

A G E N D A

600 NORTHEAST GRAND AVENUE PORTLAND, OREGON 97232-2736



METRO

TEL 503-797-1540 FAX 503-797-1793

MEETING: METRO POLICY ADVISORY COMMITTEE

DATE: November 8, 2006
DAY: Wednesday, 5:00-7:00 p.m.
PLACE: Metro Council Chamber/Annex

NO	AGENDA ITEM	PRESENTER	ACTION	TIME
	CALL TO ORDER	Kidd		
1	SELF INTRODUCTIONS & COMMUNICATIONS	All		5 min.
2	REGIONAL ROUNDTABLE & CONSTRUCTION EXCISE TAX UPDATES	Newman	Update	15 min.
3	CITIZEN COMMUNICATIONS FOR NON-AGENDA ITEMS			5 min.
4	CONSENT AGENDA • October 11, 2006	Kidd	Decision	5 min.
5	COUNCIL UPDATE	Hosticka	Update	5 min.
6	JPACT UPDATE	Cotugno	Update	5 min.
7	URBAN RENEWAL/TIFF	Bateschell/Wilkinson	Discussion	45 min.
8	HOUSING AMENDMENTS TO FRAMEWORK PLAN & FUNCTIONAL PLAN	Liberty	Discussion	30 min.

UPCOMING MEETINGS:

MPAC: November 15 & December 13, 2006
MPAC Coordinating Committee, Room 270: December 13, 2006

For agenda and schedule information, call Kim Bardes at 503-797-1537. e-mail: bardes@metro.dst.or.us
MPAC normally meets the second and fourth Wednesday of the month.

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METRO POLICY ADVISORY COMMITTEE MEETING RECORD

October 11, 2006 – 5:00 p.m.

Metro Regional Center, Council Chambers

Committee Members Present: Chuck Becker, Rob Drake, Andy Duyck, Dave Fuller, Jack Hoffman, Tom Hughes, Alice Norris, Tom Potter, Chris Smith

Committee Members Absent: Ken Allen, Richard Burke, Larry Cooper, Nathalie Darcy, Bernie Giusto, Richard Kidd, Charlotte Lehan, Diane Linn, Larry Smith, Erik Sten, Steve Stuart, (Governing Body of School District –vacant; Multnomah Co. 2nd Largest City –vacant)

Alternates Present: Ed Gronke, Judie Hammerstad, Martha Schrader, Paul Savas

Also Present: Dan Bates, City of Portland; Hal Bergsma, City of Beaverton; Martha Cellegrino, City of Portland; Carol Chesarek, Citizen; Bob Clay, City of Portland; Corky Collier, Columbia Corridor Association; Gary Cook, Clackamas County Development Agency; Shirley Craddick, City of Gresham; Sara Culp, City of Portland; Brent Curtis, Washington County; Kay Durtschi, MTAC; Mike Duyck, Tualatin Valley Fire & Rescue; Paul Edgar, Citizen; Kathy Everett, Gresham Downtown Development Assoc.; Ed Gallagher, City of Gresham; Gary Hartill, Orangewall Studios; Jon Holan, City of Forest Grove; Carolyn Jones, Glenmorrie Neighborhood Assn.; John Kehm, Metropolitan Group; Nancy Kraushaar, City of Oregon City; Barb Ledbury, City of Damascus; Jane Leo, Portland Metropolitan Association of Realtors; Irene Marvich, League of Women Voters; Annette Mattson, PGE; C Plaza, Beaverton; Kristin Retherford, City of Wilsonville; Pat Ribellia, City of Hillsboro; Ross Schultz, City of Sherwood; Karen Shilling, Multnomah County; Andy Smith, Multnomah County; Peter Traux, City of Forest Grove; Dee Wescott, City of Damascus; Dick Winn, City of King City; Daryl Winand, Portland Metropolitan Association of Realtors; Keith Witcosky, Portland Development Commission; Jim Wright, City of Damascus; David Zagel, TriMet Planner

Metro Elected Officials Present: Liaisons –Robert Liberty, Council District 6; Brian Newman – Council District 2

Metro Staff Present: Paul Anthony, Kim Bardes, Miranda Bateschell, Dick Benner, Andy Cotugno, Kim Ellis, Robin McArthur, Ken Ray, Randy Tucker

1. SELF-INTRODUCTIONS, ONE MINUTE LOCAL UPDATES & ANNOUNCEMENTS

Interim Chair Dave Fuller called the meeting to order at 5:02 p.m. Interim Chair Fuller asked those present to introduce themselves.

2. CITIZEN COMMUNICATIONS FOR NON-AGENDA ITEMS

Mr. Paul Edger, 211 5th Ave, Oregon City, said that tax increment financing had many sides to it. He said that decision makers needed to look at the net impacts of taxes. He said that the State of Pennsylvania had many tax exempt properties and a good sample program on how to tax fairly. He said that Oregon representatives should not place an undue burden on all other people paying taxes. He said that 90% of taxpayers were only homeowners on a fixed income. He suggested that elected folks should look at Pennsylvania State and their system of taxation. His comments are attached and form part of the record.

4. COUNCIL UPDATE

Councilor Robert Liberty reviewed recent Council activities. He said that the consultant who would be working with Metro/Oregon Zoo had been selected, Schultz & Williams, to work on the Zoo Master Plan. He said that there had been a second conversation with the Columbia River Crossing group. He said that there would be a resolution on the Disposal System Management plan coming up at a future MPAC meeting and then to the Council.

Councilor Brian Newman distributed two handouts: "New Look Regional Roundtable," and "New Look Regional Choices." Those handouts are attached and form part of the record. He reviewed both of those handouts and urged members to participate in the roundtable.

3. CONSENT AGENDA

Meeting Summary for September 13 & 27, 2006 and approval of MTAC Appointments:

Motion:	Mayor Rob Drake, City of Beaverton, with a second from Alice Norris, City of Oregon City, moved to adopt the consent agendas with one revision to John Hartsock's title in the minutes for September 13, 2006 and to approve the MTAC appointments.
Vote:	The motion passed unanimously.

5. NEW LOOK

5.1 Regional Transportation Plan

Kim Ellis, Senior Transportation Planner, gave an overview of the exercise that she wanted to take the members through and what the staff hoped to glean from the exercise. She introduced John Rehm, Metropolitan Group. Mr. Rehm directed the members through the exercise. He distributed a handout, New Look: Desired Outcomes for Transportation, this handout is attached and forms part of the record. This handout was used to guide the discussion and the exercise.

5.2 Investing in our Communities

Miranda Bateschell, Assistant Regional Planner, said that there were several folks from local cities that would be giving presentations.

Mayor Alice Norris, City of Oregon City, introduced two folks from her city: Dan Drentlaw, Community Development Director and Nancy Kraushaar, City Engineer & Public Works Director. They presented PowerPoint slides on "Oregon City Urban Renewal Plan." Copies of those slides are attached and form part of the record.

Ross Schultz, City of Sherwood, also gave a PowerPoint presentation. A copy of that presentation is attached and forms part of the record.

Ms. Bateschell deferred the rest of her presentation to a November MPAC meeting.

Chris Smith asked to have a presentation on this topic from Wilsonville.

Mayor Norris said that adding MPAC members' voices together could have an impact with the legislature.

There being no further business, Interim Chair Fuller adjourned the meeting at 7:01 p.m.

Respectfully submitted,



Kim Bardes
MPAC Coordinator

ATTACHMENTS TO THE RECORD FOR OCTOBER 11, 2006

The following have been included as part of the official public record:

AGENDA ITEM	DOCUMENT DATE	DOCUMENT DESCRIPTION	DOCUMENT NO.
#2 Citizen Communication	10/11/06	Testimony Card and testimony submitted for the record from Paul Edgar, citizen	101106-MPAC-01
#4 Council Update	October 2006	New Look Regional Roundtable flyer and New Look at Regional Choices: Integrated Policy Framework sheet	101106-MPAC-02
#5 New Look	October 2006	New Look Desired Outcomes for Transportation exercise worksheet	101106-MPAC-03
#5 New Look	October 2006	Copies of slides from a PowerPoint presentation from Dan Drentlaw and Nancy Kraushaar, both with the City of Oregon City. Slide presentation titled Oregon City Urban Renewal Plan	101106-MPAC-04
#5 New Look	October 2006	Copies of slides from PowerPoint presentation from Ross Schultz with the City of Sherwood. Presentation title: City of Sherwood Urban Renewal – Presentation for Metro, October 11 th , 2006, Ross Schultz – City Manager	101106-MPAC-05

Metro Policy Advisory Committee

November 8, 2006
Item 7 – Urban Renewal/TIFF

Presentation at meeting, no materials at this time.



METRO

To: Mayor Richard Kidd, MPAC Chair
From: Gerry Uba, Housing Program Manager
Date: November 2, 2006
Subject: Ordinance 06-1129: amendment to Title 7 (Housing Choice)

Purpose

Attached for MPAC consideration at the November 8th meeting and for recommendation at the December 13th meeting is Ordinance 06-1129 that amends Metro's Regional Framework Plan and Title 7 of the Urban Growth Management Functional Plan. The following background explains the need for the amendment. MTAC is scheduled to discuss the Ordinance on November 15th, 2006 and will provide recommendation to MPAC at its December 6, 2006 meeting.

Background

Title 7 required local governments to submit annual affordable housing compliance reports in 2002, 2003 and 2004. Reviews of local governments' reports revealed barriers to the adoption of Title 7 affordable housing land use strategies. Subsequent assessment of local governments' actions by MPAC and Metro Council in early 2005 revealed that there is interest in local jurisdictions to explore opportunities available for increasing the supply of affordable housing. In February 2005, the Metro Council established the Housing Choice Task Force to offer recommendations for policies and programs to implement affordable housing production, especially in the 2040 centers and corridors.

The Task Force submitted its recommendations to the Metro Council in March 2006 in a report entitled "Regional Housing Choice Implementation Strategy." The report called out key recommendations, including removal of the requirement in Title 7 for local governments to adopt land use and non-land use affordable housing tools and strategies, retaining existing policy that encourage local governments to adopt the voluntary affordable housing production goals for the assessment of their progress, and requiring local governments to assist Metro to conduct biennial housing survey. Other recommendations of the Housing Choice Task Force and additional background information are in the accompanying Staff Report.

Request

Discuss and review the attached Ordinance 06-1129 with proposed text changes and its exhibits, and provide recommendations at the December 13, 2006 meeting.

cc: Andy Cotugno, Director, Planning Department
Robin McArthur, Regional Planning Director
Chris Deffebach, Long Range Planning Manager

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF AMENDING THE) Ordinance No. 06-1129
REGIONAL FRAMEWORK PLAN TO REVISE)
METRO POLICIES ON HOUSING CHOICE)
AND AFFORDABLE HOUSING AND)
AMENDING METRO CODE SECTIONS)
3.07.710 THROUGH 3.07.760 TO IMPLEMENT) Introduced by Councilors Rex Burkholder and
THE NEW POLICIES) Robert Liberty

WHEREAS, the provision of housing choice for all families and individuals across the region is a matter of regional concern because of its impact on regional economic competitiveness, access to jobs, transportation investments, environmental quality and issues of fairness to people and among communities; and

WHEREAS, Metro established the Housing Choice Task Force (“HCTF”) to make recommendations to the Metro Council on strategies to increase the supply of affordable housing and housing choices in the region; and

WHEREAS, the HCTF submitted its Regional Housing Choice Implementation Strategy (“RHCIS”) to the Metro Council in March, 2006, with a comprehensive set of recommendations for policies and mechanisms to increase housing choice and the production and preservation of affordable housing; and

WHEREAS, the Metro Council accepted the recommendations of the HFTF contained in the RHCIS by Resolution No. 06-3677B (For the Purpose of Accepting the Regional Housing Choice Task Force Strategy Recommended by the Housing Choice Task Force Appointed by the Metro Council) on April 20, 2006; and

WHEREAS, the Metro Council, by the same Resolution No. 06-3677B, directed the Chief Operating Officer to prepare an ordinance for consideration by the Council to make appropriate amendments to the Regional Framework Plan and the Urban Growth Management Functional Plan to implement the recommendations of the RHCIS; and

WHEREAS, the Metropolitan Policy Advisory Council reviewed the proposed amendments and recommended that the Metro Council adopt the amendments; and

WHEREAS, the Metro Council held a public hearing on the proposed amendments on December __, 2006, and considered public comments in their decision-making; now, therefore,

BE IT RESOLVED that:

1. Policy 1.3 of the Regional Framework Plan is amended as indicated in Exhibit A, attached and incorporated into this ordinance.
2. Metro Code sections 3.07.710 through 3.07.760 (Title 7 of the Urban Growth Management Functional Plan) are amended as indicated in Exhibit B, attached and incorporated into this ordinance.
3. The amendments to the Regional Framework Plan and the Urban Growth Management Functional Plan comply with the statewide planning goals as indicated in Exhibit C, the Findings of Fact and Conclusions of Law, attached and incorporated into this ordinance.

ADOPTED by the Metro Council this __ day of December, 2006.

David Bragdon, Council President

Attest:

Approved as to form:

Christina Billington, Recording Secretary

Daniel B. Cooper, Metro Attorney

Exhibit A to Ordinance No. 06-1129
Amendments to the Regional Framework Plan Policy 1.3

1.3 ~~Housing and Affordable Housing Choice~~

It is the policy of the Metro Council to:

1.3.1 ~~Encourage affordable housing opportunities in the region by~~ local governments to ensure that their land use regulations:

- a. ~~Offering~~ Allow a diverse range of housing types, ~~available within the region, and within cities and counties inside Metro's Urban Growth Boundary.;~~
- b. ~~Being~~ Make housing choices available to households of all income levels ~~that live or have a member working in each jurisdiction and subregion.;~~ and
- c. ~~Providing an appropriate balance of jobs and housing of all types within subregions.~~
- ~~d.~~ Addressing current and future need for and supply of affordable housing production goals. Allow affordable housing, particularly in Centers and Corridors and other areas well-served with public services.
- ~~e.~~ Minimizing any concentration of poverty.

1.3.2 ~~Include in the Urban Growth Management Functional Plan~~ Establish voluntary affordable housing production goals to be adopted by local ~~jurisdictions~~ governments ~~in the region as well as land use and non-land use affordable housing tools and strategies~~ their efforts to make housing more affordable.

1.3.3 Require local governments in the region to report progress towards increasing the supply of affordable housing and seek their assistance in periodic inventories of the supply of affordable housing.

1.3.4 ~~Acknowledge that there is a need to~~ Work in cooperation with local governments, state government, business groups and citizens to create a housing fund available region wide in order to leverage other affordable housing resources, ~~and that, if the region is to be successful in increasing the amount of affordable housing, such a housing fund would need the support of a wide range of interests including local government, state and business groups.~~

1.3.5 Provide assistance to local governments to help them do their part in achieving regional goals for the production and preservation of housing choice and affordable housing.

1.3.6 Integrate Metro efforts to expand housing choices with other Metro activities, including transportation planning, land use planning and planning for parks and greenspaces.

1.3.7 When expanding the Urban Growth Boundary, assigning or amending 2040 Growth Concept design type designations or making other discretionary decisions, seek opportunities for agreements with local governments and others to devote a portion of new residential capacity to affordable housing.

1.3.8 Consider incentives, such as priority for planning grants and transportation funding, to local governments that obtain agreements from landowners and others to devote a portion of new residential capacity to affordable housing.

1.3.9 Help ensure opportunities for lower cost housing types throughout the region so that families of modest means are not obliged to live concentrated in a few neighborhoods, because concentrating poverty is not desirable for the residents or the region.

1.3.10 For purposes of these policies, “affordable housing” means housing that families earning less than the median income for the region can reasonably afford without spending more than 30 percent of their after-tax income. It includes single-family, multi-family, ownership and rental housing as well as private, public, non-profit and subsidized housing.

Exhibit A to Ordinance No. 06-1129
Amendments to the Regional Framework Plan Policy 1.3

1.3 Housing Choice

It is the policy of the Metro Council to:

- 1.3.1 Encourage local governments to ensure that their land use regulations:
 - a. Allow a diverse range of housing types;
 - b. Make housing choices available to households of all income levels; and
 - c. Allow affordable housing, particularly in Centers and Corridors and other areas well-served with public services.
- 1.3.2 Establish voluntary affordable housing production goals to be adopted by local governments in their efforts to make housing more affordable.
- 1.3.3 Require local governments in the region to report progress towards increasing the supply of affordable housing and seek their assistance in periodic inventories of the supply of affordable housing.
- 1.3.4 Work in cooperation with local governments, state government, business groups and citizens to create a housing fund available region wide in order to leverage other affordable housing resources.
- 1.3.5 Provide assistance to local governments to help them do their part in achieving regional goals for the production and preservation of housing choice and affordable housing.
- 1.3.6 Integrate Metro efforts to expand housing choices with other Metro activities, including transportation planning, land use planning and planning for parks and greenspaces.
- 1.3.7 When expanding the Urban Growth Boundary, assigning or amending 2040 Growth Concept design type designations or making other discretionary decisions, seek opportunities for agreements with local governments and others to devote a portion of new residential capacity to affordable housing.
- 1.3.8 Consider incentives, such as priority for planning grants and transportation funding, to local governments that obtain agreements from landowners and others to devote a portion of new residential capacity to affordable housing.
- 1.3.9 Help ensure opportunities for lower cost housing types throughout the region so that families of modest means are not obliged to live concentrated in a few neighborhoods, because concentrating poverty is not desirable for the residents or the region.
- 1.3.10 For purposes of these policies, “affordable housing” means housing that families earning less than the median income for the region can reasonably afford without spending more than 30 percent of their after-tax income. It includes single-family, multi-family, ownership and rental housing as well as private, public, non-profit and subsidized housing.

Exhibit B to Ordinance No. 06-1129
Amendments to Metro Code Sections 3.07.720 through 3.07.760

TITLE 7: ~~AFFORDABLE HOUSING CHOICE~~

3.07.710 Intent

The Regional Framework Plan ~~stated the need to provide affordable housing opportunities through: a) a diverse range of housing types, available within the region, and within cities and counties inside Metro's Urban Growth Boundary; b) sufficient and affordable housing opportunities available to households of all income levels that live or have a member working in each jurisdiction and subregion; c) an appropriate balance of jobs and housing of all types within subregions; d) addressing current and future need for and supply of affordable housing in the process used to determine affordable housing production goals; and e) minimizing any concentration of poverty. The Regional Framework Plan directs that Metro's Urban Growth Management Functional Plan include~~ calls for establishment of voluntary affordable housing production goals to be adopted by local jurisdictions in the region as well as land use and non-land use affordable housing tools and strategies governments and assistance from local governments on reports on. The Regional Framework Plan also directs that Metro's Urban Growth Management Functional Plan include local governments' reporting progress towards increasing the supply of affordable housing. It is the intent of Title 7 to implement these policies of the Regional Framework Plan.

~~Title 1 of this functional plan requires cities and counties to change their zoning to accommodate development at higher densities in locations supportive of the transportation system. Increasing allowable densities and requiring minimum densities encourage compact communities, more efficient use of land and should result in additional affordable housing opportunities. These Title 1 requirements are parts of the regional affordable housing strategy.~~

3.07.720 Voluntary Affordable Housing Production Goals

Each city and county within the Metro region should adopt the Affordable Housing Production Goal indicated in Table 3.07-7, for their city or county as amended over time, as a guide to measure progress toward increasing housing choices and meeting the affordable housing needs of households with incomes between 0% and 50% of the regional median family income.

3.07.730 Requirements for Comprehensive Plan and Implementing Ordinance Changes

~~A. Cities and counties within the Metro region shall ensure that their comprehensive plans and implementing ordinances:~~

- ~~1. Include strategies to ensure a diverse range of housing types within their jurisdictional boundaries.~~
- ~~2. Include in their plans actions and implementation measures designed to maintain the existing supply of affordable housing as well as increase the opportunities for new dispersed affordable housing within their boundaries.~~
- ~~3. Include plan policies, actions, and implementation measures aimed at increasing opportunities for households of all income levels to live within their individual jurisdictions in affordable housing.~~

~~B. Cities and counties within the Metro region shall consider amendment of their comprehensive plans and implementing ordinances with the following affordable housing land use tools and strategies identified below. Compliance with this subsection is achieved when the governing body of a city or county considers each tool or strategy in this subsection and either amends its comprehensive plan and implementing ordinances to adopt the tool or strategy or explains in writing why it has decided not to adopt it.~~

- ~~1. Density Bonus. A density bonus is an incentive to facilitate the development of affordable housing. Local jurisdictions could consider tying the amount of bonus to the targeted income group to encourage the development of affordable units to meet affordable housing production goals.~~
- ~~2. Replacement Housing. No Net Loss housing policies for local jurisdictional review of requested quasi-judicial Comprehensive Plan Map amendments with approval criteria that would require the replacement of existing housing that would be lost through the Plan Map amendment.~~

~~3. Inclusionary Housing.~~

- ~~a. Implement voluntary inclusionary housing programs tied to the provision of incentives such as Density Bonus incentives to facilitate the development of affordable housing.~~
- ~~b. Develop housing design requirements for housing components such as single-car garages and maximum square footage that tend to result in affordable housing.~~
- ~~e. Consider impacts on affordable housing as a criterion for any legislative or quasi-judicial zone change.~~

~~4. Transfer of Development Rights.~~

- ~~a. Implement TDR programs tailored to the specific conditions of a local jurisdiction.~~
- ~~b. Implement TDR programs in Main Street or Town Center areas that involve upzoning.~~

~~5. Elderly and People with Disabilities. Examine zoning codes for conflicts in meeting locational needs of these populations.~~

~~6. Local Regulatory Constraints; Discrepancies in Planning and Zoning Codes; Local Permitting or Approval Process.~~

- ~~a. Revise the permitting process (conditional use permits, etc.).~~
- ~~b. Review development and design standards for impact on affordable housing.~~
- ~~c. Consider using a cost/benefit analysis to determine impact of new regulations on housing production.~~
- ~~d. Regularly review existing codes for usefulness and conflicts.~~
- ~~e. Reduce number of land use appeal opportunities.~~

~~f. Allow fast tracking of affordable housing.~~

~~7. Parking.~~

~~a. Review parking requirements to ensure they meet the needs of residents of all types of housing.~~

~~b. Coordinate strategies with developers, transportation planners and other regional efforts so as to reduce the cost of providing parking in affordable housing developments.~~

~~3.07.740 Requirements for Inventory and Progress Reports on Housing Supply~~

~~Progress made by local jurisdictions in amending comprehensive plans and implementing ordinances and consideration of land use related affordable housing tools and strategies to meet the voluntary affordable housing production goals shall be reported according to the following schedule:~~

~~A. By January 31, 2002, cities and counties within the Metro region shall submit a brief status report to Metro as to what items they have considered and which items remain to be considered. This analysis could include identification of affordable housing land use tools currently in use as well as consideration of the land use tools in Section 3.07.730(B).~~

~~B. By December 31, 2003, each city and county within the Metro region shall provide a report to Metro on the status of its comprehensive plan and implementing ordinances explaining how each tool and strategy in subsection 3.07.730B was considered by its governing body. The report shall describe comprehensive plan and implementing ordinance amendments pending or adopted to implement each tool and strategy, or shall explain why the city or county decided not to adopt it.~~

~~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 stock of affordable~~

~~housing, including but not limited to the tools and strategies in subsection 3.07.730B.~~

~~3.07.750 Metro Assessment of Progress~~

~~A. Metro Council and MPAC shall review progress reports submitted by cities and counties and may provide comments to the jurisdictions.~~

~~B. Metro Council shall:~~

- ~~1. In 2003, estimate 2000 baseline affordable housing units affordable to defined income groups (less than 30 percent, 31-50 percent, 51-80 percent of the region's median family income) using 2000 U.S. Census data;~~
- ~~2. By December 2004, formally assess the region's progress made in 2001-2003 to achieve the affordable housing production goals in Table 3.07-7;~~
- ~~3. By December 2004, review and assess affordable housing tools and strategies implemented by local governments and other public and private entities;~~
- ~~4. By December 2004, examine federal and state legislative changes;~~
- ~~5. By December 2004, review the availability of a regional funding source;~~
- ~~6. By December 2004, update the estimate of the region's affordable housing need; and~~
- ~~7. By December 2004, in consultation with MPAC, create an ad hoc affordable housing task force with representatives of MPAC, MTAC, homebuilders, affordable housing providers, advocate groups, financial institutions, citizens, local governments, state government, and U.S. Housing and Urban Development Department to use the assessment reports and census data to recommend by December 2005 any studies or any changes that are warranted to the existing process, tools and strategies, funding plans or goals to ensure that significant progress is made toward providing affordable housing for those most in need.~~

A. Local governments shall assist Metro in the preparation of a biennial affordable housing inventory by fulfilling the reporting requirements in subsection 3.07.120D of Title 1 (Requirements for Housing and Employment Accommodation) and subsection B of this section.

B. Local governments shall report their progress on increasing the supply of affordable housing to Metro on a form provided by Metro, to be included as part of the biennial housing inventory described in subsection A. Local governments shall submit their first progress reports on April 15, 2007, and by April 15 every two years following that date. Local governments may report their progress as part of the capacity reports required by subsection 3.07.120D of Title 1 (Requirements for Housing and Employment Accommodation). Progress reports shall include, at least, the following information:

1. The number and types of units of affordable housing preserved and income groups served during the reporting period, as defined in Metro's form;

2. The number and types of units of affordable housing built and income groups served during the reporting period;

3. Affordable housing built and preserved in Centers and Corridors; and

4. City or county resources committed to the development of affordable housing, such as fee waivers and property tax exemptions.

~~3.07.7603.07.740 Recommendations to Implement Other Affordable Housing Strategies~~ Technical Assistance

~~A. Local jurisdictions are encouraged to consider implementation of the following affordable housing land use tools to increase the inventory of affordable housing throughout the region. Additional information on these strategies and other land use strategies that could be considered by local jurisdictions are described in Chapter Four of the Regional Affordable Housing Strategy and its Appendixes.~~

~~1. Replacement Housing. Consider policies to prevent the loss of affordable housing through demolition in urban renewal areas by implementing a replacement housing ordinance specific to urban renewal zones.~~

~~2. Inclusionary Housing. When creating urban renewal districts that include housing, include voluntary inclusionary housing requirements where appropriate.~~

~~B. Local jurisdictions are encouraged to analyze, adopt and apply locally appropriate non land use tools, including fee waivers or funding incentives as a means to make progress toward the Affordable Housing Production Goal. Non land use tools and strategies that could be considered by local jurisdictions are described in Chapter Four of the Regional Affordable Housing Strategy and its Appendixes. Cities and Counties are also encouraged to report on the analysis, adoption and application of non land use tools at the same intervals that they are reporting on land use tools (in Section 3.07.740).~~

~~C. Local jurisdictions are also encouraged to continue their efforts to promote housing affordable to other households with incomes 50% to 80% and 80% to 120% of the regional median household income.~~

~~D. Local jurisdictions are encouraged to consider joint coordination or action to meet their combined affordable housing production goals.~~

Cities and counties are encouraged to take advantage of the programs of technical and financial assistance provided by Metro to help achieve the goal of increased production and preservation of housing choices and affordable housing.

Table 3.07-7
Five-Year Voluntary Affordable Housing Production Goals
 (Section 3.07.720)

Jurisdiction	2001-2006 Affordable Housing Production Goals		
	<i>Needed new housing units for households earning less than 30% of median household income</i>	<i>Needed new housing units for households earning 30-50% of median household income</i>	<i>Total</i>
Beaverton	427	229	656
Cornelius	40	10	50
Durham	6	4	10
Fairview	42	31	73
Forest Grove	55	10	65
Gladstone	43	10	53
Gresham	454	102	556
Happy Valley	29	28	57
Hillsboro	302	211	513
Johnson City	0	0	0
King City	5	0	5
Lake Oswego	185	154	339
Maywood Park	0	0	0
Milwaukie	102	0	102
Oregon City	123	35	158
Portland	1,791	0	1,791
Rivergrove	1	1	2
Sherwood	67	56	123
Tigard	216	103	319
Troutdale	75	56	131
Tualatin	120	69	189
West Linn	98	71	169
Wilsonville	100	80	180
Wood Village	16	1	17
Clackamas County, Urban, Unincorporated	729	374	1,103
Multnomah County, Urban, Unincorporated*	81	53	134
Washington County, Urban Unincorporated	1,312	940	2,252
Total	6,419	2,628	9,047

* Strategies and implementation measures addressing these housing goals are in the Progress Reports of the Cities of Portland, Gresham and Troutdale.

Exhibit B to Ordinance No. 06-1129
Amendments to Metro Code Sections 3.07.720 through 3.07.760

TITLE 7: HOUSING CHOICE

3.07.710 Intent

The Regional Framework Plan calls for establishment of voluntary affordable housing production goals to be adopted by local governments and assistance from local governments on reports on progress towards increasing the supply of affordable housing. It is the intent of Title 7 to implement these policies of the Regional Framework Plan.

3.07.720 Voluntary Affordable Housing Production Goals

Each city and county within the Metro region should adopt the Affordable Housing Production Goal indicated in Table 3.07-7, as amended over time, as a guide to measure progress toward increasing housing choices and meeting the affordable housing needs of households with incomes between 0% and 50% of the regional median family income.

3.07.730 Inventory and Progress Reports on Housing Supply

- A. Local governments shall assist Metro in the preparation of a biennial affordable housing inventory by fulfilling the reporting requirements in subsection 3.07.120D of Title 1 (Requirements for Housing and Employment Accommodation) and subsection B of this section.
- B. Local governments shall report their progress on increasing the supply of affordable housing to Metro on a form provided by Metro, to be included as part of the biennial housing inventory described in subsection A. Local governments shall submit their first progress reports on April 15, 2007, and by April 15 every two years following that date. Local governments may report their progress as part of the capacity reports required by subsection 3.07.120D of Title 1 (Requirements for Housing and Employment Accommodation). Progress reports shall include, at least, the following information:
 - 1. The number and types of units of affordable housing preserved and income groups served during the reporting period, as defined in Metro's form;

2. The number and types of units of affordable housing built and income groups served during the reporting period;
3. Affordable housing built and preserved in Centers and Corridors; and
4. City or county resources committed to the development of affordable housing, such as fee waivers and property tax exemptions.

3.07.740 Technical Assistance

Cities and counties are encouraged to take advantage of the programs of technical and financial assistance provided by Metro to help achieve the goal of increased production and preservation of housing choices and affordable housing.

Table 3.07-7
Five-Year Voluntary Affordable Housing Production Goals
 (Section 3.07.720)

Jurisdiction	2001-2006 Affordable Housing Production Goals		
	<i>Needed new housing units for households earning less than 30% of median household income</i>	<i>Needed new housing units for households earning 30-50% of median household income</i>	<i>Total</i>
Beaverton	427	229	656
Cornelius	40	10	50
Durham	6	4	10
Fairview	42	31	73
Forest Grove	55	10	65
Gladstone	43	10	53
Gresham	454	102	556
Happy Valley	29	28	57
Hillsboro	302	211	513
Johnson City	0	0	0
King City	5	0	5
Lake Oswego	185	154	339
Maywood Park	0	0	0
Milwaukie	102	0	102
Oregon City	123	35	158
Portland	1,791	0	1,791
Rivergrove	1	1	2
Sherwood	67	56	123
Tigard	216	103	319
Troutdale	75	56	131
Tualatin	120	69	189
West Linn	98	71	169
Wilsonville	100	80	180
Wood Village	16	1	17
Clackamas County, Urban, Unincorporated	729	374	1,103
Multnomah County, Urban, Unincorporated*	81	53	134
Washington County, Urban Unincorporated	1,312	940	2,252
Total	6,419	2,628	9,047

* Strategies and implementation measures addressing these housing goals are in the Progress Reports of the Cities of Portland, Gresham and Troutdale.

STAFF REPORT

IN CONSIDERATION OF ORDINANCE NO. 06-1129 FOR THE PURPOSE OF AMENDING THE REGIONAL FRAMEWORK PLAN AND FUNCTIONAL PLAN, TITLE 7 TO CLARIFY AND REVISE CITY AND COUNTY RESPONSIBILITIES

Date: [November 3, 2006](#)

Prepared by: Gerry Uba

BACKGROUND

On January 18, 2001, the Metro Council adopted Ordinance No. 00-882C, amending the affordable housing policy in the Regional Framework Plan and amending the Urban Growth Management Functional Plan Title 7, entitled "Affordable Housing." Title 7 required local governments to adopt voluntary local affordable housing production goals, amend their comprehensive plans and implementing ordinances by adopting land use tools and strategies, and submit progress reports in 2002, 2003 and 2004.

Reviews of local government's progress reports in the Annual Compliance Report for the Urban Growth Management Functional Plan by MPAC, MTAC and the Metro Council in 2004 and 2005 concluded that it was important to find out the reasons for very limited actions by local governments. On February 15, 2005, MPAC chair, Jack Hoffman and Metro Council President, David Bragdon sent a letter to local governments to assess: 1) local interest in exploring the possibility of implementing an affordable housing plan developed by local and regional housing experts to meet their share of regional affordable housing production goals; 2) housing units built in the communities and sold for \$120,000 or less; and 3) rents for apartment units that have been built or rehabilitated since 2000. The assessment revealed the following categories of barriers and interest to local governments' adoption of Title 7 strategies and tools:

- "We're already in compliance through implementation of State housing requirements"
- "One size doesn't fit all due to unique local conditions"
- "It costs too much – no funding/not enough staff"
- "Little vacant land exist or land is too expensive"
- "Political barriers due to local charter provisions that limit local actions"
- "We will welcome assistance to explore opportunities available for affordable housing development and redevelopment"

Following the requirements in Title 7 and the result of the MPAC and Metro Council assessment, the Metro Council created the Housing Choice Task Force (HCTF) on February 10, 2005 by action of Resolution No. 05-3536. The HCTF was charged to meet for one year (March 2005 to March 2006), and was charged to:

1. Offer recommendations for policies and programs to facilitate housing production in 2040 mixed-use areas and to meet the Five-Year Affordable Housing Production Goals in the Urban Growth Management Functional Plan
2. Help build support for regional housing supply solutions by working closely with those individuals and organizations that are in a position to help implement them.
3. Recommend to the Metro Council actions that they should take as part of the broader strategy for implementing regional housing supply solutions.
4. Recommend how Metro could move beyond current requirements for local government reporting on their implementation of specific land use and non-land use strategies in Functional Plan Title 7.

The goal is to refocus the efforts of the region's policy makers and housing providers on the task of overcoming obstacles to bolstering the region's supply of a broad range of housing, particularly in the 2040 Centers and corridors.

HCTF Report and Recommendations:

The HCTF built on the lessons learned from the 1998 Affordable Housing Technical Advisory Committee and local governments implementation of Title 7 to develop an implementation strategy for increasing the supply of housing choice, and specifically affordable housing in the locations with services, so as to reduce expenditures for low income households. In March 2006, the HCTF submitted its recommendations in the report entitled the "Regional Housing Choice Implementation Strategy" to the Metro Council. Following is the summary of the key recommendations for Metro:

- a) Integrate housing supply concerns, and specifically affordable housing, into all policy making and funding allocations
- b) Create a permanent Housing Choice Advisory Committee to advise the Metro Council
- c) Work toward development of a new, permanent regional resource
- d) Seek increased funding at the federal, state and regional levels
- e) Work to remove regulatory barriers for affordable housing supply
- f) Work to reduce the cost of developing housing, and specifically affordable housing in the 2040 centers and corridors
- g) Provide technical assistance to local governments
- h) Current policy directing local jurisdictions to adopt land use and non-land use affordable housing tools and strategies should be amended to remove the reporting requirement
- i) Current policy directing local governments to adopt the voluntary affordable housing production goals for the assessment of their progress should be retained, while focusing on results oriented reporting process.
- j) Conduct biennial housing survey for the assessment of the progress toward achieving the region's housing choices implementation strategy.
- k) Require local governments assistance to conduct the biennial housing survey.

Metro Council Action on the HCTF Recommendations:

On April 20, 2006, the Metro Council directed staff to:

1. Prepare an ordinance for appropriate amendments to the Regional Framework Plan and the Urban Growth Management Functional Plan to implement the recommendations in the Regional Housing Choice Implementation Strategy, and to establish a process for reporting by local governments on their progress in meeting affordable housing and a diversity of housing options goals and objectives;
2. Prepare a resolution for the creation of a Housing Choice Policy Advisory Committee with representatives of MPAC, MTAC, and other stakeholders.
3. Prepare a resolution for the creation of an ad hoc housing financing study committee with representatives of elected officials, housing developers, major employers, realtors, affordable housing advocates, and federal and state housing officials to assist Metro and other entities involved in providing affordable housing to develop a politically feasible mechanism for implementing the funding solutions recommended by the Housing Choice Task Force.
4. Work cooperatively with local governments in the region to provide technical assistance to preserve and develop affordable housing, including inventory of publicly owned land that could be potential sites for establishing housing choice.

Other Metro Actions:

Metro staff is developing a "Regional Housing Choice Work Plan" and have started collaborating with local governments' staff to establish a regional housing inventory team to develop a regional affordable housing database. Local programs currently participating are the Housing Authorities of Clackamas County, Portland, Washington County and Clark County, Washington, and the Portland Development Commission and the City of Beaverton.

ANALYSIS/INFORMATION

1. Known Opposition

Staff is not aware of any opposition to the proposed legislation

2. Legal Antecedents

Metro Regional Framework Plan established a policy to encourage local governments to ensure diversity of housing types available to households of all income level. Metro Code 3.07.710 established subjects for affordable housing for local governments and Metro to comply.

3. Anticipated Effects

Ordinance No. 06-1129 would amend Title 7 of the Urban Growth Management Functional Plan to help focus local efforts on results oriented progress reporting and Metro technical assistance.

4. Budget Impacts

The provision and expansion of technical assistance services to local governments will require additional resources in the future.

RECOMMENDED ACTION

Staff recommends the adoption of Ordinance No. 06-1129 to encourage local governments to assist Metro to assess the region's effort to increase affordable housing supply, and take advantage of Metro's technical assistance services to increase the supply of housing choices in the centers, corridors and other areas of their jurisdictions.