



Kent Taylor Civic Hall
200 NE Second Street
McMinnville, OR 97128

City Council Meeting Agenda
Tuesday, September 10, 2019
6:00 p.m. – Work Session
7:00 p.m. – Regular Council Meeting
7:30 – Executive Session

Welcome! All persons addressing the Council will please use the table at the front of the Council Chambers. All testimony is electronically recorded. Public participation is encouraged. If you wish to address Council on any item not on the agenda, you may respond as the Mayor calls for Invitation to Citizens for Public Comment.

6:00 PM – COUNCIL WORK SESSION – COUNCIL CHAMBERS

1. CALL TO ORDER
2. DISCUSSION ON PUBLIC HEARING POLICIES
3. ADJOURNMENT

7:00 PM – REGULAR COUNCIL MEETING – COUNCIL CHAMBERS

1. CALL TO ORDER
2. PLEDGE OF ALLEGIANCE
3. INVITATION FOR PUBLIC COMMENT – *The Mayor will announce that any interested audience members are invited to provide comments. Anyone may speak on any topic other than: a matter in litigation, a quasi-judicial land use matter; or a matter scheduled for public hearing at some future date. The Mayor may limit comments to 3 minutes per person for a total of 30 minutes. Please complete a request to speak card prior to the meeting. Speakers may not yield their time to others.*
4. PRESENTATIONS
 - a. Preparing for HB 2001
5. ADVICE/ INFORMATION ITEMS
 - a. Reports from Councilors on Committee & Board Assignments
 - b. Department Head Reports
 - c. July Building Reports
6. RESOLUTION
 - a. Consider **Resolution No. 2019-60**: A Resolution appointing city representatives to the Economic Leadership Council.
7. ADJOURNMENT

Kent Taylor Civic Hall is accessible to persons with disabilities. A request for an interpreter for the hearing impaired or for other accommodations for persons with disabilities should be made a least 48 hours before the meeting to the City Recorder (503) 435-5702 or melissa.bisset@mcminnvilleoregon.gov.

7:30 PM - EXECUTIVE SESSION – CONFERENCE ROOM

1. Call to Order
2. Executive Session: ORS 192.660(2)(f): to consider information or records that are exempt by law from public inspections. (The records and information to be reviewed are exempt from public inspection pursuant to ORS 192.355(9)(a) and ORS 40.225 (Attorney-Client Privilege)
3. Adjournment

Kent Taylor Civic Hall is accessible to persons with disabilities. A request for an interpreter for the hearing impaired or for other accommodations for persons with disabilities should be made a least 48 hours before the meeting to the City Recorder (503) 435-5702 or melissa.bisset@mcminnvilleoregon.gov.



City of McMinnville
Planning Department
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STAFF REPORT

DATE: September 10, 2019
TO: Mayor and City Councilors
FROM: Heather Richards, Planning Director
SUBJECT: Work Session – Land Use Public Hearing Policies

STRATEGIC PRIORITY & GOAL:



GROWTH & DEVELOPMENT CHARACTER

Guide growth & development strategically, responsibly & responsibly to enhance our unique character.

OBJECTIVE/S: Define the unique character through a community process that articulates our core principles

Report in Brief:

This is a work session requested by the City Council to discuss land-use public hearing processes at the City Council level.

Background:

Land use public hearings are regulated by Oregon State Law and local regulations.

Within these parameters of state regulations, the City established a procedure for public hearings in the 1980s that is delineated in both Chapter 2 (procedures for a public hearing) and Chapter 17 (what types of land use permits go to a public hearing and what hearings body).

Discussion:

There are two overarching covenants in Oregon State Law relative to land-use public hearings:

- 1) *Cities need to host a public hearing for certain land-use applications:* Per Oregon State Law (ORS 227.175(3)), the City of McMinnville needs to host at least one public hearing for certain land-use applications, and can designate a person to approve or deny applications if notice to impacted persons and an appeal process if provided.
- 2) *Cities need to appoint individuals or committees that serve as hearings officers or hearings bodies:* Per Oregon State Law (ORS 227.165) cities may appoint one or more planning and zoning officers (individuals or committees) to serve at the pleasure of the appointing authority to conduct hearings on applications for such classes of permits and zones changes as the council designates.

The City of McMinnville achieves these two covenants by defining what land-use applications need public hearings per Section 17.72 of the McMinnville Municipal Code (MMC) (please see attachment and below), and assigning authority for acting as a hearings body in Chapter 2 of the MMC.

Currently in the McMinnville Municipal Code, the Planning Commission and the Historic Landmarks Committee have been appointed as the hearings bodies to conduct hearings on certain land-use applications and permits.

And land-use applications are divided into the following categories based upon the type of application, the amount of subjective and objective criteria associated with the land-use review and the amount of impact to the community.

- Planning Director’s Review without Notification
- Planning Director’s Review with Notification
- Applications Public Hearing Planning Commission
- Applications Public Hearing City Council
- MUAMC
- Applications Public Hearing Historic Landmarks Committee

McMinnville Municipal Code, Section 17.72.090 – Application Review Summary Table

The following table offers an overview of land use applications and corresponding review body. Additional information regarding the notification and approval criteria for specific land use applications can be found by referring to the procedural reference section in the right-hand column of the table. Information regarding the hearing body and the hearing procedure can be found in this chapter. (Ord. 5047, §2, 2018, Ord. 5034 §2, 2017; Ord. 4984 §1, 2014).

<u>Review Process</u>	<u>Land Use Application</u>	<u>Zoning Ordinance Reference</u>
Applications and Permits-Director’s Review Without Notification	Home Occupation Permit	17.67
	Large Format Commercial Design Review (standard)	17.56.040
	Manufactured Home Park Permit	Ord. No.4220
	Model Home Permit	17.54.060
	Property Line Adjustment	17.53.050
	Recreational Vehicle Park Permit	Ord. No.4220-Section 12
	Temporary Living Unit Permit	17.54.070
	Downtown Design Review (minor alterations)	17.59.030-040
Applications-Director’s Review with Notification	Administrative Variance	17.74.080-090
	Resident Occupied Short Term Rental	17.12.010(N)
	Classification of an Unlisted Use	17.54.010
	Downtown Design Review	17.59.030-040
	Large Format Commercial Design Review (variation to prescribed standards)	17.56.040
	Partition	17.53.060
	Subdivision-up to 10 lots	17.53.070
	Three Mile Lane Design Review	Ord. Nos. 4131, 4572
	Transitional Parking Permit	17.60.130
	Short Term Rental	17.12.010(O)
Downtown Design Review (major alterations or waivers, reviewed by Historic Landmarks Committee)	17.59.030-040	

Applications Public Hearing- Planning Commission	Annexations* **	Ord. No. 4357
	Appeal of Director's Decision	17.72.170
	Application (Director's Decision) for which a Public Hearing is Requested	17.72.120
	Comprehensive Plan Map or Text Amendment*	17.74.020
	Conditional Use Permit	17.74.030-060
	Planned Development Amendment*	17.74.070
	Legislative Amendment *	17.72.120
	Subdivision (more than 10 lots)	17.53.070
	Variance	17.74.100-130
	Zone Change*	17.74.020
Public Hearing- City Council	Appeal of Planning Commission's Decision	17.72.180
	Hearings Initiated by City Council	17.72.130
MUAMC***	Urban Growth Boundary (UGB) Amendment	Ord. Nos. 4130,4146
Public Hearing – Historic Landmarks Committee	Demolition of National Register of Historic Places Structure	17.65.050 (D)

* Following Public Hearing, Planning Commission makes recommendation to City Council

** Following City Council recommendation, Annexation requests are subject to voter approval

*** McMinnville Urban Area Management Commission

Currently the only public hearings required at the City Council level are appeals of Planning Commission decisions and any hearing requested by the City Council per MMC 17.72.130(C)(6). All other land-use applications have required public hearings with the initial hearings body – Planning Commission or Historic Landmarks Committee.

Per MMC, Section 17.72.130(C)(6), once the Planning Commission makes a decision to recommend a land-use decision to the McMinnville City Council, the Council shall:

- a. Based on the material in the record and the findings adopted by Commission and transmitted to the City Council, adopt an ordinance effecting the proposed change, or;
- b. Call for a public hearing on the proposal subject to the notice requirements stated in Section 17.72.120(D) – (F).

Oregon state law also provides that cities must prescribe one or more procedures for the conduct of the land-use public hearings and must prescribe one or more rules stating that all decisions made will be based on factual information, including adopted comprehensive plans and land use regulations. (ORS 227.170). Chapter 2.36 of the MMC provides the procedures for the conduct of land-use public hearings.

Considerations:

- *Public Engagement:* Citizen involvement is one of the Oregon Land Use system's goals and the state regulations are set up to allow citizen involvement in land-use decisions in a structured way. It is highly regulated to safeguard that land-use decisions are made based upon objective factual data and not political and emotional influences that can often arise with new land-use developments.

Understanding that land-use decisions need to be based on established and published criteria with factual information, the process for public hearings is designed to ensure that impacted adjacent property owners and the community at large have an opportunity to learn about the project and how the project will be reviewed so that they can participate in the dialogue in a meaningful way within the statutory provisions of the law regarding land-use decision making.

State law prescribes parameters about who should receive notices of public hearings and in what timeframe, so that enough time is provided for the public to review the project materials but that the timeframe for the review does not unnecessarily delay the development project from being considered by the decision-making body.

With this in mind, at the City of McMinnville, there are many different opportunities built into the process for citizen engagement and information sharing.

- *Neighborhood Meetings:* Every development project that requires a public hearing needs to host a neighborhood meeting in advance of submitting their application to the City of McMinnville. This neighborhood meeting is intended to let the surrounding property owners know about the pending land-use application and provide an opportunity for them to ask questions about the project in an informal setting.
- *Property Owner Notice of Public Hearing:* A letter of notice is sent to adjacent property owners notifying them of the upcoming public hearing not less than twenty days nor more than thirty days prior to the hearing. This letter of notice includes a description of the project and the criteria that will be used to render a decision, as well as where the property owner can find more information on the city's website regarding the project.
- *Newspaper Public Notice:* Notice of an upcoming public hearing is published in the newspaper not less than five days nor more than fifteen days prior to the public hearing.
- *Written Testimony:* While the public record is open (from the date of the property owner notice mailing to the closing of the public hearing) there is no limit on how much or how many times someone can provide written testimony on a proposed land-use application. All testimony is made a part of the public record for the decision-making body to review.
- *Public Hearing Testimony:* Limitations for how long a person can testify can be established by the chairperson of the decision-making body but all persons are provided an opportunity to testify at the public hearing.
- *Request to Keep the Record Open:* At the first evidentiary public hearing (this would be at the Planning Commission or Historic Landmarks Committee), anyone who has participated in the hearing can request to keep the record open to submit additional testimony.

Planning Commission Role: The Planning Commission has been officially designated as the Committee for Citizen Involvement per Chapter X of the McMinnville Comprehensive Plan.

Policy 190.00 states that this commission shall hold public forums and public hearings on major comprehensive plan text amendments, comprehensive plan and zoning map amendments, zoning ordinance text amendments and changes in the urban growth boundary and/or urban growth management agreements. Currently the Planning Commission hosts the public hearings for land-use decisions and then sends their recommendations, findings and the full public record to the City Council for final approval. The City Council then reviews the Planning Commission's decision, findings and public record and chooses to either move forward with a decision or to schedule a public hearing to revise the Planning Commission's findings and/or solicit more information for consideration in their decision.

- *Timing:* Per Oregon Revised Statute, ORS 227.178, the City of McMinnville needs to render a decision on land-use decisions within 120 days unless the applicant requests an extension. Public hearings need to be noticed in the newspaper and to surrounding property owners no less than twenty days in advance of the public hearing. City Council can choose to initiate a policy change requiring certain types of land-use applications have a public hearing at the Planning Commission and at the City Council. This may require that the Planning Commission spend less time in their contemplation and deliberation of a land-use application to achieve the 120 day clock rule, but if known in advance it could be scheduled accordingly.

ORS 227.178(1)

Except as provided in subsections (3), (5) and (11) of this section, the governing body of a city or its designee shall take final action on an application for a permit, limited land use decision or zone change, including resolution of all appeals under ORS [227.180 \(Review of action on permit application\)](#), within 120 days after the application is deemed complete

ORS 227.178(5)

The 120-day period set in subsection (1) of this section or the 100-day period set in ORS [197.311 \(Final action on application for certain residential developments required within 100 days\)](#) may be extended for a specified period of time at the written request of the applicant. The total of all extensions, except as provided in subsection (11) of this section for mediation, may not exceed 245 days.

ORS 227.178(6)

The 120-day period set in subsection (1) of this section applies:

- (a) Only to decisions wholly within the authority and control of the governing body of the city; and
- (b) Unless the parties have agreed to mediation as described in subsection (11) of this section or ORS [197.319 \(Procedures prior to request of an enforcement order\)](#) (2)(b).

ORS 227.178(10)

A city may not compel an applicant to waive the 120-day period set in subsection (1) of this section or to waive the provisions of subsection (8) of this section or ORS [197.311 \(Final action on application for certain residential developments required within 100 days\)](#) or [227.179 \(Petition for writ of mandamus authorized when city fails to take final action on land use application within 120 days\)](#) as a condition for taking any action on an application for a permit, limited land use decision or zone change except when such applications are filed concurrently and considered jointly with a plan amendment.

Fiscal Impact:

A second public hearing at the City Council level could add costs to the land-use application fee schedule if operating at a full cost recovery schedule.

Attachments:

Summary of Oregon Revised Statutes relative to Land-Use Public Hearings

OREGON STATE LAW PROVISIONS FOR LAND-USE PUBLIC HEARINGS

ORS 197.763 – Conduct of local quasi-judicial land use hearings.

The following procedures shall govern the conduct of quasi-judicial land use hearings conducted before a local governing body, planning commission, hearings body or hearings officer on application for a land use decision and shall be incorporated into the comprehensive plan and land use regulations:

(1) An issue which may be the basis for an appeal to the Land Use Board of Appeals shall be raised not later than the close of the record at or following the final evidentiary hearing on the proposal before the local government. Such issues shall be raised and accompanied by statements or evidence sufficient to afford the governing body, planning commission, hearings body or hearings officer, and the parties an adequate opportunity to respond to each issue.

(2)(a) Notice of the hearings governed by this section shall be provided to the applicant and to owners of record of property on the most recent property tax assessment roll where such property is located:

(A) Within 100 feet of the property which is the subject of the notice where the subject property is wholly or in part within an urban growth boundary;

(B) Within 250 feet of the property which is the subject of the notice where the subject property is outside an urban growth boundary and not within a farm or forest zone; or

(C) Within 500 feet of the property which is the subject of the notice where the subject property is within a farm or forest zone.

(b) Notice shall also be provided to any neighborhood or community organization recognized by the governing body and whose boundaries include the site.

(c) At the discretion of the applicant, the local government also shall provide notice to the Department of Land Conservation and Development.

(3) The notice provided by the jurisdiction shall:

(a) Explain the nature of the application and the proposed use or uses which could be authorized;

(b) List the applicable criteria from the ordinance and the plan that apply to the application at issue;

(c) Set forth the street address or other easily understood geographical reference to the subject property;

(d) State the date, time and location of the hearing;

(e) State that failure of an issue to be raised in a hearing, in person or by letter, or failure to provide statements or evidence sufficient to afford the decision maker an opportunity to respond to the issue precludes appeal to the board based on that issue;

(f) Be mailed at least:

- (A) Twenty days before the evidentiary hearing; or
 - (B) If two or more evidentiary hearings are allowed, 10 days before the first evidentiary hearing;
 - (g) Include the name of a local government representative to contact and the telephone number where additional information may be obtained;
 - (h) State that a copy of the application, all documents and evidence submitted by or on behalf of the applicant and applicable criteria are available for inspection at no cost and will be provided at reasonable cost;
 - (i) State that a copy of the staff report will be available for inspection at no cost at least seven days prior to the hearing and will be provided at reasonable cost; and
 - (j) Include a general explanation of the requirements for submission of testimony and the procedure for conduct of hearings.
- (4)(a) All documents or evidence relied upon by the applicant shall be submitted to the local government and be made available to the public.
- (b) Any staff report used at the hearing shall be available at least seven days prior to the hearing. If additional documents or evidence are provided by any party, the local government may allow a continuance or leave the record open to allow the parties a reasonable opportunity to respond. Any continuance or extension of the record requested by an applicant shall result in a corresponding extension of the time limitations of [ORS 215.427 \(Final action on permit or zone change application\)](#) or [227.178 \(Final action on certain applications required within 120 days\)](#) and [ORS 215.429 \(Mandamus proceeding when county fails to take final action on land use application within specified time\)](#) or [227.179 \(Petition for writ of mandamus authorized when city fails to take final action on land use application within 120 days\)](#).
- (5) At the commencement of a hearing under a comprehensive plan or land use regulation, a statement shall be made to those in attendance that:
- (a) Lists the applicable substantive criteria;
 - (b) States that testimony, arguments and evidence must be directed toward the criteria described in paragraph (a) of this subsection or other criteria in the plan or land use regulation which the person believes to apply to the decision; and
 - (c) States that failure to raise an issue accompanied by statements or evidence sufficient to afford the decision maker and the parties an opportunity to respond to the issue precludes appeal to the board based on that issue.
- (6)(a) Prior to the conclusion of the initial evidentiary hearing, any participant may request an opportunity to present additional evidence, arguments or testimony regarding the application. The local hearings authority shall grant such request by continuing the public hearing pursuant to paragraph (b) of this subsection or leaving the record open for additional written evidence, arguments or testimony pursuant to paragraph (c) of this subsection.

(b) If the hearings authority grants a continuance, the hearing shall be continued to a date, time and place certain at least seven days from the date of the initial evidentiary hearing. An opportunity shall be provided at the continued hearing for persons to present and rebut new evidence, arguments or testimony. If new written evidence is submitted at the continued hearing, any person may request, prior to the conclusion of the continued hearing, that the record be left open for at least seven days to submit additional written evidence, arguments or testimony for the purpose of responding to the new written evidence.

(c) If the hearings authority leaves the record open for additional written evidence, arguments or testimony, the record shall be left open for at least seven days. Any participant may file a written request with the local government for an opportunity to respond to new evidence submitted during the period the record was left open. If such a request is filed, the hearings authority shall reopen the record pursuant to subsection (7) of this section.

(d) A continuance or extension granted pursuant to this section shall be subject to the limitations of ORS [215.427 \(Final action on permit or zone change application\)](#) or [227.178 \(Final action on certain applications required within 120 days\)](#) and ORS [215.429 \(Mandamus proceeding when county fails to take final action on land use application within specified time\)](#) or [227.179 \(Petition for writ of mandamus authorized when city fails to take final action on land use application within 120 days\)](#), unless the continuance or extension is requested or agreed to by the applicant.

(e) Unless waived by the applicant, the local government shall allow the applicant at least seven days after the record is closed to all other parties to submit final written arguments in support of the application. The applicant's final submittal shall be considered part of the record, but shall not include any new evidence. This seven-day period shall not be subject to the limitations of ORS [215.427 \(Final action on permit or zone change application\)](#) or [227.178 \(Final action on certain applications required within 120 days\)](#) and ORS [215.429 \(Mandamus proceeding when county fails to take final action on land use application within specified time\)](#) or [227.179 \(Petition for writ of mandamus authorized when city fails to take final action on land use application within 120 days\)](#).

(7) When a local governing body, planning commission, hearings body or hearings officer reopens a record to admit new evidence, arguments or testimony, any person may raise new issues which relate to the new evidence, arguments, testimony or criteria for decision-making which apply to the matter at issue.

(8) The failure of the property owner to receive notice as provided in this section shall not invalidate such proceedings if the local government can demonstrate by affidavit that such notice was given. The notice provisions of this section shall not restrict the giving of notice by other means, including posting, newspaper publication, radio and television.

(9) For purposes of this section:

(a) "Argument" means assertions and analysis regarding the satisfaction or violation of legal standards or policy believed relevant by the proponent to a decision. "Argument" does not include facts.

(b) "Evidence" means facts, documents, data or other information offered to demonstrate compliance or noncompliance with the standards believed by the proponent to be relevant to the decision. [1989 c.761 §10a (enacted in lieu of [197.762](#)); 1991 c.817 §31; 1995 c.595 §2; 1997 c.763 §6; 1997 c.844 §2; 1999 c.533 §12]

ORS 227.165 – Planning and Zoning Hearings Officers

A city may appoint one or more planning and zoning hearings officers, to serve at the pleasure of the appointing authority. Such an officer shall conduct hearings on applications for such classes of permits and zone changes as the council designates. [1973 c.739 §7; 1975 c.767 §6]

ORS 227.170 – Hearing Procedure

(1) The city council shall prescribe one or more procedures for the conduct of hearings on permits and zone changes.

(2) The city council shall prescribe one or more rules stating that all decisions made by the council on permits and zone changes will be based on factual information, including adopted comprehensive plans and land use regulations. [1973 c.739 §8; 1975 c.767 §7; 1997 c.452 §3]

ORS 227.173 – Basis for decision on permit application or expedited land division.

(1) Approval or denial of a discretionary permit application shall be based on standards and criteria, which shall be set forth in the development ordinance and which shall relate approval or denial of a discretionary permit application to the development ordinance and to the comprehensive plan for the area in which the development would occur and to the development ordinance and comprehensive plan for the city as a whole.

(2) When an ordinance establishing approval standards is required under ORS [197.307 \(Effect of need for certain housing in urban growth areas\)](#) to provide only clear and objective standards, the standards must be clear and objective on the face of the ordinance.

(3) Approval or denial of a permit application or expedited land division shall be based upon and accompanied by a brief statement that explains the criteria and standards considered relevant to the decision, states the facts relied upon in rendering the decision and explains the justification for the decision based on the criteria, standards and facts set forth.

(4) Written notice of the approval or denial shall be given to all parties to the proceeding. [1977 c.654 §5; 1979 c.772 §10b; 1991 c.817 §16; 1995 c.595 §29; 1997 c.844 §6; 1999 c.357 §3]

ORS 227.175 – Application for permit or zone change.

(1) When required or authorized by a city, an owner of land may apply in writing to the hearings officer, or such other person as the city council designates, for a permit or zone change, upon such forms and in such a manner as the city council prescribes. The governing body shall establish fees charged for processing permits at an amount no more than the actual or average cost of providing that service.

(2) The governing body of the city shall establish a consolidated procedure by which an applicant may apply at one time for all permits or zone changes needed for a development project. The consolidated procedure shall be subject to the time limitations set out in ORS [227.178 \(Final action on certain applications required within 120 days\)](#). The consolidated procedure shall be available for use at the option of the applicant no later than the time of the first periodic review of the comprehensive plan and land use regulations.

(3) Except as provided in subsection (10) of this section, the hearings officer shall hold at least one public hearing on the application.

(4)(a) A city may not approve an application unless the proposed development of land would be in compliance with the comprehensive plan for the city and other applicable land use regulation or ordinance provisions. The approval may include such conditions as are authorized by ORS [227.215 \(Regulation of development\)](#) or any city legislation.

(b)(A) A city may not deny an application for a housing development located within the urban growth boundary if the development complies with clear and objective standards, including but not limited to clear and objective design standards contained in the city comprehensive plan or land use regulations.

(B) This paragraph does not apply to:

(i) Applications or permits for residential development in areas described in ORS [197.307 \(Effect of need for certain housing in urban growth areas\)](#) (5); or

(ii) Applications or permits reviewed under an alternative approval process adopted under ORS [197.307 \(Effect of need for certain housing in urban growth areas\)](#) (6).

(c) A city may not reduce the density of an application for a housing development if:

(A) The density applied for is at or below the authorized density level under the local land use regulations; and

(B) At least 75 percent of the floor area applied for is reserved for housing.

(d) A city may not reduce the height of an application for a housing development if:

(A) The height applied for is at or below the authorized height level under the local land use regulations;

(B) At least 75 percent of the floor area applied for is reserved for housing; and

(C) Reducing the height has the effect of reducing the authorized density level under local land use regulations.

(e) Notwithstanding paragraphs (c) and (d) of this subsection, a city may reduce the density or height of an application for a housing development if the reduction is necessary to resolve a health, safety or habitability issue or to comply with a protective measure adopted pursuant to a statewide land use planning goal.

(f) As used in this subsection:

(A)“Authorized density level” means the maximum number of lots or dwelling units or the maximum floor area ratio that is permitted under local land use regulations.

(B)“Authorized height level” means the maximum height of a structure that is permitted under local land use regulations.

(C) "Habitability" means being in compliance with the applicable provisions of the state building code under ORS chapter 455 and the rules adopted thereunder.

(5) Hearings under this section may be held only after notice to the applicant and other interested persons and shall otherwise be conducted in conformance with the provisions of ORS [197.763 \(Conduct of local quasi-judicial land use hearings\)](#).

(6) Notice of a public hearing on a zone use application shall be provided to the owner of an airport, defined by the Oregon Department of Aviation as a "public use airport" if:

(a) The name and address of the airport owner has been provided by the Oregon Department of Aviation to the city planning authority; and

(b) The property subject to the zone use hearing is:

(A) Within 5,000 feet of the side or end of a runway of an airport determined by the Oregon Department of Aviation to be a "visual airport"; or

(B) Within 10,000 feet of the side or end of the runway of an airport determined by the Oregon Department of Aviation to be an "instrument airport."

(7) Notwithstanding the provisions of subsection (6) of this section, notice of a zone use hearing need only be provided as set forth in subsection (6) of this section if the permit or zone change would only allow a structure less than 35 feet in height and the property is located outside of the runway "approach surface" as defined by the Oregon Department of Aviation.

(8) If an application would change the zone of property that includes all or part of a mobile home or manufactured dwelling park as defined in ORS [446.003 \(Definitions for ORS 446.003 to 446.200 and 446.225 to 446.285 and ORS chapters 195, 196, 197, 215 and 227\)](#), the governing body shall give written notice by first class mail to each existing mailing address for tenants of the mobile home or manufactured dwelling park at least 20 days but not more than 40 days before the date of the first hearing on the application. The governing body may require an applicant for such a zone change to pay the costs of such notice.

(9) The failure of a tenant or an airport owner to receive a notice which was mailed shall not invalidate any zone change.

(10)(a)(A) The hearings officer or such other person as the governing body designates may approve or deny an application for a permit without a hearing if the hearings officer or other designated person gives notice of the decision and provides an opportunity for any person who is adversely affected or aggrieved, or who is entitled to notice under paragraph (c) of this subsection, to file an appeal.

(B) Written notice of the decision shall be mailed to those persons described in paragraph (c) of this subsection.

(C) Notice under this subsection shall comply with ORS [197.763 \(Conduct of local quasi-judicial land use hearings\)](#) (3)(a), (c), (g) and (h) and shall describe the nature of the decision. In addition, the notice shall state that any person who is adversely affected or aggrieved or who is entitled to written notice under paragraph (c) of this subsection may appeal the decision by filing a written appeal in the manner and within the time period provided in the city's land use

regulations. A city may not establish an appeal period that is less than 12 days from the date the written notice of decision required by this subsection was mailed. The notice shall state that the decision will not become final until the period for filing a local appeal has expired. The notice also shall state that a person who is mailed written notice of the decision cannot appeal the decision directly to the Land Use Board of Appeals under ORS [197.830 \(Review procedures\)](#).

(D) An appeal from a hearings officer's decision made without hearing under this subsection shall be to the planning commission or governing body of the city. An appeal from such other person as the governing body designates shall be to a hearings officer, the planning commission or the governing body. In either case, the appeal shall be to a de novo hearing.

(E) The de novo hearing required by subparagraph (D) of this paragraph shall be the initial evidentiary hearing required under ORS [197.763 \(Conduct of local quasi-judicial land use hearings\)](#) as the basis for an appeal to the Land Use Board of Appeals. At the de novo hearing:

(i) The applicant and other parties shall have the same opportunity to present testimony, arguments and evidence as they would have had in a hearing under subsection (3) of this section before the decision;

(ii) The presentation of testimony, arguments and evidence shall not be limited to issues raised in a notice of appeal; and

(iii) The decision maker shall consider all relevant testimony, arguments and evidence that are accepted at the hearing.

(b) If a local government provides only a notice of the opportunity to request a hearing, the local government may charge a fee for the initial hearing. The maximum fee for an initial hearing shall be the cost to the local government of preparing for and conducting the appeal, or \$250, whichever is less. If an appellant prevails at the hearing or upon subsequent appeal, the fee for the initial hearing shall be refunded. The fee allowed in this paragraph shall not apply to appeals made by neighborhood or community organizations recognized by the governing body and whose boundaries include the site.

(c)(A) Notice of a decision under paragraph (a) of this subsection shall be provided to the applicant and to the owners of record of property on the most recent property tax assessment roll where such property is located:

(i) Within 100 feet of the property that is the subject of the notice when the subject property is wholly or in part within an urban growth boundary;

(ii) Within 250 feet of the property that is the subject of the notice when the subject property is outside an urban growth boundary and not within a farm or forest zone; or

(iii) Within 750 feet of the property that is the subject of the notice when the subject property is within a farm or forest zone.

(B) Notice shall also be provided to any neighborhood or community organization recognized by the governing body and whose boundaries include the site.

(C) At the discretion of the applicant, the local government also shall provide notice to the Department of Land Conservation and Development.

(11) A decision described in ORS [227.160 \(Definitions for ORS 227.160 to 227.186\)](#) (2)(b) shall:

(a) Be entered in a registry available to the public setting forth:

(A) The street address or other easily understood geographic reference to the subject property;

(B) The date of the decision; and

(C) A description of the decision made.

(b) Be subject to the jurisdiction of the Land Use Board of Appeals in the same manner as a limited land use decision.

(c) Be subject to the appeal period described in ORS [197.830 \(Review procedures\)](#) (5)(b).

(12) At the option of the applicant, the local government shall provide notice of the decision described in ORS [227.160 \(Definitions for ORS 227.160 to 227.186\)](#) (2)(b) in the manner required by ORS [197.763 \(Conduct of local quasi-judicial land use hearings\)](#) (2), in which case an appeal to the board shall be filed within 21 days of the decision. The notice shall include an explanation of appeal rights.

(13) Notwithstanding other requirements of this section, limited land use decisions shall be subject to the requirements set forth in ORS [197.195 \(Limited land use decision\)](#) and [197.828 \(Board review of limited land use decision\)](#). [1973 c.739 §§9,10; 1975 c.767 §8; 1983 c.827 §24; 1985 c.473 §15; 1987 c.106 §3; 1987 c.729 §18; 1989 c.648 §63; 1991 c.612 §21; 1991 c.817 §6; 1995 c.692 §2; 1997 c.844 §5; 1999 c.621 §2; 1999 c.935 §24; 2001 c.397 §2; 2017 c.745 §3]

Note: The amendments to [227.175 \(Application for permit or zone change\)](#) by section 3, chapter 745, Oregon Laws 2017, become operative July 1, 2018, and apply to applications for housing development submitted for review on or after July 1, 2018. See sections 12 and 13, chapter 745, Oregon Laws 2017. The text that is operative until July 1, 2018, is set forth for the user's convenience.

[227.175 \(Application for permit or zone change\)](#). (1) When required or authorized by a city, an owner of land may apply in writing to the hearings officer, or such other person as the city council designates, for a permit or zone change, upon such forms and in such a manner as the city council prescribes. The governing body shall establish fees charged for processing permits at an amount no more than the actual or average cost of providing that service.

(2) The governing body of the city shall establish a consolidated procedure by which an applicant may apply at one time for all permits or zone changes needed for a development project. The consolidated procedure shall be subject to the time limitations set out in ORS [227.178 \(Final action on certain applications required within 120 days\)](#). The consolidated procedure shall be available for use at the option of the applicant no later than the time of the first periodic review of the comprehensive plan and land use regulations.

(3) Except as provided in subsection (10) of this section, the hearings officer shall hold at least one public hearing on the application.

(4) The application shall not be approved unless the proposed development of land would be in compliance with the comprehensive plan for the city and other applicable land use regulation or ordinance provisions. The approval may include such conditions as are authorized by ORS [227.215 \(Regulation of development\)](#) or any city legislation.

(5) Hearings under this section may be held only after notice to the applicant and other interested persons and shall otherwise be conducted in conformance with the provisions of ORS [197.763 \(Conduct of local quasi-judicial land use hearings\)](#).

(6) Notice of a public hearing on a zone use application shall be provided to the owner of an airport, defined by the Oregon Department of Aviation as a “public use airport” if:

(a) The name and address of the airport owner has been provided by the Oregon Department of Aviation to the city planning authority; and

(b) The property subject to the zone use hearing is:

(A) Within 5,000 feet of the side or end of a runway of an airport determined by the Oregon Department of Aviation to be a “visual airport”; or

(B) Within 10,000 feet of the side or end of the runway of an airport determined by the Oregon Department of Aviation to be an “instrument airport.”

(7) Notwithstanding the provisions of subsection (6) of this section, notice of a zone use hearing need only be provided as set forth in subsection (6) of this section if the permit or zone change would only allow a structure less than 35 feet in height and the property is located outside of the runway “approach surface” as defined by the Oregon Department of Aviation.

(8) If an application would change the zone of property that includes all or part of a mobile home or manufactured dwelling park as defined in ORS [446.003 \(Definitions for ORS 446.003 to 446.200 and 446.225 to 446.285 and ORS chapters 195, 196, 197, 215 and 227\)](#), the governing body shall give written notice by first class mail to each existing mailing address for tenants of the mobile home or manufactured dwelling park at least 20 days but not more than 40 days before the date of the first hearing on the application. The governing body may require an applicant for such a zone change to pay the costs of such notice.

(9) The failure of a tenant or an airport owner to receive a notice which was mailed shall not invalidate any zone change.

(10)(a)(A) The hearings officer or such other person as the governing body designates may approve or deny an application for a permit without a hearing if the hearings officer or other designated person gives notice of the decision and provides an opportunity for any person who is adversely affected or aggrieved, or who is entitled to notice under paragraph (c) of this subsection, to file an appeal.

(B) Written notice of the decision shall be mailed to those persons described in paragraph (c) of this subsection.

(C) Notice under this subsection shall comply with ORS [197.763 \(Conduct of local quasi-judicial land use hearings\)](#) (3)(a), (c), (g) and (h) and shall describe the nature of the decision. In addition, the notice shall state that any person who is adversely affected or aggrieved or who is

entitled to written notice under paragraph (c) of this subsection may appeal the decision by filing a written appeal in the manner and within the time period provided in the city's land use regulations. A city may not establish an appeal period that is less than 12 days from the date the written notice of decision required by this subsection was mailed. The notice shall state that the decision will not become final until the period for filing a local appeal has expired. The notice also shall state that a person who is mailed written notice of the decision cannot appeal the decision directly to the Land Use Board of Appeals under ORS [197.830 \(Review procedures\)](#).

(D) An appeal from a hearings officer's decision made without hearing under this subsection shall be to the planning commission or governing body of the city. An appeal from such other person as the governing body designates shall be to a hearings officer, the planning commission or the governing body. In either case, the appeal shall be to a de novo hearing.

(E) The de novo hearing required by subparagraph (D) of this paragraph shall be the initial evidentiary hearing required under ORS [197.763 \(Conduct of local quasi-judicial land use hearings\)](#) as the basis for an appeal to the Land Use Board of Appeals. At the de novo hearing:

(i) The applicant and other parties shall have the same opportunity to present testimony, arguments and evidence as they would have had in a hearing under subsection (3) of this section before the decision;

(ii) The presentation of testimony, arguments and evidence shall not be limited to issues raised in a notice of appeal; and

(iii) The decision maker shall consider all relevant testimony, arguments and evidence that are accepted at the hearing.

(b) If a local government provides only a notice of the opportunity to request a hearing, the local government may charge a fee for the initial hearing. The maximum fee for an initial hearing shall be the cost to the local government of preparing for and conducting the appeal, or \$250, whichever is less. If an appellant prevails at the hearing or upon subsequent appeal, the fee for the initial hearing shall be refunded. The fee allowed in this paragraph shall not apply to appeals made by neighborhood or community organizations recognized by the governing body and whose boundaries include the site.

(c)(A) Notice of a decision under paragraph (a) of this subsection shall be provided to the applicant and to the owners of record of property on the most recent property tax assessment roll where such property is located:

(i) Within 100 feet of the property that is the subject of the notice when the subject property is wholly or in part within an urban growth boundary;

(ii) Within 250 feet of the property that is the subject of the notice when the subject property is outside an urban growth boundary and not within a farm or forest zone; or

(iii) Within 750 feet of the property that is the subject of the notice when the subject property is within a farm or forest zone.

(B) Notice shall also be provided to any neighborhood or community organization recognized by the governing body and whose boundaries include the site.

(C) At the discretion of the applicant, the local government also shall provide notice to the Department of Land Conservation and Development.

(11) A decision described in ORS [227.160 \(Definitions for ORS 227.160 to 227.186\)](#) (2)(b) shall:

(a) Be entered in a registry available to the public setting forth:

(A) The street address or other easily understood geographic reference to the subject property;

(B) The date of the decision; and

(C) A description of the decision made.

(b) Be subject to the jurisdiction of the Land Use Board of Appeals in the same manner as a limited land use decision.

(c) Be subject to the appeal period described in ORS [197.830 \(Review procedures\)](#) (5)(b).

(12) At the option of the applicant, the local government shall provide notice of the decision described in ORS [227.160 \(Definitions for ORS 227.160 to 227.186\)](#) (2)(b) in the manner required by ORS [197.763 \(Conduct of local quasi-judicial land use hearings\)](#) (2), in which case an appeal to the board shall be filed within 21 days of the decision. The notice shall include an explanation of appeal rights.

(13) Notwithstanding other requirements of this section, limited land use decisions shall be subject to the requirements set forth in ORS [197.195 \(Limited land use decision\)](#) and [197.828 \(Board review of limited land use decision\)](#).

ORS 227.179 – Petition for writ of mandamus authorized when city fails to take final action on land use application within 120 days.

(1) Except when an applicant requests an extension under ORS [227.178 \(Final action on certain applications required within 120 days\)](#) (5), if the governing body of a city or its designee does not take final action on an application for a permit, limited land use decision or zone change within 120 days after the application is deemed complete, the applicant may file a petition for a writ of mandamus under ORS [34.130 \(Petition for writ\)](#) in the circuit court of the county where the application was submitted to compel the governing body or its designee to issue the approval.

(2) The governing body shall retain jurisdiction to make a land use decision on the application until a petition for a writ of mandamus is filed. Upon filing a petition under ORS [34.130 \(Petition for writ\)](#), jurisdiction for all decisions regarding the application, including settlement, shall be with the circuit court.

(3) A person who files a petition for a writ of mandamus under this section shall provide written notice of the filing to all persons who would be entitled to notice under ORS [197.763 \(Conduct of local quasi-judicial land use hearings\)](#) and to any person who participated orally or in writing in any evidentiary hearing on the application held prior to the filing of the petition. The notice shall be mailed or hand delivered on the same day the petition is filed.

(4) If the governing body does not take final action on an application within 120 days of the date the application is deemed complete, the applicant may elect to proceed with the application according to the applicable provisions of the local comprehensive plan and land use regulations or to file a petition for a writ of mandamus under this section. If the applicant elects to proceed according to the local plan and regulations, the applicant may not file a petition for a writ of mandamus within 14 days after the governing body makes a preliminary decision, provided a final written decision is issued within 14 days of the preliminary decision.

(5) The court shall issue a peremptory writ unless the governing body or any intervenor shows that the approval would violate a substantive provision of the local comprehensive plan or land use regulations as those terms are defined in ORS [197.015 \(Definitions for ORS chapters 195, 196, 197 and ORS 197A.300 to 197A.325\)](#). The writ may specify conditions of approval that would otherwise be allowed by the local comprehensive plan or land use regulations. [1999 c.533 §10; 2003 c.150 §2]

McMINNVILLE MUNICIPAL CODE PROVISIONS FOR LAND-USE PUBLIC HEARINGS

Chapter 17: Zoning Ordinance

17.72.120 Applications – Public Hearings. The Planning Commission shall hold at least one public hearing on the following land use applications.

- Annexation
- Appeal of a Planning Director's Decision
- Application with Director's decision for which a public hearing is requested
- Comprehensive Plan Map Amendment
- Comprehensive Plan Text Amendment
- Conditional Use Permit
- Demolition of National Register of Historic Places Structure (Public hearing held by the Historic Landmarks Committee)
- Planned Development
- Planned Development Amendment
- Tentative Subdivision (more than 10 lots)
- Urban Growth Boundary Amendment
- Variance
- Zone Change
- Zoning Ordinance Text Amendment
- Any application listed in Section 17.72.110 for which a public hearing is requested.

The above applications are subject to the following submittal, notice, and hearing requirements:

- A. Applications must be filed not less than 35 (thirty-five) days prior to the date of the public hearing. Applications other than those involving text amendments or other legislative matters shall be reviewed for completeness as outlined above in Section 17.72.040.
- B. The Director shall send a copy of the proposal to any agency or City department identified by the Director as having interest in the proposal including those agencies and departments responsible for determining compliance with state and federal requirements. The notified agency may provide written comment regarding the proposal.
- C. An application to amend the comprehensive plan map, zoning ordinance text, comprehensive plan text or other application requiring notice to the Department of Land Conservation (DLCD) and Development Commission as a "post acknowledgment plan amendment" shall be submitted to the Planning Department a minimum of 55 (fifty-five) days prior to the date of the public hearing so that notice of the application can be provided to the DLCD.
- D. Notice of the public hearing shall be published in a newspaper of general circulation in the City, not less than five (5) days nor more than 15 (fifteen) days prior to the date of the public hearing.
- E. Written notice of a variance request shall be mailed to the applicant and all property owners within 100 feet of the exterior boundary of the subject property, and within 200 feet of the exterior boundary of the subject property for an application for a conditional use permit not fewer than 20 (twenty) nor more than 30 (thirty) days prior to the date of the public hearing.
- F. Written notice of a request for applications other than those involving text amendments or other legislative matters shall be mailed to the applicant and all

property owners within 300 feet of the exterior boundary of the subject property, not fewer than 20 (twenty) nor more than 30 (thirty) days prior to the date of the public hearing.

- G. Written notice of an application to change a zone for all or part of a mobile home park shall be provided for the tenants of a mobile home park at least 20 (twenty) days but not more than 40 (forty) days before the date of the first public hearing on the applications. (Ord. 5034 §2, 2017; Ord. 4984 §1, 2014).

17.72.130 Public Hearing Process. Public hearings shall be conducted as per requirements of McMinnville Ordinance No. 3682, as amended;

- A. A staff report shall be submitted to the review body, and shall be made available to the public at least seven (7) days before the date of the public hearing. Any public hearing may be continued to a specific date, time and location by oral announcement of that specific date, time, and location prior to the hearing being recessed. This announcement is sufficient notice to all applicants, adverse parties, and interested persons, and no further notice is required.
- B. Legislative hearings: Within 45 days following the public hearing on a comprehensive plan text amendment or other legislative matter, unless a continuance is announced, the Planning Commission shall render a decision which shall recommend either that the amendment be approved, denied, or modified:
 - 1. Upon reaching a decision the Planning Commission shall transmit to the City Council a copy of the proposed amendment, the minutes of the public hearing, the decision of the Planning Commission, and any other materials deemed necessary for a decision by the City Council;
 - 2. Upon receipt of the decision of the Planning Commission, the City Council shall:
 - a. Adopt an ordinance effecting the proposed change as submitted by the Planning Commission, or
 - b. Adopt an ordinance effecting the proposed change in an amended form, or
 - c. Refuse to adopt the amendment through a vote to deny, or
 - d. Call for a public hearing on the proposal, subject to the notice requirements stated in Section 17.72.120(D).
- C. Quasi-judicial hearings: A quasi-judicial public hearing may be held over on the Planning Commission's own motion or on the request of any participant in the hearing who requests an opportunity to present additional evidence, arguments, or testimony on the application.
 - 1. Should a participant request an opportunity to present additional evidence, arguments, or testimony, the Planning Commission shall have the discretion to grant the request by either:
 - a. continuing the hearing to a specific date, time and location, provided the date is at least seven (7) days after the date of the initial evidentiary hearing or,
 - b. holding the record open for the submission of additional written evidence, arguments or testimony, provided that the record shall be left open for at least seven (7) days after the date of the initial evidentiary hearing.
 - 2. A request for continuance or a request to keep the record open shall be granted provided that the request occurs before the conclusion of the initial evidentiary hearing and either:
 - a) There is sufficient time under ORS 197.178, or
 - b) The applicant requests or agrees to the extension of time.

3. Within 45 (forty-five) days following the public hearing on a quasi-judicial matter, and unless a continuance is announced, the Planning Commission shall make specific Findings of Fact. Based on the findings, the Planning Commission shall render a decision which shall either approve or deny the application, or approve the application in a different form.
4. Planning Commission decisions on the following applications shall be final unless an appeal is filed.
 - Appeal of Planning Director's Decision
 - Conditional Use Permit
 - Tentative Subdivision (with more than 10 lots)
 - Variance
 - Any application listed in Section 17.72.110 for which a public hearing is called.
5. Following the public hearing for all other quasi-judicial applications listed in Section 17.72.120, the Planning Commission shall make a recommendation to the City Council to approve or deny the application, or that the proposal be adopted or rejected, or that the application or proposal be approved in a different form.
 - a. If the decision of the Planning Commission recommends that an application be granted or that the proposal be adopted, or that the application be approved in a different form, the Planning Commission shall transmit to the City Council, a copy of the application, a scale drawing of the site, the minutes of the public hearing, the decision and findings of the Planning Commission, and any other materials deemed necessary for decision by the City Council
 - b. If the decision of the Planning Commission recommends that the application be denied, or the proposal rejected, no further proceedings shall be held by either the Planning Commission or City Council, unless an appeal of the Commission's decision is filed.
6. Upon receipt of the decision of the Planning Commission to recommend approval the Council shall:
 - a. Based on the material in the record and the findings adopted by Commission and transmitted to the City Council, adopt an ordinance effecting the proposed change, or;
 - b. Call for a public hearing on the proposal subject to the notice requirements stated in Section 17.72.120(D)-(F).

17.72.140 Mailed Notification. The names and addresses of the property owners from the Yamhill County Assessor's Office most recent property tax assessment roll shall be used for the purposes of giving notice to affected parties. Failure of a person or persons to receive notice shall not impair the validity of the hearing.

Notice of and Effective Date of Decision

17.72.150 Notice of Decision. Within five (5) working days after a decision has been rendered, the Planning Department shall provide written notice of the decision to all parties who participated.

17.72.160 Effective Date of Decision. Unless an appeal is filed, a decision made by the Planning Director or the Planning Commission shall become final fifteen (15) calendar days

from the date that the notice of the decision is mailed. Unless an appeal is filed, a decision made by the City Council shall become final 21 (twenty-one) days from the date that the notice of decision is mailed. Annexation requests are subject to voter approval following the City Council's decision.

Appeal

17.72.170 Appeal from Ruling of Planning Director. The applicant, property owner, or other parties that participated, may appeal a decision of the Director to the Planning Commission within 15 (fifteen) calendar days of the date the written notice of the decision is mailed. Written notice of the appeal shall be filed with the Planning Department and shall set forth in detail the basis for and issues raised in the appeal. If the appeal is not taken within the 15 (fifteen) day period, the decision of the Planning Director shall be final. If an appeal is filed, the Planning Commission shall receive a report and recommendation thereon from the Planning Director and shall hold a public hearing on the appeal subject to the procedure stated in Section 17.72.130. Notice of a Planning Commission hearing on an appeal of a decision of the Planning Director shall take the form of that provided for in Section 17.72.110(A).

17.72.180 Appeal from Ruling of Planning Commission. An action or ruling of the Planning Commission pursuant to this title may be appealed to the City Council within 15 (fifteen) calendar days of the date the written notice of the decision is mailed. Written notice of the appeal shall be filed with the City Planning Department and shall identify the decision sought to be reviewed, including the date of the decision and a statement of interest from the person seeking review specifying that they were party to the initial proceedings. If the appeal is not taken within the 15 (fifteen) day period, the decision of the Planning Commission shall be final. If the appeal is filed, the City Council shall receive a report and recommendation thereon from the Planning Commission and shall hold a public hearing on the appeal. Notice of a City Council hearing on an appeal of a decision of the Planning Commission shall take the form of that provided for the initial application before the Planning Commission.

17.72.190 Appeal from Ruling of City Council. An action or ruling of the City Council may be appealed to the Land Use Board of Appeals (LUBA) within 21 (twenty-one) days of the date written notice of the decision is mailed.

**Chapter 2.36
PUBLIC HEARINGS***

Sections:

- 2.36.010 Scope of provisions.
- 2.36.020 Nature – General conduct.
- 2.36.030 Presiding officer – Designated – Authority.
- 2.36.040 Presiding officer – Powers and duties.
- 2.36.050 Challenge for bias – Proponent disqualification.
- 2.36.060 Burden and nature of proof.
- 2.36.070 Matters for official notice.
- 2.36.080 Recordkeeping.
- 2.36.090 Publication of provisions.
- 2.36.100 Amendment and suspension of rules.

* For statutory provisions requiring cities to prescribe rules for conduct of hearings on permit and zone changes, see ORS [227.170](#).

2.36.010 Scope of provisions.

The rules set forth in this chapter shall govern the conduct of hearings held by the council and the planning commission pursuant to the revised zoning ordinance of the city, including all hearings by the planning commission relating to zone changes, conditional use permits, variances and appeals from decisions of the planning commission held by the common council. Any other matters coming before the council or planning commission for hearing including but not limited to appeals under a sign, subdivision or site development ordinance may be governed by any or all of these rules at the discretion of the body which is involved. (Ord. 3682 §1, 1973).

2.36.020 Nature – General conduct.

A. The council or planning commission, in conducting a hearing which will result in a determination as to the permissible use of specific property, is acting in an administrative, quasi-judicial capacity and all hearings shall be conducted accordingly. Interested parties are therefore entitled to notice of hearing as required by charter, zoning ordinance or statute, an opportunity to be heard, to present and rebut evidence, to have the proceedings recorded, and to have a decision based on evidence offered which is supported by findings of fact that are a part of the record.

B. No person shall be disorderly, abusive or disruptive of the orderly conduct of the hearing.

C. No proponent or opponent shall speak more than once without obtaining permission from the presiding officer at the first available opportunity.

D. No person shall testify without first receiving recognition from the presiding officer and stating his full name and residence address.

E. No person shall present irrelevant, immaterial or unduly repetitious testimony or evidence; provided, however, that reports and documents prepared by personnel shall be deemed relevant, material and competent unless objected to by any interested party with good cause and at the first available opportunity.

F. There shall be no audience demonstrations, such as applause, cheering, display or signs, or other conduct disruptive of the hearing.

G. The presiding officer, council and planning commission members and, with the approval of the presiding officer, the city attorney and any other officer or employee of the city may question and cross-examine any person who testifies. (Ord. 4268 §2 (part), 1983; Ord. 3682 §2, 1973).

2.36.030 Presiding officer – Designated – Authority.

A. The mayor shall be the presiding officer at all hearings held before the council and the president of the planning commission shall preside over hearings before that body. In the absence of the mayor or planning commission president, or with their consent, the council or planning commission may designate one of its members, or any other officer, employee or person to act as presiding officer at a hearing. A presiding officer, if not a councilman or planning commission member, shall have no vote on the question in determination of the matter. The presiding officer of the hearing, provided he is a member of the concerned body, shall have a vote on the matters being heard.

- B. The presiding officer shall have authority to:
1. Regulate the course and decorum of the hearing;
 2. Dispose of procedural requests or similar matters;
 3. Rule on offers of proof and relevancy of evidence and testimony;
 4. Impose reasonable limitations on the number of witnesses heard and set reasonable time limits for oral presentations, cross-examination of witnesses and rebuttal testimony; and
 5. Take such other action authorized by the council or planning commission member appropriate for conduct commensurate with the nature of the hearing. (Ord. 3682 §4, 1973).

2.36.040 Presiding officer – Powers and duties.

The presiding officer, in the conduct of the hearing, shall:

- A. *Commence the Hearing.* Announce the nature and purpose of the hearing and summarize the rules for the conduct of the hearing.
- B. *Call for Abstentions.*
1. Inquire of the council or planning commission whether any member thereof wishes to abstain from participation in the hearing. Any councilman or planning commission member then announcing his abstention shall identify the reasons for abstaining and shall not participate in discussion of the proposal or vote on the proposal. His abstention shall not be considered as a vote for or against the matter in question, although his presence shall be considered for purposes of establishing a quorum;
 2. Any councilman or planning commission member whose participation has been challenged by allegation of bias, prejudgment, personal interest or partiality or who has been subject to significant ex parte or prehearing contact with proponents or opponents may make a statement in response thereto or in explanation thereof, for the record, and in his decision to participate in the hearing. This statement shall not be subject to cross-examination except upon consent of that member, but shall be subject to rebuttal by the proponent or opponent, as appropriate.
- C. *Objections to Jurisdiction.* Inquire of the audience whether there are any objections to the jurisdiction of the council or planning commission, as the case may be, to hear the matter and, if such objections are received, conduct such further inquiry as necessary to determine the question. The presiding officer shall terminate the hearing if his inquiry results in substantial

evidence that the council or planning commission lacks jurisdiction or the procedural requirements of the ordinance were not met. Any matter thus terminated shall, if the defect can be remedied, be rescheduled.

D. *Staff Report, Planning Commission Recommendation, Etc.* The presiding officer may request a city officer or employee to summarize the nature of the proposal, explain any graphic or pictorial displays which are a part of the record, summarize the staff report, summarize the findings and decision of the planning commission or other appropriate board or agency and provide such other information as may be requested by the body conducting the hearing.

E. *Proponent's Case.* Determine whether the proponent will conduct his case in person or by representative. The applicant-proponent shall first be heard and persons in favor of the proponent's proposal shall next be heard.

F. *Cross – Examination of Proponents.* Allow opponents, upon recognition by the presiding officer, to submit questions to the proponents through the presiding officer. Proponents shall be given a reasonable time to respond solely to the questions.

G. *Opponent's Case.* Opponents shall be heard in the following order:

1. Neighborhood associations, special organization formed for the purpose of opposition or other groups represented by counsel or a spokesman shall be allowed by the presiding officer to first proceed;
2. Persons who received notice of the hearing or who were entitled to receive notice of the hearing are presumed to have an interest in the proposal and shall next be heard;
3. Persons who did not receive notice and who were not entitled to notice shall next be heard.

H. *Cross – Examination of Opponents.* Allow proponents, upon recognition of the presiding officer, to submit questions to opponents who have testified. Opponents shall be given a reasonable time to respond solely to the questions.

I. *Public Agencies.* Allow representatives of any city, state agency, regional authority, or municipal or quasi-municipal corporation existing pursuant to law to next be heard.

J. *Rebuttal Evidence.* Allow the proponent to offer rebuttal evidence and testimony.

K. *Close of Hearing and Deliberation by Council or Planning Commission.* The presiding officer shall conclude the hearing and the council or planning commission, as the case may be, shall deliberate the proposal. The council or planning commission shall either make its decision and state its findings, which may incorporate findings proposed by the proponent, opponents, the staff, or the planning commission, or may continue its deliberations to a subsequent meeting, the time and place of which must then be announced. The subsequent meeting shall be for the purpose of continued deliberation and shall not allow for additional submission of testimony, except upon decision of the council or planning commission. (Ord. 3682 §6, 1973).

2.36.050 Challenge for bias – Proponent disqualification.

A. No councilman or planning commission member shall participate in discussion of the proposal or vote on the proposal when:

1. Any of the following has a direct or substantial financial interest in the proposal: The councilman or planning commission member or his spouse, brother, sister, child parent,

father-in-law, mother-in-law, any business in which he is then serving or has served within the previous two years, or any business with which he is negotiating for or has an arrangement or understanding concerning prospective partnership or employment;

2. He owns property within the area entitled to receive notice of the public hearing;
3. He has a direct personal interest in the proposal;
4. For any other reason, he has determined that he cannot participate in the hearing and decision in an impartial manner;
5. The councilman or planning commission member shall reveal said conflicts at the time of the public hearing.

B. No other officer or employee of the city who has a financial or other private interest shall participate in discussion with or give an official opinion to the council or planning commission on the proposal without first declaring for the record the nature and extent of such interest.

C. No decision or action of a planning commission or city governing body shall be invalid due to ex parte contact or bias resulting from ex parte contact with a member of the decision-making body, if the member of the decision-making body receiving the contact:

1. Places on the record the substance of any written or oral ex parte communications concerning the decision or action; and
2. Has a public announcement of the content of the communication and of the parties' right to rebut the substance of the communication made at the first hearing following the communication where action will be considered or taken on the subject to which the communication related.

A communication between city staff and the planning commission or governing body shall not be considered as ex parte contact for purposes of the above subsection.

D. Notwithstanding any provision of this or any other rule:

1. An abstaining or disqualified councilman or planning commission member may be counted for purposes of forming a quorum, but shall not be considered as voting for or against the matter in question; and
2. A councilman or planning commission member may represent himself, a client or any other member of the public at a hearing, provided he:
 - a. Abstains from the vote on the proposal,
 - b. Removes himself from the council area and joins the audience, and
 - c. Makes full disclosure of his status and position at the time of addressing the council. (Ord. 4268 §1, 2 (part), 1983; Ord. 3682 §3, 1973).

2.36.060 Burden and nature of proof.

A. The burden of proof is upon the proponent. The more drastic the change or the greater the proposal or the greater the impact of the proposal in an area, the greater is the burden upon the proponent.

B. The requested proposal must be supported by proof that:

1. It conforms to the McMinnville comprehensive plan as now or hereafter constituted, and any other special plan for the area involved;
2. It conforms to all applicable city charter and ordinance requirements. (Ord. 4118 §1, 1981; Ord. 3682 §5, 1973).

2.36.070 Matters for official notice.

- A. The council or planning commission may take official notice of the following:
 - 1. 1.All facts which are judicially noticeable; and
 - 2. 2.The Charter, ordinances, resolutions, rules, regulations and official policies (if written) of the city.
- B. Matters officially noticed need not be established by evidence and may be considered by the council or planning commission in the determination of the proposal. (Ord. 3682 §7, 1973).

2.36.080 Recordkeeping.

- A. The city recorder, on behalf of the council or the secretary of the planning commission or a designee of the respective presiding officer, shall be present at each hearing and shall cause the proceedings to be stenographically or electronically recorded. It shall not be necessary to transcribe testimony unless required for judicial review or unless ordered by the council or planning commission.
- B. The presiding officer shall, where practicable, cause to be received all physical and documentary evidence presented which shall be marked to show the identity of the person offering the same and whether presented on behalf of proponent or opponent. Unless evidence is capable of being offered and incorporated in the record of the case, it shall not be received. All exhibits received into evidence shall be retained by the council or planning commission, as the case may be, until after any applicable appeal period has expired, at which time the exhibits may be released upon written demand to the person identified thereon.
- C. Any member of the public shall have access to the record of the proceedings at reasonable times, places and circumstances. Any member of the public shall be entitled to make copies of the record at his own expense. (Ord. 3682 §8, 1973).

2.36.090 Publication of provisions.

- A. These rules shall be:
 - 1. Placed on record with the city recorder; and
 - 2. Posted within or near the entrance to the council hearing room, which are the council chambers at City Hall, or such other location as has been designated as the place of hearing, and reference shall be made in all required notices relating to public hearings.
- B. A copy of these rules shall be available at all council meetings. A copy shall be available to the public at a charge of one dollar.
- C. These rules are supplementary to any rules of procedure previously adopted by the council or planning commission, either by ordinance or resolution, for the conduct of council or planning commission meetings; provided, however, these rules shall control where there are conflicting provisions. (Ord. 3682 §9, 1973).

2.36.100 Amendment and suspension of rules.

Any rule of procedure not required by law or the city charter may be amended, suspended or repealed at any hearing by majority vote of those council or planning commission members present and voting. (Ord. 3682 §10, 1973).

MCMINNVILLE COMPREHENSIVE PLAN, CHAPTER X CITIZEN INVOLVEMENT AND PLAN AMENDMENT

- GOAL X 1: TO PROVIDE OPPORTUNITIES FOR CITIZEN INVOLVEMENT IN THE LAND USE DECISION MAKING PROCESS ESTABLISHED BY THE CITY OF MCMINNVILLE.
- GOAL X 2 TO MAKE EVERY EFFORT TO ENGAGE AND INCLUDE A BROAD CROSS SECTION OF THE COMMUNITY BY MAINTAINING AN ACTIVE AND OPEN CITIZEN INVOLVEMENT PROGRAM THAT IS ACCESSIBLE TO ALL MEMBERS OF THE COMMUNITY AND ENGAGES THE COMMUNITY DURING DEVELOPMENT AND IMPLEMENTATION OF LAND USE POLICIES AND CODES.
- GOAL X 3: TO PERIODICALLY REVIEW AND AMEND THE MCMINNVILLE COMPREHENSIVE PLAN TO REFLECT CHANGES IN COMMUNITY CIRCUMSTANCES, IN CITIZEN DESIRES, AND IN THE STATEWIDE GOALS.

Policies:

- 188.00 *The City of McMinnville shall continue to provide opportunities for citizen involvement in all phases of the planning process. The opportunities will allow for review and comment by community residents and will be supplemented by the availability of information on planning requests and the provision of feedback mechanisms to evaluate decisions and keep citizens informed.*
- 189.00 *The City of McMinnville shall establish procedures for amending the Comprehensive Plan, Volumes I and II, and the implementation ordinances and measures in Volume III, which allow for citizen review and comment.*
- 190.00 *The City of McMinnville shall appoint a representative Planning Commission that will serve as the officially recognized Committee for Citizen Involvement (CCI) for the City of McMinnville. This Commission will be made up of representatives of all geographical areas of the City, and shall hold public forums and public hearings on major comprehensive plan text amendments, comprehensive plan and zoning map amendments, zoning ordinance text amendments and changes in the urban growth boundary and/or urban growth management agreements.*
- 191.00 *The Committee for Citizen Involvement shall, in addition to reviewing the aforementioned proposals, undertake a major review of the City's comprehensive plan, as required by the LCDC, to insure compliance with the statewide goals, to insure the proper functioning of the plan and all implementation measures, and to incorporate into the plan changes in citizenry views or community circumstances which are deemed necessary and proper. (Ord. 4536, April 27, 1993)*

- 192.00 *The Committee for Citizen Involvement shall have the power to initiate requests for amendments to the comprehensive plan text, maps, or implementation ordinances through appropriate procedures and channels.*
- 193.00 *The City of McMinnville shall continue to engage citizens in community advisory positions for input on the major elements of the comprehensive plan by creating special citizen advisory bodies and ad-hoc committees comprised of volunteers representing a broad cross-section of the community to provide input on every major comprehensive planning effort and other related land use planning matters.*
- 194.00 *The City of McMinnville shall strive to include youth members on City committees involved in land use planning, and work with the McMinnville School District, local private schools and service groups to encourage youth involvement in land use planning activities.*
- 195.00 *The City of McMinnville shall assure that technical information is available to citizens in an understandable form and when needed provide translations of information to non-English speaking members of the community,*
- 196.00 *The City of McMinnville shall allocate adequate human, financial and informational resources for the citizen involvement program.*

Proposals:

- 40.00 Periodically evaluate the City's Citizen Involvement Program and make adjustments as needed to improve its effectiveness.
- 41.00 Have the Committee for Citizen Involvement report at least annually to the City Council to evaluate the effectiveness of the City's citizen involvement efforts.



City of McMinnville
Planning Department
 231 NE Fifth Street
 McMinnville, OR 97128
 (503) 434-7311
www.mcminnvilleoregon.gov

STAFF REPORT

DATE: September 10, 2019
TO: Mayor and City Councilors
FROM: Heather Richards, Planning Director
SUBJECT: Presentation – HB 2001

STRATEGIC PRIORITY & GOAL:

 <p>GROWTH & DEVELOPMENT CHARACTER Guide growth & development strategically, responsively & responsibly to enhance our unique character.</p> <p>OBJECTIVE: Strategically plan for short and long-term growth and development that will create enduring value for the community.</p>	 <p>HOUSING OPPORTUNITIES (ACROSS THE INCOME SPECTRUM) Create diverse housing opportunities that support great neighborhoods.</p> <p>OBJECTIVE: Collaborate to improve the financial feasibility of diverse housing development opportunities.</p>
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Report in Brief:

This is a presentation about HB 2001 passed in the Oregon 2019 Legislative Session and the impacts to cities like McMinnville.

Background:

HB 2001, sponsored by Representative Kotek, was often referred to as the “Missing Middle Housing” bill and garnered a substantial amount of media attention due to its premise that cities in Oregon would be mandated to allow missing middle housing in single family residential zones. It amends ORS 197.296, ORS 197.303, ORS 197.312 and ORS 455.610, declaring an emergency. It was adopted on June 18, 2019. (Please see attached enrolled House Bill 2001).

Middle housing is defined by the bill as duplexes, triplexes, quadplexes, cottage clusters (groupings of no fewer than four detached housing units per acre with a footprint of less than 900 square feet each and that include a common courtyard), and townhouses (a dwelling unit constructed in a row or two or more attached units, where each dwelling unit is located on an individual lot or parcel and shares at least one common wall with an adjacent unit).

Per HB 2001, all cities with a population of 25,000 or more shall allow development of all middle housing types in areas zoned for residential use that allow for the development of detached single-family dwellings, and a duplex on each lot or parcel zoned for residential use that allows for the development of detached single-family dwellings.

Attachments:

- HB 2001 Enrolled
- June 2019 Legislative Fiscal Statement
- State Budget Impact Report
- Draft McMinnville Future Housing Strategy

HB 2001 does not prohibit cities from permitting single-family dwellings in areas zoned for single-family dwellings; middle housing in areas not required under this section.

Impacted cities with populations of 25,000 or more need to amend their comprehensive plan no later than June 30, 2022 to accommodate the provisions of this bill.

All of the City of McMinnville's residential zones will be impacted by HB 2001 as they all allow single-family dwellings.

Discussion:

There are many different components that the City must consider when strategizing how to comply with this bill, several of which are delineated below.

Infrastructure Capacity: When HB 2001 was first proposed a significant concern of the Oregon American Planning Association and the Oregon City Planning Director's Association was whether or not the existing infrastructure systems and plan could support the increased density mandated in the bill. Per ORS, cities plan infrastructure systems to support the proposed density of the city's comprehensive plan and zones – no more and no less. Presumably this helps cities to “right-size” their infrastructure from a cost perspective. Outside of large metropolitan areas, the infrastructure systems and amenities in single family residential zones are just not planned to support a 400% increase in density. Roads, water and sewer systems are not designed and built to support that type of density. And this is the case in McMinnville. Although the water reclamation facility has capacity to assume additional growth, the wastewater conveyance system serving neighborhoods is constrained in some areas of McMinnville and pipes would need to be replaced to accommodate the mandate of HB 2001. Additionally, there was recent discussion during a land-use application consideration that the current standards for the local residential neighborhood street network is too congested and should be reduced – which would require more street construction in existing neighborhoods to accommodate HB 2001. (Interestingly, Section 3(5) of HB 2001 states, “when a local government makes a legislative decision to amend its comprehensive plan of land use regulations to allow middle housing in areas zones for residential use that allow for detached single-family dwellings, the local government is not required to consider whether the amendments significantly affect an existing or planned transportation facility.”)

One of the reasons that cities do not have to implement the mandates of HB 2001 until June 30, 2022, is to provide cities with enough time to evaluate and update their Wastewater Master Plan, Stormwater Master Plan, Water Master Plan, Transportation System Plan, Parks Master Plan, and School Facility Plans to accommodate the increased density.

HB 2001 provides \$3,500,000 to the Department of Land Conservation and Development to provide technical assistance to cities with this planning effort. The League of Oregon Cities estimates that there will be 32 cities who need to do this work and that the average cost for the public facility updates will be \$250,000 - \$400,000 per city.

HB 2001 does allow the Department of Land Conservation and Development to grant a local government an extension for allowing the Middle Housing in single family residential zones for neighborhoods where water, sewer, storm drainage or transportation services are either significantly deficient or are expected to be significantly deficient by December 31, 2023. The extension cannot be longer than the anticipated time frame to fix the deficiency. A request for an extension must be filed June 30, 2021.

Attachments:

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- June 2019 Legislative Fiscal Statement
- State Budget Impact Report
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Residential Design and Development Standards: With the advent of production housing as a means of achieving affordability in housing, staff has fielded many complaints about the lack of residential design standards to ensure that homes along streets were not being built in such a manner that they mirror each other, creating the effect of what is commonly known as cookie-cutter housing. And since one of the adopted Great Neighborhood Principles is a diversity of housing and a diverse housing zone was part of the recommended future housing strategy drafted by the Housing Needs Analysis Project Advisory Committee, staff has already started working on draft residential design and development standards that can be used to help accommodate the HB 2001 mandate. When staff conducted surveys as part of the Great Neighborhood Principles, it became fairly clear that many people react to what the housing product looks like rather than the amount of units in the structure. People more often than not expressed a desire to see duplexes, triplexes and quadplexes that look like single family dwelling units. (Please see images below).



ADU/CARRIAGE HOUSE

DUPLEX - Side by Side/Stacked

TRIPLEX



FOURPLEX

MANSION APARTMENT

BUNGALOW COURT



TOWNHOME

APARTMENT BUILDING - Small

APARTMENT BUILDING -Large

Attachments:

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- June 2019 Legislative Fiscal Statement
- State Budget Impact Report
- Draft McMinnville Future Housing Strategy



Duplex



Cottage



Quadplex

The proposed residential design and development standards takes this preference into account. Standards are being developed for tiny homes, cottage clusters, plexes, single family dwellings, townhouses and multi-family structures. There will be a non-discretionary streamlined design review process or a flexible design review process that the developer can choose. The standards will be developed to accommodate new construction, infill development, with an alley and without an alley, and will have illustrative guidelines. After a draft standard is complete, the City will solicit public input on the design and development standards with the intent of adoption by June, 2021.

Building Code Standards: HB 2001 directs the Oregon Building Codes Division to revise the building codes to allow alternate approval of construction related to conversions of single-family dwellings into no more than four residential dwelling units

Other Mandates of HB 2001:

- Affordable Housing Programs: Cities need to consider ways to increase the affordability of middle housing by considering ordinances and policies that include but are not limited to: waiving or deferring system development charges; adopting or amending criteria for property tax exemptions and assessing a construction excise tax. All of which are recommended in the draft McMinnville Housing Strategy.
- Accessory Dwelling Units: Cities cannot require additional off-street parking for accessory dwelling units. The City of McMinnville currently does so this will need to be amended in the zoning ordinance. If the Accessory Dwelling Unit is being used as a vacation rental, cities can require additional off-street parking.
- Annual Reporting: Cities will need to report more categories of housing on their annual reports.

Attachments:

- HB 2001 Enrolled
- June 2019 Legislative Fiscal Statement
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Attachments:

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Fiscal Impact:

The fiscal impact of this state mandate to the City of McMinnville is unknown at this time. The City will need to evaluate its transportation, wastewater, water and utility infrastructure to ascertain how it will support the increased density allowed in the bill in neighborhoods that were not previously planned for that type of density.

According to the League of Oregon Cities, there are 53 cities subject to changing zoning and engineering review requirements under this measure. Of these, 32 of the cities are within the Metro boundary or have populations of over 25,000. The League of Oregon Cities estimates that costs for each city could include \$80,000 for a code update, \$250,000 for internal staffing costs, and \$250,000-\$400,000 for engineering review of infrastructure capacity. (Please see attached Fiscal Impact Statement of Proposed Legislation dated June 7, 2019.)

This does not include other costs such as actual upgrades to infrastructure to support housing, which could be substantial in McMinnville due to current infrastructure constraints.

The bill allocates \$3,500,000 to the Department of Land Conservation and Development for the purpose of providing technical assistance to local governments in developing plans for to improve water, sewer, storm and transportation services. It is not clear yet how this money will be deployed. (Please see attached state budget impact of proposed legislation document).

Since the city is currently in a growth analysis evaluation which requires updating the public facility plans, the work associated with HB 2001 could be incorporated into that scope of work. Public facility updates have not yet been budgeted for in the City of McMinnville budget.

Next Steps:

Finish Draft Residential Design and Development Standards and start public engagement and input process with a goal of adoption by February, 2021.

Initiate infrastructure plan updates to accommodate HB 2001 with a goal of completion by February, 2021.

Attachments:

- HB 2001 Enrolled
- June 2019 Legislative Fiscal Statement
- State Budget Impact Report
- Draft McMinnville Future Housing Strategy

Enrolled
House Bill 2001

Sponsored by Representative KOTEK; Representatives FAHEY, HERNANDEZ, MARSH,
MITCHELL, POWER, STARK, WILLIAMS, ZIKA (Presession filed.)

CHAPTER

AN ACT

Relating to housing; creating new provisions; amending ORS 197.296, 197.303, 197.312 and 455.610 and section 1, chapter 47, Oregon Laws 2018; and declaring an emergency.

Be It Enacted by the People of the State of Oregon:

SECTION 1. Section 2 of this 2019 Act is added to and made a part of ORS chapter 197.

SECTION 2. (1) As used in this section:

(a) “Cottage clusters” means groupings of no fewer than four detached housing units per acre with a footprint of less than 900 square feet each and that include a common courtyard.

(b) “Middle housing” means:

- (A) Duplexes;
- (B) Triplexes;
- (C) Quadplexes;
- (D) Cottage clusters; and
- (E) Townhouses.

(c) “Townhouses” means a dwelling unit constructed in a row of two or more attached units, where each dwelling unit is located on an individual lot or parcel and shares at least one common wall with an adjacent unit.

(2) Except as provided in subsection (4) of this section, each city with a population of 25,000 or more and each county or city within a metropolitan service district shall allow the development of:

(a) All middle housing types in areas zoned for residential use that allow for the development of detached single-family dwellings; and

(b) A duplex on each lot or parcel zoned for residential use that allows for the development of detached single-family dwellings.

(3) Except as provided in subsection (4) of this section, each city not within a metropolitan service district with a population of more than 10,000 and less than 25,000 shall allow the development of a duplex on each lot or parcel zoned for residential use that allows for the development of detached single-family dwellings. Nothing in this subsection prohibits a local government from allowing middle housing types in addition to duplexes.

(4) This section does not apply to:

- (a) Cities with a population of 1,000 or fewer;
- (b) Lands not within an urban growth boundary;

(c) Lands that are not incorporated and also lack sufficient urban services, as defined in ORS 195.065;

(d) Lands that are not zoned for residential use, including lands zoned primarily for commercial, industrial, agricultural or public uses; or

(e) Lands that are not incorporated and are zoned under an interim zoning designation that maintains the land's potential for planned urban development.

(5) Local governments may regulate siting and design of middle housing required to be permitted under this section, provided that the regulations do not, individually or cumulatively, discourage the development of all middle housing types permitted in the area through unreasonable costs or delay. Local governments may regulate middle housing to comply with protective measures adopted pursuant to statewide land use planning goals.

(6) This section does not prohibit local governments from permitting:

(a) Single-family dwellings in areas zoned to allow for single-family dwellings; or

(b) Middle housing in areas not required under this section.

SECTION 3. (1) Notwithstanding ORS 197.646, a local government shall adopt land use regulations or amend its comprehensive plan to implement section 2 of this 2019 Act no later than:

(a) June 30, 2021, for each city subject to section 2 (3) of this 2019 Act; or

(b) June 30, 2022, for each local government subject to section 2 (2) of this 2019 Act.

(2) The Land Conservation and Development Commission, with the assistance of the Building Codes Division of the Department of Consumer and Business Services, shall develop a model middle housing ordinance no later than December 31, 2020.

(3) A local government that has not acted within the time provided under subsection (1) of this section shall directly apply the model ordinance developed by the commission under subsection (2) of this section under ORS 197.646 (3) until the local government acts as described in subsection (1) of this section.

(4) In adopting regulations or amending a comprehensive plan under this section, a local government shall consider ways to increase the affordability of middle housing by considering ordinances and policies that include but are not limited to:

(a) Waiving or deferring system development charges;

(b) Adopting or amending criteria for property tax exemptions under ORS 307.515 to 307.523, 307.540 to 307.548 or 307.651 to 307.687 or property tax freezes under ORS 308.450 to 308.481; and

(c) Assessing a construction tax under ORS 320.192 and 320.195.

(5) When a local government makes a legislative decision to amend its comprehensive plan or land use regulations to allow middle housing in areas zoned for residential use that allow for detached single-family dwellings, the local government is not required to consider whether the amendments significantly affect an existing or planned transportation facility.

SECTION 4. (1) Notwithstanding section 3 (1) or (3) of this 2019 Act, the Department of Land Conservation and Development may grant to a local government that is subject to section 2 of this 2019 Act an extension of the time allowed to adopt land use regulations or amend its comprehensive plan under section 3 of this 2019 Act.

(2) An extension under this section may be applied only to specific areas where the local government has identified water, sewer, storm drainage or transportation services that are either significantly deficient or are expected to be significantly deficient before December 31, 2023, and for which the local government has established a plan of actions that will remedy the deficiency in those services that is approved by the department. The extension may not extend beyond the date that the local government intends to correct the deficiency under the plan.

(3) In areas where the extension under this section does not apply, the local government shall apply its own land use regulations consistent with section 3 (1) of this 2019 Act or the model ordinance developed under section 3 (2) of this 2019 Act.

(4) A request for an extension by a local government must be filed with the department no later than:

- (a) **December 31, 2020, for a city subject to section 2 (3) of this 2019 Act.**
- (b) **June 30, 2021, for a local government subject to section 2 (2) of this 2019 Act.**
- (5) **The department shall grant or deny a request for an extension under this section:**
 - (a) **Within 90 days of receipt of a complete request from a city subject to section 2 (3) of this 2019 Act.**
 - (b) **Within 120 days of receipt of a complete request from a local government subject to section 2 (2) of this 2019 Act.**
- (6) **The department shall adopt rules regarding the form and substance of a local government's application for an extension under this section. The department may include rules regarding:**
 - (a) **Defining the affected areas;**
 - (b) **Calculating deficiencies of water, sewer, storm drainage or transportation services;**
 - (c) **Service deficiency levels required to qualify for the extension;**
 - (d) **The components and timing of a remediation plan necessary to qualify for an extension;**
 - (e) **Standards for evaluating applications; and**
 - (f) **Establishing deadlines and components for the approval of a plan of action.**

SECTION 5. ORS 197.296 is amended to read:

197.296. (1)(a) The provisions of subsections (2) to (9) of this section apply to metropolitan service district regional framework plans and local government comprehensive plans for lands within the urban growth boundary of a city that is located outside of a metropolitan service district and has a population of 25,000 or more.

(b) The Land Conservation and Development Commission may establish a set of factors under which additional cities are subject to the provisions of this section. In establishing the set of factors required under this paragraph, the commission shall consider the size of the city, the rate of population growth of the city or the proximity of the city to another city with a population of 25,000 or more or to a metropolitan service district.

(2) At periodic review pursuant to ORS 197.628 to 197.651 or at any other legislative review of the comprehensive plan or regional framework plan that concerns the urban growth boundary and requires the application of a statewide planning goal relating to buildable lands for residential use, a local government shall demonstrate that its comprehensive plan or regional framework plan provides sufficient buildable lands within the urban growth boundary established pursuant to statewide planning goals to accommodate estimated housing needs for 20 years. The 20-year period shall commence on the date initially scheduled for completion of the periodic or legislative review.

(3) In performing the duties under subsection (2) of this section, a local government shall:

(a) Inventory the supply of buildable lands within the urban growth boundary and determine the housing capacity of the buildable lands; and

(b) Conduct an analysis of **existing and projected** housing need by type and density range, in accordance with **all factors under** ORS 197.303 and statewide planning goals and rules relating to housing, to determine the number of units and amount of land needed for each needed housing type for the next 20 years.

(4)(a) For the purpose of the inventory described in subsection (3)(a) of this section, "buildable lands" includes:

(A) Vacant lands planned or zoned for residential use;

(B) Partially vacant lands planned or zoned for residential use;

(C) Lands that may be used for a mix of residential and employment uses under the existing planning or zoning; and

(D) Lands that may be used for residential infill or redevelopment.

(b) For the purpose of the inventory and determination of housing capacity described in subsection (3)(a) of this section, the local government must demonstrate consideration of:

(A) The extent that residential development is prohibited or restricted by local regulation and ordinance, state law and rule or federal statute and regulation;

(B) A written long term contract or easement for radio, telecommunications or electrical facilities, if the written contract or easement is provided to the local government; and

(C) The presence of a single family dwelling or other structure on a lot or parcel.

(c) Except for land that may be used for residential infill or redevelopment, a local government shall create a map or document that may be used to verify and identify specific lots or parcels that have been determined to be buildable lands.

(5)(a) Except as provided in paragraphs (b) and (c) of this subsection, the determination of housing capacity *[and need]* pursuant to subsection [(3)] **(3)(a)** of this section must be based on data relating to land within the urban growth boundary that has been collected since the last *[periodic]* review or *[five]* **six** years, whichever is greater. The data shall include:

(A) The number, density and average mix of housing types of urban residential development that have actually occurred;

(B) Trends in density and average mix of housing types of urban residential development;

(C) **Market factors that may substantially impact future urban residential development;**
and

[(C) Demographic and population trends;]

[(D) Economic trends and cycles; and]

[(E)] **(D)** The number, density and average mix of housing types that have occurred on the buildable lands described in subsection (4)(a) of this section.

(b) A local government shall make the determination described in paragraph (a) of this subsection using a shorter time period than the time period described in paragraph (a) of this subsection if the local government finds that the shorter time period will provide more accurate and reliable data related to housing capacity *[and need]*. The shorter time period may not be less than three years.

(c) A local government shall use data from a wider geographic area or use a time period *[for economic cycles and trends]* longer than the time period described in paragraph (a) of this subsection if the analysis of a wider geographic area or the use of a longer time period will provide more accurate, complete and reliable data relating to trends affecting housing need than an analysis performed pursuant to paragraph (a) of this subsection. The local government must clearly describe the geographic area, time frame and source of data used in a determination performed under this paragraph.

(6) If the housing need determined pursuant to subsection (3)(b) of this section is greater than the housing capacity determined pursuant to subsection (3)(a) of this section, the local government shall take one or *[more]* **both** of the following actions to accommodate the additional housing need:

(a) Amend its urban growth boundary to include sufficient buildable lands to accommodate housing needs for the next 20 years. As part of this process, the local government shall consider the effects of measures taken pursuant to paragraph (b) of this subsection. The amendment shall include sufficient land reasonably necessary to accommodate the siting of new public school facilities. The need and inclusion of lands for new public school facilities shall be a coordinated process between the affected public school districts and the local government that has the authority to approve the urban growth boundary[;].

(b) Amend its comprehensive plan, regional framework plan, functional plan or land use regulations to include new measures that demonstrably increase the likelihood that residential development will occur at densities sufficient to accommodate housing needs for the next 20 years without expansion of the urban growth boundary. A local government or metropolitan service district that takes this action shall *[monitor and record the level of development activity and development density by housing type following the date of the adoption of the new measures; or]* **adopt findings regarding the density expectations assumed to result from measures adopted under this paragraph based upon the factors listed in ORS 197.303 (2) and data in subsection (5)(a) of this section. The density expectations may not project an increase in residential capacity above achieved density by more than three percent without quantifiable validation of such departures. For a local government located outside of a metropolitan service district, a quantifiable vali-**

ation must demonstrate that the assumed housing capacity has been achieved in areas that are zoned to allow no greater than the same authorized density level within the local jurisdiction or a jurisdiction in the same region. For a metropolitan service district, a quantifiable validation must demonstrate that the assumed housing capacity has been achieved in areas that are zoned to allow no greater than the same authorized density level within the metropolitan service district.

[(c) Adopt a combination of the actions described in paragraphs (a) and (b) of this subsection.]

(c) As used in this subsection, “authorized density level” has the meaning given that term in ORS 227.175.

(7) Using the **housing need** analysis conducted under subsection (3)(b) of this section, the local government shall determine the overall average density and overall mix of housing types at which residential development of needed housing types must occur in order to meet housing needs over the next 20 years. If that density is greater than the actual density of development determined under subsection (5)(a)(A) of this section, or if that mix is different from the actual mix of housing types determined under subsection (5)(a)(A) of this section, the local government, as part of its periodic review, shall adopt measures that demonstrably increase the likelihood that residential development will occur at the housing types and density and at the mix of housing types required to meet housing needs over the next 20 years.

(8)(a) A local government outside a metropolitan service district that takes any actions under subsection (6) or (7) of this section shall demonstrate that the comprehensive plan and land use regulations comply with goals and rules adopted by the commission and implement ORS 197.295 to 197.314.

(b) *[The]* A local government shall determine the density and mix of housing types anticipated as a result of actions taken under subsections (6) and (7) of this section and monitor and record the actual density and mix of housing types achieved **following the adoption of these actions**. The local government shall compare actual and anticipated density and mix. The local government shall submit its comparison to the commission at the next periodic review or at the next legislative review of its urban growth boundary, whichever comes first.

(9) In establishing that actions and measures adopted under subsections (6) and (7) of this section demonstrably increase the likelihood of higher density residential development, the local government shall at a minimum ensure that land zoned for needed housing is in locations appropriate for the housing types identified under subsection (3) of this section, *[and]* is zoned at density ranges that are likely to be achieved by the housing market using the analysis in subsection (3) of this section **and is in areas where sufficient urban services are planned to enable the higher density development to occur over the 20-year period**. Actions or measures, or both, may include but are not limited to:

- (a) Increases in the permitted density on existing residential land;
- (b) Financial incentives for higher density housing;
- (c) Provisions permitting additional density beyond that generally allowed in the zoning district in exchange for amenities and features provided by the developer;
- (d) Removal or easing of approval standards or procedures;
- (e) Minimum density ranges;
- (f) Redevelopment and infill strategies;
- (g) Authorization of housing types not previously allowed by the plan or regulations;
- (h) Adoption of an average residential density standard; and
- (i) Rezoning or redesignation of nonresidential land.

(10)(a) The provisions of this subsection apply to local government comprehensive plans for lands within the urban growth boundary of a city that is located outside of a metropolitan service district and has a population of less than 25,000.

(b) At periodic review pursuant to ORS 197.628 to 197.651 or at any other legislative review of the comprehensive plan that requires the application of a statewide planning goal relating to buildable lands for residential use, a city shall, according to rules of the commission:

- (A) Determine the estimated housing needs within the jurisdiction for the next 20 years;
- (B) Inventory the supply of buildable lands available within the urban growth boundary to accommodate the estimated housing needs determined under this subsection; and
- (C) Adopt measures necessary to accommodate the estimated housing needs determined under this subsection.

(c) For the purpose of the inventory described in this subsection, “buildable lands” includes those lands described in subsection (4)(a) of this section.

SECTION 6. ORS 197.303 is amended to read:

197.303. (1) As used in ORS [197.307] **197.295 to 197.314**, “needed housing” means all housing on land zoned for residential use or mixed residential and commercial use that is determined to meet the need shown for housing within an urban growth boundary at price ranges and rent levels that are affordable to households within the county with a variety of incomes, including but not limited to households with low incomes, very low incomes and extremely low incomes, as those terms are defined by the United States Department of Housing and Urban Development under 42 U.S.C. 1437a. “Needed housing” includes the following housing types:

- (a) Attached and detached single-family housing and multiple family housing for both owner and renter occupancy;
- (b) Government assisted housing;
- (c) Mobile home or manufactured dwelling parks as provided in ORS 197.475 to 197.490;
- (d) Manufactured homes on individual lots planned and zoned for single-family residential use that are in addition to lots within designated manufactured dwelling subdivisions; and
- (e) Housing for farmworkers.

(2) For the purpose of estimating housing needs, as described in ORS 197.296 (3)(b), a local government shall use the population projections prescribed by ORS 195.033 or 195.036 and shall consider and adopt findings related to changes in each of the following factors since the last periodic or legislative review or six years, whichever is greater, and the projected future changes in these factors over a 20-year planning period:

- (a) Household sizes;**
- (b) Household demographics in terms of age, gender, race or other established demographic category;**
- (c) Household incomes;**
- (d) Vacancy rates; and**
- (e) Housing costs.**

(3) A local government shall make the estimate described in subsection (2) of this section using a shorter time period than since the last periodic or legislative review or six years, whichever is greater, if the local government finds that the shorter time period will provide more accurate and reliable data related to housing need. The shorter time period may not be less than three years.

(4) A local government shall use data from a wider geographic area or use a time period longer than the time period described in subsection (2) of this section if the analysis of a wider geographic area or the use of a longer time period will provide more accurate, complete and reliable data relating to trends affecting housing need than an analysis performed pursuant to subsection (2) of this section. The local government must clearly describe the geographic area, time frame and source of data used in an estimate performed under this subsection.

[2] **(5)** Subsection (1)(a) and (d) of this section does not apply to:

- (a) A city with a population of less than 2,500.
- (b) A county with a population of less than 15,000.

[3] **(6)** A local government may take an exception under ORS 197.732 to the definition of “needed housing” in subsection (1) of this section in the same manner that an exception may be taken under the goals.

SECTION 7. ORS 197.312, as amended by section 7, chapter 15, Oregon Laws 2018, is amended to read:

197.312. (1) A city or county may not by charter prohibit from all residential zones attached or detached single-family housing, multifamily housing for both owner and renter occupancy or manufactured homes. A city or county may not by charter prohibit government assisted housing or impose additional approval standards on government assisted housing that are not applied to similar but unassisted housing.

(2)(a) A single-family dwelling for a farmworker and the farmworker's immediate family is a permitted use in any residential or commercial zone that allows single-family dwellings as a permitted use.

(b) A city or county may not impose a zoning requirement on the establishment and maintenance of a single-family dwelling for a farmworker and the farmworker's immediate family in a residential or commercial zone described in paragraph (a) of this subsection that is more restrictive than a zoning requirement imposed on other single-family dwellings in the same zone.

(3)(a) Multifamily housing for farmworkers and farmworkers' immediate families is a permitted use in any residential or commercial zone that allows multifamily housing generally as a permitted use.

(b) A city or county may not impose a zoning requirement on the establishment and maintenance of multifamily housing for farmworkers and farmworkers' immediate families in a residential or commercial zone described in paragraph (a) of this subsection that is more restrictive than a zoning requirement imposed on other multifamily housing in the same zone.

(4) A city or county may not prohibit a property owner or developer from maintaining a real estate sales office in a subdivision or planned community containing more than 50 lots or dwelling units for the sale of lots or dwelling units that remain available for sale to the public.

(5)(a) A city with a population greater than 2,500 or a county with a population greater than 15,000 shall allow in areas within the urban growth boundary that are zoned for detached single-family dwellings the development of at least one accessory dwelling unit for each detached single-family dwelling, subject to reasonable local regulations relating to siting and design.

(b) As used in this subsection[.]:

(A) "Accessory dwelling unit" means an interior, attached or detached residential structure that is used in connection with or that is accessory to a single-family dwelling.

(B) "**Reasonable local regulations relating to siting and design**" does not include owner-occupancy requirements of either the primary or accessory structure or requirements to construct additional off-street parking.

(6) **Subsection (5) of this section does not prohibit local governments from regulating vacation occupancies, as defined in ORS 90.100, to require owner-occupancy or off-street parking.**

SECTION 8. Section 1, chapter 47, Oregon Laws 2018, is amended to read:

Sec. 1. (1) For purposes of this section:

(a) A household is severely rent burdened if the household spends more than 50 percent of the income of the household on gross rent for housing.

(b) A regulated affordable unit is a residential unit subject to a regulatory agreement that runs with the land and that requires affordability for an established income level for a defined period of time.

[(c) A single-family unit may be rented or owned by a household and includes single-family homes, duplexes, townhomes, row homes and mobile homes.]

(2)(a) The Housing and Community Services Department shall annually provide to the governing body of each city in this state with a population greater than 10,000 the most current data available from the United States Census Bureau, or any other source the department considers at least as reliable, showing the percentage of renter households in the city that are severely rent burdened.

(b) The Housing and Community Services Department, in collaboration with the Department of Land Conservation and Development, shall develop a survey form on which the governing body of

a city may provide specific information related to the affordability of housing within the city, including, but not limited to:

(A) The actions relating to land use and other related matters that the governing body has taken to increase the affordability of housing and reduce rent burdens for severely rent burdened households; and

(B) The additional actions the governing body intends to take to reduce rent burdens for severely rent burdened households.

(c) If the Housing and Community Services Department determines that at least 25 percent of the renter households in a city are severely rent burdened, the department shall provide the governing body of the city with the survey form developed pursuant to paragraph (b) of this subsection.

(d) The governing body of the city shall return the completed survey form to the Housing and Community Services Department and the Department of Land Conservation and Development within 60 days of receipt.

(3)(a) In any year in which the governing body of a city is informed under this section that at least 25 percent of the renter households in the city are severely rent burdened, the governing body shall hold at least one public meeting to discuss the causes and consequences of severe rent burdens within the city, the barriers to reducing rent burdens and possible solutions.

(b) The Housing and Community Services Department may adopt rules governing the conduct of the public meeting required under this subsection.

(4) No later than February 1 of each year, the governing body of each city in this state with a population greater than 10,000 shall submit to the Department of Land Conservation and Development a report for the immediately preceding calendar year setting forth separately for each of the following categories the total number of units that were permitted and the total number that were produced:

- (a) Residential units.
- (b) Regulated affordable residential units.
- (c) Multifamily residential units.
- (d) Regulated affordable multifamily residential units.
- (e) Single-family [*units*] **homes**.
- (f) Regulated affordable single-family [*units*] **homes**.
- (g) Accessory dwelling units.**
- (h) Regulated affordable accessory dwelling units.**
- (i) Units of middle housing, as defined in section 2 of this 2019 Act.**
- (j) Regulated affordable units of middle housing.**

SECTION 9. ORS 455.610 is amended to read:

455.610. (1) The Director of the Department of Consumer and Business Services shall adopt, and amend as necessary, a Low-Rise Residential Dwelling Code that contains all requirements, including structural design provisions, related to the construction of residential dwellings three stories or less above grade. The code provisions for plumbing and electrical requirements must be compatible with other specialty codes adopted by the director. The Electrical and Elevator Board, the Mechanical Board and the State Plumbing Board shall review, respectively, amendments to the electrical, mechanical or plumbing provisions of the code.

(2) Changes or amendments to the code adopted under subsection (1) of this section may be made when:

- (a) Required by geographic or climatic conditions unique to Oregon;
- (b) Necessary to be compatible with other statutory provisions;
- (c) Changes to the national codes are adopted in Oregon; or
- (d) Necessary to authorize the use of building materials and techniques that are consistent with nationally recognized standards and building practices.

(3) Notwithstanding ORS 455.030, 455.035, 455.110 and 455.112, the director may, at any time following appropriate consultation with the Mechanical Board or Building Codes Structures Board,

amend the mechanical specialty code or structural specialty code to ensure compatibility with the Low-Rise Residential Dwelling Code.

(4) The water conservation provisions for toilets, urinals, shower heads and interior faucets adopted in the Low-Rise Residential Dwelling Code shall be the same as those adopted under ORS 447.020 to meet the requirements of ORS 447.145.

(5) The Low-Rise Residential Dwelling Code shall be adopted and amended as provided by ORS 455.030 and 455.110.

(6) The director, by rule, shall establish uniform standards for a municipality to allow an alternate method of construction to the requirements for one and two family dwellings built to the Low-Rise Residential Dwelling Code in areas where the local jurisdiction determines that the fire apparatus means of approach to a property or water supply serving a property does not meet applicable fire code or state building code requirements. The alternate method of construction, which may include but is not limited to the installation of automatic fire sprinkler systems, must be approved in conjunction with the approval of an application under ORS 197.522.

(7) For lots of record existing before July 2, 2001, or property that receives any approval for partition, subdivision or construction under ORS 197.522 before July 2, 2001, a municipality allowing an alternate method of construction to the requirements for one and two family dwellings built to the Low-Rise Residential Dwelling Code may apply the uniform standards established by the director pursuant to subsection (6) of this section. For property that receives all approvals for partition, subdivision or construction under ORS 197.522 on or after July 2, 2001, a municipality allowing an alternate method of construction to the requirements for one and two family dwellings built to the Low-Rise Residential Dwelling Code must apply the uniform standards established by the director pursuant to subsection (6) of this section.

(8) The director, by rule, shall establish uniform standards for a municipality to allow alternate approval of construction related to conversions of single-family dwellings into no more than four residential dwelling units built to the Low-Rise Residential Dwelling Code that received occupancy approval prior to January 1, 2020. The standards established under this subsection must include standards describing the information that must be submitted before an application for alternate approval will be deemed complete.

(9)(a) A building official described in ORS 455.148 or 455.150 must approve or deny an application for alternate approval under subsection (8) of this section no later than 15 business days after receiving a complete application.

(b) A building official who denies an application for alternate approval under this subsection shall provide to the applicant:

(A) A written explanation of the basis for the denial; and

(B) A statement that describes the applicant's appeal rights under subsection (10) of this section.

(10)(a) An appeal from a denial under subsection (9) of this section must be made through a municipal administrative process. A municipality shall provide an administrative process that:

(A) Is other than a judicial proceeding in a court of law; and

(B) Affords the party an opportunity to appeal the denial before an individual, department or body that is other than a plan reviewer, inspector or building official for the municipality.

(b) A decision in an administrative process under this subsection must be completed no later than 30 business days after the building official receives notice of the appeal.

(c) Notwithstanding ORS 455.690, a municipal administrative process required under this subsection is the exclusive means for appealing a denial under subsection (9) of this section.

(11) The costs incurred by a municipality under subsections (9) and (10) of this section are building inspection program administration and enforcement costs for the purpose of fee adoption under ORS 455.210.

SECTION 10. (1) It is the policy of the State of Oregon to reduce to the extent practicable administrative and permitting costs and barriers to the construction of middle housing, as defined in section 2 of this 2019 Act, while maintaining safety, public health and the general welfare with respect to construction and occupancy.

(2) The Department of Consumer and Business Services shall submit a report describing rules and standards relating to low-rise residential dwellings proposed under ORS 455.610, as amended by section 9 of this 2019 Act, in the manner provided in ORS 192.245, to an interim committee of the Legislative Assembly related to housing no later than January 1, 2020.

SECTION 11. Section 12 of this 2019 Act is added to and made a part of ORS 94.550 to 94.783.

SECTION 12. A provision in a governing document that is adopted or amended on or after the effective date of this 2019 Act, is void and unenforceable to the extent that the provision would prohibit or have the effect of unreasonably restricting the development of housing that is otherwise allowable under the maximum density of the zoning for the land.

SECTION 13. A provision in a recorded instrument affecting real property is not enforceable if:

(1) The provision would allow the development of a single-family dwelling on the real property but would prohibit the development of:

(a) Middle housing, as defined in section 2 of this 2019 Act; or

(b) An accessory dwelling unit allowed under ORS 197.312 (5); and

(2) The instrument was executed on or after the effective date of this 2019 Act.

SECTION 14. (1) Sections 2, 12 and 13 of this 2019 Act and the amendments to ORS 197.296, 197.303, 197.312 and 455.610 and section 1, chapter 47, Oregon Laws 2018, by sections 5 to 9 of this 2019 Act become operative on January 1, 2020.

(2) The Land Conservation and Development Commission, the Department of Consumer and Business Services and the Residential and Manufactured Structures Board may take any actions before the operative date specified in subsection (1) of this section necessary to enable the commission, department or board to exercise, on or after the operative date specified in subsection (1) of this section, the duties required under sections 2, 3 and 10 of this 2019 Act and the amendments to ORS 455.610 by section 9 of this 2019 Act.

SECTION 15. In addition to and not in lieu of any other appropriation, there is appropriated to the Department of Land Conservation and Development, for the biennium beginning July 1, 2019, out of the General Fund, the amount of \$3,500,000 for the purpose of providing technical assistance to local governments in implementing section 3 (1) of this 2019 Act and to develop plans to improve water, sewer, storm drainage and transportation services as described in section 4 (2) of this 2019 Act. The department shall prioritize technical assistance to cities or counties with limited planning staff or that commit to implementation earlier than the date required under section 3 (1) of this 2019 Act.

SECTION 16. This 2019 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2019 Act takes effect on its passage.

Passed by House June 20, 2019

.....
Timothy G. Sekerak, Chief Clerk of House

.....
Tina Kotek, Speaker of House

Passed by Senate June 30, 2019

.....
Peter Courtney, President of Senate

Received by Governor:

.....M,....., 2019

Approved:

.....M,....., 2019

.....
Kate Brown, Governor

Filed in Office of Secretary of State:

.....M,....., 2019

.....
Bev Clarno, Secretary of State

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: HB 2001 - A16

80th Oregon Legislative Assembly – 2019 Regular Session
Legislative Fiscal Office

*Only Impacts on Original or Engrossed
Versions are Considered Official*

Prepared by: Haylee Morse-Miller
Reviewed by: Ken Rocco, Matt Stayner
Date: June 7, 2019

Measure Description:

Requires cities with population greater than 10,000 to allow duplexes in lands zoned for single-family dwellings within urban growth boundary.

Government Unit(s) Affected:

Metro, Cities, Counties, Department of Consumer and Business Services (DCBS), Department of Land Conservation and Development (DLCD)

Summary of Fiscal Impact:

Costs related to the measure may require budgetary action - See analysis.

Analysis:

HB 2001 - A16 outlines regulations related to middle housing, including where middle housing is allowed and how it can be regulated. Cities with populations of 25,000 or more and counties or cities within a metropolitan service district are directed to allow development of middle housing and duplexes in certain zoned areas; and cities not within a metropolitan service district with populations between 10,000 and 25,000 are directed to allow development of duplexes in certain zoned areas. Local governments may regulate siting and design of middle housing, but not in a way that discourages development of this housing type, and are directed to consider ways to increase middle housing affordability. Cities are directed to update their land use regulations or amend comprehensive plans in order to encourage middle housing by June 30, 2021 or by June 30, 2022, with deadlines based on population. The Department of Land Conservation and Development (DLCD) may grant extensions to these timelines in cases where the local government has identified infrastructure deficiencies, and submitted a remediation plan.

Under this measure, the requirements regarding housing needs analyses by certain cities and metropolitan service districts are changed. Cities with populations over 10,000 are directed to report to DLCD the number of certain types of units that are permitted and produced. The Department of Consumer and Business Services (DCBS) is directed to establish standards for a municipality to allow alternate approval of construction that converts a single-family dwelling into four or fewer residential dwelling units. DCBS is directed to submit a report describing rules and standards related to low-rise residential dwellings, to an interim committee of the Legislative Assembly related to housing, no later than January 1, 2020.

The Land Conservation and Development Commission (LCDC), in partnership with DCBS, is to develop a model middle housing ordinance by December 31, 2020, which local governments must use if they have not developed their own housing ordinance. The measure further appropriates \$3.5 million General Fund to the Department of Land Conservation and Development (DLCD) to provide technical assistance to local governments, and contains two blank General Fund appropriations to for the purpose of implementing and enforcing this measure.

Counties and DCBS anticipate minimal fiscal impact as a result of this measure; further fiscal impacts are outlined below.

Metro

The fiscal impact for Metro is indeterminate but likely minimal. Metro may have a fiscal impact related to the required analysis of existing and projected housing need, should this project require a substantial analysis of housing resources. Otherwise, Metro anticipates minimal fiscal impact from this measure.

Cities

Cities anticipate an indeterminate but potentially large fiscal impact as a result of this measure, and note that this bill could potentially trigger an unfunded mandate.

According to the analysis from the League of Oregon Cities, there are 53 cities subject to changing zoning and engineering review requirements under this measure. Of these, 32 of the cities are within the Metro boundary or have populations of over 25,000, and could face higher costs of implementation of this measure. The remaining 21 cities, which have populations of between 10,000 and 25,000, and are located outside of Metro, have lesser requirements and could face relatively lower costs as a result of this measure.

The League of Oregon Cities estimates that costs for each city could include \$80,000 for a code update, \$250,000 for internal staffing costs, and \$250,000-\$400,000 for engineering review of infrastructure capacity. This does not include other costs such as public outreach and actual upgrades to infrastructure to support housing, which would increase costs substantially. It is notable however, that the review of infrastructure capacity is not a requirement of the bill, it is an activity that a city may choose to do to substantiate a request for an extension of the timeline to update their land use rules or comprehensive plans as required under the measure due to infrastructure deficiencies.

DLCD and LCDC

DLCD anticipates a cost of \$5.0 million General Fund in the 2019-21 biennium and \$4.9 million General Fund in the 2021-23 biennium.

The bill provides a \$3.5 million General Fund appropriation to DLCD which will be used by the agency to provide direct technical assistance through contracted services, provided to local governments as grants, or a combination of both for assistance with implementing this measure. It is unknown if DLCD will be able to disburse the entire \$3.5 million General Fund for technical assistance in the upcoming biennium; disbursement of local assistance grant funding is typically done on a reimbursement basis and therefore, those cities adhering to the longer timeline requirements may not apply for reimbursement prior to the end of the biennium.

DLCD anticipates that implementation of this measure will require four new positions (3.25 FTE), at an estimated cost of \$620,997 General Fund. These positions would provide technical assistance, review proposed codes, and develop a model code for middle housing. Positions would be limited duration through the end of 2021-23 biennium and include:

- Two Planner 3 positions (1.25 FTE)
- One Planner 4 position (1.00 FTE)
- One Administrative Specialist 2 position (0.50 FTE)
- One Procurement and Contracts Specialist 2 (0.50 FTE)

Additionally, DLCD anticipates \$916,955 in Services and Supplies costs related to items such as legal costs, employee-related Services and Supplies, enforcement costs, consultants for formation of a model ordinance, and procurement fees.

The fiscal impact to DLCD will vary based on other pending legislation. Should other housing-related measures such as HB 2003 be approved by the Legislature, then overlapping position responsibilities could decrease the funding and staffing levels DLCD has identified for this measure.

DCBS

DCBS does not believe that the adoption of rules for the local process will have a significant impact, and can be absorbed with existing agency resources.

HB 2001 A BUDGET REPORT and MEASURE SUMMARY

Joint Committee On Ways and Means

Prepared By: Ali Webb, Department of Administrative Services

Reviewed By: Matt Stayner, Legislative Fiscal Office

**Department of Land Conservation and Development
2019-21**

PRELIMINARY

Budget Summary*

	2017-19 Legislatively Approved Budget ⁽¹⁾	2019-21 Current Service Level	2019-21 Committee Recommendation	Committee Change from 2017-19 Leg. Approved	
				\$ Change	% Change
General Fund	\$ -	\$ -	\$ 3,500,000	\$ 3,500,000	100.0%
Total	\$ -	\$ -	\$ 3,500,000	\$ 3,500,000	100.0%

Position Summary

Authorized Positions	0	0	0	0
Full-time Equivalent (FTE) positions	0.00	0.00	0.00	0.00

⁽¹⁾ Includes adjustments through December 2018

* Excludes Capital Construction expenditures

Summary of Revenue Changes

House Bill 2001 appropriates \$3,500,000 General Fund to the Department of Land Conservation and Development (DLCD) for the purpose of providing technical assistance to local governments to implement middle housing regulations and provide urban services.

Summary of Transportation and Economic Development Subcommittee Action

The Subcommittee approved a one-time increase of \$3,500,000 General Fund to DLCDC’s budget for the 2019-21 biennium. The appropriation will fund Special Payments expenditures to provide technical assistance to local governments, through contracted services and/or grants, to implement middle housing regulations and to develop plans to improve water, sewer, storm drain, and transportation services. The bill requires DLCDC to provide necessary technical assistance to local governments to implement provisions of the bill by either June 30, 2021 or June 30, 2022, depending on a city’s population size. House Bill 2001 declares an emergency and is effective upon passage.

DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

Department of Land Conservation and Development
 Ali Webb - 503-378-4588

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
<u>SUBCOMMITTEE RECOMMENDATION</u>									
SCR 003 - Grant									
Special Payments (6085 Other Special Payments)	\$ 3,500,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,500,000		
TOTAL ADJUSTMENTS	\$ 3,500,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,500,000	0	0.00
SUBCOMMITTEE RECOMMENDATION	\$ 3,500,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,500,000	0	0.00

PRELIMINARY

City of McMinnville

Housing Strategy

June 2019

Prepared for:
City of McMinnville

FINAL REPORT

ECONorthwest
ECONOMICS • FINANCE • PLANNING

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Acknowledgements

ECONorthwest prepared this report for the City of McMinnville. ECONorthwest and the City of McMinnville thank those who helped develop the McMinnville Housing Strategy. This project is funded by Oregon general fund dollars through the Department of Land Conservation and Development. The contents of this document do not necessarily reflect the views or policies of the State of Oregon.

Project Advisory Committee (PAC)

Citizen Advisory Committee (CAC)

Marilyn Worrix, Chair	Alan Ruden	Beth Caster
Kellie Menke, Vice Chair	Sid Friedman	Michael Jester
Roger Lizut	Mark Davis	Robert J. Banagay
Susan Dirks	Danielle Hoffman	Amanda Perron
Roger Hall	Andrew Burton	Matt Deppe
		Patty O'Leary

Technical Advisory Committee (TAC)

State of Oregon

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Kevin Young, Housing Specialist– Oregon Department of Land Conservation and Development

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3. Appendices

1. Introduction

In 2018, the City of McMinnville received a Technical Assistance planning grant from the Department of Land Conservation and Development (DLCD) to develop a buildable land inventory (BLI), housing needs analysis (HNA), and housing strategy. The BLI and HNA determine whether the City has enough land to accommodate 20-years of population and housing growth. They also address needs for 5-, 10-, and 46-year periods. The BLI and HNA also provide the basis for an update to the City's Comprehensive Plan Housing Element, as well as the basis for developing a Housing Strategy to respond to the identified housing need. While the BLI and HNA predominantly provide the quantitative basis, the Housing Strategy addresses qualitative issues about how the City will plan for those needs, including policies to ensure the community achieves enduring value for future generations.

This work was undertaken with guidance by a Project Advisory Committee through a series of meetings, recommendations, and decision points. The project also included broader outreach with a focus group and public open house to seek input on housing needs and strategies to address identified needs.

Importantly, the housing strategy recognizes that the city does not build housing, but rather provides the regulatory framework in which housing is built. The first part of the strategy focuses on land use tools to ensure there is adequate land planned and zoned to meet the community's future housing needs, promoting opportunities for a variety of housing types, whether market rate or subsidized housing. This strategy further strives to provide opportunities for lower-cost market rate housing to the extent possible to achieve more housing affordability without reliance on subsidies if and when possible. However, it is recognized that housing for those with the lowest incomes is unlikely to be achieved at market rates, and will require some housing provided through affordable housing models that also include subsidized housing, choice vouchers, "sweat equity," etc. Unfortunately, in a community the size of McMinnville there are very few resources available to subsidize housing and without the requested changes in HB 2997 2019, allowing McMinnville to implement inclusionary zoning on housing developments for affordable housing, McMinnville has very few regulatory tools to mandate affordable housing. Like many smaller cities in Oregon, McMinnville will continue to face significant challenges providing subsidized housing for its residents with the lowest incomes.

The City is committed to working hard to ensure that every resident in McMinnville has a great neighborhood in which to live. Recently, the City adopted its Great Neighborhood Principles, thirteen principles of neighborhood development describing what makes a great neighborhood in McMinnville, with a goal of inclusivity and providing a great neighborhood for every resident to live in regardless of income. *See Exhibit 1.*

Exhibit 1. Summary of McMinnville’s Great Neighborhood Principles

McMinnville’s Great Neighborhood Principles will guide land use patterns, design, and development of the places where McMinnville citizens live, work, and play.



Great Neighborhoods are sensitive to the natural conditions and features of the land.



Great Neighborhoods preserve scenic views in areas that everyone can access.



Great Neighborhoods have open and recreational spaces to walk, play, gather, and commune as a neighborhood.



Great Neighborhoods are pedestrian friendly for people of all ages and abilities.



Great Neighborhoods are bike friendly for people of all ages and abilities.



Great Neighborhoods have interconnected streets that provide safe travel route options, increased connectivity between places and destinations, and easy pedestrian and bike use.



Great Neighborhoods are designed to be accessible and allow for ease of use for people of all ages and abilities.



Great Neighborhoods have buildings and spaces that are designed to be comfortable at a human scale and that foster human interaction within the built environment.



Great Neighborhoods provide easy and convenient access to many of the destinations, activities, and local services that residents use on a daily basis.



Great Neighborhoods complement adjacent rural areas and transition between urban and rural uses.



11 - Great Neighborhoods provide housing opportunities for people and families in all stages of life.
12 - Great Neighborhoods have a variety of building forms and architectural variety to avoid monoculture design.



Great Neighborhoods have unique features, designs, and focal points to create neighborhood character and identity.

McMinnville’s housing strategy strives to make transformational and fundamental changes to the Comprehensive Plan and Zoning Ordinance to ensure policies and regulations that provide neighborhoods with a variety of housing types, income levels and generations, rather than the homogeneous neighborhoods defined by Euclidean zoning.

Traditionally, when communities undertake their Housing Needs Analysis and Housing Strategy, they determine what the make-up of the future population is for the community and evaluate how they are going to meet the needs of that future population by identifying the types of housing they will encourage through their policies and housing strategy. Typically, the assumption is that the higher density housing is more affordable and therefore multi-family is the most affordable housing type to serve the population base on the lower end of the affordability spectrum (*see Exhibit 2*). However, that does not always bear true in reality and may be what had led to some of the affordable housing issues.

With this Housing Strategy, the City intends to dispel the notion that each of the major categories of needed housing types described in ORS 197.303(1)(a) (single family detached, single family attached and multi-family) is a proxy for a level of affordability (*see Exhibit 2*). Rather, it is recognized that there is a wide range of affordability within each of these major housing types, and communities should have housing strategies that promote housing choices in terms of housing types and in terms of ownership or rental, regardless of income. People are making their housing choices based upon two factors: 1) what they can afford; and 2) how they prefer to live (rental versus ownership, detached versus attached housing). Ideally a housing strategy would provide housing at all income levels that provide choices for all preferences (*see Exhibit 3*). There is not one “right” way to meet housing needs. **Exhibit 4** provides a conceptual illustration of how different communities might address housing needs in very different ways.

Exhibit 2. Relationships between affordability, housing type, and strategy in the traditional statutory model

Assumptions Inherent in Traditional Statutory Model			
	Less Affordable	More Affordable	
	1	2	3
A-Housing Type	Single-Family Detached	Single-Family Attached	Multi-Family
B-Density	Low Density	Medium Density	High Density
C-Affordability	High Cost	Medium Cost	Low Cost
Strategy	↓	↓	↓
Housing Mix Strategy	Reduce Share Compared to Historic	Increase Share Compared to Historic	Increase Share Compared to Historic
Housing Density Strategy	Increase Density of SFD	Increase Density of SFA	Increase Density of MFH
Leads To:	↓	↓	↓
Presumptive Outcome	<ul style="list-style-type: none"> • Lower % SFD in Mix • Increase Density of SFD • <u>Lower Cost:</u> • Less of the most expensive housing type • Make this housing type more affordable by increasing its density 	<ul style="list-style-type: none"> • Greater % SFA in Mix • Increase Density of SFA • <u>Lower Cost:</u> • More of a more afford. housing type • Make this housing type more affordable by increasing its density 	<ul style="list-style-type: none"> • Greater % of MFH in Mix • Increase Density of MFH • <u>Lower Cost:</u> • More of the most afford. housing type • Make this housing type more affordable by increasing its density
Action:	“Lock In” a mix and density, and determine how to achieve those with the strategy		

Exhibit 3. Affordable housing types by income level

	Extremely Low Income (≤30% of MHI) 509 HH in 20 Year Forecast 11% of total units	Very Low Income (30 – 50% of MHI) 507 HH in 20 Year Forecast 11% of total units	Low Income (50-80% of MHI) 719 HH in 20 Year Forecast 15% of total units	Middle Income (80 - 120% of MHI) 992 HH in 20 Year Forecast 21% of total units	High Income (≥120% of MHI) 1,930 HH in 20 Year Forecast 41% of total units
Single Family Detached	Tiny Home Villages Mobile Homes	Tiny Home Villages Mobile Homes Manufactured Homes Single Family Detached – Habitat and CHB, Section 8	Tiny Home Villages Mobile Homes Manufactured Homes Cottage Clusters Small Lot Subdivisions Single Family Detached – Habitat and CHB, Section 8	Single Family Detached Cottage Clusters Small Lot Subdivisions	Single Family Detached Cottage Clusters Small Lot Subdivisions
Single Family Attached		Common Wall Duplexes – Section 8 Townhomes – Section 8	Common Wall Duplexes – Section 8 Townhomes – Section 8	Common Wall Duplexes Townhomes	Common Wall Duplexes Townhomes
Multi-Family	Duplexes – Section 8 Triplexes – Section 8 Quadplexes – Section 8 Apartments – Section 8 Apartments - Subsidized	Duplexes – Section 8 Triplexes – Section 8 Quadplexes – Section 8 Apartments – Section 8 Apartments - Subsidized	Duplexes – Section 8 Triplexes – Section 8 Quadplexes – Section 8 Apartments – Section 8 Apartments - Subsidized	Duplexes Triplexes Quadplexes Apartments Condos	High End Duplexes High End Triplexes High End Quadplexes Apartments Condos

Exhibit 4. Spatial models of housing density



Provision of housing is accomplished by a wide variety of organizations including the City, builders, housing providers, and other organizations. Municipalities must fulfill certain requirements under state law and can choose to undertake additional roles to help achieve development of needed housing.

- The City of McMinnville’s Primary Role: Land Use Planning & Growth Management.**
 The City has a responsibility under state law to manage land use and development, including land and backbone infrastructure for housing. The City does this through its Comprehensive Plan and land use regulations. The City must adopt and amend plans to ensure an adequate supply of land zoned to accommodate needed housing, together with supporting infrastructure. Plans must be compliant with state and federal law, while reflecting local values and vision for a livable community.

- **The City of McMinnville’s Potential Roles.** The City does not build housing. In addition to its primary role in managing growth, the City may employ additional strategies to help builders and housing providers deliver market-rate and subsidized housing. Evaluation of these strategies, including evaluation of implementation options, are typically the basis for the work plans various City committees carry out with the appropriate charge. City committees generally include representatives of organizational partners.

Housing Strategic Priorities

Through the technical analysis of the Housing Needs Analysis and input from the Project Advisory Committee, the City identified four strategic priorities (SP). In light of Council’s adoption of the Great Neighborhood Principals, the Housing Strategy includes a fifth priority to address urban form. The strategic priorities are listed below.

- **Land Availability (SP1):** This strategic priority focuses on strategies that ensure an adequate land supply—not just a 20-year supply as Goal 10 requires, but also a pipeline of serviced land that is available for immediate development. Strategies include tools such as boundary amendments to expand the urban area, map amendments to increase density or amount of residentially zoned, and policy and code amendments to address development standards related to uses, density, and lot sizes. This Strategic Priority focuses on land supply, capacity, and availability.
- **Wider Variety of Housing Types (SP2):** This strategic priority intends to allow and encourage a wider array of housing types. This includes all needed housing types identified in ORS 197.303 and include tools to achieve a wider variety of housing types. The city has already adopted some of these tools such as allowing corner duplexes and accessory dwelling units. Other tools include expanding the types of housing allowed in low density zones, and allowing housing types such as cottage housing, tiny homes, and co-housing.
- **Housing Affordability (SP3):** This strategic priority focuses on McMinnville’s housing affordability issues. Much of that work is already underway with the council-appointed Affordable Housing Task Force.¹ This housing strategy is coordinated with that effort but does not intend to duplicate past or future efforts of the Task Force. As such, this housing strategy focuses on a narrow range of strategies which may complement or supplement Task Force efforts.
- **Infrastructure & Public Facilities (SP4):** This strategic priority focuses on ensuring that adequate and cost-effective infrastructure and public facilities are available to support new housing. It includes provision of services by the City and other services providers, including transportation, water, wastewater, stormwater, and parks functional plans. There are two predominant aspects to this strategic priority. First, as the City evaluates opportunities to meet needs within the current UGB, it is necessary to identify and

¹ <https://www.mcminnvilleoregon.gov/mahtf/page/mcminnville-affordable-housing-task-force-27>

evaluate existing infrastructure & public facilities planning assumptions, capacity, and potential constraints which may need to be resolved to facilitate housing at authorized densities, opportunities for infill and redevelopment, up-zoning, and/or special area planning that may incorporate housing or mixed-use development. Second, it will be necessary to evaluate infrastructure & public facilities needs associated with future expansion areas, including potential Urban Reserve and UGB expansion areas. Some of these issues may overlap, as there could be some cases where “downstream” capacity considerations might affect additional growth whether within the current UGB or in future expansion areas.

- **Urban Form (SP5):** This strategic priority focuses on preserving McMinnville’s character. The adoption of the Great Neighborhood Principles provides the foundation. This strategic priority includes strategies that preserve the character of existing neighborhoods while allowing new housing, and strategies that ensure that the Great Neighborhood principles are reflected in new development, in the unincorporated areas of the UGB, and in future expansion areas. *See Exhibit 4.*

Each of the strategies and actions aligns with one or more strategic priorities.

2. The McMinnville Housing Strategy

This Housing Strategy is an action plan. Accordingly, herein, the individual strategies and tools have been re-organized into **Strategies** and **Actions**. Each strategy includes individual actions grouped together as a series of tasks. When necessary these have been organized into a series of sequential tasks when there are task dependencies that drive the order of the work. There may also be certain efficiencies where there are similar tasks for more than one strategy that could be carried out at the same time to address similar issues for multiple strategies.

Organizing strategies into these groups also provides a specific context for individual strategies. The same strategy might be implemented differently depending on the specific context and objective to be achieved. For example, planning for a “diverse housing type” zone might be accomplished the same way throughout the UGB, or it might be tailored and accomplished one way for infill and redevelopment and a different way for new lands brought into the UGB. Grouping of strategies is also intended to help develop interdepartmental work plans, schedule work, assign resources, and identify budget needs.

In addition to the 20-year Housing Needs Analysis required by state law for UGB planning, the City also conducted the BLI and HNA to include analysis of land supply and housing needs for 5-, 10-, and 46- year periods to facilitate development of short-, medium-, and long-term strategies which are responsive to different needs, issues, and constraints associated with each of these time periods.

The McMinnville Housing Strategy was developed over the course of several meetings with the Project Advisory Committee. The committee reviewed key issues and prioritized more than 80 potential land-use and non-land-use actions. The following supporting materials from the PAC meeting are included as appendices to this document:

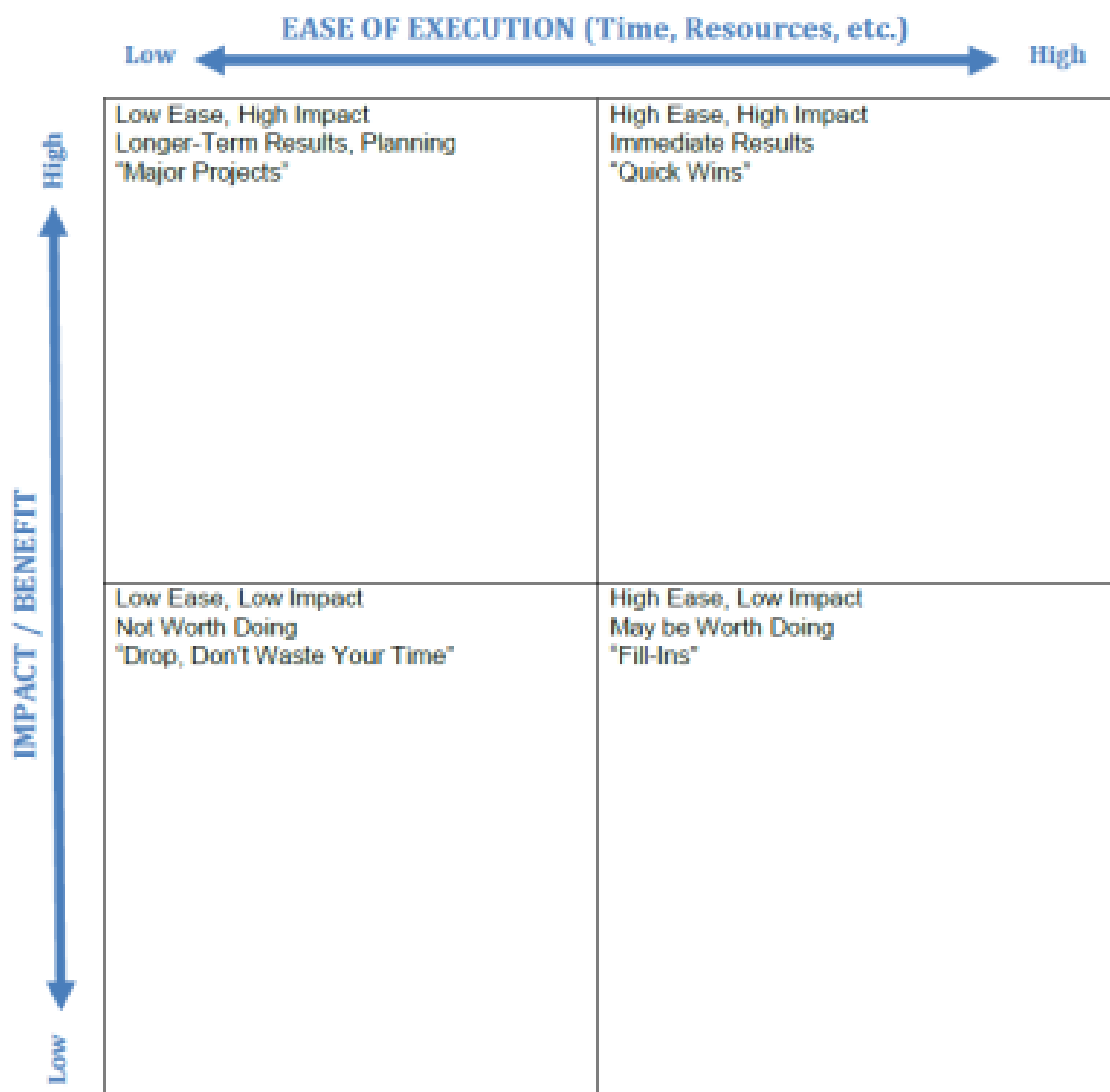
- **Appendix A.** Table 1. Issues Associated with Strategic Priorities. This table identifies issues from the BLI and HNA and also evaluates current conditions; existing plans, policies, and regulations; and new state law that might be addressed as part of the housing strategy.
- **Appendix B.** Table 2. McMinnville Housing Strategy – Potential Strategies and Actions. This table lists each strategy and cross references it with strategic priorities, applicability to affordability groups, applicability to short/medium/long term needs and issues, and other factors.
- **Appendix C.** Table 3. Description of Potential Strategies and Actions. This table provides more detailed descriptions of the potential housing strategies and actions listed in Table 2. In addition, the table provides further information about the potential scale of impact of the strategy.

The Strategies and Actions described below cross-reference with the tables in the appendices (where appropriate) and are identified by their numerical reference (for example A1). In some

instances, additional implementation actions or tasks which are necessary as part of a strategy were identified. Any additional actions do not have a cross-reference.

Further, committee members were presented with an “ease/impact” matrix to assist with prioritizing the most impactful strategies and were also asked to consider how long it would take to complete work and realize benefits of a strategy once initiated until completion, which might require early initiation. This is discussed at a high level under the headings for the strategies below.

Exhibit 5. Ease/Impact Prioritization Matrix



Strategies and Actions

The following strategies and actions have been identified to respond to McMinnville’s future housing need and will be further evaluated by the appropriate City committees, with public

processes, research, and an opportunities and constraints analysis. The strategies and actions were discussed and prioritized by the PAC. Implementation may also identify other key strategies and actions that need to be undertaken as part of a group of strategies undertaken together. Note that some individual actions may be part of more than one strategy.

Based on the City's roles in addressing housing needs described above, the strategies in each exhibit are grouped into two broad categories:

- **Land Use Strategies. (Shown in green headings).** These are related to the City's primary role of land use planning and management.
- **Other, Non-Land Use Strategies. (Shown in orange headings).** These are other strategies the City may employ to help builders and housing providers deliver needed housing. These strategies must still all occur within the parameters of the land use framework. Some of these strategies are also used by other organizations and partners involved in provision of housing.

Land Use Strategies

Strategy 1. Growth Planning

Summary: This strategy focuses on increasing the supply of buildable lands and conducting all of the associated planning and implementation tasks which are required.

This strategy will predominantly address Strategic Priority 1: Land Availability. It will also address issues of Infrastructure & Public Facilities. It is also a prerequisite to being able to address many of the strategic priorities and address a wide variety of affordability objectives. This Strategy is low ease / high impact. This work needs to be started/continued in the short-term because it will take years before the results / benefits are realized. Many of the following actions include additional planning and implementation actions.

Potential Actions or Projects:

- 1.1 **Develop an Urban Reserve Area (URA) (E36).** Cities may establish Urban Reserve Areas (URAs) for a period of up to 30 years beyond the Urban Growth Boundary (UGB) planning period of 20 years, for a combined period of up to 50 years. These become the highest priority lands for future UGB expansions. Urban Reserve Areas provide an opportunity for efficient infrastructure planning and future urbanization.
- 1.2 **Establish a Framework Plan for the URA (E37).** A framework plan identifies the major land uses, transportation backbone, infrastructure needs, and sequencing for the long-term growth within the URA. As these lands come into the UGB, area plans will be developed to ensure land uses and housing are provided consistent with the long-term framework plan.

- 1.3 **Identify an Expanded UGB per the URA (E38).** Urban Reserve Planning helps guide where to establish an Urban Growth Boundary to meet needs for the 20-year planning period. In addition to other applicable law, this action could also potentially establish local criteria for housing affordability as part of the UGB expansion process.
- 1.4 **Develop Area Plans for UGB Lands Identifying Housing Opportunities (E39).** Area plans for the UGB refine the framework plan into a more detailed land use plan for areas within the UGB. Development proposals would require master plans consistent with the area plans.
- 1.5 **Conduct Infrastructure Planning for URA and UGB Areas (Update infrastructure plans for growth lands) (D29).** Infrastructure plans are generally sized with capacity for build-out of the Urban Growth Boundary. Expansion of the UGB will necessitate updates to the public facility plans to provide capacity to serve new areas. Infrastructure planning can also be sized to accommodate future growth within designated Urban Reserve Areas, providing for more cost-efficient provision of services.
- 1.6 **Update Goal 5 Natural Resource Planning & Policies, incl. Wetlands and Riparian Areas (F41).** The City has not adopted certain local “Goal 5” resource policies, which will be required, including a Local Wetland Inventory (LWI) and standards for riparian corridors. These will further affect or inform the capacity of lands within the UGB and future growth areas.
- 1.7. **Update Goal 7 Hazards Planning & Policies, incl. Landslide Susceptibility (F42).** The City has not adopted certain local “Goal 7” policies for hazards, including areas mapped by DOGAMI (The Oregon Department of Geology and Mineral Industries) as high landslide susceptibility. DOGAMI is in the process of refining their mapping which will further inform this work, which could affect or inform the capacity of lands within the UGB and future growth areas.
- 1.8. **Review and Update City/County Urban Growth Management Agreement (UGMA) if needed.** The UGMA defines planning authorities and procedures between the city and Yamhill County for the unincorporated areas of the UGB.
- 1.9. **Implement Great Neighborhood Principles (C26).** In April 2019, the City adopted Great Neighborhood Principles (GNP) and associated policies as part of the Comprehensive Plan. Some of these policies address mixed income and mixed housing neighborhoods. These policies will need to be implemented with code amendments, which can include other strategies, such as Strategy A2 to achieve a Diverse Housing Zone.
- 1.10. **Create a Diverse Housing Zone (A2).** Explore residential zoning with targeted/ minimum density and multiple allowed housing types. This zone would authorize a variety of housing types and sub-types including single-family detached and attached and multi-family housing types (such as duplexes, triplexes and quad-plexes, and cottage clusters). In contrast to traditional zoning, this strategy would be used to implement Great Neighborhood Principles (GNP), including the framework and area

planning for growth areas, to specify a housing mix and associated average density that would need to be achieved in an area.

- 1.11. **Develop a High-Density Residential Zone (A3).** This strategy would be used in conjunction with and to complement the Great Neighborhood Principles and diverse housing zone (A2) to provide for higher density housing types in specific areas, such as more dense core areas, centers, nodes, etc. which would be higher density than the densities for housing types which would be incorporated on smaller lots within the diverse housing zone, such as duplexes, cottages, townhomes, row houses, and tri- and quad-plexes.
- 1.12. **Develop Annexation Process to Mandate Housing Types Upon Annexation per Area Plans (E40).** Lands brought into the UGB are placed in an urban holding zone, allowing for annexation phasing plans. Annexation would require master plan approval addressing required housing mix and average density, site design, and development standards.

Exhibit 6. Summary of Potential Actions or Projects

Reference	Tasks or Projects	Time Period		
		Near-term	Mid-term	Long-term
1.1	E36. Plan for Urban Reserve Area (URA)	X		
1.2	E37. Develop Framework Plan for URA	X		
1.3	E38. Plan for UGB within Urban Reserve	X		
1.4	E39. Develop Area Plans for UGB		X	X
1.5	D29. Conduct Infrastructure Planning for URA and UGB Areas.	X		
1.6/1.7	F41 & F42. Update Goal 5 and Goal 7 planning for URA and UGB areas.		X	
1.8	Review and Update City/County IGA if needed		X	
1.9	B26. Establish Guidance on Implementation of Great Neighborhood Principles That Will Inform Land Use for Urban Reserves and UGB.	X		
1.10/1.11	A2 & A3. Establish Provisions in the Zoning Ordinance for a New “Diverse Housing” Zone and a New “High Density” Zone	X		
1.12	E40. Establish Requirements for Master Planning Prior to Annexation to Ensure Areas Will Be Consistent with Framework and Area Plans, Great Neighborhood Principles, and Affordability Targets.		X	

Strategy 2. Housing Development in Existing UGB

Summary: This strategy focuses on increasing the capacity of lands already inside the UGB for residential development. Some of the actions may also have capacity benefits for future lands not already in the UGB.

This strategy addresses Strategic Priorities 1 (Land Availability) and 5 (Urban Form). This strategy seeks to achieve more efficient use of land within the current UGB through more efficient land use – which is also required by Goal 14 and ORS 197.296. It helps address short-term needs, and it addresses urban form through decisions implementing policies for Great Neighborhood Principles within the current UGB.

This strategy is low and high ease / high impact. This work needs to be started/continued in the short-term and may see both immediate as well as long-term results.

Potential Actions or Projects:

- 2.1 **Create a Diverse Housing Zone (A2).** Explore residential zoning with targeted/ minimum density and multiple allowed housing both within existing zones and in a new zone as applicable. This zone would authorize a variety of housing types and sub-types including single-family detached and attached and multi-family housing types, such as duplexes, cottages, townhomes, row houses, and tri- and quad-plexes. In contrast to traditional zoning, this strategy would be used to implement Great Neighborhood Principles (GNP).
- 2.2 **Develop a High-Density Residential Zone (A3).** This strategy would be used in conjunction with and to complement the Great Neighborhood Principles and diverse housing zone (A2) to provide for higher density housing types in specific areas, such as more dense core areas, centers, nodes, etc. which would be higher density than the densities for housing types such as duplexes, cottages, townhomes, row houses, and tri- and quad-plexes which would be incorporated on smaller lots within the diverse housing zone.
- 2.3 **Provide Density Bonuses to Developers (A15).** The local government allows developers to build housing at densities higher than are usually allowed by the underlying zoning. Density bonuses are commonly used as a tool to encourage greater housing density in desired areas, provided certain requirements are met. This strategy is generally implemented through provisions of the local zoning code and is allowed in appropriate residential zones. Bonus densities can also be used to encourage development of low-income or workforce affordable housing. An affordable housing bonus, if the proposed project provides a certain amount affordable units, would allow more housing units to be built than what would be allowed by zoning.

- 2.4 **Promote Infill Development, Allowing Flexibility in Existing Zones with Appropriate Design and Development Standards (A13).** This policy seeks to maximize the use of lands that are fully developed or underdeveloped and makes use of existing infrastructure by identifying and implementing policies that (1) improve market opportunities and (2) reduce impediments to development in areas suitable for infill or redevelopment.
- 2.5 **Update Infrastructure Plans for Infill Development (D28).** In some developed areas, infrastructure plans including waste water collection and transportation may have assumed no additional development and were not planned for infill and redevelopment to higher intensity. Further, in undeveloped areas, these plans may have assumed growth would occur at historic densities, which may be less than the maximum density permitted by zoning, limiting density of new development where there may be a desire to encourage infill and redevelopment.
- 2.6 **Implement Great Neighborhood Principles (C26).** In April 2019, the City adopted Great Neighborhood Principles (GNP) and associated policies as part of the Comprehensive Plan. Some of these policies address mixed income and mixed housing neighborhoods. These policies will need to be implemented with code amendments, which can include other strategies, such as Strategy A2 to achieve a Diverse Housing Zone and A13 to promote infill development with appropriate design and development standards.
- 2.7 **Re-designate or Rezone Land for Housing (A1).** The types of land rezoned for housing are vacant or partially vacant low-density residential and employment land rezoned to multifamily or mixed use. In rezoning land, it is important to choose land in a compatible location. When rezoning employment land, it is best to select land with limited employment capacity (e.g., smaller parcels) in areas where multifamily housing would be compatible (e.g., along transit corridors or in employment centers that would benefit from new housing). This policy change increases opportunity for comparatively affordable multifamily housing and provides opportunities for mixing residential and other compatible uses.

Exhibit 7. Summary of Potential Actions or Projects

Reference	Tasks or Projects	Time Period		
		Near-term	Mid-term	Long-term
2.1	A2. Create a Diverse Housing Zone	X		
2.2	A3. Develop a High-Density Residential Zone	X		
2.3	A15. Provide Density Bonuses to Developers	X		
2.4	A13. Promote Infill Development, Allowing Flexibility in Existing Zones with Appropriate Design and Development Standards	X		
2.5	D28. Update Infrastructure Plans for Infill Development		X	
2.6	B26. Establish Guidance on Implementation of Great Neighborhood Principles That Will Inform Land Use for Urban Reserves and UGB.		X	
2.7	A1. Re-designate or Rezone Land for Housing		X	

Strategy 3. Infrastructure & Public Facilities Planning

Summary: This strategy would provide data to help inform decision-making about where there might already be infrastructure capacity that could accommodate additional growth or make adjustments to capital projects already identified in infrastructure plans that haven't yet been built, to achieve efficiencies and add capacity.

As special area planning has been undertaken, and as higher density development applications have been submitted, there has been additional ad-hoc infrastructure analysis that indicates there may be limitations to capacity to serve new development consistent with zoned densities, through infill and redevelopment, within special area planning areas, or through up-zoning. Sufficiency of infrastructure capacity and public facilities will also be a factor in evaluating future growth areas.

This strategy should be undertaken early as a prerequisite to other projects. It will provide information needed to help inform other work. This strategy has the potential to help meet short-term needs as well as address longer-term infrastructure and public facility needs.

This strategy is low and high ease / high impact. This work needs to be started/continued in the short-term and may see both immediate as well as long term results.

Potential Actions or Projects:

- 3.1 **Assess Infrastructure Capacity to Support Infill (D28, Supports D30, D35).** This is a variation on option D28 & D30. It will provide data to help support other efforts that could Use a “value engineering” approach to determine available capacity or potential infrastructure projects to add capacity and identify areas that could be used for infill/redevelopment, up-zoning, more efficient use, etc., possible reallocation of density etc. The intent is to identify where capacity exists and consider land use options that might capitalize on that capacity. It could also help identify areas with known limited capacity, where plans already include projects for maintenance or some new capacity, and whether those improvements could upsize the same planned improvement to achieve more capacity if there are areas that could be up-zoned, etc.
- 3.2 **Repeal Outdated Policies Related to Old Sewer Treatment Capacity Limits (C27).** Previously, the City’s sewer treatment plant (water reclamation facility) had limitations on treatment capacity, and the City established policies that limited density in certain areas commensurate with the treatment capacity limitations. The treatment capacity of the plant has increased, and those limitations are no longer necessary, and should be repealed.
- 3.3 **Identify Issues and Plan for Water Zone 2 Infrastructure Improvements (D34).** The western portion of the UGB is at a higher elevation which requires separate infrastructure for water service within Water Service Pressure Zone 2, which will require a new water storage tank. Buildable lands within the UGB which area in Zone 2 will be unavailable for development until they can be served with water. The investment in the Zone 2 water infrastructure won’t occur without sufficient area and timely development to help fund the necessary water infrastructure.
- 3.4 **Develop Infrastructure Allocation Policies (D30).** If there are current infrastructure capacity limits, developing policies to allocate the capacity can provide greater certainty about capacity and allowable density of development phasing in the short term, in support of development, redevelopment, and infill priorities.
- 3.5 **Identify Areas with Underutilized Infrastructure Capacity (D35).** Areas with underutilized infrastructure capacity may be evaluated as candidates for additional development intensity of vacant lands or infill and redevelopment opportunities in developed areas.
- 3.6 **Encourage “To and Through” Infrastructure Policies (D33).** These policies ensure infrastructure extensions are sized to serve development as well as to extend beyond the development in the future to serve outlying properties.

Exhibit 8. Summary of Potential Actions or Projects

Reference	Tasks or Projects	Time Period		
		Near-term	Mid-term	Long-term
3.1	D28. Assess Infrastructure Capacity to Support Infill	X		
3.2	C27. Repeal Outdated Comprehensive Plan Policies Related to Old Sewer Treatment Capacity Limits	X		
3.3	D34. Identify Issues and Plan for Water Zone 2 Infrastructure Improvements	X		
3.4	D30. Develop Infrastructure Allocation Policy	X		
3.5	D35. Identify Areas with Underutilized Infrastructure Capacity	X		
3.6	D33. Encourage To and Thru Infrastructure Policies		X	

Strategy 4. Special Area Planning

Summary: This strategy includes planning for defined geographic areas or special districts to adjust existing land use plans and evaluate opportunities to include housing or mixed-use development and determine whether and how that could occur.

Strategy 4 relates to Strategy 2 (Housing Development in Existing UGB). This strategy recognizes studies that are currently underway and that are in the Planning Department’s future work plan that assess the potential for housing in McMinnville’s core and on Three Mile Lane.

Because two of these projects are already underway, this planning phase is high ease / high impact. Work on two of the special area plans will be completed in the short-term and may see both immediate as well as long term results.

Potential Actions or Projects:

- 4.1 **City Center Housing Strategy (underway, B23).** The strategy will evaluate a defined area within the City Center for opportunities to increase context-sensitive housing within that area. This work has the potential to implement other strategies. The study area is partially within the designated Urban Renewal District area where eligible for TIF (K62), and could include strategies such as such as infill (A13), redevelopment, rezoning for residential use (A1), up-zoning (A3), identification of possible opportunity sites (H48), and determination of associated infrastructure needs (D28).

- 4.2 **Evaluate Three Mile Lane for Residential Development (underway, B24).** The Three Mile Lane Area Plan includes evaluation of land use alternatives that could include opportunities to increase housing within the defined study area. This work has the potential to implement other strategies, which could include rezoning to residential or mixed-use (A1), up-zoning (A3), and determination of associated infrastructure needs (D28, D30).
- 4.3 **Undertake a Highway 99W Corridor Study – Explore Opportunities for Higher Density Mixed-Use Development (B25).** This work could include opportunities for higher density mixed-use development in anticipation of changing commercial patterns.

Exhibit 9. Summary of Potential Actions or Projects

Reference	Tasks or Projects	Time Period		
		Near-term	Mid-term	Long-term
4.1	B23. City Center Housing Strategy (underway)	X		
4.2	B24. Evaluate Three Mile Lane for Residential Development (underway).	X		
4.3	B25. Undertake a Highway 99W Corridor Study – Explore Opportunities for Higher Density Mixed-Use Development		X	

Strategy 5. Land Use / Code Amendments

Summary: This strategy includes different policy options that could be incorporated into the land use policies and development standards to help meet housing needs consistent with McMinnville’s Great Neighborhood Principles. Many of these could be undertaken independently of one another but might be reviewed more efficiently if evaluated together at the same time through a single review process.

These code amendments generally do not need to be undertaken in a specific sequence. They may individually vary in ease and impact. Some may be required for statutory compliance.

Potential Actions or Projects:

- 5.1 **Allow Duplexes, Cottages, Townhomes, Row Houses, and Tri- and Quad-Plexes in Single-Family Zones with Appropriate Design & Development Standards (A9).** Allowing these housing types can increase overall density of residential development and may encourage a higher percentage of multifamily housing types. This approach would be implemented through the zoning ordinance and would list these housing

types as outright allowable uses in appropriate residential zones. These housing types provide additional affordable housing options and allow more residential units than would be achieved by detached homes alone.

5.2 Implement Other Code Amendments Prioritized by the PAC. These include the following:

- Allow More Housing Types (A9)
- Develop a High-Density Residential Zone (A3)
- Permit ADUs in SF Zones (A11)
- Allow Small Residential Lots (A4)
- Mandate Minimum Residential Densities (A6)
- Increase Allowable Residential Densities (A7)
- Promote Infill Development, Allowing Flexibility in Existing Zones with Appropriate Design and Development Standards (Underway) (A13)
- Allow Small or “Tiny” Homes and Identify Opportunities for Tiny Home Developments. (A12)
- Allow Clustered Residential Development (A8)
- Allow Cohousing and “Group Quarters” (SROs, etc.) (A10)
- Evaluate Transfer of Density for Protection of Natural Features (A 18)

5.3 Streamline Zoning Code and Other Ordinances (G44). Complexity of zoning, subdivision, and other ordinances can make development more difficult, time consuming, and costly. Streamlining development regulations can result in increased development. As part of the streamlining process, McMinnville should evaluate potential barriers to affordable workforce housing and multifamily housing. Potential barriers may include height limitations, complexity of planned unit development regulations, etc.

5.4 Implement the Great Neighborhood Principles (C26). In April 2019, the City adopted Great Neighborhood Principles (GNP) and associated policies as part of the Comprehensive Plan. Some of these policies address mixed income and mixed housing neighborhoods. These policies will need to be implemented with code amendments, which can include other strategies, such as Strategy A2 to achieve a Diverse Housing Zone.

5.5 Repeal Outdated Policies Related to Old Sewer Treatment Capacity Limits (C27). Previously, the City’s sewer treatment plant (water reclamation facility) had limitations on treatment capacity, and the City established policies that limited density in certain areas commensurate with the treatment capacity limitations. The treatment capacity of the plant has increased, and those limitations are no longer necessary, and should be repealed.

- 5.6 **Evaluate Code for Fair Housing Act Best Practices (A22).** Historically, many communities have regulated residential use through definitions of “dwelling,” “family,” and “household” that described the maximum number of related and/or unrelated people living as a household within a dwelling unit. These regulations typically predated the Fair Housing Act, and new best practices which further the Fair Housing Act take a different approach to defining these terms and regulating residential use. Resulting regulations are more inclusive in permitting residential use.
- 5.7 **Advocate for Inclusionary Zoning Enablement – State Legislation and Annexation Processes (A14).** Inclusionary zoning policies tie development approval to, or provide regulatory incentives for, the provision of low- and moderate-income housing as part of a proposed development. Mandatory inclusionary zoning requires developers to provide a certain percentage of low-income housing. Incentive-based inclusionary zoning-provides density or other types of incentives. Price of low-income housing passed on to purchasers of market-rate housing; inclusionary zoning impedes the “filtering” process where residents purchase new housing, freeing existing housing for lower-income residents. Some cities have long had quasi-inclusionary housing provisions in their codes that are implemented at the point of annexation. SB 1533 2016 and HB 2997 2019 related to this issue but failed to provide inclusionary zoning reform that meets McMinnville’s needs.

Exhibit 10. Summary of Potential Actions or Projects

Reference	Tasks or Projects	Time Period		
		Near-term	Mid-term	Long-term
5.1	A9. Allow Duplexes, Cottages, Townhomes, Row Houses, and Tri- and Quad-Plexes in single-family zones with appropriate design & development standards	X		
5.2	Other code amendments prioritized by the PAC. <ul style="list-style-type: none"> • A9. Allow more housing types • A3. Develop a high-density residential zone • A11. Permit ADU in SF Zones • A4. Allow Small Residential Lots • A6. Mandate Minimum Residential Densities • A7. Increase Allowable Residential Densities • A13. Promote Infill Development, Allowing Flexibility in Existing Zones with Appropriate Design and Development Standards (Underway) • A12. Allow small or “tiny” homes and identify opportunities for tiny home developments. • A8. Allow Clustered Residential Development • A10. Allow Cohousing and “Group Quarters” (SROs, etc.) • A19. Evaluate Parking Code as a Barrier to Housing • A18. Evaluate Transfer of Density for Protection of Natural Features 	X	X	X
5.3	G44. Streamline Zoning Code and Other Ordinances	X	X	X
5.4	C26. Implement the Great Neighborhood Principles	X		
5.5	C27. Repeal Outdated Policies Related to Old Sewer Treatment Capacity Limits	X		
5.6	A22. Evaluate Code for Fair Housing Act Best Practices	X		
5.7	A14. Advocate for Inclusionary Zoning Enablement – State Legislation and Annexation Processes	X		

Other, Non-Land Use Strategies

Strategy 6. Programs for Affordable Housing (Non-Land Use)

Summary: This strategy includes different policy options that could be evaluated independently of one another. These are not land use actions, and don't go through the land use process. These don't become part of the Comprehensive Plan and land use regulations.

This strategy includes a prioritized list of actions to be evaluated by the Affordable Housing Task Force and/or other City committee. These are listed in priority identified by the PAC. This list can generally be undertaken for individual evaluation rather than as part of a larger sequenced project.

These actions range from low to high ease and low to high impact and are listed per priority for discussion and evaluation.

Potential Actions or Projects:

- 6.1 **Pursue Funds for Affordable Housing (City Influence).** This strategy recognizes that there are funding mechanisms that the City can institute that could be used for affordable housing.
 - **Transient Lodging Tax Funds for Affordable Housing (K68).** The City receives 30% of the transient lodging taxes collected to offset impacts of tourism on city services. Some cities have dedicated some or all of these funds towards affordable housing under the premise that short term rentals are displacing affordable housing supply and that the tourism industry creates more demand for affordable housing.
 - **Urban Renewal Funds or Tax Increment Financing (K63).** The City can direct urban renewal funds to incentivize workforce housing in the city center.
 - **Construction Excise Tax (K64).** Recent state legislation allows cities to collect a construction excise tax dedicated specifically for affordable housing.
 - **Community Development Block Grant Funds (K69).** The City can apply to the State of Oregon for Community Development Block Grant Funds as part of the state's entitlement program. And the City can pursue a Principal City CDBG Entitlement status.
- 6.2 **Financial Incentives Supporting Inclusionary Zoning (I52).** In addition to regulatory mandates and incentives for inclusionary zoning, there can be financial incentives to help achieve inclusionary zoning, or to help increase the level of affordability or percentage of affordable units. If a City adopts both inclusionary zoning and a Construction Excise Tax, a city must offer certain incentives for developments subject to inclusionary zoning.

- 6.3 **Reduced or Waived Planning Fees, Permit Fees, SDCs for Affordable Housing (I55).** Planning fees, permit fees, and SDCs can be reduced or waived for qualifying affordable housing developments. McMinnville has already enacted planning, permit, and certain SDC waivers for qualifying affordable housing developments.
- 6.4 **Vertical Housing Tax Abatement (Locally Enabled and Managed) (I51).** Subsidizes "mixed-use" projects to encourage dense development or redevelopment by providing a partial property tax exemption on increased property value for qualified developments. The exemption varies in accordance with the number of residential floors on a mixed-use project with a maximum property tax exemption of 80% over 10 years. An additional property tax exemption on the land may be given if some or all of the residential housing is for low-income persons (80% of area is median income or below). The proposed zone must meet at least one of the following criteria: Completely within the core area of an urban center; Entirely within half-mile radius of existing/planned light rail station; Entirely within one-quarter mile of fixed-route transit service (including a bus line); Contains property for which land-use comprehensive plan and implementing ordinances effectively allow "mixed-use" with residential.
- 6.5 **SDC Financing and Credits (I53).** Enables developers to spread their SDC payment over time, thereby reducing upfront costs. Alternately, credits allow developers to make necessary improvements to the site in lieu of paying SDCs. Note that the City can control its own SDCs, but often small cities manage them on behalf of other jurisdictions including the County and special districts. Funding can come from an SDC fund or general fund. In some cases, there may be no financial impact. Can come in the form of student, low-income, or workforce housing.
- 6.6 **Parcel assembly (H45).** Parcel assembly involves the city's ability to purchase lands for the purpose of land aggregation or site assembly. It can directly address the issues related to limited multifamily lands being available in appropriate locations (e.g., near arterials and commercial services). Typical goals of parcel assembly programs are: (1) to provide sites for rental apartments in appropriate locations close to services and (2) to reduce the cost of developing multifamily rental units. Parcel assembly can lower the cost of multifamily development because the City is able to purchase land in strategic locations over time. Parcel assembly is more often associated with development of government-subsidized affordable housing, where the City partners with nonprofit affordable housing developers.
- 6.7 **Multiple-Unit Limited Tax Exemption Program (Locally Enabled and Managed) (I49).** Multi-unit projects receive a ten-year property tax exemption on structural improvements to the property as long as program requirements are met. There is no ground floor active use requirement for this tool. The City of Portland's program, for example, limits the number of exemptions approved annually, requires developers to apply through a competitive process, and encourages projects to provide greater public benefits to the community. This program is enabled by the state, but managed by the local jurisdiction.

- 6.8 **Sole Source SDCs (I54).** Retains SDCs paid by developers within a limited geographic area that directly benefits from new development, rather than being available for use city-wide. This enables SDC eligible improvements within the area that generates those funds to keep them for these improvements. Improvements within smaller areas can enhance the catalytic and redevelopment value of the area. This tool can also be blended with other resources such as LIDs and TIF. Funding can come from an SDC fund or general fund. In some cases, there may be no financial impact. The housing can come in the form of student, low income, or workforce housing.
- 6.9 **Grants or Loans (I56).** Through the annual budget process, the City can allocate funds to assist affordable housing developments as part of an Affordable Housing Fund. Assistance can also be provided through no- or low-interest loans. That typically occurs in conjunction with a revolving loan fund that allows the fund to grow over time as loans are repaid.
- 6.10 **Vacant Property Tax.** This strategy would assess additional taxes on vacant residential properties. The intent is to disincentivize land holding and speculation and to encourage housing development.
- 6.11 **Fee for Demolition of Affordable Home for Expensive Home.** This action would assess additional fees for certain demolitions. It would be modeled after a policy in Lake Oswego. The intent is to preserve affordable housing stock.

Exhibit 11. Summary of Potential Actions or Projects

Reference	Tasks or Projects	Time Period		
		Near-term	Mid-term	Long-term
6.1	Pursue Funds for Affordable Housing (City Influence) <ul style="list-style-type: none"> • K68. Transient Lodging Tax Funds for Affordable Housing. • K63. Urban Renewal Funds or Tax Increment Financing. • K64. Construction Excise Tax. • K69. Community Development Block Grant Funds. 	X	X	X
6.2	I52. Financial Incentives Supporting Inclusionary Zoning		X	
6.3	I55. Reduced or Waived Planning Fees, Permit Fees, SDCs for Affordable Housing	X		
6.4	I51. Vertical Housing Tax Abatement (Locally Enabled and Managed)		X	
6.5	I53. SDC Financing and Credits	X		
6.6	H45. Parcel Assembly	X	X	X
6.7	I49. Multiple-Unit Limited Tax Exemption Program (Locally Enabled and Managed)		X	
6.8	I54. Sole Source SDCs		X	
6.9	Vacant Property Tax	X		
6.10	I56. Grants or Loans		X	X
6.11	Fee for Demolition of Affordable Home for Expensive Home	X		

Strategy 7. Leveraging Partnerships for Housing (Non-Land Use)

Summary: This strategy includes different policy options that could be evaluated independently of one another. These may require a partner organization to take on a new or expanded role or may require formation or identification of a new organizational partner.

Several of the high priority actions identified by the PAC require partnerships with external organizations.

Potential Actions or Projects:

7.1 Support Partners Pursuit of Affordable Housing Funds for:

- **Low Income Housing Tax Credit (P78).** The Low-Income Housing Tax Credit Program (LIHTC) is an incentive to encourage the construction and rehabilitation of rental housing for lower-income households. The program offers credits on federal tax liabilities for 10 years. Individuals, corporations, partnerships and other legal entities may benefit from tax credits, subject to applicable restrictions. Annually, the U.S. Department of Treasury allocates tax credits to each state. Oregon Housing and Community Services (OHCS) administers the tax credit program for the state of Oregon. Tax credits offer direct federal income tax savings to owners of rental housing developments who with a developer are willing to set-aside a minimum portion of the development's units for households earning 60 percent or less of gross area median income. Developers of tax credit developments typically sell the credits to investors who are willing to provide capital in return for the economic benefits (including tax credits) generated by the development.
- **Homeownership Programs (I57).** Cities (and other partners) use a variety of programs to assist with homeownership
 - **Homebuyer Assistance Programs.** These Down Payment Assistance loans help low- or moderate-income households cover down payment and closing costs to purchase homes on the open market. These programs either give loans or grants, most frequently to first time homebuyers.
 - **Inclusionary Housing Program.** Some cities have an Inclusionary Housing Ordinance (IH) requires that new residential development contribute at least 20% of the total units as permanently affordable housing. Options for meeting this requirement can be allow the affordable units to be located on or off site. Cities that use inclusionary housing generally have programs to ensure that housing continues to be affordable over the long-term.
 - **Partnerships.** Cities often work with partnerships with nonprofit agencies that provide homeownership assistance.
- **Oregon Affordable Housing Tax Credit (P77).** The 1989 Oregon Legislature created the Oregon Affordable Housing Tax Credit Program (OAHTC). Under the OAHTC Program, the Department has the authority to certify tax credits for projects. Through the use of tax credits, lending institutions are able to lower the

cost of financing by as much as four percent for housing projects or community rehabilitation programs serving low-income households. The savings generated by the reduced interest rate must be passed directly to the tenant in the form of reduced rents.

- **Housing Rehabilitation Programs (I59)** Cities (and other partners) often offer home rehabilitation programs, which provide loans to low- and moderate-income households for rehabilitation projects such as making energy efficiency, code, and safety repairs. Some programs provide funding to demolish and completely reconstruct substandard housing.
- **State Affordable Housing Funding (M73).** 2019 proposed legislation, HB 3349 that would change the tax income code to eliminate certain deductions, and the resulting revenues would fund state affordable housing programs.

7.2 Community Land Trust (CLT) (H47). A Community Land Trust (CLT) creates permanent affordability by severing the value of the land and the improvements (i.e., the house). The land is held in trust by a nonprofit or other entity then leased to the homeowner. The homeowner enjoys most of the rights of homeownership, but restrictions are placed on use (e.g., owner occupancy requirement), and price restrictions on resale ensure that the home remains affordable. CLTs may be used in conjunction with land banking programs, where the city or a nonprofit housing corporation purchases a future site for affordable housing or other housing that meets community goals. A variation to the community land trust is to have the City own the property rather than the land trust, and lease property to income-qualifying households (such as low-income or moderate-income households) to build housing. The City would continue to own the land over the long-term, but the homeowner would be able to sell the house. Restrictions on resale ensure that the home remains affordable.

7.3 Affordable Housing Property Tax Abatement (I50). There are several statutory authorizations for different types of affordable housing property tax abatements which could apply to affordable housing developments that aren't already tax exempt. Some of these can be designated for a limited duration.

7.4 Land Banking (H46). Land banks are public or community-owned entities created to acquire, manage, maintain, and repurpose vacant, abandoned, and foreclosed properties for conversion into productive use. Land banks can play a variety of roles. They can play a very limited role, such as simply acquiring property on behalf of a local municipality, or a broader role of property developer. It is important to note that land banks are not financial institutions: financing comes from developers, banks, and local governments. Land banks may be granted special powers via state enabling legislation. These powers can include the ability to remove legal and financial barriers, such as delinquent property taxes, that often render vacant and abandoned properties inaccessible or unattractive to the private market. Land banks acquire

properties through different means, but the most common pipeline is the property tax foreclosure system.

Exhibit 12. Summary of Potential Actions or Projects

Reference	Tasks or Projects	Time Period		
		Near-term	Mid-term	Long-term
7.1	Support Partners Pursuit of Affordable Housing Funds for: <ul style="list-style-type: none"> • P78. Low Income Housing Tax Credit • I57. Home Ownership Programs • P77. Oregon Affordable Housing Tax Credit • I59. Housing Rehabilitation Programs • M73. State Affordable Housing Funding 	X	X	X
7.2	H47. Community Land Trust (CLT)	X	X	X
7.3	H50. Affordable Housing Property Tax Abatement		X	X
7.4	H46. Land Banking	X	X	

3. Appendices

The McMinnville Housing Strategy builds upon various materials provided to the Project Advisory Committee (PAC) throughout the project. Materials from the May 21st PAC meeting are attached as appendices:

- **Appendix A.** Table 1. Issues Associated with Strategic Priorities. This table identifies issues from the BLI and HNA and also evaluates current conditions; existing plans, policies, and regulations; and new state law that might be addressed as part of the housing strategy.
- **Appendix B.** Table 2. McMinnville Housing Strategy – Potential Strategies and Actions. This table lists each strategy and cross references it with strategic priorities, affordability groups, and other factors.
- **Appendix C.** Table 3. Description of Potential Actions. This table provides more detailed descriptions of the potential housing strategies and actions listed in Table 2. In addition, the table provides further information about the potential scale of impact of the strategy.
- **Appendix D.** Prioritization Results from May 21, 2019 PAC Meeting.

Links to full size copies of these materials and additional supporting materials are provided below. Due to the length and format of documents, these materials are incorporated by reference through links to files on the City website.

Materials from May 21st PAC Meeting (includes above tables)

https://www.mcminnvilleoregon.gov/sites/default/files/fileattachments/planning/page/1675/0-5-housing_strategy_memo_and_tables_5-14-2019.pdf

Materials from the March 7th PAC Meeting: Thinking About McMinnville’s Future Housing Needs – A Guide

https://www.mcminnvilleoregon.gov/sites/default/files/fileattachments/planning/page/1675/city_memo_-_housing_strategy_guidance1.pdf

January 22nd Focus Group Notes (see Exhibit 2)

https://www.mcminnvilleoregon.gov/sites/default/files/fileattachments/planning/page/1675/housing_pac_meeting_5_materials_3-7-2019_print.pdf

February 5th Public Open House Notes (see Exhibit 3)

https://www.mcminnvilleoregon.gov/sites/default/files/fileattachments/planning/page/1675/housing_pac_meeting_5_materials_3-7-2019_print.pdf

This table identifies issues from the BLI and HNA and also evaluates current conditions; existing plans, policies, and regulations; and new state law that might be addressed as part of the housing strategy.

Table 1. Issues Associated with Strategic Priorities

1. Land Supply, Capacity, & Availability	2. Wider Variety of Housing Types	3. Affordability	4. Infrastructure	5. Great Neighborhood Principles & Urban Form
Land Use Issues & Considerations				
Barriers:				
<p>Lack of available, buildable land in the UGB to meet short-term needs.</p> <p>Some “Buildable Lands” in the UGB aren’t truly “available” for development, despite presumptions stated in state statutes or administrative rules. Land may be unavailable due to unwilling property owners, including the unincorporated UGB, etc.</p> <p>There are additional plan updates required and lag time after land is added to the UGB before it can be rezoned and ready for urban development.</p> <p>There is uncertainty in the Buildable Land Inventory regarding additional “Goal 5” natural resource impacts. The City will need to conduct planning for a local wetland inventory and riparian corridors to determine impacts on buildable land supply.</p> <p>There is uncertainty in the Buildable Land Inventory regarding additional “Goal 7” hazards impacts. The state will be refining landslide hazards mapping; in addition, there is no statute or administrative rule interpreting the state’s landslide hazard susceptibility classifications.</p> <p>See additional barriers under “Infrastructure” related to serviceability of buildable lands in the UGB and unknowns about current downstream capacity that could affect service of expansion areas.</p>	<p>No “middle housing” zone. There isn’t a zoning district between the R-3 and R-4 zones in the Zoning Ordinance, which could cover a density range of 11-20 units/acre typical of 2-story “middle housing” types. This means zoning options are lower density or higher density.</p> <p>-The R-3 zone allows for density in the range of approximately 7 to 11 du/acre; it doesn’t allow for attached housing or multi-family housing over 2 units.</p> <p>-The R-4 zone allows for density in the range of approximately 9 to 30 du/acre; it is the only residential zone that allows for attached housing and multi-family housing with 3 or more units.</p> <p>-This can exacerbate infrastructure planning for <u>somewhat</u> higher densities, since a rezone from R-3 to R-4 would allow a significant increase from 11 to 30 units per acre, rather than a more modest increase from 11 to 20 units per acre.</p> <p>No existing residential zone allows density greater than 30 du/acre (R-4), except when higher density is authorized as a conditional use in the defined core area. The R-4 standards also apply in commercial zones that allow residential uses.</p> <p>The highest density residential zone (R-4) also allows single-family development as a stand-alone permitted use with a minimum lot size</p>	<p>Current Inclusionary Zoning (IZ) Enabling Legislation Limits Cities. Current state law provisions governing local “inclusionary zoning” have largely been inapplicable in McMinnville since it is currently authorized only for multi-family structures with 20 or more units, which isn’t the type of multi-family housing typically built in McMinnville. Further, inclusionary zoning isn’t current authorized for single-family housing.</p> <p>In addition, the definition of affordability in the IZ legislation doesn’t authorize cities to establish affordability requirements below 80% median income.</p>	<p>Until infrastructure planning is completed, it is unknown whether “downstream” infrastructure in the UGB will be able to serve future expansion areas without first being upsized to allow for extensions.</p> <p>Buildable lands within the UGB in Water Service Zone 2 are unserviceable in the short-term until a Zone 2 reservoir is built (estimated 10 years).</p> <p>Sewer Capacity Constraints. The sewer (wastewater) collection plan was based on development of vacant lands at historic development densities by zone, rather than maximum density permitted by existing zoning. In addition, this planning didn’t assume developed properties would experience infill and redevelopment at higher density permitted by existing zoning. This presents constraints:</p> <p>- Constraints to Code Amendments. This may limit code amendments that would authorize additional, “middle housing” types within existing zoning districts.</p> <p>- Constraints to Permitted Development and Densities. This doesn’t always allow development of vacant lands consistent with maximum density permitted by existing zoning.</p> <p>- Constraints to Infill & Redevelopment. This doesn’t always allow infill and redevelopment of developed properties consistent with higher or maximum density permitted by existing zoning.</p>	<p>Current Euclidean Zoning System Limits Mix of Housing and Density. However, most development occurs through the Planned Development process which achieves housing mix to some extent (up to 25% of area) based on density averaging of the underlying zone. However, this requires reducing density of other housing to achieve the same average, or requires rezoning.</p> <p>Form-Based Codes. Some “form-based codes” can allow development that is compatible within a neighborhood by regulating the size and physical characteristics of a building, while providing flexibility regarding the density within the building envelope. The same exterior building form/envelope can contain fewer large units or a greater number of smaller units. Some density-based codes can prevent this flexibility. This should be considered when implementing Great Neighborhood Principles, Diverse Housing Types zoning and public facilities planning. It is unclear how this could be implemented in a way that satisfies statutory requirements which require a density-based zoning.</p>

1. Land Supply, Capacity, & Availability	2. Wider Variety of Housing Types	3. Affordability	4. Infrastructure	5. Great Neighborhood Principles & Urban Form
	<p>of 5,000 square feet. This could be a barrier to achieving other needed housing.</p> <p>Finer-Grained Zoning. There is a need for a finer gradation of residential uses based on “scale”. Anything over a duplex or semi-detached housing (two attached units) is only permitted in the R-4 zone. Further, for 3 or more units, there is no differentiation of multi-family housing development that has the same number of units, whether all in one building or in multiple smaller buildings. More smaller-scale structures can be permitted and compatible within different neighborhood contexts.</p> <p>Some uses may already be permitted, but not in all zones, so there may be a need to increase opportunities for where certain uses are permitted. Finer gradation will help this.</p> <p>Fair Housing Act. Code provisions should be reviewed in the context of Fair Housing Act best practices to ensure residential living models aren’t inadvertently prohibited by the zoning ordinance due to outdated definitions and regulations.</p> <p>Other Co-Living Land Uses. Places where people live are classified by the Census Bureau as either residential use or group quarters. Some codes inadvertently prohibit some residential living situations and housing types that don’t technically meet the definition of residential use, but would typically fall under the Census Bureau’s classification of group quarters. Some of this may be addressed through code provisions consistent with Fair Housing Act best practices.</p>		<p>- Constraints to Upzoning. This doesn’t always permit upzoning of vacant lands already in the UGB.</p> <p>Short-Term Housing Strategies May be Impacted by Capacity Constraints. More efficient use of land within the current UGB would be a strategy to help meet short-term needs until additional land is available through a UGB amendment, associated public facility plan updates, and extension/ availability of services to those lands. <i>However, this strategy may be impacted by infrastructure capacity issues.</i></p> <p>Transportation Plan Modeling. Transportation Planning assumed no further development in certain developed areas, posing similar potential issues as described above for sewer, possibly affecting infill & redevelopment, upzoning, etc.</p> <p>Existing Policies Restricting Density. Due to previous sewer <u>treatment</u> capacity limitations which are no longer applicable, the City adopted density restrictions for part of the UGB which are no longer needed and should be formally repealed.</p>	
Opportunities:				
		<p>SB 2997 Enabling Legislation for Broader Use of Inclusionary Zoning. If enacted, SB 2997 will allow McMinnville greater discretion in use of “inclusionary zoning” to specify a % of housing in new developments as part of land use approval.</p>		

1. Land Supply, Capacity, & Availability	2. Wider Variety of Housing Types	3. Affordability	4. Infrastructure	5. Great Neighborhood Principles & Urban Form
New Requirements:				
	<p>HB 2001 “Middle Housing” Mandates. If enacted, HB 2001 will mandate that cities to plan for and permit small “middle housing” multi-family types in more zones.</p> <p>HB 2001 ADU Mandates. If enacted, HB 2001 will require change to McMinnville’s current ADU implementation (to eliminate off-street parking requirements for ADUs).</p>			<p>HB 2001. If HB2001 is enacted, implementation of GNP will need to be consistent with HB 2001 mandates.</p>
Additional Considerations:				
	<p>Transition from Current Zoning Structure. The transition from the current zoning structure to regulations that implement Great Neighborhood Principles will mean some traditional land use tools more applicable to Euclidean zoning with more separated housing types and densities won’t be applicable. There may be some more traditional tools that would be used in the interim as implementation of the Great Neighborhood Principles is phased in (map amendments that upzone property, code amendments that authorize more efficient use in existing zones, etc.).</p> <p>Inclusivity of Diverse Housing Types. In addition to providing opportunities for a wider variety of housing types, it will be key that this is closely coordinated with the implementation of Great Neighborhood Principles to address inclusion of these diverse housing types within neighborhoods, together with appropriate requirements for mix and average density, design standards, and other considerations.</p> <p>Context-Based Design Standards. Some design standards are based on use and don’t account for different locational contexts, such as different urban vs. suburban forms and design standards for multi-family development depending on location and context.</p>		<p>It would be useful to map current capacity, currently planned capacity, and capacity that would result from public facility plan updates.</p> <p>If there are areas unlikely to experience new development, it may be possible to transfer allowed density to other areas where sewer capacity could be utilized for new development or infill.</p>	<p>Great Neighborhood Principles Adopted. The City has adopted Great Neighborhood principles which will need to be implemented.</p> <p>Great Neighborhood Principles – Implementation. The City will be implementing the recently adopted Great Neighborhood Principles, which will be a transformative step in how the City regulates residential land use in a manner than provides for neighborhoods with a mix of housing types and housing for different incomes.</p> <p>Phase-in of Great Neighborhood Principles will need a strategy. Some existing developed areas may have different requirements as the implementation is phased in.</p> <p>Special Area Planning Projects Underway. Several district planning efforts are underway that may identify nodal areas suitable for higher-density housing than would be achieved within the context of smaller neighborhood settings.</p> <p>Larger development sites should be subject to framework planning that sets performance requirements for future neighborhood developments.</p> <p><i>(Some housing related aspects of planning for urban form will be incorporated into a broader urbanization strategy which will include planning for all uses).</i></p>

1. Land Supply, Capacity, & Availability	2. Wider Variety of Housing Types	3. Affordability	4. Infrastructure	5. Great Neighborhood Principles & Urban Form
Other Issues and Considerations Related to Delivery of Housing (Non Land Use)				
Barriers				
		<p>Lack of Housing Supply Prevents Partner Resources from Being Fully Utilized. Many Section 8 Housing Choice Vouchers available through the Housing Authority can't be used to help subsidize housing costs due to lack of housing or housing within the price point that would allow vouchers to be used. Reducing the cost of market-rate housing could also present an opportunity to more fully utilize these vouchers to provide a subsidy for more affordable market-rate housing.</p> <p>Lack of available sites could preclude partners such as the Housing Authority from developing affordable housing using Low Income Housing Tax Credits, which means lost opportunity for use of outside funds which would be highly competitive if sites were available.</p> <p>Administrative Cost Could Impact Ability to Manage a Housing Program that Requires Monitoring of Deed Restricted Affordable Housing. Deed-restricted affordable housing can help ensure affordable housing supply is maintained, but can require a housing program and staff to administer a program over the long term. <i>(There could be exploration of potential partnership opportunities to administer a program).</i></p>		
Opportunities				
		<p>(Time Sensitive). Opportunity Zone. McMinnville has a significant area within a designated Opportunity Zone which can be an incentive to affordable housing.</p> <p>New Opportunity: SB595 Enabling Legislation for Affordable Housing Funds. If enacted, SB 595 will allow cities to decide whether to dedicate a portion of local transient lodging tax to affordable housing.</p>		

1. Land Supply, Capacity, & Availability	2. Wider Variety of Housing Types	3. Affordability	4. Infrastructure	5. Great Neighborhood Principles & Urban Form
New Requirements				
Additional Considerations				
	<p>Education & Awareness. It is important to keep homebuilders up to date on regulatory changes and opportunities for new housing types authorized by code amendments.</p> <p>In addition, some uses may already be permitted in some zones by a less familiar name.</p> <p>It is also important to evaluate what is a permitted use vs. what is actually built. The community may assume certain uses aren't permitted because they haven't been built, when that might not be the reason.</p> <p>There may be reasons why trending ideas aren't being built in the housing market that need to be further explored. (financial, regulatory, etc.)</p> <p>Transitional Housing. There is a need for both permanent housing and transitional housing.</p>	<p>There is a need to increase more affordable owner-occupied housing opportunities as well as rental opportunities. Further, such housing equity can help households maintain housing options as housing prices escalate. (Supported by land use tools to authorize a wider variety of housing types in more areas).</p>		

TABLE 2. MCMINNVILLE HOUSING STRATEGY – POTENTIAL STRATEGIES AND ACTIONS - DRAFT MATRIX

Strategic Option	Housing Benefits				Program Impact, (Low, Medium, High)	Nexus with Affordable Housing Action Plan	Strategic Timeframe			Strategic Priority					Housing Need Met					Status		Priority	
	Market Rate		Subsidized				Near-Term, 2021-2026 (5 year)	Mid-Term, 2021-2031 (10 year)	Long-Term 2021-2041 (20 year)	1 – Land Supply, Capacity, Availability	2 – Wider Variety of Housing Types	3 – Housing Affordability	4 – Infrastructure	5 – Great Neighborhood Principles and Urban Form	Extremely Low Income (< 30% of MHI)	Very Low Income (30-50% of MHI)	Low Income (50-80% of MHI)	Middle Income (80 - 120% of MHI)	High Income (> 120% of MHI)	Budgeted? Plan Started? Plan Adopted? Implemented? Ongoing?	Additional Implementation or Implementation Refinement? (Opp. or Req.)	High	
	Ownership	Rental	Ownership	Rental																		509 HH in 20 Year Forecast	507 HH in 20 Year Forecast
LAND USE STRATEGIES (City)																							
A	Evaluate Zoning Code and Other Ordinances to Advance Strategic Priorities (efficiencies, regulatory incentives, and regulatory mandates)																						
1	Re-designate or rezone land for housing	Y	Y	Y	Y	L-H	Y	Y	Y		Y-S	Y	Y			Y	Y	Y	Y	Y	Y-O	Y	
2	Explore residential zoning with a targeted/minimum density standard and multiple allowed housing types.	Y	Y	Y	Y	M-H		Y	Y	Y	Y-C	Y	Y		Y				Y	Y	-		
3	Develop a High Density Residential Zone	Y	Y	Y	Y	M-H	Y	Y	Y	Y	Y-C	Y	Y		Y	Y	Y	Y	Y	Y	-		
4	Allow Small Residential Lots	Y		Y		L-M	Y	Y	Y	Y	Y-C	Y	Y		Y				Y	Y	-		
5	Mandate Maximum Lot Sizes					L-M					Y-C										-		
6	Mandate Minimum Residential Densities	Y	Y	Y	Y	L-M	Y	Y	Y	Y	Y-C	Y	Y		Y				Y	Y	-		
7	Increase Allowable Residential Densities	Y	Y	Y	Y	L-M	Y	Y	Y	Y	Y-C		Y		Y	Y	Y	Y	Y	Y	-		
8	Allow Clustered Residential Development	Y	Y	Y	Y	Med	Y	Y	Y	Y	Y-C	Y	Y		Y			Y	Y	Y	-		
9	Allow Duplexes, Cottages, Townhomes, Row Houses, and Tri- and Quad-Plexes in single-family zones with appropriate design and development standards	Y	Y	Y	Y	L-M	Y	Y	Y	Y	Y-C	Y	Y		Y			Y	Y		-	Y (R)	(R) HB2001
10	Allow Co-housing and “Group Quarters” (SROs, etc.)	Y	Y	Y	Y	L-M	Y	Y	Y	Y		Y	Y		Y	Y	Y	Y	Y	Y	-		
11	Permit Accessory Dwelling Units (ADUs) in single-family zones (Further Revisions to Current Implementation)	Y	Y	Y	Y	Low		Y	Y	Y	Y-C	Y	Y		Y	Y	Y	Y	Y		Y-I	Y (R)	(R) HB2001
12	Allow small or “tiny” homes & identify opportunities for tiny home developments	Y	Y	Y	Y	L-M	Y	Y	Y	Y	Y-C	Y	Y		Y	Y	Y				Y	Y (O)	
13	Promote Infill Development by allowing for flexibility in existing zones with appropriate design and development standards	Y	Y	Y	Y	L-M		Y	Y	Y	Y-C	Y	Y		Y	Y	Y	Y	Y	Y	Y-S	Y	
14	Evaluate Incentive-Based Zoning for Affordable Housing (Inclusionary Zoning - Regulatory Mandates Paired with Incentives, Eligibility for Financial Incentives)			Y	Y	L-M	Y	Y	Y	Y			Y		Y	Y	Y				-	(O)	
15	Provide Density Bonuses to Developers	Y	Y	Y	Y	Low	Y	Y	Y	Y	Y-C		Y		Y	Y	Y				-		
16	Allow Transfer or Purchase of Development Rights	Y	Y	Y	Y	L-M		Y	Y	Y	Y-C			Y	Y	Y	Y	Y	Y	Y	-		
17	Transfer of Density	Y	Y	Y	Y	L-M		Y	Y	Y	Y-C			Y	Y	Y	Y	Y	Y	Y	-		

Strategic Option	Housing Benefits				Program Impact, (Low, Medium, High)	Nexus with Affordable Housing Action Plan	Strategic Timeframe			Strategic Priority					Housing Need Met					Status		Priority
	Market Rate		Subsidized				Near-Term, 2021-2026 (5 year)	Mid-Term, 2021-2031 (10 year)	Long-Term 2021-2041 (20 year)	1 – Land Supply, Capacity, Availability	2 – Wider Variety of Housing Types	3 – Housing Affordability	4 – Infrastructure	5 – Great Neighborhood Principles and Urban Form	<u>Extremely Low Income</u> (≤ 30% of MHI) 483 HH in 20 Year Forecast 11% of total units	<u>Very Low Income</u> (30-50% of MHI) 482 HH in 20 Year Forecast 11% of total units	<u>Low Income</u> (50-80% of MHI) 683 HH in 20 Year Forecast 15% of total units	<u>Middle Income</u> (80 - 120% of MHI) 943 HH in 20 Year Forecast 21% of total units	<u>High Income</u> (> 120% of MHI) 1,833 HH in 20 Year Forecast 41% of total units	Budgeted? Plan Started? Plan Implemented? Ongoing?	Additional Implementation or Implementation Refinement? (Opp. or Req.)	High
	Ownership	Rental	Ownership	Rental																		Low
34	Identify issues with Water Zone 2 and Plan for strategic plan for implementing infrastructure improvements.				Low		Y	Y	Y-S			Y				Y	Y	-				
35	Identify areas with underutilized infrastructure capacity.				L-M		Y	Y	Y-C			Y		Y	Y	Y	Y	-				
E	Increase Buildable Lands Inventory – Developing a 5, 10, 20 and 50 Year Inventory & Phase-In																					
36	Develop an Urban Reserve Area (URA)				L-H			Y	Y-S			Y		Y	Y	Y	Y	Y	-			
37	Develop a Framework Plan for URA				L-H			Y	Y-S	Y	Y	Y	Y	Y	Y	Y	Y	Y	-			
38	Identify Expanded Urban Growth Boundary per URA				High		Y	Y	Y-S			Y		Y	Y	Y	Y	Y	-			
39	Develop Area Plans for UGB lands identifying housing opportunities				High		Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	-			
40	Develop annexation process to mandate housing types upon annexation per area plans.				High		Y	Y	Y-S	Y	Y		Y	Y	Y	Y	Y	Y	-			
F	Complete “Functional” Planning that Further Affects or Informs Buildable Land Inventory																					
41	Goal 5 Planning and Policies – Natural Resources, Including Local Wetland Inventory. Evaluate policies for wetland mitigation within the city limits as it pertains to housing development.				Low		Y	Y	Y	Y-S				Y	Y	Y	Y	Y	-			
42	Goal 7 Planning and Policies – Hazards, Including Landslides. Update soils analysis for identified constrained buildable land (high landslide susceptibility)				Low		Y	Y	Y	Y-S						Y	Y	Y-S	Y(O)			
G	Evaluate Administrative and Procedural Reforms																					
43	Expedited / Fast-tracked building permits for affordable housing				Low	Y	Y	Y	Y			Y		Y	Y	Y			-			
44	Expedite land use procedures for affordable housing and other land use decisions				L-M	Y	Y	Y	Y			Y		Y	Y	Y			-			

Strategic Option	Housing Benefits				Program Impact, (Low, Medium, High)	Nexus with Affordable Housing Action Plan	Strategic Timeframe			Strategic Priority					Housing Need Met					Status		Priority
	Market Rate		Subsidized				Near-Term, 2021-2026 (5 year)	Mid-Term, 2021-2031 (10 year)	Long-Term 2021-2041 (20 year)	1 – Land Supply, Capacity, Availability	2 – Wider Variety of Housing Types	3 – Housing Affordability	4 – Infrastructure	5 – Great Neighborhood Principles and Urban Form	Extremely Low Income (≤ 30% of MHI) 483 HH in 20 Year Forecast 11% of total units	Very Low Income (30-50% of MHI) 482 HH in 20 Year Forecast 11% of total units	Low Income (50-80% of MHI) 683 HH in 20 Year Forecast 15% of total units	Middle Income (80 - 120% of MHI) 943 HH in 20 Year Forecast 21% of total units	High Income (> 120% of MHI) 1,833 HH in 20 Year Forecast 41% of total units	Budgeted? Plan Started? Plan Implemented? Ongoing?	Additional Implementation or Implementation Refinement? (Opp. or Req.)	High
	Ownership	Rental	Ownership	Rental																		Low
OTHER STRATEGIES (City)																						
H	Land Interventions to Reduce Costs and Facilitate Housing Development																					
45	Parcel Assembly				L-M	Y	Y	Y	Y	Y-A	Y		Y	Y	Y				-			
46	Land Banking				L-M	Y	Y	Y	Y	Y-A	Y		Y	Y	Y				-			
47	Land Trusts				L-M	Y	Y	Y	Y	Y-A	Y		Y	Y	Y				-			
48	Public Land Disposition				High	Y	Y	Y	Y	Y-A	Y		Y	Y	Y				Y-O	Y		
I	Evaluate Financial Incentives and Affordable Housing Subsidy & Assistance Programs to Retain Housing Stock, Add Supply, and Help People Afford Housing																					
49	Multiple-Unit Limited Tax Exemption Program (Locally Enabled and Managed)				L-M	Y	Y	Y	Y		Y		Y	Y	Y				-			
50	Affordable Housing Property Tax Abatement				L-M	Y	Y	Y	Y		Y		Y	Y	Y				-			
51	Vertical Housing Tax Abatement (Locally Enabled and Managed)				L-M		Y	Y	Y		Y	Y		Y	Y	Y	Y	Y	-			
52	Financial Incentives for Inclusionary Zoning				L-M	Y	Y	Y	Y		Y		Y	Y	Y				-			
53	SDC Financing and Credits				Low	Y	Y	Y	Y		Y		Y	Y	Y	Y	Y	Y	-			
54	Sole Source SDCs				L-M		Y	Y	Y		Y	Y				Y	Y		-			
55	Reduced / Waived Building Permit fee, Planning fees, and/or SDCs for Affordable Housing				Low	Y	Y	Y	Y		Y		Y	Y	Y				Y-I	N		
56	General Fund Grants or Loans				?	Y	Y	Y	Y		Y		Y	Y	Y				-			
57	Home ownership programs (direct assistance)				Low	Y	Y	Y	Y		Y		Y	Y	Y	Y			-			
58	Rental assistance programs (direct assistance)				Low	Y	Y	Y	Y		Y		Y	Y	Y				-			
59	Housing Rehabilitation Programs				Low	Y	Y	Y	Y		Y		Y	Y	Y				-			
60	Programs to Preserve Existing Housing Supply				Low	Y	Y	Y	Y		Y		Y	Y	Y				-			
J	Evaluate Tools to Help Fund Infrastructure or Facilitate Equitable & Timely Infrastructure Extension																					
61	Local Improvement District (LID)				L-M		Y	Y	Y			Y		Y	Y	Y	Y	Y	Y-O	**		
62	Reimbursement District				L-M		Y	Y	Y			Y		Y	Y	Y	Y	Y	Y-O	**		

Strategic Option	Housing Benefits				Program Impact, (Low, Medium, High)	Nexus with Affordable Housing Action Plan	Strategic Timeframe			Strategic Priority					Housing Need Met					Status		Priority	
	Market Rate		Subsidized				Near-Term, 2021-2026 (5 year)	Mid-Term, 2021-2031 (10 year)	Long-Term 2021-2041 (20 year)	1 – Land Supply, Capacity, Availability	2 – Wider Variety of Housing Types	3 – Housing Affordability	4 – Infrastructure	5 – Great Neighborhood Principles and Urban Form	Extremely Low Income	Very Low Income	Low Income	Middle Income	High Income	Budgeted? Plan Started? Plan Adopted? Plan Implemented? Ongoing?	Additional Implementation or Implementation Refinement? (Opp. or Req.)	High	
	Ownership	Rental	Ownership	Rental											(≤ 30% of MHI)	(30-50% of MHI)	(50-80% of MHI)	(80 - 120% of MHI)	(> 120% of MHI)			483 HH in 20 Year Forecast	482 HH in 20 Year Forecast
K	Consider Programs and Revenue Sources to Generate Revenue to Fund Subsidy Programs and Incentives																						
63	Urban Renewal / Tax Increment Finance (TIF)	Y	Y	Y	Y	Med		Y	Y	Y		Y	Y	Y	Y	Y	Y	Y	Y	Y	N?		
64	Construction Excise Tax (CET)			Y	Y	L-M	Y	Y	Y	Y		Y			Y	Y	Y						
65	Linkage Fees	Y	Y	Y	Y	L-M	Y	Y	Y	Y		Y			Y	Y	Y	Y					
66	General Fund			Y	Y	?	Y	Y	Y	Y		Y			Y	Y	Y						
67	General Obligation (GO) Bonds			Y	Y	M-H	Y	Y	Y	Y		Y			Y	Y	Y						
68	SB 595 - Transient Lodging Tax (TLT) - up to 30% for Affordable Housing			Y?	Y	L-M	Y	Y	Y	Y		Y			Y	Y	Y				?	(O)	
69	Community Development Block Grant (CDBG)+Sec. 108			Y	Y	?	Y	Y	Y	Y		Y	Y		Y	Y	Y						
70	Housing Trust Funds			Y	Y	?	Y	Y	Y	Y	Y	Y			Y	Y	Y						
71	Fees or Other Dedicated Revenue			Y	Y	?		Y	Y	Y		Y			Y	Y	Y						
L	Education and Outreach																						
72	Ensure builders and housing providers are aware of current opportunities and recent regulatory reforms	Y	Y	Y	Y	Low	Y	Y	Y	Y		Y	Y		Y	Y	Y	Y	Y	Y	Y	Y	Y
M	Advocate for State/Federal Legislative Actions That Increase State Agency Program Funding Available to Fund Affordable Housing																						
73	State Affordable Housing Funding - HB 3349			Y	Y	?	Y	Y	Y	Y		Y			Y	Y	Y						
N	Apply for and Utilize State, Federal, and Foundation Resources																						
74	Use grants, programs, and technical assistance when available and cost-effective*			Y	Y	?	Y	Y	Y	Y		Y			Y	Y	Y				Y-O	Y	
O	Partnerships																						
75	Misc. Partnerships - (Placeholder to Capture Ideas)					-																	
P	Strategies and Tools Employed by Orgs. Other Than City																						
76	Misc. Other - (Placeholder to Capture Ideas)					-																	
77	Oregon Affordable Housing Tax Credit (OAHTC)*			Y		L-M	Y	Y	Y	Y		Y			Y	Y	Y						
78	Low Income Housing Tax Credits (LIHTC)*			Y		Med	Y	Y	Y	Y		Y			Y	Y	Y						

*Some state and federal programs apply directly between the state and a housing developer or lender, without City involvement; however, the state may look for local support and/or matches when making competitive award decisions, such as with Low Income Housing Tax Credits.

**Authorized by the City, but not frequently used

Note 1: While the City has a traditional Euclidean zoning program, a Planned Development (PD) process is almost exclusively employed for most new subdivision developments, which provides flexibility and has achieved a mix of housing types and densities not otherwise permitted in the underlying zoning. In addition, implementation of Great Neighborhood Principles (GNP) and transition into the new program may mean some strategies applicable to current zoning will no longer apply when GNPs are implemented.

Note 2: Market rate housing benefits may apply across the board, or may be targeted to market rate at the more affordable end of the spectrum that can be achieved at market rates without subsidies – typically in the “workforce housing” range of 80-120% of median income.

Table 3. This table provides more detailed descriptions of the potential housing strategies and actions listed in Table 3. In addition, the table provides further information about the potential scale of impact of the strategy.

Strategy Name	Description	Scale of Impact
I. LAND USE STRATEGIES (City)		
A. Regulatory Changes. Changes to the Zoning Code and Other Ordinances to Advance Strategic Priorities (through increasing residential land and capacity, flexibility, efficiencies, regulatory incentives, regulatory mandates, etc.)		
A1. Redesignate or rezone land for housing	<p>The types of land rezoned for housing are vacant or partially vacant low-density residential and employment land rezoned to multifamily or mixed use. In rezoning land, it is important to choose land in a compatible location, such as land that can be a buffer between an established neighborhood and other denser uses or land adjacent to existing commercial uses. When rezoning employment land, it is best to select land with limited employment capacity (e.g., smaller parcels) in areas where multifamily housing would be compatible (e.g., along transit corridors or in employment centers that would benefit from new housing).</p> <p>This policy change increases opportunity for comparatively affordable multifamily housing and provides opportunities for mixing residential and other compatible uses.</p>	Scale of Impact - Low to high: Scale of impact depends on the amount and location of land rezoned and the densities allowed on the rezoned land.
A2. Diverse Housing Zone. Explore residential zoning with targeted/ minimum density and multiple allowed housing types	<p>This zone would authorize a variety of housing types and sub-types including single-family detached and “middle housing” attached and multi-family housing types.</p> <p>In contrast to traditional zoning, this strategy would be used to implement Great Neighborhood Principles (GNP), including the framework and area planning for growth areas, to specify a housing mix and associated average density that would need to be achieved in an area.</p>	Scale of impact – Medium to high: This strategy allows a broader range of housing types; the impact will depend on market response.
A3. Develop a high density residential zone	<p>This strategy would be used in conjunction with and to complement the Great Neighborhood Principles and diverse housing zone (A2) to provide for higher density housing types in specific areas, such as more dense core areas, centers, nodes, etc.</p>	Scale of Impact – Medium to high: The key impacts of this strategy will be (1) ensuring land is available for higher density housing types, and (2) achieving

Strategy Name	Description	Scale of Impact
(cont.)	which would be higher density than the densities for “middle housing” types which would be incorporated on smaller lots within the diverse housing zone.	greater land use efficiencies that the city currently achieves in the R-4 zone.
A4. Allow Small Residential Lots	<p>Small residential lots are generally less than 5,000 sq. ft. This policy allows individual small lots within a subdivision or short plat. Small lots can be allowed outright in the minimum lot size and dimensions of a zone, or they could be implemented through the subdivision or planned unit development ordinances.</p> <p>This policy is intended to increase density and lower housing costs. Small lots limit sprawl, contribute to the more efficient use of land, and promote densities that can support transit. Small lots also provide expanded housing ownership opportunities to broader income ranges and provide additional variety to available housing types.</p>	<p>Scale of Impact – Low to medium.</p> <p>Cities have adopted minimum lot sizes as small as 3,000 sq. ft. However, it is uncommon to see entire subdivisions of lots this small. Small lots typically get mixed in with other lot sizes.</p>
A5. Mandate Maximum Lot Sizes	<p>This policy places an upper bound on lot size and a lower bound on density in single family zones. For example, a residential zone with a 6,000 sq. ft. minimum lot size might have an 8,000 sq. ft. maximum lot size yielding an effective net density range between 5.4 and 7.3 dwelling units per net acre.</p> <p>This approach ensures minimum densities in residential zones by limiting lot size. It places bounds on building at less than maximum allowable density. Maximum lot sizes can promote appropriate urban densities, efficiently use limited land resources, and reduce sprawl development.</p>	<p>Scale of Impact – Low to medium.</p> <p>Mandating maximum lot size may be most appropriate in areas where the market is building at substantially lower densities than are allowed or in cities that do not have minimum densities.</p>
A6. Mandate Minimum Residential Densities	<p>This policy is typically applied in single-family residential zones and places a lower bound on density. Minimum residential densities in single-family zones are typically implemented through maximum lot sizes. In multiple-family zones they are usually expressed as a minimum number of dwelling units per net acre. Such standards are typically implemented through zoning code provisions in applicable residential zones.</p> <p>This policy increases land-holding capacity. Minimum densities promote developments consistent with local comprehensive plans and growth assumptions. They reduce sprawl development, eliminate underbuilding in residential areas, and make provision of services more cost effective.</p>	<p>Scale of Impact - Low to medium.</p> <p>Increasing minimum densities and ensuring clear urban conversion plans may have a small to moderate impact depending on the observed amount of underbuild and the minimum density standard.</p>

Strategy Name	Description	Scale of Impact
A7. Increase Allowable Residential Densities	<p>This approach seeks to increase holding capacity by increasing allowable density in residential zones. It gives developers the option of building to higher densities. This approach would be implemented through the local zoning or development code. This strategy is most commonly applied to multifamily residential zones.</p> <p>Higher densities increase residential landholding capacity. Higher densities, where appropriate, provide more housing, a greater variety of housing options, and a more efficient use of scarce land resources. Higher densities also reduce sprawl development and make the provision of services more cost effective.</p>	<p>Scale of Impact – Low to medium. This tool can be most effective in increasing densities where very low density is currently allowed or in areas where a city wants to encourage higher density development.</p>
A8. Allow Clustered Residential Development	<p>Clustering allows developers to increase density on portions of a site, while preserving other areas of the site. Clustering is a tool most commonly used to preserve natural areas or avoid natural hazards during development. It uses characteristics of the site as a primary consideration in determining building footprints, access, etc. Clustering is typically processed during the site review phase of development review.</p>	<p>Scale of Impact – Medium. Clustering can increase density, however, if other areas of the site that could otherwise be developed are not developed, the scale of impact can be reduced.</p>
A9. Allow Duplexes, Cottages Townhomes, Row Houses, and Tri- and Quad-Plexes in single-family zones with appropriate design & development standards	<p>Allowing these housing types can increase overall density of residential development and may encourage a higher percentage of multifamily housing types. This approach would be implemented through the local zoning or development code and would list these housing types as outright allowable uses in appropriate residential zones. These housing types provide additional affordable housing options and allow more residential units than would be achieved by detached homes alone.</p>	<p>Scale of Impact – Low to Medium. Allowing these types of housing in more zoning districts may provide a relatively small number of new, relatively affordable, housing opportunities.</p>
A10. Allow Cohousing and “Group Quarters” (SROs, etc.)	<p>Co-housing is a type of intentional community that provides individual dwelling units, both attached and detached, along with shared community facilities. Members of a co-housing community agree to participate in group activities and members are typically involved in the planning and design of the co-housing project. Private homes contain all the features of conventional homes, but residents also have access to extensive common facilities, such as open space, courtyards, a playground, and a common house.</p>	<p>Scale of Impact – Low to Medium. While cohousing may be able to achieve multifamily housing densities, it is unlikely that this housing type would make up a large portion of new housing stock, thereby diminishing its impact.</p>

Strategy Name	Description	Scale of Impact
(cont.)	<p>This approach would be implemented through the local zoning or development code and would list these housing types as outright allowable uses in appropriate residential zones.</p> <p>NOTE: “Co-housing” is often a permitted use as one of the permitted housing types (single-family, attached housing, or multi-family) that has private social arrangements which are not publicly regulated through the zoning ordinance).</p> <p>“Group Quarters” is a useful category used by the Census Bureau to describe living situations that aren’t classified as dwellings. This includes a variety of different living situations where occupants have some private living spaces, but each private living space doesn’t comprise a full dwelling unit, and there are certain shared common areas. For example, they may have one or more of the following: shared kitchen and dining facilities, living rooms, and/or bathrooms, etc. Examples include SROs (Single Room Occupancy housing, etc.). Similar to differentiation of “middle housing” multi-family housing types, these could be regulated and differentiated by zoning based on size categories.</p>	<p>“Group quarters” uses may reduce construction costs and address a potentially unmet need.</p>
A11. Permit Accessory Dwelling Units (ADUs) in single-family zones	<p>Communities use a variety of terms to refer to the concept of accessory dwellings: secondary residences; “granny” flats; and single-family conversions, among others. Regardless of the title, all of these terms refer to an independent dwelling unit that share, at least, a tax lot in a single-family zone. Some accessory dwelling units share parking and entrances. Some may be incorporated into the primary structure; others may be in accessory structures. Accessory dwellings can be distinguished from “shared” housing in that the unit has separate kitchen and bathroom facilities. ADUs are typically regulated as a conditional uses. Some ordinances only allow ADUs where the primary dwelling is owner-occupied.</p> <p>NOTE: McMinnville has already adopted and simplified ADU provisions. HB 2001 may require a modification that would eliminate additional off-street parking requirements for ADUs.</p>	<p>Scale of Impact - Low. Oregon law recently changed to require cities to allow ADUs. McMinnville has received few permit applications for ADUs in recent years.</p>

Strategy Name	Description	Scale of Impact
A12. Allow small or “tiny” homes and identify opportunities for tiny home developments.	<p>“Tiny” homes are typically dwellings that are 500 square feet or smaller. Some tiny houses are as small as 100 to 150 square feet. They include stand-alone units or very small multifamily units.</p> <p>Tiny homes can be sited in a variety of ways: locating them in RV parks (they are similar in many respects to Park Model RVs), tiny home subdivisions, or allowing them as accessory dwelling units.</p> <p>Smaller homes allow for smaller lots, increasing land use efficiency. They provide opportunities for affordable housing, especially for homeowners.</p>	<p>Scale of Impact – Low to medium: Scale of impact depends on regulation of tiny homes, where they are allowed, and market demand for tiny homes.</p>
A13. Promote Infill Development, Allowing Flexibility in Existing Zones with Appropriate Design and Development Standards	<p>This policy seeks to maximize the use of lands that are fully developed or underdeveloped. Make use of existing infrastructure by identifying and implementing policies that (1) improve market opportunities, and (2) reduce impediments to development in areas suitable for infill or redevelopment.</p> <p>Regulatory approaches to promote infill development include:</p> <ul style="list-style-type: none"> • Administrative streamlining • Allowing accessory dwelling units (ADUs) • Allowing small lots • Density bonuses 	<p>Scale of Impact – Low to medium. In general, infill development, especially small-scale infill, is more expensive than other types of residential development. Some types of infill development, such as ADUs, may provide opportunities for relatively affordable housing.</p>
A14. Incentive-Based Zoning and Inclusionary Zoning	<p>Inclusionary zoning policies tie development approval to, or provide regulatory incentives for, the provision of low- and moderate-income housing as part of a proposed development. Mandatory inclusionary zoning-requires developers to provide a certain percentage of low-income housing. Incentive-based inclusionary zoning-provides density or other types of incentives.</p> <p>Price of low-income housing passed on to purchasers of market-rate housing; inclusionary zoning impedes the "filtering" process where residents purchase new housing, freeing existing housing for lower-income residents.</p> <p>Some cities have long had quasi-inclusionary housing provisions in their codes that are implemented at the point of annexation.</p> <p><i>Legislative Authorizations: SB 1533 (2016), HB 2997 (2019, pending)</i></p>	<p>Scale of Impact – Low to medium. Inclusionary zoning has recently been made legal in Oregon. The scale of impact would depend on the inclusionary zoning policies adopted by the city.</p>

Strategy Name	Description	Scale of Impact
A15. Provide Density Bonuses to Developers	<p>The local government allows developers to build housing at densities higher than are usually allowed by the underlying zoning. Density bonuses are commonly used as a tool to encourage greater housing density in desired areas, provided certain requirements are met. This strategy is generally implemented through provisions of the local zoning code and is allowed in appropriate residential zones.</p> <p>Bonus densities can also be used to encourage development of low-income or workforce affordable housing. An affordable housing bonus would allow for more housing units to be built than allowed by zoning if the proposed project provides a certain amount affordable units.</p>	Scale of Impact - Low.
A16. Allow Transfer or Purchase of Development Rights (TDR/PDR)	<p>This policy is intended to move development from sensitive areas to more appropriate areas. Development rights are transferred to “receiving zones” and can be traded. This policy can increase overall densities. This policy is usually implemented through a subsection of the zoning code and identifies both sending zones (zones where decreased densities are desirable) and receiving zones (zones where increased densities are allowed).</p>	<p>Scale of Impact – Low to medium. Actual impact will depend on the extent to which the policy is used. TDRs may have little impact on overall densities since overall density is not changed; rather it is moved around. TDRs can be used to encourage higher densities in selected areas.</p>
A17. Transfer of Density	<p>Transfer of density can be similar to TDR/PDR (A16), but could potentially be implemented in a more simplified manner that doesn’t require the same administrative tracking of sending and receiving zones. For example, a Planned Development may allow a mix of housing types and densities which have the same overall density as allowed in the underlying zone that would achieved through development with uniform minimum lot sizes.</p>	<p>Scale of Impact – Low to medium. Actual impact will depend on the extent to which the policy is used. Density transfers may have little impact on overall densities since overall density is not changed; rather it is moved around.</p>
A18. Evaluate transfer of density for protection of natural features	<p>This policy could be implemented in a number of different ways, but with the specific intent of encouraging preservation of natural features by transferring allowed density elsewhere. This could be outside of the development or elsewhere within a development if applicable, similar to A16 or A17. The policy could also be achieved by permitting smaller lot sizes for lots abutting natural features so the natural feature can be better preserved in a distinct tract of land without reducing the development capacity of the site.</p>	<p>Scale of Impact – Low to medium. Actual impact will depend on the extent to which the policy is used. Density transfers for natural resource protection may have some impact on overall densities since it is allowing density to be captured on lands that would otherwise be unbuildable.</p>

Strategy Name	Description	Scale of Impact
A19. Reduced Parking Requirements for Different Housing Types	<p>Allows development of housing units to with discretionary reduction of parking requirements if an applicant can demonstrate that no more parking is needed. Reduced parking requirements are generally used in conjunction of development of subsidized affordable housing but cities like Portland have reduced or eliminated parking requirements for market-based multifamily housing in specific circumstances.</p>	<p>Scale of Impact - Low. The City could require the developer to prove the need and public benefit or reducing parking requirements to increase housing affordability.</p>
A20. Reduce Street Width Standards	<p>This policy is intended to reduce land used for streets and slow down traffic. Street standards are typically described in development and/or subdivision ordinances. Reduced street width standards are most commonly applied on local streets in residential zones.</p> <p>Narrower streets make more land available to housing and economic-based development. Narrower streets can also reduce long-term street maintenance costs.</p> <p>NOTE: McMinnville has already adopted “skinny street” provisions, so any additional revisions would likely be minimal.</p>	<p>Scale of Impact - Low. This policy is most effective in cities that require relatively wide streets.</p>
A21. Regulations to Preserve Existing Housing Supply	<p>Housing preservation ordinances typically condition the demolition or replacement of certain housing types on the replacement of such housing elsewhere, fees in lieu of replacement, or payment for relocation expenses of existing tenants. Preservation of existing housing may focus on preservation of smaller, more affordable housing. Approaches include:</p> <ul style="list-style-type: none"> • Housing preservation ordinances • Housing replacement ordinances • Single-room-occupancy ordinances • Regulating demolitions 	<p>Scale of Impact - Low. Preserving small existing housing can make a difference in the availability of affordable housing in a city but it is limited by the existing stock housing, especially smaller, more affordable housing.</p>
A22. Fair Housing Act Best Practices	<p>Amendments to Definitions and Regulations, Using Best Practices to Further the Fair Housing Act. Historically, many communities have regulated residential use through definitions of “dwelling,” “family,” and “household” that described the maximum number of related and/or unrelated people living as a household within a dwelling unit. These regulations typically predated the Fair Housing Act, and new best practices which further the Fair Housing Act take a different approach to defining these terms and regulating residential use. Resulting regulations are more inclusive in permitting residential use.</p>	<p>Scale of Impact – Low to medium. This strategy would potentially help low income households obtain affordable housing by allowing more unrelated people to reside in a single dwelling.</p>

Strategy Name	Description	Scale of Impact
B. Special Area Planning which Includes Housing Opportunities		
B23. City Center Housing Strategy	The strategy will evaluate a defined area within the City Center for opportunities to increase context-sensitive housing within that area. This work has the potential to implement other strategies. The study area is partially within the designated Urban Renewal District area where eligible for TIF (K62), and could include strategies such as such as infill (A13), redevelopment, rezoning for residential use (A1), upzoning (A3), identification of possible opportunity sites (H48), and determination of associated infrastructure needs (D28).	Scale of Impact – Low to medium. This work is ongoing; it provides an opportunity to identify potential extent of residential component. Impact will also depend on market conditions.
B24. Evaluate Three Mile Land for Residential Development	The Three Mile Lane Area Plan includes evaluation of land use alternatives that could include opportunities to increase housing within the defined study area. This work has the potential to implement other strategies, which could include rezoning to residential use (A1), upzoning (A3), and determination of associated infrastructure needs (D28, D30)	Scale of Impact – Low to medium. This work is ongoing; it provides an opportunity to identify potential extent of residential component. Impact will also depend on market conditions.
B25. Hwy 99W Corridor Study – Opportunity for Higher-Density Mixed use Development	This work could include opportunities for higher density mixed-use development in anticipation of changing commercial patterns.	Scale of Impact – Low to medium. Impact will depend on market conditions.
C. Ensure Comprehensive Plan Policies Support Strategic Priorities		
C26. Great Neighborhood Principles	In April 2019, the City adopted Great Neighborhood Principles (GNP) and associated policies as part of the Comprehensive Plan. Some of these policies address mixed income and mixed housing neighborhoods. These policies will need to be implemented with code amendments, which can include other strategies, such as Strategy A2 to achieve a Diverse Housing Zone.	Scale of Impact – Low. The GNPs are primarily focused on urban form.
C27. Repeal outdated policies related to old sewer treatment capacity limits	Previously, the City’s sewer treatment plant (water reclamation facility) had limitations on treatment capacity, and the City established policies that limited density in certain areas commensurate with the treatment capacity limitations. The treatment capacity of the plant has increased, and those limitations are no longer necessary, and should be repealed. (Comprehensive Plan Housing Policies – 71.10)	Scale of Impact – Low to medium.

Strategy Name	Description	Scale of Impact
D. Develop Infrastructure Plans to Support Strategic Priorities		
D28. Update infrastructure plans for vacant/infill development	In some developed areas, infrastructure plans including waste water collection and transportation may have assumed no additional development and were not planned for infill and redevelopment to higher intensity. Further, in undeveloped areas, these plans may have assumed growth would occur at historic densities, which may be less than the maximum density permitted by zoning, limiting density of new development where there may be a desire to encourage infill and redevelopment.	Scale of Impact – Low to medium. It is difficult to determine impact until the assessment is completed; impact will depend on market response.
D29. Update infrastructure plans for growth lands	Infrastructure plans are generally sized with capacity for build-out of the Urban Growth Boundary. Expansion of the UGB will necessitate updates to the public facility plans to provide capacity to serve new areas. Infrastructure planning can also be sized to accommodate future growth within designated Urban Reserve Areas, providing for more cost-efficient provision of services.	Scale of Impact – Medium to high. The HNA concludes a significant deficit of residential lands; ensuring services is essential to transitioning land to a developable state.
D30. Develop infrastructure allocation policies	If there are current infrastructure capacity limits, developing policies to allocate the capacity can provide greater certainty about capacity and allowable density of development phasing in the short term, in support of development, redevelopment, and infill priorities.	Scale of Impact – Low. This strategy is primarily about efficient use of infrastructure and timing and will have little impact on land capacity.
D31. Develop alternative mobility network	Planning and developing an alternative mobility network can shift some trips to alternative transportation modes, providing transportation choice and reducing congestion. This can support infill and redevelopment that supports alternative modes in congested areas.	Scale of Impact – Low. This will have little impact on housing cost or type, but will ensure livable neighborhoods.
D32. Develop plans that allow for emerging technology	As new technologies emerge, there may be opportunities to reduce demand on certain infrastructure and transportation systems, potentially increasing capacity by reducing travel demand for some trips. Plans should be designed to allow for this technology and be flexible in adapting plans to reduced demand and congestion on systems that may enable additional infill and redevelopment	Scale of Impact – Unknown. Not enough is known about the impact of emerging technologies such as autonomous vehicles to predict their impact.
D33. Encourage “to and through” infrastructure policies	These policies ensure infrastructure extensions are sized to serve development as well as to extend beyond the development in the future to serve outlying properties.	Scale of Impact – Medium to high. This strategy will have little impact on housing type or affordability, but will ensure adequate capacity to serve lands in a timely and economical manner.

Strategy Name	Description	Scale of Impact
D34. Identify issues and plan for Water Zone 2 infrastructure improvements	The western portion of the UGB is at a higher elevation which requires separate infrastructure for water service within Water Service Pressure Zone 2, which will require a new water storage tank. Buildable lands within the UGB which area in Zone 2 will be unavailable for development until they can be served with water. The investment in the Zone 2 water infrastructure won't occur without sufficient area and timely development to help fund the necessary water infrastructure.	Scale of Impact – Low. This strategy will allow development of land included in the BLI.
D35. Identify areas with underutilized infrastructure capacity	Areas with underutilized infrastructure capacity may be evaluated as candidates for additional development intensity of vacant lands or infill and redevelopment opportunities in developed areas.	Scale of Impact – Low to medium. This strategy would potentially allow higher density development; impact will depend on market response.
E. Increase Buildable Land Inventory – Developing a 5, 10, 20, and 50 Year Inventory & Phase-In		
E36. Establish an Urban Reserve Area (URA)	Cities may establish Urban Reserve Areas (URAs) for a period of up to 30 years beyond the Urban Growth Boundary (UGB) planning period of 20 years, for a combined period of up to 50 years . These become the highest priority lands for future UGB expansions. Urban Reserve Areas provide an opportunity for efficient infrastructure planning and future urbanization.	Scale of Impact – Low to high. URAs are a long-term land supply strategy. The short term impact will be none; the impact 10-20+ years out could be significant in allowing better infrastructure and land supply.
E37. Establish a framework plan for the URA	A framework plan identifies the major land uses, transportation backbone, infrastructure needs, and sequencing for the long-term growth within the URA. As these lands come into the UGB, area plans will be developed to ensure land uses and housing are provided consistent with the long-term framework plan.	Scale of Impact – Low to high. URAs are a long-term land supply strategy. The short term impact will be none; the impact 10-20+ years out could be significant in allowing better infrastructure and land supply.
E38. Identify an expanded UGB per the URA	Urban Reserve Planning helps guide where to establish an Urban Growth Boundary to meet needs for the 20-year planning period.	Scale of Impact – High. Land supply is one of McMinnville's biggest short-term constraining factors.

Strategy Name	Description	Scale of Impact
E39. Develop area plans for UGB lands identifying housing opportunities	Area plans for the UGB refine the framework plan into a more detailed land use plan for areas within the UGB. Development proposals would require master plans consistent with the area plans.	Scale of Impact – High. Land supply is one of McMinnville’s biggest short-term constraining factors. This strategy will ensure efficient development of expansion areas.
E40. Develop annexation process to mandate housing types upon annexation per area plans.	Lands brought into the UGB are placed in an urban holding zone, allowing for annexation phasing plans. Annexation would require master plan approval addressing required housing mix and average density, site design, and development standards.	Scale of Impact – High. Land supply is one of McMinnville’s biggest short-term constraining factors. This strategy will ensure efficient development of expansion areas.
F. Complete “Functional” Planning that Further Affects or Informs the Buildable Land Inventory		
F41. Goal 5 Natural Resource Planning & Policies, incl. wetlands and riparian areas	The City has not adopted certain local “Goal 5” resource policies, which will be required, including a Local Wetland Inventory (LWI) and standards for riparian corridors. These will further affect or inform the capacity of lands within the UGB and future growth areas.	Scale of Impact – Low. This strategy may take certain lands off the buildable inventory.
F42. Goal 7 Hazards Planning & Policies, incl. landslide susceptibility	The City has not adopted certain local “Goal 7” policies for hazards, including areas mapped by DOGAMI (The Oregon Department of Geology and Mineral Industries) as high landslide susceptibility. DOGAMI is in the process of refining their mapping which will further inform this work, which could affect or inform the capacity of lands within the UGB and future growth areas.	Scale of Impact – Low. This strategy may take certain lands off the buildable inventory.

Strategy Name	Description	Scale of Impact
G. Evaluate Administrative and Procedural Reforms		
G43. Administrative and Procedural Reforms	<p>Regulatory delay can be a major cost-inducing factor in development. Oregon has specific requirements for review of development applications; however, complicated projects frequently require additional analysis such as traffic impact studies, etc.</p> <p>A key consideration in these types of reforms is how to streamline the review process and still achieve the intended objectives of local development policies.</p>	<p>Scale of Impact - Low. The level of impact on production of housing and housing affordability will be small and will depend on the changes made to the city's procedures.</p>
G44. Streamline Zoning Code and other Ordinances	<p>Complexity of zoning, subdivision, and other ordinances can make development more difficult, time consuming, and costly. Streamlining development regulations can result in increased development.</p> <p>As part of the streamlining process, cities may evaluate potential barriers to affordable workforce housing and multifamily housing. Potential barriers may include: height limitations, complexity of planned unit development regulations,</p>	<p>Scale of Impact - Low to medium. The level of impact on production of housing and housing affordability will depend on the changes made to the zoning code and other ordinances.</p>

Strategy Name	Description	Scale of Impact
II. OTHER STRATEGIES – NON LAND USE (City)		
H. Land Interventions to Reduce Costs and Facilitate Housing Development		
H45. Parcel assembly	<p>Parcel assembly involves the city’s ability to purchase lands for the purpose of land aggregation or site assembly. It can directly address the issues related to limited multifamily lands being available in appropriate locations (e.g., near arterials and commercial services). Typical goals of parcel assembly programs are: (1) to provide sites for rental apartments in appropriate locations close to services and (2) to reduce the cost of developing multifamily rental units</p> <p>Parcel assembly can lower the cost of multifamily development because the City is able to purchase land in strategic locations over time. Parcel assembly is more often associated with development of government-subsidized affordable housing, where the City partners with nonprofit affordable housing developers.</p>	<p>Scale of Impact - Low to medium: Parcel assembly is most likely to have an effect on a localized area, providing a few opportunities for new multifamily housing development over time.</p>
H46. Land Banking	<p>Land banks are public or community-owned entities created to acquire, manage, maintain, and repurpose vacant, abandoned, and foreclosed properties for conversion into productive use. Land banks can play a variety of roles. They can play a very limited role, such as simply acquiring property on behalf of a local municipality, to a broader role of property developer. It is important to note that land banks are not financial institutions: financing comes from developers, banks, and local governments.</p> <p>Land banks may be granted special powers via state enabling legislation. These powers can include the ability to remove legal and financial barriers, such as delinquent property taxes, that often render vacant and abandoned properties inaccessible or unattractive to the private market. Land banks acquire properties through different means, but the most common pipeline is the property tax foreclosure system.</p>	<p>Scale of Impact - Low to medium: Land banking would have the biggest impact on production of low- and moderate-income affordable housing. Considering how difficult it can be to build this type of affordable housing, and the level of need for affordable housing, land banking could encourage development of more affordable housing types.</p>

Strategy Name	Description	Scale of Impact
H47. Community Land Trust (CLT)	<p>A Community Land Trust (CLT) creates permanent affordability by severing the value of the land and the improvements (i.e., the house). The land is held in trust by a nonprofit or other entity then leased to the homeowner. The homeowner enjoys most of the rights of homeownership, but restrictions are placed on use (e.g., owner occupancy requirement) and price restrictions on resale ensure that the home remains affordable.</p> <p>CLTs may be used in conjunction with land banking programs, where the city or a nonprofit housing corporation purchases a future site for affordable housing or other housing that meets community goals.</p> <p>A variation to the community land trust is to have the City own the property rather than the land trust, and lease property to income-qualifying households (such as low-income or moderate-income households) to build housing. The City would continue to own the land over the long-term but the homeowner would be able to sell the house. Restrictions on resale ensure that the home remains affordable.</p>	<p>Scale of Impact - Low to medium: A land trust will have the biggest impact on production of low- and moderate-income affordable housing. Considering how difficult it is to build this type of affordable housing and the level of need for affordable housing, a land trust could increase nonprofits' capacity to build affordable housing.</p>
H48. Public Land Disposition	<p>The public sector sometimes controls land that has been acquired with resources that enable it to dispose of that land for private and/or nonprofit redevelopment. Land acquired with funding sources such as tax increment, EB5, or through federal resources such as CDBG or HUD Section 108 can be sold or leased at below market rates for various projects to help achieve redevelopment objectives. This increases development feasibility by reducing development costs and gives the public sector leverage to achieve its goals via a development agreement process with the developer. Funding can come from Tax Increment, CDBG/HUD 108, EB-5.</p>	<p>Scale of Impact - Low to medium: Using public land would have the biggest impact on production of low- and moderate-income affordable housing. Impact varies considering how difficult it is to build this type of affordable housing and the level of need for affordable housing.</p>
<p>I. Financial Incentives and Affordable Housing Subsidy & Assistance Programs to Retain Housing Stock, Add Supply, and Help People Afford Housing (Tax abatement programs that decrease operational costs by decreasing property taxes, Programs to lower the cost of development)</p>		
I49. Multiple-Unit Limited Tax Exemption Program (Locally Enabled and Managed)	<p>Multi-unit projects receive a ten-year property tax exemption on structural improvements to the property as long as program requirements are met. There is no ground floor active use requirement for this tool. The City of Portland's program, for example, limits the number of exemptions approved annually, requires developers to apply through a competitive process, and encourages projects to provide greater public benefits to the community. This program is enabled by the state, but managed by the local jurisdiction.</p>	<p>Scale of Impact – Low to medium. The design of the tax abatement program will impact whether and how many developers use the tax abatement, which will affect the scale of the impact.</p>

Strategy Name	Description	Scale of Impact
I50. Affordable Housing Property Tax Abatement	There are several statutory authorizations for different types of affordable housing property tax abatements which could apply to affordable housing developments that aren't already tax exempt. Some of these can be designated for a limited duration. Some of these are authorized by statute and require local enabling legislation or approvals.	Scale of Impact – Low to medium. The design of the tax abatement program will impact whether and how many developers use the tax abatement, which will affect the scale of the impact.
I51. Vertical Housing Tax Abatement (Locally Enabled and Managed)	Subsidizes "mixed-use" projects to encourage dense development or redevelopment by providing a partial property tax exemption on increased property value for qualified developments. The exemption varies in accordance with the number of residential floors on a mixed-use project with a maximum property tax exemption of 80% over 10 years. An additional property tax exemption on the land may be given if some or all of the residential housing is for low-income persons (80% of area is median income or below). The proposed zone must meet at least one of the following criteria: <ul style="list-style-type: none"> • Completely within the core area of an urban center. • Entirely within half-mile radius of existing/planned light rail station. • Entirely within one-quarter mile of fixed-route transit service (including a bus line). • Contains property for which land-use comprehensive plan and implementing ordinances effectively allow "mixed-use" with residential. 	Scale of Impact – Low to medium. The design of the tax abatement program will impact whether and how many developers use the tax abatement, which will affect the scale of the impact.
I52. Financial incentives supporting inclusionary zoning	In addition to regulatory mandates and incentives for inclusionary zoning, there can be financial incentives to help achieve inclusionary zoning, or to help increase the level of affordability or percentage of affordable units. If a City adopts both inclusionary zoning and a Construction Excise Tax, a city must offer certain incentives for developments subject to inclusionary zoning.	Scale of Impact – Low to medium. The design of the program will impact whether and how many developers use the incentives which will affect the scale of the impact.

Strategy Name	Description	Scale of Impact
I53. SDC Financing and Credits	<p>Enables developers to spread their SDC payment over time, thereby reducing upfront costs. Alternately, credits allow developers to make necessary improvements to the site in lieu of paying SDCs. Note that the City can control its own SDCs, but often small cities manage them on behalf of other jurisdictions including the County and special districts. Funding can come from an SDC fund or general fund. In some cases there may be no financial impact. Can come in the form of student, low-income, or workforce housing.</p> <p>An additional variation is deferral of SDC payment from time of building permit issuance to when the building is occupied, which can reduce up-front costs, but can potentially present create administrative issues.</p>	<p>Scale of Impact – Low. The City may consider changes in SDCs to allow financing, but the City would want to ensure that the impact should be spread-out and non-negatively impact one entity.</p>
I54. Sole Source SDCs	<p>Retains SDCs paid by developers within a limited geographic area that directly benefits from new development, rather than being available for use city-wide. This enables SDC eligible improvements within the area that generates those funds to keep them for these improvements. Improvements within smaller areas can enhance the catalytic and redevelopment value of the area. This tool can also be blended with other resources such as LIDs and TIF. Funding can come from an SDC fund or general fund. In some cases there may be no financial impact. The housing can come in the form of student, low income, or workforce housing. However, in some cases, this could limit the ability to aggregate SDC resources regardless of geographic area for larger infrastructure projects.</p>	<p>Scale of Impact – Low to medium. Depends on extent to which SDCs can be aggregated to complete larger projects.</p>
I55. Reduced or waived planning fees, permit fees, SDCs for affordable housing	<p>Planning fees, permit fees, and SDCs can be reduced or waived for qualifying affordable housing developments.</p> <p>McMinnville has already enacted planning, permit, and certain SDC waivers for qualifying affordable housing developments.</p>	<p>Scale of Impact – Low. McMinnville has already enacted planning, permit, and certain SDC waivers for qualifying affordable housing developments.</p>
I56. General Fund Grants or Loans	<p>Through the annual budget process, the City can allocate funds to assist affordable housing developments. Assistance can also be provided through no- or low-interest loans. That typically occurs in conjunction with a revolving loan fund that allows the fund to grow over time as loans are repaid.</p>	<p>Scale of Impact – Unknown. Impact is dependent on obtaining grants.</p>

Strategy Name	Description	Scale of Impact
I57. Home ownership programs	<p>Cities (and other partners) use a variety of programs to assist with homeownership</p> <ul style="list-style-type: none"> • Homebuyer Assistance Programs. These Down Payment Assistance loans help low- or moderate-income households cover down payment and closing costs to purchase homes on the open market. These programs either give loans or grants, most frequently to first time homebuyers. • Inclusionary Housing Program. Some cities have an Inclusionary Housing Ordinance (IH) requires that new residential development contribute at least 20% of the total units as permanently affordable housing. Options for meeting this requirement can be allow the affordable units to be located on or off site. Cities that use inclusionary housing generally have programs to ensure that housing continues to be affordable over the long-term. • Partnerships. Cities often work with partnerships with nonprofit agencies that provide homeownership assistance. 	<p>Scale of Impact - Low. While homeownership programs are important, limited funds mean that the number of households that benefit from homeownership programs is relatively small.</p>
I58. Rental assistance programs	<p>Cities (and other partners) use a variety of programs to provide rental assistances</p> <ul style="list-style-type: none"> • Section 8 Voucher: This assistance subsidizes the difference between 30 to 40 percent of a household's income and the area's Fair Market Rent (FMR). • Rental assistance programs. These programs offer a range of services, such as assistance with security deposits. • Rent Control. Rent control regulations control the level and increases in rent, over time resulting in rents that are at or below market rates. • Partnerships. Cities often work with partnerships with nonprofit agencies that provide rental assistance. 	<p>Scale of Impact - Low. Renter assistance programs are important. However, limited city funds mean that the number of households that benefit from rental assistance resulting from city funding is relatively small.</p>
I59. Housing Rehabilitation Programs	<p>Cities (and other partners) often offer home rehabilitation programs, which provide loans to low- and moderate-income households for rehabilitation projects such as making energy efficiency, code, and safety repairs. Some programs provide funding to demolish and completely reconstruct substandard housing.</p>	<p>Scale of Impact - Low. Limited fund availability means that relatively few households will be able to access housing rehabilitation funds.</p>
I60. Non-regulatory programs and incentives to	<p>While rehabilitation programs can help preserve housing supply there are other strategies that can help preserve housing supply, or affordable housing supply. For example, if a long-term deed restriction requiring affordable rents for a specified period is</p>	<p>Scale of Impact - Low. Impact would be limited by the availability of funding.</p>

Strategy Name	Description	Scale of Impact
preserve existing housing supply	set to expire, an affordable housing agency may acquire a property to retain the housing as affordable units.	
J. Tools to Help Fund Infrastructure or Facilitate Equitable & Timely Extension of Infrastructure		
J61. Local Improvement District (LID)	This tool is a special assessment district where property owners are assessed a fee to pay for capital improvements, such as streetscape enhancements, underground utilities, or shared open space. LIDs must be supported by a majority of affected property owners and setting up fair LID payments for various property owners, who are located different distances from the improvement can be challenging. However, if successful it succeeds in organizing property owners around a common goal. It also allows property owners to make payments over time to bring about improvements quickly that benefit them individually. LIDs can also be bundled with other resources, such as TIFs.	Scale of Impact – Low to medium. This tool can only be used when certain majority requirements are met for properties to be assessed.
J62. Reimbursement District	<p>A reimbursement district is a tool that provides equity if the City or a developer must extend public facilities along other properties in order to enable development of a property. If intervening properties connect to the infrastructure extended at the expense of the developer or City, a reimbursement district allows the City or developer who paid for the extension to recoup costs that would have been incurred by the intervening properties if they had to extend it on their own at the time of their development.</p> <p>Unless or until the intervening property develops in a manner that would have required the infrastructure extension, there is no assessment. Therefore, there is no assurance that the City or developer that installed the infrastructure will recoup the costs.</p> <p>This tool can overcome a situation where a developer may be hesitant to extend services if the intervening property can connect for free at developer's expense.</p>	Scale of Impact – Low to medium. This tool doesn't provide a new funding source, but may sometimes impact decisions to extend infrastructure to serve new development.

Strategy Name	Description	Scale of Impact
K. Programs and Revenue Sources to Generate Revenue to Fund Subsidy Programs and Incentives (Sources of funding to pay for infrastructure to support development)		
K63. Urban Renewal / Tax Increment Finance (TIF)	<p>Tax increment finance revenues are generated by the increase in total assessed value in an urban renewal district from the time the district is first established. As property values increase in the district, the increase in total property taxes (i.e., City, County, school portions) is used to pay off the bonds. When the bonds are paid off, the entire valuation is returned to the general property tax rolls. TIFs defer property tax accumulation by the City and County until the urban renewal district expires or pays off bonds. Over the long term (most districts are established for a period of 20 or more years), the district could produce significant revenues for capital projects. Urban renewal funds can be invested in the form of low-interest loans and/or grants for a variety of capital investments:</p> <ul style="list-style-type: none"> • Redevelopment projects, such as mixed-use or infill housing developments • Economic development strategies, such as capital improvement loans for small or start up businesses which can be linked to family-wage jobs • Streetscape improvements, including new lighting, trees, and sidewalks • Land assembly for public as well as private re-use • Transportation enhancements, including intersection improvements • Historic preservation projects • Parks and open spaces 	Scale of Impact – Medium. Urban Renewal funding is a flexible tool that allows cities to develop essential infrastructure or provides funding for programs that lower the costs of housing development (such as SDC reductions or low interest loan programs). Portland used Urban Renewal to catalyze redevelopment across the City, including the Pearl District and South Waterfront.
K64. Affordable Housing Construction Excise Tax (CET)	<p>An affordable housing construction excise tax (CET) is a tax on the value of new construction that is used to fund affordable housing. CETs are governed by state law but provide local control over some aspects of the tax structure, rates, etc.</p> <p>A CET can be established using a flat rate or a tiered/marginal rate, which can help further affordable housing objectives.</p> <p><i>(Legislative Authorization: SB 1533, 2016)</i></p>	Scale of Impact – Low to medium. Impacts would depend on (1) the amount of the tax, (2) the amount of revenue generated, and (3) how the funds are invested.

Strategy Name	Description	Scale of Impact
K65. Linkage Fees for Non-Residential Development	Linkage fees are a type of impact fee based on the source of the impact. In this case, the fee is based on the impact of commercial and industrial development creating additional housing demand. New nonresidential development generates jobs, which triggers housing needs for their workers. Commercial and/or industrial developers are charged fees, usually assessed per square foot, which then are used to build new housing units. A communitywide analysis is usually performed to estimate the type and amount of jobs and wages that are expected to be generated by new development.	Scale of Impact – Low to medium. Impact is dependent on the design of the program which will determine how many projects are required to pay fees.
K66 & 67. General Fund and General Obligation (GO) Bonds	The city can use general fund monies on hand or can issue bonds backed by the full faith and credit of the city to pay for desired public improvements. GO Bonds require a public vote which can be time-consuming and costly. GO Bonds also raise property owner taxes.	Scale of Impact – Medium to high. GO Bonds can be used to develop essential infrastructure or provides funding for programs that lower the costs of housing development (such as SDC reductions or low interest loan programs).
K68. Transient Lodging Tax (TLT) – Up to 30% for Affordable Housing (SB595)	This legislation would enable cities with a local transient lodging tax to use a portion for affordable housing. Currently 70% of local funds must go to tourism, and 30% can be allocated to general fund. SB595 would authorize a maximum of 30% be dedicated for affordable housing, authorized to be deducted from the 70% for tourism. <i>(Legislative Authorization: SB595, 2019, pending)</i>	Scale of Impact – Low to moderate Would require Council action to appropriate funds for housing and the amount of funding. Would provide a stable annual funding source dedicated to affordable housing.

Strategy Name	Description	Scale of Impact
<p>K69. Community Development Block Grants (CDBG)</p> <p>(Federal Program, Locally Administered)</p>	<p>Community Development Block Grants (CDBG) provide communities with resources to address a range of community development needs, including infrastructure improvements, housing and commercial rehab loans and grants, as well as other benefits targeted to low- and moderate-income persons. Funds can be applied relatively flexibly. This program has been run since 1974, and is seen as being fairly reliable, but securing loans/grants for individual projects can be competitive.</p> <p>Some drawbacks to CDBG funds include:</p> <ul style="list-style-type: none"> • Administration and projects must meet federal guidelines such as Davis Bacon construction requirements. • Amount of federal funding for CDBG has been diminishing over the past few years. • CDBG program is not in the control of the City. 	<p>Scale of Impact – Unknown. Impact is dependent on qualifying as an entitlement community with an annual appropriation or obtaining grants competitively through the state/small cities program</p>
<p>p/o K69. CDBG – Section 108</p> <p>(Federal Program, Locally Administered)</p>	<p>HUD Section 108 increases the capacity of block grants to assist with economic development projects by enabling a community to borrow up to five times its annual CDBG allocation. These funds can be fairly flexible in their application. The program has been in operation since 1974 and has gained reliability. It enables a larger amount of very low interest-rate-subordinate funding for eligible projects. As with CDBGs, the process of securing the loan can be competitive.</p>	<p>Scale of Impact - Low. Section 108 funds could be used to help finance development of some affordable housing but would only cover a portion of the affordable housing development.</p>
<p>K70. Housing Trust Funds</p>	<p>Housing trust funds are designed locally so they take advantage of unique opportunities and address specific needs that exist within a community. Housing trust funds support virtually any housing activity that serves the targeted beneficiaries and would typically fund new construction and rehabilitation, as well as community land trusts and first time homeowners.</p> <p>This tool is often used in cities with inclusionary zoning ordinances, which generates fees to fund development of the housing trust fund. Successfully implementing this tool requires a dedicated funding source.</p>	<p>Scale of Impact – Unknown. Impact is dependent on program design.</p>

Strategy Name	Description	Scale of Impact
K71. Fees or Other Dedicated Revenue	Directs user fees into an enterprise fund that provides dedicated revenue to fund specific projects. Examples of those types of funds can include parking revenue funds, stormwater/ sewer funds, street funds, etc. The City could also use this program to raise private sector funds for a district parking garage wherein the City could facilitate a program allowing developers to pay fees-in-lieu or “parking credits” that developers would purchase from the City for access “entitlement” into the shared supply. The shared supply could meet initial parking need when the development comes online while also maintaining the flexibility to adjust to parking need over time as elasticity in the demand patterns develop in the district and influences like alternative modes are accounted for. Funding can come from residents, businesses, and developers. Also these fees or revenues allow for new revenue streams into the City.	Scale of Impact – Unknown. Impact is dependent on program design.
L. Education and Outreach		
L72. Education and Outreach	Ensure housing developers are aware of regulatory changes that authorize additional housing options or flexibility. Provide information that explains housing options that are already available under existing zoning and building codes, but may use different terminology than is commonly recognized.	Scale of Impact – Low.
M. Advocacy for State/Federal Legislative Actions that Increase State Agency Program Funding Available to Fund Affordable Housing		
M73. State Affordable Housing Funding	This legislation would change the tax income code to eliminate certain deductions, and the resulting revenues would fund state affordable housing programs. <i>(Legislation: HB 3349, 2019, pending)</i>	Scale of Impact – Unknown.
N. Apply for and Utilize State, Federal, and Foundation Resources		
N74. Use grants, programs, and technical resources when available and cost-effective	Continue to utilize grant funds and other resources when available to fund housing related planning and housing-related programs.	Scale of Impact – Unknown. Impact is dependent on obtaining grants.

Strategy Name	Description	Scale of Impact
O. Partnerships		
O75. Misc. Partnerships	Placeholder Only – To Capture Ideas / Discussion	
P. Strategies and Tools Employed by Organizations Other Than the City		
P76. Misc. Strategies	Placeholder Only – To Capture Ideas / Discussion	
P77. Oregon Affordable Housing Tax Credit (OAHTC)	<p>The City is directly not involved in this program.</p> <p>The 1989 Oregon Legislature created the Oregon Affordable Housing Tax Credit Program (OAHTC). Under the OAHTC Program, the Department has the authority to certify tax credits for projects. Through the use of tax credits, lending institutions are able to lower the cost of financing by as much as four percent for housing projects or community rehabilitation programs serving low-income households. The savings generated by the reduced interest rate must be passed directly to the tenant in the form of reduced rents.</p>	Scale of Impact – Low to medium. The city is not directly involved in this program.
P78. Low Income Housing Tax Credits (LIHTC)	<p>The Low Income Housing Tax Credit Program (LIHTC) is an incentive to encourage the construction and rehabilitation of rental housing for lower-income households. The program offers credits on federal tax liabilities for 10 years. Individuals, corporations, partnerships and other legal entities may benefit from tax credits, subject to applicable restrictions.</p> <p>Annually, the U.S. Department of Treasury allocates tax credits to each state. Oregon Housing and Community Services (OHCS) administers the tax credit program for the state of Oregon. Tax credits offer direct federal income tax savings to owners of rental housing developments who with a developer are willing to set-aside a minimum portion of the development's units for households earning 60 percent or less of gross area median income. Developers of tax credit developments typically sell the credits to investors who are willing to provide capital in return for the economic benefits (including tax credits) generated by the development.</p>	Scale f Impact – Moderate to high. The city is not directly involved in this program.

Land Use Action	Aggregate Results (2 groups)
A9. Allow more housing types	81
A2. Diverse Housing Zone. Explore residential zoning with targeted/ minimum density and multiple allowed housing types	73
A3. Develop a high density residential zone	73
D28. Update infrastructure plans for infill development	67
A13. Promote Infill Development, Allowing Flexibility in Existing Zones with Appropriate Design and Development Standards	60
A4. Allow Small Residential Lots	58
A8. Allow Clustered Residential Development	57
E36. Establish an Urban Reserve Area (URA)	57
D29. Update infrastructure plans for growth lands	53
E38. Identify an expanded UGB per the URA	48
B23. City Center Housing Strategy	47
E40. Develop annexation process to mandate housing types upon annexation per area plans.	47
G44. Streamline Zoning Code and other Ordinances	45
A11. Permit ADU in SF Zones	43
A12. Allow small or “tiny” homes and identify opportunities for tiny home developments.	43
A14. Incentive-Based Zoning and Inclusionary Zoning	42
C26. Great Neighborhood Principles	42
A10. Allow Cohousing and “Group Quarters” (SROs, etc.)	39
E39. Develop area plans for UGB lands identifying housing opportunities	39
E37. Establish a framework plan for the URA	37
B24. Evaluate Three Mile Land for Residential Development	36
A6. Mandate Mimimum Residential Densities	35
A7. Increase Allowable Residential Densities	35
A1. Redesignate or rezone land for housing	32
F41. Goal 5 Natural Resource Planning & Policies, incl. wetlands and riparian areas	29
A22. Fair Housing Act BMP	28
C27. Repeal outdated policies related to old sewer treatment capacity limits	28
D34. Identify issues and plan for Water Zone 2 infrastructure improvements	27
A18. Evaluate transfer of density for protection of natural features	26
A19. Reduced Parking	26
G43. Administrative and Procedural Reforms	26

B25. Hwy 99W Corridor Study – Opportunity for Higher-Density Mixed use Development	24
D30. Develop infrastructure allocation policies	23
D33. Encourage “to and through” infrastructure policies	22
A5. Mandate Maximum Lot Sizes	21
A16. Allow TDR/PDR	20
Other: Look for opportunities to rezone existing single-family to R-3 and R-4 to address short-term deficit identified in HNA	20
A15. Provide Density Bonuses	15
A21. Regulations to Preserve Existing Housing	14
F42. Goal 7 Hazards Planning & Policies, incl. landslide susceptibility	14
D32. Develop plans that allow for emerging technology	12
A20. Reduce Street Width Standards	11
A17. Transfer of Density	10
D35. Identify areas with underutilized infrastructure capacity	10
D31. Develop alternative mobility network	6

Non-Land Use Action	Aggregate Results (2 groups)
p78 lihtc	77
I57. Home ownership programs	74
P77. Oregon Affordable Housing Tax Credit	60
K68. Transient Lodging Tax (TLT) – Up to 30% for Affordable Housing (SB595)	55
I59. Housing Rehab	54
H47. Community Land Trust (CLT)	50
I52. Financial incentives supporting inclusionary zoning	48
I58. Rental assistance programs	47
I55. Reduced or waived planning fees, permit fees, SDCs for affordable housing	45
K69. Community CDBG	44
I50. Affordable Housing Property Tax Abatement	43
M73. State Affordable Housing Funding	43
H46. Land Banking	40
K63. Urban Renewal TIF	39
I53. SDC Finance/Credits	38
I51. Vertical HTA	35
J61. LID	33
K70. Housing Trust Funds	32
I60. Non-regulatory programs and incentives to preserve existing housing supply	29
H45. Parcel assembly	28
I49. Multiple-Unit Limited Tax	25
K64. Affordable Housing Construction Excise Tax (CET)	25
J62. Reimbursement District	24
p/o K69. CDBG 108	24
N74. Use grants, programs, and technical resources when available and cost-effective	24
H48. Public Land Disposition	22
I54. Sole Source SDC	21
other: Vacant Property tax	20
K66 & 67. General Fund and General Obligation	17
I56. General Fund Grants or Loans	14
K71. Fees or Other	14
L72. Education and Outreach	14
Other: Fee for demo of affordable home for expensive home	14
K65. Linkage Fees for Non-Residential	12
O75. Misc. Partnerships	6
P76. Misc. Strategies	2



City of McMinnville
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STAFF REPORT

DATE: September 10, 2019
TO: Mayor and City Councilors
FROM: Heather Richards, Planning Director
SUBJECT: Resolution No. 2019-60 – Appointing City Representatives to the Economic Vitality Leadership Council

STRATEGIC PRIORITY & GOAL:



ECONOMIC PROSPERITY

Provide economic opportunity for all residents through sustainable growth across a balanced array of traditional and innovative industry sectors.

OBJECTIVE/S: Accelerate growth in living wage jobs across a balanced array of industry sectors

Report in Brief: This action is the consideration of Resolution No. 2019-60, appointing Kellie Menke and Walt Gowell to the Economic Vitality Leadership Council to represent the City of McMinnville and provide guidance on the implementation of the **MAC Town 2032 Economic Development Strategic Plan**.

Background:

**“McMinnville is old enough to be substantial,
Young enough to be ambitious,
Big enough to be industrious,
And small enough to be friendly.”**

In 2018, the City of McMinnville initiated the development of an economic development strategic plan with a project advisory committee comprised of members of the City of McMinnville, McMinnville Downtown Association, the McMinnville Chamber of Commerce, McMinnville Economic Development Partnership, Chemeketa College, and many business leaders in the community.

The intent from the beginning of the project was to develop a strategic plan that would be a guidance document for everyone in the City of McMinnville working on economic development issues.

Attachments:
Resolution No. 2019-60

The plan identified three foundational goals and strategies that are meant to be broadly beneficial across multiple industry sectors.

1. Accelerate Growth in Living-Wage Jobs Across a Balanced Array of Industry Sectors.
2. Improve systems for Economic Mobility and Inclusion.
3. Maintain and Enhance our High Quality of Life.

The plan also identified five target sector goals and strategies that are intended to pursue opportunities and improve outcomes within clusters or sectors of related industries. :

1. Sustain and Innovate within Traditional Industry and Advanced Manufacturing.
2. Foster Opportunity in Technology and Entrepreneurship
3. Be a Leader in Hospitality and Place-Based Tourism
4. Align and Cultivate Opportunities in Craft Beverages and Food Systems.
5. Proactively Assist Growth in Education, Medicine and Other Sciences.

The Project Advisory Committee (PAC) was comprised of economic development professionals and community business leaders and employers met monthly to review materials with the consultant team. The PAC membership was:

Jeff Towery, City of McMinnville
Heather Richards, City of McMinnville
Jeff Knapp, Visit McMinnville
Jody Christensen, McMinnville Economic Development Partnership
Gioia Goodrum, McMinnville Chamber of Commerce
Jenny Berg, McMinnville Downtown Association
Bradly James, McMinnville Downtown Association
Scott Burke, City of McMinnville
Peter Hofstetter, Willamette Valley Medical Center
Erin Stephenson, Atticus Hotel
Maria Stuart, R Stuart & Co. Winery
Danielle Hoffman, Chemeteka Community College
Kyle Faulk, Citizens Bank
Kelly McDonald, the Granary District
Sean Rauch, Wells Fargo
Peter Kircher, Golden Valley Brewing

The Plan's Project Advisory Committee discussed how to ensure that the Plan would be utilized and leveraged as effectively as possible for the community of McMinnville.

They discussed forming an Economic Vitality Leadership Council comprised of members of the McMinnville Downtown Association, McMinnville Economic Development Partnership, McMinnville Chamber of Commerce, Visit McMinnville, the City of McMinnville and other community stakeholders

that would meet periodically to review the plan and discuss what made sense to move forward in terms of projects and programs.

On March 12, 2019, the City Council adopted Ordinance No. 5062 establishing the Economic Vitality Leadership Council per Chapter 2.30 of the McMinnville Municipal Code.

Discussion:

Per Chapter 2.30 of the MMC, the membership of the Economic Vitality Leadership Council shall be structured per the following:

2.30.030 Membership

- A. Number of Members. The MAC Town 2032 Economic Vitality Leadership Council shall be comprised of 15 members. .
- B. Representation. Membership shall be comprised of two members each from the City of McMinnville, McMinnville Chamber of Commerce, McMinnville Economic Development Partnership, Visit McMinnville, and McMinnville Downtown Association, one member from McMinnville Water and Light, one member from the McMinnville School District, and three members at-large representing the McMinnville business community. Each member should be part of the overall team of the representative stakeholder.
- C. Appointments. Appointments will be made by each respective agency for those members representing that agency with guidance from the MAC Town 2032 Economic Vitality Leadership Council. The three members at-large will be appointed by the McMinnville City Council with the recommendation of the MAC Town 2032 Economic Vitality Leadership Council.
- D. Terms. All terms are for three years commencing with January of each year. All members may serve two consecutive three-year terms. Members who have served two full terms may be reappointed to the MAC Town 2032 Economic Vitality Leadership Council after a three-year hiatus from the council. For the initial appointments, five members will be appointed to a one year term, five members to a two-year term, and five members to a three year term. The initial one and two year terms will not count towards the term limits.
- E. Removal. A council member may be removed by the majority vote of the MAC Town 2032 Economic Vitality Leadership Council if the council finds misconduct, nonperformance of duties or three successive unexcused absences from regular meetings by the member, the member shall be removed.
- F. Ex-Officio Members. One ex-officio youth (21 years of age and under) may be appointed by the McMinnville City Council, to serve a three year term. The ex-officio youth shall not be a voting member.

Kellie Menke, City Council President, and Walt Gowell, Chairperson of the McMinnville Urban Renewal Advisory Committee are recommended to represent the City of McMinnville on the EVLC.

The following appointments have been made by partner agencies:

McMinnville Chamber of Commerce

- Steve Patterson
- Mike Morris

McMinnville Downtown Association

- Dani Chisholm
- Kyle Faulk

McMinnville Economic Development Partnership

- John Dietz
- Deven Paolo

Visit McMinnville

- Ellen Brittan
- Ty Rollins

City of McMinnville

- Kellie Menke*
- Walt Gowell*

**(Dependent upon the City Council's approval of Resolution No. 2019-60)*

McMinnville Water and Light

- Nancy Carlton

McMinnville School District

- TBD

The Council will convene for the first time in late September / early October and make a recommendation to the McMinnville City Council for the three at-large members.

Attachments:

- Resolution No. 2019-60

Fiscal Impact:

There is no anticipated fiscal impact to the City of McMinnville with this decision.

Recommendation:

Staff recommends that the Council approve Resolution No. 2019-60.

“I MOVE TO APPROVE RESOLUTION NO. 2019-60.”

Attachments:

Resolution No. 2019-60

RESOLUTION NO. 2019 - 60

A Resolution appointing city representatives to the Economic Vitality Leadership Council.

RECITALS:

WHEREAS, in 2018, the City of McMinnville initiated the development of an economic development strategic plan with a project advisory committee comprised of members of the City of McMinnville, McMinnville Downtown Association, the McMinnville Chamber of Commerce, McMinnville Economic Development Partnership, Chemeketa College, and many business leaders in the community; and

WHEREAS, the intent from the beginning of the project was to develop a strategic plan that would be a guidance document for everyone in the city of McMinnville working on economic development issues; and

WHEREAS, the plan identified three foundational goals and strategies that are meant to be broadly beneficial across multiple industry sectors.

1. Accelerate Growth in Living-Wage Jobs Across a Balanced Array of Industry Sectors.
2. Improve systems for Economic Mobility and Inclusion.
3. Maintain and Enhance our High Quality of Life.

WHEREAS, the plan identified five target sector goals and strategies that are intended to pursue opportunities and improve outcomes within clusters or sectors of related industries. :

1. Sustain and Innovate within Traditional Industry and Advanced Manufacturing.
2. Foster Opportunity in Technology and Entrepreneurship
3. Be a Leader in Hospitality and Place-Based Tourism
4. Align and Cultivate Opportunities in Craft Beverages and Food Systems.
5. Proactively Assist Growth in Education, Medicine and Other Sciences.

WHEREAS, on March 12, 2019, the City of McMinnville adopted the MAC Town 2032 Economic Development Strategic Plan.

WHEREAS, the Plan's Project Advisory Committee discussed how to ensure that the Plan would be utilized and leveraged as effectively as possible for the community of McMinnville; and

WHEREAS, the Plan's Project Advisory Committee voted to recommend that the City of McMinnville establish an Economic Vitality Leadership Council to oversee the implementation of the Plan; and

WHEREAS, on March 12, 2019, the City of McMinnville created the Economic Vitality Leadership Council per Chapter 2.30 of the McMinnville Municipal Code; and

WHEREAS, per the Economic Vitality Leadership Council, the City of McMinnville needs to appoint two representatives to serve on the Economic Vitality Leadership Council.

NOW THEREFORE BE IT RESOLVED that the Common Council of the City of McMinnville, Oregon that appoints the following volunteers to the Economic Vitality Leadership Council (EVLC) effective immediately as detailed below:

ECONOMIC VITALITY LEADERSHIP COUNCIL
(3-year term)

Kellie Menke (City Council) expires December 31, 2022

Walt Gowell (MURAC) expires December 31, 2022

Adopted by the Common Council of the City of McMinnville at a regular meeting held the 10th day of September, 2019 by the following votes:

Ayes: _____

Nays: _____

Approved this 10th day of September, 2019.

MAYOR

Approved as to form:

CITY ATTORNEY