



TECHNICAL MEMORANDUM

To: Equitable Housing Project Advisory Team (PAT) and Technical Advisory Team (TAT) Members

From: Elizabeth Decker and Steve Faust, 3J Consulting

CC: Laura Terway and Pete Walter, City of Oregon City

Date: June 15, 2018, updated June 25, 2018

Project: Oregon City Equitable Housing Project

RE: Final Policy Recommendations

1. OVERVIEW

This final project memo highlights the main equitable housing zoning code and policy changes and recommendations to the Planning Commission and City Commission. The concepts herein were developed and reviewed in three rounds of code amendments: low and medium-density residential districts, including single-family development and missing middle housing types; high-density and mixed-use districts, including multifamily development; and procedural requirements for all development. The concepts were developed through iterative review by the Public and Technical Advisory Teams (PAT/TAT), and full details of their recommendations are summarized in a forthcoming letter.

The complete package of code concepts and proposed code language were refined based on PAT/TAT feedback at their June 21, 2018 meetings. The code amendments will be reviewed by Planning Commission and City Commission during the adoption process, and later implemented with supporting informational materials including equitable housing maps and development guides.

General Code & Policy Audit (complete)

Code & Policy Amendments (complete)

Equitable Housing Opportunity Mapping

Informational Materials for Development

Final Plan and Adoption Process (Recommendation)

Figure 1: Overview of Equitable Housing Policy Project Stages

Project Background: The Oregon City Equitable Housing project is working to understand the existing barriers and future solutions to promote a larger supply of equitable housing options for the community. The City seeks to develop code and regulatory improvements that facilitate a fuller spectrum of housing options for its current and future residents in response to increasing cost burdens on Oregon City households, increasing numbers of people experiencing homelessness, and changing household demographics in the city and the broader metro region. The intended outcome for this project is to encourage the development of increased numbers of housing units, of all types, and at a range of affordability levels. Many of the proposed housing options can be collectively referred to as “missing middle housing,” defined as a range of multi-unit or clustered housing types compatible in scale with single-family homes that help meet the growing demand for housing choices at a variety of scales across a variety of neighborhoods.

2. POLICY RECOMMENDATIONS

Recommendations to address the core project objectives can be grouped into five main areas:

- Expand ‘missing middle’ housing in low and medium-density zones.
- Expand housing types while maintaining density in high-density zones.
- Continue to allow multifamily residential in mixed-use and commercial zones.
- Coordinate procedural and design requirements for residential development.
- Provide informational resources.

With the exception of the final recommendation for supporting resources, specific project recommendations to implement the first four policy concepts were developed as proposed changes to the City’s zoning and development regulations. These changes were developed based on public input on surveys and events, PAT/TAT member input, City staff experience, and consultant expertise. The recommended changes are intended to function together as a collective package to achieve the broader project objectives of furthering equitable housing opportunities.

Specific recommendations to implement the main policy concepts include:

A. Overarching Changes

A.1 Reorganization: Introduce new chapters to centralize residential regulations for ease of use, including chapters for the base zones and design standards. Rename base zone chapters to reflect the fuller range of development opportunities proposed, such as changing the name from ‘Single-Family Dwelling District’ to ‘Low-Density Residential District.’ No changes to the zoning map are proposed with this project beyond renaming the residential districts. Proposed code organization includes:

- *17.08 Low Density Residential Districts* incorporating existing OCMC 17.08, 17.10 and 17.12 for R-10, R-8 and R-6 zones. This chapter will include use, density and dimensional standards, similar to the existing chapters.
- *17.10 Medium Density Residential Districts* incorporating existing OCMC 17.14 and 17.16 for R-5 and R-3.5 zones. This chapter will include use, density and dimensional standards, similar to the existing chapters.

- *17.12 High Density Residential District* incorporating existing OCMC 17.18. for R-2 zone, including use, density and dimensional standards.
- *17.14 Single-family & Duplex Residential Design Standards* incorporating existing OCMC 17.20, 17.21 and 17.22, incorporating new standards specific to duplexes and corner duplexes.
- *17.16 Townhouse Residential Design Standards*, new chapter adapting similar design themes for single-family and duplex units in OCMC 17.14 for attached residential (townhouse) projects.
- *17.18 Multifamily Residential Design Standards*, new chapter, incorporating existing OCMC 17.62 and 17.62.057 for multifamily residential projects.
- *17.20 Additional Residential Design Standards*, new chapter detailing standards for ADUs (adapted from existing OCMC 17.54.090), Cluster Housing (adapted from OCMC 17.62.059), Internal Conversions, Live/Work Units (adapted from OCMC 17.54.105), Manufactured Homes, Manufactured Home Parks.

A.2 Dimensional and density standards: Largely maintain existing dimensional and density standards for existing single-family and multifamily development types; new standards for proposed missing middle housing types are detailed in the following section.

- *Setbacks.* Minimal changes are proposed to the dimensional standards as they affect single-family detached homes, including making side yard setbacks more consistent across zones and reducing rear setbacks from a uniform 20 feet to a range of 5-20 feet matching the front yard setbacks in each zone. New alley setbacks for garages are also proposed as an alternative to street-loaded garages. No changes are proposed to setbacks for multifamily projects.
- *Height.* Height standards are proposed based on feet rather than current two-part height and story restrictions, for simplification and greater flexibility in site design. Current single-family regulations allow 2.5 stories, the half story being a story under a peaked roof, or 35 feet. The stories limitation may discourage construction of basements that can be converted to ADUs, which would be counted as a story despite no or minimal impact to the overall height. Proposed height limits are 35 feet for most development, and 25 feet for cluster housing to offset increased density limits and smaller lots. Multifamily standards currently allow four stories or 55 feet, and are proposed to permit a straight 45 feet.
- *Base Density.* No changes are proposed to the existing density minimums and maximums in all residential zones for single-family detached and multifamily development. Existing density increases for cluster development, ADUs and duplexes are retained, and new density increases for internal conversions, townhouses and multiplex residential uses are proposed as detailed in the individual dwelling types below.

B. Expand Missing Middle Housing Types

B.1. Accessory Dwelling Units: Liberalize ADU regulations to remove owner-occupancy and off-street parking requirements consistent with emerging best practices and state mandates, and to simplify dimensional and design standards. ADUs provide flexibility

for homeowners to use their property, and expand housing options for residents of primary dwellings and ADUs, with relatively low impact to the surrounding neighborhood given the small scale and limited adoption of ADUs.

- *Remove owner-occupancy restriction.* Requiring owner occupancy of a property with an ADU adds an additional layer of complexity and regulation, further discouraging interested homeowners from considering an ADU and significantly limiting financing options. There are no owner occupancy requirements for other residential uses, and there does not appear to be a significant policy reason to single out ADUs for these restrictions given their relatively low numbers. If concerns arise, owner occupancy regulations could be developed to address residential uses more holistically across the city, such as through a short-term rental policy.
- *Allow one ADU per single-family dwelling.* Permit one ADU for every detached single-family dwelling—rather than per lot or parcel, as currently regulated—in all residential zones, as required by recent state legislation. In the future, the City may consider permitting up to two ADUs per dwelling but only one is recommended at this time.
- *Parking.* Eliminate off-street parking requirements for ADUs, and leave it up to homeowners to decide whether to provide an off-street space or use on-street parking, to prioritize housing units rather than parking on residential lots and expand flexibility to fit ADUs on individual lots. Policy is consistent with existing parking standards for single-family residential units that do not require any off-street parking. Given low numbers of ADUs expected, related on-street parking will likely have a minimal impact on any specific street.
- *Simplify dimensional standards.* Match dimensional standards to the underlying zone and the standards for other accessory structures, including a size limit of 800 SF or 60% of the main dwelling (up from 40% currently), whichever is less; height not to exceed 20 feet or the height of the main dwelling, whichever is greater; and any detached structures to be located behind the front façade of the main dwelling and outside of minimum setbacks.
- *Increase lot coverage.* Include 5-10% increased lot coverage for sites developed with an ADU. Coupled with reduced rear yard setbacks, dimensional standards intended to increase flexibility and to encourage ADU development
- *Design compatibility.* Simplify design compatibility standards to match those for other accessory structures, requiring similar materials as the primary structure in place of existing regulations governing roof pitch, eaves, windows and materials. Given that almost all ADUs are a custom design commissioned by homeowners, design quality is typically high and can be more flexible and interesting than straight compatibility.
- *Clarify ADU density and occupancy limits.* Exempt ADUs from density standards, and clarify that each ADU, as a dwelling, may accommodate one “family” as defined in the code, rather than sharing an occupancy quota with the principal dwelling.
- *Permitting.* Allow through a building permit review, similar to primary dwellings, since all standards are clear and objective.

B.2 Duplexes: Expand duplex allowances to permit corner duplexes in low-density zones, and duplexes on all lots in medium-density zones.

- *Corner duplexes in low-density zones.* Introduce duplexes on corner lots in R-10, R-8 and R-6 low-density zones as an allowed use on standard sized lots, subject to similar design standards that apply to single-family homes to create two primary facades on the street-facing façade for each unit.
- *Duplexes in medium-density zones.* Retain duplexes as an allowed use for all lots in R-3.5 zone and permit duplexes in R-5 zone on standard sized lots, subject to same design standards as single-family homes for compatibility. Include requirement for minimum of one street-facing door on the street-facing façade, with flexibility for the second entrance for the second unit to face the interior of the site.
- *Parking.* Retain existing parking standards for duplexes, which require no off-street parking minimums for duplexes.

B.3 Internal conversions: Permit conversion of existing single-family homes into multiple units through internal divisions to encourage the preservation of existing homes, maintaining the existing neighborhood fabric and preserving the financial and materials investment in the existing home and infrastructure. Internal conversions may be particularly applicable in historic districts to maintain existing external building design while providing greater flexibility inside. Because residential building codes require significantly greater construction costs for structures with three or more units compared to single-family and duplex units (one to two units), internal conversions to more than two units will likely be unusual. At two units, internal conversions would be similar to duplexes and a principal dwelling with an attached ADU, but with greater flexibility.

- *Eligibility.* Allow internal conversion of homes at least 20 years old at the time of proposed conversion, using a floating date to keep standards current without need for future code updates. Targeting internal conversions to older homes is intended to support retention of existing building stock and discourage new, oversized homes built for purposes of conversion. Approximately 75% of homes in Oregon City are 20 years old, making this a meaningful option for many existing neighborhoods.
- *Limit of four units.* Allow a maximum of four units through an internal conversion, or a combination of internally converted units and an ADU, at a ratio of one allowed unit per 2,500 SF of site area. This would allow up to four units on typical lots in the R-10 district (minimum lot size 10,000 SF), but only two to three units on typical R-6 and R-8 lots with smaller sizes. Projects with more than two units are expected to be rare because of commercial building codes that would kick in.
- *Expansion limitations.* Expansions within one year before or after the conversion would be limited to the lesser of 800 SF or 60% of the existing square footage, identical to ADU size limits for consistency. The limitation is intended to prevent large expansions for the purpose of conversion.
- *Parking.* Similar to ADUs, no additional off-street parking requirements are proposed for internal conversions, to avoid hamstringing projects that lack sufficient off-street parking opportunities.

- *Review.* Similar to ADUs and duplexes, internal conversions would require a building permit review, and historic review if applicable.

B.4 Townhouses: Support expanded townhouse development, which has traditionally performed well in the Oregon City market, by expanding it in the R-5 medium-density zone in addition to the R-3.5 zone where it is already permitted, and permitting it in the R-2 high-density residential zone as an alternative to apartments. Apply new dimensional standards and design standards specific to townhouse development.

- *Dimensional standards.* In the medium-density zones, allow smaller townhouse lots at 70% of the minimum for single-family detached dwellings to account for shared wall construction eliminating side yard requirements. Reduced lot size also translates into a density bonus to incentivize such development. Minimum lot sizes and density in high-density R-2 zone proposed equivalent to existing standards.
- *Design standards.* Require integration of residential design elements into front facades under the same terms as other single-family residences. Additional standards would require a porch or stairway connecting the townhouse entrance to the street, in proposed OCMC 17.16.030.
- *Shared access.* Require shared access for townhouses to prevent garages from dominating front façades and to prevent driveways from displacing yards, impacting pedestrian connectivity, and conflicting with on-street parking options. Existing standards already limit driveway and garage width for many narrow lots to 12 feet or 50-60% of the lot width. The proposed approach is to require shared driveways, as illustrated in proposed OCMC 17.16.040, or a private alley. These would provide reduced impervious surfaces, more on-street parking and street-side planter strips with trees and room for utilities.
- *Outdoor space.* To ensure provision of usable yard space on constrained townhouse lots, a minimum standard of 200 square feet of outdoor yard, deck, balcony or porch space is proposed. Modified street tree standards are proposed requiring one street tree per two townhouses, acknowledging the frontage constraints of individual lots.

B.5 3-4 plexes: Permit triplexes and four-plexes with three to four units on a single lot in medium and high-density zones, effectively regrouping this subset of projects from multifamily development to single-family/duplex development.

- *Dimensional standards.* Allow triplexes on lots 150% of the minimum lot size in the zone and four-plexes on lots 200% of the minimum lot size in the medium-density zones, e.g. 7,500 to 10,000 SF in the R-5 zone for three or four units respectively, resulting in a density equivalent to duplexes or townhouses. Allow at the same density as apartments in the high-density zone, one unit per 2,000 SF.
- *Design standards.* Provide choice of several design standards depending on style of development. Development may elect to comply with townhouse standards for attached units with similar form, single-family detached or duplex standards for detached units, or a modified version of multifamily standards scaled for smaller projects.
- *Parking.* Similar to single-family and duplex development, no off-street parking or bicycle parking would be required, provided that if parking is provided, it must

meet standards for shared access similar to townhouses for individual parking spaces, and groupings of more than four spaces must meet parking lot design standards of OCMC 17.52.

- *Permitting.* Allow individual plexes as a by-right development through building permit review, rather than site plan review as required for larger multifamily apartments. In most cases, developing multiple neighboring plexes as a larger project would require a partition or subdivision to create appropriately scaled lots, ensuring review of cumulative impacts.

B.6 Cluster housing: Introduce new cluster housing standards as a significant revision to the existing cottage housing standards that permit clusters of 4-12 homes at higher densities and smaller scale organized around a central court rather than traditional front yard, sidewalk and curb. Expanding cluster housing beyond cottages is intended to spur development of these smaller infill projects, which has been slow to materialize thus far.

- *Residential types.* Allow a wide variety of residential units including detached cottages and duplexes in the low-density zones, additional options for townhouses and multiplex residential in the medium-density zones, and smaller-scale garden-style apartments in the high-density zone. Because there is no minimum size for dwellings, smaller “tiny homes” with permanent foundations and utility connections would be allowed in cluster projects in any zone.
- *Dimensional standards.* Increase allowed maximum unit size to 1,500 SF gross floor area with no maximum footprint, to allow greater flexibility in lot configuration and mix of dwelling types.
- *Density.* Retain density bonuses that allow development at 2x density in low-density zones and 1.5x density in medium-density zones, with no bonus in the high-density zone given the existing high rate.
- *Open space.* Provide greater flexibility in configuring mix of common and private open space, to total 400 SF per dwelling. While a reduction from the current 600 SF, the standard still remains the highest of any dwelling type.
- *Design standards.* Update design standards for more flexibility beyond traditional craftsman or farmhouse “cottage” styles, referencing design elements required for other residential development.
- *Lot configuration.* Allow cottage projects to be created on a single lot, to be managed as rentals or sold individually as condos, or to be created on individual lots through subdivision to be owned individually.
- *Review.* Type II site plan and design review is required; subdivision required if elected.

B.7 Manufactured home parks: Allow manufactured home parks or subdivisions in the R-3.5 zone is long overdue in order to legalize three existing communities that together provide over 400 affordable housing units, and can be applied to a fourth park planned for future annexation into the city. Permitting these uses is required by state law, and will allow for modifications and upgrades to existing communities. Due to land prices and relative profitability of different residential uses, no new manufactured home parks are anticipated so the focus is on protecting existing parks. There are additional protections in OCMC 15.52 to address potential park closures already in place.

C. Expand High-Density Housing Options

C.1 High-density variety: Permit a wider range of residential types in the R-2 high-density zone, in place of limiting uses to multifamily apartments, provided that minimum density standards are met.

- *Expand residential uses.* Allow duplexes, townhouses, and 3-4 plexes as permitted dwelling types provided minimum density of 17.4-21.8 units per net acre is met, which translates to 2,000 to 2,500 SF per unit.
- *Limit incompatible residential uses.* Do not permit single-family detached units in R-2, even on small lots, to promote development of greater variety of housing types on limited supply of R-2 land. Remove live/work units as a permitted use due to incompatibility and limited interest in this development type.
- *Cluster development.* Permit cluster developments incorporating any of the permitted housing types in an alternative courtyard-oriented site layout, provided R-2 density limits are met.

C.2 Multifamily design standards: Simplify design standards for multifamily and mixed-use buildings to de-emphasize articulation and modulation requirements in favor of architectural detailing and other lower-cost design strategies.

- *Remove recessed window requirement.* City staff and several stakeholders highlighted this requirement for being costly with a limited design benefit; it is proposed to be deleted though requirement for window trim would remain.
- *Remove unit diversity requirement.* Current standards require a mix of unit types (studios through three-bedroom units) for larger projects, and are proposed to be deleted. There is concern that it would add cost and complexity to designing projects and potentially negatively impact affordability goals, particularly as average household size is projected to decline, without compelling evidence that this diversity on a per project level is needed.
- *Simplify façade modulation and detailing standards.* Modulation requirements emerged as one of the greatest design-related costs, in the context of multiple overlapping standards for façade design and modulation intended to prevent blank walls along street façades. The proposed revisions retain major breaks every 120 feet with additional flexibility for smaller modulations and additional architectural detail required every 30 feet intended to be less costly while still providing visual interest.
- *Combine common and private open space requirements.* Simplify open space requirements for multifamily projects in residential zones to require 100 square feet of combined open space—common or private—and introduces design

standards for each type of open space. In addition to the developed open space, the requirement for 15% site landscaping would continue to apply. The proposed standards retain the existing standard for 50 square feet per unit of combined common or private open space in the commercial and mixed-use zones.

- *Roofline modulation.* Multifamily buildings in the R-2 zone must meet a minimum slope of 4:12 with a maximum 50-foot length for any roof segment, modified from a 6:12 pitch and 35-foot length currently, and multifamily buildings in commercial or mixed-use zones may elect to meet the standards for pitched roofs, flat roofs with vertical modulation, or flat roofs with a distinct roofline.
- *Minimum ground floor height.* Delete requirements for a full height ground floor in recognition that residential buildings, even with taller ground floors, are not likely to be converted to nonresidential use due to additional building code standards and the residential nature of most sites.

C.3 Off-Street parking requirements: Introduce straight one space per unit minimum parking standard for apartments to replace current standards between 1 to 1.75 spaces per unit dependent on unit size. No other residential parking standards are tied to unit size, and in fact almost all other residential types are exempt from any minimum parking regulations. Provision of off-street parking is a significant expense for development with significant impacts on site layout and feasibility; reductions in minimum parking standards provide greater flexibility for developers to balance provision of housing units and provision of car parking.

C.4 Affordable housing density bonus: Offer a modest density bonus in the high-density zone for affordable housing development. Multifamily projects with units affordable to households making 80% or less of the area median income for a minimum term of 30 years could add two market-rate bonus units for every affordable unit constructed, up to a 20% density increase which would go from 21.8 units to 26.2 units per acre maximum in the R-2 zone. Projects composed entirely of affordable units would be eligible for the full bonus. (Note: density bonuses in the commercial and mixed-use zones were not considered viable because density is not directly regulated based on units per acre, and projects instead must only be designed to comply with height limits.)

D. Residential Opportunities in Mixed-Use and Commercial Zones

D.1 Residential use in mixed-use and commercial zones: Retain multifamily apartments as a permitted use in commercial and mixed-use zones with no new limitations on ground floor use or required commercial component. Retain the 50% residential use limitation in the Neighborhood Commercial (NC) standard to protect mixed-use and commercial development opportunity in concept plan areas. Given the limited R-2 land available and large amount of commercial and mixed-use areas available, high-density residential in these zones will be an important strategy to expanding future housing development, particularly development near commercial services and transit. Live/work units are also a permitted use, though less frequently used. No additional residential uses are proposed for these zones.

- *Minimum density.* To ensure efficient use of commercial and mixed-use sites, apply the same 17.4 units per net acre minimum density standard as applies to R-

2 sites for all-residential projects and the residential portion of horizontal mixed-use projects. No density maximums are proposed for such projects, provided the project meets the dimensional standards including height limits between 40-60 feet. For vertical mixed-use projects, no density minimums or maximums apply to incentivize production of any number of units above a ground-floor commercial use.

- *Design standards for mixed-use buildings.* As a subset of the multifamily design standards, apply a harmonized mix of residential standards and a limited version of the commercial standards to the first floor commercial/retail use for vertical mixed-use buildings in commercial and mixed-use zones, in lieu of current overlapping residential and commercial standards. The proposal would eliminate conflicts with differing façade modulation requirements for the two portions of the building, while preserving essential street-level activation features.

E. Procedural and Site Design Standards

E.1 Annexation: Retain current standards that automatically apply the lowest density zone that implements the comprehensive plan upon annexation, with opportunity for concurrent rezoning application and review by Planning Commission. While rezoning upon annexation to a higher density can be challenging for applicants and may reduce eventual number of units developed, there is no clear direction in existing long-range land use and transportation plans to support a higher density 'default' zone at this time.

E.2 Subdivision lot averaging: Retain existing lot averaging provisions for new subdivisions that permit individual lot sizes to be reduced by up to 20% provided that the average lot size within the subdivision meets the minimum requirement for the zone. Restrict use of lot averaging to lots for single-family detached residences, and do not allow lot averaging for new proposed missing middle housing types, many of which already include smaller lots or other dimensional bonuses tailored to the housing type. The provisions were recently reviewed by Planning Commission and City Commission and amended to exclude any area within a powerline easement from averaging calculations. The provisions allow for more flexible lot patterns, particularly on irregular lots or lots with development restrictions, and ultimately support development of a greater number of residential lots which supports the equitable housing project goals.

.3 Residential master plans: Strengthen master plan option for larger residential development projects that provide a more creative project approach as an alternative to the standard subdivision process. Master plan is currently oriented towards institutional development, but provides a framework for creative, multi-phase development that will be strengthened by addition of residential-specific standards including opportunity to propose alternative dimensional, density and design standards.

E.4 Site plan & design review: Update the procedural standards for the site plan and design review (SPDR) process used to review multifamily, cluster housing, and mixed-use projects, to ensure integration with the new design standards through cross-references, close loopholes, and remove duplicative language. Refine the design standards for many basic elements of site design such as pedestrian circulation, parking lot location relative to building presence, and building materials that apply in addition to the

refined design standards specific to each type of development such as the multifamily and cluster housing standards.

- No changes are proposed to the 15% site landscaping standard that applies to multifamily and cluster housing, but note that changes to the open space requirements for those developments mean the combination of landscaping and open space will be 15% rather than 15% plus approximately 10% open space.
- Delete requirements for alleys to serve new development in the R-2, MUC, MUD and NC zones due to lack of comprehensive alley network plans across those zones, lack of public works standards for public or private alley cross-sections, and City's unwillingness to accept dedication of public alleys.
- Refine and prune unnecessary standards including discretionary language about complimentary building design, minor refinements to the list of building materials, and minimum residential density standard that has been included in updated base zone standards.

F. Other

F.1 Permit transitional shelters for persons experiencing homelessness: Introduce a new use category for 'transitional shelters,' defined as, "Congregate facilities providing housing to shelter families and individuals offered on a short-term basis for a period not to exceed 90 days continuously. Shelters may offer meals, lodging and associated services on site, aimed at helping people move towards self-sufficiency." The use will address the need to permanently manage three existing warming shelters that have previously operated through emergency ordinances in churches and other community facilities. Allow two options for shelter uses:

- Allow transitional shelters with 11 or more beds as a conditional use in the Mixed-Use Downtown (MUD), Mixed-Use Corridor (MUC-1 and 2), and R-3.5 zones, reflecting current shelter locations.
- Allow transitional shelters with up to 10 beds as an accessory use to a 'religious institution' use. Religious institutions are already regulated as conditional uses in most zones, including all residential zones; adding a shelter use would require modification of the institution's conditional use permit.

For all shelters, remove weather-dependent operational restrictions to allow more consistent operations. Shelters are currently limited in their operations to winter months, limited hours from 6pm to 7am, only on nights with temperatures below 33 degrees, and proposed changes would allow shelters to operate year-round.

3. OPPORTUNITIES FOR FURTHER STUDY

Though the scope of the Equitable Housing Project has been intentionally broad, there were inevitably additional supporting efforts in code and beyond code that could not be addressed as part of this project. PAT/TAT had robust conversations throughout the project about wide-ranging interests to continue to support equitable housing beyond

this package of zoning code amendments and informational materials. Initial ideas for next steps beyond this project include but are not limited to:

- Update System Development Charges (SDCs), specifically how rates apply to missing middle housing types and searching for ways to better calibrate rates to infrastructure impacts for particular types of dwellings in recognition that large single-family detached homes have greater impacts than an ADU. At a minimum, SDC rates need to be specified for each missing middle type using existing categories, even if new categories cannot yet be developed.
- Develop Engineering Standards and revise related portions of Title 12 and Title 16 that include standards for public infrastructure that apply to development. Long-term, these standards should be reduced and consolidated, with the majority of engineering-specific standards moving to a separate engineering standards manual. Though consolidation and reorganization of existing code sections was considered with this project, it was ultimately beyond the scope of the consultants or staff to complete at this time.
- Explore boarding houses or single-room occupancy (SROs) as a residential alternative. SROs are a historic development type that is experiencing renewed interest as a-pod-ments or micro-apartments, because they offer very small units with fewer amenities at lower costs; larger cities such as San Francisco and Seattle are just beginning to experiment with them which may eventually highlight best practices for smaller cities such as Oregon City. While some headline-grabbing SRO projects focus on higher-end amenities simply at smaller scale, SROs have also historically served lower-income residents.
- Explore tiny home development opportunities. Tiny homes are a popular concept for small-scale living that breaks down into two dwelling types under the zoning code. Tiny homes on wheels (THOW) are semi-mobile, mounted on a chassis with wheels, including self-contained utilities or hook-ups. The state will inspect and permit THOW as “park model recreational vehicles;” the Oregon City zoning code does not allow “vehicles” such as THOW or other RVs to be used as a permanent dwelling in any zone. Tiny homes that are installed on site with a permanent foundation and utility connections are defined and treated simply as a “dwelling” and may be allowed widely in residential zones: they could be used as a primary dwelling, an ADU, or part of a cluster development since there are no minimum size requirements. Continue to review emerging practices for tiny homes of both types and integrate into the zoning code as desired, including opportunities to support tiny home “villages” clustering individual units.
- Monitor residential development in commercial and mixed-use zones to determine whether it is competing with commercial development, and consider revisions to allowed uses in those zones to limit residential to a portion of the site, potentially in conjunction with commercial development.
- Consider developing R-1 apartment zone and designating additional land for higher-density, multistory residential development if additional land for multifamily development is needed, considering limited supply of R-2 acreage.

- Develop discretionary design guidelines for multifamily and mixed-use development as an alternative track to the current clear and objective standards, for more creative projects.
- Develop manufactured home park zone for existing sites to better protect parks from redevelopment pressures, to bolster protection afforded in OCMC 15.52 to discourage park closures.
- Review and harmonize single-family design standards in South End, Park Place and future Beaver Creek Road standards, to ensure that the standards are not a barrier to needed development in these future growth areas.
- Revisit transportation and land use plans for future annexation areas and consider updating to permit 'default' zoning upon annexation at higher densities. The presumption of lowest density zoning can color both neighbor and developer expectations, and creates a barrier to higher density development that could better provide equitable housing options.
- Measures to support tenants rights, including limits on no-cause evictions and/or limits on rent increases.

4. NEXT STEPS

This memo, supported by the PAT recommendation letter, will form the basis for the legislative adoption process of the proposed amendments. The legislative code amendments will be assembled to incorporate draft code reviewed by PAT/TAT at previous meetings, refined to reflect final recommendations and a thorough compatibility/consistency review to ensure smooth implementation. The full package of policy recommendations, code amendments, mapping, and educational resources will be presented to the Planning Commission and City Commission in fall 2018.

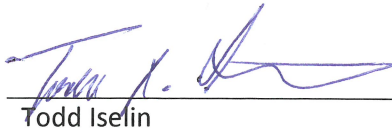
By signing this memorandum, Project Advisory Team members agree that the summary above is an accurate representation of the recommendations put forth by the Team at their meeting on June 21, 2018. In the case that a PAT member was not present at the meeting, a signature indicates support for these recommendations.

Steven VanHaverBeke

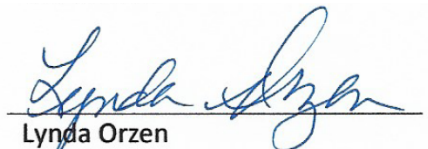


Adam Zagel

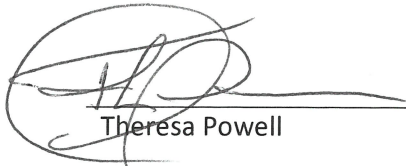
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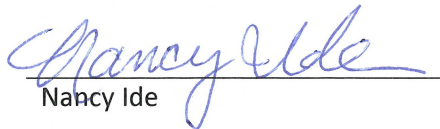


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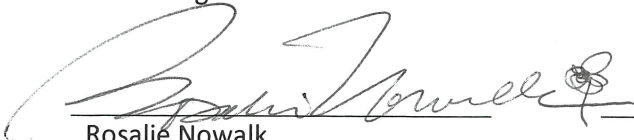
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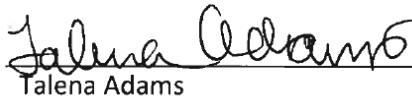


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Talena Adams



Kira Meyrick



Nikolai Ursin



Paul Espe