Planning Commission Study Session Agenda

March 25, 2019

Commission Members

David Culbertson

Joe Foley

Bill Mansfield

David McFadden

Mark McKechnie

E. J. McManus

Patrick Miranda

Jared Pulver

Jeff Thomas

Planning Commission study sessions are held on the second and fourth Mondays of every month

Study Sessions begin at noon

City of Medford

Lausmann Annex Room 151

200 S. Ivy Street, First Floor

Medford, OR 97501

541-774-2380

Planning Commission

Agenda

Study Session

March 25, 2019
Noon

Lausmann Annex, Room 151
200 South Ivy Street, Medford, Oregon

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10. Introductions

20. Discussion items

20.1 DCA-18-144 Cottage Housing

30. Adjournment

Meeting locations are generally accessible to persons with disabilities. To request interpreters for hearing impaired or other accommodations for persons with disabilities, please contact the ADA Coordinator at (541) 774-2074 or ada@cityofmedford.org at least three business days prior to the meeting to ensure availability. For TTY, dial 711 or (800) 735-1232.

MEMORANDUM

Subject	Cottage Housing Code Amendment	
File no.	DCA-18-144	
To	Planning Commission	*for March 25, 2019 study session*
From	Seth Adams, AICP, Planner III	
Date	March 20, 2019	

BACKGROUND

Staff was directed at the February 15, 2018 City Council meeting to begin working on the various recommendations of the Housing Advisory Committee. Among the Committee's recommendations, amending the Land Development Code to allow for the development of cottage housing was considered to be a high priority item. At a joint study session of the City Council and Planning Commission on September 24, 2018, staff presented a brief overview of cottage housing, including some of the key provisions that would need to be considered and incorporated into a development code amendment. Members of the City Council and Planning Commission provided comments, suggestions, and questions regarding cottage housing regulations, and staff was directed to begin work on the code amendment. **(Exhibit A)**

OVERVIEW

One way to address the housing affordability issue is to allow for a wider variety of housing types, such as cottage housing. Cottage housing developments are generally defined as a development of small, detached, single-family dwelling units that are clustered around a central outdoor common space within a coordinated site plan. **(Exhibit B)** Cottage units are smaller than the standard single-family residence, and while the units are typically oriented towards the central outdoor common space, each cottage also has its own private yard and a roofed porch.

Cottage housing is typically built as infill development, and while the coordinated design plan and smaller unit sizes allow for densities that are higher than the typical single-family neighborhood, their impacts (both real and perceived) are minimized because of their smaller overall bulk and scale. The site design of cottage housing also encourages neighborhood interaction and safety by orienting homes around a functional community space that is usable and can be easily tailored to the needs of the residents. Cottage housing is ideal for retirees and empty-nesters that wish to downsize yet remain in a

single-family home and neighborhood, as well as small families and single parent households that desire homeownership.

DRAFT DEVELOPMENT STANDARDS

A list of proposed cottage housing development standards is attached for review **(Exhibit C)**, and is summarized below.

Cottage Housing Developments

The purpose and intent of cottage housing development is to:

(a) Provide housing types that are responsive to changing household sizes and demographics.
(b) Encourage affordability, innovation, and variety in housing design and site development.
(c) Support growth management through the efficient use of urban residential land.
(d) Ensure compatibility with surrounding uses.

The proposed code amendment would allow for cottage housing developments within the SFR-4, SFR-6, SFR-10, MFR-15, and MFR-20 zones. The minimum lot size would be 10,000 square feet, and assuming all of the development standards are adhered to, a cottage housing development would have the ability to reach a maximum of 2 times the maximum density permitted in the underlying zoning district. A cottage housing development would be required to have a minimum of 4 cottages and a maximum of 12. Larger developments would be permitted, but units would need to be clustered in groups of 4 to 12 cottages.

As currently conceived, the amendment would allow for individual cottage units, carriage houses, and two-unit attached cottage duplexes. Depending upon the type of unit, the maximum total floor area per unit would range from 800 to 1,200 square feet. All parking would be required to be located on-site, and the number of required spaces would be 2 per unit in the SFR-4 and SFR-6 zones, and 1.5 per unit in the SFR-10, MFR-15, and MFR-20 zones. Parking areas would be located behind or to the side of the residential and open space areas in order to minimize the visual presence.

Each cottage housing development would be required to provide a common open space area for the enjoyment of all residents. The minimum amount of common open space would be 400 square feet per unit. Each development would also be required to provide a minimum of 200 square feet of contiguous, usable private open space adjacent to each cottage unit (excepting carriage houses).

Each cottage unit (again excepting carriage houses) would also be required to have an attached, covered porch with a minimum area of 60 square feet. Covered porches would be allowed to count towards the required private open space. Community buildings and accessory buildings would also be permitted within the development.

Ownership of a cottage housing development could potentially be held as one common lot, fee simple lots with an HOA for the common areas (i.e. pad lots), or condominium ownership of the entire development. Finally, cottage housing development projects meeting all of the development standards would be reviewed by the Planning Director as a Type II land use action. Applicants would also have the option of seeking approval of innovative or unconventional cottage housing developments that do not precisely meet the development standards. In such cases the application would be reviewed by the SPAC as a Type III land use action.

QUESTIONS FOR CONSIDERATION

While all of the development standards are open for discussion, staff is especially interested in hearing the Commission's questions and comments on the following topics, which are also highlighted in Exhibit C.

- Permitted densities
- Maximum unit sizes
- Parking
- Required open space (both common and private)
- Porches
- Ownership (creation of pad lots for fee simple ownership of units)
- Optional adjustments process for deviations

NEXT STEPS

The tentative proposed hearing schedule includes the following:

Date TBD:	Staff discussions with development community/stakeholders
5/9/19:	First evidentiary hearing with Planning Commission
6/20/19:	City Council hearing

EXHIBITS

A. City Council/Planning Commission Study Session Minutes of September 24, 2018
B. Illustration of Typical Cottage Housing Development
C. Cottage Housing Development Code Amendment Summary

Medford City Council & Planning Commission
Joint Study Session

Minutes

September 24, 2018
Prescott Room, Police Station
Medford, Oregon

The City Council Study Session was called to order at 6:00 p.m. in the Prescott Room of the Medford Police Department on the above date with the following members and staff present:

Mayor Gary Wheeler; Councilmembers Clay Bearnson, Kay Brooks, Tim D'Alessandro, Dick Gordon, Tim Jackle, Kevin Stine, Kim Wallan, and Michael Zarosinski; Planning Commissioners Dave Culbertson, Joe Foley, Bill Mansfield, David McFadden, Mark McKechnie, E.J. McManus; Patrick Miranda, Alex Poythress, and Jared Pulver

Acting City Manager Ryan Martin; City Attorney Lori Cooper; Planning Director Matt Brinkley; Principal Planner Carla Paladino; Planner III Seth Adams; Deputy City Recorder Winnie Shepard

Cottage Housing

Planner III Seth Adams spoke regarding cottage housing.

- Cottage housing is defined as a cluster of houses centered around a common open space; average size is approximately 1000 square feet
- Benefits to cottages are home ownership, detached residences, sense of community and safety, shared costs for landscaping and maintenance and they are less expensive than traditional housing.
- Current obstacles are minimum lot sizes, maximum densities, minimum parking requirements, prohibition on residential pad lots and single-family units are prohibited in MFR zones

Council/Planning Commission Comments and Questions

- Ashland has a similar ordinance
- No developers currently interested specifically, although there are newer subdivisions with smaller lots
- Code regarding cottages was previously revised after issues were reported regarding common areas and the shared expenses
- Expense to build depends on the location; generally between $185 to $220 per square foot
- City could provide grants or incentives for new construction; new design standards would not apply to cottages and incentives would be based on the project
- Currently, MFR does not allow single family detached dwelling units
- Common areas should have standards and detailed restrictions
- Cottages generally have one to one and a half parking spaces, plus an allowance of one extra space for every two to four units

Mayor Wheeler requested objections toward moving forward with cottage housing.

Councilmember Zarosinski requested maintaining one and a half parking spaces with the possibility of modifying the parking standards in specific areas with transit availability. Councilmember Wallan agreed with and requested information from other cities regarding their parking regulations for cottages.

Councilmember Bearnson recommended incentives for developers; Councilmember Zarosinski suggested using the Construction Excise Tax funding.

Mr. Brinkley advised that Planning would be looking at various incentives programs which will be brought back to Council in the next several months.

Commissioner McKechnie noted that developers and builders tend to avoid infill projects because they are more complex, and the units are small. He recommended identifying areas that would qualify for infill projects and focus on making it easier and cheaper for the builders and developers.

Accessory Dwelling Units

Principal Planner Carla Paladino spoke regarding Accessory Dwelling Units (ADU)

- Currently half the square footage of the residence or 900 square feet, whichever is less
- Built behind or within an existing SFR home
- One ADU allowed per lot; code could be revised to allow two units
- 50 ADUs built in the last 10 years; 170 in the last 20 years
  - Possible incentives could be waiving or reducing SDC fees or offering financing options
- Potential regulation revisions
  - Increasing ADUs from one to two units per lot
  - Permit in multi-family and commercial zones
  - Reduce off street parking requirements
  - Increasing the percentage of the home accounted in determining ADU size
  - Remove limitation of one door on front façade
  - Require alley access be used for vehicular access to ADU
- Junior ADU
  - Conversion of existing space within a SFR
  - Generally less than 500 square feet and generally lack one utility such as a kitchen or bathroom
  - Possible incentives could be waiving or reducing SDC fees, offering low-interest loans and/or providing permit ready designs

Council/Planning Commission Comments and Questions

- Junior ADUs are conversions of existing space within the home; not separate from the structure
- SDC fees can be somewhat prohibitive; Councilmember Gordon noted two constituents reported SDC fees of $7,000 and $10,000 for their ADUs
- Temporary changes on the regulatory side may make sense
- Handle issues relating to affordable housing through a separate process
- Commissioner Culbertson advised that construction could run as inexpensive as $75 per square foot
- Economic incentives should be regulated
  - Could have different regulations for existing and new ADUs
  - Should look at expense of the SDC fees
- Allowing two ADU units on one property
  - Commissioners McKechnie and Pulver were against two units
  - Councilmember Bearnson and Commissioner Poythress weren't against two ADUs on a lot, but it should depend on the lot size

Ms. Paladino clarified that staff would look at incentives for building, including SDC incentives, looking at the CET program, expanding ADUs to other zones, and provide more information on one versus two units.

Typical Elements of Cottage Housing Development

Cottage Housing Development Code Amendment Summary

Purpose and Intent:

(a) Provide housing types that are responsive to changing household sizes and demographics.
(b) Encourage affordability, innovation, and variety in housing design and site development.
(c) Support growth management through the efficient use of urban residential land.
(d) Ensure compatibility with surrounding uses.

Definitions:

(a) Cottage Housing Development. A grouping of typically four to twelve cottage units clustered around a common open space area and developed with a coherent plan for the entire site.
(b) Carriage House. A single-family dwelling unit constructed above a parking structure within a cottage housing development.
(c) Cottage Unit. A detached, single-family dwelling unit located within a cottage housing development
(d) Two-Unit Attached Cottage. Two attached cottage units that form one structure and located within a cottage housing development.

Procedures:

- Type II Land Use Review (Planning Director decision with addition of on-site public notice sign)

- Type III Land Use Review if Applicant requests Exceptions and/or Adjustments to the adopted development standards (SPAC decision)

Development Standards:

(a) Minimum Lot Area. 10,000 square feet.

(b) Minimum Lot Dimensions.
- Width = 115 feet (front loaded) or 100 feet (alley loaded)
- Depth = 100 feet
- Street frontage = 30 feet

(c) Maximum Lot Coverage. 60% of parent parcel.

(d) Density. Permitted up to 2 times the maximum density of the underlying zoning district.

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(e) Number of Units. Minimum of 4 cottages and maximum of 12 (larger cottage housing developments are permitted; however, units shall be clustered in groups of 4 to 12).

(f) Unit Sizes. Cottage units shall have a maximum total floor area of 1,200 square feet and may have a second story. Ground floor area shall not exceed 1,000 square feet.

Carriage houses (one cottage unit located above a common parking structure) are permitted up to a maximum floor area of 800 square feet. A maximum of one carriage unit is permitted for every four cottages.

Two-unit attached cottages (duplex) are permitted in SFR-6, SFR-10, MFR-15, and MFR-20 zones. Each half is limited to a maximum total floor area of 1,000 square feet. Ground floor area not to exceed 800 square feet.

- Spaces with ceiling heights of 6 feet or less measured to the exterior walls, such as a second floor area under the slope of a roof, are not included in the total floor area.

(f) Building Height. Maximum of 20 feet (measured to average height between eaves and roof ridge). **This means of measurement may be changing in an upcoming code amendment**

(g) Minimum Setbacks. Measured from exterior property lines of the parent parcel.

- Front = 15 feet
- Side & Rear = 5 feet
- Detached Garages/Carports = 4 feet from side and rear

(h) Building Separation. Cottage units separated by a minimum of 6 feet between eaves. Other structures shall meet minimum building code separation requirements.

(i) Parking. All parking shall be located on-site and meet the following standards:

- 2 spaces per unit in SFR-4 and SFR-6 zones.
- 1.5 spaces per unit in SFR-10, MFR-15, and MFR-20 zones.
- May be located within enclosed garage, carport, or unenclosed parking space.
- Parking shall be located behind or to the side of the residential areas and open space, and accessed from the rear of the cottage units.

(j) Required Common Open Space.

- Minimum of 400 square feet per unit.
- Should be provided in one contiguous area, but no more than two separate areas.
- Minimum width of 20 feet.
- At least 50% of units oriented around and have main entrance facing common open space.

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- Each cottage connected to common open space by a pedestrian walkway.

(k) Required Private Open Space.
- Excepting carriage houses, a minimum of 200 square feet of contiguous, usable private open space adjacent to each unit.
- Minimum dimension of 10 feet.
- Required side yards shall not apply towards the 200 square foot minimum; however, covered porches may be counted.

(l) Porches. Each cottage unit shall have an attached, covered porch with a minimum area of 60 square feet and a minimum dimension of 6 feet on any side. Carriage units are not required to have porches, but are encouraged to have an outdoor patio or deck.

(m) Community Buildings. Permitted subject to the following:
- Shall not exceed 1,000 square feet of total floor area.
- May include multi-purpose entertainment space, a small kitchen, library, or other similar amenities.

(n) Accessory Buildings. Permitted in the common open space area(s) if clearly incidental in size and use. Other types of accessory buildings, except for garages and carports, are not permitted.

(o) Existing Dwellings. An existing single-family dwelling located on a cottage housing development site may be incorporated into the development as a residence or community building; however, non-conformities may not be increased. A non-conforming dwelling shall be included in the maximum permitted cottage density.

(p) Fencing. Height limited to 3 feet on interior areas adjacent to common open space(s). All other fencing subject to MLDC Sections 10.731-10.733.

(q) Ownership. May be held as one common lot, fee simple lots for the cottages with a HOA holding ownership of the common areas, or condominium ownership of the whole development. If individual cottage lots are created, the lots shall not be subject to the minimum lot sizes of the underlying zone; however, they must include the building footprint and private yard areas for the individual cottages.

(r) Optional Adjustment of Development Standards. Applicants may elect to seek approval of innovative and/or unconventional cottage housing developments that may not precisely satisfy the development standards of this section. In such cases the project would be a Type III Land Use Review by the SPAC. Project would need to demonstrate consistency with purpose and intent section of Cottage Housing regulations, and achieve an equivalent or higher quality design than would otherwise result through strict adherence to the development standards.

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