

Attachment 1 – McMinnville HPS Proposed Actions Memo

Exhibit 1 provides the complete list of the 16 actions proposed for inclusion in the HPS.

Exhibit 2 provides a summary of the 16 actions proposed for inclusion in the HPS, including the identification of 5 different categories that the actions fall within: Long-Range Planning, Regulatory Amendments, Incentives for New Housing, Land-Based Programs, Housing Choice and Preservation.

- Following Exhibit 3 (Pages 7-46) this Memo provides details on each of the 16 actions, covering: Timeline, Rationale, Description, City role, Partners and their Role, Anticipated Impacts, Implementation Steps, and Funding or Revenue Implications

Exhibit 1: List of Actions in the HPS

1. Use more land in the Urban Holding Plan Designation for housing
2. Rezone land to R-5 within the existing city limits for housing
3. Develop area plans for Urban Growth Boundary areas
4. Infrastructure planning to support residential development
5. Implement and codify Great Neighborhood principles
6. Require a mix of housing types for to-be-annexed land
7. Adopt code amendments to support transitional housing
8. Incentivize and promote accessible design
9. Establish a Multiple-unit tax exemption (MUPTE) program
10. Scaling of systems development charges (SDCs)
11. Partner with Community Land Trusts (CLT)
12. Support affordable housing development through provision of land
13. Develop and adopt a Strategic Housing Opportunities Plan
14. Mitigate displacement through the adoption of anti-displacement policies and strategies
15. Implement a fee for demolition of existing affordable homes
16. Preserve and Support Development of Manufactured Home Parks

Exhibit 2. Summary of Actions in the HPS

Name	Action Description
Long-Range Planning	
1. Use more land in the Urban Holding Plan Designation for housing	Amend the MGMUP Framework Plan outlining the land allocation for the UGB Urban Holding Designation to add 171 gross buildable acres of housing land to the 393 acres already allocated for housing for a total of 564 acres of residential land.
2. Rezone land to R-5 within the existing city limits for housing	Identify land to rezone within the existing city limits for housing. Opportunities may include re-zoning underutilized employment land such as industrial and commercial land that is better suited to housing, as well as upzoning lower density residential land to higher density residential zones.
3. Develop area plans for Urban Growth Boundary areas	Complete the Southwest Area Plan and the Riverside South Area Plan.
4. Infrastructure planning to support residential development	Identify areas to prioritize infrastructure development to support residential development.
Regulatory Amendments	
5. Implement and codify Great Neighborhood principles	Develop clear and objective standards for implementing the Great Neighborhood Principles.
6. Require a mix of housing types for to-be-annexed land	Implement a mix of housing types that is consistent with Area Plans and the Great Neighborhood Principles ¹ .
7. Adopt code amendments to support transitional housing*	<p>Adopt code amendments that will enable transitional housing development at a standard of site development that is less expensive than traditional housing development to try and offset the costs of transitional housing development without compromising life safety regulations.</p> <p>*Transitional housing is for people experiencing homelessness, or at imminent risk of homelessness, and is paired with on-site or off-site supportive services to transition residents to permanent living arrangements.</p>

¹ <https://www.mcminnvilleoregon.gov/cd/page/great-neighborhood-principles>

Name	Action Description
Incentives for New Housing	
8. Incentivize and promote accessible design	Provide incentives in the development code to increase the number of units designed to meet Universal Design, Lifelong Housing Certification, or other similar standards.
9. Establish a Multiple-unit tax exemption (MUPTE) program	Work with overlapping taxing districts to adopt MUPTE.
10. Scaling of systems development charges (SDCs)	Adopt SDC methodologies with policies and goals featuring equity of allocation based on size and scale of housing.
Land-Based Programs	
11. Partner with Community Land Trusts (CLT)	Support the formation of community land trusts by researching, evaluating and supporting partnerships with community land trust organizations. The City will also support community land trusts by prioritizing funding for land acquisition and disposition for affordable housing development through state affordable housing land acquisition or the City's affordable housing CET fund.
12. Support affordable housing development through provision of land	Establish and maintain a land banking system. The land banking process would entail prioritizing housing on City-owned surplus land, purchasing land in key opportunity areas for new housing development, conducting parcel assembly, and partnering with local institutions and organizations.
Housing Choice and Preservation	
13. Develop and adopt a Strategic Housing Opportunities Plan	The primary goal of this action will be to identify gaps that are present in McMinnville's housing market and develop a plan with prioritized strategies to fill these gaps, providing housing opportunities for different household compositions, ages, and income ranges.
14. Mitigate displacement through the adoption of anti-displacement policies and strategies	Conduct a displacement risk assessment that will be based on relevant contributing factors including sociodemographic indicators, transportation factors, neighborhood characteristics, housing indicators, measures of civic engagement, social vulnerability, demographic change, and market prices. Based on the results of this work, the City will adopt Comprehensive Plan text amendments.

Name	Action Description
15. Implement a fee for demolition of existing affordable homes	Assess additional fees for certain demolitions.
16. Preserve and Support Development of Manufactured Home Parks	<p>Work with owners of manufactured home parks to understand redevelopment plans and reach out to residents of the manufactured home park to understand interest for purchasing the manufactured home park. The City will help connect residents of the manufactured home park to nonprofits who may help manufactured home park residents purchase the park.</p> <p>The City will identify barriers to manufactured home park development and develop code amendments to remove those barriers.</p>

Exhibit 3 provides a proposed implementation schedule based on priority actions and logical timing based on anticipated budget and time and resources limitations.

Exhibit 3. Implementation Schedule for the 8-year work plan

Action Group	Action Name	Implementation Years				Impact on Housing
		1-2	3-4	5-6	7-8	
Long-Range Planning	1. Use more land in the Urban Holding Plan Designation for housing					High
	2. Rezone land to R-5 within the existing city limits for housing					Medium
	3. Develop area plans for Urban Growth Boundary areas	SW		RSS		High
	4. Infrastructure planning to support residential development	On-Going				High
Regulatory Amendments	5. Implement and codify Great Neighborhood principles					Medium
	6. Require a mix of housing types for to-be-annexed land	On-Going				Medium
	7. Adopt code amendments to support transitional housing					Medium
Incentives for New Housing	8. Incentivize and promote accessible design					Medium
	9. Establish a Multiple-unit tax exemption (MUPTE) program					Medium
	10. Scaling of systems development charges (SDCs)					Medium
Land-Based Programs	11. Partner with Community Land Trusts (CLT)					Medium
	12. Support affordable housing development through land provision	On-Going				Medium
Housing Choice and Preservation	13. Develop and adopt a Strategic Housing Opportunities Plan					Medium
	14. Mitigate displacement through the adoption of anti-displacement policies and strategies					Medium
	15. Implement a fee for demolition of existing affordable homes					<i>Low</i>
	16. Preserve and Support Development of Manufactured Home Parks					High

- Following Exhibit 3 (Pages 7-46), this memo provides details on each of the 16 actions, covering: Timeline, Rationale, Description, City role, Partners and their Role, Anticipated Impacts, Implementation Steps, and Funding or Revenue Implications

Action Groups Index

The sixteen actions have been organized into the following 5 “action groups”.

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Section 2: Regulatory Amendments, page 16

Section 3: Incentives for New Housing, page 23

Section 4: Land-Based Programs, page 30

Section 5: Housing Choice and Preservation, page 36

Section 1: Long-Range Planning Actions

1. Use more land in the Urban Holding Plan Designation for housing
2. Rezone land to R-5 within the existing city limits for housing
3. Develop area plans for Urban Growth Boundary areas
4. Infrastructure planning to support residential development

1. Use More Land in the Urban Holding Plan Designation for Housing

Work Plan

Implementation Years				Impact
1-2	3-4	5-6	7-8	High

Rationale

The City's Housing Needs Analysis (2023) showed a deficit of 202 acres of land for housing. The City expanded its UGB in 2020 to add more land for residential needs identified in the 2001 (amended 2003) Housing Needs Analysis for the planning period of 2003 – 2023. This land brought into the UGB was designated as an Urban Holding Plan Designation. Recent changes to the City's parks planning for the planning horizon of 2021 – 2041 reduced park land need, allowing for opportunity of development of more land for residential uses.

Description

The City's Housing Needs Analysis (2023) assumed that 392.90 gross buildable acres in its Urban Holding Plan Designation will be used for residential uses, with an additional 425 gross buildable acres for public and semi-public uses and 39 acres for neighborhood commercial uses. Of the land for public uses, 254 gross buildable acres were designated for park and open space uses. This land need and allocation was memorialized in the adoption of the McMinnville Growth Management and Urbanization Plan (MGMUP) Framework Plan as part of the McMinnville Comprehensive Plan via Ordinance No. 5098 (December 8, 2020).

Since that time, the City has taken two actions that have reduced the amount of land in the UGB Urban Holding Designation allocated to parks and open space:

- On September 24, 2024, the City of McMinnville adopted Ordinance No. 5148, amending Appendix C of the McMinnville Economic Opportunities Analysis (2023), and creating a surplus of public and institutional land need of 44 gross buildable acres which could then be reallocated to fulfill the City's residential, commercial or industrial land need.
- On January 28, 2025, the City of McMinnville adopted Ordinance No. 5157 reducing the amount of land in the MGMUP Framework Plan dedicated to park and open space land to 127 gross buildable acres

These two actions amount to 171 gross buildable acres of land in the UGB Urban Holding Designation that can be reallocated to other land needs for the 2021 – 2041 planning horizon. The City will use a portion of the land in Urban Holding that was expected to be used for parks and public/institutional needs to meet some of the City's unmet need for residential land (202 acres).

City Role

The City's action will be to amend the MGMUP Framework Plan outlining the land allocation for the UGB Urban Holding Designation to add 171 gross buildable acres of housing land to the 393 acres already allocated for housing for a total of 564 acres of residential land. This additional allocation of housing land will be reflected in the City's adopted area plans for the UGB Urban Holding comprehensive plan designated land.

Partners and Their Role

Landowners and development community.

Anticipated Impacts

Populations Served	Income	Housing Tenure	Magnitude of New Units Produced
All	All income levels	Renter, owner	About 975 new dwelling units ²

Implementation Steps

The implementation steps for identifying more land in the Urban Holding for residential uses are:

- The City will amend the MGMUP Framework Plan to adopt a policy goal about how much land in the Urban Holding will be used for residential uses through a comprehensive plan amendment process.
- The City will develop and adopt area plans for each of the identified areas in the MGMUP Framework Plan, as part of Action 3. Each area plan will need to reflect the land need identified in the Framework Plan for that specific area. The City adopted an area plan for the Fox Ridge Road Area Plan in 2024. The City will work on the Southwest Area Plan in 2025 and 2026 with a goal of adopting the Area Plan by December 2026.

Funding or Revenue Implications

Amending the MGMUP Framework Plan can be completed by existing staff. There are no funding requirements for this action. The costs of developing areas plans is discussed in Action 3.

² Assumes 171 gross buildable acres at 5.7 units per acre, per 2023 Housing Needs Analysis.

2. Rezone Land to R-5 within the Existing City Limits for Housing

Work Plan

Implementation Years				Impact
1-2	3-4	5-6	7-8	Medium

Rationale

This action will evaluate residential land within the existing city limits for opportunities to rezone the land into a R5, High Density Residential Zone. Currently no land within the existing city limits is zoned R5, High Density Residential.

The City's Housing Needs Analysis (2023) showed a deficit of 202 acres of land for housing, based on current land use designations and zoning. As part of the McMinnville Growth Management and Urbanization Plan adopted in December 2020 (Ordinance No. 5098), the City developed and adopted a R-5, High Density Residential Zone. The R-5 zoning district is limited to higher-density residential housing, such as apartments, multifamily (five units or more), condominiums and boarding houses, and does not allow single dwelling units, duplexes, triplexes and quadplexes.

The only other residential zone that allows apartments and multifamily dwellings (five units or more) is the R-4 zoning district. However, the R-4 zoning district also allows single dwelling units, duplexes, triplexes and quadplexes, and much of the housing development in the R-4 zone is a variety of housing products resulting in a lesser density than the R-5 zone would require. There may be opportunities for the City to rezone some of the land within the city limits that is currently R-4 to R-5.

Description

The City created an R-5 zoning designation intended to provide areas for high-density residential dwelling units and other closely related uses in designated Neighborhood Activity Centers, the downtown, and other appropriate locations within the city, consistent with comprehensive plan policies. Residential densities within this zone are typically 14 to 26 dwelling units per acre.

The City established this zoning district in 2020, however, no property within the city limits has been designated as R-5 yet. Re-zoning property that is best suited for the purpose of R-5 could enable the development of high-density housing types.

The City will identify land to rezone within the existing city limits for housing. Opportunities may include re-zoning underutilized employment land such as industrial and commercial land that is better suited to housing,³ as well as upzoning lower

³ The McMinnville Economic Opportunities Analysis found that the City has a deficit of land for Commercial and Industrial uses. The City will want to carefully select commercial or industrial land to re-zone, focusing on areas where residential development would make more sense than commercial or industrial development. The City may need to re-zone other land, such as land within Urban Holding, to commercial or industrial uses, to ensure there is enough land for these employment uses.

density residential land to higher density residential zones. The types of land rezoned for housing are vacant or partially vacant, low-density residential and employment land rezoned to multifamily or mixed use. In rezoning land, it is important to choose land in a compatible location.

City Role

Evaluate and rezone if appropriate, underutilized industrial, commercial and lower density residentially zoned land for rezoning to the R-5 zoning district within the existing city limits.

Partners and Their Role

Landowners, market-rate developers, nonprofit developers.

Anticipated Impacts

Populations Served	Income	Housing Tenure	Magnitude of New Units Produced
All	All income levels	Renter, owner	Depends on the amount of land re-zoned and the achieved density on rezoned land. ⁴

Implementation Steps

- Evaluate opportunities for land to re-zone within the exiting city limits.
- Work with landowners to understand their interest in re-zoning and determine what zone will be most appropriate to apply to the land.
- Work with McMinnville's Planning Commission and City Council to get public input on and adopt zoning map revisions.

Funding or Revenue Implications

Rezoning land can be done by existing city staff. Rezoning land will have implications for property tax revenue, depending on what is built under the new regulations for allowed uses and housing types. There are no funding requirements for this action.

⁴ The McMinnville Housing Needs Analysis (2023) states that densities in R-5 are expected to average between 14 and 26 dwelling units per acre.

3. Develop Area Plans for Urban Growth Boundary areas

Work Plan

Implementation Years				Impact
1-2	3-4	5-6	7-8	High

Rationale

Completing area planning assures that areas newly brought into the UGB develop in an orderly way, addressing the City's housing, economic development, and other land needs identified in the land needs analysis and memorialized in the McMinnville Growth Management and Urbanization Plan (MGMUP) Framework Plan per the McMinnville Municipal Code requires area plans to meet the requirements of the adopted framework plan. Property owners that want to annex their property into the city limits must show how their proposed development meets the adopted area plan that governs their property through a master planning process or development plan depending upon the size of the property. This ensures that the housing needs are identified in the needs analysis, that is then memorialized in the MGMUP Framework Plan, and then adopted into the respective area plan is met with the annexation and development of the property.

Description

McMinnville's planning system for areas within the Urban Holding designation is to develop area plans, which result in an area plan map that identifies land uses, public facilities, natural resources, and existing urban uses.

Area plans are high level concept planning for defined geographic areas in the Urban Holding Comprehensive Plan Designation land within the City's urban growth boundary. Area plans will identify the location of major infrastructure, public amenities and housing density that is expected to develop in that area. Area plans generally include an implementation section about the steps necessary to provide needed urban services, address natural hazards, needed Comprehensive Plan Amendments and zoning code amendments.

The City has completed areas plans for the Three Mile Lane and Fox Ridge Road Area Plans and is now beginning the Southwest Area Plan. Within the HPS period, **the City will complete the Southwest Area Plan and the Riverside South Area Plan.**

City Role

The City will lead development of the area plans, with assistance from consultant teams selected through a Request for Proposal (RFP) process.

Partners and Their Role

The City will engage with the community through broad public participation and Project Advisory Committees (PACs). to get input for the area plans.

Anticipated Impacts

Populations Served	Income	Housing Tenure	Magnitude of New Units Produced
All Households	All Incomes	Rent and Ownership	No units directly produced

Implementation Steps

- The City will initiate the area planning process and hire a consulting team to develop the plan.
- Through the planning process, the City will engage the community, including have a project advisory committee, to get input into the planning process.
- The City will develop the preferred area plan and work with the Planning Commission and City Council on public hearings.

Funding or Revenue Implications

Each Area Plan costs the City of McMinnville approximately \$350,000 in consultant fees and approximately \$100,000 in staff time.

The adoption of area plans allows for the land to annex into the city for development. Each area plan will identify the type of housing identified for that area based on a high-density, medium-density and low-density scenario.

Annexation of the land from the area into the city allows for urban density development, increasing the city limits and eventually generating property tax revenue to help pay for services for that urbanized area.

4. Infrastructure Planning to Support Residential Development

Work Plan

Implementation Years				Impact
1-2	3-4	5-6	7-8	Medium

Rationale

Cities support urban density housing development with public infrastructure for efficiency. Public infrastructure is planned to support the proposed zoning and densities identified on the City's Comprehensive Plan Map and Zoning Map. With the recent urban growth boundary amendments associated with the McMinnville Growth Management and Urbanization Plan adopted December 2020, the City needs to evaluate and plan for the necessary public infrastructure to support the development of that land at a planned urban density. The City also will analyze public infrastructure services for any proposed property to be rezoned into a higher density residential zoning district.

Description

The City will identify areas to prioritize infrastructure development to support residential development. The City will:

Evaluate and adopt plans for public infrastructure (transportation, wastewater and water) to support the land within the Urban Holding Comprehensive Plan Designation for the land uses identified in the adopted Framework Plan.

Identify areas within the city limits that are suitable for housing but have underutilized infrastructure capacity. These areas may be evaluated as candidates for additional development intensity of vacant lands or infill and redevelopment opportunities in developed areas.

Adopt "to and through" policies to ensure infrastructure extensions are sized to serve development as well as to extend beyond the development in the future to serve outlying properties.

City Role

The City will lead the process for the public infrastructure planning, including the analysis, evaluation and adoption of the public infrastructure plans (transportation, wastewater and water).

Partners and Their Role

McMinnville Water and Light will lead the process for the Water master planning.

Anticipated Impacts

Populations Served	Income	Housing Tenure	Magnitude of New Units Produced
All	All Incomes	Renters and Owners	No units directly produced

Implementation Steps

- Develop a transportation, wastewater and water public facility plan for the Urban Holding Comprehensive Plan Designation areas, and any identified areas within the city that will be rezoned for higher density residential development.
- Adopt the public facility plans through a comprehensive plan amendment process including notice to the Department of Land Conservation and Development, a public hearing with the Planning Commission and final adoption by the City Council.

Funding or Revenue Implications

This action will require both consultant expenses and staff resources to implement.

It is estimated that the consultant expenses will be approximately \$300,000 - \$500,000 and approximately \$100,000 - \$200,000 of staff resources for each public facility plan update (transportation, wastewater and water).

Section 2: Regulatory Amendments

- 5. Implement and codify Great Neighborhood principles
- 6. Require a mix of housing types for to-be-annexed land
- 7. Adopt code amendments to support transitional housing

5. Implement and Codify Great Neighborhood Principles

Workplan

Implementation Years				Impact
1-2	3-4	5-6	7-8	Medium

Rationale

Every community member deserves to live in a “great neighborhood”. In April 2019, the City adopted [Great Neighborhood Principles](#)⁵ (GNP) and associated policies as part of the Comprehensive Plan. The goal of the Great Neighborhood Principles was to identify specific principles (elements or characteristics) that should be achieved in every neighborhood. These principles include things like walkability, access to open spaces, connections to commercial uses, etc.

Description

Ordinance No. 5066 approved Comprehensive Plan Text Amendments to incorporate the Great Neighborhood Principles into the City’s land use planning program. The City of McMinnville amended Chapter IX (Urbanization) of the Comprehensive Plan by adding a new section titled “Great Neighborhood Principles” to the chapter, which falls under Goal IX 2, which is “To establish a land use planning framework for application of the goals, policies, and proposals of the McMinnville Comprehensive Plan”. This new section of Chapter IX (Urbanization) includes policies and proposals related to the Great Neighborhood Principles.

Some of the policies address mixed income and mixed housing neighborhoods. These policies will need to be implemented with code amendments, which can include other strategies, such as Strategy A2 to achieve a Diverse Housing Zone and A13 to promote infill development with appropriate design and development standards.

The City will develop clear and objective standards for implementing the Great Neighborhood Principles. The City can also establish guidance on the implementation of the Great Neighborhood Principles that will inform the land uses for the Urban Reserve and Urban Growth Boundary areas. This action will be considered complete once there are clear and objective standards in the McMinnville Zoning Ordinance to implement the Great Neighborhood Principles.

City Role

City drafts and adopts code regulations to implement the Great Neighborhood Principles.

Partners and Their Role

City-led effort that will include the Planning Commission.

⁵ <https://www.mcminnvilleoregon.gov/cd/page/great-neighborhood-principles>

Anticipated Impacts

Populations Served	Income	Housing Tenure	Magnitude of New Units Produced
All	All Incomes	Renters and Owners	No units directly produced

Implementation Steps

- Conduct code audit to identify potential existing conflicts with the intent of the Great Neighborhood Principles.
- Draft proposed code language for the implementation of the Great Neighborhood Principles.
- Adopted code language for the implementation of the Great Neighborhood Principles.

Funding or Revenue Implications

This action will require both consultant expenses and staff resources to implement.

It is estimated that the consultant expenses will be approximately \$150,000 and approximately \$100,000 of staff resources.

6. Require a Mix of Housing Types for to-be Annexed Land

Workplan

Implementation Years				Impact
1-2	3-4	5-6	7-8	Medium

Rationale

The City has approximately 590 acres of gross buildable acres in its current urban growth boundary for residential development. To annex into the city, property owners must enter into an annexation agreement with the City. The City has the opportunity to require a mixture of housing types be provided as a condition of the annexation agreement. This would allow the City to ensure that all needed housing is being built as part of new housing developments.

Past history demonstrates that most developers tend to focus on either detached single dwelling units in their neighborhood developments or apartment projects as stand-alone developments. With the adoption of the City's "Great Neighborhood Principles", the City identified the importance of having a variety of housing types serving a variety of generations and household incomes contributes to overall enduring value of the neighborhood and quality of life for the residents. Requiring a mix of housing types in to-be-annexed land could help lead to more diverse and inclusive neighborhoods that attempt to avoid the socio-economic segregation of neighborhoods that have led to detrimental effects on communities across the country.

Description

When property owners are seeking annexation into the City of McMinnville, there could be requirements in place that require the annexed land to be developed with a mix of housing types to promote diverse housing opportunities. This avoids newly annexed land to develop in a monotonous matter (such as a subdivision that is all single detached homes that are generally the same size and layout).

This strategy will ensure there are mixed housing types in urban growth boundary (UGB) expansion areas through both clear and objective standards and discretionary processes. Requiring some housing variety, rather than just allowing various housing types and leaving the mix entirely up to market forces, ensures a range of housing types will be provided in a given area—including middle housing (plexes, townhomes, and cottage clusters). This can meet the housing needs of a wider variety of people and contribute to the creation of inclusive neighborhoods.

The City will implement a mix of housing types that is consistent with Area Plans and the Great Neighborhood Principles. Planned Development applications may be a path to achieve a variety of housing types and lot sizes within a larger area of land.

City Role

Development of annexation agreement language and development code regulations to require to-be-annexed land to provide a variety of housing types.

Partners and Their Role

Partners. Landowners and development community.

Anticipated Impacts

Populations Served	Income	Housing Tenure	Magnitude of New Units Produced
All	All Incomes	Renters and Owners	No units directly produced

Implementation Steps

- Evaluate needed housing types, based on current housing stock, pipeline projects, and future projections.
- Maintain consistency with recommendations of Area Plans.
- Develop an annexation agreement template and process to ensure that a mixture of housing types is part of the requirements of annexation for land that is designated for residential development.

Funding or Revenue Implications

This action will rely mostly on staff resources to implement and will allow annexation of property into the city limits that will develop at an urban density providing tax base to support urban services for the development.

7. Adopt Code Amendments to Support Transitional Housing

Workplan

Implementation Years				Impact
1-2	3-4	5-6	7-8	Medium

Rationale

Transitional housing is not a housing type that is typically produced by market actors due to the lack of revenue generated from this housing type. Transitional housing though does provide a phase of housing for individuals experiencing houselessness that is affordable and stable for a longer time than emergency shelter allowing for the time to necessary to stabilize and achieve permanent housing.

Description

Transitional housing is intended to house individuals and families experiencing homelessness, or at imminent risk of homelessness, and is paired with on-site or off-site supportive services designed to eventually transition the residents to permanent independent living arrangements. Transitional housing is a key component to the housing spectrum, and it provides a place for people who are both working their way into stable housing or it may be a safety net for those who have fallen out of stable housing, but it can help prevent them from needing to sleep on the streets or in emergency shelters. There is a significant need for transitional housing in McMinnville, especially due a variety of factors including housing shortages, lack of affordability, limited non-profit and government agency capacity, and houselessness for a variety of other reasons (healthcare costs, unemployment, disability or injury, fleeing domestic violence or abuse).

Oregon Revised Statutes (ORS) 197.746 – sets the parameters of which a local government may choose to regulate transitional housing accommodations, “Inside an urban growth boundary, a local government may authorize the establishment of transitional housing accommodations used as individual living units by one or more individuals... Transitional housing accommodations are intended to be used by individuals or families on a limited basis for seasonal, emergency or transitional housing purposes and may include yurts, huts, cabins, fabric structures, tents and similar accommodations, as well as areas in parking lots or facilities for individuals or families to reside overnight in a motor vehicle, without regard to whether the motor vehicle was designed for use as temporary living quarters.”

The City will adopt code amendments that will enable transitional housing development at a standard of site development that is less expensive than traditional housing development to try and offset the costs of transitional housing development without compromising life safety regulations. The City’s Planning Commission is currently reviewing proposed code amendments that would allow transitional housing development that utilizes unique building types that would not qualify as “dwelling units”.

City Role

- Develop a clear permitting procedure for applicants proposing transitional housing
- Provide relief for transitional housing development to lower barriers and allow more flexible building models. This “relief” focuses on development and design standards for things like building design and landscaping requirements.

Partners and Their Role

Developers of affordable housing and service providers for people experiencing homelessness

Anticipated Impacts

Populations Served	Income	Housing Tenure	Magnitude of New Units Produced
Lower-income households and people experiencing homelessness	Generally households with incomes below 60% AMI, likely below 30% AMI	Renters	Will not directly produce housing

Implementation Steps

- Research, evaluate and develop draft code amendments with the Affordable Housing Committee.
- Invite other successful transitional housing developers to speak at McMinnville decision-making bodies for examples of what works and what doesn't work to overcome fear of impact within the community.
- Work with the Planning Commission on refining the proposed design and development standards to ensure that the proposed code amendments are in compliance with the McMinnville Comprehensive Plan goals and policies.
- Adopt the proposed code amendments via the City Council with the proper notice, and public hearing process.

Funding or Revenue Implications

This action will rely mostly on staff resources to implement, estimated to be approximately \$75,000.

Section 3: Incentives for New Housing

- 8. Incentivize and promote accessible design
- 9. Establish a Multiple-unit tax exemption (MUPTE) program
- 10. Scaling of systems development charges (SDCs)

8. Incentivize and Promote Accessible Design

Workplan

Implementation Years				Impact
1-2	3-4	5-6	7-8	Medium

Rationale

Growth in McMinnville's senior population, as well as other age cohorts, will continue to shape the city's housing needs. Growth in the number of seniors will result in demand for housing types specific to seniors, such as small and easy-to-maintain small dwellings (such as without yards), assisted living facilities, or age-restricted developments. Housing that is accessible to older people and others with disabilities will be essential to meet the housing needs of this growing population.

Description

Housing that is accessible for seniors and people with disabilities is a growing need, generally. This strategy would encourage accessible units through development code, regulatory, or financial incentives and through education to the development community.

The City will provide incentives in the development code to increase the number of units designed to meet Universal Design, Lifelong Housing Certification, or other similar standards. Examples of incentives include development code incentives, planning and building fee reductions, or density or building height bonuses. Additionally, the City will make efforts to increase developer capacity through education and outreach.

Potential requirements to receive the incentives could include:

- Visitability in specific housing types to ensure anyone using a wheelchair can visit the subject homes.
- Requiring housing that receives public funding to provide more accessible units or more accessibility features than required under federal standards.
- Stepless entrances
- Single-level units
- Minimum interior widths (32" doorways, 36" inch hallways)
- Mobility accommodations (such as ramps to entrances)

City Role

Evaluate incentive options for accessibly-designed housing and determine incentive parameters. Once determined, draft amendments to the land use ordinance and work with McMinnville's Planning Commission and City Council to adopt the revised standards.

Partners and Their Role

Market-rate developers, nonprofit developers, and local service providers.

Anticipated Impacts

Populations Served	Income	Housing Tenure	Magnitude of New Units Produced
Seniors and protected classes	All income levels	Renter, owner	XX

Implementation Steps

- Organize a focus group made up of people with disabilities and local service providers to understand the most important features to prioritize, and if accessibility requirements should be tied to specific housing types.
- Evaluate costs and design implications associated with accessible design measures to assess the feasibility and potential effectiveness of these options, and to ensure that they do not create barriers to production of needed housing.
- Identify code amendments that would incentivize accessible housing development.
- Identify available funding resources to provide to developers.

Funding or Revenue Implications

This action will require both consultant costs and staff resources for code amendments, as well as potentially financial resources to support development programs.

It is estimated that the code amendments would be approximately \$75,000 of consultant costs and \$50,000 of staff resources.

Program support is unknown at this time.

9. Establish a multiple-unit tax exemption (MUPTE) program

Workplan

Implementation Years				Impact
1-2	3-4	5-6	7-8	Medium

Rationale

The Multiple-Unit Property Tax Exemption (MUPTE) program is flexible, and eligibility criteria can be set locally, allowing the City to target the exemption to meet its needs. It offers an incentive for preservation and development of housing for low to moderate-income households. It can offer an incentive for mixed-income housing, providing a way to leverage private, market-rate development to expand affordable housing.

Description

MUPTE allows cities to offer a partial property tax exemption (limited to the value of the housing, not the land) for multi-unit development that meets specific locally established criteria, such as having an affordability agreement with a public agency. The terms of the affordability agreement can be set by the City—there are no specific income/affordability requirements in the state statute that enable the program. The City can cap the number of MUPTE exemptions it allows and can approve projects on a case-by-case basis.

MUPTE can be used in several ways:

- As an incentive for new housing in targeted locations with particular features that the market is not producing today and where the incentive is needed to make development with those features viable.
- To make mixed-income or fully regulated affordable housing anywhere financially feasible.
- As an incentive for rehabilitating and preserving affordability in older multiple-unit housing.

The property tax exemption only applies to city property taxes unless the City gets affirmative support from at least 51 percent of overlapping taxing districts for the exemption to apply to their tax collections. Typically, the tax exemption from MUPTE is only large enough to provide an incentive for affordable housing development with support of the overlapping taxing districts (so that all property taxes are exempted by MUPTE). **The City will work with overlapping taxing districts to adopt MUPTE.**

City Role

- Work with other taxing districts to leverage their support for MUPTE.
- Implement the exemption and execute on annual reporting and administration procedures.

Partners and Their Role

Yamhill County, School District, and other overlapping taxing districts

Anticipated Impacts

Populations Served	Income	Housing Tenure	Magnitude of New Units Produced
Low- and middle-income households	60% to 80% MFI	Renter	If this incentive was used for one to two apartment buildings at about 50 units each, and if 20% of the units were affordable, this strategy could result in about 20 units below-market rate.

Implementation Steps

To implement the exemption, the City would take the following steps:

- Conduct outreach to stakeholders
- Seek agreement from taxing districts representing 51% or more of the combined levying authority on the property to include all the taxing jurisdictions in the abatement. If the City is unable to get agreement from other taxing districts, the abatement will only apply to the City's portion of property taxes.
- Determine desired eligibility criteria (percentage of affordable or workforce housing or other public benefits, where the program applies, etc.) for granting MUPTE, within input from the City Council.
- Research partner organizations that may assist with program administration and income verification (if any).
- Work with City Council to establish a MUPTE program via resolution or ordinance
- Establish annual reporting and administration procedures.

Funding or Revenue Implications

The development and ongoing implementation of a MUPTE program will require significant staff time. Revising the development code will also require staff time. MUPTE reduces general fund revenues for all overlapping taxing districts. Administration of this action may require partnerships to verify incomes, which may require funding.

10. Scaling of Systems Development Charges (SDCs)

Workplan

Implementation Years				Impact
1-2	3-4	5-6	7-8	Medium

Rationale

One of the main ways a city can influence project costs is changing the size or timing of Systems Development Charges (SDCs) that developers must pay. SDCs can represent a substantial portion of development costs. When cities reduce these fees, especially SDCs, it can increase the financial feasibility of a project and facilitate more affordable housing production. Deferring SDC payments until projects are completed also reduces the amount that developers must finance during construction.

Description

Scaling fees for smaller units would reduce development costs and may serve as a development incentive for smaller units, which are usually lower cost. When SDCs are scaled to unit size, their share of development costs is more consistent across housing types and unit sizes. Scaling reduces costs for smaller units while remaining revenue neutral for the jurisdiction.

When it updates its SDC methodologies, the City will adopt SDC methodologies with policies and goals featuring equity of allocation based on size and scale of housing.

The City may want to report annually about information about number of units that were developed in each tier of the scale of SDCs.

The City could also create an application-based allowance to modify permitting and development review procedures so that System Development Charges (SDCs) are deferred until occupancy or final inspection can remove a barrier to housing development by allowing the developer to use a wider range of financing tools to pay for the SDCs. This action is unlikely to directly stimulate development of new housing projects on its own. However, in combination with other actions in the HPS it can potentially increase the number of units proposed with each project and speed up the development process.

City Role

Evaluate updates to the City's SDC methodology. Implement SDC methodology change by ordinance or resolution.

Partners and Their Role

Market-rate developers, nonprofit developers.

Anticipated Impacts

Populations Served	Income	Housing Tenure	Magnitude of New Units Produced
All	120% MFI and below	Renter, owner	Will not directly produce housing

Implementation Steps

- As the City updates its transportation, wastewater and parks SDC methodologies, add an analysis on allocation relative to size and scale of the built product.
- Adopt SDC methodologies with policies and goals featuring equity of allocation based on size and scale.

Funding or Revenue Implications

This action will rely on both consultant costs associated with the SDC methodologies for the public facilities – transportation, wastewater and parks (approximately \$250,000) and staff resources to implement (approximately \$100,000).

Section 4: Land-Based Programs

- 11. Partner with Community Land Trusts (CLT)
- 12. Support affordable housing development through provision of land

11. Partner with Community Land Trusts (CLT)

Workplan

Implementation Years				Impact
1-2	3-4	5-6	7-8	Medium

Rationale

Land prices in McMinnville continue to surge, meaning that opportunities for affordable homeownership becomes more and more limited due to the land costs associated with development. Encouraging Community Land Trusts (CLTs) models within city limits could help promote affordable homeownership opportunities for people and help them build equity for future housing needs by eliminating the costs of land from their housing purchase price.

Description

A community land trust (CLT) is a nonprofit corporation that holds land on behalf of a place-based community, while serving as the long-term steward for affordable housing, community gardens, civic buildings, commercial spaces and other community assets on behalf of a community. While CLTs develop all types of projects, the main part of their work is the creation of affordable homes. CLTs make these homes affordable by taking the cost of land out of the purchase price of the home. They remain affordable because the resale of the house is controlled by a resale formula which keeps the price of the house low. When a family or individual purchases a house that is on land owned by a community land trust, they are only purchasing the house, not the land that the house sits on. This makes the house much more affordable. The homeowners then lease the land their house sits on from the CLT. The lease is long term, often a 99-year renewable lease. If and when the homeowner(s) decide to sell the home, they agree to sell it at a restricted price in order to keep the house affordable. The homeowner may realize appreciation from improvements they made on the house.

The City will support the formation of community land trusts and funding for land acquisition in the following ways:

- The City can research, evaluate and support the formation of, or partnership with a community land trust organization.
- The City will also support community land trusts by prioritizing funding for land acquisition and disposition for affordable housing development (see Action 12) through state affordable housing land acquisition or the City's affordable housing construction excise tax fund.

City Role

The City will establish CLT partnerships and identify funding to support CLT development.

Partners and Their Role

Community Land Trust. Community Land Trust. Market-rate and affordable housing providers.

Anticipated Impacts

Populations Served	Income	Housing Tenure	Magnitude of New Units Produced
Lower-income households	Households with income below 120% AMI and likely below 80% AMI	Homeowners	Depends on CLT capacity and funding. Over the 8-year period, likely fewer than 75 dwellings.

Implementation Steps

- Research and evaluate existing community land trusts for potential partnerships
- Visit with local housing providers for their interest in establishing a community land trust.
- Support applications to the Oregon Housing and Community Services state agency for funding for land acquisitions for community land trusts.
- Establish an opportunity to utilize construction excise tax funds for land acquisition for community land trusts.

Funding or Revenue Implications

This action will rely on state and local resources for land acquisition and staffing resources for implementation.

12. Support affordable housing development through provision of land

Workplan

Implementation Years				Impact
1-2	3-4	5-6	7-8	Medium

Rationale

With limited land supply for housing and current economic market conditions, land costs in McMinnville have escalated exponentially. Further, the timing of land availability and funding availability for affordable housing development does not often align. Removing or reducing land costs can make the development of affordable housing more achievable. The City can support development of income-restricted affordable housing (housing affordable at or below 60% of MFI) or moderate-income housing (housing affordable between 60% and 120% of MFI) through the provision of land.

Description

The primary focus of this action relates to policies and strategies that the City could implement to establish and maintain a land banking system. The land banking process would entail prioritizing housing on City-owned surplus land, purchasing land in key opportunity areas for new housing development, conducting parcel assembly, and partnering with local institutions and organizations.

Land banking is the acquisition and holding of properties with the intent that properties be used for affordable housing. Land banks are effective because they hold land over time, controlling costs associated with appreciation, and ensure there is land available for housing developers to respond quickly to funding opportunities. Public land banks are created to acquire, manage, maintain, and repurpose vacant, abandoned, and foreclosed properties for conversion into productive use.

The City could manage its own land bank and work with other partners to manage a portfolio of properties to support affordable housing development. There is funding available through the Oregon Community and Housing Services state agency as well as the City's Construction Excise Tax (CET) affordable housing fund to utilize to support this effort if the eventual development results in housing that serves populations earning 80% AMI or below.

The magnitude of impact depends on how many acres of surplus land the City has or acquires. At the time of creating the HPS in 2023, the City had few surplus properties and thus this action would need to focus on the acquisition of land to make meaningful impact. The City could then leverage its land bank to work with non-profit and for-profit affordable housing developers.

Additionally, a unique concept was proposed through the Project Advisory Committee (PAC). The concept is to work directly with individuals who would like the opportunity to develop their own home, independent of subdivision developers and production home

builders. The City would help future homeowners obtain land control so that they could hire their own contractor and negotiate the price of the home, eliminating the unknown fluctuations associated with a high demand housing market. Another benefit is that independent contractors hired by property owners could build houses to the scale and with the characteristics needed by the particular household, which may lead to a more diverse housing stock.

City Role

The City's role may vary on different projects, such as contributing City-owned surplus land, assisting with land purchase and assembly, or partnering in an affordable housing development project that includes land banking. Specific City roles could include:

- The City could maintain an inventory of land, publicly owned or otherwise, that is available and properly zoned for affordable housing development.
- Surplus City-owned land that is not needed for public facilities or uses could be prioritized for housing through the inclusion of the land into a land bank. Owning land provides the City with leverage to encourage development of high priority housing needs. By prioritizing the use of surplus land to meet housing needs, the City would be directly supporting a reduction of development costs in the form of land. The City could offer surplus property that is suitable for affordable housing development through a Master-planning or RFP process.
- Fragmented, smaller parcels of land can pose an obstacle to development, especially in the short term, however, efforts by the City to coordinate development opportunities between landowners may help to facilitate new projects over time. The City would likely support parcel assembly between private property owners and affordable housing developers that may own or be interested in purchasing nearby property. Having access to more land through parcel assembly can lead to more impactful development sites. Additionally, the City could also pursue purchasing smaller parcels of land to add to the land bank with the purpose of future parcel assembly.
- The City could partner with other institutions and organizations that may own land that could be developed for residential uses. For example, over the past few decades, faith institutions across the country have been declining. This has prompted conversations within different faith communities about how to refocus their mission of social change. The housing affordability crisis in many cities around the country has brought these institutions into the work of creating affordable housing in their communities. The City could identify faith and community-based organizations that are interested in offering their available property to the affordable housing land bank, particularly for short-term development opportunities.

Partners and Their Role

Affordable housing developers, mission-driven landowners, local faith and community-based organizations, people wanting to develop their own housing, local contractors.

Anticipated Impacts

Populations Served	Income	Housing Tenure	Magnitude of New Units Produced
Low income, moderate income	120% of MFI and below	Renter, owner	Depends on the amount of available/surplus land

Implementation Steps

- Get policy direction from City Council on the role the City should take in this action.
- Determine if grant funding or consultant support is needed.
- Support the work of local and regional housing organizations by helping to convene or otherwise support organizations, charities, foundations, or other stakeholders that may be interested in founding a local land bank.
- Create an inventory of suitable sites for housing development, based on infrastructure conditions, location, and other factors.
- Evaluate current inventory of City-owned land and determine if any sites are not needed for public uses and appropriate for housing development, and continually monitor inventory of City-owned sites over time as new land is acquired.
- When a site is not needed for public use, evaluate the most appropriate method for dedicating the land for housing development. This could include executing a land lease with developer as part of a public-private partnership, donating the land, or selling the land at a discounted rate.
- Facilitate connections with local developers that may be interested in partnering to build on property in land bank.
- Identify interested parties who would like to develop their own housing.
- Acquire land or maintain existing land until it can be made available to developers through a Request for Proposals to develop as affordable housing.

Funding or Revenue Implications

Partnering is the most administratively efficient and cost-efficient approach to implementing this strategy. If the City is contributing land to the land bank at low or no cost, then the City is forgoing realizing the value of the land if it was sold on the open market. If the City contributes funds to a land bank, the City will need to identify a source of funding for the contributions.

Section 5: Housing Choice and Preservation

- 13. Develop and adopt a Strategic Housing Opportunities Plan
- 14. Mitigate displacement through the adoption of anti-displacement policies and strategies
- 15. Implement a fee for demolition of existing affordable homes
- 16. Preserve and Support Development of Manufactured Home Parks

13. Develop and adopt a Strategic Housing Opportunities Plan

Workplan

Implementation Years				Impact
1-2	3-4	5-6	7-8	Medium

Rationale

As a part of the City's Housing Needs Analysis, a specific Section was dedicated to "Demographic and Other Factors Affecting Residential Development in McMinnville". This action is intended to be responsive to specific contextualized housing needs or populations that may have unique preferences and barriers.

To address the community's housing needs now and in the future, the City has committed to establishing a roadmap toward a more equitable housing system. While housing affordability is a key component of housing equity, providing more rent-restricted affordable housing without also taking other actions will not achieve the full potential of an equitable housing approach. Equitable housing means that all people are able to find a home that meets their location, price, space requirements, and desired amenities. It requires a strategy that not only accounts for new units and price points, but also other features needed by the people who will occupy them.

Residents have expressed concern about being displaced or having to move out of the city in search of more affordable rental and homeownership opportunities. Residents have also expressed an interest in encouraging a broader range of housing types to be built, including more single-level homes with accessibility or adaptability features, accessory dwelling units and entry-level homes.

A key source of information to inform this action is based on a focus group conducted during the HPS process held by a trusted Spanish-speaking facilitator who invited twenty-five Latinx community members representing a range of perspectives, occupations, and ages.

Description

The primary goal of this action will be to identify gaps that are present in McMinnville's housing market and develop a plan with prioritized strategies to fill these gaps, providing housing opportunities for different household compositions, ages, and income ranges.

One known priority of the Strategic Housing Opportunities Plan, will be increasing housing equity for historically marginalized groups.⁶

⁶ Historically marginalized groups in McMinnville include Latinos and other People of Color, people with disabilities, immigrants and refugees, and other groups.

This proposed action focuses on four key areas of effort:

1. **Zoning and Land Use Regulations.** The City will assess the unmet housing needs of historically marginalized groups, based on information in the Housing Production Strategy and engagement with the groups. Some housing needs discussed in the HPS include: need for multigenerational housing, need for housing that is accessible for people with disabilities, a wider range of housing types for small households (e.g., cottage cluster units or single-room occupancies), housing near services and amenities. The City will complete an analysis of residential zoning ordinances to identify areas of opportunities to allow the housing types identified in this analysis.
2. **Local Funding and Incentives.** Local funding availability will prioritize furthering equitable housing outcomes, whenever possible, with a particular focus on investing in providing opportunities for historically marginalized groups. The City will prioritize funding for proposals that specifically serve historically marginalized populations.
 - Offer incentives to developers for creating affordable housing options in underserved areas, or priority housing types.
 - Allocate more funding to programs specifically targeting historically marginalized households.
 - Introduce “equity zones” in historically redlined neighborhoods, offering tax credits, affordable housing initiatives, and community development grants.
3. **Fair Housing Partnerships and Policy Advocacy.** The City will identify partnership opportunities to promote and enforce Fair Housing laws. Potential partners include Fair Housing Council of Oregon, Housing Authority of Yamhill County, Yamhill Community Action Partnership, and Unidos Bridging Community (a Latinx-led nonprofit that promotes integration, participation, and success of Latinx individuals and families in Yamhill County).
4. **Culturally Competent and Accessible Outreach and Support.** The City will work with its Diversity Equity and Inclusion Advisory Committee (DEIAC) to develop a campaign to promote housing information to a wide range of audiences that are reflective of McMinnville’s community demographics, particularly Spanish-speakers.

City Role

The City will develop the Strategic Housing Opportunities Plan, working with partners to provide input into the plan.

Partners and Their Role

Partners. Local service providers, local affordable housing providers, Fair Housing Council of Oregon, Housing Authority of Yamhill County, Yamhill County Action Partnership, non-profit organizations serving historically underserved communities.

Anticipated Impacts

Populations Served	Income	Housing Tenure	Magnitude of New Units Produced
Latino and other People of Color, People with disabilities, Veterans, Seniors, Houseless	All Incomes	Renter or Homeowners	Will not directly produce housing

Implementation Steps

- Working with the Affordable Housing Committee, develop an engagement plan to guide engagement with representatives from historically marginalized groups, such as Latinos, People of Color, people with disabilities, and other groups with underrepresented housing needs.
- Develop analysis of needed changes to City policies, considering the four topic areas described in the actions.
- Work with the Affordable Housing Committee, the Planning Commission, and the City Council to develop the new or revised policies to address the findings of the analysis and increase equitable access to housing.
- Adopt the new or revised policies.

Funding or Revenue Implications

The City anticipates working with a consultant team who was expertise in this area. An estimated amount for this contract has not yet been set, and it may fluctuate considering the City must still determine the scope of work for a contract, and is not anticipating beginning this action until about 5 years from now. However, a general estimate is \$200,000-\$300,000. Staffing resources for evaluation and implementation (\$100,000).

14. Mitigate displacement through the adoption of anti-displacement policies and strategies

Workplan

Implementation Years				Impact
1-2	3-4	5-6	7-8	Medium

Rationale

As McMinnville's demographics change over time and access to affordable housing becomes less attainable, it is important to analyze and address displacement risks in the city. Many variables can lead to displacement of current community members, including cost of housing, rising property taxes, change in housing needs, new residents moving in with higher purchasing power than current residents, employment opportunities, changing in work culture (remote working availability), and rising costs of living (food, healthcare, transportation, etc.).

Description

Displacement can happen in many ways, but the three most identified categories are:

- **Direct Displacement** occurs when residents can no longer afford to remain in their homes due to rising housing costs. Residents may also be forced out by lease non-renewals, evictions, or physical conditions that render homes uninhabitable as investors await redevelopment opportunities.
- **Indirect Displacement** refers to changes in who is moving into a neighborhood. Indirect displacement occurs when units being vacated by low-income residents are no longer affordable to other low-income households because rents and sales prices have increased
- **Cultural Displacement** occurs as the scale of residential change advances. Businesses and services shift to focus on new residents, institutions become separated from the communities they serve, the character of the neighborhood is transformed (can include changes to building typologies), and the remaining residents may feel a sense of dislocation despite remaining in the neighborhood.

Displacement is a problem with serious consequences for communities. For affected individuals and groups, being displaced can often mean being forced to move from their current neighborhoods to areas with a worse quality of life. Displacement can also result in increased regional inequality, as newly gentrified areas are often characterized by an influx of higher-income households and reduced socio-economic diversity.

Anti-displacement strategies are policies, regulations, or programs that intend to counteract the displacement pressures felt by some households and are measured based on their ability to reduce displacement either directly or indirectly. Anti-displacement strategies are critical roadmaps for cities interested in stabilizing neighborhoods because they not only outline and prioritize locally tailored solutions, but when drafted in collaboration with other local organizations, help build capacity in local communities through ongoing education about displacement.

The City will conduct a displacement risk assessment that will be based on relevant contributing factors including sociodemographic indicators, transportation factors, neighborhood characteristics, housing indicators, measures of civic engagement, social vulnerability, demographic change, and market prices. Based on the results of this work, the city will adopt Comprehensive Plan text amendments to implement anti-displacement policies and preservation of naturally occurring affordable housing. These policy changes may lead to code updates, forming additional housing programs or policies, or partnerships to address displacement in McMinnville.

City Role

Lead the displacement analysis and work with the Affordable Housing Committee and Planning Commission on legislative updates, including Comprehensive Plan amendments.

Partners and Their Role

Partners. Service providers for populations that may be displaced, and local affordable housing providers.

Anticipated Impacts

Populations Served	Income	Housing Tenure	Magnitude of New Units Produced
Latinos, People of Color, people with disabilities, low-income households	Generally households with income below 100% AMI	Renter or homeowner	Will not directly produce housing

Implementation Steps

- Set goals and priorities for displacement concerns to include in anti-displacement work and identify key areas of displacement concerns to include in analysis.
- Develop a report that analyzes potential and existing displacement risks.
- Integrate relevant practices from the “Anti-Displacement and Gentrification Toolkit Project”⁷ developed by Portland State University for the Department of Land Conservation and Development (DLCD).
- Propose Comprehensive Plan amendments that are responsive to the findings.
- Implement adopted Comprehensive Plan policies through additional code changes, housing programs, or partnerships.

Funding or Revenue Implications

This action will rely on consultant resources for the initial report (\$75,000), and staffing resources for evaluation and implementation (\$75,000). Actions may require additional funding for implementation. **This work could be included as a part of Action 13: Strategic Housing Opportunities Plan.**

⁷ https://www.oregon.gov/lcd/Housing/Documents/AttachmentA_PSU_Toolkit.pdf

15. Implement a Fee for Demolition of Existing Affordable Homes

Workplan

Implementation Years				Impact
1-2	3-4	5-6	7-8	Low

Rationale

To help reduce the potential loss of existing affordable homes in the community, it could be beneficial to incentivize the retention of affordable housing stock. A fee for the demolition of existing affordable housing units could help prevent redevelopment of sites into unaffordable housing types.

Description

The City will assess additional fees for demolitions of housing that is comparatively affordable. The tax would not apply to properties that must be demolished due to uninhabitability, or in cases where the structure will be replaced with housing subject to affordability covenants. The purpose of this fee is to slow the loss of naturally occurring affordable housing and generate a source of funding to support preservation and development of new affordable housing.

The City should establish what housing would be subject to this fee and the specific fees for demolishing existing housing. In addition, the City should determine what type of development, if any, may be exempt from the fee, including the development of new affordable housing units, certain density thresholds for infill development (if existing home is replaced by a minimum amount of density), or other exceptions.

City Role

Establish a fee for demolition of existing affordable housing.

Partners and Their Role

Developers and stakeholders involved with affordable housing provision.

Anticipated Impacts

Populations Served	Income	Housing Tenure	Magnitude of New Units Produced
Lower-income households	Households with incomes below 120% AMI	Renter or homeowners	Will not result in production of new units

Implementation Steps

- Develop criteria to identify the types of demolitions subject to the fees and identify exceptions, if any.
- Set the amount of the fee.
- Determine how funds from this fee will be used, such as to preserve existing affordable housing or support development of new affordable housing.
- Work with the Affordable Housing Committee and City Council to adopt this policy.

Funding or Revenue Implications

This action will rely mostly on staff resources to implement, assuming \$50,000.

16. Preserve and Support Development of Manufactured Home Parks

Workplan

Implementation Years				Impact
1-2	3-4	5-6	7-8	High

Rationale

Manufactured home parks provide a form of naturally occurring affordable housing stock but are particularly vulnerable to redevelopment pressures because residents rent the land underneath their homes from the property owner. More broadly, modern manufactured and prefab housing is often a more affordable form of housing than site-built construction, but development codes usually limit where manufactured housing can be located.

Description

In order to preserve safe, affordable options into the future, manufactured home parks may be protected through assistance that allows community purchase of the underlying land and provides funds to maintain upkeep of these dwelling units. This strategy can be implemented through use of land trusts, resident-owned communities, public ownership of land, or condominium conversion of the real estate assets to preserve the communities. Oregon Housing and Community Services (OHCS) has regularly received lottery bonds or general funds from the Oregon Legislature to preserve manufactured home parks through either resident-owned communities or nonprofit ownership.

Oregon regulates closure of manufactured home parks (in ORS 90.645). The State requires owners of manufactured home parks to give notice of closure or conversion of a manufactured home park. Manufactured home park owners are required to pay households a fee (of between about \$6,000 and \$10,000) when closing manufactured home parks.

In the face of closure or sale of a manufactured home park, preservation of manufactured home parks can be accomplished through a range of approaches, such as resident owned cooperatives or non-profit ownership. Since 2007, 30 manufactured home parks have been preserved statewide. In 2019, the Legislature funded a manufactured dwelling park loan program through OHCS specifically preserve manufactured home parks. Oregon Housing and Community Services (OHCS) works with Community Development Financial Institutions (CDFI) to preserve manufactured home parks through this loan fund.

The City will work with owners of manufactured home parks to understand redevelopment plans and reach out to residents of the manufactured home park to understand interest for purchasing the manufactured home park. The City will help connect residents of the manufactured home park to nonprofits who may help manufactured home park residents purchase the park. The City may offer financial, technical, or legal assistance were possible.

The City has an existing partnership with Yamhill County that provides funding to repair manufactured homes, which can help allow people to make needed improvements to their existing manufactured homes. The City could incentivize development of manufactured home parks to create a more affordable path to homeownership. The City would identify barriers to manufactured home park development and develop code amendments to remove those barriers. The City may provide incentives for manufactured home park development.

City Role

The City's role may vary on different projects, such as assisting with manufactured home park purchase or providing funding to support a park purchase, including technical or legal assistance to form a resident-owned community or land trust. The City would revise development code to remove barriers to manufactured home park development.

Partners and Their Role

OHCS, CASA of Oregon (local Resident-Owned Communities USA affiliate); residents of manufactured home parks; manufactured home park owners.

Anticipated Impacts

Populations Served	Income	Housing Tenure	Magnitude of New Units Produced
Lower income households	80% MFI and below	Primarily owners of manufactured homes*	Will not directly produce new housing

* Owners of manufactured homes rent land. Some manufactured home residents also rent the structure.

Implementation Steps

To support preservation of existing manufactured home parks:

- Work with manufactured park owners to identify owners who want to sell or redevelop their manufactured home parks
- Work with resident of the manufactured home parks to understand interest in purchasing the manufactured home park.
- Partner with nonprofits, the housing authority, and manufactured home park owners to support preservation efforts. Offer financial support where possible

To support incentivize the development of new manufactured home parks:

- Draft code amendments that remove barriers and provides incentives for manufactured home park developments as a permitted use.
- Work with Affordable Housing Committee, Planning Commission and City Council to get public input on and adopt the code revisions.

Funding or Revenue Implications

Preserving existing manufactured home parks will require staff time. If the City offers financials support, it will need to identify a source of funding for that support. Revising the development code to incentivize manufactured housing will require staff time. Providing incentives for manufactured housing development may require a source of funding or a source to “backfill” foregone revenue.