

City of Springfield
Work Meeting

MINUTES OF THE WORK SESSION MEETING OF
THE SPRINGFIELD PLANNING COMMISSION HELD
Tuesday, June 2, 2009

The City of Springfield Planning Commission met in Work Session in the Jesse Maine Meeting Room, 225 Fifth Street, Springfield, Oregon on **Tuesday, June 2, 2009, at 6 p.m.**, with Frank Cross as Springfield Planning Commission Chair.

ATTENDANCE

Present were Chair Frank Cross, Vice Chair Johnny Kirschenmann and Planning Commissioners Lee Beyer, Eric Smith, Steve Moe and Sean VanGordon. Also present were Development Service Director Bill Grile, Planning Manager Greg Mott, Planning Supervisor Linda Pauly, Administrative Specialist Brenda Jones, Gary Karp Planner III, Steve Hopkins Planner II, Mark Metzger Planner III, David Reesor Transportation Planner and Assistant City Attorney Mary Bridgette Smith.

ABSENT

- Sheri Moore – Excused absence

APPLICATIONS

- **Residential Land Needs Analysis: Identify options and opportunities for accommodating Springfield's needed housing density and mix for the 2010-2020 plan period.**

The preliminary results of Springfield's residential buildable land inventory and needs analysis indicate that over the 20-year plan period Springfield has a deficiency of land in all residential plan designations (low, medium and high density residential) to meet the need for 6,067 additional dwelling units. That deficit is particularly acute in the High Density Residential plan designation (HDR). Springfield has an existing capacity of HDR 325 housing units and a need for 910 units. This translates to approximately 99 acres of new HDR at 20 dwelling units per acre. The inventory and analysis assumes build-out of the allowed existing residential capacity as proposed and permitted in the Glenwood Riverfront Plan District, the RiverBend Master Plan area and the Marcola Meadows Master Plan area. The City previously designated and zoned these Nodal Development areas to provide land to meet the demand for multifamily housing within mixed-use districts.

Commissioner Frank Cross welcomed the Planning Commissioners and guest. He reminded staff that the meeting was a work session, so the Commission would not take any questions or testimony. Testimony would be heard at future meetings.

Planning Supervisor Linda Pauly introduced the topic, saying that Springfield had reached the point in its Buildable Lands Study, Housing Needs Analysis, and Urban Growth Boundary (UGB) Study where it was starting to see the results of the preliminary results of the buildable lands inventory. Staff had worked with the stakeholder group, Planning Commission, and City Council to create a set of land use efficiency measures to help the community achieve greater density within the UGB. The measures included placing more density in existing and new nodal development areas and increased density in the form of transit-oriented development along transit corridors.

Ms. Pauly requested commission discussion on the issues of how the community could achieve increased density along transit corridors and in existing high-density zones, and discussion on the idea of creating a new low-density residential district to accommodate attached housing in Springfield, which was a topic of interest to the City Council. Ms. Pauly noted that unlike other Oregon communities, Springfield had only one low-density residential district, which allowed for 0 to 10 units per acre; the medium-density zone allowed for 10 to 20 units per acre. The City was considering a new low-density zone to facilitate attached housing as an outright use. Ms. Lindy indicated that, if established, district would have an intermediate density range somewhere between 8 and 15 units per acre. Eight units per acre was considered a density level sufficient to support bus transit. She envisioned that the zoning district would be applied to new areas brought into the UGB.

Ms. Pauly reviewed some possible efficiency measures, which included infill design standards, reducing street width standards, adjusting solar setback requirements, and establishing maximum and minimum lot sizes in the low-density residential district. She said that staff felt those approaches had some potential, but they would require more collaborative neighborhood planning, which would take some time to accomplish.

Ms. Pauly emphasized the importance the council was placing on infill design standards and indicated that work had been scheduled for 2010. She acknowledged that some of the City's neighborhood refinement plans were very outdated and needed to be updated, and the City fully planned to update many of those plans, as well as do some additional corridor planning. She suggested that those projects efforts provided other opportunities for the City to consider areas where the new zoning district could be applied as a transition zone.

Referring to maps of the community mounted on the meeting room wall, Ms. Pauly noted the current location of Springfield's high- and medium density designations and suggested the commission also discuss whether to increase the maximum density in its existing high-density zones.

Commissioner Beyer asked if the reference to attached housing was to row housing. He pointed out that every corner in the city was zoned to allow tandem housing, and the City's cluster development provisions were fairly flexible. He also noted the City's small minimum lot size. Ms. Pauly said that staff's focus was on new neighborhoods with the idea that those new neighborhoods would be slightly denser than existing neighborhoods and allow more build out of the potential density for the districts than what the City was currently experiencing.

Commissioner Beyer asked about the average lot sizes in the Jasper node, adding they seemed small and tended to produce two-story houses. Ms. Pauly did not know, but Mr. Metzger indicated the development met the current minimum. He said the new zoning district had the potential of allowing the community to be more intentional about where it placed a mix of housing types in a neighborhood and could serve as a transition between MDR and HDR and traditional single-family neighborhoods and higher density neighborhoods.

Ms. Pauly provided commissioners with a PowerPoint presentation regarding the City's existing land supply and demand projections. She noted the annual demand for 300 dwelling units and indicated that demand would be met through the correct housing density type and mix. Commissioners asked questions clarifying the information presented.

Ms. Pauly asked the invited guests to join the commission for a roundtable discussion. The commission was joined by Kent Jennings, Laura Potter, Anne Delaney, Greg Pitts, Sandy Halonan, and Phillip Farrington.

Seating Chart for PC Work Session

Lee Beyer	Steve Moe	Linda Pauly	Johnny Kirschenman	Sean VanGordon	Eric Smith	
						Frank Cross
Laura Potter	. NEDCO	Kent Jennings	Anne Delaney	Greg Pitts		Phillip Farrington

Commissioner Beyer recalled hearing a presentation from Stu Burge on the difficulty of high density development due to the costs involved in going above three stories. He noted the local high density developments done by St. Vincent de Paul, which were subsidized developments. Mr. Jennings suggested that the market rate functions that could make such development work were a function of density and demand. He said that Eugene-Springfield was about 260,000 short of the population needed for the urban models many talked about. In his experience, Eugene and Springfield wanted to be like parts of Portland, Portland wanted to be like parts of Seattle, and Seattle probably wanted to be like Vancouver, BC.

The guests introduced themselves and briefly noted their experience with the issue of density.

Ms. Potter, representing the Lane County Homebuilders Association, said local builders who constructed high density successfully were doing it near the University of Oregon, where they could charge very high rents.

Ms. Halonan, representing NEDCO, said her organization was focused on single-family housing and some relatively high-density developments, including a project in downtown Springfield.

Mr. Jennings, a long-time property manager and co-owner of Jennings Pitts Development, noted his experience in local multi-family construction, which included seven medium- to high-density projects, including West Town on 8th in Eugene.

Ms. Delaney, Burts and Delaney Architecture and Planning, specialized in affordable housing and had done both small and large projects, including the Royal Building. She was planning a project on Main Street in Springfield.

Mr. Pitts, also with Jennings Pitts, noted his firm’s work in both subsidized and market rate multi-family housing. He said his firm mostly focused on suburban type apartments ranging from seven to fifteen units. Speaking to Commissioner Beyer’s observation about subsidies, he noted that Eugene continued to own the parking at Broadway Place and he considered the City had made an investment but had not given its money away. He believed that the community could make such investments and the question of whether it was a subsidy or investment depended on the timing and the outcome sought.

Commissioner Beyer clarified that his comments were specific to the cost differential related to the parking garage and residential development and indicated he had no objection to the subsidy.

Mr. Farrington, PeaceHealth, noted his work on the hospital’s RiverBend project and said that he was working on the second phase of the development, which included housing. He suggested there may be code impediments to realizing some of the community’s goals, such as the fact height limits were the same for medium and high density development. He expressed appreciation that Transportation staff were represented, saying that it was key to integrating land use and transportation. He said that frequently, the development community was stymied by competing directives from the different departments.

Commissioners and staff introduced themselves.

Ms. Pauly solicited suggestions for areas where higher density would be appropriate for Springfield. She said the housing analysis indicated a need for 99 acres of high density land. She used a map to identify the location of Springfield's currently designated nodes where higher densities could also be accommodated. She said there was no density limit in the nodes outside that established by the height limit. She also noted Springfield's current planning effort downtown, which would include identification of additional housing opportunities.

Commissioner Beyer asked what rents were needed to support high-density development. Mr. Jennings indicated it depended on the type of construction. He estimated \$110 per square foot in hard costs in building three stories or lower and \$135 to \$140 for higher construction but acknowledged those costs could go higher.

Mr. Jennings asked the commission to consider the inherent conflict between density and affordability. Denser housing was more expensive housing. If the goal was density, he recommended that the City do nothing; merely fill up the city and force the people who cannot afford to live there into surrounding communities, as Eugene had chosen to do. He said that if the community wanted affordability, it should give developers plenty of land; if it wanted density, it needed to limit the land supply. It would not get density and easily accessible suburban land because the numbers worked better on the suburban end than on the more dense urban end.

Mr. Pitts suggested that residents had already decided what kind of density they were ready to pay for. He said that as a developer he wanted to maximize his opportunities and was not going out of his way to build high densities; he was going out of his way to have high profits. Mr. Jennings interpolated that the rules did not change for affordable housing. Mr. Pitts agreed. He said that when a developer built a project, they wanted to build something people wanted to buy. Market research went into what was built. He was hearing that Springfield needed 99 acres of high-density land, and asked if Springfield was hearing a demand for high-density apartment houses. He suggested that if there was, someone would have responded to it. Mr. Pitts suggested that sometimes such processes take on a life of their own and "it gets away from reality sometimes." Ms. Pauly agreed, but said the City needed to comply with State law.

Ms. Halonan believed that there was something between high density and low density that people would actually like to live in, but the community lacked good examples of that type of housing. She did not think really high densities would ever happen in the community. However, she thought there were people in Eugene-Springfield who believed that higher densities "for other reasons" could bring a lot of positive benefits to the community. She suggested that there were "a lot of other things you get with increased densities in housing than people living in smaller quarters."

Commissioner Cross reminded the commission that it was planning for the long-term. He asked how much Springfield's population had grown in 20 years. Ms. Pauly indicated that Springfield was projecting more than 20,000 new residents in that time.

Ms. Halonan believed it was important to both identify opportunities for higher density as well as include protection of lower-density existing neighborhoods in Springfield's planning.

Commissioner Beyer thought it made sense to focus planning for higher densities in Glenwood and near PeaceHealth due to the fact of the existing transit corridors and the availability of commercial services in those areas. Mr. Jennings concurred with Commissioner Beyer about the area near PeaceHealth. He did not think the needed services could be found in more suburban areas. He believed that for the most part, residents wanted a house with a garage and Eugene was just beginning to get a population that chose to live downtown. He thought that such development would take more than 20 years to realize.

Mr. Pitts suggested that Springfield had an opportunity for residential redevelopment downtown, as demonstrated by the Royal Building. He thought that three to five stories of residential development on top of ground floor retail was possible. He said that Springfield had a long downtown core that also facilitated vertical construction without overpowering the adjacent downtown neighborhoods. He endorsed the concept of imposing higher densities in areas on the periphery brought into the UGB because they could be “created out of whole cloth” without overpowering the neighborhood.

Mr. Jennings did not disagree with Mr. Pitts but suggested that high-density housing would have to be directly proportional to how much land was used. He said that such developments would need coffee shops and other “fun” amenities that give people an urban experience. If people did not want the urban experience, they would be seeking suburban amenities such as car ports and garages and an easy walk to their unit. He said the City had to decide what it wanted. He believed that what Arlie and Company did on Crescent Drive was awesome and should be considered a model for other development.

Ms. Halonan said that if Springfield was going to allow such high density on the fringes it needed to consider transportation. She did not think it was responsible to build high-density developments in areas without public transportation.

Mr. Jennings recommended that in the short-term, Springfield should focus on the downtown and the RiverBend-Gateway areas for truly high density development.

Mr. Farrington observed that the RiverBend Master Plan included a mix of housing types and densities but PeaceHealth did not own all the property involved. He believed that certain things were critical to fulfilling that vision as well as for the property outside the master plan. As an example, he cited a project being built in a location where other more appropriate development would help realize the community’s vision for that area and suggested the City might have to make some interventions to realize that vision. He said that was considerable infrastructure needed for the residentially zoned area northeast of the hospital and cost could tip the balance for when and how that area was developed.

Ms. Potter agreed with Mr. Jennings about a focus on Glenwood and downtown. She said that Glenwood’s proximity to the University of Oregon, bicycle paths, and transportation system held promise for housing of the type that Eugene would soon fall short on. She thought that downtown could be trendy and could include amenities that would support higher rents. She said that it would be a long time before it was feasible for the peripheral area to develop with higher densities given the lack of transportation options, including bicycle paths.

Mr. Pitts suggested that before the Glenwood area developed with higher density housing, it would require something big to happen, such as a convention center.

Mr. Jennings observed that if one was talking about Mohawk and East Main Street, it was likely one was talking about 30 units per acre, which would require a minimum of three stories to achieve. That meant one was talking about very small units to keep the price down; larger units would require a relatively affluent population close by to support it, and that existed in the RiverBend-Gateway area and downtown, where there was a “kitsch” factor. He suggested that development of the Mohawk and East Main area in higher densities was likely farther out unless a developer came in with a very small unit development that could be offered at a low-market price to entice people to live there. However, he did not think the price of land was sufficiently low to support that.

Commissioner Beyer pointed out that much of the area’s immigration came from California, and those residents were not moving here for a downtown apartment but because they could still live in a fairly nice residential area. He agreed there was a market for higher density but it was a pretty high-scale market.

Ms. Pauly reminded the commission of the State mandate.

Commissioner Cross asked where HDR could not be located.

Ms. Delaney asked if the City had an overlay zone downtown for residential development that included a minimum density. She pointed out the major challenge to most mixed-use projects was finding the commercial tenant.

Commissioner Beyer observed that downtown was evolving due to City investments and there was a vertical housing tax exemption available to developers. He did not think people had envisioned downtown Springfield as a place for such housing.

Ms. Delaney thought that downtown Springfield would be a fabulous location for University of Oregon students to live. Ms. Halonan noted a NEDCO project in Springfield that currently accommodated UO students.

Commissioner Moe noted the direct bus connection between Springfield downtown and the UO and contrasted it to the much less direct routes between Chase Gardens and the UO. Ms. Potter believed that many UO students would live in Springfield if it had a larger stock of more attractive rental units. She said that any affordable housing near the UO was in very poor shape and new housing was so expensive it required four or five roommates. She said that Chase Gardens was very loud and not conducive to being a student.

Responding to a question from Mr. VanGordon, Mr. Jennings said he did not think that the Mohawk or middle part of Main Street could support high-density development.

Ms. Potter referred to a small lot bungalow development included in the Marcola Meadows site plan near the grade school and parks and suggested that if the community were to build new infill neighborhoods, such small, dense, close-together houses with garages in back could be constructed at less cost than conventional housing.

Ms. Delaney believed that it was necessary for the community to have parks near all such high-density housing. Commissioner Beyer noted the progress the parks district had made in that regard through the purchase of park lands in East Springfield and Jasper Meadows.

Commissioner Kirschenmann asked why developers did not see the housing potential in downtown Springfield and Glenwood given their proximity to the UO. Mr. Jennings suggested it was because they had not yet exhausted the other, easier-to-develop opportunities. Ms. Halonan suggested that Springfield has some minuses that made people hesitate. Mr. Jennings pointed out the role played by property appraisals in determining the rents comparisons for the rents to be charged in a new development, and the challenge that was created when no comparison existed. He said that such developments could go forward, but they took guts and money.

Ms. Delaney thought another challenge was the lack of developers who did mixed use development. Mr. Jennings noted the lease-work units at West Town on 8th and said that he had calculated it was easier to rent nine units for \$1,000 each month than to rent a single large commercial space for \$5,000. He said that mixed use was “cool to do” but it was a challenge to fill the retail space.

Mr. Pitts cited a recently abandoned Eugene proposal for housing and commercial development downtown. He said that he and Mr. Jennings had been invited to participate in discussions of Eugene downtown issues several times, and one of the things he learned was that really big developers had the

ability to “strong-arm” national retailers into their spaces. Smaller developers were dependent on retailers in the local environment with the vision to move from where they were to a downtown redevelopment site. They had to be motivated to give up what they had. Developers wanted to ensure that they could fill up their space so the numbers penciled out, and the biggest problem was the lack of demand for commercial space. He suggested the commission might want to consider allowing people to live on the ground floor. He said sometimes one had to find more of a “niche position” to make a development work in a smaller community such as Eugene-Springfield.

Responding to a question, Ms. Pauly indicated that Springfield projected a demand for 640 acres of employment land, which assumed a relatively high level percentage for redevelopment as well. Some of the need identified related to the needs of larger employers.

Mr. Jennings suggested that the large areas mentioned by Ms. Pauly could be a likely location for higher density residential development.

Mr. Pitts questioned whether Springfield had existing older neighborhoods that could be increased in density.

Mr. Farrington suggested that there might be entire areas of the community, such as Adams Plat, which he believed was a prime candidate for re-development given the proximity of commercial services.

Ms. Pauly asked the group to consider an appropriate range for high-density development.

Mr. Pitts emphasized the importance of predictability for developers. He suggested retaining the current floor and increasing the ceiling for the range.

Commissioner Smith indicated he believed there needed to be a limit as to how high residential developments could be. Commissioner Beyer did not think there was a big concern about height in the areas the commission was discussing. He noted the economics involved in construction above five stories and suggested that it was likely that most developments would be below that. Those present briefly discussed the code constraints related to construction heights and Portland’s amendment of the building code to allow five-story wood framed construction.

Mr. Pitts suggested five-story wood framed construction or hybrid construction could be options to consider, but anything over 40 units per acre began to involve the expensive construction that would place a damper on density. He suggested that Springfield could aim for 30 to 35 units per acre on the land available. Mr. Farrington did not think that Springfield would want to preclude a 20-unit project if that was what the market would bear. Mr. Pitts agreed and suggested that was somewhat contextual depending on the neighborhood involved.

Commissioner Cross asked if the group wanted to look at raising the cap across the board in regard to high-density. Mr. Farrington suggested the current height limitation was a more relevant factor.

Ms. Delany suggested that the current parking ratio created limitations on high-density development. Mr. Jennings agreed. He said that developers should be allowed to determine the amount of parking. Parking was critical and he did not support placing an arbitrary number on it. He did not think the City should be proscriptive in that regard. Every site was different and needed to be considered individually. He thought the City could be less proscriptive and still realize its goals.

ISSUE 2 – New LDR – MDR zone?

Mr. Metzger led the group through a PowerPoint presentation on the proposed zone, highlighting several local developments to illustrate how such a zone could work.

Commissioner Beyer asked if the City might be more successful if it revised its cluster development standards as opposed to identifying a new zone to apply to specific areas. Mr. Metzger believed that predictability was the most important thing to keep in mind, and currently the Springfield code was nebulous in regard to how something like Quail Run might be developed. He envisioned that such a zone would be applied to Greenfield developments rather than to existing neighborhoods, and could become a condition for developing at higher densities to ensure better design and neighborhood compatibility. Those present asked questions clarifying the information presented.

Meeting participants voiced general support for the proposal. Mr. Jennings did not think that such developments would be opposed if they were not too high, were interspersed throughout new neighborhoods, and were built in the same architectural general style. He suggested that the City could include a phase in the process at the front end where the developer-builder could seek preliminary site approval and the City could identify problems with the plan.

Mr. Karp indicated that Springfield had a site plan review process for multi-family residential development and was considering ways to make the process work more quickly. He suggested that might include a less intense site plan review process. Staff was still working on the details of that. He suggested that given the appeals process involved, that did not necessarily provide the certainty that people wanted.

Ms. Delaney questioned the use of the site review process as it could be somewhat laborious and expensive. She suggested that the City consider design standards related to form and type that would be make it easier for a person to meet the proscriptive requirements. She suggested the site review process was more challenging for small projects than for large projects. Ms. Pauly suggested a Type I site plan review. Ms. Delaney concurred.

ADJOURNMENT

- The meeting was adjourned at 8:15 p.m.
- Minutes recorded by Brenda Jones