CITY OF GRANTS PASS
COUNCIL AGENDA
May 4, 2022
6 pm City Council Meeting
Council Chambers - 101 NW A Street

MAYOR: Sara Bristol
CITY COUNCIL MEMBERS:

<table>
<thead>
<tr>
<th>Ward 1</th>
<th>Ward 2</th>
<th>Ward 3</th>
<th>Ward 4</th>
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</thead>
<tbody>
<tr>
<td>Brian DeLaGrange</td>
<td>Valerie Lovelace</td>
<td>Dwight Faszer, II</td>
<td>Joel King</td>
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<tr>
<td>Rob Pell</td>
<td>Rick Riker</td>
<td>Curt Collins</td>
<td>Vanessa Ogier</td>
</tr>
</tbody>
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Invocation
Flag Salute
Roll Call
1. PUBLIC HEARING

Legislative

2. COUNCIL ACTION
   b. Resolution approving the purchase of real property at 2467 Allen Creek Road. Pgs. 299-312

3. PUBLIC COMMENT This is an opportunity for the public to address the City Council on items not related to a public hearing or Council action item for the Council. The intent is to provide information that is pertinent to the City’s jurisdiction. Each speaker will be given three minutes to address the Council as one body, not to individuals. At the conclusion of public comment, Council will have an opportunity to respond.

   This meeting will proceed in an effective and courteous manner. Citizens and Council members will be allowed to state their positions in an atmosphere free from slander, threats, or other personal attacks. Signs or placards, outbursts of applause, campaigning for public office, or other disruptive behavior will not be tolerated.

   If you have a question regarding any government provided service or a current City policy, please contact the City Manager’s office in an attempt to resolve the matter.
      a. Opportunity to review public comment
      b. Review emails

4. CONSENT AGENDA (Items included are of such routine nature or without controversy so that they may be approved with a single action).
   *Indicates short Staff presentation and Council comment.

b. Resolution amending banking authorizations. Pgs. 491-494

c. Motion approving the minutes of the City Council meeting of April 20, 2022. Pgs. 495-500

d. Motion acknowledging the minutes of the Urban Tree Advisory Committee meeting of February 14, 2022. Pgs. 501-502

e. Motion acknowledging the minutes of the Bikeways and Walkways Committee meeting of February 8, 2022. Pgs. 503-504

f. Motion acknowledging the minutes of the Tourism Advisory Committee meeting of February 1, 2022. Pgs. 505-506

g. Motion acknowledging the minutes of the Tourism Advisory Committee meeting of March 1, 2022. Pgs. 507-510

h. Motion acknowledging the minutes of the Urban Area Planning Commission meeting of March 9, 2022. Pgs. 511-536

i. Motion acknowledging the minutes of the Urban Area Planning Commission meeting or March 23, 2022. Pgs. 537-566

j. Motion acknowledging the minutes of the Historical Buildings and Sites Commission meeting of October 14, 2021. Pgs. 567-570

5. MATTERS FROM MAYOR, COUNCIL AND STAFF

a. Mayor & Council Comments

b. Staff Comments

6. EXECUTIVE SESSION: None anticipated

7. ADJOURN

City Council meetings will offer citizen participation via phone. If you would like to provide public comment, please contact the City Recorder by noon the day of the meeting. Registered participants will be emailed the teams meeting ID password, and call-in phone number by 3 pm on the day of the meeting. You should not share this information.

City Recorder: 541.450.6000 or kfrerk@grantspassoregon.gov

ACCOMMODATION OF PHYSICAL IMPAIRMENTS: In order to accommodate persons with physical impairments, please notify the City Recorder’s Office of any special physical or language accommodations at least 48 business hours prior to the meeting. To request these arrangements, please contact Karen Frerk, City Recorder at 541.450.6000.

Watch City Council Meetings Live
Stream it live on your computer or device at www.grantspassoregon.gov/770/watch
Watch on cable Channel 183 or on YouTube at City of Grants Pass.
Ordinance amending the Housing Element and Policies of the Comprehensive Plan.

Date: May 4, 2022

SUBJECT AND SUMMARY:

The City is considering approval of an Ordinance that would adopt amendments to the Housing Element and Policies section of the Comprehensive Plan, including the Housing Needs Analysis. An initial public hearing was held by the Urban Area Planning Commission (UAPC) on February 9, 2022, with continuations on February 23, 2022, and March 2, 2022. The UAPC Findings of Fact were signed on March 23, 2022, recommending approval of the Plan amendments.

RELATIONSHIP TO COUNCIL GOALS:

This action relates to the Council’s goal of FACILITATE SUSTAINABLE, MANAGEABLE GROWTH by periodically updating the City’s long-range, Comprehensive Plan and adding policies that encourage the development of needed housing amounts and types.

CALL TO ACTION SCHEDULE:


BACKGROUND:

The City of Grants Pass last updated its Housing Needs Analysis and Element 9 of its Comprehensive Plan in 2014 as part of the periodic review requirement under state law. Since that time, the city and the region have experienced a historic housing crisis driven by continued population growth and underproduction of housing in the wake of the 2008 financial crisis and subsequent recession. Issues of housing equity, affordable housing, and houselessness have grown increasingly important as the deficit of housing access for middle- and lower-income households increases.

The 2021 Housing Needs Analysis (HNA) was developed in compliance with OAR 660 Division 10 (Statewide Planning Goal 10: Housing) and is a technical study that compares projected demand for land for housing to the existing supply of such land. The purpose of the HNA is to provide needed analysis and policy guidance to the city in meeting its needs and desires to provide housing opportunity for all residents, as outlined in Chapter 9 of the Comprehensive Plan, while complying with State housing goals and requirements.

ITEM 1.a. ORDINANCE AMENDING THE HOUSING ELEMENT AND POLICIES OF THE COMPREHENSIVE PLAN.
Staff Report (continued):

The tasks include examining future population projections and demographic trends to assess Grants Pass housing development potential, projecting household growth and determining short- and long-term demand for residential land. This demand is compared to an inventory of suitable residential land (supply) to assess the sufficiency of immediate and long-term (20-year) supply of residential land in the city.

Section III of the report also includes a Buildable Land Inventory, developed in compliance with OAR 660-008-0005(2), that determines the amount of developable land available for future residential housing development in the Urban Growth Boundary.

Exhibit 1 of the report contains a marked-up version of the proposed Comprehensive Plan Amendment, including the Housing Needs Analysis and Buildable Land Inventory.

COST IMPLICATION:

None. The Comprehensive Plan and Housing Needs Analysis are policy documents. Administration of the plan is covered through current staffing.

ALTERNATIVES:

1. Approve the proposed Ordinance adopting the amendments to the Grants Pass Comprehensive Community Development Plan as submitted and recommended by the UAPC;

2. Approve the proposed Ordinance adopting the amendments to the Grants Pass Comprehensive Community Development Plan, with Council amendments;

3. Continue the public hearing to a date certain to obtain additional information; or

4. Deny the proposed Ordinance adopting the amendments to the Grants Pass Comprehensive Community Development Plan.

RECOMMENDED ACTION:

The Urban Area Planning Commission recommends the Council approve the Ordinance amending the Housing Element and Policies of the Grants Pass Comprehensive Community Development Plan.

POTENTIAL MOTION:

I move to adopt the Ordinance amending the Housing Element and Policies of the Grants Pass Comprehensive Community Development Plan and have it read by title only, first reading.

I move to adopt the Ordinance amending the Housing Element and Policies of the Grants Pass Comprehensive Community Development Plan and have it read by title only, second reading.
9.00 HOUSING ELEMENT INDEX

9.10 PURPOSE

9.20 Framework for the Housing Needs Analysis

- Methods
- Needed housing types
- Organization of this chapter

9.30 Historical Development Trends in Grants Pass

- Residential development trends
- Trends in housing mix
- Housing density

9.340 Housing demand and need

- Number of new housing units needed in the next 20 years
- National, state, and local demographic and economic trends and factors that may affect the types of housing built
- Demographic and socio-economics
- Existing housing inventory and tenancy
- Housing market characteristics
- Housing needs scenarios
- Demographic characteristics and housing trends related to demand for different types of housing
- Housing affordability
- Estimate of additional units needed by structure type
- Needed density range for residential development

9.450 Findings

- Buildable Land Inventory
  - Population growth and demographic trends
  - Residential buildable land inventory results
  - National, State, and Regional Trends

9.50 Land Sufficiency Analysis
• Housing need forecast
• Residential land need summary
• UGB sufficiency analysis

9.60 Findings

• Housing policy goals
• Housing and household characteristics
• Housing affordability
• Projected housing needs
**HOUSING ELEMENT**

**9.10 PURPOSE**

The purpose of the Housing Element is to meet the requirements of Goal 10, OAR 660-008, and ORS 197.296. Within this policy context, the Housing Element must identify local housing needs. The primary goals of this chapter are to (1) describe characteristics of the existing mix and density of housing in Grants Pass, (2) describe recent residential development trends in the City, (3) evaluate housing affordability, and (4) project future need for housing in Grants Pass. The analysis presented in this chapter is used to evaluate the existing residential land supply within the Grants Pass Urban Growth Boundary to determine if it is adequate to meet that need based on the projected demand for housing. The methods used for this study generally follow the *Planning for Residential Growth* guidebook, published by the Oregon Transportation and Growth Management Program (1996).

**9.20 FRAMEWORK FOR THE HOUSING NEEDS ANALYSIS**

Statewide Planning Goal 10 addresses housing in Oregon and provides guidelines for local governments to follow in developing local comprehensive land use plans and implementing policies. At a minimum, local housing policies must meet the requirements of Goal 10. Goal 10 requires incorporated cities to complete an inventory of buildable residential lands and to encourage the availability of adequate numbers of housing units in price and rent ranges commensurate with the financial capabilities of its households.

Goal 10 defines housing needs as “housing types determined to meet the need shown for housing within an urban growth boundary at particular price ranges and rent levels.” In addition to other housing types, this definition includes government-assisted housing and mobile home or manufactured dwelling parks as provided in ORS 197.303 and ORS 197.475 to 197.490. For communities with populations greater than 2,500 and counties with populations greater than 15,000, needed housing types include (but are not limited to):

- Attached and detached single-family housing and multiple-family housing for both owner and renter occupancy;

- Manufactured homes on individual lots planned and zoned for single-family residential use; and

Government-assisted housing.

The passage of the Oregon Land Use Planning Act of 1974 (ORS Chapter 197) established the Land Conservation and Development Commission (LCDC) and the Department of Land Conservation and Development (DLCD). The Act required the Commission to develop and adopt a set of statewide planning goals. Goal 10 addresses housing in Oregon and provides guidelines for local governments to follow in developing their local comprehensive land use plans and implementing policies.

At a minimum, local housing policies must meet the applicable requirements of Goal 10 and the statutes and administrative rules that implement it (ORS 197.295 to 197.314, ORS 197.475 to 197.490, and OAR 600-008). Goal 10 requires incorporated cities to complete an inventory of buildable residential lands.

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1. ORS 197.296 only applies to cities with populations over 25,000.
Goal 10 also requires cities to encourage the numbers of housing units in price and rent ranges commensurate with the financial capabilities of its households.

Goal 10 defines needed housing types as “all housing on land zoned for residential use or mixed residential and commercial use that is determined to meet the need shown for housing within an UGB at price ranges and rent levels that are affordable to households within the county with a variety of incomes, including but not limited to households with low incomes, very low incomes and extremely low incomes.” ORS 197.303 defines needed housing types as:

(a) Housing that includes, but is not limited to, attached and detached single-unit housing and multi-unit housing for both owner and renter occupancy.

(b) Government assisted housing.\(^2\)

(c) Mobile home or manufactured dwelling parks as provided in ORS 197.475 to 197.490.

(d) Manufactured homes on individual lots planned and zoned for single-unit residential use that are in addition to lots within designated manufactured dwelling subdivisions.

\(\bullet\) (e) Housing for farmworkers

ORS 197.296 defines factors to establish sufficiency of buildable lands within urban growth boundaries to meet projected growth for a 20-year period, and requires analysis and determination of residential housing patterns. It applies to cities with populations of 25,000 or more and requires cities to:

- Demonstrate that its comprehensive plan provides sufficient buildable lands within the urban growth boundary established pursuant to statewide planning goals to accommodate estimated housing needs for 20 years (ORS 197.296(2));
- Inventory the supply of buildable lands within the urban growth boundary and determine the housing capacity of the buildable lands (ORS 197.296(3)(a)); and
- Conduct an analysis of housing need by type and density range to determine the number of units and amount of land needed for each needed housing type for the next 20 years (ORS 197.296(3)(b)).

Grants Pass meets the population threshold for these statutory requirements. This chapter includes an analysis of housing mix by needed types, residential development trends and patterns, and a projection of needed housing units and land for the next 20 years.

**9.21 Methods**

The housing needs analysis presented in this chapter follows the methodology described in the DLCD report *Planning for Residential Development*, referred to as the “workbook.” DLCD developed the workbook to help cities comply with ORS 197.296. The workbook generally describes seven steps in conducting a housing needs analysis:

1. Determine the number of new housing units needed in the next 20 years.
2. Identify relevant national, state, and local demographic trends that will affect the 20-year projection of structure type mix.
3. Describe the demographic characteristics of the population, and household trends that relate to demand for different types of housing.

\(^2\) Government assisted housing can be any housing type listed in ORS 197.303 (a), (c), or (d).
4. Determine the types of housing that are likely to be affordable to the projected households.
5. Estimate the number of additional new units by structure type.
6. Determine the density ranges for all plan designations and the average net density for all structure types.

Evaluate unmet housing needs and the housing needs of special populations (Goal 10 needs). *Planning for Residential Growth: A Workbook for Oregon's Urban Areas,* the Department of Land Conservation and Development’s guidebook on local housing needs studies. As described in the workbook, the specific steps in the housing needs analysis are:

1. Project the number of new housing units needed in the next 20 years.
2. Identify relevant national, state, and local demographic and economic trends and factors that may affect the 20-year projection of structure type mix.
3. Describe the demographic characteristics of the population and, if possible, the housing trends that relate to demand for different types of housing.
4. Determine the types of housing that are likely to be affordable to the projected households based on household income.
5. Determine the needed housing mix and density ranges for each plan designation and the average needed net density for all structure types.
6. Estimate the number of additional needed units by structure type.

7.

9.22 **Needed housing types**

As described above, state policy establishes a framework of needed housing types. As provided in ORS 197.303 and ORS 197.475 to 197.490, needed housing types include (but are not limited to):

- Attached and detached single *unitfamily* housing and multiple-*unitfamily* housing for both owner and renter *occupancy*
- Manufactured homes on individual lots planned and zoned for single-*unitfamily* residential use and in manufactured home parks;
- Government-assisted housing.

Thus, the statutory definition can be interpreted as requiring cities to plan for all types of housing. The definition is general in the sense that it includes variations on single-*unitfamily* and multi-*unitfamily* housing that are common in Grants Pass. The Census reports housing types as “units in structure.” According to the Census, a structure is defined as “a separate building that either has open spaces on all sides or is separated from other structures by dividing walls that extend from ground to roof.” The Census classifies structures into the following types:

- 1-unit, detached. This is a 1-unit structure detached from any other house; that is, with open space on all four sides. Such structures are considered detached even if they have an adjoining shed or garage. A 1-*unitfamily* house that contains a business is considered detached as long as the building has open space on all four sides. Mobile homes to which one or more permanent rooms have been added or built also are included.

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3 2000 Census of Population and Housing, Summary File 3 Technical Documentation, page B-64
• 1-unit, attached. This is a 1-unit structure that has one or more walls extending from ground to roof separating it from adjoining structures. In row houses (sometimes called townhouses), double houses, or houses attached to nonresidential structures, each house is a separate, attached structure if the dividing or common wall goes from ground to roof.4

• 2 or more units. These are units in structures containing 2 or more housing units, further categorized as units in structures with 2, 3 or 4, 5 to 9, 10 to 19, 20 to 49, and 50 or more units.

• Mobile home. Both occupied and vacant mobile homes to which no permanent rooms have been added are counted in this category. Mobile homes used only for business purposes or for extra sleeping space and mobile homes for sale on a dealer’s lot, at the factory, or in storage are not counted in the housing inventory.

The Census classifications have specific meanings, but other commonly used terms to describe these housing types include:

- “Single-unitfamily dwelling”, without specifying “attached” or “detached” is commonly used to refer to a detached single-unitfamily dwelling, which the Census Bureau defines as “one-unit detached.” However, “single-unitfamily dwelling” more accurately describes both one-unit detached and one-unit attached units. When used in the tables in this report where the source is the Census Bureau, single-unitfamily dwelling includes both detached and attached. A “one-unit detached” dwelling is usually located on an individual lot, but there may be properties that contain multiple one-unit detached structures.

- “Townhouse” refers to a “one-unit attached” structure on an individual lot – or an “attached single-unitfamily dwelling.”

- “Multi-unitfamily dwelling”, or “apartment” is commonly used to refer to “two or more units” as defined by the Census bureau. Duplex, Triplex, and Fourplex are often used to denote multi-unitfamily buildings with two, three, and four units respectively.

- “Condominium” or “condo” only describes the ownership pattern, and not the building type. Most people think of condominiums as apartments within a multi-unit structure; however, condominiums can be any type of structure, whether one-unit detached, one-unit attached, two or more units. Mobile home condominiums also exist, but the Census Bureau doesn’t include these in its count of condominiums.

- “Accessory Dwelling” refers to a secondary dwelling on a property that is typically rented out or occupied by extended family. An accessory dwelling may be attached to or detached from the main dwelling.

Housing types do not specify whether a unit is owner-occupied or renter-occupied.

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4 The Census does not provide definitions for condominiums or townhouses. Common definitions are:

Townhouse: A townhouse is one of a row of homes sharing common walls. Differing from condominiums, townhouse ownership does include individual ownership of the land. There can also be common elements, such as a central courtyard, that would have shared ownership.

A condominium is one of a group of housing units where each homeowner owns their individual unit space, and all the dwelling share ownership of areas of common use. The individual units normally share walls, but that isn’t a requirement. The main difference in condos and regular single homes is that there is no individual ownership of a plot of land. All the land in the condominium project is owned in common by all the homeowners. Usually, the exterior maintenance is paid for out of homeowner dues collected and managed under strict rules. The exterior walls and roof are insured by the condominium association, while all interior walls and items are insured by the homeowner. (http://realestate.about.com)
The Grants Pass Development Code uses some terms in a slightly different manner than common usage, relating to the site as well as the structure. For example, the definition of “Building Type, Multi-Dwelling” refers to a “structure or complex of structures containing at least three dwelling units in any vertical or horizontal arrangement, located on a lot or development site”. Therefore, three units, whether attached or detached, on one lot, would be considered multi-dwelling for purposes of the Development Code.

There are many names for different types of housing that accommodate a variety of household compositions and living arrangements, which are accommodated within one of the structure-type or group quarters categories defined by the Census Bureau (1-unit attached, 1-unit detached, 2 or more units, mobile home, or group quarters). Examples of these living arrangements include Assisted Living Facilities, Board and Care, Group Homes, Adult Foster Care, Congregate Housing, Independent Living, Supportive Seniors Housing, Cooperatives, Co-Housing, Naturally Occurring Retirement Communities, Commercial Retirement Communities, and Home Health Care.

ORS 197.28695 defines government assisted housing as:

“...housing that is financed in whole or part by either a federal or state housing agency or a housing authority as defined in ORS 456.005, or housing that is occupied by a tenant or tenants who benefit from rent supplements or housing vouchers provided by either a federal or state housing agency or a local housing authority.”

Government assisted housing can be any housing type.

9.23 — Organization of this chapter

The remainder of this chapter is divided into sections:

- Section 9.30 describes historical development trends in Grants Pass, including changes the housing mix during the 1990’s, building permit activity between 2001 and 2006, and subdivision activity.

- Section 9.40 presents a forecast of housing need for the 2007 to 2027 period, demographic trends that may affect demand for housing nationally and locally, an analysis of housing affordability in Grants Pass, and an estimate of new housing units needed by type and density ranges.

- Section 9.50 identifies the key findings of this chapter for housing needs in Grants Pass.
9.309.30 — HISTORICAL DEVELOPMENT TRENDS IN GRANTS PASS

Analysis of historical development trends in Grants Pass provides insights into how the local housing market functions. The housing type mix and density are also key variables in forecasting future land need. Moreover, such an analysis is required by ORS 197.296. The specific steps are described in Task 2 of the DLCD Workbook:

1. Determine the time period for which the data must be gathered
2. Identify types of housing to address (all needed housing types)
3. Evaluate permit/subdivision data to calculate the actual mix, average actual gross density, and average actual net density of all housing types

ORS 197.296 requires the analysis of housing mix and density to include the past five years or since the most recent periodic review, whichever time period is greater. The City of Grants Pass used data from the 1999 to 2006 period for this analysis.

9.31 — Residential development trends

Figure 9.30.1 shows dwelling units approved in the Grants Pass UGB between 1999 and 2006. Grants Pass approved 2,769 new dwellings during this eight-year period. The number of dwellings approved annually ranged from a low of 189 in 2000 to a high of 533 in 2005, with an average of 346 dwellings permitted annually. This represents an increase in development activity — the U.S. Census database of building permit activity shows that Grants Pass issued permits for an average of about 235 dwelling units annually during the 1980's. However, the City did not begin issuing permits for the urbanizing area in the UGB until August 1996.

\[\text{5 The statute provides an exception to this requirement. Specifically, ORS 197.296(5) (b) states: "A local government shall make the determination described in paragraph (a) of this subsection using a shorter time period than the time period described in paragraph (a) of this subsection if the local government finds that the shorter time period will provide more accurate and reliable data related to housing capacity and need. The shorter time period may not be less than three years."}\]
Table 9.30.1 shows the number of dwelling units approved for construction within the City of Grants Pass UGB by type for 2001–2006. During the six-year period, 2,357 residential permits were issued, with 75% of permits issued for single-family housing types, including attached and detached single-family units and manufactured homes. Table 9.30.1 shows that the percentage of single-family dwelling units permitted in the City has fluctuated over the years: single-family dwellings represented 91% of all approved dwelling units in 2001, and only 59% the following year. Development of multifamily housing increased in 2002 and accounted for an average of 25% of residential permits during the six-year period.
### TABLE 9.30.1
PERMITTED DWELLING UNITS BY TYPE,
Grants Pass UGB, 2001-2006

<table>
<thead>
<tr>
<th>Year</th>
<th>Single-family</th>
<th>Manufactured homes</th>
<th>Multi-family</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number</td>
<td>Percent</td>
<td>Number</td>
<td>Percent</td>
</tr>
<tr>
<td>2001</td>
<td>210</td>
<td>91%</td>
<td>15</td>
<td>6%</td>
</tr>
<tr>
<td>2002</td>
<td>193</td>
<td>59%</td>
<td>21</td>
<td>6%</td>
</tr>
<tr>
<td>2003</td>
<td>257</td>
<td>63%</td>
<td>25</td>
<td>6%</td>
</tr>
<tr>
<td>2004</td>
<td>350</td>
<td>71%</td>
<td>20</td>
<td>4%</td>
</tr>
<tr>
<td>2005</td>
<td>395</td>
<td>74%</td>
<td>11</td>
<td>2%</td>
</tr>
<tr>
<td>2006</td>
<td>259</td>
<td>72%</td>
<td>10</td>
<td>3%</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>71%</strong></td>
<td><strong>102</strong></td>
<td><strong>4%</strong></td>
</tr>
<tr>
<td></td>
<td><strong>Average</strong></td>
<td><strong>71%</strong></td>
<td><strong>102</strong></td>
<td><strong>4%</strong></td>
</tr>
</tbody>
</table>

Source: City of Grants Pass Community Development Department.
Percentages calculated by ECONorthwest.

Figure 9.30.2 shows the number of subdivisions and lots created in Grants Pass UGB between 2000 and 2006. During the seven-year period, 109 subdivisions were final-platted creating 2,003 lots. Figure 9.30.2 shows that the number of subdivisions created in Grants Pass increased between 2000 and 2006, peaking with 29 subdivisions in 2005. The number of lots created also increased during the six-year period, peaking at 487 lots created in 2005. In addition, 394 lots were created by minor land partitions between 2000 and 2006.

### FIGURE 9.30.2
NUMBER OF SUBDIVISIONS AND LOTS CREATED,
Grants Pass UGB, 2000-2006

Source: City of Grants Pass Community Development Department, 2007

Table 9.30.1 and Figures 9.30.1 and 9.30.2 show that building permit and subdivision activity increased in Grants Pass' UGB between 2000 and 2005, and that an increase in single-family development made up the majority of that increase. Multifamily building remained at stable levels between 2000 and 2005, averaging 99 permits per year. Prior to 2002, the number of multifamily building permits issued was fewer than 99 permits per year.
9.32 Trends in housing mix and tenure

The housing mix by type (i.e., percentage of single-family, multifamily, and mobile/manufactured-home units) is an important variable in any housing needs assessment. Distribution of housing types is influenced by a variety of factors, including the cost of new home construction, area economic and employment trends, demographic characteristics, and amount of land zoned to allow different housing types and densities.

Table 9.30.2 shows changes in Grants Pass' housing mix from 1990-2000. Between 1990 and 2000, Grants Pass increased its housing stock by 32%, adding 2,383 dwelling units. The mix of housing did not change substantially. In 1990, 75% of dwelling units were single-family housing types (both detached and attached single-family units and manufactured dwellings), decreasing to 74% in 2000. Over the ten-year period, Grants Pass added more than 1,500 single-family dwellings (both detached and attached).

Thirty percent of the new dwelling units added between 1990 and 2000 were multifamily. However, the share of multifamily housing types did not increase substantially in Grants Pass over the ten-year period. In 1990, multifamily housing types accounted for 25% of the housing stock and in 2000 they accounted for 26% of the housing stock.

Tenure did not change substantially between 1990 and 2000. About 54% of housing in Grants Pass city limits was owner-occupied in 1990 and 53% was owner-occupied in 2000. Homeownership rates in Grants Pass are lower than County and State averages. In 1990 and 2000, 70% of homes were owner-occupied in Josephine County and state homeownership rates were 63% in 1990 and 64% in 2000. The higher rates of homeownership in Josephine County may be attributable to differences in the mix of housing types. Josephine County had a much larger share of manufactured homes (20%) and a lower share of multifamily units (11%) than Grants Pass in 2000. The larger share of manufactured housing may provide more options for affordable housing for would-be homeowners and the lower share of multifamily units may provide fewer rental opportunities.

### TABLE 9.30.2
**DWELLING UNITS BY TYPE AND TENURE**
Grants Pass City Limits, 1990-2000

<table>
<thead>
<tr>
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<tbody>
<tr>
<td></td>
<td>Number</td>
<td>Percent</td>
<td>Number</td>
</tr>
<tr>
<td>Total Housing Units</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Single-family</td>
<td>7,480</td>
<td>100%</td>
<td>9,863</td>
</tr>
<tr>
<td>Multifamily</td>
<td>5,484</td>
<td>73%</td>
<td>7,006</td>
</tr>
<tr>
<td>Manufactured/Mobile</td>
<td>1,833</td>
<td>25%</td>
<td>2,547</td>
</tr>
<tr>
<td></td>
<td>163</td>
<td>2%</td>
<td>310</td>
</tr>
<tr>
<td>Occupied Housing Units</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Owner Occupied</td>
<td>7,145</td>
<td>100%</td>
<td>9,376</td>
</tr>
<tr>
<td>Renter Occupied</td>
<td>3,838</td>
<td>54%</td>
<td>4,986</td>
</tr>
</tbody>
</table>

Source: US Census 1990 and 2000, Summary File 1; Percentages calculated by ECONorthwest.

Table 9.30.3 shows type of dwelling by tenure (owner/renter-occupied) in 2000. The results show that single-family and manufactured housing types have a much higher ownership rate than other housing types—about 97% of owner occupied units were in these housing types. Multifamily housing types, including duplexes were predominately renter occupied. It is also notable that 83% of the single-family attached dwellings were renter occupied. By contrast, 27% of single-family detached and 11% of mobile homes were renter occupied in 2000.
### TABLE 9.30.3
**HOUSING UNITS BY TYPE AND TENURE,**
Grants Pass City Limits, 2000

<table>
<thead>
<tr>
<th>Housing type</th>
<th>Owner Occupied</th>
<th>Renter Occupied</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number % by Tenure</td>
<td>% by Type</td>
<td>Number % by Tenure</td>
</tr>
<tr>
<td>Single-family detached</td>
<td>4,591</td>
<td>91%</td>
<td>73%</td>
</tr>
<tr>
<td>Single-family attached</td>
<td>103</td>
<td>2%</td>
<td>17%</td>
</tr>
<tr>
<td>Multifamily-Duplex</td>
<td>38</td>
<td>1%</td>
<td>4%</td>
</tr>
<tr>
<td>Multifamily-3+ units</td>
<td>32</td>
<td>1%</td>
<td>2%</td>
</tr>
<tr>
<td>Mobile Home</td>
<td>293</td>
<td>6%</td>
<td>89%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>5,057</strong></td>
<td><strong>100%</strong></td>
<td><strong>51%</strong></td>
</tr>
</tbody>
</table>

Source: US Census 2000, Summary File 3; Percentages calculated by ECG Northwest.

Note: Total number of units is slightly different than reported in Table 9.30.2 due to different data sources (this table uses Summary File 3 sample data; Table 9.30.2 uses Summary File 1, 100% count data.

ORS 197.480 requires local governments to plan for mobile home parks and estimate the need for mobile homes over the planning period. Jurisdictions are required to inventory mobile home parks located in high-density residential, commercial, and industrial zones. Grants Pass has a total of 51 manufactured dwelling parks within the UGB, with 32 parks located in high-density residential, commercial, or industrial zones.6

#### 9.33 — Housing density

An analysis of actual housing density achieved in Grants Pass is helpful in evaluating development trends. Table 9.30.4 shows average residential density for dwelling units built in Grants Pass between 1999 and 2006 by plan designation and zoning district. The data indicate that Grants Pass had an average density of 5.1 dwelling units per net acre for new units built from 1999-2006.2 More than 40% of new dwellings were built in the Low Density plan designation, which achieved an average density of 3.5 dwellings per net acre. The Moderate Density plan designation averaged 6.3 units per net acre and the High Density plan designation averaged 9.4 dwellings per net acre. The highest densities were achieved in the High Rise Density plan designation with an average of 26.4 dwellings per net acre. Residential density in the Commercial plan designation was 7.6 dwelling units per net acre. The average density for single-family detached dwellings, which were built in most plan designations, was 4.7 units per net acre.

---

6 Josephine County Assessor’s Database

2 A "Net Buildable Acre" consists of 43,560 square feet of residentially designated buildable land, after excluding present and future rights of way, restricted hazard areas, public open spaces, and restricted resource protection areas.
### TABLE 9.30.4
*NET DENSITY OF NEW DWELLING UNITS BY PLAN DESIGNATION AND ZONING DISTRICT*
Grants Pass UGB, 1999-2006

<table>
<thead>
<tr>
<th>Plan Designation</th>
<th>Dwelling Units (DU)</th>
<th>Net Acres</th>
<th>DU / Net Acre</th>
<th>Maximum Allowable Density</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low Density</td>
<td>1,107</td>
<td>314.3</td>
<td>3.5</td>
<td>3.6</td>
</tr>
<tr>
<td>R-1-12</td>
<td>183</td>
<td>80.5</td>
<td>2.3</td>
<td>4.4</td>
</tr>
<tr>
<td>R-1-10</td>
<td>138</td>
<td>42.6</td>
<td>3.2</td>
<td>5.4</td>
</tr>
<tr>
<td>R-1-8</td>
<td>786</td>
<td>191.2</td>
<td>4.1</td>
<td>5.4</td>
</tr>
<tr>
<td>Moderate Density</td>
<td>649</td>
<td>102.5</td>
<td>6.3</td>
<td></td>
</tr>
<tr>
<td>R-1-6</td>
<td>47</td>
<td>12.2</td>
<td>3.9</td>
<td>6.7</td>
</tr>
<tr>
<td>R-2</td>
<td>599</td>
<td>90.3</td>
<td>6.6</td>
<td>11.6</td>
</tr>
<tr>
<td>High Density</td>
<td>678</td>
<td>71.9</td>
<td>9.4</td>
<td></td>
</tr>
<tr>
<td>R-3</td>
<td>678</td>
<td>71.9</td>
<td>9.4</td>
<td>17.4</td>
</tr>
<tr>
<td>High-Rise Density</td>
<td>62</td>
<td>2.4</td>
<td>26.4</td>
<td></td>
</tr>
<tr>
<td>R-4</td>
<td>62</td>
<td>2.4</td>
<td>26.4</td>
<td>34.8</td>
</tr>
<tr>
<td>Commercial</td>
<td>90</td>
<td>11.8</td>
<td>7.6</td>
<td></td>
</tr>
<tr>
<td>GC</td>
<td>90</td>
<td>11.8</td>
<td>7.6</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>2,583</strong></td>
<td><strong>503</strong></td>
<td><strong>5.1</strong></td>
<td></td>
</tr>
</tbody>
</table>

Source: City of Grants Pass

Notes: The majority of dwellings in commercial zones were covered by Josephine County zoning districts, which have been consolidated into the General Commercial zone. The maximum allowable density is based on the Grants Pass zoning ordinance in 2007.

Table 9.30.5 provides information about typical densities associated with these common building types. The table shows net density, which accounts only for the lot size on which the dwellings exist, allowing for comparison between building types. Other density measures provide additional information, such as gross density, which factors in right of way and is typically 20% lower than net density, but varies depending on whether the streets are pre-existing or are being built with the development. Neighborhood density also considers other amenities such as open space or common facilities located on separate lots.
### TABLE 9.30.5
**TYPICAL DENSITIES ASSOCIATED WITH COMMON BUILDING TYPES**
Grants Pass

<table>
<thead>
<tr>
<th>Housing Type</th>
<th>Net Density (du/acre)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Single-unit detached</strong></td>
<td></td>
</tr>
<tr>
<td>12,000 sf lot</td>
<td>3.63</td>
</tr>
<tr>
<td>10,000 sf lot</td>
<td>4.36</td>
</tr>
<tr>
<td>8,000 sf lot</td>
<td>5.44</td>
</tr>
<tr>
<td>6,000 sf lot</td>
<td>7.26</td>
</tr>
<tr>
<td>5,000 sf lot</td>
<td>8.71</td>
</tr>
<tr>
<td><strong>Zero lot-line, detached</strong></td>
<td></td>
</tr>
<tr>
<td>5,000 sf lot</td>
<td>8.71</td>
</tr>
<tr>
<td>4,500 sf lot</td>
<td>9.68</td>
</tr>
<tr>
<td>4,000 sf lot</td>
<td>10.89</td>
</tr>
<tr>
<td><strong>Zero lot-line, 2-unit attached</strong></td>
<td></td>
</tr>
<tr>
<td>4,000 sf lot</td>
<td>10.89</td>
</tr>
<tr>
<td>3,500 sf lot</td>
<td>12.45</td>
</tr>
<tr>
<td>3,250 sf lot</td>
<td>13.4</td>
</tr>
<tr>
<td><strong>Two-unit detached (duplex)</strong></td>
<td></td>
</tr>
<tr>
<td>10,000 sf lot</td>
<td>8.71</td>
</tr>
<tr>
<td>8,000 sf lot</td>
<td>10.89</td>
</tr>
<tr>
<td>7,500 sf lot</td>
<td>11.62</td>
</tr>
<tr>
<td>7,000 sf lot</td>
<td>12.45</td>
</tr>
<tr>
<td>6,500 sf lot</td>
<td>13.4</td>
</tr>
<tr>
<td>5,000 sf lot (stacked duplex)</td>
<td>17.42</td>
</tr>
<tr>
<td><strong>2 x Four-unit detached (2 x fourplex, stacked)</strong></td>
<td></td>
</tr>
<tr>
<td>20,000 sf lot</td>
<td>17.42</td>
</tr>
<tr>
<td>18,000 sf lot</td>
<td>19.36</td>
</tr>
<tr>
<td><strong>Rowhouse/Townhouse (typ. 2 or 3 story)</strong></td>
<td></td>
</tr>
<tr>
<td>40x100 lots</td>
<td>10.89</td>
</tr>
<tr>
<td>35x100 lots</td>
<td>12.45</td>
</tr>
<tr>
<td>30x100 lots</td>
<td>14.52</td>
</tr>
<tr>
<td>25x100 lots</td>
<td>17.42</td>
</tr>
<tr>
<td>20x100 lots</td>
<td>21.78</td>
</tr>
<tr>
<td>18x100 lots</td>
<td>24.2</td>
</tr>
<tr>
<td>18x90 lots</td>
<td>26.8</td>
</tr>
<tr>
<td><strong>Stacked Townhouse (typ. 3 or 4 story)</strong></td>
<td></td>
</tr>
<tr>
<td>40x100 lots</td>
<td>21.78</td>
</tr>
<tr>
<td>35x100 lots</td>
<td>24.9</td>
</tr>
<tr>
<td>30x100 lots</td>
<td>29</td>
</tr>
<tr>
<td>25x100 lots</td>
<td>34.84</td>
</tr>
<tr>
<td>20x100 lots (exceeds GP res. zone densities)</td>
<td>43.56</td>
</tr>
<tr>
<td>18x100 lots (exceeds GP res. zone densities)</td>
<td>48.4</td>
</tr>
<tr>
<td>18x90 lots (exceeds GP res. zone densities)</td>
<td>53.6</td>
</tr>
<tr>
<td><strong>2-story/3-story apartments</strong></td>
<td>Varies (typical range for Grants Pass provided) 16 to 35</td>
</tr>
</tbody>
</table>


Figure 9.30.3 illustrates approximate density ranges typical of some common building types. These are typical of the density ranges found in Grants Pass and may differ from density ranges for similar building types found in other communities. However, density ranges for some building types, especially multi-story apartment types, vary for different communities. The typical density ranges listed for apartments in...
Table 9.30.5, which are typical of Grants Pass, are lower than densities generally found in larger urban areas. This difference in densities may result, in part, from housing market factors but may also be a product of regulatory restrictions on density in Grants Pass because residential zoning standards limit maximum density.

**FIGURE 9.30.3**

**TYPICAL DENSITIES ASSOCIATED WITH COMMON BUILDING TYPES**

**NET DENSITY IN DWELLING UNITS PER ACRE (DU/AC)**

Grants Pass

- Single-Family Homes: 4-9 du/acre
- Townhouses: 16-24 du/acre
- Multi-Story Apartments: 16-35 du/acre

Source: City of Grants Pass

In this element, density refers only to dwelling units per acre. Density measures not used in this element include floor-to-area ratios (FARs), bulk, percentage of lot coverage, setbacks or other measures. However, these factors can influence perceptions regarding density. A separate document, *Examples of Residential Densities in Grants Pass and the Urbanizing Area: November 2007*, provides aerial and eye-level photos of examples of different developments and building types in Grants Pass. In comparing densities and building types, differences in these other factors are apparent.
9.40 — Housing demand and need

Section 9.20 described the framework for conducting a housing "needs" analysis. ORS 197.296 (HB 2709) requires cities over 25,000 or fast growing cities to conduct a housing needs analysis. A recommended approach is described in Task 3 of the DLCD Workbook. The specific steps in the housing needs analysis are:

1. Project number of new housing units needed in the next 20 years.

2. Identify relevant national, state, and local demographic and economic trends and factors that may affect the 20-year projection of structure type mix.

3. Describe the demographic characteristics of the population and, if possible, housing trends that relate to demand for different types of housing.

4. Determine the types of housing that are likely to be affordable to the projected households based on household income.

5. Estimate the number of additional needed units by structure type.

6. Determine the needed density ranges for each plan designation and the average needed net density for all structure types.

6.9.30 HOUSING NEEDS PROJECTION

This section provides a housing needs forecast for long-range planning purposes. The housing needs forecast represents a 20-year projection from 2020 through year 2040. These technical findings are intended to be consistent with State of Oregon requirements for determining housing needs per Oregon land use planning Goals 10 and 14, OAR Chapter 660, Division 8, and applicable provision of ORS 197.296 to 197.314 and 197.475 to 197.490.

9.31 Methodology

The methodology for projecting housing needs within the Grants Pass UGB includes consideration of demographic and socio-economic trends, housing market characteristics and long-range population growth projections.

6-Regional (Josephine County) and local (City or UGB) population, households, income and market characteristics are described in this memorandum using data provided by the U.S. Census Bureau (Census and American Community Survey), the U.S. Department of Housing and Urban Development (HUD), Oregon Department of Housing and Community Services (OHCS), Portland State University (PSU) and the City of Grants Pass. Where trends or long-range projections are provided by an identified data source, this analysis includes extrapolations or interpolations of the data to arrive at a base year (2020 estimate) and forecast year (2040 projection). The result of this forecast translates population growth into households and households into housing need by dwelling type, tenancy (owner vs. renter) and affordability level.

This section is organized according to these steps.
9.3241 Number of new housing units needed in the next 20 years

Demographics and Socio-Economics

Step 1 in the housing needs analysis is to project the number of new housing units needed during the planning period. This section describes the key assumptions and estimates of new housing units needed in Grants Pass between 2007 and 2027. The forecasted number of new housing units needed between 2007 and 2027 is calculated based on the population forecast, allocation of persons to residential units or group quarters, household size, and vacancy rates. Demographic and economic trends and factors that may affect the types of housing units built, and the needed mix of housing types, are presented later in this chapter.

Population

Population growth is the foundation of demand for new housing. Table 9.40.1 presents the Grants Pass UGB population forecast for 2007 to 2060. Table 9.40.1 shows that the Grants Pass UGB is forecasted to grow from 37,460 people in 2007 to 57,888 people in 2027, an increase of 20,428 people at an average annual growth rate of 2.2%. The City of Grants Pass recorded a record-high population of 37,485 in 2019 (July 1 estimate by PSU). Taking into account residents living outside the city but inside the UGB, the Grants Pass UGB population is currently estimated at 41,691 year-round residents. Since 2000, the population growth rate in the city has outpaced Josephine County (Figure 1).

Long-range population forecasts prepared by PSU anticipate that 9,401 new residents will be added to the Grants Pass UGB over the next 20 years. This equates to a projected annual average growth rate (AGR) of 1.02% for the UGB and less than half of the historic growth rate (see Figure 2).

Figure 1: Population Trends (2000-2019)

<table>
<thead>
<tr>
<th></th>
<th>2000</th>
<th>2010</th>
<th>2019</th>
<th>AGR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Josephine County</td>
<td>75,726</td>
<td>82,713</td>
<td>86,750</td>
<td>0.72%</td>
</tr>
<tr>
<td>Grants Pass</td>
<td>23,003</td>
<td>34,533</td>
<td>37,485</td>
<td>2.60%</td>
</tr>
</tbody>
</table>

Sources: Population Research Center, Portland State University, April 15, 2020

Figure 2: Population Projections (2020-2040)

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2040</th>
<th>2020-2040 AGR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Josephine County</td>
<td>88,274</td>
<td>97,807</td>
<td>0.51%</td>
</tr>
<tr>
<td>Grants Pass UGB</td>
<td>41,691</td>
<td>51,092</td>
<td>1.02%</td>
</tr>
</tbody>
</table>


Socio-economic Characteristics

As indicated in Figure 3, about half of the City’s residents had household incomes greater than 80% of median family income ($42,880) for the county, while 18% of households were earning less than $16,080, 30% of county median family income.
In comparison with the state and county averages, Grants Pass has a higher share of younger residents. The median age in Grants Pass (38.3) is below the Josephine County and statewide average (Figure 4).
Table 9.40.1

Population forecast

Grants Pass UGB, 2007-2060

<table>
<thead>
<tr>
<th>Year</th>
<th>Population</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006</td>
<td>34,153</td>
</tr>
<tr>
<td>2007</td>
<td>37,460</td>
</tr>
<tr>
<td>2010</td>
<td>39,987</td>
</tr>
<tr>
<td>2015</td>
<td>44,584</td>
</tr>
<tr>
<td>2020</td>
<td>49,708</td>
</tr>
<tr>
<td>2025</td>
<td>55,422</td>
</tr>
<tr>
<td>2027</td>
<td>57,888</td>
</tr>
<tr>
<td>2030</td>
<td>59,737</td>
</tr>
<tr>
<td>2035</td>
<td>62,951</td>
</tr>
<tr>
<td>2040</td>
<td>66,337</td>
</tr>
<tr>
<td>2045</td>
<td>69,906</td>
</tr>
<tr>
<td>2050</td>
<td>73,667</td>
</tr>
<tr>
<td>2055</td>
<td>77,631</td>
</tr>
<tr>
<td>2057</td>
<td>79,275</td>
</tr>
<tr>
<td>2060</td>
<td>81,807</td>
</tr>
</tbody>
</table>

Change 2007 to 2027
Number 20,428
Percent 55%
AAGR 2.20%

Change 2007 to 2057
Number 41,815
Percent 112%
AAGR 1.51%

Source: ECONorthwest

Persons in group quarters

Existing Housing Inventory and Tenancy

Local housing inventory and tenancy patterns shed light on housing conditions and demand preferences. In 2018, there were 16,051 housing units in the City of Grants Pass of which 15,158 units were classified as occupied in 893 units were classified as vacant.

Like most communities, single-unit detached housing is the most prevalent housing type representing 67% of the housing stock. The remaining housing inventory in Grants Pass includes multi-unit (11%), townhomes and duplexes (17%), and mobile homes (6%), as shown in Figure 5.

Figure 5: Existing Housing Mix and Tenancy, 2014-2018, City of Grants Pass
Tenancy within the city is split fairly evenly between owners and renters. Owner-occupied housing accounts for 48% of the housing inventory while renter-occupied units account for 46% of the inventory. Vacant units accounted for about 6% of the inventory in 2018.

As would be expected, most homeowners reside in single unit detached units (89% of owners) or manufactured homes. Most renters also reside in single unit detached units, followed by single unit attached and multi-unit dwellings, as indicated in Figures 6 & 7.

**Figure 6: Units by Tenure by Structure Type, 2014-2018, City of Grants Pass**

<table>
<thead>
<tr>
<th></th>
<th>Owner-Occupied Dwelling Units</th>
<th>Renter-Occupied Dwelling Units</th>
<th>Other Seasonal &amp; Vacant</th>
<th>All Dwelling Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single Family Detached</td>
<td>6,940</td>
<td>3,151</td>
<td>631</td>
<td>10,722</td>
</tr>
<tr>
<td>Townhomes/Plexes</td>
<td>163</td>
<td>2,356</td>
<td>178</td>
<td>2,697</td>
</tr>
<tr>
<td>Multi-Family (5+ Units)</td>
<td>37</td>
<td>1,631</td>
<td>82</td>
<td>1,750</td>
</tr>
<tr>
<td>Mfg. Home/Other</td>
<td>624</td>
<td>256</td>
<td>3</td>
<td>883</td>
</tr>
<tr>
<td>Total</td>
<td>7,764</td>
<td>7,394</td>
<td>893</td>
<td>16,051</td>
</tr>
</tbody>
</table>

Source: U.S. Census Bureau, American Community Survey 5-Year Estimates (Tables B25032 and CP04)

**Figure 7: Existing Housing Tenancy, 2014-2018, City of Grants Pass**
Figure 8 displays the most current available data depicting the housing mix by unit type and tenancy for the City of Grants Pass.
Figure 8: Existing Housing Mix, City of Grants Pass

<table>
<thead>
<tr>
<th>Housing Tenure Distribution:</th>
<th>Owner-Occupied Dwelling Units</th>
<th>Renter-Occupied Dwelling Units</th>
<th>Vacant Units</th>
<th>Total Dwelling Units</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>48.4%</td>
<td>46.1%</td>
<td>5.6%</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Housing Type Distribution</th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Single Family Detached</td>
<td>89.4%</td>
<td>42.6%</td>
<td>70.7%</td>
<td>66.8%</td>
</tr>
<tr>
<td>Townhomes / Plexes</td>
<td>2.1%</td>
<td>31.9%</td>
<td>19.9%</td>
<td>16.8%</td>
</tr>
<tr>
<td>Multi family (5+ units)</td>
<td>0.5%</td>
<td>22.1%</td>
<td>9.1%</td>
<td>10.9%</td>
</tr>
<tr>
<td>Mfg. home/other</td>
<td>8.0%</td>
<td>3.5%</td>
<td>0.3%</td>
<td>5.5%</td>
</tr>
<tr>
<td>Total</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
</tr>
</tbody>
</table>

U.S. Census Bureau, American Community Survey 2013-2018 5-Year Estimates (Tables B25032 and CP04).

**PERSONS IN GROUP QUARTERS DO NOT CONSUME STANDARD HOUSING UNITS;**
**THUS, ANY FORECAST OF NEW PEOPLE IN GROUP QUARTERS IS TYPICALLY BACKED OUT OF THE POPULATION FORECAST FOR THE PURPOSE OF ESTIMATING HOUSING NEED. GROUP QUARTERS CAN HAVE A BIG INFLUENCE ON HOUSING IN CITIES WITH COLLEGES (DORMS), PRISONS, OR A LARGE ELDERLY POPULATION (NURSING HOMES). IN GENERAL, NEED FOR THESE HOUSING TYPES WILL BE MET BY INSTITUTIONS (COLLEGES, STATE AGENCIES, HEALTH CARE CORPORATIONS) OPERATING OUTSIDE WHAT IS TYPICALLY DEFINED AS THE HOUSING MARKET. GROUP QUARTERS, HOWEVER, REQUIRE LAND AND ARE TYPICALLY BUILT AT DENSITIES THAT ARE COMPARABLE TO MULTIPLE-FAMILY DWELLINGS.**

**TABLE 9.40.2 SHOWS THE NUMBER OF PERSONS LIVING IN GROUP QUARTERS IN 1990, 2000, AND 2006 IN GRANTS PASS. ACCORDING TO CENSUS DATA, 835 PERSONS LIVED IN GROUP QUARTERS IN GRANTS PASS IN 2000, AND CITY DATA SHOWS THIS INCREASED TO 1,363 PERSONS IN 2006.**

**TABLE 9.40.2**

**PERSONS IN GROUP QUARTERS**

**GRANTS PASS CITY LIMITS, 1990, 2000, AND 2006**

<table>
<thead>
<tr>
<th></th>
<th>1990</th>
<th>2000</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Population</td>
<td>17,488</td>
<td>23,003</td>
<td>30,930</td>
</tr>
<tr>
<td>Persons in Group Quarters</td>
<td>749</td>
<td>835</td>
<td>1,363</td>
</tr>
<tr>
<td>Percent in Group Quarters</td>
<td>4.3%</td>
<td>3.6%</td>
<td>4.4%</td>
</tr>
</tbody>
</table>
SOURCE: US CENSUS OF POPULATION AND HOUSING; 2006 DATA FROM CITY GROUP QUARTERS COUNT. PERCENTAGES CALCULATED BY ECONORTHWEST.

FOR THE PURPOSE OF ESTIMATING HOUSING NEEDS FOR GRANTS PASS, THE ANALYSIS ASSUMES THAT 3.6% OF NEW PERSONS (742 PERSONS) WILL RESIDE IN GROUP QUARTERS. THE MAJORITY OF THESE NEW PERSONS WILL LIVE IN ASSISTED LIVING QUARTERS.

A FINAL NOTE ON PERSONS IN GROUP QUARTERS: PERSONS IN GROUP QUARTERS REQUIRE LAND. WHILE THE DLCD WORKBOOK BACKS THIS COMPONENT OF THE POPULATION OUT OF TOTAL POPULATION THAT NEEDS HOUSING, IT DOES NOT OTHERWISE MAKE ACCOMMODATIONS FOR LAND DEMAND FOR NEW GROUP QUARTERS. FOR THE PURPOSE OF THIS ANALYSIS, WE ASSUME THAT PERSONS IN GROUP QUARTERS REQUIRE LAND AT APPROXIMATELY THE SAME DENSITY AS MULTIPLE FAMILY HOUSING.

HOUSEHOLD SIZE

TABLE 9.40.3 SHOWS THE AVERAGE HOUSEHOLD SIZE FOR GRANTS PASS FOR OWNER-AND RENTER- OCCUPIED UNITS IN 2000. TABLE 9.40.3 SHOWS THAT THE AVERAGE HOUSEHOLD SIZE IN GRANTS PASS WAS 2.36. OWNER-OCCUPIED UNITS IN GRANTS PASS HAVE LARGER AVERAGE HOUSEHOLD SIZES THAN RENTER-OCCUPIED UNITS. THE REVERSE IS TRUE FOR JOSEPHINE COUNTY.

OAR 660-024 ESTABLISHED A "SAFE HARBOR" ASSUMPTION FOR AVERAGE HOUSEHOLD SIZE, WHICH IS THE FIGURE FROM THE MOST RECENT CENSUS. THE ANALYSIS OF NEEDED NEW UNITS ASSUMES AN AVERAGE HOUSEHOLD SIZE OF 2.36 PERSONS PER HOUSEHOLD.

TABLE 9.40.3

AVERAGE HOUSEHOLD SIZE

GRANTS PASS CITY LIMITS, 2000

<table>
<thead>
<tr>
<th></th>
<th>Persons per HH</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average household size</td>
<td>2.36</td>
</tr>
<tr>
<td>Owner-occupied units</td>
<td>2.43</td>
</tr>
<tr>
<td>Renter-occupied units</td>
<td>2.29</td>
</tr>
<tr>
<td>Single-family</td>
<td>2.54</td>
</tr>
<tr>
<td>Multifamily</td>
<td>1.78</td>
</tr>
</tbody>
</table>
SOURCE: US CENSUS 2000

VACANCY RATE

Vacant units are the final variable in the basic housing need model. Vacancy rates are cyclical and represent the lag between demand and the market's response to demand in additional dwelling units. Vacancy rates for rental and multiple family units are typically higher than those for owner-occupied and single family dwelling units.

Table 9.40.4 shows that the average vacancy rate for Grants Pass was relatively similar in 1990 and 2000. The most recent census showed an overall vacancy rate of 4.8% for Grants Pass, compared to a vacancy rate of 4.5% in 1990. The vacancy rate in 2000 was 4.0% for single family units and 7.1% for multifamily units.

Table 9.40.4

VACANCY RATES

Grants Pass City Limits, 1990 and 2000

<table>
<thead>
<tr>
<th></th>
<th>1990</th>
<th>2000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total housing units</td>
<td>7,480</td>
<td>9,885</td>
</tr>
<tr>
<td>Total occupied</td>
<td>7,145</td>
<td>9,392</td>
</tr>
<tr>
<td>Total vacant</td>
<td>335</td>
<td>471</td>
</tr>
<tr>
<td>Vacancy Rate</td>
<td>4.5%</td>
<td>4.8%</td>
</tr>
<tr>
<td>Single-family</td>
<td>na</td>
<td>4.0%</td>
</tr>
<tr>
<td>Multifamily</td>
<td>na</td>
<td>7.1%</td>
</tr>
</tbody>
</table>

SOURCE: US CENSUS 1990 AND 2000; CALCULATIONS BY ECONORTHWEST.

The forecast of new housing units needed between 2007 to 2027 uses an aggregated vacancy rate for single family and multifamily housing of 5.3%. This assumption reflects vacancy rates in 2000 and the needed housing mix of 75% single family and 25% multifamily.

9.34 Forecast of new housing units, 2007-2027

Housing Market Characteristics

To help gauge housing attainability in Grants Pass, the consultant team examined current median family income (MFI) levels using U.S. Housing and Urban Development (HUD) guidelines. As indicated in Figure 9, the 2018 median income for Josephine County was $53,600. Using HUD guidelines for upper-middle households earning 80% of the MFI, a 4-person household should be able to afford monthly rents at $1,072 and homes priced at $284,000 (or less). These price land rent levels are generally considered
"attainable" to households earning 80% of the local MI and spending 30% of their annual income on housing.

**Figure 9: Grants Pass Affordable Housing Analysis**

<table>
<thead>
<tr>
<th>Josephine County Median Family Income Level (2018)*</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Available Monthly Rent or Payment (@30% of income level)</td>
<td>Lower-end</td>
<td>Upper-End</td>
</tr>
<tr>
<td>Upper (120% or more of MFI)</td>
<td>$1,608 or more</td>
<td></td>
</tr>
<tr>
<td>Middle (80% to 120% of MFI)</td>
<td>$1,072</td>
<td>$1,608</td>
</tr>
<tr>
<td>Low (50% to 80% of MFI)</td>
<td>$670</td>
<td>$1,072</td>
</tr>
<tr>
<td>Very Low (30% to 50% of MFI)</td>
<td>$402</td>
<td>$670</td>
</tr>
<tr>
<td>Extremely Low (less than 30% of MFI)</td>
<td>$402 or less</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Approximate Attainable Home Price**</th>
<th>Lower-end</th>
<th>Upper-End</th>
</tr>
</thead>
<tbody>
<tr>
<td>Upper (120% or more of MFI)</td>
<td>$426,000 or more</td>
<td></td>
</tr>
<tr>
<td>Middle (80% to 120% of MFI)</td>
<td>$284,000</td>
<td>$426,000</td>
</tr>
<tr>
<td>Low (50% to 80% of MFI)</td>
<td>$177,000</td>
<td>$284,000</td>
</tr>
<tr>
<td>Very Low (30% to 50% of MFI)</td>
<td>$106,000</td>
<td>$177,000</td>
</tr>
<tr>
<td>Extremely Low (less than 30% of MFI)</td>
<td>$106,000 or less</td>
<td></td>
</tr>
</tbody>
</table>

Notes:

* based on Housing and Urban Development thresholds for Josephine County in 2018

Note, this analysis is generally consistent with 4-person household size characteristics.

** assumes 20% down payment on 30-year fixed mortgage at 3.5% interest.

Source: analysis by FCS Group using Housing and Urban Development data.

Grants Pass home values have increased significantly in recent years. As indicated in Figure 10, median home sales prices in Grants Pass increased to $324,000 in October 2020, up 8.9% annually since 2018. In comparison with other cities in Southern Oregon, Grants Pass has relatively higher home prices and recorded the sharpest price increase.

**Figure 10: Median Home Sales Price Trends in Selected Markets**

<table>
<thead>
<tr>
<th></th>
<th>Oct-18</th>
<th>Oct-19</th>
<th>Oct-20</th>
<th>Annual Change %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grants Pass</td>
<td>$273,000</td>
<td>$294,000</td>
<td>$324,000</td>
<td>8.9%</td>
</tr>
<tr>
<td>Medford</td>
<td>$283,000</td>
<td>$285,000</td>
<td>$312,000</td>
<td>5.0%</td>
</tr>
<tr>
<td>Ashland</td>
<td>$457,000</td>
<td>$451,000</td>
<td>$469,000</td>
<td>1.3%</td>
</tr>
<tr>
<td>Roseburg</td>
<td>$210,000</td>
<td>$223,000</td>
<td>$239,000</td>
<td>6.7%</td>
</tr>
<tr>
<td>Klamath Falls</td>
<td>$175,000</td>
<td>$187,000</td>
<td>$205,000</td>
<td>8.2%</td>
</tr>
</tbody>
</table>

Source: Zillow.com; analysis by FCS 10/28/20

New housing construction permits issued in the City indicate consistent development activity over the past several years. The City issued new residential construction permits at an average rate of 140 per year between 2015 and 2019: with about 79% for single unit construction (both single unit detached and attached), 14% in duplexes, triplexes and quadplexes, and 7% for multi-unit apartments (Figure 11).

**Figure 11: Privately-Owned Residential Units Permitted, Grants Pass (2015-2019)**
EXHIBIT 1

<table>
<thead>
<tr>
<th>New Housing Construction Permits, City of Grants Pass, 2010-2019</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single-Family Detached</td>
<td>109</td>
</tr>
<tr>
<td>2-unit structures</td>
<td>14</td>
</tr>
<tr>
<td>3- and 4-unit structures</td>
<td>-</td>
</tr>
<tr>
<td>5+ unit Multi-Family</td>
<td>50</td>
</tr>
<tr>
<td>Total</td>
<td>173</td>
</tr>
</tbody>
</table>

Source: SOCDS Building Permits Database, accessed 10/22/2020

<table>
<thead>
<tr>
<th>Unincorporated Josephine County, 2015-2019</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single-Family Detached</td>
<td>64</td>
</tr>
<tr>
<td>2-unit structures</td>
<td>-</td>
</tr>
<tr>
<td>3- and 4-unit structures</td>
<td>-</td>
</tr>
<tr>
<td>5+ unit Multi-Family</td>
<td>-</td>
</tr>
<tr>
<td>Total</td>
<td>64</td>
</tr>
</tbody>
</table>

Source: SOCDS Building Permits Database, accessed 10/22/2020

THE PRECEDING ANALYSIS LEADS TO A FORECAST OF NEW HOUSING UNITS LIKELY TO BE BUILT IN GRANTS PASS FOR THE PERIOD 2007-2027. TABLE 9.40.5 SUMMARIZES THE ANALYSIS, BASED ON THE ASSUMPTIONS SHOWN IN TABLE 9.40.5, GRANTS PASS WILL NEED 8,782 NEW DWELLING UNITS TO ACCOMMODATE POPULATION GROWTH BETWEEN 2007 AND 2027. THE FORECAST SHOWS THAT AN AVERAGE OF 439 NEW DWELLING UNITS WILL BE NEEDED ANNUALLY, WHICH IS HIGHER THAN THE AVERAGE NUMBER OF BUILDING PERMITS ISSUED (346) OVER THE 1999 TO 2006 PERIOD. THIS FIGURE DOES NOT INCLUDE GROUP QUARTERS UNITS.

THE BASELINE FORECAST ASSUMES 3.6% OF NEW POPULATION (742 PEOPLE) WILL BE GROUP QUARTERS, AND THE REMAINING POPULATION WILL BE SINGLE-FAMILY HOUSING TYPES (SINGLE-FAMILY DETACHED, SINGLE-FAMILY ATTACHED AND MANUFACTURED HOMES) OR MULTIFAMILY (DUPLEX, TRIplex, QUAD-PLEX, AND MORE THAN FIVE UNITS). THE MIX OF HOUSING TYPES AND THE BASIS FOR THE MIX IS ADDRESSED LATER IN THIS CHAPTER.

THE FORECAST OF NEW UNITS DOES NOT INCLUDE DWELLINGS THAT WILL BE DEMOLISHED AND REPLACED. THIS ANALYSIS DOES NOT FACTOR THOSE UNITS IN; IT ASSUMES THEY WILL BE REPLACED AT THE SAME SITE AND WILL NOT CREATE ADDITIONAL DEMAND FOR RESIDENTIAL LAND. IT ALSO DOES NOT INCLUDE A FORECAST OF NEEDED GROUP QUARTERS UNITS. SECTION 9.46 INCLUDES A SEPARATE ESTIMATE OF ACREAGE NEEDED FOR GROUP QUARTERS AND ASSUMES THESE FACILITIES DEVELOP AT MULTIFAMILY DENSITIES AND WILL BE LOCATED IN HIGH-DENSITY PLAN DESIGNATIONS.
TABLE 9.40.5

FORECAST OF NEW HOUSING UNITS

GRANTS PASS, 2007-2027

<table>
<thead>
<tr>
<th>Variable</th>
<th>Baseline Estimate of Housing Units (2007-2027)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Change in persons</td>
<td>20,428</td>
</tr>
<tr>
<td>minus Change in persons in group quarters</td>
<td>742</td>
</tr>
<tr>
<td>equals Persons in households</td>
<td>19,686</td>
</tr>
<tr>
<td>Average household size</td>
<td>2.36</td>
</tr>
<tr>
<td>New occupied DU</td>
<td>8,342</td>
</tr>
<tr>
<td>times Aggregate vacancy rate</td>
<td>5.3%</td>
</tr>
<tr>
<td>equals Vacant dwelling units</td>
<td>440</td>
</tr>
<tr>
<td>Total needed new dwelling units (2007-2027)</td>
<td>8,782</td>
</tr>
<tr>
<td>equals Total new dwelling units</td>
<td>8,782</td>
</tr>
<tr>
<td>Dwelling units needed annually</td>
<td>439</td>
</tr>
</tbody>
</table>

SOURCE: ECONORTHWEST

9.35 Housing Needs Scenarios

Based on the population projections described earlier and most current household size estimates of 2.39 people per household (estimate held constant into the future), the total net new housing need within the Grants Pass UGB is forecasted to be 4,055 housing units plus 227 people living in group quarters over the next 20 years (see Figure 12). This baseline housing need forecast assumes that the current share of group quarters population (includes people residing in congregate care facilities and housing shelters) and housing vacancy rates remain constant. The City of Grants Pass recorded a record-high population of 37,485 in 2019 (July 1 estimate by PSU). Taking into account residents living outside the City but inside the UGB, the Grants Pass UGB population is currently estimated at 41,691 year-round residents. Since 2000, the population growth rate in the City has outpaced Josephine County (Figure 1).

Long-range population forecasts prepared by PSU anticipate that 9,401 new residents will be added to the Grants Pass UGB over the next 20 years. This equates to a projected annual average growth rate (AGR) of 1.02% for the UGB and less than half of the historic growth rate (see Figure 2).

Figure 12: Baseline Housing Growth Projection
EXHIBIT 1

<table>
<thead>
<tr>
<th></th>
<th>2020 est.</th>
<th>2040</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grants Pass UGB Population</td>
<td>41,691</td>
<td>51,092</td>
<td>9,401</td>
</tr>
<tr>
<td>Less Group Quarters (2.7%)</td>
<td>1,118</td>
<td>1,371</td>
<td>252</td>
</tr>
<tr>
<td>Pop in Households</td>
<td>40,572</td>
<td>49,722</td>
<td>9,149</td>
</tr>
<tr>
<td>Avg. Household Size</td>
<td>2.39</td>
<td>2.39</td>
<td></td>
</tr>
<tr>
<td>Households (year round)</td>
<td>16,976</td>
<td>20,804</td>
<td>3,828</td>
</tr>
<tr>
<td>Vacancy and Seasonal Housing Assumption</td>
<td>5.6%</td>
<td>5.6%</td>
<td>227</td>
</tr>
<tr>
<td>Growth-related Housing Demand (dwelling units)</td>
<td>17,983</td>
<td>22,038</td>
<td>4,055</td>
</tr>
</tbody>
</table>

**Housing Demand by Dwelling Type and Tenancy**

This baseline housing need forecast is generally consistent with the observed current mix of housing types throughout Grants Pass and emerging market trends that emphasize demand for townhomes and apartments. Additional housing forecast scenarios may be considered during the planning process to take into account potential new policy objectives, such as:

- **Local policies aimed at incentivizing higher density mixed-use development in the downtown area.**

- **Preferences to accommodate additional middle-income housing and more retirees, which could increase demand beyond the baseline forecast.**

- **Preferences to provide a wider range of attainable single-unit housing, including additional development of townhomes,plexes and manufactured home parks.**

- **Ability to provide adequate infrastructure (water, sewer and road capacity) to create new planned unit developments or single-unit housing subdivisions within the UGB.**

**Figure 13: Housing Need by Tenure & Housing Type**

<table>
<thead>
<tr>
<th>Housing Tenure Distribution:</th>
<th>Owner-Occupied Dwelling Units</th>
<th>Renter-Occupied Dwelling Units</th>
<th>Vacant Units</th>
<th>Total Dwelling Units</th>
<th>Projected 20-Year Need (Units)</th>
</tr>
</thead>
<tbody>
<tr>
<td>44.0%</td>
<td>50.4%</td>
<td>5.6%</td>
<td>100.0%</td>
<td>4,055</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Housing Type Distribution:</th>
<th>Single Family Detached</th>
<th>Townhomes / Plexes</th>
<th>Multi family (5+ units)</th>
<th>Mobile home/other</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>86.0%</td>
<td>3.0%</td>
<td>0.5%</td>
<td>10.0%</td>
<td>100%</td>
</tr>
<tr>
<td></td>
<td>40.0%</td>
<td>32.0%</td>
<td>25.0%</td>
<td>3.0%</td>
<td>100%</td>
</tr>
<tr>
<td></td>
<td>61.4%</td>
<td>18.5%</td>
<td>13.6%</td>
<td>6.3%</td>
<td>100%</td>
</tr>
<tr>
<td></td>
<td>61.4%</td>
<td>18.5%</td>
<td>13.6%</td>
<td>6.3%</td>
<td>100%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>2,502</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>749</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>551</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>254</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>4,055</td>
</tr>
</tbody>
</table>

**Group Quarters (opq)** 227

U.S. Census Bureau, American Community Survey 5-Year Estimates (Tables B25032 and CP04) & previous tables.

The baseline housing need forecast (shown in Figure 13) assumes that Grants Pass UGB will need to accommodate 4,055 net new dwelling units over the next 20 years (plus people living in group quarters). This baseline scenario anticipates that the housing demand will include approximately: 2,502 single-unit detached homes (including small lot and standard lot subdivisions); 749 townhomes/duplexes (2 to 4 units per structure); 442 multi-unit dwellings (apartments with 5 or more units per structure); and 254 manufactured housing units.
In addition, it is anticipated that there will also be demand for about 227 people requiring some form of group quarters housing (such as single room occupancy units, congregate care, in-patient care, etc.). For analysis purposes, we have assumed there to be 2 people per group quarters living unit, which would result in the long-term demand for 114 group quarters dwelling units. During the HNA planning process local stakeholders indicated that there appears to be an existing housing "shortage" in Grants Pass that has driven rents and home prices to record highs and forced residents to seek housing in outlying areas. Since Oregon statutes require HNAs to base future housing needs on projected net new population growth (using forecasts prepared by Portland State University (PSU) Population Research Center), any current market supply gaps cannot be used in HNAs to increase housing forecasts beyond what would be required to address the "official" PSU population growth forecast. Quantifying existing "affordability" gaps in existing housing inventory for a point in time is difficult. However, findings from this report and resulting policy changes are intended to help foster a higher rate of housing production in Grants Pass which eventually would be accounted for in future PSU population growth forecasts. While this approach may not immediately address current housing gaps, we would expect to see housing shortages diminish over time once housing production increases and buildable land inventories and HNAs are updated.

9.4.2 National, state, and local demographic and economic trends and factors that may affect the types of housing built

National housing trends

The evaluation of housing trends that follows is based on previous research conducted by ECONorthwest for other housing needs studies as well as new research to update the evaluation of trends that may affect housing mix. Previous work by ECO and conclusions from The State of the Nation’s Housing 2007 report from the Joint Center for Housing Studies of Harvard University inform the national, state, and local housing outlook for the next decade. The Joint Center for Housing Studies of Harvard University’s The State of the Nation’s Housing, 2007 report summarizes the national housing outlook for the next decade as follows:

"After setting records for home sales, single-family starts, and house price appreciation in 2005, housing markets abruptly reversed last year. In 2006, total home sales fell 10 percent, starts tumbled 13 percent, and nominal house price appreciation slowed to just a few percentage points. Suddenly, it was inventories of unsold vacant homes that set records and homes in foreclosure that were making the news.

The length and depth of the current correction will depend on the course of employment growth and interest rates, as well as the speed with which builders pare down excess supply. But the longer term outlook for housing is more upbeat. Thanks in large part to recent immigrants and their native-born children, household growth between 2005 and 2015 should exceed the strong 12.6 million net increase in 1995-2005 by some 2.0 million. Together with the enormous increase in household wealth over the past 20 years, healthy income growth will help propel residential spending to new heights.

But housing affordability remains a pervasive problem. In just one year, the number of households with housing cost burdens in excess of 30 percent of income climbed by 2.3 million, hitting a record 37.3 million in 2005. Making real headway against this disturbing trend requires an unlikely combination of structural and public policy shifts— that state and local governments ease development regulations that drive up production costs, the federal government adds meaningfully to already-significant expenditures aimed at relieving heavy housing cost burdens, and economic growth dramatically lifts the real incomes and wealth of the bottom quarter of households."
This evaluation presents a mixed outlook for housing markets and for homeownership, and points to the significant difficulties low- and moderate-income households face in finding affordable housing. The following sections describe specific trends in more detail.

Long-run trends in home ownership and demand

The year 2006 was a significant departure from the recent housing boom that had lasted for 14 consecutive years (1992-2005). While strength in early 2005 pushed most national housing indicators into record territory, the market began to soften and sales slowed in many areas in the latter half of 2005. By 2006, higher prices and rising interest rates had a negative impact on market demand. Investor demand, home sales and single-family starts dropped sharply. Growth in national house-price also slowed. After 12 successive years of increases, the national homeownership rate slipped in 2005 and again in 2006 to 68.8%.

The Joint Center for Housing Studies concludes that the cooling housing market in 2006 had an immediate impact on homeownership. Increasing interest rates and decreasing housing affordability contributed to the recent market correction. Homebuilders could not react quickly enough to changing market conditions, resulting in an oversupply of housing and a rising inventory of unsold homes. The Joint Center for Housing Studies predicts the current market correction will cause housing prices to weaken. This should help reduce the oversupply of homes for sale and lead to the next market expansion. The long-term market outlook shows that homeownership is still the preferred tenure. Over the next decade, 88% of net household growth is expected to come from gains in the number of homeowners. While further homeownership gains are likely during this decade, they are not assured. Additional increases depend, in part, on finding ways to ease the difficulties faced by low and moderate income households in purchasing a home. It also rests on whether the conditions that have led to homeownership growth can be sustained.

From 2000 to 2005 housing starts and manufactured home placements appeared to have been roughly in line with household demand. In 2005, with sales slowing, but building activity steady despite widespread pullbacks, the inventory of both new and existing homes was much higher than in recent years. The supply of unsold homes on the market increased in 2006, surpassing a 7-month supply.

The Joint Center for Housing Studies indicates that demand for new homes could total as many as 1.4 million units nationally between 2005 and 2015. The vast majority of these homes will be built in lower-density areas where cheaper land is in greater supply. People and jobs have been moving away from central business districts (CBDs) for more than a century, the number of the country’s largest metropolitan areas with more than half of their households living at least 10 miles from the CBD has more than tripled from 13 in 1970 to 46 in 2000; in six metropolitan areas more than a fifth of households live at least 30 miles out. While people older than 45 years are generally continuing to move away from CBDs, younger people have begun to move nearer to CBDs.

The Joint Center for Housing Studies also indicates that demand for higher-density housing types exists among certain demographics. They conclude that because of persistent income disparities, as well as the movement of the echo boomers into young adulthood, housing demand may shift away from single-family detached homes toward more affordable multifamily apartments, town
homes, and manufactured homes. Supply-side considerations, however, outweigh these demographic forces.

Recent trends in home ownership and demand

Conditions that had previously bolstered the housing market and promoted homeownership weakened in 2005 and eroded further in 2006. Increasing interest rates and weakening housing prices combined to slow the housing market. New home sales were down 18% from the record 2005 level, and existing home sales were down 8%. Regionally, using housing permits issued as a proxy for new home ownership, Jackson County is among the more robust housing markets in the nation and in Oregon, issuing between 10,000 to 20,000 or more building permits over the 1994–2003 period (see Figure 9.40.1).

**FIGURE 9.40.1**

**HOUSING PERMITS ISSUED BY COUNTY**

**US, 1994-2003**

![Map showing housing permits issued by county](image)

Source: Census Bureau, Construction Statistics, Building Permits by County. As cited in The State of The Nation's Housing, 2005, The Joint Center for Housing Studies of Harvard University, p. 9

Demographic trends in home ownership

According to the Joint Center for Housing Studies immigration will play a key role in accelerating household growth over the next 10 years. Between 2000 and 2005, immigrants contributed to over 40% of net household formations. Minorities will account for 68% of the 14.6 million projected growth in households for the 2005 to 2015 period. Immigrants now comprise a growing share of young adults and children in the United States. Twenty percent of Americans ages 25–34 are foreign born, and an additional 9% are second-generation Americans. Members of this generation will probably earn more than their parents, becoming an even greater source of housing demand in the coming decades.
The Joint Center for Housing Studies suggests that an aging population, and of baby boomers in particular, will drive changes in the age distribution of households in all age-groups over 55 years. A recent survey of baby boomers found that more than a quarter plan to relocate into larger homes and 5% plan to move to smaller homes. Second home demand among upper-income homeowners of all ages also continues to grow. Households aged 50 to 69 are expected to account for the purchase of nearly half a million second homes between 2005 and 2015.

People prefer to remain in their community as they age. The challenges that seniors face as they age in continuing to live in their community include changes in healthcare needs, loss of mobility, the difficulty of home maintenance, financial concerns, and increases in property taxes. Not all of these issues can be addressed through housing or land-use policies. Communities can address some of these issues through adopting policies that:

- Diversify housing stock to allow development of smaller, comparatively easily-maintained houses in single-family zones, such as single-story townhouses, condominiums, and apartments.

- Allow commercial uses in residential zones, such as neighborhood markets.

- Allow a mixture of housing densities and structure types in single-family zones, such as single-family detached, single-family attached, condominiums, and apartments.

- Promote the development of group housing for seniors that are unable or choose not to continue living in a private house. These facilities could include retirement communities for active seniors, assisted living facilities, or nursing homes.

- Design public facilities so that they can be used by seniors with limited mobility. For example, design and maintain sidewalks so that they can be used by people in wheel chairs or using walkers.

**Home rental trends**

Over the longer term, the Joint Center for Housing studies expects rental housing demand to increase. The rental market continues to experience growth, adding 1.2 million rental households from 2004 to 2006. Demand strengthened in every region except the Northeast. Vacancy rates in the West continue to decline, leading to strong increases in rental rates. Over the longer term, the Joint Center for Housing studies expects rental housing demand to grow by 1.8 million households over the next decade. Minorities will be responsible for nearly all of this increased demand. The minority share of renter households grew from 37% in 1995 to 43% in 2005. The minority share is forecast to exceed 50% of renter households in 2015. Demographics will also play a role. Growth in young adult households will increase demand for moderately-priced rentals, in part because echo boomers will reach their mid-20s after 2010. Meanwhile growth among these between the ages of 45 and 64 will lift demand for higher-end rentals. Given

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8 A survey conducted by the AARP indicates that 90% of people 50 years and older want to stay in their current home and community as they age. See [http://www.aarp.org/research](http://www.aarp.org/research).

9 "Aging in Place: A toolkit for Local Governments" by M. Scott-Ball.
current trends in home prices and interest rates, conditions will become increasingly favorable for rental markets in the coming years.

Despite only modest increases in rents in recent years, growing shares of low- and moderate-wage workers, as well as seniors with fixed incomes, can no longer afford to rent even a modest two-bedroom apartment anywhere in the country. In 2006, one in three American households spent more than 30% of income on housing, and more than one in seven spent upwards of 50%.

According to the Joint Center for Housing Studies, these statistics understate the true magnitude of the affordability problem because they do not capture the tradeoffs people make to hold down their housing costs. For example, these figures exclude the 2.5 million households that live in crowded or structurally inadequate housing units. They also exclude the growing number of households that move to locations distant from work where they can afford to pay for housing, but must spend more for transportation to work. Among households in the lowest expenditure quartile, those living in affordable housing spend an average of $100 more on transportation per month than those who are severely housing cost-burdened. With total average monthly outlays of only $1,000, these extra travel costs amount to 10 percent of the entire household budget.

**FIGURE 9.40.2**  
**HOURLY WAGES NEEDED TO AFFORD RENT BY COUNTY**  
US, 2004

Source: HUD's Fair Market Rents for 2004, based on methodology developed by the National Low Income Housing Coalition. As cited in The State of The Nation's Housing, 2005, The Joint Center for Housing Studies of Harvard University, p. 4

Notes: Federal minimum wage in 2004 was $5.15 per hour. Hourly wage needed to afford the Fair Market Rent on a modest 2-bedroom unit assumes paying 30% of income on housing and working 40 hours a week for 52 weeks a year.
Trends in Housing Affordability

The record-breaking housing prices, residential investment, and home sales of 2005 mentioned above, although indicative of strong housing demand nationally, have negative implications for lower-income populations and first-time home buyers. Higher short-term interest rates made it more difficult for first-time buyers to break into the market. Subprime loans may help many low-income buyers access credit, but their special terms and higher rates put some of the buyers at risk of foreclosure. The concentration of subprime loans in low-income minority neighborhoods puts some of these communities at risk of widespread foreclosure. With low-wage jobs increasing and wages for those jobs stagnating, affordability problems will persist even as strong fundamentals lift the trajectory of residential investment. While the Harvard report presents a relatively optimistic outlook for housing markets and for homeownership, it points to the significant difficulties low- and moderate-income households face in finding affordable housing, and preserving the affordable units that do exist.

Trends in Housing Characteristics

The U.S. Bureau of Census Characteristics of New Housing Report presents data that show trends in the characteristics of new housing for the nation, state, and local areas. Several trends in the characteristics of housing are evident from the New Housing Report:

- Larger single-family units on smaller lots. Between 1995 and 2006 the median size of new single-family dwellings increased 17%, from 1920 sq. ft. to 2248 sq. ft. nationally and 24% in the western region from 1835 sq. ft. to 2275 sq. ft. Moreover, the percentage of units under 1,200 sq. ft. nationally decreased from 10% in 1995 to 4% in 2006. The percentage of units greater than 3,000 sq. ft. increased from 13% in 1995 to 24% of new one-family homes sold in 2006. In addition to larger homes, a move towards smaller-lot sizes is seen nationally. Between 1995 and 2006 the median lot size of new single-family dwellings decreased 9% from 9,508 sq. ft. to 8,621 sq. ft. nationally and 4% in the western region from 7,000 sq. ft. to 6,697 sq. ft.

- Larger multifamily units. Between 1994 and 2006, the median size of new multiple-family dwelling units increased. The percentage of multifamily units with more than 1,200 sq. ft. increased from 11% to 43% in the western region and from 11% to 47% nationally. Moreover, the percentage of units with less than 600 sq. ft. decreased from 6% to 2% in the western region and from 4% to 1% nationally.

- More household amenities. Between 1995 and 2006 the percentage of single-family units built with amenities such as central air conditioning, fireplaces, 2 or more car garages, or 2 or more baths all increased. The same trend in increased amenities is seen in multiple family units.

9.439.40 — Buildable Land Inventory

In accordance with OAR 660-008-0005 (2), an estimate of buildable land inventory (BLI) within the Grants Pass Urban Growth Boundary (UGB) has been created to determine that amount of land available to meet housing needs. The BLI analysis uses the most current Geographic Information Systems (GIS) data provided available for the Grants Pass UGB.
9.41 Buildable Land Inventory Methodology

The objective of the residential BLI is to determine the amount of developable land available for future residential housing development within the UGB. The steps taken to perform this analysis are as follows:

1. **Calculate gross acres** by plan designation, including classifications for fully vacant and partially vacant parcels. This step entails "clipping" all of the tax lots that are bisected by the current UGB to eliminate land outside current UGB from consideration for development at this time. City staff input was provided to provide a level of quality assurance to review output is consistent with OAR 660-008-0005(2).

2. **Calculate gross buildable acres** by plan designation by subtracting land that is constrained from future development, such as existing public right-of-way, parks and open space, steep slopes, and floodplains.

3. **Calculate net buildable acres** by plan designation, by subtracting future public facilities such as roads, schools and parks from gross buildable acres.

4. **Determine total net buildable acres by plan designation** by taking into account potential redevelopment locations and mixed-use development opportunity areas.

The detailed steps used to create the land inventory are described below.

**Residential Land Base**

The residential land base reflects current Grants Pass Comprehensive Plan land use designations. Properties that are within the residential land base include the following base zone classifications:

Residential Land Use Classifications

- Low Density (LR)
- Moderate Density (MR)
- Moderate High Density (HR)
- High Density (HRR)

These classifications have been kept consistent throughout the analysis.

**Land Classifications**

The next step in the BLI analysis includes classifying each tax lot (parcel) into one of the following categories.

**Vacant land**: Properties with no structures or have buildings with very little value. For purpose of the BLI, residential lands with improvement value less than $10,000 are considered vacant. These lands were also subjected to review using satellite imagery via Google Earth; and if the land is in a committed use such as a parking lot, an assessment has been made to determine if it is to be classified as vacant, part vacant or developed.

**Partially vacant land**: Properties that are occupied by a use (e.g., a home or building structure with value over $10,000) but have enough land to be subdivided without the need for rezoning. This determination is made using tax assessor records and satellite imagery. For lots with existing buildings, it is assumed that ¼ acre (10,890 sq. ft.) is retained by each existing home, and the remainder is included in the part vacant land inventory.

**Vacant Undersized**: Properties that are vacant or part-vacant with less than 3,000 sq. ft. of land area. This category is excluded from the vacant land inventory since these lots are not likely large enough
to accommodate new housing units. However, it is possible that some may be suitable for accessory dwelling units (ADUs).

**Developed & Non-Residential Land Base:** Properties unlikely to yield additional residential development for one of two reasons: they possess existing structures at densities that are unlikely to redevelop over the planning period; or they include parcels with Comprehensive Land Use Plan designations that do not permit housing development.

**Public and Constrained (unbuildable) land:** Properties which are regarded as unlikely to be developed because they are restricted by existing uses such as: public parks, schools, ballfields, roads and public right-of-way (ROW); common areas held by Homeowners Associations, cemeteries; and power substations. In cases where public-owned land does not fall into one of the above-mentioned categories and is planned or zoned to allow housing, those tax lots are included in the vacant or part-vacant residential land inventory.

These tax lot classifications were validated using satellite imagery, building permit data, and assessor records. Preliminary results were refined based on City staff and public input received during the Housing Needs Analysis (HNA) planning process.

**Development Constraints**

The BLI methodology for identifying and removing development constraints is consistent with state guidance on buildable land inventories per OAR 660-008-0005(2). By definition, the BLI is intended to include land that is “suitable, available, and necessary for residential use.”

“Buildable Land” includes residential designated land within the UGB, including vacant, part vacant and land that is likely to be redeveloped; and suitable, available and necessary for residential uses. Public-owned land is generally not considered to be available for residential use unless the underlying zoning permits housing. It should be noted that “available” in this context does not mean that the land is presently on the market. It is assumed in this analysis that such land is expected to come on the market within the 20-year timeframe of this study.

Land is considered to be “suitable for housing development” unless it is:

- Is severely constrained by natural hazards as determined by the Statewide Planning Goal 7;
- Is subject to natural resource protection measures determined under Statewide Planning Goals 5, 6, 15, 16, 17 or 18;
- Has slopes over 25 percent;
- Is within the 100-year flood plain; or
- Cannot be provided or served with public facilities

Based on state guidelines and data provided by the City of Grants Pass, the following constraints have been deducted from the residential lands inventory.

- Land within floodplains. This includes lands in flood-hazard areas (the 100-year floodplain).
- Locally-designated significant wetlands. This includes lands within 50 feet of a wetland.
- Land within Parks and Natural areas that are protected from future development.
- Land with slopes greater than 25%.
9.42 Residential Buildable Land Inventory Results

Land Base
A summary of the land base by plan designation is provided in Figure 14. The findings indicate that there are 4,640 gross developed acres of residential land and 1,031 acres of gross vacant residential land totaling 5,670 acres zoned for residential uses in Grants Pass.

Figure 14: Residential Land Base, Grants Pass UGB

<table>
<thead>
<tr>
<th>Plan Designation</th>
<th>Developed</th>
<th>Vacant</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>HR</td>
<td>774</td>
<td>113</td>
<td>887</td>
</tr>
<tr>
<td>HRR</td>
<td>279</td>
<td>74</td>
<td>353</td>
</tr>
<tr>
<td>LR</td>
<td>2,347</td>
<td>724</td>
<td>3,071</td>
</tr>
<tr>
<td>MR</td>
<td>1,239</td>
<td>120</td>
<td>1,359</td>
</tr>
<tr>
<td>Grand Total</td>
<td>4,640</td>
<td>1,031</td>
<td>5,670</td>
</tr>
</tbody>
</table>

Source: Grants Pass Buildable Land Inventory; 3J Consulting

Constrained Land
Before the deduction for future public facilities, the vacant residential land base is adjusted to reflect tax lots which exempt residential development, publicly owned tax lots, and public right-of-way, as described previously. Environmental constraints (slopes, floodplains, wetlands, etc.) are removed in this step as well. The results summarized in Figure 15 indicate that after accounting for development constraints, the Grants Pass UGB has 480 acres of vacant buildable residential land.

Figure 15: Unconstrained and Non-Exempt Vacant Land by Plan Designation, Grants Pass UGB

<table>
<thead>
<tr>
<th>Plan Designation</th>
<th>Gross Vacant Land</th>
<th>Exempt Vacant Land</th>
<th>Environmentally Constrained Vacant Non-Exempt Land</th>
<th>Unconstrained Non-Exempt Vacant Land</th>
</tr>
</thead>
<tbody>
<tr>
<td>HR</td>
<td>113</td>
<td>11</td>
<td>20</td>
<td>83</td>
</tr>
<tr>
<td>HRR</td>
<td>74</td>
<td>21</td>
<td>2</td>
<td>51</td>
</tr>
<tr>
<td>LR</td>
<td>724</td>
<td>196</td>
<td>254</td>
<td>274</td>
</tr>
<tr>
<td>MR</td>
<td>120</td>
<td>32</td>
<td>16</td>
<td>72</td>
</tr>
<tr>
<td>Grand Total</td>
<td>1,031</td>
<td>260</td>
<td>291</td>
<td>480</td>
</tr>
</tbody>
</table>

Source: Grants Pass Buildable Land Inventory; 3J Consulting

Buildable Land After Future Public Facilities
The BLI methodology calculates the residential land base after accounting for the constraints described previously. The findings indicate that out of a total of 5,570 gross acres, 4,640 acres are committed (derived from Figure 14). 260 acres are exempt, and 291 acres are environmentally constrained (derived from Figure 15).

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10 Includes right-of-way that is defined as a tax lot in the GIS database, which exempts residential development. This includes most major existing right-of-way which is excluded from the buildable land base.
The final deduction to the BLI includes a 25% allowance for future public facilities and future right-of-way. As indicated below in Figure 16, Grants Pass UGB has a total of 360 vacant unconstrained residential land available over the next 20 years.

Figure 16: Vacant Buildable Land and Future Public Facilities Allowance, Grants Pass UGB

<table>
<thead>
<tr>
<th>Plan Designation</th>
<th>Unconstrained Non-Exempt Vacant Land</th>
<th>Future Public Facilities Allowance</th>
<th>Total Net Buildable Vacant Land</th>
</tr>
</thead>
<tbody>
<tr>
<td>HR</td>
<td>83</td>
<td>21</td>
<td>62</td>
</tr>
<tr>
<td>HRR</td>
<td>51</td>
<td>13</td>
<td>39</td>
</tr>
<tr>
<td>LR</td>
<td>274</td>
<td>68</td>
<td>205</td>
</tr>
<tr>
<td>MR</td>
<td>72</td>
<td>18</td>
<td>54</td>
</tr>
<tr>
<td>Grand Total</td>
<td>480</td>
<td>120</td>
<td>360</td>
</tr>
</tbody>
</table>

Source: Grants Pass Buildable Land Inventory; 3J Consulting

Partially Vacant Residential Land

In addition to vacant land, the BLI also includes a part-vacant land category. As noted above, partially vacant land includes properties that are occupied by a use (e.g., a home or building structure with value over $10,000) with enough land to be subdivided without the need for rezoning. As shown in Figure 17, after removing environmental constraints and exempt parcels, there are 1,037 part vacant acres that could be subdivided for development. After applying the 25% allowance for future public facilities, 778 acres of part vacant residential land are available for development in Grants Pass.

Figure 17: Part Vacant Buildable Land and Future Public Facilities Allowance, Grants Pass UGB

<table>
<thead>
<tr>
<th>Plan Designation</th>
<th>Unconstrained Non-Exempt Part Vacant Land</th>
<th>Future Public Facilities Allowance</th>
<th>Total Net Buildable Part Vacant Land</th>
</tr>
</thead>
<tbody>
<tr>
<td>HR</td>
<td>247</td>
<td>62</td>
<td>185</td>
</tr>
<tr>
<td>HRR</td>
<td>59</td>
<td>15</td>
<td>44</td>
</tr>
<tr>
<td>LR</td>
<td>506</td>
<td>126</td>
<td>379</td>
</tr>
<tr>
<td>MR</td>
<td>226</td>
<td>56</td>
<td>169</td>
</tr>
<tr>
<td>Grand Total</td>
<td>1,037</td>
<td>259</td>
<td>778</td>
</tr>
</tbody>
</table>

Source: Grants Pass Buildable Land Inventory; 3J Consulting

Total Developable Residential Land

Figure 18 shows the combination of net developable vacant and part vacant residential lands in the Grants Pass UGB. The Grants Pass UGB has a buildable land inventory of 247 acres of Moderate High Density land (62 vacant and 185 part vacant); 83 acres of High Density land (39 vacant and 44 part vacant); 223 acres of Moderate Density land (54 vacant and 169 part vacant); and 585 acres of Low Density land (205 vacant and 379 part vacant). Conclusions regarding the sufficiency of this buildable land inventory will be drawn in the next chapter.
Figure 18: Net Buildable Vacant and Part Vacant Residential Land, Grants Pass UGB

<table>
<thead>
<tr>
<th>Plan Designation</th>
<th>Vacant</th>
<th>Partially Vacant</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>HR</td>
<td>62</td>
<td>185</td>
<td>247</td>
</tr>
<tr>
<td>HRR</td>
<td>39</td>
<td>44</td>
<td>83</td>
</tr>
<tr>
<td>LR</td>
<td>205</td>
<td>379</td>
<td>585</td>
</tr>
<tr>
<td>MR</td>
<td>54</td>
<td>169</td>
<td>223</td>
</tr>
<tr>
<td>Grand Total</td>
<td>360</td>
<td>778</td>
<td>1,138</td>
</tr>
</tbody>
</table>

Source: Grants Pass Buildable Land Inventory; J3 Consulting

Buildable Land by Lot Size

Figures 19 and 20 show vacant and part vacant land broken down by lot size. This is an important consideration given that, for example, a planned unit development yielding dozens of housing units can only occur on a relatively large, contiguous piece of land. The figures below show average figures prior to the 25% allowance for public facilities.

Figure 19 indicates that over three quarters of buildable vacant land are on relatively small lots (34% on lots of less than one acre and 44% on lots between 1 and 5 acres). Only two lots have more than 10 acres of vacant developable land.

Figure 19: Vacant Buildable Land by Lot Size

<table>
<thead>
<tr>
<th></th>
<th>&lt;1 acre</th>
<th>&gt;= 1 acre, &lt;5 acres</th>
<th>&gt;= 5 acres, &lt;10 acres</th>
<th>&gt;=10 acres</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Acres</td>
<td>Lots</td>
<td>Acres</td>
<td>Lots</td>
</tr>
<tr>
<td>HR</td>
<td>37.5</td>
<td>164</td>
<td>24.3</td>
<td>10</td>
</tr>
<tr>
<td>HRR</td>
<td>11.7</td>
<td>42</td>
<td>34.0</td>
<td>18</td>
</tr>
<tr>
<td>LR</td>
<td>78.1</td>
<td>260</td>
<td>132.6</td>
<td>58</td>
</tr>
<tr>
<td>MR</td>
<td>36.6</td>
<td>134</td>
<td>20.0</td>
<td>12</td>
</tr>
<tr>
<td>Total</td>
<td>163.9</td>
<td>600</td>
<td>211.0</td>
<td>98</td>
</tr>
</tbody>
</table>

Source: Grants Pass Buildable Land Inventory; J3 Consulting

Figure 20 shows that a similar phenomenon is occurring among part vacant developable land with over 80% of buildable part vacant land on parcels less than 5 acres.

Figure 20: Part Vacant Buildable Land by Lot Size

<table>
<thead>
<tr>
<th></th>
<th>&lt;1 acre</th>
<th>&gt;= 1 acre, &lt;5 acres</th>
<th>&gt;= 5 acres, &lt;10 acres</th>
<th>&gt;=10 acres</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Acres</td>
<td>Lots</td>
<td>Acres</td>
<td>Lots</td>
</tr>
<tr>
<td>HR</td>
<td>40.8</td>
<td>78</td>
<td>127.5</td>
<td>54</td>
</tr>
<tr>
<td>HRR</td>
<td>16.6</td>
<td>28</td>
<td>35.2</td>
<td>17</td>
</tr>
<tr>
<td>LR</td>
<td>226.8</td>
<td>485</td>
<td>204.5</td>
<td>103</td>
</tr>
<tr>
<td>MR</td>
<td>88.6</td>
<td>178</td>
<td>106.3</td>
<td>56</td>
</tr>
<tr>
<td>Total</td>
<td>372.8</td>
<td>769</td>
<td>473.5</td>
<td>230</td>
</tr>
</tbody>
</table>

Source: Grants Pass Buildable Land Inventory; J3 Consulting

Figure 19 reflects a map of the net vacant and part vacant residential land in the Grants Pass UGB by plan designation. Part vacant parcels are denoted by a crosshatch overlay. The map also shows the location of environmental constraints. Figures 21-25 show the same data in select quadrants of the city to allow for better legibility.
Commercial and Mixed-Use Land Assumptions

It should be noted that commercial-zoned parcels in Grants Pass are sometimes developed as higher density residential uses. Citywide, about 5.5% of buildable commercial land has developed with a high-density residential component, which includes 57 acres out of a total 1,031 commercial acres. Presently, there are 168.28 vacant, unconstrained, non-exempt commercial acres in the Grants Pass UGB. While it is difficult to project the amount of residential development that is likely to occur on this commercial land, it is reasonable to expect that some of the future apartment demand will be accommodated on land zoned for commercial uses.
Figure 21: Grants Pass Buildable Land Inventory Map

Grants Pass Net Vacant and Partially Vacant Residential Land

Legend
- UGB
- Taxlots
- Rogue River
- Environmental Constraints
- Net Vacant Residential Plan_Designation
  - HRR
  - HR
  - MR
  - LR
- Net Partially Vacant Acres

Scale: 0 0.25 0.5 1 Miles
Figure 22: Southwest Grants Pass Buildable Land Inventory Map

Grants Pass Net Vacant and Partially Vacant Residential Land (Southwest)
Figure 23: North Grants Pass Buildable Land Inventory Map
Grants Pass Net Vacant and Partially Vacant Residential Land (North)
Figure 24: Central Grants Pass Buildable Land Inventory Map
Figure 25: Central Grants Pass Buildable Land Inventory Map

9.50 LAND SUFFICIENCY ANALYSIS
This section provides an estimate of residential development capacity (measured in new dwelling units) and an estimate of the ability of the Grants Pass UGB to accommodate needed new housing units for the 2020 to 2040 period, based on the analysis in the housing needs.

A comparison of 20-year residential land needs (demand) is made relative to the residential buildable land inventory. This provides a means of reconciling housing land demand with buildable land supply within the Grants Pass UGB. The evaluation of UGB land requirements to accommodate the planned housing need included three steps.

Step 1 takes into account the forecasted number of dwelling units by housing type, including single unit detached, townhomes andplexes, multi-unit, and manufactured homes as well as group quarters population (see Section 9.4).

Step 2 considers the amount of land required to accommodate the future housing demand based on the expected average development density for each general housing type (see Figure 26).

Step 3 includes a comparison (reconciliation) between the land need determined in Step 2 and the residential buildable land inventory presented in Section 9.5.

9.51 Housing Need Forecast

As discussed in Section 9.4, the forecasted housing mix for Grants Pass includes 4,055 housing units along with 114 group quarters units. This results in net new housing development as follows:

- Single Unit Detached: 2,502 dwellings (including standard and small lot single unit detached housing)
- Townhomes and Plexes: 749 dwelling units
- Manufactured Homes: 254 dwellings
- Multi-unit: 551 dwelling units (includes apartments and condominiums with 5+ units per structure)
- Group Quarters: 114 dwelling units

9.52 Residential Land Need Summary

The second step in the reconciliation of land needs estimates the amount of net buildable land area required to address the housing growth forecast. This step applies average density assumptions based on Grants Pass local experience (dwellings per acre) to each of the general residential development categories listed in Step 1 to arrive at a total residential land need forecast.
**Figure 26: Grants Pass Residential Classifications and Density Assumptions**

<table>
<thead>
<tr>
<th>Dwelling Unit Type</th>
<th>20-Year Dwelling Unit Demand</th>
<th>Applicable Plan Designation</th>
<th>Applicable Local Zones</th>
<th>Allowable Density (gross DU per Ac)</th>
<th>Avg. Development Density (net DU per Ac)</th>
<th>Net Buildable Land Requirement (net acres)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single Family Detached</td>
<td>2,502</td>
<td>LR</td>
<td>R-1-12, R1-10, R-1-8</td>
<td>3.96 to 6.22</td>
<td>5.5</td>
<td>455</td>
</tr>
<tr>
<td>Townhomes / Plexes</td>
<td>749</td>
<td>MR</td>
<td>R-1-6, R-2</td>
<td>8.71 to 12.44</td>
<td>5.8</td>
<td>129</td>
</tr>
<tr>
<td>Manufactured home</td>
<td>254</td>
<td>LR, MR</td>
<td>all of the above</td>
<td>6.22 to 12.44</td>
<td>8.7</td>
<td>29</td>
</tr>
<tr>
<td>Multifamily (5+ units)</td>
<td>551</td>
<td>HR, HRR</td>
<td>R-1-8, R-2, R-4-2, R-5</td>
<td>20 to 50</td>
<td>11.4</td>
<td>48</td>
</tr>
<tr>
<td>Group quarters (@2 people per unit)</td>
<td>114</td>
<td>varies</td>
<td>varies</td>
<td>varies</td>
<td>9.4</td>
<td>12</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>4,169</strong></td>
<td></td>
<td></td>
<td><strong>674</strong></td>
<td></td>
<td><strong>674</strong></td>
</tr>
</tbody>
</table>

Source: prior tables; and interpretation of current zoning code and housing development/market conditions.

* Excludes steep slopes and flood zones; includes 25% allowance for public facilities/easements

**9.53 UGB Sufficiency Analysis**

As shown in **Figure 27**, the forecasted housing need (4,169 total dwelling units) is expected to require 674 acres of buildable land area. Since the current UGB includes 1,151 acres, we can conclude that there is an overall residential land surplus of 478 acres at this time.

The BLI findings indicate that the existing amount of vacant and part vacant land within the Grants Pass UGB is generally sufficient to accommodate planned 20-year housing needs.

**Figure 27: Reconciliation of Residential Land Need**

<table>
<thead>
<tr>
<th>Dwelling Unit Type</th>
<th>Applicable Plan Designation</th>
<th>Net Buildable Land Requirement (net acres)</th>
<th>Net Buildable Land Inventory (net acres)</th>
<th>Net Buildable Land Surplus (net acres)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single Family Detached</td>
<td>LR</td>
<td>455</td>
<td>588</td>
<td>133</td>
</tr>
<tr>
<td>Townhomes / Plexes</td>
<td>MR</td>
<td>129</td>
<td>226</td>
<td>97</td>
</tr>
<tr>
<td>Manufactured home</td>
<td>LR, MR</td>
<td>29</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Multifamily (5+ units)</td>
<td>HR, HRR</td>
<td>48</td>
<td>337</td>
<td>248</td>
</tr>
<tr>
<td>Group quarters (@2 people per unit)</td>
<td>varies</td>
<td>12</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>674</strong></td>
<td><strong>1,151</strong></td>
<td><strong>478</strong></td>
</tr>
</tbody>
</table>

* Analysis assumes these housing types are primarily developed in HR, HRR plan designations.
9.60 FINDINGS

- The population of Grants Pass is forecast to grow at 1.02% per year over the next two decades, adding 9,401 new residents.

- Population growth will require the addition of 4,055 new traditional dwelling units over the next 20 years as well as 114 group quarters dwellings.

- About 60% of the future housing need will consist of single unit detached housing, 18% will be a mix of townhomes andplexes, 13% will be apartments, 6% will be comprised of manufactured housing and about 3% will be in group quarters such as dorms and congregate care facilities.

- The results of the housing needs analysis indicates that the current UGB is sufficient to accommodate future housing needs.

9.61 Housing Policy Goals

As part of the HNA process, the consultant team met with City staff and the HNA Advisory Committee to discuss potential housing policies that cities throughout Oregon have implemented to address various housing issues, which are summarized in OAR 660-038-0190(5) measures to accommodate needed housing in the UGB.

Grants Pass HNA Policies and Objectives

Goal: Ensure the availability of adequate numbers of needed housing units at price ranges and rent levels commensurate with the financial capabilities of Grants Pass households, and allow for flexibility of housing location, type, and density.

Land Availability

1. In compliance with ORS 197.296, plan for a 20-year supply of suitable land for Grants Pass to meet housing needs within the existing Urban Growth Boundary. Coordinate with Josephine County as required by the State Housing Goal to ensure a fair allocation of housing types and densities.

2. Update the Housing Needs Analysis at least every 10 years and whenever actual population growth exceeds growth forecasts for three out of five years.

3. Revise Comprehensive Plan land use designations and Development Code as needed to meet the housing needs identified in the Housing Needs Analysis.

4. Direct development opportunities to vacant or partially vacant land as identified in the Buildable Lands Inventory and Housing Needs Analysis.

5. Maintain the Land Use Map, Zoning Map, Overlay Maps and Development Code to provide opportunities for a variety of housing types, densities, and locations within the urban growth boundary.

6. Complete an annual evaluation of progress on the Housing Needs Analysis goals and growth targets.
Housing Needs

7. Evaluate and address local barriers to residential development.
8. Streamline land use and development processes to incentivize the timely and efficient development of housing.
9. Permit a variety of housing types across all residential zones, including single-unit, middle housing, manufactured housing, and multi-unit types. Focus on expanding opportunities for housing types which are shown to be related to lower housing costs.
10. Create pre-approved middle housing floorplans to encourage middle housing development.
11. Reduce minimum lot sizes in low-density zones to increase the efficiency of single-unit and middle housing.
12. Establish minimum densities in medium and high-density zones.
13. Increase maximum building height in higher density zones.
14. Simplify the permit process to convert single-unit dwellings in commercial zones to mid-to-high density multi-dwelling housing.
15. Support efforts by nonprofit organizations and for-profit entities to provide housing for special needs populations, (Group quarters, independent living for seniors, assisted living, memory care, mental health facilities, drug and alcohol rehab, etc.).
16. Promote and incentivize mixed-use areas to connect households to a variety of transportation options, medical and social services, commercial centers, and recreation amenities.
17. Direct funds and program support to rehabilitate existing housing within Grants Pass.
18. Plan infrastructure and utilities to support housing development within the urban growth boundary, especially areas identified as likely for infill development.

Housing Affordability and Homelessness

19. Support public, private, and nonprofit agencies and organizations to facilitate affordable housing development and maintenance.
20. Dedicate City resources to support public and private housing and associated programs/services to community members experiencing homelessness.
21. Identify surplus publicly owned properties that could be used for affordable housing and leverage these assets through public-private partnerships and other avenues.

Funding and Incentives

22. Implement a variety of incentives to support subsidized, low income and workforce housing. These incentives may include:
   a. Waiving or deferring fees and system development charges
   b. Adopting or amending criteria for property tax exemptions or freezes
   c. Providing density bonuses with the development of affordable housing
   d. Requiring the lowest off-street parking standards necessary to still meet community needs in order to reduce land used for parking and reduce housing costs
   e. Utilize Multi-Unit limited tax exemption (MULTE) program
23. Identify funding sources to increase housing affordability and support subsidized housing programs and infrastructure development. Funding sources may include:
   a. Assessing a construction excise tax
b. Dedicating a portion of Urban Renewal funding

c. Implementing Local Improvement Districts

d. Proceeds from the sale of surplus property

e. Dedicating a portion of System Development Charges
Short-term rental lodging tax

Demographic characteristics and housing trends related to demand for different types of housing

State and regional demographic and housing trends are important to a thorough understanding of the dynamics of the Grants Pass housing market. Grants Pass exists in a regional economy; trends in the region impact the local housing market. This section documents state and regional demographic and housing trends relevant to Grants Pass and factors that influence households' locational choices.

Demographic trends

This section reviews historical demographic trends in Oregon, Josephine County, and Grants Pass. Demographic trends provide a broader context for growth in a region; factors such as age, income, migration and other trends show how communities have grown and shape future growth. To provide context, we compare Grants Pass (city limits) with Josephine County and Oregon where appropriate. Characteristics such as age and ethnicity are indicators of how population has grown in the past and provide insight into factors that may affect future growth.

State Demographic Trends

The April 2003 edition of Oregon Outlook produced by the Population Research Center at Portland State University provides a report entitled Oregon's Major Population Trends by Barry Edmonston, Director of Oregon's Population Research Center. It describes Oregon's major population trends through 2000, including Oregon's population growth, changes in the state's age composition, shifts in ethnic diversity, and trends in household size and composition. The report also highlights implications of these trends.

The average household size in Oregon has decreased over the past five decades, with the rate of decrease slowing during this period. Figure 9.40.3 shows that the average household size in Oregon was 2.60 in 1980, 2.52 in 1990 and 2.5 in 2000. This trend is likely to continue, with average household size continuing to decrease, but at a slowing rate. Unlike the state, Grants Pass experienced a small increase in household size from 2.34 in 1990 to 2.36 in 2000.

FIGURE 9.40.3
AVERAGE HOUSEHOLD SIZE
Oregon, 1900-2000
Figure 9.40.4 shows change in distribution of households by size in Oregon from 1900 to 2000. Households with three or more people made up the majority of Oregon households through 1970. The share of Oregon households with three or more people decreased between 1970 and 2000, while the share of one and two person households increased. By 1980, one and two person households accounted for more than 50% of Oregon households, increasing to over 60% of Oregon households by 2000.

Compared to the state, Josephine County and Grants Pass had a larger share of one and two person households in 1990 and 2000. The direct impact of decreasing household size on housing demand is that smaller households means more households, which means a need for more housing units, even if population were not growing. More housing units are needed to house the same number of people.

FIGURE 9.40.4
DISTRIBUTIONS OF HOUSEHOLD BY SIZE
Oregon, 1900-2000
The changing composition of households that accounts for smaller average household size is also important in understanding housing need. Household size changed in the following ways between 1950 and 2000.

- Two-person households grew increasingly common. By 1950, two-person households were the most common household size in Oregon, accounting for about one-quarter of households. The share of two-person households continued to grow and by 2000, two-person households accounted for about one-third of Oregon households.

- The share of one-person households increased. The share of one-person households also increased substantially between 1950 and 2000. In 1950, about 10% of Oregon households were non-family households, and almost all were single persons. By 2000, non-family households had increased to almost one-third of households, and about one-quarter of Oregon households in 2000 were single persons.

- Households of households with three or more people became less common. The share of households with three or more people decreased from more than 60% of households to about 40% of households in 2000. This was most pronounced in households with five or more people, which decreased from about 20% to 10% of households.

Figure 9.40.5 shows trends in household type in Oregon from 1950 through 2000. The composition of households changed in the following ways between 1950 and 2000:

- Single persons are the most common type of non-family household in Oregon. By 2000, for the first time, the number of one-person households exceeded the number of households comprised of married couples with children. As Oregon's population grows older, the next...
several decades, there is likely to be a further increase in the number and proportion of single person households. See Figure 9.40.5 and Figure 9.40.9.

- Married couples account for a decreasing share of households in Oregon. While the number of married couple households in Oregon has increased in absolute numbers since 1950, they have decreased substantially as a proportion of all households, especially since 1970. In 1950, married couples accounted for more than three-quarters of all Oregon households. By 2000, married couples accounted for a little more than one-half of all Oregon households, a decrease of about 25% since 1950.

- Married couples remain the most common type of total households and family households in Oregon and the United States. Compared to other states, Oregon's population has slightly more married couples as a share of all households. In 2000, 51.9% of Oregon households were married couples, compared to a national average of 51.7%. In 2000, the share of married couples was higher that the state average in Josephine County, with married couples accounting for 56% of households. However, for Grants Pass, married couples comprised a lower share of households compared to the state average in 2000, accounting for 46% of households in Grants Pass.

- The share of households with married couples with children declined between 1950 and 2000. In 1960, at the peak of the baby boom years, more than 40% of Oregon households were married couples with one or more children under 18 years at home, decreasing to about 22% of households in 2000. In 2000, for Josephine County, the percentage of married couples with children was 19% in 2000. For Grants Pass, that percentage was 21%.

- The share of married couples with no children declined between 1950 and 2000. In 1950 married couples with no children under 18 years accounted for about one-third of households and declined to more than one-quarter of households in 2000.

FIGURE 9.40.5

DISTRIBUTION OF HOUSEHOLDS BY TYPE

Oregon, 1950–2000
Oregon’s 2006-2010 Consolidated Plan includes a detailed housing needs analysis as well as strategies for addressing housing needs statewide. The plan concludes that “Oregon’s changing population demographics are having a significant impact on its housing market.” It identified the following population and demographic trends that influence housing needs statewide:

- 11th fastest growing population in the United States
- Facing dramatic housing cost increases
- Facing median and adjusted incomes less than those of 1999
- Growing faster than national rates: 4.0% vs. 3.3% and expecting a non-entitlement growth during this consolidated plan of about 6%, 82% of which will come from in-migration:
  - Increasingly older
  - Increasingly diverse
  - Increasingly less affluent

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Richard Bjelland, State Housing Analyst at the Housing and Community Services Department of the State of Oregon, analyzed recent demographic changes taking place in Oregon and discussed their implications in a 2006 presentation "Changing Demographics: Impacts to Oregon and the US." Some of Bjelland's most significant findings are summarized below:

- Oregon's minority population is growing quickly. Minorities made up 9.2% of the population in 1990 and 16.5% of the population in 2000, a 52% increase.
- Hispanics and Latinos make up a large share of that population and their growth rate is higher than non-Hispanics/Latinos. The growth rate of Oregon's non-Hispanic/Latino population between 1990 and 2000 was 15.3% compared to 144.3% for Hispanics and Latinos.
- The birth rates of Hispanic/Latino residents are higher than non-Hispanic/Latino residents. In 1998, for the US, white non-Hispanic/Latino residents had a birth rate of 12.3 per 1,000, lower than Asians and Pacific Islanders (16.4 per 1,000), black non-Hispanics (18.2 per 1,000) and Hispanic/Latino (24.3 per 1,000).
- The share of resident births and deaths in Oregon shows the implications of that birthrate: Hispanic/Latino residents accounted for 17.4% of births but only 1.4% of deaths in Oregon for 2001. In addition, Hispanic/Latino Oregonians are younger than non-Hispanic/Latino residents: in 2000, 75.9% of Hispanic/Latino residents of Oregon are under age 35, compared to 45.7% of non-Hispanic/Latino residents.
- In Oregon, Hispanic/Latino per capita income in 2005 was only 44% of white non-Hispanic/Latino per capita income.
- Hispanic/Latino residents of Oregon become homeowners at younger ages than non-Hispanic/Latino residents. Table 9.40.6 shows that Hispanic/Latino Oregonians under 45 have higher homeownership rates than non-Hispanic/Latino residents.

TABLE 9.40.6

<table>
<thead>
<tr>
<th>Homeownership rates by age AND ETHNICITY of householder</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age of householder</td>
</tr>
<tr>
<td>---------------------</td>
</tr>
<tr>
<td>25-34</td>
</tr>
<tr>
<td>35-44</td>
</tr>
<tr>
<td>45 and older</td>
</tr>
</tbody>
</table>

Regional Demographic Trends

Regional demographic trends largely follow the statewide trends discussed above, but provide additional insight into how demographic trends might affect housing in Grants Pass.

Population growth in Oregon tends to follow economic cycles. Oregon’s economy is generally more cyclical than the nation’s, growing faster than the national economy during expansions and contracting more rapidly than the nation during recessions. This pattern is shown in Table 9.40.7, which presents data on population in the U.S., Oregon, and Southern Oregon, and Jackson and Josephine Counties and selected cities in Southern Oregon over the 1980–2006 period.

Table 9.40.7 shows population growth in Oregon, Jackson and Josephine Counties, and selected cities over the 1980–2006 period. Table 9.40.7 shows that Josephine County’s population grew by more than 22,000 people over the twenty-six year period at an average annual rate of 1.29%. Over the same period, Jackson County’s population grew by about 62,000 residents at an average annual rate of 1.55%.

The majority of population growth in Southern Oregon occurred in the cities of Medford, Ashland, Central Point, and Grants Pass. These cities grew by about 62,000 people, accounting for about two-thirds of the population growth in Southern Oregon over the 1980 to 2006 period.

Population within the Grants Pass city limits grew from 15,032 residents in 1980 to 30,930 residents in 2006, an increase of 15,989 people at an average annual rate of 2.93%. Population growth in Grants Pass accounted for about 70% of population growth in Josephine County.

Table 9.40.7

Historic Population Change


<table>
<thead>
<tr>
<th>Area</th>
<th>Population</th>
<th>Change 1980 to 2006</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1980</td>
<td>1990</td>
</tr>
<tr>
<td>Oregon</td>
<td>2,639,915</td>
<td>2,842,321</td>
</tr>
<tr>
<td>Jackson County</td>
<td>132,456</td>
<td>146,389</td>
</tr>
<tr>
<td>Medford</td>
<td>39,746</td>
<td>46,961</td>
</tr>
<tr>
<td>Ashland</td>
<td>14,943</td>
<td>16,234</td>
</tr>
<tr>
<td>Central Point</td>
<td>6,357</td>
<td>7,509</td>
</tr>
<tr>
<td>Josephine County</td>
<td>58,855</td>
<td>62,649</td>
</tr>
<tr>
<td>Grants Pass</td>
<td>15,032</td>
<td>17,488</td>
</tr>
<tr>
<td>Cave Junction</td>
<td>1,023</td>
<td>1,126</td>
</tr>
</tbody>
</table>

Source: U.S. Census, Population Research Center, and calculations by ECONorthwest
Between 1990 and 1999, almost 70% of Oregon's total population growth was from net migration (in-migration minus out-migration), with the remaining 30% from natural increase (births minus deaths).\(^\text{13}\) Migrants to Oregon tend to have many characteristics in common with existing residents, with some differences—recent in-migrants to Oregon are, on average, younger and more educated, and are more likely to hold professional or managerial jobs, compared to Oregon’s existing population. The race and ethnicity of in-migrants generally mirrors Oregon's established pattern, with one exception: Hispanics make up more than 7% of in-migrants but only 3% of the state’s population. The number one reason cited by in-migrants for coming to Oregon was family or friends, followed by quality of life and employment.\(^\text{14}\)

The Census collects information about migration patterns. Specifically, it asks households where their residence was in 1995 (5 years prior to the Census count). Table 9.40.8 shows the place of residence in 1995 for Oregon, Josephine County, and Grants Pass. Table 9.40.8 shows that residents of Grants Pass were more mobile than the County or State averages. Residents of Grants Pass were more likely to have lived in a different state in 1995. Sixty percent of Grants Pass residents lived in a different state in 1995, compared with 49% of Josephine County residents and 53% of Oregon residents. Seventeen percent of Grants Pass residents lived in a different state in 1995, compared with 15% of Josephine County and 12% of Oregon residents. Census data indicates that the majority of people moving to Josephine County from out-of-state are from California, with many fewer people moving from Washington, Arizona and other states.

**TABLE 9.40.8**

Place of residence in 1995, persons 5 years and over

Oregon, Josephine County, and Grants Pass

<table>
<thead>
<tr>
<th>Location</th>
<th>Oregon</th>
<th>Josephine County</th>
<th>Grants Pass</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Persons</td>
<td>Percent</td>
<td>Persons</td>
</tr>
<tr>
<td>Population 5 years and older</td>
<td>3,199,323</td>
<td>100%</td>
<td>71,725</td>
</tr>
<tr>
<td>Same house in 1995</td>
<td>1,496,938</td>
<td>47%</td>
<td>36,636</td>
</tr>
<tr>
<td>Different house in 1995</td>
<td>1,702,385</td>
<td>53%</td>
<td>35,089</td>
</tr>
<tr>
<td>Same county</td>
<td>863,070</td>
<td>27%</td>
<td>18,814</td>
</tr>
<tr>
<td>Different county:</td>
<td>755,954</td>
<td>24%</td>
<td>15,846</td>
</tr>
<tr>
<td>Same state</td>
<td>356,626</td>
<td>11%</td>
<td>5,207</td>
</tr>
<tr>
<td>Different state</td>
<td>399,328</td>
<td>12%</td>
<td>10,739</td>
</tr>
</tbody>
</table>

Source: US Census 2000


\(^{14}\) State of Oregon, Employment Department. 1999-1999 Oregon In-migration Study.
Figure 9.40.6 shows the age distribution of residents of Oregon, Josephine County, and Grants Pass for 2000. Grants Pass and Josephine County had a smaller share of population aged 20 to 59 than the state average. Grants Pass had a larger share of residents aged 20 to 39 years than the County average. Grants Pass had a larger share of residents under 19 years and 70 years and older than Josephine County or Oregon. During the 1990’s the fastest growing groups were 45 to 64 years and 5 to 17 years. The slowest growing group was 65 years and older. These trends suggest that Grants Pass attracted retirees and families with children.

**FIGURE 9.40.6**

**Population by age**

Oregon, Josephine County, and Grants Pass, 2000

<table>
<thead>
<tr>
<th>Age</th>
<th>Percent of population</th>
</tr>
</thead>
<tbody>
<tr>
<td>70 and older</td>
<td></td>
</tr>
<tr>
<td>60-69</td>
<td></td>
</tr>
<tr>
<td>50-59</td>
<td></td>
</tr>
<tr>
<td>40-49</td>
<td></td>
</tr>
<tr>
<td>30-39</td>
<td></td>
</tr>
<tr>
<td>20-29</td>
<td></td>
</tr>
<tr>
<td>10-19</td>
<td></td>
</tr>
<tr>
<td>Under 9</td>
<td></td>
</tr>
</tbody>
</table>

Source: US Census 2000
Figure 9.40.7 shows the Office of Economic Analysis's (OEA) forecast of population by age group for 2000 to 2025. Figure 9.40.7 shows that the OEA forecasts that Josephine County will experience growth in all age groups, with the greatest growth in people 60 years and older, a group that is forecast to increase by 75%. Slowest growth is forecast for people younger than 29 years.

FIGURE 9.40.7
Change in Population by age
Josephine County, 2000-2025

Source: Oregon Office of Economic Analysis, 2004
Figures 9.40.7 through 9.40.10 show different characteristics of households by age of householder for Grants Pass, including number of households, size of households, tenure. Figure 9.40.8 shows that householders are aged 35 to 54 accounts for more than one-third of households in Grants Pass and Josephine County. Grants Pass has a larger share householders aged 34 and younger (22%) compared to Josephine County (15%).

FIGURE 9.40.8
Households by Age of Householder
Josephine County and Grants Pass, 2000

Source: US Census 2000

Figure 9.40.9 shows households by household size and age of householder. The majority of households have two or more persons, except for householders 75 years and older. Younger householders are more likely to have households with two or more people. The share of households with two or more people peaks with householders aged 25 to 54. The share of one-person households is greatest for householders 75 years and older.

FIGURE 9.40.9.
Number of households by household size and age of householder
Grants Pass, 2000
Source: US Census 2000

Figure 9.40.10 shows households by tenure and age of householder and Figure 9.40.11 shows households by household size, tenure, and age of householder. Grants Pass had more owner-occupied units than renter-occupied households in all age cohorts other than 15-24 and 25-34. Owner-occupied households are generally older. The share of owner-occupied one-person households increased with age, while the share of owner-occupied households with two or more persons decreased with age. The share of one-person owner-occupied households exceeded the number of two or more person owner-occupied households over age 74.

Renter occupied households were generally younger. The share of renter occupied units was largest for people aged 25 to 34 years. Over age 64, the number of one-person renter occupied households increased. The number of two or more person renter-occupied households declined over age 34 through age 74, then increased over age 74.

FIGURE 9.40.10
Households by tenure and Age of householder
Grants Pass, 2000
**Source:** US Census 2000

**Figure 9.40.11**

Households by household size, tenure, and age of householder

Grants Pass, 2000

---

**Source:** US Census 2000
During the past 50 years, the composition of households in Oregon has changed. The share of family households other than married couples grew from about 11% of all households in 1950 to 16% in 2000. The most common type of “other” family households in Oregon is single women with children.

Table 9.40.9 shows household composition and Table 9.40.10 shows household size for Oregon, Josephine County, and Grants Pass. In 2000, 69% of Oregon households were households with no children. Of Oregon households with no children, 43% of these were married couples, 8% were other family households, and 49% were non-family households. Josephine County had a higher percentage of households with no children (73%), with a higher percentage of these (51%) being married couples.

In 2000, 31% of Oregon households were households with children. Of Oregon households with children, 72% were married couples, 20% were female householder with no husband present, and 8% were other family households. The percentage of households with children for Josephine County was lower, at 27%, while it was slightly higher for Grants Pass, at 32%. Grants Pass had a higher share of households with children with a female householders and no husband present (9%), than either the County or State (6%).

Grants Pass households show the following characteristics related to household size and composition when compared with Josephine County and the State:

- Grants Pass had fewer people per household, with an average household size of 2.36 people, compared to the County average of 2.41 and State average of 2.51 people per household.
- Compared to the State share of 1-person and 2-person households (62%), Josephine County and Grants Pass had larger shares, with Grants Pass (65%) slightly below Josephine County (66%).
- Grants Pass had a larger share of 1-person households (32%) than the State (26%) or County (25%).
- Grants Pass had a larger share of households with children (32%) compared with Josephine County (27%) and Oregon (31%). Grants Pass also had a larger share of female householders with children and no husband, 9% compared with the County and State averages of 6%.
- Grants Pass had a smaller share of households with married couples (46%), with and without children, than the State (52%) or County (56%).
- Grants Pass had a larger share of non-family households (36%) than the County average (30%) or State average (34%).
- Like Oregon and Josephine County, a large share of Grants Pass’ households do not include children and have multiple unrelated persons living in the household. In Grants Pass, 21% of households are “traditional” families (married couples with children living at home). This means that all other family and non-family households make up 79% of all households. 68% of Grants Pass households have no children; 36% are composed of two or more unrelated
adults, 54% do not have a married couple in the household, and 25% are married couples without children.

Table 9.40.9

Household composition

Oregon, Josephine County, and Grants Pass, 2000

<table>
<thead>
<tr>
<th>Household Type</th>
<th>Oregon Number</th>
<th>Oregon Percent</th>
<th>Josephine County Number</th>
<th>Josephine County Percent</th>
<th>Grants Pass Number</th>
<th>Grants Pass Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Households with children</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Married couples</td>
<td>410,803</td>
<td>31%</td>
<td>8,454</td>
<td>27%</td>
<td>3,003</td>
<td>32%</td>
</tr>
<tr>
<td>Female householder, no husband</td>
<td>296,404</td>
<td>22%</td>
<td>5,929</td>
<td>19%</td>
<td>1,980</td>
<td>21%</td>
</tr>
<tr>
<td>present</td>
<td>83,131</td>
<td>6%</td>
<td>1,929</td>
<td>6%</td>
<td>865</td>
<td>9%</td>
</tr>
<tr>
<td>Other families</td>
<td>31,268</td>
<td>2%</td>
<td>596</td>
<td>2%</td>
<td>158</td>
<td>2%</td>
</tr>
<tr>
<td><strong>Households without children</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Married couples</td>
<td>322,929</td>
<td>25%</td>
<td>22,573</td>
<td>73%</td>
<td>6,442</td>
<td>68%</td>
</tr>
<tr>
<td>Other families</td>
<td>396,128</td>
<td>30%</td>
<td>11,458</td>
<td>37%</td>
<td>2,393</td>
<td>25%</td>
</tr>
<tr>
<td>Nonfamilies</td>
<td>70,740</td>
<td>5%</td>
<td>1,657</td>
<td>5%</td>
<td>628</td>
<td>7%</td>
</tr>
<tr>
<td><strong>Total Households</strong></td>
<td>1,333,723</td>
<td>100%</td>
<td>31,027</td>
<td>100%</td>
<td>9,445</td>
<td>100%</td>
</tr>
<tr>
<td>Average Household Size</td>
<td>2.51</td>
<td></td>
<td>2.41</td>
<td></td>
<td>2.36</td>
<td></td>
</tr>
<tr>
<td>Average Family Size</td>
<td>3.02</td>
<td></td>
<td>2.85</td>
<td></td>
<td>2.94</td>
<td></td>
</tr>
</tbody>
</table>

Source: U.S. Census, 2000

Table 9.40.10

Household SIZE

Oregon, Josephine County, and Grants Pass, 1990 and 2000

| Number of Persons in Household | Oregon Number | Oregon Percent | Josephine County Number | Josephine County Percent | Grants Pass Number | Grants Pass Percent |
|--------------------------------|---------------|----------------|-------------------------|-------------------------|                   |                     |
| 1990                           |               |                |                         |                         |                   |                     |
| 1-person                       | 277,631       | 25%            | 5,874                   | 23%                     | 2159              | 30%                 |
| 2-persons                      | 393,755       | 36%            | 10,235                  | 41%                     | 2534              | 35%                 |
| 3 or more                      | 433,976       | 39%            | 8,984                   | 36%                     | 2476              | 35%                 |
| **Total**                      | 1,105,382     | 100%           | 25,093                  | 100%                    | 7169              | 100%                |
| 2000                           |               |                |                         |                         |                   |                     |
| 1-person                       | 347,547       | 26%            | 7,863                   | 25%                     | 3,018             | 32%                 |
| 2-persons                      | 477,561       | 36%            | 12,621                  | 41%                     | 3,159             | 33%                 |
| 3 or more                      | 510,001       | 38%            | 10,543                  | 34%                     | 3,268             | 35%                 |
| **Total**                      | 1,335,109     | 100%           | 31,027                  | 100%                    | 9,445             | 100%                |

Source: U.S. Census, 1990 and 2000

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15 According to U.S. Census Bureau definitions, households are classified as either family or non-family households. Family households are comprised of two or more people who are related by marriage, birth, or adoption. Non-family households are comprised of single persons, or two or more people who are not related.
Some people living in Grants Pass and Josephine County do not have a place to live. The State conducts an annual census of people staying in shelters on one night per year. According to information collected by the State, common reasons for homelessness include: substance abuse, unemployment, housing affordability, criminal history, domestic violence, and other reasons. Table 9.40.11 shows a snapshot of the total number of homeless people in (or turned away from) shelters in Josephine County on one specific night. Between 2001 and 2007, Josephine County had an average of 245 people, including 75 children, staying in homeless shelters (or turned away from shelter). It is difficult to determine if the number of homeless people have increased over the seven year period because the data excludes people not staying in shelters. Apparent increases in homelessness may actually be an increase in the number of beds available in shelters.

Table 9.40.11

<table>
<thead>
<tr>
<th>Year</th>
<th>Total</th>
<th>Children</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001</td>
<td>151</td>
<td>64</td>
</tr>
<tr>
<td>2002</td>
<td>237</td>
<td>78</td>
</tr>
<tr>
<td>2003</td>
<td>181</td>
<td>58</td>
</tr>
<tr>
<td>2004</td>
<td>213</td>
<td>60</td>
</tr>
<tr>
<td>2005</td>
<td>380</td>
<td>120</td>
</tr>
<tr>
<td>2006</td>
<td>229</td>
<td>57</td>
</tr>
<tr>
<td>2007</td>
<td>326</td>
<td>88</td>
</tr>
<tr>
<td>Average</td>
<td>245</td>
<td>75</td>
</tr>
</tbody>
</table>


Note: The Nightcount was conducted at the end of March for 2001 through 2004. From 2005 to 2007, the Nightcount was conducted at the end of January.

The State also collects information about homeless children and youth enrolled in schools. Table 9.40.12 shows homeless children and youth attending school in the Grants Pass SD 7 and Three Rivers school districts. Table 9.40.12 shows that Grants Pass and Josephine County have homeless students in all grade levels, from kindergarten through high school. The number of homeless children and youth enrolled in SD 7 has varied from 71 students to 173 students. The number of homeless children and youth enrolled in Three Rivers School District has remained relatively stable, varying from 232 students and 287 students.

Table 9.40.12
Homeless children and youth enrolled in school at SD7 and Three Rivers school districts.

Josephine County and Grants Pass, School Years 2004-2005 through 2006-2007

<table>
<thead>
<tr>
<th>School Type</th>
<th>2004 to 2005</th>
<th>2005 to 2006</th>
<th>2006 to 2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grants Pass SD 7</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Elementary (Grades K-5)</td>
<td>39</td>
<td>40</td>
<td>72</td>
</tr>
<tr>
<td>Middle (Grades 6-8)</td>
<td>20</td>
<td>16</td>
<td>56</td>
</tr>
<tr>
<td>High (Grades 9-12)</td>
<td>24</td>
<td>15</td>
<td>45</td>
</tr>
<tr>
<td><strong>SD 7 Total</strong></td>
<td><strong>83</strong></td>
<td><strong>71</strong></td>
<td><strong>173</strong></td>
</tr>
<tr>
<td>Three Rivers School District</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Elementary (Grades K-5)</td>
<td>146</td>
<td>166</td>
<td>179</td>
</tr>
<tr>
<td>Middle (Grades 6-8)</td>
<td>76</td>
<td>80</td>
<td>25</td>
</tr>
<tr>
<td>High (Grades 9-12)</td>
<td>31</td>
<td>41</td>
<td>28</td>
</tr>
<tr>
<td><strong>Three Rivers Total</strong></td>
<td><strong>253</strong></td>
<td><strong>287</strong></td>
<td><strong>232</strong></td>
</tr>
</tbody>
</table>

Source: SD 7 and Three Rivers school districts

Table 9.40.13 shows the number of persons of Hispanic or Latino origin in Oregon, Josephine County, and Grants Pass for 1990 and 2000. The Census data show that Grants Pass had a larger share of Hispanic population (5.4%) compared to the County (4.3%) but a smaller share compared to the State (8.0%). Grants Pass Hispanic population grew from 494 residents in 1990 to 1,236 residents in 2000, an increase of 742 people or 150%

The Hispanic population grew faster in Grants Pass than the overall population, which is similar to State trends. National demographic trends suggest that this trend will continue in Grants Pass. By 2050, the Census forecasts that Hispanics will account for 24% of the population nationwide.

Table 9.40.13

Persons of Hispanic or Latino origin

Oregon, Josephine County, and Grants Pass, 1990 and 2000
<table>
<thead>
<tr>
<th></th>
<th>Josephine County</th>
<th>Grants Pass</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1990</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Population</td>
<td>2,842,321</td>
<td>62,649</td>
</tr>
<tr>
<td>Hispanic or Latino</td>
<td>112,707</td>
<td>1,749</td>
</tr>
<tr>
<td>Percent Hispanic or Latino</td>
<td>4.0%</td>
<td>2.8%</td>
</tr>
<tr>
<td><strong>2000</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Population</td>
<td>3,421,399</td>
<td>75,726</td>
</tr>
<tr>
<td>Hispanic or Latino</td>
<td>275,314</td>
<td>3,229</td>
</tr>
<tr>
<td>Percent Hispanic or Latino</td>
<td>8.0%</td>
<td>4.3%</td>
</tr>
<tr>
<td><strong>Change 1990-2000</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hispanic or Latino</td>
<td>162,607</td>
<td>1,480</td>
</tr>
<tr>
<td>Percent Hispanic or Latino</td>
<td>144%</td>
<td>85%</td>
</tr>
</tbody>
</table>

Source: U.S. Census, 1990 and 2000

In conclusion, in addition to the household size and composition trends described above, the following trends influence housing need in Grants Pass and Josephine County:

- Grants Pass is attracting retirees or near retirees and families with children. Grants Pass has a larger share of residents under 19 years and 70 years and older than Josephine County or Oregon. During the 1990’s the fastest growing groups were 45 to 64 years and 5 to 17 years. The slowest growing group was 65 years and older. These demographic changes will impact the types of housing needed in Grants Pass over the next 20 years.

- Migration is an important contributor to population growth. A larger share of residents of Grants Pass moved to the city from out of state, compared with the County average.

- Josephine County and Grants Pass have a homeless population, which includes children. On average, the County has had 245 homeless people including 75 children staying in an turned away from a shelter on a given day between 2001 to 2007. The Three Rivers School District had between 232 and 287 homeless students for the 2004 to 2005 through 2006 to 2007 school years. SD 7 had between 71 and 173 homeless students for the same school years.

- Grants Pass is becoming more ethnically diverse. Hispanic population grew from 494 residents in 1990 to 1,236 residents in 2000, an increase of 742 people or 150%. National trends suggest that Grants Pass will continue to become more ethnically diverse. Hispanic residents tend to become homeowners at a younger age than non-Hispanic residents.

A clear linkage exists between demographic characteristics and housing choice. This is more typically referred to as the linkage between life-cycle and housing choice and is documented in detail in several publications. 16

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16 This linkage is identified in the DLCD Workbook. It is described in detail in *Households and Housing: Choice and Outcomes in the Housing Market*, Clark and Dieleman, Center for Policy Research, 1996.
data from the 2000 Census to describe the relationship between selected demographic characteristics and housing choice. This analysis identified several key relationships:

- Homeownership rates increase as income increases;
- Homeownership rates generally increase as age increases;
- Choice of single-family detached housing types increases as income increases;
- Renters are much more likely to choose multiple family housing types than single-family; and
- Income is a strong determinant of tenure and housing type choice for all age categories.

Demographic trends in Grants Pass have been similar to state and national trends, with increases in people aged 45 to 64, and people aged 5 to 17 (in families with children), and increases in Hispanic population. If these trends continue, housing demand is likely to change in Grants Pass.

- Demand for multi-family and single-family attached housing is likely to increase with the increase in low and moderate income residents and non-traditional families (those other than married couples with children living at home). As the population ages and housing becomes more expensive, demand for high amenity multi-family housing may increase as the baby boomers begin to downsize.

- Demand for single-family detached housing is likely to continue, especially from families with children and in-migrants.

- Demand for group quarters for retirees, such as an active retirement community, is likely to increase. Recent trends have included "transitional living" communities with a combination of independent and assisted-living facilities, including a mix of multi-family or single-family attached units and group quarters units that allow for "aging in place".

- Demand for ownership products will likely increase due to ongoing in-migration and the City's relatively low ownership rate.

Factors that influence households' locational choices

Residential choice means the choice of both a location and a housing type. Households consider many factors in making housing choices: views, neighborhood characteristics, quality of schools, tax rates, and commute time. All of these factors relate to location. Housing type is defined by many attributes, the most important of which are structure type (e.g., single-family, multifamily) and size, lot size, quality and age, price, and tenure (own/rent). All of these attributes—what real estate economists refer to as the "bundle of goods" that one purchases when making a housing choice—affect residential choice.

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17 ECO used the 5% Public Use Microsample (PUMS) data set for this analysis. A description of the PUMS data can be found at www.census.gov.
Households value a variety of site and structure characteristics, including:

- **Access to work.** At least one member of each household, and often two members, commutes to work daily. Recent research into household location questions the emphasis early studies placed on commuting to work. There is no doubt that other factors influence location decisions, or that the automobile gives households considerable flexibility in choosing a location, but access to work remains an important determinant of household location.

- **Access to shopping, recreation, friends.** Recent research reveals that about 70% of all household travel is for non-work purposes. People travel from their homes to shopping, recreation, and other neighborhoods. Households value access to a variety of destinations.

- **Public services.** Households value a variety of public services, some of which vary by location. The quality and price of water, sewer, drainage, and power service typically vary little within an urban area. The quality of other public services, especially schools and police and fire protection can often vary substantially, and have a large impact on a household’s location decision.

- **Neighborhood characteristics.** Characteristics of residential neighborhoods—character of development, income, age, size of households, and environmental quality—vary dramatically within a metropolitan area, and are important to households.

- **Land improvements.** As with businesses, the desire for space varies by household, and households are willing to trade off space for other attributes, such as accessibility and amenities. Some families, for example, are willing to pay more for space, and use less of it, in areas with especially good schools.

The literature is inconclusive on the relative weight of site and structure characteristics in housing location choice. No one disagrees that travel time is an important variable that households consider when making a residential location choice. Casual observation of the choices of one’s self and one’s acquaintances confirms the point; the field of urban economics is based on the presumed tradeoff between travel time and land prices (which generally decrease with distance from places that a lot of people want to be).

Housing preference can impact a household’s decision to live in a community. Households will base their decision to move to Grants Pass, in part, on the types of housing available in the City. Housing preferences change throughout a person’s lifetime. The type of housing preferred by young, single people is different than housing preferences of middle-aged people with children or elderly people. Three housing characteristics that are strongly related to housing location and housing type are: age of the head of household; size of the household; and income.

Figure 9.40.12 illustrates the relationship between age, housing type, and housing tenure. People younger than 25 typically have greater mobility and less income than people who are older. They are also less likely to have children. As a result, people in this age group are more likely to be renters, and renters are more likely to live in multifamily housing.
Homeownership rates increase with the age until age 75, when homeownership rates begin to decrease. Ownership of single-family housing types is greatest for people aged 45 to 74. While single-family housing ownership declines over age 75, ownership of multifamily units continues to increase. Figure 9.40.12 shows these general patterns but also shows that these patterns are not absolute.

Figure 9.40.12

Tenure and household type by age of household head, U.S., 2000

![Bar chart showing the distribution of tenures and household types by age of household head for U.S. in 2000.]

Source: U.S. Census, 2000

Note: Single-family units include single-family attached and detached units and manufactured and mobile homes. Multifamily units include structures with two or more units per structure.
Figure 9.40.13 shows the effects of age and income on the choice of housing type and tenure in the U.S. in 1990. Figure 9.40.13 shows a strong preference for single-family housing and housing ownership when income allows, regardless of age.

Figure 9.40.13
Composition of owner and renter tenures for U.S. Households, 1990


Figures 9.40.4 and 9.40.5 illustrate demographic relationships that can help to estimate future housing demands because housing life cycle and housing choice interact in predictable ways. The age of the household head is related with household size and income, which affect housing preferences. Income affects the ability of a household to afford their preferred housing type.

9.44—Housing affordability

Income is one of the key determinants in housing choice and households' ability to afford housing. This section presents estimates of housing affordability based on housing costs and the income of current households in the community.
A typical standard used to determine housing affordability is that a household should pay no more than 30% of its total monthly household income for housing, including utilities. According to the U.S. Census, nearly 19,000 households in the region—about one-third—paid more than 30% of their income for housing in 2000.

One way of exploring the issue of financial need is to review wage rates and housing affordability. Table 9.40.14 shows an analysis of affordable housing wage and rent gap for households in Grants Pass at different percentages of median family income (MFI). The data are for household living in a two-bedroom unit. Households earning less than approximately $20,850 annually are not able to afford a two-bedroom dwelling that rents for HUD's fair market rent ($639 per month). The results indicate that a household must earn about $12.25 an hour to afford a two-bedroom unit according to HUD's market-rate rent estimate.

**TABLE 9.40.14**

Analysis of affordable housing wage and rent gap by HUD income categories

<table>
<thead>
<tr>
<th>Josephine County, 2007</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Value</strong></td>
</tr>
<tr>
<td>Annual Hours</td>
</tr>
<tr>
<td>Derived Hourly Wage</td>
</tr>
<tr>
<td>Annual Wage At Minimum Wage</td>
</tr>
<tr>
<td>Annual Affordable Rent</td>
</tr>
<tr>
<td>Monthly Affordable Rent</td>
</tr>
<tr>
<td>HUD Fair Market Rent (2 Bedroom)</td>
</tr>
<tr>
<td>Is HUD Fair Market Rent Higher Than The Monthly Affordable Rent?</td>
</tr>
<tr>
<td>Rent Paid Monthly OVER 30% of Income</td>
</tr>
<tr>
<td>Rent Paid Annually OVER 30% of Income</td>
</tr>
<tr>
<td>Percentage of Income Paid OVER 30% of Income for Rent</td>
</tr>
<tr>
<td>Total Spent on Housing</td>
</tr>
<tr>
<td>For this area what would the &quot;Affordable Housing Wage&quot; be?</td>
</tr>
<tr>
<td>The Affordable Housing Wage Gap IS:</td>
</tr>
</tbody>
</table>

Source: HUD, Oregon office; analysis by ECONorthwest

**MFI: Median family income**

The total amount a household spends on housing is referred to as cost burden. Total housing expenses are generally defined to include payments and interest or rent, utilities, and insurance. HUD guidelines indicate that households paying more than 30% of their income on housing experience “cost burden” and households paying more than 50% of their income on housing experience “severe cost burden.” Using cost burden as an indicator is consistent with the Goal 10 requirement of providing housing that is affordable to all households in a community.

Table 9.40.15 shows housing costs as a percent of income by tenure for Grants Pass households in 2000. The data show that about 39% of Grants Pass households experienced cost burden in 2000. The rate was much higher for renters (45%) than for homeowners.

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This finding is consistent with other Oregon cities, where it is much more common for renters to experience higher rates of cost burden.

**TABLE 9.40.15**

**Housing cost as a percentage of household income**

**Grants Pass City Limits, 2000**

<table>
<thead>
<tr>
<th>Percent of Income</th>
<th>Owners</th>
<th></th>
<th>Renters</th>
<th></th>
<th>Total</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number</td>
<td>Percent</td>
<td>Number</td>
<td>Percent</td>
<td>Number</td>
<td>Percent</td>
</tr>
<tr>
<td>Less than 20%</td>
<td>1,012</td>
<td>33%</td>
<td>1,091</td>
<td>28%</td>
<td>2,103</td>
<td>29%</td>
</tr>
<tr>
<td>20% - 24%</td>
<td>587</td>
<td>19%</td>
<td>603</td>
<td>15%</td>
<td>1,190</td>
<td>17%</td>
</tr>
<tr>
<td>25% - 30%</td>
<td>487</td>
<td>16%</td>
<td>571</td>
<td>14%</td>
<td>1,058</td>
<td>15%</td>
</tr>
<tr>
<td>30% - 34%</td>
<td>339</td>
<td>11%</td>
<td>290</td>
<td>7%</td>
<td>629</td>
<td>9%</td>
</tr>
<tr>
<td>35% or more</td>
<td>625</td>
<td>20%</td>
<td>1,584</td>
<td>38%</td>
<td>2,209</td>
<td>31%</td>
</tr>
<tr>
<td>Total</td>
<td>3,050</td>
<td>100%</td>
<td>4,139</td>
<td>100%</td>
<td>7,189</td>
<td>100%</td>
</tr>
</tbody>
</table>

**Cost Burden**

<table>
<thead>
<tr>
<th>Number</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>964</td>
<td>32%</td>
</tr>
<tr>
<td>1,874</td>
<td>45%</td>
</tr>
<tr>
<td>2,838</td>
<td>39%</td>
</tr>
</tbody>
</table>

Source: US Census 2000

Table 9.40.16 shows a rough estimate of affordable housing cost and units by income levels for Grants Pass in 2000. Several points should be kept in mind when interpreting this data:

- Because all of the affordability guidelines are based on median family income, they provide a rough estimate of financial need and may mask other barriers to affordable housing such as move-in costs, competition for housing from higher-income households, and availability of suitable units. They also ignore other important factors such as accumulated assets, purchasing housing as an investment, and the effect of down payments and interest rates on housing affordability.

- Households compete for housing in the marketplace. In other words, affordable housing units are not necessarily available to low-income households. For example, if an area has a total of 50 dwelling units that are affordable to households earning 30% of median family income, 50% of those units may already be occupied by households that earn more than 30% of median family income.

The data in Table 9.40.16 indicate that in 2000:

- More than 25% of Grants Pass households could not afford a studio apartment according to HUD's estimate of $461 as fair-market-rent;

- Approximately 30% of Grants Pass households could not afford a one-bedroom apartment at HUD's fair-market-rent level of $528;

- Approximately 45% of Grants Pass households could not afford a two-bedroom apartment at HUD's fair-market-rent level of $639;
A household earning median family income ($41,700) could afford a home valued up to about $104,250.

**TABLE 9.40.16**

**Rough estimate of housing affordability**

**Grants Pass, 2000**

<table>
<thead>
<tr>
<th>Income Level</th>
<th>Number of HH</th>
<th>Percent</th>
<th>Monthly Housing Cost</th>
<th>Affordable Purchase Owner-Occupied Unit</th>
<th>Crude Estimate of Owner-Occupied Unit</th>
<th>Est. Number of Owner Units</th>
<th>Est. Number of Renter Units</th>
<th>Surplus (Deficit)</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than $10,000</td>
<td>1,303</td>
<td>13.6%</td>
<td>$0 to $250</td>
<td>$0 to $25,000</td>
<td>119</td>
<td>459</td>
<td>-724</td>
<td></td>
<td>HUD FMR Studio: $491;</td>
</tr>
<tr>
<td>$10,000 to $14,999</td>
<td>915</td>
<td>9.7%</td>
<td>$250 to $375</td>
<td>$25,000 to $37,000</td>
<td>69</td>
<td>404</td>
<td>-442</td>
<td></td>
<td>$521 1 bdrm.</td>
</tr>
<tr>
<td>$15,000 to $24,999</td>
<td>1,886</td>
<td>20.0%</td>
<td>$375 to $625</td>
<td>$37,500 to $62,500</td>
<td>171</td>
<td>2197</td>
<td>-432</td>
<td>$482 1 bdrm. 1</td>
<td>HUD FMR 2 bdrm. 639</td>
</tr>
<tr>
<td>$25,000 to $34,999</td>
<td>1,480</td>
<td>15.7%</td>
<td>$625 to $875</td>
<td>$62,500 to $87,500</td>
<td>985</td>
<td>865</td>
<td>-370</td>
<td>$370 2 bdrm. 1</td>
<td>HUD FMR 3 bdrm. 639</td>
</tr>
<tr>
<td>$35,000 to $49,000</td>
<td>1,677</td>
<td>17.8%</td>
<td>$875 to $1,250</td>
<td>$87,500 to $125,000</td>
<td>1964</td>
<td>241</td>
<td>528</td>
<td>$528 4 bdrm. 1</td>
<td>HUD FMR 4 bdrm. 639</td>
</tr>
<tr>
<td>Josephine County MFI</td>
<td>$41,700</td>
<td></td>
<td>$1,043</td>
<td>$104,250</td>
<td>557</td>
<td>0</td>
<td>0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>$50,000 to $74,999</td>
<td>1,265</td>
<td>13.4%</td>
<td>$1,250 to $1,875</td>
<td>$125,000 to $187,500</td>
<td>1,366</td>
<td>107</td>
<td>208</td>
<td></td>
<td></td>
</tr>
<tr>
<td>$75,000 to $99,999</td>
<td>519</td>
<td>5.5%</td>
<td>$1,875 to $2,450</td>
<td>$187,500 to $245,000</td>
<td>276</td>
<td>10</td>
<td>233</td>
<td></td>
<td></td>
</tr>
<tr>
<td>$100,000 to $149,999</td>
<td>264</td>
<td>2.6%</td>
<td>$2,450 to $3,750</td>
<td>$245,000 to $375,000</td>
<td>168</td>
<td>0</td>
<td>-96</td>
<td></td>
<td></td>
</tr>
<tr>
<td>$150,000 or more</td>
<td>136</td>
<td>1.4%</td>
<td>More than $3,750</td>
<td>More than $375,000</td>
<td>42</td>
<td>0</td>
<td>-94</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>9,445</td>
<td>100.0%</td>
<td></td>
<td></td>
<td>5,160</td>
<td>4,285</td>
<td>0</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>


Notes: FMR Fair market rent

The conclusion based on the data presented in Table 9.40.16 is that in 2000 Grants Pass had a significant deficit of more than 1,100 affordable housing units for households that earn less than $15,000 annually. Housing prices have increased significantly in the past five years; the affordability gap for lower-income households has probably increased considerably.

Housing prices have increased across all of Oregon since 2000. Prices have risen rapidly in Southern Oregon. According to the Office of Federal Housing Enterprise Oversight, the average sales price of a single-family home in Jackson County (the Medford MSA) increased 215% between 2000 and 2006.

Sales prices in Grants Pass increased at a slower rate than in Jackson County. Table 9.40.17 shows the change in average sales price in Grants Pass between 2000 and 2006 based on sales data from the Josephine County Assessor. The average sales price increased from about $119,000 in 2000 to $237,000 in 2006, an increase of more than $118,000 or 130%. The greatest increase in average sales price took place in 2003 and 2005. The number of houses sold peaked between 2002 and 2005.

**Table 9.40.17**

**Average sales price**
### Grants Pass: 2000 to 2006

<table>
<thead>
<tr>
<th>Year</th>
<th>Number</th>
<th>Avg. Price</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000</td>
<td>423</td>
<td>$119,058</td>
<td>--</td>
</tr>
<tr>
<td>2001</td>
<td>473</td>
<td>$118,027</td>
<td>-0.9%</td>
</tr>
<tr>
<td>2002</td>
<td>637</td>
<td>$138,511</td>
<td>17.4%</td>
</tr>
<tr>
<td>2003</td>
<td>796</td>
<td>$201,935</td>
<td>45.8%</td>
</tr>
<tr>
<td>2004</td>
<td>959</td>
<td>$201,314</td>
<td>-0.3%</td>
</tr>
<tr>
<td>2005</td>
<td>1,008</td>
<td>$246,425</td>
<td>22.4%</td>
</tr>
<tr>
<td>2006</td>
<td>476</td>
<td>$273,404</td>
<td>10.9%</td>
</tr>
</tbody>
</table>

#### Change 2000-2006

- **Value**: $154,346
- **Percent**: 130%

**Source:** Josephine County Assessor’s Database

A comparison of sales prices to household income highlights the increasing affordability gap. Table 9.40.18 shows a comparison of housing value and rent to household income for 2000 and 2006 in Josephine County. The data show the median value of owner-occupied units increased 108% during this 6-year period, while the median rent increase 18%. Median household income increased 28% during the period. Thus, the affordability of ownership has decreased while rentals have become slightly more affordable.

#### Table 9.40.18

<table>
<thead>
<tr>
<th>Year</th>
<th>Median Owner Value</th>
<th>Avg. Monthly Rent</th>
<th>Median HH Income</th>
<th>Ratio of Housing Price to Income</th>
<th>Ratio of Ann. Rent to Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000</td>
<td>$128,700</td>
<td>$534</td>
<td>$31,229</td>
<td>4.1</td>
<td>0.21</td>
</tr>
<tr>
<td>2006</td>
<td>$268,200</td>
<td>$628</td>
<td>$39,993</td>
<td>6.7</td>
<td>0.19</td>
</tr>
</tbody>
</table>

#### Change 2000-2005

<table>
<thead>
<tr>
<th>Value</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>$139,500</td>
<td>108%</td>
</tr>
<tr>
<td>$8,764</td>
<td>28%</td>
</tr>
</tbody>
</table>

---

18 - No comparable data for these time periods is available for Grants Pass. A review of Census data suggests that both housing costs and income are slightly lower in Grants Pass than the County average.
Source: American Factfinder, 2006

Avg monthly rent: Gross rent as defined by the Census Bureau. Gross rent includes rent-payment plus selected utility costs.

The measures of housing affordability presented above are based on household income. However, housing affordability is also affected by wealth. Nation trends show that older Americans, particularly baby boomers, have higher incomes and greater wealth than younger age groups and previous generations. Table 9.40.19 shows that households aged 45 to 54 have a median family income of $61,000, compared to the median family income for all households of $43,000. Median family income declines to $23,700 for households 85 years and older. The combination of high household income and low number of dependents result in the large per capita income for baby boomers. In addition, older Americans have lower poverty levels, with 9.8% of people aged 65 years and over in poverty in 2004, compared to 11.3% of people aged 18 to 64. Poverty rates are higher among the oldest seniors, with 12.6% of people 85 years and older in poverty.

Table 9.40.19

<table>
<thead>
<tr>
<th>Family by age group</th>
<th>Family Income (Median)</th>
<th>Net Worth (Median)</th>
<th>Primary Residence (Median Value)</th>
<th>Financial Assets (Median Value)</th>
</tr>
</thead>
<tbody>
<tr>
<td>45-54</td>
<td>$61,100</td>
<td>$144,700</td>
<td>$170,000</td>
<td>$38,600</td>
</tr>
<tr>
<td>55-64</td>
<td>$54,400</td>
<td>$248,700</td>
<td>$200,000</td>
<td>$78,000</td>
</tr>
<tr>
<td>65-74</td>
<td>$33,300</td>
<td>$190,100</td>
<td>$150,000</td>
<td>$36,100</td>
</tr>
<tr>
<td>75+</td>
<td>$23,700</td>
<td>$163,100</td>
<td>$125,000</td>
<td>$38,800</td>
</tr>
<tr>
<td>All families</td>
<td>$43,200</td>
<td>$93,100</td>
<td>$160,000</td>
<td>$23,000</td>
</tr>
</tbody>
</table>

Source: Federal Reserve report "Recent changes in U.S. Family Finances: Evidence from the 2001 and 2004 Survey of Consumer Finances"

The major sources of income for people 65 years and older in 2004 were Social Security, earnings, and pensions. Income from Social Security accounted for 39% of income in 2004, compared to 34% in 1967. Earnings from work accounted 26% of income, down

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30. Reliable data about accumulated assets and wealth by age group is not available at the state or city level.


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Grants Pass & Urbanizing Area Comprehensive Plan 9-77 Last Revision: 104/21/202109 Page 9
from 29% of income in 1967. Pensions accounted for 20% of income, compared to 12% in 1967.\textsuperscript{22}

Income only accounts for a portion of worth. Table 9.40.19 shows that median net worth is greatest among families 54 to 64 years ($248,700) and 65 to 74 years ($190,000). Net worth for families 75 years and older ($163,100) remains substantially higher than the average net worth for all families ($93,100).

Two of the most important assets for all families are a family’s primary residence and their financial assets. The value of these assets is higher for people 45 years and over when compared to the average value for all families and peaks for families 55 to 64 years and decreases in older households, while continuing to remain above the average for all families.

In addition to household income, older Americans also have substantial home equity, which was estimated to be $2.5 trillion in 2000, and has continued to grow.\textsuperscript{23} A 2006 report by the Mortgage Bankers Association called older Americans’ home equity “the most important non-pension asset in household portfolios, and a large reserve of untapped wealth.” The baby-boomers unprecedented financial capabilities will continue to increase as they inherit their parents’ properties and investments.\textsuperscript{24} Table 9.40.19 shows that median home value was greatest for families 55 to 64 years and decreases in older households, while remaining above the average for all families.

Another important source of wealth is financial assets, which include bonds, stock, retirement accounts, cash value of life insurance, certificates of deposit, and other investments. The value of financial assets was also greatest for families 55 to 64 years and decreases in older households, while remaining above the average for all families.

The implication of the data in Table 9.40.19 is that retired people or those nearing retirement may be able to afford to purchase more expensive dwellings than younger people. The majority of older people purchasing new homes are likely to be in-migrants, rather than existing residents. According to a number of sources, the majority of seniors prefer to continue living in their current home. An AARP survey conducted in 2000 found that 83% of seniors prefer to continue living in their current residence as long as possible and 69% of respondents age 55 years and over expected to continue living in their current residence indefinitely.\textsuperscript{25} Challenges that seniors face in continuing to live


\textsuperscript{23} Housing Trends Among Baby Boomers, Gary V. Engelhardt. 2006.

\textsuperscript{24} Resort-Style Retirement: Lewis M. Goodkin. 2000.

\textsuperscript{25} AARP. “Fixing to Stay: A National Survey of Housing and Home Modification Issued,” May 2000, page 27.
in their current home include changing healthcare needs, financial concerns, home maintenance, loss of mobility, and property taxes.

However, in-migrants have made the choice to move, often from out-of-state. According to information in Table 9.40.19, older in-migrants will have, on average, greater accumulated wealth and ability to afford a more expensive dwelling than younger in-migrants.

9.45 — Estimate of additional units needed by structure type

Step four of the housing needs analysis as described in the DLCD Workbook is to develop an estimate of need for housing by income and housing type. This requires some estimate of the income distribution of future households in the community. The estimates presented in this section are based on (1) secondary data from the Census, and (2) analysis by ECONorthwest.

The baseline forecast assumes 3.6% of new population (742 people) will be in group quarters, and the remaining population (19,686) will require dwelling units. The analysis (Table 9.40.5) indicated that Grants Pass needs 8,782 new dwelling units for the 2007-2027 period. The first step in estimating units by structure type is to evaluate income as it relates to housing affordability. Table 9.40.20 shows an estimate of needed dwelling units by income level for the 2007-2027 period. The analysis uses market segments consistent with HUD income level categories. The analysis shows that about 53% of households in Grants Pass could be considered high or upper-middle income in 2007 and that about 53% of the housing need will derive from households in these categories.

Table 9.40.20

Estimate of needed dwelling units by income level

Grants Pass 2007-2027

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26 Note: Manufactured dwellings are a permitted use in all residential zones that allow 10 or fewer dwellings per net buildable acre. As a result, Grants Pass is not required to estimate the need for manufactured dwellings on individual lots per OAR 660-024-0040 (7)(c).

Grants Pass & Urbanizing Area Comprehensive Plan 9-79 Last Revision: 104/21/202108 Page 9
### Market Segment by Income

<table>
<thead>
<tr>
<th>Market Segment by Income</th>
<th>Income range</th>
<th>Number of Households</th>
<th>Percent of Households</th>
<th>Financially Attainable Products</th>
</tr>
</thead>
<tbody>
<tr>
<td>High (120% or more of MFI)</td>
<td>$55,800 or more</td>
<td>2,804</td>
<td>32%</td>
<td>All housing types; higher prices; All housing types; higher prices</td>
</tr>
<tr>
<td>Upper Middle (80%-120% of MFI)</td>
<td>$37,200 to $55,800</td>
<td>1,862</td>
<td>21%</td>
<td>All housing types; lower values; All housing types; lower values</td>
</tr>
<tr>
<td>Lower Middle (50%-80% of MFI)</td>
<td>$23,250 to $37,200</td>
<td>1,681</td>
<td>19%</td>
<td>Manufactured on lots; single-family attached; Manufactured on lots; single-family attached;</td>
</tr>
<tr>
<td>Low (30%-50% or less of MFI)</td>
<td>$13,950 to $23,250</td>
<td>883</td>
<td>10%</td>
<td>Manufactured in parks; Apartments; manufactured in parks; duplexes</td>
</tr>
<tr>
<td>Very Low (Less than 30% of MFI)</td>
<td>Less than $13,950</td>
<td>1,552</td>
<td>18%</td>
<td>None; Apartments; new and used government assisted housing</td>
</tr>
</tbody>
</table>

### Source:
ECONorthwest

**Table 9.40.21** shows the number of new units needed by housing type (single-family or multifamily). The need for 8,782 housing units needed for the new 19,686 population from 2007-2027 is based on the following trends and assumptions:

- Population will increase by 20,428 people from 2007 to 2027, as forecast in Josephine County’s adopted population forecast.

- About 3.6% of new population or 742 people will locate in group quarters, based on the share of population in group quarters from the 2000 Census. The OEA forecast that people 70 years and older (the group most likely to live in group quarters such as a nursing home) will grow from 15% of Josephine County’s population in 2000 to 19% of the County’s population in 2030.

- The average household size will continue to be 2.36 people per household, based on information from the 2000 Census, a “safe harbor” assumption established in OAR 660-024.

- Vacancy rates for all housing types is 5.3%. This assumption reflects aggregated vacancy rates by housing type in 2000.

- The needed mix of housing is 75% single-family housing types and 25% multifamily types. The needed mix is based on the following factors:
Josephine County and Grants Pass are growing, with all growth resulting from in-migration. The County grew by 22,270 people between 1980 and 2006. Much of this growth occurred in Grants Pass.

The share of single-family housing types held relatively steady between 1990 and 2000, with single-family housing accounting for 74% of housing in 2000. Over the 2001 to 2006 period, 75% of the permits issued were for single-family housing types.

Grants Pass has historically zoned more land for multifamily development than has actually been used for multifamily uses, especially in Moderate and High-Density designations. The City has provided the opportunity for development of more-dense, affordable housing than occurred over the 2001 to 2006 period. Despite increases in home value (and corresponding decreases in housing affordability) during the 2001 to 2006 period, the market continued producing 75% single-family and 25% multifamily housing types.

Future housing needs will be driven by in-migration. Many of these in-migrants are likely to be retired or semi-retired people moving to Grants Pass from out of state and are likely to have substantial wealth from selling their previous home or from other accumulated assets. These residents are likely to choose to purchase a home, most frequently a single-family-detached unit.

The housing needs analysis assumes that future development will continue to respond to market pressures, resulting in a continuation of the historic housing split. However, the City will continue to provide land for multifamily housing to allow for the opportunity for multifamily development based on housing market demand.

The average net density for all residential development occurring in Grants Pass between 1996 and 2000 was 5.1 units per net acre. The net density in the Low-Density designation (where 43% of growth occurred) was 3.5 units per net acre. Growth in Moderate and High-Density plan designations averaged 6.3 units per net acre and 9.4 units per net acre respectively.

**TABLE 9.40.21**

**FORECAST OF new housing units by type**

Grants Pass, 2007-2027
<table>
<thead>
<tr>
<th>Variable</th>
<th>Baseline Estimate of Housing Units (2007-2027)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Change in persons</td>
<td>20,428</td>
</tr>
<tr>
<td>minus Change in persons in group quarters</td>
<td>742</td>
</tr>
<tr>
<td>equals Persons in households</td>
<td>19,686</td>
</tr>
<tr>
<td>Average household size</td>
<td>2.36</td>
</tr>
<tr>
<td>New occupied DU</td>
<td>8,342</td>
</tr>
<tr>
<td>times Aggregate vacancy rate</td>
<td>5.3%</td>
</tr>
<tr>
<td>equals Vacant dwelling units</td>
<td>440</td>
</tr>
<tr>
<td>Total needed new dwelling units (2007-2027)</td>
<td><strong>8,782</strong></td>
</tr>
</tbody>
</table>

**Single-family dwelling units**

- Percent single-family DU: 75%
- Total new single-family DU: 6,587

**Multiple family dwelling units**

- Percent multiple family DU: 25%
- New multiple family DU: 2,196

**Totals**

- equals Total new occupied dwelling units: 8,342
- Aggregate household size (persons/occupied DU): 2.36
- plus Vacant dwelling units: 440
- equals Total new dwelling units: **8,782**
- Dwelling units needed annually: 439

Source: ECONorthwest

The next step in the analysis is to relate income levels to tenure and structure type. Table 9.30.3 showed tenure by structure type from the 2000 Census. Table 9.40.22 shows an estimate of needed housing by structure type and tenure for the 2007-2027 planning period. The housing needs analysis suggests that the housing mix will remain consistent with historical mix, resulting in a housing mix for needed units from 2007 to 2027 of 75% single-family and 25% multi-family. The overall housing mix in 2027 for the UGB will be approximately 75% single-family, including manufactured, 25% multi-family. This average does not account for the development existing in the Urbanizing Area in 2000 (within the UGB outside City limits).

The housing needs analysis also suggests the City will see a higher rate of homeownership in the future. Thus, the tenure split is increased from 53% owner-occupied/47% renter occupied to 60% owner-occupied/40% renter-occupied.

Table 9.40.22

Estimate of needed dwelling units by TYPE AND TENURE

Grants Pass 2007-2027
<table>
<thead>
<tr>
<th>Housing Type</th>
<th>Owner-Occupied</th>
<th>Renter-Occupied</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>New DU Percent</td>
<td>New DU Percent</td>
<td>New DU Percent</td>
</tr>
<tr>
<td><strong>Needed Units, 2007-2027</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Single-family types</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Single-family detached</td>
<td>4,532</td>
<td>1,265</td>
<td>5,796</td>
</tr>
<tr>
<td>Manufactured in Parks</td>
<td>53</td>
<td>35</td>
<td>88</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td>5,111</td>
<td>1,475</td>
<td>6,587</td>
</tr>
<tr>
<td><strong>Single-family attached</strong></td>
<td>527</td>
<td>176</td>
<td>703</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td>5,638</td>
<td>1,647</td>
<td>7,285</td>
</tr>
<tr>
<td><strong>Multi-family</strong></td>
<td>158</td>
<td>2,037</td>
<td>2,196</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td>158</td>
<td>2,037</td>
<td>2,196</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>5,269</td>
<td>3,513</td>
<td>8,782</td>
</tr>
</tbody>
</table>

9.46 — Needed density range for residential development

Table 9.40.23 shows the forecast of needed housing units and density of needed units in Grants Pass for the period 2007-2027.

Grants Pass makes the following findings in support of the density assumptions used in Table 9.40.23:

- Grants Pass had an average residential density of 5.1 dwelling units per net acre or about 8,541 square feet of land per dwelling unit between 1999 and 2006 (Table 9.30.4). Average single-family detached density was 4.7 units per net acre. In the Low-Density plan designation, single-family detached dwellings averaged 3.5 dwelling units per net residential acre, or about 12,446 square feet per dwelling unit. The moderate density designation averaged 6.3 dwellings per net acre (about 6,915 square feet per dwelling unit), the high density designation averaged 9.4 dwelling units per net residential acre (about 4,634 square feet per dwelling unit). The high-rise residential designation averaged the highest net density, with 26.4 units per net acre (about 1,650 square feet per dwelling unit).

- National homeownership rates have been increasing and reached nearly 70% in 2006. The homeownership rate in Grants Pass in 2000 was considerably lower at 53%. It is the policy of the City to provide homeownership opportunities to Grants Pass residents.

- National trends are towards larger units (both single family and multifamily) on smaller lots.

- Nearly 27% of dwelling units in Grants Pass in 2000 were multifamily types.

- The “needed” density for new single-family dwellings for 2007-2027 in the housing needs analysis is 5.5 dwelling units per net acre. This assumption is an increase of about 15% over the historical density (actual built density, not zoned density) of 4.7 dwellings per net acre for single-family detached units in all plan designations. Increasing the average density...
density of single-family detached dwellings should result in the provision of more affordable single-family detached units as a result of decreased lot sizes.

- Topography, lot configurations, and other factors typically reduce land-use efficiency. The achieved density may be lower for single-family detached dwellings in areas with slopes and other constraints. Needed densities may be affected site-specific constraints and by future policy decisions.

- The City assumes an average multifamily density of 14.0 dwellings per net acre or a land area of about 3,111 square feet per dwelling unit. This assumption is an increase of about 50% over the historical density (actual built density, not zoned density) of 9.4 dwellings per net acre achieved in the High-Density Zone but lower than the historical density achieved in the High-Rise Density Zone of 26.4 dwellings per net acre.

In summary, the City assumes that average densities for new residential units needed from 2007-2027 will increase by about 24% over average historical built densities from 1999 to 2006, that ownership rates will increase, and that the majority of households will choose single-family housing types. These assumptions are consistent with the housing needs analysis presented in this chapter. These findings support the City’s overall density assumption of 6.7 dwelling units per net acre.

The forecast indicates that Grants Pass would need about 1,303 net buildable residential acres, or about 1,602 gross residential acres to accommodate new housing between 2007 and 2027. This total could be change based on policy decisions. The effect of policy decisions on land needs is addressed in the Element 14, Urbanization. The forecast results in an average residential density of 6.7 dwelling units per net residential acre and of 5.5 dwelling units per gross residential acre. This represents a 24% increase in density for new residential units needed from 2007-2027 over the historical (built, not zoned) average of 5.1 dwelling units per net acre achieved during 1999 to 2006.

Table 9.40.23

Forecast of new dwelling units and land needed by type

Grants Pass 2007-2027
<table>
<thead>
<tr>
<th>Housing Type</th>
<th>New DU</th>
<th>Percent</th>
<th>Density (DU/Net res ac)</th>
<th>Net Res. Acres</th>
<th>Net to Gross Factor</th>
<th>Gross Res. Acres</th>
<th>Density (DU/gross res ac)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Single-family types</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Single-family detached</td>
<td>5,796</td>
<td>66%</td>
<td>5.5</td>
<td>1,053.8</td>
<td>20%</td>
<td>1,317.3</td>
<td>4.4</td>
</tr>
<tr>
<td>Manufactured in parks</td>
<td>88</td>
<td>1%</td>
<td>6.0</td>
<td>14.6</td>
<td>20%</td>
<td>18.3</td>
<td>4.8</td>
</tr>
<tr>
<td>Single-family attached</td>
<td>703</td>
<td>8%</td>
<td>9.0</td>
<td>78.1</td>
<td>15%</td>
<td>91.8</td>
<td>7.7</td>
</tr>
<tr>
<td>Subtotal</td>
<td>6,587</td>
<td>75%</td>
<td>5.7</td>
<td>1,146.5</td>
<td></td>
<td>1,427.4</td>
<td>4.6</td>
</tr>
<tr>
<td><strong>Multi-family</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Multifamily</td>
<td>2,196</td>
<td>25%</td>
<td>14.0</td>
<td>156.8</td>
<td>10%</td>
<td>174.2</td>
<td>12.6</td>
</tr>
<tr>
<td>Subtotal</td>
<td>2,196</td>
<td>25%</td>
<td>14.0</td>
<td>156.8</td>
<td></td>
<td>174.2</td>
<td>12.6</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>8,782</td>
<td>100%</td>
<td>6.7</td>
<td>1,303.4</td>
<td></td>
<td>1,601.7</td>
<td>5.5</td>
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Source: ECONorthwest

Table 9.40.24 provides an allocation of housing units by Grants Pass’ four residential-plan designations. Dwelling units were allocated to plan designations based, in part, on historic development trends within each plan designation and on the type of development allowed in each plan destination. Table 9.40.24 also provides an estimate of the gross acres required in each zone to accommodate needed housing units. The acreages are based on the gross density assumptions shown in Table 9.40.23. The residential land needs presented in Table 9.40.24 may change based on policy decisions, which may result in increased or decreased land need. The effect of policy decisions on land needs is addressed in the Element 14, Urbanization.

Based on the housing needs analysis, dwellings have been allocated by plan designation and type:

- The overall needed housing mix is 75% single-family (including single-family attached and detached and manufactured) and 25% multifamily.
- The density assumptions increase by plan designations as shown in Table 9.40.23.
- Forty-seven percent of needed dwelling units will locate in the Low-Density residential designation, which allows single-family detached and single-detached manufactured. This designation also allows duplex, townhomes, and multifamily units in conjunction with a planned development.
- Twenty percent of needed dwellings will locate in the Moderate Density residential designation, which allows single-family detached, single-family attached, manufactured home parks, townhomes, duplexes, and multifamily in conjunction with a planned development.
Twenty-six percent of needed dwelling units will locate in the High-Density residential designation, which allows single-family detached, townhomes, manufactured (single detached and manufactured home parks), duplexes, and multifamily.

Seven percent of needed dwellings will locate in the High-Rise Density residential designation, which allows single-family detached, townhomes, manufactured (single detached and manufactured home parks), duplexes, and multifamily.

Manufactured units in parks will locate in each plan designation, except for Low-Density.

Table 9.40.24
Allocation of needed housing units by plan designation

Grants Pass 2007-2027

<table>
<thead>
<tr>
<th>Housing Type</th>
<th>Low Density</th>
<th>Moderate Density</th>
<th>High Density</th>
<th>High-Rise Density</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>DU Gross Ac</td>
<td>DU Gross Ac</td>
<td>DU Gross Ac</td>
<td>DU Gross Ac</td>
<td>DU Gross Ac</td>
</tr>
<tr>
<td>Single-family</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Single-family detached</td>
<td>4,040</td>
<td>918.1</td>
<td>1,405</td>
<td>319.3</td>
<td>176</td>
</tr>
<tr>
<td>Manufactured in parks</td>
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<td>0.0</td>
<td>88</td>
<td>18.3</td>
<td>0</td>
</tr>
<tr>
<td>Single-family attached</td>
<td>88</td>
<td>11.5</td>
<td>263</td>
<td>34.4</td>
<td>351</td>
</tr>
<tr>
<td>Subtotal</td>
<td>4,128</td>
<td>929.6</td>
<td>1,756</td>
<td>372.1</td>
<td>527</td>
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<tr>
<td>Multi-family</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Multi-family</td>
<td>0</td>
<td>0.0</td>
<td>0</td>
<td>0.0</td>
<td>1,756</td>
</tr>
<tr>
<td>Subtotal</td>
<td>0</td>
<td>0.0</td>
<td>0</td>
<td>0.0</td>
<td>1,756</td>
</tr>
<tr>
<td>Total</td>
<td>4,128</td>
<td>929.6</td>
<td>1,756</td>
<td>372.1</td>
<td>2,283</td>
</tr>
</tbody>
</table>

Percent of Acres and Units

<table>
<thead>
<tr>
<th></th>
<th>Low Density</th>
<th>Moderate Density</th>
<th>High Density</th>
<th>High-Rise Density</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>DU Gross Ac</td>
<td>DU Gross Ac</td>
<td>DU Gross Ac</td>
<td>DU Gross Ac</td>
<td>DU Gross Ac</td>
</tr>
<tr>
<td>Single-family</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Single-family detached</td>
<td>46%</td>
<td>57%</td>
<td>16%</td>
<td>20%</td>
<td>2%</td>
</tr>
<tr>
<td>Manufactured in parks</td>
<td>0%</td>
<td>0%</td>
<td>1%</td>
<td>1%</td>
<td>0%</td>
</tr>
<tr>
<td>Single-family attached</td>
<td>1%</td>
<td>1%</td>
<td>3%</td>
<td>2%</td>
<td>4%</td>
</tr>
<tr>
<td>Subtotal</td>
<td>47%</td>
<td>58%</td>
<td>20%</td>
<td>23%</td>
<td>6%</td>
</tr>
<tr>
<td>Multi-family</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Multi-family</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>20%</td>
</tr>
<tr>
<td>Subtotal</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>20%</td>
</tr>
<tr>
<td>Total</td>
<td>47%</td>
<td>58%</td>
<td>20%</td>
<td>23%</td>
<td>26%</td>
</tr>
</tbody>
</table>

Source: ECONorthwest

In addition to the housing types shown in Table 9.40.24, Grants Pass needs to plan for additional group quarters. The analysis assumes the City will add 742 persons in group quarters between 2007 and 2027. The City will need to add a similar number of group quarter units during this period. Assuming that group quarters achieve densities comparable to multifamily units, the City will need approximately 58 gross residential acres for these units (742 divided by 12.6 units per gross acre). The majority of these units will locate in the higher density residential plan designations or commercial plan designations.

9.50 — Findings
Population growth and demographic trends

1. Josephine County experienced substantial population growth between 1980 and 2006. Josephine County grew from 58,855 people in 1980 to 81,125 people in 2006, an increase of more than 22,000 people at an average annual growth rate of 1.29%. Over the twenty-six-year period, Josephine County grew at approximately the same rate as the State average.

2. The majority of population growth in Josephine County occurred in Grants Pass. Population within the Grants Pass City limits grew from 15,032 residents in 1980 to 30,930 residents in 2006, an increase of 15,998 people at an average annual rate of 2.93%. Population growth in Grants Pass accounted for about 70% of population growth in Josephine County.

3. Migration was the largest source of population growth in Oregon and Josephine County. For the 1990 to 2006 period, about 70% of population growth in Oregon resulted from net migration. All population growth in Josephine County between 2000 to 2006 was the result of net migration because Josephine County experienced negative population growth from natural causes, with about 1,500 more deaths than births during this period. In addition, Census data show that residents of Grants Pass were more likely to have lived in a different state (most often California) in 1995 compared with the County and State averages.

4. The Grants Pass UGB population is forecast to grow from 37,460 people in 2007 to 57,888 people in 2027, an increase of 20,428 people at an average annual growth rate of 2.2%. This growth is significant in that the Grants Pass urban area will pass the 50,000 population mark within planning horizon and be designated as metropolitan area. With that designation comes CDBG Entitlement Community Status and the need to develop a housing plan and qualification to receive federal housing dollars.

5. Grants Pass is attracting retirees or near retirees and families with children. Grants Pass has a larger share of residents under 19 years and 70 years and older than Josephine County or Oregon. During the 1990’s the fastest growing groups were 45 to 64 years and 5 to 17 years. The slowest growing group was 65 years and older. If Grants Pass continues attracting retirees, Grants Pass is likely to need additional housing for active retirees, such as high amenity multifamily housing and active retirement communities.

6. The OEA forecasts that people aged 60 years and older will be the fastest growing age groups between 2000 and 2025, increasing by 75%. The groups forecast to grow slowest are people under 29 years old.

7. Grants Pass is becoming more ethnically diverse. Grants Pass Hispanic population grew from 494 residents in 1990 to 1,326 residents in 2000, an increase of 742 people or 150%. In 2000, Grants Pass had a lower share Hispanic residents (5.4%) compared to the State average (8.0%) but higher than Josephine County’s average (4.3%). National trends suggest that Grants Pass will continue to become more ethnically diverse.
8. State trends indicate that Hispanic residents are typically younger than non-Hispanic residents when they purchase a house. About 57% of Hispanic homeowners were under 45 years old when they purchased their first house, compared with 31% of non-Hispanic homeowners.

Development trends in Grants Pass

9. Grants Pass approved 2,769 dwellings in the UGB between 1999 and 2006. The number of dwellings approved annually ranged from a low of 189 in 2000 to a high of 533 in 2005, with an average of 346 dwellings permitted annually. This represents an increase in development activity—the U.S. Census database of building permit activity shows that Grants Pass issued permits for an average of about 235 dwelling units annually during the 1990’s. However, the City did not begin issuing permits for the urbanizing area in the UGB until August 1998.

10. Most of Grants Pass’ housing stock is single-family housing. In 1990, single-family housing, including manufactured housing, accounted for 25% of Grants Pass housing and multifamily housing accounted for 25% of the City’s housing stock. In 2000, single-family housing, including manufactured housing, accounted for 74% of Grants Pass housing and 26% of housing was multifamily housing. The mix of housing did not change significantly during the 1990’s; the share of single-family housing decreased by 1%.

11. Single-family housing continued to account for the majority of residential development between 2001 to 2006. About 75% of dwelling units permitted between 2001 and 2006 were for single-family housing types (detached and attached single-family units and manufactured units), accounting for 1,766 units. The City issued permits for 591 for multifamily units (25% of units) over the five-year period.

12. Residential subdivision activity through 2005 suggested that residential development was likely to continue in Grants Pass. However, the housing slowdown also resulted in reduced subdivision activity in 2006. Between 2000 and 2006, Grants Pass had 109 subdivisions and more than 2,000 lots created through subdivisions, and almost 400 through partitions. The number of subdivisions and partitions platted and lots created peaked in 2005 and 2006.

13. The built density of residential development in Grants Pass between 1999 and 2006 was an average of 5.1 dwelling units per net acre. More than 40% of new dwellings were built in the Low-Density plan designation, which achieved an average density of 3.5 dwellings per acre. The Moderate-Density plan designation averaged 6.3 units per net acre and the High-Density plan designation averaged 9.4 dwellings per net acre. The highest densities were achieved in the High-Rise-Density plan designation with 26.4 dwellings per net acre. Residential density in the Commercial-plan designation was 7.6 dwelling unit per net acre.

National, State, and Regional Trends
14. Housing development will continue, especially in suburban areas. The Joint Center for Housing Studies indicates that demand for new homes could total as many as 14.6 million units nationally between 2005 and 2015. The vast majority of these homes will be built in lower-density areas where cheaper land is in greater supply. People and jobs have been moving away from central business districts (CBDs) for more than a century: the number of the country’s largest metropolitan areas with more than half of their households living at least 10 miles from the CBD has more than tripled from 13 in 1970 to 46 in 2000; in six metropolitan areas more than a fifth of households live at least 30 miles out. While people older than 45 years are generally continuing to move away from CBDs, younger people have begun to move nearer to CBDs.

15. Immigration will continue to impact demand for housing. The Joint Center for Housing Studies suggests that immigration will play a key role in accelerating household growth over the next 10 years. Between 2000 and 2005, immigrants contributed to over 40% of net household formations. Minorities will account for 68% of the 14.6 million projected growth in households for the 2005 to 2015 period. The children of immigrants who arrived in the 1980s and 1990s now account for 21 percent of children between the ages of 1 and 10, and 15 percent of those between the ages of 11 and 20. Members of this generation will probably earn more than their parents becoming an even greater source of housing demand in the coming decades.

16. The lack of affordable housing will continue to be a problem for low-income households. According to the Joint Center for Housing Studies, these statistics understate the true magnitude of the affordability problem because they do not capture the tradeoffs people make to hold down their housing costs. They also exclude the growing number of households that move to locations distant from work where they can afford to pay for housing, but must spend more for transportation to work.

17. Demand for affordable higher density housing will increase. The Joint Center for Housing Studies also indicates that demand for higher density housing types exists among certain demographics. They conclude that because of persistent income disparities, as well as the movement of the echo boomers into young adulthood, housing demand may shift away from single-family detached homes toward more affordable multifamily apartments, town homes, and manufactured homes.

18. Nationally, the market for rental housing will increase. Minorities will be responsible for nearly all of this increased demand. The minority share of renter households grew from 37% in 1995 to 43% in 2005. The minority share is forecast to exceed 50% of renter households in 2015. Demographics will also play a role. Growth in young adult households will increase demand for moderately priced rentals, in part because echo boomers will reach their mid-20s after 2010. Meanwhile growth among those between the ages of 45 and 64 will lift demand for higher-end rentals.
19. Larger single-family units on smaller lots. Between 1995 and 2006 the median size of new single-family dwellings increased 17% from 1920 sq. ft. to 2248 sq. ft. nationally and 24% in the western region from 1835 sq. ft. to 2275 sq. ft. Moreover, the percentage of units under 1,200 sq. ft. nationally decreased from 10% in 1995 to 4% in 2006. The percentage of units greater than 3,000 sq. ft. increased from 13% in 1995 to 24% of new one-family homes sold in 2006. In addition to larger homes, a move towards smaller lot sizes is seen nationally. Between 1995 and 2006 the median lot size of new single-family dwellings decreased 9% from 9,508 sq. ft. to 8,621 sq. ft. nationally and 4% in the western region from 7,000 sq. ft. to 6,697 sq. ft.

20. Multifamily units are increasing in size. Between 1994 and 2006, the median size of new multiple-family dwelling units increased. The percentage of multifamily units with more than 1,200 sq. ft. increased from 11% to 43% in the western region and from 11% to 47% nationally. Moreover, the percentage of units with less than 600 sq. ft. decreased from 6% to 2% in the western region and from 4% to 1% nationally.

21. Houses are being built with more amenities. Between 1995 and 2006 the percentage of single-family units built with amenities such as central air conditioning, fireplaces, 2 or more car garages, or 2 or more baths all increased. The same trend in increased amenities is seen in multifamily units.

Housing and household characteristics in Grants Pass

22. Tenure rates remained stable during the 1990's. In 1990, 54% of dwellings were owner-occupied and in 2000 53% of dwellings were owner occupied. Homeownership rates in Grants Pass are lower than County and State averages. In 1990 and 2000, 70% of homes were owner occupied in Josephine County and state homeownership rates were 63% in 1990 and 64% in 2000.

23. Households in Grants Pass have the same average size household than the State averages. Grants Pass has a smaller average household size (2.36) compared to the County (2.41) or State (2.51) averages. Grants Pass has a larger share of 1-person households (32%) compared with Josephine County (25%) and Oregon (26%). Grants Pass has a larger share of households with children (32%) compared with Josephine County (27%) and Oregon (31%). Grants Pass has a larger share of non-family households (36%) than the County average (30%) or State average (34%).

24. In Grants Pass, the share of households with married couples with children was 21% in 2000. All other family and non-family households in Grants Pass that were not married couples with children accounted for 79% of all households. Like Oregon and Josephine County, a large share of Grants Pass households do not include children and have multiple unrelated persons living in the household. 68% of Grants Pass households have no children, 36% are composed of two or more unrelated adults, 54% do not have a married couple in the household, and 25% are married couples with no children.
25. According to the Census, vacancy rates in Grants Pass were similar in 1990 and 2000. The overall vacancy rate in 1990 was 4.5% and it was 4.8% in 2000. The vacancy rate in 2000 was 4.0% for single-family units and 7.1% for multifamily units.

Housing affordability in Grants Pass

26. Housing affordability is a problem for households with low income. Households earning 50% of the HUD’s estimated Median Family Income in Josephine County ($41,700 in 2007) may have problems affording housing in Grants Pass.

27. Approximately 45% of Grants Pass households could not afford a two-bedroom apartment at HUD’s fair market rent level of $639. Households earning less than $20,850 annually were unable to afford a two-bedroom dwelling that rents for HUD’s fair market rent. A household had to earn about $12.25 an hour to afford a two-bedroom unit according to HUD’s market-rate-rent estimate.

28. In 2000 about 39% of Grants Pass households experienced cost burden. The rate was much higher for renters (45%) than for homeowners (32%). This finding is consistent with other Oregon cities, where it is much more common for renters to experience higher rates of cost burden.

29. A household earning median family income ($41,700) could afford a home valued up to about $104,250.

30. Housing costs in Grants Pass have increased since 2000. The average sales price of a house in Grants Pass increased from about $119,000 in 2000 to $273,000 in 2006, an increase of more than $154,000 or 130%. The greatest increase in average sales price took place in 2003 and 2005.

31. Housing prices in Grants Pass have increased less than housing prices in Jackson County. According to the Office of Federal Housing Enterprise Oversight, the average sales price of a single-family home in Jackson County (the Medford MSA) increased 215% between 2000 and 2006.

32. Housing affordability guidelines are based on median family income and provide a rough estimate of financial need but may mask other barriers to affordable housing such as move-in costs, competition for housing from higher income households, and availability of suitable units. They also ignore other important factors such as accumulated assets, purchasing housing as an investment, and the effect of down payments and interest rates on housing affordability.

33. People 55 and over are wealthier than the national average. Median net worth is greatest among families 54 to 64 years ($248,700) and 65 to 74 years ($190,000). Net worth for families 75 years and older ($163,100) remains substantially higher than the average net worth for all families ($93,100). Two of the most important assets for all families are a family’s primary residence and their financial assets. The value of these assets is
higher for people 45 years and over when compared to the average value for all families and peaks for families 55 to 64 years.

34. Grants Pass is likely to continue attracting retirees or people nearing retirement age. The State expects the number of people aged 60 years and older in Josephine County to grow by 75% between 2000 and 2030. A large share of the growth in people 60 years and older is likely to result from in-migration, most frequently from other parts of Oregon or from California. On average, people in these age groups have greater wealth than younger people, which increases their ability to purchase higher-priced single-family dwellings.

Projected housing needs

35. Grants Pass will need 8,782 new dwelling units to accommodate population growth between 2007 and 2027. The forecast shows that an average of 439 new dwelling units will be needed annually, which is higher than the average number of building permits issued (346) over the 1999 to 2006 period. The baseline forecast assumes 75% of needed housing for 2007-2027 will be single-family housing types (single-family detached, single-family attached, and manufactured homes) and 25% will be multifamily (duplex, triplex, quadplex, and five or more units). When added to existing development, this results in an overall housing mix in 2027 estimated at about 75% single-family / 25% multifamily.

36. The future mix of 75% single-family and 25% multifamily housing types is based on: population growth trends and expected in-migration, national housing trends, economic growth in Josephine County and Grants Pass, historic trends in housing mix, the amount of multifamily housing produced during the 2004-2006 housing boom, despite the availability of land for multifamily housing, and expected increases in wealth and age of in-migrants moving to Grants Pass.

37. Grants Pass would need about 1,303 net residential acres, or about 1,602 gross residential acres, to accommodate new housing between 2007 and 2027. These residential land needs could be affected by policy decisions, which may result in increased or decreased land need. The effect of policy decisions on land needs is addressed in Element 14, Urbanization. The forecast results in an average residential density of 6.7 dwelling units per net residential acre and 5.5 dwelling units per gross residential acre for new residential units built between 2007 and 2027. This represents a 24% increase in density over the historical average density (built, not zoned) of 5.1 dwelling units per net acre achieved 1999 to 2006.

38. Each plan designation will experience development. About 47% of housing (4,128 units) will locate in the Low-Density residential designation. The Moderate-Density designation will have 20% of residential development (1,756 units) and the High-Density designation will have 26% of residential development (2,283 units). The High-
Rise Density designation will experience the least development, with 7% of housing (615 units).
## CITY OF GRANTS PASS

### COMPREHENSIVE PLAN POLICY INDEX

<table>
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<tr>
<th>Element</th>
<th>Page</th>
</tr>
</thead>
<tbody>
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<td>1. Location</td>
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<tr>
<td>2. Citizen Involvement</td>
<td>2</td>
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<tr>
<td>3. Scenic, Rogue River, Historic and Natural Resources</td>
<td>3</td>
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<td>4. Environmental Resources Quality</td>
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<td>5. Natural Hazards</td>
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<td>10. Public Facilities and Services</td>
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<td>11. Transportation (replaced by the Grants Pass Urban Area Master Transportation Plan adopted December 1997, not included in this document)</td>
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</tr>
<tr>
<td>12. Energy Conservation</td>
<td>29</td>
</tr>
<tr>
<td>13. Land Use</td>
<td>31</td>
</tr>
</tbody>
</table>
1. LOCATION

. Note

The Data Base portion of the Comprehensive Plan describes the location of Grants Pass relative to the amenities that make the City an enjoyable and desirable place in which to live. In addition, the geography of the City is presented at the local, state and regional level.

No policies result from the findings made.
2. CITIZEN INVOLVEMENT

. **Goal**

To develop a citizen involvement program that insures the ongoing involvement of citizens in all phases of the land use planning process.

. **Policies**

2.1 Land Use actions shall be reviewed as provided in the Development Code, with the degree of public participation fitting the extent of impact of the proposed land use action, as provided in Policy 13.1.2 of the Plan. The Development Code shall include provisions for adequate, timely and informed review, including notices bearing complete and easily understood information needed by the general public to make an informed opinion.

2.2 Where a land use issue or action may have an impact upon a particular neighborhood, ward or special interest group, or may affect large numbers of Urban Growth Boundary residents and property owners, special workshop sessions shall be held to assure access by affected citizens to all phases of the land use decision making process.

2.3 The Council shall adopt a Citizen Involvement Program to assure adequate citizen involvement in land use issues and actions. The program shall contain provisions for communications between citizens and elected or appointed officials, assistance for the provision and interpretation of technical information, mechanisms for responding to individual citizen input, and financial support.

2.4 The citizen involvement program shall include a Citizen Involvement Committee (CIC) composed of representatives of the City Council, Planning Commission, standing committees and citizens at large. The responsibilities of the citizen involvement committee shall be to assist in the development of the citizen involvement program, to assist in implementing the program, and to evaluate the effectiveness of the program annually.

2.5 The citizen involvement program shall contain procedures for the establishment and change of the program and committee, standards for review of the program, and explicit provisions for the general charge and specific tasks of the citizen advisory committee.
3.0 SCENIC, ROGUE RIVER, HISTORIC AND NATURAL RESOURCES

. **Goal**

To conserve, restore and enhance the area's scenic river, historic and natural resource.

. **Policies**

. **Scenic**

3.1 The City and County will explore the creation of a scenic route and major gateway overlay designation on the UGB land use map. The scenic overlay will be used to determine those major arterial routes through, and major entrances to, the city of Grants Pass and the urbanizing area frequented by the traveling public, where special landscaping or other scenic enhancement is appropriate.

3.2 The City will work cooperatively with the County seeking to jointly review, and appropriately control, large-scale development or disruptive uses on lands visible from the city and under County jurisdiction.

3.3 The City will work to preserve and enhance the scenic views of Caveman Bridge through the following actions:

A. Working cooperatively with the Oregon Department of Transportation, trees in the 6th Street right-of-way within 100 feet of the bridge will be preserved and replanted (as necessary); and

B. Trees in Riverside Park near the bridge will be preserved and replanted (as necessary).

3.4 The City will develop new and enhance existing viewpoints of Caveman Bridge.

3.5 The City will continue to maintain and enhance existing parks and open spaces.

3.6 The City will continue to add new parks and open spaces following guidance in the Parks Master Plan.

. **Rogue River**

3.7 The City shall recognize the Rogue River as the most significant natural and economic resource. Further, the City shall recognize the development opportunities of the river by the institution of "Riverfront Tourist Commercial Zones". These special commercial zones found in scenario 4 of the RRP and located at either existing or proposed bridges, would provide for development standards as well as
provide specific allowable uses for each Riverfront Tourist Commercial Area. It is highly desirable that the new zoning allow for mixed use development (residential, commercial, retail, office); however, due to the limited space available, uses which either require or depend on a river location shall be higher priority.

3.8 The city shall recognize the river as the predominant visual feature in the community by the institution of a "Scenic Overlay Zone", to occur along the entire length of the river within the urban growth boundary; the width of the zone should correspond to the width of the River Corridor. This zone shall include:

- The creation of a design review board which would review all projects within the overlay zone for their design aesthetics and compatibility with the environmental setting.

- The creation of design guidelines to be utilized by the proposed design review board as well as by staff and other discretionary commissions.

- The creation of public viewpoints in the locations as designated in the RRP

3.9 In conjunction with the above policy and policies under the Fish, Wildlife and Natural Resource Section of this element, the city shall institute the necessary ordinances for the protection and restoration of the riparian and wetland habitats along the river. This new ordinance must address the removal of river vegetation, the erosion of the riverbank, the allowable recreational uses of the waterway and the potential impact on aquatic and terrestrial wildlife.

3.10 In concert with policies 7.5, 7.6 and 7.7, the city shall develop a bicycle and pedestrian trails system. This system may link the proposed Riverfront Tourist Commercial Zones as well as provide linkage to the downtown and other community trails system. Further, the city may provide access to the river's edge at areas designated in the RRP and other suitable areas.

The above trails and access points shall be acquired by the city either through easements, development conditions and (or) direct public purchase.

Historic

3.11 Within twelve months of adoption of the Comprehensive Plan, the City shall establish an Urban Area Historical Buildings and Sites Commission, whose primary function is to facilitate the preservation, conservation, restoration, rehabilitation or upkeep of historic buildings, structures and historical areas within the City of Grants Pass, and advise the City Council in land use actions affecting historic structures, sites and areas.

3.12 Within sixteen months of adoption of the Comprehensive Plan, the Development Code shall include a process of designation and review for structures, sites and areas considered indicative of the City's historical heritage, which will assist participating
property owners in qualifying for federal, state or local financial assistance programs.

Fish, Wildlife and Natural Resources

3.13 The City and County shall coordinate development policies with the Oregon Department of Fish and Wildlife to prevent the degradation of aquatic habitats, recognizing the role these habitats play in the area's economic well-being.

3.14 The City and County shall act to conserve and enhance the quality and character of the Rogue River and its tributary streams, protecting streamside vegetation and discouraging the channelization, diking and filling of stream channels.

Locally significant wetlands mapped in the Local Wetlands Inventory shall be protected by buffers, appropriate to their identified class and function, to preserve habitat and protect and enhance water quality.

Aggregate

3.15 The aggregate resource site located in the southwest subarea opposite the City's sewage treatment plant shall be utilized. Seasons and methods of operation may be regulated to lessen impact upon the surrounding area.

General

3.16 Within sixteen months of adoption of the Comprehensive Plan, the Development Code shall act to facilitate these Scenic, Rogue River, Historic and Natural Resource policies, and shall contain a balanced mix of positive incentives (Which may include economic incentives, density transfer, clustering, planned unit developments, density incentive, rapid review procedures, clear and measurable standards, etc.), as well as exactive requirements (which may include mandatory reviews, dedication, easement or development requirements, etc.), as needed to assure the realization of these policies.
4. ENVIRONMENTAL RESOURCE QUALITY

. **Goal**
  To maintain and improve the quality of the air, water and land resources of the area.

. **Policies**

4.1 The City and County shall affect air quality by:

(a) coordinating the maintenance of air quality with the State Clean Air Implementation Plan.

(b) cooperating with the State Department of Environmental Quality, the County Health Department, organizations and individuals for the ongoing monitoring of air pollutants in the UGB airshed.

(c) continuing and augmenting the program of paving unpaved roadways within the UGB, including alleys.

4.2 The City and County shall:

(a) evaluate the need for a local noise ordinance utilizing DEQ Noise Control Regulations and Model Noise Ordinance within 16 months of adoption of the Comprehensive Plan.

(b) coordinate land use planning with the DEQ Noise Control Regulations, especially the regulations for industry and commerce.

(c) locate noise sensitive land uses, such as residential, away from noise sources wherever possible.

(d) explore the requirement of noise abatement measures in residential developments that are located adjacent to noise sources such as highways, major streets, railroads, industrial and commercial areas.

4.3 The City and County shall affect water quality by:

(a) coordinating land use activities with the State Department of Environmental Quality River Basin Plan, the 208 Water Quality Plan and the National Pollutant Discharge Elimination System Permit requirements. If waterways within the city are declared water-quality limited by the Oregon Department of Environmental Quality, the City will work with DEQ to develop an appropriate pollutant load reduction strategy implementation plan in response to a Total Maximum Daily Load (TMDL) determination developed for the watershed.
(b) encouraging the development of land that minimizes the area of impervious surface and/or provides for storm-water retention. Runoff that cannot be infiltrated shall be managed so that (a) the peak flow of the receiving stream is not significantly increased and (b) water quality is maintained.

(c) maintaining all public parking lots and streets in as litter-free and chemical-free condition as possible, and encouraging private owners to maintain parking lots and driveways in as litter-free and chemical-free condition as possible.

(d) increasing the hydraulic capacity of the City's wastewater treatment plant.

(e) identifying improperly abandoned groundwater wells in the UGB area, requiring that the wells be properly capped or sealed, and continuing to monitor the salt intrusion into wells in use.

(f) regulating site planning for new development and construction to better control drainage and erosion and to reduce and retain stormwater runoff and protect water quality.

(g) regulating the location of permitted uses that may have higher than ordinary impacts on water quality, particularly those that generate, store, or use hazardous waste or materials.

(h) increasing public awareness of techniques and practices private individuals can employ to correct water quality and quantity problems.

(i) regulating the cutting of trees and encouraging the reforestation and revegetation of appropriate trees in the city.

4.4 The City and County shall affect land quality by:

(a) coordinating the disposal of solid waste with the Josephine County Solid Waste Management Plan.

(b) evaluating the long term needs for sludge disposal and considering alternatives to liquid land application.

4.5 The City and County shall address the environment's carrying capacity by:

(a) complying with applicable state and federal environmental protection standards.

(b) so managing urban development and environmental protection that irreversible damage to the quality of the environment is avoided.
5. **NATURAL HAZARDS**

. **Goal**

To reduce the risk of loss of life and damage to property both private and public, due to natural hazards.

. **Policies**

5.1 **Geologic, Slope, Soils and Erosion Hazard**

5.1.1 The city and county shall place a slope hazard overlay designation on the UGB land use map. The slope hazard overlay shall be used to determine areas within the boundary with slopes greater than 15%.

5.1.2 The Development Code shall contain standards for development related to the degree of hazard from slope and soil type. The soils classification of the U.S. Soils Conservation Service shall be used as a general guide only for determining hazard areas. The Development Code shall provide methods to modify the required development standards as a result of more precise and site-specific slope and soil characteristics information.

5.1.3 Within 18 months of adoption of the Comprehensive Plan, the Development Code shall provide definitive guidelines for the routing and design of roads in steep areas to minimize environmental damage, maintain natural drainage patterns, and conform to the general topography.

5.1.4 The Development Code shall act to facilitate these slope and soils hazard policies, and shall include a balanced mix of positive incentives (which may include density transfers, clustering, administrative appeal from requirements based on more precise information, etc.), as well as exactive requirements (which may include density reduction, development requirements, etc.).

5.1.5 Development on hillsides shall not endanger life and property or land and aquatic resources determined to be environmentally significant.

5.1.6 On tree-covered hillsides, development shall be designed to preserve as many trees and as much natural vegetation as possible.

5.1.7 The City shall require certain land disturbing activities associated with construction and improvements to employ erosion control prevention to control stream sedimentation.

5.1.8 Standards for hillside protection will require use of construction techniques that reduce sediment transport and peak storm flows by minimizing erosion and surface water runoff.
5.2  Flood Hazard

5.2.1 The city and county shall maintain an active involvement in the National Flood Insurance Program.

5.2.2 The city and county shall place a flood hazard overlay designation on the UGB Land Use Map. The flood hazard overlay shall be used to determine areas within the Boundary subject to flood hazard in accordance with the Grants Pass and Josephine County Flood Insurance Studies, pursuant to the National Flood Insurance Program.

5.2.3 The Development Code shall regulate development within the 100-year floodplain and floodway as required to maintain participation in the National Flood Insurance Program.

5.2.4 The Development Code shall provide for methods to determine and appeal the location of the 100-year floodplain and floodway boundaries when there appears to be discrepancies between official mapped boundaries and actual field conditions.

5.2.5 The Development Code shall act to encourage the use or provision of areas suitable for storm water retention, detention, and infiltration, such as wetlands, grassed waterways, seasonal ponds and woodlands.

5.2.6 The city and county shall ensure that all new utilities and public facilities that locate within or pass through the 100-year flood plain do not result in increases in flood levels. Public water systems shall be designed to minimize or eliminate infiltration of flood waters, and public sewer systems shall be designed to minimize or eliminate discharges or infiltration.

5.2.7 The Development Code shall act to facilitate these flood hazard policies, and shall include a balanced mix of positive incentives (which may include density transfers, rapid review procedures, open space credits, etc.), as well as exactive requirements (which may include dedication or easement requirements, development requirements, etc.).

5.2.8 The city and county shall actively participate with Jackson County and other affected agencies in developing strategies to reduce and manage flooding and flood hazard areas.

5.3  Wildfire Hazard

5.3.1 Within 18 months of adoption of the Comprehensive Plan, the Development Code shall act to encourage reduction of fuel concentrations and the construction of fire breaks, which may include utilizing fire resistant or less flammable vegetation, construction of water sources, construction of roads suitable for use by emergency equipment, and provision of loop road systems for residential areas in hilly terrain.
6. **POPULATION**

   . **Goal**

   To base decisions regarding the population to be accommodated within the UGB for the 20 year planning period upon (a) sound, current and accurate demographic and economic data, (b) population projection models that reflect conditions and trends of the area and region, and (c) the desired growth policy of the citizenry and property owners of the planning area.

   . **Policies**

6.1 Planning for the Urban Growth Boundary for the 20-year period from 2007-2027 shall be based on growth at a 2.2% growth rate from a year 2007 population of 37,460 to a year 2027 population of 57,888.

6.2 Sufficient lands capable of full urbanization shall be provided within the Boundary to ensure an adequate choice in the market place for the projected population.

6.3 The City and County shall actively participate in the ten year and five year census efforts of the Federal government.

6.4 The City and County shall ensure a continuous stream of current land-use and development data from all agencies affecting land-use and development within the Boundary, and shall provide for the electronically enhanced storage, retrieval and analysis of this data.

6.5 The City Manager shall prepare an annual report to the Urban Area Planning Commission, the City Council, the Board of County Commissioners and other appropriate Boards and Commissions on the location, type, and degree of development within the Boundary. The annual report shall include information on the cost and availability of various housing types and densities, on the addition to or depletion of the capacity of basic urban services (water, sewer, storm drainage, streets and parks), and the adequacy of serviced, buildable lands for each land use type shown on the Comprehensive Plan Land Use Map.

These yearly reports and analyses shall be used by the City and County to guide revisions to the Comprehensive Plan.
7. RECREATION, PARKS AND OPEN SPACE

. Goal

To provide for the Recreation and Park and Open Space needs of the residents of and visitors to the Grants Pass Urban Growth Boundary area. The provisions shall: ensure the availability of sufficient open spaces for all areas of the UGB; meet the recreational needs of all age groups and types of recreation activities; locate open spaces in a manner that shall protect and enhance natural resources, and minimize hazard to life and property.

. Policies

. General

7.1 The City and County shall act to respect and conserve the natural resources in the area, to protect and enhance the quality and usefulness of the Rogue River, and to recognize that natural beauty is of great significance to the future of the area.

7.2 The City and County should act to increase the variety and number of public and private recreation opportunities and leisure time activities in the area.

7.3 Recreation sites shall be obtained by the City and County when possible so that these open spaces will be preserved for the future, in accord with an adopted Park Plan. Parks development should proceed as needed in order to increase and enhance recreational opportunities in the area.

7.4 Community appearance is a major concern and should be a subject of a major effort in the area. With visitor income as a primary source of future economic growth and development, beauty becomes a matter of basic economic significance. Street tree planting and landscaping, sign regulation and building improvement and painting programs should all be utilized to improve the environment.

. River Parks

17.5 The City shall design parks which meet the recreational needs of the community, protect the significant natural features, minimize environmental deterioration, and where possible, serve as stormwater detention and treatment facilities.

7.6 The City and County shall act to protect and enhance all recreation activities, public and private, utilizing the Rogue River resource, while at the same time avoiding detriment to the resource itself, with its many special and unique qualities.

7.7 The regional River Parks in and adjacent to the Urban Growth Boundary (such as Schroeder, Riverside and Pierce) should be enhanced as river oriented parks. Schroeder and Riverside may also function as neighborhood or community parks,
provided that great care is taken to preserve the basic river orientation and natural character of these river parks.

7.8 In accordance with an adopted Park Plan, the City and County should review the potential of the development of a riverside trail or greenway linking Riverside, Tussing and Schroeder Parks, with an additional tie to the County Fairgrounds via Tussing Park.

School Parks

7.9 The City, County and School Districts should continue to cooperate in the full utilization of the School Park concept, which may include the joint acquisition, development, utilization and maintenance of educational and recreational facilities. The School Park concept should be utilized to realize larger and more usable sites as well as more cost effective utilization than possible with single-use facilities.

7.10 The City, County and School Districts should continue to maintain communications adequate to assure that adjacent schools and parks are appropriately acquired, designed and managed in order to maximize the utility of school grounds and parks to both school children and the general public. The City and County shall pursue an agreement with the school districts, such that the City and County would be consulted prior to and during the design of proposed school facilities, and would have first opportunity to purchase school district grounds and facilities within the UGB for park purposes should such grounds or facilities be offered for sale.

7.11 Neighborhood Parks should be located adjacent to elementary schools, and Community Parks adjacent to middle schools or high schools, whenever possible, and shall be developed as School Parks insofar as practicable. Elementary school sites should be enhanced as neighborhood park facilities wherever adjacent grounds are not available. Potential School Park sites shall be carefully designed both to meet recreation needs and to minimize any impacts disruptive to residential neighborhoods. Where significant natural features are present, there may be needs for different adjacent park types, such as Allen Creek Community Park adjacent to Allendale Elementary School due to the location along the creek.

7.12 Neighborhood parks are particularly needed and their acquisition and development should be pursued, especially in underserved areas as described in the Comprehensive Park and Recreation Master Plan.

Greenways and Trails

7.13 The City and County, in cooperation with School Districts, Grants Pass Irrigation District, utilities and other public and semi-public agencies shall continue to explore the acquisition and development of a greenway and trail network that would connect designated natural resource and recreation sites within, adjacent to and near the UGB.
Fairgrounds

7.14 The County Fairgrounds is an especially valuable asset to the people of the community. The City, County and Fair Board shall take care to preserve the fairgrounds for recreation activity, to protect the site from the encroachment of other public uses which may detract from its basic function, and shall act to enhance and extend the recreational capacity of the site. The City and County shall cooperate with the Fair Board to develop a Master Plan for the development of the County Fairgrounds.

Park and Recreation Plan

7.15 The City and County shall develop, adopt, maintain, and update a Park and Recreation Plan for the Urban Growth Boundary area. Such a Park Plan shall:

(a) determine the number, size and approximate location of park and recreation facilities, greenways and trails deemed necessary to serve the expected population within the Urban Growth Boundary and establish standards and service levels for various park types;

(b) base the facilities determination on a thorough analysis of all types of City and County recreation activities, using and correlating available preference and use data;

(c) utilize organized input from all segments of the community;

(d) recommend implementation and financing strategies for acquiring, developing and maintaining needed park and recreation facilities;

(e) provide continuity with the Park Plans of 1960, 1967, 1969, and 1984 as adopted by City and County, and as followed through by acquisition, expansion and development;

(f) determine the areas of greatest facility need;

(g) assess existing recreation supply and demand, and plan for a balance of needed leisure services, based upon a reasonable balance of service provision and cost sharing by governmental, commercial and private sources.
7.16 The Development Code and city ordinances shall act to facilitate these park, recreation and open space policies, and shall contain a balanced mix of positive incentives (which may include density transfers, density incentives, rapid review procedures, etc.), as well as exactive requirements (which may include dedication or easement requirements, system charges, development requirements, etc.), as needed to assure the realization of these policies.

7.17 The City and County should consider a Capital Improvement Program (CIP) as a tool to help plan for timely and adequate acquisition and development of park and recreation facilities prioritized in the adopted Park and Recreation Plan.

7.18 The City and County shall explore the provision of incentives for park, open space and greenway dedication.

7.19 The 2010 Comprehensive Park and Recreation Master Plan provides more specific Goals (Chapter 2) and Policies and Strategies (Chapter 5) to meet park and recreation needs for the next 20 years. The plan also contains updated database information including a Park and Facility Inventory and Needs Assessment.
8. ECONOMY

. Goal

To improve, expand, diversify and stabilize the economic base of the community.

. Policies

8.1 The City and County shall endeavor to improve, expand, diversify and stabilize the economic base of the community:

(a) by encouraging the location and development of environmentally sound economic activities within the Urban Growth Boundary which meet the occupational and employment needs of area residents, particularly the unemployed and under-employed.

(b) by giving high priority to the extension of full urban services to designated industrial areas of the Urban Growth Boundary in the Capital Improvement Program.

(c) by encouraging and providing support to non-profit economic development organizations and groups which seek to improve employment opportunities within the Urban Growth Boundary.

(d) by insuring that an adequate quality and quantity of industrial land is available, properly zoned and serviced.

(e) by protecting existing and planned commercial and industrial areas from the intrusion of incompatible land uses through land use regulation.

(f) by providing for a timely, efficient, clear and objective development review process.

(g) by applying for state and federal grants which can be used for extension of public facilities to industrial areas or direct financial assistance to new or expanding industries.

8.2 The City and County shall continue to improve their working relationship with each other and with other governmental bodies so as to improve the community's ability to accommodate growth.

8.3 The City and County shall encourage educational and occupational training programs, and make selective resources of the City and County available to public and private agencies for such training programs.
The acquisition and development of park and recreation facilities, as well as the conservation of natural resources and open space, shall be considered a vital part of the economic development and economic well being of the area, the region and the State, and appropriate efforts shall be made to keep both recreation development and natural resource conservation abreast of growth.

The implementing ordinances shall act to facilitate these economic policies, and shall contain a balanced mix of positive incentives (which may include rapid review procedure, clear and measurable standards of development, subsidized service extension, etc.), as well as exacting requirements (which may include dedication or easement requirements, system changes, development requirements, etc.), as needed to assure realization of these policies.

The City and County shall encourage industrial development within the Urban Growth Boundary and the North Valley Industrial Park by:

(a) working with economic development organization and the property owners involved to encourage development of the remaining acres in the Caveman Industrial Park.

(b) providing City water service and fire suppression and prevention services to Josephine County's 85 acre North Valley Industrial Park, and encouraging full development of this park.

(c) completing a facility plan and implementation strategy for the East Grants Pass Industrial area, which will include the extension of Agness Avenue across the Southern Pacific Railroad tracks, and the extension of water along "N" Street and Agness Avenue.

(d) working with economic development organizations and the landowners in the East Grants Pass, industrial area to market their properties in a unified and cooperative manner.

(e) providing City water services south of the Rogue River to the "Redwood Plaza" industrial area.

The City and County will encourage commercial development at major commercial nodes, which includes the East Grants Pass area around the existing Grants Pass Shopping Center; the Redwood Commercial Triangle South of the Rogue River area and the Downtown area. The City will also encourage infill commercial and office development along Sixth and Seventh Streets, and in the North City commercial area.

In addition, convenience shopping area will be developed in the future in the Redwood area and the Southeast area of Grants Pass. The Rogue River Highway will continue to be used as a commercial strip.
8.8 The City shall assist in maintaining the Downtown commercial area as a vital business and office district by:

(a) following the adopted Downtown Improvement Program, giving high priority to Downtown Improvement projects in its Capital Improvement Program.

(b) making every reasonable effort to involve Downtown property owners and merchants in any improvement projects and proposals regarding the Downtown, and all proposals shall be subject to thorough public discussion before approval by the Council.

(c) providing support to the Towne Center Association in order that they may continue to carry out the "Oregon Main Street Program", which focuses on improvements to the area of organization, promotions, design and economic restructuring.

(d) evaluating the potential for, and provide where possible, long term revenue sources for Downtown improvement, both for the Towne Center organization and for public capital improvements.

(e) encouraging private building owners to maintain and improve their buildings.

(f) improving the efficiency with which the public uses both the off and on-street parking systems.

(g) zoning the Downtown area "Central Business District" which allows building to the property line and does not require any landscaping or off-street parking requirements.

(h) providing zoning designations that allow the eventual build up of residential densities immediately surrounding the Downtown area.

(i) requesting the State Department of Transportation to reconstruct Sixth and Seventh Streets, and to assist in the construction of a new synchronized signal system on Sixth and Seventh Streets.

(j) implementing the Old City Hall/Fire Station plan for improvements and use of those buildings.

Tourism

8.9 The City shall promote tourism, as significant element in the local economy by:
(a) utilizing a portion of the transient room tax for visitors and convention promotion services.

(b) creating a financial mechanism and completing landscaping and sign improvements to the North Interchange area.

(c) supporting the Centennial Commission's efforts toward activities drawing tourists to the area.
9. HOUSING

. Goal

Ensure the availability of adequate numbers of needed housing units at price ranges and rent levels commensurate with the financial capabilities of Grants Pass households, and allow for flexibility of housing location, type, and density. To encourage the provision of adequate numbers of housing units within the Urban Growth Boundary at price ranges and rent levels commensurate with the financial capabilities of area households, and to allow for flexibility of housing type, density, location and design.

. Policies and Objectives

- Land Availability

Housing as a Community Service

9.1. In compliance with ORS 197.296, plan for a 20-year supply of suitable land for Grants Pass to meet housing needs within the existing Urban Growth Boundary. Coordinate with Josephine County as required by the State Housing Goal to ensure a fair allocation of housing types and densities.

9.2. Update the Housing Needs Analysis at least every 10 years and whenever actual population growth exceeds growth forecasts for three out of five years.

9.3. Revise Comprehensive Plan land use designations and Development Code as needed to meet the housing needs identified in the Housing Needs Analysis.

9.4. Direct development opportunities to vacant or partially vacant land as identified in the Buildable Lands Inventory and Housing Needs Analysis.

9.5. Maintain the Land Use Map, Zoning Map, Overlay Maps and Development Code to provide opportunities for a variety of housing types, densities, and locations within the urban growth boundary.

9.6. Complete an annual evaluation of progress on the Housing Needs Analysis goals and growth targets.

Housing Needs

9.7. Evaluate and address local barriers to residential development.

9.8. Streamline land use and development processes to incentivize the timely and efficient development of housing.

9.9. Permit a variety of housing types across all residential zones, including single-unit, middle housing, manufactured housing, and multi-unit types. Focus on expanding opportunities for housing types which are shown to be related to lower housing costs.

9.10. Create pre-approved middle housing floorplans to encourage middle housing development.

9.11. Reduce minimum lot sizes in low-density zones to increase the efficiency of single-unit and middle housing.

9.12. Establish minimum densities in medium and high-density zones.
9.13. Increase maximum building height in higher density zones.

9.14. Simplify the permit process to convert single-unit housing in commercial zones to mid- to-high density multi-dwelling housing.

9.15. Support efforts by nonprofit organizations and for-profit entities to provide housing for special needs populations. (Group quarters, independent living for seniors, assisted living, memory care, mental health facilities, drug and alcohol rehab, etc.).

9.16. Promote and incentivize mixed-use areas to connect households to a variety of transportation options, medical and social services, commercial centers, and recreation amenities.

9.17. Direct funds and program support to rehabilitate existing housing within Grants Pass.

9.18. Plan infrastructure and utilities to support housing development within the urban growth boundary, especially areas identified as likely for infill development.

Housing Affordability and Homelessness

9.19. Support public, private, and nonprofit agencies and organizations to facilitate affordable housing development and maintenance.

9.20. Dedicate City resources to support public and private housing and associated programs/services to community members experiencing homelessness.

9.21. Identify surplus publicly owned properties that could be used for affordable housing and leverage these assets through public-private partnerships and other avenues.

Funding and Incentives

9.22. Implement a variety of incentives to support subsidized, low income and workforce housing. These incentives may include:
   a. Waiving or deferring fees and system development charges
   b. Adopting or amending criteria for property tax exemptions or freezes
   c. Providing density bonuses with the development of affordable housing
   d. Requiring the lowest off-street parking standards necessary to still meet community needs in order to reduce land used for parking and reduce housing costs
   e. Utilize Multi-Unit limited tax exemption (MULTE) program

9.23. Identify funding sources to increase housing affordability and support subsidized housing programs and infrastructure development. Funding sources may include:
   a. Assessing a construction excise tax
   b. Dedicating a portion of Urban Renewal funding
   c. Implementing Local Improvement Districts
   d. Proceeds from the sale of surplus property
   e. Dedicating a portion of System Development Charges
   f. Short-term rental lodging tax

9.1 The City and County recognize that builders and developers are providing a necessary and desirable service, and commit to work together in the spirit of cooperation to provide adequate housing in a timely and efficient manner.
9.2 The City and County shall seek to maintain a physical standard of housing responsive to the health, safety and general welfare of the residents of the community, through the enforcement of the Uniform Building Code, as mandated by the State of Oregon.

9.3 The City and County shall encourage the development of public housing rehabilitation programs as a method of assisting property owners whose dwellings need structural repair; shall encourage the use of public funds in providing housing assistance.

Housing Variety, Type, Density, Location Amenities and Costs

9.4 The Land-Use Map, Zoning Map, Overlay Maps and the Development Code shall provide opportunities for a variety of housing types, densities and locations within the Urban Growth Boundary area.

9.5 The Development Code shall establish provisions for housing types which are shown to be related to lower housing costs, and shall allow these housing types outright in appropriate locations throughout the Boundary area.

9.6 The City and County recognize condominium ownership, manufactured housing, and attached single-family homes as legitimate and affordable housing alternatives, and will encourage their development to appropriate standards and in appropriate locations within the Boundary Area.

9.7 The City and County shall either (a) place on the Comprehensive Plan Land Use Map a manufactured housing overlay designating where manufactured housing shall be permitted as an outright use, or (b) allow manufactured housing outright in all Developing Districts within the Boundary.
9.8 The City and County recognize the need for rental units and additional multifamily homes in the area, and will designate appropriate locations for multi-family development within the Boundary area.

9.9 The City and County recognize the need for balance in housing types, and shall continue to support the development of traditional housing types, and shall act to protect and enhance established neighborhoods within the City and Boundary area.

9.10 The Development Code shall establish provisions for density transfer within a particular housing development; and shall set forth regulations to accommodate housing developments which utilize density transfer, such as cluster development, planned unit development and zero-lot line development.

9.11 Within 16 months of adoption of the Comprehensive Plan, the Development Code shall explore service design standards (roads, water, sewer, storm drainage) which endeavor to lower the costs of development and maintenance while ensuring public safety and health.

9.12 Within 16 months of adoption of the Comprehensive Plan, the Development Code shall ensure the conservation of environmental amenities which are important for the livability of residential housing, which may include open space, parks, recreation areas, buffer yards, wetlands, natural wildlife habitats, solar space access, views, and waterways.

9.13 The City and County shall balance the benefits of its regulatory actions with the impact of such regulations to the cost of housing, and shall regularly review their fees and charges for reasonableness and efficiency.

9.14 The City shall encourage the provision of housing for all people, regardless of age, race, color, religion, sex, national origin, or handicap status, and shall take special measures to insure that no group or class of people is excluded from the community.
10. PUBLIC FACILITIES & SERVICES

. Goal
  To provide needed facilities and services for the Urban Growth Boundary area in a
timely, orderly, efficient, economic and coordinated manner.

. Policies

10.1 General Service Policies

10.1.1 Urban levels of development shall require urban levels of service, as defined by the
Implementing Ordinances.

10.1.2 Those who benefit most from the extension of urban services shall be those who pay
most of the cost of service extension. Citizens in the developed areas with a full
range of services already provided should pay little if any of the costs of extending
urban services. Various techniques should be utilized to mitigate the economic
impact of service extension to those residents in developing areas who already
provide certain of their own services, and to mitigate the economic impact of service
extension to those persons on fixed and/or low incomes.

10.1.3 Services shall be provided in an orderly and economic manner. Services provided at
public expense should be provided first to those areas most heavily committed to
urban development and those areas most actively developing, before extension to less
committed areas or to those areas less actively developing. The extension of services
with similar physical and/or programmatic requirements should be coordinated
where economies will result. The involvement of the private sector is essential in the
provision of services, and will determine to a great extent the timing, location and
financing means of service extensions.

10.1.4 The division of lands and development of property within the Urban Growth
Boundary shall be in accordance with the phased provision of urban services, as
provided in the Implementing Ordinances. The type, location and phasing of public
facilities and services shall be used by the City and County in a coordinated fashion
as factors to direct urban expansion, and to implement land use policies.

10.1.5 Neither the City nor the County shall create special districts within the Urban Growth
Boundary for the provision of water, sewer, storm drainage or street improvement
services, unless approved by both parties and managed by either the City Council or
the Board of County Commissioners. Overlapping and competing layers of political
control of the provision of services shall be discouraged.

10.1.6 Services shall be resource effective. Services shall not be extended past the carrying
capacity of the resource base of that service, and shall utilize the resource in the most
effective way practicable.
The City and County recognize that the provision of necessary services to accommodate the projected growth and land use allocations is a mutual responsibility. The City and County will continue to cooperate with other and with the private sector in the development and use of financial mechanisms and programs that are effective, efficient and equitable. The County recognizes its need to develop new techniques and resources for financing urban level public facilities.

The City and County will develop, adopt and maintain Capital Improvement Programs to meet the needs of the service area. These programs will be used as a guide in the decision making process regarding the expenditures of local public funds on capital projects as well as seeking State and Federal funds.

Water Service Policies

The City and County shall follow the adopted Water Facilities Plan for the Urban Growth Boundary area when extending and improving water service. Key factors to be utilized in growth management include:

(a) the number, size, location and approximate costs of water treatment, storage and distribution facilities deemed necessary to serve the expected population within the Urban Growth Boundary;

(b) water sources and treatment and distribution modes;

(c) continued input from all segments of the community;

(d) implementation and financing strategies for acquiring, developing and maintaining needed water treatment, storage and distribution; and

(e) determination of the areas of greatest need, including techniques of funding and prioritization for these areas of need.

The City and County shall maintain a continuously updated computerized model of the municipal distribution system. This model shall be available for use at cost by public agencies and private organizations in order to determine questions of service capacity, improvement requirements and improvement cost.

The City and County shall adopt an official Water Facilities Plan Map, showing the location, size and type of existing and future water treatment, storage and distribution facilities called for by the Water Facilities Plan, and such map shall be keyed to the computerized model of the distribution system.

The Development Code shall facilitate these water service policies, and shall contain a balanced mix of positive incentives (which may include density transfers, density bonuses, rapid review procedures, etc.) as well as exaction requirements (which may include dedication or easement requirements, system charges, development
requirements, etc.) as needed to assure the realization of these policies.

10.2.5 The City and County shall maintain a Capital Improvement Program (CIP) which shall include timely and adequate funding to realize the development of facilities required by the Water Facilities Plan, and shown on the Water Facilities Plan Map.

10.2.6 The Water Facilities Plan shall be reviewed and updated periodically as necessary, with major revisions at five year intervals.

10.2.7 Urban level development shall require a public water system, or shall meet requirements of interim development standards as provided by the Implementing Ordinances. Interim Development Standards shall allow development to proceed in a timely and economical manner, prior to full public water system extension, provided the requirements of public safety, health and welfare are met, and the future extension of the public water system is safeguarded.

10.3 Sewer Service Policies

10.3.1 The City and County shall follow adopted Sanitary Sewer Facility and Management Plans for the Redwood, Fruitdale-Harbeck and City service districts, including all parts of the Urban Growth Boundary area. The Sanitary Sewer Facility and Management Plans:

(a) determine the number, size, location and approximate costs of sanitary sewer facilities and improvements deemed necessary to serve the expected population within the Urban Growth Boundary;

(b) base the facilities and improvements determination upon a thorough analysis of the Urban Growth Boundary service districts, including present treatment plan capacity, treatment levels and Department of Environmental Quality requirements, collection system age, construction and function, and infiltration and inflow characteristics of the system;

(c) recommend implementation and financing strategies for acquiring, developing and maintaining needed sanitary sewage facilities;

(d) demonstrate continuity with past sanitary sewer plans, as adopted and developed by the City and County;

(e) provide for adequate coordination between the City and County as needed in the expansion and maintenance of the sewer service districts;

(f) determine the areas of highest priority.

10.3.2 The City and County shall maintain an official Sanitary Sewer Facilities Plan Map, showing the location, size and type of existing and future collection and treatment
facilities called for by the Sanitary Sewer Facilities and Management Plan. The map shall also show Service District boundaries.

10.3.3 The Development Code and Development Standards shall act to facilitate these sanitary sewer service policies, and shall contain a balanced mix of positive incentives (which may include density transfers, public funding of oversized lines, rapid review procedures, etc.) as well as exactive requirements (which may include dedication or easement requirements, system charges, development requirements, etc.) as needed to assure the realization of these policies.

10.3.4 The City and County shall maintain a Capital Improvement Program (CIP) which shall include timely and adequate funding to realize the development of facilities required by the adopted Sanitary Sewer Facility and Management Plans, and as shown on the Sewer Facilities Plan Map.

10.3.5 The Sanitary Sewer Facility and Management Plans shall be reviewed and updated periodically as necessary, with major revisions at five year intervals. The revisions to the Sanitary Sewer Facilities and Management Plans shall be used as a basis for revising these policies.

10.3.6 The City and County shall encourage sanitary sewer design that minimizes the cost of sanitary service extensions, and that minimizes the cost of maintaining such extensions.

10.3.7 Urban level development shall require a public sanitary sewer system, or shall meet the requirements of interim development standards as provided by the Implementing Ordinances. Interim development standards shall allow development to proceed in a timely and economical manner, prior to full extension of the sanitary sewer system, provided the requirements of public safety, health and welfare are met.

10.4 Storm Drain Service Policies

10.4.1 The City and County shall follow the adopted Master Storm Drainage Facilities and Management Plan for the Grants Pass Urban Growth Boundary area when extending the improving drainage service. Key factors to be utilized in growth management include:

(a) the number, size, location and approximate costs of storm drainage facilities and improvements deemed necessary to serve the expected population within the Urban Growth Boundary;

(b) the analysis of the UGB drainage basins, using generally accepted runoff projection techniques, including appropriate computer modeling, if possible;

(c) implementation and financing strategies for acquiring, developing and maintaining needed storm drainage facilities;
(d) maintaining continuity with past drainage plans, as adopted and developed by the City and County; and

(e) determination of the areas of highest priority, including techniques of funding and prioritization for these high priority areas.

10.4.2 The City and County shall adopt an official Storm Drainage Facility Map showing the location, size and type of existing and future storm drainage facilities called for by the Storm Drainage Plan. The Storm Drainage Map shall be used to determine service district jurisdiction, and the location of future storm drainage facilities and improvements.

10.4.3 The Development Code shall act to facilitate these storm drainage policies, and shall contain a balanced mix of positive incentives (which may include density transfers, public funding of oversized lines, rapid review procedures, etc.), as well as exactive requirements, system charges, development requirements, etc.), as needed to assure the realization of these policies.

10.4.4 The City and County shall develop a Capital Improvement Program (CIP) within 12 months of adoption of the Comprehensive Plan, which program shall include timely and adequate funding to realize the development of facilities required by the adopted Storm Drainage Plan, and shown on the Storm Drainage Facilities Map.

10.4.5 The Storm Drain Plan shall be reviewed and updated, and revised if necessary, at one year intervals, with major revisions at five year intervals. The revisions to the Storm Drain Plan shall be used as a basis for revising these policies.

10.4.6 The City and County working with the Grants Pass Irrigation District shall explore an agreement that will ensure that the storm drainage use of, and the necessary repairs, improvements and maintenance of the irrigation canal system, are made in a manner consistent with the Storm Drain Plan, and in a timely and cost-effective manner.

10.4.7 The City and County shall encourage storm drainage design that minimizes storm water runoff, including retention, detention, and infiltration areas or facilities, use of vegetative open space, and the preservation of natural waterways.

10.4.8 The City and County shall coordinate the provision of storm drain facilities with the provision of open space called for by the Park Facilities Plan, wherever possible, and to the extent practicable. This coordination shall include retaining drainage channels as close as possible to their natural state, and the use of plan materials and maintenance techniques in storm water retention.

10.4.9 Urban level development shall require urban levels of storm drainage, as provided in the Implementing Ordinances. Interim Development Standards shall allow development to proceed in a timely and economical manner, prior to full extension
and development of the storm drain system, provided the requirements of public safety, health and welfare are met.

10.5 Solid Waste Service Policies

10.5.1 The City and County shall encourage the collection of solid waste within the Boundary area by private, commercial collection services.

10.5.2 The City and County Agreements with the commercial franchise service managing the solid waste landfill at the Merlin site shall include measures to successfully reduce leachate produced at the landfill site, such as uphill trenching and draining, and importation of suitable topsoil to reduce erosion and promote revegetation.

10.5.3 Within 16 months of adoption of the Comprehensive Plan, the City and County shall adopt a Solid Waste Management Implementation Plan, including relevant sections of the Solid Waste Management Plan (1975), which plan shall include:

(a) an ongoing assessment of landfill disposal techniques, with provisions for correction of those techniques as required.

(b) a yearly estimate of landfill capacity and the rates of solid waste generation, including all areas within the landfill site service district as well as the UGB area, and an estimate of when landfill site capacity will be reached.

(c) a recommendation of financing strategies for adequately maintaining and preparing the landfill site, as well as providing for alternative methods of solid waste disposal.

10.6 Police Protection Service Policies

10.6.1 Urban levels of development shall require urban levels of police protection. As the urbanizing area converts from rural to urban levels and intensities of land use over time, police protection should be increased to meet the increased service need.

10.6.2 The City and County shall explore an agreement establishing responsibility for the provision of police protection services within the Urban Growth Boundary over time. This agreement shall consider the costs and benefits of various methods of providing police protection, and shall include financing techniques to mitigate the costs of increased service.

10.7 Fire Protection Service Policies

10.7.1 Municipal water systems shall provide water at fire flow capacities.
10.7.2 Urban levels of development shall require urban levels of fire protection as stipulated by the Implementing Ordinances. The minimum urban level of fire protection for fully developed residential, commercial and industrial areas shall be that qualifying for the insurance underwriters relative classification rating of 5. Provision of fire protection should be phased over time as urban level development proceed without a minimum of a Class 8 rating, nor shall commercial industrial development proceed without a minimum of a Class 9 rating.

10.7.3 The City and County shall explore an agreement establishing responsibility for the provisions of fire protection services within the Urban Growth Boundary area over time. This agreement shall consider the costs and benefits of various methods of providing fire protection, and shall include financing techniques to mitigate the costs of increased service.

10.8 Health Services

10.8.1 Health services should be provided by the private sector. The City and County shall encourage the provision of health services in appropriate locations throughout the Boundary area.

10.9 School Service Policies

10.9.1 The City and County shall maintain an open, ongoing dialogue with the School Districts in a manner that will facilitate the planning efforts of all agencies.

10.9.2 The City and County shall notify the respective School Districts of all residential land use actions within that district in a timely and complete manner, and make development data available to the districts on a regular basis.

10.9.3 The School Districts shall be notified in a timely manner regarding revisions and updates to the Comprehensive Plan that may affect the Districts, and shall be encourage to participate in the revision process.
12. ENERGY CONSERVATION

. Goal

To promote the wise and efficient use of all forms of energy.

. Policies

12.1 The City and County shall make energy conservation and waste reduction a regular practice in purchasing, operating and maintaining its buildings, vehicles, equipment and facilities such as sewer, water, street, lights, as well as take advantage of renewable energy resource opportunities.

12.2 The City and County shall encourage our residents and businesses to take action to conserve energy and use renewable energy resources. Our efforts shall be coordinated with those of utilities, state and federal agencies, and other organizations.

12.3 Within 12 months the City and County shall revise all land development standards to provide and protect solar access, remove obstacles to energy efficient design, and require energy efficient development when ownership is to be transferred to the City or County upon completion such as water, sewer, and streets.

12.4 The City and County shall encourage efforts within the County for the use of solar, geothermal, wind, hydro, biomass resources and alcohol fuel.

12.5 Within 12 months the City and County shall encourage energy-efficient construction by:

(a) establishing procedures and standards in the Development Code that benefit and protect solar access for the active and passive use of solar energy in new development.

(b) providing incentives in the Development Code for residential developments which implement energy conservation and direct application renewable resource design criteria such as solar orientation, passive space heating, vegetative shading for cooling, and solar access covenants, etc.

(c) providing incentives in the Development Code for residential developments that can demonstrate energy efficient construction which exceed building code requirements.

(d) encouraging power companies and lending institutions to provide incentives for energy efficient construction and the utilization of alternate energy resources and systems.
(e) encouraging programs of other agencies providing for retrofit energy systems and energy conservation techniques.

12.6 The City and County shall pursue a more energy-efficient urban form by:

(a) locating higher densities in close proximity to major streets, potential public transit locations, the central business district, shopping and employment centers, schools and parks.

(b) establishing the transportation network in Developing areas around the "superblock concept", reducing travel time to major traffic ways, providing open space, recreation areas and commercial activity in close proximity to residences, and providing an internal greenway pedestrian and bikeway system increasing non-vehicular transportation.

(c) encouraging infill development within Established and Developing areas of the Urban Growth Boundary.
ELEMENT 13. LAND USE

13.1. Purpose and Intent
13.2. Land Use Map
13.3. Areas of Mutual Concern
13.4. Development Procedures
13.5. Comprehensive Plan Amendments
13.6. Urban Growth Boundary Amendments
13.7. Urban Reserves
13.8. Urban Area Planning Commission
13.9. City/County Joint Review Procedure
13. LAND USE

. Goal

To provide a vision of the future through maps and policies that shall guide and inform the land use decisions of the present, in such a manner that:

(a) identifies rural lands and separates these lands from urbanizable lands,

(b) provides for an orderly economic and efficient transition from rural to urban land use,

(c) does not exceed the carrying capacity of the area's air, land and water resource,

(d) is responsive to the wishes of the citizens and property owners of the planning area, and

(e) provides adequate amounts of industrial, commercial and residential lands to meet growth needs over the planning period.

. Policies

13.1 Purpose and Intent

13.1.1 Data Base Purpose

The Data Base of the Comprehensive Plan depicts the geologic, geographic, physical, historical, economic and social patterns and relationships of the Grants Pass area. The goals and policies of the Comprehensive Plan represent the conscious choices of the Grants Pass community for the future growth and evolution of the area, based upon these patterns and relationships.

13.1.2 Findings, Goals and Policies Purpose:

The adopted Comprehensive Plan is the official statement of the City of Grants Pass which sets forth its policies concerning the future development of the community.

(a) The "Goals" are broad statements of philosophy that describe the desires of the people of the community for the future of the community. The Goals are the ends towards which land use activity is to be directed, and to which policies give operating principles, plans and courses of action.

(b) The "Policies" are plans or definite course of action selected from among all alternatives to guide and determine present and future decisions. Policies are intended to be mandatory and directional, to carry out the Goals, and to serve
as the basis for specific implementation measure, including land use ordinances, resolutions, and permits.

(c) "Findings" tie the goals and policies to the Data Base in a clear, demonstrative and rational manner.

(d) The Comprehensive Plan is the controlling land use instrument for the City; all development regulations and related actions by the City shall conform to the Comprehensive Plan.

13.1.3 **Land Use Map Purpose:**

The Comprehensive Plan Land Use Map is a key tool of the Comprehensive Plan, designating the most appropriate use for all real property within the Urban Growth Boundary. The designated land uses are based upon the goals, policies, findings and data base of the Comprehensive Plan.

13.2 **Land Use Map**

13.2.1 **Comprehensive Plan Land Use Map:**

The City and County shall adopt a Land use Map as part of this Comprehensive Plan. The Comprehensive Plan Land Use Map shall:

(a) designate the highest and best land use for all portions of the Urban Growth Boundary area, on a parcel-by-parcel basis.

(b) guide and direct changes to the Zoning Map.

(c) meet the demonstrated need during the planning period for residential, commercial, industrial, and public lands as determined by the Comprehensive Plan.

13.2.2 **Comprehensive Plan Land Use Designations:**

The Land Use Map shall include the following land uses, whose designation are summarized below. Densities may be increased above those specified through incentives and measures provided in the Development Code.

- **Low Density Residential:** maximum densities of up to 6.22 dwelling units per acre. (Allows Zoning Map Designations of R-1-12, R-1-10, R-1-8)

- **Moderate Density Residential:** maximum densities of up to 12.44 dwelling units per acre. (Allows Zoning Designations of R-1-6, R-2)
- Moderate-High Density Residential: maximum densities of up to 20 dwelling units per acre. Location limited to immediate proximity of Downtown, or the shopping centers in East Grants Pass and the Redwood Interchange, and other areas adjacent to nodes of existing or planned supporting commercial use; employment centers, community and recreation facilities, arterial and collector streets, and/or transit centers to support higher densities while reducing travel demand and maximizing opportunities for alternate modes of transportation. (Allows Zoning Map Designation of R-3 (R-3-1) and R-3-2).

- High Density Residential: maximum densities of up to 50 dwelling units per acre. Location limited to immediate proximity of Downtown, shopping centers in East Grants Pass and the Redwood Interchange, and other areas adjacent to nodes of existing or planned supporting commercial use; employment centers, community and recreation facilities, arterial and collector streets, and/or transit centers to support higher densities while reducing travel demand and maximizing opportunities for alternate modes of transportation. (Allows Zoning Map Designation of R-4 (R-4-1), R-4-2, and R-5).

Unless a separate professional office designation is created, areas which are suitable for professional uses, but not for higher residential densities, may also be considered for this designation. However, at the time of designation, the review body should consider some restrictions of higher density residential development until adequate adjacent supporting uses and facilities are planned or provided. Options for establishing restrictions may include, but are not limited to, the use of a Development Agreement restricting use or intensity of use.

- Office Residential: provides for office uses where more intensive retail uses may not be suitable, but the primary purpose is to preserve lands for office uses as the primary uses, rather than residential uses as specified in the R-4 zones, where there is a need to maintain those lands for residential use or residential mixed-use. However, if office use is provided as a primary use, residential use is also permitted and encouraged as a secondary use on the same site.

- Neighborhood Commercial: provides for small retail and service businesses in residential areas. Limited to maximum area of 20,000 square feet of contiguous land. (Allows Zoning Map Designation of NC, Neighborhood Commercial)

- General Commercial: provides for all commercial and professional uses, excepting those requiring on-site manufacture or assembly. Development standards according to adjacent uses and development. ( Allows Zoning Map Designation of GC (GC-1) and GC-2, General Commercial)

- Central Business District: mixed use District, provides the retail, professional office, and high rise residential core for the City and urbanizing area, and encourages concentrated development. (Allows Zoning Map Designation of CBD, Central Business District)
- **Riverfront Tourist Commercial**: provide for and promote special tourist commercial uses adjacent to the Rogue River where either existing or proposed bridges are located. Uses appropriate to the RTC districts would either need to be located adjacent to the river for their existence or utilize the river's scenic quality for economic development. In addition to providing economic opportunity for the City of Grants Pass, these ordinances will preserve the scenic quality wetland habitat and promote river related recreation. (Allows RTC-I, RTC-II, and RTC-III)

- **Business Park**: mixed used District, provides for light industrial and commercial uses, allows retail sales as accessory use to light industrial and wholesale uses. (Allows Zoning Map Designation of BP, Business Park)

- **Industrial Park**: Industrial Park in campus-like setting, allowing only those industries meeting high performance standards. (Allowing Zoning Map Designation of IP, Industrial Park)

- **Industrial**: provides for those industrial uses with heavier impacts upon their surroundings and need for outdoor functions. Performance standards required, with graduated buffering requirements keyed to adjacent uses. This district shall not include retail commercial (other than service commercial) or other uses incompatible with heavy industry. (Allows Zoning Map Designation of I, Industrial)

**NOTE:** A more generalized designation of 'Employment' for Industrial Lands may be applied prior to determination of Indoor or Outdoor Industrial plan designations and zoning. This designation is not intended to allow for retail use or zones that could develop as either retail or industrial.

### 13.2.3 Plan Map/Zoning Map

The land use designation on the Comprehensive Plan Land Use Map shall be deemed to encompass the Zoning Districts of the Development Code according to the following schedule:

<table>
<thead>
<tr>
<th>Comprehensive Plan Land Use Designation</th>
<th>Zoning Ordinance Designation</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Residential Designation:</strong></td>
<td></td>
</tr>
<tr>
<td>Low Density</td>
<td>R-1-12, R-1-10, R-1-8</td>
</tr>
<tr>
<td>Moderate Density</td>
<td>R-1-6, R-2</td>
</tr>
<tr>
<td>Moderate-High Density</td>
<td>R-3 (R-3-1), R-3-2</td>
</tr>
<tr>
<td>High Density</td>
<td>R-4 (R-4-1), R-4-2, R-5</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Commercial Designation:</strong></th>
<th>Allows:</th>
</tr>
</thead>
</table>
Office Residential  OR
Neighborhood Commercial  NC
General Commercial  GC (GC-1), GC-2
Central Business District  CBD
Riverfront Tourist Commercial  RTC-I, RTC-II, RTC-III

Industrial Designation:  Allows:
Business Park  BP
Industrial Park  IP
Industrial  I

13.2.4  Other Maps

The Development Code shall include a Zoning Map, that shall include Special Purpose District Maps and Utility Maps, which maps and their criteria and standards shall meet the following basic functions:

(a)  The Zoning Map shall show currently permitted land uses on a parcel-by-parcel basis, and shall serve as a basis for determining the taxable value of any given parcel. The Zoning Map may show a less intensive land use than shown on the Land Use Map if within the same general category of land use (e.g. R-1-6 in a MR Land Use District).

(b)  The Special Purpose District Maps and Standards shall determine which special development standards and review procedures, if any, apply to any given development proposal.

(c)  The Utility Maps, together with the Development Standards, shall determine the existing and future location of basic services, (water, sewer, streets, storm drainage, and parks), and shall determine which special development standards, if any, apply to any given development proposal.

13.2.5  Special Purpose Districts

Special Purpose Districts shall be adopted to include at least the following. Other Special Purpose Districts may also be established.

(a)  Slope Hazard: delineating areas of slope hazard due to combinations of steep topography and unstable soil, whose primary function is to allocate densities and development standards appropriate to the degree of hazard.

(b)  Flood Hazard: delineating areas of flood hazard, whose primary function is to determine location and standards of development appropriate to the degree of hazard.
(c) **Historic:** delineating areas of historic value to the community, whose primary function is to encourage viable and economic use of historic areas while conserving and enhancing the area's historic resources.

(d) **Medical Overlay District:** delineating areas around former and current hospital sites to provide for nearby medical uses and development standards needed for medical facilities within the Grants Pass community. It allows siting of medical uses surrounding a core hospital. It is designed to provide the type of environment suitable for development of medical services and related activities, while reducing the conflicts between uses through appropriate designs.

(e) **Regionally Significant Industrial Area (RSIA):** delineating area designated by the Economic Recovery Review Council (ERRC) in accordance with applicable state law in which an applicant can request Expedited Industrial Site Plan Review procedures.

13.2.6 **Development Code and Map Criteria**
The Development Code shall set forth the criteria, standards and procedures for inclusion within and development of real property of a given Land Use District, Zone, Major Classification district, and Special Purpose District.

13.3 **Areas of Mutual Concern**

13.3.1 **Identification:**

As appropriate, the City and County shall identify any "areas and items of mutual concern" which may extend beyond the Urban Growth Boundary.

13.3.2 **Procedures for Review:**

When so designated, the City and County shall establish procedures for notification and review for those areas and items of mutual concern identified.

13.4 **Development Procedures**

13.4.1 **Procedure Types:**

The Development Code shall separate land use procedures from land use criteria and development standards. Land use procedures shall be stratified according to the degree of discretionary judgment required, and the magnitude of the impacts of the proposal on the adjacent properties and the community as a whole, as follows:

13.4.2 **Expedite Minor Review:**

The Development code shall establish procedures for the development review
process which expedite minor development proposals through administrative review, with provisions for public review upon appeal.

13.4.3 Streamline Review Process:

The Development Code procedures shall act to streamline the land development process and eliminate unnecessary delays, and shall contain standards and procedures for land-use actions that are clear, objective and non-arbitrary.

13.5 Comprehensive Plan Amendments

13.5.1 Provision for Amendments:

The Comprehensive Plan is not an inflexible document. It is intended to be responsive to changes in community condition and the attitude. In order to permit such flexibility, and at the same time maintain the integrity of the Comprehensive Plan, it is necessary to amend the Plan from time to time without frustrating its basic purpose.

(a) In order to maintain the validity of community decision-making, the Data Base must be continuously updated, and the implications for decision-making that result from changing data and changing community attitudes should be widely disseminated and discussed.

(b) Goals, Policies, and Findings will require changing over time, as the community changes. Linkage must be maintained between policy and the data base, all land use maps, and the implementing ordinances.

(c) From time to time, the Land Use Map may need to be amended, and yet still maintain the correct linkages to the goals, policies, findings and data base, as well as retaining internal consistency.

13.5.2 Minor and Major Amendments:

The City and County shall mutually revise the Comprehensive Plan from time to time, making both minor and major amendments.

(a) Data Base: Revisions to the Data Base shall be Minor Amendments and shall proceed administratively as follows:

1. Upon special update and analysis requested by the City Manager or City Council;

2. Upon receipt of area or regional data, studies and analyses by other public or semi-public agencies;
3. Upon verification of site specific or area specific studies and analyses performed by the private sector;

4. Continuously as initiated by the Director; and

5. As a part of the City Manager's Annual Development Report.

(b) Findings, Goals and Policies: Amendments to Findings, Goals and Policies shall be either minor or major amendments as follows:

1. Minor amendments, involving minor changes to findings and policies only, at one year intervals upon receipt of the City Manager's Annual Development Report for that year.

2. Major amendments, involving major changes to findings, goal and policies at five year intervals, two years after the decennial census and quintennial counts taken by the US Census Bureau, upon receipt of the City Manager's Annual Development Report for that year.

(c) Land Use Map: Amendments to the Comprehensive Plan land Use Map shall be either minor or major amendments, as follows:

1. Minor amendments, consisting of quasi-judicial review of land use for one parcel or a group of parcels, shall be considered at any time, using the City Manager's Annual Development Report as a guide to the need for and appropriateness of such minor amendments.

2. Major amendments, consisting of legislative review of overall patterns of land use within a neighborhood, subarea, or area, or within the City or Urban Growth Boundary as a whole, scheduled at five year intervals, two years following the decennial census and quintennial counts taken by the US Bureau of the Census, using new Census data as a guide to the need and appropriateness of such major amendments.

(d) Notwithstanding (b) and (c) above, minor or major amendments, may be considered at any time upon the mutual consent of the City Council and Board of County Commissioners, using the latest Annual Development Report and revisions to the data base as a guide to the need and appropriateness of such revisions.

13.5.3 Initiating Amendments.

Comprehensive Plan amendments may be initiated as follows:

(a) A petition submitted by residents or property owners within the Urban
Growth Boundary.

(b) The Planning Commission.

(c) The City Council.

(d) The Board of County Commissioners.

13.5.4 Criteria for the Amendment:

For amending the findings, goals, policies and Land Use Map of the Comprehensive Plan, the City Council and Board of county commissioners shall base their conclusions upon, and adopt findings in consideration of, all the following criteria:

(a) consistency with other findings, goals and policies in the Comprehensive Plan.

(b) A change in circumstances, validated by and supported by the data base or proposed changes to the data base, which would necessitate a change in findings, goals and policies.

(c) Applicable planning goals and guidelines of the State of Oregon.

(d) Citizen review and comment.

(e) Review and comment from affected governmental units and other agencies.

(f) A demonstration that any additional need for basic urban services (water, sewer, streets, storm drainage, parks, and fire and police protection) is adequately covered by adopted utility plans and service policies, or a proposal for the requisite changes to said utility plans and service policies as a part of the requested Comprehensive Plan amendment.

(g) Additional information as required by the review body.

(h) In lieu of item (b) above, demonstration that the Plan as originally adopted was in error.

13.5.5 Joint Review.

Amendments to the Findings, Goals, Policies, and Land Use Maps of the Comprehensive Plan shall be made either jointly by the City Council and Board of County Commissioners or after mutual review of proposed revisions and assurance of compatibility by both the Council and Board. The procedure for joint review shall be provided in Policy 13.9.
13.6 Urban Growth Boundary Amendments

13.6.1 Urban Growth Boundary Purpose and Intent:

The Urban Growth Boundary of the City and County, as adopted and amended, shall:

(a) identify and separate urbanizable land from rural land;

(b) provide for an orderly and efficient transition from rural land uses to urban land uses;

(c) allow for the orderly and economic provision of public facilities and services as needed to accommodate urban development;

(d) contain future urban development within the geographical limits of the Boundary; and

(e) be considered as part of one body with the policies of the Comprehensive Plan, and acted upon in the manner provided for in the Comprehensive Plan.

13.6.2 Boundary Amendments:

The City and County shall mutually amend the Urban Growth Boundary from time to time, making both minor and major amendments.

(a) Minor amendments, involving only the inclusion or exclusion of lands, shall be considered annually, using the City Manager's Annual Development Report as a guide to the need for and appropriateness of such minor amendments.

(b) Major amendments, involving major changes in the data base, goals and policies, in addition to the inclusion and exclusion of lands, shall be considered at five year intervals, two years following the decennial census and quintennial counts taken by the U.S. Bureau of the Census, using new Census data as a guide to the need and appropriateness of such major amendments.

(c) Notwithstanding (a) and (b) above, either minor or major amendments may be considered at any time upon the mutual consent of the City Council and Board of County Commissioners using the latest Annual Development Report and revisions to the data base as a guide to the need and appropriateness of such amendments.

13.6.3 Criteria for Inclusion

For including real property within the Urban Growth Boundary, the City Council and
Board of County Commissioners shall base their conclusion upon and adopt findings in consideration of the following criteria, as relevant to each inclusion:

(a) The proposed inclusion meets applicable planning goals and guidelines, Statutes, and Administrative Rules of the State of Oregon.

(b) Inclusion of lands within the Urban Growth Boundary (UGB) shall be consistent with the review process and land priority inclusion criteria specified in state law (ORS 197.298, OAR 660-024-0060, and OAR 660-21-0060). When Urban Reserves have been adopted, lands within adopted Urban Reserves shall be the first priority for inclusion within the UGB, consistent with state law.

When lands within adopted Urban Reserves are proposed for inclusion in the UGB, the land use shall be consistent with any adopted land use plans and policies for the Urban Reserve areas, and there shall be demonstrated need to include the lands in the UGB, consistent with state law and the Comprehensive Plan.

(c) The proposed inclusion is consistent with the goals and policies of the Comprehensive Plan.

(d) The applicant has demonstrated need to meet population growth requirement:

1. as defined by residential, commercial, industrial, public, and semi-public land requirements determined by the Comprehensive Plan, as best met by the proposal versus other available alternatives; or

2. as defined by a need to meet the land use requirements of a given area, sub-area or neighborhood of the Boundary, consistent with the Comprehensive Plan policies for that area, sub-area, or neighborhood.

(e) The applicant has demonstrated that the proposed inclusion recognized the development patterns endorsed by the Comprehensive Plan.

(f) Except for lands included within an Urban Reserve in accordance with the provisions of Section 13.7 and applicable state law, lands proposed for inclusion in the UGB shall not have farm resource zoning, whether Exclusive Farm Use (EFU), Farm Resource (FR), or equivalent, unless:

1. The lands are necessary for industrial use, and will be designated only for traded-sector industrial uses, and

2. The inclusion is consistent with the priority requirements of ORS 197.298 and OAR 660-024-0060, and
3. In addition to the above priorities in statute and administrative rule, if lands with either EFU or FR zoning designations on the Josephine County Zoning Map could meet the need, priority shall be given to lands in the FR zone over those in the EFU zone.

(g) The proposed inclusions are contiguous to the Urban Growth Boundary.

(h) The proposed inclusion can be provided with the full range of basic urban services in an economical manner.

(i) Allow for citizen review and comment.

(j) Allow for review and comment by affected governmental units and other agencies.

(k) If properties included within the Boundary, the zoning of the included property shall be consistent with the Comprehensive Plan Land Use Map for the Urban Growth Boundary.

13.6.4 Criteria for Exclusion (Removal):

For excluding (removing) real property from the Urban Growth Boundary previously included, the City Council and Board of County Commissioners shall base their conclusions upon, and adopt findings in consideration of, the following criteria, as relevant to each exclusion:

(a) The proposed exclusion is consistent with the Planning Goals and Guidelines of the State of Oregon.

(b) The proposed exclusion is consistent with the Goals and Policies of the Comprehensive Plan.

(c) The applicant has demonstrated that the need for residential, commercial, industrial, public and semi-public lands, as determined by the Comprehensive Plan, will not be significantly affected by the exclusion.

(d) The proposed exclusion is not partitioned or developed to urban levels. Urban levels are evidenced by partitioning or residential development of more than one dwelling unit per acre; by basic urban services of sanitary sewer and/or water systems available to the area; by developed industrial, commercial and institutional uses, or lands designated for those uses; and by the availability of sanitary sewer service or public water service to the area.

(e) The proposed exclusion is agricultural land capable of supporting a commercial agricultural enterprise.
(f) The proposed exclusion is contiguous to the Boundary, and will not leave islands within the Urban Growth Boundary; also, the exclusion area represents a reasonable geographical exclusion in shape, does not preclude services to other lands within the Urban Growth Boundary, and does not constitute a disruption to a neighborhood.

(g) The proposed exclusion cannot be provided with a full range of urban services in an economical manner.

(h) Allow for citizen review and comment.

(i) Allow for review and comment by affected governmental units and other agencies.

(j) If property is excluded from the Boundary, the zoning of the excluded property shall be consistent with the County Comprehensive Plan Land Use Map, except that where sanitary sewer service and/or public water service is available to the property, the zoning of the excluded property shall be Suburban Residential. Urban level zones shall be contained within the Urban Growth Boundary.

13.6.5 Initiation of Revision:

(a) Revisions to the Urban Growth Boundary may be initiated by:

1. A petition submitted by property owners or their authorized agents.

2. The Planning Commission.

3. The City Council.

4. The Board of County Commissioners.

(b) Signed Petition shall include either:

A petition signed by all property owners requesting inclusion or exclusion, or a petition signed by property owners requesting inclusion or exclusion within a designated area shown on an assessors map, such that the signatures represent more than half the property owners of more than half the property with more than half the assessed value of the total property shown within the designated area.

13.6.6 Joint Review:

(a) Inclusions or exclusions of real property to the Urban Growth Boundary shall be made jointly by the City Council and Board of County Commissioners.
The procedure for joint review shall be as provided in Policy 13.9.

13.7. Urban Reserves

13.7.1. Urban Reserves

Urban Reserves may be adopted or amended jointly by the City Council and Board of County Commissioners in accordance with the criteria and procedures specified in Oregon Revised Statutes (ORS 195.137-195.145) and Oregon Administrative Rules (OAR 660 Division 21)

The review shall be a Type V procedure with a joint decision by the City Council and Josephine County Board of Commissioners as specified in Section 2.070 of the Development Code and Section 13.9 below. However, any action which requires review “In the Manner of Periodic Review” rather than as a “Post-Acknowledgment Plan Amendment” as specified in Oregon Revised Statutes and Oregon Administrative Rules shall be subject to the jurisdiction and review of the Land Conservation and Development Commission in accordance with the provisions specified in the applicable statues and administrative rules. As specified in the applicable law, these decisions are not appealable to the Land Use Board of Appeals, and the noticing shall reflect the applicable procedures and requirements rather than those specified in the Development Code that reference appeals to the Land Use Board of Appeals.

13.8 Urban Area Planning Commission

13.8.1 Urban Area Planning Commission

A single Planning Commission, designated the "Urban Area Planning Commission", shall be appointed to serve the Grants Pass Urban Growth Boundary area, both inside and outside the City limits.


13.9 City/County Joint Review Procedure

13.9.1 Joint Review. Except as otherwise provided by Intergovernmental Agreement, joint review as provided in this section by the City Council and Board of County Commissioners shall be required for amendment and revision to the following items:

(a) Comprehensive Plan Data Base.

(b) Comprehensive Plan Findings, Goals and Policies.

(c) Comp Plan Land Use Map.
(d) Urban Growth Boundary.

(e) Urban Reserves.

(f) Mutually adopted Service and Utility Plans.

13.9.2 Data Base Joint Review.

(a) All administrative revisions to the Data Base shall be summarized annually, and placed in both the City Manager's and the County Planning Department's annual Development Reports, together with implication for policy making that may result from the Data Base revisions, including proposed changes to the Comprehensive Plan and Development Code.

(b) Revisions to the Data Base occurring during the year prior to the Annual Development Report that are significant enough to warrant reconsideration of Comprehensive Plan and Development Code policies, requirements and maps shall be forwarded to the City Manager for City Council consideration and to the Board Chairman for Board of County Commissioners consideration.

(c) The City Council and Board of County Commissioners shall review all Data Base revisions in an administrative action at a public meeting, and shall determine at the time of such review whether to initiate an amendment to the Comprehensive Plan or the Development Code as a result of the revisions to the Data Base. The procedure for amendment action so initiated shall be as provided in this Element.

(d) Governing Body Review may be joint, or may be separate. In either case, the revisions to the Data Base must be found to be consistent by both Council and Board.

13.9.3 Finding/Goal/Policy, Land Use Map, UGB, Urban Reserves, Other Joint Review.

(a) Request for Review. When amending the Comprehensive Plan Findings, Goals, Policies and Land Use Map, the Urban Growth Boundary, the Urban Reserves, or jointly adopted service or utility plans, the jurisdiction initiating action shall notify the other jurisdiction at least 35 days prior to the initial hearing on the matter before the Urban Area Planning Commission, Utility Commission or governing body, as appropriate.

(b) Reply and Comment. At least 10 days prior to the initial hearing, the noticed jurisdiction shall reply, as follows:

1. no comment.
2. comment, with request that the originating jurisdiction conclude the matter.

3. comment, with request for a joint hearing on the matter.

(c) **Notice.** Notice for the joint hearing shall be as provided in the ordinances of the initiating jurisdiction as follows:

1. For Council initiated items, as provided in the Development code, Section 2.060, Type IV Procedure.

2. For Board initiated items, as provided in the appropriate implementing ordinance.

(d) **Hearing Procedure.** Hearing procedure shall be as provided in the ordinances of the initiating jurisdiction as follows:

1. for Council initiated items, as provided in the Development Code, Section 9, Legislative Hearing Guidelines.

2. for Board initiated items, as provided in the Land Use Hearing Rules.

(e) **Governing Body Review.** Following recommendation by the Urban Area Planning Commission, and joint workshops and hearings as appropriate by the governing bodies, the Council and Board shall take joint action on the amendment, as follows:

1. Concur in the amendment action, which for Data Base inclusions, Land Use Map, Urban Growth Boundary, Urban Reserves, or Service and Utility Plan Maps shall mean identical material adopted by both jurisdictions, and for Data Base Supplemental Material, Findings, Goals, and Policies, and Service and Utility Plan Policies, shall mean consistent material adopted by both jurisdictions. Upon concurrence, the amendment shall go forward.

2. Do not concur and call for a rehearing within 45 days. Such rehearing shall be noticed and conducted as provided in Sections 13.9.3(c) and 13.9.3(d) above.

3. Do not concur, and call for a mediated resolution of the matter within 45 days. A mediator acceptable to both parties shall be named within 10 days, and the costs of mediation, if any, shall be shared equally by the Council and Board. The Urban Area Planning Commission may serve as mediator. The mediated proposal shall be presented jointly to Board and Council in a noticed public meeting as provided in
Sections 13.9.3(c) and 13.9.3(d) above.

4. Should the governing bodies fail to concur, as defined in Section 13.9.3(e) (1), at the conclusion of the rehearing or upon presentation of the mediated proposal, the Amendment shall not go forward.
**Type I Procedure**

Objective decisions.

Little, if any, discretion required.

Because of minimal or no effect on others, public participation is provided simply by noticing nearby property owners and reviewing their submitted written testimony.

No public hearing held.

Director of Community Development, or his designee, takes action.

Appeal by Type III procedure.

**Type III Procedure**

Complex or subjective decisions.

Discretion required. Delegated quasi-judicial actions required.

Possible significant effect on some persons or broad effect on a number of persons.

In addition to applicant, others affected are invited to hearing to present initial information.

Hearings Officer or Planning Commission holds public hearing, takes action.

Appeal by Type IV procedure.

**Type II Procedure**

Objective decisions.

Moderate discretion required.

Application of the standards may require knowing of some effect upon others.

Nearby property owners invited to respond to a tentative decision.

Director of Community Development holds meeting, takes action.

Lack of agreement escalates process to Type III procedure.

**Type IV Procedure**

Complex or subjective decisions.

Great deal of discretion required. Quasi-judicial or legislative actions required.

Possible significant effect on some persons or broad effect on a number of persons.

In addition to applicant, others affected are invited to hearing to present initial information.

Planning Commission holds public hearing and makes recommendation, City Council or Board of County Commissioners, or both acting jointly, holds public hearing, takes action.

Appeal to LCDC or LUBA
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ACKNOWLEDGEMENTS

This work is made possible through the sincere input by City of Grants Pass staff and the Advisory Committee. We specifically recognize and appreciate the time and attention dedicated to this work by the following people.

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Todd Chase, FCS GROUP
Tim Wood, FCS GROUP
Section I. INTRODUCTION

The Grants Pass Housing Needs Analysis (HNA) is intended to serve as a basis for the City of Grants Pass to document new information regarding the city’s buildable land inventory (BLI), population and employment trends, and development policies aimed at providing adequate land within the urban growth boundary (UGB) to handle the next 20 years of population growth.

OREGON REGULATORY REQUIREMENTS

The passage of the Oregon Land Use Planning Act of 1974 (ORS Chapter 197) established the Land Conservation and Development Commission (LCDC) and the Department of Land Conservation and Development (DLCD). The Act required the Commission to develop and adopt a set of statewide planning goals. Goal 10 addresses housing in Oregon and provides guidelines for local governments to follow in developing their local comprehensive land use plans and implementing policies.

At a minimum, local housing policies must meet the applicable requirements of Goal 10 and the statutes and administrative rules that implement it (ORS 197.295 to 197.314, ORS 197.475 to 197.490, and OAR 600-008). Goal 10 requires incorporated cities to complete an inventory of buildable residential lands. Goal 10 also requires cities to encourage the numbers of housing units in price and rent ranges commensurate with the financial capabilities of its households.

Goal 10 defines needed housing types as “all housing on land zoned for residential use or mixed residential and commercial use that is determined to meet the need shown for housing within an UGB at price ranges and rent levels that are affordable to households within the county with a variety of incomes, including but not limited to households with low incomes, very low incomes and extremely low incomes.” ORS 197.303 defines needed housing types:

(a) Housing that includes, but is not limited to, attached and detached single-family housing and multiple family housing for both owner and renter occupancy.

(b) Government assisted housing.\(^2\)

(c) Mobile home or manufactured dwelling parks as provided in ORS 197.475 to 197.490.

(d) Manufactured homes on individual lots planned and zoned for single-family residential use that are in addition to lots within designated manufactured dwelling subdivisions.

(e) Housing for farmworkers.

\(^1\) ORS 197.296 only applies to cities with populations over 25,000.

\(^2\) Government assisted housing can be any housing type listed in ORS 197.303 (a), (c), or (d).
METHODOLOGY

A recommended approach to conducting a housing needs analysis is described in Planning for Residential Growth: A Workbook for Oregon’s Urban Areas, the Department of Land Conservation and Development’s guidebook on local housing needs studies. As described in the workbook, the specific steps in the housing needs analysis are:

1. Project the number of new housing units needed in the next 20 years.
2. Identify relevant national, state, and local demographic and economic trends and factors that may affect the 20-year projection of structure type mix.
3. Describe the demographic characteristics of the population and, if possible, the housing trends that relate to demand for different types of housing.
4. Determine the types of housing that are likely to be affordable to the projected households based on household income.
5. Determine the needed housing mix and density ranges for each plan designation and the average needed net density for all structure types.
6. Estimate the number of additional needed units by structure type.

REPORT ORGANIZATION

This report provides the technical basis of findings that support proposed housing policy recommendations and subsequent actions that the city will take to update its Comprehensive Plan and Development Code. Each section of this report provides current data, assumptions and results that comprise all findings and conclusions:

I. Introduction.

II. Housing Need Projection: provides a demographic overview and summary of market trends influencing housing growth in Grants Pass.

III. Buildable Land Inventory: identifies vacant, partially vacant and redevelopable residential land within the Grants Pass UGB, and accounts for constraints to get to a final determination of capacity to meet 20-year needs.

IV. Land Sufficiency Analysis: this section compares expected land demand to vacant land supply to meet housing mix and densities described in the HNA.

V. Findings and Recommendations highlights key findings and draft housing policy recommendations.

VI. Glossary: list of key terms used in the housing needs analysis.

Please refer to the Glossary for a list of terms used in the Housing Needs Analysis.
Section II. **HOUSING NEED PROJECTION**

This section provides a housing needs forecast for long-range planning purposes. The housing needs forecast represents a 20-year projection from 2020 through year 2040. These technical findings are intended to be consistent with State of Oregon requirements for determining housing needs per Oregon land use planning Goals 10 and 14, OAR Chapter 660, Division 8, and applicable provision of ORS 197.296 to 197.314 and 197.475 to 197.490.

**METHODOLOGY**

The methodology for projecting housing needs within the Grants Pass UGB includes consideration of demographic and socio-economic trends, housing market characteristics and long-range population growth projections.

Regional (Josephine County) and local (City or UGB) population, households, income and market characteristics are described in this memorandum using data provided by the U.S. Census Bureau (Census and American Community Survey), the U.S. Department of Housing and Urban Development (HUD), Oregon Department of Housing and Community Services (OHCS), Portland State University (PSU) and the City of Grants Pass. Where trends or long-range projections are provided by an identified data source, FCS GROUP has included extrapolations or interpolations of the data to arrive at a base year (2020 estimate) and forecast year (2040 projection). The result of this forecast translates population growth into households and households into housing need by dwelling type, tenancy (owner vs. renter) and affordability level.

**DEMOGRAPHICS AND SOCIO-ECONOMICS**

**Population**

The City of Grants Pass recorded a record-high population of 37,485 in 2019 (July 1 estimate by PSU). Taking into account residents living outside the City but inside the UGB, the Grants Pass UGB population is currently estimated at 41,691 year-round residents. Since 2000, the population growth rate in the City has outpaced Josephine County (Figure 1).

Long-range population forecasts prepared by PSU anticipate that 9,401 new residents will be added to the Grants Pass UGB over the next 20 years. This equates to a projected annual average growth rate (AGR) of 1.02% for the UGB and less than half of the historic growth rate (see Figure 2).

**Figure 1: Population Trends (2000-2019)**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Josephine County</td>
<td>75,726</td>
<td>82,713</td>
<td>86,750</td>
<td>0.72%</td>
</tr>
<tr>
<td>Grants Pass</td>
<td>23,003</td>
<td>34,533</td>
<td>37,485</td>
<td>2.60%</td>
</tr>
</tbody>
</table>

*Sources: Population Research Center, Portland State University, April 15, 2020*
Figure 2: Population Projections (2020-2040)

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2040</th>
<th>2020-2040 AGR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Josephine County</td>
<td>88,274</td>
<td>97,807</td>
<td>0.51%</td>
</tr>
<tr>
<td>Grants Pass UGB</td>
<td>41,691</td>
<td>51,092</td>
<td>1.02%</td>
</tr>
</tbody>
</table>


Socio-economic Characteristics

As indicated in Figure 3, about half of the City's residents had household incomes greater than 80% of median family income ($42,880) for the county, while 18% of households were earning less than $16,080, 30% of county median family income.

Figure 3: Households by Income Level, 2014-2018

In comparison with the state and county averages, Grants Pass has a higher share of younger residents. The median age in Grants Pass (38.3) is below the Josephine county and statewide average (Figure 4).
EXISTING HOUSING INVENTORY AND TENANCY

Local housing inventory and tenancy patterns shed light on housing conditions and demand preferences. In 2018, there were 16,051 housing units in the City of Grants Pass of which 15,158 units were classified as occupied in 893 units were classified as vacant.

Like most communities, single-family detached housing is the most prevalent housing type representing 67% of the housing stock. The remaining housing inventory in Grants Pass includes multi-family (11%), townhomes and duplexes (17%), and mobile homes (6%), as shown in Figure 5.

Figure 4: Median Age, Oregon, Josephine County, Grants Pass, 2014-2018

Figure 5: Existing Housing Mix and Tenancy, 2014-2018, City of Grants Pass
Tenancy within the city is split fairly evenly between owners and renters. Owner-occupied housing accounts for 48% of the housing inventory while renter-occupied units account for 46% of the inventory. Vacant units accounted for about 6% of the inventory in 2018.

As would be expected, most homeowners reside in single-family detached units (89% of owners) or manufactured homes. Most renters also reside in single-family detached units, followed by single family attached and multifamily units, as indicated in Figures 6 & 7.

Figure 6: Units by Tenure by Structure Type, 2014-2018, City of Grants Pass

<table>
<thead>
<tr>
<th></th>
<th>Owner-Occupied Dwelling Units</th>
<th>Renter-Occupied Dwelling Units</th>
<th>Other Seasonal &amp; Vacant</th>
<th>All Dwelling Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single Family Detached</td>
<td>6,940</td>
<td>3,151</td>
<td>631</td>
<td>10,722</td>
</tr>
<tr>
<td>Townhomes/Plexes</td>
<td>183</td>
<td>2,356</td>
<td>178</td>
<td>2,697</td>
</tr>
<tr>
<td>Multi-Family (5+ Units)</td>
<td>37</td>
<td>1,631</td>
<td>82</td>
<td>1,750</td>
</tr>
<tr>
<td>Mfg. Home/Other</td>
<td>624</td>
<td>256</td>
<td>3</td>
<td>883</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>7,764</strong></td>
<td><strong>7,394</strong></td>
<td><strong>893</strong></td>
<td><strong>16,051</strong></td>
</tr>
</tbody>
</table>

Source: U.S. Census Bureau, American Community Survey 5-Year Estimates (Tables B25032 and CP04)

Figure 7: Existing Housing Tenancy, 2014-2018, City of Grants Pass

Figure 8 displays the most current available data depicting the housing mix by unit type and tenancy for the City of Grants Pass.
Figure 8: Existing Housing Mix, City of Grants Pass

<table>
<thead>
<tr>
<th>Housing Tenure Distribution:</th>
<th>Owner-Occupied Dwelling Units</th>
<th>Renter-Occupied Dwelling Units</th>
<th>Vacant Units</th>
<th>Total Dwelling Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>Housing Type Distribution:</td>
<td>48.4%</td>
<td>46.1%</td>
<td>5.6%</td>
<td>100.0%</td>
</tr>
<tr>
<td>Single Family Detached</td>
<td>89.4%</td>
<td>42.6%</td>
<td>70.7%</td>
<td>66.8%</td>
</tr>
<tr>
<td>Townhomes / Flexes</td>
<td>2.1%</td>
<td>31.9%</td>
<td>19.9%</td>
<td>16.8%</td>
</tr>
<tr>
<td>Multi family (5+ units)</td>
<td>0.5%</td>
<td>22.1%</td>
<td>9.1%</td>
<td>10.9%</td>
</tr>
<tr>
<td>Mfg. home/other</td>
<td>8.0%</td>
<td>3.5%</td>
<td>0.3%</td>
<td>5.5%</td>
</tr>
<tr>
<td>Total</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
</tr>
</tbody>
</table>

U.S. Census Bureau, American Community Survey 2013-2018 5-Year Estimates (Tables B25032 and CP04).

HOUSING MARKET CHARACTERISTICS

To help gauge housing attainability in Grants Pass, FCS GROUP examined current median family income (MFI) levels using U.S. Housing and Urban Development (HUD) guidelines. As indicated in Figure 9, the 2018 median income for Josephine County was $53,600. Using HUD guidelines for upper-middle households earning 80% of the MFI, a 4-person family should be able to afford monthly rents at $1,072 and homes priced at $284,000 (or less). These price and rent levels are generally considered “attainable” to households earning 80% of the local MFI and spending 30% of their annual income on housing.

Figure 9: Grants Pass Affordable Housing Analysis

<table>
<thead>
<tr>
<th>Josephine County Median Family Income Level (2018)*</th>
<th>$53,600</th>
</tr>
</thead>
<tbody>
<tr>
<td>Available Monthly Rent or Payment (@30% of income level)</td>
<td></td>
</tr>
<tr>
<td>Upper (120% or more of MFI)</td>
<td>$1,608</td>
</tr>
<tr>
<td>Middle (80% to 120% of MFI)</td>
<td>$1,072</td>
</tr>
<tr>
<td>Low (50% to 80% of MFI)</td>
<td>$670</td>
</tr>
<tr>
<td>Very Low (30% to 50% of MFI)</td>
<td>$402</td>
</tr>
<tr>
<td>Extremely Low (less than 30% of MFI)</td>
<td>$402</td>
</tr>
</tbody>
</table>

Approximate Attainable Home Price**

<table>
<thead>
<tr>
<th>Upper (120% or more of MFI)</th>
<th>$426,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Middle (80% to 120% of MFI)</td>
<td>$284,000</td>
</tr>
<tr>
<td>Low (50% to 80% of MFI)</td>
<td>$177,000</td>
</tr>
<tr>
<td>Very Low (30% to 50% of MFI)</td>
<td>$106,000</td>
</tr>
<tr>
<td>Extremely Low (less than 30% of MFI)</td>
<td>$106,000</td>
</tr>
</tbody>
</table>

Notes:

* based on Housing and Urban Development thresholds for Josephine County in 2018
Note, this analysis is generally consistent with 4-person household size characteristics.
** assumes 20% down payment on 30-year fixed mortgage at 3.5% interest.
Source: analysis by FCS Group using Housing and Urban Development data.
Grants Pass home values have increased significantly in recent years. As indicated in Figure 10, median home sales prices in Grants Pass increased to $324,000 in October 2020, up 8.9% annually since 2018. In comparison with other cities in Southern Oregon, Grants Pass has relatively higher home prices and recorded the sharpest price increase.

![Figure 10: Median Home Sales Price Trends in Selected Markets](image)

<table>
<thead>
<tr>
<th></th>
<th>Oct-18</th>
<th>Oct-19</th>
<th>Oct-20</th>
<th>Annual Change %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grants Pass</td>
<td>$273,000</td>
<td>$294,000</td>
<td>$324,000</td>
<td>8.9%</td>
</tr>
<tr>
<td>Medford</td>
<td>$283,000</td>
<td>$285,000</td>
<td>$312,000</td>
<td>5.0%</td>
</tr>
<tr>
<td>Ashland</td>
<td>$457,000</td>
<td>$451,000</td>
<td>$469,000</td>
<td>1.3%</td>
</tr>
<tr>
<td>Roseburg</td>
<td>$210,000</td>
<td>$223,000</td>
<td>$239,000</td>
<td>6.7%</td>
</tr>
<tr>
<td>Klamath Falls</td>
<td>$175,000</td>
<td>$187,000</td>
<td>$205,000</td>
<td>8.2%</td>
</tr>
</tbody>
</table>

Source: Zillow.com; analysis by FCS 10/28/20

New housing construction permits issued in the City indicate consistent development activity over the past several years. The City issued new residential construction permits at an average rate of 140 per year between 2015 and 2019; with about 79% for single family construction (both single family detached and attached), 14% in duplexes, triplexes and quadplexes, and 7% for multifamily apartments (Figure 11).

![Figure 11: Privately-Owned Residential Units Permitted, Grants Pass (2015-2019)](image)

<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Single-Family Detached</td>
<td>109</td>
</tr>
<tr>
<td>2-unit structures</td>
<td>14</td>
</tr>
<tr>
<td>3- and 4-unit structures</td>
<td>-</td>
</tr>
<tr>
<td>5+ unit Multi-Family</td>
<td>50</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>173</strong></td>
</tr>
</tbody>
</table>

Source: SOCDS Building Permits Database, accessed 10/22/2020

<table>
<thead>
<tr>
<th>Unincorporated Josephine County, 2015-2019</th>
<th>Change 2015-20</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single-Family Detached</td>
<td>64</td>
</tr>
<tr>
<td>2-unit structures</td>
<td>-</td>
</tr>
<tr>
<td>3- and 4-unit structures</td>
<td>-</td>
</tr>
<tr>
<td>5+ unit Multi-Family</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>64</strong></td>
</tr>
</tbody>
</table>

Source: SOCDS Building Permits Database, accessed 10/22/2020
HOUSING NEEDS SCENARIOS

Summary of Housing Needs

Based on the population projections described earlier and most current household size estimates of 2.39 people per household (estimate held constant into the future), the total net new housing need within the Grants Pass UGB is forecasted to be 4,055 housing units plus 227 people living in group quarters over the next 20 years (see Figure 12). This baseline housing need forecast assumes that the current share of group quarters population (includes people residing in congregate care facilities and housing shelters) and housing vacancy rates remain constant.

Figure 12: Baseline Housing Growth Projection

<table>
<thead>
<tr>
<th>2020 est.</th>
<th>2040</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grants Pass UGB Population</td>
<td>41,691</td>
<td>51,092</td>
</tr>
<tr>
<td>Less Group Quarters (2.7%)</td>
<td>1,118</td>
<td>1,371</td>
</tr>
<tr>
<td>Pop in Households</td>
<td>40,572</td>
<td>49,722</td>
</tr>
<tr>
<td>Avg. Household Size</td>
<td>2.39</td>
<td>2.39</td>
</tr>
<tr>
<td>Households (year round)</td>
<td>16,976</td>
<td>20,804</td>
</tr>
<tr>
<td>Vacancy and Seasonal Housing Assumption</td>
<td>5.6%</td>
<td>5.6%</td>
</tr>
<tr>
<td>Growth-related Housing Demand (dwelling units)</td>
<td>17,963</td>
<td>22,038</td>
</tr>
</tbody>
</table>

Housing Demand by Dwelling Type and Tenancy

This baseline housing need forecast is generally consistent with the observed current mix of housing types throughout Grants Pass and emerging market trends that emphasize demand for townhomes and apartments. Additional housing forecast scenarios may be considered during the planning process to take into account potential new policy objectives, such as:

- Local policies aimed at incentivizing higher density mixed-use development in the downtown area;
- Preferences to accommodate additional middle-income housing and more retirees, which could increase demand beyond the baseline forecast;
- Preferences to provide a wider range of attainable single-family housing, including additional development of townhomes, plexes and manufactured home parks;
- Ability to provide adequate infrastructure (water, sewer and road capacity) to create new planned unit developments or single-family subdivisions within the UGB.
Figure 13: Housing Need by Tenure & Housing Type

<table>
<thead>
<tr>
<th>Housing Tenure Distribution:</th>
<th>Owner-Occupied Dwelling Units</th>
<th>Renter-Occupied Dwelling Units</th>
<th>Vacant Units</th>
<th>Total Dwelling Units</th>
<th>Projected 20-Year Need (Units)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>44.0%</td>
<td>50.4%</td>
<td>5.6%</td>
<td>100.0%</td>
<td>4,055</td>
</tr>
</tbody>
</table>

| Housing Type Distribution   |                                |                               |              |                      |                               |
|-----------------------------|                                |                               |              |                      |                               |
| Single Family Detached      | 86.0%                         | 40.0%                         | 61.4%        | 61.4%                | 2,502                         |
| Townhomes / Plexes          | 3.0%                          | 32.0%                         | 18.5%        | 18.5%                | 749                           |
| Multi family (5+ units)     | 0.5%                          | 25.0%                         | 13.6%        | 13.6%                | 551                           |
| Mfg. home/other             | 10.0%                         | 3.0%                          | 6.3%         | 6.3%                 | 254                           |
| Total                       | 100%                          | 100%                          | 100%         | 100%                 | 4,055                         |

Group quarters (pop) 227

U.S. Census Bureau, American Community Survey 5-Year Estimates (Tables B25032 and CP04) & previous tables

The baseline housing need forecast (shown in Figure 13) assumes that Grants Pass UGB will need to accommodate 4,055 net new dwelling units over the next 20 years (plus people living in group quarters). This baseline scenario anticipates that the housing demand will include approximately: 2,502 single-family detached homes (including small lot and standard lot subdivisions); 749 townhomes/duplexes (2 to 4 units per structure); 442 multifamily units (apartments with 5 or more units per structure); and 254 manufactured housing units.

In addition, it is anticipated that there will also be demand for about 227 people requiring some form of group quarters housing (such as single room occupancy units, congregate care, in-patient care, etc.). For analysis purposes, we have assumed there to be 2 people per group quarters living unit, which would result in the long-term demand for 114 group quarters dwelling units.

During the HNA planning process local stakeholders indicated that there appears to be an existing housing “shortage” in Grants Pass that has driven rents and home prices to record highs and forced residents to seek housing in outlying areas. Since Oregon statutes requireHNAs to base future housing needs on projected net new population growth (using forecasts prepared by Portland State University (PSU) Population Research Center), any current market supply gaps cannot be used in HNAs to increase housing forecasts beyond what would be required to address the “official” PSU population growth forecast. Quantifying existing “affordability” gaps in existing housing inventory for a point in time is difficult. However, findings from this report and resulting policy changes are intended to help foster a higher rate of housing production in Grants Pass which eventually would be accounted for in future PSU population growth forecasts. While this approach may not immediately address current housing gaps, we would expect to see housing shortages diminish over time once housing production increases and buildable land inventories and HNAs are updated.
Section III. BUILDABLE LAND INVENTORY

In accordance with OAR 660-008-0005 (2), an estimate of buildable land inventory (BLI) within the Grants Pass Urban Growth Boundary (UGB) has been created to determine that amount of land available to meet housing needs. The BLI analysis uses the most current Geographic Information Systems (GIS) data provided available for the Grants Pass UGB.

BUILDABLE LAND INVENTORY METHODOLOGY

The objective of the residential BLI is to determine the amount of developable land available for future residential housing development within the UGB. The steps taken to perform this analysis are as follows:

1. **Calculate gross acres** by plan designation, including classifications for fully vacant and partially-vacant parcels. This step entails “clipping” all of the tax lots that are bisected by the current UGB to eliminate land outside current UGB from consideration for development at this time. City staff input was provided to provide a level of quality assurance to review output is consistent with OAR 660-008-0005(2).

2. **Calculate gross buildable acres** by plan designation by subtracting land that is constrained from future development, such as such as existing public right-of-way, parks and open space, steep slopes, and floodplains.

3. **Calculate net buildable acres** by plan designation, by subtracting future public facilities such as roads, schools and parks from gross buildable acres.

4. **Determine total net buildable acres by plan designation** by taking into account potential redevelopment locations and mixed-use development opportunity areas.

The detailed steps used to create the land inventory are described below.

Residential Land Base

The residential land base reflects current Grants Pass Comprehensive Plan land use designations. Properties that are within the residential land base include the following base zone classifications:

**Residential Land Use Classifications**

- Low Density (LR)
- Moderate Density (MR)
- Moderate High Density (HR)
- High Density (HRR)

These classifications have been kept consistent throughout the analysis.
Land Classifications

The next step in the BLI analysis includes classifying each tax lot (parcel) into one of the following categories.

**Vacant land:** Properties with no structures or have buildings with very little value. For purpose of the BLI, residential lands with improvement value less than $10,000 are considered vacant. These lands were also subjected to review using satellite imagery via Google Earth; and if the land is in a committed use such as a parking lot, an assessment has been made to determine if it is to be classified as vacant, part vacant or developed.

**Partially vacant land:** Properties that are occupied by a use (e.g., a home or building structure with value over $10,000) but have enough land to be subdivided without the need for rezoning. This determination is made using tax assessor records and satellite imagery. For lots with existing buildings, it is assumed that ¼ acre (10,890 sq. ft.) is retained by each existing home, and the remainder is included in the part vacant land inventory.

**Vacant Undersized:** Properties that are vacant or part-vacant with less than 3,000 sq. ft. of land area. This category is excluded from the vacant land inventory since these lots are not likely large enough to accommodate new housing units. However, it is possible that some may be suitable for accessory dwelling units (ADUs).

**Developed & Non-Residential Land Base:** Properties unlikely to yield additional residential development for one of two reasons: they possess existing structures at densities that are unlikely to redevelop over the planning period; or they include parcels with Comprehensive Land Use Plan designations that do not permit housing development.

**Public and Constrained (unbuildable) land:** Properties which are regarded as unlikely to be developed because they are restricted by existing uses such as: public parks, schools, ballfields, roads and public right-of-way (ROW); common areas held by Homeowners Associations, cemeteries; and power substations. In cases where public-owned land does not fall into one of the above-mentioned categories and is planned or zoned to allow housing, those tax lots are included in the vacant or part-vacant residential land inventory.

These tax lot classifications were validated using satellite imagery, building permit data, and assessor records. Preliminary results were refined based on City staff and public input received during the Housing Needs Analysis (HNA) planning process.

Development Constraints

The BLI methodology for identifying and removing development constraints is consistent with state guidance on buildable land inventories per OAR 660-008-0005(2). By definition, the BLI is intended to include land that is “suitable, available, and necessary for residential uses.”

“Buildable Land” includes residential designated land within the UGB, including vacant, part vacant and land that is likely to be redeveloped; and suitable, available and necessary for residential uses. Public-owned land is generally not considered to be available for residential use unless the underlying zoning permits housing. It should be noted that “available” in this context does not mean that the land is presently on the market. It is assumed in this analysis that such land is expected to come on the market within the 20-year timeframe of this study.

Land is considered to be “suitable for housing development” unless it is:
- Is severely constrained by natural hazards as determined by the Statewide Planning Goal 7;
- Is subject to natural resource protection measures determined under Statewide Planning Goals 5, 6, 15, 16, 17 or 18;
- Has slopes over 25 percent;
- Is within the 100-year flood plain; or
- Cannot be provided or served with public facilities

Based on state guidelines and data provided by the City of Grants Pass, the following constraints have been deducted from the residential lands inventory.

- Land within floodplains. This includes lands in flood-hazard areas (the 100-year floodplain).
- Locally-designated significant wetlands. This includes lands within 50 feet of a wetland.
- Land within Parks and Natural areas that are protected from future development.
- Land with slopes greater than 25%.

RESIDENTIAL BUILDABLE LAND INVENTORY RESULTS

Land Base
A summary of the land base by plan designation is provided in Figure 14. The findings indicate that there are 4,640 gross developed acres of residential land and 1,031 acres of gross vacant residential land totaling 5,670 acres zoned for residential uses in Grants Pass.

<table>
<thead>
<tr>
<th>Plan Designation</th>
<th>Developed</th>
<th>Vacant</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>HR</td>
<td>774</td>
<td>113</td>
<td>887</td>
</tr>
<tr>
<td>HRR</td>
<td>279</td>
<td>74</td>
<td>353</td>
</tr>
<tr>
<td>LR</td>
<td>2,347</td>
<td>724</td>
<td>3,071</td>
</tr>
<tr>
<td>MR</td>
<td>1,239</td>
<td>120</td>
<td>1,359</td>
</tr>
<tr>
<td><strong>Grand Total</strong></td>
<td><strong>4,640</strong></td>
<td><strong>1,031</strong></td>
<td><strong>5,670</strong></td>
</tr>
</tbody>
</table>

*Source: Grants Pass Buildable Land Inventory; 3J Consulting*

Constrained Land
Before the deduction for future public facilities, the vacant residential land base is adjusted to reflect tax lots which exempt residential development, publicly-owned taxlots, and public right-of-way\(^3\), as described previously. Environmental constraints (slopes, floodplains, wetlands, etc.) are removed in

\(^3\) Includes right-of-way that is defined as a tax lot in the GIS database, which exempts residential development. This includes most major existing right-of-way which is excluded from the buildable land base.
this step as well. The results summarized in Figure 15 indicate that after accounting for development constraints, the Grants Pass UGB has 480 acres of vacant buildable residential land.

**Figure 15: Unconstrained and Non-Exempt Vacant Land by Plan Designation, Grants Pass UGB**

<table>
<thead>
<tr>
<th>Plan Designation</th>
<th>Gross Vacant Land</th>
<th>Exempt Vacant Land</th>
<th>Environmentally Constrained Vacant Non-Exempt Land</th>
<th>Unconstrained Non-Exempt Vacant Land</th>
</tr>
</thead>
<tbody>
<tr>
<td>HR</td>
<td>113</td>
<td>11</td>
<td>20</td>
<td>83</td>
</tr>
<tr>
<td>HRR</td>
<td>74</td>
<td>21</td>
<td>2</td>
<td>51</td>
</tr>
<tr>
<td>LR</td>
<td>724</td>
<td>196</td>
<td>254</td>
<td>274</td>
</tr>
<tr>
<td>MR</td>
<td>120</td>
<td>32</td>
<td>16</td>
<td>72</td>
</tr>
<tr>
<td><strong>Grand Total</strong></td>
<td><strong>1,031</strong></td>
<td><strong>260</strong></td>
<td><strong>291</strong></td>
<td><strong>480</strong></td>
</tr>
</tbody>
</table>

*Source: Grants Pass Buildable Land Inventory; 3J Consulting*

**Buildable Land After Future Public Facilities**

The BLI methodology calculates the residential land base after accounting for the constraints described previously. The findings indicate that out of a total of 5,570 gross acres, 4,640 acres are committed (derived from Figure 14), 260 acres are exempt, and 291 acres are environmentally constrained (derived from Figure 15).

The final deduction to the BLI, includes a 25% allowance for future public facilities and future right-of-way. As indicated below in Figure 16, Grants Pass UGB has a total of 360 vacant unconstrained residential land available over the next 20 years.

**Figure 16: Vacant Buildable Land and Future Public Facilities Allowance, Grants Pass UGB**

<table>
<thead>
<tr>
<th>Plan Designation</th>
<th>Unconstrained Non-Exempt Vacant Land</th>
<th>Future Public Facilities Allowance</th>
<th>Total Net Buildable Vacant Land</th>
</tr>
</thead>
<tbody>
<tr>
<td>HR</td>
<td>83</td>
<td>21</td>
<td>62</td>
</tr>
<tr>
<td>HRR</td>
<td>51</td>
<td>13</td>
<td>39</td>
</tr>
<tr>
<td>LR</td>
<td>274</td>
<td>68</td>
<td>205</td>
</tr>
<tr>
<td>MR</td>
<td>72</td>
<td>18</td>
<td>54</td>
</tr>
<tr>
<td><strong>Grand Total</strong></td>
<td><strong>480</strong></td>
<td><strong>120</strong></td>
<td><strong>360</strong></td>
</tr>
</tbody>
</table>

*Source: Grants Pass Buildable Land Inventory; 3J Consulting*

**Partially-Vacant Residential Land**

In addition to vacant land, the BLI also includes a part-vacant land category. As noted above, partially-vacant land includes properties that are occupied by a use (e.g., a home or building structure with value over $10,000) with enough land to be subdivided without the need for rezoning. As shown in Figure 17, after removing environmental constraints and exempt parcels, there are 1,037 part vacant acres that could be subdivided for development. After applying the 25% allowance for future public facilities, 778 acres of part vacant residential land are available for development in Grants Pass.
Figure 17: Part Vacant Buildable Land and Future Public Facilities Allowance, Grants Pass UGB

<table>
<thead>
<tr>
<th>Plan Designation</th>
<th>Unconstrained Non-Exempt Part Vacant Land</th>
<th>Future Public Facilities Allowance</th>
<th>Total Net Buildable Part Vacant Land</th>
</tr>
</thead>
<tbody>
<tr>
<td>HR</td>
<td>247</td>
<td>62</td>
<td>185</td>
</tr>
<tr>
<td>HRR</td>
<td>59</td>
<td>15</td>
<td>44</td>
</tr>
<tr>
<td>LR</td>
<td>506</td>
<td>126</td>
<td>379</td>
</tr>
<tr>
<td>MR</td>
<td>226</td>
<td>56</td>
<td>169</td>
</tr>
<tr>
<td>Grand Total</td>
<td>1,037</td>
<td>259</td>
<td>778</td>
</tr>
</tbody>
</table>

Source: Grants Pass Buildable Land Inventory; 3J Consulting

Total Developable Residential Land

Figure 18 shows the combination of net developable vacant and part vacant residential lands in the Grants Pass UGB. The Grants Pass UGB has a buildable land inventory of 247 acres of Moderate High Density land (62 vacant and 185 part vacant); 83 acres of High Density land (39 vacant and 44 part vacant); 223 acres of Moderate Density land (54 vacant and 169 part vacant); and 585 acres of Low Density land (205 vacant and 379 part vacant). Conclusions regarding the sufficiency of this buildable land inventory will be drawn in the next chapter.

Figure 18: Net Buildable Vacant and Part Vacant Residential Land, Grants Pass UGB

<table>
<thead>
<tr>
<th>Plan Designation</th>
<th>Vacant</th>
<th>Partially Vacant</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>HR</td>
<td>62</td>
<td>185</td>
<td>247</td>
</tr>
<tr>
<td>HRR</td>
<td>39</td>
<td>44</td>
<td>83</td>
</tr>
<tr>
<td>LR</td>
<td>205</td>
<td>379</td>
<td>585</td>
</tr>
<tr>
<td>MR</td>
<td>54</td>
<td>169</td>
<td>223</td>
</tr>
<tr>
<td>Grand Total</td>
<td>360</td>
<td>778</td>
<td>1,138</td>
</tr>
</tbody>
</table>

Source: Grants Pass Buildable Land Inventory; 3J Consulting

Buildable Land by Lot Size

Figures 19 and 20 show vacant and part vacant land broken down by lot size. This is an important consideration given that, for example, a planned unit development yielding dozens of housing units can only occur on a relatively large, contiguous piece of land. The figures below show acreage figures prior to the 25% allowance for public facilities.

Figure 19 indicates that over three quarters of buildable vacant land are on relatively small lots (34% on lots of less than one acre and 44% on lots between 1 and 5 acres). Only two lots have more than 10 acres of vacant developable land.
Figure 19: Vacant Buildable Land by Lot Size

<table>
<thead>
<tr>
<th></th>
<th>&lt;1 acre</th>
<th>&gt;= 1 acre, &lt;5 acres</th>
<th>&gt;= 5 acres, &lt;10 acres</th>
<th>&gt;=10 acres</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Acres</td>
<td>Lots</td>
<td>Acres</td>
<td>Lots</td>
</tr>
<tr>
<td>HR</td>
<td>37.5</td>
<td>164</td>
<td>24.3</td>
<td>10</td>
</tr>
<tr>
<td>HRR</td>
<td>11.7</td>
<td>42</td>
<td>34.0</td>
<td>18</td>
</tr>
<tr>
<td>LR</td>
<td>78.1</td>
<td>260</td>
<td>132.6</td>
<td>58</td>
</tr>
<tr>
<td>MR</td>
<td>36.6</td>
<td>134</td>
<td>20.0</td>
<td>12</td>
</tr>
<tr>
<td>Total</td>
<td>163.9</td>
<td>600</td>
<td>211.0</td>
<td>98</td>
</tr>
</tbody>
</table>

Source: Grants Pass Buildable Land Inventory; 3J Consulting

Figure 20 shows that a similar phenomenon is occurring among part vacant developable land with over 80% of buildable part vacant land on parcels less than 5 acres.

Table 18: Part Vacant Buildable Land by Lot Size

<table>
<thead>
<tr>
<th></th>
<th>&lt;1 acre</th>
<th>&gt;= 1 acre, &lt;5 acres</th>
<th>&gt;= 5 acres, &lt;10 acres</th>
<th>&gt;=10 acres</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Acres</td>
<td>Lots</td>
<td>Acres</td>
<td>Lots</td>
</tr>
<tr>
<td>HR</td>
<td>40.8</td>
<td>78</td>
<td>127.5</td>
<td>54</td>
</tr>
<tr>
<td>HRR</td>
<td>16.6</td>
<td>28</td>
<td>35.2</td>
<td>17</td>
</tr>
<tr>
<td>LR</td>
<td>226.8</td>
<td>485</td>
<td>204.5</td>
<td>103</td>
</tr>
<tr>
<td>MR</td>
<td>88.6</td>
<td>178</td>
<td>106.3</td>
<td>56</td>
</tr>
<tr>
<td>Total</td>
<td>372.8</td>
<td>769</td>
<td>473.5</td>
<td>230</td>
</tr>
</tbody>
</table>

Source: Grants Pass Buildable Land Inventory; 3J Consulting

Figure 20 reflects a map of the net vacant and part vacant residential land in the Grants Pass UGB by plan designation. Part vacant parcels are denoted by a crosshatch overlay. The map also shows the location of environmental constraints. Figures 21-25 show the same data in select quadrants of the city to allow for better legibility.

Commercial and Mixed-Use Land Assumptions

It should be noted that commercial-zoned parcels in Grants Pass are sometimes developed as higher density residential uses. Citywide, about 5.5% of buildable commercial land has developed with a high-density residential component, which includes 57 acres out of a total 1,031 commercial acres. Presently, there are 168.28 vacant, unconstrained, non-exempt commercial acres in the Grants Pass UGB. While it is difficult to project the amount of residential development that is likely to occur on this commercial land, it is reasonable to expect that some of the future apartment demand will be accommodated on land zoned for commercial uses.
Figure 21: Grants Pass Buildable Land Inventory Map

Grants Pass Net Vacant and Partially Vacant Residential Land

Legend
- UGB
- Taxlots
- Rogue River
- Environmental Constraints
- Net Vacant Residential
- Plan_Designation
  - HRR
  - HR
  - MR
  - LR
- Net Partially Vacant Acres

N

0 0.25 0.5 1 Miles
Figure 22: Southwest Grants Pass Buildable Land Inventory Map

Grants Pass Net Vacant and Partially Vacant Residential Land (Southwest)
Figure 23: North Grants Pass Buildable Land Inventory Map
Grants Pass Net Vacant and Partially Vacant Residential Land (North)
Figure 25: Central Grants Pass Buildable Land Inventory Map
Section IV. LAND SUFFICIENCY ANALYSIS

This section provides an estimate of residential development capacity (measured in new dwelling units) and an estimate of the ability of the Grants Pass UGB to accommodate needed new housing units for the 2020 to 2040 period, based on the analysis in the housing needs.

A comparison of 20-year residential land needs (demand) is made relative to the residential buildable land inventory. This provides a means of reconciling housing land demand with buildable land supply within the Grants Pass UGB. The evaluation of UGB land requirements to accommodate the planned housing need included three steps.

**Step 1** takes into account the forecasted number of dwelling units by housing type, including single family detached, townhomes and plexes, multifamily, and manufactured homes as well as group quarters population (see Section 2).

**Step 2** considers the amount of land required to accommodate the future housing demand based on the expected average development density for each general housing type (see Figure 26).

**Step 3** includes a comparison (reconciliation) between the land need determined in Step 2 and the residential buildable land inventory presented in Section 3 of the HNA.

HOUSING NEED FORECAST

As discussed in Section II, the forecasted housing mix for Grants Pass includes 4,055 housing units along with 114 group quarters units. This results in net new housing development as follows:

- Single Family Detached: 2,502 dwellings (including standard and small lot single family detached housing)
- Townhomes and Plexes: 749 dwelling units
- Manufactured Homes: 254 dwellings
- Multifamily: 551 dwelling units (includes apartments and condominiums with 5+ units per structure)
- Group Quarters: 114 dwelling units
RESIDENTIAL LAND NEED SUMMARY

The second step in the reconciliation of land needs estimates the amount of net buildable land area required to address the housing growth forecast. This step applies average density assumptions based on Grants Pass local experience (dwellings per acre) to each of the general residential development categories listed in Step 1 to arrive at a total residential land need forecast.

Figure 26: Grants Pass Residential Classifications and Density Assumptions

<table>
<thead>
<tr>
<th>Dwelling Unit Type</th>
<th>20-Year Dwelling Unit Demand</th>
<th>Applicable Plan Designation</th>
<th>Applicable Local Zones</th>
<th>Allowable Density (gross DU per Ac)</th>
<th>Avg. Development Density (net DU per Ac)</th>
<th>Net Buildable Land Requirement (net acres)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single Family Detached</td>
<td>2,502</td>
<td>LR</td>
<td>R-1-12, R1-10, R-1-8</td>
<td>3.96 to 6.22</td>
<td>5.5</td>
<td>455</td>
</tr>
<tr>
<td>Townhomes / Plexes</td>
<td>749</td>
<td>MR</td>
<td>R-1-6, R-2</td>
<td>8.71 to 12.44</td>
<td>5.8</td>
<td>129</td>
</tr>
<tr>
<td>Manufactured home</td>
<td>254</td>
<td>LR, MR</td>
<td>all of the above</td>
<td>6.22 to 12.44</td>
<td>8.7</td>
<td>29</td>
</tr>
<tr>
<td>Multifamily (5+ units)</td>
<td>551</td>
<td>HR, HRR</td>
<td>R-1-6, R-2, R-4-2, R-5</td>
<td>20 to 50</td>
<td>11.4</td>
<td>48</td>
</tr>
<tr>
<td>Group quarters (@2 people per unit)</td>
<td>114</td>
<td>varies</td>
<td>varies</td>
<td>varies</td>
<td>9.4</td>
<td>12</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>4,169</strong></td>
<td></td>
<td></td>
<td></td>
<td><strong>674</strong></td>
<td><strong>478</strong></td>
</tr>
</tbody>
</table>

Source: prior tables; and interpretation of current zoning code and housing development/market conditions.
* Excludes steep slopes and floodzones; includes 25% allowance for public facilities/easements

UGB SUFFICIENCY ANALYSIS

As shown in Figure 27, the forecasted housing need (4,169 total dwelling units) is expected to require 674 acres of buildable land area. Since the current UGB includes 1,151 acres, we can conclude that there is an overall residential land surplus of 478 acres at this time.

The BLI findings indicate that the existing amount of vacant and part vacant land within the Grants Pass UGB is generally sufficient to accommodate planned 20-year housing needs.

Figure 27: Reconciliation of Residential Land Need

<table>
<thead>
<tr>
<th>Dwelling Unit Type</th>
<th>Applicable Plan Designation</th>
<th>Net Buildable Land Requirement (net acres)</th>
<th>Net Buildable Land Inventory (net acres)</th>
<th>Net Buildable Land Surplus (net acres)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single Family Detached</td>
<td>LR</td>
<td>455</td>
<td>588</td>
<td>133</td>
</tr>
<tr>
<td>Manufactured home</td>
<td>LR, MR</td>
<td>29</td>
<td>226</td>
<td>97</td>
</tr>
<tr>
<td>Group quarters (@2 people per unit)</td>
<td>HR, HRR</td>
<td>48</td>
<td>337</td>
<td>248</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>674</strong></td>
<td><strong>1,151</strong></td>
<td><strong>478</strong></td>
</tr>
</tbody>
</table>

* analysis assumes these housing types are primarily developed in HR, HRR plan designations.
Section V. FINDINGS AND RECOMMENDATIONS

Future population growth in Grants Pass over the next 20 years will result in new households that will require additional housing and residential land.

KEY FINDINGS

Key findings of the housing needs analysis are:

- The population of Grants Pass is forecast to grow at 1.02% per year over the next two decades, adding 9,401 new residents.
- Population growth will require the addition of 4,055 new traditional dwelling units over the next 20 years as well as 114 group quarters dwellings.
- About 60% of the future housing need will consist of single family detached housing, 18% will be a mix of townhomes and plexes, 13% will be apartments, 6% will be comprised of manufactured housing and about 3% will be in group quarters such as dorms and congregate care facilities.
- The results of the housing needs analysis indicates that the current UGB is sufficient to accommodate future housing needs.

HOUSING POLICY RECOMMENDATIONS

As part of the HNA process, FCS GROUP met with City staff and the HNA Advisory Committee to discuss potential housing policies that cities throughout Oregon have implemented to address various housing issues, which are summarized in OAR 660-038-0190(5) measures to accommodate needed housing in the UGB.

Grants Pass HNA Policies Draft

Goal: Ensure the availability of adequate numbers of needed housing units at price ranges and rent levels commensurate with the financial capabilities of Grants Pass households, and allow for flexibility of housing location, type and density.

Policies and Objectives

Land Availability

9.1. In compliance with ORS 197.296, plan for a 20-year supply of suitable land for Grants Pass to meet housing needs within the existing Urban Growth Boundary. Coordinate with Josephine
County as required by the State Housing Goal to ensure a fair allocation of housing types and densities.

9.2. Update the Housing Needs Analysis at least every 10 years and whenever actual population growth exceeds growth forecasts for three out of five years.

9.3. Revise Comprehensive Plan land use designations and Development Code as needed to meet the housing needs identified in the Housing Needs Analysis.

9.4. Direct development opportunities to vacant or partially vacant land as identified in the Buildable Lands Inventory and Housing Needs Analysis.

9.5. Maintain the Land Use Map, Zoning Map, Overlay Maps and Development Code to provide opportunities for a variety of housing types, densities and locations within the urban growth boundary. (Retains current policy 9.4)

Housing Needs

9.6. Lower or remove local barriers to residential development.

9.7. Streamline land use and development processes to incentivize the timely and efficient development of housing.

9.8. Permit a variety of housing types across all residential zones, including single-family, middle housing, manufactured housing, and multifamily types. Focus on expanding opportunities for housing types which are shown to be related to lower housing costs. (Modifies current policies 9.5 and 9.6)

9.9. Create pre-approved middle housing floorplans to encourage middle housing development.

9.10. Reduce minimum lot sizes in low-density zones to increase the efficiency of single-family and middle housing.

9.11. Establish minimum densities in medium and high-density zones. (Modifies current policy 9.8)

9.12. Increase maximum building height in higher density zones.

9.13. Simplify the permit process to convert single-family units in commercial zones to mid-to-high density multi-dwelling housing. (Modifies current policy 9.8)

9.14. Support efforts by nonprofit organizations and for-profit entities to provide housing for special needs populations. (group quarters, independent living for seniors, assisted living, memory care, mental health facilities, drug and alcohol rehab, etc.).

9.15. Promote and incentivize mixed-use areas to connect households to a variety of transportation options, medical and social services, commercial centers, and recreation amenities.

9.16. Direct funds and program support to rehabilitate existing housing within Grants Pass. (Modifies current policy 9.3)

9.17. Plan infrastructure and utilities to support housing development within the urban growth boundary, especially areas identified as likely for infill development.

Housing Affordability and Homelessness

9.18. Partner with public, private, and nonprofit agencies and organizations to facilitate affordable housing development and maintenance. For example, purchase affordable housing projects with income restricted sunset dates to retain affordability into the future.

9.19. Dedicate City resources to support public and private housing and associated programs/services to community members experiencing homelessness.

9.20. Permit non-traditional transitional housing in the City through adoption of transitional housing accommodation codes.

9.21. Identify surplus publicly owned properties that could be used for affordable housing and leverage these assets through public-private partnerships and other avenues.
Funding and Incentives

9.22. Implement a variety of incentives to support subsidized, low income and workforce housing.
   (Modifies current policy 9.13) These incentives may include:
   a. Waiving or deferring fees and system development charges
   b. Adopting or amending criteria for property tax exemptions or freezes
   c. Providing density bonuses with the development of affordable housing
   d. Requiring the lowest off-street parking standards necessary to still meet community needs in order to reduce land used for parking and reduce housing costs
   e. Utilize Multi-Unit limited tax exemption (MULTE) program

9.23. Identify funding sources to increase housing affordability and support subsidized housing programs and infrastructure development. Funding sources may include:
   a. Assessing a construction excise tax
   b. Dedicating a portion of Urban Renewal funding
   c. Implementing Local Improvement Districts
   d. Proceeds from the sale of surplus property
   e. Dedicating a portion of System Development Charges
   f. Short-term rental lodging tax
GLOSSARY

Note: References to the term “family” in this glossary are exclusively meant to define data points referenced throughout the report. It does not apply to local policy making apart from the data analyzed and included in this report.

Accessory Dwelling Unit (ADU): A small living space located on the same lot as a single-family house.

Buildable Lands Inventory (BLI): An assessment of the capacity of land within the city’s Urban Growth Boundary to accommodate forecasted housing and employment needs.

Buildable Residential Land: Includes land that is designated for residential development that is vacant and part-vacant and not constrained by existing buildings or environmental issues.

Constrained land: Land that is unavailable for future net new residential development based on one or more factors, such as environmental protections, public lands, floodplains, or steep slopes.

Cost Burdened: Defined by US Department of Housing and Urban Development (HUD) as households who spend over 30% of their income on housing.

Cottages: Small, single-level, detached units, often on their own lots and sometimes clustered around pockets of shared open space. A cottage is typically under 1,000 square feet in footprint.

Density: Defined by the number of housing units on one acre of land.

Development density: Expected number of dwelling units (per acre) based on current zoning designations.

Exempt Land: Land which is unavailable for development based on ownership (e.g. the city owns the land and it is either a park or intended to be a park) or which is otherwise owned by a public entity and is not intended for housing (e.g. land owned by a port, school district, etc.).

Family: A group two or more people (one of whom is the householder) related by birth, marriage, or adoption and residing together.

High Density: Lots with the average density of 12+ dwelling units per acre. Best suited for multifamily housing such as apartments and condos.

Housing Needs Analysis (HNA): The Housing Needs Analysis consists of four distinct reports that analyze the state of housing supply, housing affordability issues and the City's ability to meet projected housing demand going into 2040.

Housing Unit (or Dwelling Unit): A house, an apartment or other group of rooms, or a single room is regarded as a housing unit when it is occupied or intended for occupancy as separate living quarters, that is, when the occupants do not live and eat with any other person in the structure and there is direct access from the outside or common hall.

Household: Consists of all people that occupy a housing unit.

HUD: Acronym for US Department of Housing and Urban Development, the federal agency dedicated to strengthening and supporting the housing market.
**Low Density:** Lots with the average density of 3-4 dwelling units per acre. Best suited for family housing such as single-family detached homes.

**Manufactured Housing:** is a type of prefabricated home that is largely assembled on site and then transported to sites of use. The definition of the term in the United States is regulated by federal law (Code of Federal Regulations, 24 CFR 3280): "Manufactured homes are built as dwelling units of at least 320 square feet in size, usually with a permanent chassis to assure the initial and continued transportability of the home. The requirement to have a wheeled chassis permanently attached differentiates "manufactured housing" from other types of prefabricated homes, such as modular homes.

**Manufactured Home Park (or manufactured home park):** a local zoning designation that is specifically intended to address demand for this housing type. OAR chapter 813, division 007 is adopted to implement section 9, chapter 816, Oregon Laws 2009, and sections 2, 3 and 4, chapter 619, Oregon Laws 2005, as amended by sections 10 to 12, chapter 816, Oregon Laws 2009, and sections 19, and 21, chapter 503, Oregon Laws 2011 for the purpose of regulating manufactured dwelling parks.

**Median Family Income (MFI):** The median sum of the income of all family members 15 years and older living in the household. Families are groups of two or more people (one of whom is the householder) related by birth, marriage, or adoption and residing together; all such people (including related subfamily members) are considered as members of one family.

**Medium Density:** Lots with the average density of 6-12 dwelling units per acre. Best suited for small lot housing such as single family attached, townhomes, plexes and cottages.

**Mixed Use:** Characterized as two or more residential, commercial, cultural, institutional, and/or industrial uses into one combined building or building(s) on the same parcel of land.

**Multi-Family Housing:** Stacked flats in a single buildings or groups of buildings on a single lot. Parking is shared, and entrance to units is typically accessed through a shared lobby.

**Oregon Administrative Rules (OAR):** Administrative Rules are created by most agencies and some boards and commissions to implement their statutory authority (ORS 183.310(9)). Agencies may adopt, amend, repeal or renumber rules, permanently or temporarily. Every OAR uses the same numbering sequence of a three-digit chapter number followed by a three-digit division number and a four-digit rule number. For example, Oregon Administrative Rules, chapter 166, division 500, rule 0020 is cited as OAR 166-500-0020. (oregon.gov)

**Part-vacant land:** Unconstrained land that has some existing development but can be subdivided to allow for additional residential development.

**Plexes and Apartments:** Multiple units inside one structure on a single lot. Usually each unit has its own entry.

**Seasonal dwellings:** These units are intended by the owner to be occupied during only certain seasons of the year. They are not anyone’s usual residence. A seasonal unit may be used in more than one season; for example, for both summer and winter sports. Published counts of seasonal units also include housing units held for occupancy by migratory farm workers. While not currently intended for year-round use, most seasonal units could be used year-round.

**Severely Cost Burdened:** Defined US Department of Housing and Urban Development (HUD) as households who spend over 50% of their income on housing.
**Single Family Attached:** Dwelling units that are duplexes without a subdividing property line between the two to four housing units. “Attached” duplexes require a single building permit for both dwelling units. The “attached” units would be addressed with one numerical street address for the overall structure with separate alpha-numeric unit numbers for each dwelling.

**Single Family Detached:** Free standing residential building, unattached, containing separate bathing, kitchen, sanitary, and sleeping facilities designed to be occupied by not more than one family, not including manufactured and mobile homes.

**Townhome (also known as duplexes, rowhouse, etc.):** Attached housing units, each on a separate lot, and each with its own entry from a public or shared street or common area.

**Urban Growth Boundary (UGB):** Under Oregon law, each of the state’s cities and metropolitan areas has created an urban growth boundary around its perimeter – a land use planning line to control urban expansion onto farm and forest lands.

**Vacant housing unit:** A housing unit is vacant if no one is living in it at the time of enumeration unless its occupants are only temporarily absent. Units temporarily occupied at the time of enumeration entirely by people who have a usual residence elsewhere are also classified as vacant.

**Vacant land:** Vacant and part-vacant land identified within the local buildable land inventory that is not developed and unconstrained for future planned residential development.
ORDINANCE NO.

AN ORDINANCE OF THE COUNCIL OF THE CITY OF GRANTS PASS AMENDING THE HOUSING ELEMENT AND POLICIES OF THE GRANTS PASS COMPREHENSIVE COMMUNITY DEVELOPMENT PLAN.

WHEREAS:

1. The Comprehensive Community Development Plan of the City of Grants Pass and Urbanizing Area was first adopted December 15, 1982. The Development Code of the City of Grants Pass was adopted August 17, 1983; and

2. The ordinance amends the Comprehensive Community Development Plan as stated in Exhibit 1; and

3. The proposed amendment is consistent with the goals and policies of the Comprehensive Plan; and

4. The applicable criteria from the Comprehensive Plan and Development Code are satisfied; and

5. On March 23, 2022, the Urban Area Planning Commission adopted Findings of Fact recommending approval to the City Council of these proposed amendments to the Comprehensive Community Development Plan.

NOW, THEREFORE, THE CITY OF GRANTS PASS HEREBY ORDAINS:

Section 1: The amendments to the Comprehensive Community Development Plan, as set forth in Exhibits ‘A’, ‘B’ and ‘C’, which are attached to and incorporated in this ordinance as follows, are hereby adopted:

A. Replacement of text in Section 9, Housing, of the Comprehensive Plan, and amending and adopting new plan policies for Housing; and

B. Adding the Housing Needs Analysis and Buildable Land Inventory (May 2021) as an ancillary document to the Housing Element of the Comprehensive Plan.

ADOPTED by the Council of the City of Grants Pass, Oregon, in regular session this 4th day of May 2022.

AYES:

NAYS:

ABSTAIN:

ABSENT:

SUBMITTED to and by the Mayor of the City of Grants Pass, Oregon, this day of May 2022.

Sara Bristol, Mayor

ATTEST:

Karen Frerk, City Recorder

Approved as to Form, Augustus Ogu, City Attorney

Date submitted to Mayor:

[Signature]
9.00  HOUSING ELEMENT INDEX

9.10  PURPOSE

9.20  Framework for the Housing Needs Analysis
   - Methods
   - Needed housing types

9.30  Housing Needs Projection
   - Methodology
   - Demographic and socio-economics
   - Existing housing inventory and tenancy
   - Housing market characteristics
   - Housing needs scenarios

9.40  Buildable Land Inventory
   - Buildable land inventory methodology
   - Residential buildable land inventory results

9.50  Land Sufficiency Analysis
   - Housing need forecast
   - Residential land need summary
   - UGB sufficiency analysis

9.60  Findings
   - Housing policy goals
HOUSING ELEMENT

9.10 PURPOSE

The purpose of the Housing Element is to meet the requirements of Goal 10, OAR 660-008, and ORS 197.296. Within this policy context, the Housing Element must identify local housing needs. The primary goals of this chapter are to (1) describe characteristics of the existing mix and density of housing in Grants Pass, (2) describe recent residential development trends in the City, (3) evaluate housing affordability, and (4) project future need for housing in Grants Pass. The analysis presented in this chapter is used to evaluate the existing residential land supply within the Grants Pass Urban Growth Boundary to determine if it is adequate to meet that need based on the projected demand for housing. The methods used for this study generally follow the Planning for Residential Growth guidebook, published by the Oregon Transportation and Growth Management Program (1996).

9.20 FRAMEWORK FOR THE HOUSING NEEDS ANALYSIS

The passage of the Oregon Land Use Planning Act of 1974 (ORS Chapter 197) established the Land Conservation and Development Commission (LCDC) and the Department of Land Conservation and Development (DLCD). The Act required the Commission to develop and adopt a set of statewide planning goals. Goal 10 addresses housing in Oregon and provides guidelines for local governments to follow in developing their local comprehensive land use plans and implementing policies.

At a minimum, local housing policies must meet the applicable requirements of Goal 10 and the statutes and administrative rules that implement it (ORS 197.295 to 197.314, ORS 197.475 to 197.490, and OAR 600-008).\(^1\) Goal 10 requires incorporated cities to complete an inventory of buildable residential lands. Goal 10 also requires cities to encourage the numbers of housing units in price and rent ranges commensurate with the financial capabilities of its households.

Goal 10 defines needed housing types as “all housing on land zoned for residential use or mixed residential and commercial use that is determined to meet the need shown for housing within an UGB at price ranges and rent levels that are affordable to households within the county with a variety of incomes, including but not limited to households with low incomes, very low incomes and extremely low incomes.” ORS 197.303 defines needed housing types as:

(a) Housing that includes, but is not limited to, attached, and detached single-unit housing and multi-unit housing for both owner and renter occupancy.

(b) Government assisted housing.\(^2\)

c) Mobile home or manufactured dwelling parks as provided in ORS 197.475 to 197.490.

d) Manufactured homes on individual lots planned and zoned for single-unit residential use that are in addition to lots within designated manufactured dwelling subdivisions.

e) Housing for farmworkers ORS 197.296 defines factors to establish sufficiency of buildable lands within urban growth boundaries to meet projected growth for a 20-year period and requires analysis and

\(^1\) ORS 197.296 only applies to cities with populations over 25,000.

\(^2\) Government assisted housing can be any housing type listed in ORS 197.303 (a), (c), or (d).
determination of residential housing patterns. It applies to cities with populations of 25,000 or more and requires cities to:

- Demonstrate that its comprehensive plan provides sufficient buildable lands within the urban growth boundary established pursuant to statewide planning goals to accommodate estimated housing needs for 20 years (ORS 197.296(2));
- Inventory the supply of buildable lands within the urban growth boundary and determine the housing capacity of the buildable lands (ORS 197.296(3)(a)); and
- Conduct an analysis of housing need by type and density range to determine the number of units and amount of land needed for each needed housing type for the next 20 years (197.296(3)(b)).

Grants Pass meets the population threshold for these statutory requirements. This chapter includes an analysis of housing mix by needed types, residential development trends and patterns, and a projection of needed housing units and land for the next 20 years.

9.21 Methods

The housing needs analysis presented in this chapter follows the methodology described in the *Planning for Residential Growth: A Workbook for Oregon’s Urban Areas*, the Department of Land Conservation and Development’s guidebook on local housing needs studies. As described in the workbook, the specific steps in the housing needs analysis are:

1. Project the number of new housing units needed in the next 20 years.
2. Identify relevant national, state, and local demographic and economic trends and factors that may affect the 20-year projection of structure type mix.
3. Describe the demographic characteristics of the population and, if possible, the housing trends that relate to demand for different types of housing.
4. Determine the types of housing that are likely to be affordable to the projected households based on household income.
5. Determine the needed housing mix and density ranges for each plan designation and the average needed net density for all structure types.
6. Estimate the number of additional needed units by structure type.

9.22 Needed housing types

As described above, state policy establishes a framework of needed housing types. As provided in ORS 197.303 and ORS 197.475 to 197.490, needed housing types include (but are not limited to):

- Attached and detached single unit housing and multiple-unit housing for both owner and renter occupancy
- Manufactured homes on individual lots planned and zoned for single-unit residential use and in manufactured home parks
- Government-assisted housing

Thus, the statutory definition can be interpreted as requiring cities to plan for all types of housing. The definition is general in the sense that it includes variations on single-unit and multi-unit housing that are common in Grants Pass. The Census reports housing types as "units in structure." According to the
Census, a structure is defined as “a separate building that either has open spaces on all sides or is separated from other structures by dividing walls that extend from ground to roof.” The Census classifies structures into the following types:

- **1-unit, detached.** This is a 1-unit structure detached from any other house; that is, with open space on all four sides. Such structures are considered detached even if they have an adjoining shed or garage. A 1-unit house that contains a business is considered detached as long as the building has open space on all four sides. Mobile homes to which one or more permanent rooms have been added or built also are included.

- **1-unit, attached.** This is a 1-unit structure that has one or more walls extending from ground to roof separating it from adjoining structures. In row houses (sometimes called townhouses), double houses, or houses attached to nonresidential structures, each house is a separate, attached structure if the dividing or common wall goes from ground to roof.\(^4\)

- **2 or more units.** These are units in structures containing 2 or more housing units, further categorized as units in structures with 2, 3 or 4, 5 to 9, 10 to 19, 20 to 49, and 50 or more units.

- **Mobile home.** Both occupied and vacant mobile homes to which no permanent rooms have been added are counted in this category. Mobile homes used only for business purposes or for extra sleeping space and mobile homes for sale on a dealer’s lot, at the factory, or in storage are not counted in the housing inventory.

The Census classifications have specific meanings, but other commonly used terms to describe these housing types include:

- **“Single-unit dwelling”,** without specifying “attached” or “detached” is commonly used to refer to a detached single-unit dwelling, which the Census Bureau defines as “one-unit detached.” However, “single-unit dwelling” more accurately describes both one-unit detached and one-unit attached units. When used in the tables in this report where the source is the Census Bureau, single-unit dwelling includes both detached and attached. A “one-unit detached” dwelling is usually located on an individual lot, but there may be properties that contain multiple one-unit detached structures.

- **“Townhouse” refers to a “one-unit attached” structure on an individual lot – or an “attached single-unit dwelling.”**

- **“Multi-unit dwelling”,** or “apartment” is commonly used to refer to “two or more units” as defined by the Census bureau. Duplex, Triplex, and Fourplex are often used to denote multi-unit buildings with two, three, and four units respectively.

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\(^3\) 2000 Census of Population and Housing, Summary File 3 Technical Documentation, page B-64

\(^4\) The Census does not provide definitions for condominiums or townhouses. Common definitions are:

**Townhouse:** A townhouse is one of a row of homes sharing common walls. Differing from condominiums, townhouse ownership does include individual ownership of the land. There can also be common elements, such as a central courtyard, that would have shared ownership.

A condominium is one of a group of housing units where each homeowner owns their individual unit space, and all the dwelling share ownership of areas of common use. The individual units normally share walls, but that isn't a requirement. The main difference in condos and regular single homes is that there is no individual ownership of a plot of land. All the land in the condominium project is owned in common by all the homeowners. Usually, the exterior maintenance is paid for out of homeowner dues collected and managed under strict rules. The exterior walls and roof are insured by the condominium association, while all interior walls and items are insured by the homeowner. (http://realestate.about.com)
- “Condominium” or “condo” only describes the ownership pattern, and not the building type. Most people think of condominiums as apartments within a multi-unit structure; however, condominiums can be any type of structure, whether one-unit detached, one-unit attached, two or more units. Mobile home condominiums also exist, but the Census Bureau doesn’t include these in its count of condominiums.

- “Accessory Dwelling” refers to a secondary dwelling on a property that is typically rented out or occupied by extended family. An accessory dwelling may be attached to or detached from the main dwelling.

- Housing types do not specify whether a unit is owner-occupied or renter occupied.

- The Grants Pass Development Code uses some terms in a slightly different manner than common usage, relating to the site as well as the structure. For example, the definition of “Building Type, Multi-Dwelling” refers to a “structure or complex of structures containing at least three dwelling units in any vertical or horizontal arrangement, located on a lot or development site”. Therefore, three units, whether attached or detached, on one lot, would be considered multi-dwelling for purposes of the Development Code.

- There are many names for different types of housing that accommodate a variety of household compositions and living arrangements, which are accommodated within one of the structure-type or group quarters categories defined by the Census Bureau (1-unit attached, 1-unit detached, 2 or more units, mobile home, or group quarters). Examples of these living arrangements include Assisted Living Facilities, Board and Care, Group Homes, Adult Foster Care, Congregate Housing, Independent Living, Supportive Seniors Housing, Cooperatives, Co-Housing, Naturally Occurring Retirement Communities, Commercial Retirement Communities, and Home Health Care.

ORS 197.286 defines government assisted housing as:

“...housing that is financed in whole or part by either a federal or state housing agency or a housing authority as defined in ORS 456.005, or housing that is occupied by a tenant or tenants who benefit from rent supplements or housing vouchers provided by either a federal or state housing agency or a local housing authority.”

Government assisted housing can be any housing type.

9.30 HOUSING NEEDS PROJECTION

This section provides a housing needs forecast for long-range planning purposes. The housing needs forecast represents a 20-year projection from 2020 through year 2040. These technical findings are intended to be consistent with State of Oregon requirements for determining housing needs per Oregon land use planning Goals 10 and 14, OAR Chapter 660, Division 8, and applicable provision of ORS 197.296 to 197.314 and 197.475 to 197.490.

9.31 Methodology

The methodology for projecting housing needs within the Grants Pass UGB includes consideration of demographic and socio-economic trends, housing market characteristics and long-range population growth projections.

Regional (Josephine County) and local (City or UGB) population, households, income and market characteristics are described in this memorandum using data provided by the U.S. Census Bureau (Census and American Community Survey), the U.S. Department of Housing and Urban Development (HUD),
Oregon Department of Housing and Community Services (OHCS), Portland State University (PSU) and the City of Grants Pass. Where trends or long-range projections are provided by an identified data source, this analysis includes extrapolations or interpolations of the data to arrive at a base year (2020 estimate) and forecast year (2040 projection). The result of this forecast translates population growth into households and households into housing need by dwelling type, tenancy (owner vs. renter) and affordability level.

9.32 Demographics and Socio-Economics

Population

The City of Grants Pass recorded a record-high population of 37,485 in 2019 (July 1 estimate by PSU). Taking into account residents living outside the city but inside the UGB, the Grants Pass UGB population is currently estimated at 41,691 year-round residents. Since 2000, the population growth rate in the city has outpaced Josephine County (Figure 1).

Long-range population forecasts prepared by PSU anticipate that 9,401 new residents will be added to the Grants Pass UGB over the next 20 years. This equates to a projected annual average growth rate (AGR) of 1.02% for the UGB and less than half of the historic growth rate (see Figure 2).

Figure 1: Population Trends (2000-2019)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Josephine County</td>
<td>75,726</td>
<td>82,713</td>
<td>86,750</td>
<td>0.72%</td>
</tr>
<tr>
<td>Grants Pass</td>
<td>23,003</td>
<td>34,533</td>
<td>37,485</td>
<td>2.60%</td>
</tr>
</tbody>
</table>

Sources: Population Research Center, Portland State University, April 15, 2020

Figure 2: Population Projections (2020-2040)

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2040</th>
<th>2020-2040 AGR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Josephine County</td>
<td>88,274</td>
<td>97,807</td>
<td>0.51%</td>
</tr>
<tr>
<td>Grants Pass UGB</td>
<td>41,691</td>
<td>51,092</td>
<td>1.02%</td>
</tr>
</tbody>
</table>


Socio-economic Characteristics

As indicated in Figure 3, about half of the City's residents had household incomes greater than 80% of median family income ($42,880) for the county, while 18% of households were earning less than $16,080, 30% of county median family income.

Figure 3: Households by Income Level, 2014-2018
In comparison with the state and county averages, Grants Pass has a higher share of younger residents. The median age in Grants Pass (38.3) is below the Josephine County and statewide average (Figure 4).

Figure 4: Median Age, Oregon, Josephine County, Grants Pass, 2014-2018

9.33 Existing Housing Inventory and Tenancy

Local housing inventory and tenancy patterns shed light on housing conditions and demand preferences. In 2018, there were 16,051 housing units in the City of Grants Pass of which 15,158 units were classified as occupied in 893 units were classified as vacant.
Like most communities, single-unit detached housing is the most prevalent housing type representing 67% of the housing stock. The remaining housing inventory in Grants Pass includes multi-unit (11%), townhomes and duplexes (17%), and mobile homes (6%), as shown in Figure 5.

**Figure 5: Existing Housing Mix and Tenancy, 2014-2018, City of Grants Pass**

Tenancy within the city is split fairly evenly between owners and renters. Owner-occupied housing accounts for 48% of the housing inventory while renter-occupied units account for 46% of the inventory. Vacant units accounted for about 6% of the inventory in 2018.

As would be expected, most homeowners reside in single unit detached units (89% of owners) or manufactured homes. Most renters also reside in single unit detached units, followed by single unit attached and multi-unit dwellings, as indicated in Figures 6 & 7.

**Figure 6: Units by Tenure by Structure Type, 2014-2018, City of Grants Pass**

<table>
<thead>
<tr>
<th></th>
<th>Owner-Occupied Dwelling Units</th>
<th>Renter-Occupied Dwelling Units</th>
<th>Other Seasonal &amp; Vacant</th>
<th>All Dwelling Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single Family Detached</td>
<td>6,940</td>
<td>3,151</td>
<td>631</td>
<td>10,722</td>
</tr>
<tr>
<td>Townhomes/Plexes</td>
<td>163</td>
<td>2,356</td>
<td>178</td>
<td>2,697</td>
</tr>
<tr>
<td>Multi-Family (5+ Units)</td>
<td>37</td>
<td>1,631</td>
<td>82</td>
<td>1,750</td>
</tr>
<tr>
<td>Mfg. Home/Other</td>
<td>624</td>
<td>256</td>
<td>3</td>
<td>883</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>7,764</strong></td>
<td><strong>7,394</strong></td>
<td><strong>893</strong></td>
<td><strong>16,051</strong></td>
</tr>
</tbody>
</table>

**Source:** U.S. Census Bureau, American Community Survey 5-Year Estimates (Tables B25032 and CP04)

**Figure 7: Existing Housing Tenancy, 2014-2018, City of Grants Pass**
Figure 8 displays the most current available data depicting the housing mix by unit type and tenancy for the City of Grants Pass.
Figure 8: Existing Housing Mix, City of Grants Pass

<table>
<thead>
<tr>
<th>Housing Tenure Distribution:</th>
<th>Owner-Occupied Dwelling Units</th>
<th>Renter-Occupied Dwelling Units</th>
<th>Vacant Units</th>
<th>Total Dwelling Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>Housing Type Distribution</td>
<td>48.4%</td>
<td>46.1%</td>
<td>5.6%</td>
<td>100.0%</td>
</tr>
<tr>
<td>Single Family Detached</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Townhomes / Plexes</td>
<td>89.4%</td>
<td>42.6%</td>
<td>70.7%</td>
<td>66.8%</td>
</tr>
<tr>
<td>Multifamily (5+ units)</td>
<td>0.5%</td>
<td>22.1%</td>
<td>9.1%</td>
<td>10.9%</td>
</tr>
<tr>
<td>Mobile home/other</td>
<td>8.0%</td>
<td>3.5%</td>
<td>0.3%</td>
<td>5.5%</td>
</tr>
<tr>
<td>Total</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
</tr>
</tbody>
</table>

U.S. Census Bureau, American Community Survey 2013-2018 5-Year Estimates (Tables B25032 and C004).

9.34 Housing Market Characteristics

To help gauge housing attainability in Grants Pass, the consultant team examined current median family income (MFI) levels using U.S. Housing and Urban Development (HUD) guidelines. As indicated in Figure 9, the 2018 median income for Josephine County was $53,600. Using HUD guidelines for upper-middle households earning 80% of the MI, a 4-person household should be able to afford monthly rents at $1,072 and homes priced at $284,000 (or less). These price and rent levels are generally considered “attainable” to households earning 80% of the local MI and spending 30% of their annual income on housing.

Figure 9: Grants Pass Affordable Housing Analysis

<table>
<thead>
<tr>
<th>Josephine County Median Family Income Level (2018)*</th>
<th>$53,600</th>
</tr>
</thead>
<tbody>
<tr>
<td>Available Monthly Rent or Payment (@30% of income level)</td>
<td></td>
</tr>
<tr>
<td>Upper (120% or more of MFI)</td>
<td>$1,608</td>
</tr>
<tr>
<td>Middle (80% to 120% of MFI)</td>
<td>$1,072</td>
</tr>
<tr>
<td>Low (50% to 80% of MFI)</td>
<td>$670</td>
</tr>
<tr>
<td>Very Low (30% to 50% of MFI)</td>
<td>$402</td>
</tr>
<tr>
<td>Extremely Low (less than 30% of MFI)</td>
<td>$402</td>
</tr>
<tr>
<td>Approximate Attainable Home Price**</td>
<td></td>
</tr>
<tr>
<td>Upper (120% or more of MFI)</td>
<td>$426,000</td>
</tr>
<tr>
<td>Middle (60% to 120% of MFI)</td>
<td>$284,000</td>
</tr>
<tr>
<td>Low (50% to 60% of MFI)</td>
<td>$177,000</td>
</tr>
<tr>
<td>Very Low (30% to 50% of MFI)</td>
<td>$106,000</td>
</tr>
<tr>
<td>Extremely Low (less than 30% of MFI)</td>
<td>$106,000</td>
</tr>
</tbody>
</table>

Notes:
* based on Housing and Urban Development thresholds for Josephine County in 2018
Note, this analysis is generally consistent with 4-person household size characteristics.
** assumes 20% down payment on 30-year fixed mortgage at 3.5% interest.
Source: analysis by FCS Group using Housing and Urban Development data.

Grants Pass home values have increased significantly in recent years. As indicated in Figure 10, median home sales prices in Grants Pass increased to $324,000 in October 2020, up 8.9% annually since 2018. In
comparison with other cities in Southern Oregon, Grants Pass has relatively higher home prices and recorded the sharpest price increase.

**Figure 10: Median Home Sales Price Trends in Selected Markets**

<table>
<thead>
<tr>
<th></th>
<th>Oct-18</th>
<th>Oct-19</th>
<th>Oct-20</th>
<th>Annual Change %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grants Pass</td>
<td>$273,000</td>
<td>$294,000</td>
<td>$324,000</td>
<td>8.9%</td>
</tr>
<tr>
<td>Medford</td>
<td>$283,000</td>
<td>$285,000</td>
<td>$312,000</td>
<td>5.0%</td>
</tr>
<tr>
<td>Ashland</td>
<td>$457,000</td>
<td>$451,000</td>
<td>$469,000</td>
<td>1.3%</td>
</tr>
<tr>
<td>Roseburg</td>
<td>$210,000</td>
<td>$223,000</td>
<td>$239,000</td>
<td>6.7%</td>
</tr>
<tr>
<td>Klamath Falls</td>
<td>$175,000</td>
<td>$187,000</td>
<td>$205,000</td>
<td>8.2%</td>
</tr>
</tbody>
</table>

Source: Zillow.com; analysis by FCS 10/28/20

New housing construction permits issued in the City indicate consistent development activity over the past several years. The City issued new residential construction permits at an average rate of 140 per year between 2015 and 2019; with about 79% for single unit construction (both single unit detached and attached), 14% in duplexes, triplexes and quadplexes, and 7% for multi-unit apartments (**Figure 11**).

**Figure 11: Privately-Owned Residential Units Permitted, Grants Pass (2015-2019)**

<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Single-Family Detached</td>
<td>109</td>
</tr>
<tr>
<td>2-unit structures</td>
<td>14</td>
</tr>
<tr>
<td>3- and 4-unit structures</td>
<td>-</td>
</tr>
<tr>
<td>5+ unit Multi-Family</td>
<td>50</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>173</strong></td>
</tr>
</tbody>
</table>

Source: SOCDS Building Permits Database, accessed 10/22/2020

**9.35 Housing Needs Scenarios**

Based on the population projections described earlier and most current household size estimates of 2.39 people per household (estimate held constant into the future), the total net new housing need within the Grants Pass UGB is forecasted to be 4,055 housing units plus 227 people living in group quarters over the next 20 years (see **Figure 12**). This *baseline housing need forecast* assumes that the current share of group quarters population (includes people residing in congregate care facilities and housing shelters) and housing vacancy rates remain constant. The City of Grants Pass recorded a record-high population of 37,485 in 2019 (July 1 estimate by PSU). Taking into account residents living outside the City but inside the UGB, the Grants Pass UGB population
is currently estimated at 41,691 year-round residents. Since 2000, the population growth rate in the City has outpaced Josephine County (Figure 1).

Long-range population forecasts prepared by PSU anticipate that 9,401 new residents will be added to the Grants Pass UGB over the next 20 years. This equates to a projected annual average growth rate (AGR) of 1.02% for the UGB and less than half of the historic growth rate (see Figure 2).

**Figure 12: Baseline Housing Growth Projection**

<table>
<thead>
<tr>
<th></th>
<th>2020 est.</th>
<th>2040</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grants Pass UGB Population</td>
<td>41,691</td>
<td>51,092</td>
<td>9,401</td>
</tr>
<tr>
<td>Less Group Quarters (2.7%)</td>
<td>1,118</td>
<td>1,371</td>
<td>252</td>
</tr>
<tr>
<td>Pop in Households</td>
<td>40,572</td>
<td>49,722</td>
<td>9,149</td>
</tr>
<tr>
<td>Avg. Household Size</td>
<td>2.39</td>
<td>2.39</td>
<td>0</td>
</tr>
<tr>
<td>Households (year round)</td>
<td>16,976</td>
<td>20,804</td>
<td>3,828</td>
</tr>
<tr>
<td>Vacancy and Seasonal Housing Assumption</td>
<td>5.6%</td>
<td>5.6%</td>
<td>227</td>
</tr>
<tr>
<td>Growth-related Housing Demand (dwelling units)</td>
<td>17,983</td>
<td>22,038</td>
<td>4,055</td>
</tr>
</tbody>
</table>

**Housing Demand by Dwelling Type and Tenancy**

This baseline housing need forecast is generally consistent with the observed current mix of housing types throughout Grants Pass and emerging market trends that emphasize demand for townhomes and apartments. Additional housing forecast scenarios may be considered during the planning process to take into account potential new policy objectives, such as:

- Local policies aimed at incentivizing higher density mixed-use development in the downtown area.
- Preferences to accommodate additional middle-income housing and more retirees, which could increase demand beyond the baseline forecast.
- Preferences to provide a wider range of attainable single-unit housing, including additional development of townhomes, plexes and manufactured home parks.
- Ability to provide adequate infrastructure (water, sewer and road capacity) to create new planned unit developments or single-unit housing subdivisions within the UGB.

**Figure 13: Housing Need by Tenure & Housing Type**

<table>
<thead>
<tr>
<th>Housing Tenure Distribution</th>
<th>Owner-Occupied Dwelling Units</th>
<th>Renter-Occupied Dwelling Units</th>
<th>Vacant Units</th>
<th>Total Dwelling Units</th>
<th>Projected 20-Year Need (Units)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>44.0%</td>
<td>50.4%</td>
<td>5.6%</td>
<td>100.0%</td>
<td>4,055</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Housing Type Distribution</th>
<th>Owner-Occupied Dwelling Units</th>
<th>Renter-Occupied Dwelling Units</th>
<th>Vacant Units</th>
<th>Total Dwelling Units</th>
<th>Projected 20-Year Need (Units)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single Family Detached</td>
<td>88.0%</td>
<td>40.0%</td>
<td>61.4%</td>
<td>61.4%</td>
<td>2,502</td>
</tr>
<tr>
<td>Townhomes / Plexes</td>
<td>3.0%</td>
<td>32.0%</td>
<td>18.5%</td>
<td>18.5%</td>
<td>749</td>
</tr>
<tr>
<td>Multi family (5+ units)</td>
<td>0.5%</td>
<td>25.0%</td>
<td>13.6%</td>
<td>13.6%</td>
<td>551</td>
</tr>
<tr>
<td>Mtg. home/other</td>
<td>10.0%</td>
<td>3.0%</td>
<td>6.3%</td>
<td>6.3%</td>
<td>254</td>
</tr>
<tr>
<td>Total</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>4,055</td>
</tr>
</tbody>
</table>

Group quarters (pop) 227

U.S. Census Bureau, American Community Survey 5-Year Estimates (Tables B25032 and CP04) & previous tables
The baseline housing need forecast (shown in Figure 13) assumes that Grants Pass UGB will need to accommodate 4,055 net new dwelling units over the next 20 years (plus people living in group quarters). This baseline scenario anticipates that the housing demand will include approximately: 2,502 single-unit detached homes (including small lot and standard lot subdivisions); 749 townhomes/duplexes (2 to 4 units per structure); 442 multi-unit dwellings (apartments with 5 or more units per structure); and 254 manufactured housing units.

In addition, it is anticipated that there will also be demand for about 227 people requiring some form of group quarters housing (such as single room occupancy units, congregate care, in-patient care, etc.). For analysis purposes, we have assumed there to be 2 people per group quarters living unit, which would result in the long-term demand for 114 group quarters dwelling units. During the HNA planning process local stakeholders indicated that there appears to be an existing housing “shortage” in Grants Pass that has driven rents and home prices to record highs and forced residents to seek housing in outlying areas. Since Oregon statutes requireHNAs to base future housing needs on projected net new population growth (using forecasts prepared by Portland State University (PSU) Population Research Center), any current market supply gaps cannot be used inHNAs to increase housing forecasts beyond what would be required to address the “official” PSU population growth forecast. Quantifying existing “affordability” gaps in existing housing inventory for a point in time is difficult. However, findings from this report and resulting policy changes are intended to help foster a higher rate of housing production in Grants Pass which eventually would be accounted for in future PSU population growth forecasts. While this approach may not immediately address current housing gaps, we would expect to see housing shortages diminish over time once housing production increases and buildable land inventories and HNAs are updated.

9.40 BUILDABLE LAND INVENTORY

In accordance with OAR 660-008-0005 (2), an estimate of buildable land inventory (BLI) within the Grants Pass Urban Growth Boundary (UGB) has been created to determine that amount of land available to meet housing needs. The BLI analysis uses the most current Geographic Information Systems (GIS) data provided available for the Grants Pass UGB.

9.41 Buildable Land Inventory Methodology

The objective of the residential BLI is to determine the amount of developable land available for future residential housing development within the UGB. The steps taken to perform this analysis are as follows:

1. **Calculate gross acres** by plan designation, including classifications for fully vacant and partially vacant parcels. This step entails “clipping” all of the tax lots that are bisected by the current UGB to eliminate land outside current UGB from consideration for development at this time. City staff input was provided to provide a level of quality assurance to review output is consistent with OAR 660-008-0005(2).

2. **Calculate gross buildable acres** by plan designation by subtracting land that is constrained from future development, such as such as existing public right-of-way, parks and open space, steep slopes, and floodplains.

3. **Calculate net buildable acres** by plan designation, by subtracting future public facilities such as roads, schools and parks from gross buildable acres.

4. **Determine total net buildable acres by plan designation** by taking into account potential redevelopment locations and mixed-use development opportunity areas. The detailed steps used to create the land inventory are described below.
Residential Land Base

The residential land base reflects current Grants Pass Comprehensive Plan land use designations. Properties that are within the residential land base include the following base zone classifications:

Residential Land Use Classifications

- Low Density (LR)
- Moderate Density (MR)
- Moderate High Density (HR)
- High Density (HRR)

These classifications have been kept consistent throughout the analysis.

Land Classifications

The next step in the BLI analysis includes classifying each tax lot (parcel) into one of the following categories.

**Vacant land**: Properties with no structures or have buildings with very little value. For purpose of the BLI, residential lands with improvement value less than $10,000 are considered vacant. These lands were also subjected to review using satellite imagery via Google Earth; and if the land is in a committed use such as a parking lot, an assessment has been made to determine if it is to be classified as vacant, part vacant or developed.

**Partially vacant land**: Properties that are occupied by a use (e.g., a home or building structure with value over $10,000) but have enough land to be subdivided without the need for rezoning. This determination is made using tax assessor records and satellite imagery. For lots with existing buildings, it is assumed that ¼ acre (10,890 sq. ft.) is retained by each existing home, and the remainder is included in the part vacant land inventory.

**Vacant Undersized**: Properties that are vacant or part-vacant with less than 3,000 sq. ft. of land area.

This category is excluded from the vacant land inventory since these lots are not likely large enough to accommodate new housing units. However, it is possible that some may be suitable for accessory dwelling units (ADUs).

**Developed & Non-Residential Land Base**: Properties unlikely to yield additional residential development for one of two reasons: they possess existing structures at densities that are unlikely to redevelop over the planning period; or they include parcels with Comprehensive Land Use Plan designations that do not permit housing development.

**Public and Constrained (unbuildable) land**: Properties which are regarded as unlikely to be developed because they are restricted by existing uses such as: public parks, schools, ballfields, roads and public right-of-way (ROW); common areas held by Homeowners Associations, cemeteries; and power substations. In cases where public-owned land does not fall into one of the above-mentioned categories and is planned or zoned to allow housing, those tax lots are included in the vacant or part-vacant residential land inventory.

These tax lot classifications were validated using satellite imagery, building permit data, and assessor records. Preliminary results were refined based on City staff and public input received during the Housing Needs Analysis (HNA) planning process.
Development Constraints

The BLI methodology for identifying and removing development constraints is consistent with state guidance on buildable land inventories per OAR 660-008-0005(2). By definition, the BLI is intended to include land that is “suitable, available, and necessary for residential uses.”

“Buildable Land” includes residential designated land within the UGB, including vacant, part vacant and land that is likely to be redeveloped; and suitable, available and necessary for residential uses. Public-owned land is generally not considered to be available for residential use unless the underlying zoning permits housing. It should be noted that “available” in this context does not mean that the land is presently on the market. It is assumed in this analysis that such land is expected to come on the market within the 20-year timeframe of this study.

Land is considered to be “suitable for housing development” unless it is:

- Is severely constrained by natural hazards as determined by the Statewide Planning Goal 7;
- Is subject to natural resource protection measures determined under Statewide Planning Goals 5, 6, 15, 16, 17 or 18;
- Has slopes over 25 percent;
- Is within the 100-year flood plain; or
- Cannot be provided or served with public facilities

Based on state guidelines and data provided by the City of Grants Pass, the following constraints have been deducted from the residential lands inventory.

- Land within floodplains. This includes lands in flood-hazard areas (the 100-year floodplain).
- Locally-designated significant wetlands. This includes lands within 50 feet of a wetland.
- Land within Parks and Natural areas that are protected from future development.
- Land with slopes greater than 25%.

9.42 Residential Buildable Land Inventory Results

Land Base

A summary of the land base by plan designation is provided in Figure 14. The findings indicate that there are 4,640 gross developed acres of residential land and 1,031 acres of gross vacant residential land totaling 5,670 acres zoned for residential uses in Grants Pass.
Constrained Land

Before the deduction for future public facilities, the vacant residential land base is adjusted to reflect tax lots which exempt residential development, publicly owned tax lots, and public right-of-way⁵, as described previously. Environmental constraints (slopes, floodplains, wetlands, etc.) are removed in this step as well. The results summarized in Figure 15 indicate that after accounting for development constraints, the Grants Pass UGB has 480 acres of vacant buildable residential land.

Figure 15: Unconstrained and Non-Exempt Vacant Land by Plan Designation, Grants Pass UGB

Buildable Land After Future Public Facilities

The BLI methodology calculates the residential land base after accounting for the constraints described previously. The findings indicate that out of a total of 5,570 gross acres, 4,640 acres are committed (derived from Figure 14), 260 acres are exempt, and 291 acres are environmentally constrained (derived from Figure 15).

The final deduction to the BLI, includes a 25% allowance for future public facilities and future right-of-way. As indicated below in Figure 16, Grants Pass UGB has a total of 360 vacant unconstrained residential land available over the next 20 years.

---

⁵ Includes right-of-way that is defined as a tax lot in the GIS database, which exempts residential development. This includes most major existing right-of-way which is excluded from the buildable land base.
Figure 16: Vacant Buildable Land and Future Public Facilities Allowance, Grants Pass UGB

<table>
<thead>
<tr>
<th>Plan Designation</th>
<th>Unconstrained Non-Exempt Vacant Land</th>
<th>Future Public Facilities Allowance</th>
<th>Total Net Buildable Vacant Land</th>
</tr>
</thead>
<tbody>
<tr>
<td>HR</td>
<td>83</td>
<td>21</td>
<td>62</td>
</tr>
<tr>
<td>HRR</td>
<td>51</td>
<td>13</td>
<td>39</td>
</tr>
<tr>
<td>LR</td>
<td>274</td>
<td>68</td>
<td>205</td>
</tr>
<tr>
<td>MR</td>
<td>72</td>
<td>18</td>
<td>54</td>
</tr>
<tr>
<td>Grand Total</td>
<td>480</td>
<td>120</td>
<td>360</td>
</tr>
</tbody>
</table>

Source: Grants Pass Buildable Land Inventory; 3J Consulting

**Partially Vacant Residential Land**

In addition to vacant land, the BLI also includes a part-vacant land category. As noted above, partially vacant land includes properties that are occupied by a use (e.g., a home or building structure with value over $10,000) with enough land to be subdivided without the need for rezoning. As shown in Figure 17, after removing environmental constraints and exempt parcels, there are 1,037 part vacant acres that could be subdivided for development. After applying the 25% allowance for future public facilities, 778 acres of part vacant residential land are available for development in Grants Pass.

Figure 17: Part Vacant Buildable Land and Future Public Facilities Allowance, Grants Pass UGB

<table>
<thead>
<tr>
<th>Plan Designation</th>
<th>Unconstrained Non-Exempt Part Vacant Land</th>
<th>Future Public Facilities Allowance</th>
<th>Total Net Buildable Part Vacant Land</th>
</tr>
</thead>
<tbody>
<tr>
<td>HR</td>
<td>247</td>
<td>62</td>
<td>185</td>
</tr>
<tr>
<td>HRR</td>
<td>59</td>
<td>15</td>
<td>44</td>
</tr>
<tr>
<td>LR</td>
<td>506</td>
<td>126</td>
<td>379</td>
</tr>
<tr>
<td>MR</td>
<td>226</td>
<td>56</td>
<td>169</td>
</tr>
<tr>
<td>Grand Total</td>
<td>1,037</td>
<td>259</td>
<td>778</td>
</tr>
</tbody>
</table>

Source: Grants Pass Buildable Land Inventory; 3J Consulting

**Total Developable Residential Land**

**Figure 18** shows the combination of net developable vacant and part vacant residential lands in the Grants Pass UGB. The Grants Pass UGB has a buildable land inventory of 247 acres of Moderate High Density land (62 vacant and 185 part vacant); 83 acres of High Density land (39 vacant and 44 part vacant); 223 acres of Moderate Density land (54 vacant and 169 part vacant); and 585 acres of Low Density land (205 vacant and 379 part vacant). Conclusions regarding the sufficiency of this buildable land inventory will be drawn in the next chapter.
Figure 18: Net Buildable Vacant and Part Vacant Residential Land, Grants Pass UGB

<table>
<thead>
<tr>
<th>Plan Designation</th>
<th>Vacant</th>
<th>Partially Vacant</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>HR</td>
<td>62</td>
<td>185</td>
<td>247</td>
</tr>
<tr>
<td>HRR</td>
<td>39</td>
<td>44</td>
<td>83</td>
</tr>
<tr>
<td>LR</td>
<td>205</td>
<td>379</td>
<td>584</td>
</tr>
<tr>
<td>MR</td>
<td>54</td>
<td>169</td>
<td>223</td>
</tr>
<tr>
<td><strong>Grand Total</strong></td>
<td><strong>360</strong></td>
<td><strong>778</strong></td>
<td><strong>1,138</strong></td>
</tr>
</tbody>
</table>

Source: Grants Pass Buildable Land Inventory; 3J Consulting

**Buildable Land by Lot Size**

Figures 19 and 20 show vacant and part vacant land broken down by lot size. This is an important consideration given that, for example, a planned unit development yielding dozens of housing units can only occur on a relatively large, contiguous piece of land. The figures below show average figures prior to the 25% allowance for public facilities.

Figure 19 indicates that over three quarters of buildable vacant land are on relatively small lots (34% on lots of less than one acre and 44% on lots between 1 and 5 acres). Only two lots have more than 10 acres of vacant developable land.

**Figure 19: Vacant Buildable Land by Lot Size**

<table>
<thead>
<tr>
<th></th>
<th>&lt;1 acre</th>
<th>&gt;= 1 acre, &lt;5 acres</th>
<th>&gt;= 5 acres, &lt;10 acres</th>
<th>&gt;=10 acres</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Acres</td>
<td>Lots</td>
<td>Acres</td>
<td>Lots</td>
</tr>
<tr>
<td>HR</td>
<td>37.5</td>
<td>164</td>
<td>24.3</td>
<td>10</td>
</tr>
<tr>
<td>HRR</td>
<td>11.7</td>
<td>42</td>
<td>34.0</td>
<td>18</td>
</tr>
<tr>
<td>LR</td>
<td>78.1</td>
<td>260</td>
<td>132.6</td>
<td>58</td>
</tr>
<tr>
<td>MR</td>
<td>36.6</td>
<td>134</td>
<td>20.0</td>
<td>12</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>163.9</strong></td>
<td><strong>600</strong></td>
<td><strong>211.0</strong></td>
<td><strong>98</strong></td>
</tr>
</tbody>
</table>

Source: Grants Pass Buildable Land Inventory; 3J Consulting

Figure 20 shows that a similar phenomenon is occurring among part vacant developable land with over 80% of buildable part vacant land on parcels less than 5 acres.

**Figure 20: Part Vacant Buildable Land by Lot Size**

<table>
<thead>
<tr>
<th></th>
<th>&lt;1 acre</th>
<th>&gt;= 1 acre, &lt;5 acres</th>
<th>&gt;= 5 acres, &lt;10 acres</th>
<th>&gt;=10 acres</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Acres</td>
<td>Lots</td>
<td>Acres</td>
<td>Lots</td>
</tr>
<tr>
<td>HR</td>
<td>40.8</td>
<td>78</td>
<td>127.5</td>
<td>54</td>
</tr>
<tr>
<td>HRR</td>
<td>16.6</td>
<td>28</td>
<td>35.2</td>
<td>17</td>
</tr>
<tr>
<td>LR</td>
<td>226.8</td>
<td>485</td>
<td>204.5</td>
<td>103</td>
</tr>
<tr>
<td>MR</td>
<td>88.6</td>
<td>178</td>
<td>106.3</td>
<td>56</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>372.8</strong></td>
<td><strong>769</strong></td>
<td><strong>473.5</strong></td>
<td><strong>230</strong></td>
</tr>
</tbody>
</table>

Source: Grants Pass Buildable Land Inventory; 3J Consulting

Figure 19 reflects a map of the net vacant and part vacant residential land in the Grants Pass UGB by plan designation. Part vacant parcels are denoted by a crosshatch overlay. The map also shows the location of environmental constraints. Figures 21-25 show the same data in select quadrants of the city to allow for better legibility.
Commercial and Mixed-Use Land Assumptions

It should be noted that commercial-zoned parcels in Grants Pass are sometimes developed as higher density residential uses. Citywide, about 5.5% of buildable commercial land has developed with a high-density residential component, which includes 57 acres out of a total 1,031 commercial acres. Presently, there are 168.28 vacant, unconstrained, non-exempt commercial acres in the Grants Pass UGB. While it is difficult to project the amount of residential development that is likely to occur on this commercial land, it is reasonable to expect that some of the future apartment demand will be accommodated on land zoned for commercial uses.
Figure 21: Grants Pass Buildable Land Inventory Map

Grants Pass Net Vacant and Partially Vacant Residential Land

Legend
- UGB
- Taxlots
- Rogue River
- Environmental Constraints
- Net Vacant Residential Plan Designation
  - HRR
  - HR
  - MR
  - LR
- Net Partially Vacant Acres

Scale: 0 0.25 0.5 1 Miles
Figure 22: Southwest Grants Pass Buildable Land Inventory Map

Grants Pass Net Vacant and Partially Vacant Residential Land (Southwest)

Legend
- UGB
- Taxlots
- Rogue River
- Environmental Constraints
- Net Vacant Residential Plan_Designation
- HRR
- HR
- MR
- LR
- Net Partially Vacant Acres

0 0.125 0.25 0.5 Miles
Figure 23: North Grants Pass Buildable Land Inventory Map

Grants Pass Net Vacant and Partially Vacant Residential Land (North)

Legend
- UGB
- Taxlots
- Rogue River
- Environmental Constraints

Net Vacant Residential Plan_Designation
- HRR
- HR
- MR
- LR

Net Partially Vacant Acres
Figure 25: Central Grants Pass Buildable Land Inventory Map

Legend
- UGB
- Vac lots
- Rogue River
- Environmental Constraints
- Net Vacant Residential Plan Designation
  - HRR
  - HR
  - MR
  - LR
- Net Partially Vacant Acres

9.50 LAND SUFFICIENCY ANALYSIS
This section provides an estimate of residential development capacity (measured in new dwelling units) and an estimate of the ability of the Grants Pass UGB to accommodate needed new housing units for the 2020 to 2040 period, based on the analysis in the housing needs.

A comparison of 20-year residential land needs (demand) is made relative to the residential buildable land inventory. This provides a means of reconciling housing land demand with buildable land supply within the Grants Pass UGB. The evaluation of UGB land requirements to accommodate the planned housing need included three steps.

**Step 1** takes into account the forecasted number of dwelling units by housing type, including single unit detached, townhomes and plexes, multi-unit, and manufactured homes as well as group quarters population (see Section 9.4).

**Step 2** considers the amount of land required to accommodate the future housing demand based on the expected average development density for each general housing type (see Figure 26).

**Step 3** includes a comparison (reconciliation) between the land need determined in Step 2 and the residential buildable land inventory presented in Section 9.5.

### 9.51 Housing Need Forecast

As discussed in Section 9.4, the forecasted housing mix for Grants Pass includes 4,055 housing units along with 114 group quarters units. This results in net new housing development as follows:

- Single Unit Detached: 2,502 dwellings (including standard and small lot single unit detached housing)
- Townhomes and Plexes: 749 dwelling units
- Manufactured Homes: 254 dwellings
- Multi-unit: 551 dwelling units (includes apartments and condominiums with 5+ units per structure)
- Group Quarters: 114 dwelling units

### 9.52 Residential Land Need summary

The second step in the reconciliation of land needs estimates the amount of net buildable land area required to address the housing growth forecast. This step applies average density assumptions based on Grants Pass local experience (dwellings per acre) to each of the general residential development categories listed in Step 1 to arrive at a total residential land need forecast.
Figure 26: Grants Pass Residential Classifications and Density Assumptions

<table>
<thead>
<tr>
<th>Dwelling Unit Type</th>
<th>20-Year Dwelling Unit Demand</th>
<th>Applicable Plan Designation</th>
<th>Applicable Local Zones</th>
<th>Allowable Density (gross DU per Ac)</th>
<th>Avg. Development Density (net DU per Ac)</th>
<th>Net Buildable Land Requirement (net acres)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single Family Detached</td>
<td>2,502</td>
<td>LR</td>
<td>R-1-12, R1-10, R-1-8</td>
<td>3.96 to 6.22</td>
<td>5.5</td>
<td>455</td>
</tr>
<tr>
<td>Townhomes / Plexes</td>
<td>749</td>
<td>MR</td>
<td>R-1-6, R-2, R-2</td>
<td>8.71 to 12.44</td>
<td>5.8</td>
<td>129</td>
</tr>
<tr>
<td>Manufactured home</td>
<td>254</td>
<td>LR, MR</td>
<td>all of the above</td>
<td>6.22 to 12.44</td>
<td>8.7</td>
<td>29</td>
</tr>
<tr>
<td>Multifamily (5+ units)</td>
<td>551</td>
<td>HR, HRR</td>
<td>R-1-6, R-2, R-4-2, R-5</td>
<td>20 to 50</td>
<td>11.4</td>
<td>48</td>
</tr>
<tr>
<td>Group quarters (@2 people per unit)</td>
<td>114</td>
<td>varies</td>
<td>varies</td>
<td>varies</td>
<td>9.4</td>
<td>12</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>4,169</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td><strong>674</strong></td>
</tr>
</tbody>
</table>

Source: Prior tables; and interpretation of current zoning code and housing development/market conditions.
* Excludes steep slopes and floodzones; includes 25% allowance for public facilities/easements

9.53 UGB Sufficiency Analysis

As shown in Figure 27, the forecasted housing need (4,169 total dwelling units) is expected to require 674 acres of buildable land area. Since the current UGB includes 1,151 acres, we can conclude that there is an overall residential land surplus of 478 acres at this time.

The BLI findings indicate that the existing amount of vacant and part vacant land within the Grants Pass UGB is generally sufficient to accommodate planned 20-year housing needs.

Figure 27: Reconciliation of Residential Land Need

<table>
<thead>
<tr>
<th>Dwelling Unit Type</th>
<th>Applicable Plan Designation</th>
<th>Net Buildable Land Requirement (net acres)</th>
<th>Net Buildable Land Inventory (net acres)</th>
<th>Net Buildable Land Surplus (net acres)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single Family Detached</td>
<td>LR</td>
<td>455</td>
<td>588</td>
<td>133</td>
</tr>
<tr>
<td>Townhomes / Plexes</td>
<td>MR</td>
<td>129</td>
<td>226</td>
<td>97</td>
</tr>
<tr>
<td>Manufactured home</td>
<td>LR, MR</td>
<td>29</td>
<td>*</td>
<td></td>
</tr>
<tr>
<td>Multifamily (5+ units)</td>
<td>HR, HRR</td>
<td>48</td>
<td>337</td>
<td>248</td>
</tr>
<tr>
<td>Group quarters (@2 people per unit)</td>
<td>varies</td>
<td>12</td>
<td>*</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>674</strong></td>
<td><strong>1,151</strong></td>
<td><strong>478</strong></td>
</tr>
</tbody>
</table>

* analysis assumes these housing types are primarily developed in HR, HRR plan designations.
9.60 FINDINGS

- The population of Grants Pass is forecast to grow at 1.02% per year over the next two decades, adding 9,401 new residents.

- Population growth will require the addition of 4,055 new traditional dwelling units over the next 20 years as well as 114 group quarters dwellings.

- About 60% of the future housing need will consist of single unit detached housing, 18% will be a mix of townhomes and plexes, 13% will be apartments, 6% will be comprised of manufactured housing and about 3% will be in group quarters such as dorms and congregate care facilities.

- The results of the housing needs analysis indicates that the current UGB is sufficient to accommodate future housing needs.

9.61 Housing Policy Goals

As part of the HNA process, the consultant team met with City staff and the HNA Advisory Committee to discuss potential housing policies that cities throughout Oregon have implemented to address various housing issues, which are summarized in OAR 660-038-0190(5) measures to accommodate needed housing in the UGB.

Grants Pass HNA Policies and Objectives

Goal: Ensure the availability of adequate numbers of needed housing units at price ranges and rent levels commensurate with the financial capabilities of Grants Pass households, and allow for flexibility of housing location, type, and density.

Land Availability

1. In compliance with ORS 197.296, plan for a 20-year supply of suitable land for Grants Pass to meet housing needs within the existing Urban Growth Boundary. Coordinate with Josephine County as required by the State Housing Goal to ensure a fair allocation of housing types and densities.

2. Update the Housing Needs Analysis at least every 10 years and whenever actual population growth exceeds growth forecasts for three out of five years.

3. Revise Comprehensive Plan land use designations and Development Code as needed to meet the housing needs identified in the Housing Needs Analysis.

4. Direct development opportunities to vacant or partially vacant land as identified in the Buildable Lands Inventory and Housing Needs Analysis.

5. Maintain the Land Use Map, Zoning Map, Overlay Maps and Development Code to provide opportunities for a variety of housing types, densities, and locations within the urban growth boundary.

6. Complete an annual evaluation of progress on the Housing Needs Analysis goals and growth targets.
Housing Needs

7. Evaluate and address local barriers to residential development.
8. Streamline land use and development processes to incentivize the timely and efficient development of housing.
9. Permit a variety of housing types across all residential zones, including single-unit, middle housing, manufactured housing, and multi-unit types. Focus on expanding opportunities for housing types which are shown to be related to lower housing costs.
10. Create pre-approved middle housing floorplans to encourage middle housing development.
11. Reduce minimum lot sizes in low-density zones to increase the efficiency of single-unit and middle housing.
12. Establish minimum densities in medium and high-density zones.
13. Increase maximum building height in higher density zones.
14. Simplify the permit process to convert single-unit dwellings in commercial zones to mid-to-high density multi-dwelling housing.
15. Support efforts by nonprofit organizations and for-profit entities to provide housing for special needs populations. (Group quarters, independent living for seniors, assisted living, memory care, mental health facilities, drug and alcohol rehab, etc.).
16. Promote and incentivize mixed-use areas to connect households to a variety of transportation options, medical and social services, commercial centers, and recreation amenities.
17. Direct funds and program support to rehabilitate existing housing within Grants Pass.
18. Plan infrastructure and utilities to support housing development within the urban growth boundary, especially areas identified as likely for infill development.

Housing Affordability and Homelessness

19. Support public, private, and nonprofit agencies and organizations to facilitate affordable housing development and maintenance.
20. Dedicate City resources to support public and private housing and associated programs/services to community members experiencing homelessness.
21. Identify surplus publicly owned properties that could be used for affordable housing and leverage these assets through public-private partnerships and other avenues.

Funding and Incentives

22. Implement a variety of incentives to support subsidized, low income and workforce housing. These incentives may include:
   a. Waiving or deferring fees and system development charges
   b. Adopting or amending criteria for property tax exemptions or freezes
   c. Providing density bonuses with the development of affordable housing
   d. Requiring the lowest off-street parking standards necessary to still meet community needs in order to reduce land used for parking and reduce housing costs
   e. Utilize Multi-Unit limited tax exemption (MULTE) program
23. Identify funding sources to increase housing affordability and support subsidized housing programs and infrastructure development. Funding sources may include:
   a. Assessing a construction excise tax
   b. Dedicating a portion of Urban Renewal funding
c. Implementing Local Improvement Districts

d. Proceeds from the sale of surplus property

e. Dedicating a portion of System Development Charges

f. Short-term rental lodging tax
## CITY OF GRANTS PASS

## COMPREHENSIVE PLAN POLICY INDEX

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<td>8. Economy</td>
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<td>9. Housing</td>
<td>20</td>
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<tr>
<td>10. Public Facilities and Services</td>
<td>22</td>
</tr>
<tr>
<td>11. Transportation (replaced by the Grants Pass Urban Area Master Transportation Plan adopted December 1997, not included in this document)</td>
<td>29</td>
</tr>
<tr>
<td>12. Energy Conservation</td>
<td>29</td>
</tr>
<tr>
<td>13. Land Use</td>
<td>31</td>
</tr>
</tbody>
</table>
1. LOCATION

. Note

The Data Base portion of the Comprehensive Plan describes the location of Grants Pass relative to the amenities that make the City an enjoyable and desirable place in which to live. In addition, the geography of the City is presented at the local, state and regional level.

No policies result from the findings made.
2. CITIZEN INVOLVEMENT

. Goal

To develop a citizen involvement program that insures the ongoing involvement of citizens in all phases of the land use planning process.

. Policies

2.1 Land Use actions shall be reviewed as provided in the Development Code, with the degree of public participation fitting the extent of impact of the proposed land use action, as provided in Policy 13.1.2 of the Plan. The Development Code shall include provisions for adequate, timely and informed review, including notices bearing complete and easily understood information needed by the general public to make an informed opinion.

2.2 Where a land use issue or action may have an impact upon a particular neighborhood, ward or special interest group, or may affect large numbers of Urban Growth Boundary residents and property owners, special workshop sessions shall be held to assure access by affected citizens to all phases of the land use decision making process.

2.3 The Council shall adopt a Citizen Involvement Program to assure adequate citizen involvement in land use issues and actions. The program shall contain provisions for communications between citizens and elected or appointed officials, assistance for the provision and interpretation of technical information, mechanisms for responding to individual citizen input, and financial support.

2.4 The citizen involvement program shall include a Citizen Involvement Committee (CIC) composed of representatives of the City Council, Planning Commission, standing committees and citizens at large. The responsibilities of the citizen involvement committee shall be to assist in the development of the citizen involvement program, to assist in implementing the program, and to evaluate the effectiveness of the program annually.

2.5 The citizen involvement program shall contain procedures for the establishment and change of the program and committee, standards for review of the program, and explicit provisions for the general charge and specific tasks of the citizen advisory committee.
3.0 SCENIC, ROGUE RIVER, HISTORIC AND NATURAL RESOURCES

. Goal

To conserve, restore and enhance the area's scenic river, historic and natural resource.

. Policies

. Scenic

3.1 The City and County will explore the creation of a scenic route and major gateway overlay designation on the UGB land use map. The scenic overlay will be used to determine those major arterial routes through, and major entrances to, the city of Grants Pass and the urbanizing area frequented by the traveling public, where special landscaping or other scenic enhancement is appropriate.

3.2 The City will work cooperatively with the County seeking to jointly review, and appropriately control, large-scale development or disruptive uses on lands visible from the city and under County jurisdiction.

3.3 The City will work to preserve and enhance the scenic views of Caveman Bridge through the following actions:

A. Working cooperatively with the Oregon Department of Transportation, trees in the 6th Street right-of-way within 100 feet of the bridge will be preserved and replanted (as necessary); and

B. Trees in Riverside Park near the bridge will be preserved and replanted (as necessary).

3.4 The City will develop new and enhance existing viewpoints of Caveman Bridge.

3.5 The City will continue to maintain and enhance existing parks and open spaces.

3.6 The City will continue to add new parks and open spaces following guidance in the Parks Master Plan.

. Rogue River

3.7 The City shall recognize the Rogue River as the most significant natural and economic resource. Further, the City shall recognize the development opportunities of the river by the institution of "Riverfront Tourist Commercial Zones". These special commercial zones found in scenario 4 of the RRP and located at either existing or proposed bridges, would provide for development standards as well as
provide specific allowable uses for each Riverfront Tourist Commercial Area. It is highly desirable that the new zoning allow for mixed use development (residential, commercial, retail, office); however, due to the limited space available, uses which either require or depend on a river location shall be higher priority.

3.8 The city shall recognize the river as the predominant visual feature in the community by the institution of a "Scenic Overlay Zone", to occur along the entire length of the river within the urban growth boundary; the width of the zone should correspond to the width of the River Corridor. This zone shall include:

- The creation of a design review board which would review all projects within the overlay zone for their design aesthetics and compatibility with the environmental setting.

- The creation of design guidelines to be utilized by the proposed design review board as well as by staff and other discretionary commissions.

- The creation of public viewpoints in the locations as designated in the RRP

3.9 In conjunction with the above policy and policies under the Fish, Wildlife and Natural Resource Section of this element, the city shall institute the necessary ordinances for the protection and restoration of the riparian and wetland habitats along the river. This new ordinance must address the removal of river vegetation, the erosion of the riverbank, the allowable recreational uses of the waterway and the potential impact on aquatic and terrestrial wildlife.

3.10 In concert with policies 7.5, 7.6 and 7.7, the city shall develop a bicycle and pedestrian trails system. This system may link the proposed Riverfront Tourist Commercial Zones as well as provide linkage to the downtown and other community trails system. Further, the city may provide access to the river's edge at areas designated in the RRP and other suitable areas.

The above trails and access points shall be acquired by the city either through easements, development conditions and (or) direct public purchase.

Historic

3.11 Within twelve months of adoption of the Comprehensive Plan, the City shall establish an Urban Area Historical Buildings and Sites Commission, whose primary function is to facilitate the preservation, conservation, restoration, rehabilitation or upkeep of historic buildings, structures and historical areas within the City of Grants Pass, and advise the City Council in land use actions affecting historic structures, sites and areas.

3.12 Within sixteen months of adoption of the Comprehensive Plan, the Development Code shall include a process of designation and review for structures, sites and areas considered indicative of the City’s historical heritage, which will assist participating
property owners in qualifying for federal, state or local financial assistance programs.

Fish, Wildlife and Natural Resources

3.13 The City and County shall coordinate development policies with the Oregon Department of Fish and Wildlife to prevent the degradation of aquatic habitats, recognizing the role these habitats play in the area’s economic well-being.

3.14 The City and County shall act to conserve and enhance the quality and character of the Rogue River and its tributary streams, protecting streamside vegetation and discouraging the channelization, diking and filling of stream channels.

Locally significant wetlands mapped in the Local Wetlands Inventory shall be protected by buffers, appropriate to their identified class and function, to preserve habitat and protect and enhance water quality.

Aggregate

3.15 The aggregate resource site located in the southwest subarea opposite the City’s sewage treatment plant shall be utilized. Seasons and methods of operation may be regulated to lessen impact upon the surrounding area.

General

3.16 Within sixteen months of adoption of the Comprehensive Plan, the Development Code shall act to facilitate these Scenic, Rogue River, Historic and Natural Resource policies, and shall contain a balanced mix of positive incentives (Which may include economic incentives, density transfer, clustering, planned unit developments, density incentive, rapid review procedures, clear and measurable standards, etc.), as well as exactive requirements (which may include mandatory reviews, dedication, easement or development requirements, etc.), as needed to assure the realization of these policies.
4. ENVIRONMENTAL RESOURCE QUALITY

- **Goal**
  To maintain and improve the quality of the air, water and land resources of the area.

- **Policies**

4.1 The City and County shall affect air quality by:

(a) coordinating the maintenance of air quality with the State Clean Air Implementation Plan.

(b) cooperating with the State Department of Environmental Quality, the County Health Department, organizations and individuals for the ongoing monitoring of air pollutants in the UGB airshed.

(c) continuing and augmenting the program of paving unpaved roadways within the UGB, including alleys.

4.2 The City and County shall:

(a) evaluate the need for a local noise ordinance utilizing DEQ Noise Control Regulations and Model Noise Ordinance within 16 months of adoption of the Comprehensive Plan.

(b) coordinate land use planning with the DEQ Noise Control Regulations, especially the regulations for industry and commerce.

(c) locate noise sensitive land uses, such as residential, away from noise sources wherever possible.

(d) explore the requirement of noise abatement measures in residential developments that are located adjacent to noise sources such as highways, major streets, railroads, industrial and commercial areas.

4.3 The City and County shall affect water quality by:

(a) coordinating land use activities with the State Department of Environmental Quality River Basin Plan, the 208 Water Quality Plan and the National Pollutant Discharge Elimination System Permit requirements. If waterways within the city are declared water-quality limited by the Oregon Department of Environmental Quality, the City will work with DEQ to develop an appropriate pollutant load reduction strategy implementation plan in response to a Total Maximum Daily Load (TMDL) determination developed for the watershed.
(b) encouraging the development of land that minimizes the area of impervious surface and/or provides for storm-water retention. Runoff that cannot be infiltrated shall be managed so that (a) the peak flow of the receiving stream is not significantly increased and (b) water quality is maintained.

(c) maintaining all public parking lots and streets in as litter-free and chemical-free condition as possible, and encouraging private owners to maintain parking lots and driveways in as litter-free and chemical-free condition as possible.

(d) increasing the hydraulic capacity of the City's wastewater treatment plant.

(e) identifying improperly abandoned groundwater wells in the UGB area, requiring that the wells be properly capped or sealed, and continuing to monitor the salt intrusion into wells in use.

(f) regulating site planning for new development and construction to better control drainage and erosion and to reduce and retain stormwater runoff and protect water quality.

(g) regulating the location of permitted uses that may have higher than ordinary impacts on water quality, particularly those that generate, store, or use hazardous waste or materials.

(h) increasing public awareness of techniques and practices private individuals can employ to correct water quality and quantity problems.

(i) regulating the cutting of trees and encouraging the reforestation and revegetation of appropriate trees in the city.

4.4 The City and County shall affect land quality by:

(a) coordinating the disposal of solid waste with the Josephine County Solid Waste Management Plan.

(b) evaluating the long term needs for sludge disposal and considering alternatives to liquid land application.

4.5 The City and County shall address the environment's carrying capacity by:

(a) complying with applicable state and federal environmental protection standards.

(b) so managing urban development and environmental protection that irreversible damage to the quality of the environment is avoided.
5. NATURAL HAZARDS

. Goal

To reduce the risk of loss of life and damage to property both private and public, due to natural hazards.

. Policies

5.1 Geologic, Slope, Soils and Erosion Hazard

5.1.1 The city and county shall place a slope hazard overlay designation on the UGB land use map. The slope hazard overlay shall be used to determine areas within the boundary with slopes greater than 15%.

5.1.2 The Development Code shall contain standards for development related to the degree of hazard from slope and soil type. The soils classification of the U.S. Soils Conservation Service shall be used as a general guide only for determining hazard areas. The Development Code shall provide methods to modify the required development standards as a result of more precise and site-specific slope and soil characteristics information.

5.1.3 Within 18 months of adoption of the Comprehensive Plan, the Development Code shall provide definitive guidelines for the routing and design of roads in steep areas to minimize environmental damage, maintain natural drainage patterns, and conform to the general topography.

5.1.4 The Development Code shall act to facilitate these slope and soils hazard policies, and shall include a balanced mix of positive incentives (which may include density transfers, clustering, administrative appeal from requirements based on more precise information, etc.), as well as exactive requirements (which may include density reduction, development requirements, etc.).

5.1.5 Development on hillsides shall not endanger life and property or land and aquatic resources determined to be environmentally significant.

5.1.6 On tree-covered hillsides, development shall be designed to preserve as many trees and as much natural vegetation as possible.

5.1.7 The City shall require certain land disturbing activities associated with construction and improvements to employ erosion control prevention to control stream sedimentation.

5.1.8 Standards for hillside protection will require use of construction techniques that reduce sediment transport and peak storm flows by minimizing erosion and surface water runoff.
5.2 Flood Hazard

5.2.1 The city and county shall maintain an active involvement in the National Flood Insurance Program.

5.2.2 The city and county shall place a flood hazard overlay designation on the UGB Land Use Map. The flood hazard overlay shall be used to determine areas within the Boundary subject to flood hazard in accordance with the Grants Pass and Josephine County Flood Insurance Studies, pursuant to the National Flood Insurance Program.

5.2.3 The Development Code shall regulate development within the 100-year floodplain and floodway as required to maintain participation in the National Flood Insurance Program.

5.2.4 The Development Code shall provide for methods to determine and appeal the location of the 100-year floodplain and floodway boundaries when there appears to be discrepancies between official mapped boundaries and actual field conditions.

5.2.5 The Development Code shall act to encourage the use or provision of areas suitable for storm water retention, detention, and infiltration, such as wetlands, grassed waterways, seasonal ponds and woodlands.

5.2.6 The city and county shall ensure that all new utilities and public facilities that locate within or pass through the 100-year floodplain do not result in increases in flood levels. Public water systems shall be designed to minimize or eliminate infiltration of flood waters, and public sewer systems shall be designed to minimize or eliminate discharges or infiltration.

5.2.7 The Development Code shall act to facilitate these flood hazard policies, and shall include a balanced mix of positive incentives (which may include density transfers, rapid review procedures, open space credits, etc.), as well as exactive requirements (which may include dedication or easement requirements, development requirements, etc.).

5.2.8 The city and county shall actively participate with Jackson County and other affected agencies in developing strategies to reduce and manage flooding and flood hazard areas.

5.3 Wildfire Hazard

5.3.1 Within 18 months of adoption of the Comprehensive Plan, the Development Code shall act to encourage reduction of fuel concentrations and the construction of fire breaks, which may include utilizing fire resistant or less flammable vegetation, construction of water sources, construction of roads suitable for use by emergency equipment, and provision of loop road systems for residential areas in hilly terrain.
6. POPULATION

. Goal

To base decisions regarding the population to be accommodated within the UGB for the 20 year planning period upon (a) sound, current and accurate demographic and economic data, (b) population projection models that reflect conditions and trends of the area and region, and (c) the desired growth policy of the citizenry and property owners of the planning area.

. Policies

6.1. Planning for the Urban Growth Boundary for the 20-year period from 2007-2027 shall be based on growth at a 2.2% growth rate from a year 2007 population of 37,460 to a year 2027 population of 57,888.

6.2. Sufficient lands capable of full urbanization shall be provided within the Boundary to ensure an adequate choice in the market place for the projected population.

6.3. The City and County shall actively participate in the ten year and five year census efforts of the Federal government.

6.4. The City and County shall ensure a continuous stream of current land-use and development data from all agencies affecting land-use and development within the Boundary, and shall provide for the electronically enhanced storage, retrieval and analysis of this data.

6.5. The City Manager shall prepare an annual report to the Urban Area Planning Commission, the City Council, the Board of County Commissioners and other appropriate Boards and Commissions on the location, type, and degree of development within the Boundary. The annual report shall include information on the cost and availability of various housing types and densities, on the addition to or depletion of the capacity of basic urban services (water, sewer, storm drainage, streets and parks), and the adequacy of serviced, buildable lands for each land use type shown on the Comprehensive Plan Land Use Map.

These yearly reports and analyses shall be used by the City and County to guide revisions to the Comprehensive Plan.
7. RECREATION, PARKS AND OPEN SPACE

. Goal

To provide for the Recreation and Park and Open Space needs of the residents of and visitors to the Grants Pass Urban Growth Boundary area. The provisions shall: ensure the availability of sufficient open spaces for all areas of the UGB; meet the recreational needs of all age groups and types of recreation activities; locate open spaces in a manner that shall protect and enhance natural resources, and minimize hazard to life and property.

. Policies

. General

7.1 The City and County shall act to respect and conserve the natural resources in the area, to protect and enhance the quality and usefulness of the Rogue River, and to recognize that natural beauty is of great significance to the future of the area.

7.2 The City and County should act to increase the variety and number of public and private recreation opportunities and leisure time activities in the area.

7.3 Recreation sites shall be obtained by the City and County when possible so that these open spaces will be preserved for the future, in accord with an adopted Park Plan. Parks development should proceed as needed in order to increase and enhance recreational opportunities in the area.

7.4 Community appearance is a major concern and should be a subject of a major effort in the area. With visitor income as a primary source of future economic growth and development, beauty becomes a matter of basic economic significance. Street tree planting and landscaping, sign regulation and building improvement and painting programs should all be utilized to improve the environment.

. River Parks

7.5 The City shall design parks which meet the recreational needs of the community, protect the significant natural features, minimize environmental deterioration, and where possible, serve as stormwater detention and treatment facilities.

7.6 The City and County shall act to protect and enhance all recreation activities, public and private, utilizing the Rogue River resource, while at the same time avoiding detriment to the resource itself, with its many special and unique qualities.

7.7 The regional River Parks in and adjacent to the Urban Growth Boundary (such as Schroeder, Riverside and Pierce) should be enhanced as river oriented parks. Schroeder and Riverside may also function as neighborhood or community parks,
provided that great care is taken to preserve the basic river orientation and natural character of these river parks.

7.8 In accordance with an adopted Park Plan, the City and County should review the potential of the development of a riverside trail or greenway linking Riverside, Tussing and Schroeder Parks, with an additional tie to the County Fairgrounds via Tussing Park.

School Parks

7.9 The City, County and School Districts should continue to cooperate in the full utilization of the School Park concept, which may include the joint acquisition, development, utilization and maintenance of educational and recreational facilities. The School Park concept should be utilized to realize larger and more usable sites as well as more cost effective utilization than possible with single-use facilities.

7.10 The City, County and School Districts should continue to maintain communications adequate to assure that adjacent schools and parks are appropriately acquired, designed and managed in order to maximize the utility of school grounds and parks to both school children and the general public. The City and County shall pursue an agreement with the school districts, such that the City and County would be consulted prior to and during the design of proposed school facilities, and would have first opportunity to purchase school district grounds and facilities within the UGB for park purposes should such grounds or facilities be offered for sale.

7.11 Neighborhood Parks should be located adjacent to elementary schools, and Community Parks adjacent to middle schools or high schools, whenever possible, and shall be developed as School Parks insofar as practicable. Elementary school sites should be enhanced as neighborhood park facilities wherever adjacent grounds are not available. Potential School Park sites shall be carefully designed both to meet recreation needs and to minimize any impacts disruptive to residential neighborhoods. Where significant natural features are present, there may be needs for different adjacent park types, such as Allen Creek Community Park adjacent to Allendale Elementary School due to the location along the creek.

7.12 Neighborhood parks are particularly needed and their acquisition and development should be pursued, especially in underserved areas as described in the Comprehensive Park and Recreation Master Plan.

Greenways and Trails

7.13 The City and County, in cooperation with School Districts, Grants Pass Irrigation District, utilities and other public and semi-public agencies shall continue to explore the acquisition and development of a greenway and trail network that would connect designated natural resource and recreation sites within, adjacent to and near the UGB.
Fairgrounds

7.14 The County Fairgrounds is an especially valuable asset to the people of the community. The City, County and Fair Board shall take care to preserve the fairgrounds for recreation activity, to protect the site from the encroachment of other public uses which may detract from its basic function, and shall act to enhance and extend the recreational capacity of the site. The City and County shall cooperate with the Fair Board to develop a Master Plan for the development of the County Fairgrounds.

Park and Recreation Plan

7.15 The City and County shall develop, adopt, maintain, and update a Park and Recreation Plan for the Urban Growth Boundary area. Such a Park Plan shall:

(a) determine the number, size and approximate location of park and recreation facilities, greenways and trails deemed necessary to serve the expected population within the Urban Growth Boundary and establish standards and service levels for various park types;

(b) base the facilities determination on a thorough analysis of all types of City and County recreation activities, using and correlating available preference and use data;

(c) utilize organized input from all segments of the community;

(d) recommend implementation and financing strategies for acquiring, developing and maintaining needed park and recreation facilities;

(e) provide continuity with the Park Plans of 1960, 1967, 1969, and 1984 as adopted by City and County, and as followed through by acquisition, expansion and development;

(f) determine the areas of greatest facility need;

(g) assess existing recreation supply and demand, and plan for a balance of needed leisure services, based upon a reasonable balance of service provision and cost sharing by governmental, commercial and private sources.
7.16 The Development Code and city ordinances shall act to facilitate these park, recreation and open space policies, and shall contain a balanced mix of positive incentives (which may include density transfers, density incentives, rapid review procedures, etc.), as well as exactive requirements (which may include dedication or easement requirements, system charges, development requirements, etc.), as needed to assure the realization of these policies.

7.17 The City and County should consider a Capital Improvement Program (CIP) as a tool to help plan for timely and adequate acquisition and development of park and recreation facilities prioritized in the adopted Park and Recreation Plan.

7.18 The City and County shall explore the provision of incentives for park, open space and greenway dedication.

7.19 The 2010 Comprehensive Park and Recreation Master Plan provides more specific Goals (Chapter 2) and Policies and Strategies (Chapter 5) to meet park and recreation needs for the next 20 years. The plan also contains updated database information including a Park and Facility Inventory and Needs Assessment.
8. ECONOMY

. Goal

To improve, expand, diversify and stabilize the economic base of the community.

. Policies

8.1 The City and County shall endeavor to improve, expand, diversify and stabilize the economic base of the community:

(a) by encouraging the location and development of environmentally sound economic activities within the Urban Growth Boundary which meet the occupational and employment needs of area residents, particularly the unemployed and under-employed.

(b) by giving high priority to the extension of full urban services to designated industrial areas of the Urban Growth Boundary in the Capital Improvement Program.

(c) by encouraging and providing support to non-profit economic development organizations and groups which seek to improve employment opportunities within the Urban Growth Boundary.

(d) by insuring that an adequate quality and quantity of industrial land is available, properly zoned and serviced.

(e) by protecting existing and planned commercial and industrial areas from the intrusion of incompatible land uses through land use regulation.

(f) by providing for a timely, efficient, clear and objective development review process.

(g) by applying for state and federal grants which can be used for extension of public facilities to industrial areas or direct financial assistance to new or expanding industries.

8.2 The City and County shall continue to improve their working relationship with each other and with other governmental bodies so as to improve the community's ability to accommodate growth.

8.3 The City and County shall encourage educational and occupational training programs, and make selective resources of the City and County available to public and private agencies for such training programs.
8.4 The acquisition and development of park and recreation facilities, as well as the conservation of natural resources and open space, shall be considered a vital part of the economic development an economic well being of the area, the region and the State, and appropriate efforts shall be made to keep both recreation development and natural resource conservation abreast of growth.

8.5 The implementing ordinances shall act to facilitate these economic policies, and shall contain a balanced mix of positive incentives (which may include rapid review procedure, clear and measurable standards of development, subsidized service extension, etc.), as well as exactive requirements (which may include dedication or easement requirements, system changes, development requirements, etc.), as needed to assure realization of these policies.

8.6 The City and County shall encourage industrial development within the Urban Growth Boundary and the North Valley Industrial Park by:

(a) working with economic development organization and the property owners involved to encourage development of the remaining acres in the Caveman Industrial Park.

(b) providing City water service and fire suppression and prevention services to Josephine County's 85 acre North Valley Industrial Park, and encouraging full development of this park.

(c) completing a facility plan and implementation strategy for the East Grants Pass Industrial area, which will include the extension of Agness Avenue across the Southern Pacific Railroad tracks, and the extension of water along "N" Street and Agness Avenue.

(d) working with economic development organizations and the landowners in the East Grants Pass, industrial area to market their properties in a unified and cooperative manner.

(e) providing City water services south of the Rogue River to the "Redwood Plaza" industrial area.

8.7 (a) The City and County will encourage commercial development at major commercial nodes, which includes the East Grants Pass area around the existing Grants Pass Shopping Center; the Redwood Commercial Triangle South of the Rogue River area and the Downtown area. The City will also encourage infill commercial and office development along Sixth and Seventh Streets, and in the North City commercial area.

(b) In addition, convenience shopping area will be developed in the future in the Redwood area and the Southeast area of Grants Pass. The Rogue River Highway will continue to be used as a commercial strip.
8.8 The City shall assist in maintaining the Downtown commercial area as a vital business and office district by:

(a) following the adopted Downtown Improvement Program, giving high priority to Downtown Improvement projects in its Capital Improvement Program.

(b) making every reasonable effort to involve Downtown property owners and merchants in any improvement projects and proposals regarding the Downtown, and all proposals shall be subject to thorough public discussion before approval by the Council.

(c) providing support to the Towne Center Association in order that they may continue to carry out the "Oregon Main Street Program", which focuses on improvements to the area of organization, promotions, design and economic restructuring.

(d) evaluating the potential for, and provide where possible, long term revenue sources for Downtown improvement, both for the Towne Center organization and for public capital improvements.

(e) encouraging private building owners to maintain and improve their buildings.

(f) improving the efficiency with which the public uses both the off and on-street parking systems.

(g) zoning the Downtown area "Central Business District" which allows building to the property line and does not require any landscaping or off-street parking requirements.

(h) providing zoning designations that allow the eventual build up of residential densities immediately surrounding the Downtown area.

(i) requesting the State Department of Transportation to reconstruct Sixth and Seventh Streets, and to assist in the construction of a new synchronized signal system on Sixth and Seventh Streets.

(j) implementing the Old City Hall/Fire Station plan for improvements and use of those buildings.

Tourism

8.9 The City shall promote tourism, as significant element in the local economy by:
(a) utilizing a portion of the transient room tax for visitors and convention promotion services.

(b) creating a financial mechanism and completing landscaping and sign improvements to the North Interchange area.

(c) supporting the Centennial Commission's efforts toward activities drawing tourists to the area.
9. **HOUSING**

   . **Goal**

   Ensure the availability of adequate numbers of needed housing units at price ranges and rent levels commensurate with the financial capabilities of Grants Pass households, and allow for flexibility of housing location, type, and density.

   . **Policies and Objectives**

   **Land Availability**

   9.1. In compliance with ORS 197.296, plan for a 20-year supply of suitable land for Grants Pass to meet housing needs within the existing Urban Growth Boundary. Coordinate with Josephine County as required by the State Housing Goal to ensure a fair allocation of housing types and densities.

   9.2. Update the Housing Needs Analysis at least every 10 years and whenever actual population growth exceeds growth forecasts for three out of five years.

   9.3. Revise Comprehensive Plan land use designations and Development Code as needed to meet the housing needs identified in the Housing Needs Analysis.

   9.4. Direct development opportunities to vacant or partially vacant land as identified in the Buildable Lands Inventory and Housing Needs Analysis.

   9.5. Maintain the Land Use Map, Zoning Map, Overlay Maps and Development Code to provide opportunities for a variety of housing types, densities, and locations within the urban growth boundary.

   9.6. Complete an annual evaluation of progress on the Housing Needs Analysis goals and growth targets.

   **Housing Needs**

   9.7. Evaluate and address local barriers to residential development.

   9.8. Streamline land use and development processes to incentivize the timely and efficient development of housing.

   9.9. Permit a variety of housing types across all residential zones, including single-unit, middle housing, manufactured housing, and multi-unit types. Focus on expanding opportunities for housing types which are shown to be related to lower housing costs.

   9.10. Create pre-approved middle housing floorplans to encourage middle housing development.

   9.11. Reduce minimum lot sizes in low-density zones to increase the efficiency of single-unit and middle housing.

   9.12. Establish minimum densities in medium and high-density zones.

   9.13. Increase maximum building height in higher density zones.

   9.14. Simplify the permit process to convert single-unit housing in commercial zones to mid-to-high density multi-dwelling housing.

   9.15. Support efforts by nonprofit organizations and for-profit entities to provide housing for special needs populations. (Group quarters, independent living for seniors, assisted living, memory care, mental health facilities, drug and alcohol rehab, etc.).

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9.16. Promote and incentivize mixed-use areas to connect households to a variety of transportation options, medical and social services, commercial centers, and recreation amenities.

9.17. Direct funds and program support to rehabilitate existing housing within Grants Pass.

9.18. Plan infrastructure and utilities to support housing development within the urban growth boundary, especially areas identified as likely for infill development.

**Housing Affordability and Homelessness**

9.19. Support public, private, and nonprofit agencies and organizations to facilitate affordable housing development and maintenance.

9.20. Dedicate City resources to support public and private housing and associated programs/services to community members experiencing homelessness.

9.21. Identify surplus publicly owned properties that could be used for affordable housing and leverage these assets through public-private partnerships and other avenues.

**Funding and Incentives**

9.22. Implement a variety of incentives to support subsidized, low income and workforce housing. These incentives may include:
   a. Waiving or deferring fees and system development charges
   b. Adopting or amending criteria for property tax exemptions or freezes
   c. Providing density bonuses with the development of affordable housing
   d. Requiring the lowest off-street parking standards necessary to still meet community needs in order to reduce land used for parking and reduce housing costs
   e. Utilize Multi-Unit limited tax exemption (MULTE) program

9.23. Identify funding sources to increase housing affordability and support subsidized housing programs and infrastructure development. Funding sources may include:
   a. Assessing a construction excise tax
   b. Dedicating a portion of Urban Renewal funding
   c. Implementing Local Improvement Districts
   d. Proceeds from the sale of surplus property
   e. Dedicating a portion of System Development Charges
   f. Short-term rental lodging tax
10. PUBLIC FACILITIES & SERVICES

. **Goal**
   To provide needed facilities and services for the Urban Growth Boundary area in a timely, orderly, efficient, economic and coordinated manner.

. **Policies**

10.1 General Service Policies

10.1.1 Urban levels of development shall require urban levels of service, as defined by the Implementing Ordinances.

10.1.2 Those who benefit most from the extension of urban services shall be those who pay most of the cost of service extension. Citizens in the developed areas with a full range of services already provided should pay little if any of the costs of extending urban services. Various techniques should be utilized to mitigate the economic impact of service extension to those residents in developing areas who already provide certain of their own services, and to mitigate the economic impact of service extension to those persons on fixed and/or low incomes.

10.1.3 Services shall be provided in an orderly and economic manner. Services provided at public expense should be provided first to those areas most heavily committed to urban development and those areas most actively developing, before extension to less committed areas or to those areas less actively developing. The extension of services with similar physical and/or programmatic requirements should be coordinated where economies will result. The involvement of the private sector is essential in the provision of services, and will determine to a great extent the timing, location and financing means of service extensions.

10.1.4 The division of lands and development of property within the Urban Growth Boundary shall be in accordance with the phased provision of urban services, as provided in the Implementing Ordinances. The type, location and phasing of public facilities and services shall be used by the City and County in a coordinated fashion as factors to direct urban expansion, and to implement land use policies.

10.1.5 Neither the City nor the County shall create special districts within the Urban Growth Boundary for the provision of water, sewer, storm drainage or street improvement services, unless approved by both parties and managed by either the City Council or the Board of County Commissioners. Overlapping and competing layers of political control of the provision of services shall be discouraged.

10.1.6 Services shall be resource effective. Services shall not be extended past the carrying capacity of the resource base of that service, and shall utilize the resource in the most effective way practicable.
10.1.7 The City and County recognize that the provision of necessary services to accommodate the projected growth and land use allocations is a mutual responsibility. The City and County will continue to cooperate with other and with the private sector in the development and use of financial mechanisms and programs that are effective, efficient and equitable. The County recognizes its need to develop new techniques and resources for financing urban level public facilities.

10.1.8 The City and County will develop, adopt and maintain Capital Improvement Programs to meet the needs of the service area. These programs will be used as a guide in the decision making process regarding the expenditures of local public funds on capital projects as well as seeking State and Federal funds.

10.2 Water Service Policies

10.2.1 The City and County shall follow the adopted Water Facilities Plan for the Urban Growth Boundary area when extending and improving water service. Key factors to be utilized in growth management include:

(a) the number, size, location and approximate costs of water treatment, storage and distribution facilities deemed necessary to serve the expected population within the Urban Growth Boundary;

(b) water sources and treatment and distribution modes;

(c) continued input from all segments of the community;

(d) implementation and financing strategies for acquiring, developing and maintaining needed water treatment, storage and distribution; and

(e) determination of the areas of greatest need, including techniques of funding and prioritization for these areas of need.

10.2.2 The City and County shall maintain a continuously updated computerized model of the municipal distribution system. This model shall be available for use at cost by public agencies and private organizations in order to determine questions of service capacity, improvement requirements and improvement cost.

10.2.3 The City and County shall adopt an official Water Facilities Plan Map, showing the location, size and type of existing and future water treatment, storage and distribution facilities called for by the Water Facilities Plan, and such map shall be keyed to the computerized model of the distribution system.

10.2.4 The Development Code shall facilitate these water service policies, and shall contain a balanced mix of positive incentives (which may include density transfers, density bonuses, rapid review procedures, etc.) as well as exactive requirements (which may include dedication or easement requirements, system charges, development
requirements, etc.) as needed to assure the realization of these policies.

10.2.5 The City and County shall maintain a Capital Improvement Program (CIP) which shall include timely and adequate funding to realize the development of facilities required by the Water Facilities Plan, and shown on the Water Facilities Plan Map.

10.2.6 The Water Facilities Plan shall be reviewed and updated periodically as necessary, with major revisions at five year intervals.

10.2.7 Urban level development shall require a public water system, or shall meet requirements of interim development standards as provided by the Implementing Ordinances. Interim Development Standards shall allow development to proceed in a timely and economical manner, prior to full public water system extension, provided the requirements of public safety, health and welfare are met, and the future extension of the public water system is safeguarded.

10.3 Sewer Service Policies

10.3.1 The City and County shall follow adopted Sanitary Sewer Facility and Management Plans for the Redwood, Fruittale-Harbeck and City service districts, including all parts of the Urban Growth Boundary area. The Sanitary Sewer Facility and Management Plans:

(a) determine the number, size, location and approximate costs of sanitary sewer facilities and improvements deemed necessary to serve the expected population within the Urban Growth Boundary;

(b) base the facilities and improvements determination upon a thorough analysis of the Urban Growth Boundary service districts, including present treatment plan capacity, treatment levels and Department of Environmental Quality requirements, collection system age, construction and function, and infiltration and inflow characteristics of the system;

(c) recommend implementation and financing strategies for acquiring, developing and maintaining needed sanitary sewage facilities;

(d) demonstrate continuity with past sanitary sewer plans, as adopted and developed by the City and County;

(e) provide for adequate coordination between the City and County as needed in the expansion and maintenance of the sewer service districts;

(f) determine the areas of highest priority.

10.3.2 The City and County shall maintain an official Sanitary Sewer Facilities Plan Map, showing the location, size and type of existing and future collection and treatment
facilities called for by the Sanitary Sewer Facilities and Management Plan. The map shall also show Service District boundaries.

10.3.3 The Development Code and Development Standards shall act to facilitate these sanitary sewer service policies, and shall contain a balanced mix of positive incentives (which may include density transfers, public funding of oversized lines, rapid review procedures, etc.) as well as exactive requirements (which may include dedication or easement requirements, system charges, development requirements, etc.) as needed to assure the realization of these policies.

10.3.4 The City and County shall maintain a Capital Improvement Program (CIP) which shall include timely and adequate funding to realize the development of facilities required by the adopted Sanitary Sewer Facility and Management Plans, and as shown on the Sewer Facilities Plan Map.

10.3.5 The Sanitary Sewer Facility and Management Plans shall be reviewed and updated periodically as necessary, with major revisions at five year intervals. The revisions to the Sanitary Sewer Facilities and Management Plans shall be used as a basis for revising these policies.

10.3.6 The City and County shall encourage sanitary sewer design that minimizes the cost of sanitary service extensions, and that minimizes the cost of maintaining such extensions.

10.3.7 Urban level development shall require a public sanitary sewer system, or shall meet the requirements of interim development standards as provided by the Implementing Ordinances. Interim development standards shall allow development to proceed in a timely and economical manner, prior to full extension of the sanitary sewer system, provided the requirements of public safety, health and welfare are met.

10.4 Storm Drain Service Policies

10.4.1 The City and County shall follow the adopted Master Storm Drainage Facilities and Management Plan for the Grants Pass Urban Growth Boundary area when extending the improving drainage service. Key factors to be utilized in growth management include:

(a) the number, size, location and approximate costs of storm drainage facilities and improvements deemed necessary to serve the expected population within the Urban Growth Boundary;

(b) the analysis of the UGB drainage basins, using generally accepted runoff projection techniques, including appropriate computer modeling, if possible;

(c) implementation and financing strategies for acquiring, developing and maintaining needed storm drainage facilities;
(d) maintaining continuity with past drainage plans, as adopted and developed by the City and County; and

(e) determination of the areas of highest priority, including techniques of funding and prioritization for these high priority areas.

10.4.2 The City and County shall adopt an official Storm Drainage Facility Map showing the location, size and type of existing and future storm drainage facilities called for by the Storm Drainage Plan. The Storm Drainage Map shall be used to determine service district jurisdiction, and the location of future storm drainage facilities and improvements.

10.4.3 The Development Code shall act to facilitate these storm drainage policies, and shall contain a balanced mix of positive incentives (which may include density transfers, public funding of oversized lines, rapid review procedures, etc.), as well as exactive requirements, system charges, development requirements, etc.), as needed to assure the realization of these policies.

10.4.4 The City and County shall develop a Capital Improvement Program (CIP) within 12 months of adoption of the Comprehensive Plan, which program shall include timely and adequate funding to realize the development of facilities required by the adopted Storm Drainage Plan, and shown on the Storm Drainage Facilities Map.

10.4.5 The Storm Drain Plan shall be reviewed and updated, and revised if necessary, at one year intervals, with major revisions at five year intervals. The revisions to the Storm Drain Plan shall be used as a basis for revising these policies.

10.4.6 The City and County working with the Grants Pass Irrigation District shall explore an agreement that will ensure that the storm drainage use of, and the necessary repairs, improvements and maintenance of the irrigation canal system, are made in a manner consistent with the Storm Drain Plan, and in a timely and cost-effective manner.

10.4.7 The City and County shall encourage storm drainage design that minimizes storm water runoff, including retention, detention, and infiltration areas or facilities, use of vegetative open space, and the preservation of natural waterways.

10.4.8 The City and County shall coordinate the provision of storm drain facilities with the provision of open space called for by the Park Facilities Plan, wherever possible, and to the extent practicable. This coordination shall include retaining drainage channels as close as possible to their natural state, and the use of plan materials and maintenance techniques in storm water retention.

10.4.9 Urban level development shall require urban levels of storm drainage, as provided in the Implementing Ordinances. Interim Development Standards shall allow development to proceed in a timely and economical manner, prior to full extension
and development of the storm drain system, provided the requirements of public safety, health and welfare are met.

10.5 Solid Waste Service Policies

10.5.1 The City and County shall encourage the collection of solid waste within the Boundary area by private, commercial collection services.

10.5.2 The City and County Agreements with the commercial franchise service managing the solid waste landfill at the Merlin site shall include measures to successfully reduce leachate produced at the landfill site, such as uphill trenching and draining, and importation of suitable topsoil to reduce erosion and promote revegetation.

10.5.3 Within 16 months of adoption of the Comprehensive Plan, the City and County shall adopt a Solid Waste Management Implementation Plan, including relevant sections of the Solid Waste Management Plan (1975), which plan shall include:

(a) an ongoing assessment of landfill disposal techniques, with provisions for correction of those techniques as required.

(b) a yearly estimate of landfill capacity and the rates of solid waste generation, including all areas within the landfill site service district as well as the UGB area, and an estimate of when landfill site capacity will be reached.

(c) a recommendation of financing strategies for adequately maintaining and preparing the landfill site, as well as providing for alternative methods of solid waste disposal.

10.6 Police Protection Service Policies

10.6.1 Urban levels of development shall require urban levels of police protection. As the urbanizing area converts from rural to urban levels and intensities of land use over time, police protection should be increased to meet the increased service need.

10.6.2 The City and County shall explore an agreement establishing responsibility for the provision of police protection services within the Urban Growth Boundary over time. This agreement shall consider the costs and benefits of various methods of providing police protection, and shall include financing techniques to mitigate the costs of increased service.

10.7 Fire Protection Service Policies

10.7.1 Municipal water systems shall provide water at fire flow capacities.
10.7.2 Urban levels of development shall require urban levels of fire protection as stipulated by the Implementing Ordinances. The minimum urban level of fire protection for fully developed residential, commercial and industrial areas shall be that qualifying for the insurance underwriters relative classification rating of 5. Provision of fire protection should be phased over time as urban level development proceed without a minimum of a Class 8 rating, nor shall commercial industrial development proceed without a minimum of a Class 9 rating.

10.7.3 The City and County shall explore an agreement establishing responsibility for the provisions of fire protection services within the Urban Growth Boundary area over time. This agreement shall consider the costs and benefits of various methods of providing fire protection, and shall include financing techniques to mitigate the costs of increased service.

10.8 Health Services

10.8.1 Health services should be provided by the private sector. The City and County shall encourage the provision of health services in appropriate locations throughout the Boundary area.

10.9 School Service Policies

10.9.1 The City and County shall maintain an open, ongoing dialogue with the School Districts in a manner that will facilitate the planning efforts of all agencies.

10.9.2 The City and County shall notify the respective School Districts of all residential land use actions within that district in a timely and complete manner, and make development data available to the districts on a regular basis.

10.9.3 The School Districts shall be notified in a timely manner regarding revisions and updates to the Comprehensive Plan that may affect the Districts, and shall be encourage to participate in the revision process.
12. ENERGY CONSERVATION

Goal

To promote the wise and efficient use of all forms of energy.

Policies

12.1 The City and County shall make energy conservation and waste reduction a regular practice in purchasing, operating and maintaining its buildings, vehicles, equipment and facilities such as sewer, water, street, lights, as well as take advantage of renewable energy resource opportunities.

12.2 The City and County shall encourage our residents and businesses to take action to conserve energy and use renewable energy resources. Our efforts shall be coordinated with those of utilities, state and federal agencies, and other organizations.

12.3 Within 12 months the City and County shall revise all land development standards to provide and protect solar access, remove obstacles to energy efficient design, and require energy efficient development when ownership is to be transferred to the City or County upon completion such as water, sewer, and streets.

12.4 The City and County shall encourage efforts within the County for the use of solar, geothermal, wind, hydro, biomass resources and alcohol fuel.

12.5 Within 12 months the City and County shall encourage energy-efficient construction by:

(a) establishing procedures and standards in the Development Code that benefit and protect solar access for the active and passive use of solar energy in new development.

(b) providing incentives in the Development Code for residential developments which implement energy conservation and direct application renewable resource design criteria such as solar orientation, passive space heating, vegetative shading for cooling, and solar access covenants, etc.

(c) providing incentives in the Development Code for residential developments that can demonstrate energy efficient construction which exceed building code requirements.

(d) encouraging power companies and lending institutions to provide incentives for energy efficient construction and the utilization of alternate energy resources and systems.
encouraging programs of other agencies providing for retrofit energy systems and energy conservation techniques.

The City and County shall pursue a more energy-efficient urban form by:

(a) locating higher densities in close proximity to major streets, potential public transit locations, the central business district, shopping and employment centers, schools and parks.

(b) establishing the transportation network in Developing areas around the "superblock concept", reducing travel time to major traffic ways, providing open space, recreation areas and commercial activity in close proximity to residences, and providing an internal greenway pedestrian and bikeway system increasing non-vehicular transportation.

(c) encouraging infill development within Established and Developing areas of the Urban Growth Boundary.
ELEMENT 13. LAND USE

13.1. Purpose and Intent
13.2. Land Use Map
13.3. Areas of Mutual Concern
13.4. Development Procedures
13.5. Comprehensive Plan Amendments
13.6. Urban Growth Boundary Amendments
13.7. Urban Reserves
13.8. Urban Area Planning Commission
13.9. City/County Joint Review Procedure
13. LAND USE

Goal

To provide a vision of the future through maps and policies that shall guide and inform the land use decisions of the present, in such a manner that:

(a) identifies rural lands and separates these lands from urbanizable lands,
(b) provides for an orderly economic and efficient transition from rural to urban land use,
(c) does not exceed the carrying capacity of the area's air, land and water resource,
(d) is responsive to the wishes of the citizens and property owners of the planning area, and
(e) provides adequate amounts of industrial, commercial and residential lands to meet growth needs over the planning period.

Policies

13.1 Purpose and Intent

13.1.1 Data Base Purpose

The Data Base of the Comprehensive Plan depicts the geologic, geographic, physical, historical, economic and social patterns and relationships of the Grants Pass area. The goals and policies of the Comprehensive Plan represent the conscious choices of the Grants Pass community for the future growth and evolution of the area, based upon these patterns and relationships.

13.1.2 Findings, Goals and Policies Purpose:

The adopted Comprehensive Plan is the official statement of the City of Grants Pass which sets forth its policies concerning the future development of the community.

(a) The "Goals" are broad statements of philosophy that describe the desires of the people of the community for the future of the community. The Goals are the ends towards which land use activity is to be directed, and to which policies give operating principles, plans and courses of action.

(b) The "Policies" are plans or definite course of action selected from among all alternatives to guide and determine present and future decisions. Policies are intended to be mandatory and directional, to carry out the Goals, and to serve...
as the basis for specific implementation measure, including land use ordinances, resolutions, and permits.

(c) "Findings" tie the goals and policies to the Data Base in a clear, demonstrative and rational manner.

(d) The Comprehensive Plan is the controlling land use instrument for the City; all development regulations and related actions by the City shall conform to the Comprehensive Plan.

13.1.3 Land Use Map Purpose:

The Comprehensive Plan Land Use Map is a key tool of the Comprehensive Plan, designating the most appropriate use for all real property within the Urban Growth Boundary. The designated land uses are based upon the goals, policies, findings and data base of the Comprehensive Plan.

13.2 Land Use Map

13.2.1 Comprehensive Plan Land Use Map:

The City and County shall adopt a Land use Map as part of this Comprehensive Plan. The Comprehensive Plan Land Use Map shall:

(a) designate the highest and best land use for all portions of the Urban Growth Boundary area, on a parcel-by-parcel basis.

(b) guide and direct changes to the Zoning Map.

(c) meet the demonstrated need during the planning period for residential, commercial, industrial, and public lands as determined by the Comprehensive Plan.

13.2.2 Comprehensive Plan Land Use Designations:

The Land Use Map shall include the following land uses, whose designation are summarized below. Densities may be increased above those specified through incentives and measures provided in the Development Code.

- Low Density Residential: maximum densities of up to 6.22 dwelling units per acre. (Allows Zoning Map Designations of R-1-12, R-1-10, R-1-8)

- Moderate Density Residential: maximum densities of up to 12.44 dwelling units per acre. (Allows Zoning Designations of R-1-6, R-2)
- **Moderate-High Density Residential**: maximum densities of up to 20 dwelling units per acre. Location limited to immediate proximity of Downtown, or the shopping centers in East Grants Pass and the Redwood Interchange, and other areas adjacent to nodes of existing or planned supporting commercial use; employment centers, community and recreation facilities, arterial and collector streets, and/or transit centers to support higher densities while reducing travel demand and maximizing opportunities for alternate modes of transportation. (Allows Zoning Map Designation of R-3 (R-3-1) and R-3-2).

- **High Density Residential**: maximum densities of up to 50 dwelling units per acre. Location limited to immediate proximity of Downtown, shopping centers in East Grants Pass and the Redwood Interchange, and other areas adjacent to nodes of existing or planned supporting commercial use; employment centers, community and recreation facilities, arterial and collector streets, and/or transit centers to support higher densities while reducing travel demand and maximizing opportunities for alternate modes of transportation. (Allows Zoning Map Designation of R-4 (R-4-1), R-4-2, and R-5).

Unless a separate professional office designation is created, areas which are suitable for professional uses, but not for higher residential densities, may also be considered for this designation. However, at the time of designation, the review body should consider some restrictions of higher density residential development until adequate adjacent supporting uses and facilities are planned or provided. Options for establishing restrictions may include, but are not limited to, the use of a Development Agreement restricting use or intensity of use.

- **Office Residential**: provides for office uses where more intensive retail uses may not be suitable, but the primary purpose is to preserve lands for office uses as the primary uses, rather than residential uses as specified in the R-4 zones, where there is a need to maintain those lands for residential use or residential mixed-use. However, if office use is provided as a primary use, residential use is also permitted and encouraged as a secondary use on the same site.

- **Neighborhood Commercial**: provides for small retail and service businesses in residential areas. Limited to maximum area of 20,000 square feet of contiguous land. (Allows Zoning Map Designation of NC, Neighborhood Commercial)

- **General Commercial**: provides for all commercial and professional uses, excepting those requiring on-site manufacture or assembly. Development standards according to adjacent uses and development. (Allows Zoning Map Designation of GC (GC-1) and GC-2, General Commercial)

- **Central Business District**: mixed use District, provides the retail, professional office, and high rise residential core for the City and urbanizing area, and encourages concentrated development. (Allows Zoning Map Designation of CBD, Central Business District)
- **Riverfront Tourist Commercial**: provide for and promote special tourist commercial uses adjacent to the Rogue River where either existing or proposed bridges are located. Uses appropriate to the RTC districts would either need to be located adjacent to the river for their existence or utilize the river's scenic quality for economic development. In addition to providing economic opportunity for the City of Grants Pass, these ordinances will preserve the scenic quality wetland habitat and promote river related recreation. (Allows RTC-I, RTC-II, and RTC-III)

- **Business Park**: mixed used District, provides for light industrial and commercial uses, allows retail sales as accessory use to light industrial and wholesale uses. (Allows Zoning Map Designation of BP, Business Park)

- **Industrial Park**: Industrial Park in campus-like setting, allowing only those industries meeting high performance standards. (Allowing Zoning Map Designation of IP, Industrial Park)

- **Industrial**: provides for those industrial uses with heavier impacts upon their surroundings and need for outdoor functions. Performance standards required, with graduated buffering requirements keyed to adjacent uses. This district shall not include retail commercial (other than service commercial) or other uses incompatible with heavy industry. (Allows Zoning Map Designation of I, Industrial)

**NOTE**: A more generalized designation of 'Employment' for Industrial Lands may be applied prior to determination of Indoor or Outdoor Industrial plan designations and zoning. This designation is not intended to allow for retail use or zones that could develop as either retail or industrial.

### 13.2.3 Plan Map/Zoning Map

The land use designation on the Comprehensive Plan Land Use Map shall be deemed to encompass the Zoning Districts of the Development Code according to the following schedule:

<table>
<thead>
<tr>
<th>Comprehensive Plan Land Use Designation</th>
<th>Urban Area Zoning Ordinance Designation</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Residential Designation:</strong></td>
<td><strong>Allows:</strong></td>
</tr>
<tr>
<td>Low Density</td>
<td>R-1-12, R-1-10, R-1-8</td>
</tr>
<tr>
<td>Moderate Density</td>
<td>R-1-6, R-2</td>
</tr>
<tr>
<td>Moderate-High Density</td>
<td>R-3 (R-3-1), R-3-2</td>
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<tr>
<td>High Density</td>
<td>R-4 (R-4-1), R-4-2, R-5</td>
</tr>
<tr>
<td><strong>Commercial Designation:</strong></td>
<td><strong>Allows:</strong></td>
</tr>
</tbody>
</table>

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Office Residential
Neighborhood Commercial
General Commercial
Central Business District
Riverfront Tourist Commercial

Industrial Designation:

Business Park
Industrial Park
Industrial

Allows:

BP
IP
I

13.2.4 Other Maps

The Development Code shall include a Zoning Map, that shall include Special Purpose District Maps and Utility Maps, which maps and their criteria and standards shall meet the following basic functions:

(a) The Zoning Map shall show currently permitted land uses on a parcel-by-parcel basis, and shall serve as a basis for determining the taxable value of any given parcel. The Zoning Map may show a less intensive land use than shown on the Land Use Map if within the same general category of land use (e.g. R-1-6 in a MR Land Use District).

(b) The Special Purpose District Maps and Standards shall determine which special development standards and review procedures, if any, apply to any given development proposal.

(c) The Utility Maps, together with the Development Standards, shall determine the existing and future location of basic services, (water, sewer, streets, storm drainage, and parks), and shall determine which special development standards, if any, apply to any given development proposal.

13.2.5 Special Purpose Districts

Special Purpose Districts shall be adopted to include at least the following. Other Special Purpose Districts may also be established.

(a) Slope Hazard: delineating areas of slope hazard due to combinations of steep topography and unstable soil, whose primary function is to allocate densities and development standards appropriate to the degree of hazard.

(b) Flood Hazard: delineating areas of flood hazard, whose primary function is to determine location and standards of development appropriate to the degree of hazard.
(c) **Historic**: delineating areas of historic value to the community, whose primary function is to encourage viable and economic use of historic areas while conserving and enhancing the area's historic resources.

(d) **Medical Overlay District**: delineating areas around former and current hospital sites to provide for nearby medical uses and development standards needed for medical facilities within the Grants Pass community. It allows siting of medical uses surrounding a core hospital. It is designed to provide the type of environment suitable for development of medical services and related activities, while reducing the conflicts between uses through appropriate designs.

(e) **Regionally Significant Industrial Area (RSIA)**: delineating area designated by the Economic Recovery Review Council (ERRC) in accordance with applicable state law in which an applicant can request Expedited Industrial Site Plan Review procedures.

13.2.6 Development Code and Map Criteria
The Development Code shall set forth the criteria, standards and procedures for inclusion within and development of real property of a given Land Use District, Zone, Major Classification district, and Special Purpose District.

13.3 Areas of Mutual Concern

13.3.1 Identification:
As appropriate, the City and County shall identify any "areas and items of mutual concern" which may extend beyond the Urban Growth Boundary.

13.3.2 Procedures for Review:
When so designated, the City and County shall establish procedures for notification and review for those areas and items of mutual concern identified.

13.4 Development Procedures

13.4.1 Procedure Types:
The Development Code shall separate land use procedures from land use criteria and development standards. Land use procedures shall be stratified according to the degree of discretionary judgment required, and the magnitude of the impacts of the proposal on the adjacent properties and the community as a whole, as follows:

13.4.2 Expedite Minor Review:
The Development code shall establish procedures for the development review
process which expedite minor development proposals through administrative review, with provisions for public review upon appeal.

13.4.3 Streamline Review Process:

The Development Code procedures shall act to streamline the land development process and eliminate unnecessary delays, and shall contain standards and procedures for land-use actions that are clear, objective and non-arbitrary.

13.5 Comprehensive Plan Amendments

13.5.1 Provision for Amendments:

The Comprehensive Plan is not an inflexible document. It is intended to be responsive to changes in community condition and the attitude. In order to permit such flexibility, and at the same time maintain the integrity of the Comprehensive Plan, it is necessary to amend the Plan from time to time without frustrating its basic purpose.

(a) In order to maintain the validity of community decision-making, the Data Base must be continuously updated, and the implications for decision-making that result from changing data and changing community attitudes should be widely disseminated and discussed.

(b) Goals, Policies, and Findings will require changing over time, as the community changes. Linkage must be maintained between policy and the data base, all land use maps, and the implementing ordinances.

(c) From time to time, the Land Use Map may need to be amended, and yet still maintain the correct linkages to the goals, policies, findings and data base, as well as retaining internal consistency.

13.5.2 Minor and Major Amendments:

The City and County shall mutually revise the Comprehensive Plan from time to time, making both minor and major amendments.

(a) Data Base: Revisions to the Data Base shall be Minor Amendments and shall proceed administratively as follows:

1. Upon special update and analysis requested by the City Manager or City Council;

2. Upon receipt of area or regional data, studies and analyses by other public or semi-public agencies;
3. Upon verification of site specific or area specific studies and analyses performed by the private sector;

4. Continuously as initiated by the Director; and

5. As a part of the City Manager’s Annual Development Report.

(b) **Findings, Goals and Policies:** Amendments to Findings, Goals and Policies shall be either minor or major amendments as follows:

1. Minor amendments, involving minor changes to findings and policies only, at one year intervals upon receipt of the City Manager’s Annual Development Report for that year.

2. Major amendments, involving major changes to findings, goal and policies at five year intervals, two years after the decennial census and quintennial counts taken by the US Census Bureau, upon receipt of the City Manager’s Annual Development Report for that year.

(c) **Land Use Map:** Amendments to the Comprehensive Plan land Use Map shall be either minor or major amendments, as follows:

1. Minor amendments, consisting of quasi-judicial review of land use for one parcel or a group of parcels, shall be considered at any time, using the City Manager’s Annual Development Report as a guide to the need for and appropriateness of such minor amendments.

2. Major amendments, consisting of legislative review of overall patterns of land use within a neighborhood, subarea, or area, or within the City or Urban Growth Boundary as a whole, scheduled at five year intervals, two years following the decennial census and quintennial counts taken by the US Bureau of the Census, using new Census data as a guide to the need and appropriateness of such major amendments.

(d) Notwithstanding (b) and (c) above, minor or major amendments, may be considered at any time upon the mutual consent of the City Council and Board of County Commissioners, using the latest Annual Development Report and revisions to the data base as a guide to the need and appropriateness of such revisions.

13.5.3 **Initiating Amendments.**

**Comprehensive Plan amendments may be initiated as follows:**

(a) A petition submitted by residents or property owners within the Urban
Growth Boundary.

(b) The Planning Commission.

(c) The City Council.

(d) The Board of County Commissioners.

13.5.4 Criteria for the Amendment:

For amending the findings, goals, policies and Land Use Map of the Comprehensive Plan, the City Council and Board of county commissioners shall base their conclusions upon, and adopt findings in consideration of, all the following criteria:

(a) consistency with other findings, goals and policies in the Comprehensive Plan.

(b) A change in circumstances, validated by and supported by the data base or proposed changes to the data base, which would necessitate a change in findings, goals and policies.

(c) Applicable planning goals and guidelines of the State of Oregon.

(d) Citizen review and comment.

(e) Review and comment from affected governmental units and other agencies.

(f) A demonstration that any additional need for basic urban services (water, sewer, streets, storm drainage, parks, and fire and police protection) is adequately covered by adopted utility plans and service policies, or a proposal for the requisite changes to said utility plans and service policies as a part of the requested Comprehensive Plan amendment.

(g) Additional information as required by the review body.

(h) In lieu of item (b) above, demonstration that the Plan as originally adopted was in error.

13.5.5 Joint Review.

Amendments to the Findings, Goals, Policies, and Land Use Maps of the Comprehensive Plan shall be made either jointly by the City Council and Board of County Commissioners or after mutual review of proposed revisions and assurance of compatibility by both the Council and Board. The procedure for joint review shall be provided in Policy 13.9.
13.6 Urban Growth Boundary Amendments

13.6.1 Urban Growth Boundary Purpose and Intent:

The Urban Growth Boundary of the City and County, as adopted and amended, shall:

(a) identify and separate urbanizable land from rural land;

(b) provide for an orderly and efficient transition from rural land uses to urban land uses;

(c) allow for the orderly and economic provision of public facilities and services as needed to accommodate urban development;

(d) contain future urban development within the geographical limits of the Boundary; and

(e) be considered as part of one body with the policies of the Comprehensive Plan, and acted upon in the manner provided for in the Comprehensive Plan.

13.6.2 Boundary Amendments:

The City and County shall mutually amend the Urban Growth Boundary from time to time, making both minor and major amendments.

(a) Minor amendments, involving only the inclusion or exclusion of lands, shall be considered annually, using the City Manager’s Annual Development Report as a guide to the need for and appropriateness of such minor amendments.

(b) Major amendments, involving major changes in the data base, goals and policies, in addition to the inclusion and exclusion of lands, shall be considered at five year intervals, two years following the decennial census and quintennial counts taken by the U.S. Bureau of the Census, using new Census data as a guide to the need and appropriateness of such major amendments.

(c) Notwithstanding (a) and (b) above, either minor or major amendments may be considered at any time upon the mutual consent of the City Council and Board of County Commissioners using the latest Annual Development Report and revisions to the data base as a guide to the need and appropriateness of such amendments.

13.6.3 Criteria for Inclusion

For including real property within the Urban Growth Boundary, the City Council and
Board of County Commissioners shall base their conclusion upon and adopt findings in consideration of the following criteria, as relevant to each inclusion:

(a) The proposed inclusion meets applicable planning goals and guidelines, Statutes, and Administrative Rules of the State of Oregon.

(b) Inclusion of lands within the Urban Growth Boundary (UGB) shall be consistent with the review process and land priority inclusion criteria specified in state law (ORS 197.298, OAR 660-024-0060, and OAR 660-21-0060). When Urban Reserves have been adopted, lands within adopted Urban Reserves shall be the first priority for inclusion within the UGB, consistent with state law.

When lands within adopted Urban Reserves are proposed for inclusion in the UGB, the land use shall be consistent with any adopted land use plans and policies for the Urban Reserve areas, and there shall be demonstrated need to include the lands in the UGB, consistent with state law and the Comprehensive Plan.

(c) The proposed inclusion is consistent with the goals and policies of the Comprehensive Plan.

(d) The applicant has demonstrated need to meet population growth requirement:

1. as defined by residential, commercial, industrial, public, and semi-public land requirements determined by the Comprehensive Plan, as best met by the proposal versus other available alternatives; or

2. as defined by a need to meet the land use requirements of a given area, sub-area or neighborhood of the Boundary, consistent with the Comprehensive Plan policies for that area, sub-area, or neighborhood.

(e) The applicant has demonstrated that the proposed inclusion recognized the development patterns endorsed by the Comprehensive Plan.

(f) Except for lands included within an Urban Reserve in accordance with the provisions of Section 13.7 and applicable state law, lands proposed for inclusion in the UGB shall not have farm resource zoning, whether Exclusive Farm Use (EFU), Farm Resource (FR), or equivalent, unless:

1. The lands are necessary for industrial use, and will be designated only for traded-sector industrial uses, and

2. The inclusion is consistent with the priority requirements of ORS 197.298 and OAR 660-024-0060, and
3. In addition to the above priorities in statute and administrative rule, if
lands with either EFU or FR zoning designations on the Josephine
County Zoning Map could meet the need, priority shall be given to
lands in the FR zone over those in the EFU zone.

(g) The proposed inclusions are contiguous to the Urban Growth Boundary.

(h) The proposed inclusion can be provided with the full range of basic urban
services in an economical manner.

(i) Allow for citizen review and comment.

(j) Allow for review and comment by affected governmental units and other
agencies.

(k) If properties included within the Boundary, the zoning of the included
property shall be consistent with the Comprehensive Plan Land Use Map for
the Urban Growth Boundary.

13.6.4 Criteria for Exclusion (Removal):

For excluding (removing) real property from the Urban Growth Boundary previously
included, the City Council and Board of County Commissioners shall base their
conclusions upon, and adopt findings in consideration of, the following criteria, as
relevant to each exclusion:

(a) The proposed exclusion is consistent with the Planning Goals and Guidelines
of the State of Oregon.

(b) The proposed exclusion is consistent with the Goals and Policies of the
Comprehensive Plan.

(c) The applicant has demonstrated that the need for residential, commercial,
industrial, public and semi-public lands, as determined by the Comprehensive
Plan, will not be significantly affected by the exclusion.

(d) The proposed exclusion is not partitioned or developed to urban levels.
Urban levels are evidenced by partitioning or residential development of
more than one dwelling unit per acre; by basic urban services of sanitary
sewer and/or water systems available to the area; by developed industrial,
commercial and institutional uses, or lands designated for those uses; and by
the availability of sanitary sewer service or public water service to the area.

(e) The proposed exclusion is agricultural land capable of supporting a
commercial agricultural enterprise.
(f) The proposed exclusion is contiguous to the Boundary, and will not leave islands within the Urban Growth Boundary; also, the exclusion area represents a reasonable geographical exclusion in shape, does not preclude services to other lands within the Urban Growth Boundary, and does not constitute a disruption to a neighborhood.

(g) The proposed exclusion cannot be provided with a full range of urban services in an economical manner.

(h) Allow for citizen review and comment.

(i) Allow for review and comment by affected governmental units and other agencies.

(j) If property is excluded from the Boundary, the zoning of the excluded property shall be consistent with the County Comprehensive Plan Land Use Map, except that where sanitary sewer service and/or public water service is available to the property, the zoning of the excluded property shall be Suburban Residential. Urban level zones shall be contained within the Urban Growth Boundary.

13.6.5 Initiation of Revision:

(a) Revisions to the Urban Growth Boundary may be initiated by:

   1. A petition submitted by property owners or their authorized agents.

   2. The Planning Commission.

   3. The City Council.

   4. The Board of County Commissioners.

(b) Signed Petition shall include either:

   A petition signed by all property owners requesting inclusion or exclusion, or a petition signed by property owners requesting inclusion or exclusion within a designated area shown on an assessors map, such that the signatures represent more than half the property owners of more than half the property with more than half the assessed value of the total property shown within the designated area.

13.6.6 Joint Review:

(a) Inclusions or exclusions of real property to the Urban Growth Boundary shall be made jointly by the City Council and Board of County Commissioners.
The procedure for joint review shall be as provided in Policy 13.9.

13.7. Urban Reserves

13.7.1. Urban Reserves

Urban Reserves may be adopted or amended jointly by the City Council and Board of County Commissioners in accordance with the criteria and procedures specified in Oregon Revised Statutes (ORS 195.137-195.145) and Oregon Administrative Rules (OAR 660 Division 21)

The review shall be a Type V procedure with a joint decision by the City Council and Josephine County Board of Commissioners as specified in Section 2.070 of the Development Code and Section 13.9 below. However, any action which requires review “In the Manner of Periodic Review” rather than as a “Post-Acknowledgment Plan Amendment” as specified in Oregon Revised Statutes and Oregon Administrative Rules shall be subject to the jurisdiction and review of the Land Conservation and Development Commission in accordance with the provisions specified in the applicable statutes and administrative rules. As specified in the applicable law, these decisions are not appealable to the Land Use Board of Appeals, and the noticing shall reflect the applicable procedures and requirements rather than those specified in the Development Code that reference appeals to the Land Use Board of Appeals.

13.8. Urban Area Planning Commission


A single Planning Commission, designated the "Urban Area Planning Commission", shall be appointed to serve the Grants Pass Urban Growth Boundary area, both inside and outside the City limits.


13.9. City/County Joint Review Procedure

13.9.1. Joint Review. Except as otherwise provided by Intergovernmental Agreement, joint review as provided in this section by the City Council and Board of County Commissioners shall be required for amendment and revision to the following items:

(a) Comprehensive Plan Data Base.

(b) Comprehensive Plan Findings, Goals and Policies.

(c) Comp Plan Land Use Map.
(d) Urban Growth Boundary.

(e) Urban Reserves.

(f) Mutually adopted Service and Utility Plans.

13.9.2 Database Joint Review.

(a) All administrative revisions to the Database shall be summarized annually, and placed in both the City Manager's and the County Planning Department's annual Development Reports, together with implication for policy making that may result from the Database revisions, including proposed changes to the Comprehensive Plan and Development Code.

(b) Revisions to the Database occurring during the year prior to the Annual Development Report that are significant enough to warrant reconsideration of Comprehensive Plan and Development Code policies, requirements and maps shall be forwarded to the City Manager for City Council consideration and to the Board Chairman for Board of County Commissioners consideration.

(c) The City Council and Board of County Commissioners shall review all Database revisions in an administrative action at a public meeting, and shall determine at the time of such review whether to initiate an amendment to the Comprehensive Plan or the Development Code as a result of the revisions to the Database. The procedure for amendment action so initiated shall be as provided in this Element.

(d) Governing Body Review may be joint, or may be separate. In either case, the revisions to the Database must be found to be consistent by both Council and Board.

13.9.3 Finding/Goal/Policy, Land Use Map, UGB, Urban Reserves, Other Joint Review.

(a) Request for Review. When amending the Comprehensive Plan Findings, Goals, Policies and Land Use Map, the Urban Growth Boundary, the Urban Reserves, or jointly adopted service or utility plans, the jurisdiction initiating the amendment shall notify the other jurisdiction at least 35 days prior to the initial hearing on the matter before the Urban Area Planning Commission, Utility Commission or governing body, as appropriate.

(b) Reply and Comment. At least 10 days prior to the initial hearing, the noticed jurisdiction shall reply, as follows:

1. no comment.
2. comment, with request that the originating jurisdiction conclude the matter.

3. comment, with request for a joint hearing on the matter.

(c) **Notice.** Notice for the joint hearing shall be as provided in the ordinances of the initiating jurisdiction as follows:

1. For Council initiated items, as provided in the Development code, Section 2.060, Type IV Procedure.

2. For Board initiated items, as provided in the appropriate implementing ordinance.

(d) **Hearing Procedure.** Hearing procedure shall be as provided in the ordinances of the initiating jurisdiction as follows:

1. for Council initiated items, as provided in the Development Code, Section 9, Legislative Hearing Guidelines.

2. for Board initiated items, as provided in the Land Use Hearing Rules.

(e) **Governing Body Review.** Following recommendation by the Urban Area Planning Commission, and joint workshops and hearings as appropriate by the governing bodies, the Council and Board shall take joint action on the amendment, as follows:

1. Concur in the amendment action, which for Data Base inclusions, Land Use Map, Urban Growth Boundary, Urban Reserves, or Service and Utility Plan Maps shall mean identical material adopted by both jurisdictions, and for Data Base Supplemental Material, Findings, Goals, and Policies, and Service and Utility Plan Policies, shall mean consistent material adopted by both jurisdictions. Upon concurrence, the amendment shall go forward.

2. Do not concur and call for a rehearing within 45 days. Such rehearing shall be noticed and conducted as provided in Sections 13.9.3(c) and 13.9.3(d) above.

3. Do not concur, and call for a mediated resolution of the matter within 45 days. A mediator acceptable to both parties shall be named within 10 days, and the costs of mediation, if any, shall be shared equally by the Council and Board. The Urban Area Planning Commission may serve as mediator. The mediated proposal shall be presented jointly to Board and Council in a noticed public meeting as provided in
Sections 13.9.3(c) and 13.9.3(d) above.

4. Should the governing bodies fail to concur, as defined in Section 13.9.3(e) (1), at the conclusion of the hearing or upon presentation of the mediated proposal, the Amendment shall not go forward.
**Type I Procedure**

Objective decisions.

Little, if any, discretion required.

Because of minimal or no effect on others, public participation is provided simply by noticing nearby property owners and reviewing their submitted written testimony.

No public hearing held.

Director of Community Development, or his designee, takes action.

Appeal by Type III procedure.

**Type III Procedure**

Complex or subjective decisions.

Discretion required. Delegated quasi-judicial actions required.

Possible significant effect on some persons or broad effect on a number of persons.

In addition to applicant, others affected are invited to hearing to present initial information.

Hearings Officer or Planning Commission holds public hearing, takes action.

Appeal by Type IV procedure.

**Type II Procedure**

Objective decisions.

Moderate discretion required.

Application of the standards may require knowing of some effect upon others.

Nearby property owners invited to respond to a tentative decision.

Director of Community Development holds meeting, takes action.

Lack of agreement escalates process to Type III procedure.

**Type IV Procedure**

Complex or subjective decisions.

Great deal of discretion required. Quasi-judicial or legislative actions required.

Possible significant effect on some persons or broad effect on a number of persons.

In addition to applicant, others affected are invited to hearing to present initial information.

Planning Commission holds public hearing and makes recommendation, City Council or Board of County Commissioners, or both acting jointly, holds public hearing, takes action.

Appeal to LCDC or LUBA
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ACKNOWLEDGEMENTS

This work is made possible through the sincere input by City of Grants Pass staff and the Advisory Committee. We specifically recognize and appreciate the time and attention dedicated to this work by the following people.

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Todd Chase, FCS GROUP
Tim Wood, FCS GROUP
Section I. INTRODUCTION

The Grants Pass Housing Needs Analysis (HNA) is intended to serve as a basis for the City of Grants Pass to document new information regarding the city’s buildable land inventory (BLI), population and employment trends, and development policies aimed at providing adequate land within the urban growth boundary (UGB) to handle the next 20 years of population growth.

OREGON REGULATORY REQUIREMENTS

The passage of the Oregon Land Use Planning Act of 1974 (ORS Chapter 197) established the Land Conservation and Development Commission (LCDC) and the Department of Land Conservation and Development (DLCD). The Act required the Commission to develop and adopt a set of statewide planning goals. Goal 10 addresses housing in Oregon and provides guidelines for local governments to follow in developing their local comprehensive land use plans and implementing policies.

At a minimum, local housing policies must meet the applicable requirements of Goal 10 and the statutes and administrative rules that implement it (ORS 197.295 to 197.314, ORS 197.475 to 197.490, and OAR 600-008). Goal 10 requires incorporated cities to complete an inventory of buildable residential lands. Goal 10 also requires cities to encourage the numbers of housing units in price and rent ranges commensurate with the financial capabilities of its households.

Goal 10 defines needed housing types as “all housing on land zoned for residential use or mixed residential and commercial use that is determined to meet the need shown for housing within an UGB at price ranges and rent levels that are affordable to households within the county with a variety of incomes, including but not limited to households with low incomes, very low incomes and extremely low incomes.” ORS 197.303 defines needed housing types:

(a) Housing that includes, but is not limited to, attached and detached single-family housing and multiple family housing for both owner and renter occupancy.

(b) Government assisted housing.2

(c) Mobile home or manufactured dwelling parks as provided in ORS 197.475 to 197.490.

(d) Manufactured homes on individual lots planned and zoned for single-family residential use that are in addition to lots within designated manufactured dwelling subdivisions.

(e) Housing for farmworkers.

1 ORS 197.296 only applies to cities with populations over 25,000.
2 Government assisted housing can be any housing type listed in ORS 197.303 (a), (c), or (d).
METHODOLOGY

A recommended approach to conducting a housing needs analysis is described in Planning for Residential Growth: A Workbook for Oregon's Urban Areas, the Department of Land Conservation and Development's guidebook on local housing needs studies. As described in the workbook, the specific steps in the housing needs analysis are:

1. Project the number of new housing units needed in the next 20 years.
2. Identify relevant national, state, and local demographic and economic trends and factors that may affect the 20-year projection of structure type mix.
3. Describe the demographic characteristics of the population and, if possible, the housing trends that relate to demand for different types of housing.
4. Determine the types of housing that are likely to be affordable to the projected households based on household income.
5. Determine the needed housing mix and density ranges for each plan designation and the average needed net density for all structure types.
6. Estimate the number of additional needed units by structure type.

REPORT ORGANIZATION

This report provides the technical basis of findings that support proposed housing policy recommendations and subsequent actions that the city will take to update its Comprehensive Plan and Development Code. Each section of this report provides current data, assumptions and results that comprise all findings and conclusions:

I. Introduction.

II. Housing Need Projection: provides a demographic overview and summary of market trends influencing housing growth in Grants Pass.

III. Buildable Land Inventory: identifies vacant, partially vacant and redevelopable residential land within the Grants Pass UGB, and accounts for constraints to get to a final determination of capacity to meet 20-year needs.

IV. Land Sufficiency Analysis: this section compares expected land demand to vacant land supply to meet housing mix and densities described in the HNA.

V. Findings and Recommendations highlights key findings and draft housing policy recommendations.

VI. Glossary: list of key terms used in the housing needs analysis.

Please refer to the Glossary for a list of terms used in the Housing Needs Analysis.
Section II. HOUSING NEED PROJECTION

This section provides a housing needs forecast for long-range planning purposes. The housing needs forecast represents a 20-year projection from 2020 through year 2040. These technical findings are intended to be consistent with State of Oregon requirements for determining housing needs per Oregon land use planning Goals 10 and 14, OAR Chapter 660, Division 8, and applicable provision of ORS 197.296 to 197.314 and 197.475 to 197.490.

METHODOLOGY

The methodology for projecting housing needs within the Grants Pass UGB includes consideration of demographic and socio-economic trends, housing market characteristics and long-range population growth projections.

Regional (Josephine County) and local (City or UGB) population, households, income and market characteristics are described in this memorandum using data provided by the U.S. Census Bureau (Census and American Community Survey), the U.S. Department of Housing and Urban Development (HUD), Oregon Department of Housing and Community Services (OHCS), Portland State University (PSU) and the City of Grants Pass. Where trends or long-range projections are provided by an identified data source, FCS GROUP has included extrapolations or interpolations of the data to arrive at a base year (2020 estimate) and forecast year (2040 projection). The result of this forecast translates population growth into households and households into housing need by dwelling type, tenancy (owner vs. renter) and affordability level.

DEMOGRAPHICS AND SOCIO-ECONOMICS

Population

The City of Grants Pass recorded a record-high population of 37,485 in 2019 (July 1 estimate by PSU). Taking into account residents living outside the City but inside the UGB, the Grants Pass UGB population is currently estimated at 41,691 year-round residents. Since 2000, the population growth rate in the City has outpaced Josephine County (Figure 1).

Long-range population forecasts prepared by PSU anticipate that 9,401 new residents will be added to the Grants Pass UGB over the next 20 years. This equates to a projected annual average growth rate (AGR) of 1.02% for the UGB and less than half of the historic growth rate (see Figure 2).

Figure 1: Population Trends (2000-2019)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Josephine County</td>
<td>75,726</td>
<td>82,713</td>
<td>86,750</td>
<td>0.72%</td>
</tr>
<tr>
<td>Grants Pass</td>
<td>23,003</td>
<td>34,533</td>
<td>37,485</td>
<td>2.60%</td>
</tr>
</tbody>
</table>

Sources: Population Research Center, Portland State University, April 15, 2020
Figure 2: Population Projections (2020-2040)

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2040</th>
<th>2020-2040 AGR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Josephine County</td>
<td>88,274</td>
<td>97,807</td>
<td>0.51%</td>
</tr>
<tr>
<td>Grants Pass UGB</td>
<td>41,691</td>
<td>51,092</td>
<td>1.02%</td>
</tr>
</tbody>
</table>


Socio-economic Characteristics

As indicated in Figure 3, About half of the City’s residents had household incomes greater than 80% of median family income ($42,880) for the county, while 18% of households were earning less than $16,080, 30% of county median family income.

Figure 3: Households by Income Level, 2014-2018

In comparison with the state and county averages, Grants Pass has a higher share of younger residents. The median age in Grants Pass (38.3) is below the Josephine county and statewide average (Figure 4).
EXISTING HOUSING INVENTORY AND TENANCY

Local housing inventory and tenancy patterns shed light on housing conditions and demand preferences. In 2018, there were 16,051 housing units in the City of Grants Pass of which 15,158 units were classified as occupied in 893 units were classified as vacant.

Like most communities, single-family detached housing is the most prevalent housing type representing 67% of the housing stock. The remaining housing inventory in Grants Pass includes multi-family (11%), townhomes and duplexes (17%), and mobile homes (6%), as shown in Figure 5.

Figure 5: Existing Housing Mix and Tenancy, 2014-2018, City of Grants Pass
Tenancy within the city is split fairly evenly between owners and renters. Owner-occupied housing accounts for 48% of the housing inventory while renter-occupied units account for 46% of the inventory. Vacant units accounted for about 6% of the inventory in 2018.

As would be expected, most homeowners reside in single-family detached units (89% of owners) or manufactured homes. Most renters also reside in single-family detached units, followed by single family attached and multifamily units, as indicated in Figures 6 & 7.

Figure 6: Units by Tenure by Structure Type, 2014-2018, City of Grants Pass

<table>
<thead>
<tr>
<th></th>
<th>Owner-Occupied Dwelling Units</th>
<th>Renter-Occupied Dwelling Units</th>
<th>Other Seasonal &amp; Vacant</th>
<th>All Dwelling Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single Family Detached</td>
<td>6,940</td>
<td>3,151</td>
<td>631</td>
<td>10,722</td>
</tr>
<tr>
<td>Townhomes/Plexes</td>
<td>163</td>
<td>2,356</td>
<td>178</td>
<td>2,697</td>
</tr>
<tr>
<td>Multi-Family (5+ Units)</td>
<td>37</td>
<td>1,631</td>
<td>82</td>
<td>1,750</td>
</tr>
<tr>
<td>Mfg, Home/Other</td>
<td>624</td>
<td>256</td>
<td>3</td>
<td>883</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>7,764</strong></td>
<td><strong>7,394</strong></td>
<td><strong>893</strong></td>
<td><strong>16,051</strong></td>
</tr>
</tbody>
</table>

Source: U.S. Census Bureau, American Community Survey 5-Year Estimates (Tables B25032 and CP04)

Figure 7: Existing Housing Tenancy, 2014-2018, City of Grants Pass

Figure 8 displays the most current available data depicting the housing mix by unit type and tenancy for the City of Grants Pass.
Figure 8: Existing Housing Mix, City of Grants Pass

<table>
<thead>
<tr>
<th>Housing Tenure Distribution:</th>
<th>Owner-Occupied Dwelling Units</th>
<th>Renter-Occupied Dwelling Units</th>
<th>Vacant Units</th>
<th>Total Dwelling Units</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>48.4%</td>
<td>46.1%</td>
<td>5.6%</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Housing Type Distribution</th>
<th>Single Family Detached</th>
<th>Townhomes / Pikes</th>
<th>Multi Family (5+ units)</th>
<th>Mobile Home/Other</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>89.4%</td>
<td>2.1%</td>
<td>0.5%</td>
<td>8.0%</td>
</tr>
<tr>
<td></td>
<td>42.6%</td>
<td>31.9%</td>
<td>22.1%</td>
<td>3.5%</td>
</tr>
<tr>
<td></td>
<td>70.7%</td>
<td>19.9%</td>
<td>9.1%</td>
<td>0.3%</td>
</tr>
<tr>
<td></td>
<td>66.8%</td>
<td>16.8%</td>
<td>10.9%</td>
<td>5.5%</td>
</tr>
</tbody>
</table>

Total 100% 100% 100% 100%

U.S. Census Bureau, American Community Survey 2013-2018 5-Year Estimates (Tables B25032 and CP04).

HOUSING MARKET CHARACTERISTICS

To help gauge housing attainability in Grants Pass, FCS GROUP examined current median family income (MFI) levels using U.S. Housing and Urban Development (HUD) guidelines. As indicated in Figure 9, the 2018 median income for Josephine County was $53,600. Using HUD guidelines for upper-middle households earning 80% of the MFI, a 4-person family should be able to afford monthly rents at $1,072 and homes priced at $284,000 (or less). These price and rent levels are generally considered “attainable” to households earning 80% of the local MFI and spending 30% of their annual income on housing.

Figure 9: Grants Pass Affordable Housing Analysis

<table>
<thead>
<tr>
<th>Josephine County Median Family Income Level (2018)*</th>
<th>$53,600</th>
</tr>
</thead>
<tbody>
<tr>
<td>Available Monthly Rent or Payment (≥30% of income level)</td>
<td>Lower-end</td>
</tr>
<tr>
<td>Upper (120% or more of MFI)</td>
<td>$1,608 or more</td>
</tr>
<tr>
<td>Middle (80% to 120% of MFI)</td>
<td>$1,072</td>
</tr>
<tr>
<td>Low (50% to 80% of MFI)</td>
<td>$670</td>
</tr>
<tr>
<td>Very Low (30% to 50% of MFI)</td>
<td>$402 or less</td>
</tr>
<tr>
<td>Extremely Low (less than 30% of MFI)</td>
<td>$402 or less</td>
</tr>
</tbody>
</table>

Approximate Attainable Home Price**

| Upper (120% or more of MFI) | $426,000 or more |
| Middle (80% to 120% of MFI) | $284,000 | $426,000 |
| Low (50% to 80% of MFI) | $177,000 | $284,000 |
| Very Low (30% to 50% of MFI) | $106,000 | $177,000 |
| Extremely Low (less than 30% of MFI) | $106,000 or less |

Notes:

* based on Housing and Urban Development thresholds for Josephine County in 2018
Note, this analysis is generally consistent with 4-person household size characteristics.

** assumes 20% down payment on 30-year fixed mortgage at 3.5% interest.
Source: analysis by FCS Group using Housing and Urban Development data.
Grants Pass home values have increased significantly in recent years. As indicated in Figure 10, median home sales prices in Grants Pass increased to $324,000 in October 2020, up 8.9% annually since 2018. In comparison with other cities in Southern Oregon, Grants Pass has relatively higher home prices and recorded the sharpest price increase.

**Figure 10: Median Home Sales Price Trends in Selected Markets**

<table>
<thead>
<tr>
<th></th>
<th>Oct-18</th>
<th>Oct-19</th>
<th>Oct-20</th>
<th>Annual Change %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grants Pass</td>
<td>$273,000</td>
<td>$294,000</td>
<td>$324,000</td>
<td>8.9%</td>
</tr>
<tr>
<td>Medford</td>
<td>$283,000</td>
<td>$285,000</td>
<td>$312,000</td>
<td>5.0%</td>
</tr>
<tr>
<td>Ashland</td>
<td>$457,000</td>
<td>$451,000</td>
<td>$469,000</td>
<td>1.3%</td>
</tr>
<tr>
<td>Roseburg</td>
<td>$210,000</td>
<td>$223,000</td>
<td>$239,000</td>
<td>6.7%</td>
</tr>
<tr>
<td>Klamath Falls</td>
<td>$175,000</td>
<td>$187,000</td>
<td>$205,000</td>
<td>8.2%</td>
</tr>
</tbody>
</table>

Source: Zillow.com; analysis by FCS 10/28/20

New housing construction permits issued in the City indicate consistent development activity over the past several years. The City issued new residential construction permits at an average rate of 140 per year between 2015 and 2019; with about 79% for single family construction (both single family detached and attached), 14% in duplexes, triplexes and quadplexes, and 7% for multifamily apartments (Figure 11).

**Figure 11: Privately-Owned Residential Units Permitted, Grants Pass (2015-2019)**

<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Single-Family Detached</td>
<td>109</td>
</tr>
<tr>
<td>2-unit structures</td>
<td>14</td>
</tr>
<tr>
<td>3- and 4-unit structures</td>
<td>-</td>
</tr>
<tr>
<td>5+ unit Multi-Family</td>
<td>50</td>
</tr>
<tr>
<td>Total</td>
<td>173</td>
</tr>
</tbody>
</table>

Source: SOCDS Building Permits Database, accessed 10/22/2020

<table>
<thead>
<tr>
<th>Unincorporated Josephine County, 2015-2019</th>
<th>Change 2015-20</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single-Family Detached</td>
<td>64</td>
</tr>
<tr>
<td>2-unit structures</td>
<td>-</td>
</tr>
<tr>
<td>3- and 4-unit structures</td>
<td>-</td>
</tr>
<tr>
<td>5+ unit Multi-Family</td>
<td>-</td>
</tr>
<tr>
<td>Total</td>
<td>64</td>
</tr>
</tbody>
</table>

Source: SOCDS Building Permits Database, accessed 10/22/2020
HOUSING NEEDS SCENARIOS

Summary of Housing Needs

Based on the population projections described earlier and most current household size estimates of 2.39 people per household (estimate held constant into the future), the total net new housing need within the Grants Pass UGB is forecasted to be 4,055 housing units plus 227 people living in group quarters over the next 20 years (see Figure 12). This baseline housing need forecast assumes that the current share of group quarters population (includes people residing in congregate care facilities and housing shelters) and housing vacancy rates remain constant.

Figure 12: Baseline Housing Growth Projection

<table>
<thead>
<tr>
<th></th>
<th>2020 est.</th>
<th>2040</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grants Pass UGB Population</td>
<td>41,691</td>
<td>51,092</td>
<td>9,401</td>
</tr>
<tr>
<td>Less Group Quarters (2.7%)</td>
<td>1,118</td>
<td>1,371</td>
<td>252</td>
</tr>
<tr>
<td>Pop in Households</td>
<td>40,572</td>
<td>49,722</td>
<td>9,149</td>
</tr>
<tr>
<td>Avg. Household Size</td>
<td>2.39</td>
<td>2.39</td>
<td></td>
</tr>
<tr>
<td>Households (year round)</td>
<td>16,976</td>
<td>20,804</td>
<td>3,828</td>
</tr>
<tr>
<td>Vacancy and Seasonal Housing Assumption</td>
<td>5.6%</td>
<td>5.6%</td>
<td>227</td>
</tr>
<tr>
<td>Growth-related Housing Demand (dwelling units)</td>
<td>17,983</td>
<td>22,038</td>
<td>4,055</td>
</tr>
</tbody>
</table>

Housing Demand by Dwelling Type and Tenancy

This baseline housing need forecast is generally consistent with the observed current mix of housing types throughout Grants Pass and emerging market trends that emphasize demand for townhomes and apartments. Additional housing forecast scenarios may be considered during the planning process to take into account potential new policy objectives, such as:

- Local policies aimed at incentivizing higher density mixed-use development in the downtown area;
- Preferences to accommodate additional middle-income housing and more retirees, which could increase demand beyond the baseline forecast.
- Preferences to provide a wider range of attainable single-family housing, including additional development of townhomes, plexes and manufactured home parks.
- Ability to provide adequate infrastructure (water, sewer and road capacity) to create new planned unit developments or single-family subdivisions within the UGB.
The baseline housing need forecast (shown in Figure 13) assumes that Grants Pass UGB will need to accommodate 4,055 net new dwelling units over the next 20 years (plus people living in group quarters). This baseline scenario anticipates that the housing demand will include approximately: 2,502 single-family detached homes (including small lot and standard lot subdivisions); 749 townhomes/duplexes (2 to 4 units per structure); 442 multifamily units (apartments with 5 or more units per structure); and 254 manufactured housing units.

In addition, it is anticipated that there will also be demand for about 227 people requiring some form of group quarters housing (such as single room occupancy units, congregate care, in-patient care, etc.). For analysis purposes, we have assumed there to be 2 people per group quarters living unit, which would result in the long-term demand for 114 group quarters dwelling units.

During the HNA planning process local stakeholders indicated that there appears to be an existing housing “shortage” in Grants Pass that has driven rents and home prices to record highs and forced residents to seek housing in outlying areas. Since Oregon statutes requireHNAs to base future housing needs on projected net new population growth (using forecasts prepared by Portland State University (PSU) Population Research Center), any current market supply gaps cannot be used in HNAs to increase housing forecasts beyond what would be required to address the “official” PSU population growth forecast. Quantifying existing “affordability” gaps in existing housing inventory for a point in time is difficult. However, findings from this report and resulting policy changes are intended to help foster a higher rate of housing production in Grants Pass which eventually would be accounted for in future PSU population growth forecasts. While this approach may not immediately address current housing gaps, we would expect to see housing shortages diminish over time once housing production increases and buildable land inventories and HNAs are updated.
Section III. BUILDABLE LAND INVENTORY

In accordance with OAR 660-008-0005 (2), an estimate of buildable land inventory (BLI) within the Grants Pass Urban Growth Boundary (UGB) has been created to determine that amount of land available to meet housing needs. The BLI analysis uses the most current Geographic Information Systems (GIS) data provided available for the Grants Pass UGB.

BUILDABLE LAND INVENTORY METHODOLOGY

The objective of the residential BLI is to determine the amount of developable land available for future residential housing development within the UGB. The steps taken to perform this analysis are as follows:

1. **Calculate gross acres** by plan designation, including classifications for fully vacant and partially-vacant parcels. This step entails “clipping” all of the tax lots that are bisected by the current UGB to eliminate land outside current UGB from consideration for development at this time. City staff input was provided to provide a level of quality assurance to review output is consistent with OAR 660-008-0005(2).

2. **Calculate gross buildable acres** by plan designation by subtracting land that is constrained from future development, such as such as existing public right-of-way, parks and open space, steep slopes, and floodplains.

3. **Calculate net buildable acres** by plan designation, by subtracting future public facilities such as roads, schools and parks from gross buildable acres.

4. **Determine total net buildable acres by plan designation** by taking into account potential redevelopment locations and mixed-use development opportunity areas.

The detailed steps used to create the land inventory are described below.

Residential Land Base

The residential land base reflects current Grants Pass Comprehensive Plan land use designations. Properties that are within the residential land base include the following base zone classifications:

**Residential Land Use Classifications**

- Low Density (LR)
- Moderate Density (MR)
- Moderate High Density (HR)
- High Density (HRR)

These classifications have been kept consistent throughout the analysis.
Land Classifications

The next step in the BLI analysis includes classifying each tax lot (parcel) into one of the following categories.

**Vacant land:** Properties with no structures or have buildings with very little value. For purpose of the BLI, residential lands with improvement value less than $10,000 are considered vacant. These lands were also subjected to review using satellite imagery via Google Earth; and if the land is in a committed use such as a parking lot, an assessment has been made to determine if it is to be classified as vacant, part vacant or developed.

**Partially vacant land:** Properties that are occupied by a use (e.g., a home or building structure with value over $10,000) but have enough land to be subdivided without the need for rezoning. This determination is made using tax assessor records and satellite imagery. For lots with existing buildings, it is assumed that ¼ acre (10,890 sq. ft.) is retained by each existing home, and the remainder is included in the part vacant land inventory.

**Vacant Undersized:** Properties that are vacant or part-vacant with less than 3,000 sq. ft. of land area. This category is excluded from the vacant land inventory since these lots are not likely large enough to accommodate new housing units. However, it is possible that some may be suitable for accessory dwelling units (ADUs).

**Developed & Non-Residential Land Base:** Properties unlikely to yield additional residential development for one of two reasons: they possess existing structures at densities that are unlikely to redevelop over the planning period; or they include parcels with Comprehensive Land Use Plan designations that do not permit housing development.

**Public and Constrained (unbuildable) land:** Properties which are regarded as unlikely to be developed because they are restricted by existing uses such as: public parks, schools, ballfields, roads and public right-of-way (ROW); common areas held by Homeowners Associations, cemeteries; and power substations. In cases where public-owned land does not fall into one of the above-mentioned categories and is planned or zoned to allow housing, those tax lots are included in the vacant or part-vacant residential land inventory.

These tax lot classifications were validated using satellite imagery, building permit data, and assessor records. Preliminary results were refined based on City staff and public input received during the Housing Needs Analysis (HNA) planning process.

Development Constraints

The BLI methodology for identifying and removing development constraints is consistent with state guidance on buildable land inventories per OAR 660-008-0005(2). By definition, the BLI is intended to include land that is “suitable, available, and necessary for residential uses.”

“Buildable Land” includes residential designated land within the UGB, including vacant, part vacant and land that is likely to be redeveloped; and suitable, available and necessary for residential uses. Public-owned land is generally not considered to be available for residential use unless the underlying zoning permits housing. It should be noted that “available” in this context does not mean that the land is presently on the market. It is assumed in this analysis that such land is expected to come on the market within the 20-year timeframe of this study.

Land is considered to be “suitable for housing development” unless it is:
- Is severely constrained by natural hazards as determined by the Statewide Planning Goal 7;
- Is subject to natural resource protection measures determined under Statewide Planning Goals 5, 6, 15, 16, 17 or 18;
- Has slopes over 25 percent;
- Is within the 100-year flood plain; or
- Cannot be provided or served with public facilities

Based on state guidelines and data provided by the City of Grants Pass, the following constraints have been deducted from the residential lands inventory.

- Land within floodplains. This includes lands in flood-hazard areas (the 100-year floodplain).
- Locally-designated significant wetlands. This includes lands within 50 feet of a wetland.
- Land within Parks and Natural areas that are protected from future development.
- Land with slopes greater than 25%.

RESIDENTIAL BUILDABLE LAND INVENTORY RESULTS

Land Base

A summary of the land base by plan designation is provided in Figure 14. The findings indicate that there are 4,640 gross developed acres of residential land and 1,031 acres of gross vacant residential land totaling 5,670 acres zoned for residential uses in Grants Pass.

Figure 14: Residential Land Base, Grants Pass UGB

<table>
<thead>
<tr>
<th>Plan Designation</th>
<th>Developed</th>
<th>Vacant</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>HR</td>
<td>774</td>
<td>113</td>
<td>887</td>
</tr>
<tr>
<td>HRR</td>
<td>279</td>
<td>74</td>
<td>353</td>
</tr>
<tr>
<td>LR</td>
<td>2,347</td>
<td>724</td>
<td>3,071</td>
</tr>
<tr>
<td>MR</td>
<td>1,239</td>
<td>120</td>
<td>1,359</td>
</tr>
<tr>
<td><strong>Grand Total</strong></td>
<td><strong>4,640</strong></td>
<td><strong>1,031</strong></td>
<td><strong>5,670</strong></td>
</tr>
</tbody>
</table>

Source: Grants Pass Buildable Land Inventory; 3J Consulting

Constrained Land

Before the deduction for future public facilities, the vacant residential land base is adjusted to reflect tax lots which exempt residential development, publicly-owned taxlots, and public right-of-way\(^3\), as described previously. Environmental constraints (slopes, floodplains, wetlands, etc.) are removed in

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\(^3\) Includes right-of-way that is defined as a tax lot in the GIS database, which exempts residential development. This includes most major existing right-of-way which is excluded from the buildable land base.
this step as well. The results summarized in Figure 15 indicate that after accounting for development constraints, the Grants Pass UGB has 480 acres of vacant buildable residential land.

Figure 15: Unconstrained and Non-Exempt Vacant Land by Plan Designation, Grants Pass UGB

<table>
<thead>
<tr>
<th>Plan Designation</th>
<th>Gross Vacant Land</th>
<th>Exempt Vacant Land</th>
<th>Environmentally Constrained Vacant Land</th>
<th>Unconstrained Non-Exempt Vacant Land</th>
</tr>
</thead>
<tbody>
<tr>
<td>HR</td>
<td>113</td>
<td>11</td>
<td>20</td>
<td>83</td>
</tr>
<tr>
<td>HRR</td>
<td>74</td>
<td>21</td>
<td>2</td>
<td>51</td>
</tr>
<tr>
<td>LR</td>
<td>724</td>
<td>196</td>
<td>254</td>
<td>274</td>
</tr>
<tr>
<td>MR</td>
<td>120</td>
<td>32</td>
<td>16</td>
<td>72</td>
</tr>
<tr>
<td>Grand Total</td>
<td>1,031</td>
<td>260</td>
<td>291</td>
<td>480</td>
</tr>
</tbody>
</table>

Source: Grants Pass Buildable Land Inventory; 3J Consulting

Buildable Land After Future Public Facilities

The BLI methodology calculates the residential land base after accounting for the constraints described previously. The findings indicate that out of a total of 5,570 gross acres, 4,640 acres are committed (derived from Figure 14), 260 acres are exempt, and 291 acres are environmentally constrained (derived from Figure 15).

The final deduction to the BLI, includes a 25% allowance for future public facilities and future right-of-way. As indicated below in Figure 16, Grants Pass UGB has a total of 360 vacant unconstrained residential land available over the next 20 years.

Figure 16: Vacant Buildable Land and Future Public Facilities Allowance, Grants Pass UGB

<table>
<thead>
<tr>
<th>Plan Designation</th>
<th>Unconstrained Non-Exempt Vacant Land</th>
<th>Future Public Facilities Allowance</th>
<th>Total Net Buildable Vacant Land</th>
</tr>
</thead>
<tbody>
<tr>
<td>HR</td>
<td>83</td>
<td>21</td>
<td>62</td>
</tr>
<tr>
<td>HRR</td>
<td>51</td>
<td>13</td>
<td>39</td>
</tr>
<tr>
<td>LR</td>
<td>274</td>
<td>68</td>
<td>205</td>
</tr>
<tr>
<td>MR</td>
<td>72</td>
<td>18</td>
<td>54</td>
</tr>
<tr>
<td>Grand Total</td>
<td>480</td>
<td>120</td>
<td>360</td>
</tr>
</tbody>
</table>

Source: Grants Pass Buildable Land Inventory; 3J Consulting

Partially-Vacant Residential Land

In addition to vacant land, the BLI also includes a part-vacant land category. As noted above, partially-vacant land includes properties that are occupied by a use (e.g., a home or building structure with value over $10,000) with enough land to be subdivided without the need for rezoning. As shown in Figure 17, after removing environmental constraints and exempt parcels, there are 1,037 part vacant acres that could be subdivided for development. After applying the 25% allowance for future public facilities, 778 acres of part vacant residential land are available for development in Grants Pass.
Figure 17: Part Vacant Buildable Land and Future Public Facilities Allowance, Grants Pass UGB

<table>
<thead>
<tr>
<th>Plan Designation</th>
<th>Unconstrained Non-Exempt Part Vacant Land</th>
<th>Future Public Facilities Allowance</th>
<th>Total Net Buildable Part Vacant Land</th>
</tr>
</thead>
<tbody>
<tr>
<td>HR</td>
<td>247</td>
<td>62</td>
<td>185</td>
</tr>
<tr>
<td>HRR</td>
<td>59</td>
<td>15</td>
<td>44</td>
</tr>
<tr>
<td>LR</td>
<td>506</td>
<td>126</td>
<td>379</td>
</tr>
<tr>
<td>MR</td>
<td>226</td>
<td>56</td>
<td>169</td>
</tr>
<tr>
<td>Grand Total</td>
<td>1,037</td>
<td>259</td>
<td>778</td>
</tr>
</tbody>
</table>

*Source: Grants Pass Buildable Land Inventory; 3J Consulting*

**Total Developable Residential Land**

**Figure 18** shows the combination of net developable vacant and part vacant residential lands in the Grants Pass UGB. The Grants Pass UGB has a buildable land inventory of 247 acres of Moderate High Density land (62 vacant and 185 part vacant); 83 acres of High Density land (39 vacant and 44 part vacant); 223 acres of Moderate Density land (54 vacant and 169 part vacant); and 585 acres of Low Density land (205 vacant and 379 part vacant). Conclusions regarding the sufficiency of this buildable land inventory will be drawn in the next chapter.

**Figure 18: Net Buildable Vacant and Part Vacant Residential Land, Grants Pass UGB**

<table>
<thead>
<tr>
<th>Plan Designation</th>
<th>Vacant</th>
<th>Partially Vacant</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>HR</td>
<td>62</td>
<td>185</td>
<td>247</td>
</tr>
<tr>
<td>HRR</td>
<td>39</td>
<td>44</td>
<td>83</td>
</tr>
<tr>
<td>LR</td>
<td>205</td>
<td>379</td>
<td>585</td>
</tr>
<tr>
<td>MR</td>
<td>54</td>
<td>169</td>
<td>223</td>
</tr>
<tr>
<td>Grand Total</td>
<td>360</td>
<td>778</td>
<td>1,138</td>
</tr>
</tbody>
</table>

*Source: Grants Pass Buildable Land Inventory; 3J Consulting*

**Buildable Land by Lot Size**

**Figures 19 and 20** show vacant and part vacant land broken down by lot size. This is an important consideration given that, for example, a planned unit development yielding dozens of housing units can only occur on a relatively large, contiguous piece of land. The figures below show acreage figures prior to the 25% allowance for public facilities.

**Figure 19** indicates that over three quarters of buildable vacant land are on relatively small lots (34% on lots of less than one acre and 44% on lots between 1 and 5 acres). Only two lots have more than 10 acres of vacant developable land.
Figure 19: Vacant Buildable Land by Lot Size

<table>
<thead>
<tr>
<th></th>
<th>&lt;1 acre</th>
<th>&gt;= 1 acre, &lt;5 acres</th>
<th>&gt;= 5 acres, &lt;10 acres</th>
<th>&gt;=10 acres</th>
<th>Acres</th>
<th>Lots</th>
</tr>
</thead>
<tbody>
<tr>
<td>HR</td>
<td>37.5</td>
<td>164</td>
<td>24.3</td>
<td>10</td>
<td>21.1</td>
<td>3</td>
</tr>
<tr>
<td>HRR</td>
<td>11.7</td>
<td>42</td>
<td>34.0</td>
<td>18</td>
<td>5.6</td>
<td>1</td>
</tr>
<tr>
<td>LR</td>
<td>78.1</td>
<td>260</td>
<td>132.6</td>
<td>58</td>
<td>41.8</td>
<td>6</td>
</tr>
<tr>
<td>MR</td>
<td>36.6</td>
<td>134</td>
<td>20.0</td>
<td>12</td>
<td>15.5</td>
<td>3</td>
</tr>
<tr>
<td>Total</td>
<td>163.9</td>
<td>600</td>
<td>211.0</td>
<td>98</td>
<td>84.1</td>
<td>13</td>
</tr>
</tbody>
</table>

Source: Grants Pass Buildable Land Inventory; 3J Consulting

Figure 20 shows that a similar phenomenon is occurring among part vacant developable land with over 80% of buildable part vacant land on parcels less than 5 acres.

Figure 20: Part Vacant Buildable Land by Lot Size

<table>
<thead>
<tr>
<th></th>
<th>&lt;1 acre</th>
<th>&gt;= 1 acre, &lt;5 acres</th>
<th>&gt;= 5 acres, &lt;10 acres</th>
<th>&gt;=10 acres</th>
<th>Acres</th>
<th>Lots</th>
</tr>
</thead>
<tbody>
<tr>
<td>HR</td>
<td>40.8</td>
<td>78</td>
<td>127.5</td>
<td>54</td>
<td>68.6</td>
<td>10</td>
</tr>
<tr>
<td>HRR</td>
<td>16.6</td>
<td>28</td>
<td>35.2</td>
<td>17</td>
<td>7.2</td>
<td>1</td>
</tr>
<tr>
<td>LR</td>
<td>226.8</td>
<td>485</td>
<td>204.5</td>
<td>103</td>
<td>34.1</td>
<td>6</td>
</tr>
<tr>
<td>MR</td>
<td>88.6</td>
<td>178</td>
<td>106.3</td>
<td>56</td>
<td>30.7</td>
<td>4</td>
</tr>
<tr>
<td>Total</td>
<td>372.8</td>
<td>769</td>
<td>473.5</td>
<td>230</td>
<td>140.7</td>
<td>21</td>
</tr>
</tbody>
</table>

Source: Grants Pass Buildable Land Inventory; 3J Consulting

Figure 19 reflects a map of the net vacant and part vacant residential land in the Grants Pass UGB by plan designation. Part vacant parcels are denoted by a crosshatch overlay. The map also shows the location of environmental constraints. Figures 21-25 show the same data in select quadrants of the city to allow for better legibility.

Commercial and Mixed-Use Land Assumptions

It should be noted that commercial-zoned parcels in Grants Pass are sometimes developed as higher density residential uses. Citywide, about 5.5% of buildable commercial land has developed with a high-density residential component, which includes 57 acres out of a total 1,031 commercial acres. Presently, there are 168.28 vacant, unconstrained, non-exempt commercial acres in the Grants Pass UGB. While it is difficult to project the amount of residential development that is likely to occur on this commercial land, it is reasonable to expect that some of the future apartment demand will be accommodated on land zoned for commercial uses.
Figure 21: Grants Pass Buildable Land Inventory Map

Grants Pass Net Vacant and Partially Vacant Residential Land

Legend
- UGB
- Taxlots
- Rogue River
- Environmental Constraints

Net Vacant Residential Plan Designation
- HRR
- HR
- MR
- LR
- Net Partially Vacant Acres
Figure 22: Southwest Grants Pass Buildable Land Inventory Map

Grants Pass Net Vacant and Partially Vacant Residential Land (Southwest)
Figure 23: North Grants Pass Buildable Land Inventory Map
Grants Pass Net Vacant and Partially Vacant Residential Land (North)
Figure 25: Central Grants Pass Buildable Land Inventory Map
Section IV. LAND SUFFICIENCY ANALYSIS

This section provides an estimate of residential development capacity (measured in new dwelling units) and an estimate of the ability of the Grants Pass UGB to accommodate needed new housing units for the 2020 to 2040 period, based on the analysis in the housing needs.

A comparison of 20-year residential land needs (demand) is made relative to the residential buildable land inventory. This provides a means of reconciling housing land demand with buildable land supply within the Grants Pass UGB. The evaluation of UGB land requirements to accommodate the planned housing need included three steps.

Step 1 takes into account the forecasted number of dwelling units by housing type, including single family detached, townhomes andplexes, multifamily, and manufactured homes as well as group quarters population (see Section 2).

Step 2 considers the amount of land required to accommodate the future housing demand based on the expected average development density for each general housing type (see Figure 26).

Step 3 includes a comparison (reconciliation) between the land need determined in Step 2 and the residential buildable land inventory presented in Section 3 of the HNA.

HOUSING NEED FORECAST

As discussed in Section II, the forecasted housing mix for Grants Pass includes 4,055 housing units along with 114 group quarters units. This results in net new housing development as follows:

- Single Family Detached: 2,502 dwellings (including standard and small lot single family detached housing)
- Townhomes and Plexes: 749 dwelling units
- Manufactured Homes: 254 dwellings
- Multifamily: 551 dwelling units (includes apartments and condominiums with 5+ units per structure)
- Group Quarters: 114 dwelling units
RESIDENTIAL LAND NEED SUMMARY

The second step in the reconciliation of land needs estimates the amount of net buildable land area required to address the housing growth forecast. This step applies average density assumptions based on Grants Pass local experience (dwellings per acre) to each of the general residential development categories listed in Step 1 to arrive at a total residential land need forecast.

Figure 26: Grants Pass Residential Classifications and Density Assumptions

<table>
<thead>
<tr>
<th>Dwelling Unit Type</th>
<th>20-Year Dwelling Unit Demand</th>
<th>Applicable Plan Designation</th>
<th>Applicable Local Zones</th>
<th>Allowable Density (gross DU per Ac)</th>
<th>Avg. Development Density (net DU per Ac)</th>
<th>Net Buildable Land Requirement (net acres)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single Family Detached</td>
<td>2,502</td>
<td>LR</td>
<td>R-1-12, R1-10, R-1-8</td>
<td>3.96 to 6.22</td>
<td>5.5</td>
<td>455</td>
</tr>
<tr>
<td>Townhomes / Pentes</td>
<td>749</td>
<td>MR</td>
<td>R-1-6, R-2</td>
<td>8.71 to 12.44</td>
<td>5.8</td>
<td>129</td>
</tr>
<tr>
<td>Manufactured home</td>
<td>254</td>
<td>LR, MR</td>
<td>all of the above</td>
<td>6.22 to 12.44</td>
<td>8.7</td>
<td>29</td>
</tr>
<tr>
<td>Multifamily (5+ units)</td>
<td>551</td>
<td>HR, HRR</td>
<td>R-1-6, R-2, R-4-2, R-5</td>
<td>20 to 50</td>
<td>11.4</td>
<td>48</td>
</tr>
<tr>
<td>Group quarters (@2 people per unit)</td>
<td>114</td>
<td>varies</td>
<td>varies</td>
<td>varies</td>
<td>9.4</td>
<td>12</td>
</tr>
<tr>
<td>Total</td>
<td>4,169</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>674</td>
</tr>
</tbody>
</table>

Source: prior tables; and interpretation of current zoning code and housing development/market conditions.

* Excludes steep slopes and flood zones; includes 25% allowance for public facilities/easements.

UGB SUFFICIENCY ANALYSIS

As shown in Figure 27, the forecasted housing need (4,169 total dwelling units) is expected to require 674 acres of buildable land area. Since the current UGB includes 1,151 acres, we can conclude that there is an overall residential land surplus of 478 acres at this time.

The BLI findings indicate that the existing amount of vacant and part vacant land within the Grants Pass UGB is generally sufficient to accommodate planned 20-year housing needs.

Figure 27: Reconciliation of Residential Land Need

<table>
<thead>
<tr>
<th>Dwelling Unit Type</th>
<th>Applicable Plan Designation</th>
<th>Net Buildable Land Requirement (net acres)</th>
<th>Net Buildable Land Inventory (net acres)</th>
<th>Net Buildable Land Surplus (net acres)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single Family Detached</td>
<td>LR</td>
<td>455</td>
<td>588</td>
<td>133</td>
</tr>
<tr>
<td>Townhomes / Pentes</td>
<td>MR</td>
<td>129</td>
<td>226</td>
<td>97</td>
</tr>
<tr>
<td>Manufactured home</td>
<td>LR, MR</td>
<td>28</td>
<td>28</td>
<td>*</td>
</tr>
<tr>
<td>Multifamily (5+ units)</td>
<td>HR, HRR</td>
<td>48</td>
<td>337</td>
<td>248</td>
</tr>
<tr>
<td>Group quarters (@2 people per unit)</td>
<td>varies</td>
<td>12</td>
<td>12</td>
<td>*</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>674</td>
<td>1,151</td>
<td>478</td>
</tr>
</tbody>
</table>

* analysis assumes these housing types are primarily developed in HR, HRR plan designations.
Section V. FINDINGS AND RECOMMENDATIONS

Future population growth in Grants Pass over the next 20 years will result in new households that will require additional housing and residential land.

KEY FINDINGS

Key findings of the housing needs analysis are:

- The population of Grants Pass is forecast to grow at 1.02% per year over the next two decades, adding 9,401 new residents.
- Population growth will require the addition of 4,055 new traditional dwelling units over the next 20 years as well as 114 group quarters dwellings.
- About 60% of the future housing need will consist of single family detached housing, 18% will be a mix of townhomes and plexes, 13% will be apartments, 6% will be comprised of manufactured housing and about 3% will be in group quarters such as dorms and congregate care facilities.
- The results of the housing needs analysis indicates that the current UGB is sufficient to accommodate future housing needs.

HOUSING POLICY RECOMMENDATIONS

As part of the HNA process, FCS GROUP met with City staff and the HNA Advisory Committee to discuss potential housing policies that cities throughout Oregon have implemented to address various housing issues, which are summarized in OAR 660-038-0190(5) measures to accommodate needed housing in the UGB.

Grants Pass HNA Policies Draft

Goal: Ensure the availability of adequate numbers of needed housing units at price ranges and rent levels commensurate with the financial capabilities of Grants Pass households, and allow for flexibility of housing location, type and density.

Policies and Objectives

Land Availability

9.1. In compliance with ORS 197.296, plan for a 20-year supply of suitable land for Grants Pass to meet housing needs within the existing Urban Growth Boundary. Coordinate with Josephine
County as required by the State Housing Goal to ensure a fair allocation of housing types and densities.

9.2. Update the Housing Needs Analysis at least every 10 years and whenever actual population growth exceeds growth forecasts for three out of five years.

9.3. Revise Comprehensive Plan land use designations and Development Code as needed to meet the housing needs identified in the Housing Needs Analysis.

9.4. Direct development opportunities to vacant or partially vacant land as identified in the Buildable Lands Inventory and Housing Needs Analysis.

9.5. Maintain the Land Use Map, Zoning Map, Overlay Maps and Development Code to provide opportunities for a variety of housing types, densities and locations within the urban growth boundary. (Retains current policy 9.4)

Housing Needs

9.6. Lower or remove local barriers to residential development.

9.7. Streamline land use and development processes to incentivize the timely and efficient development of housing.

9.8. Permit a variety of housing types across all residential zones, including single-family, middle housing, manufactured housing, and multifamily types. Focus on expanding opportunities for housing types which are shown to be related to lower housing costs. (Modifies current policies 9.5 and 9.6)

9.9. Create pre-approved middle housing floorplans to encourage middle housing development.

9.10. Reduce minimum lot sizes in low-density zones to increase the efficiency of single-family and middle housing.

9.11. Establish minimum densities in medium and high-density zones. (Modifies current policy 9.8)

9.12. Increase maximum building height in higher density zones.

9.13. Simplify the permit process to convert single-family units in commercial zones to mid-to-high density multi-dwelling housing. (Modifies current policy 9.8)

9.14. Support efforts by nonprofit organizations and for-profit entities to provide housing for special needs populations. (group quarters, independent living for seniors, assisted living, memory care, mental health facilities, drug and alcohol rehab, etc.).

9.15. Promote and incentivize mixed-use areas to connect households to a variety of transportation options, medical and social services, commercial centers, and recreation amenities.

9.16. Direct funds and program support to rehabilitate existing housing within Grants Pass. (Modifies current policy 9.3)

9.17. Plan infrastructure and utilities to support housing development within the urban growth boundary, especially areas identified as likely for infill development.

Housing Affordability and Homelessness

9.18. Partner with public, private, and nonprofit agencies and organizations to facilitate affordable housing development and maintenance. For example, purchase affordable housing projects with income restricted sunset dates to retain affordability into the future.

9.19. Dedicate City resources to support public and private housing and associated programs/services to community members experiencing houselessness.

9.20. Permit non-traditional transitional housing in the City through adoption of transitional housing accommodation codes.

9.21. Identify surplus publicly owned properties that could be used for affordable housing and leverage these assets through public-private partnerships and other avenues.
Funding and Incentives

9.22. Implement a variety of incentives to support subsidized, low income and workforce housing. (Modifies current policy 9.13) These incentives may include:
   a. Waiving or deferring fees and system development charges
   b. Adopting or amending criteria for property tax exemptions or freezes
   c. Providing density bonuses with the development of affordable housing
   d. Requiring the lowest off-street parking standards necessary to still meet community needs in order to reduce land used for parking and reduce housing costs
   e. Utilize Multi-Unit limited tax exemption (MULTE) program

9.23. Identify funding sources to increase housing affordability and support subsidized housing programs and infrastructure development. Funding sources may include:
   a. Assessing a construction excise tax
   b. Dedicating a portion of Urban Renewal funding
   c. Implementing Local Improvement Districts
   d. Proceeds from the sale of surplus property
   e. Dedicating a portion of System Development Charges
   f. Short-term rental lodging tax
GLOSSARY

Note: References to the term “family” in this glossary are exclusively meant to define data points referenced throughout the report. It does not apply to local policy making apart from the data analyzed and included in this report.

Accessory Dwelling Unit (ADU): A small living space located on the same lot as a single-family house.

Buildable Lands Inventory (BLI): An assessment of the capacity of land within the city’s Urban Growth Boundary to accommodate forecasted housing and employment needs.

Buildable Residential Land: Includes land that is designated for residential development that is vacant and part-vacant and not constrained by existing buildings or environmental issues.

Constrained land: Land that is unavailable for future net new residential development based on one or more factors, such as environmental protections, public lands, floodplains, or steep slopes.

Cost Burdened: Defined by US Department of Housing and Urban Development (HUD) as households who spend over 30% of their income on housing.

Cottages: Small, single-level, detached units, often on their own lots and sometimes clustered around pockets of shared open space. A cottage is typically under 1,000 square feet in footprint.

Density: Defined by the number of housing units on one acre of land.

Development density: Expected number of dwelling units (per acre) based on current zoning designations.

Exempt Land: Land which is unavailable for development based on ownership (e.g. the city owns the land and it is either a park or intended to be a park) or which is otherwise owned by a public entity and is not intended for housing (e.g. land owned by a port, school district, etc.).

Family: A group two or more people (one of whom is the householder) related by birth, marriage, or adoption and residing together.

High Density: Lots with the average density of 12+ dwelling units per acre. Best suited for multifamily housing such as apartments and condos.

Housing Needs Analysis (HNA): The Housing Needs Analysis consists of four distinct reports that analyze the state of housing supply, housing affordability issues and the City's ability to meet projected housing demand going into 2040.

Housing Unit (or Dwelling Unit): A house, an apartment or other group of rooms, or a single room is regarded as a housing unit when it is occupied or intended for occupancy as separate living quarters; that is, when the occupants do not live and eat with any other person in the structure and there is direct access from the outside or common hall.

Household: Consists of all people that occupy a housing unit.

HUD: Acronym for US Department of Housing and Urban Development, the federal agency dedicated to strengthening and supporting the housing market.
Low Density: Lots with the average density of 3-4 dwelling units per acre. Best suited for family housing such as single-family detached homes.

Manufactured Housing: is a type of prefabricated home that is largely assembled of site and then transported to sites of use. The definition of the term in the United States is regulated by federal law (Code of Federal Regulations, 24 CFR 3280): "Manufactured homes are built as dwelling units of at least 320 square feet in size, usually with a permanent chassis to assure the initial and continued transportability of the home. The requirement to have a wheeled chassis permanently attached differentiates "manufactured housing" from other types of prefabricated homes, such as modular homes.

Manufactured Home Park (or manufactured home park): a local zoning designation that is specifically intended to address demand for this housing type. OAR chapter 813, division 007 is adopted to implement section 9, chapter 816, Oregon Laws 2009, and sections 2, 3 and 4, chapter 619, Oregon Laws 2005, as amended by sections 10 to 12, chapter 816, Oregon Laws 2009, and sections 19, and 21, chapter 503, Oregon Laws 2011 for the purpose of regulating manufactured dwelling parks.

Median Family Income (MFI): The median sum of the income of all family members 15 years and older living in the household. Families are groups of two or more people (one of whom is the householder) related by birth, marriage, or adoption and residing together; all such people (including related subfamily members) are considered as members of one family.

Medium Density: Lots with the average density of 6-12 dwelling units per acre. Best suited for small lot housing such as single family attached, townhomes, plexes and cottages.

Mixed Use: Characterized as two or more residential, commercial, cultural, institutional, and/or industrial uses into one combined building or building(s) on the same parcel of land.

Multi-Family Housing: Stacked flats in a single buildings or groups of buildings on a single lot. Parking is shared, and entrance to units is typically accessed through a shared lobby.

Oregon Administrative Rules (OAR): Administrative Rules are created by most agencies and some boards and commissions to implement and interpret their statutory authority (ORS 183.310(9)). Agencies may adopt, amend, repeal or renumber rules, permanently or temporarily. Every OAR uses the same numbering sequence of a three-digit chapter number followed by a three-digit division number and a four-digit rule number. For example, Oregon Administrative Rules, chapter 166, division 500, rule 0020 is cited as OAR 166-500-0020. (oregon.gov)

Part-vacant land: Unconstrained land that has some existing development but can be subdivided to allow for additional residential development.

Plexes and Apartments: Multiple units inside one structure on a single lot. Usually each unit has its own entry.

Seasonal dwellings: These units are intended by the owner to be occupied during only certain seasons of the year. They are not anyone's usual residence. A seasonal unit may be used in more than one season; for example, for both summer and winter sports. Published counts of seasonal units also include housing units held for occupancy by migratory farm workers. While not currently intended for year-round use, most seasonal units could be used year-round.

Severely Cost Burdened: Defined US Department of Housing and Urban Development (HUD) as households who spend over 50% of their income on housing.
**Single Family Attached:** Dwelling units that are duplexes without a subdividing property line between the two to four housing units. “Attached” duplexes require a single building permit for both dwelling units. The “attached” units would be addressed with one numerical street address for the overall structure with separate alpha-numeric unit numbers for each dwelling.

**Single Family Detached:** Free standing residential building, unattached, containing separate bathing, kitchen, sanitary, and sleeping facilities designed to be occupied by not more than one family, not including manufactured and mobile homes.

**Townhome (also known as duplexes, rowhouse, etc.):** Attached housing units, each on a separate lot, and each with its own entry from a public or shared street or common area.

**Urban Growth Boundary (UGB):** Under Oregon law, each of the state’s cities and metropolitan areas has created an urban growth boundary around its perimeter—a land use planning line to control urban expansion onto farm and forest lands.

**Vacant housing unit:** A housing unit is vacant if no one is living in it at the time of enumeration unless its occupants are only temporarily absent. Units temporarily occupied at the time of enumeration entirely by people who have a usual residence elsewhere are also classified as vacant.

**Vacant land:** Vacant and part-vacant land identified within the local buildable land inventory that is not developed and unconstrained for future planned residential development.
Resolution allocating American Rescue Plan Act (ARPA) funds.

Date: May 4, 2022

SUBJECT AND SUMMARY:
This resolution allocates the remaining American Rescue Plan Act (ARPA) funds to eligible projects and in amounts as identified in Exhibit ‘A’. As the actual cost of these projects is unknown at this time, the exact disposition of the funds may vary slightly. Council may also reconsider certain allocations at some point in the future. However, this resolution serves as the current direction to staff on which activities to invest their time and efforts.

RELATIONSHIP TO COUNCIL GOALS:
This supports all of Council’s goals including ENHANCE COMMUNITY SAFETY, LEADERSHIP, ENCOURAGE ECONOMIC OPPORTUNITIES, FACILITATE SUSTAINABLE, MANAGEABLE GROWTH, INFRASTRUCTURE.

CALL TO ACTION SCHEDULE:
Call to action schedule: May 4, 2022.

BACKGROUND:
The City of Grants Pass has been granted $9,373,862 through the ARPA. All ARPA funds must be obligated by December 2024 and spent by December 2026. Council conducted multiple discussions on the use of these resources. On August 30, 2021, staff presented information on survey options to collect input from the community. Council gave direction to proceed with the survey with the understanding that the cost was a reimbursable expenditure. On October 6, 2021, Council adopted Resolution 21-7105, allocating $3,000,000 of the ARPA funds to eligible capital projects within the Water Capital Fund with the likely recipient being the Water Treatment Plant Replacement Project. On April 4, 2022, Council gave their initial preferences on the allocation of the remaining funds. On April 18, 2022, Council exhibited preference for the final allocation as presented in Exhibit ‘A’.

As the actual cost of the identified activities is currently unknown, the final disposition of the funds may vary slightly. Council may also decide at some point in the future to alter the allocations. This resolution provides staff with the direction on which activities to invest their time and efforts.

ITEM: 2.a. RESOLUTION ALLOCATING AMERICAN RESCUE PLAN ACT (ARPA) FUNDS.
Staff Report (continued):

COST IMPLICATION:

If the actual cost of a certain project is greater than the currently allocated amount, Council will need to consider changing the current allocations or choose alternate additional funding.

Using these one-time resources for one-time expenditures could result in increased operating costs that would increase demand on its discretionary funds.

ALTERNATIVES:

1. Adopt the resolution;
2. Adjust the resolution; or
3. Do not allocate these resources at this time.

RECOMMENDED ACTION:

It is recommended that the resolution be adopted.

POTENTIAL MOTION:

I move to approve the resolution allocating ARPA funds to eligible projects as identified in Exhibit ‘A’.
RESOLUTION NO.

A RESOLUTION OF THE COUNCIL OF THE CITY OF GRANTS PASS ALLOCATING AMERICAN RESCUE PLAN ACT (ARPA) FUNDS.

WHEREAS:

1. The City of Grants Pass has been granted $9,373,862 through the American Rescue Plan Act (ARPA); and

2. Council desires to invest these funds into various eligible projects that will benefit the community; and

3. Council has identified certain projects and general dollar amounts for this purpose.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Grants Pass that the ARPA funds be allocated to eligible projects as identified in Exhibit ‘A’.

EFFECTIVE DATE of this Resolution shall be immediate upon its passage by the City Council and approval by the Mayor.

ADOPTED by the Council of the City of Grants Pass, Oregon, in regular session this 4th day of May 2022.

SUBMITTED to and ____________ by the Mayor of the City of Grants Pass, Oregon this ____ day of May 2022.

Sara Bristol, Mayor

ATTEST:

Karen Frerk, City Recorder

Date submitted to Mayor

Approved as to Form, Augustus Ogu, City Attorney
### Exhibit A
American Rescue Plan Act (ARPA) Allocation

<table>
<thead>
<tr>
<th>Previously Allocated</th>
<th></th>
</tr>
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<tbody>
<tr>
<td>Eligible Water Capital Projects (WTP Replacement)</td>
<td>3,000,000</td>
</tr>
<tr>
<td>ARPA Survey</td>
<td>28,200</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>General Direction Provided 4/18/2022</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Affordable Housing Projects (examples below)</strong></td>
<td></td>
</tr>
<tr>
<td>- Habitat for Humanity</td>
<td></td>
</tr>
<tr>
<td>- AllCare Foundation cottage development</td>
<td></td>
</tr>
<tr>
<td>- Cathedral Square</td>
<td></td>
</tr>
<tr>
<td>- Ramsey/Nebraska</td>
<td></td>
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<tr>
<td>- Urban Campground</td>
<td></td>
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<tr>
<td></td>
<td>2,000,000</td>
</tr>
<tr>
<td><strong>UGB Infrastructure (jumpstart development)</strong></td>
<td></td>
</tr>
<tr>
<td>- Treated as reimbursement districts with funds</td>
<td></td>
</tr>
<tr>
<td>returning to affordable housing fund</td>
<td></td>
</tr>
<tr>
<td></td>
<td>1,615,000</td>
</tr>
<tr>
<td><strong>Purchase Land for Affordable Housing Projects</strong></td>
<td></td>
</tr>
<tr>
<td>Portable Toilets</td>
<td>8,000</td>
</tr>
<tr>
<td>Portland Loo Baker Park</td>
<td>270,000</td>
</tr>
<tr>
<td>Portable Parklets</td>
<td>38,000</td>
</tr>
<tr>
<td>Swimming Pool</td>
<td>1,200,000</td>
</tr>
<tr>
<td>(Ogier) Emergency Response Water Trailer</td>
<td>200,000</td>
</tr>
</tbody>
</table>

**Total ARPA Allocation**                                   | **9,373,862** |
Resolution approving the purchase of real property at 2467 Allen Creek Road.

Date: May 4, 2022

SUBJECT AND SUMMARY:

Council approval of the purchase of the subject property.

RELATIONSHIP TO COUNCIL GOALS:

This supports Council’s goal of INFRASTRUCTURE to meet community needs by acquiring additional property that could be used for park infrastructure.

CALL TO ACTION SCHEDULE:

Call to action schedule: May 4, 2022.

BACKGROUND:

During the process of seeking right of way for the widening of Allen Creek Road, the owners of the property located at 2467 Allen Creek Road approached the City to see if there was interest in purchasing their property.

The property, located at 2467 Allen Creek Road, is contiguous to Grants Pass Park Reserve property. The purchase of this property would add an additional 1.5 acres to the current 8.02 acres of City Park Reserve to the north.

At its March 28, 2022, executive session, Council directed staff to negotiate a purchase of $275,000 for this property of 1.5 acres, zoned RR5. The owners accepted the purchase price. Acquisition of this property provides for additional park expansion.

COST IMPLICATION:

Revenue source: $275,000 from LB6343 Park Land Acquisition.

ALTERNATIVES:

1. Purchase the property per the agreement;
2. Do not purchase the property.

RECOMMENDED ACTION:

This action is at Council’s discretion.

POTENTIAL MOTION:

I move to approve the purchase of 2467 Allen Creek for $275,000 and ratify the purchase agreement.

ITEM: 2.b. RESOLUTION APPROVING THE PURCHASE OF REAL PROPERTY AT 2467 ALLEN CREEK ROAD.
RESOLUTION NO.

A RESOLUTION OF THE COUNCIL OF THE CITY OF GRANTS PASS APPROVING THE PURCHASE OF REAL PROPERTY AT 2467 ALLEN CREEK ROAD.

WHEREAS:

1. The City Council directed staff to enter into a purchase agreement for the purchase of the subject property. The purchase price is $275,000; and

2. The purchase agreement is not fully effective until the City Council ratifies it.

NOW, THEREFORE, BE IT RESOLVED that the Council of the City of Grants Pass approves and ratifies the purchase agreement.

EFFECTIVE DATE of this Resolution shall be immediate upon its passage by the City Council and approval by the Mayor.

ADOPTED by the Council of the City of Grants Pass, Oregon, in regular session this 4th day of May 2022.

SUBMITTED to and ______________ by the Mayor of the City of Grants Pass, Oregon, this ___ day of May 2022.

__________________________
Sara Bristol, Mayor

ATTEST:

__________________________
Karen Frerk, City Recorder

Date submitted to Mayor: __________

Approved as to Form, Augustus Ogu, City Attorney

__________________________
FILL IN THE BLANKS IN THE ANNEXED TABLES WITH THE APPROPRIATE INFORMATION.

1. PARTIES/PRICE/PROPERTY DESCRIPTION:

   Buyer: City of Grants Pass
   Seller: Wren Murphy-Sheldon, Bryon Sheldon

   The following described real property (the "Property") situated in the State of Oregon, County of Josephine and commonly known or identified as (insert street address, city, zip code, tax identification number, lot/block description, etc.):

   2467 SW Allen Creek Rd, Grants Pass, OR 97527

   (If a complete legal description of the Property is not included in this Agreement, Buyer and Seller agree to use the legal description provided by Escrow as defined in Section 24 - Escrow) for purposes of legal identification and conveyance of title.

   for the "Purchase Price" (in U.S. currency) of _________________________________ A$ 275,000.00

   on the following terms: as earnest money, the sum of (the "Deposit") _________________________________ B$ _________________________________

   at or before Closing, the balance of the down payment, _________________________________ C$ _________________________________

   at Closing and on delivery of the [Deed Contract], the balance of the purchase price, _________________________________ D$ _________________________________

   will be paid as agreed in the Financing Sections of this Agreement.

   Lines B, C, D, and E should equal Line A

   Buyer Initials / Date ________

   Seller Initials / Date ________
2. FIXTURES/CONTROLS/KEYS: All fixtures and essential related equipment (for example, remote controls, smart home features, and all keys related to the Property including mailbox, outbuilding(s), etc.) are to be left on the Property. Fixtures will include but not be limited to: built-in appliances; attached floor coverings; drapery rods and curtain rods; window and door screens; storm doors and windows; system fixtures (irrigation, plumbing, venting, cooling and heating); water heaters; attached electric light and bathroom fixtures; light bulbs; fluorescent lamps; window blinds; awnings; fences; all planted shrubs, plants, and trees; EXCEPT: None

3. PERSONAL PROPERTY: Only the following personal property, in "AS-IS" condition and at no stated value is included:

Seller's personal property

FINANCING

4. BALANCE OF PURCHASE PRICE (Select A or B):

Buyer represents that Buyer has liquid and available funds for the Deposit and down payment, and if an all cash transaction, the full Purchase Price, sufficient to close this transaction and is not relying on any contingent source of funds (for example, from loans, gifts, sale or closing of other property, 401(k) disbursements, etc.), except as follows (describe): ____________________________

A. ☑ This is an all cash transaction. Buyer will provide verification ("Verification") of readily available funds as follows (select only one):

☐ Buyer has attached the Verification to this Agreement.

☐ Buyer will provide Seller with the Verification within ___ Business Days (three [3] if not filled in) after the Effective Date;

☐ Other (Describe): ____________________________

If the Verification is not attached to this Agreement, Seller may Notify Buyer, in writing, of Seller's unconditional disapproval of the Verification within ___ Business Days (two [2] if not filled in) ("Disapproval Period") following its receipt by Seller. Provided, however, such disapproval must be objectively reasonable. Upon such disapproval, all Deposits will be promptly refunded to Buyer and this transaction will be terminated.

If Seller fails to provide Buyer with written unconditional disapproval of the Verification by 5:00 p.m. of the last day of the Disapproval Period, Seller will be deemed to have approved the Verification. If Buyer fails to submit a Verification within a time frame selected above, unless the parties agree otherwise in writing, all Deposits will be promptly refunded, and this transaction will be terminated.

B. ☐ The Balance of the Purchase Price will be financed through one of the following loan programs (Select only one):

☐ Conventional; ☐ FHA; ☐ Federal VA (Seller ☐ will ☐ will not agree to pay Buyer's non-allowable VA fees);

If FHA or Federal VA is selected, Buyer has attached OREF 097 FHA / Federal VA Amendatory Clause to this Agreement.

☐ Other (Describe): ____________________________

Buyer agrees to seek financing through a lending institution or mortgage broker (collectively, "Lender") participating in the loan program selected above.

Pre-Approval Letter,

☐ Buyer has attached a pre-approval letter from Buyer's Lender (a "Pre-approval Letter") to this Agreement;

☐ Buyer will provide Seller with the Pre-approval Letter within ___ Business Days (three [3] if not filled in) after the Effective Date;

☐ Other (Describe): ____________________________

5.1 FINANCING CONTINGENCIES: If Buyer is financing any portion of the Purchase Price (the "Loan"), then this transaction is subject to the following contingencies (the "Financing Contingencies"): (1) Buyer and the Property will qualify for the Loan from Lender; (2) Lender's appraisal will not be less than the Purchase Price; (3) Buyer obtains the Loan from Lender, unless failure to obtain the Loan is due to the fault of Buyer; and, (4) Other (Describe): ____________________________

Except as provided in this Agreement, all Financing Contingencies are solely for Buyer's benefit and may be waived by Buyer in writing at any time.

5.2 FAILURE OF FINANCING CONTINGENCIES: If Buyer receives actual notification from Lender that any Financing Contingencies have failed or otherwise cannot occur, Buyer will promptly Notify Seller, and the parties will have ___ Business Days (two [2] if not filled in) following the date of Buyer's Notice to Seller to either (a) terminate this transaction by signing an OREF 087 Termination Agreement and terminate escrow by signing a similar agreement if required by Escrow; or (b) reach a written agreement on price and terms that will permit this transaction to continue. Seller and Buyer are not required under the preceding provision (b) to reach an agreement. If (a) or (b) fail to occur within the time period identified in Section 5.2 (Failure of Financing Contingencies), this transaction will be automatically terminated, and all Deposits will be promptly refunded to Buyer. Buyer understands that on termination of this transaction, Seller will have the right to place the Property back on the market for sale at any price and terms as Seller determines, in Seller's sole discretion.

Buyer Initials / Date ______

Seller Initials / Date ______
5.3 BUYER’S OBLIGATIONS REGARDING FINANCING: Buyer represents to and agrees with Seller as follows:

(1) Not later than ___ Business Days (three [3] if not filled in) following the Effective Date, Buyer will submit to the Lender who provided the Pre-approval Letter a completed loan application for purchase of the Property. A “completed loan application” will include the following information: (i) Buyer’s name(s); (ii) Buyer’s income(s); (iii) Buyer’s social security number(s); (iv) the Property address; (v) an estimate of the value of the Property, and (vi) the loan amount sought.

(2) If Buyer is satisfied with the Loan Estimate offered by Buyer’s Lender, Buyer will so notify Lender within ___ Business Days (three [3] if not filled in – but not to exceed ten [10]) following Buyer’s receipt of Lender’s Loan Estimate. At Seller’s request, Buyer will promptly Notify Seller of the date of Buyer’s signed notice of intent to proceed with the Loan.

(3) Buyer will thereafter complete all paperwork requested by the Lender, including payment of all application, appraisal, and processing fees, to obtain the Loan.

(4) Buyer will not replace the Lender or loan program selected in Section 4.B. without Seller’s written consent, which may be withheld in Seller’s sole discretion.

(5) Following submission of Buyer’s loan application, Buyer will keep Seller promptly informed of all material non-confidential developments regarding Buyer’s financing and the time of Closing.

(6) Buyer will authorize the Lender to order the appraisal of the Property before expiration of the Inspection Period (defined at Section 10 – Inspections, or Section 1 of the OREF 058 Professional Inspection Addendum if applicable).

(7) Buyer authorizes Buyer’s Lender to provide non-confidential information to Buyer’s and Seller's Agents regarding Buyer’s loan application status.

6. SELLER-CARRIED FINANCING: If the Seller is financing all or a portion of the Purchase Price through a land sale contract, promissory note and trust deed/mortgage, option, or lease-to-own agreement (a "Seller-carried Transaction"), Buyer and Seller are advised to review the OREF 032 Advisory Regarding Seller-Carried Transactions. Buyer and Seller agree to (select only one):

☐ Use the OREF 033 Seller-Carried Transaction Addendum and related forms; or
☐ Secure a mortgage loan originator (“MLO”) or legal counsel to negotiate and draft the necessary documents.

Regardless of the option selected above, Seller and Buyer agree to reach a signed written agreement specifying the terms and conditions of such financing (for example, the down payment, interest rate, amortization term, payment dates, late fees, and balloon dates) within ___ Business Days (ten [10] if not filled in) after the Effective Date ("Negotiation of Terms Period"). If Buyer and Seller fail to reach agreement by 5:00 p.m. on the last day of the Negotiation of Terms Period, all Deposits will be refunded to Buyer and this transaction will be automatically terminated. Oregon law requires, unless exempted, that individuals offering or negotiating the terms must be an Oregon-licensed attorney or hold an MLO license. Your real estate agent is not qualified to provide these services or to advise you in this regard. Legal advice is strongly recommended.

7.1 PROPERTY AND CASUALTY INSURANCE: Buyer is encouraged to promptly verify the availability and cost of property and casualty insurance that will be secured for the Property. Additionally, Seller may require proof of that insurance as a condition of a new loan.

7.2 FLOOD INSURANCE: If the Property is located in a designated flood zone, flood insurance may be required as a condition of a new loan. Buyer is encouraged to promptly verify the need, availability, and cost of flood insurance, if applicable. An Elevation Certificate ("EC") is the document used by the National Flood Insurance Program to determine the difference in elevation between a home or building and the elevation to which floodwater is anticipated to rise during certain floods. The flood insurance premium for a particular property is based on the EC. Whether a property in a flood zone requires an EC depends on when it was constructed. An EC must be prepared and certified by a land surveyor, engineer, or architect who is authorized by the local jurisdiction to certify elevation information. The costs and fees for an EC may range from a few hundred dollars to over a thousand.

If the Property requires an EC, it will need to be obtained prior to receiving a flood insurance quote. Additionally, a lender may require an EC as a condition of loan approval. For more information, go to www.fema.gov.

8. ADDITIONAL FINANCING PROVISIONS (for example, Closing Costs): __________________________

CONTINGENCIES

9. TITLE INSURANCE: Within one (1) Business Day after the Effective Date, Seller or Seller’s Agent will, at Seller’s sole expense, order from the title insurance company selected at Section 24 (Escrow) below, a preliminary title report and copies of or links to all documents of record (the “Report and Documents”) for the Property, and furnish them to Buyer using the Notification Method described in Section 37(2) (Miscellaneous) below. Unless otherwise provided in this Agreement, this transaction is subject to Buyer’s review and approval of the Report and Documents. If the Report and Documents are not fully understood, Buyer should contact the title insurance company for further information or seek competent legal advice. The Buyer’s and Seller’s Agents are not qualified to advise on specific legal or title issues.

Buyer Initials / Date __________________________

Seller Initials / Date __________________________

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Upon receipt of the Report and Documents, Buyer will have 5 Business Days (five [5] if not filled in) within which to Notify Seller, in writing, of any matters disclosed in the Report and Documents which are unacceptable (the "Objections"). Buyer's failure to timely object in writing will constitute acceptance of the Report and Documents. However, Buyer's failure to timely object will not relieve Seller of the duty to convey marketable title to the Property pursuant to Section 30 (Deed) below. If within 5 Business Days (five [5] if not filled in) following Seller's receipt of the Objections, Seller fails to remove or correct any of the Objections, or fails to give written assurances reasonably satisfactory to Buyer of removal or correction prior to Closing, all Deposits will be promptly refunded to Buyer and this transaction will be terminated unless Buyer waives this contingency in writing. Within thirty (30) days after Closing, the title insurance company will furnish to Buyer an owner's standard form policy of title insurance insuring marketable title in the Property to Buyer in the amount of the Purchase Price, free and clear of the Objections, if any, and all other title exceptions agreed to be removed as part of this transaction.

(Note: This Section 9 (Title Insurance) provides that Seller will pay for Buyer's standard owner's policy of title insurance, which is customary in Oregon. In some areas of the United States, such a payment might be regarded as a "seller concession." Under the TILA-RESPA Integrated Disclosure ("TRID") rule, there are limitations, regulations, and disclosure requirements on "seller concessions," unless the product or service paid for by the Seller is one customarily paid by sellers in residential sales transactions. Accordingly, unless the terms of this Section 9 (Title Insurance) are modified in writing by Buyer and Seller, the parties agree and instruct Escrow that Seller's payment of Buyer's standard owner's policy of title insurance is not a "seller concession" under TRID.)

10. PROPERTY INSPECTIONS: Buyer understands it is advisable to have complete inspections of the Property by qualified licensed professionals relating to such matters as structural condition, soil condition/compaction/stability, survey, zoning, operating systems, suitability for Buyer's intended purpose, and environmental issues. The following list identifies some, but not all, environmental issues found in and around many properties that may affect health: asbestos, carbon monoxide, electric and magnetic fields, formaldehyde, lead and other contaminants in drinking water and well water, lead-based paint, mold and mildew, radon, and leaking underground storage tanks. If Buyer has any concerns about these conditions or others, Buyer is encouraged to secure the services of a licensed professional inspector, consultant, or health expert, for information and guidance. Neither Buyer's nor Seller's Agent are qualified to conduct such inspections and will not be responsible to do so. For further details, Buyer is encouraged to review the website of the Oregon Public Health Division at www.public.health.oregon.gov.

Select only one box below:

☐ Licensed Professional Inspections: At Buyer's expense, Buyer may have the Property inspected by one or more licensed professionals of Buyer's choice. However, Buyer must specifically identify in this Agreement any desired invasive inspections that may include testing or removal of any portion of the Property (for example, radon and mold).

Identify Invasive Inspections:

Buyer will restore the Property following any inspections or tests performed by Buyer or on Buyer's behalf. Buyer will have 10 Business Days (ten [10] if not filled in) after the Effective Date (the "Inspection Period"), in which to complete all inspections and negotiations with Seller regarding any matters disclosed in any inspection report. Buyer will not provide all or any portion of the inspection reports to Seller unless requested by Seller; but if Seller requests all or a portion of a report during this transaction or within thirty (30) days following termination, Buyer will promptly comply.

Seller will not be required to modify any terms of this Agreement. Unless a written agreement has already been reached with Seller regarding Buyer's requested repairs, Buyer may give Notice to Seller, using OREF 064 Notice of Buyer's Unconditional Disapproval, at any time during the Inspection Period, of Buyer's unconditional disapproval of the Property based on any inspection report. In which case all Deposits will be promptly refunded and this transaction will be terminated. If Buyer fails to provide Seller with written unconditional disapproval of any inspection report(s) by 5:00 p.m. of the final day of the Inspection Period, Buyer will be deemed to have accepted the condition of the Property. If prior to expiration of the Inspection Period, written agreement is reached with Seller regarding Buyer's requested repairs, the Inspection Period will automatically terminate unless the parties agree otherwise in writing.

☐ Alternative Inspection Procedures: Buyer has attached OREF 058 Professional Inspection Addendum to this Agreement.

☐ Buyer's Waiver of Inspection Contingency: Buyer represents to Seller and all Agents and Firms that Buyer is fully satisfied with the condition of the Property and all elements and systems thereof and knowingly and voluntarily elects to waive the right to have any inspections performed as a contingency to the Closing of the transaction. Buyer may conduct inspections for informational purposes only.

☐ Buyer's Waiver of Inspections and Inspection Contingency: Buyer represents to Seller and all Agents and Firms that Buyer is fully satisfied with the condition of the Property and all elements and systems thereof and knowingly and voluntarily elects to waive the inspection contingency and the right to have any inspections. Buyer's waivers are solely Buyer's decision and at Buyer's own risk.

☐ Other Inspection Addendum:

The selection above does not apply to OREF 081 Septic Onsite Sewage System or OREF 082 Private Well Addendum if attached.

11.1 PRIVATE WELL: Does the Property include a well that supplies or is intended to supply domestic water for household use? Yes [ ] No [ ] Yes [ ]

If yes, Buyer has attached OREF 082 Private Well Addendum to this Agreement.

Buyer Initials / Date

Seller Initials / Date

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11.2 SEPTIC/ONSITE SEWAGE SYSTEM: Does the Property include a septic/onsite sewage system? [ ] Yes [ ] No

12. LEAD-BASED PAINT CONTINGENCY PERIOD: If the Property was constructed before 1978, then on or promptly after the Effective Date (the "Date of Delivery"), Seller will deliver to Buyer OREF 021 Lead-Based Paint Disclosure Addendum (the "Disclosure Addendum"), together with the EPA Pamphlet entitled "Protect Your Family From Lead in Your Home." Unless waived by Buyer in writing in the Disclosure Addendum, Buyer will have ten (10) calendar days (or other mutually agreed on period) commencing on the day following the Date of Delivery, within which to conduct a lead-based paint assessment or inspection (the "LBP Contingency Period"). Buyer may unconditionally cancel this transaction by written Notice to Seller ("Notice of Cancellation") transmitted at any time before midnight on the last day of the LBP Contingency Period. In that case, Buyer will receive a prompt refund of all Deposits. If requested by Buyer, Seller will deliver to Buyer a copy of written reports or evaluations, if any, with the Notice of Cancellation.

Buyer’s failure to deliver to Seller the Notice of Cancellation on or before midnight on the last day of the LBP Contingency Period will constitute acceptance of the condition of the Property as it relates to the presence of lead-based paint or lead-based paint hazards, and the LBP Contingency Period will automatically expire.

13. SELLER’S PROPERTY DISCLOSURE STATEMENT: Under Oregon law, Buyer has a right to revoke Buyer’s offer (the "Revocation Right") unless this transaction is exempt or Buyer has waived the Revocation Right. Buyer may exercise the Revocation Right only in writing and only within five (5) Business Days after the Effective Date AND Seller has delivered to Buyer or Buyer’s Agent a complete Seller’s Property Disclosure Statement. However, Buyer may exercise the Revocation Right at any time before receiving the Seller’s Property Disclosure Statement, so long as Buyer does so before Closing. This provision supersedes any contrary terms in the Seller’s Property Disclosure Statement.

CONDITION AND COMPONENTS OF THE PROPERTY

14. SELLER REPRESENTATIONS: Subject to any written disclosures made by Seller as a part of this transaction, Seller makes the following representations to Buyer:

(1) The primary dwelling is connected to (select all that apply):
[ ] A public sewer system
[ ] An on-site sewage system
[ ] A public water system
[ ] A private well
[ ] Other (for example, surface springs, cistern, etc.):

(2) Seller has no knowledge of any hazardous substances in or about the Property other than substances (if any) contained in appliances and equipment. Buyer acknowledges asbestos commonly exists in insulation, ceilings, floor coverings, and other areas in residential housing and may exist in the Property.

(3) Seller knows of no material defects in or about the Property.

(4) All electrical wiring, heating, cooling, plumbing, irrigation equipment and systems, and the balance of the Property, including the yard, will be in substantially their present condition at the time Buyer is entitled to possession.

(5) Seller has no notice of any liens or assessments to be levied against the Property.

(6) Seller has no notice from any governmental agency of any violation of law relating to the Property.

(7) Seller knows of no material discrepancies between visible lines of possession and use (such as existing fences, hedges, landscaping, structures, driveways, and other such improvements) currently existing on the Property and the legal description of the Property.

(8) The Property is and will remain fully insured by Seller through Closing.

Seller agrees to promptly notify Buyer if, prior to Closing, Seller receives actual notice of any event or condition that could result in making any previously disclosed material information relating to the Property substantially misleading or incorrect.

These representations are made to the best of Seller’s knowledge. Seller may have made no investigations. Exceptions to items (1) through (8) are:

__________________________________________________________________________ (For more exceptions see Addendum __________.)

Buyer acknowledges the above representations are not warranties regarding the condition of the Property and are not a substitute for, nor in lieu of, Buyer’s own responsibility to conduct a thorough and complete independent investigation, including the use of professionals, where appropriate, regarding all material matters bearing on the condition of the Property, its value and its suitability for Buyer’s intended use. Neither Buyer’s nor Seller’s Agents will be responsible for conducting any inspection or investigation of any aspect of the Property.

15. "AS-IS": Except for Seller’s agreements and representations in this Agreement or in the Buyer’s Property Disclosure Statement, if any, Buyer is purchasing the Property "AS-IS," in its present condition and with all defects, apparent or not apparent. This provision will not be construed to limit Buyer’s right to implied new home warranties, if any, that may otherwise exist under Oregon law.

16. APPROVED USES: The PROPERTY DESCRIBED IN THIS INSTRUMENT MAY NOT BE WITHIN A FIRE PROTECTION DISTRICT PROTECTING STRUCTURES, THE PROPERTY IS SUBJECT TO LAND USE LAWS AND REGULATIONS THAT, IN FARM OR FOREST ZONES, MAY NOT AUTHORIZE
CONSTRUCTION OR SITING OF A RESIDENCE AND THAT LIMIT LAWSUITS AGAINST FARMING OR FOREST PRACTICES, AS DEFINED IN ORS 30.930, IN ALL ZONES. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON TRANSFERRING FEE TITLE SHOULD INQUIRE ABOUT THE PERSON’S RIGHTS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY THAT THE UNIT OF LAND BEING TRANSFERRED IS A LAWFULLY ESTABLISHED LOT OR PARCEL, AS DEFINED IN ORS 92.010 OR 215.010, TO VERIFY THE APPROVED USES OF THE LOT OR PARCEL, TO VERIFY THE EXISTENCE OF FIRE PROTECTION FOR STRUCTURES AND TO INQUIRE ABOUT THE RIGHTS OF NEIGHBORING PROPERTY OWNERS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010.

17. HOMEOWNER’S ASSOCIATION / TOWNHOME / PLANNED COMMUNITY: Is the Property a townhome, in a planned community, or does it have a Homeowner’s Association? □ Yes □ No □ Unknown

If yes or unknown, Buyer has attached OREF 024 Homeowner’s Association / Townhome / Planned Community Addendum to this Agreement. In this Agreement, “townhome” means a connected home where the owner also owns the ground beneath the home, and “planned community” means a residential subdivision (not a condominium or timeshare) in which owners are collectively responsible for part of the subdivision.

18. ALARM SYSTEM: □ None □ Owned □ Leased □ Unknown

If leased, Buyer will not assume the lease at Closing.

19. SMOKE/ CARBON MONOXIDE DETECTORS: Within 15 Business Days (fifteen [15] if not filled in) after the Effective Date, the dwelling will have one or more operating smoke alarms, smoke detectors, and carbon monoxide detectors installed as required by law. Refer to ORS 479.280 for smoke alarms and smoke detectors and ORS 476.725 for carbon monoxide alarms.

20. SMART HOME FEATURES: Does the Property contain any “Smart Home” features? □ Yes □ No □ Unknown

If Yes, or unknown, Seller will identify all Smart Home features in writing within 3 Business Days after the Effective Date. In addition, Seller will provide all necessary information for Buyer to access the Smart Home features at Closing, unless otherwise agreed in writing.

21. WOODSTOVE/WOOD-BURNING FIREPLACE INSERT:

Does the Property contain a woodstove or wood-burning fireplace insert? □ Yes □ No

If yes, is the woodstove/wood burning fireplace insert certified? □ Yes □ No □ Unknown

If No or Unknown, Seller will promptly provide Buyer with OREF 046 Woodstove/Wood Burning Fireplace Insert Addendum.

22. HOME WARRANTIES: Home warranty plans may be available to help cover homeowner costs to repair/replace certain home systems and appliances. (See specific plan for details.) Will a plan be purchased for Buyer as a part of this transaction? □ Yes [ ] No

If yes, identify plan and cost: _____________________________ $ _____________________________

To be paid at Closing by: □ Buyer □ Seller

23. ADDITIONAL PROVISIONS:

[Blank]

For additional provisions, see Addendum.

24. ESCROW: This transaction will be Closed at First American Title Insurance Company of Oregon (“Escrow”), a neutral escrow company licensed and located in the State of Oregon. Costs of Escrow will be shared equally between Buyer and Seller unless specifically prohibited by the U.S. Department of Veterans Affairs (Federal VA). Seller authorizes Seller's Agent to order an owner's title policy at Seller’s expense and further authorizes Escrow to pay out of the cash proceeds of sale the expense of furnishing such policy, Seller’s recording fees, Seller’s Closing costs, and any liens and encumbrances on the Property payable by Seller or before Closing. Buyer will deposit with Escrow sufficient funds necessary to pay Buyer's recording fees, Buyer's Closing costs, and Lender’s fees if any. Real estate taxes, commissions or other compensation for professional real estate services provided by Buyer’s or Seller’s Agents’ Firms will be paid at Closing in accordance with the listing agreement, buyer representation agreement, or other written agreement for compensation.

25. PRORATIONS: Rents, current year's taxes, interest on assumed obligations, and other prepaid expenses attributable to the Property will be prorated as of [select one]: [X] the Closing Date; [ ] the date Buyer is entitled to possession.

26. UTILITIES: Buyer will pay all utility bills accrued to the date Buyer is entitled to possession. Buyer will pay Seller for heating fuel/propane on the Property on the date Buyer is entitled to possession, at Seller’s supplier's rate. Payment will be handled between Buyer and Seller outside of Escrow. Seller will not terminate or disconnect electric, gas, heating fuels/propane, or water utilities prior to the date Buyer is entitled to possession unless the parties agree otherwise in writing.

[Blank]

[Signature]

[Signature]

Seller Initials ______________________ [Date] ______________________

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27. EARNEST MONEY DEPOSIT(S): When this Sale Agreement is Signed and Delivered by Buyer and Seller, the following instructions will apply to the handling of the Deposit.

The Deposit will be payable and deposited within ___ (three [3] if not filled in) Business Days after the Effective Date (the "Deposit Deadline") as follows (select all that apply):

- [ ] Directly with Escrow;
- [ ] Directly into Buyer’s Agent’s Firm’s client trust account and remain there until disbursement at Closing;
- [ ] Directly into Buyer’s Agent’s Firm’s client trust account and thereafter deposit with Escrow/Title Company prior to Closing; and/or
- [ ] As follows:

Upon deposit of the Deposit in accordance with this Agreement, Buyer will take no steps to withdraw or authorize withdrawal of the Deposit, except in accordance with the terms and conditions of this Agreement. In the event Buyer attempts or succeeds in any withdrawal of the Deposit, it will be considered a breach of this Agreement and will result in a forfeiture of the Deposit and termination, at the option of the Seller, of the Buyer’s right to purchase.

Caution: The Deposit, payable by the method selected by Buyer above, must be placed with Escrow or Buyer’s Agent’s Firm’s Client Trust account no later than 5:00 p.m. on the last day of the Deposit Deadline. The failure to do so may result in a breach of this Agreement.

If an Additional Deposit is to be paid, it will be handled in accordance with the above-selected instructions, or (Describe): ____________________________

Once the Deposit, and Additional Deposit, if any, is/are placed with Escrow, Seller’s and Buyer’s Agents and Firms will have no further responsibility to Buyer or Seller regarding said funds.

28.1 EARNEST MONEY DEPOSIT INSTRUCTIONS TO EScROW: Buyer and Seller instruct Escrow as follows: upon your receipt of a copy of this Agreement signed by Buyer and Seller, establish an escrow account and proceed with Closing in accordance with the terms of this Agreement. If you determine the transaction cannot be closed for any reason (whether or not there is a dispute between Buyer and Seller), you are to hold all Deposits until you receive written instructions from Buyer and Seller, or a final ruling from a court or arbitrator, as to the disposition of the Deposits.

28.2 EARNEST MONEY REFUND TO BUYER: All Deposits will be promptly refunded to Buyer if: (1) Seller signs and accepts this Agreement but fails to furnish marketable title; or (2) Seller fails to complete this transaction in accordance with the material terms of this Agreement; or (3) any condition which Buyer has made an express contingency in this Agreement (and has not been otherwise waived) fails through no fault of Buyer. However, acceptance by Buyer of the refund will not constitute a waiver of other legal remedies available to Buyer.

28.3 EARNEST MONEY PAYMENT TO SELLER: If Seller signs and accepts this Agreement and title is marketable, Seller, at Seller’s option, may terminate this Agreement, and all Deposits paid or agreed to be paid will be paid to Seller as liquidated damages, if: (1) Buyer has materially misrepresented Buyer’s financial status; or (2) Buyer’s bank does not pay, when presented, any check given as earnest money or fails to timely make a wire transfer for Buyer’s earnest money; or (3) Buyer fails to complete this transaction in accordance with the material terms of this Agreement. The parties expressly agree Seller’s economic and non-economic damages arising from Buyer’s failure to close this transaction in accordance with the terms of this Agreement would be difficult or impossible to ascertain with any certainty, that the Deposits identified in this Agreement are a fair, reasonable, and appropriate estimate of those damages, and represent a binding liquidated sum, not a penalty.

The Seller’s sole remedy against Buyer for Buyer’s failure to close this transaction in accordance with the material terms of this Agreement is limited to the amount of earnest money paid or agreed to be paid in this Agreement. Seller’s right to recover from Buyer any unpaid earnest money agreed to be paid in this Agreement will be resolved as described in the Dispute Resolution Sections below.

29.1 CLOSING: Closing will occur on a date mutually agreed on between Buyer and Seller on or before 06/15/2022 (the "Closing Deadline"). Buyer and Seller acknowledge for Closing to occur by the Closing Deadline, it may be necessary to execute documents and deposit funds in Escrow prior to that date.

29.2 THE CLOSING DISCLOSURE: Pursuant to TRID (defined in Section 9 – Title Insurance), Buyer and Seller will each receive a "Closing Disclosure" which, among other things, summarizes each party’s closing costs. TRID requires the Closing Disclosure must be received by a residential loan borrower at least three (3) business days prior to "consummation" of the transaction, which in most cases in Oregon will be the date on which Buyer signs the loan documents. Under certain circumstances, a change to the Closing Disclosure late in the transaction could result in a delay in Closing to comply with the three-business day rule. Such a delay beyond the Closing Disclosure could result in termination of the transaction unless Seller and Buyer mutually agree to extend it.

29.3 NOTICE REGARDING TITLE INSURANCE COSTS: The manner in which TRID requires title insurance costs to be disclosed differs from the actual costs that may be charged to the parties under Oregon law. In such instances, at Closing, Escrow may issue a separate statement showing the actual costs for an owner’s policy of title insurance and, where applicable, the lender’s policy of title insurance. Seller and Buyer are encouraged to discuss this with Escrow prior to Closing.

30. DEED: Seller will convey marketable title to the Property by statutory warranty deed (or good and sufficient personal representative’s or trustee’s or similar legal fiduciary’s deed, where applicable) free and clear of all liens of record, except property taxes that are a lien but not yet payable, zoning

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<thead>
<tr>
<th>Buyer Initials / Date</th>
<th>Seller Initials / Date</th>
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308 ordinances, building and use restrictions, reservations in federal patents, easements, covenants, conditions and restrictions, and those matters accepted by Buyer pursuant to Section 9 (Title Insurance) above. If Buyer's title will be held in the name of more than one person, see Section 41 (Offer to Purchase) below regarding forms of co-ownership.

31.1 POSSESSION: Is one or more tenants currently in possession of the Property? (select one) □ Yes □ No

   If Yes (select one):
   □ Seller will remove all tenants prior to Closing, pay any legally-required tenant relocation costs, and deliver possession to Buyer by 5:00 p.m. on the date of Closing.
   □ Buyer will accept all tenants at Closing, and unless provided otherwise in this Agreement, all rents will be prorated as of Closing, and all deposits held on behalf of tenants by Seller will be transferred to Buyer through Escrow at Closing. Buyer and Seller are encouraged to attach OREF 070 Investment Property Addendum to address additional items related to Buyer accepting tenants at Closing.

   If No, possession of the Property will be delivered by Seller to Buyer (select one):
   □ by 5:00 p.m. on the date of Closing;
   □ by _______ a.m. [p.m.] _______ days after Closing;
   □ by 12:00 a.m. [p.m.] on (insert date) _______.

   Seller will remove all of Seller's personal property (including trash), prior to Closing.

31.2 DELIVERY OF POSSESSION BEFORE/AFTER CLOSING: If the parties agree that Seller will deliver possession to Buyer before or after Closing, Buyer has attached OREF 053 Agreement to Occupy Before Closing or OREF 054 Agreement to Occupy After Closing to this Agreement.

TAXES

32.1: OREGON STATE TAX WITHHOLDING OBLIGATIONS: Subject to certain exceptions, Escrow is required to withhold a portion of Seller's proceeds if Seller is a non-resident individual or corporation as defined under Oregon law. Buyer and Seller agree to cooperate with Escrow by executing and delivering any instrument, affidavit, or statement as requested, and to perform any acts reasonable or necessary to carry out the provisions of Oregon law.

32.2. FIRPTA TAX WITHHOLDING REQUIREMENT: The Foreign Investment in Real Property Tax Act ("FIRPTA") requires a buyer to withhold a portion of a Seller's proceeds (up to 15% of the purchase price) if the Seller is a "foreign person" who does not qualify for an exemption. A "foreign person" is generally a person who is not a U.S. citizen or a resident alien (a "green card" holder).

If FIRPTA applies (that is, if Seller is a foreign person), then even if there is no exemption, Buyer and Seller must ask Escrow to assist the parties with FIRPTA compliance (see OREF 092 Advisory Regarding FIRPTA Tax). Seller's failure to comply with FIRPTA is a material default under this Agreement.

If FIRPTA does not apply (that is, if Seller is not a foreign person), then Seller will deliver to Escrow a Certification of Non-foreign Status provided by escrow that complies with 26 CFR §1.1445-2 (the "Certificate") prior to Closing. If Seller fails to do so, Seller will be presumed to be a foreign person, and the terms of the previous paragraph will apply. Escrow is instructed to act as a "Qualified Substitute" and provide Buyer with a Qualified Substitute Statement that complies with 26 USC §1445(b)(8) at Closing.

If Escrow does not agree to assist with FIRPTA compliance (including providing the form Certificate or acting as a Qualified Substitute), then either Buyer or Seller may move Escrow to another Oregon-licensed escrow agent who is willing to assist with FIRPTA compliance, in which case the parties will equally share any cancellation fees. If due to moving Escrow, this transaction cannot be closed by the Closing Date, the Closing Date will be extended by five (5) Business Days to accommodate the move.

Seller's and Buyer's Agents are not experts in FIRPTA and will not act as a transferor or transferee agent or "Qualified Substitute" for purposes of the Withholding Requirement. If FIRPTA may apply in this transaction, Seller and Buyer should promptly consult their own experts familiar with FIRPTA related law and regulations. For further information, see www.irs.gov.

33. IRC 1031 EXCHANGE: If Buyer or Seller elects to complete an IRC 1031 exchange in this transaction, the other party agrees to cooperate with them and the accommodator, if any, in a manner necessary to complete the exchange, so long as it will not delay the close of escrow or cause additional expense or liability to the cooperating party. Unless otherwise provided in this Agreement, this provision will not become a contingency to the Closing of this transaction.

34. LEVY OF ADDITIONAL PROPERTY TAXES: The Property (select one): □ is □ is not specially assessed for property taxes (for example, farm, forest, or other) in a way resulting in the levy of additional taxes in the future. If it is specially assessed, Seller represents the Property is current as to income or other conditions required to preserve its deferred tax status. If, as a result of Buyer's actions or the Closing of this transaction, the Property either is disqualified from special use assessment or loses its deferred property tax status, then unless otherwise specifically provided in this Agreement, Buyer will be responsible for and will pay when due, any deferred and/or additional taxes and interest that may be levied against the Property, and will hold Seller completely harmless therefrom.

Seller Initials / Date

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DEFINITIONS/MISCELLANEOUS

36. DEFINITIONS: In this Agreement, when the words or phrases below begin with an uppercase letter, they have the following meanings:

Agent means Buyer’s and Seller’s real estate agents licensed in the State of Oregon.

Agreement or “Sale Agreement” means this Residential Real Estate Sale Agreement and any written offer, counteroffer, or addendum in any form or language that adds to, amends or otherwise modifies this Agreement that has been Signed and Delivered.

Business Day means Monday through Friday, except days that are recognized by Oregon or the United States as official holidays.

Closing, Closed, Closing, or Closing Date mean when the deed or contract is recorded and funds are available to Seller.

Deposits means the Deposit and any Additional Deposit described in Section 1 (Price/Price/Property Description) of this Agreement.

Effective Date means the date when this Agreement has been Signed and Delivered.

Firm means the real estate company with which an Agent is affiliated.

Notice means a written statement delivered using the Notification Method described in Section 37(2) (Miscellaneous).

Notify means delivering a Notice to the other party or their Agent.

Signed and Delivered means the date and time the Seller and Buyer have: (a) signed the Agreement and (b) transmitted it to the other party or their Agent, either by manual delivery (Manual Delivery) or by facsimile or electronic mail (Electronic Transmission). When this Agreement is “Signed and Delivered,” the Agreement becomes legally binding on Buyer and Seller, and neither has the ability to withdraw their acceptance of this Agreement.

Smart Home Features means appliances, lighting, or electronic devices that can be controlled remotely by the owner, often via a mobile app. Smart home features may also operate in conjunction with other devices in the home and communicate information to other smart devices.

37. MISCELLANEOUS:

(1) TIME. Time is of the essence of this Agreement.

(2) NOTICES. Except as provided in Section 9 (Title insurance) above, all written Notices or documents required or permitted under this Agreement to be delivered to Buyer or Seller may be delivered to their respective Agent with the same effect as if delivered to that Buyer or Seller. On opening of this transaction with Escrow, Buyer, Seller, and their respective Agents, where applicable, will provide Escrow with their preferred means of receiving Notice (for example, email or text message, facsimile number, mailing or personal delivery address, or other), which will serve as the primary location for receipt of all Notices or documents (the “Notification Method”). Notice will be deemed delivered as of the earliest of:

(a) the date and time the Notice is sent by email or fax;
(b) the date the Notice is personally delivered to either the Agent or the Agent’s Office; or
(c) three [3] calendar days after the date the Notice is posted at the U.S. Mail.

(3) NONPARTIES. Agent(s) and Firm(s) identified in the Final Agency Acknowledgment Section above are not parties to this Agreement but are subject to Section 40.3 (Mediation and Arbitration Involving Agents/Firms).

(4) TIME ZONES. Any reference in this Agreement to a specific time refers to the time in the time zone where the Property is located.

(5) ELECTRONIC TRANSMISSION. The sending of a signed acceptance of this Agreement via Electronic Transmission from one party (or their Agent) to the other party (or their Agent) will have the same effect as Manual Delivery of the signed original. If the parties intend to use any other method for transmitting a signed offer or acceptance of the Agreement (such as regular mail, certified mail, or overnight delivery), they should refer to Section 23 (Additional Provisions) of this Agreement.

(6) BINDING EFFECT. This Agreement is binding on the heirs, successors, and assigns of Buyer and Seller. However, Buyer’s rights under this Agreement or in the Property are not assignable without the prior written consent of Seller.
38. FILING OF CLAIMS: All claims, controversies, and disputes between Seller, Buyer, Agents, and/or Firms, relating to the enforcement or interpretation of this Sale Agreement (including those for rescission), as well as those relating to the validity or scope of the Sale Agreement, and all matters concerning the jurisdiction of the arbitrator(s) and/or Arbitration Service of Portland, to hear and decide questions of arbitrability (collectively, "Claims"), will be exclusively resolved in accordance with the procedures in this Agreement, which will survive Closing or earlier termination of this transaction. All Claims will be governed exclusively by Oregon law, and venue will be placed in the county where the Property is situated. Filing a Claim for arbitration will be treated the same as filing in court for purposes of meeting any applicable statute of limitations or statute of ultimate repose, and for purposes of filing a lis pendens.

By consenting to the provisions in this Agreement, Buyer and Seller acknowledge they are giving up the constitutional right to have Claims tried by a judge or jury in State or Federal court, including all issues relating to the arbitrability of Claims.

39. EXCLUSIONS: The following will not constitute Claims:

(1) Any proceeding to enforce or interpret a mortgage, trust deed, land sale contract or recorded construction lien;

(2) A forcible entry and detainer action (eviction);

(3) If the matter is exclusively between REALTORS® and is otherwise required to be resolved under the Code of Ethics & Professional Standards Policies of the National Association of REALTORS®;

(4) If the matter relates to a commission or fee with an Agent or Firm, and the written listing, service or fee agreement with Buyer or Seller contains a mandatory mediation and/or arbitration provision; and

(5) Filing in court for the issuance of provisional process described under the Oregon Rules of Civil Procedure; however, such filing will not constitute a waiver of the duty to utilize the dispute resolution procedures described in this Agreement.

40.1 SMALL CLAIMS BETWEEN BUYER AND SELLER: All Claims between Buyer and Seller within the jurisdiction of the Small Claims Court of the county in which the Property is located will be brought and decided there, in lieu of mediation, arbitration, or litigation in any other forum. Notwithstanding ORS 46.455(3), neither Buyer nor Seller will have a right to request a jury trial and so remove the matter from the Small Claims Department of the Circuit Court. A judgment in Small Claims Court is final and binding and there is no right of appeal.

40.2 MEDIATION AND ARBITRATION BETWEEN BUYER AND SELLER: If Buyer's or Seller's Agent is a member of the National Association of REALTORS®, all Claims will be submitted to mediation as offered by the local REALTOR® Association, if available. If mediation is not available through the Agent's REALTOR® organization, then all Claims will be submitted to mediation through the program administered by Arbitration Service of Portland ("ASP"). All Claims that have not been resolved by mediation as described in this Agreement will be submitted to final and binding arbitration in accordance with the then-existing rules of ASP. The prevailing party in any arbitration between Buyer and Seller will be entitled to recovery of all reasonable attorney fees, filing fees, costs, disbursements, and mediator and arbitrator fees. Provided, however, a prevailing party will not be entitled to any award of attorney fees unless it is first established to the satisfaction of the arbitrator(s) (or judge, if applicable) that the prevailing party offered or agreed in writing to participate in mediation prior to, or promptly upon, the filing for arbitration.

40.3 MEDIATION AND ARBITRATION INVOLVING AGENTS/FIRMS: All Claims that include Agents or their Firms will be resolved in accordance with the mediation and arbitration process described in Section 40.2 (Mediation and Arbitration Between Buyer and Seller), above, and if applicable, the prevailing party will be entitled to an award of attorney fees, filing fees, costs, disbursements, and mediator and arbitrator fees, as provided in that section.

41. OFFER TO PURCHASE: Buyer offers to purchase the Property on the terms and conditions in this Agreement. Buyer acknowledges receipt of a completely filled-in copy of this Agreement, which Buyer has fully read and understands. Buyer acknowledges that Buyer has not relied on any oral or written statement made by Seller or any Agent that is not expressly contained in this Agreement. Neither Seller nor any Agent(s) warrant the square footage of any structure or the size of any land being purchased. If square footage or land size is a material consideration, all structures and land should be measured by Buyer prior to signing, or should be made an express contingency in this Agreement.
Deed or contract will be prepared in the name of.

Co-Ownership Note: Buyer should secure advice from an expert or attorney regarding different forms of co-ownership and rights of survivorship. Agents are not qualified to provide advice on these issues. Once the form of co-ownership is determined, Buyer should promptly notify Escrow.

This offer will automatically expire on (insert date) 05/18/2022 at 12:00 a.m. p.m. (the “Offer Deadline”). If not accepted by that time, Buyer may withdraw this offer before the Offer Deadline any time prior to Seller’s transmission of signed acceptance. This offer may be accepted by Seller only in writing.

Buyer __________________________ City of Grants Pass __________________________ Date __________ a.m. _______ p.m. ←

Buyer __________________________ Date __________ a.m. _______ p.m. ←

This offer was transmitted to Seller for signature on (insert date) __________________________ at _______ a.m. _______ p.m. by __________________________ (Agent(s) presenting offer).

42. AGREEMENT TO SELL / ACKNOWLEDGEMENTS: Seller accepts Buyer’s offer. Seller acknowledges receipt of a completely filled-in copy of this Agreement, which Seller has fully read and understands. Seller acknowledges that Seller has not relied on any oral or written statement made by Buyer or any Agent that is not expressly contained in this Agreement. Seller has reviewed the Seller Representations made in Section 14 and elsewhere in this Agreement and will promptly correct, in writing, any inaccurate representations.

Seller __________________________ Wren Murphy-Sheldon __________________________ Date __________ a.m. _______ p.m. ←

Seller __________________________ Bryon Sheldon __________________________ Date __________ a.m. _______ p.m. ←

Note: If delivery/transmission occurs after the Offer Deadline identified at Section 41 (Offer to Purchase) above, this Agreement will not become binding on Seller and Buyer unless they agree to extend the Offer Deadline by an Addendum, Counteroffer, or other writing, jointly signed by the parties. The parties’ failure to so do will be treated as a rejection under Section 43 (Seller’s Rejection) below, and this transaction will be automatically terminated.

43. SELLER’S REJECTION/COUNTEROFFER (select only one):

☐ Seller does not accept the above offer, but makes the attached counteroffer.

☐ Seller rejects Buyer’s offer.

Seller __________________________ Date __________ a.m. _______ p.m. ←

Seller __________________________ Date __________ a.m. _______ p.m. ←

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LINES WITH THIS SYMBOL ← REQUIRE A SIGNATURE OF BUYER AND/OR SELLER AND DATE

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Resolution adopting the Spalding Industrial Park Action Plan.

Date: May 4, 2022

SUBJECT AND SUMMARY:

This resolution adopts the Spalding Industrial Park Action Plan (November 2020), which will be used to help guide public and private infrastructure investments and future land use decisions within the industrial park.

RELATIONSHIP TO COUNCIL GOALS:

This supports Council's goals to ENCOURAGE ECONOMIC OPPORTUNITIES by fostering new investment in traded sector jobs and FACILITATE SUSTAINABLE, MANAGEABLE GROWTH by providing the environmental and land use framework for future development of an industrial area.

CALL TO ACTION SCHEDULE:

Call to action schedule: May 4, 2022.

BACKGROUND:

On February 24, 2022, the Collaborative Economic Development Committee (CEDC) made a motion recommending the City Council adopt the Spalding Industrial Park Action Plan. (Eleven members voted in favor, none were opposed and three were absent for the vote.) Marta Tarantsey of Business Oregon presented some State-level resources and incentives relevant to industrial and manufacturing traded sector job creation. The committee had general discussion about the park and the plan and noted the need to be more proactive with private businesses about the availability of incentives and industrial-zoned land.

The committee would like to know if Council supports the plan and its recommendations. On April 25, 2022, the City Council reviewed the CEDC motion, supported the concept of creating a new CEDC subcommittee to further explore implementation of the action plan, and directed staff to proceed with formal adoption of the plan by resolution. Infrastructure improvements in Spalding Industrial Park have also been listed in the Strategic Plan for a couple of years.

The action plan was prepared by Maul Foster & Alongi, Inc., a planning consultant firm based in Portland, and was funded by a 2018 EPA Brownfield Planning Grant. The grant and plan was completed in November 2020. A copy of the plan is attached to the resolution.

ITEM: 4.a. RESOLUTION ADOPTING THE SPALDING INDUSTRIAL PARK ACTION PLAN.
Staff Report (continued):

Over the last 12 to 18 months, Public Works has been assessing alternatives to sewer infrastructure in the eastern portion of the park. Community Development has held pre-application meetings with a couple of potential developers and limited investment has been made within the industrial park. To assist the CEDC subcommittee and help expedite implementation of recommendations in the action plan, this project will be assigned to the City’s new Economic Development Manager, who will become the staff liaison to CEDC. Recruitment for this position has closed and staff anticipates filling this position by July or August 2022, pending interviews and Human Resource processes.

COST IMPLICATION:

There is no cost associated with the adoption. The cost for capital work plan items identified in the action plan will be reviewed and established through the budget process.

ALTERNATIVES:

1. Council may revise the action plan; or
2. Delay the action for additional discussion.

RECOMMENDED ACTION:

Staff recommends the Council adopt the Spalding Industrial Park Action Plan.

POTENTIAL MOTION:

I move to adopt the Spalding Industrial Park Action Plan as proposed.
RESOLUTION NO.

A RESOLUTION OF THE COUNCIL OF THE CITY OF GRANTS PASS ADOPTING THE SPALDING INDUSTRIAL PARK ACTION PLAN.

WHEREAS:

1. The Spalding Industrial Park is a uniquely situated area within the city limits that is zoned for industrial and manufacturing land uses; and

2. The Environmental Protection Agency awarded an Areawide Brownfields Planning Grant to the City in 2018 to assess and prepare a report with planning recommendations related to the reuse of Spalding Industrial Park and nearby industrial lands; and

3. Said report was completed in November 2020 and on February 24, 2022, the Collaborative Economic Development Committee recommended the City Council adopt the Spalding Industrial Park Action Plan; and

4. The action plan is intended to be used as a guiding document for future public infrastructure, private investments, and land use planning within the park.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Grants Pass that the Spalding Industrial Park Action Plan is adopted, which is attached to and incorporated herein as Exhibit 'A'.

EFFECTIVE DATE of this Resolution shall be immediate upon its passage by the City Council and approval by the Mayor.

ADOPTED by the Council of the City of Grants Pass, Oregon, in regular session this 4th day of May 2022.

SUBMITTED to and __________________ by the Mayor of the City of Grants Pass, Oregon, this ___ day of May 2022.

___________________________________________
Sara Bristol, Mayor

ATTEST:

___________________________________________
Karen Frerk, City Recorder

Date submitted to Mayor: ___________________

Approved as to Form, Augustus Ogu, City Attorney
ACKNOWLEDGMENTS

EPA
This plan was generously funded by a Brownfield Area-wide Planning Grant from the U.S. Environmental Protection Agency (Cooperative Agreement Number 01J33301; X0734). It has not been formally reviewed by EPA. The views expressed are solely those of City of Grants Pass, and EPA does not endorse any of the mentioned products or commercial services.

CITY OF GRANTS PASS
Aaron Cubic, City Manager
Jay Meredith, Finance Director
Scott Lindberg, Grants Specialist
Lora Glover, Parks & Community Development Director
Jason Canady, Public Works Director
Susan Seereiter, Business Advocate
Bradley Clark, Principal Planner

CONSULTING TEAM
Maul Foster & Alongi, Inc.
ECONorthwest

Prepared by
Maul Foster & Alongi, Inc.
3140 NE Broadway Street, Portland, OR 97232
SPALDING INDUSTRIAL PARK
ACTION PLAN

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ACRONYMS AND ABBREVIATIONS

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Definition</th>
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<tbody>
<tr>
<td>AWP</td>
<td>area-wide planning</td>
</tr>
<tr>
<td>BP</td>
<td>business park</td>
</tr>
<tr>
<td>CEDS</td>
<td>comprehensive economic development strategy</td>
</tr>
<tr>
<td>City</td>
<td>City of Grants Pass</td>
</tr>
<tr>
<td>DEQ</td>
<td>Department of Environmental Quality (Oregon)</td>
</tr>
<tr>
<td>ECSI</td>
<td>Oregon Department of Environmental Quality Environmental Cleanup Site Information</td>
</tr>
<tr>
<td>LID</td>
<td>Local Improvement District</td>
</tr>
<tr>
<td>Plan Area</td>
<td>a 78-acre industrial plan area</td>
</tr>
<tr>
<td>SIP</td>
<td>Spalding Industrial Park</td>
</tr>
<tr>
<td>TIF</td>
<td>tax increment financing</td>
</tr>
<tr>
<td>UGB</td>
<td>Urban Growth Boundary</td>
</tr>
</tbody>
</table>
The Spalding Industrial Park (SIP) is a regionally significant industrial area located in Grants Pass, Oregon. In 2018, the City of Grants Pass (City) obtained an Area-Wide Planning (AWP) grant from the U.S. Environmental Protection Agency to complete an area-wide assessment of the barriers to redevelopment for a 78-acre portion of the SIP (the Plan Area), which includes a former lumber mill. This document summarizes the planning and analysis completed through the AWP program and concludes with the recommendations for implementation.

The City's intent for the Plan Area is to create new employment opportunities. It includes land historically dedicated to industrial activities and land recently annexed into the City. The area is characterized by incomplete and disjointed infrastructure further complicated by the presence of an important salmon-bearing creek that bisects the Plan Area. From a real estate development and marketing perspective, the City is a secondary industrial market ideally suited for small and mid-sized businesses looking to locate in an area with lower costs and a high quality of life.

To address these challenges and capitalize on the advantages of the Plan Area and region, the City convened a Steering Committee to guide the work of a consultant team in planning and analysis to support this AWP grant. Through engagement with property and business owners in the Plan Area, a strong working understanding of the likely development plans and intended outcomes was established. The planning process proceeded through analysis of existing conditions, conceptual design of development alternatives and analysis of infrastructure improvements, cost assessment and analysis of funding and financing scenarios to complete the necessary short- and long-term infrastructure projects.

The final Action Plan provides the City with detailed implementation actions to facilitate development in the Plan Area and weighs relative benefits for alternative actions to support private development in the Plan Area. The plan presents a multifaceted strategy to promote job creation and economic development in the Plan Area. This strategy includes:

- Continue regular engagement with Plan Area property owners.
- Engage with regional agencies that offer support and funding for infrastructure funding.
- Advance and construct infrastructure projects in the City's near-term project list.
- Review City project lists and plans to clearly identify projects the City can support through existing funding tools, which projects are likely to require new funding mechanisms, and which will fall solely on individual property owners.
- Support zoning modifications to facilitate the relocation of key employers to the SIP.
Grants Pass is the governmental and commerce center of Josephine County, Oregon. It is in the Rogue River Valley, surrounded by the Siskiyou Mountains, 250 miles south of Portland and 58 miles north of the Oregon/California border, as shown in Figure 1-1. The City of Grants Pass (City) obtained a U.S. Environmental Protection Agency (USEPA) Brownfields Area-Wide Planning grant to address a 78-acre industrial area (the Plan Area) which includes a former lumber mill. The purpose of the project is to explore existing conditions in the Plan Area, determine the type and scope of possible environmental assessment activities, conduct an economic analysis of private and public investment, and reach out to the community to engage them on the future vision for the Plan Area.
PLANNING PROCESS

The planning process began in 2018 with the creation of a Steering Committee and establishment of a contract with a consultant team. The Steering Committee was made up of City staff representing multiple departments including Community Development, Finance and Public Works. Representatives from key economic development agencies such as Business Oregon also provided their expertise as members of the steering committee. The committee met throughout the planning process and provided guidance to the consultant team.

During the initial phases of planning, the project team analyzed the existing conditions of the Plan Area, researched the local industrial market to inform the reuse plan, and interviewed key stakeholders. The existing conditions review examined the current ownership of the Plan Area, relevant state and local regulation such as zoning and environmental areas of concern; and assessed the infrastructure available to serve new development in the area. The market analysis provided an overview of the economic changes occurring in Grants Pass and the Rogue Valley region and identified opportunities and challenges for the redevelopment of the Plan Area given trends in the local industrial market. The project team interviewed key stakeholders including representatives from local economic development agencies and representatives of Spalding & Son, formerly the primary business and property owners in the Plan Area to get their perspective on the reuse plan. This initial phase of analysis helped to hone the vision for the reuse of the Plan Area and ensure that the plan responds to the physical limitations of the site and the market realities within Grants Pass.

After completing this initial phase of analysis, the planning team presented the findings to the Grants Pass Urban Area Planning Commission and the public in December of 2018. As the planning process was transitioning to creating a conceptual site plan, the City was notified that Spalding & Son would be forced to liquidate their ownership in the Plan Area as a part of their bankruptcy proceedings. The Spalding & Son properties within the Plan Area are slowly being transitioned to other owners. The project team conducted a second round of stakeholder interviews to connect to the new owners and learn about their plans for each property. With guidance from the Steering Committee, the planning process narrowed its focus to addressing the challenges of providing infrastructure services to the Plan Area to allow for new development.
THE PLAN AREA
The Plan Area is located on the eastern edge of Grants Pass, just inside the city limits and the Urban Growth Boundary (UGB). The 78-acre Plan Area is a part of the 172-acre Spalding Industrial Park (SIP) a strategic location for industrial uses within Grants Pass because of its access to the Central Oregon and Pacific Rail line and proximity to I-5. Much of the SIP like the Plan Area was formerly the Spalding & Son lumber mill and processing facilities. Portions of the SIP, outside of the Plan Area, have been redeveloped for small-scale industrial uses. The Plan Area remains largely vacant and represents a significant redevelopment opportunity that could stimulate economic growth in Grants Pass. The Plan Area represents 35 percent of the city's buildable industrial land.

At the beginning of the planning process, most of the Plan Area properties were owned by Spalding & Son, which had an interest in transacting the properties for industrial redevelopment. In 2016, Rogue Valley Door purchased two parcels comprising 18.7-acres within the Plan Area. It plans to relocate its operations from its existing location about one mile west of the Plan Area within Grants Pass. In 2019, while planning was underway, Spalding & Son was forced to liquidate its ownership as a part of bankruptcy proceedings. All but one of the remaining Spalding & Son properties are in the process of transitioning to new ownership, each owner having its own redevelopment goals.
HISTORICAL CONTEXT AND OWNERSHIP

Once a center for the lumber industry, the City has seen a decline in economic activity and employment since the closure of one of its oldest and largest mills, the Spalding & Son, Inc. Lumber Manufacturers mill. The lumber mill opened in the 1940s and remained active until 1998. Between 2001 and 2008, portions of the property formerly occupied by log and lumber storage were redeveloped as the SIP with a variety of small-scale industrial uses. These areas were relatively simple to redevelop, as topography allowed easy extension of public utilities and mill operations were limited to storage in those areas. In 2013, the SIP was designated as a Regionally Significant Industrial Area by Business Oregon to preserve industrial uses and bring additional resources to the area. Soon after that, the City annexed the portion of the Plan Area east of Ament Road to facilitate additional industrial redevelopment.

In 2019, while this plan was underway, Spalding & Son began selling 59.5 acres of primarily vacant and underutilized property as a part of their bankruptcy proceedings. These properties will require some environmental assessment, as well as building demolition, but also present redevelopment opportunities within the Plan Area. Several sites in the Plan Area await redevelopment (Figure 1-4):

**Spalding & Son** retains ownership of one 9-acre property on the eastern edge of the Plan Area, north of Northeast Spalding Avenue. Steep sloping terrain and lack of access to sewer and water infrastructure make this property challenging to redevelop. There are no current redevelopment plans for the property.

**Rogue Valley Door** purchased two properties east of Ament Road and Favill Road on either side of Northeast Spalding Avenue in 2016, with plans to relocate their current operations to the properties. The northern property was a former wood treatment facility and the southern property was a former Southwest Forest Industries Plywood Plant 4 site. The 6-acre southern Rogue Valley Door property fronts on the Central Oregon and Pacific Railroad tracks and includes a 91,000-square-foot industrial building, complete with track spur. These two properties total approximately 19 acres or roughly 30 percent of the Plan Area.

**Edgewater Christian Fellowship** purchased the 8-acre property north of Northeast Spalding Avenue, between Northeast Industrial Drive and Ament Road, after going through a boundary line adjustment process (Figure 1-4). The purchase allows for additional road access to the church, anticipating that Northeast Industrial Drive will eventually be extended to connect to Northeast Spalding Avenue to the south. The church does not have any development plans for the property and may eventually sell a portion of the property for small industrial development.

**BT Ventures** had shown interest in purchasing the eastern properties within the Plan Area, both north and south of Northeast Spalding Avenue for reuse as a hemp processing facility. Their initial site plans propose reusing the large existing building north of Northeast Spalding Avenue and developing 10 new industrial buildings totaling 245,000 square feet. This initial site plan helped to inform the conceptual plan create for this report.

**Caswell Thompson** had considered purchasing two parcels. One 17-acre parcel is located in the northeast corner of the Plan Area and the other 2-acre parcel is located on the corner of Northeast Spalding Avenue and Favill Road adjacent to the railroad tracks. There are currently no redevelopment plans for either parcel.
**FIGURE 1-4. PLAN AREA OWNERSHIP**

<table>
<thead>
<tr>
<th>Owner/Potential Buyer (Aug 2020)</th>
<th>Owner (Nov 2020)</th>
<th>Area (Acres)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Blue Spalding &amp; Son, Inc.</td>
<td>Rogue Valley Door</td>
<td>9.7</td>
</tr>
<tr>
<td>Light Blue BT Ventures</td>
<td>Spalding &amp; Son, Inc.</td>
<td>24.9</td>
</tr>
<tr>
<td>Navy Rogue Valley Door</td>
<td>Rogue Valley Door</td>
<td>18.4</td>
</tr>
<tr>
<td>Orange Edgewater Christian Fellowship</td>
<td>Edgewater Christian Fellowship</td>
<td>7.4</td>
</tr>
<tr>
<td>Yellow Caswell Thompson</td>
<td>Spalding &amp; Son, Inc.</td>
<td>17.8</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>78.2</strong></td>
</tr>
</tbody>
</table>
EXISTING CONDITIONS

An existing conditions analysis examined the physical and regulatory constraints to redevelopment in the Plan Area. A key challenge identified through this analysis is the lack of municipal water and sanitary sewer infrastructure serving the properties east of Jones Creek within the Plan Area. Jones Creek acts as a barrier to extending these necessary infrastructure services, adding to the redevelopment costs. A summary of the implications for redevelopment for each element of the existing conditions report is provided below, with more detail available later in the chapter and the full existing conditions report provided in Appendix A.
Some portions of the Plan Area may be difficult to serve with utilities due to bedrock close to the surface.

Jones Creek bisects the Plan Area and may be a barrier to the extension of needed utility services across the area.

Additional sampling within the areas of concern should be conducted to determine where residual contamination remains. The most recent soil, sediment, and groundwater samples appear to be from the early 2000s.

If any of the properties within the Plan Area are redeveloped, it will be necessary to evaluate potential exposure pathways associated with construction and the developed use based on current environmental conditions.

Local regulations establish the Plan Area as a Regionally Significant Industrial Area; this recognizes the potential of the area and makes the area eligible for expedited site plan review by the City.

The zoning regulations in the Plan Area will accommodate heavy and light industrial uses.

Watermains will have to be extended along portions of NE Spalding Avenue, Shannon Lane, NE Industry Drive, and Ament Drive to serve the Plan Area.

Additional infrastructure such as a pump station and/or a storage reservoir will have to be constructed to serve the northeastern most parcel in the Plan Area. These improvements will require significant financial investment.

Future industrial development that consumes an exceptional volume of potable water or has a high risk of fire will require further analysis to ensure sufficient capacity before it is connected to the system.
Gravity main sewer lines will have to be installed from the Plan Area parcels to a new sanitary sewer lift station to serve this area.

Future industrial development that generates an exceptional amount of sanitary wastewater or wastewater with unique chemical or physical constituents will require further analysis concerning the impact of the existing system before connecting to the existing or future system.

Existing stormwater infrastructure serves only a portion of the Plan Area. Some improvements to the stormwater mains will have to be made to increase capacity of the existing system and help prevent flooding.

The lack of existing surface water conveyance in the Plan Area could result in flooding, particularly in low lying areas. Additional stormwater treatment and conveyance system would likely have to be installed to fully develop the area. A hydrological and hydraulic analysis of surface runoff, treatment systems, and collection and conveyance systems in the area would be necessary for any future development.

Any new development will be reposable for developing sidewalks to promote pedestrian accessibility and safety.

New development will bring additional trips to the site and should coordinate with the local public transportation agency to ensure that workers can access the site through various modes of transportation.

Improvements to road widths and drainage facilities will have to be made to safely accommodate semi-truck traffic and increased traffic volume.

Development should coordinate with the electrical purveyor to extend the required service to specific locations within the Plan Area.

Development should coordinate with the telecommunications purveyor to extend the required service to specific locations within the Plan Area.

Development should coordinate with the natural gas purveyor to extend the required service to specific locations within the Plan Area.
NATURAL AND CULTURAL RESOURCES

The topography of the Plan Area is defined by a mild southern grade toward the Rogue River and a slight north-south depression along Jones Creek (Figure 2-1). Some portions of the Plan Area have bedrock 40 to 60 inches below the surface. This shallow bedrock could make development more difficult in certain areas.

The southern border of the Plan Area is approximately 600 feet from the Rogue River. Jones Creek runs down the center of the area and is buffered by a vegetated area. There is a 20-foot setback for development from the edge of Jones Creek. The creek may be a barrier to the extension of the utility services necessary for development.

The northeast corner of the property is undeveloped and has some clusters of trees. According to the Oregon Department of Fish and Wildlife, the Plan Area may be home to the threatened Northern Spotted Owl and an endangered plant called Gentner's fritillary. There are no known features of archaeological significance or existing buildings that are on the historic register. If federal funding is sought to support redevelopment in the future, it should be assumed that historical resource consultation will be required.

FIGURE 2-1. PLAN AREA TOPOGRAPHY AND NATURAL FEATURES
ENVIRONMENTAL CONSIDERATIONS

Documents reviewed for this section included those available on the State of Oregon Department of Environmental Quality's (DEQ) Environmental Cleanup Site Information (ECSI) database for the Plan Area properties. In addition, the City provided environmental documents for the former Spalding & Son properties. Stantec's January 2020 Phase I environmental site assessment of the BT Ventures properties identified seven recognized environmental concerns (Stantec, 2020). This section provides an overview of findings from these documents. Greater detail is provided in Appendix A, Spalding Mill Area-Wide Existing Conditions Report.

Both of the Rogue Valley Door and BT Ventures properties are listed on the DEQ ECSI database. In 2009, an unpermitted auto wrecking yard and appliance salvaging facility operated on the northern Rogue Valley Door property resulting in petroleum contamination. The site underwent cleanup, but the no further action determination notes petroleum contamination below cleanup levels remains on the site.

The Rogue Valley Door property south of Northeast Spalding Avenue was formerly listed on the DEQ ECSI database because of issues with glue waste management between 1979 and 1983.

FIGURE 2-2. AREAS OF CONCERN MAP
The materials were excavated and removed in 1984 and no additional spills have been reported to the DEQ.

Several properties in and adjacent to the Plan Area are listed on the DEQ ECSI database because of the use of pentachlorophenol, used to surface-treat wood, on four different sites within the Plan Area:

- The Green Chain Building and the former Planer Mill on the BT Ventures property,
- The former Siberian Chain Building on the northern Rogue Valley Door property, and
- A former Wood Treatment Area located just outside the western boundary of the Plan Area.

Additionally, in 1990, one 1,000-gallon gasoline underground storage tank and one 1,000-gallon diesel underground storage tank were decommissioned at the former Spalding & Sons shop location on the southern Caswell Thompson property.

The 2020 Phase I environmental site assessment identified additional areas of concern including former log ponds that were filled with unknown fill material on the Spalding property south of Northeast Spalding Avenue. During site reconnaissance conducted for the Phase I, soil staining on the northwest corner of the Plan Area was observed adjacent to the Cascade Metal Recycling facility (Stantec, 2020). Abandoned electrical equipment that may be a source of polychlorinated biphenyls impacts was also observed on the Spalding property.

Additional sampling should be conducted in the areas of concern identified above to determine where residual contamination remains. The most recent soil, sediment, and groundwater samples appear to be from the early 2000s. If any of the properties within the Plan Area are redeveloped, it will be necessary to evaluate, based on current environmental conditions, potential exposure pathways associated with construction and the developed use.

REGULATORY

Several documents regulate the potential future uses and development within the Plan Area. The primary regulatory agency is the City, which has development review authority for the area. The following documents and analyses will impact the redevelopment of this area: Comprehensive Community Development Plan, City of Grants Pass Development Code, and Urban Renewal Plan.

The Plan Area is also designated as a Regionally Significant Industrial Area by the Business Oregon Economic Recovery Review Council, which ensures that the area is maintained for industrial uses, allows an applicant to request Expedited Industrial Site Plan Review procedures, and may give the area priority for additional funding for infrastructure and transportation improvements.

COMPREHENSIVE COMMUNITY DEVELOPMENT PLAN

The Comprehensive Community Development Plan (2015) lists the Plan Area as an Industrial District (I) zone. This zone provides for industrial uses with heavier impacts upon their surroundings and a greater need for outdoor storage and processing. It is the express intent of the Industrial District to maintain lands for industrial use, with commercial and residential uses limited to those that are accessory to
industrial development. This district shall not include retail commercial (other than service commercial) or other uses incompatible with heavy industry.

ZONING

The Plan Area is zoned Industrial District and is surrounded primarily by Business Park uses and limited low-density residential land (Figure 2-3). The Industrial District allows for industrial, agricultural, and temporary uses. A detailed list of permitted uses and development standards for Industrial Districts is provided in Appendix A. Additionally, there is an overlay zone for the SIP Regionally Significant Industrial Area that allows for the Expedited Industrial Site Plan Review.

URBAN RENEWAL PLAN

The City adopted an Urban Renewal Plan in 2016 to provide tools to help incentivize economic growth and job creation in the urban renewal area. The Urban Renewal Plan indicated that as much as $19 million in public infrastructure is needed to facilitate redevelopment of the area. The Urban Renewal Area will contribute up to 25 percent of the project costs. Properties within the Plan Area have a high potential for redevelopment and the infusion of tax-increment revenue will boost the Urban Renewal Agency’s coffers and assist with the implementation of the plan.

FIGURE 2-3. LAND USE MAP
INFRASTRUCTURE
The Plan Area has mixed levels of service provided by municipal water, sanitary sewer, stormwater, transportation, power, and telecommunications. Most of this infrastructure is organized around serving the Spalding site and does not extend east to serve the rest of the Plan Area adequately (Figure 2-4). This need for infrastructure expansion in this area is noted in the Report on Grants Pass Urban Renewal Plan (2016) and described in further detail below.
EXISTING CONDITIONS

MUNICIPAL WATER

The City owns and operates the public water system that supplies potable water to residents, businesses, and public institutions within city limits. The Grants Pass water treatment plant has an approximate hydraulic capacity of 20 million gallons per day. The 2008 Grants Pass & Urbanizing Comprehensive Plan estimates the future total water demand for full build-out of the Grants Pass UGB at 40 million gallons per day. The City is pursuing full replacement of the water treatment plant with a new seismically sound facility located at a new site. Further analysis will be needed for future industrial development that consumes an exceptional volume of potable water or has a high risk of fire to ensure sufficient capacity before connecting to the system.

The Spalding site lies on the eastern edge of the City's existing water service area. Municipal water lines are currently extended from west of the Plan Area and serve a small area of the site. However, the eastern portion of the site is not currently served by municipal water and would require extension of the existing pipes. Due to the higher elevation of the northeastern parcel of the Plan Area, some combination of a pump station and storage reservoir will need to be installed and connected to the existing pipe.

WASTEWATER

The City's Water Restoration Plant is estimated to have sufficient capacity to process flows from the projected 2060 service area population. As with municipal water, the eastern side of the Plan Area is not served by the existing sanitary sewer collection system. Due to the lower surface topography of the eastern Plan Area, it is likely that a sanitary pump station will be required to extend sanitary sewer service to the eastern portion of the Plan Area. Parametrix's 2006 addendum to the 2004 City of Grants Pass Collection System Master Plan informs preliminary findings for a sanitary sewer pump station in the Spalding area (City of Grants Pass, 2016a). The proposed pump station would have to be sized to accommodate current development and should have expansion capacity to accommodate future industrial development of the area. In addition, new gravity mains will have to be installed from the Plan Area parcels to a new sanitary sewer station in order to serve this area.

STORMWATER

The Plan Area is part of the Jones Creek stormwater basin with Jones Creek running through the center. Stormwater service is limited throughout the Plan Area. The 2016 Stormwater Master Plan included a recommendation that a new storm main connecting to the existing main in NE Industry Drive and outfall to Jones Creek be installed to improve stormwater conveyance in the Plan Area. In addition, it was recommended that a new 24-Inch storm main and a new flow diversion structure on NE Agness Avenue be installed between NE Industry Drive and NE Spalding Avenue (see Figure 2-4). While these improvements would increase capacity of the existing system and likely would decrease chances of flooding in the area, additional stormwater infrastructure will have to be extended throughout the Plan Area to serve the remaining parcels. With proper on-site stormwater treatment, it may be possible to create a network of stormwater conveyance pipes outfalling to Jones Creek or to connect some parcels on the west side of Jones Creek to the existing storm system.
TRANSPORTATION

The Plan Area has various points of access from the north, west, and south sides. I-5 is less than a mile to the north. The Central Oregon and Pacific Railroad runs along the southern border of the Plan Area, and there is a track spur to the Rogue Valley Door property. Paved rights-of-way provide ample access to the old industrial buildings in the area. Ament Road and NE Spalding Avenue, which are interior to the Plan Area, are both local collectors. NE Agness Avenue is the nearest existing arterial. To accommodate future development and semi-truck traffic, it is likely that Ament Road and NE Spalding Avenue will have to be improved to be similar to NE Industry Drive, with approximately 16-foot-wide lanes, as well as curbs, gutters, and sidewalks.

There is no pedestrian or bicycle infrastructure on these roads. The nearest public transportation is the No. 20 and No. 35 buses that run every hour along NE Agness Avenue about a quarter mile west of the Plan Area boundary. A non-motorized path begins at the far east end of Spalding Avenue. This path will be integrated into the larger Rogue River Greenway connecting Grants Pass with Medford.

MARKET CONDITIONS

ECOnorthwest completed a market assessment of the demand drivers that influence development in the Grants Pass area and the competitive landscape of the Rogue Valley region’s industrial real estate market. The purpose of this analysis was to provide information to key stakeholders—the City and local property owners—on local and regional market conditions to inform decision-making. The following section provides an overview of key findings of this analysis. The full Industrial Market Analysis can be found in Appendix B.

A CHANGING ECONOMY

In the past five years, the Rogue Valley region has started to see some signs of economic recovery. The population has started to increase after a period of stagnation. Gross Domestic Product has increased year-over-year since 2013. Several job sectors, including education, warehouse, agriculture and manufacturing, have seen employment growth. The unemployment rate for the city of Grants Pass was 4.7 percent in 2018 but continues to be higher than the state level.

The composition of the local economy has also changed. Employment has shifted from traditional Rogue Valley industries—construction, natural resources, agriculture, and forestry—to services, retail, and government. The region still primarily exports wood, value-added agricultural products, and transportation equipment. These exports peaked in 2011 but have remained fairly stable since then.

Overall, the region is poised to see continued economic growth. However, the regional economy of the future will look quite different from that of the past. Service and educational jobs are expected to continue to grow. The region has the opportunity to benefit from the growth in demand for value-added agricultural products, the expansion of e-commerce and the emerging legal marijuana industry.

POWER, TELECOMMUNICATIONS, AND NATURAL GAS

Electrical power, telecommunication services, and natural gas are provided by Pacific Power, Charter and CenturyLink, and Avista Utilities, respectively. New development would have to coordinate with each purveyor to extend the required service to specific locations within the Plan Area.
INDUSTRIAL LAND

Grants Pass faces two main challenges related to its industrial land supply. First, the city of Grants Pass is located along the Rogue River and is constrained by steep topography that limits the city's ability to expand. This is particularly problematic for industrial properties that require large flat sites. Second, the city has few large industrial properties larger than 10 acres. The Plan Area includes the largest industrial zoned parcels in the city's UGB and 35 percent of buildable industrial land in this area. New demand for industrial development will be targeted to small- to medium-sized projects that require between half an acre and five acres.

The Rogue Valley market area has a diverse set of industrial areas and properties which are unevenly split between Jackson and Josephine Counties. In Jackson County—home to Medford, Southern Oregon's largest city, and White City, the largest industrial park in the region—there are more industrial properties and the area has seen more real estate developed in comparison to Josephine County. In Josephine County, the defining characteristic of industrial properties is their small to moderate size.

There has been increased leasing activity in the Rogue Valley industrial market over the past few years. The number of leases signed has increased and vacancy rates have plummeted. Recent data and input from local brokers indicate that the city of Grants Pass has a low, if nonexistent, industrial vacancy rate—a sign of an incredibly tight market. Despite these trends, there has been little new industrial development.

Recent data and conversations with local brokers indicate that Grants Pass is caught in a situation faced by many smaller cities: there is a mismatch between the rents that businesses can afford to pay, and the rent levels needed to incent the construction of new industrial buildings. Overcoming this hurdle will not be easy, and usually requires multiple policy approaches and financial incentives to catalyze new projects.

Given the city's limited available land for industrial development and the competitive industrial market conditions, the city is best positioned to attract businesses that require less land for their developments, or to focus on supporting expansions of local existing businesses. The charge of the City is to ensure that (1) there is land available to meet the needs of future industries, and (2) the available land has adequate transportation and utility infrastructure. Planning for infrastructure for the eastern Plan Area will require coordinated investments from several partners, including the City, its Urban Renewal Agency, and local property owners.
Interest from industrial businesses and developers in the Plan Area has grown, and ownership of this land is transferring from the legacy owner to new industrial users. However, insufficient infrastructure to support new operations is a major barrier to realizing new development in the Plan Area. The following conceptual redevelopment plan was prepared to help advance realistic planning for infrastructure improvements and to illustrate what investments need to be made to support development.
CONCEPTUAL REDEVELOPMENT PLAN

The conceptual site plan shown in Figure 3-1 (also see Appendix C) includes 15 new industrial buildings totaling 560,000 square feet. This development concept was informed by current and former stakeholders in the Plan Area and through observations of the Grants Pass industrial marketplace. The concept reflects recent industrial development patterns on properties located west of the Plan Area within the SIP. The conceptual site plan layout is subdivided into multiple lots, each with an industrial

![Figure 3-1: Conceptual Redevelopment Site Plans](image)

<table>
<thead>
<tr>
<th>Lot</th>
<th>Area (Acres)</th>
<th>Building Square Feet</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>2.5</td>
<td>39,000</td>
</tr>
<tr>
<td>B</td>
<td>2.9</td>
<td>35,000</td>
</tr>
<tr>
<td>C</td>
<td>2.2</td>
<td>35,000</td>
</tr>
<tr>
<td>D</td>
<td>2.0</td>
<td>30,000</td>
</tr>
<tr>
<td>E</td>
<td>2.0</td>
<td>30,000</td>
</tr>
<tr>
<td>F</td>
<td>1.5</td>
<td>14,000</td>
</tr>
<tr>
<td>G</td>
<td>1.6</td>
<td>22,000</td>
</tr>
<tr>
<td>H</td>
<td>1.8</td>
<td>23,000</td>
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<td>I</td>
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<td>J</td>
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<td>K</td>
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<td>16,000</td>
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<td>22,000</td>
</tr>
<tr>
<td>N</td>
<td>1.6</td>
<td>14,000</td>
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<tr>
<td>O</td>
<td>12.7</td>
<td>190,000</td>
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<tr>
<td>P</td>
<td>5.5</td>
<td>--</td>
</tr>
<tr>
<td>Q</td>
<td>9.7</td>
<td>--</td>
</tr>
<tr>
<td>R</td>
<td>15.6</td>
<td>--</td>
</tr>
</tbody>
</table>

Total: 71.8 acres, 560,000 square feet
building. Alternatives to this layout that include fewer, larger buildings or include the same number of buildings but fewer lots may reduce infrastructure costs. The intent of this concept is to illustrate a site plan that is marketable but plotted in a way that requires infrastructure on the upper end of the potential cost estimate range.

This conceptual site plan aligns with an early conceptual site plan put forth by BT Ventures on the properties it controls (Lots A through J). East of Ament Road, one larger 190,000-square-foot industrial development is shown on Lot O, and the existing building south of Northeast Spalding Avenue (Lot P) is retained. This building configuration is consistent with initial redevelopment plans based on interviews with Rogue Valley Door. Two parcels in the northeast portion of the Plan Area (Lots Q and R) remain vacant because no immediate development plan exists for these parcels. In addition, the steep changes in topography and lack of access to infrastructure present barriers to redevelopment in this area.

**INFRASTRUCTURE IMPROVEMENTS**

Municipal water, sanitary sewer, stormwater, and roadway improvements are needed to serve new industrial development within most of the Plan Area as it lacks connection to existing City services. Due to elevation constraints, the area east of Jones Creek presents a challenge to connect to City services and will require additional infrastructure to bring services across the creek.

The City's 2016 Wastewater Collection System Master Plan and Water Distribution Master Plan acknowledge the need for investment in the Plan Area with projects anticipated between 2021 and 2026 (City of Grants Pass, 2016a,b). However, these master plans looked at development to serve a much broader area that includes the SIP and adjacent residential neighborhoods. Although the future master plan improvements provide services to the Plan Area and beyond, the infrastructure improvement plan presented below supports development more quickly in the Plan Area based on the conceptual site plan. The total estimated cost for this infrastructure improvement plan is $9.0 million. The estimated costs are summarized in Section 5 and detailed in Appendix D.

Note that the infrastructure plan presented here will support development of the Plan Area on all the lots except Lots Q and R. Based on input from the current owners, these lots are not likely to be developed in the next ten years. Additional infrastructure investments will need to be made to support development on these lots.
MUNICIPAL WATER

The infrastructure improvement plan for the Plan Area proposes to install a new water system to serve new development including mains, valves, fittings, and other associated appurtenances and represents only a portion of the overall water infrastructure described in the Water Distribution Master Plan (City of Grants Pass, 2016b). Water service will be extended east along Northeast Spalding Avenue to the eastern boundary of the Plan Area. To maintain sufficient fire flows and water pressures, the system will also connect to the existing watermain on Industry Drive to the north and extend south along Shannon Lane to connect with an existing watermain south of the railroad tracks on Shannon Lane. A watermain will also be extended north on Ament Road, but a booster pump station will likely need to be installed to serve at a minimum Lot R, and possibly Lots M and N. The total cost to install this water system is estimated to be $1.5 million.

WASTEWATER

New gravity sanitary sewer infrastructure proposed to serve new development under the infrastructure improvement plan for the Plan Area includes pipes, manholes, and associated fittings. The existing sanitary sewer gravity main ends at the western boundary of the Plan Area. This new gravity main will be extended along Northeast Spalding Avenue approximately 450 feet and will serve properties north of Northeast Spalding Avenue and west of Jones Creek. Properties south of Northeast Spalding Avenue and west of Jones Creek will need to install a private grinder pump and force main system to connect to the public gravity sanitary sewer main in Northeast Spalding Avenue.

After receiving more immediate development interest in the eastern portion of the Plan Area from Rogue Valley Door, the City employed Carollo Engineers to study alternative solutions for extending sewer infrastructure east of Jones Creek. The most desirable option was to install a new force main from the gravity sanitary sewer main east along Northeast Spalding Avenue, underneath Jones Creek, terminating at a new valve vault near Favill Road. This section of new force main would be publicly owned. Each property owner would then connect to this new valve vault with a privately owned force main and small lift station. The total cost to install this sanitary sewer system is estimated to be $2.2 million.

STORMWATER

There is currently no stormwater infrastructure within the Plan Area. Stormwater service can be found at the western boundary and in the currently developed portion of Industry Drive. As parcels and the roadways are developed in this area, stormwater collection, treatment, and conveyance infrastructure will need to be installed to meet current stormwater regulations.

Due to poor soil infiltration rates, lack of existing stormwater infrastructure, and elevation restrictions on the east side of Jones Creek, it is assumed, for purposes of this report, that a new outfall will need to be constructed into Jones Creek to discharge stormwater runoff from the roadways and development east of Jones Creek. Other options such as a stormwater pump station may be considered as development plans progress. The total cost to install this stormwater system is estimated to be $1.2 million.
ROADWAYS

The existing roads within the Plan Area are not sufficient to support the heavy semi-truck traffic needed for industrial development. Undertaking roadway improvements will allow for heavy shipments to reach new industrial users without damaging the existing roads.

Under the infrastructure improvement plan for the Plan Area, existing pavement will be removed and roads will be repaved to support heavy industrial traffic and sidewalks will be added to promote improved pedestrian access. Road improvements are proposed on Northeast Spalding Avenue and Ament Road throughout the Plan Area, as well as Shannon Lane and Favill Road in between Northeast Spalding Avenue and the railroad tracks to the south. In addition, a new segment of road is planned to connect Industry Drive to Northeast Spalding Avenue. The total cost to install this road system is estimated to be $4.1 million.

**INFRASTRUCTURE COST SUMMARY**

<table>
<thead>
<tr>
<th>WATER</th>
<th>Cost (in $)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Municipal</td>
<td>$1,520,775</td>
</tr>
<tr>
<td>Mobilization</td>
<td>$91,000</td>
</tr>
<tr>
<td>Parts/Materials</td>
<td>$1,035,500</td>
</tr>
<tr>
<td>Design and Contingency (35%)</td>
<td>$394,275</td>
</tr>
</tbody>
</table>

| STORMWATER   | $1,222,425  |
| Mobilization | $74,000     |
| Parts/Materials | $831,500 |
| Design and Contingency (35%) | $316,925 |

| ROADWAYS     | $4,133,115  |
| Mobilization | $251,467    |
| Parts/Materials | $2,810,100 |
| Design and Contingency (35%) | $1,071,548 |
FUNDING OVERVIEW

The purpose of this section is to identify a list of potential funding sources to construct the infrastructure improvements needed to support development consistent with the conceptual site plan for the Plan Area. This section also highlights the public benefits that may be realized from redevelopment within the Plan Area and the current Rogue Valley Door property.
FUNDING TOOLS SUMMARY

There are numerous sources and approaches that can be used to fund development-serving infrastructure. These vary by who is paying for infrastructure projects and how and when each party pays for those costs. Funding may come from property owners, businesses, and/or households that pay fees to give the various levels of government money to build and maintain the infrastructure. Other sources are direct state or federal grants and loans that the City may apply for.

As summarized in Section 5 and detailed in Appendix D, the total estimated cost to build out the identified infrastructure improvements needed to support new development is $9.0 million. The following funding sources and financing approaches may be used to help pay for costs that the City is typically responsible for (approximately $1.1 million) and offset some of the development costs typically covered by the private sector (approximately $7.9 million) to hasten redevelopment.

PUBLIC FUNDING SOURCES

Urban Renewal

In 2017, the City established a tax increment financing (TIF) district through their Urban Renewal Agency. The Urban Renewal Agency TIF fund has had robust growth since its implementation in 2017. City staff expect $840,000 in tax increment funds in the 2019-2020 fiscal year and project $940,000 for the 2020-2021 fiscal year.

The 2021 City-funded projects in the Plan Area shown in Table 5-2 Probable Infrastructure Improvement Costs (~$867,000) will not use Urban Renewal funds. Of the remaining estimated costs ($8.2 million), up to 25 percent, or nearly $2.0 million, may be offset by Urban Renewal funds. Projects related to supporting development in the Plan Area may be funded using TIF at the City's discretion.

The Urban Renewal Plan guides how these funds can be utilized and includes investment in infrastructure in the Plan Area within its list of authorized projects. The Urban Renewal Plan also notes that up to $5 million, or 25 percent, of the total infrastructure costs in this area could come from the Urban Renewal Agency. While Urban Renewal Agency funding is a promising source for infrastructure improvements within the Plan Area, it will likely be limited to 25 percent of the total cost as result other sources will need to be identified to fund the remaining infrastructure costs.

Business Oregon Infrastructure Finance Authority

Business Oregon has several programs that provide financing options for infrastructure improvements including the Water/Wastewater Finance Program, the Special Public Works Fund, and the Regionally Significant Industrial Site program. Applications and additional information about each program are available through Business Oregon’s Regional Development Officers.

The Water/Wastewater Finance Program and the Special Public Works Fund primarily offer long-term loan options at attractive interest rates. Each program has limited grant funding that may be available for targeted needs within the project. Grants Pass meets the basic criteria for grant funding through the Water/Wastewater Financing Program because the median household income is less than that of Oregon State. The maximum grant available through this program is $750,000. For the Special Public Works Fund, the grant amount may be available based on the eligible number of jobs created or retained with a maximum of the lesser of $500,000 and 85 percent of the project cost.

The Regionally Significant Industrial Sites Program is authorized through 2023 to reimburse applicants for up to 100 percent of the total site preparation costs. To qualify for reimbursement, employers locating on the site must create at least 50 full-time jobs in the rural/urban area. Job creation is defined broadly and would allow
employment generated on the site from the relocation of Rogue Valley Door to count towards the job threshold. To be counted, the average wages for these positions must be 150 percent of the county wage or state wage, whichever is lower. For Grants Pass, this wage threshold is $52,440 per year. Once these thresholds are met, 50 percent of the state income taxes that are paid each year will be reimbursed to the applicant for all new employment on the site, including new jobs that are below the 150 percent wage threshold. While this program does not directly address infrastructure costs to a site, it would offset development costs and help the overall feasibility of a project in the Plan Area.

Oregon Department of Transportation Immediate Opportunity Fund

The Oregon Department of Transportation’s Immediate Opportunity Fund supports economic development efforts by providing funding for the construction and improvement of streets and roads. Access to this fund is discretionary and may only be used when other sources are unavailable or insufficient. Up to $3 million is available per biennium to support preparation of Regionally Significant Industrial Areas like the Plan Area. Funds are limited to $1 million per project or no more than 50 percent of the cost of transportation improvements. As the name implies, the project must be ready to proceed with all other funding sources necessary for the project secured.

General Obligation Bonds

General Obligation Bonds are a common source of financing for capital improvement projects such as infrastructure improvements. Bonds are issued and sold to provide upfront financing for improvement projects. The jurisdiction issuing the bonds commits to repaying the debt and interest using future unrestricted revenue sources including property taxes. General Obligation Bonds require voter approval.

U.S. Economic Development Administration Public Works and Economic Adjustment Assistance Program

These U.S. Economic Development Administration programs provide both planning and construction of a wide range of projects that support economic development, foster job creation, and attract private investment. Additional funding for this program was released in 2020 as a result of the Coronavirus Aid, Relief, and Economic Security Act. In addition to adding $1.5 billion to the funding available, the act widens the eligibility criteria to all communities impacted by COVID-19. The program supports the implementation of projects identified in the regional Comprehensive Economic Development Strategy (CEDS), providing up to 80 percent of the total project costs. Southern Oregon Regional Economic Development, Inc., maintains the CEDS for Josephine County. Although the plan does not explicitly list SIP projects, it references the Grants Pass comprehensive plan and infrastructure master plans.

PARTNERSHIPS

Local Improvement District

Local Improvement Districts (LIDs) are special assessment districts that allow property owners to share the cost of capital improvements, like the provision of underground utilities. Property owners within the LID are assessed an annual fee to pay for the capital improvements over time. The LID can issue bonds backed by the revenue committed by property owners to fund the improvements upfront. To create a LID, a city passes an ordinance through a public hearing process which must be supported by most property owners. LIDs are a funding tool to consider for the Plan Area because once established they allow funds for improvements to be made available quickly, while allowing property owners to make payments over time. LID funding can also be combined with other sources such as TIF.
Creating a LID for the Plan Area has challenges that need to be understood. First, it requires property owners that will benefit from these investments to organize around a common goal and agree to a fair assessment method. Also, because the extension of infrastructure serves only a few property owners, the fee amount assessed to property owners may be high for those that do not intend to develop their site in timing with delivery of the infrastructure. It may also be difficult for the LID to generate enough revenue from the special assessment to support the desired bond amount for improvements. In addition, some lenders require that LIDs be paid off when a property is transferred.

Reimbursement Districts

A reimbursement district is a cost-sharing mechanism that is typically initiated by a developer. Once a reimbursement district is established, the developer pays for the cost of infrastructure improvements such as the extension of sewer lines. Then, as future projects connect to the new infrastructure, the new project developer pays a reimbursement fee to the city that is then distributed to the developer that made the original investment. To create a benefits district, city staff review the application, conduct an engineering report, decide through a public hearing process, and administer the reimbursement fees.

The extension of water and sewer infrastructure to the eastern portion of the Plan Area is necessary for additional development to occur. This infrastructure need could make a reimbursement district appealing to potential developers interested in beginning their project quickly and being reimbursed as nearby developments connect to the new infrastructure.

Development Agreements

The City could choose to enter into development agreements with the property owners to negotiate terms that would allow for the extension of the necessary infrastructure to facilitate redevelopment of the eastern Plan Area. The agreement could allow for cost sharing or portions of the infrastructure to be privately developed and/or owned. This would require willingness from both the City and the property owner to enter into a voluntary agreement and work in good faith to resolve the infrastructure needs.

INCENTIVE PROGRAMS

Enterprise Zones

Enterprise Zones incentivize new investment by exempting new development from local property taxes for a certain period. Local governments can create and manage their enterprise zones until June 30, 2025. They can also define the period of the property tax exemption. While enterprise zones can be attractive incentive to secure new business investments, they come at the cost of forgone tax revenue for the local government.

Opportunity Zones

Opportunity Zones are a new Internal Revenue Service tax incentive program designed to encourage investment in economically distressed communities. The program was created in the 2017 Tax Cuts and Jobs Act. The properties in the Plan Area west of Jones Creek are within designated Opportunity Zones. Investors seeking to take advantage of this program must invest in a Qualified Opportunity Fund, which in turn invests in qualified Opportunity Zones. Through the program, investors can defer their capital gains tax and reduce the taxable amount if the investment is held for at least five years. If the investment is held for ten years or more, then capital gains from the sale of the investment are tax free. This program could help to facilitate investment in the redevelopment of the BT Ventures and Edgewater Church properties.
PUBLIC BENEFIT ANALYSIS
Development of the Plan Area consistent with the Conceptual Site Plan will result in positive economic impacts to the City. Economic impacts are the changes in economic activity that result from an investment of dollars. This high-level assessment examined the positive economic impacts of direct investments, jobs, and tax production. A full account of this analysis is provided in Appendix E.

REDEVELOPMENT OUTCOMES WITHIN THE PLAN AREA
The anticipated economic benefits resulting from new development spurred by investing $9.0 million in infrastructure projects within the Plan Area were estimated for the BT Ventures properties in Appendix E. Extrapolating that to the full buildout of the Plan Area conceptual site plan (576,000 industrial square feet) may create an economic benefit of:

730 TO 935 NEW JOBS WITH AN AVERAGE ANNUAL WAGE OF $42,500 TO $48,300

$51 MILLION IN DIRECT INVESTMENTS IN CONSTRUCTION

$685,000 IN ANNUAL PROPERTY TAXES
ROGUE VALLEY DOOR COMMERCIAL PROPERTY

In 2016, the owner of Rogue Valley Door purchased two parcels on the eastern portion of the Plan Area with the intention of relocating the existing operations. The property that Rogue Valley Door is relocating from represents another economic development opportunity for Grants Pass. The existing Rogue Valley Door property is located about 1 mile west of the Plan Area, at the end of Northeast Beacon Drive and south of Northeast F Street. It is bordered by big-box- and strip-mall-style commercial development to the north and northeast, the Central Oregon and Pacific Railroad tracks to the south, and the Josephine County Sheriff's Office and Rogue Valley Youth Correctional Facility to the west. The property is made up of four parcels totaling 16.6 acres. The property is zoned Industrial District (I) and is surrounded primarily by General Commercial with some Business Park districts. There have been preliminary discussions about the property transitioning to either commercial or Business Park uses in the future.

FIGURE 4-1. EXISTING ROGUE VALLEY DOOR PROPERTY LOCATION MAP

![Map of Rogue Valley Door Property Location]

- Existing Rogue Valley Door Site
- SIP
- Plan Area
- City Limits
The potential economic benefits from redeveloping the existing Rogue Valley Door site were analyzed if it were rezoned to a Business Park district designation to allow for the development of retail, office, and wholesale trade uses (Appendix F). The existing Rogue Valley Door operations employ 315 full-time workers and pays approximately $61,000 in annual property taxes. For this analysis, it was assumed that their new facility within the Plan Area would maintain similar levels of employment. If the site is redeveloped into one big-box retailer and two smaller retail businesses totaling over 175,000 square feet of commercial space, then the potential economic impacts are estimated to be:

- **208 TO 550 NEW JOBS WITH AN AVERAGE ANNUAL WAGE OF $36,800 TO $48,300**
- **$33 TO $47 MILLION IN DIRECT INVESTMENTS IN CONSTRUCTION**
- **$418,000 IN ANNUAL PROPERTY TAXES**
IMPLEMENTATION STRATEGIES

The purpose of this section is to provide strategies to help the City move towards a viable infrastructure funding plan for the Plan Area, given the necessary infrastructure projects needed to support new development. This section also provides the City with a summary of the probable infrastructure costs based on the conceptual site plan for the Plan Area.
INFRASTRUCTURE—IDENTIFYING A FUNDING APPROACH
Un- and underdeveloped areas typically require new and/or upgraded infrastructure to enable new development to occur. In addition to costs needed to deliver new infrastructure—roadways, sewer and water lines, etc.—are other challenges involving construction phasing and allocating responsibility for cost. Major infrastructure improvements are needed for development to be possible but typically cannot be constructed without the developer investment to pay for the infrastructure in the first place. Infrastructure paid solely by the developer would solve this problem, but—due to scale and cost—not all infrastructure projects are economically possible for property owners to carry alone.

The purpose of this section is to provide the City with information and options to help identify a viable infrastructure funding approach for the Plan Area. This section aims to provide guidance for establishing new funding tools and policies, allowing for unique solutions to emerge as needed. Ultimately, it may be used to help the City and private property owners navigate funding solutions for Plan Area properties that balance costs among parties and allow development to occur when it is demanded by the market.

APPROACHES TO INFRASTRUCTURE FUNDING
The types of infrastructure needed in the Plan Area and their overall costs were summarized in Sections 3 and 4. The project action descriptions in Section 5.2 provide additional details about infrastructure costs on a project-to-project basis. As these projects relate to funding, the question becomes: who will pay for each infrastructure project? There is no universal “right answer” to this question. There are cases where public agencies pay for, or facilitate the cost sharing of, most infrastructure costs, and there are situations where private property owners are responsible for paying for all infrastructure costs. The allocation of infrastructure projects to various revenue tools and assignments to responsible parties is called a funding approach.

Cities typically choose an infrastructure funding approach that is in line with the capital and resources that they can access and those that align with the goals and drivers for new development in a planning area. A full spectrum of possible funding approaches ranges from:

- A **market-driven** approach, where property owners and developers are responsible for paying for the infrastructure their properties need for on-site development, to

- A **city-driven** approach, where the city provides a funding mechanism to spread infrastructure costs across property owners and to create a more favorable financing arrangement for those property owners.

**FUNDING APPROACH TRADEOFFS**
The **market-driven** approach can lead to piecemeal buildout of infrastructure, and some property owners may be disproportionately burdened by expensive projects. The **city-driven** approach, depending on the funding tools deployed, may force property owners to pay fees before they are ready to develop their properties.

In many cases, cities use a middle-ground funding approach that attempts to balance the financial burden on property owners with the city's capacity to support development.
In addition, the types and locations of infrastructure projects help inform which party should be responsible for covering its cost. Infrastructure projects typically fall into one of the following categories:

- **On-site projects.** These include infrastructure improvements on and directly adjacent to private property. Examples include utility lines that connect to public main lines in the right-of-way, on-property stormwater improvements, and street frontages. These improvements are typically paid by developers during the development process.

- **Off-site projects.** New development can also trigger the need for off-site improvements. These are improvements located in the public right-of-way and are needed when new development is proposed in an area not served by utilities or the development causes infrastructure facilities to exceed adopted standards for level of service. Common examples of an off-site improvement are the upgrade of a roadway intersection from a stop sign to a signalized intersection with dedicated turn lanes, or the development of extended water or sewer lines to the property when a mainline does not exist adjacent to the development site.

The party responsible for paying for off-site improvements varies. In many cases, the funding of these infrastructure projects is addressed on a case-by-case basis during the development review process. However, unlike on-site improvements where there is a clear nexus between the improvement and those who stand to benefit, off-site improvements usually benefit multiple property owners. Those benefits can also be proportionally different from property to property. As such, the funding of off-site infrastructure projects requires creative solutions with funding tools that can equitably distribute infrastructure project costs across benefiting parties.

In the case of the Plan Area, the City has already identified several off-site infrastructure projects that they plan to fund through existing funding tools in the near-term. However, most infrastructure costs are costly on-site and off-site projects needed to support development that are beyond typical greenfield development costs. To help facilitate private development in the Plan Area, the City should consider a “toolbox” of multiple funding tools to provide flexible infrastructure funding and financing options.

**Plan Area—Infrastructure Funding Issues and Challenges**

In addition to infrastructure project cost and type, there are other factors that influence the funding tools that can be deployed and the viability of various funding approaches. The following is a summary of those considerations specific to the Plan Area that will inform a viable pathway to infrastructure funding:

- **The Plan Area currently has less than five property owners considering development, and development is likely to occur incrementally.** Unlike large employment areas with many property owners over which costs can be distributed, the Plan Area currently has less than five property owners with development aspirations to carry infrastructure costs. Any funding tools used to pay for infrastructure will need to consider how costs can be distributed equitably between property owners.

- **The costs of infrastructure projects are unevenly distributed geographically across the Plan Area.** Adding to the complication of incremental development is the distribution of projects in the Plan Area. In general, there are larger and more expensive infrastructure projects located on the east side of Jones Creek. Any funding tool that is considered for the Plan Area should assume that property owners to the west of Jones Creek are likely to be unwilling to share in any infrastructure costs east of Jones Creek, as those projects serve no functional relationship to properties west of Jones Creek.
• **Funding tools and their revenue streams need to consider the timing of infrastructure improvements (and vice versa).** Some infrastructure funding tools create “which comes first” situations—if a funding tool that relies on new development is chosen but development cannot happen without new infrastructure, how can development move forward?

In addition, each funding tool assesses fees on property owners at different times. Sometimes fee-timing is aligned with new development and sometimes it is not. For example, a LID assesses a “day one” fee on property owners when enacted. While the benefit of this fee-timing is that the City would have an immediate cash flow to which capital could be borrowed, it would also mean that property owners that are not prepared to develop their properties are paying out of pocket for improvements that they do not yet need. The implication of this type of issue is that timing and phasing considerations must be brought to the forefront when selecting an infrastructure funding option.

**PRELIMINARY INFRASTRUCTURE FUNDING STRATEGY FOR THE PLAN AREA**

Identifying an infrastructure funding approach needs to consider many variables—type and cost of projects, project location and their benefit-nexus with each property, project timing and development phasing, etc. In addition, the City has finite resources that it can dedicate to infrastructure funding in the Plan Area.

Given those considerations, it would be an unfortunate decision for the City to invest in major infrastructure projects if new development that would connect to this new infrastructure was not going to occur in the near-term. As such, the City should proactively plan for how to enable infrastructure construction to occur in concert with new real estate development.

**Ongoing Steps to Prepare for Plan Area Infrastructure Development**

Recommended steps that the City can take today to proactively prepare for supporting infrastructure development in the Plan Area for when it is needed include:

- Continue engagement with Plan Area property owners to understand development plans and timelines, and their perspectives on the financial support they may need to enable their developments to be financially feasible.
- Engage with Southern Oregon Regional Economic Development, Business Oregon, the U.S. Economic Development Administration, and other public agencies that offer support and funding for infrastructure funding. There may be a program or fund that could cover the cost of some specific infrastructure projects or other sources that may help its business case and improve development feasibility.
- Advance and construct infrastructure projects in the City’s near-term project list. These include several projects already underway, and a few that already have pre-allocated funds for 2021.
- Review City project lists and plans to clearly identify which projects the City can support.

**ENVIRONMENTAL RISK**

In Section 2, current known environmental conditions in the Plan Area are presented. The extent of brownfield contamination on some of the Plan Area properties is still unknown. As was examined in the development feasibility analysis in Appendix E, absent outside assistance, the cost to remediate brownfield contamination on select Plan Area properties could financially inhibit the viability of new development. It is recommended that the new property owners complete assessment of potential environmental contamination on their properties.
through existing funding tools, which projects are likely to require new funding mechanisms, and which will fall solely on individual property owners. This step will clarify the City's role and approach in future infrastructure funding discussions with property owners.

- Modify the zoning at Rogue Valley Door's current location from Industrial to Business Park. This zoning modification is consistent with zoning in the immediate area and allows for more flexibility in how this property could be used. A rezone would help make this property more attractive for redevelopment and support Rogue Valley Door's planned relocation to the Plan Area.

As described in Section 4.1 and detailed in Section 5.2, there are over $9 million in infrastructure project costs that need to be covered for the Plan Area to achieve full buildout. A portion of these projects are already identified for construction by the City. The cost of these projects will be covered by the City and will not use any revenue from the TIF district.

Most of the remaining projects are those that are typically borne by the developer. These include infrastructure investments that are unique to the conditions in this area and are beyond typical site development, including private force mains, grinder pumps, watermains, storm drainpipes, etc. Many of these projects are on-site improvements but are beyond typical development costs on greenfield sites due to the challenges presented by Jones Creek and the topography in the Plan Area. Of the projects most likely to benefit multiple property owners are roadway improvements. These roadway projects constitute a substantial portion of the total infrastructure costs in the Plan Area. Water and sanitary sewer mainlines are also projects that would benefit multiple property owners.

The City should identify funding solutions that help property owners finance and share infrastructure project costs. Section 4.2 provided summaries of several funding tools that could be brought to bear, including grant and loan programs. Of those options within the City's purview, a LID or a reimbursement district are the most promising for the Plan Area. Both funding tools enable project cost sharing among property owners. However, there are a few differences between these two funding tools that will impact their appeal to property owners and their overall viability. Table 5-1 describes the benefits and drawbacks of each of these funding tools.

With the issues and challenges presented earlier in this section, and the benefits/drawbacks considerations presented in Table 5-1, the funding tool most likely to both appeal to Plan Area property owners and, ultimately, to be viable is a reimbursement district. A reimbursement district (or multiple districts within the Plan Area) allows development to proceed while ensuring the developers can recoup costs that are the responsibility of others. We recommend that the City adopt the reimbursement district, along with their focus on TIF investments or other state and federal grant and loan programs, as part of their infrastructure funding approach.
TABLE 5-1. INFRASTRUCTURE FUNDING TOOLS FOR
THE PLAN AREA—BENEFITS AND DRAWBACKS

<table>
<thead>
<tr>
<th>Benefits</th>
<th>Reimbursement District</th>
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<tbody>
<tr>
<td>• Project costs can be equitably spread across property owners.</td>
<td>• Enables “early mover” developers to be reimbursed for infrastructure project costs proportional to benefits that accrue to other property owners.</td>
</tr>
<tr>
<td>• Provides early cash flow that the City can use to borrow funds to pay for projects. This could enable project placement to align with development phasing.</td>
<td>• Nimble funding tool that can be activated when it is needed.</td>
</tr>
<tr>
<td>Drawbacks</td>
<td>• The developer applicant must front infrastructure project costs. They only get reimbursed when other property owners connect to the improvement.</td>
</tr>
<tr>
<td>• Geographic inequities in projects and their costs will dissuade some property owners from participation.</td>
<td></td>
</tr>
<tr>
<td>• “Day one” fee assessment hits all property owners, whether or not they are ready to develop their properties.</td>
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INFRASTRUCTURE PROJECT ACTIONS

PROBABLE INFRASTRUCTURE COSTS

There are four infrastructure project actions needed to support development in the Plan Area: municipal water, sanitary sewer, stormwater, and roadways. The total estimated probable cost needed to support development in the Plan Area based on the conceptual site plan presented in Section 3 is approximately $9,033,000. The following table summarizes these costs by infrastructure improvement and by responsible party. Additional details for each project action are provided in the project action sheets in this section, and line items quantity and cost breakdowns are in Appendix D.

The City is planning to complete directional drilling under Jones Creek in 2021. This investment will support the installation of municipal water mains east of Jones Creek at a future date. Also in 2021, the City will complete force main and valve vault installation for sanitary sewer along Spalding Avenue east and west of Jones Creek. In the process of constructing the municipal water and stormwater below grade utilities, the City will also rebuild portions of

LID HISTORY IN THE PLAN AREA

A LID has been proposed for the Plan Area in the past. To our knowledge, it was not chosen because of the drawback of the geographic inequities of project location and costs between property owners. Those inequities are still present today; however, conditions have changed in the past two years, several of the Plan Area properties have been sold to new owners. It could be that the new ownership would consider a LID; for this reason, it should remain an option.
Northeast Spalding Avenue. These 2021 roadway investments will not include sidewalk or street illumination, which will need to be constructed in the future as development occurs.

Private developers are typically responsible for building out the half-road width fronting their property. Most of the remaining infrastructure costs are identified as those typically borne by the developer. These include infrastructure investments that are unique to the conditions in this area and are beyond typical site development. Examples of these costs include private force mains, grinder pumps, water mains, and storm drainpipes. These costs are detailed further in Appendix D.

An element of public outreach and/or stakeholder engagement may be needed by the City to facilitate financing and funding the identified infrastructure improvements. The following list summarizes the type of engagement the City should pursue:

- Work with property owners on a potential cost-sharing agreement approach using a reimbursement district or LID. The City should present each owner with a summary of how each funding mechanism works. This summary should include potential costs to owner and timing for when costs may be incurred.
- Engage early with the Business Oregon Infrastructure Finance Authority to discuss potential funding options it has access to for each project action.
- Pursue other state and federal infrastructure funding sources listed in Section 4.

The City will also need to coordinate among its own departments. Internal partners that the City should coordinate with include Public Works, Community Development, Finance, and Economic Development.

The following are single-page project action sheets that summarize each project category for easy reference.
Municipal Water

Project Description

This project will install a new water system to serve new development including mains, valves, fittings, and other associated appurtenances. Water service will be extended east along Northeast Spalding Avenue to the eastern boundary of the planned area and along Ament Road to the northern boundary of the planned area. To maintain sufficient fire flows and water pressures, the system will also connect to the existing watermain on Industry Drive to the north and extend south along Shannon Lane to connect with an existing watermain south of the railroad tracks on Shannon Lane.

Rationale

Existing City water service ends at the western portion of the Plan Area and does not currently serve any properties within the area. This lack of service acts as a barrier to future development.

Implementation steps/key issues

- In 2021, the City will install a directional drill casing under Jones Creek for a future watermain.
- The City has unfunded costs that entail watermain installation in Shannon Lane from Northeast Spalding Avenue, a directional drill casing under the existing railroad tracks, and connection to the existing main on Shannon Lane.
- Costs anticipated to be borne by the private sector to be incurred at the time of redevelopment include installation of a new watermain and related valves, fittings, hydrants, and connections along Northeast Spalding Avenue and Ament Road in the Project Area and along Industry Drive from the existing main to Northeast Spalding Avenue.

Estimated Cost

<table>
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<th>Total</th>
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Wastewater

Project Description

This project will install new sanitary sewer infrastructure to serve new development including pipes, manholes, and associated fittings. The existing sanitary sewer gravity main ends at the western boundary of the planned area. This main will be extended along Spalding Avenue approximately 450 feet and will serve properties north of Northeast Spalding Avenue and west of Jones Creek. Properties south of Spalding Avenue and west of Jones Creek will need to install a private grinder pump and force main system to connect to the public gravity sanitary sewer main in Spalding Avenue. A public force main and valve vault will be installed in Spalding Avenue on the east side of Jones Creek to serve these properties. Individual parcels will need to install a private grinder pump to connect to the public force main system.

Rationale

Existing City sewer service ends at the western portion of the Plan Area and does not currently serve any of the properties within the area. This lack of service acts as a barrier to future development.

Implementation steps/key issues

- In 2021, the City will install the gravity sanitary sewer main extension in Northeast Spalding Avenue and will install the force main from this extension to a proposed valve vault near Favill Road. This includes a directional drill casing under Jones Creek.
- The City has no commitments for future sanitary sewer installations in the Plan Area.
- Costs anticipated to be borne by the private sector to be incurred at the time of redevelopment include installation of gravity main and associated manholes, fittings, and appurtenances along Ament road and all services connections, individual grinder pump stations, oil water separators, and private force mains to connect the grinder pumps to the public main.

Estimated Cost

<table>
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<tr>
<td>Total</td>
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Stormwater

Project Description

There is currently no stormwater infrastructure within the Plan Area. Service extends from the west to the Plan Area and in the currently developed portion of Industry Drive. As parcels and the roadways are developed in this area, stormwater collection, treatment, and conveyance infrastructure will need to be installed to meet current stormwater regulations. Due to poor soil infiltration rates, lack of existing stormwater infrastructure, and elevation restrictions on the east side of Jones Creek, it is assumed a new outfall will need to be constructed to Jones Creek to discharge stormwater runoff from the roadways and development east of Jones Creek.

Stormwater Improvements
Connection to Existing System

Rationale

Existing City stormwater service ends at the western portion of the Plan Area and does not currently serve any properties within the area. This lack of service acts as a barrier to future development.

Implementation steps/key issues

- The City has no current or future commitments for stormwater installations in the Plan Area.
- Costs anticipated to be borne by the private sector to be incurred at the time of redevelopment include installation of all infrastructure to treat, convey, and discharge stormwater runoff from the developed sites and reconstructed roadways. This plan accounts only for stormwater facilities to be located within the public right-of-way.

Estimated Cost:

<table>
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<tr>
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**Roadways**

**Project Description**

This project will remove existing pavement and rebuild roads to support heavy industrial traffic and add sidewalks to promote improved pedestrian access. Road improvements are proposed on Northeast Spalding Avenue and Ament Road throughout the Plan Area, as well as Shannon Lane and Favill Road In between Northeast Spalding Avenue and the railroad tracks to the south. In addition, a new segment of road is planned to connect Industry Drive to Northeast Spalding Avenue.

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**Roadway Improvements**

**Rationale**

The existing roads within the Plan Area are not sufficient to support heavy semi-truck traffic needed for industrial development. Undertaking roadway improvements will allow for heavy shipments to reach new industrial users without damaging the existing roads.

**Implementation steps/key issues**

- In 2021, the City will rebuild portions of Northeast Spalding Avenue, not including sidewalk or street illumination, over the proposed sanitary sewer improvements.

- It is assumed Lots Q and R, located at the east and northeastern edge of the Plan Area, will not be developed in the next ten years, and road frontage improvement costs along these parcels will be borne by the City or the future developer.

- Costs anticipated to be borne by the private sector to be incurred at the time of redevelopment include rebuilding of the remaining portion of Northeast Spalding Avenue not improved by the City, Ament Road, Industry Drive, Shannon Lane, and Favill Road. The private sector would also be responsible for concrete sidewalks, curb ramps, and street illumination along the entire length of all of these road segments.

**Estimated Cost**

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LIMITATIONS

The services undertaken in completing this report were performed consistent with generally accepted professional consulting principles and practices. No other warranty, express or implied, is made. These services were performed consistent with our agreement with our client. This report is solely for the use and information of our client unless otherwise noted. Any reliance on this report by a third party is at such party's sole risk.

Opinions and recommendations contained in this report apply to conditions existing when services were performed and are intended only for the client, purposes, locations, time frames, and project parameters indicated. We are not responsible for the impacts of any changes in environmental standards, practices, or regulations subsequent to performance of services. We do not warrant the accuracy of information supplied by others, or the use of segregated portions of this report.
REFERENCES


APPENDIX B

INDUSTRIAL MARKET ANALYSIS
APPENDIX D

INFRASTRUCTURE COST ASSUMPTIONS
APPENDIX E
FUNDING AND DEVELOPMENT OPTIONS MEMO
APPENDIX F

ESTIMATED ECONOMIC IMPACTS RESULTING FROM COMMERCIAL DEVELOPMENT ON ROGUE VALLEY DOORS’ CURRENT LOCATION IN GRANTS PASS
APPENDIX A
EXISTING CONDITIONS REPORT
SPALDING MILL AREA-WIDE PLAN
EXISTING CONDITIONS REPORT

Prepared for
CITY OF GRANTS PASS
December 6, 2018
Project No. 1100.02.01

Prepared by
Maul Foster & Alongi, Inc.
2001 NW 19th Avenue, Suite 200, Portland, OR 97209
SPALDING MILL AREA-WIDE PLAN EXISTING CONDITIONS REPORT

The material and data in this report were prepared under the supervision and direction of the undersigned.

MAUL FOSTER & ALONGI, INC.

Seth Otto, AICP, LEED AP
Senior Planner
SUMMARY

This summary is not intended as a stand-alone document and must be evaluated in context with the entire document.

The following report summarizes the primary conditions evaluated at the Spalding Industrial Employment Area in Grants Pass, Oregon. This work was completed at the direction of the City of Grants Pass as part of an Environmental Protection Agency-funded Area-Wide Plan project. Research completed as part of this report focused specifically on the built, natural, and environmental conditions present in the project area that impact property development from a physical and regulatory standpoint. A parallel market analysis is provided along with this report to summarize the economic and real estate market conditions. Implications for redevelopment are summarized at the conclusion of this report. The next steps in the project include compiling the findings in this and the market analysis into a synthesized summary of opportunities and constraints for redevelopment in the project area.
Grants Pass is the governmental and commerce center of Josephine County, Oregon. It is located in the Rogue River Valley, surrounded by the Siskiyou Mountains, 250 miles south of Portland. The City of Grants Pass (City) successfully obtained a U.S. Environmental Protection Agency (EPA) Brownfields Area-Wide Planning (AWP) grant to address a 78-acre industrial plan area (the AWP area), which includes a former lumber mill. The purpose of the AWP project is to explore existing conditions in the plan area, determine the type and scope of possible environmental assessment activities, conduct an economic analysis of private and public investment, and reach out to the community to engage them on the future vision for the AWP area. This Existing Conditions Report will provide a foundation for planning for future development in the AWP area (see Figure 1-1).

Site History

Once a center for the lumber industry, Grants Pass has seen a decline in economic activity and employment since the closure of one of its oldest and largest mills, the Spalding & Son, Inc. Lumber Manufacturers (Spalding site). The AWP area consists primarily of the former Spalding mill site. After the mill's closure in 1998, portions of the Spalding site occupied by log and lumber storage were redeveloped as an industrial park with a variety of small-scale industrial uses. These areas were relatively simple to redevelop, as topography allowed easy extension of public utilities and mill operations were limited to storage in those areas. The remaining 61-acre AWP area now represents the largest block of undeveloped contiguous properties zoned for industrial uses in Grants Pass.

There are two primary catalyst sites within the AWP area: a former wood treatment facility known as the Siberia site and the former Southwest Forest Industries Plywood Plant 4 (SWF) site. The Siberia site is well-positioned for redevelopment investment. Recently, the Siberia site was re-platted and enlarged to nearly 13 acres, to better accommodate a new industrial use. The 6-acre SWF site fronts on the COPR tracks and includes a 91,000 square-foot industrial building, complete with track spur. This site is included as a catalytic location due to the plans of its current owner to locate a manufacturing facility on the property. These two catalyst sites total approximately 19 acres—roughly 30 percent of the AWP project area.

The AWP area also includes 59.5 acres under ownership of Spalding & Son, Inc. Although not identified as "catalyst sites", these properties are primarily vacant and underutilized. Spalding has recently adjusted and consolidated several property lines to make the land more suitable for transaction and development. These properties will require some environmental assessment, as well as building demolition, but also present redevelopment opportunities within the AWP area.

The AWP area is within an area designated in 2013 as a Regionally Significant Industrial Area by Business Oregon, one of only 15 such sites statewide. This designation provides benefits and extra protections for the project area. These benefits include:

- Maintaining or encouraging potential industrial employment in the area.

R:\1103.02 City of Grants Pass\Document\01_2020.05.27 Existing Conditions Report December 2018\Grants Pass AWP Existing Conditions Report Final_12.6.16.docx
• Providing zoning protection from conflicting development in the area.
• Assuring important site characteristics are protected during the designation period.
• Prioritizing funding for infrastructure and/or transportation enhancements supporting the area over other non-designated areas.
• Ensuring expedited local land-use and permit approval for site development within the area.
• Providing additional state support for industrial job creation within the area.

The City adopted an Urban Renewal Plan on August 3, 2016, to address development constraints in the project area. The plan identified more than $19,000,000 in public investment necessary to make this district ready for new economic uses. The Urban Renewal Agency plan proposes to access tax-increment financing to offset approximately 25 percent of the $19,000,000. According to previous analyses of business and economic opportunity, buildings were lacking in adequate space to expand and employment in the industrial sector is expected to grow substantially. The AWP area represents an opportunity to plan for and accommodate this anticipated growth.

Ownership

The AWP area includes six parcels that make up approximately 78 acres of land. Most of the land (approximately 60 acres) is owned by Spalding & Son, Inc. The remaining 18 acres is owned by Prospect Holdings LLC (see Figure 1-2).

<table>
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<th>Size (acres)</th>
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2 INFRASTRUCTURE ASSESSMENT

The AWP area has mixed levels of service by municipal water, wastewater, stormwater, transportation, power, and telecommunications. Most of this infrastructure is organized around serving the Spalding site and does not extend east to serve the rest of the AWP area adequately. This need for infrastructure expansion in this area is noted in the 2016 Report on Grants Pass Urban Renewal Plan and described in further detail below.
Municipal Water

The City owns and operates the public water system that supplies potable water to residents, businesses, and public institutions within city limits. The City of Grants Pass 2016 Water Distribution System Master Plan (WDSMP) indicates the City has 19.9 million gallons per day (mgd) of developed water rights with an additional 36.7 mgd of undeveloped rights, for a total of 56.6 mgd.

The Grants Pass Water Treatment Plant (WTP) has an approximate hydraulic capacity of 20 mgd, and there are eight water storage reservoirs within the Grants Pass water distribution system that provide a combined total of 20.53 million gallons of treated water storage. The WTP is the City’s only source for potable water. The WTP site is physically constrained. Although it is estimated that with major modifications it could be expanded to provide 30 mgd of treated water, a structural evaluation of the WTP facilities completed in 2014 found that it may not be technically or financially favorable to expand the current WTP. In response to this information, the City is pursuing full replacement of the WTP at a new site. The 2008 Grants Pass & Urbanizing Comprehensive Plan estimates the future total water demand for full build-out of the Grants Pass urban growth boundary at 40 mgd. With water availability close to maximum capacity for the current WTP, investment is necessary to create additional capacity.

The Spalding site lies on the eastern edge of the City’s existing water service area. Municipal water lines are currently extended from west of the AWP area and serve a small area of the site. There is a 12-inch pipe in NE Industry Drive that extends past NE Assembly Circle and terminates at the end of the right-of-way in the northern portion of the AWP area, as shown in Figure 2-1. There is also a 12-inch pipe in NE Spalding Avenue that extends east to the intersection at Shannon Lane in the southern part of the plan area. There is currently no water service east of these locations.

The 2016 WDSMP establishes the following criteria for water distribution systems:

- Service pressures between 35 and 80 pounds per square inch under normal operating conditions.
- 4,000 gallons per minute industrial fire flow with a minimum pressure of 20 pounds per square inch.

In the Spalding Industrial Area Water Service Options memorandum from August 2016 prepared by Murray, Smith & Associates, Inc., multiple options are outlined to extend service to the remaining plan area and meet the WDSMP flow and pressure requirements. It was concluded from this study that every parcel, except the most northeastern parcel along Ament Road, may be served by extending 12-inch pressure pipe along NE Spalding Avenue and looping it north to connect to the existing water pipe on NE Industry Drive and south along Shannon Lane to connect to an existing water pipe in SE Portola Drive. Due to the higher elevation of the northeastern parcel of the AWP area, some combination of a pump station and storage reservoir will need to be installed and connected to 12-inch pipe running north on Ament Road from the parcel to serve it.
Implications for Redevelopment

- Pressure mains will need to be extended along portions of NE Spalding Avenue, Shannon Lane, NE Industry Drive, and Ament Road to serve the majority of the AWP area.

- Additional infrastructure such as a pump station and/or a storage reservoir will need to be constructed to serve the northeastern most parcel in the AWP area. These improvements will require significant financial investment.

- Future industrial development that consumes an exceptional volume of potable water or has a high risk of fire (e.g., certain manufacturing processes or chemical storage facilities) will require further analysis of the existing potable water system to ensure sufficient capacity before connecting to the system.

Wastewater

The City’s collection system consists of approximately 175 miles of gravity mains, 6 miles of force mains, and five pump stations that collect and convey wastewater to the Water Restoration Plant (WRP) located at 1200 SW Greenwood Ave. The WRP has a 27 mgd hydraulic capacity for primary treatment, 13 mgd for secondary treatment, and 43 mgd for UV disinfection. Flows exceeding secondary treatment capacity receive only primary treatment and disinfection, which occurs only a few days a year during wet weather storm conditions. It is estimated that the treatment plant should have sufficient capacity to process flows from the projected 2060 service area population.

The AWP area is not part of an existing wastewater basin for the WRP but is in a future wastewater basin (basin JJ) that will be incorporated in existing basin J when sanitary sewer infrastructure is constructed (see Figure 2-2). The AWP area is served by gravity sewer pipelines that are 8 inches in diameter and smaller. As with municipal water, the eastern side of the AWP area is not served. There is an 8-inch gravity main in NE Spalding Avenue that terminates at the intersection of Shannon Lane and an 8-inch gravity main in NE Industry Drive that terminates at NE Assembly Circle (see Figure 2-3). The gravity mains along NE Industry Drive and NE Spalding Avenue are polyvinyl chloride. Most were installed between 1995 and 2004 and are assumed to have a useful life of 80 years.

Due to the lower surface topography of the eastern AWP area, it is likely that a sanitary pump station will be required to extend sanitary sewer service to the eastern portion of the AWP area, and other areas within the City’s UGB. In February 2006, Parametrix issued an addendum to the 2004 City of Grants Pass Collection System Master Plan that informs preliminary findings for a sanitary sewer pump station in the Spalding area. The addendum identifies an area west of Jones Creek just outside of the Rogue River 100-year flood plain as an ideal location to increase the potential service area as far east as the Tom Pearce County Park. Gravity sanitary sewer pipe would need to be constructed from parcels in the potential service area to the proposed pump station and a force main would discharge from the pump station to the existing sanitary sewer gravity main, likely near Portola Drive at Casey Place. The proposed pump station would need to be sized to accommodate current development and should have the ability to be expanded to accommodate future development of the area.
Implications for Redevelopment

- Gravity mains will need to be installed from the AWP parcels to a new sanitary sewer lift station in order to serve this area.
- Future industrial development that generates an exceptional amount of wastewater or wastewater with unique chemical or physical constituents will require further analysis on the impact of the existing system before connecting to the existing or future system.

Stormwater

The City of Grants Pass owns and operates a large and complex stormwater system that accommodates stormwater runoff from nearly 27,000 acres of land in and around the city. The AWP area is part of the Jones Creek stormwater basin with Jones Creek running through the center. The plan area has limited stormwater service through the AWP area. A 24-inch storm main is installed in NE Industry Drive from NE Agness Avenue to NE Assembly Circle. This storm main is conveyed west through a network of storm pipes where it eventually outlets to an irrigation canal and an ultimate outfall to the Rogue River. There is also an 18-inch storm main installed in NE Spalding Avenue from NE Agness Avenue to a short distance east. This runs south and outfalls directly to the Rogue River.

As part of the 2016 Stormwater Master Plan prepared by Keller Associates, the recommendation was made to install a new 24-inch storm main connecting to the existing 24-inch main in NE Industry Drive and outfall to Jones Creek to improve stormwater conveyance in the plan area. In addition, it was recommended to install a new 24-inch storm main and a new flow diversion structure on NE Agness Avenue between NE Industry Drive and NE Spalding Avenue (see Figure 2-4). While these improvements would increase capacity of the existing system and likely decrease chances of flooding in the area, additional stormwater infrastructure will need to be extended throughout the AWP area to serve the remaining parcels. With proper on-site stormwater treatment, it may be possible to create a network of stormwater conveyance pipes outfalling to Jones Creek or to connect some parcels on the west side of Jones Creek to the existing storm system.

Implications for Redevelopment

- Existing stormwater infrastructure serves only a portion of the AWP area. Some improvements to the stormwater mains will need to be made to increase capacity of the existing system and help prevent flooding.
- The lack of existing surface water conveyance in the AWP area could result in flooding, particularly in low-lying areas. Additional stormwater treatment and conveyance system would likely need to be installed to fully develop the area. A hydrological and hydraulic analysis of surface runoff, treatment systems, and collection and conveyance systems in the area would be necessary for any future development.
Transportation

The AWP area is located along the eastern edge of Grants Pass city limits just north of the Rogue River. The area has various points of access from the north, west, and south sides. Interstate-5 is less than a mile to the north. The Central Oregon and Pacific Railroad runs along the southern border of the AWP area, and there is a track spur to the SWF catalyst site.

Paved rights-of-way provide ample access to the old industrial buildings in the area. Ament Road and NE Spalding Avenue, which are interior to the AWP area, are both local collectors. NE Agness Avenue is the nearest existing arterial (see Figure 2-5). Both Ament Road and NE Spalding Avenue are two lane roads with approximately 11-foot lane widths and no sidewalks on either road. To attract potential businesses, transportation infrastructure in the AWP area must be improved to support typical traffic volume from customers and employees. In addition to typical automobile traffic, development must provide corridors that are advantageous to semi-truck maneuvering for the safe and efficient shipment of freight. Transportation infrastructure is a fundamental concern for potential businesses, especially those whose success may depend on the ability to transport many customers, employees, and semi-trucks safely and efficiently through the AWP area. To accommodate future development and semi-truck traffic, it is likely that Ament Road and NE Spalding Avenue will need to be improved to a similar section to NE Industry drive, having approximate 16-foot lane widths, curb, gutter, and sidewalks.

There is no pedestrian or bicycle infrastructure on these roads. The nearest public transportation is the #20 and #35 buses that run every hour along NE Agness Avenue about a quarter mile west of the AWP area boundary. A non-motorized path begins at the far east end of Spalding Avenue. This path will be integrated into the larger Rogue River Greenway connecting Grants Pass with Medford.

Implications for Redevelopment

- New development will bring additional trips to the site and should coordinate with the local public transportation agency to ensure that workers can access the site through various modes of transportation.
- Any new development will be required to include sidewalks and bike lanes (if an arterial street) on new street improvements.
- Improvements to road widths and drainage facilities will need to be made to safely accommodate semi-truck traffic and increased traffic volume.

Power

Electrical power in Grants Pass is provided by Pacific Power. There are overhead electrical transmission lines along the entire length of Ament Road, Favill Road, and NE Spalding Avenue, and NE Spalding Avenue east of Shannon Lane. Underground electrical is available in NE Industry Drive and in NE Spalding Avenue west of Shannon Lane. Outreach to Pacific Power was not returned, therefore information on the current capacity or condition of the existing electrical transmission system was limited. Further research will need to be conducted to determine the capacity and ability.
of future development to connect to the existing electrical system, especially if an electrical use intensive industry develops in the AWP.

**Implications for Redevelopment**

- Development should coordinate with the electrical purveyor to extend the required service to specific locations within the AWP area.

**Telecommunications**

Telecommunication service (Spectrum) is provided by Charter and CenturyLink in Grants Pass. Information on telecommunication service in the AWP area was not available during preparation of this report. Further research will need to be conducted to determine availability and capacity to provide telecommunication services to the AWP area.

**Implications for Redevelopment**

- Development should coordinate with the telecommunications purveyor to extend the required service to specific locations within the AWP area.

**Natural Gas**

Natural gas in Grants Pass is provided by Avista Utilities. A 4-inch natural gas main is in NE Spalding Avenue west of NE Industry Drive before reducing to a 2-inch pipe from NE Industry Drive to Ament Road. A 2-inch natural gas line is also in Ament Road and Favill Road but is not extended on NE Spalding Avenue east of Favill Road.

**Implications for Redevelopment**

- Development should coordinate with the natural gas purveyor to extend the required service to specific locations within the AWP area.

## 3 REGULATORY ANALYSIS

There are a number of documents that regulate the potential future uses and development within the AWP area. The primary regulatory agency is the City who has development authority within the area. The following documents and analyses will impact the redevelopment of this area:

- Comprehensive Community Development Plan (2015)
- City of Grants Pass Development Code
- Urban Renewal Plan (2016)
Comprehensive Community Development Plan

The Comprehensive Community Development Plan (2015) lists the AWP area as an Industrial District (I) zone. This zone provides for industrial uses with heavier impacts upon their surroundings and need for outdoor functions. It is the express intent of the Industrial District to maintain lands for industrial use, with commercial and residential uses limited to those accessory to industrial development. This district shall not include retail commercial (other than service commercial) or other uses incompatible with heavy industry.

The AWP area is also designated as a Regionally Significant Industrial Area by the Economic Recovery Review Council, in accordance with applicable state law in which an applicant can request Expedited Industrial Site Plan Review procedures.

Zoning Code

The AWP area is zoned Industrial District (I) and is surrounded primarily by Business Park uses with some low-density residential land (see Figure 3-1). Additionally, there is an overlay zone for the Spalding Regionally Significant Industrial Area, the purpose of which is to provide an applicant with the option to apply for Expedited Industrial Site Plan Review.

Table 4-1. Permitted Uses

<table>
<thead>
<tr>
<th>Use</th>
<th>Permitted?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agricultural (other than forestry)</td>
<td>Permitted, Type I, exempt from development permit review (2.033)</td>
</tr>
<tr>
<td>Residential</td>
<td>Not permitted, except for housing that accommodates industry “Occupational Use”</td>
</tr>
<tr>
<td>Trade</td>
<td>Not permitted</td>
</tr>
<tr>
<td>Services</td>
<td>Not permitted, except for repair and maintenance, day care, and social services facility</td>
</tr>
<tr>
<td>Recreation</td>
<td>Not permitted</td>
</tr>
<tr>
<td>Institutional</td>
<td>Not permitted except for public and transportation facilities</td>
</tr>
<tr>
<td>Industrial</td>
<td>Permitted</td>
</tr>
<tr>
<td>Temporary Uses</td>
<td>Permitted</td>
</tr>
<tr>
<td>Telecommunication facilities</td>
<td>Conditional Use</td>
</tr>
</tbody>
</table>

Table 4-2. Development Standards

<table>
<thead>
<tr>
<th>Standard</th>
<th>Regulation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Minimum Lot Area</td>
<td>None</td>
</tr>
<tr>
<td>Minimum Lot Width</td>
<td>25 feet</td>
</tr>
<tr>
<td>Minimum Lot Depth</td>
<td>100 feet</td>
</tr>
<tr>
<td>Minimum Front Yard Setback</td>
<td>10 feet</td>
</tr>
<tr>
<td>Minimum Exterior/Rear Yard Setback</td>
<td>10 feet</td>
</tr>
<tr>
<td>Side Yard Setback</td>
<td>None</td>
</tr>
<tr>
<td>Maximum Lot Coverage</td>
<td>None</td>
</tr>
<tr>
<td>Standard</td>
<td>Regulation</td>
</tr>
<tr>
<td>------------------</td>
<td>-----------------------</td>
</tr>
<tr>
<td>Height Maximum</td>
<td>45 feet</td>
</tr>
<tr>
<td>Parking Requirements</td>
<td>1 space per 1,000 square feet</td>
</tr>
</tbody>
</table>

**Urban Renewal Plan**

The City of Grants Pass adopted an Urban Renewal Plan in 2016 to provide tools to help incentivize economic growth and job creation in the urban renewal area. The AWP area is zoned industrial under the Urban Renewal Plan. The purpose of the Industrial District is to provide for those industrial uses with heavier impacts upon their surroundings and the need for outdoor functions. Performance standards are less than required for other industrial districts, and graduated buffering standards ensure compatibility with neighboring zones of lesser intensity of use. It is the express intent of the Industrial District to maintain lands for industrial use, with commercial and residential uses limited to those uses accessory to industrial development.

The Urban Renewal Plan indicated that as much as $19 million in public infrastructure is needed to facilitate redevelopment of the area. The Urban Renewal Area will participate in approximately 25 percent of the project costs. Both catalyst sites, Siberia and SWF, have a high potential for redevelopment and the infusion of tax-increment revenue will boost the Urban Renewal Agency’s coffers and assist with the implementation of urban renewal plans.

**Implications for Redevelopment**

- Local regulations establish the AWP area as a Regionally Significant Industrial Area, which recognizes the potential of the area and makes the area eligible for expedited site plan review under the City.
- The zoning regulations in the AWP will accommodate heavy and light industrial uses.
- City plans recognize the limited infrastructure in this area. These plans have identified the needed public infrastructure in this area and the cost associated with it. The Urban Renewal Plan indicated that as much as $19 million in public infrastructure is needed to facilitate redevelopment.

**4 NATURAL AND CULTURAL RESOURCES**

The AWP area is predominantly flat with a slight depression along Jones Creek (see Figure 4-1). The area is comprised of three main types of soil: Ruch gravelly silt loam (73), Takilma very cobbly loam (67B/C), and Manita loam (53C/54F/55F). In the Manita loam area there is paralithic bedrock 40 to 60 inches below the surface.

The southern border of the AWP area is approximately 600 feet from the Rogue River. Jones Creek runs down the center of the area and is buffered by a vegetated area. In-stream habitat restoration work was completed in the summer of 2010 by the Rogue River Watershed Council. This work was
conducted at the Spalding Avenue culvert and the culvert under the railroad tracks. Work included the reconstruction of a roughened channel matching the original grade, removal of invasive plants, and replanting the riparian area with native trees and shrubs. There is a 20-foot setback for development from the edge of Jones Creek.

The northeast corner of the property is undeveloped and has some clusters of trees. The eastern border of the AWP area is on the border of the urban growth area. According to the Oregon Department of Fish and Wildlife, the AWP area may be home to the threatened Northern Spotted Owl and an endangered plant called Gentner's frillillary.

There are no known features of archeological significance or existing buildings that are on the historic register. If federal funding is sought to support redevelopment in the future, it should be assumed that historical resource consultation will be required.

**Implications for Redevelopment**

- Some portions of the AWP area may be difficult to serve due to bedrock close to the surface.
- Jones Creek bisects the AWP area and may be a barrier to the extension of needed utility services across the area.

## 5 ENVIRONMENTAL CONSIDERATIONS

Documents reviewed for this section included those available on DEQ's Environmental Cleanup Site Information (ECSI) database for the Siberia Catalyst site, the Spalding & Sons Inc. site, and SWF Catalyst site. In addition, the City of Grants Pass provided environmental documents for the Spalding & Sons Inc. site.

### Areas of Concern

Areas of concern are places where historic operations and documentation indicate that there is suspected or confirmed contamination. There are known incidents of spills in the AWP area as well as structures that were used in the lumber manufacturing process.

The following areas of concern have been identified (see Figure 5-1):

- The Siberia Catalyst site has been the location of voluntary cleanup activities in the past (DEQ ECSI Site ID 5275). In 2009, an unpermitted auto wrecking and appliance salvage facility operated at the site. Under the guidance of the Oregon DEQ, the site lessee remediated soil that was contaminated with metals, petroleum hydrocarbons, and related constituents. The cleanup received a notice of no further action from DEQ on November 14, 2013. The no further action letter from DEQ notes that petroleum contamination below cleanup levels remain on the site, and DEQ approved leaving this contamination in place because it does not present an unacceptable risk to human health, safety, welfare, and the environment.
- The SWF Catalyst site was formerly listed as DEQ ESCI Site ID 548, but it was combined with DEQ ESCI Site ID 552 (Spalding & Sons Inc.). The SWF Catalyst site was noted to have glue waste management issues in 1979, 1981, and 1983. Oily waste was observed in February 1984 next to the railroad tracks adjacent to the mill. This material was excavated and disposed. In August 1984, three waste-water ponds were constructed to receive veneer dryer and scrubber blowdown waste water. No other spills at this site have been reported to DEQ.

- The Spalding & Sons Inc. site is listed as DEQ ESCI Site ID 552. An environmental assessment of impacts to shallow soil, sediment, and shallow groundwater has been conducted, and impacts to shallow soil and groundwater have been documented. According to DEQ, the investigative status is listed on the confirmed release list or inventory. In the 1980s and 1990s, there were investigations and remedial actions at the site related to the use of wood preservatives at the lumber mill. A memorandum prepared by DEQ on August 9, 1996, notes there were four areas of the site where pentachlorophenol (PCP) was used to surface-treat wood. Run-off from these areas may have carried PCP into drainage ditches across the site. These ditches end in one of several ponds or Jones Creek, which flows south through the site towards the Rogue River. These four areas include:

  - Green Chain Building: this area utilized an above ground in-line dip tank, where PCP formulation was mixed, from 1964 until 1984. There is soil left in place above the industrial maximum numerical soil cleanup level below the Green Chain Building. Additional work is needed to determine an appropriate remedy and to evaluate the risk posed by soils remaining in place.

  - Wood Treatment Area: in 1984, a new dip tank and conveyor system was constructed. In August 1992, the use of PCP was discontinued in this system. Additional information is necessary to assess the potential risk to human health and environment posed by the ditch sediments and surface water near the wood treatment area.

  - Siberian Chain Building: a dip tank was reported to have been used sporadically from the early 1950s through the early 1970s in this area. PCP was mixed in the tank. Treated lumber was stored on a rise near the building. The rise was reported to have been excavated for highway fill in the late 1980s.

  - Planer Mill: PCP was applied in a spray booth operation from the mid-1970s until 1993 in this area. The formulation was mixed mechanically and placed in a reservoir. A spill of concentrated PCP in 1985 impacted soils that were entrained by stormwater runoff and caused a fish kill in Jones Creek. Documented PCP spill in 1985 and subsequent storage in the on-site fire pond may have led to impacts on the adjacent Jones Creek. If found in pond sediments, PCP may also be in the nearby Rogue River. Additional information on the nature and extent of contamination near the Planer Mill is necessary.

- In 1990, one 1,000-gallon gasoline underground storage tank and one 1,000-gallon diesel underground storage tank were decommissioned at the Spalding & Sons Inc. shop location. Petroleum contaminated soils were removed from the tank pits. Confirmation soil samples had residual concentrations of petroleum hydrocarbons, but DEQ gave approval for closure on
the tank removal on March 26, 1990 because the assessment met the cleanup guidelines. There are no other underground storage tanks registered with the DEQ.

- Extant structures are present across the plan area and include the remnants of the lumber drying kilns, various lumber sheds, storage buildings, fire hydrant shacks, sawdust collection blowers, and an open-top water storage tank. Most of the structures are under-used or abandoned and are in a deteriorated condition. These features are not marked on Figure 5-1 because they are present throughout the site.

- Toxic Substance Control Act-regulated materials were likely used at the across the plan area in electrical transformers and other equipment. These features are not marked on Figure 5-1, due to the likelihood that they exist across the site.

Implications for Redevelopment

- Additional sampling within the areas of concern identified above should be conducted to determine where residual contamination remains. The most recent soil, sediment, and groundwater samples appear to be from the early 2000s.

- If any of the properties within the plan area are redeveloped, it will be necessary to evaluate potential exposure pathways associated with construction and the developed use based on current environmental conditions.

6 SUMMARY OF IMPLICATIONS FOR REDEVELOPMENT

This section summarizes the primary findings of the existing conditions research evaluated in this report.

Infrastructure

Municipal Water:

- Pressure mains will need to be extended along portions of NE Spalding Avenue, Shannon Lane, NE Industry Drive, and Ament Drive to serve the AWP area.

- Additional infrastructure such as a pump station and/or a storage reservoir will need to be constructed to serve the northeastern most parcel in the AWP area. These improvements will require significant financial investment.

- Future industrial development that consumes an exceptional volume of potable water or has a high risk of fire (e.g., certain manufacturing processes or chemical storage facilities) will require further analysis of the existing potable water system to ensure sufficient capacity before connecting to the system.
Wastewater:

- Gravity mains will need to be installed from the AWP parcels to a new sanitary sewer lift station to serve this area.
- Future industrial development that generates an exceptional amount of wastewater or wastewater with unique chemical or physical constituents will require further analysis on the impact of the existing system before connecting to the existing or future system.

Stormwater:

- Existing stormwater infrastructure serves only a portion of the AWP area. Some improvements to the stormwater mains will need to be made to increase capacity of the existing system and help prevent flooding.
- The lack of existing surface water conveyance in the AWP area could result in flooding, particularly in low lying areas. Additional stormwater treatment and conveyance system would likely need to be installed to fully develop the area. A hydrological and hydraulic analysis of surface runoff, treatment systems, and collection and conveyance systems in the area would be necessary for any future development.

Transportation:

- Any new development should consider the need to develop sidewalks to promote pedestrian circulation and safety.
- New development will bring additional trips to the site and should coordinate with the local public transportation agency to ensure that workers can access the site through various modes of transportation.
- Improvements to road widths and drainage facilities will need to be made to safely accommodate semi-truck traffic and increased traffic volume.

Power/telecom/gas:

- Development should coordinate with the electrical purveyor to extend the required service to specific locations within the AWP area.
- Development should coordinate with telecommunications purveyor to extend the required service to specific locations within the AWP area.
- Development should coordinate with the natural gas purveyor to extend the required service to specific locations within the AWP area.

Regulatory:

- Local regulations establish the AWP area as a Regionally Significant Industrial Area, which recognizes the potential of the area and makes the area eligible for expedited site plan review under the City.
- The zoning regulations in the AWP will accommodate heavy and light industrial uses.

- City plans recognize the limited infrastructure in this area. These plans have identified the needed public infrastructure in this area and the cost associated with it. The Urban Renewal Plan indicated that as much as $19 million in public infrastructure is needed to facilitate redevelopment.

Natural and Cultural Resources:

- Some portions of the AWP area may be difficult to serve due to bedrock close to the surface.

- Jones Creek bisects the AWP area and may be a barrier to the extension of needed utility services across the area.

Environmental Considerations:

- Additional sampling within the areas of concern identified above should be conducted to determine where residual contamination remains. The most recent soil, sediment, and groundwater samples appear to be from the early 2000s.

- If any of the properties within the plan area are redeveloped, it will be necessary to evaluate potential exposure pathways associated with construction and the developed use based on current environmental conditions.
LIMITATIONS

The services undertaken in completing this report were performed consistent with generally accepted professional consulting principles and practices. No other warranty, express or implied, is made. These services were performed consistent with our agreement with our client. This report is solely for the use and information of our client unless otherwise noted. Any reliance on this report by a third party is at such party’s sole risk.

Opinions and recommendations contained in this report apply to conditions existing when services were performed and are intended only for the client, purposes, locations, time frames, and project parameters indicated. We are not responsible for the impacts of any changes in environmental standards, practices, or regulations subsequent to performance of services. We do not warrant the accuracy of information supplied by others, or the use of segregated portions of this report.
FIGURES
APPENDIX B
INDUSTRIAL MARKET ANALYSIS
Industrial Market Analysis
Grants Pass Areawide Brownfields Project

December 2018

Prepared for:
The City of Grants Pass

ECONorthwest
ECONOMICS • FINANCE • PLANNING

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Acknowledgments

For over 40 years ECONorthwest has helped its clients make sound decisions based on rigorous economic, planning, and financial analysis. For more information about ECONorthwest: www.econw.com.

ECONorthwest prepared this report for the City of Grants Pass. It received substantial assistance from Maul Foster and Alongi. That assistance notwithstanding, ECONorthwest is responsible for the content of this report. The staff at ECONorthwest prepared this report based on their general knowledge of real estate economics and on information derived from government agencies, private statistical services, the reports of others, interviews of individuals, or other sources believed to be reliable. ECONorthwest has not independently verified the accuracy of all such information, and makes no representation regarding its accuracy or completeness. Any statements nonfactual in nature constitute the authors' current opinions, which may change as more information becomes available.

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Executive Summary

The City of Grants Pass is working with Maul Foster Alongi (MFA) and ECONorthwest on an Environmental Protection Agency (EPA) Area Wide Brownfields Planning (AWP) grant project. The project is focused on assessment and pre-development activities for a mostly-vacant 78-acre former industrial mill site on the east side of Grants Pass within the Spalding Industrial Park (SIP). Ultimately, the City seeks to leverage the EPA grant dollars to assist property owners through the creation of an action plan to develop the properties. The former mill properties are an important development area within the city, as they represent 35 percent of the city’s buildable industrial land.

This memorandum summarizes a market assessment of the demand drivers that influence development in the Grants Pass area and the competitive landscape of the region’s industrial real estate market. The purpose of this analysis is to provide information on local and regional market conditions to key stakeholders—the City of Grants Pass and local property owners—to inform decision-making.

Summary of Findings

The Grants Pass economy is changing

Grants Pass sits tucked into the Rogue Valley in southern Oregon—an area that for decades was almost wholly dependent on the timber industry. The decline of the timber production at the end of the 20th century disproportionately hit the region, and the Great Recession of the late 2000s exacerbated local job losses.

In the past five years, the Rogue Valley has started to see some signs of economic recovery:

- Population growth—the biggest driver of economic expansion—has started to increase after a period of population stagnation and loss.
- Gross Domestic Product (GDP) has increased year over year since 2013.
- Employment growth in several job sectors has even surpassed pre-Recession levels. Included in this tally are jobs in education, warehouse/transportation/utilities, agriculture/forestry, and manufacturing. However, compared to other areas in Oregon, the Rogue Valley region continues to lag behind on many economic indicators.
• The unemployment rate for the city of Grants Pass is at a low 4.7 percent, but continues to trail behind the state level.¹

The composition of the local economy has also changed. Employment levels as a portion of the labor force have shifted from traditional Rogue Valley industries—construction, natural resources, agriculture, and forestry—to services, retail, and government. The region still primarily exports wood products, value-added agriculture, and transportation equipment. These exports peaked in 2011, but have remained fairly stable since then.

Overall, Rogue Valley is poised to see continued economic growth. However, the regional economy of the future will look quite different from the past:

• Services and educational jobs will continue to grow.

• The growth in demand of domestic products, particularly value-add agriculture, the rapid expansion of e-commerce markets, and the now-legal marijuana industry all present opportunities for Rogue Valley industrial markets.

• Timber and manufacturing industries will continue to play a role in the local industrial market, but at a reduced level.

Industrial land is limited

Grants Pass faces two main challenges related to its industrial land supply:

• **Geographic limitations:** The city is located along the Rogue River in the Rogue Valley. While not technically land constrained from a planning standpoint, the surrounding vertical topography limits the city’s future ability to expand. The geographic limitations are especially evident for industrial properties—property types that usually require expansive and flat sites.

• **Few large lots:** The city’s supply of industrial properties contains few large lot sites—those larger than 10 acres. The SIP includes the largest contiguous parcels of industrially zoned land within the city’s Urban Growth Boundary. For this study, we reviewed the city’s most recent Buildable Land Inventory (BLI) and associated analyses. The data show that the city currently has 222 acres of unconstrained and buildable industrial-zoned land within the UGB. Of that total, the former mill properties take up 78 acres of land, or 35 percent. Future industrial development projections estimate that new demand for industrial

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development will primarily be targeted at projects that require small- to medium-sized sites—those that require half an acre up to five acres.

The industrial real estate market is tight, but this has not translated to new development.

The Rogue Valley market area has a diverse set of industrial areas and properties which are unevenly split between Jackson and Josephine Counties. In Jackson County—home to Medford, Southern Oregon’s largest city, and White City, the largest industrial park in the region—there are more industrial properties and the area has seen more real estate developed in comparison to Josephine County (home to Grants Pass). In Josephine County, the defining characteristic of industrial properties is their small to moderate size.

There has been increased leasing activity in the Rogue Valley industrial market over the past few years. The number of leases signed has increased and vacancy rates have plummeted. Recent data and input from local brokers indicate that the city of Grants Pass has a low, if nonexistent, industrial vacancy rate—a sign of an incredibly tight market. Despite these trends, there has been little new industrial development.

Recent data and conversations with local brokers indicate that Grants Pass is caught in a situation faced by many smaller cities; there is a mismatch between the rents that businesses can afford to pay, and the rent levels needed to incent the construction of new industrial buildings. Overcoming this hurdle is not easily accomplished and usually requires multiple policy approaches and financial incentives to catalyze new projects.

Conclusions and Implications for Development

After Grants Pass was hit hard by the Great Recession and the decline of the timber industry, the local economy has seen improvement and the number of new residents has increased. The future of Grants Pass’ economy will hinge on its ability to attract new population who can either fill jobs in growth industries, such as services, education, or warehousing/transportation; or who bring or start new enterprises.

On the city’s industrial land, the city should expect to see a more diversified set of industries, including small manufacturing companies and warehouses, that will gravitate toward the city’s small industrial properties.

Given the city’s limited available land for industrial development and competitive industrial market conditions, the city is best positioned to attract businesses that require less land for their developments, or to focus on supporting expansions of local existing businesses. The charge of the City is to ensure that; (1) there is land available to meet the needs of future industries and; (2) the available land has adequate transportation and utility infrastructure.
Planning for infrastructure provision for the former mill properties will require coordinated investments from several partners, including the City, its Urban Renewal Agency, and local property owners. By initiating that process, the City can show that it is serious about attracting new businesses and meeting its economic development goals.
Background and Purpose

In 2017, the City of Grants Pass was awarded an Environmental Protection Agency (EPA) Area-wide Brownfields Planning Grant with the aim of spurring development on primarily industrial vacant and underutilized brownfield sites. The City has focused its planning efforts on a 78-acre portion (Plan Area) within the Spalding Industrial Park (SIP)—a collection of industrial properties on the east side of the city. Together the Plan Area is approximately 78 acres of land in several parcels, most of which are on the location of a former timber mill. The City hired Maul Foster Alongi (MFA) to manage and conduct grant activities, with ECONorthwest as a subconsultant to carry out market analysis and help prepare an action plan for implementation.

As a first task, ECONorthwest completed an existing economic and market conditions analysis. The intent of this analysis is to help the City, private property owners, and other strategic partners understand the economic and market conditions that will influence future redevelopment of the Plan Area. This memorandum provides the summary of those analyses.

This document is organized as follows:

- **The Plan Area: Area Context.** This section provides a brief orientation to the SIP and Plan Area.

- **Summary of Stakeholder Interviews.** This section summarizes interviews conducted with Grants Pass stakeholders.

- **Industrial Demand Analysis.** This analysis examines the economic drivers and trends of the Grants Pass area to provide macro-level context. It also assesses industrial real estate market trends—building construction, rents, vacancies, etc.—to establish an understanding of current market conditions in the Grants Pass area.

- **Industrial Supply Analysis.** This analysis inventories industrial land in the Grants Pass area to determine current supply, and the Plan Area’s importance relative to the overall supply.

- **Industrial Real Estate Trends.** This section provides a summary of recent industrial real estate market conditions and trends. Included in this analysis is a review of recent industrial property transactions—leases, property (building) sales, and industrial land sales.

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2 "A brownfield is a property, the expansion, redevelopment, or reuse of which may be complicated by the presence or potential presence of a hazardous substance, pollutant, or contaminant." EPA, https://www.epa.gov/brownfields/overview-epas-brownfields-program (Accessed November 8th, 2018)
The Plan Area: Area Context

The SIP is the largest contiguous block of industrial-zoned property—approximately 172 acres—within the city of Grants Pass. It is situated east of downtown with close proximity and easy access to Interstate 5.

Historically, most of the SIP was the location of timber related mills and suppliers. The Plan Area, which together form 78 acres on the east side of the SIP, was most recently occupied by a dimension lumber and plywood mill owned by Spalding & Son, Inc. The Spalding mill closed its doors in the late 1990s. A portion of the Spalding & Son properties—located just to the west of the Plan Area—has been redeveloped as the Spalding Industrial Park. The Plan Area is an extension of this industrial park.

The Plan Area suffers from suspected environmental contamination and a lack of infrastructure necessary to support new development.

Exhibit 1. The Plan Area Location in Grants Pass

Source: City of Grants Pass
Market Area Definition

The competitive market area is the geographic region from which like properties compete with each other. In other words, it is the geographic area where potential businesses might consider a set of alternative building locations or sites. For our analysis, we define the market area as Josephine and Jackson Counties. In this report, we often use the colloquial term: "The Rogue Valley" to describe this two-county region.

Plan Area Development Assessment

The Plan Area is suitable for a wide variety of industrial users. The table below briefly summarizes the properties' physical characteristics—i.e., the physical and location factors that will influence and inform new development.
<table>
<thead>
<tr>
<th>Exhibit 3. Plan Area Development Characteristics</th>
<th>Plan Area Assessment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assessment Factors</td>
<td></td>
</tr>
<tr>
<td>Local and Regional Accessibility</td>
<td>The Plan Area is located approximately 1/2 mile south of a full interchange with Interstate-Five. Local connecting roads are modern and have little traffic. These factors combine to give the properties exceptional local and regional accessibility.</td>
</tr>
<tr>
<td>Site Configuration and Orientation</td>
<td>More than other land use types, industrial properties need flat and typically rectangularly shaped properties to fit modern industrial factories and warehouses. The Plan Area has varied topography, and some oddly shaped parcels. The flattest portion of the properties are to the Northeast of the intersection between Amant Road and SE N Street and areas west of Jones Creek and north of Spalding Avenue. The topographic challenges are not prohibitive of development but will limit the scale and layout of future buildings.</td>
</tr>
<tr>
<td>Visibility and Exposure</td>
<td>The attraction of industrial sites tends to not rely on visibility and exposure as much as commercial uses. Nevertheless, these factors can be perceived as a benefit to companies with a consumer facing brand. The Plan Area has limited visibility and exposure to the Interstate highway and other high traffic roadways—a factor that will only be considered by a small portion of potential site developers or tenants.</td>
</tr>
<tr>
<td>Proximity to Complementary Uses</td>
<td>The SIP is the largest contiguous block of industrial land within the Grants Pass UGB. Future industrial development would be complementary to existing adjacent uses.</td>
</tr>
<tr>
<td>Character of Surrounding Uses</td>
<td>Surrounding uses are primarily industrial and commercial in use. Improvements (buildings) are a range of metal and concrete block construction. Developed parcels tend to be approximately one to three acres in size.</td>
</tr>
<tr>
<td>Availability of Infrastructure and Utilities</td>
<td>Existing sewer, water, and power utilities are available on the western side of the Plan Area along NE Spalding Avenue and NE Industrial Drive. Utilities are generally not available within the Plan Area. In addition to utility development, local transportation infrastructure may need to be upgraded depending on the density and type of future development.</td>
</tr>
</tbody>
</table>

Source: ECONorthwest
Summary of Stakeholder Interviews

To complement the Grants Pass Industrial Market Analysis, ECONorthwest conducted a series of stakeholder interviews in the Summer and Early Fall of 2018. The interviewees represented property owners, Grants Pass city staff, economic development officials, and local real estate brokers. The purpose of these interviews was to obtain current perspectives on industrial real estate development in Grants Pass and its market area, the Rogue Valley. This section thematically summarizes key takeaways from these conversations. Although we use direct quotes, to protect the anonymity of each individual respondent, we have not attributed any of them to individuals.

Interviewees

The following individuals were interviewed by ECONorthwest over the time period July to October 2018.

Exhibit 4. Stakeholder Interview List

<table>
<thead>
<tr>
<th>Interviewee</th>
<th>Organization</th>
</tr>
</thead>
<tbody>
<tr>
<td>Marta Tarantsey</td>
<td>Business Oregon</td>
</tr>
<tr>
<td>Rich Ward</td>
<td>Representative of Spalding Properties. (Also a broker and property developer)</td>
</tr>
<tr>
<td>Ted Watts</td>
<td>Representative of Spalding Properties</td>
</tr>
<tr>
<td>Gerard Fitzgerald</td>
<td>Local Real Estate Broker</td>
</tr>
<tr>
<td>Colleen Padilla</td>
<td>SOREDI</td>
</tr>
<tr>
<td>Jon Duncan</td>
<td>Property Owner; Rogue Valley Door</td>
</tr>
</tbody>
</table>

Summary of Interviews

Property Owner Perspectives

- There are two property owners in the Plan Area. The Spalding Family owns properties on the west side of the Plan Area and Jon Duncan (Rogue Valley Door) owns the properties generally on the east side of the Plan Area.
- Existing utilities are stemmed in close to the Spalding properties. Any new development on their properties or of Mr. Duncan's properties would require extensions down Spalding Avenue.
• Generally, there are more significant infrastructure challenges to "unlock" Mr. Duncan’s property, than to enable development on the Spalding properties.

• Mr. Duncan’s property will require—at the least—sewer, stormwater, domestic water, and fire suppression water utilities.

• Spalding Family representatives indicate that the most likely development approach for their properties will be to incrementally pursue smaller lot industrial projects. These projects are likely to occupy two to two-and-a-half acres of land and feature 15,000 to 30,000 square foot buildings.

• Mr. Duncan has indicated that he would like to move his door manufacturing plant from its current location (which is in Grants Pass, but further to the west of the SIP) to his property in the SIP.

• Mr. Duncan would like to begin initial pre-development activities on his property in the next six months and would like to have the new factory under construction in the next couple years.

Market Trends and Economic Development

• As shown in the following quotes, stakeholders indicated that the Grants Pass industrial market is generally focused on small to modest sized businesses.
  
  o "Most recent industrial projects have been local businesses expanding or moving to a new location."
  
  o "We could develop all of our properties now. [The spaces] would fill up."

  o "Most companies in Grants Pass are small home-grown ones with fewer than 100 employees."

  o "Our target is to attract small business."

  o "Companies are here because they need to be here."

  o "We’re after small companies. We’re not trying to grab a big fish."

  o "We’re looking for less than 100 employees."

  o "Clean tech could be a good fit for this area."

• Stakeholders indicated that it has been difficult to attract companies to move to Grants Pass. Those companies that have moved to the area reported that the local outdoor amenities were a primary attraction. Stakeholders mentioned that that the city’s distant location from major metropolitan areas was a hindrance.
- Stakeholders mentioned that key target industries for the Rogue Valley include; general manufacturing, food production, outdoor products, and E-commerce companies.

**Stakeholder Reported Development Opportunities and Challenges**

The following Plan Area related opportunities and challenges were reported by the stakeholders.

**Exhibit 5. Stakeholder Reported Plan Area Opportunities and Challenges**

<table>
<thead>
<tr>
<th>Development Opportunities/Attractors</th>
<th>Opportunities and Challenges</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Plan Area location near Interstate Five is a strong site attribute that will be attractive to many prospective businesses.</td>
<td></td>
</tr>
<tr>
<td>Stakeholders reported that Grants Pass has low business taxes, low workers insurance rates, and low utility costs.</td>
<td></td>
</tr>
<tr>
<td>The Plan Area is part of a Regionally Significant Industrial Area (RSIA); a state level program that prioritizes funding. The western portion of the Plan Area is also part of an Opportunity Zone, which could have potential benefits for businesses and developers.</td>
<td></td>
</tr>
<tr>
<td>The Plan Area is served by rail. Although this is not seen as a benefit to all property owners or prospective property owners, rail tunnels along the line would also prevent double-stacked cars.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Development Challenges</th>
</tr>
</thead>
<tbody>
<tr>
<td>The local business lending environment has changed since the Great Recession. Most loans for projects are SBA 404 loan; which require a substantial and difficult underwriting process.</td>
</tr>
<tr>
<td>Despite the growing number of available jobs, stakeholders reported challenges with finding qualified workers.</td>
</tr>
<tr>
<td>Currently water is comparatively inexpensive but rates are expected to rise due to necessary enhancements to the City’s water system.</td>
</tr>
<tr>
<td>“Competing with White City is difficult. They have flat land and abundant space.”</td>
</tr>
<tr>
<td>“Air quality can be an issue.” (Grants Pass is located in the heart of the Rogue Valley. Air inversions and the increased number of forest fires in recent years leads to poor air quality several times a year).</td>
</tr>
</tbody>
</table>
Industrial Demand Analysis

In this section, we examine the economic drivers and trends that will influence future industrial land use decisions in the city of Grants Pass.

Drivers of Industrial Land Demand

Demand for industrial space is primarily driven by two factors: local growth and production, and distribution to external markets.

- **Local serving demand** is generated through population and employment growth in the region. As the region grows, consumption increases, which in turn creates a need for more products and services, such as wholesale trade to supply local businesses, construction to build more buildings, and transportation and storage to move and store those goods. This growth drives demand for more industrial space within the region.

- **External oriented demand** is generated by the need to serve the larger state and even global economy to produce, store, and transport goods. Because the source of this demand is external from the local economy, demand for industrial space locally will only be realized if local sites have a comparative advantage over other locations. As a result, the industrial land supply and other factors, such as the cost of electricity, regional transportation accessibility, or tax policy, play an important role in shaping external oriented demand for industrial space.

Industrial land users that serve these two sources of demand have different land and site needs. Local-serving businesses are serving a smaller market and likely to need less space. These businesses are also likely less dependent on regional transportation infrastructure, such as railroads or freeways. External oriented businesses can have a variety of needs, but they are more likely to need more space, large amounts of electricity and water, and proximity to highways, railroads, airports, and/or water ports.

In addition to bringing new investment and dollars to the regional economy, external oriented businesses typically employ a larger number of people than local serving industrial uses, which makes them attractive for economic development purposes. Attracting even one or two externally oriented businesses will have sizable economic benefits for the region. In addition, industrial development is attractive in the long run because it provides secure and long-term jobs as well as a steady source of tax revenue.
Local Demand Factors

This section looks at the factors generating local-serving demand for industrial land, including population and economic trends in the region.

Population Growth

The Rogue Valley region—Jackson and Josephine Counties—has experienced small but relatively steady population growth over the last 20 years. The average annual growth rate over the past 18 years has been one percent. The only year since 2000 to experience a negative annual percent change in growth rate was in 2011—the middle of the recent recession.

Exhibit 6. Annual Population Growth, Jackson and Josephine Counties (The Rogue Valley), 2000 to 2017

Source: Portland State University, Population Research Center.
Gross Domestic Product (GDP)

The Rogue Valley region is primarily a service-based economy. Goods producing industries (such as manufacturing) make up 20 percent of the total economic output. Exhibit 7 shows the region’s GDP in 2009 chained dollars. The decline in GDP is evident following the 2008 recession, where total output declined from $8.1 billion to $7.7 billion from 2009 to 2011. However, the region’s GDP steadily increased in the following years. GDP has yet to return to pre-recession highs seen in the mid 2000s.

Exhibit 7. Real Gross Domestic Product (Chained 2009 Dollars), Rogue Valley Region, 2001 to 2017

Source: U.S. Bureau of Economic Analysis.

Employment

The unemployment rates in Grants Pass, Jackson and Josephine Counties (the Rogue Valley), and Oregon all fell from 2010 to 2017. All four regions had unemployment rates of over 10 percent at the height of the Great Recession in 2009. Since then, unemployment has dropped to historic lows in all four regions. However, the Rogue Valley region still experiences higher rates of unemployment than the state.

Exhibit 8 shows the unemployment rate in Grants Pass, Jackson and Josephine counties, and Oregon. In 2017, Grants Pass had an unemployment rate of 5.4 percent. Jackson and Josephine Counties had unemployment rates of 4.8 and 5.4 percent, respectively, and Oregon had an unemployment rate of 4.1 percent.
Employment in Jackson and Josephine Counties experienced mixed growth from 2006 to 2017. While the total number of jobs increased by four percent (over 4,000 jobs), employment in construction/resources and agriculture/forestry experienced declines by 30 percent and 18 percent, respectively. Jobs in education and warehouse, transportation, utilities experienced the highest growth in that time frame.

Source: US Bureau of Labor and Statistics
While total employment increased in the Rogue Valley has over the last ten years, employment levels decreased at the beginning of the recession in 2008 and remained stagnant from 2010 to 2012. This stagnancy corresponds to the worst of the Great Recession years and is also illustrated by lackluster GDP growth (Exhibit 7).

Exhibit 10. Employment by Sector, Jackson and Josephine Counties (The Rogue Valley), 2006 to 2017

Source: Oregon Employment Department, Quarterly Census of Wages (QCEW).
Industrial-related employment steadily grew over the last ten years, with the exception of a decrease in 2009. Exhibit 11 shows that manufacturing employs the most people in industrial-related jobs. However, the total number of jobs in manufacturing decreased by 10 percent from 2006 to 2017, the largest decrease in the industrial growth sector. Food and beverage manufacturing show 150 percent growth in that time frame, highest in the industrial growth sector, adding close to 1,200 jobs. Wholesale trade employed the second most people in the industrial sector, but experienced declining growth.

Exhibit 11. Industrial Sector Employment, Jackson and Josephine Counties (the Rogue Valley), 2006 to 2017

Source: Oregon Employment Department, Quarterly Census of Wages (QCEW).
Wood product manufacturing, food manufacturing, and transportation equipment and manufacturing comprise the largest subsectors of the broader manufacturing sector across the Rogue Valley. Over 2005 to 2017, wood product manufacturing employment grew by 63 percent and transportation equipment and manufacturing grew by 65 percent, though food manufacturing declined by 17 percent. Despite this decline in food manufacturing employment, it is still the largest manufacturing subsector in the Rogue Valley, accounting for approximately 24 percent of manufacturing across the region in 2017 (Exhibit 12).

Exhibit 12. Manufacturing Sector Employment, Jackson and Josephine Counties (the Rogue Valley), 2006-2017

Source: Oregon Employment Department, Quarterly Census of Wages (QCEW).
Exhibit 13 shows local concentration of jobs by sector (location quotient) along with measures of industry size and average annual employment change in Jackson and Josephine Counties. Location quotients measure the concentration of jobs in a sector compared to the statewide average. A value of 1.0 signifies that the sector possesses the same level of employment concentration as the state. Values above 1.0 are more concentrated than the state average. The size of the bubble represents the number of jobs within that sector. Sectors with sizable employment and higher than average concentration, represent strengths for the region. Fast growing sectors, even if they are not very large, represent potential opportunity areas.

Exhibit 13. Employment Concentration and Change by Sector, Jackson and Josephine Counties (the Rogue Valley), 2006 to 2017

![Diagram showing employment concentration by sector]

Source: Oregon Employment Department, Quarterly Census of Wages (QCEW).

In the Rogue Valley, services make up the largest sector and is more concentrated than the state average, indicating that it is the base of the economy in these counties. Government and retail sectors have higher concentrations than the state but are experiencing little annual growth. Construction and finance, insurance, and real estate are more concentrated than the state average despite having negative annual growth. Wholesale trade is less concentrated than the state and experienced negative annual growth rate. Education is growing at three percent but jobs in that sector are less concentrated in the Rogue Valley Region than they are in the rest of the state. The sectors of warehouse, transportation,
What type of export-oriented manufacturers are currently located in the SIP?

- **ESAM** – An electronic harness assembler, ESAM, is an export-oriented manufacturer with over 132 employees at their Grants Pass location.

- **Oregon Swiss Precision** – A manufacturer of precision machined products with a specialty in 3D printing and CAD design. Oregon Swiss Precision has 43 employees in Grants Pass.

- **Precision CNC Products** – A CNC turning business with a focus on machined screws.

Utilities; manufacturing; and agriculture/forestry all have higher concentrations than the state average and have seen positive growth.

**External Demand Drivers**

This section looks at the external market drivers for industrial land demand in the region. At the macroeconomic level, the national and state economies have shifted toward service-oriented economies over the last several decades. The transition away from goods-producing economies means that manufacturing’s share of the economy has declined likely due to increasing globalization and technological advancement. However, globalization and technological improvements are also creating significant changes in economic conditions for manufacturing, warehousing, and transportation-related businesses that are creating opportunities for growth. Some changes that are most likely to have implications for Grants Pass include:

- **Growing markets for domestic products and exports, particularly agriculture and value-added agriculture products, such as wine in the Rogue Valley.** This growth also generates the need to store, process, and transport these products.

- **The area’s ideal climate for highly competitive production of marijuana.** The legal marijuana industry has already started production in the area. Increased growth in the marijuana industry could give rise to the need for manufacturing and storage warehouses—in particular, the manufacturing of cannabis oil and warehouses to store dried cannabis flowers. The Rogue Valley stands to be the center of the industry; however, the disconnect between local and federal laws regarding legalization and business legitimacy could lead to a difficult regulatory environment, which could hinder future industry expansion.

- **The growth in e-commerce and competition to reduce delivery times, especially in proximity to major population centers.** This generates a need for more storage, distribution, and transport facilities, particularly for locations with access to major population centers. Grants Pass’ location along Interstate-5 makes warehousing and logistics a worthy consideration.

Regional exports are an indicator of local sectors in the regional economy that are the primary drivers of external oriented demand for industrial land. Exhibit 14
shows total exports from the Rogue Valley. The largest export industry by far is manufacturing followed by agriculture, forestry, and fishing; and information and technology. Total exports increased from 2003-2017. Manufacturing sector exports declined in 2009, likely due to the 2008 recession. In 2011, however, the manufacturing sector grew more than pre-recession period and has seen a slight decline in the following years.

Exhibit 14. Exports by Industry in Real Dollars, Jackson and Josephine Counties, 2003 to 2017

Industrial Demand Analysis Findings

Though Oregon’s economy has rebounded, Grants Pass’ economy has yet to fully recover from losses seen during the Great Recession of 2009-2011. Population, GDP, and employment figures have all risen in the past few years, albeit at rates lower than pre-recession levels. The traditional industries that supported the local economy—construction/resources and agriculture and forestry—still play a major role in the economy, but employment numbers have shifted to services, retail, and government. This change is not only a function of recessionary pressures, but of decades long macroeconomic forces that have hit most resource extraction communities across the country.

Exports outside of the region—led by wood products, value-add agriculture, and transportation equipment—peaked in 2011, but these sectors have remained fairly stable over the past seven years.

Overall, the prospect for continued economic growth in the Rogue Valley region is positive. However, the regional economy of the future will look quite different than the one of the past. Macroeconomic forces and the slowdown of the timber
industry have shifted and diversified the base of the economy—at least from an employment standpoint—away from industrial jobs to services.

Timber and manufacturing industries will continue to play a role in the local industrial market, but at a much-reduced level compared to the past. The growth in demand of domestic products particularly value-add agriculture such as wine, the rapid expansion of e-commerce markets, and the now-legal marijuana industry all present opportunities for Rogue Valley industrial markets.

Future Employment Growth and New Industrial Land Demand

Future demand for industrial land within the Rogue Valley region will be driven by employment growth related to local serving and external market serving sectors. The amount and type of industrial related future job growth will affect the region’s industrial land needs. Local-serving industrial land uses track with overall regional growth. However, demand for external oriented industrial land uses in the region is affected by a number of different market factors, including the supply of readily developable sites that meet the specific user’s needs. As a result, external oriented industrial jobs are not as easy to project at the local level and do not grow at a steady rate.

There are several ways to estimate future demand for industrial land. One of the common methods is to extrapolate from employment projections. The Oregon Department of Employment (ODE) makes employment projections for the state and regions within the state. ODE’s most recent projections for 2017 to 2027 for the Rogue Valley project higher job growth compared to what the region experienced in the last 12 years. ODE’s projections include sector-specific breakdowns. Exhibit 15 displays ODE’s projected job growth for manufacturing, wholesale trade, and transportation and warehouse employment in Jackson and Josephine counties.

Exhibit 15. Rogue Valley 10-Year Projected Industrial Sector Employment Growth, 2017 to 2027

<table>
<thead>
<tr>
<th>Industrial Sector</th>
<th>Rogue Valley Projected Growth, 2017-2027</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manufacturing</td>
<td>950</td>
</tr>
<tr>
<td>Wholesale Trade</td>
<td>100</td>
</tr>
<tr>
<td>Transportation, Warehousing, and Utilities</td>
<td>330</td>
</tr>
<tr>
<td>Total</td>
<td>1,380</td>
</tr>
</tbody>
</table>

Source: Oregon Department of Employment.

ODE projects 1,380 additional industrial jobs over the next ten years. A continuation of historical job growth trends would result in 1,008 industrial jobs over the same time period. Using common relationships between jobs, building

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4 Source: Oregon Employment Department, ECONorthwest. Average annual growth of historical trends from 2005-2017 projected over 2017 to 2027 time period.
size, and industrial lots sizes, we can roughly estimate the land needed to accommodate these future jobs. Exhibit 16 below presents a summary of this estimation method and its land demand output. Lower job density industrial projects refer to warehousing, and distribution type developments. Higher job density projects refer to light industrial or manufacturing type developments.

Exhibit 16. Rogue Valley Future Industrial Land Demand Estimates

<table>
<thead>
<tr>
<th>ODE Estimates</th>
<th>Historical Trending</th>
</tr>
</thead>
<tbody>
<tr>
<td>20-Year Job Estimations (2017-2027)</td>
<td>1,380</td>
</tr>
<tr>
<td>Industrial Building Space - Low Job Density 800 SF/Job</td>
<td>1,104,000 SF</td>
</tr>
<tr>
<td>Industrial Building Space - High Job Density 500 SF/Job</td>
<td>690,000 SF</td>
</tr>
<tr>
<td>Floor Area Ratio (FAR)</td>
<td>0.33</td>
</tr>
</tbody>
</table>

Industrial Land Demand (Acres)

| Low Job Density (acres) | 77 Acres | 56 Acres |
| High Job Density (acres) | 48 Acres | 35 Acres |

Source: Oregon Department of Employment, ECONorthwest

The employment projections show demand for industrial land in the Rogue Valley over the next twenty years to be between 35 and 79 acres. The range is considerably lower than land demand estimates presented in the last Grants Pass Comprehensive Plan (discussed in more depth in the next section). The most recent Comprehensive Plan estimated that the City of Grants Pass alone would need 477 acres of industrial land over the next 30 years. The variability in these estimates show the difficulty and uncertainty in predicting the future. As the next section will show, historical data and recent trends in industrial real estate show a modest demand for industrial real estate going forward. Expectations for a massive industrial expansion in the Rogue Valley should be tempered. The area is much more likely to see incremental growth in the foreseeable future.

* Source: Grants Pass & Urbanizing Area Comprehensive Plan, Urbanization Element
Industrial Lands Supply Analysis

This section examines the supply of industrial land in the region and the Plan Area’s relative competitive position within that supply.

The previous section looked at the forces that are driving demand for industrial properties in the Rogue Valley. Such demand cannot manifest itself without supply: in this case, an expansion of the economy creates demand for places for people to work that must be supplied; and new places to work—offices, factories, commercial establishments or other types of businesses that locate in industrial or ‘employment lands’—cannot be provided without a supply of buildable land. By understanding both the demand for land and the existing supply of buildable (developable) land, we can illustrate to the extent to which currently undeveloped land is needed for new development, and whether it is sufficient to satisfy that demand in the near to mid-term.

However, Grants Pass industrial lands do not get developed or traded in a vacuum. They compete with other properties in the market area. Therefore, a related and more detailed analysis of industrial lands and properties (buildings) in the Grants Pass market area—the Rogue Valley—is necessary to illuminate the current market trends and conditions. This analysis will provide finer grain considerations for near term development and help answer questions—at a broad level—about potential rents, land values, and absorption rates.

We conduct this analysis in two parts:

- First, we examine the Plan Area relative to the overall picture of land supply within the city of Grants Pass. To do so, we rely on several technical analyses that quantified and examined these industrial lands.
- Second, we zoom out to the broader Rogue Valley area and assess the Plan Area against other competitive properties in the regional industrial real estate market.

The SIP and Industrial Land Supply in Grants Pass

The most relevant and recent land use studies for the City of Grants Pass are the Grants Pass Comprehensive Plan and its addendums. These plans and studies were most recently updated between 2008 and 2014. Elements 8 (Economic) and 14 (Urbanization) are particularly of relevance to this analysis, as they provide detailed information on the Buildable Lands Inventory (BLI) and employable land needs for Grants Pass. In our conversations with City officials and our own assessment of the industrial real estate market, we have found that there have been relatively few new industrial real estate projects in Grants Pass in recent years. This finding indicates that even though the last comprehensive assessment
of buildable lands occurred in several years ago it is still relevant and sufficient to inform the discussion today.

Grants Pass Buildable Lands

A Buildable Lands Inventory (BLI) assesses the land supply within a defined geography; usually an Urban Growth Boundary (UGB), city, or subarea. Generally, a sequential categorization method is used to arrive at a snapshot of land supply within that geography. The steps of this method are typically:

- **Step 1: Generate a “land base.”** This involves selecting all of the property parcels in the study area.

- **Step 2: Classify lands.** Classify each parcel into categories. These categories usually correspond to the development status of the land, e.g. ‘developed’, ‘vacant’, ‘partially vacant’ and ‘redevelopable.’

- **Step 3: Apply environmental constraints.** Environmental constraints usually include wetlands, steep slopes and other geographic features that would prevent the land from being developed.

- **Step 4: Tabulation and mapping.** The filtered results are then presented in tabular and map format, including the land base by status (vacant, partially vacant, etc.), zoning, constrained land by status and zoning, and net unconstrained land by status and zoning.

This logical methodology creates an output of defined acreage of land by category. It is a useful exercise for understanding land availability in the aggregate.

The following is a summary of industrial lands analyses and findings based on the 2012 BLI and the 2014 BLI addendums.

The first two exhibits in this section summarize the categorization of land supply within the Grants Pass UGB by vacancy status and then by plan designation. Exhibit 17 shows the acreage of vacant and partially vacant land, and Exhibit 18 displays the breakdown of developed and buildable land by plan designation.

### Exhibit 17. Grants Pass, Vacant and Partially Vacant Land with Acres by Development and Constraint Status, UGB 2008

<table>
<thead>
<tr>
<th>Classification</th>
<th>No. of tax lots</th>
<th>Total acres</th>
<th>Developed acres</th>
<th>Buildable Acres</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>Developed</td>
<td>Buildable</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Constrained</td>
<td>Unbuildable</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Acres</td>
<td>Acres</td>
</tr>
<tr>
<td>Partially Vacant</td>
<td>552</td>
<td>874</td>
<td>159</td>
<td>51</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>0</td>
<td>626</td>
</tr>
<tr>
<td>Vacant</td>
<td>1,175</td>
<td>914</td>
<td>0</td>
<td>215</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>0</td>
<td>657</td>
</tr>
<tr>
<td>Subtotal</td>
<td>1,727</td>
<td>1,788</td>
<td>159</td>
<td>266</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>81</td>
<td>1,283</td>
</tr>
<tr>
<td>Total acres by buildable status</td>
<td></td>
<td></td>
<td>159</td>
<td>81</td>
</tr>
<tr>
<td>Total Developed/Buildable acres</td>
<td></td>
<td></td>
<td>1,788</td>
<td>240</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>1,549</td>
<td>1,549</td>
</tr>
</tbody>
</table>

*Source: Grants Pass & Urbanizing Area Comprehensive Plan 2012*
**Exhibit 18. Grants Pass Developed and Buildable Acres by Plan Designation, UGB 2008**

<table>
<thead>
<tr>
<th>Plan Designation</th>
<th>Title</th>
<th>Developed Acres</th>
<th>Buildable Acres</th>
<th>% of Total Acres</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Developed acres</td>
<td>Unbuildable Acres</td>
<td>Constraine d acres</td>
</tr>
<tr>
<td>Industrial</td>
<td>Industrial</td>
<td>159</td>
<td>0</td>
<td>8</td>
</tr>
<tr>
<td></td>
<td>Industrial Park</td>
<td>34</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Business Park</td>
<td>217</td>
<td>0</td>
<td>9</td>
</tr>
<tr>
<td></td>
<td></td>
<td>410</td>
<td>0</td>
<td>18</td>
</tr>
<tr>
<td>Subtotal</td>
<td></td>
<td>846</td>
<td>5</td>
<td>21</td>
</tr>
<tr>
<td>Commercial</td>
<td></td>
<td>3,553</td>
<td>273</td>
<td>270</td>
</tr>
<tr>
<td>Residential</td>
<td></td>
<td>4,809</td>
<td>277</td>
<td>310</td>
</tr>
</tbody>
</table>

Total

---

Source: Grants Pass & Urbanizing Area Comprehensive Plan 2012

Grants Pass has 4,809 acres of developed land, nine percent of which—or 410 acres—are developed industrial land. The data show that there are 1,283 acres of 'unconstrained buildable' vacant or partially vacant lands in Grants Pass. Within this subset, there are 222 designated as industrial land. The properties of the plan area are considered buildable land and at approximately 78 acres, they make up 35% of all buildable industrial lands within the Grants Pass UGB.

Breaking the industrial properties down by parcel size illustrates the scale of available development sites. Exhibit 19 below shows the distribution of industrial lots by parcel size within the Grants Pass UGB.

**Exhibit 19. Distribution of Industrial Lot Sizes within Grants Pass UGB, 2012**

![Lot size distribution graph]

Source: Grants Pass & Urbanizing Area Comprehensive Plan 2012
As of 2012, most buildable industrial parcels in Grants Pass were under five acres—a comparatively small size for many industrial developments. It may be possible that some of these parcels could be aggregated to create larger development sites, however generally this data illustrates an industrial land supply that is best poised to accommodate smaller to medium sized developments.

The Grants Pass Buildable Lands Inventory (BLI) was updated between Comprehensive Plan Addendums. Exhibit 21 are maps created for the original BLI and its updated version from the 2014 Addendum. Each map displays vacant and partially vacant land by plan designation. The second map, Exhibit 21, identifies areas that were undeveloped at the time of the initial BLI and were subsequently developed before the 2014 Addendum. These parcels are displayed in black.

According to the 2014 BLI Addendum, development of these parcels in the interim period between the original BLI and the Addendum across all land use types totaled approximately 92 acres—a rate of 18.4 acres per year.


Source: Grants Pass & Urbanizing Area Comprehensive Plan, 2014 Addendum
Grants Pass Employable Land Needs Analysis

The Economic Element of the Grants Pass Comprehensive Plan complements the BLI analysis by providing projected estimates of demand for the city’s existing land supply. These forecasts use variables—population growth projections, land use zones, etc.—to estimate the need for land use types. For this study, we are particularly interested in employment lands, industrial and commercial areas that provide space for factories, manufacturers, and other commercial enterprises.

The Economic Element forecasts that the city of Grants Pass will need over 1,000 acres of land for employment uses over the 20-year planning period (2013-2033). Of this total, 43 percent, or 477 acres, is the projected need for industrial land. The remaining 640 acres will be needed for other commercial enterprises. As we discussed in the conclusion to the previous section, the development of 477 acres is higher than historical rates of industrial land consumption and other estimates for future industrial land demand. It is likely that the Economic Element projections, which were conducted in 2008, did not foresee the major economic slowdown that was the Great Recession, or the economic restructuring to the regional economy that followed. Recent real estate trends, which will be
discussed in the next section, and interviews with local stakeholders point to more modest and incremental levels of industrial land consumption in the future.

Another estimate from the Economic Element worth consideration in this study is the forecasted demand for employment sites by site size. The Economic Element cites an estimated need for almost 80 percent of the total 445 to 695 sites that the City of Grants Pass needs for employment uses should be for small sites; defined as two acres or less67.

The SIP and Grants Pass, Conclusions

This section—a review of prior land supply analyses for the City of Grants Pass—summarized the current and predicted future employment land supply needs for the City of Grants Pass. Notable trends and estimates from these analyses include:

- In recent years, land within the city—and across all land use types—is being developed at a rate of 18.5 acres per year.
- For industrial properties (employment land), there are currently 222 unconstrained and buildable acres of land within the UGB.
- The Plan Area make up 78 acres of that total, or 35 percent.
- Most industrial sites in Grants Pass are smaller than five acre, which can accommodate small to medium sized industrial developments.
- Projections of employment land use consumption indicate demand will overwhelmingly be for small sites and developments.

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6 For larger sites—those larger than 20 acres—the estimate is that Grants Pass will only need between five and ten site.
7 Source: Grants Pass & Urbanizing Area Comprehensive Plan. Urbanization Element
The SIP and the Rogue Valley: Real Estate Trends

To better understand the near to mid-term development potential for the Plan Area, one must first understand the characteristics and trends of the Rogue Valley industrial real estate market. This section provides an overview of the industrial real estate market to provide context to inform the potential for new development at the Plan Area.

Rogue Valley Industrial Real Estate Trends

The Plan Area sits on the east side of the city of Grants Pass. They generally compete with other industrial and commercial properties in the two-county market area of Josephine and Jackson Counties (The Rogue Valley area). Based on data from CoStar, a real estate analytics firm, there is approximately 11.8 million square feet of industrial space in around 370 properties across this region. However, the distribution of industrial space between the two counties is uneven. Jackson County, home to Medford—the largest city in the region, and White City—a former World War II era military base turned industrial area—contains 56 percent of the industrial square footage and 87 percent of the industrial buildings in the market area.

In the past few years, the two-county industrial real estate market has seen increased leasing activity, but little new development.

Net absorption of space—new or renewed leases minus spaces that are being vacated—was for years negative in the market area. In 2010, during the depths of the Great Recession, the region saw over 150,000 more square feet vacated than occupied. Those negative trends have lessened since that time, and in 2015 the region started to see positive net absorption. From 2015 to 2017, the two-county region saw a total of over 370,000 square feet of positive net absorbed industrial space. Net absorption was almost balanced between the two counties—Jackson County saw 55 percent and Josephine County saw 45 percent of this total.

Space absorption in Grants Pass has accounted for only a small percent of overall space absorption in recent years. Over the recent 2015 to 2017 time period, Grants Pass net absorbed space amounted to approximately 26,000 square feet or seven percent of the total net space absorbed over this time period.

According to CoStar, there have been no new deliveries to the market in Grants Pass or in Josephine County in the past ten years; although, this data is not entirely accurate. Conversations with local brokers indicate that there have been several small-scale industrial developments in Grants Pass since the recession. Included in this tally are two projects in the SIP—one small warehouse for a media distribution company, and another metal building for a well drilling company.
In contrast to Josephine County, CoStar reports that Jackson County has seen 16 new industrial buildings delivered in the past ten years, totaling more than 300,000 square feet of industrial space. However, 96 percent of the square feet were delivered before 2010.

Exhibit 22. Net Absorption Square Feet Total, 2008 to 2017

The industrial real estate vacancy rate across the region has fluctuated widely over the past 10 years. Across the region, the vacancy rate steadily grew from 2007 to 2014 as the effects of the recession sunk in. The region-wide vacancy rate hit a high of almost 11.1 percent in 2014, but has been on the decline ever since. The industrial vacancy rate in the city of Grants Pass has been more volatile over this period. In 2011, the industrial sector vacancy rate hit a high of almost 14 percent. It has since trended downwards and recent data suggests that all industrial space is currently occupied in the city. Discussions with local real estate brokers, however, illustrate that the industrial market is not as tight as the data indicates. One local broker pushed back on the idea that there was no industrial vacancy. The broker said that there was “regular leasing activity” and that few market actors (developers or tenants) were concerned about a current extreme lack of space.
Adjusted for inflation, average rents in Grants Pass have increased since 2007 while rents region-wide have generally been decreasing. Exhibit 24 compares the 10-year triple-net rent trends of Grants Pass to the Rogue Valley region. In Grants Pass, industrial rents increased from about $5 per square foot in 2009 to over $12 in 2010, which corresponds to the high vacancy rate in 2011—likely a function of a reduced pool of properties reporting active leases except those at the higher end of the market. Average industrial rents then decreased sharply from 2011 to 2012. Recently, rents at the regional level have started to increase.

Overall, these real estate trends reflect the trends seen in local demand factors. Notably, the Great Recession caused decreases in GDP, employment, exports, and real estate trends. Recently, the region has been growing at a steady pace
and Grants Pass is showing modest increases in industrial occupancy, alongside ongoing decreases in vacancy rates.

**Recent Transactions**

The Rogue Valley Industrial market trends have summarized the recent historical trends of the two-county area. In this section, we highlight recent transactions—leases, property sales (buildings), and land sales. These data illustrate the property characteristics and pricing trends currently seen in the market.

**Two-County Region New Industrial Leases in Past Year**

<table>
<thead>
<tr>
<th>Building Address</th>
<th>Lease Information</th>
<th>Building Information</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1661 Siskiyou Blvd, Ashland</strong></td>
<td>Tenant: Wholesale Solar &lt;br&gt; Rent per sq. ft: $4/ nnn (direct) &lt;br&gt; Sq. Ft. leased: 5,400 &lt;br&gt; Sign date: April 1, 2018</td>
<td>Use type: Warehouse &lt;br&gt; Year built: 1973 &lt;br&gt; Rentable building area: 7,790 sq. ft. &lt;br&gt; Parking spaces: 37</td>
</tr>
<tr>
<td><strong>5885 Crater Lake Hwy, Central Point</strong></td>
<td>Rent per sq. ft.: $6.60/mg &lt;br&gt; Sq. ft. leased: 11,500 &lt;br&gt; Sign date: May 1, 2018</td>
<td>Use type: Warehouse &lt;br&gt; Rentable building area: 17,500 sq. ft. &lt;br&gt; Parking spaces: 15</td>
</tr>
<tr>
<td><strong>1922 United Way, Medford</strong></td>
<td>Rent per sq. ft.: $6.00/mg &lt;br&gt; Sq. ft. leased: 10,750 &lt;br&gt; Sign date: June 19, 2018</td>
<td>Use type: Warehouse &lt;br&gt; Year built: 1999 &lt;br&gt; Rentable building area: 10,750 sq. ft. &lt;br&gt; Parking spaces: 12</td>
</tr>
</tbody>
</table>

---

**Notes:**

8 We are providing a small subset of the total transactions that have occurred across the market area in recent years. These specific transactions were selected by their relevance to the SIP properties, and the type and quantity of information available.

9 Unless otherwise noted, images, lease, and building information are from CoStar.
Recent industrial leases from across the market area show a range of rents from $4 to almost $7 per square foot, although these rents are of different structures (e.g. triple net, or modified gross). Assuming a small fee for reimbursements with the modified gross leases would indicate that triple net (NNN) and NNN equivalent rents in the area have a tighter range, likely between $4 to $5 per square foot or $0.33 per month to $0.41 per month.

The leases summarized are for small industrial spaces—which is indicative of transactions across the market area. For example, in 2017 there were 11 lease deals signed on a total of just over 61,000 square feet of industrial space. This equals an average of less than 6,000 square feet per property.
Grants Pass and Two-County Region Industrial Sales in Past Year

608 SE L Street, Grants Pass

Sale Information:
Sale price: $237,000
Price per sq. ft: $94.80
Sale date: Aug. 22, 2018

Building Information:
Use type: Manufacturing
Year built: 1980
Rentable building area: 2,500 sq. ft.

303 NE F Street, Grants Pass

Sale Information:
Sale price: $1,000,000
Price per sq. ft: $21.74
Sale date: Sept. 18, 2017

Building Information:
Use type: Warehouse
Year built: 1950
Rentable building area: 46,000 sq. ft.

310 NW Morgan Lane, Grants Pass

Sale Information:
Sale price: $1,475,000
Price per sq. ft: $34.30
Sale date: Jan. 27, 2017

Building Information:
Use type: Manufacturing
Year built: 1965
Rentable building area: 43,000 sq. ft.

8380 Agate Road, White City

Sale Information:
Sale price: $2,100,000
Price per sq. ft: $19.47
Sale date: Oct. 4, 2018

Building Information:
Use type: Manufacturing
Year built: 1942
Rentable building area: 107,885

*Unless otherwise noted, images, sale, and building information are from CoStar.*
Industrial Land Sales

The most relevant type of real estate transaction for the Plan Area are land sales. Land sales, if related and comparable to the Plan Area, present the best data available for estimating land values—and the price levels at which land may trade in the SIP and at the Plan Area. Moreover, the price of industrial land for arms-length market transactions is usually set through comparable analysis of other similar sales. Similarity in this case means sites that share characteristics in usable size, shape, access to transportation routes, and—importantly—availability of utilities and other development supporting infrastructure. All sales presented in the table below had sufficient access to utilities for their proposed use.

**Exhibit 25. Recent Industrial Land Sales in the Rogue Valley Region**

<table>
<thead>
<tr>
<th>Name / Address</th>
<th>Acres / Sq. Ft.</th>
<th>Sale Price</th>
<th>Sale Price / Sq. Ft.</th>
<th>Sale Date</th>
<th>Zoning</th>
</tr>
</thead>
<tbody>
<tr>
<td>Spalding Industrial Park, Lot 2, 2137 NE Industry Drive, Grants Pass</td>
<td>0.74 acres 32,234 sq. ft.</td>
<td>$114,000</td>
<td>$3.54</td>
<td>May 2017</td>
<td>Industrial</td>
</tr>
<tr>
<td>Mini-Storage Site, 1861 SE N Street, Grants Pass</td>
<td>1.87 acres 81,457 sq. ft.</td>
<td>$379,000</td>
<td>$4.65</td>
<td>June 2016</td>
<td>Business Park</td>
</tr>
<tr>
<td>Industrial Land, 2101 NW Hawthorne Ave., Grants Pass</td>
<td>4.18 acres 182,081 sq. ft.</td>
<td>$600,000</td>
<td>$3.30</td>
<td>March 2015</td>
<td>Business Park</td>
</tr>
<tr>
<td>Playcraft Expansion Site, 177 Commerce Way, Grants Pass</td>
<td>4.80 acres 209,088 sq. ft.</td>
<td>$525,100</td>
<td>$2.51</td>
<td>Jan. 2015</td>
<td>Rural Industrial</td>
</tr>
<tr>
<td>Business Park Site, 114 NW, Morgan Ln., Grants Pass</td>
<td>0.39 acres 16,988 sq. ft.</td>
<td>$90,000</td>
<td>$5.30</td>
<td>July 2013</td>
<td>Business Park</td>
</tr>
</tbody>
</table>

Source: BBG Real Estate Appraisal, Portland Office

One similar characteristic to all of the recent industrial land sales is the relative small size of each of the properties. We searched, and found sales of larger industrial properties, but none of those sales were in Grants Pass. There are few vacant and redevelopable large industrial sites within the city of Grants Pass—with the exception of the SIP properties. As shown in the Exhibit 25, recently sold industrial properties have ranged in size from less than an acre to almost five acres. Sales per square foot for these properties have ranged in price from $2.51 per square foot to $5.30 per square foot.
The SEIA and Rogue Valley Industrial Real Estate Trends, Conclusions

This section analyzed the recent industrial real estate trends observed in Grants Pass and the Rogue Valley region. Notable findings and trends from this analysis include:

- The Rogue Valley industrial real estate market is tightening. Vacancy rates are incredibly low and rents have started to increase.
- Despite low vacancy rates, there has been little new industrial development in the region over the past ten years.
- Recent industrial transactions in the Grants pass area—leases, property (building) sales, and land sales illustrate an industrial market with primarily modest sized properties.

Recent data and conversations with local brokers indicate that Grants Pass is caught in a situation faced by many smaller industrial market cities; there is a mismatch between the rents that businesses can afford to pay, and the rent levels needed to incent the construction of a new industrial building. Overcoming this hurdle is not easily accomplished and usually requires multiple policy approaches and financial incentives for catalytic projects.
Disclaimer

The information provided in this report has been obtained or derived from sources generally available to the public and believed by ECONorthwest to be reliable, but ECONorthwest does not make any representation or warranty, express or implied, as to its accuracy or completeness. The information is not intended to be used as the basis of any investment decisions by any person or entity. This information does not constitute investment advice, nor is it an offer or a solicitation of an offer to buy or sell any security.
APPENDIX C
CONCEPTUAL SITE PLAN
APPENDIX D
INFRASTRUCTURE COST ASSUMPTIONS
# Engineer's Preliminary Opinion of Probable Cost

## Title:
Spalding Industrial Park Infrastructure Needs

### Project:
Grants Pass Area Wide Plan

### Client:
City of Grants Pass

### Project #/Task:
1100.02.01-04

### Prepared By:
K. Boon

### Checked By:
S. Frost

### Date:
5/5/2020

### Revision #:
2

## Opinion of Probable Cost Summary - Feasibility Level

<table>
<thead>
<tr>
<th></th>
<th>Cost - City Funded 2021</th>
<th>Cost - City Unfunded</th>
<th>Cost - Privately Funded</th>
</tr>
</thead>
<tbody>
<tr>
<td>Municipal Water</td>
<td>$1,522,000</td>
<td>$51,000</td>
<td>$1,244,000</td>
</tr>
<tr>
<td>Sanitary Sewer</td>
<td>$2,156,000</td>
<td>$445,000</td>
<td>$1,711,000</td>
</tr>
<tr>
<td>Storm Sewer</td>
<td>$1,222,000</td>
<td>$0</td>
<td>$1,222,000</td>
</tr>
<tr>
<td>Roadway Improvements</td>
<td>$4,133,000</td>
<td>$371,000</td>
<td>$3,762,000</td>
</tr>
<tr>
<td><strong>Total:</strong></td>
<td><strong>$9,033,000</strong></td>
<td><strong>$867,000</strong></td>
<td><strong>$7,999,000</strong></td>
</tr>
</tbody>
</table>

## Assumptions:

1. This opinion of probable costs is based on a schematic layout of potential future utilities and information provided in previous reports, studies, and utility master plans of the area. A complete analysis will need to be conducted to inform a full design of the area utilities in order to more accurately estimate potential construction costs.

2. It is assumed the northern parcel on the west side of Ament Road within the Spalding Industrial Park will not be developed at this time. A water main and booster pump will need to be installed along Ament to serve this parcel as well as sanitary sewer service, stormwater and roadway frontage improvements.

3. Should a potential industrial development be identified for the Spalding Industrial Park that requires an exceptional amount of potable municipal water, wastewater, or produce wastewater with unique chemical or physical constituents, further analysis will be required to determine the impact on the infrastructure systems.

4. Private utilities improvements or installations, including electric, telecommunications, and natural gas, are not accounted for in this Opinion of Probable Construction Costs.

## Stormwater

5. Preliminary sizing of the stormwater pipes is based on an assumed 90% impervious coverage area for the proposed industrial lots within the Spalding Industrial Park.

6. As-built elevation data for existing stormwater infrastructure was not available, but it is assumed that there is existing depth and capacity to connect proposed stormwater systems to existing systems on the west side of Jones Creek for conveyance to a designated outfall. It is assumed that a new outfall to Jones Creek will need to be constructed to discharge stormwater run-off from the east side of Jones Creek.

7. Stormwater runoff from roadways will be treated using a mechanical filter such as the Contech StormFilter unit.

## Water

8. Water mains infrastructure needs are based primarily on a study conducted by Murray, Smith & Associates, Inc. in August 2016. Water mains in Industry Drive and Shannon Lane will be required to maintain adequate fire flows. Water main installation on Shannon Drive south of the Spalding Industrial Park will be the responsibility of the City to install.

9. The City of Grants Pass will complete the directional drilling under Jones Creek in Fiscal Year 2021 to support a future watermain in Spalding Avenue.

10. The City will fund the installation of a water main and appurtenances in Shannon Lane, but water main installation and associated appurtenances is Spalding Avenue and Industry Drive will be the responsibility of the private developer with adjacent road frontage.

11. A booster pump station may be needed to serve Lot R due to site elevations. This infrastructure is NOT included in this opinion of probable construction costs.
Assumptions Cont.:

Sanitary Sewer

12. The existing sanitary sewer gravity main terminating on Spalding Avenue near Shannon Lane can be extended approximately 400 to 450 feet east. This gravity main will be able to serve all parcel(s) north of Spalding Avenue and west of Jones Creek, but due to elevation constraints parcel(s) south of Spalding Avenue will need to install private grinder pumps and a forcemain (possibly within an easement on the north side of the parcels) and connect to the downstream sanitary sewer manhole.

13. During Fiscal Year 2021, the City of Grants Pass will install a public sanitary sewer forcemain and valve vault in NE Spalding Lane from Favill Road west across Jones Creek as well as the previously described gravity sanitary sewer main extension. As individual parcels are developed, the developer(s) will need to install a private grinder pump and forcemain that connects to the public valve vault.

14. Sanitary sewer forcemain and valve vault costs were estimated by Carollo in their January 30, 2020 Spalding Commerce Park – Sanitary Sewer Service Memo for sanitary sewer service on the east side of Jones Creek. These costs were applied to a similar private system that would need to be installed on the west side of Jones Creek for the parcels south of Spalding Avenue.

15. There is enough elevation to run gravity sanitary sewer main north on Ament Road to serve Lots L, M, N, and R.

Roadway

16. The City will be installing new sanitary sewer and water mains in Spalding Avenue from approximately Shannon Lane to Favill Road. It is assumed that approximately 75% of the proposed base rock and roadway section of Spalding Avenue will be replaced in this section of road at that time. As the lots are developed along this section of road, the adjacent private developer will be responsible for the remaining road frontage improvements including, but not limited to, the remaining aggregate base, asphalt, sidewalks, curbs, stormwater collection and conveyance, and streetlights.

17. Roadway improvements will be required to accommodate industrial semi-truck traffic. Deficient roadways will be constructed to a section similar to NE Industry Drive, including two 16-foot lanes, curb, gutter, and sidewalk. These costs are typically born by the developer to improve the half-width road immediately adjacent to the site being developed.

18. A typical industrial pavement section was assumed at 8-inches of asphalt concrete over 10-inches of crushed surfacing base course, but a geotechnical engineer will need to complete a full pavement design to accommodate site specific conditions.

19. The unfunded portions of the roadway costs are shown to be a City cost. The City will be responsible for improvements along Shannon Lane when a future water main extension is installed. The City will not be responsible for the half width improvements on the unimproved parcel the north side of Spalding Avenue (Lot Q). This is currently a placeholder cost with the private party expected to be responsible once a plan is proposed.
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<th>Quantity - City Unfunded</th>
<th>Unit</th>
<th>Unit Cost</th>
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Contingency & Consulting/Design Fees (35%): $13,300 | $58,800 | $322,175 | $394,275

**Probable Potable Water Cost:** $51,300 | $226,800 | $1,242,675 | $1,520,775
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<th>Quantity - Privately Funded</th>
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<th>Cost - Privately Funded</th>
<th>Total Cost</th>
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Sanitary Sewer Subtotal: $1,267,375
Contingency & Consulting/Design Fees (15%): $158,994

Probable Sanitary Sewer Costs

$1,710,958

$2,156,119
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Contingency & Consulting/Design Fees (35%):

- -

Probable Stormwater Cost:

- - $1,222,425 $1,222,425
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APPENDIX E
FUNDING AND DEVELOPMENT OPTIONS MEMO
Purpose and Context

In 2017, the City of Grants Pass (City) was awarded an Environmental Protection Agency (EPA) Area-wide Brownfields Planning (AWP) grant with the aim of spurring development on vacant and underutilized brownfield\(^1\) sites. The City has focused its planning efforts on approximately 78-acres of land located in the eastern portion (AWP area) of the Spalding Industrial Park (SIP), and also referred to in this document as "Plan Area")—a collection of industrial properties on the east side of the city. The City hired Maul Foster Alongi (MFA) to manage and conduct grant activities, with ECONorthwest as a subconsultant to carry out real estate market assessment work and other tasks focused on the encouraging new development in the Plan Area.

As a first task, ECONorthwest completed an existing economic and market conditions analysis. The intent of that analysis was to help the City, private property owners, and other strategic partners understand the economic and market conditions that will influence future redevelopment of the Plan Area. A primary finding of that analysis was that industrial land is limited within the City and that properties in the AWP area present the largest contiguous area of vacant industrial land. Moreover, the Plan Area is the most important set of properties for future industrial development and job creation within the City\(^2\).

To build upon our market analysis and to help Plan Area property owners and the City move the vacant Plan Area properties towards new development, we have conducted further analysis and research aimed at providing an understanding of (1) development feasibility of the AWP area properties\(^3\), and (2) a summary review of how the City might consider approaching infrastructure funding. Moreover, the subsequent analysis is a more focused lens on the vacant properties of the Plan Area and how they may get developed. The purpose of this work is to

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\(^1\) "A brownfield is a property, the expansion, redevelopment, or reuse of which may be complicated by the presence or potential presence of a hazardous substance, pollutant, or contaminant." EPA, https://www.epa.gov/brownfields/overview-epa-brownfields-program (Accessed November 8th, 2018)

\(^2\) For more information about the Plan Area, see Appendix A.

\(^3\) The feasibility analysis is solely on the Spalding Mill Site Properties—those undeveloped PLAN AREA properties located on the west side of Jones Creek. This is for two reasons. First, conversations with ownership of the properties located on the east side of Jones Creek indicated that their development plans were clear and moving forward; they would not substantially benefit from a development feasibility analysis. Second, at the time of this study’s initiation, the Spalding Mill Site properties were for sale. The feasibility analysis was intended to help the City understand the development economics of those properties, should they have decided to pursue an acquisition.
present to the City the economic factors that will influence the realization of new development in the Plan Area.

This document is organized as follows:

- **Spalding Mill Site: Development Feasibility.** This section looks at the financial feasibility of new development on the Spalding Mill Site. This section is intended to provide an understanding of the financial gap faced by new development in the Plan Area.

- **Plan Area Infrastructure Funding.** The section explores how the City might approach infrastructure funding in the Plan Area. In particular, the section describes the pathway to establishing a funding approach and provides a review of select funding tools.

- **Appendix A: Plan Area Property Ownerships.** A description of the Plan Area, Plan Area property owners and their currently known intentions for development of their properties.

- **Appendix B: Funding Tool Criteria.** A list of criteria for the City to consider when choosing a funding tool.

- **Appendix C: Additional Funding Sources – Detailed Descriptions.** Detailed definitions and considerations about select infrastructure funding tools.

- **Appendix D: Potential Economic Impacts that would result from development of the Spalding Mill Site.** A high-level analysis of economic impacts that would result from the full build out of the Spalding Mill Site.
The Spalding Mill Site: Development Feasibility

In an effort to advance development in the Plan Area, this section builds upon our market analysis and provides real estate feasibility analysis focused on the properties west of the Jones Creek formerly owned by the Spalding Family; the ‘Spalding Mill Site’. We have chosen this area for the feasibility analysis because it was recognized in the market analysis as a natural next phase location for more development of employment uses.

The purpose of this analysis is to provide an understanding of the financial gap between the costs to build new industrial development and the financial returns that it would likely achieve. This work is intended to inform discussions between property owners and the City as they contemplate how to pursue new development on the Spalding Mill Site. The key questions that guide our analysis are as follows:

- Is new development currently feasible on the Spalding Mill Site?
- How would public investment in infrastructure impact development feasibility?
- How would estimated brownfield remediation costs change development feasibility?

Analytical Methods

To conduct the real estate feasibility analysis, we created an Excel-based pro forma model to test development feasibility on the Spalding Mill Site. Maul Foster Alongi (MFA) created a conceptual site plan for these properties (Exhibit 1). Our analysis examines development feasibility for Lots A through J, totaling 22.5 acres of the MFA conceptual site plan.
A *pro forma* is a financial model that developers use to evaluate whether a development is financially feasible—that is, whether the returns from the investment are high enough to overcome costs and produce an acceptable financial return for investors. Pro forma analyses require inputs regarding a physical building configuration that include square footage, mix of uses (industrial and office for example), and parking configuration, among other data. We assumed the new development on the Spalding Mill Site would conform to the limitations set in MFA’s conceptual site plan.

We have used both a *return on cost* (ROC) and Debt Service Coverage Ratio (*DSCR*) approach to estimate the residual land value of the proposed full build out of the Spalding Mill Site properties. We used both approaches because they provide insight into two development perspectives that we have observed in markets similar to Grants Pass. That is, in limited cases there are developers building speculative developments in these markets, but in most cases, we are seeing build-to-suit or owner-financed developments. Each of these types of developments are approached differently:

- A *return on cost* approach calculates a developer’s land budget after they have paid for other development related inputs, e.g. site preparation costs, building cost, parking, etc. A ROC approach has a key advantage over a DSCR model for analyzing a hypothetical development; it does not require the creation of assumptions about the sources and uses...
of funds for each development, i.e. where the funds are coming from, with what interest rates, for how long of a term, etc.

- A Debt Service Coverage Ratio (DSCR) approach calculates a property or business owner’s land budget if they were to finance the purchase of land and development inputs through one loan. With this approach, the financial hurdle is relative to the debt service of the loan. The DSCR approach differs from a return on cost model by evaluating DSCR relative to debt service. This is done by using assumptions of a loan structure, i.e. where the funds are coming from, interest rates, for how long of a term, and the debt service hurdle. A DSCR’s strength is that it illustrates development feasibility in owner-developed or build-to-suit type situations that are more common in weak real estate markets.

The main difference between a ROC and a DSCR model is the individual who will be financing the development and the financial structure in which the cost of development will be financed. A ROC metric is usually used by a developer who evaluates a development’s returns relative to the total cost of construction. If the development provides enough revenue above the financial hurdle, then it would make sense to build the development.

A DSCR model is commonly used by an individual who will finance and own the development like a small business owner. In general, the DSCR model evaluates the ability of the business owner to cover the loan payments relative to how much income the development generates. If the development generates enough income to cover the serviceable loan amount and other development inputs, then the development would be financially feasible to construct.

For each approach, we evaluated whether the developer could pay at least prevailing market value for land after all revenues, costs, and the respective financial return metrics were accounted for. This methodology is called a residual land value (RLV) analysis. A residual land value (RLV) is a measure of what a developer is able to pay for land, given expected construction, operating costs, and revenue. In other words, it is the budget that developers have remaining for land after all other development constraints have been accounted for. It is a useful metric for assessing how code changes and potential development incentives interact to impact development feasibility.

Pro Forma Model Inputs

We gathered pro forma inputs—assumptions and data that create an estimate of a development’s financial status—from a variety of sources. In addition to using the conceptual site plan developed by MFA, we collected other pro forma inputs through interviews with developers, online data sources, sources provided by City staff and sources from previous research conducted by our firm. For a more detailed table of assumptions, see Exhibit 2.
### Exhibit 2. Development Assumptions and Inputs

#### Operating Revenue and Cost Assumptions

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<th>Variable</th>
<th>Assumption</th>
<th>Unit of Measure</th>
<th>Notes</th>
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<tbody>
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<td>ECONorthwest assumption (State brownfields research)</td>
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<tr>
<td>Vacancy Rate</td>
<td>3%</td>
<td>Percent</td>
<td>ECONorthwest assumption (State brownfields research)</td>
</tr>
<tr>
<td>Operating Expenses</td>
<td>6% (passed through for Triple Net)</td>
<td>Per Square foot, Annualized</td>
<td>ECONorthwest assumption (State brownfields research)</td>
</tr>
<tr>
<td>Property Tax</td>
<td>0.0769%</td>
<td>Percent per 1,000 dollars of property value</td>
<td>ECONorthwest assumption (State brownfields research)</td>
</tr>
<tr>
<td>Parking Demand</td>
<td>0.30</td>
<td>Stalls per 1,000 sf</td>
<td>Calculation</td>
</tr>
</tbody>
</table>

#### Construction Costs

<table>
<thead>
<tr>
<th>Variable</th>
<th>Assumption</th>
<th>Unit of Measure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hard Construction Costs</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Site Development</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Site, Building, and Demolition</td>
<td>$57.00</td>
<td>Per square foot</td>
</tr>
<tr>
<td>Access to Net Ratio</td>
<td>95%</td>
<td></td>
</tr>
<tr>
<td>Landscaping</td>
<td>$10.00</td>
<td>Per square foot</td>
</tr>
<tr>
<td>Parking</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Surface parking</td>
<td>$5,000.00</td>
<td>Per stall</td>
</tr>
<tr>
<td>Other Costs</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Soft Costs</td>
<td>20%</td>
<td>Percent of Hard Costs</td>
</tr>
<tr>
<td>Developer Fee</td>
<td>4.0%</td>
<td>Percent total development cost</td>
</tr>
<tr>
<td>Contingency fee</td>
<td>5.0%</td>
<td></td>
</tr>
<tr>
<td>Land Cost</td>
<td>$0.00</td>
<td>Per GSF</td>
</tr>
<tr>
<td>Remediation Cost</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Low Cost</td>
<td>$2.00</td>
<td>Per square foot</td>
</tr>
<tr>
<td>High Cost</td>
<td>$15.00</td>
<td>Per square foot</td>
</tr>
</tbody>
</table>

#### Return Calculations

| Return on Cost | | |
|----------------|-----------------|
| | 6.8% |
| | 20% |
| | 8.10% |
| | |
| | |
| | 90% |
| | 5.23% |
| | 26 |
| | 1.15 |

Source: Various sources, compiled by ECONorthwest.

As estimated by MFA, the total infrastructure costs to support development on the Spalding Mill Site is approximately $2.4 million. To estimate the infrastructure cost that would be attributed to each buildable lot, we calculated the total infrastructure cost proportionate to lot size.

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Note that total infrastructure development costs for the undeveloped Plan Area properties is estimated to be $9 million. Here we are only referring to the infrastructure that is needed to support development of the Spalding Mill Site.
Development Feasibility Scenarios

We prepared four feasibility scenarios to test various ways the development of the Spalding Mill Site could be approached. Between each scenario we varied rents and construction costs such as infrastructure cost-sharing and site remediation costs. We held all other assumptions and inputs constant. The development feasibility scenarios are as follows:

1. **Development Scenario #1** – Developer pays for all infrastructure costs; market rents at current levels; no site remediation costs.

2. **Development Scenario #2** – Public sector pays for all infrastructure costs; market rents at current levels; no site remediation costs.

3. **Development Scenario #3** – Public sector pays for all infrastructure costs; rents at above-market levels; no site remediation costs.

4. **Development Scenario #4** – This scenario encompasses the inputs from the previous three scenarios but adds in a ranged estimate of site remediation costs. Because we grouped the inputs from the previous scenarios into this one scenario, the output is a ranged estimate.

Exhibit 3 below illustrates the variables used in each scenario.

**Exhibit 3. Spalding Mill Site - Development Scenario Matrix.**

<table>
<thead>
<tr>
<th>Scenario 1:</th>
<th>Scenario 2:</th>
<th>Scenario 3:</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Rent:</strong> $7.56 NNN</td>
<td><strong>Rent:</strong> $7.56 NNN</td>
<td><strong>Rent:</strong> $9.50 NNN</td>
</tr>
<tr>
<td><strong>Construction Cost:</strong> $89.10 psf</td>
<td><strong>Construction Cost:</strong> $75.50 psf</td>
<td><strong>Construction Cost:</strong> $75.50 psf</td>
</tr>
<tr>
<td><strong>Scenario 4:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Land Remediation Cost:</strong> $2.00 - $15.00 *psf</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

* psf (per square foot of land)

Scenario construction cost is calculated by adding all construction costs across all parcels and dividing by total square footage of all parcels.

Source: ECONorthwest

**Spalding Mill Site Development Feasibility: Findings and Implications**

Our analytical results show that new development is not feasible at the Spalding Mill Site without public investment in infrastructure. According to our model, development feasibility can only be achieved if (1) the public sector pays for development supportive infrastructure, and (2) development rents are above current market levels.
RLV Findings

Exhibit 4 shows the results of the scenario analysis; the values in the matrix represent the RLV under each scenario.

<table>
<thead>
<tr>
<th>No Land Remediation</th>
<th>Without Public Investment</th>
<th>With Public Investment</th>
<th>With Public Investment &amp; Above Market Rent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scenario 1:</td>
<td>Return on Cost: ($1.60) psf</td>
<td>Return on Cost: $0.90 psf</td>
<td>Return on Cost: $7.90 psf</td>
</tr>
<tr>
<td></td>
<td>DSCR: ($0.40) psf</td>
<td>DSCR: $3.20 psf</td>
<td>DSCR: $11.70 psf</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Land Remediation</th>
<th>Scenario 4:</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Return on Cost: ($3.60 - $16.60) psf</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>DSCR: ($2.00 - $17.00) psf</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: ECONorthwest

Development Scenario #2 and #3 are the only scenarios where residual land values are positive, which means that these are the only scenarios where a developer would have money left over to pay for land, after all other costs were accounted for. Actual land values for industrial land in the Grants Pass area are currently around $3 to $5 per square foot. Assuming the land is not given away for free, a developer would have to prove a residual land value of the price of the land for new development to be feasible.

Further, though development is feasible in these two scenarios, it excludes the cost for site remediation. If site remediation is included, then development is not feasible in terms of RLV without some sort of cost and/or liability mitigation. The model indicates that a developer’s ability to pay for land under the scenario that considers site remediation is negative; the RLV under this scenario is between approximately negative $5 to negative $20 per square foot depending on the level of contamination.

DSCR Approach Findings

In our analysis, a DSCR approach has a lower feasibility hurdle than the ROC approach. The results of these different hurdles show that RLV outputs are financially more attractive in the DCSR model than in the ROC model. Said another way, our analytical results show that development is financially more attractive to those that are developing their own properties (DCSR model) than to those that would have to purchase a property and speculatively build a new development project (return on cost model).

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5 See ECONorthwest’s Industrial Market Analysis, December 2018.
Implications

There are several implications from the results of this analysis:

- **Given the cost estimates for the development supportive infrastructure and current market conditions in the City, development feasibility is financially challenging.** The City is in a situation faced by many smaller industrial market cities where there is a mismatch between the rents that businesses can pay, and the rent levels needed to cover the development costs. For communities faced with this situation, overcoming market conditions to realize new development usually requires multiple financial incentives alongside other development supportive policies.

- **Our analysis showed that a sharing of infrastructure costs between public and private sectors is needed to close development feasibility gaps.** That is, it is only when the public sector shares in the cost of infrastructure that positive residual land values start to appear. The range of outputs in Development Scenarios #1, #2, and #3 show that, in relation to local land values, development is increasingly feasible as public participation in infrastructure costs is increased.

- **Brownfield site remediation costs put strong downward pressure on development feasibility** to the extent that—if there are site remediation costs—development will not be feasible without specific outside funding to cover those costs.
Plan Area Infrastructure Funding

The feasibility analysis presented in the previous section described how a full build-out of the Spalding Mill Site is likely to require some infrastructure cost-sharing between the public and private sectors. In addition, brownfield mitigation and clean-up costs may add further costs that, at this point, are unknown. The purpose of this section is to provide considerations to help the City move towards a viable infrastructure funding plan for the Plan Area.

PLAN AREA Infrastructure Costs

Several types of infrastructure are needed to serve new development in the Plan Area. These include water, wastewater, stormwater, and roadway improvements. Maul Foster Alongi has provided infrastructure cost estimates for each infrastructure project. Exhibit 5 shows a breakdown of these costs by infrastructure type. In total, infrastructure costs to service the Plan Area are estimates to be about $9 million.

<table>
<thead>
<tr>
<th>Exhibit 5. Spalding Industrial Area - Infrastructure Costs</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Infrastructure Type</strong></td>
</tr>
<tr>
<td>------------------------------------------</td>
</tr>
<tr>
<td>Municipal Water</td>
</tr>
<tr>
<td>Wastewater</td>
</tr>
<tr>
<td>Stormwater</td>
</tr>
<tr>
<td>Roadways</td>
</tr>
<tr>
<td><strong>Total</strong></td>
</tr>
</tbody>
</table>

Source: Maul Foster Alongi (MFA)

Infrastructure Funding - Issues and Challenges

The following is a summary of issues and challenges that should be considered to identify a viable plan for infrastructure funding for the Plan Area.

- **The costs of infrastructure projects are unevenly distributed geographically across the Plan Area.** In general, there are larger and more expensive infrastructure projects located on the east side of Jones Creek. Any funding tool that is considered for the Plan Area should assume that property owners to the west of Jones Creek are likely to be unwilling to share in any East Jones Creek infrastructure costs as those projects serve no functional relationship to West Jones Creek properties.

- **The Plan Area has only four property owners and development is likely to occur incrementally.** Adding to the complication of unevenly distributed infrastructure costs, there are few property owners in the Plan Area. Any funding tools used to pay for infrastructure will need to consider how costs can be distributed equitably between property owners. That is, unlike large employment areas with many property owners over which costs can be distributed, the Plan Area has only four property owners to carry infrastructure costs.

- **Funding tools and their revenue streams need to consider the timing of infrastructure improvements (and vice versa).** Some infrastructure funding tools create "which comes
first” situations. — if a funding tool is chosen that relies on new development but development cannot happen without new infrastructure, how can development move forward?

In addition, each funding tool assesses fees on property owners at different times; sometimes fee-timing is aligned with new development and sometimes it is not. For example, when enacted, a Local Improvement District (LID), assesses a “day one” fee on property owners. While the benefit of this fee-timing is that the City would have an immediate cash flow to which capital could be borrowed, it would also mean that property owners that are not prepared to develop their properties are paying out of pocket for improvements that they do not yet need. The implication of this type of issue is that timing and phasing considerations must be brought to the forefront when selecting an infrastructure funding option.

- The extent of brownfield contamination on many of the Plan properties is still unknown. As was examined in the development feasibility section, absent outside assistance, the cost to remediate brownfield contamination on select Plan Area properties could financially inhibit the viability of new development.

**Infrastructure Funding Approaches**

**Funding vs. Financing**

A funding approach is a plan for how project costs will be covered through a revenue source. There are numerous approaches that can be used to fund development-serving infrastructure. At a high-level, each approach varies by who is paying for infrastructure projects and how and when each party pays for those costs. Funding approaches often use the terms “funding” and “financing” interchangeably to describe these cost and associated revenue situations. But there is an important distinction between the terms.

Constructing infrastructure costs money, and somebody has to pay those costs. The ultimate source of revenue for these costs is funding. In the context of infrastructure for an employment area like the Plan Area, funding usually comes from property owners, businesses, and/or households that pay fees to give the various levels of government money to build and maintain the infrastructure. Examples of funding mechanisms are impact fees (system development charges), utility fees, special district fees, and property taxes.

For each of these mechanisms, one can determine who is paying. When the funds for infrastructure project costs are borrowed and paid back over time, then these costs have been financed. Public agencies finance costs for the same reasons that households and businesses do—to reduce the current out-of-pocket costs by spreading out payments over time (e.g., financing a housing purchase with a home mortgage; the funding to pay the mortgage over time typically comes from the homebuyer from income received from a job). The ultimate source of funding for financed costs is not the financing instrument itself—e.g., bonds—but rather the revenue sources used to repay the borrowed funds.
Since financed costs must be paid back over time, financing the costs cannot increase the total amount of funding available in an area over a long-term planning period. Financing the costs merely makes future funding available earlier, at the cost of the interest charged to borrow the funds. Financing the costs actually decreases the level of future funding available for other infrastructure projects by adding the cost of interest.

This section is both about funding and financing Plan Area infrastructure costs. The discussion here examines the funding tools currently available to the City of Grants Pass and provides insight into how financing considerations that accompany each tool are likely to impact property owners.

The Range of Possible Funding Approaches

Cities typically choose funding approaches commensurate with the capital and resources that they are able to bring to bear and those that align with the goals and drivers for new development in the planning area. A full spectrum of possible funding approaches ranges from:

- A “market-driven” approach, where property owners and developers are responsible for paying for the infrastructure their properties need for onsite development,
- To a “city-driven” approach where the city provides a funding mechanism to spread infrastructure costs across property owners and to create a more favorable financing arrangement for those paying property owners.

In many cases, cities use a middle-ground funding approach that attempts to balance the financial burden on property owners with the City’s capacity to support development. As the feasibility analysis in this report showed, without a sharing of infrastructure costs or a funding tool that provides favorable project financing, development is unlikely to occur in the Plan Area. Given this development feasibility reality, the City should consider a “toolbox” of multiple funding tools to provide flexible infrastructure funding and financing options for Plan Area property owners.

Weighing Trade-Offs

There are trade-offs linked to each type of approach. For example, the market driven approach can lead to piece-meal build-out of infrastructure and some property owners may be disproportionately burdened by expensive projects. Other the other hand, depending on the funding tools deployed, the city-driven approach may force property owners to pay fees before they are ready to develop their properties.

Infrastructure Funding Tools

The most substantial funding potentially available to the City comes from its Urban Renewal Agency (URA). Financing afforded to the URA is also known as ‘tax-increment financing’. We will first examine the possibility of tax-increment financing to support infrastructure development at the Plan Area. We will then present alternative funding options to support infrastructure development.
Urban Renewal in Grants Pass

In 2016, the City established a URA with a goal of using tax increment finance (TIF) revenues to fund infrastructure and economic development projects. The Urban Renewal District had a ‘frozen base’ year of 2017 and, therefore, has only recently started producing a tax increment.

The Grants Pass Urban Renewal Plan (the Plan), the primary guiding document for the URA, describes the projects and project categories that are eligible for urban renewal funds. Exhibit 6 below shows all the authorized projects identified in the Plan. Prominently noted in the Plan are infrastructure projects to support development in the Plan Area. Other project categories listed in the Plan could also support new development in the Plan Area, including project dollars allocated for a new sewer plant and a new water plant, a category for underdeveloped land, and a streetscape study and implementation plan. The Plan states that the URA will last for 30 years and it has a maximum indebtedness of $105 million.

Exhibit 6. Urban Renewal Projects Authorized by the Plan

Projects

| Sewer Plant |
| Water Plant |
| North end improvements |

Water, Sewer, Transportation (SE Industrial Area)

| North 6th and 7th Street Corridor |
| Blighted building removal and/or replacement |
| Southern end of NW Industrial Area |
| Infrastructure – Vine Street – water, sewer, transportation |
| Building Rehab Program |
| Business Incubator |
| Convention Center |
| Town Center Plaza |
| Riverside Park |
| Underdeveloped land |
| Study Streetscape/ Streetscape Implementation (SE Industrial) |

Source: City of Grants Pass. (Bolded project categories indicate those that are directly related to the PLAN AREA)

The Plan further details specific project amounts that would go to infrastructure projects in the Plan Area. The Plan mentions that up to $5 million or an upper limit of 25% of total infrastructure costs in the Plan Area could come from the URA.

A recent conversation with City Staff and a review of the recent tax increment growth show promise for the use of urban renewal funds in the near-term to support Plan Area infrastructure

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6 The ‘frozen base’ year is the year that taxes collected within the URA from all participating jurisdictions are held constant. Over the life of the URA, the additional taxes generated above the frozen base—the increment—is dedicated to the URA for the use of specific urban renewal projects.

7 Total infrastructure costs for the PLAN AREA as listed in the Plan are estimated to be $20 million. This is above the roughly $7 million estimated by MFA.
projects. Since the frozen base year of 2017, the URA’s tax increment has had robust growth. **City Staff expect $840,000 in tax increment in the current fiscal year and up to $940,000 next year.** This growth can be attributed to several commercial development projects that were recently constructed. These include a new bank in the downtown area, a fast food restaurant, a “big box” retail store, and a medical office building.

An Urban Renewal Agency’s priorities and willingness to use tax increment dollars for select projects is just as crucial for project funding as tax increment growth itself. To understand the City’s priorities for use of tax increment dollars, we interviewed City Staff and reviewed recent City documents. Capital projects that are current priorities for the City, and by extension the Urban Renewal Agency⁸, are identified in the City of Grants Pass Fiscal Year 2019 Adopted Budget Report. The budget report identifies the following five projects for near-term funding priorities:

1. Fairgrounds area land use planning
2. Enhancement of Riverside Park
3. Booth/Foundry Street Area Improvement Plan
4. Spalding Industrial Park (Plan Area investments)
5. A downtown parking study

City Staff indicate that the City Council has not yet adopted decisions to direct funds for these projects. However, they speculate that if private enterprise presents an opportunity for a new project, that City leaders would likely consider supporting the project through a public investment. Also noted in the Fiscal Year 2019 Annual Budget Report is $255,000 of URA resources that have already been transferred to the City for staff’s initial planning and engineering work to prepare Plan Area properties for future development.

The possibility for the urban renewal dollars to support new development projects in the Plan Area is promising. The City has clearly identified the Plan Area as a priority area for investment and the tax increment being produced through the Plan Area is substantial. Whether or not development supportive infrastructure in the Plan Area gets a green light from the City will depend on the timing of private investment and the City’s ability to coordinate their investments with the private sector.

However, it should be noted that urban renewal funding is likely to be insufficient to support all infrastructure costs in the Plan Area. The Urban Renewal Plan statement of “up to $5 million or 25% of total infrastructure costs” means other sources will be required to fully build all of the estimated $9 million in total Plan Area infrastructure. In addition, we found in our financial feasibility analysis of the Spalding Mill Site development is likely not feasible without public

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⁸ The Grants Pass City Council is also the Urban Renewal Agency’s board.
sector contributions to infrastructure costs. This situation establishes the need for negotiation and partnership between the public and private sectors if new development is to be achieved.

Other funding tools worth consideration

There are several other development supportive incentives and programs that we recommend the City consider in order to support new development in the Plan Area. Here is a brief description of those programs.

Additional City Programs for Consideration

There are a couple other types of funding tools that we encourage the City of Grants Pass to consider for the Plan Area. Before selecting a funding tool, it is important to consider a range of factors that inform how successful the program will be, how equitably its benefits will be distributed, and if it makes economic sense to pursue. For a more detailed look at criteria for choosing a funding tool, see Appendix B.

Through discussions with the City Staff and a review of the criteria, we narrowed the range of potential funding tools that the City of Grants Pass might want to consider to two programs. These programs are:

- **A Reimbursement District.** A reimbursement district is a cost sharing mechanism, typically initiated by a developer. The intention of the district is to provide a reimbursement method to the developer of an infrastructure improvement, through fees paid by other property owners at the time that their properties are connected to the improvement. A developer applies to create a Reimbursement District by demonstrating benefit to properties beyond their own. In addition, the size of the improvement must be measurably greater than would otherwise be ordinarily required for the initial development. The City’s Municipal Code governs the creation and structure of Reimbursement Districts.

  A Reimbursement District is one of the City’s best funding options for the Plan Area. It allows developers to move their projects forward on their own schedule and solves the issue of cost equity between property owners.

- **A Local Improvement District (LID).** LIDS are special assessment districts where property owners are assessed a fee to pay for capital improvements, such as underground utilities or other infrastructure improvements. Projects that benefit multiple property owners in the Plan Area could be funded by LID assessments. LIDs allow for cost-sharing among property owners that face the same need for costly infrastructure to develop their properties; it prevents the burden of these costly projects falling on one developer alone.

  A LID for the Plan Area has been proposed in the past. To our knowledge, it was not chosen because of the geographical inequity of infrastructure project costs between property owners. As was discussed earlier in this report, those inequities are still present today. As such, a LID is likely to be an unpopular choice for some property owners.
For more detailed descriptions of these programs and further discussion, see Appendix C.

State-Level Funding Tools and Programs

The City participates in several state-level programs that promote and/or provide incentives for new development and job creation. These programs include an Enterprise Zone Designation, an Opportunity Zone Designation, and a Regionally Significant Industrial Area (RSIA) Designation.

Each of these three programs are coordinated through the State of Oregon. Enterprise Zones and Opportunity Zones confer tax benefits to private investors in relation to how their investments meet each program's criteria. The RSIA designation is intended to bring investment focus to specific development areas that have been identified as important to the economic growth of their respective region. In general, these programs are viewed as positive incentives by the private sector. However, in few cases do they attract new investment by themselves; other factors—local market conditions, additional financial support, proactive local government—are needed to incent new development projects.

The City should also explore other state and federal grant opportunities that are tailored to emerging employment areas. For example, the Economic Development Administration (EDA) has several competitive grants that could help maintain focus on promoting new development in the Plan Area.
Appendix A: Plan Area Property Ownership

The Spalding Industrial Park (SIP) is the largest contiguous block of industrial-zoned property—approximately 172 acres—within the City of Grants Pass. It is situated east of downtown with close proximity and easy access to Interstate 5.

Historically, most of the SIP was the location of timber related mills and suppliers. The 78-acre portion of the SIP on the east side of the SIP, referred to as the Plan Area, was most recently occupied by a dimension lumber and plywood mill owned by Spalding & Son, Inc. The Spalding Mill Site closed its doors in the late 1990s. A portion of the Spalding & Son properties—located just to the west of the Plan Area—has been redeveloped as the Spalding Industrial Park.

The Plan Area suffer from suspected environmental contamination, and a lack of infrastructure necessary to support new development.

Exhibit 7. The Plan Area’s Location in Grants Pass

Source: City of Grants Pass
Property Ownership

There are four owners of property in the Plan Area. The property owners are:

- BT Ventures (sale pending)
- Rogue Valley Door
- Caswell Thompson, LLC/Siskiyou Cascade (sale pending)
- Spalding & Son

BT Ventures owns properties on the west side of Jones Creek up to the existing Spalding Industrial Park. Rogue Valley Door, Caswell Thompson/Siskiyou Cascade, and Spalding & Son own properties on the east side of Jones Creek. We have met with representatives from Rogue Sash and Door discuss their property specific plans. BT Ventures and Caswell Thompson/Siskiyou Cascade just recently acquired their properties. We have not yet had an occasion to engage with them. Here is a brief summary of the status of each property grouped by ownership.

- **BT Ventures Properties (formerly owned by the Spalding Family).** BT Ventures recently acquired these properties after the Spalding family declared bankruptcy and the properties went into receivership. The properties are vacant or partially vacant. Some have sheds and other building remnants of the timber mill that used to occupy the area. BT Ventures’ plans for these properties is currently unknown.

- **Rogue Valley Door Properties.** Rogue Valley Door owns two parcels on the east side of Jones Creek. The company owner, John Duncan, has indicated that he would like to move his door factory from its current location in Grants Pass to these properties. As of the Summer of 2019, his timeline for new development was to break ground as soon as possible; potentially even in 2020. Any new development that occurs on their properties will require substantial infrastructure improvements.

- **Caswell Thompson/Siskiyou Cascade Properties.** Caswell Thompson/Siskiyou Cascade recently acquired these properties after the Spalding family declared bankruptcy and the properties went into receivership. The properties are east of Jones Creek. One property was previously used by the Spalding Family as a maintenance shop and is improved with a maintenance building. The other property is primarily a greenfield site that was previously developed with a single-family residence (demolished in the late 1990s). Plans for these properties is currently unknown.

- **Spalding & Son Property.** Spalding & Son still has ownership of one parcel at the far east edge of the Plan Area. This parcel is currently developed with a single-family residence that is used as a rental. Rogue Valley Sash & Door has an option to purchase this parcel, though it is currently unknown if they will exercise that option. The parcel is currently listed for sale at $390,000.
Appendix B: Funding Tool Criteria

To help our clients understand the trade-offs inherent in choosing the right incentive tool, we have created the following criteria:

Criteria for Selecting a Development Supportive Incentive Program

1. **Economic feasibility.** This category covers everything related to creating and maintaining net revenues. We break efficiency into four subcategories: (1) revenue-generating capacity, (2) administrative costs, (3) revenue stability and predictability, and (4) revenue flexibility:

   a. **Revenue-generating capacity** considers how much money the source can generate.

   b. **Administrative cost** considers the portion of gross revenues that will be spent on administration. The easier it is to administer the tax or fee, the more gross revenue collected will be available as net revenue for transportation projects and programs in the Plan Area.

   c. **Revenue stability and predictability** considers whether the source is likely to avoid large fluctuations each year and whether the source is likely to be close to the forecasts analysts might make.

   d. **Revenue flexibility** considers limitations on the types of projects that can be funded with a given revenue source. A funding source may be a little less useful to jurisdictions if its use is limited to certain types of projects.

2. **Political acceptability.** Will stakeholders accept or support the tool? Political acceptability considers whether elected officials and the public at large are likely to support the funding source. This depends to a large extent on the efficiency components described above: if a revenue source is legal, efficient, and fair, then it should get political support from the public, advisory groups, and decision makers. For this analysis, we evaluate whether a source is politically acceptable using two approaches: (1) is the source widely used elsewhere in Oregon? And (2) does the source collect revenue mostly from non-locals (as opposed to local residents)?

3. **Fairness.** In the context of infrastructure funding, the key question related to fairness is "who pays?" A standard definition of fairness in public finance, especially relating to transportation infrastructure, is that the charges that fund the infrastructure system are tied to the users who receive benefits from (or impose costs on) the system. Fairness may also be referred to as equity.

4. **Legality.** All the benefits of a funding source are moot if the source is not legal or cannot become legal within the desired timeframe. If the source is currently prohibited by State statute, then there is a very big administrative hurdle to be surmounted up front.
Appendix C: Additional Funding Sources – Detailed Descriptions

Reimbursement District

Summary
Provides reimbursement from one party that benefitted from an infrastructural improvement made and paid for by another party.

How It Works
A Reimbursement District is a cost sharing mechanism, typically initiated by a developer. The purpose is to provide a reimbursement method to the developer of an infrastructure improvement, through fees paid by property owners at the time the property benefits from the improvement. A developer applies to create a Reimbursement District by demonstrating benefit to properties beyond their own. In addition, the size of the improvement must be measurably greater than would otherwise be ordinarily required for the improvement.

Eligible Reimbursement District projects typically include (but are not limited to) construction of or connections to a sewer, water, storm water or street improvements. Applications typically include: a fee sufficient to cover the cost of administrative review, a description of the project, properties that would be impacted, and a detailed methodology and calculation of how the estimated costs would be reimbursed by payments from benefitted properties over a specified timeframe. A report from the City Engineer is generated in review of the submitted application. After a public hearing process, the council will approve, reject, or modify the proposal. The approval of a Reimbursement District results in a resolution and distribution of notice among benefitted properties before construction can begin.

Benefitted properties must pay the Reimbursement Fee when they make a physical connection to the improvement (or in the case of a sewer project, when the benefitted property creates an impervious surface that drains into the public sewer) within the Reimbursement District Area. Reimbursement fees are collected by the City and are distributed to the developer for the duration of the Reimbursement District, which is typically 10-15 years.

Fund Sources
Paid by benefitted properties at the time the property benefits from the improvement, typically at connection to the sewer, water or storm drain system.

Benefits
- Economically feasible:
  - Encourages development by ensuring compensation to installer.
  - Developer/applicant/installer fronts the cost and is paid back over time by any/all property owners who initiate their benefit to the improvement, regardless of their acquisition of the property.
  - It mitigates the cost of financing public improvements that the City would typically incur.
- Politically Feasible:
  - They generally work best when a developer or property owner would be highly motivated to construct a particular segment of infrastructure, for example, when one segment of infrastructure serves a large development parcel or parcels, and that infrastructure is necessary to allow development to occur.
  - Benefitted property owners arguably have an option to connect to the infrastructure improvement and incur the Reimbursement Fee.

Drawbacks
- Administratively Challenging:
  - Reimbursement Districts require City staff involvement to review the application, conduct an engineering report, make a decision through a public hearing process, and collect Reimbursement Fees for the duration of the Reimbursement District agreement term.
### Local Improvement District (LID)

<table>
<thead>
<tr>
<th>Summary</th>
<th>Enables a group of property owners to share the cost of a project or infrastructural improvement.</th>
</tr>
</thead>
<tbody>
<tr>
<td>How It Works</td>
<td>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. For residential property, the estimated assessment cannot exceed the pre-improvement value of the property based on assessor records. An ordinance must be passed through a public hearing process which must be supported by a majority of affected property owners. Part of this process includes an estimation of the improvement costs and the portion of those costs in which property owners will be responsible to pay for. The public hearing process allows for LIDs to be challenged by property owners. The City collects the funds and regardless of whether the actual cost is greater than the estimated cost (on which the assessment was based), the City may make a deficit assessment for the additional cost, which would be prorated among all benefited properties. Another public hearing would be held, in the event that an additional assessment were placed on property owners (due to underestimation).</td>
</tr>
<tr>
<td>Fund Sources</td>
<td>LID bonds are backed by revenue committed by property owners (which can be public as well as private). Property owners can obtain low-interest financing through the City.</td>
</tr>
</tbody>
</table>
| Benefits | • Politically acceptable: Organizes property owners around a common goal. • Economic feasibility:  
  o Allows property owners to make payments over time to bring about improvements quickly that benefit them individually.  
  o Improvements within smaller areas can enhance catalytic and redevelopment value of the area.  
  o LIDs can be bundled with other resources such as TIF. |
| Drawbacks | • Equity Challenges:  
  o Setting up fair LID payments for various property owners, who are located different distances from the improvement, is challenging.  
  o Small geographic areas may not have sufficient LID revenues to support bonds for the desired improvement. • Administrative Challenges:  
  o Some lenders insist that LIDs be paid off when properties are transferred.  
  o LIDs require significant coordination, attention to detail, and administrative time to manage. • Limited Scope:  
  o LIDs only address the financing of improvements to existing infrastructure rather than construction of new infrastructure. |
Appendix D: Potential Economic Impacts that would result from development of the Spalding Mill Site

Development of the Spalding Mill Site would result in substantial positive economic impacts to the City. Economic impacts are the changes in economic activity that result from an investment of dollars. This high-level assessment considers the positive outcomes that would result from a full build-out of the Spalding Mill Site. For this assessment, we examine the economic impacts of direct investments, jobs, and tax production.

Industrial Development Impacts

The Spalding Mill Site is zoned for industrial uses. The primary impacts from industrial development of the properties would include: (1) one-time impacts from construction of new buildings and, (2) ongoing impacts from the completion and occupation of these buildings by businesses and employees. These are estimates; the actual ongoing impacts will vary based on the future timing of development, the scale and type of buildings that are constructed, and the specific type of businesses that occupy the completed buildings. For this analysis, we relied on development assumptions gathered for the feasibility analysis.

Impacts from Construction

Construction of over 339,000 square feet of industrial buildings represents a direct investment of $30.2 million⁹. A sizable portion of this investment would go to temporary construction jobs. These workers, some of whom would likely live in the City, would bring additional spending to the city during the construction period that would not have otherwise occurred.

Impacts from Completed Development

After the development projects are complete, industrial uses at the Spalding Mill Site would result in an increased number of jobs, spending, and tax revenues for the City. Based on the potential types of businesses and using the total building area, we estimate the potential number of jobs that new development could support once the spaces are occupied. Job estimates are based on the number of square feet per employee for light industrial and industrial park type uses. The Institute of Transportation Engineers (ITE) lists an average of 613 square feet per employee for ‘general light industrial’ uses and 973 for ‘industrial park’ uses¹⁰. Using these jobs per square foot rates, we estimate that approximately 430 to 550 jobs can be supported by businesses located in new buildings developed on the Spalding Mill site at full buildout.

---

⁹ Assumes full build-out of Spalding Mill Properties with a construction cost of approximately $89.00 per square foot for light industrial type building.

¹⁰ Institute of Transportation Engineers, trip generation manual, 10th edition. Land use code 110.
According to Oregon’s Employment Department, the number of Josephine County residents participating in its labor force was about 36,859 people during August of 201911. Jobs at the Spalding Mill Site would mean a 1.5% to 1.7% increase in total jobs for Josephine County.

Exhibit 8 below Error! Reference source not found. shows the average annual wage for jobs in several sectors that would be likely to occupy a new industrial space at the Spalding Mills Site. Wages range from the manufacturing sector of $42,518 to wholesale traders at $48,266 a year. The temporary jobs related to the construction of either of these development options average at $41,241 a year. Employee benefits for fulltime jobs in these sectors typically include health insurance and retirement benefits.

### Exhibit 8. Josephine County Annual Average Wages by Sector, 201812

<table>
<thead>
<tr>
<th>Sector (NAICS 3-Digit)</th>
<th>Average Annual Wage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manufacturing</td>
<td>$42,518</td>
</tr>
<tr>
<td>Wholesale trade</td>
<td>$48,266</td>
</tr>
<tr>
<td>Construction of buildings</td>
<td>$41,241</td>
</tr>
</tbody>
</table>

Source: Oregon Employment Department. Quality info.org. QCEW data.

New industrial development would also generate additional ongoing tax revenue for the City and other taxing jurisdictions. The table below summarizes total estimated annual tax revenues generated for the City and Josephine County area taxing jurisdictions from new industrial development at the Spalding Mill site. These tax revenues represent the property taxes associated with new buildings and are in addition to the property taxes assessed on the land itself. For the City, development of the Spalding Mill Site would mean approximately $179,000 in annual property taxes. In total, about $403,000 in property taxes would be generated annually from new development. One important caveat: presently the Spalding Mill Site is within an urban renewal district. All taxes generated through new development would be allocated to the district’s tax increment for the life of the district. When the urban renewal district sunsets, the taxes would be divided back to the other taxing jurisdictions.


<table>
<thead>
<tr>
<th>Entity</th>
<th>Tax Rate</th>
<th>Property Taxes (Rounded to the nearest $1,000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Josephine County</td>
<td>1.5967</td>
<td>$48,000</td>
</tr>
<tr>
<td>City of Grants Pass</td>
<td>5.9235</td>
<td>$179,000</td>
</tr>
<tr>
<td>Grants Pass SD #7</td>
<td>4.5248</td>
<td>$136,000</td>
</tr>
<tr>
<td>Rogue Community College</td>
<td>0.5652</td>
<td>$17,000</td>
</tr>
<tr>
<td>Southern Oregon Education Service District</td>
<td>0.3524</td>
<td>$10,000</td>
</tr>
<tr>
<td>4H/ Extension Service District</td>
<td>0.0459</td>
<td>$1,000</td>
</tr>
<tr>
<td>Josephine Community Library District</td>
<td>0.3900</td>
<td>$12,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>13.3985</strong></td>
<td><strong>$403,000</strong></td>
</tr>
</tbody>
</table>

Source: ECONorthwest estimate using tax rates from Josephine County Assessor, 2019

---

11 An additional 2,108 residents were unemployed during that period.

12 These are high-level job sector categories. They encompass most types of jobs that take place in light industrial zones.
Property tax calculations assume all property is industrial, is 100% in taxing district 13, is using a change property ratio of 1.0, and uses the construction method to estimate assessed value.

**Economic Impacts Summary**

The development of new industrial buildings on the Spalding Mill Site would have positive economic impacts for the City. The construction of these buildings and the long-term impacts from the buildings’ completion and occupation by businesses would support jobs and increase property tax revenues. The new industrial space would also generate additional spending through rent payments and spending by workers, some of whom would likely live in the City. **Error! Reference source not found.** compares employment, total direct investment, and tax revenue potential for the two uses.

**Exhibit 10. Summary of Estimated Spalding Mill Site Economic Impacts**

<table>
<thead>
<tr>
<th>Type of Development</th>
<th>Light Industrial</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employment (non-construction)</td>
<td>430-550 Jobs</td>
</tr>
<tr>
<td>Direct Investment</td>
<td>$30,200,000</td>
</tr>
<tr>
<td>Tax Revenue Potential</td>
<td>$403,000 Annually</td>
</tr>
</tbody>
</table>

Source: ECONorthwest
APPENDIX F

ESTIMATED ECONOMIC IMPACTS RESULTING
FROM COMMERCIAL DEVELOPMENT ON
ROGUE VALLEY DOORS’ CURRENT LOCATION IN
GRANTS PASS
Purpose and Background

In 2017, the City of Grants Pass (City) was awarded an Environmental Protection Agency (EPA) Area-wide Brownfields Planning Grant with the aim of spurring development on vacant and underutilized brownfield\(^1\) sites. The City has focused its planning efforts on properties within the Spalding Industrial Park (SIP)—a collection of industrial properties on the east side of the city. The City hired Maul Foster Alongi (MFA) to manage and conduct grant activities, with ECONorthwest as a subconsultant to carry out real estate market assessment work and other tasks focused on encouraging new development in the SIP.

Rogue Valley Sash and Door (RVD), a wood door manufacturing company, is currently located on a 16.63 acre industrial property in the Redwood Highway commercial district of Grants Pass. On the site is RVD’s manufacturing plant for their products—primarily wood doors for the residential housing market. RVD also owns 18.4 acres in the SIP on the eastern side of the city. RVD leadership has disclosed in conversations with the City and the consultant team that the purchase of the property in the SIP was undertaken for the idea of eventually moving RVD’s current operations to the SIP location. The idea sparked conversations at the City about how such a move could also open up RVD’s current property for new development. Such a shuffling of an important business within the city would open up land for new development that would provide economic benefits to the community and positive fiscal impacts to the City.

The purpose of this memorandum is to examine this hypothetical scenario. The question that this analysis seeks to answer is:

- If RVD were to move their manufacturing plant to their SIP property and their current property were to redevelop, what economic and fiscal benefits would likely result from the redevelopment?

This memorandum is written for the intended audience of City staff and leadership to begin to think about the magnitude of economic and fiscal benefits that would arise from commercial development at RVD’s current site.

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\(^1\) "A brownfield is a property, the expansion, redevelopment, or reuse of which may be complicated by the presence or potential presence of a hazardous substance, pollutant, or contaminant." EPA, [https://www.epa.gov/brownfields/overview-epas-brownfields-program](https://www.epa.gov/brownfields/overview-epas-brownfields-program) (Accessed November 8th, 2018)
Our approach is to provide accurate estimates to help the City understand the magnitude of potential economic impacts

For the purpose of estimating the magnitude of what economic and fiscal impacts would result from commercial development at the RVD site, we will evaluate two hypothetical development scenarios. The financial feasibility of these hypothetical scenarios (described in detail in below) was not assessed for this analysis. These scenarios represent theoretical developments that could potentially be built under the current allowable land use, zoning, and development regulations that inform the possibilities of development at the current RVD properties. Our economic impact results for commercial development are only estimates and actual economic impacts can vary by the scale and type of commercial buildings constructed.

RVD’s Current Manufacturing Site

Exhibit 1 presents an aerial view of RVD’s current business operations which expand across four tax lots. The manufacturing plant is bounded by NE F Street to the north, Central Oregon and Pacific Railroad to the south, Josephine County Sherriff’s Office to the east, and a retail center to the west. Collectively, these four tax lots total 16.63 acres.²

² City of Grants Pass; School District #7; Library District; URP.
Vehicle access for RVD’s properties is available at NE Beacon Drive which separates the tax lots identified as 1 and 2 in Exhibit 1, along with driveway access points along NE F Street.

All of RVD’s tax lots are zoned Industrial (I) which Grants Pass’s zoning code allows for a variety of industrial, manufacturing, and commercial uses. RVD’s manufacturing plant conforms to the Industrial zone guidelines.

RVD’s business at the NE Beacon Drive properties provide substantial economic contributions to the Grants Pass economy. Currently, RVD’s business provides employment to 315 fulltime employees³ and pays annual property taxes of approximately $61,000 annually to all applicable taxing districts⁴. Exhibit 2 provides a summary of RVD’s individual tax lot information.

Exhibit 2. Summary of Rogue Valley Sash & Door’s Tax Lot Information

<table>
<thead>
<tr>
<th>Property No. (as identified in Exhibit 1)</th>
<th>Situs Address</th>
<th>Tax Lot No.</th>
<th>Parcel Size (Acres)</th>
<th>Zoning</th>
<th>Property Taxes (2020)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>120 NE Beacon Dr.</td>
<td>000401</td>
<td>6.17</td>
<td>Industrial</td>
<td>$10,405</td>
</tr>
<tr>
<td>2</td>
<td>123 NE Beacon Dr.</td>
<td>001100</td>
<td>6.48</td>
<td>Industrial</td>
<td>$37,485</td>
</tr>
<tr>
<td>3</td>
<td>1775 NE F St.</td>
<td>000302</td>
<td>2.60</td>
<td>Industrial</td>
<td>$7,162</td>
</tr>
<tr>
<td>4</td>
<td>1775 NE F St.</td>
<td>000300</td>
<td>1.38</td>
<td>Industrial</td>
<td>$6,284</td>
</tr>
</tbody>
</table>

| Totals | 16.63 Acres | $61,335 |

⁴ Josephine County Assessor
Economic Impacts from Hypothetical Scenarios

Hypothetical Redevelopment Scenarios

City staff and the consultant team considered two hypothetical redevelopment scenarios for RVD’s current property. Both scenarios feature a zoning change from the current “I”- industrial designation to a “BP”- Business Park District designation. The thinking behind this zoning change was that a BP zone would be geographically appropriate (the area already features BP zoned land), and that the BP zone would promote desired uses, like offices and retail establishments.

The BP zone permits a mix of light industrial and commercial uses outright. Other services and trades are allowed through a conditional use process. In general, the BP zone focuses more on promoting retail and office uses than the current site’s I-industrial zone.

Exhibit 3 illustrates the type and scale of new developments that were modeled in the scenarios. In both cases, BP zone permissible development types—like retail and office—were considered. The scenarios emerged from discussions with City staff. The details of the modeled development types were derived from observations of similar and recent developments in the Grants Pass area. Two scenarios were chosen to provide a range of potential outcomes; actual development on the properties could vary considerably given the allowances in the zoning code.

Exhibit 3. Hypothetical Redevelopment Scenarios

<table>
<thead>
<tr>
<th>Source: ECONorthwest</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
</tr>
<tr>
<td>Scenarios and Uses</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td><strong>Scenario 1</strong></td>
</tr>
<tr>
<td>Office</td>
</tr>
<tr>
<td>Retail</td>
</tr>
<tr>
<td>Total Development</td>
</tr>
<tr>
<td><strong>Scenario 2</strong></td>
</tr>
<tr>
<td>Wholesale Trade</td>
</tr>
<tr>
<td>Retail</td>
</tr>
<tr>
<td>Total Development</td>
</tr>
</tbody>
</table>

Scenario Descriptions

- Under Scenario 1, it is assumed that the consolidated tax lots could accommodate 145,000 square feet of office space and 40,000 square feet of retail space. Collectively these two uses would total 185,000 gross square feet of commercial space.

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Any zoning change would require a review of the City’s comprehensive plan to ensure that the change is aligned with the City’s statutorily required long-term planning goals. This check has not been conducted in this analysis.
- In Scenario 2, it is assumed that the site could accommodate a 152,000 square foot “big-box” wholesale trade retailer along with 25,000 square feet of additional retail space. Collectively these two uses would total 177,000 gross square feet of commercial space.

Potential economic impacts that would result from redevelopment of RVD’s current property

As described in the scenarios, redevelopment of the RVD property would result in substantial economic impacts to the community of Grants Pass. Economic impacts are the changes in economic activity that result from an investment of dollars. This high-level assessment considers the positive outcomes that would result from a full build-out of the RVD site. For this assessment, we examined the economic impacts of direct investment, jobs, and tax production.

The primary economic impacts from redevelopment of the properties would include:

1. One-time impacts from construction of new buildings, and;
2. Ongoing impacts from the completion and occupation of those buildings by businesses and employees.

The economic impacts described further in the following sections are estimates, the actual ongoing impacts will vary based on the future timing of development, the scale and type of buildings that are constructed, and the specific type of businesses that occupy the completed buildings.

Impacts from Construction

Construction of 177,000 to 185,000 of gross square feet of commercial buildings represent a direct investment of $33 million to $47.3 million⁶. A sizable portion of this investment would go to temporary construction jobs. These workers, some of whom would likely live in Grants Pass, would bring additional spending to the city during the construction period that would not have otherwise occurred.

Impacts from Completed Development

After the development projects are complete, commercial uses at the RVD site are likely to result in a net increase of jobs across all of RVD’s properties when including their SIP site. That is, assuming that RVD’s operations would still require their current 315 jobs when they move to the SIP location, new development that occurs on their current location would trigger the creation of additional new jobs⁷.

Based on the potential types of businesses and using the total building area, we estimated the potential number of jobs that new development could support once tenant spaces are occupied.

⁶ Assumes full build-out of the RVD properties with a blended total construction cost of approximately $144 per square foot for office, retail, and wholesale trade buildings.
⁷ It is also possible that another Grants Pass area business moves to RVD’s current location and therefore only transfers their current jobs to that location.
This high-level estimate relies on the number of square feet per employee for office, retail, and wholesale trade uses. The Institute of Transportation Engineers (ITE) list an average of 304 square feet per employee for ‘General Office’ use, 549 square feet per employee for ‘Specialty Retail Center’ use, and 938 square feet per employee for ‘Shopping Center’ use. Using these jobs per square foot rates, we estimate that under Scenario 1 and Scenario 2, approximately 208 to 550 jobs can be supported by businesses located in the new buildings developed on the current RVD site. According to Oregon’s Employment Department, the number of Josephine County residents participating in its labor force was about 35,792 people during March of 2020. Therefore, new jobs at the RVD site would mean about a 1% increase in total jobs in Josephine County under both scenarios.

Exhibit 4 shows the average annual wage for jobs in several sectors that would be likely to occupy new commercial space at the RVD site. Wages range from the “Sales and Related Occupations” category of $36,776, to wholesale trade occupations at $48,266 a year. The temporary jobs related to the construction of commercial properties average at $46,981 a year. Employee benefits for full-time jobs in these occupations also typically include health insurance and retirement benefits.

Exhibit 4. Josephine County Annual Average Wages by Sector, 2019

<table>
<thead>
<tr>
<th>Occupation</th>
<th>Average Annual Wage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales and Related Occupation</td>
<td>$36,776</td>
</tr>
<tr>
<td>Office and Administrative Support</td>
<td>$37,092</td>
</tr>
<tr>
<td>Construction</td>
<td>$46,981</td>
</tr>
<tr>
<td>Wholesale trade</td>
<td>$48,266</td>
</tr>
</tbody>
</table>

New commercial development would also generate additional ongoing tax revenue for the City and other taxing jurisdictions. Exhibit 5 below summarizes total estimated annual tax revenues generated for Grants Pass and Josephine County area taxing jurisdictions from new commercial development at the RVD site. These tax revenues represent the property taxes associated with new buildings and land.

---

9 United State Department of Energy.
10 An additional 1,829 residents were unemployed during that period.
11 These are high-level job occupation categories. They encompass most types of jobs that take place in commercial zones.

ECONorthwest
Grants Pass RVD Current Property – Economic Impacts Analysis
### Exhibit 5. Estimate Annual Tax Revenues by Entity (2020 Dollars)

Source: ECONorthwest estimate using tax rates from Josephine County Assessor, 2020

<table>
<thead>
<tr>
<th>Occupation</th>
<th>Tax Rate</th>
<th>Scenario 1 Property Taxes (rounded to the Nearest $1,000)</th>
<th>Scenario 2 Property Taxes (rounded to the Nearest $1,000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Josephine County</td>
<td>1.5967</td>
<td>$70,000</td>
<td>$49,000</td>
</tr>
<tr>
<td>City of Grants Pass</td>
<td>6.1518</td>
<td>$268,000</td>
<td>$189,000</td>
</tr>
<tr>
<td>Grants Pass SD #7</td>
<td>4.5248</td>
<td>$197,000</td>
<td>$139,000</td>
</tr>
<tr>
<td>Rogue Community College</td>
<td>0.5652</td>
<td>$24,000</td>
<td>$17,000</td>
</tr>
<tr>
<td>Southern Oregon Education Service District</td>
<td>0.3524</td>
<td>$15,000</td>
<td>$11,000</td>
</tr>
<tr>
<td>4H/Extension Service District</td>
<td>0.0459</td>
<td>$2,000</td>
<td>$1,000</td>
</tr>
<tr>
<td>Josephine Community Library District</td>
<td>0.3900</td>
<td>$17,000</td>
<td>$12,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>13.3985</strong></td>
<td><strong>$593,000</strong></td>
<td><strong>$418,000</strong></td>
</tr>
</tbody>
</table>

Note: Property tax calculations assume all property is commercial, is in taxing district 13, is using a change property ratio of 0.902, and uses the construction method to estimate assessed value.

The property taxes associated with *new development* on the RVD site are a substantial change from the current property taxes levied on the property. This jump in property tax assessment is due to differences in the values of existing buildings and new construction. That is, the existing buildings on the property are aging, low-cost construction types. This makes their values comparatively low. As described on page 5, new construction would have values in the multiple millions of dollars. Taxes would increase accordingly.
Summary of economic impacts

The development of new commercial buildings on the RVD site would have positive economic impacts for the City of Grants Pass. The construction of these buildings and the long-term impacts from the buildings' completion and occupation by businesses would support jobs and increase property tax revenues. The new commercial space would generate additional spending through rent payments and spending by workers some of whom would likely live in Grants Pass. Exhibit 6 compares employment, total direct investment, and tax revenue potential for the two hypothetical scenarios.

Exhibit 6. Summary of Estimate RVD Site Economic Impacts
Source: ECONorthwest

<table>
<thead>
<tr>
<th>Economic Indicator</th>
<th>Scenario 1</th>
<th>Scenario 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employment (non-construction)</td>
<td>550</td>
<td>208</td>
</tr>
<tr>
<td>Direct Investment</td>
<td>$47,300,000</td>
<td>$33,000,000</td>
</tr>
<tr>
<td>Annual Tax Revenue potential</td>
<td>$593,000</td>
<td>$418,000</td>
</tr>
</tbody>
</table>
Resolution amending banking authorizations.

Date: May 4, 2022

SUBJECT AND SUMMARY:
This resolution would adjust the City staff members who are authorized to sign on the City’s bank and investment accounts.

RELATIONSHIP TO COUNCIL GOALS:
This supports Council’s goal of LEADERSHIP by maintaining a proper and current banking authorization list and by maintaining proper internal financial controls.

CALL TO ACTION SCHEDULE:
Call to Action Schedule: May 4, 2022.

BACKGROUND:
Three employees had previously been authorized to sign transactions pertaining to the City’s banking and investment accounts. These employees are authorized to instruct the banks and conduct the financial activity on all the City’s bank accounts. The supervisors in Finance and the Finance Director have typically been signers on City bank accounts. With the resignation of the Finance Director, Gregoire "Adam" Shults, this resolution would remove Gregoire "Adam" Shults from the list of authorized bank signers.

It is recommended that the other individuals currently authorized retain that authorization, including Kimberly Gasperson, Customer Services Supervisor, and Aaron Cubic, City Manager. In addition, it is recommended that the newly hired Finance Director James Rawley and the Accounting Supervisor Melinda Ellerman be added.

Council action is required to authorize persons to conduct specific financial transactions for the City of Grants Pass. This resolution will officially acknowledge that action.

COST IMPLICATION:
None.

ALTERNATIVES:
1. Council can approve the resolution to have four authorized signers, or
2. Council can choose to have a different number of staff members given this authority.

ITEM: 4.b. RESOLUTION AMENDING BANKING AUTHORIZATIONS.
Staff Report (continued):

RECOMMENDED ACTION:

It is recommended that the resolution amending banking authorizations be adopted. It is recommended the City maintain at least three authorized signers to ensure there is always a signer available to sign checks, authorize disbursements, and transfer funds between accounts as needed.

POTENTIAL MOTION:

I move to adopt the resolution amending the banking authorizations.
RESOLUTION NO.

A RESOLUTION OF THE COUNCIL OF THE CITY OF GRANTS PASS AMENDING BANKING AUTHORIZATIONS.

WHEREAS:

1. The City, in the normal course of conducting business, conducts financial transactions requiring the management of cash and investments; and

2. The City wishes to grant certain employees' authorization to sign City checks, handle daily banking transactions, authorize electronic payments, transfer monies within accounts, and make investments; and

3. Staff has been identified and designated with certain authorities to handle various components of cash management; and

4. There was a change in staffing.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Grants Pass that the following City employees are authorized to sign City checks, authorize disbursements, have access to City safety deposit boxes and all bank and investment accounts, and make withdrawals and deposits between accounts including investments:

Aaron Cubic
Melinda Ellerman
Kimberly Gaspensor
James Rowley

BE IT FURTHER RESOLVED, a copy of this resolution be submitted to each of the financial institutions with which the City transacts business so that signature authorization cards can be adjusted accordingly.

EFFECTIVE DATE of this resolution shall be immediate upon its passage by the City Council and approval by the Mayor.

ADOPTED by the Council of the City of Grants Pass, Oregon, in regular session this 4th day of May 2022.

SUBMITTED to and _____________ by the Mayor of the City of Grants Pass, Oregon, this ___ day of May 2022.

________________________
Sarah Bristol, Mayor

ATTEST:

________________________  Date submitted to Mayor: ___________
Karen Frerk, City Recorder

Approved as to Form, Augustus Ogu, City Attorney
City Council Meeting
April 20, 2022
6:00 pm
City Council Chambers

The Council of the City of Grants Pass met in regular session on the above date with Mayor Bristol presiding. The following Councilors were present: Collins, DeLaGrange, Faszer (via Teams), King, Lovelace, Ogier, Pell and Riker. Also present and representing the City were City Manager Cubic, Police Chief Hensman, Deputy Fire Chief DeLonge (via Teams), Community Development Director Clark, Public Works Director Canady, City Attorney Ogu, and City Recorder Frerk. Absent: Accountant Shults.

Mayor Bristol called the meeting to order.

Proclamation: Drinking Water Week

1. PUBLIC HEARING

   a. Community Development Block Grant public hearing regarding housing and community development needs & priorities for the PY2022 Year 3 Annual Action Plan.

   No action required.

Legislative

   b. Ordinance amending Development Code Article 12 Zoning Districts, establishing minimum residential density standards.

   The vote was not unanimous at the April 6, 2022, meeting.

   Councilor DeLaGrange moved to have the ordinance read by title only, second reading, as amended, eliminating the phrase “For development on a building site that is 10,000 square feet or larger” from Section 12.146(1). Councilor Ogier seconded the motion. The vote resulted as follows: “Ayes”: Collins, DeLaGrange, Ogier, Pell and Riker, “Nays”: Faszer, King and Lovelace. Abstain: None. Absent: None. The motion passed.

Legislative


   Councilor Lovelace moved to have this item postponed to the May 4, 2022, meeting. Councilor Ogier seconded the motion. The vote resulted as follows: “Ayes”: Collins, DeLaGrange, Faszer, King, Lovelace, Ogier, Pell and Riker. “Nays”: None. Abstain: None. Absent: None. The motion passed.

Quasi-judicial

   d. Ordinance vacating the common property line between tax lots 301 and 302 of
Councilor Ogier moved to have the ordinance read by title only, first reading. Councilor Collins seconded the motion. The vote resulted as follows: "Ayes": Collins, DeLaGrange, Faszer, King, Lovelace, Ogier, Pell and Riker. "Nays": None. Abstain: None. Absent: None. The motion passed.

Councilor DeLaGrange moved to have the ordinance read by title only, second reading. Councilor Lovelace seconded the motion. The vote resulted as follows: "Ayes": Collins, DeLaGrange, Faszer, King, Lovelace, Ogier, Pell and Riker. "Nays": None. Abstain: None. Absent: None. The ordinance was adopted.

2. COUNCIL ACTION

a. Resolution amending Resolution No. 21-7041 awarding Three Peaks Holdings LLC a Business Retention and Relocation Assistance matching grant up to $50,000 for property located at 228 SE K Street.

RESOLUTION NO. 22-7173

Councilor Lovelace moved and Councilor King seconded to adopt Resolution 22-7173 and the vote resulted as follows: "Ayes": Collins, DeLaGrange, Faszer, King, Lovelace, Ogier, Pell and Riker. "Nays": None. Abstain: None. Absent: None. The resolution was adopted.

b. Resolution authorizing the City Manager to enter into a contract with Grants Pass/Josephine County Chamber of Commerce for visitor services.

RESOLUTION NO. 22-7174

Councilor Lovelace moved and Councilor Riker seconded to adopt Resolution 22-7174 and the vote resulted as follows: "Ayes": Collins, King, Lovelace and Riker. "Nays": Bristol, DeLaGrange, Faszer, Ogier and Pell. Abstain: None. Absent: None. The motion failed.

Councilor DeLaGrange moved and Councilor Riker seconded to adopt Resolution 22-7174, as amended, decreasing the base pay to $78,000 and changing the CPI-U limits to 1% to 5%, and the vote resulted as follows: "Ayes": Bristol, Collins, DeLaGrange, King and Ogier. "Nays": Faszer, Lovelace, Pell and Riker. Abstain: None. Absent: None. The motion passed.

c. Resolution authorizing the City Manager to allow commercial activity for the People of the Earth Foundation's Native American Arts Festival & Mother's Day Pow Wow 2022.

RESOLUTION NO. 22-7175

City Council Meeting
April 20, 2022
Councilor DeLaGrange moved and Councilor Lovelace seconded to adopt Resolution 22-7175 and the vote resulted as follows: “Ayes”: Collins, DeLaGrange, Faszer, King, Lovelace, Ogier, Pell and Riker. “Nays”: None. Abstain: None. Absent: None. The resolution was adopted.


RESOLUTION NO. 22-7176

Councilor Lovelace moved and Councilor Faszer seconded to adopt Resolution 22-7176 and the vote resulted as follows: “Ayes”: Collins, DeLaGrange, Faszer, King, Lovelace, Ogier, Pell and Riker. “Nays”: None. Abstain: None. Absent: None. The resolution was adopted.

3. PUBLIC COMMENT

a. Opportunity to review public comment.

b. Review emails.

4. CONSENT AGENDA

a. Resolution authorizing the City Manager to purchase a replacement Battalion Chief Command vehicle.

RESOLUTION NO. 22-7177

Councilor King moved and Councilor Lovelace seconded to adopt Resolution 22-7177 and the vote resulted as follows: “Ayes”: Collins, DeLaGrange, Faszer, King, Lovelace, Ogier, Pell and Riker. “Nays”: None. Abstain: None. Absent: None. The resolution was adopted.

b. Resolution redefining and renaming the Caveman Plaza Taskforce to Central Business District Vitalization Taskforce.

RESOLUTION NO. 22-7178

Councilor King moved and Councilor Lovelace seconded to adopt Resolution 22-7178 and the vote resulted as follows: “Ayes”: Collins, DeLaGrange, Faszer, King, Lovelace, Ogier, Pell and Riker. “Nays”: None. Abstain: None. Absent: None. The resolution was adopted.

c. Resolution authorizing the City Manager to enter into a contract with Pathway Enterprises, Inc., for parks janitorial services.

RESOLUTION NO. 22-7179

Councilor King moved and Councilor Lovelace seconded to adopt Resolution 22-7179
and the vote resulted as follows: "Ayes": Collins, DeLaGrange, Faszer, King, Lovelace, Ogier, Pell and Riker. "Nays": None. Abstain: None. Absent: None. The resolution was adopted.

d. Resolution amending the Housing Advisory Committee membership.

This item was pulled from the Consent Agenda.

Councilor Ogier moved and Councilor DeLaGrange seconded to get feedback from the Housing Advisory Committee on membership and the vote resulted as follows: "Ayes": Bristol, Collins, DeLaGrange, Ogier and Riker. "Nays": Faszer, King, Lovelace and Pell. Abstain: None. Absent: None. The motion passed.

e. Resolution revising the City's Banner Policy.

RESOLUTION NO. 22-7180

Councilor King moved and Councilor Lovelace seconded to adopt Resolution 22-7180 and the vote resulted as follows: "Ayes": Collins, DeLaGrange, Faszer, King, Lovelace, Ogier, Pell and Riker. "Nays": None. Abstain: None. Absent: None. The resolution was adopted.

f. Resolution authorizing the City Manager to submit a grant application for law enforcement wellness services.

RESOLUTION NO. 22-7181

Councilor King moved and Councilor Lovelace seconded to adopt Resolution 22-7181 and the vote resulted as follows: "Ayes": Collins, DeLaGrange, Faszer, King, Lovelace, Ogier, Pell and Riker. "Nays": None. Abstain: None. Absent: None. The resolution was adopted.

g. Resolution establishing a temporary Parklet Program.

RESOLUTION NO. 22-7182

Councilor King moved and Councilor Lovelace seconded to adopt Resolution 22-7182 and the vote resulted as follows: "Ayes": Collins, DeLaGrange, Faszer, King, Lovelace, Ogier, Pell and Riker. "Nays": None. Abstain: None. Absent: None. The resolution was adopted.

h. Motion approving the Development Code text amendment to Article 12 Minimum Residential Density Findings of Fact.

Councilor King moved and Councilor Lovelace seconded to approve the Development Code text amendment to Article 12 Minimum Residential Density Findings of Fact and the vote resulted as follows: "Ayes": Collins, DeLaGrange, Faszer, King, Lovelace, Ogier, Pell and Riker. "Nays": None. Abstain: None. Absent: None. The motion passed.
i. Motion approving the minutes of the City Council meeting of April 6, 2022.

Councilor King moved and Councilor Lovelace seconded to approve the minutes of the City Council meeting of April 6, 2022, and the vote resulted as follows: “Ayes”: Collins, DeLaGrange, Faszer, King, Lovelace, Ogier, Pell and Riker. “Nays”: None. Abstain: None. Absent: None. The motion passed.

j. Motion approving the minutes of the City Council special meeting of April 11, 2022.

Councilor King moved and Councilor Lovelace seconded to approve the minutes of the City Council special meeting of April 11, 2022, and the vote resulted as follows: “Ayes”: Collins, DeLaGrange, Faszer, King, Lovelace, Ogier, Pell and Riker. “Nays”: None. Abstain: None. Absent: None. The motion passed.

k. Motion acknowledging the minutes of the Sustainability and Energy Action Taskforce meeting of March 1, 2022.

Councilor King moved and Councilor Lovelace seconded to acknowledge the minutes of the Sustainability and Energy Action Taskforce meeting of March 1, 2022, and the vote resulted as follows: “Ayes”: Collins, DeLaGrange, Faszer, King, Lovelace, Ogier, Pell and Riker. “Nays”: None. Abstain: None. Absent: None. The motion passed.

l. Motion acknowledging the minutes of the Committee on Public Art meeting of March 8, 2022.

Councilor King moved and Councilor Lovelace seconded to acknowledge the minutes of the Committee on Public Art meeting of March 8, 2022, and the vote resulted as follows: “Ayes”: Collins, DeLaGrange, Faszer, King, Lovelace, Ogier, Pell and Riker. “Nays”: None. Abstain: None. Absent: None. The motion passed.

5. MATTERS FROM MAYOR, COUNCIL AND STAFF

a. Mayor & Council Comments.

b. Staff Comments.

7. EXECUTIVE SESSION: None.

8. ADJOURN:

There being no further business to come before the Council, Mayor Bristol adjourned the meeting at 8:25 pm.

The ordinances, resolutions and motions contained herein, and the accompanying votes have been verified by:

______________________________
City Recorder
GRANTS PASS URBAN TREE ADVISORY COMMITTEE
Meeting Minutes – February 14, 2022, 6:30 PM
City Council Chambers

Committee Members:
Doug Tripp, Chair
David Renton, Vice Chair
Michael Holzinger - Virtual
James Love - Absent
Dan McBerty - Absent
Chris Rudd - Absent
Nicole Kieffer - Virtual
Barbra Villona - Virtual

City/Staff/Council Liaisons:
Curt Collins (City Councilor)
Tony Mecum (Community Development & Public Works)

Guests:
None

AGENDA:
1. Roll Call:
   a. Chair Tripp started the meeting at 6:30 pm.
2. Introductions:
   a. None
3. Items from the Public:
   a. None
4. Approval of Minutes:
   a. Approval of Minutes from January 10, 2022.

MOTION/VOTE
Member Villona moved, and Vice-Chair Renton seconded the motion to approve the minutes as submitted. The vote resulted as follows: “AYES”: Vice-Chair Renton, Members Holzinger, Villona, and Kieffer. “NAYS”: None. Abstain: Chair Tripp. Absent: Members Love, McBerty, and Rudd.
The motion passed.

5. Action Items:
   a. Committee Chair Election
      i. Member Villona nominated Doug Tripp, stating that he has done a great job as Chair. Vice-Chair Renton seconded the nomination. Chair Tripp accepted the nomination.

MOTION/VOTE
Vice-Chair Renton moved, and Chair Tripp seconded the motion to close nominations and to elect Doug Tripp as Chair of the Committee. The vote resulted as follows: “AYES”: Chair Tripp, Vice-Chair Renton, Members Holzinger, Villona, and Kieffer. “NAYS”: None. Abstain: None. Absent: Members Love, McBerty, and Rudd.
The motion passed.

   b. Heritage Tree Program and Nominations
      i. Urban Forester presented an overview of the Heritage Tree Program.
      ii. A right-of-way tree nomination does not require the adjacent property owner to sign off. The City Manager is needed to sign.
      iii. Member Villona mentioned that she knows a redwood she would like to nominate.
      iv. Member Holzinger mentioned a tree in the alley behind G Street.
      v. Councilor Collins mentioned trees on Harbeck Rd.
   c. Tree Deposit Update from Councilor Collins
i. Councilor Collins explained that the fund has $64,000. This does not include the costs associated with Washington Blvd.

ii. Urban Forester mentioned that the deposit may include the Tree Canopy Program and Memorial Tree Program. The fund may also contain funds that could still be returned to developers.

iii. Member Villona requested that the Committee see a list of possible tree plantings in town. Member Holzinger said that Member McBerty has a list. Chair Tripp said Member Love also has a list. Chair Tripp said the Committee could review the lists. Chair Tripp also encouraged committee members to send locations for new trees.

iv. Councilor Collins mentioned the possibility of looking into the Caveman Plaza.

d. Coordination and Input into the Energy Taskforce
   i. Urban Forester stated that the Taskforce may or may not look into the urban forest as part of their goals. He also mentioned that there is an open forestry-related position open on the Taskforce.

6. Matters from Committee Members
   a. Member Kieffer asked for information on how urban forestry is being impacted by the current drought situation. Chair Tripp explained some of the management strategies he has employed and what is recommended for tree care.

7. Matters from Staff
   a. Tree City USA and Growth Award
      i. Urban Forester explained that the City received its 34th year as Tree City USA and 11th Growth Award.
   b. Strategic Goals Update
      i. Council ranked the “Urban Forest Management Plan” as a one-star item.
   c. Arbor Day 2022
      i. In April that the Committee plans.
      ii. This is different than the tree walk.

8. Future Agenda Building for Next Meeting
   a. Heritage Tree Nominations
   b. Tree Planting Locations
   c. Tree Walk and Tags
   d. Arbor Day Planning

9. Adjournment
   a. Meeting adjourned at approximately 7:35 pm

Next Meeting: March 14, 2022, at 6:30 PM
Minutes prepared by Tony Mecum, Urban Forester, Community Development & Public Works

Urban Tree Advisory Committee
Meeting Minutes February 14, 2022
BIKEWAYS AND WALKWAYS COMMITTEE
Meeting Minutes – February 8, 2022, at 12:00 PM
Council Chambers

MEMBER ATTENDANCE:
Melissa Pingree (Chair) - Present
Bob Lange (Vice-Chair) - Present
Benjamin Betterly – Absent
Dana Christensen – Present
Chip Dennerlein – Absent
Cliff Kuhlman – Present
Lesley Orr – Virtual
Craig Rodenmayer - Present

City Staff/Council Liaisons:
Rob Pell (City Council)
Wade Elliott (City Liaison)
Rob Brandes (Jo Co Public Works)
Darin Fowler (County Commissioner)

1. Roll Call:
   Chair Pingree opened the meeting and took roll.

2. Public Comment: None

3. Introductions: Rob Pell, 2022 City Councilor Liaison

4. Approval of Minutes: January 11, 2022

   MOTION
   Chair Pingree moved, and Member Kuhlman seconded the motion to approve the minutes from January 11, 2022, as written. The vote resulted as follows: “AYES”: Vice-Chair Lange, Members Christensen, Kuhlman, Orr, Parrinello, and Rodenmayer. “NAYS”: None. Abstain None. Absent: Members Betterly, Dennerlein, and Roether. The motion passed.

5. Action Items:
   I. Debrief of Strategic Planning – Chair Pingree presented Bikeways goals to Council last month and discussed the outcome. Vice-Chair Lange brought up potential issues with a pedestrian bridge at 5th Street due to the historic designation of Caveman Bridge and its viewshe of the bridge. Schroeder might be present two better options. Wade explained the Strategic Planning process to members.

   II. Discuss project Matrix and prioritize goals – all those in-person gathered around the map discussed, highlighted, and reviewed goal/project list. Member Rodenmayer added two additional goals. He will email Wade. Microphones at the table did not pick up audio for all discussions. Prioritizing will be at a future meeting.

6. Public Comment:
   None.

7. Matters from Committee Members and Staff:
   Updates from local jurisdictions
County (Rob) – Gave an update of the Beacon Drive Project. Let him know of any maintenance issues. Greenway RFP should be out soon, delayed slightly due to staff changes.

City (Wade Elliott) – Wrapping up design on park projects and opened a bid on a sanitary sewer project. Wade noted it is a bad time to buy right now. Reinhart’s path repairs timeline was brought up by Member Orr.

8. Future Agenda Building for Next Meeting
   I. Prioritize goals
   II. Future- Jenna Marmon to present an overview of the Greenway plan \textit{after the project is awarded}, limit to 10 mins.
   III. Future- Jenna Marmon to discuss implementing vegetative buffers along US 199 to make the detached multimodal path more enjoyable.

9. Adjournment
   I. Chair Pingree adjourned the meeting at 1:10 pm

\textbf{Next meeting date:} March 8, 2022, at 12:00 pm
\textit{Minutes prepared by Wendy Higgins, City Public Works Department.}
TOURISM ADVISORY COMMITTEE
Meeting Minutes – February 1, 2022, at 4:00 pm
Ridge Room 108

Committee Members:
Doug Bradley (Chair)
Terry Hopkins (Vice Chair)
Barb Hochberg
Tamara Bushnell
Wyntis Grow
Rebecca Anderson
Mandi DelVaglio - absent
Vacant
Vacant

City/Staff/Chamber/Council Liaisons:
Brian DeLaGrange (City Councilor)
Josie Molloy (Chamber Liaison)
Darin Fowler (County Liaison) – Absent
Bradley Clark (Interim City Liaison)

Guest:
Tori Middlestadt, Travel Grants Pass
Curt Collins (City Councilor)

1. Roll Call: Chair Bradley started the meeting and took roll at 4:05 pm.

2. Introductions: None

3. Public Comment: None

4. Approval of Minutes:
   a. Approval of minutes from December 7, 2021.

   MOTION
   Vice Chair Hopkins moved, and Member Bushnell seconded the motion to approve the
   December 7, 2021, minutes, as submitted. The vote resulted as follows: “AYES”: Chair
   Bradley, Vice chair Hopkins, Members Hochberg, Bushnell, Grow and Anderson.
   “NAYS”: None. Abstain: None. Absent: Member DelVaglio.
   The motion passed.

5. Work Session Items:
   a. City Council 2022 Strategic Planning Update:
      • Bradley Clark stated that City Council held their annual Strategic Planning
        workshop at the end of January. He distributed a 1-page summary of the
        adopted goals/objectives.
      • Councilor DeLaGrange highlighted items relevant to the Tourism Advisory
        Committee, including creating a kayak whitewater park in the river, using
        Urban Renewal to redevelop the Redwoods Hotel and designating a
        portion of the lodging tax to fund projects and promotions.
   
   b. Status of Committee Positions
      • Chair Bradley noted the two vacancies on the committee and committee
        members voiced support for Council to fill those.
      • Discussion took place around the advantages of designating a position on
        the committee for a G Street business and having a Josephine County
        representative.
      • The committee asked to review the bylaws and Chair Bradley noted that
        elections for the Chair and Vice Chair would be held at the March
        meeting.
c. DMO Executive Director Tori Middlestadt
   • Tori presented a PowerPoint touching on key points from the Travel
     Grants Pass 2022-2023 business plan that was presented to City
     Council on January 31st.

6. Information Sharing
   a. Items from Committee members and staff - none
   b. Items from City Council Liaison, County Liaison, Chamber Liaison
      • Bradley Clark reported that the Planning Commission recently approved a
        new 119-space RV park on Greenfield Road north of I-5 that will feature a
        swimming pool, a wine bar and café, and on-site storage lockers.
        • Josie Molloy announced the Chamber’s Award Banquet will take place on
          March 11 and that nominations are being accepted online. She also
          mentioned the Packer Plant Company opened which sells plants and
          flowers and to support local merchants.

7. Future Agenda Building for Next Meeting:
   a. Election of Chair and Vice Chair
   b. One Rogue Valley (SOREDI Regional Initiative)
   c. Friends of Oregon Caves.

8. Adjournment:
   a. Meeting adjourned at 4:43 pm

Next scheduled meeting: March 1, 2022

Minutes prepared by Bradley Clark, City Staff Liaison
TOURISM ADVISORY COMMITTEE
Meeting Minutes – March 1, 2022, at 4:00 pm
Ridge Room 108

Committee Members:
Doug Bradley (Chair)
Terry Hopkins (Vice Chair)
Barb Hochberg
Tamara Bushnell - absent
Wynnis Grow
Rebecca Anderson
Mandi DelVaglio
Vacant
Vacant

City/Staff/Chamber/Council Liaisons:
Brian DeLaGrange (City Councilor)
Josie Molloy (Chamber Liaison) - absent
Darin Fowler (County Liaison) – absent
Bradley Clark (Interim City Liaison)

Guest:
Tori Middlestadt, Travel Grants Pass (remote)
Bob Schaller

1. Roll Call: Chair Bradley started the meeting and took roll at 4:03 pm.

2. Introductions: None

3. Public Comment: Bob Schaller discussed banners across 6th and 7th Streets. He noted that ODOT rules govern the display of banners but the City issues the permits. He is concerned about how the rules are being interpreted and that it is hurting economic development, small businesses, and tourism. He feels the City is unfriendly to entertaining the display of signs. Chair Bradley asked what constitutes an "endorsement" of an event, which is one of the requirements. Bob feels there is inconsistent interpretation and businesses and nonprofits would benefit from a review of the policy. He wanted to inform the Tourism Advisory Committee of the issue and seeking their endorsement to approach the City about revising the banner policy. He also would like to see banners that are mounted on street light poles be allowed in the city limits. Councilor DeLaGrange informed the committee that Council would eventually make the policy decision and that Council was recently informed about a change in ODOT policy. Vice Chair Hopkins recommended moving the topic to a work session item.

4. Approval of Minutes:
   a. Approval of minutes from February 1, 2022.

   MOTION
   Vice Chair Hopkins moved, and Member Hochberg seconded the motion to approve the February 1, 2022, minutes, as submitted. The vote resulted as follows: “AYES”: Chair Bradley, Vice chair Hopkins, Members Hochberg, Grow and Anderson. “NAYS”: None. Abstain: None. Absent: Member Bushnell.
   The motion passed.

5. Work Session Items:
   a. Election of Chair and Vice Chair: (this item was moved below discussion of the review of new member applications)
      • Vice Chair Hopkins nominated Doug Bradley for Chair. Second by Member Anderson.
      • Member DelVaglio nominated Vice Chair Hopkins for Vice Chair. Second by Member Grow.
b. Recommendation to City Council for Open Committee Positions
   - Chair Bradley noted there were 6 applications for 4 open positions. He did
     a brief summary of each application.
   - Vice Chair Hopkins clarified he did not submit an application but voiced
     his interest in continuing to serve on the committee. He also gave his
     recommendation to re-elect the current 4 committee members and also
     supported Tamra Martin and Kevin Hopper for the vacant positions.
   - Bradley Clark stated that Resolution No. 3180, adopted December 3,
     1990, established the Tourism Advisory Committee and did not place any
     geographic limitation on membership.
   - Chair Bradley recommended that current committee members Bradley,
     Hochberg, DeVaglio and Hopkins remain on the committee. A hand vote
     was taken and was unanimous.
   - Chair Bradley read the names of the other 6 applicants and asked for any
     support or preferences from the committee. The committee took a hand
     vote unanimously supporting Kevin Hopper and Tamra Martin and
     recommended them for approval to City Council.

c. Review of Committee Bylaws / Potential New Positions
   - Item skipped.

d. Discussion/Update re. Destination Ready Initiative
   - Chair Bradley introduced Tori Middelstadt and said she is taking the
     lead on the Destination Ready project.
   - Tori stated that Destination Ready is a geographic assessment of the
     visitor industry and attractions and amenities that can help to improve
     the industry. She said the State awarded 13 grants throughout
     Oregon and 3 of the 13 communities are in Southern Oregon – Grants
     Pass, Illinois Valley and Roseburg.
   - Tori said 2 of the 3 Destination Ready committee meetings have
     taken place and there have been positive discussions. They are
     working with a "hub and spoke" model to determine areas for tourism
     improvement in the region.
   - Tori said the committee has briefly discussed future use of the lodging
     tax funds that the City retains which do not go to the DMO. There may
     be direct investments the City can make with those funds and
     recommendations could go through TAC.
   - Chair Bradley said that identifying tourism assets was a goal
     recommended by TAC to Council. We should identify shovel-ready
     programs to help qualify for grants. He suggested this topic as a
     future agenda item.
   - Vice Chair Hopkins said he got a reply from a person involved with the
     Gold Hill Whitewater Park and he read the e-mail to the group. The
     conversation about a future whitewater park continues in Gold Hill in
     preparation as a site for the 2028 Olympic whitewater events. No work
     is being done now. The Gold Hill contact said his opinion is that it is
     not viable to have another whitewater park in the region.
   - Councilor DeLaGrange asked what the final Destination Ready
     product is expected to be. Tori stated the final product is a prioritized
     list of fundable tourism-related projects that can help improve the
     community. The State also provides training to help find funding

Tourism Advisory Committee
Meeting Minutes March 1, 2022
streams. Tori said she would send materials from the first two Destination Ready meetings to this group.

- Tori gave a brief update on Travel Grants Pass Executive Director and Board activities.

6. Information Sharing
   a. Potential promotional video by CGI Digital – Bradley Clark noted that the City received an invitation from CGI Digital, a video production company that is endorsed by the National League of Cities, to produce pro bono short promotional/marketing videos highlighting City businesses and amenities. He and the City Manager will hold a conference call with the CGI Digital Vice President next week to learn more about the opportunity. If the City decides to
   b. Items from Committee members and staff – Bradley said there are two Economic Development Division jobs coming up. The Economic Development Specialist position is currently open. The City Council is anticipated to approve a new Economic Development Manager position at tomorrow night’s meeting.
   c. Items from City Council Liaison, County Liaison, Chamber Liaison
      - Vice Chair Hopkins stated he was selected for the Caveman Plaza Task Force. He said he hopes work on the 5th Street Plaza would be incorporated into the task force.

7. Future Agenda Building for Next Meeting:
   a. One Rogue Valley (SORED) Regional Initiative
   b. Friends of Oregon Caves
   c. Lodging Tax funding – identify specific projects and make recommendations about shovel-ready projects to City Council

8. Adjournment:
   a. Meeting adjourned at 4:52 pm

Next scheduled meeting: April 5, 2022

Minutes prepared by Bradley Clark, Interim Staff Liaison
URBAN AREA PLANNING COMMISSION
Meeting Minutes – March 9, 2022, at 6:00 p.m.
Council Chambers

COMMISSIONERS:
Eric Heesacker (Chair) - Absent
Mark Collier (Vice Chair)
Loree Arthur
Jennifer Aviles
Susan Tokarz-Krauss
L. Ward Nelson
Clint Scherf
Vacant

City/Staff/Council Liaisons:
Bradley Clark (Director)
Jason Maki (Associate Planner)
Donna Rupp (Associate Planner)
Ryan Nolan (Contract Principal Planner)
Gabby Sinagra (Assistant Planner)

Guests:
Amber Neeck (Housing & Neighborhood Specialist)
Rick Reiger, Planning and Research Services
Michael Masters
Dustin Smith
Christian Macklovich

So, I'm getting a lot of head nods from staff and commission, so I think we can start a couple minutes early. I don't see anyone opposed.

So, it's 5:58. I'll go ahead and open up the meeting.

1. Roll: First, we'll take roll. Chair Heesacker is out. He expects to be back at the next meeting. Commissioner Nelson.

   Present.
   Commissioner Aviles.
   Here.
   Commissioner Arthur.
   Here.
   Commissioner Tokarz-Krauss.
   Here.
   My name's Mark Collier. I'm your Vice Chair, acting Chair. I'm here. Commissioner Scherf.
   Here.
   Final position is vacant.
2. Introductions: Any introductions? No.

3. Public Comment: Public comment is an opportunity for the public to address the commission on items not related to the public hearing or action item. The intent is to provide information that is pertinent to the city's jurisdiction. Is anyone here to talk on anything that is not on the agenda? We'll just move forward.

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4. Approval of Minutes: Approval of the minutes for February 23rd, 2022. Do I have a motion?
   I would move approval.

   Do I have a second?

   Tokarz-Krauss seconds.

   Tokarz-Krauss seconds. Take a roll. Commissioner Nelson.

   Abstain.

   Commissioner Aviles.

   [inaudible 00:01:39]

   Commissioner Arthur.

   Yes.

   Commissioner Tokarz-Krauss.

   Yes.

   I'm Collier. I'm voting yes. Commissioner Scherf.

   Yes.

   **MOTION/VOTE**

   Commissioner Nelson moved and Commissioner Tokarz-Krauss seconded the motion to
   approve the minutes from the February 23, 2022, meeting. The vote resulted as follows:
   "AYES": Vice Chair Collier, Commissioners Aviles, Tokarz-Krauss, Arthur, and Scherf.
   "NAYS": None. Abstain: Commissioner Nelson. Absent: Chair Hesacker.

   The motion passed.

   Approve of the minutes.

5. Informational Items:
   Informational items. Nothing.

6. Findings of Fact:
   a. 103-00144-22/301-00148-22 ~ SCR Properties, SE N St. Tentative Partition Plan with
      Major Variance. Findings of fact, or item 103-00144-22301. SCR Properties: Tenant partition
      plan with major variants.

   Nelson moves approval of the findings of facts.

   Arthur second.

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Commissioner Arthur seconds. State the role again from top to bottom. Commissioner Nelson.

Yes.

Commissioner Aviles.

Yes.

Commissioner Arthur.

Yes.

Commissioner Tokarz-Krauss.

Yes.

All your votes: yes. Commissioner Scherf.

Yes.

Findings of fact is approved.

MOTION/VOTE
The motion passed.

b. 405-00128-22 ~ Development Code Text Amendment: Amendment to Article 12 ~ Minimum Residential Density ~ Type IV

For the next item. Development code text amendment for article 12. Minimum residential density for type four. Do I have a motion?

I would move approval of the change in the development code. Do I have a second?

Arthur second.

Great. I’ll take the roll. Commissioner Nelson.

Yes.

Commissioner Aviles.

Yes.
Commissioner Arthur.

Yes.

Commissioner Tokarz-Krauss.

Yes.

All your votes: aye. Commissioner Scherf.

No.

Okay. Consistent with your last vote. So that passes.

**MOTION/VOTE**

Commissioner Nelson moved and Commissioner Arthur seconded the motion to approve the Findings of Fact: 405-00126-22 ~ Development Code Text Amendment: Amendment to Article 12 ~ Minimum Residential Density ~ Type IV. The vote resulted as follows:

"AYES": Vice Chair Collier, Commissioners Aviles, Tokarz-Krauss, Arthur, and Nelson.

"NAYS": Commissioner Scherf. Abstain: None. Absent: Chair Heesacker.

The motion passed.

7. Public Hearing:

   a. 405-00127-21 ~ HNA Comp Plan Amendment PC ~ Continued.

   Moving to the public hearing, we're going to move item B, the Housing needs analysis comp plan amendment, that was continued. We'll reopen the public hearing and continue. Staff.

   Already on? Good evening, everybody. I'm here before you for the third time. And we are talking about, I provided background information for the definitions of family, out of the zoning codes. And so, the information that was requested last meeting was the request for more information on House Bill 2583, that did instruct local governments to strike the definitions of family out of developmental zoning codes. And that can be found on the summary that was provided on page 132 in your packet. So that provided some of the background as to why the state of Oregon had removed definitions of family, in order to prevent occupancy standards being discriminatory against people who are unrelated in housing. So, on top of that, I did go ahead and provide samples of the comprehensive plan policy for the housing element, as well as the text amendments for the housing element, where we did replace the word family in that aspect with unit. And I believe that's good to open it up for your discussion.

   I think you did an excellent job on it. I would hope at some point the figures would be updated to match. But since they're 2019, it might be good to wait until the 2020 statistics are actually available and redo those figures. I think it's well done.

Commissioner Nelson.

Yeah, I don't want to rain on anybody's parade. I found unit to be confusing, because when I think of a unit, I'm thinking of a structure. Whereas we're talking about entities, which are different than structures.

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So, when we get into housing, unit is just each unit. So, each apartment in a building would be a separate unit. So, it is pretty cohesive with the verbiage that housing professionals tend to use if they're not using single family, multifamily. And even if they are, they do break it down into units.

So, I'm reading here that census classification has specific meanings, but other commonly used terms to describe these housing types include single. And then you made a unit dwelling, without specifying attached or detached, is commonly used to refer to a detached single unit dwelling. Which the census bureau defines as one unit detached. However, a single unit... I mean, I was going through that, and I said, that's confusing.

So, I did some research. And two communities are going through the same battle. One has already completed it. I found that my old Bellingham is in the midst of it, trying to define family in a different verbiage or turn terminology than what's currently being done. They have not completed that process. But I found that St Paul has passed a new requirement, calling it household, and household is six or fewer adults. And they scratched out "together with". And continued, "and minor children in their care living together in a dwelling unit". So, then it's defined as what's in that unit.

So, we have moved to household in terms of the actual family makeup or household makeup. But when we're talking about the structure itself, that's where we're pulling in the word unit, as opposed to calling it a single-family dwelling, we can call it a single unit dwelling, and that way it doesn't get [confusing 00:07:47]. [crosstalk 00:07:47]

So where would the definition then be for the what's in that unit?

So, there is a definition under ORS 9.100. And that is defined as, dwelling unit means a structure or the part of the structure that is used as a home residence or sleeping place by one person who maintains a household or by two or more persons who maintain a common household dwelling unit, regarding a person who rents a space for a manufactured dwelling or recreational vehicle, or regarding a person who rents moorage space for a floating home, as defined in ORS 830.700, but does not rent the home, means the space rented and not the manufactured dwelling, recreational vehicle or floating home itself.

So, it really just comes down to the actual living unit space.

All right. I understand where you're trying to go with this. Did this go through legal?

Which part?

Terminology, "unit".

The Oregon bill did, yes. But in terms of this specific plan...

So, is this terminology...?

It's cohesive with what Oregon...
Oregon uses?

Yes.

Okay. Good luck.

Anyone else?

Oh, I had one more.

Okay.

You still have family in the graphs and charts.

Yes. So those ones are going to be difficult to remove because those graphs and charts are based off of census data. And we had spoken last time about how the census still was utilizing the difference between family and households, so we were not able to pull those out. But as Loree had spoken of, when they go ahead and update the 2020 data, and so on forward, it should not be showing that anymore. It will be leaning towards the household and the unit verbiage.

Well, that's where it was confusing me, because then it refers to household, through the census.

Yeah. So, the census at the time is counting household and family as separate. So, you can have of a separate household income average from the family income average. And you're right, it does get confusing. And moving forward, it sounds like the census is pulling away and sticking just with household.

So, we're not going to copy the census, but copy Oregon?

Sounds like the census is following suit with what Oregon has been.

So, when we try to determine housing needs or housing problems, we're going to talk about units. And are we going to then convert household incomes, household transportation needs, et cetera to units? Or are we going to copy the census and use the household?

So again, household is talking about the actual people.

Right.

And then unit is the structure. So, it would still be the household needs. And then the unit would be just the structure, the type of structure. Is it a single unit structure? Is it multi-unit structure? So, they're two separate things.

Okay, thank you.

Nobody else? So, are we good? We have a motion, findings of fact? Are we good?
You don't have findings of fact.

This was educational only.

Oh, that's right.

Yeah, this is your hearing. So, yeah.

So, I have provided the samples where we did replace that verbiage. If you wanted to go ahead and approve that today, or if you wanted changes to those. Alternatively, we have the old samples that didn't have those changed. So, if we didn't like those and wanted to keep with what we had before.

I move that we approve this portion of the comprehensive plan, as it's been updated.

Tokarz-Krauss seconds.

We have a second. Any discussion?

If I could, Chair, technically, you're recommending approval onto the city council. Just to be clear.

Okay. I'll call the role. Commissioner Nelson.

Yes.

Commissioner Aviles.

[inaudible 00:12:22].

Commissioner Arthur.

Yes.

Commissioner Tokarz-Krauss.

Yes.

All yours: aye. Commissioner Scherf.

Yeah.

Okay. Carries.

Thank you.
MOTION/VOTE

Commissioner Arthur moved and Commissioner Tokarz-Krauss seconded the motion to approve this portion of the comprehensive plan, as it's been updated. The vote resulted as follows: "AYES": Vice Chair Collier, Commissioners Aviles, Tokarz-Krauss, Arthur, Scherf, and Nelson. "NAYS": None. Abstain: None. Absent: Chair Heesacker. The motion passed.

(silence)

b. 104-00146-22 ~ Buckmaster Subdivision PC Staff Report ~ Staff Report Okay. So, at this time, we'll open the public hearing to consider the application, is item 104-00146-22, Buckmaster subdivision staff report.

(silence)

It's 49, yep.

Application is for a proposed division of tax lots, ranging from 5,000 to 8,400 square feet. Proposed subdivision is served off of Leonard Road, and to include a creation of Buckmaster Drive. So, we'll begin the public hearing with the staff report, followed by presentation by the applicant, statements by persons in favor of the applications, statements by persons in opposition to the application, and an opportunity for additional comments by the applicant and staff. After that has occurred, public comment portion will be closed. The matter will be discussed and acted upon by council.

Is there anyone present who wishes to challenge the authority of the council to hear this matter? Seeing none. Do any commissioners wish to abstain from participating in this hearing, declare a potential conflict of interest? Seeing none. Prior ex parte contacts by commissioners. Any commissioners who wish to disclose discussions, contacts, or other ex parte information they have received prior to the meeting, regarding the application? Seeing none. This hearing, the decision of the commission will be based upon specific criteria set forth in development code. Testimony will apply in the case noted in staff report. If you'd like a copy of the report, please request, and request by the development director. It is important to remember, if you fail to raise an issue with enough detail to afford the commission and parties and opportunity to respond to the issue, you will not be able to appeal to the land use board of appeals. Staff report.

Chair Collier, for the record, my name is Ryan Nolan. I'm a contract planner from Rogue Valley Council of Governments. And I assist with land use actions at the city of Grants Pass.

So as the chair stated, this is a request for a subdivision off of Leonard Road. So, in your packet, you have the full staff report, which has reviewed all criteria for subdivisions, and addressed those in findings and have proposed conditions if you choose to approve this. You also have the complete application, which includes the large copy site plans. And also includes a traffic impact analysis, a brief summary of that, input from the city's traffic engineer regarding that impact analysis, comments from the Public Works department and Public Safety department. As well as comments received from neighboring property owners, including the school district and a neighbor to the south, which we'll talk about as
we go through this. So, I'm going to try to do a brief review of the application and staff report. And remind you that the full details of each criterion are found in the staff report.

So just so you can see where this is, this is on Leonard Road, across from Redwood Elementary School, near the Public Safety station there on Leonard Road. This property is within the urban growth boundary, kind of at the edge of the urban growth boundary. And recently underwent a zone change, where you made a recommendation which was approved by the city council, changing it from rural zoning RR5 to city zoning of R2. It's two tax lots, as you can see. It's largely an undeveloped grassy field that has had cattle on it, hay operations, et cetera, over the past.

Just a street view, looking west down Leonard Road. You can see, other than fencing, it's just a grassy field area with irrigation serving it. This is directly across from the elementary school. Go to the other edge of the property and look east. Again, you can see what it currently looks like. It's gently sloping away from Leonard Road. Essentially one tree, no identified natural features except for some identified wetlands, which the applicant has submitted a report to Department of State Lands. And they have determined that they approve their delineation report and will require a permit as part of the ongoing project. There's looking at it from the sky. You can see that it's close to the intersection of Darnell and Leonard Road.

So, the subdivision tentative plan includes a request to approve 54 lots. As I said, it's located in the urban growth boundary. Since 2014, the comprehensive plan designation has been moderate density residential. The zone change approved in November 2021 changed the zoning from RR5 to R2, which is a moderate density, residential zoning with minimum lot size of 5,000 square feet. There are two lots, for a total of 10.5 acres. The subdivision is proposed in three phases. Again, as I said, it's gently sloping from Leonard Road towards the river to the north. There are delineated wetlands, that they will deal with, in the northwest corner of the property. And there is Grants Past Irrigation District infrastructure, and they do serve the property currently, so the applicant will need to work with them.

This is the tentative subdivision plat, which shows Leonard Road. There will be four proposed public streets, which meet local through street design standards. Which will be Buckmaster Drive, Stony Creek Road, Green Pasture Lane, and Stillwater Lane. Those would all be public streets built to city standards. They are proposed with temporary dead ends that could allow for future connectivity. Due to the short stub dead ends, these meet fire apparatus access turnaround standards, so fire trucks would be able to turn around at these intersections, in order to get into within 125 feet of any proposed structure that would be built on the lots in the future.

There's also a private street, Deer Meadow Lane, which would provide access to some of the internal lots. Again, this will be required to meet private street standards and be required to have a maintenance agreement. Similarly, up in the Northwest corner, there's a tract A, which is proposed for a storm water detention site and to preserve wetlands. This will also require a maintenance agreement that's submitted, showing that they have a plan to maintain this area so that it can continue to handle, in perpetuity, storm runoff from this development. This development will require extension of water in Leonard Road. It'll be connecting to an existing sewer through an easement on the northeast side. Again, all the streets are designed to meet city street standards and Oregon fire code standards.

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The dead ends would provide, potentially, efficient connectivity for future development and future development of utilities in those public right of ways.

So, the criteria that we're looking at are found in section 17.413. And again, all of those are reviewed and analyzed in the full staff report. It's staff's opinion that the plan conforms to the lot dimension standards in article 12 and the base lot standards of section 17.510. They're all large enough and have enough width and street front to meet the base lot standards. Each lot is 5,000 square feet or larger, ranging from 5,000 square feet to 8,472 square feet. And all of the proposed lots exceed the 50-foot width requirement for an R2 lot. It's a Public Works and staff opinion that the street design is compliant with city standards, and also that the utility standards are going to be met with their utility plan, or can be, with the proposed conditions of approval. Also, none of the lots proposed are large enough for redevelopment or re-division. So, there's no future division plan or future development plan required as part of this.

So, I'm going to point out three significant conditions of approval. One is quite significant. According to Oregon fire code, no development over 30 residential dwelling units may be permitted with only one fire access road. The proposed development would eventually have 54 developable lots. So, one condition would be that future development will be limited to 30 homes within the subdivision until such time as a second approved fire apparatus access road is provided, or until such time as fire suppression sprinkler systems are provided in each home. So, the applicant can speak to how they would address that, as they move forward with development. Number two, the applicant shall submit evidence of a continued maintenance plan for the proposed private street. And number three, the applicant shall submit a stormwater operations and maintenance agreement to the city, for review and approval, covering the area posed for the storm water detention. There is a lengthy list of conditions, but these are three that are unique to this site. Most of the others are standard subdivision conditions that you see in other subdivisions.

So, there were some important comments received. Many of those are in the packet. However, I would like to approach the dais and hand out additional comments that were received. There's one additional comment from the neighbor to the south, and then some comments received from Redwood Elementary School and from Grants Pass School District Seven. So, there are three additional exhibits and then a response from Public Works. So, I'll approach you to hand out these. And they would be exhibits 12 through 15, for the record.

(silence)

I think I'm confusing which town I'm in. This is the property to the east, the neighbor, not the south. So, the first additional exhibit, number 12. The neighboring property owner to the east has expressed concerns related to street design. And that's in relation to existing development on his property. There are two streets stubbed out for potential future connection to his property. He's concerned about existing development on his site that may prohibit efficient connection to the proposed street design. It's the city's opinion that the street standards are being met by this proposal. If the applicant and the engineer for the applicant are willing to work with him, the city would be open to slight revisions to this. And maybe the applicant can speak to if there's any intention on their part to redesign the street standard. Another issue is that there's some been some expressed concern about traffic issues related to the school. We'll get to a response from Public Works on that. So
again, this property owner is here and can speak, and the applicant can speak, to address some of those concerns.

And then you have exhibits 13 and 14, very similar letters from Redwood Elementary School and Grants Pass School District Seven, mainly voicing concern related to traffic adjacent to the school. There’re some concerns about, the frontage along Leonard Road is not improved. And this is potentially an issue related to high traffic volumes at school drop off and pickup times, and pedestrian safety.

So, in relation and response to these specific comments, mostly related to traffic, but also utility extension, Public Works has a response in exhibit 15. I guess I'll read that for the record.

So, from the Public Works assistant director, it says, in response to the concerns raised by school district seven and the applicant's neighbor, while we were concerned with safe pedestrian access, Public Works does not believe that the applicant should be required to install sidewalk, from the eastern edge of their development to Harvest Drive, along another property's frontage. These improvements are not consistent with the development code, nor the historical precedents set by previous developer projects. Applicants are generally only responsible for the improvements fronting their development, unless mitigation is required, following a study such as the TIA (Traffic Impact Analysis). Leonard Road is in the transportation system plan to be upgraded to collector standards, which will include sidewalks, and should be a city project in the future. The city is also actively creating a Safe Routes to School master plan for future grant opportunities. Sidewalks along Leonard Road will certainly be a part of future grant opportunities.

In general, developers are responsible for mitigating the impacts to the public utility systems, not to necessarily fix nearby preexisting issues. It's not the responsibility of a developer to plan future street connections on adjacent property unless there's an adopted local street connection plan. I think this question is best answered by planning. School district seven is concerned that the new development will adversely affect the traffic near the school. However, the number of expected trips created from this development will have little effect on the area. This is illustrated in the traffic impact analysis created by Sando Engineering, and reviewed from Mr. Ripplinger, the city's traffic engineer. The traffic near this development and school has been functioning poorly for years due to an influx in passenger vehicles accessing the school. It should not be the developer's responsibility to mitigate a preexisting condition. However, item number 10 in the Traffic Impact Analysis review letter states that the development should install a center turn lane as part of their collector street frontage improvements, and Public Works agrees. We also believe that moving the access point for the subdivision to the Western portion of the development would help safety and congestion in the area, but we can't require it.

So, from planning, to speak a little bit to that Public Works comment, this specific property does not have any identified future streets in our transportation system plan. If we did, we could require them to locate these streets where our transportation system plan indicates they'll be in the future. So, without an adopted street plan saying where they are going to be located, as long as their meeting the connectivity standards, block length standards, etc, their proposal meets our adopted criteria. So, with that, I'm sure that the neighbor will have some comments for you. And I hope that the applicant can speak to address some of these issues. So, there is definitely some room for discussion, but with the
proposed conditions of approval, staff feels that this application meets the criteria found in our previously adopted development code. And we recommend that the planning commission approve the tentative plan for Buckmaster subdivision with the conditions listed in the staff report, based on the criteria found in section 17.413. And with that, I'd be happy to try to address any questions that the planning commission may have, Chair Collier.

Okay, thank you. Questions?

Could you show us where this street connection is, where we can see the whole picture? Have you got anything there that would depict that?

Where the future, the street that the neighbor is concerned about?

Yeah, we were talking about the section that connects to, I forgot the name of it already, the next street crossing. What the letters are talking about. The street crossing and sidewalk.

Okay. Let's see. So, you can see it a little bit on this side. So just east of the property, down to the public safety station, the road is fully improved. So, at this southwest Harvest intersection, at the center of that screen, you can see that there is curb, gutter, sidewalk, and planter strip one lot to the west. Then the curb, gutter and sidewalk stops. There's a neighboring tax lot right here, that will not have curb, gutter, and sidewalk. And then the Buckmaster subdivision will be required to extend the asphalt to half of a 60-foot-wide street. So, they're responsible for 30 feet. Which would be one travel lane, half of a center turn lane, a bicycle lane, curb, gutter, sidewalk, a planter strip, and then sidewalk. So that's kind of, the concern is that there's going to be a section that doesn't have sidewalk, that some kids, that the school side won't have full curb, gutter, and sidewalk. Though, there is an asphalt pedestrian path, but that there will be a missing link right here. That's part of that discussion about, should there be a sidewalk continued, to tie into other existing sidewalk.

Keep your cursor going. Show us where that crossing is. [crosstalk 00:32:22] close up on. Right there.

Well, let's see. So, there is a pedestrian cross crosswalk right here, which is just to the east of the neighbor's property. And so right now, there's going to be one lot, in between that section of sidewalk, that's not complete.

Other questions? Commissioner Aviles.

So, to the exhibits that were added and to some of the concerns around safe crosswalks, given that the project is in phases, do some of these concerns apply now? Or would some come up when phase two or three are being built? There are specific lots that are being built in phase one. [crosstalk 00:33:26]

Leonard Road is early in the phasing process, so not full Leonard Road frontage in phase one, but most of the Leonard Road frontage, I think is. So, I'm trying to remember which lots phase one are. Let's see.
Okay. I'll let the applicant address that a little bit more, but the full Leonard Road frontage would not be approved in the first phase, but by the end of the third phase, all street improvements would have to be completed.

Anyone else? Ready for the applicant.

Good evening, Commissioners. Thank you, staff, for that report. For identification, I'm Rick Reiger, Planning and Research Services, representing the applicant Michael Masters, here tonight, on the Buckmaster subdivision. And I'll just summarize, I'm not going to say everything that's been previously presented, but I'd just like to summarize the different criteria under section 17.410, [on the tentative plans 00:35:03] [crosstalk 00:35:03] for the subdivision.

We've met all the requirements for 54 lots, streets, and city standards. The section is outside the flood zone. It's also, it's been stated, gently sloping land with pasture, and it's vacant. Under section 17.413, end of plan criteria, all the lot sizes are 5,000 square feet or larger. The street layout is to city standards and the wetlands have been designated to be part of lot 39, in that Northwest corner. Cuts and fills will be addressed in the construction drawings, and it may include a vertical alignment with Leonard Road. When Leonard Road and Buckmaster come together, there may be some cut and fills in that location, determined by the engineer. Infrastructure. It will have city water, city sewer, city storm drain and utilities. This application complies with the comprehensive plan development code, state, and federal laws.

Under section 17.416, phasing, we're proposing the three phases. First phase will be along the top section, and that will be in the first 24 months. And then progressing down will be second phase for 18 months. And the last phase will be the frontage along Leonard Road, and the west lots as well. For a total phasing period of 60 months. One of the questions that was asked was on the side sidewalks. I believe our engineer will indicate when Buckmaster Road is constructed, then the sidewalk on lots one and two in the southeast corner will have a sidewalk constructed at that time. The sidewalks west of that will be constructed probably in the third phase.

And also, under section 22.630, solar, each lot, when it's developed, will have a site plan indicating where trees will be planted, also to protect potential for solar development of each lot. Attachments in your report include a letter from division state lands on wetlands. They have approved the study that was done for this project. And they say, when the permit is issued, it will be valid for five years. The traffic study was also done, and that's also been confirmed by the city traffic engineer, that meets all standards and that there are no additional impacts. This application also complies to the master transportation plan. And one of the conditions that was mentioned, if the development exceeds 30 lots, would be to put a 15-foot easement along the east line of lot 46 in that Southwest corner. And that would allow fire access for emergency purposes.

And that concludes my presentation at this point. If there's any questions, I'd be happy to answer them.

Questions for the applicant? Commissioner Scherf.
I don't know if this is too far down the road, but what I'm looking at is the T1 exhibit on the engineering plans. This is basically laying out the lots and then there's a square footage. I'm assuming that's each lot's square footage that's listed in there. And then there's some dash lines that are listing the building envelopes. My concern is, some of the side lots, like say example, lot 1, 4, 7, where they've got dual frontages, they look a little skinny. Did you guys propose to the city, any variances on those side setbacks for those lots that ended up a little bit skinny?

I will let the applicant respond on that.

Okay.

Thank you.

Anyone else? Okay.

(silence)

Are you complete, applicant?

Hi, Michael Masters, the applicant. I'm looking at those dotted lines. I don't think they're actually accurate, because my understanding of the code is, you have to have a 20-foot setback from the front yard. And then on a side street, when you're on a corner lot, it's a 10-foot setback on the side yard. So, I think the lots are actually big enough to build single family in there.

Okay.

Yeah, just one of those mistakes the guy drew.

Yeah, that's just one of those things you're concerned about when you're looking three steps ahead of time, you want to make sure. I know corner lots are really bad because you have the double street frontage there.

Yeah.

Just want to make sure that you end up with a buildable, you can put a house on it. I hear you. When you said that, I looked at it. I went, wait a minute, I never thought of that. And then I looked at it and go, wait a minute, when you're on a corner lot, then you have only one front yard setback standard. And then the other streets have a 10-foot side yard setback on another street. So, we can fit a single family in there, and that's pretty much what I'm going to do.

Perfect.

I think we can make it all work. And as far as, I've talked a lot with several of the neighbors and I've told them, I've expressed my openness to work with him. I expect the window for me to engineer this project and have plans ready to submit to the city is going to take three to four months. So hopefully, that's enough time for him to get with his engineer and us to

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collaborate. I want to work with him, I want to be a neighbor. We're going to end up sharing some utilities at some point, so I've always told Dustin, who's the neighbor to the east, that it's in my interest to work with him and I intend to. I don't know how to put a condition on that for me, but I mean, people that know me, I've been around a long time, I usually do what I say. And I don't think it's in my interest to promise him something I can't do. So that's, again, we probably have to tweak the plan a little bit once the engineer and the neighbor gets together. And what he's proposed to me, doesn't look like it really material impacts any of my lots and if it helps his project in the future, I'm happy to do it. And like I said, I don't want to change my application, but I'll have my engineer work with you.

Any other questions for me?

I'm good, thanks.

Okay, thank you.

You've got one more.

Oh, Commissioner Nelson.

Yeah. I was just looking at your proposal and I see how that school district would have some concern with the street coming right out into where people are going to park their cars. I know elementary schools are notorious with parents dropping off and picking up kids and lining up on the street. Is there any solution to that issue?

Yeah, I've been speaking with Dustin about that. As soon as I heard that there might be some grant money available, I talked to Rick and I said, is there money out there? We'd like to maybe see if we can get some grant money. I'd contribute some money towards those extra sidewalks. And he said he'd contribute some money. My kids went from kindergarten all the way through to Redwood School. I live in the neighborhood; I walk that street every day. I understand. So, I didn't want to foot the whole bill, but if he's willing to put some money into it and if there is actually grant money available in some kind of transportation plan, I think we can do it, even though it's not required. I don't know what it's going to cost. I mean, it was just raised essentially to me today, in this email. And I asked him, how much frontage is it? I have no idea what this is going to cost. And he said, let's work together and try and figure it out. So, I'd like to not make it a condition, but I would like to work with him and see if we can do it, because he wants those sidewalks in front of him.

I'm sorry. I wasn't concerned about the sidewalk as much as the street entrance off of Leonard Road. They had asked if that could be moved further to the west.

I don't know why it was designed the way it was. I'd have to let my engineer comment on that. It wasn't a requirement, in the staff report, that he address it. So, I told him there was no need to come, because he would've had to drive from Klamath Falls.

Right.
So again, I heard the staff say that they had some room to tweak the plan. And so why don't we just have the engineer try and work with staff, and the engineering at city, to try and address this as best we can. I think probably the issue is, we have the 150 feet for the turnaround, and if we go too long, then we got another issue. So, I have to let the engineer and the experts design that out and come up with the answer. Because half the time, I just say, if you guys say it works, then I'll do it. You know? And so, if the engineer says that he can come up with a solution that works for everybody, then that's what I'm open to. Because it doesn't matter to me where the street in entrance goes, but I think there was a lot of thought put into it. And I'd like to have him address that with the staff. I think what I heard was, they were saying they thought it'd be a good idea, but they weren't going to require it. So, I'd like to have the engineer revisit that when we submit the plans. Because this is just a tentative plan. We'll have a full set of engineering that basically takes a lot of collaboration with city engineering department, to get those plans turned in. I wish I could give you a better answer right now.

Yeah. Just from my expertise, looking at this, your lot five and six or pigeonholing that entrance. So basically, the whole lot layout has had some thought, and that Buckmaster is specifically located kind of with this lot layout. So, it would kind of be a full lot reconfiguration to move that entrance. So, I see where the challenges would be.

Yeah. Again, if there's a discussion about a bulb for a cul-de-sac in the future, I said I'm willing to dedicate some frontage if it helps him, as long as I don't lose a lot or over it.

Yeah.

Any other comments or questions? Okay, thank you. Are you finished?

Sorry, I'm done.

Okay. So, at this point, we'll take public comment. Is there anyone who would like to speak in favor of the application? Seeing none. Is there anyone who would like to speak in opposition? I did?

Step on up then.

Well, I don't have a comment point for that. You're in the middle, but you'd like to speak. Okay.

Is that roadkill?

I don't know. Go ahead. If you'll give us your name, you're just from the county, is fine. We don't do the red-light thing, but you want to push the button and speak into the microphone. We generally give three minutes.

Push a button? I don't know.

No, you're good.

All right. Well, my name is Dustin Smith. And actually, Ryan, I know if you can go to the view that has my property next door. I'm the property owner to the east of the
development. And just so you know, I've worked in construction for 20 years. I was a project executive. So, I'm very familiar with this process. Like I said, I'm not opposed. I know that the entitlement is here and bought the property knowing that I was in the urban growth zone, and it was going to happen. A little earlier than I'd like, but whatever. And so, it's kind of got me thinking about, okay, what are we going to do with our property in the future? And how does it connect and all that? So, I almost want to think of it at this point as, maybe we're phase four. Right? My kids are still in school and don't want to do anything to the property until they're done with school. But my goal is just, at this point, is to ensure that this development, which does have these road stubs onto our property, is done in a way that works for our property, for a future development. Maybe it's, because youngest graduates in six years, that makes sense to do it then.

So basically, looks like the Northeast road stub from the property works okay. I submitted an email and there's a little sketch in there, probably in the packet. And the Southeast road stub, unfortunately has a little bit of a conflict with where it enters our property. We're actually not even finaled on a pool that we just installed last year. Our house was built 1998. It's a nice big house, where I live in it. There was someone who lived in it for 50 years or whatever. We have a guest house, so it was really two residences kind of like that, that we'd like to keep.

And so, then we could see, on our property, there's kind of a U-shape development that could occur around our existing residents. And so, I just wanted to make sure that, that road stub would work for us. So, I talked to Justin Geritz, who's a friend of mine, engineer. I showed Michael, he came over and we talked about the development. And I kind of showed him, hey, maybe this is a plan. I talked to Ryan Nolan. I guess that stub might need to be modified to allow for future lot development on the south part of our property. And I think it's in everybody's best interest, for the future, to make that work. Again, ideally, if you looked at this as one subdivision, including our property. I mean, that's the way I look at it. Because once those road stubs are in, it kind of says, hey, this is what's going to happen in the future.

So, my request. After talking with Ryan, he said, hey, try to make a specific request. I couldn't do engineering in a matter of days or whatever. But the request is basically that, there's some sort of condition of approval that says, hey, that southeast road stub, can we have the applicant have their engineer kind of make it work, so that we can put what I think is four lots, in the future, on the south part of our property. Without having to require the demolition of our pool or our house or whatever. So that's the specific request that I have.

And what did you come up with?

What's that?

Where do we sit?

He doesn't have one.

So, I wrote in the email that I sent to Ryan, the request for the approval. And Michael's already agreed. I think that it's feasible. I just, as a property owner adjacent to this development, I was actually a little bit, not shocked, but just frustrated with the reality that the code that Ryan is asked to go by doesn't take into account the neighboring properties.

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I guess it would be another request of mine, that the commission maybe look at that and require a future development plan or some sort of look at the adjacent properties, and where are those road stubs going, and how does that work for the future development of the adjacent properties? In this condition, we're in the urban growth zone. I actually have a traffic study that encouraged to do the rezoning sooner rather than later.

So, I'm probably in the best position, not like a lot of owners here just saying, hey, no development, it's not going to happen and never going to happen, or whatever. I'm just saying, hey, it's going to happen, I know it's going to happen. Now is the time to make sure that this works for us. One example of this idea of looking at future connectivity or future development of adjacent properties for mine, the example would be that the tentative plan is 14 lots would go onto my property. So, this idea of egress is an issue. And you would have 54 lots on the subject property, but eventually, that same access point to Leonard Road would serve an additional 14 lots to my property. And so that's why it's kind of like, I would say, hey, let's look at this as a whole future subdivision. How is it all going to work down the road? And in this case, like I'm saying, it's probably going to be five or six years down the road that we would pull the trigger and make it happen.

The last thing, just wanted to say is that we talked about the frontage issue. Actually, I think two more things. The frontage issue, and like I talked about with Michael. And I was PTA president at the Redwood School last year. I know the principal and know her concerns, and deal with the traffic on a daily basis. I think it'd be great to get the frontage in. Told him, at some point, if I develop my property, I'm going to have to pay for that. Would be willing to participate in that. Or like you said, if there's grants, and if there's a way to make that happen, they could make the school happy. I think the development would be served well. The students would have a lot safer access to the school. Specific too, I talked to Mrs. Mooney, the principal. And the idea of having a second crosswalk is something that they kind of frowned upon in the district. From like staffing, and then just also, kind of having the kids spread out and everything else. So, they'd like to funnel everybody into one crosswalk.

So, the last thing is regarding that access road that you were questioning. I call them access road, but the Buckmaster Drive. And Ryan, there's a picture, actually, one of the first pictures you showed. From the east property line, there's a turn lane that's entering the school from the east. But on the west side of the school, it's actually, that turn lane starts and it has two double yellow lines. And I just paced it off, and it's about 165 feet from the subject property's east property line.

Right there, that last one that you just had up. So, you can see where that comes together. So, I think that your issue too, is where, as far as where that road goes, that coordination is, there's already the existing kind of start of a turn lane. And it's 165 feet over, is where that ends. Currently, the plan has the road a little bit closer. So, it just needs to. I don't know about how that gets engineered and everything, but that's kind of the issue there.

So, you're saying... I'm sorry. I didn't mean to interrupt you.

No, go ahead.

Right here is the west side? That's west?
Looking west, so that's the east property line.

This is currently, Buckmaster Road would be somewhere in here?

Probably closer to the telephone pole.

Right in here?

So, I think there's a conflict with the existing terminus of that turn lane, that just needs to be engineered. If it stays where it's at, that just needs to be addressed. Obviously, the request from the principal in the district was, hey, if you can push it further down, that would be great for traffic. I felt like, if there wasn't frontage put in, that a crosswalk could be put in there for access. But again, talking to Mrs. Moony, that's something they don't like to see, is to have the two crosswalks.

Thank you.

Thank you.

So now, is there anyone that would like to speak in opposition to the application?

My name is Christian Macklovich. I live on South River Road. I'm not opposed to this. The density bothers me a bit. It looks like private roads are being put in to maybe squeeze in a couple like extra houses. 54 houses on 10 acres, in your backyard, is awful lot. I know we need houses; things need to grow. But boy, 5,000 square foot minimum in your backyard. If you go to a few of the other developments, if you look at the driveways of the streets. Trailers, RVs, there's no place to park stuff. Big drawback. The Redwood area, I moved out here 20 years ago when it was nice, open, and that's the feel of the redwoods. Anyone who's grown up there knows that. And understand, we have to develop, and we need the houses, but five to an acre is an awful lot. And unfortunately, I missed the zoning meeting and was unable to speak at that. I'm a little late now, but if somehow, we could, a little less dense. Four to an acre. Five's awful tight. But that's all I have.

Thank you. Is there anyone else who'd like to speak in opposition to the application?

[inaudible 00:57:59].

Come on a way up.

I was just curious. This water retention pond or filter system. When is that going to be installed? Is that the beginning of the construction?

So, we can give you an answer after, if you just state your question, we can't go back and forth. But we'll get to your answer once you're done. Go ahead and ask all your questions and then we can answer it.

The other one is, now they flood irrigate that, is this retention area above elevation? We're down towards the river, so all that run off is coming. And are there going to be DI s in this, that go, is all the water going to be filtered?
All right. I don't know what a DI is.

Drain inlet.

Okay.

You know, in a road, and the water pours down it.

Okay. And what other questions do you have?

Other than that, I might [inaudible 00:59:06] 54 units, fire, and land, they'll all burn. We paid for one [acre 00:59:16] lot with one resident. And this, I missed the zoning, and this is the second time I've been downzoned, so this value in my property is going to drop because of this. So, okay, that's it.


I'd like to respond to some of the questions that have been asked. You can look at your exhibit, on lot two, in response to Dustin Smith, that's an 8,000 square foot lot. So, there is the ability to adjust where that intersection or the continuation of the road will go into his property.

What exhibit are you looking at?

This one here, which would be exhibit D or T1. It's on your large map. Okay? So, I don't see that's a problem. In fact, it's to our advantage to work, as the applicant, Michael Masters has stated, it's to our advantage to work with him because we want the road system to work properly. What I'm trying to confirm is that we have the ability to work with him because of the large size of that lot, so it's not a problem. Also, in the northwest corner, track A, that's the wetlands. The storm drainage will have to go in at the very beginning of any development of the property, so that the wetlands will be developed. And if you've done a wetland plan before, any drainage that currently comes off the property now, cannot exceed that in the future. So, there will be mitigated drainage plan, and that it will not see what currently the flow is now for water. When you talk about filtering, one advantage of wetlands, wetlands does natural filtering. So would be also an advantage.

Those are the comments I wanted to make at this point. If there's any other questions, I'd be happy to answer them. Thank you.

Anyone else in opposition? Anyone I missed? Okay. At this point, we'll close the public hearing and bring it to the commission. Actually, do we need staff for final comments? Yeah, we do. Okay, sorry, haven't closed anything.

Just a few follow up comments on some of the issues raised. So, it sounds like Mr. Smith, just to clarify, kind of did have a specific request. Which was that Stony Creek Road, the stub to the east be engineered to allow a standard cul-de-sac bulb to be constructed between the proposed terminus and the existing improvements on his property at 3130 Leonard Road. As staff, I can't identify a code set that would allow us to require that, but it sounds like the applicant may be open to working with him to accomplish that. If the applicant was open to a condition of something like that, you could add it as a condition.

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But if he didn’t agree to it, I don’t see a code section that allows you to require the road to be altered based on an existing house and pool, even though it makes very good sense to the neighbor, I don’t see in our code that section. So, there was one comment.

Just to speak to the neighbor’s concern about density, that’s of course understandable when you live in what is currently kind of a rural area. But again, that’s in lots of work through the city in 2014, that was designated at this comprehensive designation so that it could be as small as 5,000 square foot lot. So that’s a decision that was made with the comp plan designation, reinforced with the zoning change.

And then I think the applicant addressed the stormwater concerns that Mr. Garvin had.

So, with that, those are just a few staff comments. If there’s any final staff questions before the hearing is closed, I’d be happy to try to answer those for the planning commission.

Questions for staff? Mr. Nelson.

I had a question on the Buckmaster Lane. As it comes out, if I was turning to the left, looking and it appears to me that there is a deviation on the traffic going to the east. And then there’s an open spot. Is that a turn lane on Leonard Road?

There’s a very small section, essentially improved, in front of the fire station, that has a turn lane. As Leonard Road is built out to a collector standard and widened, there will be a center turn lane. So, this applicant will be required to improve the frontage. And potentially, dedicate a small section of right of way, that’s to be determined by their surveyor, to meet that standard. So that as it’s built out, it will have a center turn lane. But right now, the only section that does in this area is a small section, basically right at the southwest Harvest Drive intersection.

So how would they turn left, then? They come out; they would have to go across whatever this partial lane is?

If you came out of Buckmaster Road, which would be about here, and you’re going to turn left...

You had picture of it earlier. I’m just trying to figure out where that, remember, you said the telephone pole right here?

So, it’s going to be somewhere here, but this street, this is going to be quite a bit wider. So, this will be altered when their full improvements are made along this frontage. So, this asphalt’s going to extend.

Okay. Because that seemed confusing to me, because you’d have to cross over that. But if there was going to be, if that’s a turn lane, I don’t know what that D is, but...

So, from the center line of Leonard Road, they’re going to be improving 30 feet, which is significantly wider than this half is currently.

Then that would then be able to be put in as a turn lane?
Correct. As part of this, I assume the turn lane will extend, and eventually will continue all the way down.

Anything else? Last chance. Okay. We’re going to close the public portion of the commission, for consideration. Anybody? Comments, questions, concerns? Commissioner Nelson.

I’m going to put the motion on the table to move approval, the Buckmaster subdivision, with the conditions laid out by our staff. I believe there were three conditions. Is that correct, Ryan? Oh, is it a lot more? Oh, there was also? So, is fine just to say, “as conditioned in the staff report”? Clear as mud.

So, we have a motion to approve.

Second.

Seconded by Commissioner Scherf. Discussion.

Well, I have something to say.

Commissioner Arthur.

I can understand the wish to keep it rural and not have a high density, and so on. But five lots per acre is pretty shallow. At the time that we did the urban growth boundary, starting in 2006, it took us eight years to get done with it. The state, clear back at the beginning, was insisting on a minimum everywhere, for anything, of at least eight units per acre. And it was a struggle to even get there. So, I think at this point, that getting the 54 lots is a very good idea for the housing that we need.

Anyone else? Don’t all speak at once. Commissioner Nelson.

One of the conditions I was reading in there was with fire protection, and I was a little confused by that. Could someone explain that to me? As far as the development.

The Oregon fire code specifically prohibits development of more than 30 single family dwelling units without either two fire access roads to access it for ingress in the egress, or fire suppression in each home. So, you could put sprinklers in all 54 homes and not have a second road, or you put in a second road, and you can have more than 30 units.

So, are they looking at, phase three, doing the second road?

I believe that’s the applicant’s intent that they would do two phases. And then prior to phase three, complete a secondary urgency access.

But we don’t have any idea where that would go?

They could do that with approval from the fire marshal, through an easement across one of the tax lots.

Okay, that was the one down in 46 and 45.

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That was their proposal tonight.

All right, now I'm clear. I'm sorry, thank you.

Anyone else? Last chance. Okay. We have first and a second. So, call the roll. Commissioner Nelson.

Yes.

Commissioner Aviles.

[inaudible 01:09:36]

Commissioner Arthur.

Yes.

Commissioner Tokarz-Krauss.

Yes.

Commissioner Collier votes aye. Commissioner Scherf.

Yes.

The motion passes.

MOTION/VOTE

Commissioner Nelson moved and Commissioner Scherf seconded the motion to approve the Buckmaster subdivision, with the conditions laid out by our staff in the staff report. The vote resulted as follows: “AYES”: Vice Chair Collier, Commissioners Aviles, Tokarz-Krauss, Arthur, Scherf, and Nelson. “NAYS”: None. Abstain: None. Absent: Chair Heesacker.

The motion passed.

Okay. That's everything.

Thank you for coming. One of the things that I've noticed is, there's been a lot of success in discussion by opponents and proponents, outside after the meeting. So, if you'd like to stick around, I see a lot of success, in my experience in the last two years, after the meeting. I think you might have an answer for your wetland question.

Matters from commission members and staff? How's everybody? Good? That's all I got.

Are you going down the line? [crosstalk 01:10:36]

No, I'm going, whoever raises their hand.

I had a couple of notes. One was, I guess it's a good idea every few years, to sit down and read the comprehensive plan that you haven't looked at, except in little snippets, in a
long time. There was one thing I had a question about, and I didn't read everything carefully, but I did kind of skim through. And that was section a little ways into our portion, that discussed the citizen advisory councils. And I probably should look up exactly what it was. Page 135 was the note. When I skimmed down through that, the citizen involvement program, and I thought they were making some changes on it, but I haven't seen any state stuff on it. Some decades ago, maybe, the UAPC was told by the city council that we are the body responsible for administering the citizen involvement program, and we're supposed to be making the year report on the progress on that. And we haven't done that for years and years. So, I don't know whether the whole thing actually vanished or what, but I'd almost forgotten about it until I read this page.

I was reading that too, and I wondered, hmm, are we doing any of this? Yeah, so I get it.

Well originally, there were 19 citizen advisory councils in the county. And the purpose of them was, primarily, for land use issues. They were geographical entities. And the city has fulfilled its requirement by having, I don't know what you'd call it, subject or topical ones, by having historic district and parks, and different kinds of citizen advisory councils, not the geographic ones. And almost all of the other ones have died, as far as I know, except for the one in Wilderville and possibly, somebody said there might be something left in Murphy, and the north valley had a little active group that was more like a homeowner's group. But I just thought it might be good to mention, because somewhere on the books, we are the responsible body for making that happen.

Does that have any traction with anyone else? Okay. You got another point?

Yes, is it possible for us to get a list of contact information for everybody on the UAPC? It used to be out on the website, but it's not now. And I know we're not supposed to be discussing business matters on that, but when something comes up like a thing with Eric, it'd be nice to know where to send a card or make a call, or something.

So, we of course do have a roster. And I think we generally, for the city committees and commissions, haven't been putting member addresses and phone numbers out there for the public. I mean, we of course, at city staff, have that. But, certainly up to the commission members, if you would like to have that, we can make the roster available to each of you. Recognizing, as you said, Commissioner, that you have some limitations on when you can communicate with each other.

I think I got one. When, at the beginning, you say, here's everyone else. Here's your email address and their phone number. Usually when something changes, the other committees, at least parks and rec, and bikeways, hand that out. And I think I do have one somewhere.

I don't know if I was scolded for saying what I did when I announced that Eric had a stroke. I wasn't in error because he actually put it on Facebook. So that's when I relayed it to each of you. It happened about two hours before the meeting two weeks ago. And he's been posting updates to Facebook, just two updates. But that was how he communicated to the world.

He called me right beforehand. But he shifted from hospital up here to the hospital in Medford. And after that, it was mostly on Facebook that we got ahold of him. Then I did
ask you, he thanked us for the flowers. And then I said, hey, you bet. And then I had to
call the Brad and say, yo, who sent him flowers? Because I didn't. So apparently,
somebody sent him flowers and they named it after us. So, if he thanks you for the
flowers, you just head nod and, "yep". So apparently, someone from the city sent him
flowers, and he appreciates it. You'll see him hopefully in two weeks, but also, he's got a
presence at the Grower's Market. His son's down there, he's got a booth down there. So
that's about the only way to get ahold of him, is via email. We've all got each other's
email address. And if he wanted the phone number, I think city admin has given it out
before, phone numbers. So, it's up to you, if you wanted.

Well, I just wondered when it changed. Because for years, all the information was
published on the website, and it was easy to get for everybody.

Yeah, I don't want mine on the website.

[inaudible 01:16:21]

But we have given it to individual members. No, I don't see anyone saying, I want my
phone number public. I don't want mine. But I can give you his number if you want it.
Anything else?

I just want to make doubly sure. I mean, having been out there as a public, like,
President of the Association of Realtors, there are a lot of nut cases who want to track
you down and take your time. That, I don't want, but you're willing to give it out to
anybody on the commission. But just not, I don't want it public. Of course, I can look up
all of yours because I'm a realtor. So anyway, just saying.

Anything else? Brad, Ryan, anybody? Going once. Okay, we're adjourn. Thank you very
much.

Erich Heesacker, Chair
Urban Area Planning Commissioner

Date 3/23/22

Urban Area Planning Commission
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Hi there. Welcome to the March 23rd Planning Commission. It is six o'clock. I'm going to go ahead and take roll.

1. Roll:
   Commissioner Coulter?

I'm here.

Yay. Commissioner Arthur?

Here.

Commissioner Nelson?

Present.

Vice Chair Collier?

Here.

Commissioner Tokarz-Krauss?

Here.

Commissioner Scherf appears to be absent, as does Commissioner Aviles. I am Eric, I'm here. Do we have anybody online that we know of, staff?

Our understanding was that Commissioner Scherf was going to call in. That's what we were told a few hours ago.
Okay.

Since you have a quorum, you're okay to proceed, but he may-
We will proceed, maybe he'll join us a little bit late.

2. Introductions:
   Introductions. Staff, do we have an introduction?

   We have with us tonight Gabby Sinagra. She is our Assistant Planner, and I don't
   think the Commission has heard from her yet, maybe one other time. She is the
   planner assigned to the Rogue Credit Union tonight, so this will be her debut and
   there'll be many more to come.

   Welcome, we can't wait to get you on the hot seat. I have an introduction, too,
   Commissioner Coulter has rejoined the Commission after a 10-month hiatus.
   Welcome, sir. We appreciate you being here with us.

   Thank you.

3. Public Comment:
   This item number 3 is for public comment. Are all of you here for one project or
   another, you're not just public attending the meeting? Am I right?

   One project. Yeah.

   Well, if any of you are here to talk to us, now's your time. You can talk to us about
   any items not related to the agenda items. The intent here is to provide information
   that is pertinent to the city's jurisdiction. Any of you speakers that want to come up to
   the podium, you're welcome to. You've got three minutes. Any takers? All righty,
   then.

4. Approval of Minutes:
   Item 4A, approval of the March 9th minutes. Do we have a motion, or does
   somebody want to amend anything?

   I'll move to approve the minutes.

   Tokarz-Krauss moves to second that motion.

   Commissioner Collier moves to approve the minutes. Commissioner Tokarz-Krauss
   seconds. All those in favor, say aye.
   Aye.

   Any opposed? Any abstentions? Commissioner Coulter and myself both abstain.

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MOTION/VOTE

Vice Chair Collier moved, and Commissioner Tokarz-Krauss seconded the motion to approve the minutes from the March 9, 2022, meeting. The vote resulted as follows: “AYES”: Vice Chair Collier, Commissioners Nelson, Tokarz-Krauss and Arthur. “NAYS”: None. Abstain: Chair Heesacker and Commissioner Coulter. Absent: Commissioners Aviles and Scherf.

The motion passed.

5. Informational Items:
   Item 5, it says informational items. I don’t have any. Staff, any informational items?
   None.

6. Findings of Fact:
   a. 406-00127-21 ~ HNA Comp Plan Amendment
   Item 6A, Findings of Fact, project number 450127-21, Comp Plan Amendment. Does anybody have any motion for that Findings of Fact?

   I would move approval of the Findings of Facts for the Comprehensive Plan Amendment.

   Commissioner Nelson moves to approve the Findings of Fact, any seconds?

   Arthur seconds.

   Commissioner Arthur seconds. All those in favor, say aye.

   Aye.

   Anybody opposed? Abstentions?

   Abstain,

   Commissioner Coulter and Heesacker abstain.

MOTION/VOTE

Commissioner Nelson moved and Commissioner Arthur seconded the motion to approve the Findings of Fact, project number 450-00127-21, HNA Comp Plan Amendment. The vote resulted as follows: “AYES”: Vice Chair Collier, Commissioners Nelson, Tokarz-Krauss and Arthur. “NAYS”: None. Abstain: Chair Heesacker and Commissioner Coulter. Absent: Commissioners Aviles and Scherf.

The motion passed.

b. 104-00146-22 ~ Buckmaster Subdivision PC
Item 6B, Findings of Fact for the Buckmaster subdivision, project number 104-00146-22. Motion to approve? Motion to deny? Motions, motions.

I would move approval of the Buckmaster Findings of Fact for their subdivision.

Tokarz-Krauss seconds.

Commissioner Nelson moves to approve, Commissioner Tokarz-Krauss seconds. All those in favor, say aye.

Aye.

Aye.

Any opposition? Abstentions?

Abstain.

Commissioner Coulter and Heesacker both abstain.

MOTION/VOTE

Commissioner Nelson moved and Commissioner Tokarz-Krauss seconded the motion to approve the Findings of Fact, project number 104-00146-22 ~ Buckmaster Subdivision PC. The vote resulted as follows: "AYES": Vice Chair Collier, Commissioners Nelson, Tokarz-Krauss and Arthur. "NAYS": None. Abstain: Chair Heesacker and Commissioner Coulter. Absent: Commissioners Aviles and Scherf. The motion passed.

7. Public Hearing:
   a. 201-00417-22/301-00149-22 ~ Rogue Credit Union ~ Union Avenue Major Site Plan & Major Variance Review ~ Staff Report

Item 7A, public hearing, item number 201-00417-22 and project number 301-00149-22, Rogue Credit Union Site Plan Review and variance. Bear with me as I open the public hearing. We will begin the hearing with a staff report, followed by public comment, and then the matter will be discussed and acted upon by the commission. Is there anyone present who wishes to challenge the authority of this commission to consider this matter? Seeing none. Conflicts of interest, do commissioners wish to abstain from participating in this hearing or declare a potential conflict of interest? Nobody's jumping to that. In this hearing, the decision of the commission will be based upon specific criteria. All testimony and evidence must be directed toward those criteria. The criteria which apply in this case are noted in the staff report. It is important to remember if you fail to raise an issue with enough detail to afford the commission and the parties an opportunity to respond to the issue, you will not be
able to appeal to the Land Use Board of Appeals based on that issue. We may now begin the hearing with a staff report.

All right. Is this thing on? Oh, okay. All right. Well, good evening, everybody. I'm happy to be here and finally be presenting in front of you all. My name is Gabby Sinagra, as Brad said, I'm the Assistant Planner with the city, and I was the planner assigned to the proposed Rogue Credit Union. We processed this as a Major Site Plan Review with a major variance request. Let's get into it. First and foremost, the proposed development is located at 340 Union Avenue. The parcel currently has frontage along Union Avenue, which we classify as a collector, in addition to frontage along Redwood Highway, classified as a state highway. The parcel is zoned general commercial and is within city limits. While the lot is currently vacant and undeveloped, there is an existing approach that does take access off of Union Avenue. However, the applicant proposes to abandon the existing approach and would like to be approved for two approaches. You'll notice, circled in red here on the far-left hand side of the Union Avenue frontage, and another along the right-hand side of the Union Avenue frontage.

All right. The application is for a Major Site Plan Review to allow the development of the vacant lot with a single story, 4,598 square foot Rogue Credit Union branch, with three drive-through Personal Teller Machines, or PTMs. The applicant is requesting a major variance for relief from the Access Standards outlined in Article 27 of the Grants Pass Development Code, and request to be allowed to have those two two-way commercial driveways off of the Union Avenue from the previous slide to serve the proposed development. Pictured here is the site plan. Just to give you guys some orientation here, so Union Avenue, this is the Southern part of the parcel. On the north here is where Redwood Highway comes through. The building is proposed on the Northern edge of the parcel. I do want to call out something that was discussed in the staff report. The applicant, as part of their submittal, did include a future development plan. As part of this, there was an indicated future property line, which suggests that perhaps a potential partition might be in their interest later on. That property line is indicated, I believe, right here.

I just want to call out that Public Works did make a comment that with the existing utility configuration proposed for the Rogue Credit Union branch with that optional property line, if they were to move forward with that, that would create a nonconforming situation with the laterals crossing property lines. Just something to take note of. Pictured here are the proposed building elevations for the Credit Union. All new commercial buildings are subject to the standards outlined in Article 20 of our Commercial Design Standards in the Development Code. Staff has reviewed these elevations and has determined that they meet the criteria area in Article 20. In regard to the variance, I wanted to first start with our city traffic engineer, John Replinger's comments. He did review the submitted Transportation Impact Analysis that was required as part of the applicant submittal. He did provide a comment on the request saying that "The applicant proposes to access driveways to Union Avenue rather than the one that's prescribed under Article 27.121. The applicant provides no justification or analysis for the extra access. I recommend that the applicant resubmit a site plan with access meeting the requirements of Article 27."

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The Article that Mr. John Replinger is referencing, the specific section is 27.121-H4. This is outlined under Access to Arterials and Collectors. The Development Code does specify that each parcel shall be allowed no more than one direct access driveway, regardless of the size of the property or the amount of frontage, unless the variance is granted by the review body, based on a Traffic Analysis Report and the criteria in Article 6 outlining variance requests. A summation of the applicant's response to the variance requests is that the proposed Credit Union drive-through will see significant vehicular traffic, more than is normal for a proposed office. Therefore, having those two two-way entries and exits provides the most clear, direct way in and out to serve the property. You can see their full response to the variance criteria outlined in your packets from pages 30 to 31. Staff's response is that we adhere to the provisions for variance criteria that is outlined in Section 6.060 of the Development Code, and we found that the applicant does not meet Criteria 1, regarding topographical constraints, nor Criteria 3, pertaining to the proposal's benefits, outweighing any negative outcomes for development of adjacent uses.

Once again, just to reiterate, we found that Criteria 1 and 3 for the variance requests were not satisfied. We recommend that the Planning Commission deny the request for a major variance for the two two-way entries and exits from the Union Avenue, based not only on the provisions outlined in Article 6.060 of the Code pertaining to variance criteria, but also to Mr. John Replinger's comments, which you can see in page 34 of the packet. In regard to the Major Site Plan Review, we do have 13 criteria that outlined the process of approval which is, excuse me, outlined in pages 32 to 41 of your packet. Staff reviewed it and found that the criteria are met with the associated conditions outlined in the staff report. Just some relevant conditions to discuss, the first being the revised utility plan and the future development plan, as discussed earlier, for the nonconforming utility laterals, a landscape plan that meets requirements of the code, lighting details. The applicant would have to conform with Public Works and public safety requirements.

On that note, there was one particular comment in the Public Works staff report worth discussion here. Currently, the sidewalk configuration for the entire Union Avenue is a five-foot sidewalk and a five-foot planter strip. As part of their proposal, the applicant is proposing to do a reconfiguration of the sidewalks, but they do propose to meet these same standards of the five feet. However, this does not meet the requirements outlined in Section 27-3 of our Development Code. Public Works is requiring that if the applicant does indeed reconfigure the sidewalks, they'll need to meet the standards listed it in 27-3 and provide a six-and-a-half-foot sidewalk with seven-and-a-half-foot planter strips. Apart from that, a revised site plan. If the variance tonight is denied, then the applicant will need to submit a revised site plan indicating that the approach standards in Schedule 27-1 are met. All of the other criteria for the Major Site Plan Review requests are met with the associated conditions. Again, you can find that in pages 41 to 45 of your packet.

Staff recommends that the Planning Commission approve the request for the single story, 4,958 square foot Rogue Credit Union branch with the three drive-through Personal Teller Machines with the associated conditions in the report. For call to action, staff recommends denial of the major variance, and we recommend the approval for the request for the Major Site Plan Review. Thank you.

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Any questions of staff before we let her get away? Commissioner Coulter?

Yes, sir.

Well, I guess I jump on the wagon again. The site plan recommendation is in opposition to the variance and the two-way driveway, from my perspective, is part of the site plan. For consistency, it would seem that you would recommend against the site plan, because we can't... If the commission disapproves the variance, there is no site plan that we can approve. Am I correct?

That is correct, yeah. They would need to submit a revised site plan with the appropriate access.

One of the reasons I say that, so really, if the variance is disapproved, we can't even discuss the site plan, or we shouldn't until the new site plan is put on. This is the way we've done it in the past.

No, that makes sense.

It also keeps the applicant from having to start from scratch, almost, on a site plan.

Okay.

Or at least the permitting fees and stuff.

No, I think that's a solid point. Brad, would you agree?

But we don't want to make it harder on the applicant if we were to disapprove the variance. I want to make it as easy for them in the resubmittal process as possible, the way I see it.

Right, Commissioner, I think that's generally right. You certainly are open to discussion about the site plan. Obviously, you need to hear the applicant's presentation if there's other things that are relevant that you would want to point out, so that the applicant can also consider those things if-

We haven't even, in the past, even considered a site plan, if we didn't approve the variance, is what I was going to say.

Right. That's not a standard that is required in the Development Code, nor is it mandatory. It's a case-by-case basis.
Okay. But it's integral to the site plan, so a little concerned about that. Oh, whatever, just wanted to bring it up.

Commissioner Collier?

In just the brief two years that I've been here, I think since you've been gone, what we've done, I've seen at least twice, is that we've worked on the variance first and the site plan second. I think that was something that Commissioner Nelson introduced us to. Because we've had this more than once where we've talked about the variance first, voted on it separately, and then moved forward. But that's what we've done within the last year.

How did you-

Oh, that's historical. I'm just letting you know.

How did you reconcile that if-

I wouldn't answer that question, because it's not specific to staff, but I'm just letting you know that's how we've done it. Since you've been away, we've talked about the variance first and the project second, voted on the variance, up or down. And it was different from this situation.

We did have one when I was here on Board that whatever the variance was, wasn't integral to the site plan. I do recall that. My concern is we're going to end up, if we don't approve the variance, of having to probably disapprove the site plan. I don't see how we can do conditions of approval on that.

I would say you're correct in that you couldn't approve the site plan, but there is the option to continue the hearing.

Got it. Good answer. I like that.

Other questions of staff? All right, you get a break.

Oh. All right.

Anyone from the applicant side like to come up and give us a presentation on the project, please? State your name and address for the record and go right ahead.

My name is Matt Small, I'm with KSW Architects. Address is 66 Water Street, Ashland, Oregon. I'm not quite sure where to start. I think you bring up a really good question and I want to maybe start with that, if we could.
Sure. Go ahead and start with that and then go right into the variance, that'd be great.

Okay. Our hope tonight is to convince you that two driveways are what we need and would be acceptable. We'll get into that in a bit. If you choose not to agree with us tonight, what we would like to do is ask for a continuance, which my understanding is that the continuance would happen, our next meeting be would April 6th, is that correct? In addressing your question, my thought is we could have... The reason for the continuance, it would buy us some time to get a traffic engineer involved. The traffic engineer that we had involved initially did what was required for the TIA, but she didn't really study the two access points. That was my problem for not asking her to do that. She's away on spring break this week, so she couldn't get a report to us for tonight. But she'll be back, and she could get a report for us for the April 6th meeting. My thinking is, we would present it again, if we don't get approval tonight, on April 8th. We could have at that meeting, two options, the original option, and then a secondary option that would only have one.

The reason why I'm spending time on this is that our project is under some very strict time frames. The Credit Union, as you may or may not know, they're occupying their West Branch in the West side of town. Their lease is up in 2023, our whole schedule is set up to get them a new building by the time that lease is up. It's a very time-sensitive situation, that's why it's important. I don't know if that's a scenario that would work for you, that I just described. In our worst-case scenario, we have a decision April 6th, with two or one driveways. Does that make sense?

It makes sense. Our deliberations following your presentation will outline how we're going to proceed.

Okay. But any questions about my thinking there from anybody?

The next UAPC meeting, I believe, is the 13th of April. City Council's the sixth.

Yeah. Thank you for that clarification. They meet the second and fourth Wednesdays of each month.

Whatever, I thought it was April 6th is what- [crosstalk 00:20:58]. Or whatever that next...

13th.

13th.

13th, okay. We just added another week, but... Okay. Let's go back to my original presentation. Gabby, thanks for the good work. It was great. We have really very few problems with the report, but there are few that I would like to discuss. The first is a clarification. We noticed that there is a planter strip required along the Redwood

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Highway. Typical planter strip [inaudible 00:21:51], and we have the same requirement on Union Avenue, which makes perfect sense. I'm not sure it makes sense along Redwood Highway, so I'd like some clarifications and thought about that. I'm not sure that ODOT would be appreciative of that landscape. I don't know what it does. It certainly doesn't do the job that it does on Union Avenue. If you could discuss that and perhaps offer some clarity to that, that would be great. Second item, one of the requirements in the staff report was for a Type 3 bicycle parking area. Type 3 is a covered parking area. The need for a Type 3 is based upon square footage. Gabby and I have spoken about this, I think our calculations for the square footage are different.

I do have a drawing that I'd like to share with you. The issue with the Type 3 bicycle parking is that it becomes required in a commercial use when your square footage exceeds 4,000 square feet. The code allows us, when we calculate that square footage of the building, to exclude spaces like storage spaces, restrooms. The drawing that I just gave you, the building is 4,598 square feet, the total square footage of the building. You subtract the restrooms, the storage areas, which is the yellow part of that drawing, that equals 659 square feet. You subtract that from the 4,598 and you end up with 3,939 square feet, which is less than 4,000 square feet. What we're asking is to have [inaudible 00:24:37] staff take another look at that. It's certainly not the end of the world, but I think it's an expense that we don't need to incur on this project. I don't think I provided the information for Gabby that she needed to make that determination. Any questions about that Type 3 bicycle parking?

I don't have any questions about that, but I'm hoping you can get straight to the variance so that we can discuss that, the access points.

Okay. I can do that, but I have a... How about one more item?

Go right ahead.

Okay. Thank you. The next item is the 10-foot city utility easements. As you probably know, we have a requirement of 10-foot utility easements along Union, and also along Redwood Highway. We have absolutely no problem with the easements, the issue is the timing of the easements. The staff report is requiring that the easements be recorded before a building permit can be issued, or before we can submit for a building permit. The CUE process can be quite lengthy. There are drawings involved, there's legal descriptions involved, there's recording at the county. As I mentioned earlier, time is of the essence for this project. The change that I would like to see is make this a condition but make it a condition before the Certificate of Occupancy. That buys us months of time to get this process done. As far as I understand, the building department really doesn't care much about easements. I'm not quite sure why that's even a requirement.

Any questions about that? I really truly hope that those requests will be considered. Let's talk about the variance. Again, I want to be really clear, my hope tonight is to.
convince you that we need two driveways. If I fall short in that, for the record, we'd like to do a continuance. Okay. Gabby, you got that drawing? Can we put that up there?

Is there a way to make this full screen or-

That's great.

Is that perfect? Okay.

Yep. First of all, it's important for you all to understand how important this second driveway is to the Rogue Credit Union. They are just an incredibly successful, and because of their success, a very busy Credit Union. They see a lot of traffic. One of the things that they pride themselves on is great service. The ability for someone to use the PTM machine and then zip right out is, really, very, very important to them. Gabby [inaudible 00:29:09] mentioned there were four criteria that we had to meet for this variance to be allowed. We satisfied two of them and two we did not. The first criteria that we didn't meet was Criteria number 1. I'm going to read a portion of what that criterion says. It says, "The variance is necessary because the subject code provision does not account for special or unique physical circumstances of the subject site, such as topography, natural features, or adjacent development." The thing that I want to focus on tonight is the adjacent development, and that's why we have this plan up here.

What you'll see on the right side is our proposed Credit Union with the two driveways. To the left was a proposal that was put together by a developer. You'll notice that they have an exit onto Union Avenue, and they also are showing an exit up to Redwood Highway. Do you see that? If I had a pointer, I could point it to you. [Inaudible 00:31:06]. Here's the driveway onto Union, this was their driveway out onto Redwood Highway. They had a meeting with ODOT. ODOT said, "No way. We're not going to give you access to Redwood." And so, when that happened, the project stopped. What you'll see on this proposal is a gas station with fuel pumps and a convenience store. This is a drive-through coffee shop and then another drive through restaurant. Here's our proposed drive-through bank, PTMs, and then a future project here.

Just so I can see it, this is all to scale?

I'm sorry, what?
This is all to scale?

Yes, it's to scale. But keep in mind that this is off of Google Earth and then imposed drawings, so it's not an exact scale, but it's sufficient for this discussion.

How long ago was this proposal made adjacent?
Not too long ago.

Years? Months?

No, months.

Okay. Thank you very much.

At least that's when we saw it, just a few months ago. I don't know if they would mind that I've got this up here or not, but I went ahead. What this shows is what the potential of this lot is. There are three drive-through businesses, right there generating a heck of a lot of traffic that's coming out on Union. They're not allowed to go out here. The other piece that I want to talk about here, is that when they lost this second access, they dropped the project. It's an indication to me that they want and need two exits out of this project, given the traffic load. By the way, the owners of this property also owned our property. When the Credit Union bought this property, this owner, which is the same owner, required a cross access easement between these two properties. It was a requirement of the developer with the anticipation that as this got developed, they're going to need a second way out of here. This piece right here I want to talk about it a little bit.

We drew in a driveway, and it's roughly 150 feet from the intersection, which is the closest it can be to that intersection by code. You can see, there's really not much room for this development to have two exits. Whereas here, if you look at this, we've got three that are equally spaced. I think it would be problematic for all this traffic to have to come through here, to exit, if this were not there. Getting back to the criteria, where it talks about unique, physical circumstances of adjacent development, that's what I'm talking about. The other thing to point out is, this is actually two lots currently. It's split roughly here, with one lot here and one lot here. This lot is landlocked. It has to go through this lot to get out, so another physical constraint. Who knows if and when this development will happen, but I would surmise that having this as an option for them would help promote the development of that piece of property, which I'm assuming from your point of view is a good thing. Any questions?

Commissioner Arthur, go right ahead.

Sort of in that direction. Where were they allowed to have access at all on that other property, because there isn't anything that's 150 feet from a corner, the entire thing?

You mean access for this property?

No, for the other one. For the brown part.
Yeah. This is roughly 150 feet from that intersection, so they have that from here over-

Oh, that's the 150 feet? I thought you said your entrance was 150 feet.

No, I'm sorry.

Okay. I misunderstood that.

It's this piece right here-

The thought I had was that I didn't understand why you were asking for two two-way entrances and exits, instead of the east one being in and the west one being out. I was trying to envision what happens with the traffic with that center lane if people are coming opposite directions trying to go into the different ones, instead of there just being one in and one out. I was wondering why you were choosing to ask for two two-way-

We were just trying to make it as easy as possible for people to- [crosstalk 00:38:05].

Yeah. I-

How is that easy?

Given there's going to be a lot of traffic, so... But I think you bring up a really good point. It would be perhaps feasible to make this just one-way. That would be one way out, and I still like the idea of having this being two-way.

If somebody came, it wouldn't be very many people lives down where I grew up, at the end of the street on Union Avenue. There're no houses left now. But if they're coming from that direction, from the west, why would anybody turn in the west exit, the west one-

Here.

... and then thread their way through to get around to the drive-through?

That's a good point.

If they're coming from the east-
Not everybody is visiting the [inaudible 00:39:05].

... the same question, why would they go in the west exit and double back to go? It seemed like-

That's a fair question.

Everybody would use the east entrance in any case. Whoever occupied that front space later would be lucky to have it if they were also a drive-through. I just didn't understand the logic of two two-way-

We were greedy. Sorry.

Well, it's all right.

We're just trying to make it as easy as we can for the people using the bank. Not everybody coming to the Credit Union is using the PTMs. There are plenty of people coming to visit the actual building. But I want to, also, I want to make sure that you understand that I'd have to confer with the Credit Union, but I think they would be acceptable to this being a one-way out only, as an option.

Other questions of the applicant? Sir, did you want to discuss anything else?

Yes.

Go right ahead.

That was Criteria number 1. The second criteria that staff was not satisfied with was Criteria number 3. Let me read that criterion, a portion of it anyway, "The proposal's benefits will be greater than any negative impacts on the development of the adjacent uses." I think that's pretty self-explanatory. Having two driveways, certainly, will alleviate some congestion. These driveways will provide access for this future development, which is a plus. As I mentioned, we already have this cross-access easement, it's recorded as in the deed of this property. As far as this second driveway benefiting this development, I think there are many positive ways it does. In terms of negative impact, I don't see any to this development. Again, this development wanted this access point. Any questions about that? That concludes my comments on the variance.

Questions? Go ahead, sir. Are you going to impart more information to us?

I'm sorry.

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Anything else you want to say about the site plan?

Just keep in mind the idea of a continuance. If it looks like you’re not in favor of what we just discussed, please keep that in mind. That would buy us time to get a traffic engineer involved who could maybe give us some more information. Other than that...

Anyone else from your camp want to speak to us?

I will.

Name and address, please?

My name’s Tony Workman, 1370 Center Drive, Medford, Oregon. I am with Rogue Credit Union. I just wanted to come back on your question a little bit about how we came up with this. Really, when we go into a new development like this, we sit down with the architect and we really look at safety for our members, and flow, and how it’s ease comes about. The idea of the second entrance, ingress/egress, was based on that future property and with, what you were saying, with people driving through and weaving through, in and out. We do believe that most of our members coming through on Union will probably use that Eastern drive up. However, once the development is made, we do believe that some traffic that will be going over there, will use that second entrance and exit, otherwise they’re going to have to weave through, too. If they’re going to try to go to the fuel station or the restaurant or something and they’re coming from the east over, if they took that first entrance, they would have to go through the parking lot with our members walking through and all that.

We’re looking at it as a safety issue. How can we keep traffic not coming to the branch, alleviating away from that? That’s where the second one came in. That’s a lot of what we’re looking at is, how can we keep a lot of traffic not stopping there from that area? We felt like this entrance would help the future, as well as like Matt was saying, we don’t know when that development will happen, but if we can get that put in now and have it there, so that way when it does get done, it’s all ready to go, and traffic now will get used to using that. We’re looking at it as just a safety and flow. As you can see, if they were to come in the first entrance to the east, they’ll go up through the drive-throughs, and then they continue straight down. They don’t have to go back through the parking areas at all.

During busy times, payday Fridays, however, if there’s only one ingress/egress, there’ll be a lot of circling traffic coming in, out, and other. We’re trying to keep it just a flow of circle and ease for everybody. I hope that clears up a little bit of what we came up with.

Questions of this gentleman? Thank you very much.

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Thank you.

Anyone else in your camp would like to speak to us? Any one of you wanting to speak in favor of this application? Anyone wanting to speak in opposition to this application? Commissioners, are you sure there's no further questions? Staff, back to the hot seat, please.

Yes, sir.

I have some questions, but I'll wait if anybody else wants to go first. Let's try and be clairvoyant here. Let's pretend for a minute that the variance does not get approved tonight. Can the variants be re-requested at a continued hearing, or is it off the table if it gets denied? I'm asking a procedural question here.

Can the variance be re-requested?

Right? Assume that it gets denied tonight, a gentleman mentioned they would like the chance to resubmit for the variance and try again at the continued hearing, if that's the disposition of the Commission. Can they do such a thing.

From a public notice perspective, the obligation of the city is to make sure that all of the public is notified, accurately, of what the hearing's about. The public has been notified that tonight's hearing is about a variance and a site plan. The variance was for two access points. As long as the hearing continues to only be about a variance for two access points, and you move this to a date certain, then the public has been adequately informed. They could show up at the next meeting and there'd be no surprises. If there's a change to what the variance is about, there would have to be a new notice, so that the public is adequately informed about what this hearing's about.

Understood. Thank you for that. Anyone else have questions of staff? Commissioner Nelson?

Yeah. First off-

Sorry. Excuse me.

I had a question on the bike parking and how that square footage determination... On all other projects, how do you determine square footage?

Well, Matt is correct. We do have a provision in Article 25 that does exclude areas like restrooms, elevator shafts, and similar areas within there. The only reason that I did the calculations the way that I did is, essentially, he didn't show the math. He gave me a number and I couldn't see how he determined that number, where he excluded the square footage, and how that penciled out. Just for due diligence's...
sake, I took the entire square footage of the building. I think that if they can show how they arrived at that number, I think that's a perfectly reasonable ask.

And then that would just be done when they submit whatever site plan. And then I had another question.

Go right ahead.

I'm a little confused here. The question is, if you have, over on the east side, one way and over here, one way, is that allowed under our-

No.

Coffee stands that might have that, or previously, they've taken those out, then?

Well, this requirement is really specific to arterials and collectors. I can't speak for every coffee stand in the city as to what the street designation may be and how they got approved for that. But the restriction of the access is really outlined for arterials and collectors specifically.

Okay. And so, then that... Because I think there's a coffee stand on Union Avenue down the road there a little ways with two accesses, if I recall correctly. That's why I was confused when they put this request in, but that might have been previously approved, maybe that's been changed.

Yeah. It's hard to know without doing the appropriate research. Perhaps they were granted a variance, as well.

Oh.

What is the restriction?

That you only have one direct access point on an arterial or a collector.

Per parcel.

Yeah, per parcel. Correct.

Thank you.

Commissioner Coulter?
If we were to do a one-way, just to make sure I've got it right, we could recommend that on a site approval tonight, if we approve the variance, correct? Am I correct? If we approve the variance, we go to the site plan, we could do a one-way as a Condition of Approval, correct?

We could. I would recommend, considering the applicant's testimony tonight who asked for a continuance, to give them a chance to play with the site plan and come back-

Well, yeah. But he actually kind of said, "Yeah, that might be feasible." Your thought is we got to have it more in concrete?

Yeah. I think staff's recommendation would be to-

Continue?

... permission actually see what you're approving, the revised site plan.

Gotcha. Okay. Thank you.

Other questions of staff? Mr. Nelson?

My understanding is that the sidewalks elsewhere are five foot?

That is correct.

This would then have a six foot, or is being requested?

That is being requested by Public Works. It is the standard in the code, as of today. As to how that sidewalk configuration is five feet with the five-foot plant strips, I couldn't speak to that. But in talking with Wade Elliott from Public Works, I did ask them if they would be allowed to match the existing configuration, as it would match the rest of the development along Union Avenue. But Wade Elliott did request that they adhere to today's standards, which is that six-and-a-half-foot sidewalk and the seven-foot planter strip.

Other questions of staff?

I guess a follow-up.

Mr. Nelson.
Why was it changed? If the whole Avenue is five, why did we change it to six?

That's a fantastic question.

Yeah. I don't think either Gabby or I would [inaudible 00:52:46] to take some research. The city, obviously, at some point changed the design standards so that the adjacent sidewalk for a collector and arterial became six feet. But we would have to look exactly at the date of construction of Union and the date of construction of that sidewalk and see. We can only assume that five foot was the standard at the time that it was constructed, and standards changed, so-

The sidewalk would be all the way equal all the way down Union, right?

Mm-hmm (affirmative).

But it'd be a foot over here next to the property that would be added?

Correct.

Interesting.

This is a Public Works standard, we just want to say that. I think you would need to include in your decision, if you wanted to agree with the applicant's request, exactly why you would want to change that standard.

We do, as a Commission, have to have analyze this project based on today's standards.

True.

Any other questions of staff? Thank you very much.

Thank you.

You did great. Commissioners, I will entertain a motion so that we can begin to deliberate. Commissioner Nelson?

Well, I'm going to move for the continuance, and then I'd like to discuss with the Commission some of these things that I just brought up and why we would be doing that. If we want to change that now, I think it's best to have that in the discussion so at the continuance, next time they bring it back, they know how we're going to feel about that. These, I guess, would be motions to be put forward on the continuance.
The first one, I guess, would be, because I think it probably doesn't need even a motion on, is the bike parking, is that correct, because you have the plan now?

I'm sorry, can you repeat the question?

Well, I was going to put in a motion to be forward for the planning to limit the bike parking, not to require the overhead.

Yes, if they could just indicate on the revised site plan how they got to the square footage.

I'm not worried about that.

Fantastic.

And then the other one was, I'm inclined, and I'll make the motion to see how you guys feel about this, to approve this, as to an egress and an entrance. One way going on the east side, one way going west side, because it makes no sense to have this two-way, because you could have confusion going around the wrong way.

Are you making a motion about a variance-

That's up for discussion.

Well, I think he's trying to get a motion on the floor to discuss, but if you continue-

The first one's going to be the continuance.

Well, then we end the meeting.

That's right, so that's why I want a discussion for- [crosstalk 00:56:29], to know what to do on the continuance.

You need to make some kind of motion and the motion would be to approve the variance with that condition. We can always vote it down.

Sure.

That allows discussion to continue.

Okay. I will do that then.
Go right ahead. You're going to make a motion regarding the variance request.

I approve the variance with condition that they have only one way going in and one way going out.

I second.

Okay. I'm going to throw a wrench into this. Staff did just tell us that the in and out will require a future variance request, as well. You're aware of that, yeah?

I don't think we can do Condition of Approval on a variance, it's got to be up or down. That would be a recommendation on a site plan if we approve the variance, not the variance with the Condition of Approval, but we're

Right. But we're not doing a variance. I'm talking about the conditions.

No, it's got to be up or down on, on a variance. That's it.

I agree with Commissioner Coulter, we need a motion for the variance to either be approved or denied, and then we can go into discussion.

Right. I'll withdraw.

I make a motion to deny the variance and I'll give reasons why in discussion, lots of them.

We have a motion on the table to deny the variance request. Do we have a second?

I'll second it.

With a second by Commissioner Collier.
No, Nelson.


Okay. During the replication, I didn't hear any discussion from the applicant about the safety of their customers getting back out onto Union Avenue. Ms. Arthur said a little bit about it when there were houses down there, now there's everybody down there. There's the Volvo rebuilders, there's Cartwright's, which I just went by today to take a
look at this whole thing. Anybody's tried to get on Union Avenue, for whether it's Les Schwab, whether it's Toyota, whether it's a complex on Safeway, all up and down Union Avenue, it's a struggle left and right. The proposal from the applicant tonight is four lanes, two going in, two going out, which shows me that they are not recipients of any partial engineering discussion about the traffic flow on Union Avenue. I almost feel sorry for the applicant, engineers from Ashland and Medford, having a look at Union Avenue and put four lanes onto Union Avenue with that in-complex, when you've got all these people driving in and driving out, and then saying, "Oh, by the way, we're doing this for future development on the lot next to it."

As I sat here, I couldn't almost contain myself from shaking my head and saying, "You have no concept of the traffic flow on Union Avenue." Union Avenue is begging for a four-way traffic light up there where the Verizon building is. This is right in between it, and they say, "Yeah, let's go four lanes. And then we didn't even think about why we need four lanes, we really only need two lanes." You talk about Redwood Avenue, access to Redwood Avenue. We all know that's a nonstarter, it never was. The applicant said, "People want to zip in and zip out." Well, guess what? Nobody's going anywhere. They're not going to zip into those ATMs and then come right back out. They're going to be clogged up, backed up all the way around. I've never seen anything so smashed into a sandwich that just shows... Even with a new traffic engineering study, it ain't going to get any better. This will not get any better. Whether you go from one in, one out, people don't pay attention to that. You can't stop traffic left to right going in that.

If you sit out in front of the Laughing Clam, it clearly says, "You cannot turn left onto G Street," yet everybody does. As I sat through this, and I made all these notes, I haven't even covered them all, but this isn't even close to all the reasons why staff indicated why this should be a no. Then the traffic engineer, then Public Works says no. Then you got future development in the front, which even compounds it even further, and this guys in the back. I didn't even drink coffee before I came here tonight, but this is nuts. That's why I'm saying no.

Mark, a big criterion, if I hear you talking, is Criteria Number 3 is uh-uh (negative), it doesn't meet it whatsoever, correct? Just wanted to clarify that.

On every facet that [inaudible 01:01:07] has said no, they've made their case. Staff has made their case, Public Works made their case, traffic flow has made their case. An engineering study on traffic won't make the case. This ain't going to get any better. Nobody coming back from spring break is going to make the traffic flow on Union Avenue less, to make this look any better. Sorry.

Commissioner Arthur?

I'd like to speak to one very positive aspect of this, my first thought... By the way, Replinger has a strange error, I would say, in the report where he says they're going to have future building on the north end. I got stuck on that and tried to look at arrows for direction and all, and said, "What? It looks to me like your buildings at the north
end." My first thought was, "Why are they building in the back instead of the front?"
Anybody who's ever gone over to WinCo and tried to get into anybody's drive-
through, we made a real mistake on that one. No queuing distance, absolutely, totally
insufficient queuing. That is what this does accomplish, by putting the drive-throughs
all the way to the back, you at least stand a chance of not having traffic backing up
out on Union Avenue. The basic use of the property for that purpose is really pretty
good, and to have that kind of length is wonderful. We don't want to make that
mistake again. I think it's salvageable.

But again, I came back to my original things, I don't see why you need in and out on
both. If you were sharing long range with that property to the west, they have a way
to get in, where that red thing is, whatever that is, and they could use the same out-
point. They don't have to have another endpoint, necessarily. Well, he said that the
150 foot was where that red square is. Yeah. Anyway, I think it's workable. My
reason for preferring the two, one in, one out, is exactly what Mark was talking about.
I run into it all the time coming from the hospital to get out onto Williams Highway,
and you have to turn into center lane. If you ever want to get out, you have to turn
into the center lane and wait until the southbound traffic or the northbound traffic
comes by you. But at least you have a chance to do it. If you had people turning in
and out both directions in that little section in front of there, they could easily be
running into each other in the middle lane.

Kind of grim, but I need to tell you, the first funeral I went to in my life was for an
eight-year-old boy who lived across the street from there and got killed on his bicycle
on Union Avenue. There were no sidewalks or anything in those days, but it's always
been a busy road.

Mr. Coulter?

I think Mark presented the case, I agree with him, very well, as far as the variance is
concerned. I don't think in good conscience at this particular point... One of the things
that's kind of an unwritten rule, always, is we're looking at safety. Safety, safety. This
is one of those that the collector street, in this particular case, is almost a collector
street on steroids. It's huge. It's big and not only... Well, make it simple. In this
particular case, I do not see that the variance meets criteria. I think just by that, we
voted down, my recommendation.

Anyone else have anything they would like to say?

I do. I do appreciate that safety and hazard issues that they were trying to address
within the confines of the building, the customers, your clientele. I appreciate that, but
I don't think it came forward to the arterials and the collector street, which is, in and of
itself, a hazard on its best day already. I do like what Commissioner Arthur was
saying about, perhaps, another way of addressing that in one way, ingress/egress.
Future plans, that's going to be a daunting task, but we're not speaking to that at
present.

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Anyone else? Commissioner Nelson?

Well, I'm not sure what the traffic flow would be, but the reason I was concerned is, as you have these, 1, 2, 3, various cars that are going to be coming here. One possibility, you have two released at the same time coming down here. If this isn't here, then they'd either have to come across this way, with all the people trying to get into the bank, I'm assuming this is the front door here, and cars pulling out here and using machines in this location. I was trying to visualize how this is making it safer by only allowing one, whereas if this was a flow out, then at least it flows out and would be a greater safety to the people and parking in this area. That was my big concern is you're... If this is what they describe as a right of way or an easement, and you have traffic now coming here and going across, we've increased that load into that banking parking lot even more. I guess if we vote for the denial of variance, they'll have to come up with something, but I don't know what they're going to do.

No, I know. Hang on. Anyone else have anything to say? Great, that means it's my turn. Can I borrow your pointer, please?

Oh, certainly. [crosstalk 01:08:38].

Okay, there it is. Okay. Before I get to the pointer, I want to tell you a couple things I'm uncomfortable with. In my mind, a variance is used when there's a topographical challenge. We're not seeing that here. A variance is used when neighboring property owners are enjoying something that you're allowed to. We're not seeing that as a case here, except maybe for this building next door. If that was approved yesterday, there's a problem. If it was approved 10 years ago under different standards, probably not an issue. When I first saw the site plan and I noticed they were proposing a shared access easement agreement to the west, I thought, "What a great idea. I love shared access." Here's what makes me nervous about that, at this point. Where I was once in favor of it, now I'm not so sure. I think it's really dangerous for us to look at approving this parcel based on a site plan that is just a concept in somebody's mind. I don't think that we should be doing that.

I thought, "Well, this is great. These two parcels can share an access," but after hearing all the testimony tonight, I also believe two two-way entrances are a mess. In my mind, before I came here, great minds think alike, I'm thinking, "Well, why don't we do it one way in and a one way out?" I, too, was going to ask the question, "Can they do that?" And staff says, "No, not without a variance request." I am leaning, then, at this point to denying the variance, based on what we're looking at tonight with two two-way entrances. Would I be more inclined to approve a variance that has a one way in and a one way out? I'm not sure about that right now, either. I'm seeing a wrench with this. Let's assume this is one way, and this is one way out, people come in this way, and they discover there's no parking here, so they go around this way, which way... Do you think they're going to back up and turn around and come back around this way?
No, they're going to drive right into the out lane, go up here to look for more parking up here. I see that as a potential problem. Is it a for certain problem? Don't know. Having said all that, applicant, I feel bad for you. This is kind of a nightmare. We want to make traffic circulation here as safe as possible, but I see us just pouring more water into a bucket that is this far from overflowing, no matter what you do. Whatever decision that we make on these accesses, I think that we have to be careful. Staff, question. Does the code recommend any access spacing standards? Is there a minimum distance between access points along an arterial on a collector?

Yes, there is. Shooting off the cuff, I think it might be 100 feet, but if you want to hang tight, I can look in the code and confirm.

I'm going to bet that if you find such things, they're probably going to be based upon the speed limit of the road and the ADT. But I appreciate you taking a look at that. I think that was all I wanted to say. Somebody have a question?

What is the width of the property? It is on here somewhere? [crosstalk 01:12:18].

There's probably a little, teeny, tiny number right here.

I know. I can't see it. Can I say something?

Yes, ma'am. Go right ahead.

Okay. I do want to disagree with Commissioner Collier on one point, and that is, I think people can follow instructions for in and out. The example would be next door at the car wash, nobody tries to go in the back end of the car wash. They can follow the signs telling you where to go to get where you need to be.

Commissioner Collier?

Okay, I get that. Nobody goes in the wrong way at a car wash. This is completely different, because the question here is, "Am I going left or right out of there, and someone's coming in." That's the problem. With a four, with two in and two out on both sides, it's just going to be a mess. People are going to come from all directions. I'm also with Commissioner Heesacker that I don't think this gets any better with the traffic flow. This whole thing, this whole premise on this whole project is, as they said, zip in and zip out. I just see so many cars coming in here that from my 10,000-foot view, I go, "There's no way you can pack all that stuff in there, and with four lanes or two lanes, make it any better." I'm just ready to vote for the motion on the variance and then go from there.

Anyone else, because I have one more thing to say? Did you find your answer to the access spacing?

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Well, we do have a separation between driveways, and for commercial properties, that would be 22 feet. That 100-foot distance for collectors refers to the minimum distance from the intersection. [crosstalk 01:14:07]. No, that's for arterials.

Okay.

To answer Commissioner Arthur's question, the property is 208.69 feet.

Okay, the last thing I wanted to say. 99% of the time, I agree with you, people driving don't follow signs. Thank you very much for your pointer. People don't follow signage and they do whatever they want. I can think of one exception to that rule, that I witnessed right here in town. When you said the words, "In-N-Out," that's where it was. Those guys, that was a thing of beauty when they opened. That it could have been a potential mess up there, on Morgan, at the freeway entrance, for crying in a bucket. Those people followed directions, those first million customers on their first opening night.

We had already experienced the WinCo at that point and trying to get long enough queue distance there was a huge challenge. They managed to do it and make it work, so-

You saw what they did at In-N-Out, they had cones that said... They took them all the way down to... What's that street?

Morgan's the one right next to it.

No, it's further down, that's got the Dutch Brothers on it, from AllCare. [crosstalk 01:15:31]. Hillcrest. They took them all the way down to Hillcrest, brought them all the way back up and around, and then brought them in on the two entryways, so that was huge. But they have the traffic. I think this is maybe not on the level of In-N-Out, but this is meant to take people into those, like he said, zip in and zip out. That's a lot of traffic for Union and I just... That's why, anyway, same thing.

Understood. But as we've all agreed, it's going to be a traffic mess no matter what. I don't think I have anything else to say. We have a motion on the floor to deny the variance, it's been seconded. If there's no more discussion, I'm going to go to a roll call vote.

Can we have one more item of discussion, and that is what's the difference between voting to deny it now or just what voting not to deny it and continue? What are the choices for them?
I'll tell you my thought on that. What we're getting ready to deny is two two-way access points, because that's what's proposed. Anybody disagree with that? Are we ready for a vote? Mr. Coulter?

Aye. Yes.

Yes, to deny?

Yes, to deny.

Commissioner Arthur?

Yes.

Mr. Nelson?

Yes.

Mr. Collier?

Yes, to deny.

Commissioner Tokarz-Krauss?

Yes.

And I'm voting yes, Heesacker votes yes. We're going to deny the request for variance.

MOTION/VOTE

Vice Chair Collier moved, and Commissioner Nelson seconded the motion to deny the variance. The vote resulted as follows: "AYES": Chair Heesacker, Vice Chair Collier, Commissioners Nelson, Tokarz-Krauss, Coulter and Arthur. "NAYS": None. Abstain: None. Absent: Commissioners Aviles and Scherf.

The motion passed.

Procedurally, we are at a point now where we are ready to discuss the continuance. Commissioner Nelson?

I would move for the continuance to a date certain-
April 13th.

13th, was it? Yeah.

Second,

Commissioner Nelson has moved that we continue this hearing until April 13th, Commissioner Coulter seconded. All those in favor, say aye.

Aye.

Aye.

Anybody opposed? Anybody abstaining? Technical question, there's a picture of somebody up there. Is that Commissioner Scherf?

No, that's just the minimized Team's feature.

Okay.

Yeah.

Thank you very much. We're continuing this till April 13th.

MOTION/VOTE
Commissioner Nelson moved, and Commissioner Coulter seconded the motion to continue this hearing until April 13th. The vote resulted as follows: "AYES": Chair Heesacker, Vice Chair Collier, Commissioners Nelson, Tokarz-Krauss, Coulter and Arthur. "NAYS": None. Abstain: None. Absent: Commissioners Aviles and Scherf. The motion passed.

I forgot to ask, what's the agenda like? Do we have 10 public hearings on that agenda already?
You do not.

Okay, good. So, we're comfortable with this?

Yep. This would be the first item on that agenda.

Understood. Applicant, thank you very much for your time. We appreciate it. I encourage you to work with staff about your bike parking square footage. I encourage you, if you want to talk to ODOT about a planter strip, I hope you know...
who to get ahold of at ODOT. Your easement question, timing of easement, it sounds like you need to take that up with either the Planning Department or the Building Department. I encourage you to do that during these next two weeks. One last question, KSW, is that Kistler, Small, somebody? Who's the somebody?

White.

White. Okay. Please say hi to Ray for me. He'll know who I am. Thank you very much for attending, and your presentation, and all your time. Appreciate that.

8. Matters from Commission Members and Staff:

Next item on the agenda, matters from commission members and staff. Staff, we'll start with you.

I don't think we have anything else for you tonight.


Welcome back.

Thank you very much. I'm going to say something about that in a minute. Commissioner Tokarz-Krauss?

I want to say good job, very professional [inaudible 01:19:25].

Thank you.

I will second that. That was a good job.

Thank you. Motion approved.

Impressed. That was great. We'll make you sweat next time. In addressing Commissioner Collier's statement to me, the rumors are true, I did have a stroke about a month ago. It was really a miracle that I wasn't hurt any worse than I was. When the doctors took the CT and they saw the pool of blood on my brain, they didn't think I should be walking, talking, or doing much of anything. Like I said, I was very lucky. I did fall twice in the very first 30 seconds of the stroke, and then after that out, I knew something was weird, so I watched my legs as I walked. I really focused and made sure I told my leg to do what I was supposed to do. I went to the doctor and she had me do the FAST test, you guys are familiar. Told me to smile and hold up your arms, and I whipped through all that, because I'm telling myself, "I didn't have a stroke." By this time, there was not CT scan.

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She had me do this one thing, "Stand up, close your eyes, put your arms out straight, and put your palms down." Okay, easy. No problem. She said, "Now turn your palms up." I did this, and this hand dropped halfway to my knee. She said, "Open your eyes," and I had no clue that this had happened. She said, "Yeah, you had a stroke. We're going to get you a CAT scan." And that's when they took the picture, they sent me down to Three Rivers, I sat there for hours. Then they came and said, "You know what? This is too..." Disastrous is not what they said, but "We can't handle this. You have to go to Medford. We're going to put you in an ambulance." I said, "Oh no, you're not. My insurance won't pay for that. I can drive myself." And they said, "Oh no, you're not." So, my girlfriend drove me over to Medford, I was in that emergency room for another couple hours. They threw me in ICU. Their neurologist looked at the CAT scan.

They came and talked to me a couple hours later, and they said, "Well, you have every right to be here in ICU, and we don't know why you're functioning the way you are, but we need this bed for someone who really needs it. We're sending you upstairs." I was in the hospital a total of not quite three days, they sent me home. The good news is a month later, the one month is a big milestone for strokes. I didn't have any more. I didn't get any worse. That's what everybody was hoping for. There was no surgery, no need for that. What happens to the pool of blood? I learned it goes away kind of like a scab on your skin, your body reabsorbs it. It takes a while. My worst symptom is that my left side is numb and there's some really funky differences. I can feel heat with the right side of my mouth, but not on the left side. The big victories that have come over the past few weeks, I get itches now on my left side. Yeah.

The other day, I bumped my elbow and said, "Man, it hurt." I'm going, "Ouch," and it's my numb elbow, so I'm starting to get some feeling back. I feel good. Like I said, there's been no pain associated with this, nothing debilitating, walking, talking. You'll see I'm riding my bike, it's been recommended I do that three times a week for now, and slowly build back up to where I was. But thank you very much, I appreciate that. I'm glad I'm here, too. I like rubbing elbows with you smart people. I love heckling the newbies, too, but you get off easy tonight because of my stroke.

Yeah. You [inaudible 01:22:37].

All right. Anybody else?

9. Adjourn

Meetings adjourned.

Eric Heesacker, Chair
Urban Area Planning Commissioner

[Signature]

Date 4/13/22

Urban Area Planning Commission
Meeting Minutes March 23, 2022
Historical Buildings and Sites Commission
MEETING MINUTES
October 14, 2021
5:15 pm Council Chambers

COMMISSIONERS:
Ward Warren (Chair)
Arden McConnell (Vice Chair)
Virginia Ford
Shirley Holzinger
Nathan Miller
Sandra Crowder
Vacant

STAFF/LIAISON MEMBERS:
Bradley Clark – Director Community Development
Donna Rupp – Associate Planner

STAFF/LIAISON MEMBERS:
Joel King

GUESTS:

1. Roll Call – Chair Warren called the meeting to order at 5:25 pm.

2. Introductions

3. Public Comment: None

4. Approval of September 9, 2021 Minutes:

Amend minutes to spell out “National Park Service” to replace “NPS.”

MOTION
Vice Chair McConnell moved, and Chair Warren seconded the motion to approve the September 9, 2021 minutes as amended. The vote resulted as follows: “AYES”: Chair Warren, Vice Chair McConnell, Commissioners Ford, Miller, Crowder and Holzinger. “NAYS”: None. Abstain: None. Absent: None. The motion passed.

5. Action Items:

a. Findings of Fact 303-00111-21: Edson conversion of garage/carriage house to café located at 139 SW I Street.

MOTION
Commissioner Holzinger moved, and Commissioner Miller seconded the motion to approve Findings of Fact 303-00111-21, Edson – Conversion of garage/carriage house to café. The vote resulted as follows: “AYES”: Chair Warren, Vice Chair McConnell, Commissioners Crowder, Ford, Miller and Holzinger. “NAYS”: None. Abstain: None. Absent: None. The motion passed.

6. Matters from Commission Members and Staff:

a. 2022 HBSC Goals

Chair Warren proposed the first eight of the following goals and other Commissioners discussed and added as follows:
1. Increase parking capacity in the Historic District.
2. Create a comprehensive clean-up program for downtown to include graffiti removal, litter, sidewalks, alleyways, etc.
3. Proceed with the Conservation District.
4. Add flags to light poles in Historic District to promote the district.
5. Apply artwork on power boxes located by the traffic signals. Work with Committee on Public Art for design. Previous review of this idea involved using vinyl wraps, which the HBSC did not approve of for the Historic District. After a presentation a few months ago from Logan Design showing vinyl possibilities, Chair Warren would like to open up discussion on vinyl as a possibility for this artwork in the future.
6. Continue updating Local Landmark designations.
7. Distribute informational welcome letter. Need to discuss format, how and to whom.
8. Research CLG grants.
9. Add plaques to residential local landmarks as was done for commercial buildings about two years ago.
10. Expand the location of historic light posts to other areas of the Historic District. Right now they are only on G and H Streets.

b. Distributing and following historic guidelines.

Chair Warren discussed sign code enforcement in the historic district as well as painting of buildings. Staff requested help from commissioners to reach out to property owners so their tenants are aware of the historic district guidelines. The city currently distributes information on the historic district to any new business applying for a license in the district. Discussion on how to get the information out and possibly send out a piece to all current businesses so they are aware of the district and that the HBSC is available as a resource.

c. Brochure and welcome letter.

The letter in the packet that Nathan wrote was to help businesses in the Historic District understand the process of a review and help ease the process for them. The letter that Arden had at the meeting was to invite property owners to have their properties listed as a Local Landmark. It was drafted in December 2020 and had both Brad and Ward’s signatures. (The final was completed in March 2021.) Chair requested a copy of that letter. Perhaps a letter could be written from combining both of them to be sent to business owners.

d. Certified Local Government (CLG) write up and photos for Facebook page

Reviewed photos provided by Michael Holzinger and made slight changes. Chair Warren wrote narrative to be used and read it into the record. Requested to be notified when it is sent in and when it will appear on their Facebook page.

e. Local Landmarks

Discussion on the Council voting to approve applications for Caveman Bridge and Riverside Park. Vice Chair McConnell is working with the Wunder Bur and will also want to contact some of the residential property owners having their properties designated as local landmarks.

Chair Warren pointed out that when you search “local landmarks” on the City website, the current list does not come up as a search result. Staff will work with the webmaster to correct that.
f. Conservation District. Came before Council and they have given it a green light.

g. Nov. 18 meeting date. Discussion on what will work for whom.

7. Future Agenda Building for Next Meeting:

   a. 2022 Goals
   b. Kuri Gill and CLG
   c. Hearing for review of new project on G Street for the Bohemian.

8. Adjourn: 7:00 pm

Next Meeting: November 18, 2021

Summary minutes prepared by Donna Rupp, Associate Planner, Grants Pass Community Development.