

I. Call to Order

A regular session of the Gresham Planning Commission was called to order by Chair Drechsler on the 8th of February 2021, at 6:33 PM online via Zoom. The meeting was digitally recorded and minutes prepared by Jennifer McGinnis.

COMMISSIONERS PRESENT: Paul Drechsler, Chair
Richard Anderson, Vice-Chair
Michael Bennett
Jef Kaiser
Sue Ruonala
Laura Pramuk
Jason Ping
Phil Wich

COMMISSIONERS ABSENT: Tim Kamp

STAFF PRESENT: David Berniker, Urban Design & Planning Director
Katherine Kelly, Planning & Implementation Manager
Amanda Lunsford, Administrative Analyst
Kevin McConnell, Senior City Attorney
Ashley Miller, Community Revitalization Manager
Mary Phillips, Senior Comprehensive Planner
Jim Wheeler, Urban Design Manager

OTHER PARTIES PRESENT: Marcy McInelly, Consultant with UrbsWorks
Brandy Steffen, Consultant with JLA

II. Update on Council Work Plan

Katherine Kelly reminded everyone that there will be a Council round table conversation on 2/9 at 10:00 AM to discuss work plan priorities. There are five UDP projects on the work plan that are continuations of ongoing work:

- 1) Development Code and Process Updates
- 2) Future Growth Strategies
- 3) Transportation System Plan Update
- 4) Parks Feasibility Study

5) Climate Action Plan (joint project between DES and UDP)

Commissioner Kaiser asked if the Planning Commission will have an opportunity for formal input on the Council Work Plan. David Berniker responded that tomorrow is a listening session to start the discussion and there will be an opportunity for attendees to provide feedback. If the Planning Commission has additional projects they want considered or wants to have a more direct conversation with Mayor and Council, the Commissioners can and should provide that feedback individually for now.

III. Work Session: Middle Housing Project Alternatives

Mary Phillips explained that the discussion tonight would be focused on the choices Gresham has when implementing House Bill 2001 in order to make it more responsive to Gresham's specific needs. She went over the initial data from the Housing Capacity Analysis project, which is happening simultaneously with the Middle Housing Project. This initial data showed:

- A need for over 6,000 new housing units in Gresham over the next 20 years to accommodate future growth
- A need for a wider range of housing types
- Gresham has a significant percentage of households struggling to afford housing (both rental and ownership)

So far, she has heard general support from the Planning Commission to allow increased housing choices and opportunities, but concerns have included implications related to increased density (infrastructure availability, number of vehicles), impacts to neighborhood character, and that the project isn't solely community-driven since it is required by the state.

Brandy Steffen, JLA consultant, explained that the project team would be updating the comprehensive plan and development code to accommodate increased housing options. The priorities they heard during the last two meetings were: support for site design standards, preserving trees, equitable distribution of middle housing across the City, managing upkeep, addressing increased infrastructure demands, addressing increased traffic and parking, difference in appearance from existing homes and neighborhoods, and increased development in areas of the City with fewer services.

She then went over the results from a recent Gresham Middle Housing survey:

- 129 respondents
- 20% were very or somewhat dissatisfied with the availability of housing in Gresham
- 68% said housing was too expensive
- 50% felt very or somewhat positive about expanding middle housing options
- Detached dwellings were considered appropriate for all life phases, duplex/triplex/townhomes were considered most appropriate for young adults with

roommates or alone and couples without children, cottage clusters were considered most appropriate for seniors or couples without children.

- It was noted that across housing choices, at least 30 people thought it was appropriate for all household types

The recent virtual event was attended by about 30 people. Concerns heard at that event were similar to those heard from the Planning Commission. 69% of the attendees said that they were familiar or somewhat familiar with middle housing and 53% were supportive of offering more choices.

There was discussion about the Commissioner's most important values and goals for the project, including providing more housing options for all life stages, maintaining a neighborhood feel, providing more homeownership opportunities, offering more affordable housing, and keeping outcomes equitable across Gresham. Commissioner Kaiser said that all the values were important. Commissioners Ruonala and Anderson said that their top values would vary depending on the characteristics of the area (downtown vs. single-family, etc.).

Marcy McInnelly said that the focus of the presentation tonight is to show the Commissioners what they can do, where they can do it, and how they can do it as opposed to previous conversations about what they are required to do by the State.

She went over the areas of Gresham where the goals of the house bill are required to be met. Some areas have limits such as goal-protected and master-planned areas. Duplexes are allowed everywhere single-family residential is allowed, triplexes are allowed on 5,000 sf lots, and quadplexes and cottage clusters are allowed on 7,000 sf lots. She said that the majority of lots in Gresham are 7,000sf or greater and most of these lots have already been developed. On lots that are already developed, this will likely create very gradual, widespread, and spotty changes.

She went over the four approaches for regulation of a site which include:

- 1) Apply OAR 660-046 (Division 46) standards
- 2) Apply Model Code standards
- 3) Utilize a different standard and also apply it to single detached housing
- 4) Do not regulate

Ms. McInnelly then explained considerations and provided scenarios for the Commissioners to think about when choosing an approach. These scenarios included comparisons of applying the Model Code standard vs. creating a Gresham-specific standard to regulate garage width and transparency. Ms. Phillips clarified that the Model Code standards can be applied just to middle housing, whereas Gresham-specific standards would need to be applied equally to single-family detached housing. She also clarified that these standards would not apply to multi-family housing.

Commissioner Kaiser asked if they would be asked to recommend an approach that applies throughout. Ms. McInelly explained that they want to explain the decision process and get a reading on what the Commissioners think is important to regulate, but each item can be regulated differently. The model code can be applied to some items, and a specific standard can be created and applied to other items. She then went over a list of site and design topics to discuss and determine whether the Commission thinks they are critical to regulate in Gresham.

Commissioner Anderson said that this may be a way to step up the standards for all housing, including single-family detached.

Mr. Berniker said that this is an opportunity to create a range of housing types where someone can grow and stay in the same neighborhood and to fine-tune how neighborhoods are created. He asked if middle housing is envisioned to apply to existing 7,000 sf single-family lots or if it is envisioned to apply to currently undeveloped areas. Ms. McInelly responded that it is hard to predict where or at what pace, but it allows different ways to add density, such as a homeowner deciding to add units to their own house or a developer tearing down an existing house and replacing it with multiple units. He said it may be useful to look at a map of where ADUs have been developed as it typically happens in a small, scattered fashion. Mr. Berniker said that it may be helpful to share some notions of how middle housing would work with an existing single-family home and an unimproved lot, or other site plan type scenarios. It would be helpful to envision how an additional 6,000 units might manifest in the community.

Commissioner Ruonala requested to add tree preservation and planting to the standards list, as well as height and density transitions between single-family homes and more dense or taller development. She stated that what is being presented is not what typically happens on the ground. She said that most lots in Gresham are within the 5,000-7,000 sf range and there is not a very large percentage of 7,000 sf lots other than in Pleasant Valley. Ms. Phillips said that GIS put together the map of lot sizes and it only covers the areas where House Bill 2001 would apply. It is divided by 5,000 sf lots and 7,000 sf lots because those are the minimum lot sizes for certain middle housing types under Division 46 rules.

Commissioner Ping asked if the City's policies surrounding construction of ADUs are going to be up for discussion as part of this project. Ms. Phillips replied that the only component in House Bill 2001 related to ADUS was that the City can no longer require additional parking spaces for them. This code update has already been enacted. Recommendations for other changes to ADU regulations can be examined as part of the Development Code Process and Updates Project.

Mr. Wheeler said that one thing he would like addressed is how the standards will be applied to existing homes. How do the different standards apply to homes that will be converted rather than new? Ms. Phillips responded that the Division 46 rules specifically prohibit design standards being applied to conversions of existing single-family detached homes but site standards could still apply.

Commissioner Anderson said that they should ensure whatever landscaping standards they come up with are sustainable and can be maintained since code enforcement will not happen.

Commissioner Ping said that since one of the major reasons for requiring trees is for stormwater reduction, they should allow options for people to meet this goal in other ways, such as installing a permeable driveway instead of planting trees. Chair Drechsler said that there are other reasons for having a restrictive tree code like canopy and heat sink issues. Commissioner Wich said that they should try to maintain as many regulated trees as possible and maintain that verbiage in the code standards.

Commissioner Bennett said that impervious surface requirements are going to be important as increasing density will impact the storm sewer system and will affect the City's utility services. Developers will need to understand that these improvements will need to be made to accommodate the development and meet capacity requirements unless Council wants to accept that cost as a cost of development and attracting people to the community.

Public Comment

Carol Rulla, 5162 SE 28th Dr, Gresham, OR 97080: Ms. Rulla stated that she wants to address David Berniker's comment about where middle housing development is going to happen. She said that on the outer edges of Gresham, such as in Kelly Creek, there are a lot of undeveloped or underdeveloped larger lots so a lot of middle housing could be built just in that area. She said that in the 90s, when density requirements were being implemented, the intent was to have a mix but developers all went for the maximum density so there is already a lot of middle housing along arterial and larger streets. Initial middle housing is likely to come in these outer areas where infrastructure is lacking. She said to be careful that a ton of density is not allowed everywhere because the City can always add more if it goes well.

In her reading of Division 46, if you require 7,000 sf minimum for quadruplexes, you could then require four parking spaces, which would be important because parking is an issue for a lot of people. She said that there are townhomes in Kelly Creek that are required to have two off-street parking spaces and a driveway, but all the driveways are full and the limited on-street parking is usually on side lots.

She encouraged implementing the residential compatibility standards that Commissioner Ruonala mentioned for middle housing. She agreed with Commissioner Anderson that now may be a good time to add more standards for single-family detached housing. She encouraged consideration of lot coverage and floor area ratio requirements to help maintain trees and vegetation and allow for the planting of trees. She said to limit unit sizes to create variability and prevent the entire lot from being paved. She asked the Commission to consider implementing the flag lot standards that require a 10-foot setback on all sides for units not facing the street. She said that it is not only about equitable distribution within the city, but equitable distribution across the region and she does not know what can be done about that. For single-family

detached as well as attached housing, driveways should be shared or designed close together to leave more street frontage for parking.

End of Public Comment

Ms. Steffen said that the next survey will be available from February 15 to March 8. Another virtual event will be held on March 2 where they will be collecting information about design and site standards to gauge the public's interest and concerns. She asked the Commissioners what three design elements are most important to them to discuss in future meetings out of the following options: entry design, window coverage, garage/parking location, driveways, townhouse unit definition, cottage cluster building separation, cottage cluster courtyard design, and landscaping. The top choices were garage/parking location, landscaping, entry design, and driveways.

Commissioner Anderson said that as a follow-up to Carol's comments about equitable distribution, Gresham currently has more affordable housing than anywhere else in the region and that is why the Commission is not prioritizing this. Commissioner Ruonala said that it is important to have an option on the survey for non-support or strong concerns as she did not feel the survey was transparent. In addition, many people would like an opportunity for homeownership, but she does not think the housing types they are discussing will be owner-occupied. She is concerned that this issue is not being addressed.

Commissioner Kaiser said that a concern is that Gresham has the highest cost burden and the lowest rent in the region. Middle housing is the right thing to do, but they don't want to lose the resources that make Gresham what it is. There may be ways to take degraded parts of the City such as the gravel pits area and turn them into attractive housing opportunities. There is a broader strategy that needs to be considered and they need to be more strategic than just considering small design aspects.

Commissioner Pramuk said that the basic issue is increasing density in Gresham and the subsequent effects it will have on parks, traffic, sidewalks and other resources. The goals of middle housing are positive, but the outcomes will affect the entire city in many ways. She said that the Commission needs to decide what aspects of Gresham are important to maintain and then ask the consultants where they can have an impact on the things that matter to them. She is concerned that they are going to lose what makes Gresham special. The City is just now getting caught up in terms of urban design and planning and the bar has now been set even further. She is waiting to see what comes out of the studies and surveys, but is concerned about the cascading effects of adding more density.

Ms. Phillips asked the Commissioners what the attributes of Gresham are that makes the City special that they want to preserve. Commissioner Pramuk said that being able to get most places within 15-20 minutes is special, but there are areas that are already underperforming in this aspect and adding more density will not help. She said that the parks, open space and

buttes need to be preserved but they do need more active recreation. It has a small to medium size feel and that is what people want to maintain.

Commissioner Wich said that the reasons he lives here are the view of the buttes and the mountain, access to the Gorge, that it is easy to access the entire town and he doesn't have to deal with huge amounts of traffic, the amount of trees and water gardens, and the variation in the appearance and character of different neighborhoods.

Commissioner Ruonala said that she agrees that the greenery, trees, and natural areas make Gresham special, but over the past twenty years, a lot of this has disappeared. She is concerned that Gresham is becoming more of a concrete jungle and adding density will further this, in addition to exacerbating transportation issues. Many feel their quality of life is good in Gresham and they want to maintain that.

Commissioner Drechsler said that they still have some rural aspects to their City but at the same time, there is development which are the challenges of a small town growing into a city. The irony is that the development they are hesitant about is what will provide the fees for parks and sidewalks and is the only way some of these things will be added to the City. They are going to need to figure out how to manage these changes because if they raise the standards, they could get some aesthetic improvement, but it will also increase the cost and difficulty for development. If affordability, equity, and creating housing is a priority, then this creates conflicts and trade-offs. The reality of a lot of development coming out of this is very likely, so this project is an opportunity to address these challenges and get it right.

III. Community Development and Housing Subcommittee Update

Ashley Miller provided an update on the work of the CDHS. It was formed to advise City Council on community development and housing goals, policies, programs, and budgets and to advise Council regarding federal allocations of HUD Community Development Block Grant (CDBG) and HOME funding. Ms. Miller went over the purpose of each program. CDBG funding is used to improve communities by providing decent housing and expanding economic opportunities. HOME funds are used for housing activities to provide decent, safe, and affordable housing. She explained that Gresham is part of a consortium with Portland and Multnomah County that works together to establish priority needs and goals regarding the use of these funds.

The goals of the 2016-2021 Five Year Consolidated Plan are to:

- Reduce homelessness and increase stability for all residents,
- Increase and preserve affordable housing choice, and
- Improve infrastructure, facilities, and economic opportunities.

Jurisdictions submit one-year action plans for each year of the Consolidated Plan. Gresham staff are currently working with partners at Portland and Multnomah County to create the 2021-2025 Consolidated Plan for CDHS and Council to vote on in late spring. Annual public outreach

includes needs assessment meetings in the fall, an applicant workshop in January, public hearings for the Annual Action Plan in spring and summer, a public hearing for the Year End Report in September, and quarterly Fair Housing Advocacy meetings.

She then went over the budget for CDBG funding, which included allocations for administration as well as the three program goals. A separate COVID-19 section was added because Council redirected \$150,000 from an infrastructure project to assist residents impacted by COVID-19. The recommended total uses add up to slightly over \$1 million dollars for this fiscal year and are used on various programs, including rental assistance, home rehabilitation, economic development programs, blight removal, and various public services programs. HUD limits the amount that jurisdictions can allocate to public services.

The HOME budget allocation was \$708,000 but the total sources added up to about \$1.1 million. The budget for HOME funds was allocated to rent assistance programs and homeownership programs. The City has not received notice yet of the HOME and CDBG fund allocations for the next fiscal year, but they believe they will remain at the same level. The application cycle is open and DHS will start reviewing proposals in late February.

The CARES Act passed by Congress last March provided a special allocation called CDBG-CV for the coronavirus. Gresham received two allocations totaling just over \$1.3 million. These funds can be spent over the period of a few years. Council passed a budget in December for these funds, which included micro-enterprise, meal and childcare assistance, youth services and utility assistance. The City opened applications for these funds in January and these are currently under the review and contracting process. In addition, last year CDHS was asked to review applications for Gresham's share of the Metro Housing Bond funding.

Commissioner Bennett asked how the funding for CDBG and HOME compared to fiscal year 2019-20. Ms. Miller responded that CDBG funding increased slightly and HOME funding stayed fairly level.

Commissioner Pramuk asked if the City has used any of these funds for youth sports or parks. Ms. Miller responded that these programs would be considered a public service, so they are limited. However, the City did approve funding for the Eastside Timbers to run a youth soccer program in 2020/21, which was unfortunately halted due to COVID but will hopefully be funded next year.

Commissioner Ruonala asked if there are income requirements for the utility assistance program and if they would be posted. Ms. Miller responded that they posted that the assistance is targeted for households making 60% of the area median family income or less, but the program will provide assistance to people in lower income thresholds for a longer period of time and part of the determination is made by assessing the applications, so they aren't posting exactly what people will receive based on their income.

Commissioner Anderson asked if Rockwood PUD customers are also eligible for the water assistance program. Ms. Miller responded that they are eligible for the utility assistance program, but not the water program.

IV. Other Business/Adjournment

Re-review of September 28, October 12, and November 9, 2020 Minutes:

Commissioner Ruonala presented minor changes to the 10/12 minutes. Commissioner Ping stated that he would be abstaining since he was not present at those meetings. Commissioner Pramuk moved to approve the 9/28, 11/9 and 10/12 minutes with the proposed changes as amended by Commissioner Ruonala. Commissioner Anderson seconded and the motion passed unanimously.

Review of December 14, 2020 and January 11, 2021 Minutes

Commissioner Kaiser proposed an amendment to the January 11 minutes. Commissioner Anderson made a motion to approve the 12/14 and 1/11 minutes as amended, and Commission Wich seconded. The motion passed unanimously.

The meeting adjourned at 9:03 p.m.

Chairperson

Recording Assistant

Date

Date

A full recording of these minutes is available upon request.