



City of Troutdale Housing Needs Analysis

Summary Report

FEBRUARY 2020

ECONorthwest

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Acknowledgments

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Introduction

Troutdale is in the process of review the city's housing needs and the housing market, which have changed since Troutdale last reviewed them in 2011. Troutdale grew from 13,777 people in 2000 to 16,185 people in 2018, adding more than 2,400 people. Since 2000, housing has become less affordable across the Portland Region, with rates of housing cost burden increasing from 32% to 38% for all Troutdale households, consistent with regional trends.

Historical residential development was predominantly single-family detached housing in the 1960s through 2000s. Subdivisions such as Old Sweetbriar Farm, Sandee Palisades, Weedon Addition, and Corbeth were built during the 1970s. In the 1990s, subdivisions such as Stuart Ridge Estates, Hampton Point, and Strawberry Meadows were built. Beginning in the 2000s, developments with smaller lot sizes were built, such as Edgefield Estates and Morgan Meadows. During the same period, the Estates at Riverbend were developed with more traditional larger-lot single-family detached housing.

Troutdale also has a substantial amount of attached and multifamily housing, such as townhouses, duplexes and tri-plexes, and apartments. During the late-1970s and 1980s much of Troutdale's stock of multifamily apartment housing was built. In the 1990s, the Town Center Overlay was established and started to encourage denser development patterns and middle housing typologies within the overlay — a trend that continues through today. The 1990s also featured the development of the City's only master-planned mixed-use (MPMU) development, Cherry Ridge, which included single-family and multifamily residentially zoned areas in conjunction with commercial services.

The effects of the Great Recession slowed housing activity in the final years of this decade, leading into the 2010s. Residential development in this decade began at a modest pace but has increased since 2015. The City approved development of nearly 400 dwelling units since 2015. About 240 units of housing are multifamily apartments, 110 units are townhouses, and 45 units were single-family, detached housing. All of the apartments are townhouses are under construction and expected to be completed in 2020.

In addition to these units, Troutdale anticipates the development of roughly 280 additional multifamily residential units (of which 110 would be income restricted) by 2022, based on preapplication reviews and units expected to be built through the Metro Housing Bond. All of these 280 units are forecasted to be in Troutdale's Town Center Overlay District. The City's on-going work to update Troutdale's Town Center Plan for the 2020 to 2040 period identifies 13 Opportunity Sites in the Town Center Overlay in which up to 600 residential units are to be considered for placement. Of these, the Town Center Committee has highlighted the need for middle housing typologies, generally treated as medium-density residential in several of these sites.

This report provides Troutdale with a factual basis to update the Housing Goal section of the City's Comprehensive Plan and Development Code and support future planning efforts related to housing and options for addressing unmet housing needs in Troutdale. This report provides the City with information about the housing market in Troutdale and describes the factors that will affect future housing demand in Troutdale, such as changing demographics.





Troutdale Terrace

Troutdale's Population and Households

Population and housing characteristics are useful for better understanding Troutdale and the people who live here. Characteristics such as population growth, age of residents, household size and composition, commuting patterns, homeownership, and ethnicity provide useful context about how the characteristics of Troutdale households compare to Multnomah County and the Portland Region (defined as Clackamas, Multnomah, and Washington Counties).

Unless otherwise noted, all data sources in this document are from the U.S. Census Bureau, 2013-2017 American Community Survey, 5-year estimates.

AVERAGE POPULATION GROWTH PER YEAR, 1990-2018

Source: Portland State University, Population Research Center

Troutdale 2.6%

Multnomah County 1.2%

Portland Region 1.6%

Troutdale's population is growing more than twice the county average.

Troutdale's population has grown 2.6% annually since 1990.

POPULATION, 2018

Source: Portland State University, Population Research Center

16,185
Troutdale

813,300
Multnomah County

1,839,005
Portland Region

Troutdale's average population is younger than the statewide average.

Troutdale's population is similarly aged compared to Multnomah County.

MEDIAN AGE, 2017

35.1
Troutdale

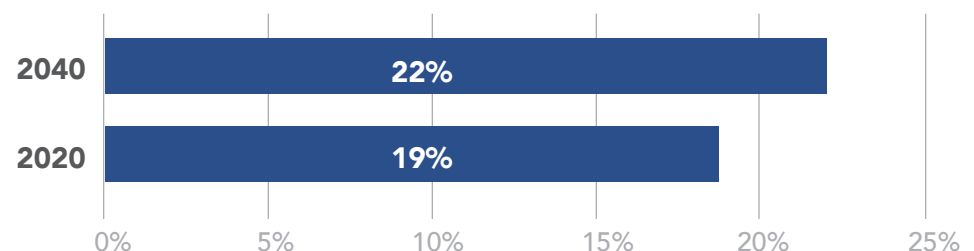
36.8
Multnomah County

39.2
Oregon

Troutdale's population will grow older on average by 2040.

Troutdale's population over age 60 is expected to increase over the next 20 years, consistent with Multnomah County trends.

POPULATION AGED 60 & OLDER, MULTNOMAH COUNTY, 2020 & 2040

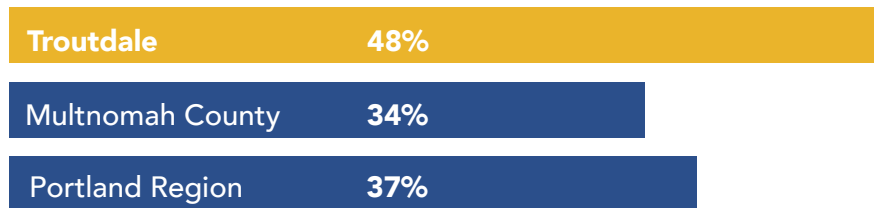


TROUTDALE'S POPULATION AND HOUSEHOLDS

AVERAGE NUMBER OF PEOPLE PER HOUSEHOLD, 2017



PERCENT OF HOUSEHOLDS THAT ARE 3-PERSONS OR MORE, 2017

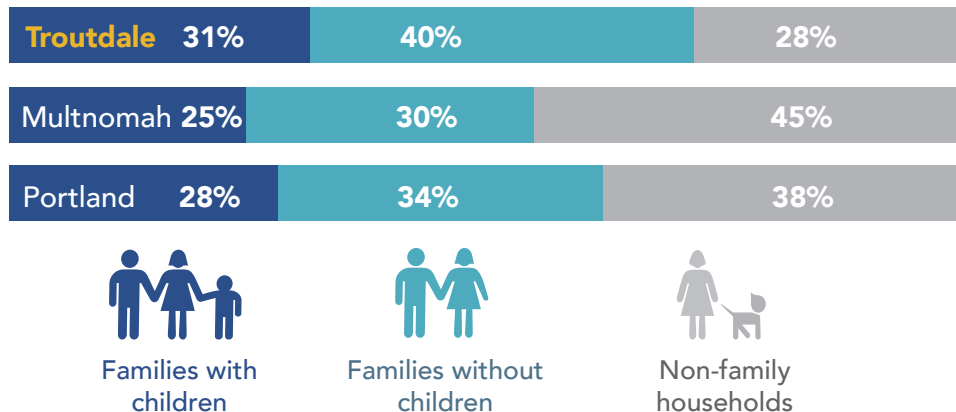


Troutdale has a larger percentage of families with 3-persons or more than the County or Portland Region.

Troutdale has a smaller percentage of 1- and 2-person households than the County or Portland Region.

HOUSEHOLD COMPOSITION, 2017

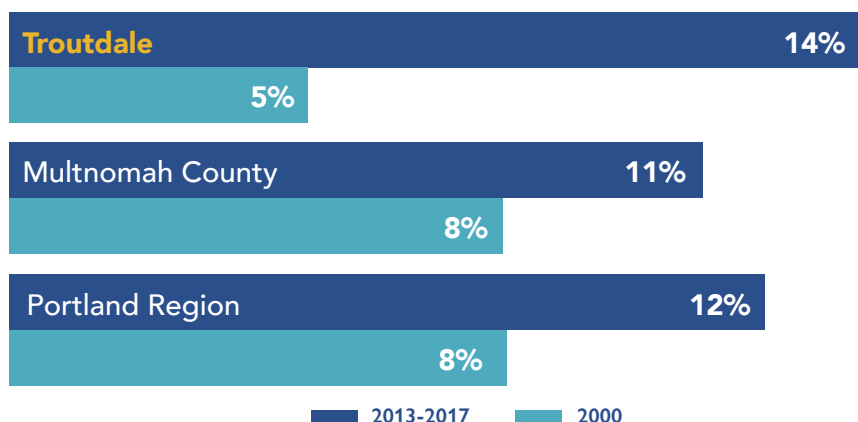
A family household is one in which the residents are related to at least one other person in the household by birth, marriage, or adoption. Non-family households include people living alone, unmarried couples, and unrelated house mates.



Troutdale has more family households with children than the County and Portland Region.

This is consistent with Troutdale's larger household size and larger share of population in households with three or more people.

PERCENT OF POPULATION THAT IS HISPANIC OR LATINO, 2000 AND 2017



Troutdale's population is more ethnically diverse than the County and Portland Region.

Troutdale's Hispanic or Latino population has nearly tripled as a percentage of all population since 2000.

Troutdale's Housing Market



Analysis of historic development trends in Troutdale provides insights into how the local housing market functions in the context of Multnomah County. This report groups housing into four housing types shown below.

HOUSING TYPES



SINGLE-FAMILY DETACHED



SINGLE-FAMILY ATTACHED



DUPLEX, TRIPLEX, AND QUADPLEX



MULTI-FAMILY (5+ UNITS)

Nearly three-quarters of Troutdale's housing stock is single-family detached, more than the County or Portland Region.

MIX OF HOUSING TYPES, 2017

Troutdale	72%	6%	4%	18%
Multnomah County	58%	5%	9%	28%
Portland Region	63%	5%	8%	24%



SINGLE-FAMILY DETACHED



SINGLE-FAMILY ATTACHED



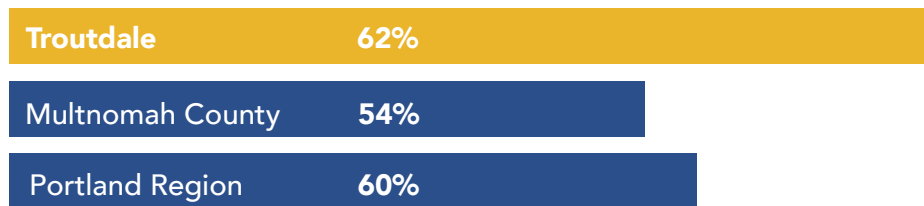
DUPLEX, TRIPLEX, OR QUADPLEX



MULTI-FAMILY (5+ UNITS)

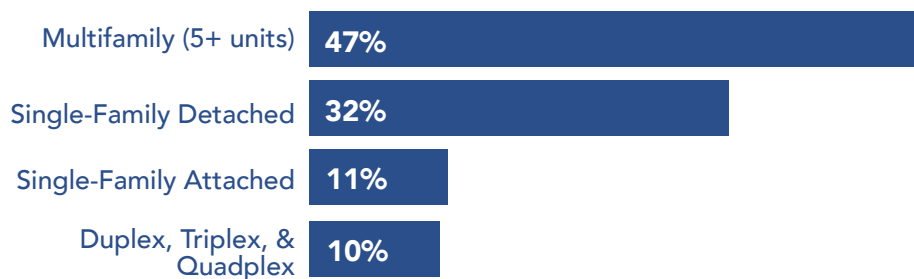
TROUTDALE'S HOUSING MARKET

PERCENT OF HOUSING UNITS THAT ARE OWNER-OCCUPIED, 2017



About 62% of Troutdale's units are owner-occupied, similar to the Portland Region.

PERCENT OF TROUTDALE HOUSING UNITS THAT ARE RENTER-OCCUPIED BY TYPE OF HOUSING, TROUTDALE, 2017



Most renters live in multifamily (5+ units) housing in Troutdale. Renters in Troutdale have comparatively fewer options for townhouse or duplex, triplex, or quadplex rentals.

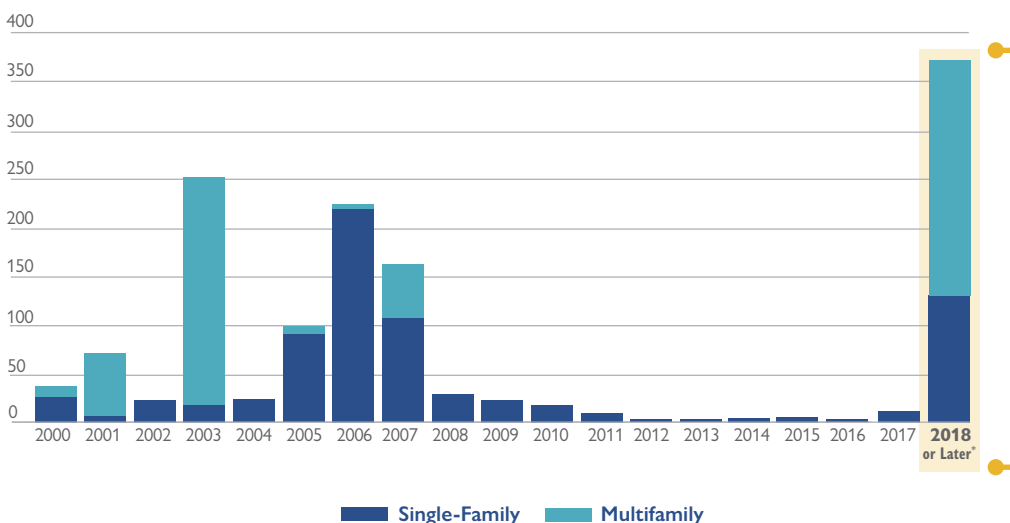
Since 2000 there were 1,006 units built in Troutdale. Sixty-three percent of all units built in this period were single-family dwelling units and 37% were multifamily. In 2018, construction started on 372 units, about 240 of which were multifamily units and 110 of which were single-family attached housing.

Between 2008 and 2017, 107 units were built in Troutdale.

UNITS BUILT BY YEAR AND TYPE OF UNIT, TROUTDALE, 2000-2017

Source: RLIS

Note: In this chart, single-family includes single-family detached & single-family attached (townhouses).



Starting in 2018, there are 240 units of multifamily under construction, expected to be completed by about 2020. These developments include Eagle Ridge, 216 apartments, and Cherry Park Apartments, 24 apartments. In addition, there are 110 units of townhouses under construction, at Lancaster Park and Howard Estates.

*2018 or Later Units are under construction now.

Housing Affordability

The term affordable housing refers to a household's ability to find housing within its financial means. Housing affordability affects both high-and lower-income households and is an important issue for Troutdale. Low-income households have fewer resources available to pay for housing and have the most difficulty finding affordable housing. Key points about affordability in Troutdale include:

- Troutdale will continue to have an ongoing need for housing affordable to lower- income and moderate-income households.
- The City is planning needed housing types for households of all income levels.
- Future housing affordability will depend on the relationship between income and housing price within the broader Portland Region. The key question, which is difficult to answer based on historical data, is whether housing prices will continue to outpace income growth. It seems likely that without public intervention, housing will become less affordable in the Portland Region, including in Troutdale.

About 38% of Troutdale households are cost burdened.

Renters are significantly more cost-burdened than homeowners, with 58% of renters cost burdened, including 33% of renters that are severely cost burdened.

Cost burden rates in Troutdale are similar to Multnomah County averages, as well as cities like Fairview and Milwaukie.

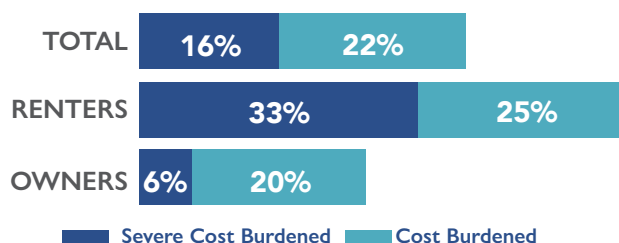
While the Census reports the median monthly rent in Troutdale as \$1,077, Costar estimates the average asking multifamily rent in Troutdale in mid-2019 was \$1,250 per month.

Median home sales prices in Troutdale are among the lowest when compared to other peer cities.

PERCENT OF HOUSEHOLDS THAT ARE COST BURDENED, 2017

Cost burdened households spend more than 30% of their gross income on housing. Severely-cost burdened households spend more than 50% of their gross income on housing.

PERCENT OF TROUTDALE HOUSEHOLDS THAT ARE COST-BURDENED & SEVERELY COST-BURDENED BY OWNERSHIP STATUS, 2017



AVG. ASKING MULTIFAMILY RENT, 2019 Source: CoStar

\$1,250 Troutdale
\$1,306 Multnomah County

MEDIAN MONTHLY RENTS, 2017

\$1,077 Troutdale
\$1,094 Multnomah County

MEDIAN HOME SALES PRICES, 2019

Source: Property Radar

\$300K Fairview	\$350K Gresham	\$355K Troutdale	\$385K Gladstone	\$401K Milwaukie	\$425K Canby	\$577K Happy Valley
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HOUSING AFFORDABILITY

HOUSEHOLD INCOME DISTRIBUTION, 2017

Troutdale



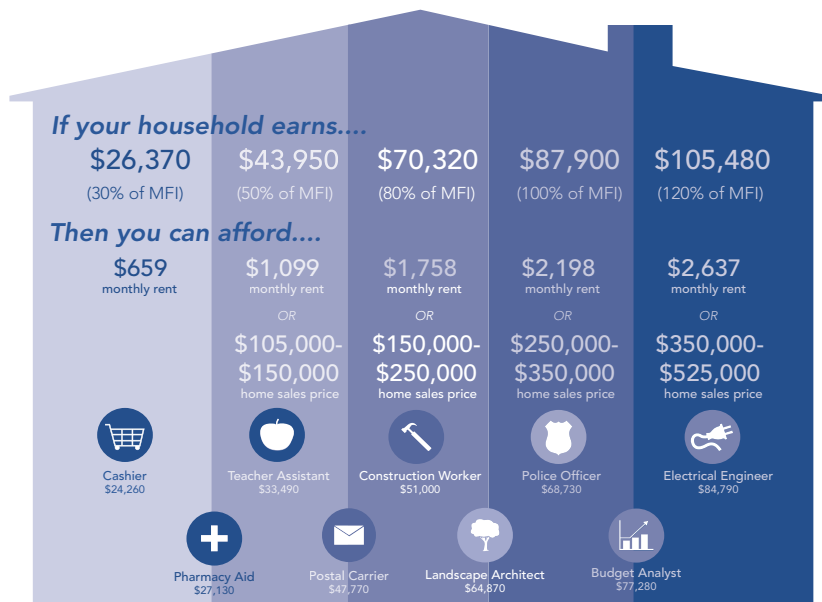
Multnomah County



■ < \$25K
 ■ \$25K-\$49K
 ■ \$50K-\$74K
 ■ \$75K-\$99K
 ■ \$100K-\$149K
 ■ \$150K +

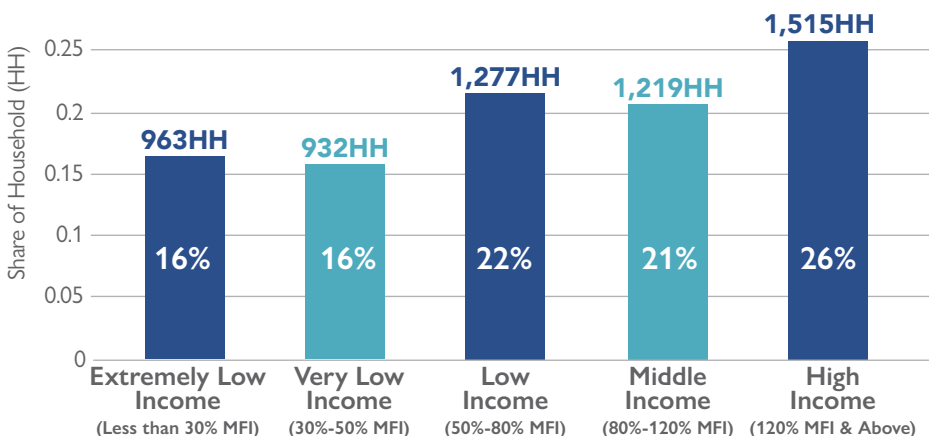
FINANCIALLY ATTAINABLE HOUSING BY MEDIAN FAMILY INCOME, 2018

Another way to evaluate housing affordability is to consider housing types affordable at different levels of income. The 2019 Median Family Income (MFI) in Multnomah County was \$87,900. A household in Troutdale would need to earn \$44,000 (50% of MFI) to afford the median monthly rent of \$1,077 in Troutdale. A household would need to earn more than \$105,000 (about 120% of MFI) to afford the median home sales price of \$355,000 in Troutdale.



Cherry Ridge Apartments

SHARE OF TROUTDALE'S HOUSEHOLDS BY MEDIAN FAMILY INCOME, 2018



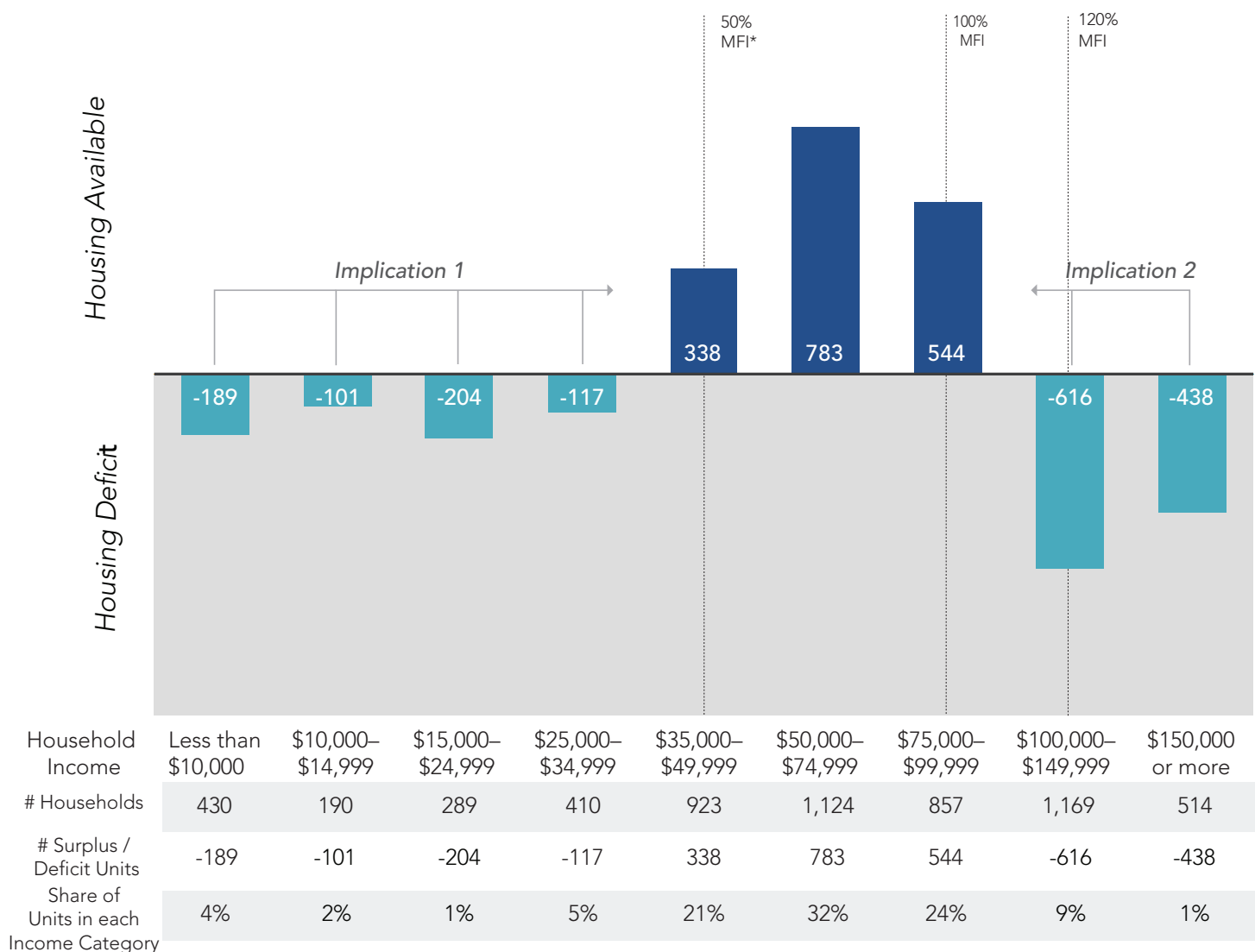
HOUSING AFFORDABILITY

AFFORDABLE HOUSING COSTS AND UNITS BY INCOME LEVEL, 2018

Troutdale currently has a deficit of housing affordable to households earning less than \$35,000, and an even larger deficit for households earning more than \$100,000.

For lower income households, the types of housing with a deficit in Troutdale include more affordable housing types such as income-restricted government-subsidized housing, multifamily products, and more affordable single-family homes (e.g., tiny homes, cottages, manufactured housing).

Troutdale also shows a substantial need for higher-amenity housing types for households earning more than \$100,000 per year or more. Higher-amenity housing types include single-family detached housing, single-family attached housing (e.g., townhomes and row houses), and higher-end multifamily products (including condominiums).



*Median Family Income for a family of four.

Implication 1

Some lower-income households live in housing that is more expensive than they can afford because affordable housing is not available. These households are cost burdened.

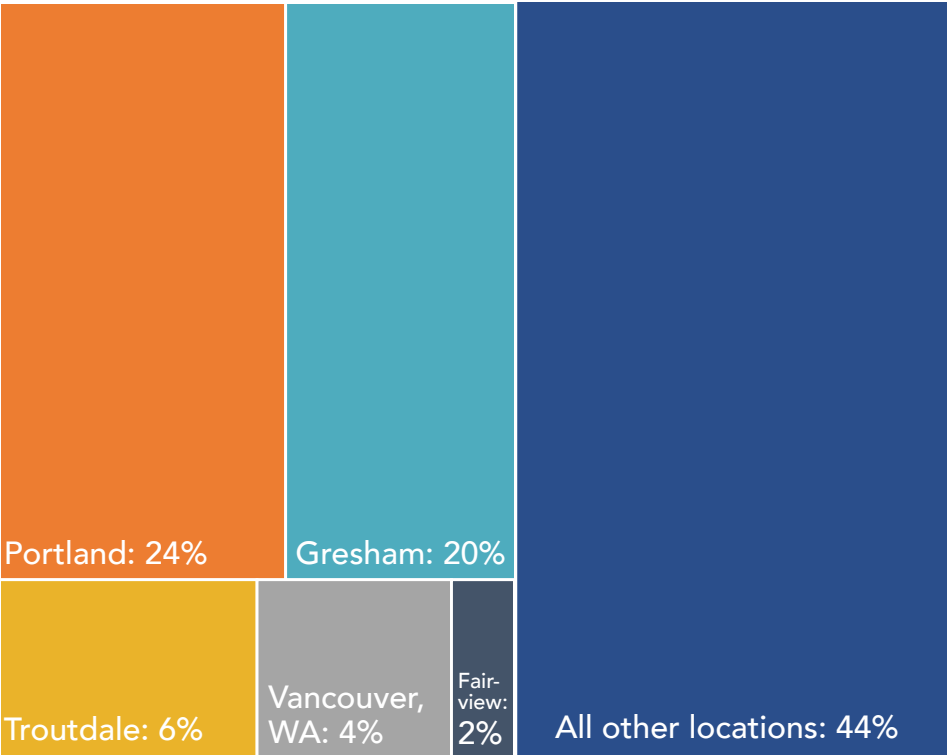
Implication 2

Some higher-income households choose housing that costs less than they can afford. This may be the result of the household's preference or it may be the result of a lack of higher-cost and higher-amenity housing that would better suit their preferences.

Commuting Patterns

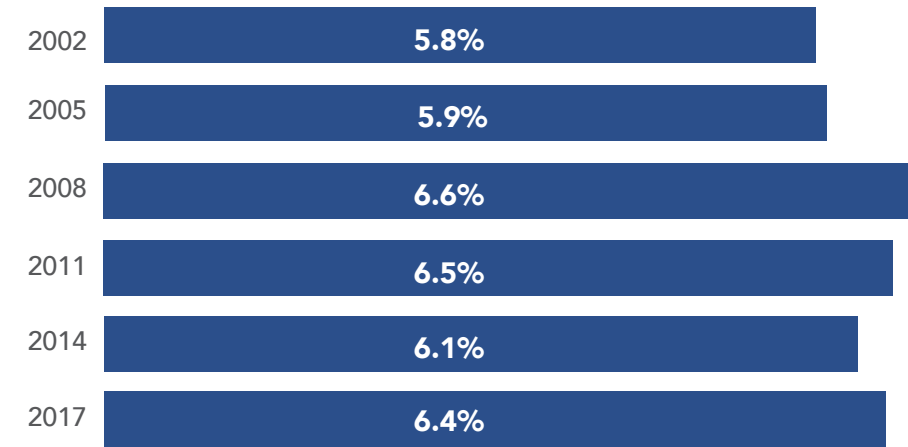
Troutdale is part of the complex, interconnected economy of the Portland Region. Of the more than 7,400 people who work in Troutdale, 94% of workers commute into Troutdale from other areas, most notably Portland, Gresham, Vancouver, and Fairview. Nearly 7,400 residents of Troutdale commute out of the city for work, many of them to Portland.

ORIGIN OF TROUTDALE EMPLOYEES, 2017



About half of all the people who work at businesses in Troutdale live outside of Multnomah County.

PERCENT OF EMPLOYEES WHO LIVE AND WORK IN TROUTDALE, 2017



Note: Amazon employment is not included in data reported here.

The number of people who live and work in Troutdale stayed relatively stable since 2002.

In 2002, about 5.8% of people lived and worked in Troutdale. By 2017, it has increased slightly to 6.4%.

Factors Affecting Housing Need

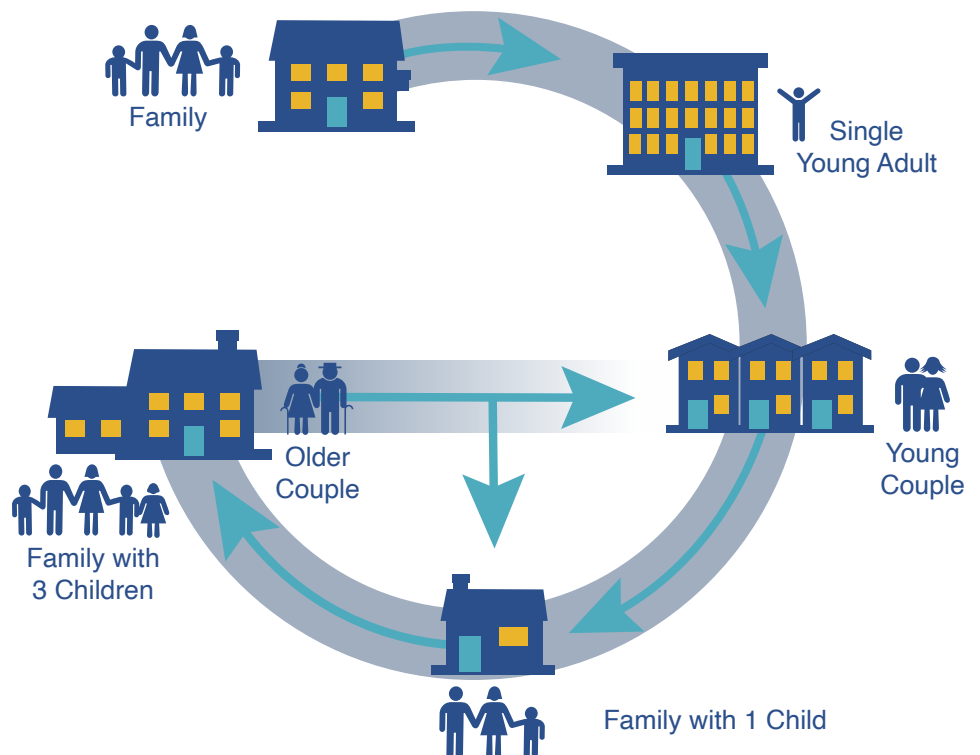


Studies and data analysis have shown a clear linkage between demographic characteristics and housing choice, as shown in the figure below.

Key relationships include:

- Housing needs change over a person's lifetime.
- Homeownership rates increase as income increases.
- Homeownership rates increase as age increases.
- Choice of single-family detached housing increases as income increases.
- Renters are more likely to choose multifamily housing than single-family housing.
- Income is a strong determinant of homeownership and housing-type choice for all age categories.

HOUSING LIFE CYCLE



FACTORS AFFECTING HOUSING NEED

The linkage between demographics and housing need can be used to predict future housing need in Troutdale. Three demographic trends are particularly important in Troutdale.

- Aging of Baby Boomer Generation (born 1946 to 1964)
- Aging of Millennials and Younger Populations
- Continued growth of the Hispanic/Latino population

AGING OF THE BABY BOOMERS

Consistent with state and national trends, Troutdale's population is growing older. By 2040, 22% of Multnomah County's population is forecast to be 60 years and older, up from 19% in 2020.

LIKELY TRENDS AMONG BABY BOOMER HOUSEHOLDS



Implications for Troutdale's housing:

Need for smaller, lower-cost housing near transit and urban amenities (when they are developed) such as shopping and health care services.

HOUSEHOLD FORMATION OF MILLENNIALS & YOUNGER POPULATIONS

Troutdale's population aged 20-39 is amongst the highest of any other age group. Troutdale's ability to attract and retain Millennials and younger populations will depend on availability of affordable owner- and renter-occupied housing.

LIKELY TRENDS AMONG MILLENNIAL HOUSEHOLDS:



Millennials' and younger populations may have increasing incomes as they age. They will need opportunities for affordable, owner-occupied single-family housing, such as townhouses, duplexes, triplexes, and fourplexes.

Implications for Millennials and other younger populations:

Need for affordable owner and renter housing, especially in neighborhoods that are designed to be walkable.

CONTINUED GROWTH HISPANIC/LATINO POPULATION

Troutdale's Hispanic/Latino population nearly tripled since 2000. Nationwide, the Hispanic/Latino population is predicted to be the fastest growing racial/ethnic group over the next few decades.

CHARACTERISTICS OF HISPANIC HOUSEHOLDS COMPARED TO NON-HISPANIC HOUSEHOLDS:



Implications for Hispanic/Latinos:

Need for larger, lower-cost renting and ownership opportunities for larger households with more children and multiple generations.

Definitions

Buildable residential land:

Unconstrained vacant and partially-vacant land designated for residential development.

Vacant land:

Unconstrained suitable land designated for residential development.

Partially vacant land:

Unconstrained suitable land with enough land to support additional residential development under the existing zoning standards.

Constrained land:

Land that is not available for development based upon one or more factors that include environmental protections, such as flood plain or wetlands.

Capacity:

Number of dwelling units that can be accommodated on buildable land at planned densities.

Housing density:

Number of dwelling units in an acre of land, with 43,560 square feet to 1 acre.

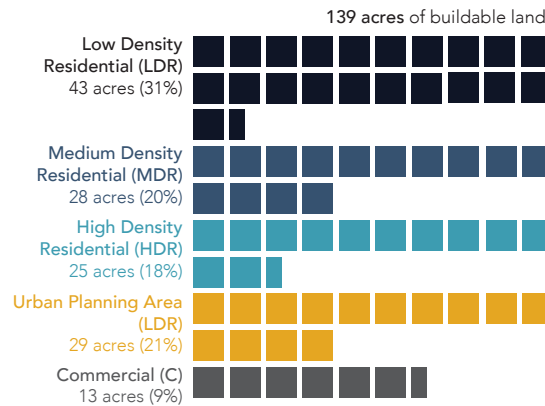
Troutdale's Comprehensive Plan calls for preferred densities of 21 dwelling units per acre (du/a) in high-density residential, 8.5 du/a in medium-density residential, and 5 du/a in low-density residential.

Development Capacity

Troutdale has about 139 acres of residential land that is vacant or partially vacant. The majority of Troutdale's buildable residential land is in low-density designations.

TROUTDALE'S BUILDABLE VACANT & PARTIALLY VACANT RESIDENTIAL LAND, BY PLAN DESIGNATION, 2019

Note: The numbers in the graphic below may not sum to the total as a result of rounding.

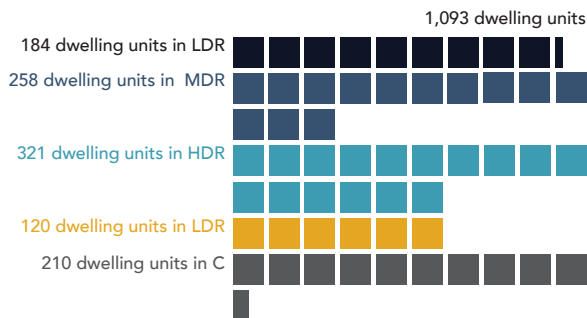


The capacity analysis estimates the number of new dwelling units that can be accommodated on Troutdale's buildable vacant and partially vacant residential land based on historical densities, with deductions for future rights-of-way.

Troutdale's vacant and partially vacant residential land based can accommodate 1,093 new dwelling units at historical development densities.

Capacity on Buildable Residential Land

CAPACITY ON RESIDENTIAL LAND BY PLAN DESIGNATION, TROUTDALE

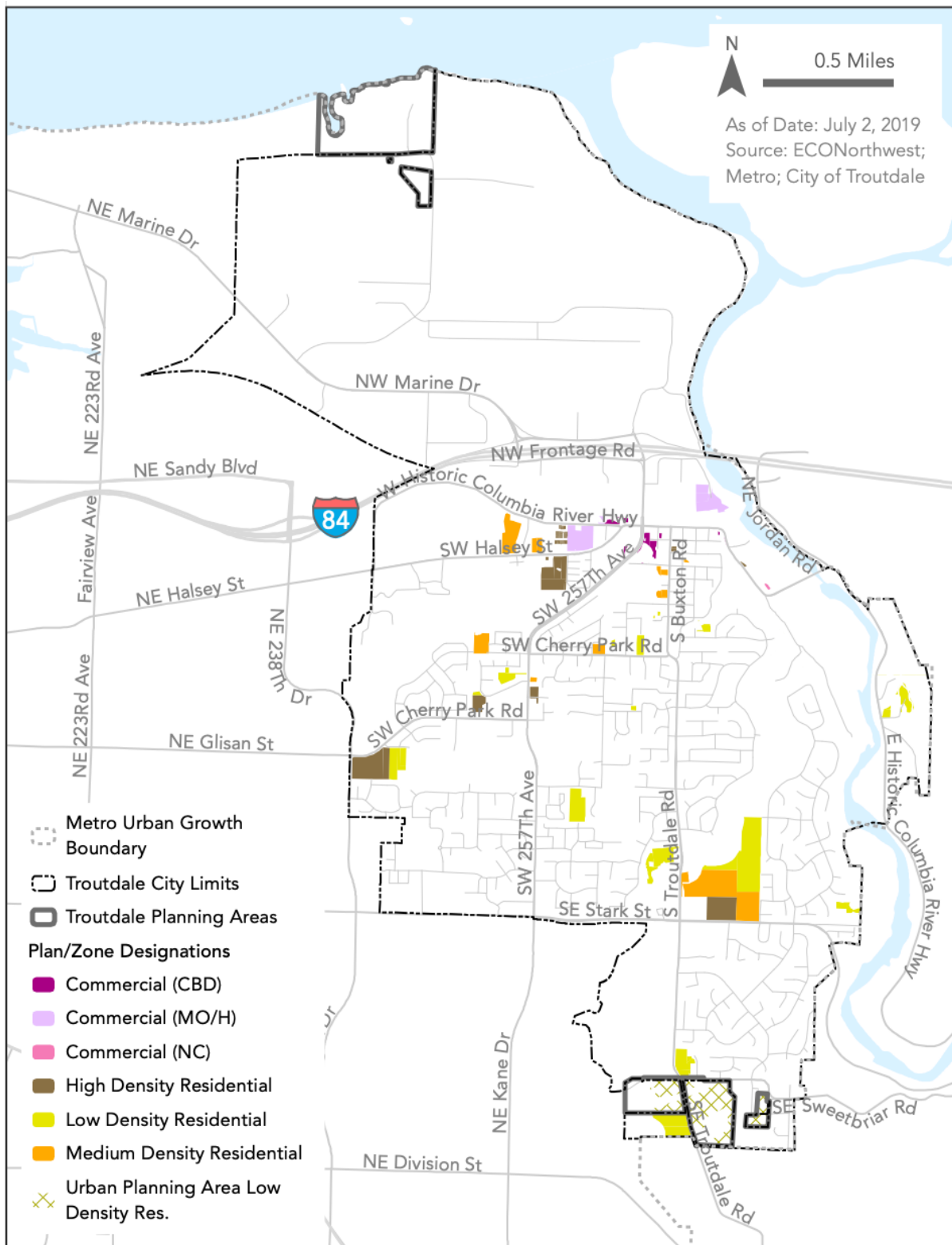


DENSITY ON TROUTDALE'S RESIDENTIAL LAND BASED ON HISTORICAL DENSITIES, DWELLING UNITS PER NET ACRE

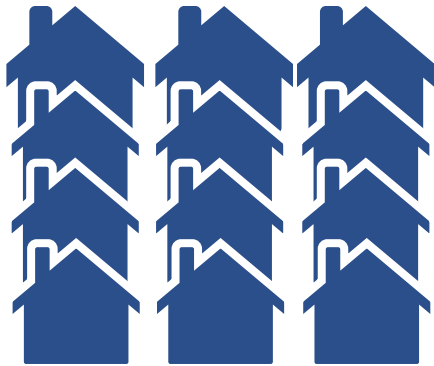
5.1	11.1	15.3	5.1
Low-Density Residential	Medium-Density Residential	High-Density Residential	Urban Planning Area LDR

Troutdale's Buildable Lands Inventory

Unconstrained Vacant and Partially Vacant Residential Land



Accommodating Needed Housing



720 new dwelling units

Troutdale's forecast for new housing is for 720 new dwelling units between 2020 and 2040.

Ongoing development could meet a substantial amount of Troutdale's housing needs and the forecast for growth.

There are nearly 350 multifamily and single-family attached units currently under construction or expected to complete construction by 2020. This number of new units accommodates nearly half of the forecast of 720 new units for Troutdale, including the forecast of new multifamily and single-family attached units (a total of 360 new units). This development is for housing priced at market rate.

Demand for Residential, by Housing Type

Troutdale's population growth over the next 20 years will affect the number of new housing created and the demand for residential land needed. Troutdale's forecast for new housing is based on the forecast for population growth within the city limits.

FORECAST TOTAL HOUSEHOLD GROWTH, TROUTDALE, 2020-2040

Source: Oregon Metro 2040 Distributed Forecast

Based on the Oregon Metro 2040 Distributed Forecast, population growth in Troutdale will require 720 new dwelling units over the 20-year period. The analysis of housing affordability, the factors affecting housing need, and demographic changes suggest that Troutdale needs more affordable housing and a greater variety of housing types, including more smaller-scale single-family detached housing, townhouses, multifamily, and higher-amenity housing.



SINGLE-FAMILY DETACHED

360

new dwelling units



SINGLE-FAMILY ATTACHED

108

new dwelling units



DUPLEX, TRIPLEX, AND QUADPLEX

122

new dwelling units



MULTI-FAMILY (5+ UNITS)

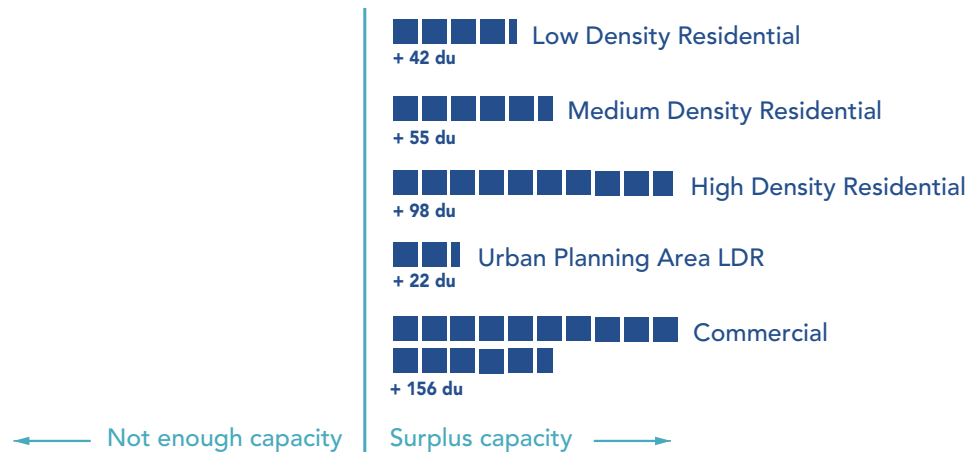
130

new dwelling units

Comparison of Housing Capacity to Housing Demand

The last step in the Housing Needs Analysis is to compare the capacity of Troutdale's vacant and partially-vacant residential land with demand for housing by Land Use Plan designation. Troutdale has sufficient land to accommodate development in all residential plan designations, with a surplus of 41 units in low density, 56 units in medium density, 98 units in high density, 22 units in low density of Urban Planned Area, and 54 units in commercial zones that allow residential use.

SURPLUS OF LAND AND CAPACITY FOR NEW HOUSING BY PLAN DESIGNATION, TROUTDALE



Key Findings & Conclusions



The key findings and conclusions of the Troutdale Housing Needs Analysis are that:

- **Troutdale is forecast to have growth in all types of housing through 2040.** The number of households in Troutdale's city limits is forecast to grow from 5,824 households to 6,544 households, an increase of 720 households between 2020 and 2040.

Historically, about 72% of Troutdale's housing was single-family detached. New housing in Troutdale is forecast to be 50% single-family detached, 15% single-family attached, and 35% multifamily. Local and regional changes in demographics will drive this shift in types of housing. For example, the aging of senior populations and the household formation of young adults will drive demand for renter and owner-occupied housing, including small single-family detached housing, townhouses, duplexes, and apartments/condominiums.

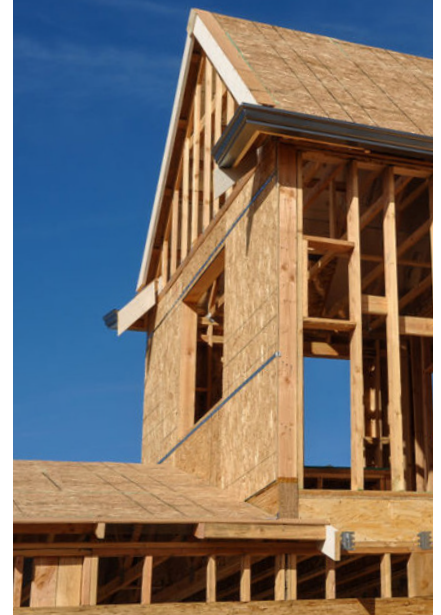
- **Ongoing development could meet a substantial amount of Troutdale's housing needs and the forecast for growth.** Troutdale has about 350 multifamily and single-family attached units currently under construction or expected to complete construction by 2020. This number of new units not only accommodates nearly half of the forecast of new units in Troutdale (720 new units) but also the forecast of new multifamily and single-family attached units (a total of 360 new units). In addition, Troutdale is in preapplication review discussions with developers for an additional 280 units of multifamily housing, about 110 units of which would be income restricted. While these new units will meet much of Troutdale's need for multifamily and single-family attached housing, the city will continue to have need for income-restricted government-subsidized housing affordable to extremely low- and very low-income households.

Continued diversification of housing types can help meet the needs for market-rate affordable housing, such as the apartment and townhouses under construction and expected to be completed by 2020.

Meeting the need for housing affordable for extremely low- and very low-income households will require development of income-restricted government-subsidized housing, such as the housing anticipated to be built using funding from the Metro Housing Bond.

- **Housing affordability problems across the Portland Region, including in Troutdale, will also drive need for a wider range of housing types.** About 38% of Troutdale's households have affordability problems, including a cost-burden (or severe cost burden) rate of 58% for renter households. Troutdale's level of cost burden is similar to other communities in Multnomah County. Troutdale's unmet housing needs include:
 - **Renter housing.** The average asking rent for multifamily housing in Troutdale in 2019 was about \$1,250, which is affordable to households earning about 60% of the median family income (about \$53,000). About one-third of Troutdale's households have incomes below this level and cannot afford the average rent. As shown in the rates of cost burden, many of these renter households are cost burdened. A small portion of this unmet housing need can be met through the anticipated development of 110 units of income-restricted affordable housing that is anticipated to be built using funding from the Metro Housing Bond. Troutdale will continue to have unmet renter housing needs, both for existing households and for new households.

- **Owner-occupied housing.** The median home sales price in 2019 was about \$355,000, which is affordable to households earning about 120% of the median family income (about \$105,000). About one-quarter of Troutdale's households have incomes below this level. While Troutdale is one of the more affordable cities for homeownership in the Portland region, households at middle incomes (between \$53,000 to \$105,000) are less able to afford housing in Troutdale. One way to increase the supply of affordable owner-occupied housing is to increase opportunities for development of middle-income housing, such as duplexes or townhouses. Some of this unmet need may be met through the on-going development of 110 townhouses currently under construction.
- **Troutdale also has need for development of high-amenity housing for higher-income households.** Nearly 30% of Troutdale's households have incomes of \$100,000 or above. Troutdale has 1,000 fewer dwelling units in the price range of \$350,000 or more, which would be considered affordable to these households, assuming they spent 30% of their income on housing costs. As a result, there are fewer choices of high-amenity housing for higher-income households.
- **Troutdale will need to meet the requirements of House Bill 2001.** The legislature passed House Bill 2001 in the 2019 Legislative Session. The bill requires cities within the Metro UGB to allow "middle" housing types in low-density residential zones. The bill defines middle housing types as duplexes, triplexes, quadplexes, cottage clusters, and townhouses. The City will need to allow duplexes on any lot where single-family detached housing is allowed in residential zones. The City can identify areas within single-family zones to allow the other middle housing types.
- **Commuting patterns in Troutdale indicate an imbalance of available housing and employment.** This trend is not unique to Troutdale, as many cities located within the Portland region have a large share of residents commuting out of the city for work, as well as workers who reside elsewhere. While there are many reasons people may choose to live and work in different locations, the lack of housing affordable at income levels that align with wages at jobs in Troutdale also contributes to this commuting trend. To begin to address this issue, Troutdale can align its updated housing policies with related economic development policies that focus on balancing available housing with jobs. In its review of economic development policies, Troutdale could encourage growth of jobs with pay that allows residents to live and work in the city.



Housing Policy Recommendations



This section presents a summary of the housing policy recommendations resulting from the Housing Needs Analysis report for Troutdale. The full recommendations, including actions for implementing the policies and objectives, is in the memorandum *Troutdale Housing Policies and Actions*.

POLICY 1: Ensure an adequate supply of land is available and serviced.

Plan for a 20-year supply (through 2040) of suitable land with urban services and the necessary services for Troutdale to meet housing needs within the existing planning area.

Objective 1.1: Ensure that there is sufficient land in each residential plan designation to meet the land needs identified in the Housing Needs Analysis.

Objective 1.2: Ensure that the Troutdale Development Code continues to use clear and objective standards for development of needed housing, setting minimum standards that do not go beyond issues that are essential for public health, safety, and welfare.

Objective 1.3: Continue to designate residential land in close proximity to employment and shopping facilities to allow Troutdale residents easy, convenient access to job sites and shopping needs.

Objective 1.4: Continue to coordinate land use planning with the Capital Improvement Plan to ensure that infrastructure is available to support residential development.

Objective 1.5: Monitor residential land development to ensure that there is enough residential land to accommodate the long-term forecast for population growth.



HOUSING POLICY RECOMMENDATIONS

POLICY 2: Provide opportunities for housing development to meet the City's identified housing needs. Provide opportunities for development of a range of housing types that are affordable to households at all income levels as described in the Troutdale Housing Needs Analysis. These housing types include (but are not limited to) single-family detached housing, accessory dwellings, cottage housing, manufactured housing, townhouses, duplexes, triplexes, quadplexes, and multifamily products (including apartments).

Objective 2.1: Review the City's Development Code to ensure compliance with the requirements of House Bill (HB) 2001, prior to June 30, 2022. Troutdale is required to allow the development of "a duplex on each lot or parcel zoned for residential use that allows for the development of detached single-family dwellings." Troutdale is also required to allow the development of "all middle housing types in areas zoned for residential use that allow for the development of detached single-family dwellings." Middle housing types are: duplexes, triplexes, quadplexes, cottage clusters, and townhouses.

Objective 2.2: Allow for the possible development of a wider range of housing types within Troutdale (consistent with Objective 2.1) to meet the housing needs of all income levels in both existing neighborhoods and new residential areas.

Objective 2.3: Recognize the need for housing for senior citizens and other residents in the city with special needs, such as physical or other disabilities. Allow senior center and special needs complexes, or other developments that serve primarily senior citizens and those with special needs.

Objective 2.4: Allow for development of mixed-use multifamily housing in commercial zones.

Objective 2.5: Explore options to support development of housing with higher-quality building materials that will perform well in Troutdale's climate, with high winds, winter weather, risks of wildfire, and other conditions.



HOUSING POLICY RECOMMENDATIONS



POLICY 3. Provide opportunities for development of housing affordable to all income levels. Provide opportunities to develop a broad range of accessible and affordable housing (affordable housing is defined as housing for which persons or families pay 30% or less of their gross income for housing, including necessary and essential utilities), including housing development for very low and low-income affordable housing and middle-income affordable housing. Development of affordable housing should be encouraged in a variety of locations across the city.

Objective 3.1: Allow for development of all housing types, including government-subsidized low-income housing (i.e., households with an income of less than 60% MFI) through partnering with nonprofit, for-profit, and governmental developers of low-income affordable housing. Support collocation of services for low-income residents with development of government-subsidized low-income housing, such as human services, access to public transportation, or civic services.

Objective 3.2: Allow for development of all types of multifamily affordable housing, market-rate or government-subsidized affordable housing, through use of tools to lower development and operational costs or make the development process simpler or faster. Many of these tools provide an opportunity to support and leverage the funding from the Metro bond (discussed in Policy 4) for development of low-income housing.

Objective 3.3: Support rehabilitation of existing housing in poor condition within Troutdale. If practicable, the City should develop specific criteria for the possibility of providing rehabilitation assistance, such as: the conditions that qualify for the assistance, qualifying household income, the area where the program applies, whether it applies to rental and/or owner-occupied units, and other criteria.

Objective 3.4: Develop a guide to Troutdale's housing policies to explain how the City's housing policies work. The guide would be a document that describes the City's policies and programs, such as those described in this memorandum, and how they allow for affordable housing development.

¹ The Metro housing bond is for \$652.8 million, the majority of it will support the development of at least 3,900 new affordable units. Most of the new units will be affordable to households with an income of 60% MFI (\$48,600 for a family of four) or less. Funds from the bond measure can be used for building new affordable housing, purchasing and rehabilitating existing housing, buying land for new affordable housing, and producing affordable homeownership units.

The Metro Housing Bond allocates about \$15.9 million to Multnomah County for the construction of 111 units of housing affordable for individuals and families east of Gresham, in an area that includes Troutdale, Wood Village, and Fairview. In addition, Metro anticipates additional local funds (not necessarily funded directly by the City) from sources such as the Low-Income Housing Tax Credit (LIHTC), private resources (e.g., loans from private banks), property tax exemptions, funding from Multnomah County affordable housing funds, and resources from partner jurisdictions (e.g., fee waivers or exemptions, donated or discounted land, grants, or other resources).

POLICY 4. Identify funding sources to support development of infrastructure and housing affordability programs. Develop funding sources to pay for the costs of implementing the affordable housing programs described in Policy 3 and infrastructure improvements in Policy 1.

Objective 4.1: Explore possible opportunities to use and leverage funds from the Metro Housing Bond to support development of affordable housing.¹

Objective 4.2: Explore possible funding sources to pay for the affordable housing programs and infrastructure development actions in this Strategy.



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