



# Housing Production Advisory Council

September Legislative Days



# Background

On January 10, 2023, Governor Kotek signed 3 executive orders to tackle Oregon's housing and homelessness crisis:

**EO 23-02** - Declares a state of emergency due to homelessness in regions of the state that have experienced an increase in unsheltered homelessness of 50% or more from 2017 to 2022

**EO 23-03** - Working in tandem with EO 23-02, EO 23-03 directs state agencies to prioritize reducing both sheltered and unsheltered homelessness in all areas of the state

**EO 23-04** - Establishes a statewide housing production goal of 36,000 per year and creates the Housing Production Advisory Council (HPAC) to develop comprehensive budget and policy recommendations to meet that goal



## EO 23-04

- Sets an ambitious housing production goal of **36,000 homes per year**. The annual housing production goal represents an **80% increase** over current annual trends.
- Requires that **50%** of the annual statewide production target of 36,000 homes **must be affordable to households making less than 80% of Area Median Income (AMI) to meet the need**.
- Establishes the **Housing Production Advisory Council (HPAC)** to develop comprehensive budget and policy recommendations to meet that goal.



# Oregon's Housing Crisis: Low Availability & High Prices

- Oregon ranks 4th in underproducing housing (behind California, Colorado, and Utah).<sup>1</sup>
- Decades of underproduction have driven up home prices and rents.
- The people suffering most acutely from the housing shortage are disproportionately **lower income households** and **communities of color**.
- People are currently becoming homeless faster than the state has been able to rehouse people living outside. To address and prevent homelessness , the state must build more housing.
- A lack of affordable housing is exacerbating the state's workforce shortages, impacting healthcare, public safety, education, and business.

<sup>1</sup> [2022 Oregon Housing Needs Analysis Legislative Recommendations Report](#)



# Oregon Housing Needs Analysis (OHNA)

The pilot Oregon Housing Needs Analysis (OHNA) estimated:

- Oregon's housing shortage at 140,000 homes across the state.
- A need to add more than 440,000 units over the next 20 years to keep pace with housing needs.
- 30% of those 440,000 units will need to house Oregon's lowest income community member, likely requiring public funding or subsidy.



# Oregon Housing Needs Analysis (OHNA)

- Currently, the state produces an average of 18,000 units per year – only 55% of the Governor’s target.
- Addressing the current shortage and keeping pace with annual housing needs will require the state to double its annual housing production.



# Timeline

- **January 10** - Governor Kotek signs EO 23-04
- **March 6** - Governor Kotek announces Housing Production Advisory Council (HPAC) members
- **March 10** - First HPAC meeting
- **April 25** - HPAC Releases Framework for Action Plan
- **December 31** - HPAC's recommendations are due no later than this date for a production plan that is equitable and affirmatively advances fair housing



## HPAC Process

- **Five work groups** - engaging subject matter experts and developing potential recommendations
  - Availability of land, land development and permits, codes and design, workforce, financing
- **Potential recommendations** - referred to full council for consideration and public comment
- **Preliminary recommendations** - recommendations adopted after comment and any changes
- **Final report and recommendations** - to be developed and due by December 2023

Council anticipates that the Governor will support some recommendations, not support others, and those that she moves forward will require supplemental technical, budget, and legislative process.





## Post HPAC Process

- **HPAC expectations on process after report is finalized**
  - Review by Governor and Legislators for areas of agreement and disagreement
  - Departmental review for policy, budget, and technical assessment
  - Additional stakeholder and subject matter expert involvement
  - For any recommendations that move forward, a full administrative and/or legislative process
- **HPAC process is the start to a longer process, not the end**



**Questions?**