

I. Call to Order

A regular session of the Gresham Planning Commission was called to order by Chair Drechsler on the 7th of June 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
Tim Kamp
Jason Ping
Sue Ruonala
Phil Wich

COMMISSIONERS ABSENT: Laura Pramuk

COUNCIL LIAISONS PRESENT: Sue Piazza
Vince Jones-Dixon

STAFF PRESENT: David Berniker, Urban Design & Planning Director
Amanda Lunsford, Administrative Analyst
Kevin McConnell, Senior City Attorney
Mary Phillips, Senior Comprehensive Planner
Eric Schmidt, Assistant City Manager
Jim Wheeler, Urban Design Manager
Terra Wilcoxson, Senior Comprehensive Planner

OTHER PARTIES PRESENT: Beth Goodman, EcoNorthwest
Margaret Raimann, EcoNorthwest

II. Work Session: Draft Housing Capacity Analysis

Terra Wilcoxson provided an overview of the Housing Capacity Analysis project which is in fulfillment of House Bill 2003 and requires cities to study their future housing needs and develop strategies to help facilitate what has been identified as needed housing. This session is a continuation of the March 22, 2021 Planning Commission work session and is the final opportunity to ask questions of the consultant team since their contract ends this month. The

results of the analysis will inform upcoming housing policy decisions, the Middle Housing project and development code update projects.

Beth Goodman, consultant with EcoNorthwest, went over the details of the Housing Capacity Analysis report which will look at the future growth of housing and population over the next 20 years and provide information about the City's buildable lands inventory.

Next steps include:

- Housing Production Strategy
- Revisions to the Comprehensive Plan
- Changes to the Zoning Code
- Housing Policies and Programs

Next, Mary Phillips presented the Comprehensive Plan amendments proposed to be adopted as a result of the findings from the HCA. The amendments will update the existing sections of the Comprehensive Plan that include data from the 2013 housing needs analysis and the 1987-1989 residential population characteristics and housing land use inventory with new data from the HCA. The changes to the Comprehensive Plan primarily update the plan with the more current findings from the Housing Capacity Analysis.

The sections planned to be amended include:

Volume 1

- Section 3.130 Residential Land Use Characteristics
- Section 3.141 Natural Resources and Physical Constraints
- Section 4.100 Population Characteristics
- Section 4.200 Housing Characteristics

Section 4.800 Housing Policy will be repealed and replaced with the 2021-2041 Housing Capacity Analysis. Appendix 27 Housing Land Use Inventory will be repealed in entirety. Two new appendices will be added to Volume 1 and include Appendix 51 Residential Buildable Land Inventory and Appendix 52 Housing Capacity Analysis.

Volume 2

- Section 10.600 Housing

Appendix 2 Demographic Profile and Appendix 6 Residential Lands Inventory will be repealed in entirety.

Ms. Goodman then went through the findings from the HCA. The key takeaways are:

- 44% of Gresham's households are cost-burdened, which is higher than other cities in the Metro area.
- The majority of housing developed over the last 20 years in Gresham has been single-family detached.

- 64% of renter households are cost-burdened and 24% are severely cost-burdened. Cost burden is much less common among owner-occupied households.

Commissioner Bennett asked if there is any demographic information on income and occupations that would explain the large percentage of the population being cost-burdened. Ms. Goodman responded that they do not have information on occupations, but lower-income households do have higher rates of cost burden. Commissioner Bennett said that in general, the Gresham population has a higher percentage of hourly workers than professionals. He said it seems like it would make sense to have a two-pronged approach by addressing the need for more affordable housing and focus on creating higher paying jobs in the community.

Commissioner Anderson said that what he takes from the report is that since Gresham has a lot of poverty, the City needs to build more affordable housing and the increase in affordable housing stock will attract more poverty. Ms. Goodman responded that she would argue that there is a regional distribution issue so the City may want to think about what it can do to support a better distribution of affordable housing across the region but Gresham does still have a need for affordable housing. All cities with a population above 10,000 in Oregon are going to be required to create a housing production strategy which will require other cities to step forward. There is also a statewide discussion about a regional housing needs analysis. This is also more broadly about access to opportunity for housing. Commissioner Anderson said that when he looks at the data, he sees that Gresham is doing its share and other parts of the region aren't.

Commissioner Wich asked what the median family income is in Gresham and what the penalties are for not adopting this policy. Ms. Goodman responded that the median household income is \$52,000 in Gresham. She said it is not clear to her what the penalty is for not adopting the policy. It is a good question related to the discussion about the regional housing needs analysis and she would encourage a representative from Gresham to be involved in that discussion. Commissioner Wich said that he agrees with Commissioner Anderson that it is going to be easier for more affluent communities to shuffle off the inconvenience of building affordable housing to those cities who already have it since there is no enforcement mechanism. Ms. Goodman agreed and thinks it needs to be tied to finances in some way. Commissioner Anderson said Gresham increased density in the past due to requirements from Metro, but other cities did not increase density to the required level and Metro didn't enforce it. Ms. Goodman responded that this is one of the reasons it is now being talked about as a State responsibility.

Commissioner Kaiser asked who will review the Housing Production Strategy. Ms. Goodman responded that it will be reviewed by the Department of Land Conservation and Development (DLCD). Commissioner Kaiser clarified that the Housing Production Strategy is evaluated based on the City's needs so if Gresham's demographic trends show a rise in the cost-burdened population, then they will need to increase their supply of affordable housing. Ms. Goodman responded that she thinks the State is still figuring this out and when Gresham does their Housing Production Strategy, it will be an opportunity for a discussion with DLCD. She would not question whether Gresham needs more housing that is affordable at below 50% of median

family income, but rather how much. Commissioner Kaiser said that all jurisdictions should meet the needs of underserved populations, but it seems like the Housing Capacity Analysis ignores regional dynamics and he thinks something should be included to identify that problem.

Chair Drechsler added that he thinks the problem is that Gresham is the most affordable housing market in the region so the City has attracted the individuals looking for affordable housing, which makes the data look like Gresham has the largest need for affordable housing. He would like the data to include what Gresham is providing for the region. Gresham is already the most affordable city in the region but the way the data is presented makes it look like Gresham has the greatest need. Ms. Goodman responded that if they do not have a finding in the report that addresses this issue already, one can be added. Chair Drechsler added that Gresham does have capacity and there is a need for all tiers of housing.

Ms. Goodman then went through the future housing mix and density. Gresham is required to provide the opportunity for at least 50 percent of new residential units to be attached single-family housing or multi-family housing. It also must provide for an overall density of 10 or more dwelling units per net buildable acre.

Gresham is forecast to add 6,229 new dwellings over the next twenty years. Forty-five percent (45%) of those are projected to be single-family detached. Commissioner Kaiser said that the distribution seems counterintuitive to the increasing population with cost burden since the most expensive category of housing is single-family detached. Ms. Goodman explained that this is about evaluating whether Gresham is providing the opportunity for 50% of new housing to be something other than single-family detached housing.

She then went through the Buildable Lands Inventory, which includes vacant land, partially vacant land and land with potential for infill development. Constraints such as environmental overlays were taken into consideration. The main takeaway is that Gresham has enough buildable land to meet its housing projections. There are concentrations of buildable land in the Pleasant Valley, Springwater, and Kelly Creek areas. There are approximately 1,300 acres of buildable land with capacity for around 12,600 new dwelling units, which is well above the projected demand of 6,229 new housing units.

Commissioner Bennett said that there seems to be a lot of opportunity for infill development which is usually more expensive to build. Ms. Goodman responded that the areas look smaller on the map than they actually are and that it is important to remember the City's role in the development of housing.

Chair Drechsler asked how much of the available acreage is in Pleasant Valley as it seems that a lot of the available land is in a newer area without utilities. Ms. Goodman responded that about 316 acres of lower density land, 112 of medium density, and 19 of high density are in Pleasant Valley. About a third of available lower and medium density land and a small amount of higher density land is in Pleasant Valley. Even though this is a large amount, Gresham still has sufficient opportunity to provide new housing.

Chair Drechsler said that a lot of large pieces of land in rural areas are owned by land bankers or family trusts that have no interest in developing it and this is a factor in actual availability. Ms. Goodman responded that Oregon's law does let cities take into account areas that are in conservation trusts. Some areas are more ready for development than others and one way to look at it is there is a short-term supply and a long-term supply of land which will require services. This will need to be examined when looking at creating and implementing housing policy.

Chair Drechsler said that Gresham is at a bit of a disadvantage because lease rates are lower in Gresham, so developers will tend to build elsewhere in the region where they can make a better return, especially if the City is trying to increase affordability. Ms. Goodman said that this is a policy discussion they should have during the housing production strategy.

Ms. Goodman then went over recommendations, which included:

- Monitoring available land
- Continuing to coordinate phased planning of infrastructure in Pleasant Valley and Springwater
- Adopting the HCA report into the Comprehensive Plan
- Completing a Housing Production Strategy (HPS) by providing opportunities for affordable housing development and looking for opportunities for regional coordination

Commissioner Kaiser recommended adding evaluation of current zoning since the Commission has found large swaths of industrial land that aren't effective as industrial. Ms. Goodman said that they have tried to keep away from recommendations for policy but this would be a good conversation to have during the HPS.

Mr. Berniker said that there is an argument that Springwater doesn't have the right zoning and isn't suited for industrial, but Gresham already has an excess of residential land. If they didn't already have an excess of residential land, it might be easier to change the zoning in Springwater. This may be a long-term opportunity. Reducing industrial land is a challenge due to Metro and the excess of residential land takes away one of the arguments for reworking Springwater. Mr. Wheeler added that there is still an opportunity to look at Springwater for economic development or mixing industrial with residential in an alternative manner. Ms. Goodman said that she would look at why the area isn't a good place for industrial development due to the presence of floodplain, riparian areas, slopes, etc. She would look at whether it would be suitable for commercial development like higher density employment uses since these are easier to mix with residential uses. The HCA doesn't support a need for more residential land, but this doesn't prevent a City from designating more land as residential.

Commissioner Bennett suggested adding a small section near the recommendations about challenges in the HCA report. Ms. Goodman said that they could frame it as next steps for consideration in the Housing Production Strategy. The challenges to be added included housing affordability in the regional context, opportunities for rezoning to allow residential development

and supporting a full range of housing types that are supported by the market. Commissioner Anderson said that Gresham has budgetary issues and needs a tax base.

Commissioner Ruonala asked how Gresham compares to other jurisdictions regarding the number of income-restricted housing developments. Ms. Goodman provided resources and staff will send out links.

Ms. Phillips went over next steps, which include a Council Briefing on July 20 and a Council hearing on August 17.

Ms. Wilcoxson went through the Housing Production Strategy. She said that DLCD tentatively has funding available for an additional cycle of housing planning assistance for cities for 2021-2023. The timeline is:

- June 30 - Submit official application for funding.
- September 1 - If awarded funding, kick off the Housing Production Strategy project.
- The project will take place over an approximate 18-month period due to the need for extensive public involvement and policy discussions.
- March 2023: Anticipated end date.

Commissioner Kaiser suggested developing a mission statement before starting the HPS that includes providing a fair share of affordable housing while not adding it in a way that degrades the City in terms of urban design, natural resource availability, etc.

Public Comment

Carol Rulla, 5162 SE 28th Dr, Gresham OR 97080: Ms. Rulla provided suggestions for the HCA and associated Council Bill:

- Adding explanation of the American Community Survey data
- Adding a note about the 2010 housing shortage
- Adding brief definitions of the housing types
- Clarifying time period and inflation-adjusted numbers in the Council Bill and HCA report
- Explaining the difference between median household income and median family income
- Addressing mapping errors
- Clarification on whether school property is considered public land
- Larger land map is deceptive and some large parcels over an acre are missing
- A concern with HB2001 because it leaves it up to the market to decide where to put middle housing and it would be unfortunate if the majority of middle housing is built on the outer edges where it is easier to build rather than executive or other types of housing.

Ms. Goodman responded to some of Ms. Rulla's comments and questions. She said that the population forecast for growth is much slower. The forecast is from Metro and is the forecast that Gresham and any city within the Urban Growth Boundary has to use. Median family income for Multnomah County is based on info from HUD which is a federal standard that Cities are required to use. An explanation of this will be added into the report. The median family income

graph will also be evaluated to make sure it is clear. If land is owned by a school and the school district hasn't identified it as surplus, then by the methodology they used, this land would not be considered available for development. However, it could be made available in the next 20 years.

III. City Council Joint Meeting Discussion Session

Public Comment:

Carol Rulla, 5162 SE 28th Dr, Gresham OR 97080: Ms. Rulla said that the Commissioners have been tasked with citizen involvement around land use and suggested that this be a topic for discussion with City Council. She said that there is a separation between the Community Engagement department that does communications and the Office of Neighborhood Associations and Community Enhancement that works with volunteers and neighborhood associations, and there aren't City staff that work specifically with community involvement around land use. It would be helpful to figure out how all these groups work together.

Ms. Phillips said that staff has created a summary of the Planning Commission's role and a biography for each of the Commissioners. The joint meeting with City Council is scheduled for July 6.

Council Liaison Piazza said that she is looking at the meeting as an introduction to each other and what each group is doing and how they can work together better. Chair Drechsler said that he wants to not only have that coordination with the subcommittees but also with the Council. Council Liaison Jones-Dixon said that he is looking to deepen his understanding of the role of the Planning Commission and define how they work together on land use issues and the Council Work Plan.

Ms. Phillips asked how Staff can support the Commission in preparation of the meeting. Chair Drechsler responded that a brief summary of the Planning Commission and a basic structure of how everyone works together would be helpful with references to statutes such as the requirement to have joint work sessions.

Commissioner Bennett asked if it would be a public meeting and if it will be noticed. Mr. McConnell responded that it will be a noticed public meeting and that it is generally jointly run by the chairs of the City Council and Planning Commission. There should be an agenda with basic topics but it is intended to be an informal discussion that informs the Planning Commission about what the City Council expects of the Commission. Mr. McConnell said that he can give an overview of what the code and State law allows a Planning Commission to do. If the code gives the Planning Commission the authority to do something, then that inherently means the Council has already approved it. This meeting will narrow down what the Council would like the Planning Commission to do and what the aspirations of the Commissioners are and come to an agreement about what those things should be moving forward.

The Commissioners and staff discussed how the meeting would be run. Mr. McConnell said that the process for holding joint meetings may be something they want to talk about at the first meeting. Chair Drechsler asked who would be setting the agenda for the meeting. Mr. McConnell said that the Commissioners should come to a consensus about the topics they would like to discuss.

Councilor Jones-Dixon recommended that Chair Drechsler work with Councilor Piazza and Mayor Stovall on the agenda items after the Commission determines the items they would like to discuss. Mr. McConnell said that it would be best for the Commission to direct the Manager to work with both bodies to come up with an agenda for the meeting. Chair Drechsler said that his hesitancy is that he wants to have an open dialogue rather than a staff-driven agenda. He wants to make sure the Commission has an opportunity to voice their priorities.

The Commissioners suggested topics that they would like to discuss with the City Council. Suggested topics included:

- Consideration of having a liaison to the Neighborhood Coalition
- Remand process, including the possibility of the Council preparing an order stating exactly what the issues are so that it is clear to the Commission where further analysis is needed
- How the two groups can best communicate and work with each other to coordinate efforts
- Economic development and how the Planning Commission can facilitate this through land use planning
- Council's expectations of the Planning Commission, particularly being the guardians of the Comprehensive Plan and community engagement
- Introduction to functions of City Council and Planning Commission
- Coordination such as future meeting frequency and format
- Subcommittee priorities
- Code enforcement
- Tree code reevaluation
- Natural resources

Mr. Berniker and Ms. Phillips reminded the Commissioners that they have another meeting on June 14 in addition to a meeting with the Subcommittee Chairs on June 28 so additional topics may come up from that. Based on the discussion, Chair Drechsler will put together the main topics, then send to staff to create the agenda.

IV. Other Business/Adjournment

Chair/Vice Chair Elections

Chair Drechsler’s term is up in November and Commissioner Anderson is not eligible as he has served as Chair and Vice-Chair for over two terms. Mr. McConnell said that there was a recent amendment intended to motivate other members to get involved in leadership positions so that the same individuals do not run and control the CCACs. If a Chair has served more than two terms, a reappointment would need to go to Council for ultimate approval. Chair Drechsler said that he has served multiple terms on the Planning Commission but only one as Chair. Kevin said he would be eligible per the code to serve another term as Chair. Commissioner Ruonala said that the Chairs of the Urban Forestry and Transportation Subcommittees were recently reinstated with the approval of Council even though they have served for some time. Chair Drechsler said that they are not looking to have people serve more than two terms in any given advisory body. Commissioner Bennett reiterated that the intent is to bring in new people and ideas. Chair Drechsler said that Commissioner Pramuk previously had interest in the Chair position but she was not able to attend this meeting so maybe they should table it to next meeting. Commissioner Ping said that he would volunteer as a last resort but does not think he is the right person. The Commissioners decided to table the decision on the new Chair and Vice-Chair until the next meeting so that Commissioner Pramuk could be there.

May 10 Minutes

Commissioner Ruonala presented changes to the minutes. Commissioner Wich moved to approve with the amendments. Commissioner Anderson seconded and they were unanimously approved with the amendments.

Winters Plan Map Amendment Remand

Commissioner Kaiser requested that the staff report reflect the reason for the remand and whether the applicant has addressed the issue. Mr. McConnell responded that staff will ensure that what is being asked by Council will be included in the staff report as clearly as it can be. Mr. McConnell suggested that the Development Code be amended to address how remands are handled.

The meeting adjourned at 9:27 p.m.

Chairperson

Recording Assistant

Date

Date

A full recording of this meeting is available upon request.