

# BEND COLLABORATIVE HOUSING WORKGROUP

## MIDDLE MARKET HOUSING POLICY RECOMMENDATIONS ORIGINALLY PUBLISHED JULY 2017

### TOOL 1: Align Comprehensive Plan and Zoning Map

#### Recommendation

Prioritize bringing the current zoning map and the new comprehensive plan map into alignment, rezoning areas as planned, reducing developers' costs for initiating new projects and allowing more housing supply to be created in the near-term.

#### Outcome: In process. Engagement opportunities:

- 8/13 Planning Commission work session (no public testimony, listening session)
- 8/27 Planning Commission hearing
- 9/5 City Council work session (no public testimony, listening session)
- 9/19 City Council hearing
- 10/03 Second Reading
- 11/02 Goes into effect

### TOOL 2: Create mixed-use urban transportation corridors

#### Recommendation

Create a network of streets throughout the city that are zoned as mixed-urban that create transitional corridors around higher density arterials and generate more housing in the near term.

**Outcome:** In process. Considered in Central Area and in Transportation Plan

### TOOL 3: Incentivize Area Planning

#### Recommendation

Offer higher priority of staff time and resources for planning/annexation to expansion areas where landowners propose plans to provide meaningful amounts of affordable and middle market housing stock.

**Outcome:** in process. Area plan for Central Area and "Elbow" prioritized by City Council.

## Middle Market Housing Policy Recommendations

### **TOOL 4: Prioritize transportation spending that leads to middle housing**

#### **Recommendation**

When evaluating transportation spending, provide greater weight to options that lead to the creation of middle market housing. For instance, in a weighted ranking exercise, increase the value of housing creation so it becomes a higher priority outcome.

**Outcome:** Currently part of long range transportation plan goals, will continue to be considered as part of transportation committee work.

### **TOOL 5: Rework system development charge policies**

#### **Recommendation**

Two changes should be considered to the City's system development charges methodology and policies.

1. Defer SDCs or offer long-term loans for single-family homes provided in the 125% AMI (Area Median Income) level or below,
2. Offer tiered SDCs based on lot size, square-footage or number of bedrooms—with smaller homes paying lower charges—creating a true incentive to build smaller units and increase housing supply.

**Outcome:** Affordable Housing Advisory Committee held a meeting on a tiered SDC proposal in spring 2018. No action to date on this proposal. SDC financing option (deferral to project completion) in place currently.

### **TOOL 6: Allow parking districts and reduce parking requirements**

#### **Recommendation**

Allow parking districts and opt-in reductions of parking requirements as an incentive for certain infill units such as Accessory Dwelling Units (ADUs) or multiplexes to lower housing production costs and increase development feasibility.

**Outcome:** City hired a parking manager who is now part of economic development department. Prior to 2030 recommendation, parking incentive was in place for deed restricted affordable housing to reduce requirement to 1 space from 1.5 per unit.

### **TOOL 7: Allow vertical housing tax exemption**

#### **Recommendation**

Create zones for use of this incentive, which offers a tiered-system waiving property taxes up to 80 percent for 10 years based on the number of floors of residential housing built above commercial use. Exemption could be linked to AMI, and second homes could be disallowed.

**Outcome:** All ORS 307 tax exemption possibilities are slated to be considered by City Council in fall 2018. Council will consider vertical housing tax exemption as a part of the larger tax exemption conversation.

## Middle Market Housing Policy Recommendations

### TOOL 8: New urban renewal areas

#### Recommendation

Conduct a study to test the feasibility of additional urban renewal areas in the Central Business District and Korpine, with particular focus on 1) whether the City can accommodate the short-term foregone revenue, and, 2) what types of projects would most effectively increase housing supply.

**Outcome:** In process. City Council voted to open feasibility study for Central Area and KorPine. The feasibility study will influence the urban renewal area boundaries, possible capital expenditures, and tax increment funding.

### TOOL 9: Calculate density differently

#### Recommendation

Currently density is measured lot by lot, rather than an average density in a zone. This discourages infill of missing middle housing types that could be built if more flexibility existed in how density was measured. By calculating density by a radius, additional units could be built and the average number of homes in a particular zone maintained.

**Outcome:** Planning Commission held two work sessions and recommended that the City Council direct staff to process a development code update to allow duplexes on 8,000 square foot lots and triplexes on 10,000 square foot lots in the RS zone without calculating density. The City Council will review this recommendation during a work session in July.

### TOOL 10: Allow fourplexes in the standard residential zone

#### Recommendation

Currently these units are not allowed in the standard residential (RS) zone. But floor area ratios and other tools could be used to keep scale appropriate to the neighborhood and it would increase supply without significantly changing the look and feel of a residential neighborhood.

**Outcome:** this tool was supported by the Affordable Housing Advisory Committee. The Planning Commission reviewed and discussed this option during the “plexes” work session; however, they did not support it.

### TOOL 11: Link open space requirements to nearby parks

#### Recommendation

Reduce open space requirements when there is nearby access to parks and trails. This incentive could be linked to Area Medium Incomes of less than 125 percent or multifamily developments.

**Outcome:** In process.

## Middle Market Housing Policy Recommendations

### TOOL 12: Increase allowable lot coverage for multifamily housing

#### Recommendation

The City is currently considering increasing allowable lot coverage from 40 to 50 percent for multifamily units. Increasing this further to 60 percent will help increase supply and affordability.

**Outcome:** The BDC 2.1.1000(B)(1) was amended to allow a 50% reduction to the open space requirement if there is a park within ¼ mile walking distance. Code language below.

1. Common Open Space. In addition to the required setback yards, a minimum of 10 percent of the site area must be designated and permanently reserved as usable common open space in all large-scale (20 units or more) multiple-family developments, unless a credit in subsection (B)(1)(a) of this section is approved. The site area is defined as the lot or parcel on which the development is planned, after subtracting any required dedication of street right-of-way and other land for public purposes (e.g., public park or school grounds, etc.). Sensitive lands and historic buildings or landmarks open to the public and designated by the Bend Comprehensive Plan may be counted toward meeting the common open space requirements.

a. Credit for Proximity to a Park. A common open space credit of 50 percent may be granted when the development is located within one-quarter mile walking distance of a public park; and there is a direct, accessible, and maintained trail or sidewalk between the development and the park that does not cross an arterial or collector street.

*Recommendations were summarized. See report (Bend Collaborative Housing Workgroup – Middle Market Housing Policy Recommendations, July 2017) for all full narrative.*