

To: Planning Commission
From: Terra Wilcoxson, Senior Planner
Date: August 16, 2022
Re: August 22, 2022 Work Session

On August 22, 2022, the Planning Commission will hold a 60-minute work session on three development code updates. Please note that these are three discrete updates that are rolled into one “project” since they share a common timeline. The work session is an opportunity for staff to share an overview of the updates and a time for Planning Commission to hone their understanding in advance of the project hearing. A City Council work session for this project is scheduled for September 6, 2022 at 6pm. The Planning Commission and City Council Hearing are anticipated in December 2022.

A brief description of the two housing-related updates is below. The Planning Commission is also receiving a memo on the third code update, which is a refresh of the City’s food and beverage cart process. The housing-related updates summarized below are driven by both state legislation and City Council’s 2022 Housing and Houselessness focus area.

Senate Bill 8

Senate Bill 8 required local governments to allow development of qualifying affordable housing on lands zoned for residential, commercial, and general industrial uses. In certain areas it specifies ownership criteria. It also establishes density and building height standards for affordable housing in land use districts that permit residential uses; density and building height bonuses are tiered based on the existing maximum density of the property. For the purpose of this code provision, affordable housing is defined as housing in which each unit is available to own or rent to households with incomes of 80% or less of the area median income *or* the average of all units is available to households with incomes of 60% or less of area median income. The affordability must be enforceable for at least 30 years.

Senate Bill 8 became effective on January 01, 2022. Therefore, any qualifying application submitted today would be reviewed under the state regulations where there is a conflict with the Gresham Community Development Code. The code is being updated to match the state requirements and provide clarity to all users of the code.



House Bill 3261

House Bill 3261 required local governments to unconditionally allow the conversion of a property from:

- use as a hotel or motel, to use as an emergency shelter, or
- use as a hotel or motel (including a hotel or motel that was previously converted to an emergency shelter) to use as affordable housing.

It is noteworthy that “conversion” in this context only includes a change of use and alteration to a building that *does not expand the building footprint*. Affordable housing, for the purpose of this code update, includes housing in which all units are affordable to households with incomes equal to or less than 60% of the area median income and whose affordability is enforceable for a duration of no less than 30 years. Per state mandate, such conversions are not land use decisions. A building permit shall be required, a planning development shall not.

House Bill 3261 became effective on May 06, 2021. Similar to Senate Bill 8, any qualifying application submitted today would be reviewed under the state regulations where there is a conflict with the Gresham Community Development Code. This code update will align the development code with the state regulations in order to provide clarity to all users of the code. Also similar to the code update for Senate Bill 8, this code update is anticipated to include few, if any, local policy decisions.