

RESOLUTION NO. 2971

A RESOLUTION OF THE CITY OF WILSONVILLE ESTABLISHING THE WILSONVILLE VERTICAL HOUSING DEVELOPMENT ZONE (VHDZ) PROGRAM AND LOCAL CRITERIA.

WHEREAS, Goal 10 of Oregon’s Statewide Planning Goals and Guidelines directs local jurisdictions to “encourage the availability of adequate numbers of needed housing units at price ranges and rent levels which are commensurate with the financial capabilities of Oregon households and allow for flexibility of housing location, type and density”; and

WHEREAS, the Oregon Legislature created the Vertical Housing Development Zone program in 2003 to increase the supply of housing by encouraging and incentivizing mixed-use, multi-story development projects throughout the State; and

WHEREAS, in the Oregon Legislature adopted and the Governor signed SB 310 (2017), codified as ORS 307.841 to 307.867, pertaining to the Vertical Housing Development Zone program; and

WHEREAS, SB 310 (2017) transfers Vertical Housing Development Zone program administration and oversight from the Oregon Housing and Community Services Department to local governments; and

WHEREAS, in 2019 the City of Wilsonville (“City”) approved Ordinance No. 835 adopting the Town Center Plan; and

WHEREAS, the Town Center Plan includes exploration of VHDZ as an economic development strategy to offer a financial incentive for the targeted construction of vertical mixed-use buildings consistent with Plan goals making construction of these buildings more financially feasible; and

WHEREAS, in 2020 the City adopted Resolution No. 2820 approving the Wilsonville Equitable Housing Strategic Plan (EHSP), which seeks to improve equitable access to a range of housing in Wilsonville; and

WHEREAS, a policy objective of the EHSP is to create “Targeted housing opportunities in areas with access to services and public transit”; and

WHEREAS, Implementation Action 1D of the EHSP is to “Create Housing Tax Abatement Programs to Achieve Housing Diversity and Affordability” which includes VHDZ as a tool to help

make construction of mixed-use buildings, which provide services in close proximity to housing, more financially feasible; and

WHEREAS, City Council's 2021-2023 Goals include continued implementation of the EHSP, with a focus on financial incentives including VHDZ; and

WHEREAS, the Villebois Village Center and Town Center are the City's primary areas planned for mixed-use development; and

WHEREAS, City Council has provided direction regarding local VHDZ program implementation, zone boundaries, and administrative rules during five work sessions throughout 2021 and early 2022; and

WHEREAS, the VHDZ boundaries and local criteria identified in **Exhibit A** seek to implement City Council's direction to incentivize the creation of publicly accessible, active ground floor spaces in the City's mixed-use centers; and

WHEREAS, the City sent written notice of the City's intention to designate a VHDZ program to the local special districts having taxing authority within the proposed VHDZ boundaries, as required by Oregon Revised Statutes; and

WHEREAS, the City has not received notice of an intent or decision to opt out of the VHDZ program from any affected taxing district within the statutorily allowed timeframe; and

WHEREAS; the City has considered the potential for displacement of households within the proposed vertical housing development zone boundaries, as required by ORS 307.844(5), and such consideration has been memorialized in the Displacement Analysis memo in **Exhibit B**.

NOW THEREFORE, THE CITY OF WILSONVILLE RESOLVES AS FOLLOWS:

1. The Wilsonville City Council hereby establishes the Wilsonville Vertical Housing Development Zone (VHDZ) Program, intended to incentivize the development of multi-story mixed-use projects in targeted areas of the City.
2. The VHDZ program, including but not limited to boundaries, application processes, project eligibility determination, and project certification, shall be administered under locally applicable rules as articulated in **Exhibit A**, in addition to baseline statewide rules found in ORS 307.841 to 307.867.

3. At the time of application, the City will collect a \$1,000 application fee as allowed by ORS 308.857(10) to offset the cost of administering the application and certification process.
4. The Wilsonville City Council directs staff to further develop additional administrative rules as may be deemed necessary, and which are aligned with previous Council direction, in order to effectively implement and administer the VHDZ program.
5. This resolution is effective upon adoption.

ADOPTED by the Wilsonville City Council at a regular meeting thereof this 2nd day of May, 2022, and filed with the Wilsonville City Recorder this date.

Julie Fitzgerald, Mayor

ATTEST:

Kimberly Veliz, City Recorder

SUMMARY OF VOTES:

Mayor Fitzgerald

Council President Akervall

Councilor Linville

Councilor Lehan

Councilor West

Exhibits:

- A. Wilsonville Vertical Housing Development Zone—Local Criteria
- B. Displacement Analysis