

Commentary is for information only.
 Proposed new language is double-underlined;
 Proposed deleted language is ~~stricken~~.

[DRAFT] CB XX-23

[DRAFT] ORDINANCE NO. XX

AMENDMENTS TO VOLUME 1, FINDINGS, AND VOLUME 2, GOALS, POLICIES, AND
 ACTION MEASURES, OF THE GRESHAM COMMUNITY DEVELOPMENT PLAN,
 REGARDING HOUSING

THE CITY OF GRESHAM DOES ORDAIN AS FOLLOWS:

Section 1. Volume 1, Findings, Section 4.800 Housing Capacity Analysis: is amended as follows:

Proposed Text Amendment	Commentary
All footnotes will be updated to match their position in the text.	<i>Per Article 2 of GCDC Volume 3 “the manager may renumber or ..., change reference numbers to agree with renumbered articles, chapters, sections, or other parts ...”</i>

Section 1. Volume 1, Findings, Section 4.800 Housing Capacity Analysis: Acknowledgements is amended as follows:

Proposed Text Amendment	Commentary
<p>***</p> <p>ACKNOWLEDGEMENTS</p> <p>ECONorthwest prepared this report <u>section</u> for the City of Gresham in 2021. ECONorthwest and the City of Gresham thank those who helped develop the Gresham Housing Capacity Analysis (HCA). This project is funded by Oregon general fund dollars through the Department of Land Conservation and Development (DLCD). The contents of this report do not necessarily reflect the views or policies of the State of Oregon. The City of Gresham thanks all those who participated and provided feedback in the HCA process, through public meetings and the online survey. Other participants and contributors to the HCA include the Planning Commission, State of Oregon staff, City of Gresham staff, ECONorthwest Consulting Team, and the members of the public who participated in project outreach events.</p> <p>***</p>	<p><i>Updating language to reflect this is part of the plan rather than a stand-alone report.</i></p>

Section 2. Volume 1, Findings, Section 4.800 Housing Capacity Analysis: Executive Summary is amended as follows:

Proposed Text Amendment	Commentary
<p>***</p> <p>What are the key housing needs in Gresham?</p> <p>***</p> <ul style="list-style-type: none"> • Gresham lacks enough housing that is affordable, both for renters and homeowners. About 44% of Gresham’s households are cost burdened (paying 30% or more of their household income on housing costs). About 64% of Gresham’s renters are cost burdened and about 28% of Gresham’s homeowners are cost burdened. Cost burden rates in Gresham are higher than those in Multnomah County. Because Gresham has affordable housing in comparison to other cities in the Portland Region, Gresham has a larger share of lower income households, many of whom have trouble affording housing costs in Gresham and could not generally afford housing costs in other parts of the Portland Region. <ul style="list-style-type: none"> o About 43% of Gresham’s households cannot afford median rents in Gresham (\$1,279). Additionally, about 84% of Gresham’s households cannot afford the median housing sale price (\$401,000) in Gresham. Housing sales prices increased in Gresham over the last five years. From 2015 to 2020, the median housing sale price increased by about \$142,000 (55%), from about \$259,000 to \$401,000. o A household earning 100% of Multnomah County’s median family income (\$92,100) could afford a home valued between about \$322,000 to \$368,000, which is less than the median home sales price of about \$401,000 in Gresham, consistent with sales price growth in Multnomah County and other cities such as Hillsboro, Troutdale, Milwaukie. A household can start to afford median home sale prices at about 107% of Multnomah County’s median family income. • <u>Most Gresham residents live in neighborhoods that are at risk of gentrification. Gentrification here is used to mean “a process of neighborhood change that includes economic change in a historically disinvested neighborhood —by means of real estate investment and new higher-income residents moving in – as well as demographic change – not only in terms of income level, but also in terms of changes in the education level or racial make-up of residents.”² 22% of Gresham’s households live in areas that are in the early stages of gentrification with a further approximately 53% susceptible to gentrification. These areas are generally those that also have high levels of socioeconomic</u> 	<p><i>Adding information about the risks of gentrification and displacement from the proposed Appendix 19 Trends in Gentrification and Displacement Risk in Gresham (Attachment B).</i></p>

² Chapple, K., & Thomas, T., and Zuk, M. (2021). Urban Displacement Project website. Berkeley, CA: Urban Displacement Project

<p><u>vulnerability, which may lead to housing insecurity or displacement.</u></p> <p>***</p>	
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Section 3. Volume 1, Findings, Section 4.800 Housing Capacity Analysis: I. Introduction is amended as follows:

Proposed Text Amendment	Commentary
<p>***</p> <p>C. ORGANIZATION OF THIS REPORT SECTION</p> <p>The rest of this report <u>section</u> is organized as follows:</p> <p>II. Residential Buildable Lands Inventory presents the methodology and results of Gresham’s inventory of residential land.</p> <p>***</p>	<p><i>Updating language to reflect this is part of the plan rather than a stand-alone report.</i></p>

Section 4. Volume 1, Findings, Section 4.800 Housing Capacity Analysis: III. Historical and Recent Development Trends is amended as follows:

Proposed Text Amendment	Commentary
<p>Analysis of historical development trends in Gresham provides insight into the functioning of the local housing market. The mix of housing types and densities, in particular, are key variables in forecasting the capacity of residential land to accommodate new housing and to forecast future land need. The specific steps are described in Task 2 of the <i>DLCD Planning for Residential Lands Workbook</i> as:</p> <p>***</p> <p>In Gresham, government assisted (or income restricted) housing (ORS 197.303(b)) and housing for farmworkers (ORS 197.303(e)) can be any of the housing types listed above. Analysis within this report <u>section</u> discusses housing affordability at a variety of incomes, as required in ORS 197.303.</p> <p>***</p>	<p><i>Updating language to reflect this is part of the plan rather than a stand-alone report.</i></p>

A. DATA USED IN THIS ANALYSIS

Throughout this analysis (including the subsequent Section IV), we used data from multiple well-recognized and reliable data sources. One of the key sources for housing and household data is the U.S. Census. This ~~report~~ section primarily uses data from three Census sources:

This ~~report~~ section uses data from the 2014-2018 ACS 5-year estimates for Gresham. Where information is available and relevant, we report information from the 2000 and 2010 Decennial Census. Among other data points, this ~~report~~ section also includes data from Oregon’s Housing and Community Services Department, the United States Department of Housing and Urban Development, Metro’s Regional Land Information System (RLIS), and the City of Gresham.²⁹

The foundation of the Housing Capacity Analysis is the household forecast for Gresham from Metro’s 2045 Distributed Forecast.³⁰ The forecasts were developed by Metro staff to inform the upcoming Urban Growth Report.

It is worth commenting on the methods used for the American Community Survey.³¹ The American Community Survey (ACS) is a national survey that uses continuous measurement methods. It uses a sample of about 3.54 million households to produce annually updated estimates for the same small areas (census tracts and block groups) formerly surveyed via the decennial census long-form sample. It is also important to keep in mind that all ACS data are estimates that are subject to sample variability. This variability is referred to as “sampling error” and is expressed as a band or “margin of error” (MOE) around the estimate.

This ~~report~~ section uses Census and ACS data because, despite the inherent methodological limits, they represent the most thorough and accurate data available to assess housing needs. We consider these limitations in making interpretations of the data and have strived not to draw conclusions beyond the quality of the data.

In many cases, we compare Gresham to Multnomah County and Oregon. In selected cases, we compare Gresham to other cities within the Portland region. The comparison cities include Beaverton, Fairview, Happy Valley, Hillsboro, Milwaukie, Portland, Tigard, and Troutdale. We chose the comparison cities based on discussion with City staff and our understanding of the range of characteristics of cities in the Portland Metro region. These cities are generally near Gresham or are other cities where people might choose to locate within the region.

Updating language to reflect this is part of the plan rather than a stand-alone report.

Updating language to reflect this is part of the plan rather than a stand-alone report.

Section 5. Volume 1, Findings, Section 4.800 Housing Capacity Analysis: IV. Demographic And Other Factors Affecting Residential Development in Gresham is amended as follows:

Proposed Text Amendment	Commentary
<p>***</p> <p>A. DEMOGRAPHIC AND SOCIOECONOMIC FACTORS AFFECTING HOUSING CHOICE^{33, 34}</p> <p>***</p> <p>Regional and Local Demographic Trends May Affect Housing Need in Gresham</p> <p>***</p> <p>Racial and Ethnic Diversity</p> <p>Gresham is more diverse than the statewide average, with about 36% of Gresham’s residents identifying as a person of color (Asian alone, Black or African American alone, American Indian and Alaska Native Alone, Native Hawaiian and Other Pacific Islander Alone, Some Other Race Alone, and Two or More Races, and Hispanic or Latino [of any race]). Housing needs do not generally differ by race or ethnicity, but other characteristics of households that affect housing needs (and the housing choices available to these households) may vary by race or ethnicity. For example, Exhibit 42 shows a difference in income by race and ethnicity. These differences in income result in households making different choices (often by necessity) based on income and the availability of affordable housing.</p> <p>Throughout the report <u>section</u>, we report housing characteristics by race. This information represents housing for people of different race and ethnicity. To the extent that characteristics of current housing situations for people of color are different from the overall average, these differences are more likely to reflect availability of affordable housing, rather than different preferences by race or ethnicity.</p> <p>***</p>	<p><i>Updating language to reflect this is part of the plan rather than a stand-alone report.</i></p>
<p>Populations with Special Needs</p>	

³⁴ The research in this section is based on numerous articles and sources of information about housing, including:

- D. Myers and S. Ryu, *Aging Baby Boomers and the Generational Housing Bubble*, Journal of the American Planning Association, Winter 2008.
- Davis, Hibbits, & Midghal Research, “Metro Residential Preference Survey,” May 2014.
- L. Lachman and D. Brett, *Generation Y: America’s New Housing Wave*, Urban Land Institute, 2010.
- George Galster. *People Versus Place, People and Place, or More? New Directions for Housing Policy*, Housing Policy Debate, 2017.
- Herbert, Christopher and Hrabchak Molinsky. “Meeting the Housing Needs of an Aging Population,” 2015.
- J. McIlwain, *Housing in America: The New Decade*, Urban Land Institute, 2010.
- Schuetz, Jenny. *Who is the new face of American homeownership?* Brookings, 2017.
- The American Planning Association, “Investing in Place; Two generations’ view on the future of communities,” 2014.
- Transportation for America, “Access to Public Transportation a Top Criterion for Millennials When Deciding Where to Live, New Survey Shows,” 2014.

People Experiencing Homelessness

Gathering reliable data from individuals experiencing homelessness is difficult precisely because they are unstably housed. People can cycle in an out of homelessness and move around communities and shelters. Moreover, the definition of homelessness can vary between communities. Individuals and families temporarily living with relatives or friends are insecurely housed, but they are often neglected from homelessness data. Even if an individual is identified as lacking sufficient housing, they may be reluctant to share information. ~~As a result, information about people experiencing homelessness in Gresham is not readily available.~~

This section presents information about people experiencing homelessness ~~in Multnomah County~~ based on the following sources of information:

- **Point-in-Time (PIT) count:** The PIT count is a snapshot of individuals experiencing homelessness on a single night in a community. It records the number and characteristics (e.g., race, age, veteran status) of people who live in emergency shelters, transitional housing, rapid re-housing, Safe Havens, or PSH; as well as recording those who are unsheltered. HUD requires that communities and Continuums of Care (CoC) perform the PIT count during the last ten days of January on an annual basis for sheltered people and on a biennial basis for unsheltered people. Though the PIT count is not a comprehensive survey, it serves as a measure of homelessness at a given point of time and is used for policy and funding decisions.
- **McKinney Vento data:** The McKinney Vento Homeless Assistance Act authorized, among other programs, the Education for Homeless Children and Youth (EHCY) Program to support the academic progress of children and youths experiencing homelessness. The U.S. Department of Education works with state coordinators and local liaisons to collect performance data on students experiencing homelessness. The data records the number of school-aged children who live in shelters or hotels/motels and those who are doubled up, unsheltered, or unaccompanied. This is a broader definition of homelessness than that used in the PIT.

~~Although these sources of information are known to undercount people experiencing homeless, they are consistently available for counties in Oregon.~~

Revising based on new data and analysis done with this project.

Revising to reflect that data locations are referenced as applicable in the code.

Revising based on new data and analysis done with this project.

Based on the 2022 Point in Time count there were approximately **48 households** experiencing unsheltered homelessness in Gresham in 2022.⁶⁶

In addition, **1,106 students** in the Gresham-Barlow, Centennial, and Reynolds School Districts experienced homelessness. The number of people experiencing homelessness in Multnomah County was 5,228 in 2022.⁶⁷

<p>Multnomah county's Point-in-Time count of people experiencing homelessness remained stable from 2018 to 2019.</p>	<p>Exhibit 49. Number of Persons Homeless, Multnomah County, Point-in-Time Count, 2018 and 2019</p> <p>Source: HUD Point-in-Time Counts</p> <table border="1" data-bbox="513 722 1008 802"> <tr> <td>4,015 Persons 2018</td> <td>4,019 Persons 2019</td> </tr> </table>	4,015 Persons 2018	4,019 Persons 2019
4,015 Persons 2018	4,019 Persons 2019		

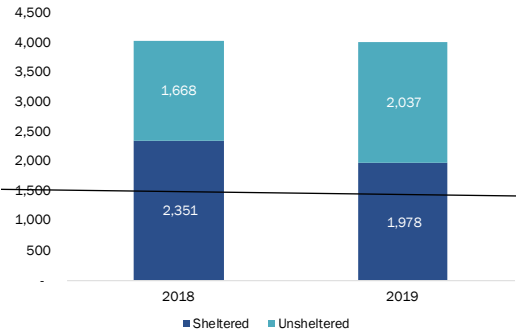
Removing and replacing with more up to date data.

Between 2018 and 2019, individuals who were homeless and sheltered decreased 16%.

In this same time, individuals who were homeless and unsheltered increased by 22%.

Exhibit 50. Number of Persons Homeless by Living Situation, Multnomah County, Point-in-Time Count, 2018 to 2019

Source: HUD Point-in-Time Counts.



Removing and replacing with more up to date data.

⁶⁶ Due to data availability limitations for the City of Gresham, this PIT count is in households. The rest of the chapter uses individual counts

⁶⁷ This is the total count of people experiencing homelessness, sheltered, in transitional housing, and unsheltered. It includes those who are experiencing chronic homelessness as well as those experiencing temporary homelessness.

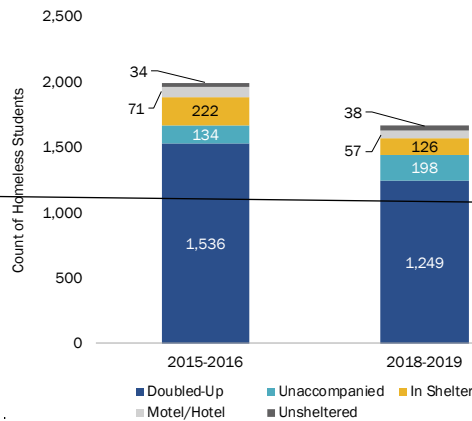
The number of homeless students in the Centennial, Gresham-Barlow and Reynolds school districts decreased by 21% (398 students) between the 2015-2016 and 2018-2019 school years.

In the 2018-2019 school year, 1,249 of students experiencing homelessness were doubled up, meaning they lived with another family.

Reynolds School District had the highest share of homeless students (862) compared to Gresham-Barlow (362) and Centennial (246).

Exhibit 51. Number of Students Homeless by Living Situation, School District, 2015-2016 and 2018-2019 School Years

Source: McKinney Vento, 2015-16 and 2018-19 Homeless Student Data.



Revising based on new data and analysis done with this project.

According to HUD’s 2022 Annual Homeless Assessment Report (AHAR), across the United States, the number of people experiencing homelessness increased slightly (less than one percent) between 2020 and 2022. This increase reflects a two percent decline in people experiencing sheltered homelessness offset by a three percent increase in people experiencing unsheltered homelessness. However, between 2021 and 2022, sheltered homelessness increased by seven percent, possibly due to the easing of pandemic-related restrictions that resulted in fewer beds available and declines in the perceived health risks of staying in a shelter.

Revising based on new data and analysis done with this project.

Exhibit 49 shows the number of persons experiencing homelessness in Multnomah County in 2017, 2019, 2021⁶⁹ and 2022.

Multnomah County's homeless count increased by 30% from 2019 to 2022.

Exhibit 49. Number of Persons Homeless, Multnomah County, Point-in-Time Count, 2017, 2019, 2021, and 2022

Source: Annual Homeless Assessment Report (AHAR) data. 2017-2021

Source: 2022: News Release: Tri-county Point in Time Count numbers, Joint Office of Homeless Services, May 4, 2022

Note: OHCS reported two counts in 2021 – estimated and reported counts. This section uses the estimated counts.

<u>4,177</u>	<u>4,019</u>	<u>4,555</u>	<u>5,228</u>
<u>Persons</u>	<u>Persons</u>	<u>Persons</u>	<u>Persons</u>
<u>2017</u>	<u>2019</u>	<u>2021</u> <u>(estimated)</u>	<u>2022</u>

Revising based on new data and analysis done with this project.

⁶⁹ Oregon Statewide Homelessness Estimates report from the Oregon Housing and Community Services presented two counts in their report – *estimated* and *reported* counts. The estimated count was developed to address concerns that data limitations imposed by the COVID-19 pandemic resulted in an undercount. The estimated count is actually just the highest shelter count that was reported during the 2019-2021 period. This report uses the estimated count for 2021. For unsheltered, the 2021 PIT count is not available for all counties, so the report modeled it by adding the predicted 2019-2021 change, determined through analysis of past trends and other homelessness data, to the 2019 PIT count.

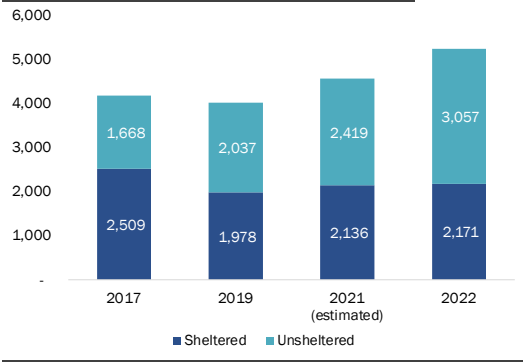
The unsheltered homeless population in Multnomah County has been increasing since 2017. In 2022, an estimated 3,057 people experienced unsheltered homelessness.

Exhibit 50. Point-in-Time Homelessness Estimates for Multnomah County, Portland/Multnomah Continuum of Care, 2017-2022.

Source: Annual Homeless Assessment Report (AHAR) data. 2017-2021

Source: 2022: News Release: Tri-county Point in Time Count numbers, Joint Office of Homeless Services, May 4, 2022⁷⁰

Note: OHCS reported two counts in 2021 – estimated and reported counts. This section uses the estimated counts.



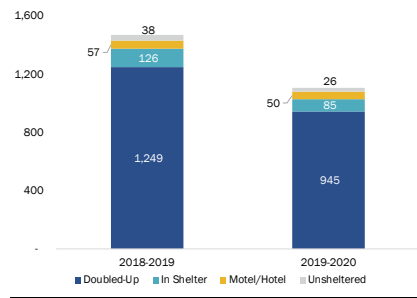
Revising based on new data and analysis done with this project.

About 1,106 students experienced homelessness in the 2019-20 school year. students.

Of these students, 145 were unaccompanied

Exhibit 51. Students Homeless by Living Situation, Gresham-Barlow, Centennial, and Reynolds School Districts, 2018-2019 and 2019-2020

Source: McKinney Vento, Homeless Student Data.



⁷⁰ The 2022 PIT count breaks homelessness down into three categories: unsheltered, sheltered, and transitional housing. In the graph transitional housing is combined with sheltered. In 2022, 686 people were in transitional housing in Multnomah County.

B. REGIONAL AND LOCAL TRENDS AFFECTING AFFORDABILITY IN GRESHAM

This section describes changes in sales prices, rents, and housing affordability in Gresham since 2015. It uses cities and submarkets in the Portland Metro, as well as Multnomah County as comparisons. It also considers trends in gentrification and displacement risk.

Gresham can also have a role in policies to support development of housing affordable to households with income of 50-80% of MFI that are cost burdened. The City may adopt policies that support housing affordable to these households, often called middle-income households, such as tax exemptions, lowering fees and charges, and removing regulatory barriers.

Trends in Gentrification and Displacement Risk

Many Gresham residents are at risk of displacement. Substantial parts of Gresham are in the early stages of gentrification or at-risk of gentrification, especially where there are higher concentrations of vulnerable population.⁷³ Gresham, along with portions of East Portland, contain large amounts of the Metro region’s most vulnerable Census tracts. In addition, Powell Blvd/Highway 26 is a dividing line when it comes to gentrification and socioeconomic vulnerability. In general, more vulnerable and gentrifying areas to the north of the highway, and more stable areas to the south. The denser tracts north of Powell Blvd./Highway 26 exhibit signs of highest gentrification risk combined with high socioeconomic vulnerability to displacement. By comparison, areas south of Highway 26 (which are lower density and have a larger share of homeowners) show signs of low gentrification risk or low levels of socioeconomic vulnerability. Key insights include:

- 76% of Gresham households reside within tracts identified as at high risk of gentrification (either in early or susceptible stages). These tracts fall under the level of gentrification characterized by having high levels of economic vulnerability, low rates of demographic change, and having either nearby tracts (called “adjacent” tracts) becoming more valuable (rents and/or sale prices appreciating quickly) or being in an “appreciated” tract where rent values and home sale prices rose drastically between 2010 and 2020.’
- Nearly two thirds (63%) of Gresham households live in Census tracts that contain both a high gentrification risk and a high socioeconomic vulnerability level.

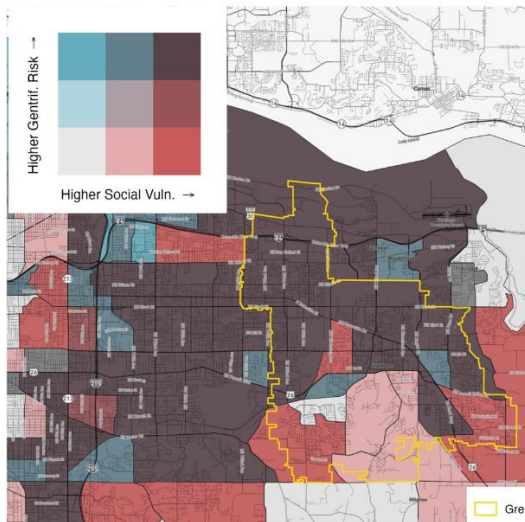
Reflecting additional information and analysis done with this project.

Reflecting additional information and analysis done with this project.

Reflecting additional information and analysis done with this project.

- Tracts showing the highest levels of vulnerability are mainly clustered around Gresham’s western and northern boundary.
- Some important trends include a noticeable clustering of limited English proficiency households along Gresham’s northwestern boundary, higher POC shares in the Centennial neighborhood area, and higher clustering of households with at least person who experiences disabilities around the North Central neighborhood.

Exhibit 72. Composite Gentrification & Socioeconomic Vulnerability Risk, by Tract
Source: ACS 2010, 2015, 2019 (5-year), RLIS, ECONorthwest



Indicators of higher gentrification risk include:

- high shares of low-income households,
- changing socioeconomic demographics as compared to the region
- rising prices of housing for sales and rent

Indicators of higher social vulnerability include:

- higher shares of the region’s POC
- higher shares of the region’s population without a bachelor’s degree or higher

Reflecting additional information and analysis done with this project.

Section 6. Volume 1, Findings, Section 4.800 Housing Capacity Analysis: V. Housing Need in Gresham is amended as follows:

Proposed Text Amendment	Commentary										
<p>***</p> <p>Forecast for Housing Growth</p> <p>A 20-year household forecast (in this instance for 2021 to 2041) is the foundation for estimating needed new dwelling units. The forecast for Gresham is based on Metro’s 2050 Household Distributed Forecast (2019). Gresham city limits will grow from 41,484 households in 2021 to 47,713 households in 2041, an increase of 6,229 households.⁷⁷</p> <p>To accommodate new households, Exhibit 7372 shows that Gresham will have demand for 6,229 new dwelling units over the 20-year period, with an annual average of 311 dwelling units.</p> <p>Exhibit 734. Forecast of Demand for New Dwelling Units, Gresham City Limits, 2021 to 2041</p> <p>Source: Metro’s 2050 Household Distributed Forecast, 2021. Calculations by ECONorthwest. Note: DU is dwelling unit.</p> <table border="1" data-bbox="204 926 964 1146"> <thead> <tr> <th></th> <th style="text-align: right;">New DU City Limits</th> </tr> </thead> <tbody> <tr> <td>Household Forecast 2021</td> <td style="text-align: right;">41,484</td> </tr> <tr> <td>Household Forecast 2041</td> <td style="text-align: right;">47,713</td> </tr> <tr> <td>Total New Dwelling Units (2021-2041)</td> <td style="text-align: right;">6,229</td> </tr> <tr> <td>Annual Average of New Dwelling Units</td> <td style="text-align: right;">311</td> </tr> </tbody> </table> <p>Housing Units Needed Over the Next 20 Years</p> <p>Exhibit 7372 presents a forecast of new housing in Gresham for the 2021 to 2041 period. This section determines the needed mix and density for the development of new housing developed over this 20-year period in Gresham.</p> <p>Over the next 20 years the need for new housing developed in Gresham will generally include a wider range of housing types and housing that is more affordable. This conclusion is based on the following information, found in Section III and IV:</p> <p>***</p> <p>These factors suggest Gresham needs a broader range of housing types with a wider range of price points than are currently available in</p>		New DU City Limits	Household Forecast 2021	41,484	Household Forecast 2041	47,713	Total New Dwelling Units (2021-2041)	6,229	Annual Average of New Dwelling Units	311	<p><i>Updating exhibit number.</i></p> <p><i>Updating exhibit number.</i></p> <p><i>Updating exhibit number.</i></p>
	New DU City Limits										
Household Forecast 2021	41,484										
Household Forecast 2041	47,713										
Total New Dwelling Units (2021-2041)	6,229										
Annual Average of New Dwelling Units	311										

⁷⁷ Metro’s 2050 Household Distributed Forecast shows that in 2020, the Gresham city limits had 41,195 households. The Metro forecast shows Gresham growing to 49,067 households in 2045, an average annual growth rate of 0.7% for the 25-year period. Using this growth rate, ECONorthwest extrapolated the forecast to 2021 (41,484 households). This forecast is based on Gresham city limits’ official household forecast from Metro for the 2020 to 2050 period.

Gresham’s housing stock. This includes providing opportunity for development of housing types across the affordability spectrum such as: single detached housing (e.g., small-lot single detached units, and “traditional” single detached), accessory dwelling units, townhouses, cottage housing, duplexes, tri- and quadplexes, and apartments.

Exhibit ~~7473~~ shows a forecast of needed housing in Gresham during the 2021 to 2041 period. The projection is based on the following assumptions:

- Gresham’s official forecast for household growth shows that the City will add 6,229 dwelling units over the 20-year period (Exhibit ~~7372~~).
- The assumptions about the mix of housing in Exhibit ~~7473~~ are:

Gresham will have demand for 6,229 new dwelling units over the 20-year period, 45% of which will be single detached housing.

Exhibit ~~742~~. Forecast of Demand for New Dwelling Units by Housing Type, Gresham City Limits, 2021 to 2041

Source: Calculations by ECONorthwest. DU = Dwelling unit

Variable	Mix of New Dwelling Units 2021-2041
Needed new dwelling units (2021-2041)	6,229
Dwelling units by structure type	
Single-family detached	
Percent single-family detached DU	45%
<i>equals</i> Total new single-family detached DU	2,803
Single-family attached	
Percent single-family attached DU	9%
<i>equals</i> Total new single-family attached DU	561
Duplex, Triplex, Quadplex	
Percent duplex, triplex, quadplex	14%
<i>equals</i> Total new duplex, triplex, quadplex	872
Multifamily (5+ units)	
Percent multifamily (5+ units)	32%
<i>equals</i> Total new Multifamily	1,993
Total new dwelling units (2021-2041)	6,229

Exhibit ~~7574~~ allocates needed housing to zone district groupings in Gresham. The allocation is based, in part, on the types of housing allowed in the zoning designations in each zone district grouping (as defined in Section II). Exhibit ~~7574~~ shows:

Exhibit ~~7675~~ shows the density assumptions used for each zone. Zones with a density highlighted in **blue** used a historic density assumption, and zones with a density highlighted in **orange** used an 80% of maximum density assumption.

Updating exhibit numbers.

Updating exhibit numbers.

Exhibit ~~763~~. Density Assumptions by Zone, Gresham City Limits, Pleasant Valley, and Springwater, 2021

Exhibit ~~7675~~ presents assumptions about future housing density based on historical densities in Gresham shown in Exhibit 16 or maximum allowed densities defined in Gresham's Development Code. Exhibit 93 in Section VIII converts between net acres and gross acres.⁸³ To account for land needed for rights-of-way and convert net densities (Exhibit ~~9392~~) we used Metro's methodology of calculating existing rights-of-way. Metro's methodology about net-to-gross assumptions is (1) tax lots under 3/8 acre assume 0% set aside for future streets; (2) tax lots between 3/8 acre and 1 acre assume a 10% set aside for future streets; and (3) tax lots greater than an acre assumes an 18.5% set aside for future streets.

Exhibit ~~9293~~ in Section VIII provides the results of this calculation by zone for Gresham.

NEEDED HOUSING BY INCOME LEVEL

The next step in the Housing Capacity Analysis is to develop an estimate of need for housing by income and housing type. This analysis requires an estimate of the income distribution of current and future households in the community. Estimates presented in this section are based on (1) secondary data from the Census, and (2) analysis by ECONorthwest.

The analysis in Exhibit ~~7776~~ is based on Census data about household income levels for existing households in Gresham. Income is distributed into market segments consistent with HUD income level categories, using Multnomah County's 2020 Median Family Income (MFI) of \$92,100. The Exhibit assumes that approximately the same percentage of households will be in each market segment in the future, as a way to have some understanding of potential future income based on groupings of median family income. The income distribution in Gresham will likely change over the next 20-years based on demographic and economic changes but a forecast of future income is not available for Gresham or Multnomah County. Exhibit ~~7776~~ illustrates that Gresham will have households with very low income in the future, as well as very high income.⁸⁴

Updating exhibit number.

Updating exhibit numbers.

Updating exhibit numbers.

About 43% of Gresham’s future households will have incomes below 50% of Multnomah County’s median family income (less than \$46,050 in 2020 dollars).

About 40% will have incomes between 50% and 120% of the county’s MFI (between \$46,050 and \$110,520).

This graph shows as Gresham’s population grows, Gresham will continue to have demand for housing across the affordability spectrum.

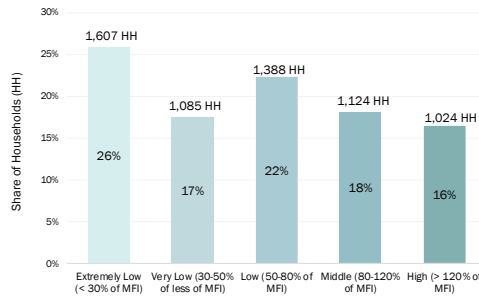
NEED FOR INCOME-RESTRICTED, FARMWORKER, MANUFACTURED HOUSING, PEOPLE WITH DISABILITIES, AND PEOPLE EXPERIENCING HOMELESSNESS

ORS 197.303, 197.307, 197.312, and 197.314 requires cities to plan for income-restricted housing, farmworker housing, manufactured housing on lots, and manufactured housing in parks.

Income-restricted housing. Government-subsidies for development of income-restricted housing can apply to all housing types (e.g., single family detached, apartments, etc.). Gresham allows development of income-restricted housing in all residential zones, with the same development standards as for market-rate housing. This analysis assumes Gresham will continue to allow government housing in all of its residential zones. Because income-restricted housing is similar in character to other housing (with the exception being the subsidies), the housing capacity analysis does not present it with a separate forecast. Exhibit 7776 shows the possible future need for income restricted housing in the extremely-low- and very-low-

Exhibit 754. Future (New) Gresham Households, by Median Family Income (MFI) for Multnomah County (\$92,100), 2021 to 2041

Source: U.S. Department of Housing and Urban Development, Multnomah County, 2020. U.S. Census Bureau, 2014-2018 ACS 5-Year Estimates Table 19001.



Updating exhibit number.

Updating exhibit number.

- **Capacity on commercial land.** The estimate of capacity includes land in commercial zones that allow residential uses in the medium- and higher-density zone district groupings.⁸⁹ We did not assume that all commercial zones would develop as residential. Exhibit 9594 in Section VIII shows the capacity assumed for all zones in Gresham that allow residential uses, including selected commercial zones where we assumed 7% of land would develop as residential. This assumption is based on empirical analysis of historical development on commercial land in Gresham.
- **Average net density.** Exhibit 7877 does not show the average density assumption due to the large number of zones and the complexity of density assumptions in Gresham. The assumptions about densities are shown in Exhibit 9493 in Section VIII.

To give an example of how we estimated residential capacity in Gresham, the Low Density Residential-5 zone (part of the lower density zone district grouping) has 362 buildable acres (Exhibit 10) and an assumed future net density of 7.4 dwelling units per acre (Exhibit 75). The gross densities are applied based on the size of each parcel, ranging from 7.4 dwelling units per gross acre for parcels smaller than 0.38 acres to 6.0 dwelling units per gross acre for parcels larger than 1 acre (Exhibit 9493). The result is capacity of 2,327 dwelling units (Exhibit 9594).

Exhibit 7877 shows the following capacity by zoning district grouping:

Lower density zones have a capacity of 5,544 dwelling units.

Medium density zones have a capacity of 3,966 dwelling units, including 104 dwelling units in commercial zones that allow residential uses.

Higher density zones have a capacity of 3,099 dwelling units, including 467 dwelling units in commercial zones that allow residential uses.

OAR 660-007 requires that Gresham provide opportunity for development of housing at an overall average density of 10 dwelling units per net acre. The average net density of dwelling units in Exhibit 77 is approximately 11.0 dwelling units per net acre and 9.4 dwelling units per gross acre.

Updating exhibit numbers.

⁸⁹ Generally, commercial zones considered for the purpose of this analysis did not include mixed-use zones. The only mixed use zone included in the commercial capacity calculation was Mixed Use Employment – Pleasant Valley.

Exhibit 765. Estimate of Residential Capacity on Residential Land and Selected Commercial Land by Zoning District Grouping, Gresham City Limits, Pleasant Valley, and Springwater, 2021

Source: Buildable Lands Inventory; Calculations by ECONorthwest.

Note: Dwelling units capacity assumed in commercial zones that allow residential uses are accounted for in the medium and higher density zoning district groupings, as described in this Section and Section VIII.

Zoning District Grouping	Capacity (Buildable Acres)	Capacity (Dwelling Units)
Lower Density	976	5,544
Medium Density	283	3,966
Higher Density	89	3,099
Total	1,348	12,609

RESIDENTIAL LAND SUFFICIENCY

The next step in the analysis of the sufficiency of residential land within Gresham is to compare the demand for housing by zoning district groupings from Exhibit 7574 with the capacity of land by zoning district grouping in Exhibit 7877 is (shown in detail in Exhibit 9594 – Section VIII).

Exhibit 7978 shows that Gresham has sufficient land to accommodate housing development in all zoning district groupings:

- **Lower density.** Gresham has a surplus of capacity for 3,519 dwelling units in lower density residential zones.
- **Medium density.** Gresham has a surplus of capacity for 1,941 dwelling units in medium density residential zones.
- **Higher density.** Gresham has a surplus of capacity for 920 dwelling units in high density residential zones.

Exhibit 796. Comparison of Capacity of Existing Residential and Selected Commercial Land with Demand for New Dwelling Units and Land Surplus or Deficit, Gresham City Limits, 2021 to 2041

C. FINDINGS AND RECOMMENDATIONS

- **Finding: Gresham is meeting Metro’s requirements for net density and housing mix.** OAR 660-007-0035 sets specific density targets for cities in the Metro UGB. Gresham’s average density target is ten dwelling units per net buildable acre. Based on the findings in Section IV, Gresham is exceeding this average density target at an average net density of 11.0 dwelling units per net acre. OAR 660-007 also requires that cities within the Metro UGB “provide the opportunity for at least 50 percent of new residential units to be attached single family housing or

Updating exhibit numbers.

Updating exhibit numbers.

<p>multiple family housing.” Exhibit 7473 in Section V shows that for the 2021-2041 planning period Gresham is assuming that 9% of new dwelling units will be single-family attached, 14% of new units will be duplexes, triplexes, or quadplexes, and 32% of new units will be multifamily, for a total of 55% of new units.</p> <ul style="list-style-type: none"> ○ Recommendation: Gresham should continue to monitor future development to evaluate resulting densities and housing mix in comparison to the planned units described in this report <u>section</u>. <p>***</p>	<p><i>Updating exhibit numbers.</i></p> <p><i>Updating language to reflect this is part of the plan rather than a stand-alone report.</i></p>
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Section 8. Volume 1, Findings, Section 4.800 Housing Capacity Analysis: VII. Residential Buildable Land Inventory in Gresham is amended as follows:

Proposed Text Amendment	Commentary
<p>The general structure of the buildable land (supply) analysis is based on the DLCDC HB 2709 workbook “<i>Planning for Residential Growth – A Workbook for Oregon’s Urban Areas,</i>” which specifically addresses residential lands. The buildable lands inventory uses methods and definitions that are consistent with Goal 10/OAR 660-008. This section describes the methodology that ECONorthwest used for this report <u>section</u>, based on the Metro 2018 Urban Growth Report BLI and updated with 2020 data. The results of the BLI are discussed in Section II.</p> <p>***</p> <p>Exhibit 8079 shows the residential and commercial zones included in the BLI.</p> <p>Exhibit 807. Residential Land Base by Zone, Gresham City Limits, Pleasant Valley, and Springwater, 2020</p> <p>***</p> <p>ECONorthwest initially identified buildable land and classified development status using a rule-based methodology consistent with the DLCDC Residential Lands Workbook and applicable administrative rules. The rules are described below in Exhibit 8180.</p> <p>Exhibit 818. Rules for Development Status Classification</p> <p>***</p> <p>Step 3: Identify Constraints</p> <p>Consistent with OAR 660-008-0005(2) guidance on residential buildable lands inventories, ECO deducted certain lands with</p>	<p><i>Updating language to reflect this is part of the plan rather than a stand-alone report.</i></p> <p><i>Updating exhibit numbers.</i></p>

development constraints from the BLI. We used the following constraints, as listed in Exhibit ~~8281~~.

Exhibit ~~839~~. Prohibitive and Partial Constraints Included in BLI

We treated these areas as prohibitive constraints (unbuildable) as shown in Exhibit ~~8382~~. All constraints were merged into a single constraint file, which was then used to identify the area of each tax lot that is constrained. These areas were deducted from lands that are identified as vacant or partially vacant. Lack of access to water, sewer, power, road, or other key infrastructure cannot be considered a prohibitive constraint unless it is an extreme condition. This is because tax lots that are currently unserved could potentially become serviced over the 20-year planning period.

Exhibit ~~8310~~. Residential Development Constraints, Gresham City Limits, Pleasant Valley, and Springwater, 2021

Step 5: Tabulation and mapping

The results are presented in tabular and map format. Section II includes summarized versions of the tabulated results, a development status map, and an unconstrained buildable residential land map. Exhibit ~~8483~~ to Exhibit ~~9190~~ include tables showing land by zone.

Exhibit ~~8211~~. Land Base by Zone, Gresham City Limits, Pleasant Valley, and Springwater, 2021

Exhibit ~~8512~~. Development Status by Zone, Gresham City Limits, Pleasant Valley, and Springwater, 2021

Exhibit ~~8613~~. Residential Land by Development Status, Gresham City Limits, Pleasant Valley, and Springwater, 2021

Exhibit ~~8714~~. Buildable Acres in Vacant, Potential Infill and Partially Vacant Taxlots by Zone, Gresham City Limits, Pleasant Valley, and Springwater, 2021

Updating exhibit numbers.

Updating exhibit numbers.

<p>Exhibit 8815. Unconstrained Vacant, Potential Infill, and Partially Vacant Residential Land, Gresham City Limits, Pleasant Valley, and Springwater, 2021 ***</p> <p>Exhibit 8916. Buildable Acres by Site Size and Zone, Gresham City Limits, Pleasant Valley, and Springwater, 2021 ***</p> <p>Exhibit 9017. Buildable Acres with Partial Constraints Applied by Zone, Gresham City Limits, Pleasant Valley, and Springwater, 2021 ***</p> <p>Exhibit 9118. Buildable Acres (After Partial Constraints Deduction) by Site Size and Zone, Gresham City Limits, Pleasant Valley, and Springwater, 2021 ***</p> <p>Exhibit 9219. Buildable Acres (After Partial Constraints Deduction) by Neighborhood, Site Size, and Zoning District Grouping, Gresham City Limits, Pleasant Valley, and Springwater, 2021 ***</p>	<p><i>Updating exhibit numbers.</i></p>
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Section 9. Volume 1, Findings, Section 4.800 Housing Capacity Analysis: VIII. Residential Buildable Land Inventory in Gresham is amended as follows:

Proposed Text Amendment	Commentary
<p>***</p> <p>A. DENSITY ASSUMPTIONS</p> <p>***</p> <p>Exhibit 9392 shows the density assumptions used for each zone. Zone highlighted in blue used a historic density assumption, and zones highlighted in orange used an 80% of maximum density assumption.</p> <p>Exhibit 9320. Density Assumptions by Zone, Gresham City Limits, Pleasant Valley, and Springwater, 2021 ***</p> <p>Exhibit 93 shows the net to gross density conversions for each zone for the historic or maximum density assumption as shown in Exhibit 92.</p>	<p><i>Updating exhibit numbers.</i></p>

Exhibit 92-24. Net to Gross Density Conversion by Zone, Gresham City Limits, Pleasant Valley, and Springwater, 2021

Source: ECONorthwest analysis.

Updating exhibit numbers.

Zones	Tax Lots Smaller than 0.38 acre			Tax Lots > 0.38 and < 1.0 acre			Tax Lots larger than 1.0 acre		
	Net Density (DU/net acre)	% for Rights-of-Way	Gross Density (DU/gross acre)	Net Density (DU/net acre)	% for Rights-of-Way	Gross Density (DU/gross acre)	Net Density (DU/net acre)	% for Rights-of-Way	Gross Density (DU/gross acre)
Lower Density (less than 9 du/ac)									
Low Density Residential - Gresham Butte	0.8	0%	0.8	0.8	10%	0.7	0.8	18.5%	0.7
Very Low Density Residential - Springwater	2.9	0%	2.9	2.9	10%	2.6	2.9	18.5%	2.3
Low Density Residential - 7	3.7	0%	3.7	3.7	10%	3.4	3.7	18.5%	3.1
Low Density Residential - Springwater	5.8	0%	5.8	5.8	10%	5.3	5.8	18.5%	4.8
Low Density Residential - 5	7.4	0%	7.4	7.4	10%	6.7	7.4	18.5%	6.0
Low Density Residential - Pleasant Valley	8.2	0%	8.2	8.2	10%	7.4	8.2	18.5%	6.7
Medium Density (9-24 du/ac)									
Moderate Density Residential - 12	9.7	0%	9.7	9.7	10%	8.7	9.7	18.5%	7.9
Office Residential	9.7	0%	9.7	9.7	10%	8.7	9.7	18.5%	7.9
Downtown Residential Low-Rise-1	10.0	0%	10.0	10.0	10%	9	10.0	18.5%	8.1
Transit Low Density Residential	10.7	0%	10.7	10.7	10%	9.6	10.7	18.5%	8.7
Moderate Commercial	32.0	0%	32.0	32.0	10%	28.8	32.0	18.5%	26.1
Townhouse Residential - Springwater	15.9	0%	15.9	15.9	10%	14.9	15.9	18.5%	13.0
Moderate Density Residential - Pleasant Valley	16.0	0%	16.0	16.0	10%	14.4	16.0	18.5%	13.0
Moderate Density Residential - 24	19.2	0%	19.2	19.2	10%	17.3	19.2	18.5%	15.7
Transition Residential	17.2	0%	17.2	17.2	10%	15.4	17.2	18.5%	14.0
Corridor Multi-Family	18.0	0%	18.0	18.0	10%	16.2	18.0	18.5%	14.7
Corridor Mixed Use	21.6	0%	21.6	21.6	10%	19.5	21.6	18.5%	17.6
Higher Density (more than 24 du/ac)									
High Density Residential - Pleasant Valley	24.0	0%	24.0	24.0	10%	21.6	24.0	18.5%	19.6
Rockwood Town Center	22.8	0%	22.8	22.8	10%	20.5	22.8	18.5%	18.6
Town Center - Pleasant Valley	32.0	0%	32.0	32.0	10%	28.8	32.0	18.5%	26.1
Community Commercial	32.0	0%	32.0	32.0	10%	28.8	32.0	18.5%	26.1
Civic Neighborhood Residential Mid-Rise	25.9	0%	25.9	25.9	10%	23.3	25.9	18.5%	21.1
Civic Neighborhood Transit Moderate Density	49.5	0%	49.5	49.5	10%	44.6	49.5	18.5%	40.4
Downtown Mixed Use	22.3	0%	22.3	22.3	10%	20.1	22.3	18.5%	18.2
Downtown Residential Low-Rise-2	27.8	0%	27.8	27.8	10%	25	27.8	18.5%	22.6
Downtown Transit Mid-Rise	29.1	0%	29.1	29.1	10%	26.2	29.1	18.5%	23.7
Mixed Use Employment - Pleasant Valley	48.0	0%	48.0	48.0	10%	43.2	48.0	18.5%	39.1
Station Center	36.8	0%	36.8	36.8	10%	33.1	36.8	18.5%	30.0
Downtown Commercial Core	44.5	0%	44.5	44.5	10%	40.1	44.5	18.5%	36.3
Downtown Commercial Low-Rise	48.0	0%	48.0	48.0	10%	43.2	48.0	18.5%	39.1
Downtown Employment Mid-Rise	48.0	0%	48.0	48.0	10%	43.2	48.0	18.5%	39.1
Neighborhood Commercial - Pleasant Valley	48.0	0%	48.0	48.0	10%	43.2	48.0	18.5%	39.1
Village Commercial - Springwater	48.0	0%	48.0	48.0	10%	43.2	48.0	18.5%	39.1
Civic Neighborhood Transit High Density	60.0	0%	60.0	60.0	10%	54	60.0	18.5%	48.9

B. CALCULATE CAPACITY

The final step in the capacity analysis was to calculate dwelling unit capacity by zone using the gross density assumptions in Exhibit 93 and the number of buildable acres in Exhibit 90. For commercial zones, we did not assume all of the buildable acres would develop as residential uses. Using the data from the historical density analysis, we found that about 7% of developed commercial land in Gresham was developed with commercial uses. Zones included in the commercial land capacity calculation were:

- Office Residential
- Moderate Commercial
- Community Commercial
- Downtown Commercial Core
- Downtown Commercial Low-Rise
- Downtown Employment Mid-Rise
- Neighborhood Commercial - Pleasant Valley
- Town Center – Pleasant Valley
- Mixed Use Employment – Pleasant Valley
- Village Commercial - Springwater

Exhibit 9594 shows the dwelling unit capacity by zone. It also incorporates the additional planned units referenced in Section II, owned by Gresham Redevelopment Commission (108 units) and Albertina Kerr (150 units). Gresham has capacity for 12,609 dwelling units at an average gross density of 9.4 dwelling units per acre, and an average net density of 11 dwelling units per acre.

Updating exhibit numbers.

Exhibit 9522. Dwelling Unit Capacity by Zone, Gresham City Limits, Pleasant Valley, Springwater, 2021

Source: City of Gresham, Metro RLIS, ECONorthwest analysis.

Zones	Tax Lots Smaller than 0.38 acre			Tax Lots > 0.38 and < 1.0 acre			Tax Lots larger than 1.0 acre			Total, combined		
	Buildable Acres	Density Assumption (DU/ gross acre)	Capacity (Dwelling Units)	Buildable Acres	Density Assumption (DU/ gross acre)	Capacity (Dwelling Units)	Buildable Acres	Density Assumption (DU/ gross acre)	Capacity (Dwelling Units)	Additional Planned Units	Buildable Acres	Capacity (Dwelling Units)
Lower Density (less than 9 du/ac)	116	6.3	727	109	5.7	621	751	5.6	4196		976	5,544
Low Density Residential - Gresham Butte	1	0.8	1	1	0.7	-	7	0.7	4		9	5
Very Low Density Residential - Springwater	0	2.9	1	1	2.6	1	37	2.3	84		38	86
Low Density Residential - 7	35	3.7	128	31	3.4	106	73	3.1	225		139	459
Low Density Residential - Springwater	1	5.8	5	1	5.3	5	110	4.8	529		112	539
Low Density Residential - 5	77	7.4	571	65	6.7	434	220	6.0	1,322		362	2,327
Low Density Residential - Pleasant Valley	3	8.2	21	10	7.4	75	303	6.7	2,032		316	2,128
Medium Density (9-24 du/ac)	11	16.6	187	68	15.9	1077	204	12.5	2552	150	283	3,966
Moderate Density Residential - 12	0	9.7	4	0	8.7	-	1	7.9	10		2	14
Office Residential	0	9.7	-	0	8.7	-	0	7.9	-		0	-
Downtown Residential Low-Rise-1	2	10.0	15	1	9.0	8	0	8.1	-		1	23
Transit Low Density Residential	2	10.7	16	9	9.6	88	45	8.7	389		56	493
Moderate Commercial	0	32.0	4	1	28.8	27	3	26.1	73		4	104
Townhouse Residential - Springwater	0	15.9	3	1	14.3	11	14	13.0	184		15	198
Moderate Density Residential - Pleasant Valley	1	16.0	10	3	14.4	40	109	13.0	1,411		112	1,461
Moderate Density Residential - 24	0	19.2	6	8	17.3	140	4	15.7	59		12	205
Transition Residential	2	17.2	34	14	15.4	221	17	14.0	233		33	488
Corridor Multi Family	1	18.0	22	15	16.2	244	4	14.7	63	150	21	479
Corridor Mixed Use	3	21.6	73	15	19.5	298	7	17.6	130		26	501
Higher Density (more than 24 du/ac)	11	44.8	492	20	37.4	754	58	30.6	1765	108	89	3,099
High Density Residential - Pleasant Valley	0	24.0	2	2	21.6	38	17	19.6	341		19	381
Rockwood Town Center	2	32.0	67	5	28.8	138	3	26.1	67	108	10	380
Town Center - Pleasant Valley	0	32.0	-	0	28.8	-	2	26.1	56		2	96
Community Commercial	0	32.0	-	0	28.8	-	1	26.1	15		1	19
Civic Neighborhood Residential Mid Rise	0	25.9	-	0	23.3	-	8	21.1	173		8	173
Civic Neighborhood Transit Moderate Density	0	49.5	-	1	44.6	53	15	40.4	593		16	646
Downtown Mixed Use	0	48.0	14	0	43.2	-	0	39.1	-		0	14
Downtown Residential Low-Rise-2	2	48.0	77	1	43.2	56	1	39.1	43		4	176
Downtown Transit Mid-Rise	3	48.0	144	3	43.2	129	0	39.1	-		6	273
Mixed Use Employment - Pleasant Valley	0	48.0	-	0	43.2	1	2	39.1	76		2	77
Station Center	3	48.0	163	7	43.2	306	3	39.1	105		13	574
Downtown Commercial Core	0	48.0	6	0	43.2	4	0	39.1	-		0	10
Downtown Commercial Low-Rise	0	48.0	4	0	43.2	3	0	39.1	-		0	7
Downtown Employment Mid-Rise	0	48.0	3	0	43.2	-	0	39.1	4		0	7
Neighborhood Commercial - Pleasant Valley	0	48.0	-	0	43.2	2	1	39.1	28		1	30
Village Commercial - Springwater	0	48.0	-	0	43.2	-	1	39.1	49		1	49
Civic Neighborhood Transit High Density	0	60.0	12	0	54.0	-	4	48.9	215		5	227
Total	139	-	1,406	197	-	2,432	1,013	-	8,533		1,348	12,609

Section 10. Volume 1, Findings, Appendix 19 is amended as follows:

Proposed Text Amendment	Commentary
APPENDIX 19 – SUMMARY OF ASSISTED HOUSING IN GRESHAM	Repealing this section and replacing with Appendix 19. Trends in Gentrification and Displacement Risk in Gresham (Attachment B).

Section 11. Volume 2, Policies & Summaries, Section 10.314 Downtown Plan District is amended as follows:

Proposed Text Amendment	Commentary
<p>***</p> <p>DOWNTOWN HOUSING ACTION MEASURES</p> <p>1. Continue to monitor housing development proposals in the Downtown to ensure that the existing Land Use District regulations and Design Standards do not present a barrier to desired housing.</p>	

<p>2. Proactively work with developers proposing affordable housing, special needs housing, ownership opportunities and housing rehabilitation projects in the Downtown.</p> <p>3. Develop a process that allows potential CDBG/HOME applicants to meet with City staff to discuss the City's housing goals and priorities.</p> <p>4. Develop communication tools to inform potential CDBG/HOME applicants of the City's housing goals and policies.</p> <p><u>5.3.</u> Review all forms of potential incentives including, but not limited to, the Transit Oriented Development (TOD) program, fee adjustments, process adjustments and any other partnership opportunities that could provide additional impetus for Downtown housing developments.</p>	<p><i>Removing; CDBG/HOME processes have been updated.</i></p> <p><i>Renumbering action measure.</i></p>
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Section 12. Volume 2, Policies & Summaries, Section 10.318 Gresham Civic Neighborhood is amended as follows:

Proposed Text Amendment	Commentary
<p>***</p> <p>Housing</p> <p>Goal: Civic Neighborhood will continue to be developed with medium- to high-density, quality housing that complements its mixed-use transit-oriented character.</p> <p>Policies:</p> <ol style="list-style-type: none"> 1. Civic Neighborhood land use regulations will provide for a mix of housing types that support a transit-oriented mixed-use neighborhood. 2. Civic Neighborhood will allow for housing types that accommodate residents with special needs, such as the elderly and those with disabilities. 3. New developments will promote home ownership opportunities in Civic Neighborhood. 4. Civic Neighborhood land use regulations will encourage the development of a variety of housing types for different income levels, including market rate, workforce <u>and low and moderate income housing</u> in the neighborhood. 5. The City of Gresham will support innovative, high-quality housing developments in Civic Neighborhood through the use of practical incentives. <p>***</p>	<p><i>Updating language for consistency with the amendments, rather than meaning.</i></p>

Section 13. Volume 2, Policies & Summaries, Section 10.319 Central Rockwood Area is amended as follows:

Proposed Text Amendment	Commentary
<p>***</p> <p>ROCKWOOD HOUSING GOAL</p>	

Rockwood will be developed with new *high* quality housing and existing good quality housing will be preserved or rehabilitated when of benefit to Gresham.

ROCKWOOD HOUSING POLICIES

1. Ensure that the Rockwood land use regulations and design standards provide for a variety of housing types for people of all income levels that supports a transit oriented mixed use neighborhood.
2. Allow for housing types that accommodate citizens with special needs, such as the elderly and those requiring care for disabilities.
3. Promote home ownership opportunities in Rockwood.
4. Encourage the rehabilitation or redevelopment of Rockwood’s older housing stock whenever feasible.
5. Incent quality Rockwood housing development through all means practical.

ROCKWOOD HOUSING ACTION MEASURES

1. Proactively work with developers proposing affordable housing, special needs housing, ownership opportunities and housing rehabilitation projects in Rockwood.
2. ~~Develop a process that allows potential CDBG/HOME applicants to meet with City staff to discuss the City’s housing goals and priorities.~~
3. ~~Develop communication tools to inform potential CDBG/HOME applicants of the City’s housing goals and priorities.~~
4. Proactively work with developers proposing all new residential projects and rehabilitation projects in Rockwood to ensure that quality in site design and construction is promoted. Develop an outreach program that will invite property owners and managers to discuss potential site and building upgrades with City staff.
52. Promote the development of moderately priced housing that can serve as a mechanism for citizens desiring transition from renting to home ownership.
63. Review all forms of potential incentives including the TOD program, fee adjustments, process adjustments and any other partnership opportunities that could provide additional impetus for Rockwood’s housing developments.
74. Implement housing programs which require maintenance of existing and future residential developments.

Updating term and clarifying that preservation of existing housing is supported where appropriate (for the quality of the building and the context).

Updating to clarify that rehabilitation of existing housing is supported where appropriate (for the quality of the building and the context).

Removing action measures; CDBG/HOME processes have been updated.

Renumbering action measures.

<p>85. Allow for the highest residential densities within the Rockwood Town Center district, Station Center, and adjacent to other existing light rail stations.</p> <p>96. Permit and encourage moderate density residential development along bus transit corridors.</p> <p>10. Preserve the integrity of existing, single family residential neighborhoods within the Central Rockwood area. Permit additional, small lot single family dwellings in these neighborhoods and allow for modest, gradual increases in density by allowing two unit attached dwellings. Commercial and mixed-use developments will not be allowed.</p> <p>117. Permit and encourage owner-occupied housing throughout Central Rockwood.</p>	<p><i>Removing action measure; superseded by the 2022 Middle Housing Updates.</i></p> <p><i>Renumbering action measure.</i></p>
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Section 14. Volume 2, Policies & Summaries, Section 10.600 Housing: is amended as follows:

Proposed Text Amendment	Commentary
<p>All footnotes will be updated to match their position in the text.</p> <p><u>I. BACKGROUND</u></p> <p>INTRODUCTION</p> <p>In 2013, City Council, recognizing that addressing housing issues is fundamental to the success of Gresham, its overall vitality and character, included the review of Gresham’s Housing Policy in its Council Work Plan.</p> <p>Although primarily developed as a residential community, Gresham is <u>now</u> a full-service city that is committed to social and economic development, providing its residents with a variety of amenities and services. It-Gresham has residential lands, a regional center, two town centers, and <u>various</u> industrial uses areas. Gresham is the fourth most populous city in Oregon and the second most populous city in the Portland Metropolitan area.</p> <p><u>Housing is a key issue in Gresham and the city contains a diverse range of housing landscapes. From its incorporation, Gresham grew</u></p>	<p><i>Per Article 2 of GCDC Volume 3 “the manager may renumber or ..., change reference numbers to agree with renumbered articles, chapters, sections, or other parts ...”</i></p> <p><i>Moving to later in the section and abbreviating.</i></p> <p><i>Clarifying the difference between uses and plans.</i></p> <p><i>More closely reflecting the housing situation in Gresham in 2023.</i></p>

gradually over time with neighborhoods around the central core. Then, the City limits expanded significantly in the 1980s with a series of annexations from unincorporated Multnomah County. The newly incorporated areas included a variety of established and emerging development patterns. As of July 1, 2012, Portland State University's Population Research Center estimated Gresham's population to be 105,970. Gresham's population in 2020 was estimated at 113,409 and More recently, new lands have been added to the Urban Growth Boundary (UGB) that present the potential for future growth in the Pleasant Valley, Kelley Creek Headwaters, and Springwater areas. In 2000, 1,500 acres were added to the UGB directly south of the west side of Gresham. This The development plan for this area, called Pleasant Valley, was adopted in 2004. It is expected to accommodate roughly 3,200 dwellings in a mixture of single family, multi-family multifamily and mixed- use developments in the Gresham portion of this UGB expansion. In 2002, the Springwater area, comprised of 1,350 acres to the southeast of Gresham, was included in the UGB. The Springwater plan was adopted in 2005 and includes employment and industrial uses predominantly, but also approximately 1,600 residential units. In 2002, 222 acres of land east of Pleasant Valley, an area known as Kelley Creek Headwaters, was brought into the UGB. In 2009, City Council approved an urbanization plan for this area, allowing it to be developed with a Low Density-7 designation (LDR-7). Since it has Given the environmental and topographic constraints, this area is expected to be able to be developed into approximately with about 150 lots. The number of potential housing units in these areas may be higher following the adoption of state requirements to allow additional middle housing units on lot zoned for low density residential uses.

The city has experienced significant population growth, demographic shifts, economic transitions, and changes in the housing market. Portland State University's Population Research Center estimated Gresham's population to be 105,970 in 2012 and 114,833 in 2022. Housing sale prices and rental housing costs have increased sharply from 2010-2020, especially between 2018 and 2021, while incomes have remained flat or grown slightly. While developers have been able to build housing that is affordable to households with higher incomes, building housing affordable to many low- and middle-income households often requires public intervention. As a result,

Population statistics are now provided later in the section for clarity and readability.

Clarifying and consolidating the annexation and new community planning history.

Moving to list annexations in chronological order.

Clarifying that middle housing regulations may impact overall housing production numbers but that there is inadequate data to know how.

Reorganizing information and additional data to show the housing issues Gresham is currently dealing with.

many low- and middle-income households have unmet housing needs.

Since 2013, City Council has recognized that addressing housing issues is fundamental to the success of Gresham, its overall vitality and character. The City has many efforts underway to address unmet housing needs. The City completed a Housing Capacity Analysis (HCA) in 2021, updated its Consolidated Plan for the 2021-2025 period, and City Council made housing a priority in the 2022-2025 Strategic Plan, among many other ongoing city efforts.

While the City has made progress, there is still work to be done to ensure that Gresham’s existing and future housing needs are met. Gresham has a goal of producing and preserving housing considering housing affordability and housing equity. Equitable housing comprises reasonably priced, quality homes to buy or rent that are accessible across all ages, household sizes, abilities, and incomes and are convenient to everyday needs such as schools, childcare, grocery stores, and parks. The *Gresham Strategic Plan 2022-2025* includes the following goal:

“Everyone in Gresham can live in a secure and reliable place they call home, and no one experiences housing uncertainty. All Gresham community members can access housing that meets their changing needs and wants.”

~~In 2002, the Springwater area, comprised of 1350 acres to the southeast of Gresham, was included in the UGB. It is expected to largely be developed with employment and industrial uses. Approximately 1600 residential units are planned for Springwater, most of them being single family detached homes in sloped areas west of Johnson Creek. There will be an area of townhomes clustered around the Springwater Village Center.~~

The Metro Urban Growth Management Functional Plan

The Metro Urban Growth Management Functional Plan describes the policies that guide development for cities within the Metro UGB to implement the goals in the Metro 2040 Plan. Metro’s 2017 2022 Compliance Report concludes that Gresham is in compliance for the City’s Title 1, Title 3, Title 4, Title 7, Title 11, and Title 13

Acknowledging current and recent City initiatives.

Clarifying the City vision and what that means.

Moving to allow annexations to be listed in chronological order.

Adding for clarity.

responsibilities. Further details on some of these titles related to housing are provided below.

Senate Bill 1051

Senate Bill (SB) 1051, signed by Oregon Governor Kate Brown on August 15, 2017, necessitated changes to the Gresham Community Development Code (Volume 3 of the Comprehensive Plan) regarding the definitions of “needed housing”, “affordable housing”, and “qualifying applications.”

Qualifying Applications are land use permits for certain types of affordable housing developments that must be processed within 100 days (instead of 120 days) and consequently a change to the Development Code was required to accommodate this application type.

SB 1051 also required changes to Gresham’s current standards for Accessory Dwelling units.

House Bill 2001

In 2019, the Oregon State legislature passed House Bill 2001 to help increase the amount and types of housing available to Oregonians. The bill required Gresham to update the Gresham Community Development Code (Volume 3 of the Comprehensive Plan) to:

- Allow duplexes on any lot that allows detached single dwellings; and
- Allow triplexes, quadplexes, townhomes, and cottage clusters in any area zoned to allow detached single dwellings.

Senate Bill 458

Senate Bill 458 was adopted by the Oregon Legislature in 2021. It is a follow-up to the House Bill 2001 and requires land divisions for middle housing that enable them to be sold or owned individually.

Adding recent legislation (Middle Housing).

Adding recent legislation (Middle Housing Land Divisions).

II. HOUSING OPPORTUNITIES

Housing needs are shaped by the characteristics of a city’s current and expected population. ~~Gresham, like many communities in the United States, is experiencing a shift in the make-up of its population~~

relating to overall diversity, family size, the age of its residents and the changing housing options of its citizens.

~~Population Characteristics~~

~~Demographic~~future population. Gresham is becoming a much more demographically diverse City. Knowledge of these demographic trends are important for a thorough understanding of the dynamics of the Gresham housing market. There has been, and continues to be, a shift in the make-up of the city's population relating to overall race and ethnicity, family size, disability status, and the age of its residents. This has led to a change in the wants and needs of its community members regarding housing options.

POPULATION CHARACTERISTICS

Gresham exists in a regional economy; trends in the region impact the local housing market. Characteristics such as age and ethnicity are indicators of how the population has grown in the past and provide insight into factors that may affect future growth.

Many demographic and socioeconomic variables affect housing choice. However, the literature about housing markets finds that age of the householder, size of the household, and income are most strongly correlated with housing choice.

HOUSING TENURE

Housing tenure describes whether a dwelling is owner- or renter-occupied. In 2010, 52.5% of Gresham's housing units were owner occupied, this ~~representing~~represents a decline from 1990 when 58.4% of units were owned. ~~In the~~Between 2014-2018 ~~period~~homeownership-ownership rates in Gresham were equal to Multnomah County's rate and lower than Oregon's rate. About 54% of Gresham's households owned their ~~home~~dwelling compared to. ~~In comparison,~~ 62% of Oregon's households. ~~were homeowners~~

~~Homeownership rates in Gresham remained stable between 2000 and 2014-2018.~~ From 2014-2018 most homeowners (89%) lived in single-family detached housing. In comparison, nearly 75% of Gresham households that rented lived in multifamily housing including duplexes, triplexes, and quadplexes. Eight percent of renters lived in single-family attached units (e.g., townhouses). Asian and White (Non-Hispanics) had the highest rates of homeownership (70% and 55%, respectively). Native Hawaiian and Pacific Islanders had the

Adding acknowledgement that Gresham's changing population means housing needs are changing.

Correcting grammar and updating terms.

Relocating from the Trends in Housing Tenure Subsection below.

<p><u>lowest rates of homeownership (0%) followed by American Indian and Alaska Native (26%), Black or African Americans (27%), and Hispanic or Latinx (27%).</u></p> <p>***</p>	
<p>HOUSING AFFORDABILITY</p> <p>A typical standard used to determine housing affordability is that a household should pay no more than a certain percentage of household income for housing, including payments and interest or rent, utilities, and insurance. The Department of Housing and Urban Development’s guidelines indicate that households paying more than 30% of their income on housing experience “cost burden,” and households paying more than 50% of their income on housing experience “severe cost burden.” From 2000 to the 2014-2018 period, the number of cost-burdened and severely cost-burdened households grew by 29% in Gresham. Thirty-seven percent of households in Gresham are rent-burdened households.¹</p> <p><u>The number of cost-burdened and severely cost-burdened households grew by 29% in Gresham</u> from 2000 to the 2014-2018 period:</p> <ul style="list-style-type: none"> • <u>About 44% of Gresham’s overall households are cost burdened and 21% are severely cost burdened.</u> • <u>About 64% of renter households in Gresham are cost burdened, compared with 28% of homeowners.</u> • <u>34% of renters in Gresham are severely cost burdened¹.</u> <p>Rents are lower in Gresham and housing sales prices are generally lower in Gresham than in nearby communities. In addition, household incomes are also lower than in nearby communities. Rents and housing sales prices have increased over the last few years in Gresham, while incomes have decreased (when adjusted for inflation) since 2000. As a result, cost burden is higher in Gresham than in nearby communities. Gresham has a larger share of cost-burdened households than Multnomah County and Oregon.</p>	<p><i>Clarifying cost burden data.</i></p> <p><i>Clarifying cost burden data and footnote.</i></p>

¹ Cities with populations over 10,000 are required, per HB 4006, to assess “rent burden” if more than 25% of renters are severely cost burdened. In Gresham as of the 2014-2018 ACS 5-year estimate period, 64% of total renters were cost burdened, 34% were severely cost burdened, and 28% of total households were cost burdened renters.

<p>***</p>	
<p>HOUSING NEEDS</p> <p>The need for new housing developed in Gresham for 2021 to 2041 will generally include a wider range of housing types and housing that is more affordable based on the following factors:</p> <p>***</p> <ul style="list-style-type: none"> • About 43% of Gresham’s households cannot afford median rents (\$1,279) in Gresham. High-cost burden rates for Gresham renters suggests a need for more affordable housing types for renters. • A household earning 100% of Multnomah County’s median family income (\$92,100) could afford a home valued between about \$322,000 to \$368,000, <u>depending on interest rate and other considerations</u>, which is less than the median home sales price of about \$401,000 in Gresham. <p>***</p> <p>Analysis of the residential land sufficiency for 2021-2041 demonstrates that Gresham has a surplus of land and capacity for all housing types. Gresham has the highest remaining capacity (after accounting for demand for new housing) in the lower density zone. However, Gresham also has a surplus of capacity in the medium density zones and higher density zones.</p> <p><u>MEETING THE NEEDS⁴</u></p> <p><u>Proportionately, more Gresham households are low income (less than 80% MFI) than the Portland region as a whole. Housing at this part of the income spectrum, and housing that meets the special needs of specific groups, usually requires public intervention.</u></p> <ul style="list-style-type: none"> • <u>Housing Needs for Extremely Low Income (Less than 50% MFI) Households: This income range includes a projected 3,037 new households (from 2021-2041) and 19,523 existing households. Meeting the housing needs of these households will require a combination of preserving existing income-restricted affordable housing and development of new income-restricted affordable housing. Development of income-restricted affordable housing typically requires extensive subsidy, with funding from state and federal</u> 	<p><i>Clarification.</i></p> <p><i>This new subsection includes additional details based on new information and analysis.</i></p>

⁴ Projected housing needs are based on Gresham’s 2021 income mix.

sources, in addition to any support from the city and other partners.

- Housing Needs for Middle Income (80-120% MFI) Households: This income range includes an estimated 1,097 new households (from 2021-2041) and 7,056 existing households. Meeting the housing needs of these households will require a combination of the development of rental housing and lower-cost owner-occupied housing. Some ownership opportunities for this income group will likely be related to housing developed by nonprofit organizations, possibly with some subsidy, such as land banking or a community land trust.
- Housing Needs of People of Color: About 15% of Gresham’s population identify as non-Hispanic Black, Asian, American Indian or Alaska Natives, Native Hawaiian or Pacific Islanders, two or more races, or another race. About 21% of Gresham’s population identify as Latino (any race). Black, Latino, American Indian or Alaska Natives, and Native Hawaiian or Pacific Islanders are more likely to rent their homes and to live in multifamily housing than the overall average in Gresham. People of Color are cost burdened more frequently than the average household in Gresham.⁵ Addressing the affordability issues, discussed above, as well as ensuring that people of color have access to housing without discrimination, will require increasing awareness of Fair Housing rules for property owners and managers, tenants, City decision makers, and City staff. It will also require careful decision making to change policies that have created barriers to access housing by people of color.
- Housing Need of People with Disabilities: The Census reports that about 13% of Gresham’s population have one or more disability, such as ambulatory, vision, hearing, cognitive, self-care, or independent living disabilities. Addressing the affordability issues as well as ensuring that people with disabilities have access to housing that addresses their disability and that they have access to housing without discrimination, will require increasing awareness of Fair Housing rules for property owners and managers, tenants, City decision makers, and City staff. It will also require

⁵ People of Color includes Black, Latino, American Indian or Alaska Native, Asian, Native Hawaiian and Pacific Islanders, and people of another or multiple races. These categories were combined due to limited data availability.

A 20-year household forecast (in this instance for 2021 to 2041) is the foundation for estimating needed new dwelling units. The forecast for Gresham, based on Metro’s 2050 Household Distributed Forecast (2019), estimates that Gresham city limits will grow from 41,484 households in 2021¹⁴ to 47,713 households in 2041, an increase of 6,229 households.¹⁵ Gresham will have demand for 6,229 new dwelling units over the 20-year period, with an annual average of 311 dwelling units. The assumed mix of new housing is approximately 45% single-family detached, 9% single-family attached, 14% duplexes, triplexes, and quadplexes, and 32% multifamily.

Volume 1 Section 4.800, 2021-2041 Housing Capacity Analysis ~~describes that~~ outlines how Gresham has sufficient land to accommodate housing development in all zoning district groupings. Gresham has a total surplus of capacity for 6,380 dwelling units. After accounting for demand for new housing, Gresham has a remaining capacity for 3,519 dwelling units in lower density residential zones; a surplus of 1,941 remaining dwelling units in the medium density zones and a surplus of 920 remaining dwelling units in the higher density zones.

Of Gresham’s total capacity for dwelling units (12,609 dwelling units), about one-third is located in Pleasant Valley residential zones (3,970 units) and about 7% is located in Springwater (823 units). These areas are located at the southern boundary of Gresham’s city limits and the City is in the process of planning infrastructure to serve these areas to accommodate this estimated capacity. Further infrastructure development will be necessary in Pleasant Valley, and to a greater extent in Springwater, to accommodate the potential demand for housing in these areas.

Gresham will have a need for housing affordable to all income levels, particularly for extremely low to middle income households. ~~About~~ Utilizing the current income distribution, about 43% of Gresham’s estimated future households will have incomes below 50% of Multnomah County’s median family income (less than \$46,050 in 2020 dollars). Homes sales are very rarely affordable to households with extremely low and very-low incomes. Development of housing affordable to these households rarely occurs without government subsidy or other assistance. Additionally, about 40% of Gresham’s future households will likely have incomes between 50% and 120% of the county’s MFI (between \$46,050 and \$110,520). Households in this

Correcting grammar.

Clarifying the basis of the projections.

Clarifying that these are projection.

<p>income category can likely afford the average rent in Gresham, but middle-income households at less than 120% cannot <u>may not be able to</u> afford to purchase owner-occupied housing at Gresham’s median home sales price in 2020 of \$401,000.</p>	<p><i>Updating language for accuracy.</i></p>
<p>Economic Development When people both live and work in a community, they tend to spend more time and money there. This not only increases the amount of revenue experienced by the community but allows its residents to maintain a much more direct connection to their cities and neighborhoods. Having an employment base that matches the needs of its workforce is a preferred situation, but one that is difficult for many communities to achieve.</p> <p>Gresham historically has, and continues to be, a residential city. In 2010, 17% of Gresham residents were employed in Gresham and Gresham residents tend, therefore, to have a slightly longer commute time than those of other Portland Metropolitan area jurisdictions. It is also estimated that roughly 26,000 people commute into Gresham for their jobs. Traveling longer distances between home and work takes up time, can create stress and impacts the infrastructure and the environment.</p> <p>Once committed to a place of residence, neighborhood or school district, people often want to find employment within a reasonable distance of their home. Gresham already allows mixed uses in its core areas and this promotes the ability to live near a place of residence. Quality housing and neighborhoods draw people to a city. In turn, those people can be instrumental in creating new businesses and jobs that are economic drivers.</p> <p>Gresham will continue to promote high quality single family, multi-family and mixed-use projects that will serve the needs of its residents.</p> <p>On a smaller scale, Gresham could also review its home occupation regulations and accessory dwelling requirements and perform an analysis of potential incentives for more workforce housing. All of these could serve to allow for more alternative housing types.</p> <p>Metro estimates that area job growth is expected to occur in the information, business, financial services, education, and health care fields over the next twenty years. Gresham will continue to work on</p>	<p><i>Removing outdated information.</i></p>

<p>ensuring that much of this growth is located within Gresham such that the jobs to housing ratio is much more balanced.</p>	
<p><i>Livability</i> Cities are usually characterized as “livable” if they are pedestrian-friendly, have strong site and building design standards, and ensure that residents have ready access to amenities, services, and transportation. Generally, a mix of housing types and non-residential uses creates more complete and livable neighborhood. Neighborhoods and neighborhood identity becomes more discernable, with residents often choosing to remain in areas where they are able to transition into different living accommodations throughout their lives.</p> <p>In 2009, the City began to implementation of design standards which significantly raised the bar for the design of and materials used in new construction. To date, design standards have been adopted for the Downtown, the Rockwood Design District, and commercial development in the Corridor Districts.</p> <p>The Multi-Family Residential Standards became effective in 2010 and consist of a two-track system by which a developer may choose design standards or discretionary guidelines. These standards apply to multi-family developments and the residential components of developments consisting of three or more units in all residential districts, the Civic Neighborhood, Pleasant Valley, Springwater, the Corridor districts, and all duplexes being constructed in the Downtown. These new standards ensure that the City’s housing will be of high quality design and materials.</p>	<p><i>Much of the relevant content is addressed elsewhere in the comprehensive plan.</i></p>
<p><i>Rehabilitation/Revitalization</i> Like many other communities, Gresham has the challenge of an aging housing stock. Maintaining an older housing stock can be problematic because older properties may not conform to current codes, they may lack the amenities of newer facilities, can be unattractive and unsafe, or be perceived to be unsafe.</p> <p>In December of 2007, the City began a mandatory Rental Housing Inspection Program that has increased the health of these units and improved living conditions for their residents. The City is expected to continue this program and also continue to work with property</p>	<p><i>Much of the content is addressed elsewhere in the comprehensive plan.</i></p>

<p>owners and site managers so that housing units in them become safer and more stable.</p> <p>Through its Community Revitalization Program, the City also partners with non-profit organizations providing housing rehabilitation services such as Mend-A-Home and Adapt-A-Home. These programs enhance properties that have become deteriorated so residents can stay in their homes as they experience physical and other limitations in relationship to housing accommodations.</p> <p>Through its Design Standards, all new multi-family dwellings will need to conform to current standards. Certain improvements proposed to existing multi-family residences will also be required to adhere to these new standards. These requirements will only further enhance these developments, making them more livable and attractive.</p> <p>It is often more cost effective and sustainable to maintain existing housing stock if it is viable and can be upgraded to become more conforming with current standards. This can also translate into neighborhood stability when current residents are satisfied with their living conditions and choose to stay within a given area and support its businesses and services. The City can consider programs to help incent property owners to spend more time and resources in the upkeep of their properties and continue to work with Code Enforcement and the Rental Housing Inspection Program as site violation are reported.</p>	
<p><i>City Roles</i></p> <p>Gresham has made a strong investment in its future housing by its dedication to improving existing rental housing stock, constructing, and planning to construct capital improvement projects in key areas, ensuring that new housing is developed using both attractive design and durable materials and emphasizing mixed use development in its core areas.</p> <p>As a Federal Entitlement community, Gresham allocates annual CDBG and HOME monies through a competitive evaluation process. The City can consider becoming more proactive and coordinate with potential applicants early in the process so that applications submitted can be mutually beneficial to the applicants and the City. In addition, partnerships that were formed as a result of the City's Section 108 loan gap financing for Human Solutions' Rockwood Building could be considered to be expanded.</p>	<p><i>Much of the content is addressed elsewhere in the comprehensive plan.</i></p>

<p>As Gresham moves forward in its refinement of housing opportunities, it will continue to develop its partnerships with the private sector, review and re-evaluate its permitting processes, examine programs that revitalize its urban centers, investigate financial and tax incentives, continue to invest in capital improvements that enhance residential and mixed-use developments, and look to more programs that promote the rehabilitation of its existing housing stock.</p>	
<p>SUMMARY OF ISSUES</p> <ol style="list-style-type: none"> 1. Gresham is characterized by residential lands, a regional center, two town centers and industrial lands. 2. Gresham will continue to see moderate population growth. 3. Gresham’s population demographic is changing. It is becoming older and more diverse with an increasing immigrant population. 4. Gresham’s average household size has increased. 5. Gresham and the rest of the Portland Metropolitan area will feel the effect of the housing needs of the Baby Boomer and Generation Y, two large population cohorts. 6. Gresham provides its residents with the full spectrum of housing choices. 7. Creative housing types such as cottage developments and accessory dwellings can be attractive to many Gresham residents. 8. Gresham’s ownership and rental housing market offers reasonably priced homes. 9. Gresham has experienced an increase in the percentage of rental units, but that trend is expected to reverse over by 2032. 10. There is and will continue to be a demand for lower cost rental housing. 11. There is and will continue to be a gap in the market for homes in the mid to higher price ranges. 12. Gresham recognizes the connection between quality housing and economic development. 13. Gresham residents have a slightly longer commute time than other Portland Metropolitan area residents. 14. Mixed use developments, live-work units and other creative housing types can decrease commute time. 	<p><i>Issues are discussed earlier in the section. The new policies below are themed based on the current issues.</i></p>

<p>15. Rehabilitation of the existing aging housing stock needs to be evaluated.</p> <p>16. The City’s Design Standards ensure quality new multi-family site design and building construction.</p> <p>17. Gresham has both intentional affordable housing units and those that have become unintentionally affordable because their condition commands lower rental prices.</p> <p>18. Livable cities provide for ready access to amenities.</p> <p>19. The City is a Federal Entitlement community and allocates CDBG and HOME funds on an annual basis.</p> <p>20. The City has a large array of options to consider if it chooses to expand its partnerships with housing providers.</p>	
<p>GOALS, POLICIES AND ACTION MEASURES</p> <hr/> <p>HOUSING OPPORTUNITIES GOAL</p> <p><i>Gresham will have a full range of quality housing for its current and future residents.</i></p> <p>Housing Opportunities Policies</p> <ol style="list-style-type: none"> 1. Provide a full range of housing types and sizes that reflect the needs Gresham’s citizens through all life stages and circumstances. 2. Support the development of housing that reflects the square footage and number of bedrooms needed by the full range of family sizes from singles to large families. 3. Ensure that new housing developments are of high quality. <p>Housing Opportunities Action Measures</p> <ol style="list-style-type: none"> 1. Extend the expiration of the City’s Innovative Housing Demonstration Project from June 3, 2014 to June 3, 2019 and develop educational materials explaining the benefits of using this program for new housing developments. 2. Refine and amend existing code language allowing for select alternative housing types when such amendments would benefit Gresham and its citizens. These housing types could include: <ul style="list-style-type: none"> • Co-housing • Multi-generational housing • An evaluation of the districts allowing for the Innovative Housing Demonstration Project (including Pleasant Valley) 3. Develop an outreach program to promote: 	<p><i>Based on current data, trends, and context this section is being updated with one goal that aligns with the 2022-2025 Strategic Plan’s Housing for All Priority. All policies in this section are being revised to more closely reflect current needs. All action measures in this section were evaluated and either proposed for removal because they are no longer needed (for example, the project was completed or the data shows City focus is not required), or proposed for refinement/ incorporation into the newly proposed actions. No longer needed due to Middle Housing revisions. Much of this action was taken care of by Middle Housing revisions. Other portions are reflected in Affordable Ownership and Housing Choice and Location.</i></p> <p><i>Reflected in the new Housing Choices and Location and</i></p>

- ~~The development of multi-family housing units that offer more bedrooms~~
- ~~The development of smaller sized multi-family and single-family housing units~~
- ~~Designing units to allow residents to age in place~~
- ~~Providing the proper proportion of workforce and higher end housing~~

Affordable Ownership policies and action measures.

~~ECONOMIC DEVELOPMENT GOAL~~

~~*Housing investments will contribute to Gresham’s economic development goals.*~~

~~Economic Development Policies~~

- ~~1. Provide opportunities for mixed use developments.~~
- ~~2. Provide for all forms of “live/work” opportunities.~~
- ~~3. Promote a mix of housing types where appropriate.~~
- ~~4. Promote the use of the Gresham’s workforce for development projects.~~
- ~~5. Promote the development of additional higher-end ownership and rental “executive housing.”~~

~~Economic Development Action Measures~~

- ~~1. Re-evaluate the City’s Home Occupation regulations to ensure they provide the most flexibility for Gresham residents while protecting the residential character of neighborhoods.~~
- ~~2. Define live/work units, re-examine where they are permitted and determine if they should be allowed in additional land use districts.~~
- ~~3. Provide developers with Gresham’s housing trends analyses which outline its need for higher end rental and ownership housing and encourage them to consider developing these types of units.~~
- ~~4. Evaluate partnership opportunities with larger employers for programs such as Employer Assisted Housing.~~
- ~~5. Re-visit the Planned Development (PD) regulations to determine if they should be revised to include mixed use developments.~~

Reflected in Housing Choices and Location and Affordable Ownership.

Partially taken care of other portions are reflected in Housing Choice and Location.

Editing for consistency with the updated housing policies and plans.

Editing for consistency with the updated housing policies and plans.

Reflected in Housing Choices and Location.

~~LIVABILITY GOAL~~

~~*Gresham will provide for a variety of livable neighborhoods.*~~

~~Livability Policies~~

- ~~1. Avoid concentrations of any one housing type.~~
- ~~2. Permit appropriate housing types in locations that most benefit the viability of the overall City and its centers.~~

<p>3. Maintain existing City public investments and construct capital improvements that promote the viability of city neighborhoods.</p> <p>4. Continue to evaluate the Development Code to ensure that it:</p> <ul style="list-style-type: none"> • Promotes walkability in and through neighborhoods • Allows for the coordination of residential development with existing and new amenities, services, and transit • Allows for the correct residential density in the appropriate locations <p>5. Ensure that new housing developments complement or enhance the character of existing quality neighborhood development.</p> <p>6. Encourage housing developments to incorporate features of Crime Prevention through Environmental Design (CPTED).</p> <p>7. Coordinate with Tri Met when planning for changes to residential densities.</p> <p>Livability Action Measures</p> <p>1. Review the Development Code to determine if there are barriers to the permissibility of desired housing types within new housing developments within Gresham.</p> <p>2. Coordinate the efforts of Urban Design & Planning, the Department of Environmental Services and Code Enforcement to determine suggested locations for maintenance of existing, and the planned construction of new infrastructure projects that would enhance the walkability of neighborhoods within Gresham.</p> <p>3. Initiate an Opportunity Mapping project that would determine the best locations for housing of varying types and densities in relationship to the current and anticipated provision of services and amenities.</p> <p>4. As multi-family projects are reviewed, maintain a log of issues that include unclear code language, errors, or unintended consequences of regulations and guidelines. This information can serve as the basis for future code amendments and ensure that quality developments are constructed.</p> <p>5. Provide a CPTED handout during the pre-application conferences for all multi-family projects.</p> <p>6. Explore the possibility of requiring the use of sustainable development and building construction best practices for all types of residential development.</p> <p>REHABILITATION/REVITALIZATION GOAL</p> <p><i>Gresham's housing stock will be well maintained and will be rehabilitated when appropriate.</i></p>	<p><i>Reflected in Housing Choice and Location and Equity.</i></p> <p><i>Reflected in Equity and the Housing Production Strategy (HPS).</i></p> <p><i>Refined in Housing Location and Choice.</i></p> <p><i>This project has been ongoing through the Development Code Improvement and subsequent Development Code and Process Update projects.</i></p> <p><i>Livability Action Measures 5 and 6 have been incorporated into the design codes.</i></p>
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Rehabilitation/Revitalization Policies

1. Ensure that Gresham’s land use regulations support the rehabilitation and revitalization of both the existing single family and multi-family housing stock.
2. Promote the maintenance of good quality housing.
3. Endorse incentives promoting the rehabilitation of deteriorated but still good quality housing.

Rehabilitation/Revitalization Action Measures

1. Review the Development Code to ensure that the Design Review standards do not present a barrier to improvements and rehabilitation of the existing housing stock.
2. Provide training and suggestions to housing providers and site managers that assist them in determining how properties can be improved and upgraded. Outside of recommendations for structural rehabilitation and safety upgrades, this could include programs including painting projects, enhanced landscaping, the installation of walking paths and benches, and the inclusion of low-cost natural play areas.
3. Develop a Neighborhood Pride program that, in select areas:
 - Identifies neighborhood strengths and weaknesses
 - Recognizes property improvements and maintenance
 - Celebrates neighborhood identity through special events
 - Promotes a sense of connection to the city using designated staff liaisons.
4. Continue to monitor the results of the Rental Housing Inspection Program and provide, at minimum, annual activity reports to City Council.

CITY ROLE’S GOAL

~~The City will use appropriate tools, including public-private partnerships, to achieve desired types and locations of housing.~~

City Roles Policies

1. Develop partnerships with private and non-profit housing providers that promote collaboration on the siting of market rate and affordable housing.
2. Pursue local, state, and federal financial support for both new housing and housing rehabilitation projects.
3. Utilize technical and procedural assistance programs for the promotion and construction of desired housing types.
4. Promote home ownership.

City Roles Action Measures

Reflected in Housing Stability and the HPS.

Reflected in Housing Stability.

Removing because this is not closely land use related and, therefore, not appropriate for this section.

Reflected in Affordable Rental Housing.

The City’s role is an inherent part of all documents, but an explicit goal is not needed for this land use section.

<ol style="list-style-type: none"> 1. Evaluate if the City wishes to pre-approve certain housing designs and types such that the review process is expedited and made more cost effective. 2. Develop a city sponsored training program and develop informational materials for the implementation of the Multi-Family Design Standards. 3. Review all options for the financial support of good quality housing design including, but not limited to, an expansion of the Vertical Housing Development Zone, tax abatement, the sale of city land at a reduced price, and implementation of the Oregon Multiple Unit Housing Program. 4. Investigate how other jurisdictions have marketed city owned properties for housing developments and what types of contractual agreements were entered into for their development. 5. Develop a process that allows potential CDBG/HOME applicants to meet with City staff to discuss the City's housing goals and priorities. 6. Develop communication tools to inform potential CDBG/HOME applicants of the City's housing goals and priorities. 7. Determine if it is feasible to partner with already established non-profit land trusts. 8. Research the feasibility of City land banking so that there is more control over larger scale housing developments. 9. Evaluate City fees and processes and determine appropriate incentives to encourage a mix of market rate and workforce housing within new housing developments. 	<p><i>This is more appropriately reflected in the HPS.</i></p> <p><i>This is no longer needed as the design standards have been fully implemented.</i></p> <p><i>This is more appropriately reflected in the HPS.</i></p> <p><i>This is more appropriately reflected in the HPS.</i></p> <p><i>This is no longer needed as the CDBG/HOME processes have been refined.</i></p> <p><i>This is no longer needed as the CDBG/HOME processes have been refined.</i></p> <p><i>Work has already been done to this end and is more appropriately reflected in the HPS.</i></p> <p><i>City Roles Action Measures 8 and 9 are updated in the HPS.</i></p>
<p style="text-align: center;"><u>III. GOALS, POLICIES AND ACTION MEASURES</u></p> <p><u>HOUSING GOAL</u> <u><i>Everyone in Gresham can live in a secure and reliable place they call home, and no one experiences housing uncertainty. All Gresham community members can access housing that meets their changing needs.</i></u></p> <p><u>HOUSING EQUITY POLICY</u> <u><i>All housing related policies and actions will affirmatively further fair housing for all state and federal protected classes and other underserved populations by: addressing disproportionate access to housing, furthering patterns of integration and lessening racial or</i></u></p>	<p><i>Refining to more closely reflect community vision and the Gresham 2022-2025 Strategic Plan.</i></p> <p><i>Policies and action measures are being updated to more closely reflect current needs.</i></p>

ethnic segregation, deconcentrating areas of poverty and wealth, and decreasing disparities in access to housing services and opportunity.

Housing Equity Action Measures

- Support outreach and education about Fair Housing.

Allow a variety of uses in each plan designation to further patterns of integration and reduce concentrations of poverty.

Ensure residential development can be accessed by a variety of transportation types in order to allow people of different incomes and abilities to access housing throughout the City.

Support climate-adaptive and sustainable development to reduce and prevent climate inequity.

HOUSING STABILITY POLICY

Increase housing stability for residents; mitigate the impacts of gentrification and the economic and physical displacement of existing residents resulting from investment or redevelopment.

Housing Stability Action Measures

- Preserve and stabilize existing regulated affordable housing through implementing public-private partnerships.
- Support the rehabilitation of existing low-cost market rate property in exchange for affordability agreements.
- Explore the use of tax increment financing to support the preservation of existing affordable housing and development of new affordable housing in neighborhoods that are experiencing or are vulnerable to gentrification.

HOUSING CHOICE AND LOCATION POLICY

Facilitate housing choice for all, particularly for state and federally protected classes, communities of color, low- income communities, people with disabilities, and other under-served populations. Foster access to existing or new quality housing that is located in neighborhoods with high-quality community amenities, schooling, employment and business opportunities, and a healthy and safe environment.

Housing Choice and Location Action Measures

- Encourage diverse housing types and sizes by exploring and reducing barriers to affordable home ownership models and

Policies and action measures are being updated to more closely reflect current needs.

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to housing development with a focus on middle housing and multifamily development.

- Support affordable housing preservation and development goals in resource-rich neighborhoods by employing incentives supported by tax increment financing and HOME/CDBG funds, as well as other funds that become available from the State or other sources.
- Encourage the development of housing types that are responsive to unique neighborhood and socioeconomic conditions and character through development standards and permitting incentives.
- Encourage mixed-use development, especially in areas with frequent transit, such as urban renewal districts.
- Reduce concentrations of the same housing type through policies and development standards.

HOUSING FOR INDIVIDUALS EXPERIENCING HOMELESSNESS OR HOUSING INSECURITY POLICY

Reduce the number of individuals experiencing homelessness or housing insecurity by supporting the development of housing options and housing services.

Housing For Individuals Experiencing Homelessness or Housing Insecurity Action Measures

- Implement a rapid rehousing program.
- Explore partnerships to address and prevent homelessness and housing insecurity.
- Continue and expand existing homelessness services based on funding availability.

AFFORDABLE HOUSING OWNERSHIP POLICY

Encourage opportunities for housing stability and wealth creation via housing ownership with particular focus on state and federal protected classes that have been disproportionately impacted by past inequitable housing policies.

Affordable Housing Ownership Action Measures

Explore and reduce barriers to affordable housing ownership models (such as land trusts, co-ops, condominiums, and cottage cluster-style housing).

Policies and action measures are being updated to more closely reflect current needs.

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<ul style="list-style-type: none"> ● <u>Evaluate and pursue partnerships for affordable housing ownership development.</u> ● <u>Leverage Federal (such as HOME/CDBG), State, and local funds as they become available to effectively and creatively foster the development of affordable housing ownership units.</u> <p><u>AFFORDABLE RENTAL HOUSING POLICY</u></p> <p><u>Encourage the production, preservation, and rehabilitation of affordable rental housing with a focus on access for state and federal protected classes that have been disproportionately impacted by past housing policies.</u></p> <p><u>Affordable Rental Housing Action Measures</u></p> <ul style="list-style-type: none"> ● <u>Continue the existing rental housing inspection program to help ensure existing naturally occurring affordable housing units are maintained up to fire, life, and safety building codes.</u> ● <u>Explore methods to lower costs for new affordable rental housing development, such as (but not limited to) land banking, targeted System Development Charge reductions and/or waivers, and a state enabled tax abatement.</u> ● <u>Pursue the use of tax increment financing to support affordable rental housing development in targeted locations.</u> ● <u>Support the preservation and rehabilitation of existing regulated affordable housing.</u> 	<p><i>Policies and action measures are being updated to more closely reflect current needs.</i></p>
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Section 15. Volume 2, Policies & Summaries, Section 10.703 Pleasant Valley Plan District: Residential Land Use/Neighborhoods is amended as follows:

Proposed Text Amendment	Commentary
<p>***</p> <p>A variety of housing will be planned for, with a wide array of densities.</p> <ul style="list-style-type: none"> ● Full range of housing types, from large lot single family to small lot single family, row houses, and apartments. ● Highest densities will be concentrated along transit lines and in close proximity to commercial services, transitioning to lower density housing at the edges of the area and in both the foothills of the steeper slopes. ● High-Quality <u>High-Quality</u> design will be important to achieve both density and aesthetic goals. ● Affordable housing will be planned. Existing amounts of affordable housing in the south and eastern parts of the region 	<p><i>Updating language for consistency with elsewhere in the plan.</i></p>

<p>will be considered in determining the share and percentage in this area.</p> <ul style="list-style-type: none"> The focus of meeting affordability goals in this will be on home ownership options. <p>***</p>	
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Section 16. Volume 2, Policies & Summaries, Section 10.804 Springwater Plan District: Livability is amended as follows:

Proposed Text Amendment	Commentary
<p>***</p> <p>POLICIES</p> <ol style="list-style-type: none"> Provide a variety of high-quality housing choices to include opportunities for large-lot housing within compact and walkable neighborhoods. <p>***</p>	<p><i>Updating language for consistency with elsewhere in the plan.</i></p>