

**ORDINANCE NO. NS 2241**

**AN ORDINANCE AMENDING PORTIONS OF TITLES 1, 2, 3 & 4 OF THE BEND DEVELOPMENT CODE TO ADD INCENTIVES FOR THE DEVELOPMENT OF AFFORDABLE HOUSING AND STANDARDS FOR DEVELOPING COTTAGE HOUSING**

**Findings:**

- A. The City of Bend initiated the application on January 14, 2015. Timely and sufficient notice pursuant to Section 4.1.515 of the Development Code was provided.
- B. On March 23, 2015 the Bend Planning Commission held a public hearing to accept testimony on the request. The Planning Commission received testimony from five individuals in support of the proposal and no testimony in opposition. At the conclusion of the hearing on March 23, 2015, the Commission voted to recommend the proposed text amendments be approved by the City Council.
- C. All neighborhood Associations were notified via email of the proposal on March 2, 2015.
- D. Notice of the Council's public hearing on April 15, 2015 was published in the Bend Bulletin in on March 26, 2015 pursuant to Section 4.1.515 of the Development Code.
- E. The Bend City Council held a public hearing on April 15, 2015 to accept evidence and consider the Planning Commission's affirmative recommendation. The City Council found that the text amendments satisfy the criteria for approval contained at Section 4.6.200 of the Bend Development Code.
- F. These general findings are further supported by specific findings of fact contained in Exhibit B of this ordinance related to the Bend Development Code, which are incorporated into these findings.

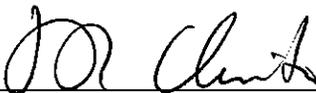
Based on these findings, the City of Bend ordains as follows:

Section 1 The Bend Development Code is amended as depicted in Exhibit A.

First Reading: April 15, 2015.

Second reading and adoption by roll call vote: May 6, 2015.

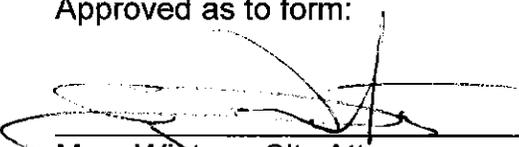
Yes:	Jim Clinton, Mayor	No: None
	Victor Chudowsky	
	Sally Russell	
	Nathan Boddie	
	Casey Roats	

  
\_\_\_\_\_  
Jim Clinton, Mayor

ATTEST:

  
\_\_\_\_\_  
Robyn Christie, City Recorder

Approved as to form:

  
\_\_\_\_\_  
Mary Winters, City Attorney

**EXHIBIT A**

**Proposed Development Code Amendments**

**ADD new definitions**

**Chapter 1.2 Definitions.**

**Cottage Housing Development** – means a type of site development or subdivision where individual lots are created, both built in conjunction with shared open space and other common tracts of land that are intended to serve small-scale single-family dwellings that interact together as a small community.

**Cottage** – means a detached single-family dwelling in a Cottage Housing Development.

**Cottage Cluster** – relates to the configuration of cottages. A cluster is a grouping of 4 to 12 cottage dwellings arranged on a development site around or adjacent to usable open space. A Cottage Housing Development may contain more than one cluster.

**AMEND**

**Chapter 2.1 – Amend Land Use Table 2.1.200**

Land Use	SR 2 1/2	RL	RS	RM-10	RM	RH	UAR
*Two-and-three family housing							
• <u>duplex when located on a corner lot</u>	N	CP	CP	P	P	P	N
• <u>Duplex on other lot or parcel</u>	N	C	C	P	P	P	N
• <u>Triplex</u>	N	C	C	P	P	P	N

**ADD to 2.1.600 - Residential Density**

**D. Density Bonus for Affordable Housing.** As an incentive to create Affordable Housing, the maximum densities provided in Table 2.1.600 may be increased when a developer provides “Affordable Housing” as part of a proposed development in conformance with Chapter 3.6.200C. The density increase is based on the percentage of affordable housing units within the proposed development. Any development that receives the density bonus shall be deemed an “Affordable Housing Development.” The table below provides the corresponding percent of increase. In no case may the Density Bonus exceed 1.5 of the existing Residential Zone.

**Table 2.1.600A - Density Bonus**

<u>Percentage of Units that are Affordable.</u>	<u>Density for Development, by percentage of existing Maximum Density Range.</u>
<u>10%</u>	<u>1.1</u>
<u>20%</u>	<u>1.2</u>
<u>30%</u>	<u>1.3</u>
<u>40%</u>	<u>1.4</u>
<u>50%</u>	<u>1.5</u>

When calculating the number of additional units, fractional units are rounded up to the next whole unit.



**ADD to 2.1.700 Maximum Lot Coverage.**

D. Lot Coverage Exception. For affordable housing developments where 50% or more of the dwelling units are deemed affordable in conformance with Chapter 3.6.200C, the entire development may develop with a 50% lot coverage.

**ADD to 2.1.800 - Building Height.** The section below shall be amended as indicated.

**B. Exceptions to Maximum Building Height Standard.**

1. Chimneys, bell towers, steeples, roof equipment (including minimum screening necessary to conceal mechanical roof equipment),
2. Flag poles, and similar features that are not intended for human occupancy may be considered exceptions to the maximum building height subject to an application for height variance in accordance with BDC Chapter 5.1.
3. An increase in building height not to exceed 10 feet above the height of the underlying zone may be allowed for multi-family housing when the additional units gained by the height increase are affordable housing units.

**ADD**

Chapter 3.3.300D – Exceptions and Special Standards for Parking.

3. Special Standards for Affordable Housing Parking. When affordable housing units are developed within 660 feet of a transit route, the parking requirement is reduced to one on-site parking space per affordable housing unit.

**AMEND**

Chapter 3.6.200B – Accessory Dwelling

3.6.200B(4)

4. Floor Area. The maximum floor area of the accessory dwelling shall not exceed 600 square feet ~~or 40 percent of the living space of the primary unit, whichever is smaller.~~ All structures on the lot including the main house, garage, etc., must comply with BDC 2.1.400 regarding floor area ratio.

3.6.200C

C. Affordable Housing Strategies. Through the adoption of two resolutions by the City Council (Resolutions 2423 and 2428), the City of Bend provides an incentive program to developers to assist in the development of affordable housing. The City defines **affordable housing** as housing with a sales price or rental amount that is within the means of a household that may occupy moderate- and low-income housing, meeting one of the thresholds defined below in section a and b.

- a. In the case of dwelling units for sale, affordable means housing in which the mortgage, amortized interest, taxes, insurance, and condominium or association fees, if any, constitute no more than 30 percent of such gross annual household income for a for a family at 80% of the area median income, based upon most recent HUD Income Limits for the Bend Metropolitan Statistical Area (Bend MSA).
  - b. In the case of dwelling units for rent, affordable means housing for which the rent and utilities constitute no more than 30 percent of such gross annual household income for a family at 60% of the area median income, based upon most recent HUD Income Limits for the Bend Metropolitan Statistical Area (Bend MSA).
1. In association with the land use review process, and prior to the issuance of a building permit for any units in an Affordable Housing Development, the Owner shall enter into an Affordable Housing Development Agreement with the City. The Development Agreement shall set forth the commitments and obligations of the City and the Owner, including, as necessary, conditions to ensure the completion of Affordable Housing in the development.
  2. The Owner shall execute any and all documents deemed necessary by the City in a form to be established by the City attorney, including, without limitation, restrictive covenants, deed restrictions, and related instruments (including requirements for income qualification for tenants of for-rent units) to ensure the continued affordability of the affordable housing units in accordance with this ordinance.

~~housing that is available for households making up to 100 percent of median income (gross), so that they are spending no more than 30 percent of their household income on housing-related expenses (e.g., rent, mortgage, and essential utilities). Below~~ The following are the adopted developer incentives adopted by the City:

- 4a. Expedited review and permitting processing.
- 2b. Planning and building fee exemptions up to \$10,000 per project.
- 3c. System development charge (SDC) deferrals.
- 4. Allow a Density Bonus when developing affordable housing units. (see Chapter 2.1.600)
- 5e. Allow a 10 foot building height bonus for multi-family housing when affordable housing units are gained. (See Chapter 2.1.800)
- 6f. Eligibility. Only those projects that are receiving City, State or Federal affordable housing funding are eligible to receive developer incentives through the City of Bend's Affordable Housing Developer Incentive Program.

**ADD new Section 4.5.600 for Cottage Housing Development**

**4.5.600 Cottage Housing Development.**

A. Purpose. The purpose of this section is to:

1. Provide a housing type that responds to differing household sizes and ages (e.g. retirees, small families, single-person households), and offers opportunities for affordability.
2. Provide opportunities for small, single-family dwellings in several residential zoning

districts by creating special land division and on-site development regulations that allow this type of use;

3. Encourage creation of usable open space for residents of the development through flexibility in density and development standards;
4. Support growth management through efficient use of urban residential land; and;
5. Provide regulations to ensure compatibility with surrounding uses.

B. Applicability. Cottage Housing Developments are allowed in the following districts. Standard Density Residential (RS), Medium Density Residential (RM) and Medium – 10 Residential (RM-10). Where the regulations of the Section are not specific, the standards of the relevant zoning district prevail.

The procedures and criteria of Chapter 4.3 shall apply to Cottage Housing Subdivisions. If a Cottage Housing Development is proposed with multiple units on an individual lot, Site Plan and Design Review shall apply in accordance with the procedures of Chapter 4.2. All Cottage Housing Developments shall be reviewed through a Type II process.

C. Density. For the purpose of this section, density is calculated as gross units per acre.

1. Minimum Density. The minimum density for CHD's is as follows:
  - a. RS and RM-10 Districts: 4 units per acre.
  - b. RM District: 12 units per acre.
2. Maximum Density. The maximum density shall not exceed that of the relevant zoning district.
3. Exception to Density Maximums: When affordable housing is proposed the provisions of Chapter 2.1.600(D) may be applied.

D. Development Area. Cottage Housing Developments shall contain a minimum of 4 and a maximum of 12 cottages arranged in a cluster. A Cottage Housing Development may contain more than one cluster.

E. Existing Uses. On a site to be used for a CHD, existing detached single-family dwellings, which may become nonconforming with respect to the standards of this section, shall be permitted to remain, but the extent of the nonconformity may not be increased. The nonconforming dwelling units shall be included in the maximum permitted cottage density.

F. Lot Coverage and Floor Area.

1. There is no maximum lot coverage for Cottage Housing Developments.
2. There is no minimum lot size for Cottage Housing Developments.
3. The maximum floor area per dwelling unit without an attached garage is 1,100 square feet. A dwelling unit with an attached garage shall have a maximum floor area of 1,200 square feet including the garage. The maximum floor area is defined as the area included within the surrounding walls of a cottage building on all levels.

G. Setbacks and Building Separation. Because CHD's are a unique type of development, setbacks are measured differently than for a traditional development. The exterior boundary of the CHD development area is considered to be the edge of the development area for the purposes of calculating perimeter setbacks from surrounding properties. For buildings on lots within the CHD, the separation between other onsite buildings are measured, not the distances to interior property lines, unless setbacks from property lines are necessary to meet the Building Code (interior setbacks).

1. Exterior Setbacks. All buildings within a CHD shall be setback 10 feet from the exterior boundary of the CHD.
2. Interior Building Separation. There shall be a minimum separation of six feet between the eaves of the cottages. On cottage sides with a main entrance, the minimum separation shall be 10 feet. Structures other than cottages shall meet minimum Building Code setback requirements.

H. Required Common Open Space. Common open space is intended to be an amenity shared by all residents of the cottage housing development.

1. Provide a centrally located open space area for the cottage housing development and have cottages abutting at least two sides.
2. Contain a minimum of 400 square feet per cottage.
3. At least 50 percent of the cottages shall abut a common open space.
4. Each cottage shall be connected to the common by a pedestrian pathway.
5. Areas such as utility vaults, exterior setbacks and common parking areas and driveways are not counted in the common open space requirements.
6. Common open space may contain an ASI or drainage swale area, provided the area is useable open space.
7. Required common open space shall be provided at ground level in a contiguous commonly owned tract with an easement indicating that it benefits all lots in the CHD.
8. Common open space shall have a minimum average width of 20 feet.
9. The common open space areas shall be constructed and landscaped prior to filing a final plat or in the case of a site plan, construction and landscaping will be tied to final occupancy of the first cottage.
10. The common open space shall be recorded as a perpetual open space to benefit all residents of the Cottage Housing Development prior to filing a final plat or prior to obtaining a building permit.

I. Required Private Open Space. Private open space adjacent to each cottage is intended for the exclusive use by the cottage resident.

1. Provide a total of 400 square feet of private open space that includes a minimum of 200 square feet of contiguous usable open space adjacent to each cottage with no dimension less than 10 feet. Front porches are not included in the private open space calculation.
2. No more than 50% of the private open space can be within an unenclosed covered patio.

J. Development Standards.

1. At least 50 percent of the cottages shall be oriented around and have their main entrance facing the common open space.
2. Each cottage shall have a covered entry of at least 80 square feet with a minimum dimension of six feet on any side.
3. Pedestrian pathways in compliance with BDC 3.1.300(B) must be included to provide for movement of residents and guests from parking areas to homes and other amenities. These pathways must be shown on the subdivision tentative plan or site plan and be part of the common areas/tracts.
4. Individual detached garages cannot exceed 450 square feet of floor area and no more than 18 feet in height. Only one garage is allowed per cottage.
5. Accessory Dwelling units shall not be permitted in Cottage Housing Developments (CHD's).

6. Accessory Structures for common usage are allowed in the common open space areas. Other accessory structures (except garages) are prohibited.

K. Parking. Parking for CHD's shall be located on the CHD property and identified on the tentative subdivision plan and/or site plan. Onsite parking shall meet the following standards:

1. Parking may be located within an enclosed garage, carport or unenclosed parking space.
2. Parking may be located in common tracts if intended to be shared by the entire CHD in groups of not more than 5 adjoining spaces separated by at least 4 feet of landscaping. An enclosed garage or carport intended to be shared by the entire CHD shall not exceed 1,200 sq. ft. in size.
3. Parking shall not be located in the exterior setback and must be screened from public streets and adjacent residential uses by a 10 foot landscape buffer containing landscaping and/or architectural screening.
4. Parking is allowed between or adjacent to structures only when it is located toward the rear of the cottage and is served by an alley or private driveway.
5. Off-street parking requirements shall be calculated based on the number of bedrooms per cottage unit:
  - 1 - bedroom: Minimum 1 space
  - 2 - bedroom: Minimum 1.5 spaces
  - 3 or more bedrooms: Minimum 2 spaces
6. All parking shall provide a minimum of 24 feet for maneuvering and backing movements from garages, carports and/or parking areas.

L. Frontage Requirements. Individual cottage lots created as part of a CHD subdivision are not required to have frontage on a public or private street. However, the Development parcel shall have the minimum frontage on a public or private street as required by the underlying zone

M. Public Utilities. All lots shall be served by individual services from a private or public distribution main. Any deviations from City standards need to be approved by the City Engineer. All individual service lines that cross property shall be placed in an easement.

N. Covenants, Conditions and Restrictions

Subsequent to final plat approval but prior to issuance of a building permit for any structure in a Cottage Housing Development, set of conditions, covenants and restrictions (CC&Rs) for the Cottage Housing Development shall be reviewed and, if approved by the City, recorded with Deschutes County. The CC&Rs must create a homeowner's association that will provide for maintenance of all common areas in the Cottage Housing Development.

**EXHIBIT B**

**TYPE IV LEGISLATIVE REVIEW**

**PROJECT NUMBERS:** PZ 15-0037

**HEARING DATE:** City Council Hearing – April 15, 2015

**APPLICANT:** City of Bend  
Affordable Housing Advisory Committee

**STAFF** Wendy Robinson, Senior Planner;  
**REVIEWER:** wrobinson@bendoregon.gov



**CRITERIA:** Statewide Planning Goals, 10 OAR 660-0015-0000, Bend Development Code Section 4.6.200, and the applicable plan policies of the Bend Area General Plan.

**BACKGROUND:** The City of Bend Affordable Housing Advisory Committee (AHAC) appointed by the City Council was tasked with identifying measures that would provide an incentive to developers to construct affordable housing in Bend. Following a presentation by the AHAC on September 17, 2014, the City Council directed staff and the PC to adopt recommendations from the AHAC.

To achieve this goal, the City Council through the City Manager, has directed staff and the PC to deliver a package of recommended codes, supporting findings and processing by April 15<sup>th</sup>, 2015.

The City formed a Technical Team to make refinements and improvements to the AHAC recommended cottage code and density bonus code provisions. The revisions were presented to the AHAC on February 10, 2015. The AHAC is in full support of the proposal.

**PROPOSAL:** Amend the Bend Development Code Chapter 1.2 to add supporting definitions, Chapters 2 and 3 to provide incentives for developing affordable housing and Chapter 4 to add Cottage Housing as a housing type and an infill development option.

**PROCESS SCHEDULE:** Staff and the AHAC will hold a worksession with the Planning Commission on March 23, 2015 to present the proposal. A Public Hearing with the Planning Commission will follow the worksession. A second public hearing is scheduled before the City Council for April 15, 2015.

## FINDINGS IN SUPPORT

### I. Purpose

These findings support the decision to adopt an amendment to the City of Bend Development Code to allow Cottage Housing in selected residential zones, provide incentives for the development of affordable housing and remove barriers from the development code that prevent the development of affordable housing. These findings address the applicable administrative rules at OAR 660-015, the requirements for a text amendment under Bend Development Code 4.6.200, and the applicable plan policies of the Bend Area General Plan.

### II. Action

The action supported by these findings includes the amendments to Chapter 1.2, Definitions, Chapter 2.1, Residential Districts, Chapter 3.3, Parking, Chapter 3.6, Special Standards For Certain Uses and Chapter 4.5, Master Planning and Development Alternatives.

Specifically, the amendment to **Chapter 1.2** will add new definitions relied upon for interpreting the Cottage development code and determining what type of development constitutes "affordable housing".

The amendment to **Chapter 2.1** will amend Table 2.1.200 to allow duplex dwellings on corner lots and add a provision for a density bonus to section 2.1.600, Residential Density as an incentive for developing affordable housing. Other incentives will be added to 2.1.700, to allow 50% lot coverage when 50% of a development is affordable and to 2.1.800, Building Height to allow a building height bonus when the increase will result in additional affordable units.

The amendment to **Chapter 3.3** will add an exception to the residential parking standard for affordable housing developed within 660 feet of a transit route.

The amendment to **Chapter 3.6**, Special Standards for Certain Uses will amend the existing section 3.6.200B, Accessory Dwellings to eliminate the 40% floor area requirement for an ADU.

A second amendment to 3.6.200C, Affordable Housing Strategies will add density bonus and the building height bonus as an affordable housing incentives and provide specific provisions for developing affordable housing.

The amendment to **Chapter 4.5**, Master Planning and Development Alternatives will add a provision for Cottage Housing Development as a new housing type.

### III. Applicable Criteria

Legislative land use decisions must comply with applicable provisions of the statewide land use planning goals, applicable statutes and administrative rules, and applicable unamended provisions of the comprehensive plan and implementing regulations. Legislative land use decisions must also be internally consistent pursuant to Statewide Planning Goal 2, Land Use Planning.

These findings address the requirements for a text amendment under Bend Development Code 4.6.200, and the applicable plan policies of the Bend Area General Plan. The proposal does not contemplate an amendment to the Bend Area General Plan.

#### **IV. FINDINGS ADDRESSING STATEWIDE PLANNING GOAL 10 (OAR 660-0015-0000(10))**

##### **Goal 10 – To provide for the housing needs of citizens of the state.**

**FINDING:** The phrase "housing needs" refers to the types of needed housing units determined to meet the need shown for housing within an urban growth boundary at particular price ranges and rent levels. For Bend, "needed housing units" includes attached and detached single-family housing, multiple-family housing, and manufactured homes whether occupied by owners or renters.

In 2009, the city updated the Bend Area General Plan Chapter 5 in support of the urban growth boundary expansion. The housing data showed that approximately 70% of the housing in Bend consisted of detached single family homes. Unfortunately, very few of these homes are considered to be affordable by definition<sup>1</sup>. The General Plan and the implementing codes currently encourage the market to provide affordable housing by:

- Allowing smaller single family lots which may lower prices and spread development costs out over more dwellings;
- Reducing street widths in residential areas;
- Allowing accessory dwellings in new single family subdivisions;
- Creating more flexible and easier to administer development standards;
- Creating a new zoning district that permits attached housing, detached housing and manufactured home parks at a density between the existing standard residential and multi-family residential zones;
- Providing special overlay standards for existing Manufactured Home Parks as an incentive to develop affordable housing;
- Increasing the percentage of multifamily housing in the future housing mix; and
- Reducing the minimum lot size in the multi-family zones to allow smaller homes on lots as small as 2,500 square feet.

Even with the existing incentives, affordable housing is not being constructed at levels necessary to meet the need. The existing development code standards for residential development are an obstacle to making affordable housing cost effective for the builder. The proposed code amendments will provide incentives by modifying some onsite development standards to make it easier to achieve higher densities on infill lots. Below are excerpts from the Goal 10 Guidelines for providing needed housing that are applicable to the proposal.

#### **GUIDELINES**

##### **A. PLANNING**

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<sup>1</sup> Housing is considered affordable if householders spend less than 30% of their gross income on mortgage or rent payments and utilities.

1. In addition to inventories of buildable lands, housing elements of a comprehensive plan should, at a minimum, include: (4) allowances for a variety of densities and types of residences in each community.

**FINDING:** Chapter 5, Housing and Residential Lands describes the residential land use categories allowed within the urban growth boundary for Bend. The residential densities range from one dwelling unit per 10 acres up to 43 dwelling units per acre. Historically Bend's residential housing has developed as detached single family at an average density of 2.4 units per acre. Over the past 15 years, the housing densities are slowly increasing for single family detached housing.

The proposal to add the ability to develop cottage housing on infill properties will complement the current housing being constructed. The proposed cottage development code will allow the construction of smaller homes with shared common open space. Cottage housing can develop as a subdivision or as detached multi-family housing on one larger lot. Smaller homes will help keep costs down, making home ownership a possibility for lower income levels. The smaller scale homes accompanied by common open space will also ease the impacts of infill housing adjacent to existing neighborhoods.

A proposed modification to the development code table 2.1.200 would allow the construction of duplex units on corner lots within the RL and RS zones. Corner lots are typically larger and with two street frontages can more easily accommodate parking and minimize the outward appearance of a multi-family dwelling.

The affordable housing code amendments include a proposed density bonus and lot coverage bonus that will complement the existing affordable housing incentives by allowing a developer to meet or slightly increase density when a development includes affordable housing. In addition, an increase in building height up to 10 feet may be allowed if it can be shown that the increased height will provide for additional affordable dwelling units.

## **B. IMPLEMENTATION**

4. Ordinances and incentives should be used to increase population densities in urban areas taking into consideration (1) key facilities, (2) the economic, environmental, social and energy consequences of the proposed densities and (3) the optimal use of existing urban land particularly in sections containing significant amounts of unsound substandard structures.

**FINDING:** With the 2006 Development Code update, a code section for infill development alternatives was added to enable the smaller, irregular properties scattered around Bend to develop more efficiently and at higher densities. In addition, the proposed amendments to add incentives that modify the development standards will make it easier to meet target densities. The Bend Area General Plan Chapter 5 contains policies that support the proposed affordable housing code amendments.

*Residential Compatibility – page 5-25*

*policy # 3 – The development of infill areas may, as an alternative to the standard subdivision review process, proceed through a public involvement process that would allow*

*the maximum flexibility of design and provide for neighborhood participation.*

*policy #11 – Residential areas shall offer a wide variety of housing types in locations best suited to each housing type.*

*policy #30 - Density bonuses may be considered as an incentive to providing affordable housing.*

Residential compatibility will continue to be at odds with increased densities and affordable housing. By providing a variety of housing types and design options, the impacts of density can be reduced. The proposed text amendments are consistent with the general plan policies stated above.

**CONCLUSION:** The Bend Area General Plan seeks to increase density in all residential land use categories and housing types. Therefore this proposal is consistent with the Goal 10 Housing Guidelines.

## **V. FINDINGS ON OAR 660-0015, COMPLIANCE WITH STATEWIDE PLANNING GOALS**

### **Goal 1: Citizen Involvement.**

***To develop a citizen involvement program that insures the opportunity for citizens to be involved in all phases of the planning process.***

**FINDING:** The City of Bend created a volunteer citizens group called the Affordable Housing Advisory Committee to explore measures that could have a positive effect on the local housing market and provide incentives for developing affordable housing within the City of Bend.

The Affordable Housing Advisory Committee selected two measures to move forward to adoption; 1) the Cottage Housing code amendment and 2) density and height bonus. The City Council has identified an urgent need in the community for affordable housing and directed staff to assist in the adoption of these measures. A technical team of city staff was formed to review the Affordable Housing Advisory Committee's proposal and guide the proposal through the hearing process.

On February 12, 2015 a "Notice of Proposed Change to a Comprehensive Plan or Land Use Regulation" was submitted to DLCD. In addition, the city published a notice in the Bend Bulletin on March 3, 2015 announcing a public hearing 20-days prior to the Planning Commission. A second Bulletin notice will be published prior to the City Council hearing. In addition, the details of the proposal and the materials for the hearing will be posted on the City's website via ePlans "public viewer".

### **Goal 2: Land Use Planning**

***To establish a land use planning process and policy framework as a basis for all decision and actions related to use of land and to assure an adequate factual base for such decisions and actions.***

**FINDING:** The proposed code amendment has been developed with and supported by an adequate factual base. The proposal is sponsored by the Affordable Housing Advisory Committee and the City has coordinated review of the proposal with affected agencies and experts in the Affordable Housing community. In addition, the proposal is consistent with and supported by the Bend Area General Plan policies and text.

**Goal 3: Agricultural Lands, and Goal 4: Forest Lands**

**FINDING:** These goals are not applicable because the City's Development Code applies only to the urban and urbanizable land in the current Bend urban growth boundary.

**Goal 5: Natural Resources, Scenic and Historic Areas, and Open Spaces**

*To protect natural resources and conserve scenic and historic areas and open spaces.*

**FINDING:** The proposed code amendments to add a Cottage Housing infill development option and density bonus supports the land uses allowed under the Bend Area General Plan. Any development of land uses allowed under the General Plan adjacent to Goal 5 resources identified under the General Plan will occur according to any adopted protection measures. The code amendment does not propose any changes to any of the City's acknowledged protection measures.

**Goal 6: Air, Water, and Land Resources Quality**

*To maintain and improve the quality of the air, water and land resources of the state.*

**FINDING:** The proposed code amendments will maintain and improve the quality of the air, water, and land resources of the state. By allowing more efficient use of urbanizable lands within the existing urban growth boundary, the impacts to air, water and land resources are minimized.

**Goal 7: Areas Subject to Natural Hazards**

*To protect people and property from natural hazards.*

**FINDING:** This goal is not applicable because the code amendment does not propose specific development within areas identified as Goal 7 natural hazards in the Bend UGB.

**Goal 8: Recreational Needs**

**FINDING:** The proposed development code amendment will allow residential development in accordance with the General Plan and will have minimal impact on services to parks and other facilities that provide recreational opportunities in the Bend UGB. In addition, all housing developed within the City of Bend pays a Park System Development Fee.

**Goal 9: Economic Development**

*To provide adequate opportunities throughout the state for a variety of economic activities vital to the health, welfare, and prosperity of Oregon's citizens.*

**FINDING:** The proposed code amendment pertains to residential lands and does not contemplate changes to economic lands therefore this goal is not applicable.

**Goal 10: Housing**

***To provide for the housing needs of citizens of the state.***

**FINDING:** The development code amendment will provide opportunities and incentives for the development of affordable and needed housing within the current Bend UGB. The proposal is consistent with the goals and policies of the General Plan and Goal 10.

**Goal 11: Public Facilities and Services**

***To plan and develop a timely, orderly and efficient arrangement of public facilities and services to serve as a framework for urban and rural development.***

**FINDING:** The proposed development code amendments will encourage new residential development in areas where public facilities and services are available to serve the land uses contemplated by the Bend Area General Plan.

**Goal 12: Transportation**

***To provide and encourage a safe, convenient and economic transportation system.***

**FINDING:** This goal is not applicable because the proposed code amendment does not propose any changes to the city's transportation system that would trigger review under Goal 12 or its administrative rule under OAR 660-012.

**Goal 13: Energy Conservation**

***To conserve energy.***

**FINDING:** This goal is not applicable because the proposed code amendment does not propose any changes to the land uses allowed under the Bend Area General Plan that would require more energy be used. By encouraging residential development at urban levels within the existing urban growth boundary, the provision of public facilities can be expected to result in a more sustainable system with reduced energy demands.

**Goal 14: Urbanization**

***To provide for an orderly and efficient transition from rural to urban land use, to accommodate urban population and urban employment inside urban growth boundaries, to ensure efficient use of land, and to provide for livable communities.***

**FINDING:** The City continues to provide public facility improvements to support the land uses in the current Bend UGB. Allowing new residential development to occur on urban and urbanizable lands will support the orderly and efficient development within the Bend UGB for future housing.

**CONCLUSION:** The proposed development code amendments are consistent with and implement all applicable statewide planning goals.

## **VI. FINDINGS DEMONSTRATING COMPLIANCE WITH BEND AREA GENERAL PLAN**

### ***Preface to the Bend Area General Plan, pages P-6 – P-7***

***The General Plan is a document that changes over time to reflect new information and new directions for the future. Amendments or additions to the General Plan text, exhibits, and policies go through a public hearing and review process before being adopted by the governing bodies. Changes and updates can be generated in at least six ways:***

- ❖ ***Regularly scheduled reviews and updates by the city and county.*** Every five years, beginning in the year 2000, the city and county will review the population growth, the housing mix and acreage needs, the industrial lands absorption, and the commercial lands absorption against the long-term forecasts in the General Plan. Other issues may also be evaluated during these regular views.
- ❖ ***Preparation of more detailed refinement plans for neighborhoods or geographic areas.*** As provided for in Oregon land use law, the city or county may prepare more detailed land use and development plans for parts of the urban area that have large vacant or under-utilized parcels. Such refinement plans could address future street patterns and other utility systems, housing density and compatible uses, site and design standards, locations for parks, schools, and open space, and other land use issues.
- ❖ ***Evaluation of land use topics required to be reviewed under the Oregon Land Conservation and Development Commissions periodic review of the General Plan.*** The state requires all local plans to be updated periodically to comply with applicable new state laws, administrative rules, or to incorporate new data available to the state.
- ❖ ***Other state laws or legislative actions that require changes to the Plan outside of the normal periodic review cycle.*** The state legislature or the voter referendum/initiative process can require changes to local land use plans within a specific time period.
- ❖ ***City or county response to new issues or changes.*** Issues that were unforeseen during the development of the plan can arise that have an impact on a particular neighborhood or the whole urban area. The city and county officials can direct staff to amend the Plan to address these issues.
- ❖ ***Changes proposed by individuals or other agencies.*** A proposal by an individual, corporation, or public agency to change to the Plan text, land use map, other exhibits, or policies shall be considered as determined by the procedures ordinance. A person or agency proposing a change has the burden to demonstrate a public need and benefit for the change.

**FINDING:** The City of Bend has proposed an amendment to the Bend Development Code which implements the acknowledged Bend Area General Plan. The proposed code amendments fulfill a public need and provides a public benefit. The public need satisfied by the proposed amendments will allow new residential development including affordable housing within the existing urban growth boundary on urbanizable lands with land uses contemplated and allowed under the Bend Area General Plan. The public benefit for the proposed amendment includes the provision of needed housing and the potential for the development of more affordable housing. The proposal is consistent with the following General Plan Policies:

***Chapter 1 – Plan Management and Citizen Involvement***

***Development within the Urban Growth Boundary***

5. ***The city and county will encourage compact development and the integration of land uses within the Urban Growth Boundary to reduce trips, vehicle miles traveled, and facilitate non-automobile travel.***
6. ***The city and county will encourage infill and redevelopment of the core area of the city.***

***Citizen Involvement***

15. ***The city shall continue to use advisory committees in their planning process, members of which are selected by an open process, and who are widely representative of the community.***
16. ***The city will use other mechanisms, such as, but not limited to, meetings with neighborhood groups, planning commission hearings, design workshops, and public forums, to provide an opportunity for all the citizens of the area to participate in the planning process.***

**FINDING:** The proposed development code amendments will allow a development alternative for infill housing on small properties that are not suitable for conventional subdivision development and where public facilities are present. The recommendation for a Cottage Housing code, building height bonus and density bonus for affordable housing comes from the Affordable Housing Advisory Committee with support from the Bend City Council. Through the process of preparing the proposed amendments for hearing, staff identified other incentives including increased lot coverage when a development includes 50 % of the units as affordable, reduced parking for affordable housing when located within 660 feet of a transit route, and providing a standard size of 600 sq. ft. for an accessory dwelling unit. These additional incentives are supported by the Affordable Housing Advisory Committee.

***Chapter 2 – Natural Features and Open Space***

***Natural Features and Open Space***

7. ***Major rock outcrops, stands of trees, or other prominent natural features identified in the General Plan shall be preserved as a means of retaining the visual character and quality of the community.***

**8. Natural tree cover should be retained along streets in new developments to retain the natural character of Central Oregon within the urban area as the community grows.**

**12. The city shall develop flexible subdivision and development standards that make it easier for developers to provide open space within a neighborhood.**

**FINDING:** The proposed development code amendments will provide opportunities and incentives for developers to preserve open space while achieving the desirable residential densities for their project.

#### **Chapter 5 – Housing and Residential Lands**

**3. The development of infill areas may, as an alternative to the standard subdivision review process, proceed through a public involvement process that would allow the maximum flexibility of design and provide for neighborhood participation.**

**11. Residential areas shall offer a wide variety of housing types in locations best suited to each housing type.**

**17. All residential development should respect the natural ground cover of the area insofar as possible, and existing and mature trees within the community should be preserved.**

**30. Density bonuses may be considered as an incentive to providing affordable housing.**

**FINDING:** The Bend Area General Plan contemplated a need for development alternatives when considering infill development. The proposed development code amendments provide alternatives for the development of infill properties that may be unsuitable for standard subdivision development. The proposed amendments also consider the scale of infill development to ensure compatibility within an existing neighborhood. The requirement for open space development within a cottage housing development provides opportunities to preserve and protect significant trees and natural rock formations.

**CONCLUSION:** The proposed development code amendments are consistent with all applicable provision of Bend's Comprehensive Plan.

#### **VII. FINDINGS ON COMPLIANCE WITH BEND DEVELOPMENT CODE 4.6.200, LEGISLATIVE AMENDMENTS**

##### **4.6.200 – Legislative Amendments**

**A. Applicability, Procedure and Authority. Legislative amendments generally involve broad public policy decisions that apply to other than an individual property owner. These include, without limitation, amendments to the text of the Comprehensive Plan and map, Development Code and changes in the zoning map not directed at a small number of properties. They are reviewed using the Type IV procedure in accordance with Chapter 4.1, Land Use Review and Procedures and shall conform to BDC 4.6.600, Transportation Planning Rule Compliance. A legislative amendment may be**

***approved or denied.***

**FINDING:** The City proposes a legislative amendment to the text of the Bend Development Code and has followed the applicable procedures. This proposed amendment would amend the text of Chapter 1.2, Definitions, Chapter 2.1, Residential Districts, Chapter 3.3, Parking, Chapter 3.6, Special Standards For Certain Uses and Chapter 4.5, Master Planning and Development Alternatives.

Specifically, the amendment to **Chapter 1.2** will add a definition for Cottage Housing Development and cottage to provide further guidance to anyone using the code.

The amendment to **Chapter 2.1** will amend Table 2.1.200 to allow duplex dwellings on corner lots and add a provision for a density bonus to section 2.1.600, Residential Density as an incentive for developing affordable housing. Other incentives will be added to 2.1.700, to allow increased lot coverage when 50% of the development includes affordable housing and 2.1.800, Building Height to allow a building height bonus for multi-family buildings when the increase will result in additional affordable units.

The amendment to **Chapter 3.3** will add an exception to the residential parking standard when affordable housing is developed within 660 feet of a transit route. The reduced parking requirement will require one on-site parking space per dwelling unit regardless of the size of the unit.

The amendment to **Chapter 3.6**, Special Standards for Certain Uses will amend the existing section 3.6.200C, Affordable Housing Strategies to add the Density and Building Height Bonus as an affordable housing incentive. Specific provisions for developing affordable housing will also be added.

The amendment to **Chapter 4.5**, Master Planning and Development Alternatives will add a provision for Cottage Housing as another infill development alternative to section 4.5.200.

**B. *Criteria for Legislative Amendments. The applicant shall submit a written narrative which explains how the approval criteria will be met. A recommendation or a decision to approve or to deny an application for a legislative amendment shall be based on all of the following criteria:***

***1. The request is consistent with the applicable State land use law;***

**FINDING:** The findings under Sections III, IV, and V above show the proposed Development Code amendment is consistent with Goal 10, its administrative rule at OAR 660 Division 15, and the applicable statewide planning goals.

***2. The request is consistent with the applicable Bend Area General Plan goals and policies;***

**FINDING:** As demonstrated in Section VI, the proposed Development Code amendment is consistent with the Bend Area General Plan.

**3. *The applicant can demonstrate a public need or benefit for the proposed amendment.***

**FINDING:** The proposed Development Code amendment fulfills a public need and provides a public benefit. The public need satisfied by the proposed amendments will allow new residential development within the existing urban growth boundary on urbanizable lands with land uses contemplated and allowed under the Bend Area General Plan. The public benefit for the proposed amendment includes the provision for a variety of housing types and added incentives for the development of affordable housing.

**CONCLUSIONARY FINDINGS:** Based on the findings above, the proposed Development Code amendments are consistent with and implement Goal 10, all applicable statewide planning goals, all applicable provision of Bend's comprehensive plan and is consistent with Bend Development Code Section 4.6.200.