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MEMORANDUM

Community Development

To: Mayor Jackola and City Council
From: Kelly Hart, Community Development Director
Subject: Community Development Department City Manager Report Updates

Date: May 2025

Planning:

- The regular May Planning Commission included two public hearings. Both applications were approved unanimously:
 - A-25-02 for the annexation of 31666 SW 5th Street and the designation of the RM zoning upon annexation
 - DCA-25-01 for the adoption of development code amendments associated with new housing opportunities identified in the Housing Production Strategy
- In May, two land use applications were approved administratively:
 - AR-25-04 and VAR-25-04 for a 12-unit apartment complex, including a Class II variance for a minor adjustment to the street side setback for the property on the southeast corner of Market Street and S Main Street (public notice issued on May 8, 2025, one general public comment received, none specific to the project, notice of decision was issued on May 23, 2025)
- There are currently two land use applications under review:
 - A-25-02 for the annexation of 31666 SW 5th Street and the designation of the RM zoning upon annexation (hearing is scheduled in June for City Council)
 - DCA-25-01 for the adoption of development code amendments associated with new housing opportunities identified in the Housing Production Strategy (hearing is scheduled in June for City Council)
- City Legislative Efforts: A detailed update of legislative efforts to date will be provided as part of the June Work Session.
- Strategic Planning Update: A mid-year report will be provided in June.
 - Mark your calendars: A half-day council goal-setting retreat will be scheduled for the afternoon (noon – 5:00 pm) of Wednesday, October 8, 2025. SSW Consulting will be facilitating.
- Housing Production Strategy Implementation: Public hearings are scheduled for May and June before the Planning Commission and City Council for the development code updates. Once adopted, informational flyers and website updates will be prepared to disseminate the information. Staff is evaluating the housing production strategy to identify the next round of implementation.

- Solar Project: Staff is working with Pacific Power to identify different power agreements that can be pursued for this project.
- Grant Administration:
 - Awarded applications:
 - Safe Streets 4 All grant. This is another federally funded grant. Although this grant has been awarded, the OCWCOG awaits the grant agreement. It is being evaluated whether to apply for the next round of funding, which will be released in June, as we have yet to receive a contract from last year.
 - Housing Infrastructure Planning Grant: \$100,000 grant to study sewer capacity and traffic impacts for potential development scenarios for the Champion Mill site.
 - Grant Research: We are working on grants for Wastewater Treatment Plant capital improvements, solar grants, emergency operations, senior center programming/site improvement grants, parks master plan update grants, and housing infrastructure grants. We are also working on grants for the library capital improvements and the capital fundraising campaign.
 - Grant Administration: OCWCOG administers the EPA grant funding for the environmental assessment work underway for the Champion Mill site and the upcoming reuse planning process. Phase II report drafting is underway. OCWCOG participated in the Chamber Biz Expo in April to receive community feedback on possible reuse ideas for the Champion Mill site. Although a final report has not been provided, at the time of the visit to the booth, mid-afternoon, the overwhelming desire was to provide housing on the site. The EPA grant will also pay for site reuse planning. Staff will work with the consultants to identify the scope and when to initiate the project.
- Lebanon Community School District Facilities Advisory Committee: The Community Development Director continues participating in the LCSD Facilities Advisory Committee. The Community Development Director participated in the LCSD School Board Work Session in May to begin the process of presenting the FACs findings. A second board meeting is scheduled for June.
- Natural Hazards Mitigation Plan: The City continues to participate in developing the Linn County Natural Hazards Mitigation Plan. A final plan draft has been circulated for review and approval internally by City staff. Depending on county scheduling, the adoption process is likely scheduled for early summer. The city is still awaiting the county's approval to move forward with the plan's adoption.

Economic Development:

- Strategic Plan Initiative 3.15: Business visitation program—No business visits occurred in May.
- Downtown Building Restoration Program: All five grant agreements have been signed. One project from the previous fiscal year, Kuhn Theater, is potentially moving forward if it can be completed by the end of this fiscal year. One of the five grants for this project cycle, 76 Sherman Street, has already completed the façade improvements and requested project reimbursement.



- Rural Economic Alliance (REAL): Held a monthly REAL meeting on May 22, 2025. The meeting included presentations from Britt Hoskins, Executive Director of the Linn-Benton SBDC, and Nate Conroy, the chosen consultant to implement the marketing plan for REAL. It was voted to fully execute the Intergovernmental Agreement between the nine cities of REAL for the next five years, approve a contract with RAIN for the next two years, and finalize the contract proposal for Nate Conroy. Authorization to execute Nate’s service contract was provided to Scott McDowell and Kelly Hart.
- Comprehensive Economic Development Strategies (CEDS) Update: The Community Development Director is participating in the regional five-year CEDS update. This strategy document and plan ensure that the region and city are eligible for state and federal grants to help achieve their economic development goals.
- Strategic Plan Initiative 3.11: Respond to Business Oregon recruitments based on site availability—the Business Oregon Prospector site is reviewed weekly, and targeted emails from Business Oregon Industrial Lands Specialists are examined to determine whether a recruitment package should be submitted for the competitive bid. No recruitment packages were submitted in May based on the city’s available site inventory. There has been no follow-up on the recruitment packages sent this year.
- Strategic Plan Initiative 5.4: Collaborate with community partners – the Community Development Director participates in monthly meetings with the downtown association, chamber of commerce, and prominent business owners.
 - On May 12, 2025, the Community Development Director represented the City at the Western University of Health Sciences Commencement Ceremony.