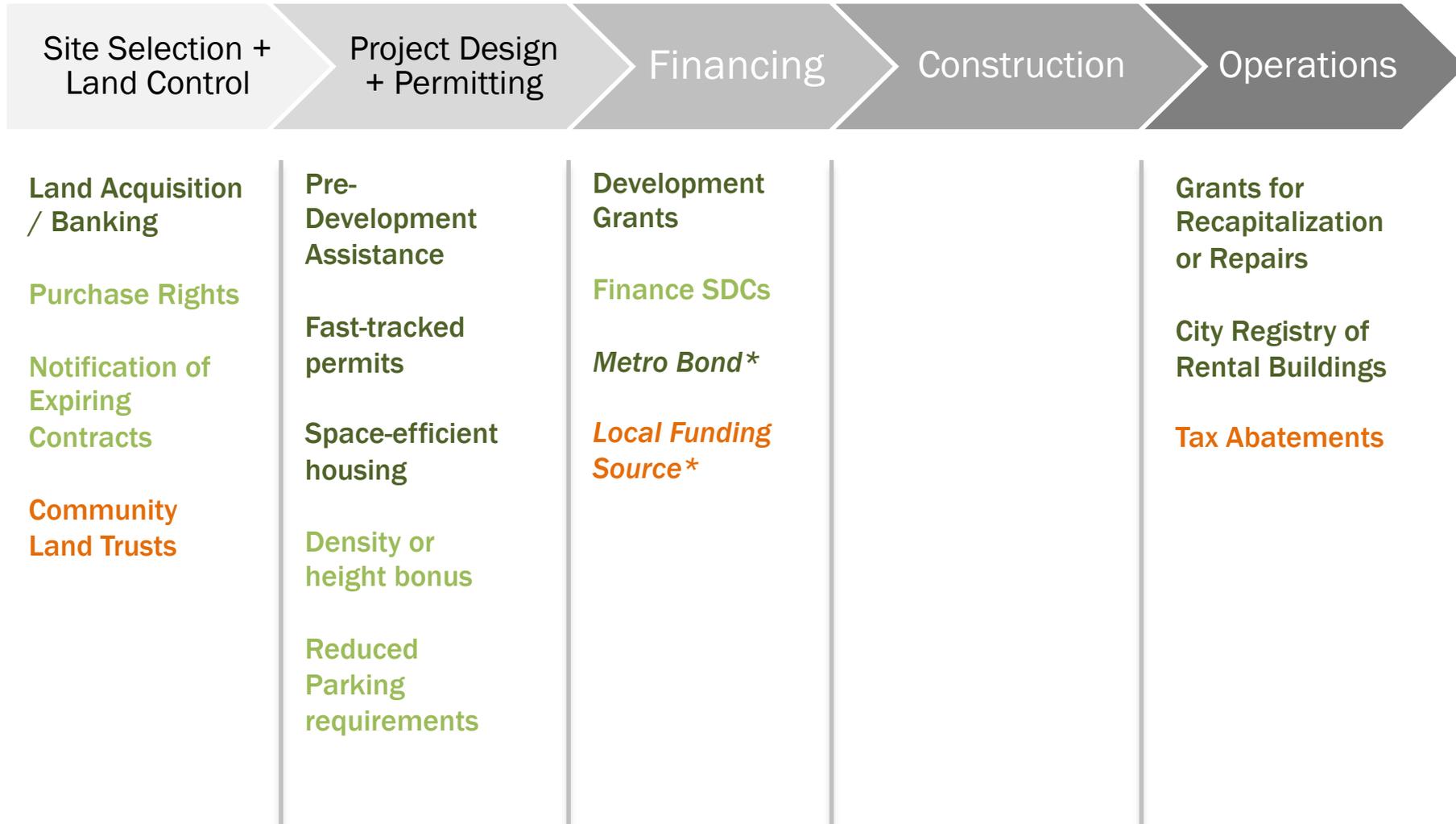


Housing Toolkit by Development Phase

KEY: Expand or Create New Program | Maintain Existing Program | Explore Program



*Funding source to generate revenue to invest in other programs listed

Key:

=	Maintain
<	Expand or Build New Program
??	Explore
X	Drop

Staff and Consultant Team Rec.	Rationale (Draft)	Task Force Input	Administrative Effort Required	Potential to Impact Housing Dev't or Preserve Units	Future Considerations/Next Steps	
Funding & Incentives						
Programs to Fund or Reduce Costs for Housing Development or Preservation						
Land Acquisition Strategy, Land Banking, Partnership Opportunities	<	The City is already thinking strategically about its role in land acquisition and assembly. Including this tool means that the City would implement a formal strategy.	Lean include. Not widely cited for inclusion, but nobody wanted to exclude it. 25% include 0% exclude	** Moderate effort; requires development of a land banking or acquisition strategy that includes a funding source.	*** Control of land is one of the key sources of local gov't leverage for housing development.	The City should deploy staff to develop a city-led strategy that addresses the City's current Low Cost Market Rate rental units. The Metro Bond could be one funding source to implement an acquisition or land banking strategy. As part of this effort, the City could look for opportunities to partner with property owners for acquisition and identify ways to leverage funds for acquisition, such as urban renewal or opportunity zone investments.
Community Land Trusts	??	Key stakeholders are interested in pursuing this strategy, and there are examples of other communities in the region who have partnered with regional land trusts on homeownership projects.	Include. Many task force members approve of including this strategy as one to explore. 50% include 0% exclude	* High effort if the City creates one, less if the City partners on a land trust.	** Community land trusts can be a powerful tool for wealth building and for new affordable unit construction or preservation.	In tandem with land acquisition/land banking, the City should explore a partnership with Proud Ground, an existing community land trust in the Portland region.
Pre-Development Assistance	<		Unclear. Not a widely cited strategy either way. 13% include 13% exclude	**	* While very helpful for developers in the early stages of contemplating a project, financial impact is small relative to more powerful market forces.	The City should expand the City's current pre-development assistance programs with Metro GO Bond funding.
Financing Building Permit and Planning Fees or SDCs	=		Lean include. More respondents cited the strategy for inclusion vs. exclusion. 13% include 13% exclude	**	*	The City should consider increasing the marketing of its current SDC financing program.
Reduced or Waived Permit Fees/SDCs	X	There is limited funding to offset reduced or full SDC waivers.	Mixed. A few cited the strategy as one to include, while a few others wanted to exclude it. 25% include 13% exclude	*	** Reduced SDCs can incent the production of affordable and market-rate units in some instances.	In the future, if the City decided to pursue such a program, the City could evaluate whether it could provide reduced or waived fees to specific projects, and what the criteria would be for evaluating those projects.

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	Staff and Consultant Team Rec.	Rationale (Draft)	Task Force Input	Administrative Effort Required	Potential to Impact Housing Dev't or Preserve Units	Future Considerations/Next Steps
Grants/ Loans for New Development	<	Targeted grants and loans can provide direct support for priority projects.	Unclear. Not a popular tool for inclusion in the strategy, but no survey respondent cited it for exclusion. 13% include 0% exclude	** The City would need to develop a set of policies and a program to deploy these resources over time.	*** Depending on the amount of revenue and number of grants available, can be a powerful approach to incenting unit production.	The City should evaluate the potential to use Metro GO bond dollars for projects that meet specific investment criteria, to be identified through its implementation plan.
Grants/ Loans for Recapitalization or Capital Repairs	<	The City has a large stock of housing units that could qualify for grants and loans to support capital repairs in exchange for affordability agreements.	Unclear. Not a popular tool for inclusion in the strategy, but no survey respondent cited it for exclusion. 13% include 0% exclude	** The City would need to develop a set of policies and a program to deploy these resources over time.	*** Depending on the amount of revenue and number of grants available, can be a very powerful and direct approach to incenting unit production.	The City should evaluate the potential to use Metro GO bond dollars for projects that meet specific investment criteria, to be identified through its implementation plan. The City should develop a detailed inventory of properties for potential investment.
Property Tax Abatement Programs						
Vertical Housing Tax Abatement	<	The City is planning on changes to this program, which is most effective for adding market-rate housing in a mixed use development in specific geographies where new development meets market barriers.	Mixed. Including the vertical housing program in the strategy was less popular than other tax abatements. TF response was mixed. Some were enthusiastic about exploring these tools as ways to reduce development costs, others cited concerns for impacts to funding for services and other priorities. 13% include 13% exclude	** Market and policy analysis plus stakeholder outreach required to expand the existing VHDZ.	** An abatement can be an important incentive to enable new development.	The City is developing a program to administer this at the City level, including refinements to the geographies available.

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Other affordable housing tax abatements (Multiple-Unit Limited Tax Exemption Program, Non-Profit Affordable Housing Property Tax Abatement, Low Income Rental Housing Property Tax Abatement, Tax Abatement for New and Rehabilitated Multifamily Rental Housing)	??	There could be additional opportunities to offer abatements in exchange for affordability.	Mixed. Some were enthusiastic about exploring these tools as ways to reduce development costs, others cited concerns for impacts to funding for services and other priorities. Six of eight respondents included at least one property tax abatement in this list. 75% include	** Market and policy analysis plus stakeholder outreach required to evaluate and adopt options	** or *** An abatement can be an important incentive to enable new development; more research into the abatements that work best for Gresham needed	The City should evaluate the options that are available and determine whether any are a good fit for the City's housing goals and market conditions.
Locally-Controlled Funding Sources						
General Obligation Bond (Metro Bond)	<	Metro's bond is the best and most available funding source to support housing development in the near-term.		** Moderate effort; requires development of a focused strategy plus ongoing attention to implementation.	*** high impact; dedicated capital funding source available for housing construction.	The City is currently working with Metro to develop an implementation plan for bond investments. The recommendations and priorities in this document will inform the City's investments.
Other Local Funding Sources	??	Local sources of funding can supplement Metro's GO bond funding, as well as increasingly limited state and federal funding.		** Moderate effort (would require research and ongoing community engagement to advance).	?? Unknown, dependent upon source.	There are a number of other revenue sources that the City and its partners might explore, each with its own pros and cons. The most accessible of these is construction excise tax, which the City should continue to evaluate carefully, including the impact of the tax on new development, what rate would be beneficial, what kind of construction to charge and exempt, the kinds of housing investments that would be most appropriate with a CET if it were available. Other potential sources include a local sales tax on prepared food and beverages or marijuana.
CDBG and HOME Investment Partnership Grants	=	The City does not have control over the amount of funding, just the distribution of funds.		**	** City received over \$1.7 million in the most recent year for these programs	The City should look for creative ways to pursue new grants and leverage available funding. The Community Development and Housing Subcommittee is already engaged in a discussion about the best use of these funding sources. The Task Force supports these ongoing conversations, and encourages a creative and proactive strategy for these important federal resources.

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Urban Renewal Funding	??	Urban renewal can be a powerful tool to support redevelopment, and the City has an opportunity to evaluate its options as the Rockwood URA approaches its expiration date.		*** High effort (requires planning and outreach, requires a public vote per City charter)	** Moderate impact (only applicable in URA boundary, potentially competing goals).	Key questions to explore: (1) Extend Rockwood past current expiration of 2023 or consider a new URA? (2) If a new URA, where would it go? (3) What kinds of UR projects could be most effective at providing access to housing? (4) Given need for a public vote, what is the appropriate avenue for public engagement, and what kinds of projects are most likely to be widely supported?
Additional General Fund Revenue	X	There are not enough general fund dollars available to sustain specific housing programs, beyond the staff allocations that the City currently funds.		** Moderate effort; would require staff time to support council decision making and reprioritization of use of funds to access general fund dollars).	* low impact; revenue amounts likely small and inconsistent from year to year.	As the end of the term for the Metro bond money nears expiration, the City could consider whether general fund dollars might be used in more robust ways.
Local Option Levy or City GO Bond	X	While local option levies provide a flexible and stable source that can be used for either capital or operating expenses, they require a public vote and have not been supported in Gresham in the past.		*** High effort (requires vote).	*** Potentially high impact, depending on rate or bond amount.	As the end of the term for the Metro bond money nears and the City has established a track record of successful implementation, the City could consider whether a local option levy might be beneficial and acceptable as a future revenue source.

Regulations

Development Code and Permitting Incentives

Incentives for Space-Efficient Housing	<		Lean Include. Moderately popular strategy, some cited it as a way to encourage different housing types. 25% include 0% exclude	* 	** 	The City is looking at making more housing types more permissible in single family zones. The pilot project would allow housing that isn't currently permissible in SF zoning where it would become an allowable use (e.g. cottage cluster). Other key steps would be to identify more permissible uses, other opportunities for flexibility, partnerships with nonprofit organizations, and initiate stakeholder conversations to understand zoning and code-based barriers to development. City work will be informed by current legislation being proposed at the state to expand allowable housing types.
Expedited and Fast-Track Planning and Building Permits	<		Include. TF members approve of this strategy as a way to decrease development costs. 63% include 13% exclude	** 	* 	The City could explore how to expand this program. Current state legislation has reduced the processing times for certain types of developments within 100 days. City can explore options to make the permitting process more efficient while recognizing the requirements of the state land use system.

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Reduced Parking Requirements	=		Exclude. Many task force members do not approve of this strategy. TF members cited impacts to adjacent property owners as a top concern. 13% include 63% exclude	* Maintaining current program requires limited additional staff time or expense.	*	
Density/Height Bonuses	=		Mixed. Some cited this strategy as a way to encourage different housing types and flexibility for developers, others cited impacts to adjacent property owners and other concerns. 38% include 25% exclude	* Maintaining current program requires limited additional staff time or expense.	*	
Affordability Requirements						
Inclusionary Zoning	X	Concerns about consequences for development feasibility.	Exclude. This strategy was one of the most frequently cited strategies to drop. Some cited the unintended consequences of rent control and IZ. 25% include 63% exclude	** Complex market and policy analysis plus stakeholder outreach required to develop and adopt a policy.	* Effective for producing mixed income units in places where the market is already producing high-end market-rate apartment or condo building (limited in Gresham)	If advanced, assess opportunities and challenges to implementation, including necessary incentives, and the development conditions under which an IZ program could limit negative consequences for development feasibility.

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Rent Regulation	X	2019 state legislation pre-empts this approach as a locally-available tool.	Exclude. This strategy was one of the most frequently cited strategies to drop. Some cited the unintended consequences of rent control and IZ. 13% include 50% exclude	N/A	** The avenue available for rent regulation through recent legislation can support residents staying in their units during periods of rapid rent growth.	City can monitor the impacts to recent state legislation, as well as increase communication and information about the law. The City should look for ways to partner with local organizations to provide programs to support tenant rights and education, to ensure that the recently-enacted state-wide rent regulation policy is implemented locally.
Ownership or Sale Requirement						
City Registry of Rental Buildings	<		Lean exclude. Not popular for inclusion in the strategy, more people wanted to exclude vs include. 13% include 38% exclude	**	*	Look for opportunities for synergies with other programs, such as potential new enforcement mechanisms for "nuisance landlords." Continue to work on updates to the rental inspection program and avenues by which the City can increase community outreach/education.
Policies Requiring/Incenting Purchase Rights to Nonprofits or City	=		Lean exclude. Not popular for inclusion in the strategy, more people wanted to exclude vs include. 13% include 25% exclude	**	*	Continue to coordinate with OHCS regarding policy changes, and coordinate with non-profits, including CASA of Oregon. Identify what other possibilities are possible per Oregon law, and other resources that might be available through partners .
Policies Requiring Notification of Expiring Contracts	=		Unclear. Not a widely cited strategy. 0% include 0% exclude	**	*	Continue to work with OHCS and state agencies to monitor expiring contracts.