

Scappoose Housing Needs Analysis Work Session #2:

Scappoose City Hall, Council Chambers
April 24, 2017, 5:30 p.m. – 7:30 p.m.

Mayor Burge called the Work Session to order at 5:35 p.m. and he reminded everyone that the work session is being recorded.

Introductions

City Planner Laurie Oliver introduced Beth Goodman, Consultant with ECONorthwest, who will be presenting the Housing Needs Analysis this evening.

Present: City Planner Laurie Oliver, Mayor Scott Burge, City Manager Michael Sykes, Councilor Natalie Sanders, Councilor Rich Riffle, Planning Commission Vice Chair Scott Jensen, Councilor Joel Haugen, Councilor Megan Greisen, Planning Commissioner Rita Bernhard, Councilor Patrick Kessi, and City Recorder Susan Reeves.

Also present: Police Chief Norm Miller, City Engineer Chris Negelspach, Program Analyst Alexandra Rains, AmeriCorps RARE Participant Ben Tolles, and Courtney Vaughn with the Spotlight.

Not Present: Planning Commissioner Bill Blank and Planning Commissioner Bruce Shoemaker.

Excused: Council President Mark Reed, Planning Commission Chair Carmen Kulp, Planning Commissioner Jim Dahla, and Planning Commissioner Timothy Connell.

Preliminary results of the Housing Needs Analysis

ECONorthwest Consultant Beth Goodman explained they are going to step through some of the preliminary results of the Housing Needs Analysis. She explained the Housing Needs Analysis has two pieces, there is a buildable lands inventory, that is how much land we have and what housing that land could accommodate, and then there is the forecast of housing need, that includes what are our current conditions are for housing and sort of tells you what you need based on the population forecast.

Beth Goodman went through her power point presentation.

Scappoose Housing Needs Analysis

City Council and Planning Commission
Work Session #2

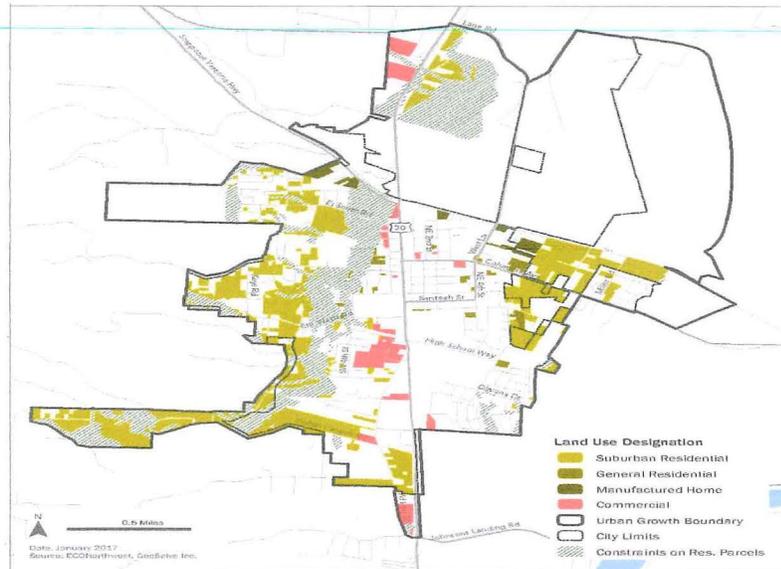
April 24, 2017

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Buildable Lands Inventory

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**Scappoose
Buildable
Lands
Inventory:
Land with
Development
Capacity**



Land with Development Capacity

Plan Designation	Unconstrained		Total Unconstrained Buildable Acres
	Partially Vacant Acres	Unconstrained Vacant Acres	
General Residential	2.8	9.3	12.1
A-1	-	2.2	2.2
R-1	1.3	3.4	4.7
R-4	1.4	3.7	5.2
Suburban Residential	187.3	73.2	260.5
R-1	51.6	27.3	78.9
Annexes to R-1**	98.6	26.0	124.6
R-4	37.0	19.9	56.9
Manufactured Home	9.5	2.7	12.2
MH	9.5	2.7	12.2
Commercial	18.0	24.1	42.1
EC	7.0	14.8	21.8
Annexes to EC**	11.0	9.3	20.3
Total	218	109	327
Percent of Total	67%	33%	100%

Beth Goodman explained most of the land is in suburban residential and most of it is in the R-1 zone and if it is not zoned R-1 right now it is zoned something in the County and will be zoned R-1 at the point it is annexed and developed. She explained there is very little land in the A-1 zone. She stated overall the City has capacity for about nearly 1,700 dwelling units, maybe minus 100 if there is a mathematical error.

Beth Goodman explained what they did was look at all the land in Scappoose and they looked at all the residentially zoned land, and in that they also included commercial land. She explained then they figured out how much vacant land Scappoose has, in addition to looking at land that is partially vacant. She explained they also looked at developed land. They also looked at lands with constraints, which constraints are land within floodplains, natural resource protection areas, land with slopes of over 25%, and wetlands.

Joel Haugen asked Beth how confident is she of the data?

Beth Goodman replied they had City Planner Laurie Oliver walk through this along with others.

City Planner Laurie Oliver replied staff had two of the Planning Commissioners look through it, along with Mayor Burge. She stated she is comfortable with the information.

Beth Goodman stated she would say this is relatively accurate but you are going to be able to find at least one parcel on these maps that is wrong, or incorrectly categorized.

Beth Goodman explained 2/3 of the land is partially vacant and 1/3 is vacant.

Scott Jensen asked, if there were any larger land owners that know they don't want to develop, could they send a letter to the City and say don't consider this land available.

Beth Goodman replied you can't choose your availability under Oregon's Land Use System. She stated that is very sensible to ask that and that is one of the ways our system is not very sensible because it assumes that all land inside the urban growth boundary will develop over the twenty year period if it is vacant or partially vacant.

Estimated Housing Capacity

Plan Designation	Total Unconstrained Buildable Acres	Density Assumption (DU/Acre)	Capacity (Dwelling Units)
General Residential	12.1	6.2	75
A-1	2.2	12.5	27
R-1	4.7	3.9	18
R-4	5.2	5.9	30
Suburban Residential	260.5	5.7	1,477
R-1*	203.5	4.4	895
R-4	56.9	6.6	375
Manufactured Home	12.2		78
MH	12.2	6.4	78
Commercial	4.2		51
EC**	4.2	12.2	51
Total	289.0	5.8	1,681

Joel Haugen asked under capacity ~ he said 895 and 375 doesn't equal 1,477, so how did they get to 1,477.

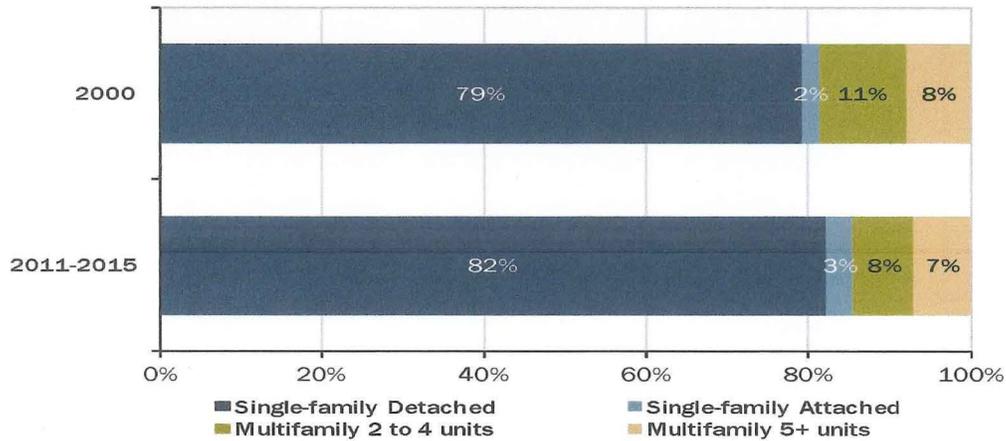
Beth Goodman replied she is not entirely sure. She stated that may be a mathematical error. She stated she will circle that and make sure she follows up on that. She will double check that.

Types of Housing

<p>Single-Family Detached Single-family detached Manufactured & mobile homes Cottage Housing</p> 	<p>Multifamily 2 to 4 Units per Structure Duplexes Tri- and 4-Plexes</p> 
<p>Single-Family Attached Townhouses</p> 	<p>Multifamily 5+ Units per Structure Apartments – owner & renter occupied</p> 

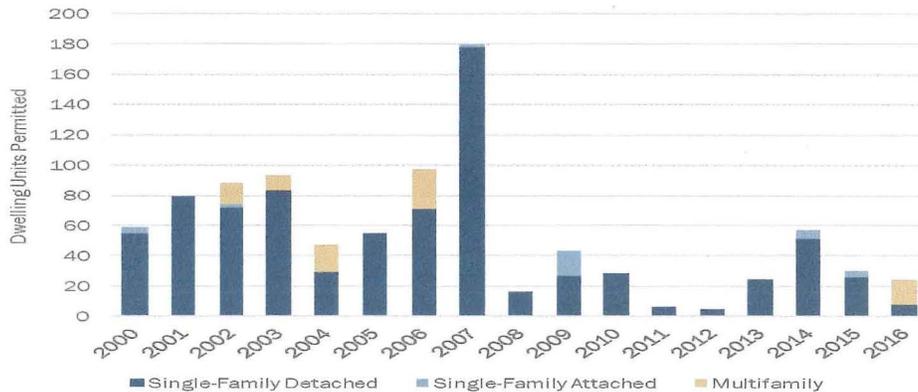
Beth Goodman explained the types of housing and stated when we talk about needed housing and the context of Goal 10, these are all needed housing types. She explained they separated out the multifamily into two types because they have different density characteristic and the City's particular zoning code right now doesn't allow us to do much multifamily in the apartment style multifamily. She explained right now we are limited to eight dwelling units per structure.

Scappoose Housing Mix



Source: U.S. Census, 2000, SF3 H30; U.S. Census, ACS 2011-2015, B25024

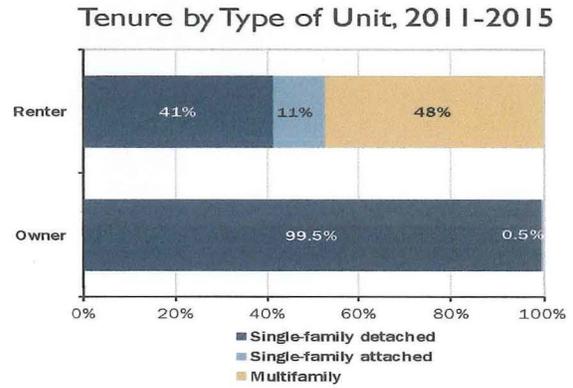
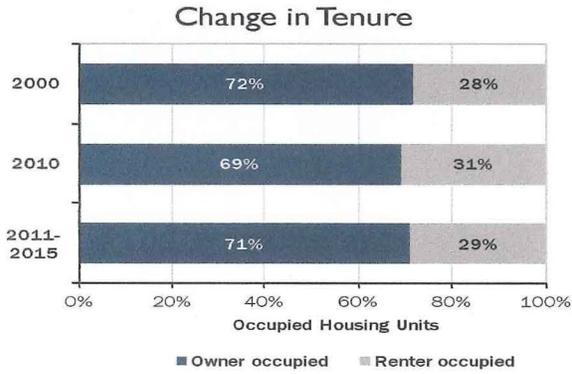
Building Permits, 2000 to 2016



Source: City of Scappoose Building Permit Database

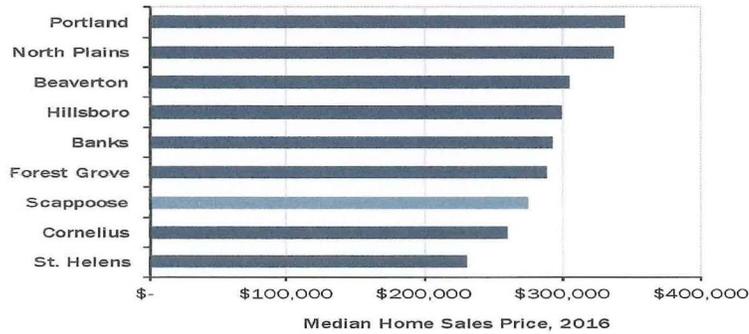
Beth Goodman stated on average, the City has issued 55 building permits per year.

Housing Tenure



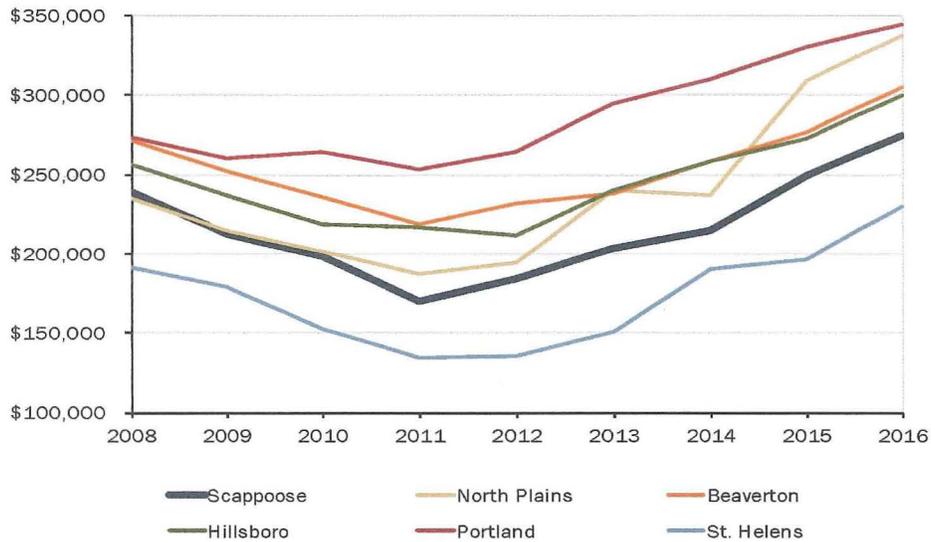
Source: U.S. Census 2000 and 2010, SF3 H032; U.S. Census, ACS 2011-2015, B25003

Median Sales Price, 2016



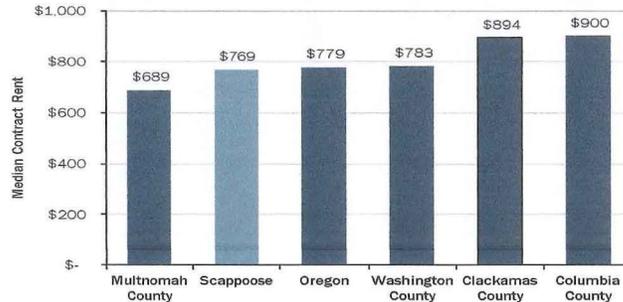
Source: Columbia County Assessor's database, Property Radar, and Zillow Real Estate Research

Median Sales Price, 2008 to 2016



Source: Columbia County Assessor's database, Property Radar, and Zillow Real Estate Research

Contract Rent, 2011-2015



Source: U.S. Census, ACS 2011-2015

Beth Goodman explained contract rent is just the rent, it doesn't include utilities.

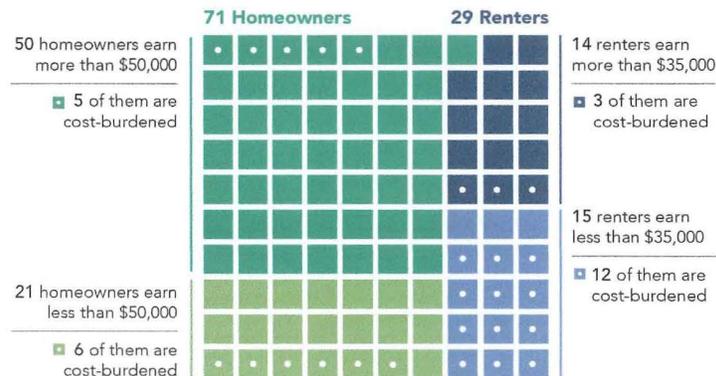
City Manager Sykes wondered how Scappoose contract rent was lower than Columbia County contract rent.

Beth Goodman replied she can check into this. She explained one of the things is that Scappoose doesn't have a lot of rental units.

Scott Jensen asked for a footnote explaining this because everyone else in the region will have the same questions.

Housing Affordability: Cost Burden

If all of Scappoose's Households were 100 Residents...



Beth Goodman went over the Housing Needs Analysis Forecast.

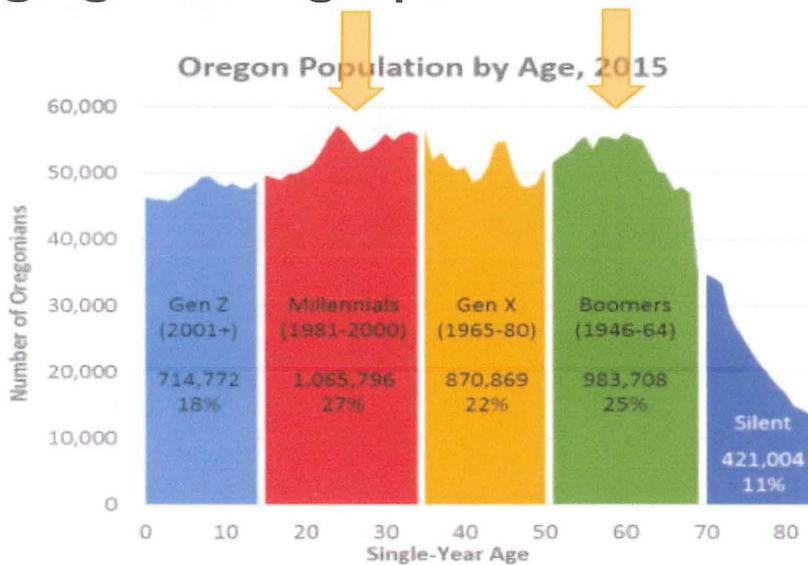
Housing Needs Analysis: Housing Forecast

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Forecast of Housing Growth

Change in persons	3,175
<i>minus</i> Change in persons in group quarters	30
<i>equals</i> Persons in households	3,145
Average household size	2.73
New occupied DU	1,152
<i>times</i> Aggregate vacancy rate	3.7%
<i>equals</i> Vacant dwelling units	43
Total new dwelling units (2016-2036)	1,195
Annual average of new dwelling units	60

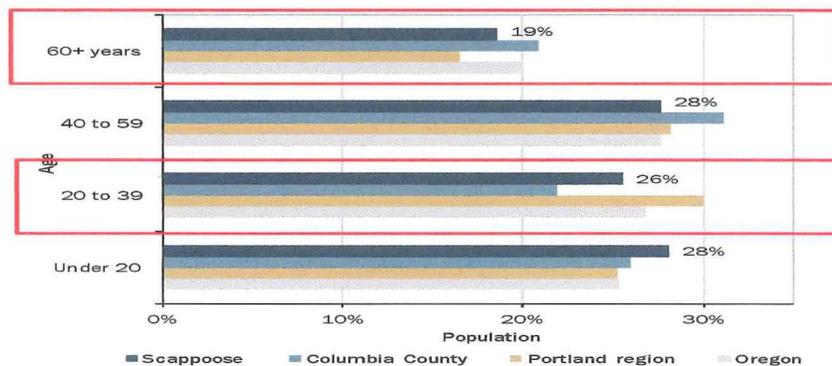
Changing Demographics



Source: Oregon Office of Economic Analysis

Beth Goodman explained over all in Oregon the Millennials accounted for 27% of the population in 2015, and the Boomers accounted for 25% of the population in 2015. She explained through this next planning period the Millennials are really going to be a large part of driving housing needs. She stated while she talks about what Millennials want, there's the other big question of what they can afford. She explained people forty-five years and older were one the fastest growing groups in Scappoose between 2000 and 2010. She explained the Millennial generation was the largest group growing here in Scappoose.

Change in Age Distribution



Source: U.S. Census, ACS 2011-2015, B01001

Implications for Housing Need

- Increased demand for:
 - Housing affordable to low- and moderate-income households
 - A wider range of housing types
 - Multifamily housing
 - Housing in walkable neighborhoods near services

Types of New Housing

Needed new dwelling units (2017-2037)	1,195
Dwelling units by structure type	
<i>Single-family detached</i>	
<i>Percent single-family detached DU</i>	65%
<i>equals Total new single-family detached DU</i>	776
<i>Single-family attached</i>	
<i>Percent single-family attached DU</i>	7%
<i>equals Total new single-family attached DU</i>	84
<i>Multifamily - 2 to 4 du/structure</i>	
<i>Percent multifamily 2 to 4 du/structure</i>	10%
<i>equals Total new multifamily 2 to 4 DU</i>	120
<i>Multifamily - 5+ du/structure</i>	
<i>Percent multifamily 5+ du/structure</i>	18%
<i>equals Total new multifamily 5+ DU</i>	215
Total new dwelling units (2017-2037)	1,195

Preliminary Land Sufficiency

- Scappoose has enough land for single-family detached and single-family attached
 - R-1, R-4, MH
- Scappoose has a deficit of land for all multifamily housing types
 - A-1 in General Residential
 - Deficit for about 160 to 190 units
 - 13 to 15 acre deficit

City Manager Sykes talked about the fifty-one acres of R-1 in Suburban Residential, probably 80% of that is up Raymond Creek in Dutch Canyon. He stated that area probably won't develop for thirty years. He stated he knows we can't do anything about it, it is just an observation.

Beth Goodman replied she was quoting the City's partially vacant land. She stated the total unconstrained for R-1 in Suburban Residential is 79 acres and land that will annex to R-1 is 125 acres.

City Manager Sykes replied, which is all on the east side of town.

Beth Goodman replied she believes so. She explained she thinks one of the City's policy challenges will be, how do you provide services to land that is in the Urban Growth Boundary and not serviced at this point. She stated she thinks that is one of the City's primary challenges. She stated, if you think about it and say, what if we were expanding our Urban Growth Boundary to accommodate housing, you would have that same challenge and perhaps you would be further behind in the planning for that.

Beth Goodman went over the handout, which was included in the packets.

Questions for Discussion

- What changes should Scappoose make to the existing housing goals and policies in the Comprehensive Plan?
- Are there opportunities for additions to Scappoose's housing goals and policies in the Comprehensive Plan to better meet the housing needs of Scappoose's current and future residents?

Beth Goodman explained, the end part of this project is revision to the Comprehensive Plan Policies and revision to the Comprehensive Plan narrative, and also updates to the City's Zoning Policies and any other polices that need updates. She explained they went through the City's existing Comp Plan Polices and looked at the goals and polices and made some comments on it. She explained they also made comments for other opportunities for changes to policies. So what she is looking for at this point is feedback on the suggestions/changes to the existing comprehensive plan polices.

Mayor Burge replied he honestly thinks this is more of a five year plan to see what happens around the airport, than it really is a twenty year plan. He stated because you are required to use the Portland State forecast numbers and we don't know enough of what is going to happen to really plan out the next twenty years.

City Planner Laurie Oliver replied Portland State will release new forecast numbers every four years.

Beth Goodman went through the policies and recommended changes/updates.

City Planner Laurie Oliver stated when we adopted the Transportation System Plan last fall it established alternate mobility standards along Highway 30 and those have not been adopted by the State yet. She explained until they are adopted trying to change the Comprehensive Plan map and make some of these zoning changes could be very difficult. She explained ODOT said they would adopt the changes sometime this year, but we don't know when. She explained her hope

was to at least get where we could send it to ODOT for comment to see if it is going to be an issue. She explained if it is an issue there may be some letters written to the State to have them consider that fact that it is effecting our ability to provide housing.

Beth Goodman stated, even though as you say this may be more of a five year plan than a twenty year plan, there will probably be some things that are long term. She explained identifying more areas for multifamily housing for A-1 Zoning is one of those things. She explained the other suggestions on actual goals where you might want to have a new goal is affordable housing. She stated the City's goals are a little bit old. She explained the City might want to consider a goal that specifically addresses the key requirements of Goal 10.

Beth Goodman asked if the committee thinks what she is suggesting is a good idea or a bad idea.

Scott Jensen replied he is a huge fan of affordable housing and he really does want to see how we can make that work here. He stated as far as restating Goal 10, it can't hurt.

Beth Goodman stated there are some polices that fall under that, that would be useful to have if the City is choosing to have them.

Planning Commissioner Rita Bernhard asked, would tiny houses be included in regards to what Beth is speaking about?

Beth Goodman replied tiny houses are something she would say is different than cottages, and you might want to look at them separately. She explained some of the changes that are being discussed here will actually make it through this process, some of them will be beyond the scope that we can do here.

Mayor Burge asked Beth to define the size of a cottage.

Beth Goodman replied we will have more information about that but she thinks the information they are going to bring would be somewhere between 600 square feet and 1,200 square feet, and they would be on fairly small lots. She went over the Polices for Housing.

Beth Goodman explained where the policy for housing reads "Limit housing in hazardous areas as well as in significant fish and wildlife areas" they are suggesting it should read ~ Ensure that newly developed housing adjacent to or within Sensitive Lands apply for the appropriate development permit.

Scott Jensen asked do we want to say apply or receive?

Beth Goodman and Laurie Oliver both replied that is fine to update it to say receive.

Beth Goodman continued, going over the policies and explained the language they are proposing. She explained on page 3 of the Housing Policy Evaluation under 5) C, she thinks that

should be handled in zoning, where the zoning for multifamily should be appropriate for providing services.

City Manager Sykes stated if you don't have the infrastructure then that is up to the developer to put it in.

Beth Goodman stated she would suggest removing C and refining A and B under Housing Policy Evaluation under 5).

Joel Haugen stated there might be a value in leaving that in but having it phrased different.

Beth Goodman replied having a policy about coordinating with the CIP. She explained the next policy is about permitting manufactured homes only in parks and subdivision. She stated there are some issues with this, this is not compliant with Oregon Law. She went over their suggestions.

There was discussion on #9) Encourage energy efficient housing patterns in residential developments.

Scott Jensen asked what does "encourage" obligate the City to do?

Beth Goodman asked if the committee wants to remove it or leave it. She stated if you want to leave it she suggests clarifying it.

Mayor Burge asked if they could get clarifying language and then discuss it?

Beth Goodman stated you could add ~ through more efficient use of land.

Beth Goodman went over Other Opportunities for Changes to Housing Policies. She stated the City might consider establishing a height limit that is more than 35 feet that would allow a three-story building, then it gets to be about 40 or 45 feet.

Scott Jensen replied his thought is, if they are adjacent to residential they could only be two stories, but the interior buildings could be three.

City Planner Laurie Oliver replied the model code does have some ordinance language for a transition that states, within so many feet you can only go up to 35 feet, then if you are 50 feet away you can jump up.

Joel Haugen stated he likes the conditional use approach.

City Planner Laurie Oliver replied you would still need standards. She stated it should be fairly straightforward for all uses.

Beth Goodman stated how about if we bring you all some code to address this.

Beth Goodman explained next time they will bring some information revising the City's requirement about land for open space such as in subdivisions and planned unit developments. She stated one of the ways to get more density is to revise the City's zoning ordinance to allow smaller single family lots. She explained currently in the R-4 you allow 6,000 square foot lots, but would you consider 3,000 to 5,000 square foot lots in R-4. She explained in the R-1 you currently allow 7,500 square foot lots, and maybe you want to allow 5,000 or 6,000 square foot lots.

Councilor Patrick Kessi replied he would suggest if we do make a change we look at a typical lot and we make the change proportionally to that lot.

Beth Goodman stated there is some information regarding the lot sizes and she'll bring some information back.

Mayor Burge stated in regards to the EC Zone, he does have a concern that those just get turned into apartments and you lose the commercial retail future areas. He doesn't know if there is a way to protect those whether it is by not allowing all residential uses in there and requiring some sort of mixed use buildings only.

Beth Goodman replied that is a fair point. She stated the issue with requiring a mixed use is that makes the development a lot more expensive. She stated they will look at that a little bit more. She went over the policies to support development of low-income and workforce affordable housing.

City Manager Sykes stated he likes on page 6 ~ Allow higher development densities on parcels partially in the floodplain when the developer agrees to dedicate land within the floodplain to the City as public open space. He thinks that is pretty important for us to consider.

Mayor Burge replied he agrees.

DATE: April 17, 2017
TO: Scappoose Planning Commission and City Council
CC: Laurie Oliver
FROM: Beth Goodman
SUBJECT: SCAPPOOSE HOUSING POLICY EVALUATION

The City of Scappoose contracted ECONorthwest to develop a housing needs analysis (HNA). The HNA will determine whether the City has enough land to accommodate 20-years of population and housing growth. The HNA will provide the basis for an update to the City's Comprehensive Plan Housing Element, as well as development of an action plan to implement the Housing policies.

This memorandum presents Scappoose's existing Comprehensive Plan Housing policies with comments from ECONorthwest on existing policies. This memorandum will be discussed in the April 24, 2017 meeting with the City Council and Planning Commission. The next version of this memorandum will present revised goals, policies, and potential actions to implement the policies.

Appendix A provides a list of strategies for managing residential land. Many of these policies are commonly used by cities and Scappoose already uses many of these policies. The purpose of this appendix is to provide the City Council and Planning Commission with information about potential policies that could be implemented in Scappoose to revise the City's residential development policies and meet the City's housing needs.

Existing Comprehensive Plan Policies

This section presents Scappoose's existing residential Comprehensive Plan policies, with ECONorthwest's comments and suggestions for changes to policies.

Goal for Housing

This section presents existing Comprehensive Plan goals (in *italics*) and ECONorthwest's suggestions for changes to the City's goals. These changes will be the subject of discussion at the April 24, 2017 meeting.

It is the goal of the City of Scappoose to:

- 1) *Increase the quantity and quality of housing for all citizens.*
- 2) *Locate housing so that it is fully integrated with land use, transportation and public facilities.*
- 3) *Concentrate high-density multi-family dwellings in a few areas of the City and distribute low density multi-family dwellings throughout the City.*

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- 4) *Protect residential areas from conflicting land uses, unnecessary through traffic, or other undesirable influences.*

ECONorthwest's evaluation of these housing goals:

- On Goal 3 of concentrating high-density multifamily in a few areas of the City, the City may want to consider modifying this goal to concentrating high-density multifamily housing in areas near key transportation corridors and services.
- The City may want to consider a goal about affordable housing, such as: "The City will support development of low-income and workforce-affordable housing through development of land use policies that allow and encourage affordable housing production and working with agencies and developers of affordable housing."
- The City may want to consider a goal that specifically addresses the key requirement of Goal 10 (the Statewide Planning Goal for housing), such as: "The City will provide opportunities for needed housing types including: attached and detached single-family housing, and multifamily housing for both owner and renter occupancy, government assisted housing, and manufactured dwelling parks."

Policies for Housing

This section presents existing Comprehensive Plan policies (in *italics*) and ECONorthwest's suggestions for policy changes. These changes will be the subject of discussion at the April 24, 2017 meeting.

It is the policy of the City of Scappoose to:

- 1) *Maintain adequate zoning, subdivision, and building codes to help achieve the City's housing goals.*

ECONorthwest suggestion: None.

- 2) *Limit housing in hazardous areas as well as in significant fish and wildlife areas.*

ECONorthwest suggestion: Re-word this policy to be more specific. "Ensure that newly developed housing adjacent to or within Sensitive Lands apply for the appropriate development permit.

Laurie – Are hazardous areas mapped or known? Is it natural hazards (i.e., floodplains)? As for the fish and wildlife areas – are these Goal 5 resource areas?

- 3) *Encourage high-density multi-family dwellings in a few areas of the City and distribute low density multi-family dwellings throughout the City.*

ECONorthwest suggestion: Remove this policy, as it is a direct repetition of a goal.

- 4) *Work with all interested agencies and organizations to facilitate housing conservation and construction, and to improve sub-standard dwellings; moreover, to*

encourage and cooperate with all efforts to provide adequate housing for those with special needs.

ECONorthwest suggestion: None.

- 5) *Permit multi-family dwellings which conform to the following general conditions and criteria:*
 - A. *They should not be so large or close to single-family dwellings as to block their sunlight or to unduly interfere with an established, well-maintained single-family neighborhood.*
 - B. *They should include ample open space or recreational facilities for their residents as well as ample off-street parking and adequate access.*
 - C. *They should not adversely affect the design capacities of the sewer, water, drainage or street systems as determined by the City Engineer.*
 - D. *They should be encouraged in areas close to commercial centers.*

ECONorthwest suggestion: These criteria are difficult to operationalize. Some questions about this policy:

- What does “unduly interfere with an established, well-maintained single-family neighborhood” mean? Perhaps there should be a policy about maintaining compatibility between single-family and multifamily development.
- How much open space is “ample”?
- What is meant by the phrase “should not adversely affect the design capacities” for infrastructure? Why would multifamily housing be held to a different standard for impacting infrastructure than any other type of housing?

We suggest refining or deleting this policy. The comments from the Annual Town Meeting about concerns about multifamily housing were about: parking, proximity to single-family homes, design of buildings, building design, and concentration of many apartment complexes in one area. A revised policy could focus on these issues and may result in inclusion of design requirements in the zoning code.

- 6) *Permit Manufactured Homes only in Manufactured Home parks and subdivisions within the City limits; they shall be developed so that they conform to the following general conditions: (Ord 635, 1995)*
 - A. *They should not unduly interfere with an established well maintained single family neighborhood.*

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- B. *They should include ample open space or recreational facilities for their residents as well as ample off-street parking and adequate access.*
 - C. *They should not adversely affect the design capacities of the sewer, water, drainage or street systems as determined by the City Engineer.*

Manufactured housing in manufactured home parks and on individual lots are both types of needed housing under ORS 197.303. Cities are required by ORS 197.314 to allow manufactured homes on individual lots on land zoned for single-family residential uses.

ECONorthwest suggestion:

- Revise the policy to allow siting of manufactured homes on individual lots outside of manufactured home parks.
- These criteria are difficult to operationalize. Some questions about this policy:
 - What does “unduly interfere with an established, well-maintained single-family neighborhood” mean? Perhaps there should be a policy about maintaining compatibility between manufacture home parks and multifamily development.
 - How much open space is “ample”?
 - What is meant by the phrase “should not adversely affect the design capacities” for infrastructure? Why would multifamily housing be held to a different standard for impacting infrastructure than any other type of housing?

We suggest refining or deleting this policy.

- 7) *Ensure that subdivisions provide a full array of public services at the expense of the developer.*

ECONorthwest suggestion: None.

- 8) *Re-evaluate City ordinances and, where possible, streamline administration and requirements in order to reduce development costs.*

ECONorthwest suggestion: None.

- 9) *Encourage energy efficient housing patterns in residential developments.*

ECONorthwest suggestion: Delete this policy because it is not implemented in the city’s zoning or other development ordinances.

- 10) *Ensure that the urban growth boundary is not so small as to put an artificial limit on housing opportunities and thus drive up the cost of housing.*

Cities are required to maintain sufficient land capacity to accommodate 20-years of growth. Cities are not allowed to expand their UGB to accommodate more than 20-years of growth, according to OAR 660-024.

ECONorthwest suggestion: Delete this policy.

- 11) *Strive to provide services sufficient to meet the demand for housing so that the City will not have to impose building moratoriums which drive up the cost of housing.*

ECONorthwest suggestion: This policy could be revised to link residential land policies to the city's capital improvement planning process.

(Ord 637, 1996 deleted #12)

- 13) *Will review this housing policies during its next Plan review to determine changes needed to meet the needs of Scappoose's low-income residents.*

ECONorthwest suggestion: This policy could be revised to require monitoring of residential land development and sufficiency for housing affordable to all residents

- 14) *Pursuant to state law, permit siting of manufactured homes on all land zoned for single family residential uses. (Ord 618, 1994)*

ECONorthwest suggestion: Make this policy and policy six consistent.

Other Opportunities for Changes to Housing Policies

The following are suggestions for other potential changes the Scappoose's housing policies. This list is intended foster discussion of changes to the City's housing policies, which is likely to result in additions to the list of ideas below.

- Revise the City's High Density zone (A-1) to allow structures with more than eight units. Consider increasing the height limit to allow a three-story building, which likely above the existing 35-foot maximum height.
- Broaden the types of housing allowed in Scappoose's residential zones, such as:
 - R-1 Low Density Residential: Allow accessory dwelling units as a permitted use and duplexes (either on any lot or on corner lots only).
 - R-4 Moderate Density Residential: Allow cottage cluster housing and manufactured home parks. Clarify the differences between tri-plexes, 4-plexes, and townhouses.
- Revise the City's requirement about accessory dwelling units' requirement for owner-occupancy of the primary dwelling.
- Identify land to re-zone to A-1 to meet the City's deficit of land for multifamily housing.

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- Revise the City's requirements about land for open space, such as in subdivisions and planned unit developments, possibly based on the size of the subdivision.
 - Revise the City's zoning ordinance to allow smaller single-family lots:
 - In the R-4 zone, the current minimum 6,000 square feet. Consider a minimum of 3,000 to 5,000 square feet.
 - In the R-1 zone, the current minimum 7,500 square feet. Consider a minimum of 5,000 or 6,000 square feet.
 - Consider the following additional revisions to the City's zoning ordinance:
 - Combining the MH and R-4 zones. They have the same development standards. ORS 197.480 requires that cities allow for manufactured dwelling parks as an allowed use in zones with a residential density of six to 12 dwelling units per acre.
 - Allow more flexibility in the size of manufactured homes allowed on lots outside of manufactured home parks. The City currently requires a manufactured home of not less than two major structural sections and a livable floor area of not less than 1,000 square feet.
 - Allowing cottage cluster housing, possibly in R-4.
 - Allow higher development densities on parcels partially in the floodplain when the developer agrees to dedicate land within the floodplain to the City as public open space.
 - Increasing height limits for residential buildings in the EC zone to 60 feet (about 5 stories), either for all residential buildings or mixed use buildings.
 - Develop policies to support development of low-income and workforce affordable housing, such as:
 - Collaborate with affordable housing providers to support affordable housing development.
 - Identify publicly-owned properties that could be used for affordable housing.
 - Establish a policy that notifies and allows local governments or qualified nonprofits the right of first refusal on surplus or tax delinquent private properties.
 - Develop a tax abatement program, such as the multiple-unit limited tax exemption program, to promote development of affordable and market-rate multifamily housing.
 - Explore or encourage flexibility and variances to parking standards under limited circumstances where providing less parking makes sense for the prospective residents, such as in development of affordable senior housing.

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- Consider and encourage use of Tax Increment Financing in the Urban Renewal Areas to support government-subsidized and market-rate multifamily housing development.
 - Develop a program to defer systems development charges and other fees for affordable housing development.
 - Identify sources of funding to support government-subsidized affordable housing development.
 - Develop and implement a system to monitor the supply of residential land. This includes monitoring residential development (through permits) as well as land consumption (e.g. development on vacant, or redevelopable lands).
 - Align the City's Comprehensive Plan Designations with zoning designations, such as:
 - Suburban Residential would have R-1 zone.
 - General Residential would have the R-4 zone and MH zone.
 - A new plan designation would have the A-1 zone.

Appendix A: Strategies to Manage Scappoose' Residential Land

This appendix presents a menu of housing strategies (policies) commonly, and some less commonly, used to manage a City's supply of residential land. These strategies may provide ideas potential changes to housing policy in Scappoose. **The purpose of this appendix is to provide the City with information about potential policies that could be implemented in Scappoose to address the City's housing needs.** Implementing some of the strategies in this appendix may be beyond Scappoose's current staff or financial resources. Part of the discussion with the City Council and Planning Commission may include identification of strategies that the City should consider implementing in the future (e.g., in five years) rather than now.

It is common for jurisdictions to adopt combinations of strategies to manage growth and improve the efficiency and holding capacity of land uses. Such strategy groupings, however, are not necessarily cumulative in their intent or impact. Strategies that address similar issues may not be mutually reinforcing. For example, having strategies in residential zones for maximum lot size and minimum density essentially address the same issue—underbuild in residential zones. Thus, Scappoose should carefully consider their existing strategies and policies and evaluate each strategy individually and in consideration of other strategies. It is also important to consider market dynamics when evaluating land use efficiency strategies. Strategies such as density bonuses or the transfer or development rights (TDRs) may be of limited effectiveness if they encourage building types or densities that have little demand or are economically unviable.

Land Use Regulations

The following policies focus on ways in which the City can modify its current land use regulations in order to increase housing affordability and available housing stock. Policies are broken into two categories: those that affect regulatory changes and those, which increase the land available for housing.

Strategy Name	Description	Scale of Impact in Scappoose
Regulatory Changes		
Streamline Zoning Code and other Ordinances	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, cities may evaluate potential barriers to affordable workforce housing and multifamily housing. Potential barriers may include: height limitations, complexity of planned unit development regulations, and complex design review processes.	Scale of Impact - Small to moderate. The level of impact on production of housing and housing affordability will depend on the changes made to Scappoose's zoning and other ordinances.
Administrative and Procedural Reforms	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. 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.	Scale of Impact - Small. The level of impact on production of housing and housing affordability will be small and will depend on the changes made to Scappoose's procedures.
Allow Small Residential Lots	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. 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.	Scale of Impact - Small to moderate. 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.

Strategy Name	Description	Scale of Impact in Scappoose
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 – Small to moderate. 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>
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 - Small to moderate. 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>
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 – Small to moderate. 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>
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>Moderate. 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>

Strategy Name	Description	Scale of Impact in Scappoose
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>Scale of Impact - Small. This policy is most effective in cities that require relatively wide streets.</p>
Preserving 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 - Small. Preserving small existing housing can make a difference in the availability of affordable housing in Scappoose but it is limited by the existing stock housing, especially smaller, more affordable housing.</p>
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>Scale of Impact – Small to moderate. 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> <p>In many cases, jurisdictions that use inclusionary zoning will need to provide development incentives to ensure the feasibility of development projects affected by an inclusionary zoning policy. Development incentives</p> <p>The principal incentives are direct subsidies, tax abatements, and reduced parking requirements. Individually and in combination these incentives can substantially enhance the feasibility of development projects affected by an inclusionary zoning policy.</p>

Strategy Name	Description	Scale of Impact in Scappoose
Increasing Land Available for Housing		
Redesignated 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>	<p>Scale of Impact - Small to large: Scale of impact depends on the amount and location of land rezoned and the densities allowed on the rezoned land.</p> <p>When identifying land to re-zone in Scappoose, take into account that ODOT has not accepted the alternative mobility standards along Highway 30. Re-zoning land along Highway 30 would require transportation analysis if the re-zone would result in additional trips on Highway 30.</p>
Encourage multifamily residential development in commercial zones	<p>This tool seeks to encourage denser multifamily as part of mixed-use projects in commercial zones. Such policies lower or eliminate barriers to residential development in commercial or mixed-use zones. They include: eliminating requirements for non-residential uses in commercial zones (e.g., requirements for ground floor retail) or requiring minimum residential densities.</p> <p>This policy can increase opportunities for multifamily development on commercial or mixed-use zones or increase the density of that development.</p>	<p>Scale of Impact – Small to moderate: Scappoose already encourages multifamily housing in commercial zones. Further encouraging multifamily housing in commercial zones would likely have a small impact, as multifamily housing is allowed most of the commercial areas where it would be desirable.</p>
Promoting Infill Development	<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 small lots • Density bonuses 	<p>Scale of Impact – Small. 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>

Strategy Name	Description	Scale of Impact in Scappoose
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>	<p>Scale of Impact - Small. A density bonus may be useful as a way to incentivize development of affordable housing in key areas in Scappoose.</p>
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 - Small to moderate: 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> <p>This strategy may be one that is useful in Scappoose over the long-term, when (or if) the City has the resources to support parcel development.</p>
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 - Small to moderate: 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> <p>The City of Scappoose does not currently have the resources to manage a CLT but this may be a viable strategy in the future, either for a nonprofit CTL or a city-lead CTL.</p>

Increase the types of housing

The following policies focus on ways in which the City can increase the types of housing available in order to increase housing affordability. Policies focus on increasing housing density or the number of residents within existing City lots.

Strategy Name	Description	Scale of Impact in Scappoose
Allow Duplexes, Townhomes, Row Houses, and Tri- and Quad-Plexes in single-family zones	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.	Scale of Impact - Small. Allowing these types of housing in more zoning districts may provide a relatively small number of new, relatively affordable, housing opportunities. Scappoose allows these housing types as a permitted use in some zones but could expand where they are allowed
Permit Accessory Dwelling Units (ADUs) in single-family zones	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.	Scale of Impact - Small. Allowing ADUs can provide opportunity for development of a small number of new, more affordable housing. Scappoose allows ADUs as a conditional use in R-1 and as a permitted use in R-4.
Allow small or "tiny" homes	"Tiny" homes are typically dwellings that are 500 square feet or smaller. Some tiny homes are as small as 100 to 150 square feet. They include stand-alone units or very small multifamily units. 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. Smaller homes allow for smaller lots, increasing land use efficiency. They provide opportunities for affordable housing, especially for homeowners.	Scale of Impact - Small: Scale of impact depends on regulation of tiny homes, where they are allowed, and market demand for tiny homes. Allowing tiny homes would require substantial changes to the City's zoning code. Allowing tiny homes may be a longer-term strategy for affordable housing in Scappoose.

Programs that provide financial assistance to lower development or operational costs

The following policies focus on ways in which the City and other entities involved in development can provide financial assistance to lower development or operational costs in Scappoose in order to increase housing affordability and available housing stock.

Recommendations are broken into the following categories: programs to lower the cost of development, sources of funding to pay for infrastructure to support development, and tax abatement programs that decrease operational costs by decreasing property taxes.

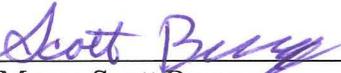
Strategy Name	Description	Scale of Impact in Scappoose
Programs to lower the cost of development		
SDC Financing Credits	Enables developers to stretch their SDC payment over time, thereby reducing upfront costs. Alternately, credits allow developers to make necessary improvements to the site in lieu 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.	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.
Sole Source SDCs	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.	
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.	

Strategy Name	Description	Scale of Impact in Scappoose
Public Land Disposition	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.	
Reduced Parking Requirements	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.	Scale of Impact - Small. The City could require the developer to prove the need and public benefit or reducing parking requirements to increase housing affordability.
Sources of funding to pay for infrastructure to support development		
Urban Renewal / Tax Increment Finance (TIF)	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: <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 startup 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 – Moderate. 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.

Strategy Name	Description	Scale of Impact in Scappoose
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 – Moderate to Large. 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).
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 community-wide analysis is usually performed to estimate the type and amount of jobs and wages that are expected to be generated by new development.	
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.	
Section 108 (Federal Program, Locally Administered)	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.	Scale of Impact - Small. 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.

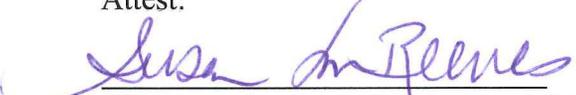
Strategy Name	Description	Scale of Impact in Scappoose
Housing Trust Funds	<p>Housing trust funds are designed locally so they take advantage of unique opportunities and address specific needs that exist within a community. Housing trust funds support virtually any housing activity that serves the targeted 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>	
Tax abatement programs that decrease operational costs by decreasing property taxes		
Vertical Housing Tax Abatement (State of Oregon enabled, locally adopted)	<p>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:</p> <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. <p>State program webpage.</p>	<p>Scale of Impact – Small to moderate. 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>
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 – Small to moderate. 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>

Mayor Burge adjourned the work session at 7:00 p.m.



 Mayor Scott Burge

Attest:



 City Recorder Susan M. Reeves, MMC