



Oregon

Department of Land Conservation and Development

Governor Kate Brown

Department of Housing and Community Services

February 16, 2022

RE: Information Request on the Oregon Regional Housing Needs Analysis Implementation Framework

Co-Chairs Taylor and Reardon, and Members of the Joint Subcommittee on Natural Resources:

We appreciate the opportunity to provide additional information in reference to questions raised during a hearing of the subcommittee on February 2, 2022. The Legislative Fiscal Office provided the Department of Land Conservation and Development (DLCD) and Oregon Housing and Community Services (OHCS) with the full questions and format by which to answer.

As an initial comment to these questions, OHCS and DLCD are compelled to make clear that the work performed by WMPA Strategies, and more specifically Mr. Noah Siegel, is limited in scope, as described in greater detail below. While Mr. Siegel's analysis has been invaluable, the stakeholder and public process required by HB 5006 (2021 Regular Session) is on-going, with many months of meetings and discussions ahead. These meetings and discussions will be the primary input used by DLCD and OHCS to develop the legislative recommendations required by HB 5006 (2021). Our two agencies are committed to an open, impartial process and fully responsible for the nature and extent of any legislative recommendations.

Was there an open procurement process used for selecting Winning Mark?

HB 2003 (2019) directed OHCS to develop a methodology to estimate the number of households in each region and housing need for each income level now and over the next 20 years. The agency did not have the internal expertise to develop a comprehensive Regional Housing Needs Analysis (RHNA) methodology that would allocate those housing units from the regional level to the city level. Given the tight timelines outlined in HB 2003 (2019), OHCS contracted directly with a well-known and respected research firm. OHCS selected [ECONorthwest](#) (ECONW) to help develop a methodology that would give an accurate estimate of the number of homes needed by household income level for each of Oregon's 241 cities. This work was completed as of March 1, 2021.

Based on legislative direction provided in a budget note to HB 5006 (2021 Regular Session) to develop recommendations "on the incorporation of a Regional Housing Needs Analysis (RHNA) into state and local planning programs" OHCS continued the contract with ECONW. To comply

with the report deadline assigned in HB 5006 (2021), DLCD and OHCS entered an interagency agreement to continue ECONW's contract and fulfill work products needed to comply with legislative direction, including technical analysis, stakeholder engagement, facilitation, and adoption support. As a part of this work, ECONW was authorized to hire subcontractors to meet the scope of work, provided that staff from OHCS and DLCD review qualifications and ensure subcontractors were substantially qualified to perform the work. ECONW selected a trusted, experienced professional, Mr. Siegel, with whom they had a previous working relationship and a demonstrated capacity to deliver a quality product by the required date. Per the interagency agreement, OHCS provided direct contract management of both ECONW and their subcontractor.

What process was used in selecting and vetting Winning Mark?

To respond to legislative direction pursuant to HB 5006 (2021), the project team (DLCD, OHCS, and ECONW) identified the need for assistance with understanding the outcomes that are desired among legislators and other key stakeholders, to ensure that the 2023 legislative recommendations are responsive to the expectations and needs of those who would establish housing policy and the local governments charged with implementation. The agencies and ECONW needed additional capacity and expertise to meet this need, so that the recommendations would best achieve the desired shared long-term outcomes: increasing housing supply and affordability.

ECONW subcontracted with Mr. Siegel, who is employed by WMPA Strategies. ECONW requested a proposal from Mr. Siegel and WMPA and organized an interview with OHCS and DLCD to discuss WMPA's expertise and role. The project team agreed that Mr. Siegel had the skills to navigate the complex and often contentious outcomes desired of our land use system. It remains vital to the process that we hear from all perspectives, including those of legislators with whom WMPA staff spoke in the early phases of work. That research and outreach resulted in a balanced framework document that includes a full range of perspectives about barriers to development, including land supply issues, and clearly articulates areas of agreement on housing policy that are supported by different legislators and stakeholders.

What expertise in land use planning was required?

In order for DLCD and OHCS to deliver on the legislative direction to implement a RHNA into state and local planning programs, it is critical that agency staff are able to understand and be responsive to the nuanced perspectives and priorities of stakeholders and legislators throughout the state. Mr. Siegel's background in land use, communications, and transportation made him uniquely positioned to understand stakeholder perspectives, government systems, and the complexities of Oregon's land use system and policy history. Mr. Siegel has served as Deputy Director for Portland Bureau of Transportation, a policy advisor for two mayors, and a lead policy advisor for Metro.

Mr. Siegel's scope focused significantly on the first deliverable: the Framework Report. In that time, Mr. Siegel has engaged in preliminary conversations with a broad array of policymakers,

stakeholders, and advocates. As a result of those conversations, he has identified several implementation considerations critical to the development of legislative recommendations that consider the varying and often conflicting priorities inherent to housing and land use issues. These considerations are outlined in the Framework Report, delivered to the Legislature concurrently with the Legislative Interim Report on February 1, 2022. As a result of the discussions he facilitated, the Framework Report includes descriptions of implementation challenges with the current land use planning system as well as the need to consider approaches to measuring land supply for housing. It also includes descriptions of the importance of and challenges with incorporating fair housing law and achieving equitable housing outcomes.

To be clear, neither DLCD nor OHCS staff have the expertise to sufficiently identify the full spectrum of priorities in the housing and land use system, and there are very few individuals in the state with the necessary skills and experience to fulfill this task. The work products that the full project team delivered, the [RHNA Interim and Framework Report](#), are critical to the ongoing process to deliver well-informed, thoughtful legislative recommendations as required by HB 5006 (2021).

What the community engagement process used by the RHNA project team?

In the development of the [Framework Report](#), delivered to the Legislature on February 1st alongside the interim report, DLCD, OHCS, and the project team engaged in a variety of preliminary conversations with key stakeholders, including practitioners, advocacy organizations, and legislators, to understand the range of priorities and concerns that affect the development of thoughtful policy recommendations related to the Regional Housing Needs Analysis (RHNA). This included facilitated discussion with a Working Group consisting of a range of perspectives and expertise across the state. These conversations enabled the Framework Report to articulate a problem statement, desired outcomes, and pathways to fulfill the Legislative direction of House Bill 5006 to prepare a report “on efforts to develop a legislative proposal for incorporation of a regional housing needs analysis into future state and local planning processes.”

This report sets the stage for the upcoming engagement process and policy conversations that will ultimately inform the findings and recommendations of the final legislative report. DLCD and OHCS have published an [Engagement Framework](#) report detailing the engagement approach for policy development specific to the RHNA. The purpose of this process is to continue the robust engagement process that began with the implementation of House Bills 2001 and 2003 (2019 Legislative Session), with the goal of ensuring that further legislative actions will lead to increased housing production, increased publicly supported affordable housing production, and improved equity in housing outcomes.

We would be happy to follow-up on any specific questions related to the engagement process, including the policy issues we address and the stakeholders we reach in the process.