



File No: DC 22-05 Adoption of a new Housing Chapter for the Comprehensive Plan.

Proposal: The City of Millersburg is proposing to amend the Comprehensive Plan by replacing the existing Housing Chapter with an all-new chapter. The proposed change includes new goals and policies and an updated background section for the Housing Chapter. The project proposes the following action¹:

- Adoption of a new Housing Chapter for the Comprehensive Plan (Comprehensive Plan Text amendment)

I. BACKGROUND

- A. Applicant: City of Millersburg
- B. Location: City Wide
- C. Review Type: The proposed Comprehensive Plan Housing Chapter Amendment (DC 22-05) requires a hearing before the Planning Commission whereby the Commission makes a recommendation to the City Council. A subsequent hearing before the City Council is required for a final action, including the repeal of all existing goals and policies that created the current housing chapter, and adoption of a new ordinance that amends the Comprehensive Plan. Any appeal of the City Council's decision relating to this matter will be considered by the Oregon Land Use Board of Appeals (LUBA).
- D. Public Notice and Hearing: Notice has been provided to the State through the Department of Land Conservation and Development (DLCD), published in the Democrat Harold on November 7, 2022, and posted at City Hall. A notice was published to the DLCD on November 1, 2022. The notice was posted in City Hall on November 7, 2022. Information related to the hearing is posted on the City's website here - <http://cityofmillersbrg.org/planning-commision/>.
- E. Review Criteria: Per Article 5 §5.11.030, the proposed Comprehensive Plan text amendments must be consistent with all applicable decision criteria. Each criteria is discussed in Section II.
- F. Background: The Comprehensive Plan was adopted in 1976 and has seen two small revisions since then. Usually, these plans are refreshed every 10-20 years based on a critical mass of updated data, new planning efforts, and technical analyses.

The City has been planning to embark on a significant update to the Comprehensive

¹ This will also require the repeal of all Ordinances that created or altered the existing housing chapter.

Plan, given that the City now has a newer Transportation System Plan, Sewer Master Plan, Development Code, Parks Master Plan, Housing Needs Analysis and Buildable Lands Inventory, and Economic Development Analysis. The City is beginning its update to the Comprehensive Plan with a new Housing Chapter.

As such, the existing goals and policies of the current Housing Chapter are out of date and no longer reflect changes in the housing market, shifting demographics, as well as community preferences and priorities. The new Housing Chapter includes policies that guide the City in planning for new neighborhoods, retaining the quality and character of existing neighborhoods, and providing housing opportunity for all. The new Housing Chapter will better align with the City's recent zoning and development code changes. It does not propose any further amendments to zoning designations or development code at this time.

The new Housing Chapter opens many new and exciting opportunities. For example, the new Chapter includes policies that protect the rural character of Millersburg's large lot residential lands while prioritizing UGB expansion areas for the development of new master-planned, mixed-use communities that are highly walkable and serviceable with public transit. The new Housing Chapter provides policy direction to inform public investments and manage the effects of growth over the next 20 years.

The new Housing Chapter of the Comprehensive Plan is attached for review and approval.

II. CRITERION

This section contains all applicable City and State provisions that apply to the proposed Comprehensive Plan amendment and how each provision is met.

A. CITY OF MILLERSBURG DEVELOPMENT CODE CRITERIA

Amendments to the Comprehensive Plan text are required to satisfy the following criteria. These come from Section 5.11.030 of the existing Millersburg Development Code.

Decision Criteria (1). There are no negative impacts of the proposed amendment on land use and development patterns within the city, as measured by:

(a) Traffic generation and circulation patterns

ANALYSIS: To mitigate the negative impacts on traffic generation and circulation patterns, new housing policy language ensures land uses allow for the efficient provision of public facilities and transportation networks, and there is coordination among partners and service providers to develop infrastructure that supports residential development. Additional policies commit the City to promoting the development of new housing in areas with access to services, amenities, and transportation connections in order to lessen the impact on infrastructure. Additionally, there are no proposed changes to the Comprehensive Plan Map or

Zoning Map at this time. Therefore, the density of the City is not changing as a result of this new chapter. The policies may result in eventual changes to density as the City grows, any changes needed to the transportation system at that time will be addressed at that time.

FINDING: Based on the analysis above, the project meets the required criteria.

(b) Demand for public facilities and services

ANALYSIS: To mitigate increased demand for public facilities and services, new housing policy language promotes the housing development in areas with existing access to facilities and services, or where efficient provision of facilities can occur. Policy language also directs the development of new master-planned, mixed-use communities in key areas, increasing the economies of scale when providing any new public facilities and services. Policy language also promotes the assessment of residential land needs relative to employment land needs to ensure a balanced tax base that can support the cost of infrastructure.

FINDING: Based on the analysis above, the project meets the required criteria.

(c) Level of park and recreation facilities

ANALYSIS: To mitigate increased demand for parks and recreation facilities, new housing policy language ensures coordination among partners and service providers to develop infrastructure such as parks and recreation facilities that supports residential development. Additionally, the City has a park's master plan that is designed to grow parks and open space resources as the City grows. The new housing policies are fully consistent with the parks master plan.

FINDING: Based on the analysis above, the project meets the required criteria.

(d) Economic activities

ANALYSIS: New housing policies are crafted to support Millersburg's economy through language that promotes a greater variety of housing choices to support the needs of the City's workforce. Policy language also promotes greater economic activity by ensuring a balanced ratio of jobs to housing through regular assessments of residential land needs relative to employment land needs.

FINDING: Based on the analysis above, the project meets the required criteria.

(e) Protection and use of natural resources

ANALYSIS: There are no changes proposed to the natural resources chapter. New housing policies are crafted to protect natural resources by supporting infill development where quality and compatibility can be maintained. In addition, policy language supports the development of master-planned, mixed-use communities that are highly walkable and serviceable with public transit, lessening

the impact on natural resources by encouraging higher intensity development.

FINDING: Based on the analysis above, the project meets the required criteria.

(f) Compliance of the proposal with existing adopted special purpose plans or programs.

ANALYSIS: This criterion does not apply, as there are no existing adopted special purpose plans or programs that apply to the Comprehensive Plan Housing Chapter.

FINDING: Based on the analysis above, this criterion does not apply.

Decision Criteria (2). A demonstrated need exists for the proposed amendment.

ANALYSIS: The updated goals and policies of the new Housing Chapter are informed by data from the 2022 Housing Needs Analysis. The HNA indicates that the Millersburg population is forecast to grow from 2,937 people in 2021 to 4,883 people in 2041, an increase of 1,946 people. The growth of 1,946 people will result in demand for 719 new dwelling units over the 20-year planning period, averaging 36 new dwelling units annually. The forecast uses a 2.5% population increase rate; using actual historical trends in the City the growth rate is 7%. Currently, Millersburg's housing stock is predominantly single-family detached housing units, but there will likely be a shift in the types of housing that are needed in the future. The factors driving that shift include increasing State regulations and mandates, changes in demographics and decreases in housing affordability. The aging of the Baby Boomers and the growth of younger and diversified Millennial households is likely to result in increased demand for a wider variety of housing that are affordable and appropriate for both the elderly and families with children. The new housing chapter responds to this demonstrated need by including a new goal that states the City will provide the opportunity for a full range of housing options in order to meet the various needs and preferences of existing and future residents, while retaining the character, quality and livability of Millersburg's neighborhoods.

FINDING: Based on the analysis above, the project meets the required criteria.

Decision Criteria (3). The proposed amendment complies with all applicable Statewide Planning Goals and Administrative Rule requirements.

ANALYSIS: Of the 19 Statewide Planning Goals, Goals 1, 2, 10, 12 and 14 are applicable to the proposed update to the Housing Chapter.

Goal 1 requires citizen involvement. This land use application is subject to a Millersburg land use review, which includes a significant citizen involvement component. This process has been established by the city and determined to be consistent with this goal. The project included two rounds of community outreach to understand housing preferences and priorities, which included activities such as online surveys, a public meeting, and tabling at community events. In addition, the mandatory public notice of the action and decision, and the hearings on this case before the Planning Commission

and City Council are all avenues of citizen participation.

Goal 2 requires that land use decisions 1) have an adequate factual base, 2) that alternatives have been considered, and 3) that implementation measures are consistent with and adequate to carry out the comprehensive plan. This Goal is implemented by the Millersburg Development Code which requires that all Land Use approvals follow the process outlined in Goal 2. This Land Use planning process was utilized in drafting the proposed Housing Chapter, and the adoption of the Comprehensive Plan Amendment also uses this established process. Alternatives have been considered throughout the drafting of the updates and the proposed changes will update the Housing Chapter of the Comprehensive Plan.

Goal 10 addresses housing in Oregon and provides guidelines for local governments to follow in developing their local comprehensive land use plans and implementing policies. Goal 10 requires incorporated cities to complete an inventory of buildable residential lands and encourage the numbers of housing units in price and rent ranges commensurate with the financial capabilities of its households. The City recently completed a Buildable Lands Inventory (BLI) and Housing needs Analysis (HNA) in 2022 to inform the update to the Housing Chapter. The new housing policies state that the City will plan for a 20-year supply of suitable land to meet housing needs through regular monitoring and adjustments of available residential land, and identify opportunities to ensure the housing supply includes a variety of housing types and unit sizes, in appropriate locations in the City, that support a range of housing prices.

Goal 12, the Transportation Planning Rule (TPR), OAR 600-012-0060, requires that, where an amendment to a comprehensive plan or zoning regulation would significantly affect an existing or planned transportation facility, the local government shall put in place measures that assure that allowed land uses are consistent with the function, capacity, and performance standards of the facility. The proposed Housing Chapter does not, in and of itself, propose any changes to an existing or planned transportation facility. However, the updated housing policies may have transportation impacts in future growth areas, which will be addressed as part of land use review.

Goal 14, urbanization, administers Urban Growth Boundaries and assures that development occurs within Cities. Goal 14 is supported by the adoption of this updated Housing Chapter in that the city's goals and policies related to residential development will be timely and appropriate for any expansion efforts the city may undertake toward urbanization.

FINDING: Based on the analysis above, the project meets the required criteria.

Decision Criteria (4). The amendment is appropriate as measured by at least one of the following criteria.

(a) It corrects identified error(s) in the provisions of the Plan;

ANALYSIS: This criterion does not apply, as there are no identified error(s) in the

provisions of the current Comprehensive Plan Housing Chapter.

FINDING: Based on the analysis above, this criterion does not apply.

(b) It represents a logical implementation of the Plan;

ANALYSIS: The current housing policies are out of date and don't reflect changes in the housing market, shifting demographics, as well as community preferences and priorities. With the completion of the 2022 HNA and BLI, an update to the housing chapter of the Comprehensive Plan represents a logical next step.

FINDING: Based on the analysis above, the project meets the required criteria.

(c) It is mandated by changes in Federal, State, or local law;

ANALYSIS: While generally this criterion does not apply, recent statewide legislation like House Bill 2001 and current rulemaking around Climate-Friendly and Equitable Communities (CFEC) will impact Millersburg. The new housing chapter prepares for the effects of new state law by promoting a greater variety of housing types (HB 2001) where appropriate and signaling the intent to provide for higher-density, mixed-use development in new UGB expansion areas to respond to CFEC rules.

FINDING: Based on the analysis above, the project meets the required criteria.

(d) It is otherwise deemed by the City Council to be desirable, appropriate, and proper.

ANALYSIS: In late 2020, Millersburg City Council approved a request for funding assistance through DLCDC to update the Comprehensive Plan Housing Chapter, deeming this project as an appropriate step to preparing a full revision of the Comprehensive Plan.

FINDING: Generally, this criterion does not apply, however, the proposed text amendments to the Comprehensive Plan will address possible impacts from changes in state law.

III. STAFF RECOMMENDATION TO THE PLANNING COMMISSION

Based on the above findings of fact, the proposed amendments satisfy the applicable criteria. Staff recommends that the Planning Commission recommend approval of Application No. DC 22-05 to the City Council.

IV. STAFF RECOMMENDED MOTION FOR TO THE CITY COUNCIL *(assuming the Planning Commission recommends approval)*

Based on the findings of fact in the staff report, the proposed amendment satisfies the applicable criteria. The City Council hereby approves DC 22-05 and adopts Ordinance No. 201-22.

V. EXHIBITS

- A. Proposed Comprehensive Plan Housing Chapter Text Amendments
Hard copy available upon request or by download-
<https://www.cityofmillersburg.org/planning/page/dc-22-05-comprehensive-plan-amendment-new-housing-chapter-comprehensive-plan>

- B. Public Hearing Notice

A two-story house with a garage and a porch, overlaid with a green tint. The house features a gabled roof, a large garage door with a transom window, and a front porch with rocking chairs. The text "Section 9.400" is overlaid on the lower left side of the image.

Section 9.400

GOAL 10: HOUSING



OVERVIEW

Goal 10 addresses housing in Oregon and provides guidelines for local governments to follow in developing their local comprehensive land use plans and implementing policies. Goal 10 requires incorporated cities to complete an inventory of buildable residential lands and encourage the numbers of housing units in price and rent ranges commensurate with the financial capabilities of its households [read full text version of Goal 10: OAR 660-015-0000(10)].

Housing is at the core of vibrant communities, supporting industry, job growth, services and City amenities. As communities change and grow over time, the City of Millersburg must plan for housing that meets the needs of current and future community members. Planning efforts are guided by information about the housing market and the factors that affect residential development, including changes in the housing market and shifting demographics, as well as community preferences and priorities. Understanding trends and community goals is key to informing the City's policy development related to housing and options for addressing unmet housing needs in Millersburg. As of 2022, data indicates the following key findings regarding current and future housing needs in Millersburg (2022 Housing Needs Analysis):

- Millersburg's population is forecast to continue growing. The Millersburg population is forecast to grow from 2,937 people in 2021 to 4,883 people in 2041, an increase of 1,946 people. This population growth will occur at an average annual growth rate of 2.6%. By comparison, Millersburg added 2,199 new residents between 2000 and 2020, at an average annual growth rate of 7.7%.
- Millersburg needs to plan for 719 new dwelling units. The growth of 1,946 people will result in demand for 719 new dwelling units over the 20-year planning period, averaging 36 new dwelling units annually. Currently, Millersburg's housing stock is predominantly single-family detached housing units.
- There will likely be a shift in the types of housing that are needed in Millersburg in the future. The factors driving that shift include changes in demographics and decreases in housing affordability. The aging of the Baby Boomers and the growth of younger and diversified Millennial households is likely to result in increased demand for a wider variety of housing that are affordable and appropriate for both the elderly and families with children.

GOAL

The City shall provide the opportunity for a full range of housing options in order to meet the various needs and preferences of existing and future residents, while retaining the character, quality and livability of Millersburg's neighborhoods.

POLICIES

Plan for new neighborhoods.

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|-----------------|---|
| POLICY 1 | Plan for a 20-year supply of suitable land for Millersburg to meet housing needs through regular monitoring and adjustments of available residential land. |
| POLICY 2 | Identify opportunities to ensure the housing supply includes a variety of housing types and unit sizes, in appropriate locations in the City, that support a range of housing prices. |
| POLICY 3 | Encourage housing that is of a design and quality compatible with the neighborhood in which it is located. |
| POLICY 4 | Promote the development of new housing in areas with access to services, amenities, and transportation connections. |
| POLICY 5 | Encourage construction practices that result in high-quality development and reduce the industry's impact on the environment. |
| POLICY 6 | Encourage innovative design and planning concepts to reduce the cost of housing and services through code review procedures. |
| POLICY 7 | Ensure a balanced ratio of jobs to housing by regularly assessing residential land needs relative to employment land needs. |
| POLICY 8 | Coordinate with partners and service providers to develop infrastructure that supports residential development. |
| POLICY 9 | Utilize UGB expansion areas for the development of new master-planned, mixed-use communities that are highly walkable and serviceable with public transit. |

Retain the quality and character of existing neighborhoods.

- POLICY 10** Preserve the quality of existing neighborhoods and ensure that new neighborhoods and infill partitions and divisions fit with Millersburg’s character and landform.
- POLICY 11** Retain the rural character of Millersburg’s large lot residential lands north of NE Conser Road and west of NE Old Salem Road.
- POLICY 12** Maintain high-quality housing conditions through enforcement of codes and ordinances.
- POLICY 13** Ensure land uses allow for the efficient provision of public facilities and transportation networks.

Provide housing for all.

- POLICY 14** Provide opportunities for housing at price and rent levels commensurate with the needs of current and anticipated residents.
- POLICY 15** Support the need for all citizens of the community to obtain adequate housing regardless of their income, age, race, religion, sex or ethnic background.
- POLICY 16** Support homeownership and rental opportunities for all housing types.
- POLICY 17** Provide opportunities for elderly residents to age in place by encouraging the development of housing types that are affordable and accessible, such as accessory dwelling units and retirement communities.
- POLICY 18** Collaborate with services, programs and organizations that provide opportunities for development of lower cost housing in areas with access to jobs, public transportation, open spaces, schools, and supportive services and amenities.
- POLICY 19** Maintain information and resources on available housing, financing programs, and assistance programs in both the public and private sector that are suited to the needs of the community.
- POLICY 20** Encourage the land use code to include “clear and objective” standards for housing development and does not have the effect of discouraging needed housing through unreasonable cost or delay or reducing the proposed housing density already allowed by zoning.
- POLICY 21** Ensure existing manufactured home parks shall continue to be allowed within the locational criteria of the land use code and protected from redevelopment to maintain Millersburg’s existing affordable housing stock.
- POLICY 22** Streamline the permitting process to reduce cost and delay of new housing units.
- POLICY 23** Promote the development of accessory dwelling units as a means to contribute to the overall housing stock and rental market.
- POLICY 24** Allow manufactured homes on individual lots to increase housing choices.



NOTICE OF PUBLIC REVIEW
December 6, 2022, 6:00 p.m.
And December 13, 2022, 6:30 p.m.

**Hearing will be in person and
by phone/computer.**

See Agenda on the City website for details.

The City of Millersburg will hold a **PLANNING COMMISSION** hearing on December 6, 2022 at the above time and place, and a **CITY COUNCIL** hearing on December 13, 2022 at the above time and place to consider the action described below. The action may be heard later than the time indicated, depending on the agenda schedule. Interested parties are invited to send written comment or attend the hearing. A staff report relating to the proposal will be available seven (7) days prior to the first public hearing. For further information, contact Millersburg City Hall at (458) 233-6306.

The location of the meeting is accessible to the disabled. If you need any special accommodations to attend or participate in the meeting, please notify City Hall twenty-four (24) hours before the meeting.

APPLICANT: City initiated
LOCATION: City wide
CRITERIA: Millersburg Development Code; Section 5.11. These criteria also require compliance with the applicable Statewide Planning Goals and Oregon Administrative Rules, 660-004, 660-012, 660-014, 660-015, 660-022, and Oregon Revised Statutes 197.732.
FILE No.: DC 22-05
REQUEST: Comprehensive Plan Amendment DC 22-05 proposes to revise and replace the Comprehensive Plan Housing Chapter. Grant funding was provided by the DLCDC for this effort. This is intended to be the first step in a full revision of the City's Comprehensive Plan. See this link for more detail and new housing chapter: <https://www.cityofmillersburg.org/planning/page/land-use-matters-application>