

Metro | Agenda

Meeting: Equitable Housing Work Group – Meeting #3
Date: Wednesday, August 26, 2015
Time: 10 a.m. to 12 p.m. (noon)
Place: Metro Room 370A/B
Purpose: Update on findings and themes from stakeholder engagement process
Discussion of preliminary opportunity matrix

- 10:00 a.m. Welcome, meeting purpose, and introductions**
*Metro Councilors Craig Dirksen and Sam Chase
Working Group members*
- 10:10 a.m. Meeting agenda, logistics, and updates**
Kirstin Greene, Cogan Owens Greene
- 10:15 a.m. Summary of Oregon ON engagement findings**
Ruth Adkins, Oregon ON
- Group questions and clarifications
- 10:40 a.m. Group Exercise: Initial filtering of opportunity matrix**
*Emily Lieb, Metro
Ruth Adkins, Oregon Opportunity Network*
- Group feedback on any tools that are missing from the list, best practices, and preliminary evaluation of the most promising (i.e., high feasibility, high impact) tools
- 11:40 a.m. Upcoming meeting topics and closing comments**
Emily Lieb, Metro
- Group feedback and closing comments
- 11:50 a.m. Public comments (as time allows)**
- 11:55 a.m. Work group members respond**
- 12:00 p.m. Adjourn**

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Equitable Housing Working Group
Tuesday, July 28, 2015
12:00 p.m. – 2:00 p.m.
Metro Regional Center, room 370A/B

Working Group Members Present:

Councilor Sam Chase	Metro
Councilor Craig Dirksen	Metro
Betty Dominguez	Home Forward, Multnomah County
Sheila Greenlaw-Fink	Community Partners for Affordable Housing (CPAH), Washington County
Rachel Loftin	Homebuilders Association of Metro Portland
Alisa Pyszka	Greater Portland Inc
Margaret Salazar	US Department of Housing and Urban Development (HUD)
Cat Goughnour	Radix Consulting Group
Alma Flores	City of Milwaukie
Eli Spevak	Orange Splot LLC

Metro Staff and Guests:

Elissa Gertler	Metro
Emily Lieb	Metro
Megan Gibb	Metro
Laura Dawson Bodner	Metro
Nikolai Ursin	Metro
Beth Cohen	Metro
Ramsey Weit	Community Housing Fund
Kara Srnka	Oregon Opportunity Network

Facilitator and Project Partners:

Kirstin Greene	Cogen Owens Greene
Ruth Adkins	Oregon Opportunity Network

WELCOME AND INTRODUCTIONS

The meeting was called to order at 12:08 p.m. Councilor Dirksen welcomed committee members and guests and invited attendees to introduce themselves.

PRELIMINARY FINDINGS FROM NATIONAL BEST PRACTICES RESEARCH

Emily Lieb presented her findings on best practices research, included in a handout titled *Equitable Housing Initiative: National best practices: Framework and preliminary examples*. She explained that she is searching nationally for affordable housing and market based solutions. She asked committee members for feedback on how best to screen information to present the best possible ideas for our region.

Committee comments included:

- In the Urban Land conservancy example, who can develop, apply for and receive the loans? What are provisions for keeping it affordable over time?

Ms Lieb noted that several other cities are developing similar funds.

- From the Denver example (see the presentation slide): Who can develop and receive, consider interest rates, what are provisions to keep affordable, what are the public sector versus NGO and private development roles, how to best use or engage that investment (%) of loan rate,

affordability is related to opportunity, focus on outcomes/bigger picture need, have an equity baseline; how to prioritize needs and outcomes/benefits, then use to screen.

- What are the different roles for regional and local governments?
- What is the value of the dollars going into that system? What is the best use scenario?
- We need to determine what the outcomes we want to achieve and then look at solutions.
- We need to understand the community/region need, then hone in on appropriate tools. Base tools on the need in each community.
- Coordinated performance measures could be helpful.
- Figure out how to prioritize needs and outcomes and identify regions that have similar needs. What interventions they have used?
- From the Minneapolis example (see the presentation slide): the Latino Economic Development commercial corridor revitalization efforts partnered with the community (this organization is a great resource), enterprise vis a vis LISC as CD intermediary, use coordinated performance measures, please provide more information on solid waste bonds, with co-ops, include shared appreciation/ability to build equity/wealth.
- Oregon does not have co-op financing. If a limited equity co-op were developed, the price would have to be very low. Mercy Corps Northwest is working on a limited equity co-op that could be considered mixed use. John Haines is the contact person.
- The Welcome Home Coalition is working in Multnomah and Clackamas Counties.
- With reference to the Bay Area Prosperity Plan Housing Initiative, how is it funded? The initial funding was one time only.
- From the Seattle example (see the presentation slide): affordable housing and mixed use, walkable neighborhoods; this report offers great examples and partnerships.

Action: Ms. Lieb will send a link to this resource to committee members.

Ms Lieb reviewed next steps, detailed in her slide presentation and included in the packet. She shared that the Equitable Housing Summit, hosted by Metro, will take place on February 1.

Committee member comments included:

- Complete additional research around leasing land, for example, for one dollar a year for 99 years. There are examples in Clackamas County and Beaverton.
- How can the worlds of property acquisition be merged? Parks acquire property; could surplus land be allotted for housing via a land bank?
- Cities own parcels that they give away – why can't we be the developers of the property?
- There is a new work in public health related to housing – new grants focused on the health benefits of being housed. "Housing is health care."
- The City of Portland is streamlining; how will this affect the front end? We need to understand the framing and messaging that allows political decisions to go through quickly. We could add a political dimension to the case study.
- What information do we have on regulations that affect market-based housing development?
- Reduce burden on market rate supply.
- Incentivize accessory dwelling units (ADUs), beyond enabling construction. Metro requires that jurisdictions allow ADUs.
- What types of tools build capacity and educate? Who are the alternative developers and tenant organizations?
- Separate outcomes, strategies and tools. We need a list of potential outcomes, and then list of strategies to meet those outcomes.
- Look at affordability in the areas of opportunity. How do things like Air BnB compete?

UPDATE ON STAKEHOLDER ENGAGEMENT PROCESS AND EMERGING THEMES

Ruth Adkins presented an update on stakeholder engagement. Preliminary themes from each of the focus groups are included her slide presentation which is included in the packet. There will be an outreach to private developers and elected officials after the focus groups are completed. The final focus group will be in Clackamas County on August 11.

Committee member comments included:

- Send event information and the survey out to committee members so they can share with their networks.
- The term affordable housing not palatable to many; the use of the term workforce housing may work better.
- Adopt a working definition for this committee of workforce housing.

Action: Ms Adkins will send the invitation to the August 11 meeting and the survey link to committee members so they may share with their networks.

PRELIMINARY OPPORTUNITY ASSESSMENT FRAMEWORK

Ms Lieb reported on the process of evaluating implementation opportunities; a copy of her slide is in the packet. She said she plans to take national best practices, past efforts and stakeholder inputs and organize them into short, medium and long term opportunities. She explained that in parallel, an effort will be made to synthesize data regarding housing needs and current market dynamics. This data will be presented at the October committee meeting.

Committee members' feedback included:

- Every city has a comprehensive plan. Tap websites for comprehensive plan housing elements within specific municipalities.
- Add a 'purpose' column to explain why the tool is a good one.
- Add a column for partnerships and populate it early on.
- Cost or resource requirement should have its own column.
- Add notes describing why it is labeled low, medium or high.
- Complete legal due diligence as part of feasibility; what is constrained, what is available? Where are regulatory changes needed? What are possible unintended consequences?
- Return on investment should be included. For example, higher revenues related to property tax increases, foregone taxes and other implications.
- If Metro cannot fill a role, what jurisdiction or organization could?
- Identify partners early on rather than later so they can be your champions.
- The Seattle report may have a similar type of chart that could be used.

UPDATE ON 2006 HOUSING CHOICE TASK FORCE RECOMMENDATIONS

Ms Gertler gave an overview of the 2006 Housing Choice Task Force, explaining that it is organized into opportunities and challenges, and how to reduce barriers and find money. Metro Council voted to include social equity in community development grants. This is of regional interest. Data and knowledge sharing was a key piece. Inventories of regional affordable housing were completed. There was no goal set that could be tracked; rather, a mix of qualitative and quantitative ideas were included.

Committee members' comments included:

- The current effort should be outcomes-based.

- Take what we are currently doing (the status quo) and include in the opportunity matrix. How can we expand it? What will the impact be?
- Alisa Pyszka shared information from an article in *TechCrunch* on affordable housing that focuses on how to spur a larger conversation of why we should all be concerned about the lack of affordable housing. San Francisco is an example of what we do not want to do. San Francisco did not embrace density. The writer of the article talks about the impact when workforce housing is not in alignment with public transit and jobs. Greater Portland Inc is hosting its annual summit beginning on September 17 and the writer of the article will present an overview of the San Francisco story on the morning of September 18. The summit's focus is people (housing and transit), business and place.
- Partner with organizations who work with existing residents and offer education, access and workforce development.
- Our region is experiencing job growth in very low and very high income areas. How can we bring non-profits and people to the table early in the process?
- Jobs, housing and transportation balance is an issue in East County. We need to get locals trained to be able to take higher income jobs.

Councilor Chase explained that the housing choice work culminated after 15 years of process; when it came time for implementation, it did not get funded. He suggested starting where the Housing Choice Task Force left off. Is there a way to evaluate the need and not re-invent?

UPCOMING MEETING TOPICS AND CLOSING COMMENTS

Ramsey Weit suggested engaging MPAC early in the process.

Emily reviewed the topics to be covered during the remaining 5 meetings and reiterated that the summit will be held on February 1.

ADJOURN

The meeting was adjourned at 1:58 p.m.

Attachments to the record:

Item	Document Date	Description	Document No.
1	July 2105	Equitable housing initiative: National best practices: framework and preliminary examples	072815ehwg - 01
2	07/28/15	Metro equitable housing initiative: Stakeholder outreach update to the Equitable Housing Working Group – Oregon Opportunity Network	072815ehwg - 02
3	No date	Handout: Proposed process of evaluating implementation opportunities	072815ehwg - 03
4	07/28/15	Chart: Opportunities matrix – draft for 07/28/15 working group meeting	072815ehwg - 04
5	April 2006	Regional housing choices: Implementation strategy recommendation	072815ehwg - 05

Meeting summary respectfully submitted by:
Laura Dawson Bodner

**Equitable Housing Work Group
Opportunity Matrix Overview and Discussion Guide
August 26, 2015**

Overview & Purpose

The opportunity matrix is an attempt to catalogue information gathered through local stakeholder engagement, local and national best practice research, and previous task force recommendations into a tool to identify the most promising opportunities for Metro and its partners to make an impact on equitable housing development and preservation in the short, medium, and long term. The current draft is a work in progress and will be refined over the next two months and then packaged into (1) a set of recommendations to Metro staff regarding short-term opportunities to provide technical assistance for demonstration projects and (2) a presentation to regional leaders at a summit on February 1, 2016.

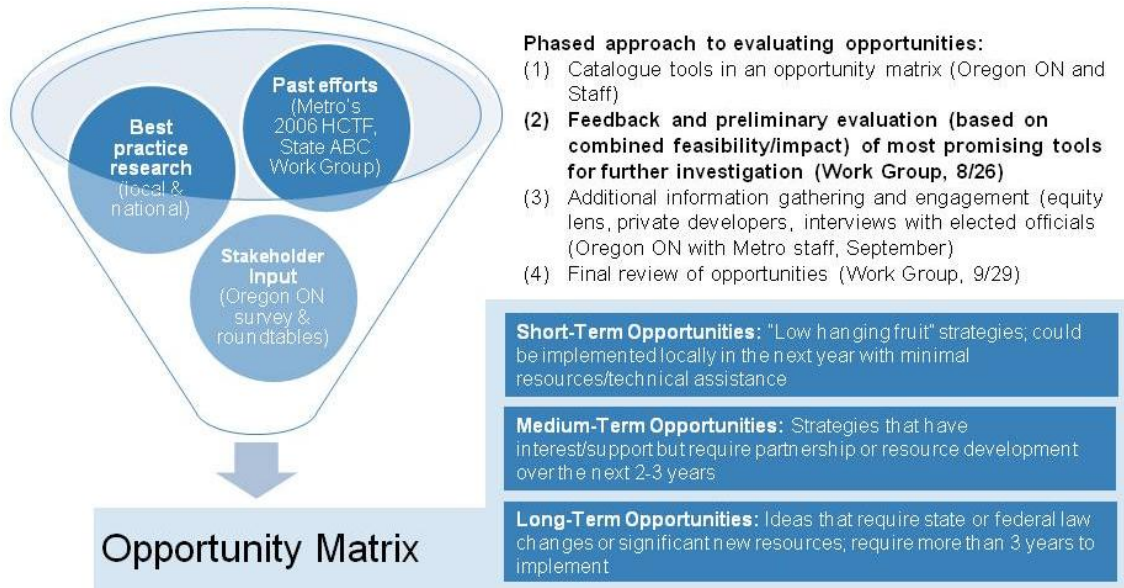
Categories of Tools

- **Local policies and programs:** regulatory, incentive, and investment tools and programs local governments can use to eliminate barriers to equitable housing development and preservation
- **Collaborative financing and land:** partnerships to provide financing or land to create or preserve equitable housing
- **Revenue:** Fees, taxes, levies, bonds, and other tools to generate public revenue for affordable housing development/preservation
- **Data/Technology:** tools to provide data that inform housing policy and investments

Evaluation Criteria

1. **Feasibility:** Resources; political will; state law; market dynamics
2. **Impact:** Equity, geography, sustainability

Process and Timeline



Discussion Guide Worksheet

In order to ensure a productive discussion, Work Group members are encouraged to review the matrix and complete the following worksheet in advance of the meeting.

(1) Local Policies and Programs

<p>List of Tools:</p> <ul style="list-style-type: none"> • Fee waiver or reduction • Multifamily tax exemption • Nonprofit owned and/or low-income housing tax exemption • Density bonus • Family-friendly zoning restrictions • Public land for affordable housing • Forgivable loan program (homebuyer assistance) • Streamlined approval • Reduced parking requirements • Community benefits agreements • Brownfield redevelopment for affordable housing • Transit Oriented Development (TOD) grants • Shared investment strategies along transit corridors • Upzones and rezones • Tax Increment Financing set-asides • Mandatory inclusionary zoning (<i>not currently permitted under OR law</i>) • Rent control or stabilization (<i>not currently permitted under OR law</i>) 	<p>Work Group Homework:</p> <ol style="list-style-type: none"> 1. Anything missing from the list? 2. Corrections or additions to the information provided in the matrix? 3. Select the top five (5) most promising tools you think Metro could support through small (\$25,000-\$50,000) technical assistance grants.
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(2) Collaborative Financing and Land Tools

<p>List of Tools:</p> <ul style="list-style-type: none"> • Predevelopment funding / gap financing • Revolving loan fund for equitable TOD • Revolving loan fund for rehabilitation • Revolving loan fund for ADUs • Real estate investment trust (REIT) • Regional land bank • Limited equity cooperatives • Community land trust • Employer assisted housing • Credit enhancement • Community savings program • Land conservancy 	<p>Work Group Homework:</p> <ol style="list-style-type: none"> 1. Anything missing from the list? 2. Corrections or additions to the information provided in the matrix? 3. Select the top three (3) most promising ideas for further research.
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(3) Revenue Tools

<p>List of Tools:</p> <ul style="list-style-type: none">• Linkage/Impact Fees• Permit Fee for Affordable Housing• Dining Tax• Housing Levy• Tax Increment Financing• Real estate transfer tax (REET) <i>(not currently permitted under OR law)</i>• Construction excise tax (CET) <i>(not currently permitted under OR law)</i>	<p>Work Group Homework:</p> <ol style="list-style-type: none">1. <i>Anything missing from the list?</i>2. <i>Corrections or additions to the information provided in the matrix?</i>3. <i>Select the top three (3) most promising ideas for further research.</i>
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(4) Data/Technology

<p>List of Tools:</p> <ul style="list-style-type: none">• Housing + Transportation Cost Calculator• Opportunity mapping• Vulnerability Index	<p>Work Group Homework:</p> <ol style="list-style-type: none">1. <i>Are there any tools missing from this list?</i>2. <i>Corrections or additions to the information provided in the matrix?</i>3. <i>Select your top one (1) most promising idea for further research.</i>
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Equitable Housing Opportunity Matrix: Collaborative Financing and Land

Type	Tool	Target Housing Type	Description	Outcome and Advantages	Barriers and Limitations	Current State and Local Interest	Best Practices
Financing	Revolving loan fund for equitable TOD	Affordable rental or owner	A self-replenishing pool of money that applies interest and principal from existing loans to a fund by which to issue new loans; can layer public, private, and philanthropic investments, with public sector providing "top loss" and commercial lenders providing senior debt.	Creates flexible, affordable capital to purchase or improve property near transit lines for equitable development.	Requires large scale financial commitments; public sector partners may not be willing to provide "top loss"	Broad support among nonprofit housing developers.	Bay Area Transit Oriented Affordable Housing (TOAH) Fund Denver Urban Land Conservancy
Financing	Revolving loan fund for rehabilitation	Existing apartment buildings	Financing for apartment building rehabilitation, potentially linked to state tax credits for energy efficiency or seismic upgrades; could be tied to affordability restrictions.				
Financing	Revolving loan fund for ADUs	Accessory dwelling units (ADUs)	Financing for ADU construction	Increases density in single-family neighborhoods; opportunities for inter-generational living; offsets mortgage costs for owners.	Lack of awareness among banks/lenders. Challenge for ensuring impact to housing affordability is that many ADUs are used for short-term rental (Airbnb) rather than long-term.	Currently, most ADUs are financed privately. Lot of interest among homeowners.	
Financing	Predevelopment funding / Gap financing	Affordable rental or owner	Gap funding to ease the burden	Increases feasibility of affordable housing projects.		PHB has the "Equity Gap Contribution" program for affordable-related development (rental, mixed-use, or economic development)	
Partnerships/Land	Limited Equity Ownership	Entry level ownership for 60-100% MFI (detached, townhome, cottage cluster, multi-family)	A limited equity ownership model in which a community organization owns the land and the resident(s) own(s) the unit or structure. Affordability covenants on the deed keep the resale values low, ensuring permanent affordability.	Creates affordable entry-level ownership opportunities, prevents displacement, and helps households build some equity without the risks of a traditional mortgage.	Some concerns about this model among certain communities of color, due to limited equity-building capacity for an individual household.	Currently implemented for single-family homes only, often through partnerships with Proud Ground (community land trust).	Widely used in SF and NYC. Several states have laws enabling coop ownership and making it easier to get individual mortgages for coop properties.
	Community Land Trust	Entry level ownership for 60-100% MFI (detached, townhome, cottage cluster, multi-family)	Nonprofit, community-based organizations designed to ensure community stewardship of land, primarily used to ensure long-term housing affordability by acquiring land and maintaining ownership of it permanently. Traditionally used as a tool for homeownership but potential applications for multi-family.	Preserves affordable housing in gentrifying and high-opportunity areas. Creates opportunities for low-income households to build some equity while ensuring affordability for the long-term.	Current use in the region is limited to SF homeownership, which makes per unit costs high and creates challenges for scaling up.	Proud Ground currently provides affordable homeownership under this model in Clackamas, Multnomah, and Washington Counties (OR) and Clark County (WA). Funders include banks, foundations, and local governments.	

Equitable Housing Opportunity Matrix: Collaborative Financing and Land

Type	Tool	Target Housing Type	Description	Outcome and Advantages	Barriers and Limitations	Current State and Local Interest	Best Practices
Land	Regional Land Bank	Multi-family Rental	Public and/or private partnership to acquire and hold land for future development. Frequently managed by a quasi-governmental entity, with state enabling legislation.	Can dedicate land for affordable housing, and as part of a land bank, ensure that new housing can be developed over the years.		Nearly all jurisdictions stated interest. In 2015, Metro led a statewide coalition of over 40 jurisdictions and organizations to pass House Bill 2734, which enables local governments to create land bank authorities for the purpose of brownfield cleanup and redevelopment in the state of Oregon.	
Financing	Real Estate Investment Trust	All	A Real Estate Investment Trust (REIT) is a group of individuals or a company that owns and operates income-producing real estate and related assets with investors earning a share of the income produced by the property.	Wealth building opportunities for low income, flexible and can be modified in many ways.	Requires investment and partnerships to ensure low-income inclusion	MercyCorps NW's Plaza 122 project is the closest example of a REIT; it's not a residential building but it is targeting low-income investors as a wealth building strategy.	
Financing	Employer Assisted Housing	Affordable homeowners (60-120% MFI)	Housing programs including homeownership and rental, which are at least partially funded or materially supported by an employer. Jurisdictions may offer incentives such as tax credit programs to the employer to pass down to employees. .	Increases access to homeownership and increases the likelihood of a person in choosing a home that is close to where they work (thus having benefits that extend beyond the individual homeowner).	Requires employer participation and cooperation	Tigard, Portland and Beaverton/Hillsboro stated interest; Employer Assisted Housing done in Gresham. Other East County Jurisdictions stated interest.	
Financing	Credit Enhancement	Multi-family affordable housing (0-60% MFI)	The backing of a loan or bond for affordable housing development by an outside source, frequently local government. Frequently credit enhancement is done through a loan insurance program, which guarantees that the enhancing organization (often local government, but could also be a private foundation) will pay a certain percentage of the capital of the loan in the event of a default by the homeowner or developer.		Legality issues may prevent progress	Problematic in multiple jurisdictions; not allowed in Portland.	
Financial	Forgivable Loan Program	Affordable homeownership	A loan that can be forgiven or deferred by a lender contingent upon agreed conditions. Operates like a grant if conditions are met, otherwise typical loan rules apply. Typically administered by nonprofits in partnership with banks and with funding from local jurisdictions (HOME, CDBG, General Fund)	Leverages commercial lending to provide lower-risk homeownership opportunities to low and moderate income households.		Programs exist in the metro area to assist in home buying, home repair, and rehabilitation.	

Equitable Housing Opportunity Matrix: Collaborative Financing and Land

Type	Tool	Target Housing Type	Description	Outcome and Advantages	Barriers and Limitations	Current State and Local Interest	Best Practices
Financing	Community Savings Program	Detached, Rowhouse, or Multi-family homeownership	A funding pool created by low-income community members to loan out to individuals contributing to the fund. A group of community members each contributes a specified amount of money every week/month/quarter, and collectively decide how to distribute the funds collected.	Wealth building and cooperative. Bottom-up approach that gives impacted communities power and choice in how they spend. Could be used towards housing, such as renovation of older homes or home buying. Could also be used towards cooperative housing.	Need community involvement and proactive effort	No one currently pursuing?	

Equitable Housing Opportunity Matrix: Local Policies and Programs

Type	Tool	Target Housing Type	Description	Outcome and Advantages	Barriers and Limitations	Current State and Local Interest	Best Practices
Incentive	Fee waivers or reductions	Affordable rental (<60% MFI)	Impact fees (i.e. SDCs) and permit fees can be reduced or eliminated to encourage private development of target development types (e.g., affordable housing, ADUs, etc.).	Lowers cost burden for low-income apartment development	Forgone revenue	Portland and Hillsboro provide fee assistance/waivers for affordable apartments. Mixed response from other jurisdictions.	
Incentive	Multifamily tax exemption	Multi-family apartment and condos	Limited property tax exemptions for qualifying affordable projects (regardless of whether the owner is a nonprofit) Often time-limited.	Lowers cost burden for low-income apartment development	Forgone revenue; typically time limited	Portland offers a 10-year exemption on multi-family developers that include a certain level of affordable units.	Chicago's Class 9 program provides tax abatement for rehabilitation in exchange for a guarantee to keep 35% of units affordable at <80% MFI.
Incentive	Nonprofit-owned housing tax exemption	Nonprofit owned housing	Property tax exemptions for qualifying affordable housing development.	Lowers cost burden for low-income apartment development	Does not include for-profit affordable buildings.	Currently in place in Beaverton, Hillsboro, Tigard, Portland, Wilsonville	Bend offers a 20-year tax exemption for all low-income rental projects, regardless of whether the developer is a nonprofit or for-profit entity.
Incentive	Density Bonus	Multi-family rental	Local jurisdictions may grant developers additional height, an increased number of units, increased floor area ratios, and other density bonuses if the developer agrees to create a certain percentage of affordable housing units on site through a fee in lieu that goes into a housing trust fund.	Create affordable rental units in high-opportunity areas; captures public benefit from market-rate development.	Density push-back and NIMBYism; tensions with historical preservation (as in downtown Tigard); challenges ensuring affordability over time.	Utilized in Portland, Beaverton and Hillsboro. Portland currently considering limiting bonuses to affordable housing incentives and eliminating competing incentives, such as green building.	
Regulatory	Family-friendly zoning	Family-sized apartments and condos (2-3+ bedrooms)	Zoning regulations requiring a minimum number of family-sized (i.e. 2-3+ bedrooms) units in new development.	Ensures an adequate number of family-sized housing in high-opportunity areas			San Francisco requires new residential development in transit-served districts to include a minimum percentage of family-sized units.
Public Investment	Public acquisition of existing rental buildings	Affordable rental	A government entity could purchase existing apartment buildings and hire a management company to run them, with tiered rental restrictions and "strings attached" improvement funds.	Create affordable rental units in high-opportunity areas; more cost effective than new construction	Funding for ongoing management of the building.		San Francisco Mayor's Office \$3M small sites rental acquisition fund
Partnership/Land	Public Land for Affordable Housing	Affordable rental	Local governments or other public agencies entities (transit agencies, school districts, utilities) can make surplus public land available for equitable development.	Cost-effective strategy for public agencies and mission-driven landowners to exert influence over development.	Restrictions on the process of transferring certain categories of land (e.g., FTA restrictions on TriMet land); requires feasibility analysis to identify suitable land.	Strong interest among nonprofit developers of affordable housing. PDC has done this in URAs. Surplus park and school land has been used in Portland.	

Equitable Housing Opportunity Matrix: Local Policies and Programs

Type	Tool	Target Housing Type	Description	Outcome and Advantages	Barriers and Limitations	Current State and Local Interest	Best Practices
Incentive	Streamlined approval	All	Jurisdictions can provide fast-track permitting and review process to incentivize projects that include a certain level of affordability or meet other criteria.	Creates an incentive and reduces cost for developers; strong support among developers and real estate community.	Lack of capacity in some jurisdictions. Could create limitations for public review leading to NIMBY push-back.	Gresham has a streamlined approval process; Portland used to have a streamlined permit approval process.	In Bend, any residential or mixed use development that receives local, state, or federal affordable housing funding is eligible for 2-week approval (for simple projects) or 6 weeks for projects that require a public hearing.
Regulatory	Reduced parking requirements	All	Local agencies permit affordable housing units to exercise discretionary reduction of parking requirements if an applicant can demonstrate that no more parking is needed (i.e., in TOD districts)	Incentivizes development and frees up land allowing more units to be added. Parking consumes a large part of buildable land.	Politically controversial and subject to public resistance.	Portland, Beaverton and Hillsboro all employ this tool.	
Incentive	Affordability restrictions linked to retrofit/rehab funds	Affordable rental	Incorporate affordability requirements into the eligibility terms of retrofit/rehab funds.	Improves the quality of "unintentional" affordable housing; could help to preserve long-term affordability.	Difficult to enforce.	Need to explore current state of locally funded programs for seismic, energy efficiency, etc. to gauge opportunity level.	
Partnership	Community Benefits Agreements	Multi-family rental or owner	Site specific agreements between developers, local governments, and community organizations designed to ensure that development projects create opportunities for workforce and housing equity.	Strategy to ensure that existing communities benefit from new development. Don't require municipal policy changes; can be implemented immediately.	Because CBAs are so context-specific, challenges scaling up. Often difficult to enforce.	Strong interest among community-based organizations and advocacy groups. Portland comp plan includes a commitment to promoting CBAs.	PAALF-led CBA with Natural Grocers in N/NE Portland.
Regulatory, financing, incentive	Land bank for brownfield redevelopment	Multi-family rental or owner	A land bank would offer a vehicle to attract funding for redevelopment without creating additional legal risk or financial burdens on local governments. Under OR enabling legislation passed in 2015, land banks have protection from state environmental liability, authority to clear title, ability to issue bonds, and ability to pursue cleanup cost recovery from liable parties.	While it would require initial capitalization and financial support to acquire and manage a portfolio of properties, a regional land bank should be able to achieve financial self-sufficiency through the redevelopment process after a number of years.	Many brownfields are located in areas of concentrated poverty; could be more suitable for redevelopment to create employment opportunities.	In 2015, Metro led a statewide coalition to pass House Bill 2734, which enables local governments to create land bank authorities for the purpose of brownfield cleanup and redevelopment. The statewide Brownfields Fund has been capitalized with \$7 million.	
Financing, incentive	Transit Oriented Development (TOD) grants	Multi-family rental and owner	Grants for land acquisition, pre-development, or construction grants to support high density mixed use development near transit.	Preserves affordable housing in transit-served neighborhoods.	Existing funding source for the TOD program requires that funding allocation be linked to induced ridership impacts.	Stakeholder interest in increasing TOD funding available for equitable development.	
Partnerships/Land	Shared investment strategies along future transit corridors	Multi-family rental	Creating strategic partnerships and investment strategies to promote affordability along future transit corridors.	Preserves affordable housing in transit-served neighborhoods.	Requires sustainable political leadership and funding support over multiple years.	Metro Investment Areas program promotes integrated transit and land use planning along transit corridors (current focus areas: Powell-Division & SW Corridor). Stakeholder interest in equitable development.	Minneapolis Green Line Funders Collaborative

Equitable Housing Opportunity Matrix: Local Policies and Programs

Type	Tool	Target Housing Type	Description	Outcome and Advantages	Barriers and Limitations	Current State and Local Interest	Best Practices
Regulatory	Upzones and rezones	All multi-family	Increase overall supply of multi-family housing by identifying opportunities for upzoning or rezoning.	Increase overall supply of multi-family housing.			
Regulatory	Restrictive covenants for permanent affordability	Affordable rental	Implement restrictive covenants that require affordability preservation on select (or as many as possible) affordable units. LIHTC is one example of application.	Stabilizes affordability over the long term, thereby mitigating market pressure. Combats displacement.			
Regulatory	Transfer of Development Rights (TDR)		Allows transfers of development rights in protected, “sending” areas (i.e. agricultural land or existing affordable housing developments) to targeted, “receiving” areas where development is actively encouraged. Development rights are separated from other property rights and sold by sending area property owners to developers in the receiving areas.	Potential to circumvent zoning regulation restrictions which can result in higher yield of units and increased housing stock; more flexible development.		Portland currently utilizes this tool and other jurisdictions expressed interest.	
Regulatory	Mandatory inclusionary zoning	Affordable rental and ownership	Zoning that requires developers to include a percentage of affordable units on-site or to pay a fee-in-lieu that goes into a housing trust fund.	Create affordable rental units in high-opportunity areas; captures public benefit from market-rate development.	Not permitted under Oregon state law		
Regulatory	Rent control or stabilization	Affordable rental	Regulation limiting the amount property owners can charge for rent or the percentage by which rents can increase over time.	Prevents displacement	Not permitted under Oregon state law		

Equitable Housing Opportunity Matrix: Data/Technology

Type	Tool	Target Housing Type	Description	Outcome and Advantages	Barriers and Limitations	Current State and Local Interest	Best Practices
Data/ Research	H+T Cost Calculator	Owner and Rental	Calculator that estimates the combined housing and transportation costs in a given location; ideally, this would include current average owner and renter housing costs along with transportation costs, and would be developed with a user-friendly interface to	Helps households make informed decisions about housing based on the true costs of housing when transportation is included; can help to encourage transit-oriented housing choices; can also lay a foundation for location efficient mortgages.	Requires a strategy to continually update market data and transportation modeling cost inputs over time.	CNT and HUD have both developed calculator tools; however, there's an opportunity to improve the quality of the data and to customize the tool for Portland.	<i>Bay Area:</i> http://maps.planbayarea.org/travel_housing/
Data/ Research	Opportunity Mapping	Affordable rental and owner	Tool for evaluating the overall presence and intensity of different opportunities within an area.	Helps to focus affordable housing investments in high opportunity areas.	Challenges creating a user-friendly tool for updating and accessing data.	Lots of interest among stakeholders (particularly outside of Portland) in the potential for Metro to provide regional scale opportunity maps.	Portland Housing Bureau uses an opportunity framework that integrates five categories of data: (1) childhood education (2) employment (3) transportation (4) family wage jobs and (5) healthy eating active living. https://www.portlandoregon.gov/phb/60656
Data/ Research	Vulnerability and Displacement Maps	Affordable rental					

Equitable Housing Opportunity Matrix: Revenue

Type	Tool	Target Housing Type	Description	Outcome and Advantages	Barriers and Limitations	Current State and Local Interest	Best Practices
TIF	Tax Increment Financing		Value capture strategy (through future tax increases) that utilizes public financing for redevelopment, development, and other community-improvements. Can be channeled into affordable housing.	Incorporates affordable housing into comprehensive community development.	Challenging to enforce and preserve affordability as part of TIF set-asides. Community oversight necessary to ensure that investments don't create displacement.	Gresham and Portland utilize this tool. Portland has 30% minimum set-aside for housing affordable up to 60% MFI. Portland's TIF on the decline as URAs near completion.	Portland 30% TIF set-aside
Fee	Linkage or Impact fees		Fees based on an assessment of the extent to which the development of new market-rate housing or commercial development generates additional demand for affordable housing. Requires a nexus study.	Leverages private investment to create dedicated funding for affordable housing.	May require changes to state laws governing impact fees; Potential opposition from business and development interests; could result in less overall development if fees are cost-prohibitive.	Not currently in use the region, but being explored through the Welcome Home Coalition. PHB is conducting a nexus study to explore.	Boston: developer impact fees produce \$18M/year for a housing development trust fund
Fee	Permit Fee for Affordable Housing		Fee on all building permits that is dedicated to an affordable housing trust fund.				In 2006, the City of Bend created an Affordable Housing Fee of 1/3 of 1% of the total valuation on all building permits. Priorities for funding are based on goals set forth in the CDBG 5-year consolidated plan.
Voter-approved	Dining tax		Implement a dining tax and dedicate generated funds to affordable housing production	Dedicated, sustainable, flexible funding tool.	Subject to resistance and lengthy political/legislative processes Historic resistance to sales taxes; likely opposition from powerful industry groups	Welcome Home Coalition is considering this among other potential funding tools for future advocacy in the region	Ashland, OR: Miami-Dade, FL: 1% dining tax raises \$20M/year for a homeless trust fund
Voter-approved	Property Tax Levy		Levy that dedicates property taxes to affordable housing production and/or preservation	Dedicated, sustainable, flexible funding tool.	Subject to resistance and lengthy legislative processes	Welcome Home Coalition currently exploring feasibility of this among other funding mechanisms. Seattle's levy has been renewed multiple times.	Seattle: Property tax levey first approved in 1981 generates \$20M/year at an average cost of \$65/household.
	General Obligation Bond			Dedicated multi-year funding tool with some restrictions.	Governments are required to own assets constructed through GO bonds.		Austin, TX: In 2013, voters approved \$65M to fund affordable housing development over the next 5 years.
Voter-approved	Real Estate Transfer Tax				New REETs not permitted under state law.	Washington County has a RETT that was grandfathered in.	
Voter-approved	Construction excise tax				New CETs are not permitted under state law.	Metro has a CET that was grandfathered in.	