

**EXHIBIT B**  
**LEBANON CITY COUNCIL FINDINGS**  
**Planning File No. DCA-25-01**

**I. NATURE OF THE APPLICATION**

This matter comes before the Lebanon City Council on the application of the City of Lebanon to amend the Lebanon Development Code.

**II. BACKGROUND INFORMATION**

The City wishes to amend the Lebanon Development Code to adopt code amendments to include various new housing options and amend existing housing types to comply with state law and implement the city's adopted Housing Production Strategy. Exhibit "A" contains the specific code amendments.

**III. PUBLIC HEARINGS**

**A. Planning Commission Action**

A public hearing was held on this application before the Lebanon Planning Commission on May 21, 2025. At that hearing, City Planning File No. DCA-25-01 was made a part of the record. The notice of the hearing was published in a manner consistent with the requirements in Chapter 16.20 of the Lebanon Development Code for a legislative review process. No objection was raised regarding jurisdiction, conflicts of interest, or evidence or testimony presented at the hearing.

After the public hearing, the Planning Commission deliberated on the issue and voted to recommend that the City Council adopt the proposed amendments to the Lebanon Development Code. The Commission found the proposed changes consistent with the applicable decision criteria..

**B. City Council Action**

The City Council conducted a public hearing to consider the application on June 11, 2025. At that hearing, City Planning File No. DCA-25-01 was made a part of the record. The notice of the hearing was published in a manner consistent with the requirements in Chapter 16.20 of the Lebanon Development Code for a legislative review process. No objection was raised regarding jurisdiction, conflicts of interest, or evidence or testimony presented at the hearing. After the hearing, the City Council found the proposed code amendments were consistent with the applicable decision criteria and approved the Ordinance.

**IV. FINDINGS OF FACT-GENERAL**

The Lebanon Planning Commission, after careful consideration of the testimony and evidence in the record, adopts the following General Findings of Fact:

**A. The applicant is the City of Lebanon.**

- B. The proposal includes amendments to the Lebanon Development Code to include various new housing options, amend existing housing types to comply with state law, and implement the city's adopted Housing Production Strategy. Exhibit "A" contains the specific code amendments.
- C. The decision to approve or deny shall be based on criteria in the Lebanon Development Code: Chapter 16.28 – Comprehensive Plan and Development Code Text Amendments.

## V. APPLICATION SUMMARY

- A. The proposal includes amendments to the Lebanon Development Code related to various new housing options, amending existing housing types to comply with state law, and implementing the city's adopted Housing Production Strategy. Exhibit "A" contains the specific code amendments.
- B. The Department sent out notice of the Code amendments to affected agencies and the Department of Land Conservation (DLCDC). No comments have been received.

## VI. CRITERIA AND FINDINGS

Chapter 16.28 of the Lebanon Development Code establishes the procedures and criteria for amending the text of both the Comprehensive Plan and Development Code.

- A. Section 16.28.010 identifies the purpose of text amendments, while Section 16.28.020 identifies the various types of amendments. The proposed changes involve only the text of the Development Code; amendments to the Comprehensive Plan are not required.
- B. Section 16.28.030 identifies those agents authorized to initiate a text amendment. Conforming to provisions in this Section, the City began implementing code changes associated with the adopted Housing Production Strategy.
- C. Section 16.28.040 requires the City Recorder to maintain records of all changes to the Development Code. This administrative process requires City compliance.
- D. Sections 16.28.050 and 16.28.060 require that all proposed amendments to the Comprehensive Plan Text be consistent with Oregon's Statewide Planning Goals and all adopted facility plans, including the Transportation System Plan. These Sections do not apply, as the proposal does not amend the Comprehensive Plan.
- E. Section 16.28.070 requires Development Code amendments be consistent with the City's Transportation System Plan.

**RECOMMENDED FINDING:** The proposed code amendments provide a variety of new housing choices, including small lot single-unit dwellings, recalibrating cottage clusters and manufactured dwelling parks, allowing for tiny homes on wheels in certain circumstances, modifying density bonus standards for affordable housing, and general updates for state law compliance for affordable housing. The small lot single-unit dwelling housing concept is the most significant code change. However, the minimum lot standard of 2,500 square

feet is consistent with the townhome standard currently authorized in the code, so the densities anticipated in the new development code are consistent with the existing code. As such, the Transportation System Plan has already considered the density level of development on residential street systems with the proposed lot configuration. As individual subdivisions are proposed, if the threshold is triggered for a project-specific Transportation Impact Analysis, the project would be analyzed for any off-site mitigation necessary to accommodate the increase in traffic. Cottage Clusters and Manufactured Dwelling Parks were already authorized in the code, and the proposed amendments provide for compliance with state law and industry calibration to support development opportunities. Still, as they were existing land use categories, they had been previously evaluated in the TSP. All other code changes will result in sporadic housing unit construction, creating minimal impact on the transportation system, and not result in any required amendments.

The transportation system within the residential zones is already designed to accommodate residential local traffic. As planned in the Transportation System Plan, including the anticipated capacity, the design of the local street system will not change.

- F. Section 16.28.080 outlines the process for text amendments. This legislative action under Chapter 16.20 requires hearings before the Planning Commission and City Council. The Commission reviews the request and makes a recommendation to the Council. The final decision on this matter rests with the City Council.
- G. Specific decision criteria are contained in Section 16.28.090. The City may approve a Development Code Amendment application if it satisfies the relevant Decision Criteria: Oregon Department of Land Conservation and Development administrative rules, applicable Statewide Planning Goals, applicable provisions of the Lebanon Comprehensive Plan, and any other applicable and relevant facility or special area plans, specific projects or goals adopted by the City.

**RECOMMENDED FINDING:** The following provides support for the criteria:

- 1. DLCD Administrative Rules – The Oregon Administrative Rules address various issues, including development on farmland, provisions for needed housing, requirements to expand an urban growth boundary, meeting natural resource planning requirements, and similar issues. Based on the submitted staff review and the fact that the DLCD did not identify specific Administrative Rules for the City to consider, it is concluded that no Administrative Rules apply to the proposed Code amendment.
- 2. Statewide Planning Goals – Compliance with the Statewide Goals is noted as follows:

Goal 1 - Citizen Involvement: The development code amendment process follows the legislative review process. A Post Acknowledgement Plan Amendment was filed with DLCD on April 15, 2025. A public notice was issued to all interested parties on April 28, 2025, and was published in the local newspaper to advertise the Planning Commission public hearing scheduled for May 21, 2025. At the May 21, 2025, Planning Commission meeting, the Planning Commission will hold a public hearing to solicit public comment and make a recommendation on the proposed code amendments to the City Council. In compliance with state law, a public notice will be issued 20 days before the City Council public hearing with information on how the public may participate in the City Council public hearing process and the recommendation made by the Planning

Commission. The City Council public hearing is scheduled for June 11, 2025. By following the legislative review process, the city is consistent with the intent of the Goal.

Goal 2, Land Use Planning: Statewide Planning Goal 2 requires that land use decisions be made through a coordinated and comprehensive planning process, supported by an adequate factual base and consistent with applicable plans and policies. Goal 2 also emphasizes the importance of coordination with affected governmental units and compliance with adopted procedures.

The proposed amendments to the Lebanon Development Code comply with Goal 2 based on the following findings:

1. Use of a Recognized Legislative Land Use Process

The City processed the Development Code amendments through its adopted legislative land use procedures, consistent with the Lebanon Development Code and Oregon Revised Statutes (ORS 197.610–197.650). This process included required public notice, a staff report outlining the basis for the amendments, and public hearings before the Planning Commission and City Council.

2. Code Update Guided by Public Engagement

A project Advisory Committee composed of community members, City staff, and representatives of the local development community informed the code update process. The committee reviewed preliminary draft code language and provided input on potential refinements to ensure the amendments were responsive to local development realities.

In addition, the City conducted public hearings, offered opportunities for written and verbal testimony, and held multiple public work sessions with the Planning Commission and City Council. These actions reflect a deliberate effort to ensure transparency, accessibility, and public input throughout the code revision process.

3. Coordination with Applicable Plans and Jurisdictions

The code update was coordinated internally with other City departments, including engineering and public works, and externally with the Oregon Department of Land Conservation and Development (DLCD). The amendments do not conflict with adopted facility plans or intergovernmental agreements, and other affected jurisdictions raised no objections during the notice period.

4. Factual Basis for Code Amendments

The proposed code changes are supported by the City's acknowledged Comprehensive Plan and existing land use framework. While no new factual studies were required for this update, the amendments are consistent with previously adopted findings supporting the Comprehensive Plan, and the City's Buildable Land Inventory remains valid and unchanged.

5. No Additional Plan Amendments Required

In accordance with ORS 197.296(6)(b), the cumulative effect of the code amendments is projected to result in no more than a three percent increase in residential zone capacity. Therefore, no additional analysis of public facility plans or amendments to the Comprehensive Plan is required in conjunction with these code changes.

The Development Code update was developed and adopted through a coordinated, transparent, and legally compliant legislative process. The city's actions align with its adopted procedures and are supported by the existing land use policy framework. As such, the code amendments are consistent with the requirements of Statewide Planning Goal 2.

Goal 3, Agricultural Lands: The proposal does not involve or affect farmland, so an exception to this goal is not required.

Goal 4, Forest Lands: The proposal does not involve or affect identified forestland. An exception to this goal is not required.

Goal 5, Open Spaces, Scenic and Historic Areas, and Natural Resources: The proposed changes to the Code do not alter existing regulations that affect identified historic, cultural, or natural resources within Lebanon. This code amendment does not eliminate code requirements and overlay zones regarding protecting historical or natural resources.

Goal 6, Air, Water, and Land Resource Quality: Nothing in this amendment establishes or promotes land uses that adversely affect air, water, or resource quality.

Goal 7, Natural Hazards: The Code amendment does not alter development requirements for natural hazard areas; these remain in force.

Goal 8, Recreational Needs: The proposed changes do not create uses that adversely affect recreational opportunities or involve land identified for recreational purposes.

Goal 9, Economic Development: The code amendment is limited to residential and Mixed-Use zones. Residential development is already permissible in the mixed-use zone. As such, the code amendments would not diminish the City's ability to implement industrial or other employment development policies.

Goal 10, Housing: Statewide Planning Goal 10 requires comprehensive plans and implementing regulations to provide for the housing needs of Oregonians at all income levels. Local governments must ensure that their zoning and land use policies support a range of housing types and affordability levels. That sufficient buildable land is available to meet future housing needs. The proposed amendments to the Lebanon Development Code are consistent with Goal 10 based on the following findings:

1. Expanding Housing Choices Across Zones

The amendments increase the variety of housing types permitted in residential zones, including small lot single-family homes (down to 2,500 square feet), duplexes, cottage clusters, manufactured homes, and accessory dwelling units, including tiny homes. These changes ensure that housing can be developed in a wider range of forms, densities, and price points, consistent with HB 2001 and OAR 660-046.

2. Removing Regulatory Barriers to Infill Housing

The Development Code reflects the City's prior elimination of Section 16.05.110 (Residential Infill Standards), which imposed discretionary design standards on small-scale infill. Removing these standards streamlines review and permits housing on small or constrained lots using clear and objective criteria already established in base zoning. This action directly supports the efficient use of existing infrastructure and buildable land within the city limits.

3. Alignment with Housing Needs and Strategic Planning

The amendments implement key actions from Lebanon's 2023 Housing Production

Strategy (HPS), developed in response to the 2019 Housing Needs Analysis (HNA). The HNA identifies a need for 1,617 additional housing units by 2039 across various income levels. The updated code provides a responsive and flexible regulatory framework to support this production level, particularly for lower- and moderate-income households.

4. Compliance with ORS 197.296(6)(b)

Considering the City's adopted Buildable Land Inventory and the documented availability of land for development and redevelopment, the cumulative effect of the proposed code amendments is projected to result in no more than a three percent increase in zone capacity. As provided in ORS 197.296(6)(b), this level of capacity increase does not trigger the need for further analysis of public facility plans, transportation system plans, or comprehensive plan amendments at this time. The amendments represent policy refinement within the scope of the existing planning framework.

The proposed Development Code amendments fully comply with Statewide Planning Goal 10 by removing barriers to housing, expanding development options, and maintaining consistency with Lebanon's adopted land use framework and infrastructure capacity. The modest increase in residential capacity resulting from these amendments falls within the thresholds allowed under ORS 197.296(6)(b), requiring no further coordinated planning analysis.

Goal 11, Public Facilities and Services: The amendment does not affect the City's ability to provide public services or requirements for public service connections.

Goal 12, Transportation: The proposed Code revisions do not significantly increase the number of uses or activities beyond the currently anticipated buildout, nor do they change the use or road classifications that impact the City's transportation facilities.

Goal 13, Energy Conservation: The amendments are neutral regarding energy matters.

Goal 14, Urbanization: The proposed amendments address urban uses within an urban environment.

Goals 15 to 19, Willamette River Greenway, Estuarine Resources, Coastal Shores, Beaches and Dunes, Ocean Resources: The proposals do not involve land within the Willamette Greenway or coastal areas.

The proposed amendments are consistent with the Goal provisions or do not directly affect the Goal provisions.

3. Lebanon Comprehensive Plan – The Comprehensive Plan consists of ten Chapters, with each Chapter addressing specific land use issues such as housing or natural resources. Each Chapter is reviewed below:

- Chapter 1: Introduction - This introductory Chapter describes the Comprehensive Plan, its relationship to the Statewide Land Use Goals, the Citizen Involvement program, and key terminology. As introductory provisions, this Chapter does not directly apply to the proposed text amendments.

- Chapter 2: Natural Environment—This chapter addresses goals and policies related to the City’s natural environment.

*This Chapter does not apply, as the Code amendments do not establish new regulations involving wetlands, wildlife habitat, or other resources identified as requiring preservation or protection.*

- Chapter 3: Urbanization – This Chapter provides the basic framework for future urban development within the City, including public facility provisions and annexations.

*As identified in the Goal 10 Findings for the Statewide Planning Goals, with consideration of the City’s adopted Buildable Land Inventory and the documented availability of land for both development and redevelopment, the cumulative effect of the proposed code amendments is projected to result in no more than a three percent increase in zone capacity. As provided in ORS 197.296(6)(b), this level of capacity increase does not trigger the need for further analysis of public facility plans, transportation system plans, or comprehensive plan amendments at this time. The amendments represent policy refinement within the scope of the existing planning framework. Based on the anticipated capacity increases, there are no needed amendments to the adopted facility master plans, transportation system plan, or the 2019 housing needs analysis.*

- Chapter 4: Land Use—This Chapter details the goals and policies to ensure the City provides different types of land within City limits that are suitable for a variety of uses.

*The Comprehensive Plan provides extensive opportunities for various housing types within each residential zone. Table 4-1 (City of Lebanon Comprehensive Plan Land Use Categories) identifies the purpose for each residential land use designation. The following policy supports the code amendments:*

- *P-20: Permit and encourage compact residential development to provide more efficient land utilization and to reduce the cost of housing, public facilities, and services. The City encourages this type of development by offering incentives such as density and open space bonuses.*
- *P-22: Allow single-family residential development throughout all residential zones.*

*Including small lot single-unit dwellings, cottage clusters, tiny homes, modifying the manufactured dwelling home park standards, and density bonus incentives all encourage compact residential development and provide more efficient land utilization, complying with the comprehensive plan.*

- Chapter 5: Economic Development – This Chapter addresses population growth and economic development trends.

*The proposed code amendments would provide additional housing opportunities within the residential zones, which may increase the population. This chapter does not contain goals or policies related to the code amendments.*

- Chapter 6: Housing – This Chapter establishes the City’s Goals and Policies related to Housing.

*The City of Lebanon’s proposed Development Code amendments are consistent with Chapter 6 of the Comprehensive Plan, which establishes goals, policies, and recommendations to meet the housing needs of current and future residents, in alignment with Statewide Planning Goal 10.*

*The code amendments implement specific strategies outlined in the City’s 2023 Housing Production Strategy (HPS), which was developed as a direct response to the housing needs identified in the City’s adopted 2019 Housing Needs Analysis (HNA) and is now an adopted element of the Comprehensive Plan. The HPS outlines a targeted, equity-focused approach to facilitate housing production for all income levels, emphasizing affordability, housing variety, and middle housing options.*

*The proposed amendments reflect these objectives by:*

*1. Expanding Housing Variety and Density Options*

*The amendments modify zoning standards to allow a broader range of housing types in residential zones, including small lot single-family dwellings, duplexes, cottage clusters, and accessory dwelling units. These changes directly support Comprehensive Plan Policies, which promote a mix of housing types, densities, and affordability levels throughout the city, including:*

- *Policy P-30: Ensure that the Comprehensive Plan Map provides opportunities for a variety of housing types, densities and locations within the Urban Growth Boundary area including both the area inside the City limits and the Urban Growth Area.*
- *Policy P-31: Ensure that the Zoning Map or Land Use Map, any special zoning overlay maps and the Development Code provide opportunities for a variety of housing types, densities, and locations within the City Limits.*
- *Policy P-32: Recognize condominium ownership, manufactured housing, and attached single-family homes as legitimate and affordable housing alternatives and permit their development within the City.*
- *Policy P-37: Allow and encourage a variety of housing types to accommodate the demands of the local housing market.*

*2. Promoting Affordability and Housing Accessibility*

*The code allows for density bonuses and more flexible development standards for affordable housing types, by:*

- *Policy P-9: Allow density bonuses (e.g., an increase in the number of permitted dwelling units vis-à-vis the minimum site area requirements) for the provision of affordable housing within a development.*
- *Policy P-11: Periodically review Zoning Ordinance and other land use regulations to assure that barriers do not inhibit the building of the variety of types and densities of housing that is affordable for all segments of Lebanon’s residents.*



*It also simplifies infill development and encourages housing on smaller lots, supporting more attainable ownership options for middle-income households.*

- *Goal G-2: Encouraging the availability of adequate numbers of needed housing units at price ranges and rent levels commensurate with the financial capabilities of community households, and to allow flexibility of housing location, type, and density.*

### **3. Supporting Long-Term Growth and Equity Goals**

*The amendments align with the Comprehensive Plan's long-range housing planning obligations:*

- *Policy P-38: Plan for at least the number and type of new housing units by the year 2039 and all of the land and services needs required by such growth, as indicated in the 2019 Lebanon Housing Needs/Capacity Analysis.*
- *Policy P-40: Plan for choices in the housing marketplace and variety in housing types, density, and affordability for the projected population of the year 2039.*

*using clear, objective standards to reduce barriers to development while prioritizing equitable outcomes (HPS, pp. 5–14). They also reinforce the city's commitment to fair housing and a more inclusive housing market*

- *Policy P-33: Encourage the provision of housing for all people, regardless of age, race, color, religion, sex, national origin, or handicap status, and take special measures to ensure that no group or class of people is excluded from the community.*

*In summary, the proposed code amendments are grounded in the data and goals presented in the 2019 HNA, implement adopted strategies in the Housing Production Strategy, and are consistent with the goals and policies of Chapter 6 of the Lebanon Comprehensive Plan. These updates are necessary to meet the City's housing obligations, support population growth, and ensure a diverse and affordable housing supply.*

- **Chapter 7: Community-Friendly Development & Preservation of Historic Resources**—This Chapter focuses on policies that create a built environment suitable for the needs of a diverse population through a variety of uses scaled for the pedestrian and capable of accommodating the automobile and mass transit.

*Policies in this Chapter focus on design elements to improve density and housing options while encouraging mixing or combining land uses (residential, commercial, industrial, public) to increase urban livability. Therefore, this Chapter does not directly apply.*

- Chapter 8: Transportation—This Chapter addresses the city's transportation needs, emphasizing the creation of a variety of transportation options for pedestrians, bicyclists, vehicles, and mass transit.

*The amendments do not change functional classifications or performance standards for transportation routes.*

- Chapter 9: Public Facilities and Services—State law requires the city to plan and develop a timely, orderly, and efficient arrangement of public facilities and services to serve development.

*Uses allowed by the amendments do not prohibit or restrict the ability to provide necessary public services.*

- Chapter 10: Plan Implementation, Amendment, and Land Use Planning Coordination – This Chapter establishes procedures for amending the Comprehensive Plan Map and Zoning Map.

*This Chapter does not apply as the proposal amends only the Development Code text; there are no changes to the Comprehensive Plan or Zoning maps.*

4. Other Facility Plans or Projects - In reviewing other documents, Department staff did not identify any plans or policies that apply to the proposed Code amendments.

## VII. CONCLUSION

Based on the above findings, the City Council concludes that the proposed Development Code amendments are consistent with the applicable decision criteria.