



EQUITABLE HOUSING BARRIERS and SOLUTIONS PROJECT

While Washington County is one of the state’s fastest-growing counties and an economic engine in Oregon, assuring that equitable housing opportunities are available for all residents is a growing challenge. This issue affects a broad spectrum of our increasingly diverse population — including people of color, young people, working families, seniors and those with disabilities.

Equitable housing includes diverse, quality, physically accessible, affordable housing choices with access to opportunities, services and amenities. This includes choices for homes to buy or rent that are accessible across all ages, abilities and incomes and convenient to everyday needs, such as transit, schools, childcare, food and parks.



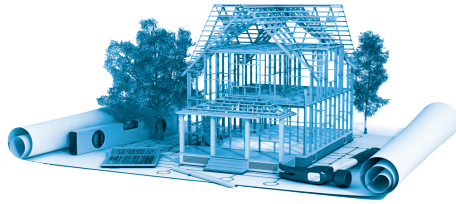
In order to meet housing needs for Washington County’s current and future residents, the County seeks to:

- Encourage increased housing supply in general
- Increase housing that is affordable to households at lower incomes (especially 50 percent median family income and below), and
- Identify incentives and funding sources to support affordable and equitable housing options

A single strategy will not solve this complex issue — Washington County will need to consider a range of options and a coordinated set of tools to meaningfully address this challenge.

The Equitable Housing Barriers and Solutions project identified regulations and development code standards that may make it more difficult or more expensive to develop housing in Washington County and recommended ways to amend the Community Development Code (CDC) to reduce those barriers.

The project created five hypothetical housing developments in locations across the County and used those development



concepts to examine the CDC and highlight code standards that might make those developments more challenging. Sites were selected to meet multiple considerations and to test a range of land use districts, development types and a mix of land uses within the County.

Each study site and development concept was evaluated to identify regulations which may:

1. Make equitable housing development impractical,
2. Negatively impact financial feasibility and/or
3. Slow down the development process.

Multiple development standards were evaluated. Some standards were significant barriers in one or two cases, but were not necessarily significant barriers for all five test developments.

Standards assessed as potential barriers for test sites include:

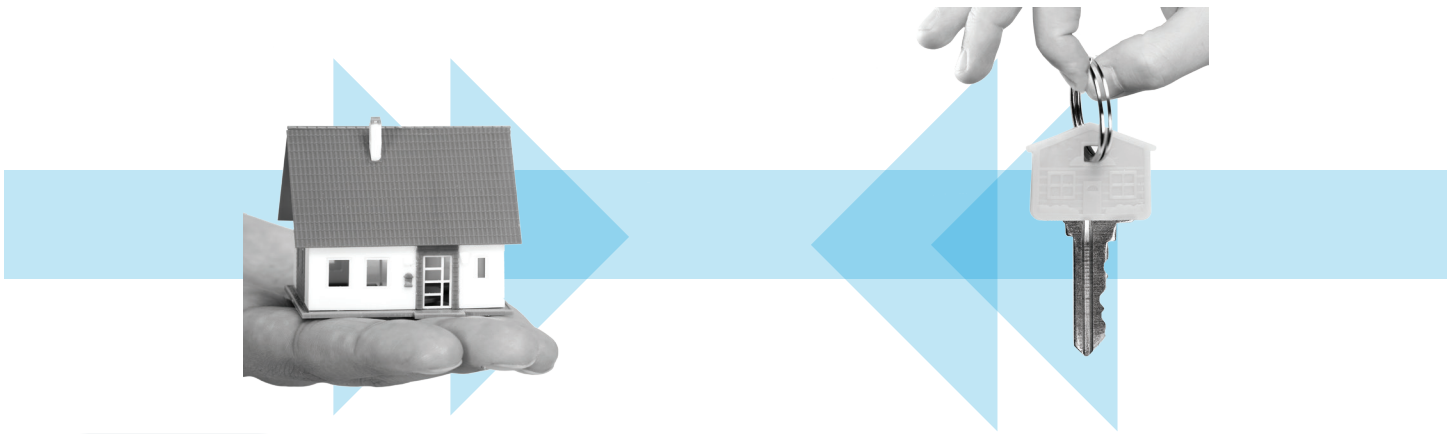
- Density
- Off-street parking
- On-street parking
- Landscaping standards
- Yard (setbacks)
- Public facility improvements
- Flood plain, Drainage Hazard Areas (DHA), and Significant Natural Resource Areas (SNRA)
- Neighborhood circulation
- Building façade standards
- Planned development open space
- Transit oriented (TO) review and standards
- Mixed-use standards

The test development concepts were also assessed to determine approximately how affordable each development would be and what kind of impact development incentives could have on affordability. The financial analysis indicates that reducing CDC barriers may help encourage housing supply and reduce development costs slightly. These CDC changes are likely to be most beneficial if they are implemented in coordination with other efforts to improve housing affordability, especially strategies that provide funding for regulated affordable housing.

Key Findings

- Code changes are likely to provide modest improvements in affordability or help increase the overall supply of housing, but are unlikely to make major impacts to housing affordability or supply unless additional actions are taken
- Density restrictions and cost of land are some of the primary factors affecting the cost of housing
- Density bonuses and land donation can improve affordability
- To reach deeper affordability, particularly for households with lower incomes, more resources are needed to reduce development costs and/or housing costs
- Updates to parking requirements in 2017 allow less land to be dedicated to parking, and should help reduce the cost of housing development
- The cost of public facility improvements is a significant challenge—but such improvements are necessary. Exploring other options to pay those costs may be a better option than reducing standards
- The majority of urban unincorporated land in Washington County is designated low density residential. Considering ways to use land more efficiently and increase development capacity could have an impact on housing supply
- Current development code standards allow, but do not encourage, smaller lots and smaller housing units





COMMUNITY DEVELOPMENT CODE AMENDMENTS

Based on the findings from this project, the report makes recommendations that could reduce or remove identified development code barriers to encourage:

- More housing development in general
- Development of housing affordable for lower-income households
- A wider variety of allowed housing types
- More efficient use of land and additional development capacity

Recommendations for potential CDC amendments were developed to reduce or eliminate most of the identified regulatory barriers and incentivize equitable housing production. Proposed code amendments, including ordinance language, will be further refined for review and consideration in 2018 and 2019. Refinement of the recommendations must be balanced against existing County policies, relevant Community Plans and the intended purpose of the affected land use districts.

Recommended CDC changes include:

- More housing/maximize density:
 - » Reduced yard (setback) requirements for some housing
 - » Amended Planned Development (PD) open space requirements for housing
 - » Reduced on-street parking and driveway widths for some housing¹
 - » Amendments to allow available on-street parking to substitute for required off-street parking in some cases
 - » Amendments to private street requirements for some housing
 - » Amending or removing ground-floor commercial use requirements in some districts
 - » Increased flexibility in allowed housing types
 - » Assessing land use districts within ½ - 1 mile of centers and corridors to determine future opportunities
 - » Amend Accessory Dwelling Unit (ADU) standards to expand use
- Encourage more regulated affordable housing
 - » Residential density bonuses for regulated affordable housing
 - » Flexible development standards for regulated affordable housing

¹ Off-street parking regulations were updated in 2017 to simplify the standards and provide additional flexibility. The overall effect of the updated regulations will need to be assessed in the future.



Most recommendations include direction for future potential amendments to the CDC that seek to reduce site development barriers to new housing and provide incentives for regulated affordable housing. Amendments to the CDC, while valuable, may not significantly shift the supply of equitable or affordable housing, particularly for lower-income households.



POLICY AND PROGRAM SUPPORT

In order to provide the most benefit, code amendments should be part of a comprehensive set of tools developed to meet the growing demand for affordable housing. To maximize the impact of these recommended code amendments, Washington County should consider additional policy changes to support equitable and affordable housing, offer development incentives, provide dedicated funding and implement other policy and programmatic initiatives that facilitate development of affordable housing. In addition, equitable housing strategies should address the need for access to affordable transportation options, to public and personal social services, and to shopping and employment centers.

Policy and programmatic strategies to reduce barriers to housing development that the County may wish to explore further include (but are not limited to) the following:

- Refine existing policy foundation to be more supportive of equitable and affordable housing
- Find opportunities to streamline or shorten permitting processes and timelines where possible, including continuing to prioritize development applications for regulated affordable-housing projects
- Subsidize regulated affordable housing through:
 - » Continued donations and discounting of public land for regulated affordable housing
 - » Enabling additional property tax exemptions or abatements for regulated affordable housing
 - » Reducing or waiving System Development Charges (SDCs) and/or development fees and charge
- Establish a development tax (e.g. a Construction Excise Tax) and/or other value capture incentives to encourage regulated affordable housing



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