

Washington County Equitable Housing Site Barriers and Solutions

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Prepared for the Department of Land Use & Transportation by

Angelo Planning Group

in partnership with Ankrom Moisan Architects and Johnson Economics



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1. SUMMARY

While Washington County is one of the state's fastest growing counties and an economic engine in Oregon, assuring that equitable housing opportunities are available for all residents is a growing challenge in the County and the Metro region. This issue affects a broad spectrum of our increasingly diverse population—including people of color, young people, working families, seniors, and those with disabilities.

Multifamily rental housing is in short supply—regional vacancy rates are low and rents are rising at more than twice the national average. The County's 2015-2020 Consolidated Plan estimated an affordable housing gap of 14,000 to 23,000 units for residents at or below 50 percent of median family income (roughly \$37,350 for a family of four). With one out of four County households earning less than \$35,000 a year, it is clear that Washington County, like the rest of the Metro region, should take steps to encourage more equitable and affordable housing.

Equitable housing includes diverse, quality, physically accessible, affordable housing choices with access to opportunities, services and amenities. This broad definition includes choices for homes to buy or rent that are accessible across all ages, abilities and incomes and convenient to everyday needs, such as transit, schools, childcare, food and parks.

In order to meet the housing needs for Washington County's current and future residents, the County seeks to:

- Encourage increased housing supply in general
- Increase housing that is affordable to households at lower incomes (especially 50% median family income and below), and
- Identify incentives and funding sources to support a range of affordable and equitable housing¹ options

A single strategy will not solve this complex issue—Washington County will need to consider a range of options and implementation strategies that can function as a coordinated set of tools to meaningfully impact the housing challenges that face the County.

This project identified existing regulatory and code requirements that negatively impact development feasibility and/or increase development costs for projects that include residential uses, with a focus on encouraging equitable housing development in the County. Previous planning efforts, including Aloha Tomorrow, have also recommended taking action to reduce regulatory and code barriers that impact housing development – but these recommendations have been fairly general. This report includes specific recommendations that, when implemented, will help future development address the County's housing needs.

Process

Regulatory barriers to development tend to be specifically identified only when development proposals are being evaluated for approval. To be proactive, this project designed draft development concepts for

¹ For the purposes of this study, Metro uses the working definition of equitable housing as: diverse, quality, physically accessible, affordable housing choices with access to opportunities, services, and amenities.

specific locations and reviewed them for consistency with the County's Community Development Code (CDC) to highlight code barriers that could make development less feasible.

Five study sites were selected for evaluation. Sites were selected to meet multiple site considerations and to test a range of land use districts, development types, and a mix of land uses within the County.

Table 1: Study Site Summary

	ALEXANDER STREET	CORNELL/MURRAY	SHAW STREET	SPRINGVILLE	THEORETICAL SITE
Size	1.6 acres	0.76 acres	2.2 acres	2.8 acres	1.3 acres
District	CBD	TO:RC	R-24	R-15	R-6
Community Plan	Aloha – Reedville – Cooper Mt.	Cedar Hills – Cedar Mill	Aloha – Reedville – Cooper Mt.	Bethany	Raleigh Hills/ Garden Home

Using the variety of actual and theoretical properties and land use districts, the project team created housing development concepts for each location. These include a range of housing types and densities.

Table 2: Development Concept Summary

	ALEXANDER STREET	CORNELL/MURRAY	SHAW STREET	SPRINGVILLE	THEORETICAL SITE
Development Type	Multi-family, senior living	Mixed use – Multi-family above retail	Multi-family	Townhome/ Attached Single-family	Cottage Cluster ²
Structure Type	4-6 story wood or wood over podium	5-story wood over podium	2-3 story walkup	2-story wood	2-story wood
Units Achieved	101-145*	48	52-96*	36	8
Density Achieved (units per acre)	63-99	63	24-44	13	6
Landscape/ Open Space	20,500 square feet (29.5%)	4,400 square feet (13%)	33,000 square feet (34%)	n/a	n/a
Parking	75 surface parking spaces	56 structured spaces	80 surface parking spaces	72 off-street spaces; 46 on-street spaces	22 surface parking spaces

* depending on number of floors

² Cottage cluster (also called cluster housing) are groups of relatively small homes, typically oriented around a shared common space, such as a courtyard or garden.

Each study site and development concept were evaluated for conformance with Washington County's CDC to identify regulations which may:

1. Make equitable housing development impractical;
2. Negatively impact financial feasibility; and/or
3. Slow down the development process.

Multiple development standards were evaluated to determine if they posed barriers to development for individual sites and development concepts. Some standards were significant barriers to development in one or two cases, but were not necessarily significant barriers for all tested development concepts. Potential development barriers and their impacts on individual test sites are discussed in more detail in Section 6: Potential Barriers.

Standards assessed as potential barriers for test sites include:

- Density
- Off-street Parking
- On-street Parking
- Landscaping Standards
- Yard (Setbacks)
- Public Facility Improvements
- Flood Plain, Drainage Hazard Areas (DHA), & Significant Natural Resource Areas (SNRA)
- Neighborhood Circulation
- Building Façade
- Planned Development Open Space
- Transit Oriented (TO) Review & Standards
- Mixed-Use Standards

In addition, the development concepts were assessed to determine whether financial gaps would necessitate some form of subsidy to make housing development affordable for specific income levels. The assessments considered the financial impact of development incentives, such as increased density and land donation, on projects.

Recommendations

Community Development Code Amendments

Recommendations for potential CDC amendments were developed to reduce or eliminate most of the identified regulatory barriers and incentivize equitable housing production. Proposed code amendments, including ordinance language, will be further refined in preparation for review and consideration as part of the County's Long-Range Planning Work Program during the 2018 and 2019 Ordinance Seasons. Refinement of the recommendations must be balanced against existing County policies, relevant Community Plans, and the intended purpose of the affected land use districts.

Potential barriers and solutions that may be addressed through code amendments are associated with a range of standards in the CDC. Please see the Recommendations section, starting page 22, for full descriptions of recommended CDC amendments. Recommended changes include:

- Residential density bonuses for affordable housing.
- Reduced yard (setback) requirements for some housing.

- Amended Planned Development (PD) open space requirements for housing.
- Reduced on-street parking and driveway width for some housing.³
- Amendments to allow available on-street parking to substitute for required off-street parking on some individual lots.
- Amendments to private street requirements for some housing.
- Amending or removing ground-floor commercial use requirements in some districts.
- Increased flexibility in allowed housing types.
- Flexible zoning for affordable housing.

Most recommendations include direction for future potential amendments to the Community Development Code that seek to reduce site development barriers to new residential housing and provide incentives for regulated affordable housing. Amendments to the CDC, while valuable, may not significantly shift the supply of equitable or affordable housing on their own, particularly for lower income households.

Policy and Program Support

Recommended code amendments listed above will help, but code amendments should be part of a comprehensive set of tools needed to meet the growing demand for affordable housing. To maximize the impact of these recommended code amendments, Washington County should consider additional policy changes to support equitable and affordable housing, offer development incentives, provide dedicated funding, and implement other policy and programmatic initiatives that facilitate development of affordable housing. In addition, equitable housing strategies should address the need for access to affordable transportation options, to public and personal social services, and to shopping and employment centers.

Policy and programmatic strategies to reduce barriers to housing development that the County may wish to explore further include (but are not limited to) the following:

- Refine existing policy foundation to be more supportive of equitable and affordable housing.
- Find opportunities to streamline or shorten permitting processes and timelines where possible, including continuing to prioritize development applications for regulated affordable housing projects.
- Subsidize regulated affordable housing through:
 - Continued donations and discounting of public land for regulated affordable housing.
 - Enabling additional property tax exemptions or abatements for regulated affordable housing.
 - Reducing or waiving System Development Charges (SDCs) and/or development fees and charges.
- Establish a development tax (e.g. a Construction Excise Tax) and/or other value capture incentives to encourage regulated affordable housing

³ Off-street parking regulations were updated in 2017 to simplify the standards and provide additional flexibility. The overall effect of the updated regulations will need to be assessed in the future.

2. PUBLIC AND AGENCY INVOLVEMENT

Public engagement is the foundation of all planning activities in Washington County. Planning efforts are conducted for, and with the community. A Public Involvement Plan (PIP) was developed for this project to ensure, to the extent possible, that those potentially affected by this planning project - jurisdictional partners and interested parties - had the opportunity to understand the projects' objectives and implications, participate in project discussions, and provide input to inform decisions.

Technical Advisory Group (TAG)

Public involvement primarily focused on stakeholders and was conducted through a Technical Advisory Group (TAG). The TAG held four group meetings throughout the project to provide input and feedback.

Because the primary products of this project are code amendments recommendations designed to reduce barriers to equitable housing production in the County, the stakeholders most immediately impacted include local jurisdictions, housing developers and providers, and people engaged in related professions such as architects, designers, lenders, or development project managers.

Housing directly and indirectly impacts all community members, and housing equity and affordability concerns often have a more significant impact on historically underrepresented community members, including low income households, communities of color, people with disabilities, and elderly persons. As such, this project included representatives from Bienestar and Centro Cultural de Washington County, as well as affordable housing developers that serve lower-income renters. Including these representatives on the TAG helped ensure that project recommendations would not unintentionally create barriers to housing that serves these communities.

The TAG included representatives from several other organizations, including Washington County Current Planning, the Department of Housing Services, the Office of Community Development, Clean Water Services, the Community Housing Fund, Community Partners for Affordable Housing (CPAH), REACH Community Development, Rembold, and Metro.

County staff also conducted interviews with market-rate developers and representatives from the Home Builders Association to discuss development barriers and project recommendations.

Project Website

A project website was created with general information about the project. It provided opportunities for the public to provide comments and connect to the project team. The project website and key project materials were made available in English and Spanish, using contextual translation.

3. STUDY SITE SELECTION

Five sites were identified to test development concepts for potential code barriers. Two of the sites – Alexander Street and Cornell/Murray – were identified prior to the first TAG meeting on October 6, 2017. Three additional sites were selected during the initial stages of the project. The project team took several factors into consideration when selecting sites. The primary study site selection considerations included locations in Washington County's Community Planning Areas, a range of sizes between sites, and various land use designations that allowed a range of residential densities. TAG members provided feedback on additional possible sites for analysis and affirmed the desire to include at least one site that was on land owned or operated by a faith-based institution as well as an analysis of smaller housing

types such as cluster housing (often referred to as “cottage cluster housing”). The remaining three sites were selected using the following primary and secondary site considerations.

Primary Site Selection Considerations

- Opportunity areas: Desire for sites to represent at least 3 and possibly 4 of the Opportunity Areas identified in the Portland State University Master of Urban and Regional Planning (MURP) Affordable Housing Strategy,⁴ including Aloha, Cornell-Murray, Bethany, and Metzger-Garden Home.
- Site Size: Sites should include range of sizes, representing medium to large sites; optimum range: capacity to allow 20+ residential units, 2-6 acres.
- Land use designations: The range of sites should include several land use designations, including Residential, mixed-use (such as Community Business District), Transit-Oriented (TO), Institutional. The goal is to use this project to identify barriers to development that considers residential uses in as many land use districts that would allow residential development as possible.
- Building types: Conceptual plans should include a range of building types, including multi-family, single-family attached and mixed use (with ground floor commercial).

Secondary Site Selection Considerations

- Ownership: Parcels owned by public entities will be preferred, if available.
- Willing partners: Parcels owned by potential partners who are interested in developing affordable housing will be preferred, if available.
- Existing or planned adjacent uses (if known) should be compatible with the types of housing to be tested on the site.
- Access to transit and amenities (note—Opportunity Areas are all located in proximity to a designated Town Center and are assumed to have some access to transit & services).
- Demographic assessment (use American Community Survey (ACS) data to determine if block group or Census tract has significantly different demographics or income than County as a whole, plus any relevant local knowledge).
- Absence of obvious near-term development barriers such as wetlands, brownfields, etc.
- Other factors as practical (e.g. known employment opportunities nearby, etc.).

⁴ https://www.pdx.edu/usp/sites/www.pdx.edu.usp/files/WaCo%20Afford%20Housing%20Strategy_PSU%20WORKSHOP_120216.pdf

4. STUDY SITE SUMMARY

Five study sites were selected to test the development process, develop site plans, and identify potential code barriers. The five sites are described below in terms of land use, environmental constraints, transit and amenities and demographics.

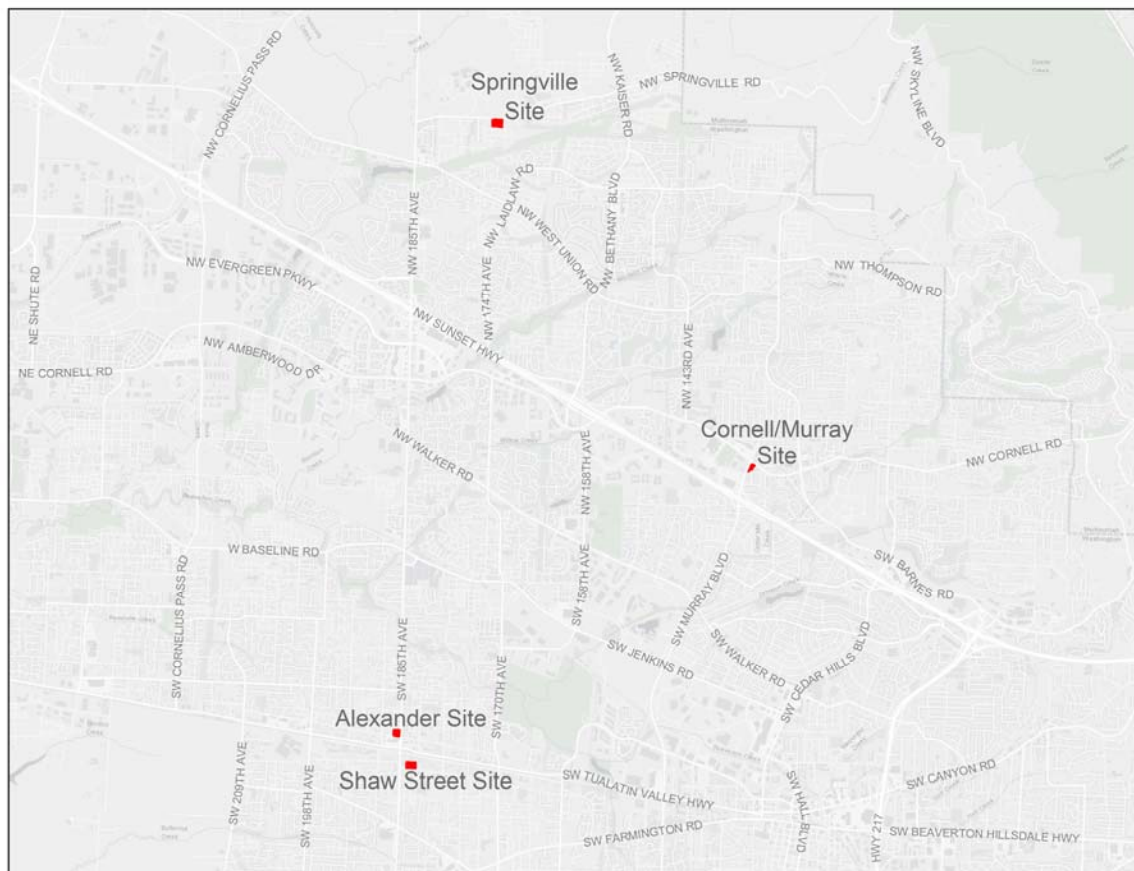
Land Use

The land use designations for the five sites are summarized in Table 3. The referenced districts and Community Plans regulate the range of intensities, types, and mix of land uses allowed.

Table 3: Study Site Summary

	ALEXANDER ST.	CORNELL/MURRAY	SHAW STREET	SPRINGVILLE	THEORETICAL SITE
Size	1.6 acres	0.76 acres	2.2 acres	2.8 acres	1.3 acres
District	CBD	TO:RC	R-24	R-15	R-6
Community Plan	Aloha – Reedville – Cooper Mt.	Cedar Hills – Cedar Mill	Aloha – Reedville – Cooper Mt.	Bethany	Raleigh Hills/ Garden Home

Figure 1: Study Site Locations (Theoretical Site Not Shown)



Alexander Street Site

The Alexander Street Multi-Family Senior site is part of a larger area under one ownership known as the “Aloha Opportunity site”. The larger opportunity site was a focus of Washington County’s Aloha Tomorrow project. A component of the project supports the development of an active, mixed-use location with a multi-modal Main Street environment on SW Alexander Street.

The Alexander Street site is located on land currently designated Community Business District (CBD), which allows for a wide mix of uses, including medium-to-large scale retail service, and business; office and institutional uses; and medium to high density residential uses.

The Aloha Tomorrow project recommends the creation of a Town Center Core District that could be applied to the Alexander site and surrounding properties. The new Town Center Core District would change allowed land uses and development standards. Recommended Town Center Core standards are similar to existing CBD standards, with recommended modifications to support the creation of a walkable, pedestrian-oriented Town Center area with a community-friendly urban form. If the Town Center Core District is created, new standards would apply in locations that receive that designation.

Cornell-Murray Site

The Cornell-Murray Mixed Use site, owned by Washington County, was envisioned to be developed as a mixed-use affordable housing development under the County’s jurisdiction, in partnership with Community Partners for Affordable Housing (CPAH). However, certain regulations within the Cedar Hills - Cedar Mill Community Plan (CP) and the CDC created challenges to developing the site for a mixed-use affordable housing development. After identifying these development constraints, CPAH requested annexation into the City of Beaverton, which has development regulations that would better accommodate the project and leased the property from the County in order to continue project development in a timely manner.

For purposes of this study, the site is reviewed under the County land use designation and Community Plan requirements that existed prior to city annexation. Prior to annexation, the Cornell-Murray Mixed Use site was located in Washington County’s Transit Oriented Retail Commercial District (TO:RC). The County’s transit oriented (TO) districts are intended to direct and encourage development that is transit supportive and pedestrian oriented.

Shaw Street Site

The Shaw Street Multi-Family site is part of a larger area held by the Korean Bethel Church, a private institution. The portion of the site with frontage on SW Blanton Street in the R-24 district, and not currently developed with church facilities, is likely the most suitable for affordable housing development and was the focus of a potential development concept for the site. The R-24 district requires residential development density to be between 19 and 24 units per acre, except as otherwise permitted.⁵

Springville Road

The Springville Road Single-Family Attached site is a privately-owned property consisting of six tax lots adjacent to NW Springville Road. The site is located in Washington County’s R-9 District, which requires residential development density to be between seven and nine units per acre, except as otherwise permitted. For the purposes of this project, the site was treated as though it was designated R-15. This

⁵ Note: during the course of this project, the church submitted a development application to construct a new church expansion and consolidate the R-24 parcels into one tax lot. Although the current proposal does not include any residential development, future development or redevelopment of the site could include housing.

allowed the project team to evaluate a townhouse project, which was determined to be impractical and likely financially infeasible at the R-9 density.

Theoretical Site

The theoretical site is based on a compilation of previous development proposals that Washington County has recently reviewed. In addition, this site was intended to allow evaluation of potential development barriers not found in other identified sites, including lower residential density and environmental constraints, as well as use of a cottage cluster development pattern. For the purpose of this site evaluation, the theoretical site is designated R-6 and located on a corner lot with two arterial street frontages.

Environmental Constraints

Environmental constraints such as slope, wetlands, or wildlife habitat can impact a development's feasibility. Constraints such as wetlands and wildlife habitat include regulatory requirements that can be barriers, in addition to rendering portions of the site unbuildable. For example, sites located within an identified wetland area are required to provide additional plans and documentation, certified by a professional engineer, that show the site will be constructed to avoid or mitigate potential impacts.

Based on publicly available data, none of the physical study sites include County-regulated environmental constraints. The nearest identified environmental constraints were not close enough for CDC regulations to apply.

Because none of the identified study sites include environmental barriers, a drainage hazard area (DHA) was included in the Theoretical site to allow evaluation of potential CDC barriers related to DHA standards. Flood plains and drainage hazards are not uncommon for new developments and often pose development challenges.

Transit

Access to nearby public amenities, such as parks, schools, and transit, provide basic services and enhanced quality of life that is supportive of affordable and equitable housing. Existing transit service at the study sites is provided as follows:

Alexander Street Site

- Line 52 (Farmington/ 185th)
- Frequent Service Line 57 (TV Hwy/ Forest Grove)

Cornell/Murray Site

- Line 62 (Murray)
- Line 48 (Cornell)

Shaw Street Site

- Line 52 (Farmington/ 185th)
- Frequent Service Line 57 (TV Hwy/ Forest Grove)

Springville Site

- Line 47 (Baseline/ Evergreen)
- Line 67 (Bethany/ 158th)

Theoretical Site

- Assumes one regular service transit line is located adjacent to the site.
- Assumes a mix of small business are located across the street.

Demographics

Demographic factors provide very general indicators of a community's need for affordable housing. The Environmental Protection Agency (EPA)'s "EJScreen" was used to evaluate the demographics of the community within a 1-mile radius of each site.

Table 4: Summary of Study Site Demographics within 1-mile Site Radius

	ALEXANDER STREET	CORNELL-MURRAY	SHAW STREET	SPRINGVILLE	WASHINGTON COUNTY
Population	21,254	14,600	21,514	12,372	556,210
Population Density (per sq. mile)	6,693	4,813	6,947	4,087	768
Minority Population	9,470	4,528	9,461	4,751	176,685
% Minority	45%	31%	44%	38%	32%
Households	6,870	6,180	7,059	4,452	206,426
Housing Units	7,255	6,493	7,391	4,743	217,085
Housing Units Built Before 1950	166	409	210	17	11,029
Per Capita Income	24,099	39,625	23,578	42,317	32,369

Source: U.S. Census Bureau, American Community Survey (ACS) 2011-2015

5. DEVELOPMENT CONCEPTS

As part of this effort, the project team developed draft development concepts for each site location to study the development's feasibility and identify potential code barriers to efficient development. The concepts include a range of residential dwelling types, including multi-story multi-family senior living, garden-style walk-up apartments, mixed-use housing, townhomes, and a cluster cottage development. Each concept was then reviewed for consistency with CDC requirements to highlight specific code barriers that affected each residential development type.

Alexander Street Site

The development concept for the Alexander Street site is a multi-story, multi-family senior living residential dwelling type. Three development options, ranging from probable to unlikely, were prepared. The two probable options evaluated what could be reasonably built on the site given current market conditions. The unlikely option evaluated the feasibility of building near the maximum allowed density of 160 units, which would include a 6-story, podium style construction, with structured parking.

Table 5: Alexander Street Site Development Concept Summary

District Criteria	Size	1.6 acres
	District	CBD
	Allowed Density* (with no commercial) (Min-Max)	20-40 u/acre ** 40-100 u/acre***
	Allowed # Units this Site	32-160
	Minimum Lot Area	8,500 square feet
	PD Open Space	20 or 30%
	Minimum Landscaping	15%
	Setbacks	F: 20' S: 0' SS: 20 R: 0' Parking: 5'
	Off-street Parking	1 per studio or 1-bedroom 1.5 per 2-bedroom
Development Concept	Development Type	Multi-family, seniors
	Structure Type	Probable: 4 story wood Possible: 5 story wood Unlikely: 5 stories over 1 story podium
	Concept Achieved Density	Probable: 63 units/acre Possible: 81 units/acre Unlikely: 99 units/acre
	Concept Achieved # Units this Site	Probable: 101 Possible: 130 Unlikely: 145
	Landscape/Open Space	20,500 square feet (29.5%)
	Parking	75 surface parking spaces (probable and possible options) 75 spaces in parking structure (unlikely option)

* No minimum density applies to residential development with commercial use

** Allowed density for residential uses without a commercial use, with minimum dedication of Planned Development (PD) Open Space

*** Allowed density with additional 10% Planned Development Open Space

Cornell Murray Site

The development concept for the Cornell/Murray site is based on an affordable housing development proposal previously submitted to Washington County. The proposal was for a 5-story mixed-use building. It included commercial space and structured parking on the ground floor and 48 units of regulated affordable housing in the upper four floors. The Cedar Hills - Cedar Mill Community Plan (CP) requires a master plan for the area prior to approval for new development, which was a significant barrier to development on the site.

Table 6: Cornell-Murray Site Development Concept Summary

District Criteria	Size	0.76 acres
	District	TO:RC
	Allowed Density (Min-Max)	FAR: No Min. to 0.5 (varies by location).*
	Allowed # Units this Site	Varies based on FAR and square footage per unit
	Minimum Lot Area	none
	Minimum Landscaping	15%
	Setbacks	F: 10' max S: 0' SS: 0' R: 0' Parking: 5'
	Off-street Parking	1 per studio or 1-bedroom 1.5 per 2-bedroom
Development Concept	Development Type	Mixed use – Multi-family above retail
	Structure Type	5-story wood over podium
	Concept Achieved Density	63 units/acre
	Concept Achieved # Units this Site	48
	Parking	57 structured parking spaces

* Residential dwellings in the TO:RC district are only allowed in mixed-use buildings with non-residential uses. Minimum density for non-residential uses is calculated based on floor area ratio (FAR).

Shaw Street Site

The development concept for the Shaw Street site is a collection of six garden-style walk-up apartment buildings ranging from two to three stories in height. Five of the six apartment buildings are two stories in height and include 8 units each. The sixth apartment building is three stories in height and includes 16 units. Parking is provided by a centrally located surface parking lot with access onto SW Blanton Street.

Should a density bonus be available, the Shaw Street site can nearly double in size without additional significant costs to the design, layout, or structure type. The concept structure types – 2-3 story walkup apartments – can easily be increased to 4-story walkup apartments and still maintain the overall site layout and structure design.

Table 7: Shaw Street Site Development Concept Summary

District Criteria	Size	2.2 acres
	District	R-24
	Allowed Density (Min-Max)	19-24 units/acre
	Allowed # Units this Site	42-53
	Minimum Lot Area	1,300 square feet
	Minimum Landscaping	25%
	Setbacks	F: 20' S: 5-20'* SS: 10' except as exceeded by S, above R: 20' Parking: 5'
Off-street Parking	1 per studio or 1-bedroom 1.5 per 2-bedroom	
Development Concept	Development Type	Multi-family
	Structure Type	2-3 story walkup
	Concept Achieved Density	24-44 units/acre
	Concept Achieved # Units this Site	52-96
	Landscape	33,000 square feet (34%)
	Parking	80 surface parking spaces

* Range of side setbacks varies with the number of stories in a building.

Springville Road

The development concept for the Springville Road site includes a series of townhomes/attached single-family units. Townhomes include a mix of 2- and 3-bedroom units. The large site size requires a combination of new public right-of-way and alley-access to maximize the residential use of the site and to also meet on-street parking requirements. Each unit includes a garage with access either to a public right-of-way in the front or alley access in the rear. Parking courts are also provided as part of the concept.

Table 8: Springville Road Development Concept Summary

District Criteria	Size	2.8 acres
	District	R-15 (for the purposes of this project)
	Allowed Density (Min-Max)	12-15 units/acre
	Allowed # Units this Site	34-42
	Minimum Lot Area	1,600 square feet
	Outdoor Yard Area	300 square feet per lot
	Architectural Design	Façade/Garage Standards
	Setbacks	F: 10' S: 5' SS: 8 R: 12' Porch: 6' Garage: 20' (or 4' from alley)
	Off-street Parking	2BD +1.5 = 1 2 provided, 1 garage + 1 driveway
	On-street Parking	1:2 off-street stalls
Parking Court	One allowed per side of block	
Development Concept	Development Type	Townhome/Attached Single-Family
	Structure Type	3-story wood
	Concept Achieved # Units this Site	36
	Concept Achieved Density	13 units/acre
	Parking	72 off-street spaces 46 on-street spaces

Theoretical Site

The Theoretical site is based on compilation of previous development proposals that Washington County has recently reviewed. It has been modified to include a drainage hazard area. It also features a cottage cluster design, which is not permitted under current regulations for the R-6 District. The cottage cluster features eight detached dwellings located around two central common courtyards. A single surface parking area provides parking for the entire site.

Table 9: Theoretical Site Development Concept Summary

District Criteria	Size	1.3 acres
	District	R-6
	Allowed Density (Min-Max)	5-6 units/acre
	Allowed # Units this Site	7-8
	Minimum Lot Area	4,500 square feet average 4,000 square feet minimum
	Setbacks	F: 15' S: 5' SS: 10' R: 15' Porch: 12' Garage: 20' (or 4' from alley)
	Off-street Parking	1-1.5 parking spaces per unit
	On-street Parking	1-2 per unit depending on amount of off-street parking*
Development Concept	Development Type	Cottage Cluster
	Structure Type	2-story wood
	Units	8
	Density	6 units/acre
	Parking	22 surface parking spaces

* Creates barrier for cluster housing on individual lots since some lots may not have street frontage/access

6. POTENTIAL BARRIERS

The primary purpose of this project is to clearly identify regulatory and code requirements that have the potential to negatively impact development feasibility and/or increase development costs for projects that include residential uses, with a focus on encouraging equitable housing development in Washington County. Previous planning efforts, including Aloha Tomorrow and other projects, have recommended reducing regulatory and code barriers that impact housing development – but these recommendations have been fairly general. This effort has provided the additional detail needed to develop specific recommendations for CDC amendments.

Development codes are one of the key ways a jurisdiction regulates development, and they are intended to implement the policies in the Comprehensive Plan and specific Community Plans. Washington County's CDC is comprised of standards that regulate specific aspects of development and the development process in unincorporated Washington County.

The CDC regulates the permitted uses in each land use district and prescribes the form and function of those uses. Among other things, it determines how tall a building can be, how far it must be set back from the public right-of-way, the amount of required parking, and the level of necessary landscaping. Most new residential development is required to bring a site into compliance with current County development and infrastructure standards. This means that in order to receive final development approval, developers must submit proposals that meet current standards for parking, landscaping, setbacks, and yard areas, and may be required to provide half-street improvements along road frontage of the site. Half-street improvements typically include engineered road surface, curbs, drainage, and sidewalks, and may include bike lanes, street lighting, lane striping, traffic control improvements and other infrastructure. The cost of these improvements may make development challenging or potentially infeasible.

Specific Land Use Designation Standards

Density. Residential density regulations (dwelling units/acre and lot size) are one of the largest factors in determining development feasibility. Standards that limit the number of dwellings and set large minimum lot sizes can exclude housing options that may be more affordable (i.e. smaller dwellings and smaller lots). However, in most of the theoretical development scenarios tested in this project parking, setbacks and yard requirements, Planned Development open space requirements, and/or market conditions were more significant development limitations than density limits.

Off-street Parking. Meeting the requirement for off-street parking can be a barrier to new housing when lot sizes are small or constrained and/or for higher residential densities. Off-street parking standards can require that a significant portion of buildable area be dedicated to vehicle parking, reducing the amount of land that can be dedicated to housing. Parking had the biggest impact on the smaller Alexander and Cornell-Murray sites and on the Theoretical Site, and limited impact on the other sites. Changes to the County's parking standards in 2017 have addressed parking issues to a significant degree, particularly for regulated affordable housing and development that occurs close to transit service.

On-street Parking. On-street parking is required for some single-family detached and single-family attached housing and can be a barrier to development when lot sizes are small and/or where existing on-street frontage is limited. In addition, CDC section 413 calls for a minimum 12-foot-wide driveway width per dwelling, or a minimum 30-foot-wide driveway when shared by two dwellings. Each is 10 feet

wider at its access point to the street, which further reduces the area that can be dedicated to on-street parking. Alley loaded development can help address this issue, but requires developers to use land for alleys, rather than additional housing units. These requirements, when taken in tandem can be an issue when developing narrow lots with limited space for both driveways and on-street parking between them.

Landscape Requirements. Minimum landscape regulations limit the portion of a site that can be dedicated to housing. This can potentially be a barrier to new housing on smaller sites or at higher residential densities. This is most significant for higher density developments such as the Alexander and Cornell/Murray sites but even in those instances, other barriers such as off-street parking and mixed-use requirements pose a more significant barrier to new residential development. To some extent, these impacts can be balanced by providing landscaping within setback areas. Potential changes in landscaping requirements also will require considering tradeoffs in community standards and values associated with providing green space/recreation versus providing more affordable housing opportunities.

Yard (Setback) & Height Requirements. Setbacks/Height regulations limit space that can be dedicated to housing. This can potentially be a barrier to housing on smaller sites or at higher residential densities if large setbacks from adjacent properties are required. Setback requirements are a more significant limitation than height requirements for the development concepts tested during this project. Height limits were not a limiting factor for any of the developments tested in this exercise. Density, parking, and/or landscaping requirements for tested development proposals resulted in designs that were below the allowed height maximums. However, height requirements may become a limiting factor in the future if taller buildings with higher construction costs become financially feasible in higher density zones.

Public Facility Improvements. These requirements primarily add costs associated with required transportation facility improvements, such as the half-street road improvements mentioned previously. Although public facility improvements can result in a significant cost and create barriers to housing development, these improvements are typically necessary to meet a variety of development and community needs. Street improvements, including bike lanes, sidewalks, and improved drainage facilities are necessary and desirable to many community members, especially lower-income households who may be less able to afford private vehicles. Reducing the quality or quantity of public infrastructure and services to make housing more affordable would be counter-productive and likely to create a different set of equity issues for County residents. Identifying and dedicating funding to pay a portion of public facility improvement costs on behalf of eligible affordable housing developments is likely a more viable option than reducing improvement requirements.

Flood Plain, Drainage Hazard Areas, and Significant Natural Resource Areas. These conditions and requirements are highly site-specific and variable. They are not applicable to most of the examples studied here and have relatively little impact on the Theoretical Site example. However, these requirements can have more significant impacts on development cost, capacity, and/or development, and permit review time for some projects. These challenges would likely be more significant for projects in higher density designations.

Neighborhood Circulation Standards. Neighborhood circulation standards can require developers to provide additional road and/or pedestrian connections that may limit the proportion of a site that can be dedicated to housing. While these standards can result in significant development cost, they also

address important community needs. Similar to public facility improvements, identifying a funding source that could pay a portion of these costs for eligible affordable housing developments is a more viable option than waiving circulation standards.

Building Façade (Garage Width) Requirements. Building façade standards apply to single family attached and detached dwellings near transit routes in the R-9 through R-25+ districts. They allow a limited range of attached garage widths in relation to building facade, and garage setbacks increase with garage width. Homes with the widest allowable garages are also subject to window placement criteria and can only be “interspersed” among other homes with narrower garages. These requirements can create both financial and spatial barriers to new housing on smaller sites, or at higher residential densities, by complicating home and overall development design, and impacting lot area that is usable for living space on the ground floor of a dwelling. While these standards can add cost to a project’s design and serve as a barrier in that way, the project team notes that the standards are less rigorous than those applied by most other jurisdictions in the region and most developers have created their own development standards and templates to address them. In addition, the intent of the standards is to achieve a pedestrian-friendly environment within areas convenient to transit. The County may wish to allow housing developers additional alternatives by which to meet this intent, thus adding flexibility that could translate to both cost savings and accommodation of needed housing in more varied sizes and price ranges.

Planned Development Regulations. Planned Development (PD) regulations allow for modification of standards in exchange for recreational open space and on-site amenities. PD open space and on-site amenities reduce the proportion of a site that can be dedicated to housing. Reserving the required 20 to 30 percent of the site for open space reduces the amount of land that can be used to build new housing. PD open space can also be satisfied by providing indoor recreation facilities, balconies, or similar site amenities, which can add a minimal or substantial cost depending on the size of the facility. The CDC doesn’t allow use of unbuildable lands such as floodplains to meet minimum PD open space requirements for residential developments.

Transit-Oriented Review Process and Standards. These requirements and review processes can act as a barrier to development in the TO Districts. The Transit-Oriented Review Committee, which plays an advisory coordination role. While the committee can be helpful in coordinating review and finding ways for development to meet the standards, the fact that a committee is needed for this purpose points toward a potential need to simplify these requirements so that they do not act as a barrier to cost-effective development. Regulations for TO Districts provide principles, standards, and guidelines for building and site design elements that are intended to increase pedestrian connectivity. TO standards are unlikely to be a major barrier in most cases but may be problematic for unusual parcels in some instances, given their complexity and the challenge in applying them to constrained or unusual parcels.

Mixed-Use Standards. Requirements to provide non-residential (i.e. retail) uses on the ground floor of residential developments can add significant costs to construction and reduce the financial viability of a residential project. These uses are required in the TO districts and are a condition for achieving higher densities in the CBD. Mixed-use standards can be particularly challenging for regulated affordable housing development, as they trigger a requirement for higher construction wages that can add significant cost. In addition, these requirements result in the need for a property owner to manage commercial tenants and uses over time, which adds to the operational costs of these developments.

Often these costs must be factored into the initial development cost and can make a project less financially feasible, particularly for non-profit affordable housing developers.

Table 10, below, provides a summary of which potential barriers affect the individual study sites and development concepts. The low-medium-high ratings in Table 10 are qualitative and relative, as determined by the project team. The level of impact is relative to other potential barriers for the site and also in comparison to the impact of the same potential barrier for other study sites and development concepts.

Table 10: Relative Level of Impact for Identified Potential Barriers

CDC REQUIREMENT	ALEXANDER STREET	CORNELL/MURRAY	SHAW STREET	SPRINGVILLE	THEORETICAL SITE
Density	○	○	●	◐	◐
Off-street Parking	●	●	◐	●	●
On-street Parking	n/a	n/a	n/a	●	◐
Landscaping Standards	◐	●	○	○	○
Yard (Setbacks)	◐	●	◐	◐	○
Public Facility Improvements	Varies	Varies	Varies	Varies	Varies
Flood Plain, DHA, & SNRA ⁶	n/a	n/a	n/a	n/a	◐
Neighborhood Circulation	○	○	◐	●	**
Building Façade	n/a	n/a	n/a	◐	n/a
Planned Development	Varies	n/a	Varies	Varies	Varies
TO Review & Standards	n/a	◐	n/a	n/a	n/a
Mixed-Use Standards	●	●	n/a	n/a	n/a

○ = low impact/not a barrier for this development; ◐ = medium impact/limited barrier for this development;

● = high impact/significant barrier for this development

⁶ Note: the sites analysed for this project did not include Drainage Hazard Areas, Flood Plains, or Significant Natural Resource areas. This table should not be interpreted to suggest that these requirements do not create development challenges on some sites.

Procedural Barriers

Procedural barriers that could impact development in unincorporated Washington County, regardless of the specific land use district and Community Plan requirements, have historically included:

- Land use and development review process.
- Coordination with County departments and other service providers.
- Schedule and approval timelines.
- Level of discretion associated with specific types of review processes.⁷

The land use development application process is subject to state timeline requirements. A notice of decision for complete development applications is generally required in 120 days for developments within the Urban Growth Boundary. However, coordinating with other departments and service providers can be somewhat unpredictable, and the process of moving through required reviews and revisions after initial development approval can be challenging. In addition, the process of reviewing an application for completeness is not included in the 120-day timeline and delays associated with this component of the process can act as barriers for complex projects where the completeness process can be extensive. At the same time, these procedures are necessary to make sure development complies with building and development codes designed to maintain safety and livability. The County's development review process seeks to balance multiple and sometimes conflicting factors to ensure that development is safe and suitable.

7. PRO FORMA ANALYSIS

Pro forma models of the development concepts were prepared for each study site. The models assessed development feasibility and affordability levels and allow for the adjustment of various factors to test the impact on project feasibility. The pro forma models estimated achievable market rents for each development concept based on market analysis of newer comparable properties in the area and average rent statistics. Assumptions of the type, number, and size of units were based on the development concepts.

Estimated Rent Level and Affordability

Estimated rents for these development concepts would be considered affordable for households with incomes ranging from 81% of Area Median Income (AMI) (about \$60,000 for a household of 4) to 114% AMI (about \$85,000), based on the Oregon Housing and Community Services (OHCS) standards.⁸ In general, the highest density site (Alexander Street), would be the most affordable, while the lower density sites (Springville and Theoretical), would be less affordable because they offer larger units at higher rents.

⁷ Procedure type determines level of discretion. Type II procedures apply standards that are generally clear and objective. Type III procedures require more discretion.

⁸ <http://www.oregon.gov/ohcs/Pages/research-income-rent-limits-lihtc-2017.aspx>

Table 11: Average Affordability Level (Area Median Income (AMI) Level)

	ALEXANDER STREET	CORNELL/MURRAY	SHAW STREET	SPRINGVILLE	THEORETICAL
Average Affordability Level (AMI)	81%	90%	91%	114%	106%

Four of the five development concepts would likely be feasible as market-rate housing under current market conditions. The Alexander Street and Shaw Street sites are the most feasible, providing the greatest profit opportunity. The Springville Road and Theoretical sites, while still financially feasible, appear to provide less opportunity for profit, and are less likely.⁹ The Cornell/Murray site is not estimated to be feasible as market-rate rental housing under current market conditions because the podium building design increases costs significantly.

Incremental Value of Density

The analysis estimated the impact of incrementally increasing the allowed and achievable density on the study sites. The incremental value of density increases is one of the main mechanisms by which CDC regulations can improve financial feasibility (i.e. by increasing the allowed density or adding a density bonus). To analyze this, incremental improvements were modeled as additional density was allowed, up to a 100 percent density bonus. The associated reduction in rent levels (i.e. improved affordability level) were then estimated to illustrate how density increases can improve affordability by lowering rents. Table 12 shows the estimates of the hypothetical improvement to affordability represented by incremental additions of increased density.

Table 12: Hypothetical Affordability Improvements from Value of Incremental Density Bonus

	ALEXANDER STREET	CORNELL/MURRAY	SHAW STREET	SPRINGVILLE	THEORETICAL
+20% Bonus	79%	87%	88%	110%	101%
+40% Bonus	76%	85%	85%	106%	96%
+60% Bonus	74%	82%	82%	103%	91%
+80% Bonus	72%	80%	79%	99%	87%
+100% Bonus	70%	77%	76%	96%	83%
<i>Maximum increase in affordability</i>	<i>11%</i>	<i>13%</i>	<i>15%</i>	<i>18%</i>	<i>23%</i>

⁹ The theoretical site is financially feasible but is not able to be permitted under current CDC standards.

Other major cost factors identified in the pro forma analysis that affect the cost of new residential construction that may be impacted through CDC changes include parking requirements, mixed-use requirements, and land discounting. Land discounting cannot be addressed through development code amendments but could be addressed through other County affordable housing initiatives.

Impact of Parking Ratios

Parking is a major cost factor of any development. Local parking requirements and the necessary site area needed to accommodate parking spaces are often key factors in determining development type and the amount of the building site available for buildings. Parking impacts affordability in two ways. First, the more space that is dedicated to parking on the site, the less space is available to build on, limiting the number of units that can be developed and reducing the feasibility of the project. Second, the cost of parking construction and maintenance (particularly for structured parking) can be very significant, and generally cannot be recovered in suburban areas where most parking is free.

Excessive off-street parking regulations are typically considered a major barrier to new development, particularly at higher residential densities. However, Washington County amended its off-street parking requirements in 2017 to reduce required off-street parking overall, and include new mechanisms for developers to request reduced parking ratios for developments that are:

- Located near transit
- Include bike parking
- Regulated affordable housing units serving households at 80% MFI and below

These amendments are expected to have a generally positive impact on housing affordability, particularly for regulated affordable development projects. Future assessment will be needed to determine if this is demonstrated to be the case and if further changes are warranted. However, at this time, additional changes to off-street parking requirements are not recommended as part of this effort.

Impact of Mixed-Use Requirements

When ground-floor non-residential uses (such as retail or commercial) are required for residential development, this can add significant development costs. This can be a barrier for any residential development but poses a particular challenge for regulated affordable housing developers. Under current state rules, the inclusion of a commercial component requires developers to pay prevailing wage at higher commercial rates, rather than the lower residential prevailing wages that would be required for a similar project that does not include commercial square footage. Triggering commercial prevailing wage can increase construction costs by 15% or more, making locations in mixed-use zones unattractive or even impossible to develop as regulated affordable housing. Modeling a 15% increase in project hard costs would render all the development concepts tested in this project infeasible. As noted previously, these requirements also impact long-term operational costs for property owners and managers.

Impact of Land Discounting/Donation

One of the largest impacts that public agencies can have on project costs is through allowing development on land owned, or sold by, public agencies. If agencies can donate unused land for development or sell that land to developers at a discounted rate, this can significantly reduce development costs. Land discounting/donation, while not a regulatory tool, has the potential to have a

greater impact of project feasibility, and hypothetical improvement in affordability, than regulatory changes that simply increase the achievable density.

In the case of the five development concepts, land donation in each scenario would have strong positive impact on the feasibility as shown in Table 13, surpassing the impact of a 100% increase in density (as shown in Table 12). The reduction of land costs has the greatest positive impact on lower density sites, as the incremental cost of land per unit is greater in these smaller projects. Discounted land costs can result in reductions to development costs sufficient to allow significantly reduced rent.

Table 13: Hypothetical Affordability Improvements from Value of Land Donation

	ALEXANDER STREET	CORNELL/MURRAY	SHAW STREET	SPRINGVILLE	THEORETICAL
Baseline (Market)	81%	90%	91%	114%	106%
With Land Donation	72%	80%	75%	95%	74%
<i>Total Reduction</i>	<i>9%</i>	<i>10%</i>	<i>15%</i>	<i>19%</i>	<i>32%</i>

8. COMMUNITY DEVELOPMENT CODE AMENDMENT RECOMMENDATIONS

This project recommends CDC amendments to address many identified development barriers. While CDC amendments alone are unlikely to fully address housing affordability challenges, amending to the CDC is one of the most immediate and cost-effective approaches the County can undertake to facilitate more equitable housing. Every little bit helps when it comes to reducing barriers and costs associated with affordable housing and housing costs generally.

Recommended CDC amendments are intended to reduce or eliminate most of the identified regulatory barriers and incentivize equitable housing production. Ultimately proposed code amendments, including recommended language, will be further refined in preparation for review and adoption during the 2018 and 2019 Ordinance Seasons. County staff is continuing to explore ways to facilitate affordable housing and additional recommendations/future ordinances will likely come forward as a result of that work. Refinement of the recommendations must be balanced against existing County policies, relevant Community Plans, and the intended purpose of the Districts that would be affected.

Potential barriers and solutions that have been identified to be addressed through code amendment recommendations are associated with the topics listed below:

- Residential density bonuses
- Yard (setback) requirements
- Planned Development (PD) open space requirements
- On-street parking and driveway widths¹⁰
- Requirements for private streets
- Ground-floor commercial use requirements

¹⁰ Off-street parking regulations were updated in 2017 to simplify the standards and provide additional flexibility. The overall effect of the updated regulations

- Housing type flexibility
- Flexible zoning for affordable housing

Residential Density Bonuses

Recommendation: Allow for residential density bonuses in exchange for development of regulated or otherwise guaranteed affordable housing, particularly in lower and medium density residential districts.

This report recommends amending multiple residential land use districts, including residential Transit Oriented districts, to include an optional residential density bonus for regulated affordable housing units. Density bonuses encourage housing development and can incentivize affordable housing units by increasing the number of allowed housing units in projects that include a minimum number (or percentage) of affordable housing units. This can allow the developer the ability to construct more housing units than would otherwise be allowed in the development. The specific mechanism for a regulated affordable dwelling bonus needs additional refinement to reflect the County's current policies and market conditions. The County could consider an incentive-based approach that offers a density bonus of one market-rate dwelling for each affordable dwelling (potentially up to a certain cap), or a percentage bonus (e.g. 10% more housing units), with all bonus units to be provided as regulated affordable housing.

Residential density bonus regulations could be tailored to require that the developer provide an affordable housing development plan and to enter into a development agreement with Washington County that commits to the specified number of affordable units. Alternatively, or in addition, the County could require a private deed restriction to ensure that proposed regulated housing remains affordable for a specified period of time. The County would need to consider existing regulations and compliance mechanisms, and determine if it has capacity to take on additional monitoring for regulated affordable housing subject to deed restrictions. However, allowing affordable housing through development agreements and/or deed restrictions could increase the supply of affordable housing that is not subsidized with state or federal funds.

Washington County standards limiting residential densities were a significant development barrier on the Shaw Street study site (R-24 District), and a relatively minor development barrier on the Springville and Theoretical study sites (R-15 and R-6 Districts respectively). In the case of the Shaw Street site, the development concept includes the maximum allowed units on the site, however an additional 44 units could potentially be constructed by increasing the size buildings from 2-3 story structures to 4-story structures. In the cases of the Springville and Theoretical sites, a density increase would potentially make single-family attached and cluster housing structure types a more viable design alternative compared to typical single-family dwellings, thus, allowing for newer residential dwellings while still being compatible with the scale and character of existing Districts.

The following districts would potentially gain the greatest benefit from including a residential density bonus:

- R-5 District (Residential 5 Units per Acre)
- R-6 District (Residential 6 Units per Acre)
- R-9 District (Residential 9 Units per Acre)
- R-15 District (Residential 15 Units per Acre)
- R-24 District (Residential 24 Units per Acre)
- TO:R9-12 (Transit Oriented Residential District, 9-12 Units per Acre)
- TO:R12-18 (Transit Oriented Residential District, 12-18 Units per Acre)
- TO:R18-24 (Transit Oriented Residential District, 18-24 Units per Acre)

This report does not recommend a residential density bonus for the County's highest density districts - R-25+, CBD, TO:R40-80, TO:R80-120, and the commercial oriented TO Districts. Both R-25+ and CBD currently allow up to 100 dwelling units per acre when specific standards are met, and CBD allows up to 100' maximum building heights. In addition, the concept studies for the Alexander St. (CBD) and Cornell/Murray (TO:RC District) study sites were not limited by residential density restrictions in comparison to the other study sites.

Yard (Setbacks) Requirements

Recommendation 1: Consider reducing setbacks in selected zones for multi-family dwelling types to allow for higher lot coverage and densities; consider modest reductions in landscaping requirements in the same areas to achieve the intended ability to increase densities;

Recommendation 2: Consider what can be allowed within a required setback and yard area as part of ordinance development.

This report recommends amendments to setback requirements for multi-family attached dwellings in the following District:¹¹

- R-24 District (Residential 24 Units per Acre)
- R-25+ District (Residential 25 Units or More per Acre)
- CBD (Community Business District)

Front Yard Setbacks. Multi-family developments in these districts currently have a minimum front yard setback of 20 feet. Generally, the recommended amendments would be to require a minimum front yard setback of no more than 10 feet for multi-family dwellings that don't exceed 35 feet in height. Alternatively, the County may wish to encourage larger multi-family dwellings in the R-25+ and CBD districts by removing or raising the 35-foot height restriction or reducing the front yard setback to zero.

¹¹ The Alexander Street site, located in the CBD, was a focus of Washington County's Aloha Tomorrow project. Aloha Tomorrow recommends creation of a Town Center Core District that would allow zero setback requirements.

Rear Yard Setbacks. The minimum rear yard setback requirement is 20 feet for R-24 and R-25+ districts and varies in the CBD. The recommendation would be to reduce the rear yard setback in the R-24 and R-25+ districts to no more than eight feet and leave CBD unchanged. Alternatively, the County may apply the variable rear yard setback standards from CBD to the R-24 and R-25+ districts.

Side Yard Setbacks. The minimum side yard requirement varies for R-24, R-25+, and CBD. In R-24 and R-25+, the side yard requirement varies from 5 to 20 feet, based on the number of stories.¹² In CBD, the side yard requirement varies based on abutting land use districts and whether the lot is on the corner of a block. The recommendation would be to maintain the variable side yard setback requirement in the R-24 and R-25+ districts but reduce it to a range of 5-10 feet for multi-family buildings that are one to three stories in height.

Setback Allowances. Most residential districts include additional setback standards for specific structures such as porches and garages. The setback standards can be more or less than front/rear/side yard setback requirements depending on the structure type. These standards are intended to encourage housing designs that are considered compatible with character of the district. The County may want to evaluate if the current setback standards for other structures are still consistent with a district's intent. Similarly, the County may also consider adding additional setback standards for other structure types which meet the intended character of the district.

In addition, this report recommends reducing the minimum required landscaping for multi-family developments from the current 25 percent to no more than 15 percent in R-15, R-24, and R-25+. The reduction in the minimum landscape requirement would support reductions in setback requirements. Typical minimum landscape requirement varies by jurisdiction and land use type, however comparable higher density residential districts in other jurisdictions range from no minimum landscape requirement to a minimum of 15 percent landscaping.

Planned Development (PD) Open Space

Recommendation 1: For regulated affordable housing, regardless of district, consider reducing minimum percentage of site that must be dedicated as common open space for Planned Developments.

Recommendation 2: Allow drainage hazard areas/flood plains and other protected non-buildable areas to count towards PD open space requirements for all Planned Developments.

Recommendation 3: Reduce or remove additional PD open space requirements for residential Planned Developments in CBD.

This report recommends reducing the minimum percentage of a site that must be dedicated as PD open space for residential planned developments that include a minimum percentage of regulated affordable housing units. The minimum amount of regulated affordable housing units that would be appropriate to

¹² There is also a minimum 10-foot street side yard requirement for these District that applies unless the building is over 3 stories.

qualify for a PD open space reduction would need additional refinement to reflect the County's current policies and market conditions.

This report also recommends removing or reducing the amount of additional PD open space that is required for residential-only development in CBD that is seeking to develop at a density between 40 to 100 units per acre. Currently, residential-only development seeking to develop above 40 units per acre must provide an additional 10 percent of the site as open space— for a total of 30 percent of the site to meet the PD open space requirement. Removing the additional open space requirement would mean that residential-only development in CBD, regardless of density, would have the same open space requirements as mixed-use developments.

Additionally, this report recommends that at least a portion of drainage hazard areas/flood plains and otherwise-protected resource/non-buildable area be eligible to count towards residential PD open space requirements. CDC Sections 421 and 422 allow several types of outdoor recreational uses on lands identified as flood plains/DHAs and significant natural resource areas. While such areas may not be appropriate for active recreation, they may be excellent candidates for passive or visual enjoyment as scenic and wildlife habitat resources. Allowing these areas to count towards residential PD open space requirements will ensure that PD sites offer recreational space as intended, while potentially conserving enough buildable area onsite to boost development feasibility and affordability.

On-street Parking and Driveway Widths

Recommendation 1: Reduce or remove on-street parking requirements.

Recommendation 2: Reduce the minimum width standards for individual and combined residential driveways.

The County requires on-street parking for single-family attached or single-family detached dwellings in urban residential districts that meet certain criteria, in addition to minimum off-street parking requirements. This report recommends eliminating on-street parking requirements if possible. If it is not feasible to eliminate on-street parking requirements, the recommendation is to reduce the number of on-street spaces required and reduce the number of circumstances in which developers are required to provide on-street parking. Table 14 summarizes current on-street parking standards and Table 15 provides an example on reducing the requirements. Reducing the required number of on-street parking spaces can be accomplished by requiring one on-street parking space for each dwelling that includes one off-street parking space and require one on-street parking space for every two dwellings that include two or more off-street parking spaces. In addition, the recommendation would be to allow available on-street parking to substitute for some required off-street parking.

Table 14: On-street Parking Requirements for Urban Residential Districts

OFF-STREET PARKING SPACES	ON-STREET PARKING SPACES	COMBINED PARKING SPACES
1	2 per lot	3 per lot
2	1 per lot	3 per lot
3 or more	1 for every 2 lots (.5 per lot)	3.5 or more per lot

Table 15: Example of Reductions to On-street Parking Requirements for Urban Residential Districts

OFF-STREET PARKING SPACES	ON-STREET PARKING SPACES	COMBINED PARKING SPACES
1	1 per lot	2 per lot
2 or more	1 for every 2 lots (.5 per lot)	2.5 per lot

This report also recommends reducing the minimum driveway widths required by CDC Section 413, which are currently 12 feet for a single driveway and 30 feet for a double. The recommendation is to require minimum driveway widths more consistent with existing CDC provisions of Section 409 (Private Streets). These require only 10 to 15 feet for private roads serving up to two units (depending on length), including those that serve as driveways for single and double flag lots. If minimum individual driveway widths are narrowed, for example to 10 feet, a related standard of Section 413 that identifies a 12-foot-wide driveway as one off-street parking space would need to be changed to match. Since Section 413 currently identifies a 20-foot-wide driveway as two off-street spaces, a reduction of the minimum 30-foot width for double driveways to 20 feet may be appropriate. Recommended dimensions for reduced driveway widths should be evaluated further in the next steps.

Private Street Improvements

Recommendation: Provide greater flexibility for sidewalk requirements when private streets are proposed.

This report recommends allowing the omission of a sidewalk on one side of a private street serving nine or more units, where no dwellings or pedestrian-related uses can be accommodated or allowed on the opposite side of the street. For example, where sidewalks are normally required on both sides, this amendment would allow sidewalks on one side of the street in cases where there can be no dwellings or pedestrian-related uses on the other side.

Ground-floor Commercial Use Requirements

Recommendation: For regulated affordable housing, consider amending standards that require ground-floor non-residential (i.e. retail) uses in the TO:RC district and allow regulated affordable housing developments to achieve the maximum density level in the CBD without providing ground floor commercial uses.

Recommendation: The County may also choose to evaluate existing CBD or TO:RC districts to determine if the areas may be more appropriately designated as a high density residential district such as the R-25+, TO:R40-80, or TO:R80-120.

This report recommends that, for regulated affordable housing, the County consider revising the ground-floor non-residential use requirements for housing developments in the TO:RC district, and potentially other districts that similarly require no-residential uses on the ground floor. The County may

consider allowing a shared or common use facility or space to meet the ground-floor non-residential use requirements (e.g., a lobby, dining room, gym, or other interior or outdoor activity space) for regulated affordable developments. This could allow active ground-floor uses that meet the intent of the Transit-Oriented districts and may allow those spaces to be converted to commercial use in the future, if market factors make this a feasible option.

In addition, this report recommends that regulated affordable housing developments in CBD not be subject to a density threshold whether or not they include a ground-floor commercial use. The County should also consider previously-discussed revisions to PD open space requirements to encourage housing development in CBD.

The County should also revisit areas designated TO:RC and CBD to determine if some of these areas may be more appropriately re-designated high density residential as a way to reduce barriers to equitable or affordable housing, or to provide increased opportunities to provide this type of housing.

Housing Type Flexibility

Recommendation: Analyze current CDC requirements and allowances for Accessory Dwelling Units (ADUs); consider amendments to remove barriers to ADUs and potentially allow up to two ADUs per lot.

Recommendation: Develop standards, similar to those the CDC already applies in North Bethany, to allow for cluster housing in other urban unincorporated Washington County residential areas.

Washington County should examine existing CDC regulations and identify code changes that could encourage the development of ADUs.¹³ Similarly, the County should consider amending existing regulations for cluster housing in the North Bethany Districts and expand the applicability of cluster housing regulations to other residential districts as well.

Proposed changes should be sensitive to and weighed against potential community impacts. ADUs and cluster housing have the capacity to easily expand the availability of housing in areas zoned largely for single-family housing – potentially doubling the existing residential capacity – while still maintaining the character of low-density residential districts. These units can provide more housing choice, smaller and potentially more affordable units, and additional income to assist with the affordability of the primary dwelling.

¹³ This project did not specifically perform code analysis to identify barriers to ADU development because they are commonly constructed as part of infill development and are not typically constructed with new residential development.

“Flexible Zoning” for Affordable Housing Development

Recommendations:

- *Consider developing a simplified and more comprehensive approval path, offering flexibility of standards for regulated affordable housing.*
- *Update and perhaps consolidate some existing CDC provisions intended to offer flexibility, to increase their usefulness and relevance today.*

In some locations, existing CDC standards and requirements may make development infeasible on lots with challenging site characteristics. Examples of site characteristics that make new development challenging include, but aren't limited to, oddly shaped lots, partially undevelopable lots, and existing road configurations that limit lot size and configuration. Value potential can be added to these areas, while still achieving the County's equitable housing goals, by allowing regulated affordable housing to be developed.

In addition to a “clear and objective standards” path, the County should consider developing an alternative development path that allows additional flexibility for developments on these problematic parcels. The alternative development path could be similar to a simplified Planned Development review procedure that offers a more comprehensive “flexible zoning” approach that is specifically targeted for regulated affordable housing on complicated parcels. Provisions from CDC North Bethany PD standards provide a useful starting point, as do related provisions from the City of Portland.

Regular Strategic Updates

Recommendation: *The County should revisit and consider the need for additional updates to the CDC at regular or semi-regular intervals to ensure regulatory and code requirements are not unnecessarily negatively impacting development feasibility and/or increasing development costs.*

To better understand whether the County's regulations are calibrated for infill and redevelopment in desired locations, the County should continually monitor and evaluate the CDC to ensure regulations are calibrated to promote equitable and affordable housing. The assessment can be similar in scope to this project and consider the CDC generally, or the assessment can be more strategic in nature and focus on one identified barrier similar to the recent updates to parking regulations. During the assessment, the County should work with various stakeholders involved in development who use the regulations on a regular basis. This could include internal departments such as planning, public works, parks and recreation, building, engineering, economic development, and the planning commission and elected body. The process could also include developers, neighborhood organizations, and business owners depending on the scope of the assessment.

9. POLICY AND PROGRAM SUPPORT RECOMMENDATIONS

The recommended code amendments in this memorandum are just one of a comprehensive set of tools needed to meet the growing demand for affordable housing. Washington County must consider actions in addition to amendments to the CDC that remove regulatory barriers. While the County has taken many steps to support housing development in recent years, including dedication of publicly-owned land for affordable housing projects, additional support will help increase the supply of equitable and affordable housing for all County residents.

The County should consider shifts in policy to support equitable and affordable housing, offering development incentives such as dedicated funding for affordable housing development, reductions or exemptions to fees and charges for affordable housing development, and other policy and programmatic initiatives that result in the development of affordable housing. In addition, equitable housing strategies must address the need for access to affordable transportation options, to public and personal social services, and to shopping and employment centers.

Policy and programmatic strategies to reduce barriers to housing development that the County may wish to explore further include, but are not limited to the following:

- Refine existing policy foundation to be more supportive of equitable and affordable housing.
- Find opportunities to streamline or shorten permitting processes and timelines.
- Support regulated affordable housing through:
 - Continued donations and discounting of public land for regulated affordable housing.
 - Enabling additional property tax exemptions or abatements for regulated affordable housing.
 - Sharing the cost of required public improvements.
 - Reducing or waiving System Development Charges (SDCs) and/or other development fees and charges.
- Establish a development tax (e.g. a Construction Excise Tax) and/or other value capture incentives to encourage regulated affordable housing.



MEMORANDUM

Alexander Street Multifamily Senior Site Profile

Washington County Equitable Housing Project

DATE November 2, 2017, Updated November 15

TO Kimberly Armstrong, Washington County
Theresa Cherniak, Washington County

FROM Matt Hastie, APG
Clinton "CJ" Doxsee, APG

CC Brendan Buckley, Johnson Economics
Isaac Johnson, Ankrom Moisan Architects

ALEXANDER STREET SITE

Site Overview

Tax Lot ID:	1S212DA 500, 600, 700, 800, 801
Site Size (combined)	1.6 acres
Zoning	Community Business District (CBD)
Community Plan	Aloha-Reedville-Cooper Mountain Community Plan

The Alexander Street Multi-family Senior site is part of a larger area under one ownership known as the "Aloha Opportunity site". The "Aloha Opportunity Site" is comprised of multiple, privately owned tax lots located near the corner of SW 185th Avenue and SW Alexander Street that are considered to have redevelopment potential. This larger site includes 19 tax lots that total more than 7 acres on the north and south of Alexander Street. The focus area for this hypothetical affordable senior housing development is a portion of this larger site - the five tax lots located at the southwest corner, measuring approximately 1.6 acres in size.

The larger "Opportunity Site" is currently a focus of Washington County's Aloha Tomorrow project.¹ A component of the project is to support the development of the Aloha-TV Highway Town Center as an active, mixed-use location that is safe and friendly for all modes of transportation, with a multimodal main street environment on SW Alexander Street. A new Town Center Core land use district is proposed along Alexander Street between 178th and 192nd streets. The intent of the new

¹ The Aloha Tomorrow project is ongoing at the time of this project profile.

District would be to encourage pedestrian-oriented design, urban scale affordable and market-rate housing, mixed-use, and commercial development. Current recommendations for the Town Center Core district include changes to allowed land uses and development standards. Additional details on the proposed changes are described in the Land Use Designation and Regulations sections below.

LAND USE

Land Use Designation

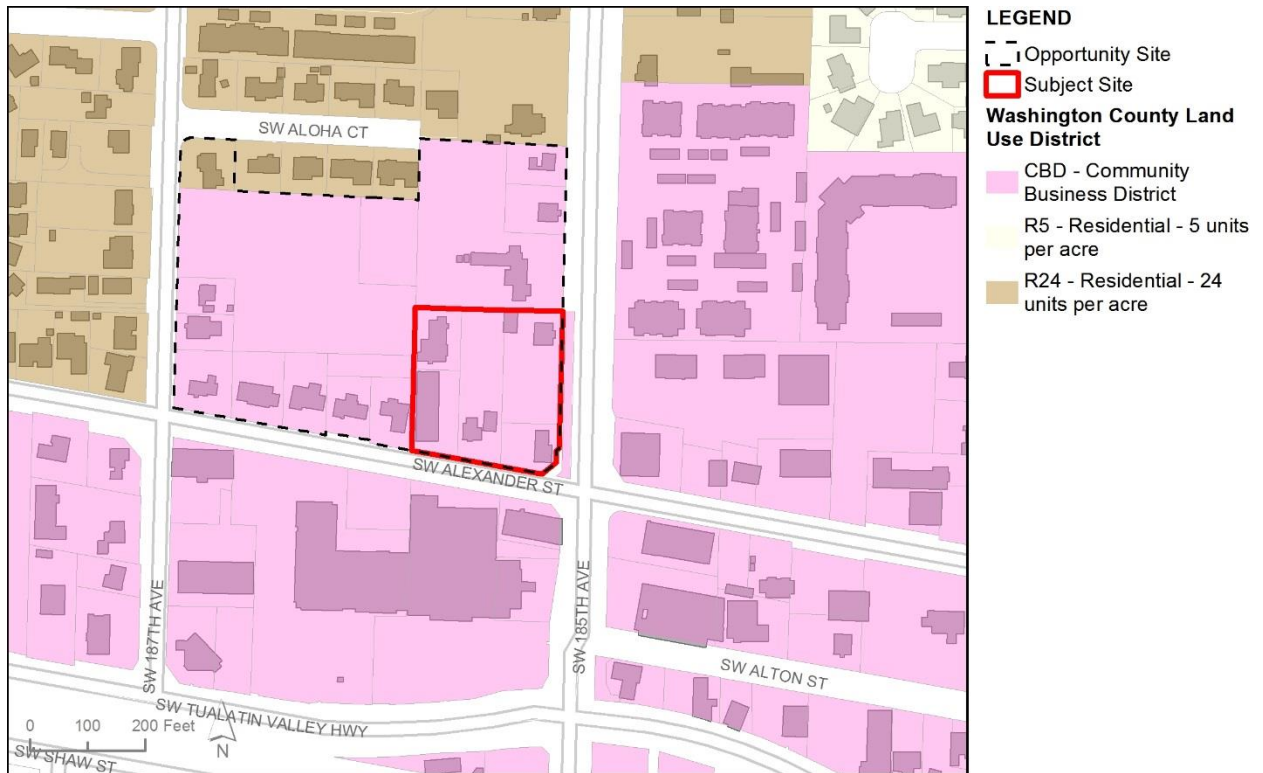
Current Land Use Designation

Land use designation regulates the range of intensities, types, and mix of land uses within a jurisdiction. The Alexander Street Multi-family Senior Site is currently located in Washington County's Community Business District (CBD). The CBD District allows for a wide mix of uses, including:

- Medium-to-large scale retail, service, and business uses.
- Various office and institutional uses.
- Medium through high density residential uses.

Parcels near the site to the south and east are also designated as CBD and primarily include commercial uses such as Big Lots, Ace Hardware, and O'Reilly Auto Parts. There is also a mix of smaller food establishments and service-oriented uses. Parcels to the west and north are designated as multi-family and single-family residential districts and include a mix of both housing types.

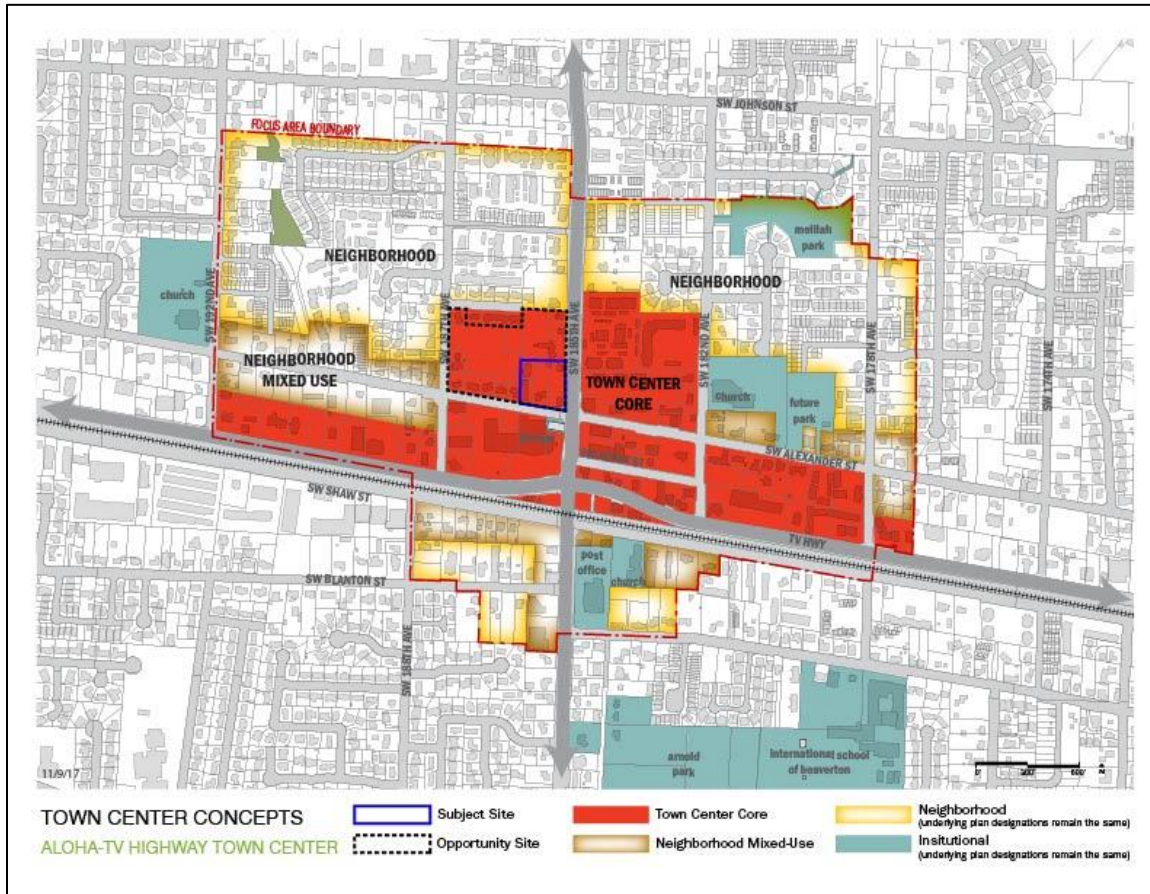
Figure 1: Zoning Map



Potential Land Use Designation

The Aloha Tomorrow project may recommend the creation of a Town Center Core district that could be applied to the Alexander Street Multi-family Senior site location and surrounding properties. The new District, shown in Figure 2 below, could replace the CBD District in designated areas.

Figure 2: Draft Town Center Core District Concept



Regulations

Current Regulations

The Aloha Alexander Street Multi-family Senior site is regulated by Washington County's Community Development Code (CDC) and the Aloha-Reedville-Cooper Mountain Community Plan (CP) under the sections noted below. The list below is by no means exhaustive of applicable standards. As site development progresses, standards listed below may not be applicable and additional applicable standards may be identified. More details on the potential concerns and solutions for applicable regulations will be explored as Equitable Housing work progresses.

CDC 313: Community Business District (CBD)

CDC 403: Development Standards Applicability

CDC 406: Building, Siting, and Architectural Design

- 406-2: Additional Requirements for Type II and Type II Development
- 406-3: Energy Conservation Guidelines
- 406-4: Privacy Guidelines

CDC 407: Landscape Design

- 407-1: Minimum Landscape Standards
- 407-2: Standards for Landscaping Materials
- 407-6: Parking Area Landscaping

CDC 408: Neighborhood Circulation

- 408-4: Circulation Analysis
- 408-5: Review Standards for Development on Lands Not Designated on the Community Plan Local Street Connectivity Maps or on Lands Not Designated as a Pedestrian/Bicycle District
- 408-9: Accessway, Trail and Greenway Design
- 408-10: Internal Pedestrian Circulation

CDC 409: Private Streets

- 409-3: Urban Private Streets
- 409-4: General Provisions for Urban Private Streets

CDC 410: Grading and Drainage

CDC 413: Parking and Loading

- 413-2: General Off-street Parking and Loading Criteria
- 413-3: General Requirements
- 413-4: Off-street Parking Lot Design
- 413-7: Minimum Off-street Parking Requirements
- 413-11: Reduction of Minimum Off-street Automobile Parking Based on Bicycle Parking

- 413-14: Minimum Off-street Loading Requirements

CDC 415: Lighting

- 415-2: Lighting Plan
- 415-4: Standards

CDC 416: Utilities

CDC 418: Setbacks

- 418-2: Additional Setbacks Required for Future Right-of-Way
- 418-3: Corner Vision

CDC 423: Environmental Performance Standards

CDC 429: Bicycle Parking

- 429-3: General Bicycle Parking Criteria
- 429-4: General Requirements
- 429-6: Number of Bicycle Parking Spaces Required
- 429-7: Bicycle Parking Location
- 429-8: Bicycle Parking Facility Design
- 429-9: Bicycle Parking Space Dimensions
- 429-11: Bicycle Parking Lighting

CDC 501: Public Facility and Service Requirements

CDC 502: Sidewalks

Aloha-Reedville-Cooper Mountain Community Plan

- General Design Elements
- Subarea Design Elements
- Areas of Special Concern

Potential Regulations

Specific regulations associated with the creation of a new Town Center Core district are still being developed as part of the Aloha Tomorrow project. The current recommendations for regulations are similar to existing CBD District regulations, with modifications to support the creation of a walkable, pedestrian-oriented Town Center area with a community-friendly urban form. Proposed changes include:

Proposed Land Uses

- Variety of commercial and residential uses permitted.
- Permitted uses differ in some respects from existing CBD allowances.

- Most significant difference: auto-oriented uses (such as drive throughs) are prohibited.

Proposed Development Standards

Building orientation; setbacks; building entrances; building design; signs; parking location/design; parking amounts; pedestrian circulation

ENVIRONMENTAL CONSTRAINTS

Environmental constraints such as slope, flood plain, or significant natural resources, or sensitive corridors can impact a development's feasibility, posing both regulatory and physical barriers. When a site is within 250 feet of 100-year or 25-year flood plain, applicants must address CDC Section 421 (Flood Plain and Drainage Hazard Area Development). When a site is within 250 feet of resource areas identified on the Community Plan, applicants must address CDC Section 422 (Significant Natural Resources). Additional plans, documentation and mitigation may be required by Sections 421 and 422, including work by certified professional engineers and/or wildlife specialists.

The Alexander Street Multi-family Senior site does not appear to include County-regulated environmental constraints. The nearest identified environmental constraint is a stream identified as a significant natural resource (Water Areas and Wetlands & Fish and Wildlife Habitat) located over 500 feet to the northeast.

TRANSIT AND AMENITIES

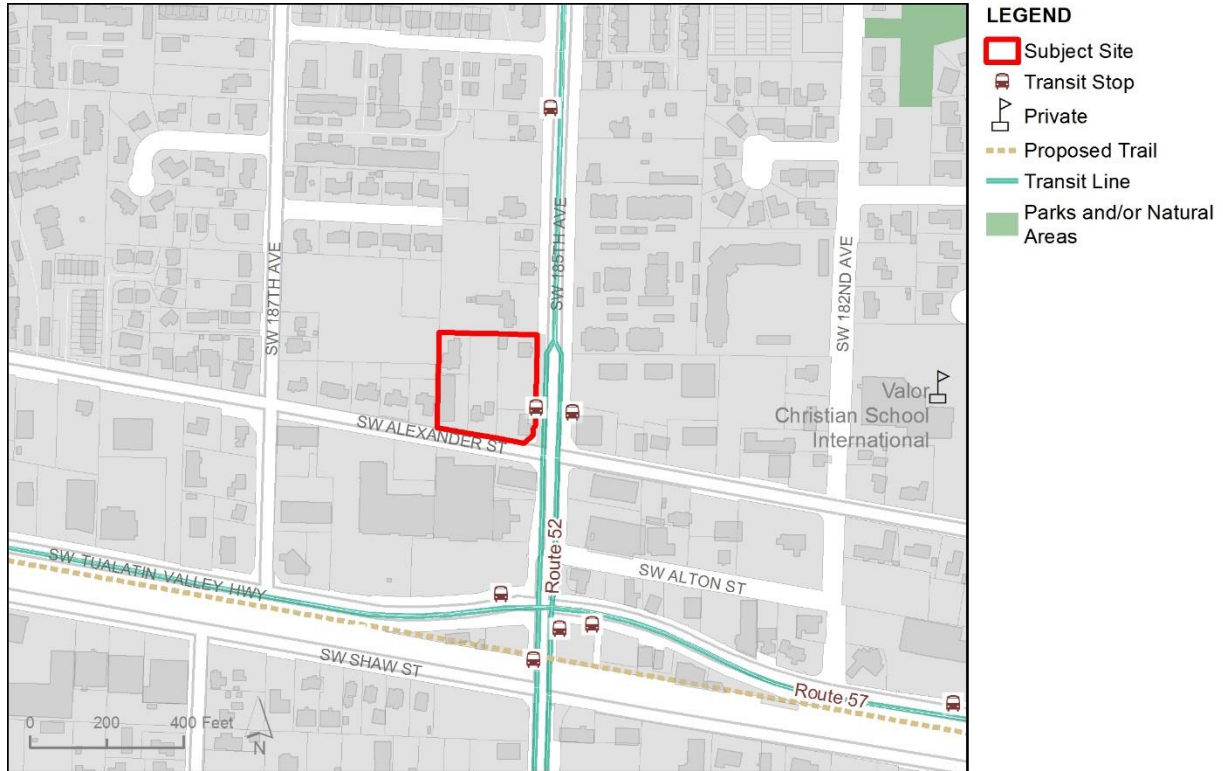
Access to nearby public amenities, such as parks, schools, and transit, provides for enhanced quality of life for the surrounding communities. A new Tualatin Hills Parks & Recreation park facility located on SW Alexander between 182nd and 178th is in design, and construction is anticipated to begin in 2020.

The Alexander Street site is located at the northeast corner of the intersection at SW 185th Avenue and SW Alexander Street. SW 185th Avenue is a major thoroughfare, providing north-south connections to regional destinations and other major thoroughfares. Tualatin Valley Highway (TV Highway) is located one block south of the Alexander Street site and provides east-west connections similar to SW 185th Avenue.

The Alexander Street Multi-family Senior site is located close to two transit lines served by bus, with stops for Line 52 (Farmington/185th) immediately adjacent to the site, and stops for the frequent-service Line 57 (TV Highway/Forest Grove) on TV Highway. In addition, Washington County's Aloha Tomorrow project will recommend transit and safety improvements on TV Highway and street improvements to SW Alexander and SW Shaw. Recommended SW Alexander improvements include a new bicycle/pedestrian crossing at SW 185th, sidewalks and protected bike lanes, and improved intersections at SW 187th and SW 182nd. Amenities recommended for the nearby area include

bicycle and pedestrian improvements on SW Shaw Street that may serve as a regional trail connection in the future.

Figure 3: Transit and Amenities



DEMOGRAPHICS

Demographic factors provide very general indicators of a community's need for affordable housing. The Environmental Protection Agency (EPA)'s EJScreen was used to evaluate the demographics of the community within a 1-mile radius of the Alexander Street Multi-family Senior site.

- Communities of color make up a large portion of the overall population; 45 percent of the surrounding population is minority, compared to 32 percent of the County's population. People identifying as Hispanic or Latino account for 26 percent population. Percentages of other non-white minority group populations are relatively comparable to those in the County overall.
- People in the surrounding area are less likely to have a bachelor's degree or higher compared to the County; approximately 27 percent compared to 41 percent.
- A small portion of the population – about 14 percent of the surrounding area – report that they speak English “less than very well.” The share of population that is not proficient in English is slightly higher than Washington County average.
- The distribution of households earning \$25,000 or less is similar to the County as a whole, but higher for households earning between \$25,000 and \$75,000.

Table 1: Summary of ACS Estimates

	Alexander Street site (1-mile radius)	Washington County
Summary of ACS Estimates		
Population	21,254	556,210
Population Density (per sq. mile)	6,693	768
Minority Population	9,470	176,685
% Minority	45%	32%
Households	6,870	206,426
Housing Units	7,255	217,085
Housing Units Built Before 1950	166	11,029
Per Capita Income	24,099	32,369

Source: U.S. Census Bureau, American Community Survey (ACS) 2011-2015

Table 2: Detailed Summary of ACS Estimates

	Alexander Street site (1-mile radius)			Washington County		
	Count	Percent	MOE (±)	Count	Percent	MOE (±)
Population by Race						
Total	21,254	100%	605	556,210	100%	0
Population Reporting One Race	20,308	96%	2,173	531,666	96%	7,774
White	14,263	67%	550	431,470	78%	2,435
Black	912	4%	260	10,061	2%	678
American Indian	264	1%	289	4,134	1%	703
Asian	2,022	10%	294	51,639	9%	1,008
Pacific Islander	148	1%	259	2,708	0%	437
Some Other Race	2,698	13%	521	31,654	6%	2,513
Two or More Races	946	4%	207	24,544	4%	1,596
Total Hispanic Population	5,587	26%	511	89,846	16%	0
Total Non-Hispanic Population	15,667			466,364		
White Alone	11,784	55%	374	379,525	68%	252
Black Alone	909	4%	260	9,778	2%	683
American Indian Alone	120	1%	53	2,257	0%	357
Non-Hispanic Asian Alone	1,989	9%	294	51,128	9%	952
Pacific Islander Alone	54	0%	71	2,304	0%	271
Other Race Alone	74	0%	68	639	0%	183
Two or More Races Alone	738	3%	207	20,733	4%	1,488
Population by Sex						
Male	10,478	49%	401	273,743	49%	70
Female	10,776	51%	344	282,467	51%	70
Population by Age						
Age 0-4	1,859	9%	158	37,207	7%	62
Age 0-17	6,004	28%	274	136,761	25%	1,459
Age 18+	15,250	72%	372	419,449	75%	2,680
Age 65+	1,600	8%	122	63,292	11%	1,341
Population 25+ by Educational Attainment						
Total	13,446	100%	333	373,592	100%	119
Less than 9th Grade	1,079	8%	155	16,569	4%	1,124
9th - 12th Grade, No Diploma	928	7%	140	18,075	5%	1,095
High School Graduate	3,301	25%	215	70,985	19%	1,785
Some College, No Degree	4,564	34%	207	115,792	31%	2,250
Associate Degree	1,369	10%	121	32,269	9%	1,095
Bachelor's Degree or more	3,574	27%	201	152,171	41%	2,558
Population Age 5+ Years by Ability to Speak English						
Total	19,395	100%	499	519,003	100%	63
Speak only English	12,772	66%	356	395,331	76%	2,173
Non-English at Home ¹⁺²⁺³⁺⁴	6,623	34%	389	123,672	24%	2,427
¹ Speak English "very well"	3,888	20%	277	74,479	14%	2,324
² Speak English "well"	1,620	8%	163	24,726	5%	1,330
³ Speak English "not well"	836	4%	187	16,603	3%	1,073
⁴ Speak English "not at all"	279	1%	156	7,864	2%	807
³⁺⁴ Speak English "less than well"	1,115	6%	192	24,467	5%	1,343
²⁺³⁺⁴ Speak English "less than very well"	2,735	14%	219	49,193	9%	1,890
Linguistically Isolated Households*						
Total	405	100%	75	9,409	100%	680

	Alexander Street site (1-mile radius)			Washington County		
	Count	Percent	MOE (±)	Count	Percent	MOE (±)
Speak Spanish	160	40%	68	4,797	51%	512
Speak Other Indo-European Languages	52	13%	56	1,222	13%	227
Speak Asian-Pacific Island Languages	180	44%	48	3,213	34%	376
Speak Other Languages	13	3%	21	177	2%	85
Households by Household Income						
Household Income Base	6,870	100%	165	206,426	100%	1,074
< \$15,000	651	9%	115	16,585	8%	970
\$15,000 - \$25,000	623	9%	109	17,238	8%	1,010
\$25,000 - \$50,000	1,832	27%	154	42,989	21%	1,493
\$50,000 - \$75,000	1,552	23%	139	37,709	18%	1,394
\$75,000 +	2,213	32%	130	91,905	45%	1,956
Occupied Housing Units by Tenure						
Total	6,870	100%	165	206,426	100%	1,074
Owner Occupied	3,718	54%	117	124,690	60%	1,585
Renter Occupied	3,152	46%	152	81,736	40%	1,361
Employed Population Age 16+ Years						
Total	15,935	100%	379	434,453	100%	490
In Labor Force	11,493	72%	326	299,448	69%	1,797
Civilian Unemployed in Labor Force	1,250	8%	124	22,794	5%	1,183
Not in Labor Force	4,443	28%	233	135,005	31%	1,887

Data Note: Detail may not sum to totals due to rounding. Hispanic population can be of any race.

Source: U.S. Census Bureau, American Community Survey (ACS) 2011-2015

* Households in which no one 14 and over speaks English "very well" or speaks English only.



MEMORANDUM

Cornell – Murray Mixed Use Site Profile

Washington County Equitable Housing Project

DATE November 2, 2017, Updated November 15

TO Kimberly Armstrong, Washington County
Theresa Cherniak, Washington County

FROM Matt Hastie, APG
Clinton “CJ” Doxsee, APG

CC Brendan Buckley, Johnson Economics
Isaac Johnson, Ankrom Moisan Architects

CORNELL – MURRAY MIXED USE SITE

Site Overview

Tax Lot ID: 1N133DB03400 and 1N133DB03500

Site Size 0.76 acres

Zoning Transit Oriented Retail Commercial District (TO:RC)¹

Community Plan Cedar Hills-Cedar Mill Community Plan

The Cornell-Murray Mixed Use site, owned by Washington County, was envisioned to develop as a mixed-use affordable housing development under the County’s jurisdiction, in partnership with Community Partners for Affordable Housing (CPAH). However, certain regulations within the Cedar Hills - Cedar Mill Community Plan (CP) and the Washington County Community Development Code (CDC) created sufficient challenges that CPAH chose to request annexation into the City of Beaverton and lease the property from the County in order to continue project development in a timely manner. For purposes of this study, the site is reviewed under the County land use designation and community plan requirements that existed prior to city annexation.

¹ The Cornell-Murray Mixed-Use Site has recently been annexed into the City of Beaverton’s jurisdiction as Town Center – Multiple Use (TC-MU). For the purpose of this memo, it is still assumed to be regulated by Washington County’s TO:RC Land Use District.

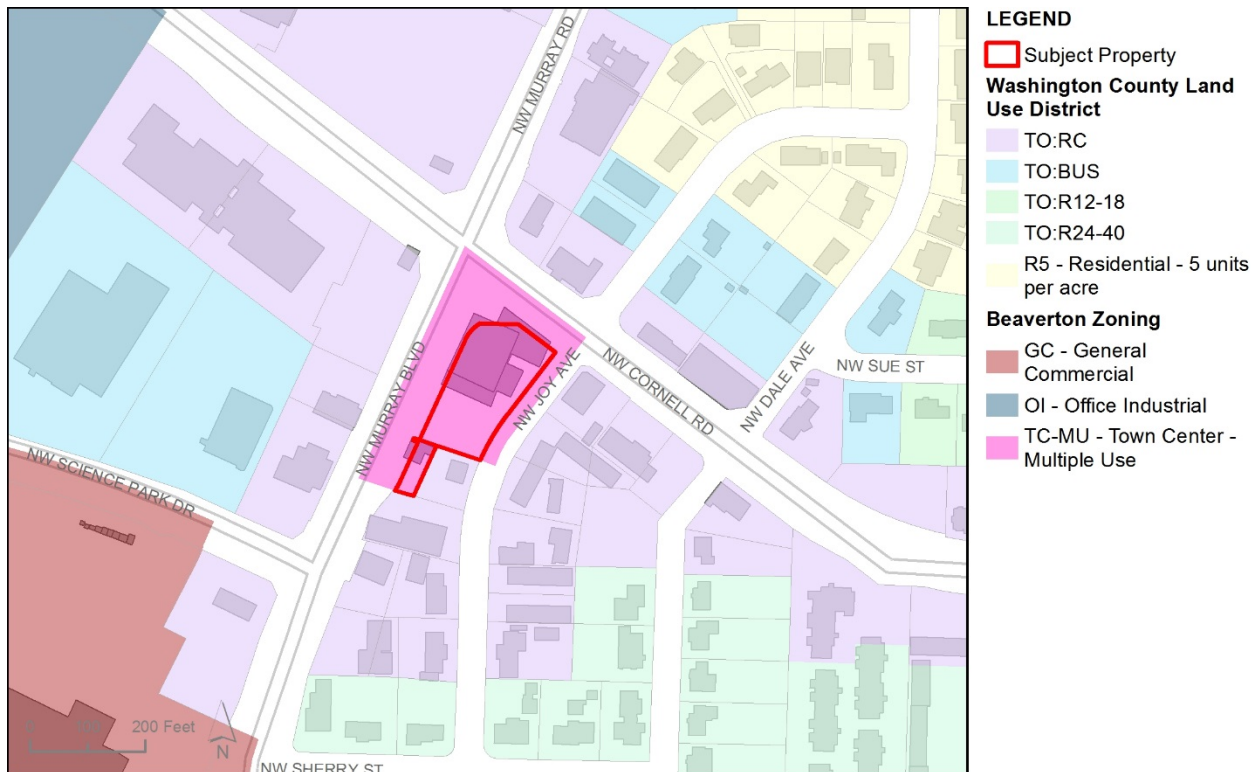
LAND USE

Land Use Designation

Land use designation regulates the range of intensities, types, and mix of land uses within a jurisdiction. Prior to annexation, the Cornell-Murray Mixed Use site was located in Washington County’s Transit Oriented Retail Commercial District (TO:RC). The County’s transit oriented (TO) districts are intended to direct and encourage development that is transit supportive and pedestrian oriented.

The site is located at the southeast corner of the intersection at NW Murray Boulevard and NW Cornell Road. The intersection provides a direct connection to US 26 to the south. Parcels adjacent and near the site are designated to allow mixed use as TO:RC, and current development is primarily commercial uses such as Walgreens, Safeway, and Jiffy Lube. Other nearby areas are designated to allow mixed-use business (TO:BUS) and mixed-use residential (TO:R24-40, TO:R18-24, TO:R12-18, and TO:R9-12) and currently are developed as a mix of single-family and multi-family residential uses.

Figure 1: Zoning Map



Regulations

Prior to annexation, the Cornell-Murray Mixed Use site was regulated by Washington County's Community Development Code (CDC) and the Cedar Hills - Cedar Mill Community Plan (CP) under the sections noted below, particularly Sections 375 and 431. More details on the potential concerns and solutions for applicable regulations can be found in Appendix A.

CDC 375: Transit Oriented Districts

- 375-7: Development Limitations for Permitted Uses in Transit Oriented (TO) Districts and associated Table A: Permitted and Prohibited Uses in Transit Oriented Districts
- 375-8: Dimensional Requirements for Transit Oriented Districts and associated Table B
- 375-9 Density Requirements for Transit Oriented Districts and associated Table C

CDC 410: Grading and Drainage

CDC 413: Parking and Loading

- 413-2: General Off-street Parking and Loading Criteria
- 413-3: General Requirements
- 413-4: Off-street Parking Lot Design
- 413-7: Minimum Off-street Parking Requirements
- 413-11: Reduction of Minimum Off-street Automobile Parking Based on Bicycle Parking
- 413-14: Minimum Off-street Loading Requirements

CDC 416: Utilities

CDC431: Transit Oriented Design Principles, Standards and Guidelines

- 431-4: Circulation System Design
- 431-5: Streetscapes for Pedestrians
- 431-6: Parking Areas, Garages and Parking Structures
- 431-7: Common Open Space
- 431-10: Water Quality Facilities

CDC 501: Public Facilities and Services

CDC 502: Sidewalks

Cedar Hills-Cedar Mill Community Plan

- General Design Elements
- Subarea Design Elements: Cedar Mill West
- Areas of Special Concern 12, 13 and 13A

ENVIRONMENTAL CONSTRAINTS

Environmental constraints such as slope, flood plain, or significant natural resources, or sensitive corridors can impact a development's feasibility, posing both regulatory and physical barriers. When a site is within 250 feet of 100-year or 25-year flood plain, applicants must address CDC Section 421 (Flood Plain and Drainage Hazard Area Development). When a site is within 250 feet of resource areas identified on the Community Plan, applicants must address CDC Section 422 (Significant Natural Resources). Additional plans, documentation and mitigation may be required by Sections 421 and 422, including work by certified professional engineers and/or wildlife specialists.

The site does not appear to include County-regulated environmental constraints. The nearest known environmental constraints are 25-year floodplains/hazard areas located over 250 feet to the east and west.

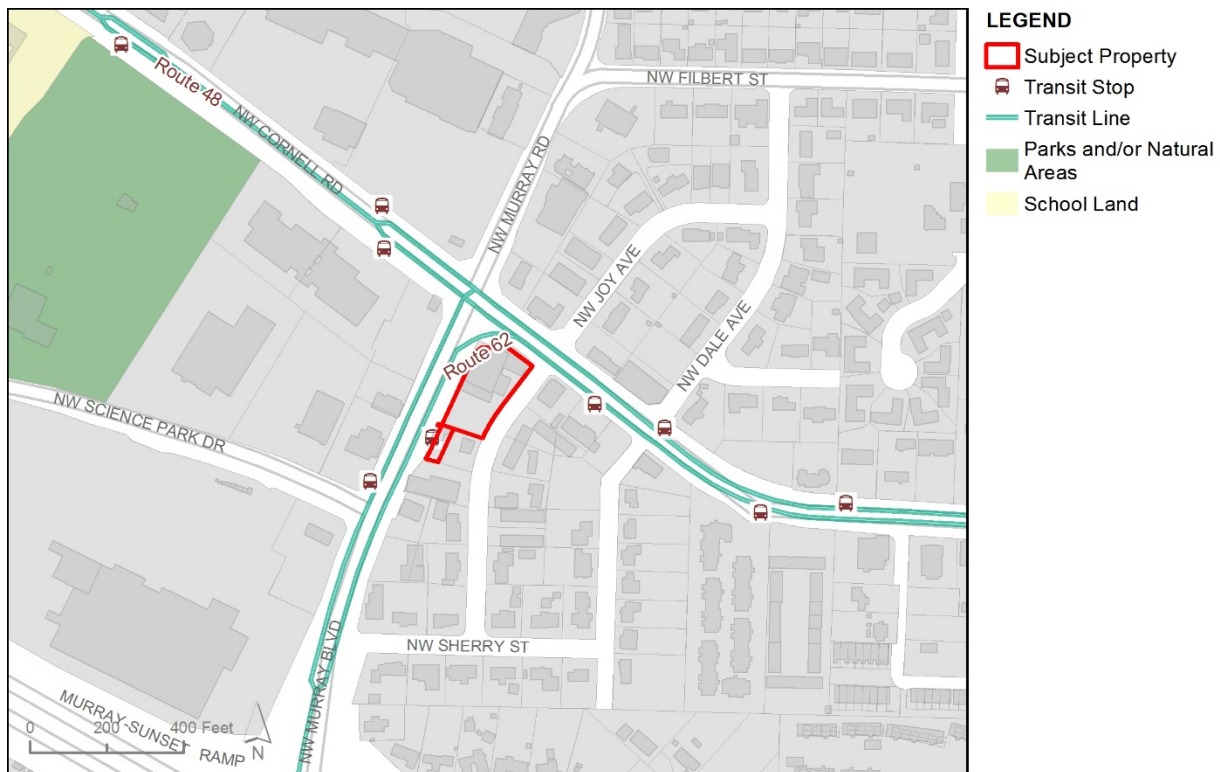
TRANSIT AND AMENITIES

Access to nearby public amenities, such as parks, schools, and transit, provides for enhanced quality of life for the surrounding communities.

The Cornell-Murray Mixed Use site is located close to several public amenities, including two regular service transit lines served by bus, with a stop for Line 62 (Murray) immediately adjacent to the site, and a stop for Line 48 (Cornell) nearby. The Sunset Transit Center is located less than 2 miles away and there are two TriMet Ticket Outlet locations nearby.

Other nearby amenities include Sunset High School and Sunset Swim Center, which also has tennis courts and baseball fields.

Figure 2: Transit and Amenities



DEMOGRAPHICS

Demographic factors provide very general indicators of a community's need for affordable housing. The Environmental Protection Agency (EPA)'s EJScreen was used to evaluate the demographics of the community within a 1-mile radius of the Cornell-Murray Mixed Use site.

- Communities of color make up a similar portion of the population as compared to the County as a whole. Asian populations account for the largest portion of minorities at 14 percent of the population, which is higher than the County average of 9 percent.
- People in the surrounding area are more likely to have a bachelor's degree or higher education compared to the County; approximately 44 percent compared to 41 percent.
- The share of population that is not proficient in English is similar to the overall County. Asian and Pacific Island languages comprise a large share of non-English languages spoken at home.
- The distribution of households earning \$50,000 or less is similar to the County, but higher for households earning between \$50,000 and \$75,000.

Table 1: Summary of ACS Estimates

	Cornell-Murray Site (1-mile radius)	Washington County
Summary of ACS Estimates		
Population	14,600	556,210
Population Density (per sq. mile)	4,813	768
Minority Population	4,528	176,685
% Minority	31%	32%
Households	6,180	206,426
Housing Units	6,493	217,085
Housing Units Built Before 1950	409	11,029
Per Capita Income	39,625	32,369

Source: U.S. Census Bureau, American Community Survey (ACS) 2011-2015

Table 2: Detailed Summary of ACS Estimates

	Cornell-Murray Site (1-mile radius)			Washington County		
	Count	Percent	MOE (±)	Count	Percent	MOE (±)
Population by Race						
Total	14,600	100%	670	556,210	100%	0
Population Reporting One Race	13,890	95%	1,428	531,666	96%	7,774
White	10,601	73%	475	431,470	78%	2,435
Black	285	2%	117	10,061	2%	678
American Indian	41	0%	41	4,134	1%	703
Asian	2,117	15%	510	51,639	9%	1,008
Pacific Islander	59	0%	62	2,708	0%	437
Some Other Race	787	5%	223	31,654	6%	2,513
Two or More Races	709	5%	244	24,544	4%	1,596
Total Hispanic Population	1,390	10%	234	89,846	16%	0
Total Non-Hispanic Population	13,210			466,364		
White Alone	10,072	69%	438	379,525	68%	252
Black Alone	285	2%	117	9,778	2%	683
American Indian Alone	35	0%	41	2,257	0%	357
Non-Hispanic Asian Alone	2,109	14%	510	51,128	9%	952
Pacific Islander Alone	48	0%	62	2,304	0%	271
Other Race Alone	10	0%	37	639	0%	183
Two or More Races Alone	651	4%	244	20,733	4%	1,488
Population by Sex						
Male	7,145	49%	370	273,743	49%	70
Female	7,455	51%	373	282,467	51%	70
Population by Age						
Age 0-4	958	7%	153	37,207	7%	62
Age 0-17	3,335	23%	227	136,761	25%	1,459
Age 18+	11,265	77%	397	419,449	75%	2,680
Age 65+	1,679	11%	160	63,292	11%	1,341
Population 25+ by Educational Attainment						
Total	10,327	100%	403	373,592	100%	119
Less than 9th Grade	290	3%	224	16,569	4%	1,124
9th - 12th Grade, No Diploma	410	4%	116	18,075	5%	1,095
High School Graduate	1,623	16%	136	70,985	19%	1,785
Some College, No Degree	3,449	33%	233	115,792	31%	2,250
Associate Degree	824	8%	123	32,269	9%	1,095
Bachelor's Degree or more	4,555	44%	305	152,171	41%	2,558
Population Age 5+ Years by Ability to Speak English						
Total	13,642	100%	579	519,003	100%	63
Speak only English	10,592	78%	408	395,331	76%	2,173
Non-English at Home ¹⁺²⁺³⁺⁴	3,050	22%	410	123,672	24%	2,427
¹ Speak English "very well"	1,921	14%	215	74,479	14%	2,324
² Speak English "well"	518	4%	301	24,726	5%	1,330
³ Speak English "not well"	325	2%	134	16,603	3%	1,073
⁴ Speak English "not at all"	287	2%	133	7,864	2%	807
³⁺⁴ Speak English "less than well"	612	4%	134	24,467	5%	1,343
²⁺³⁺⁴ Speak English "less than very well"	1,129	8%	301	49,193	9%	1,890
Linguistically Isolated Households*						
Total	171	100%	58	9,409	100%	680

	Cornell-Murray Site (1-mile radius)			Washington County		
	Count	Percent	MOE (±)	Count	Percent	MOE (±)
Speak Spanish	50	29%	54	4,797	51%	512
Speak Other Indo-European Languages	14	8%	16	1,222	13%	227
Speak Asian-Pacific Island Languages	95	56%	48	3,213	34%	376
Speak Other Languages	12	7%	22	177	2%	85
Households by Household Income						
Household Income Base	6,180	100%	194	206,426	100%	1,074
< \$15,000	492	8%	81	16,585	8%	970
\$15,000 - \$25,000	520	8%	118	17,238	8%	1,010
\$25,000 - \$50,000	1,371	22%	141	42,989	21%	1,493
\$50,000 - \$75,000	1,383	22%	133	37,709	18%	1,394
\$75,000 +	2,415	39%	267	91,905	45%	1,956
Occupied Housing Units by Tenure						
Total	6,180	100%	194	206,426	100%	1,074
Owner Occupied	3,307	54%	182	124,690	60%	1,585
Renter Occupied	2,873	46%	156	81,736	40%	1,361
Employed Population Age 16+ Years						
Total	11,571	100%	433	434,453	100%	490
In Labor Force	8,240	71%	390	299,448	69%	1,797
Civilian Unemployed in Labor Force	689	6%	86	22,794	5%	1,183
Not In Labor Force	3,331	29%	305	135,005	31%	1,887

Data Note: Detail may not sum to totals due to rounding. Hispanic population can be of any race.

Source: U.S. Census Bureau, American Community Survey (ACS) 2011-2015

* Households in which no one 14 and over speaks English "very well" or speaks English only.



MEMORANDUM

Shaw Street Multi-family Profile

Washington County Equitable Housing Project

DATE November 2, 2017, Updated November 15
TO Kimberly Armstrong, Washington County
Theresa Cherniak, Washington County
FROM Matt Hastie, APG
Clinton "CJ" Doxsee, APG
CC Brendan Buckley, Johnson Economics
Isaac Johnson, Ankrom Moisan Architects

SHAW STREET MULTI FAMILY SITE

Site Overview

Tax Lot ID: 1S107CC 3700, 3702, 3703, 3800, 5200
Site Size 2.2 acres
Zoning Residential – 24 units/acre (R24)
Community Plan Aloha-Reedville-Cooper Mountain Community Plan

The Shaw Street Multi-family site is comprised of multiple tax lots privately held by the Korean Bethel Church, a private institution. The site is mid-block with frontages to the north and south; SW Shaw Street and SW Blanton Street respectively. The combined site includes seven tax lots and is approximately 3.6 acres in size, however only a portion would likely be suitable for residential development and only that portion will be incorporated in a development concept for the site.

Washington County's Aloha Tomorrow project, currently ongoing, is developing transit and land use recommendations that could have indirect impacts on the site development potential. A component of the Aloha Tomorrow project is support for the development of the Aloha-TV Highway Town Center as an active, mixed-use location that is safe and friendly for all modes of transportation, with a multimodal main street environment on SW Alexander Street. Additional details on the proposed changes are described in the Land Use Designation and Regulations sections below.

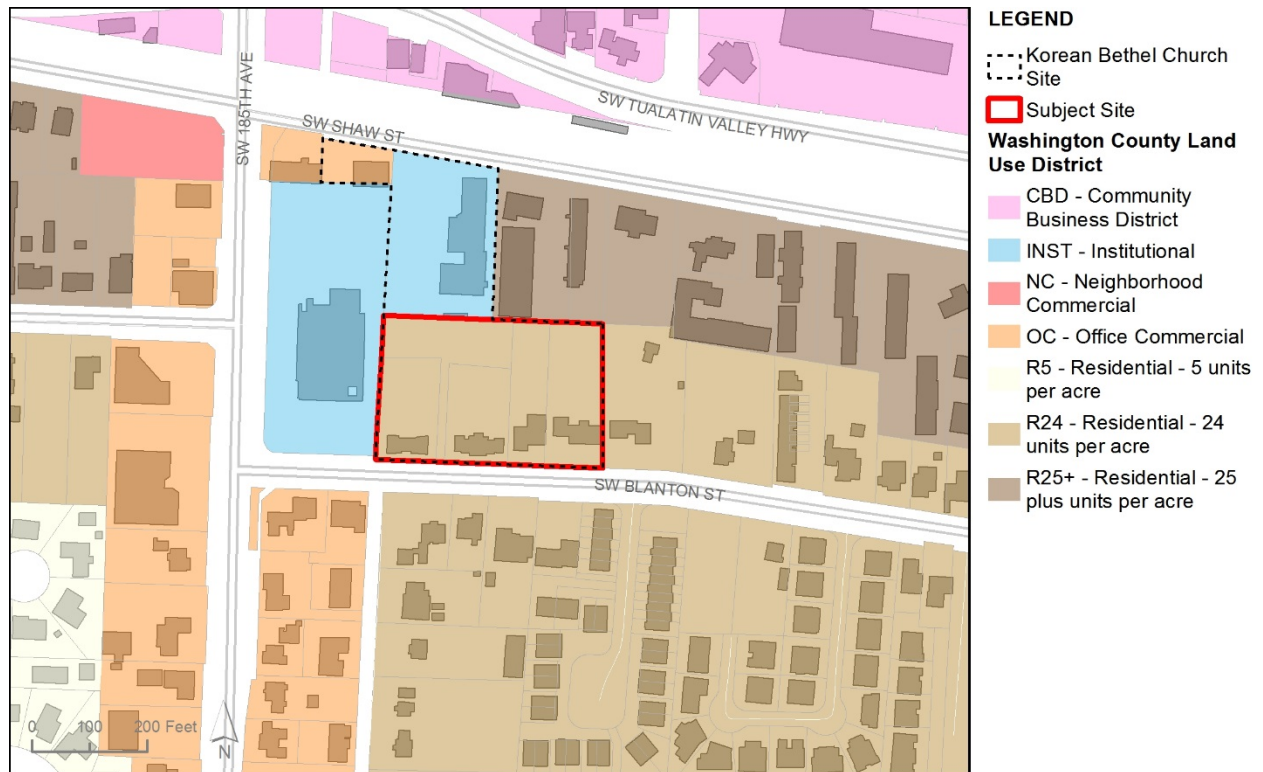
LAND USE

Land Use Designation

Land use designation regulates the range of intensities, types, and mix of land uses within a jurisdiction. Tax lots owned by Korean Bethel Church in this area have multiple Washington County land use designations. The portion of the site with frontage on SW Shaw Street in the R24 district is likely the most suitable for affordable housing development and will be the focus of a potential development concept for the site. The R24 district requires residential development density to be between 19 and 24 units per acre, except as otherwise permitted. The remainder of the site is within the INST and OC districts with frontage on SW Shaw Street to the north and is currently developed with church facilities and is not considered part of the focus area.

Parcels nearby on SW Blanton Street are also designated as R24 though many are currently developed as single-family housing. Parcels along SW Shaw Street are designated R25+ and currently developed with a mix of medium-size multi-family housing. There is a mix of small businesses and a post office to the west of the site, along SW 185th Avenue.

Figure 1: Zoning Map



Regulations

The Shaw Street Multi-family site is regulated by Washington County's Community Development Code (CDC) and the Aloha-Reedville-Cooper Mountain Community Plan (CP) under the sections noted below. The list below is by no means exhaustive of applicable standards. As site development progresses, standards listed below may not be applicable and additional applicable standards may be identified. More details on the potential concerns and solutions for applicable regulations will be explored as part of the Equitable Housing project.

CDC 306: R-24 District (Residential 24 Units per Acre)

- 306-6: Density
- 306-7: Dimensional Requirements
- 306-8: Building Façade Requirements

CDC 403: Development Standards Applicability

CDC 406: Building, Siting, and Architectural Design

- 406-2: Additional Requirements for Type II and Type II Development
- 406-3: Energy Conservation Guidelines
- 406-4: Privacy Guidelines

CDC 407: Landscape Design

- 407-1: Minimum Landscape Standards
- 407-2: Standards for Landscaping Materials
- 407-6: Parking Area Landscaping

CDC 408: Neighborhood Circulation

- 408-4: Circulation Analysis
- 408-5: Review Standards for Development on Lands Not Designated on the Community Plan Local Street Connectivity Maps or on Lands Not Designated as a Pedestrian/Bicycle District
- 408-10: Internal Pedestrian Circulation

CDC 409: Private Streets

- 409-3: Urban Private Streets
- 409-4: General Provisions for Urban Private Streets

CDC 410: Grading and Drainage

CDC 413: Parking and Loading

- 413-2: General Off-street Parking and Loading Criteria
- 413-3: General Requirements
- 413-4: Off-street Parking Lot Design
- 413-7: Minimum Off-street Parking Requirements

- 413-11: Reduction of Minimum Off-street Automobile Parking Based on Bicycle Parking
- 413-14: Minimum Off-street Loading Requirements

CDC 415: Lighting

- 415-2: Lighting Plan
- 415-4: Standards

CDC 416: Utilities

CDC 418: Setbacks

- 418-2: Additional Setbacks Required for Future Right-of-Way
- 418-3: Corner Vision

CDC 423: Environmental Performance Standards

CDC 429: Bicycle Parking

- 429-3: General Bicycle Parking Criteria
- 429-4: General Requirements
- 429-6: Number of Bicycle Parking Spaces Required
- 429-7: Bicycle Parking Location
- 429-8: Bicycle Parking Facility Design
- 429-9: Bicycle Parking Space Dimensions
- 429-11: Bicycle Parking Lighting

501: Public Facilities and Services

502: Sidewalks

Aloha-Reedville-Cooper Mountain Community Plan

- General Design Elements
- Subarea Design Elements
- Area of Special Concern 5

ENVIRONMENTAL CONSTRAINTS

Environmental constraints such as slope, flood plain, or significant natural resources, or sensitive corridors can impact a development's feasibility, posing both regulatory and physical barriers. When a site is within 250 feet of 100-year or 25-year flood plain, applicants must address CDC Section 421 (Flood Plain and Drainage Hazard Area Development). When a site is within 250 feet of resource areas identified on the Community Plan, applicants must address CDC Section 422 (Significant Natural Resources). Additional plans, documentation and mitigation may be required by Sections 421 and 422, including work by certified professional engineers and/or wildlife specialists.

The Shaw Street Multi-family site does not have any County-regulated environmental constraints identified on the site. The nearest known environmental constraints are a riparian habitat and wetland area located over 500 feet to the northeast.

TRANSIT AND AMENITIES

Access to nearby public amenities, such as parks, schools, and transit, provides for enhanced quality of life for the surrounding communities.

The site is located on SW Blanton Street, east of SW 185th Avenue. SW 185th Avenue is a major thoroughfare, providing north-south connections to regional destinations and other major roadways. Tualatin Valley Highway (TV Highway) is located one block north of the site and provides east-west connections similar to SW 185th Avenue.

Nearby amenities include transit on Line 52 (Farmington/185th) and frequent service transit on Line 57 (TV Highway/Forest Grove) on TV Highway. Arnold Park and the International School of Beaverton are also located nearby. Washington County's Aloha Tomorrow project will recommend transit and safety improvements on TV Highway and street improvements to SW Alexander and SW Shaw. Recommendations for SW Shaw include bicycle and pedestrian improvements that may serve as a regional trail connection in the future.

Figure 2: Proposed Shaw Street Cross-Section

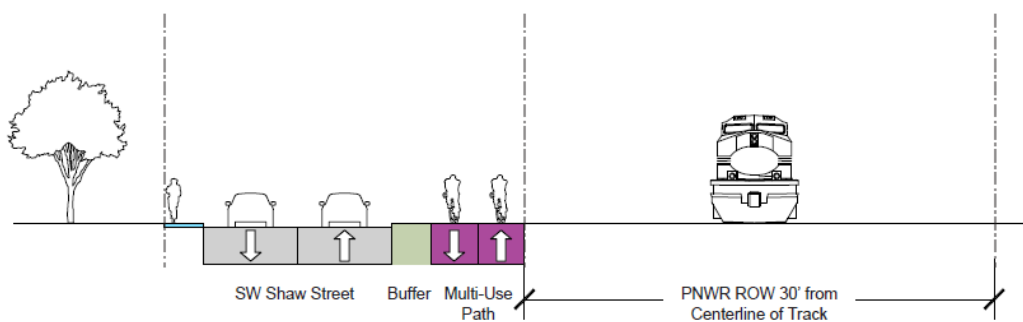
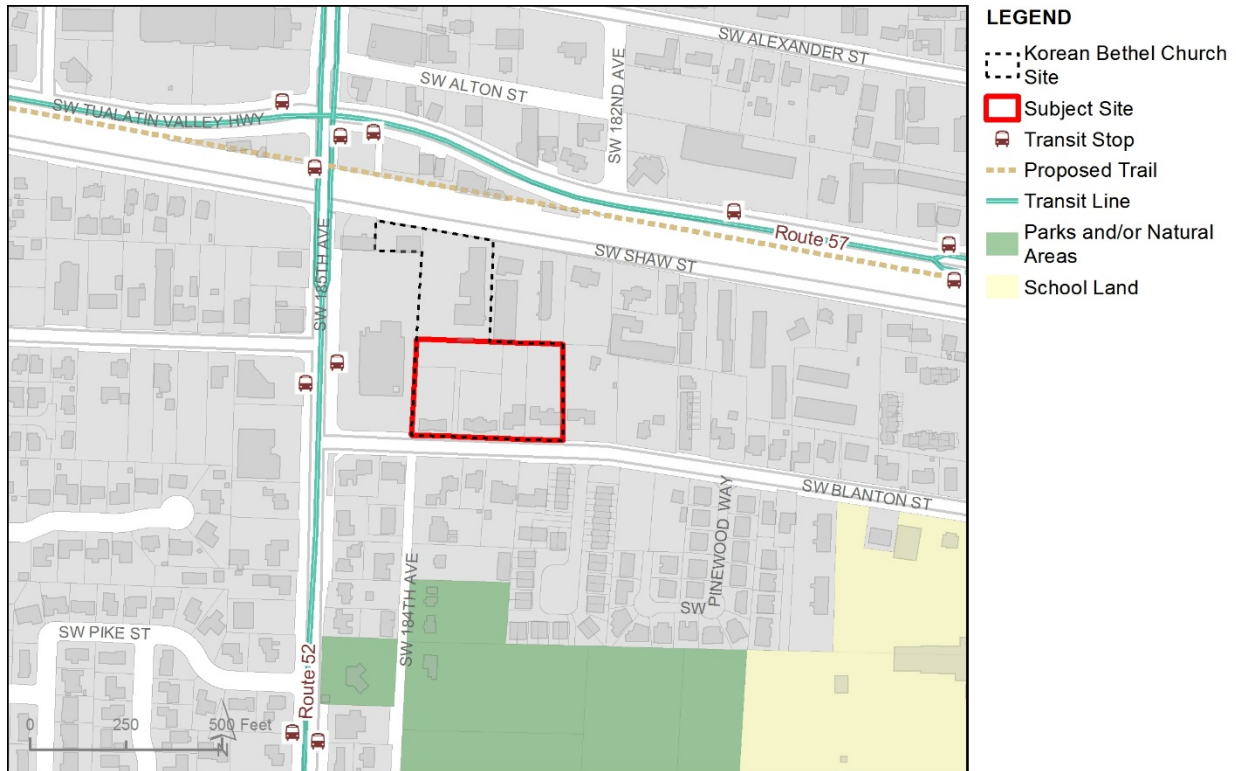


Figure 3: Transit and Amenities



DEMOGRAPHICS

Demographic factors provide very general indicators of a community's need for affordable housing. The Environmental Protection Agency (EPA)'s Environmental Justice (EJ) Screen was used to evaluate the demographics of the community within a 1-mile radius of the site.

- Communities of color make up a large portion of the overall population; 44 percent of the surrounding population is minority, compared to 32 percent of the County's population. People identifying as Hispanic or Latino account for 27 percent population. Other non-white minority group populations are relatively comparable to the County's population.
- People in the surrounding area are less likely to have a bachelor's degree or higher education compared to the County; approximately 25 percent compared to 41 percent.
- A small portion of the population – about 15 percent of the surrounding area – report that they speak English “less than very well.” The share of population that is not proficient in English is slightly higher than Washington County.
- The distribution of households earning \$25,000 or less is similar to the County as a whole, but higher for households earning between \$25,000 and \$75,000.

Table 1: Summary of ACS Estimates

	Shaw Street site (1-mile radius)	Washington County
Summary of ACS Estimates		
Population	21,514	556,210
Population Density (per sq. mile)	6,947	768
Minority Population	9,461	176,685
% Minority	44%	32%
Households	7,059	206,426
Housing Units	7,391	217,085
Housing Units Built Before 1950	210	11,029
Per Capita Income	23,578	32,369

Source: U.S. Census Bureau, American Community Survey (ACS) 2011-2015

Table 2: Detailed Summary of ACS Estimates

	Shaw Street site (1-mile radius)			Washington County		
	Count	Percent	MOE (±)	Count	Percent	MOE (±)
Population by Race						
Total	21,514	100%	605	556,210	100%	0
Population Reporting One Race	20,579	96%	2,172	531,666	96%	7,774
White	14,911	69%	550	431,470	78%	2,435
Black	858	4%	259	10,061	2%	678
American Indian	238	1%	289	4,134	1%	703
Asian	1,862	9%	294	51,639	9%	1,008
Pacific Islander	132	1%	259	2,708	0%	437
Some Other Race	2,578	12%	521	31,654	6%	2,513

	Shaw Street site (1-mile radius)			Washington County		
	Count	Percent	MOE (±)	Count	Percent	MOE (±)
Two or More Races	935	4%	207	24,544	4%	1,596
Total Hispanic Population	5,840	27%	511	89,846	16%	0
Total Non-Hispanic Population	15,674			466,364		
White Alone	12,053	56%	374	379,525	68%	252
Black Alone	856	4%	259	9,778	2%	683
American Indian Alone	115	1%	53	2,257	0%	357
Non-Hispanic Asian Alone	1,829	9%	294	51,128	9%	952
Pacific Islander Alone	55	0%	71	2,304	0%	271
Other Race Alone	51	0%	48	639	0%	183
Two or More Races Alone	715	3%	207	20,733	4%	1,488
Population by Sex						
Male	10,601	49%	401	273,743	49%	70
Female	10,912	51%	344	282,467	51%	70
Population by Age						
Age 0-4	1,826	8%	158	37,207	7%	62
Age 0-17	6,081	28%	274	136,761	25%	1,459
Age 18+	15,433	72%	372	419,449	75%	2,680
Age 65+	1,725	8%	122	63,292	11%	1,341
Population 25+ by Educational Attainment						
Total	13,520	100%	333	373,592	100%	119
Less than 9th Grade	1,292	10%	155	16,569	4%	1,124
9th - 12th Grade, No Diploma	915	7%	140	18,075	5%	1,095
High School Graduate	3,321	25%	215	70,985	19%	1,785
Some College, No Degree	4,560	34%	207	115,792	31%	2,250
Associate Degree	1,435	11%	121	32,269	9%	1,095
Bachelor's Degree or more	3,433	25%	201	152,171	41%	2,558
Population Age 5+ Years by Ability to Speak English						
Total	19,688	100%	499	519,003	100%	63
Speak only English	13,057	66%	356	395,331	76%	2,173
Non-English at Home ¹⁺²⁺³⁺⁴	6,631	34%	389	123,672	24%	2,427
¹ Speak English "very well"	3,732	19%	277	74,479	14%	2,324
² Speak English "well"	1,611	8%	163	24,726	5%	1,330
³ Speak English "not well"	848	4%	187	16,603	3%	1,073
⁴ Speak English "not at all"	439	2%	156	7,864	2%	807
³⁺⁴ Speak English "less than well"	1,288	7%	192	24,467	5%	1,343
²⁺³⁺⁴ Speak English "less than very well"	2,899	15%	219	49,193	9%	1,890
Linguistically Isolated Households*						
Total	460	100%	75	9,409	100%	680
Speak Spanish	179	39%	68	4,797	51%	512
Speak Other Indo-European Languages	80	17%	56	1,222	13%	227
Speak Asian-Pacific Island Languages	187	41%	45	3,213	34%	376
Speak Other Languages	13	3%	21	177	2%	85
Households by Household Income						
Household Income Base	7,059	100%	165	206,426	100%	1,074
< \$15,000	777	11%	115	16,585	8%	970

	Shaw Street site (1-mile radius)			Washington County		
	Count	Percent	MOE (±)	Count	Percent	MOE (±)
\$15,000 - \$25,000	817	12%	109	17,238	8%	1,010
\$25,000 - \$50,000	1,808	26%	154	42,989	21%	1,493
\$50,000 - \$75,000	1,599	23%	139	37,709	18%	1,394
\$75,000 +	2,060	29%	130	91,905	45%	1,956
Occupied Housing Units by Tenure						
Total	7,059	100%	165	206,426	100%	1,074
Owner Occupied	3,709	53%	112	124,690	60%	1,585
Renter Occupied	3,351	47%	152	81,736	40%	1,361
Employed Population Age 16+ Years						
Total	16,111	100%	379	434,453	100%	490
In Labor Force	11,606	72%	326	299,448	69%	1,797
Civilian Unemployed in Labor Force	1,154	7%	124	22,794	5%	1,183
Not in Labor Force	4,505	28%	233	135,005	31%	1,887

Data Note: Detail may not sum to totals due to rounding. Hispanic population can be of any race.

Source: U.S. Census Bureau, American Community Survey (ACS) 2011-2015

* Households in which no one 14 and over speaks English "very well" or speaks English only.



MEMORANDUM

Springville Road SF Attached Site Profile

Washington County Equitable Housing Project

DATE November 2, 2017

TO Kimberly Armstrong, Washington County
Theresa Cherniak, Washington County

FROM Matt Hastie, APG
Clinton "CJ" Doxsee, APG

CC Brendan Buckley, Johnson Economics
Isaac Johnson, Ankrom Moisan Architects

SPRINGVILLE ROAD SF ATTACHED SITE

Site Overview

Tax Lot ID:	1N119AB001300, 500 & 600, 1N119AB12700-900
Site Size (combined)	2.8 acres
Zoning	Residential – 9 units/acre (R9)
Community Plan	Bethany Community Plan

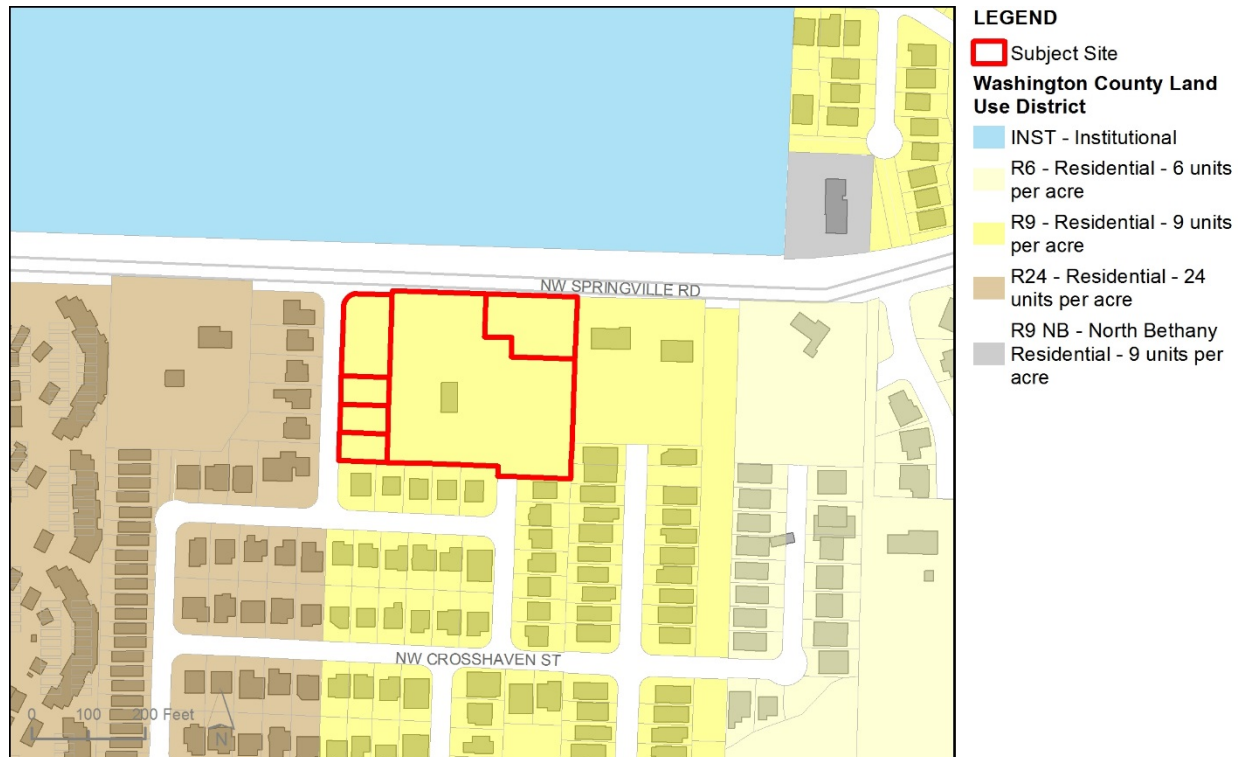
The Springville Road SF Attached site is a privately-owned property consisting of six tax lots adjacent to NW Springville Road. The combined site is approximately 2.8 acres.

LAND USE

Land Use Designation

Land use designation regulates the range of intensities, types, and mix of land uses within a jurisdiction. The Springville Road SF Attached site is located in Washington County's R9 District. The District requires residential development density to be between seven and nine units per acre, except as otherwise permitted. Nearby land use districts include INST District for the PCC Rock Creek community college to the north, and various residential districts ranging from R6 to the east to R24 to the west.

Figure 1: Zoning Map



Regulations

The Springville Road SF Attached site is regulated by Washington County's Community Development Code (CDC) and the Bethany Community Plan (BP) under the sections noted below. The list below is by no means exhaustive of applicable standards. As site development progresses, standards listed below may not be applicable and additional applicable standards may be identified. More details on the potential concerns and solutions for applicable regulations will be explored as Equitable Housing work progresses.

CDC 304: R-9 District (Residential 9 Units per Acre)

- 304-6: Density
- 304-7: Dimensional Requirements
- 304-8: Building Façade Requirements

CDC 403: Development Standards Applicability

CDC 406: Building, Siting, and Architectural Design

- 406-2: Additional Requirements for Type II and Type II Development
- 406-3: Energy Conservation Guidelines
- 406-4: Privacy Guidelines
- 406-5: Storage

- 406-6: Mixed Solid Waste and Recyclables Storage Facilities

CDC 407: Landscape Design

- 407-1: Minimum Landscape Standards
- 407-2: Standards for Landscaping Materials
- 407-6: Parking Area Landscaping

CDC 408: Neighborhood Circulation

- 408-4: Circulation Analysis
- 408-5: Review Standards for Development on Lands Not Designated on the Community Plan Local Street Connectivity Maps or on Lands Not Designated as a Pedestrian/Bicycle District
- 408-9: Accessway, Trail and Greenway Design
- 408-10: Internal Pedestrian Circulation

CDC 409: Private Streets

- 409-3: Urban Private Streets
- 409-4: General Provisions for Urban Private Streets

CDC 410: Grading and Drainage

CDC 413: Parking and Loading

- 413-2: General Off-street Parking and Loading Criteria
- 413-3: General Requirements
- 413-4: Off-street Parking Lot Design
- 413-7: Minimum Off-street Parking Requirements
- 413-11: Reduction of Minimum Off-street Automobile Parking Based on Bicycle Parking
- 413-14: Minimum Off-street Loading Requirements

CDC 415: Lighting

- 415-2: Lighting Plan
- 415-4: Standards

416: Utilities

CDC 418: Setbacks

- 418-2: Additional Setbacks Required for Future Right-of-Way
- 418-3: Corner Vision

CDC 423: Environmental Performance Standards

CDC 429: Bicycle Parking

- 429-3: General Bicycle Parking Criteria
- 429-4: General Requirements

- 429-6: Number of Bicycle Parking Spaces Required
- 429-7: Bicycle Parking Location
- 429-8: Bicycle Parking Facility Design
- 429-9: Bicycle Parking Space Dimensions
- 429-11: Bicycle Parking Lighting

CDC 501: Public Facility and Service Requirements

CDC 502: Sidewalk Standards

Bethany Community Plan

- General Design Elements
- Subarea Design Elements: Springville
- Areas of Special Concern: 4.B of North Bethany Subarea

ENVIRONMENTAL CONSTRAINTS

Environmental constraints such as slope, flood plain, or significant natural resources, or sensitive corridors can impact a development's feasibility, posing both regulatory and physical barriers. When a site is within 250 feet of 100-year or 25-year flood plain, applicants must address CDC Section 421 (Flood Plain and Drainage Hazard Area Development). When a site is within 250 feet of resource areas identified on the Community Plan, applicants must address CDC Section 422 (Significant Natural Resources). Additional plans, documentation and mitigation may be required by Sections 421 and 422, including work by certified professional engineers and/or wildlife specialists.

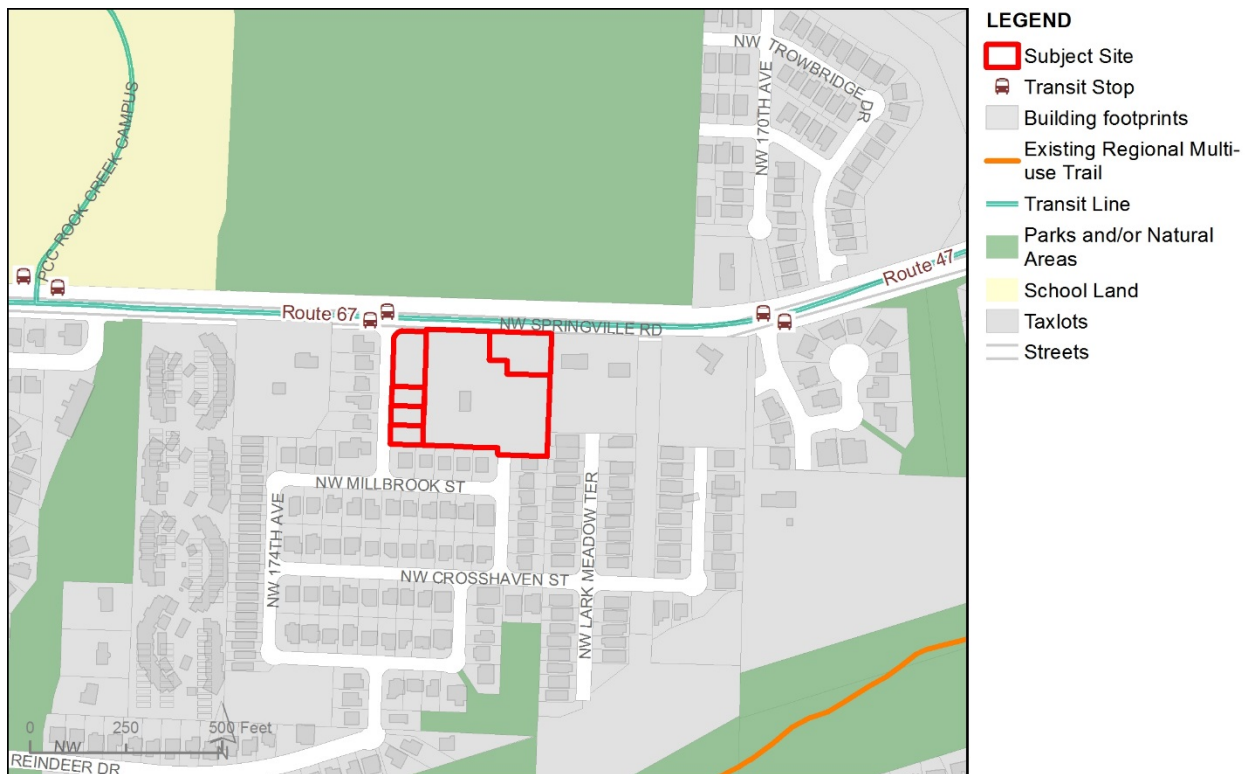
The Springville Road SF Attached site does not appear to include County-regulated environmental constraints. Based on Community Plan information, the nearest appear to be offsite Wildlife Habitat areas over 250 feet to the south, and at greater distances to the east and west; and 25-year and 100-year flood plain areas still farther to east, west, and south. Resources identified as Water Areas and Wetlands roughly correlate with/border the offsite flood plain areas.

TRANSIT AND AMENITIES

Access to nearby public amenities, such as parks, schools, and transit, provides for enhanced quality of life for the surrounding communities.

The site is located on NW Springville Road, across the street from the PCC Rock Creek Community College. Nearby parks and open space amenities include the community college recreational facilities and the Rock Creek Greenway, featuring a multi-use trail with regional connections. The Line 47 (Baseline/Evergreen) and Line 67 (Bethany/158th) bus lines provide transit service adjacent to the property and the Line 52 (Farmington/185th) bus line is nearby.

Figure 2: Transit and Amenities



DEMOGRAPHICS

Demographic factors provide very general indicators of a community's need for affordable housing. The Environmental Protection Agency (EPA)'s Environmental Justice (EJ) Screen was used to evaluate the demographics of the community within a 1-mile radius of the Cornell-Murray Mixed Use site.

- Communities of color make up a large portion of the overall population; 38 percent of the surrounding population is minority, compared to 32 percent of the County's population. People of Asian origin account for 24 percent of the population. Percentages of other non-white minority group populations, except for Hispanic populations, are relatively comparable to those in the County overall.
- People in the surrounding area are significantly more likely to have a bachelor's degree or higher compared to the County as a whole - approximately 61 percent compared to 41 percent.
- The percent of people that report they speak English "less than very well" is similar to that of the County, at approximately 9 to 10 percent. Of those, Asian and Pacific Island languages are the most commonly spoken non-English languages.
- Households are generally wealthier in the surrounding area. The distribution of households making less than \$25,000 lower than compared to the County - approximately 12 percent of the surrounding area, compared to 16 percent of the overall County.

Table 1: Summary of ACS Estimates

	Springville Site (1-mile radius)	Washington County
Summary of ACS Estimates		
Population	12,372	556,210
Population Density (per sq. mile)	4,087	768
Minority Population	4,751	176,685
% Minority	38%	32%
Households	4,452	206,426
Housing Units	4,743	217,085
Housing Units Built Before 1950	17	11,029
Per Capita Income	42,317	32,369

Source: U.S. Census Bureau, American Community Survey (ACS) 2011-2015

Table 2: Detailed Summary of ACS Estimates

	Springville Site (1-mile radius)			Washington County		
	Count	Percent	MOE (±)	Count	Percent	MOE (±)
Population by Race						
Total	12,372	100%	557	556,210	100%	0
Population Reporting One Race	11,622	94%	1,720	531,666	96%	7,774
White	8,157	66%	555	431,470	78%	2,435
Black	328	3%	335	10,061	2%	678
American Indian	0	0%	23	4,134	1%	703
Asian	2,928	24%	586	51,639	9%	1,008
Pacific Islander	51	0%	58	2,708	0%	437
Some Other Race	158	1%	163	31,654	6%	2,513
Two or More Races	751	6%	299	24,544	4%	1,596
Total Hispanic Population	709	6%	305	89,846	16%	0
Total Non-Hispanic Population	11,664			466,364		
White Alone	7,621	62%	558	379,525	68%	252
Black Alone	328	3%	335	9,778	2%	683
American Indian Alone	0	0%	23	2,257	0%	357
Non-Hispanic Asian Alone	2,927	24%	586	51,128	9%	952
Pacific Islander Alone	51	0%	58	2,304	0%	271
Other Race Alone	12	0%	64	639	0%	183
Two or More Races Alone	724	6%	299	20,733	4%	1,488
Population by Sex						
Male	6,100	49%	356	273,743	49%	70
Female	6,272	51%	318	282,467	51%	70
Population by Age						
Age 0-4	698	6%	129	37,207	7%	62
Age 0-17	3,758	30%	343	136,761	25%	1,459
Age 18+	8,614	70%	436	419,449	75%	2,680
Age 65+	1,286	10%	170	63,292	11%	1,341
Population 25+ by Educational Attainment						
Total	8,047	100%	316	373,592	100%	119
Less than 9th Grade	169	2%	78	16,569	4%	1,124
9th - 12th Grade, No Diploma	134	2%	49	18,075	5%	1,095
High School Graduate	908	11%	124	70,985	19%	1,785
Some College, No Degree	1,899	24%	191	115,792	31%	2,250
Associate Degree	524	7%	104	32,269	9%	1,095
Bachelor's Degree or more	4,938	61%	404	152,171	41%	2,558
Population Age 5+ Years by Ability to Speak English						
Total	11,674	100%	548	519,003	100%	63
Speak only English	8,513	73%	446	395,331	76%	2,173
Non-English at Home ¹⁺²⁺³⁺⁴	3,161	27%	338	123,672	24%	2,427
¹ Speak English "very well"	2,009	17%	308	74,479	14%	2,324
² Speak English "well"	783	7%	190	24,726	5%	1,330
³ Speak English "not well"	300	3%	94	16,603	3%	1,073
⁴ Speak English "not at all"	69	1%	65	7,864	2%	807
³⁺⁴ Speak English "less than well"	369	3%	94	24,467	5%	1,343
²⁺³⁺⁴ Speak English "less than very well"	1,152	10%	192	49,193	9%	1,890

	Springville Site (1-mile radius)			Washington County		
	Count	Percent	MOE (±)	Count	Percent	MOE (±)
Linguistically Isolated Households*						
Total	232	100%	83	9,409	100%	680
Speak Spanish	6	3%	17	4,797	51%	512
Speak Other Indo-European Languages	26	11%	30	1,222	13%	227
Speak Asian-Pacific Island Languages	199	86%	78	3,213	34%	376
Speak Other Languages	0	0%	17	177	2%	85
Households by Household Income						
Household Income Base	4,452	100%	173	206,426	100%	1,074
< \$15,000	210	5%	77	16,585	8%	970
\$15,000 - \$25,000	320	7%	94	17,238	8%	1,010
\$25,000 - \$50,000	552	12%	125	42,989	21%	1,493
\$50,000 - \$75,000	577	13%	106	37,709	18%	1,394
\$75,000 +	2,792	63%	301	91,905	45%	1,956
Occupied Housing Units by Tenure						
Total	4,452	100%	173	206,426	100%	1,074
Owner Occupied	3,192	72%	187	124,690	60%	1,585
Renter Occupied	1,260	28%	150	81,736	40%	1,361
Employed Population Age 16+ Years						
Total	8,990	100%	347	434,453	100%	490
In Labor Force	6,102	68%	316	299,448	69%	1,797
Civilian Unemployed in Labor Force	375	4%	115	22,794	5%	1,183
Not in Labor Force	2,888	32%	258	135,005	31%	1,887

Data Note: Detail may not sum to totals due to rounding. Hispanic population can be of any race.

Source: U.S. Census Bureau, American Community Survey (ACS) 2011-2015

* Households in which no one 14 and over speaks English "very well" or speaks English only.



MEMORANDUM

Theoretical Site Profile

Washington County Equitable Housing Project

DATE November 15, 2017

TO Kimberly Armstrong, Washington County
Theresa Cherniak, Washington County

FROM Matt Hastie, APG
Clinton "CJ" Doxsee, APG

CC Brendan Buckley, Johnson Economics
Isaac Johnson, Ankrom Moisan Architects

THEORETICAL SITE

The theoretical site is based on compilation of previous development proposals that Washington County has recently reviewed. In addition, site characteristics were determined in order to allow evaluation of potential development barriers that are not found in other identified sites. This includes a lower density residential district and environmental constraints not present on other sites.

Site Overview

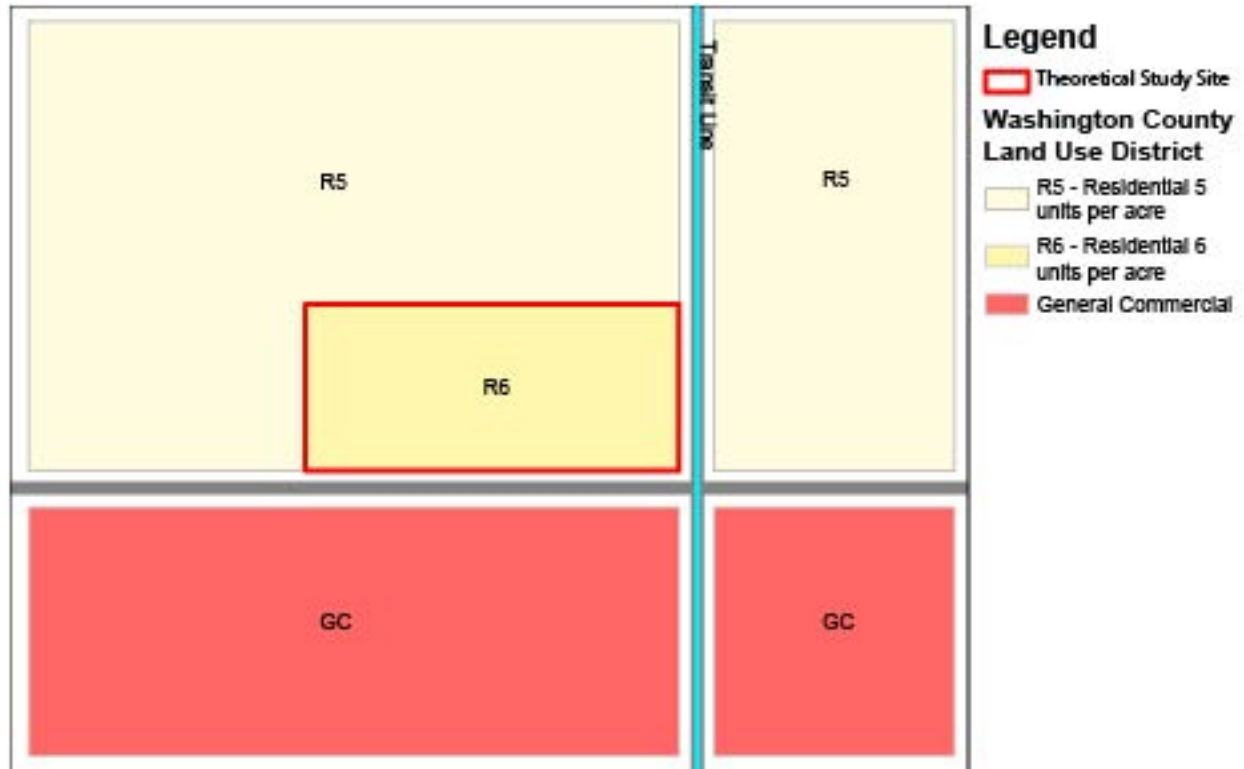
Tax Lot ID:	N/A
Lot Size	1.3 acres
Zoning	Residential – 6 units/acre (R6)
Community Plan	Raleigh Hills/Garden Home Community Plan

LAND USE

Land Use Designation

Land use designation regulates the range of intensities, types, and mix of land uses within a jurisdiction. For the purpose of the site evaluation, the theoretical site is designated R6, located on a corner lot with two arterial street frontages. Lots adjacent to the theoretical site are designated R5 and currently developed with single-family detached housing. There is a mix of small businesses across the street.

Figure 1: Theoretical Zoning



Regulations

The theoretical site would be regulated by Washington County's Community Development Code (CDC) and the Raleigh Hills/Garden Home Community Plan under the sections noted below. The list below is by no means exhaustive of applicable standards. As site development progresses, standards listed below may not be applicable and additional applicable standards may be identified. More details on the potential concerns and solutions for applicable regulations will be explored as part Equitable Housing project.

CDC 303: R-6 District (Residential 6 Unit per Acre)

- 303-6: Density
- 303-7: Dimensional Requirements
- 303-8: Building Façade Requirements

CDC 403: Development Standards Applicability

CDC 406: Building, Siting, and Architectural Design

- 406-2: Additional Requirements for Type II and Type II Development
- 406-3: Energy Conservation Guidelines
- 406-4: Privacy Guidelines

CDC 407: Landscape Design

- 407-1: Minimum Landscape Standards
- 407-2: Standards for Landscaping Materials
- 407-3: Tree Preservation and Removal
- 407-6: Parking Area Landscaping

CDC 408: Neighborhood Circulation

- 408-4: Circulation Analysis
- 408-5: Review Standards for Development on Lands Not Designated on the Community Plan Local Street Connectivity Maps or on Lands Not Designated as a Pedestrian/Bicycle District
- 408-10: Internal Pedestrian Circulation

CDC 413: Parking and Loading

- 413-2: General Off-street Parking and Loading Criteria
- 413-3: General Requirements
- 413-4: Off-street Parking Lot Design
- 413-7: Minimum Off-street Parking Requirements
- 413-11: Reduction of Minimum Off-street Automobile Parking Based on Bicycle Parking
- 413-14: Minimum Off-street Loading Requirements

CDC 415: Lighting

- 415-2: Lighting Plan
- 415-4: Standards

CDC 418: Setbacks

- 418-2: Additional Setbacks Required for Future Right-of-Way
- 418-3: Corner Vision

CDC 421: Flood Plain and Drainage Hazard Area Development

- 421-7: Development Standards for all Type II and Type III Flood Plan and Drainage Hazard Area Uses or Activities
- 421-8: Criteria for Dwellings
- 421-13: Criteria for Parking for Multi-family, Institutional, Commercial and Industrial Developments
- General Requirements and Prohibitions

CDC 422: Significant Natural Resources

CDC 423: Environmental Performance Standards

CDC 429: Bicycle Parking

- 429-3: General Bicycle Parking Criteria

- 429-4: General Requirements
- 429-6: Number of Bicycle Parking Spaces Required
- 429-7: Bicycle Parking Location
- 429-8: Bicycle Parking Facility Design
- 429-9: Bicycle Parking Space Dimensions
- 429-11: Bicycle Parking Lighting

Raleigh Hills/Garden Home Community Plan

- General Design Elements
- Areas of Special Concern

ENVIRONMENTAL CONSTRAINTS

Environmental constraints such as slope, wetlands, or wildlife habitat can impact a development's feasibility. Constraints such as wetlands and wildlife habitat represent regulatory barriers in addition to physical barriers. For example, sites located within an identified wetland area are required to provide additional plans and documentation, certified by a professional engineer, that show the site will be constructed to mitigate potential impacts.

The theoretical site includes a drainage hazard area, which is subject to CDC 421 – Flood Plain and Drainage Hazard Area Development. This environmental constraint is included due to a lack of environmental constraints at other sites being evaluated as part of this project. Flood plains and drainage hazards are not uncommon for new developments.

TRANSIT AND AMENITIES

Access to nearby public amenities, such as parks, schools, and transit, provides for enhanced quality of life for the surrounding communities. For the theoretical site, it is assumed that there is one regular service transit line that provides connections to other amenities, including parks and schools, with a stop located within ¼ mile.

DEMOGRAPHICS

Evaluating demographic populations is dependent on the physical location of site. Because this site is theoretical, it is assumed that the surrounding population is identical to the County as a whole.

Table 1: Summary of ACS Estimates

Washington County	
Summary of ACS Estimates	
Population	556,210
Population Density (per sq. mile)	768
Minority Population	176,685
% Minority	32%
Households	206,426
Housing Units	217,085
Housing Units Built Before 1950	11,029
Per Capita Income	32,369

Source: U.S. Census Bureau, American Community Survey (ACS) 2011-2015

Exhibit 2: Washington County Feasibility Studies



LAND USE PLANNING
TRANSPORTATION PLANNING
PROJECT MANAGEMENT

MEMORANDUM

DATE April 24, 2018
TO Kim Armstrong, Washington County
FROM Matt Hastie and CJ Doxsee
RE **Washington County Equitable Housing Study – Development Concepts**
CC Theresa Cherniak and Anne Kelly, Washington County

Washington County’s Equitable Housing Site Barriers and Solutions project seeks to identify existing regulatory and code requirements that negatively impact development feasibility and/or increase development costs for projects that include residential uses, with a focus on encouraging equitable housing development in the County. Previous planning efforts, including Aloha Tomorrow, have also recommended taking action to reduce regulatory and code barriers that impact housing development – but these recommendations have been fairly general.

As part of this effort, the project team developed five draft concepts for selected site locations to study the development’s feasibility and identify potential code barriers to efficient development. The concepts include a range of residential dwelling types, including multi-story multi-family senior living, garden-style walk-up apartments, mixed-use housing, townhomes, and a cluster cottage development.

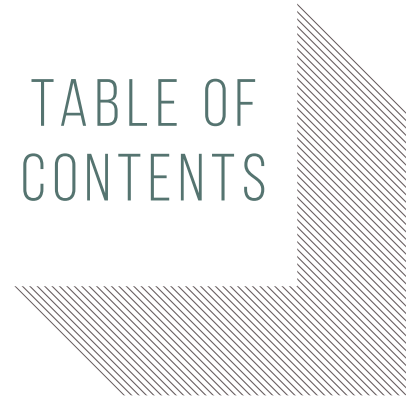
The development concepts are strictly for informational purposes only. They depict various hypothetical residential dwelling and development types that may or may not conform with all applicable CDC standards and are not intended to be used for actual development purposes. Instead, they are intended to highlight specific code regulations that may act as barriers to the affected residential development type. Barriers and recommendations are addressed in subsequent documents.

WASHINGTON COUNTY EQUITABLE HOUSING FEASIBILITY STUDIES

04.18.2018

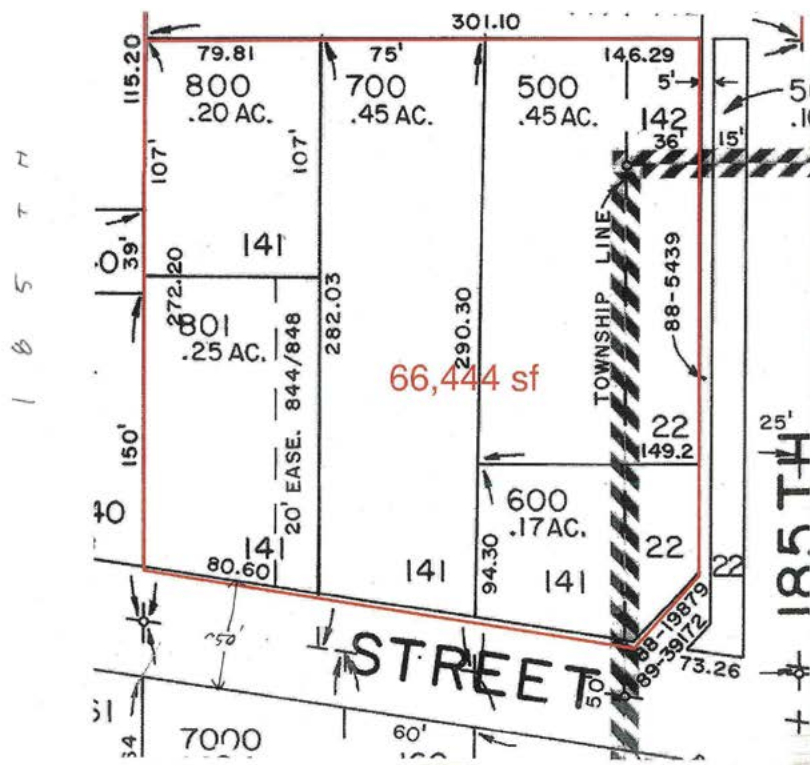
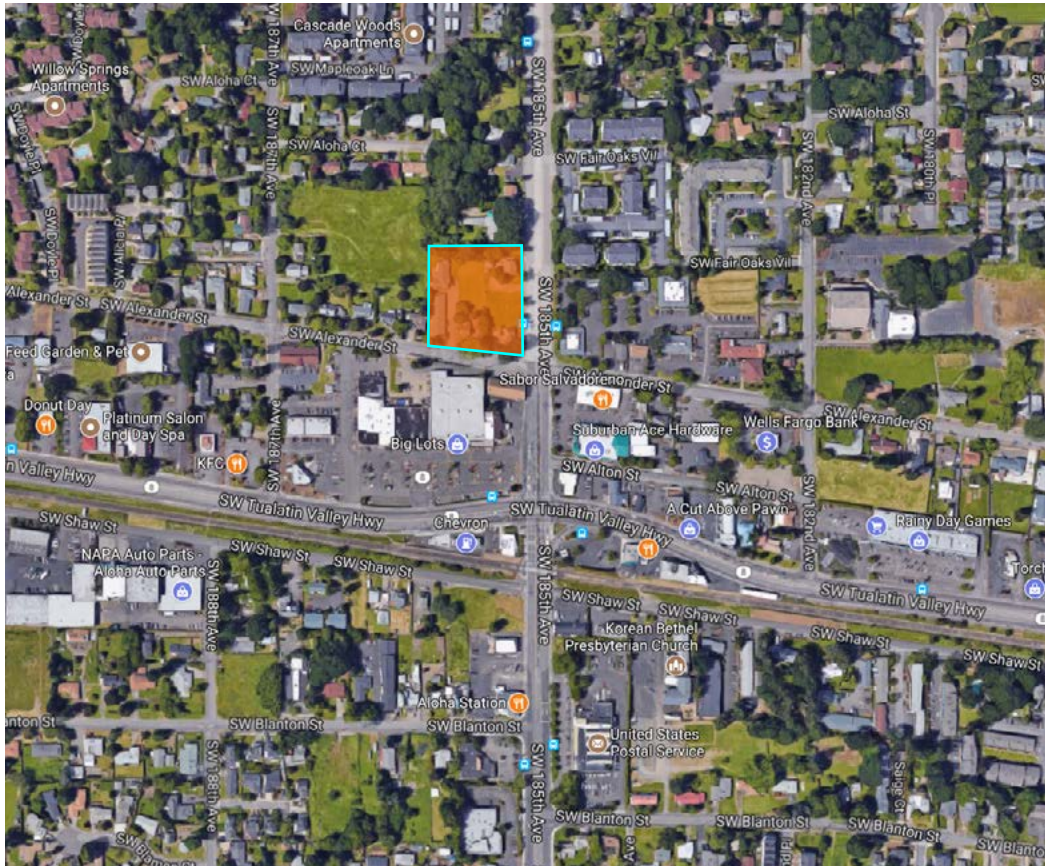


TABLE OF CONTENTS



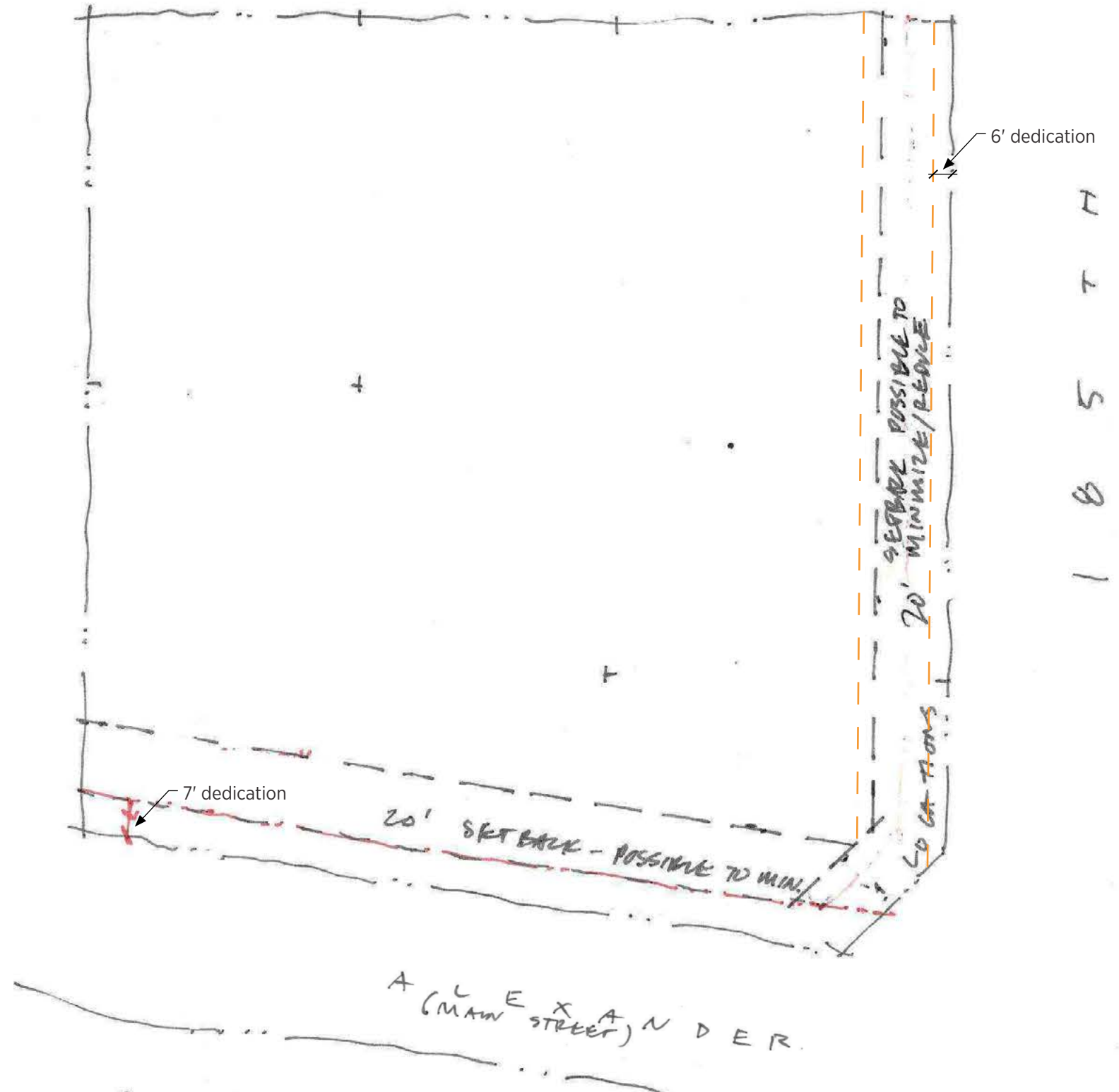
Alexander Multifamily Senior Option **P 3**
Cornell-Murray **P 6**
Blanton Street Multifamily **P 7**
Springville Townhome Option **P 9**
Theoretical Site **P 10**





PARCEL MAP

NTS 



CURRENT CODE - DIAGRAM



WASHINGTON COUNTY EQUITABLE HOUSING

CRITERIA

- Residential requires type II planned development
- Site Area 1.6 Acres
- Zone CBD
- MIN Density 20 u/acre w/o commercial; no min w/ commercial
- MAX Density w/o commercial 40 u/acre = 64 units (requires 20% PD open space)
100 u/acre = 160 units (requires 30% PD open space)
- MAX Density w/ commercial: undefined
- MAX Height 100'
- MIN Landscaping 15% of buildable land
5' at parking perimeter
10 SF/Stall, min 120 SF planter size
- MIN Loading > 3 stories = 1 stall
- MIN PD Open Space for this site .32 acres for ≤ 40 units/acre; 0.48 for more
(May include indoor recreational facilities, balconies, decks, patios, rooftop open space available to residents.)
- MIN Setbacks

F	20'
S	0'
R	0'
Parking	5'
- Screening/Buffering None
- MIN Parking

ST/1BD	1:1
2BD +	1.5:1
- Transit reduction 30%
- Affordable housing reduction .5:1
- 0.75:1 ratio used to assess transit or affordable ratio.

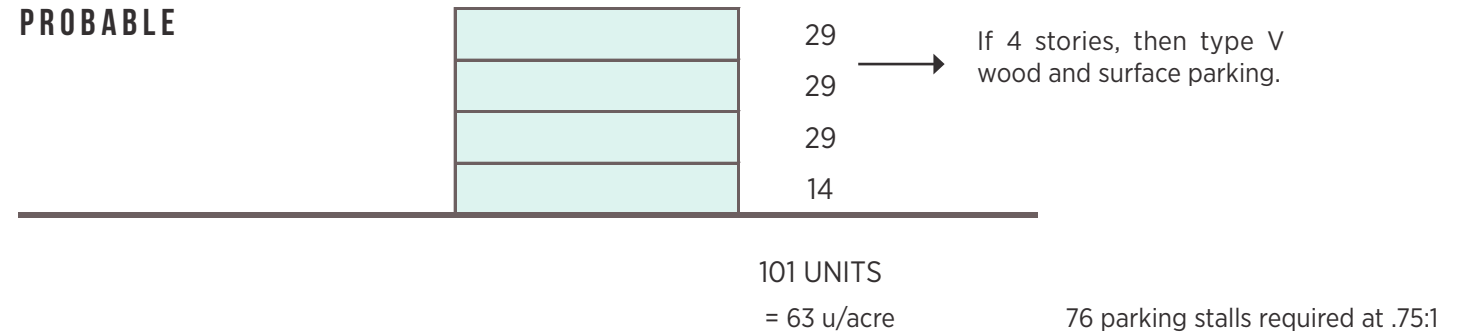


ALEXANDER MULTIFAMILY SENIOR OPTION

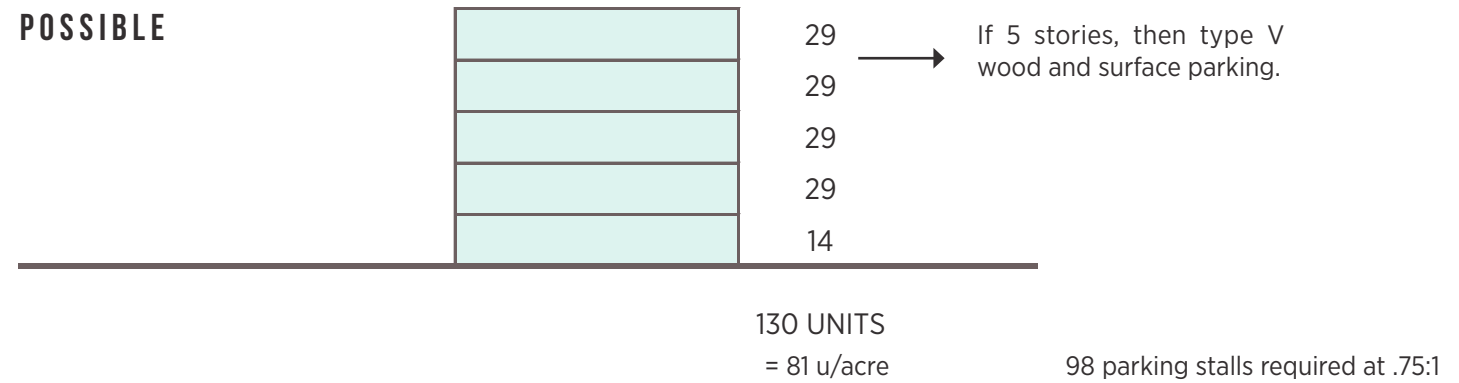
DEVELOPMENT CONCEPT

Planned development with Ground Floor Commercial - unit count depends on total number of floors (see page 5 for site plan).

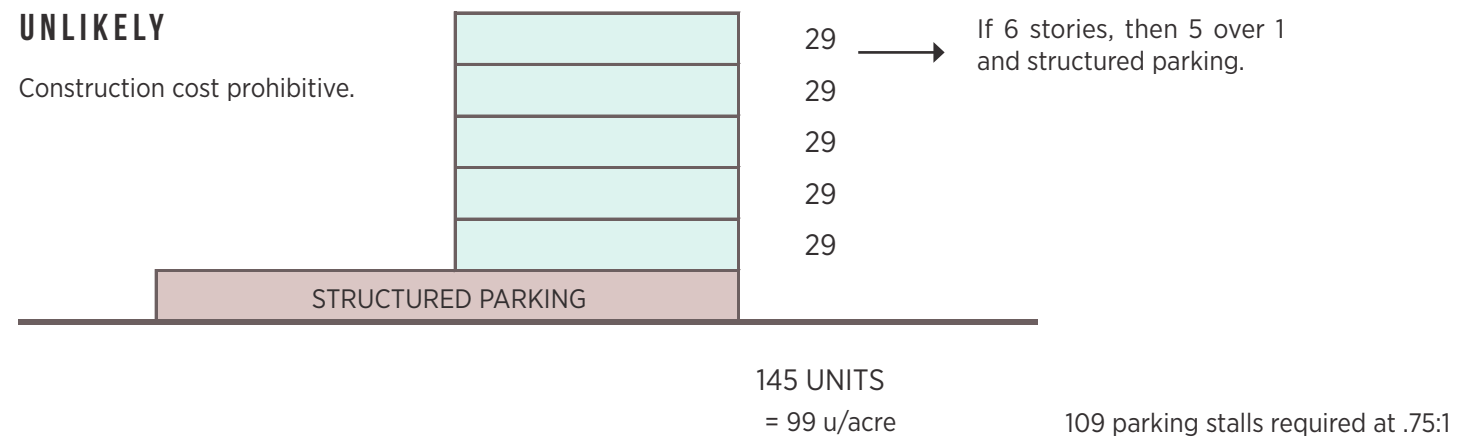
PROBABLE



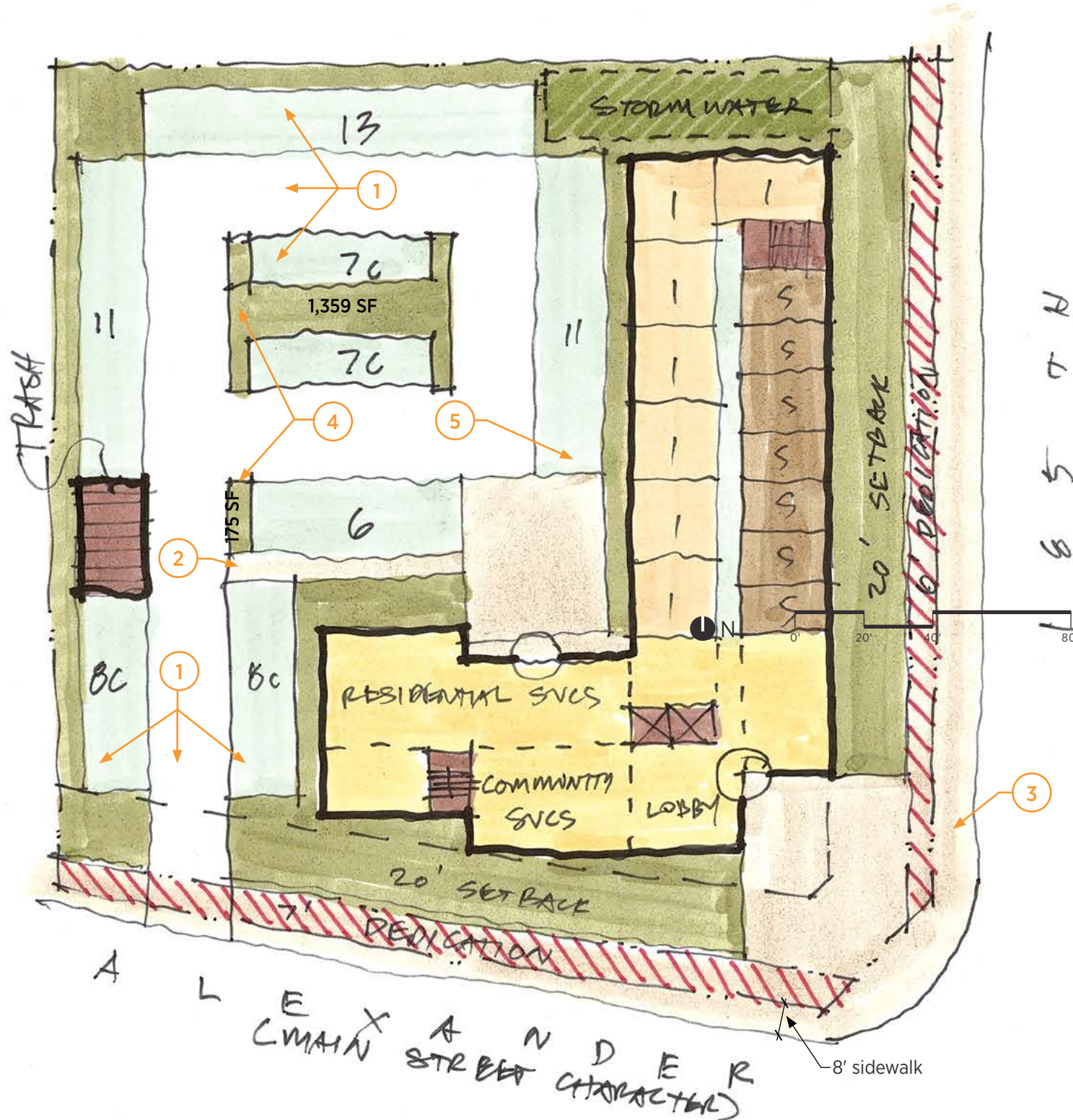
POSSIBLE



UNLIKELY



*Finding: 30% open space may be burdensome in CBD.



CURRENT CODE - GROUND FLOOR/SITE PLAN

UNITS	14
PARKING	75
OPEN SPACE	20,500 SF (29.5%, REQUIRED PD OPEN SPACE = 30%)

- 1 Typical 90 Degree Standard Parking Stall 8.5'Wx18'D
- 1 Typical Two Way Drive Aisle 24'
- Typical 90 Degree Compact Parking Stall 7.5'Wx15'D 50% Maximum
- 2 Typical 5' Private Sidewalk
- 3 Typical 5' Public Sidewalk
- 4 Typical Small Landscape Island - 7'x18'
- 4 Typical Large Landscape Island - 7' minimum dimension
750 SF required, 1,535 SF shown
- 5 Required Loading/Drop-off Stall



CURRENT CODE - TYPICAL UPPER FLOOR PLAN UNITS 29

May not conform to current Washington County CDC regulations

WASHINGTON COUNTY EQUITABLE HOUSING

CRITERIA

- Site Area 0.76 acres
- Zone TO:RC
- MIN/MAX Density None
- MIN FAR 0.35
- MAX FAR None
- MIN Height 20' at street corner
- MAX Height 60 feet
- MIN Landscaping 15%, Parking 5'
- MIN Loading 1 (for 5K+ commercial use)
- MIN Open Space None
- MIN Setbacks
 - F 10' max (frontage)
 - S 0'
 - R 0'
 - Parking 5'
- Screening/Buffering None
- MIN Parking S, 1 BR: 1:1; 2BR+: 1.5:1
- Transit Reduction 30%
- Affordable Housing Reduction 0.5:1

DEVELOPMENT CONCEPT

Mixed-use, transit-orientated attached multi-family with required ground floor commercial.

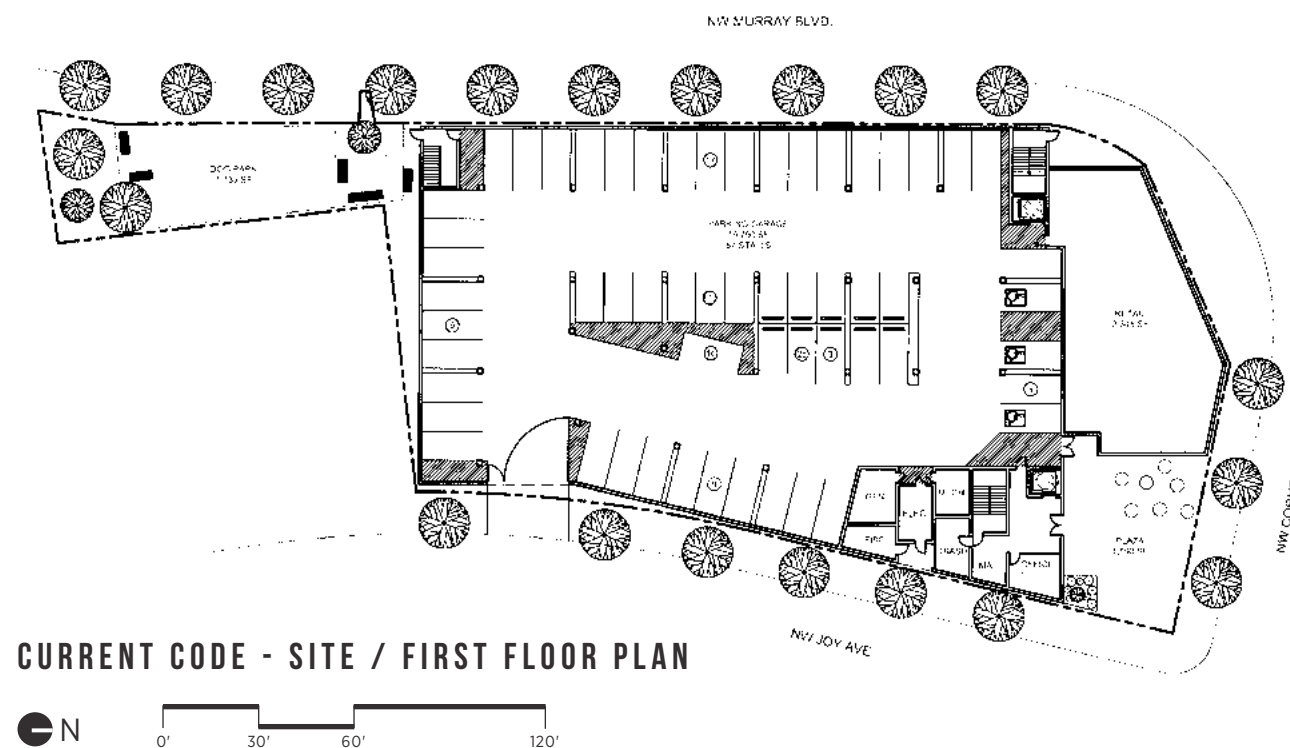
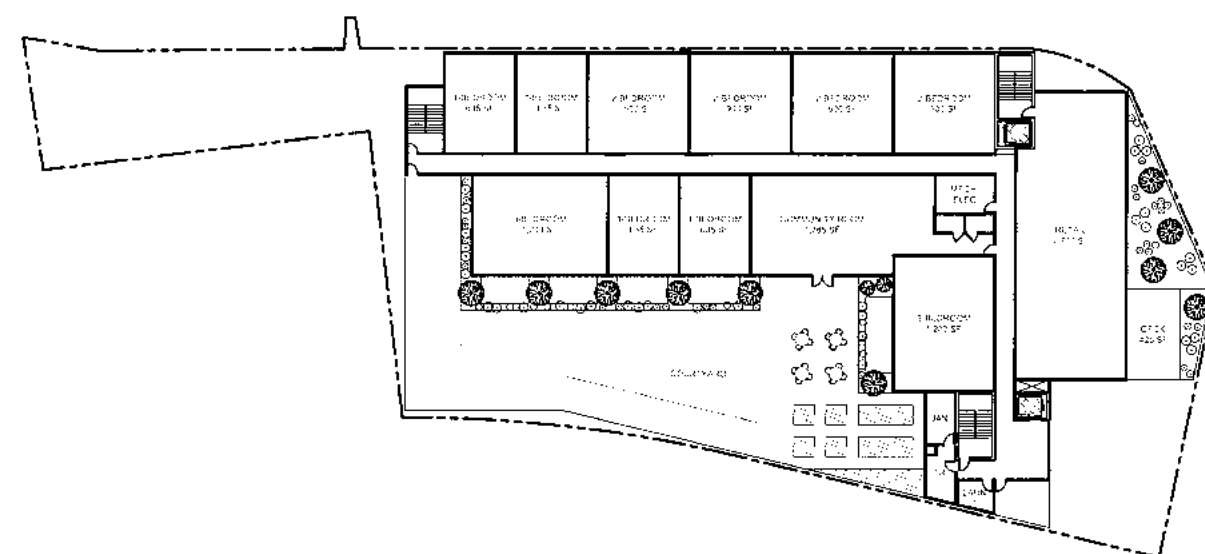


Image from Cedar Mill News

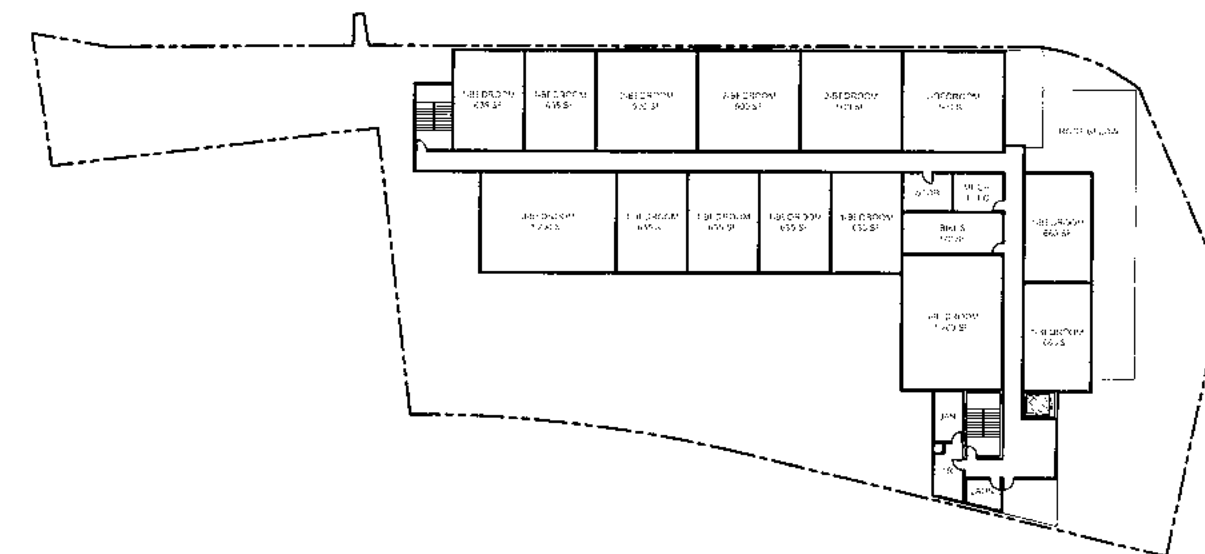


Image from Cedar Mill News

- Sidewalks 10' with tree wells at Cornell and Murray; and pedestrian scale lighting at street furniture on Cornell.
- NOTE: Master plan required for site and adjoining lots before development per Community Plan (ASC)



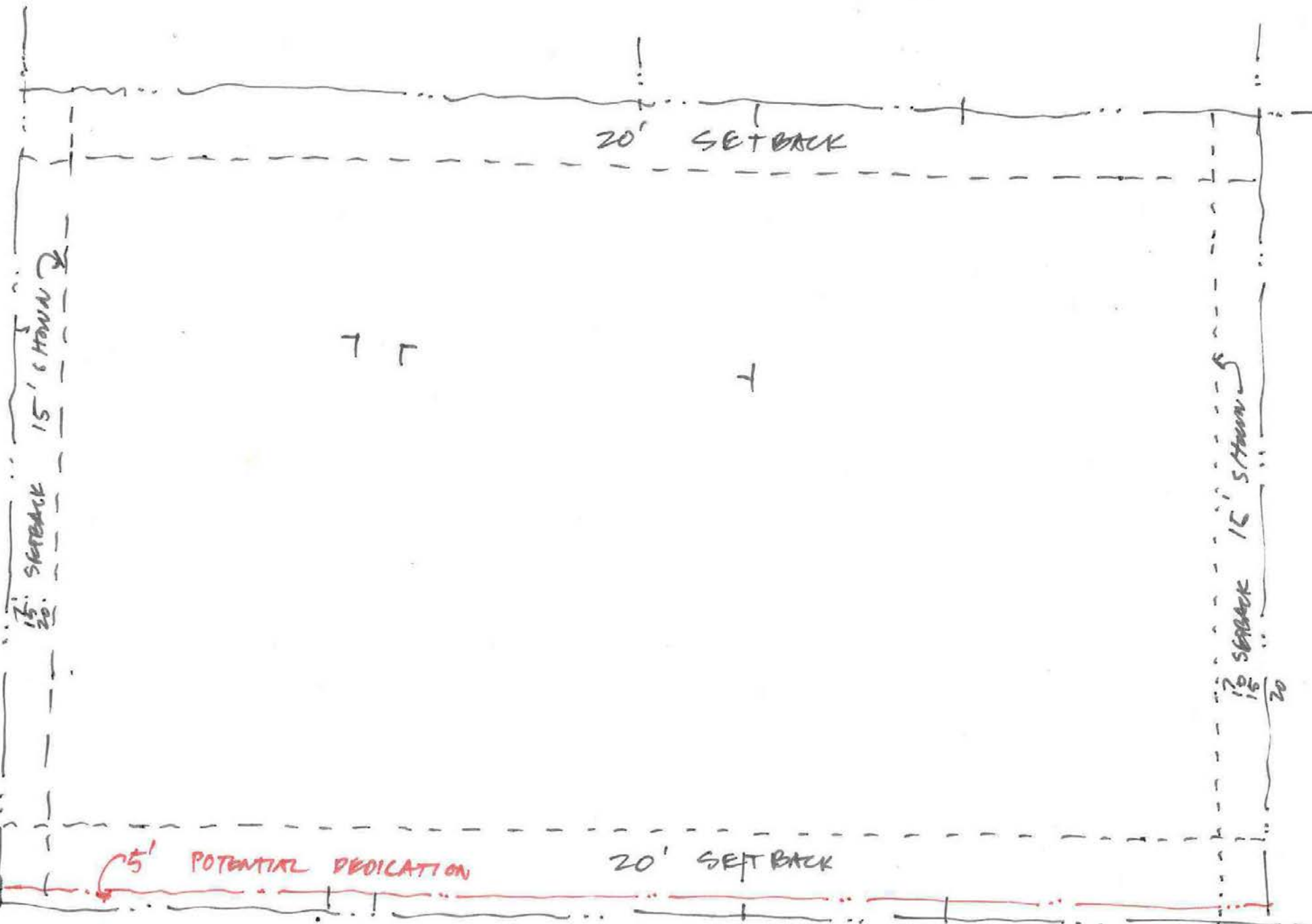
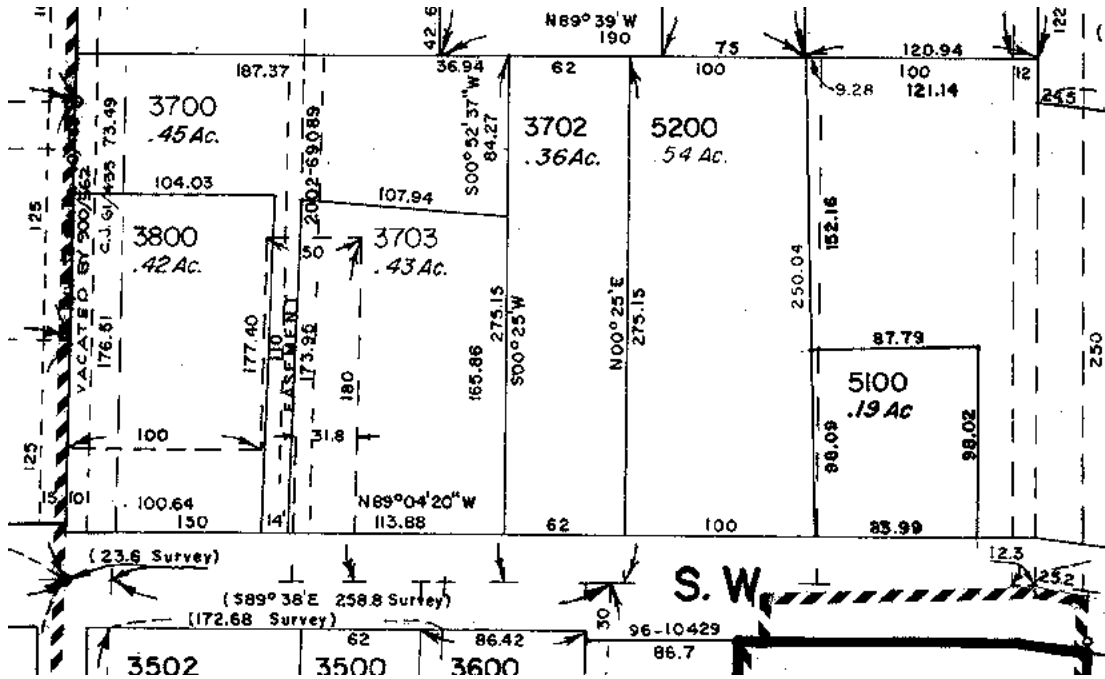
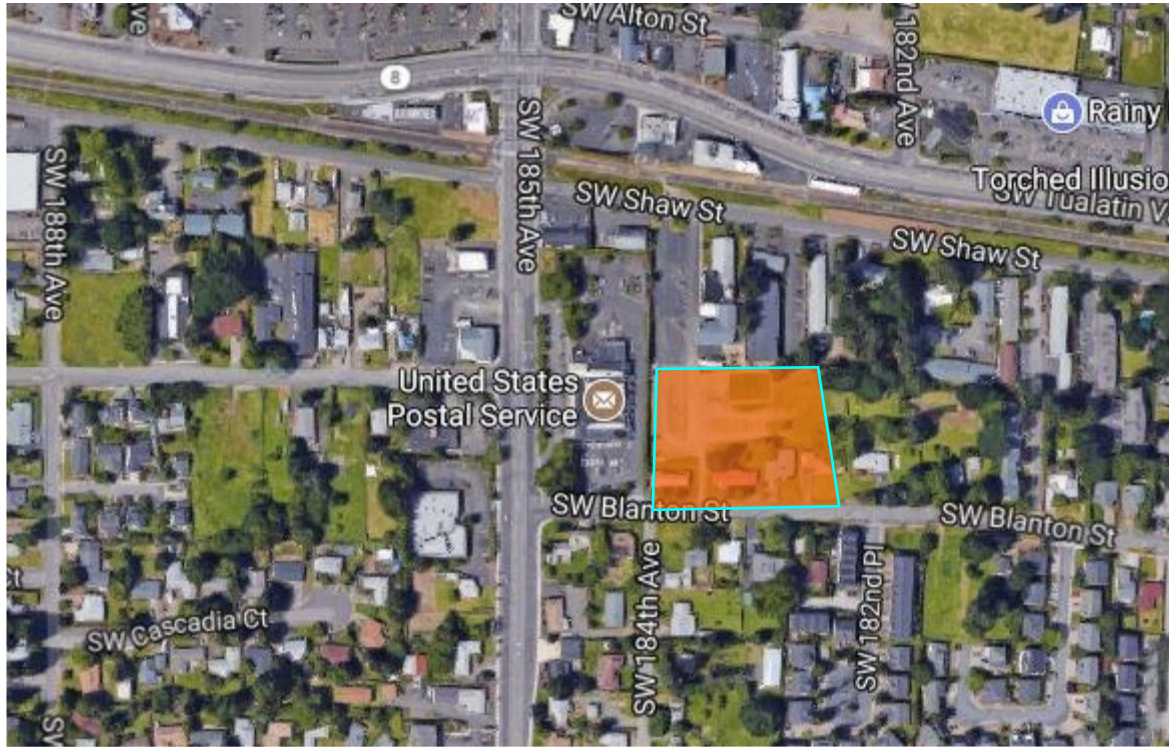
CURRENT CODE - SECOND FLOOR PLAN



CURRENT CODE - THIRD FLOOR PLAN



May not conform to current Washington County CDC regulations



PARCEL MAP

NTS N

CURRENT CODE - DIAGRAM

N

WASHINGTON COUNTY EQUITABLE HOUSING

BLANTON STREET MULTIFAMILY

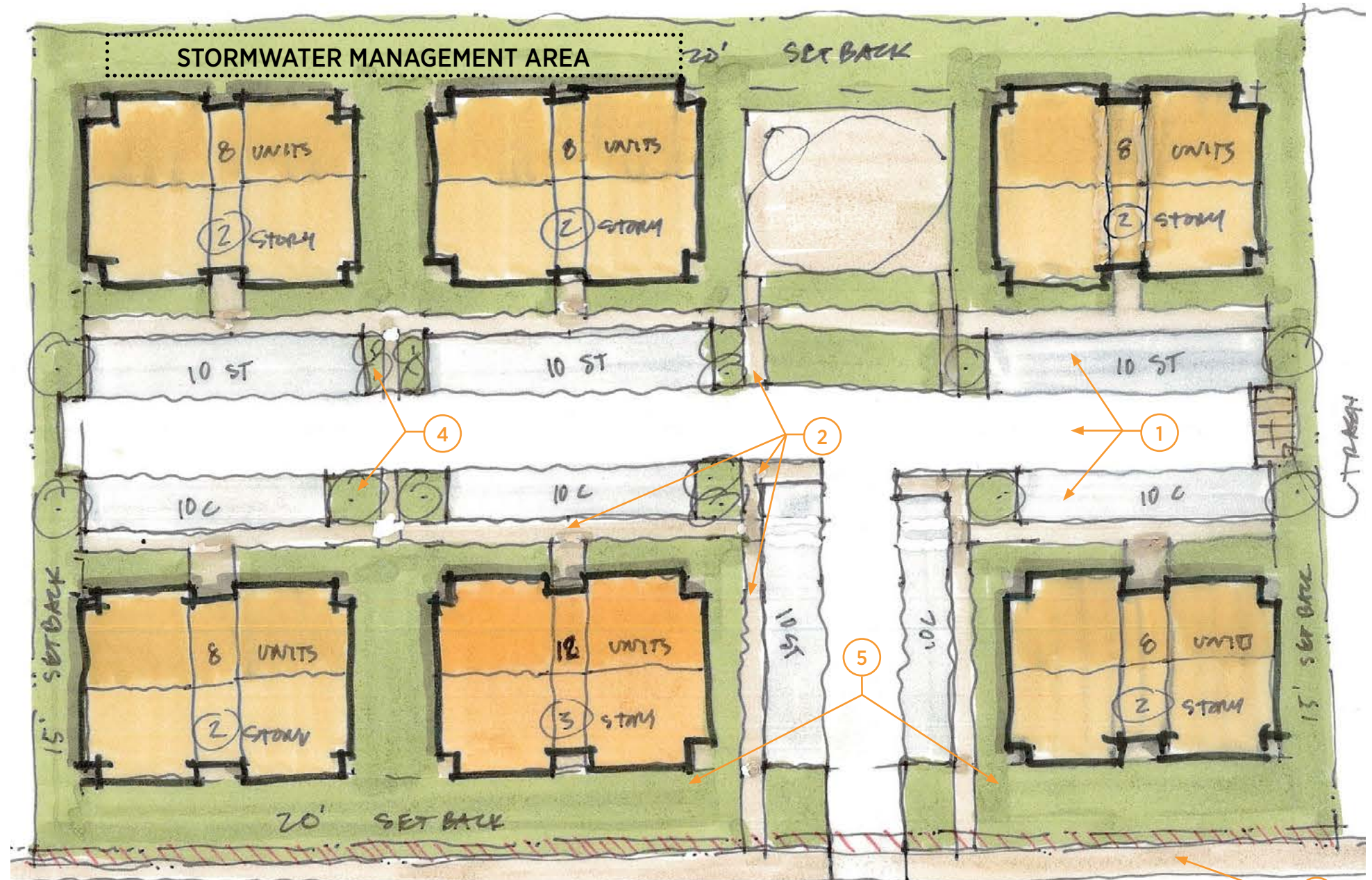
CRITERIA

- Site Area: 2.2 Acres
- District: Aloha - Reedville
- Zone: R24
- MIN Density: 19 u/acre = 42 units
- MAX Density: 24 u/acre = 53 units
- MAX FAR: None
- MAX Height: 50'
- MIN Landscaping: 25% Buildable Land = 0.55 Acre = 24,000 SF
- MIN Loading: 1 stall @ > 3 stories
- MIN Setbacks:
 - F: 20'
 - S: 7' - 2 story, 10' - 3 story, 15' - 4 story, 20' - 5 story
 - R: 20'
 - Parking: 5'
- Screening/Buffering: None
- MIN Parking:

ST/1BD	1:1
2BD +	1.5:1 x 53 = 80

DEVELOPMENT CONCEPT

- 2-3 story garden style apartments, if market rate.
- 4 story garden style apartments, if affordable. (*Not currently allowable.)



- ① Typical 90 Degree Standard Parking Stall 8.5'Wx18'D
- ① Typical Two Way Drive Aisle 24'
- ① Typical 90 Degree Compact Parking Stall 7.5'Wx15'D 50% Maximum
- ② Typical 5' Private Sidewalk
- ③ Typical 12' Public Sidewalk
- ④ Typical Small Landscape Island - 7'x18'
- ④ Typical Large Landscape Island - 15'x15'



CURRENT CODE - SITE PLAN

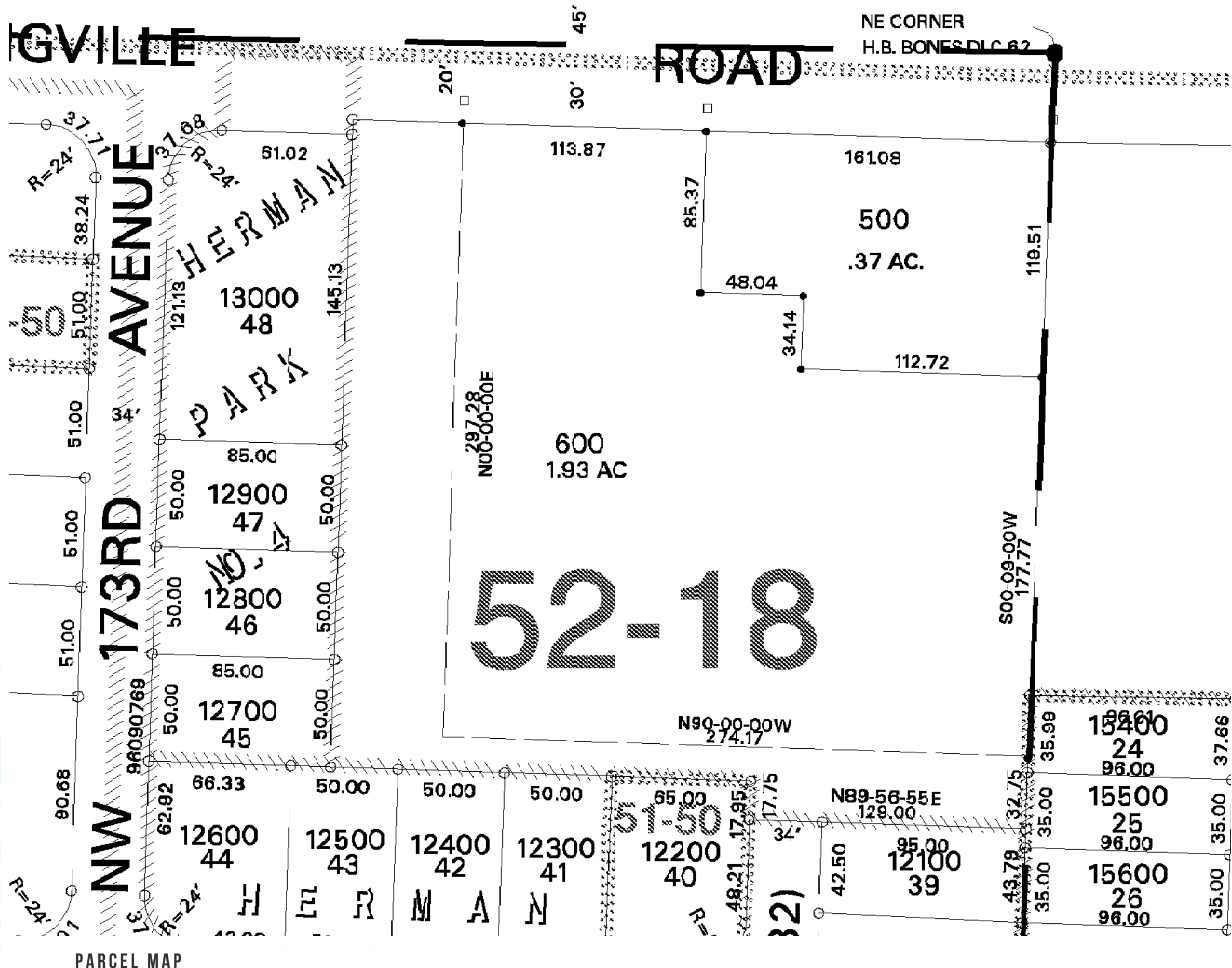


	IF MARKET RATE	IF AFFORDABLE*	
UNITS	52	96 (106 MAX)	*Affordable option is theoretical. Would require a density bonus, not currently available outside of North Bethany.
PARKING	80, 1.5:1	80, 0.75:1	
LANDSCAPE	33,000 SF (34%) (more than required)		

May not conform to current Washington County CDC regulations

WASHINGTON COUNTY EQUITABLE HOUSING

SPRINGVILLE TOWNHOME OPTION



PARCEL MAP



WASHINGTON COUNTY EQUITABLE HOUSING

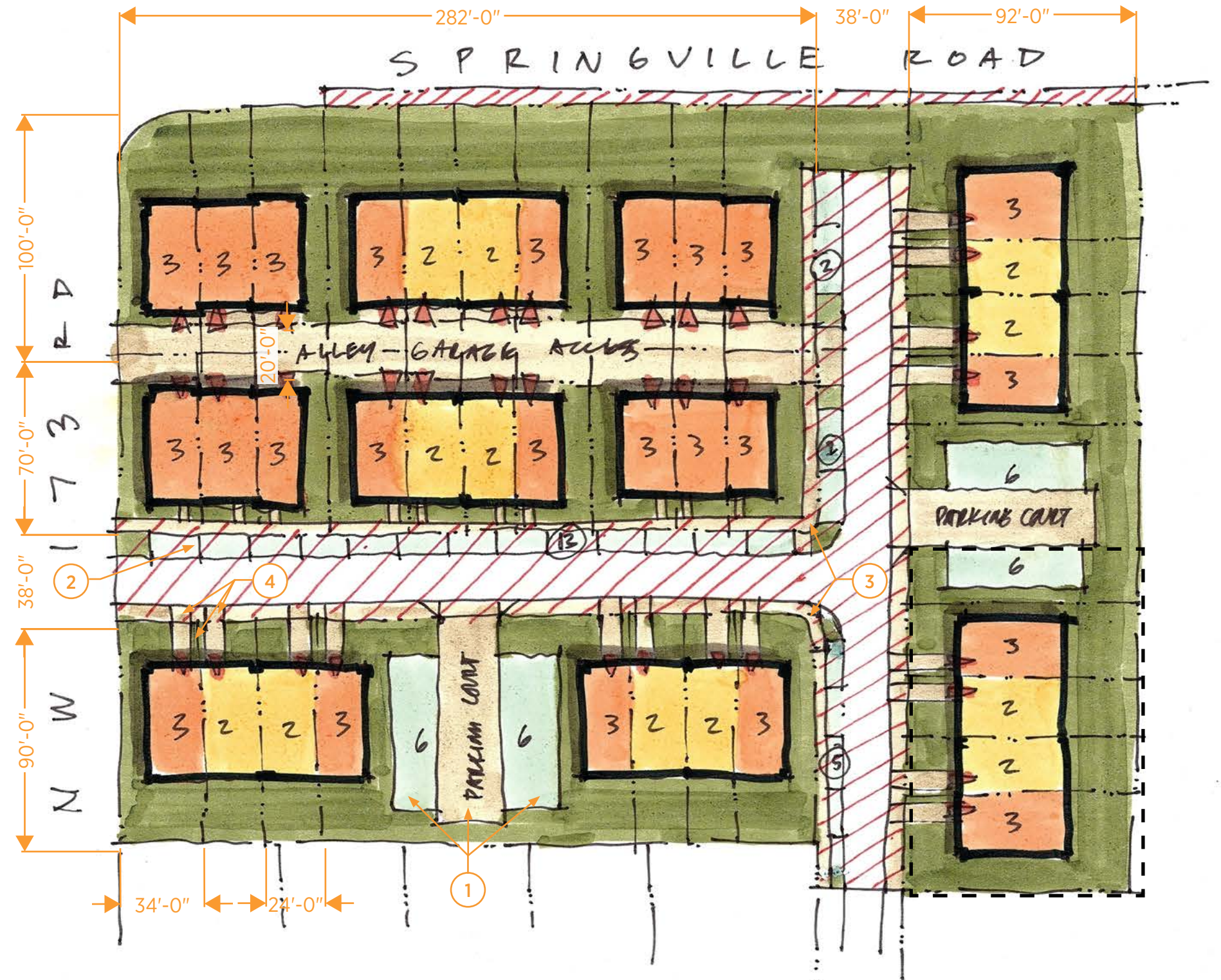
SPRINGVILLE TOWNHOME OPTION

CRITERIA

- Site Area 2.8 Acres
- Community Plan Bethany
- Zone R15
- MIN Density 34 units
- MAX Density 42 units
- MIN Lot Area 1600 SF - attached
- Lot Dimensions W - 20' MIN
D - 60' MIN
- MAX FAR None
- MAX Height 35'
- MIN Outdoor Contiguous Yard Area 300SF within each lot, dimensions min 10'
- Arch Design Standards Facade/Garage when near transit route
- MIN Setbacks
 - F 10' - wall, 6' porch, 20' garage or 4' from near alley
 - S 8' - street, 5' - other, (can request reductions on abutting side-yards as long as no less than 6' between buildings)
 - R 12'
 - Perimeter 15' where adjacent to off-site detached developed pre 11/27/1998
- Screening/Buffering None
- MIN Parking 2BD + 1.5=1
2 provided, 1 garage + 1 driveway
- MIN On-street Parking 1:2 off street stalls
- Parking Court One per side of block, max 12 stalls

DEVELOPMENT CONCEPT

- 3 story townhomes, fee simple, attached dwellings, 2 bed unit = 1300 sf, 3 bed unit = 1550 sf



- ① Typical 90 Degree Standard Parking Stall 8.5'Wx18'D
Typical Two Way Drive Aisle 24'
Typical 90 Degree Standard Parking Stall 8.5'Wx18'
- ② Typical On-Street Parallel Standard Parking Stall 8.5'Wx18'D
- ③ Typical 12' Public Sidewalk
- ④ (2) Typical One Car Driveways 12' W x 20' D ea

CURRENT CODE - SITE PLAN



UNITS 36
PARKING off-street 2/unit = 72
on-street 1/2 off street = 36, 46 provided

May not conform to current Washington County CDC regulations

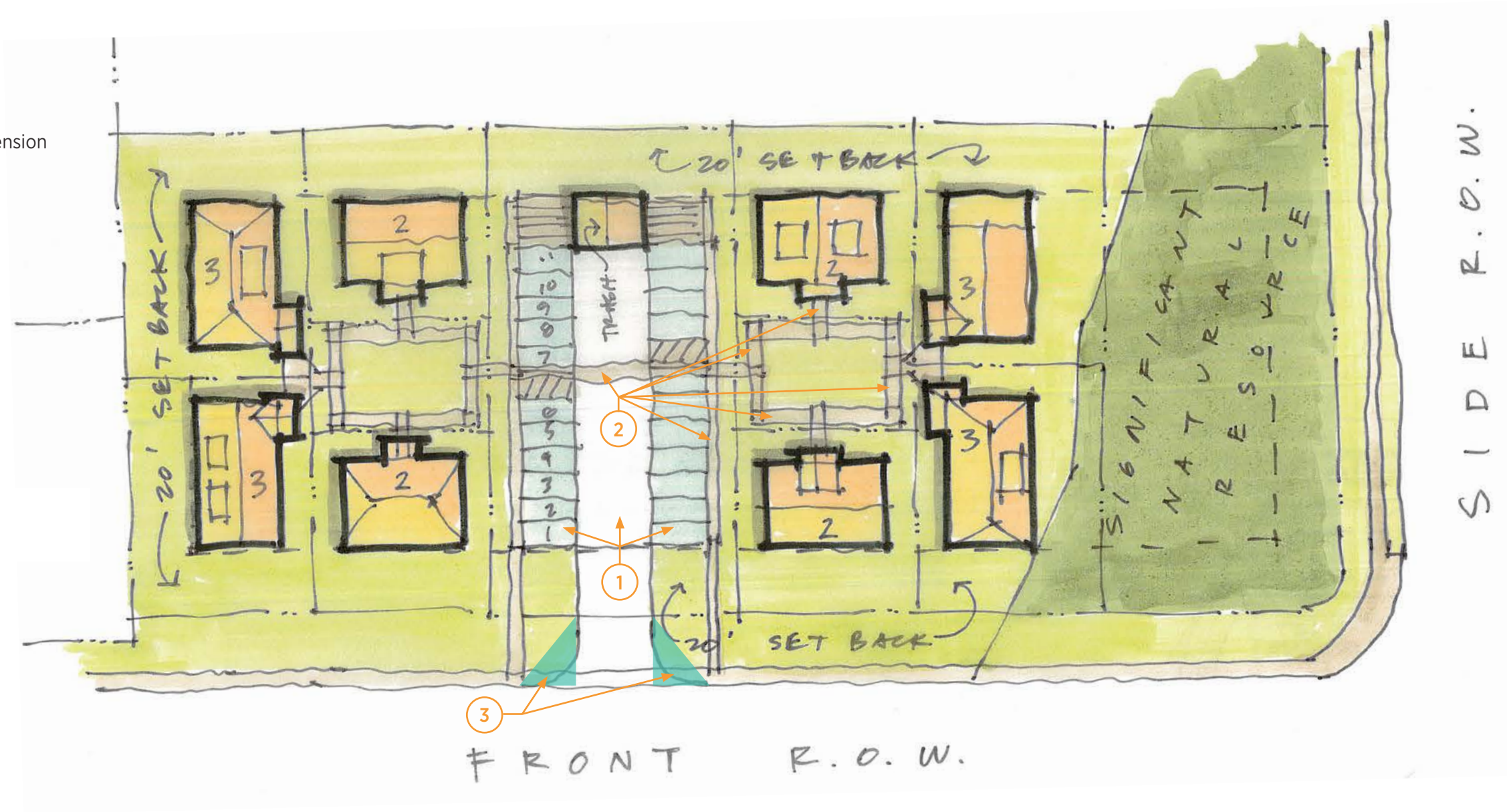
CRITERIA

- Site Area 1.3 Acres
- Community Plan Raleigh Hills/Garden Home
- Zone R6
- MIN Density 5 u/ac = 7 units
- MAX Density 6 u/ac = 8 units
- MIN Lot 4500 SF average, 4000 MIN
- MAX FAR None
- MAX Height 35'
- MAX Site W - 35' MIN
D - 60' MIN
- MIN Landscaping
- MIN Open Space 400 SF/Lot Contiguous, min 10' dimension
- MIN Setbacks
 - F 12' - wall, 9' porch, 20' garage
 - S 10' - street, 5' - other
 - R 15'
 - Parking 20' - garage
- Screening/Buffering None
- MIN On-street Parking 1:2 off street stalls

- ① Typical 90 Degree Standard Parking Stall 8.5'Wx18'D
Typical Two Way Drive Aisle 24'
Typical 90 Degree Standard Parking Stall 8.5'Wx18'D
- ② Typical 5' Private Sidewalk
- ③ 15' Corner Vision Sight Triangle

DEVELOPMENT CONCEPT

- Theoretical cluster housing, fee simple, detached dwellings, 2 bed = 1045 SF, 3 bed = 1450
 - Cluster housing is not currently allowable outside North Bethany due to the following requirements:
 - Each lot must have street frontage.
 - Off-street parking required within each lot
- Note: Additionally if cluster housing were proposed without individual lots, as condos or rentals, CDC does not allow more than one single family detached dwelling on a single lot.



NOTE: If lot to north underdeveloped, must stub a public street to site line per current regulations.

CURRENT CODE - SITE PLAN



May not conform to current Washington County CDC regulations

PORTLAND

38 NW Davis Street
Suite 300
Portland, OR 97209
T 503.245.7100

SEATTLE

1505 5th Avenue
Suite 300
Seattle, WA 98101
T 206.576.1600

SAN FRANCISCO

1014 Howard Street
San Francisco, CA 94103
T 415.252.7063

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Exhibit 3: Pro Forma Analysis Preliminary Results



MEMORANDUM

DATE: January 30, 2018

TO: Washington County Equitable Housing Project

FROM: Brendan Buckley
JOHNSON ECONOMICS, LLC

SUBJECT: Pro Forma Analysis Preliminary Results

JOHNSON ECONOMICS has prepared pro forma models of the prototypical development concepts prepared for each of the five study sites. The models are meant to test the feasibility and affordability levels of each design, and allow the adjustment of various factors to test the impact on feasibility. The baseline pro formas model the development concepts as hypothetical market-rate projects.

This project is aimed at identifying potential measures that Washington County might take to improve the feasibility of projects that serve mid- to lower-income households. The following is some general discussion of factors in project feasibility and affordability, followed by findings of impact on the study sites.

I. BACKGROUND

A. Policy Levers that Impact Feasibility

The two main factors impacting feasibility of a commercial income project are the projected 1) Net Operating Income (NOI), and 2) Development Cost. The projected NOI is dependent on achievable rents in the market area. The estimated asset value of the project to the owner is derived from the expected NOI over time. The expected property value must exceed the cost of developing the project, and provide a sufficient additional return to justify the risk of undertaking the project.

To positively impact the feasibility of a development, a policy must address either the income or cost side of the equation.

- **Net Operating Income:** The achievable rent level is largely determined by the general rental market, and the developer has limited ability to impact this variable. While the developer may try to add amenities to the project to increase achievable rents, these amenities will also likely bear additional costs. Ultimately, price competition among properties, along with the financial means of the renter pool in the area, combine to balance rents at the market level.

However, one key way that a jurisdiction can impact the potential NOI and property value is through entitlements. Feasible properties generally reach economies of scale whereby each additional unit exceeds the marginal cost of constructing it, and improves returns on the project. In other words, greater unit density increases the value and return of the project. Regulatory changes that allow a developer to achieve greater density on a given property will improve the project's feasibility. These income-side levers might include:

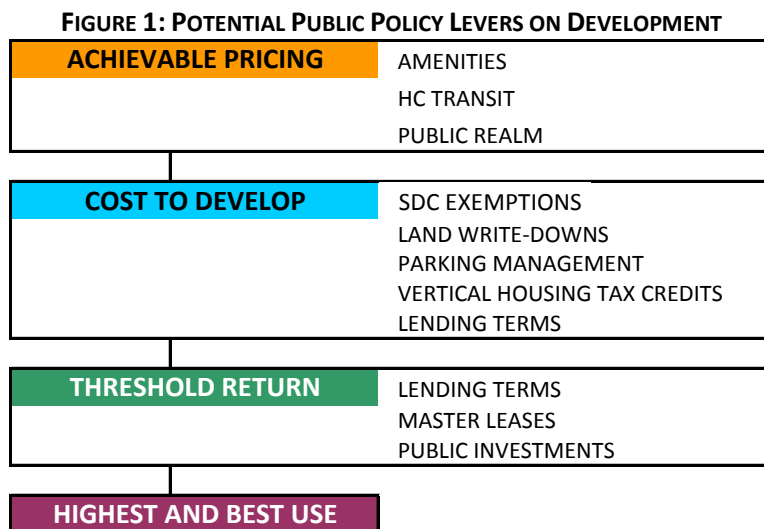
- Increasing the permitted density



- Changing building standards that limit density (height, site coverage, articulation, etc.)
- Reducing other required site uses (parking, setbacks, water management, etc.)
- **Development Cost:** A jurisdiction generally has greater ability to directly impact the cost side of the equation through changes to on- and off-site requirements, fees and SDC's, and process costs. Here too, the jurisdiction should not overestimate its ability to make major cost reductions for the developer. The greatest cost factors for a developer are also market dependent, such as the costs of land, labor and materials. However, policy and regulatory changes can help improve project feasibility, such as:
 - Fees and SDC's
 - Streamlined public review and approval processes
 - Required facility improvements
 - Public/private partnerships
 - Land discounts

(See Angelo Planning memo for more discussion of individual code-based factors.)

The following categories reflect some policy-sensitive variables and/or market interventions that can impact the highest and best use determination. These levers can either raise achievable pricing, reduce the cost to develop, or improve the financial returns through lending terms of public partnership:



B. Density: Low-Rise vs. Mid-Rise Development

The density of market-rate development forms is driven by achievable pricing/rent levels at the site in question. In a metropolitan environment, the highest rents and land values are typically found in the center of the city. Not coincidentally, this is where the most density occurs in the built environment. The central city is where high-rises, full-site coverage buildings, and parking garages are found. In short, the higher rent levels achievable in the city center justify the cost of more intense use of the land.




In most suburban environments, achievable rent levels tend to support low-rise construction. Low-rise development is typically limited to three or four stories, and utilizes wood frame construction. The shift from four to five or six stories often includes switching to concrete and steel frame construction, which adds substantial cost. Unless achievable rents also rise, a building that is feasible with low-rise construction can become infeasible by adding a single story.



Major factors which increase the cost for denser development can include materials (i.e. steel), structured parking, specialized labor and equipment, building elements such as elevators and firewalls, and costs of entitlement and the approval process. Because of this dynamic, most locations outside of Portland’s central city face difficulty in achieving a mid-rise built form or costly elements such as structured parking, without subsidy.

As a general rule, the higher density development forms have a higher cost per square foot to construct (Chart 2). This is offset by a greater achievable density (units/acre), which has value when the achievable price is higher than the cost of construction excluding land. However, when achievable pricing is below construction costs, there is no marginal value associated with the increase in density and development forms.

FIGURE 2: DEVELOPMENT FORMS FROM LOWER TO HIGHER DENSITY

Development Form	Description	Example Photo
Duplex/Townhomes	Also typically wood frame, these units often have parking under the unit, from the front or an alley. Projects can be fee simple or with condominium ownership of the land and common area elements.	
Type V (wood-framed) Construction with Surface	Typically wood frame construction with surface parking, carports or stand-alone garages. Construction is usually two to three stories high, with a density approaching 30 units per acre. This is the predominant multi-family form in most suburban communities.	
Type V (wood-framed) Construction over Concrete Podium	Wood frame and/or steel stud construction over a single story concrete podium. This construction type is more common than mid-rise in communities where achievable pricing is somewhat lower. It is seen often on infill sites in the Portland Metro area, and is more common in suburban environments than mid-rise development.	
Mid-Rise	Steel and concrete construction, limited in height to 4-7 stories. In Oregon, these are mostly seen in inner Portland neighborhoods, in areas in which a high-rise solution is considered too large or costly in scale. This form has not been done in the Aloha area to-date, but can be found in Hillsboro and Beaverton.	

Highest and Best Use: A developer considering redevelopment of a property will usually seek to determine the “highest and best use” in the economic sense. This term has a particular meaning in real estate development, which



is the use that provides the best economic return, which leads to the highest value for the underlying land. The value of the underlying land is referred to as the “residual land value”.

For instance, under an obsolete use, a parcel may have a value of X. However, for a new use with a higher achievable rent and perhaps increased density, the developer may be willing to pay 2X for the parcel (i.e. for the buildable land). Under the new, more productive use, the land itself is literally worth more than the existing property (land and building) is worth under its current use.

Highest and best use reflects the balance between potential rents and development costs. While a larger, denser building may earn higher NOI, it may not be sufficiently higher to outweigh the increased development costs to build that building. A lower-density building will provide better economic returns.

C. Affordable Housing

Market-rate rents are rarely affordable to low-income households in almost any housing market. Affordable rents cannot provide a market-level return on investment, meaning that new units at deeply affordable levels must generally be developed by agencies with a public-interest motive, using other sources of equity and financing for development.

Most project costs are the same or even higher for affordable projects. Applying for and administering tax credits increases both development soft costs and operating costs over time for affordable housing. Additional expectations for green building, accessibility, “catalyst development” features, and other requirements can add additional cost. In practice, development of affordable housing is often *more* costly than the development of market-rate housing.

Private affordable housing developers can benefit from state provisions that allow them to avoid paying prevailing wages for the project, which can mitigate construction costs by roughly 15% over public projects. However, two requirements to this rule this can complicate what types of affordable housing will be most feasible: one is that prevailing wage is required for projects over four stories; the second is that prevailing wage is required for projects which include a commercial component. Therefore, the leap from four stories to five, even where the increased density might be beneficial, can increase costs to the extent that the project becomes infeasible. Similarly, zoning that requires a mix of uses is likely to dissuade the development of regulated affordable housing.

Each affordable housing project is unique, often involving a complex partnership of multiple agencies, programs and investors to fully finance a sizeable project. Low Income Housing Tax Credits (LIHTC) can greatly subsidize the initial development costs of a project, by contributing equity in return for regulated affordable units. However, the remaining equity needs are often still sizable, and additional layers of subsidy or financing are necessary to fully fund such a development.

The regulatory levers available to impact project feasibility will be largely the same for market-rate vs. regulated affordable housing. If the intent of relaxed requirements is to encourage affordable housing specifically, we advise that incentives (i.e. density bonus) be available in return for producing affordable units.

D. Who Benefits from Incentives?

The code-based remedies being studied in this project tend to impact housing affordability and feasibility through facilitating greater use of development sites (i.e. increasing density), and streamlining process and regulatory hurdles (i.e. saving time). The goal of these measures is to make development more feasible at current market rent levels, but also to incentivize units affordable at lower rent levels.

In one sense, simply increasing the supply of housing units will help stabilize rent levels as greater competition amongst properties helps regulate pricing. But it is important to note that the financial benefits of lowering code barriers to feasibility will not accrue automatically to the renters.



In a model housing market, much of the financial benefit from development incentives and increased entitlements can be expected to accrue to the property owner (seller) as the additional value of increased development increases the residual value of the land. Additional financial benefits that accrue to the developer are most likely to go to investors as increased returns. Because the general market sets what rents are achievable, the developer/investors can charge market rents regardless of what incentives or cost savings they have received in the process, unless bound to do otherwise.

For this reason, the County should consider using at least some of the reduced code barriers that come out of this project as incentives in return for providing affordable housing specifically. Alternatively, the result of lowering code barriers can be to facilitate the production of more market-rate rental housing in general, which has the positive effect of increasing supply and moderating rent levels. As new properties are developed for those near median income, older units filter down to lower-income households.

II. FEASIBILITY & AFFORDABILITY ANALYSIS

A. Affordability Levels

JOHNSON ECONOMICS estimated achievable market rents for the five development concepts based on market analysis of newer competitive properties in the area, and average rent statistics. Assumptions of unit types, number, and sizes were derived from the development concepts prepared for the five study sites. (This includes estimated “market rents” for the CPAH project.)

FIGURE 3: UNIT PROGRAM, ESTIMATED RENTS, AND AFFORDABILITY (FIVE STUDY SITES)

	<u>SITE 1</u>	<u>SITE 2</u>	<u>SITE 3</u>	<u>SITE 4</u>	<u>SITE 5</u>
	Alexander Street	Cornell-Murray (CPAH)	Shaw Street	Springville Road	Hypothetical
UNIT SIZE (SF)					
Studios	425	0	0	0	0
1B/1b	650	643	0	0	0
2B/2b	900	900	950	0	1,150
2B/2b Townhome	0	0	0	1,300	0
3B/2b	0	1,200	1,150	0	1,450
3B/2b Townhome	0	0	0	1,550	0
<i>AVERAGE (sf):</i>	522	779	1,046	1,472	1,300
UNIT RENT (\$)					
Studios	\$1,000	\$0	\$0	\$0	\$0
1B/1b	\$1,250	\$1,250	\$0	\$0	\$0
2B/2b	\$1,500	\$1,500	\$1,500	\$0	\$1,750
2B/2b Townhome	\$0	\$0	\$0	\$1,850	\$0
3B/2b	\$0	\$1,800	\$1,800	\$0	\$2,100
3B/2b Townhome	\$0	\$0	\$0	\$2,250	\$0

AFFORDABILITY (AMI Level)

<u>MARKET RATE (Current)</u>	<u>% AMI</u>	<u>% AMI</u>	<u>% AMI</u>	<u>% AMI</u>	<u>% AMI</u>
Studios	77%	0%	0%	0%	0%
1B/1b	89%	89%	0%	0%	0%
2B/2b	89%	89%	89%	0%	104%
2B/2b Townhome	0%	0%	0%	110%	0%
3B/2b	0%	93%	93%	0%	108%
3B/2b Townhome	0%	0%	0%	116%	0%
<i>Average:</i>	<i>81%</i>	<i>90%</i>	<i>91%</i>	<i>114%</i>	<i>106%</i>

Source: Johnson Economics, Ankrom Moison, OHCS



It is estimated that at currently achievable market rents, the sites would be affordable to those earning between 81% and 114% of Area Median Income (AMI), based on the OHCS standard. In general, the largest development (Site 1) would be most affordable, while the lowest density properties are less affordable because they offer larger units at higher overall rents.

These rents are near the top of Washington County averages, though not for new top-of-market developments (such as those near Orenco). Because the estimated rents are in line with averages, it indicates that market rents are likely close to meeting the needs of many or most middle-income households (those in the 80% to 100% AMI range.)

Figure 4 shows the discounts to market-rate rents that would be necessary to achieve affordability at a range of income levels. As it shows, the rent levels affordable at lower AMI levels represent a sizable discount to current market rent.

FIGURE 4: NECESSARY RENT DISCOUNTS TO ACHIEVE AFFORDABILITY

Affordability Levels	SITE 1	SITE 2	SITE 3	SITE 4	SITE 5
	Alexander Street	Cornell-Murray (CPAH)	Shaw Street	Springville Road	Hypothetical
To be Affordable at:	Necessary Discount from Market Rent Level				
100% AMI:	0%	0%	0%	12%	6%
80% AMI:	1%	11%	12%	30%	25%
60% AMI:	26%	33%	34%	47%	43%
50% AMI:	38%	44%	45%	56%	53%
40% AMI:	50%	55%	56%	65%	62%
30% AMI:	63%	67%	67%	74%	72%

Source: Johnson Economics, OHCS

Generally, regulated housing is necessary to provide affordable units to households earning 60% AMI or less, with tax credits serving those between 30% and 60% AMI, and public housing and housing choice vouchers serving the lowest income individuals.

Measures such as the code barriers discussed in this project can facilitate the production of all these types of housing, and/or provide additional incentives to produce regulated affordable housing. To the extent that reduced regulatory barriers give a financial benefit this can stabilize or lower rents at these different levels of affordability.

B. Market Feasibility of Development Concepts

JOHNSON ECONOMICS estimated market feasibility of the development concepts assuming the unit programs and achievable rent levels discussed above. The calculations reflect a range of market-based assumptions regarding operating expenses, construction cost, lending terms, and return parameters. These assumptions are used for general guidance, as individual developers are likely to vary in terms of their assumptions.

We estimate that under current market conditions, four of the development concepts would likely be feasible as market-rate housing. (The exception is the CPAH Cornell-Murray project, as discussed below.) In general, the larger developments (Sites 1 and 3) are estimated to be the most feasible. The lower-density sites (Sites 4 and 5) are technically viable, but are estimated to return a modest residual land value, and therefore may not represent the most profitable development form on these properties.



- **Site 1, Alexander Street:** Assuming a four-story wood frame structure served by surface parking as the base case, this project is estimated to be feasible. The density of smaller units increases its return, however by maintaining wood-frame construction with no need for a concrete parking podium, construction costs are controlled on a per-square-foot and per-unit basis. While additional density is allowed on this site, to add it would likely necessitate structured parking (concrete podium) to meet parking requirements, and the additional costs would outweigh the marginal benefit of the additional units. **(Feasible)**
- **Site 2, CPAH Cornell-Murray:** This five story structure, with four residential floors over a parking podium, is not estimated to be feasible as market-rate rental housing under current market conditions. The step of switching from low-rise wood-frame to a podium building increases costs significantly. This building type is now feasible in some key locations in Washington County, when offered as luxury apartments achieving top rents. However, this busy commercial-oriented location is not ideal for luxury units. At average market rent levels, the project is estimated to have a negative value, though it was achievable as affordable housing. **(Infeasible as market-rate project)**
- **Site 3, Shaw Street:** This program of relatively standard walk-up garden apartments is estimated to have the highest achievable return on cost, through basic low-rise construction with 100% building efficiency (no interior corridor space). This is also a common product type in the suburban market meaning more developers and contractors have knowledge of this type, which streamlines construction and lowers barriers to entry. **(Feasible)**
- **Site 4, Springville Road:** Townhomes seem to provide a better return as a homeownership product than rental product. These large units do not achieve enough of a price premium over standard flat apartments to make them the highest and best economic use of the test site (if garden apartments were allowed). As a market-rate homeownership option, this development program provides a stronger return. Nevertheless, this concept is still estimated to be feasible as a market-rate rental project as well. **(Feasible, may not be HBU)**
- **Site 5, Cottage Cluster:** The hypothetical cottage cluster program is feasible but provides relatively modest returns and undervalues the land compared to the number of single-family homes that it could accommodate. Like townhomes (Site 4), as a market-rate rental product these are rather large units, and more expensive to construct than attached multi-family units. They do not achieve enough of a price premium over standard flat apartments. **(Feasible, may not be HBU)**

C. Incremental Value of Density

JOHNSON ECONOMICS estimated the impact of incrementally increasing permitted/achieved density on the study sites in order to test one of the main mechanisms by which code provisions can improve feasibility. In order to analyze this, the incremental improvements to the value/cost relationship were modeled as additional density was allowed (up to a 100% density bonus). In general, as additional density was assumed, the value to cost ratio (and estimated residual land value) improved marginally with each increment of density.

We then estimated the reduction in average rent level (i.e. improved affordability level) that would result from reducing rents until the original value/cost ratio was reached. In other words, this gives an indicator of how much affordability levels can be lowered as density increases, while still providing the same estimated return as under the base-case.



(This assumes that all increased returns from the additional density would be passed through in the form of lower rents, which is not the case with market-rate properties. However, the regulatory recommendations coming from this project may be designed to help ensure that the benefits go towards affordable housing as discussed above and in future phases of this project.)

Figure 5 below presents estimates of the hypothetical improvement to affordability represented by incremental additions of density. For instance, a 100% density bonus for Site 1 would reduce the average affordability level from 81% AMI to 70% AMI. Higher incremental density has a larger hypothetical impact as the density of the concepts decreases. Site 5 for instance could see a reduction in average affordability level from 106% AMI to 83% AMI. This would be a sizable reduction in rent if achieved.

**FIGURE 5: HYPOTHETICAL AFFORDABILITY IMPROVEMENTS,
FROM VALUE OF INCREMENTAL DENSITY BONUS**

Density Levels	SITE 1	SITE 2	SITE 3	SITE 4	SITE 5
	Alexander Street	Cornell-Murray (CPAH)	Shaw Street	Springville Road	Hypothetical
	Effective Affordability Level (% of AMI)				
Baseline Density (Market)	81%	90%	91%	114%	106%
+ 20% Bonus	79%	87%	88%	110%	101%
+ 40% Bonus	76%	85%	85%	106%	96%
+ 60% Bonus	74%	82%	82%	103%	91%
+ 80% Bonus	72%	80%	79%	99%	87%
+ 100% Bonus	70%	77%	76%	96%	83%
<i>Total Reduction in AMI Level:</i>	<i>11%</i>	<i>13%</i>	<i>15%</i>	<i>18%</i>	<i>23%</i>

This analysis is intended to provide an indicator of the marginal impacts of regulatory steps that increase density. This can take the form of direct changes to the permitted density standard in the applicable zone, to any measure that increases the share of the site that can be used for additional housing development, without forcing a switch to structured parking or mid-rise construction. As outlined in the Code Barriers Review, a range of code-based standards under consideration impact the achievable density on the subject sites, with variation by zone.

These findings support that measures which facilitate greater density can equate to moderate improvements in affordability while still achieving the same targeted project return. Any incremental improvement to affordability and the unit supply on the market would be positive. However, they also indicate the likely need for other measures to improve income potential and reduce costs to achieve deeper levels of affordability.

D. Reductions in Cost

JOHNSON ECONOMICS estimated the impact of a number of major cost factors on the feasibility and hypothetical affordability of the development concepts. Major cost factors that may be impacted through regulatory changes include parking requirements, facility improvements, mixed-use requirements and land discounting.

Parking requirements: Parking is a major cost factor of any development. Local parking requirements and the necessary site area needed to accommodate spaces, are often a key determinate of the type of development and amount of built space that can be programed on a development site.



Parking impacts the pro forma in two important ways. First, the amount of space dedicated to parking on the site limits the density and scale of the income-generating built space on the site, thus reducing the potential NOI of the project. Second, the parking area itself entails costs to construct and maintain. In the central city, this cost can be defrayed through charging for parking spaces, but in a suburban environment, the market still generally demands free parking. (In addition, charging for parking decreases the affordability of the property.)

JOHNSON ECONOMICS tested the impact of reducing the parking ratio for the five development concepts, and the impact this might have on affordability. In general, the estimated cost of constructing surface parking (\$5,000/space) is low enough that reducing these direct costs by half showed only a minor impact on the hypothetical affordability level of the property (a reduction of 2% of AMI level.)

However, a reduction in the required parking ratio can have a much larger impact indirectly through enabling greater density on the site (see previous section.) The amount of increased density that may result from reduced parking will differ by the site and density limits in place, but the impact can be significant. Each parking space eliminated from the site plan can result in 150 to 200 sq.ft. of additional site area to accommodate additional income-generating space.

Where a reduced parking ratio can have the largest impact on cost is by permitting a development to forego structured parking (\$30,000 to \$45,000/space) and switch to a smaller surface parking lot. While this may reduce the site area dedicated to built space, and thus the number of units, it can make the project feasible when the cost structured parking rendered it infeasible.

Of the five development concepts studied, only Site 2 (Cornell-Murray) features structured parking. The remaining site concepts were designed with surface parking to increase their feasibility as hypothetical market-rate developments. JOHNSON ECONOMICS tested Site 2 assuming a reduced parking ratio of 0.75 accommodated with surface parking. This reduces the amount of site area available for the building floorplate. We assume a loss of over a third of the density (a reduction from 48 to 30 units), and unit profile more similar to Site 1 in terms of size and achievable rent/s.f. The models finds that under these assumptions, the Site 2 development could become market feasible. In this hypothetical, the reduced parking ratio allows a switch in form that reduces units achieved but makes the project more likely to occur as a market-rate development.

Facility improvements: Each development project will have unique characteristics that determine the extent of required off-site improvements such as improvements to sidewalks and streets, traffic and signals, and utilities. Measures to reduce these requirements can have a significant impact on project cost and improve the feasibility of a project. The development concepts developed for this project do not include estimates of all off-site improvements required. The required improvements will vary based on the length of street frontage, condition of existing improvements, the classification of the street among other considerations. Specific policy mechanisms for reducing improvement costs will be tested as this project progresses.

Mixed use requirements: In zones where residential developments are required to include some commercial uses, this requirement can add a significant barrier for affordable housing agencies seeking to development housing in the area. Under current state rules, the inclusion of a commercial component triggers the prevailing wage requirement, which agencies can avoid in most other affordable housing developments that utilize state funding programs. Triggering prevailing wage can increase construction costs by 15% or more, making locations in mixed-use zones unattractive or even impossible for feasible development. Modeling a 15% increase in project hard costs rendered



all of the conceptual development plans at the study sites infeasible. One key regulatory step to consider would be to eliminate the mixed-use requirement in the case of regulated affordable housing specifically. This will make mixed use zones such as the CBD and Transit Oriented zones where new density and development is encouraged more attractive for affordable housing development.

Land discounting: One of the largest impacts that public agencies often have on project costs through public/private partnerships is through assisting with the discounting or donation of key development sites where the planned development meets important public goals. Generally, this tool or others that greatly reduce development costs, can be expected to have a greater impact of project feasibility, and hypothetical improvement in affordability, than regulatory changes that simply increase the achievable density (see prior section).

While this lever will not be available to all projects, it can be used in the case of key catalyst developments, in important plan areas, or where the county or other public partners come into possession of a viable site. The discount in the cost of land is meant to offset other increased costs or barriers the development might face and/or incentivize a type of development that might not otherwise occur. For instance, the grant of land might enable the transition to a more expensive building form, or the inclusion of structured parking to meet density, design or transit-oriented goals.

In the case of the five development concepts, JOHNSON ECONOMICS tested the impact of land donation in each scenario. The results indicate that this action would have a strong positive impact on the feasibility of all the developments approaching or surpassing the impact of a 100% density bonus (as shown in Figure 5). The reduction of land costs has the greatest positive impact on the lower density sites, as the incremental cost of land per unit is greater in these smaller projects. The greatest impact is shown on the hypothetical Site 5 because much of this large site is assumed to be environmentally constrained in this concept.

FIGURE 6: HYPOTHETICAL AFFORDABILITY IMPROVEMENTS, FROM VALUE OF LAND DONATION

	<u>SITE 1</u>	<u>SITE 2</u>	<u>SITE 3</u>	<u>SITE 4</u>	<u>SITE 5</u>
	Alexander Street	Cornell-Murray (CPAH)	Shaw Street	Springville Road	Hypothetical
	Effective Affordability Level (% of AMI)				
Baseline (Market)	81%	90%	91%	114%	106%
With Land Donation	72%	80%	75%	95%	74%
<i>Total Reduction in AMI Level:</i>	<i>9%</i>	<i>10%</i>	<i>15%</i>	<i>19%</i>	<i>32%</i>

Discounted land costs can result in reductions to development costs sufficient to allow significantly reduced rent while achieving the same targeted project return. In combination with additional measures such as density bonuses and parking reductions, this impact can be compounded to reach deeper affordability levels.

Exhibit 4: Code Barriers Review Memorandum



LAND USE PLANNING
TRANSPORTATION PLANNING
PROJECT MANAGEMENT

MEMORANDUM

DATE January 29, 2018
TO Kimberly Armstrong and Theresa Cherniak, Washington County
FROM Matt Hastie & Clinton “CJ” Doxsee, APG
RE **Washington County Equitable Housing Project – Code Barriers Review**
CC Anne Kelly, Tom Harry and Paul Schaefer, Washington County

PROJECT DESCRIPTION

The primary purpose of this work is to clearly identify regulatory and code requirements that have the potential to negatively impact development feasibility and/or increase development costs for projects that include residential uses, with a focus on encouraging equitable housing development in Washington County. Previous planning efforts, including Aloha Tomorrow and other projects, have recommended taking action to reduce regulatory and code barriers that impact housing development – but these recommendations have been fairly general.

As part of this effort, the project team has developed draft development concepts for specific locations, and has reviewed them for consistency with County development code requirements to highlight specific barriers. Proposed amendments and revisions to the Washington County Community Development Code and/or Community Plans will then be developed to reduce or eliminate these barriers and/or encourage production of a wider range of housing types and forms, including more affordable and equitable housing, and will move into the 2018 LUT Work Program for consideration during the 2018 Ordinance Season. It is likely that additional ordinances will follow in future ordinance seasons as well.

The remainder of this memo:

- Briefly describes the development sites and concepts;
- Summarizes the types of development procedures and standards evaluated;
- Assesses the type and relative impact of each type of process or standard on the feasibility or cost of development of the concepts; and
- Identifies preliminary strategies or solutions to address the barriers.

STUDY SITES

Five study sites were selected to test the development process and identify potential code barriers. The project team took several factors into consideration when selecting the sites. The primary study site selection considerations include locations in Washington County's Community Planning Areas, a range of sizes between sites, and various land use designations for small and large densities. A summary of the five sites is provided below.

Table 1: Study Site Overview

	ALEXANDER ST.	CORNELL/MURRAY	SHAW STREET	SPRINGVILLE	THEORETICAL SITE
Size	1.6 acres	0.76 acres	2.2 acres	2.8 acres	1.3 acres
District	CBD	TO:RC	R-24	R-15	R-6
Community Plan	Aloha – Reedville – Cooper Mt.	Cedar Hills – Cedar Mill	Aloha – Reedville – Cooper Mt.	Bethany	Raleigh Hills/ Garden Home
Dev. Type	Multi-family, seniors	Mixed use – Multi-family above retail	Multi-family	Townhome/ attached SF	Duplexes
Structure Type	4-6 story wood or wood over podium	5-story wood over podium	2-4 story walkup	3-story wood	2-story wood
Units	64-110	48	52-96	25-50	6
Density (u/acre)	40-68	63	24-40	9-18	4.6
Parking	76-94 stalls	51 stalls	1.5:1 – 0.75:1	2:1	2:1

COMMUNITY DEVELOPMENT CODE

Development codes are one of the key ways local jurisdictions such as Washington County regulate development, and they are intended to implement the policies in the Comprehensive Plan and specific Community Plans. Washington County's Community Development Code (CDC) is comprised

of standards that regulate specific aspects of development and the development process in unincorporated Washington County. The CDC's purpose is to implement the Washington County Comprehensive Plan and Community Plans through the adoption and coordination of planning and development regulations which provide for health, safety, and general welfare of County citizens.

The CDC regulates the permitted uses in each land use district and prescribes the form and function of those uses. It determines how tall a building can be, how far it must be set back from the public right-of-way, the amount of required parking, and the level of necessary landscaping. With the exception of building individual homes on single, small lots, most new residential development is required to bring the site into compliance with County development and infrastructure standards. This could mean that for a larger new residential development to be built, the property owner would have to provide parking, landscaping, and setbacks from the public right-of-way. Depending on size of residential development – particularly for larger developments located on streets that do not meet current County standards, developers may be required to provide half-street improvements that include drainage, sidewalks, bike lanes, and additional infrastructure. The cost of these improvements may make development challenging or potentially infeasible.

County-wide

The development process includes four major stages:

- Preliminary approval (100 days (eligible affordable housing)/120 days (urban)/150 days (rural)), which includes code review and establishing conditions of approval (e.g. things like “provide a half street at ultimate line and grade along the entire site frontage of NW Smith Street”).
- Conditions which must be met prior to issuance or grading permit (no required timeline), which includes some improvements (includes plan approval requirements).
- Final development approval, which includes meeting all conditions of approval prior to issuance of building permits.
- Occupancy, which includes completion of building and meeting any conditions of approval that were specified as being completed prior to occupancy that have not already been done.

This project and memo focuses primarily on the preliminary approval process but also briefly notes potential issues or barriers associated with other stages of the process that may act as barriers. Washington County conducted a review of development review process improvements in 2011, and many of the recommendations from that process have been implemented.

Potential barriers to development that could apply to most or all developments in unincorporated Washington County, regardless of the specific land use district and Community Plan regulations, include the following:

- Land Use Review Process
- Coordination with County departments and other service providers
- Schedule and approval timelines

- Level of discretion

Unpredictable elements of regulatory processes also can add costs to developing new housing. Regulatory processes such as the permit review process, coordination with other departments and service providers, approval timelines, and levels of discretion often have various elements that are unpredictable. However, such processes are necessary to make sure buildings comply with building and development codes designed to maintain safety and livability.

Land Use and Development Review Process

The majority of proposed new housing – both attached and detached – is subject to a Type II Development Review procedure. The Type II Review procedure for residential uses applies in all the study site Districts, except that residential development in the CBD District is subject to a Type II Planned Development Review. Type II applications are “Director’s Decisions,” reviewed by County Staff. Development applications for residential uses require a pre-application conference with staff or a signed pre-application conference waiver; a neighborhood meeting with residents; and a public notice and appeal period before the application can be approved and additional permits are applied for. Review criteria for Type II Review procedures are intended to be as clear and objective as possible, but can have discretionary elements that County staff take into consideration. A decision on a Type II procedure may be appealed to a Hearings Officer or the County Planning Commission and then subsequently appealed again to the State of Oregon Land Use Board of Appeals (LUBA).

Applicants for new residential development that is subject to the Type II Review procedure have the option to “elevate” the application to a Type III Review procedure. An elevated Type III Review procedure is subject to the same standards and approval requirements as a Type II, except a Hearings Officer reviews and approves the application instead of the Director. A Hearings Officer reviews Type III applications at a scheduled public hearing. The Hearings Officer issues a notice of decision at the hearing, or on a future specified date, unless a party requests for the hearing to be extended. The Hearings Officer is the final local decision-making body for these applications and their decision may be appealed to LUBA.

As described above, there are multiple stages or steps that must occur sequentially in order for new residential development to be approved. Each of these stages or steps serves a purpose; whether to ensure consistency with regulations or provide opportunity for community involvement. Most of the stages or steps are mandatory for approval, some of which are mandated by State law. However, there is a limited amount of flexibility in the process. For example, an applicant requesting approval for a new housing development can waive the pre-application requirement and/or can choose for the application to be reviewed through a Type III process instead of a Type II process.

Schedule and Approval Timelines

Long permitting processes and unpredictable timelines can make housing projects difficult to develop and add to the cost of new housing. In general, “time is money” for developers—longer project timelines mean higher development costs. If project timelines increase, staff costs

(consultants, designers, attorneys, etc.) increase, the cost of holding land increases, and construction costs (including materials and construction labor costs) increase. If delays are very significant, a project may become infeasible.

Submitted land use development applications are reviewed by County staff to ensure applications include all information needed for development review. By law, County staff have up to 30 days to notify an applicant if the application is deemed “complete” or if information is missing. If an application is incomplete, the developer must provide missing information before an additional 30-day completeness review can occur. In some cases, incomplete applications can result in project delays.

After an application is deemed complete, a final local decision is required to be issued within 120 days for most housing applications in urban unincorporated Washington County. From a project-planning perspective, the 120-day period provides some certainty as to the maximum allowed time for granting local approval of a project. Most Washington County land use development applications receive preliminary development approval in less than 120 days, unless there is an appeal. In the event that a development application decision is appealed to the state, LUBA may reverse, uphold, or remand the local decision. LUBA appeals and subsequent actions can result in significant delays and uncertainty for developers.

In some cases, applicants will elevate Type II applications to Type IIIs, as previously noted, in order to reduce the number of local appeals that might occur. For example, a type II Director’s Decision can be appealed to the Hearings Officer and then to LUBA, while a Type III is decided by a hearings officer and appealed to LUBA.

Coordination with County Departments and Other Service Providers

Typically, a limited number of additional planning and building staff review land use development applications to ensure consistency with laws and regulations. These primarily include Washington County transportation, grading and engineering staff. In addition, other agencies, such as Clean Water Services (CWS), Tualatin Valley Fire & Rescue (TVF&R), Tri-Met, Tualatin Hills Park and Recreation District (THPRD), and the Tualatin Valley Water District, can have a role in reviewing and approving development applications. The role varies between agencies, but is typically centered on ensuring adequate services such water, fire protections, or public safety are, or can be provided as development occurs. In Washington County, CWS has the largest role among other agencies; they administer stormwater management, erosion control, and water quality regulations. CWS also administers requirements associated with riparian areas through site development permits associated with vegetated corridors. Several agencies such as the Washington County Sheriff, TriMet, and THPRD, provide service provider letters, but typically do not make development-specific comments on proposals.

Level of Discretion

Standards imposed by Washington County that can cause a project to be altered, both in terms of appearance and in terms of physical size and other characteristics can add to the total cost of

residential housing. Regulations that have a discretionary element may be subject to additional forums of review such as neighborhood meetings or public hearings.

Neighborhood pressure and a general bias against multi-family or affordable residential housing sometimes lead to projects seeking to achieve a higher – and more expensive – standard than other kinds of development. These can cause delays and modifications that limit a project’s viability.

Specific Land Use Designation Standards

Each land use designation includes specific standards for general development concepts. Standards that are typically applicable in all land use designations are listed below. Specific standards vary depending on the land use designation. Some standards can be barriers to a type of development in a general area (e.g. lower-density designations typically make multifamily housing infeasible), while other standards may be barriers to a specific development in a specific location (e.g. setback requirements on a particular parcel may leave very limited space for development). Because many of these standards were established in response to community interests and needs, it will be necessary to consider trade-offs and changes in community interests/needs when proposing adjustments to these standards.

- Density
- Off-street and on-street parking
- Driveway widths and associated Hardship Relief Variances Landscaping
- Yard (setbacks) and outdoor yard areas
- Public facility improvements
- Significant Natural Resource Area (SNRA) provisions
- Water management
 - Drainage Hazard Areas (DHAs)
 - Stormwater management (Clean Water Services (CWS) requirements)
 - Vegetated corridors (administered by CWS)
- Neighborhood Circulation
- Building façade requirements
- Planned Development

Density

Except for residential uses in Transit-Oriented Retail Commercial (TO:RC) District, residential density is regulated through a combination of standards that define the minimum and maximum allowed dwelling units per acre minimum lot area.¹ Because the TO:RC District is intended primarily for retail

¹ Allowed dwelling units per acre is calculated on based on gross site acreage.

and commercial uses, residential use and density is limited to mixed-use developments only, and regulated through a combination of floor-to-area (FAR) ratios, mix of uses, and minimum lot sizes.²

Minimum and maximum densities are included in the CDC section for each individual district. Residential density calculations are provided in CDC 300-2. Density transfers are allowed on a single lot or adjoining lots in the same district when certain conditions such as natural barriers or future rights-of-way exist (CDC 300-3). Residential development below the minimum density is allowed under limited circumstances per CDC 300-4.

The degree to which residential density requirements are barriers to development are dependent on the state of real estate market and can vary by the type of housing construction. The real estate market determines the value potential for new market-rate residential development, including single-family and multi-family homes. Market-rate new construction needs to recoup the associated costs, which includes the cost of labor and materials as well as permitting, legal representation, and any land purchases in order to be profitable. Regulated affordable housing also needs to pay the same or similar costs, but requires some form of subsidy to make the dwellings affordable.

Regulated affordable housing developments also may require additional features or considerations related to use and management that are not required for all market-rate development. For example, regulated affordable housing development typically requires space for an on-site manager and/or community amenities or facilities not found in market rate projects. Many of these additional requirements come from agencies other than Washington County, such as project funders (e.g. Oregon Housing and Community Services, HUD, etc.). In some cases, regulated affordable housing is developed by the same organization that will operate and maintain the project over time, rather than being built by a developer and sold to another owner to operate and manage long-term. Developers that plan to be long-term owners may make design decisions to reduce long-term costs (e.g., fewer structures, higher quality materials, etc.) that may increase short-term construction and development costs.

As expected, there are a wide range of residential density requirements between districts (see Table 2). The primary purpose of having multiple residential districts is to limit the maximum number of allowed units and associated impacts on public facilities and/or neighborhood design or cohesion in each individual district. The Residential Districts examined in this project (R-6, R-15, and R-24) have strict minimum and maximum residential density requirements that range from 5 to 24 units per acre. Minimum lot sizes in the residential districts varies between each district and by the type of housing. Minimum lot size standards are the largest in the R-6 District – reflecting the District’s low density purpose – and gradually decrease through the R-24 District.

² Note, there are multiple Transit Oriented Districts, each with their own list of allowed and prohibited uses. The Transit Oriented Districts include Residential Districts with a range of allowed densities, similar to the primary Residential Districts as well as Transit Oriented Employment and Business Districts.

Whereas the Residential Districts have standards that are mostly clear and objective, the CBD and TO:RC Districts provide much more discretion. The flexibility in residential densities does have a trade-off compared to the Residential Districts. The CBD District allows a minimum of 20 and a maximum of 40 units per acre for developments limited to residential uses only, however, the CDC allows for higher or lower densities when specific criteria are met. There is no minimum residential density when residential and commercial uses share the same structure. Residential-only development may be as high as 100 units per acre using a Planned Development process that dedicates thirty percent of the site as Open Space (as opposed to the 20% standard for Planned Developments).

Compared to the Residential Districts, the CBD and TO:RC Districts' flexibility with residential density requirements comes with a trade-off in review procedures. Attached dwellings units – and in most cases detached dwellings units – are permitted through a Type II Procedure in the R-6 through R-24 Districts. In the CBD District, residential-only dwellings are permitted through a Type II Planned Development Procedure. As described in more detail below, Planned Development Procedures are subject to the 120-day limitation similar to all other development, but they also require additional coordination and time for review and approval within that time period. Similarly, residential development in the TO:RC District is permitted through a Type II Procedure unless it doesn't meet the design standards in CDC 431, in which case it's permitted through a Type III Procedure.

For the projects evaluated on sites with higher density for this project, density does not present a particular barrier or limited factor for development. Given allowable densities in the County's TO and CBD District, other factors such as parking, landscaping and setback requirements, are more likely to limit the number and resulting affordability of residential units, particularly if additional design requirements can be met in the CBD district, allowing for higher densities there. That said, requirements for ground floor mixed use in the CBD district, which are required to build residential units at higher densities can significantly increase the cost and financial feasibility of development and have an impact on housing affordability.

In the lower density districts, caps on density more significantly affect the number of units that can be built on a given site, which in turn affects the cost of development and potential to build units affordable to people with lower incomes. In these areas, an allowable density increase or bonus could result in more affordable units, although the overall impact on affordability may be limited. More information related to this issue is found in Table 6 of this memo and in a companion memo summarizing the financial impacts of selected code provisions.

Table 2: Residential Density and Lot Size Requirements for Selected Study Sites

DISTRICT	MINIMUM RESIDENTIAL UNITS PER ACRE	MAXIMUM RESIDENTIAL UNITS PER ACRE	MINIMUM LOT SIZE
R-6	5	6	4,000 SF minimum (4,500 SF average) detached units 3,500 SF single-family attached
R-9	7	9	2,400 SF detached units 2,000 SF attached units
R-15	12	15	2,100 SF detached units 1,600 SF attached units
R-24	19	24	2,100 SF detached units 1,300 SF attached units
CBD	20 0 if in the same structure as a commercial space	40 100 if additional site design requirements are met	2,100 SF detached units 1,300 SF attached units
TO:RC ¹	0.25-0.5 FAR ²		No minimum

¹ Residential uses in the Transit Oriented Districts are defined differently than in other districts. There are multiple residential uses in the Transit Oriented Districts such as duplexes/tri-plex's, townhouses/rowhouses, low-rise apartments, mid-rise apartments, and high-rise apartments; whereas residential uses in all other districts is generally defined as attached or detached units.

² Minimum density requirements in the TO:RC District are a function of distance between the site and a station platform and/or if the site is in a Regional Center or Town Center

Parking

Off-street Parking

Off-street and on-street parking standards apply in all Washington County Districts. Development permits are required for any off-street parking area except for parking allowed for detached dwellings.

Minimum off-street parking requirements poses a minimal barrier to low density residential development. Low density residential development often has enough area within the minimum lot requirements to be dedicated to an off-street parking space without impacting the number or density of units which can be constructed. Single-family residential developments typically have enough area on a property to meet the minimum off-street parking requirement. In some cases,

single-family residential will exceed the minimum off-street parking requirement and provide space for up to four cars (two in a garage and two in a driveway).

For medium to high-density residential development, minimum off-street parking requirements can impose barriers that either reduce the area that can be developed for housing or require incorporating parking into the housing design in ways that increase the cost of construction (e.g., structured or tuck-under parking). Residential developments that require more parking must provide dedicated surface parking areas on-site, or provide off-site parking within 100 feet³. On-site parking areas are more common than off-site parking. Surface parking areas are required to meet additional regulations for parking lot design, dimensional standards for parking stalls and drive aisles, and minimum landscaping requirements. The size of the parking area necessary to meet the regulations can reduce the remaining area that can be constructed for housing. For higher density residential development without enough space for surface parking areas, parking must be incorporated into the building design with a daylight parking structure or an underground parking structure which add significant costs to constructing new housing.

Parking regulations in Washington County were updated recently with the adoption of Ordinance No. 827 in October 2017. The changes to the parking regulations generally addressed the following:

- Revised on and off-street parking requirements to simplify and provide additional flexibility.
- Revised the minimum off-street parking ratios for attached residential uses.
- Expand provisions for reducing required off-street parking by allowing up to a 50 percent reduction for a combination of shared parking agreements and mixed-use development, increasing allowance for proximity to transit, and adding a reduction for on-street parking.
- Added a discretionary provision allowing an applicant to submit a parking study for up to a 100 percent reduction in off-street parking.
- Added off-street parking requirement reductions for regulated affordable housing.

The changes to the parking regulations generally reduce parking requirements for all housing, and for regulated affordable housing in particular. The reductions reduce the cost of new development by allowing for a smaller amount of land to be dedicated to parking, which may result in achieving economies of scale that make development of more affordable housing feasible.

Parking regulations vary depending on the quantity and type of use or uses. In the case of residential uses, a minimum of 0.75 to 1.5 parking spaces per dwelling unit is required depending on the type of use. The type of residential use and the associated minimum parking requirement is shown in Table 3. Other parking regulations such as parking lot design, parking stall dimensions, or construction materials are generally the same between Districts.

³ 413-2.1 Off-street parking shall be provided within 100 feet of the site of the primary use, except for non-residential uses within the Transit Oriented Districts

Table 3: Residential Minimum Off-street Parking Requirements

RESIDENTIAL USE	MINIMUM OFF-STREET PARKING SPACES
Detached dwelling (including manufactured dwelling)	1
Attached dwellings (including duplexes)	
1-Bedroom or Studio	1
2 or more Bedrooms	1.5
Boarding House	1
Regulated Affordable Housing ¹	0.75

¹ Regulated Affordable Housing is defined in CDC 413-6.2 as housing that is made affordable through public subsidies and/or statutory regulations that restrict or limit resident income levels and/or rents.

The quantity and types of residential uses is largely determined by the allowed density in each District. Detached dwellings are permitted in each of the study Districts, except for the TO:RC District. Each detached dwelling unit, regardless of the number of bedrooms, is required to have a minimum of one off-street parking space. In addition, and described in more detail below, most detached dwelling units are required to provide an additional one to two on-street parking spaces within 200 feet of the property.⁴

Attached dwellings are also permitted in each of the study Districts, including the TO:RC District. The types of residential buildings that are considered attached dwellings can vary significantly between each District, depending on the maximum allowed residential units per acre. Attached dwellings can be as small as a duplex or up to multiple story apartment/condominium buildings. The R-6 District is the only District among the study sites to limit the building type for attached dwellings to duplexes. Parking requirements for attached dwellings vary by the number of bedrooms provided. Attached dwellings are required to provide a minimum of one space – the same as detached dwellings – for each 1-bedroom or a studio unit, and 1.5 spaces for each unit with two or more bedrooms.

There are minimum dimension standards for single family detached and single family attached dwellings when driveways are proposed. The minimum driveway dimensions are 12 feet wide by 20 feet deep for dwellings with individual access to the street. The driveway dimensions in of themselves are not necessarily a barrier to residential development. However, driveway dimension standards influence other elements such as on-street parking or building façade regulations which can be contributing barriers to residential development.

⁴ The on-street parking requirement also applies to single-family attached dwellings that meet specified access standards.

Residential housing that meets the County’s definition of regulated affordable housing is required to provide a minimum of 0.75 spaces for every unit, regardless of attached/detached status and bedroom composition.⁵

On-street Parking Requirement

In addition to off-street parking requirements, Washington County also requires on-street parking in urban Residential and Transit-Oriented Districts. On-street parking requirements are uncommon among Oregon Cities and Counties. The on-street parking standards apply to single-family detached and single-family attached housing (homes on individual lots) that have individual on-site parking and individual access to a local or Neighborhood Route street or private street.

The minimum on-street parking requirements depend on the number of off-street parking spaces (see Table 4). The required on-street spaces can be provided anywhere within 200 feet of the property and can be satisfied by using parking lots (courts) provided it meets specific location and design requirements and is limited to 12 parking spaces.

Table 4: On-street Parking Requirement

OFF-STREET PARKING SPACES	ON-STREET PARKING SPACES	COMBINED PARKING SPACES
1	2 per lot	3 per lot
2	1 per lot	3 per lot
3 or more	1 for every 2 lots	3.5 per lot

The barriers created by on-street parking requirements are similar to the barriers for off-street parking requirements, except that on-street parking requirements apply to only certain types of residential development. On-street parking poses a minimal barrier to residential development when lot sizes and frontages are large enough to accommodate the minimum required spaces. It can become a significant barrier to residential development when lot sizes and frontages are smaller and/or when proposing single-family attached housing. Smaller lots may not allow sufficient space between driveways to accommodate the number of on-street parking spaces required within the development and may have difficulty accommodating alternative parking courts as well. This problem is complicated by minimum driveway width requirements.

⁵ 413-6.2 Regulated affordable housing shall be defined as housing that is made affordable through public subsidies and/or statutory regulations that restrict or limit resident income levels and/or rents. To be considered regulated affordable housing, units must: A. Have a local, state, or federal compliance agreement or contract; B. Be affordable to households at or below eighty (80) percent Median Family Income as defined annually by Housing and Urban Development (HUD) for the Portland-Vancouver Metropolitan Statistical Area (MSA); and C. Remain regulated affordable housing units for a minimum of twenty (20) years from the date of occupancy.

Landscaping

Washington County's landscape provisions are in CDC 407 – Landscape Design. The chapter provides regulations for minimum landscaping, reductions for minimum landscaping, landscaping materials, tree preservation and removal, landscape plans, parking area landscaping, street trees, and installation and maintenance of landscaping.

Minimum landscaping requirements can potentially reduce the area that can be developed for residential housing. Depending on the minimum lot size or size of available lots, residential development seeking to maximize the allowed residential density of a District may not be able to do so because of yard setback regulations and/or the minimum percentage of the site required to be devoted to landscaping.

Except for detached dwellings and duplexes in residential districts, the provisions require a minimum of 25 percent of buildable land area to be landscaped.⁶ All other districts are required to landscape a minimum of 15 percent of buildable area. The standards also require all areas not intended for a specified immediate use to be landscaped. Similarly, all new dwellings, except for detached dwellings on existing lots, are required to plant street trees if not already present.

Similar to parking requirements, most landscaping requirements are not a barrier to affordable development in lower density districts. In those areas, there is typically adequate land area to easily provide enough landscaped area to meet minimum landscaping requirements. Similarly, in those designations, dedicated parking areas and associated parking lot landscaping are not required and do not add cost to the development or reduce the number of units or density that could otherwise be provided. In higher density districts, where a combination of land area, parking requirements, landscaping requirements and other site needs impact the ability to achieve density or unit count targets, landscaping requirements can potentially act as a barrier to developing more affordable housing. At the same time, in many cases landscaped areas can relatively easily be included in required setback areas, even in higher density zones.

Yard (Setback) and Height Standards

Residential yards and heights are regulated through a combination of lot dimension standards found in individual Districts as well as CDC 418 – Setbacks. The individual Districts set standards for the minimum distance from the property boundary to the building for front, side, and rear yards. It also sets minimum distance standards for related structures such as garages and front porches for most residential Districts.

Standards that define the setbacks for buildings reduce the amount of land that can be developed for residential uses. Similar to minimum landscaping requirements, each residential development is prohibited from developing the land within the yard setback areas. Depending on the minimum lot size or size of available lots, residential development seeking to maximize the allowed residential

⁶ Minimum landscape exemption for duplexes is limited to duplexes on a lot of record.

density of a District may not be able to do so because of yard setback regulations. This is a more significant cost issue in higher density districts or for developments on smaller lots with detached dwellings. At the same time, setbacks provide an area in which to accommodate required landscaping. In some designations, reducing required setbacks without also reducing overall landscaping requirements is likely to have a relatively minimal impact.

Table 5 provides a summary of residential yard (setback) and height standards for each of the study Districts. Standards for front porches, garage alley entrances, or garage rear setbacks are not shown. Similarly, standards for perimeter setbacks are not shown.⁷ As shown in the table, yard (setback) and height standards are determined for each District. In addition, there are multiple variations of standards within most Residential Districts, dependent on the type of residential building.

Table 5: Yard (Setback) and Height Requirements for Selected Study Sites

DISTRICT	FRONT YARD	FRONT OR STREET SIDE YARD TO GARAGE	STREET SIDE YARD	SIDE YARD	REAR YARD	HEIGHT
R-6	15'	20'	10'	5'	15'	35'
R-15 detached dwellings	10'	20'	8'	5' ¹	12'	35'
R-15 single-family attached dwellings up to 35' in height	10'	20'	8'	5' ¹	12'	35'
R-15 all other uses	20'	20'	10' ²	5-20' ³	20'	50'
R-24 detached dwelling	10'	20'	8'	5' ¹	12'	35'
R-24 single-family attached dwellings up to 35' in height	10'	20'	8'	5' ¹	12'	35'

⁷ Perimeter setbacks are applicable when the development site is adjacent to property that was developed under the dimensional standards in effect prior to November 27, 1998. The perimeter setback standards are those that were in effect on January 1, 1998, which are not shown in the current CDC regulations.

DISTRICT	FRONT YARD	FRONT OR STREET SIDE YARD TO GARAGE	STREET SIDE YARD	SIDE YARD	REAR YARD	HEIGHT
R-24 all other uses	20'	20'	10' ²	5-20' ³	20'	50'
CBD (non-corner lot)	20'		0'	Same as Residential District when abutting. 0' for all others	Same as Residential District when abutting. 0' for all others	100'
CBD (corner lot)	20'		20'		20'	100'
TO:RC	0' (10' max)	0'	0'	0'	0'	60'

¹ Can be reduced to 0' if approved through a subdivision or partition application.

² Street side yard standard is 10' unless the side yard standard is larger

³ Side yard setback standards vary based on the number of building stories, between one and five-stories.

Public Facility Improvements

The CDC includes the following types of public improvement requirements:

- Availability of sewer, water, law enforcement and fire protection services.** Applicants must obtain documentation (service provider letters) from local service providers indicating that critical and essential services can be provided to the proposed development. If services cannot be provided, the provider must indicate why the services are not needed and should be exempt from the requirements or when and how the services will be provided. Except for storm sewer improvement, the onus is generally on the service provider to provide these services or to document how, why, and when they will or will not be provided. Storm sewer facilities are normally required to be constructed by the property owner, often at a significant cost to the development.
- Provision of needed frontage improvements, sidewalks and pathways.** In general, applicants are required to provide improvements to meet road and pathway/sidewalk improvements along the frontages of their projects. The applicants are responsible for improvements needed to address the impact of their development on facilities and services. In addition to roads, sidewalks, and storm sewer, these improvements may include street trees, street lights, transit facilities or other improvements required in the right-of-way.

They also can include off-site improvements (e.g., traffic signals) if necessitated by the development.

- **Conditions or easements for desirable services.** Applicants are required to provide easements for the future location of planned trails, pathways, traffic calming devices, or similar facilities.
- **Improvement requirements specific to individual geographic areas.** The CDC includes specific requirements for improvements in the North Bethany and Bonny Slope areas which differ from public facilities required elsewhere in the County.

In general, the intent of these requirements is to ensure that a full range of public facilities will be available to service new development. At the same time, these requirements add to the cost of a development and can impact the cost and associated affordability of housing. In most cases, these costs are a reasonable component of development.

In some cases, these circumstances can result in more significant costs or in higher costs per housing unit. Examples include:

- **Lots with multiple frontages or fronting collector or arterial streets.** The CPAH site is an example of this situation. In that case, the property fronts three streets, two of which are higher order streets with more intensive and costly standards for improvements. This resulted in a significant added cost of development.
- **Long, narrow frontages.** A site with a longer street frontage will result in a higher cost for any required half-street improvements and a reduced ability to distribute the cost among a larger number of dwelling units, also adding to the average cost of each proposed housing unit.
- **Easements for or connections to trails and pathways.** These requirements can reduce the buildable area of a development site, potentially reducing the number or density of units.

In general, the cost per dwelling for public improvements is lower in higher density districts because the cost can be spread out among a larger number of dwellings. However, this can be counter-balanced to some degree by the cost of implementing higher streetscape standards in some high density, CBD, or mixed use areas.

The County's CDC provides for the ability to defer provision of public facilities under selected circumstances (CDC Section 501-4) if there is sufficient uncertainty as to the demand for the services.

Water Management (DHA/CWS Requirements)

The following standards relate to protection of riparian areas and associated vegetation or wildlife habitat areas, as well as the management of stormwater treatment and detention.

- **Drainage Hazard Areas (DHAs).** These areas, typically associated with streams and other watercourses, must be mapped and protected or avoided during the development process. Typically, the width of such corridors is relatively narrow and does not substantially reduce the capacity for development. However, there is a cost associated with delineation and mapping of the DHAs. In addition, the location of the DHA can increase the cost and complexity of the development plan or make development of the site less feasible (e.g., if the DHA cuts off access to a portion of the site or makes a portion of the site too small or oddly shaped to feasibly develop). This is more likely to have a more significant impact on higher density sites.
- **Stormwater management (Clean Water Services (CWS) requirements).** Managing stormwater runoff represents an added cost to development which can vary depending on site conditions and the approach to stormwater management. In general, developments are required to manage stormwater to maintain pre-development flow of stormwater into rivers and streams. This is typically done through use of on-site management (filtration, detention, and infiltration into the ground) to minimize off-site flow and use of existing, piped stormwater drainage facilities. In addition, direct flow of stormwater into any on-site streams has to be avoided or minimized. These requirements are administered by CWS as part of the development review process, requiring review by CWS staff and coordination with County staff. The potential for these requirements can act as barriers to development of affordable housing can vary significantly based on the characteristics of the site and proposed development and are difficult to quantify or generalize.
- **Vegetated corridors (administered by CWS).** Some areas in the County are not identified as Significant Natural Resource Areas on the County's Community Plan maps and therefore not subject to those County requirements (CDC Section 422). However, those same areas may be in the vicinity of a riparian area and/or designated as upland habitat per Metro's Title 13 maps and requirements and are designated as vegetated corridors by CWS. Proposed development within a vegetated corridor must obtain a Site Development permit from CWS and meet that agency's requirements for these areas. Those requirements typically call for avoidance and/or mitigation of impacts to vegetation, including restoration and replanting within the impacted areas or in other mitigation areas on-site. These requirements can reduce development capacity, add cost, and/or add time to the permitting process. For example, CWS typically reviews the Site Development permit concurrently with County review of the associated land use permit but an initial review of the site is required prior to obtaining a Service Provider Letter from CWS which is required for the land use application to be deemed complete. As with stormwater management requirements, any related impacts or barriers to housing affordability vary significantly by project and are difficult to quantify.

All of these requirements are intended to ensure that impacts to water quality and associated fish and wildlife species are minimize or mitigated, consistent with County, regional and state policies and community priorities. For the most part, they are considered to be necessary and relatively

unavoidable impacts of the development review process. However, they can represent added costs of and barriers to development of affordable housing on selected properties. For this project, we have included a DHA on one of the development concept sites but due to the size, zoning and configuration of that site, the presence of the DHA would likely have a fairly limited impact on the cost or affordability of housing there. It could have a more substantial impact on a site in a higher density district or if an associated CWS vegetated corridor impacted a larger proportion of the site.

Neighborhood Circulation

Neighborhood Circulation regulations in CDC 408 are intended to ensure a development pattern that provides choices and convenient circulation for all modes of transportation. The regulations apply to most residential dwellings subject to Type II and Type III review process, except for one single-family detached dwelling or duplex on a lot-of-record

Neighborhood circulation regulations define standards for on-site streets and pedestrian and bicycle circulation. Neighborhood circulation regulations provide standards for block size and connections with adjacent or planned circulation. The regulations vary depending on designations found in Community Plans and on the type of residential development. Community Plans provide maps that designate specific areas where regulations apply. Single-family and duplex housing are subject to different standards than everything else. Modifications to the standards can be granted under specific circumstances such as the presence of topography or natural resource constraints. Similarly, modifications to the standards can be granted through a Type III Review procedure, provided that the modifications meet specific criteria.

Transit-oriented Districts are subject to circulation system regulations, in addition to neighborhood circulation regulation founds in CDC 408. There are specific and separate design and location regulations for a circulation system (CDC 431-4) and pedestrian streetscapes (CDC 431-5) in Transit-oriented Districts. Regulations for the circulation system found in CDC 431-4 are in addition to, and supersede where conflicts exist, other County circulation regulations found in CDC 408 – Neighborhood Circulation, CDC 409 – Private Streets and Article V. These standards regulate block size, street design (i.e. ROW widths), and connections.

Pedestrian streetscape standards in CDC 431-5 regulate the location and orientation of buildings and building entrances and the location and design of pedestrian amenities (i.e. standards for overhead protection, lighting, and street trees). In addition, CDC 431-5 provides standards and guidelines to regulate building facades (i.e. standards for garage location, roof design, elevation variation and guidelines for building design).

The Transit-oriented District regulations for circulation systems and pedestrian streetscapes are specifically intended to create areas that are oriented to, and safe for, people walking in the area. The regulations are designed to strike a balance for being highly prescriptive while also being clear and objective. For example, the regulations differentiate what standards apply to residential and non-residential developments. However, the regulations apply to all nine Transit-oriented Districts, which vary in the intensity and type of allowed uses and dimension standards. Applying the

regulations to uses that vary greatly in the type and intensity of uses creates the risk of a one-size-fits-all approach by restricting how a site can be developed.

Building Façade Requirements

Building façade requirements apply to most single-family dwellings in all Residential Districts except the R-5 District. The requirements apply specifically to detached dwelling units, and single-family attached dwellings units with individual driveways, that are within 1,320 feet of transit. The requirements specify the maximum allowed width of an attached garage based on various factors such as the size and location of the garage relative to the house. In general, the County's building façade requirements, including those related to transit oriented development are considered to be relatively minimal in comparison to most jurisdictions in the region and do not appear to represent a significant barrier to the cost or affordability of housing.

Standards for minimum driveway dimensions are provided elsewhere in the CDC. Together, with the building façade requirements, the width of housing is restricted when a garage is provided. Typically, this isn't a barrier to development when lot sizes are large enough to accommodate the standards. It can become a barrier for medium-density dwellings such as single-family attached housing, where lot sizes are smaller, and space is limited.

Planned Development

The Planned Development regulations provide additional flexibility in standards and the location of permitted uses when specific criteria are met. Planned Development is a type of review that is generally reviewed by County staff through a Type II Review procedure, unless specified otherwise. Planned Development allows modifications of standards for private streets, parking requirements, building lot coverage, yard requirements, height, and landscaping when specific site design criteria are met. The site design criteria are related to preserving existing natural site features to the extent feasible, providing new recreational facilities, and providing dedicated open space.

Allowing for modifications to existing standards in exchange for providing additional on-site amenities has the potential to increase or reduce the barriers to new residential development. There are several factors that must be considered in determining if it poses barrier or incentive. In most cases, Planned Development regulations are not required unless a modification is requested, which would not prohibit new residential development, if it can meet all other applicable standards. The regulations would apply when the trade-off with modifications provides a sort of financial incentive or when new residential development can't meet the existing applicable standards. The latter scenario may pose a barrier to new residential development.

When new residential development can't meet existing applicable standards and must resort to Planned Development regulation in order to remain feasible, standards that require amenities or open space can pose a barrier to the cost or affordability of new development. Constructing recreational facilities can add cost to new development, depending on the type and size of facility provided. Reserving between 10 and 20 percent of the site for open space reduces the amount of land that can be used to build new housing. The open space requirement can be satisfied by

providing an indoor recreational facility, which can add a minimal or substantial cost depending on the size of the facility.

Transit Oriented Development Review Committee

A Development Review Committee is required to review all Type II and Type III development applications on the Transit Oriented Districts. The committee is established to review applications in the Transit Oriented Districts only and not for applications in other Districts. The committee includes representatives from the Department of Land Use & Transportation divisions, department contractors, appropriate County departments, and other appropriate or affected agencies. The committee's role is to review applications for completeness and conformance with the CDC, applicable Community Plan, and the TSP and make recommendations to County staff about conformance with requirements.

The Transit Oriented Development Review Committee functions in a coordination role similar to what applies to all new development (i.e. review by other departments for consistency), however the committee and its role is specifically established in the CDC. The committee's impact to new residential development is anticipated to be low or non-impactful in Transit Oriented Districts because their role is advisory in nature and limited to conformance with existing regulations. It may however create project delays should the committee's role duplicate, and not act as alternative to, existing review coordination processes the County has in place.

Transit Oriented Design Principle, Standards, and Guidelines

All development in Transit Oriented Districts is subject to CDC 431 – Transit Oriented Design Principles, Standards, and Guidelines. As indicated in the section title, these regulations provide principles, standards, and guidelines that apply depending on the type of review procedure. Developments subject to Type III Review procedures are required to comply with applicable principles and/or standards. Developments subject to Type II Review procedures are required to comply with only the standards.

Regulations in CDC 431 provide principles, standards, and guidelines for several building and site design elements listed below.

- Pedestrian circulation system design,
- Pedestrian streetscapes (i.e. building entrances, building facades, and sidewalk amenities)
- Parking areas, garages, and parking structures
- Open space requirements
- Density transitions
- Landscaping
- Stormwater facilities
- Signs

The CDC 431 regulations applicable to Transit Oriented Districts are in addition to CDC regulations that apply to all other Districts. Regulations, such as open space requirements, and landscaping, can

be found in other sections of the CDC. Where regulations conflict, the principles, standards, and guidelines in CDC 431 will govern.

CDC 431 provides regulations that are designed to promote walkability and connectivity to transit. As such, the standards require site and building design elements that aren't necessarily required in other Districts. When standards can't be met, the regulations allow for the guidelines to be applied through a Type III Review procedure. Applying the guidelines allows for flexibility in the standards, but still requires the design to meet the intent of the regulations.

Any barriers to residential development associated with the trade-off in review procedures for greater flexibility depends on how restrictive the standards are. Compared to other Districts, the design principles, standards, and guidelines present a relative barrier for residential development. Residential development in other Districts are not required to meet additional standards.

Mixed Use Standards

The CBD and TO:RC Districts are unique among the Districts included in this memo in that they allow a mix of residential and commercial uses on a property. In the CBD District, residential uses are allowed with or without on-site commercial development (though residential-only development must be through a Planned Development). When combined with commercial uses, residential development in the CBD District is not subject to minimum density requirements.

By comparison, the TO:RC District is more restrictive than the CBD District and prohibits residential development as a stand-alone use. In the TO:RC District, attached dwelling units (i.e., condominiums, apartments) are only allowed on the upper floors of non-residential buildings or parking structures designed to serve mixed-use commercial or business development. Including a non-residential component in a residential development can add significant cost to and serve as a barrier to affordable residential development. In both zones, this can be an impediment to building affordable housing units.

SUMMARY OF POTENTIAL REGULATORY AND CODE BARRIERS

The table below provides an overview of potential regulatory and code barriers reviewed in this memorandum and whether they apply to and what their anticipated level of impact is for each identified site.

Table 6: Summary of Potential Regulatory and Code Barriers

		ALEXANDER ST.	CORNELL/MURRAY	SHAW STREET	SPRINGVILLE	THEORETICAL SITE
Density	<i>Applies:</i>	Yes	Yes	Yes	Yes	Yes
	<i>Level of Impact:</i>	Low	Low	High	Medium	Medium
	<i>Notes:</i>	Residential density regulations (dwelling units/acre & lot size) are one of the largest factors in determining development feasibility. Standards that limit the number of dwellings and set large lot sizes can exclude housing options that can be affordable (i.e. smaller dwellings and smaller lots are more affordable than larger ones). At the same time, on the two higher density sites tested, the densities are not limiting factor related to affordability since parking, setback, open space requirements and/or market conditions keep densities below those allowed in the district.				
Off-street Parking	<i>Applies:</i>	Yes	Yes	Yes	Yes	Yes
	<i>Level of Impact:</i>	High	High	Medium	Low	Low
	<i>Notes:</i>	Providing off-street parking is a barrier to new housing when lot sizes are small or constrained and/or for higher residential densities. This has the biggest impact on the Alexander and CPAH sites and limited impact on the other sites. Off-street parking standards can require a significant proportion of a site be dedicated to vehicle parking, reducing the amount of land that can be dedicated to housing. Recent changes to the County’s parking standards address this issue to a significant degree on several of the sites studied here, particularly for regulated affordable housing and development close to transit.				
On-street Parking	<i>Applies:</i>	No	No	No	Yes	Yes
	<i>Level of Impact:</i>	n/a	n/a	n/a	High	Medium
	<i>Notes:</i>	On-street parking requirements is limited to specific housing types and can be a barrier to development when lot sizes are small and/or where existing on-street frontage is limited. Section 413 calls for a minimum 12-foot-wide driveway width per dwelling, or a minimum 30-foot-wide driveway when shared by two dwellings. Alley loaded development can help address this issue but requires additional land for development.				

		ALEXANDER ST.	CORNELL/MURRAY	SHAW STREET	SPRINGVILLE	THEORETICAL SITE
Landscaping	<i>Applies:</i>	Yes	Yes	Yes	Yes	Yes
	<i>Level of Impact:</i>	Medium	Medium-High	Low	Low	Low
	<i>Notes:</i>	Minimum landscape regulations limits the proportion of a site can be dedicated to housing. This can potentially be a barrier to new housing on smaller sites or at higher residential densities. This is most significant for higher density developments such as the Alexander and Cornell/Murray sites but even in those instances is not necessarily a major factor in development feasibility or affordability. This is also likely to be more of an issue in the longer term. Changes in landscaping requirements also represent a tradeoff in community standards and values associated with green/unpaved/unbuilt areas.				
Setbacks/ Heights	<i>Applies:</i>	Yes	Yes	Yes	Yes	Yes
	<i>Level of Impact:</i>	Medium	High	Medium	Medium	Low
	<i>Notes:</i>	Setbacks/Height regulations limits the proportion of a site that can be dedicated to housing. This can potentially be a barrier to new housing on smaller sites or at higher residential densities. For the examples studied here, setbacks are more significant than height. Height is not a limiting factor for any of the developments tested in this exercise. Density, parking and/or landscaping requirements will keep heights below the allowed maximums in each case.				
Public Facility Improvements	<i>Applies:</i>	Yes	Yes	Yes	Yes	Yes
	<i>Level of Impact:</i>	Varies	Varies	Varies	Varies	Varies
	<i>Notes:</i>	These requirements primarily add costs associated with required transportation facility improvements. Additional information about the relative impact on these projects may be available as part of the financial pro-forma analysis associated with this effort. Although this can result in a significant cost, the facilities are typically necessary to meet a variety of community needs. Public contributions towards a portion of the costs are likely a more viable way to address this issue than changing code requirements.				

		ALEXANDER ST.	CORNELL/MURRAY	SHAW STREET	SPRINGVILLE	THEORETICAL SITE
Flood Plain, Drainage Hazard Areas and Significant Natural Resource Areas	<i>Applies:</i>	No	No	No	No	Yes
	<i>Level of Impact:</i>	n/a	n/a	n/a	n/a	Low
	<i>Notes:</i>	These conditions and requirements are highly site-specific and variable. They are not applicable to most of the examples studied here and have relatively little impact on the Theoretical Site example. They could have more impact on other projects in terms of cost, development capacity, and/or permit review time, depending on site conditions and likely would be more significant in higher density designations.				
Neighborhood Circulation	<i>Applies:</i>	Yes	Yes	Yes	Yes	Yes
	<i>Level of Impact:</i>	Low	Low	Medium	High	Medium
	<i>Notes:</i>	Neighborhood circulation standards can potentially limit the proportion of a site that can be dedicated to housing. Similar to public facility improvements, revising these code standards is likely not a feasible approach to addressing the cost impacts of these standards, given their importance in addressing community needs and values.				
Building Façade Requirements	<i>Applies:</i>	No	No	No	Yes	No
	<i>Level of Impact:</i>	n/a	n/a	n/a	Medium	n/a
	<i>Notes:</i>	Building façade requirements limit the width of housing when an attached garage is provided. This can potentially be a barrier to new housing on smaller sites or at higher residential densities.				
Planned Development	<i>Applies:</i>	Yes	No	Possibly	Possibly	Possibly
	<i>Level of Impact:</i>	Varies	n/a	Varies	Varies	Varies
	<i>Notes:</i>	Planned Development regulations allow for modification of standards in exchange for open space or on-site amenities. Open space and on-site amenities reduce the proportion of a site that can be dedicated to housing, however this can potentially be offset with proper modifications. The percentage of open space required and when PDs are required should be assessed.				

		ALEXANDER ST.	CORNELL/MURRAY	SHAW STREET	SPRINGVILLE	THEORETICAL SITE
Transit-Oriented Review Process and Standards	<i>Applies:</i>	Yes	No	No	No	No
	<i>Level of Impact:</i>	Medium	n/a	n/a	n/a	n/a
	<i>Notes:</i>	These requirements and review processes can act as a barrier to development in the TOD districts. However, the extent of the barrier and impact on affordability likely is not significant in most cases in Washington County.				
Mixed Use Standards	<i>Applies:</i>	Yes	Yes	No	No	No
	<i>Level of Impact:</i>	High	High	n/a	n/a	n/a
	<i>Notes:</i>	Requirements to add commercial or retail uses within residential developments can add significantly to the cost of construction and reduce the financial viability of a residential project. These uses are required in the TOD districts and are a condition for achieving higher densities in the CBD district.				

SUMMARY OF PRO-FORMA RESULTS

In conjunction with this general review of development regulations, Johnson Economics have prepared a separate memorandum with pro forma models for each of the study sites. The pro formas use prototypical development concepts to test the feasibility and affordability levels of each design and allow the adjustment of various factors to test the impact on feasibility. In most cases, the financial impact of code barriers is related to the achievable density of development and resulting affordability. However, modest increases in density have relatively small impacts on overall affordability according to the proforma analysis and more significant increases in density would be required in most cases to more meaningfully enhance affordability. Additional information on this topic is found in a separate memo prepared by Johnson Economics.

CONCLUSIONS AND PRELIMINARY RECOMMENDATIONS

Providing housing, and regulated affordable housing in particular, is an on-going challenge for many government agencies throughout the State of Oregon. Finding adequate and affordable housing in the current real estate market continues to be a challenge for many households.

Many factors can affect the feasibility and affordability of new housing, and affordable housing in particular. Contributing factors include land development regulations and review procedures, as well as the cost of construction, the cost and availability of land, the availability of financing, and more.

Washington County must take a comprehensive strategy that approaches the problem from several angles to meet the growing demand for housing and affordable housing. Such a strategy includes removing or reducing regulatory barriers, offering development incentives, implementing mandatory requirements, providing dedicated funding, and other initiatives that result in new housing and regulated affordable housing.

This memorandum begins to focus on one aspect of the comprehensive strategy— removing or reducing regulatory barriers such as land development regulations and review procedures. Washington County regulates land through the CDC, which determines lot size, residential density, building heights, floor area ratios, multi-family housing, minimum parking requirements, and yard setbacks among other site characteristics. It also determines land use review procedures, including regulations for neighborhood meetings, public notice and hearings, and opportunities for appeal.

Land development regulations and review procedures are one of the most cost-effective ways for local jurisdictions to create a more sustainable framework that can meet growing housing needs. Eliminating or reducing such regulations allows for more compact, affordable housing development, and allows more diverse housing type that accommodate diverse housing needs.

Several aspects of the CDC have been identified as potential barriers to new development. Generally, the identified barriers potentially add to the cost housing by increasing the time and uncertainty of seeking approval or limit the amount or type of housing that can be constructed. In summary, the elements of the CDC listed below may be the largest contributing barrier to new housing and regulated affordable housing. Additional study – which will be completed as this project progresses – will investigate the role and degree to which the identified barriers may play the five study sites.

- Land Use Development Review Procedures. Most, but not all new residential development is subject to a Type II Review procedure – generally considered the most suitable, streamlined approach while still ensuring quality and consistency. Depending on the District, higher density residential developments may be subject to more intense and lengthy review procedures. While the Type II procedure can be more streamlined, it also can result in a longer process if a decision is appealed. In addition, the County’s use of a Hearings Officer for Type III decisions adds a level of consistency and generally is preferable to review by a Planning Commission. Providing applicants with a choice of processes is very important and allows them to weigh the pros and cons of these options.
- Density. Increasing the allowable density can reduce the cost of building all types of housing, although it is most important in the County’s lower and medium density districts based on the examples tested for this project. While increasing the allowable density doesn’t guarantee the development of new housing or regulated affordable housing, it does

allow for the possibility of significant cost saving per dwelling. In addition to increasing the possibility of affordability, it also can contribute to potential increases with the County's tax base, commercial development, and transit service.

- **Parking.** In general, reducing parking requirements can have a meaningful impact on the cost of housing, given the cost to develop surface or structured parking. The County already provides fairly significant reductions for parking through recent code updates. Parking reductions are most impactful in higher density districts and developments. On-street parking requirements are most impactful to single-family attached projects. Potential reduction of minimum widths (CDC Section 413) for individual and shared driveways could reduce difficulties further by allowing more on-street space for required parking.
- **Setbacks/Heights.** Setback and height regulations are generally geared towards producing low-intensity, low-rise residential development. While setback and height restrictions may be appropriate in some areas and under certain circumstances, they can unintentionally create barriers to more compact development. That said, the example projects studied here indicate that height standards are not a limiting factor for most development types allowed in Washington County. Parking, setbacks and density are all more likely to constrain development capacity and costs. As a result, setbacks tend to have more of an impact on development capacity and cost in Washington County land use districts.
- **Other Regulations.** Several other regulations, such as landscaping, public facility improvements, building façade requirements, and planned development, create, to a smaller extent, similar barriers as setbacks and heights. They reduce the proportion of an area that can be developed for housing. Unlike setback and height requirements, these regulations are often associated with a public good or amenity. And although the good or amenity can increase the cost of development, they can also add value to the surrounding area.

Potential Code Amendments

Based on the analysis to date and the discussion in previous section, the project team has identified the following preliminary ideas for potential CDC amendments:

- Allow for residential density bonuses in exchange for development of regulated or otherwise guaranteed affordable housing, particularly for lower and medium residential density districts.
- Reduce setbacks in selected zones to allow for higher lot coverage and densities; consider modest reductions in landscaping requirements in the same areas to achieve the intended ability to increase densities.
- Require that open spaces be oriented to and accessible from street frontages in higher density areas with more active street environments.
- Reduce the minimum driveway width standards and modify existing combined driveway width standards.
- Reduce or remove on-street parking requirements.

- Allow for modifications to full/half-street sidewalk requirements when private streets are proposed. For example, consider requiring sidewalks on only one side of the street if no dwellings are located on the opposite side of the street.
- Allow for DHA and protected resource areas to count towards Open Space requirements.

Exhibit 5: Recommended CDC Amendments



LAND USE PLANNING
TRANSPORTATION PLANNING
PROJECT MANAGEMENT

MEMORANDUM

DATE April 6, 2018 (Updated April 23, 2018)
TO Kimberly Armstrong and Theresa Cherniak, Washington County
FROM Matt Hastie & Clinton “CJ” Doxsee, APG
RE **Washington County Equitable Housing Project – Recommended Community Development Code Amendments**
CC Anne Kelly, Tom Harry, and Paul Schaefer, Washington County

1. BACKGROUND AND INTRODUCTION

The focus of the Washington County Equitable Housing Study is to identify regulatory and code requirements that have the potential to negatively impact development feasibility and/or increase development costs for projects that include residential uses.¹ The goal of the study is to find ways to encourage equitable housing development in Washington County. Previous planning efforts, including Aloha Tomorrow, have recommended taking action to reduce regulatory and code barriers that add unnecessary complication and cost to housing development – but these recommendations have been fairly general. This memorandum includes specific recommendations that, when implemented, will help future development address the County’s housing needs.

As part of this study, to highlight requirements that may create barriers, the project team has designed draft development concepts for specific locations and reviewed them for consistency with requirements of the Washington County Community Development Code (CDC) and relevant County’s Community Plans for unincorporated urban areas. Table 1 below provides an overview of each development concept.

¹ For the purposes of this memorandum, Metro uses the working definition of equitable housing as: diverse, quality, physically accessible, affordable housing choices with access to opportunities, services, and amenities.

Table 1: Study Site Overview

	Alexander St.	Cornell/ Murray	Shaw Street	Springville	Theoretical Site
Size	1.6 acres	0.76 acres	2.2 acres	2.8 acres	1.3 acres
District	CBD	TO:RC	R-24	R-15	R-6
Allowed Density*	20-40 u/acre ** 40-100 u/acre***	FAR: No Min. to .5 (varies by location)****	19-24 u/acre	12-15 u/acre	5-6 u/acre
Allowed # Units this Site	32-160	.35 FAR	42-53	34-42	7-8
Community Plan	Aloha – Reedville – Cooper Mt.	Cedar Hills – Cedar Mill	Aloha – Reedville – Cooper Mt.	Bethany	Raleigh Hills/ Garden Home
Concept Dev. Type	Multi-family, seniors	Mixed use – Multi-family above retail	Multi-family	Townhome/ attached Single- family	Cottage Cluster
Concept Structure Type	4-6 story wood or wood over podium	5-story wood over podium	2-4 story walkup	3-story wood	2-story wood
Concept Achieved Density	63-99 u/acre	63 u/acre	24-44 u/acre	11 u/acre	6 u/acre
Concept Achieved # Units this Site	101-145	48	52-96	32	8
Concept Parking	75 spaces Surface parking	57 spaces Structured parking	80 spaces Surface parking	64 off-street spaces 31 on-street spaces	22 spaces Surface parking

* In CBD, no minimum density applies to residential development with commercial use

** Allowed residential density without commercial use, with minimum dedication of Planned Development (PD) Open Space

*** Allowed residential density without commercial use, with additional 10% Planned Development Open Space

**** Residential dwellings in the TO:RC district are only allowed in mixed-use buildings with non-residential uses. Minimum density for non-residential uses is calculated based on floor area ratio (FAR).

The January 29, 2017 memorandum included an assessment of how different types of requirements can act as barriers in specific land use districts or locations in more detail. That memo also identified a preliminary list of potential code amendments that could be considered to reduce or eliminate those barriers.

This memorandum summarizes proposed amendments and revisions to the Washington County CDC in more detail. Recommendation for potential CDC amendments are intended to reduce or eliminate most of the identified regulatory barriers and incentivize equitable housing production.

Ultimately, proposed code amendments, including recommended language, will be further refined in preparation for review and potential adoption during the 2018 and 2019 Ordinance Season.

Refinement of the recommendations must be balanced against existing County policies, relevant Community Plans, and the intended purpose of the affected land use district.

The remainder of this memo summarizes potential code amendment recommendations associated with the following topics:

- Residential density bonuses for regulated affordable housing.
- Reduced yard (setback) requirements for some housing.
- Amended Planned Development (PD) open space requirements for housing.
- Reduced on-street parking and driveway widths for some housing.²
- Amendments to allow available on-street parking to substitute for required off-street parking on some individual lots.
- Amendments to private street requirements for some housing.
- Amending or removing ground-floor commercial use requirements in some districts.
- Increased flexibility in allowed housing types.
- Flexible zoning for affordable housing.

For each topic, this memo briefly summarizes how the County's regulations impact development feasibility, cost, and affordability; and describes where amendments would be most applicable or beneficial.

This memo also includes some discussion of additional recommendations regarding strategic updates, and policy and program support recommendations.

2. RESIDENTIAL DENSITY BONUSES

Recommendation: Allow for residential density bonuses in exchange for development of regulated or otherwise guaranteed affordable housing, particularly in lower and medium residential density districts.

Except for residential uses in the Transit-Oriented Retail Commercial (TO:RC) District, residential density is regulated through a combination of standards that define the minimum and maximum allowed dwelling units per acre and minimum lot area.³ Because the TO:RC District is intended primarily for retail and commercial uses, residential use and density is limited to mixed-use

² Off-street parking regulations were updated in 2017 to simplify the standards and provide additional flexibility. The overall effect of the updated regulations will need to be assessed in the future.

³ Allowed dwelling units per acre is calculated on based on gross site acreage.

developments only, and regulated through a combination of floor-to-area (FAR) ratios, mix of uses, and minimum lot sizes.⁴

The degree to which residential density impacts the cost and affordability of development depends in large part on the real estate market and can vary by the type of housing construction. The real estate market determines the value potential for new market-rate residential development, including single-family and multi-family homes. To be profitable, market-rate new construction needs to recoup the associated costs, which includes the cost of labor and materials as well as permitting, legal representation, and any land purchases. Regulated affordable housing developers also need to pay the same or similar costs but require some form of subsidy to make the dwellings affordable.

Financial pro-forma analysis associated with the study sites showed that increasing the allowed density of development can positively impact the cost and relative affordability of development. Although modest increases in density are not enough to make housing affordable to low or very low-income residents by themselves, they can still be an important and helpful component of a larger set of housing affordability strategies.

For most projects evaluated as part of this project, density restrictions do not appear to present a particular barrier or limiting factor for development. Given allowable densities for the Cornell/Murray site (TO:RC district) and the Alexander Street site (CBD), other factors such as parking, landscaping, and setback requirements are more likely to limit the number and resulting affordability of residential units. Allowable densities would likely not pose a barrier to similar developments on other TO:RC or CBD sites.

However, in some residential districts that were studied, the maximum allowable density can more significantly affect the number of units that can be built on a given site, which in turn affects the cost of development and potential to build units affordable to people with lower incomes. For example, the feasibility study found that the Shaw Street site (R-24 district) could potentially construct more housing than what's currently allowed in the district. In the feasibility study, only one of the six buildings are shown as a 3-story structure with 16 units; the remaining buildings are 2-story structures with 8 units each. The other five buildings could potentially be constructed as 3-story, 16-unit structures, increasing the total units on the site 72 (a residential density of 44 units per acre). In these areas, an allowable density increase or bonus could result in more affordable units, although the overall impact on affordability may be limited. In other words, the cost of an individual unit would be reduced by a marginal amount because the total cost of land and construction could be spread among a greater number of units.

⁴ Note there are multiple Transit Oriented Districts, each with their own list of allowed and prohibited uses. The Transit Oriented Districts include Residential Districts with a range of allowed densities, similar to the primary Residential Districts as well as Transit Oriented Employment and Business Districts.

This memorandum recommends amending multiple residential land use districts, including residential Transit Oriented districts, to include an optional residential density bonus for regulated affordable housing units. Density bonuses encourage housing development and can incentivize affordable housing units by increasing the number of allowed housing units in projects that include a minimum number (or percentage) of affordable housing units. This can allow the developer the ability to construct more housing units than would otherwise be allowed in the development. The specific mechanism for a regulated affordable dwelling bonus needs additional refinement to reflect the County's current policies and market conditions. The County could consider an incentive-based approach that offers a density bonus one market rate dwelling for each affordable dwelling (potentially up to a certain cap); or allowing a percentage bonus (e.g. 10% more housing units), with all bonus units to be provided as regulated affordable housing, could be considered.

Residential density bonus regulations could be tailored to require that the developer provide an affordable housing development plan and to enter into a development agreement with Washington County that commits to the specified number of affordable units. Alternatively, or in addition, the County could require a private deed restriction to ensure that proposed regulated housing remains affordable for a specified period of time. The County would need to consider existing regulations and compliance mechanisms, and determine if it has capacity to take on additional monitoring for regulated affordable housing subject to deed restrictions. However, allowing affordable housing through development agreements and/or deed restrictions could increase the supply of affordable housing that is not subsidized with state or federal funds.

Washington County standards limiting residential densities were found to have the greatest negative impact on the Shaw Street study site (R-24 District), and relatively minor negative impact on the Springville and Theoretical study sites (R-15 and R-6 Districts respectively). In the case of the Shaw Street site, the development concept includes the maximum allowed units on the site, however an additional 20 units could potentially be constructed by increasing the size of buildings from 2-3 story structures to 4-story structures. In the cases of the Springville and Theoretical sites, a density increase would potentially make single-family attached and cluster housing structure types a more viable design alternative compared to typical single-family dwellings, thus, allowing for newer residential dwellings while still being compatible with the scale and character of existing Districts.

The following districts would potentially gain the greatest benefit of from including a residential density bonus:

- R-5 District (Residential 5 Units per Acre)
- R-6 District (Residential 6 Units per Acre)
- R-9 District (Residential 9 Units per Acre)
- R-15 District (Residential 15 Units per Acre)
- R-24 District (Residential 24 Units per Acre)
- TO:R9-12 (Transit Oriented Residential District, 9-12 Units per Acre)
- TO:R12-18 (Transit Oriented Residential District, 12-18 Units per Acre)

- TO:R18-24 (Transit Oriented Residential District, 18-24 Units per Acre)

This memorandum does not recommend a residential density bonus for the County's highest density districts - R-25+, CBD, TO:R40-80, TO:R80-120, and the commercial oriented TO Districts. Both R-25+ and CBD currently allow up to 100 dwelling units per acre when specific standards are met. In addition, the concept studies for the Alexander St. (CBD) and Cornell/Murray (TO:RC District) study sites were not limited by residential density standards restrictions in comparison to the other study sites.

Amendments to the following sections of the CDC would be recommended to implement a residential density bonus.

Table 2: Residential Density Bonus Recommendation Summary

CDC Section	Recommendation
CDC 302-6 – Density (R-5 District)	Add new subsection that allows density bonus of a to-be-determined amount when regulated affordable housing is proposed.
CDC 303-6 – Density (R-6 District)	Same as above.
CDC 304-6 – Density (R-9 District)	Same as above.
CDC 305-6 – Density (R-15 District)	Same as above.
CDC 306-6 – Density (R-24 District)	Same as above.
CDC 375-10 – Development Standards for Transit Oriented Districts (Transit Oriented District)	Modify Table C. Density Requirements for Transit Oriented District to allow a density bonus of a to-be-determined amount when regulated affordable housing is proposed.
CDC 4XX – Affordable Housing Density Bonus	Optional. Create a new section in the CDC that includes subsections for a purpose statement, definitions, and regulations for affordable housing development plans, development agreements, and siting criteria.

3. YARD (SETBACKS) REQUIREMENTS

Recommendation 1: Consider reducing setbacks in selected districts for multi-family dwelling types to allow for higher lot coverage and densities; consider modest reductions in landscaping requirements in the same areas to achieve the intended ability to increase densities;

Recommendation 2: Consider further analysis of what can be allowed within a required setback and yard area.

Standards that define setbacks for buildings reduce the amount of land that can be developed for residential uses. Similar to minimum landscaping requirements, each residential development is prohibited from developing the land within the yard setback areas. Depending on the minimum lot size or size of available lots, residential development seeking to maximize the allowed residential density of a district may not be able to do so because of yard setback regulations. This is a more significant cost issue in higher density districts or for developments on smaller lots seeking to build multi-family housing. At the same time, setbacks provide an area in which to accommodate

required landscaping. In some designations, reducing required setbacks without also reducing overall landscaping requirements is likely to have a relatively minimal impact.

For the development concepts evaluated in this study, setbacks were most significant in limiting development potential, and by extension the cost of development, on the Alexander Street site (CBD) and to some degree on the Shaw site (R-24 district). Setbacks have a relatively minimal impact on achieving planned or potentially higher densities on the other sites. Setbacks were not explicitly evaluated in the financial pro-forma analysis, but they were assessed by using density as a proxy for setbacks and other requirements that impact development density. In other words, particularly for multi-family development, reducing setback requirements can increase the likelihood that a development can achieve the maximum allowed density, thereby making development more feasible.

This memorandum recommends amendments to setback requirements for multi-family attached dwellings in the following Districts:⁵

- R-24 District (Residential 24 Units per Acre)
- R-25+ District (Residential 25 Units or More per Acre)
- CBD (Community Business District)

Front Yard Setbacks. Multi-family developments in these districts currently have a minimum front yard setback of 20 feet. Generally, the recommended amendments would be to require a minimum front yard setback of no more than 10 feet for multi-family dwellings that don't exceed 35 feet in height. Alternatively, the County may wish to encourage larger multi-family dwellings in the R-25+ and CBD districts by removing or raising the 35-foot height restriction or reducing the front yard setback to zero.

Rear Yard Setbacks. The minimum rear yard setback requirement is 20 feet for R-24 and R-25+ districts and varies in the CBD. The recommendation would be to reduce the rear yard setback in R-24 and R-25+ districts to no more than eight feet and leave the CBD unchanged. Alternatively, the County may apply the variable rear yard setback standards from CBD to the R-24 and R-25+ districts.

Side Yard Setbacks. The minimum side yard requirement varies for R-24, R-25+, and CBD. In R-24 and R-25+, the side yard requirement generally varies from 5 to 20 feet, based on the number of stories.⁶ In CBD, the side yard requirement varies based on abutting land use districts and whether the lot is on the corner of a block. The recommendation would be to maintain the variable side yard

⁵ The Alexander Street site, located in the CBD, was a focus of Washington County's Aloha Tomorrow project. Aloha Tomorrow recommends creation of a Town Center Core District that would allow zero setback requirements.

⁶ There is also a minimum 10-foot street side yard requirement for these Districts, which increases for buildings over 3 stories. IN R-24, standards already allow for reductions to abutting side yards as long as buildings are no less than 6 feet apart.

setback requirement in R-24 and R-25+ districts but reduce it to a range of 5-10 feet for multi-family buildings that are one to three stories in height.

Setback Allowances. Most residential districts include additional setback standards for specific structures such as porches and garages. The setback standards can be more or less than front/rear/side yard setback requirements depending on the structure type. These standards are intended to encourage housing designs that are considered compatible with character of the district. The County may want to evaluate if the current setback standards for other structures are still consistent with a district’s intent. Similarly, the County may also consider adding additional setback standards for other structure types which meet the intended character of the district.

In addition, this memorandum recommends reducing the minimum required landscaping for multi-family developments from the current 25 percent to no more than 15 percent in R-15, R-24, and R-25+ . The reduction in the minimum landscape requirement would support reductions in setback requirements. Typical minimum landscape requirements vary by jurisdiction and land use type, however comparable higher density residential districts in other jurisdictions range from no minimum landscape requirement to a minimum of 15 percent landscaping.

Amendments to the following sections of the CDC would be recommended to implement a reduction in setback and landscape requirements for multi-family buildings.

Table 3: Yard (Setback) Requirements Recommendation Summary

CDC Section	Recommendation
CDC 306-7 – Dimensional Requirements (R-24 District)	For multi-family dwellings, not to exceed a height of 35 feet, reduce minimum front, side, and rear yard setback requirements. Alternatively, the County may wish to allow this change regardless of building height.
CDC 307-7 – Dimensional Requirements (R-25+ District)	Same as above.
CDC 313-6 – Dimensional Requirements (Community Business District (CBD))	For multi-family dwellings, not to exceed a height of 35 feet, reduce minimum front yard setback requirements. Alternatively, the County may wish to allow this change regardless of building height.
CDC 407-1 – Minimum Landscape Standards (Landscape Design)	Reduce minimum landscape requirement for new multi-family development in the R-15, R-24, and R-25+ Districts to 15 percent of buildable land area.

4. PLANNED DEVELOPMENT (PD) OPEN SPACE

Make changes to existing Planned Development (PD) standards, which currently provide “flexible zoning” options, to facilitate housing projects – particularly affordable housing. Recommendations are as follows:

Recommendation 1: For regulated affordable housing, regardless of district, consider reducing minimum percentage of site that must be dedicated as common open space for Planned Developments.

Recommendation 2: Allow drainage hazard areas/flood plains and other protected non-buildable areas to count towards PD open space requirements for Planned Developments.

Recommendation 3: Reduce or remove additional PD open space requirements for residential Planned Developments in the CBD.

Planned Development (PD) regulations provide flexibility in certain CDC standards when specific design criteria are met. PD standards of CDC Section 404-4 allow exceptions to minimum dimensional standards for private streets, parking requirements, building lot coverage, yard requirements, heights, and landscaping.⁷ As such they are an existing “flexible zoning” tool within the CDC. PD site design criteria focus on preserving existing natural site features to the extent feasible and providing dedicated open space with recreational value. With minor changes to PD open space requirements the existing PD process may offer additional flexibility for housing projects – particularly affordable housing. There are certain types of development for which the CDC automatically prescribes a PD review. Such types of development include a duplex in the R-5 District or residential development in the CBD.⁸ PDs are currently reviewed through a Type II review procedure, except in the R-5 district, which requires a Type III review procedure. For other types of development, the PD process is available as an option when flexibility is desired.

Current PD open space requirements appear to create barriers to housing development by decreasing onsite land available for development of housing in at least three ways:

- PD standards require that a sizable percentage of the buildable site area be retained as open space, especially for small to medium sites. The share of valuable land that must be dedicated as open space is commonly viewed by developers as a sacrifice too extreme to make the additional flexibility of a PD worthwhile. As such, PDs are underutilized and their benefits largely unrealized within the County. Requirements for PD open space are as follows:

⁷ Separate PD standards can be found in CDC Section 390-17. These PD standards share similarities with the PD standards in Section 404-4 but are only applicable to development in the North Bethany area.

⁸ PD review is required for cottage or cluster housing, or when workforce housing is proposed in the North Bethany Districts. PD standard in the North Bethany Districts are different than those found in CDC 404-4.

Table 4: PD Open Space Requirement Summary

Site size:	Percentage to be dedicated as PD open space:*
Up to 10 acres	20%
10 to 50 acres	15%
Greater than 50 acres	10%

* In CBD, an additional 10% open space dedication is required to allow for increased residential density.

- Residential PDs in the CBD require an additional dedication of 10% open space – for a total of 30% open space– in order to develop at residential densities between 40 to 100 units per acre. This creates a barrier to higher-density development in a land use designation that is intended to provide a more intense mix of uses and activities. Reducing the required open space for residential Planned Developments in CBD may encourage more residential-only development in these locations. CBD lots are typically clustered along corridors, however, so where a residential development in CBD might lack its own on-site commercial element, residents would likely still have convenient access to nearby commercial services.
- Land containing drainage hazard areas/flood plains or other protected resource/non-buildable areas are often preserved as open space under CDC provisions or regulations of other agencies. Commercial or industrial PDs may count these non-buildable lands for up to 50% of their PD open space requirements, but residential PDs are not currently permitted to do so.

This memorandum recommends reducing the minimum percentage of a site that must be dedicated as PD open space for residential planned developments that include a minimum percentage of regulated affordable housing units. The minimum amount of regulated affordable housing units that would be appropriate to qualify for a PD open space reduction would need additional refinement to reflect the County’s current policies and market conditions.

This memorandum also recommends removing or reducing the amount of additional PD open space that is required for residential-only development in CBD that is seeking to develop at a density between 40 to 100 units per acre. Currently, residential-only development seeking to develop above 40 units per acre must provide an additional 10 percent of the site as open space – for a total of 30 percent of the site to meet the PD open space requirement. Removing the additional open space requirement would mean that residential-only development in the CBD, regardless of density, would have the same open space requirements as mixed-use developments.

Additionally, this report recommends that at least a portion of drainage hazard areas/flood plains and otherwise-protected resource/non-buildable area be eligible to count towards residential PD open space requirements. CDC Sections 421 and 422 allow several types of outdoor recreational uses on lands identified as flood plains/DHAs and significant natural resource areas. While such areas may not be appropriate for active recreation, they may be excellent candidates for passive or visual enjoyment as scenic and wildlife habitat resources. Allowing these areas to count towards residential PD open space requirements will ensure that PD sites offer recreational space as

intended, while potentially conserving enough buildable area onsite to boost development feasibility and affordability.

The following CDC sections could be amended to implement to the PD open space recommendations.

Table 5: Planned Development (PD) Open Space Recommendation Summary

CDC Section	Recommendation
CDC 404-4 – Planned Development (Master Planning)	<ul style="list-style-type: none"> • Reduce minimum open space standards in Subsection (4) • Add exemption to PD open space standards for developments that include a pre-determined percentage of regulated affordable housing units. • Allow all PD proposals – not just industrial or commercial PDs – to apply flood plain, drainage hazard, or riparian open space areas towards meeting up to 50 percent of the open space requirement.
CDC 313-3.40 – Residential Units through a Type II Planned Development Procedure[...]	<p>Reduce the additional PD open space requirement for residential-only developments built between 40-100 units per acre</p> <p style="text-align: center;">OR</p> <p>Remove the additional PD open space requirement and require all residential-only developments – between 20-100 units per acre – to be subject to PD standards and 100-foot height limitation.</p>

5. ON-STREET PARKING AND DRIVEWAY WIDTHS

Recommendation 1: Reduce the minimum width standards for individual and combined residential driveways.

Recommendation 2: Reduce or remove on-street parking requirements.

Washington County requires on-street parking in urban Residential and Transit-Oriented districts, in addition to minimum off-street parking requirements. On-street parking requirements are uncommon among Oregon cities and counties. The County’s on-street parking standards apply to single-family detached and single-family attached housing (homes on individual lots) that have individual on-site parking and individual access to a local or Neighborhood Route street or private street.

The required minimum on-street parking depends on the number of off-street parking spaces provided (see Table 6). The required on-street parking spaces can be provided anywhere within 200 feet of the property and can be satisfied by using a parking court, provided it meets specific location and design requirements and is limited to 12 parking spaces.

Table 6: Current On-street Parking Requirements for Urban Residential Districts

Required Off-street Parking Spaces	Required On-street Parking Spaces	Total Parking Spaces Required
1	2 per lot	3 per lot
2	1 per lot	3 per lot
more than 2	1 for every 2 lots, or .5 per lot	3.5 or more per lot

On-street parking poses a minimal barrier to residential development when lot sizes and frontages are large enough to accommodate the minimum required spaces. It can become a significant barrier to residential development when lot sizes and frontages are narrower or when proposing single-family attached housing. Narrow lots may not allow sufficient space between driveways to accommodate the number of on-street parking spaces required as part of the development and it may be difficult to accommodate alternative parking courts as well. In the case of the Springville site (R-15 District), two parking courts accommodating a total of 18 on-street parking spaces are necessary to meet parking requirements.

Minimum driveway width requirements complicate this problem further. Minimum driveway widths can effectively reduce the available space for on-street parking between driveways, further impacting the cost and/or feasibility of development.

This memorandum recommends eliminating on-street parking requirements if possible. If it is not feasible to eliminate on-street parking requirements, the recommendation is to reduce the number of on-street spaces required and reduce the number of circumstances in which developers are required to provide on-street parking. Reducing the required number of on-street parking spaces can be accomplished by requiring one on-street parking space for each dwelling that includes one off-street parking space and require one on-street parking space for every two dwellings that include two or more off-street parking spaces.

APG also recommends reducing the minimum driveway widths required by CDC Section 413, which are currently 12 feet for a single driveway and 30 feet for a double. The recommendation is to require minimum driveway widths more consistent with existing CDC provisions of Section 409 (Private Streets). These require only 10 to 15 feet for private roads serving up to two units (depending on length), including those that serve as driveways for single and double flag lots. If minimum individual driveway widths are narrowed, for example to 10 feet, a related standard of Section 413 that identifies a 12-foot-wide driveway as one off-street space would need to be changed to match. Since Section 413 currently identifies a 20-foot-wide driveway as two off-street spaces, a reduction of the minimum 30-foot width for double driveway to 20 feet may be appropriate. Recommended dimensions for reduced driveway widths should be evaluated further in the next steps.

Though accommodation of on-street parking is the more common difficulty, on some lots, required off-street parking can also pose difficulties. The County could consider allowing some lots to substitute available on-street parking for required off-street spaces in such cases.

The following CDC sections would be amended to implement to the on-street parking and driveway width recommendations.

Table 7: On-street Parking and Driveway Width Recommendation Summary

CDC Section	Recommendation
CDC 413-4 – Off-street Parking Standards (Parking and Loading)	Modify section to reduce the minimum width standards for individual and combined residential driveways.
CDC 413-5 – On-street Parking Requirements for Urban Residential Districts (Parking and Loading)	Remove on-street parking requirements entirely; OR Amend the section and simplify on-street parking requirements by requiring fewer spaces for dwellings that contain one or two or more off-street spaces.
CDC Section 413-8 – Reduction of Minimum Off-street Parking	Consider allowing some lots to substitute available on-street parking for required off-street spaces when the latter is overly difficult or not possible to accommodate on a lot.

6. PRIVATE STREET IMPROVEMENTS

Recommendation: Provide greater flexibility for sidewalk requirements when private streets are proposed.

Currently, for private streets serving nine or more units, the CDC requires sidewalks on both sides. In some instances, relatively small housing developments subject to this standard may occur on somewhat narrow or oddly configured lots. In such cases, homes can often be accommodated only along one side of the street, and therefore need sidewalks and driveways only along one side. Site width may be insufficient to accommodate sidewalks as required on both sides, and required lot dimensions, without the need for multiple hardship relief variances (HRVs) – land use actions that allow an applicant to request reductions to certain dimensional standards. This can add additional costs/burdens for small infill projects.

In such cases, where it can be determined that a sidewalk along only one side of the street could adequately serve the small development, allowing omission of sidewalk on one side could provide needed flexibility for small residential infill projects.

One modest change to existing private street standards is therefore recommended: Allow omission of sidewalk on one side of a private street serving nine or more units, where no dwellings or pedestrian-related uses can be accommodated or allowed on the opposite side of the street. For example, where sidewalks are normally required on both sides, allow omission of sidewalks on one side of the street where no dwellings or pedestrian related uses can be accommodated/allowed.

The following CDC section would be amended to implement to the private street recommendations.

Table 8: Private Street Improvement Recommendation Summary

CDC Section	Recommendation
CDC 409-3 – Urban Private Street Standards (Private Streets)	Modify Table A and with additional footnote for sidewalk structural standards that will allow omission of sidewalk on one side of a private street serving nine or more units, where no pedestrian-related uses or dwellings can be accommodated/allowed on that side.

7. GROUND-FLOOR COMMERCIAL USE REQUIREMENTS IN MIXED-USE AREAS

Recommendation 1: For regulation affordable housing, consider amending standards that require ground-floor non-residential (i.e. retail) uses in the TO:RC District and allow regulated affordable housing developments to achieve the maximum density level in the CBD without providing ground floor non-residential uses.

Recommendation 2: The County may also choose to evaluate existing CBD or TO:RC districts to determine if the areas may be more appropriately designated as a high density residential district such as R-25+, TO:R40-80, or TO:R80-120

Two of the land use districts considered in the case studies, CBD and TO:RC, allow a mix of residential and commercial uses on a property. Other districts also allow mixed-use development and may also benefit from these recommendations; they include Neighborhood Commercial (NC), Office Commercial (OC), TO:BUS, and several North Bethany Districts such as Neighborhood Corner Commercial (NCC), and Neighborhood Mixed Use (NCMU).

In the CBD, residential uses are allowed with or without on-site commercial development through a Planned Development. When combined with commercial uses, residential density is unrestricted (though developments are still subject to CBD height requirements). Residential-only development is allowed in CBD through a Planned Development with a density of 20 to 40 units per acre subject to the dimensional, building façade, parking requirements, and development standards of the R-25+ District. Residential-only development is allowed in CBD through a Planned Development with a residential density between 40 to 100 units only when the development dedicates an additional 10 percent of the site to PD open space (for a total of 30% of the site as open space) and is limited to a maximum height of 100 feet. The County should consider CDC amendments to remove barriers to higher-density residential developments in the CBD. The County should also confirm that CBD is the most appropriate land use designation for areas that currently have a significant amount of land designated CBD (such as the Aloha Town Center and TV Highway corridor). If high-density residential development is desirable in some of these locations, the County may wish to consider changing some designations to high density residential (e.g. R-24 or R-25+).

By comparison, the TO:RC District is more restrictive than the CBD and prohibits residential development as a stand-alone use. In the TO:RC District, attached dwelling units (i.e., condominiums, apartments) are only allowed on the upper floors of non-residential buildings or parking structures designed to serve mixed-use commercial or business development. Including a non-residential component in a residential development, particularly a regulated affordable development, can add significant cost. Regulated affordable housing developments that include a commercial component are subject to state regulations that require higher commercial prevailing wages for the entire development, rather than residential prevailing wage. Higher labor costs as a result of a commercial component can be an impediment to building affordable housing units. Any changes to this requirement need to be weighed against other community goals.

On the other side of this issue, there is limited TO:RC-designated land in the County, and it is only in Cedar Mill and Metzger communities where the Community Plan encourages retail uses. By far, the highest concentration is in Cedar Mill. The County may consider a more diverse mix of transit-oriented land use districts in that area. The County should confirm that TO:RC is the most appropriate land use designation for areas that currently have a significant amount of land designated TO:RC. If high-density residential development is desirable in some of these locations, the County may wish to consider changing some designations to higher-density transit-oriented residential.

This memorandum recommends that for regulated affordable housing, the County:

- Consider revising the ground-floor non-residential use requirements for housing developments in the TO:RC district, and potentially other districts that similarly require non-residential uses on the ground floor. The County may consider allowing a shared or common use facility or space to meet the ground-floor non-residential use requirements (e.g., a lobby, dining room, gym, or other interior or outdoor activity space) for regulated affordable developments. This could allow active ground-floor uses that meet the intent of the Transit-Oriented districts and may allow those spaces to be converted to commercial use in the future, if market factors make this a feasible option.
- In addition, this memorandum recommends that regulated affordable housing developments in CBD not be subject to a density threshold whether or not they include a ground-floor commercial use. The County should also consider previously discussed revisions to PD open space requirements to encourage housing development in the CBD.
- The County should also revisit areas designated TO:RC and CBD to determine if some of these areas may be more appropriately re-designated high-density residential as a way to reduce barriers to equitable or affordable housing, or to provide increased opportunities to provide this type of housing.

The following CDC sections could be amended to implement more flexibility in mixed-use requirements for regulated affordable housing. In addition, a review of the CBD and TO:RC Districts in Washington County’s Community Plans would also be necessary to confirm if existing areas are appropriately designated.

Table 9: Ground-floor Commercial Use Requirements in Mixed-Use Areas Summary

CDC Section	Recommendation
CDC 311-3 Uses Permitted Through a Type II Procedure (Neighborhood Commercial District) CDC 312-3 Uses Permitted Through a Type II Procedure (Office Commercial District)	Consider allowing residential development that includes a to-be determined amount of regulated affordable housing to include non-commercial uses on the ground floor.
CDC 313-3 Uses Permitted Through a Type II Procedure (Community Business District)	Consider reduced or modified PD open space requirements for residential development that includes a to-be determined amount of regulated affordable housing.
CDC 375-7 Development Limitations for Permitted Uses in Transit Oriented Districts CDC 375-10 Development Standards in Transit Oriented Districts	Consider allowing residential development that includes a to-be determined amount of regulated affordable housing to include non-commercial uses on the ground floor in TO:RC and/or TO:BUS Districts.
Washington County Community Plans	Review existing areas that are designated CBD or TO:RC to determine if current designations are appropriate for the area or should be redesignated to a higher density residential district.

8. RECOMMENDATIONS TO ENCOURAGE WIDER RANGE OF HOUSING TYPES

One way to increase housing affordability overall is to facilitate provision of a wider range of housing types to better serve a range of income levels, life stages, and lifestyles.

Cluster Housing

Recommendation: Develop standards, similar to those the CDC already applicable in North Bethany, to allow for cluster housing in other urban unincorporated residential areas.

The County CDC currently allows cluster housing – attached or detached dwelling units oriented toward shared common spaces that are not separated by streets – only in North Bethany. Cluster housing can allow higher residential densities through the use of smaller homes, clustered parking, and specific site design standards. In North Bethany, standards limit home square footage to 1,500, and a cluster of only four to twelve dwellings is allowed per each common area in a development.

Currently, Cottage Housing cannot be permitted under current CDC standards in any other residential districts besides North Bethany. The Theoretical study site used a cluster housing

residential design in the R-6 District, which would not be permitted under current standards. As-is, CDC standards complicate or prevent various common forms of cluster housing development outside North Bethany:

- Condo or rental cluster development designed as individual detached dwellings within one large common lot – precluded by district standards that don't allow more than one single family detached dwelling per lot
- Cluster development with individual detached dwellings on separate lots – complicated or precluded by standards that require street frontage for every lot and off-street parking within each lot (not all lots in a cluster will directly abut a street or have automobile access, served by clustered parking instead)

Since a builder's cost per square foot is typically a major driver of home prices and rents, allowance of cluster housing in greater urban unincorporated Washington County may help create a more affordable range of rental and ownership housing options. The smaller scale and community-oriented layout of cluster housing may also answer needs and lifestyle preferences that are perhaps not currently well-addressed in many of the County's urban residential areas.

Washington County should revise standards that create pitfalls for cluster housing, to facilitate and encourage this type of development in the North Bethany Area. It should also expand the revised standards to apply more broadly in the County's urban unincorporated residential districts. The following districts would potentially benefit from allowing cluster housing:

- R-6 District (Residential 6 Units per Acre)
- R-9 District (Residential 9 Units per Acre)
- R-15 District (Residential 15 Units per Acre)
- TO:R9-12 (Transit Oriented Residential District, 9-12 Units per Acre)
- TO:R12-18 (Transit Oriented Residential District, 12-18 Units per Acre)

The County can encourage broader use of cluster housing development by combining a density bonus up to twice the amount of the underlying district, coupled with stricter standards on the maximum allowed size of dwellings. Without a density bonus, there is little financial incentive to construct housing that is currently restricted in size when larger homes would be more profitable.

In developing cluster housing development standards for other residential districts, the County should support community-oriented site layouts by defining courtyards or common greens as streets or by allowing multiple homes on a single lot through a planned development process. This would remove a critical barrier to the cluster housing on the Theoretical site development concept. This also would allow cluster housing the flexibility to orient homes to a central garden, lawn, or other active space rather than being oriented towards street with minimum street frontage requirements.

Table 10: Cottage Cluster Recommendation Summary

CDC SECTION	RECOMMENDATION
CDC 303-3 – Use Permitted Through a Type II Procedure (R-6 District)	Add cluster housing as a permitted use, subject to PD review and cluster housing design standards found in a new section of Article 4.
CDC 304-3 – Use Permitted Through a Type II Procedure (R-9 District)	Same as above.
CDC 305-3 – Use Permitted Through a Type II Procedure (R-15 District)	Same as above.
CDC 375-10 – Development Standards for Transit Oriented Districts (Transit Oriented District)	Modify Table A for TO:R9-12 and TO:R12-18 Districts to add cluster housing as a permitted use, subject to PD review and cluster housing design standards found in new section of Article 4.
CDC 4XX – Cluster Housing Design Standards	Create a new section in the CDC cluster housing development standards that includes subsections for a purpose statement, definitions, and regulations for density, ownership, site features, and off-street parking.

Accessory Dwelling Units

Recommendation: Analyze current CDC requirements and allowances for Accessory Dwelling Units (ADUs); consider amendments to remove barriers to ADUs and encourage up to two ADUs per lot.

Accessory Dwelling Units (ADUs) are additional dwelling units provided on the same lot with a detached single-family dwelling, and can be located within, attached to, or detached from the primary dwelling. They are commonly seen as a form of infill development and were not evaluated as part of the feasibility studies, which evaluated the construction of typical new residential development types. Notwithstanding, ADUs have the capacity to easily expand the availability of housing in areas zoned largely for single-family housing – potentially doubling the existing residential capacity – while still maintaining the character of low-density residential districts. These units can provide more housing choice, smaller and potentially more affordable units, and additional income to assist with the affordability of the primary dwelling.

The state defines an ADU as “An interior, attached, or detached residential structure that is used in connection with, or that is accessory to, a single-family dwelling.” The County CDC currently includes two uses that meet this definition:

Table 11: County summary of ADU standards (Single Family Accessory Dwelling & Guest House)

SINGLE FAMILY ACCESSORY DWELLINGS UNIT	GUEST HOUSE (CDC 430-55)
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(SFAD) CDC 430-117)	
<p>Allowed through a Type I procedure, in the R-5, R-6, R-9, R-15, R-24, R-25+ districts; and through a Type II procedure in the TO:R-9-12, TO:R12-18, R6-NB and R9-NB districts</p> <p>Limited to one</p> <p>Allowed only in conjunction with a detached primary dwelling</p> <p>Maximum square footage: Interior ADU – 50% of existing dwelling; attached or detached – 800, or 920 when designed to Americans with Disabilities Act (ADA) specifications</p> <p>Design standards apply</p> <p>54 applications in approximately 20 years</p>	<p>Allowed through a Type II procedure in the R-5, R-6, and R-9 districts</p> <p>Limited to one</p> <p>CDC doesn't address nature of primary dwelling or guest house as detached vs. attached</p> <p>Lot must be at least twice the minimum size for the district and guest house placement must not preclude its potential for future division on to a separate new lot</p> <p>No maximum square footage or design standards for guest house</p> <p>For intermittent or temporary occupancy only (though compliance with this restriction is difficult to monitor/maintain, and since the provision removes existing housing from the long-term rental market, it appears inconsistent with state and local goals to increase access to needed housing)</p> <p>Six applications in approximately 20 years</p>

A SFAD and a Guest House are generally presumed mutually exclusive uses (only one or the other allowable on a single parcel), although existing CDC language does not plainly preclude one of each on a lot.

The Department of Land Conservation and Development (DLCD) has recently released recommendations toward facilitating and encouraging approval of Accessory Dwelling Units (ADUs) in urban areas. These include recommendations to allow up to two ADUs per primary dwellings and eliminate or relax design standards and overly subjective criteria.

As rentals, ADUs can improve housing supply and affordability in several ways:

- Their compact size can translate to more affordable rents (ADUs are generally limited in size – an 800-square foot maximum is common among jurisdictions in Oregon)
- They can provide property owners with added income toward payments on the primary dwelling
- They currently offer potential to at least double residential supply even in low-density districts of the County, to help reduce inflated housing costs that come from undersupply (DLCD guidance suggests allowing up to two ADUs per primary dwelling, potentially tripling density)

The County's Guest House allowance is somewhat underutilized, with only six applications over the last twenty years or so, while the County has processed 54 applications for SFADs over that

timeframe. Together, these total 60 ADU applications within Washington County in roughly two decades. Comparatively, ADU permit issuance has risen in Portland from 24 in the year 2000, to 86 in 2010 (with initiation of SDC waivers for ADUs after the great recession), and 615 in 2016 (following the 2015 declaration of an affordable housing emergency). According to a Portland State University Study, the number of completed ADUs in Portland is estimated at about 2,000, sited on less than two percent of the city’s residential lots though over 116,500 properties could be eligible. The County could take steps to similarly facilitate/incentivize ADUs as part of its effort to address needed housing.

Although this project did not specifically perform code analysis to identify barriers to ADU development, Washington County should look to update existing SFAD and Guest House provisions to encourage and facilitate increased ADU development per DLCDC recommendations. As part of this, the revised standards should be consolidated under one use, “Accessory Dwelling Unit,” for simplicity. The County should consider clearly allowing two ADUs, perhaps one external and the other internal or attached to best manage visual impacts to existing neighborhoods through clear and objective criteria. Proposed changes should be sensitive to and weighed against potential community impacts.

Table 12: Accessory Dwelling Unit (ADU) Recommendations Summary

CDC SECTION	RECOMMENDATION
CDC 430-55 – Guest House	Remove section and consolidate standards with CDC 430-117 – Single Family Accessory Dwelling Unit. See recommendation for CDC 430-117 below.
CDC 430-117 – Single Family Accessory Dwelling Unit	Review and update existing section to increase the allowed number of ADU units, simplify siting standards, simplify or remove design standards, and remove the off-street parking requirement.

9. “FLEXIBLE ZONING” FOR AFFORDABLE HOUSING DEVELOPMENT

Recommendations:

- *Consider developing a simplified and more comprehensive approval path, offering flexibility of standards for regulated affordable housing.*
- *Update and perhaps consolidate some existing CDC provisions intended to offer flexibility, to increase their usefulness and relevance today.*

In some locations, existing CDC standards and requirements may make development infeasible on lots with challenging site characteristics. Examples of site characteristics that make new development challenging include, but aren’t limited to, oddly shaped lots, partially undevelopable

lots, and existing road configurations that limit lot size and configuration. Value potential can be added to these areas, while still achieving the County's equitable housing goals, by allowing regulated affordable housing to be developed.

Existing CDC provisions intended to allow flexibility include but are not limited to oddly shaped lots, partially undevelopable lots, and:

- Modification of Standards through the Site Analysis: 404-2, allows the review authority to reduce dimensions other than lot area by up to 10 percent, when necessary to retain natural or topographic features such as mature trees, swales, slopes and rock outcroppings.

Issue: Available only when reviewer finds necessary for retention of natural features.

- Planned Development (PD): CDC 404-4, which allows reduced dimensional standards in exchange for dedication of sizable open space areas; and CDC 390-17 which in North Bethany allows additional flexibility and density bonuses in exchange for open space or in some cases, work force housing – Type II or III depending on district/proposal

Issue: As previously discussed, some changes are proposed to existing PD standards that may offer more flexibility to facilitate some affordable housing development. In other cases, however, required dedications of open space may pose a challenge to developments with limited budgets that need to maximize unit counts on buildable land.

- Variance (CDC 435-4) from strict adherence to a standard, when necessary to permit the property to be developed to an extent comparable to nearby properties in the same district – Type III

Issue: The Variance process is available only on sites where the land is affected by specific irregularities uncommon to the area, including a wetland or significant natural resource. A separate Variance action (and fee) applies to each standard for which a Variance is requested. As such the Variance process may be cost-prohibitive and insufficient when flexibility is needed for a number of standards.

- Hardship Relief (435-5), which generally allows up to five percent reduction in lot area, and up to 20 percent reduction in other dimensional standards – Type II

Issue: Hardship Relief requires evidence from the applicant that full compliance with the dimensional standard in question creates significant economic hardship. While this may be possible for an affordable housing applicant to prove, a separate Hardship Relief action (and fee) applies to each standard from which the applicant seeks relief. As such the Hardship Relief process may be cost-prohibitive and insufficient when flexibility is needed for a number of standards.

- Minor Revisions (401-5.4), which allow some changes to site design after preliminary approval – Type I; and Modification or Removal of Conditions (207-5.7) to correct a mistake, when a condition could not be implemented for reasons beyond applicant’s control, when circumstances have changed to the extent that the condition is no longer needed or warranted, or when different condition(s) would better accomplish the purpose of the original condition – Type II or III (same type as used to apply the condition in question)

Issue: These procedures allow for some revision to approved site plans when fieldwork proves original designs difficult to accommodate onsite. They are not substitutes, however, for flexibility at the initial design stage and can create costly delays.

The County should consider developing an alternative development path that allows additional flexibility, like existing Planned Development standards, for developments on these problematic parcels. The alternative development path can be a simplified Planned Development review procedure that offers a more comprehensive “flexible zoning” approach that is specifically targeted for regulated affordable housing on complicated parcels. Provisions from CDC North Bethany PD standards provide a useful starting point, as do related provisions from the City of Portland.

10. CODE REVISION / MORE REGULAR STRATEGIC UPDATES

Recommendation: The County should revisit and consider the need for additional updates to the CDC at regular or semi-regular intervals to ensure regulatory and code requirements are not unnecessarily negatively impacting development feasibility and/or increasing development costs.

To better understand whether the County’s regulations are calibrated for infill and redevelopment in desired locations, the County should continually monitor and evaluate the CDC to ensure regulations are calibrated to promote equitable and affordable housing. The assessment can be similar in scope to this project and consider the CDC generally, or the assessment can be more strategic in nature and focus on one identified barrier similar to the recent updates to parking regulations. During the assessment, the County should work with various stakeholders involved in development who use the regulations on a regular basis. This could include internal departments such as planning, public works, parks and recreation, building, engineering, economic development, and the planning commission and elected body. The process could also include developers, neighborhood organizations, and business owners depending on the scope of the assessment.

11. POLICY AND PROGRAM SUPPORT RECOMMENDATIONS

The recommended code amendments in this memorandum are just one of a comprehensive set of tools needed to meet the growing demand for affordable housing. Washington County must consider actions in addition to amendments to the CDC that remove regulatory barriers. The County should consider shifts in policy to support equitable and affordable housing, offering development incentives such as dedicated funding for affordable housing development, reductions or exemptions to fees and charges for affordable housing development, and other policy and programmatic initiatives that result in the development of affordable housing. In addition, equitable housing strategies must address the need for access to affordable transportation options, to public and personal social services, and to shopping and employment centers.

Policy and programmatic strategies to reduce barriers to housing development that the County may wish to explore further include, but are not limited to the following:

- Refine existing policy foundation to be more supportive of equitable and affordable housing.
- Find opportunities to streamline or shorten permitting processes and timelines.
- Establish development tax or value capture incentives.
- Support regulated affordable housing through:
 - Discounting or donating public land for regulated affordable housing.
 - Enabling additional property tax exemptions or abatements for regulated affordable housing.
 - Sharing the cost of required public improvements.
 - Reducing or waiving System Development Charges (SDCs) and/or other development fees and charges.

Establish a development tax and/or other value capture incentives to encourage regulated affordable housing.

Exhibit A: Matrix Summary of CDC Barriers by Study Site

Table A-1: Alexander Street Site

CDC Section	Issue	Solution
CDC 313-3.40 – Residential Dwelling Units through a Type II Planned Development Procedure (CBD)	Allowed density is a minor barrier to development. Mixed-use requirements can add significant costs to residential development, particularly for regulated affordable development.	Allow greater flexibility for ground-floor uses associated with mixed-use development for regular and/or regulated affordable developments.
CDC 313-6 – Dimensional Requirements (CBD)	Setback requirements reduce the amount of land that can be used towards meeting the maximum allowed density (see also Open Space standards for Planned Development). Achieving the maximum allowed density while also meeting setback standards would require more costly designs (i.e. concrete podium)	Reduce setback standards for medium or large multi-family structures.
CDC 404-4 – Planned Development (Master Planning)	Planned Development requirements for multi-family buildings in the CBD requires a significant amount of space to be dedicated to open space (20-30%). Some of this may be offset with on-site amenities, which can add significant costs depending on the type of facility that is provided.	Reduce the additional Planned Development Open space requirement. Reduce further, or remove, the Planned Development Open space requirement for regulated affordable housing.
CDC 407-1 – Minimum Landscape Standards (Landscape Design)	Landscape requirements reduce the amount of land that can be used towards meeting the maximum allowed density	Reduce the minimum landscape requirement for new multi-family development in high residential districts.
CDC 408 – Neighborhood Circulation	Pedestrian streetscape standards, building orientation, and building façade standards add minimal cost to constructing multi-family dwellings.	No changes to these standards are proposed. To the extent, these requirements add cost to a development, a more appropriate strategy would be for the County to share the cost of providing facilities for regulated affordable housing projects.

CDC Section	Issue	Solution
CDC 413-4 – Off-street Parking Standards (Parking and Loading)	Minimum off-street parking requirements require a significant amount of land be used for non-residential uses, particularly for medium to high density residential development. Space dedicated to parking can be incorporated into the building design at a significant cost to construction.	Note, Washington County has recently adopted regulations that simplify and add flexibility to parking provisions which generally address this concern. Regulations should continue to be reviewed to determine if recent changes are acting as barriers to new development.
CDC 501 – Public Facility and Service Requirements	Right-of-way dedication and street improvements, including sidewalks, pavement, and utilities, can add significant cost to new construction. This barrier wasn't reviewed in great detail as part of the development concept, but can be assumed to be costly due to the amount of street frontage and improvements that would be necessary.	Modifying CDC regulations to reduce barriers to new construction would likely reduce the quality and consistency of public infrastructure below acceptable standards. Other solutions, such as identifying and dedicating funding to pay a portion of improvement costs would be more viable option.

Table A-2: Shaw Street Site

CDC Section	Issue	Solution
CDC 306-6 – Density (R-24 District)	Allowed density is a major barrier to development. Current development concept designs meet the maximum allowed density and can be designed up to double the allowed density with minimal changes to cost or design.	Allow for a density bonus of a to-be-determined amount when regulated affordable housing is proposed as an option.
CDC 306-7 – Dimensional Requirements (R-24 District)	Setback requirements add a relatively minor barrier to development, in part because the maximum allowed density is achieved.	Reduce setback standards for medium or large multi-family structures.
CDC 404-4 – Planned Development (Master Planning)	Although this isn't a barrier to the development concept, it could potentially be should a density bonus for regulated affordable housing be allowed on the site.	Regulations should be reviewed after other changes to the CDC are completed to determine if these standards are acting as barriers to new development.

CDC Section	Issue	Solution
CDC 407-1 – Minimum Landscape Standards (Landscape Design)	Landscape requirements reduce the amount of land that can be used for constructing new residential dwellings, however, in this case, the maximum allowed residential density is a larger barrier.	Reduce the minimum landscape requirement for new multi-family development in high residential districts.
CDC 408 – Neighborhood Circulation	Pedestrian streetscape standards, building orientation, and building façade standards add minimal cost to constructing multi-family dwellings.	No changes to these standards are proposed. To the extent, these requirements add cost to a development, a more appropriate strategy would be for the County to share the cost of providing facilities for regulated affordable housing projects.
CDC 413-4 – Off-street Parking Standards (Parking and Loading)	Minimum off-street parking requirements require a significant amount of land be used for non-residential uses, particularly for medium to high density residential development. There is enough space for surface parking on this site at the maximum allowed density, however, it may become a greater barrier should a density bonus be allowed.	Note, Washington County has recently adopted regulations that simplify and add flexibility to parking provisions which generally address this concern. Regulations should continue to be reviewed in the future to determine if recent changes are acting as barriers to new development.
CDC 501 – Public Facility and Service Requirements	Right-of-way dedication and street improvements, including sidewalks, pavement, and utilities, can add significant cost to new construction. This barrier wasn’t reviewed in great detail as part of the development concept, but can be assumed to be costly due to the amount of street frontage and improvements that would be necessary.	Modifying CDC regulations to reduce barriers to new construction would likely reduce the quality and consistency of public infrastructure below acceptable standards. Other solutions, such as identifying and dedicating funding to pay a portion of improvement costs would be more viable option.

Table A-3: Springville Site

CDC Section	Issue	Solution
CDC 305-6 – Density (R-15 District)	Allowed density is a minor barrier to development. The development concept could conceivably be designed to meet the maximum allowed density, but would require a more detailed review as other standards pose greater barreirs.	Allow for a density bonus of a to-be-determined amount when regulated affordable housing is proposed as an option.

CDC Section	Issue	Solution
CDC 305-7 – Dimensional Requirements (R-15 District)	Setback standards were minor barriers to new development compared to neighborhood circulation and off-street parking standards.	Regulations should be reviewed after other changes to the CDC are completed to determine if these standards are acting as barriers to new development.
CDC 305-8 - Building Façade Requirements (R-15 District)	Building façade requirements that specify the maximum allowed width of a garage adds minor restrictions to the design of housing on narrow lots.	Add additional options or variations to existing standard to increase the flexibility of standards.
CDC 408 – Neighborhood Circulation	Site design and related standards define the size and design of constructing blocks, which adds a significant cost to construction.	Modifying CDC regulations to reduce barriers to new construction would likely reduce the quality and consistency of public infrastructure below acceptable standards. Other solutions, such as identifying and dedicating funding to pay a portion of improvement costs would be more viable option.
CDC 413-4 – Off-street Parking Standards (Parking and Loading)	Minimum off-street parking requirements require a significant amount of land be used for automobile storage. There is enough space for driveways and garages on this site.	Note, Washington County has recently adopted regulations that simplify and add flexibility to parking provisions which generally address this concern. Regulations should continue to be reviewed in the future to determine if recent changes are acting as barriers to new development.
CDC 413-5 – On-street Parking Requirements for Urban Residential Districts (Parking and Loading)	On-street parking requirements adds minimum parking regulations in addition to off-street parking minimums for single-family homes. On-street parking requirements adds a significant barrier to development on smaller lots with minimal street frontage, particularly when combined with driveway standards. On-street parking requirements can partially be met with parking courts should space be available, but adds cost.	Amend section and simplify on-street parking requirements by requiring fewer spaces for dwellings that contain one or two or more off-street spaces.

CDC Section	Issue	Solution
CDC 501 – Public Facility and Service Requirements	Right-of-way dedication and street improvements, including sidewalks, pavement, and utilities, add significant cost to new construction. This barrier wasn't reviewed in great detail as part of the development concept, but can be assumed to be costly due to the amount of street frontage and improvements that would be necessary.	Modifying CDC regulations to reduce barriers to new construction would likely reduce the quality and consistency of public infrastructure below acceptable standards. Other solutions, such as identifying and dedicating funding to pay a portion of improvement costs would be more viable option.

Table A-4: Theoretical Site

CDC Section	Issue	Solution
CDC 303-3 – Uses Permitted Through a Type II Procedure	A cluster housing design as shown in the development concept for the study site is not a permitted in the district.	Add cluster housing as a permitted use, subject to PD review and cluster housing design standards found in a new section of Article 4.
CDC 303-6 – Density (R-6 District)	Allowed density is a minor barrier to development. The development concept meets the maximum allowed density for the site. Achieving a greater density at the site is restricted by other existing standards as discussed below.	Regulations should be reviewed after other changes to the CDC are completed to determine if these standards are acting as barriers to new development.
CDC 303-7 – Dimensional Requirements (R-6 District)	Setback standards were minor barriers to new development compared to parking standards	Regulations should be reviewed after other changes to the CDC are completed to determine if these standards are acting as barriers to new development.
CDC 407-1 – Minimum Landscape Standards (Landscape Design)	Landscape standards were minor barriers to new development compared to parking standards	Regulations should be reviewed after other changes to the CDC are completed to determine if these standards are acting as barriers to new development.

CDC Section	Issue	Solution
CDC 408 – Neighborhood Circulation	Neighborhood circulation standards require on-site pedestrian (and bicycle) connectivity between buildings, parking areas, and the street. This adds a minor cost to cluster housing designs since the design type is several small houses oriented around open spaces and separated from parking areas.	Regulations should be reviewed after other changes to the CDC are completed to determine if these standards are acting as barriers to new development.
CDC 413-4 – Off-street Parking Standards (Parking and Loading)	Minimum off-street parking requirements require a significant amount of land be used for automobile storage. Off-street parking regulations prevent individual housing from being oriented toward a courtyard or open space; they must be oriented towards a street, which inhibits the design and intent of cluster housing.	Modify cluster housing design standards found in other sections and apply to the zone so that the design type can be built.
CDC 413-5 – On-street Parking Requirements for Urban Residential Districts (Parking and Loading)	On-street parking requirements adds minimum parking regulations in addition to off-street parking minimums for single-family homes. On-street parking requirements adds a significant barrier to development on smaller lots with minimal street frontage, particularly when combined with driveway standards. On-street parking requirements can partially be met with parking courts should space be available but adds cost.	<p>Amend section and simplify on-street parking requirements by requiring fewer spaces for dwellings that contain one or two or more off-street spaces.</p> <p>Eliminate the frontage requirement for cluster developments.</p>
CDC 421 – Flood Plain and Drainage Hazard Area Development	Flood plain and drainage hazard areas reduce the amount of area that can be developed for residential housing. In addition, there are potentially significant costs associated with having the area professionally delineated.	Modifying CDC regulations to reduce barriers to new construction would likely reduce the quality and consistency of public infrastructure below acceptable standards. Other solutions, such as identifying and dedicating funding to pay a portion of costs would be more viable option. However, drainage hazard areas or other natural resource areas should count towards a portion of a site’s open space requirements.

CDC Section	Issue	Solution
CDC 501 – Public Facility and Service Requirements	Right-of-way dedication and street improvements, including sidewalks, pavement, and utilities, can add significant cost to new construction. This barrier wasn't reviewed in great detail as part of the development concept but can be assumed to be costly due to the amount of street frontage and improvements that would be necessary.	Modifying CDC regulations to reduce barriers to new construction would likely reduce the quality and consistency of public infrastructure below acceptable standards. Other solutions, such as identifying and dedicating funding to pay a portion of costs would be more viable option.

Table A-5 was completed by Community Partners for Affordable Housing (CPAH) prior to the beginning this Equitable Housing project. The CPAH analysis was in response to an early development proposal, in partnership with Washington County, at the study site where a mixed-use affordable housing development was envisioned but not ultimately developed under the County's jurisdiction.

Table A-5: Cornell/Murray Site

Code Section	Code Standard	Potential Concern(s)	Potential Solution(s)	Notes/Comments
Section 375: Transit Oriented Districts				
375-7: Development Limitations for Permitted Uses in TO Districts				
375-7.14	<i>Attached dwelling units (i.e., condominiums, apartments) and group residences are only allowed on the upper floors of non-residential buildings (i.e., retail uses) in the TO:RC District. Residential uses shall not be permitted as standalone uses (i.e., structures). Residential uses shall, however, be allowed to be located on the upper floors of a parking structure designed to also serve a mixed-use Transit Oriented Retail Commercial or business development.</i>	Requires a vertically integrated mixed-use structure for residential uses; CPAH proposal is not consistent with this requirement. There is no variance process or Type III discretionary review process to provide flexibility in this requirement.	<ol style="list-style-type: none"> 1. Modify design to create a vertically-integrated mixed-use building. 2. Modify code standard to require a mix of uses on the same site, but not within the same structure, i.e.: <i>In the TO:RC District, attached dwelling units (i.e., condominiums, apartments) and group residences are only allowed as part of a mixed-use development that includes non-residential uses permitted in the TO:RC District as part of the development proposal. Residential uses shall be allowed to be located on the upper floors of a parking structure designed to also serve a mixed-use Transit Oriented Retail Commercial or business development.</i> 	<p>Options 2 and 3 could provide increased flexibility in other TO areas; however it removes the policy intention to encourage vertically-integrated mixed use development.</p> <p>Option 4 would solve the site-specific issue for CPAH; there may be other benefits to</p>

Code Section	Code Standard	Potential Concern(s)	Potential Solution(s)	Notes/Comments
			<p>3. Modify code standard to specify that residential <i>units</i> (as opposed to residential <i>uses</i>) may not be allowed on the ground floor, but permit ancillary residential activities/uses (lobby, offices, community room, etc. to be located on the ground floor.</p> <p>4. Consider changing the designation of the residential portion of the property to TO:R40-80 while retaining TO:RC designation on the retail portion.</p>	<p>changing to TO:R40-80 - i.e. increased height limit.</p>
375-7.23.b.	<p><i>Accessory outdoor seating related to the principal eating or drinking establishment use may be permitted, provided that the outdoor space is placed within a common open space. Sidewalks may be utilized for accessory outdoor seating if they meet the unobstructed width standards set forth in Section 431-5.1 B.(4) and approval is obtained from the Operations Division Manager. In addition, the area devoted to the accessory outdoor seating does not exceed: (1) An area greater than the equivalent of fifteen (15) percent of the dining, drinking, or both floor area; or(2) Seven hundred fifty (750) square feet.If outdoor dining is to exceed either fifteen (15) percent of the dining, drinking, or both floor area or seven hundred fifty (750) square feet, the additional area in excess of seven hundred fifty (750) square feet must provide additional parking at a ratio as provided by the appropriate zoning district. (NOTE: The area devoted to accessory outdoor seating areas may be excluded from the development's total gross floor area for purposes of determining compliance with the FAR requirements.)</i></p>	<p>Potential parking impact associated with outdoor seating/dining areas associated with potential food services users, if the seating area exceeds the thresholds outlined in the code standard.</p>	<p>1. Keep any defined outdoor seating area(s) below the code thresholds.2. Modify code standard to remove the additional parking requirement.</p>	
Section 375 Table B: Dimensional Requirements for Transit Oriented Districts				
	<i>Maximum Building Height (B)</i>	CPAH concept does not	1. Modify design to meet code standard.	Option 2 could be

Exhibit A: Matrix Summary of CDC Barriers by Study Site

Code Section	Code Standard	Potential Concern(s)	Potential Solution(s)	Notes/Comments
	<p><i>TO:RC - 60 feet; TO:R40-80 - 80 feet</i></p> <p><i>(B) Where a building fronts on a pedestrian street, a ten (10) foot setback from the front façade is required for all floors above the third. Normal building appurtenances and projection such as spires, belfries, cupolas, chimneys, ventilators, elevator housings or other roof-mounted structures may extend above the height limit. Building height may be limited pursuant to Section 431-8.</i></p>	<p>incorporate 10 foot setback from front façade for floors above the third.</p>	<p>2. Modify code standard to eliminate setback requirement above third floor.</p>	<p>applied in all TO districts.</p>
	<p><i>Yard Depth-frontage maximum (D): 10 feet [applies to both TO:RC and TO:R40-80](D) Required maximum frontage yard dimensions: (1) shall apply to at least 50% of the first floor of a building facing a pedestrian street, as defined in Section 431-3.8; and (2) may be exceeded where the applicant demonstrates and the Review Authority finds that larger yards are needed to mitigate noise and vibration impacts of transportation operations.</i></p>	<p>Standard would not be met along Joy Ave with current CPAH proposal. There is no variance process or Type III discretionary review process to provide flexibility in this requirement.</p>	<p>1. Modify design to meet code standard along Murray, Cornell and Joy.2. Include provision similar to 431-2 (Conflicts) that would allow flexibility in standards due to conflict with Area of Special Concern 13 provision re: location of buildings adjacent to Murray/Cornell intersection with parking to side/rear.</p>	<p>Option 2 addresses a potential concern for sites in all TO districts with frontage on more than 2 streets. Proposed language includes a provision intended to ensure a sense of street edge using architectural or landscaping elements.</p>
<p>Continued from above</p>			<p>3. Modify code standard to provide flexibility for parcels with more than 2 street frontages, i.e.: (D) Required maximum frontage yard dimensions: (1) shall apply to at least 50% of the first floor of a building facing a pedestrian street, as defined in Section 431-3.8.</p> <p>Exceptions: (1) The required maximum frontage yard dimension may be exceeded where the applicant demonstrates and the Review Authority finds that larger yards are needed to mitigate noise and</p>	

Code Section	Code Standard	Potential Concern(s)	Potential Solution(s)	Notes/Comments
			<p>vibration impacts of transportation operations.</p> <p>(2) The required maximum frontage yard dimension may be exceeded on one pedestrian street for sites having frontage on three or more pedestrian streets. Vertical architectural or landscaping elements consistent with the overall site design shall be incorporated within the required maximum frontage yard dimension along at least 50% of the property line abutting a pedestrian street where the required maximum frontage yard dimension is exceeded.</p>	
Section 375 Table C: Density Requirements for Transit Oriented Districts				
	<p><i>Minimum [for TO:RC district, subject to note (3)]: -Within a Town Center Core: .35 FAR</i></p> <p><i>(3) The total square footage (FAR) of the residential component of a mixed-use development may be counted towards the minimum required FAR provisions of this section for mixed-use developments, provided that the total square footage of the residential component does not exceed 50-percent of the non-residential floor area requirement.</i></p>	<p>At least 50% of the minimum required floor area for the site must be non-residential use. On the 0.76-acre Cornell-Murray site, the minimum required floor area (based on 0.35:1 FAR) would be 11,587 s.f. At least 50% of the minimum required floor area (or 5,793 s.f.) must be non-residential use. With only 3,900 s.f. of proposed retail use, the standard would not be met.</p>	<ol style="list-style-type: none"> 1. Add more non-residential use to the proposal. 2. Designate community room and conference room as "non-residential" use for purposes of meeting this criteria. 3. Modify code standard to reduce or eliminate the percentage of required non-residential use. 	<p>Changing the residential portion of the site to TO:R40-80 would likely eliminate any concerns with this provision.</p>
Section 413: Parking and Loading				
413-2: General Off-Street Parking and Loading Criteria				
413-2.9	<p><i>Owners of two (2) or more adjoining uses, structures or parcels of land may use the same parking or loading</i></p>	None		

Code Section	Code Standard	Potential Concern(s)	Potential Solution(s)	Notes/Comments
	<i>area when the peak hours of such operation do not overlap. Full access to such parking or loading areas shall be exhibited in the deed, lease or contract.</i>			
413-3: General Requirements				
413-3.4	<i>In the event several uses occupy a single structure or parcel of land, the total requirements for off-street parking and loading shall be the sum of the requirements of the several uses computed separately.</i>	Does 413-2.9 create an exception to the additive requirement?		
413-4: Off-Street Parking Lot Design				
413-4	<i>All off-street parking lots including up to fifty (50) percent of the spaces for compact cars, shall be designed in accordance with county standards for stalls and aisles as set forth in the following drawings and tables: ...</i> <i>90 degree parking spaces = 8.5 feet wide x 18 feet deep</i> <i>90 degree compact car spaces = 7.5 feet wide x 15 feet deep</i>	Mechanized parking spaces may not meet the minimum dimensional requirement of the table in 413-4.	<ol style="list-style-type: none"> 1. Eliminate mechanized parking. 2. Make findings through Type III process that proposed design meets standard. 3. Modify standard to address unique situations, including mechanized parking systems. 	
413-7: Minimum Off-Street Parking Requirements				
413-7.1 B.	<i>Attached including duplex</i> <i>(1) 1 Bedroom or Studio: One (1) per each dwelling unit</i> <i>(2) 2 Bedroom: One and five-tenths (1.5) per each dwelling unit</i> <i>(3) 3 or more Bedroom: One and seventy-five hundredths (1.75) each per dwelling unit</i>	Standard parking requirement for multi-family units is expected to significantly exceed the demand for an affordable housing development on two transit routes in a town center.	<ol style="list-style-type: none"> 1. Develop a set of parking ratios specific to affordable housing. 2. Build on "Right-Sizing the Parking Code" analysis of town center parking demands to consider reduced parking ratios in transit oriented districts. 3. Add a code provision allowing for determination of required parking through review of a parking analysis prepared by the applicant, to be considered through a Type III process in town centers. 	All options would have broader applicability than just the CPAH site.

Code Section	Code Standard	Potential Concern(s)	Potential Solution(s)	Notes/Comments
			4. Some combination of the above.	
413-7.3 G.	<i>Establishments for sale and consumption on the premises of beverages, food or refreshments Fifteen and three-tenths (15.3) per thousand (1000) square feet of gross floor area</i>	Would the micro-restaurants with limited or no internal seating be considered restaurant use? Would exterior seating area need to be parked (ref. 375-7.23.b.)?	See above.	
413-7.3 N.	<i>Retail stores, except as otherwise specified herein Four and one-tenth (4.1) for each thousand (1000) square feet of gross area</i>	Could the commercial component be parked at the retail parking ratio, if space is truly flex-space and not designated solely for restaurant use?		
413-7.4 B.	<i>Business offices or professional offices except as identified pursuant to Section 413-7.4 C. Two and seven-tenths (2.7) for each thousand (1000) feet of gross floor area</i>	Should upper floor of retail component be parked as office use?		
413-7.4 C.	Professional offices of doctors, dentists, or similar professions Three and nine-tenths (3.9) for each thousand (1000) square feet of gross floor area	Potential for medical office in commercial?		
413-11: Reduction of Minimum Off-Street Automobile Parking Based on Bicycle Parking				
413-11.1	<i>Sites having fifty (50) or more parking spaces may reduce total minimum automobile parking space requirements by one (1) standard or compact size space for every two (2) bicycle spaces provided.</i>	Could allow up to 40% parking reduction, but would need to demonstrate that at least 50 parking spaces are possible on the site.		

Code Section	Code Standard	Potential Concern(s)	Potential Solution(s)	Notes/Comments
413-11.2	<i>Sites having between eleven (11) and forty-nine (49) parking spaces may reduce total minimum automobile parking space requirements by two (2) standard or compact size spaces or ten (10) percent of required automobile spaces, up to five (5), whichever is greater, for replacement with two (2) bicycle spaces per automobile space.</i>	If fewer than 50 spaces possible on site, parking reduction would be limited to a maximum of 5 spaces.		
413-14: Minimum Off-Street Loading Requirements				
413-14.1	<i>Residential: None required, except for high rise (above three [3] stories) attached dwelling units which shall be provided with one (1) loading space as a minimum...</i>	Loading space would be required if buiding is considered "high rise" due to exceeding three stories.	<ol style="list-style-type: none"> 1. Provide an on-site loading space. 2. Consider the three floors of residential units only and do not require off-street loading space. 3. Modify code to change three story threshold to four stories, to be more consistent with the definition of a high-rise building. 4. Adopt unique provisions for transit oriented areas that might relax the off-street loading space requirement 	
Section 431: Transit Oriented Design Principles, Standards and Guidelines				
431-4: Circulation System Design				
431-4.2 C.	<i>Blocks (2) Block lengths for streets, accessways and greenways shall not exceed three hundred thirty (330) feet between public or private streets, accessways or greenways, measured along the nearside curb line of the public or private street or the centerline of the accessway or greenway. These standards shall not be used to provide direct connections to collector roads where indirect connections are specifically shown in the community plan.</i>		<ol style="list-style-type: none"> 1. May need to provide an east-west public pedestrian connection between Joy and Murray at south end of site. 2. Apply principles through Type III process if a ped connection is not practicable. 	

Code Section	Code Standard	Potential Concern(s)	Potential Solution(s)	Notes/Comments
431-5: Streetscapes for Pedestrians				
431-5.1 - Streetscapes - Transit Oriented Districts				
431-5.1 B. (1)	<p><i>In the... TO:RC Districts along pedestrian streets where onstreet parking is allowed... buildings shall be built to the sidewalk edge for a minimum of ninety (90) percent of their site’s pedestrian street frontage (excluding street, driveway and accessway intersections). However, where a development site has frontage on two or more pedestrian streets with on-street parking, buildings are not required to meet the frontage requirements on both streets. Notwithstanding the above, a building shall be built to the sidewalk edge of both intersecting streets at their intersection.</i></p> <p><i>Where a development site has frontage on two pedestrian streets with onstreet parking on only one of the streets, buildings are required to meet the frontage requirement on the street that allows on-street parking. Notwithstanding the above, a building shall be built to the sidewalk edge of both intersecting streets at their intersection.</i></p>	<p>Would require building to front 90% of the Joy Street frontage, and at the Joy/Cornell intersection.</p>	<p>1. Modify site layout to comply (not practical).</p> <p>2. Apply Principles through a Type III process. Also note provision in Section 431-2 (Conflicts) provides for Area of Special Concern provisions to trump standards in 431 in the event of a conflict. ASC 13 includes the following sentence: "As the properties at the four corners of the intersection of Murray and Cornell redevelop, the new development shall be designed so that buildings are placed at the corner, with parking to the side or behind the building."</p>	
431-5.1 B.(4)	<p><i>Minimum sidewalk widths in Transit Oriented Districts shall be the widest identified by the Washington County Road Design and Construction Standards for the adjacent Special Area Street (as shown in the Transportation System Plan), except for Special Area Commercial Streets. Special Area Commercial Streets shall have sidewalks that are a minimum of twelve (12) feet in width. On arterials within or adjacent to Transit Oriented Districts and which are designated as 'Streetscape Overlay' on the Pedestrian System Map in the Transportation System Plan, the minimum sidewalk width shall be twelve (12) feet.</i></p>	<p>Bicycle/Pedestrian System Designations: -Murray Blvd: Arterial; Streetscape Overlay; Enhanced Major Street Bikeway; Area of Special Concern 12b. -Cornell Rd: Arterial; Streetscape Overlay; Enhanced Major Street Bikeway; Area of Special Concern 12h. -Joy Ave: Special Area</p>	<p>Net effect of these provisions is that 12' sidewalks with street trees, and pedestrian-scale lighting are required on Murray, Cornell and Joy. Pedestrian enhancements required on Murray and Cornell. Additional ROW may be needed on Murray and/or Cornell to accommodate enhanced bikeway features (i.e. buffered bike lanes).</p>	

Exhibit A: Matrix Summary of CDC Barriers by Study Site

Code Section	Code Standard	Potential Concern(s)	Potential Solution(s)	Notes/Comments
		Commercial Street per Comm. Plan -The site is within a Pedestrian/Bicycle District per TSP.		
431-6: Parking Areas, Garages and Parking Structures				
431-6.1 B.(1)	<i>Off-street surface parking lots shall not be located between a front façade of a building adjacent to a pedestrian street where on-street parking is allowed, and the pedestrian street.</i>	Would preclude surface parking between Joy and the building.	Potential exception per 431-5.6 B.(4), or apply guidelines through Type III process.	Parking adjacent to Murray or Cornell would seem contrary to the Principle in 431-6.1 A.: <i>Off-street parking lots shall be located to the side or rear of buildings...</i>
431-5.6 B.(4)	<i>If a building adjoins a pedestrian route on two (2) or more sides, off-street parking may be allowed between the building and the pedestrian route in the following order of priority:1st. Accessways.2nd. Pedestrian streets that are non-transit streets and do not allow onstreet parking.3rd. Pedestrian streets that are transit streets and do not allow on-street parking.4th. Pedestrian streets that are non-transit streets and do allow on-street parking.5th. Pedestrian streets that are transit streets and allow on-street parking.</i>	Would prioritize parking adjacent to Murray or Cornell (3rd) over Joy (4th).	Apply guidelines through Type III process.	Parking adjacent to Murray or Cornell would seem contrary to the Principle in 431-6.1 A.: <i>Off-street parking lots shall be located to the side or rear of buildings...</i>
Cedar Hills-Cedar Mill Community Plan				
General Design Elements				
GDE 10	<i>Noise reduction measures shall be incorporated into all new developments located adjacent to Arterials and Collectors. Noise reduction alternatives include vegetative buffers, berms, walls and other design techniques such as insulation, setbacks, and orientation</i>	Residential units adjacent to Murray will need to incorporate noise reduction	Noise reducing windows, doors and insulation.	

Code Section	Code Standard	Potential Concern(s)	Potential Solution(s)	Notes/Comments
	<i>of windows away from the road.</i>	measures.		
Areas of Special Concern				
12b	Murray frontage design. See notes on CDC 431-5.1 B.(4).			
12h	Cornell frontage design. See notes on CDC 431-5.1 B.(4).			
13a	<i>... To assure that cooperative planning of the area's overall redevelopment will occur, no development application for a property in the area, other than for a limited expansion (no more than 20 percent of existing floor area), shall be approved prior to approval of an overall Master Plan for all properties that are within ASC No. 13a. This overall Master Plan shall be agreed to by 50 percent of the property owners in the area and property owners in the area representing at least 50 percent of the acreage. ...</i>	<p>Developing a master plan will take time and add cost to the proposed development, unless undertaken by County.</p> <p>Obtaining approval from 50% of property owners may prove difficult, given current single-family residents' concerns about parking, traffic, impacts from commercial development and redevelopment, etc.</p>	<p>1. CPAH and/or County prepare master plan and attempt to secure approval of 50% of property owners representing at least 50% of the acreage.</p> <p>2. Amend ASC 13a text to eliminate the master plan requirement completely, or at least remove the requirement for majority property owner agreement prior to allowing any development to occur.</p>	

Exhibit 6: Stakeholder Interviews



LAND USE PLANNING
TRANSPORTATION PLANNING
PROJECT MANAGEMENT

MEMORANDUM

DATE April 24, 2018
TO Kim Armstrong, Washington County
FROM Matt Hastie and Clinton "CJ" Doxsee
RE **Washington County Equitable Housing Study – Stakeholder Interviews**
CC Theresa Cherniak and Anne Kelly, Washington County

Washington County's Equitable Housing Site Barriers and Solutions project seeks to identify existing regulatory and code requirements that negatively impact development feasibility and/or increase development costs for projects that include residential uses, with a focus on encouraging equitable housing development in the County. Previous planning efforts, including Aloha Tomorrow, have also recommended taking action to reduce regulatory and code barriers that impact housing development – but these recommendations have been fairly general.

As part of this effort, the Washington County staff conducted stakeholder interviews with the Homebuilders Association and several firms specializing in new residential development. Staff shared the five draft concepts, information on identified barriers, and recommendations for future CDC amendments. Stakeholders provided commentary on the materials. Notes from the interviews are included below.

NOTES FROM MEETING WITH POLYGON NORTHWEST

Attendees:

- Chris Walther, Polygon Northwest
- Angela Grajewski, Polygon Northwest
- Frank Sandoval, Polygon Northwest

County Staff: Kim Armstrong, Bryan Robb, Anne Kelly

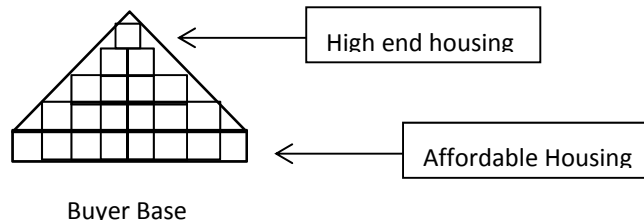
County staff met with Polygon representatives to request feedback about development code issues that have made it more costly/difficult/time-consuming to develop in unincorporated Washington County, and ask for input about draft recommendations from the Equitable Housing project.

- Products since year 2000:
 - 2000 to +/- 2009 – 100% attached*
 - +/-2009 to 2015 – 100% single family detached

- As of now: 45% attached* and 55% single family detached

*Townhomes, condos, apartments

- Polygon shifted back to attached/multifamily development in anticipation of a slowdown in the market for detached housing.
- Polygon works to keep up with the market, including modifying development proposals to shift housing development to types that are anticipated to be more marketable.
- Developments in Tigard, Wilsonville, unincorporated Washington County
- Views market as pyramid:



Suggests that more people can afford less expensive homes at bottom of pyramid so they sell faster; while fewer can afford homes higher up the price pyramid. Most expensive can sit on market for months – \$600K to million \$ homes not selling very fast

- Polygon’s current median price to homebuyers is approximately \$459K, and they would like to be able to produce housing that is available in the low \$300Ks
- Polygon does Planned Developments (PDs). Issues they see with the County’s regulations include:
 - Belief that PD open space requirements are excessive
 - Not uncommon for them to forego maximum allowable density due to PD open space requirements
 - Significant Natural Resources and unbuildable lands can require developers to forego density, but cannot currently be counted for PD open space requirements
 - Suggests that required utility clearance (above utility easements) could prevent use of balconies, etc. for PD open space (specific to Community Business District and Office Commercial land use designations)
- For attached units, façade standards/special elevations/glazing requirements in Transit Oriented and districts and other locations can add significant expense – difficult to accommodate façade standards and Building Code structural requirements (beam/support placement, etc.)
- They commonly have to request variances/hardship relief to reduce dimensions to less than minimum standard. Suggest reconsidering these standards (Sec. 435). Since they have been in this market for a long time, they believe that setbacks are not too much of an issue. This may be because Polygon adapts a relatively consistent set of designs as needed to meet standards for each site.
- They don’t do mixed use – they have a property that calls for it in North Bethany but are likely to sell it to another developer

- They haven't built Accessory Dwelling Units (ADUs), but they do build primary dwellings to maximum footprint allowable and wonder if extra fixtures for an ADU would require a larger water meter and higher associated water Systems Development Charges (SDCs). Home Owners Associations (HOAs) may not allow ADUs in the Covenants, Conditions & Restrictions (CC&Rs)
- They have figured out various ways to address parking and can usually provide more than minimum. Often integrate garages into multifamily units, for example, instead of just using parking lots
- They might consider talking about some affordable units for density bonus if the County amend standards to allow – would need to see how this penciled out
- Development forums: People get frustrated about how to discuss wanted code amendments at these – potential for two-way discussions with development community yearly or more per HBA suggestion seems like a good idea

BOTTOM LINE:

- Feels SDCs create the biggest barriers to affordability
- Polygon estimates that going through the development application and approval process makes up about 20% of the total project cost. They consider this reasonable, but feel the following could make a lot easier/less expensive:
 - PD open space amendments/allowing resource areas to contribute toward
 - Revisiting façade/special elevation/glazing standards for TO and non-TO

Other:

Condo liability issues – Oregon makes contractor liable for 10 years from close of last unit, which may deter some multifamily builders. Polygon developed an internal Quality Assurance (QA) process to address construction issues; creates HOAs for all developments, remains in contact with HOAs and if one has a building issue, informs them all, then proactively fixes before need for insurance to address. Has also developed consistent construction means & methods for use by all subcontractors and wraps subcontractors into their insurance policy.

NOTES FROM MEETING WITH HOME BUILDERS ASSOCIATION (HBA) REPRESENTATIVES

Attendees:

- Paul Grove, HBA
- James Adkins, HBA
- Jerry Jones, Columbia Land Development
- Eric Peterson, Newland Co.
- Matt Sprague, Pioneer Design Group
- Niki Munson, Riverside Homes

County Staff: Kim Armstrong, Theresa Cherniak, Anne Kelly, Bryan Robb

A number of the issues raised were about the process after preliminary approval, or other aspects of the development that are not being addressed through the Equitable Housing grant. Following is an incomplete list of some of these issues:

- Developers would like pre-approval conferences with more departments/agencies that impose conditions involved (like N Bethany)
- Traffic Impact Statements (TIS) that provide a list of required infrastructure improvements can take up to 6 months to receive from Washington County
- They'd like to see conditions of approval before decision is issued, to be able to discuss with the County prior to issuance (Hillsboro and Beaverton apparently do this?)
- Engineering standards can be challenging and developers feel that requirements (road standards in particular) sometimes shift over the course of development (requiring 28' right-of-way vs 32', for example).
- Having to pay System Development Charges (SDCs) at building permit rather than occupancy
- High Transportation Development Charges (TDT)/ SDC's
- TDT credit methodology and not getting credit for stormwater improvements in a road
- Expressed approval of Tualatin Hills Parks and Recreation's (THPRD) revised Administrative Guidelines that allow credits for infrastructure toward SDCs. They see this as a model for credit policy because it incentivizes infrastructure to be built more quickly.
- Developers like Hillsboro's electronic permit review system and encourage the County to use a similar system.
- Developers perceive process inefficiencies in the building permit process (after initial development approval)
- Expressed interest in having quarterly meetings between LUT and HBA and representatives from other organizations instead of (or in addition) to development forums
- Developers would prefer to dedicate less land to right-of-way (and retain that land for development)

Related to our work on the Equitable Housing grant, comments included:

- Accessory Dwelling Units – if more are desired, the County will need to address SDCs
- Issues with getting “missing middle” (duplexes, tri-plexes, etc.) built – may not be about our code but more issues with liability, demand
- Cluster/cottage housing – for this or other flexible housing types – they'd like the option to do these, but want certainty in our requirements. They noted that Cluster Housing is nearly impossible to deliver in Portland due to:
 - Delays of up to two years in review/permitting
 - Standards the city applies seem inconsistent (esp. related to roads).
- Planned Development standards – agreement with reduction of open space requirements recommendation from grant project
- On street parking – agree that our current requirements go too far, but not suggesting removing altogether
- Outdoor yard area requirement – meeting 400sf requirement can be hard for small lots
- Requested flexibility in Transit Oriented Development façade standards and garage standards

- HBA foundation may be interested in reading and commenting on the Group Care issue paper.

Other:

- Fear that new Clean Water Services standards will increase requirements that will further increase project costs.
- Insurance and liability issues (related to possible lawsuits for construction defects) are a concern for attached housing.

NOTES FROM MEETING WITH PACIFIC EVERGREEN HOMES

Attendees:

- Harlan Borow, Pacific Evergreen Homes

County staff: Bryan Robb, Anne Kelly, Kim Armstrong

County staff met with a Pacific Evergreen Homes representative to request feedback about development code issues that have made it more costly/difficult/time-consuming to develop in unincorporated Washington County, and ask for input about draft recommendations from the Equitable Housing project.

Pacific Evergreen Homes focuses on infill and smaller lot development projects, ideally 8-12 lot attached and detached developments. They have done developments ranging from 4-35 lots. Generally, they try to stay under \$500k price points, but this is becoming difficult to achieve due to land values/pricing.

- Working with Washington County has become more difficult in the last few years, largely due to timing and staffing issues. Issues discussed include:
 - Engineering—multiple rounds of redline changes (note: this likely includes road engineering, building engineering, and grading)
 - Planning—30-day completeness reviews and 120 timeline is too long
 - Developer feels process from initial development approval to final approval should be 6-9 months
- Clean Water Services: developer feels that review is reasonable but level of regulation is not, especially for infill projects
- Storm water requirements and increased infrastructure costs (e.g. developer pays for larger water pipes now & will be reimbursed by development that comes in over the next 10 years) is considered disproportionate
- Costs to entitle a 3-lot subdivision is nearly the same as a 15-lot subdivision—not proportionately lower
- County fee structure should be more proportionate to encourage/support smaller projects
- Road improvements, especially on corner lots, are disproportionate

- Developer would like more/easier variances/flexibility for smaller projects/developers
- County should allow for simultaneous property line adjustment & development review rather than requiring property line adjustment to be recorded prior to development application
- Developer is opposed to inclusionary zoning, especially if requirements apply to small projects
- Developer states that risk and costs increase for attached housing development, partially due to increased insurance risks
- Building costs to developer are higher for attached units—common walls must be fire-rated and exterior envelope must meet fire protection standards
- Home Owner Association (HOA) dues raise costs to resident for attached housing units—may not be much cheaper per square foot
- Parking requirements can be burdensome
- On-street parking requirements are challenging in tight sites, and a few inches can make a difference
- Allowing resource areas to count as Planned Development Open Space is a good idea
- Easy infill sites are gone—infill sites that remain to be developed are challenging sites, many including wetlands
- Screening and buffering requirements can be excessive in some cases—example was a residential development abutting commercial that required more setback, although 3-story residential development still overlooked commercial
- Connectivity requirements can be burdensome when imposed without sufficient proportionality
- Public road standards can be excessive, especially on small development sites—full public street takes a significant amount of land (drive lanes, bike lanes, sidewalk, etc.)
- Housing development with main-floor master and/or single-level homes that allow household to age in place are popular