

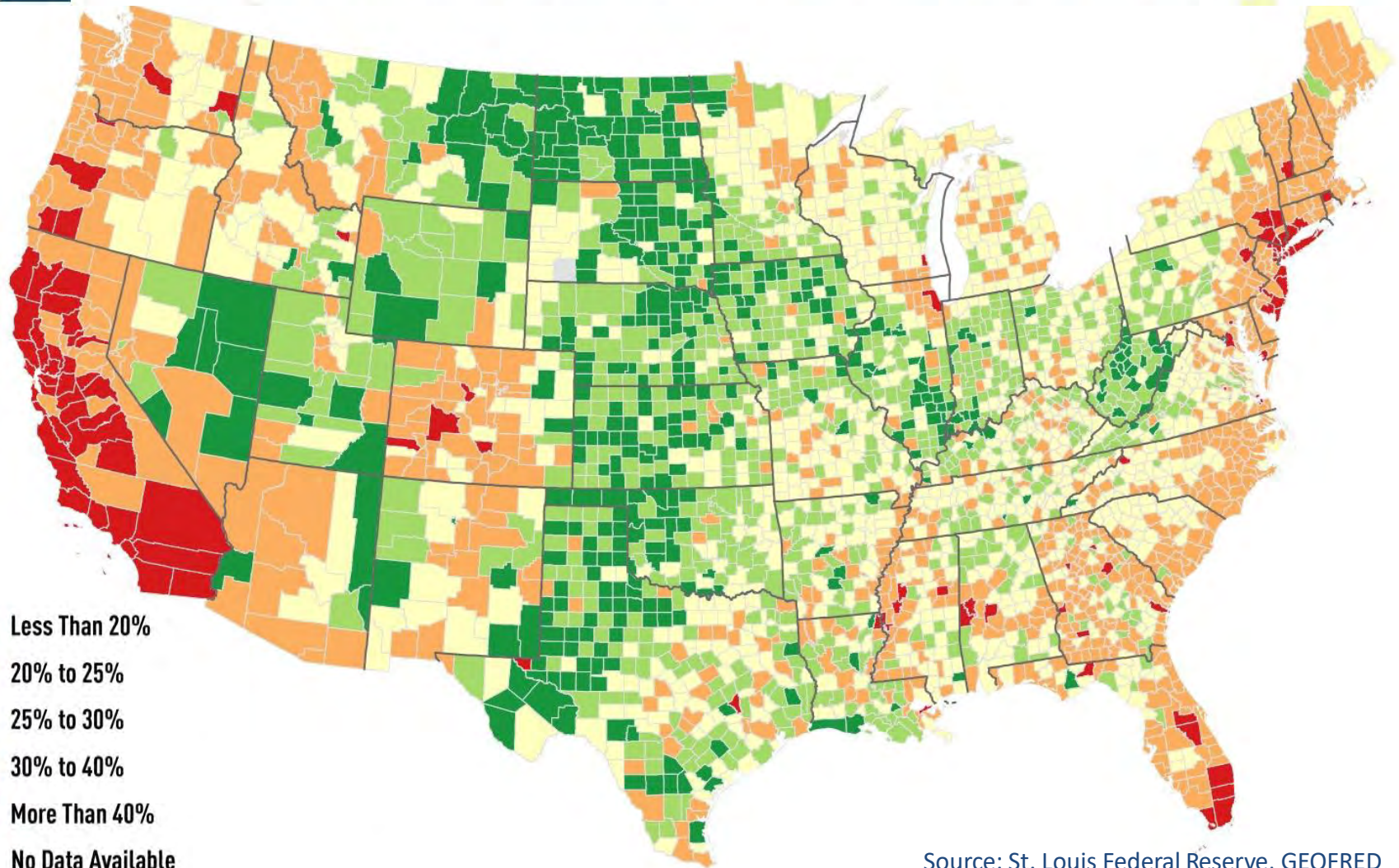


The Economics of Workforce Housing

Florence Community & Economic
Development Committee
March 21, 2019

Cost Burdening Widespread Across Oregon

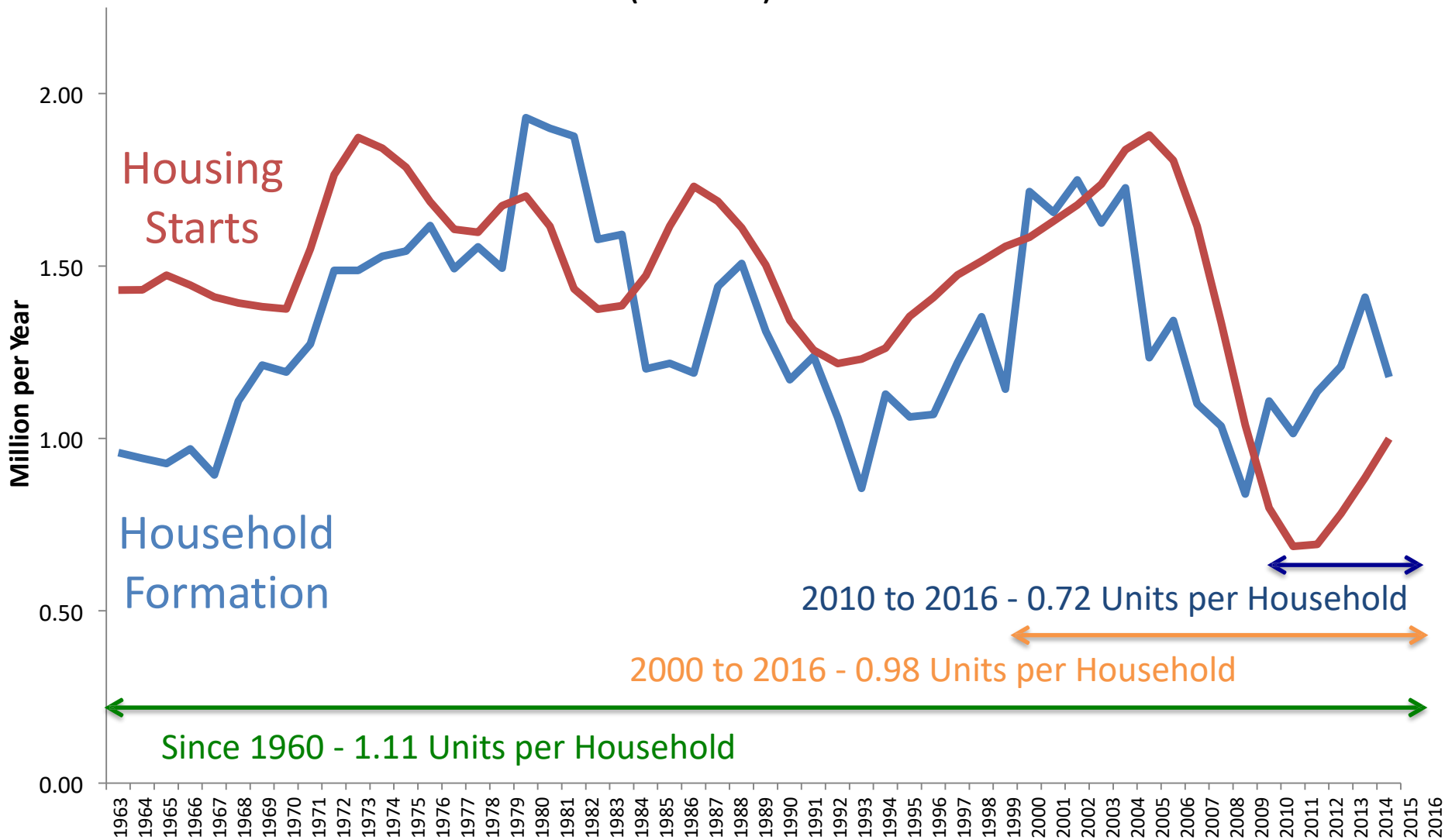
PERCENT OF HOUSEHOLDS THAT SPEND MORE THAN 30% OF GROSS INCOME ON HOUSING, 2016



Source: St. Louis Federal Reserve, GEOFRED

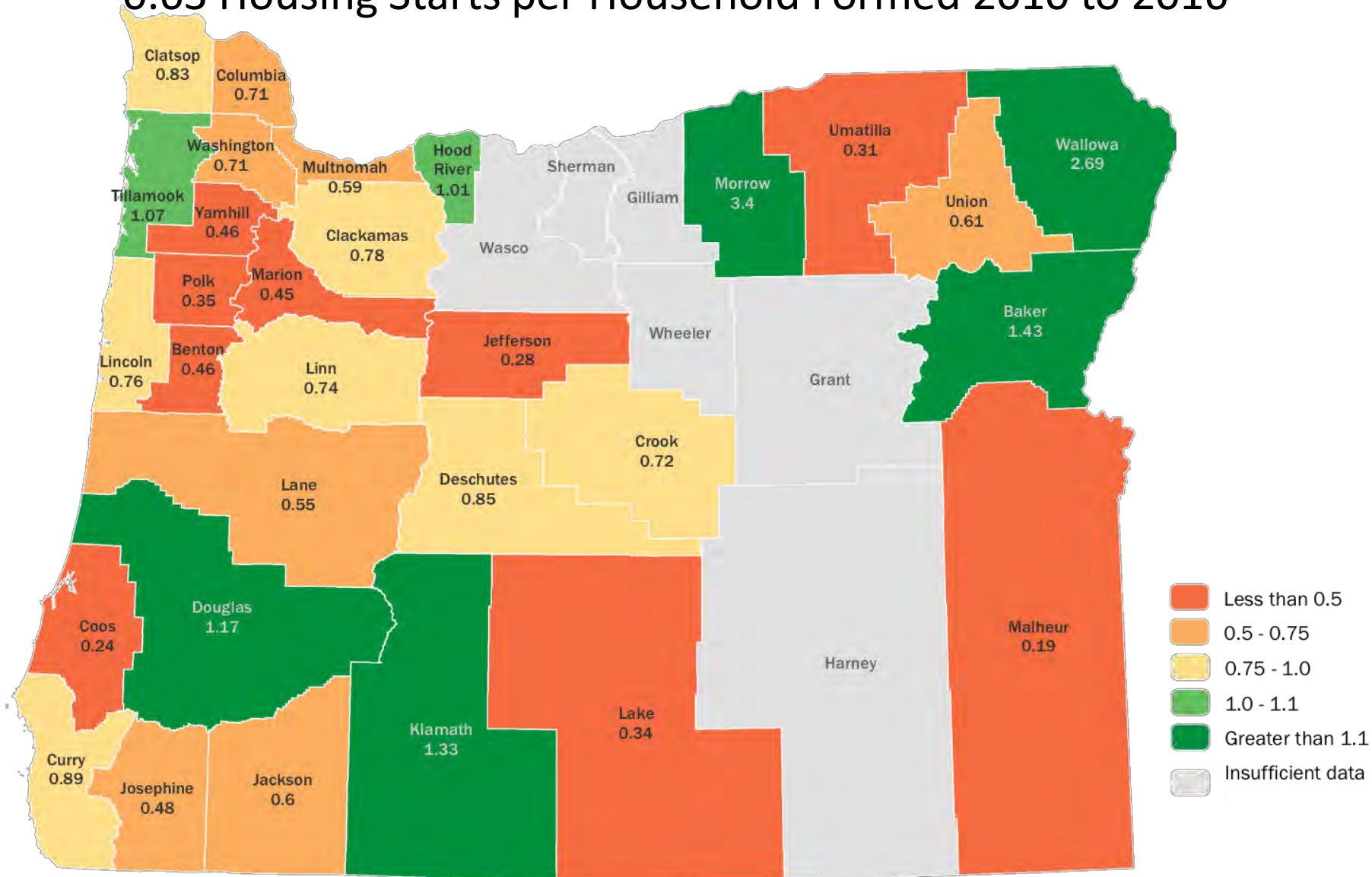
Housing starts haven't kept pace with household formation

U.S. Household Formation vs. Housing Starts
(in millions)



Since 2010 Oregon Produced a Lower Ratio than U.S (0.72)

0.63 Housing Starts per Household Formed 2010 to 2016



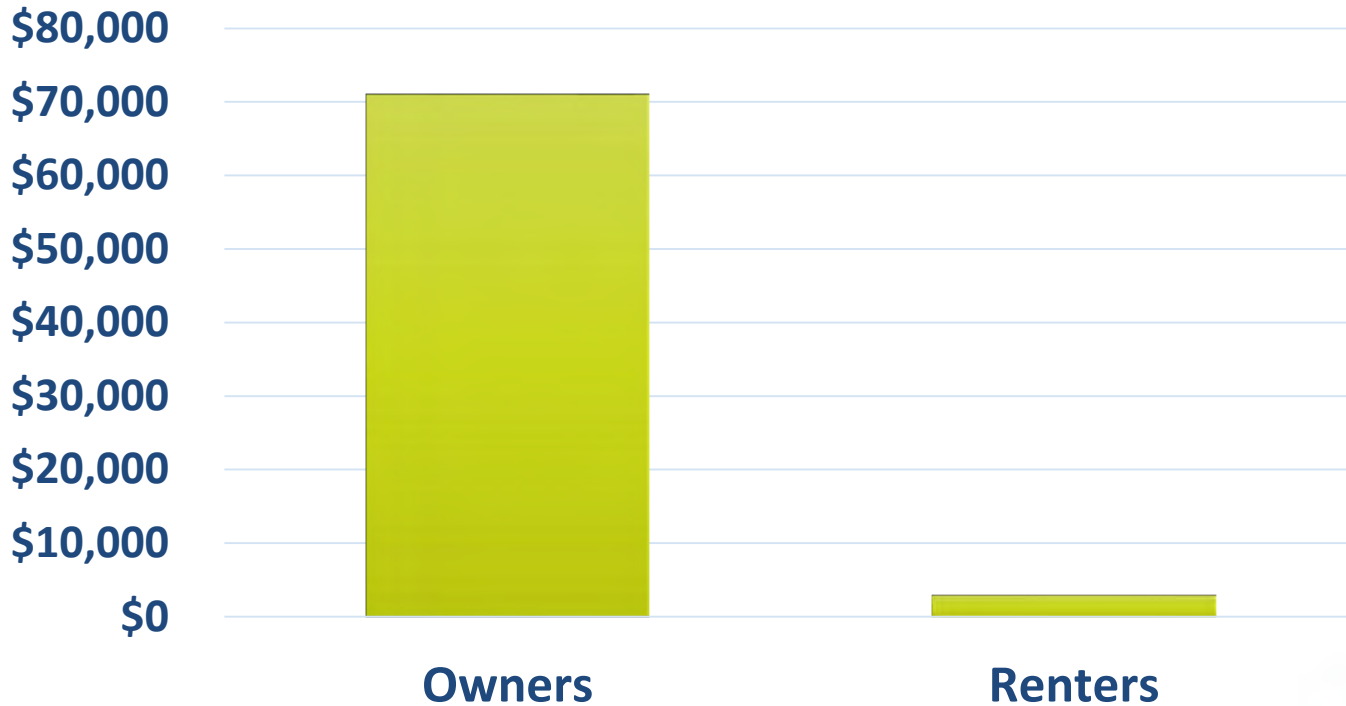


The Economic Problem...

A Homeownership Case Study

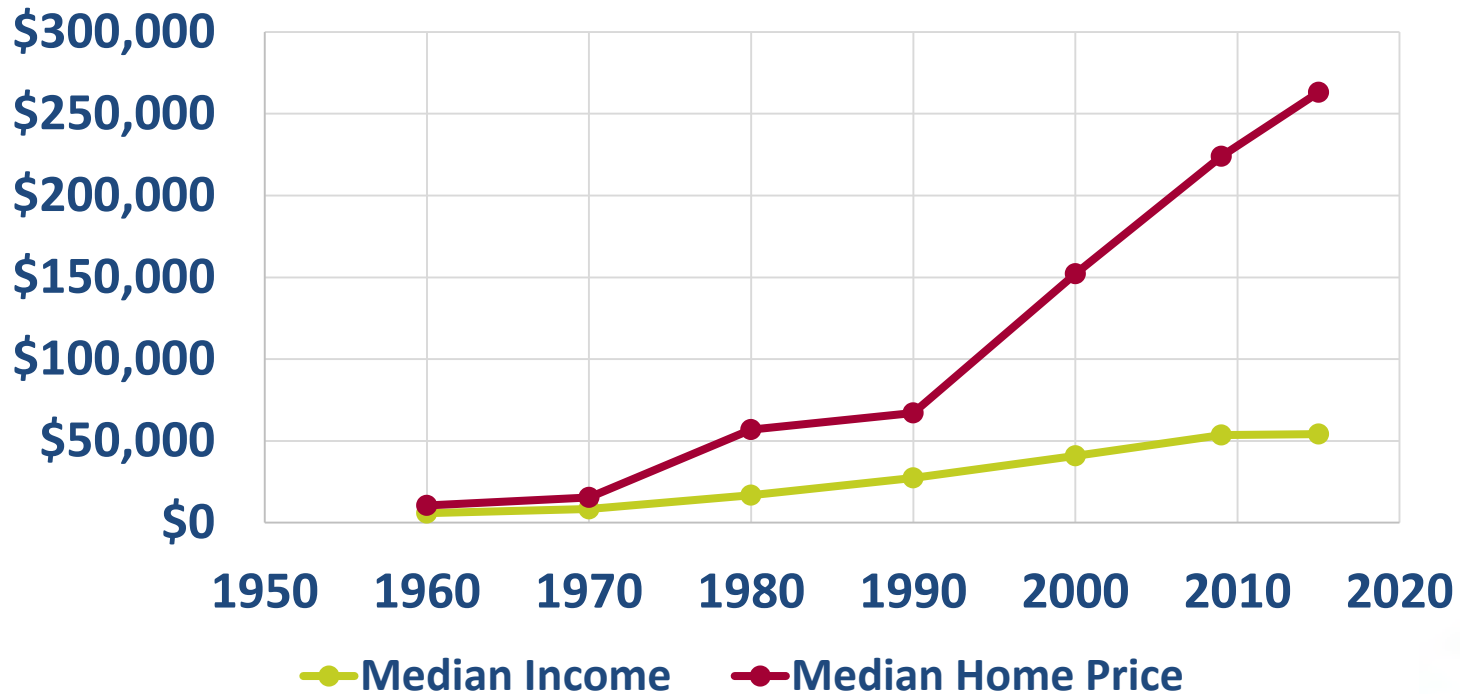
Why It Matters

Average Wealth Among LMI Households



An Economic Problem

Historical Oregon Homeownership Affordability



An Economic Problem - Income

<i>3-Person Household</i>	80% AMI	60% AMI
Annual Income	\$45,650	\$34,237
Monthly Income	\$3,804	\$2,853
32% Housing Payment	\$1,217	\$913
Max Loan @ 4.0%	\$178,000	\$140,000
Max Loan @ 5.0%	\$160,000	\$125,000



An Economic Problem - Costs

Land

- \$80,000

System Development
Charges

- \$18,000

Construction

- \$175,000 *(1400 sq ft x \$125)*

Sale

- \$16,000

Total

- **\$289,000**

An Economic Problem

Land

- Subsidized Land + Smaller Lot Sizes
- **-\$40,000**

System Development Charges

- Waived/Discounted SDCs
- **-\$10,000**

Construction

- Self-Help Programs or Cottage Homes
- **-\$37,500**

Sale

- Realtor Discount = **-\$5,000**
- DPA = **-\$10,000**
- IDA = **\$8,000**

Total

- **-\$110,500 = Sale Price of \$178,500**

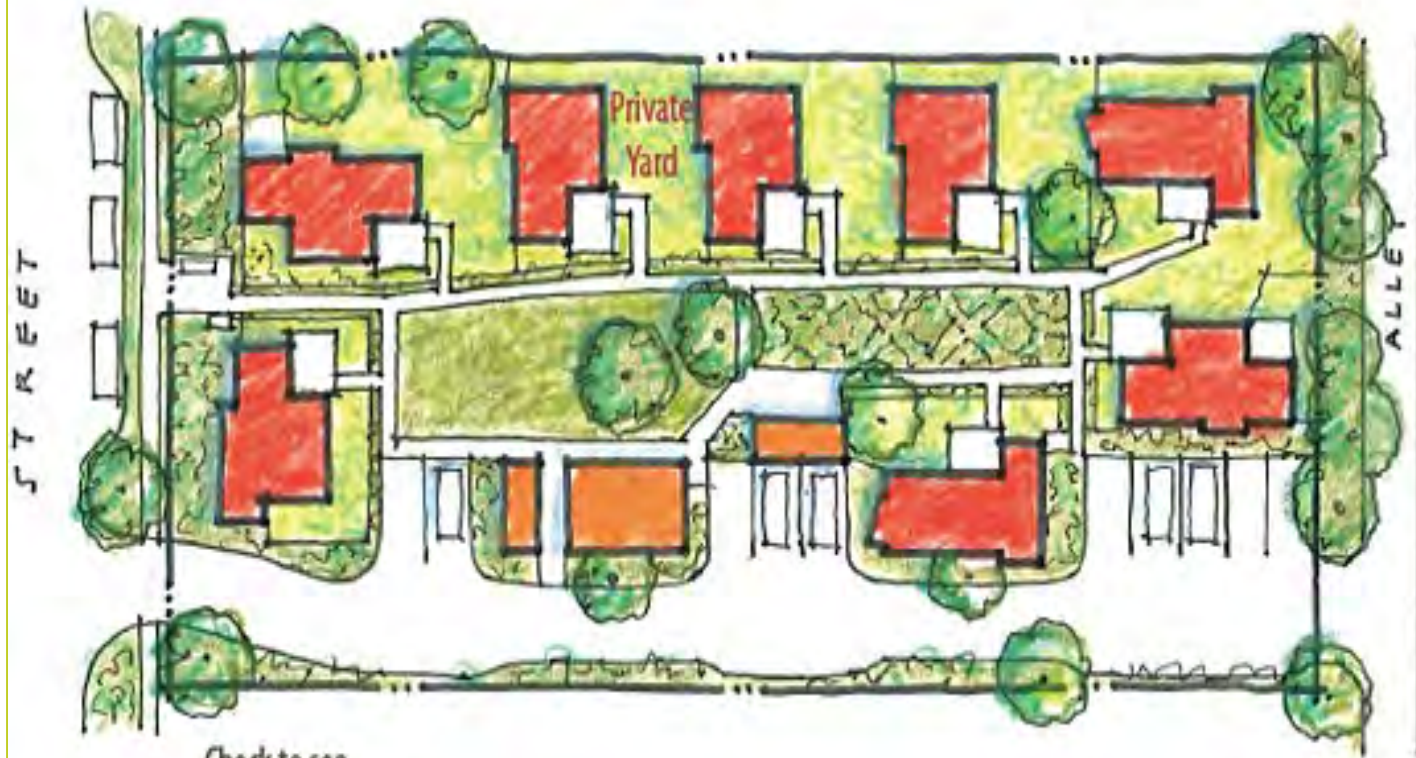
What is a Cottage Cluster?

- 4+ small homes clustered around common space
- Range of ≈ 500 -1000 sq ft
- Often includes
 - Shared parking
 - Shared garden/green space
 - Higher density



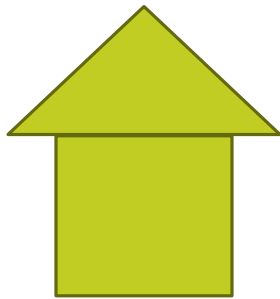
Example Site Plan

Single Cluster 1



Check to see
 Neighborhood Elements

Community Land Trusts

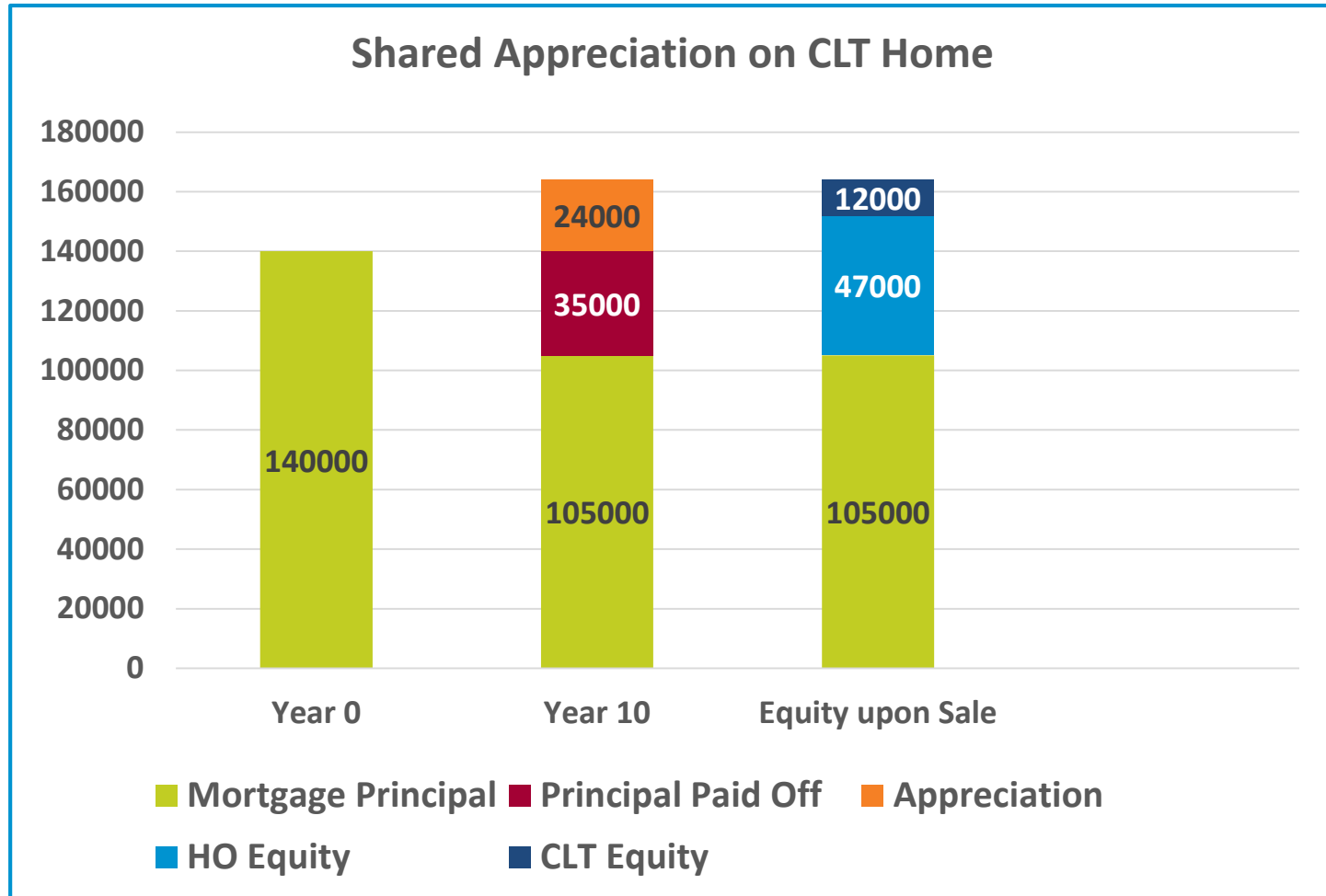


Sold to Homeowner / Private mortgage



Held by Nonprofit / Public Subsidy

Shared Appreciation 101



Other Interesting Solutions

- Other higher density development
- Tiny Homes
- 3D Printed Homes
- Modular Homes
- Kit Homes



Questions?

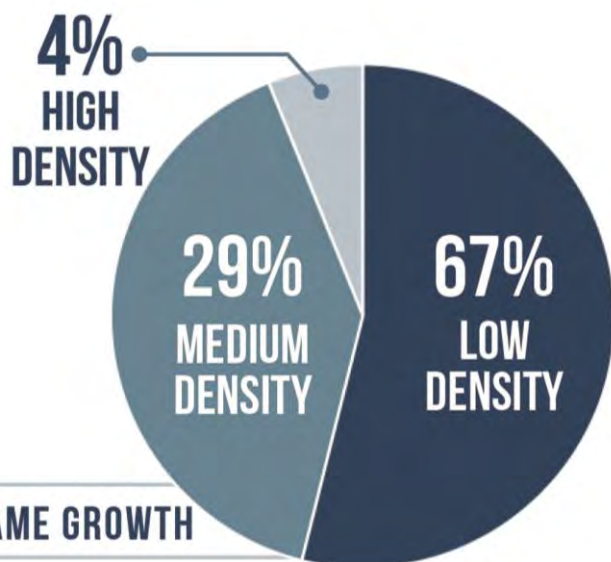
Emily Reiman

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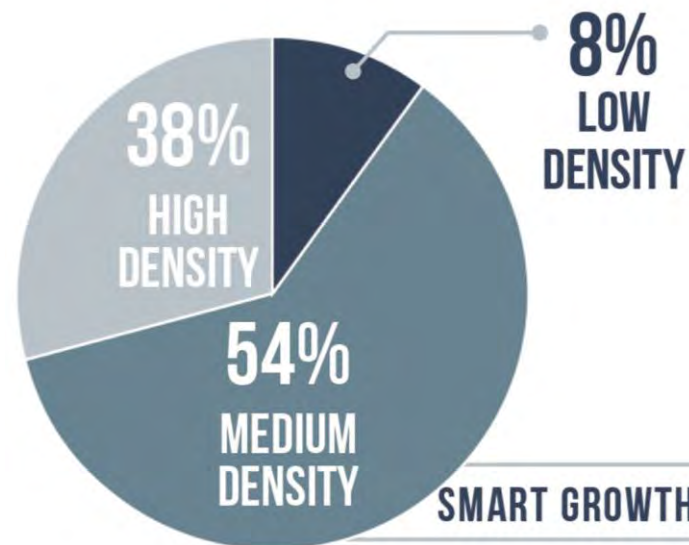
541-345-7106 x201



Smart Growth Changes Distribution of Housing Types



MORE OF THE SAME GROWTH



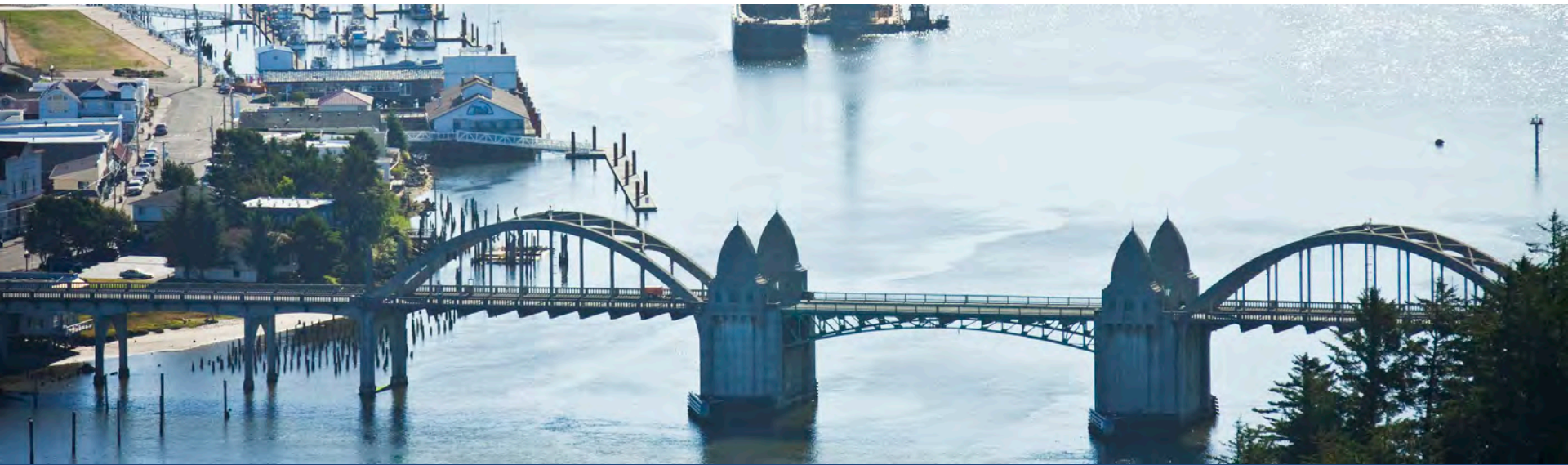
SMART GROWTH PATTERN



Housing Code Update Project

Community & Economic
Development Committee Meeting
March 21, 2019

Welcome and Project Overview



Project Goals

1. To provide the opportunity for a variety of housing styles to fit various household lifestyles and incomes
2. To revise density in the residential districts to increase ownership opportunities and provide opportunities for substandard lot infill
3. To improve Planned Unit Development review code to ensure enhanced quality of life intended with the relaxation of code criteria
4. To update land division code to reflect current state law and local needs

Project Schedule

Housing Code Update
December 2018 - June 2019

Code Review and Concepts: December to March

↳ CEDC Meeting: March

↳ Draft Code Update: March to May

↳ CEDC meeting/Public workshop: May

↳ Final Code Update: June

Residential Review Requirements

- For all “**needed housing,**” a “**clear and objective**” review option is required
- Discretionary alternative can also be provided
- Remove barriers to development:
 - Consider cumulative impacts
 - *Project goal: Embrace spirit as well as letter of the law*

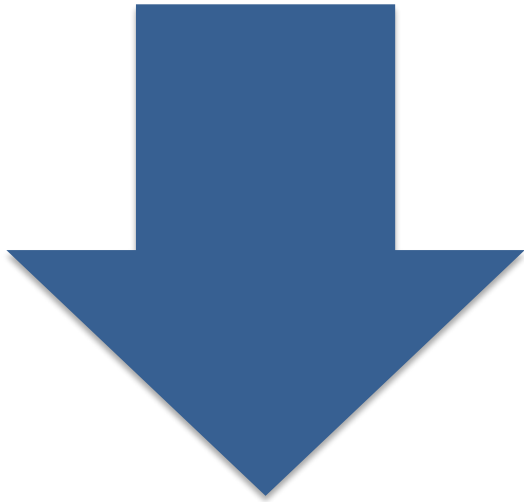
“Needed Housing”

- Legally, means all housing options:
 - All housing types: single family detached, multifamily, manufactured homes, mixed-use
 - In all residential, commercial, mixed-use zones
 - For rent or ownership
 - Serving all income levels (not just *affordable*)
- Means that all* standards and review types for residential uses need to be examined

“Clear and objective”

"Few tasks are less clear or more subjective than attempting to determine whether a particular land use approval criterion is clear and objective."

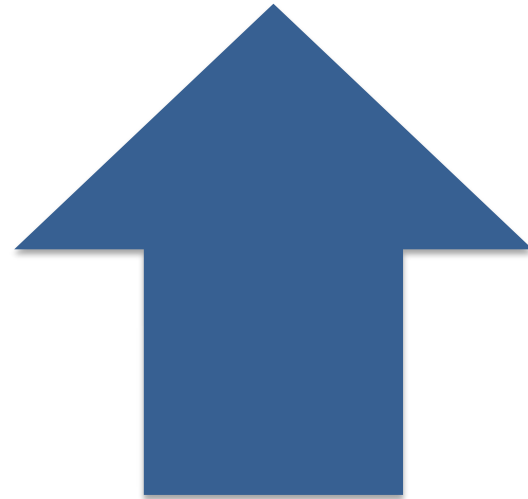
Rogue Valley Association of Realtors v. City of Ashland, 35 Or LUBA 39 (1998), aff'd 158 Or App 1 (1999)



Flexibility



Certainty



Code Update Topics

- Definitions
- Off-Street Parking
- Variances
- Design Review
- Special Standards
- Non-conforming Lots
- Residential Zones/Uses
- Commercial/Mixed-Use Zones
- Planned Unit Developments
- Partitions and Subdivisions



Attached Accessory Dwelling Unit - Single Story



Interior Accessory Dwelling Unit

Definitions

- Develop/revise definitions for new residential uses:

Single-family Attached
Duplexes/Duets
Tri-plexes
Four-plexes
Multi-family
Cluster Housing
Assisted Living

Senior Housing
Transitional Housing
Hotel
Boarding
House/Dormitory
Religious Institution

Off-Street Parking and Loading

- Develop standards for development types that are not defined

Type	Proposed Standard
Duplex/Duet	1 space per unit
Triplex or Four-Plex	1 space per unit
Cluster Housing	1 space per unit

- Establish an on-street parking credit

Variances

- Develop a Type II modification process for smaller requests
 - E.g. 20% adjustment to setbacks

Design Review

- Clear and objective review path for residential uses
 - Type II review path for certain projects
 - Clarify applicability for residential projects
 - Develop clear and objective standards for residential projects



Special Standards

- Develop cluster housing standards
 - 4-12 units on a lot
 - 100 SF open space per unit, on a central courtyard
 - Max unit size of 1,000-1,500 SF
 - Density bonus of 50-100%
 - Design, orientation, connectivity standards



Special Standards

- Transitional Housing
 - Comp Plan policy to ensure future conversation
 - Indicate situations where transitional/temporary is not permitted
 - Standards for temporary RV dwellings



Non-Conforming Lots

- Allow development on historic narrow lots



Residential Zones

- Rename and recalibrate residential zoning districts to better reflect intended development types, while respecting existing development patterns.

Existing Zone	Proposed Zone
Single-Family Restricted Residential (RR)	Low Density Residential (LDR)
Single-Family Residential (RS)	Medium Density Residential (MDR)
Single-Family – Manufactured Home (RMH)	No Change
Multiple Family Residential (RM)	High Density Residential (HDR)

Residential Lot Sizes

- Proposed lot sizes

Zone	Development Type	Lot Size
LDR	All types	7,500 SF
MDR	Single-family detached	5,000 SF
	Single-family attached	3,000 SF
	Triplexes	7,500 SF
	Four-plexes	10,000 SF
RMH	Single-family	2,000 SF
	MFH Parks	2,450 SF
HDR	Single-family	2,000 SF
	Duplexes	4,000 SF
	All other	5,000 SF



Residential Dimensional Standards

- Height maximum: 28 ft > 35 ft – Primary
- Other dimensional standards: 20 ft – Accessory
28 ft – ADU
30 ft – Other non-residential

Zone	Standard	Existing	Proposed
LDR	Maximum building coverage	35% (65% impervious)	50% (75% impervious)
MDR	Maximum building coverage	35% (65% impervious)	50% (75% impervious)
RMH	Maximum building coverage	35% (65% impervious)	50% (75% impervious)
HDR	Maximum building coverage Minimum lot width	50% (75% impervious) 65 ft 50 ft for existing lots	75% (85% impervious) 25 ft for SF attached 50 ft for all others

Residential Density Standards

- Proposed Density Standards

	LDR	MDR	RMH	HDR
Minimum net density (units/acre)	4.5	7	7	12
Maximum average net density (units/acre)	7.5	12	12	25*

* Create review pathway for higher density proposals in HDR zone

Manufactured Homes

- Simplify standards and align with state land use/building code requirements



Commercial and Mixed-Use Zones

- Commercial (C) and North Commercial (NC):
 - Upper-story housing development - Type I or II
 - Permit ground-floor residential for affordable housing
- Old Town District (A, B & C):
 - Upper-story housing development - Type I or II
 - Develop clear and objective approval criteria

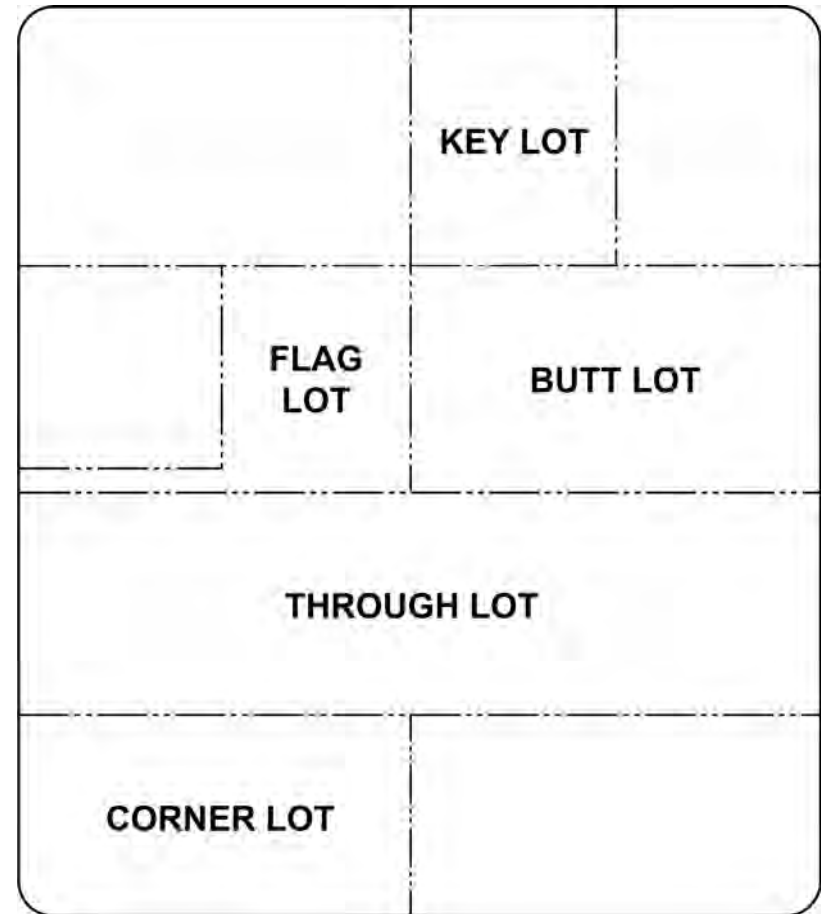
Planned Unit Developments

- Allow more projects to utilize
- Develop prescriptive language
- Provide guidance on what exceptions are appropriate
- Make clear expectation of public benefit
- Open space reductions if $\frac{1}{4}$ mile from park
- Explore fee-in-lieu and/or requirements to develop undeveloped parkland



Partitions and Subdivisions

- Flag, key, & “butt” lots
- Project phasing
- Duets
- Plan requirements
- Tentative plan criteria
- Flag obstacles from improvement requirements



Next Steps

- Draft Code Amendments (April-May)
- CEDC Meeting/Public Workshop (May 16)
- Finalize Recommendations (June)
- CEDC Meeting (June 20)

THANK YOU!

Ian Eales

Florence OR 97439-7700 USA

[mobile]

[home]

March 20, 2019

RE: CEDC Housing Code Update

The March 14 Memorandum speaks of redefining well understood terms. Left out from the suggested terms are others which will require redefinition if we proceed with Orwellian NewSpeak. Eyesore. Ghetto. Barrio.

Redefining existing Zones to permit multi-unit structures is a sure way to destroy what is Florence. Our neighborhood streets cannot accommodate quad-plexes and a half-dozen or more cars on both sides of the road. Existing, mature neighborhoods should not be redefined and restrictions should not be lifted. Undeveloped areas maybe redefined and structured to allow well planned housing mixtures with concomitantly wide boulevards to handle both anticipated and unanticipated vehicle use.

Florence is globally recognized as a beautiful small town. We live here because we love what it offers. It's not perfect. Transplanting urban problems is not a solution.

Aristotle recognized more than two millennia ago that beyond a certain size, communities become ungovernable.

Jefferson's vision of America was for power to flow up from the people. We are being dictated to change our community by uninvolved bureaucrats and their minions.

All problems are local. Solutions must be as well. One-size fits none.

Regards,



Ian Eales