

Memorandum

Date: May 14, 2021

To: West Linn Planning Commission

From: Darren Wyss, Planning Manager

Subject: HB2003 Implementation Update

[HB2003](#) requires jurisdictions to update their Housing Needs Analysis and associated housing production strategy. The City has nearly completed work on [Phase 1 of HB2003](#) implementation. Phase 1 is a technical exercise to develop a Housing Needs Analysis for West Linn that addresses future housing needs, zoning of land to meet that need, and additional strategies that can be implemented to further promote meeting the community's housing needs. Phase 2 will be policy decisions and the legislative adoption process with the Planning Commission and City Council.

To complete Phase 1, the City secured grant funding from the Department of Land Conservation and Development to conduct the technical analysis. The outcome will be an adoption ready Housing Needs Analysis that will include recommendations on actions the City can take to meet both the community's housing needs and state rules. Angelo Planning leads the consultant team working with the City on HB2003 and Phase 1 will be complete by end of June 2021.

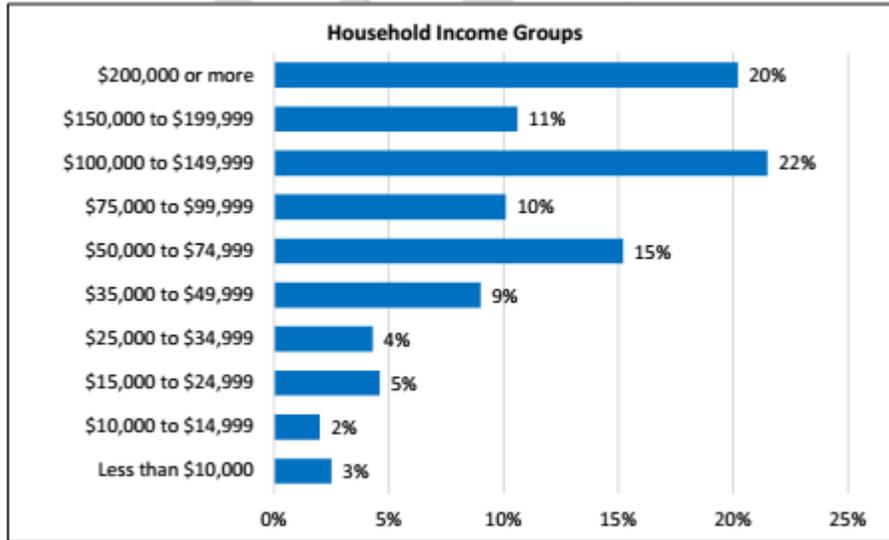
As part of the Phase 1 work, the City Council appointed a limited duration [Project Advisory Committee](#) to review consultant work products and provide feedback. The committee has met three times to review HB2003 materials, including:

- [Housing Capacity Analysis](#)
- [Buildable Lands Inventory](#)
- [Comparison of Projected Housing Need and Supply](#)
- [Online Survey: Housing Needs and Conditions](#)
- [Housing Strategies Report](#)

A [second survey is available until May 23, 2021](#) and is intended to gauge community priorities on potential future strategies to help the City meet its projected housing needs. The consultant team will take all of the advisory committee feedback and data from the surveys to compile a Final Housing Needs Analysis and presentation materials for Phase 2 outreach and the legislative adoption process with Planning Commission and City Council.

Some of the key takeaways from the technical work are presented below.

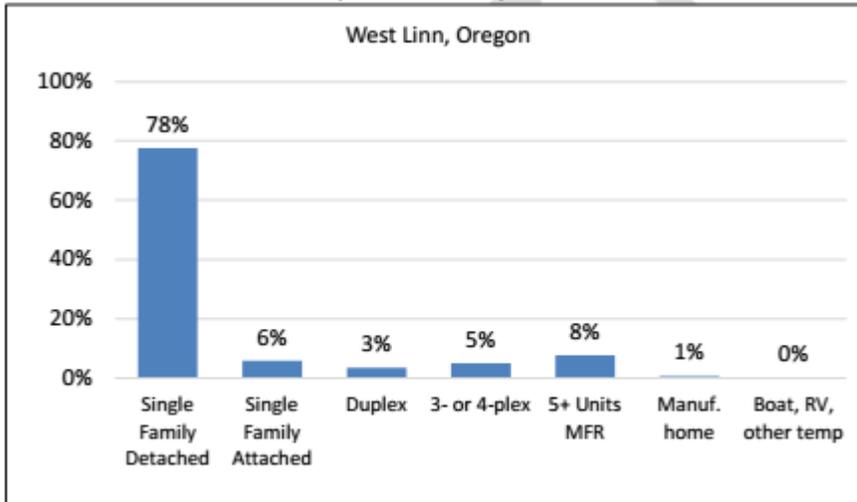
FIGURE 2.6: HOUSEHOLD INCOME COHORTS, 2018



SOURCE: US Census, Census Tables: S1901 (2018 ACS 5-yr Est.)

Figures 2.6 and 3.1 show current conditions related to household income and housing type in West Linn.

FIGURE 3.1: ESTIMATED SHARE OF UNITS, BY PROPERTY TYPE, 2018



SOURCE: US Census, City of West Linn

Figure 3.1 highlights the lack of “middle housing” in the community as 92 percent of housing types are single-family or multi-family (5+ units). Code amendments associated with HB2001 will provide the opportunity for development of more “middle housing” in the future.

FIGURE 5.5: PROJECTED NEED FOR NEW HOUSING AT DIFFERENT INCOME LEVELS

Household Income Segment	Income Level (Rounded)*	Afford. Rent Range	Afford. Price Range	Owner Units	Renter Units	Total	Share	Common Housing Product
Extremely Low Inc. < 30% AMI	< \$27,500	<\$800	<\$150k	21	76	97	10%	Govt-subsidized; Voucher
Very Low Income 30% - 50% AMI	\$27.5k - \$46k	\$800-\$1,100	\$150k-\$225k	27	54	80	8%	Aging/substandard rentals; Govt-subsidized; Voucher
Low Income 50% - 80% AMI	\$46k - \$73.5k	\$1,100-\$1,600	\$225k-\$330k	59	90	150	15%	Market apts; Manuf. homes; Plexes; Aging SFR
Middle Income 80% - 120% AMI	\$73.5k - \$110.5k	\$1,600-\$2,100	\$330k-\$475k	113	35	148	15%	Single-family detached; Townhomes; Small homes; New apts
Upper Income > 120% AMI	> \$110,500	\$2,100+	\$475k +	459	70	530	53%	Single-family detached
TOTAL:				679	326	1,005	100%	

* Adjusted to 2020 dollars. The median household income level in 2020 will be inflated from current levels.

Sources: HUD, Census, Envirionics Analytics, JOHNSON ECONOMICS

Figure 5.5 highlights the projected need for new housing affordable to households making 80 percent or less of median household income in the community. The consultant team has compiled a number of strategies the City can implement moving forward to encourage development of housing that meets community needs. Some of the recommended strategies are found later in the memo, but the full list is found [here](#).

FIGURE 6.1: ESTIMATED BUILDABLE LANDS CAPACITY BY ACREAGE AND NO. OF UNITS (2020)

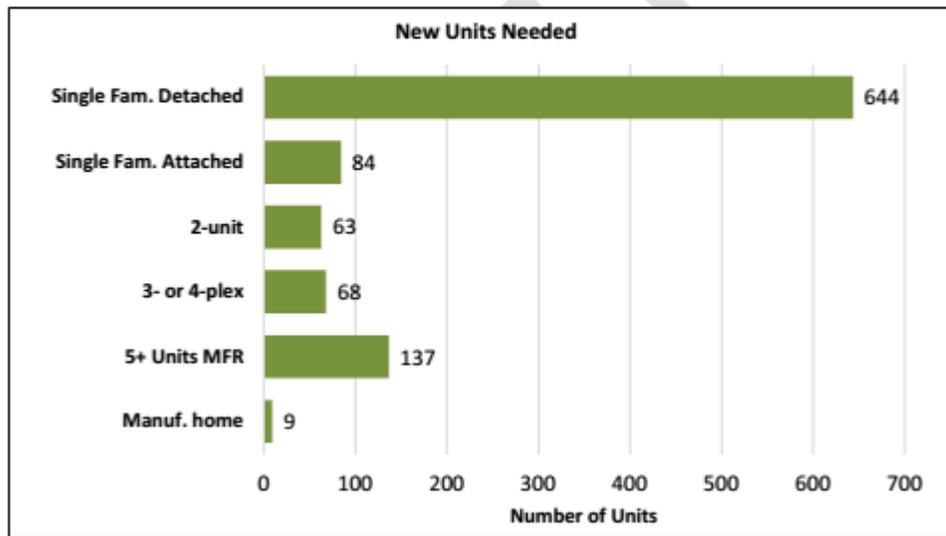
ZONING		Unconstrained Acres			Unit Capacity	
		Vacant	Infill	Total	Units	Share
RESIDENTIAL ZONE	Category					
R-40	Low-Density Res.	0.0	0.0	0.0	0	0%
R-20	Low-Density Res.	0.0	0.0	0.0	1	0%
R-15	Low-Density Res.	6.0	1.2	7.2	30	2%
R-10	Low-Density Res.	30.8	102.9	133.7	727	60%
R-7	Low-Density Res.	3.5	10.3	13.8	89	7%
R-5	Medium-Density Res.	3.0	9.2	12.2	105	9%
R-4.5	Medium-Density Res.	2.7	10.9	13.6	134	11%
R-3	High-Density Res.	0.0	0.0	0.0	0	0%
R-2.1	High-Density Res.	0.0	1.9	1.9	36	3%
LD	Low-Density Res.	6.8	10.4	17.2	83	7%
TOTALS:		52.8	146.8	199.6	1,205	100%
ZONE CATEGORIES	Typical Housing Type					
Low-Density Res.	Single-family detached; Some SF attached & plex	47.1	124.8	171.9	930	77%
Medium-Density Res.	SF attached; Manufact. home; 2-4 plexes	5.7	20.1	25.8	239	20%
High-Density Res.	Multi-family apartments	0.0	1.9	1.9	36	3%
TOTALS:		52.8	146.8	199.6	1,205	100%

Source: Angelo Planning Group

Figure 6.1 shows the City’s estimated buildable lands capacity. Some key takeaways are the lack of available vacant land (26.5 percent) versus infill land (73.5 percent) left in the community and a lack of buildable lands outside areas zoned R-10, particularly only 1.9 acres of infill lands being currently available for high density housing needs.

FIGURE 6.2: SUMMARY OF FORECASTED FUTURE UNIT NEED (2040)

TOTAL HOUSING UNITS									
Unit Type:	Single Family Detached	Single Family Attached	Multi-Family			Manuf. home	Boat, RV, other temp	Total Units	% of Units
			2-unit	3- or 4-plex	5+ Units MFR				
Totals:	644	84	63	68	137	9	0	1,005	100%
Percentage:	64.1%	8.4%	6.3%	6.8%	13.6%	0.9%	0.0%	100%	



Sources: PSU Population Research Center, Census, Johnson Economics

Figure 6.2 shows the City’s 20-year forecasted housing need. Future need for housing options other than single-family detached/attached is greater (27.5 percent) than the current housing conditions (16 percent), which highlights HB2001 code amendments being important in helping to meet the community’s future housing needs.

FIGURE 6.3: COMPARISON OF FORECASTED FUTURE LAND NEED (2040) WITH AVAILABLE CAPACITY

WITHIN CITY LIMITS		SUPPLY			DEMAND		
Zone & Plan Category	Typical Housing Type	Buildable Land Inventory (Total)			Growth Rate (1.8%)		
		Developable Acres	Unit Capacity	Avg. Density (units/ac)	New Unit Need (2040)	Surplus or (Deficit)	
					Units	Acres	
Low-Density	Single-family detached; Some SF attached & plex	171.9	930	5.4	672	258	48
Med-Density	SF attached; Manufact. home; 2-4 plexes	25.8	239	9.3	196	43	5
High-Density	Multi-family apartments	1.9	36	18.9	137	(101)	(5)
TOTALS:		199.6	1,205	6.0	1,005	200	47

Sources: Angelo Planning Group, Johnson Economics

Finally, Figure 6.3 correlates the available buildable land with the forecasted need. The key takeaway is the City has enough capacity overall, but lacks available land to meet multi-family housing needs.

The consultant team has also identified a number of strategies the City could implement to help meet future housing needs. HB2001 code amendments will help meet the medium density needs of the community, but the City will need to possibly pursue changes to zoning districts or allow multi-family residential as a permitted use in more zoning districts. Please see the [Housing Strategies Report](#) for details on all strategies and descriptions, but strategies identified as high priority include:

- Update Comprehensive Plan Housing Policies
- Rezone land to meet need, particularly multi-family housing
- Increase allowed density in existing zones
- Facilitate “middle housing” in all residential zones as part of HB2001 code amendments
- Tax abatements for development of affordable housing
- Land acquisition and banking

Online Survey Results

An online survey for community feedback on housing needs and conditions was available in early January 2021. The survey had 21 questions and received 423 responses. Respondents were primarily homeowners (91 percent), have lived in West Linn for 10 years or more (59 percent), live in single-family detached homes (89 percent), are 45 years or older (73 percent), are White or Caucasian (88 percent), and have a household income of \$75,000 or more (80 percent). Some key results from the survey include:

Question 6: Which types of housing do you think are most needed for the community as a whole, including people you know who are looking for housing in West Linn?

	1 - NOT NEEDED AT ALL	2	3	4	5 - GREATLY NEEDED	TOTAL	WEIGHTED AVERAGE
Single family detached homes	16.45% 62	11.41% 43	22.02% 83	16.18% 61	33.95% 128	377	3.40
Accessory dwelling units	25.33% 96	15.57% 59	22.69% 86	17.41% 66	19.00% 72	379	2.89
Duplexes	27.54% 103	15.78% 59	26.47% 99	18.98% 71	11.23% 42	374	2.71
Triplexes or quadplexes	40.44% 148	18.58% 68	16.94% 62	12.57% 46	11.48% 42	366	2.36
Townhomes	29.03% 108	16.94% 63	26.08% 97	16.13% 60	11.83% 44	372	2.65
Cottage cluster housing	34.13% 129	13.76% 52	18.78% 71	15.87% 60	17.46% 66	378	2.69
Courtyard apartments	39.10% 147	15.43% 58	17.55% 66	13.83% 52	14.10% 53	376	2.48
Larger scale apartments	63.00% 235	11.53% 43	12.33% 46	7.24% 27	5.90% 22	373	1.82

Question 7: How important do you think each of the following objective are?

	1 - NOT IMPORTANT	2 - SLIGHTLY IMPORTANT	3 - MODERATELY IMPORTANT	4 - VERY IMPORTANT	5 - EXTREMELY IMPORTANT	TOTAL	WEIGHTED AVERAGE
Increase the supply of housing affordable to all West Linn residents	24.93% 93	12.87% 48	19.03% 71	19.30% 72	23.86% 89	373	3.04
Ensure a variety of different housing types are available to suit a range of needs or preferences	21.33% 80	16.00% 60	17.60% 66	21.60% 81	23.47% 88	375	3.10
Create more opportunities for homeownership	19.41% 72	13.21% 49	25.34% 94	19.68% 73	22.37% 83	371	3.12
Create more opportunities for renting homes	29.27% 108	19.24% 71	21.14% 78	18.43% 68	11.92% 44	369	2.64
Promote uniform or baseline architectural design features or standards	37.10% 138	17.74% 66	23.12% 86	9.68% 36	12.37% 46	372	2.42

Question 8: Does the finding that more attached housing will be needed in the future sound right to you?

ANSWER CHOICES	RESPONSES
Yes	47.88% 181
No	52.12% 197
TOTAL	378

Question 12: Which of the following types of housing do you think would be a good fit for your neighborhood and should be allowed to be built there?

	1 - WOULD NOT BE A GOOD FIT AT ALL	2	3	4	5 - WOULD FIT VERY WELL	TOTAL	WEIGHTED AVERAGE
Accessory dwelling units	31.27% 111	9.86% 35	16.06% 57	19.44% 69	23.38% 83	355	2.94
Single family detached homes	9.19% 33	3.34% 12	8.64% 31	10.86% 39	67.97% 244	359	4.25
Duplexes	40.39% 145	10.31% 37	17.55% 63	15.04% 54	16.71% 60	359	2.57
Triplices or quadplexes	56.00% 196	16.00% 56	10.00% 35	8.57% 30	9.43% 33	350	1.99
Townhomes	46.00% 161	17.71% 62	13.43% 47	11.14% 39	11.71% 41	350	2.25
Cottage cluster housing	47.63% 171	14.76% 53	13.93% 50	11.14% 40	12.53% 45	359	2.26
Courtyard apartments	60.45% 214	15.54% 55	9.60% 34	7.34% 26	7.06% 25	354	1.85
Larger scale apartments	82.52% 288	7.45% 26	5.44% 19	1.72% 6	2.87% 10	349	1.35

The survey provided several opportunities to enter comments. Some common support for affordable housing and a greater variety of housing types expressed in those comments include:

- Affordability for renters and single adults
- Affordability for seniors and aging people
- Lack of affordable housing for young families
- General desire for the community's housing to be more affordable

Some common concerns expressed in those comments include:

- Infrastructure cannot support greater density
- Traffic congestion
- Overcrowding of schools
- Preference for less dense, single-family neighborhood character
- City is build out and no need for additional growth
- Negative impacts on property owners
- Against population growth in general
- Concerns that housing affordable to renters and/or low-income residents will affect neighborhood character
- Sentiment that current residents earned their way to living in West Linn

The final step in Phase 1 of the HB2003 implementation project is the consultant team will compile the second survey results, finalize the recommended strategies, and produce the Final Housing Needs Analysis report that will be ready for adoption by the City. The deadline for adoption is end of year 2023, with the Housing Production Strategy needed to be complete by end of year 2024.

If you have questions about the work session or materials, please feel free to email or call me at dwyss@westlinnoregon.gov or 503-742-6064. As always, please submit questions before the meeting to increase the efficiency and effectiveness of the discussion as it allows staff to prepare materials and distribute them for your consideration. Thanks and hope to see everyone on the 19th.