

AGENDA

PLANNING COMMISSION and CITY COUNCIL
JOINT WORK SESSION

May 2, 2024

5:30 p.m.

City Hall Council Chambers
313 Court Street, The Dalles, Oregon

Via Zoom

<https://us06web.zoom.us/j/82327794645?pwd=c1d2UGhUb1BoVithR0tFUzZzcWtXQT09>

Meeting ID: **823 2779 4645** Passcode: **001537**

Dial: 1-669-900-6833 or 1-253-215-8782

1. CALL TO ORDER
2. ROLL CALL
3. PLEDGE OF ALLEGIANCE
4. APPROVAL OF AGENDA
5. APPROVAL OF MINUTES – February 1, 2024
6. PUBLIC COMMENT – During this portion of the meeting, anyone may speak on any subject that does not later appear on the agenda. Five minutes per person will be allowed.
7. DISCUSSION ITEM
 - A. 2024 Housing Production Strategy
8. STAFF COMMENTS / PROJECT UPDATES
9. COMMISSIONER COMMENTS / QUESTIONS
10. ADJOURNMENT

Meeting conducted in a room in compliance with ADA standards.

Prepared by/
Paula Webb, Secretary
Community Development Department

CITY OF THE DALLES

"By working together, we will provide services that enhance the vitality of The Dalles."

MINUTES

PLANNING COMMISSION MEETING

February 1, 2024
5:30 p.m.

City Hall Council Chambers
313 Court Street, The Dalles, Oregon 97058
Via Zoom / Livestream via City Website

PRESIDING: Cody Cornett, Chair

COMMISSIONERS PRESENT: Addie Case, Maria Peña (arrived at 6:05 p.m.), Mark Poppoff, Nik Portela

COMMISSIONERS ABSENT: John Grant and Philip Mascher

STAFF PRESENT: Senior Planner Kaitlyn Cook, Secretary Paula Webb

CALL TO ORDER

The meeting was called to order by Chair Cornett at 5:32 p.m.

PLEDGE OF ALLEGIANCE

Chair Cornett led the Pledge of Allegiance.

APPROVAL OF AGENDA

It was moved by Portela and seconded by Cornett to approve the agenda as submitted. The motion carried 4/0; Case, Cornett, Poppoff and Portela voting in favor, none opposed, Grant, Mascher, and Peña absent.

APPROVAL OF MINUTES

It was moved by Poppoff and seconded by Cornett to approve the minutes of November 19, 2023 as submitted. The motion carried 4/0; Case, Cornett, Poppoff and Portela voting in favor, none opposed, Grant, Mascher, and Peña absent.

PUBLIC COMMENT

Don Lewis, 3021 W. 7th Street, The Dalles

Mr. Lewis said he was approached by Wasco Electric to purchase additional land for their expansion. He added there was an easement between Chenoweth Water and Wasco Electric that

required improvements. After a survey, it was determined one driveway was not in compliance. The driveway should be removed, or a sidewalk constructed. Mr. Lewis said the City was just wasting the people's money.

Chair Cornett noted Mr. Lewis' property was affected by an earlier Planning Commission meeting. Chair Cornett asked Mr. Lewis if he had followed up with the Planning Department. Mr. Lewis replied he was told there were two options: replace the sidewalk or remove the curb. Mr. Lewis stated his third option was to refuse the property sale to Wasco Electric.

Mr. Lewis noted there is a fence that may indicate the driveway is not used. He added a fence is necessary in that area. In his neighborhood, there are now three dispensaries, an adult shop, and a future soup kitchen. Yet, all the City is worried about is a driveway in use since 1978.

Chair Cornett asked Mr. Lewis what the Commission could do for him. Mr. Lewis replied, "Leave the driveway be." Although Wasco Electric said they would pay for it, Mr. Lewis again said the City was wasting people's money.

Senior Planner Cook noted the improvements were a condition of approval for a commercial replat. The driveway must conform to current ADA standards, or sidewalk panels must be installed if no longer using that drive approach.

Chair Cornett stated the Planning Commission could not help with this. The Code [The Dalles Municipal Code] requires the improvement. The Commission must apply the Code ubiquitously in all circumstances.

Senior Planner Cook added the sale of property does not trigger any development improvements; moving the property line triggered development.

DISCUSSION ITEM

2023/2024 Long Range Planning Summary

Senior Planner Cook provided background on long-range planning and opened the discussion; presentation is Attachment 1.

In response to Chair Cornett's inquiry, Senior Planner Cook said the most common issues that arise are Change of Use application standards, permit procedures, and housing standards.

Housing Standards address clear and objective standards, consideration of tiny and container homes, manufactured home standards, and energy efficient building practices for housing standards, among others. Various incentives for development can be considered, separate from Housing Standards.

Commissioner Poppoff asked if Crypto Mining could be banned.

Commissioner Case requested an example of Industrial Development Standards

The Commission voted on their preferred long-range projects. Results follow:

	Total
Housing Standards	4
Permit Procedures	3
Ground Floor Retail Updates in Commercial Zones	3
Update Change of Use Application Standards	2
Crypto mining operation standards	2
Street tree standards	1
Driveway/Access Standards	0
Industrial Development Standards	0

STAFF COMMENTS / PROJECT UPDATES

None.

COMMISSIONER COMMENTS / QUESTIONS

None.

ADJOURNMENT

Chair Cornett adjourned the meeting at 6:27 p.m.

Submitted by/
Paula Webb, Secretary
Community Development Department

SIGNED:

Cody Cornett, Chair

ATTEST:

Paula Webb, Secretary
Community Development Department



City of The Dalles Planning Commission

THURSDAY, FEBRUARY 1, 2024 | 5:30 PM

Background

Comprehensive Plan Amendments

- A. CPA 55-23:** Adopting HNA and the Buildable Housing Needs Analysis Update.
- B. CPA 54-22:** Revising prescribed residential density ranges of The Dalles Comprehensive Plan.

Zoning Ordinance Amendments

- ❖ **ZOA 109-23:** Recreational Vehicle Park Amendments. *This was adopted by City Council during the January 8, 2024 hearing.*
- ❖ **ZOA 108-23:** The Dalles Municipal Code Title 10 including ensuring consistent terminology, adapting to modern technology, maintaining clear and objective housing standards, updating review procedures, and consistency with state law.
- ❖ **ZOA 107-22:** Residential density ranges and density regulations amendments.

Let's Look Ahead

High Priority Amendments

- ❖ Flood Control Provisions
- ❖ Land Division Standards
- ❖ Sign Code
- ❖ Parking Standards

High Priority Planning Projects

- ❖ West Side Area Study Master Plan
- ❖ Housing Production Strategy

Commission Considerations

Permit Procedures

Housing Standards

Driveway/Access Standards

Industrial Development Standards

Update Change of Use application Standards

Ground floor retail updates in the Commercial zones

Crypto mining operation standards

Group Activity

	Cornett	Peña	Case	Poppoff	Portela	Total
Permit Procedures	1		1		1	3
Housing Standards		1	1	1	1	4
Driveway/Access Standards						0
Industrial Development Standards						0
Update Change of Use application Standards	1		1			2
Ground floor retail updates in the Commercial zones	1	1			1	3
Crypto mining operation standards		1		1		2
Street tree standards				1		1



City of The Dalles Planning Commission

THURSDAY, FEBRUARY 1, 2024 | 5:30 PM



CITY of THE DALLES

313 COURT STREET
THE DALLES, OREGON 97058

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

MEMORANDUM

To: Honorable Mayor, City Council, and Planning Commission

Meeting Date: May 2, 2024

Re: City of The Dalles Housing Production Strategy
Planning Commission/City Council Work Session #1

Prepared by: Joshua Chandler, Community Development Director

DISCUSSION:

Over the next year, the City of The Dalles will embark on a Housing Production Strategy (HPS), which will outline specific tools, actions, and policies to address housing needs and affordability. Led by Oregon based consulting firm Cascadia Partners, with funding through a grant from the Department of Land Conservation and Development, this work will build off the recently adopted 2023 Housing Needs Analysis (HNA) and Residential Building Lands Inventory, and mandated by Oregon House Bill 2003 for cities with over 10,000 residents. As part of this process, City Staff and Cascadia Partners will be conducting numerous work sessions throughout the year with a project specific Advisory Committee, as well as City Council and the Planning Commission. This work will culminate with the adoption of the HPS by December 31, 2024.

This Planning Commission/City Council work session is the first of three, with upcoming discussions to follow on July 18 and October 3 at 5:30pm. Each of these discussions will be held during regularly scheduled Planning Commission meetings.

We appreciate the commitment to all those involved in this important work and encourage your participation, expertise, and experience in developing strategies that truly resemble the housing needs of The Dalles.



City of The Dalles Housing Production Strategy

PC/CC Work Session #1

May 2, 2024



OUR TEAM: Working on Housing Across Oregon

PARTNERS

ALEX JOYCE



IRENE KIM



JAMIN KIMMELL



ALEX
STEINBERGER



SACHI
ARAKAWA



ASSOCIATES

SYLVIA LEON
GUERRERO



VICTOR TRAN



PAULINE RUEGG



PAUL RUNGE



AYANO HEALY



SARA GOLDSTEIN



RACHEL COTTON



RHEY HAGGERTY



ANGELICA MARTINEZ
SULVARAN



LYDIA NESS



TARA SORRELS



LANIER HAGERTY



AGENDA

1	Project Background	What is an HPS? What is the process?	5 min
2	Contextualized Housing Need	How much housing is needed? What other critical context is available?	5-10 min
3	Policy Framework for the HPS & Discussion	<ul style="list-style-type: none"> • What types of policies are available? • How do they affect production? • What good policies already exist in The Dalles and other cities? • What policies is the PC/CC interested in and why? 	25-35 min
4	Public Engagement & Outreach	Who will we be engaging and how? What feedback are we looking for?	5-10 min

Project Background

- What is a Housing Production Strategy (HPS)?
- What is The Dalles' timeline for completing its HPS?

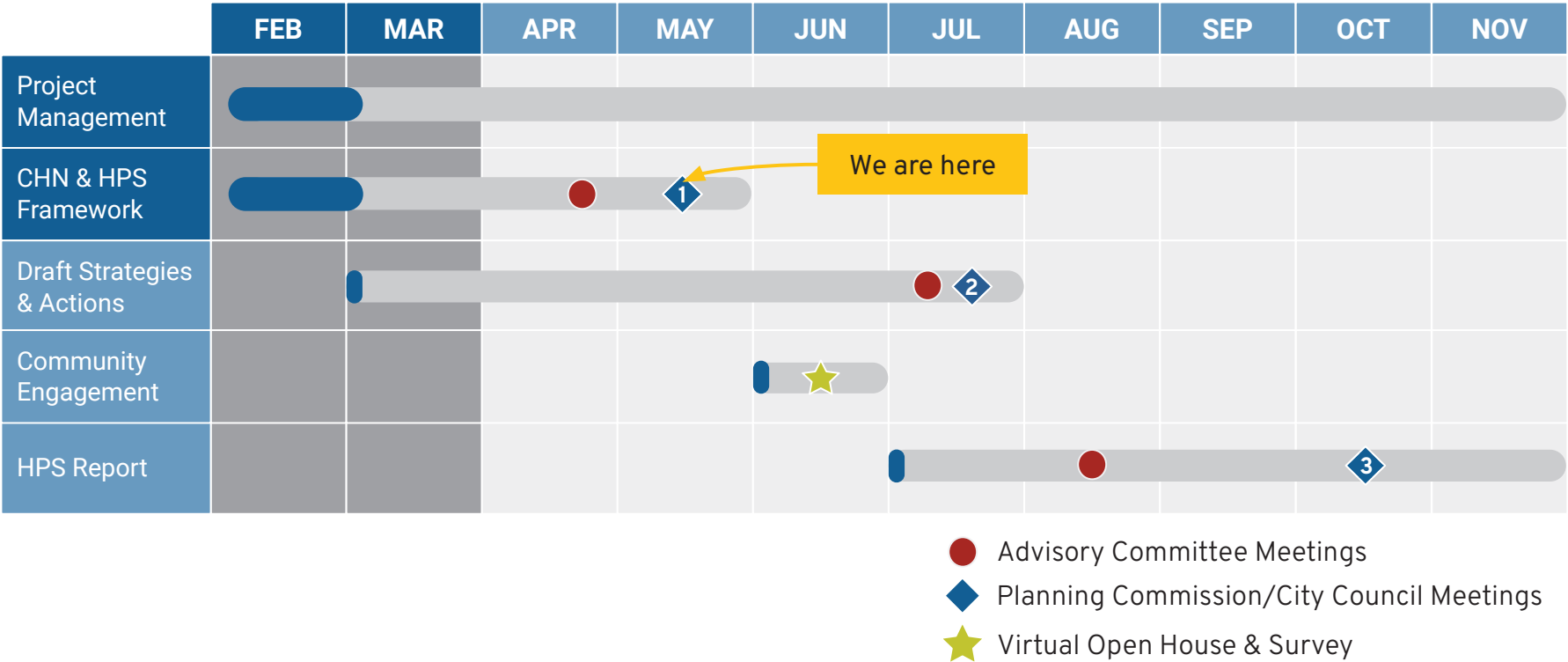
The HPS will provide a work program to be implemented over the next 8 years.

- New **state requirement** for all cities in Oregon with a population over 10,000.
- Must be updated each time the Housing Needs/Capacity Analysis (HCA or HNA) is updated, **every 8 years.**
- Must identify **strategies and actions** the city will take to facilitate development of needed housing.
- Must demonstrate that the strategies will collectively address the 20-year housing need.

The Dalles' Deadline for Adoption: **December 31, 2024**



Project timeline: HPS must be adopted by end of year



This is the first of several opportunities to provide input on housing strategies

We will discuss and solicit potential housing production strategies and actions in three phases:

Today:

- Discuss the **landscape** of housing needs, strategies, and actions
- Share examples of strategy types
- Broadly discuss your interests, priorities, and concerns

July 18:

- Review and discuss a **refined** set of draft strategies and actions
- Share how the refined list is informed by what we hear from you today, feedback from City staff, and community input

October 3:

- **Review** the draft HPS report
- Identify and discuss remaining questions

What is the role of the state in approving and enforcing the implementation of the HPS?

- DLCD will review the HPS and evaluate whether it meets the applicable requirements of OAR 660-008-0050
- DLCD may request revisions or apply conditions of approval
- The City must submit a **status report** on implementation of the HPS four years out from adoption of the HPS (2028)
- If a strategy/action has not been implemented, then City must identify **alternative strategies** that will address same housing need.



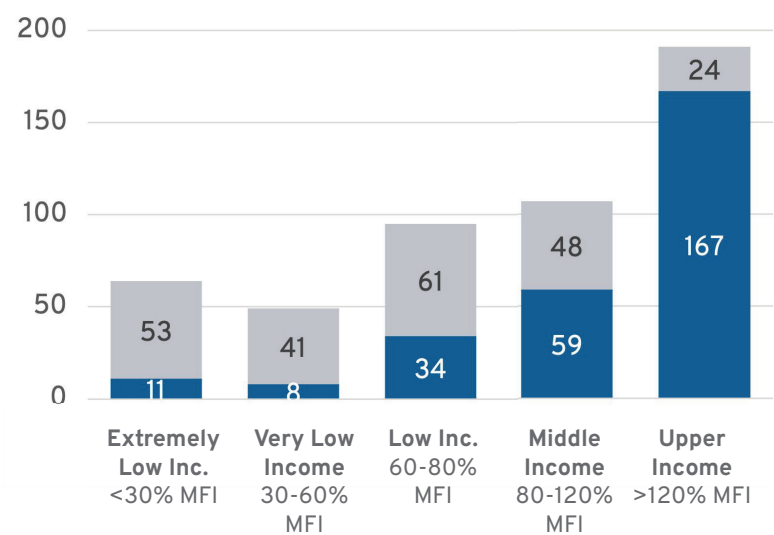
Adding Context to The Dalles' Housing Need

- What's The Dalles' housing need?
- How is the need impacting affordability overall and for different groups?

HNA says 505 units needed over 20 years, including 384 affordable

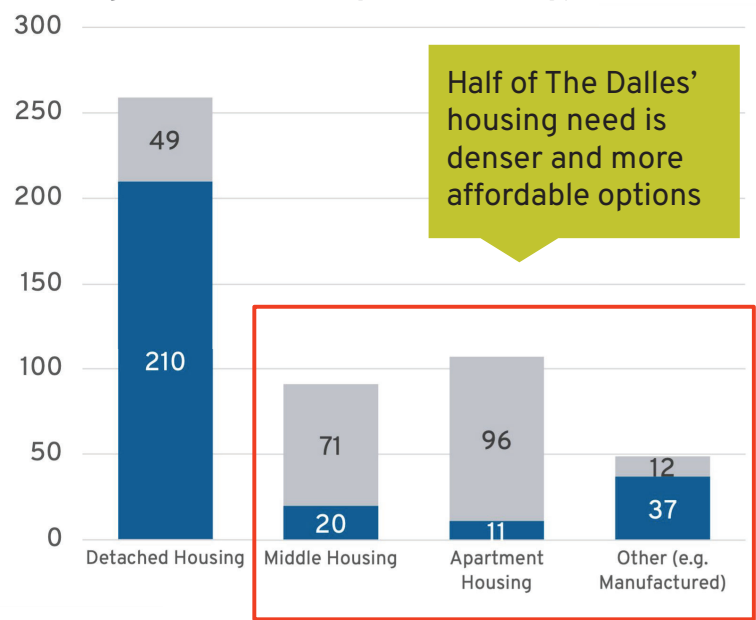
Ownership Rental

Housing Units Needed by Income Level



City of The Dalles Housing and Residential Land Needs Assessment 2023-2043, Tables 4.3 and 4.4

Housing Units Needed by Structure Type



Over the last 3 years, more middle housing and manufactured dwellings have been permitted but no multi-family developments

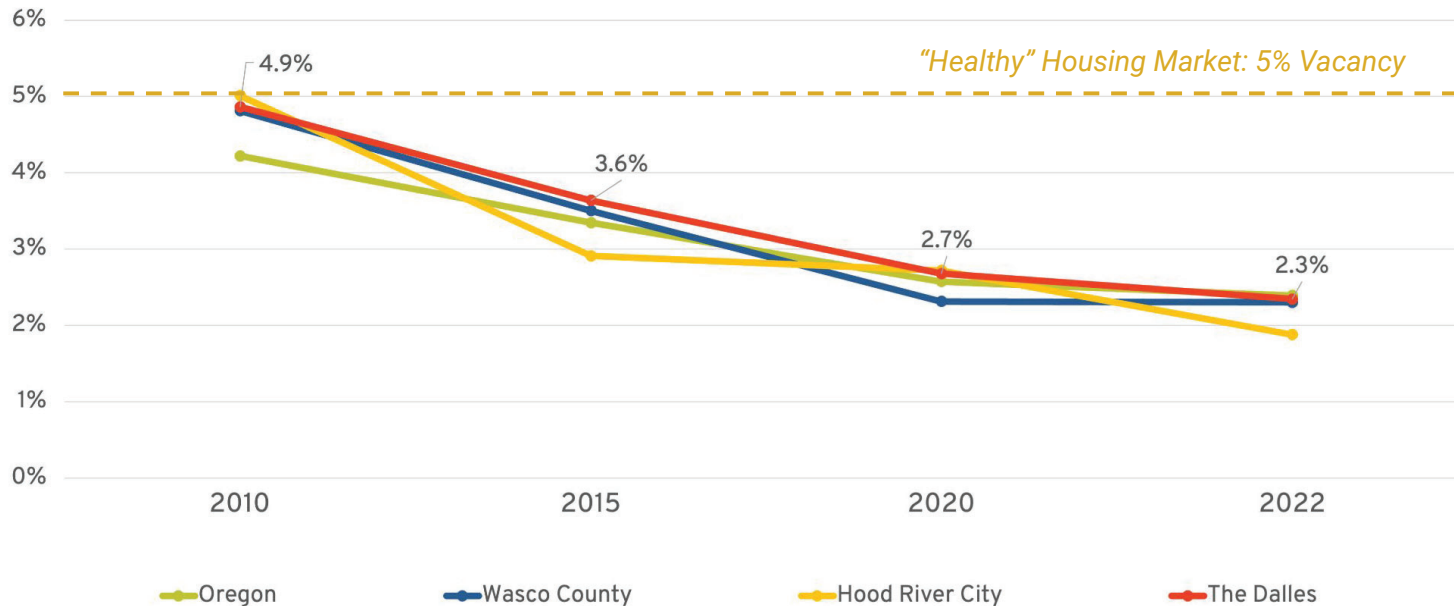
Permitted Units by Housing Type (2021-2023)

Housing Type	2021	2022	2023
Single-Family	30	23	13
Middle Housing	20	11	9
Multi-Family (5+ units)	0	0	0
Manufactured Dwelling	2	4	7
Total Units	52	38	29

Multi-family
apartments absent
from recent
housing production

The Dalles fell from a healthy 5% vacancy rate to less than half of that in 2022.

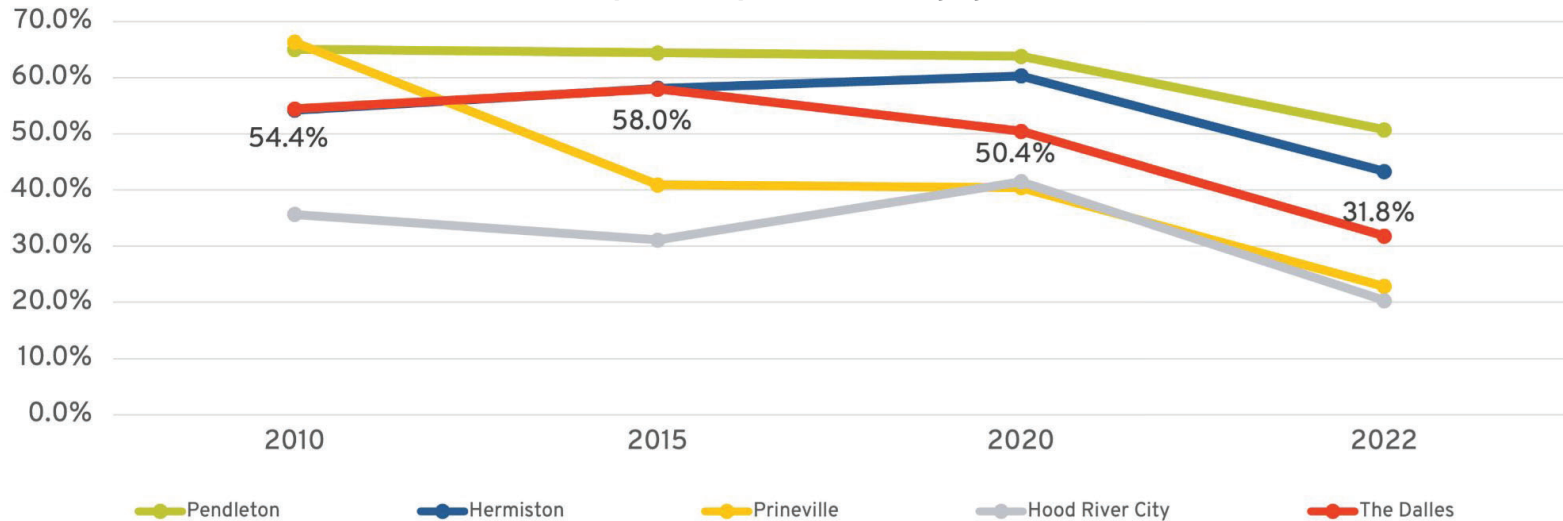
Residential Vacancy Rate Over Time (2010-2022)



American Community Survey 5-Year Estimates, Table B25004. Includes typical market vacancy (e.g. for sale, for rent), excludes recreational and seasonal housing and "other" vacancy (e.g. abandonment, foreclosure)

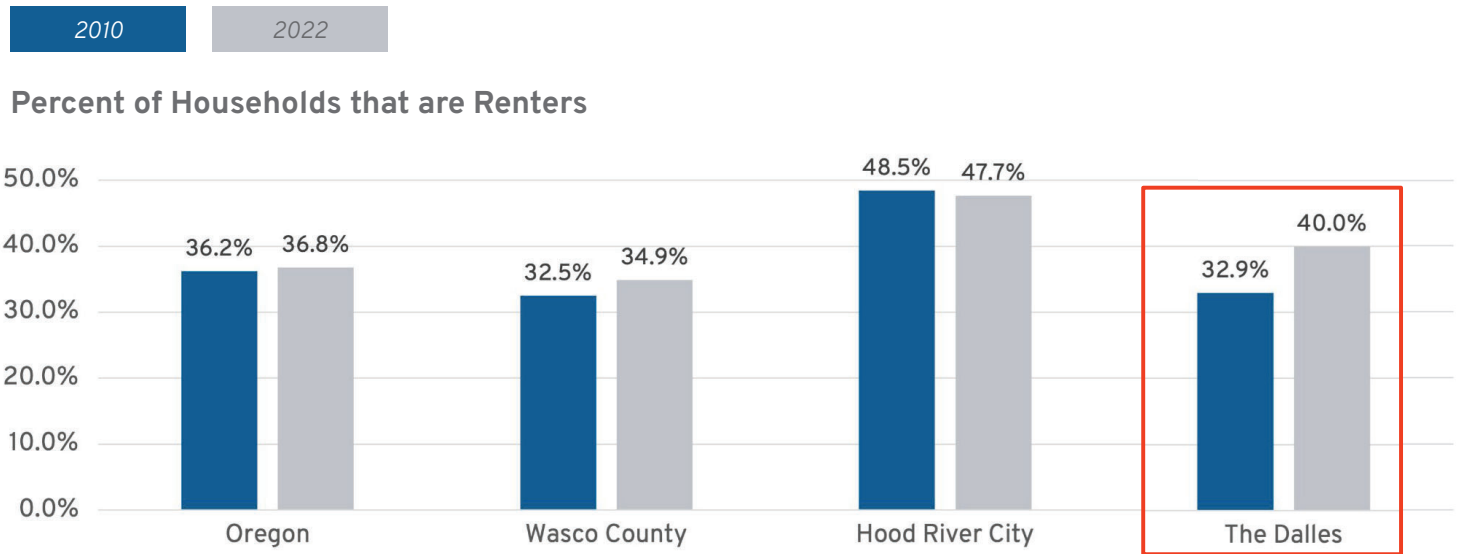
Until 2020, over 50% of households could afford a new mortgage; now, only 32% can.

Percent of Households that Can Afford to Pay a Newly Issued Mortgage on Median Home Over Time (2010-2022)



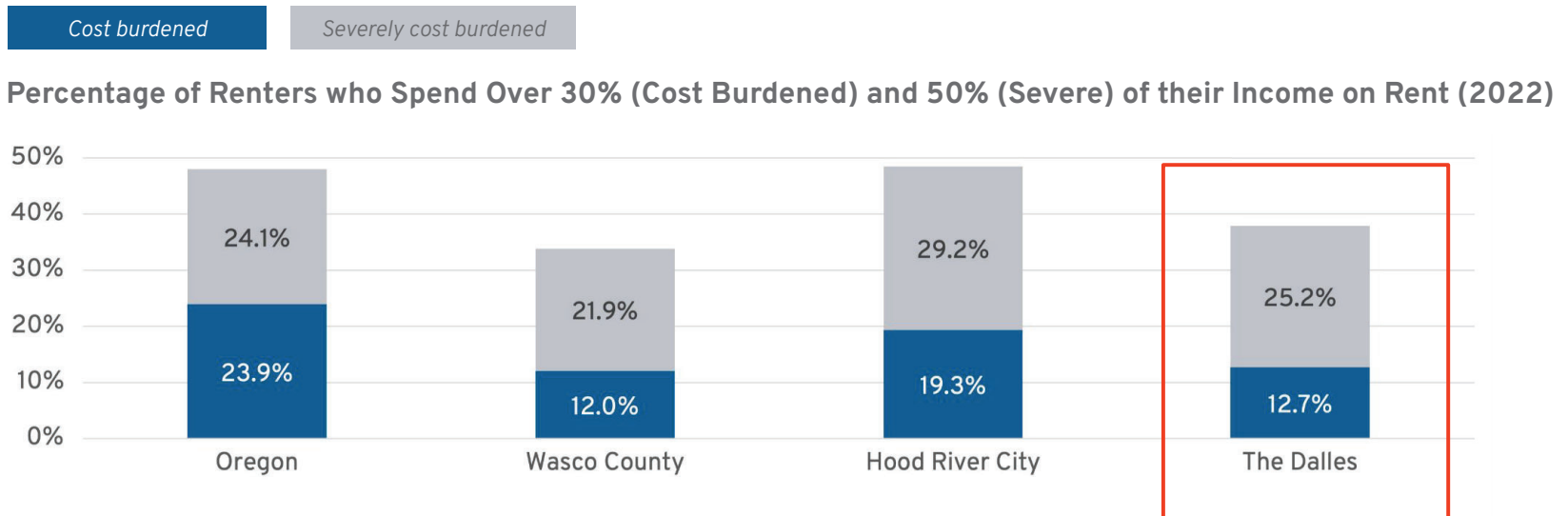
Zillow Home Value Index (seasonally adjusted, all for sale homes)

The percentage of renters is growing in The Dalles, whereas it's holding steadier in other places.



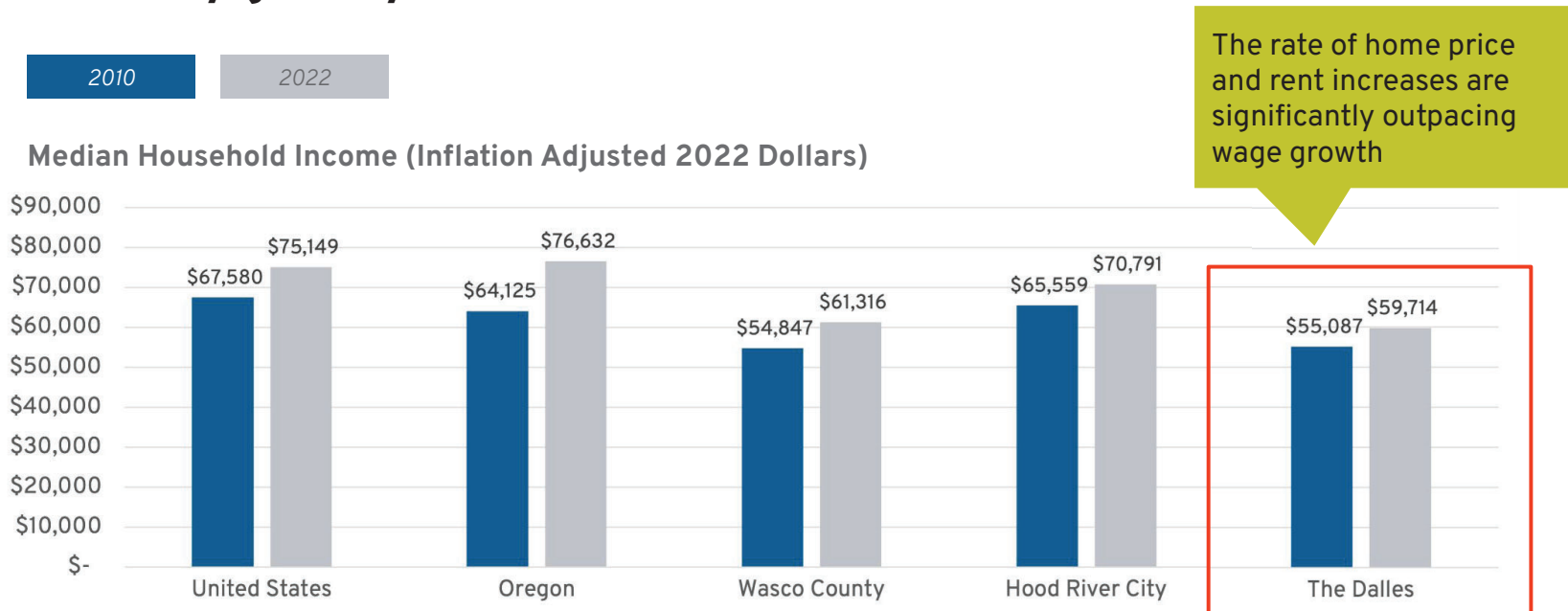
American Community Survey 5 Year Estimates, Table B25003

Renters in the Columbia Gorge tend to be severely cost burdened, meaning extremely financially stretched and likely with very low incomes.



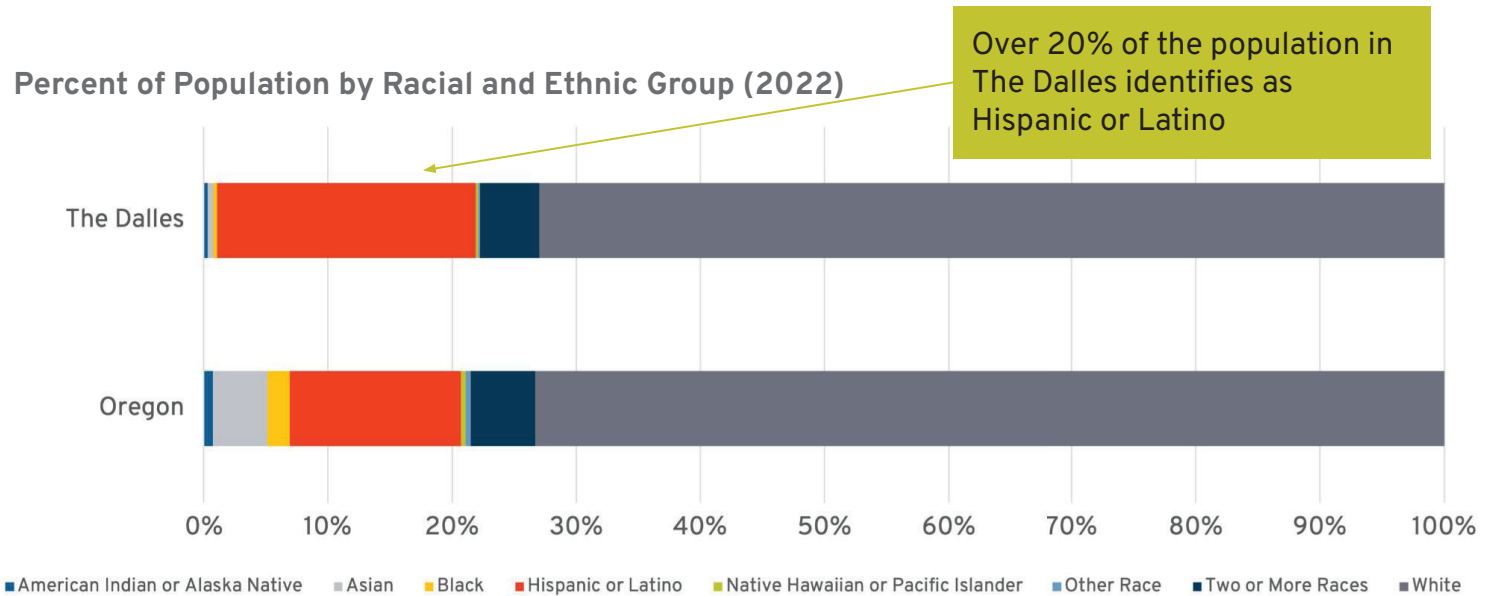
American Community Survey 5 Year Estimates, Table B25070

Oregon Median Household Income grew by ~20% from 2010 and 2022; The Dalles only grew by 8%.



American Community Survey 5 Year Estimates, Table B19013

The Dalles has a higher percentage of Hispanic or Latino compared to Oregon.

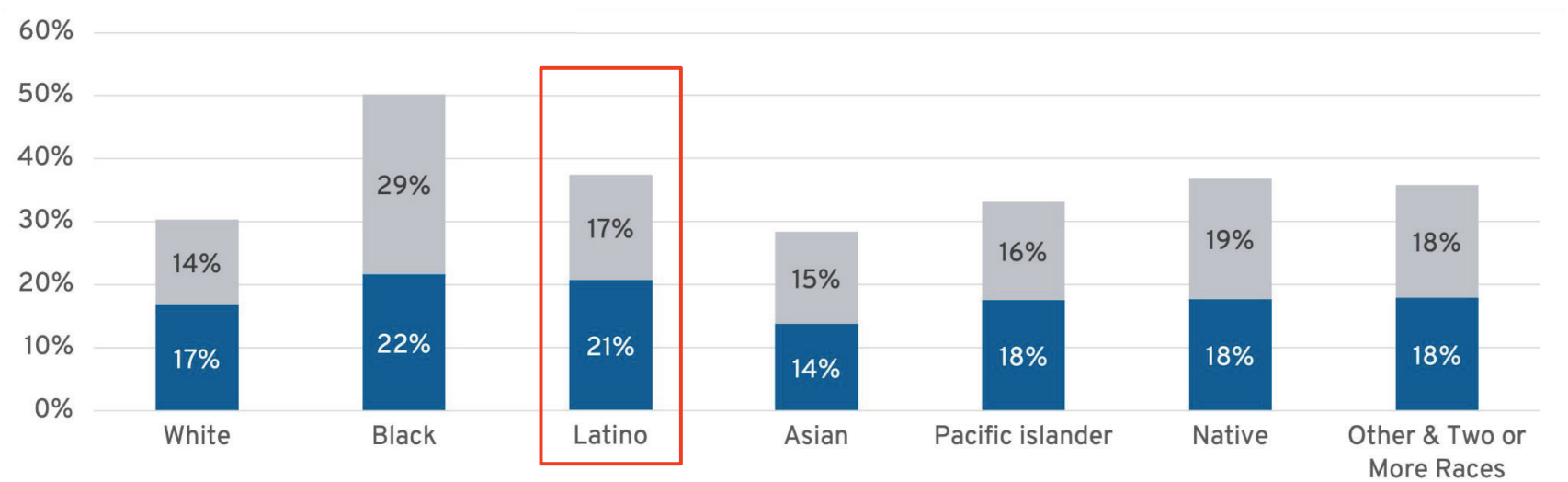


American Community Survey 5 Year Estimates, Table B03002

Disparities: Latino households cost burdened at highest rates in Oregon*

Cost burdened Severely cost burdened

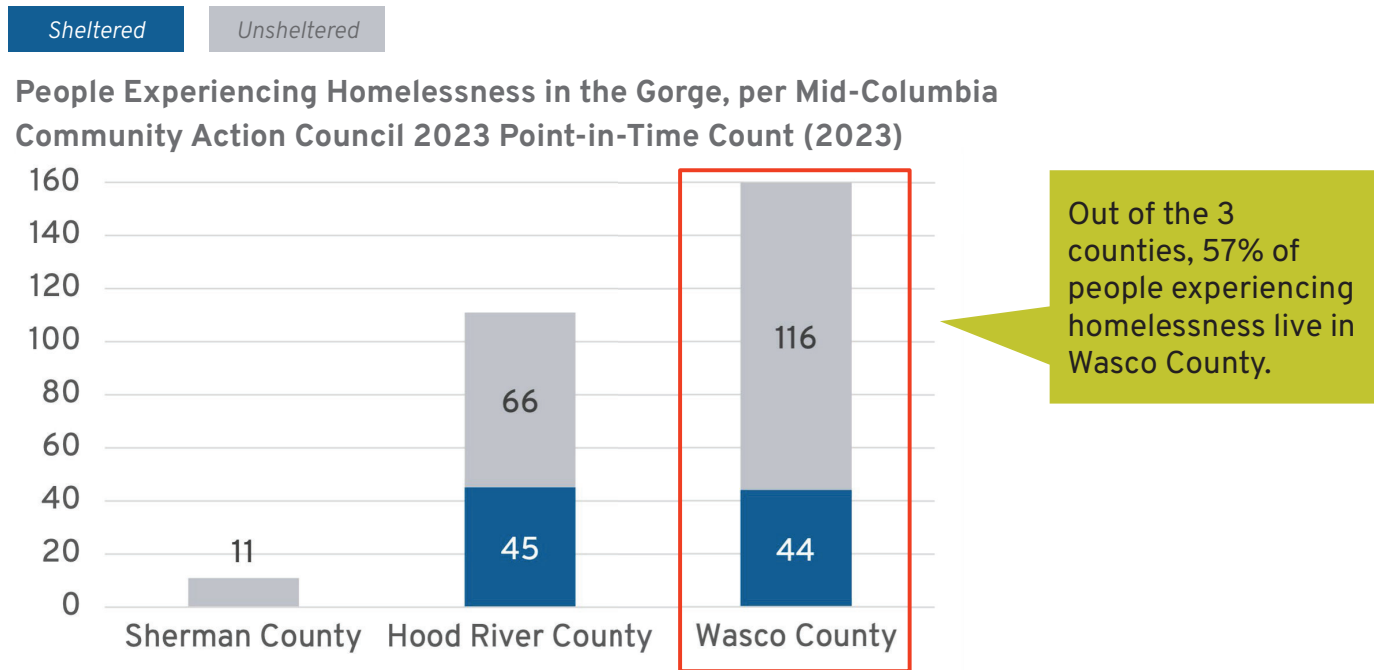
Percentage of Race and Ethnic Groups in Oregon that are Cost Burdened (2020)



HUD Comprehensive Housing Affordability Strategy (CHAS) data, Table 9, 2016-2020 estimates

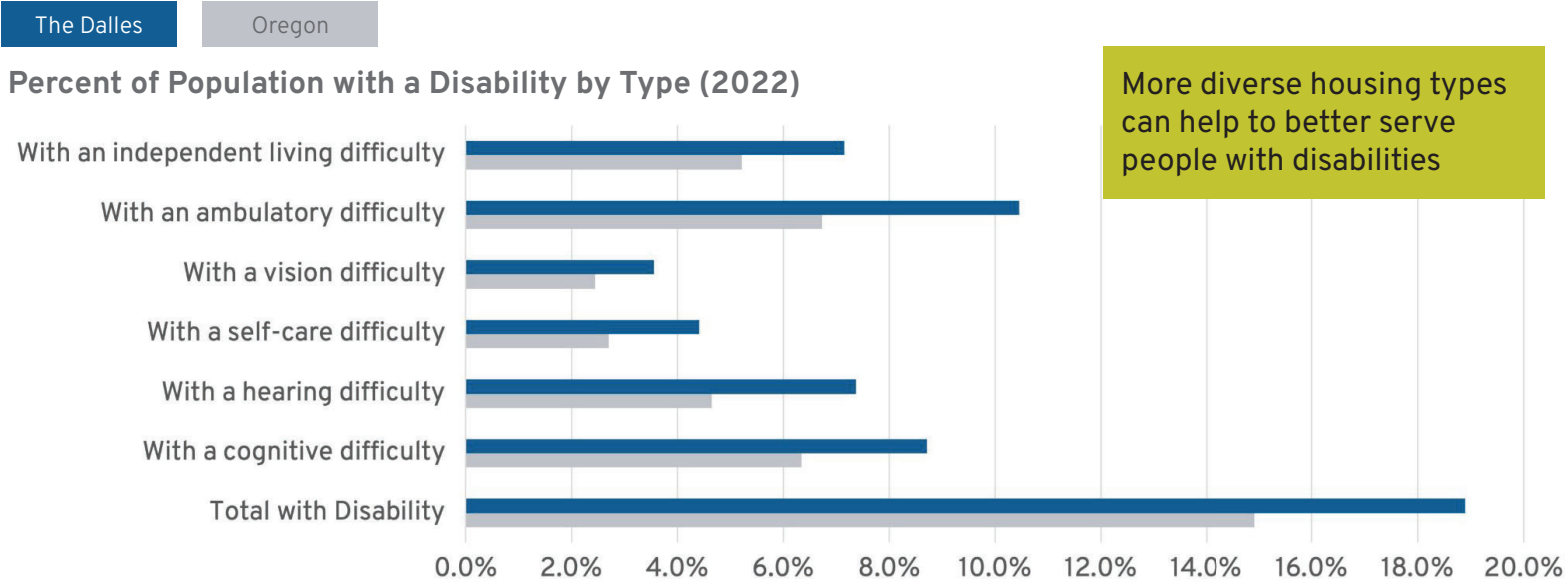
*Margins of Error were too high for Wasco County

Since 2022, counties in the Columbia Gorge together have seen a 5% increase in individuals experiencing homelessness.



Mid-Columbia Community Action Council 2023 Point-in-Time Count. See <https://www.mccac.com/data-reports#block-48ed6d86a593cc0ab0d9>

The Dalles has an elevated rate of disability relative to statewide. Roughly 19% of the population lives with one or more disabilities.



American Community Survey 5 Year Estimates, Table S1810

Key Takeaways from the Contextualized Housing Need

- Given the adjacency to a hot market and home price and rent increases outpacing wage growth, **The Dalles is highly sensitive to market changes**
- There is a need for more **affordable, smaller units**
- The Dalles Population Characteristics:
 - The Dalles has held steady in its age distribution compared to the state
 - Higher percentage of **Latino population** compared to the state
 - Higher percentage of population that **lives with one or more disabilities** compared to the state

Key Takeaways from the Advisory Committee

- In addition to the populations and data highlighted, strategies also need to address and consider **farmworkers** and **college students**
- Housing in The Dalles is aging, which is impacting the quality of housing
- As larger employers, like Google, are building new developments there will be an **influx of temporary workers** that will need to be housed
 - Strategies to both address the **temporary housing** needed but how that can also help to address **long-term housing needs**, as well

Policy Framework for The Dalles' HPS

- What types of policies are available to include in the HPS?
- How do those various policy types impact housing production?

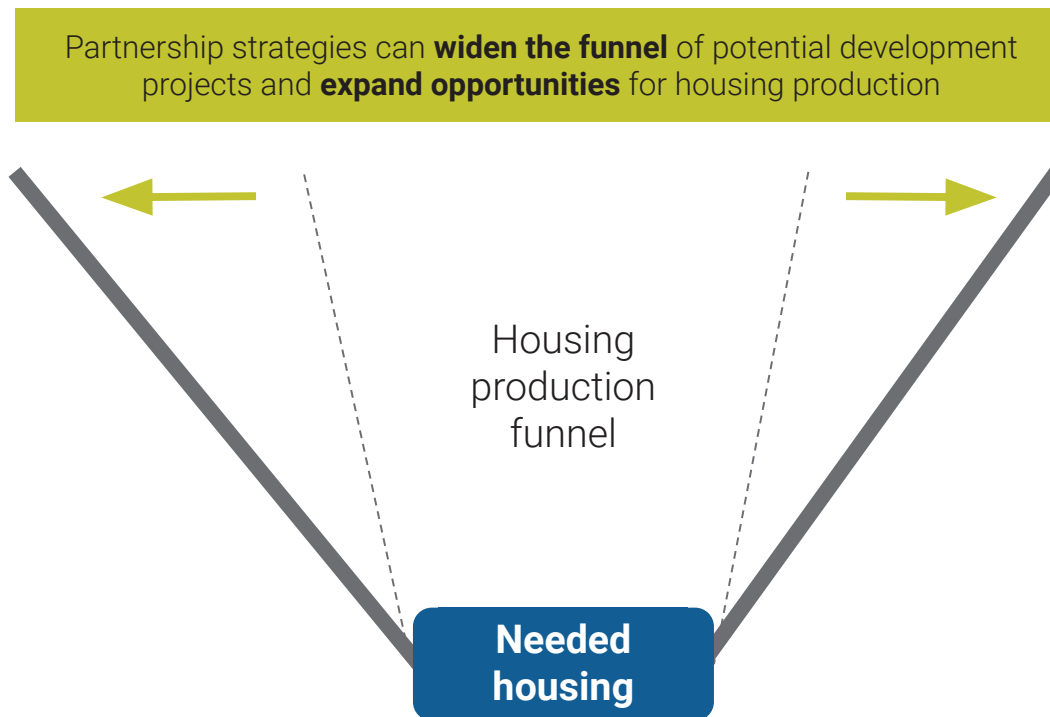
The City has 5 main levers to facilitate housing production.





PARTNERSHIP STRATEGIES

Partnership strategies do not directly lower costs or provide financing, but they can unlock development opportunities so more housing is possible





PARTNERSHIP STRATEGIES

Facilitate connections and share information to foster more opportunities for housing production.

The Dalles is already doing things like:

- Partnering with the Columbia Cascade Housing Corporation on a Home Repair Program
- Partnering with the Columbia Cascade Housing Corporation on a Covid Housing Assistance through Community Development Block Grant

**OR State Sponsored*
Home Repair Loans**

Deferred Payment!

No Interest!

Nosotros Hablamos Español!

• Up to \$20,000 per applicant
• Hood River/Wasco County-wide program

Limited number of applications, so sign up today!
Available on Primary residence of low income homeowners

***Funded by Business Oregon**

Mid Columbia Housing Resource Center
Mayra Ledezma 541-370-2739
mayrat@columbiacascadehousingcorp.org
500 E 2nd St. The Dalles, OR



PARTNERSHIP STRATEGIES

Facilitate connections and share information to foster more opportunities for housing production.

Strategy examples:

- Providing staff assistance to potential housing projects, such as grant-writing, facilitating connections, and permitting support.
- Creating informational and educational resources to make City regulations easier to use.
- Adopting pre-approved building plan programs to expedite permitting for a set group of designs
- Pursue employer and institutional collaboration on new housing

**OR State Sponsored*
Home Repair Loans**

No Interest!

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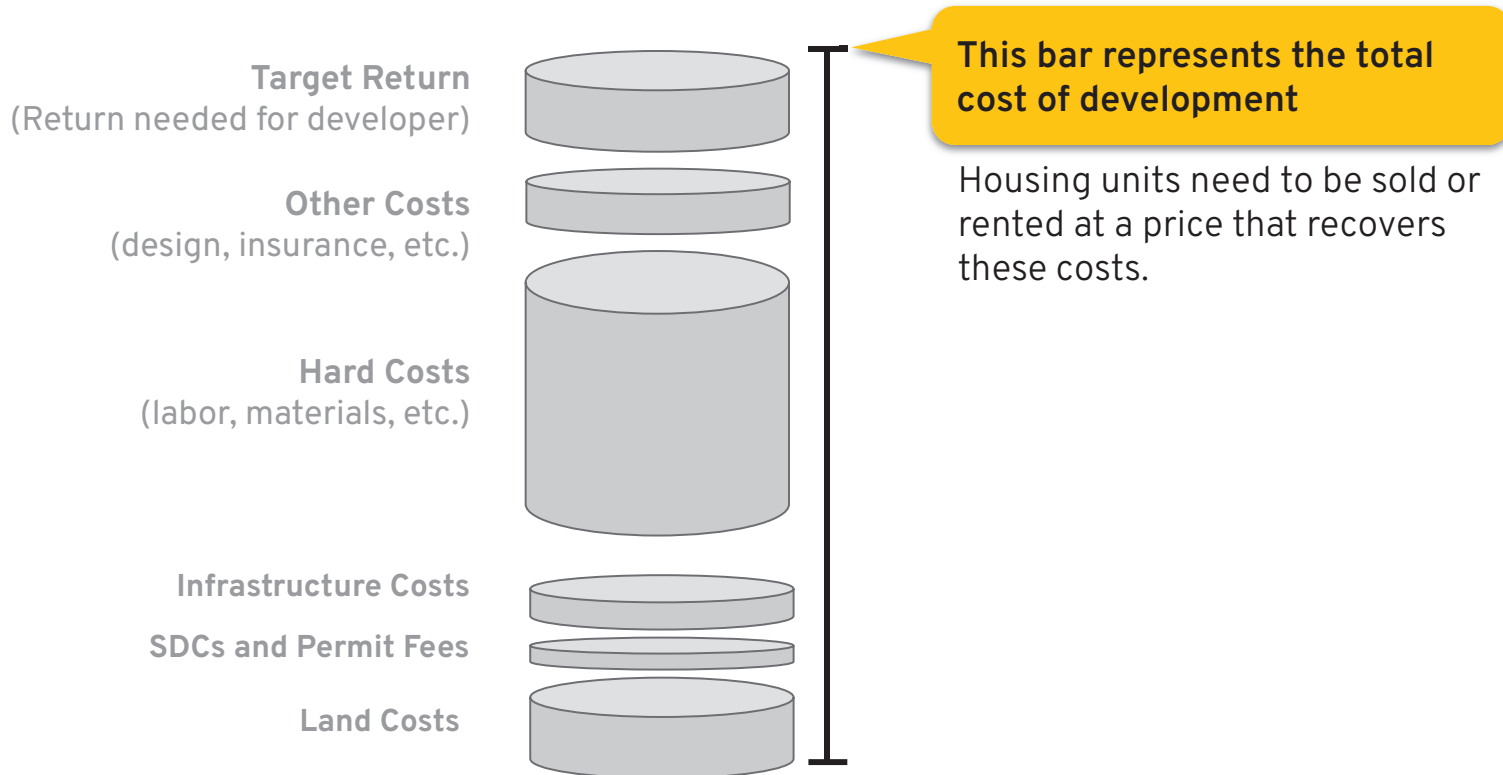
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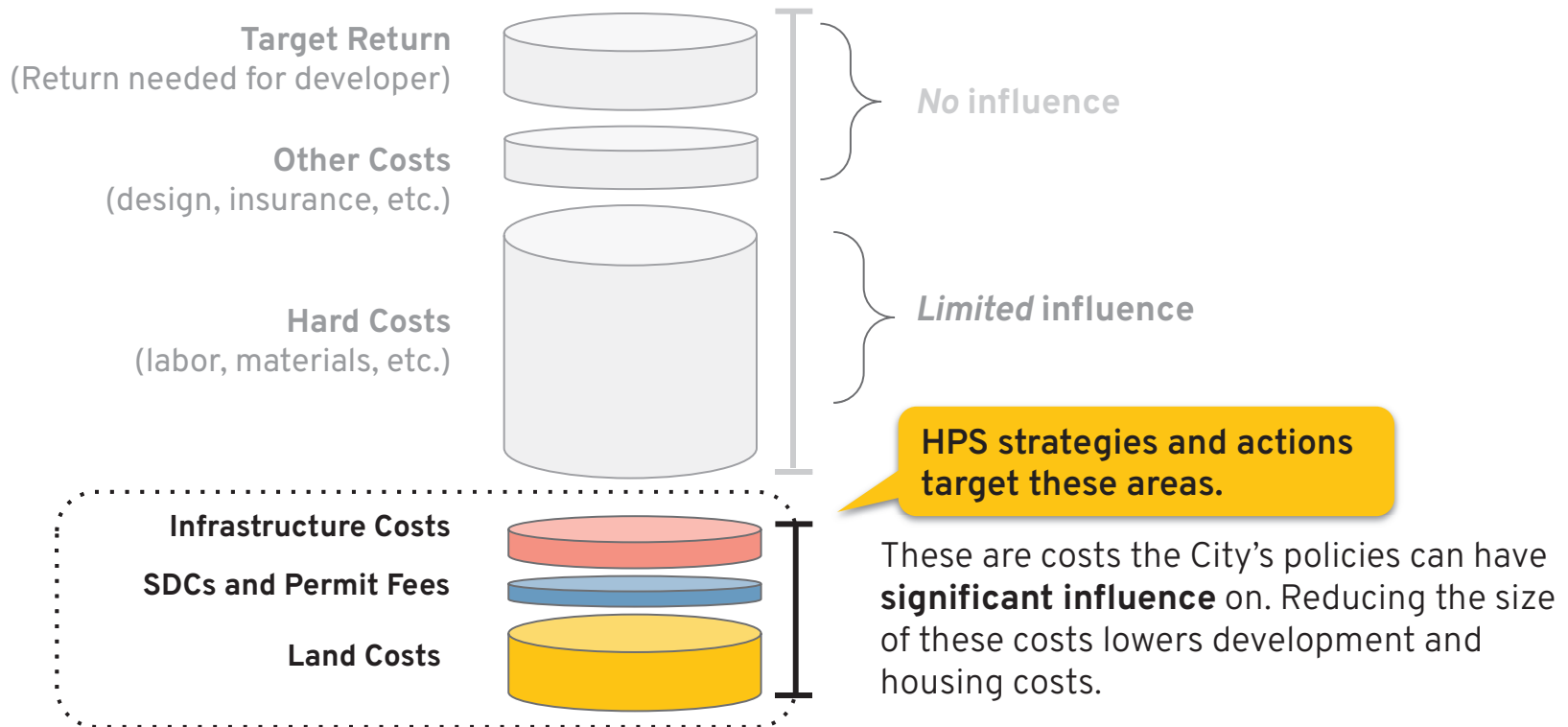
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Economics of Housing Development



City actions can have varying levels of influence on the cost of development.



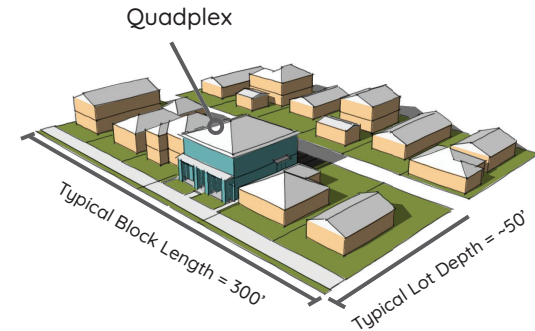


REGULATORY STRATEGIES

Reform zoning and land use codes to reduce barriers to development and create more opportunities to meet housing needs.

The Dalles is already doing things like:

- Revisions to review procedures and dwelling entrance standards
- Clarification and increase in density across residential zones
- Allowing shelter housing and transitional housing in commercial and industrial zoning districts
- HB2001 code updates



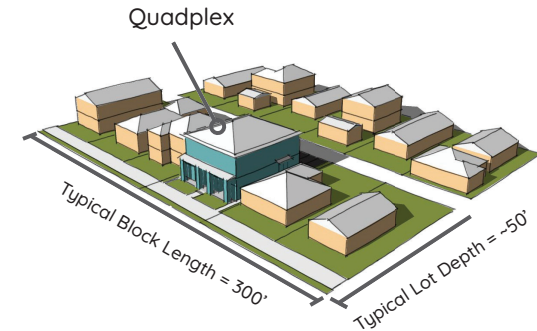


REGULATORY STRATEGIES

Reform zoning and land use codes to reduce barriers to development and create more opportunities to meet housing needs.

Strategy examples

- Further reduce code barriers to housing development (e.g.- reduce minimum lot size, increase densities, reduce lot coverage, reduce multi-family parking requirements)
- Define and allow cottage cluster housing
- Improving standards and streamline review processes for smaller infill projects
- Providing density bonus incentives for affordable units
- Remove barriers to adaptive reuse





INCENTIVE STRATEGIES

Restructure fees or taxes to reduce the cost of development and catalyze projects that meet key housing needs.

The Dalles is already doing things like:

- Vertical Housing Tax Exemption for projects in downtown, which may include new buildings, as well as renovation of upper story residences.
- Reduced City SDCs for ADUs



Harrison Apartments is an 80-unit MUPTE project in Cottage Grove.



INCENTIVE STRATEGIES

Restructure fees or taxes to reduce the cost of development and catalyze projects that meet key housing needs.

Strategy Examples

- Swapping out Vertical Housing Tax Exemption for MUPTE, a more flexible, customizable property tax abatement tool (e.g. Cottage Grove)
- Collecting SDCs later in permitting process: Certificate of Occupancy or Final Inspection (e.g. Pendleton or Madras)
- Scaling SDCs to incentivize smaller (more affordable) unit sizes (e.g. Newport)



Harrison Apartments is an 80-unit MUPTE project in Cottage Grove.



LAND STRATEGIES

Deploy a range of strategies to assist with securing land for housing production.

Strategy examples

- Keeping an active inventory of publicly owned, foreclosed, or underutilized properties that could potentially be used for affordable housing development
- Utilizing excess or underutilized City-owned land for public-private affordable housing development
- Proactively acquiring vacant or distressed properties and holding them for affordable housing development (land banking)



Clatsop County has a program to inventory and publish information on surplus lands. They accept "Expressions of Interest" from special districts, local non-profits, and affordable housing developers interested in developing the sites.

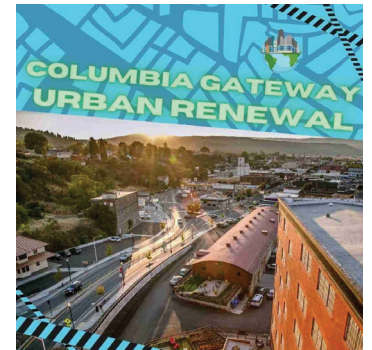


INVESTMENT STRATEGIES

Contribute resources to spur housing production through both infrastructure and direct project investments.

The Dalles is already doing things like:

- Urban Renewal Incentive Program
 - SDC payments for new housing up to \$10,000 per new unit
 - Mixed-Use Projects: Up to \$150,000
- Urban Renewal Development Funding Agreements
- Infrastructure (sewer, storm, and sidewalk) investment in specific areas



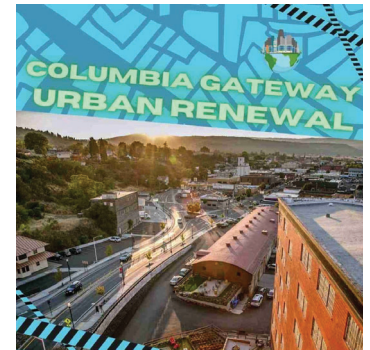


INVESTMENT STRATEGIES

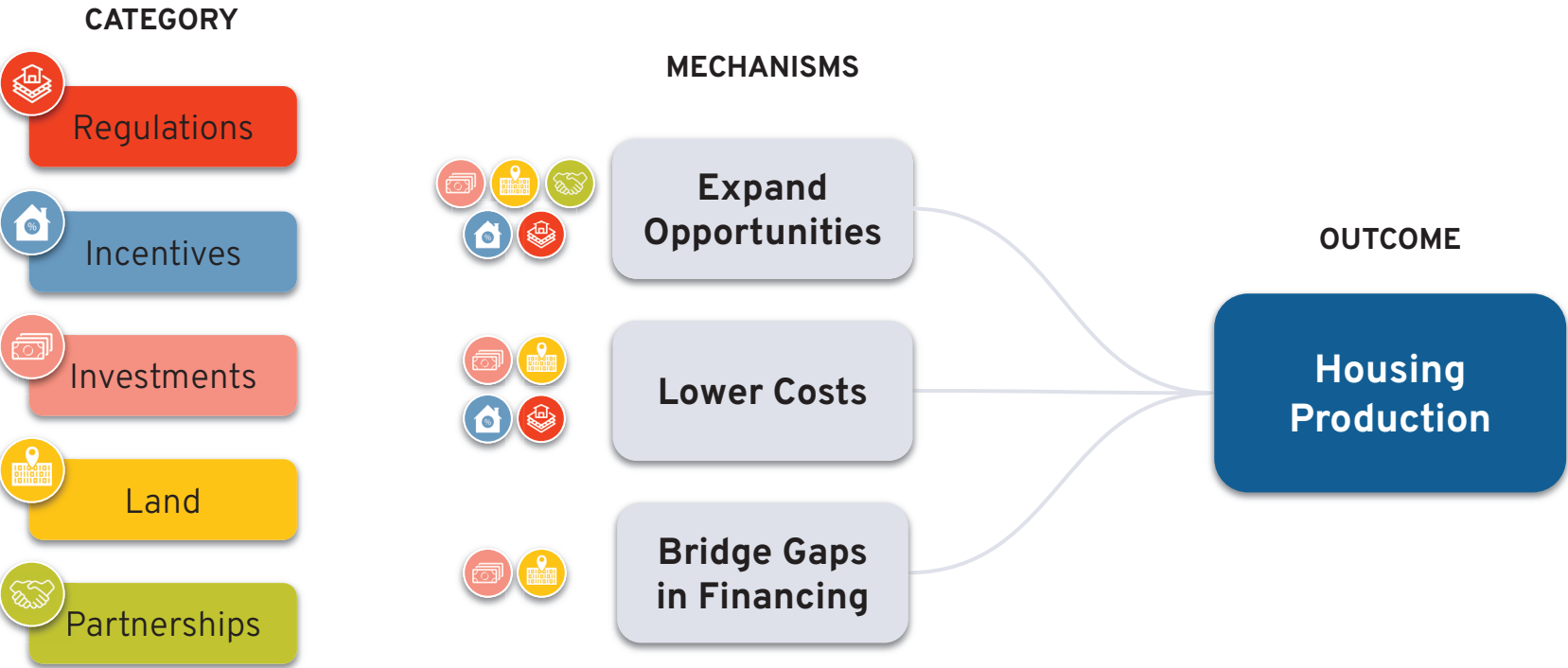
Contribute resources to spur housing production through both infrastructure and direct project investments.

Strategy examples:

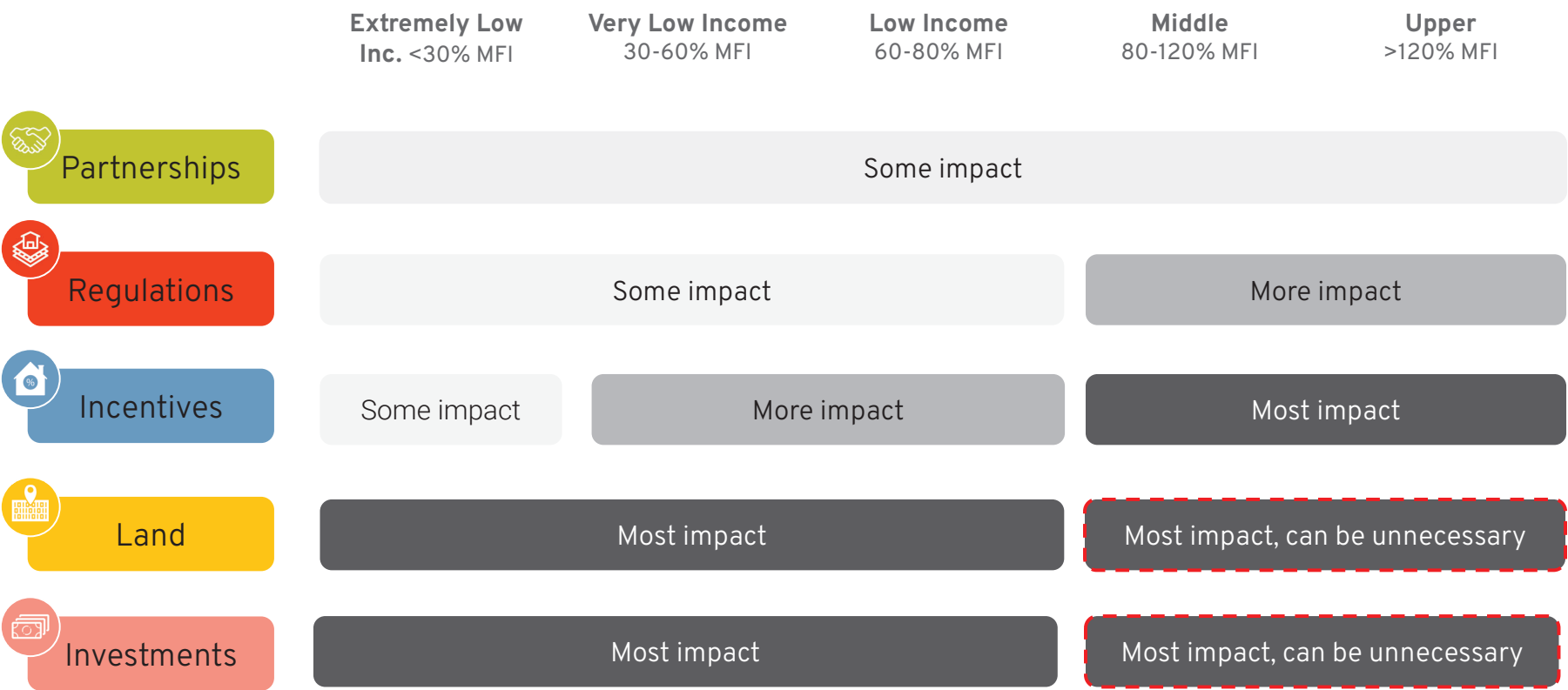
- Implementing a dedicated affordable housing funding source like a Construction Excise Tax to fill gaps and leverage state & federal money more consistently (e.g. CET in Milwaukie, Hood River, Cannon Beach, Newport)
- Expanding the use of Urban Renewal (TIF) for the purposes of supporting housing production and infrastructure upgrades
- Pursuing new state funding to support housing (e.g. Middle Housing, Revolving Loan Fund for Infrastructure)



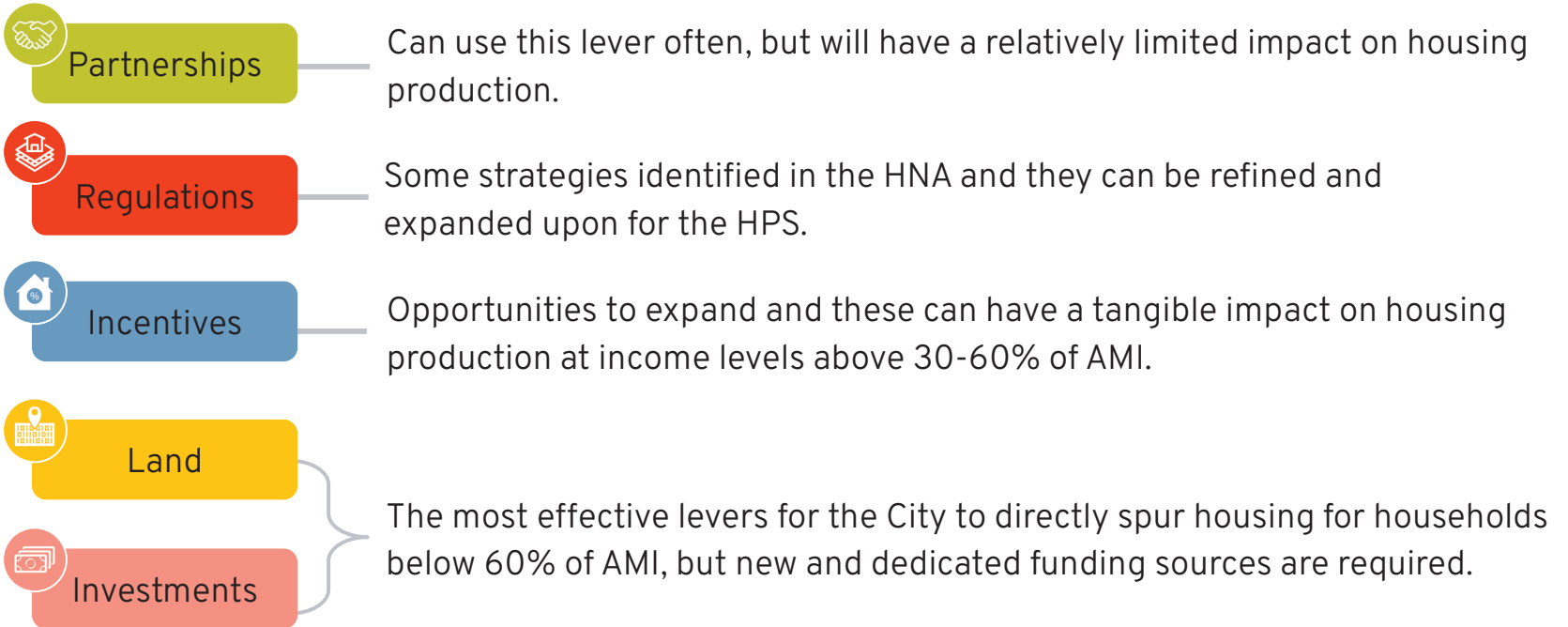
These strategies impact housing production through 3 key mechanisms



The levers vary in level of impact on housing production by income level.



Implications for the HPS



Key Takeaways from the Advisory Committee

- The AC mentioned referencing the Housing Strategies Report conducted in 2017 and carrying forward strategies into the HPS that have not been addressed
- Key interests in strategies, such as:
 - **Land trusts**
 - Successful examples employer-city **partnerships to provide workforce housing**
 - **Expanding** the Urban Renewal programs/incentives into other areas of the city
 - **Code updates**, such as impervious surfaces
 - **Positioning** the city and partners to successfully pursue state **funding**, including new funding passed in the last session

Discussion Questions

- **Priorities:** What housing types or needs are your highest priority for City action and resources?
- **Levers:** What levers or types of strategies (regulatory, incentives, etc.) do you think will be most effective at addressing your priority housing needs? Do you have any specific concerns or questions about certain levers?
- **Incentives:** Do you have any specific concerns or questions for the consulting team as they evaluate recommendations for new incentives to be included in the HPS? Examples: property tax abatement, SDC reductions, etc.
- **Funding Tools for Investment and Land Strategies:** Do you have any specific concerns or questions for the consulting team as they evaluate recommendations for new new tools to raise revenue for investments or land strategies? Examples: Construction Excise Tax, Urban Renewal District, etc.

Public Engagement & Outreach

- Who will we be engaging and what methods will we use?
- What feedback are we looking for?

Feedback from community members and stakeholders will inform the strategies and actions included in the HPS.

Engagement Activity	Audience for Outreach
Advisory Committee Meetings (3)	Housing producers and users
Joint PC & CC Meetings (3)	Decisionmakers
Meetings with Housing Producers (up to 3 interviews)	<ul style="list-style-type: none">• Local and regional developers of infill, mixed-use, and subdivision housing• Lenders
Engagement with Equity Priority Populations (up to 3 events)	<ul style="list-style-type: none">• Residents of affordable housing and manufactured home parks, included farmworkers• Hispanic/Latinx community members• Young families
Community Virtual Open House and Survey	Community members

Next Steps

Project Next Steps

- Community engagement will be held in June
- Develop a list of **draft strategies and actions** that responds the feedback from the Planning Commission, City Council, City staff, and Advisory Committee
- The next PC/CC work session will discuss **draft strategies** and actions and **provide updates** from what we've heard from **community engagement** and the **Advisory Committee**

