



January 30, 2026

**BY EMAIL ([dzinder@cityofmolalla.com](mailto:dzinder@cityofmolalla.com) and [recorder@cityofmolalla.com](mailto:recorder@cityofmolalla.com))**

City of Molalla City Council  
c/o Dan Zinder and City Recorder  
117 N Molalla Ave  
Molalla, OR 97038

**Re: HLA and FHCO Comments on City of Molalla Housing Production Strategy Amended (HPS)**

Dear Mayor and City Council,

This letter is submitted jointly by Housing Land Advocates (HLA) and the Fair Housing Council of Oregon (FHCO). Both HLA and FHCO are non-profit organizations that advocate for land use policies and practices that ensure an adequate and appropriate supply of affordable housing for all Oregonians. FHCO's interests relate to a jurisdiction's obligation to affirmatively further fair housing. Please include these comments in the record for the City of Molalla Housing Production Strategy (HPS).

In May 2025, HLA and FHCO submitted comments on the City of Molalla Housing Production Strategy. While that addition of the Molalla HPS had many thoughtful strategies, including Action Item 5 (regulating short term rentals), Action Item 11 (offering a library of information about affordable housing) and Action Item 12 (modifying System Development Charges based on size), it fell short in several key areas. These shortcomings were especially concerning, given the dire need of Molalla's residents. Per the City's 2022 Housing Needs Analysis (HNA), Molalla has an incredibly low vacancy rate of 0.4% and will require almost 2,000 units to meet its housing needs in the coming years.

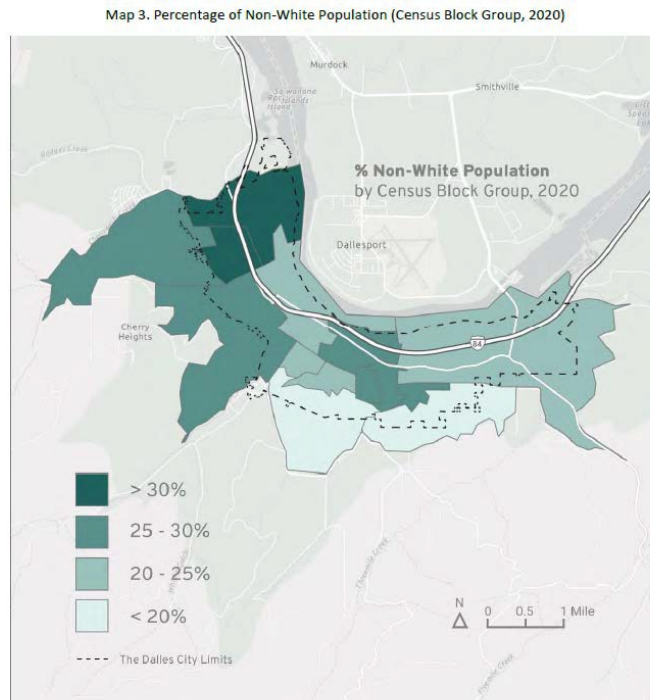
In the previous letter, our recommendations were as follows:

- Recommendation 1: Demographic Analysis to Measure Achievement of Fair and Equitable Outcomes
- Recommendation 2: Address Housing Deficit
- Recommendation 3: Diversification of Affordable Housing Funding
- Recommendation 4: Monitoring of Affordable Housing Production

The amended HPS adequately addresses some of these recommendations, but not all. Recommendation 2 is addressed through quantification, including the rezoning of underutilized

industrial land to R2 and R3. Recommendation 3 is notably followed by utilizing a short term rental fee to fund affordable housing. While not directly addressed, the increased reference to data and data sources to monitor land utilization could ameliorate the concerns raised by Recommendation 4.

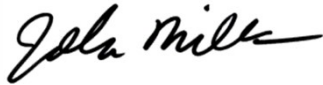
However, Recommendation 1 was not followed. A geospatial analysis similar to what the The Dalles provided in their HPS (see example below) has negligible cost and its exclusion showcases an unwillingness to explore potential disparate impacts. The Housing Strategy Burden Mitigation matrix is a beneficial addition, but affirmatively furthering fair housing, as required by OAR 660-008-0050(4) has not been adequately addressed. FHCO and HLA are unable to determine if the strategies showcased by the Housing Strategy Burden Mitigation matrix will further, or fight, access to opportunity and segregation.



These maps show that there is a greater concentration of residents of color, renter households, and households earning less than \$50,000 per year in the western portion of the City of The Dalles. The fact that these variables are spatially correlated is unsurprising given that state and national trends indicate that people of color are more likely to rent their homes and have lower household incomes.

January 30, 2026  
Page 3

Thank you for your consideration of these comments. Please provide written notice of your decision to, FHCO, c/o Shyle Ruder, at 1221 SW Yamhill Street, #305, Portland, OR 97205 and HLA, c/o Jennifer Bragar, at 121 SW Morrison Street, Suite 2 1850, Portland, OR 97204. Please feel free to email project coordinator Mathew Hogan at mathew.jamesFHCO@gmail.com.



John Miller, Executive Director  
Fair Housing Council of Oregon



Jennifer Bragar, **President**  
Housing Land Advocates

cc: (by email)  
HLA Board