MEMORANDUM

City of Springfield

Date: 10/5/2020

To: Planning Commission BRIEFING

From: Mark Rust, AICP, Interim Current Planning Supervisor MEMORANDUM

Arva Hussain, PSU Fellow

Subject: Development Code Update Project-Phase 1, Middle

Housing

ISSUE

The Purpose of the Development Code Update Project is to change the Springfield Development Code to support efficient, timely, and clear development review. The updated Development Code will support Springfield's economic development priorities and will honor Springfield's hometown feel now and in the future.

At this meeting staff will be asking the Planning Commission to provide input and direction on making changes to the code sections to prepare the final public hearing drafts. Staff anticipates making changes to the code sections based on the Planning Commission feedback and incorporating the changes into the draft code sections for the next work session review.

BACKGROUND

Staff last presented to the Planning Commission on October 5, 2021 when we discussed Planning Commissioner views on minimum lot size for middle housing

DISCUSSION

Staff is intending to work with the Planning Commission on the draft housing code sections in an expedited way to meet the state mandated deadline of June 30, 2022 to adopt middle housing code. The strategy from staff's perspective for moving forward includes considering the City Council direction, project goals and objectives, current state mandates, as well and future work to be done.

The Council's general direction is to change the Springfield Development Code to support efficient, timely, and clear development review. More specifically, the project objectives include:

- 1. Enable quick review of development applications.
- 2. Provide easy to understand code language presented in a clear and user-friendly format.
- 3. Provide a straight-forward processing path to development decisions.
- 4. Support/further economic development in all sectors.
- 5. Protect and enhance the beauty of our city to boost or stabilize property values, encourage investment, and improve the image of the community.
- 6. Comply with mandatory regulatory requirements including implementation of HB 2001.
- 7. Implement the City's adopted policies.

The current state mandated middle housing work is very prescribed by state law. Staff is working to keep the implementation of the middle housing rules as straight forward as possible at this stage of the project in order to meet the state mandated deadline. Recognizing that there will be the opportunity to revisit and refine many of the new code provisions as we move forward over the next two to three years with the required House Bill 2003, Housing Needs Analysis and Housing Production Strategy. This work will likely require the city to make additional code changes to the housing code. The draft housing code sections generally take the "allow" approach as directed by the Technical Advisory Committee process.

Other new state regulations that is anticipated to require code changes is the forth coming Climate Friendly and Equitable Communities State rulemaking process. Included as Attachment 7 of this packet is a briefing memo to the Springfield City Council on this topic. Additionally, the State Department of Land Conservation and Development (DLCD) will be holding a community conversation on this topic on October 27, 2021. Staff anticipates that additional code changes will have to be make in the future to respond to these new rules as well.

Lastly, another consideration for the strategy for proceeding with the code updates at this point are that due to Measure 49¹, which requires a city to provide compensation to a property owner if new regulations limit residential uses of property. Due to this law, if we enacted the "Maximize" options now, and then later wanted to pull back to the "allow" option, it could create potential Measure 49 claims that the city would have to process and potentially compensate property owners due to more restrictive regulation.

At the previous work session on October 5, 2021, the Planning Commission discussed the survey results of the public outreach of Middle Housing Implementation for the residential code section. At the work session commissioners began discussing the survey questions and providing input to city staff to finalize the public hearing draft codes. The state mandated timeline of June 30, 2022 for adopting middle housing code is approaching fast and the staff wants to ensure that the Planning Commission has sufficient time to deliberate and make recommendations to the city council.

- 1. Of the eight survey questions that were a part of the public outreach, the planning commission discussed the second question in the survey pertaining to the lot size requirements of the middle housing particularly for the triplex and fourplex dwelling units.
- 2. The opinion of the planning commissioners around minimum lot size was divided between allow and maximize option, while two commissioners did not express a specific option from the survey.
- 3. Commission members agreed that the city needs to allow housing density within its urban area, albeit some members were cautious of the minimum lot size as required by the middle housing rules.
- 4. Planning commissioners are also cognizant that the city development codes, particularly the residential codes, should be less prescriptive and more objective in character to accomplish its purpose of efficient, timely, and clear development review in the future.
- 5. The remaining seven questions pertaining to lot coverage, height restrictions, parking requirements and design standards will be deliberated in the next planning commission meeting, scheduled for October, 19, 2021.
- 6. To better facilitate the discussion and in the interest of time each of the planning commissioners will be requested to provide their input and thoughts for the survey questions which were designed for the public outreach. This will help in understanding as to what objectives and concerns the planning commission may have about the Middle Housing Implementation for the City of Springfield. This

¹ https://www.oregon.gov/lcd/Measure49/Documents/M49 FAQ 2018.pdf

survey has been sent to each of the Planning Commissioners and we ask that each Planning Commissioner take the survey by Thursday, October 14th to allow staff time to compile the results to present at the October 19th work session.

INCORPORATING MIDDLE HOUSING BY AMENDING THE SPRINGFIELD DEVELOPMENT CODE:

One of the aspects of the Development Code update project is to incorporate the Middle Housing Implementation code mandated by the State - House Bill 2001. City of Springfield is required to adopt middle housing rules by June 30,2022. If Springfield is unable to adopt the code amendments on-time, then the state adopted model codes will automatically apply. As such, implementation of the Middle Housing codes will bring significant changes to the residential code sections of the Development Code.

At the previous work session planning commission deliberated on one of the eight survey questions, this section recaps the discussion and includes the remaining questions and analysis to aid future discussions. Based on planning commissions direction, staff will prepare the public hearing drafts of the development code.

Questions Previously Discussed by Planning Commission:

Question 2: Should the City allow triplex and fourplex dwelling on smaller lot sizes than the 5,000 and 7,000 square foot sizes mandated by the State?

- 1. ALLOW: Require the largest minimum lot size permitted by state law. A triplex would be allowed on at least a 5,000 square foot lot and a fourplex on a 7,000 square foot lot.
- **2.** ENCOURAGE: Allow a smaller minimum lot size from the state standard. This option would allow triplex and fourplex development on lots under the 5,000 and 7,000 square foot lots sizes and set a smaller minimum lot size.
- 3. MAXIMIZE: Don't require any minimum lot size. This would allow a triplex and fourplex on any size lot as long as the other siting standards were met.

Response: Three commission members indicated preliminary support for the 'Allow' option, two members expressed preliminary support for the 'Maximize' option, while two members were undecided among the 3 presented options. Thoughts that were gathered in the discussion include recommendations for allowable density to be balanced with accessible green space, allowing higher densities in new subdivisions but requiring larger lot sizes in existing neighborhoods. Questions such as how the allowable lot size would affect the school zoning and density were also raised. Some other considerations that were heard in the meeting include development standards should be less prescriptive and more encouraging for diverse housing types, housing situation be improved for the future generations of the City of Springfield while maintaining similar standards of housing in the city.

Questions remaining to be discussed by the Planning Commission:

Question 1: Should the City allow duplexes, triplexes, and fourplexes by only meeting the minimum state standards and require the units to be attached, or should the City

maximize more duplex, triplex, and fourplex units by allowing the units to be detached units on a lot to provide more flexibility?

- 1. MAXIMIZE: Allow duplex, triplex, and fourplex units to be detached.
- 2. ALLOW: Require duplex, triplex, and fourplex units to be attached.
- 3. Other: (Please Specify)

Analysis: 80% of the survey respondents want the City to allow detached duplex, triplex and fourplex; which is higher than the minimum state standard that require units to be attached.

Staff Comment: Detached units would give more flexibility for siting and orientation of the units.

Question 3: What height limit should the City require for most middle housing types?

- 1. ALLOW: Require the lowest height limit allowed by state law.
- 2. ENCOURAGE: Allow the height limit to be higher than single family homes.
- 3. MAXIMIZE: No maximum height limit. The size of the structure would be regulated by other standards.
- **4.** Other (please specify)

Analysis: 36% of the survey respondents prefer the allow option which is the lowest height limit as allowed by the state law. 28% want to encourage the height limit for middle housing to go higher than the single-family homes and 36% responded to the maximize option which would give more flexibility of height dependent on other standards such as the setbacks and siting of the middle housing development.

Question 4: When building new middle housing, how much of the lot should be allowed to be covered?

- 1. ALLOW: Require the lowest lot coverage allowed by state law, currently 45%.
- **2.** ENCOURAGE: Allow for lots to develop with an increased lot coverage for middle housing types.
- 3. MAXIMIZE: No maximum lot coverage standard. The lot coverage would be regulated by other standards such as setbacks, parking, and the need for stormwater treatment on site.
- 4. Other (please specify)

Analysis: 24% survey respondents agree with the "allow" option to require lowest lot coverage as allowed by the state. However most respondents, a total of 76%, prefer the 'encourage' or 'maximize' option which allow either increased lot coverage or no maximum lot coverage standard for the middle housing developments.

Question 5: When building new middle housing, how much space should be dedicated to parking?

- 1. ALLOW: Require the most parking possible allowed by state law (generally one space per home is the most the city can require).
- 2. ENCOURAGE: Require less parking (allow on street parking, and/or less parking near places where it is easier to get around without a car).
- 3. MAXIMIZE: Require even less parking or no parking. Other (please specify)

Analysis: 57% survey respondents want the City to allow – most parking possible as allowed by the state which is one space per dwelling unit. 40% of the total respondents chose the 'encourage' and 'maximize' option. Both these options would require the city to allow less parking than the allow option. The City could however allow on-street parking for areas where it is possible to safely park cars on the street or less parking if the development is near a transit corridor.

Question 6: What level of design standards should the City use for middle housing?

- 1. ALLOW: Use the highest level of design standards allowed by state law. Features may limit design flexibility and may add cost to providing housing.
- 2. ENCOURAGE: Develop design standards that are less restrictive than the "allow" option. This option would encourage middle housing to use basic design features but leave more options available for design flexibility and reducing cost.
- 3. MAXIMIZE: Require few or no design standards. This option would permit a range of design standards and flexibility and could result in more efficient and lower cost housing.
- **4.** Other (please specify)

Analysis: 20% of the respondents agree with the 'allow' option to use highest design standards allowed by the State in the Oregon Administrative Rule. This option would, however, limit design flexibility and may add cost to providing housing. On the other side, 79% of the public respondents chose 'encourage' or 'maximize' option that would either encourage less restrictive or few design standards in the development codes. Both these options would give more flexibility in the design standards with the potential to reduce the cost for the development.

Question 7: In general, what direction do you feel is the best for your Springfield community?

- 1. ALLOW middle housing: Meet the minimum standards required by State law. This option requires more regulations, less flexibility, and has less potential to reduce the cost of future housing compared to the other two options.
- 2. ENCOURAGE more middle housing: Remove code barriers and increase flexibility to providing housing. This option has less regulation, more design flexibility, and reduces housing costs more than the "allow" option.

3. MAXIMIZE the amount of middle housing allowed: Minimize regulation and apply code standard bonuses for providing more middle housing. This option has the least regulation, most flexibility, and has the most potential to reduce cost to provide future housing compared to the other two options.

4. Other (please specify)

Analysis: In this survey question, 26% respondents want the City to allow Middle housing by meeting the minimum required state law that requires more regulations, less flexibility, and has less potential to reduce the cost of future housing compared to the other two options. However, 69% want to 'encourage' or 'maximize' middle housing development, this will allow the City to remove development code barriers, increase design flexibility and reduce housing cost for the middle house development.

ADDITIONAL COMMENTS

The City received questions and recommendations from one of the planning commissioners regarding design standards, setback and parking requirements. Recommendations were also received for the definition sections of the draft residential code. The staff acknowledges and appreciates the comments received and is working towards providing explanation towards these comments.

Timeline

Staff has developed a draft adoption timeline (Attachment 6). This adoption timeline illustrates the critical nature of moving through the steps of the process in an expedited way in order to meet the state mandated deadline of June 30, 2022 for middle house code.

RECOMMENDED ACTION

This meeting is an opportunity for the Planning Commission to provide input and direction on the draft housing code sections to inform the development of the public hearing drafts of the code sections.

NEXT STEPS

Staff is scheduled for a work session with the Planning Commission on November 2, 2021. Staff will continue to conduct work sessions with the Planning Commission as necessary to finalize public hearing drafts of the code sections with the goal of completing the public hearing drafts by the end of November, to facilitate starting the formal public hearing process after the first of the year.