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MEMORANDUM

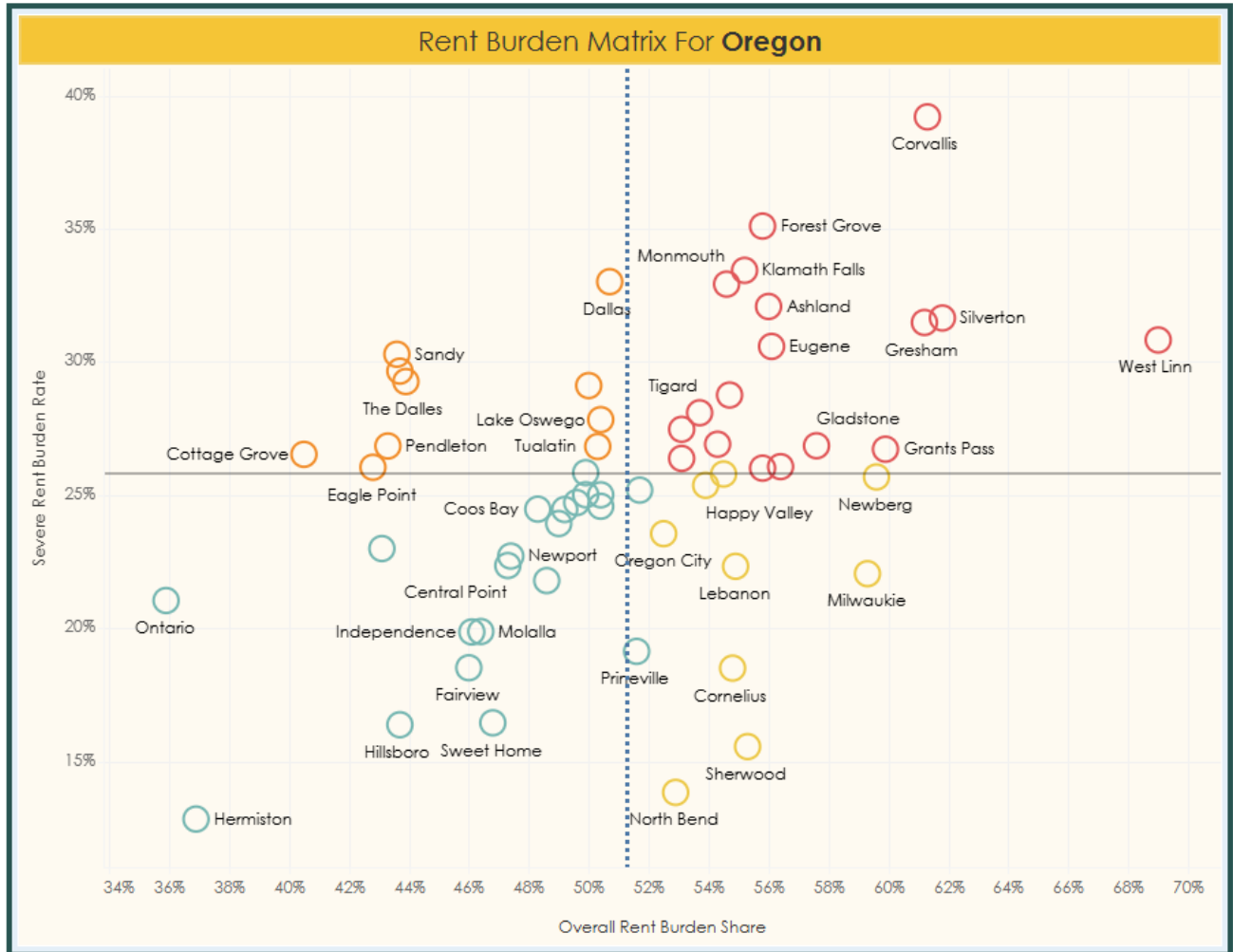
Community Development

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

Date: February 2025

Planning:

- The February Planning Commission meeting included a public hearing to consider CI-24-01 for a code interpretation to determine whether trails were permitted in the Low-Density Residential zone. The Planning Commission concurred with staff's interpretation that trails were permitted in the RL zone, subject to an AR if implementing a trail identified in a Master Plan.
- In February, one application was approved administratively:
 - VAR-25-01 for a fence variance for the property at 1010 Turtledove Loop
- There are currently four land use applications under review:
 - A-25-01 for right-of-way annexations for portions of Crowfoot Road, Stoltz Hill Road, Wassom Street, and Kees Street (hearings tentatively scheduled in February for Planning Commission and March for City Council)
 - AR-25-01 for the operation of a group home on Harrison Street (application under staff review)
 - AR-25-02 for the development of a triplex on Hiatt Street (application under staff review)
 - VAR-25-02 for a class III variance for the reduction in setback and property size required for the development of a triplex for a property on Hiatt Street (application under staff review)
- Severe Rent Burden Annual Designation Reporting: Every March 1st, since 2019, Oregon Housing and Community Services has been tasked with identifying severely rent-burdened cities. The definition of severely rent-burdened is when a household is paying more than 50% of their income towards rent/utilities, and severely rent-burdened cities are cities with more than 25% of their households designated as severely rent-burdened. In 2019, Lebanon was among the highest percentages in the state, with 35.8% of the community being designated as severely rent-burdened. Each year since, with the help of the significant housing boom, the rate has steadily declined. This year, the number of renter households experiencing severe rent-burdened status is 22.3%, the city's second year not identified as a severely rent-burdened community. A secondary stat is the overall rent burden when a renter pays more than 30% of their income towards rent/utilities. For Lebanon, 55% of all renters are considered cost-burdened. This year, a Housing Dashboard was created by OHCS to provide statewide information on the different housing data. The matrix provided identifies the rent burden status of cities over 10,000 and where they fall in the rent burden status.



- City Legislative Efforts: The last week of February, Director Hart was in Washington, D.C., for her Master’s program, meeting with federal representatives, agencies, non-profits, and federal committees. A number of connections were made that will benefit Lebanon, including securing a meeting with Senator Wyden’s office for the April visit and several others that will help schedule meetings for the April trip to D.C.
 - On February 26, 2025, City Manager Whitlatch, Public Works Director Williams, and City Lobbyist Sean Tate attended a public hearing for the Governor’s proposed infrastructure bill HB 3031 and testified to support the bill.
 - Staff is preparing for the National Water Week in Washington DC.
 - Staff continues to monitor the legislative bill tracker for public hearings on priority bills. The Directors have identified bills to prepare talking points and pre-drafted testimony for hearings, and the Community Development Director is working with the lobbying consultant to help prepare testimony.
- Strategic Planning Update: Twelve tasks are currently in progress, three have been completed, and 36 tasks have yet to be initiated in the 5-year strategic plan. The staff has implemented an online project management tool to maintain uniform reporting and progress updates and will utilize the

analytics from the project management platform to provide a mid-year update to the Council in the summer.

- Housing Production Strategy Implementation: the final round of code amendments will be presented to the Project Advisory Committee on March 25th and a Joint City Council/Planning Commission meeting is scheduled for March 26th. Once final comments are received on the final round of amendments, a public hearing package will be developed, and public hearings will be scheduled for April and May before the Planning Commission and City Council.
- Solar Project: The consultants staff has met with and are currently reviewing our materials, communicating with Pacific Power, and evaluating granting opportunities. Federal policy decisions have affected grant funding opportunities, which may delay or modify the project. Staff is monitoring the opportunities and continuing to move forward with the project as planned and will identify alternatives as necessary.
- 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.
 - Not selected: The Thriving Communities grant. The grant was submitted for \$350,000 to help fund the waterline replacement project on Grant Street between Park Street and 3rd Street. The Thriving Communities Grant is a federally funded program. On February 28th, an email was received informing the city that our grant application was not selected for funding. Additional grant cycles were available for potential funding opportunities, but based on the timing of the project, it was determined to move forward without the grant funding.
 - Grant Research: Wastewater Treatment Plant capital grants, solar grants, emergency operations, and water line replacements.
 - Grant Administration: OCWCOG is administering the EPA grant funding the environmental assessment work currently underway for the Champion Mill site and the upcoming reuse planning process. The consultants were on site the week of March 3-5 to conduct Phase II environmental analysis for the project site.
 - Community Development Director Hart is participating in a Local Infrastructure Hub Grant Writing Bootcamp for Developing Clean Energy & Clean Transportation Projects and Combined Railroad Crossing Elimination and Consolidated Rail Infrastructure and Safety Improvements program. The National League of Cities provides this multi-session program for free.
- Lebanon Community School District Facilities Advisory Committee: The Community Development Director continues participating in the LCSD Facilities Advisory Committee, which is on hiatus until spring.
- 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 approved internally by City staff. Depending on county scheduling, the adoption process is likely scheduled for early summer.
- Multiagency Coordination on Homelessness (MAC) group: The 2025 Point-In-Time Count occurred Wednesday, January 29, 2025, through February 5, 2025. Community Services Consortium took the lead in coordinating volunteers and community resources to help with the regional count of

unhoused individuals. The preliminary numbers are expected in late spring, and the final report will be released in summer 2025.

Building:

- The city processed 48 permits in January. The total fees received were \$68,784.99, and the construction valuation was \$4,648,421.18.
- By comparison, in January 2024, 74 permits were processed. The total fees received were \$38,697.04, and the construction valuation was \$3,086,926.00.
- A current list of the more significant construction sites include:
 - Riverside Banks Subdivision and Duplexes (Williams Street)
 - 8-lot subdivision – Cascade Estates (Seven Oaks Lane/Cascade Drive)
 - 19-lot subdivision (Walker & Wassom)
 - Blackrock Apartments – 12 units (2nd Street and Airport Road)
 - Airport Road Apartments – 60 units (Airport Road and Russell Drive)
 - Gas Station and Convenience Store (911 W Airport)
 - Lane Manufacturing – Industrial Building (Montessa Way)

Economic Development:

- Strategic Plan Initiative 3.15: Business visitation program—The Community Development Director, City Manager, and Councilor Steinhebel from Ward 3 visited Wilco for the February Business Visitation program. The meeting included a discussion of workforce needs, community partnerships, and incoming trade competition and how they may affect business.
- Downtown Building Restoration Program: The new program application was released in early January with a deadline of February 6, 2025. Five applications were received. A selection committee will review the applications, and grants will be awarded based on the criteria established in the program guidelines and the committee rankings.
- Rural Economic Alliance (REAL): REAL met in February to discuss a draft job description for an intern and consultant position to assist the group in implementing the marketing plan and furthering the strategic plan. The group identified a tentative budget to propose to each council for adoption to fund the program and positions for the next fiscal year.
- Comprehensive Economic Development Strategies (CEDS) Update: The Community Development Director is participating in the regional five-year CEDS update. This strategy document and plan ensures the region and city are eligible for state and federal grants to help accomplish 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. One recruitment package was submitted in February based on the city’s available site inventory.