



CITY OF OREGON CITY JOINT WORK SESSION WITH THE CITY OF WEST LINN AGENDA

**Commission Chambers, Libke Public Safety Facility, 1234 Linn Ave, Oregon City
Tuesday, November 07, 2023 at 6:00 PM**

Typically there are no public comments at work sessions, but written comments are accepted by:

- *Email recorderteam@orcity.org (deadline to submit written testimony via email is 3:00 PM on the day of the meeting)*
- *Mail to City of Oregon City, Attn: City Recorder, P.O. Box 3040, Oregon City, OR 97045*

CONVENE WORK SESSION AND ROLL CALL

DISCUSSION ITEMS

1. I-205 Tolling
2. Statewide Housing Production
3. Regional Homelessness

ADJOURNMENT

PUBLIC COMMENT GUIDELINES

Complete a Comment Card prior to the meeting and submit it to the City Recorder. When the Mayor/Chair calls your name, proceed to the speaker table, and state your name and city of residence into the microphone. Each speaker is given three (3) minutes to speak. To assist in tracking your speaking time, refer to the timer on the table.

As a general practice, the City Commission does not engage in discussion with those making comments.

Electronic presentations are permitted but shall be delivered to the City Recorder 48 hours in advance of the meeting.

ADA NOTICE

The location is ADA accessible. Hearing devices may be requested from the City Recorder prior to the meeting. Individuals requiring other assistance must make their request known 48 hours preceding the meeting by contacting the City Recorder's Office at 503-657-0891.

Agenda Posted at City Hall, Pioneer Community Center, Library, City Website.

Video Streaming & Broadcasts: The meeting is streamed live on the Oregon City's website at www.orcity.org and available on demand following the meeting. The meeting can be viewed on Willamette Falls Television channel 28 for Oregon City area residents as a rebroadcast. Please contact WFMC at 503-650-0275 for a programming schedule.



CITY OF OREGON CITY

Staff Report

625 Center Street
Oregon City, OR 97045
503-657-0891

To: City Commission
From: City Manager, Tony Konkol

Agenda Date: 11/7/2023

SUBJECT:

Joint work session of the Cities of West Linn and Oregon City – I-205 tolling

STAFF RECOMMENDATION:

Discussion topic.

EXECUTIVE SUMMARY:

NA

BACKGROUND:

NA

OPTIONS:

NA



CITY OF OREGON CITY

Staff Report

625 Center Street
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503-657-0891

To: City Commission
From: City Manager, Tony Konkol

Agenda Date: 11/7/2023

SUBJECT:

Joint work session of the Cities of West Linn and Oregon City – Statewide Housing Production

STAFF RECOMMENDATION:

Discussion topic.

EXECUTIVE SUMMARY:

As background information for the discussion between the elected officials, please find attached to this report an October 27, 2023 to the Oregon Housing Production Council and a September 6, 2023 Legislative Review summary staff report presented to the City Commission.

BACKGROUND:

NA

OPTIONS:

NA



October 27, 2023

Dear Oregon Housing Production Council:

We encourage your support for the recommendation to address conflicts between the Climate Friendly and Equitable Community Rules (CFEC) and the Oregon Housing Needs Analysis (OHNA) during the OHNA rule-making process.

Our cities have been and remain committed to mitigating the impacts of climate change and creating more equitable access to housing and home ownership. These values are already embedded in local planning for our communities' new residential and commercial developments. Yet the conflicts between CFEC and OHNA threaten our ability to meet Oregon's housing production needs while advancing these core values. We appreciate your engagement on this topic because aligning these two initiatives is imperative. The alternative is to continue with the current process, which will delay if not make meeting Oregon's housing development goals impossible.

Some examples of the conflict were outlined for the Council on October 13, 2023. Many cities are experiencing these challenges. Communities range in size, demographics, and geography. A few include:

- Hillsboro is completing the largest master-planned community in Oregon's history, with 9,000 housing units at full build-out. This project would not have been possible if CFEC were in place because it would have triggered a major Transportation System Plan update and likely would not have met the CFEC's vehicle miles traveled standard. In Springfield, a 1500-unit mixed-density development is at risk for the same reasons.
- Happy Valley has plans for more than 7,500 new housing units, and a new multi-modal transportation infrastructure is necessary to serve the residents of this development. At best, CFEC will create delays to this project. At worst, this development will be impossible, forcing the alternative to be one with serious safety concerns because of the need for more infrastructure, such as parking, bike lanes, and sidewalks. The City of Troutdale faces a similar challenge.
- In Medford, the rules are so restrictive that homeownership opportunities are less likely to be available in climate-friendly areas, forcing many families to choose between living in a walkable, mixed-use neighborhood or home ownership, which is not advancing equity.

Our cities care deeply about our residents. We want to be part of the solution and must be part of the solution to the growing housing crisis in our state. Our ask is not to abandon the goals of CFEC but the opposite. We endorse the goals of CFEC; however, unless those rules are aligned with OHNA, our objectives become harder to meet, longer to meet, and more costly.

Also, these rules can be aligned within the DLCD's existing authority and should not require an executive order or legislative direction. We encourage you to adopt this recommendation because it represents smart governance and will establish a better path for us to work together to achieve a more climate-friendly and equitable state where the path to homeownership is available, and housing is affordable.

Thank you for your time and leadership in addressing this critical issue.



CITY OF OREGON CITY

Staff Report

625 Center Street
Oregon City, OR 97045
503-657-0891

To: City Commission **Agenda Date:** 09/06/2023
From: Aquilla Hurd-Ravich, Community Development Director
Carrie Richter, Deputy City Attorney

SUBJECT:

Legislative Review from the 2023 session and draft comments to the Housing Production Advisory Council

STAFF RECOMMENDATION:

Review the legislative summary and draft comments and provide staff with feedback or direction to submit the comments to the Housing Policy Advisory Committee.

EXECUTIVE SUMMARY:

The City Attorney's office has provided a summary of land use related changes resulting from the 2023 Oregon Legislative Session with an eye towards identifying areas where local City regulations or procedural amendments are required in response. A significant focus of the 2023 legislature was directed at efforts to increase the supply of housing. Those efforts can be viewed as an attempt at a holistic multi-pronged effort directed at all of the ways in which government can incentivize and remove barriers to the construction of additional housing. Of course, local land use regulation plays a role in this as it is often cited by developers as the reason for delay and increased cost, so land use regulation was a key element of these efforts.

BACKGROUND:

Executive Order 23-04, signed on January 10th 2023, establishes a statewide housing production goal and a Housing Production Advisory Council. The Oregon Housing Needs Analysis (OHNA) estimated a shortage of 140,000 homes across the state and estimated that overall housing demand would require the production of 443,566 homes across the state over the next twenty years. The Governor established the Housing Production Advisory Council (HPAC) to develop an action plan to meet new construction targets of 36,000 homes per year for the next ten years. The HPAC began meeting in March, shortly after the members were appointed, and developed a framework plan by April 2023. Their next task is to develop recommendations to the

Governor by December 31, 2023. The HPAC identified and established five work groups:

- Availability of Land
- Land Development Permit Application
- Codes and Design
- Workforce Shortages
- Financing

The work groups are making recommendations to the HPAC for adoption that will get forwarded on to the Governor and recommended for discussion at the 2024 legislative session. The full HPAC meets every two week for the next three months on Fridays from 1:30 to 4pm and they are open to the public. The work groups meet twice a month or every two weeks depending on the group. Previous meetings and the workgroup recommendations can be viewed on the [HPAC webpage](#).

We were asked by the Governor's Senior Housing Policy Advisor for any recommended actions the City would want considered during the 2024 legislative session. Staff supports the Financing workgroup recommendations for the State to help fund infrastructure. Staff has drafted comments aimed at supporting infrastructure financing. The remaining recommendations do not directly impact housing production in the same way as infrastructure financing and seem to only create more state codes and bureaucracy for staff from local communities to navigate.

The review of land use related legislation is attached for your review. As well as draft comments intended for the Housing Production Advisory Council.

OPTIONS:

1. Direct staff to submit the attached comments to the HPAC
2. Direct staff to make substantive changes and submit comments to the HPAC



MEMORANDUM

TO: Mayor McGriff and Oregon City Commissioners
 FROM: Carrie Richter, Deputy City Attorney
 DATE: August 29, 2023
 RE: Review of 2023 Land Use-Related Executive Orders & Legislation

This office has been asked to provide a summary of the land use related changes resulting from the 2023 Oregon Legislative Session with an eye towards identifying areas where local City regulations or procedural amendments are required in response. One of the most significant events at the 2023 legislature was the walk-out of republican legislators. The walkout resulted in many topic-related bills were merged together into omnibus bills - a single bill that may include separate and diverse requirements intended to work together to address a broad concern. As such, this memorandum is focused primarily on the land use planning related elements of those bills, although there may be broader impacts for the City such as for public works or public safety. Similarly, although this memo identifies a number of grant opportunities, it should not be construed to include a comprehensive list of state money that might be available for activities that have a tangential impact on land use regulation within Oregon City. For example, HB 5030/Lottery Bond funds designated \$10 million to the Main Street Revitalization Grant program which could be accessed by Oregon City or others interested in additional Main Street-focused projects but it is not listed here as it is not directly related to work of the Planning Department.

This memorandum is organized based on a subjective evaluation of the immediacy of the impact and the affirmative response deadlines that it may place on Oregon City. However, this ordering should not be construed to suggest any judgment on the overall significance or impact.

Housing

A significant focus of the 2023 legislature was directed at efforts to increase the supply of housing. Those efforts can be viewed as an attempt at a holistic multi-pronged effort directed at all of the ways in which government can incentivize and remove barriers to the construction of additional housing. Of course, local land use regulation plays a role in this as it is often cited by developers as the reason for delay and increased cost, so land use regulation was a key element of these efforts.

Housing Production Advisory Council Recommendations

Executive Order 23-04, signed by Governor Kotek on her first day in office, set a housing production goal of 36,000 homes per year over the next ten years. This represents an 80% increase over current trends. To accomplish this goal the order established the Housing Production Advisory Council (HPAC), a council of experts (largely representing development interests) charged with developing an action plan to meet the new construction targets. When the HPAC refers to "housing production" they are talking about housing at all levels and not just affordable housing or shelters for the houseless.

Identifying the levels of affordability needed in every community will be accomplished as set out in HB 2001 (2023), as discussed further below. By December 2023, the HPAC is to issue written findings and a recommendation for how to reach the Governor's overall housing goal, which presumably may become the subject of legislation to be passed in the 2024 Legislative Session.

At this point, City staff has received a request from a housing staff member in the Governor's office for comment on the latest HPAC work group recommendations. Attached to this memorandum are the draft comments staff has put together in response that will be forwarded to HPAC on or before Sept 7.

Related Issue - By-Right Adjustment and other Enforcement Mechanisms

One of the bills that failed during the 2023 Session (in a very dramatic fashion on the last day of the session), was HB 3414; however, the Governor has indicated she intends to bring the bill back in 2024. This bill has two separate and distinct parts. The first part would require a local government to allow a developer of housing to waive and not comply with certain development and design requirements - solely at a developer's request. The types of regulations that were eligible for this treatment varied as the session wore on but the Governor's office consistently advocated for a bill that allowed by-right waivers for all development standards (setback, parking, landscaping) and design standards (building orientation, height, materials, transparency) without much limitation, although there was a late concession to allow riparian and urban forestry protection standards to remain. Late in the session, this bill was amended making it permissive for local governments to engage in a one-time limited expansion of the urban growth boundary without going through the rigorous need-based process. The second part of the bill creates the framework of an enforcement structure for local governments who fail to produce housing in the required numbers. Again, this is all mentioned here because (1) this bill will be back in 2024 and (2) many believe that the HB 3414 authorizations will be rolled into the HPAC recommendations. Therefore, HB 3414 elements were considered when drafting the City's comments.

Housing Need and Production Obligations

HB 2001 (2023) (this is distinct from the 2021 HB 2001 that related to middle housing) did pass this session and it creates the framework for inventory, need, tracking and enforcement for the production of housing at a variety of income levels (most often referenced as the Oregon Housing Needs Analysis (OHNA)). By March, 2024, DLCD will issue a housing production target schedule identifying the proportion of the allocated housing need each city is required to produce. No later than January 1, 2025, and annually thereafter, the Department of Administrative Services will issue a statewide housing analysis projecting housing production targets on a regional basis. The Portland area targets will be supplied to Metro. The Housing and Community Services Department will publish a production dashboard to track local government progress. Thereafter, Metro will allocate a housing need evaluation for each Metro city. Within six years thereafter, Oregon City will have to compile an inventory of buildable lands likely to produce housing based on identified factors. If that inventory is insufficient to satisfy the Metro-allocated need, the City must revise its zoning and regulations to satisfy any shortfall. The difference between this framework and the present system is that, under the newly enacted HB 2001, cities have to go beyond simply zoning lands available for housing - cities are on the hook to ensure that the housing is actually built. Presumably this would be done through a variety of tools,

including regulatory incentives, inclusionary zoning, and/or grant funding. Failure to satisfy the production obligations could lead to state intervention to mandate zoning code classifications or other regulatory changes, presumably through the enforcement structure set forth in HB 3414.

Incentives for Special Categories of Housing

Reuse of Commercial Buildings for Housing – HB 2984 requires local governments to allow the conversion of a building or portion of a building from commercial use to housing without any otherwise required zone change or a conditional use permit. There are exceptions where public services are inadequate, on slopes over 25%, within a floodplains, and on industrial-zoned lands. The City already allows residential in all of its commercial zoned except for MUE, which is an industrial zone. As such, no change to the City’s land use regulations is necessary. However, as of Jan. 1, 2024, the city cannot impose any additional off-street parking requirements for these residential conversions and *constrains the collection of system development charges to those specifically adopted to address residential conversions on or before December 31, 2023* or otherwise limited to water and wastewater-limited charged that were not otherwise collected at the time of commercial building construction. Therefore, as part of the effort to revisit the SDC structure for historic resources as directed by the City Commission at its meeting on August 23, the City will include a specific recommendation for commercial-to-residential conversions as well.

Affordable or Mid-Income Housing Allowed Outright in Commercial Zones – HB 3395, the omnibus housing package bill, includes a number of housing related provisions. Section 2 mandates that local governments permit housing in commercial zones so long as it is subject to an affordable housing covenant making it available to households earning less than 60 percent of area median income. Mixed use development including housing is permitted outright in commercial zones where available to households with income less than or equal to 120 percent and greater than 80 percent of the area median income. As noted above, housing is already allowed outright in commercial zones in Oregon City so this section of HB 3395 will have no impact.

Extension of Emergency Shelter Siting Obligations – HB 3395, Section 7, extends the emergency shelter siting authorization established in 2021 HB 2006. Instead of sunseting on a date certain, local governments must approve shelter requests upon a finding of compliance with only state law-identified criteria until such time as the total sheltered and unsheltered homeless population within the state is less than 0.18 percent.¹ A new amendment provides that these shelter siting decisions can be made with or without holding a public hearing and now provides for the recovery of attorney fees by a shelter applicant (as well as recovery of attorney fees by the local government when it approves the request and prevails in a court challenge).

Single Room Occupancies Permitted – HB 3395, Section 17, requires that local governments allow for “single room occupancies” – four or more bedroom structure rented to unrelated people with shared bathroom and kitchen amenities. “Single room occupancies” of up to six units must be allowed in all

¹ The existing siting authority would have expired on July 1, 2023.

zones that allow for detached single family residential uses and for a greater number of units that matches the otherwise proscribed minimum density in the zone.

Manufactured Dwelling Parks as Allowed Use in Commercial Zones – HB 3151 expands the existing mandate of allowing affordable housing units without a zone change or conditional use permit, to include manufactured dwelling parks that are owned by a non-profit cooperative in commercial zones or on lands that “allow for religious uses.” In Oregon City, religious uses are conditionally allowed in residential zones but “allowed” outright only in commercial zones.² The plain language suggests that a manufactured home park could not be permitted on land occupied by a religious use that is either non-conforming or was conditionally approved. Utility service adequacy, natural hazard development constraints or other statewide land use mandated protections continue to apply. This bill takes effect January 1, 2024.

Property Tax Exemption for Owner-Occupied Middle Housing – Although only tangentially related to land use, SB 919 authorizes cities or counties to adopt a five-year property tax exemption for a newly constructed accessory dwelling unit or the conversion of an existing single family structure to a duplex, triplex or fourplex, where the structure is owner occupied and none of the units are used as short term rentals. This is a permissive authorization at the election of a city or county.

Required Assurance for Subdivision Improvements - In addition to a bond, irrevocable letter of credit or other assurance for the completion of public improvements required as part of a subdivision, HB 3395, Section 15 requires local governments to accept one or more award letters from public funding sources for affordable housing projects subject to restricted income covenants, provided the awards total an amount greater than the project cost. This bill takes effect on January 1, 2024.

Limitation on Period for Adopting Findings for Housing under 120-Day Rule – Under current law, when a city makes a land use permit decision, the time to adopt written findings after making a tentative decision was entirely exempt from the 120-day rule limitation (or 100 days in the case of affordable housing). HB 3395, Section 4 changes this so that a city has only 7 days after the tentative decision to adopt written findings outside of the decision time limits when it is considering an application for housing. This bill takes effect on January 1, 2024.

Climate Change

Assistance with CFEC Compliance – Section 148 of SB 5506, an omnibus climate change bill, appropriates an additional \$2,690,922, to provide assistance to local governments to comply with Climate Friendly and Equitable Community obligations.

Community Green Infrastructure Grant Program – HB 3409 is a wide-ranging climate focused bill. The bill calls for the Department of Energy to engage in rulemaking establishing energy efficiency standards

² Religious uses are listed as a conditional use in the MUE, MUC and NC zones. However, the City has an obligation under federal law to treat religious uses on equal terms as non-religious uses. Since religious uses typically have the same impacts, they would need to be treated the same as commercial uses. These provisions should be changed during the next code amendment update effort.

for commercial buildings, including government owned buildings. The first deadline for achieving these standards is 2028. Section 28 of this bill calls on the State Department of Forestry to create an urban tree canopy assessment tool and Section 24 requires that DLCD implement grant program for local governments that adopt plans to expand their urban tree canopy through a long-term arrangement with an Oregon nursery to supply trees. Section 86 requires that the Oregon Health Authority implement a grant program for the creation and operation of resilience hubs and networks to offer natural disaster assistance. Most of the grant funding opportunities become effective after Jan. 1, 2024.



OREGON CITY

Community Development

695 Warner Parrott Road | Oregon City OR 97045
Ph (503) 722-3789 | Fax (503) 722-3880

MEMORANDUM

To: Mayor and City Commissioners
From: Aquilla Hurd-Ravich, Community Development Director
Carrie Richter, Deputy City Attorney
Re: DRAFT Comments to the Housing Production Advisory Council
Date: August 29, 2023

The following comments were prepared by staff for the Mayor and Commissioner's review. Final comments will be formatted into a letter and sent to the HPAC via the Governor's Senior Housing Policy Advisor.

Need for Infrastructure Funding to Achieve House Goals.

The City of Oregon is located at the southeast corner of the Metro Urban Growth Boundary. Over 1000 acres of land abutting the existing Oregon City boundary to the south and east was added to the UGB in 2002 and a smaller area was added in 2004. All of these lands were concept planned for urban development through the adoption of the:

- Park Place Concept Plan covering 500 acres for residential and small nodes of neighborhood-scaled commercial development, adopted in 2008.
- Thimble Creek (originally Beaver Creek Road) Concept Plan covering 453 acres, provides for a complete community including residential, industrial and neighborhood-scaled commercial, adopted in 2008.
- South End Concept Plan includes approximately 510 acres planned for residential development, adopted in 2014.

The City long ago updated its infrastructure master plans to include facilities and services required for the urbanization of certain concept plan areas. However, there has been a slow progress in development. The Park Place and Thimble Creek areas have not seen any significant development yet, and construction in South End has been slow and fragmented. The main reason for the delay is the high expenses involved in providing the necessary infrastructure for these facilities and services.

Geographic and transportation constraints affect the ability to build housing

Oregon City's terrain, including the UGB expansion areas, has many hills. This means that providing services in these areas requires extra engineering work to ensure that roads and



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pump stations are stable on slopes or creative arrangements for rural service districts can be made to accommodate the orderly transition of services for urban development. The steep terrain can make it difficult for pedestrians and bicyclists to get around, and spotty service by Tri-Met can be a challenge for alternative transportation.

One of the major obstacles faced by the concept plan areas is the need to use or cross ODOT-maintained state highways like Highway 213 or 99E to reach existing commercial nodes within the City. Unfortunately, the majority of traffic on these highways is pass-through traffic from Mulino, Molalla, or rural parts of Clackamas County. As a result, these highways are consuming most of the peak hour capacity and causing failing intersections. This poses a significant challenge for new development in these areas, as they too will rely on these highways for access. However, Oregon City can only make capacity-increasing improvements that are proportionate to the impacts of development, which are usually less than 1-2% of the whole.

The City has tried alternative mobility measures at a few intersections, but this has led to congestion exceeding state standards and ultimately compromising safety and emergency access. To address these concerns, the Park Place Concept Plan recommends that new developments be served by two different access points. This will allow for better distribution of traffic to other city arterials and provide secondary access in case of an emergency. However, there has been no development proposed that would extend the full length of the planned dual access points. Hence, it is crucial for the City and developers to collaborate and build this critical infrastructure before development can occur.

Reduce federal funding affects smaller and older suburban cities like Oregon City

In the last decade, the federal government has reduced its investment in water, sanitary sewer, and stormwater infrastructure, leading to increased costs for local communities. Oregon City's existing piped infrastructure is old and requires more frequent inspection and maintenance than newer cities. If new development does not contribute to the necessary infrastructure, the City will have to rely on system development charges, which can increase housing costs. Local developers have reported that system development charges in Oregon City can represent up to 25% of construction costs, which is in line with neighboring jurisdictions. To address this challenge, local governments could receive



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grants and forgivable loans, similar to the Oregon Infrastructure Fund, to fund critical infrastructure.

It is important to prioritize infrastructure investment toward housing that the market may not develop on its own, such as housing for veterans, low-income households, and those in need of social services. If infrastructure is subsidized to provide market-rate housing, developers should not be allowed to profit from these efforts. It is necessary to establish a reasonable market cap on the homes serviced by publicly funded infrastructure to prevent developers from profiting from government-funded savings that are eventually paid back by taxpayers through loans or bonds.

Allow for a Customized Program to Acknowledge Local Needs

Local governments are responsible for planning housing at all levels under Goal 10. However, it's important to note that not all housing is the same and the cities must accommodate it accordingly. Oregon City, a bedroom community of the Portland Metro area, has primarily single-family houses in its residential housing supply. This presents an excellent opportunity for middle housing. However, transportation constraints make it challenging to provide multi-family housing. To overcome this challenge, the city needs to encourage multi-family development in areas where commercial support already exists. Statewide zoning mandates that are one-size-fits-all, such as eliminating off-street parking requirements, are not helpful in achieving this goal.

Oregon City, as the Clackamas County seat, has a greater need for affordable housing and services for the homeless than other cities on the Metro-edge. If the HPAC wants to effectively support communities in meeting the needs of low-income residents, it must distribute relief in a way that recognizes the higher demand in Oregon City.

Preservation of naturally occurring affordable housing is linked to the city's identity

Oregon City, being the first city in Oregon, is home to a large number of historic resources, including its Main Street and residential historic districts. These districts protect a variety of vernacular houses built between 1844 and 1930 and are a significant source of tourism and economic growth for the city. Therefore, any housing production plans for the area



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must consider the inherent limitations and opportunities that come with preserving these historic resources. Mandated incentives, including financial and regulatory measures, should not be used as a way to encourage the demolition of these structures. Doing so would not only remove naturally occurring affordable housing but also have a negative impact on the environment.

Additional Recommendations from the working groups

The working groups have put forward several recommendations that will affect how local communities can review and respond to development applications. However, some of these recommendations seem to suggest state-mandated codes for local jurisdictions, which could increase bureaucracy for local staff instead of promoting more housing production. The recommendations include updating the appeals process, modifying the public hearing process, allowing adjustments of up to 20%, creating wetland mitigation banks, and regulating the removal of trees for development purposes.

In Oregon City, we believe that the state should fund infrastructure in new urbanizing areas and infill development to incentivize housing production. Recommendations from the HPAC and working groups that create more regulations may not directly benefit housing production like state-supported infrastructure financing.



CITY OF OREGON CITY

Staff Report

625 Center Street
Oregon City, OR 97045
503-657-0891

To: City Commission
From: City Manager, Tony Konkol

Agenda Date: 11/7/2023

SUBJECT:

Joint work session of the Cities of West Linn and Oregon City – Regional Homelessness

STAFF RECOMMENDATION:

Discussion topic.

EXECUTIVE SUMMARY:

As background information for the discussion between the elected officials, please find attached to this report an October 18, 2022 letter from the Oregon Mayors Association identifying the need for partnerships to solve the statewide homelessness emergency and the City of Oregon City 2022-2026 Homelessness Strategy.

BACKGROUND:

NA

OPTIONS:

NA



To convene, network, train, and empower Mayors

MEMORANDUM

To: Mayors and Chief Executive Officers of Region 2
From: The Oregon Mayors Association
Date: October 18, 2022
Re: Partnership Needed to Solve Statewide Homelessness Emergency

This past May, the Oregon Mayors Association (OMA) formed a Taskforce on Homelessness. Twenty-five mayors, representing cities of all sizes from around the state, studied Oregon's homelessness crisis. And while the crisis may seem insurmountable, given that the symptoms and solutions look different between urban and rural communities and vary based on a city's size, geography and available service providers, local government leaders have developed a solution to Oregon's crisis of the unhoused.

The OMA Homelessness Taskforce's plan to humanely and timely address the homelessness crisis in Oregon is a partnership between the State of Oregon and its 241 cities. This partnership will allow for the establishment and expansion of local, community-based responses that provide immediate shelter, needed services, and secure safety for unhoused Oregonians. During the 2023 Legislative session, the OMA will *propose* two separate, yet parallel, budget proposals: (1) a budget package which provides direct allocation to cities for homelessness response and prevention services; and (2) a budget package that provides capital improvement funding for cities.

Direct Allocation

A direct allocation of funding from the state to each incorporated city in Oregon for cities to use in their homelessness response and prevention services is being proposed by the OMA.

- It is proposed that each city will be allocated funds in an amount equal to \$40 per resident, in accordance with the latest official population estimates from Portland State University.
- The proposal requires that in no instance will an incorporated city receive less than \$50,000 in direct funding.
- OMA's proposal provides cities the ability to elect to use the funds for their own homelessness response and prevention services, or to redirect their funds to community partners who are required to use the funds for homelessness response and prevention services.

OMA's proposal states that funds must be used for homelessness response and prevention services, which may include:

- Abatement/clean-up
- Environmental mitigation
- Affordable housing
- Capital construction or improvement costs related to homelessness or affordable housing measures
- Community resource officers
- Education and outreach
- Food bank assistance
- Shelter and/or transitional housing
- Hygiene stations
- Operation costs
- Outreach workers
- Prevention

With a \$50,000 guarantee for all cities, and a \$40.00 per resident multiplier in place, based on the April 19, 2022, PSU population estimates, the total amount requested would equal \$123,575,800.00 annually.

For cities located in Region 2, a \$40 per resident allocation equates to an annual allocation of the dollar amounts denoted below:

- Banks - \$73,360
- Barlow - \$50,000
- Beaverton - \$3,892,720
- Canby - \$750,160
- Cornelius - \$539,920
- Durham - \$78,000
- Estacada - \$200,560
- Fairview - \$417,840
- Forest Grove - \$1,049,680
- Gaston - \$50,000
- Gladstone - \$481,320
- Gresham - \$4,574,440
- Happy Valley - \$1,029,520
- Hillsboro - \$4,326,160
- Johnson City - \$50,000
- King City - \$207,360
- Lake Oswego - \$1,632,040
- Maywood Park - \$50,000
- Milwaukie - \$849,400
- North Plains - \$137,840
- Oregon City - \$1,509,480
- Portland - \$26,350,920
- Rivergrove - \$50,000
- Sandy - \$514,760
- Sherwood - \$819,840
- Tigard - \$2,234,160
- Troutdale - \$652,760
- Tualatin - \$1,116,400
- West Linn - \$1,098,080
- Wilsonville - \$1,087,7740
- Wood Village - \$179,120

Capital Allocation

In addition to the direct allocations, the Taskforce's proposal requires a meaningful allocation from the State for coordinated capital construction investments for specific shelter and transitional housing projects, statewide. It is expected that a final dollar amount for needed capital construction investments will equal between \$125 to \$175 million. The OMA is seeking information from Oregon cities about any needs they may have for capital construction investments from the state in their local responses to addressing the homelessness crisis.

Request for Support

The OMA Homelessness Taskforce and the OMA Board of Directors seek the support of Oregon's 241 cities for the above-described proposal. In an effort to present the legislature and Oregon's next governor with a truly coordinated and collaborative proposal, the OMA hopes to submit its legislative request with as many city partners as possible.

To explain the statewide nature of this crisis, the League of Oregon Cities (LOC), in partnership with the OMA, has secured the services of a communications specialist to work directly with cities interested in supporting the OMA proposal. The communications specialist will work directly with interested cities to develop a one-page document that outlines a city's unique experience with homelessness, and how the funding proposed by the OMA would help the city respond to, or even prevent, homelessness in their community. Work performed by the consultant in support of the OMA proposal will be paid for by the LOC.

Oregon's mayors are leading the on-the-ground response on homelessness, and the prevention thereof, but cities cannot do so alone and need joint leadership from state government to support cities and our county partners. The OMA Taskforce has called on Oregon's next governor and legislature to fund the services and housing needed to make an impact on Oregon's homelessness crisis; the support of Region 2 cities will go a long way to expressing the importance and impact of this proposal.

If your city is interested in supporting the proposal, please contact any of the LOC staff persons listed below as soon as possible, ideally cities wishing to provide support to the proposal should make contact no later than November 4th.

- Patty Mulvihill, LOC Interim Executive Director – pmulvihill@orcities.org
- Ariel Nelson, LOC Housing & Land Use Lobbyist – anelson@orcities.org
- Angela Speier, Projects & Affiliates Manager – aspeier@orcities.org

Homelessness Strategy for Oregon City

2022-2026

INTRODUCTION

In January and February 2021, the City Commission and the City's Executive Team met three times for a series of goal-setting workshops. Our goal was to align around a shared vision, discuss current community projects and issues, and provide City staff with direction regarding the Commission's priorities for the coming years. The City Commission and staff worked closely together to identify goals and strategies for the 2021-2023 biennium that will build on the work and success of previous years, while also addressing new challenges and/or shifting community needs.

The Commission wrapped up the goal-setting process by identifying eight goals for the 2021-2023 biennium. With a set of Commission Goals and Priorities in place, staff then created a biennial work plan that aligns specific actions to implement the Goals with proposed funding for each item. All of this work is combined to create a City budget that supports the Commission Goals while also maintaining high-quality core City services.

This Homelessness Strategy is a product of City Commission *Goal #4: Adopt and implement a homelessness strategy for Oregon City*. While we acknowledge that we cannot solve the homelessness problem in the Metro region, the City is committed to a focused approach that partners with local, regional, and state resources to help those that are houseless or at risk of losing their home within our community.

Our vision is...

To create a five-year homelessness strategy (2022-2026) that is designed to support current and future City activities and investments that are focused on partnerships, service delivery, and enforcement to reduce homelessness and the impact on Oregon City.

This document provides a summary of the current homelessness landscape in Oregon City, known partners, existing constraints, and potential opportunities. It outlines a set of priorities and strategies that are based on what we've learned over the past 8 years working on this issue, and what we've heard from our partners who provide on-the-ground assistance to houseless persons in Oregon City. The plan is focused on helping people in our community while also reducing the negative impact of homelessness on Oregon City.

CURRENT ENVIRONMENT

The Homelessness Program at Oregon City is currently established within the Oregon City Police Department (OCPD). It is led by the police chief and two full-time staff: a homeless services specialist and a behavioral health specialist. Staff are not sworn police officers or experts in homelessness; their knowledge comes from working on the street every day with the homeless population for the past 8 years. Staff continue to learn from a network of local service providers who help us via coordination and thoughtful problem-solving. The extent and shape of homelessness in Oregon City is affected by our proximity to and dynamics of the City of Portland and neighboring communities. Homelessness is a regional problem and the population in Oregon City changes daily. Our priorities and strategies acknowledge our limitation of resources, the need for regional coordination, and the opportunities that are most reasonable to pursue.

DEMOGRAPHICS

The homeless population in Oregon City is as diverse as any other sector of our society and is growing at a steady pace. Located within the Portland metropolitan area, Oregon City is part of a larger, regional homeless problem. Many of the individuals who are homeless in Oregon City travel throughout the Portland Metro region, living in different areas for varying periods of time. Oregon City has the highest concentration of homeless individuals in Clackamas County. Oregon City saw an immediate and



overwhelming increase in homelessness around Oregon City at the beginning of 2013, when a day shelter opened to provide homeless services. The presence of this shelter made Oregon City a destination for unhoused people seeking services.

According to the 2019 point-in-time count for Clackamas County¹, 75% of the homeless population are single adults and 15% are single adults with

children. Eight percent of the homeless population are under 18 years of age. Finally, unaffordable rent, unemployment, eviction, interpersonal conflict, and mental or emotional health issues were the most common problems faced by those who reported what caused them to leave their last living arrangement. A number of people experiencing homelessness are additionally challenged with substance dependence.

¹ [Clackamas County 2019 Point-In-Time Count, August 2019](#)

COMMUNITY IMPACTS

The growing homeless population has had an impact on Oregon City neighborhoods and businesses. The presence of tents and some of the behaviors exhibited by some of the people experiencing homelessness have resulted in complaints and concerns about safety from members of the community.

Crime reports from the Oregon City Police Department indicate the most common incidents that occur by homeless individuals are trespassing, theft, drinking in public places, criminal mischief, and possession of controlled substances. Community members often report piles of trash, materials associated with homeless camps, abandoned shopping carts, and human waste around businesses and homes. Citizens also voice safety concerns for individuals traveling on foot or bicycle along streets, state highways, and Interstate 205.



Businesses, neighborhoods, and City buildings have seen an increased presence of people who suffer from mental illness in the community. While many of these behaviors are completely harmless, they can be unsettling to some. This has resulted in an increased number of emergency calls to the police department. People call because they are either worried about their own safety or concerned about the safety of the individuals whose behaviors they find alarming.

CHALLENGES AND CONSTRAINTS

The City of Oregon City and our employees do not discriminate against people because they are homeless; we serve all members of this community, whether they are housed or not. Our employees work to solve issues and concerns that are tied to behaviors, not people based on their status. The following issues are the top challenges facing the City in its response to the current homelessness environment.

Mental Health Services

The biggest challenge is the lack of available mental health services for homeless people in need. The majority of the calls received are usually linked to someone suffering from untreated mental illness. City staff have nowhere to take individuals who need behavioral health services. If an individual is an immediate danger to themselves or others, they are taken to the hospital but are generally released within hours. The lack of mental health treatment is a national problem. Officers respond and have no services or options to offer these members of the community. There are a number of people with whom we have worked for months to get services and even housed, only to find them back on the streets after having gone off their medication.

Camping, Trash and the Law



The City receives numerous complaints about camping and trash on public property and requests to ‘make a person or persons leave an area’. There are several court cases and an Oregon law that address camping on public property and guide cities in their response to these issues. Oregon House Bill 3115 was passed in 2021 and requires city ordinances that regulate sitting, lying, sleeping, or keeping warm and dry outdoors on public property must be objectively reasonable. In other words, the city is not allowed to target homeless individuals if they are sitting, lying, sleeping, or trying to keep

warm and dry in outdoor areas. In 2020, the City Commission updated the Oregon City Municipal Code to ensure compliance with the *Martin v. Boise* ruling, a Ninth Circuit case, upon which House Bill 3115 was written. The Bill also requires notification and posting of camps prior to removal, as well as a requirement that the City store personal property and debris removed from camps for 30 days. Finally, the Bill states that local governments cannot punish people for camping if the City cannot offer an alternative, such as a bed in a shelter. Therefore, City staff maintain a list of shelter options to offer homeless individuals who are willing to go to a shelter.

An additional challenge are jurisdictional issues related to camping and trash. Several of the areas where the public report refuse are public areas controlled by government entities other than Oregon City; such as METRO, the Oregon Department of Transportation (ODOT), and Clackamas County. We work with these governments to keep the environment clean and free of unwanted trash. But the City does not have the authority to remove camps or trash from properties adjacent and outside of the city limits.

Housing Services

Getting people into housing is one of the biggest challenges faced by City staff. The majority of the people staff contact on the street are not ready or willing to accept services that would lead them to housing. To get some people housed, it takes time and a process of building trust before they are ready to engage the services necessary to get housed. Additionally, the number of available shelter spaces in the Portland Metro area is limited.

Housing services in our area are managed by Clackamas County. Housing a person or family experiencing homelessness requires a coordinated, regional effort across the County, Portland, and greater Metro area. Coordination needs to be improved to better address housing options and to provide targeted, wraparound services that effectively prepare people to come off the street and return to housing.

Homelessness is a complex issue and requires a collaborative approach. There are no silver bullet solutions or individual solutions that will be successful in all scenarios.

FIVE-YEAR STRATEGY: 2022-2026

The City has identified a set of priorities and associated strategies that will focus City operations and budget considerations for the next five years. The City has already made great strides in addressing homelessness in Oregon City. These priorities will continue to support the existing Homelessness Program while building new strategies that will further our ability to assist those individuals and families most in need.

PRIORITY 1: CONNECT HOMELESS PERSONS TO RESOURCES

In order for homeless persons to transition to permanent housing, health and social services are often required for success. Oregon City has hired two staff members within the Oregon City Police Department that currently work every day with the homeless community in Oregon City by providing information, determining needs, making connections between people and needed services, and working toward getting them housed. The City of Oregon City does not provide shelters or transitional housing. We work with different shelters and Clackamas County to connect people with these providers. Our staff



will do whatever it takes to connect people with housing opportunities, including arranging transportation and temporary lodging until an opportunity becomes available. In addition, the City has taken advantage of grant opportunities that allow us to help people who are about to become homeless with assistance to keep them housed. This priority is centered on increasing services and resources for people at risk of or experiencing homelessness. Oregon City will support this priority by implementing the following strategies:

- Continue to fund and support the Oregon City Homeless Services Specialist and the Behavioral Health Specialist positions (2 permanent FTE).
- Build and use a network of social service providers in Oregon City and the region to provide wraparound services to homeless persons.
- Provide training to Oregon City staff to best serve the homeless community.
- Coordinate state, regional, and local resources to streamline and improve service provision and the availability of housing solutions for people experiencing homelessness.

PRIORITY 2: REDUCE THE IMPACT ON OREGON CITY NEIGHBORHOODS AND BUSINESSES

As discussed earlier in this document, Oregon City experiences a variety of impacts due to the growing homeless population both inside and outside the city limits. We are limited in both resources and our ability to house homeless individuals who are living in the City. We must work with a trauma informed approach to enforce local and state laws legally and ethically as they relate to behaviors that have a negative impact on the community. This is demonstrated in the following strategies:

- Enforce laws and City municipal code with compassion and prioritize alternative solutions. This is done through our partnership with the Clackamas County Community Court which diverts people from the criminal justice system and requires an individual to engage with needed services, such as behavioral health or substance dependence services.
- Continue to clean up abandoned campsites, waste, and trash.
- Work with partner agencies such as the Oregon Department of Transportation, Metro, and Clackamas County to keep the community clean and safe.

PRIORITY 3: INCREASE COMMUNICATIONS AND COMMUNITY ENGAGEMENT

Oregon City has a community base that is consistently concerned about homeless-related issues and the growing homeless population in general. Many individuals have offered to help, have requested more information about the situation and what the City is doing to reduce the homeless population in Oregon City, and serve as a dependable resource for alerting OCPD of issues and areas of concern.



Staff must improve communications with our community and engage residents and businesses who are willing to provide time and resources. Finally, staff must be internally coordinated to strengthen the City's Homelessness Program and improve government processes.

The City will implement the following strategies:

- Create a centralized web site to communicate Homelessness Program priorities and strategies with the community at-large; streamline the ability to report concerns to OCPD; provide a Frequently Asked Questions (FAQ) page to provide information to the community on commonly asked questions.
- Create an internal Homeless Solutions task force with representatives from all departments to coordinate City activities and to assist with targeted problem-solving; consider programmatic or municipal code modifications to support the Homelessness Program.
- Coordinate with local partners to leverage community members who would like to assist with homeless-related issues.

PRIORITY 4: LEVERAGE OTHER FUNDS TO SUPPORT PRIORITIES

Outside funding sources can be used to supplement and advance Oregon City homeless priorities and strategies. The City will leverage outside funding opportunities to the extent reasonably possible while also partnering with other government and non-profit organizations to increase service delivery and housing options for the homeless community. Oregon City will implement the following strategies:

- Leverage outside funding sources to the greatest extent possible; monitor grant opportunities for alignment with City priorities and strategies.
- Partner with other government and non-profit organizations to increase service delivery and housing options for the homeless community.
- Consider homelessness strategy priorities each biennium during the City's budget process to determine where and how much funds should be allocated to the Homelessness Program.