

Work Session Agenda Bill

Date: August 30, 2024

To: Rory Bialostosky, Mayor
Members, West Linn City Council

Through: John Williams, City Manager *JRW*

From: Darren Wyss, Planning Manager *DSW*

Subject: Middle Housing 2-Year Check-In

Purpose:

Receive a briefing on middle housing development in the community over the past two-years and provide any initial feedback on potential regulation changes to evaluate as part of the City's Housing Production Strategy project that is underway.

Question(s) for Council:

Does the Council have any questions regarding middle housing data or requests for additional information?

Background & Discussion:

The City of West Linn adopted middle housing code amendments to comply with House Bill 2001 (2019) in June 2022. Middle housing types include duplex, triplex, quadplex, townhouse, and cottage cluster development. The state legislature passed Senate Bill 458 (SB458) in 2021 to require cities to allow middle housing developments to divide the property for individual ownership, while not needing to comply with a local jurisdiction's minimum lot size requirements.

The City has permitted 14 middle housing projects in the past two years. As with any planning project, particularly code amendments, it is best practice to evaluate the results to ensure they are meeting the project goals/expected outcomes. This two-year check-in on middle housing outcomes is also timely as the City is working on developing a [Housing Production Strategy \(HPS\)](#) to identify specific tools, actions, and policies the City plans to implement to address critical housing needs in the community. The HPS is required by House Bill 2003 (2019) and a follow-up to the [West Linn Housing Capacity Analysis \(HCA\)](#) adopted by City Council in October 2023. The HCA showed a need for more housing affordable to low- and moderate-income households than what has been produced recently in the community.

The attached table shows the permitted middle housing projects. All projects have utilized SB458 to divide the property into individual lots for the middle housing units. The table contains information on the property's existing conditions (developable area, zoning, maximum lots under the zoning, and whether there is an existing home), the outcome of the middle housing land division (number of lots created, average size of the lots, and whether the existing home remained), and the housing produced (number of new units, type of unit, average size, and average price (if known)).

Some data from the middle housing table that should be considered as part of the HPS project includes:

- Middle housing regulations have doubled the number of dwelling units permitted on the 14 properties (23 allowed under current zoning rules, 47 permitted under HB2001 rules).
- Projects that retain the existing home have resulted in smaller dwelling units at a lower price point.
- The attached housing project resulted in dwelling units at a lower price point.
- 85% of the projects are located within the R-10 zone and result in lot sizes that are common in the Metro area (around 5,000 sq. ft.).
- Projects within the R-10 zone typically result in larger and more expensive dwellings.

In addition, as part of the HPS project the City should consider the three policy choices that were made as part of the middle housing code amendments and whether any adjustments should be made:

- Allowing detached plexes
- Increasing floor-area-ratio (FAR) for plexes in R-10 and R-7 zones from 45 percent to 60 percent
- Eliminating FAR and Lot Coverage for all middle-housing types in R-5, R-4.5, R-3, and R-2.1 zones

Planning staff will also present this information to the Council appointed HPS Working Group, who is scheduled to meet in October and November to consider a number of different strategies, and to the West Linn Planning Commission prior to its joint meeting with City Council on November 18, 2024.

Council Options:

1. Receive briefing, ask any clarifying questions, and request additional information.
2. Provide any initial feedback on potential middle housing related strategies to consider in the Housing Production Strategy project.

Staff Recommendation:

Provide any initial feedback on potential middle housing related strategies to consider in the Housing Production Strategy project.

Attachments:

1. Middle Housing Table – July 2022 to July 2024

City of West Linn

Middle Housing Land Divisions July 2022 to July 2024

Project	Existing Conditions				Middle Housing Land Division			New Dwelling Units			
	Developable Area (sq. ft.)	Zoning	Max Lots	Existing Home	Number of Lots	Avg. Lot Size (sq. ft.)	Demo Home	Number	Type	Avg. Size (sq. ft.)	Avg. Price (\$)
MIP-22-04	17,551	R-10	1	No	2	8,776	n/a	2	Detached	3,538	1,250,000
MIP-22-05	10,000	R-10	1	No	2	5,000	n/a	2	Detached	3,373	1,270,000
SUB-22-01	24,856	R-10	2	Yes	4	6,214	No	3	Detached	1,320	Not Built
ELD-23-01	10,000	R-5	2	Yes	2	5,000	No	1	Detached	1,763	615,000
ELD-23-02	11,832	R-10	1	Yes	4	2,958	No	3	Detached	1,721	665,000
ELD-23-03	18,000	R-10	1	No	2	9,000	n/a	2	Detached	3,265	Not Built
ELD-23-04	16,171	R-10	1	Yes	2	8,086	Yes	2	Detached	3,324	1,289,634
ELD-23-05	19,865	R-10	2	Yes	4	4,966	Yes	4	Detached	3,120	1,085,557
ELD-23-06	17,978	R-10	1	No	3	5,993	n/a	3	Detached	3,495	1,337,500
ELD-23-07	24,500	R-5	4	Yes	8	3,063	Yes	8	Attached	2,029	589,900
ELD-23-08	19,846	R-10	2	Yes	4	4,962	No	3	Detached	2,248	Not Built
ELD-23-13	24,000	R-10	2	Yes	4	6,000	Yes	4	Detached	3,074	Not Built
ELD-23-14	29,085	R-10	2	No	4	7,271	n/a	4	Detached	2,874	923,751
ELD-24-01	9,700	R-10	1	No	2	4,850	n/a	2	Detached	2,687	Not Built

Total

23

47

4

43