

CLACKAMAS COUNTY BOARD OF COUNTY COMMISSIONERS
Policy Session Worksheet

Presentation Date: August 9, 2023 **Approx Start Time:** 10 AM **Approx Length:** 1 hour

Presentation Title: 2023-2025 Long-Range Planning Work Program

Department: Transportation and Development

Presenters: Dan Johnson, DTD Director; Jennifer Hughes, Planning Director; Karen Buehrig, Long Range Planning Manager

Other Invitees: Mike Bezner, Assistant Director of Transportation; Cheryl Bell, Assistant Director of Development

WHAT ACTION ARE YOU REQUESTING FROM THE BOARD?

Acceptance of the previously Board approved 2023-2025 Long Range Planning Work Program and review any possible additions or subtractions to the work program.

EXECUTIVE SUMMARY:

Background: Since 2012, Planning and Zoning has prepared a draft Long-Range Planning (LRP) Work Program for final acceptance by the Board of County Commissioners (BCC) as a tool to prioritize and consolidate amendments to the Comprehensive Plan and Zoning and Development Ordinance (ZDO). In the past, the work program development process has included a community outreach component that sometimes resulted in the inclusion of community recommended projects.

The 2021-2023 work program was developed in 2021; however, in September 2022, it was revised by the BCC in recognition of challenges that prevented the completion of some of the prioritized projects. On the land use side, these challenges included significant staff turnover and vacancies in Planning and Zoning and new state land use legislation. The BCC agreed to delay several previously prioritized projects and directed that land use planning efforts be focused on the Luscher Farm Park project, implementation of the mandatory Climate Friendly and Equitable Communities rules and a package of minor and time-sensitive zoning code amendments.

Status of the 2021-23 LRP Work Program: Staff has made significant progress on the projects in the revised 2021-2023 LRP Work Program. The following projects are complete or substantially complete:

Comprehensive Plan Category	Project	Status
Housing	H-1: Housing Strategies – Phases 1 and 2	Complete
Transportation	T-1: Damascus Area Transportation Needs	Complete
Transportation	T-2: Arndt Road Goal Exception and Highway 99E/Barlow Road Analysis	Complete
Other	O-1: Minor and Time Sensitive ZDO Amendments	Complete for this work program cycle
Open Space, Parks, and Historic Sites	OS/P/HS-1: Luscher Farm Park	Public hearings scheduled for September

Developing the 2023-2025 LRP Work Program: In past cycles, public outreach was conducted to solicit project suggestions and a meeting was held with the Planning Commission to gather their input. At this point, staff has not made a request to the public or to the Planning Commission for new ideas. Knowing several land use items were delayed from the last work program and staff time remains limited, the 2023-2025 LRP work program will need to be focused on a few high-priority items. In addition, the majority of the previously selected transportation planning projects are currently underway and are expected to continue over the next 12 to 24 months. Moving forward with a significant effort to gather suggestions would create an inaccurate impression that there is capacity to integrate additional projects.

Factors Impacting the Long Range Planning Work Program: Each cycle, there are several factors that influence the number and type of projects that can be included on the work program.

- Staffing levels. Funding limits the staff time available for long-range planning projects. On the land use side, in particular, most staff resources are directed to current planning tasks due to mandatory land use application processing timelines and customer demand for zoning information and permit review.
- Carryover projects. These are current projects that will continue into the next work program cycle.
- Grant funding. Grant funding allows a consultant to be hired to support project staffing needs.
- Mandates. Code amendments are sometimes required because of changes in state and regional requirements.

Analysis of Potential Projects: Attachment A is a list of potential projects for the 2023-2025 LRP Work Program. Projects that previously appeared on the 2021-2023 LRP Work Program are identified by a project letter/number. Included are projects currently

underway from the 2021-23 LRP Work Program, projects that were identified as “delayed” in the September 2022 work program update, and new projects that have emerged from legislative actions or outside funding opportunities. Staff’s recommended projects are highlighted in green. The considerations that influenced the draft work program are as follows:

1. Retain projects that are underway

- T-1: Bike Walk Clackamas.** Updates to County Pedestrian and Bikeway Plans. Consolidate into one document. Completion expected early 2024.
- T-2: Transportation System Plan Update.** Update the Transportation System Plan to review and adopt capital roadway improvement priorities and projects. Consultant RFP to be released late summer 2023.
- T-3: Sunrise Community Visioning Project.** Engagement with the community to co-create a vision for the Sunrise Corridor. Identify challenges and opportunities for improvements to increase the safety and viability of the corridor.

2. Add projects that have dedicated funding

- T-4: Travel Options Action Plan.** Develop a plan for transportation demand management (TDM) programming. Project goals include reducing vehicle miles traveled, mitigating traffic congestion, and improving public health. Project will increase use of travel options in the county and fill both policy and project gaps. The project is funded through the Metro Regional Travel Options program.

3. Focus long-range land use planning efforts on responding to state legislation and reducing the long-term cost of administering the current planning program

- H-1/E-1: Zoning and Development Ordinance (ZDO) Diagnostic Report and Code Audit.** About a decade ago, the county began a multi-year “audit” of the ZDO with a goal of reviewing and updating the entire code. While much was accomplished, the project (O-2, identified as delayed on the current work program) stalled for a variety of reasons. Staff sees an opportunity to resume that work, respond to a state requirement that housing be subject to only “clear and objective” regulations, and leverage two sources of grant funding. If the Board selects this project for inclusion on the work program and if our grant applications to DLCD and Metro are successful, the project would result in a comprehensive review of the ZDO to identify subjective housing standards, zoning-code-related obstacles to employment land development, opportunities to streamline and clarify regulations, and ways to simplify the development review process. The overarching goal is to create a more effective and efficient zoning code, which will benefit the county and its customers. This comprehensive

review and assessment has the potential—through subsequent adoption of recommended ZDO amendments—to decrease the long-term cost of administering the current planning program by simplifying the onboarding and training of new staff and reducing the complexity of the land use review process.

The ZDO Diagnostic Report will include two distinct elements: Housing focus and urban employment and commercial lands focus.

For the first element, a funding request of \$150,000 was submitted to the DLCD Housing Planning Assistance Program. This application was due July 31, 2023, and will be withdrawn if the Board does not select this project for inclusion in the work program. For the second element, an application for \$143,000 is proposed for submittal to the Metro 2040 Planning and Development grant program. This application is due on August 11, 2023.

If the Board supports moving this project onto the 2023-2025 LRP Work Program, letters of grant support (see Attachment B) are required. If grant funds are not awarded, staff will return to the Board to discuss options for a smaller project scope or an alternate project.

O-1: Minor and Time Sensitive Amendments. This would be a narrowly focused package of amendments that can be completed by long range land use planning staff while foundational work for the ZDO Diagnostic Report is underway.

- Amend the ZDO to allow accessory dwelling units (ADUs) in rural residential zones under limits established by the state. This was enabled by SB 391 (2021) but was on hold pending the completion of the state's wildfire hazard map. SB 644 (2023) amended the earlier legislation so that counties can proceed prior to the map adoption.
- Amend the ZDO to allow recreational vehicles for residential use in unincorporated urban and rural residential areas as allowed by SB 1013 (2023).
- Amend the ZDO to comply with mandatory requirements of the state's Climate Friendly and Equitable Communities rules related to parking. This item is carried over from the last work program, where it is identified as project T-7. In a policy session, the Board directed staff not to proceed because there were a pending lawsuit and proposed state legislation that sought to overturn the rules. The legislation did not move forward, and the lawsuit remains pending. The compliance deadline is June 30, 2024. If amendments are not adopted by the deadline, the state rules removing minimum parking standards in the urban area will apply regardless. Including this in the minor amendments package assumes that the county will amend the ZDO to remove parking requirements rather than pursue

the alternative programmatic options (e.g., paid parking, unbundling parking from rent).

- Amend the ZDO as needed to comply with any other relevant land use legislation from the 2023 session. Staff is still evaluating the legislation that passed and awaiting final action by the governor as of this writing.

5. Previously identified projects not recommended for inclusion in the 2023-2025 work program

H1: Housing Strategies Phase 3 – Add housing to schools and places of worship; transferable development rights; preserve manufactured dwelling parks; new housing unit types; transitional shelters; and Low Density Residential Comprehensive Plan policies. (Clear and objective standards is proposed to remain as part of the new Project H-1/E-1.)

Since the Housing Strategies project was initiated in May 2019, two phases have been completed. Changes at the state level have influenced this project, adding middle housing compliance to Phase 2 and resulting in a work group to begin meeting soon to discuss the intent of state legislators to require urban unincorporated areas of the Metro counties to comply with Goal 10, *Housing*, including mandatory completion of Housing Capacity Analyses and Housing Production Strategies. Our staff will be participating in the work group and monitoring potential related legislation in the 2024 legislative session. Housing work beyond what is contemplated by the new Project H-1/E-1 should be delayed until the state's direction becomes clearer.

NR-1: Update Comprehensive Plan Chapter 3, Natural Resources: This project would start with an Issue Paper to assess current regulations as well as feasibility and staffing requirements for various project requests from the community in prior years. Chapter 3 is out of date in some respects, and an update would complement project NR-2. Both of these projects will require significant public engagement and technical expertise, most likely from a consultant. At this time, no outside funding has been identified to assist with this work, and, aside from NR-2 and clear and objective standards (discussed below), it is not mandatory.

NR-2: Amend Flood Hazard Development overlay zone regulations per Biological Opinion: This project has been lingering for many years due to delays at the federal level. Currently FEMA has begun the Environmental Impact Statement phase of its work and is estimating that local government compliance with new floodplain management regulations will begin in fall 2025. The new requirements will be mandatory if the county is to maintain eligibility for disaster relief and for residents and property owners to obtain coverage through the federal flood insurance program. It is premature to begin work on this because there are too many unknowns. Staff is concerned about how this project will ultimately be staffed and funded. There are some Oregon jurisdictions and interest groups that have formed a coalition in

opposition to the mandates that are being developed. The Board may be interested in learning more about the coalition and its activities in a separate Policy Session or Issues update.

6. Potential new projects not recommended for inclusion in the 2023-2025 work program

New – Clear and Objective Standards to Implement Goals 5, 6, 7 and 15:

State law requires only clear and objective standards be applied to development of housing. Over time, the courts have clarified what is meant by “clear and objective” and in 2017, the state law was expanded to apply to rural areas and to all urban lands rather than just “buildable” lands. Unless vetoed by the governor, HB 3197 (2023) will provide a two-year delay in applicability to rural areas. In urban areas, the county must waive any standards that aren’t clear and objective; however, in some contexts this may expose the county to risk of an enforcement order from the Land Conservation and Development Commission as occurred in Washington County. Some of the clear and objective standards work would occur as part of new project H-1/E1. Unfortunately, the scope of that project will not encompass standards that apply in areas regulated by Statewide Planning Goals 5, 6, 7 and 15 (e.g., river and stream buffers, landslide hazard areas, Willamette River Greenway). It is anticipated that this project may take 18 to 24 months and require significant public engagement, staff time commitment and technical consultant expertise. At this time, no outside funding has been identified to assist with this work. Before the project is added to the work program, additional research and consultation with DLCDC staff and County Counsel is needed to better understand the project scope.

New – Psilocybin Time/Place/Manner Regulations: This project would amend the ZDO to adopt time, place and manner regulations in the context of the Oregon Health Authority (OHA) administrative rules that were adopted in December 2022 to regulate psilocybin manufacturing and service centers. OHA began licensing psilocybin manufacturers and service centers earlier this year; however, in November 2022, Clackamas County voters passed a measure that paused psilocybin licensing in the county for two years. That pause will expire at the end of 2024. Staff has no expertise in the psilocybin administrative rules and has not researched regulations adopted by other jurisdictions or problems that have occurred with licensed facilities around the state. If the Board selects this project, background research and a policy session would be the first steps and another project would need to be removed or delayed (likely the minor amendments project unless grant funding is not awarded for the ZDO Diagnostic Report and related code amendments).

New - Parking Regulation (commissioner request): Review Chapter 7.01 Vehicle Parking and Towing. Identify areas of concern and opportunities for a parking management plan, added signage and/or enforcement.

FINANCIAL IMPLICATIONS (current year and ongoing):

Is this item in your current budget? YES* NO

Completion of the ZDO Diagnostic Report and related zoning code amendments is dependent on grant funding, applications for which are pending. If the funding is not awarded, the project must be scaled back substantially.

What is the cost? \$ Unknown What is the funding source? General Fund, Road Fund, grants

This item impacts the budget for the next two fiscal years. The cost of implementing the long-range planning work program is dependent on the number and position classifications of staff assigned to the work program projects, as well as the scale of the projects selected. The funding source is dependent on the selected projects, but generally they are funded by General Fund, Road Fund and grants.

STRATEGIC PLAN ALIGNMENT:

- How does this item align with your Department’s Strategic Business Plan goals?

The Long-Range Planning Work Program supports the goal of providing: “Plan development (updates to the Comprehensive Plan, Transportation System Plan and Zoning & Development Ordinance), analysis, coordination and public engagement services to residents; businesses; local, regional and state partners, and County decision-makers so they can plan and invest based on a coordinated set of goals and policies that guide future development.”

It will allow the program to achieve its primary measure: “By 2026, complete 75% of the currently proposed Zoning and Development Ordinance (ZDO) housekeeping amendments that improve the usability of the Ordinance, remove regulations, or add new options for how to use your land.”

- How does this item align with the County’s Performance Clackamas goals?

The Long-Range Planning Work Program aligns with the following Performance Clackamas Strategic Priorities

- Build public trust through good government
- Grow a vibrant economy
- Build a strong infrastructure
- Ensure safe, healthy and secure communities
- Honor, utilize, promote and invest in our natural resources

LEGAL/POLICY REQUIREMENTS:

There are no identified legal requirements for acceptance of the annual long-range planning work program.

PUBLIC/GOVERNMENTAL PARTICIPATION:

None

OPTIONS:

- 1. Accept the 2023-2025 Long Range Planning Work Program, including only those projects highlighted in green on Attachment A
- 2. Accept the 2023-2025 Long Range Planning Work Program as modified by the Board
- 3. Do not accept the 2023-2025 Long Range Planning Work Program

RECOMMENDATION:

Staff respectfully recommends Option 1: Accept the 2023-2025 Long Range Planning Work Program, including only those projects highlighted in green on Attachment A

ATTACHMENTS:

Attachment A: DRAFT 2023-2025 Long-Range Planning Work Program Project Descriptions

SUBMITTED BY:

Division Director/Head Approval _____

Department Director/Head Approval *Dan Johnson*

County Administrator Approval _____

*For information on this issue or copies of attachments, please contact
Jennifer Hughes @ 503-742-4518*

ATTACHMENT A: DRAFT 2023- 2025 Long Range Planning Work Program Project Descriptions*

*Staff-recommended Projects Highlighted in Green

Comprehensive Plan Category	Project Description	Status
Transportation	T-1: Bike Walk Clackamas: Updates to Pedestrian and Bikeway Plans. Consolidate into one document. Funded by the Transportation Growth Management Program.	Underway – Consultant hired
Transportation	T-2: Transportation System Plan Update: Update the Transportation System Plan to review and adopt capital roadway improvement priorities and projects.	Underway – RFP for consultant expected late summer 2023
Transportation	T-3: Sunrise Community Visioning Project: Engagement with the community to co-create a vision for the corridor that will identify challenges and opportunities for improvements to increase the safety and viability of the corridor.	Underway – consultant hired
Transportation	T-4: Travel Options Action Plan: Will result in a plan for Transportation Demand Management (TDM) programming. Goals include supporting a reduction in vehicle miles traveled, mitigating traffic congestion, and improving public health. Funded by Metro Travel Options grant. Required by Transportation Planning Rule.	New project
Transportation	T-7: Climate Friendly and Equitable Communities (CFEC) Administrative Rule Implementation: Amend the ZDO or implement alternative parking management programs to address mandatory Metro-area parking requirements adopted by the Land Conservation and Development Commission.	On hold per Board direction
Housing	Rural Accessory Dwelling Units (ADUs): Senate Bill 391 (2021), as amended by Senate Bill 644 (2023), authorizes counties to allow ADUs on some rural lots. Certain statutory limits will apply.	New project
Housing	Recreational Vehicles for Residential Use: SB 1013 permits counties to allow an RV for residential use in rural and urban unincorporated residential areas under certain conditions if the property owner occupies a primary dwelling on the site.	New project

ATTACHMENT A: DRAFT 2023- 2025 Long Range Planning Work Program Project Descriptions*

*Staff-recommended Projects Highlighted in Green

Housing Economics	H1/E1: ZDO Diagnostic Report and Code audit: Comprehensive review of the ZDO to identify subjective housing standards, zoning-code-related obstacles to employment land development, opportunities to streamline and clarify regulations, and ways to simplify the development review process. The overarching goal is to create a more effective and efficient zoning code, which will benefit the county and its customers. Funded by DLCD and Metro grants (pending). Clear and objective housing standards work is required by state law.	New project
Other	O-1: Minor and Time-Sensitive ZDO and Comprehensive Plan Amendments	Completed for 2021-2023 work program cycle
Housing	H-1: Housing Phase 3: Add housing to schools and places of worship; transferable development rights; preserve manufactured dwelling parks; new housing unit types; transitional shelters; clear and objective standards; Low Density Residential Comprehensive Plan policies.	Delayed
Other	O-2: Completion of ZDO Audit	Delayed
Other	Psilocybin Time/Place/Manner Regulations: Amend the ZDO to implement local time/place/manner regulations for state-licensed psilocybin manufacturers and service centers. Oregon Health Authority (OHA) adopted administrative rules in December 2022 and began licensing earlier this year. Two-year opt-out measure passed by Clackamas County voters in November 2022 and will expire at the end of 2024.	New project
Natural Resources and Energy	NR-1: Update Comprehensive Plan Chapter 3, Natural Resources starting with Issue Paper to assess current regulations as well as feasibility and staffing requirements for various project requests from the community	Delayed
Natural Resources and Energy	NR-2: Amend Flood Hazard Development overlay zone regulations per Biological Opinion	Delayed

ATTACHMENT A: DRAFT 2023- 2025 Long Range Planning Work Program Project Descriptions*

*Staff-recommended Projects Highlighted in Green

<p>Natural Resources and Energy</p>	<p>Clear and Objective Standards to Implement Goals 5, 6, 7 and 15: Replace existing subjective standards that apply to residential development in areas regulated by Statewide Planning Goals 5, 6, 7 and 15 (e.g., river and stream buffers, landslide hazard areas, Willamette River Greenway) with clear and objective standards.</p>	<p>New project</p>
	<p>Parking Regulation: Review Chapter 7.01 Vehicle Parking and Towing. Identify areas of concern and opportunities for a parking management plan, added signage and/or enforcement.</p>	<p>New project – commissioner request</p>