



# PLANNING COMMISSION

## WEDNESDAY, DECEMBER 8, 2021

### II. WORK SESSION:

- A. Frog Pond East and South Master Plan (Pauly) (30 Minutes)



## PLANNING COMMISSION WORK SESSION STAFF REPORT

|   |  |   |  |
|---|--|---|--|
| <b>Meeting Date:</b> December 8, 2021   |  | <b>Subject:</b> Frog Pond East and South Master Plan  |  |
|   |  | <b>Staff Member:</b> Daniel Pauly, Planning Manager   |  |
|   |  | <b>Department:</b> Community Development  |  |
| <b>Action Required</b>  |  | <b>Advisory Board/Commission Recommendation</b>   |  |
| <input type="checkbox"/> Motion<br><input type="checkbox"/> Public Hearing Date:<br><input type="checkbox"/> Ordinance 1 <sup>st</sup> Reading Date:<br><input type="checkbox"/> Ordinance 2 <sup>nd</sup> Reading Date:<br><input type="checkbox"/> Resolution<br><input checked="" type="checkbox"/> Information or Direction<br><input type="checkbox"/> Information Only<br><input type="checkbox"/> Council Direction<br><input type="checkbox"/> Consent Agenda |  | <input type="checkbox"/> Approval<br><input type="checkbox"/> Denial<br><input type="checkbox"/> None Forwarded<br><input checked="" type="checkbox"/> Not Applicable<br><b>Comments:</b> N/A |  |
| <b>Staff Recommendation:</b> Provide requested input on the affordable housing analysis underway as well as outreach plan updates.  |  |   |  |
| <b>Recommended Language for Motion:</b> N/A   |  |   |  |
| <b>Project / Issue Relates To:</b>  |  |   |  |
| <input checked="" type="checkbox"/> Council Goals/Priorities:<br>Expand home ownership  | <input checked="" type="checkbox"/> Adopted Master Plan(s):<br>Frog Pond Area Plan | <input type="checkbox"/> Not Applicable   |  |

### ISSUE BEFORE PLANNING COMMISSION:

Provide feedback and input on the affordable housing analysis currently underway as well as the outreach plan updates.

## **EXECUTIVE SUMMARY:**

Following designation of the subject land as an urban reserve in 2010, the City adopted the Frog Pond Area Plan in 2015 to set the stage for additional planning and eventual development to meet identified local housing needs. Besides the urban reserve area, the Frog Pond Area Plan also established a vision for growth for undeveloped land already within the City's Urban Growth Boundary (UGB) now known as Frog Pond West. In 2017, a master plan and implementing zoning code was adopted for Frog Pond West. The Master Plan provided the necessary regulatory framework for the residential neighborhood currently under development north of Boeckman Road and west of Stafford Road.

In 2018, Metro expanded the UGB to include the subject land. As part of the Metro Ordinance adopting the UGB expansion, Metro required Wilsonville to complete master planning to make the area development ready, from a regulatory standpoint, by December 2022. Similar to past master planning efforts, such as Villebois and Frog Pond West, this master planning effort will identify the types and locations of the homes, other land uses, parks, open spaces, streets, trails and neighborhood amenities to be built over the next 10-20 years. To support implementation of the plan, the process also identifies water, sewer, stormwater, and transportation infrastructure needs and funding sources.

Parts of the Frog Pond East and South Master Plan will be similar to that of Frog Pond West completed in 2017. This includes the same level of sub-district analysis and commitment to quality design, walkable neighborhoods, and natural resource and tree preservation, building on the basic framework from the 2015 Frog Pond Area Plan. In addition, the project team will build its infrastructure funding approach off the work previously done for Frog Pond West.

The Frog Pond East and South Master Plan will also be different from the Frog Pond West Master Plan in a number of notable ways. This includes looking at housing variety and distribution with (1) additional focus on housing for a wider variety of income levels and how to encourage housing options not historically well-provided by the market, as directed by the City's Equitable Housing Strategic Plan, and (2) less focus on mathematic density and more focus on how the built form of housing structures contribute to the look and feel of the neighborhood. The master plan process will examine adjusting how service development charges (SDCs) and other infrastructure fees are calculated to ensure infrastructure costs are equitably carried by varying housing types and update the infrastructure funding plan. Building on experience from past projects, the planned process also includes a broader and more inclusive outreach program to ensure a variety of groups, particularly those historically marginalized, have a meaningful and impactful voice in the decisions made.

The Planning Commission held their first work session on the project in October. This second work session focuses on the needs and opportunities for lower-cost housing in Frog Pond East and South not historically well-provided by the market. The consultant team will review related action items and information from the Equitable Housing Plan, discuss initial information related to the affordable housing analysis (see Attachment 1) and its potential impacts on the master plan. This particularly includes information about the built form (housing type) to meet different housing needs. This is preliminary information for the Commission's discussion that will serve to inform a more thorough analysis and memo that will be presented at the Commission's

February 2022 work session. The findings of the affordable housing analysis will then be key to determining the mix of housing types planned for Frog Pond East and South.

Central to the consideration of how to provide affordable housing options is the efficient use of limited expensive land. Data, both from the Equitable Housing Strategic Plan and the current analysis, shows a need for a variety of housing at lower price points to meet certain housing needs making the need for efficient use of land vital. At the same time, aesthetic preference, familiarity with existing neighborhoods, bias in favor of community members' own preferred housing type, and concern about impacts on infrastructure and services, can often cause community sentiment to lean against housing types that use land more efficiently. Facilitating a productive conversation around housing types and efficient land use will be an important component of this project.

In addition to the affordable housing discussion, the project team would like to briefly update the Commission on project outreach plan and schedule.

Discussion questions:

1. What are the Commission's current thoughts on the extent that different housing types should be planned in Frog Pond East and South considering the Equitable Housing Strategic Plan and initial information from the affordable housing analysis?
2. What ideas does the Commission have to facilitate productive conversations and address sensitivities related to more land-efficient housing types?
3. What questions does the Planning Commission have that you would like the project team to try to answer, if possible, as they continue the affordable housing analysis?
4. What questions or comments does the Planning Commission have on updated outreach plan, particularly the schedule over the coming months?

**EXPECTED RESULTS:**

Feedback and direction from the Planning Commission on the affordable housing component of Frog Pond East and South Master Plan project. Feedback on the outreach plan and schedule.

**TIMELINE:**

This is the second in a series of work sessions for the Planning Commission. The next work session is planned for February. The project must be completed by December 2022.

**CURRENT YEAR BUDGET IMPACTS:**

The main consultant contract is for \$350,000 funded through a Metro grant. Work began during FY 20/21. Unused portions have been rolled over and the City anticipates spending \$260,000 by the end of FY 21/22. The remaining \$90,000 is planned to be budgeted during FY 22/23 to conclude the project. Staff is in the process of incorporating an additional \$162,000 in State grants into the contract and work program for additional affordable housing analysis and work related to infrastructure funding and SDCs. Staff, with City Council's support, submitted the grant requests to further enhance the depth of the affordable housing and infrastructure project components.

**COMMUNITY INVOLVEMENT PROCESS:**

The project has a community engagement plan which lays out a robust public engagement program that will include meaningful and impactful involvement of people who identify with historically marginalized communities. In addition, City staff is working with consultants and the DEI committee to establish a framework for broad community involvement.

**POTENTIAL IMPACTS or BENEFIT TO THE COMMUNITY:**

Well-designed neighborhoods with a variety of housing options for current and future Wilsonville residents.

**ALTERNATIVES:**

At this early point in the project, the Planning Commission may provide a range of alternatives for the project team to consider.

**ATTACHMENTS:**

- Attachment 1 Initial information related to the Affordable Housing Analysis
- Attachment 2 Outreach Plan Updates



**FROG POND  
EAST & SOUTH  
MASTER PLAN**

**Initial Information Related  
to Affordable Housing  
Analysis**

**Planning Commission Work  
Session December 8, 2021**



# Equitable Housing Strategic Plan Background



## Wilsonville Equitable Housing Strategic Plan

June 15, 2020

Resolution No. 2820

Wilsonville has a relatively young population.

Median household income in 2016 was \$105,000 for homeowners and \$50,000 for renters. The majority (56%) of Wilsonville householders are renters.

The Latinx community is expanding quickly. Between 2000 and 2016, the Latinx population in Wilsonville grew by about 2,000 people,

# Housing Trends from Equitable Housing Strategic Plan

## Exhibit 1. Key Future Housing Trends in Wilsonville (2020-2040)

| Future Demographic Shift                     | What does this mean for future housing types?  |
|--|--|
| <b>More middle-aged Millennials</b>          | <ul style="list-style-type: none"><li>• Homeownership for Millennials will increase</li><li>• Demand for relatively affordable ownership and rental types near amenities</li></ul> |
| <b>Constant Number of people age 60+</b>     | <ul style="list-style-type: none"><li>• Downsizing</li><li>• Aging in place and multigenerational households</li><li>• Homes close to services</li></ul>                           |
| <b>Increasing share of Latinx households</b> | <ul style="list-style-type: none"><li>• Larger units to accommodate larger, multigenerational households</li><li>• Relatively affordable housing</li></ul>                         |

# Direction From the Equitable Housing Strategic Plan

- Establish achievable goals/targets for affordable housing
- Integrate affordable housing into overall master plan, with access to amenities
- Identify specific properties that could help meet affordable housing targets
- Evaluate relationships to infrastructure funding plan
- Engage affordable housing developers and other stakeholders to refine strategies

*From “Next Steps” under Implementation Action IC in Equitable Housing Strategic Plan (EHSP). See pages 24-25 of EHSP.*

# Other Potential Strategies from Equitable Housing Strategic Plan

- Create housing tax abatements to achieve housing diversity & affordability
- Facilitate connections to partners and housing resources
- Secure land for development of affordable and equitable housing
- Modify parking requirements
- Explore tactics to reduce the impact of System Development Charges on affordable housing
- Partner with Community Land Trusts
- Explore homeownership support programs
- Assess accessibility and visitability standards or incentives

*From Actions Requiring Further Exploration in Equitable Housing Strategic Plan (EHSP). See pages 31-42 of EHSP.*

# Affordable and Workforce Housing Development Basics

Affordable housing developed by non-profit / mission-driven developers

Mixed-income / “shallow” affordability by market-rate developers

Lower-cost market rate housing by market-rate developers

0-30% AMI

30-60% AMI

60-80% AMI

80-100% AMI

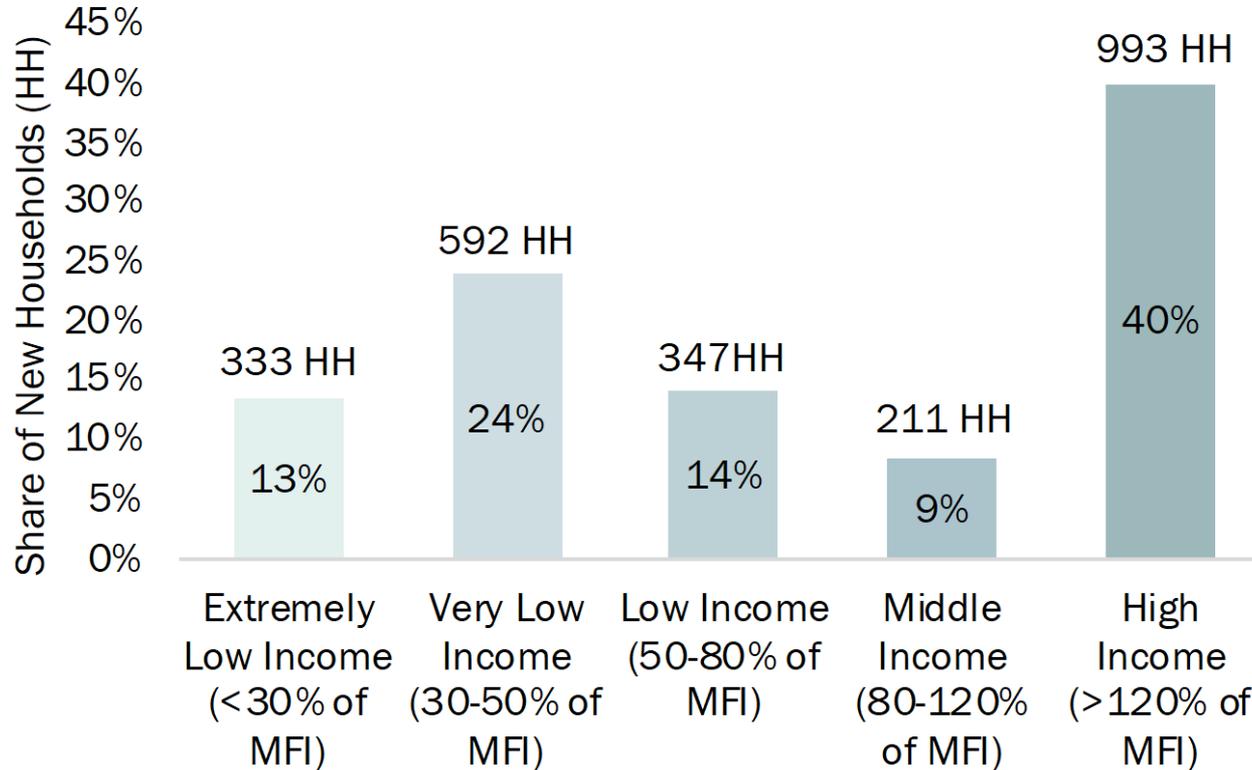
100-120% AMI

120+% AMI

# Distribution of Need

## Future (New) Households by Median Family Income (MFI), Wilsonville, 2019-2039

Source: U.S. Department of Housing and Urban Development. U.S. Census Bureau, 2012-2016 ACS Table 19001.



The percentages used in this exhibit are based on current household income distribution, assuming that approximately the same percentage of households will be in each market segment in the future. MFI for Clackamas County as of 2019 was \$81,400.

# Affordable Housing Models



**Cottage Cluster (affordable rental housing)**

**Example: Legion Cottages, Cottage Grove, OR**

Source: Homes for Good



**Townhomes (affordable homeownership)**

**Example: Williams Townhomes, Portland, OR**

Source: PCRI

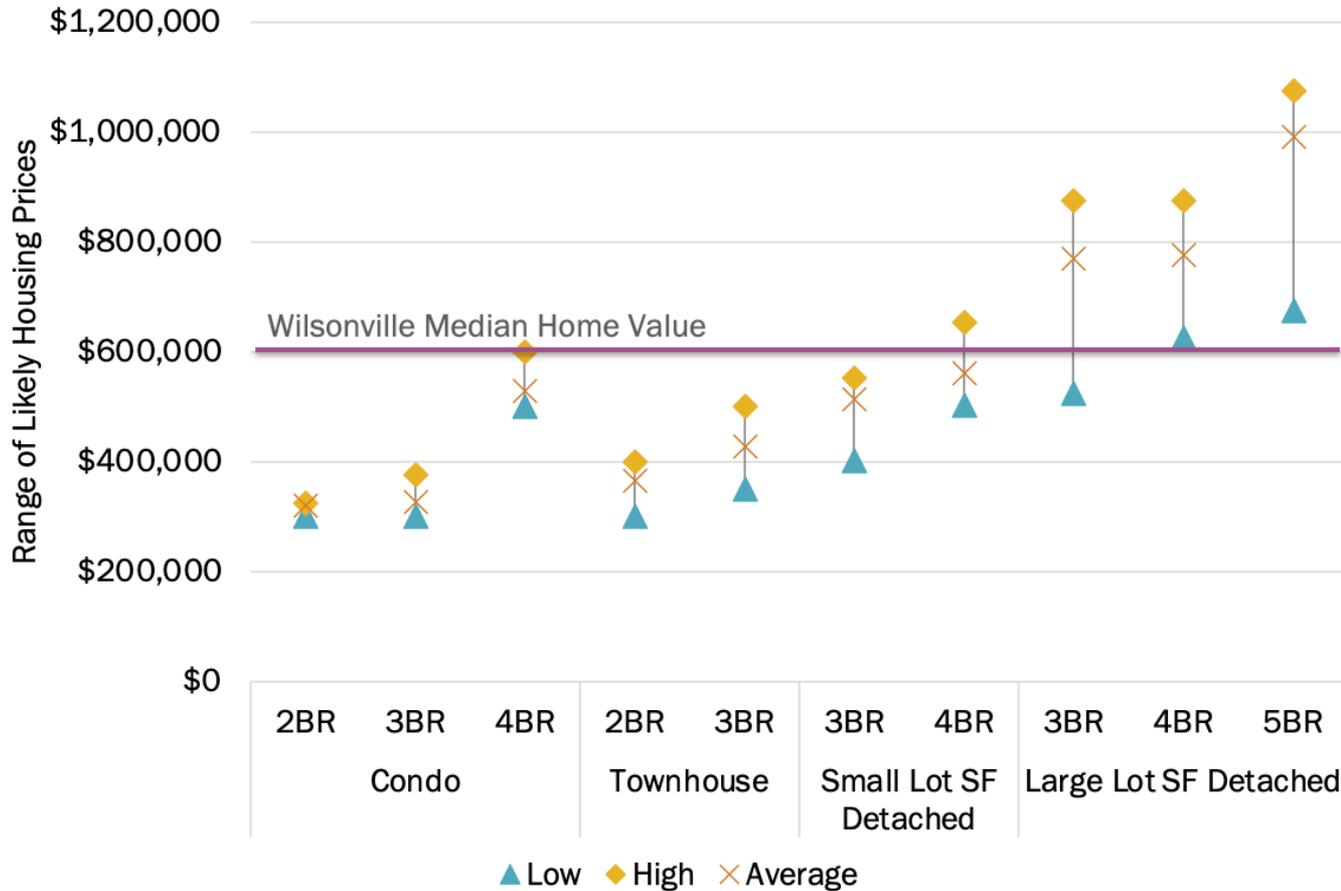


**Apartments (affordable rental housing)**

**Example: Orchards at Orenco III, Hillsboro, OR**

Source: REACH CDC

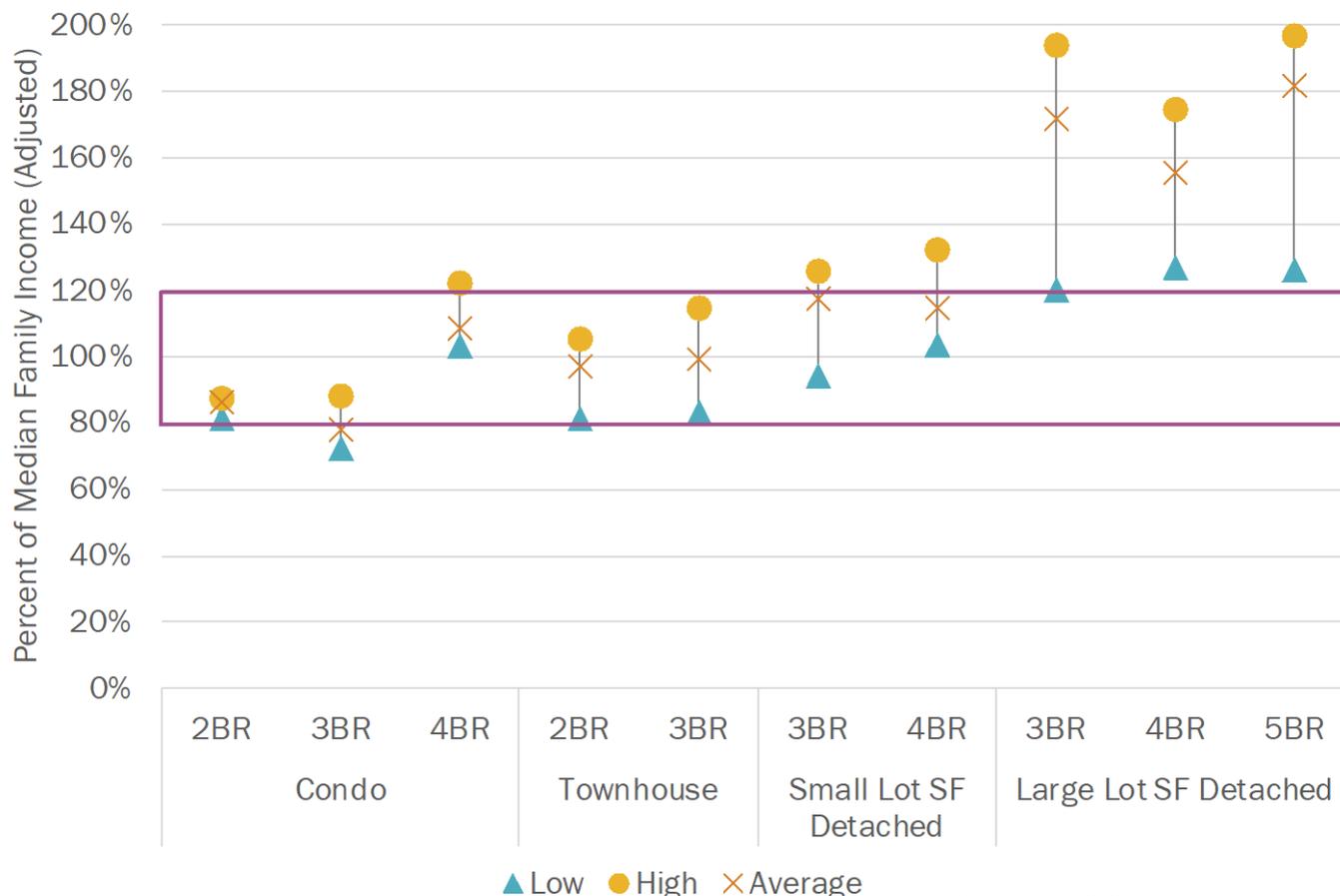
# Market Rate Ownership Housing Affordability



New large-lot detached housing is generally more expensive than most existing homes

Attached housing & small lot detached typically provide lower-cost homeownership opportunities

# Market Rate Ownership Housing Affordability



New large-lot detached housing affordable only to households earning >120% of the median family income\*

Most attached for-sale housing & small lot detached is affordable to households earning 80-120% of the median family income\*

\* Median family income from HUD for Clackamas County, adjusted for household size given number of bedrooms

# Accessory Dwelling Units

33% of adults would consider building an ADU (AARP, 2018)

Main reason to consider an ADU is for a loved one who needs care (AARP, 2018)

SF floorplans with an ADU sometimes need larger lots

Some developers are interested in building ADUs

Local fees are an important factor in whether developers will build ADUs

Selling an ADU separately keeps costs of the main unit affordable for more buyers

Detached ADU, Milwaukie, OR  
Source: Craigslist



Attached Townhouse ADU, Seattle, WA  
Source: Redfin





# PUBLIC ENGAGEMENT SCHEDULE

TO: Planning Commission  
FROM: Joe Dills and Andrew Parish  
CC: Project Team  
DATE: November 22, 2021

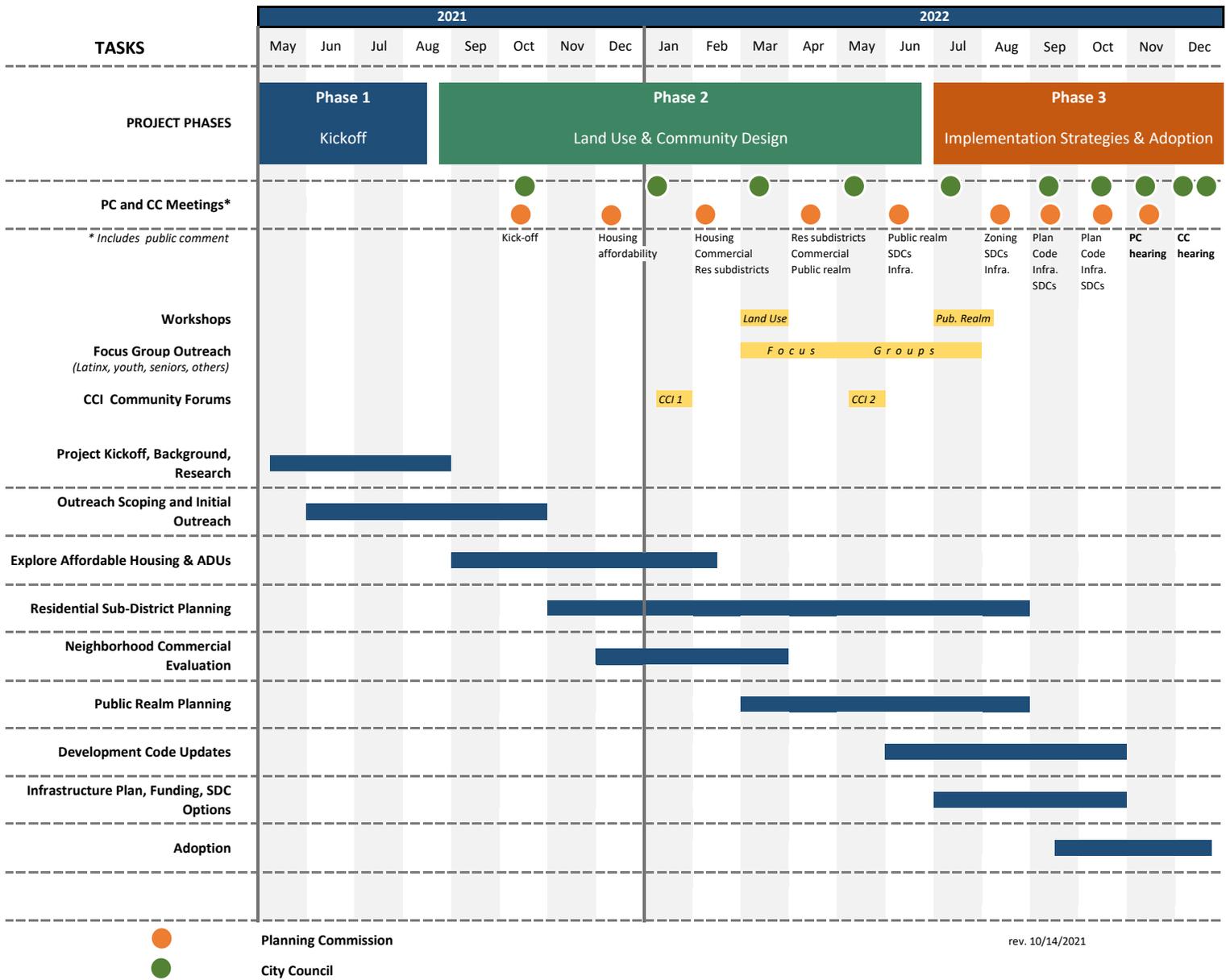
## SUMMARY OF THE PUBLIC ENGAGEMENT SCHEDULE

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The attached schedule graphic displays the public engagement opportunities and strategies discussed with the Planning Commission in October:

- a. **Eight Planning Commission work sessions prior to beginning hearings** – The work sessions are an opportunity for the public to submit comments and listen to the ongoing discussions throughout the process. Planned agenda topics are listed.
- b. **Two community workshops** – These will be hands-on opportunities for participation and problem solving. The first will focus on land use in Spring 2022 and the second will focus on the public realm in Summer 2022.
- c. **Focus group outreach** – These meetings will bring the project to stakeholders for discussions and feedback. It is the heart of the planned outreach to the Latinx community.
- d. **Committee for Citizen Involvement (CCI) Community Forums** – These two forums will provide information intended for a broad audience. The first one, scheduled for late January, is intended as a project kick-off.

The engagement listed above will be complemented by public information provided via *Let's Talk Wilsonville!*, articles and press releases, "e-blasts" to the interested parties email list, etc.



rev. 10/14/2021