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**Thursday, October 05, 2017**  
**6:45 PM – 8:30 PM**

**Development Service Building**  
Main Floor Auditorium, Room 115  
150 Beaver Creek Road, Oregon City, OR 97045

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**AGENDA**

**6:45 p.m. Pledge of Allegiance**

**Welcome & Introductions**

*Chair Jim Bernard & Mayor Brian Hodson, Co-Chairs*

**Housekeeping**

- Approval of September 07, 2017 C4 Minutes **Page 03**

**6:50 p.m. Bylaw Approval**

- Updated Draft Bylaws (Action Item) **Page 05**

**7:00 p.m. 2018 Regional Bond Discussion**

- Staff Memo **Page 11**
- Draft Project List **Page 12**
- Draft Project Map **Page 13**

**7:50 p.m. Housing Tools Discussion re SDCs and CET**

- Staff Memo and Materials **Page 14**

**8:20 p.m. Updates/Other Business**

- JPACT/MPAC Updates
- Other Business

**8:30 p.m. Adjourn**

## General Information



### Current Voting Membership

		C4 Exec	C4 Metro	JPACT	MPAC	R1ACT
<b>Clackamas County</b>	Chair Jim Bernard	●	●			
<b>Clackamas County</b>	Commissioner Paul Savas		●	●		●
<b>Canby</b>	Mayor Brian Hodson	●				●
<b>CPOs</b>	Laurie Freeman Swanson (Molalla CPO)	●				
<b>Estacada</b>	Mayor Sean Drinkwine					
<b>Fire Districts</b>	Matthew Silva (Estacada Fire District)	●				
<b>Gladstone</b>	Mayor Tammy Stempel		●			
<b>Hamlets</b>	John Meyer (Mulino Hamlet)					
<b>Happy Valley</b>	Councilor Markley Drake		●			
<b>Johnson City</b>	Vacant					
<b>Lake Oswego</b>	Councilor Jeff Gudman	●	●	●	●	●
<b>Milwaukie</b>	Mayor Mark Gamba		●		●	
<b>Molalla</b>	Mayor Jimmy Thompson					
<b>Oregon City</b>	Mayor Dan Holladay		●			
<b>Portland</b>	Vacant					
<b>Rivergrove</b>	Mayor Heather Kibbey		●			
<b>Sandy</b>	Councilor Carl Exner	●				
<b>Sanitary Districts</b>	Nancy Gibson (Oak Lodge Water Services)					
<b>Tualatin</b>	Councilor Nancy Grimes		●			
<b>Water Districts</b>	Hugh Kalani (Clackamas River Water)					
<b>West Linn</b>	Council President Brenda Perry		●			
<b>Wilsonville</b>	Mayor Tim Knapp		●	●		

### Current Ex-Officio Membership

<b>MPAC Citizen Rep</b>	Betty Dominguez
<b>Metro Council</b>	Councilor Carlotta Collette
<b>Port of Portland</b>	Emerald Bogue
<b>Rural Transit</b>	Julie Wehling
<b>Urban Transit</b>	Dwight Brashear

### Frequently Referenced Committees:

<b>CTAC:</b>	Clackamas Transportation Advisory Committee (C4 Transportation TAC)
<b>JPACT:</b>	Joint Policy Advisory Committee on Transportation (Metro)
<b>MPAC:</b>	Metro Policy Advisory Committee (Metro)
<b>MTAC:</b>	Metro Technical Advisory Committee (MPAC TAC)
<b>R1ACT:</b>	Region 1 Advisory Committee on Transportation (ODOT)
<b>TPAC:</b>	Transportation Policy Advisory Committee (JPACT TAC)

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**DRAFT MINUTES**

**Attendance:**

**Members:** **Canby:** Brian Hodson (Co-Chair); **Clackamas County:** Commissioner Paul Savas; **CPOs:** Laurie Swanson (Molalla); Marjorie Stewart (Firwood) (Alt.); **Hamlets:** John Meyer (Mulino); **Lake Oswego:** Jeff Gudman; **Milwaukie:** Wilda Parks (Alt.); **Molalla:** Jimmy Thompson; Elizabeth Kline (Alt.); **Sandy:** Carl Exner; **Sanitary Districts:** Nancy Gibson (Oak Lodge Water Services); **Transit:** Dwight Brashear (SMART); Julie Wehling (Canby); Andi Howell (Sandy)(Alt.)

**Staff:** Trent Wilson (PGA); Chris Lyons (PGA)

**Guests:** Don Krupp (Clackamas); Theresa Kohlhoff (LO); John LaMotte (LO); Chuck Robbins (H3S); Jaimie Hoff (Happy Valley); John Lewis (Oregon City); Nancy Kraushaar (Wilsonville); Megan McKibben (Congressman Schrader); Stephen Williams (DTD); Zoe Monahan (Tualatin); Tracy Moreland (BCC); Dan Mahr (Senator Merkley); Doug Riggs (West Linn)

The C4 Meeting was recorded and the audio is available on the County's website at <http://www.clackamas.us/c4/meetings.html> Minutes document action items approved at the meeting.

<b>Agenda Item</b>	<b>Action</b>
Approval of June 01, 2017 C4 Minutes	Minutes approved.
Bylaw Discussion	Members reviewed the recommendations from the C4 Bylaws Subcommittee, also discussed at the 2017 C4 Retreat. Two outstanding issues remained: Whether to replace Roberts Rules of order with Sturgis Rules of Procedure as the preferred meeting guide and desired changes requested by several members at C4 Metro Subcommittee.  C4 agreed to include Sturgis in proposed bylaws update and start the 30 day review process, to be voted upon/adopted in October. C4 did not include C4 Metro Subcommittee updates, but rather affirmed C4 Metro Subcommittee would have time to discuss their preferred updates and bring those recommendations back to C4 when appropriate.

County-wide Housing Needs Assessment: Next Steps	<p>Chuck Robbins presented the updated Scope of Work for the County-wide HNA. C4 Members discussed the language, but had no additions. The County will move forward with the RFP process on the HNA and return to C4 with information about the bids. Staff requested that at least (1) one C4 member and (3) three others from cities (staff or elected) be part of the RFP review process.</p> <p>C4 Members requested that a letter be issued to all cities including information about the HNA process, to be sent soon.</p>
C4 Retreat Agenda Recap	C4 Members prioritized their preferred discussion topics through a ranking process. The C4 Executive Committee and staff will use that ranking system as a tool to create agendas at future meetings.
JPACT/MPAC Updates	No updates
Other Business	No updates

Adjourned

**CLACKAMAS COUNTY COORDINATING COMMITTEE BY-LAWS**

1. **PURPOSE**

The Clackamas County Coordinating Committee (C-4) was founded by the County to promote a partnership between the County, its Cities, Special Districts, Hamlets, Villages, and Community Planning Organizations (CPOs).

C-4's primary functions are to:

- Enhance coordination and cooperation between the jurisdictions
- Establish unified positions on land use and transportation plans
- Provide a forum for issues of mutual benefit and interest
- Promote unified positions in discussions at the state and regional levels

2. **MEMBERSHIP POLICY BODY**

Committee membership shall consist of representatives from the following jurisdictions, communities, and districts:

<b>Voting Body</b>		<b>Members</b>	<b>Votes</b>
<i>* = Urban Jurisdiction</i>			
<i>^ = Urban &amp; Rural Representation</i>			
<b>County</b>	Board of County Commissioners^	2	2
<b>Cities</b>	Barlow	1	1
	Canby	1	1
	Estacada	1	1
	Gladstone*	1	1
	Happy Valley*	1	1
	Johnson City*	1	1
	Lake Oswego*	1	1
	Milwaukie*	1	1
	Molalla	1	1
	Oregon City*	1	1
	Portland*	1	1
	Rivergrove*	1	1
	Sandy	1	1
	Tualatin*	1	1
	West Linn*	1	1
	Wilsonville*	1	1
	<b>Communities</b>	CPOs^	1
Hamlets		1	1
<u>Villages</u>		<u>1</u>	<u>1</u>
<b>Districts</b>	Fire*	1	1
	Sanitary*	1	1
	Water*	1	1
<b>Total</b>		<b><u>2324</u></b>	<b><u>2324</u></b>

<b>Non-Voting Body</b>		<b>Members</b>
<b>Regional</b>	Metro*	1
	Clackamas Citizen from MPAC	1
<b>Transit</b>	Rural	1
	Urban*	1
<b>Other</b>	Port of Portland*	1
<b>Total</b>		<b>5</b>

At a minimum, Clackamas County Board of Commissioners will select its two (2) elected representatives in February of odd-numbered years and notify the Secretary of C-4 by letter signed by the Chair or a designee appointed by the Chair.

At a minimum, the cities shall provide the names of their elected C-4 representatives and alternates by letter signed by the Mayor or their designee in February of each odd-numbered year to the Secretary of C-4.

The special districts/authorities representatives shall be designated by agreement among districts/authorities represented. The Hamlet ~~or~~ **and Villages** representative shall be designated by agreement among the County's Hamlets **and Villages** represented. The process for designating the representatives shall be established by agreement among each of the groups of Districts/Authorities and Hamlets/**Villages**. Each of these entities shall submit the names of their elected C-4 representative and alternate to the Secretary of C-4 by letter signed by the Chairs of the Boards represented in February of every even-numbered year.

The CPO representative and alternate shall be determined in a process that is guided by the County and includes the opportunity for input of each of the County's recognized CPOs and the County's Committee for Citizen Involvement (CCI). That selection process shall be completed by February of each even-numbered year and the name of the representative and alternate shall be submitted to the C-4 Secretary.

Each jurisdiction with a voting membership shall have one (1) vote, with the exception of the County which has two (2) votes. The cities, special districts, and Clackamas County representatives to JPACT and MPAC are encouraged but not required to have their representative as a voting member or alternate on C-4.

The Metro Council shall provide the name of their C-4 representative and alternate by letter signed by the Metro President or his/her designee in February of each odd-numbered year.

The representatives from the Port of Portland, the transit agencies, and the Clackamas Citizen from MPAC are not elected officials, and their membership is determined by appointment from their respective organizations.

3. EXECUTIVE COMMITTEE

The Executive Committee shall be comprised of a representative of: (a) the board of county commissioners, (b) an urban city, (c) a rural city, (d) water and sewer districts, (e) fire districts, and f) Hamlets, Villages, and CPOs. ~~The Executive's Committee will shall establish-set~~ the agendas for meetings of C-4, including additional agenda request items that may be made -as set forth in section 5(G) of these Bylaws. and ~~may to~~ make recommendations to the C-4 body on action items as appropriate. C-4 Metro Jurisdiction cities and Rural Cities shall elect their respective Executive Committee representatives annually at the March C-4 Regular meeting. Special Districts shall annually determine their own Executive Committee representative selection process and shall submit the name of the appointment by a letter signed by the chairs of the special district boards to the Secretary of C-4 at or before the March C-4 meeting.

4. OFFICERS

The co-chairs of the Executive Committee will also serve as the co-chairs of C-4 and shall be elected annually at their March meeting by members of the Executive Committee from among its members. The County member will co-chair the Executive Committee and C-4. The secretary of the Executive Committee and C-4 shall be a county staff member designated by the Board of County Commissioners.

5. PROCEDURES

A. Meetings

All meetings of C-4 and any of its subcommittees are considered public meetings under Oregon's Public Meetings Law. Meetings will be held monthly on a day to be determined by C-4 or called as needed by the co-chairs or by a vote of C-4. The secretary is responsible for notifying members of the meeting time and place and for preparing the agenda. Meeting notices will be provided to the C-4 members, interested parties, and to the public as soon as practicable and shall include a list of the principal subjects anticipated to be considered.

B. Quorum

A quorum of C-4 shall consist of a majority of the participating jurisdictions' voting members.

C. Voting

Votes in C-4 shall carry by a simple majority of those present, provided that no action shall be taken unless a quorum is present. Only members or their designated alternate shall have voting rights.

D. Alternates

A designated alternate will sit in the absence of a member and shall have full voting rights. Alternates will be appointed by the member jurisdiction. There shall be no alternates for either of the co-chair positions.

E. Records

All C-4 actions shall be documented in the form of minutes, memoranda and special reports. The secretary will be responsible for such documentation and distribution of such minutes, memoranda and reports.

- F. Rules  
Meetings shall be conducted in accordance with ~~Roberts' Rules newly revised~~ Sturgis' Standard Code of Parliamentary Procedure.
  
- G. Additional Agenda Requests~~Agenda Items~~  
Before presentation to C-4 for action, agenda items shall be presented to the Executive Committee for consideration and placement on the agenda of an upcoming meeting of C-4. Only voting members of C-4 shall be eligible to recommend agenda placement items. If the Executive Committee declines to place an item on the C-4 agenda, then any voting member may present the agenda item for consideration of placement as an agenda item to the entire C-4 body. The matter shall be presented by the voting member under "other business." If C-4 votes in the affirmative to place the matter on the agenda, then it will be placed as an agenda item on the next meeting agenda. If that agenda is full, then not later than the following meeting, unless a later agenda date is otherwise agreed to by the voting C-4 members present. ~~sent to the member jurisdictions and to all fire districts, water districts/authorities and sanitary sewer districts/authorities for discussion by the governing body.~~ Compliance with this ~~section~~ requirement may be waived where circumstances warrant faster action by an majority affirmative vote of two-thirds of those C-4 voting members present.

6. ADVISORY SUBCOMMITTEES:

- A. Metro Subcommittee  
C-4 members who are within the Metro jurisdiction shall be a subcommittee of C-4 named Metro subcommittee. This subcommittee shall at a minimum be the body which nominates and elects cities' representatives to: Joint Policy Advisory Committee on Transportation (JPACT); Metro Policy Advisory Committee (MPAC) and associated technical committees: Transportation Policy Advisory Committee (TPAC); and Metro Technical Advisory Committee (MTAC) respectively. These nominations and elections shall occur in November of each even numbered year in accordance with Metro Charter requirements.
  
- B. Rural Cities Subcommittee  
C-4 members who are outside of the Metro jurisdiction shall be a subcommittee of C-4 named Rural Cities subcommittee. This subcommittee shall at a minimum develop positions relative to transportation issues and related funding for presentations to the ODOT Region 1 Area Commission on Transportation (RIACT). The Rural Cities subcommittee shall also consider coordination with the County, State, and other jurisdictions as appropriate, on land use, planning, or other issues that may uniquely affect these cities located outside of the Metro boundaries.
  
- C. Management Advisory Subcommittee



The administrator of each city, district, authority and county shall serve as a Management Advisory Subcommittee. This subcommittee will provide overview and advice to C-4 and support the work of the Technical Subcommittees. The subcommittee shall also have the responsibility, as directed by C-4, of constituting any ad hoc subcommittees or other groups established for information and advice on specific issues. The Management Advisory Subcommittee shall meet as needed.

D. Technical Advisory Subcommittees

C-4 shall be informed and advised by the following standing Technical Advisory Committees, as well as other ad hoc subcommittees established and chartered at the direction of the co-chairs for information and advice on specific issues, plans or projects of interest to C-4.

1. Clackamas Transportation Advisory Committee (CTAC)

The membership of CTAC shall consist of staff representatives of all agencies on the policy body and is to review transportation plans, projects, and funding issues, and make recommendations to C-4. CTAC shall operate under the same procedures as the policy body, and will meet as needed to be determined by committee members. Member cities will have only one vote when votes are required.

2. Land Use Advisory Subcommittee

The membership of this subcommittee shall consist of the planning directors or the staff persons with lead planning responsibility for all agencies on the policy body. The subcommittee is to focus on land use issues and transportation issues that may have an impact on land use. The subcommittee shall operate under the same procedures as the policy body, and will meet as needed to be determined by subcommittee members or when scheduled by the chairman or by a vote of the subcommittee.

7. DEFINITIONS

Urban cities are those incorporated cities located, either fully or partially, within Clackamas County and also located within Metro's Urban Growth Boundary.

Rural Cities are those incorporated cities located within Clackamas County and also located outside Metro's Urban Growth Boundary.

The Hamlets ~~and Villages~~ of are designated communities recognized by Clackamas County as participating in the Hamlets and Villages Program, include: Beaverreek, Molalla Prairie, Mulino and Stafford.

Housing as a topic of discussion is not specifically found in the primary functions of the bylaws, but is understood by C-4 to be fall within land use and transportation issues.

Community Planning Organizations (CPOs) are officially recognized by the County and statutorily defined public bodies that consist of citizen volunteers who represent their

neighborhoods on issues of importance to local communities and make decisions and recommendations to the County.

8. AMENDMENTS

These by-laws may be amended from time to time by a majority of the members of C-4, provided that all voting members of C-4 and all fire districts, water districts/authorities and sanitary sewer districts/authorities have been sent copies of the proposed amendments thirty (30) days prior to the meeting where action on the rules is scheduled.

Adopted on September 26, 2001

Amended on March 3, 2005

Amended on February 5, 2009

Amended on January 7, 2010

Amended on November 3, 2011

Amended on April 4, 2013

Amended on December 5, 2013

Amended on January 5, 2017

Adopted on October 5

Commented [WT1]: Pending adoption

## MEMORANDUM

**To:** Clackamas County Coordinating Committee (C4)  
**From:** Karen Buehrig, Transportation Planning Supervisor  
**Date:** September 28, 2017

**Subject:** Regional Bond Measure Proposal

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At the C4 Retreat in August, TriMet staff provided an overview of the Regional Bond measure that is proposed to fund a suite of multi-modal transportation improvements throughout the TriMet district in the Portland metropolitan region. This measure, which could potentially be brought forward in November 2018, would fund a portion of the local match for the SW Corridor Light Rail project as well as other transportation projects that relieve congestion and improve safety.

Since August, TriMet outlined additional details and has asked that each of the sub-regional coordinating committees move forward projects that should be considered for inclusion in the regional bond measure. The proposal under discussion would generate \$1.7 billion from a combination of a \$13 vehicle registration fee and a property tax assessment that would increase tax on the average household by \$150/year. Of the \$1.7 billion, \$750 million would be used for the SW Corridor and \$950 million would be available for other projects. Funding would be limited to areas within the TriMet service district.

Using a formula based on population, employment and registered vehicles, TriMet has set a target allocation for each county and the City of Portland. Clackamas County's target allocation is \$181 Million.

Criteria for identifying projects for inclusion in the bond measure are:

- Address congestion relief and safety
- Resonates with voters
- Can be delivered within 7 years of passage of the bond measure
- Project lead must sign an IGA that says the lead agrees to cover cost overruns prior to the project going on the ballot
- Up-to 5% of the allocation could be designated for projects for preliminary engineering or right-of-way.

For the projects being proposed within Clackamas County, county staff has worked with the jurisdictions within the TriMet district to identify their priority projects that meet the above criteria. In addition, we are working with ODOT to obtain their input into the feasibility of the projects since many of them are ODOT facilities.

Attached is the list of projects in Clackamas County to be discussed for inclusion in the Regional Bond.

Questions for consideration:

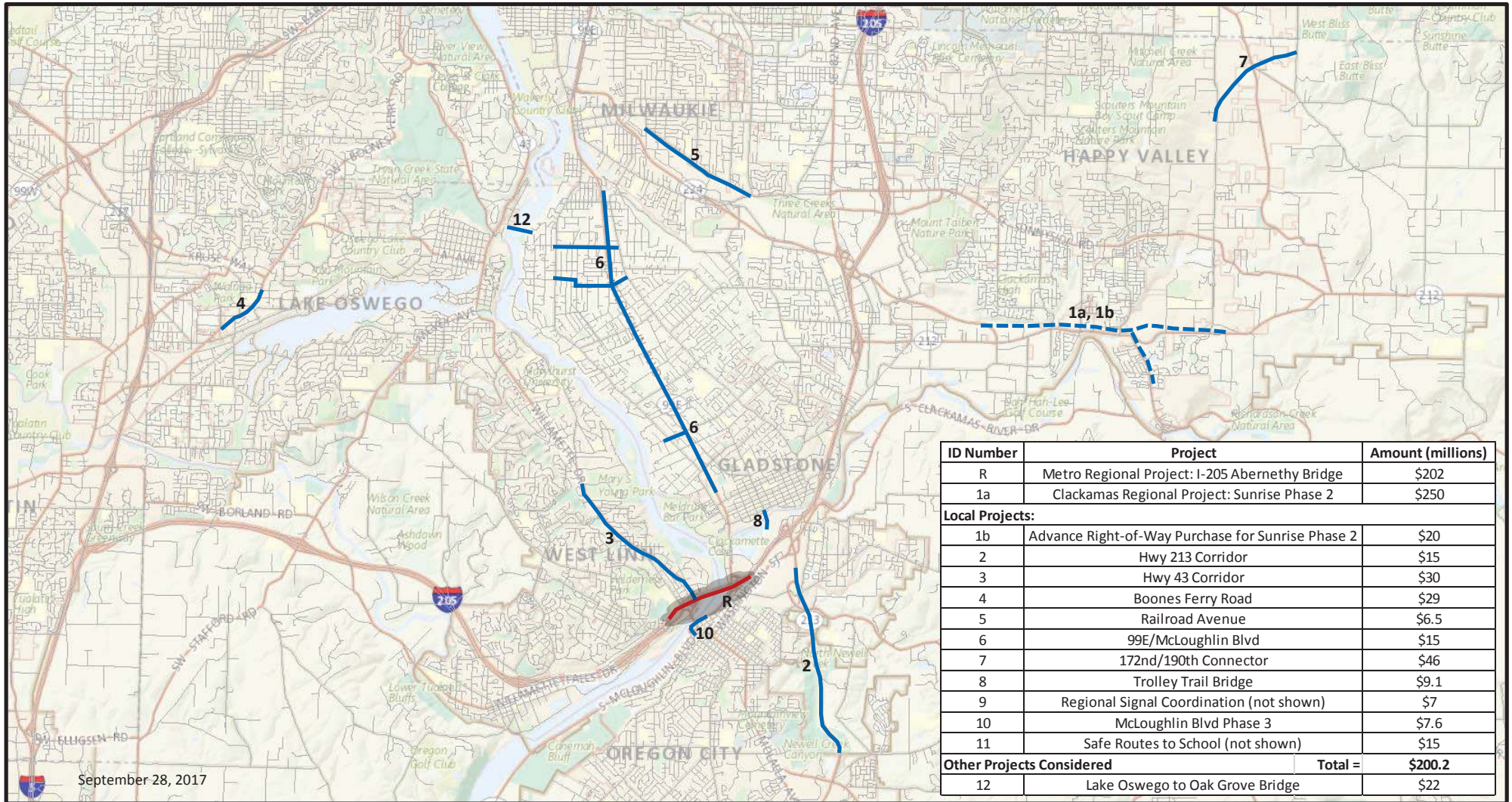
- A) Should the funding for I-205 be "taken off the top" of the region's \$950 million? If chosen, staff recommends that C4 submit a letter to TriMet and JPACT advocating for this action in the bond as a regional priority.
- B) Should the entirety of Clackamas County's allocation be used to advance the Sunrise Phase II project?
- C) Should a suite of local projects, including funding for ROW for the Sunrise Phase II, be advanced for consideration?
- D) Some combination of the above options.

Projects for consideration in Regional Bond – Clackamas County

Draft Project List for C4 review on Oct 5, 2017

#	Project	Project Description	Readiness	Amount
<b>Metro Regional Project</b>				
	I-205 – Abernethy Bridge	Widen both directions of I-205 Abernethy Bridge and approaches; Install active traffic management.		\$202 M
<b>Clackamas Regional Project</b>				
1a	Sunrise Phase 2	Complete the Sunrise from 122 <sup>nd</sup> to 172 <sup>nd</sup> – FEIS Completed	Concerns about ability to complete in 7 years	\$250 M
<b>Local Projects</b>				
1b	Sunrise Phase 2 ROW	Advance Project by ROW purchases for Sunrise (Hwy 224 to 172 <sup>nd</sup> )		\$20 M
2	Hwy 213 Corridor	Hwy 213 Jug handle Phase 2; Improvements to Beavercreek and Hwy 213 (Oregon City – RTP 4177440; RTP 10119)	90% Design	\$15 M
3	Hwy 43 Corridor	Safety Improvements to Hwy 43 from I-205 to Mary S Young (West Linn- RTP 10127)	Currently entering into design acceptance; supports STIP project	\$30 M
4	Boones Ferry Road Project	Boulevard treatment for safety and congestion improvements (Lake Oswego)	90% Design; Leverage other funds	\$29 M
5	Railroad Ave	Capacity Improvements; Construct Multi Use path; Improvements to bus facilities (Milwaukie - RTP 10095)		\$6.5 M
6	99E / McLoughlin Blvd and access to transit	Crossing of McLoughlin; sidewalk improvements on Oak Grove, Courtney and Jennings. McLoughlin crossing improvements (Clackamas County - RTP 10024; 11503; 11504; 11525)	Leverage current funding for McLoughlin crossings	\$15 M
7	172 <sup>nd</sup> / 190 <sup>th</sup> Connector; Improvement to Foster	Capacity Improvements to implement 172 <sup>nd</sup> / 190 <sup>th</sup> Corridor Plan (Happy Valley - RTP 10033)	Design Plan adopted	\$46 M
8	Trolley Trail Bridge	Ped Bike Bridge – Gladstone to Oregon City. Replace the railroad bridge that fell into the Clackamas River with a Ped/Bike bridge providing an option to the Clackamas River Bridge	Feasibility study currently underway	\$9.1 M
9	Regional ITS / Signalization Coordination	Investments from the ITS Action Plan. See projects TMO-02; TMO-03; TMO-20; TMO-19; TMO-23; MMO-03; MMO-04; MMO-05; TI-02; and DCM-02	Project identification completed.	\$7 M
10	McLoughlin Blvd Phase 3	Provide safe bike and pedestrian access to the Riverwalk along the river’s side of Hwy 99E (Oregon City – RTP 10118 w/o viaduct investment)	Adopted enhancement plan	\$7.6 M
11	Safe Routes to Schools bucket	Identify specific investments that improvement the safety of pedestrian and bikeway access to schools		\$15
Other Projects Considered			<b>TOTAL FOR LOCAL PROJECTS</b>	<b>\$200.2</b>
12	Lake Oswego to Milwaukie Ped/Bike Bridge		Low	\$20 M

# Regional Bond Measure Candidate Projects



September 28, 2017

## MEMORANDUM

**To:** Clackamas County Coordinating Committee (C4)  
**From:** Trent Wilson, Clackamas County Government Affairs Specialist  
**Date:** September 28, 2017

**Subject:** Housing tools discussion regarding SDCs and CET

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### Overview:

As a continuation of the housing affordability discussion, C4 members have asked to discuss system development charges (SDC) and the construction excise tax (CET) as possible mechanisms to address housing. Recommendations to date have included a proposal to consider the merits of “proportional” SDCs and to consider CETs as a mechanism to facilitate a housing trust fund.

### Recommendation:

Staff recommends C4 discuss the merits of SDCs and CETs as possible tools to address housing in Clackamas County.

#### Key questions to address for SDC:

- Are SDCs appropriate mechanisms to use to address housing affordability?
- Can SDC’s be “right-sized” or “proportional” to lower the cost of smaller residential development? If so, which ones?
- Should SDC’s be right-sized to influence housing affordability? And if so, where the does the revenue come from to build the necessary infrastructure to support the additional residential and commercial population?

#### Key questions to address for CET:

- Should jurisdictions adopt a local Construction Excise Tax (CET) to help generate revenue to support housing programs, such as a Housing Trust Fund? (A consideration from the C4 Land Use Advisory Subcommittee Report)
- What would CET revenue fund?
  - Would it be specific to jurisdictions imposing the fund?
  - Would it be used countywide to serve agreed upon countywide needs?
  - Could a portion be used to offset potential reductions to SDC charges, to provide the funding for infrastructure needs?

### Attachments:

- SB 1533 Legislative Summary (2016 State Legislature)

**Fiscal:** Fiscal impact issued

**Revenue:** Revenue impact issued

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**Action Date:** 02/29/16

**Action:** Do Pass The B-Eng Bill.

**Meeting Dates:** 02/29

**Vote:**

Yeas: 7 - Barnhart, Gilliam, Hoyle, Huffman, Rayfield, Smith Warner, Williamson

Nays: 2 - Kennemer, Wilson

**Prepared By:** Erin Seiler, Committee Administrator

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**WHAT THE MEASURE DOES:**

Allows city or county to adopt land use regulation or functional plan provision, or impose as condition of approving permit, requirements that effectively establish sales or rental price for multifamily structure or require multifamily structure to be designated for sale or rent as affordable housing. Defines affordable housing. Limits adopted city or county regulation, provision or requirement to requiring no more than 20 percent of housing units within multifamily structure to be sold or rented as affordable housing and apply only to multifamily structures containing at least 20 housing units. Requires city or county to provide developers option to pay in-lieu fee in amount determined by city or county. Requires city or county to offer developers that do not elect to pay in-lieu fee one or more of specified incentives. Requires adopted incentives to be related, in manner determined by city or county, to required percentage of affordable housing units. Allows city or county to offer other incentives to developers as part of regulation, provision or condition adopted. Requires city or county, with specified exceptions, that adopts regulation, provision or condition to adopt and apply clear objective standards regulating development of housing units and prohibits standards from discouraging development of housing units through unreasonable cost or delay.

Allows city or county to impose construction tax that conforms to requirements provided in this Act. Specifies distributions of construction tax receipts. Prohibits local government or local service district or special government body from imposing construction tax with exception for city, county or school district. Allows existing construction taxes to continue being imposed under specified limitations. Takes effect 91st day following adjournment sine die.

**ISSUES DISCUSSED:**

- Lack of affordable housing being a long-developing multifaceted problem
- Cost of housing increasing at rate faster than average wage growth
- Providing local governments tools to address affordable housing
- Ability of people to live and work in same community
- Multifaceted and multidisciplinary approach necessary to address lack of affordable housing
- Legislative history of inclusionary zoning
- Distribution of construction excise tax revenue

**EFFECT OF COMMITTEE AMENDMENT:**

No amendment.

**BACKGROUND:**

Inclusionary zoning, also called inclusionary housing, involves land-use regulations that direct a certain amount of housing development be made available to people of low and moderate incomes. Currently, Oregon law prohibits local governments from imposing regulations or conditions on residential development that have the effect of setting a sales price or of designating a certain class of individuals as purchasers. Senate Bill 1036 (2007) allowed school districts to impose a tax on new construction based upon the square footage of the new construction

improvements and required revenue from the tax to be used for school district capital improvements. SB 1036 also preempted local governments from imposing a construction tax until 2018, but grandfathered in local government construction taxes that were either in effect as of May 1, 2007 or in the process of being adopted.