

Hood River Westside Area Concept Plan

Technical Advisory Committee



Date: February 15, 2017
Time: 3:00 to 5:00 PM

Hood River City Hall
211 Second Street
Hood River
Council Chambers

Agenda

| | | |
|-----------|--|----------------------------------|
| 3:00 p.m. | Welcome <ul style="list-style-type: none">• Welcome and self-introductions• Agenda overview and where we are in the process | Joe Dills, Angelo Planning Group |
| 3:05 p.m. | Concept Plan Alternatives <ul style="list-style-type: none">• See attached report• Presentation, discussion, and Committee input on the alternatives• Direction toward creating a hybrid or preferred alternative | Project Team |
| 4:10 p.m. | Infrastructure Funding Toolkit Memorandum <ul style="list-style-type: none">• See attached memorandum• Presentation, discussion, and Committee input on the memorandum | Lorelei Juntunen, ECONorthwest |
| 4:40 p.m. | Policy and Code Issues <ul style="list-style-type: none">• Presentation, discussion, and Committee input on policy and code issues | Joe Dills, Angelo Planning Group |
| 5:00 p.m. | Next Steps and Adjourn | |

For additional information, visit the project website at www.hrwestsideplan.com or contact Kevin Liburdy, City of Hood River, via Kevin@hrwestsideplan.com or 541.387.5224. All public meeting locations are handicapped-accessible. Please let the City Recorder know if you will need any special accommodations to attend the meeting. Call (541) 387-5217 for more information. OREGON RELAY SERVICE 1-800-735-2900.

Memorandum



11/10/2016

To: Technical Advisory Committee
Cc: Project Management Team
From: Joe Dills and Kyra Schneider, Angelo Planning Group
Re: **DRAFT** Summary of November 2nd, 2016 TAC Meeting

INTRODUCTION

This memorandum provides a summary of the November 2, 2016 meeting of the Hood River Westside Area Concept Plan Technical Advisory Committee (TAC), including meeting discussion, decisions made and next steps.

SUMMARY OF DISCUSSION

Date: November 2, 2016
Time: 3pm
Location: Hood River City Hall,
301 Oak St, Hood River, OR 97031

Members:

- Kevin Liburdy, City Planning Dept.
- John Roberts, Director, Hood River County Community Development Dept.
- Gail Curtis, Oregon Department of Transportation, Transportation and Growth Management Program
- Joel Madsen, Executive Director, Mid-Columbia Housing Authority
- Sandra Buchanan (CFO) and Don Benefield (Operations Director), Hood River County School District
- Ron Nails, Co-Director, Columbia Area Transit **(ABSENT)**
- Mark Hickok, Director, Hood River Valley Parks District
- Scott Edelman, Central Oregon Regional Representative, Oregon Department of Land Conservation and Development **(ABSENT)**
- Kim Travis, North Central Regional Solutions Team, Oregon Department of Housing and Community Services **(ABSENT)**
- Avi Tayar, P.E., ODOT Region 1 **(ABSENT)**
- Mark Lago, Director, City Public Works and Engineering Dept. **(ABSENT)**
- Mikel Diwan, Director, County Public Works and Engineering Dept. **(ABSENT)**
- Cindy Walbridge, Director, City Planning Dept.
- Jennifer Kaden, City Planning Dept.
- Steve Wheeler, City Manager
- Kip Miller, City Fire Dept.
- Neal Holste, City Police Dept.

Visitors: Andy von Flotow, Heather Staten, Susan Crowley, Linda Maddox

Agenda Item 1: Welcome and Introductions

Joe Dills briefly introduced the project status and provided an overview of progress made since the first meeting. He shared the project schedule and invited members to attend the upcoming Open House event on November 17th. TAC members reviewed the minutes from the October 5th TAC meeting. Heather Staten noted that she had not been present at that meeting, and Susan Crowley added that she had attended as a visitor.

Agenda Item 2: Vision Statement, Guiding Principles and Evaluation Criteria

Joe Dills provided an overview of the Vision Statement, Guiding Principles, and Evaluation Criteria.

Discussion of the Vision Statement and Guiding Principles

- The Vision Statement and Guiding Principles were developed based on discussion and brainstorming from the first TAC and PAC meetings.
- The range of housing should serve all ages and income levels, and should be intended for residents of Hood River, not for vacation homes.
- The language should more specifically address the success of commercial and industrial uses, given that some of the City's last vacant industrial land is located in the Plan area.

Discussion of the Evaluation Criteria and Performance Indicators

- The evaluation criteria are intended to inform decisions and help the TAC determine the preferred alternative.
- Most of the criteria are quantitative assessments of unit counts, zoning, and land use, but others will be based on qualitative discussion.
- Importance of considering the rental prices as well as purchase prices for housing units in the evaluation process.
- Need to align evaluation criteria to goals in the Economic Opportunities Analysis (EOA) to ensure high-value development on commercial and industrial lands.
- Potential incorporation of countywide transportation planning due to the impact of the plan on truck routes.
- The role of trails in getting people to and from parks, schools, and between terraces is important. Trails are mentioned in the vision, but not specifically in the evaluation criteria. The assumption is that new trails and trail connectors will be drawn as a part of the plan.
- Consider best practices in all infrastructure, including energy conservation.
- A question was raised as to whether AARP would have evaluation criteria specific to senior's needs.

Agenda Item 3: Draft Land Use Program

Joe briefly introduced the Draft Land Use Program technical memo, noting that its purpose is to provide a first look at the amount and types of land use possible within the project area. He introduced Beth Goodman, who provided a presentation of her findings.

Key topics of the presentation included:

- Hood River has a limited supply of land for housing, and a deficit of high-density multifamily residential land.
- The difficulty of expanding the Urban Growth Boundary (UGB) in the future due to the City's geographic location.
- "Missing middle" housing types, such as garden apartments, duplexes, and cottages and the need to expand the range of housing.

- Hood River’s EOA identified the project area as a key area for light industrial, commercial, and office development due to its available vacant and unconstrained employment land.
- Beth reviewed the three draft Land Use Alternatives, which include a base case and two scenarios which model the effects of rezoning, reduced lot sizes, and other code changes resulting in a moderate to strong increase in workforce and affordable housing.

Discussion of the Draft Land Use Program

- Methods for discouraging low-productivity uses such as warehouses on light industrial-zoned land should be explored.
- The plan should encourage the target industries identified by the EOA in the planning area and on commercial areas adjacent to the planning area.
- County land that was identified in the model as an opportunity for government-subsidized affordable housing should be thought of as flexible – another site might substitute for that acreage, retaining the same housing goal.
- The space assumed for roads was based on the Housing Needs Analysis (HNA) and the Transportation System Plan (TSP) and was a constant across all three scenarios, but for higher-density residential areas more pedestrian facilities may be needed.
- Concern about the effects of higher density residential development on facilities such as parking.
- Discussion of land allocated for parks:
 - Land Use Alternatives assumed an estimated 3 acres of park land for the project area in the Base Case and moderate increase models, and 5 acres for the strong increase model. There is currently no guiding document regarding how much land should be allocated for parks so the models were based on the Tualatin Parks and Recreation District’s (TPRD) acreage ratios and service area standards for neighborhood parks.
 - There is a Hood River Parks Master Plan that is still in the very early conceptual stage, but it could potentially guide future work. If so, it would likely draw from National Recreation and Park Association (NRPA) standards.
 - Discussion of whether TPRD is a good basis for an analysis of park need in Hood River given contextual differences between the two cities. Another comparable city will be checked as this work is updated.
 - Option to partner with schools to identify sites for new parks.
 - Land set aside for a larger community-level park that serves the larger community was not included in the initial assumptions, but will be evaluated moving forward. The TAC was interested in a community park within the study area as an option, so that pros, cons, trade-offs and other issues could be evaluated.
 - The TAC discussed the trade-offs of one larger, consolidated neighborhood park, versus 2-3 smaller ones that are more proximate to their neighborhoods. Maintenance is a key difference between the choices. Very small pocket parks were mentioned as being not very successful in the project area.
 - Joe offered a principle to guide the park issue: “The higher the density of residential areas, the higher the need for access to park amenities.”
 - There is a trade-off between allocating more land for parks, and land for housing.
 - The team will look at the estimated need for both existing and new residents, i.e. total population.

- The team will take a second look at the park component of the land use program calculations and approach, and share the results with the park district prior to reporting back to the Committees.

Agenda Item 4: Land Use and Community Design

Joe introduced Ken Pirie, who provided a presentation of the thirteen Smart Growth principles identified for Hood River, emphasizing the importance of utilizing the land supply efficiently, fostering a range of housing densities, including “missing middle” housing types, and developing a connected transportation network that allows for active transportation uses.

Discussion of Land Use and Community Design

- Reach out to Columbia Area Transit regarding their fixed route transit service.

NEXT STEPS

Kevin and Joe provided an update on recent public involvement activities, including the translation of project materials to Spanish. He reminded members about the upcoming Open House on November 17th, noting that it is a drop-in public event but that there will be a short presentation at 6:45pm.



Alternatives Analysis Report

February 8, 2017



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CHAPTER 1 – PURPOSE AND SCOPE

Purpose and Review Process

The purposes of this report are to:

1. Present alternative concepts for land use, streets, pedestrian and bicycle routes, parks, and other key elements of the Westside Area Concept Plan.
2. Compare the alternatives and identify pros, cons, and issues for further study.
3. Establish the foundation for crafting of a “preferred alternative”—the draft Westside Area Concept Plan.

The Hood River Westside Area Concept Plan Alternatives (Alternatives) will be discussed in a series of community meetings and reviews, including:

- Technical Advisory Committee and Project Advisory Committee (Feb 15)
- Participants in the community Open House (March 9)
- Participants in the online Open House survey (March 9 – late March)
- Joint meeting of the Hood River Planning Commission and City Council (March 13)

Scope and Role of the Alternatives

There are several key points to keep in mind regarding the Westside Area Concept Plan Alternatives (Alternatives) and this report:

The Alternatives are conceptual by definition. They are intended to help the Hood River community envision the long-term choices, issues, and opportunities for the Westside Area by starting with the big picture and working to a more detailed scale. Accordingly, this report uses diagrams and generalized graphics, as opposed to site-specific maps, so the big picture and major choices can be readily viewed and discussed. At this stage of creating the Westside Area Concept Plan, it important to focus on patterns and desired outcomes so direction can be set and more detailed work can implement that direction.

“Framework Plans” are used to depict the “layers” of the plan. This plan is intentionally comprehensive and addresses all of the issues referenced in the Vision Statement (e.g. land use, housing affordability, transportation, natural resources, parks, etc.). This report utilizes “framework plans” to organize the physical aspects of these issues into a set of recommendations addressing:

- Land use
- Major streets
- Connector streets
- Pedestrian and bicycle routes
- Park and Open Space
- Neighborhood Commercial sites

Within each of the above topics, there are a set of issues that have distinct choices, such as the amount and distribution of additional multi-family housing and the alignments for the extension of Mt. Adams



Avenue. The framework plans also include a set of recommendations for which a base recommendation that could fit with all land use alternatives (e.g. pedestrian and bicycle routes) is suggested.

A hybrid plan will likely emerge from community review of the alternatives. Hood River should craft the plan by knitting together the best elements of the alternatives. It is okay to mix and match ideas, and to craft new ideas to create the best plan that can be most widely supported and implemented.

The evaluation section of this report is a blend of art and science, which are intended to support structured community discussion and decision making about the plan. The process of reviewing the alternatives is as much a qualitative review as a quantitative review, using the Vision, Guiding Principles, and evaluation criteria. Two key technical evaluations will follow the Alternatives review: the transportation impact analysis, and the infrastructure plan for water, sanitary sewer, and storm water facilities.

Creating the Alternatives

The process that led to this report included the following steps:

1. An Opportunities and Constraints Report detailing the study area's context within the City of Hood River and broader region, existing land use patterns, transportation infrastructure and plans, stormwater, and Low Impact Development potential for treatment of stormwater. The Opportunities and Constraints Report also established a framework of Neighborhoods and Districts that is used throughout this analysis.
2. Creation of the project vision, guiding principles, and performance measures through collaboration with the Project Management Team, the Project Advisory Committee, and the Technical Advisory Committee.
3. Two sets of meetings with the Project Advisory Committee and the Technical Advisory Committee, reviewing the above items.
4. A Land Use Program memorandum, which provided a detailed look at possibilities for development capacity within the study area. This memorandum served as a starting point for further discussion and refinement, resulting in the three development scenarios in this analysis.
5. A Community Designs memorandum describing smart growth and describing its potential implementation within the Westside Area.
6. An open house, attended by over 40 community members, allowing community input into the above products.
7. An online open house, providing another opportunity to educate and gain input from community members. The online open house survey received 377 responses, and the responses have informed this analysis.
8. A series of team work sessions in December, 2016 to roll information from the above products into these alternatives.

CHAPTER 2 – VISION AND GUIDING PRINCIPLES

Vision Statement

The following vision statement and guiding principles were derived from the Project Advisory Committee and Technical Advisory Committees’ discussions held on October 5, 2016 in Hood River. Please see Figure 1 below and the minutes and materials from the October 5th meetings for background information about the input received.

The Westside Area will grow to become an interconnected community of great neighborhoods, an attractive gateway of commercial and mixed-use activity, and an affordable and diverse area of the City. The Westside’s hallmarks will be:

- ***Housing options that provide choices for all income levels, life stages, and cultures within Hood River.***
- ***Streets, trails, and paths that are walkable, connected, and green.***
- ***Neighborhood design that celebrates the landforms, views, and magnificent landscape of Hood River.***
- ***Open spaces and parks that support community gathering and a connection to nature.***

The Westside Area will be an integral part and extension of the larger Hood River community.

Figure 1. Responses to October 5, 2016 Visioning Exercise





Guiding Principles

The following guiding principles are intended to implement the vision statement and provide clear touchstones to evaluate elements of the Concept Plan.

The Hood River Westside Area Concept Plan will:

- A. Create livable neighborhoods that make good use of the Westside's limited land supply.
- B. Create well-planned and commercially successfully mixed-use districts in the Westside gateway area.
- C. Create a plan that works for all ages and abilities of the community.
- D. Provide a range of densities and housing types by retaining existing affordable housing and increasing affordable housing choices in Hood River.
- E. Incorporate natural features and a sense of place into each neighborhood and district.
- F. Include open space and parks integrated in neighborhoods.
- G. Provide a connected transportation network with walkable, bike-friendly, and green streets.
- H. Promote active and healthy living through community design.
- I. Plan land uses and transportation facilities so the area may be served by fixed route transit in the future.
- J. Integrate Westside Elementary School and future new schools as key community places.
- K. Promote human-scaled building designs.
- L. Plan for efficient water, sewer, and stormwater infrastructure, utilizing green practices for stormwater management.
- M. Provide a realistic infrastructure funding strategy.

The planning process will:

- N. Be open and transparent.
- O. Embrace cultural and community diversity throughout the plan and planning process.

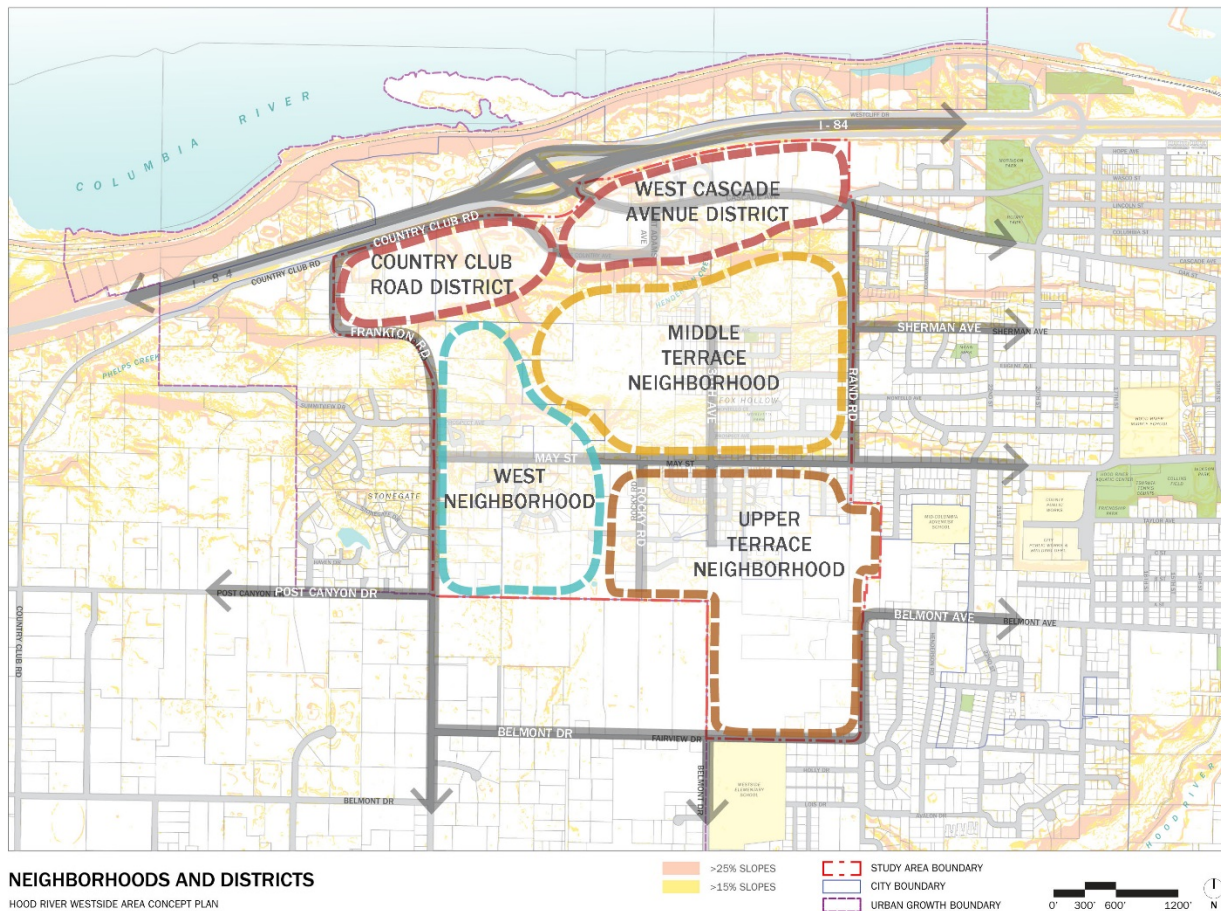
CHAPTER 3 – FRAMEWORK PLANS AND CONCEPTS

Neighborhood and District Framework

The neighborhood and district framework identifies two commercial/mixed-use districts and three residential neighborhoods within the Westside Area. These areas were drawn based on how far most people are comfortable walking (a quarter mile), natural features like terraces and trees on the bluffs, and where there are existing street connections. The edges of these areas are conceptual and should be thought of as transition areas rather than hard-and-fast boundaries. The organization of land use and transportation within the natural topography of the Westside Area is an important “big move” to connect the livability of the area to the powerful landscape of Hood River.

This framework does not vary between alternatives.

Figure 2. Neighborhoods and Districts Map



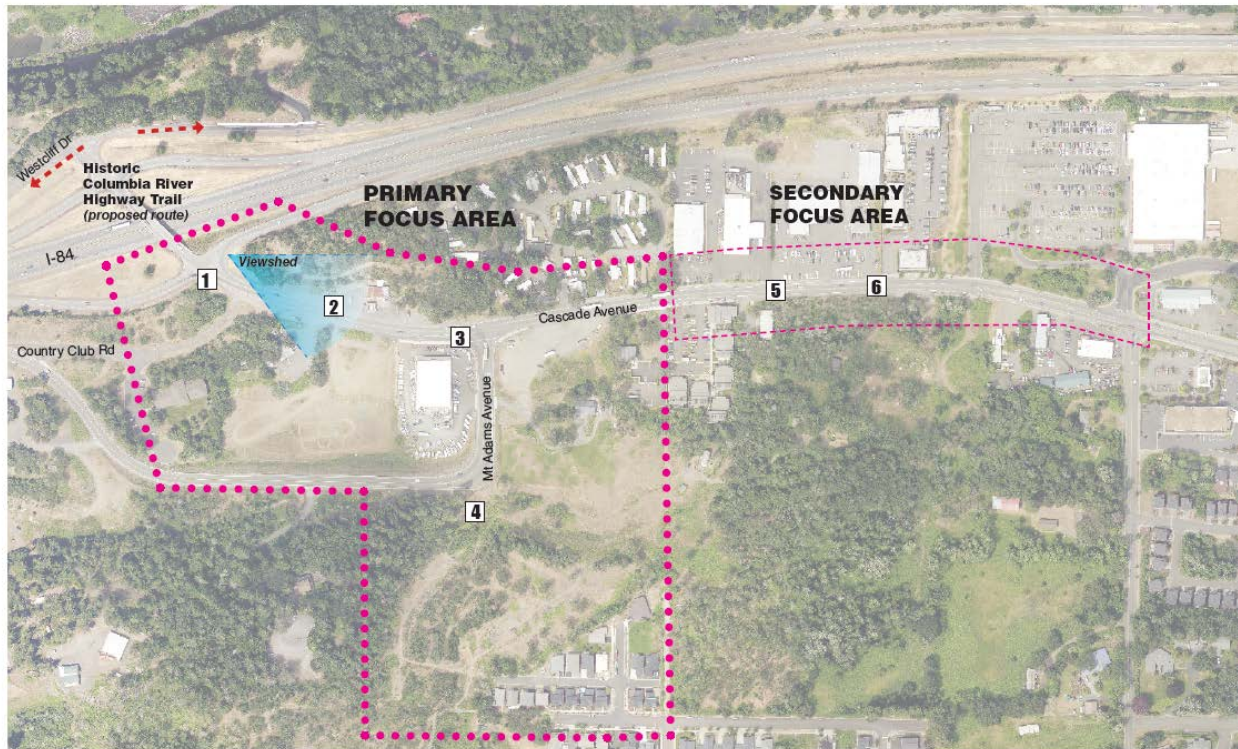
Gateway & Major Streets Concept

Gateway Concepts

The area around the Exit 62 Interchange is a major gateway into the City of Hood River (See Figure 3). The Westside Area Concept Plan will provide design guidance to integrate the gateway area into the

broader neighborhood and city, and this report provides initial thinking along these lines (see Figure 4). Additional information is provided in Appendix A.

Figure 3. Gateway Area Existing Conditions & Issues



Offramp intersection with Cascade Ave. features a prominent 76 gas station sign and nothing to mark that a traveler is entering Hood River



Cascade Avenue itself is auto-oriented, with another gas station sign, a billboard and no pedestrian or bicycle facilities. Commercial property frontage is not well-defined.



Intersection with Mt Adams is auto-dominated, without crosswalks and adjacent storage properties not screened. Mature pines provide some landscape character.



Mt Adams looking south could be a memorable introduction to West Hood River, if the 'wall' of mature pine trees can be retained and adjoining commercial properties screened with landscape.



Cascade Avenue has intermittent sidewalks and unscreened parking lots, making the district feel automobile-dominated.



Cascade Avenue east of Mt Adams features intermittent sidewalks and street trees. Vegetation on south edge will likely be replaced with future development.

Figure 4. Gateway Recommendations



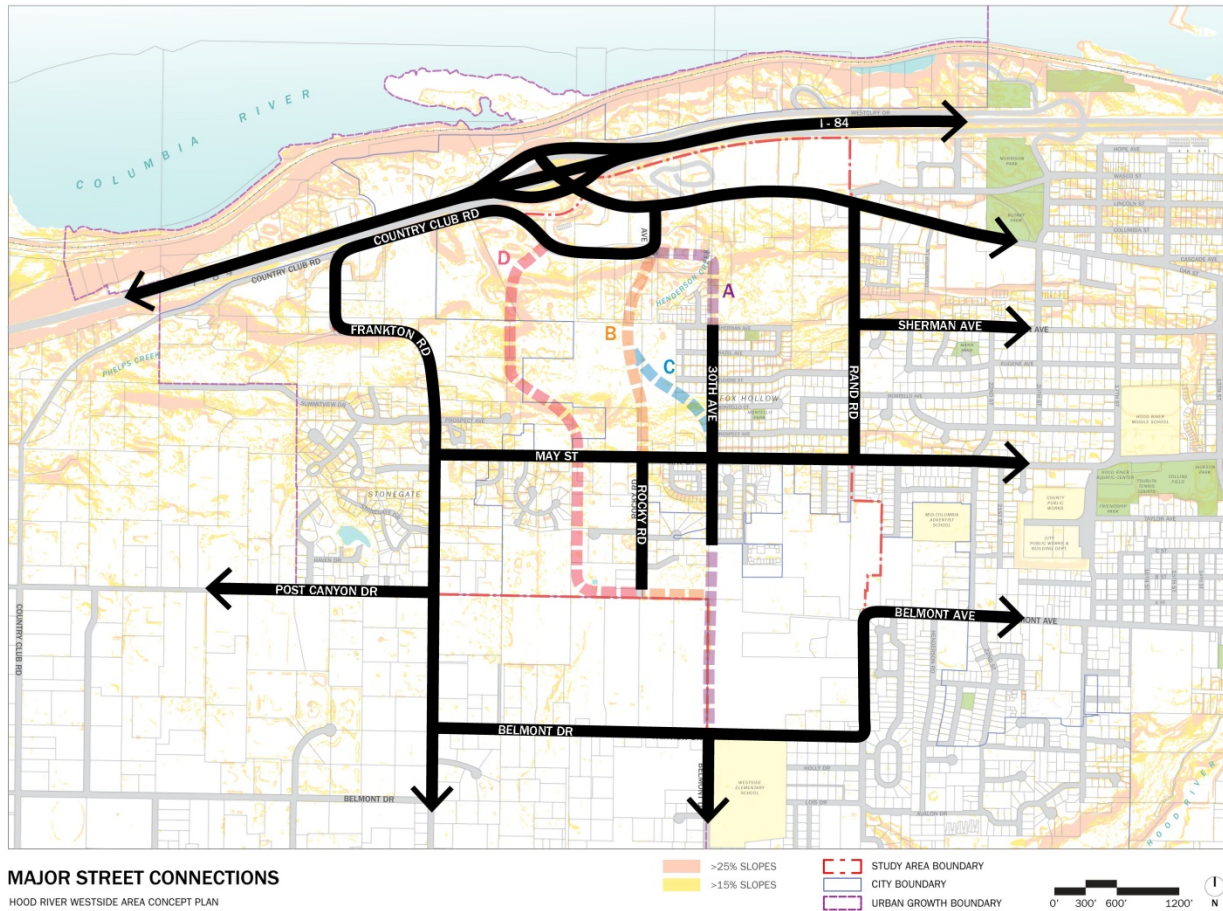
****NOTE:** Intersection treatment alternatives will be evaluated if certain cost and minimizing impact thresholds are feasible.

Major Street Connections

The starting point for major street connections in the Westside Area is the City’s Transportation System Plan (TSP).

A key transportation issue is the proposed alignment of the Mt. Adams Avenue extension south of Wine Country Avenue. As the city grows, this extension is expected to be a critical connectivity improvement in west Hood River that takes a significant amount of traffic from other corridors such as Cascade Avenue, Rand Road, and even 13th street.

Figure 5. Major Street Connections Options



The project team has identified four alignments for this connection to evaluate (see Figure 5). The alternatives are not mutually exclusive—several of these connections may be needed. They are described below, along with the pros and cons of each option:

A. Connecting from Country Club Road/Wine Country Ave. to 30th St. north of Sherman Ave.

Pros

- This option requires the least amount of new roadway construction.
- Likely can achieve a maximum grade of 8% between the intersection of Wine Country Ave. and Mt. Adams Ave. and the intersection of 30th St. and Sherman Ave.

Cons

- 30th Street between Sherman Ave. and May St. is bordered by residents in the Adams View and Fox Hollow Subdivisions, and existing driveway connections to 30th St. conflict with access spacing standards for Collector and Arterial Streets.
- The existing right-of-way for 30th Street between Sherman Ave. and the north segment of Redtail Loop ranges from 44 to 50 feet-wide and, due to existing residential development, expansion of the right-of-way to accommodate improvements for a Collector or Arterial Street will be difficult.

B. Connecting Mt Adams Avenue to May Street at Rocky Road

Pros

- This is the most direct option allowing for continuous traffic movement from Cascade Ave. to May Street.

Cons

- Significant cuts and fills are required to build this road at acceptable grades of 8-10%. Grading the road to provide an acceptable landing at May Street is particularly challenging.
- The alignment would impact an existing home on the north side of May Street at Rocky Road.
- Pedestrian access to the future school site from neighborhoods to the east may be difficult across sloping areas created by cut/fill. This can likely be mitigated with the proper intersection treatments.

C. Connecting Mt. Adams Avenue to 30th Street near May Street

Pros

- As with Option B, significant cuts and fills are required to build this road at acceptable grades of 8-10%. In this regard, it appears to be the most feasible of the options reviewed.

Cons

- There are significant impacts of this alignment to property owners north of May street at 30th.
- Pedestrian access to the future school site may be difficult from neighborhoods to the east across sloping areas created by cut/fill. This can likely be mitigated with the proper intersection treatments.

D. Connecting from Wine Country Way, west of Mt Adams Avenue, to May Street.

Pros

- If included in concert with option A, B, or C, it could allow both streets to have a narrower cross-section.

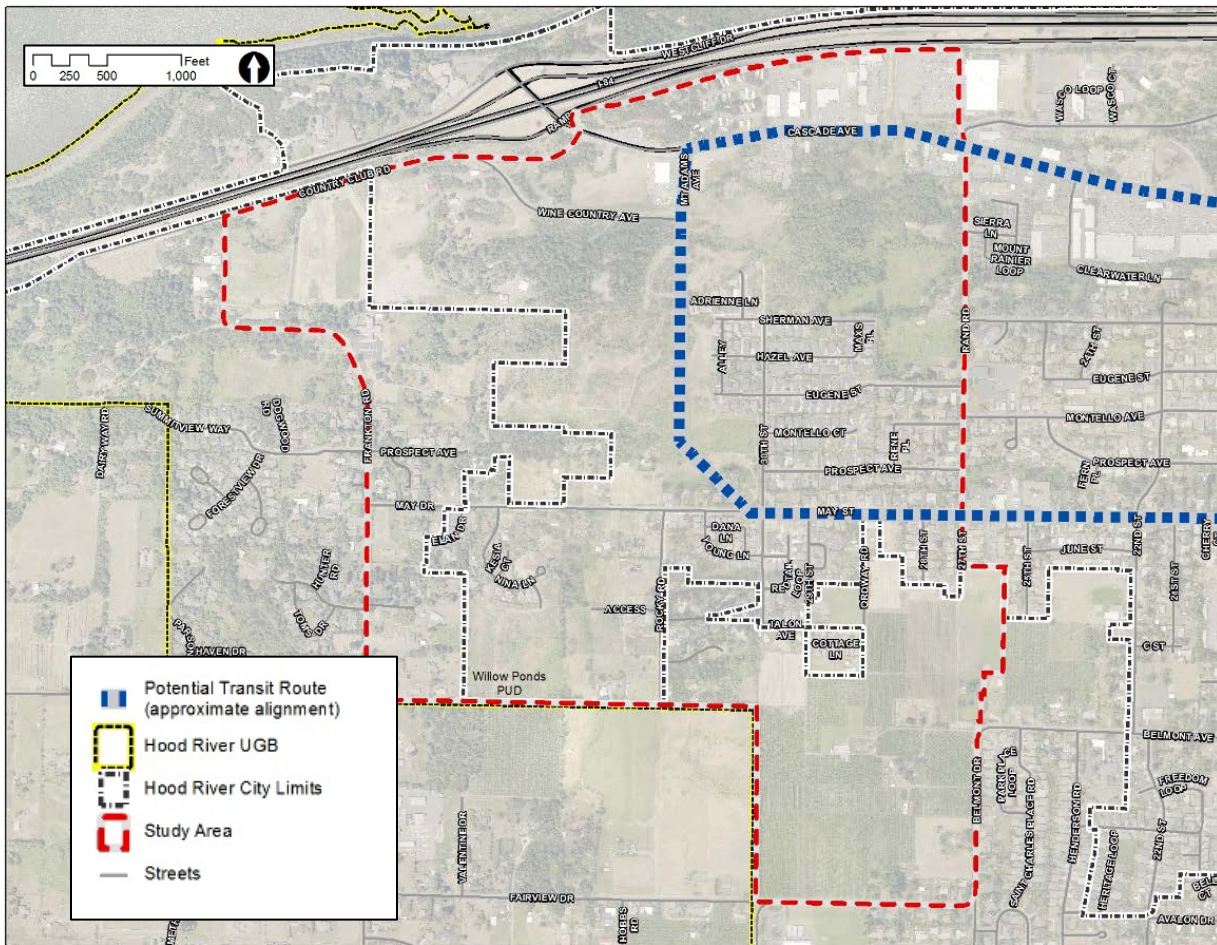
Cons

- Significant grading and fill would be required.
- It is farther West than other options, making it less useful to a broader segment of the city’s population.
- Pedestrian access to the future school site may be difficult from neighborhoods to the west across sloping areas created by cut/fill. This can likely be mitigated with the proper intersection treatments.

Potential for Transit

One of the guiding principles for this plan is to “plan land uses and transportation facilities so the area may be served by fixed route transit in the future.” In order to achieve this, the plan area must have good major connections to the rest of the city, an internal multi-modal circulation network that allows residents to access transit facilities, and sufficient residential density to support transit service. Figure 6 describes a general alignment for this potential transit route that connects retail and job centers on Cascade Ave to central locations within the Westside Area along the future arterial network.

Figure 6. Potential Transit Route through the Westside Area



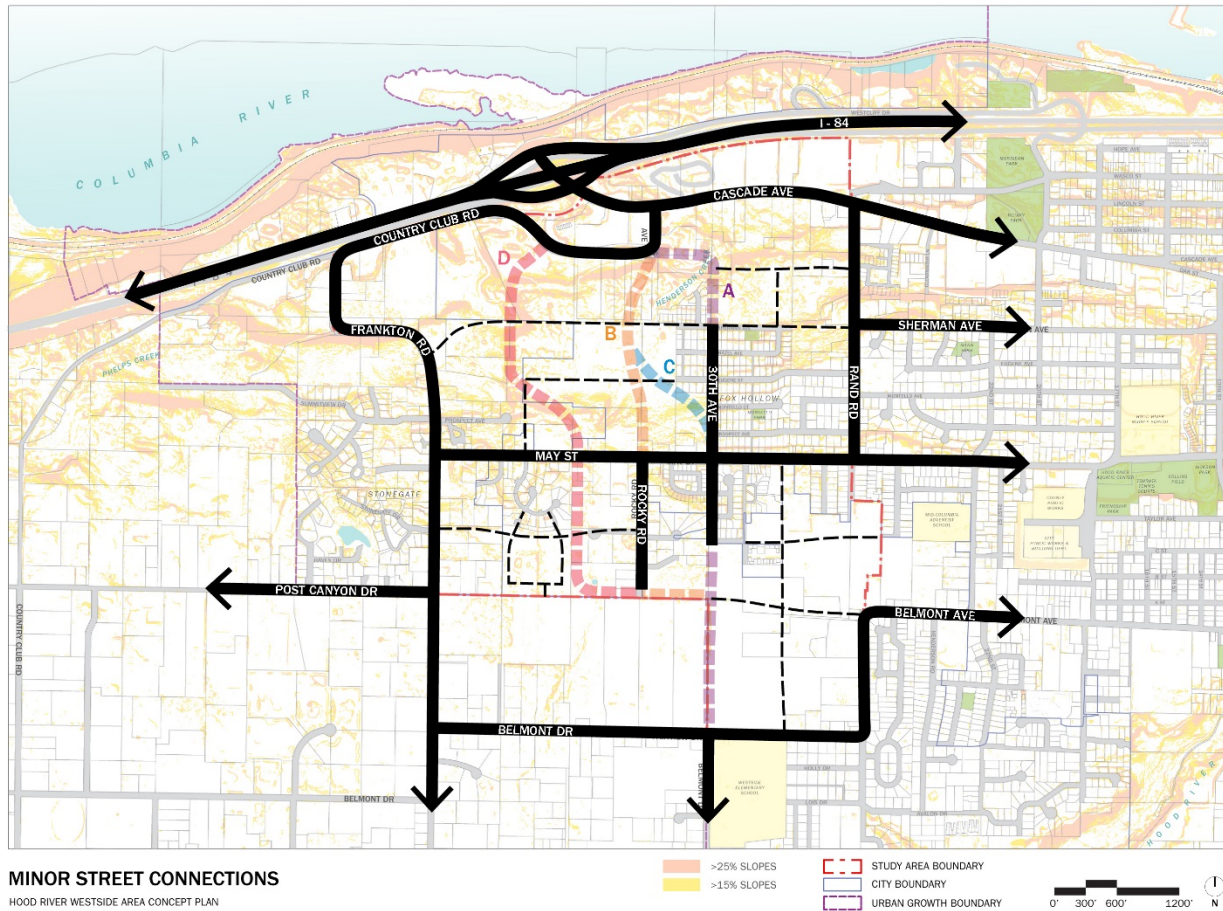
Connector Streets Concept

Creating a highly-connected transportation system has been a priority of project team members and of the public in their responses to the online open house survey. Benefits of highly-connected neighborhoods include:

- Efficient disbursement of traffic through multiple route options.
- More walking/biking routes to destinations.

Figure 7 shows the project team’s work to visualize connector streets through and between the neighborhoods of the Westside Area. There will be an additional level of local streets to serve individual developments that are not shown in the diagram.

Figure 7. Minor Street Connections

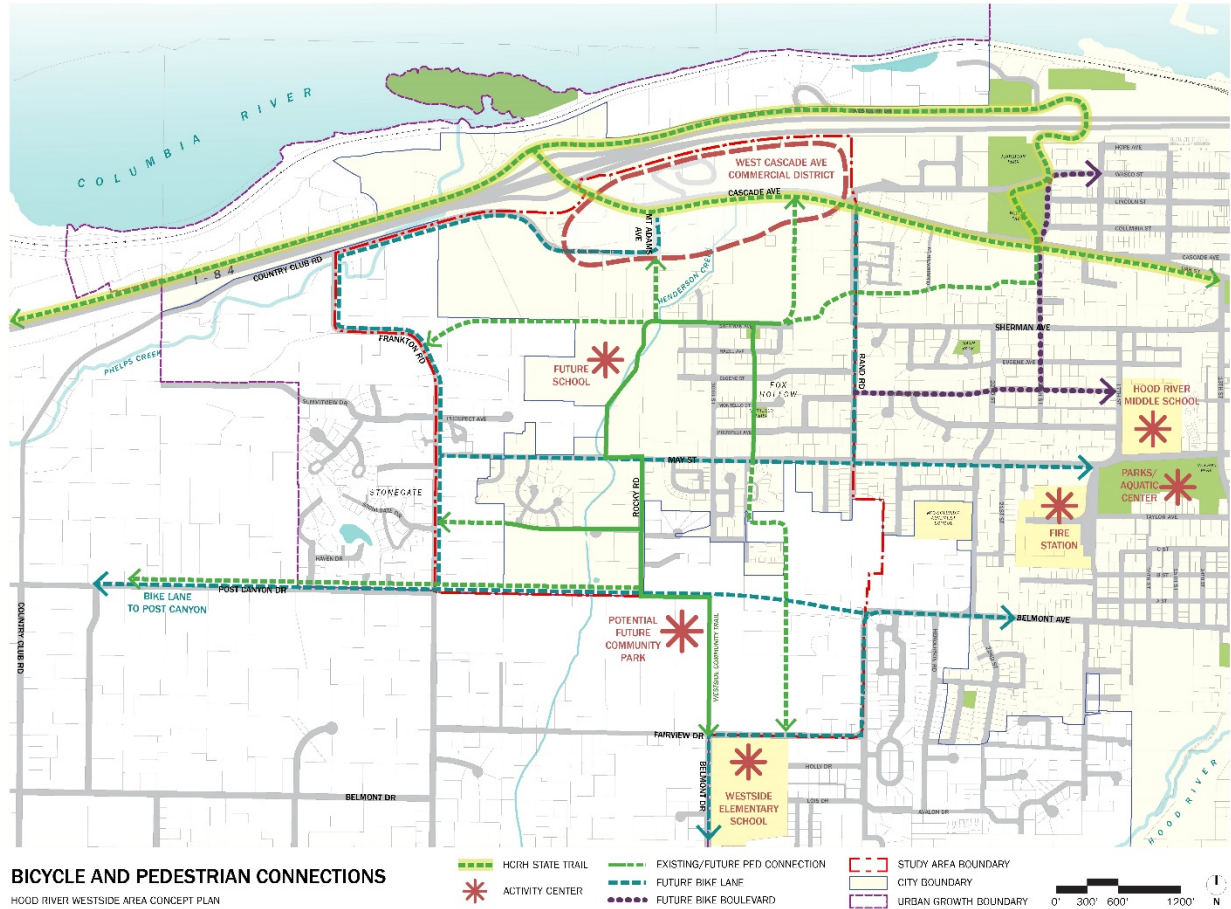


Bicycle and Pedestrian Connections Concept

Pedestrian and bicycle routes are a key component of the Concept Plan. In the online open house, connecting neighborhoods with bicycle lanes was the highest-ranked transportation issue, with nearly 2/3 of respondents saying the issue was "Very Important." Off-street walking paths and a connected system of sidewalks also received high scores, with over half of respondents rating the issue as "Very Important."

Figure 8 depicts the bicycle and pedestrian connections, as well as "activity centers" that are likely to attract significant bicycle and pedestrian trips.

Figure 8. Pedestrian Connections, Bicycle Connections, and Activity Centers



Parks & Open Space Concept

The Westside Area Vision Statement calls for “open spaces and parks that support community gathering and a connection to nature.” In each alternative, an assumption was made for the amount of parkland needed to support the development in the Westside Area. The overall park and open space concept is that a connected system of open space be created through coordinated planning of the following elements:

- Up to three new neighborhood parks to serve the Westside Area (see below and Appendix B).
- A new community park to serve the area, located either directly adjacent to the current UGB or within the current UGB.
- Open space at the future school site west of 30th Avenue.
- A riparian corridor adjacent to Henderson Creek, preliminarily sized at 25 feet on either side of the creek. This may be a good location for an off-street walking path or multi-use trail.
- Retention of tree groves throughout the project area as much as practical.



- Limited development of terraced areas that are 25% slope and greater, except where needed for street connections and pedestrian connections, resulting in a network of public and private open spaces that can benefit birds and wildlife.
- Trail corridors.
- Open space tracts that are designed as part of Planned Unit Developments, higher density and mixed-use projects, and community gathering spaces.

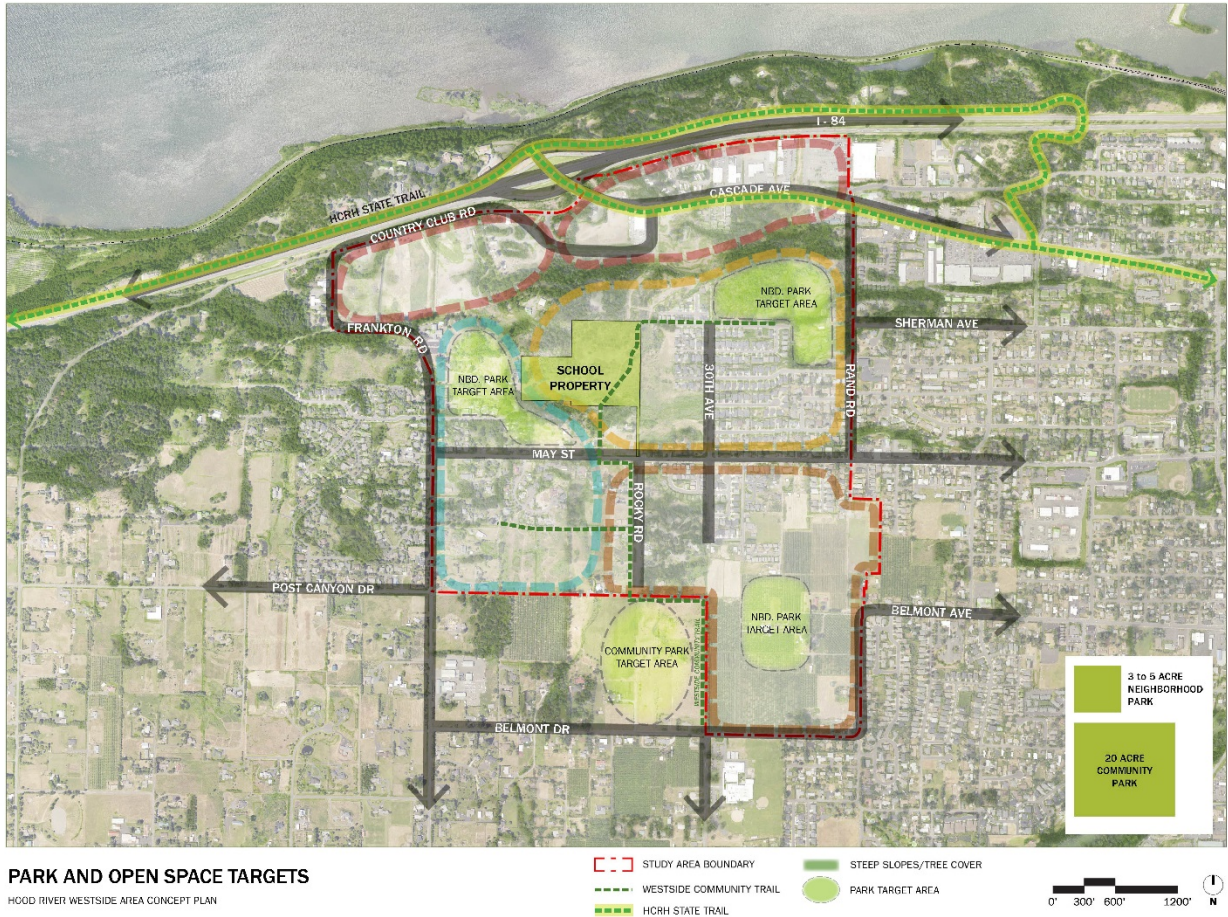
The precise locations of parks have yet to be determined, but the concept is that one neighborhood park should be located within each of the three residential neighborhoods of the plan, with the possibility of a community park of 20-30 acres that may or may not replace a neighborhood park within the Westside Area. Based on a preliminary evaluation of neighborhood park need for the Westside Area, the base case is expected to have about 9 acres, the moderate case 10.5 acres, and the strong case 14 acres of neighborhood parks. The basis for the park land need is described in Appendix B.

Figure 9 identifies “target areas” for neighborhood parks. These areas are based on a preliminary evaluation by the project team of the following criteria:

- Available buildable land (no existing development or environmental constraints)
- Proximity to natural features that could be incorporated into the park
- Centrally located within the neighborhood
- Accessible by future pedestrian connections

The precise locations of parks and the process by which they are developed will be topics of future conversations by the Project Team, stakeholders, committees, the Parks District, and property owners.

Figure 9. Parks and Open Space Concept

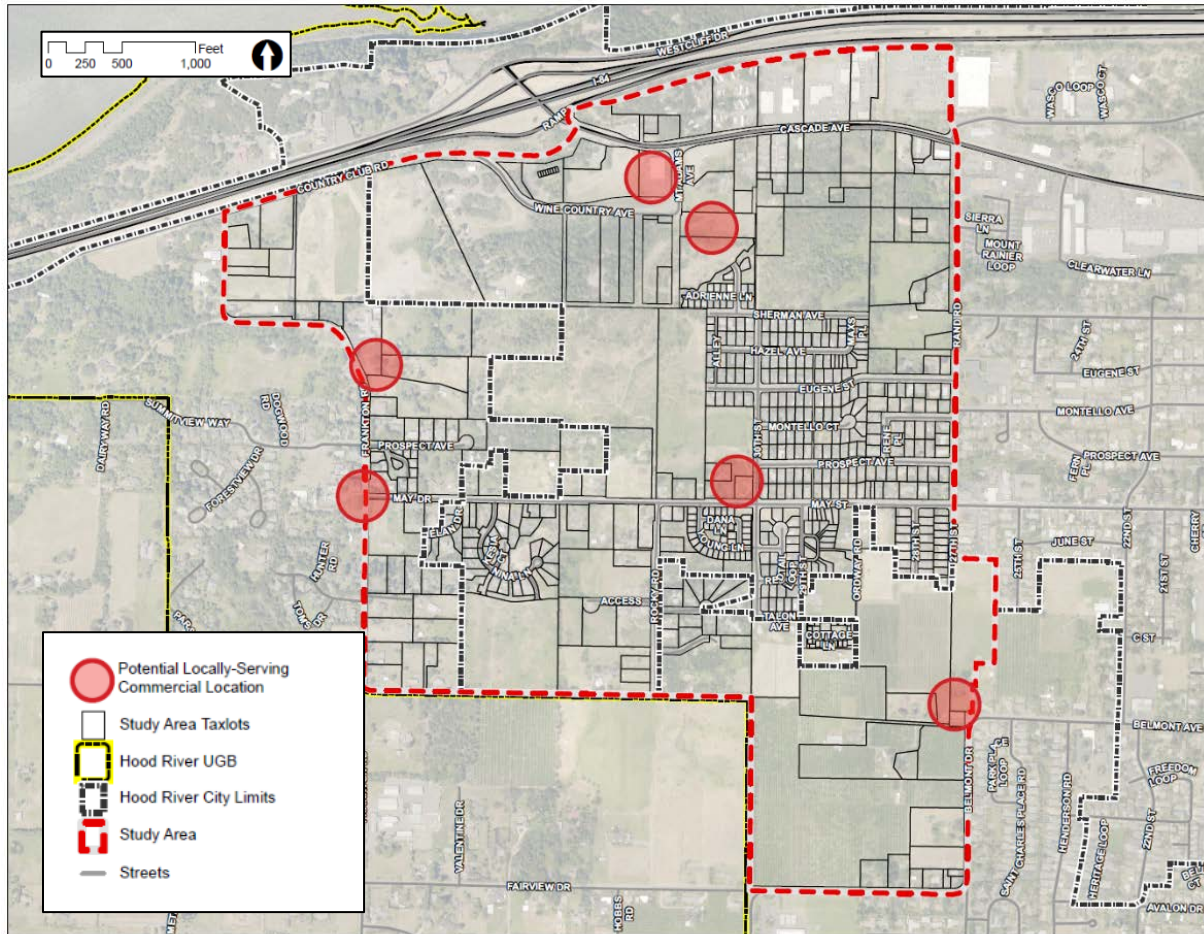


Neighborhood Commercial Concept

A locally-serving commercial area has been suggested by both project committee members, and members of the public through the online open house. Several options have been identified for the location of a roughly 2.5-acre “community commercial” node (see Figure 10).

In Chapter 4, we outline land use scenarios that differ primarily by the residential capacity of the Westside Area. In the “Strong” scenario, there are enough residential units in the area to increase the commercial viability of such a neighborhood commercial node, and increase the importance of additional “third spaces” within easy walking/biking distance.

Figure 10. Potential Locally-Serving Commercial Locations



The figures on the following pages depict several example layouts of a locally-serving commercial node, with descriptions of the building program and principles of site design used.

Figure 11. Locally Serving Commercial Node Example 1



Program

- 17,800sf Commercial
- Single story
- Offices, Retail, Restaurants
- 75 parking spaces
- 4.2 spaces/1000sf

Principles:

- Pedestrian Orientation
- On-street parking
- Street trees
- Public gathering spaces, shaded
- Strong street frontage, with gaps to access parking
- Prominent building features or entries at corners
- Parking in rear of buildings
- Landscaped parking lots
- Pedestrian circulation through parking lots
- Landscape buffer between commercial parking and residential

1: COMMERCIAL

Hood River Westside Area Concept Plan
Mixed Use Site Studies



Figure 12. Locally Serving Commercial Node Example 2



2: MIXED COMMERCIAL & RESIDENTIAL

Hood River Westside Area Concept Plan
Mixed Use Site Studies



Figure 13. Locally Serving Commercial Node Example 3



3: RESIDENTIAL

Hood River Westside Area Concept Plan
Mixed Use Site Studies



CHAPTER 4 – LAND USE SCENARIOS

Overview of Scenarios

Three alternatives are presented in this chapter:

- Base Case Scenario
- Moderate Increase in Workforce and Affordable Housing Scenario
- Strong Increase in Workforce and Affordable Housing Scenario

The base case scenario represents the existing Comprehensive Plan/Zoning that applies in the Westside Area. It is **not** a proposed alternative. Rather it is a “no change” baseline for use in comparing the scenarios. It assumes continuation of all existing plans and regulations, including the Comprehensive Plan, zoning, Transportation System Plan, public facility plans, etc.

The “Moderate” and “Strong” scenarios envision a different future for the Westside than would occur under the Base Case. The scenarios are driven by implementation of the Vision Statement and guiding principles for the Westside Area Concept Plan. The implementation would require new policies, regulations, and development practices that support walkable neighborhoods, affordable housing choices, successful commercial areas, a connected transportation network, excellent pedestrian and bicycle routes, new parks and protected open spaces, and the other issues referenced by the vision.

Supporting housing affordability is a key goal for the Westside Area Concept Plan. Accordingly, the scenarios vary primarily in regards to the amount, location, and mix of housing throughout the planning area. The key planning concepts include:

- **Increasing the amount of “missing middle” and higher density housing.** More opportunities for small lot, duplex, townhome, and apartment housing is created by changing lands currently zoned R-1 (Low Density) to R-2 (Standard Density) or R-3 (High Density). In the “Strong” scenario, a new zoning category called R-2.5 is introduced to further increase the potential for smaller lots and townhomes.
- **Increasing the mix of housing in the Middle Terrace, Upper Terrace, and West Neighborhoods.** To promote a mix of housing in each neighborhood, each of the zones noted above are designated in each neighborhood. More mix is provided in the “Strong” scenario than in the “Moderate” scenario.
- **Distributing R-3 multi-family in small amounts in multiple places.** Re-designation of lands zoned R-1 or R-2 to R-3 is one of the fundamental ways to increase affordable housing choices and mix. But how should that be done—in a few focused areas, or distributed in multiple places? The project team recommends the strategy of distributing R-3 lands to: (a) avoid high concentrations of apartments; (b) increase the mix of housing in each neighborhood; and (c) align with the smaller site sizes that are likely to be desirable apartment projects in Hood River. Discussion with City staff indicates that, historically, apartments have been constructed on sites of 4-6 acres in Hood River, as opposed to 10-20+ acres as is more common in the Portland area.



- **Proximity of land uses to services, schools, future parks, and other amenities.** The land uses have been planned in combination with the various framework plans.
- **Mixed-use and additional housing in the West Cascade Avenue District is a desired goal, but not a mandate.** Hood River’s zoning already allows housing within Commercial areas like the West Cascade District. Even with a strong housing market and high land values, the feasibility of vertical mixed use in the West Cascade Avenue District is not strong. Therefore, mixed-use is considered an aspirational goal, but not an assumed or mandated land use in this area.

Assumptions

Across the scenarios, the following assumptions are utilized:

- **Buildable Lands Inventory.** The analysis is based on a buildable lands inventory conducted for the city-wide 2015 Housing Needs Analysis. This inventory took into account natural resource constraints such as steep slopes, existing development, and large parcels with existing homes that may have capacity for additional units in the future. The inventory has been updated to include a 25-foot riparian buffer setback area around Henderson Creek, which runs through the study area.
- **Existing Homes.** Based on taxlot data and aerial photography, there are an estimated 535 existing homes in the study area. These are assumed to remain, though large lots with the ability to add additional homes are assumed to do so.
- **Transportation.** The land use scenarios are not specifically tied to individual options with regards to the street frameworks (described in detail in Chapter 3 of this report). The project team believes any of the transportation options would be appropriate for the land use scenarios evaluated here.
- **Parks.** Each scenario assumes one neighborhood-scale park in each of the three Neighborhoods. The cumulative acreage these parks occupy differs between scenarios to account for an increased number of residents in the “Moderate” and “Strong” cases. An additional, independent question is whether to include a larger community park in the Westside Area, which is discussed in greater detail in Chapter 3.
- **School property.** The Hood River County School District owns a 17-acre property in the Westside Area. This property is planned for one or more future schools, and has a central role in the design of the Westside Area in all scenarios.
- **Industrial and Commercial Land.** No changes to the zoning designations for industrial and commercial land are assumed. However, changes to residential capacity may result in recommendations for streetscape design or increase the likelihood of pedestrian-oriented services in the West Cascade Avenue district.

Housing Metrics

In this section, the scenarios are characterized by the extent to which changes in residential zoning designations may achieve an increase in workforce and affordable housing in the Westside Area. The changes in zoning designations fall into two categories: (1) changes in the locations of R-2 and R-3 zones,

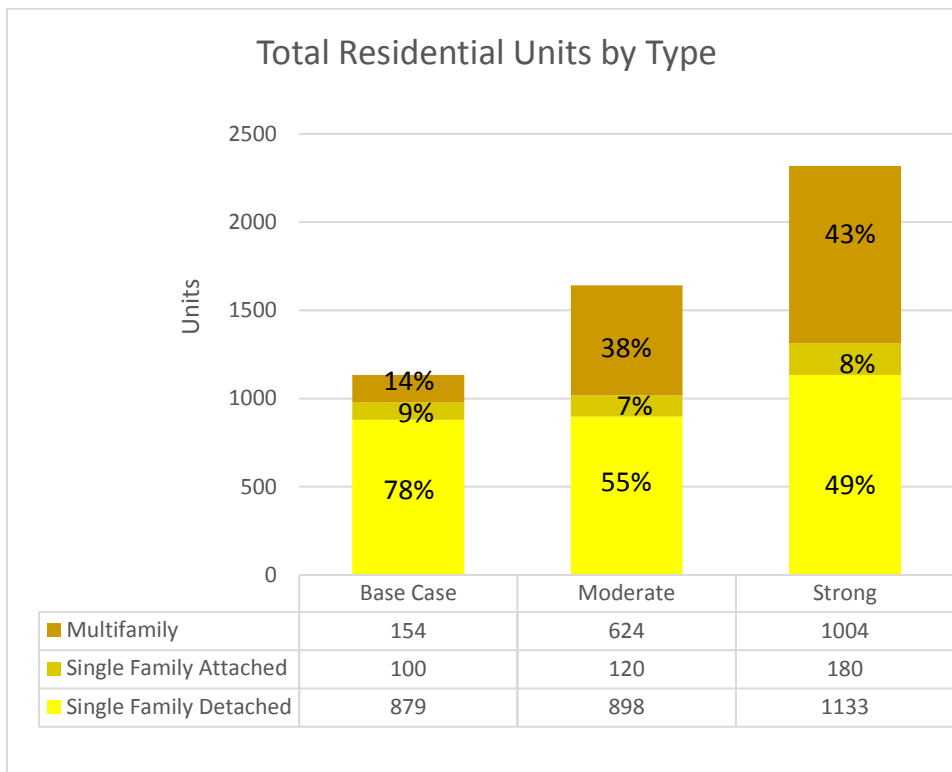
and (2) changes to the text of the zoning code that affect the minimum lot sizes in residential zones and achieve higher overall densities in residential zones.

Table 1 and Figure 14 show a summary of the land use scenarios.

Table 1. Summary of Land Use Scenarios

| Scenario | Brief Description | New Residential Units | Total Residential Capacity (including existing units) |
|--------------------|--|-----------------------|---|
| Base Case Scenario | Build-out given existing zoning | 1,133 | 1,668 |
| Moderate Scenario | Build-out given change of all undeveloped R-1 land (outside of an existing Planned Unit Development) to R-2, and 23 acres of additional R-3 | 1,642 | 2,177 |
| Strong Scenario | Build-out given change of all undeveloped R-1 land (outside of an existing Planned Unit Development) to R-2.5, and 42 additional acres of additional R-3 | 2,318 | 2,853 |

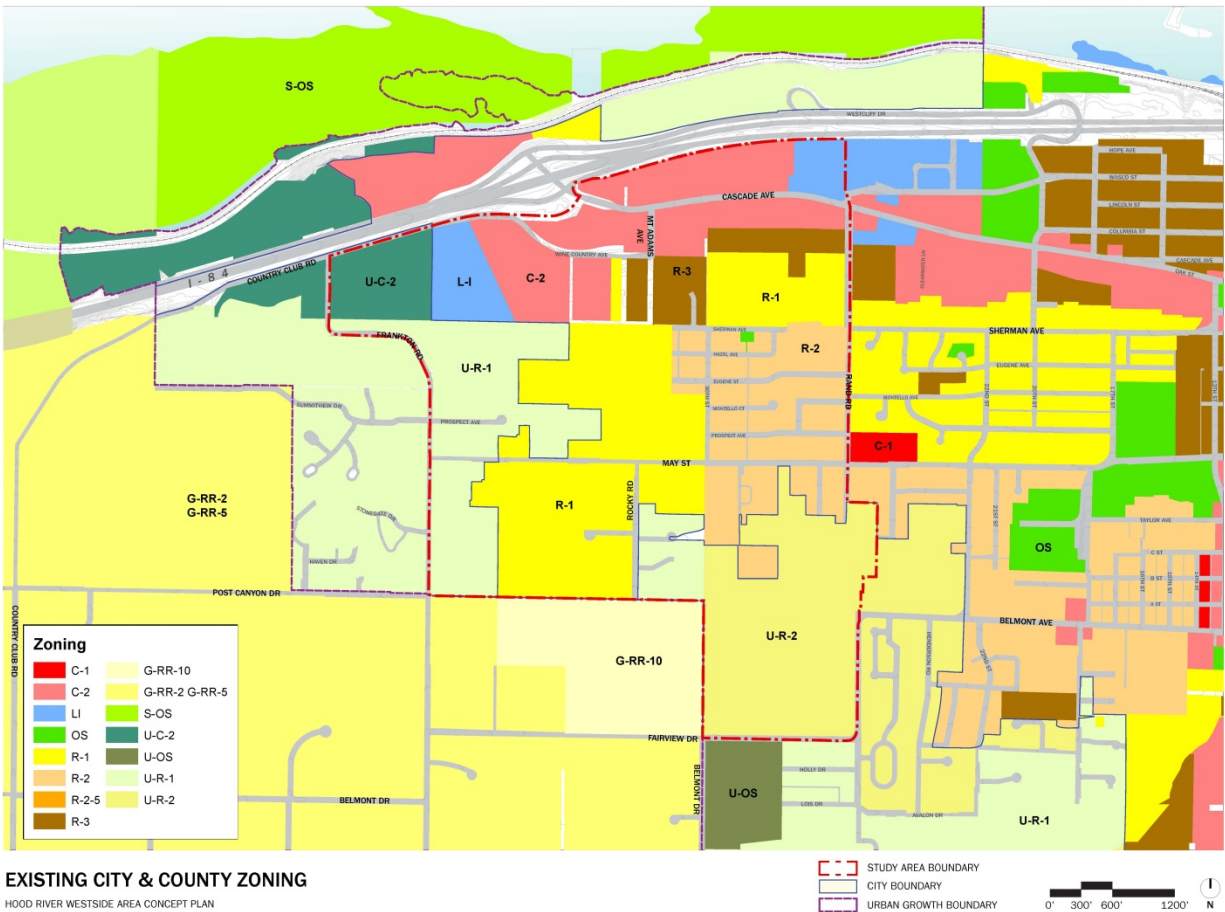
Figure 14. New Residential Units by Unit Type



Base Case Scenario – Existing Zoning

The Base Case illustrates development capacity using the existing zoning standards and the existing zoning of land in the Westside Area. As noted above, it is meant to be illustrative of development under current policies but is not an alternative under consideration in the Concept Plan. The Base Case assumes that zoning does not change (except for annexation and conversion of County zones to City zones) in the Westside Area and that it develops at the densities forecasted in the Housing Needs Analysis, on par with recent development trends.

Figure 15. Base Case Zoning



The base case is expected to provide 879 single family detached units, 100 single family attached units, and 154 multi-family units.

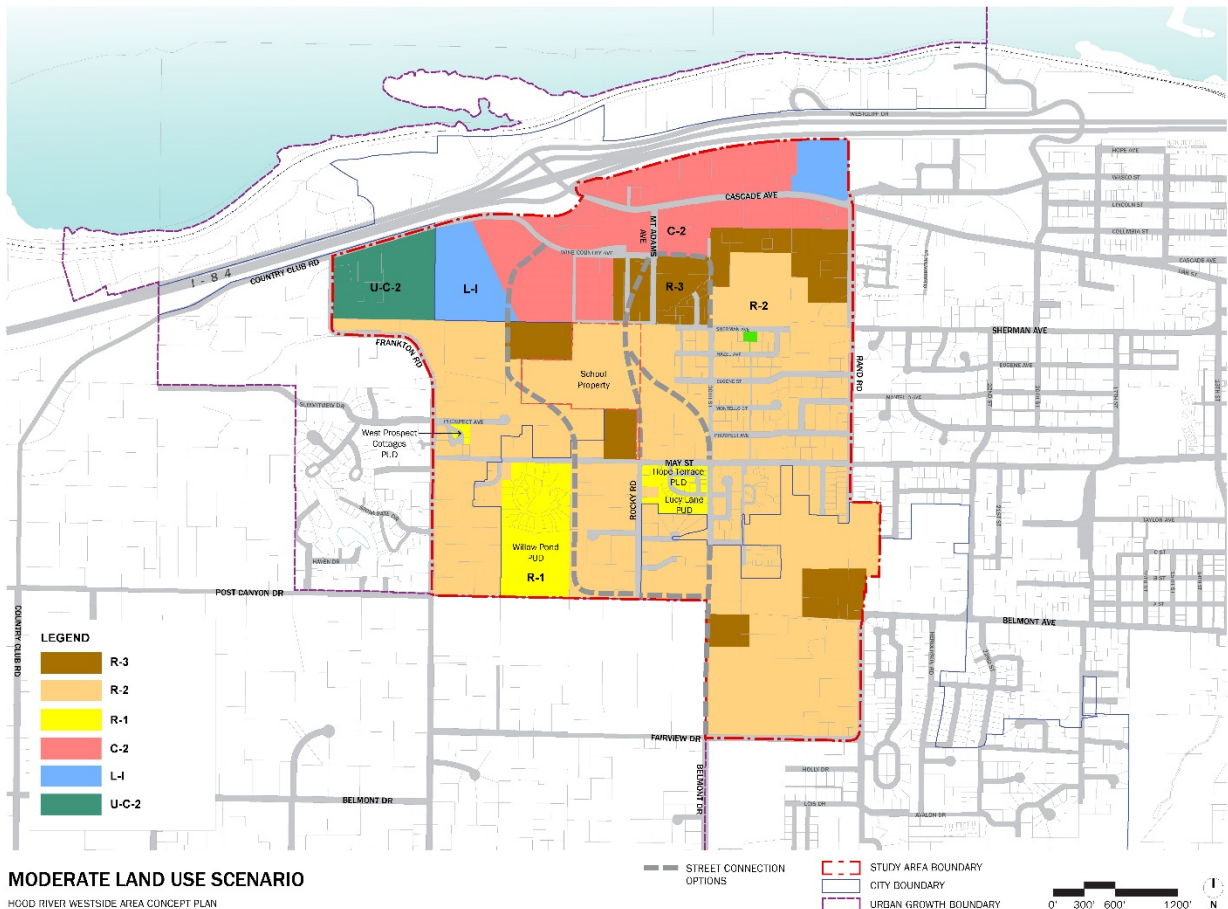
Moderate Increase in Workforce and Affordable Housing Scenario

The “Moderate” Scenario increases workforce and affordable housing, arranged in walkable neighborhoods. Figure 16 depicts the zoning and development capacity in the Westside if several distinct steps are taken to increase the amount of workforce and affordable housing within the Westside Area. Three distinct changes to the Base Case are assumed:

- Rezoning all Urban Low Density Residential (R-1) land to Urban Standard Density Residential (R-2) and Urban High Density Residential (R-3), except in existing Planned Unit Developments.

- Designating roughly 23 acres of Urban High Density Residential (R-3) land at key locations (rezoning from the existing R-1 or R-2 designation, depending on location).
- Assuming a modestly denser level of development in the R-2 and R-3 zones than recent trends show (R-2 at 7.7 Dwelling Units/Acre versus 7.0 DU/AC in the base case; R-3 at 20.3 DU/AC versus 16.4 DU/AC in the base case).

Figure 16. Moderate Scenario Zoning



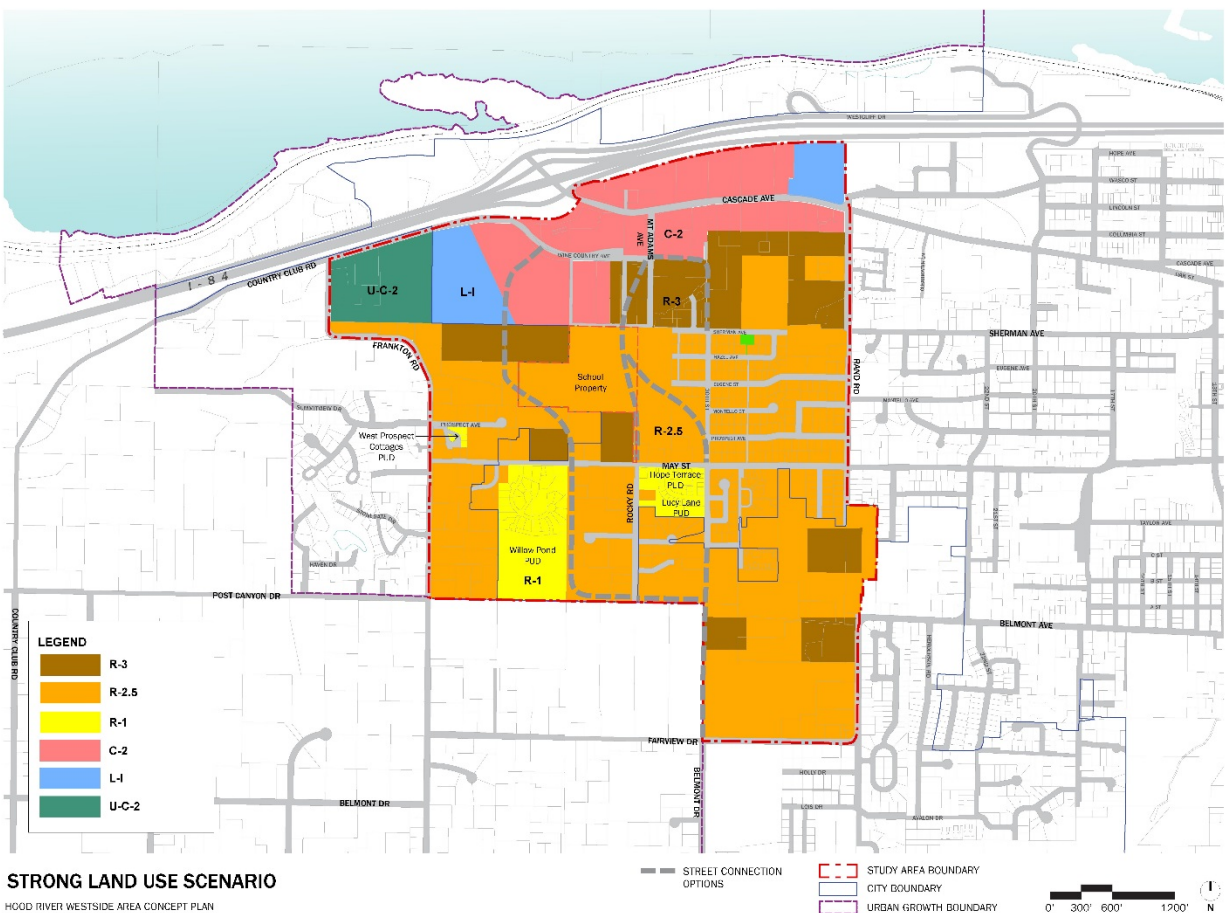
Compared to the Base Case, the “Moderate” scenario provides 19 more single-family detached residential units, 20 more single-family attached units, and 469 more multifamily units, for a total of 509 more new units overall.

Strong Increase in Workforce and Affordable Housing Scenario

This scenario proposes a strong increase in workforce and affordable housing, arranged in walkable neighborhoods. It is meant to show the results of substantial changes in the zoning code and zoning map with the purpose of increasing capacity for all housing types and emphasizing a range of affordable housing types, from small-lot single-family housing to apartments. This scenario proposes changes to zoning, density, housing types, and land uses to emphasize the production of more workforce and affordable housing. Four distinct changes to the Base Case are assumed:

- Rezoning all Urban Low Density Residential (R-1) land to Urban Standard Density Residential and Urban High Density Residential (R-3), except in existing Planned Unit Developments.
- In this scenario, the R-2 zone is modified to allow significantly smaller lots as suggested in the City’s Housing Strategy. For the purpose of this analysis this modified zone is referred to as the R-2.5 zone featuring a minimum lot size of 3,000 square feet, versus the existing 5,000-square feet in R-2, and resulting in development at 12 Dwelling Units/Acre versus 7 DU/AC respectively).¹
- Designating roughly 42 acres of R-3 land to key locations (rezoning from the existing R-1 or R-2 designation, depending on location).
- Assuming a somewhat denser level of development in the Urban High Density Residential (R-3) zone than recent trends show (20.3 DU/AC versus 16.4 DU/AC in the base case).

Figure 17. Strong Scenario Zoning



Compared to the Base Case, the “Strong” scenario provides 254 more single-family detached residential

¹ R-2.5 is conceptual at this stage. The specifics of this change to the zoning code, and its applicability in Hood River outside of the Westside Area, have yet to be evaluated.



units, 80 more single-family attached units, and 850 more multifamily units, for a total of 1,184 more new units overall.

CHAPTER 5 – EVALUATION: PROS, CONS, AND ISSUES

Evaluation Measures and Performance Indicators

This evaluation uses the project guiding principles, supported by performance indicators, as the criteria for evaluation. Each guiding principle is stated below in bold type. The italicized topics are the performance indicators for each criterion. For each principle and indicator, quantitative or qualitative information is provided, followed by a summary table. The summary table indicates the project team’s assessment of how well the scenarios perform relative to the principles and indicators. The ratings are:

+++ *Very good performance* ++ *Good performance* + *Moderate performance*

This method is a “relative rating,” rating the Scenarios relative to the indicators. In this system, “ties” are possible. As noted previously, the intent here is to guide discussion and decision making about the best elements for the preferred plan. This is not intended as a scientific scoring that results in a winner and a loser scenario.

Guiding Principle A. Create livable neighborhoods that make good use of the Westside's limited land supply.

The Westside Area contains most of the remaining undeveloped residential land within the City of Hood River Urban Growth Boundary (UGB). Due to complexities with the Columbia River Gorge Scenic Area, expanding the UGB is a difficult process. It is important to utilize the land in the Westside Area efficiently for needed housing and achieving other community goals.

Residential Capacity & Housing Mix

The total number of new residential units in each scenario are described in Table 3 below, broken down

into the categories of Single Family Detached, Single Family Attached, and Multifamily units.² In the base case, the housing mix is predominantly single-family detached. In the Moderate and Strong cases, changing the zoning away from R-1 is expected to provide a somewhat greater number of single-family detached housing (on smaller lots), as well as significant additional single-family attached and multifamily housing in the form of townhomes, rowhouses, cottages, duplexes, and multifamily developments.

Table 2. Existing Residential Units by Neighborhood

| Neighborhood | Residential Units |
|---------------------|--------------------------|
| Middle Terrace | 215 |
| Upper Terrace | 163 |
| West | 85 |
| West Cascade Ave | 69 |
| Country Club | 3 |
| Total | 535 |

Table 4 describes residential units by future zoning designation.

² From the 2015 City of Hood River Housing Needs Analysis, p. 10: “Single-family detached” includes single-family detached units and manufactured homes on lots and in mobile home parks. “Single-family attached” is all structures with a common wall where each dwelling unit occupies a separate lot, such as row houses or townhouses. “Multifamily” is all attached structures (e.g., duplexes, tri-plexes, quad-plexes, and structures with five or more units) other than single-family detached units, manufactured units, or single-family attached units.

An aerial-photograph count of existing residential units by neighborhood are described in Table 2.

Table 3. New Residential Units by Neighborhood

SF = Single Family, MF = Multi Family

Housing estimates are preliminary and subject to refinement.

| Base Case Scenario | | | | | |
|---------------------------|-------------------------|-------------------------|----------------|-----------------|--|
| Neighborhood | Total SF Detached Units | Total SF Attached Units | Total MF Units | Total New Units | |
| Middle Terrace | 188 | 25 | 108 | 320 | |
| Upper Terrace | 381 | 75 | 48 | 503 | |
| West | 303 | 0 | 0 | 303 | |
| West Cascade Ave | 0 | 0 | 0 | 0 | |
| Country Club | 7 | 0 | 0 | 7 | |
| Total Units | 879 | 100 | 154 | 1,133 | |

| Moderate Scenario | | | | | |
|--------------------------|-------------------------|-------------------------|----------------|-----------------|--|
| Neighborhood | Total SF Detached Units | Total SF Attached Units | Total MF Units | Total New Units | |
| Middle Terrace | 174 | 30 | 280 | 484 | |
| Upper Terrace | 412 | 53 | 190 | 655 | |
| West | 304 | 36 | 153 | 493 | |
| West Cascade Ave | 0 | 0 | 0 | 0 | |
| Country Club | 8 | 1 | 1 | 10 | |
| Total Units | 898 | 120 | 624 | 1,642 | |

| Strong Scenario | | | | | |
|------------------------|-------------------------|-------------------------|----------------|-----------------|--|
| Neighborhood | Total SF Detached Units | Total SF Attached Units | Total MF Units | Total New Units | |
| Middle Terrace | 204 | 38 | 395 | 637 | |
| Upper Terrace | 551 | 86 | 308 | 946 | |
| West | 366 | 55 | 300 | 720 | |
| West Cascade Ave | 0 | 0 | 0 | 0 | |
| Country Club | 12 | 2 | 1 | 15 | |
| Total Units | 1133 | 180 | 1004 | 2318 | |

Table 4. Scenario Residential Units by Future Zone

| Base Case Scenario | | | | | | |
|---------------------------|------------------------------|--------------|------------|------------|-------------|--|
| Zone | Gross Acres (outside ROW) | Total Units | SF Units | Attached | MF Units | |
| R-1/U-R-1 | 171.93 | 487 | 487 | 0 | 0 | |
| R-2/U-R-2 | 119.9 | 502 | 372 | 80 | 50 | |
| R-3 | 17.96 | 144 | 20 | 20 | 104 | |
| LI | 12.47 | 0 | 0 | 0 | 0 | |
| C2 | 81.03 | 0 | 0 | 0 | 0 | |
| TOTAL | 403 | 1,133 | 879 | 100 | 154 | |

| Moderate Scenario | | | | | | |
|--------------------------|------------------------------|--------------|------------|------------|-------------|--|
| Zone | Gross Acres (outside ROW) | Total Units | SF Units | Attached | MF Units | |
| R-1/U-R-1 | 17.15 | 31 | 31 | 0 | 0 | |
| R-2/U-R-2 | 250.95 | 1032 | 867 | 100 | 65 | |
| R-3 | 41.69 | 579 | 0 | 20 | 559 | |
| LI | 12.47 | 0 | 0 | 0 | 0 | |
| C2 | 81.03 | 0 | 0 | 0 | 0 | |
| TOTAL | 403 | 1,642 | 898 | 120 | 624 | |

| Strong Scenario | | | | | | |
|------------------------|------------------------------|--------------|--------------|------------|--------------|--|
| Zone | Gross Acres (outside ROW) | Total Units | SF Units | Attached | MF Units | |
| R-1/U-R-1 | 17.15 | 31 | 31 | 0 | 0 | |
| R-2/U-R-2 | 233.07 | 1362 | 1102 | 160 | 100 | |
| R-3 | 59.57 | 924 | 0 | 20 | 904 | |
| LI | 12.47 | 0 | 0 | 0 | 0 | |
| C2 | 81.03 | 0 | 0 | 0 | 0 | |
| TOTAL | 403 | 2,318 | 1,133 | 180 | 1,004 | |

Residential Density

Table 5 describes the residential density of the project area, both in terms of units per total acre within the project area, and units per residentially-zoned acre. As compared to the Base Case, the Moderate scenario is roughly 1.5 times as dense, and the Strong scenario is roughly twice as dense.

Table 5. Residential Density

| | Base Case | Moderate Scenario | Strong Scenario |
|---|------------------|--------------------------|------------------------|
| DU / Gross Acres (total project area) | 2.53 | 3.67 | 5.18 |
| DU / Gross Residential Acre | 3.66 | 5.30 | 7.48 |
| DU / Developable Residential Acre (excluding steep slopes, natural resources, and developed land) | 6.25 | 9.05 | 12.78 |

The following images are examples of developments at different densities from around Oregon and Washington.



Adams View neighborhood, Hood River (roughly 8 DU/AC)



Solar Village, Hood River OR (roughly 12 DU/AC)



Kendal Yards, Spokane WA (roughly 12 DU/AC)

Transitions Between Residential Zones

With the addition of more moderate- and high-density land in the study area, transitions between residential zones become increasingly important—particularly because there are several already-developed neighborhoods and approved subdivisions within the study area. Higher-density uses have been located in areas that minimize the visual impact of higher densities, and areas that may be less effective as single-family neighborhoods due to their site size, proximity to busy streets, or topography. Generally speaking, there is more flexibility and potential for site-specific building design with apartment buildings, townhomes, and small-lot cottages than with traditional single-family lots and

buildings. Carefully designed single-family neighborhoods can be placed on hillsides, as they are in many cities, including central Hood River, historic Oregon City, and recent development in White Salmon.

The following are examples of strategies to ensure that the scale of higher densities does not have negative effects on adjacent single-family neighborhoods. Design and zoning tools include:

- Siting front doors of similar building scales so that they face each other and transitions occur at the mid-block location.
- Adequate setbacks between different densities.
- Height transitions, with higher densities ‘stepping down’ to respect adjacent single-family development and protect views.
- Landscape screening and fencing to screen parking lots.
- Site selection to encourage parking efficiency by encouraging residents to walk, bike, and take transit.
- Provision of public space or greenspace within an apartment development to soften the scale of development.
- Architectural design that strives to match nearby building character.
- Building and window arrangement to respect the privacy of adjacent development.

A description of transitions between residential zones in each scenario follows:

- **Base Case**
 - Under existing zoning, residential densities generally transition from larger lots and lower densities (R-1) in the west to higher densities (R-2 with areas of R-3) in the east. The Middle Terrace has roughly 20 acres of R-1 at the north end, between the Fox Hollow development to the South and R-3/the Cascade District down the hill to the north.
 - This transition is generally in keeping with the concept of a transect of density, increasing from large lots and low density on the city’s edges to denser, mixed uses closer to the city center and better transportation connections.
 - The R-1 on Middle Terrace’s north end does not fit this gradation and would likely experience conflicts between land uses in the future.
 - The steeper wooded slopes between the Middle Terrace and Cascade District form a natural transition between R-2 and R-3, where higher buildings along Cascade would not likely block views from homes in the Middle Terrace.
- **Moderate Scenario**
 - With the Moderate Scenario’s change of rezoning undeveloped R-1 land to R-2, the overall gradual transition from larger lots in the west to smaller lots in the east remains. Additional areas of R-3 in the northern portion of the Middle Terrace connect to existing R-3 zoned land, allowing for larger multifamily developments that can coordinate internal circulation patterns to avoid ‘pods’ of disconnected development, and may provide a buffer from the Cascade Avenue commercial district to the single-family homes up the hill. This location for R-3 provides new residents to support new commercial uses along Cascade.
 - The 5-acre area of R-3 land in the West Neighborhood abuts the school property to the east, which could place a higher number of school children within easy walking distance of school facilities, and can potentially make more efficient use of the sloping topography than small-lot single-family development.

- Areas of new R-3 zoning in the Upper Terrace abut undeveloped R-2 land. These areas of R-3 are of sufficient size to allow site design to create a good transition.
 - Generally, the R-3 zones on major street corridors, such as May Street and Mt. Adams Avenue, can serve as “buffers” from single family neighborhoods behind them. Higher densities can be more tolerant of higher traffic numbers on arterial and collector streets.
- **Strong Scenario**
 - Undeveloped land in the Strong case is designated “R-2.5”. Developments at this density may be markedly different in character from the larger-lot developments that exist, but will be largely compatible with R-2 developments such as Fox Hollow and Adams View.
 - The areas of R-3 added to this scenario are similar to those in the Moderate scenario in location, but larger in overall acreage.
 - For both the Moderate and Strong case, zoning standards or design guidelines for compatible transitions should be considered (see above-listed bullet points).

Summary of Guiding Principle A

Table 6 summarizes the evaluation of Guiding Principle A: Create livable neighborhoods that make good use of the Westside’s limited land supply.

Table 6. Alternatives Evaluation - Guiding Principle A: Create livable neighborhoods that make good use of the Westside’s limited land supply.

| | Base Case Scenario | Moderate Scenario | Strong Scenario |
|---------------------------------------|--|-------------------|-----------------|
| Residential Capacity | + | ++ | +++ |
| Housing Mix | + | ++ | +++ |
| Transitions between Residential Zones | + | ++ | ++ |
| OVERALL | + | ++ | +++ |
| Notes | By providing a housing mix at roughly 50% detached and 50% attached, the Strong scenario provides the greatest residential capacity and housing mix. Both Moderate and Strong scenarios have good transitions between residential zones. | | |

Guiding Principle B. Create well-planned and commercially successful mixed-use districts in the Westside gateway area.

The Westside Area contains one of the primary gateways into the City of Hood River. Preliminary graphics for the Cascade Avenue area gateway are included in the Major Streets section of this report. This analysis examines how differences in the land use scenarios may impact the role and character of the gateway area.

Successful mixed-use districts are highly dependent on visibility, primarily to passing vehicles, but also to transit and pedestrians. Easy access is a closely-related factor. The design of new mixed-use commercial development in the study area should be carefully considered to reduce visual impacts on adjacent residential neighbors. These impacts could include:

- Views of rear facades or service/garbage areas.
- Sound impacts from service/delivery.
- Views of parking lots, including impacts from headlights.

- Solutions in site design include careful building arrangement, landscaped buffers, and reduced parking.
- Sight lines to desirable views.

Residents within Walking Distance to the Gateway Area

Figure 18 shows the general location of the gateway area with a ¼ mile buffer, which is generally considered to be a walkable distance. Table 7 describes the number of housing units within this buffer in different scenarios. The greater the number of households within walking distance of the district, the more viable and desirous walkable services will be. Currently, there is an existing mobile home park and multifamily development along Cascade Avenue, as well as a series of single-family homes north of Sherman avenue that are within ¼ mile of the gateway area (though today there is no direct connection from Cascade Avenue to this portion of Sherman Avenue.)

In all three scenarios, pedestrian connectivity from the school and neighborhoods south of Sherman to Cascade should be plentiful, allowing residences to access service in the Gateway area.

Figure 18. Housing Units within Walking Distance to Gateway Area

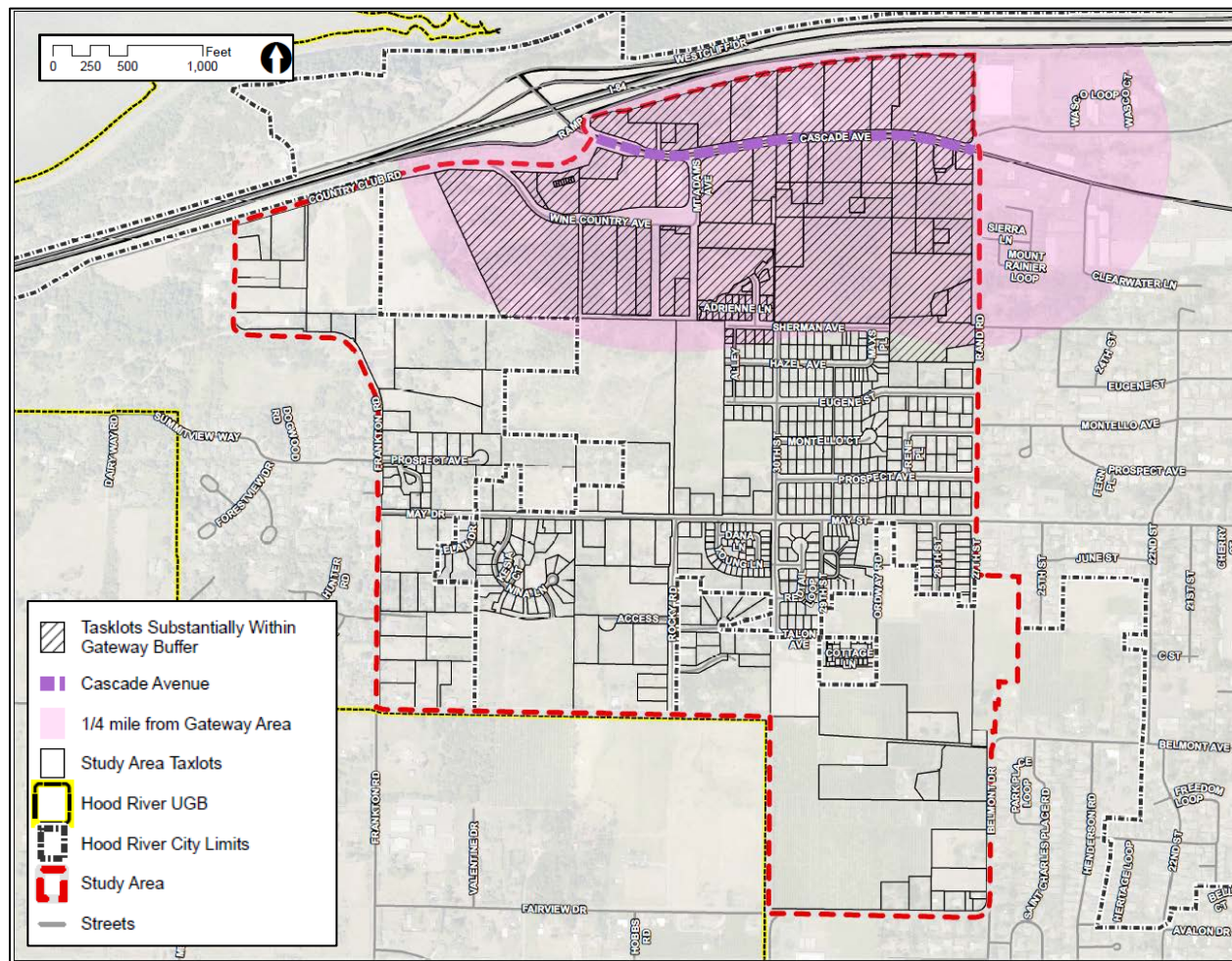


Table 7. Housing Units within Walking Distance to the Gateway Area

| | Base Case Scenario | Moderate Scenario | Strong Scenario |
|-----------------------|--------------------|-------------------|-----------------|
| Existing Units | 125 | 125 | 125 |
| New Units | 250 | 383 | 491 |
| Total Units | 375 | 508 | 616 |

Commercial and Industrial land

Commercial and industrial lands in the Westside Area are discussed in detail in the Land Use Programs Memorandum. The amount and general characteristics of commercial and industrial land do not change between the land use scenarios, but the Westside Area Concept Plan will address design regulations and other items that will affect how this land knits into the future Westside neighborhoods.

Two large sites make up much of the Country Club Road district, mentioned in the Land Use Program memorandum:

The City has four sites larger than five acres, two in General Commercial and two in Light Industrial. Two of these sites are in are in the Westside Area, one in General Commercial, and one in Light Industrial. These two development sites present development opportunities to accommodate large employers in Hood River, which is important for development of the Westside Area and the entire City.

In all scenarios, these sites remain available for large users.

Guiding Principle B Summary

Table 8 summarizes the evaluation for Guiding Principle B: Create well-planned and commercially successful mixed-use districts in the Westside gateway area.

Table 8. Alternatives Evaluation - Guiding Principle B: Create well-planned and commercially successful mixed-use districts in the Westside gateway area.

| | Base Case Scenario | Moderate Scenario | Strong Scenario |
|---|---|-------------------|-----------------|
| Housing Units within Walking Distance to Gateway Area | + | ++ | ++ |
| Commercial & Industrial Land | +++ | +++ | +++ |
| Overall | ++ | +++ | +++ |
| Notes | Both the moderate and strong scenarios present opportunities to establish well-planned and commercially successful districts in the gateway area with a greater number of housing units within walking distance of the gateway area. Both scenarios anticipate retention of existing larger sites for commercial and light industrial uses, with increased residential population densities in close proximity. | | |

Guiding Principle C. Create a plan that works for all ages and abilities of the community.

The American Planning Association’s “Planning for Aging-Supportive Communities” report³ identifies several recommendations for specific projects and programs to allow for what they call “Aging-in-community” in the categories of housing options, mobility, and public realm design. The recommendations that are applicable to the Westside Area Concept Plan and these scenarios are described in Table 9 below.

Table 9. Elements of Aging-Supportive Communities

| Aging-Supportive Communities Recommendation | Discussion |
|--|---|
| Feasibility of Older-Adult Housing Developments | Older-adult housing is likely to be more feasible and more compatible in neighborhoods with a range of housing types. Co-housing has been mentioned by project participants as a viable option for older-adult communities. |
| Balance of Existing Neighborhood Character and Supporting Aging in the Community | Older adults should have the option to live in neighborhoods that retain Hood River’s unique character. Throughout this process, the Hood River character has been described as highly connected streets, multi-modal transportation, great views, and an active lifestyle. |
| Remove disincentives or impediments in zoning code. | In the implementation phase of this plan, the project team will examine the zoning code for impediments to desired development. |
| Transit access and supportiveness | In planning for future transit access to the Westside Area, land use scenarios that provide more housing within walking distance of the transit line will help provide transit access to older adults. |
| Safe, multi-modal transportation and complete streets | Complete streets are a key component of the plan in all land use scenarios. |
| Nurture "third spaces" and other important facilities to foster social capital | As the amount of housing in the Westside Area increases, the viability of a small commercial node that may provide a good “third space” increases. Additional park acreage is assumed in the strong scenario as well. |

Guiding Principle C Summary

Table 10 summarizes the evaluation for Guiding Principle C: Guiding Principle C. Create a plan that works for all ages and abilities of the community.

³ Published 2015. Available online at <https://planning-org-uploaded-media.s3.amazonaws.com/publication/online/PAS-Report-579.pdf>

Table 10. Alternatives Evaluation - Guiding Principle C: Create a plan that works for all ages and abilities of the community.

| | Base Case Scenario | Moderate Scenario | Strong Scenario |
|------------------------------------|--|-------------------|-----------------|
| Feasibility of older-adult housing | + | ++ | +++ |
| Balance of Neighborhood Character | ++ | ++ | ++ |
| Zoning Disincentives | ++ | ++ | ++ |
| Safe Multi-Modal Transportation | +++ | +++ | +++ |
| Third Spaces | ++ | ++ | +++ |
| Overall | The broader range of housing types, increased feasibility of locally-serving commercial areas and mixed-use Cascade Avenue district, and the increased amount of park land for “Third Spaces” suggest that the strong scenario performs somewhat better. | | |

Guiding Principle D. Provide a range of densities and housing types, increasing affordable housing choices in Hood River.

One of the primary goals of this concept plan as laid out by the vision statement and reinforced by the responses to the community survey is increasing the choices for affordable housing in Hood River. The land use scenarios have been designed to test the implications of emphasizing this goal to varying degrees.

Amount and Type of Housing within the Westside Area

Table 11 describes the number of housing units expected in each scenario and the housing mix of these units. Clearly, by re-zoning R-1/U-R-1 land to R-2/U-R-2 and adding additional nodes of R-3 land in key locations, the Moderate and Strong scenarios significantly increase the amount of attached single family and multifamily units expected in the Westside Area compared to the base case while providing roughly the same amount of single-family detached housing units (on smaller lots). The Strong scenario adds additional R-3 land to the Westside Area, and assumes changes to the R-2 zone that reduce the minimum lot size such that more small-lot single family and attached housing is built.

Table 11 describes the zoning of residential land in each scenario, compared to the base case.

Table 11. Percent of R-2 (or R-2.5) zoned acres and units relative to Base Case

| R-2/R-2.5 | Base Case | Moderate | Strong |
|-----------|-----------|----------|--------|
| Acres | N/a | 204% | 191% |
| Units | N/a | 206% | 271% |

Table 12. Percent of R-3 zoned acres and units relative to Base Case

| R-3 | Base Case | Moderate | Strong |
|-------|-----------|----------|-----------|
| Acres | N/a | | 210% 301% |
| Units | N/a | | 401% 641% |

Locations of Housing Types within the Westside Area

The location of these areas of change to current zoning was the product of collaborative discussions among the Project Team, which included transportation, infrastructure, planning, and parks professionals.

- **Base Case**

- In the Base case, residential uses are generally assumed to follow the past trends and build out similar to existing lot patterns. Larger lots with more expensive homes are more likely on R-1 land, and moderately smaller homes on roughly 5,000-square-foot lots are expected on R-2 land. R-3 land is limited to the steeply-sloping area between the Middle Terrace and West Cascade Avenue District, where much of the land is likely to develop as single family residential as has occurred elsewhere in the city.
- Neighborhood parks are expected to be located in central, accessible places for the West Neighborhood, Middle Terrace Neighborhood, and Upper Terrace Neighborhood. However, there is no guarantee of neighborhood parks under currently adopted plans by the City or Parks District.
- The school-owned parcel in the West Neighborhood is surrounded by low-density housing, potentially reducing the number of students living within walking distance of the future school.
- The county-owned parcel in the West Cascade Avenue District remains predominantly R-1.
- Overall, this land use pattern follows a sensible “transect” of lower density toward the outskirts of the City to higher density closer to commercial areas and services closer to town. However, the walkability of the school site may be compromised in this scenario.

- **Moderate Scenario**

- Undeveloped R-1/U-R-1 land in the Westside Area is upzoned to R-2/U-R-2 in this scenario. Additional nodes of multifamily R-3 housing are located in the West Area abutting the school property, on the county-owned parcel and elsewhere in the West Cascade Avenue district, and in two nodes along the extension of Belmont Avenue in the Upper Terrace.
- The locations for R-3 nodes were chosen to be along significant transportation routes and of a reasonable size to support 1-2 multifamily projects in each node, rather than a large concentration of multifamily housing in one location.

- Neighborhood parks are part of the plan. They are expected to be located in central, accessible places for the West Neighborhood, Middle Terrace Neighborhood, and Upper Terrace Neighborhood. With additional R-2 density housing and multifamily nodes in each neighborhood, the number of users served by these parks is increased.
 - The school-owned parcel in the West Neighborhood is surrounded by moderate density and multifamily housing, potentially increasing the number of students living within walking distance of the future school over the base case.
 - The county-owned parcel in the West Cascade Avenue District is zoned R-3 and recommended for affordable housing.
 - Overall, this land use pattern places a greater number of households within proximity of schools, parks, the potential future transit line.
- **Strong scenario**
 - Undeveloped R-1/U-R-1 land in the Westside Area is rezoned to R-2.5/U-R-2.5 in this scenario, which is expected to result in a greater amount of attached/small lot/cottage housing throughout the area. Additional nodes of multifamily R-3 housing are located in the west area abutting the school property, on the county-owned parcel, and elsewhere in the West Cascade Avenue district, as well as in two nodes along the extension of Belmont Avenue in the Upper Terrace.
 - The locations for R-3 nodes were chosen to be along significant transportation routes and of a reasonable size to support 1-2 multifamily projects, rather than a large concentration of multifamily housing in one location.
 - Neighborhood parks are part of the plan. They are expected to be located in central, accessible places for the West Neighborhood, Middle Terrace Neighborhood, and Upper Terrace Neighborhood. With additional R-2 density housing and multifamily nodes in each neighborhood, the number of users served by these parks is increased.
 - The school-owned parcel in the West Neighborhood is surrounded by moderate density and multifamily housing, potentially increasing the number of students living within walking distance of the future school over the base case.
 - The county-owned parcel in the West Cascade Avenue District is zoned R-3 and recommended for affordable housing.
 - Overall, this land use pattern places a greater number of households within proximity of schools, parks, the potential future transit line. Due to the significant increase in multifamily housing, the amenities—particularly parks and open space—need to be oriented in order to maximize access and livability in these areas.

Guiding Principle D Summary

Table 13 summarizes the evaluation for Guiding Principle D.

Table 13. Alternatives Evaluation - Guiding Principle D: Provide a range of densities and housing types, increasing affordable housing choices in Hood River.

| | Base Case Scenario | Moderate Scenario | Strong Scenario |
|---|--|-------------------|-----------------|
| Amount and Type of Housing in the Westside Area | + | ++ | +++ |
| Locations of Housing Types | ++ | ++ | ++ |
| Overall | + | ++ | +++ |
| Notes | The Strong scenario provides the greatest amount and range of housing types. | | |

Guiding Principle E. Incorporate natural features and a sense of place into each neighborhood and district.

The natural features and sense of place within each neighborhood and district of the area will be an important part of the Concept Plan under any scenario. Overall:

- Some trees can be incorporated into new streets. Ponderosa pines are particularly resilient. Trees can also be protected within future lots, with careful subdivision planning. Construction practices that minimize soil compaction and root loss can help preserve existing trees. Whether in the public street ROW or on private lots, trees can provide additional value, estimated at an additional \$1,000 to \$10,000 per home.⁴
- The steep slopes south of the Cascade District are thickly wooded and create a natural buffer between higher density R3 closer to Cascade and moderate density land uses to the south. Higher density development may actually allow for greater protection of trees because of the flexibility of site planning possible in apartment development. Adjacent to the Cascade District, both the Moderate and Strong scenarios have similar densities next to the trees.
- Neighborhoods in the study area will enjoy volcano and Gorge views which can help to root residents in their regional context and provide a sense of place. The Neighborhoods and Districts Framework assumed for the Moderate and Strong scenarios provides a very intentional basis for preserving views and organizing land use within the terraces of the Westside Area.
- Henderson Creek, or adjacent wetland areas can benefit from new development's contemporary stormwater treatment, thanks to more naturalistic methods of infiltration and avoiding runoff from overwhelming these sensitive natural features.

⁴ Source: Arbor Day Foundation, <https://www.arborday.org/trees/benefits.cfm>

Guiding Principle E Summary

Table 14 summarizes the evaluation for Guiding Principle E: Incorporate natural features and a sense of place into each neighborhood and district.

Table 14. Alternatives Evaluation - Guiding Principle E: Incorporate natural features and a sense of place into each neighborhood and district.

| | Base Case Scenario | Moderate Scenario | Strong Scenario |
|------------------|--|-------------------|-----------------|
| Natural Features | ++ | +++ | +++ |
| Sense of Place | ++ | +++ | +++ |
| Overall | ++ | +++ | +++ |
| Notes | Overall, higher density development can more easily incorporate natural features into site plans through clustering, and providing more space for public open space rather than private yards. Multi-family structures in particular can take advantage of sensitive slopes. Both the Moderate and Strong scenarios have similar potential for retaining key natural features. | | |

Guiding Principle F. Include open space and parks integrated in neighborhoods.

Overall Parks and Open Space Concept

The Moderate and Strong scenarios are intended to incorporate a planned network of open spaces, listed below. The Base Case would have some of these elements, but existing plans and policies do not promote them explicitly. The parks and open space concept includes:

- Three new neighborhood parks to serve the Westside (see below and Appendix B).
- A new community park to serve the area, located either directly adjacent to the current UGB or within the current UGB.
- Open space at the Future School site west of 30th Avenue.
- A riparian corridor adjacent to Henderson Creek, preliminarily sized at 25 feet on either side of the creek.
- Retention of tree groves throughout the project area as much as practical.
- Retention of terraced areas that are 25% slope and greater, except where needed for street connections and pedestrian connections.
- Trail corridors.
- Open space tracts that are designed as part of Planned Unit Developments, higher density and mixed-use projects, and community gathering spaces.

Neighborhood Parks

Each scenario assumes one neighborhood park in the Middle Terrace Neighborhood, the Upper Terrace Neighborhood, and the West Neighborhood. The precise locations of these parks has yet to be determined, but as the overall number of residents served increases in the Moderate and Strong scenarios, the size of these parks is assumed to increase. Based on a preliminary evaluation of neighborhood park need for the Westside Area (see Appendix B) the base case is expected to have about 9 acres, moderate case 10.5 acres, strong case 14 acres.

Ideal park locations and qualities include:

- Adequate size according to community park system plans and maintenance capacity
- Central locations, within walking and biking distance from homes
- Locations that are central and convenient will also likely serve as amenities that add value to nearby homes
- Sites with mature trees located along riparian areas can become interesting parks and help protect these sensitive ecological features
- Parks with views and varied topography also help to root the park users into the regional context and provide a sense of place
- Steep topography should be avoided but is fine for larger, more passive parks that protect natural conditions and trail corridors; these sites can also offer significant views of the Gorge and Mt Adams.

Community Park

There has been discussion of inclusion of a community park (between 20 and 40 acres, roughly) within or adjacent to the Westside Area. While adding a significant number of new residential units to the City could justify a new community park, one concern is the amount of residential land that would be taken up if that park were located within the Westside Area. At 20 acres, a community park would use the amount of land for between roughly 140 and 240 residences.

A site just outside the study area, and outside the Urban Growth Boundary (UGB), was examined in 2016 as a potential location for a community park. For the purposes of this evaluation, the site is considered “on the table” as a good option to provide a community park while not sacrificing needed residential capacity.

If the community park were to be located within the current UGB, the amount of residential capacity provided in the Strong scenario would do a better job of providing needed housing on a lessened base of residential land. However, this aspect is mitigated by the reduction of residential land supply that the community and property owners have planned on for many years, and the cost of land at urban land prices.

Guiding Principle F Summary

Table 15 summarizes the evaluation for Guiding Principle F: Include open space and parks integrated in neighborhoods.

Table 15. Alternatives Evaluation - Guiding Principle F: Include open space and parks integrated in neighborhoods.

| | Base Case Scenario | Moderate Scenario | Strong Scenario |
|--------------------------|---|-------------------|-----------------|
| Neighborhood Parks | + | +++ | +++ |
| Potential Community Park | ++ | ++ | ++ |
| OVERALL | ++ | ++ | ++ |
| Notes | If the community park were to be located within the current UGB, the amount of residential capacity provided in the Strong scenario would do a better job of providing needed housing on a lessened base of residential land. However, this aspect is mitigated by the reduction of residential land supply that the community and property owners have planned on for many years, and the cost of 20-40 acres of land purchase at urban land prices. | | |

Guiding Principle G. Provide a connected transportation network with walkable, bike-friendly and green streets.

The land use scenarios are not expected to be the primary driver of the transportation network – there are key decisions regarding the alignment of the Mt. Adams Extension (see Chapter 3), but a highly connected, walkable, and bike-friendly transportation system is a foundational component of all scenarios.

Updated zoning regulations associated with the Moderate and Strong cases may be beneficial in the following ways:

- All options for Major Street Connections (see Figure 5) have impacts to the developability of property in the Westside Area. Affected property owners may be more amenable to this needed transportation connection if they are able to develop more units on their property.
- Highly connected neighborhoods require higher amounts of land dedicated to the network of rights-of-way with sidewalks and bicycle lanes, pedestrian trails, and bicycle paths. These reduce the amount of land available for residential development, making it even more important for the City of Hood River to use the remaining land more efficiently.

Guiding Principle G Summary

Table 16 summarizes the evaluation for Guiding Principle G: Provide a connected transportation network with walkable, bike-friendly, and green streets.

Table 16. Alternatives Evaluation - Guiding Principle G: Provide a connected transportation network with walkable, bike-friendly, and green streets.

| | Base Case Scenario | Moderate Scenario | Strong Scenario |
|----------------|--|-------------------|-----------------|
| Connectivity | ++ | ++ | ++ |
| Developability | + | ++ | +++ |
| Overall | ++ | ++ | +++ |
| Notes | The ability of higher-density zones to accommodate a higher level of connectivity while providing more housing units and allowing for more design flexibility in lot patterns suggests that the strong scenario may perform somewhat better. | | |

Guiding Principle H. Promote active and healthy living through community design.

Active and healthy living are part of the Concept Plan through the system of connected open spaces, trails, bikeways, and complete streets that will promote active and healthy living. This is not expected to differ between these scenarios.

Guiding Principle H Summary

Table 17 summarizes the evaluation for Guiding Principle H: Promote active and healthy living through community design

Table 17. Alternatives Evaluation - Guiding Principle H: Promote active and healthy living through community design

| | Base Case Scenario | Moderate Scenario | Strong Scenario |
|----------------|---|-------------------|-----------------|
| Overall | +++ | +++ | +++ |
| Notes | Active and healthy living are part of the Concept Plan through the system of connected open spaces, trails, bikeways, and complete streets that will promote active and healthy living. This is not expected to differ between these scenarios. | | |

Guiding Principle I. Plan land uses and transportation facilities so the area may be served by fixed route transit in the future.

There is currently no fixed route transit within the study area, but this long-range plan will create a neighborhood that will be serviceable by transit in the future. The expected transit route through the Westside Area is along Cascade Avenue, south along the Mt Adams Extension, and back into town along May Street (see Figure 19).

The primary needs of a transit system are good connectivity to major destinations, and transit-supportive residential density along the route. As has been explained elsewhere in this report, good multi-modal connectivity is a key feature of this plan in all land use scenarios. However, residential density along the transit route differs significantly between alternatives. See Table 18.

Table 18. New Housing Units within ¼ Mile of Transit

| | Base Case Scenario | Moderate Scenario | Strong Scenario |
|---|--------------------|-------------------|-----------------|
| New Housing Units within ¼ Mile of Potential Transit Route | 723 | 1130 | 1543 |

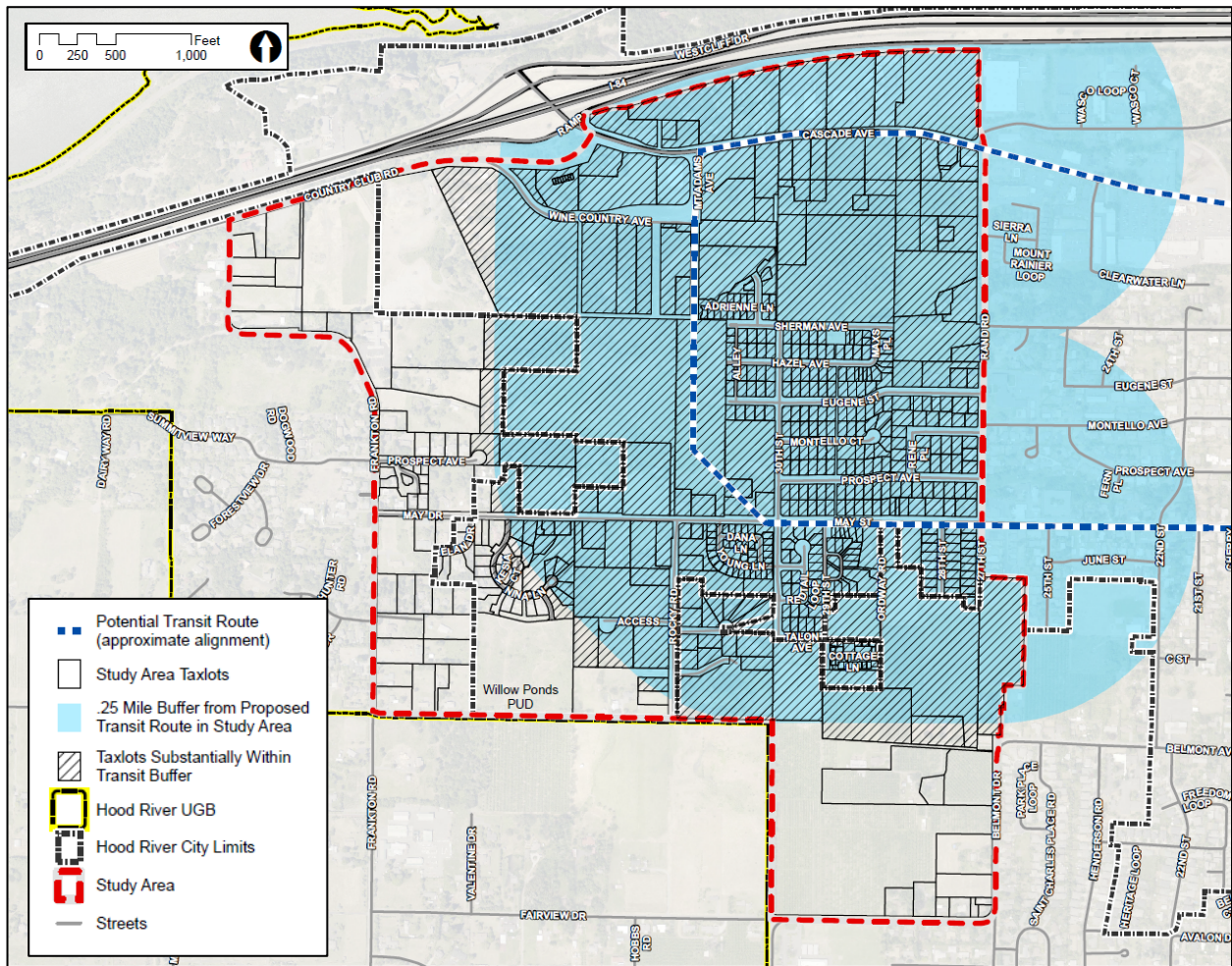
Guiding Principle I Summary

Table 19 summarizes the evaluation for Guiding Principle I: Plan land uses and transportation facilities so the area may be served by fixed route transit in the future.

Table 19. Alternatives Evaluation - Guiding Principle I: Plan land uses and transportation facilities so the area may be served by fixed route transit in the future.

| | Base Case Scenario | Moderate Scenario | Strong Scenario |
|---------------------------------|--|-------------------|-----------------|
| Transit-Accessible Units | + | ++ | +++ |
| Notes | Additional land in the R-2/R-2.5 zone throughout the study area and multifamily units in R-3 land located near the potential transit route provide significantly more new transit-accessible units in the moderate and strong cases. | | |

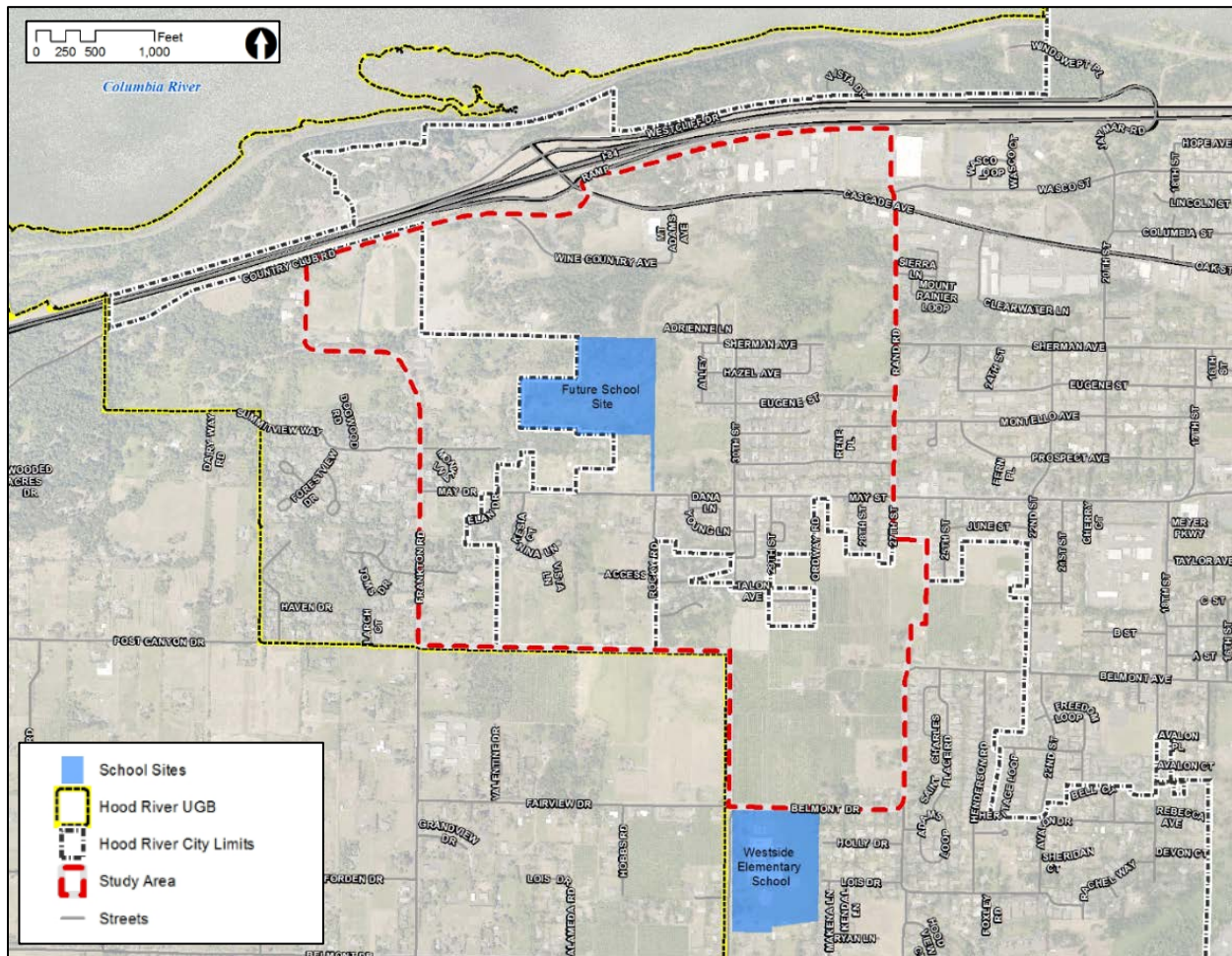
Figure 19. Transit Access



Guiding Principle J. Integrate Westside Elementary School and future new schools as key community places.

The Westside Elementary school is located just south of the study area, and the school district owns a 17-acre parcel in the West Neighborhood within the study area that is expected to be used for one or more future schools (see figure 20).

Figure 20. School sites in the Westside Area



The Role of Schools in Neighborhoods

There is often a desire by new developments to orient to schools, as they will be a strong attractor for future homebuyers of a certain demographic. The open space around a school can also serve as de facto parkland that nearby homes can benefit from, visually. This advantage is less pronounced, anecdotally, for high schools, due to the level of activity and larger buildings.

However, schools have increasingly stringent security measures. The District may be willing to allow community use of facilities on weekends, but access to playfields or interior rooms requires careful consideration to ensure secure control during weekday school hours

With careful site design, natural areas within new school property can potentially be integrated as 'nature play'.

Westside Elementary School

The Westside Elementary School is located just outside the study area, southeast of the intersection of Belmont Drive and Fairview Drive. What follows is a discussion of the Concept Plan components that may affect its role within the overall plan.

- A. **Transportation.** Access to the school and the overall functioning of this intersection will be important for future school operations, and pickup/dropoff traffic needs to be addressed. The scenarios do not differ in the expected transportation system in this area, though the precise location and design of the extension of 30th Ave south to Belmont is yet to be determined.
- B. **Parks & Open Space.** The Westside Elementary School currently lies at the southern terminus of the Westside Community Trail, which provides pedestrian access to the school and the broader network of parks and open space in the neighborhood. The current trail location may be within the future alignment of Mt. Adams Avenue, in which case sidewalks would be provided and a replacement trail that connects to the Westside Elementary School should be considered.
- C. **Land use.** The southern portion of the Upper Terrace Neighborhood is a functioning orchard. Because it is land zoned for residential use and within the Urban Growth Boundary, the Westside Area Concept Plan assumes that the land will eventually be converted to residential use. The scenarios analyzed in this memo vary in terms of the residential land uses expected adjacent to the Westside Elementary School.
 - **Base Case Scenario.** As shown on Figure 15, land in the Upper Terrace Neighborhood is currently zoned R-2 and U-R-2. The Upper Terrace Neighborhood is expected to provide 503 housing units in this scenario.
 - **Moderate Scenario.** The Moderate scenario is largely similar to the Base Case, but assumes a level of development within the R-2 zone that is slightly more dense than past trends. There is also a roughly 3-acre node of R-3 land located along the future extension of Belmont Avenue. The Upper Terrace Neighborhood is expected to provide 655 housing units in this scenario.
 - **Strong Scenario.** In the Strong scenario, land use in the Upper Terrace Neighborhood contains predominantly R-2.5 designated land, which has an expected density of 12 DU/Acre (rather than the moderate scenario's expectations of 7.7 DU/AC the R2 zone). There are also 8 acres of R-3 multifamily expected in the area. These changes would mean a total of 946 units in the Upper Terrace neighborhood.

As the population of the upper terrace neighborhood increases, the number of people within walking or biking distance of the school will increase. This will raise the importance of the school as central piece of the neighborhood or a "third place"⁵ for the community to gather.

Future School Site

The Hood River School District owns a 17-acre property within the Middle Terrace Neighborhood, shown on Figure 20. The district plans to use this for a new elementary school, middle school, or combined elementary/ middle school. What follows is a discussion of the Concept Plan components that may affect its role within the overall plan.

- A. **Transportation.** The alignment and design of the Mt Adams extension from Cascade Ave. to May St. will impact the school property. Preliminary alignment analysis indicates that significant cuts and fills will be required to build the Mt Adams Extension. These slopes will pose challenges for easy walking to the Future School site.
- B. **Parks & Open Space.** The school property currently lies on the Westside Community Trail, and it is used informally for recreation as part of that trail system. With new development in the Westside Area, the school should remain part of the re-designed trail.

⁵ A "third place" is the social surroundings separate from the two usual social environments of home ("first place") and the workplace ("second place").

C. Land Use.

- **Base Case Scenario.** The future school site abuts R-1 and U-R-1 land in the West Neighborhood and the Middle Terrace, as well as C-2, R-1, and some R-3 land downslope to the North.
- **Moderate Scenario.** In the moderate scenario, the land surrounding the school site is zoned primarily R-2, with roughly 7 acres of R-3 located to the North, West, and South of the site. There are roughly 1.7 times the number of housing units within 1/8th mile of the site compared to the base case. This means that there are a larger number of residences in the site’s immediate vicinity, increasing the number of students who are likely to walk to school and community members who are likely to utilize other amenities provided by the school.
- **Strong Scenario.** In the strong case, the land surrounding the school is zoned primarily R-2.5, with roughly 14 acres of R-3 located to the North, West, and South of the site. There are roughly 2.4 times the number of housing units within 1/8 mile of the school compared to the base case. This means that there are a larger number of residences in the site’s immediate vicinity, increasing the number of students who are likely to walk to school and community members who are likely to utilize other amenities provided by the school.

Guiding Principle J Summary

Table 20 summarizes the evaluation for Guiding Principle J: Integrate Westside Elementary School and future new schools as key community places.

Table 20. Alternatives Evaluation - Guiding Principle J: Integrate Westside Elementary School and future new schools as key community places.

| | Base Case Scenario | Moderate Scenario | Strong Scenario |
|---------------------|---|-------------------|-----------------|
| Westside Elementary | ++ | +++ | +++ |
| Future School Site | ++ | +++ | +++ |
| Overall | ++ | +++ | +++ |
| Notes | More varied housing types and higher residential density in the Moderate and Strong scenarios provide opportunities for the schools to serve more students locally who can walk/bike. | | |

Guiding Principle K. Promote human-scaled building designs

Human scaled buildings and urban form are an important element of a walkable and healthy community. Large parking lots, blank walls or fences, wide streets with narrow sidewalks and no trees are all elements that detract from a human-scale, and result in an environment that is boring or intimidating and unsafe to a pedestrian.

The vision for the Westside Area is of a walkable and human-scale community. This will be accomplished by:

- Great neighborhood design that provide appropriately sized sidewalks and pedestrian connections, visually interesting, high quality and well-designed homes.
- Site design of parks and commercial areas that are visually interesting and walkable.

It is difficult to quantify the degree to which these qualities are likely to differ in the scenarios analyzed here. However, some general principles stand:

- Large-lot homes with homes set far back from the street or with dominant garages reduce visual interest and the benefits to a community of “eyes on the street or informal social connections and neighborhood monitoring.”
- Multifamily structures are expected to be predominantly in the form of two to three-story garden-style apartments. With sensible design regulations, these buildings can be very human-scaled and compatible with adjacent development.

Guiding Principle K Summary

Table 21 summarizes the evaluation for Guiding Principle K: Promote human-scaled building designs

Table 21. Alternatives Evaluation - Guiding Principle K: Promote human-scaled building designs

| | Base Case Scenario | Moderate Scenario | Strong Scenario |
|---------|---|-------------------|-----------------|
| OVERALL | ++ | ++ | ++ |
| Notes | Human-scale design can be achieved in any of these scenarios. | | |

Guiding Principle L. Plan for efficient water, sewer and storm water infrastructure, utilizing green practices for storm water management.

The Westside Area will have efficient water, sewer, and storm water infrastructure. Green practices for storm water management will be part of the Concept Plan. These details will be examined after the creation of a preferred scenario.

Guiding Principle L Summary

Table 22 summarizes the evaluation for Guiding Principle L: Plan for efficient water, sewer and storm water infrastructure, utilizing green practices for storm water management.

Table 22. Alternatives Evaluation - Guiding Principle L: Plan for efficient water, sewer and storm water infrastructure, utilizing green practices for storm water management.

| | Base Case Scenario | Moderate Scenario | Strong Scenario |
|--------------------------|--|-------------------|-----------------|
| Efficient Infrastructure | ++ | ++ | ++ |
| OVERALL | ++ | ++ | ++ |
| Notes | Infrastructure plan will be created after the selection of a preferred scenario. | | |

Guiding Principle M. Provide a realistic infrastructure funding strategy

The infrastructure funding strategy will be prepared after the creation of the preferred scenario. However, generally speaking the burden of infrastructure cost will be lower per household as there are a larger number of households sharing the cost. A separate technical memorandum - “Funding Review and Funding Toolkit” examines these issues more closely.

Guiding Principle M Summary

Table 23 summarizes the evaluation for Guiding Principle M: Provide a realistic infrastructure funding strategy.

Table 23. Alternatives Evaluation – Guiding Principle M: Provide a realistic infrastructure funding strategy.

| | Base Case Scenario | Moderate Scenario | Strong Scenario |
|---------------------|---|-------------------|-----------------|
| Guiding Principle M | ++ | ++ | ++ |
| Notes | Overall, the burden of SDCs may be lower as an increased number of households share the cost. However, this is subject to the creation of a detailed infrastructure funding plan. | | |

Evaluation Summary

Table 24 below summarizes the results of the land use scenarios described in Chapter 5.

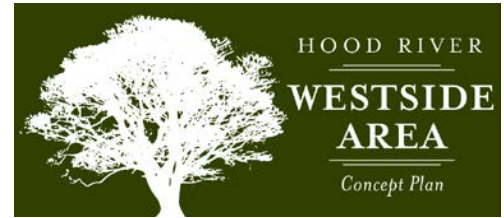
Table 24. *Alternative Analysis Summary of Guiding Principles*

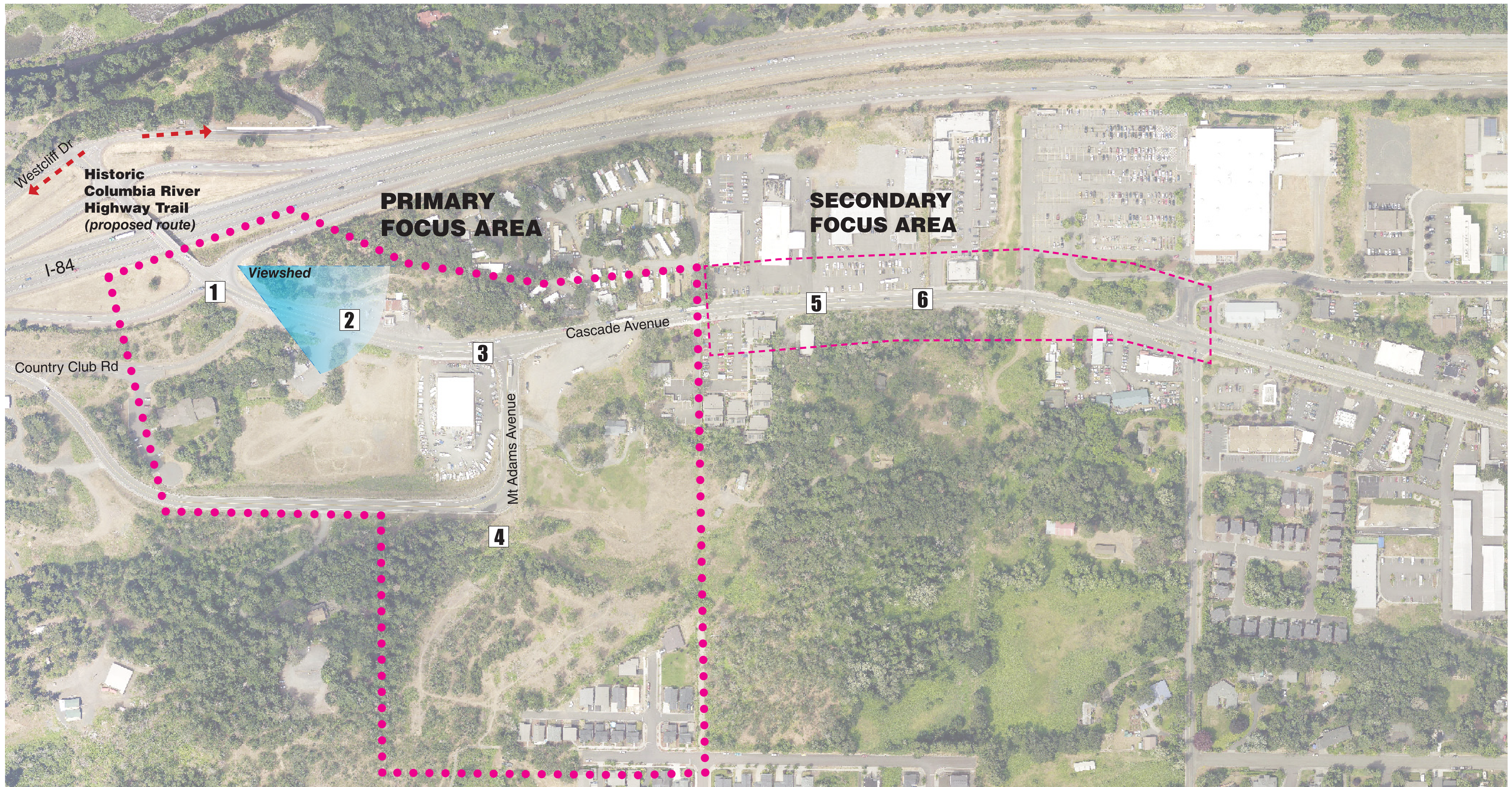
| Guiding Principle | Base Case | Moderate Scenario | Strong Scenario |
|---|--------------------|--------------------|---------------------|
| <i>A. Create livable neighborhoods that make good use of the Westside's limited land supply.</i> | + | ++ | +++ |
| <i>B. Create well-planned and commercially successful mixed-use districts in the Westside gateway area.</i> | ++ | +++ | +++ |
| <i>C. Create a plan that works for all ages and abilities of the community.</i> | ++ | ++ | +++ |
| <i>D. Provide a range of densities and housing types, increasing affordable housing choices in Hood River.</i> | + | ++ | +++ |
| <i>E. Incorporate natural features and a sense of place into each neighborhood and district.</i> | ++ | +++ | +++ |
| <i>F. Include open space and parks integrated in neighborhoods.</i> | ++ | ++ | ++ |
| <i>G. Provide a connected transportation network with walkable, bike-friendly and green streets.</i> | ++ | ++ | +++ |
| <i>H. Promote active and healthy living through community design.</i> | +++ | +++ | +++ |
| <i>I. Plan land uses and transportation facilities so the area may be served by fixed route transit in the future.</i> | + | ++ | +++ |
| <i>J. Integrate Westside Elementary School and future new schools as key community places.</i> | ++ | +++ | +++ |
| <i>K. Promote human-scaled building designs.</i> | ++ | ++ | ++ |
| <i>L. Plan for efficient water, sewer and storm water infrastructure, utilizing green practices for storm water management.</i> | ++ | ++ | ++ |
| <i>M. Provide a realistic infrastructure funding strategy.</i> | ++ | ++ | ++ |
| TOTAL⁶ | ++ (24) | ++ (30) | +++ (35) |

⁶ This total is provided for informational purposes only. The evaluation is not intended as a scoring system, but rather a guide to discussion and identification of the best elements of the scenarios.

Appendix A:

Cascade Avenue Gateway





1 Offramp intersection with Cascade Ave. features a prominent 76 gas station sign and nothing to mark that a traveler is entering Hood River



2 Cascade Avenue itself is auto-oriented, with another gas station sign, a billboard and no pedestrian or bicycle facilities. Commercial property frontage is not well-defined.



3 Intersection with Mt Adams is auto-dominated, without crosswalks and adjacent storage properties not screened. Mature pines provide some landscape character.



4 Mt Adams looking south could be a memorable introduction to West Hood River, if the 'wall' of mature pine trees can be retained and adjoining commercial properties screened with landscape.



5 Cascade Avenue has intermittent sidewalks and unscreened parking lots, making the district feel automobile-dominated.



6 Cascade Avenue east of Mt Adams features intermittent sidewalks and street trees. Vegetation on south edge will likely be replaced with future development.

Consider design of overpass to act as Gateway (with future overpass renovation)

Add wayfinding and identity signs for HCRH Trail

Move/remove/screen 76 station sign

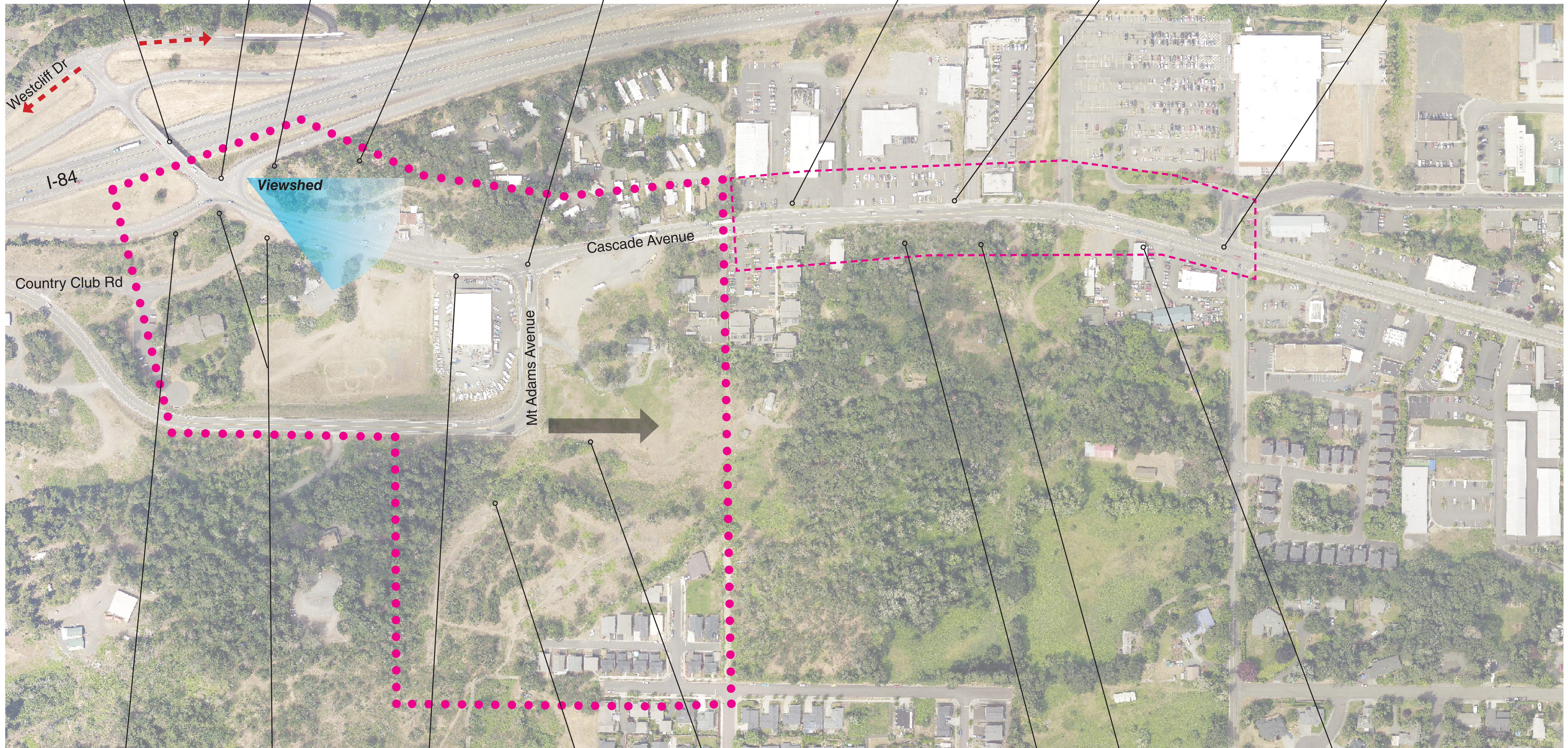
Restore Crag Rats cabin (public access?)

New Cascade Ave landscape and intersection at Mt Adams could include landscape and public art and serve as gateway

Screen commercial properties with landscape

Improve commercial frontage

Add pedestrian crossings



Basalt cliffs here and north of Cascade provide a visual reminder of local landscape character

Add gateway/welcome/info plaza. Incorporate historic masonry walls and native plants where possible.

Improve pedestrian and bicycle facilities (12' multi-use path proposed) and commercial screening.

Retain pine and fir trees if possible to provide natural transition into new neighborhood

Future Wine Country extension can also serve as entry to neighborhood, include pedestrian amenities

Future buildings should be located close to Cascade, with parking in rear

Retain natural vegetation in future development (?)

Improve commercial frontage, potential to add street trees

****NOTE: Intersection treatment alternatives will be evaluated if certain cost and minimizing impact thresholds are feasible.**



GATEWAY RECOMMENDATIONS



****NOTE: Intersection treatment alternatives will be evaluated if certain cost and minimizing impact thresholds are feasible.**



GATEWAY RECOMMENDATIONS

Appendix B:

Park Need Methodology



Memorandum



2/7/2017

To: Project Management Team
Cc: Mark Hickok, Parks District
From: Joe Dills and Andrew Parish, Angelo Planning Group
Re: Westside Area Park Need Methodology

PURPOSE

The purpose of this memorandum is to document the methodology for estimating the amount of needed parks, trails, and other open space as part of the Westside Area Concept Plan alternatives. This outline was originally a starting point for discussions with the project management team, committees, and stakeholders, and has evolved during the preparation of the Westside Concept Plan Alternatives.

PRECEDENTS

The City of Independence parks master plan provides a good starting point, as it was completed recently and included review of several other Oregon jurisdictions. The adopted parks master plan can be found online here: <http://www.ci.independence.or.us/recreation/parks-master-plan-update>

Until 1996, the National Recreation and Parks Association (NRPA) established standards for park planning at roughly 10 acres of parkland per 1,000 residents, broken down specific park categories as shown in Table 1 in the following section.

Current best practice is a much more detailed look at park facility needs, taking into account the types of facilities available at various parks, community needs, and the spatial distribution thereof.

RECOMMENDED METHODOLOGY

The following methodology for establishing an estimate for park need in the Westside area was used as a starting point in the alternatives evaluation.

Step 1: Inventory of existing population and parks facilities

- Conducted inventory of existing residences within Study Area (aerial photography review completed by Kevin Liburdy and Andrew Parish)
- Extrapolate total population of alternatives
 - **Base case:** 1,186 New Dwelling Units = 2,834 New Residents + 1,290 Existing Residents
= 4,125 Total Residents

- **Scenario B:** 1,650 New Dwelling Units = 3,943 New Residents + 1,290 Existing Residents = 5,234 Total Residents
- **Scenario C:** 2,400 New Dwelling Units = 5,736 New Residents + 1,290 Existing Residents = 7,026 Total Residents
- Examine existing park facilities within the study area and nearby, and comment on how/if they serve the Westside Area.

Step 2: Quantitative Evaluation

- Use 1996 NRPA standards as a starting point to evaluate a rough acreage need for park land within the Westside Area (see Table 1 below).
- Determine what range of park types should be planned for in the Westside Area Concept Plan. The project team concluded that mini-parks are a site-specific need for specific land uses like apartments, not a general need for the plan; neighborhood parks are appropriate and important within walkable distances of all neighborhoods; a community park appears needed and there should be flexibility in location – the park previously studied adjacent to Fairview Drive is a possible candidate to fill this need.

Table 1. 1996 NRPA Standards applied to Hood River UGB Population

| | NRPA Level of Service Benchmark | NRPA standard applied to current Hood River UGB population (9,317 in 2015) | NRPA standard applied to future Hood River UGB population (13,845 in 2035) |
|------------------------|---------------------------------|--|--|
| Mini-park ¹ | .25-.5 acres / 1,000 | 2.3 – 4.6 acres | 3.5 - 6.9 acres |
| Neighborhood Park | 1.0 – 2.0 acres / 1,000 | 9.3 – 18.6 acres | 13.8 – 27.6 acres |
| Community Park | 5.0 – 8.0 acres / 1,000 | 46.6 – 74.5 acres | 69.2 - 110.7 acres |

Source: adapted from Section X, Figure 2 in City of Independence Parks Master Plan

The above park need applied to the population of the Westside Area is shown below.

Base case: 4,141 Total Residents

- Mini-park need: 1.0 Acres – 2.1 Acres
- Neighborhood Park Need: 4.1 Acres – 8.3 Acres
- Community Park need: 20.5 Acres – 32.8 Acres

Scenario B: 4,614 Total Residents

- Mini-park need: 1.3 Acres – 2.6 Acres
- Neighborhood Park Need: 5.3 Acres – 10.5 Acres

¹ “Mini Parks” are often managed by property owners or home owners associations, and are not a favored type of park from the perspective of the Parks and Recreation District. Information regarding mini parks are included in this memorandum, but their role in the Westside Area is subject to further discussion and evaluation.

- Community Park need: 26.5 Acres – 41.9 Acres

Scenario C: 5,491 Total Residents

- Mini-park need: 1.6 Acres – 3.5 Acres
- Neighborhood Park Need: 7.0 Acres – 14.1 Acres
- Community Park need: 35.1 Acres – 56.2 Acres

Step 3: Qualitative Evaluation

- Using GIS, APG determined the locational deficiencies of parkland within/nearby the Westside Area, using the following categories:
 - Mini Parks – a ¼ to 1/2-acre mini park (if deemed appropriate for the Westside Area) should be located every ¼ mile.
 - Neighborhood Park – a 2-3 acre neighborhood park should be located roughly every ½ mile in central locations.
 - Community Park – a 20-50-acre community park (if deemed appropriate for the Westside Area) should be located every two miles.

Step 4: Hybrid Approach

- Conduct a suitability analysis using information learned in Steps 2 and 3, along with land uses, zoning, and natural conditions. This led to the rough “target areas” for parks identified in the Alternatives Analysis.
- Match the rough acreage requirements from Step 2 with the “park-sheds” from Step 3 will yield a map of suitable locations and sizes for these facilities, to be refined through discussions with stakeholders.

Step 5: Additional Needs

- Trails. There is existing public easement for the Westside Community Trail. The team sought guidance from the Parks & Recreation District regarding the amount of land for trails to assume for the Westside Area.

Step 6: Evaluate land use alternatives

The overall park and open space concept is that a connected system of open space be created through coordinated planning of the following elements:

- Up to three new neighborhood parks to serve the Westside Area (see below and Appendix B).
- A new community park to serve the area, located either directly adjacent to the current UGB or within the current UGB.
- Open space at the future school site west of 30th Avenue.
- A riparian corridor adjacent to Henderson Creek, preliminarily sized at 25 feet on either side of the creek. This may be a good location for an off-street walking path or multi-use trail.
- Retention of tree groves throughout the project area as much as practical.

- Limited development of terraced areas that are 25% slope and greater, except where needed for street connections and pedestrian connections, resulting in a network of public and private open spaces that can benefit birds and wildlife.
- Trail corridors.
- Open space tracts that are designed as part of Planned Unit Developments, higher density and mixed-use projects, and community gathering spaces.

Inclusion of more park land, and especially a community park, will affect the capacity of the Westside Area to meet other needs such as housing. The trade-offs involved are discussed in the Alternatives Analysis Report.

On-going Coordination

As noted above, defining the parks need for the Westside Area is not solely a mathematical exercise. It has included, and should continue to include, on-going coordination and involvement such as:

- Input from participants in the Westside Area Planning Process
- Clear direction from the Parks District regarding what planning standards should be applied to determine need.
- Collaboration between the City, County, Parks District and School District on alternatives, issues and implementation
- Consideration of implementation: costs, funding sources, strategies for maintenance, etc.

DATE: February 3rd, 2017
TO: Joe Dills, Angelo Planning Group
FROM: ECONorthwest
SUBJECT: TECHNICAL MEMO 6: FUNDING REVIEW AND FUNDING TOOLKIT –REVIEW DRAFT

ECONorthwest (ECO) is part of a consulting team led by Angelo Planning Group (APG) that is proposing and evaluating land use concepts for Hood River’s Westside. This memorandum documents existing and potential funding tools and programs that could be used to fund the infrastructure necessary to implement the Draft Westside Concept Plan while providing workforce and affordable housing. It describes and discusses funding tools that can be used for water, sanitary sewer, storm water, transportation and parks. It also provides estimates of the Systems Development Charge (or SDC) revenues that can be generated from new development in the study area, and used to fund infrastructure.

This technical memorandum is an initial draft, and does not yet consider infrastructure costs. Once infrastructure costs are determined through the larger Westside Concept Plan process, ECONorthwest will update this memorandum to provide a high-level gap analysis of funding revenues and costs for needed infrastructure to accommodate development in the study area and recommended amendments to the City’s existing cost sharing methods. In this iteration, the memorandum’s purpose is to set the stage for later discussions regarding funding implementation.

Approach

This memorandum begins by describing the funding tools, identified in the project Scope of Work and amended through conversations with City and County staff, that could be used to fund key infrastructure in the study area.

This memorandum also estimates water, wastewater, stormwater, transportation, and parks and recreation SDC revenues over the planning period by neighborhood and district for three scenarios. We use estimates of new construction identified in the West Area Concept Plan, provided by APG, and assume current SDC rates for all land uses. Because specific timing of development over the 20-year period is not forecasted, we estimate potential revenue at full-build out in the first year. As part of Task 4, Draft Westside Concept Plan Alternatives, Technical Memorandum 6 will document revenue sources and estimates for three alternative scenarios. ECONorthwest communicated with City and County staff to verify SDC rates and understand how SDC rates are applied in the study area.

This technical memorandum is about *funding*; when it is complete, it will identify funding sources and tools, compare them to costs, and identify gaps. While the terms “funding” and “financing” are often used interchangeably, there is an important distinction between the two concepts. Providing infrastructure costs money, and somebody has to pay those costs. The ultimate source of revenue for these costs is *funding*. Funding comes from households and

businesses that pay taxes and fees, non-profit contributors, or others that give at various levels to build and maintain the infrastructure. When the funds for the infrastructure costs are borrowed and paid back over time, then these costs have been *financed*. Financing plans are typically undertaken at the transition from planning to implementation, include cash flow analysis that details ability to repay debt over time with specific assumptions about borrowing capacity, interest rates, and other financing terms accounted for.

The analysis described in this technical memorandum reflects the City's desire to provide both market-rate and subsidized affordable housing and discusses the potential impact that any new fees, or changes in fees, assessed on new development will have on new housing prices.

Documentation of Funding Sources

This section describes the funding sources that could be used in the Westside Concept Plan area. The tools are organized in the following categories:

- **Existing funding tools.** These are tools the City of Hood River currently uses which could be applied in the Westside.
- **Potential new funding tools.** These are tools the City of Hood River does not currently use, but that are used in other communities in Oregon to fund the types of infrastructure considered in this analysis.
- **Infrequently used or challenging tools.** While technically possible, these tools are problematic and/or rarely used.

Existing funding tools

The City of Hood River has these tools in place, and could apply them in the Westside. They are: Systems Development Charges, Fuel Tax, Local Improvement District, Property Tax: bonds, and cost sharing.

System Development Charge

How it works

System Development Charges (SDCs) are one-time impact fees assessed on all new development for various types of infrastructure. They are intended to fund the increased capital costs incurred by a municipality or utility resulting from the infrastructure or other needs associated with new development. Local jurisdictions must adopt a method that complies with state statutes for calculating the charges that sets the fee to reflect the actual cost of the needed capital improvements to which the fee is related. The City of Hood River currently charges transportation, water, wastewater, and stormwater SDCs. Additionally, properties in Hood River must pay the County Parks and Recreation District's SDC.

What it can be used for

SDC revenue can be spent on projects specifically outlined in a master plan, capital improvement plan, or other similar plan to be funded by, or in-part by SDC revenue. The project list can be updated or modified.

SDC Revenue projections

ECONorthwest received estimates of new development in the study area over the planning period by neighborhood, by scenario from APG. The estimates included number of new single family attached units, single family detached units, and multifamily dwellings (including duplex and 3+ units). APG assumed ten units per non-duplex multifamily building. Using this information, ECONorthwest estimated SDC revenue by neighborhood for each scenario.

The City of Hood River currently charges four citywide SDCs: water, wastewater, stormwater, and transportation. Additionally, the City collects the Parks and Recreation SDC on behalf of the Parks and Recreation district. Key assumptions about each SDC are below:

- **Water.** SDC is charged per water meter. City staff verified current rates. City provided ECONorthwest the following assumptions:
 - Single family units: 0.75" water meter per unit
 - Duplex: 0.75" water meter per unit
 - Multifamily units: 1.5" water meter per building
- **Wastewater.** SDC is charged per water meter. City staff verified current rates. Assumptions are the same as for the water SDC.
- **Stormwater.** The SDC is charged per equivalent residential unit (ERU). City staff verified current rates.¹
- **Transportation.** SDC is charged per unit. City staff verified current rates. ECONorthwest assumes:
 - Single family detached units: charged single family rate per unit
 - Single family attached units: charged residential townhome/plex rate per unit
 - Duplex units: charged residential townhome/plex rate per unit
 - Multifamily units: charged multifamily rate per unit
- **Parks and Recreation.** SDC is charged per unit. Parks and Recreation staff verified current rates. Parks and Recreation staff provided the following ECONorthwest assumptions:
 - Single family units: charged single family rate per unit
 - Duplex units: charged multifamily rate per unit

¹ City staff confirmed one ERU is equal to one single family unit and one multifamily building.

- Multifamily units: charged multifamily rate per unit

In coordination with City, County, and project staff, ECONorthwest also used the following assumptions:

- The study area boundary is completely within the Hood River Urban Growth Boundary. However, part of the study area is outside of the current City limits. ECONorthwest discussed timing of annexation with City and County staff, who agreed that ECONorthwest should assume properties will be annexed at the time of development, and therefore will pay all City SDCs.^{2,3}
- In most cases, development does not occur at the maximum amount of zoned capacity. To account for this and ensure that assumptions are not an over estimate, ECONorthwest assumes that development will achieve 80% of zoned capacity. This assumption is consistent with assumptions in the City’s Housing Needs Analysis.

Exhibit 1 and Exhibit 2 show SDC revenue generated over the study period in the study area. Total SDC revenue in the strong scenario (\$16.6 million) is 72% higher than in the base scenario (\$9.6 million). Corresponding per-unit costs are lower in the stronger growth scenarios, due to the larger share of multifamily units which generally pay somewhat lower SDCs.

Exhibit 1. SDC Revenue (2016\$), Westside Area, All Scenarios

| | Base | Moderate | Strong |
|---------------------------------|---------------------|----------------------|----------------------|
| City SDCs | | | |
| Water | \$ 3,316,163 | \$ 4,006,712 | \$ 5,398,490 |
| Wastewater | \$ 1,491,594 | \$ 1,802,040 | \$ 2,427,940 |
| Stormwater | \$ 537,263 | \$ 590,342 | \$ 775,232 |
| Transportation | \$ 1,533,745 | \$ 2,056,174 | \$ 2,841,742 |
| Total | \$ 6,878,764 | \$ 8,455,268 | \$ 11,443,404 |
| Parks and Recreation SDC | \$ 2,681,931 | \$ 3,608,099 | \$ 5,008,424 |
| Total SDC Revenue | \$ 9,560,696 | \$ 12,063,367 | \$ 16,451,827 |

Source: Angelo Planning Group, City of Hood River, Hood River Parks and Recreation. Calculated by ECONorthwest.

Exhibit 2. SDC Revenue per Unit (2016\$), Westside Area, All Scenarios

| | Base | Moderate | Strong |
|-----------------------------|--------------------|---------------------|---------------------|
| Total SDC Revenue | \$9,560,696 | \$12,063,367 | \$16,451,827 |
| New Units | 907 | 1,314 | 1,854 |
| Average SDC per unit | \$ 10,545 | \$ 9,184 | \$ 8,872 |

² There is a future 20-unit subdivision in the southeastern portion of the study area that will not pay City Water SDCs if constructed because it will be served by the Ice Fountain Water District (IFWD). In addition, the City is processing an annexation application for a nearby parcel that is likely to result in an 18-unit PUD that will be served by IFWD and will not pay City Water SDCs.

³ Some properties in the western portion of the study area are part of the Frankton Sewer LID and are not contiguous to the city limits, and may only pay the City Sewer SDC upon development (ranging from 67 to 149 units depending on scenario) if annexation is not feasible.

Source: Angelo Planning Group, City of Hood River, Hood River Parks and Recreation. Calculated by ECONorthwest.

Exhibit 3 shows SDC revenue generated by neighborhood/district for all scenarios. In all scenarios, the Upper Terrace Neighborhood will generate the most SDC revenue. Residential development is not assumed in the West Cascade District. The Country Club Avenue District will have larger-site commercial and light industrial uses, but also includes a limited amount of residential land and therefore limited SDCs from residential development are anticipated.

Exhibit 3. SDC Revenue by Neighborhood/District (2016\$), Westside Area, All Scenarios

| | Base | Moderate | Strong |
|--------------------------|--------------|---------------|---------------|
| Middle Terrace | \$ 2,370,700 | \$ 3,097,377 | \$ 3,965,342 |
| Upper Terrace | \$ 4,405,964 | \$ 5,119,316 | \$ 7,218,049 |
| West | \$ 2,722,436 | \$ 3,761,608 | \$ 5,141,640 |
| West Cascade Ave | \$ - | \$ - | \$ - |
| Country Club | \$ 61,596 | \$ 85,067 | \$ 126,796 |
| Total SDC Revenue | \$ 9,560,696 | \$ 12,063,367 | \$ 16,451,827 |

Source: Angelo Planning Group, City of Hood River, Hood River Parks and Recreation. Calculated by ECONorthwest.

Key considerations

SDCs are paid by developers when they obtain permits, and contribute to a pool of SDCs that are then used to pay for approved projects across the City. Understanding immediate capacity to pay for the necessary up-front capital investment in infrastructure in the study area therefore requires an understanding both of the amount of revenue generated in the study area *and* the available city-wide SDCs.

Development fees can affect the financial feasibility of development, because they increase the costs of construction for developers. See section 3 below for further explanation.

Local Fuel Tax

How it works

A fuel tax is on the sale of gasoline and other fuels, levied as a fixed dollar amount per gallon. The City of Hood River currently has a three-cent per gallon gas tax that generates about \$300,000 in revenue annually, but the City could increase the tax amount by a public vote (ORS 319.950).

What it can be used for

Local fuel tax revenue can be spent on the same types of projects as the state’s fuel tax revenue: “exclusively for the construction, reconstruction, improvement, repair, maintenance, operation and use of public highways, roads, streets and roadside rest areas” (Oregon Constitution, Article IX, Section 3a).

Key considerations

Local fuel taxes in Oregon range from one cent to five cents per gallon, averaging 2.6 cents (not including the City of Portland’s new 10 cent fuel tax). Only three cities, Warrenton, Woodburn,

and Portland have fuel taxes over three cents. Increasing Hood River’s fuel tax would make it one of the highest in the state. Because the City already has a local fuel tax, it would be relatively easy to administer citywide. However, passing a citywide fuel tax would be politically challenging if revenues were only spent on one area in the City. To pass, revenue would likely need to be spent on projects throughout the City, decreasing the revenue available for infrastructure in the study area.

Transient Room Tax

How it works

A transient lodging tax is a fee charged to customers for overnight lodging, generally for periods of less than 30 consecutive days. The fee is a percentage of lodging charges incurred by the customer, though some jurisdictions levy a fee per room night. Typical tax rates range between 3% and 9%. These local tax rates are in addition to the State transient lodging tax of 1%. The City of Hood River’s Transient Room Tax is currently 8%.

What it can be used for

Although local jurisdictions use transient lodging tax revenues to fund a wide variety of programs, the State enacted new legislation in 2003 that requires new or increased local transient lodging taxes to dedicate at least 70% of net revenue to fund tourism promotion or tourism-related activities. This significantly limits the amount of revenue that could be used for infrastructure from a transient lodging tax.

Key considerations

This tool requires a more detailed cost-benefit analysis. Because Hood River already has a transient lodging tax, an increased tax would be easy to administer. Revenue generation would likely be high, as Hood River’s has a large tourist economy. However, limited funding could be used for infrastructure in the study area. Additionally, it may be politically challenging to implement, as the tax is currently relatively high.

Local Improvement District (LID)

How it works

An LID is a special assessment district where property owners are assessed a fee to pay for capital improvements, such as streetscape enhancements, underground utilities, or shared open space. LIDs must be supported by a majority of affected property owners.

What it can be used for

City Code states that “street, water, sewer, sidewalk, stormwater, or other local improvement” LIDs are permitted.

Key considerations

The City of Hood River has municipal code that guides use of LIDs, and has used LIDs in the past. LIDs are often used for greenfield developments with relatively few property owners who can pay in proportion to their benefit.

An LID is a good mechanism for gathering contributions from key willing property owners who must have infrastructure for development to occur and will therefore benefit from their own investment.

Property Tax: Bonds

How it works

There are two major types of bonds: General Obligation (GO) Bonds and revenue bonds. In Oregon, both are commonly levied against municipal property taxes, though revenue bonds can be levied against any steady stream of public tax revenue. The funding source is therefore the property tax.

- GO bonds: Local property taxes are committed to pay debt service on a city-issued GO Bond. GO bond levies typically last for 15 to 30 years for capital projects, and must be approved by a public vote. The effective property tax levied to support GO bond obligations can vary over time, based on the total assessed value of property within the jurisdiction that issued the bonds and the scheduled GO bond payment obligations.
- Revenue bonds: City-issued revenue bonds are used to finance revenue-generating projects. Income from the projects pay debt service on the revenue bonds. The City of Hood River currently has various mechanisms to share costs for infrastructure improvements with affected property owners. Municipal Code Chapter 3.16 established a special revolving fund to pay for improvements and established procedures for alternate financing and loans.

What it can be used for

GO and revenue bonds can be used for all types of infrastructure in this analysis.

Key considerations

GO bonds require a public vote. Therefore, they are typically only used for projects that benefit all voters in a community. For this reason, revenue bonds may be more appropriate for infrastructure in the study area.

Utility Fee

How it works

A utility fee is a fee assessed to all businesses and households in the jurisdiction for use of specified types of infrastructure or public utilities, based on the amount of use (either measured or estimated). A utility fee can be applied citywide or in a smaller area within a city. The City of Hood River currently has a monthly stormwater utility fee, for maintenance and repair of the stormwater system.

What it can be used for

Utility fees are common practice for a wide-range of services, including garbage, water, electricity, and other traditional utilities. In recent years, municipalities have become more creative in defining “utilities” to include other types of infrastructure like street lighting,

transportation maintenance, and emergency services (both capital projects and operations and maintenance). Several other Oregon Communities have used utility fees to fund infrastructure and public works investments. Oregon City, for example, used a temporary monthly utility fee to fund a new public safety building, and Lake Oswego has a street maintenance utility fee.

Key considerations

Utility fees are increasingly used to fund infrastructure projects.

Often, utility fee methodologies involve tradeoffs between fairness and simplicity, where the simplest fee structures may not do a great job of fairly allocating costs, and improving the fairness of the methodology may increase the complexity, making it more difficult to administer and understand.

Partnerships: Cost-Sharing

How it works

The City of Hood River currently uses cost-sharing agreements to leverage funding from various public and private partners. A recent example is the cost-sharing for the traffic signal improvement at the intersection of Cascade Avenue and Rand Road, between the City and private developers. The agreement requires developers to pay their proportionate share of the improvements, based on number of PM peak-hour trips generated.

Other examples of cost-sharing include public private development deals (cost sharing with private developers), local improvement districts (cost sharing with property owners), and any number of possible configurations of intergovernmental agreements (cost sharing with other government entities).

What it can be used for

Cost sharing can be used for all types of infrastructure in this analysis, provided that there is a willing partner who also benefits from the infrastructure investments.

Key considerations

Cost sharing mechanisms require partnerships. There must be a willing partner, who also benefits from improvements to infrastructure, to begin to discuss cost sharing approaches. Typically, these are negotiated on an ad-hoc basis and are specific to a particular infrastructure investment.

The City has existing cost-sharing agreements in place with the Oregon Department of Transportation (ODOT) and other developers for some intersections in the Westside Concept Plan area. When infrastructure costs are determined in future phases, the Westside Area Concept Plan should consider changes to existing cost sharing methodologies to fill the funding gap.

Potential New Funding Tools for the Westside Concept Plan Area

The City may need to explore additional tools, beyond those that are already available, to fill gaps in the Westside Concept Plan Area. This subsection describes sole source SDCs, supplemental SDCs, urban renewal, utility fees, and special service districts as tools that could be considered. Some of these tools (like urban renewal) are in use in other parts of the City of Hood River, but would require additional policy action to be used in the Westside Concept Plan Area.

Sole Source SDC

How it works

SDC's are one-time fees based on proposed new use or increase in use of a property. Sole Source SDCs retains SDCs paid by developers within the limited geographic area that directly benefits from new development.

What it can be used for

Sole Source SDCs can only be spent on new development in the geographic area in which it is collected. The revenue is allocated separately from Citywide SDCs.

Key considerations

Sole Source SDCs can be administratively challenging to implement and manage, but they do ensure that revenues collected in an area are used in that area, and for that reason can sometimes be more acceptable to engaged property owners and developers.

Supplemental SDC

How it works

Supplemental SDCs are additional SDCs charged on a specific sub-area of a city and are supplemental to the city's existing SDC. Sometimes, supplemental SDCs are charged only in certain geographies (supplemental SDCs charged in a sole source SDC area).

What it can be used for

Supplemental SDCs can only be spent on new development in the geographic area in which it is collected. They are allocated separately from Citywide SDCs.

Key considerations

Supplemental SDCs can be administratively challenging to implement and manage, but can they do ensure that property owners pay in proportion to their benefit.

Urban Renewal

How it works

Tax increment finance revenues are generated by the increase in total assessed value in an urban renewal district from the time the district is first established. The governing body, usually acting on the recommendation of Technical and Advisory Committees, creates an urban

renewal district with specific boundaries and identities improvements to be funded within the district. Bonds may be issued to fund improvements. As property values increase in the district, the increase in total property taxes (e.g., city, county, school portions) is used to pay off the bonds. When the bonds are paid off, the entire valuation is returned to the general property tax rolls.

What it can be used for

Urban renewal funds can be invested in the form of low-interest loans and/or grants for a variety of capital investments in blighted areas: redevelopment projects, economic development strategies, streetscape improvements, land assembly, transportation enhancements, historic preservation projects, and parks and open spaces.

Key considerations

The City of Hood River already has three urban renewal areas (none of which overlap the study area), and therefore may be approaching statutory limits on the amount of area that can be in a URA at any given time. This would require investigation. Further, URAs can be politically challenging to implement, as they divert revenues that would otherwise flow to overlapping service providers who must nonetheless serve new development inside the URA boundary. However, they are powerful funding / financing mechanisms that are designed to support investments in infrastructure that are needed to allow redevelopment to occur.

Special Service District

How it works

A special service district can take several forms in Oregon, but in general, they use property taxes, service fees, or a combination of the two to finance infrastructure or other investments. Parks districts, fire districts, and county service districts are examples. A boundary for a potential special service district would need to be evaluated. Hood River Valley Parks and Recreation District is a special service district. Another example is in the North Bethany area of Washington County, where a new County Service District was put in place to fund infrastructure investments to support development.

What it can be used for

Except in limited circumstances, special service districts are typically used to fund specific types of infrastructure (such as schools, or parks) rather than multiple types. They are also typically used for entire cities or larger geographic areas, rather than subareas.

Key considerations

Implementing a special service district would require more analysis to determine (1) which segment of infrastructure should be funded with a special service district, and (2) the impact on the overall property tax rate.

A special service district would be politically challenging to implement in a subarea of the City.

Infrequently used or challenging tools

The following tools are technically possible but are problematic and/or rarely used for a variety of reasons.

- **Income Tax.** An income tax is a tax on income, typically calculated as a surcharge on state income tax. Could apply to people, corporations, or both. Relatively low rates (1-3%) have potential to generate substantial levels of revenue. Local income taxes are politically challenging to implement and difficult to administer, while possible, are very rarely used.
- **Sales Tax.** A tax on retail sales, typically added to the price at the point of sale. Sales taxes are generally considered regressive because low-income people pay a higher percentage of their income than high-income people. There is no state sales tax in Oregon, but local governments could adopt a local sales tax. Essential goods like food, medicine, and housing are typically exempt from a sales tax. There is low likelihood of political acceptability for adopting a sales tax to fund growth.
- **Payroll tax.** A tax on wages and salaries paid by employers or by employees as a payroll deduction. A payroll tax generates revenue from people who work inside, but live outside of the area in which the tax is applied. Low rates (<1%) have potential to generate substantial levels of revenue. A local payroll tax can be administratively challenging. The City of Hood River does not currently have the facilities or infrastructure to implement it.
- **Income Tax Sequestration.** A variation on a local income tax is income tax sequestration. This concept identifies some group of income tax payers and diverts some or all state income tax revenues to a specific project. There is currently no State-sanctioned program in Oregon that would allow income tax sequestration, so a new program would need to be created.
- **Construction Excise Tax.** A tax levied on the value of new construction. Only school district and affordable housing related projects can be funded from Construction Excise Tax revenue. Hood River County School District currently implements a construction excise tax paid in association with building permits. Hood River County is also leading a discussion of implementing a construction tax for affordable housing.
- **Permit/Record Surcharge.** A fee charged to property owners for new construction, additions, or remodeling property. The amount of the building permit fee typically depends on the value of the construction. This source typically generates very limited amounts of funding.
- **Business License Fee.** A fee charged on businesses. There are a variety of ways that jurisdictions could choose to charge fees on businesses, including a one-time fee, to an annual fee based on sales, number of employees, size of building, amount of parking, or other factors. License fees can apply to all businesses or only certain businesses such as automobile dealers or service stations. A business license fee would generate limited

amounts of funding. Additionally, a Citywide business license fee has no direct connection to the benefits received by infrastructure in the study area.

Impact of development charges/fees on housing affordability

Affordability of housing in Hood River is an increasingly important issue, and the City is interested in finding as many avenues to address housing affordability as possible. Fees charged on new development (such as systems development charges or other fees) increase the cost of development. The City asked ECONorthwest to consider this relationship and its impacts on housing affordability in this analysis.

Theoretically, increased fees on new development are passed on to future homebuyers, and increase housing price for those homes. The actual relationship between new fees and housing prices, however, is less direct.

It is a common misconception that developers “set the price” of new development to cover costs and profit margins. However much they would like to, developers cannot control how much a homebuyer is willing or able to pay for a new home, and cannot control the price of the competing supply that is available in our free market housing system. They cannot simply increase the sale price to account for a new fee beyond what the market will otherwise bear.

The price of housing is determined no differently than any other good or service in a competitive market—it is established at an equilibrium between the quantity demanded and quantity supplied with similar size and features at a given market price. Thus, for development charges or fees to have an impact on the price of housing, it would need to affect either the demand for, or the supply of housing in the Hood River market.

Development fees and charges would not likely have any impact on housing demand (or the number of people needing to purchase a home and their willingness to pay for it). In other words, a development charge or fee on some homes in Hood River will not result in a change in the number of buyers looking to purchase homes in the Hood River area, nor the amount that those buyers are willing to pay for a given home with a given set of attributes.

Costs of production impact the supply curve, and therefore the market price of a good. For example, a developer will build a house on a vacant lot if the anticipated sales price of the home exceeds the anticipated development costs plus an acceptable rate of return on their capital. If the developer’s costs increase—for example, from the imposition of a new fee—then it would reduce their net operating income, and reduce the interest of financiers (banks) in underwriting the project. If a developer is not able to achieve a minimally acceptable operating income, they cannot build, and therefore decrease the supply of homes on the market. If the fee is the singular cause of this increase, then the fee could slow new development and result in supply constraints, which would then potentially have an impact on pricing in the entire market. In this way, new fees could theoretically increase housing pricing in Hood River’s market.

In the study area, if additional or higher SDCs are charged than in other parts of the City, and if there remains sufficient demand at a higher pricepoint needed to cover the full cost of production so that new development can occur, developers will charge a higher rent or sales price as a result of these fees. The impact of this increase could affect pricing in the entire market, as the new development in the study area serves as new “comps” for appraisals with competing supply.

While in these circumstances fees and SDCs can make a difference for development feasibility and unit pricing, they must be considered in context. It is important to note that while fees increase the costs of development, they are typically a smaller contributor to overall development feasibility than larger market forces such as achievable sales pricing or rents or labor and construction costs. To fully understand the degree of impact, the City would need to conduct analysis at the time that the development is moving forward, as markets change over time in ways that are very consequential.

Achieving a balance between supply of units and demand for those units (ensuring that new construction occurs at rates that match household formation and immigration) is the best strategy for slowing housing price increases. It is important to ensure that fees and SDCs are not creating a barrier to housing construction that could reduce needed supply. One way to keep fees lower, and reduce the likelihood of housing price impacts associated with fees, is to ensure that development is efficiently using available infrastructure and maximizing the investments of public dollars. These kinds of actions can mean that fees do not have to be increased, or can be spread over a larger total number of units.

Efforts like the one the City is undertaking in the Westside Concept Plan Area to ensure that infrastructure is comprehensively planned and that many units are sharing the infrastructure costs are best practice. If higher density scenarios do not also have higher infrastructure costs, then, on a per-unit basis, each individual unit will pay lower fees *and* more units will be added to the market relative to demand to help to slow price increases. From a pricing perspective, this is the best possible outcome.

The City may also want to consider additional tools for funding affordable housing in the study area. The City’s adopted Hood River Housing Strategy includes a wide range of tools that can be used for these purposes⁴. It includes three broad strategies: (1) Increase the efficiency of use of land within the Hood River UGB, (2) Regulate and manage secondary and short-term rental housing, and (3) Develop affordable housing. The third strategy lists many recommended actions, including to identify sources of funding to support government-subsidized affordable housing development (for example, TRT), develop a tax abatement program, and work with a nonprofit to develop a community land trust.

⁴ *Hood River Housing Strategy* (2015), ECONorthwest.

http://centralpt.com/upload/375/2015HousingStudy/19124_HoodRiverHousingStrategy2015Final.pdf

Next Steps

ECONorthwest will revise this draft technical memorandum based on comments from the PMT, TAC, and PAC.

At the current stage of this analysis, cost estimates for infrastructure are not yet available. When costs are estimated in Task 5 of the larger Westside Concept Plan process, ECONorthwest will update this memorandum to provide a high-level gap analysis of funding revenues and costs for needed off-site infrastructure and recommended amendments to the City's existing cost sharing methods. ECONorthwest will also lead an infrastructure funding work session in Hood River to discuss approaches to filling the gap. A concept plan level infrastructure strategy, including remaining issues to be resolved, will be included in the Preferred Alternative for Westside Concept Plan.

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