



CITY of THE DALLES

313 COURT STREET
THE DALLES, OREGON 97058

(541) 296-5481 ext. 1125
COMMUNITY DEVELOPMENT DEPARTMENT

MINUTES

CITY OF THE DALLES PLANNING COMMISSION

MEETING HELD VIA ZOOM
THURSDAY, DECEMBER 17, 2020
6:00 P.M.

CALL TO ORDER

Vice Chair Poppoff called the meeting to order at 6:01 p.m.

ROLL CALL

Commissioners Present: Cody Cornett, Alan Easling, Philip Mascher, and Mark Poppoff; two positions vacant

Commissioners Absent: Brent Bybee

Staff Present: Community Development Director Alice Cannon, City Attorney Jonathan Kara, Senior Planner Dawn Marie Hert, Associate Planner Joshua Chandler, City Engineer Dale McCabe and Secretary Paula Webb

PLEDGE OF ALLEGIANCE

Senior Planner Hert led the Pledge of Allegiance.

APPROVAL OF AGENDA

It was moved by Mascher and seconded by Cornett to approve the agenda as presented. The motion passed 4/0; Cornett, Easling, Mascher, and Poppoff in favor, none opposed, Bybee absent, two positions vacant.

APPROVAL OF MINUTES

It was moved by Easling and seconded by Mascher to approve the minutes of November 19, 2020 as written. The motion passed 4/0; Cornett, Easling, Mascher, and Poppoff in favor, none opposed, Bybee absent, two positions vacant.

PUBLIC COMMENT

None.

DISCUSSION ITEM

The Dalles Housing Code Update, House Bill 2001 – Middle Housing

Senior Planner Hert introduced consultants Matt Hastie and Brandon Crawford, Angelo Planning Group (APG). The City has worked with APG over the years on a number of projects including updates to our Transportation Safety Plan, the 2017 Housing Strategies Report, Buildable Lands Inventory and Phase 1 of our Housing Code Amendments.

Also invited were three community members to provide input on the Housing Code Audit:

- Joel Madsen, Executive Director, Mid-Columbia Housing Authority and Columbia Cascade Housing Corporation. Madsen's career has been dedicated to public service and the affordable housing industry. Since January of 2014, he has led his agencies in promoting and administering affordable housing solutions throughout the Mid-Columbia region which includes Hood River, Wasco and Sherman Counties in Oregon, as well as Klickitat and Skamania Counties in Washington.
- Nate Stice has worked out of the Governor's Office with Regional Solutions since 2016. He spent the previous five years working in government relations at the University of Oregon. Stice grew up in Umatilla, the eastern end of the Columbia River Gorge.
- Mary Hanlon, principal of Hanlon Development, has an extensive background in development in both the public and private sectors, having provided consulting services in planned real estate development projects across the US. Hanlon has overseen the planning and management of complex real estate revitalization efforts, taking several projects from identification of land purchase, through the development process to leasing and ownership. Hanlon served in the U.S. Department of Housing and Urban Development as a policy advisor and liaison on multiple programs, and has also been a professional staff member for the U.S. House of Representatives Select Committee on Aging. Hanlon has provided consulting for the Portland Development Commission as well as dozens of other public, private, and non-profit organizations.

Consultants Matt Hastie and Brandon Crawford, Angelo Planning Group, provided a presentation on The Dalles Middle Housing Code Update.

Hastie stated House Bill (HB) 2001 was passed by the Oregon Legislature in 2019 to expand housing options in most residential areas. Medium-sized cities, including The Dalles, are required to allow duplexes on any lot or parcel that allows detached single-family dwellings. Forms of middle housing include triplexes, quadplexes, townhomes and cottage cluster housing.

The Department of Land Conservation and Development (DLCD) provided a Model Code to assist cities with implementation of HB 2001. Cities may amend their code to include the requirements of HB 2001 or adopt the Model Code in full or part. DLCD also adopted a set of Administrative Rules that provide prescriptive guidance in terms of how cities apply legislation. Further information is provided in Exhibit 1.

Discussion included:

Vice Chair Poppoff stated two parking spaces per unit are not unreasonable for a duplex. Hastie replied current standards require four parking spaces per duplex. Duplexes will still be allowed to develop more than two spaces per duplex, however, the City is not allowed to require more than one space per unit.

Commissioner Mascher asked if there had been consistent push back against a greater density of duplexes. Vice Chair Poppoff replied there was push back from one resident regarding a duplex

proposed in the low density residential district. Poppoff said there have not been many duplexes built in The Dalles since the late 1950s to early 1960s.

Commissioner Easling asked what the ramifications were if the City was not compliant. Hastie replied if the City was not compliant, the Model Code requirements would be imposed. The noncompliance remedy from the DLCDD is to apply the provisions of the Model Code to any [noncompliant] item.

Commissioner Mascher asked what the ultimate enforcement was for noncompliance. Hastie replied he was unsure, but DLCDD has the ability to impose enforcement orders.

City Attorney Kara provided additional context. To answer, "What happens if we don't follow the Model Code?" Kara stated, "If an application is denied based on the fact they're not offering enough parking, but the Code says they don't have to offer enough parking, then we'll get sued and we'll lose." This is called a mandamus action, meaning we must do something. Failure by the City will give rise to liability; the state court will step in to enforce this and the City will be compelled to approve the application.

Ms. Hanlon asked if this review was an opportunity to look more broadly at the Comprehensive Plan, planning, building, and zoning regulations, as they affect the ability to develop housing in The Dalles, or if this was really to get uniformity around duplexes and single family housing.

Hastie replied there were already changes made related to middle housing; the focus here was on middle housing. The City prepared a Housing Needs Analysis and Housing Strategies Report in 2017 which included a variety of recommendations related to the City's Development Code along with other strategies unrelated to the Code. A number of those were pertinent to middle housing, many of which had been implemented. This was viewed as an opportunity to discuss items not yet implemented and determine interest in moving forward. The short answer is, "Yes." Director Cannon stated the Board has grant funding to work with APG to bring the Code into compliance. She urged the Commission to suggest other areas identified where the Code could be improved. We should always aspire to think big and think of ways to make our Code even better.

Ms. Hanlon had a question for context. "Wasn't there just a big housing development in The Dalles trying to [build] duplexes that's now before LUBA? That's what I generally understand and I'm just wondering. The Codes are all about encouraging that." She wondered what the mindset is toward what may appear as a contradiction in goals or outcomes.

Vice Chair Poppoff replied the big problem with that, aside from density, was specifically the lack of infrastructure. It wasn't a bad design, it just needed to be closer into town. Poppoff said we have a zoning problem that we need to look at.

Ms. Hanlon replied that makes complete sense, but doesn't this Code challenge that idea of the City's ability to do that? Hanlon is not proposing one way or the other. When she looked through the regulations that question remained forefront in her mind.

Senior Planner Hert stated the proposed subdivision was all single family parcels for attached single family homes. No duplexes were included in the proposal, but any of those parcels could potentially include duplexes. In terms of density, Staff is reviewing enforcement of density. Provisions exist in the Code and we are requiring density standards be met in our community. We have some very small lot standards now; the built environment could allow for infill strategies for ADUs, as well as modifications to add multi family or duplexes. Director Cannon said this is the statewide conundrum, and it's why we have the Planning Commission and three community experts at the table. It is a state priority to make our Code friendly to higher density development. That translates to more housing options available for a wide variety of incomes. Some of this is

prescriptive, we have to comply. Fortunately, The Dalles does not have to comply with as many requirements as communities in the Metro area. It's important for this group to blend these requirements into our Code the best way possible. If there are ways we can make it more congruent with the values in The Dalles, let's try to do that. That's why we need the Commission to weigh in. If there will be perceived impacts, how can we best communicate to the community why this is important?

Mr. Stice stated HB 2001 actually came from the Speaker's office. He said he loved that The Dalles already beat the state to the punch on this. There is value in The Dalles around affordable places for people to live. This is regulating the housing market in a way that may make small changes around the edges. It's not going to be any huge, overnight changing the two bedroom, one bath rent magically from \$1,300-\$1,400 back to \$900 again, but maybe it can be kept below \$1600 in the next four years. Stice said the Planning Commission and City is to be praised for being ahead of this, doing this hard work before a lot of the state.

Director Cannon said the work done is reflected in the market now. This summer and fall we've received multiple applications, approximately 20 new units for duplexes or triplexes. This is changing the City's environment now.

Senior Planner Hert agreed quite a few applications were received. Both Hert and Associate Planner Chandler have received comments from concerned neighbors opposed to the permits due to density or loss of open space. Hert said it will be difficult to change that mind set. We are on our way, it's going to happen, but there is a bit of reluctance from the community.

Commissioner Mascher stated as a realtor, it is abundantly clear that the greatest pressure is for middle housing. That segment sees the most interest from people moving to smaller communities and investors interested in small communities. We know there are a lot of people who work hard and need more affordable housing. Mascher said this all makes sense. These statewide mandates, while they can feel as mandates imposed, in the long term make sense, especially for cities where growth boundaries are so clearly restricted by the Scenic Area. As I hear the requirements, I think that's exactly what we need. It answers a clear market need.

Vice Chair Poppoff asked what the price range was when talking about middle housing.

Mr. Hastie said this could be viewed as a mandated requirement by the state, but it is also an opportunity to provide more flexibility for developers and property owners in terms of land use. The last Housing Needs Analysis said we had a very low vacancy rate, particularly for rental housing, and a strong need for housing affordable to people with lower and moderate income. There is no guarantee that middle housing (duplexes, triplexes, quadplexes) will always be affordable to people with less money. However, on average it's typical to build those units at a lower cost. Mr. Hastie said the price range could vary widely; he did not provide a price range specific to The Dalles.

Commissioner Mascher said the biggest demand for residences is in the \$200,000 to \$300,000 range. We have a huge need for affordable rentals. If someone builds a duplex, triplex or quadplex, it's reasonable to assume they would rent a portion of it. There is a huge demand for rentals below \$1,200 range. Mascher said that information is anecdotal based on his own properties.

Mr. Hastie stated the analysis showed a very low vacancy rate for rental housing.

Mr. Stice stated he checked the Facebook Marketplace regularly. He found five rental listings, all over \$1,200. Some were very modest, in the 700 sq. ft. range. In the next part of this strategy, we need to think about permanent affordable housing.

Commissioner Mascher said decreasing the minimum sizes is usually helpful; it decreases development costs and makes it more attractive to develop lower cost rental units.

Mr. Stice said the people he heard most from about the need for rentals are our large employers. This is a business friendly policy as well, to make sure we can continue to have good paying jobs in The Dalles.

Senior Planner Hert said this is a great summary. If there was a good thing about COVID, it was that it allowed staff to review our Code and identify issues. A group of these potential amendments fit within this grant. Staff will bring additional amendments in the future.

Vice Chair Poppoff said there is a large bulk of affordable housing in the general downtown area, between Mill Creek to the west and Dry Hollow to the east. We should encourage keeping this housing and discourage demolition of existing homes to make room for multi-housing that will cost more. Cost per unit has more to do with square footage. Multi-family houses actually cost more due to fire and sound walls between units. Multi-family housing might make sense where land prices are very expensive. A cluster cottage would actually be cheaper than the same number of attached row houses in the same area.

Mr. Hastie said he was not looking for a recommendation or decision now, but he wanted to highlight some of the questions he will ask over the next few meetings:

- Currently, our Code defines duplexes as two units located on a single lot. The Administrative Rules and the Model Code allow you to define a duplex as either two attached units or two individual units on a single lot. Options are to retain the current definition or consider defining a duplex in a broader manner.
- One path is to simply adopt the Model Code. Hastie thought the most likely approach was to look at each of the requirements and determine something that fits with our Code, but remains consistent with the Administrative Rules.
- Does the City want to move forward with other possible middle housing code elements?

Commissioner Mascher asked if the City's current duplex definition was stacked, attached and detached. Hastie replied the definition was stacked or detached, and two units in one structure. Senior Planner Hert clarified it as common wall construction.

Commissioner Mascher asked for the difference between a duplex and a townhouse. Hastie replied middle housing defines townhomes as individual units on their own lots. Duplexes, triplexes and quadplexes are defined as two, three or four units on a single lot. The Administrative Rules and Model Code defines them as attached or detached units all on one lot. Townhomes are each on an individual lot.

Ms. Hanlon questioned the definition of tiny houses. The audit said tiny houses are on wheels. The reason they went to "on wheels" was as a work around because local areas were not allowing tiny houses. Hanlon thought The Dalles also discouraged tiny houses. She said they were a practical option and could be affordable for some. Is there a way to address that type of housing in this process?

Mr. Hastie replied one type of tiny homes were on wheels. In some jurisdictions, tiny homes are on a foundation, essentially defined by their size. Hastie said we could discuss tiny homes, but did not think we could reach a draft of essential elements around tiny homes in the time available.

Mr. Stice placed comments in the Zoom Chat Room on the median price of homes, Exhibit 2.

Director Cannon asked the group to keep dreaming big about what is possible in The Dalles. Cannon said creative ideas would work here and felt the community would support this if they knew more. Staff will retain a list of aspirations and projects to take into the future.

Senior Planner Hert said a new section of the Code was approved that allows cottage cluster development.

Commissioner Mascher said at least twice a month he was asked about tiny homes and cottage clusters. The closest cottage cluster to us, Wyer's End in White Salmon, has had amazing success. Mascher said he had many people waiting to buy a home there.

Mr. Hastie said the existing provisions in the Code for cottage clusters puts The Dalles ahead of most other communities in the state.

Vice Chair Poppoff asked for the price of the White Salmon cottage cluster homes. Commissioner Mascher replied they were in the mid-\$300,000 range.

Mr. Hastie said he appreciated the comments. If there are additional questions or comments, please forward them to Staff. A summary of this evening's meeting will be provided.

Mr. Stice stated the median price for a modest home is nearly \$300,000 for a two bedroom, two bath.

Director Cannon thanked everyone for their contributions and said she looks forward to more discussion. She was pleased to receive funding for the work of Angelo Planning Group. There are constraints: time and scope. Staff wants the Planning Commission to feel free to be dreamers for The Dalles. In other words, the Commission should feel empowered by the City Council to dream about the future in The Dalles. If Staff cannot implement the ideas now, voice them anyway. Staff can add them to a future work program. The newly elected City Council will be meeting in January for goal setting. Cannon thought housing would continue to be an issue in our community.

STAFF COMMENTS / PROJECT UPDATES

None.


COMMISSIONER COMMENTS OR QUESTIONS

Commissioner Cornett said he had a lot of questions and inquiries about storage container houses he would like to address. Manager Cannon replied Staff could research this form of housing upon request.

ADJOURNMENT

Vice Chair Poppoff adjourned the meeting at 7:37 p.m.

Respectfully Submitted
Paula Webb, Secretary
Community Development Department


Brent Bybee, Chair

The Dalles Middle Housing Code Update

Advisory Committee Meeting #1

December 17, 2020, 6:00 pm



Agenda



1. Introductions
2. HB 2001 and 2003 Background
3. Duplex Comprehensive Plan and Code Audit
4. Other Middle Housing Standards and Opportunities
5. Next Steps and Adjourn

House Bill 2001 (HB 2001) Background



- Passed during the Oregon 2019 State Legislative Session
- Expands housing options in Oregon cities by permitting middle housing in most residential areas
- Medium-sized cities (10,000 – 24,499) required to allow duplexes on any lot or parcel that allows detached single-family dwellings
- Large cities (25,000+) and Portland Metro cities (1,000+) have same duplex requirement as medium-sized cities AND required to allow triplexes, quadplexes, and cottage cluster housing in areas zoned for single-family

House Bill 2003 (HB 2003) Background



- Passed during the Oregon 2019 State Legislative Session
- Requires cities over 10,000 people to conduct a housing needs analysis (HNA) for future residents every 6 to 8 years
- Directs Oregon Housing and Community Services (OHCS) to conduct a Regional Housing Needs Analysis – forecast of housing need for every income level in each Oregon region for next 20 years
- HB 2003 provided funding for technical assistance grants to DLCD to distribute to cities working to complete their HNA
- Technical assistance schedule runs through June 30, 2021

Project Overview

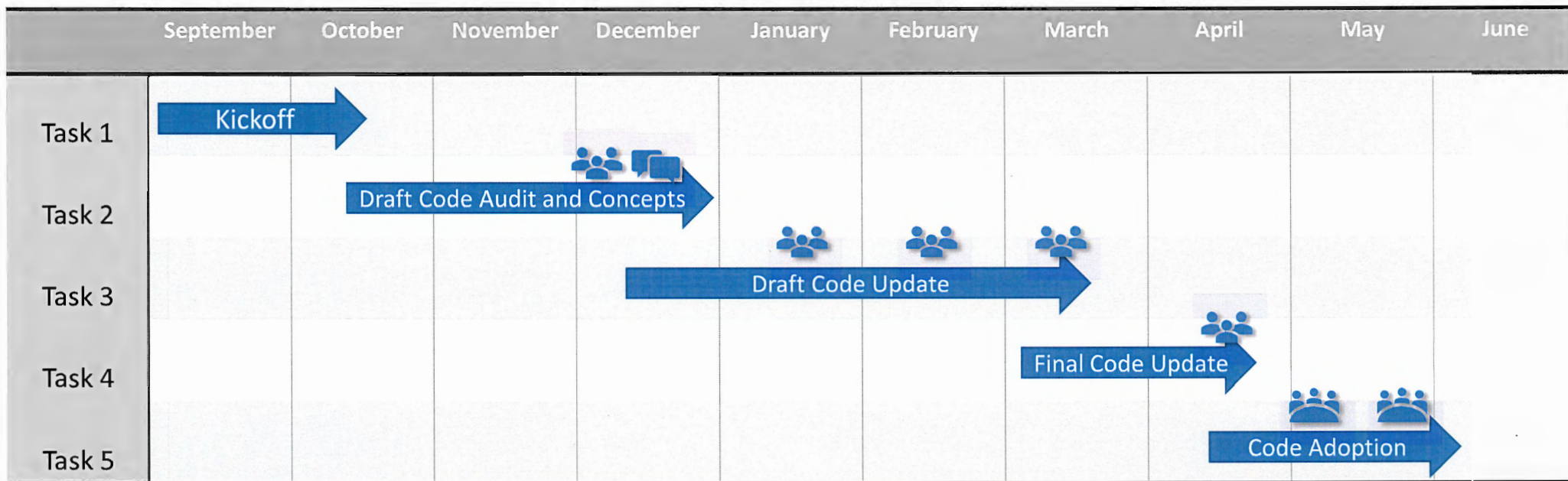


- City of The Dalles received grant funding from the Department of Land Conservation and Development (DLCD) for technical assistance
- Consulting team includes Angelo Planning Group (APG) and Cascadia Partners
- Project must be complete by June 15, 2021
- Code amendments must be adopted by June 30, 2021



Schedule

-  Advisory Committee Meeting
-  Open House Meeting
-  Public Hearing



Duplex Audit: HB 2001 Requirements



- Medium-sized cities (10,000 – 24,499) required to allow duplexes on any lot or parcel that allows detached single-family dwellings
- Medium cities have two tracks to comply by **June 30, 2021**:
 1. Adopt Housing Options Model Code for Medium Cities (modular approach)
 2. Adopt tailored amendments consistent with minimum standards in OAR 660-046
- OAR 660-046 also requires residential standard comply with ORS 197.307 Clear and Objective Standards for “needed housing”



Duplex in Hermiston

Duplex Audit Framework



The Audit focuses on:

- Ensuring that duplexes are permitted uses in all residential zones
- Applying development, siting, lot, and design standards that comply with the OAR minimum standards
- Providing the same development review procedures for duplexes and SFDs
- Ensuring that standards, conditions, and procedures do not discourage duplexes through unreasonable cost or delay.



Stacked duplex



Side-by-side duplex



Side-by-side duplex

Duplex Audit: Comprehensive Plan Findings



Housing goals, policies, and measures may need amendments to ensure consistency with HB 2001:

- Clarify duplexes are allowed in residential zones where single-family is permitted
- Recognize the need for other middle housing types



Duplex in Coos Bay



Duplex in La Grande

Duplex Audit: Development Code Findings



Where do HB 2001 standards apply in The Dalles? All residential zones in The Dalles, including:

- 5.010 RL – *Low Density Residential*
- 5.020 RM – *Medium Density Residential*
- 5.030 RH – *High Density Residential*
- 5.040 NC – *Neighborhood Center Overlay*

Duplex Audit: Development Code Findings



Overview of Key Findings:

- Close to meeting minimum compliance standards established by OAR 660-046
- Need Development Code amendments regarding:
 - Lot size
 - Density
 - Parking
 - Design and landscaping standards

Duplex Audit: Development Code Findings



- ***Minimum lot sizes*** – Minimum lot sizes are not the same for both duplexes and SFD.
- ***Density maximums***
 - HB 2001 requires cities to exempt density maximums to duplex development.
 - Current density maximums do not exempt duplexes.
- ***Parking***
 - HB 2001 requires the minimum parking requirements to be a maximum of two spaces for a duplex.
 - Current standards require four spaces for duplexes (minimum two spaces per dwelling unit).

Duplex Audit: Development Code Findings



- ***Landscaping***

- SFDs are exempt from landscaping requirement per 6.010.030(C) – Completion Prior to Occupancy.
- Exemption does not currently apply to duplexes.

- ***Clear and Objective Standards***

- Duplexes must have *traditional* front entries (5.040.070(E) Design Standards)
- Duplexes must have the *appearance of a single house* (3.030.040 Review Criteria Design Standards)

Other Middle Housing Standards and Opportunities



2019 Middle Housing Code Amendment Recommendations Review

ADOPTED

- Define and create development/design standards for cottage cluster housing
- Remove neighborhood compatibility section for Low Density Residential District (RL)
- Remove design standard that encourages separate upper story unit to have a separate entry
- Update development standards in Medium (RM), High Density (RH), and Neighborhood Center (NC) Residential Districts (partially adopted)

NOT YET ADOPTED

- Update design standard language to be clear and objective for Medium Density (RM) district
- Revise parking standards – adjust minimum parking requirements, provide on-street parking credits, and count parking in front setback on paved driveways
- Provide density and height bonuses

Other Middle Housing Standards and Opportunities



Adopted
Updated
Not Adopted or Updated
No Recommended Update

	Standard			
	One Dwelling Unit per Lot	Two Dwelling Units per Lot	Three Dwelling Units per Lot	Four or More Dwelling Units per Lot
High Density (RH) Minimum Lot Area	1,500 sq. ft. per dwelling unit, not to exceed 25 units per gross acre	3,000 sq. ft. per dwelling unit, not to exceed 25 units per gross acre	4,500 sq. ft. per dwelling unit, not to exceed 25 units per gross acre	6,000 sq. ft. per dwelling unit, not to exceed 25 units per gross acre
High Density (RH) Minimum Lot Width	25 ft. for corner lots and lots with townhome end-units; and 20 ft. for interior lots	40 ft.	60 ft.	75 ft.
High Density (RH) Minimum Lot Depth	60 ft.	60 ft.	85 ft.	85 ft.
Medium Density (RM) Minimum Lot Area	2,000 sq. ft. per dwelling unit, not to exceed 17 units per acre	5,000 sq. ft. per dwelling unit, not to exceed 17 units per acre	7,500 sq. ft. per dwelling unit, not to exceed 17 units per acre	10,000 sq. ft. per dwelling unit, not to exceed 17 units per acre
Medium Density (RM) Minimum Lot Width	25 ft. for corner lots and lots with townhome end-units; and 20 ft. for interior lots	50 ft.	75 ft.	80 ft.
Medium Density (RM) Minimum Lot Depth	65 ft.	65 ft.	85 ft.	100 ft.

City's Proposed Land Use Revisions

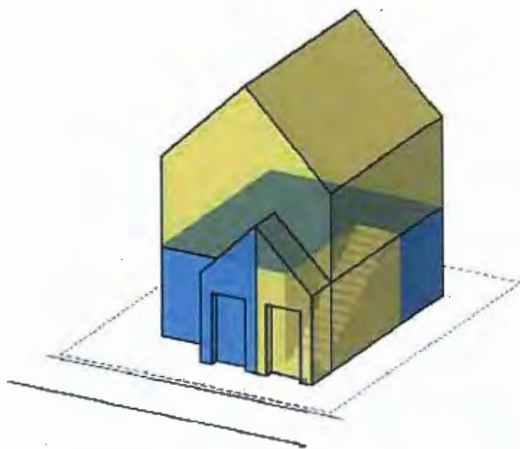


- Update density ranges to be consistent between Comp Plan and Code
- Remove "small lot single-family detached dwellings (3 to 8 unit clusters)"
- Remove "minimum site area" standard
- Revise minimum lot areas and remove lot area "per dwelling unit"
- Add/modify site plan review requirements for all multifamily and cottage cluster
- Replace "attached town houses" with "single-family attached"

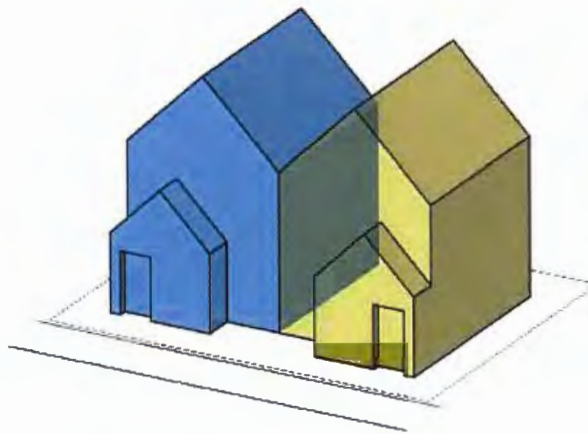
Duplex Audit: Key Decisions for Committee



1. Definition of duplex – attached or detached
2. Path to compliance – affirm current approach
3. Comment on other possible middle housing strategies



Stacked Duplex



Attached Duplex



Detached Duplex

Next Steps: Code Update



- Online Public Outreach
- Draft Initial Duplex Code Amendments (City and Advisory Committee drafts)
- Advisory Committee meeting #2 (week of 01/18/21)
- Draft Additional Code Amendments (Batch 2)
- Advisory Committee meeting #3 (week of 02/15/21)
- Draft Additional Code Amendments (Batch 3)
- Advisory Committee meeting #4 (week of 03/15/21)

Chat Room Comments from Nate Stice, Oregon Regional Solutions:

A realtor provided these numbers a bit ago, the median sales prices for a single family home in The Dalles from Jan-Sept 2020 was \$302,000, up from \$274,000 in the same time period in 2019 (10.36%).

These are the rents for the six rental properties I found on Zillow a few weeks ago:

- 1) 1 bd/1 ba, 1228 sq/ft \$1,400/mo (utils included up to \$150)
- 2) 2 bds/1 ba, 850 sqft, \$1,050/mo
- 3) 3 bds/2 ba, 1,900 sqft, \$1,825/mo
- 4) 2 bds/2 ba, 1,331 sqft, \$2,000/mo
- 5) 2 bds/1 ba, 750 sqft, \$1,200/mo
- 6) 3 bds/1.5 ba, sqft, \$1,395/mo