

Memorandum

Date: February 11, 2021

To: West Linn Planning Commission

From: Darren Wyss, Planning Manager

Subject: HB2001/2003 Implementation Update

HB2001, also known as the "middle-housing" bill, and HB2003, which requires jurisdictions to update their Housing Needs Analysis and associated housing production strategy, were passed by the Oregon Legislature in 2019. State officials adopted administrative rules in December 2020, with which the City will need to comply. Detailed information about the house bills and adopted rules can be found in the <u>DLDC Press Release</u>.

The City has commenced work on <u>HB2001 and HB2003</u> and will treat both as two-phase projects. Phase 1 will be a technical exercise, while Phase 2 will be policy decisions and the legislative adoption process with the Planning Commission and City Council. During this phase, staff will conduct additional public outreach to solicit feedback on policy alternatives, particularly whether the City should do the minimum to comply with HB2001 and HB2003 or whether the City should adopt additional measures or programs to promote the production of middle housing and the development of affordable housing in the community.

To complete Phase 1, the City secured grant funding from DLCD to conduct the technical analysis that will lead to recommendations on actions the City will need to take in order to meet the requirements put in place by HB2001 and HB2003. Angelo Planning is leading the consultant team working with the City on HB2003 and MIG, Inc. is the lead consultant on HB2001. Both grant funded projects will be complete by end of June 2021.

The expected outcomes of Phase 1 work on HB2001 include:

- Code Audit Memo
- Compliance Action Memo
- Adoption-Ready Comprehensive Plan Amendment Recommendations
- Adoption-Ready Community Development Code Amendment Recommendations
- Presentation Materials for Community Outreach and Legislative Adoption Process

The expected outcomes of Phase 1 work on HB2003 include:

- Updated and Adoption-Ready West Linn Housing Needs Analysis, including:
 - Housing Needs Projection
 - o Buildable Lands Inventory

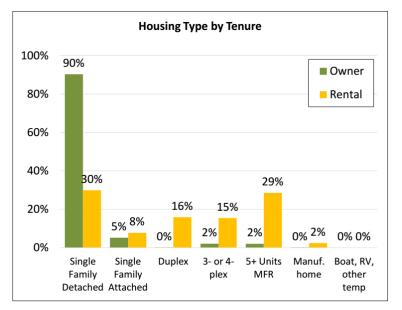
- Residential Lands Needs Analysis
- Identification of Measures for Accommodating Needed Housing
 - o Comprehensive Plan Amendment Recommendations
 - o Community Development Code Amendment Recommendations
- Presentation Materials for Community Outreach and Legislative Adoption Process

As part of the Phase 1 work, the City Council appointed a limited duration <u>Project Advisory</u> <u>Committee</u> to review consultant work products and provide feedback. The committee met for the first time in December 2020 to review and discuss the initial tasks completed by the consultant teams, including a <u>Housing Needs Forecast, a Buildable Lands Inventory, and the</u> <u>HB2001 Code Audit.</u> A few of the highlights include:

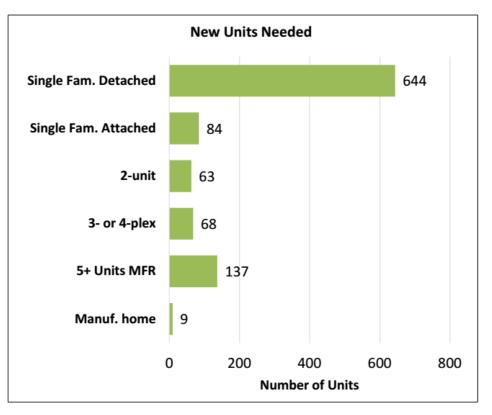
The primary inconsistencies found in the HB2001 Code Audit relate to definitions, permitted uses in each of the single-family detached residential zones, parking requirements, and requiring design review for three or more multi-family units. The initial recommendation from the Consultant is to utilize the Performance Measures approach to comply with the administrative rules. This would require allowing the different housing types in zones permitting single-family detached housing according to the following:

- Duplexes Must be allowed on 100% of lots and parcels
- Triplexes Must be allowed on 80% of lots and parcels
- Quadplexes Must be allowed on 70% of lots and parcels
- Townhomes Must be allowed on 60% of lots and parcels
- Cottage Clusters Must be allowed on 50% of lots and parcels

HB2003 Findings:



Current Conditions



Forecasted Housing Need (2040)

Capacity of Buildable Lands Inventory

Residential Area	Assumed Density	Vacant	Infill	Grand Total
R-40	1.2 DU/acre			
R-20	2.5 DU/acre	1		1
R-15	3.5 DU/acre	29	5	34
R-10	5 DU/acre	318	489	807
R-7	6.5 DU/acre	46	63	109
R-5	9 DU/acre	40	76	116
R-4.5	10 DU/acre	40	105	145
R-3	14 DU/acre	2	2	4
R-2.1	20 DU/acre	7	36	43
Grand Total	N/A	483	776	1,259

The HB2003 Consultants also produced an online survey about housing preferences within the community. The survey was open from December 30th to January 17th. The <u>survey results</u> will be presented to the Project Advisory Committee at the February 11th Meeting. Staff will discuss the survey results with Planning Commission at the work session. Additional topics for discussion at the meetings in February include review and feedback on <u>HB2001 Code Concepts</u> and <u>HB2003 Residential Lands Needs Analysis</u>.

Below is the full implementation timeline for both Phases of the project that allows the City to meet its statutory requirements.

<u>Phase 1</u>

HB2001 – Phase 1 Consultant recommendations complete June 2021

HB2003 – Phase 1 Consultant recommendations complete June 2021

<u>Phase 2</u>

HB2001 – Public engagement and outreach July 2021 to February 2022

HB2001 – Legislative adoption process with Planning Commission/City Council March to June 2022

HB2001 – The City must have adopted code updates to comply by end of June 2022

<u>Phase 2</u>

- HB2003 Public engagement and outreach July 2021 to June 2022
- HB2003 Legislative adoption process with Planning Commission/City Council July to October 2022

HB2003 - The City must adopt the Housing Needs Analysis (HNA) by end of 2023

HB2003 – The City must adopt a Housing Production Strategy within one-year after adopting the HNA

If you have questions about the work session or materials, please feel free to email or call me at <u>dwyss@westlinnoregon.gov</u> or 503-742-6064. As always, please submit questions before the meeting to increase the efficiency and effectiveness of the discussion as it allows staff to prepare materials and distribute them for your consideration. Thanks and hope to see everyone on the 17th.