



## [Housing Choices Code Update \(House Bill 2001\)](#)

### Frequently Asked Questions

#### **1. *What is House Bill 2001? Why are you calling it the “Housing Choices Code Update” project?***

[House Bill 2001](#) (HB 2001) is a law passed by the Oregon Legislature in 2019 to increase housing choice and supply. The law requires large cities, including Oregon City, to amend their land use regulations to allow more housing types like duplexes, triplexes, fourplexes, cottage clusters, and townhouses in residential areas where single-family homes are allowed, by June 30, 2022. These housing types are often called “middle housing” because they are between a single-family house and an apartment building in terms on number of units.

#### **2. *What parts of Oregon City will be affected by HB 2001?***

All residentially zoned areas within the city limits that currently allow single-family homes will be affected. In Oregon City, this includes the following zones: Low density Residential,(R6,R8, R10) Medium Density Residential (R3,5, R5) and Historic Commercial. Land that is not zoned for single family residential use, including but not limited to Multi-family, commercial, industrial, and public land are not affected. In addition, land that is outside of the city limits (not annexed) is also not affected by HB 2001 (but will be, once inside the city limits).

#### **3. *What is a “zone” and how do I find out the zoning of a specific property?***

Land within Oregon City is divided into different areas called “zones.” These are intended to provide areas suitable for certain types of development or uses (examples include commercial, residential or industrial). Each zone provides a set of regulations governing the uses and development of a property within that zone, and includes such regulations as maximum building height or minimum building setbacks. To find out the zoning of a specific property in Oregon City, use the City’s searchable [zoning map](#). To learn more about what uses are allowed in a specific zone, you can check out [Oregon City’s land use code](#) or visit our [project website](#). While all middle housing types are currently allowed in Oregon City, not all middle housing types are allowed in all residential areas.

#### **4. *Can I still build a single-family home?***

Yes. House Bill 2001 does not prohibit single-family homes or make it more difficult to build single-family homes where they are currently allowed, rather it allows middle housing types to be built in the same residential areas where single family homes are allowed.

#### **5. *Some properties have CC&Rs (Covenants, Conditions, and Restrictions) or other agreements between private parties that do not allow for the construction of multiple units or certain types of units. Does HB 2001 override CC&Rs? How do I know if a property has CC&Rs?***

While HB 2001 does prohibit the creation of new CC&Rs that conflict with HB 2001, it does not affect existing CC&Rs. To find out if a specific property has CC&Rs, contact the Homeowner’s

Association (if applicable) or a title company or conduct a search through Clackamas County Deeds & Records. If you own property, the title report produced when you purchased your property should disclose any CC&Rs. If you are buying property, realtors are required to disclose existing CC&Rs before you purchase the property. The City of Oregon City does not enforce CC&Rs or other such private agreements.

**6. *If House Bill 2001 rules are written for the entire state, how do we make sure the implementation meet Oregon City's specific needs?***

The Oregon Land Conservation and Development Commission adopted [new rules](#) that include three ways or choices for cities to comply with House Bill 2001: a model code, minimum compliance standards, and a performance metric approach. The model code is a set of ready-made land use regulations that cities can directly apply; the minimum standards are, at minimum, actions that cities must take to comply with the house bill; and the performance metric requires that middle housing be allowed on a certain percentage of lots around the city and within census tracts. The new rules were adopted on December 9, 2020 and contain some prescriptive requirements (such as parking standards) as well as areas where cities have flexibility in implementation (such as minimum lot size in some districts). Staff are still reviewing the new rules but are anticipating using the minimum standards rather than the model code because it will allow more flexibility that is tailored to Oregon City, though the city may choose to adopt a portion of the model code if the approach to a specific topic make sense for the community. If cities do not adopt land use regulations that comply with HB 2001 by the June 2022 deadline, then the model code will directly apply.

**7. *When will the public know what kind of code concepts the city is considering?***

As noted above, the state adopted final rules on December 9, 2020 and staff is currently reviewing it to determine what these mean for Oregon City. Staff will begin exploring possible code concepts informed by the public involvement work of Fall 2021. The code concepts will be options for different ways we can comply with the bill within the sideboards created by HB 2001 and the implementing [OAR 660-046-0000](#).

**8. *Didn't Oregon City just adopt Missing Middle Code?***

Oregon City's recent [equitable housing code amendments](#), adopted by the City Commissions in 2018-2019, have already implemented many of the requirements of House Bill 2001. However, additional updates will be needed for full compliance, such as allowing more missing middle types in the [Low Density Residential District](#) (R6, R8, R10). The project was initiated by the City prior to the Statewide housing bill HB2001, and primarily affected the medium and high-density residential zone districts, mixed use and commercial zone districts, although corner-lot duplexes are now permitted within low-density zones as a result of this project. The goal of this project is to identify barriers to "missing middle" housing in the zoning code and reduce those barriers in order to incentivize a greater variety of housing types. The results have been incorporated into the current zoning code, which includes clarified standards and streamlined processes for permitting small and large scale [multi-family development](#), [single-family attached](#), [duplexes](#), [triplexes](#) and [four-plexes](#), manufactured homes and [home parks](#), [cluster housing](#), [internal conversions](#), and [accessory dwelling units](#).

**9. Who are the decision makers in this process?**

Because this project will result in changes to Oregon City's land use regulations (which requires a legislative process), the Oregon City City Commission will be the decision-maker. Staff will provide a recommendation on the changes to the Oregon City Planning Commission, based on public engagement and consultant input to bring forward to a formal adoption process. The formal adoption process for any new or changed land use regulations includes a mailed postcard and public hearings before the Planning Commission, who will make a recommendation to City Commission. Then, City Commission will hold a public hearing and make the final local decision. The public hearing process is anticipated to begin in February 2022.

**10. What outreach efforts are happening?**

There are community involvement and engagement opportunities happening in the fall and winter of 2021 which include, but not limited to: Boards and Commissions listening sessions, drop in open house, student outreach, city-wide digital survey, water bill mailing, outreach to the previous [equitable housing project advisory committee](#) and current [OC2040 PAT](#) among others.

**11. The website talks about equity. What does social and racial equity have to do with housing policy?**

This project has an intentional focus on equity and inclusion in outreach and decision making. Planning projects affect the entire community; however, traditional engagement efforts face challenges in reaching certain parts of the community. This structure has created disproportionate representation in the planning process and has resulted in exclusion of some people and groups who are directly impacted by plans and policies.

As summarized by Oregon Land Conservation and Development (LCDC) Commissioner Anyeley Hallova during a [rulemaking meeting](#) on the House Bill, "before racial segregation through zoning, some neighborhoods had more diverse housing types with mixed incomes that are part of our beloved neighborhood fabric. As intentional as racially segregating housing policy was, we need to be as equally intentional about providing equitable housing outcomes for all."

Across the country, [we have a difficult history of exclusion to grapple with](#), and our intent with this project is to acknowledge that history, and move forward with a focus on inclusion for all, including renters, low income people, people with disabilities, young people, seniors, and Black, Indigenous, and People of Color.

**12. What if I have concerns with the requirements of House Bill 2001?**

As noted above, the House Bill was passed in 2019 by the Oregon Legislature and is now Oregon law. Changes to the language of HB 2001 can only be made by the Oregon Legislature. The City of Oregon City must comply with HB 2001 and the newly adopted rules by June 30, 2022, or the state model code will apply directly. However, we recognize that people will have questions and concerns about implementation. As staff, we want to hear what you think – please reach out. We can help explain what things the City has control and choice over during implementation, and what things are predetermined by the house bill and new rules.

**13. Will new middle housing be affordable?**

There is a difference between true "Affordable Housing" and "naturally occurring affordable housing." Affordable Housing is housing that is directly subsidized by an organization or the government. This housing usually has waitlists and serves people with specific income ranges

and housing needs. Naturally occurring affordable housing is market-rate housing that is usually older, smaller, or both. Newly constructed middle housing is anticipated to be sold or rented at market rate, and it will have a wide range of prices. New housing, however, tends to have a higher price tag than older housing, simply because it's new. A new house that is very similar to a house 30 years old is likely to command a higher price, because of that lack of wear and tear. The newer house will have a higher up-front cost but will have lower maintenance costs. Middle housing can be 'affordable by design.' Middle housing tends to be relatively small, which leads to lower operating and long-term maintenance costs. A 1,500 square foot house is likely to cost its occupants much less than a 2,500 square foot house. There's less square footage to heat, a smaller roof to maintain, less exterior space to paint. The cost of housing includes maintenance costs, not just the upfront price.

As part of implementation of House Bill 2001, the City will be required to consider ways to increase the affordability of middle housing. We know that housing affordability is an issue of importance for our community, as has been reiterated during the public engagement for this project. We will be looking for ways to address affordability to the degree possible in this project, as well as connecting the policy decisions made for HB 2001 to other city policies affecting affordability.

**14. *Doesn't new market-rate housing cause gentrification, so prices in the neighborhood increase?***

Some people worry that new market-rate apartment buildings in gentrifying neighborhoods raise nearby rents and accelerate gentrification. The concern is that new buildings could change nearby amenities or neighborhood reputation, increasing demand for the neighborhood enough to offset the effect of increasing supply. [Research](#) by economists at the Upjohn Institute have shown that new market-rate apartment buildings in low-income areas do not accelerate gentrification. Instead, they slow rent increases in nearby apartments. This implies that new developments serve mainly to absorb existing demand for an area rather than to generate new demand. In turn, this reduces pressures on nearby rents because many high-income households move to the new building rather than outbidding lower-income households for nearby apartments. New developments are associated with gentrification, but they follow it rather than precede it. Stay tuned for more information on economic impacts of HB 2001 implementation.

**15. *Who can I contact if I want to know more?***

You can contact the City's project manager Christina Robertson-Gardiner [crobertson@orc city.org](mailto:crobertson@orc city.org) 503-496-1564. You can also visit [our webpage](#) to sign up for the project mailing list.