



# Oregon

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TO: UGB Phase 2 Workgroup

FROM: Bob Rindy and Gloria Gardiner

RE: Ideas for Residential Safe Harbors

DLCD staff has revised the proposed housing safe harbor methodology from our discussion last time, primarily the “numbers” for density and mix safe harbors.

As we discussed at our last meeting there are two safe harbors, and two options for each – two for housing density and two for housing mix. For each, the options provide a “standard number” based on UGB population, and a second “incremental number” that varies based on current conditions in the community. The density safe harbors include several parts, primarily based on the “model” used in LCDC’s “Metro Housing Rule” (OAR 660, division 7).

In all cases, keeping with the principles we adopted in the Phase 1 workgroup, we have tried to make these safe harbors “conservative”<sup>1</sup> so that they would tend to “push” densities or housing mix to achieve more compact and affordable communities if the community chooses to use the safe harbors.

## I. HOUSING DENSITY SAFE HARBORS

**Option 1:** This safe harbor would provide a standard density that local governments may use in considering UGB amendments. Although we use the word “standard”, this would vary for UGBs of various populations. The safe harbor would help local governments estimate overall residential land needs. This safe harbor would propose a “density” in units per net acre that cities may assume as the projected average residential density for the entire city (at build out) over the 20-year planning period (See chart below). Or in other words, this safe harbor provides a density local governments may use as part of their “methodology” to estimate the overall residential land need, once the city has settled on a 20-year population, household size, current buildable land in the UGB, and housing mix. We suggest that this safe harbor would be more “conservative” if we require it to be linked to the housing mix safe harbor discussed later in this memo.

For each population range (four ranges are proposed) the safe harbor density assumption is paired with two other density “assumptions”. The first assumption we describe as a “density

<sup>1</sup> When UGB safe harbors were proposed in “phase 1”, that workgroup agreed they should be “conservative, by which we meant, according to at least one document produced at the time, that “safe harbors should err on the side of resource land conservation and housing affordability. They should not be used to justify UGB expansions that probably could not otherwise be justified.”

opportunity”, but another way to describe it is the maximum allowed by each residential zone. By agreeing to use the safe harbor, a city must ALLOW (through clear and objective zoning) the opportunity for a higher average density than the average provided in the safe harbor itself, at least to the point of the maximum shown in the chart. Second, we propose that the city establish a MINIMUM density, i.e., if the city uses the average density safe harbor, it cannot allow development that is lower than the minimum density we provide – this minimum would also vary with population category. In our discussion at the last meeting we described this as a minimum for each zone, but recognized that we may need further discussion of this.

**Option 2:** An alternative scheme for density safe harbors would specify a PERCENTAGE INCREASE over and above the existing density for DEVELOPED LAND in the city. Under this option, we specify an “increment” by which the “current” average density must be increased. The Department recommends that this increment be the same for all UGB sizes: +25 percent, as reflected in the chart below. For each population range (we propose four ranges equivalent to the ranges proposed in option 1) the safe harbor density assumption would again be paired with two other “density assumptions”. The city must also ALLOW (through clear and objective zoning) the opportunity for a higher average density than the safe harbor predicted average density. Thus, for each population category, we again provide an overall average net residential density that must be ALLOWED. Also, as above, we propose that the city establish a MINIMUM density, i.e., if the city uses the density safe harbor, it may not allow development that is lower than the minimum density paired with the average density.

**Housing Density Safe Harbors (combined Option 1 and Option 2)**

Projected 20-year Pop	Min Avg <sup>2</sup>	Either Standard Proj Avg	Or Projected Incrmt Avg over current	Opportunity (max) avg <sup>3</sup>
<2500	3	4	+25%	6
2,500-10,000	4	6	+25%	8
10,000-25,000	5	7	+25%	9
25,000-100,000	6	8	+25%	10

Finally, if there is time, the department recommends that the workgroup discuss whether there should be additional density safe harbors for specific circumstances, as follows:

**1. Exception areas** taken into a UGB. The workgroup should discuss whether to exclude these from the above safe harbors, and specify a specific safe harbor density for exceptions areas. If we do this, the department recommends the following to begin the discussion. First, for exception areas currently developed with 2-acre lots or less, the department recommends that the density be doubled in these areas. Second, for exception areas with lots of 5 acres or higher, the department recommends higher densities, possibly 4 to 6 units per net acre.

<sup>2</sup> This would apply regardless of whether the local government uses the standard or the incremental safe harbor.

<sup>3</sup> This would apply regardless of whether the local government uses the standard or the incremental safe harbor.

**2. High value farmland** brought into a UGB. The department recommends that the workgroup consider whether this category should have its own minimum density allowed, on the order of at least 10 to 15 units/net acre, or perhaps higher.

## II. PROPOSED HOUSING MIX SAFE HARBOR

**Option 1:** Currently in the Metro housing rule (OAR 660, division 7), housing mix is two tiered: Attached and Detached. In the Metro context, the housing mix must be 50%/50% for these two categories. The proposal below suggests different mixes statewide, based on the same UGB population increments as for the density safe harbor chart above. Again, DLCDC proposes if a city chooses to use the density safe harbors, it must also use the housing mix safe harbor, and *vice versa*. The numbers provided below are for discussion purposes.

### Housing Mix Safe Harbors

Projected UGB pop	<2500	2500-10,000	10,000-25000	25000+
Detached Single family	65%	60%	45%	50%
Attached, including Multi Family and Manufactures Housing parks	35%	40%	55%	50%

**Option 2:** We discussed the idea of having a safe harbor that represents an “incremental increase” over the current density, but I don’t believe we talked about an incremental housing mix safe harbor. The department proposes that the incremental safe harbor should increase the percentage of attached housing by 15% over the current mix. Thus, if the current mix is 20% MF/80%SF, the safe harbor would be 35%MF/65%SF.

Finally, some work group members suggest that, if we had the time, a housing mix safe harbor should be three-tiered rather than the two-tiered approach above: (1) Detached Single Family, (2) Large Lot/Attached SF including manufactured housing, and (3) townhouses/Multi family. We should discuss the ramifications of this option. It would allow us to focus on “midrange” density housing, such as townhouses and manufactured housing subdivisions and parks that we would propose be built around 10 or more DU/net acre.