



1/14/2026 Summary Points Updating Molalla's Housing Needs Analysis With New Population Numbers

If the City chooses to use newer population numbers we will need to adopt a new Housing Needs Analysis and residential Buildable Lands Inventory

- The City would **not** need to abandon its sequential workplan for UGB expansion. Our expansion would still be over 50 acres once we account for employment lands and Ivor Davies Park
- Because this work will result in a UGB expansion later than 2027, the new HNA/BLI will be produced under the new OHNA rules passed this fall
 - New OHNA rules have much more rigorous BLI analysis
 - New OHNA Rules require defining housing needs by AMI levels instead of density
 - New OHNA rules would not necessarily affect our existing capacity much and may even reduce capacity
- Revisions to our forthcoming HPS would be required
 - Because our housing need would be revised downward, it is unlikely that significant policy edits would be needed
 - The documents would be edited to show AMI needs would be addressed
 - DLCD strongly recommends finishing the current work on the HPS and getting started with implementation

- We would need to update our public process at the very least to include outreach to local tribes and potentially more
- Goal 14 updates are needed
 - Background work as well as some subarea analysis would carry forward
 - Updates to land need (lower) would be needed
 - New subarea analysis for northern expansion and infrastructure analysis would be needed
- SB 1129 set thresholds for cost considerations to be taken into account to consider higher priority areas “impracticable” for UGB expansion – grant funding is likely IF available
- If we choose to update our HNA there is no obligation to update our EOA
- Another round of efficiency measures would be required it likely that would likely be similar to work we’re required to do prior to UGB adoption to increase density minimums and maximums in our R-3 zone
 - If the City receives a TGM grant from ODOT this summer it may make sense to do some of the additional zone changes (to commercial) that we scrapped earlier this year as well.
- The City can shift the \$115,000 grant from DCLD we received in the fall from updating our Goal 14 analysis to HNA work. New HNA/BLI grants have typically been costlier than previous ones due to the new OHNA requirements
- Molalla would need to apply for a new competitive grant to complete updates to Goal 14, HPS, and UGB amendment