OREGON CITY

Community Development – Planning

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LAND USE APPLICATION FORM

Type I (OCMC 17.50.030.A)	Type II (OCMC 17.50.030.B)	Type III / IV (OCMC 17.50.030.C)
❑ Compatibility Review	❑ Extension	❑ Annexation
❑ Lot Line Adjustment	❑ Detailed Development Review	❑ Code Interpretation / Similar Use
❑ Non-Conforming Use Review	❑ Geotechnical Hazards	❑ Concept Development Plan
❑ Natural Resource (NROD) Verification	❑ Minor Partition (<4 lots)	❑ Conditional Use
❑ Site Plan and Design Review	❑ Minor Site Plan & Design Review	❑ Comprehensive Plan Amendment (Text/Map)
	❑ Non-Conforming Use Review	❑ Detailed Development Plan
	❑ Site Plan and Design Review	❑ Historic Review
	❑ Subdivision (4+ lots)	❑ Municipal Code Amendment
	❑ Minor Variance	❑ Variance
	❑ Natural Resource (NROD) Review	❑ Zone Change

File Number(s): LEG 18-00001

Proposed Land Use or Activity: AMENDMENT TO THE TEXT OF THE OREGON CITY MUNICIPAL CODE

Project Name: _____ Number of Lots Proposed (If Applicable): N/A

Physical Address of Site: CITY WIDE

Clackamas County Map and Tax Lot Number(s): CITY WIDE

Applicant(s):

Applicant(s) Signature: LAURA TERWAY

Applicant(s) Name Printed: CITY OF OREGON CITY : PLANNING DEPT Date: 6.26.18

Mailing Address: PO BOX 3040

Phone: _____ Fax: _____ Email: _____

Property Owner(s):

Property Owner(s) Signature: Anthony J. Konkol III

Property Owner(s) Name Printed: Anthony J. Konkol III Date: 6-26-18

Mailing Address: 625 Center Street OREGON CITY OR 97045

Phone: 503.657.0891 Fax: _____ Email: tkonkol@orcity.org

Representative(s):

Representative(s) Signature: _____

Representative (s) Name Printed: _____ Date: _____

Mailing Address: _____

Phone: _____ Fax: _____ Email: _____

All signatures represented must have the full legal capacity and hereby authorize the filing of this application and certify that the information and exhibits herewith are correct and indicate the parties willingness to comply with all code requirements.

Proposed Amendments to the Oregon City Municipal Code

I. PROPOSAL

The proposal includes amendments to the text of the Oregon City Municipal Code including:

- Amendments from an equitable housing project which identified opportunities to support and incentivize a diverse, quality, physically accessible, affordable housing choices with access to opportunities, services and amenities as well as the removal of barriers.
- General clarifications and efficiencies
- A variety of amendments identified by city staff

The City of Oregon City is interested in understanding the barriers and solutions to facilitating diverse, physically accessible, affordable housing choices within the city with access to opportunities, services and amenities. The Equitable Housing Policy project, initiated in 2017, includes a thorough review of housing-related development standards, policies, fees, and procedures. The project's goal is to make equitable housing more accessible by providing greater flexibility in zoning and development policies, informational materials for homeowners and developers to illustrate review processes, and mapping tools to guide housing development in amenity-rich neighborhoods. The outcome of the project will be a series of amendments to development standards and recommended process improvements that will result in clear paths toward additional housing units within Oregon City.

Attached to this narrative by reference are all of the supporting information provided on the process on the City website as well as all meeting agendas, summaries, technical documents, and work products.

II. DECISION-MAKING CRITERIA:

The remainder of this report details compliance of the proposed code amendments with the applicable state, regional and local requirements.

Oregon City Comprehensive Plan
Comprehensive Plan Maintenance and Implementation - Regular Review and Update.

Considerations
Section 2 – Land Use of the 2004 Oregon City Comprehensive Plan indicates that the regular review and updated of the Comprehensive Plan should consider the following:

1. Plan implementation process.
2. Adequacy of the Plan to guide land use actions, including an examination of trends.
3. Whether the Plan still reflects community needs, desires, attitudes and conditions. This shall include changing demographic patterns and economics.
4. Addition of updated factual information including that made available to the City by regional, state and federal governmental agencies.

Response:

CODE CHANGES FOR EQUITABLE HOUSING
The Equitable Housing project was initiated in response to the known regional problem of limited housing supply and skyrocketing housing prices affecting the Portland Metro Area and Oregon City. There is a mismatch between supply and demand of housing that is leading to limited availability and affordability challenges for many households.

Single-family detached homes, a traditional free-standing house with a yard and space for 3.2 children, dominate the supply but comes at a high cost that is increasingly out of reach, leading to homelessness in some cases. With smaller households more and more common, the city's needs don't match the homes available.

Limited Housing Choices
Looking at the latest census data, in Oregon City, 71% of residential units are single-family detached homes, dominating the housing market. All other housing types make up 29% of the housing options, combined, ranging from manufactured homes and floating homes to 20 unit apartment complexes.

Alternative Housing Opportunities
Within the remaining 29% of Oregon City's Housing stock, there are a surprising number of options. The most popular alternative is multifamily apartments, and these are even more diverse when broken down by size which is really varied. Townhouses are the next most common option, followed by manufactured homes in the existing parks within the city, then 3-4 unit multiplex buildings and duplexes. The least popular options

currently are ADUs, where city records only show 23 have been constructed in the past 10 years, and no existing cottage housing units though several are under review currently.

Housing Prices

Housing prices are increasingly unaffordable, which is typically defined as spending more than 35% of household income on housing. Almost 24% of homeowners with a mortgage have unaffordable costs, and over 40% of renters can't afford housing costs. Overall, one in four households are struggling to pay for housing.

Homelessness

At the extreme, housing unaffordability, partially linked to limited housing options and limited housing supply, is leading to increased numbers of people experiencing homelessness. 322 individuals experiencing homelessness in 2017 count, over half under 18. 93% increase in students experiencing homelessness in the past decade. City Council has recognized this and made addressing homelessness a priority issue.

Household Sizes are Shrinking

In addition to the high cost of housing, current housing choices are increasingly a poor fit for our households. 55% of households are 1-2 people, at various life stages. Since many households are trending this way there needs to be flexibility either in how we use our homes or flexibility to move to a different home that best meets our needs. This share is expected to increase. Only 37% of homes have children, also a historical driver for single-family detached homes that is changing, as compared to 71% of housing stock of currently single-family homes, which might be too big or too expensive for these small households.

Code Audit – Equitable Housing

The first step in the Equitable Housing Project was an audit of current regulations, processes, and incentives to identify existing barriers and areas for improvement in current residential development regulations. Audit findings guided the development of regulatory amendments and policy changes in later phases of the project. The audit process began with review of adopted plans, regulations, policies and internal procedures. Information sources incorporated into this public review draft include:

- Development code, land division standards, and engineering standards;
- Background documents including long-range planning documents;
- Development review procedures including available informational materials for developers;
- Development review fees including permit fees and System Development Charges (SDCs);
- Previous residential land use decisions and development history; and
- Best practices from policy experts and surrounding jurisdictions.

City staff also provided insight into how regulations and policies work "in the real world" as applied. The public review draft of the audit incorporated public input from stakeholder interviews with a variety of residential development professionals. The final audit findings incorporated additional public input from a survey of the development community, and PAT/TAT review comments at meetings in October 2017. The final audit findings were released in early November.

The audit acknowledges the wide universe of plans, policies, and regulations at federal, state and local levels that impact the availability and affordability of housing choices, with a particular focus on local development regulations that can be analyzed and revised as part of the Equitable Housing Policy project. Those development regulations are designed to implement adopted long-range and housing plans. Plan revisions are generally not recommended at this time based on audit findings; the long-range vision as articulated in adopted plans is in line with providing needed variety of housing units, and the focus for this project is facilitating development of that vision through development regulations. For further information, these plans are detailed and referenced in the Code Audit Report, dated October 17, 2017.

ADDITIONAL CODE CHANGES

The remaining code changes include general clarifications and efficiencies made to the development code. These are a large variety of amendments identified by city staff during previous development review processes. A portion of the code amendments have been suggested by the development community as barriers to development.

All of the changes proposed are summarized in the attachment titles "Code Amendments Summary". Specific tracked changes or red-lined versions of the city code chapters are attached.

CHAPTER 17.68 ZONING CHANGES AND AMENDMENTS

17.68.010 Initiation of the amendment.

A text amendment to this title or the comprehensive plan, or an amendment to the zoning map or the comprehensive plan map, may be initiated by:

A. A resolution by the commission;

B. An official proposal by the planning commission;

C. An application to the planning division presented on forms and accompanied by information prescribed by the planning commission.

All requests for amendment or change in this title shall be referred to the planning commission.

Response: This request is for text amendments to the Oregon City Municipal Code and was initiated by the Planning Division.

17.68.020 Criteria.

The criteria for a zone change are set forth as follows:

A. The proposal shall be consistent with the goals and policies of the comprehensive plan.

Response: Consistency with the Oregon City Comprehensive Plan (OCCP) Goals and Policies follow starting on page 6.

B. That public facilities and services (water, sewer, storm drainage, transportation, schools, police and fire protection) are presently capable of supporting the uses allowed by the zone, or can be made available prior to issuing a certificate of occupancy. Service shall be sufficient to support the range of uses and development allowed by the zone.

Response: The capacity of the respective public facilities and services to support the proposal is addressed below.

Water and Sewer Capacity

Please refer to the attached memorandum from Wallace Engineering. The memorandum provides an assessment of the water and sanitary sewer system implications of the code amendments proposed in

support of the Equitable Housing project. The purpose of this memorandum is to determine the impact of increased density on the water supply and distribution system, and the sanitary sewer collection system. Wastewater treatment is provided by the Tri-City Sewer District, which has provided separate comments.

The Wallace Engineering memorandum concludes that the 160 additional dwelling units anticipated beyond current planning projections as part of proposed code amendments will not have an adverse impact on the future (2035) peak sanitary flows projected as part of the 2014 Sanitary Sewer Master Plan (SSMP) and future (2030) water demand projected as part of the 2012 Water Distribution Master Plan (WMP). The code amendments encourage increased housing densities, and if overall future growth is at a faster rate than anticipated by the SSMP and WMP, then the capital projects identified in each respective plan may need to be completed sooner than anticipated and the prioritization of the projects may need to change. The recommended capital improvement programs in each respective plan will adequately accommodate future growth projections including the 160 additional dwelling units. Completion of capital projects will be in a planned and orderly manner through prioritization of the projects and allocations of the City's annual project funding that is recovered through utility fees and system development charges for the respective utilities.

South Fork Water Board (SFWB), Oregon City's water provider, has indicated that SFWB will be able to provide water service to the additional 160 units over the current projection of 7,962 households anticipated.

Schools
The proposal was sent to the Oregon City School District (OCSD) for comment. OCSD has been informed of the proposal since the beginning of the project. The school district has not indicated that it is incapable of supporting the additional uses allowed by the proposal either now or in the future.

Police and Fire Protection
Oregon City Police Department and Clackamas Fire District capacity would not be affected by the proposal, since proposal does not change existing service areas.

Wastewater Treatment
Tri-City Sewer District indicates that the proposal does not conflicts with their interests.

Storm Drainage
This proposal does not change the city's adopted policies and technical documents related to storm water management and erosion control.

Transportation
Impacts to the transportation system are addressed under (C) below.

Based on the various analyses provided, public facilities and services are presently capable of supporting the uses allowed by the proposal, or can be made available prior to issuing a certificate of occupancy. **This criterion is met.**

C. The land uses authorized by the proposal are consistent with the existing or planned function, capacity and level of service of the transportation system serving the proposed zoning district.
Response: The impacts of the proposal on the transportation system were reviewed by the City's Transportation Consultant, Replinger and Associates. Please refer to Mr. Replinger's analysis and memorandum which is attached to this narrative. The memorandum provides an assessment of the transportation implications of the code amendments proposed in support of the Equitable Housing project. The memorandum assesses whether the proposed amendments trigger a finding of significant effect that would require further analysis to determine transportation impacts under OAR 660-12-0060 (Transportation Planning Rule or "TPR").

Mr. Replinger's overall conclusion is that the proposed code amendments do not result in a significant change in the number of dwelling units and more traffic than anticipated and planned for in Oregon City's Transportation System Plan (TSP) adopted in 2013. Therefore, the proposed amendments do not have a significant effect on the transportation system and that the city may adopt findings to that effect when adopting the proposed amendments.

This criterion is met.

D. Statewide planning goals shall by addressed if the comprehensive plan does not contain specific policies or provisions which control the amendment.
Response: The acknowledged Oregon City Comprehensive Plan (OCCP) addresses all of the applicable Statewide Planning goals unless the Statewide Goal is inapplicable. The relevant sections of the OCCP implemented by this proposal, and the applicable Statewide Goals is indicated below.

Statewide Planning Goal	OCCP Section / Goal(s) Implemented by this Proposal
1: Citizen Involvement	1. Citizen Involvement / Goals 1.1, 1.2, 1.4, 1.5, 1.8
2: Land Use Planning	2. Land Use Planning / Goals 2.1 – 2.7
3: Agricultural Lands	3. Not applicable within UGB
4: Forest Lands	4. Not applicable within UGB
5: Natural Resources, Scenic and Historic Areas, and Open Spaces	5. Open Spaces, Scenic and Historic Areas, and Natural Resources / Goals 5.2, 5.3, 5.4
6: Air, Water and Land Resources Quality	6. Quality of Air, Water, and Land Resources / Goals 6.1-6.3
7: Areas Subject to Natural Hazards	7. Natural Hazards / Goal 7.1
8: Recreation Needs	8. Parks and Recreation / Not applicable.
9: Economic Development	9. Economic Development / Goal 9.2
10: Housing	10. Housing / Goals 10.1, 10.2
11: Public Facilities and Services.	11. Public Facilities / Goals 11.1, 11.6, 11.7
12: Transportation	12: Transportation / Goal 12.1
13: Energy Conservation	13. Energy Conservation / Goal 13.1
14: Urbanization	14. Urbanization / Goal 14.2
15: Willamette River Greenway	Not affected by this proposal.
16: Estuarine Resources	Not applicable.
17: Coastal Shorelands	Not applicable.
18: Beaches and Dunes	Not applicable.
19: Ocean Resources	Not applicable.

Detailed responses to the OCCP goals and policies are provided in the remainder of this narrative.

OREGON CITY COMPREHENSIVE PLAN GOALS AND POLICIES

OCCP SECTION 1 – CITIZEN INVOLVEMENT
This section is intended to show compliance with Land Conservation and Development Commission (LCDC) Statewide Planning Goal 1, Citizen Involvement, which requires local governments "to develop a citizen involvement program that insures the opportunity for citizens to be involved in all phases of the planning process." The Citizen Participation Goal in the 1976 Land-Use Policies for Oregon City is to "provide an active and systematic process for citizen and public agency involvement in the land use decision-making for Oregon City." The goal is based on the philosophy that a neighborhood program would provide the best means for citizens to become involved in the planning process.

OCCP Goal 1.1 Citizen Involvement Program

Implement a Citizen Involvement Program that will provide an active and systematic process for citizen participation in all phases of the land-use decision making process to enable citizens to consider and act upon a broad range of issues affecting the livability, community sustainability, and quality of neighborhoods and the community as a whole.

OCCP Policy 1.1.1
Utilize neighborhood associations as the vehicle for neighborhood-based input to meet the requirements of the Land Conservation and Development Commission (LCDC) Statewide Planning Goal 1, Citizen Involvement. The Citizen Involvement Committee (CIC) shall serve as the officially recognized citizen committee needed to meet LCDC Statewide Planning Goal 1.

OCCP Goal 1.2 Community and Comprehensive Planning
Ensure that citizens, neighborhood groups, and affected property owners are involved in all phases of the comprehensive planning program.

OCCP Policy 1.2.1
Encourage citizens to participate in appropriate government functions and land-use planning.

OCCP Goal 1.4 Community Involvement
Provide complete information for individuals, groups, and communities to participate in public policy planning and implementation of policies.

OCCP Policy 1.4.1
Notify citizens about community involvement opportunities when they occur.

OCCP Goal 1.5 Government/Community Relations
Provide a framework for facilitating open, two-way communication between City representatives and individuals, groups, and communities.

OCCP Goal 1.8 Advisory Committees
Establish and support citizen advisory committees and commissions.

OCCP Policy 1.8.1
Identify the areas of City government in which the counsel of a formal citizen advisory committee or commission is warranted if funding is available to provide appropriate staff support.

OCCP Policy 1.8.2
Solicit and support citizen participation on citizen advisory committees and commissions. Identify desirable expertise from the Portland metro area as needed to best serve the interests of Oregon City.

Response: **The proposal is consistent with these Goals and Policies**. As a whole, the proposal will greatly increase the opportunities for Oregon City's present and future residents to choose a housing type that suits their needs, and by doing so, enjoy the livability, community sustainability, and quality of its neighborhoods and the community as a whole.

The project kicked off in August 2017 with recruitment for the Project Advisory Team (PAT) with appointments by the Mayor in late September. The following positions are represented on the PAT.

- Citizen Involvement Committee (2)
- Single-Family Developer Interest (1)
- Multi-Family/Mixed Use Developer Interest (1)
- Business Community (OC Chamber, Main Street or OC Business Alliance) (1)
- At large (Youth, Elderly, Working Family) (3)
- Technical Advisory Team member (1)

- Developer of regulated affordable housing (1)
- An organization representing low income families and/or communities of color (1)
- Additional at-large position to be filled if needed based on any additional needs (1)
- City Commission (1)
- Planning Commission (1)
- Oregon City Resident (2)

Additionally, a variety of methods have been used to engage citizens in the process. This includes:

- Project Website with regular updates (https://www.orcity.org/planning/equitable-housing)
- Email Updates announcing upcoming Meetings
- Social Media (Postings on the City Facebook Page by Community)
- Mailing List (more than 250 subscribers)
- Project Advisory Team Meetings
- Staff Presentations at Community Meetings
- Work Sessions
- Surveys
- Press Releases
- Public Notices (for Adoption Process)

The following community meetings were held:

- Project Advisory Team Application Process – August 2017
- Stakeholder Interviews: Fall 2017
- Citizen Involvement Committee: October 2, 2017
- Development Stakeholder Group: October 5, 2017
- Technical Advisory Team Meeting: October 24, 2017
- Project Advisory Team Meeting: October 24, 2017
- Technical Advisory Team Meeting: January 9, 2018
- Project Advisory Team Meeting: January 9, 2018
- Technical Advisory Team Meeting: March 6, 2018
- Project Advisory Team Meeting: March 6, 2018
- Citizen Involvement Committee: April 2, 2018
- Online Survey #1: Mid-April, 2018
- Planning Commission Work Session: April 23, 2018
- Technical Advisory Team Meeting: May 1, 2018
- Project Advisory Team Meeting: May 1, 2018
- Online Survey #2: Early May, 2018
- Public Workshop: May 15, 2018
- City Commission Work Session: May 16, 2018
- Transportation Advisory Committee: June 19, 2018
- Technical Advisory Team Meeting: June 21, 2018
- Project Advisory Team Meeting: June 21, 2018

The 15-member Project Advisory Team represents a broad group of stakeholders of Oregon City which included two representatives of the Citizen Involvement Committee. The CIC is comprised of representatives from all of the active Neighborhood Associations, who report back to the neighborhood associations at their respective meetings. Staff also provided presentations to the CIC throughout the project (see above).

The complete code amendment package was discussed at the following meetings:

- Citizen Involvement Committee: July 2, 2018, 7pm, City Hall

- Planning Commission Work Session #1: July 9th, 2018, 7pm, City Hall
- McLoughlin Neighborhood Association Meeting: July 11th, 2018, 7pm, Public Library
- Natural Resources Committee: July 11th, 2018, 7pm, City Hall
- Development Stakeholders Meeting: July 12, 2018, 7:30am, Community Development
- Open House: July 23rd, 4-6pm, City Hall
- Planning Commission Work Session #2: July 23rd, 2018, 7pm, City Hall
- Historic Review Board: July 24, 2018: 6pm
- Open House #2: August 13, 2018
- Natural Resources Committee: August 8, 2018
- Development Stakeholders Meeting: August 9, 2018
- PC Hearing #1: August 13, 7pm, City Hall
- PC Work Session #3: August 13, 7:10pm, City Hall
- Open House #3: August 20, 5-6:45 pm, City Hall

The following meetings are anticipated as of the date of this report.

- PC Work Session #4: August 20, 7pm, City Hall
- PC Work Session #5: August 27, 5:30pm, City Hall
- PC Hearing #2: August 27, 7pm, City Hall
- City Commission (CC) Work Session #2: September 5, City Hall
- Tentative PC Hearing #3: September 10, 7pm, City Hall
- Tentative PC #4 (if needed): September 24, 7pm, City Hall
- Tentative CC Hearing #1: October 3rd, 7pm, City Hall
- Tentative CC Hearing #2: October 17th, 7pm, City Hall
- Tentative CC Hearing #3: November 7th, 7pm, City Hall

In addition, the application was posted on the City project website, emailed to various entities including neighborhood associations and the Citizen Involvement Committee, and posted in a general circulation newspaper.

Three on-line surveys were conducted in October 2017, late February, 2018, and June 2018 to gauge support for the various proposals. Results of the surveys were posted on the city's project website and shared with the Project Advisory Team.

The proposed amendments clarify administration and procedures of various land use processes. These include:

- Simplify the Type III land use notification process by allowing notice by direct email rather than by placing notices in the newspaper for the acknowledged Neighborhood Associations and Citizen Involvement Committee.
- Remove a seldom used and overly discretionary provision in the administration procedures that allowed reconsideration of a staff decision without public notice and comment.
- Clarify that the appeals process for a Historic Review Board (HRB) decision is the same as for other quasi-judicial (Type III) decisions.
- Provide clarity for the public, staff, and development community by clearly articulating how development is processed and the procedures for appealing said development.
- The equitable housing project includes the development of a variety of education materials, maps and a cost estimating tool to assist prospective homeowners and builders in understanding the requirements for the various housing types proposed.

OCCP SECTION 2 – LAND USE PLANNING

Land Conservation and Development Commission (LCDC) Statewide Planning Goal 2, Land Use Planning, establishes a land-use planning process and policy framework with which local Comprehensive Plans must comply. Another influence on

local plans in the Portland metropolitan area is Metro's 2040 Growth Concept (1995), which defines regional growth and development, including a vision for Downtown Oregon City as a Regional Center.

OCCP Goal 2.1 Efficient Use of Land
Ensure that property planned for residential, commercial, office, and industrial uses is used efficiently and that land is developed following principles of sustainable development.
Response: The proposals for additional dwelling unit types in existing zones would create incentives for new development to use land more efficiently. For infill situations in the lower density zones, modest increases to building footprints and the allowance for internal conversions and corner lot duplexes on lots that are already served by existing infrastructure will improve the efficiency of public infrastructure investments. This Goal is also supported by the existing zoning map. This proposal does not amend the zoning map, however, existing medium and high density zones within the city limits are generally located closer to transit corridors and roads with better bicycle access, which would provide improved walking and bicycle access to nearby amenities. All three adopted concept plans for the UGB areas that have not yet been annexed to the city: Park Place, South End, and Beavercreek Road, have all been conceptually designed to result in vibrant, walkable, amenity rich neighborhoods with active community centers. The additional housing choices that this proposal would allow, particularly for medium and high density residential and mixed use zones in the concept plan areas, would further serve to implement the Comprehensive Plan designations and concept plans for these areas.

In addition, the application proposed to raise the height limit for a property within the Mixed Use Downtown District as well as amend how the height of development is measured in the floodplain both of which result in potentially a higher density of development which is more efficient for the land. **The proposal is therefore consistent with this goal and policy.**

OCCP Policy 2.1.1
Create incentives for new development to use land more efficiently, such as by having minimum floor area ratios and maximums for parking and setbacks.
Response: The proposals for additional dwelling unit types in existing zones would create incentives for new development to use land more efficiently. When appropriate, existing off-street parking standards for multi-family development, 3-4 plexes, townhomes, duplexes, internal conversions and accessory dwelling units would be simplified, minimized or waived. The minimum FAR (Floor Area Ratio) in the mixed use zones would remain at 0.25., which is an appropriate standard for Oregon City when other adopted design review requirements will achieve design intent, such as maximum parking lot allowances and maximum building setbacks abutting the street.

The minimum parking for multi-family is currently based on the number of bedrooms. As this is the only housing type which considers the number of bedrooms for parking minimums, the proposal would create a single parking minimum which reduces the parking standards for units with multiple bedrooms.

The side yard setbacks in the low density and medium density residential districts are currently two different widths, for example in the R-10 zone the side yard setback is 10 feet on one side and 8 on the opposite. This has been quite confusing for property owners trying to understand the distance of a future adjacent home, as well as attempting to plan for a minor addition. In order to add simplicity and clarity for homeowners and the development community, the proposal would reduce the larger side setback to match that of the smaller.

The amendments includes an incentive to add reduced rate units by allowing a density bonus in the R-2 district (of up to 20%) for units below a certain AMI for a designated time. **The proposal is therefore consistent with this policy.**

OCCP Policy 2.1.2

Encourage the vertical and horizontal mixing of different land-use types in selected areas of the city where compatible uses can be designed to reduce the overall need for parking, create vibrant urban areas, reduce reliance on private automobiles, create more business opportunities and achieve better places to live.

Response: The proposal would allow a wider variety of residential units in more configurations 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. This proposal does not amend the zoning map, however, existing medium and high density zones within the city limits are generally located closer to transit corridors and roads with better bicycle access, which would provide improved walking and bicycle access to nearby amenities. All three adopted concept plans for the UGB areas that have not yet been annexed to the city: Park Place, South End, and Beavercreek Road, have all been conceptually designed to result in vibrant, walkable, amenity rich neighborhoods with active community centers. The additional housing choices that this proposal would allow, particularly for medium and high density residential and mixed use zones in the concept plan areas, would further serve to implement the Comprehensive Plan designations and concept plans for these areas.

In addition, the amendments include a proposal that parking lots in the MUC and MUD districts would be utilized more efficiently by allowing property owners to open their off-street parking to the public or any other use while they are not utilizing it. For example, an office downtown could allow parking for the public (free or for charge) after the office is closed. The proposal would allow general parking (not associated with a use within 1,000 feet) outright, as opposed to a conditional use required today. **The proposal is therefore consistent with this policy.**

OCCP Goal 2.2 Downtown Oregon City

Develop the Downtown area, which includes the Historic Downtown Area, the "north end" of the Downtown, Clackamette Cove, and the End of the Oregon Trail area, as a quality place for shopping, living, working, cultural and recreational activities, and social interaction. Provide walkways for pedestrian and bicycle traffic, preserve views of Willamette Falls and the Willamette River, and preserve the natural amenities of the area.

Response: The proposed code amendments will continue to allow apartment and live-work use in the downtown area which is zoned Mixed Use Downtown (MUD). The proposal would allow outdoor food carts and mobile vendors in the Willamette Falls Downtown District (WFDD) and require a minimum residential density of 17.4 units per net acre for new all residential development in these districts. The current restriction on building height limits of 45' is proposed to be removed for properties between Main Street and McLoughlin Boulevard and 11th and 16th streets; and for properties within one hundred feet of single-family detached or detached units is proposed. This would allow building heights in these areas to be constructed up to the 75' height limit already permitted in the majority of the MUD zone. The definition of building height in OCMC 17.04 is proposed to be modified to allow measurement from the mandatory design flood elevation of 51.7 feet for projects located in the in the floodplain, rather than the at-grade elevation. This will allow developments in the downtown areas of Oregon City that are constrained by floodplain regulations to maximize their potential for usable commercial and residential space, and provide an equitable basis of height measurement. These proposals will help to promote the development of the downtown area. Though the City has not adopted any view corridors, the proposal would increase building height in some locations. The increased height may reduce views for a small number of properties, in exchange for greater use of land through increased development within the regional center. The rationale for reduced height for the properties between Main Street and McLoughlin Boulevard and 11th and 16th streets; and for properties within one hundred feet of single-family detached or detached units is proposed could not be reasonably identified and is inconsistent with the majority of the regional center, including adjacent properties. The reduced height for properties within 100 feet of a single-family home reduces the height of many properties along the southern portion of Main Street within the regional center. **The proposal is therefore consistent with this policy.**

OCCP Policy 2.2.5

Encourage the development of a strong and healthy Historic Downtown retail, office, cultural, and residential center.
Response: The current restriction on building height limits of 45' is proposed to be removed for properties between Main Street and McLoughlin Boulevard and 11th and 16th streets; and for properties within one hundred feet of single-family detached or detached units is proposed. This would allow building heights in these areas to be constructed up to the 75' height limit already permitted in the majority of the MUD zone. The definition of building height in OCMC 17.04 is proposed to be modified to allow measurement from the mandatory design flood elevation of 51.7 feet for projects located in the in the floodplain, rather than the at-grade elevation. This will allow developments in the downtown areas of Oregon City that are constrained by floodplain regulations to maximize their potential for usable commercial and residential space, and provide an equitable basis of height measurement. These proposals will help to promote the development of the downtown area. Though the City has not adopted any view corridors, the proposal would increase building height in some locations. The increased height may reduce views for a small number of properties, in exchange for greater use of land through increased development within the regional center. The rationale for reduced height for the properties between Main Street and McLoughlin Boulevard and 11th and 16th streets; and for properties within one hundred feet of single-family detached or detached units is proposed could not be reasonably identified and is inconsistent with the majority of the regional center, including adjacent properties. The reduced height for properties within 100 feet of a single-family home reduces the height of many properties along the southern portion of Main Street within the regional center. **The proposal is therefore consistent with this policy.**

OCCP Goal 2.3 Corridors
Focus transit-oriented, higher intensity, mixed-use development along selected transit corridors.
Response: This proposal does not amend the zoning map, however, existing medium and high density zones within the city limits are generally located closer to transit corridors and roads with higher capacity and width for better pedestrian and bicycle access in accordance with the City's adopted Transportation System Plan. **The proposal is therefore consistent with this policy.**

OCCP Goal 2.4 Neighborhood Livability
Provide a sense of place and identity for residents and visitors by protecting and maintaining neighborhoods as the basic unit of community life in Oregon City while implementing the goals and policies of the other sections of the Comprehensive Plan.
Response: As a whole, the proposal will greatly increase the opportunities for Oregon City's present and future residents to choose a housing type that suits their needs, and by doing so, enjoy the livability, community sustainability, and quality of its neighborhoods and the community as a whole. 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. These options provide improved livability in accordance with Housing Goals of the Comprehensive Plan addressed earlier while ensuring compatibility with existing neighborhoods through improved dimensional and design standards for each dwelling unit type. These proposals are intended to fit in with existing residential development city wide, if and when property owners choose to take advantage of the code provisions. In order to retain the character of the existing neighborhoods, the proposed amendments include design requirements which mitigate the increased density. For example, corner duplexes in the low density residential zones may not have more than one external door on a façade, additions to single-family homes are limited for a period of time before and after internal conversions, and duplexes within the medium density districts must comply with design standards. **The proposal is therefore consistent with this policy.**

OCCP Policy 2.4.2
Strive to establish facilities and land uses in every neighborhood that help give vibrancy, a sense of place, and a feeling of uniqueness; such as activity centers and points of interest.
Response: The proposed code amendments would increase equitable housing options throughout the city in existing and new neighborhoods to provide diverse, quality, physically accessible and affordable housing choices with access to opportunities, services and amenities. The new unit types proposed, such as corner duplexes, cluster housing, 3-4 plexes and accessory dwellings could add diversity and uniqueness interest to

existing residential areas. As a whole, the proposal will greatly increase the opportunities for Oregon City's present and future residents to choose a housing type that suits their needs, and by doing so, enjoy the livability, community sustainability, and quality of its neighborhoods and the community as a whole. **The proposal is therefore consistent with this policy.**

OCCP Policy 2.4.5
Ensure a process is developed to prevent barriers in the development of neighborhood schools, senior and childcare facilities, parks, and other uses that serve the needs of the immediate area and the residents of Oregon City.
Response: The proposed code amendments would increase housing opportunities for residents seeking to downsize from a traditional single family detached house to a more manageable dwelling type. This is a trend that is happening both locally and nationally as the baby boomer generation ages and retires, and as people live longer lives on fixed incomes. Allowing older residents to remain in their homes and "age in place" provides the opportunity for greater community support and services to those residents. The proposed code amendments would increase housing opportunities for younger and residents seeking to rent or buy housing as well.

The amendments also include a definition of transitional shelter and allow them as permitted in the MUC and MUD districts. The amendments would allow for clarity to the public as well as shelter providers as to where the shelters could locate and serve our houseless residences. **The proposal is therefore consistent with this policy.**

OCCP Goal 2.5 Retail and Neighborhood Commercial
Encourage the provision of appropriately scaled services to neighborhoods.

OCCP Policy 2.5.3
Review design standards and the sign code to ensure compatibility with existing neighborhoods.
Response: The proposals include either new or revised design standards for single-family detached homes, duplexes, 3-4 plexes, townhouses, accessory dwelling units, cluster housing, internal conversions, manufactured homes, and live-work units. As stated in the code amendments, the residential design standards are intended to:

- Enhance Oregon City through the creation of attractively designed housing and streetscapes.
- Ensure that there is a physical and visual connection between the living area of the residence and the street.
- Improve public safety by providing "eyes on the street".
- Promote community interaction by designing the public way, front yards and open spaces so that they are attractive and inviting for neighbors to interact.
- Prevent garages from obscuring or dominating the primary facade of the house.
- Provide guidelines clear and objective standards for good design at reasonable costs and with multiple options to achieve the purposes of this chapter, and an alternative review process for alternative designs.

In order to retain the character of the existing neighborhoods, the proposed amendments include design requirements which mitigate the increased density. For example, corner duplexes in the low density residential zones may not have more than one external door on a façade, additions to single-family homes are limited for a period of time before and after internal conversions, and duplexes within the medium density districts must comply with design standards. **The proposal is therefore consistent with this policy**

Goal 2.6 Industrial Land Development
Ensure an adequate supply of land for major industrial employers with family-wage jobs.

OCCP Policy 2.6.5
Ensure that land-use patterns create opportunities for citizens to live closer to their workplace.
Response: This proposal does not amend the zoning map, however, existing medium and high density zones within the city limits are generally located closer to transit corridors and roads with better bicycle and

pedestrian access, which would provide improved walking and bicycle access to nearby amenities. Greater housing supply and a wider range of housing choices generally has the potential to allow residents to live closer to their workplace, particularly if the housing is located close to pedestrian and bicycles amenities, transit corridors and employment areas. **The proposal is therefore consistent with this policy.**

Goal 2.7 Oregon City Comprehensive Plan Land-Use Map
Maintain the Oregon City Comprehensive Plan Land-Use Map as the official long-range planning guide for land-use development of the city by type, density and location.
Response: This proposal does not amend the Comprehensive Plan Land-Use Map, which will continue to serve as the long-range planning guide for land use development.

OCCP SECTION 3: AGRICULTURAL LANDS
Response: The proposed amendments would not preclude the use of agricultural lands. The Comprehensive Plan, Section 3, Agricultural Lands, P.23 states: "Goal 3 states that only land that lies outside Urban Growth Boundaries can be classified as agricultural. Oregon City, which lies wholly within an Urban Growth Boundary, therefore contains no agricultural land according to this definition. However, Oregon City supports preserving designated farm lands in rural areas outside its city limits by encouraging compact growth within the city. The efficient use of urban land in Oregon City slows urban expansion into rural areas. Section 14, Urbanization, discusses appropriate and timely urban expansion." **The proposal is therefore consistent with Statewide Goal 3.**

OCCP SECTION 4: FOREST LANDS
Response: The proposed amendments would not preclude the use of forest lands. Under Goal 4, land is considered forest land if it was acknowledged as such when the goal was adopted. Oregon City has not identified any forest lands within its city limits and has therefore not adopted any goals or policies related to commercial forestry. However, Oregon City recognizes the importance of preserving trees in the urban environment and has adopted goals and policies pertaining to tree preservation. The proposed amendments do not include any changes to current acknowledged tree preservations codes or policies. **The proposal is therefore consistent with Statewide Goal 4.**

OCCP SECTION 5: OPEN SPACES, SCENIC AND HISTORIC AREAS, AND NATURAL RESOURCES
This section addresses Land Conservation and Development Commission (LCDC) Statewide Planning Goal 5, which requires that open spaces and natural, scenic, and historic resources be protected. Oregon City is blessed with a wealth of natural resources that visually and physically contribute to its high quality of life and provide a range of ecosystem services. The city's steep topography is carved into 13 watersheds, which benefit from western Oregon's ample rain and collectively support a wide variety of habitats. Oregon City is home to a number of species of fish, wildlife, and plants that are regionally and nationally significant.

OCCP Goal 5.2 Scenic Views and Scenic Sites
Protect the scenic qualities of Oregon City and scenic views of the surrounding landscape.

OCCP Policy 5.2.1
Identify and protect significant views of local and distant features such as Mt. Hood, the Cascade Mountains, the Clackamas River Valley, the Willamette River, Willamette Falls, the Tualatin Mountains, Newell Creek Canyon, and the skyline of the city of Portland, as viewed from within the city.

OCCP Policy 5.2.2
Maximize the visual compatibility and minimize the visual distraction of new structures or development within important viewsheds by establishing standards for landscaping, placement, height, mass, color, and window reflectivity.

Response: The proposed code amendments would not affect any specifically protected scenic views in the current Comprehensive Plan. The current restriction on building height limits of 45' in the MUD zone is proposed to be removed for properties between Main Street and McLoughlin Boulevard and 11th and 16th streets; and for properties within one hundred feet of single-family detached or detached units is proposed. This would allow building heights in these areas to be constructed up to the 75' height limit already permitted in the majority of the MUD zone. This change would not affect views of the Willamette River from Mcloughlin Promenade because the promenade is south of the area where the increased height limit is. There are no other proposed increases to height limits in the remaining zone district dimensional standard. The increased height may reduce views for a small number of properties, in exchange for greater use of land through increased development within the regional center. The rationale for reduced height for the properties between Main Street and McLoughlin Boulevard and 11th and 16th streets; and for properties within one hundred feet of single-family detached or detached units is proposed could not be reasonably identified and is inconsistent with the majority of the regional center, including adjacent properties. The proposal would add a more consistent standard for height which increases the evenness and equity of the building height is applied. The properties uphill of this location are significantly higher in elevation and thus the impacts are anticipated to be limited.

Amendments to Chapter 17.62 Site Plan and Design Review will continue to assure visual compatibility of new commercial, mixed use and multi-family structures by consolidating and simplifying the standards for massing, rooflines, articulation, open space and building details.

Standards for all of the other residential types proposed are discussed individually to clarify design and dimensional standards.

The proposal is therefore consistent with this policy.

OCCP Goal 5.3 Historic Resources
Encourage the preservation and rehabilitation of homes and other buildings of historic or architectural significance in Oregon City.

OCCP Policy 5.3.1
Encourage architectural design of new structures in local Historic Districts, and the central Downtown area to be compatible with the historic character of the surrounding area.
Response: The proposed amendments would not preclude the preservation and rehabilitation of homes and other buildings of historic or architectural significance in Oregon City. No changes are proposed to any existing historic designations or district, or to the codes, policies and guidelines for historic review. Historic district regulations would continue to apply to properties and new construction within the district pursuant to OCMC 17.40 – Historic Overlay District. No specific limitations are identified in the central downtown area. **The proposal is therefore consistent with this policy.**

OCCP Goal 5.4 Natural Resources
Identify and seek strategies to conserve and restore Oregon City's natural resources, including air, surface and subsurface water, geologic features, soils, vegetation, and fish and wildlife, in order to sustain quality of life for current and future citizens and visitors, and the long-term viability of the ecological systems.
Response: The proposed amendments do not include any changes to OCMC 17.44, Natural Resources Overlay District, or to OCMC 17.49 – Geologic Hazards. These acknowledged codes are intended to conserve, protect and restore inventoried natural resources within the City's Urban Growth Boundary. **The proposal is therefore consistent with this policy.**

OCCP Policy 5.4.16
Protect surfacewater quality by:

- *providing a vegetated corridor to separate protected water features from development*
- *maintaining or reducing stream temperatures with vegetative shading*

- *minimizing erosion and nutrient and pollutant loading into water*
- *providing infiltration and natural water purification by percolation through soil and vegetation*

Response: The proposed amendments do not include any changes to the City's recently adopted stormwater and erosion control standards, design manuals or review processes. **The proposal is therefore consistent with this policy.**

OCCP SECTION 6: QUALITY OF AIR, WATER AND LAND RESOURCES
To maintain and improve the quality of the air, water and land resources of the state.

OCCP Goal 6.1 Air Quality
Promote the conservation, protection and improvement of the quality of the air in Oregon City.
Response: The proposed amendments will not affect any codes or policies that implement Goal 6. The City's overlay districts, such as the Natural Resource Overlay District, Flood Management Overlay, and Geologic Hazards Overlay will apply regardless of the proposed changes. All engineering standards and building code standards for storm drainage, grading, erosion control, water quality facilities will continue to apply to development. Oregon Dept. of Environmental Quality (DEQ) air and water quality permits are required separately for new development. **The proposal is therefore consistent with Statewide Goal 6 and the Goals and Policies of Section 6 of the OCCP.**

OCCP Policy 6.1.2
Ensure that development practices comply with or exceed regional, state, and federal standards for air quality.
Response: Oregon Dept. of Environmental Quality (DEQ) air and water quality permits are required separately for new development. Oregon City planning and engineering staff are included in the coordination of these permits prior to issuance by DEQ. **The proposal is therefore consistent with this policy.**

OCCP Goal 6.2 Water Quality
Control erosion and sedimentation associated with construction and development activities to protect water quality.
Response: Oregon Dept. of Environmental Quality (DEQ) air and water quality permits are required separately for new development. Oregon City planning and engineering staff are included in the coordination of these permits prior to issuance by DEQ. **The proposal is therefore consistent with this policy.**

Policy 6.2.1
Prevent erosion and restrict the discharge of sediments into surface- and groundwater by requiring erosion prevention measures and sediment control practices.
Response: All engineering standards and building code standards for storm drainage, grading, erosion control, and water quality facilities will continue to apply to development. **The proposal is therefore consistent with this policy.**

Policy 6.2.2
Where feasible, use open, naturally vegetated drainage ways to reduce stormwater and improve water quality.
Response: All engineering standards and building code standards for storm drainage, grading, erosion control, and water quality facilities will continue to apply to development. **The proposal is therefore consistent with this policy.**

OCCP Goal 6.3 Nightlighting
Protect the night skies above Oregon City and facilities that utilize the night sky, such as the Haggart Astronomical Observatory, while providing for nightlighting at appropriate levels to ensure safety for residents, businesses, and users of transportation facilities, to reduce light trespass onto neighboring properties, to conserve energy, and to reduce light pollution via use of night-friendly lighting.
Response: The proposed code amendments include changes to standards for outdoor lighting, however, the proposed changes will continue to protect the night skies and reduce light pollution and light trespass onto neighboring properties by requiring shielded lighting fixtures and limiting footcandle illumination levels on

other properties. The proposed lighting code changes will ensure that safety of residents and businesses is maintained by requiring lighting in public spaces, such as parking lots, building entrances, and pedestrian accessways. **The proposal is therefore consistent with this policy.**

OCCP Policy 6.3.1
Minimize light pollution and reduce glare from reaching the sky and trespassing onto adjacent properties.

OCCP Policy 6.3.3
Employ practices in City operations and facilities, including street lighting, which increases safety and reduces unnecessary glare, light trespass, and light pollution.
Response: The proposed code amendments include changes to standards for outdoor lighting, however, the proposed changes will continue to protect the night skies and reduce light pollution and light trespass onto neighboring properties by requiring shielded lighting fixtures and limiting foot-candle illumination levels on other properties. **The proposal is therefore consistent with these lighting policies.**

OCCP SECTION 7: NATURAL HAZARDS
This section is intended to show compliance with Land Conservation and Development Commission (LCDC) Statewide Planning Goal 7, Areas Subject to Natural Hazards, which requires local governments to "… reduce risk to people and property from natural hazards." The section is also intended to show compliance with Title 3 of Metro's Urban Growth Management Functional Plan (1998), which requires local governments to comply with regional regulations pertaining to flooding and water quality.

OCCP Goal 7.1 Natural Hazards
Protect life and reduce property loss from the destruction associated with natural hazards
Response: The proposed amendments will not affect natural hazards overlay districts. The overlay districts, such as the Natural Resource Overlay District, Flood Management Overlay, and Geologic Hazards Overlay will apply regardless of the proposed changes. **The proposal is therefore consistent with this policy.**

OCCP Policy 7.1.6
Encourage the use of land and design of structures that are relatively unaffected by the periodic effects of flooding, such as parking and other uses not normally occupied by humans.
Response: The proposed amendments will not affect the Flood Management Overlay District. The definition of building height in OCMC 17.04 is proposed to be modified to allow measurement from the mandatory design flood elevation of 51.7 feet for projects located in the in the floodplain, rather than the at-grade elevation. This will allow developments in the downtown areas of Oregon City that are constrained by floodplain regulations to maximize their potential for usable commercial and residential space, and provide an equitable basis of height measurement. All development within the Flood Management Overlay District or 100-year floodplain must undergo review to ensure compliance with development standards in the Flood Management Overlay District. **The proposal is therefore consistent with this policy.**

OCCP Policy 7.1.7
Prohibit uses in areas subject to flooding that would exacerbate or contribute to hazards posed by flooding by introducing hazardous materials, filling or obstructing floodways, modifying drainage channels, and other detrimental actions.
Response: The proposed amendments will not affect the design standards and construction standards of the Flood Management Overlay District. The definition of building height in OCMC 17.04 is proposed to be modified to allow measurement from the mandatory design flood elevation of 51.7 feet for projects located in the in the floodplain, rather than the at-grade elevation. This will allow developments in the downtown areas of Oregon City that are constrained by floodplain regulations to maximize their potential for usable commercial and residential space, and provide an equitable basis of height measurement. All development within the Flood Management Overlay District or 100-year floodplain must undergo review to ensure compliance with development standards in the Flood Management Overlay District. **The proposal is therefore consistent with this policy.**

OCCP SECTION 9: ECONOMIC DEVELOPMENT

This section is intended to show compliance with Land Conservation and Development Commission (LCDC) Statewide Planning Goal 9, Economy of the State, which calls for diversification and improvement of the economy. Goal 9 also requires local governments "to inventory commercial and industrial lands, project future needs for such lands, and plan and zone enough land to meet those needs." The section is also intended to show compliance with Title 1 of Metro's Urban Growth Management Functional Plan (1998).

OCCP Goal 9.2 Cooperative Partnerships

Create and maintain cooperative partnerships with other public agencies and business groups interested in promoting Economic development.

OCCP Policy 9.2.1

Seek input from local businesses when making decisions that will have a significant economic impact on them.

Response: The Project Advisory Team included members of the Oregon City Downtown Association and Oregon City Chamber of Commerce, who provided updates to their membership. The local building and development community were also included and represented on the Project Advisory Team and staff provided regular updates to the Development Services Group, which meets monthly at the Community Development Department. The public notice for the public hearing process to consider the proposed amendments was provided to all property owners in the city in accordance with state law. As discussed earlies under Goal 1, Citizen Involvement, the City provided numerous ways and opportunities for citizens and business to provide input on the proposed amendments. In addition, many of the staff proposed changes were identified by the development community during previous review processes. **The proposal is therefore consistent with this policy.**

OCCP Policy 9.2.2

Carefully consider the economic impacts of proposed programs and regulations in the process of implementing the City's Comprehensive Plan.

Response: 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. Included with these amendments as a tool for implementation is a project cost estimating spreadsheet or "fee estimator". This tool will be provided free to the public for the purposes of transparently and completely summarizing all city fees, review costs and other soft costs that an applicant might expect to incur in the course of pursuing permits to construct the dwelling unit types allowed in the various zones.

Additionally the consideration of the impact of these proposed code amendments was considered with respect to impacts on public infrastructure capacity, as discussed in the attached memorandum from Wallace Engineering. This memorandum concludes that the result of the proposed changes is relatively minor as it relates to utilities and transportation. **The proposal is therefore consistent with this policy.**

OCCP Policy 9.2.3

Simplify, streamline, and continuously improve the permitting and development review process.

Response: Many of the changes generally include reformatting the code for clarity, removing redundant language, removing unnecessary standards, and providing greater details to implement existing standards. Together, the proposal provides more transparency and certainty for residences and the development community alike. The proposed amendments include a variety of simplifications to the permitting and development review processes. These include removing conflicting language as it relates to the appeal process, removing the reconsideration process so that there is only one process to amend/appeal a decision and the time associated with that process may be considered during the review process. In addition, the

proposal allows corner duplexes and 3-4 plexes to be processed as a Type I application with clear and objective standards and provides clarity about the timeline for some affordable housing projects as required by law.

OCCP SECTION 10: HOUSING

This section is intended to show compliance with Land Conservation and Development Commission (LCDC) Statewide Planning Goal 10, Housing. The goal requires cities to plan for needed housing types such as multi-family and manufactured housing, to inventory buildable residential land, to project future needs for the land, and to zone enough buildable land to meet those needs. The goal prohibits cities from discriminating against needed housing types. Oregon City is also subject to regional requirements to provide an adequate supply of vacant and buildable land for future residential growth. This section is supported by the resource document, Housing Technical Report (2002).

OCCP Goal 10.1 Diverse Housing Opportunities

Provide for the planning, development and preservation of a variety of housing types and lot sizes.

Response: Goal 10.1 is arguably the most relevant Comprehensive Plan Goal that would be met through adoption of the proposed code amendments. 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.

The proposed code amendments suggest the allowance of corner duplexes in low-density residential zones and internal conversions into 4 dwellings for homes a minimum of 20 years old. Oregon City's medium density residential zones would permit duplexes and 3-4 plexes, encouraging a more diverse housing stock in residential zones that are currently dominated by single-family residential homes. As a whole, the proposal will greatly increase the opportunities for Oregon City's present and future residents to choose a housing type that suits their needs, and by doing so, enjoy the livability, community sustainability, and quality of its neighborhoods and the community as a whole. **The proposal is therefore consistent with this goal.**

OCCP Policy 10.1.1

Maintain the existing residential housing stock in established older neighborhoods by maintaining existing Comprehensive Plan and zoning designations where appropriate.

Response: The proposal does not change any comprehensive plan or zoning designations. The proposal is to consolidate the separate chapters for the city's existing low-density R-10, R-8 and R-6 zones and also the medium density R-5 and R-3.5 zones into a Low Density Chapter and a Medium Density Residential District chapters to simplify the code. Similarly the R-2 zone will be renamed "High Density Residential District" for consistency.

By permitting internal conversions for homes a minimum of 20 years old, the proposed code amendments balance the need for providing more housing types with the need to maintain the existing residential housing stock in established older neighborhoods through maintaining existing Comprehensive Plan and zoning designations. Furthermore, there are only two additional housing types, corner duplexes and internal conversions that would be added for established older neighborhoods with low density zoning of R6, R8 and R10. These two housing types are compatible with existing older housing stock. As a whole, the proposal will greatly increase the opportunities for Oregon City's present and future residents to choose a housing type that suits their needs, and by doing so, enjoy the livability, community sustainability, and quality of its neighborhoods and the community as a whole. **The proposal is therefore consistent with this policy.**

OCCP Policy 10.1.2
Ensure active enforcement of the City of Oregon City Municipal Code regulations to ensure maintenance of housing stock in good condition and to protect neighborhood character and livability.
Response: This goal relates to the city's procedures for code enforcement. The Code Enforcement Division responds to citizen complaints as fast as possible by determining if a violation has occurred, alerting the responsible party that they are in violation, and enforcing compliance through the legal process. The city works with property owners to bring properties into compliance voluntarily. Code Enforcement also investigates complaints about parking violations, abandoned vehicles, and properties that are overgrown or dangerously deteriorated. The code enforcement process is also used to investigate any complaints regarding violations of the zoning code and development regulations. The methods that residents may make inquiries about code enforcement include the code enforcement hotline, calling city staff directly, the city web-site portal, and using a smart-phone app downloaded from the city website. As a whole, the proposal will greatly increase the opportunities for Oregon City's present and future residents to choose a housing type that suits their needs, and by doing so, enjoy the livability, community sustainability, and quality of its neighborhoods and the community as a whole. **The proposal is therefore consistent with this policy.**

OCCP Policy 10.1.3
Designate residential land for a balanced variety of densities and types of housing, such as single-family attached and detached, and a range of multi-family densities and types, including mixed-use development.
Response: The proposed amendments will allow residential development to achieve a more balanced variety of housing densities and types. Looking at the latest census data, in Oregon City, 71% of residential units are single-family detached homes, dominating the housing market. All other housing types make up 29% of the housing options, combined, ranging from manufactured homes and floating homes to 20 unit apartment complexes. Live-Work and apartment residential use will continue to be permitted in commercial and mixed use zones. Density bonuses in the High Density Residential zone district would be available for units that are affordable to residents making 80% of median family income. **The proposal is therefore consistent with this policy.**

OCCP Policy 10.1.4
Aim to reduce the isolation of income groups within communities by encouraging diversity in housing types within neighborhoods consistent with the Clackamas County Consolidated Plan, while ensuring that needed affordable housing is provided.
Response: Clackamas County Housing and Community Development is a division within the larger Clackamas County Health, Housing and Human Services Department that includes the Behavioral Health, Public Health, Health Centers, Social Services, the (public) Housing Authority, Community Solutions (workforce programs) and Children Youth and Families divisions. Clackamas County receives grant funds from three HUD programs: Community Development Block Grant (CDBG), Home Investment Partnership (HOME), and Emergency Solutions Grants (ESG). In order to receive these funds the county must prepare a number of plans. The most important is the Consolidated Plan[1] (11/13/2017). The development of the Consolidated Plan has been designed as a collaborative process allowing cities and community organizations and residents to participate in creating a unified vision for community improvements in their neighborhoods. Clackamas County Department of Health, Housing and Human Services staff have been involved as part of the Technical Advisory Team for the Equitable Housing project.

Key components of the consolidated plan include:

- assessment of housing and community development needs and development of long-range strategies
- description of how we plan to use the federal funds to put the strategic goals of the consolidated plan in place
- maps identifying concentrations of low and moderate income residents
- an examination of barriers that limit fair and equal housing opportunities to county residents

[1] https://dochub.clackamas.us/documents/drupal/0b928756-9c92-44f1-9517-13b6ce5401a7

The purpose of this proposal is the same as the fourth component of the Clackamas County Consolidated Plan mentioned above, which is to examine barriers (in the development code) that may limit fair and equal housing to City residents.

The proposed code amendments include reductions to interior corner setbacks as well as allowing for increased height for single and two-family residential structures three feet from the property line. The changes will provide an opportunity for some properties to construct accessory structures onsite. The structures may accommodate accessory dwelling units which would result in a greater opportunity for housing opportunities throughout the city. The proposed code amendments also include a 20% density bonus for affordable units at 80% AMI for a minimum term of 30 years. With no existing affordable housing, this policy would serve as a disincentive for developers to cluster low-income housing and encourages the even distribution of housing for various income levels. **The proposal is therefore consistent with this policy.**

OCCP Policy 10.1.5
Allow Accessory Dwelling Units under specified conditions in single-family residential designations with the purpose of adding affordable units to the housing inventory and providing flexibility for homeowners to supplement income and obtain companionship and security.
Response: Accessory Dwelling Units (ADUs) have been and will continue to be permitted in all zones that permit single-family residential use. Under the code proposed, ADUs would now additionally be permitted in the R-2 Zoning District. The proposed code amendments remove the owner-occupancy requirements of Accessory Dwelling Units that have stifled ADU development in Oregon City as a means of obtaining supplemental income for homeowners. Additionally, ADUs would no longer be required to provide parking, and ADUs would be permitted to use the same setback reductions that apply for accessory structures. Additionally, the size of an ADU would be increased from 40% to 60% of the gross floor area of the principal dwelling. Lot coverage requirements for the low density residential zones would also increase from 40% to 45% if an ADU is onsite, providing more flexibility. **The proposal is therefore consistent with this policy.**

Policy 10.1.6
Allow site-built manufactured housing on individual lots in single-family residential zones to meet the requirements of state and federal law. (Pursuant to state law, this policy does not apply to land within designated historic districts or residential land immediately adjacent to a historic landmark.)
Response: The Oregon City Municipal Code does not differentiate between manufactured housing and other housing types on individual lots in single-family residential zones and the proposed code amendments do not propose to change this. The proposed code changes would create a new subsection of OCMC 17.20 with standards suited for manufactured homes. Furthermore, manufactured home parks would be allowed in the R-3.5 zone to provide locational opportunities for manufactured dwellings, to provide a variety of affordable housing options. The manufactured home park requirements provide standards for orderly development, adequate vehicle circulation, parking, pedestrian circulation, open areas, and landscaping. Currently manufactured home parks are defined under the city code, nor are they listed as a permitted use in any zone, which creates a barrier to the improvement and expansion of existing parks in the City. Existing codes and review policies for the City's historic districts and designated historic structures remain unchanged. **The proposal is therefore consistent with this policy.**

OCCP Policy 10.1.7
Use a combination of incentives and development standards to promote and encourage well-designed single-family subdivisions and multi-family developments that result in neighborhood livability and stability.
Response: There have been many code revisions that further Policy 10.1.7 since the last Comprehensive Plan was adopted. These mainly include clear and objective standards for land divisions, single family residential Design and Landscaping Standards, the adoption of multi-family and cottage housing codes in 2010, and the refinement of street standards for regulation of the public right-of-ways, block standards, driveways, etc. in Chapter 12.04 – *Streets, Sidewalks and Public Places*.

The proposed code changes include newer, clearer standards for ADUs, Cluster Housing, Internal Conversions, Live/Work Units, Manufactured Homes, Duplexes and Manufactured Home Parks Residential Design. Allowing a greater variety of unit types on existing zones will serve to incentivize and promote well designed residential development throughout the city. As a whole, the proposal will greatly increase the opportunities for Oregon City's present and future residents to choose a housing type that suits their needs, and by doing so, enjoy the livability, community sustainability, and quality of its neighborhoods and the community as a whole. **The proposal is therefore consistent with this policy.**

OCCP Goal 10.2 Supply of Affordable Housing
Provide and maintain an adequate supply of affordable housing.
Response: The city has accomplished the adoption of three acknowledged concept plans for the UGB expansion areas outside the city limit, Park Place Concept Plan (Adopted April 2008), South End Concept Plan (Adopted April 2014) and Beavercreek Road Concept Plan (Re-Adopted in April 2016). Annexation of vacant land within these concept plan areas of the UGB holds the greatest potential for maintaining an adequate supply of housing, since the three concept plan areas will develop at a higher density and variety of housing than the current low density housing that predominates in the existing city limits. The following table is an estimate of the total number of housing units that could be developed in the concept plan areas:

Concept Plan	Adoption Year	Gross Acres	Net Buildable Acres	Density (du/ac)	Overall Estimated Density (Average)*	Total Average Estimated Units
Park Place	2008	418.5	202.5	4 - 22	7.2	1465
South End	2014	498.7	320	8 - 22	7.8	2500
Beavercreek Road**	2018	284	235 (100**)	8 - 22	10	1023
		1201.2	**757**			**4,988**

*Note – estimates are from the buildable land inventories of the concept plans. The actual number of housing units at buildout of the concept plan areas could vary widely due to different zoning. More detailed calculations are available in the concept plan materials and appendices.
** More than half (~190 acres) of the Beavercreek Road Concept Plan area is designated for employment land use, so no residential units are assumed there.

The numbers cited above represent principal dwellings and do not include accessory dwellings or additional unit types that could be legally constructed under the current and proposed amendments. Applications for re-zoning to slightly higher densities within the same comprehensive plan designation is also likely in these areas, if supported by the adopted comprehensive plan designations. Each of the concept plan areas include "main street" or "village center" areas that are intended to support compatible mixed use and commercial use, with walkable centers in close proximity to the surrounding higher residential density neighborhoods.

It should be noted that Metro is responsible for analyzing the UGB and making expansions to it to accommodate a 20-year land supply in accordance with state law. Cities within the UGB have a responsibility to implement concept plans at urban densities that comply with the Metro Urban Growth Functional Plan.

Allowing a greater variety of "missing middle" dwelling unit types by right in the concept plan areas, when they are annexed and zoned, will serve to provide and maintain and adequate supply of affordable housing. **The proposal is therefore consistent with this policy.**

OCCP Policy 10.2.1
Retain affordable housing potential by evaluating and restricting the loss of land reserved or committed to residential use. When considering amendments to the Comprehensive Plan Land-Use Map, ensure that potential loss of affordable housing is replaced.

Response: This proposal includes a variety of initiatives that will retain currently affordable housing stock in the city. No changes to the zoning map are proposed, so this proposal will not change any land reserved or committed to residential use, or to the currently permitted residential uses in each zone. **The proposal is therefore consistent with this policy.**

OCCP Policy 10.2.2
Allow increases in residential density (density bonuses) for housing development that would be affordable to Oregon City residents earning less than 50 percent of the median income for Oregon City.
Response: The proposed code amendments include offering up to a 20% density bonus for affordable units at 80% AMI for a minimum term of 30 years for apartment projects in the High Density Residential District. **The proposal is therefore consistent with this policy.**

OCCP Policy 10.2.3
Support the provision of Metro's Title 7 Voluntary Affordable Housing Production Goals.
Response: (From Comprehensive Plan, P. 77):

> *In 2001, Metro adopted amendments to Title 7 of the Urban Growth Management Functional Plan to implement the Regional Affordable Housing Strategy (2000), which identifies measures to provide adequate affordable housing in the Metro region. The amendments require local jurisdictions to consider adopting a number of tools and strategies for promoting the creation and retention of affordable housing. The amendments require local jurisdictions to consider adopting a number of tools and strategies for promoting the creation and retention of affordable housing. Metro defines an affordable housing unit as one that requires no more than 30 percent of household income for people earning 50 percent of the median household income in their jurisdiction. By that definition, an affordable housing unit in Oregon City in 2000 would cost $570 per month or less. The 2002 housing inventory and analysis showed that the number of lower-cost units in Oregon City was inadequate to meet both the current (2002) and projected housing needs of the city's lower-income residents. Title 7 tools and strategies have been adopted as Goal 10.2 and Policies 10.2.1 through 10.2.4.*

Since 2001, a great deal of growth and increase in housing costs has occurred due to limited housing supply. Also since 2001 a variety of housing inventories have been conducted for the region, including the 2010 US Census. Metro and it's member Cities have responded by advancing and updating regional housing strategies, which include providing Equitable Housing initiatives supported by Metro and the State.

The proposed code amendments directly support the provision of Metro's Title 7 2001 Voluntary Affordable Housing Production Goals and updated Equitable Housing Goals since then. **The proposal is therefore consistent with this policy.**

OCCP Policy 10.2.4
Provide incentives that encourage the location of affordable housing developments near public transportation routes. Incentives could include reduction of development-related fees and/or increases in residential density (density bonuses).
Response: As mentioned in OCCP Policy 10.1.4, the proposed code amendments include a 20% density bonus for affordable units at 80% AMI for a minimum term of 30 years within the R-2 Zoning District. The R-2 Zoning District is primarily found directly on or on the periphery of streets with higher classifications that serve as public transportation routes. **The proposal is therefore consistent with this policy.**

OCCP SECTION 11: PUBLIC FACILITIES
This section is intended to show compliance with Land Conservation and Development Commission (LCDC) Statewide Planning Goal 11, Public Facilities. Goal 11 requires that public facilities and services be provided in a timely, orderly and efficient manner. The goal's central concept is that local governments should plan public services in accordance with the community's needs as a whole rather than be forced to respond to individual developments as they occur.

OCCP Goal 11.1 Provision of Public Facilities
Serve the health, safety, education, welfare, and recreational needs of all Oregon City residents through the planning and provision of adequate public facilities.

OCCP Policy 11.1.1
Ensure adequate public funding for the following public facilities and services, if feasible:
- *Transportation infrastructure*
- *Wastewater collection*
- *Stormwater management*
- *Police protection*
- *Fire protection*
- *Parks and recreation*
- *Water distribution*
- *Planning, zoning and subdivision regulation*
- *Library services*
- *Aquatic Center*
- *Carnegie Center*
- *Pioneer Community Center*
- *City Hall*
- *Buena Vista House*
- *Ermatinger House*

OCCP Policy 11.1.2
Provide public facilities and services consistent with the goals, policies and implementing measures of the Comprehensive Plan, if feasible.

Policy 11.1.4
Support development on underdeveloped or vacant buildable land within the city where public facilities and services are available or can be provided and where land-use compatibility can be found relative to the environment, zoning, and Comprehensive Plan goals.

Policy 11.1.6
Enhance efficient use of existing public facilities and services by encouraging development at maximum levels permitted in the Comprehensive Plan, implementing minimum residential densities, and adopting an Accessory Dwelling Unit Ordinance to infill vacant land.

OCCP Policy 11.2.2
Plan, operate and maintain the wastewater collection system for all current and anticipated city residents within the existing Urban Growth Boundary. Plan strategically for future expansion areas.

OCCP Policy 11.3.1
Plan, operate and maintain the water distribution system for all current and anticipated city residents within its existing Urban Growth Boundary and plan strategically for future expansion areas.

OCCP Policy 11.3.3
Maintain adequate reservoir capacity to provide all equalization, operational, emergency, and fire flow storage required for the City's distribution system.

OCCP Policy 11.4.1
Plan, operate, and maintain the stormwater management system for all current and anticipated city residents within Oregon City's existing Urban Growth Boundary and plan strategically for future expansion areas.

OCCP Goal 11.6 Transportation Infrastructure
Optimize the City's investment in transportation infrastructure.

OCCP Goal 11.7 Private Utility Operations
Coordinate with utilities that provide electric, gas, telephone and television cable systems, and high-speed internet connection to Oregon City residents to ensure adequate service levels.

Response: The capacity of the respective public facilities and services to support the proposal is addressed below.

Water and Sewer Capacity
Please refer to the attached memorandum from Wallace Engineering. The memorandum provides an assessment of the water and sanitary sewer system implications of the code amendments proposed in support of the Equitable Housing project. The purpose of this memorandum is to determine the impact of increased density on the water supply and distribution system, and the sanitary sewer collection system. Wastewater treatment is provided by the Tri-City Sewer District, which has provided separate comments.

The Wallace Engineering memorandum concludes that the 160 additional dwelling units anticipated beyond current planning projections as part of proposed code amendments will not have an adverse impact on the future (2035) peak sanitary flows projected as part of the 2014 Sanitary Sewer Master Plan (SSMP) and future (2030) water demand projected as part of the 2012 Water Distribution Master Plan (WMP). The code amendments encourage increased housing densities, and if overall future growth is at a faster rate than anticipated by the SSMP and WMP, then the capital projects identified in each respective plan may need to be completed sooner than anticipated and the prioritization of the projects may need to change. The recommended capital improvement programs in each respective plan will adequately accommodate future growth projections including the 160 additional dwelling units. Completion of capital projects will be in a planned and orderly manner through prioritization of the projects and allocations of the City's annual project funding that is recovered through utility fees and system development charges for the respective utilities.

South Fork Water Board (SFWB), Oregon City's water provider, has indicated that SFWB will be able to provide water service to the additional 160 units over the current projection of 7,962 households anticipated.

Schools
The proposal was sent to the Oregon City School District (OCSD) for comment. OCSD has been informed of the proposal since the beginning of the project. The school district has not indicated that it is incapable of supporting the additional uses allowed by the proposal either now or in the future.

Police and Fire Protection
Oregon City Police Department and Clackamas Fire District capacity would not be affected by the proposal, since proposal does not change existing service areas.

Wastewater Treatment
Tri-City Sewer District indicates that the proposal does not conflicts with their interests.

Storm Drainage
This proposal does not change the city's adopted policies and technical documents related to storm water management and erosion control.

Transportation
Impacts to the transportation system are addressed under (C) below.

Based on the various analyses provided, public facilities and services are presently capable of supporting the uses allowed by the proposal, or can be made available prior to issuing a certificate of occupancy. **This proposal is consistent with these goals and policies.**

OCCP SECTION 12: TRANSPORTATION
This section is intended to show compliance with Land Conservation and Development Commission (LCDC) Statewide Planning Goal 12, Transportation, which aims to provide "a safe, convenient and economic transportation system." A transportation system that functions well contributes to a city's well-being, enhances quality of life, and increases opportunities for growth and development.

OCCP Goal 12.1 Land Use-Transportation Connection
Ensure that the mutually supportive nature of land use and transportation is recognized in planning for the future of Oregon City.

OCCP Policy 12.1.3
Support mixed uses with higher residential densities in transportation corridors and include a consideration of financial and regulatory incentives to upgrade existing buildings and transportation systems.

OCCP Policy 12.1.4
Provide walkable neighborhoods. They are desirable places to live, work, learn and play, and therefore a key component of smart growth.
Response: The impacts of the proposal on the transportation system were reviewed by the City's Transportation Consultant, Replinger and Associates. Please refer to Mr. Replinger's analysis and memorandum which is attached to this narrative. The memorandum provides an assessment of the transportation implications of the code amendments proposed in support of the Equitable Housing project. The memorandum assesses whether the proposed amendments trigger a finding of significant effect that would require further analysis to determine transportation impacts under OAR 660-12-0060 (Transportation Planning Rule or "TPR").

Mr. Replinger's overall conclusion is that the proposed code amendments do not result in a significant change in the number of dwelling units and more traffic than anticipated and planned for in Oregon City's Transportation System Plan (TSP) adopted in 2013. Therefore, the proposed amendments do not have a significant effect on the transportation system and that the city may adopt findings to that effect when adopting the proposed amendments.

The proposed amendments support the adopted Transportation System Plan. This proposal does not amend the zoning map, however, existing medium and high density residential zones and mixed use zones within the city limits are generally located closer to transit corridors and roads with higher capacity and width for better access to public transportation and pedestrian and bicycle facilities in accordance with the City's adopted Transportation System Plan. All new units are responsible for payment of Transportation SDCs.

The proposal is therefore consistent with these goals and policies.

STATEWIDE PLANNING GOAL 13: ENERGY CONSERVATION
To conserve energy. Land and uses developed on the land shall be managed and controlled so as to maximize the conservation of all forms of energy, based upon sound economic principles.

OCCP Goal 13.1 Energy Sources
Conserve energy in all forms through efficient land-use patterns, public transportation, building siting and construction standards, and city programs, facilities, and activities.

OCCP Goal 13.2 Energy Conservation
Plan public and private development to conserve energy.

OCCP Policy 13.2.1

Promote mixed-use development, increased densities near activity centers, and home-based occupations (where appropriate).
Response: This proposal supports the goals of energy conservation through efficient use of land in areas that are well served by public infrastructure, encouragement of construction practices and materials that result in energy conservation, and the addition of smaller dwelling units which have smaller energy consumption. **The proposal is therefore consistent with this policy.**

OCCP SECTION 14: URBANIZATION
This section is intended to show compliance with Land Conservation and Development Commission (LCDC) Statewide Planning Goal 14, Urbanization. Goal 14 requires cities to estimate future growth and the need for land and to zone enough land to meet that need. The goal calls for each city to establish an "urban growth boundary" to "identify and separate urbanizable land from rural land."

Goal 14.2 Orderly Redevelopment of Existing City Areas
Reduce the need to develop land within the Urban Growth Boundary by encouraging redevelopment of underdeveloped or blighted areas within the existing city limits.

OCCP Policy 14.2.1
Maximize public investment in existing public facilities and services by encouraging redevelopment as appropriate.

OCCP Policy 14.2.2
Encourage redevelopment of city areas currently served by public facilities through regulatory and financial incentives.
Response: This proposal supports the goal of urbanization and orderly redevelopment of both existing city areas and the development of areas not yet annexed to the city within the UGB. As discussed earlier under the Housing section, the proposals for additional dwelling unit types in existing zones would create incentives for new development to use land more efficiently. For infill situations in the lower density zones, modest increases to building footprints and the allowance for internal conversions and corner lot duplexes on lots that are already served by existing infrastructure will improve the efficiency of public infrastructure investments. This Goal is also supported by the existing zoning map. This proposal does not amend the zoning map, however, existing medium and high density zones within the city limits are generally located closer to transit corridors and roads with better bicycle access, which would provide improved walking and bicycle access to nearby amenities. All three adopted concept plans for the UGB areas that have not yet been annexed to the city: Park Place, South End, and Beavercreek Road, have all been conceptually designed to result in vibrant, walkable, amenity rich neighborhoods with active community centers. The additional housing choices that this proposal would allow, particularly for medium and high density residential and mixed use zones in the concept plan areas, would further serve to implement the Comprehensive Plan designations and concept plans for these areas. Orderly development of land within the existing UGB at urban densities supports the statewide goals of accommodating re-developable land within the UGB and reducing the need to develop land within the UGB. **The proposal is therefore consistent with this policy.**

REPLINGER & ASSOCIATES LLC
TRANSPORTATION ENGINEERING

Date: August 3, 2018
To: Pete Walter, Planning Department
From: John Replinger, PE
Subject: TPR Implications of Code Amendments for Equitable Housing

Purpose

This memorandum provides an assessment of the transportation implications of the code amendments proposed in support of the Equitable Housing project. This memorandum assesses whether the proposed amendments trigger a finding of significant effect that would require further analysis to determine transportation impacts under OAR 660-12-0060 (Transportation Planning Rule or "TPR").

Conclusion

My overall conclusion is that the proposed code amendments do not result in a significant change in the number of dwelling units and more traffic than anticipated and planned for in Oregon City's Transportation System Plan (TSP) adopted in 2013. I, therefore, conclude that the proposed amendments do not have a significant effect on the transportation system and that the city may adopt findings to that effect when adopting the proposed amendments.

Overview of Proposed Amendments

The proposed amendments cover a wide variety of sections of the Oregon City Municipal Code (OCMC). Many of the proposed amendments have no measurable impact on transportation. For example, height limitations will be defined by specific measurement (e.g. 35 feet) as opposed to "2½ stories." The percentage of lot coverage changes in various zoning categories. Accessory Dwelling Units would continue to be permitted in all residential zones. Since these amendments will not result in more dwelling units than allowed by the current version of the OCMC, it is reasonable to conclude there will be no transportation impact.

Some other sections of the code could result in a minor decrease in traffic impact. For example, the minimum on-site parking requirements for various uses is proposed to be decreased or eliminated in some zones. The effect is likely to be so small on a city-wide basis, no attempt has been made to quantify the effect.

Key areas of the proposed amendments were evaluated in more detail to assess whether they could have a significant effect on the transportation system. Some of the proposed amendments would allow owners or developers to more easily construct duplexes. Another set of proposed amendments would allow construction of townhouses on smaller lots in medium density residential zones.

The potential for impacts resulting from additional duplexes and for townhouses are discussed in more detail following the presentation of background information from the TSP and other sources.

Transportation System Plan

The Transportation System Plan (TSP) was adopted in 2013 and used 2010 as the base year and 2035 as the planning horizon. The TSP anticipates considerable growth in Oregon City. Appendix E, T.M. #5 – Model Assumptions: January 2012, provides details on the anticipated growth during the planning period. Specifically, Table 2: Oregon City UGB Area Land Use Summary, provides information on households for the base and future years. A portion of this table from the TSP is presented in Table 1 below.

Table 1. Base Year and Projected Household Growth from Adopted TSP

Land Use	2010 Land Use	Projected Growth from 2010 to 2035	Projected 2035 Land Use	Percent Growth (2010 -2035)
Total Households	13,022	7,963	20,985	61%

The critical value in the above table is 7,963, the projected increase in the number of households that were planned in the TSP between 2010 and 2035. The TSP's transportation analysis and the planned transportation facilities are predicated on this increase.

Duplexes

Duplexes have typically accounted for only a small proportion of housing choices in Oregon City and nationally. Census data for Oregon City suggests that duplexes account for about two percent of dwelling units[1]. National data from the US Department of Housing and Community Development and the Census Bureau suggests that housing construction for dwellings with 2 to 4 units has accounted for less than three percent of the housing constructed in recent years.[2]

In developing a "reasonable worst-case scenario" for the purposes of assessing the transportation impact of the proposed code amendments, I assumed that the duplexes developed in Oregon City under the proposed code amendments would be significantly greater than exist today. If the proportion of duplexes doubled from current values of about two percent to four percent, that would mean the projected growth in households between 2010 and 2035 would consist of 320 households occupying duplexes instead of 160.

One might reasonably expect that some of these duplexes might substitute for detached, single-family residences. However, to continue with a "reasonable worst-case scenario," I assume that these duplexes would add to the number of total dwelling units assumed in the

[1] American Community Survey, Census Bureau, 2010
[2] Monthly New Residential Construction, June 2018, U.S. Census Bureau and the U.S. Department of Housing and Urban Development

TSP. Carrying through this assumption, I calculate the proposal could result in 160 new, unanticipated dwelling units beyond the 20,985 dwelling units upon which the TSP was predicated. This represents an increase of just ¾ of one percent in the number of dwelling units in Oregon City in the TSP horizon year.

Table 2 indicates the trip generation that could be expected from 160 additional duplexes. Since duplexes are not a specific category of housing in the Institute of Transportation Engineers' *Trip Generation Manual – 9th Edition*," I calculated trips using the rates for two similar dwelling types: detached, single-family housing (ITE category 210) and for residential condominium/townhouse (ITE category 230). The trip generation for duplexes likely falls somewhere in between these two categories.

Table 2. Trip Generation for 160 Duplexes

Housing Type	ITE Category	Weekday Trips	AM Peak Hour Trips	PM Peak Hour Trips
Detached, single-family	210	1523	120	160
Residential Condominium/ Townhouse	230	930	70	83

Since these duplexes would likely be distributed throughout the city, the effect of adding about 100 peak hour trips during both the morning and evening would be insignificant on a regional basis. The effect of a slightly higher number of dwelling units due to the inclusion of duplexes in a project would be assessed in a transportation study required for a specific land use action through the city's normal review process.

Comparison of SFR and Townhouses in R-5

Under the proposed code amendments, allowed uses in the R-5 zone include, but are not limited to, single-family residences (SFR) on 5,000-square foot lots and townhouses on 3,500-square foot lots.[3]

To compare the transportation impact of constructing townhouses on the smaller, 3500 sf lots with detached, single-family dwellings, I calculated the trip generation for both using the trip rates from the Institute of Transportation Engineers' *Trip Generation Manual – 9th Edition.* Table 3 presents the results of the townhouse and detached, single-family dwelling options for a sample site with ten acres of developable land in the R-5 zone.

[3] Additional unit types permitted in the R-5 zone include Accessory Dwelling Units (ADUs), Duplexes, "Single-family attached residential units" means two or more dwelling units attached side by side with some structural parts in common at a common property line and located on separate and individual lots. Single-family attached residential units are also known as townhouses or rowhouses.

Table 3. Sample Comparison of SFR and Townhomes in R-5 for Ten Acres

Housing Type	ITE Category	Lot Size (sq. ft.)	Density DU/ Net Acre	Total DUs	Weekday Trips	AM Peak Trips	PM Peak Trips
Single Family Detached	210	5000	7	70	661	52	69
Condominium/ Townhouse	230	3500	10	100	732	46	56

The comparison shows that transportation impacts are similar. Weekday trips are calculated to increase slightly with townhouses, but townhouses would produce slightly fewer AM peak hour trips and significantly fewer PM peak hour trips than the SFR's. The transportation impact of this proposed code impact is insignificant.

Comparison of SFR and Townhouses in R-3.5

Under the proposed code amendments, allowed uses in the R-3.5 zone include single-family residences (SFR) on 3,500-square foot lots and townhouses on 2,500-square foot lots.

Calculations for these housing options in the R-3.5 zone were prepared using the same sources and methods described above for the R-5 zone. Table 4 presents the results of the townhouse and detached, single-family dwelling options for a sample site with ten acres of developable land in the R-3.5 zone.

Table 4. Sample Comparison of SFR and Townhomes in R-3.5 for Ten Acres

Housing Type	ITE Category	Lot Size (sq. ft.)	Density DU/ Net Acre	Total DUs	Weekday Trips	AM Peak Trips	PM Peak Trips
Single Family Detached	210	3500	10	100	944	74	99
Townhouse	230	2500	14	140	1024	64	78

The comparison shows that transportation impacts are similar. Weekday trips are calculated to increase slightly with townhouses, but townhouses would produce slightly fewer AM peak hour trips and significantly fewer PM peak hour trips than the SFR's. The transportation impact of this proposed code impact is insignificant.

Impacts of Accessory Dwelling Units, Internal Conversions and Cluster Housing

Accessory Dwelling Units and Cottage Housing are currently permitted under the OCMC. Minor changes are proposed, but the proposed amendments would continue to permit Accessory Dwelling Units and Cottage or Cluster Housing. Permit data indicate that Accessory Dwelling Units comprise less than one-tenth of one percent of all the single family dwelling units in the city (25 of a possible 9,600), and even fewer cottage houses (5 that have been permitted, but are not yet constructed). It is hoped that these numbers could increase slightly with the proposed amendments, but the number of units of these types is expected to be insignificant in comparison to the anticipated 20,985 housing units predicted in 2035 and as assumed in the TSP. Conversions of existing houses is a proposed new unit type very similar to ADUS that could allow for slightly larger units within the existing floor area of homes than permitted under ADUs. Parking requirements are proposed to be removed for ADUs and Internal Conversions. None of these unit types is anticipated to have a significant impact on the transportation system.

Conclusion

Based on the analysis undertaken for the proposed amendments, I conclude that the proposed amendments will not have a significant effect on the transportation system.

A "reasonable worst-case development scenario" involving duplexes doubling in popularity from current values would result in just 160 additional units. Even these were "new" units added to the expected increase of 7963 households projected in the TSP, these would increase the number of dwelling units in the city by only ¾ of one percent. Spread across the entire city, the impacts would be insignificant.

The proposal to allow townhouses on smaller lots than required for detached, single-family dwellings in both the R-5 and R-3.5 zones is also shown to be insignificant. Using trip generation rates from the Institute of Transportation Engineers' *Trip Generation Manual*, townhouses are calculated to produce slightly more weekday trips, but fewer trips during both the AM and PM peak hours.

I conclude that the city can make a finding that the proposed amendments do not have a significant impact on the transportation system and the TSP and that no further analysis for compliance with the TPR is necessary.

It is important to note that developers seeking zoning changes will continue to be required to address the TPR.

MEMORANDUM

DATE:	August 8, 2018
TO:	John Lewis, PE, City of Oregon City
FROM:	Wes Wegner, PE
RE:	Water and Sanitary Sewer System Implications of Proposed Code Amendments for Equitable Housing WE # 1442A

PROJECT PURPOSE AND INTRODUCTION

This memorandum provides an assessment of the water and sanitary sewer system implications of the code amendments proposed in support of the Equitable Housing project. The purpose of this memorandum is to determine the impact of increased density on the water supply and distribution system, and the sanitary sewer collection system. Wastewater treatment is provided by the Tri-City Sewer District, who has provided separate comments. Water supply is provided by South Fork Water Board, who has provided separate comments. The City's transportation consultant, Replinger and Associates, provided a separate, detailed overview of the potential for 160 additional dwelling units above and beyond the numbers projected in the City's Transportation System Plan and this report is based on that estimate.

CONCLUSIONS

The 160 additional dwelling units anticipated beyond current planning projections as part of proposed code amendments will not have an adverse impact on the future (2035) peak sanitary flows projected as part of the *2014 Sanitary Sewer Master Plan* (SSMP) and future (2030) water demand projected as part of the *2012 Water Distribution Master Plan* (WMP). The code amendments encourage increased housing densities, and if overall future growth is at a faster rate than anticipated by the SSMP and WMP, then the capital projects identified in each respective plan may need to be completed sooner than anticipated and the prioritization of the projects may need to change. The recommended capital improvement programs in each respective plan will adequately accommodate future growth projections including 160 additional dwelling units. Completion of capital projects will be in a planned and orderly manner through prioritization of the projects and allocations of the City's annual project funding that is recovered through utility fees and system development charges for the respective utilities.

PLANNING ASSUMPTIONS

The Replinger and Associates memorandum titled *TPR Implications of Code Amendments for Equitable Housing* estimated that the proposed code amendments would result in an additional 160 additional residential units in 2035 beyond the current planning projections under a "reasonable worst-case development scenario". This is an increase in residential units of approximately 0.75% throughout the City over the planning period. This assessment assumes that these additional residential units are distributed evenly throughout the City, based upon the roughly even distribution of residential zoning throughout the City.

SANITARY SEWER COLLECTION SYSTEM

The SSMP analyzed the sanitary sewer collection system capacity under existing and future (buildout) conditions over the growth period ending in 2035. Peak flow typically occurs during wet weather due to infiltration and inflow (I&I) of stormwater into the sanitary sewer collection system. The sewer collection system was modeled under wet weather peak flow conditions, based on a 10-year, 24-hour storm. A number of sanitary sewer pipe segments were found to have insufficient capacity to convey existing and future peak hour flows, and several manholes were predicted to overflow. In addition, two of the modeled pump stations were found to lack firm capacity to convey existing and future peak hour flows. The City's capital improvement program has been implemented and several upsizing projects have been completed to date resulting in fixing some of the capacity deficiencies in various parts of the City.

An increase in density of residential units in specific areas will exacerbate the remaining capacity issues currently identified in the SSMP. Future flow projections in the SSMP were estimated assuming residential lots are developed or redeveloped to the density identified in the Comprehensive Plan. The proposed code amendments will change the allowable density to an increased level, however these changes will not adversely affect the future flow projections or the future capacity analysis. With the code amendments encouraging higher residential densities and if future growth develops at a faster rate than anticipated by the SSMP, then the capacity issues identified under the future flow model will occur sooner than anticipated and prioritization for construction of specific capital improvement projects will be required.

One primary concern of the system's capacity, as discussed in the SSMP, is a result of stormwater infiltration and inflow (I&I) flows. The City has adopted a capital improvement program that allocates approximately $2.4 million annually towards facility rehabilitation and replacement projects that includes a focus on reducing I&I in the existing system. This program will result in freeing up existing sewer capacity and mitigating for some of the future growth encouraged as part of this equitable housing code amendment without requiring upsizing of the existing system. The sanitary sewer rehabilitation and replacement projects will be prioritized to help with the reduction of I&I to the greatest extent possible with the allocated funding available. When possible, these projects will include addressing existing private sanitary sewer laterals that are in poor condition and found to be contributing to a high level of I&I. The City is committed to making this program successful with the focus of annual funding allocations for projects that result in reduction of I&I.

WATER DISTRIBUTION SYSTEM

The Water Master Plan analysed the existing water supply, storage and distribution systems under existing and future conditions. Several deficiencies in the existing system are noted for the

available storage in existing reservoirs and available capacity with the pump stations. The plan also identifies that some of the existing distribution lines within the City are undersized and are incapable of providing fire flow to the recommended minimum standard.

The Water Master Plan (WMP) identified future growth rates between 1.5% and 3.0% over the projected growth period ending in 2030. If actual growth exceeds these assumed rates, capacity and storage deficiencies identified under the future model will occur sooner than anticipated.

Capacity of the water system to accommodate future growth within the City is primarily controlled by its ability to provide adequate fire flow to all developable areas. The additional residential dwelling units anticipated as part of this code amendment proposal will have an insignificant impact on the system's fire flow demand and minimal impacts to the storage needs identified in the WMP. Current storage and distribution deficiencies identified for the current population and future growth period will continue to be deficient until such time that capital improvements are completed. The WMP recommends a capital improvement program that addresses the capacity deficiencies and the City currently implements the program on an annual basis through the prioritization and allocation of City funds collected through water utility fees and system development charges. The City is committed to fixing capacity deficiencies with continued programming of capital projects annually.

The City's water supply is provided by the South Fork Water Board (SFWB). The South Fork Water Board 2016 Water Master Plan (SFWB WMP) has identified water treatment capacity limitations to meet future (2036) water demand projections and recommended a capital improvement program to increase capacity and address the deficiencies. SFWB has allowable Clackamas River supply water rights of 52 million gallons per day (mgd) and the current 2016 SFWB WMP recommends upsizing the treatment plant capacity to 40 mgd by 2031. The proposed increase of residential density through this code amendment will not have an adverse impact on the future (2036) water demand projections and the planned SFWB capital improvement capacity projects.

P:\14\1442A OR City Equitable Housing Analysis\Water Sewer Utility Impact Memo.docx

MEMO

Date: September 17, 2018

To: City of Oregon City Planning Commission Chair Denyse McGriff and Planning Commissioners

From: Elizabeth Decker, JET Planning

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

Subject: Equitable Housing Code Revisions (Amendments to September 10, 2018 Draft)

Overview: Planning Commission is continuing its review of the proposed Housing and Other Development and Zoning Code Amendments, including revisions and ongoing discussion to fine-tune the proposed code amendments. This memo summarizes the proposed changes to several housing-related code amendments proposed at the Commission's September 10, 2018 meeting. These amendments should be read in conjunction with the draft code provided to Planning Commission dated September 2, 2018; only the provisions included here have been updated since the past meeting.

Code Revisions: Planning Commission provided direction for amending several code sections, which have been completed as follows, and will be incorporated into the October 1, 2018 draft for the Commission's consideration.

A. Revise lot-averaging standards for new subdivisions to allow a reduction in lot size of up to 10 percent on up to 25 percent of the lots, consistent with previous Planning Commission recommendation, and reword language about residential uses in policy-neutral way for improved clarity. Note that additional changes to lot sizes could be allowed as part of a Type III residential Master Plan; see proposed 17.65.070.C.1.

Planning Commission also discussed whether to retain the final paragraph regarding how area within an alley is treated in lot averaging calculations, and can provide direction to staff if additional changes are recommended.

> *Proposed 16.12.050:* A subdivision in the R-10, R-8, R-6, R-5, or R-3.5 dwelling district that includes only single-family detached residential and accessory dwelling unit uses may include up to 25 percent of the lots ~~for single-family detached residential use, including any proposal with accessory dwelling units,~~ that are up to ~~twenty~~ ~~20~~ 10 percent less than the required

minimum lot area of the applicable zoning designation provided the average lot size of all proposed single-family detached residential lots ~~lots within the entire subdivision on average~~ meets the minimum site area requirement of the underlying zone. Any area within a powerline easement on a lot shall not count towards the lot area for that lot. Lot averaging is only permitted through the subdivision process or master plan process and may not be used for any other residential uses.

The average lot area is determined by first calculating the total site area devoted to single-family detached dwelling units, subtracting the powerline easement areas, and dividing that figure by the proposed number of single-family detached dwelling lots.

Accessory dwelling units are not included in this determination of total dwelling units nor are tracts created for non-dwelling unit purposes such as open space, stormwater tracts, or access ways.

A lot that was created pursuant to this section may not be further divided unless the average lot size requirements are still met for the entire subdivision.

When a lot abuts a public alley, an area equal to the length of the alley frontage along the lot times the width of the alley right-of-way measured from the alley centerline may be added to the area of the abutting lot in order to satisfy the lot area requirement for the abutting lot. It may also be used in calculating the average lot area.

B. Revise parking requirements for 3-4 plexes to require one off-street parking space per two units, rounded up.

Proposed 17.16.060.B: Parking and access. ~~No off-street parking is required for 3-4 plexes. However, if off-street parking is provided,~~

1. A minimum of two off-street parking spaces are required for each 3-4 plex.
2. A~~a~~ccess and location shall comply with either the standards of Section 17.16.040 or the access and driveway standards of OCMC Section 12.04.025. For purposes of determining whether the site meets the requirements in subsection 17.16.040.A, total lot frontage divided by the number of units along the frontage must be at least 25 feet to qualify for driveways across the front yards; otherwise, the site shall meet the standards of subsection 17.16.040.B or C.

Proposed Table 17.52.020:

Table 17.52.020		
LAND USE	PARKING REQUIREMENTS	
	MINIMUM	MAXIMUM
3-4 plex Residential	2.0 per 3-4 plex ~~1.00 per unit~~	2.5 per unit

C. Retain existing parking standards for ADUs, which require one parking space for ADUs including allowance for on-street parking to satisfy requirement under specific circumstances, rather than exempting ADUs from parking requirements.

Proposed 17.20.010.D.7: Parking. ~~No off-street parking is required for an ADU. If off-street parking is provided, it shall meet the access and driveway standards of OCMC Section 12.04.025 and OCMC Section 16.12.035 for a single or two-family dwelling.~~

a. Purpose. The parking requirements balance the need to provide adequate parking while maintaining the character of single-dwelling neighborhoods and reducing the amount of impervious surface on a site.

b. The following parking requirements apply to accessory dwelling units.

1. No additional parking space is required for the accessory dwelling unit if it is created on a site with a principal dwelling unit and the roadway for at least one abutting street is at least twenty-eight feet wide.

2. One additional parking space is required for the accessory dwelling unit as follows:

i. When none of the roadways in abutting streets are at least twenty-eight feet wide; or

ii. When the accessory dwelling unit is created at the same time as the principal dwelling unit.

(Retains and renumbers existing 17.54.090.B.11.)

D. Retain owner-occupancy provision for ADUs, rather than removing owner-occupancy requirements.

Proposed 17.20.010.F: The property owner, which shall include title holders and contract purchasers, must occupy either the principal dwelling unit or the ADU as their permanent residence, for at least seven months out of the year, and at no time receive rent for the owner-occupied unit. (Retains existing OCMC 17.54.090.B.7 and renumbers consistent with new ADU section.)

E. Refine extent of downtown height reduction to apply only to properties adjacent to existing residences, instead of within 100 feet of residences. Retain height limitation for properties in core downtown area to create height step-downs to the river.

Proposed 17.34.060.D: Maximum building height: Seventy-five feet, except for the following location~~s~~ where the maximum building height shall be forty-five feet:

1. Properties between Main Street and McLoughlin Boulevard and 11th and 16th streets;

2. Property within five hundred feet of the End of the Oregon Trail Center property~~; and~~

3. Property adjacent to a single-family detached residential unit. ~~3. Property within one hundred feet of single-family detached or detached units.~~

F. Revise thresholds for requiring a master plan, limiting mandatory master plans to institutions 10 acres or larger, with an exception to allow minor revisions to institutions that require only minor site plan and design review, which are limited a maximum 1,000-SF expansion. Eliminate any requirement for mandatory master plans for residential projects, instead encouraging residential master plans as an optional alternative to subdivisions to provide greater flexibility and creativity for particularly for multiphase projects.

Proposed 17.65.030: Applicability of the Master Plan Regulations.

A. ~~Submission~~Required for Large Institutional Uses. ~~A master plan shall be submitted for i~~If the boundaries of an institutional development meet or exceed ten acres in size, the proposed development shall be master planned using the regulations of this chapter. No permit under this title shall by issued for any institutional development ~~in excess of~~ that meets or exceeds ten acres in total acreage unless it is accompanied by or preceded by a master plan approval under this chapter. ~~This requirement does not apply to modifications to existing institutional developments unless the modification results in a cumulative square footage increase of over ten thousand total building square feet in an existing institutional development over ten acres.~~

1. Institutional development or modification to existing development that requires only Minor Site Plan and Design Review consistent with OCMC 17.62.035 is exempt from the master plan requirements of this chapter.

B. Master plans shall be optional for residential projects. ~~A master plan shall be required fFor phased residential and mixed-use developments of at least 200 units or more in the South End, Park Place and Beavercreek Road Concept Plan areas where the City Engineer determines that public infrastructure capacity requires further analysis prior to a site specific development plan;~~

C~~B~~. When Required as Part of Previous Land Use Review. The master plan regulations may be used to fulfill a condition of approval from a previous land use decision-requiring master planning for a development.

D~~C~~. When identified in the Oregon City Comprehensive Plan. The master plan regulations are required for all properties identified for master planning in the Land Use section of the Oregon City Comprehensive Plan.

E~~D~~. Voluntarily. An applicant may voluntarily submit a master plan as part of a land use review for sites a minimum size of two acres or greater~~, particularly when residential uses are proposed~~.

Additional Topics: Discussion will focus on several issues at the upcoming September 24, 2018, meeting to respond to Planning Commission's questions and clarify direction for staff.

- Review allowance for additional square footage allowed as part of an internal conversion. Current language in proposed 17.20.030.D allows a maximum of 800 SF in additional area as part of an internal conversion, intended to create parity between adding an ADU, which could be up to 800 SF, and completing an internal conversion. Planning Commission suggested consideration of lower maximums for additional square footage.
- Continue discussion on minimum parking requirements for internal conversions. Planning Commission was split on whether to recommend no minimum parking requirements, or a minimum of one off-street parking space per two units, rounded up.
- Review whether to permit shelters as a permitted or conditional use in the MUC and MUD zones. Shelters are currently proposed as a permitted use in the MUC and MUD zones, and a conditional use in all other zones.

MEMO

Date: September 6, 2018

To: City of Oregon City Planning Commission Chair Denyse McGriff and Planning Commissioners

From: Elizabeth Decker, JET Planning

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

Subject: Parking Regulation Alternatives for Proposed Housing Types

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Overview: The Planning Commission requested consideration of alternative parking standards for several of the "missing middle" housing types proposed as part of the Equitable Housing code amendments. The alternatives outlined below incorporate the recommendations from the Equitable Housing Project Advisory Team (PAT), Planning Commission direction, and staff recommendation. The alternatives are intended to address both concerns about on- and off-street parking availability and the development feasibility of these housing types, to support expanded housing options and housing supply in service to the Equitable Housing Project's goals. Draft code language for each alternative is also included in the second half of this memo.

The alternatives should be considered in the context of parking standards for other uses, as well as prevailing residential development patterns. There is no minimum requirement for off-street parking for single-family homes, townhouses, and duplexes under the current or proposed code, yet the majority of new residences are built with multiple parking spaces to meet future residents' preferences.

An additional consideration is the relatively few number of units expected to be developed under these provisions, and thus the relatively low potential parking impacts. Given the low number of units anticipated, the likelihood that many will include off-street parking even without a required minimum, and the anticipated geographic dispersal of these units, it is unlikely that there will be a significant on-street parking demand on any one particular street triggered by construction of these missing middle housing types.

Housing developers and ultimately housing consumers have greatest flexibility to develop housing and parking that best meets their needs and site constraints without a regulatory minimum. Staff and the PAT felt that this approach is reasonable and consistent with existing minimum parking standards for residential development, and fulfilling the overall Equitable Housing Project goal of removing barriers to housing development.

Parking Options for ADUs

A. Remove minimum parking requirements for ADUs, and allow individual homeowners to decide whether to provide any off-street parking for the primary dwelling and/or the ADU as the site allows. This option provides the maximum flexibility to develop ADUs, and maintains parity with existing standards for single-family homes, townhouses and duplexes that do not require any off-street parking. We would expect many properties to develop or retain off-street parking for the primary dwelling and/or the ADU even in the absence of a minimum parking requirement, but removing the minimum would provide additional flexibility for constrained sites. *This option is the Equitable Housing Project Advisory Team recommendation and the staff recommendation*.

B. Retain existing minimum parking requirements for ADUs, which require one off-street parking space when either there is no on-street parking available, or when the ADU is constructed at the same time as the primary dwelling (in contrast to the majority of ADUs which are constructed after the primary dwelling, when there is less flexibility to add parking). *This option balances the availability of parking for both the ADU and the surrounding neighborhood with the feasibility of creating or retaining off-street parking*.

C. Increase minimum parking requirements for ADUs to require a minimum of one space for the primary dwelling and one for the ADU. The two spaces could be located off-street unless sufficient on-street parking exists, similar to the current ADU parking standards and parallel to existing on-street parking credits for other types of development. This option is derived from Planning Commission's request for a "no-net loss" approach, while attempting to implement it in a fair and flexible manner for all homes by including a minimum requirement for most sites and exemptions for sites with no existing off-street parking. These standards are written to be clear and objective to meet state requirements, rather than discretionary language about retaining parking "where feasible" or "when practicable." *This option could make ADU development more difficult, particularly on lots where retaining existing parking areas is in conflict with adding ADU space.*

Parking Options for Internal Conversions

A. No minimum parking requirements for internal conversions. Similar to ADUs, internal conversions are an opportunity to creatively reuse an existing or modified home. Under the current state building code, the most likely internal conversions are to create two separate dwelling units within a single home, though the proposed code allows up to four units. Requiring new off-street parking or retaining existing off-street parking can limit options to reconfigure existing sites, though many conversions to two units will likely be able to and will choose to provide some off-street parking. *This option is the Equitable Housing Project*

Advisory Team recommendation and the staff recommendation because it provides the greatest flexibility.

B. Require a minimum of one parking space for any new units added with the internal conversion that can be located on or off-street. Similar to the existing ADU parking standards, this alternative would introduce a parking minimum of one space for any new units created through an internal conversion to address any additional parking demand created by the new unit, while providing some flexibility to accommodate that demand with on-street or off-street parking. *This option balances flexibility to create new housing units without site constraints imposed by high parking requirements, while providing some additional parking to meet needs of those new housing units.*

C. Require a minimum of one space per unit for each unit in an internal conversion, with options to locate parking on- or off-street. The spaces could be located off-street unless sufficient on-street parking exists, similar to the potential parking options for ADUs. This option is derived from Planning Commission's request for a "no-net loss" approach, while attempting to implement it in a fair and flexible manner for all homes by including a minimum requirement for most sites and exemptions for sites with no existing off-street parking. *This option could make internal conversions more difficult on some lots with limited space for adding parking spaces, effectively limiting the number of units that can be created for want of off-street parking.*

Parking Options for 3-4 Plexes

A. No minimum parking requirements for 3-4 plexes, to prioritize development of housing units with the greatest flexibility for site design. Some may voluntarily include parking: many of the 3-4 plexes are anticipated to develop in forms similar to townhouses or duplexes, but located on a single lot rather than individual lots, and would likely include garages for each unit similar to other townhouse development to date in Oregon City, which has not been subject to a minimum parking requirement. An additional consideration is that any grouping of more than four parking spaces is required to provide off-street maneuvering area, that is, to be designed like a parking lot to allow enough room to turn around rather than backing directly into the street like many residences, which will significantly increase the amount of site area needed to accommodate parking and may make development infeasible. *This option is the Equitable Housing Project Advisory Team recommendation and the staff recommendation because it provides the greatest flexibility*.

B. Require a minimum of one parking space per unit, with options to provide on-street and off-street spaces, similar to the potential parking options for ADUs and internal conversions. The 3-4 plexes are more likely to be new construction, and thus have greater potential to

design the site to accommodate off-street parking, however, the total space needed to accommodate three to four spaces could still preclude development, especially compared to opportunities to develop townhouses or duplexes at a similar density with no minimum parking requirements. *This option could make 3-4 plexes less feasible or desirable because increased site area for parking may limit development potential.*

Draft Code Language for ADUs (Proposed OCMC 17.20.010.D.6)

A. Remove minimum parking requirements.

No off-street parking is required for an ADU. If off-street parking is provided, it shall meet the access and driveway standards of OCMC Section 16.12.035 for a single or two-family dwelling.

B. Retain existing minimum parking requirements for ADUs.

a. Purpose. The parking requirements balance the need to provide adequate parking while maintaining the character of single-dwelling neighborhoods and reducing the amount of impervious surface on a site.
b. The following parking requirements apply to accessory dwelling units.
    1. No additional off-street parking space is required for the accessory dwelling unit if it is created on a site with a principal dwelling unit and the pavement width of at least one abutting street is at least 28 feet wide.
    2. One additional off-street parking space is required for the accessory dwelling unit as follows:
        i. When none of the abutting streets have a pavement width of at least 28 feet wide; or
        ii. When the accessory dwelling unit is created at the same time as the principal dwelling unit.

C. Increase minimum parking requirements for ADUs and primary dwellings to require two total spaces.

a. Purpose. The parking requirements balance the need to provide parking options while providing flexibility to develop ADUs on constrained lots and reducing the amount of impervious surface on a site.
b. The following parking requirements apply to sites proposed to be developed with an accessory dwelling unit.
    1. Two parking spaces are required for a site proposed to be developed with an accessory dwelling unit and a primary dwelling unit. Off-street and on-street parking may be counted towards the requirement as follows:

i. Off-street parking spaces must meet a minimum dimension of 9 feet by 18 feet, be located on a durable surface, and must meet the driveway and access standards of OCMC Section 16.12.035, provided however that the parking spaces for the ADU and primary dwelling may share a single driveway and access.
ii. On-street spaces must be located along the lot frontage and meet a minimum dimension of 22 feet of uninterrupted and available curb. Although the spaces may be counted towards meeting the parking requirements, they may not be reserved or used exclusively for the ADU and/or primary dwelling.

2. Sites shall be exempt from the parking requirements if all of the following conditions are met:
   i. The ADU is built more than five years after the primary dwelling was built;
   ii. No uncovered, off-street parking exists on the site outside of any garage or carport.

Draft Code Language for Internal Conversions (Proposed OCMC 17.20.030.G)

A. No minimum parking requirements for internal conversions.

No off-street parking is required for units created through an internal conversion. However, if off-street parking is provided, it shall meet the access and driveway standards of OCMC Section 16.12.035 for a single or two-family dwelling.

B. Require a minimum of one parking space for each new unit added with an internal conversion.

a. Purpose. The parking requirements balance the need to provide parking options while providing flexibility to convert existing dwellings to prioritize housing needs and reducing the amount of impervious surface on a site.
b. The following parking requirements apply to new units created through internal conversions.
   1. No additional off-street parking space(s) are required for the existing or new units created through an internal conversion if the site abuts a street with pavement width of at least 28 feet wide.
   2. One additional off-street parking space per unit is required for any new units created through an internal conversion when none of the abutting streets have a pavement width of at least 28 feet wide.
      i. Off-street parking spaces must meet a minimum dimension of 9 feet by 18 feet, be located on a durable surface, and must meet the

driveway and access standards of OCMC Section 16.12.035, provided however that up to three parking spaces for individual units may share a single driveway and access.

3. Sites shall be exempt from the parking requirements if no uncovered, off-street parking exists on the site outside of any garage or carport.

C. Require a minimum of one new parking space for all units within an internal conversion, including existing units.

a. Purpose. The parking requirements balance the need to provide parking options while providing flexibility to convert existing dwellings to prioritize housing needs and reducing the amount of impervious surface on a site.

b. The following parking requirements apply to internal conversions.

1. One parking space per unit is required per unit of an internal conversion. Off-street and on-street parking may be counted towards the requirement as follows:

i. Off-street parking spaces must meet a minimum dimension of 9 feet by 18 feet, be located on a durable surface, and must meet the driveway and access standards of OCMC Section 16.12.035, provided however that up to three parking spaces for individual units may share a single driveway and access.

ii. On-street spaces must be located along the lot frontage and meet a minimum dimension of 22 feet of uninterrupted and available curb. Although the spaces may be counted towards meeting the parking requirements, they may not be reserved or used exclusively for the internal conversion units.

2. Sites shall be exempt from the parking requirements if no uncovered, off-street parking exists on the site outside of any garage or carport.

Draft Code Language for 3-4 Plexes (Proposed OCMC 17.16.060.B)

A. No minimum parking requirements for 3-4 plexes.

Parking and access. No off-street parking is required for 3-4 plexes. However, if off-street parking is provided, access and location shall comply with the standards of Section 17.16.040 or the access and driveway standards of OCMC Section 16.12.035. For purposes of determining whether the site meets the requirements in subsection 17.16.040.A, total lot frontage divided by the number of units along the frontage must be at least 25 feet to qualify for driveways across the front yards; otherwise, the site shall meet the standards of subsection 17.16.040.B or C.

B. Require a minimum of one parking space for each unit in a 3-4 plex.

Parking and access.

1. One parking space per unit is required per unit of a 3-4 plex. Off-street and on-street parking may be counted towards the requirement as follows:
   i. Off-street parking spaces must meet a minimum dimension of 9 feet by 18 feet, be located on a durable surface, and must meet the driveway and access standards of OCMC Section 16.12.035, provided however that up to three parking spaces for individual units may share a single driveway and access.
   ii. On-street spaces must be located along the lot frontage and meet a minimum dimension of 22 feet of uninterrupted and available curb. Although the spaces may be counted towards meeting the parking requirements, they may not be reserved or used exclusively for the 3-4 plex.
2. Access and location shall comply with the standards of Section 17.16.040 or the access and driveway standards of OCMC Section 16.12.035. For purposes of determining whether the site meets the requirements in subsection 17.16.040.A, total lot frontage divided by the number of units along the frontage must be at least 25 feet to qualify for driveways across the front yards; otherwise, the site shall meet the standards of subsection 17.16.040.B or C.

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.

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 Beavercreek 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.

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