that the Tigard City Council had adopted the report in September 2002, “as a complete and official statement of the City of Tigard’s Affordable Housing Program.”

- G. *Local initiatives not required or encouraged by Title 7.*

The City has several local tools that contribute to housing affordability. These include providing rent-free space to Community Partners for Affordable Housing from 1997 to 2002 and supporting the Good Neighbor (homeless) Center. Other initiatives include establishing a Housing Emergency Fund to assist occupants of housing declared to be unsafe or uninhabitable and supporting the sale or donation of tax foreclosed and surplus County and City-owned properties to non-profit housing providers.

- H. *Other information provided.*

The City of Tigard adopted their Affordable Housing Program in September 2002. This program outlines the City’s approach to supporting affordable housing in their community. The City has also adopted a community-visioning document called Tigard Beyond Tomorrow that defines the City’s long-term goals. Included among these goals are strategies to educate citizens about the importance of affordable housing, to make incentive programs available to providers of affordable housing units, and to review the City’s zoning code and comprehensive plan policies to provide maximum opportunities for affordable housing.

Outstanding Items:

1. Ensuring that the City’s comprehensive plan and implementing ordinances include measures to maintain the City’s existing supply of affordable housing and increase the dispersion of affordable housing. (Metro Code 3.07.730.A)
2. Consideration of the amendment of comprehensive plan and implementing ordinance amendments to include density bonus and the transfer of development rights in Metro Code 3.07.730.B.
3. Encouraged consideration of the amendment of comprehensive plan and implementing ordinance amendments to include the implementation of replacement housing and inclusionary housing in urban renewal areas as outlined in Metro Code Section 3.07.760.
4. Specific third-year reporting requirements (Metro Code 3.07.740.C).



## SUMMARY OF 2004 COMPLIANCE OF METRO URBAN GROWTH MANAGEMENT FUNCTIONAL PLAN TITLE 7 (AFFORDABLE HOUSING)

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### TROUTDALE

Metro received the City's third year (2004) report on March 5, 2005.

- A. **Metro Code 3.07.720:** *Each city or county should adopt the Voluntary Affordable Housing Production Goals as a guide to measure progress towards meeting the affordable housing needs of households with incomes between 0% and 50% of the regional median family income.*

The City declined to adopt the voluntary goal. The City discussed the regional goal of providing affordable housing, but declined to adopt the voluntary because "it appears that the free market is working to meet the affordable housing needs of low income in this area." Other reasons include "a 228-unit low income apartment complex was constructed...and all of the units are being rented to households making 60% or less of Multnomah County' median household income."

- B. **Metro Code 3.07.730.A:** *Cities and counties shall ensure that their comprehensive plan and implementing ordinances address: 1) diversity; 2) maintaining the existing supply of affordable housing and increasing new dispersed affordable housing; and 3) increasing affordable housing opportunities for household of all income levels.*  
(See Metro Functional Plan Title 7 for more details on these three policies)

The City highlighted some existing policies in its comprehensive plan and implementing ordinances addressing diversity of affordable housing as well as measures aimed at increasing affordable housing opportunities for household of all income levels. The report did not state which existing policies address the maintenance of the existing supply of affordable housing in the City or the encouragement of opportunities for new dispersed affordable housing within its boundaries.

- C. **Metro Code 3.07.730.B:** *Cities and counties shall consider amendment of their comprehensive plan and implementing ordinances with the following affordable housing land use tools and strategies: 1) density bonus; 2) replacement housing; 3) inclusionary housing; 4) transfer of development rights; 5) elderly and people with disabilities; 6) local regulatory constraints – discrepancies in planning and zoning codes, and local permitting or approval process; and 7) parking.*  
(See Metro Functional Plan Title 7 for more details on these seven tools and strategies)

As stated in the report, the City discussed the seven strategies but declined to adopt the four shown in the table below. There are measures in place for meeting the locational needs for elderly and people with disabilities, measures addressing some portions of local regulatory constraints, and parking requirements that ensure the production of affordable housing.

<i>Land use strategy (Metro Code)</i>	<i>Jurisdiction Action</i>
Density bonus	Declined to adopt because of lack of staff and expertise for administration and monitoring of this strategy.
Replacement housing	Declined to adopt because of lack of staff and expertise for administration and monitoring of this strategy.
Inclusionary housing	Declined to adopt because of preference to let the free market determine location and need for affordable housing.
Transfer development rights	Declined to adopt because of lack of staff and expertise for administration and monitoring of this strategy.
Elderly and people with disabilities	In use prior to January 2001 (Title 7)
Local regulatory constraints	In use prior to January 2001 (Title 7) – (partial)
Parking	In use prior to January 2001 (Title 7)

**D. Metro Code 3.07.760.B:** *Local jurisdictions are encouraged to consider implementation of the following affordable housing tools and strategies: 1) replacement housing resulting from urban renewal; 2) inclusionary housing in urban renewal districts; 3) fee waivers or funding incentives; 4) promotion of affordable housing for incomes 50% to 120% of the regional median household income (RMHI); and 5) joint coordination or action to meet the affordable housing production goals.*

(See Metro Functional Plan Title 7 for more details on these five tools and strategies)

The City’s report states that fee waivers or funding incentives (through waiving of transportation SDC associated with use change, including change to affordable housing) have been implemented by the city to some extent. The report also stated that the City “has also demonstrated willingness to be flexible in how it applies SDCs to special needs housing projects, thereby making them affordable.” However, the report stated that because it is not aware of any housing project proposed for construction that was rendered financially infeasible due to its permit fees, the City does not believe that waiving fees will necessarily attract more affordable housing projects.

<i>Other affordable housing strategies (Metro Code)</i>	<i>Jurisdiction Action</i>
Replacement housing resulting from urban renewal	Declined to adopt because the City attempted to establish an urban renewal district that was overturned by voters in 2002. In addition, see reasons in the previous section regarding replacement housing.
Inclusionary housing in urban renewal districts	Declined to adopt because the City attempted to establish an urban

	renewal district that was overturned by voters in 2002. In addition see reasons in the previous section regarding inclusionary housing.
Fee waivers or funding incentives	Declined to adopt because the City is not aware of any housing project proposed for construction that was rendered financially infeasible due to its permit fees.
Efforts promoting affordable housing for other income groups (50% to 120% of the regional median household income)	In use prior to January 2001 (Title 7)
Joint coordination or action	Not addressed in the report

**E. Metro Code 3.07.730.C:** *By June 30, 2004, each city and county within the Metro region shall report to Metro on the outcome of the amendments to its comprehensive plan and implementing ordinances pending at the time of submittal of the report described in subsection B of this section and on the public response, if any, to any implementation adopted by the city or county to increase the community's affordable housing, including but not limited to the tools and strategies in subsection 3.07.730B.*

- i) 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.*
- ii) Partnerships that were created between the city and affordable housing developers (non-profit developers and private sector developers)*
- iii) Pending amendments to the comprehensive plan and implementing ordinances.*
- iv) Public response to code changes.*

The City did not address these requirements.

**F. Metro Code 3.07.730:** *Compliance with amendment of comprehensive plan and implementing ordinances with affordable housing land use tools and strategies is achieved when the governing body of a city or county considers each tool or strategy.*

The combined 2002 & 2003 report stated that the City Council had approved the report.

**G. Local initiatives not required or encouraged by Title 7.**

Allowed an RV park originally intended as overnight campground for traveling public to become a de facto affordable housing project when the facility became popular among retired persons and lower income residents who reside in motor homes and other types of recreational vehicles.

**H. Other information provided.**

One of the new uses being considered by the City for its former sewage treatment plant site located in downtown includes a housing component. The report stated that "the City could specify in the sales agreement for the property that the development must include a certain number of affordable housing units."

Outstanding Items:

1. Ensuring that the comprehensive plan and implementing ordinances include measures to maintain the existing supply of affordable housing and increase dispersion of affordable housing. (Metro Code 3.07.730.A)
2. Consideration of the amendment of 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. (Metro Code 3.07.730.B )
3. Encouraged consideration of the implementation 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).
4. Specific third-year reporting requirements (Metro Code 3.07.740.C).

**SUMMARY OF 2004 COMPLIANCE OF METRO URBAN GROWTH MANAGEMENT  
FUNCTIONAL PLAN TITLE 7 (AFFORDABLE HOUSING)**

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**TUALATIN**

The third year (2004) and second year (2003) reports were not received by Metro. The City's first year (2002) report was received in May 2002.

A. **Metro Code 3.07.720:** *Each city or county should adopt the Voluntary Affordable Housing Production Goals as a guide to measure progress towards meeting the affordable housing needs of households with incomes between 0% and 50% of the regional median family income.*

The report did not address affordable housing production goals.

B. **Metro Code 3.07.730.A:** *Cities and counties shall ensure that their comprehensive plan and implementing ordinances address: 1) diversity; 2) maintaining the existing supply of affordable housing and increasing new dispersed affordable housing; and 3) increasing affordable housing opportunities for household of all income levels.*  
(See Metro Functional Plan Title 7 for more details on these three policies)

The City did not address the above three strategies in its report.

C. **Metro Code 3.07.730.B:** *Cities and counties shall consider amendment of their comprehensive plan and implementing ordinances with the following affordable housing land use tools and strategies: 1) density bonus; 2) replacement housing; 3) inclusionary housing; 4) transfer of development rights; 5) elderly and people with disabilities; 6) local regulatory constraints – discrepancies in planning and zoning codes, and local permitting or approval process; and 7) parking.*  
(See Metro Functional Plan Title 7 for more details on these seven tools and strategies)

The report stated that density bonus, replacement housing, and inclusionary housing strategies are not currently implemented. The transfer of development rights (TDR) provision adopted in the City code is not tailored to encourage the production of affordable housing. In addition, the report did not state that the strategy is addressed in the comprehensive plan. Local regulatory constraints have been partially addressed as explained in the table below.

<i>Land use strategy (Metro Code)</i>	<i>Jurisdiction Action</i>
Density bonus	Not addressed in the report
Replacement housing	Not addressed in the report
Inclusionary housing	Not addressed in the report
Transfer development rights	Unclear. Addressed in the report, but is not tailored to the production of affordable housing. Related zoning strategy is designed to concentrate development in a developable area of the parcel, and does not involve transfer between separate sites. There is also no

	indication that TDR is implemented in the town center and main streets.
Elderly and people with disabilities	In use prior to January 2001 (Title 7)
Local regulatory constraints	In use prior to January 2001 (Title 7) – (partial)
Parking	Unclear. This tool was described with insufficient detail to evaluate the City’s effort to adjust parking regulations to increase affordable housing opportunities.

**D. Metro Code 3.07.760.B:** *Local jurisdictions are encouraged to consider implementation of the following affordable housing tools and strategies: 1) replacement housing resulting from urban renewal; 2) inclusionary housing in urban renewal districts; 3) fee waivers or funding incentives; 4) promotion of affordable housing for incomes 50% to 120% of the regional median household income (RMHI); and 5) joint coordination or action to meet the affordable housing production goals.*  
(See Metro Functional Plan Title 7 for more details on these five tools and strategies)

<i>Other affordable housing strategies (Metro Code)</i>	<i>Jurisdiction Action</i>
Replacement housing resulting from urban renewal	Not addressed in the report
Inclusionary housing in urban renewal districts	Not addressed in the report
Fee waivers or funding incentives	Not addressed in the report
Efforts promoting affordable housing for other income groups (50% to 120% of the regional median household income)	In use prior to January 2001 (Title 7)
Joint coordination or action	Not addressed in the report

**E. Metro Code 3.07.730.C:** *By June 30, 2004, each city and county within the Metro region shall report to Metro on the outcome of the amendments to its comprehensive plan and implementing ordinances pending at the time of submittal of the report described in subsection B of this section and on the public response, if any, to any implementation adopted by the city of county to increase the community’s affordable housing, including but not limited to the tools and strategies in subsection 3.07.730B.*

- i) 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.*
- ii) Partnerships that were created between the city and affordable housing developers (non-profit developers and private sector developers)*
- iii) Pending amendments to the comprehensive plan and implementing ordinances.*
- iv) Public response to code changes.*

The City did not address these requirements.

**F. Metro Code 3.07.730:** *Compliance with amendment of comprehensive plan and implementing ordinances with affordable housing land use tools and strategies is achieved when the governing body of a city or county considers each tool or strategy.*

The 2002 report was sent to Metro with a cover letter signed by Tualatin staff, with no indication whether the report had been reviewed and approved by the City Council.

**G. Local initiatives not required or encouraged by Title 7.**

Some tools and strategies the City has used include: 1) changing the density of a trailer park; 2) townhouses allowed outright in certain zones; and 3) changes to the central urban renewal district to accommodate affordable housing.

Outstanding Items:

1. Clarification if the elected body had reviewed and approved the annual compliance report prior to submitting it to Metro. (Metro Code 3.07.730)
2. Consideration of the voluntary affordable housing production goals.
3. Ensuring that the comprehensive plan and implementing ordinances include diversity strategies, measures to maintain the existing supply of affordable housing and increase dispersion of affordable housing, and measures to increase affordable housing opportunities for household of all income levels. (Metro Code 3.07.730.A)
4. Consideration of the amendment of comprehensive plan and implementing ordinances with four land use strategies (density bonus, replacement housing, inclusionary housing, transfer of development rights, and parking. (Metro Code 3.07.730.B)
5. Consideration of the amendment of comprehensive plan and implementing ordinances to addresses fully the impact of all components of local regulatory constraints on affordable housing. Measures are in place addressing two components of the strategy (examine development and design standards for impact on affordable housing; consider using cost benefit analysis to determine impact of new regulation on housing production). The other four components of the strategy are not addressed by the existing measures. (Metro Code 3.07.730.B)
6. Encouraged consideration of the implementation of other affordable housing strategies in Metro Code Section 3.07.760 (replacement housing in urban renewal areas, inclusionary housing in urban renewal areas, fee waivers or funding incentives and joint coordination efforts to increase affordable housing production).
7. Specific third-year reporting requirements (Metro Code 3.07.740.C).

**SUMMARY OF 2004 COMPLIANCE OF METRO URBAN GROWTH MANAGEMENT  
FUNCTIONAL PLAN TITLE 7 (AFFORDABLE HOUSING)**

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**WEST LINN**

Metro received a letter from Mayor Dodds on July 9, 2004 that serves as the City's 2004 report. Prior to this submission, Metro received a single report from the City in February 2003 that is intended to serve as the first (2002) and second (2003) year reports.

- A. **Metro Code 3.07.720:** *Each city or county should adopt the Voluntary Affordable Housing Production Goals as a guide to measure progress towards meeting the affordable housing needs of households with incomes between 0% and 50% of the regional median family income.*

The City report states "Adoption of this goal is recommended, but not mandatory. West Linn chooses not to adopt an Affordable Housing Production goal, for reasons discussed in depth later in this letter." The reasons are included in the statements following the requirements below.

- B. **Metro Code 3.07.730.A:** *Cities and counties shall ensure that their comprehensive plan and implementing ordinances address: 1) diversity; 2) maintaining the existing supply of affordable housing and increasing new dispersed affordable housing; and 3) increasing affordable housing opportunities for household of all income levels.*  
(See Metro Functional Plan Title 7 for more details on these three policies)

The 2002/2003 submission included excerpts from the City's comprehensive plan that addressed measures to provide the supply of housing for all income levels. The 2004 report from the Mayor does not address these specific strategies but states, "The West Linn comprehensive plan and community development code are in compliance with the Statewide Planning Goals and implementing rules requiring a diversity of housing types and affordable housing opportunities. The City does not believe that any additional changes to our comprehensive plan or community development code are necessary to further ensure affordable housing within West Linn."

- C. **Metro Code 3.07.730.B:** *Cities and counties shall consider amendment of their comprehensive plan and implementing ordinances with the following affordable housing land use tools and strategies: 1) density bonus; 2) replacement housing; 3) inclusionary housing; 4) transfer of development rights; 5) elderly and people with disabilities; 6) local regulatory constraints – discrepancies in planning and zoning codes, and local permitting or approval process; and 7) parking.*  
(See Metro Functional Plan Title 7 for more details on these seven tools and strategies)

Density bonus strategy, measures addressing affordable housing for elderly and people with disabilities strategy, and parking requirements to ensure affordable housing are being implemented in the City.

<i>Land use strategy (Metro Code)</i>	<i>Jurisdiction Action</i>
Density bonus	In use prior to January 2001 (Title 7) in Planned Unit



	Developments
Replacement housing	Discussed but no action taken. The 2004 report states the City “has not experienced any significant problem with the issue,” however the City is considering reducing the incentive to tear down single-family residences and replace them with McMansions by limiting the FAR of new single family homes.”
Inclusionary housing	Existing in Planned Unit Developments (PUDs)
Transfer development rights	Existing in Planned Unit Developments
Elderly and people with disabilities	In use prior to January 2001 (Title 7)
Local regulatory constraints	Declined to adopt
Parking	In use prior to January 2001 (Title 7)

**D. Metro Code 3.07.760.B:** *Local jurisdictions are encouraged to consider implementation of the following affordable housing tools and strategies: 1) replacement housing resulting from urban renewal; 2) inclusionary housing in urban renewal districts; 3) fee waivers or funding incentives; 4) promotion of affordable housing for incomes 50% to 120% of the regional median household income (RMHI); and 5) joint coordination or action to meet the affordable housing production goals.*

(See Metro Functional Plan Title 7 for more details on these five tools and strategies)

Measures for promoting affordable housing for other income groups (50% to 120% of the regional median household income) is currently implemented in the City.

One of these five other strategies in 3.07.760 (promotion of affordable housing for incomes 50% to 120% of the regional median household income)

<i>Other affordable housing strategies (Metro Code)</i>	<i>Jurisdiction Action</i>
Replacement housing resulting from urban renewal	No addressed in the report
Inclusionary housing in urban renewal districts	No addressed in the report
Fee waivers or funding incentives	No addressed in the report
Efforts promoting affordable housing for other income groups (50% to 120% of the regional median household income)	In use prior to January 2001 (Title 7)
Joint coordination or action	Not addressed in the report

**E. Metro Code 3.07.730.C:** *By June 30, 2004, each city and county within the Metro region shall report to Metro on the outcome of the amendments to its comprehensive plan and implementing ordinances pending at the time of submittal of the report described in subsection B of this section and on the public response, if any, to any implementation adopted by the city or county to increase the community’s affordable housing, including but not limited to the tools and strategies in subsection 3.07.730B.*

- i) *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.*
- ii) *Partnerships that were created between the city and affordable housing developers (non-profit developers and private sector developers)*
- iii) *Pending amendments to the comprehensive plan and implementing ordinances.*
- iv) *Public response to code changes.*

The City did not address these requirements.

**F. Metro Code 3.07.730:** *Compliance with amendment of comprehensive plan and implementing ordinances with affordable housing land use tools and strategies is achieved when the governing body of a city or county considers each tool or strategy.*

Although the Mayor signed the 2004 report, there is no indication that the report was reviewed and approved by the City Council. The combined 2002 & 2003 report was sent to Metro by the interim planning director with no indication that the report had been reviewed and approved by the City Council.

**G. Local initiatives not required or encouraged by Title 7.**

The 2004 report stated that the City has utilized several local tools to contribute to housing affordability and continues to do so now. The tools include a Community Development Block Grant that improved streets in the Willamette Neighborhood, a qualifying low-income area of the City. The City also established 1- to 20-unit per acre residential land use districts that provide development opportunities ranging from detached single-family to high density multi-family units. The City also allows manufactured homes in all residential zoning districts.

**H. Other information provided.**

The City's 2002/2003 report stated that the City will be addressing a list of recommended actions on affordable housing in early to mid 2003. This list included:

- a. Evaluate how West Linn can meet its share of the regional need for housing
- b. Identify constitutionally justifiable measures to encourage the provision of affordable housing.
- c. Determine the costs of providing or subsidizing affordable housing.

The report also states that amendments to the Community Development Code and/or the introduction of programs to assist in the provision of affordable housing may follow in 2003 or 2004.

The 2004 report did not provide any further information on these topics. The report states, "The City of West Linn and its citizens have expressed a strong desire, through their votes, that future growth and development within the city "pay its own way." Since many of the policies recommended by Metro involve subsidies for affordable housing, and since current Oregon law does not allow cities and other governmental agencies to collect the full costs of new residential development from developers and builders, West Linn has no intent or desire to implement such policies."

Outstanding Items:

1. Clarification if the elected body had reviewed and approved the annual compliance report prior to submitting it to Metro. (Metro Code 3.07.730)
2. Ensuring that the comprehensive plan and implementing ordinances include diversity strategies, and measures to maintain the existing supply of affordable housing and to increase dispersion of affordable housing, and measures to increase affordable housing opportunities for household of all income levels. (Metro Code 3.07.730.A)
3. Consideration of the amendment of comprehensive plan and implementing ordinance amendments to include replacement housing strategies in Metro Code 3.07.730.B.
4. Encouraged consideration of the amendment of comprehensive plan and implementing ordinance amendments to include the implementation of replacement housing and inclusionary housing in urban renewal areas, fee waiver or funding incentive and joint coordination or action as outlined in Metro Code Section 3.07.760
5. Specific third-year reporting requirements (Metro Code 3.07.740.C).

**SUMMARY OF 2004 COMPLIANCE OF METRO URBAN GROWTH MANAGEMENT FUNCTIONAL PLAN TITLE 7 (AFFORDABLE HOUSING)**

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**WILSONVILLE**

The third year (2004) report was not received by Metro. Metro received a single report in June of 2004 that the City intends to serve as the 2002 and 2003 report, and this report states that a third year report will be submitted.

- A. **Metro Code 3.07.720:** *Each city or county should adopt the Voluntary Affordable Housing Production Goals as a guide to measure progress towards meeting the affordable housing needs of households with incomes between 0% and 50% of the regional median family income.*

The City's report does not state whether the City has considered adoption of the goals. The report states that the City intends to complete a Residential Buildable Lands Analysis in order to establish goals for "low and moderate cost housing."

- B. **Metro Code 3.07.730.A:** *Cities and counties shall ensure that their comprehensive plan and implementing ordinances address: 1) diversity; 2) maintaining the existing supply of affordable housing and increasing new dispersed affordable housing; and 3) increasing affordable housing opportunities for household of all income levels.*  
(See Metro Functional Plan Title 7 for more details on these three policies)

The City has measures for maintaining the existing supply of affordable housing and increasing the dispersion of housing and maintaining housing diversity, and for providing a housing supply for all income levels.

- C. **Metro Code 3.07.730.B:** *Cities and counties shall consider amendment of their comprehensive plan and implementing ordinances with the following affordable housing land use tools and strategies: 1) density bonus; 2) replacement housing; 3) inclusionary housing; 4) transfer of development rights; 5) elderly and people with disabilities; 6) local regulatory constraints – discrepancies in planning and zoning codes, and local permitting or approval process; and 7) parking.*  
(See Metro Functional Plan Title 7 for more details on these seven tools and strategies)

<i>Land use strategy (Metro Code)</i>	<i>Jurisdiction Action</i>
Density bonus	Unclear explanation of City action. The 2002/2003 report states "the maximum zoned density does not include the density bonus for zones that allow them ...the Wilsonville Code makes no provision for density bonus of any kind."
Replacement housing	In use prior to January 2001 (partial). Although the City has strong Comprehensive Plan policies requiring replacement of existing affordable housing that is displaced by other development, measures to implement replacement housing has yet to be developed, pending the completion of the

	Residential Buildable Lands and Needs Analysis.”
Inclusionary housing	Unclear explanation of City action. This tool is listed in City Implementation Measure 4.1.4m as one the City will consider. However, a different section of the report states that the City “may or may not use this tool, depending on the identified need and the availability of other resources to meet that need.”
Transfer development rights	Unclear explanation of City action. Although the report states a transfer of development rights strategy exists for Significant Resource Overlay Zones, it is unclear what action the City has taken to consider this strategy as it applies to the provision of affordable housing.
Elderly and people with disabilities	Existing. In use prior to January 2001 (Title 7)
Local regulatory constraints	Unclear explanation of City action. The 2002/2003 report states a number of actions the City takes to streamline the permitting process. However, it is unclear if these strategies apply directly to affordable housing projects. Also, this tool is listed in City Implementation Measure 4.1.4m as one the City will consider. However, no further detail is provided.
Parking	Unclear if the City has considered strategies related to parking requirements and housing affordability.

**D. Metro Code 3.07.760.C:** *Local jurisdictions are encouraged to consider implementation of the following affordable housing tools and strategies: 1) replacement housing resulting from urban renewal; 2) inclusionary housing in urban renewal districts; 3) fee waivers or funding incentives; 4) promotion of affordable housing for incomes 50% to 120% of the regional median household income (RMHI); and 5) joint coordination or action to meet the affordable housing production goals.*  
(See Metro Functional Plan Title 7 for more details on these five tools and strategies)

<i>Other affordable housing strategies (Metro Code)</i>	<i>Jurisdiction Action</i>
Replacement housing resulting from urban renewal	Not addressed in the report. No mention of these tools being employed specifically in Wilsonville’s two urban renewal districts.
Inclusionary housing in urban renewal districts	Not addressed in the report. No mention of these tools being employed specifically in Wilsonville’s two urban renewal districts.
Fee waivers or funding incentives	Discussed but no action taken.

Efforts promoting affordable housing for other income groups (50% to 120% of the regional median household income)	Discussed but no action taken. The City will consider using CDBG funds and Strategic Investment Program tax abatement funds or general funds to develop affordable housing for people "at or below 60% of area median income.
Joint coordination or action	Discussed but no action taken. The City will consider joint coordination strategies.

**E. Metro Code 3.07.730.C:** *By June 30, 2004, each city and county within the Metro region shall report to Metro on the outcome of the amendments to its comprehensive plan and implementing ordinances pending at the time of submittal of the report described in subsection B of this section and on the public response, if any, to any implementation adopted by the city or county to increase the community's affordable housing, including but not limited to the tools and strategies in subsection 3.07.730B.*

- i) 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.*
- ii) Partnerships that were created between the city and affordable housing developers (non-profit developers and private sector developers)*
- iii) Pending amendments to the comprehensive plan and implementing ordinances.*
- iv) Public response to code changes.*

The City did not address these requirements.

**F. Metro Code 3.07.730:** *Compliance with amendment of comprehensive plan and implementing ordinances with affordable housing land use tools and strategies is achieved when the governing body of a city or county considers each tool or strategy.*

The combined 2002 & 2003 report was reviewed and approved by the City Council.

**G. Other information provided.**

The City's 2002/2003 report stated that the City has applied for grant funding from the Oregon Department of Land Conservation and Development to complete Goal 10 housing needs assessment and residential buildable lands analysis. The report stated that according to City data, there are currently at least 310 units of affordable housing in Wilsonville. The City also lists its intention to consider a land-banking strategy for affordable housing.

**Outstanding Items:**

1. Required consideration of the amendment of comprehensive plan and implementing ordinance amendments to include density bonus, replacement housing, inclusionary housing, transfer of development rights, parking, and local permitting and approval process that includes reviewing development and design standards for impact on housing and

considering use of cost/benefit analysis to determine the impact of new regulation on housing production. (Metro Code 3.07.730.B)

2. Encouraged consideration of the amendment of comprehensive plan and implementing ordinance amendments to include the implementation of replacement housing and inclusionary housing in urban renewal areas, fee waivers or funding incentives, promotion of affordable housing for incomes 50% to 120% of the regional median household income, and joint coordination or action as outlined in Metro Code Section 3.07.760.
3. Specific third-year reporting requirements (Metro Code 3.07.740.C).

**SUMMARY OF 2004 COMPLIANCE OF METRO URBAN GROWTH MANAGEMENT FUNCTIONAL PLAN TITLE 7 (AFFORDABLE HOUSING)**

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**WOOD VILLAGE**

Metro received a letter from the City on May 28, 2004 requesting an exemption from the Title 7 reporting requirements. The City's first year (2002) report was received in March 2002, and the second year (2003) report was received in January 2003.

- A. **Metro Code 3.07.720:** Each city or county should adopt the Voluntary Affordable Housing Production Goals as a guide to measure progress towards meeting the affordable housing needs of households with incomes between 0% and 50% of the regional median family income.

The report states that Wood Village has considered adopting the voluntary affordable housing goal but has taken no formal action.

- B. **Metro Code 3.07.730.A:** Cities and counties shall ensure that their comprehensive plan and implementing ordinances address: 1) diversity; 2) maintaining the existing supply of affordable housing and increasing new dispersed affordable housing; and 3) increasing affordable housing opportunities for household of all income levels.  
(See Metro Functional Plan Title 7 for more details on these three policies)

The report includes excerpts from the City's comprehensive plan that address maintaining housing diversity. However, there is no mention of comprehensive plan language that outlines the City's approach to maintaining the existing housing supply, increasing dispersion of housing, or providing a housing supply for all income levels.

- C. **Metro Code 3.07.730.B:** Cities and counties shall consider amendment of their comprehensive plan and implementing ordinances with the following affordable housing land use tools and strategies: 1) density bonus; 2) replacement housing; 3) inclusionary housing; 4) transfer of development rights; 5) elderly and people with disabilities; 6) local regulatory constraints – discrepancies in planning and zoning codes, and local permitting or approval process; and 7) parking.  
(See Metro Functional Plan Title 7 for more details on these seven tools and strategies)

<i>Land use strategy (Metro Code)</i>	<i>Jurisdiction Action</i>
Density bonus	Declined to adopt because of lack of staff and expertise for administration and monitoring of this strategy.
Replacement housing	Discussed but no action taken
Inclusionary housing	Declined to adopt due to small tax base and general fund budget, hence implementation of this strategy will create undue hardship.
Transfer development rights	Declined to adopt because City boundaries are set and existing land is already developed and zoned.



Elderly and people with disabilities	Unclear what action has been taken
Local regulatory constraints	Unclear what action has been taken
Parking	Unclear what action has been taken

**D. Metro Code 3.07.760.B:** *Local jurisdictions are encouraged to consider implementation of the following affordable housing tools and strategies: 1) replacement housing resulting from urban renewal; 2) inclusionary housing in urban renewal districts; 3) fee waivers or funding incentives; 4) promotion of affordable housing for incomes 50% to 120% of the regional median household income (RMHI); and 5) joint coordination or action to meet the affordable housing production goals.*

(See Metro Functional Plan Title 7 for more details on these five tools and strategies)

<i>Other affordable housing strategies (Metro Code)</i>	<i>Jurisdiction Action</i>
Replacement housing resulting from urban renewal	Discussed replacement housing as a land use strategy (see previous section), no mention of its use in urban renewal districts
Inclusionary housing in urban renewal districts	Declined inclusionary housing as a land use tool (per reasons in the previous section regarding replacement housing). No mention of its use in urban renewal districts
Fee waivers or funding incentives	Unclear. Mentioned in the City's discussion of inclusionary housing as a difficult tool for the City to implement.
Efforts promoting affordable housing for other income groups (50% to 120% of the regional median household income)	No mention of this tool.
Joint coordination or action	No mention of this tool.

**E. Metro Code 3.07.730.C:** *By June 30, 2004, each city and county within the Metro region shall report to Metro on the outcome of the amendments to its comprehensive plan and implementing ordinances pending at the time of submittal of the report described in subsection B of this section and on the public response, if any, to any implementation adopted by the city or county to increase the community's affordable housing, including but not limited to the tools and strategies in subsection 3.07.730B.*

- i) 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.*
- ii) Partnerships that were created between the city and affordable housing developers (non-profit developers and private sector developers)*
- iii) Pending amendments to the comprehensive plan and implementing ordinances.*
- iv) Public response to code changes.*

The City did not address these requirements.

**F. Metro Code 3.07.730:** *Compliance with amendment of comprehensive plan and implementing ordinances with affordable housing land use tools and strategies is achieved when the governing body of a city or county considers each tool or strategy.*

The 2003 report contains a copy of Resolution 2-2003, which acknowledges the adoption of the affordable housing report by the Wood Village City Council.

**G. Local initiatives not required or encouraged by Title 7.**

The report has several local tools that contribute to housing affordability. These include exploring the possibility of a public-private partnership with Mt. Hood Habitat for Humanity to develop more affordable housing in the City.

**H. Other information provided.**

The report states that Wood Village already carries an “excessive burden of affordable housing” and that 48% of the City’s housing stock is composed of manufactured homes, apartments or duplexes. The cover letter attached to the City’s report indicated that the City has modified existing zoning codes and adopted design standards for the Neighborhood Commercial (NC) zone. The City states that the mix of uses that this zone promotes will encourage affordable housing and a diverse range of housing types.

**Outstanding Items (Pending Metro action on the Request for Exemption)**

1. Consideration of the adoption of the voluntary affordable housing production goal. (Metro Code 3.07.720)
2. Ensuring that the City’s comprehensive plan and implementing ordinances include measures to maintain the existing supply of affordable housing, increase dispersion of housing, and provide a supply of housing for all income levels. (Metro Code 3.07.730.A)
3. Consideration of the amendment to comprehensive plan and implementing ordinances to include replacement housing, and to address the removal of regulatory constraints acting as impediments to affordable housing. Also, further information is needed to explain how the City’s current policies provide housing for the elderly and for people with disabilities and whether the City’s innovations in parking requirements are increasing opportunities for affordable housing. (Metro Code 3.07.730.B )
4. Encouraged consideration of the amendment to comprehensive plan and implementing ordinances to include the five other affordable housing strategies outlined in Metro Code Section 3.07.760.
5. Specific third-year reporting requirements (Metro Code 3.07.740.C). (For details on the specific third-year reporting requirements, please refer to the letter that the Metro Chief Operating Officer sent to local jurisdictions in May 2004).

**SUMMARY OF 2004 COMPLIANCE OF METRO URBAN GROWTH MANAGEMENT  
FUNCTIONAL PLAN TITLE 7 (AFFORDABLE HOUSING)**

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**CLACKAMAS COUNTY**

The third year (2004) report was not received by Metro. The County's first year report (2002) was received by Metro in March 2002, and the second year (2003) report was not received.

- A. **Metro Code 3.07.720:** *Each city or county should adopt the Voluntary Affordable Housing Production Goals as a guide to measure progress towards meeting the affordable housing needs of households with incomes between 0% and 50% of the regional median family income.*

The County reported that it will consider adoption of the voluntary affordable housing goal in 2003.

- B. **Metro Code 3.07.730.A:** *Cities and counties shall ensure that their comprehensive plan and implementing ordinances address: 1) diversity; 2) maintaining the existing supply of affordable housing and increasing new dispersed affordable housing; and 3) increasing affordable housing opportunities for household of all income levels.*  
(See Metro Functional Plan Title 7 for more details on these three policies)

The County currently implements most elements of the three strategies. The report stated that the housing chapter of its comprehensive plan contains policies that encourage a diverse range of housing, including a diverse range of housing prices and rent ranges, measures to maintain existing supply of affordable housing through the preservation of housing as an important element of neighborhood quality, and the provision of housing for all income groups of the County's population. The report did not outline the efforts the County has made to address the dispersal of affordable housing.

- C. **Metro Code 3.07.730.B:** *Cities and counties shall consider amendment of their comprehensive plan and implementing ordinances with the following affordable housing land use tools and strategies: 1) density bonus; 2) replacement housing; 3) inclusionary housing; 4) transfer of development rights; 5) elderly and people with disabilities; 6) local regulatory constraints – discrepancies in planning and zoning codes, and local permitting or approval process; and 7) parking.*  
(See Metro Functional Plan Title 7 for more details on these seven tools and strategies)

The county has adopted four of the strategies (density bonus, replacement housing, elderly and people with disabilities, parking) in its comprehensive plan. The county action on other tools is as follows:

<i>Land use strategy (Metro Code)</i>	<i>Jurisdiction Action</i>
Density bonus	In use prior to January 2001 (Title 7)
Replacement housing	In use prior to January 2001 (Title 7)
Inclusionary housing	Not addressed in the report
Transfer development rights	Unclear explanation of County action. Although the County zoning and development ordinances contain provisions for transfer development rights, the report did not state how the provisions apply to affordable housing.

Elderly and people with disabilities	In use prior to January 2001 (Title 7)
Local regulatory constraints	Unclear. Measures are in place addressing two components of the strategy (revise permitting approval process; regularly review existing codes). The impact of having a hearing officer on a number of land use appeals is unclear. The other four components of the strategy are not currently implemented.
Parking	In use prior to January 2001 (Title 7)

**D. Metro Code 3.07.760.B:** Local jurisdictions are encouraged to consider implementation of the following affordable housing tools and strategies: 1) replacement housing resulting from urban renewal; 2) inclusionary housing in urban renewal districts; 3) fee waivers or funding incentives; 4) promotion of affordable housing for incomes 50% to 120% of the regional median household income (RMHI); and 5) joint coordination or action to meet the affordable housing production goals.

(See Metro Functional Plan Title 7 for more details on these five tools and strategies)

<i>Other affordable housing strategies (Metro Code)</i>	<i>Jurisdiction Action</i>
Replacement housing resulting from urban renewal	In use prior to January 2001 (Title 7)
Inclusionary housing in urban renewal districts	Not addressed in the report
Fee waivers or funding incentives	Unclear explanation of County action
Efforts promoting affordable housing for other income groups (50% to 120% of the regional median household income)	In use prior to January 2001 (Title 7)
Joint coordination or action	In use prior to January 2001 (Title 7)

**E. Metro Code 3.07.730.C:** By June 30, 2004, each city and county within the Metro region shall report to Metro on the outcome of the amendments to its comprehensive plan and implementing ordinances pending at the time of submittal of the report described in subsection B of this section and on the public response, if any, to any implementation adopted by the city or county to increase the community's affordable housing, including but not limited to the tools and strategies in subsection 3.07.730B.

- i) 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.
- ii) Partnerships that were created between the city and affordable housing developers (non-profit developers and private sector developers)
- iii) Pending amendments to the comprehensive plan and implementing ordinances.
- iv) Public response to code changes.

The City did not address these requirements.

- F. **Metro Code 3.07.730:** *Compliance with amendment of comprehensive plan and implementing ordinances with affordable housing land use tools and strategies is achieved when the governing body of a city or county considers each tool or strategy.*

The 2002 report was sent to Metro with a cover letter signed by a staff, and there was no indication that the report was reviewed and approved by the County Commission.

- G. *Local initiatives not required or encouraged by Title 7.*

Other tools and strategies currently in use or being considered by the County are: 1) Clackamas County Community Land Trust; 2) home buyer assistance programs; 3) County Home Repair Loan Program; and 4) cooperation with Metro's data collection process.

Outstanding Items:

1. Clarification if the elected body had reviewed and approved the annual compliance report prior to submitting it to Metro. (Metro Code 3.07.730)
2. Consideration of adoption of the voluntary affordable housing production goals. (Metro Code 3.07.720)
3. Ensuring that the comprehensive plan and implementing ordinances include measures to increase the dispersion of affordable housing. (Metro Code 3.07.730.A)
4. Consideration of the amendment of comprehensive plan and implementing ordinances to include three strategies in *Metro Code 3.07.730.B*: inclusionary housing, transfer development rights, and local regulatory constraints.
5. Encouraged consideration of the amendment of comprehensive plan and implementing ordinances with two other affordable housing strategies in Metro Code 3.07.760: inclusionary housing in urban renewal districts, and fee waivers and funding incentives.
6. Specific third-year reporting requirements (Metro Code 3.07.740.C). (For details on the specific third-year reporting requirements, please refer to the letter that the Metro Chief Operating Officer sent to local jurisdictions in May 2004).

**SUMMARY OF 2004 COMPLIANCE OF METRO URBAN GROWTH MANAGEMENT FUNCTIONAL PLAN TITLE 7 (AFFORDABLE HOUSING)**

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**MULTNOMAH COUNTY**

Metro received a report from the County in June 2004. Metro received a report in April 2003 that was intended to serve as the County's first (2002) and second (2003) year reports.

The reports stated that the County has transferred urban land use planning responsibilities to the cities of Portland and Troutdale for those unincorporated urban areas within its jurisdiction. Hence, the report states that compliance with the requirements for the unincorporated County areas is the same as those addressed in the reports submitted by the cities of Portland and Troutdale.

- A. **Metro Code 3.07.720:** *Each city or county should adopt the Voluntary Affordable Housing Production Goals as a guide to measure progress towards meeting the affordable housing needs of households with incomes between 0% and 50% of the regional median family income.*

The Multnomah County report states that the County fully supports and promotes the affordable housing production goals, however, based on the agreement that exists between the County and the Cities of Portland and Troutdale, it is expected that these two cities will assume responsibility for considering the adoption of Multnomah County's affordable housing production goal of 134 units.

The City of Portland 2004 report addressed the Title 7 requirements for the unincorporated areas of Multnomah County within the Portland Urban Service Boundary (USB).

The following table shows the voluntary affordable housing goals adopted by the City of Portland on behalf of the Multnomah County.

Affordable Housing Production Goals: City of Portland, Troutdale, and Urban Unincorporated Multnomah County Title 7			
<i>Jurisdiction</i>	<i>New housing units needed for households earning less than 30% of median household income</i>	<i>New housing units needed for households earning less than 30-50% of median household income</i>	<i>Total</i>
City of Portland	1,791	0	17,91
Multnomah County Unincorporated Urban Portion	81	53	134

- B. *Compliance with the following sections:*

**Metro Code 3.07.730.A:** *Cities and counties shall ensure that their comprehensive plan and implementing ordinances address: 1) diversity; 2) maintaining the existing supply of*

*affordable housing and increasing new dispersed affordable housing; and 3) increasing affordable housing opportunities for household of all income levels.*

(See Metro Functional Plan Title 7 for more details on these three policies)

The three policies were addressed in the City of Portland report/section.

**Metro Code 3.07.730.B:** *Cities and counties shall consider amendment of their comprehensive plan and implementing ordinances with the following affordable housing land use tools and strategies: 1) density bonus; 2) replacement housing; 3) inclusionary housing; 4) transfer of development rights; 5) elderly and people with disabilities; 6) local regulatory constraints – discrepancies in planning and zoning codes, and local permitting or approval process; and 7) parking.*

(See Metro Functional Plan Title 7 for more details on these seven tools and strategies)

The seven strategies were addressed in the City of Portland report/section.

**Metro Code 3.07.760.B:** *Local jurisdictions are encouraged to consider implementation of the following affordable housing tools and strategies: 1) replacement housing resulting from urban renewal; 2) inclusionary housing in urban renewal districts; 3) fee waivers or funding incentives; 4) promotion of affordable housing for incomes 50% to 120% of the regional median household income (RMHI); and 5) joint coordination or action to meet the affordable housing production goals.*

(See Metro Functional Plan Title 7 for more details on these five tools and strategies)

The five strategies were addressed in the City of Portland report/section.

Due to the transfer of planning responsibilities for the urban unincorporated portions of Multnomah County to Portland and Troutdale, the County has adopted the comprehensive plans, zoning map designations, and zoning codes of these two jurisdictions. Therefore, it is Portland and Troutdale that have assumed the responsibility for considering the range of Title 7 affordable housing tools to be employed in the unincorporated portions of Multnomah County.

Please reference the Portland and Troutdale 2002 and 2003 analysis in this report for a detailed analysis of these jurisdiction's progress in considering and adopting these tools.

- C. **Metro Code 3.07.730.C:** *By June 30, 2004, each city and county within the Metro region shall report to Metro on the outcome of the amendments to its comprehensive plan and implementing ordinances pending at the time of submittal of the report described in subsection B of this section and on the public response, if any, to any implementation adopted by the city or county to increase the community's affordable housing, including but not limited to the tools and strategies in subsection 3.07.730B.*

The outcome of the amendments of comprehensive plan and implementing ordinances and public response were addressed in the City of Portland report/section.

- D. **Metro Code 3.07.730:** *Compliance with amendment of comprehensive plan and implementing ordinances with affordable housing land use tools and strategies is achieved when the governing body of a city or county considers each tool or strategy.*

The County Chair of Board of Commissioners and a County Commissioner signed the County's reports.

*E. Local initiatives not required or encouraged by Title 7.*

Other tools and strategies currently in use or being considered by the County are: 1) Donating tax foreclosed property to nonprofits affordable housing production organizations; 2) Strategic investment program community housing fund; 3) New housing opportunities for the community corrections population; 4) Library mixed use housing; 5) Emergency rental assistance to homeless disabled singles and families, and those at risk of eviction; 6) Leveraging federal HOME and CBDG funds for affordable housing; and 7) Federal weatherization program for low-income households.

Outstanding Items

The County has addressed all the requirements of Title 7.



## **SUMMARY OF 2004 COMPLIANCE OF METRO URBAN GROWTH MANAGEMENT FUNCTIONAL PLAN TITLE 7 (AFFORDABLE HOUSING)**

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### **WASHINGTON COUNTY**

Metro received the County's third year (2004) report on December 27, 2004. The report was not received in time to be included in the first draft compliance report that was distributed to the Metro Council in December 2004. However, the evaluation of the County's latest report has been incorporated in this report.

Metro received the County's first year (2002) report in April 2002, and the second year (2003) report in January 2003.

- A. **Metro Code 3.07.720:** *Each city or county should adopt the Voluntary Affordable Housing Production Goals as a guide to measure progress towards meeting the affordable housing needs of households with incomes between 0% and 50% of the regional median family income.*

The County's 2003 report stated that on April 2, 2002, the Washington County Board authorized the Planning and Land Development Work Program for the 2002 season and made amendments related to affordable housing. The County amended Policy 21, Housing Affordability (A-Engrossed Ordinance No. 590) to include a new strategy: "Encourage the housing industry and both public and private housing agencies to build a sufficient number of new affordable housing units within unincorporated Washington County to meet Metro's voluntary affordable housing production goal."

- B. **Metro Code 3.07.730.A:** *Cities and counties shall ensure that their comprehensive plan and implementing ordinances address: 1) diversity; 2) maintaining the existing supply of affordable housing and increasing new dispersed affordable housing; and 3) increasing affordable housing opportunities for household of all income levels.*  
(See Metro Functional Plan Title 7 for more details on these three policies)

The County's first and second year reports highlighted policies from the County's comprehensive plan that encourage a diverse range of housing and encourage affordable housing opportunities for households of all income levels. The 2004 report explained that the County has adopted a new implementation strategy (strategy "g" under Policy 23) to specifically address maintaining the existing supply and increasing the dispersal of affordable housing. (This policy expands on existing policies that address market-rate housing.)

- C. **Metro Code 3.07.730.B:** *Cities and counties shall consider amendment of their comprehensive plan and implementing ordinances with the following affordable housing land use tools and strategies: 1) density bonus; 2) replacement housing; 3) inclusionary housing; 4) transfer of development rights; 5) elderly and people with disabilities; 6) local regulatory constraints – discrepancies in planning and zoning codes, and local permitting or approval process; and 7) parking.*  
(See Metro Functional Plan Title 7 for more details on these seven tools and strategies)

<i>Land use strategy (Metro Code)</i>	<i>Jurisdiction Action</i>
Density bonus	Declined (2004). Although the 2002 report states that County staff recommended this strategy for further consideration “in the county’s multi-family districts”, the 2003 report states, “The Board was not in support of staff’s recommendation primarily due to some reservations about allowing even greater densities in these already high-density districts.”
Replacement housing	Declined (2004). The report states, “the county does not have an inventory of affordable housing units and creating and maintaining an inventory would be a staff intensive task.” Also, “requiring applicants... to provide or contribute to a fund to provide affordable housing... to develop property with a use that is permitted under the property’s current plan designation would be a sizeable burden.” Additionally, the County states that this strategy “may even discourage individuals to undertake urban infill development projects..”
Inclusionary housing	Declined (2004). Despite adopting an implementing strategy in their Comprehensive Plan in 2002 that calls for the periodic assessment the feasibility of establishing this strategy, the 2004 report states that the County’s current development standards, including minimum densities, are creating opportunities for smaller detached and attached housing units, including small row-housing with single car garages. The report states that the County is lacking a large supply of inexpensive land capable of supporting large-scale developments the county believes this tool would be most effective.
Transfer development rights	Declined (2004). Despite adopting an implementing strategy in their Comprehensive Plan in 2002 that calls for the periodic assessment the feasibility of establishing this strategy, the County states “staff did not foresee a demand to build above the generous development standards that apply in the areas the county had designated for higher density development.”
Elderly and people with disabilities	In use prior to January 2001
Local regulatory constraints	In use prior to January 2001 (Title 7) – partial (2002)
Parking	In use prior to January 2001

D. **Metro Code 3.07.760.B:** Local jurisdictions are *encouraged to consider* implementation of the following affordable housing tools and strategies: 1) replacement housing resulting from urban renewal; 2) inclusionary housing in urban renewal districts; 3) fee waivers or funding

*incentives; 4) promotion of affordable housing for incomes 50% to 120% of the regional median household income (RMHI); and 5) joint coordination or action to meet the affordable housing production goals.*

(See Metro Functional Plan Title 7 for more details on these five tools and strategies)

<i>Other affordable housing strategies (Metro Code)</i>	<i>Jurisdiction Action</i>
Replacement housing resulting from urban renewal	Declined (2004). The County's report states, "cities are the more appropriate providers of urban services. Consequently, urban renewal districts would more appropriately be located within cities and not within urban unincorporated Washington County."
Inclusionary housing in urban renewal districts	Declined (2004). See the above explanation.
Fee waivers or funding incentives	Declined (2004) The County states, "the County does not directly administer SDCs. ... the individual district would need to decide ... to waive or defer payment." Also, "the county's fee structure requires that developers pay the full cost of development review... a fee waiver would likely impact the ability of the county to maintain an efficient and effective development review process."
Efforts promoting affordable housing for other income groups (50% to 120% of the regional median household income)	In use prior to January 2001
Joint coordination or action	In use prior to January 2001

**E. Metro Code 3.07.730.C:** *By June 30, 2004, each city and county within the Metro region shall report to Metro on the outcome of the amendments to its comprehensive plan and implementing ordinances pending at the time of submittal of the report described in subsection B of this section and on the public response, if any, to any implementation adopted by the city of county to increase the community's affordable housing, including but not limited to the tools and strategies in subsection 3.07.730B.*

*i) 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.*

The County's 2004 report states, " A total of ten affordable housing projects were started or completed between July 2002 and May 2004. Upon completion of all ten projects, a total of 455 affordable housing units will be available for qualifying households. The three newest affordable housing projects that DHS (Department of Housing Services) is currently involved in are Gateway Commons in Hillsboro (138 units), New Dawn in Beaverton (15 units) and Linsdey Lane also in Hillsboro (19 units)." "The 455 affordable housing units will provide much-needed affordable housing in the county and go a long ways towards meeting the

housing needs of households with incomes between 0% and 50% of the median income throughout Washington County. Of the ten projects only Tri-Haven is located in unincorporated Washington County. Therefore, only the affordable housing units provided at Tri-Haven can be credited against the 940 housing units targeted for households earning 30%-50% of median household income. The income range served by the 455 affordable housing units is 30%-60% of the median income.”

***Washington County Affordable Housing Projects Completed or Started Between July 2002 and May 2004***

Project	Location	# of units	Year of Completion	County Role
Bonita Villa Apartments	Tigard	96	2002	DHS Acquired, rehabilitate, own, operate
Jose Arciaga Apartments	Scattered site in Forest Grove and Cornelius	50	2002	HOME loan
Alpine Street	Cornelius	2	2002	CDBG Grant
Gateway Commons	Hillsboro	138	2004	Co-General Partner
Tri-Haven	Aloha	15	2003	HOME loan; Administer Shelter Plus Care rental assistance
Maples II	Hillsboro	21	2002	HOME loan
New Dawn	Beaverton	15	2004	HOME loan; Supportive Housing Program funds
Village at Washington Square	Tigard	26	2002	HOME loan; CDBG grant
Villi Capri	Hillsboro	63	2003	HOME loan; CDBG grant
Lindsey Lane	Hillsboro	19	2005	HOME loan; CDBG grant
<b>TOTALS</b>		<b>455</b>		

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

The County’s 2004 report states, “The County has and continues to form partnerships with local builders and developers to facilitate the production of affordable housing. Joining forces has proven effective at providing affordable housing by maximizing available resources.”

*iii) Pending amendments to the comprehensive plan and implementing ordinances.*

The County’s report states that no changes to the comprehensive plan are pending but that the County “will periodically assess the feasibility of establishing voluntary affordable housing and a transfer of development rights programs to further improve the opportunities for affordable housing within Washington County.”

*iv) Public response to code changes.*

*The County states that public testimony was not provided at either the adoption of Ordinance 590 (contained strategy to encourage the housing industry and public and private agencies to build sufficient housing to meet the affordable housing production goals) on June of 2002, or at the adoption of Ordinance 631 (where the comprehensive plan was amended to include specific language regarding dispersal of affordable housing) in October 2004.*

- F. **Metro Code 3.07.730:** Compliance with amendment of comprehensive plan and implementing ordinances with affordable housing land use tools and strategies is achieved when the governing body of a city or county considers each tool or strategy.*

The Board of County Commissioners considered and adopted the County's 2004 Title 7 report on December 12, 2004.

- G. Local initiatives not required or encouraged by Title 7.*

The County's 2003 report stated that the County had recently completed a community visioning process known as Vision West. A result of this process is an issue paper addressing affordable housing in unincorporated Washington County. This issue paper contains strategies and recommendations, including a recommendation that an affordable housing trust fund be established to support the production of affordable housing.

Outstanding Items:

The County has met all Title 7 requirements.

...gm\long range planning\projects\housing\Title 7 implementation\Jordan ltr to LGs on 2002 & 2003 Annual Compliance Reports –Attachments.doc

**Summary Table of 2004 Title 7 Annual Compliance: Goals and Strategies**

<b>Title 7: Affordable Housing</b>												
Jurisdiction	Progress Reports Completed  (3.07.740)	Voluntary Goals Adopted  (3.07.720)	Ensure including strategies for the following in the Comprehensive Plan and Implementing Ordinances (Title 7:3.07.730.A)			Consider including in the Comprehensive Plan and Implementing Ordinances Land Use Strategies (Seven) -- (Title 7: 3.07.730.B)						
			Diversity Strategy (3.07.730.A.1)	Maintain Supply and Increase Dispersion (3.07.730.A.2)	Supply for All Income Levels 3.07.730.A.3	Density Bonus (3.07.730.B.1)	Replacement Housing (3.07.730.B.2)	Inclusionary Housing (3.07.730.B.3)	Transfer Development Rights (3.07.730.B.4)	Elderly & Disabled People (3.07.730.B.5)	Local Regulatory Constraints (3.07.730.B.6)	Parking (3.07.730.B.7)
Beaverton	(02, 03, 04)	New (02)	Existing	Existing	Existing	Adopted (04)	Adopted (04)	Adopted (04)	Declined (02)	Existing	New (04)	Adopted (04)
Cornelius												
Durham	(02, 03, 04)	Declined (04)	Existing	Existing	Existing	Declined (04)	Existing	Declined (04)	Declined (04)	Existing	Declined (04)	Declined (04)
Fairview	(02, 03, 04)	Declined (03)	Existing	Existing	Existing	Existing	Declined (04)	Declined (03)	Declined (03)	Existing	Declined (04)	Declined (04)
Forest Grove	(02)	Declined (02)	Existing	Existing	Existing	Discussed (02)	Declined (02)	Discussed (02)	Declined (02)	Existing	Discussed (02)	NM
Gladstone	(02, 03, 04)	Discussed (04)	Existing	NM	Existing	Discussed (04)	Discussed (04)	Discussed (04)	Discussed (04)	Existing	Discussed (04)	Discussed (04)
Gresham	(02, 03)	Declined (02/03)	Existing	Existing	Existing	Declined (02)	Declined (02)	Existing	Declined (03)	New	Existing (p)	Existing
Happy Valley	(02)	Discussed (02)	Existing	NM	Existing	Declined (02)	Discussed (02)	Declined (02)	Discussed (02)	Unclear	Discussed (02)	Unclear
Hillsboro	(02)	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM
Johnson City												
King City	(03, 04)	Declined (03)	Existing	Discussed	Existing	Declined (03)	Declined (03)	Declined (03)	Declined (03)	Existing	Existing	Declined (04)
Lake Oswego	(03, 04)	Declined (04)	Existing	NM	Existing	Discussed (04)	Discussed (04)	Declined (04)	Discussed (04)	Existing	Discussed (04)	Discussed(04)
Maywood Park	(02, 03, 04)	N/A	NM	NM	NM	Declined	Declined	Declined	Declined	Declined	Declined	Unclear
Milwaukie	(02)	Discussed (04)	Existing	Existing	Existing	Existing	NM	NM	Unclear (04)	Unclear (04)	Declined (04)	Existing
Oregon City	(02, 03)	Discussed (04)	New (04)	New (04)	New (04)	Discussed (04)	Unclear (04)	Existing (p)	Declined (04)	Existing	Unclear	New (04)
Portland	(02, 03, 04)	New (03)	Existing	Existing	Existing	Existing	Existing	Existing	Existing	Existing	Existing	Existing
Rivergrove												
Sherwood												
Tigard	(02, 03, 04)	Discussed (02/03)	Existing	NM	Existing	Discussed (02/03)	Declined (02/03)	Declined (02/03)	Discussed (02/03)	Existing	Existing (p)	Existing
Troutdale	(02, 03)	Declined (03)	Existing	Existing	Existing	Declined (02/03)	Declined (02/03)	Declined (02/03)	Declined (02/03)	Existing	Existing (p)	Existing
Tualatin	(02)	NM	NM	NM	NM	NM	NM	NM	Unclear	Existing	Existing (p)	Unclear
West Linn	(02, 03, 04)	Declined (04)	Discussed	Discussed	Existing	Existing	Discussed (04)	Declined (02)	NM	NM	NM	Existing
Wilsonville	(02, 03)	Discussed (04)	Existing	Existing	Existing	Unclear (04)	Existing (p) (04)	Unclear (04)	Unclear (04)	Existing	Unclear (04)	Unclear (04)
Wood Village	(02, 03)	Discussed (03)	Existing	NM	NM	Declined (03)	Discussed (03)	Declined (03)	Declined (03)	NM	NM	NM
Clackamas County	(02)	Discussed (02)	Existing	Existing	Existing	Existing	Existing	NM	Unclear	Existing	Unclear	Existing
Multnomah County	(02, 03, 04)	New (03)	Existing	Existing	Existing	Existing	Existing	Existing	Existing	Existing	Existing	Existing
Washington County	(02, 03, 04)	Discussed (02/03)	Existing	New (04)	Existing	Declined (04)	Declined (04)	Declined (04)	Declined (04)	Existing	Existing	Discussed (02)

**Definitions:**

N/A = Not applicable. The 1998 Regional Affordable Housing Strategy apportioned zero affordable housing production goals to this jurisdiction.  
 NM = Not mentioned in compliance report or mentioned without an explanation of any action being taken  
 Existing = Adopted prior to January 2001.  
 Unclear = Policy/tools are noted with insufficient details to evaluate  
 Discussed (year) = Addressed at a local elected officials meeting with the jurisdiction taking no action.  
 (P) = Partial implementation of the strategy.  
 Declined (year) = Addressed at a local elected officials meeting with the jurisdiction declining to adopt the affordable housing tool or strategy.  
 New (year) = Adopted  
 Adopted (year) – Adopted for future consideration

**Summary Table of 2004 Title 7 Annual Compliance: Strategies -- (Continued)**

Consider implementation of the following tools and strategies -- (Title 7: 3.07.760)

	Replacement housing in urban renewal areas (3.07.760.A.1)	Inclusionary housing in urban renewal areas (3.07.760.A.2)	Fee waivers or funding incentives (3.07.760.B)	Efforts targeted at households 50% to 80% and 80%-120% of RMHI <sup>1</sup> (3.07.760.C)	Joint coordination (3.07.760.D)	Local Initiative
Beaverton	Declined (04)	Declined (04)	New (04)	Existing	Existing	(02, 03, 04) Housing rehabilitation program, assistance to community housing organizations, land banking, etc.
Cornelius						
Durham	Declined (02)	Declined (02)	Declined (02)	Declined (02)	Declined (02)	
Fairview	Declined (04)	Declined (04)	Declined (04)	Declined (04)	Discussed (04)	Participate in Housing Opportunities Plan (HOP), Permit man. homes on individual lots in designated res. zones
Forest Grove				Existing	Existing	(02) Affordable housing friendly zoning, leveraging CDBG funds.
Gladstone	Discussed (04)	Discussed (04)	Discussed (04)	NM	Existing	
Gresham	NM	NM	NM	Existing	Existing	* New infill development standards, West Gresham Housing Mix Plan,
Happy Valley						
Hillsboro	NM	NM	NM	NM	Existing	
Johnson City						
King City	Declined (04)	Declined (04)	Declined (04)	Declined (04)	Declined (04)	
Lake Oswego	NM	Declined (04)	Discussed (04)	Discussed (04)	Discussed (04)	
Maywood Park	Declined	Declined	NM	NM	NM	
Milwaukie	NM	NM	NM	NM	NM	
Oregon City	Discussed (04)	Discussed (04)	Existing	NM	NM	Transit-oriented projects with parking reductions, ADUs.
Portland	Existing	Existing	Existing	Existing	Existing	Housing preservation program, homebuyer opportunity areas, Portland Community Land Trust, etc.
Rivergrove						
Sherwood						
Tigard	NM	NM	Existing	Existing	Existing	* Initiatives included in 2002 matrix
Troutdale	Declined (02)	Declined (02)	Declined (02)	Existing	NM	* City-approved urban renewal district inc. \$300K of low-interest rehab. loans (voters rejected), 112-unit RV park allowed to accommodate long-term affordable housing
Tualatin	NM	NM	NM	Existing	NM	
West Linn	NM	NM	NM	Existing	NM	* Initiatives included in 2002 matrix
Wilsonville	NM	NM	Discussed (04)	Unclear (04)	Discussed (04)	
Wood Village	NM	NM	Unclear (03)	NM	NM	* The city allows manufactured homes in all residential zones, began discussions with Habitat for Humanity
Clackamas County	Existing	NM	Unclear	Existing	Existing	
Multnomah County	Existing	Existing	Existing	Existing	Existing	See City of Portland initiatives.
Washington County	Declined (04)	Declined (04)	Declined (04)	Existing	Existing	* Vision West Program developed key recommendations on affordable housing

Definitions:

\* See the 2002 report for additional local initiatives  
 NM = Not mentioned in compliance report or mentioned without an explanation of any action being taken  
 Existing = Adopted prior to January 2001.  
 Unclear (year)= Policy/tools are noted with insufficient details to evaluate  
 Discussed (year)= Addressed at a local elected officials meeting with the jurisdiction taking no action.  
 (P) = Partial implementation of the strategy.  
 Declined (year)= Addressed at a local elected officials meeting with the jurisdiction declining to adopt the affordable housing tool or strategy.  
 New (year)= Adopted  
 Adopted (year) – Adopted for future consideration

<sup>1</sup> Regional median household income

## STAFF REPORT

### IN CONSIDERATION OF RESOLUTION NO. 05-3600 FOR THE PURPOSE OF ENTERING AN ORDER RELATING TO COMPLIANCE WITH THE URBAN GROWTH MANGEMENT FUNCTIONAL PLAN

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Date: September 13, 2005

Prepared by: Sherry Oeser

## BACKGROUND

Metro Code 3.07.880 requires that the Chief Operating Officer submit a report to the Metro Council annually on the status of compliance by cities and counties with the Urban Growth Management Functional Plan. The report must include an accounting of compliance with each requirement of the functional plan by each city and county in Metro. The Council is required to hold a public hearing on the compliance report. Following the hearing, the Council is required to enter an order that determines the status of each city's and county's compliance with the requirements of the functional plan.

Attached to Resolution 05-3600 is Exhibit A, Order No. 05-002. The report itself, entitled "Urban Growth Management Functional Plan Annual Compliance Report", dated December 23, 2004 and revised August 31, 2005, is attached to the order. The revised version reflects the change in deadlines for compliance with Title 4 as a result of the Land Conservation and Development Commission's acknowledgement in July 2005 of the changes to Title 4 (Industrial and Other Employment Areas) made by the Council last year.

## ANALYSIS/INFORMATION

1. **Known Opposition:** None known
2. **Legal Antecedents:** Metro Code Chapter 3.07.880
3. **Anticipated Effects:** By adopting Resolution 05-3600 and Order 05-002, the Council is accepting the 2004 Urban Growth Management Functional Plan Annual Report and determining which Functional Plan requirements each city and county are in compliance with for the year 2004. If there is no successful appeal to the Land Use Board of Appeals, the Council's decision is final.
4. **Budget Impacts:** None

## RECOMMENDED ACTION

Adoption of Resolution 05-3600