



MEMORANDUM

TO: City of Yachats Planning Commission

FROM: Rachel Cotton and Jamin Kimmell, Cascadia Partners

DATE: June 20, 2023

PROJECT: Yachats Housing Needs Analysis

SUBJECT: Measures to Accommodate Needed Housing

Background

A key finding of the HNA for the City of Yachats is that measures are required to expand capacity for townhomes/plex units and multi-family units to meet the 20-year projected housing need.

These measures must be implemented prior to, or concurrent with, adoption of the HNA into the City's Comprehensive Plan. These measures are necessary for establishing compliance with ORS 197.296 and OAR Section 660-024-0050(4), which require that the City maintain capacity on buildable lands within the UGB to meet 20-year housing needs.

The purpose of this memo is to evaluate preliminary options for code amendments that would address this issue. The memo presents an analysis of multiple options to address the capacity deficit for both townhome/plexes and multi-family housing. Each option includes a description, a summary of its impact on housing capacity, and considerations for implementation. The appropriate option(s) will be selected and implemented as part of a future development code update project.

These measures represent potential implementations of Strategy #1, Strategy #3 and Strategy #4 included in the Housing Strategies and Tools section of the HNA document. These measures are the minimum actions necessary to address the capacity deficits for townhomes/plexes and multi-family housing. However, the analysis indicates that not every strategy would be effective at addressing the capacity deficits on its own. As a result, some of these options must

be adopted simultaneously. Other variations of these strategies can be implemented in addition to these measures to further expand capacity for needed housing types and remove barriers to housing development.

Options to Address Capacity Deficit for Townhomes/Plexes and Multi-Family Housing

- Option 1: Reduce Minimum Lot Size Per Unit
- Option 2: Establish a Minimum Density Standard in R-3, R-4, and C-1 Zones
- Option 3: Define and Allow a Wider Range of Housing Types
- Option 4: Reduce Minimum Lot Size Per Unit and Define and Allow a Wider Range of Housing Types

Options to Address Capacity Deficit for Townhomes/Plexes and Multi-Family Housing

Option 1: Reduce Minimum Lot Size per Unit

DESCRIPTION OF CODE OR MAP CHANGE

Option 1 implements reduced minimum lot sizes for all housing types in all zones that allow residential uses, with the exception of no changes to the minimum lot size for single family dwellings in the Single Family and Duplex (R-2) zone and duplexes in the Commercial (C-1) zone. This option also removes maximum density standards in the Single-Family, Duplex, and Multi-Family (R-3) and Single-Family, Duplex, Multi-Family, and Motel (R-4) zones, for the purpose of regulating density through minimum lot sizes and with a single standard rather than potentially introducing a conflict by having two separate density standards. These recommendations are detailed in Figure 1.

Under this option, it is assumed that the minimum lot size reduction results in minor changes to the housing mix in higher density zones (R-3, R-4, C-1). Townhouse/plex units increase from 10% to 15% of units while single-family detached dwellings decrease from 60% to 55% of units in these zones. This results in an overall housing mix across all zones of 11% multi-family and 9% townhouse/plex. Overall average density across all zones increases from 4 units/gross acre to 5.5 units/gross acre.

Figure 1. Minimum Lot Size and Max Density Recommendations

	R-3		R-4		C-1	
	Existing (sf)	Recommended (sf)	Existing (sf)	Recommended (sf)	Existing (sf)	Recommended (sf)
Single Family or Manufactured Dwelling	6,000	3,000	6,000	3,000	6,000	3,000
Cottage cluster	–	–	–	–	–	–
Duplex	7,500	5,000	7,500	5,000	5,000	5,000
Triplex	6,000+ 2,500/du	6,000	5,000+ 2,500/du	6,000	7,500	6,000
Quadplex	6,000+ 2,500/du	7,000	5,000+ 2,500/du	7,000	2,500/du	7,000
Townhouses	–	1,500/unit	–	1,500/unit	–	1,500/unit
Multifamily (5+ Units)	6,000+ 2,500/du	1,000/unit	5,000+ 2,500/du	1,000/unit	2,500/du	1,000/unit
Maximum Density	12 du/ac	None	12 du/ac	None	–	–

	R-1		R-2		Recommended change to minimum lot size
	Existing (sf)	Recommended (sf)	Existing (sf)	Recommended (sf)	
Single Family or Manufactured Dwelling	7,500	7,000	6,000	6,000	
Cottage cluster	–	–	–	–	
Duplex	–	–	7,500	6,000	
Triplex	–	–	–	–	
Quadplex	–	–	–	–	
Townhouses	–	3,500/unit (max 2 units)	–	2,500/unit (max 3 units)	
Multifamily (5+ Units)	–	–	–	–	

IMPACT ON HOUSING CAPACITY

Option 1 addresses the capacity deficit for townhomes/plexes and multi-family housing. Reducing minimum lot sizes in all residential zones increases the estimated capacity of townhome/plex housing by 25 units and of multi-family housing by 21 units (Table 1). This option would meet the 20-year need for townhomes/plexes, with a surplus of 2 units. This option would also meet the 20-year need for multi-family housing, with a surplus of 17 units.

CONSIDERATIONS

- **Benefits:** Reducing minimum lot sizes enables land to be used more efficiently and increases the capacity for needed housing within the UGB, particularly given high land costs in Yachats.

- **Drawbacks:** Increasing allowed density alone without implementing new allowances for additional housing types and/or imposing a minimum density standard in higher density zones does not guarantee that higher density development will occur.

Table 1. Housing Capacity, Option 1

Housing Type	20-Year Need	Existing		Projected	
		Capacity	Surplus (Deficit)	Capacity	Surplus (Deficit)
Single-Family Detached	190	251	61	319	129
Townhouses/Plex	38	15	-23	40	2
Multi-family (5+ Units)	32	28	-4	49	17
Manufactured Homes in Parks	11	32	21	46	35

Option 2: Establish a Minimum Density Standard in R-3, R-4, and C-1 Zones

DESCRIPTION OF CODE OR MAP CHANGE

Setting a minimum density standard of between 8-10 dwelling units per acre in the R-3, R-4, and C-1 zones would facilitate development of needed types of housing in addition to single-family-homes, while still allowing for development of higher density single-family housing on smaller lots. Accessory dwelling units are not typically included in density calculations but could be included as an additional means of meeting minimum density requirements.

Under this option, it is assumed that the minimum density standard has no impact on projected housing mix. Overall housing mix across all zones is 9% multi-family and 5% townhouse/plex. Overall average density across all zones increases from 4 units/gross acre to 4.3 units/gross acre.

IMPACT ON HOUSING CAPACITY

Option 2 does not address the capacity deficit for townhomes/plexes and multi-family housing on its own. This option would need to be paired with an additional strategy or strategies, such as reducing minimum lot sizes and/or allowing additional housing types, to be effective at addressing the deficit. Requiring a minimum density in higher-density zones increases the estimated capacity of townhome/plex housing by 2 units and of multi-family housing by 2 units (Table 2). This option would not meet the 20-year need for townhomes/plexes, with a deficit of 21 units. This option also would not meet the 20-year need for multi-family housing, with a deficit of 2 units.

CONSIDERATIONS

- **Benefits:** Establishing a minimum density standard in higher density zones could preserve buildable land in these zones for needed townhomes/plexes and multi-family housing when paired with changes to other standards such as reducing minimum lot sizes.
- **Drawbacks:** Establishing a minimum density standard alone without implementing new allowances for additional housing types and/or reducing minimum lot sizes in higher density zones does not guarantee that multiple unit developments will occur.

Table 2. Housing Capacity, Option 2

Housing Type	20-Year Need	Existing		Projected	
		Capacity	Surplus (Deficit)	Capacity	Surplus (Deficit)
Single-Family Detached	190	251	61	260	70
Townhouses/Plex	38	15	-23	17	-21
Multi-family (5+ Units)	32	28	-4	30	-2
Manufactured Homes in Parks	11	32	21	34	23

Option 3: Define and Allow a Wider Range of Housing Types

DESCRIPTION OF CODE OR MAP CHANGE

Option 3 would allow accessory dwelling units and cottage clusters in all zones allowing residential uses and would create new definitions for these housing types. It would allow duplexes in the Single Family (R-1) zone and Triplexes in the Single Family and Duplex (R-2) zone. It would also allow manufactured dwelling parks as an outright use in any residential zone that has a density range of 6-12 units per acre to comply with State Statute.

Under this option, it is assumed that the projected housing mix only changes in the R-1 zone. Townhouse/plex units increase from 0% to 10% of housing in the R-1 zone. Overall housing mix across all zones is 8% multi-family and 10% townhouse/plex. Overall average density across all zones increases from 4 units/gross acre to 4.3 units/gross acre.

IMPACT ON HOUSING CAPACITY

Option 3 does not address the capacity deficit for townhomes/plexes and multi-family housing on its own. This option would need to be paired with an additional strategy or strategies, such as reducing minimum lot sizes and/or requiring minimum densities in higher density zones, to be effective at addressing the deficit. Allowing a wider range of housing types increases the estimated capacity of townhome/plex housing by 19 units and of multi-family housing by 0 units (Table 3). This option would not meet the 20-year need

for townhomes/plexes, with a deficit of 4 units. This option also would not meet the 20-year need for multi-family housing, with a deficit of 4 units.

CONSIDERATIONS:

- **Benefits:** Nearly every residential zone in Yachats excludes some housing types which may otherwise be appropriate and compatible in the district. Increasing the supply of land where higher density housing types are allowed removes a major barrier to developing lower cost housing.
- **Drawbacks:** Allowing new housing types alone without complementary reductions in minimum lot sizes and/or requiring a minimum density in higher density zones does not guarantee that multiple unit developments will occur.

Table 3. Housing Capacity, Option 3

Housing Type	20-Year Need	Existing		Projected	
		Capacity	Surplus (Deficit)	Capacity	Surplus (Deficit)
Single-Family Detached	190	251	61	248	58
Townhouses/Plex	38	15	-23	34	-4
Multi-family (5+ Units)	32	28	-4	28	-4
Manufactured Homes in Parks	11	32	21	34	23

Option 4: Reduce Minimum Lot Sizes and Define and Allow a Wider Range of Housing Types

DESCRIPTION OF CODE OR MAP CHANGE

Given that Option 3, to define and allow a wider range of housing types, was found to be ineffective on its own, an additional option (Option 4) combining Options 1 and 3 is presented here. This option reduces minimum lot sizes as is detailed under Option 1 and defines and allows a wider range of housing types as is detailed under Option 3.

Under this option, it is assumed that the minimum lot size reduction results in a minor change to the housing mix in higher density zones (R-3, R-4, C-1). Townhouse/plex units increase from 10% to 15% of units while single-family detached dwellings decrease from 60% to 55% of units. Further, townhouse/plex units increase from 0% to 10% of housing in the R-1 zone. This results in an overall housing mix across all zones of 11% multi-family and 13% townhouse/plex. Overall average density across all zones increases from 4 units/gross acre to 5.5 units/gross acre.

IMPACT ON HOUSING CAPACITY

Option 4 addresses the capacity deficit for townhomes/plexes and multi-family housing. Reducing minimum lot sizes and allowing a wider range of housing types increases the estimated capacity of townhome/plex housing by 57 units and of multi-family housing by 21 units (Table 4). This option would meet the 20-year need for townhomes/plexes, with a surplus of 18 units. This option also would meet the 20-year need for multi-family housing, with a surplus of 17 units.

CONSIDERATIONS:

- **Benefits:** Nearly every residential zone in Yachats excludes some housing types which may otherwise be appropriate and compatible in the district. Increasing the supply of land where higher density housing types are allowed removes a major barrier to developing lower cost housing.
- **Drawbacks:** Allowing new housing types and reducing minimum lot sizes without requiring a minimum density in higher density zones does not guarantee that higher density development will occur.

Table 4. Housing Capacity, Option 4

Housing Type	20-Year Need	Existing		Projected	
		Capacity	Surplus (Deficit)	Capacity	Surplus (Deficit)
Single-Family Detached	190	251	61	286	96
Townhouses/Plex	38	15	-23	34	18
Multi-family (5+ Units)	32	28	-4	28	17
Manufactured Homes in Parks	11	32	21	34	23

Conclusion and Recommendation

Based on this analysis, it is recommended, at a minimum, that the City reduce minimum lot sizes (Option 1) and consider pairing that change with allowing for a wider variety of housing types (Option 4). Reducing minimum lot sizes is essential for removing barriers to, and encouraging, development of multi-family and townhouse/plex units. Implementing other code updates without reducing minimum lot sizes is unlikely to resolve the capacity deficit for these housing types.

It is also important to note that this analysis finds that it is not strictly necessary for the City to rezone land from R-1 to the R-3 or R-4 zones (Strategy #2 in the HNA) in order to address the capacity deficit for multi-family and townhouse/plex units. However, rezoning remains an important strategy that can further expand opportunities for these housing types.

These findings can be used to inform decision-making as Yachats implements measures to expand capacity for townhomes/plexes and multi-family housing to comply with ORS 197.296 and OAR Section 660-024-0050(4) prior to, or concurrent with, adoption of the HNA into the City's Comprehensive Plan.