



## **Public Workshop**

Tuesday, May 15, 6:00 – 8:00 p.m.  
Oregon City Library (606 John Adams St.)

## **SUMMARY**

### **WELCOME, INTRODUCTIONS**

Pete Walter welcomed members of the public and thanked them for attending the Equitable Housing Public Workshop. Pete explained that the Equitable Housing Study began during the summer of 2017 and is expected to be completed in 2018. The purpose of the project is to remove barriers to developing more equitable housing. The work of the project has been guided by a Technical Advisory Team and Project Advisory Team, some of whom are here tonight. Steve Faust from 3J Consulting and Elizabeth Decker of JET Planning are leading the project.

Elizabeth Decker explained that the agenda for the evening. Elizabeth will present proposed changes to the City's development codes designed to result in more equitable housing. Following the presentation, small groups will discuss the proposals. The small groups will report back to the larger group before adjourning at 8pm.

### **PRESENTATION**

Elizabeth explained that equitable housing is defined by Metro and the City as “diverse, quality, physically accessible affordable housing choices with access to opportunities, services and amenities.” This includes choices for homes: to buy or rent; accessible to all ages, abilities and incomes; and convenient to meet every day needs, such as transit, schools, childcare, food and parks.

The housing supply in Oregon City is dominated by single-family detached houses that provide quality homes for many residents. However, these houses are unaffordable to an increasing number of households at the same time that household sizes are shrinking. Households paying more than 35 percent of their income to housing are considered to be in unaffordable housing. In Oregon City, 1,629 homeowners with a mortgage meet this definition, 171 homeowners without a mortgage, and 1,633 renters. That totals approximately 27 percent of all households in Oregon City. More than 55 percent of Oregon City households consist of 1-2 people and only 37.2 percent have children.

While limited in numbers, alternatives to single-family detached homes are diverse.

| <b>Housing Type</b>      | <b>Units</b> |
|--------------------------|--------------|
| Multifamily (5+ units)   | 2,120 units  |
| Townhouse                | 688 units    |
| Manufactured homes       | 418 units    |
| Multiplex (3-4 units)    | 359 units    |
| Duplex                   | 252 units    |
| Accessory dwelling units | 23 units     |
| Cottage housing          | 0 units      |

At the most extreme, a lack of diverse housing stock can contribute to an increase in persons experiencing homelessness. The 2017 Oregon City homeless count found 322 individuals experiencing homelessness in Oregon City, 186 of whom were under 18 years old. The Oregon City School District has seen a 93 percent increase in its homeless student population over the last 10 years. The top reasons cited by those experiencing homelessness were that 1) rents were too high, 2) unemployment and 3) eviction.

The result of these trends is a lack of housing that meets the needs of Oregon City households and contributes to the lack of equitable housing, lack of housing choices and, at the extreme, an increase in homelessness. The City initiated a project to remove regulatory barriers to developing more equitable housing, to support development of more housing and more diverse types of housing affordable to a wider range of Oregon City residents.

Residential development takes place within different zones of the city, each currently tailored to support a different mix of housing and uses. The main zoning categories to understand as the backdrop for future policy changes are:

- Low-Density Residential Zones: These are areas primarily used for single-family residential, and what many think of as a traditional residential neighborhood with individual houses. These are zoned R-10, R-8, and R-6 corresponding with 10,000-square foot minimum lot sizes, 8,000 sf, 6,000 sf respectively. These zones together are the most common residential zones in the city, applied to the greatest amount of land.
- Medium Density Residential Zones: These are more mixed zones, with some single-family homes on smaller lots and some attached townhouses. Zoned R-5 and R-3.5 with 5,000 square feet or 3,500 square foot lots.
- High Density Residential Zone: The highest density zone is R-2, with a 2,000 square foot per unit requirement and primarily multifamily development, typically built as low-rise apartment buildings of a few stories.
- Mixed-Use and Commercial Zones: Primarily located along prominent corridors and in downtown, these areas contribute to housing opportunities because they allow all-residential projects with no requirements for mix of uses or ground floor use limitations.

The project has resulted in several broad groups of proposed policy changes to increase equitable housing opportunities in Oregon City.

- Expand “missing middle” housing in low and medium density zones
- Expand housing types while maintaining density in high density zone
- Continue to allow multifamily residential in mixed use and commercial zones
- Coordinate permitting, design and improvement requirements for residential development

A summary of proposed changes to the City’s policies and codes to promote more equitable housing includes:

**Expand allowed “missing middle” housing types permitted in predominately single-family zones with dimensional and design standards tailored to each type of development.**

- Liberalize accessory dwelling unit (ADU) regulations consistent with emerging best practices and state mandates to remove owner-occupancy and off-street parking requirements, and simplify

dimensional and design standards, to encourage greater ADU production which is currently averaging two units per year.

- Introduce internal conversions of existing single-family homes into 2-4 units as a permitted use in all residential zones for homes built prior to 1990 to encourage retention of existing housing stock.
- Introduce corner duplexes as a permitted use on standard lots in the predominately single-family, low-density residential zones, subject to design requirements on both street-facing facades. Allow duplexes on all lots in the medium-density zones similar to existing regulations.
- Support expanded townhouse development, which has traditionally performed well in the Oregon City market, by permitting it in the medium-density zones, where it is already permitted in the R-3.5 zone, and in the high-density residential zone as an alternative to apartments. Apply new dimensional standards and design standards specific to townhouse development.
- Permit existing manufactured home parks as an allowed use in their current medium-density residential locations, to facilitate ongoing upgrades and improvements.
- Permit small multifamily projects with three to four units on a single-lot (triplexes and four-plexes) in medium-density zones through a review process similar to that for single-family and duplex homes, with design standards similar to apartments.
- Introduce new cluster housing standards as a significant revision to the existing cottage housing standards that permit homes at higher densities and smaller scale organized around a central court rather than traditional front yard, sidewalk and curb. Allow a greater variety of residential units from detached cottages and duplexes in the low-density zones with additional options for townhouses and multiplex residential in the medium density zones. Update design standards for more flexibility, consistent with standards for other residential development.

#### **Expand housing types while maintaining density in high density zone.**

- Permit wider range of residential types from single-family detached houses and townhouses to apartments in the high-density zone, in place of limiting uses to multifamily apartments, provided that minimum density standards are met.
- Allow proposed cluster housing development in the high-density zone, for smaller scale developments of up to 12 units in any format from individual cottages to attached garden apartments or townhouses. Housing units to be clustered around a common courtyard.
- Offer a modest 20% density bonus in the high-density zone for regulated affordable housing projects that guarantee units will be affordable for a minimum of 30 years.

#### **Continue to allow multifamily residential in mixed use and commercial zones.**

- Retain multifamily apartments as a permitted use in commercial and mixed-use zones with no limitations on ground floor use or required commercial component.

## **Coordinate permitting, design and improvement requirements for residential development in all zones**

- Retain existing density minimums and maximums in all residential zones, including existing increases for cluster development, ADUs and duplexes. Introduce new density increases for townhouses and multiplex residential in the medium-density zones.
- Simplify residential parking standards for all residential types, requiring a standard of one off-street space per unit for every type of dwelling from single-family detached residential houses to apartments, with no off-street parking required for ADUs. There is currently no minimum for single-family homes and duplexes, and minimums for multifamily residential range from 1 to 1.75 spaces.
- 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.
- 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. The provisions allow for more flexible lot patterns, particularly on irregular lots or lots with development restrictions.
- Promote modified master plan option for larger residential development projects that mix various types of housing, e.g., single family homes, cluster housing and townhouses, in lieu of standard subdivision process.

## **Provide Informational Resources**

Produce educational materials to improve understanding the housing options available and the associated approval processes and costs, and to promote development of identified housing options. The educational materials will identify the opportunities and processes for creating additional housing to provide transparency to the development community and public. This will include a list of items a developer or property owner would typically need to know in order to conduct due diligence, including all processes, potential fees, likely development exactions and dedications, types of consultants, permits and inspections needed, system development charges, and City financing options if available.

Educational materials include:

- An online mapping application to help interested developers identify properties with development potential for multifamily housing, duplex/triplexes, accessory dwelling units (ADUs), and other housing types. Information may include: zoning and overlay districts, transit locations, employment centers, social services, multimodal transportation facilities, parks and open spaces, schools and utility locations, etc.
- Guides to the City process across all departments for residential development from pre-application conference through final occupancy certificate for up to seven (7) priority housing types: single-family homes, ADUs, townhouses, apartment or condo units, cluster housing, duplex and/or corner duplex, and internal conversions.
- ADU brochure/guidebook intended to encourage homeowners to develop ADUs, including pictures and floor plans of ADUs that meet Oregon City ADU regulations, sample project budgets, overview of ADU benefits, and other background information.
- Development fees calculator that can help to inform developers' own pro forma assumptions about soft costs. The calculator will include costs related to permit fees, processes, inspections,

system development charges, and potential incentives available to offset or finance these costs for selected types of residential development projects. The calculator will adjust estimated costs based on site size, project geography, project type, and other factors depending on the City's needs.

Prior to discussion, one community member expressed concern and frustration that the project did not directly address homelessness. Following clarification and discussion with the group that the project would help promote more housing and more housing options, the individual stayed and participated for the remainder of the workshop.

## DISCUSSION

Groups of three to six people discussed the various equitable housing concepts including which concepts they support and which they would change and how. Notes taken from the various group discussions include:

- Senior housing needed
- Liked proposed housing types
- It is hard a homeowner and developer.
- It is too hard to develop cluster housing
- 3-4 units are restricted to medium and high density. Why not lower density zones like R6, R8 and R10?
- Getting through permitting is very difficult.
- The Building Division has been very supportive during the application process. The Public Works Department has not been as supportive.
- A City staffer advised that for some projects, a homeowner will need to hire engineers and designers to assist with the application process.
- What about transitional housing options like boarding houses and SROs?
- Consider an incentive to reduce open space for projects near parks.
- Need to build for single woman households as an increasing household type.
- Look to brownfields for development opportunities.
- Density bonuses.
- Less restrictive system development charges (SDCs).
- Master plan fees are high if you want flexibility.
- How to make the process easy for a non-professional.

Each table reported back to the full room, citing concepts they support and concepts they do not support:

- Support for proposals as they promote equity for people who make too much money for public assistance, but cannot afford housing.
- Flexibility of housing choice from a variety of housing types is good.
- Like that it will result in more interesting neighborhoods.
- Simplify the ADU process. Look to the Portland example.
- Manufactured home parks are a good option, but concerned that homes lose value and therefore do not help build equity.
- Need better transportation connections, more public transportation and transit options (e.g., TriMet MAX line). Maybe more density will support a bus route.
- Some missing middle housing has potential.
- Oregon City has many female-heads of household. Provide housing options that meet their needs.

- What about shared housing/single room occupancy (SROs)/co-housing as an option? Need to look at the definition of “family” and how many unrelated people can live in one facility.
- There should not be an owner occupancy requirement for boarding houses.
- Group homes need better bathroom facilities and maintenance.
- Provide incentives for density, bonuses, SDC reductions/waivers.
- It’s hard to get through the development process. Provide a simplified process for non-professional builders.
- Reduced dependency on cars, make neighborhoods more walkable with more amenities. More sidewalks and lower parking requirements.
- Maintain the R2 zone. Need more incentives for mixed-use development to actually get some real density of residential uses. It currently doesn’t attract development that is financially feasible.
- SDC fees/costs are very high and a barrier to entry.
- Want to add incentives to increase density.
- Master plans are good, but it is an expensive process.
- Desire for small, affordable condominiums (600 sf) with amenities like a patio and garden.
- Construction costs per square foot don’t match people’s incomes.
- Facilitate development of homes designed for consistency with existing neighborhood character. Blend-in if not match.
- Collaborate with schools on growth.
- There should be a transition from high density areas to low density areas which could be achieved by mixture of unit types.
- Would like higher density options in the low-density zones (R6, R8, R10) similar to those proposed for medium-density zones.
- Not in my back yard (NIMBYs).
- Housing in mixed use zones and commercial zones needs incentives
- Look at Bridge Meadows development example.
- Through another city process, look at possible ways to address homelessness, such as rent control and eliminating no-cause evictions.
- There are very few housing options for Medicaid recipients. these people need live-in caregivers.
- Single story cluster housing is better option for the elderly.
- Market-private development could help meet needs to provide more options for the homeless.