



## CITY COUNCIL MEETING STAFF REPORT

<b>Meeting Date:</b> January 20, 2022		<b>Subject:</b> Frog Pond East and South Master Plan	
		<b>Staff Member:</b> Daniel Pauly, Planning Manager	
		<b>Department:</b> Community Development	
<b>Action Required</b>		<b>Advisory Board/Commission Recommendation</b>	
<input type="checkbox"/> Motion <input type="checkbox"/> Public Hearing Date: <input type="checkbox"/> Ordinance 1 <sup>st</sup> Reading Date: <input type="checkbox"/> Ordinance 2 <sup>nd</sup> Reading Date: <input type="checkbox"/> Resolution <input checked="" type="checkbox"/> Information or Direction <input type="checkbox"/> Information Only <input type="checkbox"/> Council Direction <input type="checkbox"/> Consent Agenda		<input type="checkbox"/> Approval <input type="checkbox"/> Denial <input type="checkbox"/> None Forwarded <input checked="" type="checkbox"/> Not Applicable	
		<b>Comments:</b> N/A	
<b>Staff Recommendation:</b> Provide input on the affordable housing component of Frog Pond East and South Master Plan.			
<b>Recommended Language for Motion:</b> N/A			
<b>Project / Issue Relates To:</b>			
<input checked="" type="checkbox"/> Council Goals/Priorities: Expand home ownership	<input checked="" type="checkbox"/> Adopted Master Plan(s): Frog Pond Area Plan	<input type="checkbox"/> Not Applicable	

### ISSUE BEFORE CITY COUNCIL:

Provide feedback and input on the affordable housing component of the Frog Pond East and South Master Plan project currently underway. In using the term affordable housing in this context, staff is referring broadly to both market-rate housing that is economically attainable for moderate-income households as well as housing that is subsidized for lower-income households.

## **EXECUTIVE SUMMARY:**

Following designation of the subject land as an urban reserve in 2010, the City adopted the Frog Pond Area Plan in 2015 to set the stage for additional planning and eventual development to meet identified local housing needs. In addition to the urban reserve area, the Frog Pond Area Plan also established a vision for growth for undeveloped land already within the City's Urban Growth Boundary (UGB) now known as Frog Pond West. In 2017, a master plan and implementing zoning code was adopted for Frog Pond West. The Master Plan provided the necessary regulatory framework for the residential neighborhood currently under development north of Boeckman Road and west of Stafford Road.

In 2018, Metro expanded the UGB to include the subject land east of Stafford Road known as Frog Pond East and South. As part of the Metro Ordinance adopting the UGB expansion, Metro required Wilsonville to complete master planning to make the area development ready, from a regulatory standpoint, by December 2022. Similar to past master planning efforts, such as Villebois and Frog Pond West, this master planning effort will identify the types and locations of the homes, other land uses, parks, open spaces, streets, trails and neighborhood amenities to be built over the next 10-20 years. To support implementation of the plan, the process also identifies water, sewer, stormwater and transportation infrastructure needs and funding sources.

Parts of the Frog Pond East and South Master Plan will be similar to that of Frog Pond West completed in 2017. This includes the same level of sub-district analysis and commitment to quality design, walkable neighborhoods, and natural resource and tree preservation, building on the basic framework from the 2015 Frog Pond Area Plan. In addition, the project team will build its infrastructure funding approach off the work previously done for Frog Pond West.

The Frog Pond East and South Master Plan will also be different from the Frog Pond West Master Plan in a number of notable ways. This includes looking at housing variety and distribution with (1) additional focus on housing for a wider variety of income levels and how to encourage housing options not historically well-provided by the market, as directed by the City's Equitable Housing Strategic Plan, and (2) less focus on mathematic density calculations and more focus on how the built form of housing structures contribute to the look and feel of the neighborhood. The master plan process will examine adjusting how System Development Charges (SDCs) and other infrastructure fees are calculated to ensure infrastructure costs are equitably carried by varying housing types and update the infrastructure funding plan. Building on experience from past projects, the planned process also includes a broader and more inclusive outreach program to ensure a variety of groups, particularly those historically marginalized, have a meaningful and impactful voice in the decisions made.

The Planning Commission held a work session on December 9 that included a discussion of housing. This work session focused on the needs and opportunities for lower-cost housing in Frog Pond East and South not historically well-provided by the market and the City's Equitable Housing Strategic Plan. During the conversation the Planning Commission supported information on affordable housing needs helping determine the land use mix in Frog Pond East and South. The Commission was open to including multi-family, in addition to single-family and middle housing, to support identified needs.

Broad allowance of detached single-family and all middle housing types is an assumption for Frog Pond East and South. The Frog Pond Area Plan generally shows areas of middle housing and detached single-family. However, unlike Frog Pond West, Frog Pond East and South, under State middle housing requirements, is required to allow all middle housing types anywhere detached single-family homes are allowed, including areas not shown in the area plan. Thus, the City needs to revisit the housing mix shown in the area plan.

A key outstanding question, as the City takes a fresh look at the housing mix, is the extent that multi-family should be allowed in order to provide for housing needs. Attachment 1 highlights some of the need that could be met by multi-family housing. Attachment 2 is Appendix A of the Equitable Housing Strategic Plan, Housing Market Research Report, which provides additional details on anticipated housing need. The City is not required to allow multi-family housing. However, certain housing needs are best supported by multi-family and would not be met by detached single-family and middle housing. Planning Commission comments support consideration of multi-family that meets identified needs not able to be met by other means.

Another important concept the project team is working on, and that was brought up during the Planning Commission meeting, is whether to plan separate areas for different housing types versus integrating housing types throughout the neighborhoods. This is a key concept that could make potential multi-family in Frog Pond East and South look and feel different than other neighborhoods that have built large apartment complexes separate from single-family subdivisions. An example of this integrated approach, is a block in Frog Pond East and South including a mix of detached single-family homes, middle housing, and smaller multi-family structures that are all of a similar scale.

Discussion questions:

1. What insights and thoughts would Council members offer on potentially allowing multi-family housing in Frog Pond East and South to support identified housing needs?
2. What questions does the Council have that you would like the project team to try to answer, if possible, as they continue the affordable housing analysis?

**EXPECTED RESULTS:**

Feedback and direction from the City Council on the affordable housing component of Frog Pond East and South Master Plan project.

**TIMELINE:**

This is the second in a series of work sessions for the City Council. The next work session is planned for March 2022. The project must be completed by December 2022.

**CURRENT YEAR BUDGET IMPACTS:**

The main consultant contract is for \$350,000 funded through a Metro grant. Work began during FY 20/21. Unused portions have been rolled over and the City anticipates spending \$260,000 by the end of FY 21/22. The remaining \$90,000 is planned to be budgeted during FY 22/23 to conclude the project. Staff is in the process of incorporating an additional \$162,000 in State grants into the contract and work program for additional affordable housing analysis and work related to infrastructure funding and SDCs. Staff, with City Council's support, submitted the grant requests to further enhance the depth of the affordable housing and infrastructure project components.

**FINANCIAL REVIEW:**

Reviewed by: KAK Date: 1/11/2022

**LEGAL REVIEW:**

Reviewed by: BAJ Date: 1/11/2022

**COMMUNITY INVOLVEMENT PROCESS:**

The project has a community engagement plan which lays out a robust public engagement program that will include meaningful and impactful involvement of people who identify with historically marginalized communities. In addition, City staff is working with consultants and the Diversity, Equity and Inclusion Committee to establish a framework for broad community involvement.

**POTENTIAL IMPACTS OR BENEFIT TO THE COMMUNITY:**

Well-designed neighborhoods with a variety of housing options for current and future Wilsonville residents.

**ALTERNATIVES:**

At this early point in the project, the City Council may provide a range of alternatives for the project team to consider.

**CITY MANAGER COMMENT:**

N/A

**ATTACHMENTS:**

1. Planning Commission Meeting Presentation from December 9, 2021
2. Equitable Housing Strategic Plan Appendix A "City of Wilsonville Housing Market Research Report"*Note: only main report included in packet, additional information, including the appendix to the report, can be found beginning on [page 86 of this linked document](#).*