



# Lebanon Development Code Update Project Advisory Committee Meeting #1 Summary Notes

Tuesday, July 16, 2024

9:00 – 11:00 AM

Location: Lebanon City Hall

## Attendees:

Tammy Dickey, Planning Department

Shawn Eaton, Building Department

Bryan Eilers, Lebanon Community School District

Carmen Fernandez, Farmworker Housing Development Corporation

Ken Foster, Fire Department

Planning Commissioner Lory Gerig-Knurowski

Kelly Hart, Community Development Director

Laura LaRoque, Udell Engineering

Thien Lieu, Western University

Shana Olson, Engineering Department

Brian Vandetta, Udell Engineering

Councilor KJ Ullfers

Ron Whitlatch, Engineering Department

Councilor Dave Workman

Consultants: Brandon Crawford, Darci Rudzinski – MIG

## **1. Introductions**

- Darci introduced the consultant team. She welcomed participants and asked them to provide their interest or professional work related to housing as they said their name and affiliation.
- Darci noted that the Project Management Team (PMT) includes Patrick Wingard, the City's DLCD regional representative, and that he and the DLCD housing team will be advisors on the project.

## **2. Agenda Overview and Advisory Committee Role**

- Brandon and Darci used a PowerPoint slide deck to describe the project, noting that modifying the City's development code requirements to provide greater opportunities for a variety of housing types in the community is the overarching objective.

- Darci provided an overview of the agenda for the scheduled two-hour meeting.
- She said that the expectations for the Project Advisory Committee (PAC) members include that they will be familiar with the materials distributed prior to their meetings and will provide the PAC with guidance and feedback related to the proposed code amendments, including prioritizing the suggested actions/amendments.
- Darci shared the “Project Objectives,” emphasizing that the expected outcome is “adoption ready,” legislative amendment formatted text to the City’s Comprehensive Plan and Development Code for adoption.
- She noted that the Housing Production Strategy (HPS) on which many of the suggested updates are based has many “actions.” Only actions that can be resolved through development requirements will be addressed through this project; of those this project will focus on the higher priority actions/issues.

### **3. Project Background and Overview**

- Kelly gave participants an overview of the HPS planning process, documentation required by the State for cities with a population of 10,000 or more as part of the solution for production of housing.
- For Lebanon, participants needed to determine what was appropriate for the community – to figure out the housing types that the community wants to provide or allow to occur and that still fit within the community fabric.
- The HPS has 19 housing actions to tackle over the next 8 years. This current project is Phase 1 of the code update process. It is supposed to take some time, to ensure the City is a good steward of the process.
- It is expected that a handful of actions will be tackled in this first phase, with the involvement of this PAC that includes City staff, business partners, and developers.
- The resulting Code should be used by/useful to developers and result in positive development that is lived in by community members. Resulting housing will be for those that live and work here; we need to take a holistic view of the development code.
- The HPS authorizes the PAC and City to tackle recommended housing actions and PAC members will help the City accomplish the necessary changes.
- Anticipated changes to Code regulations include those for small lot single-family, cottage clusters, manufactured home standards, density bonuses, and tiny homes on wheels. Local compliance with state housing regulations will also be addressed.
- This project will narrow down the scope from the HPS and focus on the top priorities; the City will have 8 years to address all the items.

### **4. Schedule**

- Darci reviewed the schedule. She noted that the project is about a year long, start to finish.
- The PAC will meet two more times. Meetings will be held to review proposed code language and discuss outstanding questions and to polish final draft language to prepare amendments for adoption hearings.

- While officially meeting only three times, the PAC was encouraged to ask questions/provide comments via communication with Kelly throughout the project.
- Planning Commission and City Council will also have briefings on the project. The first briefing will be on August 14.

## 5. Code Review and Initial Recommendations

### Comprehensive Plan Review

- Based on a review of the Comprehensive Plan, the City has a solid housing policy foundation. Policies that are directly supportive of housing and anticipated regulatory updates are listed in the memo.
- Darci noted that there are some modest recommendations related to strengthening housing policies, principally around adding terms not currently used (e.g., prefabricated dwellings, cottage cluster, small lot single-family) and community support for infill housing.

### HPS Priority Actions

- Brandon reviewed the priority actions from the HPS. He noted that these recommended actions have already been vetted with the community through the earlier housing project/process.
- He reviewed the four topic areas that are considered higher priority, as documented in the Policy and Code Review memo: include standards for small lot single family development (pg. 5); revise current cottage cluster standards to improve their development opportunities (pg. 9); remove infill development standards (pg. 14); update manufactured home park standards, consistent with state rules (pg. 15).
- Darci interjected that the meeting time would be spent focusing on the High Priority Recommendations, but noted the “Other Recommendations” listed that also reflect considerations from the HPS and this project’s objectives. She asked if participants wanted to change the focus of the meeting or if there were items not on the list that they wanted to cover. No amendments were suggested.
- There was a question about eliminating infill development standards and a request to explain how removing these requirements met project objectives. Kelly clarified that the proposal is not to remove all standards – underlying zoning requirements would still apply. The City’s current standards put a higher onus on a property owner with a lot located within a developed block to meet a higher standard than someone at the edge of the City.
- The Code requires infill to be “compatible” with surrounding properties, while all its neighbors had the opportunity to develop to the basic zoning code standard. Darci noted that whether something is “compatible” is highly subjective and variable, depending on the reviewer.
- Kelly reiterated that removing the infill standards will still require that every property within every zone is subject to underlying standards such as setbacks and height limits – new infill development just won’t be subject to a “character standard.”
- A question related to whether manufactured homes could be sited on these lots was answered by Kelly in the definitive – yes, state law trumps local regulations for manufactured homes and dwelling parks.

- She also noted that removing the infill standards could result in different types of housing than what currently exists in the middle of existing neighborhoods (ex., new housing could be a different height, as the Code allows). She remarked that the market is dictating new housing types and that the City's housing standards need to be clearer.
- Brandon shared that all local zoning code standards related to housing development must have a clear and objective path to approval, consistent with State rule.
- Darci reminded the PAC that the underlying objective is to create more opportunities to house community members.

#### Small lot single family development

- Defining a use type with associated new standards (e.g., square foot minimums, height limits) is the preferred option (vs. reducing lot size in the identified zones).
- In response to a participant questioning the approach, Brandon agreed that a new use and set of standards was not as simple to administer, but that the City would like to retain the current lot size minimums for more conventional housing projects.
- Kelly interjected that the City will have to think through the application process, but that through the HPS discussions the direction was to ensure that opportunities for traditional 5,000 sf lot homes was retained. The suggestion was to add in standards for small lot single family as a flexible tool. This would allow for a mix of traditional and smaller lots, providing more flexibility for infill and to design around existing natural conditions such as wetlands.
- In response to a rhetorical question - if this tool is available, will the City only see small lots developed - Ron added that the City's infrastructure plans (water, wastewater) were developed to accommodate development consistent with existing zoning. Infrastructure is based on our density now – if we allow double the amount of housing, we need to draw a line and plan for it.
- There was a question asking why low density zones were not included. Brandon responded that the recommendation to allow the housing type in the higher density zones came out of the HPS process. These were the areas suitable for smaller lot housing and the recommendation respects the community desire to retain lower density housing areas.
- A question was posed regarding why Lebanon requires duplexes to be attached. Kelly responded that the City's HB 2001 process included a long discussion re: whether to allow for detached duplexes. The Planning Commission made the recommendation that duplexes be attached. This could be revisited as part of this project.
- In response to a comment that duplexes would have to be allowed on small lot single-family lots, Brandon concurred, but said that it would be more challenging on such small lots, especially given height restrictions.
- Regarding parking, the City currently requires 2 off-street spaces. Brandon described the recommendation to reduce the requirement to one off street space/lot, noting that the reduction doesn't necessarily mean that property owner couldn't provide more. He noted that reducing minimum parking requirements would provide more site design flexibility and help lower development and housing costs.
- Participant comments included that it is reasonable to have 2 off-street, considering the smaller lot width frontage and resulting driveway cuts.

- Councilor Ullfers harkened back to the HPS process and the conversation around smaller lots needing more off street parking, and that City streets are not wide enough to accommodate on-street parking and provide room for emergency access. Fire response access is important. The City doesn't have the integrated public transportation and is more car centric.
- Ken noted that the Fire Department deals with parking issues all the time – private streets limits how they can do their job. People still have requirements for their parking – whether that be a parking spot, or in the middle of the streets.
- Darci shared some considerations related to the development cost of having to provide parking spaces on a lot, rather than housing/living space, noting that costs get passed on to the end consumer. She also mentioned that alleys could be a requirement of small lot residential subdivisions to provide access.
- City staff response was not positive regarding alleys – they don't like them with maintenance cited as one of the reasons. Other responses were critical of the potential cost of additional right-of-way and the cost to develop land, as well as the potential for vehicle storage and fires.
- City staff was more optimistic about a future reduction in required off-street parking, as public transportation becomes more available in the future.
- A PAC member noted that garages may include living space above the garage. They also noted that until state provides a robust transit system, the city will be reliant on cars and vehicle storage.
- A PAC member remarked that although developers build to the market, non-local developers may not be familiar with local conditions and could/may provide less parking than what the market needs.
- A PAC member noted that the City's current off-street parking requirements are fairly flexible – they do not regulate how the parking spaces are provided. They may be enclosed (i.e., garage) or stacked.
- Darci noted that requiring no off-street parking wasn't usual, but not unheard of, citing Bend's ordinance. Brandon added that developers will still develop off-street parking in response to market demand. While Bend is an example of a jurisdiction that doesn't require small lot residential to have off-street parking, the photos included in the memo show parking.
- The PAC consensus was that Lebanon has sufficient flexibility regarding required parking. The City can meet project objectives and still require 2 spaces. They also noted that a variance process is also available.
- The HPS recommendation to require private, common open space was to help offset smaller yards and increased need for recreation/open space. However, an open space requirement would reduce the number of units, driving up cost per unit.
- Brian noted that common open space added complexity in maintenance, necessitating a homeowners association. He did not view the proposed requirement as necessary.
- Kelly confirmed for Brian that the proposed 60% lot coverage was building footprint only.
- Laura asked about the possibility of a payment in lieu; Ron responded that happens with park SDCs, but that Engineering will look into it.
- Councilor Workman shared his interest in the quality of the community – open space impacts the quality of life for residents. Brandon assured that recommending against a private open space requirement does not suggest that new small lot residents aren't deserving of/shouldn't have access to open space.

Planning for parks and open space is better suited to community-wide, long-range plans.

- Darci noted that the reduction in lot and yard size and the provision of open space elsewhere in a development does not serve the same purpose and is not 1:1 equivalent. She elaborated on the components of long-range parks planning and how parkland is judged by amount per resident, proximity to residential areas, and types of parks and amenities to serve existing and expected demographics. Small areas of private open space often have maintenance challenges and aren't planned or programmed for specific users in mind, resulting in underutilized spaces.
- Suggesting that maximizing lots and requiring common open space seem at odds, Councilor Ullfers agreed that the private open space requirement wasn't necessary. The community is excited about the flexibility that allowing small lot, detached single family will bring.
- Councilor Workman noted that economics play into the choice of wanting a smaller home. Developers can still do small lots around a park, but the City wouldn't require it.
- Brandon shared lot dimensions for the case study cities and compared them to recommended lot dimensions for Lebanon. The lot dimension recommendations are generally intended to ensure that the units stay small and therefore improve opportunities for more affordable started homes.
- One PAC member asked about the garage setback of 20'. Staff responded that garage setbacks could still use that setback and other portions of the building footprint are still subject to the base setback.
- A PAC member asked if a 3' side setback would be reasonable. Other PAC members responded that there would be emergency, fire, and utility access concerns with such short setbacks.
- Fen noted that Fire would not want the side yard setback to be less than 5'. Eaves are closer than 5' – wouldn't go less than 5'.
- A PAC member asked about the basis of a proposed 30' lot width. Staff responded that the basis was existing code standards for townhome lots (min lot size 2,500 sf, 20' width).
- Narrow lots can still provide two off-street parking spaces depending on their orientation (e.g., stacked).
- A PAC member asked why other jurisdictions used 40' lot width. Consultants and staff were not familiar with the decision process for other jurisdictions.
- Kelly remarked that the purpose of allowing these smaller housing types is an effort for the city to fill in the housing ecosystem, including starter homes and ending homes. Not all residents have the desire or means to live in more traditional, low density single family homes. However, providing ownership opportunities for lower-income residents or first time homebuyers will improve their ability to move into a more traditional home in the future.
- Brandon reiterated that only allowing small lot single family in the medium and high density zones would help ensure that lower density, larger single family home development opportunities are still available in the lower density zone.
- A PAC member remarked that 10' width is typical for a parking space. Therefore, side-by-side parking on a small lot that is 30' may be possible but not as feasible. Regardless, the City should allow for the possibility. PAC members suggested there is no problem with minimum width 30' since lots can be designed to be larger and wider.

### Cottage clusters

- The City already allows cottage clusters; suggested changes are intended to improve the feasibility of this housing types. Recommendations include increasing the number allowed and allowing the housing type on smaller lots. The State's Model Code is considered "best practices" and jurisdictions that are required to allow cottage clusters often use the Model Code standards. Lebanon isn't subject to the State requirements, as it is currently below the 25,000 population threshold.
- The city may consider updates for consistency with state standards because Lebanon will eventually reach a population of 25,000. An option would be to adopt certain requirements that fit for the community now and wait to adopt other requirements that are less desirable once Lebanon reaches the population threshold.
- The initial recommendation is to also allow cottage clusters in more zones, including the RM, RH, and MU zones.
- Brandon shared the typical development standards that cities have adopted and implemented for cottage clusters since HB 2001, including lot size of about 5,000 to 7,000 square feet, max building footprint of 900 square feet, 1 off street/unit, "bundled" parking, open space of 150-200 square feet per unit (common open space and private open space).
- Brandon noted that cottage units could be rentals or ownership (i.e., condos).
- Fen shared that there still some concerns regarding fire and emergency access for this housing type.
- A PAC member questioned why the current standards haven't been utilized (i.e., why haven't they been developed in Lebanon). Another PAC member responded that the 4 units/lot requirement and condition use permit makes them less economically feasible to develop and adds uncertainty to the review/approval process, which may increase costs. The City may consider scaling the number of units to lot size and review process. The AR review process should help entice their development.
- Brandon clarified that HB 2001 standards allow cities to regulate the number of cottage units. Cities can are allowed to limit "clusters" to a maximum of 8 units, and cities can also limit the number of "clusters" to one. Therefore, cities can limit cottage clusters to 8 units. Lebanon can essentially limit further since the City is not subject to HB 2001 requirements.
- The City should ensure that an existing single-family home would be allowed in a cottage cluster to enable single-family homes on large lots to convert their property to a cottage cluster, provided they meet underlying zoning standards. These types of conversions are increasingly common across the state.

### Manufactured Homes and Dwelling Parks

- Brandon noted that the manufactured home and dwelling park recommendations draw from the HPS recommendations and are also intended to ensure consistency with state rules.
- The City needs to allow manufactured dwelling parks in all residential zones that allow a minimum density of 6 units per acre, which includes the RM, RH, and MU zones.
- Manufactured homes and prefabricated dwellings need to be allowed on every lot that allows single family homes. These state rules do not necessarily require the

city to update the Code, however Code updates for state statute consistency would be the City's preference to avoid confusion and any potential litigation.

- A PAC member mentioned Carmen Community Land Trust, which is an example of a manufactured dwelling park that is operating as a community land trust (CLT). She noted this option operates similar to HOAs and that manufactured dwelling parks provide promising opportunities for CLTs.
- The City currently allows manufacture dwelling parks through a conditional use in one zone. The City needs to allow them through a "clear and objective" process (AR or MR) and needs to allow them in applicable residential zones.

#### Other recommendations

- Darci mentioned that there was a brief discussion earlier in the meeting regarding the "high priority" recommendation to eliminate infill development requirements.
- Darci noted the other, lower priority recommendations that were not discussed at the meeting. She urged the PAC to take a look at the suggestions – in particular the additional "bonuses" the City could consider granting for developers of affordable housing. She asked participants to communicate with Kelly if they have questions or suggestions regarding possible changes to City development requirements.

#### **6. Next Steps**

- Darci and Kelly thanked participants for their input. Darci noted that the next few months will be spent drafting code language for PAC review.
- Darci asked the PAC if there were others that should be contacted to assist the project through there experience or knowledge of housing in the community or working directly with the City's development requirements. She asked the PAC to provide any suggestions, as well as any additional comments to share at the Planning Commission/City Council briefing before August 14.