

City of McMinnville Community Development 231 NE Fifth Street McMinnville, OR 97128 (503) 434-7311 www.mcminnvilleoregon.gov

AGENDA

McMinnville Affordable Housing Committee Hybrid Meeting: In-Person and ZOOM Online Meeting Regular Meeting: Wednesday, January 24, 2024, 10:00 AM-11:00 AM

Please note that this meeting will be conducted as a hybrid meeting. You may attend in-person or via ZOOM meeting software.

In-Person: McMinnville Community Development Center, 231 NE Fifth Street

ZOOM Meeting: You may join online via the following link:

https://mcminnvilleoregon.zoom.us/j/98107138613?pwd=QUZvbW5ZWEpPWVB5MVRVckdKeEFIZz09

Zoom ID: 981 0713 8613

Zoom Password: 611654

Or you can call in and listen via zoom: 1-253-215-8782 ID: 981 0713 8613

Task Force Members	Time	Agenda Items
Kellie Menke Chair	10:00 AM	1. Call to Order / Roll Call
Vickie Ybarguen, Vice-Chair	10:02 AM	2. Swearing in of New Committee Member Tracy Haas
Zack Geary		3. Selection of Chair and Vice Chair, Exhibit 1
Katie Curry		
Frank Foti		4. MINUTES: None.
Rachel Flores	10 [.] 05 AM	5. Information Sharing/Action Items
Tracy Haas	10.007.00	Density Bonus/Small Lot Allowance, <i>Exhibit 2</i>
Philip Higgins		Work Plan Review, <i>Exhibit 3</i>
Steve Iversen		
Carrie Martin	10:35 AM	6. Agency Reports: If you are requesting specific support or action from the Committee places
Kenneth Cash Yount		indicate those items and actions.
Ex-Officio:		HAYC
Howie Harkema, Encompass Yamhill Valley		 Habitat Encompass Yambill Valley
Alexandra Hendgen, YCAP		 Henderson House Unidos
Lindsey Manfrin, Yamhill County		Yamhill County HHS
Miriam Vargas Corona, ^{Unidos}	10:45 AM	7. Citizen Comments
	10:50 AM	8. Committee Member Comments/Updates
	10:55 AM	9. Staff Comments/Updates
	11:00 AM	10. Adjournment

Please note that these documents are also available on the City's website <u>www.mcminnvilleoregon.gov</u>; click on Government, click on Boards and Commissions, click on McMinnville Affordable Hersing 1 of 16 Committee. You may also request a copy from the Planning Department at the Community Development Center, 231 NE 5th Street, 503-434-7311.



EXHIBIT 1 – STAFF REPORT

DATE:	January	/ 24,	2024

TO: Affordable Housing Committee (AHC) Members

- FROM: Tom Schauer, Senior Planner
- SUBJECT: Election of Chair and Vice-Chair

STRATEGIC PRIORITY & GOAL:

HOUSING OPPORTUNITIES (ACROSS THE INCOME SPECTRUM)

Create diverse housing opportunities that support great neighborhoods.

OBJECTIVE/S: Collaborate to improve the financial feasibility of diverse housing development opportunities

Report in Brief:

At the beginning of each year, committees elect a Chair and Vice-Chair. This memo outlines the process for nominations and election.

Procedure:

- 1. Begin with the nominations for the position of the chair.
 - a. Any committee member may nominate another member. Committee members can also nominate themselves. Nominations do not have to be seconded. If a nominee does not wish to be considered, that person can decline the nomination.
 - b. When nominations stop, the chair will call for any more nominations. When no other nominations forthcoming, the chair will state that the nominations are closed.
 - c. Once the nominations are closed, the chair will state the names of the nominees.
 - d. Each member must state their vote for the chair. If one person receives a majority of the vote, the chair will declare the result of the vote. If no one receives a majority of the vote, the vote must be done again. No person can be eliminated as a nominee, but any nominee can withdraw their nomination. The voting will continue until one person receives a majority of the vote.
- 2. The vice-chair will then be elected in the same manner.
- 3. At the close of the elections, the new chair will preside over the remainder of the meeting.



City of McMinnville Community Development

231 NE Fifth Street McMinnville, OR 97128 (503) 434-7311 mcminnvilleoregon.gov

EXHIBIT 2 - STAFF REPORT

DATE: January 24, 2024

TO: Affordable Housing Committee (AHC) Members

FROM: Tom Schauer, Senior Planner

SUBJECT: Density Bonus/Small Lot Allowance

STRATEGIC PRIORITY & GOAL:



HOUSING OPPORTUNITIES (ACROSS THE INCOME SPECTRUM)

Create diverse housing opportunities that support great neighborhoods.

OBJECTIVE/S: Collaborate to improve the financial feasibility of diverse housing development opportunities

Report in Brief:

The Committee has been reviewing a proposal for a "Small Lot Allowance" as an approach to address the concept of a density bonus as a top priority for the remaining items on the action plan. Staff previously provided background information on this topic and distributed a spreadsheet at the last meeting.

The Committee has provided comments regarding the proposed concept. Staff has provided some additional analysis and information discussed below.

Background:

Small Lot Allowance Purpose:

• The small lot allowance is proposed as a type of density bonus intended to provide a voluntary incentive for affordable housing.

If density is "dwellings per acre" or "dwelling per lot," this approach focuses on the denominator aspect of the density equation vs. the numerator aspect. It would allow more lots and therefore more units per acre within the same buildable area in exchange for deed restricting some lots to meet affordability requirements.

 Most publicly-funded subsidized affordable housing programs (80% AMI or lower) focus on rental housing, and also typically need an economy of scale that requires sites of minimum of ~5 acres and minimum of ~50 units. • This approach is intended to provide an alternative incentive that could be used to help address scarce sites/land availability, address opportunities for smaller sites, allow for distributed rather than concentrated locations, take advantage of smaller scale "middle housing" types, and address both affordable rental and ownership opportunities.

Notes Regarding Current Regulations:

- With a standard subdivision, all lots need to meet the minimum lot size for the zone.* Tiny houses, single dwellings, duplexes and triplexes are allowed on any lot. Quadplexes are allowed on a lot of 7,000 square feet or larger. *Townhouse lots can be smaller.
- In a Planned Development, lot sizes can be smaller for different housing types as specified in the Zoning Ordinance, but "lot size averaging" is required for a Planned Development, which means smaller lots are offset by some larger lots, such that the average lot size for all lots still exceeds the minimum lot size for the zoning district, so there isn't an increase in maximum number of permitted lots.

Recent Changes in State and Local Law:

Certain changes in state and local law have occurred in recent years which negate the need for some other types of density bonuses.

- "Middle housing" is now allowed on lots in all residential zones that allow single detached homes, generally without restricting the density of units/lot (with some exceptions). This includes the City's R-1, R-2, R-3, R-4 residential zone and the O-R Office-Residential Zone.
- There is no longer a density limit in the R-4 zone, which also means multi-dwelling housing larger than middle housing isn't subject to density limits.
- Density bonuses are now allowed by state law for affordable housing meeting specified requirements, and these supersede local land use regulations.
 - In the City's R-5 zone, which still has density limits, state law now allows density bonuses for affordable housing as specified in state law.

Discussion

The original draft proposal for the Small Lot Allowance is attached as *Attachment 1*. Some of the issues previously discussed include:

- Would the formula used in the draft provide a sufficient incentive based on the number of lots that would need to be deed restricted vs. the total number of additional lots that would be allowed?
- Should the lot size for the small lots be proportional/more similar to the minimum lot size of the zoning district?
- Should the formula for the incentive allow the deed restriction to only address number of lots, or could the deed restriction specify a minimum number of deed restricted units,

allowing for the requirement to be met with multiple units on a lot or lots? The draft allowed the latter (See Section 7).

Analysis

At the last meeting, staff provided a spreadsheet with some examples of subdivision calculations with the small lot allowance applied. The example was based on the minimum lot sizes of the R-1 zone. Some of the key findings:

- With the small lot allowance maximized (50% of lots at 5,000sf), the average lot size for all lots would be approximately 80.7% of the minimum lot size of the R-1 zone (7,260 sf average vs. 9,000 sf).
- With the small lot allowance maximized, the net increase in lots was approximately 25%-28% more lots than would otherwise be permitted without the small lot allowance.
- With the small lot allowance maximized, with the 60-80% AMI provision, approximately 50% of total lots would be deed restricted. With the small lot allowance maximized, with the <=60% AMI provision, ~22-23% of total lots would be deed restricted.
- With the small lot allowance maximized, with the <=60% AMI provision, roughly 100% of the number of net additional lots would need to be deed restricted. With the 60-80% AMI provision, roughly 200% of the number of net additional lots would need to be deed restricted.

Example 1: On a site with 5 net buildable acres zoned R-1, up to 24 lots with a minimum lot size of 9,000 sf would be permitted. With 50% of lots reduced to a 5,000 sf minimum lot size, 6 additional lots would be permitted, for a total of 30 lots.

With a deed restriction of <=60% AMI, 7 of the 30 lots would need to be deed restricted. With a deed restriction of 60-80% AMI, 15 of the 30 lots would need to be deed restricted.

With the <=60% AMI restriction, if Subsection 7 is used, the deed restriction could specify that a total minimum of 7 deed restricted units are to be provided on 2 lots, such as 4 units on one lot and 3 units on another lot. This would allow a net increase of 4 lots that would not need to be deed restricted.*

With the 60-80% AMI restriction, if Subsection 7 is used, the deed restriction could specify that a total minimum of 15 deed restricted units are to be provided on 4 lots, such as 4 units each on 3 lots and 3 units on one lot. This would allow a net increase of 2 lots that would not need to be deed restricted.*

*This example is based on "standard" lots. There is also the option to have townhouse lots which would be smaller. An option to having multiple units on one lot would be to create smaller townhouse lots with common wall townhouses.

Considerations

• In addition to the calculations for the R-1 zone, staff has also run the same calculations based on the minimum lot sizes of the R-2 and R-3 zones. See Attachments 2, 3, and

4. Below is a summary. In short, the smaller the minimum lot size of the zone, the fewer net additional lots can be achieved with the small lot allowance. Accordingly, the percentage of total lots that must be deed restricted is also less for those zones when this is maximized.

Zono	Zone Min	Small Lot	~Avg % Min Lot	Net In by	crease # Net Bld	♯ Lots Ac	~% I Resti of Tota	Deed ricted al Lots
Zone	Lot Size	Min Lot Size	with 50% Small Lots	3 Ac Net Bld	4 Ac Net Bld	5 Ac Net Bld	60-80% AMI	<60% AMI
R-1	9,000	5,000	80%	4	5	6	50%	23%
R-2	7,000	5,000	89%	3	4	4	42%	21%
R-3	6,000	5,000	95%	2	2	2	39%	18%

- While the incentive allows a net increase in lots, the 60-80% AMI restriction would require significantly more lots to be deed restricted than the net increase in number of lots. With the <60% AMI restriction would require deed restrictions for approximately the same number of net additional lots. While there is still value in increasing the number of permitted lots and value that could be achieved by selling them to an affordable housing developer, the number of lots requiring restriction may still be insufficient incentive to use the small lot allowance. If Subsection 7 provisions are retained, that could strengthen the incentive, allowing more market rate lots, but the percentage of deed restricted lots or units is still relatively high to induce an incentive. The incentive would be beneficial to an affordable housing developer for a project that would develop an entire subdivision to meet the affordability requirements.
- If desired, it is possible to use this approach and adjust the ratios to the number of lots that would need to be deed restricted.
- With this approach, when maximized, generally, 50% of the lots would meet the minimum lot size of the zone and 50% of the lots would be close to 5,000 square feet. When maximized, there wouldn't be gradation in lot sizes between these lot sizes, where that increase can be averaged out among all of the lots.
- Based on the initial analysis, staff prepared a spreadsheet that evaluated another approach that would allow a reduction in minimum lot size by a specified percentage based on the level of deed restriction. **See Attachment 5 and below.** This approach also establishes an explicit standard for the share of additional lots that would need to be deed restricted.
- A concept for a revised approach could specify:
 - Development could occur at 90% of the minimum lot size of the zone, but not smaller than the minimum lot size of the next zone, if 50% of the net increase in number of permitted lots would be deed restricted to 60-80% AMI, and
 - Development could occur at 80% of the minimum lot size of the zone, but not smaller than the minimum lot size of the next zone, if either 50% of the net

increase in number of permitted lots would be deed restricted to <=60% AMI, or if 100% if the net increase in number of permitted lots would be deed restricted to 60-80% AMI.

- For calculating the number of deed restricted lots, the requirement shall be one standard lot per standard lot, or one townhouse lot per townhouse lot. One standard lot may also be equated to four townhouse lots.
- If the net increase in number of permitted lots is odd, then the fraction shall be rounded to the number of deed restricted lots. However, one half of a standard lot may be equated to two townhouse lots.

• Example:

In an R-1 zone, with a 9,000 sf minimum lot size on a site of 5 net buildable acres, 24 lots could be built. **90%** of minimum lot size is 8,100 sf, which would allow 26 lots, a net increase of 2 additional lots. Of those, 1 would be deed restricted to 60-80% AMI, and the other 1 could be market rate. 3.8% of total homes would be deed restricted at this level.

In an R-1 zone, with a 9,000 sf minimum lot size on a site of 5 net buildable acres, 24 lots could be built. **80%** of minimum lot size is 7,200 sf, which would allow 30 lots, a net increase of 6 additional lots. Of those, 3 would be deed restricted to <=60% AMI, and the other 3 could be market rate, and 10% of homes would be deed restricted at this level. Alternatively, all 6 would be deed restricted at this level. This would still be 6 homes more than would otherwise be permitted, and these could potentially be sold to an affordable housing developer at a profit to the subdivider.

Additional Considerations

- Most of the buildable land is land that will need to be planned and annexed and will have requirements at the time of annexation to demonstrate how fair share of housing needs will be achieved. Therefore, this type of incentive may be in addition to a mandate to meet fair share of housing needs.
- There are some details that would need to be addressed with calculations.
- This approach would allow averaging of lot sizes at 80% or 90% of the minimum lot size of the zone, rather than having 50% of lots as small as 5,000 sf while 50% of lots would still need to meet the minimum lot size of the zone.
- This approach would assure that a net increase in number of lots would allow for both market rate lots and deed restricted lots, except in very limited circumstances or if the subdivided chose an option that had more deed restricted lots.
- Compared to upzoning a property, this approach could potentially keep land costs lower by only allowing the density increases in conjunction with the affordable housing

provisions. Upzoning would also exclude any incentive to provide housing at below 80% AMI.

Attachments:

- 1. Small Lot Allowance Draft
- 2. R-1 Zone Example Spreadsheet
- 3. R-2 Zone Example Spreadsheet
- 4. R-3 Zone Example Spreadsheet
- 5. New Concept Calculation Spreadsheet

Recommendation:

Staff requests direction from the Committee whether to:

- Take the original concept as presented or with modifications forward to the Planning Commission for refinement and consideration; or
- Take the new concept forward to the Planning Commission for refinement and consideration, with any comments from the Committee for further consideration; or
- Bring either of these back to the Committee for further discussion, addressing any comments, revisions, or guidance from the Committee; or
- Bring other Committee member ideas/concepts for density bonuses/small lot allowances back to the Committee for consideration.

3-30-2023 CONCEPT - DISCUSSION DRAFT, 4-19 CORRECTION

Section 17.53.XXX. Small Lot Allowances

- **1. Purpose.** The small lot allowance provisions of this Section are intended to provide opportunities for inclusive neighborhoods and promote efficient use of land and flexibility in subdivision design.
- 2. **Applicability.** The small lot allowance applies to subdivisions with four or more lots in the R-1, R-2, and R-3 zones.
- 3. The following exceptions to the minimum lot size standards are permitted outright and do not require a variance or approval through a Planned Development.
- 4. For a subdivision with four or more lots in the R-1, R-2, or R-3 zone, the following small lot allowances are authorized:
 - a. Except as provided in Subsection (c), for each lot which is deed restricted to provide affordable housing for households earning 60-80% AMI, one lot may be reduced below the minimum lot size of the zone, but shall not be less than 5,000 square feet.
 - b. Except as provided in Subsection (c), for each lot which is deed restricted to provide affordable housing for households earning at or below 60% AMI, two lots may be reduced below the minimum lot size of the zone, but shall not be less than 5,000 square feet.
 - c. No more than 50% of lots within the subdivision shall be reduced below the minimum lot size of the zoning district through small lot allowances per this Section.
- 5. The following setbacks are authorized for small lots, rather than the setbacks of the applicable zoning district:
 - a. Small lots equal to or greater than 5,000 square feet and less than 6,000 square feet shall be subject to the setbacks of the R-4 zone.
 - b. Small lots equal to or greater than 6,000 square feet and less than 7,000 square feet shall be subject to the setbacks of the R-3 zone.
 - c. Small lots equal to or greater than 7,000 square feet and less than 9,000 square feet shall be subject to the setbacks of the R-2 zone.
- 6. In a subdivision with multiple blocks, small lots shall be distributed so they are not all located within the same block.
- 7. The deed restricted units need not be on the small lot(s) created through the small lot allowance. Deed restricted units may be rental or ownership units, and may be any housing type permitted within the zoning district. Deed restricted units may be on the same lot or different lots. The deed restriction for the deed restricted lots must specify the minimum number of deed restricted units required to be built on the lot.

Commented [TS1]: These zones have minimum lot sizes greater than 5,000 sq ft.: 9,000sf, 7,000sf, and 6,000 sf respectively.

3-30-2023 CONCEPT - DISCUSSION DRAFT, 4-19 CORRECTION
8. The provisions of this section are separate from the lot size averaging provisions authorized for a Planned Development in Chapter 17.51.

Small Lot Allowance Example Calculations

Net Bld		9,000		round			Aggregate		Reg Lots	rounded	rounded			I	ot Density	Required	Required	% of Min	Net Add'l
Acres	SF	Min Lot Size	Max Reg Lots	down	SL Size	Small Lots	SF in Small Lots	SF After	Unrounded	reg lots	small lots	sum lots	50% Max	Avg Min	Lot/ac	Num. if DR 80%	Num. if DR 60%	Lot Size	Lots
3	130,680	9,000	14.52	14	5,000	0	-	130,680	14.52	14	0	14	0.0%	9,334	4.7	0	N/A	103.7%	0
3	130,680	9,000	14.52	14	5,000	1	5,000	125,680	13.96	13	1	14	7.1%	9,334	4.7	1	N/A	103.7%	0
3	130,680	9,000	14.52	14	5,000	2	10,000	120,680	13.41	13	2	15	13.3%	8,712	5.0	2	1	96.8%	1
3	130,680	9,000	14.52	14	5,000	3	15,000	115,680	12.85	12	3	15	20.0%	8,712	5.0	3	1	96.8%	1
3	130,680	9,000	14.52	14	5,000	4	20,000	110,680	12.30	12	4	16	25.0%	8,168	5.3	4	2	90.8%	2
3	130,680	9,000	14.52	14	5,000	5	25,000	105,680	11.74	11	5	16	31.3%	8,168	5.3	5	2	90.8%	2
3	130,680	9,000	14.52	14	5,000	6	30,000	100,680	11.19	11	6	17	35.3%	7,687	5.7	6	3	85.4%	3
3	130,680	9,000	14.52	14	5,000	7	35,000	95,680	10.63	10	7	17	41.2%	7,687	5.7	7	3	85.4%	3
3	130,680	9,000	14.52	14	5,000	8	40,000	90,680	10.08	10	8	18	44.4%	7,260	6.0	8	4	80.7%	4
3	130,680	9,000	14.52	14	5,000	9	45,000	85,680	9.52	9	9	18	50.0%	7,260	6.0	9	4	80.7%	4
3	130,680	9,000	14.52	14	5,000	10	50,000	80,680	8.96	8	10	18	55.6%	7,260	6.0				

Net Bld				round			Aggregate		Reg Lots	rounded	rounded			I	Lot Density	Required	Required	% of Min	Net Add'l
Acres	SF	Min Lot Size	Max Reg Lots	down	SL Size	Small Lots	SF in Small Lots	SF After	Unrounded	reg lots	small lots	sum lots	50% Max	Avg Min	Lot/ac	Num. if DR 80%	Num. if DR 60%	Lot Size	Lots
4	174,240	9,000	19.36	19	5,000	0	-	174,240	19.36	19	0	19	0.0%	9,171	4.8	0	N/A	101.9%	0
4	174,240	9,000	19.36	19	5,000	1	5,000	169,240	18.80	18	1	19	5.3%	9,171	4.8	1	N/A	101.9%	0
4	174,240	9,000	19.36	19	5,000	2	10,000	164,240	18.25	18	2	20	10.0%	8,712	5.0	2	1	96.8%	1
4	174,240	9,000	19.36	19	5,000	3	15,000	159,240	17.69	17	3	20	15.0%	8,712	5.0	3	1	96.8%	1
4	174,240	9,000	19.36	19	5,000	4	20,000	154,240	17.14	17	4	21	19.0%	8,297	5.3	4	2	92.2%	2
4	174,240	9,000	19.36	19	5,000	5	25,000	149,240	16.58	16	5	21	23.8%	8,297	5.3	5	2	92.2%	2
4	174,240	9,000	19.36	19	5,000	6	30,000	144,240	16.03	16	6	22	27.3%	7,920	5.5	6	3	88.0%	3
4	174,240	9,000	19.36	19	5,000	7	35,000	139,240	15.47	15	7	22	31.8%	7,920	5.5	7	3	88.0%	3
4	174,240	9,000	19.36	19	5,000	8	40,000	134,240	14.92	14	8	22	36.4%	7,920	5.5	8	4	88.0%	3
4	174,240	9,000	19.36	19	5,000	9	45,000	129,240	14.36	14	9	23	39.1%	7,576	5.8	9	4	84.2%	4
4	174,240	9,000	19.36	19	5,000	10	50,000	124,240	13.80	13	10	23	43.5%	7,576	5.8	10	5	84.2%	4
4	174,240	9,000	19.36	19	5,000	11	55,000	119,240	13.25	13	11	24	45.8%	7,260	6.0	11	5	80.7%	5
4	174,240	9,000	19.36	19	5,000	12	60,000	114,240	12.69	12	12	24	50.0%	7,260	6.0	12	6	80.7%	5
4	174,240	9,000	19.36	19	5,000	13	65,000	109,240	12.14	12	13	25	52.0%	6,970	6.3				

Net Bld				round			Aggregate		Reg Lots	rounded	rounded				Lot Density	Required	Required	% of Min	Net Add'l
Acres	SF	Min Lot Size	Max Reg Lots	down	SL Size	Small Lots	SF in Small Lots	SF After	Unrounded	reg lots	small lots	sum lots	50% Max	Avg Min	Lot/ac	Num. if DR 80%	Num. if DR 60%	Lot Size	Lots
5	217,800	9,000	24.2	24	5,000	0	-	217,800	24.20	24	0	24	0.0%	9,075	4.8	0	N/A	100.8%	0
5	217,800	9,000	24.2	24	5,000	1	5,000	212,800	23.64	23	1	24	4.2%	9,075	4.8	1	N/A	100.8%	0
5	217,800	9,000	24.2	24	5,000	2	10,000	207,800	23.09	23	2	25	8.0%	8,712	5.0	2	1	96.8%	1
5	217,800	9,000	24.2	24	5,000	3	15,000	202,800	22.53	22	3	25	12.0%	8,712	5.0	3	1	96.8%	1
5	217,800	9,000	24.2	24	5,000	4	20,000	197,800	21.98	21	4	25	16.0%	8,712	5.0	4	2	96.8%	1
5	217,800	9,000	24.2	24	5,000	5	25,000	192,800	21.42	21	5	26	19.2%	8,377	5.2	5	2	93.1%	2
5	217,800	9,000	24.2	24	5,000	6	30,000	187,800	20.87	20	6	26	23.1%	8,377	5.2	6	3	93.1%	2
5	217,800	9,000	24.2	24	5,000	7	35,000	182,800	20.31	20	7	27	25.9%	8,067	5.4	7	3	89.6%	3
5	217,800	9,000	24.2	24	5,000	8	40,000	177,800	19.76	19	8	27	29.6%	8,067	5.4	8	4	89.6%	3
5	217,800	9,000	24.2	24	5,000	9	45,000	172,800	19.20	19	9	28	32.1%	7,779	5.6	9	4	86.4%	4
5	217,800	9,000	24.2	24	5,000	10	50,000	167,800	18.64	18	10	28	35.7%	7,779	5.6	10	5	86.4%	4
5	217,800	9,000	24.2	24	5,000	11	55,000	162,800	18.09	18	11	29	37.9%	7,510	5.8	11	5	83.4%	5
5	217,800	9,000	24.2	24	5,000	12	60,000	157,800	17.53	17	12	29	41.4%	7,510	5.8	12	6	83.4%	5
5	217,800	9,000	24.2	24	5,000	13	65,000	152,800	16.98	16	13	29	44.8%	7,510	5.8	13	6	83.4%	5
5	217,800	9,000	24.2	24	5,000	14	70,000	147,800	16.42	16	14	30	46.7%	7,260	6.0	14	7	80.7%	6
5	217,800	9,000	24.2	24	5,000	15	75,000	142,800	15.87	15	15	30	50.0%	7,260	6.0	15	7	80.7%	6
5	217,800	9,000	24.2	24	5,000	16	80,000	137,800	15.31	15	16	31	51.6%	7,026	6.2				

Small Lot Allowance Example Calculations

Net Bld		7,000		round			Aggregate		Reg Lots	rounded	rounded			I	ot Density	Required	Required	% of Min	Net Add'l
Acres	SF	Min Lot Size	Max Reg Lots	down	SL Size	Small Lots	SF in Small Lots	SF After	Unrounded	reg lots	small lots	sum lots	50% Max	Avg Min	Lot/ac	Num. if DR 80%	Num. if DR 60%	Lot Size	Lots
3	130,680	7,000	18.67	18	5,000	0	-	130,680	18.67	18	0	18	0.0%	7,260	6.0	0	N/A	103.7%	0
3	130,680	7,000	18.67	18	5,000	1	5,000	125,680	17.95	17	1	18	5.6%	7,260	6.0	1	N/A	103.7%	0
3	130,680	7,000	18.67	18	5,000	2	10,000	120,680	17.24	17	2	19	10.5%	6,878	6.3	2	1	98.3%	1
3	130,680	7,000	18.67	18	5,000	3	15,000	115,680	16.53	16	3	19	15.8%	6,878	6.3	3	1	98.3%	1
3	130,680	7,000	18.67	18	5,000	4	20,000	110,680	15.81	15	4	19	21.1%	6,878	6.3	4	2	98.3%	1
3	130,680	7,000	18.67	18	5,000	5	25,000	105,680	15.10	15	5	20	25.0%	6,534	6.7	5	2	93.3%	2
3	130,680	7,000	18.67	18	5,000	6	30,000	100,680	14.38	14	6	20	30.0%	6,534	6.7	6	3	93.3%	2
3	130,680	7,000	18.67	18	5,000	7	35,000	95,680	13.67	13	7	20	35.0%	6,534	6.7	7	3	93.3%	2
3	130,680	7,000	18.67	18	5,000	8	40,000	90,680	12.95	12	8	20	40.0%	6,534	6.7	8	4	93.3%	2
3	130,680	7,000	18.67	18	5,000	9	45,000	85,680	12.24	12	9	21	42.9%	6,223	7.0	9	4	88.9%	3
3	130,680	7,000	18.67	18	5,000	10	50,000	80,680	11.53	11	10	21	47.6%	6,223	7.0				

Net Bld				round			Aggregate		Reg Lots	rounded	rounded			1	ot Density	Required	Required	% of Min	Net Add'l
Acres	SF	Min Lot Size	Max Reg Lots	down	SL Size	Small Lots	SF in Small Lots	SF After	Unrounded	reg lots	small lots	sum lots	50% Max	Avg Min	Lot/ac	Num. if DR 80%	Num. if DR 60%	Lot Size	Lots
4	174,240	7,000	24.89	24	5,000	0	-	174,240	24.89	24	0	24	0.0%	7,260	6.0	0	N/A	103.7%	0
4	174,240	7,000	24.89	24	5,000	1	5,000	169,240	24.18	24	1	25	4.0%	6,970	6.3	1	N/A	99.6%	1
4	174,240	7,000	24.89	24	5,000	2	10,000	164,240	23.46	23	2	25	8.0%	6,970	6.3	2	1	99.6%	1
4	174,240	7,000	24.89	24	5,000	3	15,000	159,240	22.75	22	3	25	12.0%	6,970	6.3	3	1	99.6%	1
4	174,240	7,000	24.89	24	5,000	4	20,000	154,240	22.03	22	4	26	15.4%	6,702	6.5	4	2	95.7%	2
4	174,240	7,000	24.89	24	5,000	5	25,000	149,240	21.32	21	5	26	19.2%	6,702	6.5	5	2	95.7%	2
4	174,240	7,000	24.89	24	5,000	6	30,000	144,240	20.61	20	6	26	23.1%	6,702	6.5	6	3	95.7%	2
4	174,240	7,000	24.89	24	5,000	7	35,000	139,240	19.89	19	7	26	26.9%	6,702	6.5	7	3	95.7%	2
4	174,240	7,000	24.89	24	5,000	8	40,000	134,240	19.18	19	8	27	29.6%	6,453	6.8	8	4	92.2%	3
4	174,240	7,000	24.89	24	5,000	9	45,000	129,240	18.46	18	9	27	33.3%	6,453	6.8	9	4	92.2%	3
4	174,240	7,000	24.89	24	5,000	10	50,000	124,240	17.75	17	10	27	37.0%	6,453	6.8	10	5	92.2%	3
4	174,240	7,000	24.89	24	5,000	11	55,000	119,240	17.03	17	11	28	39.3%	6,223	7.0	11	5	88.9%	4
4	174,240	7,000	24.89	24	5,000	12	60,000	114,240	16.32	16	12	28	42.9%	6,223	7.0	12	6	88.9%	4
4	174,240	7,000	24.89	24	5,000	13	65,000	109,240	15.61	15	13	28	46.4%	6,223	7.0				

Net Bld				round			Aggregate		Reg Lots	rounded	rounded				Lot Density	Required	Required	% of Min	Net Add'l
Acres	SF	Min Lot Size	Max Reg Lots	down	SL Size	Small Lots	SF in Small Lots	SF After	Unrounded	reg lots	small lots	sum lots	50% Max	Avg Min	Lot/ac	Num. if DR 80%	Num. if DR 60%	Lot Size	Lots
5	217,800	7,000	31.1	31	5,000	0	-	217,800	31.11	31	0	31	0.0%	7,026	6.2	0	N/A	100.4%	0
5	217,800	7,000	31.1	31	5,000	1	5,000	212,800	30.40	30	1	31	3.2%	7,026	6.2	1	N/A	100.4%	0
5	217,800	7,000	31.1	31	5,000	2	10,000	207,800	29.69	29	2	31	6.5%	7,026	6.2	2	1	100.4%	0
5	217,800	7,000	31.1	31	5,000	3	15,000	202,800	28.97	28	3	31	9.7%	7,026	6.2	3	1	100.4%	0
5	217,800	7,000	31.1	31	5,000	4	20,000	197,800	28.26	28	4	32	12.5%	6,806	6.4	4	2	97.2%	1
5	217,800	7,000	31.1	31	5,000	5	25,000	192,800	27.54	27	5	32	15.6%	6,806	6.4	5	2	97.2%	1
5	217,800	7,000	31.1	31	5,000	6	30,000	187,800	26.83	26	6	32	18.8%	6,806	6.4	6	3	97.2%	1
5	217,800	7,000	31.1	31	5,000	7	35,000	182,800	26.11	26	7	33	21.2%	6,600	6.6	7	3	94.3%	2
5	217,800	7,000	31.1	31	5,000	8	40,000	177,800	25.40	25	8	33	24.2%	6,600	6.6	8	4	94.3%	2
5	217,800	7,000	31.1	31	5,000	9	45,000	172,800	24.69	24	9	33	27.3%	6,600	6.6	9	4	94.3%	2
5	217,800	7,000	31.1	31	5,000	10	50,000	167,800	23.97	23	10	33	30.3%	6,600	6.6	10	5	94.3%	2
5	217,800	7,000	31.1	31	5,000	11	55,000	162,800	23.26	23	11	34	32.4%	6,406	6.8	11	5	91.5%	3
5	217,800	7,000	31.1	31	5,000	12	60,000	157,800	22.54	22	12	34	35.3%	6,406	6.8	12	6	91.5%	3
5	217,800	7,000	31.1	31	5,000	13	65,000	152,800	21.83	21	13	34	38.2%	6,406	6.8	13	6	91.5%	3
5	217,800	7,000	31.1	31	5,000	14	70,000	147,800	21.11	21	14	35	40.0%	6,223	7.0	14	7	88.9%	4
5	217,800	7,000	31.1	31	5,000	15	75,000	142,800	20.40	20	15	35	42.9%	6,223	7.0	15	7	88.9%	4
5	217,800	7,000	31.1	31	5,000	16	80,000	137,800	19.69	19	16	35	45.7%	6,223	7.0				

Small Lot Allowance Example Calculations

Net Bld		6,000		round			Aggregate		Reg Lots	rounded	rounded			I	ot Density	Required	Required	% of Min	Net Add'l
Acres	SF	Min Lot Size	Max Reg Lots	down	SL Size	Small Lots	SF in Small Lots	SF After	Unrounded	reg lots	small lots	sum lots	50% Max	Avg Min	Lot/ac	Num. if DR 80%	Num. if DR 60%	Lot Size	Lots
3	130,680	6,000	21.78	21	5,000	0	-	130,680	21.78	21	0	21	0.0%	6,223	7.0	0	N/A	103.7%	0
3	130,680	6,000	21.78	21	5,000	1	5,000	125,680	20.95	20	1	21	4.8%	6,223	7.0	1	N/A	103.7%	0
3	130,680	6,000	21.78	21	5,000	2	10,000	120,680	20.11	20	2	22	9.1%	5,940	7.3	2	1	99.0%	1
3	130,680	6,000	21.78	21	5,000	3	15,000	115,680	19.28	19	3	22	13.6%	5,940	7.3	3	1	99.0%	1
3	130,680	6,000	21.78	21	5,000	4	20,000	110,680	18.45	18	4	22	18.2%	5,940	7.3	4	2	99.0%	1
3	130,680	6,000	21.78	21	5,000	5	25,000	105,680	17.61	17	5	22	22.7%	5,940	7.3	5	2	99.0%	1
3	130,680	6,000	21.78	21	5,000	6	30,000	100,680	16.78	16	6	22	27.3%	5,940	7.3	6	3	99.0%	1
3	130,680	6,000	21.78	21	5,000	7	35,000	95,680	15.95	15	7	22	31.8%	5,940	7.3	7	3	99.0%	1
3	130,680	6,000	21.78	21	5,000	8	40,000	90,680	15.11	15	8	23	34.8%	5,682	7.7	8	4	94.7%	2
3	130,680	6,000	21.78	21	5,000	9	45,000	85,680	14.28	14	9	23	39.1%	5,682	7.7	9	4	94.7%	2
3	130,680	6,000	21.78	21	5,000	10	50,000	80,680	13.45	13	10	23	43.5%	5,682	7.7				

Net Bld				round			Aggregate		Reg Lots	rounded	rounded			I	ot Density	Required	Required	% of Min	Net Add'l
Acres	SF	Min Lot Size	Max Reg Lots	down	SL Size	Small Lots	SF in Small Lots	SF After	Unrounded	reg lots	small lots	sum lots	50% Max	Avg Min	Lot/ac	Num. if DR 80%	Num. if DR 60%	Lot Size	Lots
4	174,240	6,000	29.04	29	5,000	0	-	174,240	29.04	29	0	29	0.0%	6,008	7.3	0	N/A	100.1%	0
4	174,240	6,000	29.04	29	5,000	1	5,000	169,240	28.21	28	1	29	3.4%	6,008	7.3	1	N/A	100.1%	0
4	174,240	6,000	29.04	29	5,000	2	10,000	164,240	27.37	27	2	29	6.9%	6,008	7.3	2	1	100.1%	0
4	174,240	6,000	29.04	29	5,000	3	15,000	159,240	26.54	26	3	29	10.3%	6,008	7.3	3	1	100.1%	0
4	174,240	6,000	29.04	29	5,000	4	20,000	154,240	25.71	25	4	29	13.8%	6,008	7.3	4	2	100.1%	0
4	174,240	6,000	29.04	29	5,000	5	25,000	149,240	24.87	24	5	29	17.2%	6,008	7.3	5	2	100.1%	0
4	174,240	6,000	29.04	29	5,000	6	30,000	144,240	24.04	24	6	30	20.0%	5,808	7.5	6	3	96.8%	1
4	174,240	6,000	29.04	29	5,000	7	35,000	139,240	23.21	23	7	30	23.3%	5,808	7.5	7	3	96.8%	1
4	174,240	6,000	29.04	29	5,000	8	40,000	134,240	22.37	22	8	30	26.7%	5,808	7.5	8	4	96.8%	1
4	174,240	6,000	29.04	29	5,000	9	45,000	129,240	21.54	21	9	30	30.0%	5,808	7.5	9	4	96.8%	1
4	174,240	6,000	29.04	29	5,000	10	50,000	124,240	20.71	20	10	30	33.3%	5,808	7.5	10	5	96.8%	1
4	174,240	6,000	29.04	29	5,000	11	55,000	119,240	19.87	19	11	30	36.7%	5,808	7.5	11	5	96.8%	1
4	174,240	6,000	29.04	29	5,000	12	60,000	114,240	19.04	19	12	31	38.7%	5,621	7.8	12	6	93.7%	2
4	174,240	6,000	29.04	29	5,000	13	65,000	109,240	18.21	18	13	31	41.9%	5,621	7.8				

Net Bld				round			Aggregate		Reg Lots	rounded	rounded				Lot Density	Required	Required	% of Min	Net Add'l
Acres	SF	Min Lot Size	Max Reg Lots	down	SL Size	Small Lots	SF in Small Lots	SF After	Unrounded	reg lots	small lots	sum lots	50% Max	Avg Min	Lot/ac	Num. if DR 80%	Num. if DR 60%	Lot Size	Lots
5	217,800	6,000	36.3	36	5,000	0	-	217,800	36.30	36	0	36	0.0%	6,050	7.2	0	N/A	100.8%	0
5	217,800	6,000	36.3	36	5,000	1	5,000	212,800	35.47	35	1	36	2.8%	6,050	7.2	1	N/A	100.8%	0
5	217,800	6,000	36.3	36	5,000	2	10,000	207,800	34.63	34	2	36	5.6%	6,050	7.2	2	1	100.8%	0
5	217,800	6,000	36.3	36	5,000	3	15,000	202,800	33.80	33	3	36	8.3%	6,050	7.2	3	1	100.8%	0
5	217,800	6,000	36.3	36	5,000	4	20,000	197,800	32.97	32	4	36	11.1%	6,050	7.2	4	2	100.8%	0
5	217,800	6,000	36.3	36	5,000	5	25,000	192,800	32.13	32	5	37	13.5%	5,886	7.4	5	2	98.1%	1
5	217,800	6,000	36.3	36	5,000	6	30,000	187,800	31.30	31	6	37	16.2%	5,886	7.4	6	3	98.1%	1
5	217,800	6,000	36.3	36	5,000	7	35,000	182,800	30.47	30	7	37	18.9%	5,886	7.4	7	3	98.1%	1
5	217,800	6,000	36.3	36	5,000	8	40,000	177,800	29.63	29	8	37	21.6%	5,886	7.4	8	4	98.1%	1
5	217,800	6,000	36.3	36	5,000	9	45,000	172,800	28.80	28	9	37	24.3%	5,886	7.4	9	4	98.1%	1
5	217,800	6,000	36.3	36	5,000	10	50,000	167,800	27.97	27	10	37	27.0%	5,886	7.4	10	5	98.1%	1
5	217,800	6,000	36.3	36	5,000	11	55,000	162,800	27.13	27	11	38	28.9%	5,732	7.6	11	5	95.5%	2
5	217,800	6,000	36.3	36	5,000	12	60,000	157,800	26.30	26	12	38	31.6%	5,732	7.6	12	6	95.5%	2
5	217,800	6,000	36.3	36	5,000	13	65,000	152,800	25.47	25	13	38	34.2%	5,732	7.6	13	6	95.5%	2
5	217,800	6,000	36.3	36	5,000	14	70,000	147,800	24.63	24	14	38	36.8%	5,732	7.6	14	7	95.5%	2
5	217,800	6,000	36.3	36	5,000	15	75,000	142,800	23.80	23	15	38	39.5%	5,732	7.6	15	7	95.5%	2
5	217,800	6,000	36.3	36	5,000	16	80,000	137,800	22.97	22	16	38	42.1%	5,732	7.6				

SF/Acre

43,560

			R-1 Zone	Total Lots/Net Ac	R-1 Zone	Total	Additional	50/50 Split of Add'l Lots	% of Total Lots	R-1 Zone	Total	Additional	l 50/50 Split of Add'l Lots		% of Total Lots
Net Acres	SF		100% Min. Lot Size	(Rounded Down)	90% Min. Lot Size	Lots	Lots	Unrestricted 80% AMI Restrict.		80% Min. Lot Size	Lots	Lots	Unrestricted	60% AMI Restrict.	
	1	43,560	9,000	4	8,100	5	1	L O	1 20%	7,200		6 2	2	1 :	. 17%
	2	87,120	9,000	9	8,100	10	1	L O	1 10%	7,200		12 :	<mark>3</mark>	1 2	2 17%
	3	130,680	9,000	14	8,100	16	6 2	2 1	1 6%	7,200		18 4	<mark>4</mark>	2 2	2 11%
	4	174,240	9,000	19	8,100	21	. 2	2 1	1 5%	7,200		24 !	<mark>5</mark>	2	3 13%
	5	217,800	9,000	24	8,100	26	2	2 <mark>1</mark> 1	1 4%	7,200		30 (<mark>6</mark>	3	3 10%
			R-2 Zone		R-2 Zone					R-2 Zone					
			100% Min. Lot Size		90% Min. Lot Size					80% Min. Lot Size					
	1	43,560	7,000	6	6,300	6	6 (<mark>)</mark> 0	0 0%	5,600		7	<mark>1</mark>	0	14%
	2	87,120	7,000	12	6,300	13	1	L O	1 8%	5,600		15 🗧	<mark>3</mark>	1 2	2 13%
	3	130,680	7,000	18	6,300	20	2	2 1	1 5%	5,600		23	<mark>5</mark>	2	3 13%
	4	174,240	7,000	24	6,300	27	3	<mark>3</mark> 1	2 7%	5,600		31	7	3 4	13%
	5	217,800	7,000	31	6,300	34	. 3	3 <mark>0 1</mark>	2 6%	5,600		38	<mark>7</mark>	3 4	11%
			R-3 Zone		R-3 Zone					R-3 Zone					
			100% Min. Lot Size		90% Min. Lot Size					80% Min. Lot Size					
	1	43,560	6,000	7	5,400	8	1	L O	1 13%	4,800		9	<mark>2</mark>	1 :	. 11%
	2	87,120	6,000	14	5,400	16	2	2 1	1 6%	4,800		18 4	<mark>4</mark>	2 2	2 11%
	3	130,680	6,000	21	5,400	24	. 3	3 <mark>. 1</mark> .	2 8%	4,800		27 (<mark>6</mark>	3	3 11%
	4	174,240	6,000	29	5,400	32	3	3 <mark>1</mark>	2 6%	4,800		36	7	3 4	11%
	5	217,800	6,000	36	5,400	40	2	<mark>1</mark> 2	2 5%	4,800		45 9	<mark>9</mark>	4 !	5 11%
			R-4 Zone		R-4 Zone					R-4 Zone					
			100% Min. Lot Size		90% Min. Lot Size					80% Min. Lot Size					
	1	43,560	5,000	8	4,500	9	1	L 0	1 11%	4,000		10 2	2 <mark>2</mark>	1 :	10%
	2	87,120	5,000	17	4,500	19	2	2 <u>1</u>	1 5%	4,000		21 4	<mark>4</mark>	2 2	2 10%
	3	130,680	5,000	26	4,500	29	3	3 <mark>1</mark>	2 7%	4,000		32 (<mark>6</mark>	3	9%
	4	174,240	5,000	34	4,500	38	4	4 2	2 5%	4,000		43 9	<mark>9</mark>	4	5 12%
	5	217,800	5,000	43	4,500	48	Ę	2	3 6%	4,000		54 1:	<mark>1</mark>	5 6	5 11%



EXHIBIT A

AFFORDABLE HOUSING TASK FORCE ACTION PLAN

ON-GOING:

- 1. Evaluate Programs to Fund Affordable Housing (City Influence):
 - Transient lodging tax funds for affordable housing
 - Urban renewal funds or tax increment financing
 - Construction Excise Tax
 - Community Development Block Grant funds
- 2. Support Partners Pursuit of Affordable Housing Funds for:
 - Low Income Housing Tax Credit
 - Home Ownership Programs
 - Oregon Affordable Housing Tax Credit
 - Housing Rehabilitation Program
 - State Affordable Housing Funding

IMMEDIATE/SHORT-TERM ACTIONS (COMPLETED BY 12/31/20)

- 1. Review emergency shelter zoning ordinance provisions and revise as necessary to provide allowance for tiny homes or temporary shelter to residents suffering from homelessness.
- 2. Evaluate the impact of a density bonus for developers including affordable housing units.
- 3. Allow Duplexes, Cottages, Townhomes, Row Houses and Tri- and Quad-Plexes in single family zones with appropriate design and development standards.
- 4. Promote infill development, allowing flexibility in existing zones with appropriate design and development standards.
- 5. Allow Co-Housing and Group Quarters (SROs, etc.)
- 6. Allow small or "tiny" homes and identify opportunities for tiny home developments.
- 7. Evaluate parking code as a barrier to housing.

MID TERM ACTIONS (COMPLETED BY 12/31/21)

- 1. Develop a High-Density Residential Zone
- 2. Develop a Community Land Trust
- 3. Pursue a land bank for affordable housing
- 4. Advocate for Inclusionary Zoning enablement State Legislation and Annexation Processes
- 5. Explore a Multiple Unit Limited Tax Exemption Program (Locally enabled and managed)
- 6. Explore an affordable housing property tax abatement

LONG TERM ACTIONS (COMPLETED BY 12/31/22)

- 1. Evaluate transfer of density for protection of natural features.
- 2. Develop financial incentives supporting inclusionary zoning.
- 3. Explore a vacant property tax

Resolution No. 2020-08 Effective Date: February 11, 2020 Page **2** of **3** 4. Explore a fee for demolition of affordable home for expensive home.

NOTE 1: Inclusion of an item on the Action Plan means the item will be vetted and evaluated. Inclusion of an item on the Action Plan does not presume a specific action or outcome for any item before it has been vetted and evaluated. The McMinnville City Council is the final decisionmaking body for the approval of any item on the Action Plan.

NOTE 2: HB 2001 requires cities to address "middle housing" types by June, 2022. Section 4 of HB 2001 also requires the following:

In adopting regulations or amending a comprehensive plan under this section, a local government shall consider ways to increase the affordability of middle housing by considering ordinances and policies that include but are not limited to:

(a) Waiving or deferring system development charges;

(b) Adopting or amending criteria for property tax exemptions under ORS 307.515 to 307.523, 307.540 to 307.548 or 307.651 to 307.687 or property tax freezes under ORS 308.450 to 308.481; and

(c) Assessing a construction tax under ORS 320.192 and 320.195.