



REPORT DATE: November 25, 2019

CITY COMMISSION

HEARING DATE: December 4, 2019

FILE NO.: Legislative File: LEG-18-00001
Proposed Housing and Other Development and Zoning Code Amendments
(Includes City Commission direction with respect to shelters and clarifications
and corrections of the adopted code effective August 2, 2019)

ORDINANCE #: 19-1008: AN ORDINANCE OF THE CITY OF OREGON CITY ADOPTING
AMENDMENTS TO OREGON CITY MUNICIPAL CODE; TITLE 16: LAND DIVISIONS
AND TITLE 17: ZONING

APPLICANT: City of Oregon City – Planning Division
Laura Terway, AICP, Community Development Director
698 Warner Parrott Rd, Oregon City, Oregon 97045

CONSULTANTS: 3J Consulting
Steve Faust, Principal

JET Planning
Elizabeth Decker, Principal

REVIEWERS: Pete Walter, AICP, Senior Planner
Laura Terway, AICP, Community Development Director
Carrie Richter, Asst. City Attorney
Bill Kabeiseman, City Attorney

REQUEST: Adopt Amendments to the Oregon City Municipal Code for Clarification,
Correction of Errors, or Improvements of Development Standards

LOCATION: City-wide

RECOMMENDATION: Adoption of the proposed amendments. See last page for full recommendation.

17.50.170 - Legislative hearing process.

A. Purpose. Legislative actions involve the adoption or amendment of the city's land use regulations, comprehensive plan, maps, inventories and other policy documents that affect the entire city or large portions of it. Legislative actions which affect land use must begin with a public hearing before the planning commission.

B. Planning Commission Review.

1. Hearing Required. The planning commission shall hold at least one public hearing before recommending action on a legislative proposal. Any interested person may appear and provide written or oral testimony on the proposal at or prior to the hearing. The community development director shall notify the Oregon Department of Land Conservation and Development (DLCD) as required by the post-acknowledgment procedures of ORS 197.610 to 197.625, as applicable.

2. The community development director's Report. Once the planning commission hearing has been scheduled and noticed in accordance with Section 17.50.090(C) and any other applicable laws, the community development director shall prepare and make available a report on the legislative proposal at least seven days prior to the hearing.

3. Planning Commission Recommendation. At the conclusion of the hearing, the planning commission shall adopt a recommendation on the proposal to the city commission. The planning commission shall make a report and recommendation to the city commission on all legislative proposals. If the planning commission recommends adoption of some form of the proposal, the planning commission shall prepare and forward to the city commission a report and recommendation to that effect.

C. City Commission Review.

1. City Commission Action. Upon a recommendation from the planning commission on a legislative action, the city commission shall hold at least one public hearing on the proposal. Any interested person may provide written or oral testimony on the proposal at or prior to the hearing. At the conclusion of the hearing, the city commission may adopt, modify or reject the legislative proposal, or it may remand the matter to the planning commission for further consideration. If the decision is to adopt at least some form of the proposal, and thereby amend the city's land use regulations, comprehensive plan, official zoning maps or some component of any of these documents, the city commission decision shall be enacted as an ordinance.

2. Notice of Final Decision. Not later than five days following the city commission final decision, the community development director shall mail notice of the decision to DLCD in accordance with ORS 197.615(2).

IF YOU HAVE ANY QUESTIONS ABOUT THIS APPLICATION, PLEASE CONTACT THE PLANNING DIVISION OFFICE AT (503) 657-0891.

I. INTRODUCTION

PROPOSAL

Ordinance 19-1008 contains amendments to the text of the Oregon City Municipal Code that supplement the amendments contained in Ordinance 18-1009. The legislative file, LE-18-0001 was the overall file number for a variety of updates the development standards within the Oregon City Municipal Code. The updated standards adopted through Ordinance 18-1009, which became effective August 2nd, 2019, addressed reducing zoning barriers to additional housing opportunities, which were developed through the City's Equitable Housing project, as well streamlining and procedural changes which were not reviewed by the equitable housing advisory committee. The amendments result in greater opportunities for housing, reduce many regulations, streamline processes, provide clarity around existing standards, address some concerns, and are formatted so they are easier to follow. LE-18-00001 does not include any changes to the adopted zoning map or authorize any city-initiated construction or development.

The bulk of these additional amendments in Ordinance 19-1008 are intended to clarify and supplement the code changes by eliminating confusing or conflicting language, provide appropriate cross-references, and reduce jargon and wordiness, whilst preserving the substance of the code amendments. In addition, the additional code amendments implement some outstanding substantive changes that needed additional analysis and discussion by the Planning Commission and City Commission following the passage of Ordinance 18-1009, including:

- Zoning, definitions and conditional use procedures applicable to shelters and making new shelters a Type IV review
- Amendments to Chapter 16.12 to allow City Engineer to modify street standards in order to preserve existing trees
- Refinement of the standards and definitions pertaining to mobile food units
- Clarification of exempt activities, procedures and certain standards for compatibility review within the Willamette River Greenway Overlay District – OCMC 17.48
- Allowing fleet vehicle parking in employment zones (GI, CI and MUE) to exceed maximum parking limits
- Allowing chain-link fencing for city-owned parks and recreational facilities.

The City Commission decided to defer further amendments related to a Short-Term Rental Policy and Height Limits in the Mixed-Use Downtown District for properties located outside of the Downtown Design District to allow for greater analysis and public process following the pending Comprehensive Plan update scheduled to begin in 2020.

BACKGROUND

The need for this project began when the community identified concerns about not being able to afford to rent or purchase a home, apartment or condo. The availability of places to live at many income levels was severely constrained, and further the types of places available was not always matched with the types of places the community wanted. The City Commission then adopted goals for the 2017-2019 biennium and included:

- *Goal 1 (Cultivate an Environment for Successful Economic Development): Complete site-readiness efforts which can be accomplished through either physical site improvements or process and permitting refinement.*
- *Goal 3 (Enhance the Livability of the Community): Review local regulations and processes to remove barriers and provide incentives to additional housing opportunities.*

The City applied for and received a \$100,000 grant from Metro to facilitate a public process to identify regulatory barriers and proposed solutions to facilitating diverse, physically accessible, affordable housing choices within the city and Urban Growth Boundary (UGB) 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 goal was to make equitable housing more accessible by providing greater flexibility in zoning and development policies, informational materials for homeowners and developers to clarify review processes and estimate costs, and mapping tools to guide housing development within the UGB.

Most of the code amendments implement the objective of the Equitable Housing project to increase housing options in existing zones, and to streamline, clarify and refine development standards. This includes amendments to the standards for land division, construction of housing, and site plan and design review. The amendments include:

- Amendments recommended by the Project Advisory Team of the Equitable Housing project¹, consultants, staff and Planning Commission 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. Additional housing options allow for all residents, both existing and future, to find a housing option in a suitable neighborhood by providing a greater variety of housing options, which contributes to the City's goals for neighborhood livability;
- General clarifications of standards and procedures for more efficient development review; and

¹ (Project website address - <https://www.orcity.org/planning/equitable-housing>)

- Other amendments identified through the course of the public hearing process. A small number of additional amendments were added through the course of the project which do not relate to the Equitable Housing project, for example, standards for mobile food units, fencing in natural areas and land division design components.

The proposed amendments will not guarantee that any housing units will be more affordable or lower in cost. The project simply expands the menu of types of housing which may be built in existing zones (many of which are smaller units which are more likely to be relatively more affordable than larger units) and streamlines the approval criteria and review process. However, the process is likely to result in the creation of a greater variety of dwelling units which are not permitted under current zoning. The desire to construct smaller dwelling units or reduce the cost of the units depends on multiple additional factors, such as cost of labor and building materials, property owner desires, and market conditions beyond the scope of zoning regulations.

As a result of the extensive public hearing process the City Commission determined that some of the code amendments required additional consideration. In some cases, the Commission sought input from the Planning Commission and in other cases, it held work sessions for further consideration. The four areas that required additional review included:

- 1) Short-Term Rental Policy;
- 2) Height limit in the Mixed-Use Downtown District for properties located outside of the Downtown Design District;
- 3) Emergency, overnight and day shelters; and
- 4) Any clarifications and corrections related to the 06.19.19 version of code.

The table on the next page summarizes the proposed new residential uses for each of the zoning districts.

Table of Permitted Residential Use Types by Zone District

C = Conditional Use

Blank Cell = Not Permitted

M = Permitted through Master Plan / PUD Process

C¹ = Conditional Use outside of the Downtown Design District

Y² = Permitted - Residential Use Shall Not Occupy >50% of Development

Y³ = In Conjunction with Non-Residential Use

Zone	Residential Zones						Commercial, Mixed Use & Industrial Zones					
	Comprehensive Plan Designation						Comprehensive Plan Designation					
	Low Density		Medium Density		High Density		Mixed Use - Corridor		Mixed Use - Downtown		Commercial	
	R-10	R-8	R-6	R-5	R-3.5	R-2	MUC	NC	HC	MUD	WFD	C
Single-Family Detached	Y	Y	Y	Y	Y		Y ²	Y ²	Y	Y ²		
ADU	Y	Y	Y	Y	Y	Y			Y			
Cluster Housing	Y	Y	Y	Y	Y	Y						
Internal Conversion	Y	Y	Y	Y	Y	Y	Y ²	Y ²	Y	Y ²		
Corner Duplex	Y	Y	Y	Y	Y	Y	Y ²	Y ²	Y	Y ²		
Duplex / 2 units				Y	Y	Y	Y ²	Y ²	Y	Y ²		Y ²
Single-Family Attached (Townhouses)	M	M	M	Y	Y	Y	Y ²	Y ²	Y ³	Y ²		
Live/work units				C	C	C	Y	Y	Y	Y	Y	Y
3-4 plex				Y	Y	Y	Y	Y		Y	Y	Y
Multifamily (5+ Units)				M	M	Y	Y	Y		Y	Y	Y
Manufactured Dwelling	Y	Y	Y	Y	Y	Y	Y ²	Y ²	Y			
Manufactured Home Park					Y							
Assisted Living / Nursing Home > 15 beds	C	C	C	C	C	C	Y	Y	Y	Y	C	Y
Bed and Breakfast / Boarding House	C	C	C	C	C	C	Y	Y	Y	Y	Y	Y
Shelter up to 10 Beds							C			C ¹		
Shelter > 10 Beds							C			C ¹		

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.*

The Equitable Housing project was initiated in response to the known regional problem of limited housing supply and rapidly increasing housing and rental prices affecting the Portland Metro Area including Oregon City. There is a mismatch between supply and demand of housing that is leading to limited availability and affordability challenges for many households. Oregon City's housing needs don't match the dwelling units available. Also, demographic changes, such as smaller households have become more common.

Limited Housing Choices

The latest census data² for Oregon City indicates that 71% of residential units are single-family detached homes. The other 29% of housing options range from manufactured homes and floating homes to apartment complexes.

Alternative Housing Opportunities

The most common alternative housing type in Oregon City is multi-family apartments. Townhouses are the next most common, followed by manufactured homes in the existing parks within the city, then 3-4 unit multiplex buildings and duplexes. The least common options currently are Accessory Dwelling Units

² 2016 American Community Survey, U.S. Census, City of Oregon City Housing Data Profile

(ADUs), with only 23 constructed in the past 10 years. Only one cottage cluster housing development of five units has been approved and is currently completing the permitting process.

Housing Prices

Housing prices are increasingly unaffordable, which is typically defined as spending more than 35% of median household income on either rental or owned housing with a mortgage. Overall, one in four households are struggling to pay for housing.

Household Sizes are Shrinking

Fifty-five percent of households are comprised of one to two people, at various life stages. Since many households are trending this way, there needs to be flexibility and diversity in how existing single-family housing stock is used in order to better meet future size and economic demand. Currently only thirty-seven percent of homes have children.

Code Audit – Equitable Housing

The first step in the Equitable Housing Project was an audit of existing regulations, processes, and incentives to identify existing barriers and areas for improvement in current residential development regulations. Audit findings guided the development of suggested regulatory amendments and policy changes in later phases of the project.

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 the regulations and policies are applied in practice. The public review draft of the audit incorporated input from various stakeholders, including interviews with housing 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 2017.

The audit acknowledges the wide effect of plans, policies, and regulations at federal, state and local levels on housing choices, with a particular focus on local development regulations as part of the Equitable Housing Policy project. Federal, state and local development policies and regulations are designed to implement adopted long-range policies and housing plans. Although Comprehensive Plan

and Zoning Map revisions are not recommended at this time based on audit findings, the Planning Commission did note the need to update these objectives and long-range housing supply estimates. The long-range vision as articulated in the existing, adopted plans is in line with providing needed variety of housing units. 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

Though the bulk of the code amendments implement the direction provided by the Equitable Housing project by creating new housing types, streamlining/clarifying/refining the standards in the Oregon City Municipal Code the process for housing (site plan and design review or land divisions), a handful of additional amendments were added throughout the evolution of the project which do not. Examples include design standards for mobile food units, identifying a police station as a conditional use in the institutional district, and some amendments to the city's code, specifically the public and street tree Chapter 12.08, Tree protection code Chapter 17.41, and the Natural Resources Overlay District code Chapter 17.49.

SUMMARY OF AMENDMENTS

A detailed tabular summary of the additional changes is included as part of the record of these proceedings, along with a less detailed high-level presentation style summary. The changes proposed are summarized in tabular format in the attachment titled "Summary of Proposed Draft Amendments to the Oregon City Municipal Code".

HOUSING NEEDS ANALYSIS

In late 2019, Clackamas County began developing a Housing Needs Analysis (HNA) with the assistance of consulting group ECONorthwest. The purpose of the HNA is to provide information to the County about Clackamas County's housing market and to provide a basis for updating the County's housing policies. The project also provides participating cities in Clackamas County with a preliminary baseline housing needs analysis. The preliminary HNA provides information to staff and decision makers about the characteristics and conditions of the city's housing market and serves as a starting point for further evaluation of the city's housing needs and housing policies. The initial analysis in the preliminary HNA suggests that Oregon City needs a broader range of housing types with a wider range of price points than are currently available in Oregon City's housing stock. This includes providing opportunity for development of housing types such as: smaller single-family detached housing (e.g., cottages or small-lot single-family detached units), townhouses, duplexes and quad-plexes, small apartment buildings, and larger apartment buildings. The draft preliminary HNA report dated May 20, 2019 is included within the

record of these proceedings. The HNA will be completed by July 2019. All documentation prepared to date for the Housing Needs Analysis is in the record and provides support for these amendments.

II. DECISION-MAKING CRITERIA - CONTINUED:

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.

Finding: Complies as Proposed. This request is for text amendments to the Oregon City Municipal Code and was initiated by the Planning Division upon direction from the City Commission to remove barriers and incentivize to housing options as identified above.

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.*

Finding: Complies as Proposed. Consistency with the Oregon City Comprehensive Plan (OCCP) Goals and Policies follow starting on page 10.

- 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.*

Finding: Complies as Proposed/Not Applicable. The proposed code amendments would allow a greater variety of residential uses within existing zone districts. In sum, the City finds that the increase in dwelling units resulting from these amendments will be spread throughout the City where services can be expanded incrementally, if necessary. Existing or planned utilities and services are or can be made availability to accommodate the increased demand. The capacity of the respective public facilities and services to support the proposal is addressed below.

Water and Sewer Capacity

The memorandum from Wallace Engineering, dated August 8, 2018, prepared by Wes Wegner, PE 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 the 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.

Using the City's transportation analysis of the impacts of the proposed code amendments (See "Transportation" on next page), 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 they 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. OCSD has not commented on the project.

Police and Fire Protection

The proposal does not change the service areas for the Oregon City Police Department and Clackamas Fire District. The infill of additional housing units authorized within these service areas will receive the same levels of protection provided city-wide.

Wastewater Treatment

Water Environment Services (WES), the City's sewage treatment provider, confirmed that there is adequate wastewater treatment capacity to accommodate the additional units anticipated to result from the proposed amendments.

Storm Drainage

This proposal does not require any changes to the city's adopted policies and technical documents related to storm water management and erosion control as discussed in greater detail below.

Transportation

Finding: Complies as Proposed. The impacts of the proposal on the transportation system are discussed in the memorandum titled "TPR Implications of Code Amendments for Equitable Housing", dated August 3, 2018, by the City's Transportation Consultant, John Replinger, P.E. of Replinger and Associates. The memorandum provides the basis for the findings set forth in this report. 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. 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 code 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. According to Mr. Replinger, the effect due to these changes 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. Mr. Replinger's analysis includes a discussion of the potential for impacts resulting from additional duplexes and for townhouses following the presentation of background information from the Transportation System Plan and other sources.

The projected number of households that were planned in the TSP between 2010 and 2035 is 7,963 households, which represents the increase from 13,022 households in 2010 to 20,985 households in 2035. The TSP's transportation analysis and the planned transportation facilities are predicated on this increase. Mr. Replinger's analysis compares the impact associated with the proposed code amendments and assumes a "reasonable worst case scenario" of trip generation based on a combination of historical permit data and assumptions about the potential for additional units in comparison to the TSP projections. This included the following analysis which are summarized below.

- **Duplexes.** This represents an increase of just ¾ of one percent in the number of dwelling units in Oregon City in the TSP horizon year. The proposal could result in 160 new, unanticipated dwelling units beyond the 20,985 dwelling units upon which the TSP was predicated. In developing a "reasonable worst-case scenario" for the purposes of assessing the transportation impact of the proposed code amendments, it is 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. Since 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 Single Family Residential and Townhouses in the R-5 zone.** 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 Single-Family Residences. Based on the analysis, the transportation impact of this proposed code impact is insignificant.
- **Comparison of Single Family Residential and Townhouses in the R-3.5 zone.** 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 Single-Family Residences. Based on the analysis, the transportation impact of this proposed code impact is insignificant.
- **Impacts of Accessory Dwelling Units, Internal Conversions and Cluster Housing.** Based on Mr. Replinger's analysis, none of these unit types is anticipated to have a significant impact on the transportation system.

Therefore, the proposed amendments do not have a significant effect on the transportation system and the city may adopt findings to that effect when adopting the proposed amendments.

Additionally, the proposed code amendments are intended to clarify, update and reorganize several code chapters that pertain to public facilities standards and requirements, including OCMC Chapter 3.20 – Reimbursement Districts, OCMC Chapter 12.04 – Streets, Sidewalks and Public Places, OCMC Chapter 13.12 – Stormwater Management, and OCMC Chapter 16.12 – Minimum Public Improvements and Design Standards. Reorganization and clarification efforts do not alter any of the substantive transportation review standards applicable to development review.

Based on the various analyses provided, public facilities and services are presently capable of supporting the land 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.

Finding: Complies as Proposed. See finding above under Transportation.

D. Statewide planning goals shall be addressed if the comprehensive plan does not contain specific policies or provisions which control the amendment.

Finding: Complies as Proposed. 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	15. Willamette River Greenway/Goal 15.1
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.

Finding: Complies as Proposed. Many of these plan policies do not apply to this proposal as the proposed code changes will have no effect on the city-wide program of providing community involvement in land-use planning. However, where these policies apply, the proposal is consistent. The proposal may increase the opportunities for Oregon City's present and future residents to choose a housing type that suits their needs.

The project kicked off in August 2017 with recruitment for the Project Advisory Team (PAT) in late September 2017. 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 the public. These included:

- Open Houses (3)
- 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)
- Video explaining the project
- Mailing List (more than 250 subscribers)
- Project Advisory Team Meetings
- Staff Presentations at Community Meetings
- Work Sessions
- Surveys On-line (3)
- 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
- Developer On-Line Survey, October 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 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
- Planning Commission Public Hearing #1: August 13, 7pm, City Hall
- Planning Commission Work Session #3: August 13, 7:10pm, City Hall
- Open House #3: August 20, 5-6:45 pm, City Hall
- Planning Commission Work Session #4: August 20, 2018, 7pm, City Hall
- Planning Commission Work Session #5: August 27, 2018, 5:30pm, City Hall
- Planning Commission Public Hearing #2: August 27, 2018, 7pm, City Hall
- City Commission (CC) Work Session #2: September 5, 2018, City Hall
- Planning Commission Work Session #6: September 10, 2018, 5 pm, City Hall
- Planning Commission Public Hearing #3: September 10, 2018, 7pm, City Hall
- Natural Resources Committee: September 12, 2018, 7pm, City Hall
- Planning Commission Work Session #7: September 24, 2018, 7pm, City Hall
- Planning Commission Public Hearing #4: September 24, 2018, 7pm, City Hall
- Planning Commission Public Hearing #5: October 8, 2018
- City Commission Work Session #3: October 9th, 2018, 7pm, City Hall
- Planning Commission Hearing #6: October 22, 2018 (Final Recommendation by Planning Commission)
- Planning Commission Hearing #6: October 22, 2018
- Planning Commission Hearing #7: April 22nd, 2019 (items sent back by City Commission)
- City Commission Hearing #1: November 7, 2018
- City Commission Hearing #2: December 5, 2018
- City Commission Hearing #3: January 16, 2019, 7 pm, City Hall
- City Commission Hearing #4: February 6, 2019, 7 pm, City Hall
- City Commission Hearing #6: March 6, 2019, 7 pm, City Hall
- City Commission Hearing #7: March 20, 2019, 7 pm, City Hall
- City Commission Hearing #8: April 3, 2019, 7 pm, City Hall
- City Commission Hearing #9: April 17, 2019, 7 pm, City Hall
- City Commission Hearing #10: May 1, 2019, 7 pm, City Hall
- City Commission Hearing #11: May 15, 2019, 7pm, City Hall
- City Commission Hearing #12: June 5, 2019, 7 pm, City Hall
- City Commission Hearing #13: September 4, 2019, 7 pm, City Hall

Additional Hearings on Deferred Code Amendments

Additional work sessions, meetings and public hearings were held to consider the following additional code amendments following the initial adoption of Ordinance 18-1009:

1. Mixed Use Downtown height limit for areas outside the Downtown Design District
2. Short-Term Rentals
3. Shelters
4. Clarifications and corrections related to the 06.19.19 version of code.
5. Mobile food units
6. Willamette River Greenway

These meeting were held on the following dates;

- City Commission hearing, 9/4/2019
- Planning Commission hearing, 9/9/2019
- City Commission work session, 9/10/2019
- City Commission work session, 9/18/2019
- Planning Commission hearing, 9/23/2019
- City Commission work session, 10/2/2019
- City Commission hearing, 10/16/2019
- Citizen Involvement Committee: 11/4/2019
- City Commission hearing, 11/6/2019
- City Commission work session, 11/8/2019
- Natural Resources Committee: 11/13/2019
- City Commission hearing, 11/20/2019
- Canemah Neighborhood Association: 11/21/2019

In addition, the application was posted on the City project website with regular updates, 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 website³ and shared with the Project Advisory Team.

State law provides that individual mailed notice of a land use change must be mailed to the owners of all property owners whose property that proposes to "rezone" property. "Rezoning" is defined in state law to include "changes to the base zoning classification of the property" or an action "that limits or prohibits land uses previously allowed in the affected zone." These amendments do not alter the base zoning classification for any property. Although allowing middle housing types in every zone generally expands the uses previously allowed, changes in development standards within each zone such as off-street parking or lot averaging requirements could be viewed to limit the range or extent of permissible uses of property. Therefore, out of an abundance of caution, the City provided mailed notice to all property owners throughout the City. The notice explained that the scope of the amendments, in addition to increasing housing opportunities, the City was proposing "other changes" and directed people to the city's website to view the proposed amendments. This notice was sufficient to inform the

³ <https://www.orcity.org/planning/equitable-housing>

public that amendments were proposed, provided direction on where to obtain additional information and invited the public to participate in the adoption process.

The proposed amendments clarify administration and procedures of various land use review procedures. 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 and relocating the HRB decision appeal fee within the list of adopted land use fees.
- 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.

State law requires a mailed notice be provided to property owners within 100' of most types of development informing them of an application and providing them an opportunity to comment. The existing code requires mailed notice to all property owners within 300'. The public is provided notice of applications in a variety of ways including mail, emailed notice to neighborhood association chairs and CIC members, online project descriptions on the city website, physical signs posted on all frontages, by newspaper, and postcards by neighborhood associations. Because of the relatively smaller lot patterns and smaller lot dimensions within the Urban Growth Boundary, the mailed notice area of 300' is more than adequate and this provision will be retained. However, the City Commission did amend the neighborhood meeting requirements in OCMC 17.50.055 to provide additional clarity. This meeting may occur no earlier than one year prior to the date of filing the application subject to prescribed hours, days and location limitations.

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.

Finding: Complies as Proposed. Increasing the variety of dwelling unit types in existing zones will create incentives for new development to use land more efficiently. For infill situations in the lower density zones, modest increases to building footprints and allowances for accessory dwelling units, 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, where residents of higher density options would enjoy improved walking and bicycle access to nearby amenities. All three adopted concept plans for the UGB areas: 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 proposal increases the height limit for some properties within the Mixed Use Downtown District as well as amends how the height of development is measured in the floodplain both of which could result in potentially higher density of residential development in the downtown area, which could result in a more efficient use of land.

The majority of the code amendments are 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.

Finding: Complies as Proposed. Permitting greater diversity in dwelling unit types in existing zones creates incentives for new development to use land more efficiently. The minimum FAR (Floor Area Ratio) in the mixed-use zones will remain unchanged.

Parking maximums have similarly not changed. When appropriate, existing off-street parking standards for multi-family development, 3-4 plexes, townhomes, duplexes, internal conversions and accessory dwelling units have been simplified, reduced and minimized. 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 determining parking minimums, the proposal replaces this approach by setting the minimum at one space per unit regardless of the number of bedrooms. Parking requirements for Accessory Dwelling Units, Internal Conversions, Cluster housing, and attached housing units have been further clarified.

Removing and reducing parking requirements could create incentives to use land more efficiently for both new developments and existing infill situations. That said, the Planning Commission and City Commission were also cognizant that on-street parking can create conflicts with thru-traffic or increase reliance on on-street parking.

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 feet on the opposite. This has been quite confusing for property owners trying to understand the setback requirements 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.

A minimum residential density requirement of 17.4 units per acre is proposed for the MUC Mixed Use Corridor, MUD Mixed Use Downtown, and High-Density Residential Districts.

The amendments include one incentive in the High-Density Residential District (proposed code Chapter 17.12) to add reduced rate units by allowing a density bonus in the R-2 district (of up to 20%) for units below a certain Area Median Income 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.

Finding: Complies as Proposed. 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 allowing townhomes and other unit types beyond apartments in the high-density 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 Park Place, South End, and Beavercreek Road have 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. A minimum residential density requirement of 17.4 units per acre is proposed for the MUC Mixed Use Corridor, MUD Mixed Use Downtown, and High-Density Residential Districts.

The existing code has separate standards for multi-family buildings and commercial buildings, though many standards overlap. The existing code is difficult to apply to mixed use buildings, because the commercial standards are applied to ground-floor retail space, and the multi-family standards are applied to upstairs dwelling units. The effect of the massing, modulation and design of a building is the same regardless of the use. However, the standards are different for uses such as office/retail than they are for multi-family, which are both permitted in many of the same zoning designations.

The proposals support a more streamlined approach and removal of existing complicated review for mixed use residential buildings. Since many of the standards are the same, consolidating into a single section that is applicable to multi-family, mixed-use, and commercial buildings would make the code easier to navigate and less repetitive. The Planning Commission recommended consolidating the standards that apply to commercial, mixed-use and multi-family developments to a single section.

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.

Finding: Complies as Proposed. These proposals will help to promote the development of the downtown area.

The proposed code amendments will continue to allow apartment and live-work uses in the downtown area which is zoned Mixed Use Downtown (MUD). The proposal would allow clearer standards for those developing mixed use projects which include residential uses above non-residential, remove unnecessary development standards, and require a minimum residential density of 17.4 units per net acre for new all residential development in mixed use and commercial districts.

One of the deferred decision items discussed on page 4 is the subject of height limits in the Mixed-Use Downtown zone outside of the Downtown Design District. The Equitable Housing Project Advisory Team provided recommendations on this issue in mid-2018 following the public process. The City Commission determined to implement the recommendation of the Planning Commission, which was to slightly modify the 45' height limit adjacent to single family dwellings in the MUD by applying the lower height limit when a single family dwelling is abutting a proposed development, rather than within 100 feet of the proposed development. This change results in a modest increase in the allowable height limit within the zone for certain properties. The City Commission further directed that the discussion regarding height limits be revisited with the pending Comprehensive Plan update in 2020, to allow a more comprehensive discussion by the community and assure that height limits are adequate to promote the development of a vibrant, mixed-use downtown area.

Regional centers are hubs of commerce and local government services serving hundreds of thousands of people. They are characterized by multiple-story, compact employment and housing development served by high-quality transit. In the Metro 2040 Growth Concept, Oregon City is one of eight regional centers that are poised to become the focus of transit and highway improvements necessary to support additional growth. Amending height limits will support this effort.

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.

Finding: Complies as Proposed. 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.

Within the Downtown Design District, a maximum building height limit of fifty-eight feet is required to ensure that no new building will be taller than the Masonic Hall, also a minimum two-story (twenty-five feet) building height is established for the Downtown Design District Overlay sub-district to ensure that the traditional building scale for the downtown area is maintained.

For residential and mixed-use projects in the Mixed Use Downtown district the code amendments will specify a minimum density requirement of 17.4 units per net acre in order to assure adequate residential density at urban levels which is appropriate for a downtown area.

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 residential properties, in exchange for greater use of land through increased development 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.

Finding: Complies as Proposed. 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 proposed minimum density requirement for 17.4 units per acre for new residential development in the MUC Mixed Use Corridor zone will further support this goal. **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.

Finding: Complies as Proposed. The proposal would increase the opportunities for Oregon City's residents to choose a housing type that suits their needs. 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 sizes and scales across a variety of neighborhoods. These options provide improved livability in accordance with Housing Goal 10 of the Comprehensive Plan while ensuring compatibility with existing neighborhoods through improved dimensional and design standards for each dwelling unit type. Additional housing options allow for all residents, both existing and future, to find a housing option in a suitable neighborhood by providing a greater variety of housing options, which contributes to the City's goals for neighborhood livability. These proposals are intended to fit in with existing patterns of residential development city wide, if and when property owners choose to take advantage of the code provisions. It is the hope of the project that neighbors and family members may have a choice to live closer to one another with additional housing choices.

Metro Code 3.07.1220 - *Residential Density* provides that "Metro shall not require any city or county to authorize an increase in the residential density of a single-family neighborhood in an area mapped solely as Neighborhood." (Ordinance 02-969B, Sec. 3. Ordinance 15-1357.) This policy pertains to the Metro Design Types map adopted as part of the Metro 2040 Growth Concept. The proposed code amendments may result in slight density increases in neighborhoods, but Metro is not requiring the City to do so. Most of the residential areas in Oregon City are mapped as neighborhoods, and the proposed amendments are consistent with this policy since they respond to and are driven by local needs and goals in the Oregon City Comprehensive Plan and identified in the 2017-2019 City Commission Goals and Policies, not by Metro. Similarly, nothing in these amendments require additional density. Rather, they provide additional options should a property owner elect to pursue them.

In addition, the proposed amendments include design requirements which mitigate any increase in density. For example, corner duplexes in the low density residential zones may not have more than one external door on a façade, internal conversions may occur within existing structures subject to a prescribed expansion area, and duplexes within the medium density districts must comply with design standards ensuring design compatibility. Further, the project was very sensitive to increased parking demands triggered by this amendments and as a result, retained the required minimum off-street parking requirements for various residential uses where appropriate.

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.

Finding: Complies as Proposed. The proposed code amendments would increase equitable housing options throughout the city in existing and new neighborhoods by providing greater diversity, quality, physically accessible and potentially more 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. Though the options for housing are broadened, the design standards are maintained for compatibility with existing neighborhoods. **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.

Finding: Complies as Proposed. The proposed code amendments would increase housing opportunities for residents seeking to downsize from a traditional single family detached house to a more preferred or affordable 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. 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 residents seeking to rent or buy housing as well. These additional residential opportunities will not have any impact on the provision of services to existing or future residents. **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.

Finding: Complies as Proposed. 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 design guidelines including 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, internal conversions of existing homes is allowed subject to a limitation on any expansion area, and duplexes within the medium density districts must comply with design standards. **The proposal is therefore consistent with this policy.**

OCCP 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.

Finding: Complies as Proposed. This proposal does not amend the zoning map and therefore it does not apply. 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.**

OCCP 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.

Finding: Complies as Proposed. 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

Finding: Complies as Proposed. 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

Finding: Complies as Proposed. 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. By definition, forest land use is considered incompatible with urbanization, and such lands would not typically be designated as urbanizable in the City's or County's adopted comprehensive plans. 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 include clarifications of the City's tree protection code in Chapter 17.41 which applies to development review and the Planning Commission also recommends that the City Commission draft regulations to prohibit significant tree removal prior to annexation, which could affect designated forest lands within the Urban Growth Boundary, should any exist. Such a proposal requires further evaluation for consistency with this goal prior to adoption. **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.

Finding: Complies as Proposed. The proposed code amendments would not affect any specifically protected scenic views in the current Comprehensive Plan.

One of the deferred decision items discussed on page 4 is the subject of height limits in the Mixed-Use Downtown zone outside of the Downtown Design District. The City Commission determined to implement the recommendation of the Planning Commission, which was to slightly modify the 45' height limit adjacent to single family dwellings in the MUD by applying the lower height limit when a single family dwelling is abutting a proposed development, rather than within 100 feet of the proposed development. This change results in a modest increase in the allowable height limit within the zone for certain properties. The City Commission further directed that the discussion regarding height limits be

revisited with the pending Comprehensive Plan update in 2020, to allow a more comprehensive discussion by the community and assure that height limits are adequate to promote the development of a vibrant, mixed-use downtown area.

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.

Finding: Complies as Proposed. 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, including design review requiring compatibility, would continue to apply to all new construction within historic districts pursuant to OCMC 17.40 – Historic Overlay District. No specific design limitations are imposed in the central downtown area. Deletion of the HRB-specific appeals section in OCMC 2.28.070 was appropriate because it was internally inconsistent and it is more appropriate for all land use procedures, including the appeals of HRB decisions, be set forth in OCMC 17.50. Similarly, all land use review fees are prescribed by the City Commission through its schedule of fees as prescribed in OCMC 17.50.290. **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.

Finding: Complies as Proposed. The proposed amendments do not include any substantive changes to OCMC 17.44, Geologic Hazards. The proposed amendments within the Natural Resources Overlay District under OCMC 17.49 provide new standards for fences within the NROD, clarifications for removal of diseased and hazardous trees within the vegetated corridor, procedural clarifications and removal of redundant language. The Natural Resource Overlay District (NROD) protects streams, wetlands, and habitat with a vegetated corridor which provides native vegetation and shade near streams and wetlands. Currently, some disturbances within the NROD are exempt, but fences are not. Also, many fences existed prior to implementation of stream and habitat protections. The proposed amendments would allow fences to be constructed within the NROD provided that they comply with height and

design standards, provide adequate ground clearance for wildlife passage, are located outside of wetlands and the top-of-bank of streams, and provide a 2-foot landscape buffer on both sides of the fence which is planted/seeded with native grasses, shrubs, herbs or trees to cover bare ground. Though fences in the NROD are not encouraged, the provisions acknowledge existing property configurations and allow property owners to better control and utilize their land and allow passage of wildlife. The Natural Resources Committee supported and assisted with drafting the new language allowing fences, including a minimum clearance, mitigation plantings and an open rail design so as not to impede wildlife. Overall, the amendments provide clarity and strike a balance between environmental protection and allowance of citizens to utilize their property. The proposed fence standards would continue to protect streams, wetlands and habitat. Metro concurred that the proposed fence regulations do not conflict with their regulations.

The amendments are supported by the Natural Resources Committee. These acknowledged codes are intended to conserve, protect and restore inventoried natural resources within the City's Urban Growth Boundary as required by Titles 3 and 13 of the Metro Urban Growth Management Functional Plan. **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*

Finding: Complies as Proposed. The proposed amendments include changes to Chapter 13.12 of the City Code; however, they do not include changes to the City's recently adopted stormwater and grading standards, design manuals or review processes, which will continue to apply to all development authorized by these amendments to ensure that no drainage resulting from development could affect water quality. Changes to Chapter 13.12 are only administrative in nature. The entirety of code revisions does not change, reduce, or minimize the current Stormwater and Grading Standards or the protections that they provide. The City of Oregon City's adopted 2015 Stormwater and Grading Design Standards are implemented for all property meeting the requirements found in OCMC 13.12.50. Changes to lot coverage requirements in the zoning code do not change the applicability of these requirements. Further, the City's existing program to protect the inventoried Goal 5 resources will continue to be adequate to assure that additional development authorized through these amendments will not conflict. Oregon City Stormwater Management Standards and National Pollutant Discharge Elimination System ("NPDES") MS-4 permit, combined with Oregon City Municipal Code Chapters 17.47 and 17.49, providing for control of erosion and sediment and the Natural Resource Overlay zoning district, and the City's 2015 Stormwater and Grading Design Standards, which are not amended through this proposal, will assure that water quality, water quantity, and water velocity will be maintained, notwithstanding any additional increases in the stormwater flows caused by additional development. **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.

Finding: Complies as Proposed. 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 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.

Finding: Complies as Proposed. 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.

Finding: Complies as Proposed. 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 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.

Finding: Complies as Proposed. All engineering standards and building code standards for storm drainage, grading, erosion control, and water quality facilities will continue to apply to development. The proposed amendments do not include changes to Chapter 17.47 of the City Code; however, they include changes to Chapter 13.12. The City's recently adopted stormwater and grading standards, design manuals or review processes, will continue to apply to all development authorized by these amendments. Changes to Chapter 13.12 are only administrative in nature. The entirety of code revisions does not change, reduce, or minimize the current Stormwater and Grading Standards or the Clackamas County Erosion Prevention and Sediment Control Planning and Design Manual. The Clackamas County Erosion Prevention and Sediment Control Planning and Design Manual and Stormwater and Grading Standards are implemented for all property meeting the requirements found in OCMC 13.12.50 and OCMC 17.47. The code changes do not affect this requirement. Further, the City's existing program to protect the inventoried Goal 5 resources will continue to be adequate to assure that additional development authorized through these amendments will not conflict. Oregon City Stormwater Management Standards and National Pollutant Discharge Elimination System ("NPDES") MS-4 permit, combined with Oregon City Municipal Code Chapters 17.47 and 17.49, providing for control of erosion and sediment and the Natural Resource Overlay zoning district, and the City's 2015 Stormwater and Grading Design Standards, which are not amended through this proposal, will assure that water quality,

water quantity, and water velocity will be maintained, notwithstanding any additional increases in the stormwater flows caused by additional development. **The proposal is therefore consistent with this policy.**

OCCP Policy 6.2.2

Where feasible, use open, naturally vegetated drainage ways to reduce stormwater and improve water quality.

Finding: Complies as Proposed. All engineering standards and building code standards for storm drainage, grading, erosion control, and water quality facilities will continue to apply to development authorized by these amendments. **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.

Finding: Complies as Proposed. 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 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.

Finding: Complies as Proposed. 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

Finding: Complies as Proposed. The proposed amendments will not affect the Flood Management Overlay District in OCMC 17.41 or the Geologic Hazards Overlay District in OCMC 17.44. These standards will continue to 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.

Finding: Complies as Proposed. 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 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.

Finding: Complies as Proposed. 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 8: PARKS AND RECREATION

This section is intended to show compliance with Land Conservation and Development Commission (LCDC) Statewide Planning Goal 8, Recreation Needs, which directs jurisdictions to inventory recreational needs and opportunities and ensure that recreational facilities are appropriately sited with respect to compatibility with other land uses and availability of resources.

Because parks and recreational opportunities enhance the livability of a city and contribute to the well-being of its citizens, Oregon City is committed to providing its growing population with recreational facilities and services.

OCCP Goal 8.1 Developing Oregon City's Park and Recreation System

Maintain and enhance the existing park and recreation system while planning for future expansion to meet residential growth.

OCCP Policy 8.1.1

Provide an active neighborhood park-type facility and community park-type facility within a reasonable distance from residences, as defined by the Oregon City Park and Recreation Master Plan, to residents of Oregon City.

OCCP Policy 8.1.7

Seek out opportunities to coordinate and partner with other departments, agencies, and jurisdictions to fulfill the aims of the Oregon City Park and Recreation Master Plan.

Finding: Complies as Proposed. The proposed code amendments support and recognize the Oregon City Parks and Recreation Master Plan. This plan is intended to help meet the needs of current and future residents by positioning Oregon City to build on the community's unique parks and recreation assets and identify new opportunities. The 2008 Oregon City, Parks and Recreation Master Plan Update includes as its Mission Statement; "The benefits of parks and recreation are necessary to develop healthy individuals and communities when the economy is strong - and are even more important when we face economic and social challenges. The ...mission describes the primary purpose or "business" of parks and recreation in Oregon: "Strengthen community Parks, recreation facilities, programs, and community events are key factors in strengthening community image and creating a sense of place."

Parks are for everybody and all residents must have places to actively and passively recreate, relax and unwind. The principle of equitable housing includes not only what type of housing is available but also where it is available in relation to amenities such as shopping, schools, public transit, and parks, trails and open space. Providing additional housing opportunities throughout the city through this proposal, rather than in isolated locations, helps to further the mission of the Parks and Recreation Master Plan of allowing all residents, including future residents, the opportunity to live near and enjoy Oregon City parks. All additional housing units will be required to pay parks SDCs increasing the City's ability to provide parkland to serve future residents.

In addition, the proposal strengthens language for residential master plans which may result in more open or park space. **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.

Finding: Complies as Proposed. 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 earlier 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.

Finding: Complies as Proposed. 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. In addition the proposed amendments clarify standards, remove many unnecessary requirements, such as minimum first floor heights and projecting windows for multi-family and commercial developments which ultimately reduce the cost of development in Oregon City. 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.

Finding: Complies as Proposed. 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 residents and the development community alike. The proposed amendments include a variety of simplifications to the permitting and development review processes including 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.

Simplifying and streamlining zoning and building codes often entails multiple years and hundreds of thousands of dollars. The proposed amendments clarify standards, remove many unnecessary requirements, such as minimum first floor heights and projecting windows for multi-family and commercial developments which ultimately reduce the cost of development in Oregon City. This proposal focused on the regulations that relate to equitable housing and, more specifically, those that can be updated to encourage housing development. Through interviews with developers the consulting team's expertise, this proposal targets the ordinances, policies, fees and regulations that can be modified to result in clear paths toward removing barriers and incentivizing equitable housing development. **The proposal is therefore consistent with this policy.**

OCCP Goal 9.6 Tourism

Promote Oregon City as a destination for tourism.

Finding: Complies as Proposed. The proposed changes include new standards to allow mobile food units in employment zones and other zones with a special event permit. The City Commission also agreed to expand the authorization for transitory mobile food units on lands zoned Mixed Use Employment, Campus Industrial and Industrial, as well as in the Willamette Falls Downtown District (the only zone which currently allows exterior carts). Mobile food units located in these areas must be moved at least once every 24 hours. The City Commission also authorized the location of both transitory and non-transitory mobile food units within the Institutional zone to provide additional food options at Clackamas Community College. Mobile food units can add vibrancy and increase visitors to underutilized parcels of land without permanently displacing traditional development, though can have the result of delaying future redevelopment of the sites on which they operate and can have poor aesthetics if not properly mitigated. Carts can also provide a greater variety of dining options, particularly for those in employment and educational areas with limited options and/or time to eat and can also reduce vehicle miles travelled if people choose to walk to mobile food units nearby rather than drive to a restaurant or carts in other cities.

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.

Finding: Complies as Proposed. Goal 10.1 is arguably the most relevant Comprehensive Plan Goal that would be met through adoption of the proposed code amendments. Through this Oregon City Equitable Housing project, the TAC and CAC worked 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 responds to those findings by facilitating 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 remove barriers to the development of increased numbers of housing units, of all types, and at a wide 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.

In addition to continuing allowing accessory dwelling units, the proposed code amendments allow for 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. The proposal may increase the opportunities for Oregon City’s present and future residents to choose a housing type that suits their needs at a lower cost.

The amendments consolidated OCMC 16.12, previously reserved for land divisions, to include design standards for all development including street design standards as well as other lot orientation, access and design standards. A number of road standards were amended to increase clarity and consistency with other provisions. One such amendment was to remove the alley-loaded development obligation throughout the city, except in concept plan designed medium, high and mixed use zone areas. While this matter was on review before the City Commission, a further request was made to remove the alley-loading obligation in concept plan areas as well. After considering this issue, the City Commission concludes that retaining alley-loading within the Park Place and South End Concept areas is an important component of achieving “good urban design” principles, which was fully vetted at the time of plan and initial code adoption and should be retained. The Commission concludes that this amendment expands rather than undercuts the City’s assumptions with regard to the provision of housing, to the extent that the existence or non-existence of alleys affect the provision of an adequate and diverse supply of housing under Goal 10.

The proposed code changes would create a new set of design standards suited for manufactured homes. Furthermore, manufactured home parks would be allowed in the R-3.5, and stated as permitted in every zone to provide greater locational opportunities for manufactured home parks which contribute greatly to affordable housing options within the City. The existing code does not have any requirements specifically for manufactured home parks. There are currently four manufactured home parks in the city and two in locations which may be annexed into the city in the future. The manufactured home park standards and general support for their implementation make this very important existing housing type a permitted use in the R-3.5 zone and allows new and future facilities to grow over time. The proposal adds additional flexibility by changing the minimum lot size for manufactured home parks to one acre per OCMC 17.20.050.C.1.

The manufactured home park design requirements provide clear and predictable standards for orderly development, adequate vehicle circulation, parking, pedestrian circulation, open areas, and landscaping. Currently, only existing manufactured home parks are defined under the city code, and they are not listed as a permitted use in any zone, making them a non-conforming use, which creates a barrier to the improvement and expansion of existing parks in the City. **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.

Finding: Complies as Proposed. The proposal does not change any comprehensive plan or zoning designations. The amendments 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.

Permitting internal conversions for homes a minimum of 20 years old would balance the need for providing more housing types with the need to maintain the existing residential housing stock in established older neighborhoods. Internal conversions allow existing structures to be converted for up to four dwelling units within the general shell of a home. The use is not currently allowed in the Municipal Code. The use is intended to provide an incentive for existing housing stock to remain by allowing greater efficiency by adding more dwelling units within. Retention of the existing homes allows for greater retention of existing neighborhood character, increases the number of housing options at different price points within a neighborhood, and is more environmentally sustainable than building a new structure. The 20-year limitation is intended to prevent the incentive to demolish all homes and replace them with new, larger structures.

There are only two additional housing types, corner duplexes and internal conversions, which would be added for established older neighborhoods with low density zoning of R6, R8 and R10. These two housing types, in addition to the existing allowance for Accessory Dwelling Units, will be compatible with existing older housing stock as a result of the design standards. The proposal may increase the opportunities for Oregon City's present and future residents to choose a housing type that suits their needs. **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.

Finding: Complies as Proposed. This goal relates to the city's procedures for code enforcement that will not be altered by these amendments and therefore does not apply. That said, 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. Beyond enforcement, these amendments authorize internal conversion of existing housing to increase density while retaining the existing housing stock which contributes to protecting neighborhood character. The proposal may increase the opportunities for Oregon City's present and future residents to choose a housing type that suits their needs. **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.

Finding: Complies as Proposed. The proposed amendments will allow residential development to achieve a greater 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. These amendments will provide opportunities for greater diversity of housing types in all zones. Live-Work and apartment residential uses 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.

Finding: Complies as Proposed. 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 Plan⁴ (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

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.

⁴ <https://dochub.clackamas.us/documents/drupal/0b928756-9c92-44f1-9517-13b6ce5401a7>

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 dwelling units, providing a lower cost single-family living option. Internal conversions may accommodate accessory dwelling units which will provide for lower cost mother-in-law apartments and the like within existing homes. The amendments make it clear that manufactured home parks are allowed in every residential zone in the City. The Planning Commission acknowledged the need to create manufactured home park zones to protect existing manufactured home parks and has prioritized this goal for the future.

For multi-family housing projects in the high-density zone, defined in the amendments as those that include 5 or more units, the proposed code amendments also include a 20% density bonus for affordable units at 80% AMI for a minimum term of 30 years. Also, the proposed amendments would allow a greater variety of unit types beyond just apartments in the high density zone, accessory units and internal conversions of existing single-family detached homes, single-family attached, duplexes, 3-4 plexes and cluster housing. This policy would serve to encourage 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.

Finding: Complies as Proposed. Accessory Dwelling Units (ADUs) are permitted in all zones that permit single-family residential use. Under the code as proposed, ADUs would also be permitted in the R-2 Zoning District. The Municipal Code currently requires that property owners, which includes title holders and contract purchasers, 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. The owner-occupancy requirement 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. Owner occupancy is also difficult to enforce. The proposed code amendments would remove the owner-occupancy requirements for Accessory Dwelling Units, and the City will be developing a more streamlined set of standards and procedures to allow short-term rentals throughout the City, which currently require a Conditional Use permit in residential zones.

Additionally, ADUs may apply the same setback reductions that apply for accessory structures, and 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 detached, providing more flexibility. **The proposal is therefore consistent with this policy.**

OCCP 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.)

Finding: Complies as Proposed. 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 new design standards suited for manufactured homes within manufactured home parks. Furthermore, manufactured home parks would be allowed in the R-3.5 zone to provide greater locational opportunities for manufactured dwellings, and 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 not defined under the city code, and they are not listed as a permitted use in any zone, making them a non-conforming use, which created 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.

Finding: Complies as Proposed. There have been many code revisions that further Policy 10.1.7 since the last Comprehensive Plan was adopted. These mainly include the provision of clear and objective design and landscaping standards for land divisions, single-family and multi-family residential, and the refinement of street standards for regulation of the public rights-of-way, block standards, driveways, etc. in Chapter 12.04 – *Streets, Sidewalks and Public Places*.

The proposed code changes include newer, non-discretionary design 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. The proposal may increase the opportunities for Oregon City's present and future residents to choose a housing type that suits their needs. That said, these amendments retain the minimum off-street parking in low and medium density residential areas for these new middle housing types that are commensurate with requirements for single family residential units protecting overall neighborhood livability. The proposals include a prohibition on private restrictions (Covenant, Controls and Restrictions or "CC&Rs") on Internal Conversions and Accessory Dwelling Units (ADUs). During review of new land divisions pursuant to OCMC 16.08, the City may legally stipulate that private CC&Rs shall not prohibit or add additional restrictions for Accessory Dwelling Units or Internal Conversions prior to final plat. This preserves the rights of homeowners who wish to pursue an ADU or Internal Conversion in accordance with city code. The Planning Commission recommended approval of this code language with minor language clarification, from "shall expressly permit" to "shall not prohibit". The City Commission agreed with this approach. The City already requires that draft CC&Rs for new developments be submitted for review prior to final plat to ensure compatibility with zoning code and city policies. The proposed code language is consistent with this process. **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.

Finding: Complies as Proposed. The proposed amendments will not guarantee that any housing units will be affordable or lower in cost. The project simply expands the menu of types of housing which may be built (many of which are smaller units which are more likely to be relatively more affordable than

larger units), and streamlines the evaluation criteria, and review process in some cases. However, the process is likely to result in the creation of some units which do not exist today. The desire to construct smaller units or reduce the cost of the units is reliant on property owners and the development community.

Over the past few years, the City has increased its potential housing supply to adopting concept plans for UGB-expansion areas including 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 and development 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	~450	269 (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 an 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.

Finding: Complies as Proposed. 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 may 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.

Finding: Complies as Proposed. 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.

Finding: Complies as Proposed. (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 its 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).

Finding: Complies as Proposed. 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.

OCCP 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.

OCCP 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.

Finding: Complies as Proposed. 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 as discussed in greater detail above.

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.

Finding: Complies as Proposed. See also findings above. The proposal does not change any projects listed in the current Transportation System Plan and does not remove any requirements to provide sidewalks associated with development. 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 forms the basis for these findings. 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.**

SECTION 13: ENERGY CONSERVATION

This section is intended to show compliance with Land Conservation and Development Commission (LCDC) Statewide Planning Goal 13, Energy Conservation. Goal 13 declares that "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." Consumption of energy is affected by many things—land use, placement of structures, modes of transportation, and proximity of different types of land uses, among others. Oregon City's goals and policies related to Goal 13, to be implemented through development ordinances, internal policies, and private sector incentives, are intended to demonstrate the City's commitment to energy conservation.

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).

Finding: Complies as Proposed. 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.”

OCCP Goal 14.1 Urban Growth Boundary

Establish, and amend when appropriate, the Urban Growth Boundary in the unincorporated area around the city that contains sufficient land to accommodate growth during the planning period for a full range of city land uses, including residential, commercial, industrial, and institutional.

OCCP Policy 14.1.1

The Urban Growth Boundary shall conform to Title 11 of the Code of the Metropolitan Service District and will provide sufficient land to accommodate 20-year urban land needs, resulting in efficient urban growth and a distinction between urban uses and surrounding rural lands, and promoting appropriate infill and redevelopment in the city.

OCCP Policy 14.1.2

Concept plans that provide more detail than the city’s Comprehensive Plan will be required prior to development of lands within the Urban Growth Boundary.

OCCP 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.

Finding: Complies as Proposed. 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.

In accordance with Metro Code Section 3.07, the Metro Urban Growth Management Functional Plan, all three adopted concept plans for the UGB areas: Park Place, South End, and Beavercreek Road, have all been conceptually designed to result in vibrant, walkable, amenity rich neighborhoods with active community centers and employment areas (in the case of Beavercreek Road Concept Plan). The three concept plans are acknowledged by the Department of Land Conservation and Development and with respect to housing and employment are substantially compliant with Metro Title 11 and Title 4 of Metro Code 3.07.

Per Metro Code Section 3.07.870, the Chief Operating Officer is required to annually submit to the Metro Council the status of compliance by cities and counties with the requirements of Metro Code Chapter 3.07, the Urban Growth Management Functional Plan (UGMFP), as well as Metro Code Chapter 3.08, the Regional Transportation Functional Plan. Compliance with the UGMFP includes meeting requirements for maintaining housing capacity (Title 1); protecting water quality and flood management (Title 3); protecting industrial land (Title 4); planning for areas added to the Urban Growth Boundary (Title 11); and protecting and enhancing fish and wildlife habitat (Title 13). Compliance with the RTFP includes meeting requirements for transportation system design (Title 1); development and update of transportation system plans (Title 2); transportation project development (Title 3); regional parking management (Title 4); and amendment of comprehensive plans (Title 5). The 2018 Compliance Report indicates that Oregon City is in compliance with all of the Titles listed above.

Annexation is at the discretion of City Commission utilizing a series of factors to be weighed on balance in OCMC 14.04. The planning commission added a new annexation factor which allows the Commission to consider if significant site grading or tree removal (>50 percent of the forest canopy excluding farm or forest practices) has occurred on a property since the date when the annexation application was filed. An annexation policy could hinder the efficient re-development of land designated for urbanization within the Urban Growth Boundary, but responds to the concerns of neighbors. Given that the City cannot regulate tree removal in the County without changing the County code, the City Commission concludes that this amendment provides the next best option.

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.**

OCCP Section 15: Willamette River Greenway

OCCP Goal 15.1: Protect the Willamette River Greenway

Ensure the environmental and economic health of the Willamette River by adopting goals, policies and procedures that meet the Willamette River Greenway Statewide Planning Goal 15.

Finding: Complies as Proposed.

The proposed amendments add some exceptions to greenway review requirements, clarify the processes for greenway review, and eliminate a restriction on residential building heights.

Exceptions to greenway review

The Willamette River Greenway review processes are separated into two types: 1) For projects within 150 feet of the low water line of the Willamette River, known as the Compatibility boundary, a Type III process is used; and 2) For projects outside of the Compatibility boundary, a Type II process is used. The existing Chapter 17.48 contains a list of actions that are exempt altogether from greenway review, such as customary dredging, maintenance of parks and open spaces, repair of flood control facilities, and partial timber removal for public safety purposes, among other items. The exceptions for review that are proposed to be added are:

K. For lands outside of the Compatibility boundary that are developed with commercial, multifamily, or industrial uses, any action that is subject to Type I review pursuant to OCMC 17.62.035.A.2.

L. For lands within the Compatibility boundary that are developed with commercial, multifamily, or industrial uses, any exterior building changes that are not considered remodeling, and any changes to landscaping or parking subject to Type I review pursuant to OCMC 17.62.035.A.2 that are more than 100 feet from the ordinary low water line of the Willamette River.

M. On residential properties, landscaping, construction of driveways, modification of existing structures or construction or placement of such subsidiary structures or facilities adjacent to the residence.

N. The addition of a wall sign, projecting sign, or roof sign on any building in the WRG overlay.

These actions will not have an impact on the goals and intentions of the Willamette River Greenway Overlay District; thus, excepting them from greenway review is appropriate.

Regarding the proposed addition of exception K, the actions subject to Type I review pursuant to OCMC 17.62.035.A.2 include small building additions, façade changes, landscaping changes, parking lot modifications, and pedestrian circulation changes to currently developed sites and buildings. The adopted compatibility boundary is 150 feet from the river; thus, all actions subject to this exception will be more than 150 feet from the river and will not affect public access to the river. Because only small

additions are permitted under this provision (up to 200 square feet for commercial uses and 1000 square feet for industrial uses), no views will be affected by significant increases in building mass. Parking lot modifications allowed through the Type I Site Plan review process include only reductions in the number of parking spaces or reconfigurations of existing parking lots with no increases in the number of spaces. Thus; parking lot modifications will not be intensifications of development in the overlay.

Regarding the proposed addition of Exception L, the exception would allow exterior building changes, but not any additional building mass, within 150 feet of the river. These kinds of exterior building changes are not considered remodeling and are thus not considered intensifications per Statewide Planning Goal 15. Any changes to building mass that do constitute an intensification will remain subject to the Type II or Type III review processes required by the code. Changes to landscaping and parking more than 100 feet from the river will not impact visual or physical access to the river. While some of the parking and landscaping changes may be within the compatibility boundary, the parking changes that are exempt are those that do not include the addition or more spaces, and the City's other landscaping standards require replacement when healthy trees are removed, ensuring that tree canopy will remain. Furthermore, the Natural Resource Overlay District projects the vegetated buffer along the river and requires mitigation for any disturbance.

Within the Canemah area, the Compatibility boundary includes some of the waterfront dock areas, the railroad tracks, and the properties directly adjacent to the railroad and/or First Avenue. In the downtown area, the properties within the Compatibility boundary are only those directly adjacent to Highway 99E, due to the width of the roadway encompassing the majority of the 150 foot distance. In the area near the Rivershore hotel, the Compatibility review boundary includes the open space along the river, and portions of Clackamette Drive. The hotel and other buildings on the upland side of Clackamette Drive are outside of the Compatibility boundary.

Regarding the proposed addition of exception M, this language comes directly from Statewide Planning Goal 15, which states that these types of changes to residential properties are not considered intensifications. There are approximately 130 existing developed residential properties within the Greenway overlay. This new exception is consistent with Goal 15, allowing modifications to existing residential properties but requiring review for any new dwelling or residence.

Regarding the proposed addition of exception N, signs attached to a building are not considered an intensification of development.

Process amendments

The process-related amendments remove a process that is inconsistent with the City's processes for land use review as outlined in OCMC 17.50. The code eliminates a provision for a hearing if requested after a 10 day notice. The fairly elaborate notice and hearing procedures for permits in the Willamette River Greenway provided by current code, set out in OCMC 17.48.090, including requirements for mailed and published notice, and a requirement that a hearing be held if a demand for such is made, are different from the standard notice and hearing procedures provided in the City Code under OCMC 17.50 and in state law that is applicable to all other types of land use review. These procedures are not consistent with the City's established procedures and could produce confusion. This code amendment

would strike section 17.48.090, and would clarify the language in the remaining subsection. As a result, all greenway review will be either Type II or Type III review consistent with other city permits.

Residential height restriction amendment

Residential uses, along with commercial, institutional, and office uses, are allowed outright in MUD, HC, R-6, MUC zones, which are all present in the greenway overlay. In these zones, base zone height limits go up to 75 feet. A new or renovated building that is predominantly residential (and therefore defined as a “main...residential structure”) proposed to be taller than 35 feet would be prohibited under current rules. However, there is no similar restriction on heights of office, commercial, or institutional buildings. Also, this prohibition/height limitation is a local restriction, and not part of state law. For example, no similar limitation on residential building height in the Greenway exists in West Linn. Many existing buildings in the overlay currently exceed this height.

Oregon City’s Comprehensive Plan states: “Parcels adjoining McLoughlin Boulevard with commercial or office uses should not be pursued for public ownership. These parcels will be zoned to implement the Downtown Community Plan and are integral to the plan’s goals as well as regional 2040 goals for Oregon City as a regional center.”

This statement is related to many properties in the Willamette River Greenway that are already urbanized. The City obtained public ownership of several properties along the river in the past 40 years, and the Comprehensive Plan acknowledges that the existing downtown urban uses should continue as an urban area with greater density tied to its status as a Regional Center.

Removing the restriction on residential heights is consistent with the Comprehensive Plan and will not change the requirements for Greenway review per a Type II or Type III land use process. The underlying zoning district building height standards, which are clear and objective, will continue to apply to development in the area.

Policy 15.1.1 Protect the significant fish and wildlife habitat of the Willamette River by maximizing the preservation of trees and vegetative cover.

Finding: Complies as Proposed. The exceptions that are proposed apply only to existing developed commercial, industrial, residential and multifamily properties. The undeveloped, open space, and parks properties in the Greenway will remain subject to greenway review if any tree removal or landscaping changes are proposed. Oregon City’s code for tree removal on non-residential properties requires mitigation when trees are removed; therefore, any tree removal that occurs on existing developed property through the proposed exceptions will be properly mitigated.

Policy 15.1.2 Preserve major scenic views, drives and sites of the Greenway.

Finding: Complies as Proposed. The City has not inventoried or identified the significant views, drives, and sites. There is a viewpoint of Willamette Falls on Highway 99E, and there are parks sites including Clackamette Park, Jon Storm Park, and Old Canemah Park within the greenway overlay. Regarding the

proposed addition of exception K, the actions subject to Type I review pursuant to OCMC 17.62.035.A.2 include small building additions, façade changes, landscaping changes, parking lot modifications, and pedestrian circulation changes to currently developed sites and buildings. Because only small additions are permitted under this provision (up to 200 square feet for commercial uses and 1000 square feet for industrial uses), no views will be affected by significant increases in building mass. In addition, this exception applies to only development outside of the compatibility boundary.

Regarding the proposed addition of Exception L, the exception would allow exterior building changes but not any additional building mass, within 150 feet of the river.

Policy 15.1.3 Encourage access to and along the river consistent with the Parks and Recreation

Master Plan and the Waterfront Master Plan.

Finding: Complies as Proposed. None of the proposed changes to Chapter 17.48 affect public access to the river as described in the Parks and Recreation Master Plan and Waterfront Master Plan.

Policy 15.1.4 Restrict new substations and power line towers in the Greenway or river view

corridor.

Finding: Complies as Proposed. None of the proposed changes affect restrictions on substations or powerline towers.

Policy 15.1.5 Protect and maintain parks and recreation areas and facilities along the Willamette

River to minimize effects on the Greenway and in accordance with the Parks and

Recreation Master Plan and the Waterfront Master Plan.

Finding: Complies as Proposed. Parks properties will continue to be protected and maintained. The only part of the proposed changes that applies to parks and recreation areas is the added exception which allows signs on existing buildings without greenway review, and freestanding signs outside of the compatibility boundary without greenway review.

Policy 15.1.6 Review uses proposed for inside the Willamette River Greenway Compatibility

Review Boundary for consistency with local goals and policies for that area.

Finding: Complies as Proposed.

Residential uses, along with commercial, institutional, and office uses, are allowed outright in MUD, HC, R-6, MUC zones, which are all present in the greenway overlay. In these zones, base zone height limits go up to 75 feet. A new or renovated building that is predominantly residential (and therefore defined as a “main...residential structure”) proposed to be taller than 35 feet would be prohibited under current rules. However, there is no similar restriction on heights of office, commercial, or institutional buildings.

Also, this prohibition/height limitation is a local restriction, and not part of state law. For example, no similar limitation on residential building height in the Greenway exists in West Linn. Many existing buildings in the overlay currently exceed this height. The underlying zoning district building height standards, which are clear and objective, will continue to apply to development in the area.

Oregon City's Comprehensive Plan states: "Parcels adjoining McLoughlin Boulevard with commercial or office uses should not be pursued for public ownership. These parcels will be zoned to implement the Downtown Community Plan and are integral to the plan's goals as well as regional 2040 goals for Oregon City as a regional center."

This statement is related to many properties in the Willamette River Greenway that are already urbanized. The City obtained public ownership of several properties along the river in the past 40 years, and the Comprehensive Plan acknowledges that the existing downtown urban uses should continue as an urban area with greater density tied to its status as a Regional Center.

Removing the restriction on residential heights is consistent with the Comprehensive Plan and will not change the requirements for Greenway review per a Type II or Type III land use process.

III. PLANNING COMMISSION RECOMMENDATION:

The Planning Commission held seven work sessions and six public hearings between July and October of 2018. On October 22, 2018, based on the revisions to the code made as a result of the work session and public hearing process, the Planning Commission voted 6-0 to recommend that the City Commission adopt the proposed code amendments and act upon the additional recommendations outlined in the attached Policy Advisement letter.

The Planning Commission held a seventh public hearing on April 22, 2019 to discuss several items remanded back for further discussion and forwarded their recommendations on those items to the City Commission on May 15, 2019.

The Planning Commission held additional public hearings in 2019 on April 22nd, June 10th, September 9th and September 23rd to consider several items remanded back for further discussion and forwarded their recommendations on those items to the City Commission on May 15, 2019.

IV. CITY COMMISSION DECISION:

The City Commission held three work sessions and twelve public hearings between November 2018 and June 2019 to consider the Planning Commission's original recommendations on Ordinance 18-1009.

The City Commission held three additional work sessions in 2019 on September 10th, September 18th, October 2nd, and four additional public hearings on September 4th, September 10th, October 16th, November 6th, December 4th, and December 18th to consider the additional code amendments proposed with Ordinance 19-1008.

These findings are based on all of the materials submitted into the record during these proceedings for both Ordinance 18-1009 and Ordinance 19-1008.

Based on its review of all of the evidence in the record, the City Commission finds that the applicable approval criteria necessary to support amending the zoning code are satisfied.