



MEMORANDUM

TO: City of Oakridge Planning Commission

FROM: Jamin Kimmell, Cascadia Partners

DATE: June 12, 2023

PROJECT: Oakridge Housing Needs Analysis

SUBJECT: **Measures to Accommodate Needed Housing**

Background

The Cities of Oakridge and Westfir held a joint meeting of the Planning Commission and City Council of both cities on April 5, 2023 to review the draft Housing Needs Analysis (HNA). One key finding of the HNA for the City of Oakridge is that the City needs to expand capacity for multi-family housing and manufactured home parks within its Urban Growth Boundary (UGB) to meet the 20-year projected housing need.

These measures must be implemented prior to, or concurrent with, adoption of the HNA into the City's Comprehensive Plan. These measures are necessary for establishing compliance with ORS 197.296 and OAR Section 660-024-0050(4), which require that the City maintain capacity on buildable lands within the UGB to meet 20-year housing needs.

The purpose of this memo is to evaluate preliminary options for code amendments that would address this issue. The memo presents an analysis of multiple options to address the capacity deficit for both multi-family housing and manufactured homes in parks. Each option includes a description, a summary of its impact on housing capacity, and considerations for implementation.

The appropriate option will be selected and implemented as part of a future development code update project. Adoption of these code amendment must occur prior to, or concurrent with, adoption of the HNA.

These measures represent potential implementations of Strategy #1 and Strategy #6 in the Recommended Strategies in the following section of the HNA. These measures are the minimum actions

necessary to address the capacity deficits for multi-family housing and manufactured homes in parks. Other variations of those strategies can be implemented in addition to these measures to further expand capacity for needed housing types and remove barriers to housing development.

Options to Address Capacity Deficit for Multi-Family Housing

- Option 1: Allow Multi-Family Housing Outright in the Old Town Design Subdistrict
- Option 2: Allow Multi-Family Housing Outright in the C3 Zone
- Option 3: Rezone 11.5 Acres of Buildable Land From R1 to R2
- Option 4: Rezone 7.0 Acres of Buildable Land From R1 to R3

Options to Address Capacity Deficit for Manufactured Homes in Parks

- Option 1: Allow Manufactured Homes in Parks in the R1 Zone
- Option 2: Rezone 49 Acres of Land From R1 to R2

Multi-Family Options

Multi-Family Option 1: Allow Multi-Family Housing Outright in the Old Town Design Subdistrict

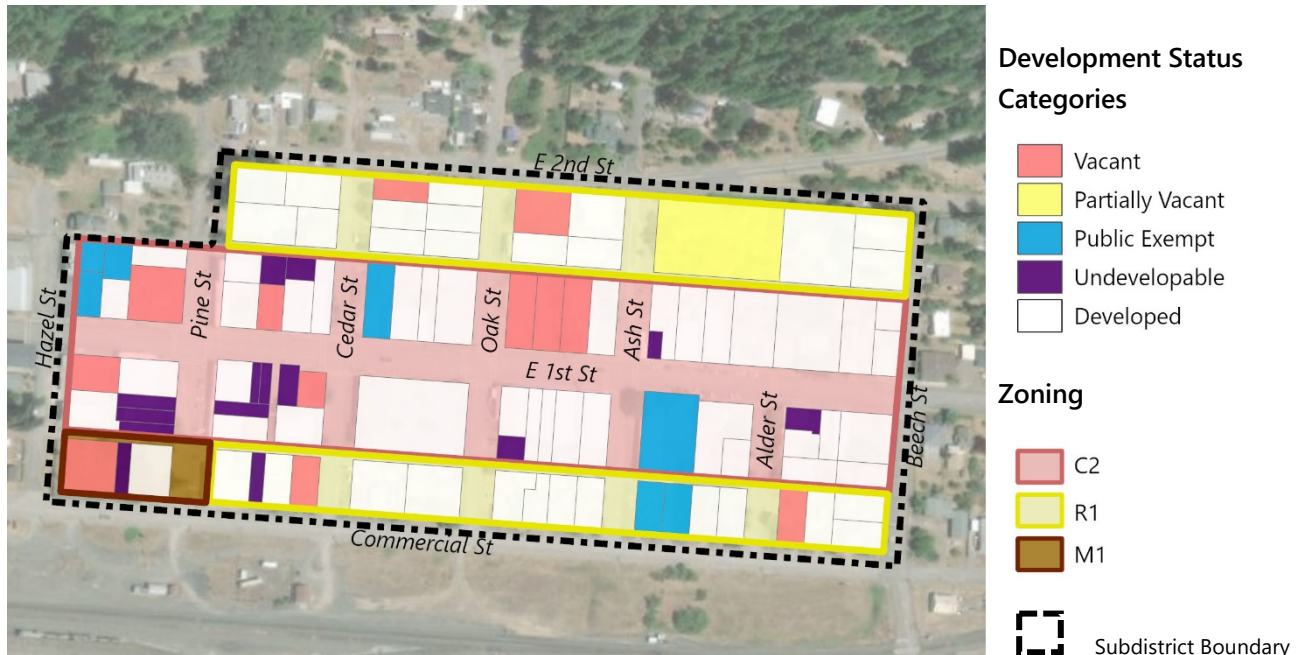
DESCRIPTION OF CODE OR MAP CHANGE

Option 1 allows multi-family housing as an outright permitted use at a maximum density of 20 units per acre in all zones included in the Old Town Design subdistrict (Figure 1). These zones include Low Density Residential (R1), Central Commercial (C2), and Mixed Use (M1).

The R1 zone does not currently allow multi-family housing. The C2 zone allows multi-family housing but not within the front 25 feet of the building's ground floor. This effectively requires vertical mixed-use (commercial on ground floor, residential on upper floors). Under this option, multi-family housing would be allowed as a standalone use in the C2 zone.

Under this option, the assumed housing mix is 80% multi-family and 20% townhouse/plexes and the assumed density is 16 units per acre. Given the removal of limitation on housing in the C2 zone, it is assumed that residential development can be expected on 50% of the buildable land in that zone, which is an increase from the 25% assumed under the existing code.

Figure 1. Buildable Land in Old Town Design Subdistrict



IMPACT ON HOUSING CAPACITY

Option 1 addresses the capacity deficit for multi-family housing but does not address the manufactured homes in parks deficit. There is approximately 3 acres of buildable land in this area. Allowing multi-family housing in all zones in the Old Town Design subdistrict and removing the limitation on housing from the C2 zone increases the estimated capacity of multi-family housing by 17 units (Table 1). This option would meet the 20-year need for multi-family housing, with a surplus of 4 units. However, there remains a deficit of 74 units to meet the 20-year need for manufactured homes in parks.

CONSIDERATIONS

- **Benefits:** Adding more housing density in the Old Town Design subdistrict has the potential to bring more residents closer to central services and amenities, which promotes walkability and increases activity in the city’s historic business district.
- **Drawbacks:** Increasing allowed density and removing the limitation on housing in C2 zone may result in residential development in lieu of new commercial spaces on the historic main street, E. 1st Street. However, commercial uses and mixed-use development would remain a permitted use.

Table 1. Housing Capacity, Multi-Family Option 1

Housing Type	20-Year Need	Existing		Projected	
		Capacity	Surplus (Deficit)	Capacity	Surplus (Deficit)
Single-Family Detached	202	1,128	926	1,122	920
- Site Built	178	993	815	987	809
- Manufactured Homes on Lots	24	135	111	134	110
Townhouses/Plex	55	82	27	85	30
Multi-family (5+ Units)	37	24	-13	41	4
Manufactured Homes in Parks	74	0	-74	0	-74

Multi-Family Option 2: Allow Multi-Family Housing Outright in the C3 Zone

DESCRIPTION OF CODE OR MAP CHANGE

Like the C2 zone, the Highway Commercial District (C3) zone allows multi-family housing but not within the front 25 feet of the street frontage. Under this option, multi-family housing would be allowed as a standalone use in the C3 zone.

Under this option, the assumed housing mix is 80% multi-family and 20% townhouse/plexes and the assumed density is 16 units per acre. Given the removal of limitation on housing in the C3 zone, it is assumed that residential development can be expected on 50% of the buildable land, which is an increase from the 25% assumed under the existing code.

IMPACT ON HOUSING CAPACITY

Option 2 addresses the capacity deficit for multi-family housing but does not address the manufactured homes in parks deficit. There is 18 acres of buildable land in the C3 zone. Removing the limitation on housing and increasing maximum density in the C3 zone creates capacity for 37 additional multi-family units (Table 2). This option would meet the 20-year need for multi-family housing, with a surplus of 24 units. However, there remains a deficit of 74 units to meet the 20-year need of manufactured homes in parks.

CONSIDERATIONS

- **Benefits:** The C3 zone is generally located near services and amenities. Adding more housing density in this area would allow people to live close to these services. These sites are also likely well-served with existing road, water, and sewer infrastructure.
- **Drawbacks:** This option would encourage more housing near Highway 58, which may not be the ideal location for housing from the standpoint of public health and livability. Areas adjacent to highways tend to be less walkable, subject to more noise pollution from traffic, and potentially have poorer air quality conditions than

properties further from the highway. Further study may be necessary to evaluate if these livability and public health concerns are present on Highway 58, and if there are ways to mitigate these impacts. Removing the commercial requirement from the C3 zone could also result in residential development occurring in lieu of new commercial spaces.

Table 2. Housing Capacity, Multi-Family Option 2

Housing Type	20-Year Need	Existing		Projected	
		Capacity	Surplus (Deficit)	Capacity	Surplus (Deficit)
Single-Family Detached	202	1,128	926	1,118	916
- Site Built	178	993	815	984	806
- Manufactured Homes on Lots	24	135	111	134	110
Townhouses/Plex	55	82	27	75	20
Multi-family (5+ Units)	37	24	-13	61	24
Manufactured Homes in Parks	74	0	-74	0	-74

Multi-Family Option 3: Rezone 11.5 Acres of Land From R1 to R2

DESCRIPTION OF CODE OR MAP CHANGE

Option 3 would rezone 11.5 acres of buildable land from R1 to R2 to increase the buildable land available for multi-family housing and manufactured homes in parks.

IMPACT ON HOUSING CAPACITY

Option 3 addresses the existing capacity deficit for multi-family housing but does not address the manufactured homes in parks deficit. Rezoning 11.5 buildable acres of the R1 zone to R2 increases capacity for multi-family housing by 13 units and manufactured homes in parks by 17 units (Table 3). This option would meet the 20-year need for multi-family units, with no surplus of units. However, there remains a deficit of 57 units to meet the 20-year need of manufactured homes in parks.

CONSIDERATIONS:

- Benefits:** This option would allow for the city to target properties for rezoning that are most appropriate for multi-family development. This may include properties that are close to commercial services and amenities but not within commercial zones, sites with good access to infrastructure, larger properties that are more suitable for multi-family housing, or areas where multi-family housing would be more visually compatible with the neighborhood.
- Drawbacks:** It may prove difficult to identify a contiguous area or areas zoned R1 that amount to at least 11.5 acres of buildable land and are appropriate for multi-

family development. For example, larger buildable parcels tend to exist at the edges of city limits where development is more rural in character and infrastructure may not be available. The alternative is to rezone many smaller, non-contiguous sites. This can result in an arbitrary pattern of R2 zoning that may not be consistent with broader policy goals for the location of higher density housing.

Table 3. Housing Capacity, Multi-Family Option 3

Housing Type	20-Year Need	Existing		Projected	
		Capacity	Surplus (Deficit)	Capacity	Surplus (Deficit)
Single-Family Detached	202	1,128	926	1,113	911
- Site Built	178	993	815	979	801
- Manufactured Homes on Lots	24	135	111	133	109
Townhouses/Plex	55	82	27	92	37
Multi-family (5+ Units)	37	24	-13	37	0
Manufactured Homes in Parks	74	0	-74	17	-57

Multi-Family Option 4: Rezone 7.0 Acres of Land From R1 to R3

DESCRIPTION OF CODE OR MAP CHANGE

Option 4 would add a higher density zone (R3) and rezone 7.0 acres of buildable land from R1 to R3 in order to increase the buildable land available for multi-family housing and manufactured homes in parks.

IMPACT ON HOUSING CAPACITY

Option 4 addresses the existing capacity deficit for multi-family housing but does not address the manufactured homes in parks deficit. Rezoning 7.0 buildable acres of the R1 zone to R3 increases capacity for multi-family housing by 13 units and manufactured homes in parks by 17 units (Table 4). This option would meet the 20-year need for multi-family units, with no surplus of units. However, there remains a deficit of 57 units to meet the 20-year need of manufactured homes in parks.

CONSIDERATIONS:

- Benefits:** Similar to option 3, this option would allow for the city to target properties for rezoning that are most appropriate for multi-family development. This may include properties that are close to commercial services and amenities but not within commercial zones, sites with good access to infrastructure, larger properties that are more suitable for multi-family housing, or areas where multi-family housing would be more visually compatible with the neighborhood.

- Drawbacks:** Similar to, but to a lesser degree than option 3, it may prove difficult to identify a contiguous area or areas zoned R1 that amount to at least 7.0 acres of buildable land and are appropriate for multi-family development. For example, larger buildable parcels tend to exist at the edges of city limits where development is more rural in character and infrastructure may not be available. The alternative is to rezone many smaller, non-contiguous sites. This can result in an arbitrary pattern of R3 zoning that may not be consistent with broader policy goals for the location of higher density housing.

Table 4. Housing Capacity, Multi-Family Option 4

Housing Type	20-Year Need	Existing		Projected	
		Capacity	Surplus (Deficit)	Capacity	Surplus (Deficit)
Single-Family Detached	202	1,128	926	1,134	932
- Site Built	178	993	815	998	820
- Manufactured Homes on Lots	24	135	111	136	112
Townhouses/Plex	55	82	27	94	39
Multi-family (5+ Units)	37	24	-13	37	0
Manufactured Homes in Parks	74	0	-74	17	-57

Manufactured Homes in Parks (MHP)

MHP Option 1: Allow Manufactured Homes in Parks in the R1 Zone

DESCRIPTION OF CODE OR MAP CHANGE

Under option 1, the City would allow manufactured homes in parks as a permitted use in the R1 zone. They are currently prohibited in the R1 zone. The housing mix for the R1 zone under this option assumes 75% single family detached units, 5% townhouse units and 20% manufactured homes in parks, with a projected density of 8 units per acre.

IMPACT ON HOUSING CAPACITY

Option 1 addresses the capacity deficit for manufactured homes in parks but does not address the multi-family unit deficit. The R1 zone has the most buildable land of any zone in the city (188 acres). Allowing manufactured homes in parks in R1 increases the estimated capacity for manufactured homes in parks by 223 units (Table 5). This option would meet the 20-year need for manufactured homes in parks, with a surplus of 149 manufactured homes in parks. However, there remains a deficit of 13 units to meet the 20-year need for multi-family housing.

CONSIDERATIONS:

- **Benefits:** This change is relatively simple to implement and does not require the City to identify specific properties or areas to rezone. This option also provides flexibility for potential development of manufactured homes in parks because they could be located anywhere within the R1 zone.
- **Drawbacks:** The City cannot target specific properties that might be most suitable for manufactured homes in parks within the R1 zone.

Table 5. Housing Capacity, Manufactured Homes in Parks Option 1

Housing Type	20-Year Need	Existing		Projected	
		Capacity	Surplus (Deficit)	Capacity	Surplus (Deficit)
Single-Family Detached	202	1,128	926	1,004	802
- Site Built	178	993	815	884	706
- Manufactured Homes on Lots	24	135	111	120	96
Townhouses/Plex	55	82	27	88	33
Multi-family (5+ Units)	37	24	-13	24	-13
Manufactured Homes in Parks	74	0	-74	223	149

MHP Option 2: Rezone 49 Acres of Buildable Land From R1 to R2

DESCRIPTION OF CODE OR MAP CHANGE

Under Option 2, the city would rezone 49 acres of buildable land from R1 to R2 to increase the buildable land available for manufactured homes in parks and multi-family housing. The R2 zone permits both these housing types but there is not buildable land in the zone.

IMPACT ON HOUSING CAPACITY

Option 2 addresses both the capacity deficit for manufactured homes in parks and multi-family housing. Rezoning 49 buildable acres of the R1 zone to R2 increases the existing estimated capacity of manufactured homes in parks by 74 units and multi-family units by 56 units (Table 6). This option would meet the 20-year need of manufactured homes in parks and multi-family housing, with no surplus for manufactured homes in parks and a surplus of 43 units for multi-family housing.

Considerations:

- **Benefits:** This option would allow for the city to target properties for rezoning that are most appropriate for manufactured homes in parks and multi-family development.

- **Drawbacks:** It may prove difficult to find one or two contiguous buildable areas zoned R1 that amount to 49 acres and to have those areas be appropriate for manufactured home parks. The alternative is to rezone many smaller, non-contiguous sites. This can result in an arbitrary pattern of R2 zoning that may not be consistent with broader policy goals for the location of higher density housing.

Table 6. Housing Capacity, Manufactured Homes in Parks Option 2

Housing Type	20-Year Need	Existing		Projected	
		Capacity	Surplus (Deficit)	Capacity	Surplus (Deficit)
Single-Family Detached	202	1,128	926	1,064	862
- Site Built	178	993	815	936	758
- Manufactured Homes on Lots	24	135	111	127	103
Townhouses/Plex	55	82	27	125	70
Multi-family (5+ Units)	37	24	-13	80	43
Manufactured Homes in Parks	74	0	-74	74	0