



**CITY COUNCIL MEETING
STAFF REPORT**

Meeting Date: December 18, 2023		Subject: Resolution No. 3096 Applying Current Parks SDC fees to the Multifamily Portion of the Wilsonville Transit Center Transit-Oriented Development Project	
		Staff Members: Amanda Guile-Hinman, City Attorney and Kimberly Rybold, AICP, Senior Planner	
		Departments: Legal and Community Development	
Action Required		Advisory Board/Commission Recommendation	
<input checked="" type="checkbox"/> Motion <input type="checkbox"/> Public Hearing Date: <input type="checkbox"/> Ordinance 1 st Reading Date: <input type="checkbox"/> Ordinance 2 nd Reading Date: <input checked="" type="checkbox"/> Resolution <input checked="" type="checkbox"/> Information or Direction <input type="checkbox"/> Information Only <input type="checkbox"/> Council Direction <input checked="" type="checkbox"/> Consent Agenda		<input type="checkbox"/> Approval <input type="checkbox"/> Denial <input type="checkbox"/> None Forwarded <input checked="" type="checkbox"/> Not Applicable Comments: N/A	
Staff Recommendation: Staff recommends Council adopt the Consent Agenda.			
Recommended Language for Motion: I move to adopt the Consent Agenda.			
Project / Issue Relates To:			
<input checked="" type="checkbox"/> Council Goals/Priorities: Increase housing opportunities for all and reach functional zero homelessness	<input checked="" type="checkbox"/> Adopted Master Plan(s): Equitable Housing Strategic Plan	<input type="checkbox"/> Not Applicable	

ISSUE BEFORE COUNCIL:

A resolution to apply the current Parks System Development Charge (SDC) fee to the proposed Transit-Oriented Development (TOD) project at the Wilsonville Transit Center.

EXECUTIVE SUMMARY:

The 2020 Equitable Housing Strategic Plan (EHSP) identified exploration of transit-oriented development (TOD) at the Wilsonville Transit Center as a high-priority action the City should explore. As noted in the EHSP, the approximately 1.3-acre City-owned property at the Wilsonville Transit Center presents an opportunity to promote TOD with affordable and/or workforce housing. As a first step in exploring TOD, the EHSP recommended the City complete a Development Opportunity Study to assess the City's goals for the site and better understand the types of development that may be feasible. The City completed this study in early 2022, finding that a four- to five-story affordable housing project with supporting ground floor tenant spaces was likely feasible.

In December 2022, following a two-step Request for Qualifications/Request for Proposals process, City Council selected Palindrome as the preferred development partner for the TOD project. The proposed project includes 121 units of housing affordable to households making between 30% and 80% of Area Median Income, including 20 units of Permanent Supportive Housing, along with ground-floor tenants including a welcome center for SMART, a new home for Wilsonville Community Sharing, and a coffee house/taproom space. To create a lively environment for residents, transit users, and other visitors, the project will include outdoor plazas and a play area centered around three Douglas-fir trees that will be preserved with development. Throughout 2023, staff and Palindrome refined development plans for the project, and a land use application is currently under review.

A variety of funding sources will finance the construction of the TOD project. In fall 2023, Clackamas County and Metro provided Concept Endorsement for the award of \$8 million in Metro Affordable Housing Bond funds to the TOD project. These funds will be paired with other sources including Low Income Housing Tax Credits, a \$1.9 million legislative grant awarded to the City in 2022 and private debt.

In August 2023, City Council adopted Resolution No. 3046, updating the City's Parks System Development Charge (SDC) fee to reflect anticipated population growth and planned parks facilities. On January 1, 2024, the fee for a multifamily dwelling unit will increase to \$9,404 from the current fee of \$5,899, resulting in an unanticipated increase in project costs of \$424,105. This resolution would apply the existing Parks SDC fee to the project, so that neither the City nor Palindrome will need to allocate additional funding to cover this cost increase.

EXPECTED RESULTS:

Adoption of the resolution will apply current Parks SDC fees to the proposed TOD project.

TIMELINE:

City review of the land use application for the project is ongoing, with a public hearing anticipated in early 2024. Construction permitting is anticipated during mid-2024, with construction to begin later in the year.

CURRENT YEAR BUDGET IMPACTS:

The amended budget for fiscal year 2023-24 includes \$50,000 for Capital Improvement Plan (CIP) project #8156, supporting staff time for project management.

COMMUNITY INVOLVEMENT PROCESS:

The priorities identified in the Equitable Housing Strategic Plan, including exploration of transit-oriented development at the Wilsonville Transit Center, were generated through a community input process that included focus groups, surveys, and Task Force input. The Wilsonville Transit Center TOD project will go through the typical City development review process before the Development Review Board, which allows for public comment from residents, neighbors and property owners. Palindrome will conduct additional community outreach to meet requirements of the Metro Affordable Housing Bond program.

POTENTIAL IMPACTS OR BENEFIT TO THE COMMUNITY:

The Wilsonville Transit Center TOD project will provide needed affordable housing opportunities in close proximity to transit service, along with tenant space for Wilsonville Community Sharing, a coffee shop/taproom, and SMART welcome center. Locating housing in close proximity to transit service can generate additional transit ridership. The Wilsonville Transit Center is one of the City's limited opportunities to provide true transit-oriented development within the community.

ALTERNATIVES:

City Council may elect to apply the new Parks SDC fee, effective January 1, 2024, to the TOD project, resulting in additional cost to the proposed development that will need to be funded by other sources.

CITY MANAGER COMMENT:

N/A

ATTACHMENT:

1. Resolution No. 3096