



City of Redmond Affordable Housing Plan

Phase II: Affordable Housing Strategies
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19553 Blue Lake Loop
Bend, OR 97702

Tel: 541/610-7964

Affordable Housing Plan Project Update

- Memo to City Council
 - What is affordable housing?
 - Major factors affecting affordability
- Existing Conditions Report
 - Recap of existing market conditions
 - Affordable housing inventory
 - Stakeholder interviews
 - Review of planning and regulatory documents
- Affordable Housing Strategies & Tools

What is Affordable Housing?

- “Affordable” housing is defined as housing that costs no more than 30% of total household income
- Households are considered “cost-burdened” if they pay more than 30% of total household income on housing costs

Cost Burden in Redmond

- In 2003, 32.6% of Redmond households (1,715 households) experienced cost burden
- 44.7% of all renters and 24.7% of all homeowners experienced cost burden
- By 2008 it is expected that 1,100 more Redmond residents will experience cost burden

What is Happening in Redmond?

- **Homeownership Market**
 - Median price of a home has increased 75% since 2003
- **Rental Market**
 - Demand has surged and price increases are predicted
- **Rising Cost of Housing Impacted by:**
 - Population growth factors and demand
 - Land, material and labor costs
 - Income and jobs

Affordable Housing Inventory

- Key characteristics & findings:
 - 12 subsidized multi-family facilities
 - Facilities provide 342 units of affordable housing
 - Facilities rent to people earning 60% or less of area median income
 - Three facilities at risk of converting to market rate
 - Redmond no longer qualifies for key federal source of funding for affordable housing
 - More than 300 Redmond families receive Section 8 vouchers
 - Nine mobile home parks contain more than 350 lots

Affordable Housing Strategies & Tools

- Wide Array of Options
 - Policies
 - Programs
 - Regulations
 - Incentives
- Each Strategy Requires Careful Analysis

Characteristics of Successful Affordable Housing Efforts

- A Plan
- Stable Funding
- Variety of Approaches
- Nonprofit & Private Sector Participation
- Organizational Capacity

Range of Strategies

- Land Banking
- Affordable Housing Trust Fund
- Incentives for Developers

Range of Strategies

- Voluntary Inclusionary Housing
- Community Land Trust
- Preservation Programs

How Are Other Communities Addressing Housing Affordability?

- Sisters, Oregon
 - Inclusionary Housing through Annexation
 - 1 in 10 new homes affordable to 80% or less AMI
 - Developer Incentives
 - Zoning Initiatives
 - Accessory dwelling units
 - Encourage mixed-use infill development

How Are Other Communities Addressing Housing Affordability?

- Bend, Oregon
 - Affordable Housing Trust Fund – new construction tax
 - Mobile Home Ordinance
 - Developer Incentives
 - Property Tax Abatement
 - Rental Assistance
 - Zoning Initiatives
 - Other Efforts in the Works

How Are Other Communities Addressing Housing Affordability?

- Ashland, Oregon
 - Inclusionary Housing through Annexation
 - Developer Incentives
 - Zoning Initiatives
 - Accessory dwelling units
 - Zone change inclusionary requirements
 - Condominium conversion policy
 - Minimum density policy in multi-family zones
 - Other Efforts in the Works

How to Choose Strategies?

- Define Housing Program Goals
 - Who?
 - What?
 - How?
- Analyze Potential Techniques & Tools
 - Do they address stated goals?
 - Are they appropriate for our community?

Key Ingredients for Developing a Strong Affordable Housing Plan

- Political Leadership
- Broad Community Participation
- Reliable Funding