

City of Wilsonville

City Council Meeting

November 4, 2019



AGENDA

**WILSONVILLE CITY COUNCIL MEETING
NOVEMBER 4, 2019
7:00 P.M.**

**CITY HALL
29799 SW TOWN CENTER LOOP EAST
WILSONVILLE, OREGON**

Mayor Tim Knapp

Council President Kristin Akervall
Councilor Charlotte Lehan

Councilor Joann Linville
Councilor Ben West

CITY COUNCIL MISSION STATEMENT

To protect and enhance Wilsonville's livability by providing quality service to ensure a safe, attractive, economically vital community while preserving our natural environment and heritage.

Executive Session is held in the Willamette River Room, City Hall, 2nd Floor

- 5:00 P.M. EXECUTIVE SESSION [25 min.]**
A. Pursuant to: ORS 192.660 (2)(e) Real Property Transactions
ORS 192.660(2)(h) Legal Counsel / Litigation
- 5:25 P.M. REVIEW OF AGENDA AND ITEMS ON CONSENT [5 min.]**
- 5:30 P.M. COUNCILORS' CONCERNS [5 min.]**
- 5:35 P.M. PRE-COUNCIL WORK SESSION**
A. Tax Increment Financing Zone Program Expiration and Redesign (Vance) [20 min.]
B. HB 2001 and HB 2003 Briefing (DLCD/Pauly) [30 min.]
C. I-5 Monument Sign Retrofit Project (Neamtzu) [15 min.]
- 6:40 P.M. ADJOURN**
-

CITY COUNCIL MEETING

The following is a summary of the legislative and other matters to come before the Wilsonville City Council a regular session to be held, Monday, November 4, 2019 at City Hall. Legislative matters must have been filed in the office of the City Recorder by 10 a.m. on October 22, 2019. Remonstrances and other documents pertaining to any matters listed in said summary filed at or prior to the time of the meeting may be considered there with except where a time limit for filing has been fixed.

7:00 P.M. CALL TO ORDER

- A. Roll Call
- B. Pledge of Allegiance
- C. Motion to approve the following order of the agenda and to remove items from the consent agenda.

7:05 P.M. COMMUNICATIONS

- A. 2019 State Legislative Update by Rep. Christine Drazan, House Minority Leader (House Dist. 39, Charbonneau/Canby) (Ottenad)

7:20 P.M. CITIZEN INPUT & COMMUNITY ANNOUNCEMENTS

This is an opportunity for visitors to address the City Council on items *not* on the agenda. It is also the time to address items that are on the agenda but not scheduled for a public hearing. Staff and the City Council will make every effort to respond to questions raised during citizens input before tonight's meeting ends or as quickly as possible thereafter. Please limit your comments to three minutes.

7:30 P.M. MAYOR'S BUSINESS

- A. Upcoming Meetings

7:40 P.M. COUNCILOR COMMENTS

- A. Council President Akervall
- B. Councilor Lehan
- C. Councilor West
- D. Councilor Linville

7:50 P.M. CONSENT AGENDA

- A. Resolution No. 2772

A Resolution Of The City Of Wilsonville Consenting To The Transfer Of Control Of The Cable Franchise From Frontier Communications Corporation To Northwest Fiber, LLC, With Conditions. (Guile-Hinman)

7:55 P.M. NEW BUSINESS

- A. Resolution No. 2771

A Resolution Of The City Of Wilsonville Supporting The 2019 Technical Assistance Grant Application To The Oregon Department Of Land Conservation And Development For The Wilsonville Housing Variety Implementation Project. (Pauly)

8:00 P.M. CITY MANAGER'S BUSINESS

8:05 P.M. LEGAL BUSINESS

8:10 P.M. ADJOURN

Time frames for agenda items are not time certain (i.e. Agenda items may be considered earlier than indicated.) Assistive Listening Devices (ALD) are available for persons with impaired hearing and can be scheduled for this meeting if required at least 48 hours prior to the meeting. The city will also endeavor to provide the following services, without cost, if requested at least 48 hours prior to the meeting: Qualified sign language interpreters for persons with speech or hearing impairments. Qualified bilingual interpreters. To obtain services, please contact the City Recorder, (503) 570-1506 or cityrecorder@ci.wilsonville.or.us.



**CITY COUNCIL MEETING
STAFF REPORT**

<p>Meeting Date: November 4, 2019</p>	<p>Subject: Tax Increment Financing (TIF) Zone Program Expiration and Redesign</p> <p>Staff Member: Jordan Vance, Economic Development Manager</p> <p>Department: Community Development</p>			
<p>Action Required</p> <p><input type="checkbox"/> Motion</p> <p><input type="checkbox"/> Public Hearing Date:</p> <p><input type="checkbox"/> Ordinance 1st Reading Date:</p> <p><input type="checkbox"/> Ordinance 2nd Reading Date:</p> <p><input type="checkbox"/> Resolution</p> <p><input type="checkbox"/> Information or Direction</p> <p><input type="checkbox"/> Information Only</p> <p><input checked="" type="checkbox"/> Council Direction</p> <p><input type="checkbox"/> Consent Agenda</p>	<p>Advisory Board/Commission Recommendation</p> <p><input type="checkbox"/> Approval</p> <p><input type="checkbox"/> Denial</p> <p><input type="checkbox"/> None Forwarded</p> <p><input checked="" type="checkbox"/> Not Applicable</p> <p>Comments: N/A</p>			
<p>Staff Recommendation: Staff recommends that Council allow the existing TIF Zones to expire, and direct staff to develop a revised TIF Zone program.</p>				
<p>Recommended Language for Motion: N/A</p>				
<p>Project / Issue Relates To:</p> <table border="1"> <tr> <td data-bbox="165 1549 589 1589"><input checked="" type="checkbox"/> Council Goals/Priorities</td> <td data-bbox="589 1549 1008 1589"><input type="checkbox"/> Adopted Master Plan(s)</td> <td data-bbox="1008 1549 1404 1589"><input type="checkbox"/> Not Applicable</td> </tr> </table>		<input checked="" type="checkbox"/> Council Goals/Priorities	<input type="checkbox"/> Adopted Master Plan(s)	<input type="checkbox"/> Not Applicable
<input checked="" type="checkbox"/> Council Goals/Priorities	<input type="checkbox"/> Adopted Master Plan(s)	<input type="checkbox"/> Not Applicable		

ISSUE BEFORE COUNCIL:

Council to provide direction on the expiration of existing Tax Increment Finance (TIF) Zones for three sites in Wilsonville and to begin implementation of a revised TIF Zone program to provide more effective incentives for high-value, high-employment development.

EXECUTIVE SUMMARY:

Program Background

In 2013, the Wilsonville City Council approved the designation of six separate industrial properties as individual urban renewal districts. Each of these properties is referred to as a Tax Increment Financing (TIF) zone. The TIF zones use the same funding mechanism and State legislative framework as standard urban renewal districts. However, rather than fund large-scale, long-term projects, the TIF zones are intended to provide property tax rebates as a development incentive for qualifying companies who invest in any of the six properties.

As presently designed, each TIF zone would rebate up to 75 percent of increased property tax increment for three years for companies that invest at least \$25 million in capital improvements or equipment and create 75 or more new full-time jobs paying at least 125 percent of the average Clackamas County wage.

By 2014, three of the six TIF Zone sites had been leased or purchased by businesses who would not benefit from the TIF Zone program. Consequently, the City Council eliminated those three TIF Zones in the fall of 2014, leaving three remaining TIF Zones for which only one (Microsoft, 26755 SW 95th Avenue) converted the space into a higher-value manufacturing facility. The other two sites are in use as a warehouse (Pacific Foods, 27255 SW 95th Avenue) and a battery manufacturer (Energy Storage Systems Inc., 26440 SW Parkway Avenue, Building 83), which partially occupies Building 83. None of the projects utilized the TIF incentive program.

The TIF Zones were originally scheduled to sunset on November 4, 2018 (five years after the effective date of the plan); if no qualifying, investment has been made in the area. On October 15, 2018, City Council extended the termination date by one year for the three remaining TIF Zones to allow for analysis of potential changes to the TIF Zone incentive program to more effectively facilitate development of higher-value advanced manufacturing in applicable vacant facilities.

The existing TIF Zones incentive program is now set to expire in November 2019 and city staff have identified a potential new approach to modify the program going forward.

Benefits of Proposed Program

The TIF program was originally designed in a post economic recession environment to incentivize development in vacant or under-utilized industrial warehouses and convert the spaces to higher-value manufacturing facilities.

The benefits offered and requirements for qualifying businesses were patterned off the Enterprise Zone program administered by the State of Oregon. Wilsonville did not meet State requirements to establish an Enterprise Zone (maximum thresholds for unemployment and median family income). The lack of an Enterprise Zone puts Wilsonville at a disadvantage when potential industrial developers compare sites in Wilsonville to sites in other communities where this tool is available. The TIF Zones helped to mitigate this disadvantage. However, the original approach to TIF Zones has limitations as an economic development tool:

- It required identifying a handful of specific sites in advance, and therefore is not applicable to the vast majority of potential development sites in the City.
- The thresholds for qualifying development are rigid, and did not allow flexibility to accommodate a wider range of potential businesses.
- Each site required the adoption of an urban renewal plan. Those plans have annual administrative requirements and require consultation with affected taxing districts to renew or extend the plans when they reach their scheduled termination dates.

City staff are recommending a new approach to TIF Zones, to resolve these limitations. Key elements of the proposed concept include:

- **Program Qualifications.** The three existing categories of program qualifications would remain the same under the new program: value of new construction, number of new employees, and wages of new employees. However, the thresholds may be adjusted, because no development in the past has qualified under the existing thresholds in the program,
- **Tiers of Benefits.** An option to have different levels of benefits based on varying thresholds is being considered. For example, if a development meets the threshold for two categories, but is low on the third, there still may be a partial benefit for that development.
- **Site Agnostic Zones.** The new program will not designate specific properties up-front, but allow any qualified development to utilize the program. This allows for increased flexibility. As economies and industries change, specific site needs may vary. Sites that city staff believe may be the most likely to develop under the program today may not be the same sites that would most likely to develop in the future. With the new program, this element of guesswork will be removed and allow the program to fit the conditions of the time.
- **Tax Rebate Program.** Qualified developments under the new program will receive a tax rebate if all standards are met (they will pay property tax up front and on time, but receive a partial or full rebate later if they demonstrate that they have met the required thresholds for construction value, employment, and wages). This is not a tax abatement, where properties would not be required to pay any tax.
- **TIF Zone Formation Approach.** City Council would adopt the TIF Zone framework and program criteria (i.e. investment, job creation, wage level), but would not adopt specific urban renewal areas. The site-specific urban renewal plan will be prepared by economic development staff as eligible development projects are brought forward. Each plan will be presented to City Council review and approval.

The new approach would provide the City with a more effective and attractive incentive program to attract new businesses.

If City Council approves of the general concept, city staff will work with the consultant team to develop the program details and test support (City Council, stakeholders, taxing districts) of the program (see attachment A, Scope of Work).

EXPECTED RESULTS:

The result of staff recommendation is the expiration of existing TIF Zones for three sites, as scheduled in November of 2019. Staff would then enter into a contract with a consultant team to develop the details of the revised TIF Zones program. Staff would return to Council for further discussion and adoption of the revised program in 2020.

TIMELINE:

Once directed by Council, staff could pursue modifications to the program and bring back to the Council for review in 2020.

CURRENT YEAR BUDGET IMPACTS:

The scope of work for the consultant team to assist in establishing the revised program has an estimated budget of \$18,360.

FINANCIAL REVIEW / COMMENT:

Reviewed by: KAK Date: 9/24/2019

LEGAL REVIEW / COMMENT:

Reviewed by: BAJ Date: 9/26/2019

Legal has not reviewed any of the ideas presented above to broaden the program for compliance with laws pertaining to such incentive programs by local government and therefore cannot comment on the legal viability of those ideas for expansion at this time. Because these types of programs can have negative connotations in the community, the City previously engaged a task force with a diverse group of members to develop the current program. I would assume the Council might want to convene that task force again to consider any expansion of the program.

COMMUNITY INVOLVEMENT PROCESS:

Received direction from Urban Renewal Task Force in 2017 to evaluate TIF Zone program and consider modifications. In redesigning the TIF Zone program, the City will need to test the support for the proposed program from the public and key stakeholders, including:

- Urban Renewal Task Force meeting
- City Council meeting
- Additional outreach to affected tasking districts (optional)
- Additional public outreach/engagement (optional)
- Advisory vote of the public (optional). In 2013, creation of TIF Zone program went out to advisory vote, which passed with 78.8% of the vote.

POTENTIAL IMPACTS or BENEFIT TO THE COMMUNITY:

An updated TIF Zone incentive program has potential to bring more high-wage jobs to Wilsonville.

ALTERNATIVES:

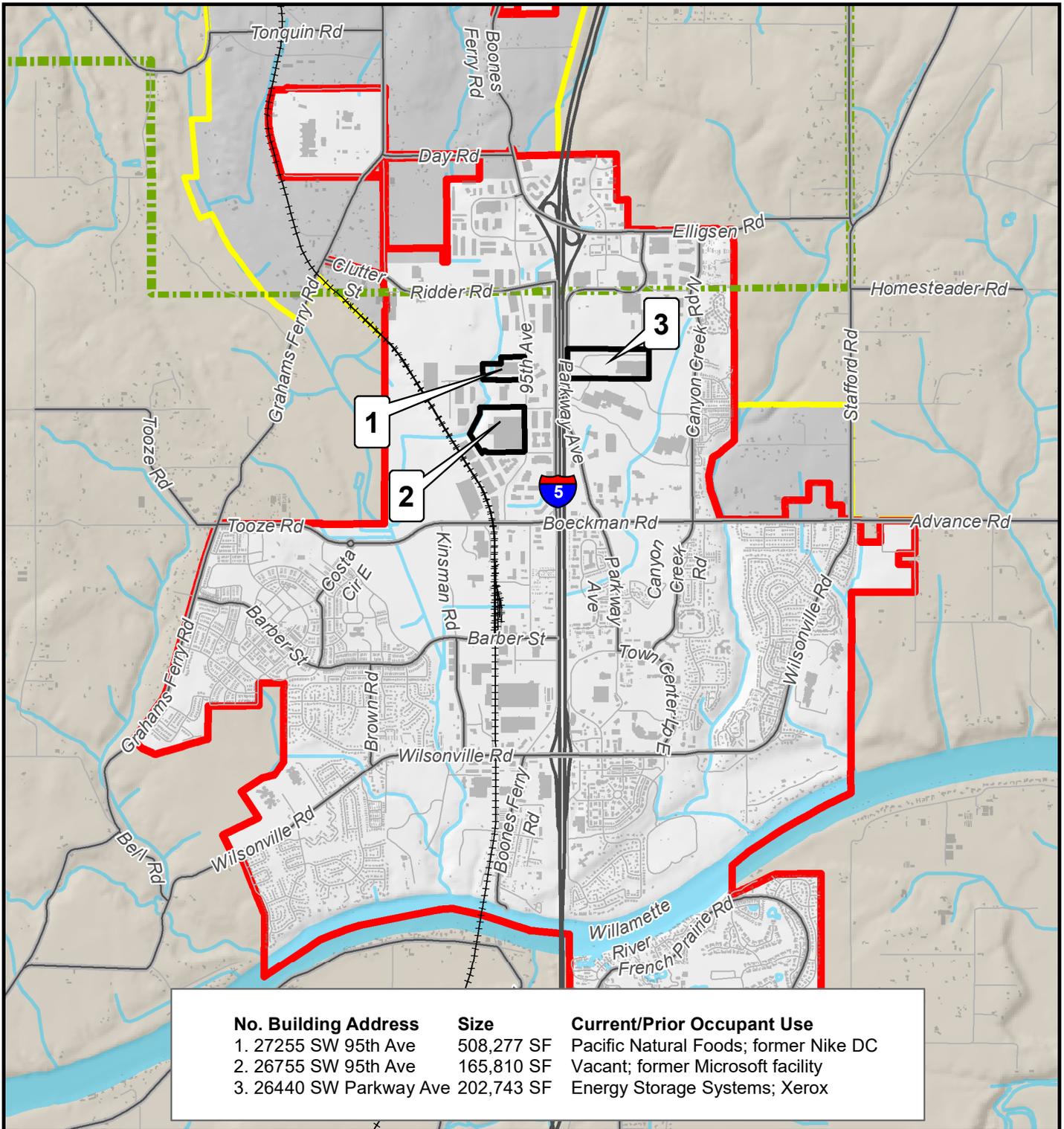
Allow TIF Zone sites to terminate without a replacement program, or extend existing TIF Zones again without modification.

CITY MANAGER COMMENT:

N/A

ATTACHMENTS:

- A. Existing TIF Zone Tax Lots
- B. Tiberius Solutions, Scope of Work: Wilsonville TIF Zones – Program Establishment



No.	Building Address	Size	Current/Prior Occupant Use
1.	27255 SW 95th Ave	508,277 SF	Pacific Natural Foods; former Nike DC
2.	26755 SW 95th Ave	165,810 SF	Vacant; former Microsoft facility
3.	26440 SW Parkway Ave	202,743 SF	Energy Storage Systems; Xerox

The City of Wilsonville, Oregon
 Clackamas and Washington Counties



-  City Limits
-  County Boundary
-  UGB



10/4/2018

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TIBERIUS SOLUTIONS

DATE: July 15, 2019
 TO: Jordan Vance
 FROM: Nick Popenuk
 SUBJECT: SCOPE OF WORK: WILSONVILLE TIF ZONES – PROGRAM ESTABLISHMENT

The City of Wilsonville (City) has asked Tiberius Solutions to assist in the establishment of a new Tax Increment Finance (TIF) Zone program to provide development incentives in the City of Wilsonville. The existing TIF Zones are set to expire in November 2019. The following tasks would be completed by Tiberius Solutions LLC and Elaine Howard Consulting, LLC.

Task 1. Consensus on Proposed Concept

Prepare for and participate in a meeting with key staff at the City. The goals of this meeting will be to (1) provide context about why an update to the existing TIF zones is required, (2) come to a consensus on how the new TIF zone program should work at a conceptual-level, and (3) confirm the subsequent tasks in the scope of work and project timeline to implement the TIF zone program changes.

After meeting with staff, we will draft a summary memo of the TIF Zones concept. The intended audience for this memo will be City Council, to bring them up to speed and allow them to have an informed discussion on the topic.

Meetings: One meeting with City staff

Deliverables: Summary memo on TIF Zones concept

Budget: \$2,380

Task 2: Development of Program Details

If City Council agrees with the general concept and directs staff to develop a more detailed program, we will work with City staff to clarify all of the necessary technical details. This work will include:

- Evaluate potential scoring criteria using example projects
- Finalize project application scoring template
- Create TIF/MI calculator template
- Document the process

Evaluate potential scoring criteria using example projects

Previous analysis resulted in five potential scoring criteria systems. In this task, we will apply each of those scoring systems to evaluate 10-15 example development projects, and summarize the results to show how each development scored, and whether or not they would qualify for TIF zone benefits under each scoring system. Based on this analysis, City staff would select one scoring system to move forward as the preferred option.

Assumptions: The City will provide examples of various developments to be scored using potential scoring criteria. For each example project, the City will need to include data on the number of employees, average wage, and real market value of improvements. These examples can either be actual examples or hypothetical developments. Note that obtaining this information on actual example projects can be challenging, as employment and wage data can be confidential, and common

datasets for project value often only include the assessed value of abatements, and not necessarily the real market value of the total investment.

Finalize project application scoring template

After one preferred scoring system is selected by City staff, we will finalize an application form template. This template will be used by the City and interested developers to evaluate whether or not they qualify for TIF zone benefits. The form will be Excel-based, and is intended to be simple and user-friendly.

Create TIF/MI calculator template

In the future, when the City has a qualifying applicant for TIF zone benefits, the City will need to adopt an Urban Renewal Plan to implement those benefits. A core element of that plan is documentation of the maximum indebtedness (MI) and a determination of financial feasibility. For TIF zones, the maximum indebtedness would be equal to the total amount of tax revenue that would be generated by the URA and rebated to the qualifying development. Thus, the City will need an Excel spreadsheet that will be used by City staff to project future TIF revenue and Maximum Indebtedness, and prove financial feasibility for each new TIF Zone URA. This template will provide the financial elements required by Oregon Revised Statutes (ORS) for the urban renewal plans.

Document the process

As a companion to the two spreadsheets discussed above (1. Project application scoring template, and 2. TIF/MI calculator template) we will prepare a memorandum that documents all the steps in the proposed TIF Zones process, including information on the basis of scoring, interpreting scores, how to use the TIF/MI template, and how to incorporate results into a new urban renewal plan. This memorandum will include all of the necessary information for administering the TIF zone program, and will also include an executive summary, so that interested stakeholders can understand the key concepts without reading the entirety of the memo.

Meetings: One with City staff to evaluate potential scoring criteria

Deliverables:

- Excel spreadsheet evaluating multiple scoring systems for multiple example projects
- Developer application form (Excel format) for scoring potential future development
- Excel spreadsheet for calculating TIF revenue and MI for future qualifying development
- Memo documenting how and when these spreadsheet templates should be used

Budget: \$3,400

Task 3. Testing political support for TIF Zones

After defining the program details in Task 2, the City will need to test the support for the proposed program from the public and key stakeholders, including affected taxing districts. Additional direction from City staff and City Council will be needed to clarify the specific elements of this task, but it may include:

- Urban Renewal Task Force meeting
- City Council meeting
- Additional outreach to affected taxing districts (optional)
- Additional public outreach/engagement (optional)
- Advisory vote of the public (optional)

This base scope of work assumes that the Consultant Team will only participate in one meeting with the Urban Renewal Task Force. Optional tasks are listed later in the proposal, should the City desire consultant participation in other elements of public and stakeholder outreach.

Task Force Meeting

Prepare for and participate in a meeting with Wilsonville's Urban Renewal Task Force. Preparation includes: preparing a PowerPoint presentation covering all of the work conducted in previous tasks.

Meetings: One meeting with Urban Renewal Task Force

Deliverables: PowerPoint presentation

Budget: \$2,780

Task 4. Plan/Report Template Documents

Assuming the results of Task 3 show support from the public and key stakeholders for implementing the revised TIF Zones program, the next task will be to prepare the Urban Renewal Plan and Report template documents that the City will use in the future for qualifying developments. Elaine Howard Consulting would take the lead on this task, with staff from Tiberius Solutions providing assistance on the financial components of the Plan and Report documents, as well as reviewing the final draft document templates.

The Plan and Report will address requirements of ORS 457.085.

Meetings: None

Deliverables:

Urban Renewal Plan template (Word)

Urban Renewal Report template (Word)

Budget: \$7,800

Optional Tasks

A. City Council Meetings (Optional)

The base scope of work assumes City staff handle all meetings with City Council without involvement from the Consultant Team. We see three potential opportunities where consultant attendance at City Council meetings could be beneficial:

- At the conclusion of Task 1, presentation of TIF Zones concept, asking for official approval to move forward with the development of the program.
- During Task 3, presenting the detailed proposal and feedback received from the Urban Renewal Task Force, asking for City Council support of the program, and for direction on whether or not to proceed with an advisory vote or other outreach activities before proceeding with additional tasks.
- At the conclusion of Task 4, presentation of final TIF Zones program for approval.

These meetings are considered an optional task, as City staff could participate in these meetings without our involvement.

Budget:

Nick Popenuk: \$600 per meeting*

Elaine Howard: \$780 per meeting*

*Assumes four hours of time per person per meeting, including travel, prep, and attendance. Preparation of PowerPoint presentations or other materials would have additional costs.

B. Ordinance (Optional)

At the conclusion of Task 4, the tasks described in the base scope of work will provide the City with all the materials necessary to run the proposed TIF Zones program. However, that program will need to be adopted by City Council through an ordinance. The scope of work assumes that City staff would prepare the ordinance but as an optional task, the Consultant Team could work with City staff to draft the ordinance.

Budget: \$2,000

C. Other Plan adoption documents (Optional)

If desired by the City, Elaine Howard Consulting could produce other documents that are necessary for the adoption of an urban renewal plan. Other documents required for an urban renewal plan include an Agency Report and resolution, a Planning Commission report and resolution, public notices for the Planning Commission and City Council meetings, consult and confer letters with taxing districts and ordinance for adoption. Additionally, Elaine Howard Consulting typically develops PowerPoint presentations for Agency, Planning Commission and City Council meetings.

Budget: \$6,500

D. Public/Stakeholder/Taxing District Outreach (Optional)

The base scope of work only calls for the Consultant Team to participate in one meeting of the Urban Renewal Task Force. It is possible that the City will also want to hold public open house events, publish informational materials, and meet with key stakeholders, such as affected taxing districts. If the City desires representatives of the Consultant Team to participate in these additional outreach efforts, it would require additional time and budget. Additionally, we could create summary materials to support these outreach efforts, for example handouts describing the impacts to taxing districts, FAQs, etc.

Budget: TBD

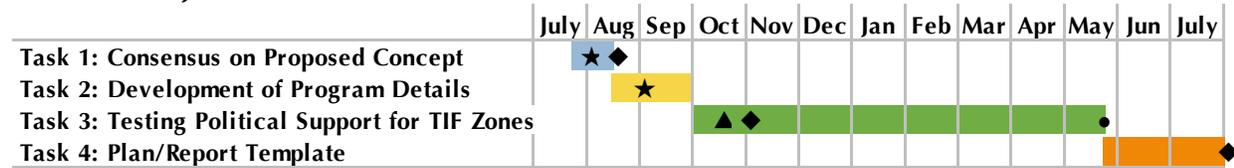
Contingency

Our proposal includes \$2,000 in contingency, to cover any extraordinary efforts required to cover additional analysis and add-on tasks requested by the City, but not included in this scope of work. We will notify the City before accessing these contingency funds. Contingency will only be accessed with written approval from the City.

Schedule

The technical work described in Tasks 1 through 3 will be completed in a period of three months. If the City chooses to pursue an advisory vote of the public, then that would most likely occur in the Spring of 2020, which would delay work on Task 4. Ultimately, work on Task 4 would take an additional two months, resulting in project completion in the summer of 2020. This schedule is illustrated in Exhibit 1.

Exhibit 1. Project Schedule



- ★ Meetings With City Staff
- ◆ City Council Meetings (Optional)
- ▲ UR Task Force
- Advisory Vote

Budget

All work will be completed for a base total cost not to exceed \$16,360 with an additional contingency of \$2,000 (as described above), resulting in a total budget of \$18,360. Additionally, the scope of work identifies optional add-on tasks. If the City opts to include any of these tasks in the scope of work, the budget would be adjusted accordingly. Key personnel and their billing rates are identified in Exhibit 2.

Exhibit 2. Project Budget by Task

Task	Tiberius Solutions				Elaine Howard Consulting				Total	
	Nick Popenuk Director	Ali Danko Sr. Analyst	Subtotal		Elaine Howard Director	Scott Vanden Bos Manager	Subtotal			
	\$ 150 /hr	\$ 100 /hr	Hours	Cost	\$ 195 /hr	\$ 145 /hr	Hours	Cost	Hours	Cost
1. Consensus on Concept	8	4	12	\$ 1,600	4	0	4	\$ 780	16	\$ 2,380
2. Program Details	12	16	28	\$ 3,400	0	0	0	\$ -	28	\$ 3,400
3. Testing Political Support	8	8	16	\$ 2,000	4	0	4	\$ 780	20	\$ 2,780
4. Plan/Report Templates	6	6	12	\$ 1,500	10	30	40	\$ 6,300	52	\$ 7,800
Subtotal - Proposed Tasks	34	34	68	\$ 8,500	18	30	48	\$ 7,860	116	\$ 16,360
Contingency										\$ 2,000
Total	34	34	68	\$ 8,500	18	30	48	\$ 7,860	116	\$ 18,360



**CITY COUNCIL MEETING
STAFF REPORT**

Meeting Date: November 4, 2019		Subject: HB 2001 and HB 2003 Briefing	
		Staff Members: Jennifer Donnelly, DLCD Metro Regional Representative; Kevin Young, DLCD Senior Urban Planner; Daniel Pauly, AICP, Planning Manager	
		Department: Community Development	
Action Required		Advisory Board/Commission Recommendation	
<input 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 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 Comments: N/A	
Staff Recommendation: Staff recommends that Council provide any feedback or direction on City efforts to comply with HB 2001 and HB 2003.			
Recommended Language for Motion: N/A			
Project / Issue Relates To:			
<input checked="" type="checkbox"/> Council Goals/Priorities: A.6e. Engage the Community on Important Issues D.1. Complete the Equitable Housing Study and develop affordable housing strategies	<input type="checkbox"/> Adopted Master Plan(s):	<input type="checkbox"/> Not Applicable	

ISSUE BEFORE COUNCIL:

Staff will present a summary of House Bills 2001 and 2003 adopted during the last legislative session, outline next steps for the City and State, and answer questions from the Council.

EXECUTIVE SUMMARY:

The 2019 legislative session included two major bills on housing: House Bill 2001 and House Bill 2003. Staff from the Oregon Department of Land Conservation and Development (DLCD) will be at the work session to discuss these bills, including key elements, upcoming rulemaking, and timelines for compliance.

House Bill 2001 directs Wilsonville and other Cities to take a number of actions concerning allowing middle housing, the most noteworthy being the requirements to:

- Adopt regulations allowing duplexes on each lot or parcel zoned for residential use that allows for development of detached single-family dwellings.
- Adopt regulations allowing triplexes, quadplexes, cottage clusters, and townhouses (known collectively as “middle housing”) “in areas zoned for residential use” that allow for the development of detached single-family dwellings.

House Bill 2001 likely requires changes to Wilsonville’s development code, comprehensive plan text, legislative master plans (Villebois Village Master Plan and Frog Pond West Master Plan), and other documents. The changes will enable duplexes and middle housing (triplexes, quadplexes, cottage clusters, and townhouses) to be built in areas of the City previously developed and/or planned for single-family residential development. Key areas for the City to address, related to these changes, are design guidelines that promote the integration of a variety of housing types successfully into neighborhoods and plans that account for potential future impacts of additional housing units on existing and planned infrastructure.

The law requires duplexes be allowed on any lot or parcel that allows a single-family home. The law does not require middle housing be allowed on every lot but rather requires it be allowed in “areas zoned for residential use.” What is meant by “area zoned for residential use” will be a point of clarification from upcoming state rulemaking. Whether “area zoned” is equivalent to a block, neighborhood, or quadrant of the City will shape the community conversation and how the City regulates these types of units. Another major point of clarification anticipated from state rulemaking will be whether duplexes or multiple middle housing units on the same lot are counted as part of density calculations or, like ADUs, are not included. State rulemaking is also anticipated to clarify the extent cities can go with siting and design standards, which will be important as the City looks at regulating siting and design to ensure compatibility with surrounding developments.

House Bill 2003 directs local jurisdictions to regularly update their Housing Needs Analysis and adds a new requirement for jurisdictions to have a regularly updated Housing Production Strategy. The City’s most recent Housing Needs Analysis was completed in 2013. Recent work coordinating with Clackamas County on a countywide Housing Needs Analysis, together with the market analysis research conducted for the Equitable Housing Strategic Plan, prepares the City to quickly produce an updated Housing Needs Analysis over the next couple years. Similarly, the work on the Equitable Housing Strategic Plan may allow the City to quickly produce a Housing Production Strategy required by the State.

Questions remain related to both bills on exactly what will be required and the extent of the work program for Wilsonville. At the work session, DLCD staff will outline the process and proposed timeline associated with rulemaking for the bills. City staff will continue to monitor and work with DLCD staff to ensure the appropriate elements are included in the work program for the Planning Division, Planning Commission, and City Council.

EXPECTED RESULTS:

DLCD and City Staff providing information on the scope of House Bills 2001 and 2003 and timeline for local implementation. Council having the opportunity to ask questions regarding House Bills 2001 and 2003 and providing input on the City's work program. The discussion will inform the development of a scope of work for compliance with House Bills 2001 and 2003, which will be presented to Council at a future work session.

TIMELINE:

City staff will need to begin working on implementing HB 2001 as soon as DLCDC completes rulemaking in order to meet the 2022 deadline. Given the substantial work associated with auditing and revising Wilsonville's development code, comprehensive plan text, legislative master plans (Villebois Village Master Plan and Frog Pond West Master Plan), and other documents, City staff are also seeking grant funds from the State to help complete this work, which may also affect the timeline for this work program. The timeline for compliance with HB 2003 will continued to be monitored as it is clarified by DLCDC.

CURRENT YEAR BUDGET IMPACTS:

Staff anticipates work related to House Bills 2001 and 2003 to be covered by grants and existing resources, including staff time, which will need to be balanced with other work program items. If grant funding is not secured, there is a possibility additional City funding will be needed to seek outside technical support to complete the work, but no specific needs have been identified at this time.

FINANCIAL REVIEW / COMMENT:

Reviewed by: CAR Date: 10/22/2019

LEGAL REVIEW / COMMENT:

Reviewed by: BAJ Date: 10/25/2019

Legal will be available to assist Planning to ensure compliance with the new laws and regulations.

COMMUNITY INVOLVEMENT PROCESS:

Public outreach will occur throughout the legislative process to adopt necessary changes to the development code, comprehensive plan, legislative master plans, and other planning documents. Education and outreach will occur to educate the community on the Wilsonville-specific impacts of the state required changes and garner input into siting and design standards. Any updated Housing Needs Analysis and Housing Production Strategy will also go through a public review process.

POTENTIAL IMPACTS or BENEFIT TO THE COMMUNITY:

Consistent with the purpose of the new legislation, there is the potential for change over time to increase the variety and availability of housing in different areas of Wilsonville.

ALTERNATIVES:

State law requires action. As the work program moves forward, different alternatives for implementing these requirements will be presented to the community and Council. The alternative of taking no action would result in the state model code governing development in Wilsonville and potentially other compliance actions taken by the state.

CITY MANAGER COMMENT:

N/A

ATTACHMENTS:

1. Key Elements of House Bill 2001 (Middle Housing) from DLCD
2. Key Elements of House Bill 2003 (Housing Needs) from DLCD
3. EcoNorthwest Memorandum Regarding House Bill 2001 Dated October 8, 2019



KEY ELEMENTS OF HOUSE BILL 2001 (Middle Housing)

Updated August 20, 2019

Attachment 1

House Bill 2001 (HB 2001) provides \$3.5 million to DLCD for technical assistance to local governments to:

- 1) assist local governments with the development of regulations to allow duplexes and/or middle housing, as specified in the bill, and/or
- 2) assist local governments with the development of plans to improve water, sewer, storm drainage and transportation services in areas where duplexes and other middle housing types would not be feasible due to service constraints.

DLCD Required Rulemaking: Who is affected:	Middle Housing Requirements		Infrastructure Deficiency Process
	Medium Cities	Large Cities	Medium & Large Cities
Significant dates:	DLCD Rules and model code adoption December 31, 2020	DLCD Rules and model code adoption December 31, 2020	DLCD Rules adoption [no date specified in bill] Target: July 2020
Local Government Deadlines:	Local Government Adoption of model code or alternative June 30, 2021	Local Government Adoption of model code or alternative June 20, 2022	Medium Cities Extension Requests by December 31, 2020 Large Cities Extension Requests by June 30, 2021
Effect of missed deadline:	Model code applies directly	Model code applies directly	No extension granted

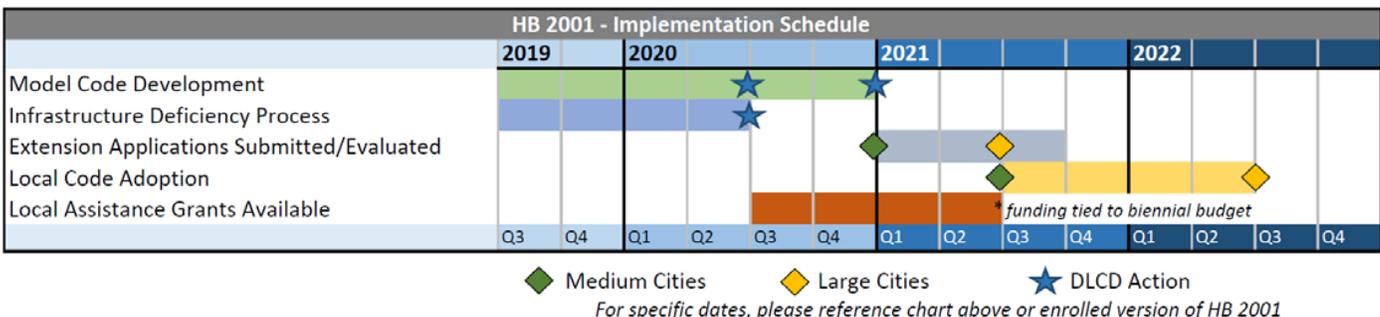
Medium Cities

All Oregon cities outside the Portland Metro boundary with a population between 10,000 and 25,000.	
Middle Housing Requirement	Duplexes “on each lot or parcel zoned for residential use that allows for the development of detached single family dwellings.”

Large Cities

All Oregon cities with a population of more than 25,000, unincorporated areas within the Portland Metro boundary that are served by sufficient urban services, and all cities within the Portland Metro boundary with a population of more than 1,000.	
Middle Housing Requirement	Duplexes (as above) <u>AND</u> triplexes, quadplexes, cottage clusters, and townhouses “in areas zoned for residential use that allow for the development of detached single family dwellings.”

Flexibility *Medium and Large Cities “may regulate siting and design of middle housing required to be permitted under this section, provided that the regulations do not, individually or cumulatively, discourage the development of all middle housing types permitted in the area through unreasonable cost or delay.”*



Other Provisions in HB 2001

- ✓ A local government may request an extension of time to adopt the required regulations based on an application identifying an infrastructure constraint (water, sewer, storm drainage, or transportation) to accommodating middle housing development, along with a plan of actions to remedy the deficiencies in those services.
- ✓ The applications for time extensions based on infrastructure deficiency will be reviewed by DLCD and approved or denied.
- ✓ Housing Needs Analyses may not assume more than a three percent increase in housing units produced as a result of the adoption of middle housing regulations unless the local government can show that higher increases have been achieved to date.
- ✓ The bill amends requirements relating to accessory dwelling units (ADUs). The bill states, “Reasonable local regulations relating to siting and design’ [for ADUs] does not include owner-occupancy requirements of either the primary or accessory structure or requirements to construct additional off-street parking.” However, such regulations may be applied if the ADU is used for vacation occupancy.
- ✓ Changes the annual housing production survey required by passage of HB 4006 in 2018. Adds requirement to report on ADUs and units of middle housing, both for market rate housing and for regulated affordable units.
- ✓ Directs the Building Codes Division to develop standards to facilitate conversions of single-family dwellings into no more than four residential dwelling units.
- ✓ Prohibits the establishment of new Covenants, Conditions & Restrictions or similar instruments that would prohibit middle housing or ADUs in a residential neighborhood.
- ✓ The bill also notes that the department shall prioritize technical assistance to cities or counties with limited planning staff, or that commit to implementation earlier than the date required by the act.

This fact sheet is intended to summarize key elements of HB 2001. It is not intended to replace a detailed review of the legislation. For specific bill language, please review the enrolled version of the HB 2001:
<https://olis.leg.state.or.us/liz/2019R1/Downloads/MeasureDocument/HB2001>

“HB 2001 is focused on increasing the supply of ‘middle housing’ in Oregon cities – not by limiting construction of single family homes, but by allowing development of duplexes, triplexes, and quadplexes. Through technical assistance and resources for local governments, DLCD joins the effort to help create housing opportunities for all Oregonians.”

- Jim Rue, DLCD Director

For more information visit our website at www.oregon.gov/lcd

DLCD Staff Contacts: With questions about local implementation –
[Contact your Regional Representative](#)

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KEY ELEMENTS OF HOUSE BILL 2003 (Housing Needs)

Updated August 20, 2019

Attachment 2

House Bill 2003 (HB 2003) allocates \$1 million to DLCD to provide technical assistance to local governments to implement provisions of HB 2003, including housing production strategies and housing needs analyses.

Elements of bill:	Housing Needs Analyses (HNA)	Regional Housing Needs Analysis (RNHA)	Housing Production Strategy (HPS)
DLCD Required Action:	Adoption of Statewide Schedule	Develop Methodology & Conduct Analysis	Develop Methodology & Adopt Rules
State agencies:	DLCD	OHCS, DLCD, DAS	DLCD
Significant dates:	LCDC approval by December 31, 2019	Analysis completed by September 1, 2020 Reports to Legislature by March 1, 2021	DLCD Rules adoption [no date specified in bill] Target: July 2020
Affected cities:	All cities with a population greater than 10,000	Statewide	All cities with a population greater than 10,000
Local Government Deadlines:	HNA reporting requirements to begin ~2 years following the adoption of HPS rules (est. July 2022)	none	Earliest HPS deadlines for cities estimated: July 2023 City submits HPS to DLCD no more than 20 days after local adoption DLCD has 120 days for review
Enforcement:	No change to current LCDC enforcement authority	n/a	Establishes LCDC enforcement authority to ensure HPS progress

Key Elements

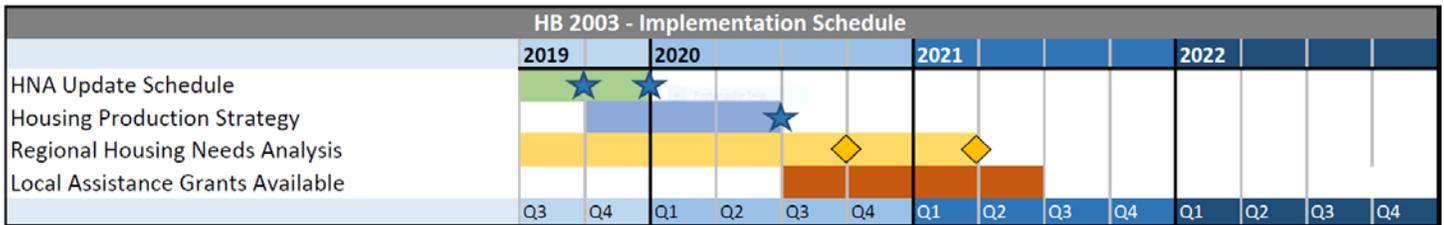
- **Regional Housing Needs Analyses (RNHA):** Requires multi-agency coordination, led by Oregon Housing and Community Services, in the development of a needs analysis by region to analyze and quantify the housing shortage in our state. The housing needs of a region will be determined for a 20 year period. Among other requirements, the RNHA will include analysis related to the equitable distribution of publicly supported housing within a region and a housing shortage analysis for each city and Metro.
- **Housing Needs Analyses:** Requires adoption of a statewide schedule for cities with a population greater than 10,000 to update a local Housing Needs Analysis (HNA). Cities within Metro will be required to update HNAs every six years, cities outside Metro must update every eight years.
- **Housing Production Strategies:** Requires cities with a population greater than 10,000 to prepare and adopt a housing production strategy, in accordance with rules adopted by DLCD, within one year of each city's HNA update deadline. A housing production strategy (HPS) must include a list of specific actions that the city shall undertake to promote development within the city to address housing needs identified in their HNA.

"The legislative focus on housing options for Oregonians in the 2019 legislative session resulted in new opportunities for the Department of Land Conservation and Development to partner with and assist local governments. We look forward to our continued work together to remove barriers to the supply of housing options."

- Jim Rue, DLCD Director

Other Provisions

- ✓ Allows qualified affordable housing development on public land within an urban growth boundary, notwithstanding land use regulations, comprehensive plan, or statewide planning goals, subject to certain requirements.
- ✓ Clarifies that affordable housing provided in conjunction with religious uses may be accommodated in multiple buildings under certain circumstances.
- ✓ Clarifies limited circumstances in which height and density limitations beyond zoning limits may be applied to residential development.
- ✓ Transfers responsibility for administration of the annual housing production survey required by HB 4006 (2018) of cities above 10,000 population to DLCD. Survey will continue to be administered online.



◇ OHCS Report Due ★ DLCD Action

For specific dates, please reference chart on reverse or enrolled version of HB 2003

This fact sheet is intended to summarize key elements of HB 2003. It is not intended to replace a detailed review of the legislation. For specific bill language, please review the enrolled version of the HB 2003: <https://olis.leg.state.or.us/liz/2019R1/Downloads/MeasureDocument/HB2003>

For more information visit our website at www.oregon.gov/lcd

DLCD Staff Contacts: With questions about local implementation – [Contact your Regional Representative](#)

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DATE: October 8, 2019
FROM: Tyler Bump, Becky Hewitt, and Emily Picha
SUBJECT: Middle Housing Implementation Considerations

Introduction

In August 2019, the State of Oregon passed statewide legislation—Oregon House Bill 2001 (HB2001)—that requires many Oregon communities to accommodate middle housing within single-family neighborhoods. Many jurisdictions are trying to figure out how they will comply with the legislation. In our discussions with jurisdictions throughout the state, we have heard from planners, local officials, and residents who are concerned about HB2001’s mandates. We have also heard from planners working to expand options for middle housing in their single-family neighborhoods who want to ensure their efforts are consistent with the new law. This memorandum provides planners and local officials in affected jurisdictions with background on HB2001’s middle housing requirements, guidance on issues to watch for, and insights for how to make the most of the requirements HB2001 imposes and the opportunities it offers.

Middle housing is generally built at a similar scale as single-family homes but at higher residential densities. It provides a range of housing choices at different price points within a community.

Overview of House Bill 2001

*HB 2001 passed in August 2019. This summary is based on ECONorthwest’s current interpretations of the enrolled version of the text¹, drawing on DLCD’s August 2019 HB2001 fact sheet² and request for proposals (RFP) for consultant assistance with the Middle Housing Model Code. It is not intended to replace a detailed review of the legislation. **Jurisdictions should consult DLCD to confirm interpretation of the legislation while rule-making is in progress.***

HB2001’s requirements differ by city size. In brief:³

- “Medium Cities” — those with 10,000 to 25,000 residents outside the Portland metro area—need to allow duplexes on each lot or parcel where a single-family home is allowed. Duplexes can be subject to siting and design standards as long as those standards are reasonable and don’t create excessive cost or delay. While the requirement

¹ For specific bill language, see the enrolled version of the legislation, available online at <https://olis.leg.state.or.us/liz/2019R1/Downloads/MeasureDocument/HB2001>.

² Available online at https://www.oregon.gov/lcd/NN/Documents/MiddleHousing_HB2001_FactSheet_Aug2019.pdf

³ The terminology used in this memo (“Medium cities” and “Large cities”) is not used in the legislation but is included in DLCD’s August 2019 HB2001 fact sheet, available online at https://www.oregon.gov/lcd/NN/Documents/MiddleHousing_HB2001_FactSheet_Aug2019.pdf.

is straightforward, it may create challenges with density limits, parking regulations, etc. and will require thoughtful outreach.

- “Large Cities” — those with over 25,000 residents and nearly all jurisdictions in the Portland metro urban growth boundary (UGB) — must meet the same duplex requirement and also allow triplexes, fourplexes, townhomes, and cottage clusters in all areas that are zoned for residential use and allow single-family homes. Note that the additional middle housing types (other than duplexes) do not have to be allowed on every lot or parcel that allows single-family homes, which means that larger cities have some discretion as to where to allow these middle housing types. This creates a set of policy choices for these jurisdictions and also creates an opportunity to leverage the additional housing capacity to support transit, businesses, or other goals. There is also some flexibility to apply siting and design standards as long as they do not preclude all middle housing types or create excessive cost or delay.

Jurisdictions must comply with the new requirements within the next two to three years, depending on jurisdiction size. Meanwhile, the Department of Land Conservation and Development (DLCD) is beginning a process to create a model code and has not yet begun rulemaking to clarify key details of the law.

The remainder of this section provides additional details about the requirements in HB2001 and highlights areas of uncertainty in the legislation.

Which jurisdictions are subject to HB2001?

The legislation has different requirements based on the location and population of each jurisdiction. DLCD’s fact sheet summarizes the differences as follows:

- Large Cities:
 - Cities within the Portland metro area with a population of more than 1,000 residents
 - Portions of Multnomah, Washington, and Clackamas Counties within Portland metro area that are provided with sufficient urban services per ORS 195.065
 - All Oregon cities outside the Portland metro area with a population of 25,000 or more residents⁴
- Medium Cities:
 - Oregon cities outside of Portland metro area with a population of more than 10,000 and less than 25,000 residents⁵

⁴ DLCD’s definition in the Middle Housing Model Code RFP notes that population is as determined by Portland Metro if within the Metro boundary, by Portland State University’s certified population estimates if outside the Metro boundary, or by US Census data, whichever is most recent.

⁵ DLCD’s definition in the Middle Housing Model Code RFP notes that population in this case is determined by Portland State University’s certified population estimates, or US Census data, whichever is most recent.

Areas of uncertainty:

- Some jurisdictions are very close to the population thresholds in the legislation (10,000 residents and 25,000 residents). While this has yet to be addressed through rule-making, presumably the population threshold applies at the time that compliance is required (i.e. 2021/2022, depending on the jurisdiction size).
- It is unclear whether/on what timeline jurisdictions that grow into a different size category following the initial implementation will trigger new requirements.

What housing types are included?

HB2001 defines middle housing to include duplexes, triplexes, quadplexes, cottage clusters, and townhouses. Townhouses and cottage clusters have specific definitions in the text. In particular, the cottage cluster definition specifies at least four housing units per acre with a footprint of less than 900 square feet, each with a common courtyard.

What does HB2001 require of local governments?

HB2001 does not restrict jurisdictions from continuing to allow detached single-family structures in single-dwelling zones, but requires jurisdictions to allow middle housing types in single-dwelling zones. The requirements are different for the two different groups of jurisdictions, as summarized below.

Medium Cities

Medium Cities must allow “a duplex on each lot or parcel zoned for residential use that allows for the development of detached single-family dwellings.” In other words, every place the city allows a single-family detached home outright, it must allow a duplex outright, without different lot size standards. If the City allows single-family detached units on 5,000 square foot lots in a particular zone, then it will also have to allow duplexes on 5,000 square foot lots. Medium cities may apply siting and design criteria to duplex development as long as the regulations allow a duplex on each lot or parcel and do not create unreasonable costs or delay.

Large Cities

These jurisdictions must allow:

- “A duplex on each lot or parcel zoned for residential use that allows for the development of detached single-family dwellings” (same as above) AND
- “All middle housing types in areas zoned for residential use that allow for the development of detached single-family dwellings”

Key areas of local determination for Large Cities include “siting and design” regulations, as long as those regulations do not discourage all middle housing types through unreasonable costs or delay. While this has not been fully clarified through rule-making, our interpretation is

that cities can regulate middle housing based on locally identified siting or design criteria, provided that those regulations pass the following tests:⁶

- Every lot that allows a single-family home also allows a duplex;
- At least one type of middle housing is allowed in all locations that allow single-family housing (this may be met by the duplex requirement);
- All middle housing types are allowed somewhere within zones that allow single-family housing; and
- Middle housing types are not subject to regulations that create unreasonable costs or delay.

In other words, every middle housing type must be allowed somewhere, and everywhere that allows single-family homes must allow some middle housing.⁷ (Further guidance as to what constitutes reasonable “areas” where middle housing types other than duplexes must be allowed is likely to emerge during rule-making). Additional considerations for local siting and design criteria are summarized on pages 6-6.

Exceptions

There are a few key exceptions to the requirements above, including land zoned for primarily non-residential use and unincorporated lands with a holding zone or that lack sufficient urban services. Cities may also apply for an extension for specific areas where infrastructure is significantly deficient, but must establish a plan of actions (to be approved by the state) to address the deficiency.

Other Requirements

In addition to these development code requirements, HB2001 requires that jurisdictions also “consider ways to increase the affordability of middle housing” at the time that they adopt regulations or amend their comprehensive plan to comply. Jurisdictions must consider measures such as waiving or deferring system development charges, property tax exemptions or property tax freezes, or a construction excise tax.

Areas of uncertainty:

- Limitations on siting and design criteria will likely be subject to rule-making; however, jurisdictions will need to know that the set of requirements they are imposing are possible to meet. For example, a jurisdiction may not meet HB2001’s requirements if it limits fourplexes to areas within a half-mile of fixed-route transit on lots of a certain size but there are no lots of that size within the designated areas.

⁶ In addition to the limitations on siting and design regulations for middle housing types, HB2001 clarifies limits on “reasonable local regulations relating to siting and design” for ADUs, a term that was part of the 2018 Senate Bill 1051 legislation. Cities may not apply “owner-occupancy requirements of either the primary or accessory structure or requirements to construct additional off-street parking” to ADUs, unless they will be used as vacation rentals.

⁷ HB2001 also makes Contracts, Covenants and Restrictions (CC&Rs) put in place after the effective date of the legislation that preclude middle housing types or ADUs unenforceable.

- It is not clear how the requirement to allow all middle housing types somewhere applies when a certain residential zone is limited to areas that have specific environmental or infrastructure constraints (e.g. steep slopes). It is likely that DLCD will clarify these uncertainties through rulemaking.

What is the timeline and action required for compliance?

DLCD is working to develop a model code, which is required to be complete by December 31, 2020. HB2001 requires that “Large Cities and Metro Cities and Counties” adopt zoning code regulations or comprehensive plan amendments to implement the requirements by June 30, 2022 or file a request for extension by June 30, 2021. “Medium Cities” only have until June 30, 2021 to comply and until December 31, 2020 to request an extension. Jurisdictions that do not comply by the deadline must apply the model code.

Areas of uncertainty:

- Rulemaking to clarify certain provisions of HB2001, including the requirements for extensions, has not yet begun.

How will this affect planning for housing capacity?

While the regulatory changes are intended to increase the potential for middle housing development, the legislation also includes some elements to ensure that cities do not over-estimate the additional capacity it will create. The DLCD fact-sheet summarizes the standard as follows:

Housing Needs Analyses may not assume, in concert with a UGB amendment, more than a three percent increase in housing units produced as a result of the adoption of middle housing regulations unless the local government can show that higher increases have been achieved to date.⁸

Jurisdictions can point to areas within the same jurisdiction or in other, similar jurisdictions that are zoned for the same density that have actually achieved increases greater than three percent. Since few jurisdictions have rezoned lands for middle housing as required by HB2001, we do not think it likely that cities will be able to assume more than a three percent increase in housing units for the next several years, until cities can look to the results of recent middle housing rezoning. While the new statutory language only applies if a jurisdiction is proposing a UGB amendment, DLCD and other reviewing parties may be skeptical of greater increases in density without evidence. (Note that this standard also applies when a local government adopts other “efficiency measures” to accommodate housing supply.)

In addition, the legislation specifically exempts local governments from the requirement to consider whether the amendments significantly affect an existing or planned transportation facility.

⁸ DLCD, August 2019 HB2001 fact sheet, available online at https://www.oregon.gov/lcd/NN/Documents/MiddleHousing_HB2001_FactSheet_Aug2019.pdf

Implementation Considerations

Some aspects of HB2001 may create challenges for jurisdictions trying to adopt conforming regulations. Though some jurisdictions may wait for DLCD to address these challenges through the model code, other jurisdictions will want to move forward with code amendments independently. **Jurisdictions that take a constructive and proactive approach can use HB2001 as an opportunity to advance local housing, economic development, and sustainability goals.** In this section, we have distilled important considerations for jurisdictions implementing HB2001 from our experience and conversations with jurisdictions throughout Oregon.

Density, Growth Management, and Policy Consistency

Existing maximum density standards may not allow middle housing types on the same size lots as single-family homes. Since all jurisdictions subject to HB2001 must allow duplexes on any lot that allows a single-family home, this creates a challenge with regulating density by units per acre: on a lot that previously allowed one unit, two must be allowed on the same size lot, effectively allowing twice as much density for duplexes. (For other middle housing types, a jurisdiction could set a minimum lot size for each type that better corresponds to existing density ranges.) Options to consider include raising the maximum density but keeping a minimum lot size that constrains the maximum density of single-family housing or creating an exception to density standards for a duplex on its own lot.

The form middle housing is mostly likely to take is driven as much by floor area as by residential density. While an allowance for additional units on a site can help increase the supply of housing units, the relationship of residential densities to floor area allowances will drive the type of middle housing that is most likely to be built on that site.

New minimum density requirements for single-dwelling zones can impact the policy and zoning code intention of plan districts and special overlay zones. Early in the middle housing zoning code development process, the jurisdiction should consider impacts to sensitive environmental areas and natural resources and other special areas.

Flexible siting and design criteria in HB2001 for triplexes, quadplexes, and townhouses can support jurisdictions' goals and policies. Middle housing and additional residential density allowances can help support community goals like increased transit ridership, access to commercial services, and the efficient use of land and existing infrastructure. Jurisdictions across the country are experimenting with implementing middle housing in targeted areas to support future growth. This approach would create broader allowances for middle housing types in single-dwelling zones near transit, neighborhood centers or commercial services, schools, or parks; or in areas with good access to jobs.

Evaluating Feasibility and Regulatory Barriers

Considering development feasibility during middle housing code development can help ground the process and code in reality. Conducting a feasibility analysis of middle housing development outcomes can help communicate a more accurate scale of impact and change that

could result from new regulations. Markets vary within and across jurisdictions, which can lead to different outcomes for the same development standards and zoning regulations.

Physical and financial feasibility analysis can illuminate regulatory barriers to middle housing. Design requirements and development standards can have a greater impact on middle housing development than on either single-family or larger multi-family development. Developers constructing middle housing must work within tight physical site constraints of a single-dwelling context. Regulatory requirements that can disproportionately impact middle housing development feasibility include:

- Setback requirements
- Height allowances (e.g. two versus three stories) and other code provisions that limit height (e.g. solar access requirements)
- Parking requirements
- Design and compatibility standards (e.g. location of entrances)
- Systems Development Charges and impact fees

In particular, parking minimums can create physical and financial barriers to the production of middle housing types. Most jurisdictions require at least one space per housing unit (often more) for one-, two-, and three-dwelling structures. With such requirements, it may not be physically possible to meet off-street parking minimums on 5,000 to 7,000 square foot lots. Current parking requirements may be considered an unreasonable development standard for middle housing types, as defined in HB2001. Jurisdictions should consider removing or reducing parking minimums or satisfying parking minimums with on-street parking as part of the middle housing zoning code development process.

Aligning Definitions

The cottage cluster and townhouse definitions in HB2001 may not match existing local definitions. Jurisdictions will need to be careful when updating these definitions to avoid unintended consequences and nonconforming uses.

Focusing Engagement on Outcomes and Evidence

Jurisdictions should focus on preferred outcomes when engaging with internal staff and external stakeholders. At the start of this work, each jurisdiction should outline a vision for middle housing implementation that reflects community priorities, including relevant comprehensive plan policies and other planning goals. Identifying preferred outcomes driven by values can help move the community through an effective legislative process and implementation strategy.

Evidenced-based community conversations around middle housing are critical to successful middle housing zoning code implementation, including discussion of real and perceived impacts to single-family neighborhoods from middle housing allowances. A jurisdiction's communication and community engagement strategy for middle housing should focus on

community values and moving towards preferred outcomes that support those values. Successful communication strategies in other jurisdictions have focused on these issues:

- **Single-family zoning and the history of exclusion through zoning:** It has been productive in cities throughout the country to acknowledge and demonstrate how zoning regulations have intentionally or unintentionally created or exacerbated exclusion based on race, ethnicity, gender, family status, ability, and income.⁹
- **Housing choice and housing need:** Market rate housing needs for residents in cities throughout the country fall along a spectrum from detached single-dwelling units to high density multi-family units. Middle housing types allow a broader range of residents to meet their needs in flexible ways.¹⁰
- **Scale of change:** Community conversations often focus on the perception of the rate and the scale of change that could follow implementation of middle housing allowances. As noted above, an analysis of financially feasible middle housing development can help set parameters for these conversations and provide community members with an expectation of how soon their communities might see change.
- **Community impacts:** The real and perceived impacts of middle housing allowances will generate discussion throughout the outreach and adoption process. Perceived impacts that can be overcome by design and development standards include scale and compatibility impacts like height, bulk, tree preservation, and open space requirements.

Proactively engage those who will benefit. Change in established neighborhoods can be a source of anxiety for many residents, so balancing community priorities will be important. Engaging renters and others who may benefit from the changes and ensuring their voices are heard at key decision points is essential.

Promoting Affordability

Changes to the zoning code are one way to encourage new housing development, but will only address part of the challenge. Jurisdictions need a variety of tools to address housing needs across the affordability spectrum and meet the needs of current and future residents. HB2001 requires jurisdictions to consider some of these tools. This is an excellent opportunity to understand the interactions between regulatory and financial incentives and identify the best strategies to encourage middle housing.

Our work with jurisdictions of many sizes throughout Oregon has shown that not all measures to increase housing affordability are equally appropriate for all communities. Each jurisdiction should analyze the benefits of various measures, their impacts on the jurisdiction's finances, and the jurisdiction's ability to administer the program.

⁹ Rothstein, Richard. *The Color of Law: a Forgotten History of How Our Government Segregated America*. Liveright Publishing Corporation, a Division of W.W. Norton & Company, 2018.

¹⁰ <https://www.sightline.org/2018/07/17/neighbors/>

Tyler Bump is a Project Director at ECONorthwest specializing in land use planning, development policy, affordable housing, and real estate investment. He formerly worked as the in-house economic planner at the City of Portland Bureau of Planning and Sustainability for the Residential Infill Project. Tyler can be reached at bump@econw.com.

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CITY COUNCIL MEETING STAFF REPORT

Meeting Date: November 4, 2019	Subject: I-5 Monument Sign Retrofit Project Staff Member: Chris Neamtzu AICP, Community Development Director Department: Community Development	
Action Required	Advisory Board/Commission Recommendation	
<input 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 type="checkbox"/> Resolution <input type="checkbox"/> Information or Direction <input type="checkbox"/> Information Only <input checked="" 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 Comments: N/A	
Staff Recommendation: Staff recommends that Council review the alternatives requested and provide staff with direction on the preferred design for the I-5 monument sign retrofit project.		
Recommended Language for Motion: N/A		
Project / Issue Relates To:		
<input checked="" type="checkbox"/> Council Goals/Priorities	<input checked="" type="checkbox"/> Adopted Master Plan(s): Citywide Signage and Wayfinding Plan (2019)	<input type="checkbox"/> Not Applicable

ISSUE BEFORE COUNCIL:

Review alternative I-5 monument sign retrofit designs requested at the August 19 work session and make a decision regarding implementation.

EXECUTIVE SUMMARY:

At the August 19 work session, Council reviewed two designs for the I-5 monument retrofit: navy blue letters on a concrete background and silver letters on a satin black background. Majority preference at the time was for the silver letters on a painted satin black background with no directional signs on the columns (Attachment 1). At that meeting, Council requested additional renderings (Attachment 2), including:

- Copper painted background to more closely match the corten steel material.
- Logo in blue/green: one option on the painted background and a larger option on the column.
- Logo in silver: one option on the painted background and a larger option on the column.

Staff also investigated utilizing different materials for the background to the letters (i.e. plexi-glass for the painted surface) and quickly determined that the cost increases very quickly with alternative materials, and therefore, is not pursuing this option at this time.

Currently, along both off-ramps there are directional signs for City Hall, the War Memorial, as well as Newberg. Staff would need to work with ODOT to ensure appropriate size, font, color and location of any additional directional signs at the off-ramps.

The existing I-5 monuments were constructed about 20 years ago as part of reconstruction of the I-5 interchange. With the adoption of a new city logo and associated font and color palette, the goal is to refresh the existing monuments in a cost-efficient manner utilizing the elements of the new logo and color palette as well as complimenting the signage plan.

The purpose of the work session is to review the designs for the retrofit, and select one to be implemented.

EXPECTED RESULTS:

Refreshed monuments will result in a modern, contemporary feel that also reflects the updated City brand.

TIMELINE:

Direction by the Council at the work session will result in installation of the sign refresh in the fourth quarter of 2019.

CURRENT YEAR BUDGET IMPACTS:

The recently adopted FY 19-20 budget contains resources for this project. The proposed retrofit cost estimate is just under \$7,000 per sign.

FINANCIAL REVIEW / COMMENT:

Reviewed by: CAR Date: 10/22/2019

LEGAL REVIEW / COMMENT:

Reviewed by: BAJ Date: 10/25/2019

Straight forward from legal perspective. I could tell you, which design legal, prefers but that is beyond our legal review.

COMMUNITY INVOLVEMENT PROCESS:

There was a public process conducted as part of the adoption of the Citywide Signage and Wayfinding Plan that included a stakeholder advisory group, an online survey, project web page and public hearings before both the Planning Commission and City Council.

POTENTIAL IMPACTS or BENEFIT TO THE COMMUNITY:

Modernizing the I-5 signs will be a benefit to the community, providing a new fresh look.

ALTERNATIVES:

Two original alternatives were prepared for the Council’s consideration at the August work session. Additional alternatives have been prepared for Council consideration.

CITY MANAGER COMMENT:

N/A

ATTACHMENTS:

- A. Original I-5 Monument Retrofit Alternatives
- B. Revised Monument Design Concepts (eight options)

EXTERIOR | PHOTO OVERLAY / OLD TOWN / COLOR OPTION:1



[A] OLD TOWN MONUMENT / EXISTING



PROPOSED

A OLD TOWN MONUMENT EXTERIOR ELEVATION
Scale: 1/4" = 1'-0"

2424 SE Holgate Boulevard
Portland, Oregon 97202
503-232-4172

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Quality Since 1925

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WA SECURS1020CF

ISA INTERNATIONAL SIGN ASSOCIATION

WSA WESTERN SIGN ASSOCIATION

NORTHWEST SIGN COUNCIL

Account Manager: Ed Mercer

Project Name

CITY OF
Wilsonville

29799 Town Center, Loop E, Wilsonville, OR 97070

Attachment A: Original monument designs presented at August 19, 2019 City Council work session

Client Approval: _____

Landlord Approval: _____

COLORS + MATERIALS

CITY CODE ALLOWANCE

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This sign is intended to be installed in accordance with the requirements of Article 600 of the National Electrical Code and/or other applicable local codes. This includes proper grounding and bonding of the sign.

Date: 08.14.2019

Drawing: 19-jw147r5

Sheet: 1 of 8

EXTERIOR | PHOTO OVERLAY / OLD TOWN / COLOR OPTION:2



[A] OLD TOWN MONUMENT / EXISTING



PROPOSED

A OLD TOWN MONUMENT EXTERIOR ELEVATION
Scale: 1/4" = 1'-0"

2424 SE Holgate Boulevard
Portland, Oregon 97202
503-232-4172

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Account Manager: Ed Mercer

Project Name

CITY OF Wilsonville

29799 Town Center, Loop E, Wilsonville, OR 97070

Client Approval: _____

Landlord Approval: _____

COLORS + MATERIALS

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Date: 08.14.2019	Drawing: 19-jw147r5	Sheet: 3 of 8
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EXTERIOR | MONUMENT UPDATE CONCEPTS

OPTION.1



PROPOSED

A OLD TOWN MONUMENT EXTERIOR ELEVATION
Scale: 1/4" = 1'-0"

OPTION.2



PROPOSED

A OLD TOWN MONUMENT EXTERIOR ELEVATION
Scale: 1/4" = 1'-0"

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NORTHWEST SIGN COUNCIL

Account Manager: Ed Mercer

Project Name

CITY OF Wilsonville

29799 Town Center, Loop E, Wilsonville, OR 97070

Attachment B

Client Approval: _____

Landlord Approval: _____

COLORS + MATERIALS

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UL This sign is intended to be installed in accordance with the requirements of Article 600 of the National Electrical Code and/or other applicable local codes. This includes proper grounding and bonding of the sign.

Date: 09.18.2019	Drawing: 19-jw147r7	Sheet: 1 of 4
---------------------	------------------------	------------------

EXTERIOR | MONUMENT UPDATE CONCEPTS

OPTION.3



PROPOSED

A OLD TOWN MONUMENT EXTERIOR ELEVATION
Scale: 1/4" = 1'-0"

OPTION.4



PROPOSED

A OLD TOWN MONUMENT EXTERIOR ELEVATION
Scale: 1/4" = 1'-0"

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WSA WEST SIGN ASSOCIATION

NORTHWEST SIGN COUNCIL

Account Manager: Ed Mercer

Project Name

CITY OF Wilsonville

29799 Town Center, Loop E, Wilsonville, OR 97070

Client Approval: _____

Landlord Approval: _____

COLORS + MATERIALS

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UL This sign is intended to be installed in accordance with the requirements of Article 600 of the National Electrical Code and/or other applicable local codes. This includes proper grounding and bonding of the sign.

Date: 09.18.2019	Drawing: 19-jw147r7	Sheet: 2 of 4
---------------------	------------------------	------------------

EXTERIOR | MONUMENT UPDATE CONCEPTS

OPTION.5



PROPOSED

A OLD TOWN MONUMENT EXTERIOR ELEVATION
Scale: 1/4" = 1'-0"

OPTION.6



PROPOSED

A OLD TOWN MONUMENT EXTERIOR ELEVATION
Scale: 1/4" = 1'-0"

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Portland, Oregon 97202
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ISA INTERNATIONAL SIGN ASSOCIATION

WSA WESTERN SIGN ASSOCIATION

NORTHWEST SIGN COUNCIL

Account Manager: Ed Mercer

Project Name

CITY OF Wilsonville

29799 Town Center, Loop E, Wilsonville, OR 97070

Client Approval: _____

Landlord Approval: _____

COLORS + MATERIALS

CITY CODE ALLOWANCE

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Date: 09.18.2019	Drawing: 19-jw147r7	Sheet: 3 of 4
---------------------	------------------------	------------------

EXTERIOR | MONUMENT UPDATE CONCEPTS

OPTION.7



PROPOSED

A | OLD TOWN MONUMENT EXTERIOR ELEVATION
Scale: 1/4" = 1'-0"

OPTION.8



PROPOSED

A | OLD TOWN MONUMENT EXTERIOR ELEVATION
Scale: 1/4" = 1'-0"

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WA SECURS1020CF

ISA INTERNATIONAL SIGN ASSOCIATION

WSA WEST SIGN ASSOCIATION

NORTHWEST SIGN COUNCIL

Account Manager: Ed Mercer

Project Name

CITY OF Wilsonville

29799 Town Center, Loop E, Wilsonville, OR 97070

Client Approval: _____

Landlord Approval: _____

COLORS + MATERIALS

CITY CODE ALLOWANCE

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This sign is intended to be installed in accordance with the requirements of Article 600 of the National Electrical Code and/or other applicable local codes. This includes proper grounding and bonding of the sign.

Date: 09.18.2019
Drawing: 19-jw147r7
Sheet: 4 of 4

CITY COUNCIL ROLLING SCHEDULE Board and Commission Meetings 2019

Items known as of 10/30/19

November

DATE	DAY	TIME	EVENT	LOCATION
11/7	Thursday	4:30 p.m.	Parks & Rec. Advisory Board	Parks & Rec. Admin. Bldg.
11/11	Monday	6:30 p.m.	DRB Panel A - Cancelled	Council Chambers
11/12	Tuesday	6:30 p.m.	Wilsonville-Metro Community Enhancement Committee	Willamette River Room
11/13	Wednesday	6:00 p.m.	Planning Commission	Council Chambers
11/18	Monday	7:00 p.m.	City Council Meeting	Council Chambers
11/25	Monday	6:30 p.m.	DRB Panel B	Council Chambers
11/27	Wednesday	6:30 p.m.	Library Board	Library

December

DATE	DAY	TIME	EVENT	LOCATION
12/2	Monday	7:00 p.m.	City Council Meeting	Council Chambers
12/9	Monday	6:30 p.m.	DRB Panel A	Council Chambers
12/11	Wednesday	6:00 p.m.	Planning Commission	Council Chambers
12/23	Monday	6:30 p.m.	DRB Panel B	Council Chambers
12/18	Monday	7:00 p.m.	City Council Meeting	Council Chambers

Community Events:

- 11/9** Leaf Drop-Off Day at Wilsonville City Hall Parking Lot, 9:00 a.m. – 2:00 p.m.
- 11/9** International Games Day at Wilsonville Library, 12:00 p.m. – 4:00 p.m.
- 11/9** “A Toast to Imagination” Wine Tasting at Wilsonville Library, 7:00 p.m. – 9:30 p.m.
- 11/11** City Offices closed in observance of Veteran’s Day.
- 11/11** Korean War Veterans Association Observance at Town Center Park, 10:30 am-noon
- 11/14** Medicaid Open Enrollment Workshop at the Community Center, 10 am-1 pm
- 11/21** A Will Is Not Enough in Oregon 6:00 p.m. to 7:30 p.m.
- 11/26** History Pub at McMenamin’s Old Church, 6:30 p.m. – 8:00 p.m.
- 11/28-11/29** City Offices closed in observance of Thanksgiving.
- 12/4** Holiday Tree Lighting at Town Center Park, 5:30 pm
- 12/24** Library closes at 2:00 p.m. in observance of Christmas Eve.
- 12/25** City Offices closed in observance of Christmas.
- 1/1** City Offices closed in observance of New Year’s Day.

All dates and times are tentative; check the City’s online calendar for schedule changes at www.ci.wilsonville.or.us.



**CITY COUNCIL MEETING
STAFF REPORT**

<p>Meeting Date: November 4, 2019</p>	<p>Subject: Resolution No. 2772 Consenting to the Transfer of Control of the Cable Franchise Granted to Frontier Communications Corporation</p> <p>Staff Member: Amanda Guile-Hinman, Assistant City Attorney</p> <p>Department: Legal</p>	
<p>Action Required</p>	<p>Advisory Board/Commission Recommendation</p>	
<p><input checked="" type="checkbox"/> Motion</p> <p><input type="checkbox"/> Public Hearing Date:</p> <p><input type="checkbox"/> Ordinance 1st Reading Date:</p> <p><input type="checkbox"/> Ordinance 2nd Reading Date:</p> <p><input type="checkbox"/> Resolution</p> <p><input type="checkbox"/> Information or Direction</p> <p><input type="checkbox"/> Information Only</p> <p><input type="checkbox"/> Council Direction</p> <p><input checked="" type="checkbox"/> Consent Agenda</p>	<p><input type="checkbox"/> Approval</p> <p><input type="checkbox"/> Denial</p> <p><input type="checkbox"/> None Forwarded</p> <p><input checked="" type="checkbox"/> Not Applicable</p> <p>Comments: N/A</p>	
<p>Staff Recommendation: Staff recommends that Council approve the Consent Agenda</p>		
<p>Recommended Language for Motion: I move to approve the Consent Agenda.</p>		
<p>Project / Issue Relates To:</p>		
<p><input type="checkbox"/> Council Goals/Priorities</p>	<p><input type="checkbox"/> Adopted Master Plan(s)</p>	<p><input checked="" type="checkbox"/> Not Applicable</p>

ISSUE BEFORE COUNCIL:

Whether to consent to the transfer of control of the cable franchise from Frontier Communications Corporation (“Frontier”) to Northwest Fiber, LLC.

EXECUTIVE SUMMARY:

On September 18, 2007, by Ordinance No. 640, the Council granted a cable franchise to Verizon Northwest Inc. (“Original Franchisee”) to provide video programming to city customers. Following the grant of the franchise, Original Franchisee commenced construction of a fiber optic cable network in the City to provide broadband cable service to its customers.

In May 2009, Verizon Communications, Inc. (“Verizon”), the parent company of Original Franchisee, and Frontier reached an agreement to transfer control of some of Verizon’s services to Frontier. As a result, the Original Franchisee became an indirect wholly owned subsidiary of Frontier. That Original Franchisee then changed to Frontier Communications Northwest Inc. (“Current Franchisee”).

In May 2019, Frontier entered into an agreement with Northwest Fiber, LLC (“Northwest Fiber”) whereby Northwest Fiber would acquire control of Frontier’s cable franchise in the City and take control over the Current Franchisee.

Federal law and the City's franchise provide that this kind of transfer be subject to the reasonable concurrence of the City, based upon a review of the transferee's legal, financial, and technical qualifications.

1. Franchise Requirements

Pursuant to the City’s franchise, the City can condition approval of a transfer upon reasonably appropriate terms and conditions. As such, it is appropriate for Northwest Fiber to meet the following conditions:

- a. Obtain final approval from the Oregon Public Utility Commission
- b. Remedy any franchise non-compliance issues, such as underpayment of franchise fees or PEG funds, if applicable
- c. Comply with all applicable local, state, and federal laws and agreements, including the City’s original franchise agreement (Ordinance No. 640)
- d. Provide current contact information pursuant to Section 14.5 of the franchise agreement
- e. Provide a new Exhibit E that shows the company structure of Current Franchisee
- f. A progress report of acquiring content, including national and local content providers and their associated channels

2. Oregon Public Utility Commission Process

In June 2018, the Oregon Public Utility Commission (“PUC”) received Frontier’s Joint Application with Northwest Fiber to Transfer Control (docket no. UM 2028) (“Joint Application”). That proceeding is now a contested case before the PUC, and so the PUC has not made any determination regarding the Joint Application. According to the Oregon Department of Justice, negotiations are currently underway and, if successful, should result in approval by the PUC with some conditions. It is appropriate to condition the City’s consent on final approval by the PUC.

City staff also notes that the Metropolitan Area Communications Commission (“MACC”), which is an intergovernmental commission representing many of the other local franchise authorities in the area, approved the transfer of control in its Board meeting held on October 1, 2019.

EXPECTED RESULTS:

Frontier customers in Wilsonville should not experience any change in service as a result of this transfer. The City will have updated contact information should issues arise.

TIMELINE:

The timeline for the transfer is subject to approval by the PUC. Staff understands that negotiations should be completed soon.

CURRENT YEAR BUDGET IMPACTS:

N/A

FINANCIAL REVIEW / COMMENTS:

Reviewed by: CAR Date: 10/30/2019

LEGAL REVIEW / COMMENT:

Reviewed by: ARGH Date: 10/28/2019

COMMUNITY INVOLVEMENT PROCESS:

N/A

POTENTIAL IMPACTS or BENEFIT TO THE COMMUNITY:

N/A

ALTERNATIVES:

N/A

CITY MANAGER COMMENT:

N/A

ATTACHMENT:

1. Resolution No. 2772

RESOLUTION NO. 2772

A RESOLUTION OF THE CITY OF WILSONVILLE CONSENTING TO THE TRANSFER OF CONTROL OF THE CABLE FRANCHISE FROM FRONTIER COMMUNICATIONS CORPORATION TO NORTHWEST FIBER, LLC, WITH CONDITIONS.

WHEREAS, on September 17, 2007, the City of Wilsonville (“City”) granted a cable television franchise (“Franchise”) to Verizon Northwest Inc. (“Original Franchisee”) through Ordinance No. 640 and approved a Cable Franchise Agreement (“Franchise Agreement”); and

WHEREAS, in May 2009, Verizon Communications, Inc. (“Verizon”), the parent company of Original Franchisee, and Frontier Communications Corporation (“Frontier”), reached an agreement to transfer control of some of Verizon’s services to Frontier; and

WHEREAS, the City consented to the transfer of control on December 21, 2009 through adoption of Resolution No. 2221, and, as a result, the Original Franchisee became an indirect wholly owned subsidiary of Frontier and changed its name to Frontier Communications Northwest Inc. (“Current Franchisee”); and

WHEREAS, in May 2019, Frontier entered into an agreement with Northwest Fiber, LLC (“Northwest Fiber”) whereby Northwest Fiber would acquire control of Frontier’s cable franchise in the City and take control over the Current Franchisee; and

WHEREAS, on or about July 19, 2019, the City received a Federal Communications Commission Form 394 Application (“Application”) by which Frontier and Northwest Fiber request the City’s consent of a transfer of control of Current Franchisee from Frontier to Northwest Fiber; and

WHEREAS, Northwest Fiber included information related to its legal, technical, and financial qualifications with the Application; and

WHEREAS, Current Franchisee will become a wholly-owned subsidiary of Northwest Fiber and Northwest Fiber will have ultimate control of the Franchise and Current Franchisee; and

WHEREAS, Current Franchisee will remain the Franchisee, and abide by the obligations of the Franchise Agreement; and

WHEREAS, Article 11 of the Franchise Agreement and 47 U.S.C. 537 require that the City consent before any transfer of the Franchise can take place; and

WHEREAS, on October 1, 2019, the Metropolitan Area Communications Commission (“MACC”), an intergovernmental commission representing many of the other local franchise authorities in the area, approved the transfer of control; and

WHEREAS, the City has reviewed and considered the Application and the included information and approves the transfer of control of the Current Franchisee, the Franchise, and the Franchise Agreement from Frontier to Northwest Fiber.

NOW, THEREFORE, THE CITY OF WILSONVILLE RESOLVES AS FOLLOWS:

1. Findings: The Council hereby adopts the foregoing recitations as findings and conclusions of law.
2. Order: Based on all relevant information the City Council of the City of Wilsonville finds that Northwest Fiber has the necessary legal, technical, and financial qualifications to perform the required duties under the Franchise Agreement and hereby consents to the transfer of control of the Current Franchisee, the Franchise, and the Franchise Agreement as described in the Federal Communications Commission Form 394, subject to the following conditions:
 - a. The purchase transaction of Current Franchisee by Northwest Fiber from Frontier must close with all material terms substantially consistent with the information provided to the City by the Application.
 - b. The purchase is approved by all required federal agencies and the Oregon Public Utilities Commission.
 - c. The Current Franchisee, under the control of Northwest Fiber, agrees to remedy any Franchise non-compliance issues, including any underpayment of franchise and PEG fees by Franchisee, regardless of whether such non-compliance issues are discovered prior to or following the Transfer of Control.
 - d. The Current Franchisee, under the control of Northwest Fiber, shall comply with all valid local laws, agreements, and Franchise requirements consistent with federal and state law.
 - e. In all aspects and without exception, Current Franchisee, under the control of Northwest Fiber, agrees to continue to abide by all terms of the existing Franchise Agreement and acknowledges that the transfer of control will not

affect, diminish, impair, or supersede the binding nature of the Franchise Agreement or any other ordinances, resolutions, or agreements applicable to the operation of the cable system in the City.

- f. The City's consent to the Transfer of Control will not be construed to constitute a waiver or release of any rights it may have under the Franchise Agreement or any separate written agreements with the Current Franchisee or Current Franchisee's lawful successors.
- g. Current Franchisee, under the control of Northwest Fiber, will provide the City with a progress report of its acquisition of content, including a listing of national and local content providers and their associated channels, and video on demand providers, with which: (1) Current Franchisee has signed agreement; (2) Current Franchisee has pending agreement being negotiated; and (3) Current Franchisee is pursuing agreements. No later than 30 days after completion of the transaction, Franchisee shall deliver certification by a corporate officer that it has acquired rights to distribute linear video, broadcast, and video on demand programming content from vendors, which rights: (a) include at least 75% of the channels provided by Franchisee; (b) include all Portland area local broadcasters; and (c) include commitments to carrying the majority of this content for a period not less than two years.
- h. Northwest Fiber must acknowledge substantially similar conditions of approval of the transfer of control in writing in a form and by a date acceptable to the City.

- 4. This Resolution becomes effective upon adoption.

ADOPTED by the Wilsonville City Council at a regular meeting thereof this 4th day of November, 2019, and filed with the Wilsonville City Recorder this date.

TIM KNAPP, MAYOR

ATTEST:

Kimberly Veliz, City Recorder

SUMMARY OF VOTES:

Mayor Knapp

Council President Akervall

Councilor Lehan

Councilor West

Councilor Linville



CITY COUNCIL MEETING STAFF REPORT

Meeting Date: November 4, 2019	Subject: Resolution No. 2771 Council Support of DLCD Technical Assistant Grant for Wilsonville Housing Variety Implementation Project Staff Member: Daniel Pauly, AICP, Planning Manager Department: 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 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 Comments: N/A	
Staff Recommendation: Staff recommends that Council adopt Resolution No. 2771.		
Recommended Language for Motion: I move to approve Resolution No. 2771		
Project / Issue Relates To:		
<input checked="" type="checkbox"/> Council Goals/Priorities: A.6e. Engage the Community on Important Issues D.1. Complete the Equitable Housing Study and develop affordable housing strategies	<input checked="" type="checkbox"/> Adopted Master Plan(s): Frog Pond West Master Plan Villebois Village Master Plan Utility Master Plans	<input type="checkbox"/> Not Applicable

ISSUE BEFORE COUNCIL:

A Resolution supporting a Technical Assistance Grant application to the Oregon Department of Land Conservation and Development (DLCD) to help fund technical support services to implement new policies in compliance with the requirements of House Bill 2001.

EXECUTIVE SUMMARY:

City staff applied for grant funding through the Oregon Department of Land Conservation and Development's Technical Assistance program to support a project to comply with the House Bill 2001. The project, preliminary named the "Wilsonville Housing Variety Implementation Project," will also be a key link between the Equitable Housing Strategic Plan and the upcoming master planning for Frog Pond East and South. One requirement of the grant application is Council support. The Resolution meets the grant requirement for Council support and demonstrates the Council's commitment to continue important work on meeting housing needs of the community.

The grant request is for \$181,500 to fund technical services to support staff on the extensive work program associated with the requirements of HB 2001. The bill and its requirements were not anticipated during the last budget cycle and will require additional resources to complete the necessary work. The grant application includes \$123,500 in matching City funds, all of which is in the current FY 2019-2020 budget or anticipated to be in the FY 2020-2021 budget. The matching funds include \$94,500 in City staff time and \$29,000 to cover consultant costs. The total proposed project budget is \$305,000.

The proposed Wilsonville Housing Variety Implementation Project helps the City meet the mandates of House Bill 2001, but also implements keys strategies around housing variety as outlined in the Wilsonville Equitable Housing Strategic Plan. The proposed project goes beyond meeting the minimum requirements of state law, seeking to provide a variety of units of quality design with broad community support that substantially increase the number of units attainable to households with lower economic means.

A primary focus will be on new urban areas, including Frog Pond, as the City sees the most opportunity to develop plans and programs to impact housing variety at the onset of development. However, the work will also address opportunities and barriers throughout the City to support infill and variety in smaller housing developments. The project will address barriers, including but not limited to (1) public opinion and perceptions; (2) design compatibility with detached single-family dwelling units; (3) comprehensive plan policies, legislative master plans, and development code updates; (4) provision of adequate infrastructure; and (5) funding infrastructure. The project addresses these barriers through public outreach and education, updating of plans and code, developing architectural standards, reviewing and updating infrastructure plans, and exploring options for infrastructure funding.

EXPECTED RESULTS:

Council support of a project enabling compliance with House Bill 2001, supporting the Equitable Housing Strategic Plan, and laying the foundation for the Frog Pond East and South master planning process.

TIMELINE:

DLCD expects grant award decisions in November. Grant contracts could be completed as early as December. If awarded the grant funds, staff plans on kicking off the project in February 2020 and completing it by June 2021. Completion of the project in this timeframe is also important as it will be a foundation for the Frog Pond East and South master planning which is scheduled to begin in 2021 to meet deadlines associated with Metro's conditions of the UGB expansion.

CURRENT YEAR BUDGET IMPACTS:

Staff anticipates that the grant, along with existing resources and staff time, can cover project costs. However, the grant work program will have to be balanced with other Council goals and Planning Division work program items. A possibility exists that additional City funding will be needed for outside support of the work, particularly if the City does not receive the full grant funds requested, but no specific needs have been identified at this time.

FINANCIAL REVIEW / COMMENT:

Reviewed by: CAR Date: 10/22/2019

Any additional City funding for FY 19-20 will require a supplemental budget adjustment.

LEGAL REVIEW / COMMENT:

Reviewed by: BAJ Date: 10/25/2019

Legal had not been involved in the review of or preparation of the Grant application. Legal has not seen the Grant Agreement, which is typically a binding contract that should be reviewed. Perhaps in this case there is no such agreement.

COMMUNITY INVOLVEMENT PROCESS:

The proposed project includes a major community involvement component to educate Wilsonville residents and stakeholders about the regulatory requirements and benefits of housing variety from an economic development and social equity perspective, as well as gather input on what is important in housing design and neighborhood character. The outreach will address such issues as walkability, bulk of buildings, space between buildings, and location and amount of parking.

POTENTIAL IMPACTS or BENEFIT TO THE COMMUNITY:

Potential for change over time to increase the variety and availability of housing of different types and costs in different areas of Wilsonville, especially Frog Pond.

ALTERNATIVES:

State law requires action. Staff will present different alternatives for implementing state requirements to the community and Council during the course of the planned project. The alternative of taking no action would result in the state model code governing development in Wilsonville and potentially other compliance actions taken by the state.

CITY MANAGER COMMENT:

N/A

ATTACHMENTS:

- A. Resolution No. 2771
 - 1. Grant Application Package submitted to DLCD on October 1, 2019

RESOLUTION NO. 2771

A RESOLUTION OF THE CITY OF WILSONVILLE SUPPORTING THE 2019 TECHNICAL ASSISTANCE GRANT APPLICATION TO THE OREGON DEPARTMENT OF LAND CONSERVATION AND DEVELOPMENT FOR THE WILSONVILLE HOUSING VARIETY IMPLEMENTATION PROJECT.

WHEREAS, during the 2019 legislative session the Oregon Legislature passed and the Governor Brown signed into law House Bill 2001 concerning middle housing; and

WHEREAS, House Bill 2001 requires the City of Wilsonville to take certain actions to audit and potentially change the City's Comprehensive Plan, Development Code, and legislative Master Plans; and

WHEREAS, the City needs to understand the potential impact on the City's infrastructure as a result of implementing the state requirements; and

WHEREAS, the City desires to update its policies to comply with House Bill 2001 that consider Wilsonville's unique context rather than default to the state model codes that would otherwise apply; and

WHEREAS, City staff proposes the Housing Variety Implementation Project to determine how Wilsonville should best comply with House Bill 2001; and

WHEREAS, the proposed Wilsonville Housing Variety Implementation Project also supports the City's Equitable Housing Strategic Plan and lays the foundation for the upcoming Frog Pond East and South master planning process; and

WHEREAS, House Bill 2001 and its requirements were not anticipated during the last City budget cycle and will require additional resources to complete the necessary work; and

WHEREAS, the legislature made certain state funds available for assistance to local jurisdictions for planning related work, including compliance with House Bill 2001; and

WHEREAS, City staff determined it prudent to seek state funds to support City efforts to comply with House Bill 2001 through available grant programs; and

WHEREAS, City staff submitted an application for a Technical Assistance Grant from the Oregon Department of Land Conservation and Development by the deadline of October 1, 2019; and

WHEREAS, the grant requests \$181,500 to fund technical services to support the Wilsonville Housing Variety Implementation Project; and

WHEREAS, the grant application includes \$123,500 in matching City funds, all of which is in the current FY 2019-2020 budget or anticipated to be in the FY 2020-2021 budget; and

WHEREAS, a requirement of the grant is to have “Local Official Support” of the grant application; and

WHEREAS, this resolution meets the requirement for “Local Official Support.”

NOW, THEREFORE, THE CITY OF WILSONVILLE RESOLVES AS FOLLOWS:

1. Support for the Technical Assistance Grant application to the Oregon Department of Land Conservation and Development for the Wilsonville Housing Variety Implementation Project
2. This resolution becomes effective upon adoption.

ADOPTED by the Wilsonville City Council at a regular meeting thereof this 4th day of November 2019, and filed with the Wilsonville City Recorder this date.

Tim Knapp, Mayor

ATTEST:

Kimberly Veliz, City Recorder

SUMMARY OF VOTES:

Mayor Knapp

Council President Akervall

Councilor Lehan

Councilor West

Councilor Linville

Attachment:

1. Grant Application Package submitted to DLCD on October 1, 2019

RESOLUTION NO. 2771

N:\City Recorder\Workspace - Council Items\Res. No. 2771\b. Resolution No. 2771.docx

Page 2 of 2



Department of Land Conservation and Development
2019-21 TECHNICAL ASSISTANCE GRANT APPLICATION

Please complete each section in the form below. Type or write requested information in the spaces provided. **Submit completed applications by October 1, 2019.**

Date of Application: 10/1/2019

Applicant: City of Wilsonville

(If council of governments, please also include the recipient jurisdiction name if applicable)

Street Address: 29799 SW Town Center Loop East

City: Wilsonville, OR

Zip: 97070

Contact name and title: Daniel Pauly, Planning Manager

Contact e-mail address: pauly@ci.wilsonville.or.us

Contact phone number: 503-570-1536

Grant request amount (in whole dollars): \$181,500

Local Contribution (recommended but not required): \$123,500

Project Title:

Wilsonville Housing Variety Implementation

Project summary: (Summarize the project and products in 50 words or fewer)

The Wilsonville Housing Variety Project will address barriers to development of duplexes and middle housing, consistent with House Bill 2001, through public outreach and education, updating of plans and code, developing architectural standards, reviewing and updating infrastructure plans, and exploring options for infrastructure funding.

Project Description & Work Program

Please describe the proposed project, addressing each of the following in an attachment.

A. Goals and Objectives. State the goals or overall purpose of the project. Describe particular objective(s) the community hopes to accomplish. Please indicate whether this is a stand-alone project or is part of a longer multi-year program. If it is the latter, describe any previous work completed, subsequent phases and expected results, and how work beyond this project will be funded.

B. Products and Outcomes. Clearly describe the product(s) and outcome(s) expected from the proposed project. Briefly describe any anticipated significant effect the project would have on

development, livability, regulatory streamlining, and compliance with federal requirements, socioeconomic gains, and other relevant factors.

C. Work Program, Timeline & Payment.

1. **Tasks and Products:** List and describe the major tasks and subtasks, with:

- The title of the task
- Steps to complete task
- The interim and final products for each task

2. **Timeline:** List all dates for the project including tentative start date after the contract is signed, task completion dates, and project completion date. If the project is part of a multi-year program, provide an overview of the expected timelines in sequence of expected start dates and completion date for each phase and describe subsequent phases to be completed.

3. **Payment Schedule:** Develop a requested payment schedule showing amount of interim and final payments. Include the products that will be provided with each payment request. The payment schedule should generally include no more than two payments – an interim and final payment.

D. **Evaluation Criteria.** Include a statement in the narrative that addresses the program priorities and evaluation criteria presented in the application instructions (“Eligible Projects and Evaluation Criteria”).

E. **Project Partners.** List any other public or private entities that will participate in the project, including federal and state agencies, council of governments, city and county governments, and special districts. Briefly describe the role of each (*e.g.*, will perform work under the grant; will advise; will contribute information or services, etc.).

F. **Advisory Committees.** List any advisory committee or other committees that will participate in the project to satisfy the local citizen involvement program.

G. **Cost-Sharing and Local Contribution.** DLCD funds are only a part of overall project costs; please identify sources and amounts of other funds or services that will contribute to the project’s success. Cost-sharing (match) is not required, but could be a contributing factor to the success of the application.

Will a consultant be retained to assist in completing grant products? Yes No

Local Official Support

The application **must include a resolution or letter from the governing body** of the city, county, district, or tribe demonstrating support for the project. If the applicant is a council of governments on behalf of a city, a letter or resolution from the city council supporting the application must be included. *The application will not be complete if it does not include this item.* The letter of support

may be received by DLCD after the application submittal deadline, but it must be received before a grant is awarded.

Product Request Summary

Product	Grant Request	Local Contribution	Total Budget
1	\$ <u>25,000</u>	\$ <u>17,500</u>	\$ <u>42,500</u>
2	\$ <u>27,500</u>	\$ <u>18,000</u>	\$ <u>45,500</u>
3	\$ <u>43,000</u>	\$ <u>31,000</u>	\$ <u>74,000</u>
4	\$ <u>26,000</u>	\$ <u>28,000</u>	\$ <u>54,000</u>
5	\$ <u>27,500</u>	\$ <u>24,000</u>	\$ <u>51,500</u>
6	\$ <u>22,500</u>	\$ <u>12,000</u>	\$ <u>34,500</u>
7	\$ <u>10,000</u>	\$ <u>24,000</u>	\$ <u>34,000</u>
8	\$ _____	\$ _____	\$ _____
TOTAL	\$ <u>181,500</u>	\$ <u>123,500</u>	\$ <u>305,000</u>

Submit your application with all supplemental information to:

Gordon Howard, Community Services Division Manager

E-mail (preferred): DLCD.GFGrant@state.or.us

Mail: Department of Land Conservation and Development
635 Capitol Street N.E., Suite 150
Salem, OR 97301

Phone: 503-503-934-0034

APPLICATION DEADLINE: October 1, 2019

2019-2021 Technical Assistance Grant Application Narrative City of Wilsonville

A. Project Goals and Objectives

The Wilsonville Housing Variety Implementation Project will address five barriers to development of duplexes and middle housing. The project helps the City meet the mandates of House bill 2001, but also implements keys strategies around housing variety as outlined in the Wilsonville Equitable Housing Strategic Plan. The proposed project goes beyond meeting the minimum requirements of state law, seeking to provide a variety of units of quality design with broad community support that substantially increase the number of units attainable to households with lower economic means. A primary focus will be on new urban areas as the City sees the most opportunity to affect housing variety here. However, the work will address barriers throughout the City to support infill and variety in smaller housing developments. The work can also serve as a model for other jurisdictions. The project will address barriers around (1) public opinion and perceptions; (2) design compatibility with detached single-family dwelling units; (3) comprehensive plan policies, legislative master plans, and development code in need of updating; (4) provision of adequate infrastructure; and (5) funding infrastructure. The project addresses these barriers through public outreach and education, updating of plans and code, developing architectural standards, reviewing and updating infrastructure plans, and exploring options for infrastructure funding.

The Wilsonville Housing Variety Implementation Project will be a key link between two other projects to address pressing housing issues, the Equitable Housing Strategic Plan and the Frog Pond East and South Master Plan. Both these other projects are currently or anticipated to be funded by City resources and Metro grant funds. The City is currently undertaking an Equitable Housing Strategic Plan, which aims to fill the gaps currently present in Wilsonville's housing market to provide housing opportunities for a variety of household compositions, ages, and income ranges. The Equitable Housing project team is currently developing a menu of strategies for decision makers to include in the plan. A key strategy on this menu is the Wilsonville Housing Variety Implementation Project, with an emphasis on exploring design standards and other incentives, including infrastructure funding options, to encourage the production of a variety of units beyond the detached single-family unit in a context that can get support of the community and be attainable to households with lower economic means.

The Wilsonville Housing Variety Implementation Project will subsequently inform the next major residential area master planning effort in the Frog Pond East and South areas added to the Urban Growth Boundary in 2019. Metro's conditions for the expansion include many of the same housing variety requirements as House Bill 2001. These expansion areas were included in the 2015 Frog Pond Area Plan, where the indicated housing variety included attached and cottage housing. The City plans the Frog Pond East and South Master Planning effort to be on the City's work program within the year following the completion of the Wilsonville Housing Variety Implementation Project. Having the additional support of the work funded by this grant will be a great help to making the Frog Pond East and South work a success to meet the goals shared by the City, Metro, the state, and others.

Wilsonville has a long history of implementing a variety of housing types. Much of the City is already zoned to allow a variety of housing, including duplexes and middle housing. With this broad zoning allowance, the market has produced a higher variety of housing than many Metro suburbs, with the majority of units multi-family. As of June 30, 2019 Wilsonville's housing stock consists of: 5,097 (46.8%) apartments; 541 (4.9%) condominiums; 51 (0.5%) duplexes; 141 (1.3%) mobile homes; 5,290 (47.5%) single-family homes

without ADU's (including approximately 800 attached single-family), and 9 (0.1%) single-family homes with ADU's. The proposed project, along with those preceding and following it, can further enhance the housing variety in the community.

A major component of the proposed project is to modify the 2017 Frog Pond West Master Plan to comply with House Bill 2001 as well as follow strategies of the Equitable Housing Strategic Plan. Frog Pond West was included in the same 2015 Area Plan as Frog Pond East and South discussed above, but as it was already in the UGB (added in 2002), master planning moved forward independent of Frog Pond East and South. During the master planning process a significant number of residents voiced concern about Wilsonville having more multi-family residential than single-family residential. Adding to the sentiment that there is a relatively large amount of multi-family housing in Wilsonville, was sentiment amongst many of the same residents against the perceived density and closeness of building development prevalent in the new-urbanist style Villebois neighborhood. Villebois has limited setbacks required, and some detached single-family lots are just over 2,000 square feet. Accordingly, the Frog Pond West Master Plan called for primarily detached single-family homes with larger lot sizes than Villebois (4,000 square feet to 8,000 plus square feet). Thus far, developers have obtained land use approval for 197 of the approximately 500 planned lots in Frog Pond West (with just over 20 of the lots built as of June 30, 2019). With the majority of development yet to be approved or built, changes to the allowed housing variety in the master plan have the potential for a significant impact in Frog Pond West.

The whole community does not share the sentiments discussed in the previous paragraph regarding multi-family housing and density. As mentioned above, the Equitable Housing Strategic Plan includes strategies to increase housing variety. A recent survey as part of the Equitable Housing Strategic Plan shows a majority of respondents, who were predominately homeowners, feel there is not enough housing variety in Wilsonville. The Frog Pond West scenario now presents a unique opportunity to implement the requirements of House Plan 2001 and produce a variety of housing to address different community sentiments. The proposed project, through community outreach and education, and development of design guidelines, along with supporting products, will seek a solution with the broadest possible community support.

In the Frog Pond Planning Area alone, the Wilsonville Housing Variety Implementation Project will potentially impact over 1,800 housing units. This includes approximately 500 unbuilt lots within the Frog Pond West Master Plan, and up to approximately 1,300 preliminarily planned housing units in Frog Pond East and South areas. With the development anticipated in the near term in Frog Pond West, and Frog Pond East and South providing additional residential land in coming years, the Wilsonville Housing Variety Implementation Project is uniquely situated to see significant results on the ground in the short-term. In addition, the project's impact will be felt elsewhere in Wilsonville and the region. The project will result in new policies and design guidelines as well as infrastructure analysis to support future development of middle housing projects throughout the City. Wilsonville is willing and able to do the work of the proposed housing variety project, but does not have budget available to fully fund the project. While housing-focused projects, including the implementation of the Equitable Housing Strategic Plan and the Frog Pond East and South Master Plan, have been on the Planning Commission and City Council's work program for the coming years, additional work to make citywide changes related to House Bill 2001, and bring in expertise around middle housing has not. Additional support to make the citywide changes and bring in expertise is needed to address House Bill 2001 and related Metro UGB expansion conditions by the required deadlines and according to best practices. The grant funds will help Wilsonville maximize the opportunity in front of us as development is active and there is the ability to quickly realize the goals of House Bill 2001, Metro's UGB conditions, and the City's Equitable Housing Strategic Plan.

B. Products and Outcomes

Product 1 Public Outreach and Education and Recommendations from Public Engagement around the Idea of Duplex and Middle Housing Design

Expected Outcome Educate Wilsonville Residents and stakeholders about the regulatory requirements, benefits of housing variety from economic development and social equity perspectives, gather input on what is important in housing design and neighborhood character in a tenant-neutral environment. Address issues such as walkability, bulk of buildings, space between buildings, location of parking to inform the architectural standards effort in product 3.

Barriers Addressed: public opinion and perceptions; design compatibility with single dwelling units

Product 2 Research, Recommendations, and Adoption Package for Revisions to Legislative Master Plans, Comprehensive Plan, and Development Code

Expected Outcome Identification of regulatory barriers to duplex and middle housing development and needed updates for regulatory compliance, guidance and recommendations on how to address to remove barriers and come into compliance with House Bill 2001 and implement strategies from Wilsonville's Equitable Housing Strategic Plan. A package of usable policies and code edits to meet regulatory requirements within Wilsonville's unique context

Barrier Addressed Unsupportive comprehensive plan policies, legislative master plans, and development code

Product 3 Architectural Standards for Duplexes and Middle Housing

Expected Outcome Duplex and middle housing design options that have community support, create quality design and compatibility of a variety of housing types on a street and in a neighborhood, and are likely to be built by the private market.

Barriers Addressed Public opinion and perceptions; design compatibility with single dwelling units

Product 4 Public Facility and Infrastructure Planning Updates to Ensure Capacity for Added Housing

Expected Outcome Conduct analysis of likely redevelopment rates, assumptions for growth. Report/memo with information to plan for and anticipate infrastructure needs as housing mix changes from what was originally planned for the various neighborhoods in the city. Information to conduct future updates to various infrastructure master plans.

Barrier Addressed Planning and funding infrastructure

Product 5 Recommendations Regarding Variations in Infrastructure Funding Methods for Different Housing Types and Sizes

Expected Outcome Analysis of options and recommendation of preferred option(s) to ensure infrastructure and public service charges during the development and permitting process are equitable in the context of a variety of housing types. This product will include analysis of variable SDC's. The City expects this product to reduce upfront costs of duplexes and middle housing to make them more financially attainable.

Barrier Addressed Planning and funding infrastructure

Product 6 (supporting) Meetings and Hearings to Support Adoption of Products 1-5

Expected Outcome Adoption of codes, policies, and design guidelines produced by products 1-5

Product 7 (supporting) Contingency and General Project Management for Products 1-6

Expected Outcome Support of successful completion of Products 1-6

C. Work Program, Timeline and Payments

	RFP, Consultant Selection Etc.		Feb-Mar 2020
Product 1	Public Outreach and Education		Mar-Aug 2020
Task 1	Developing survey content for City's "Let's Talk" engagement website		
Task 2	Visual preference drawings for and attendance at pop up and other public events		
Task 3	Draft report summarizing outreach and education efforts		
Task 4	Final report summarizing outreach and education efforts		
Task 5	Draft recommendation memo for duplex and middle housing design based on input received		
Task 6	Final recommendation memo for duplex and middle housing design based on input received		
		City Staff	\$17,500
		City Match Total	\$17,500
		Grant Request	\$25,000
		Total Product 1 Budget	\$42,500
Product 2	Code and Plan Work		Apr 2020-Jan 2021
Task 1	Memo summarizing regulatory issues		
Task 2	Preliminary Comp Plan map, text, and policy updates		
Task 3	Min and max density review		
Task 4	Memo regarding draft recommendations		
Task 5	Frog Pond West master plan revision report		
Task 6	Final Comprehensive Plan amendments		
Task 7	Updated zoning code amendments		
Task 8	Regulatory findings		
		City Staff	\$18,000
		City Match Total	\$18,000
		Grant Request	\$27,500
		Total Product 2 Budget	\$45,500

Product 3	Architectural Standards		Sep 2020-Jan 2021
Task 1	Review scope of work		
Task 2	Background research		
Task 3	Draft architectural standards		
Task 4	Site studies		
Task 5	Final review		
Task 6	12 architectural renderings		
		City Staff	\$12,000
		City Cash	\$19,000
		City Match Total	\$31,000
		Grant Request	\$43,000
		Total Product 3 Budget	\$74,000
Product 4	Updated Facilities Plan		July 2020-November 2020
Task 1	Review scope of work		
Task 2	Data entry		
Task 3	Run scenario models		
Task 4	Studies and reports		
Task 5	Meet with staff to review results		
Task 6	Draft updated Frog Pond West infrastructure plan		
Task 7	Final updated Frog Pond West infrastructure plan		
Task 8	Draft citywide HB 2001 infrastructure update recommendation memo		
Task 9	Final citywide HB 2001 infrastructure update recommendation memo		
Task 10	Supporting memos		
		City Staff	\$18,000
		City Cash	\$10,000
		City Match Total	\$28,000
		Grant Request	\$26,000
		Total Task 4 Budget	\$54,000
Product 5	Infrastructure Funding Methods		Sept 2020-Feb 2021
Task 1	Review scope		
Task 2	Meet with staff to review current funding		
Task 3	Meet with stakeholders		
Task 4	Audit of current policies		
Task 5	Research best practices and options		
Task 6	Draft memo of findings		

Task 7	Final memo of findings		
		City Staff	\$24,000
		City Match Total	\$24,000
		Grant Request	\$27,500
		Total Product 5 Budget	\$51,500
Product 6	Adoption Meetings	Grant Total	Apr 2020-June 2021
Task 1	Planning Commission 6 meetings		
Task 2	City Council 2 meetings		
Task 3	Team meetings		
Task 4	Public hearings		
		City Staff	\$12,000
		City Match Total	\$12,000
		Grant Request	\$22,500
		Total Product 6 Budget	\$34,500
Product 7	Contingency and General Project Management		Throughout Project
	Contingency		
	General project management (city staff)		
		City Staff	\$24,000
		City Match Total	\$24,000
		Grant Request	\$10,000
		Total Product 7 Budget	\$34,000
		Total for Project	
		City Staff	\$94,500
		City Cash	\$29,000
		City Match Total	\$123,500
		Grant Request	\$181,500
		Total Project Budget	\$305,000

Payment Schedule: December 2020 - \$78,500
June 2021 - \$103,000

D. Evaluation Criteria

1. Promote Economic Development

The project will support Economic Development through the provision of workforce housing, a policy in the City's Equitable Housing Strategic Plan. Recent outreach conducted by the City's Economic Development Manager to businesses confirmed lack of employee housing to be amongst their largest concerns. Beyond the current employers, Wilsonville has a significant amount of undeveloped regionally significant industrial land. Having affordable housing with amenities in close proximity to limit transportation is key for attracting and retaining these employers. Variety of housing including attached units is key, as the most affordable options are likely to be provided in attached housing. Removing barriers to development to the needed housing variety is key for these employers to have nearby housing for all levels of employees.

2. Promote Affordable Housing

The City anticipates this project a key component to in following through with Wilsonville's Equitable Housing Strategic Plan currently under development with assistance of a Metro grant. Wilsonville's development history shows attached and clustered housing to be more attainable for a variety of households than detached units on their own lots. By removing barriers to their development, the project helps promote more attainable housing into the future. This project will help ensure Wilsonville is ready for and anticipate innovations in housing, having a flexible code and financing plan. Wilsonville, particularly in the Frog Pond Planning Area, anticipates substantial housing development in the near term, and this project can have a major impact on the amount of housing at a variety of price points during the development of this area.

4. Complete an Infrastructure Financing Plan

Throughout the region, and including Wilsonville a major factor working against affordability in new urban areas is infrastructure costs. In Frog Pond West the current per lot infrastructure assessment, including localized special assessments is over \$50,000. Amongst the barriers the project explores is infrastructure financing options, including things like variable SDC methodology, to ensure adequate infrastructure paid for and provided with equity.

5. Updates a Comprehensive Plan or Implementing Code to Respond to Changes in State Law or Advance Regulatory Streamlining

The project will audit, do public outreach around, recommend and implement changes to Wilsonville's comprehensive plan, legislative master plans, and implementing development code to respond to House Bill 2001. The important work will provide clarity, and provide a customized and tailored path for a provision of a variety of housing, including attached units. The project, though, goes beyond just meeting the minimum requirements of state law, seeking to provide a variety of units of quality design with broad community support that substantially increase the number of units attainable to households with lower economic means.

Metro Regional Solutions Team Priorities

The Metro Regional Solutions Team priorities also include the promotion of workforce and affordable housing development. The priority encourages technical assistance and resources to help increase the supply. In the Frog Pond Planning areas along the Wilsonville Housing Variety Implementation Plan will increase the percentage of units attainable to a variety of households over a planned 1,800 units. The project is uniquely situated to see significant results on the ground in the short-term with the increased development of a variety of units.

E. Project Partners

Wilsonville prides itself on being a leader as well as a collaborator. With its unique history of housing variety, Wilsonville is uniquely positioned to take on addressing the identified barriers. While Wilsonville desires to pursue this project to address these issues in its unique context it will benefit beyond Wilsonville. The City has a history of strong relationships with Clackamas County (HNA collaboration), DLCD, Metro, and West Linn-Wilsonville schools. While Metro is not a financial contributor to this project, the project is key link in a series of projects, most of which are funded or are anticipated to be funded through Metro grants. These projects include Equitable Housing Strategic Plan currently under way, the Frog Pond West Master Plan completed in 2017, and the upcoming master planning for Frog Pond East and South added to the Metro UGB in 2019. In addition, the City will invite Metro, the counties, among others to be technical advisors on the project. Wilsonville recognizes this work will occur concurrently with model code and rulemaking efforts at DLCD and aims to regularly collaborate with DLCD staff during the project to ensure concurrent projects inform each other.

F. Advisory Committees

Wilsonville's Planning Commission will be the primary advisory committee. Unlike other jurisdictions the Planning Commission only focuses on legislative policy matters with the Development Review Board doing quasi-judicial land use review. Wilsonville's Planning Commission is uniquely qualified to handle a large project such as this. Many of the commissioners have experience working on the City's Development Review Board, including reviewing a variety of housing, particularly in Villebois. The commission represents a cross section of political viewpoints in Wilsonville. The commission is designated as the Committee for Citizen involvement, a role they take seriously. They have served as the advisory committee and committee for citizen involvement on a number of major projects in recent years including Frog Pond planning efforts, the Wilsonville Town Center Master Plan, and the Basalt Creek Industrial Area planning efforts. The Planning Commission anticipates at least six work sessions outside the formal public hearing process. In addition, the Planning Commissioners regularly attend the public events and assist in public outreach.

G. Cost Sharing and Local Contributions

Wilsonville has a strong interdisciplinary team with strong experience doing major planning efforts, including for new urban areas. This team is able and willing to put their time and resources behind the success of this important project. Beyond staff time from Planning, Engineering, Legal, Economic Development, Finance, and Building staff, the City will contribute funds from the Community Development Departments budget towards the project budget for consultants. The total local contribution in staff (\$94,500), and cash (\$29,000) is \$123,500.

Local Official Support

The Wilsonville City Council has a strong history supporting planning efforts around housing, and are fully engaged in the current Equitable Housing Strategic Plan. The Council has expressed interest in the implementation of House Bill 2001, and how the implementation relates to other efforts currently under way. On November 4th, the City Council will have a work session with City and DLCD staff about House Bill 2001 and its impact on Wilsonville. This same evening they have scheduled to pass a resolution supporting the Wilsonville Housing Variety Implementation Plan, including the grant application.