



450 E. Main Street
John Day, OR 97845
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ORDINANCE NO. 19-179-03

An Ordinance *AMENDING THE JOHN DAY DEVELOPMENT CODE TO ADOPT MINOR AMENDMENTS RELATED TO BROADENING THE CONDITIONS FOR TEMPORARY RECREATIONAL VEHICLE USE AS DWELLINGS AND DELETING RESTRICTIONS ON RESIDENTIAL DWELLINGS IN THE DOWNTOWN AND GENERAL COMMERCIAL ZONES THAT EXISTED PRIOR TO NOVEMBER 24, 2005 TO ALLOW FOR CONVERSION BACK TO RESIDENTIAL USES (TYPE IV PROCEDURE) – – AMD-19-03*

The John Day City Council adopts the following findings:

WHEREAS, the City desires a community that provides a variety of housing options for residents; and

WHEREAS, the City, at the request of residents, finds removing certain restrictions on housing in downtown John Day and the use of recreational vehicles (RV's) as temporary dwelling units in the best interest of the public welfare; and

WHEREAS, The City Council and Planning Commission have reviewed all evidence and testimony submitted on the matter;

FINDINGS, The City of John Day finds that the Staff Report to Council (Exhibit A), Summary of Findings from John Day Housing and Community Development Analysis (Exhibit B) and the Staff Report for AMD 19-03 dated September 25, 2019 (Exhibit C); prove consistent with the applicable requirements for the proposed amendments found in all exhibits attached hereto and incorporated by this reference.

NOW THEREFORE, based on the foregoing Findings, the John Day City Council Ordains that the findings in the Staff Report to Council (Exhibit C) are hereby adopted.

APPROVED AND ADOPTED by the City Council of City of John Day and signed by the mayor this ____th day of _____, 2019.

Ayes: _____
Nays: _____
Abstentions: _____
Absent: _____
Vacancies: _____

Ron Lundbom, Mayor

ATTEST:

Nicholas Green, City Manager



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Exhibit A

STAFF REPORT

Date Submitted: October 31, 2019

Agenda Date Requested: November 12, 2019

To: John Day Planning Commission
John Day City Council

From: Stacey Goldstein, Siegel Planning Services
Contract City Planner

Subject: An ordinance to adopt minor Development Code Amendments related to 1) broadening the conditions for temporary recreational vehicle use as dwellings in non-residential zones, and 2) deleting the restrictions on residential dwellings in the D and GC zones to allow housing units that existed prior to November 24, 2005 but were occupied as businesses to convert back to residential uses.

Location: Citywide

Type of Action Requested

<input type="checkbox"/>	<input type="checkbox"/>	Resolution	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Ordinance
<input type="checkbox"/>	<input type="checkbox"/>	Formal Action	<input type="checkbox"/>	<input type="checkbox"/>	Report Only

1. BACKGROUND

The City of John Day Development Code (the Code) contains specific restrictions and permitted uses are outlined below for housing in the downtown (D) and General Commercial (GC) zones as well as the use of recreational vehicles (RV's) as temporary

dwelling units. At the request of residents, the City is proposing two minor Development Code amendments that would ease restrictions on RV's as temporary dwelling units and provisions for housing in the downtown area.

1. The first Development Code amendment would allow temporary RV dwelling permits when appropriately permitted under Chapter 5-2.2.100 (Special Use Standards) or Chapter 5-4.9.010.
2. The second Development Code amendment would delete the restriction on residential dwellings in the D and GC zones to allow housing units that existed prior to November 24, 2005 but were occupied as businesses, to convert back to residential use.

2. APPLICABLE CRITERIA

This request is a legislative amendment to amend the John Day Comprehensive Plan and Development Code. The approval criteria in section 5-4.1.050.G apply.

3. PLANNING COMMISSION AND CITY COUNCIL CONSIDERATIONS

The Planning Commission's review must focus on the relevant code criteria and follow the public hearing requirements for a Type IV Legislative Amendment under section 5-4.7.020. The Planning Commission should recommend the City Council approve the request if it conforms to the approval criteria.

4. STAFF RECOMMENDATION

Staff recommends that the Planning Commission make a recommendation to the City Council to adopt the attached ordinance and findings in this report. Staff recommends the City Council **adopt Ordinance 19-179-03, as presented.**

5. PUBLIC NOTIFICATION

The City of John Day mailed public notice to all affected property owners and published notice in the Blue Mountain Eagles required by the Development Code.

Public comments were received from three parties: Mrs. Nancy Thompson provided comment on the need for recreational vehicle (RV) use during construction and the Housing Land Advocates (HLA) and the Fair Housing Council of Oregon (FHCO) provided a joint response related to Goal 10 compliance. These comments are included as Exhibit D and are addressed in Section 6 of this report.

6. ADOPTION PROCEDURE AND FINDINGS

The following section shown in italics and boldface provides the decision making criteria as required by John Day Development Code Section 5-4.1.050.G.

Decision-Making Criteria. The recommendation by the Planning Commission and the decision by the City Council shall be based on the following factors:

- 1. Approval of the request is consistent with the Statewide Planning Goals;***
- 2. Approval of the request is consistent with the Comprehensive Plan; and***
- 3. The property and affected area is presently provided with adequate public facilities and services, including transportation, sewer and water systems, to support the use, or such facilities and services are provided for in adopted City plans and can be provided concurrently with the development of the property.***

Finding: Statewide Planning Goals and the City of John Day Comprehensive Plan mirror one another. Therefore compliance with one document means compliance with the other. The third criterion concerning adequate public facilities and services does not apply in this request because the JDIG provides the vision for future development of the area.

This request is consistent with the John Day Comprehensive Plan and Statewide Planning Goals. The John Day Comprehensive Plan follows the Statewide Planning Goals. The only Statewide Planning Goals and Comprehensive Plan Goals that are directly impacted by this request is Goal 10, Housing.

This request is consistent with Goal 10. The City does not have a current Housing Needs Analysis (HNA), but the City did contract with EcoNorthwest to create a Housing and Community Development Analysis in October 2019 that included a Buildable Land Inventory (BLI) for the city (see Exhibit B for additional report detail).

Consistent with state guidance on buildable lands inventories, ECONorthwest analyzed the following constraints from the buildable lands inventory and classified those portions of tax lots that fall within the following areas as constrained, and potentially, unbuildable land: Lands within floodplains; Land within natural resource protection areas; Land with slopes over 25%; and Landside Hazards. As shown in Exhibit 3 and Exhibit 8 to the report, much of the city's buildable land area is constrained by these factors.

The official state population forecast for John Day projects the city will lose 80 people between 2019 and 2029. Based on this forecast, the city does not need additional housing units for the next twenty years.

EcoNorthwest modeled two alternative growth scenarios: (1) moderate growth at 0.5% AAGR; and (2) higher growth at 1.0% AAGR. While these are not official state forecasts, they better represent the John Day strategy for growth and new home incentive program and provide a basis for modeling housing demand.

Based on EcoNorthwest’s assessment, John Day has a deficit of housing types affordable at lower income levels such as new and used government-assisted housing, apartments, duplexes, tri- and quad-plexes, and manufactured housing. John Day also has a deficit of housing types affordable for higher income levels such as market-rate apartments, single-family attached, and single-family detached housing. This deficit is quantified in Exhibit 47 of the findings summarized in Exhibit B to this staff report.

The proposed code amendment to lift the restriction on residential dwelling the Downtown (D) and General Commercial (GC) zone affects 17 dwelling units occupied as businesses prior to November 24, 2005 (see Table 1). This amendment would allow those businesses to convert back to a single-family residence in the future. This is a modest adjustment that affects less than two percent of the City’s housing inventory but would allow for expanded residential use immediately upon adoption of the ordinance.

Table 1. Properties occupied as businesses prior to Nov. 24, 2005

Map Ref.	Tax Lot	Zoning	Current Use	Structure Type	Owner	Column1	Acres
13S3123CD	5502	GC	Commercial	Home	CAUGHLIN, CHARLES		0
13S3123CD	7900	GC	C for Vacay	Home	BAY, JAMES W & SANDRA F TTEE		0.1
13S3123CD	8000	GC	C for Vacay	Home	BAY, JAMES W & SANDRA F TTEE		0.07
13S3123CD	8100	GC	C for Vacay	Home	BAY, JAMES W & SANDRA F TTEE		0.07
13S3123CD	8600	GC	Commercial	Home	ARMSTRONG, ROBERT M & LAURI D		0
13S3123CD	9002	GC	Commercial	Home	BAGETT, ROBERT D & DELORES A		0
13S3123CD	10400	GC	C for Vacay	Home	COWBOY COTTAGES, LLC		0.12
13S3126AB	900	GC	Commercial	Home	JEFFRIES, DANNY R & JUDY K		0
13S3126BA	700	D	Res/Comm	Home	GIBSON, GEORGE WILLIAM - ETAL		0.19
13S3126BA	800	D	Res/Comm	Home	MITCHELL, SHARON - TRUSTEE		0.17
13S3126BA	5100	D	Commercial	Home	OFFICER, EUGENE S		0.12
13S3126BA	10400	D	Commercial	Home	GARDNER, FREDRICK B & EVELYN		0.1
13S3126BA	10806	D	Commercial	Home	SAUL, MITCH & LAURA		0
13S3126BA	4600	D	Community	Home	JOHN DAY HIST PRES FOUNDATION		0.11
13S3126BA	6600	D	C for Vacay	Home	MOSIER, DALE J - TRUSTEE		0.52
13S3126BA	6804	D	Commercial	Home	CRONIN, CHRISTINE D		0
13S3126BA	6805	D	Unknown	Home	THOMPSON, CAROL E		0

The recreational vehicle (RV) amendment allows for temporary residential dwelling units in all zones while construction is in progress on new housing and under a limited set of circumstances that require review and approval by the Planning Commission.

Both of the proposed amendments help diversify and expand housing choices in the City of John Day.

This section is met.

6. PLANNING COMMISSION MOTION

After hearing the staff presentation and any public testimony, including any rebuttal, the commission will close the hearing and deliberate. The following motion is suggested:

“I move to recommend City Council approve AMD-19-03 based on the findings contained in the staff report [with conditions, if any].”

The staff report may be amended during the course of the hearing.

7. CITY COUNCIL OPTIONS

After hearing the staff presentation, Planning Commission recommendation and any public testimony, including any rebuttal, the commission will close the hearing and deliberate. The City Council has three options:

1. Adopt Ordinance No. 19-179-03, as presented.
2. Amend Ordinance No. 19-179-03 and adopt as amended.
3. Adopt findings demonstrating that the ordinance does not comply with the John Day Comprehensive Plan and do not adopt Ordinance No. 19-179-03.

The staff report may be amended during the course of the hearing.

Respectfully submitted this 7th day of November 2019,



Nicholas Green
City Manager / City Planning Official
City of John Day

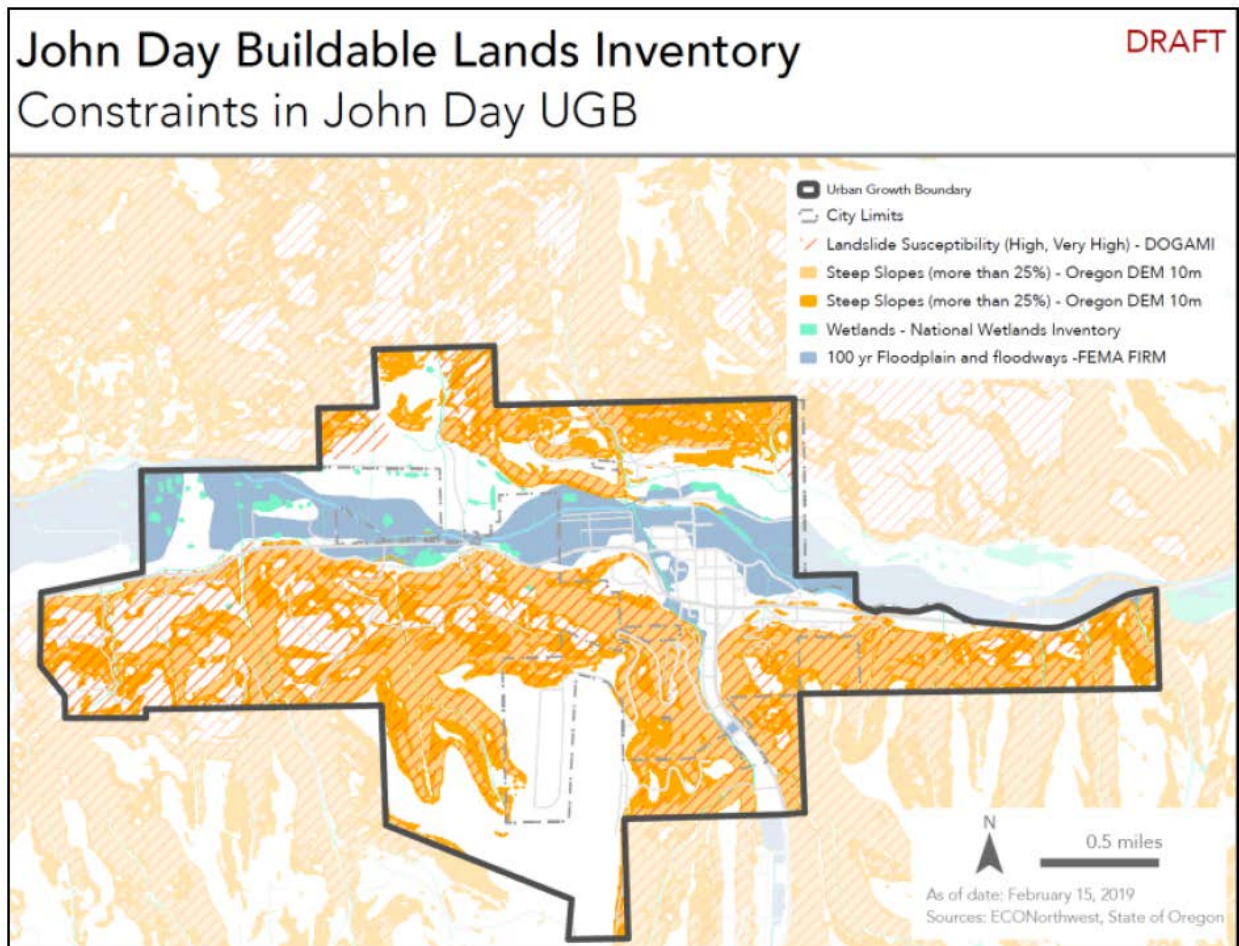
Enclosures

Exhibit B

Summary of Findings from John Day Housing and Community Development Analysis

John Day has about 3,400 acres in its Urban Growth Boundary (UGB) and about 1,585 acres in the city limit. Thus, the city has an extensive inventory (more than 1,800 acres) of land in the unincorporated area of the UGB. However, a significant portion (74% or 1,645 acres) of residential land in the John Day UGB has one or more development constraints, as shown in Exhibit 3 to the analysis report.

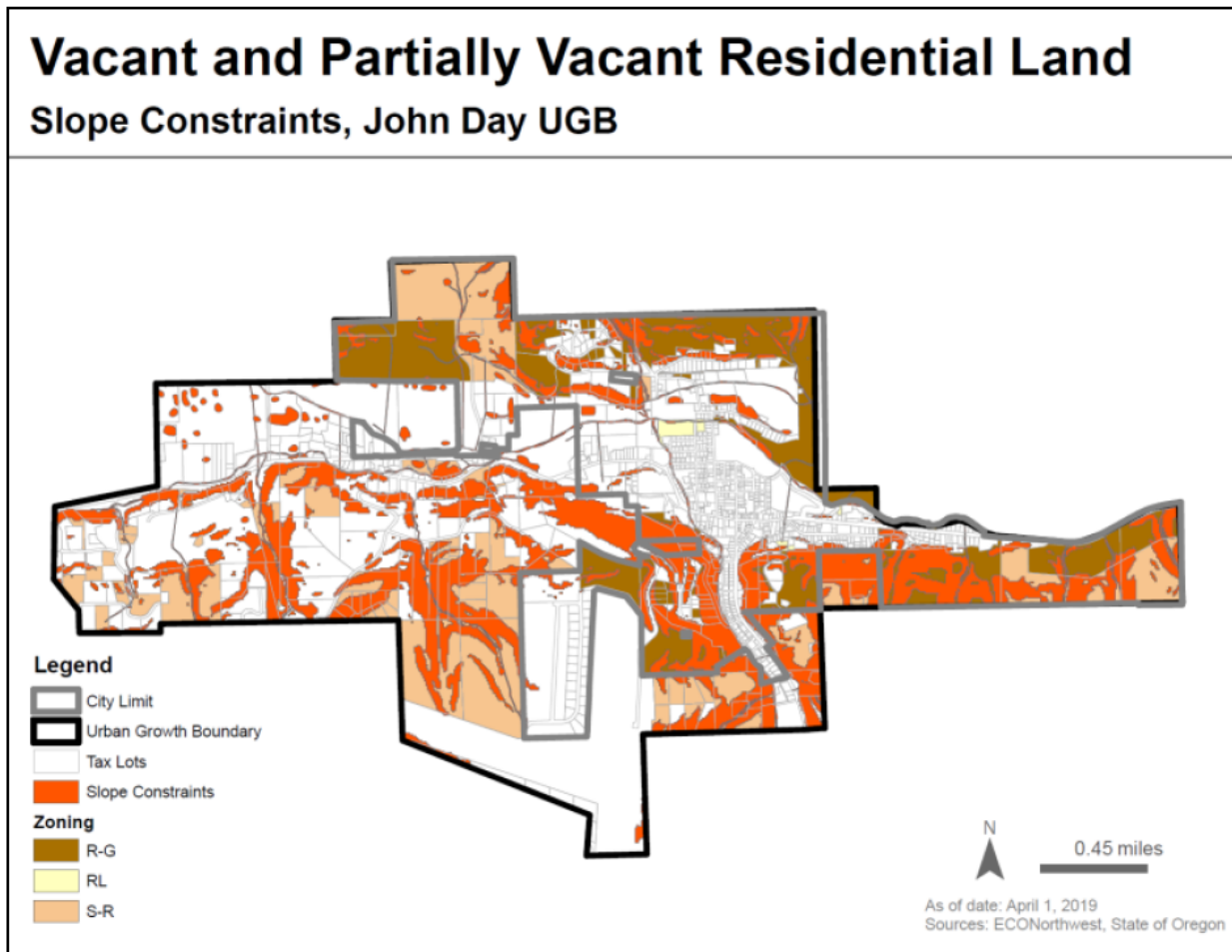
Exhibit 3. Development Constraints in the John Day UGB



Source: ECONorthwest, State of Oregon

John Day has 860 acres of vacant and partially vacant residential land. The majority of buildable land (86%) is fully vacant. A little more than half of the buildable land is in the S-R zone in the unincorporated area of the UGB. Though much of this area is slope constrained (see Exhibit 9), John Day still has capacity for nearly 2,000 dwelling units if lands develop at assumed densities.

Exhibit 8. Vacant and Partially Vacant Land and Slope Constraints, John Day UGB



Housing Affordability

A typical standard used to determine housing affordability is that a household should pay no more than a certain percentage of household income for housing, including payments and interest or rent, utilities, and insurance. The Department of Housing and Urban Development's guidelines indicate that households paying more than 30% of their income on housing experience "cost burden," and households paying more than 50% of their income on housing experience "severe cost burden." Using cost burden as an indicator for housing affordability is consistent with the Goal 10 requirement to provide housing that is affordable to all households in a community.

About 31% of John Day's households are cost burdened. About 48% of renter households are cost burdened, compared with 20% of homeowners. Twenty percent of households in John Day are rent burdened households. Overall, John Day has a slightly smaller share of cost-burdened households than Oregon.

About 24% of John Day's households have an income of less than \$20,000 per year. These households can afford rent of less than \$625 per month, or a home with a value of less than

\$62,500. Most, but not all of these households are cost burdened. About 28% of John Day's households have income less than \$27,150 and cannot afford a two-bedroom apartment at Grant County's Fair Market Rent (FMR) of \$700.

Exhibit 47 compares the number of households by income with the number of units affordable to those households in John Day. John Day currently has a deficit of housing affordable to households earning between \$10,000 and \$25,000, and greater than \$50,000. The deficit of housing for households earning between \$10,000 and \$25,000 (between 15% and 37% of MFI) results in these households potentially living in housing that is more expensive than they can afford. Households in this income range are generally unable to afford market rate rents. When lower cost housing (such as government subsidized housing) is not available, these households pay more than they can afford in rent. This is consistent with the data about renter cost burden in John Day.

John Day has a deficit of housing types affordable at lower income levels such as new and used government-assisted housing, apartments, duplexes, tri- and quad-plexes, and manufactured housing. John Day also has a deficit of housing types affordable for higher income levels such as market-rate apartments, single-family attached, and single-family detached housing.

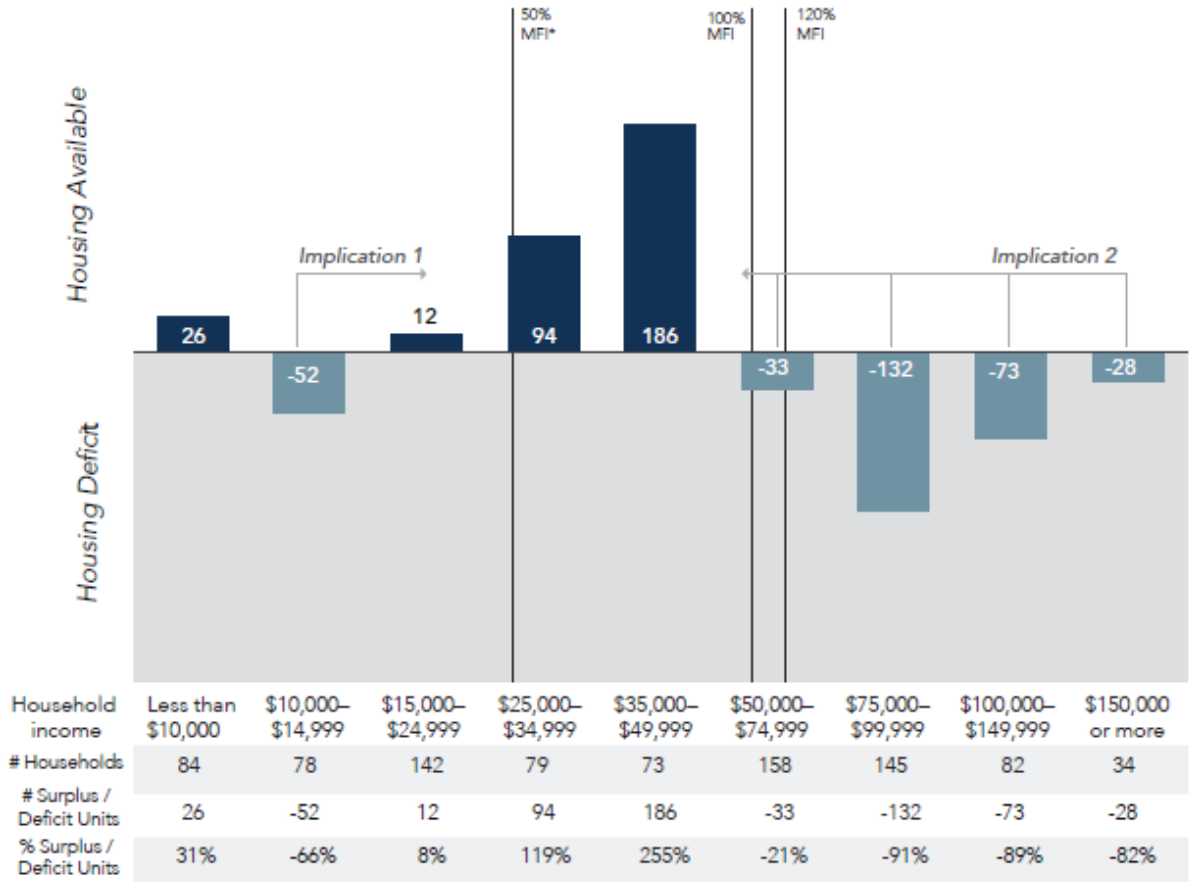
The results of the housing needs analysis are based on: (1) the official population forecast for growth in John Day over the 20-year planning period as well as two alternative growth scenarios, (2) information about John Day's housing market, and (3) the demographic composition of John Day's existing population and expected long-term changes in the demographics of Grant County.

The official state population forecast for John Day projects the city will lose 80 people between 2019 and 2029. ECO modeled two alternative growth scenarios: (1) moderate growth at 0.5% AAGR; and (2) higher growth at 1.0% AAGR. While these are not official state forecasts, they better represent the John Day strategy for growth and provide a basis for modeling housing demand.

- Based on the official state forecast, no new housing is needed in John Day over the next 20 years as the city will remain in population decline.
- Using ECO's moderate growth rate forecast, the City will need to develop 114 new dwelling units by 2040
- Using ECO's high growth rate forecast, the City will need to develop 130 new dwelling units by 2040

Exhibit 47. Affordable Housing Costs and Units by Income Level, John Day, 2016

Source: U.S. Census Bureau, 2013-2017 ACS, Table B19001, B25075, and B25063. Note: MFI is Median Family Income, determined by OHCS for Grant County. In 2018, Grant County's MFI was \$54,700.



*Median Family Income for a family of four

Implication 1

Some lower-income households live in housing that is more expensive than they can afford because affordable housing is not available. These households are cost-burdened.

Implication 2

Some higher-income households choose housing that costs less than they can afford. This may be the result of the household's preference or it may be the result of lack of higher-cost and higher-amenity housing that would better suit their preferences.

Source: ECONorthwest

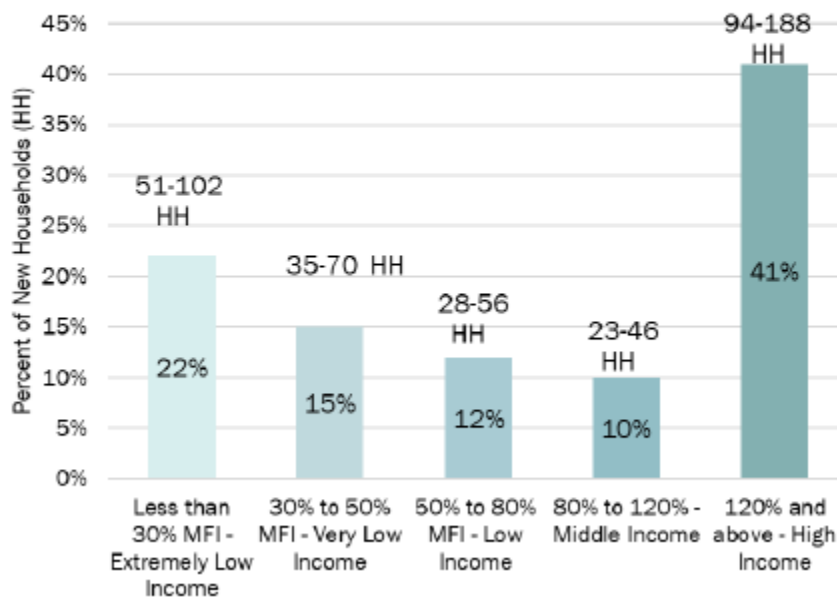
Exhibit 51. Forecast of demand for new dwelling units, moderate and higher growth scenarios, John Day UGB, 2019 to 2039

Source: Calculations by ECONorthwest.

Variable	Moderate	Higher
Needed new dwelling units (2020-2040)	109	230
Dwelling units by structure type		
Single-family detached		
Percent single-family detached DU	75%	75%
<i>equals</i> Total new single-family detached DU	83	173
Single-family attached		
Percent single-family attached DU	1%	1%
<i>equals</i> Total new single-family attached DU	3	2
Multifamily		
Percent multifamily	24%	24%
Total new multifamily	28	55
<i>equals</i> Total new dwelling units (2020-2040)	114	230

Exhibit 53. Future (New) Households, by Area Median Income (AMI) for Grant County (\$54,700), John Day, 2019 to 2039

Source: U.S. Department of Housing and Urban Development. U.S. Census Bureau, 2012-2016 ACS Table 19001.



Using ECO’s forecasts, the distribution of housing types by income is shown in Exhibit 53. A complete copy of the housing assessment is available on the city’s website at:

https://www.cityofjohnday.com/sites/default/files/fileattachments/planning/page/2961/7b_housing_and_community_development_analysis.pdf

Exhibit C

Staff Report for AMD-19-03 dated September 25, 2019

[enclosed]

Exhibit D

Public Comments on AMD-19-03

[enclosed]