Housing Production Strategy

City of Independence

January 2025

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This work was funded through the Department of Land Conservation and Development 2023-2025 Planning Assistance Grant Program.

1. Executive Summary

This document is the City of Independence's Housing Production Strategy (HPS). The HPS is a plan required by state law (OAR 660-008-0050) that describes how the City will promote the creation of housing to meet the needs identified in the City's 2023 Housing Needs Analysis (HNA). The HPS includes a variety of tools and actions the City will use to help improve the production, availability, and affordability of housing in Independence, both across the income spectrum and for protected classes. The HPS was created in partnership with a variety of community and local stakeholders, including residents, community leaders, and experts on housing policy and development.

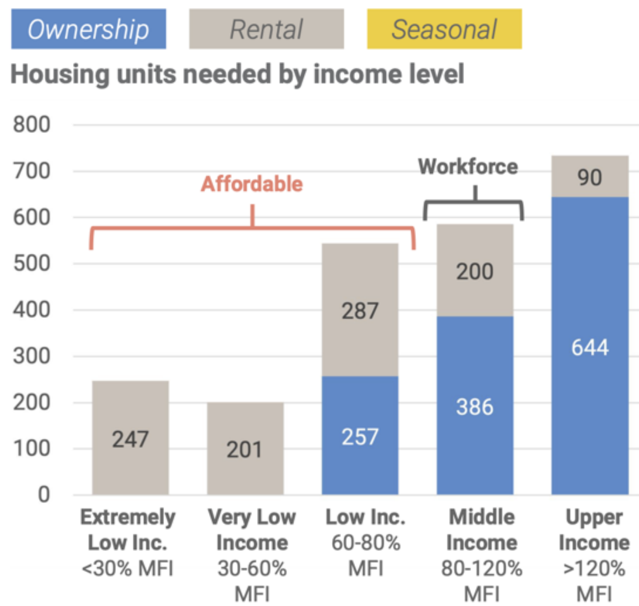
The HPS is organized into seven sections:

1. **Executive Summary.**
2. **Independence's Housing Needs.** This section summarizes current and future housing needs, demographic trends, market factors affecting housing production, and the housing needs of various groups and protected classes.
3. **Community Engagement.** This section summarizes stakeholder and community input used to develop the HPS's actions.
4. **Actions to Meet Future Housing Needs.** This section outlines the types of actions the City will undertake to facilitate housing development and the measures of anticipated impact for each action.
5. **Actions by Implementation Timeline and Impact.** This section describes 25 actions the City will undertake to support housing production and fulfill its commitment to meeting its housing needs.
6. **Fair and Equitable Housing Outcomes.** This section offers a narrative summary of how the actions in the HPS, in combination with other City actions, will achieve equitable housing outcomes.
7. **Measuring Progress.** This section recommends methods and performance metrics for monitoring progress on HPS actions.

Independence's Housing Need

Overall Need

The City of Independence's 2023 HNA showed that the City needs 2,312 new housing units over the next 20 years, including 992 units affordable to households earning less than 80% of the Median Family Income. The HNA also showed that the housing Independence needs will take a variety of forms, from single-family detached houses to multi-unit dwellings (i.e. apartments). Roughly half of the need is expected to be for rental units, and the other half is expected to be for ownership units.



Source: City of Independence Housing Need Analysis, Adopted May 2023

Population-Specific Housing Needs

The diversity of Independence's population is reflected in the diverse range of housing needs present in the city. The list below offers examples of the housing needs experienced by different groups:

- **Low-income households** (less than 80% of median family income). Nearly 3 out of 4 households could qualify as low-income. These households represent over 1/3 of the city's overall housing need. Due to their limited budgets, low-income households have an elevated need for subsidized housing and lower cost, market-rate housing of all types.

- **Communities of Color**. Nearly half (44%) of Independence's residents are people of color. People of color have historically had less access to homeownership and have tended to be cost burdened (meaning they spend over 30% of their household income on housing) more often than other residents. Based on these factors, communities of color often have an elevated need for affordable housing, particularly ownership housing.

- **People with disabilities**. About 10% of Independence's population has a disability. In Oregon, people with disabilities are more than twice as likely to live in poverty. Additionally, some people with disabilities experience difficulties with mobility. Based on these factors, individuals with disabilities often have elevated needs for affordable and physically accessible housing.

- **Seniors**. Seniors are 10% of Independence's population and represent a quickly growing population segment in the community. Seniors often experience housing problems like cost burden and overcrowding at higher-than-average rates and may experience difficulties with mobility. These factors elevate the need of seniors for affordable and physically accessible housing.

- **People experiencing homelessness**. According to the Mid-Willamette Valley Homeless Alliance report, 1,683 people across Polk and Marion counties were experiencing homelessness as of January 2023. People experiencing homelessness have elevated needs for affordable housing, which is sometimes provided with intensive services and given the designation "permanent supportive housing."

The city's housing need is described in greater depth in Section 2: Independence's Housing Needs.

Independence's HPS Actions

Throughout 2024, City staff—alongside contracted consulting partners—gathered input from community stakeholders and developed a list of housing actions aimed at addressing the overall and population-specific housing needs identified in the City's 2023 HNA and Section 2 of this report. The list of actions draws directly from community members' suggestions, the team's policymaking experience, an ongoing review of Independence's existing policies and practices, best practices research, and a list of potential actions published by Oregon's Department of Land Conservation and Development (DLCD).

The actions are divided into four categories: Partnership & Communication, Regulatory, Incentive & Investment, and Land. Section 5: Actions to Meet Future Housing Need offers a detailed summary of each action that offers the following information:

- A description of the action
- The types of housing need the action addresses (across income, housing type, and tenure)
- An estimate of magnitude of the action's impact on housing production
- Steps to implement the action, considerations for implementation, and a timeline for implementation

Each of the actions will impact the production of needed housing over time, with some actions having nearer-term effects and others longer-term effects.

Partnership & Communication Actions

- Action 1.1: Housing Working Group
- Action 1.2: Promote ADUs
- Action 1.3: Community Land Trust Partnerships
- Action 1.4: Institutional Landowner Partnerships
- Action 1.5: Technical Assistance

Regulatory Actions

- Action 2.1: Rezone Land to RH Zone
- Action 2.2: Increase Maximum Density in RH Zone
- Action 2.3: Encourage Dense Housing Types in MX Zone
- Action 2.4: Expand Housing Types in RS & RM Zones
- Action 2.5: Cottage Cluster Housing
- Action 2.6: Minimum Density in RM & RH Zones
- Action 2.7: Small Lot Homes in RM & RH Zones

- Action 2.8: Housing in Commercial Zones
- Action 2.9: Parking Requirements Reductions
- Action 2.10: Infill Standards & Review
- Action 2.11: Affordable Housing Review
- Action 2.12: Affordability & Accessibility Incentives
- Action 2.13: Manufactured Homes Preservation

Incentive & Investment Actions

- Action 3.1: Urban Renewal Areas
- Action 3.2: SDC Methodology
- Action 3.3: Infrastructure Grants

Land Actions

- Action 4.1: Inventory & Assess Land
- Action 4.2: Intergovernmental Agreements for Land
- Action 4.3: Land Banking

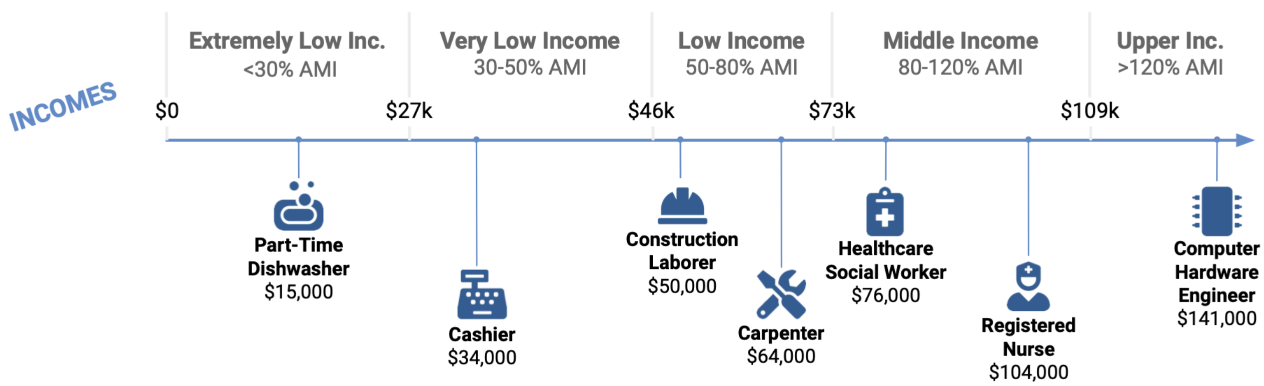
Methods and metrics to measure progress on implementation of these actions are included in Section 7: Measuring Progress.

2. Independence's Housing Needs

Understanding the Relationship Between Income & Attainability

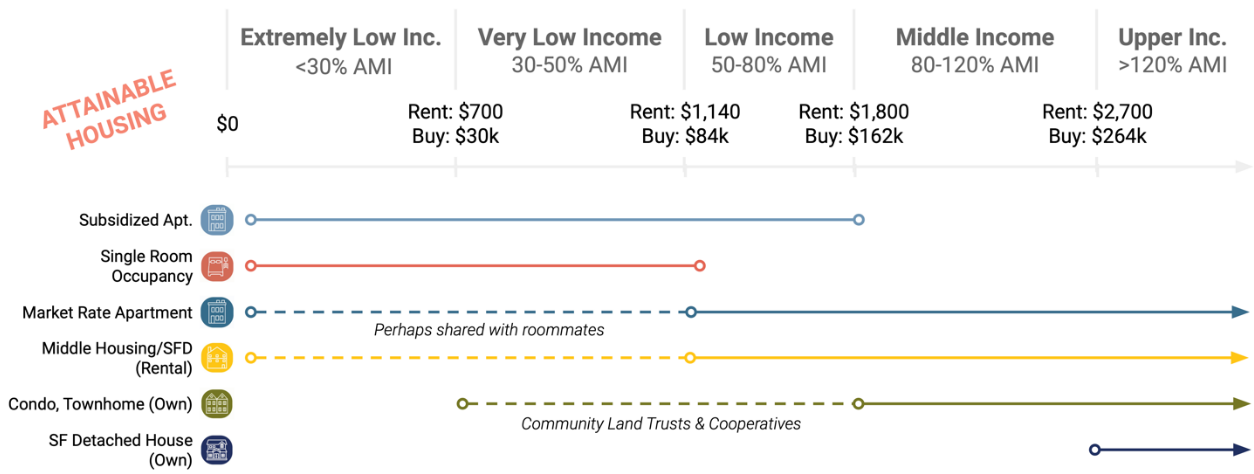
Income determines the housing pricepoint each household can afford. A variety of housing types are needed to serve households of different incomes.

Per the 2022 American Community Survey, Independence's median household income is $73,361, slightly below the statewide and county median income of $76,632 and $77,368, respectively. Despite tending to have more lower income households than a typical Oregon community, Independence still has a range of jobs and incomes. That income range is visualized below as a spectrum of wages common for different jobs in the community.



Bureau of Labor Statistics modeled wage estimates for Oregon (2022), assuming 40 hours per week is full time. Income levels are from the City of Independence's Housing Needs Analysis (Adopted 2023) and HUD FY 2024 Income Limits (ILs). Home value average is from Zillow (2024)

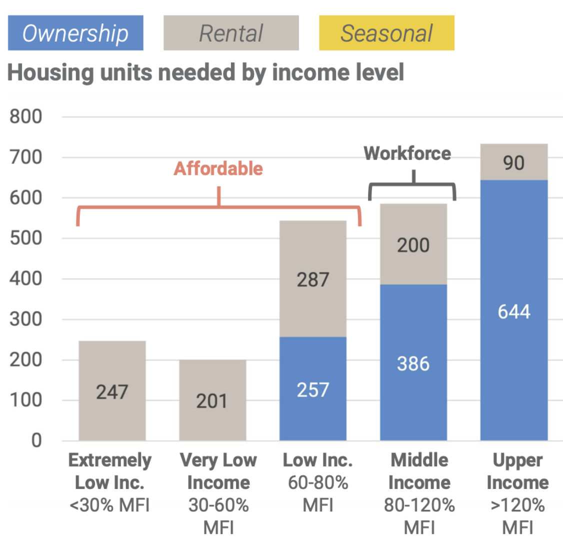
The amount of money a household earns determines how much it can afford to pay for housing. The conceptual diagram below illustrates that different types of housing (e.g. apartments, detached houses) are available at different pricepoints. Though the diagram is conceptual and not based on exact data or affordability calculations, it demonstrates the variety of housing types needed to serve the broad income spectrum of households in Independence.

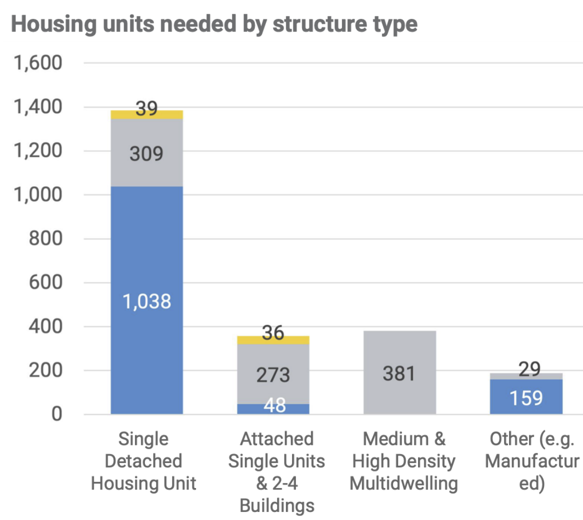


Attainable housing pricepoints are from Independence's Housing Needs Analysis (Adopted 2023).

Independence's Housing Needs Analysis found that 2,312 new housing units will be needed over 20 years, including 992 units affordable to households earning less than 80% of the Median Family Income.

Independence's housing needs analysis found that the city will need new housing units serving the full income spectrum and taking a variety of forms, from detached single-family houses to multi-unit dwellings. The Housing Needs Analysis projected that over 40% of the housing need will be for various forms of attached housing, like townhomes, plexes, and apartments. This need breakdown roughly corresponds to Independence's existing housing typology (as shown in the section below), as well as its tenure split (which was 41% renters and 39% homeowners in 2022).





City of Independence Housing Need Analysis, Adopted May 2023

Community Demographic Profile

The City of Independence is a unique community demographically. Per the 2022 American Community Survey:

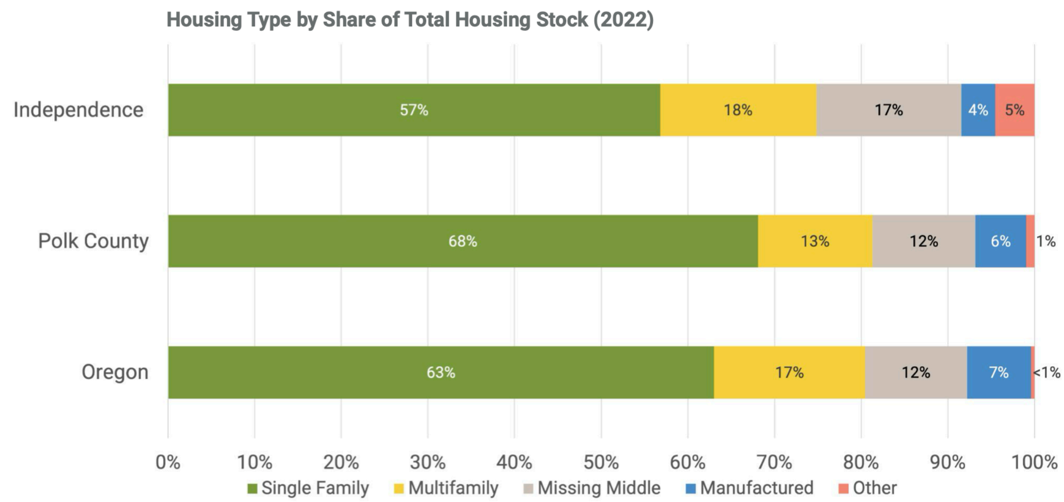
- **Independence is quite diverse racially.** Roughly 44% of Independence residents are people of color, significantly above the statewide rate of 27%. Latino (38%) residents are the largest of Independence's communities of color, with Multiracial (5%) populations comprising a smaller proportion.
- **Independence is relatively young**. About 26% of Independence's residents are under the age of 18, above the statewide share of 20%. Conversely, about 10% of residents are seniors, below the statewide share of 18%.
- **Independence has a higher proportion of renters than the state as a whole**. About 41% of Independence's households rent. Comparatively, renters comprise just over a third of households in Polk County (35%) and in the state as a whole (37%).
- **Median incomes in Independence are similar but smaller to the region and state**. The median household income in Independence is about $4,000 below the county median, and $3,000 below the statewide median, suggesting that the city's residents have a moderately smaller budget for housing.

	Independence	Polk County	Oregon
Race and Ethnicity			
American Indian or Alaska Native	0.0%	1.2%	0.7%
Asian	0.6%	1.8%	4.4%
Black	0.6%	0.6%	1.8%
Hispanic or Latino	38.2%	15.1%	13.8%
Native Hawaiian or Pacific Islander	0.0%	0.4%	0.4%
Other Race	0.3%	0.4%	0.4%
Two or More Races	4.6%	4.8%	5.2%
White	55.7%	75.6%	73.3%
Age			
Under 18	25.6%	22.2%	20.2%
18 - 64 years	64.8%	59.3%	61.5%
Over 65	9.6%	18.5%	18.3%
Tenure			
Renters	40.7%	34.9%	36.8%
Homeowners	59.3%	65.1%	63.2%
Median Household Income			
	$73,361	$77,353	$76,632

American Community Survey 2022 5-Year Estimates, Tables B03002, B01001, B19013, and B25003

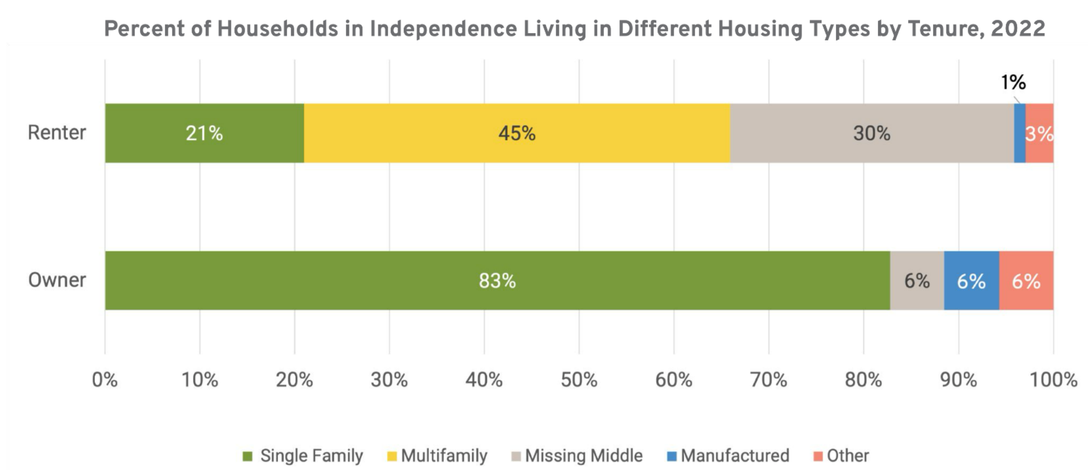
Existing Housing & Who Lives in Different Kinds of Housing

Per the 2022 American Community Survey, 57% of Independence's housing stock is detached single-family homes and 18% is multi-family units. This proportion stands in contrast with state and county totals where 63% and 68% of the housing is detached single-family and 17% and 13% is multi-family, respectively. The proportion however is similar to neighboring Monmouth and Salem.



American Community Survey 5 Year Estimates, Table B25024

Independence's renter households disproportionately live in multi-family (45%) and middle (30%) housing. Initiatives that support the further growth of multi-family and middle housing in Independence will help to meet the needs of renters and support a competitive rental market where rents are less likely to rise quickly.

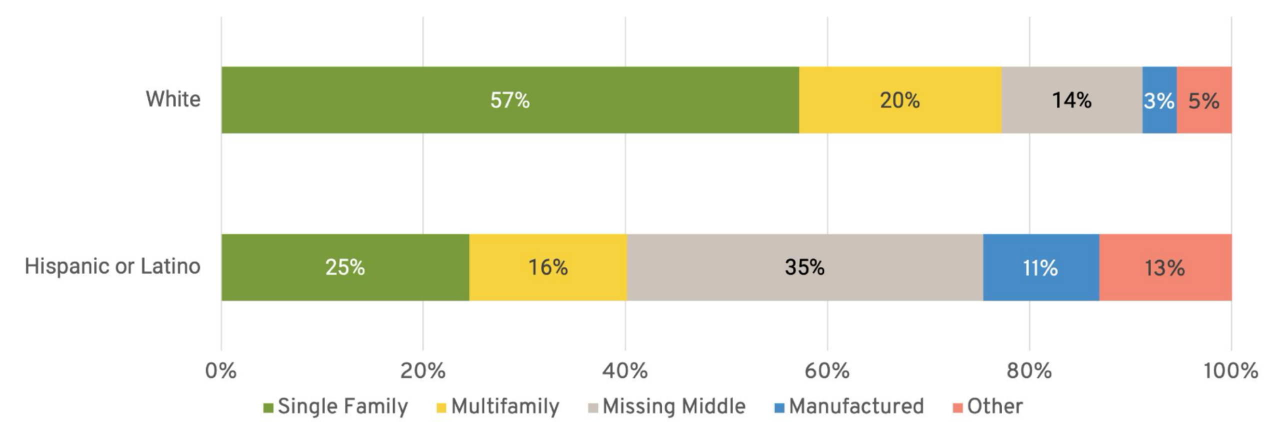


American Community Survey 5 Year Estimates, Table B25125

Households of color are less likely to live in detached single-family homes in Independence. According to the 2022 American Community Survey, 57% of White households live in detached single-family homes, while only 25% of Latino households live in the housing type. As a result, White households are more likely to benefit from the wealth-building opportunities that are associated with the homeownership of detached single-family homes.

The prevalence of missing middle housing, particularly townhomes, in Independence, however, does offer a different and often more affordable avenue to homeownership. 35% of Latino households live in missing middle housing, even though the housing type represents only 17% of housing stock. Still, just 6% of missing middle housing in Independence has an ownership option. Creating more ownership opportunities in the missing middle housing stock may be key to building homeownership among communities of color.

Percent of Households in Independence Living in Different Housing Types by Race, 2022



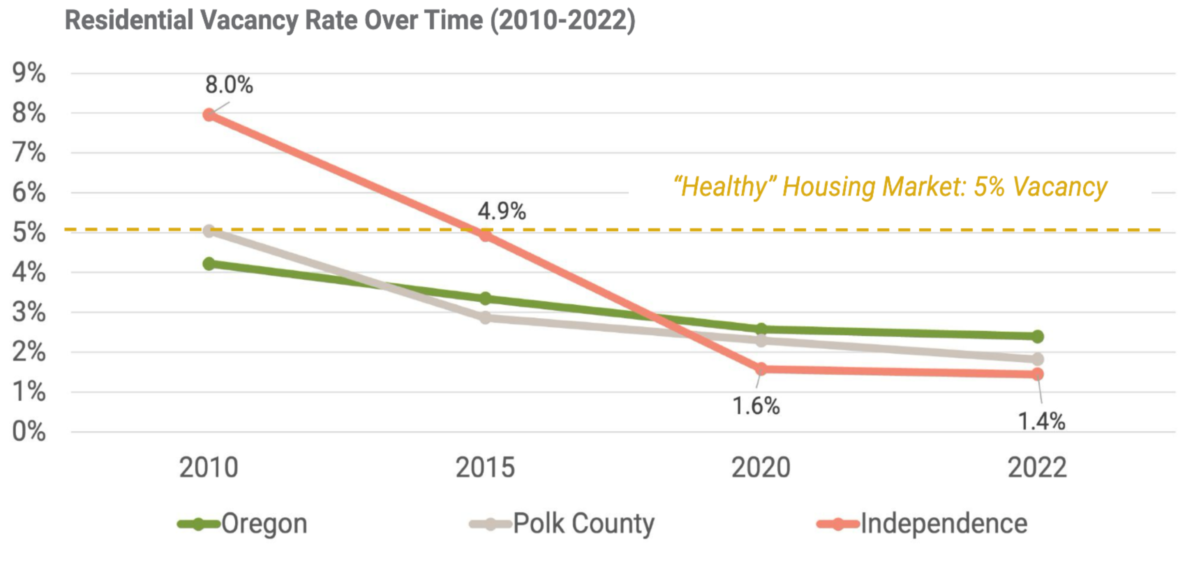
Data for certain racial and ethnic categories, specifically for American Indian or Alaska Native, Asian, Black, Native Hawaiian or Pacific Islander, Two or More Races and Other Race groups, are left out from this visualization due to exceptionally high margins of error. This limitation arises from smaller sample sizes or population counts, which results in unreliable estimates.

American Community Survey 5 Year Estimates, Table B25032

Housing Market Dynamics

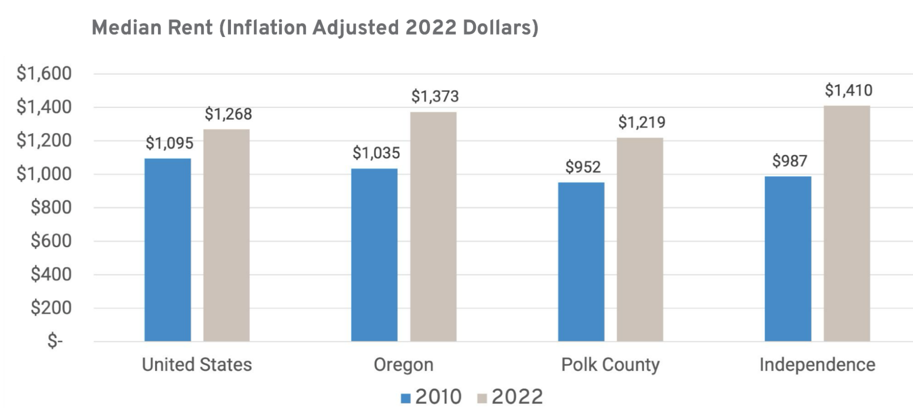
Vacancy and Cost

Much of Independence's 20-year housing need comes from expected growth. However, previous underproduction in the city has also contributed to the overall need. Independence's residential vacancy rate has fallen from a high of 8% in 2010 to a prohibitively low 1.4% in 2022. This nearly 7% point drop in the residential vacancy rate dramatically outpaces the county (a 3% point drop) and state (a 2% point drop) as a whole.

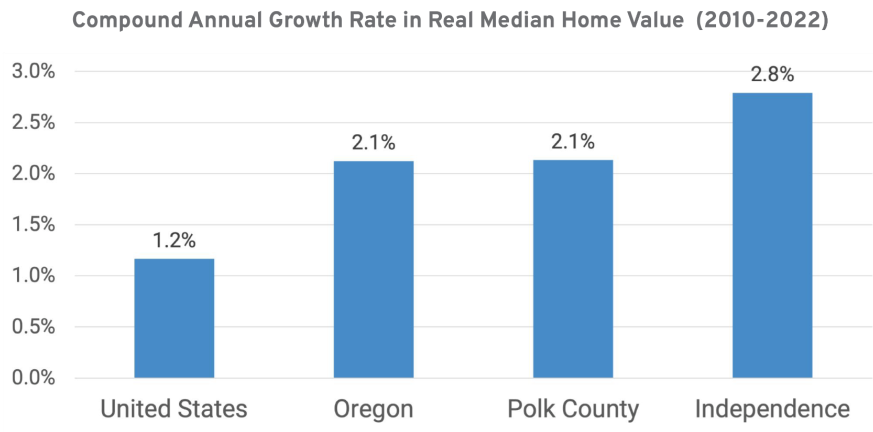


American Community Survey 5-Year Estimates, Table B25004. Includes typical market vacancy (e.g. for sale, for rent), excludes recreational and seasonal housing and "other" vacancy (e.g. abandonment, foreclosure)

When vacancy is low, price increases are more likely due to competition among renters and buyers for the limited available stock of housing. Between 2010 and 2022, Independence's median gross rents grew by over $423 per month after adjusting for inflation, compared with $340 per month statewide. Likewise, Independence's home values grew at a faster annual rate than state- and nationwide averages. Increasing housing supply and alleviating low vacancy is crucial to moderating future price increases.



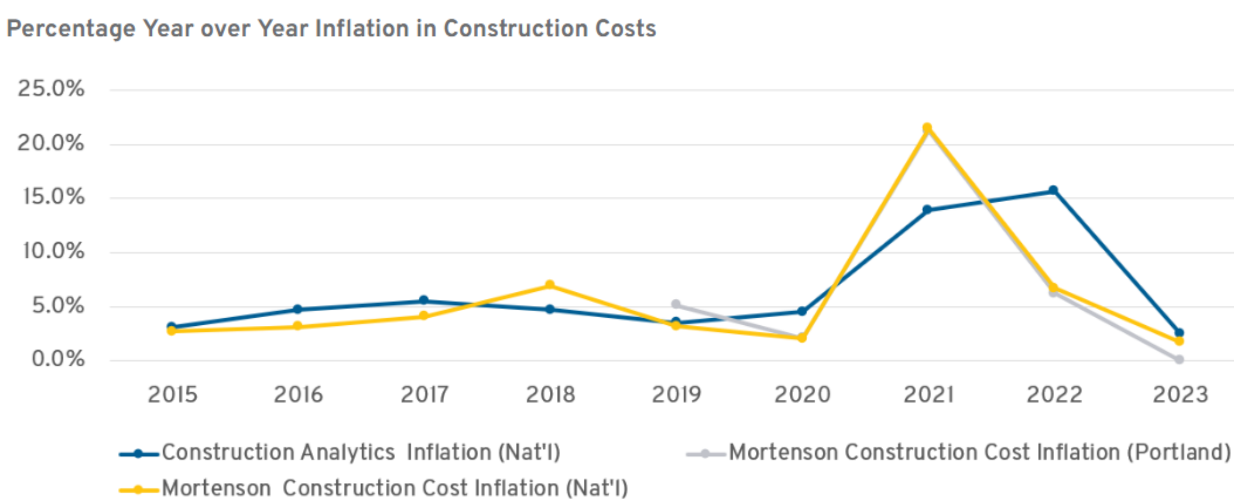
American Community Survey 5 Year Estimates, Table B25064



American Community Survey 5 Year Estimates, Table B25077

Existing and Expected Barriers to Production

Since 2020, development costs have risen sharply. Mortenson's Construction Cost Index indicates that the Portland region experienced a 29% increase in construction costs between 2020 and 2024. Developers reported similar construction cost inflation in Polk County and Independence. Interest rates have also increased since 2020, dramatically raising the cost of borrowing for both buyers and builders. These macroeconomic headwinds have caused the cost of development to rise to the point that some projects are no longer economically feasible at prices or rents that the market can support. These larger economic factors pose a significant barrier to the production of housing in the near-term .



Mortenson Construction Cost Inflation; Ed Zarenski Construction Inflation

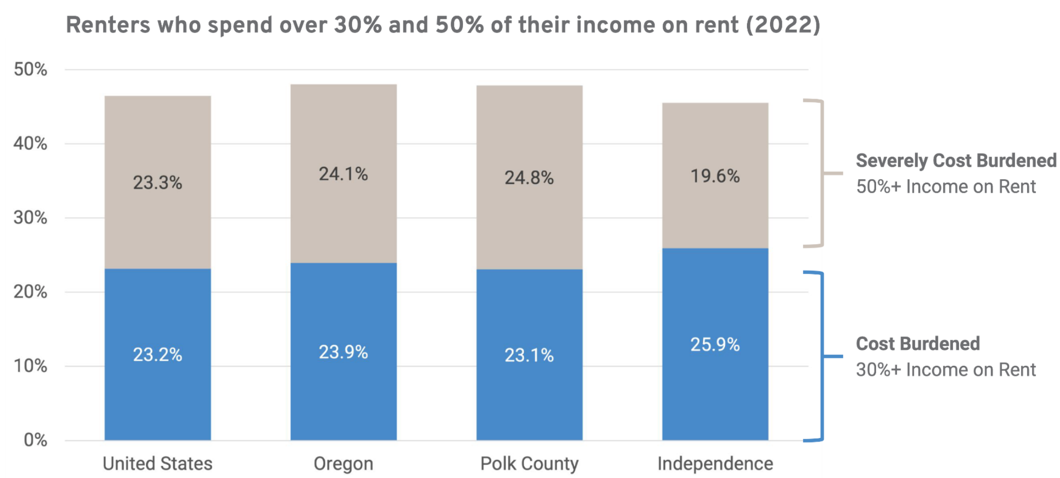
A statewide survey of government staff and developers by the University of Oregon's Institute for Policy and Research and Engagement reinforced the perspective that construction costs are major barriers to production. Six of the 12 barriers perceived by respondents as "extreme" had to do with construction costs (both materials and labor) and labor availability. The report also found that the land cost and the related availability of development-ready, adequately zoned sites were also considered major barriers.

Infrastructure, systems development charges, and various regulatory details were deemed to be more moderate barriers to production.

Real estate is cyclical, and eventually cost, price, and rent conditions will reach a new equilibrium in which development is more feasible. In the meantime, adopting policies to support lower development costs, broaden the labor pool, open land to development, and prepare the land for development will be crucial to addressing these difficult conditions.

Cost Burden

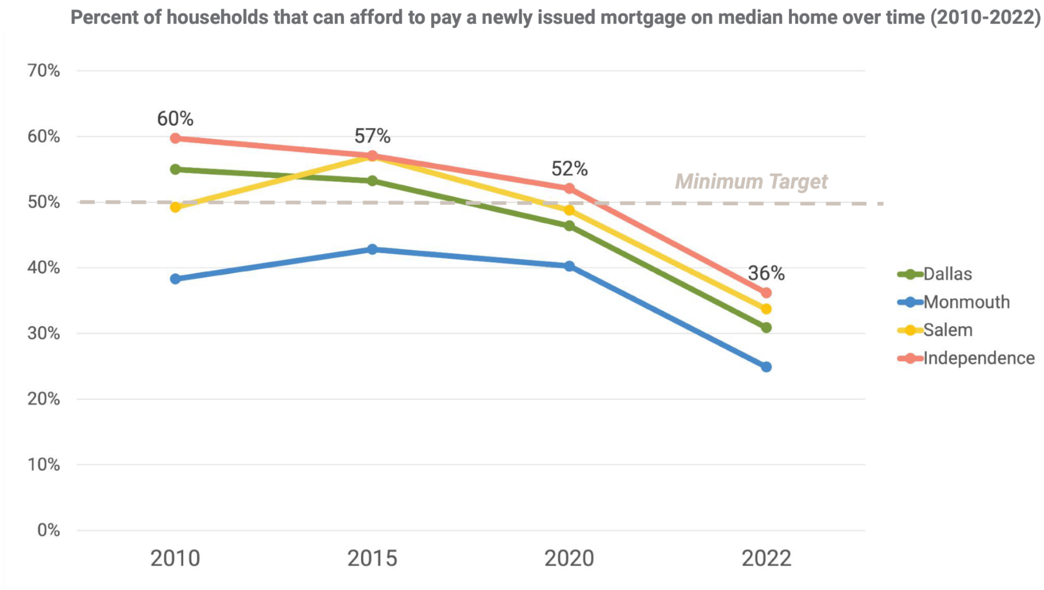
About 46% of Independence's 1,200+ renter households are cost burdened.



American Community Survey 5 Year Estimates, Table B25070

Per the 2022 American Community Survey, the share of renters that were considered cost-burdened and/or severely cost-burdened (46%) was comparable to national (46%), statewide (48%), and county (48%) averages. While comparable to conditions in other communities, many renters in Independence pay more than what is considered to be affordable for housing, especially given all other costs of living, such as food, healthcare, and education.

After price & interest rate spikes, fewer than half of households in Independence can afford a typical mortgage.



Zillow Home Value Index (seasonally adjusted, all for sale homes); Federal Reserve Bank of St. Louis (FRED) average 30-year mortgage rates; SmartAsset & Nerdwallet tax and insurance estimates for Oregon

The American Community Survey (ACS) tracks cost burden related to homeownership, but it does not provide an accurate, up-to-date picture of the current ownership housing market. This is because many homeowners reflected in the ACS data secured low mortgage rates and bought homes at lower prices decades ago, resulting in a lower cost burden today. A more accurate measure of housing affordability over time is the percentage of households that can afford a newly issued mortgage on a median-priced home.

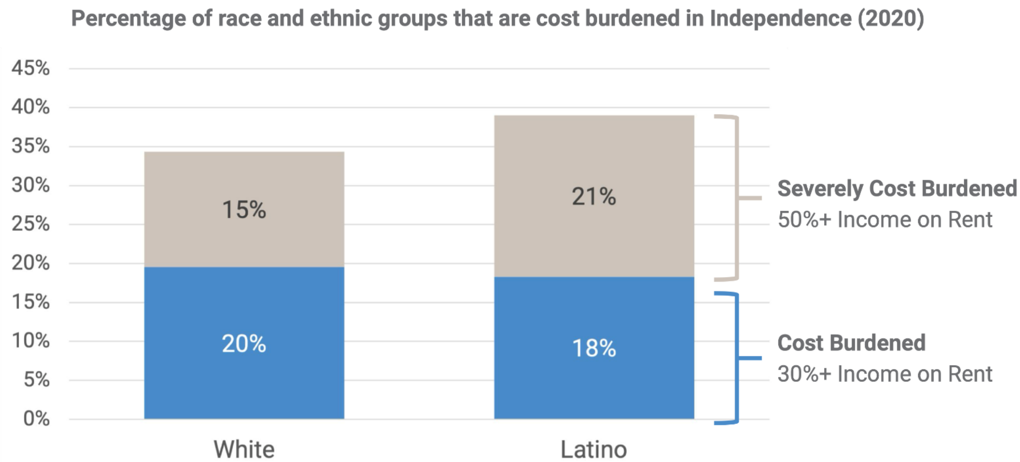
The majority of households in Independence were once able to afford to buy the median-priced home in the city. However, when interest rates climbed, Independence experienced a significant blow to the affordability of homeownership. Now, fewer than 40% of households can afford a newly issued mortgage on the city's median-priced home. Still, Independence is more affordable than neighboring cities. In Monmouth for example, just 25% of households can afford a newly issued mortgage. The housing cost increases will inevitably put more pressure on Independence's housing market, underscoring the urgent need to reduce barriers to housing development in the city.

Needs of Communities of Color

Statewide, Black & Latino households – whether owners or renters – are cost burdened most often than other households. Independence has a high percentage of Latino residents in particular.

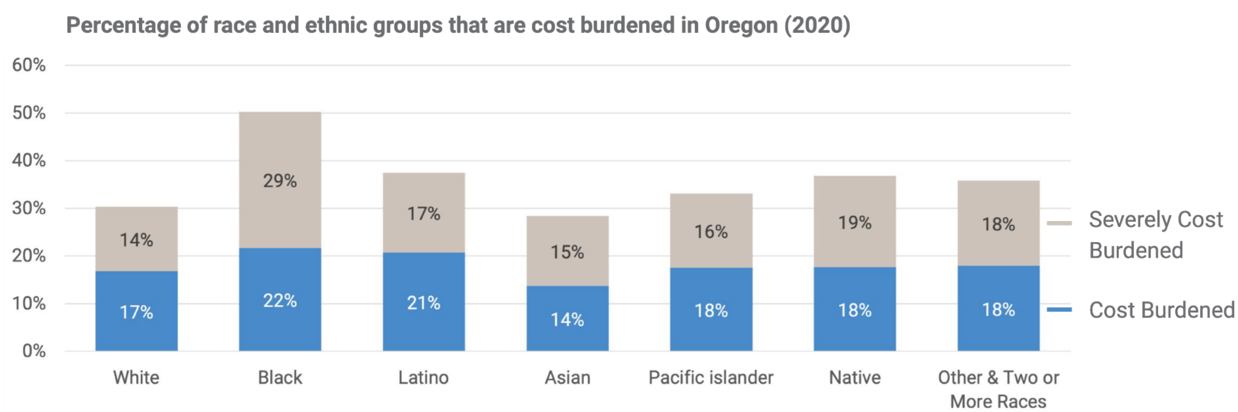
As explained above, roughly 44% of Independence residents are people of color, well above the share of the population statewide. Independence is 38% Latino, nearly three times the statewide share (14%). Per the latest available data from the Department of Housing and Urban Development (2020), roughly 39% of

Independence's Latino residents were cost burdened, surpassing the rate of cost burden among White residents (35%). Latino households were also more likely to be severely cost burdened.



HUD Comprehensive Housing Affordability Strategy (CHAS) data, Table 9, 2016-2020 estimates

Though margins of error are too high to evaluate housing cost burden broken down by other race categories in Independence, statewide trends suggest that communities of color - especially Black, Latino, and Native populations - tend to be cost burdened at the highest rates. This data highlights the importance of planning for the housing needs of communities of color across the state, including in Independence.



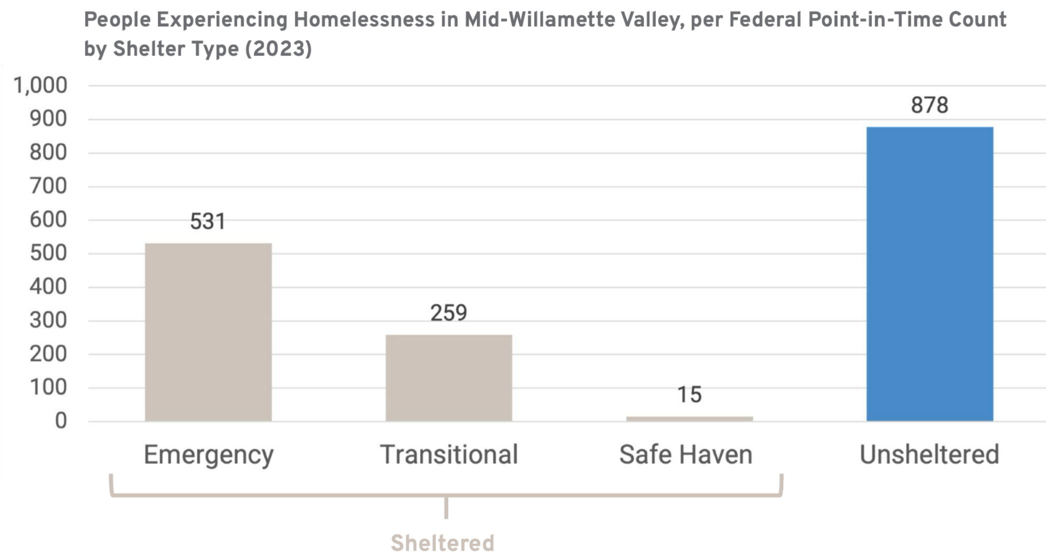
HUD Comprehensive Housing Affordability Strategy (CHAS) data, Table 9, 2016-2020 estimates

For further information on the housing needs of communities of color, see the "Needs of People Experiencing Homelessness" and "Existing Housing & Who Lives in Different Kinds of Housing" sections, which contain housing-need data disaggregated by race and ethnicity.

Needs of People Experiencing Homelessness

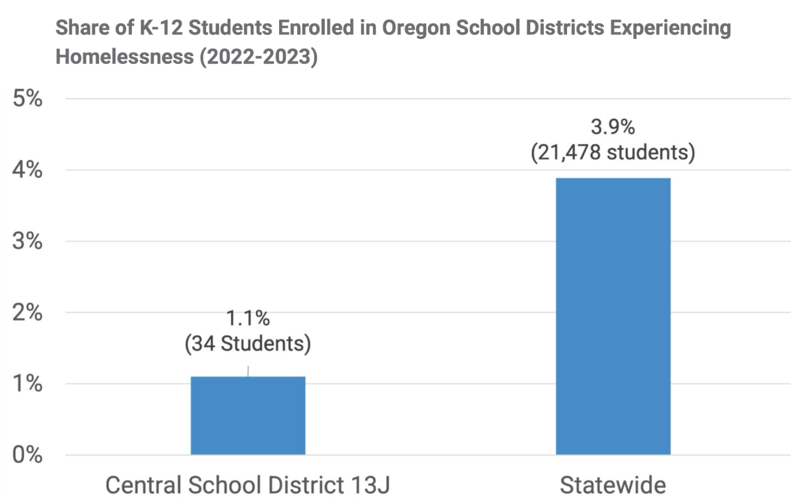
Homelessness Trends

According to the Mid-Willamette Valley Homeless Alliance January 2023 Point in Time Count, 1,683 people across Polk and Marion counties were experiencing homelessness. The majority of people experiencing homelessness were White (83%). However, individuals who were Multiracial (6%), Black (4%), American Indian (5%), and Native Hawaiian (2%) were disproportionately represented compared to the region's overall population.



County and Polk County Continuum of Care, Homeless Counts and PIT Resources. See https://mwvhomelessalliance.org/

McKinney Vento data on student homelessness from 2024 shows that about 1% of students in Central School District 13J are experiencing severe housing insecurity and homelessness. Statewide, 4% of students are experiencing or at risk of experiencing homelessness. Much of this homelessness is likely not reflected in the Point in Time count. McKinney Vento data suggests 22 students were living doubled-up with another family, six were living in a shelter, and six were living unsheltered.



McKinney Vento Act, 2022-2023 Houseless Student Data. See https://www.oregon.gov/ode/schools-and-districts/grants/esea/mckinney-

vento/pages/default.aspx

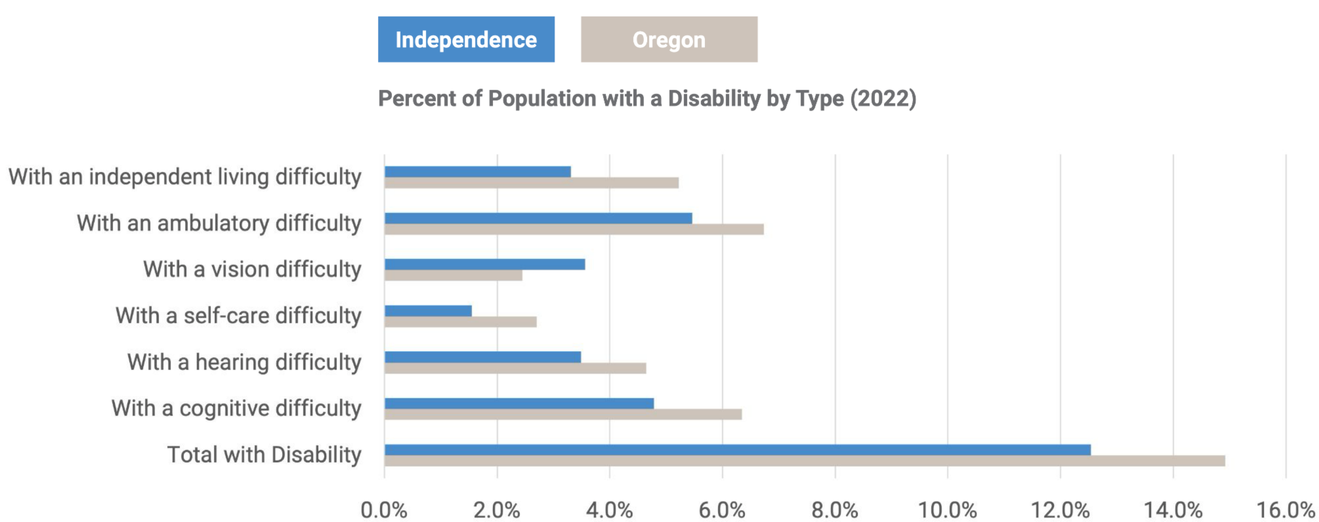
Homelessness Services Use and Provision

To combat the increase in homelessness, the County and region is responding with investment in the continuum of homelessness services, funded by a $1 million grant from the State of Oregon through House Bill 4123. Partners Aligned Toward Housing Solutions (PATHS) was established in 2022 as an advisory board to serve rural Polk County. Among other things, the board was responsible for developing a five-year strategic plan to combat and prevent homelessness in the region.

Needs of Seniors & People with Disabilities

Per the 2022 American Community Survey, Independence had a significantly smaller percentage of seniors than the state as a whole (10% vs. 18%). Still, the percentage of seniors in Independence had risen slightly over the last decade. Per the Department of Housing and Urban Development, about 47% of Independence's residents aged 62 and over face at least one of the following housing problems: cost burden, overcrowding, or inadequate kitchen or plumbing facilities. Statewide this figure was 33% , indicating seniors in Independence tended to have housing problems at much higher rates. Given the growth in the senior population and their housing challenges, senior needs are key to plan for, even if the Independence is several years behind the statewide curve for population aging.

The city also had fewer individuals with disabilities than the state as a whole (13% vs. 15%), likely due to Independence's relatively young population. As the city ages, it should expect the percentage of residents with a disability to rise.



American Community Survey 5 Year Estimates, Table S1810

People with disabilities are more likely than people without them to live in poverty. In Oregon, 21% of the population with a disability lives below the poverty line (compared with 10% of the non-disability population). While this data is not available at the city level, the statewide information implies that the Independence can expect to serve the needs of more households with disabilities if it successfully adds more housing affordable to lower-income households. People with disabilities likely want to live in

Independence but cannot afford to, and affordable options are key to serving the demographic. The City may additionally want to consider strategies to encourage the development of housing units that meet higher standards of accessibility for people with mobility impairments.

3. Community Engagement

Housing is a key issue in Independence, and the implementation of the Housing Production Strategy (HPS) will impact existing and future residents of the city. As such, the HPS was developed with input from a variety of community members and stakeholders, including residents, land and housing developers, representatives of historically marginalized communities, and policymakers. The engagement process included:

- Three meetings of an Advisory Committee (AC)
- Three joint work sessions with the Planning Commission and City Council
- Six stakeholder interviews, three with housing producers and three with representatives of historically marginalized communities
- A Virtual Open House and Community Survey open to the public

Advisory Committee Meetings

The HPS Advisory Committee (AC) was comprised of ten community members identified as experts on housing in Independence. The AC included representatives from Independence's housing development community (including multi-unit, detached, small home, land, and affordable housing developers), contractors, real estate brokers, lenders, and property managers. AC meetings were held in May, September, and November 2024 to review potential housing actions for the HPS, discuss priorities and concerns, and share community and policymaker feedback.

AC members quickly identified system development charges (SDCs) as a significant barrier to housing development in Independence, particularly for multi-family and single-family homes. According to AC members, recent SDC hikes, coupled with high land and infrastructure costs, have created a development environment where few projects are economically viable.

While lowering SDCs emerged as the most urgent action for housing production, AC members also identified the potential for URAs (Urban Renewal Areas), adjusting parking requirements, creating overlays to increase densities in certain areas, and promoting Accessory Dwelling Unit (ADU) development to reduce barriers to housing development.

Planning Commission and City Council Meetings

Joint Planning Commission and City Council work sessions were held in May, September, and December 2024 to provide an overview of the HPS requirements and process, receive feedback on the Contextualized Housing Need memo, and discuss and receive feedback on draft strategies and actions.

The Planning Commission and City Council committed to a proactive approach to address affordable housing challenges in Independence, with a focus on collaboration, creative solutions, and community-specific needs. The group discussed strategies to address the diverse needs of the community, including first-time homebuyers, seniors, and the Latino population. Considering the city's financial constraints, particularly its limited general fund and resources for housing incentives and investments, the group zeroed in on low- or no-cost strategies, including partnerships with affordable housing developers, institutional landowners like churches and hospitals, and utility providers. They also supported regulatory changes, such as zoning adjustments to encourage smaller, more affordable housing types, and determined actions, including Urban Renewal, required further evaluation.

Stakeholder Interviews

Targeted Engagement with Housing Producers

The consultant team collaborated with the City to identify and interview housing producers for their perspectives and experience in Independence. Housing producers included both private and non-profit housing developers, as well as other stakeholders in the development community. Below is a summary of the key themes that emerged from these interviews:

- SDCs are prohibitively costly in Independence. The fees may be stifling development and encouraging regional developers to build elsewhere. Experts interviewed encouraged the city to explore options for waivers, exemptions, or other routes to ease SDC fees.
- Land for development is hard to find in Independence. Affordable housing developers are particularly seeking the city's support to address this challenge. A City-maintained inventory of land that is most suitable for residential development in the near term could be useful. Partnerships between the City and developers to build on city-owned or other publicly owned land would also help meet housing needs.
- Developers are paying high costs for public works improvements. Pre-application processes do not always provide adequate certainty and predictability in terms of the extent and cost of city-required improvements.
- City planning staff in Independence have a reputation of being “affordable housing allies” and have, by all accounts, been great partners. Still, given the work required ahead, experts interviewed proposed that the HPS include creating a dedicated Housing Coordinator position as a strategy.

Targeted Engagement with Equity Priority Populations

The consultant team collaborated with the City to hold three focus groups comprised of stakeholders or organizations that work with equity priority populations. The goal of this engagement was to understand needs around accessing and navigating housing services; culturally specific housing types, preferences for design, amenities, transportation, and location; and social services and program needs. Below is a summary of the key themes that emerged from these discussions:

- There is a high demand for affordable housing options in Independence, including single-family homes, apartments, and smaller units like cottages or townhomes.
- There is a need for housing that accommodates diverse family sizes and structures, including multigenerational households and families with children.
- Accessibility is a concern, particularly for seniors and people with disabilities, underscoring the need for single-level units and accessible amenities.
- Stakeholders expressed a desire for more amenities such as private outdoor space, playgrounds, and community areas, and parking.

- Participants raised concerns about the impact of new housing on traffic, schools, and existing infrastructure.
- Renters faced challenges such as a high barrier to entry (high deposits for rentals) and too few units that accept housing vouchers.

Virtual Open House and Survey

In the Fall of 2024, the consultant group published an interactive website and online community survey to educate the public about the HPS project and solicit feedback on housing needs in Independence. Sixty-four people responded to the survey, 85% of whom lived in Independence. 70% of respondents were homeowners, and a majority self-described as White women between the ages of 35 and 54. Key themes from the survey are summarized below:

- The top three preferences for home alternatives in Independence were smaller detached houses on smaller lots, attached homes in a smaller building (townhouse, duplex, triplex, or quadplex), and ADUs
- Survey respondents overwhelmingly prioritized recreational amenities (i.e. playgrounds, nature parks, trails, etc.) as the most desirable feature to have near new housing development.
- Opinions were split on which unit types were hardest to find in Independence, with moderate consensus that three -and four-bedroom homes were harder to find than smaller units.
- Off-street car parking, private outdoor space (balcony, patio, yard), and homes designed for multigenerational living were "very important" housing-related features often missing in homes in Independence.
- The majority of survey respondents believed the following strategies would be important to prioritize if the City were to make changes to zoning and land use rules to encourage more housing production:
    - Creating more opportunities to build for-sale homes
    - Creating more opportunities to build rental homes
    - Reducing barriers to building unconventional housing types like tiny homes or modular homes
    - Using zoning rules to encourage builders to provide units that are required to be affordable to households with low or moderate incomes
- An overwhelming majority (73%) of respondents believed that housing production strategies should focus on creating homeownership opportunities for low- and moderate-income households. Respondents were less concerned about producing homes designed to accommodate people with disabilities or supportive services for people exiting homelessness.
- 66% of respondents supported the City working with other government agencies and institutions to repurpose land that is no longer needed for public uses to build affordable housing.

Integrating Community Feedback into HPS

Input from housing stakeholders, the Advisory Committee, the Planning Commission and City Council, and public shaped recommendations in the HPS. The insights from the engagement activities helped the consultant team focus on the types of strategies that would be the most effective in meeting

Independence's housing needs, while being supportable by the community. The general themes of this input included:

- There is broad consensus that development costs, including SDCs, are prohibitively high in Independence.
- There is an interest in assessing the feasibility of Urban Renewal to help facilitate affordable housing development and offset development costs.
- There is a need for more affordable housing options, particularly single-family housing options, for lower-income households and large intergenerational households.

Many of the Incentive & Investment and Regulatory actions are responsive to these themes, including recommendations to revise SDCs for housing development, pursue Urban Renewal to fund housing investments, and zoning changes that specifically address ownership housing options, including cottage housing and small lot single-family houses.

4. Actions to Meet Future Housing Needs

Each housing action in this document falls into one of four categories:

- Partnerships & Communication
- Regulatory
- Incentives & Investments
- Land

Each action is documented in a summary table, which includes a description; affordability, housing type, tenure, demographic targeted; magnitude of impact; implementation steps and considerations; and implementation timeline. Actions will impact the production of needed housing over time, with some actions having nearer-term effects and others longer-term effects.

Housing Need Targets

This section considers the anticipated impact of each action on housing needs in four areas:

Affordability Targets: This section evaluates the degree to which an action will help to produce housing affordable to various income levels. The evaluation is based on the housing types that are most likely to be produced as a result of the action and the extent to which the City can target the action to meet housing for certain income levels. The following descriptions and table summarize the affordability targets used for this report.

- **Deeply Affordable**: Deeply affordable housing refers to housing units that are affordable to households earning less than 30% of the area median income. These housing units are typically rental properties that are developed with public subsidies and include mechanisms such as deed restrictions to ensure residents meet income requirements.
- **Affordable**: Affordable housing refers to housing units that are affordable to households earning less than 60% of the area median income. Like deeply affordable housing units, affordable housing units are typically rental properties that are developed with public subsidies and include mechanisms such as deed restrictions to ensure residents meet income requirements.
- **Workforce**: Workforce housing refers to housing units that are affordable to households earning between 80% and 120% of the area median income. Workforce housing can be rental or ownership units that target middle-income workers, may or may not be developed with public subsidies, and may include employment-based deed restrictions to ensure residents work in the community where the housing is located.
- **Market**: Market-rate housing refers to non-subsidized housing properties that are rented or owned by those who pay market-rate rents or market value to purchase the property.

Attainable Monthly Housing Cost
(30% Family Income)

Affordability Target	Percent of Median Family Income (MFI)	Monthly Housing Cost Range
Deeply Affordable	Less than 30%	$530 or less
Affordable	30% to 80%	$530 to $1,412
Workforce	80% to 120%	$1,412 to $2,188
Market-Rate	Over 120%	$2,188 or more

Source: City of Independence Housing Needs Analysis 2023-2043, Appendix A, Exhibit 11

Housing Type Targets: This section evaluates the degree to which an action will help to produce single-detached, "missing middle," and multi-family housing. In this document, these terms are used to refer to housing types as defined below:

- **Single-Detached Housing:** A detached, single-family house located on its own lot.
- **Middle Housing:** A range of detached and attached housing types that are typically higher density than single-detached units and include smaller units, including duplexes, triplexes, quadplexes, townhouses, and cottage cluster housing.
- **Multi-Family Housing:** A development or building with five or more attached units located on a single lot.

Tenure Targets: This section evaluates the degree to which an action will help to produce housing that is either for sale or for rent.

Demographic Targets: This section evaluates the degree to which an action will meet the needs of households with specific socioeconomic and demographic characteristics.

Impact

The HPS considers the anticipated magnitude of impact, implementation steps and considerations, and implementation timeline for each action.

Magnitude of Impact: Each action is assessed for the magnitude of impact it is projected to have on meeting the targeted housing need, as described above. The actions are rated on scale with three tiers as follows:

*** **Low or no impact**: This indicates that the action is likely to have a minimal or limited effect on housing production generally or on meeting a specific housing need. It may support housing production, but on its own, it is not likely to spur new housing development.

*** **Moderate or potential impact**: This indicates that the action is likely to have a more substantial impact on housing production of the target housing type(s) or needs. The action may be impactful enough on its own to spur new housing development that meets a specific housing need.

*** **High impact**: This indicates that the action is likely to have a significant, wide-reaching impact on housing production of the target housing type(s) or would directly spur housing development that meets a specific housing need.

5. Actions by Implementation Timeline and Impact

Action Group	Action Title	Implementation Years 1-2	3-4	5-6	7-8	Action Impact
Partnership & Communication Actions	Action 1.1: Housing Working Group					High
	Action 1.2: Promote ADUs					Medium
	Action 1.3: Community Land Trust Partnerships					Medium
	Action 1.4: Institutional Landowner Partnerships					Medium
	Action 1.5: Technical Assistance					Low
Regulatory Actions	Action 2.1: Rezone Land to RH Zone					High
	Action 2.2: Increase Maximum Density in RH Zone					High
	Action 2.3: Encourage Dense Housing Types in MX Zone					High
	Action 2.4: Expand Housing Types in RS & RM Zones					Medium
	Action 2.5: Cottage Cluster Housing					Medium
	Action 2.6: Minimum Density in RM & RH Zones					Medium
	Action 2.7: Small Lot Homes in RM & RH Zones					Medium
	Action 2.8: Housing in Commercial Zones					Medium
	Action 2.9: Parking Requirements Reductions					Medium
	Action 2.10: Infill Standards & Review					Medium
	Action 2.11: Affordable Housing Review					Medium
	Action 2.12: Affordability & Accessibility Incentives					Medium
	Action 2.13: Manufactured Homes Preservation					Medium
Incentive & Investment Actions	Action 3.1: Urban Renewal Areas					High
	Action 3.2: SDC Methodology					High
	Action 3.3: Infrastructure Grants					Medium
Land Actions	Action 4.1: Inventory & Assess Land					Medium
	Action 4.2: Intergovernmental Agreements for Land					High
	Action 4.3: Land Banking					High

1. PARTNERSHIP & COMMUNICATION ACTIONS

HOUSING WORKING GROUP

Action 1.1

Convene a housing working group to pursue funding opportunities and implement housing actions

IMPLEMENTATION TIMELINE

1-2 Years	3-4 Years
5-6 Years	7-8 Years

ACTION IMPACT

High	Medium	Low

IMPACT TARGETS

AFFORDABILITY	
***	Deeply Affordable
***	Affordable
***	Workforce
***	Market-Rate
HOUSING TYPE	
***	Single-Family
***	Middle Housing
***	Multi-Family
TENURE	
***	For Sale
***	For Rent
DEMOGRAPHIC	
***	People of Color
***	People Experiencing Homelessness
***	People with Disabilities
***	Seniors

Description

Convene a housing working group composed of City staff, civic, institutional, faith-based, business, and construction (private, public, and nonprofit) stakeholders to meet regularly and lead the exploration of opportunities to facilitate both affordable and market-rate housing development. The activities of the working group could include:

- Meeting with large employers to identify ways to partner to provide workforce housing
- Assisting in the implementation of housing strategies identified in the HPS
- Meeting with developers to proactively pursue the State's New Housing Project Revolving Loan Fund and identify potential projects (see **Action 3.3)**
- Assessing land and conducting outreach to landowners to identify potential parcels for housing development (see **Action 4.1**)
- Making policy recommendations and resource requests based on the above conversations.

Magnitude of Impact

High impact. Facilitating collaboration among partners can lead to housing developments that would otherwise not have occurred.

Implementation Steps and Considerations

- The City should develop a list of stakeholders and organizations, recruit participation, and convene a housing working group.
- The group can help to support a pro-housing culture in Independence by:
    - Offering technical support to help stakeholders understand housing-related zoning and infrastructure needs, as well as opportunities to collaborate on funding opportunities.
    - Facilitating connections with local developers who may be interested in partnering to build on civic, institutional, faith-based, and employer-owned sites.
- The City should also understand stakeholders' ability to help with implementation and understand who can help be leaders in the housing working group to assist with action implementation and funding pursuits.
    - Staff time and funding may be necessary to engage with these organizations and assist with strategy implementation.

PROMOTE ADUS

Action 1.2

Promote the development of accessory dwelling units (ADUs)

IMPLEMENTATION TIMELINE

1-2 Years	**3-4 Years**
5-6 Years	7-8 Years

ACTION IMPACT

High	**Medium**	Low

IMPACT TARGETS

AFFORDABILITY

***	Deeply Affordable
***	Affordable
***	Workforce
***	Market-Rate

HOUSING TYPE

***	Single-Family
***	Middle Housing
***	Multi-Family

TENURE

***	For Sale
***	For Rent

DEMOGRAPHIC

***	People of Color
***	People Experiencing Homelessness
***	People with Disabilities
***	Seniors

Description

Make Accessory Dwelling Units (ADUs) easier and quicker for homeowners to build by providing resources to support and expedite the permit and development process. An important way to promote ADUs is pre-approved ADU building plans. Pre-approved plan sets are building designs that have been reviewed for compliance with the building code and any development standards regulating form and design. An applicant that proposes to use the plans would be eligible for a streamlined permit review.

The plans could be designed for constrained lots and to minimize the cost of construction to ensure they can be used widely. The plans could also feature accessibility and energy efficiency improvements to support other city goals and housing needs. Pre-approved plans would streamline permitting procedures for the housing types, thereby reducing development timelines, uncertainty, architectural costs, and other barriers to entry. Pre-approved plans would also reduce architectural costs and barriers to entry for less seasoned builders, such as homeowners.

Additional resources could include simplified guides for zoning and building code standards, webinars or education sessions, and/or a city webpage with links to these and other ADU resources.

Magnitude of Impact

Medium impact. Providing these resources will broaden the opportunity and lower the cost for homeowners to add additional units to their sites. In smaller markets with fewer developers, strategies that empower homeowners to add ADUs to their lots can result in meaningful additional housing. ADUs can be particularly suitable housing types for multigenerational households, a high-need housing type for Independence.

Implementation Steps and Considerations

- Determine if plan sets developed by DLCD can be adapted for the City.
- Engage with local developers, contractors, and homeowners who have built ADUs in Independence to understand common barriers and challenges to ADU development. Use feedback to position pre-approved plans and other information resources for success.
- The City would need to hire an architect or work with a higher education institution to produce plans. Consider a creative solution to developing pre-approved plan sets, such as partnering with a college or university to create a student competition to develop the best plans.
- Advertise the pre-approved plans and information resources to property owners, contractors, and builders.

COMMUNITY LAND TRUST PARTNERSHIPS

Action 1.3

Build partnerships with community land trusts

IMPLEMENTATION TIMELINE

1-2 Years	3-4 Years
5-6 Years	7-8 Years

ACTION IMPACT

High	**Medium**	Low

IMPACT TARGETS

AFFORDABILITY

***	Deeply Affordable
***	Affordable
***	Workforce
***	Market-Rate

HOUSING TYPE

***	Single-Family
***	Middle Housing
***	Multi-Family

TENURE

***	For Sale
***	For Rent

DEMOGRAPHIC

***	People of Color
***	People Experiencing Homelessness
***	People with Disabilities
***	Seniors

Description

Form partnerships with existing community land trusts operating in the region and other regions of the state in order to encourage them to operate in Independence (see **Action 1.1**) and be a recipient of the future disposition of land or land banking by civic or institutional partners (see **Land Actions**).

Community land trusts are nonprofit, community-based organizations that support long-term affordable housing development by controlling the underlying land and thereby reducing or eliminating the land cost for development. Community land trusts can take several forms, but most are administered by a nonprofit or nongovernmental entity with a mission of managing a portfolio of properties to support affordable housing development over many years. Many land trusts facilitate affordable homeownership units, which is a priority for the HPS actions.

Magnitude of Impact

Medium impact. There are few middle housing ownership options in Independence, and affordable homeownership housing is a priority for this HPS. If a local community land trust is formed or expanded as a result of city actions, it could have a significant impact on the number of income-restricted affordable homeownership units in the city. The magnitude of the impact depends on how well-funded the community land trust is and how many sites it is able to acquire.

Implementation Steps and Considerations

- The City can play a support role in the operation of a community land trust in Independence by helping to convene local housing organizations, charities, foundations, or other stakeholders on a periodic basis.
- One way the City could support a land trust partner is to assist with creating an inventory of suitable sites for housing development and then conducting an additional analysis to identify properties most suitable for development in the short-term based on infrastructure conditions, location, and other factors (see **Land Actions).**
- Consider supporting land trust partners with any land divisions, zoning changes, and other pre-development activities to bring certainty to these projects and shorten their development timelines.

INSTITUTIONAL LANDOWNER PARTNERSHIPS

Action 1.4

Connect institutional landowners to potential development partners

IMPLEMENTATION TIMELINE

1-2 Years	**3-4 Years**
5-6 Years	7-8 Years

ACTION IMPACT

High	**Medium**	Low

IMPACT TARGETS

AFFORDABILITY

***	Deeply Affordable
***	Affordable
***	Workforce
***	Market-Rate

HOUSING TYPE

***	Single-Family
***	Middle Housing
***	Multi-Family

TENURE

***	For Sale
***	For Rent

DEMOGRAPHIC

***	People of Color
***	People Experiencing Homelessness
***	People with Disabilities
***	Seniors

Description

Connect mission-driven institutional landowners, including civic, cultural, and religious organizations, with housing developers to develop housing on their land (see Land Actions).

Some institutional landowners may have property that exceeds their long-term needs. The landowners may also view income-restricted housing development and work benefiting homeless and very low-income populations as consistent with their missions and may therefore be interested in partnerships to support housing development. Parcels owned by institutions often have additional advantages, ranging from property tax exemptions to supportive legal provisions (ORS 227.500, SB 8 (2021)) to eligibility for specialized funding sources or fundraising mechanisms.

Magnitude of Impact

Medium impact. The magnitude of impact depends on how many institutional landowners have surplus land that they are willing to dedicate to housing development. However, even if the action resulted in one new housing development that served a very low-income population, the action could have a significant positive impact on the housing need.

Implementation Steps and Considerations

- Engage with civic, cultural, and religious organizations and other institutional landowners to understand long-term plans for their sites and assess their willingness or ability to participate in a public-private partnership or other development project.
- Offer technical support to help institutional landowners understand housing-related zoning and infrastructure issues and pursue applicable state and federal grants.
- Facilitate connections with local developers who may be interested in partnering to build on institution-owned sites.
- Given this action could provide the opportunity to reduce the cost of land for a housing project, focus these efforts on partnerships that will result in affordable or deeply affordable housing, which are most difficult to build without a range of subsidies, cost offsets, and funding sources.

TECHNICAL ASSISTANCE

Action 1.5

Provide information and technical assistance to small developers

IMPLEMENTATION TIMELINE

1-2 Years	**3-4 Years**
5-6 Years	7-8 Years

ACTION IMPACT

High	Medium	**Low**

IMPACT TARGETS

AFFORDABILITY

***	Deeply Affordable
***	Affordable
***	Workforce
***	Market-Rate

HOUSING TYPE

***	Single-Family
***	Middle Housing
***	Multi-Family

TENURE

***	For Sale
***	For Rent

DEMOGRAPHIC

***	People of Color
***	People Experiencing Homelessness
***	People with Disabilities
***	Seniors

Description

Provide information and technical assistance to small developers to assist with housing development, including helping to find suitable sites for housing development, helping to understand the land use permitting processes and incentive opportunities, and offering a sense of clarity and certainty about the requirements for housing development.

Small developers may not have the resources or expertise to navigate complex permitting and review processes and/or may be unaware of the potential resources available. However, they are a valuable part of the local developer pool, often taking on projects, such as smaller infill developments, that larger developers do not.

Magnitude of Impact

Low impact. While this action would help reduce uncertainty about city regulations and permitting processes, which would remove barriers to the development of certain housing types, the approach alone is unlikely to spur significant new housing development.

Implementation Steps and Considerations

- Produce clear, easy-to-use information that would be distributed on the City website or at City Hall. Gather common housing developer questions and prepare answers. Compile and provide the information as a fact sheet or FAQ on the City website and print for distribution at City Hall.
- Poll local small developers about specific workshops or information that would be helpful and work to present and provide the information when feasible.
- Offer webinars, YouTube videos, or training sessions to help small builders become familiar with the permitting process and available city resources.

2. REGULATORY ACTIONS

REZONE LAND TO RH ZONE

Action 2.1

Rezone land to the High Density Residential (RH) Zone

IMPLEMENTATION TIMELINE

1-2 Years	3-4 Years
5-6 Years	7-8 Years

ACTION IMPACT

High	Medium	Low

IMPACT TARGETS

AFFORDABILITY

*** Deeply Affordable

*** Affordable

*** Workforce

*** Market-Rate

HOUSING TYPE

*** Single-Family

*** Middle Housing

*** Multi-Family

TENURE

*** For Sale

*** For Rent

DEMOGRAPHIC

*** People of Color

*** People Experiencing Homelessness

*** People with Disabilities

*** Seniors

Description

Rezone approximately 10-15 acres of land from lower density zones (including RS, RM, or MX Zones) to the RH Zone to increase the supply of land that is zoned for multi-family and higher density middle housing types. Per findings of the residential land needs analysis, there is a very small surplus of housing capacity within the Urban Growth Boundary (UGB) for townhouse/plex and multi-family units and a large surplus of housing capacity for single-family detached homes. Rezoning land to the RH Zone would make more development sites available for multi-family and middle housing types and create opportunities for development of the higher density housing in a wider variety of locations. The effort would also help address equity and fair housing goals.

Magnitude of Impact

High impact. Rezoning land to the RH Zone helps ensure that developers and builders have sufficient land capacity to respond to the need and demand for higher-density housing.

Implementation Steps and Considerations

- Rezoning properties that lack sufficient access to infrastructure may require infrastructure extensions or upgrades to serve higher-density housing. Prioritize the rezoning of vacant or partially vacant properties with sufficient access to infrastructure and close to existing services and amenities to help minimize infrastructure costs during development and ensure a high quality of life for future residents.
- Rezoning in strategic locations, such as sites in Central Talmadge that are proximate to commercial services and the Monmouth-Independence Trolley, can help meet identified community needs for housing near services and transit.
- Higher-density housing may be perceived as incompatible with established patterns of lot size and house scale in some neighborhoods with predominantly single-family zones. This issue can be mitigated with appropriate development and design standards.
- Consider packaging this rezone with code changes outlined in Action 2.2 to maximize the overall benefit of changes to the RH Zone.

INCREASE MAXIMUM DENSITY IN RH ZONE

Action 2.2

Increase or replace the maximum density in the High Density Residential (RH) Zone

IMPLEMENTATION TIMELINE

1-2 Years	3-4 Years
5-6 Years	7-8 Years

ACTION IMPACT

High	Medium	Low

IMPACT TARGETS

AFFORDABILITY	
***	Deeply Affordable
***	Affordable
***	Workforce
***	Market-Rate
HOUSING TYPE	
***	Single-Family
***	Middle Housing
***	Multi-Family
TENURE	
***	For Sale
***	For Rent
DEMOGRAPHIC	
***	People of Color
***	People Experiencing Homelessness
***	People with Disabilities
***	Seniors

Description

Increase the maximum density in the RH Zone or remove the maximum density requirement entirely and replace it with a form-based regulation (such as Floor Area Ratio) to bring the density standard better into alignment with what is commonly achievable and market-supported.

The RH Zone's existing maximum density standard of 20 units per acre may create barriers to multi-family development by limiting the number of units that can be built. The RH Zone's existing maximum density standard is below the density that is commonly achieved in 3-story apartments in smaller towns or suburban areas. Multi-family developments can easily achieve densities of 25-35 units per acre even while meeting all parking, open space, and setback requirements.

Smaller and more affordable units are high-priority housing types for the HPS. Increasing or replacing the maximum density standard in the RH Zone would support the efficient use of land, help increase housing capacity, and encourage smaller units. If a developer has reached the maximum density for a site and cannot add more units, though the zoning envelope would otherwise allow a larger building, the developer is likely to build larger, more costly units.

Magnitude of Impact

High impact. Allowing more multi-family units per site reduces the land costs per unit, which enhances overall project feasibility and supports the creation of potentially affordable units.

Implementation Steps and Considerations

- Replacing the maximum density standard with a form-based regulation (such as Floor Area Ratio) would allow the City to regulate building form (and intensity of development) without unnecessarily restricting the number of units in a development.
- Specific density standards are not proposed at this stage. Further study of desired housing/building types is recommended to properly calibrate the maximum density or form-based regulation.
- If maximum density is replaced with a form-based regulation that is not appropriately calibrated to allow for commonly achieved densities, the standard can limit the number of units that can be built.
- Some areas in the RH Zone may require infrastructure extensions or upgrades to serve a larger number of units.

- Consider packaging this code change with rezoning changes outlined in Action 2.1 to maximize the opportunities for higher density housing.

ENCOURAGE DENSE HOUSING TYPES IN MX ZONE

Action 2.3

Modify the Mixed Density Residential (MX) Zone to encourage a higher share of middle housing and multi-family housing

IMPLEMENTATION TIMELINE

1-2 Years	3-4 Years
5-6 Years	7-8 Years

ACTION IMPACT

High	Medium	Low

IMPACT TARGETS

AFFORDABILITY

*** Deeply Affordable

*** Affordable

*** Workforce

*** Market-Rate

HOUSING TYPE

*** Single-Family

*** Middle Housing

*** Multi-Family

TENURE

*** For Sale

*** For Rent

DEMOGRAPHIC

*** People of Color

*** People Experiencing Homelessness

*** People with Disabilities

*** Seniors

Description

Modify the regulations of the MX Zone to more effectively encourage the development of the wider mix of housing types. The MX Zone includes about 289 acres of undeveloped land, approximately 80% of the City's remaining supply of buildable residential property. To help address future housing needs, the zone requires new development to incorporate at least 15% of the dwelling units as multi-family units or townhouses. While approved master plans for proposed developments show areas that are set aside to meet this minimum share of multi-family units or townhouses, few applicants have submitted building permits to build the units.

The residential land needs analysis assumed that currently submitted master plans would be built as proposed and that at least 20% of future units would be multi-family units or townhouses. However, it is possible that developers will modify their approved master plans and not achieve the anticipated mix of units. Under this action, the City would evaluate alternative approaches to both ensure future housing production meets the housing mix requirements and satisfies the required share of multi-family and middle housing units in the MX Zone.

Magnitude of Impact

High impact. The MX Zone includes a large amount of undeveloped buildable land – over three-quarters of the City's remaining supply of residential buildable acreage. This presents a significant opportunity for the City to ensure that future housing provision meets projected needs citywide.

Housing developers often find it easier to build higher-density housing on undeveloped land, compared to infill projects in existing neighborhoods. Some of the buildable land in the MX Zone is near transit and commercial and service centers. Encouraging higher density housing development in these areas supports the goals of the Central Talmadge Plan and Southwest Independence Concept Plan to create walkable, transit-accessible neighborhoods.

Implementation Steps and Considerations

- Implementation steps could include:
    - Evaluation of whether the current requirement for a master plan that identifies locations for non-single-family housing types is likely to result in those multi-family or middle housing units being developed in the future.
    - Engagement with property owners and developers to better understand their long-term plans for areas within the Southwest Independence Concept Plan.
    - Evaluation of alternative approaches to the housing mix requirement, such as identifying specific areas appropriate for multi-family or middle housing units and applying a zone that would require the areas to be developed with those types.
    - Consideration for increasing the minimum share of multi-family or middle housing units to 20-30%, which is more in line with citywide housing needs. The requirement could also allow other lower cost, higher-density housing types, such as small lot single-family houses or cottage cluster housing, to count toward the total.
- Higher-density housing may be perceived as incompatible with established patterns of lot size and house scale in some neighborhoods in the MX Zone. This issue can be mitigated with appropriate development and design standards.
- Some areas in these zones may require infrastructure extensions or upgrades to serve the higher-density housing.

EXPAND HOUSING TYPES IN RS & RM ZONES

Action 2.4

Allow a wider range of middle housing types in the Low Density Residential (RS) and Medium Density Residential (RM) Zones

IMPLEMENTATION TIMELINE

1-2 Years	**3-4 Years**
5-6 Years	7-8 Years

ACTION IMPACT

High	**Medium**	Low

IMPACT TARGETS

AFFORDABILITY

***	Deeply Affordable
***	Affordable
***	Workforce
***	Market-Rate

HOUSING TYPE

***	Single-Family
***	Middle Housing
***	Multi-Family

TENURE

***	For Sale
***	For Rent

DEMOGRAPHIC

***	People of Color
***	People Experiencing Homelessness
***	People with Disabilities
***	Seniors

Description

The RS and RM Zones currently only allow single-family detached houses, ADUs, townhomes, and duplexes. Expand permitted housing types in the RS and RM Zones to include triplexes and quadplexes to provide more affordable housing options in the zones. Ensure that the housing types are allowed at densities that would encourage their development, especially on smaller infill lots (see Actions 2.6).

Magnitude of Impact

Medium impact. Together, the RS and RM Zones have approximately 41 acres of buildable land. This code change would create opportunities for smaller and more affordable units on these sites.

Additionally, triplexes and fourplexes may be more feasible to develop than single-family homes or duplexes due to lower land costs per unit, which enables lower rents/prices. This action is expected to create opportunities for workforce or market-rate housing for rent and sale, both of which are needed in Independence. The action however will likely not result in the production of affordable or deeply affordable units without other targeted actions.

Implementation Steps and Considerations

- Consider allowing for triplexes and quadplexes at the same density that is allowed today for townhouses (1 unit per 2,500 square feet).
- This code update may include new design and site development standards for the housing types to ensure they are designed to be compatible with existing development patterns and intensities in the RS and RM Zones.
- Sections 37-43 of SB 1537 require local governments to allow certain adjustments to local code for housing development projects that are within UGB. Adjustments can include reductions in requirements for setbacks; common area, open space, and landscaping; parking minimums; minimum and maximum lot sizes; building lot coverage, height maximums; and bike parking. Consider allowed adjustments when calibrating the standards for triplexes and quadplexes in these zones to ensure that projects granted the adjustments still meet the desired form and density for the zones.
- Consider packaging this code change with code changes outlined in Actions 2.6 and 2.7 to maximize the overall benefit of changes to the zones.

COTTAGE CLUSTER HOUSING

Action 2.5

Allow cottage cluster housing in all residential zones

IMPLEMENTATION TIMELINE

1-2 Years	**3-4 Years**
5-6 Years	7-8 Years

ACTION IMPACT

High	**Medium**	Low

IMPACT TARGETS

AFFORDABILITY

***	Deeply Affordable
***	Affordable
***	Workforce
***	Market-Rate

HOUSING TYPE

***	Single-Family
***	Middle Housing
***	Multi-Family

TENURE

***	For Sale
***	For Rent

DEMOGRAPHIC

***	People of Color
***	People Experiencing Homelessness
***	People with Disabilities
***	Seniors

Description

Define cottage cluster housing as distinct housing type in the code and allow it in all residential zones that allow single-family dwellings. Establish new design and site development standards to ensure projects meet the desired intent for the housing type and facilitate the construction of smaller, more affordable units.

Magnitude of Impact

Medium impact. Affordable homeownership housing is a priority for the HPS, and this action could allow for the development of for-sale housing units affordable to moderate-income households. Cottage cluster housing is a proven model for delivering smaller, more affordable detached housing, particularly on infill sites. The development type is often attractive for occupants and tends to blend better with neighboring developments when compared to other housing types. The impact of this action depends in part on whether cottage cluster standards align with market feasibility for development.

Implementation Steps and Considerations

- Adopt a maximum floor area cap of 1,200-1,500 square feet to encourage smaller, more affordable units.
- Establish minimum lot sizes of 7,000-10,000 square feet to ensure cottage clusters can be built on smaller infill lots.
- Consider establishing new design and site development standards to ensure projects meet the desired intent of the housing type.
- The Department of Land Conservation and Development (DLCD) has developed a model code for cottage cluster housing that larger cities have applied to comply with House Bill 2001. This code could be a useful reference for an Independence-specific code.
- Establish a set of clear and objective standards for cottage clusters so that even in cases where planning commission review is triggered, approval can be achieved through clear and objective decision criteria.

MINIMUM DENSITY IN RM & RH ZONES

Action 2.6

Establish a minimum density in the Low Density Residential (RS) and Medium Density Residential (RM) Zones

IMPLEMENTATION TIMELINE

1-2 Years	**3-4 Years**
5-6 Years	7-8 Years

ACTION IMPACT

High	**Medium**	Low

IMPACT TARGETS

AFFORDABILITY

***	Deeply Affordable
***	Affordable
***	Workforce
***	Market-Rate

HOUSING TYPE

***	Single-Family
***	Middle Housing
***	Multi-Family

TENURE

***	For Sale
***	For Rent

DEMOGRAPHIC

***	People of Color
***	People Experiencing Homelessness
***	People with Disabilities
***	Seniors

Description

Introduce a minimum density RM and RH Zone to discourage the development of detached single-family homes on larger lots, encourage efficient use of the remaining buildable land, and promote the development of middle and multi-family housing.

Magnitude of Impact

Medium impact. Establishing minimum density could encourage a higher share of townhouse/plex units in the zones, which would help to ensure the remaining buildable land (about 41 acres) is developed with a mix of housing units. While this action is expected to encourage the development of smaller, more affordable homes, the approach will not likely result in the production of affordable or deeply affordable units without additional targeted action.

Implementation Steps and Considerations

- Specific density or lot area standards are not proposed at this stage. Further study of desired housing/building types is recommended to best calibrate the minimum density.
- Calibrate minimum densities with new density standards for triplexes and quadplexes (see Action 2.6) to ensure that all allowed housing types are allowed at densities that would encourage their development, especially on smaller infill lots.
- Consider packaging this code change with the changes outlined in Actions 2.4 and 2.7 to maximize the overall benefit of the proposals.

SMALL LOT HOMES IN RM & RH ZONES

Action 2.7

Allow for small lot detached houses in the Medium Density Residential (RM) and High Density Residential (RH) Zones

IMPLEMENTATION TIMELINE

1-2 Years	**3-4 Years**
5-6 Years	7-8 Years

ACTION IMPACT

High	**Medium**	Low

IMPACT TARGETS

AFFORDABILITY

	Deeply Affordable
*	Affordable
***	Workforce
***	Market-Rate

HOUSING TYPE

***	Single-Family
	Middle Housing
	Multi-Family

TENURE

***	For Sale
***	For Rent

DEMOGRAPHIC

**	People of Color
	People Experiencing Homelessness
**	People with Disabilities
**	Seniors

Description

Reduce the minimum lot size for single-family detached houses to 2,500-3,500 square feet in the RM and RH Zones to ensure efficient use of land and offer opportunities for smaller single-family dwellings that may be more affordable than detached homes on larger lots.

The existing minimum lot size of 5,000 square feet for a single-family detached house in RM and RH Zones is a barrier to more attainable, smaller houses on smaller lots. To build on lots smaller than 5,000 square feet, the current code requires attached houses (townhomes or rowhouses) to be constructed. Based on input from developers and community members, having the additional option to construct a conventional detached single-family home is desirable.

Magnitude of Impact

Medium impact. Allowing small lot detached homes in the RM and RH Zones could potentially allow for the subdivision of large lots into more home sites, increasing opportunities for housing development and potentially facilitating the development of for-sale units that are affordable at workforce income levels.

Implementation Steps and Considerations

- Consider how reduced lot sizes align with density standards. A subdivision with 3,500 square-foot lots would have a density of 9-10 units per gross acre, which is within the current maximum density of the zone.
- Maximum lot coverage standards are 40% in the RM Zone and 45% in RH Zone. Typical square footages for 3-bedroom 2-bathroom single-family detached homes, a very common home size, are around 1,500 square feet, Coupling this action with an increase in lot coverage standards to 50% or 55% would allow for the development of this common home size.
- Demand for houses on smaller lots may be less than for homes on conventionally sized lots. However, given the lack of affordable for-sale housing, many households may be willing to trade smaller lots for lower costs.

- Sections 37-43 of SB 1537 require local governments to allow certain adjustments to local code for housing development projects that are within UGB. Adjustments can include 10% reductions for minimum and maximum lot size. Consider allowed adjustments when calibrating lot size standards to ensure that projects granted the adjustments still meet the desired form and density for the zones.
- Consider packaging this code change with the changes outlined in **Actions 2.4** and **2.6** to maximize the overall benefit of the changes to the zones.

HOUSING IN COMMERCIAL ZONES

Action 2.8

Reduce barriers to high-density housing development in commercial zones

IMPLEMENTATION TIMELINE

1-2 Years	**3-4 Years**
5-6 Years	7-8 Years

ACTION IMPACT

High	**Medium**	Low

IMPACT TARGETS

AFFORDABILITY	
***	Deeply Affordable
***	Affordable
***	Workforce
***	Market-Rate
HOUSING TYPE	
***	Single-Family
***	Middle Housing
***	Multi-Family
TENURE	
***	For Sale
***	For Rent
DEMOGRAPHIC	
***	People of Color
***	People Experiencing Homelessness
***	People with Disabilities
***	Seniors

Description

Reduce barriers to high-density housing in commercial zones. Barriers that may be addressed include:

- The prohibition of multi-family housing as a standalone use in the Mixed Use Pedestrian Friendly (MUPC) Zone
- The height limit in the Downtown Overlay Zone that limits buildings to 3 stories
- The relatively high open space and landscaping requirements

Additionally, requirements for ground-floor commercial can make multi-family housing development financially infeasible. Vertical mixed-use development tends to be expensive relative to multi-family development due to the more complex structural, design, infrastructure, and operational requirements.

Changing ground-floor commercial requirements and modifying regulations to reduce other barriers in commercial zones can facilitate high-density housing development in these areas.

Magnitude of Impact

Medium impact. There are approximately 11 acres of buildable land in commercial zones, some of which may be better suited for residential than commercial or vertical mixed-use development.

Financial pro-forma modeling of a typical development in the city's commercial zones found that allowing standalone residential development, reducing parking, and reducing landscaping could reduce minimum feasible rents by about 20% (from about $2,800 to $2,200).

Independence has a relatively high share of renters compared to the county and state, and the facilitation of rental housing development near commercial amenities is a high priority for this HPS. Providing flexibility in the location and type of residential opportunities in commercial zones can support this type of housing development.

Implementation Steps and Considerations

- Evaluate options for providing more flexibility for housing in one or more commercial zones.
- Commercial uses may not be viable in some areas, particularly off main streets, while residential uses may be in high demand.
- The City could define certain areas or street frontages where commercial uses are most desirable and feasible and only require ground floor commercial in those locations. This code change could be implemented

in some commercial zones where it is more appropriate to allow housing on the ground floor.

- Sections 37-43 of SB 1537 require local governments to allow certain adjustments to local code for housing development projects that are within UGB. Adjustments can include reductions in requirements for setbacks; common area, open space, and landscaping; parking minimums; minimum and maximum lot sizes; building lot coverage, height maximums; and bike parking. Consider allowed adjustments when calibrating the standards for multi-family housing in commercial zones to ensure that projects granted the adjustments still meet the desired form and density for the zones.

PARKING REQUIREMENTS REDUCTIONS

Action 2.9

Reduce minimum parking requirements for multi-family housing

IMPLEMENTATION TIMELINE

1-2 Years	**3-4 Years**
5-6 Years	7-8 Years

ACTION IMPACT

High	**Medium**	Low

IMPACT TARGETS

AFFORDABILITY	
***	Deeply Affordable
***	Affordable
***	Workforce
***	Market-Rate
HOUSING TYPE	
***	Single-Family
***	Middle Housing
***	Multi-Family
TENURE	
***	For Sale
***	For Rent
DEMOGRAPHIC	
***	People of Color
***	People Experiencing Homelessness
***	People with Disabilities
***	Seniors

Description

Reduce minimum off-street parking standards for multi-family housing. This action is recommended to be applied to specific locations where high-density housing is most appropriate and can benefit from alternative transportation options, such as along the Monmouth Street corridor and/or in the Central Talmadge area.

Magnitude of Impact

Medium impact. Facilitating housing proximate to alternative transportation is a high priority for this HPS. The current code requires at least one parking space per unit in all residential zones, which can be difficult to achieve in more dense developments. Reduced parking requirements in strategic locations proximate to alternative transportation options would support the efficient use of land and make multi-family housing more financially feasible.

Independence's communities of color disproportionally live in multi-family housing. Supporting the financial feasibility of multi-family housing can support the development of housing that serves Independence's non-White households.

Implementation Steps and Considerations

- Consider recalibrating the minimum parking requirement to scale the requirements based on the number of bedrooms or size of unit.
- Parking reductions could be limited to projects that include affordable or accessible units as addressed in **Action 2.11.**
- Consider packaging this code change with other code changes outlined in the **Regulatory Actions** section that target multi-family housing in order to maximize overall feasibility of multi-unit housing.

INFILL STANDARDS AND REVIEW

Action 2.10

Improve standards and streamline review processes for smaller infill housing projects

IMPLEMENTATION TIMELINE

1-2 Years	**3-4 Years**
5-6 Years	7-8 Years

ACTION IMPACT

High	**Medium**	Low

IMPACT TARGETS

AFFORDABILITY

***	Deeply Affordable
***	Affordable
***	Workforce
***	Market-Rate

HOUSING TYPE

***	Single-Family
***	Middle Housing
***	Multi-Family

TENURE

***	For Sale
***	For Rent

DEMOGRAPHIC

***	People of Color
***	People Experiencing Homelessness
***	People with Disabilities
***	Seniors

Description

Improve the design and development standards that apply to infill housing in existing neighborhoods. Existing development, design, and subdivision standards were primarily created to regulate development projects on larger “greenfield” sites on the edge of the city. The standards are ill-suited for infill development and may present unnecessary barriers to smaller infill housing projects. The regulations also may fail to result in housing that is compatible with the scale and character of the surrounding neighborhood.

Magnitude of Impact

Medium impact. Infill housing projects are an efficient use of buildable land and can result in more affordable housing types than conventional “greenfield” projects, if infrastructure costs are lower. Ensuring standards best suit the surrounding neighborhood will help alleviate resident concerns about the impact of infill development on existing neighborhoods.

Implementation Steps and Considerations

- Consider adjusting development standards (such as lot coverage, setbacks, and height) or adding new standards to ensure new housing is compatible in scale with existing housing in the surrounding neighborhood.
- Engage with local infill developers to understand the barriers and challenges to the review process. Consider aligning the developer outreach with engagement conducted to implement resources for small developers as outlined in **Action 1.5**.
- Ensure approval pathways for infill projects are clear, objective, and non-discretionary.
- Sections 37-43 of SB 1537 require local governments to allow certain adjustments to local code for housing development projects that are within UGB. Adjustments can include reductions in requirements for setbacks; common area, open space, and landscaping; parking minimums; minimum and maximum lot sizes; building lot coverage, height maximums; and bike parking. Consider allowed adjustments when calibrating the standards for infill projects to ensure that projects granted the adjustments still meet the desired form and density for the zones.

AFFORDABLE HOUSING REVIEW

Action 2.11

Expedite the land use and permit review process for affordable housing developments

IMPLEMENTATION TIMELINE

1-2 Years	**3-4 Years**
5-6 Years	7-8 Years

ACTION IMPACT

High	**Medium**	Low

IMPACT TARGETS

AFFORDABILITY

***	Deeply Affordable
***	Affordable
***	Workforce
***	Market-Rate

HOUSING TYPE

***	Single-Family
***	Middle Housing
***	Multi-Family

TENURE

***	For Sale
***	For Rent

DEMOGRAPHIC

***	People of Color
***	People Experiencing Homelessness
***	People with Disabilities
***	Seniors

Description

Expedite the permitting and site design review process for affordable housing developments to reduce the time and cost barriers that can arise from lengthy review. This action may involve establishing eligibility criteria for selecting projects that are prioritized for land use and building permit review. The action would also involve creating a clear internal process for how the permits would be prioritized and expedited.

Magnitude of Impact

Medium impact. Reducing land use and permit review timelines can meaningfully improve the financial feasibility of affordable housing projects that have tight margins. Expediting timelines can help reduce holding and carrying costs (such as property taxes, loan interest, and insurance), avoid construction cost escalation, and increase certainty for funders. The action can also support the faster production of affordable housing, a high-need housing type for Independence.

Implementation Steps and Considerations

- Engage with local affordable housing developers to understand the barriers and challenges in the land use and permit review process.
- Ensure approval pathways for affordable housing projects are clear, objective, and non-discretionary.
- Establish internal systems and procedures for expediting eligible projects.
- Consider supporting affordable housing developments that include land divisions or zoning changes to further shorten development timelines.

AFFORDABILITY & ACCESSIBILITY INCENTIVES

Action 2.12

Implement zoning incentives for affordable and accessible housing units

IMPLEMENTATION TIMELINE

1-2 Years	**3-4 Years**
5-6 Years	7-8 Years

ACTION IMPACT

High	**Medium**	Low

IMPACT TARGETS

AFFORDABILITY

***	Deeply Affordable
***	Affordable
***	Workforce
***	Market-Rate

HOUSING TYPE

***	Single-Family
***	Middle Housing
***	Multi-Family

TENURE

***	For Sale
***	For Rent

DEMOGRAPHIC

***	People of Color
***	People Experiencing Homelessness
***	People with Disabilities
***	Seniors

Description

Implement incentives such as increases in maximum density (density bonuses) or concessions on development standards (like parking requirements) for developers that provide housing units that are targeted to specific area median income levels and/or are accessible to people with disabilities.

A little more than 40% of the required housing in Independence will need to be affordable to households at or below 80% of AMI. Additionally, much of the community has voiced concern about accessibility challenge associated with many existing housing units, and many new units will need to be accessible as the population ages. This combination of issues disproportionally impacts seniors who have to navigate costly housing and issues associated with inadequate facilities as they age.

Zoning incentives can help to create additional units that can address affordability and/or accessibility needs, especially in projects developed by private, for-profit developers who would otherwise not provide the units.

Magnitude of Impact

Medium impact. This action directly addresses the need for income-restricted units and accessible units, both of which are high-need housing types for Independence. The effectiveness of the incentives will depend on whether the use of the incentives is economically beneficial for private, for-profit developers.

Financial pro-forma modeling for the HPS project found that a regulatory incentive for projects that include 20% units affordable to households earning 80% of AMI may make the project feasible for a private, for-profit developer.

Implementation Steps and Considerations

- This action will be completed in concert with other code changes that impact relevant standards (see Actions 2.1 and 2.8).
- The effectiveness of a regulatory incentive depends on the relative costs and benefits of using the incentive. The City should consult with developers, including affordable housing developers, and planning professionals when setting the incentive structure. Financial modeling may be useful in calibrating the incentive to local market conditions.

- Any incentive should clearly define the level of affordability that is required as a percentage of area median income and the overall percentage of units in a development. Similarly, if incentives target the creation of accessible units, the City should use accepted certification programs to ensure that the units meet minimum accessibility requirements, such as Universal Design or Lifelong Housing Certification.
- Implementing zoning incentives will require staff time to create and execute an enforcement process.
- 43 of SB 1537 require local governments to allow certain adjustments to local code for housing development projects that are within UGB. Adjustments can include reductions in requirements for setbacks; common area, open space, and landscaping; parking minimums; minimum and maximum lot sizes; building lot coverage, height maximums; and bike parking. Consider allowed adjustments when calibrating the zoning incentives for affordable and accessible units to ensure that projects granted the adjustments still meet desired the form and density for the zones.

MANFACTURED HOME PRESERVATION

Action 2.13

Use zoning regulations to preserve manufactured home parks

IMPLEMENTATION TIMELINE

1-2 Years	3-4 Years
5-6 Years	7-8 Years

ACTION IMPACT

High	**Medium**	Low

IMPACT TARGETS

AFFORDABILITY

*** Deeply Affordable

*** Affordable

*** Workforce

*** Market-Rate

HOUSING TYPE

*** Single-Family

*** Middle Housing

*** Multi-Family

TENURE

*** For Sale

*** For Rent

DEMOGRAPHIC

*** People of Color

*** People Experiencing Homelessness

*** People with Disabilities

*** Seniors

Description

Adopt zoning standards that would make it less likely that manufactured home parks are redeveloped. Manufactured home parks are a major source of affordable housing in Independence, though they can be a source of uncertainty. Most manufactured home residents do not own the land under their homes and are required to pay a monthly rent for the lot. Similarly, the movement of manufactured homes is often cost-prohibitive and, in some cases, illegal. If a park owner elects to redevelop the site, residents are likely to be displaced, and many would need to abandon the homes that they own. Given the lower income levels of park residents, many residents would be unable to find affordable replacement housing options.

Magnitude of Impact

Medium impact. The City includes three manufactured home parks with a total of 170 spaces, according to data from Oregon Housing and Community Services.[1] Given the critical role that manufactured home parks play in providing affordable housing options in Independence, preserving the parks via zoning standards is a meaningful way to protect the primarily low-income residents from displacement.

Implementation Steps and Considerations

- Some jurisdictions in Oregon and across the county have adopted "preservation zones" for manufactured home parks. These zones prohibit other housing types and discourage redevelopment of the parks. Property owners would need to be granted a rezone for the parks to be redeveloped with other uses.
- A preservation zone would limit development options for owners of manufactured home parks. Outreach and engagement with the property owners is recommended prior to adoption of such a zone.

[1] Source: Oregon Housing and Community Services, Oregon Manufactured Dwelling Park Directory: https://geo.maps.arcgis.com/apps/webappviewer/index.html?id=896392f4982d4d65a40b16fcd89852fa

3. INCENTIVE & INVESTMENT ACTIONS

Action 3.1

Pursue an Urban Renewal Area (URA) to fund housing investments

MPLEMENTATION TIMELINE

1-2 Years	3-4 Years
5-6 Years	7-8 Years

ACTION IMPACT

High	Medium	Low

IMPACT TARGETS

AFFORDABILITY

***	Deeply Affordable
***	Affordable
***	Workforce
***	Market-Rate

HOUSING TYPE

***	Single-Family
***	Middle Housing
***	Multi-Family

TENURE

***	For Sale
***	For Rent

DEMOGRAPHIC

***	People of Color
***	People Experiencing Homelessness
***	People with Disabilities
***	Seniors

Description

Pursue the formation of a new URA in a strategic location, such as Central Talmadge or Southwest Independence, to support housing development. Under this action, a major emphasis of the new Urban Renewal plan would be to support the housing types that are the most difficult to construct without financial support. A significant portion of the tax increment and supportable debt would be allocated to housing investments.

URA funding is a flexible tool in that it can be used for a variety of projects and initiatives depending on the district's location and housing goals. Examples include infrastructure projects, land acquisition and assembly, direct investments in housing developments, or financial incentives for housing developments such as system development charge waivers.

Given that a URA is one of a very limited set of tools available to the City to fund housing-related investments and incentives, it is recommended that the URA prioritize the supporting of projects that are the most difficult to construct without financial support, primarily income-restricted affordable housing units that are not tax-exempt. The URA could support both affordable rental housing, including income-restricted units in mixed-income housing developments, and homeownership housing.

Magnitude of Impact

High impact. Urban Renewal is one of the most significant and flexible sources of funding for housing production at the local level. When properly implemented, it can generate meaningful funds that can improve financial feasibility of housing development within the URA.

Implementation Steps and Considerations

- The City is legally permitted to establish around 208 acres of additional urban renewal area.
- The first steps would be to conduct a feasibility study to evaluate whether the legal conditions for creating a URA could be met and estimate the potential revenue that could be collected in the district.
- A new or expanded URA must be approved by other overlapping tax districts. Meet with the districts to garner support. Consensus will need to be reached before a new URA can be established.
- If a new or expanded URA is deemed feasible, the City could develop a URA plan that prioritizes income-restricted units.
- Urban renewal can fund infrastructure investments, allowing for the efficient upgrade of infrastructure systems in tandem with new housing development.

SDC METHODOLOGY

Action 3.2

Implement strategies to reduce the cost of System Development Charges (SDCs) for housing development

IMPLEMENTATION TIMELINE

1-2 Years	**3-4 Years**
5-6 Years	7-8 Years

ACTION IMPACT

High	Medium	Low

IMPACT TARGETS

AFFORDABILITY

***	Deeply Affordable
***	Affordable
***	Workforce
***	Market-Rate

HOUSING TYPE

***	Single-Family
***	Middle Housing
***	Multi-Family

TENURE

***	For Sale
***	For Rent

DEMOGRAPHIC

***	People of Color
***	People Experiencing Homelessness
***	People with Disabilities
***	Seniors

Description

Evaluate the feasibility of revising the SDC methodology to reduce fees for residential development. The current SDC fees are set in order for the City to meet its funding needs for long-term, citywide capital improvement plans for water, wastewater, stormwater, parks, and transportation.

However, current SDC rates are high relative to neighboring jurisdictions: the total SDC for a new single-family house in Independence is approximately $51,000, and the total SDC cost for a duplex or multi-family unit is slightly less. This cost impacts the affordability of housing by raising the minimum sale price/rent that must be achieved for a project to be economically viable. In some cases, a high SDC rate can discourage developers from building in Independence in favor of other jurisdictions with lower rates.

Implementation of this action may include one or more of the following strategies:

- Pursuing state and federal grants to fund capital projects and updating the SDC rate methodology to account for projects being funded from these sources (**Action 3.3**).
- Utilizing a new Urban Renewal Area to fund projects that are currently slated to be funded through SDC revenue (**Action 3.1**)
- Potentially removing or modifying some projects on the capital improvement program used to set SDC rates because the projects are less critical to complete or could be redesigned to be less costly.
- Scaling SDC rates by unit size, location, or housing price/rent level to mitigate the impact of SDCs on projects that generate lower impacts on infrastructure systems or are unduly burdened by the costs of SDCs relative to other projects.

Magnitude of Impact

High impact. SDCs are currently a substantial upfront cost to housing development. Reduced fees can impact a developer's decisions about whether to pursue development in Independence or whether a project is economically feasible. The impact of high SDCs on feasibility is especially acute for affordable housing developments. Scaling SDCs for lower cost housing can help these projects address financing gaps and achieve feasibility.

Implementation Steps and Considerations

- Consider incorporating a sliding scale into the recalibrated fee schedule for smaller units and/or income-restricted units. A sliding scale by unit size would better align impacts with costs and incentivize the development of smaller units, which are a needed housing type that tends to be more affordable. To scale by size, the City could establish a “Single-Family Equivalent” standard that allows smaller units, such as compact houses, cottage cluster units, and ADUs, to pay a lower fee than larger homes. Another option would be to scale the fees by the square footage of the unit. To scale for affordable housing units, the City could establish an area median income threshold and ensure that all units receiving the scaled fee are affordable for a specific number of years.
- In the recalibrated fee structure, consider reducing fees for housing development in locations that are proximate to commercial services or transit. These units tend to generate fewer automobile trips and therefore have a reduced impact on the transportation system. Reducing fees for units in less automobile-dependent locations would encourage the development of housing near transit and support housing goals of planning efforts like the Vision 2040 Plan and the Central Talmadge Plan.
- If scaling or reducing fees for certain unit sizes or units in certain locations, consider the potential need to increase fees at the other end of the scale to achieve revenue neutrality. Ensure that fees at the upper end of the scale are not so high that they discourage housing development.
- Reducing fees may result in lower overall fee revenue. However, revenue shortfalls can be mitigated by seeking grants and other funding for capital improvement projects (see **Action 3.3**).

INFRASTRUCTURE GRANTS

Action 3.3

Proactively pursue state and federal grants for infrastructure projects

IMPLEMENTATION TIMELINE

1-2 Years	3-4 Years
5-6 Years	7-8 Years

ACTION IMPACT

High	**Medium**	Low

IMPACT TARGETS

AFFORDABILITY

***	Deeply Affordable
***	Affordable
***	Workforce
**	Market-Rate

HOUSING TYPE

***	Single-Family
***	Middle Housing
***	Multi-Family

TENURE

***	For Sale
***	For Rent

DEMOGRAPHIC

**	People of Color
**	People Experiencing Homelessness
**	People with Disabilities
**	Seniors

Description

Proactively identify and pursue state and federal grants to fund capital improvement projects. Infrastructure grants would provide an alternative source of funding for capital improvement projects beyond SDC revenue, the current primary funding source for projects. Securing grant funding for high-priority infrastructure projects could allow for the City to reevaluate the SDC fee methodologies outlined in Action 3.2 by removing the cost of the projects from the SDC fee calculation.

Magnitude of Impact

Medium impact**.** While securing infrastructure grants will not directly spur housing development, identifying alternative funding for capital improvement projects would give the City the flexibility to reduce SDCs or other off-site infrastructure improvements that may be required for an individual development project.

Implementation Steps and Considerations

- Pursue new funds. Recent state legislation has provided additional funding to support housing development. One example is Oregon Housing and Community Services' new SB 1537 Revolving Loan Fund. The purpose of the $75 million Revolving Loan Fund is to fill financing gaps for needed housing. Local jurisdictions control project selection and borrow from the loan fund to make grants to local developments, with a 10-year payback target to be repaid through the growth in property taxes derived from the new development. Eligible housing developments include single-family, middle housing, multi-family, and ADUs for sale or for rent below 120% of the area median income. Eligible costs for the grant include infrastructure costs, as well as system development charges (SDCs), pre-development costs, construction costs, and land write-downs. Additionally, the housing developments must be taxable and not be in a Tax-Increment Financing District. The loan program will be operational by June 30, 2025, and will be a first-come, first-serve grant. It is recommended that the City prioritize the pursuit of the funding opportunity.
- Work with grants staff, Public Works, and partners identified as part of Action 1.1 to explore additional grant opportunities, potential funding partners, and priority capital improvement projects, and strive to secure funding for the most strategic investments. Align any prioritization of capital improvement projects with the analysis completed for Action 4.1.

4. LAND ACTIONS

INVENTORY AND ASSESS LAND

Action 4.1

Maintain an inventory of public, underutilized, and foreclosed properties and assess the development readiness of inventoried properties

IMPLEMENTATION TIMELINE

1-2 Years	**3-4 Years**
5-6 Years	7-8 Years

ACTION IMPACT

High	**Medium**	Low

IMPACT TARGETS

AFFORDABILITY	
***	Deeply Affordable
***	Affordable
***	Workforce
***	Market-Rate
HOUSING TYPE	
***	Single-Family
***	Middle Housing
***	Multi-Family
TENURE	
***	For Sale
***	For Rent
DEMOGRAPHIC	
***	People of Color
***	People Experiencing Homelessness
***	People with Disabilities
***	Seniors

Description

Formalize and continue to maintain an inventory of sites for housing development that are publicly owned, underutilized, or foreclosed. The inventory can also include distressed commercial or multi-family properties that may be targeted for rehabilitation or adaptive reuse by an affordable housing developer.

Then, determine and document which of the inventoried parcels are suitable for housing development. Consider alignment with local land use and comprehensive plans; physical attributes like environmental limitations, site access; available infrastructure and utilities; property title and ownership; and overall suitability to for housing development.

Magnitude of Impact

Medium impact. This inventory can help to identify opportunities for housing development but will need to be combined with other actions to have a higher impact.

Implementation Steps and Considerations

- This action can be incorporated into citywide, long-term master planning efforts (such as a wastewater master plan or a transportation system plan) as well as Capital Improvement Plan (CIP) planning. Whenever planning for improvements, the City should consider how the improvements will affect housing development opportunities in the area and, where feasible, modify project designs to better improve conditions for housing development.
- A common development challenge is maintaining financial viability while paying for infrastructure needed to service a site. If a high-priority housing project is proposed, the City may consider accelerating implementation of previously planned improvements that would benefit the project.

INTERGOVERNMENTAL AGREEMENTS FOR LAND

Action 4.2

Formalize agreements to acquire land

IMPLEMENTATION TIMELINE

1-2 Years	3-4 Years
5-6 Years	7-8 Years

ACTION IMPACT

High	Medium	Low

IMPACT TARGETS

AFFORDABILITY

***	Deeply Affordable
***	Affordable
***	Workforce
***	Market-Rate

HOUSING TYPE

***	Single-Family
***	Middle Housing
***	Multi-Family

TENURE

***	For Sale
***	For Rent

DEMOGRAPHIC

***	People of Color
***	People Experiencing Homelessness
***	People with Disabilities
***	Seniors

Description

Formalize a land disposition process by adopting a set of Intergovernmental Agreements (IGAs) between the City and other public agencies to grant the City (or its designees) the right-of-first-refusal for surplus or foreclosed properties. Agreements or potential agreements could occur with the County, school board, or other public, civic, and/or faith-based institutions.

OAR 271.330 enables local governments to relinquish title to another governmental body if the property is used not less than 20 years for a public purpose or to a qualifying nonprofit if the property is used for low-income housing.

Transferring foreclosed land from one agency to the City involves a series of legal and administrative steps to ensure proper ownership transfer and alignment with public goals. Under this action, the City would work with the City Attorney and/or County Counsel to establish a right-of-first-refusal option and develop IGAs that outline the terms and conditions of the property transfer, including details on the transfer process, property use, and designees (such as land banks, land trusts, or nonprofit affordable housing developers).

Magnitude of Impact

High impact. Formalizing this process improves the likelihood that the City can acquire properties. Obtaining control of land is an effective strategy for the City to facilitate housing development, particularly affordable housing. If the City owns or has effective control over a potential development site, the City can influence the type of housing that is built on the site. The magnitude of impact depends on the amount of surplus or foreclosed land that can be offered for first right-of-refusal to partners for housing development.

Implementation Steps and Considerations

- Adopt a policy that prioritizes selling or dedicating any surplus publicly owned land to meet housing needs when feasible and appropriate.
- Work with institutional, civic, and others to implement a similar policy that prioritizes selling or dedicating any surplus land.
- For land that the City or other partners are not ready to sell, the land could be offered as a long-term lease at a very minimal cost to developers. Long-term leases offer a way for property owners to maintain the ownership of property but allow it to be used for housing.
- The inventory developed in Action 4.1 could be used to identify opportunities to work with public agencies or other organizations that own surplus land to create formalized surplus land priority/disposition.

- **The agreements are useful if the City** has the funding available to acquire the properties (see **Action 4.3**).

LAND BANKING

Action 4.3

Engage in land banking with partner organizations

IMPLEMENTATION TIMELINE

1-2 Years	3-4 Years
5-6 Years	**7-8 Years**

ACTION IMPACT

High	Medium	Low

IMPACT TARGETS

AFFORDABILITY

***	Deeply Affordable
***	Affordable
***	Workforce
***	Market-Rate

HOUSING TYPE

***	Single-Family
***	Middle Housing
***	Multi-Family

TENURE

***	For Sale
***	For Rent

DEMOGRAPHIC

***	People of Color
***	People Experiencing Homelessness
***	People with Disabilities
***	Seniors

Description

Acquire and hold key sites for future housing development (otherwise known as "land banking"). The specific approach to execute land banking can vary and may include approaches led by the City, an Urban Renewal agency, a newly created land bank authority (as enabled by ORS 465.600 to 465.621), or a nonprofit community land trust. The ideal approach to land banking will depend on the nature of the potential sites to be acquired, the availability of local partner organizations, and other legal and administrative issues.

In general, the following conditions must be met in order for the City to engage in land banking:

- **Funding**: Funding is necessary to acquire the land and to pay for the costs of transferring ownership, maintenance, and any site preparation that will be completed by the City. The level of funding required will depend on the number and value of sites to be acquired.
- **Administrative Capacity:** City staff or staff from partner organizations must have the time to negotiate land purchase agreements, oversee transfer of ownership, and manage the properties while they are under the control of the City or the partner organization.
- **Partnerships:** The City will need to partner with other organizations to execute land banking and ensure the land is developed in a manner that meets key housing needs. These partnerships are described in **Action 1.1 (Housing Working Group)** and **Action 4.2 (Agreements to Acquire Land).** In some cases, the City may partner with a private, for-profit developer that will include affordable units in a project if the City can provide a site at no or a reduced cost.

Magnitude of Impact

High impact. Land costs account for a substantial portion of development costs (approximately 15-30%). If the City can offer land to a developer at low or no costs, the reduced property costs can dramatically improve the feasibility of projects that are affordable to households with lower incomes.

Community land trusts offer unique benefits that distinguish them from other approaches to land conservation for affordable housing. Land trusts hold the land in perpetuity and sell or lease the housing on the land at below market-rate prices. Land trusts most frequently provide opportunities for homeownership that remain affordable over the long term, which is a high-priority action for the HPS. The magnitude of impact depends on how many sites can be banked and ultimately used for housing development.

Implementation Steps and Considerations

- Funding will be required to acquire each site. A new or expanded URA (see **Action 3.1**) could be used to fund land banking within the boundaries of the URA. Some of this expense may be recouped if the City sells the land at a reduced cost (rather than at no cost).
- The City should invite community land trusts to the housing working group formed in **Action 1.1** to help build relationships and connect the organizations with land holders.
- The City should establish frameworks to provide technical assistance to community land trusts. This could include assisting in or streamlining processes such as lot splits, zoning changes, and other pre-development steps for land trust projects (see **Action 1.3**).
- The City could help to facilitate the transfer of ownership of lands from public, underutilized, and foreclosed properties to organizations that can land bank, such as Land Trusts or affordable housing developers (see **Action 4.2**).

6. Fair and Equitable Housing Outcomes

Introduction

According to Oregon Administrative Rules, a city's Housing Production Strategy report must include an analysis that demonstrates how the city's strategies for facilitating housing production will achieve fair and equitable housing outcomes (OAR 660-008-0050). Specifically, the OAR identifies six elements related to fair and equitable housing outcomes:

- **Location of housing** as it relates to compact, mixed-use development that supports statewide greenhouse gas emission reduction goals, with an emphasis on the production of regulated affordable housing and accessible housing.
- **Fair housing** through addressing disproportionate housing needs, patterns of integration and segregation, racially and ethnically concentrated areas of poverty, and disparities in access to housing opportunity.
- **Housing choice** by promoting access to existing or new housing that is located in neighborhoods with high-quality community amenities, schooling, employment and business opportunities, and a healthy and safe environment.
- **Support for residents experiencing homelessness** through the provision of housing options and through partnerships with other organizations with similar goals.
- **Affordable housing** by supporting and creating opportunities to encourage the production of affordable rental housing and the opportunity for wealth creation via homeownership.
- **Housing stability** for existing residents by mitigating the impacts of gentrification and addressing the economic and physical displacement of existing residents resulting from investment or redevelopment.

This section of the report demonstrates how the City's actions will promote these fair and equitable housing outcomes. The following table provides a high-level summary of which of the six outcomes each action in this document addresses. A full description of how each action addresses each outcome follows.

Category	Action	Location of Housing	Fair Housing	Housing Choice	Homeless-ness	Affordability	Stability
Partnership Actions	Action 1.1: Housing Working Group		X		X	X	X
	Action 1.2: Promote ADUs	X					
	Action 1.3: Community Land Trust Partnerships			X	X	X	X
	Action 1.4: Institutional Landowner Partnerships				X	X	
	Action 1.5: Technical Assistance	X					
Regulatory Actions	Action 2.1: Rezone Land to RH Zone	X	X				
	Action 2.2: Increase Maximum Density in RH Zone	X		X		X	
	Action 2.3: Encourage Dense Housing Types in MX Zone	X	X	X		X	
	Action 2.4: Expand Housing Types in RS & RM Zones	X	X	X			
	Action 2.5: Cottage Cluster Housing			X		X	
	Action 2.6: Minimum Density in RM & RH Zones	X					
	Action 2.7: Small Lot Homes in RM & RH Zones	X					
	Action 2.8: Housing in Commercial Zones	X		X		X	
	Action 2.9: Parking Requirements Reductions					X	
	Action 2.10: Infill Standards & Review	X					
	Action 2.11: Affordable Housing Review		X	X	X	X	
	Action 2.12: Affordability & Accessibility Incentives		X	X	X	X	X
	Action 2.13: Manufactured Homes Preservation		X			X	X

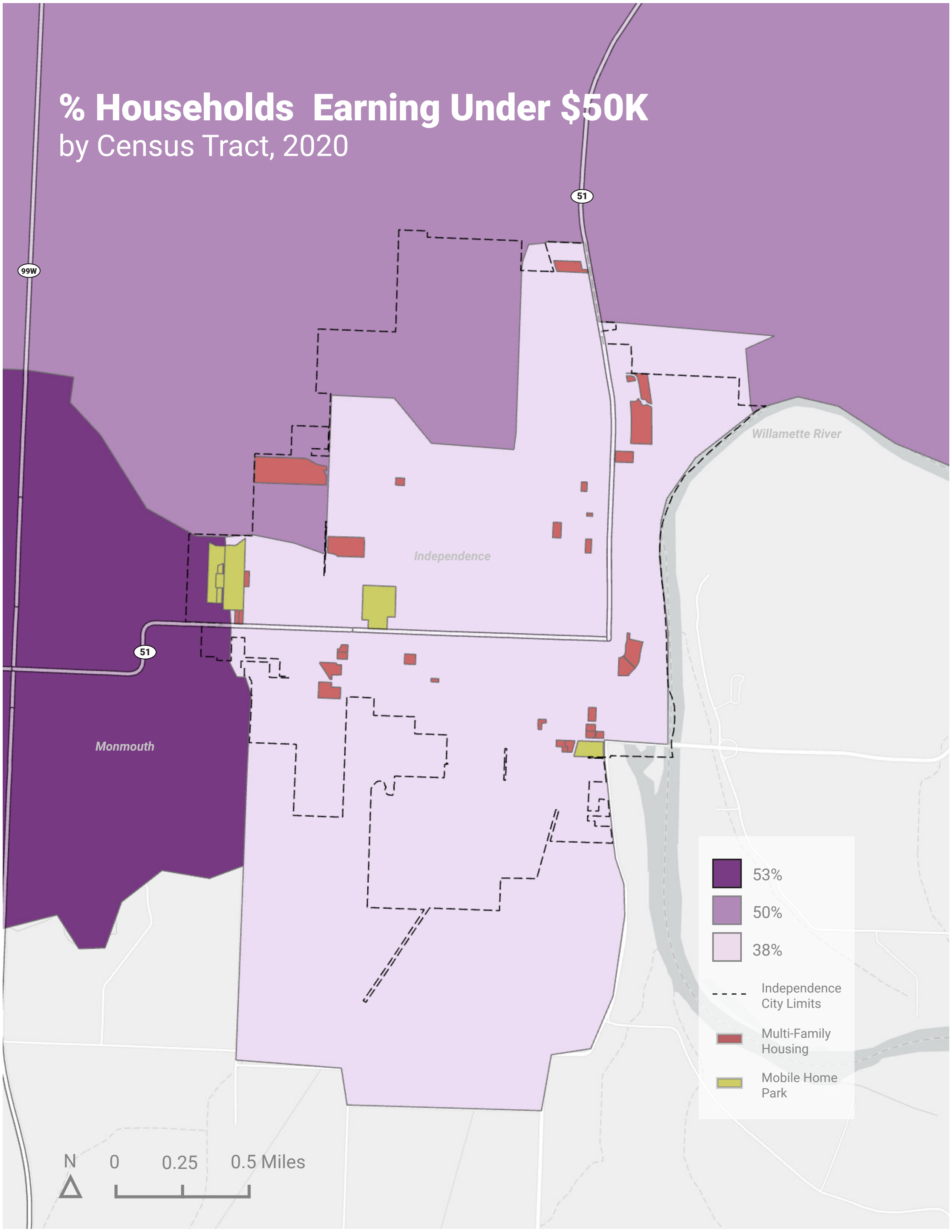
Category	Action	Location of Housing	Fair Housing	Housing Choice	Homeless-ness	Affordability	Stability
Incentive & Investment Actions	Action 3.1: Urban Renewal Areas	x		x	x	x	x
	Action 3.2: SDC Methodology	x		x			
	Action 3.3: Infrastructure Grants						
Land Actions	Action 4.1: Inventory & Assess Land					x	
	Action 4.2: Intergovernmental Agreements for Land					x	
	Action 4.3: Land Banking			x	x	x	x

The state rules require special attention to be paid to protected classes, as these often represent the most vulnerable populations in regard to housing needs. Additionally, populations with the greatest needs are typically spatially concentrated in specific areas of a city.

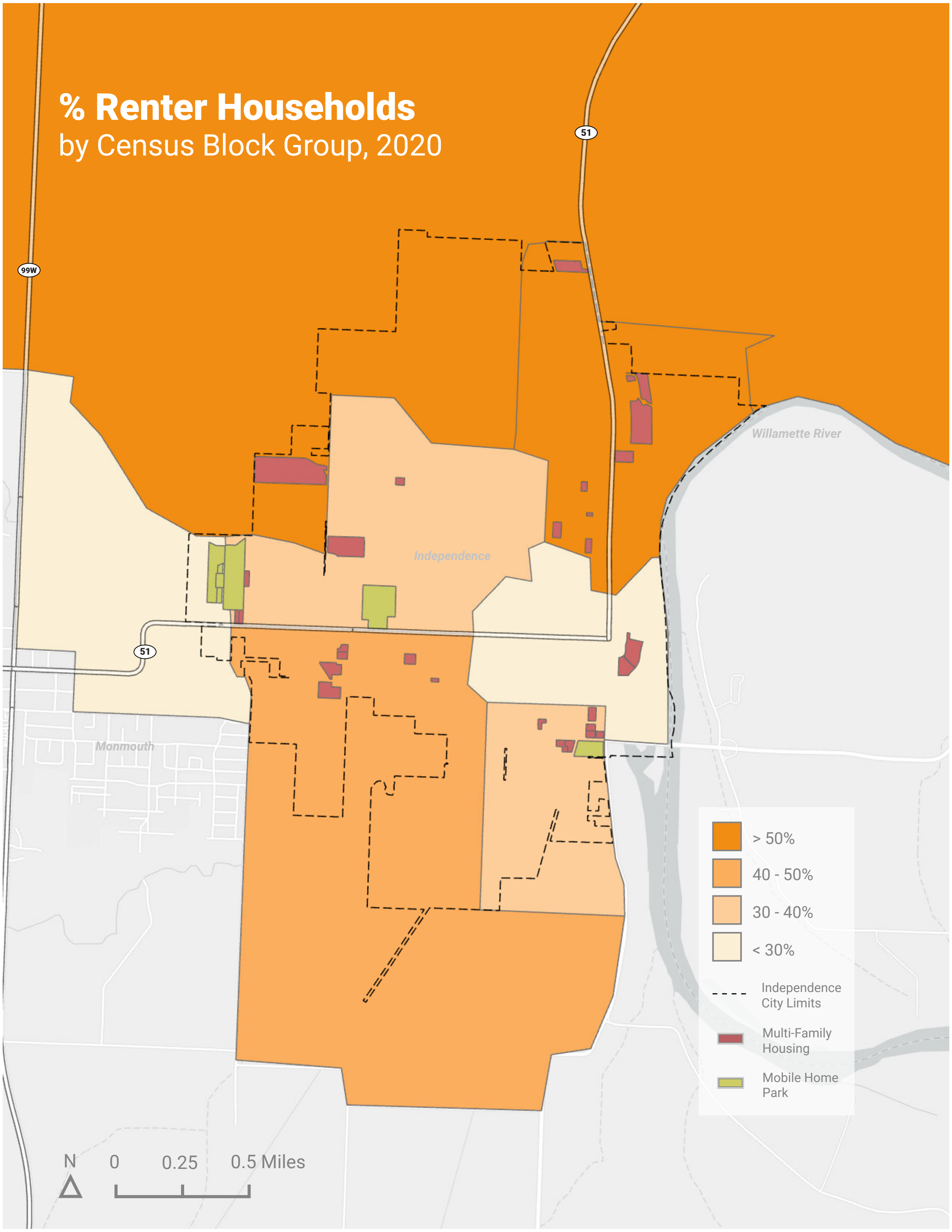
Due to both the geographic and population size of Independence, the data needed to understand demographic distribution is limited. However, the data that is available from the Decennial Census and American Community Survey can still usefully illustrate the spatial relationships among demographic variables, as shown by the following maps.

Maps 1-3 below use data from the 2020 decennial census. Unlike the ACS, these data are not estimates but counts and may provide a more accurate picture of spatial relationships among demographic variables in the city. Still, data used to inform housing strategies should be carefully evaluated and, when needed, supplemented with input from the community to ensure accuracy and relevance.

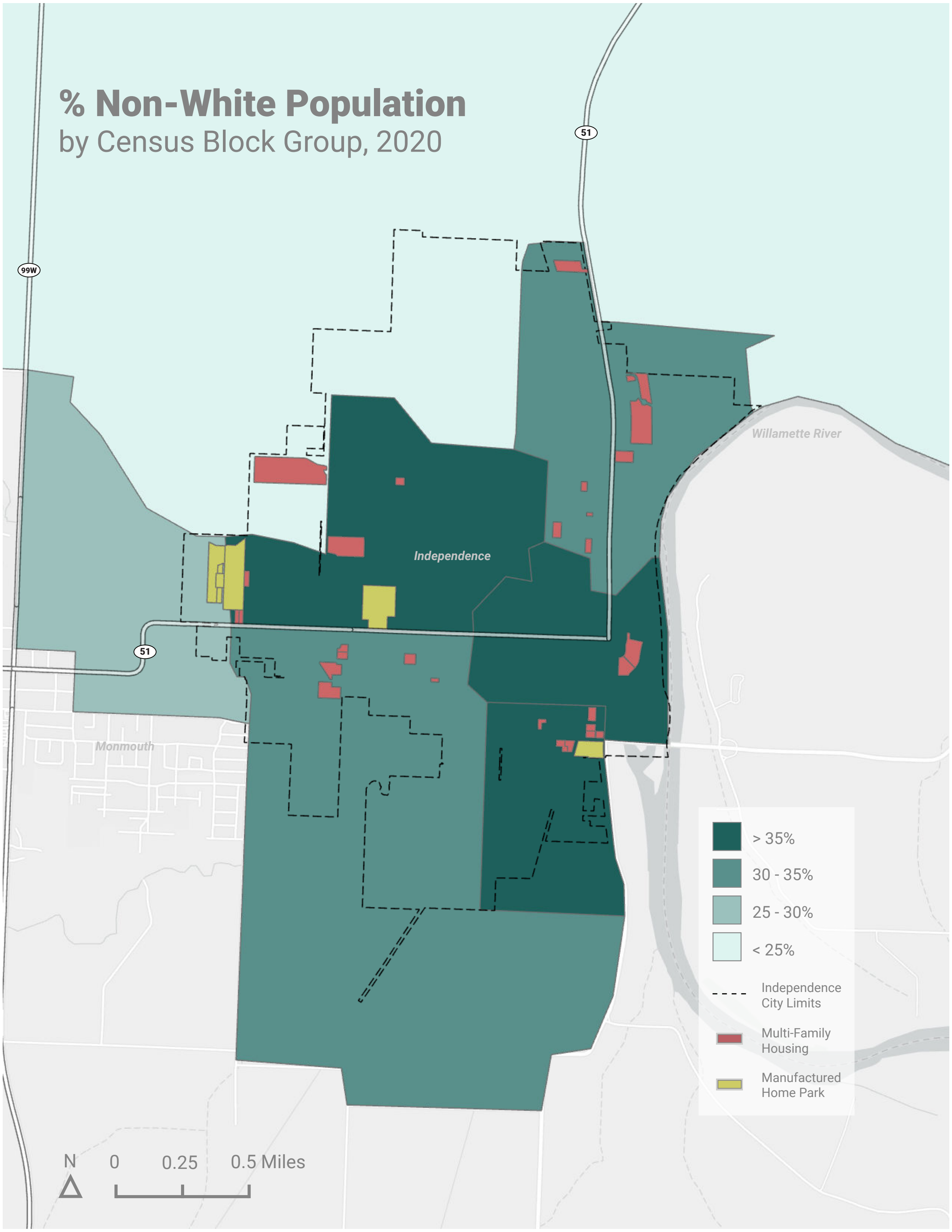
Map 1. Households Earning Under $50,000 (Census Tract, 2020)



Map 2. Percentage of Renter Households (Census Block Group, 2020)



Map 3. Percentage of Non-White Population (Census Block Group, 2020)



State and national data indicate that people of color are more likely to rent their homes and have lower household incomes. These maps show that residents of color, renter households, and households that earn less than $50,000 per year are only moderately spatially correlated in Independence. Note that the limitations of census tract boundaries, which do not align with City boundaries, make it difficult to precisely evaluate demographic trends specific to Independence.

The locations of multi-family housing and manufactured home parks – typically more affordable rental and ownership housing types, respectively – in Independence are also a useful indicator of where renters or lower-income households are living. These maps show that multi-family housing and manufactured home parks are distributed throughout most residential and commercial areas of the city, with moderate spatial correlation to poverty, tenure, and race/ethnicity trends.

However, several of the larger multi-family and manufactured home park developments are located in census tracts with a higher share of households that earn less than $50,000 per year, and many of the City's multi-family developments are located in tracts with higher shares of renters. The City's three manufactured home parks are partially or fully located in tracts with higher percentages of non-White population.

There are no multi-family or manufactured home park developments in three areas: 1) Southwest Independence, 2) the Historic District proximate to downtown, and 3) the Residential Single-Family Airpark Overlay next to the Airpark. As described below, HPS actions will contribute to diversifying the housing stock in Southwest Independence and the Historic District.

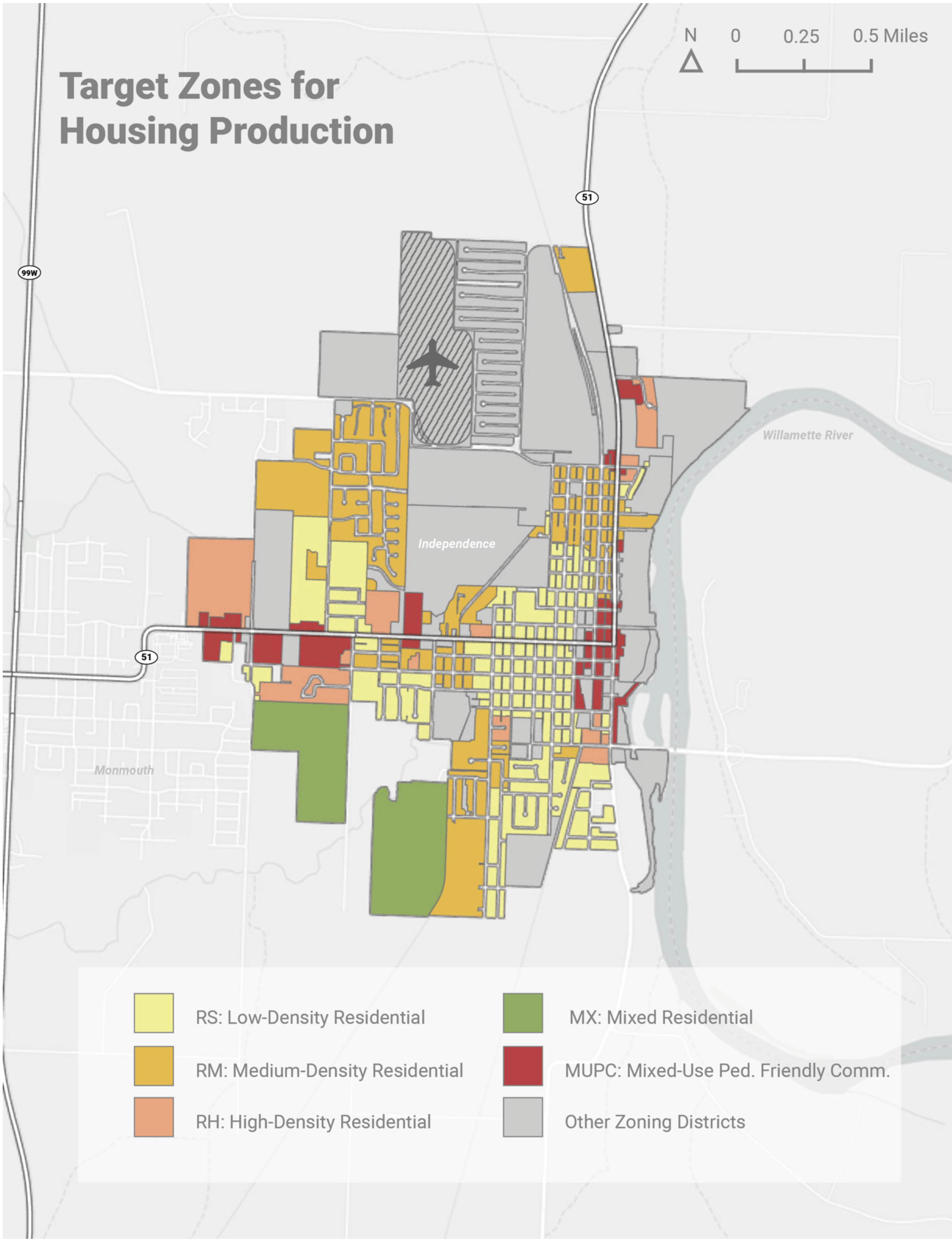
The "Location of Housing" and "Fair Housing" subsections below address how the HPS actions will respond to these demographic conditions in order to create opportunities for more affordable housing types in all neighborhoods and especially in areas with good access to infrastructure and amenities.

Location of Housing

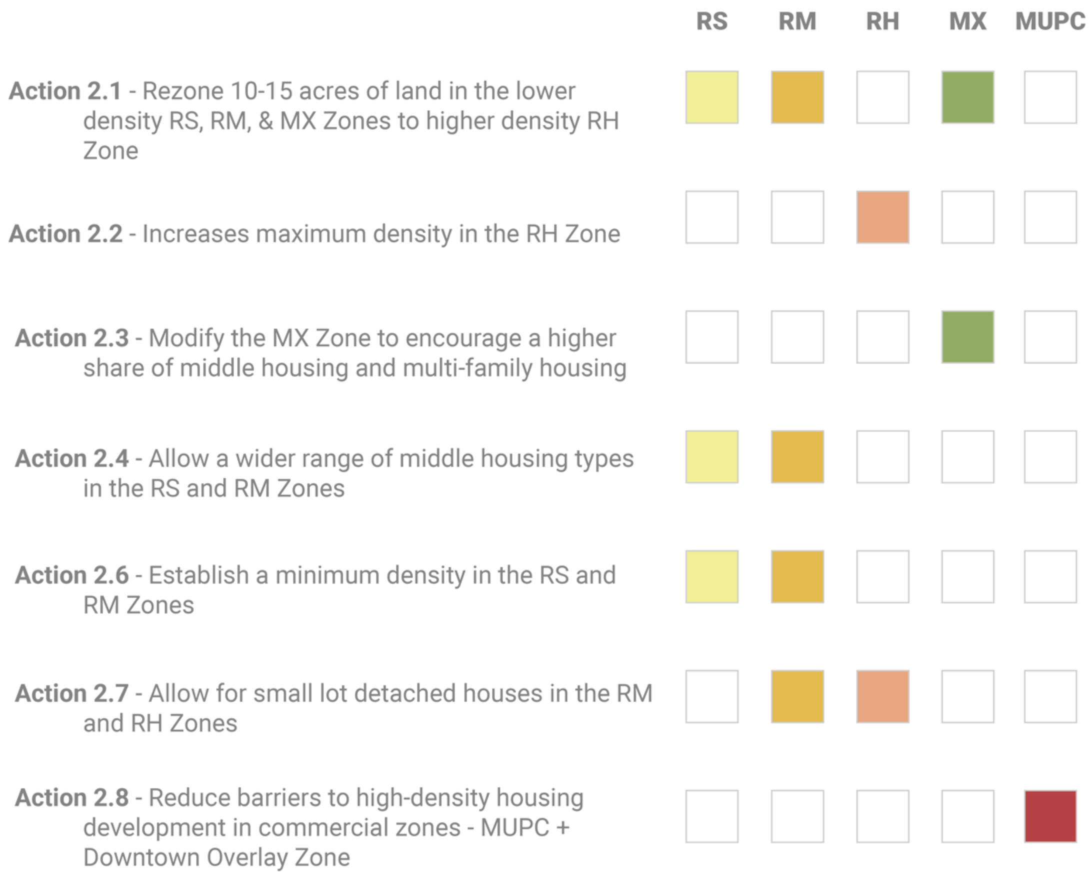
The HPS includes multiple actions that will help Oregon meet its statewide greenhouse gas emissions reduction goals through the creation of compact, mixed-use neighborhoods. The HPS directly supports these goals through actions to increase housing allowances and permitted densities in residential zones, commercial areas, and other strategic locations proximate to commercial services and the Monmouth-Independence Trolley. Collectively, these actions set the City's course toward a more compact, mixed-use development pattern with more attached and dense housing and smaller distances between homes and businesses.

The anticipated development pattern will benefit lower-income households and people with disabilities who may rely on transit and limit per capita greenhouse gas emissions both through improved energy efficiency and reduced vehicle miles traveled.

The zones that are impacted by regulatory actions are identified in the following map:



Target Zones for
Housing Production
N
0
0.25
0.5 Miles
51
99W
Willamette River
Independence
Monmouth
RS: Low-Density Residential
RM: Medium-Density Residential
RH: High-Density Residential
MX: Mixed Residential
MUPC: Mixed-Use Ped. Friendly Comm.
Other Zoning Districts



The actions that most directly support reduced greenhouse gas emissions and promote dense housing in compact, mixed-use neighborhoods in Independence are outlined below:

2.2 - Increase or replace the maximum density in the High Density Residential (RH) Zone: The existing maximum density standard in the RH Zone of 20 units per acre may constrain dense multi-family development by unnecessarily limiting the number of units that can be built on a site, even while meeting other development standards. The current maximum density standard in the zone is below densities that are commonly achieved by 3-story apartment developments in towns of similar size to Independence, even while meeting all parking, open space, and setback requirements. Additionally, if a developer has reached the maximum density and cannot add more units, even though the zoning envelope would otherwise allow a larger building, the developer is likely to build larger, more costly units.

The RH Zone includes mixed-use neighborhoods proximate to transit and walkable to goods and services. By increasing the maximum density in this zone, Independence will support the efficient use of land, increase housing capacity, and encourage more units in areas with access to amenities.

2.3 - Modify the Mixed Density Residential (MX) Zone to encourage a higher share of middle housing and multi-family housing: The MX Zone includes a large amount of undeveloped buildable land - 289 acres, or approximately 80% of the City's remaining supply of residential buildable property. The MX Zone presents a significant opportunity for the City to encourage the development of compact, needed housing types in a large area of the city. Some of the buildable land in the MX Zone is proximate to existing services and commercial areas and encouraging higher density housing in these areas would support the creation of walkable, transit-accessible neighborhoods.

2.8 - Reduce barriers to high-density housing development in commercial zones: Existing standards in the City's commercial zones include some regulatory barriers that make multi-family housing development financially infeasible. As a result, vertical mixed-use projects are unlikely to be developed in Independence under current market conditions. Modifying the commercial zones to allow for greater flexibility in design and use would make compact housing development more likely to occur in high-amenity commercial areas.

3.1 - Pursue an Urban Renewal Area to fund housing investments: A new Urban Renewal Area could be located in a strategic location, such as Central Talmadge or Southwest Independence, to support housing development. A major emphasis of the new Urban Renewal Area would be to support compact housing development types such as income-restricted units in mixed-income housing developments.

The following actions are also expected to have a positive impact on housing location goals:

- **1.2 - Promote the development of Accessory Dwelling Units (ADUs):** Pre-approved plan sets and resources for homeowners would incentivize and expedite the development of ADUs, which are a housing type well-suited for compact, infill development across existing neighborhoods.
- **1.5 - Provide information and technical assistance to small developers:** Small developers are more likely to take on compact forms of development like residential infill projects on small lots distributed across existing neighborhoods. Additional technical support would reduce their development risk.
- **2.1 - Rezone land to the High Density Residential (RH) Zone:** Rezoning land from lower density zones to the RH Zone would make more development sites available for compact housing types like multi-family and middle housing. Rezoning in strategic locations, such as sites Central Talmadge, which is proximate to commercial amenities and the Monmouth-Independence Trolley, would additionally enable more development in locations near services and transit.
- **2.4 - Allow a wider range of middle housing types in the Low Density Residential (RS) and Medium Density Residential (RM) Zones:** Allowing middle housing types in zones that have historically been exclusively zoned for detached single-family homes would support compact development across more areas of the city.
- **2.6 - Establish a minimum density in the Low Density Residential (RS) and Medium Density Residential (RM) Zones:** Introducing a minimum density in these zones would encourage efficient use of land by discouraging the development of large lot single-family homes.
- **2.7 - Allow for small lot detached houses in the Medium Density Residential (RM) and High Density Residential (RH) Zones:** Reducing minimum lot sizes to allow for smaller detached homes allows for the subdivision of large lots into more home sites, facilitating more compact development of single-family homes in a large area of the city.
- **2.10 - Improve standards and streamline review processes for smaller infill housing projects:** Updating standards and review processes to better suit infill housing projects would reduce uncertainty and review timelines for infill developers and improve the likelihood that infill projects will be built.

- **3.2 - Implement strategies to reduce the cost of SDCs for housing development:** Utilizing a sliding scale that reduces fees for smaller units and/or units proximate to commercial services or transit would incentivize these housing types and thereby encourage more compact development.

Fair Housing

Fair housing strategies address disproportionate housing needs, patterns of integration and segregation, racially or ethnically concentrated areas of poverty, and disparities in access to housing opportunities. The HPS includes actions that affirmatively further fair housing by allowing affordable forms of housing to be built in more areas in Independence, including in high-opportunity areas, and by implementing zoning incentives and regulatory changes that can help produce more income-restricted and accessible units. These actions would work in tandem to help low-income households access more affordable housing.

As demonstrated by Maps 1-3 of this section, there is a moderate spatial correlation in Independence between race/ethnicity, poverty, and housing tenure. The locations of multi-family housing and manufactured home parks in Independence suggest that many renters and low-income households live throughout many residential and commercial areas rather than concentrated in specific neighborhoods.

However, multi-family housing and manufactured home parks are notably absent in three large residential areas of Independence: 1) Southwest Independence, 2) the Historic District proximate to downtown, and 3) the Residential Single-Family Airpark Overlay next to the Airpark. These areas are primarily developed with single-family homes. This may indicate an opportunity to advance fair housing goals by encouraging a wider variety of housing types and more affordable units.

Southwest Independence is partially undeveloped, and the HPS includes an action to encourage diverse and compact development types in this area (Action 2.3) as the land is developed. Further, previously approved master plans in this area include large multi-family projects in future phases of development. These multi-family developments are required by code to meet housing mix and density standards.

Two regulatory actions in the HPS will contribute to creating more affordable housing options in downtown area and the surrounding Historic District. Most of this area is zoned RS. Allowing for triplexes and quadplexes in the RS zone (Action 2.4) will create opportunities for more affordable housing types in this area. Additionally, the Historic District applies to many properties in commercial zones. Removing barriers to high-density housing in these zones will further support fair housing goals (Action 2.8).

Additionally, the City will consider opportunities to further support affordable housing options in both Southwest Independence and the Historic District through rezoning selected properties to the RH zone (Action 2.1) or by targeting a new urban renewal district in the vicinity of these areas (Action 3.1).

The Residential Single-Family Airpark Overlay next to the Airpark is not directly addressed by any HPS actions because this area is not suitable for a variety of housing types. Properties in this area are planned around integrated aviation and residential use. Many of the homes are custom built to include private hangars and direct taxiway access. Private deed restrictions restrict new housing in this area to single-family homes with private hangars.

In summary, the following actions most directly further fair housing goals:

2.1 - Rezone land to the High Density Residential (RH) Zone. Per the findings of the residential land needs analysis, there is a very small surplus of housing capacity within the UGB for townhouse/plex units and multi-family units and a large surplus of housing capacity for single-family detached homes. Rezoning land from lower density zones to the RH Zone would ensure that there is sufficient land capacity to respond to the need and demand for affordable types of housing. The City will strategically rezone land in high-opportunity areas in order to create opportunities for the development of these housing types in support of fair housing goals.

2.4 - Allow a wider range of middle housing types in the Low Density Residential (RS) and Medium Density Residential (RM) Zones: Today, the RS and RM Zones exclusively allow single-family homes, duplexes, townhomes, and ADUs. While there are several existing higher-density developments in the RS and RM Zones, restricting higher density housing options in these zones limits the availability of new affordable housing options for a large area of Independence and in the long-term may contribute to the patterns of segregation by income and race/ethnicity. Allowing a wider variety of housing types in the RS and RM Zones, such as triplexes and quadplexes, would prevent neighborhoods in the zones from being limited to higher-income households, create opportunities for smaller and more affordable units across a large area of the city, and further support the creation socioeconomically diverse neighborhoods.

The following actions are also expected to have a positive impact on furthering fair housing goals:

- **1.1 - Convene a housing working group to pursue funding opportunities and implement housing actions:** This group would identify and better understand the specific barriers and needs of priority populations and make policy recommendations and resource requests for housing developments to serve the populations.
- **2.3 - Modify the Mixed Density Residential (MX) Zone to encourage a higher share of middle housing and multi-family housing:** The MX Zone includes a large amount of undeveloped buildable land, some of which is proximate to transit and commercial amenities. As the land is developed, it presents a significant opportunity for the City to encourage the development of neighborhoods with mixed incomes and mixed housing types rather than predominately market-rate single-family homes.
- **2.8 - Reduce barriers to high-density housing development in commercial zones:** The reduction of barriers to housing in commercial zones would provide flexibility for ground-floor commercial requirements and facilitate high-density housing development in high-amenity commercial neighborhoods.
- **2.12 - Implement zoning incentives for affordable and accessible housing units:** By offering higher density, reduced parking, and other benefits to projects that include affordable or accessible units, the City would increase the likelihood that new developments include units that meet the needs of protected classes.
- **2.13 - Use zoning regulations to preserve manufactured home parks:** Manufactured home parks are a major source of affordable housing in Independence, and without protections the parks can be uniquely vulnerable to the threat of redevelopment. Notably, as illustrated in Maps 1-3, all three manufactured home parks are proximate to commercial services and transit, with the two westernmost parks located near to the Monmouth-Independence Trolley and the third near downtown. Preserving the parks via zoning standards would be a meaningful way to preserve affordable homeownership opportunities in high-opportunity areas.

Housing Choice

The HPS takes two sets of coordinated actions to improve housing choices for low-income communities, communities of color, people with disabilities, and other protected classes in high-amenity neighborhoods. First, the HPS suggests actions to ease regulatory hurdles that make it difficult to build affordable forms of housing in high-amenity areas through a series of code changes that support multi-unit and middle housing.

Second, the HPS proposes investments and incentives to support the financial feasibility of building housing, especially with affordability requirements. These approaches include implementing zoning incentives for affordable and accessible housing and pursuing housing investments via Urban Renewal. These incentives and investments would support housing development in Independence that benefits communities of color, people with disabilities, and other protected classes that tend to have lower incomes. And because they are paired with regulatory actions that reduce barriers in high-amenity areas, the incentives and investments can enable new affordable forms of housing in these areas.

The housing actions that most directly promote affordable and accessible housing and support housing choice are outlined below:

2.12 - Implement zoning incentives for affordable and accessible housing units: Independence will pursue establishing zoning incentives that allow for increased density, reduced parking, or other relief from code standards in exchange for a certain share of units in a proposed development being affordable or accessible. These opt-in incentives could require affordability covenants as a condition of approval, guaranteeing some or all units in a property are affordable to middle- or lower-income households. Likewise, incentives could be designed to require a percentage of units to meet accessibility standards beyond those required under the Americans with Disabilities Act. These incentives would help to create additional units that serve the needs of people with disabilities and other protected classes that tend to have low incomes, especially in housing developed by for-profit developers that may build in high-amenity areas but would not otherwise include these units.

3.1 - Pursue an Urban Renewal Area to fund housing investments: Urban Renewal is one the most significant and flexible sources of funding for housing production at the local level, and when properly implemented, it can significantly improve the financial feasibility of housing development. If pursued, a new Urban Renewal Area should be located in a high-amenity area and prioritize investments such as infrastructure, which can be costly and hinder the financial feasibility of housing developments. Creation of a new Urban Renewal Area would catalyze new housing development and be designed to support projects that are the most difficult to construct without financial support, primarily taxable income-restricted affordable housing that would benefit protected classes and other households that tend to have lower incomes.

The following actions are also expected to have a positive impact on housing choice:

- **1.3 - Build partnerships with community land trusts:** If a local community land trust is formed or expanded as a result of city actions, it would improve housing choice by increasing the availability of income-restricted affordable homeownership units in Independence.
- **2.2 - Increase or replace the maximum density in the High Density Residential (RH) Zone:** By increasing maximum density in the RH Zone, Independence would be improving the economic

feasibility of housing types like middle housing and multi-family housing that tend to be more affordable, providing more affordable options in more neighborhoods.

- **2.4 - Allow a wider range of middle housing types in the Low Density Residential (RS) and Medium Density Residential (RM) Zones:** By allowing middle housing types in zones that have historically been zoned for detached single-family homes, Independence would be providing geographic diversification of more affordable housing types.
- **2.5 - Allow cottage cluster housing in all residential zones:** Cottage cluster housing is a proven model for delivering smaller, more affordable detached housing. Allowing cottage clusters as a distinct housing type in all residential zones facilitates the construction of the housing type across a large area of the city, including high-amenity locations.
- **2.8 - Reduce barriers to high-density housing development in commercial zones:** The reduction of barriers to housing in commercial zones would provide flexibility for ground-floor commercial requirements and facilitate high-density housing development in high-amenity commercial neighborhoods.
- **3.2 - Implement strategies to reduce the cost of SDCs for housing development:** High SDCs strain the financial feasibility of all housing developments, but the impact is especially acute for income-restricted affordable housing developments. Scaling SDCs for income-restricted units would help the projects achieve financial feasibility.
- **4.3 - Engage in land banking with partner organizations:** If banked land is located in a high-amenity area and the City transfers ownership to a land trust or affordable housing development partner, this action could result in increased housing choice in Independence for low-income households or other protected classes.

Housing Options for Residents Experiencing Homelessness

Two major barriers to developing housing for people experiencing homelessness are the limited availability of funding and need for additional wrap-around services. Strategies that expand affordable and supportive housing and foster partnerships between the City and organizations with experience serving the individuals' specific needs can help overcome these barriers.

The action described below is a prime example of how to leverage partnership-based strategies to better serve residents experiencing homelessness:

4.3 - Engage in land banking with partner organizations: Land banking can expand housing options by acquiring and holding land for affordable housing projects that meet the specific needs of residents experiencing homelessness. Land banks can also transfer land to nonprofits at low or no cost, freeing up an organization's funds to spend on building and maintaining housing for target populations. Land banks also create an opportunity to establish community land trusts that preserve long-term affordability, preventing displacement and ensuring lasting affordability.

The following actions are also expected to expand housing options for residents experiencing homelessness:

- **1.1 - Convene a housing working group to pursue state funding and implement housing actions:** This group could include representatives from local or regional non-profit organizations with expertise in permanent supportive housing and comprehensive wrap-around services essential to addressing homelessness.

- **1.3 - Build partnerships with community land trusts:** Community land trusts are designed to ensure community stewardship of land and the long-term affordability of housing. Land trusts can take several forms, but most are administered by a nonprofit or nongovernmental entity. Through the reduction or elimination land costs, land trusts have the potential to make deeply affordable housing development financially viable.
- **1.4 - Connect institutional landowners to potential development partners:** Prioritize partnerships with institutional landowners that serve populations experiencing homelessness or have missions aligned with income-restricted housing development. Certain institutions may have additional advantages, ranging from property tax exemptions, supportive legal provisions, or eligibility for specialized funding sources or fundraising mechanisms, that would unlock opportunities for developing deeply affordable units.
- **2.11 - Expedite the land use and permit review process for affordable housing developments:** Reducing the time and cost barriers that can arise from lengthy review processes is another way to incentivize affordable housing development. The action could involve creating a permitting process that explicitly prioritizes or expedites deeply affordable or supportive housing projects, or projects that otherwise meets the needs of people experiencing homelessness.
- **2.12 - Implement zoning incentives for affordable and accessible housing units:** Increasing maximum density through density bonuses or offering concessions on development standards, such as reduced parking requirements, can encourage developers to create housing for residents at specific income levels. These zoning incentives can help generate additional units that address affordability, accessibility, or other supportive housing needs, particularly in projects led by private, for-profit developers who might not otherwise include such units.
- **2.13 - Use zoning regulations to preserve manufactured home parks:** Manufactured home parks are a major source of affordable housing in Independence, but, without protections, the parks can be uniquely vulnerable to the threat of redevelopment. Preserving the parks via zoning standards would be a meaningful way to protect the primarily low-income residents from displacement.
- **4.2 - Pursue an Urban Renewal Area (URA) to fund housing investments:** Tax increment revenue from a URA has the potential to make housing projects possible that would otherwise be difficult to develop without financial support. Income-restricted affordable housing that is not tax-exempt is just one example of housing that could be made possible.

Affordable Homeownership and Affordable Rental Housing

Options for both affordable rental housing and an affordable path to homeownership are critical for an accessible housing market. A little more than 40% of the required housing in Independence will need to be affordable to households at or below 80% AMI. Still, the concept of affordability is relative. A healthy housing market would supply a variety of housing options to serve a variety of household incomes.

The logic behind housing production strategies includes the principle that increasing the overall supply of housing decreases the overall consumer price of housing. For this reason, nearly every action in this HPS would lead to greater affordability for all current and future residents.

The actions listed below most directly address the need for affordable homeownership and affordable rental housing:

2.11 - Expedite the land use and permit review process for affordable housing developments: Reducing land use and permit review timelines can meaningfully improve the financial feasibility of affordable housing projects that have tight margins. Expediting timelines can help reduce holding and carrying costs (such as property taxes, loan interests, and insurance), avoid construction cost escalation, and increase certainty for funders.

4.3 - Engage in land banking with partner organizations: Land banking can expand housing options by acquiring and holding land for affordable housing projects that meet specific affordability needs of the community. Land banks can also create an opportunity to establish community land trusts that preserve long-term affordability, preventing displacement and ensuring lasting affordability for those who need it.

The following actions are also expected to expand affordable rental and ownership options for residents in Independence:

- **1.1 - Convene a housing working group to pursue funding opportunities and implement housing actions:** This group could include representatives from local or regional affordable housing developers who could inform policymakers to best support the creation of affordable rental and ownership opportunities in Independence.
- **1.3 - Build partnerships with community land trusts:** The establishment of community land trusts could preserve long-term affordability, prevent displacement and ensure lasting affordability for those who need it.
- **1.4 - Connect institutional landowners to potential development partners:** Some institutional landowners have missions that are aligned with affordable housing development. The institutions may also have advantages, ranging from property tax exemptions, supportive legal provisions, or eligibility for specialized funding sources or fundraising mechanisms, that can unlock more opportunities for developing affordable units.
- **2.2 - Increase or replace the maximum density in the High Density Residential (RH) Zone**: Increasing or replacing the maximum density standard in the RH Zone would support the efficient use of land, help increase housing capacity, and encourage smaller units, which tend to be more affordable.
- **2.3 - Modify the Mixed Density Residential (MX) Zone to encourage a higher share of middle housing and multi-family housing:** Independence's MX Zone holds 289 acres of undeveloped land, approximately 80% of the City's remaining supply of residential buildable area. Since undeveloped land is often more suitable for higher-density housing, the expansion of the required amount of alternative housing units in the MX Zone could maximize the development of multi-family and middle housing in the area.
- **2.5 - Allow cottage cluster housing in all residential zones:** Cottage cluster housing is a proven model for delivering smaller, more affordable detached housing. Permitting this housing type in all residential zones that allow single-family dwellings could allow for the development of for-sale housing units that are affordable to moderate-income households.
- **2.8 - Reduce barriers to high-density housing development in commercial zones:** Changing ground-floor commercial requirements and modifying regulations to reduce other barriers in commercial

zones could facilitate high-density housing development in these areas, help alleviate the housing shortage, and bring down costs.

- **2.9 - Reduce minimum parking requirements for multi-family housing:** The current code requires at least one parking space per unit in all residential zones, which poses challenges to achieving density while meeting parking requirements. Reducing parking requirements in locations close to alternative transportation options would support the efficient use of land and make affordable housing more financially feasible.
- **2.12 - Implement zoning incentives for affordable and accessible housing units:** Increasing maximum density through density bonuses or offering concessions on development standards, such as reduced parking requirements, can encourage developers to create housing for residents at specific income levels. These zoning incentives can help generate additional units that are affordable, particularly in projects led by private, for-profit developers who might not otherwise include such units.
- **2.13 - Use zoning regulations to preserve manufactured home parks:** Manufactured home parks are a major source of affordable housing in Independence, but, without protections, they can be uniquely vulnerable to the threat of redevelopment. Preserving the parks via zoning standards can be a meaningful way to protect the primarily low-income residents from displacement.
- **3.1 - Pursue an Urban Renewal Area (URA) to fund housing investments:** Tax increment revenue from a URA has the potential to make possible housing projects that are otherwise difficult to develop without financial support, including affordable housing.
- **4.1 - Maintain an inventory of public, underutilized, and foreclosed properties and assess the development readiness of inventoried properties:** This action creates a more attractive environment for affordable housing developers who are more likely to pursue projects when they don’t have to spend their own time and money to independently assess site readiness and suitability.
- **4.2 - Formalize agreements to acquire land:** Granting the City or its designees the right-of-first refusal or surplus of foreclosed properties gives affordable housing projects a competitive advantage in securing land for development. Agreements could occur with the County, school board, or other public, civic, and/or faith-based institutions.

Gentrification, Displacement, and Housing Stability

A critical element of ensuring fair and equitable outcomes in housing is a careful focus on preventing the displacement of existing residents. Implementation of some HPS actions could foster market conditions that lead to displacement and gentrification.

The following HPS actions are most likely to contribute to displacement or gentrification in Independence, if they are not paired with actions that mitigate this risk:

- 2.1 - Rezone land to the High Density Residential (RH) Zone
- 2.2 - Increase or replace the maximum density in the High Density Residential (RH) Zone
- 2.4 - Allow a wider range of middle housing types in the Low Density Residential (RS) and Medium Density Residential (RM) Zones.
- 3.1 - Pursue an Urban Renewal Area to fund housing investments

In order to reduce the risk that these actions contribute to displacement or gentrification, the City will pursue implementation of actions that mitigate the risk. The following actions will be most effective at mitigating the risk of displacement because they can directly contribute to the creation or preservation of units that are more likely to be affordable to households vulnerable to displacement. In some cases, the actions will need to be geographically targeted to the same area as a HPS policy or investment to address the localized impact on housing costs or the likelihood of redevelopment.

2.12 - Implement zoning incentives for affordable and accessible housing units: Incentives could be designed to require affordability covenants and/or accessible design in exchange for regulatory relief to encourage the development of affordable or accessible units that serve residents who are at risk of displacement. The incentives should be considered alongside any actions to increase density or allow new housing types (Action 2.2 and 2.4).

2.13 - Use zoning regulations to preserve manufactured home parks: Manufactured home parks are a critical source of affordable housing in Independence. Establishing zoning standards that preserve the parks is a meaningful way to protect the primarily low-income residents from displacement due to redevelopment. If any HPS actions apply directly to or in the vicinity of an existing manufactured home park, the City should pursue a manufactured home park preservation zone in tandem with the implementation of the HPS actions.

3.1 - Pursue an Urban Renewal Area (URA) to fund housing investments: Since URA investments could create the market conditions for housing costs to appreciate and increase displacement risk, the City could set aside a percentage of new TIF revenue for income-restricted affordable housing to create more affordable housing units in the neighborhoods within the district.

4.3 - Engage in land banking with partner organizations: Land banks could transfer land to nonprofits at low or no cost, which could help to create additional affordable housing options while also allowing the organization to allocate its funds to building and maintaining housing for target populations. The use of land banks would also create an opportunity to establish and/or partner with community land trusts (Action 1.3) that preserve long-term affordability, preventing displacement and ensuring lasting affordability for those who need it. Land banking is a highly effective way to target specific properties for affordable housing development in order to mitigate the impact of other actions that could cause housing costs to appreciate.

7. Measuring Progress

Per OAR 660-008-0060, Independence will track progress on implementing the actions detailed in the HPS. Four years after adopting the HPS, the City will submit a narrative report to DLCD summarizing its progress on implementation. The report must include a summary of the steps already taken by the City to implement the actions included in the HPS. If the City has not implemented actions on the schedule specified in the HPS, an explanation of the conditions that posed a barrier to implementation and a plan for addressing the identified need that the strategy targeted must be provided. Additionally, the report will include an assessment of the relative efficacy of implemented actions as well as a reflection on actions taken in response to achieving fair and equitable housing outcomes.

In anticipation of this reporting requirement, the following methods and performance metrics for monitoring progress on HPS actions are recommended. The quantity of housing permitted and produced, both citywide and in areas targeted by actions, should be tracked on an annual basis. These data should be compared to data from before actions were implemented to monitor the effects of the changes on total production, type of production, and location of production. More specific metrics for measuring progress are included below for each action group.

Action Group	Methods	Metrics
Partnership & Communication Actions	Progress on implementation of partnership actions can be indicated by the following: • Staff reporting on existing and new partnerships established with developers, service providers, and other partners through the formation of a Housing Working Group • Developing pre-approved plans and additional resources for ADUs • Periodically engaging with regional land trusts and sharing a regularly updated inventory of suitable sites for housing development • Periodically engaging with institutional landowners and maintaining a list that tracks which owners may currently have surplus land or may have surplus land in the future • Engaging small developers and generating a set of technical assistance materials	• # of meetings held annually with Housing Working Group • # of pre-approved ADU plans available through the city and # of units produced using pre-approved plans • # of outreach efforts made to community land trust(s) and # of affordable or middle-income units produced by land trusts contacted for partnership • # of outreach efforts made to institutional landowner(s) and # of affordable units produced by institutional landowners contacted for partnership • # of outreach efforts made in the creation and dissemination of technical assistance materials
Regulatory Actions	Progress on implementation of regulatory actions can be indicated by the following: • Rezoning land from lower density zones to higher density zone	• # of acres rezoned to high-density residential • # of code changes conducted to facilitate housing

<table>
<tr><th>Action Group</th><th>Methods</th><th>Metrics</th></tr>
<tr><td></td><td>Adoption of code amendments to implement each of the regulatory strategies
Establishing eligibility criteria for selected projects (like affordable housing projects) that are prioritized for land use and building permit review
Adopting zoning incentives for affordable and accessible units
Establishing zoning regulations to preserve manufactured home parks</td><td># of total housing units permitted and produced
# of middle housing units, multi-family units, small lot detached homes, and infill units permitted and produced
# of units permitted and produced in multi-dwelling and commercial zones
% of overall units permitted and produced that are income-restricted
% of units permitted and produced that are accessible
# of manufactured homes preserved</td></tr>
<tr><td>Incentive & Investment Actions</td><td>Progress on implementation of incentive actions can be indicated by the following:
Conducting a feasibility study and plan (if feasible) to create a new urban renewal area
Conducting a fee and SDC rate study, and making any adjustments to fee structures as the result of a fee and rate study
Securing and dedicating grant funding to infrastructure investments with high housing development potential
Identifying other alternative funding source(s) for capital projects</td><td>If URA is adopted, track:
# of housing units permitted and produced using TIF funding
$ TIF allocated to housing development projects and/or investments
# of housing units permitted and produced, by housing type, tenure and unit size (compared to historical and baseline trends to track changes in unit sizes, if SDCs are adjusted)
$ (grants) applied for
$ (grants) awarded and allocated to strategic infrastructure improvements</td></tr>
<tr><td>Land Actions</td><td>Progress on implementation of land actions can be indicated by the following:
Creating an inventory of surplus properties and formalizing a process to update the inventory annually
Developing site suitability metrics for the surplus properties inventory
Identifying specific infrastructure investments with high housing development potential
Adopting Intergovernmental Agreements between the City and other public agencies that grant right-of-first-refusal for surplus properties
Identifying and earmarking funding for the City to acquire and bank land</td><td># of inventoried parcels suitable for housing development
# of land acquisition or transfer agreements adopted between the City and other public agencies
# of surplus or foreclosed properties offered for right-of-first-refusal to partners for housing development
# of affordable or middle-income units produced on underutilized land the City may possess, track, or have facilitated the transfer of to a development partner
# of sites/acres banked for housing development
# of affordable or middle-income units produced on banked land</td></tr>
</table>

Action Group	Methods	Metrics
	• Identifying ways the City can support community land trusts and designating staff capacity to provide this support • Engaging in partnerships to execute land banking and develop housing on banked land	

8. Conclusion

Independence needs around 2,300 new housing units over the next 20 years. These units must take a variety of forms and tenures, be affordable at a range of income levels, and meet the needs of a variety of household types and sizes, including seniors, small households, and large intergenerational households.

Independence will act over the next 8 years to encourage development that meet these diverse housing needs. The City will explore and implement a range of actions that aim to:

- **Foster partnerships** with housing developers, institutional landowners, and land trusts;
- **Provide technical assistance** and streamline development processes for the development of needed housing types;
- **Reduce regulatory barriers** to higher density and affordable housing types;
- **Allow a wider range of housing types** to be built in more areas of the city, including low-density and commercial areas;
- **Improve the financial feasibility of affordable housing** by offsetting development costs and pursuing alternative capital improvement funding opportunities;
- **Unlock land for housing production** through the identification, acquisition, and holding of key parcels and key infrastructure investments; and
- **Create and preserve** long-term affordable housing options through preservation zoning and land banking

Some of these actions will be implemented quickly and with minimal resources, while others require more time, staff capacity, financial resources, and technical analysis. Certain actions will be implemented in concert with others to, for example, maximize the impact of regulatory changes; streamline outreach and partnership efforts with developers, civic partners, and land trusts; and mitigate the risk of displacement.

Housing actions in the HPS will be deployed with careful attention to meeting the needs of protected classes, including low-income households, communities of color, and people with disabilities. The actions have been considered carefully through this lens and aim to further fair and equitable outcomes.

While all HPS actions will impact the production of needed housing over time, some will have nearer-term effects and others will have longer-term effects. The City will track and report on key near-term performance metrics, such as how many developer outreach efforts have been made and how many code changes have been conducted, and long-term metrics, such as how many housing units have been built and how many grant dollars have been awarded.

The City will continue to engage with housing stakeholders and equity priority populations throughout the eight-year implementation period to solicit feedback on implementation and impacts of actions. The City will continue to use strategies such as communicating through trusted leaders in the community and offering incentives for participation in order help to expand outreach and facilitate meaningful feedback.

This HPS will provide essential guidance to staff and policymakers over the next eight years. It is the City's roadmap for fulfilling the diverse housing needs of current and future residents and for sustaining Independence as livable, affordable, and family-friendly community.

Appendix A:

Rent Burdened Household Survey

Year: 2022 City: Independence Submitted Date: 12/05/2022 12/23/2024 10:17:05 am

Category	Strategy	Encourage Needed Housing	Increase Affordability	Reduce Rent Burden
A - Zoning and Code Changes	A02 - Zoning Changes to Facilitate the Use of Lower-Cost Housing Types	Yes	Yes	Yes
Comments:	The city has allowed duplexes or attached single-family residences on every lot zoned for a single-family home.			
A - Zoning and Code Changes	A05 - Code Provisions for ADUs	Yes	Yes	Yes
Comments:	The city has allowed an ADU on every lot that contains a detached single-family dwelling.			
D - Financial Resources	D18 - Weatherization Funds through Community Action Agencies	No	Yes	No
Comments:	The city works with Polk Community Development Corporation to weatherize homes for individuals typically in households making less than 80% of Area Median Income.			
E - Tax Exemption and Abatement	E03 - Vertical Housing Development Zone Tax Abatement	Yes	Yes	No
Comments:	The city recently adopted a vertical housing zone for downtown Independence. The zone contains an added tax break for buildings that contain affordable units.			

Appendix B:

Community Survey

Independence Housing Production Strategy Survey 2024

65 responses

Which of the following best describes your relationship to Independence?

65 out of 65 answered

I live and work/study in Independence.
34 resp. 52.31%

I work/study in Independence. I live in a different city.
2 resp. 3.08%

I live in Independence. I work/study in a different city.
21 resp. 32.31%

I don't live or work in Independence, but close friends or family live there.
8 resp. 12.31%

Do you rent or own your home?

64 out of 65 answered

If you were searching for a smaller home, which of these housing types would meet your needs?

64 out of 65 answered

Accessory dwelling unit (also known as “granny flat or in-law suite”) 15 resp. 23.08%

Attached homes in smaller building (townhouse, duplex, triplex, quadplex). 22 resp. 33.85%

Apartment or Condo in a larger building 8 resp. 12.31%

Smaller detached houses on smaller lots 42 resp. 64.62%

Manufactured or mobile home. 7 resp. 10.77%

Other 9 resp. 13.85%

Considering the need for smaller homes, which type of housing do you think would best meet the needs of people you know in Independence (family, friends, etc.)?

63 out of 65 answered

Accessory dwelling unit (also known as “granny flat or in-law suite”) 17 resp. 26.15%

Attached homes in smaller building (townhouse, duplex, triplex, quadplex). 29 resp. 44.62%

Apartment or Condo in a larger building 21 resp. 32.31%

Smaller detached houses on smaller lots 37 resp. 56.92%

Manufactured or mobile home. 9 resp. 13.85%

Other 7 resp. 10.77%

Housing Location - What would you like to see housing development near?

First Choice

65 out of 65 answered

Recreational amenities (i.e. playgrounds, nature parks, trails etc.) 25 resp. 38.46%

Commercial areas (i.e. grocery stores, strip malls, etc.) 10 resp. 15.38%

Downtown 8 resp. 12.31%

Schools 9 resp. 13.85%

Public Transit 7 resp. 10.77%

Other 6 resp. 9.23%

Second Choice

64 out of 65 answered

Recreational amenities (i.e. playgrounds, nature parks, trails etc.) 12 resp. 18.46%

Commercial areas (i.e. grocery stores, strip malls, etc.) 15 resp. 23.08%

Downtown 6 resp. 9.23%

Schools 14 resp. 21.54%

Public Transit 14 resp. 21.54%

Other 3 resp. 4.62%

In your experience, which types of homes do you think are the most challenging to find in Independence?

64 out of 65 answered

Studio 10 resp. 15.38%

1 Bedroom 12 resp. 18.46%

2 Bedroom 15 resp. 23.08%

3 Bedroom 24 resp. 36.92%

4+ Bedroom 23 resp. 35.38%

I'm not sure 18 resp. 27.69%

Which amenities or features related to housing are most important to you, but are often missing in homes in Independence?

65 out of 65 answered

Off-street car parking	31 resp.	47.69%
Bike parking or storage	3 resp.	4.62%
Private outdoor space (balcony, patio, yard)	30 resp.	46.15%
Shared outdoor space (courtyard, small park)	11 resp.	16.92%
Children’s play structures	16 resp.	24.62%
Homes designed for multigenerational living	27 resp.	41.54%
Single-story homes	21 resp.	32.31%
Proximity to commercial areas (i.e. grocery stores, strip malls, etc.)	13 resp.	20%
Proximity to downtown	13 resp.	20%
Proximity to schools	9 resp.	13.85%

Proximity to public transit 14 resp. 21.54%

Other 14 resp. 21.54%

STRATEGIES

The City may make changes to zoning and land use rules to encourage more housing production. In your view, what goals should the City prioritize when designing these changes?

Please rate each priority from not important to very important.

Creating more opportunities to build for-sale homes

65 out of 65 answered

Not important at all 5 resp. 7.69%

Not really important 3 resp. 4.62%

Neutral 13 resp. 20%

Somewhat important 21 resp. 32.31%

Very Important 23 resp. 35.38%

The City may make changes to zoning and land use rules to encourage more housing production. In your view, what goals should the City prioritize when designing these changes?

Please rate each priority from not important to very important.

Creating more opportunities to build rental homes

65 out of 65 answered

Not important at all 11 resp. 16.92%

Not really important 6 resp. 9.23%

Neutral 14 resp. 21.54%

Somewhat important 23 resp. 35.38%

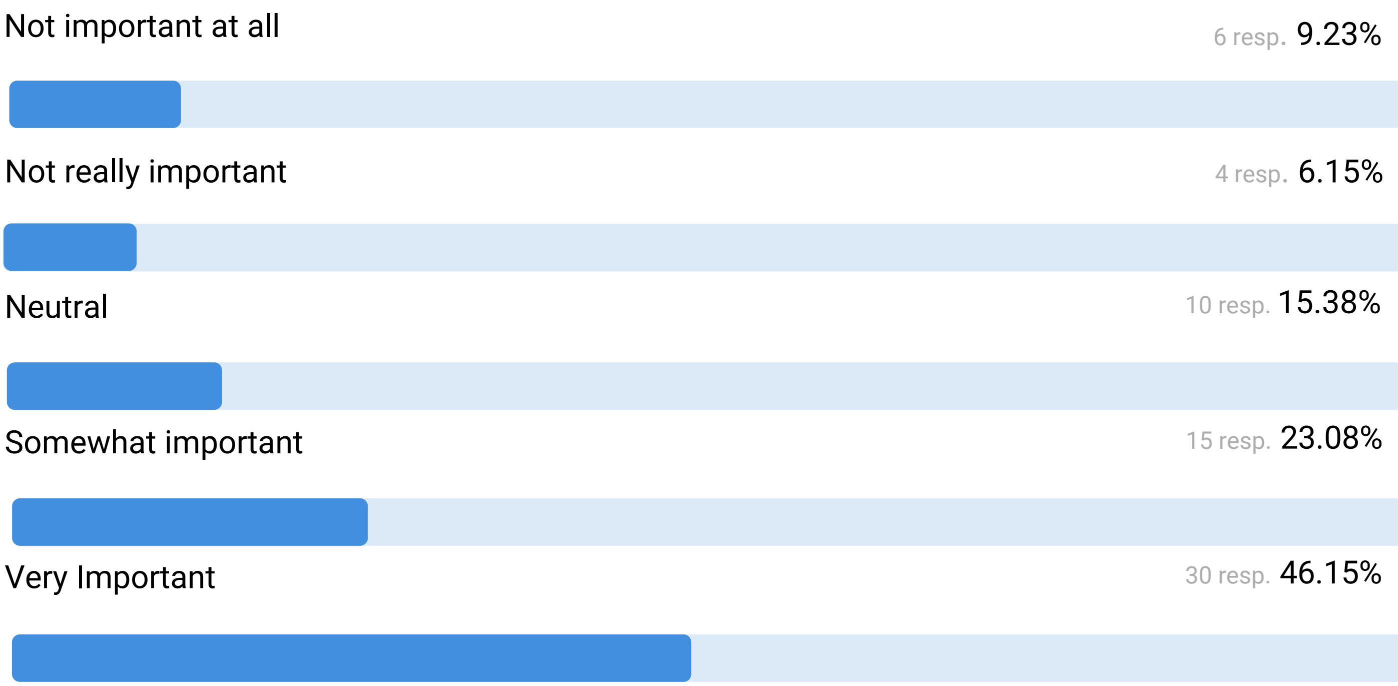
Very Important 11 resp. 16.92%

The City may make changes to zoning and land use rules to encourage more housing production. In your view, what goals should the City prioritize when designing these changes?

Please rate each priority from not important to very important.

Reducing barriers to building unconventional housing types like tiny homes or modular homes

65 out of 65 answered



The City may make changes to zoning and land use rules to encourage more housing production. In your view, what goals should the City prioritize when designing these changes?

Please rate each priority from not important to very important.

Using zoning rules to encourage builders to provide units that are required to be affordable to households with low or moderate incomes

65 out of 65 answered

Not important at all — 7 resp. 10.77%

Not really important — 2 resp. 3.08%

Neutral — 6 resp. 9.23%

Somewhat important — 17 resp. 26.15%

Very Important — 33 resp. 50.77%

If the City were to offer a reduction in fees or taxes for builders that provide certain types of housing, what type of housing should receive this benefit?

64 out of 65 answered

Rental homes that are required to be affordable to households with low or moderate incomes	33 resp.	50.77%
For-sale homes that are required to be affordable to households with low or moderate incomes	48 resp.	73.85%
Homes designed to accommodate people with disabilities by meeting accessibility standards	19 resp.	29.23%
Homes that also include supportive services for people exiting homelessness	17 resp.	26.15%
Other (specify)	7 resp.	10.77%

Would you support the City working with other government agencies and institutions to repurpose land that is no longer needed for public uses to build affordable housing?

65 out of 65 answered

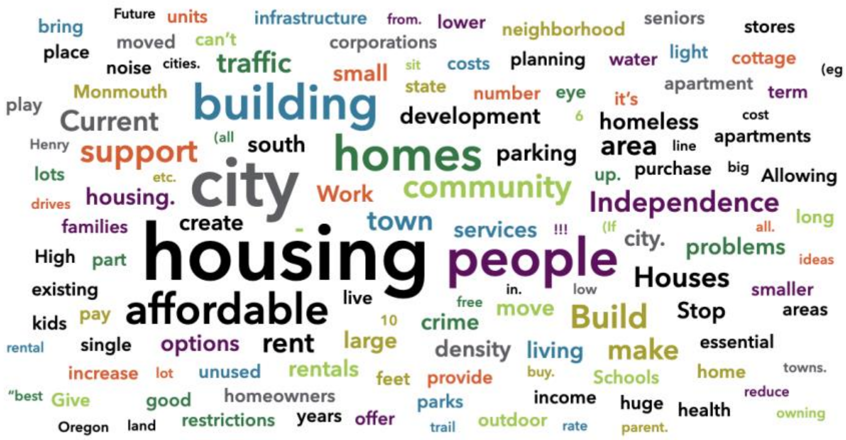
Do not support at all — 6 resp. 9.23%

Do not support — 5 resp. 7.69%

Neutral — 11 resp. 16.92%

Support — 21 resp. 32.31%

Strongly Support — 22 resp. 33.85%



Do you have any other comments on actions the city should take to include in the Housing Production Strategy? 28 out of 65 answered

Repurpose land to build affordable housing

- "There seems to be a large area of unused land in Independence (Stonehenge, the old mill, etc) that have been allowed to sit unused - these sites should be considered for demolition and resale for use of housing if possible. These seem to be eye sores that should be dealt with (understanding that there may be legal issues that need to be resolved.)"
- "The only rezoning I would support is the eyesore of concrete that has been next to the library for years. Very poor city planning and management."
- "Could not use the map to Id areas for growth. I would suggest around the airpark but only if it could also accommodate light industry for jobs."

Infrastructure Concerns

- "Until there is a functional south bypass, moratorium should be imposed on development in the south part of the city. Future development should have reasonable access to nearby commercial amenities. Consider a village concept instead of the current sprawl approach. Consider reinvestingin existing developed parts of city (eg Henry Hill) to preserve and enhance those communities. Work with Schools to locate new or reconstructed elementary school south of Monmouth and in independence where the majority of the children originate from. This is a community redevelopment strategy. Build out the existing trail plan to provide more multimodal transportation options and an overall livable city. Recognize that all city services are essential and none should be held hostage to "best practices.""
- "The city should not make current residents pay the cost of housing growth…developers, new homeowners or the state should help, not local water, sewer, road users."
- "Stop building homes until the infrastructure can catch up. You are over loading the schools."
- "Stop building apartments and houses in Independence, the city isn't made for this. Schools are already overcrowded, traffic is a nightmare and crime is going up. We have too many homes already."

Build more Amenities (Parks, Pools etc.)

- “Lands that have been ear-marked for city/community/neighborhood parks need to remain as such and new spaces also need to be selected for that continued purpose. Do not let vacant lots designated as parks be taken over for alternative purposes. People purchase and rent homes in areas anticipating playground amenities and they are being let down. Building a splash pad area would be well utilized by our community members in the summer. Otherwise, put money into building a new outdoor pool for summer recreation. Finishing a bridge out of the 7th street neighborhood would be beneficial to finish essential infrastructure before building more housing. Current "affordable" housing units are sitting unsold in the Brandy

Parking Concerns

- Since we are not a very walkable city, please consider ample parking in your rules. I live near Jasmine Circle in medium density zoning. The parking situation is not great. Driveways aren't long enough for cars to not block the sidewalk. Houses 6 feet from each other also pose noise issues. Consider making sound dampening rules to increase the livability of tightly packed neighborhoods. Thank you for allowing us to provide input.”

Incentivize homeownership

- “We need to reduce the number of rental properties to free up housing for people to purchase and live in. Corporations owning houses for rent reduces the number of houses available for families to buy. This drives up housing costs, corporations should be penalized via aggressive taxation.”

- “not build apartment complexes”
- “Kids grow up in these homes, make sure they have a safe place to play and keep their toys. So many builders forget what is needed to have successful long term living (all the storage, w/d hook ups/ mudroom, outdoor space, windows/ natural light , good flow, A/C, line of sight/ eye
- “Lower the fees associated with building new homes. The current rate is ridiculous and can’t possibly encourage new building. ”

Maintain small town character

- “This town is becoming overpopulated. There is more traffic, more noise, more crime, and more homeless people than when I moved here. Sometimes I want to move away to a smaller town."
- “The city is already growing too fast. Let us be a small town and stop trying to make us a big city.”
- “Obviously some one has a low income housing agenda which will only increase crime and more need for public services Shame on you!!!”
- I do not support any types of housing solutions or camping for homeless people or any type of transitional living. In a small town we do not need to bring large city probles to our small community, I moved out of a large city due to the problems caused by homeless people and people on drugs. Do not bring that here in any way."

Incentivize affordable housing

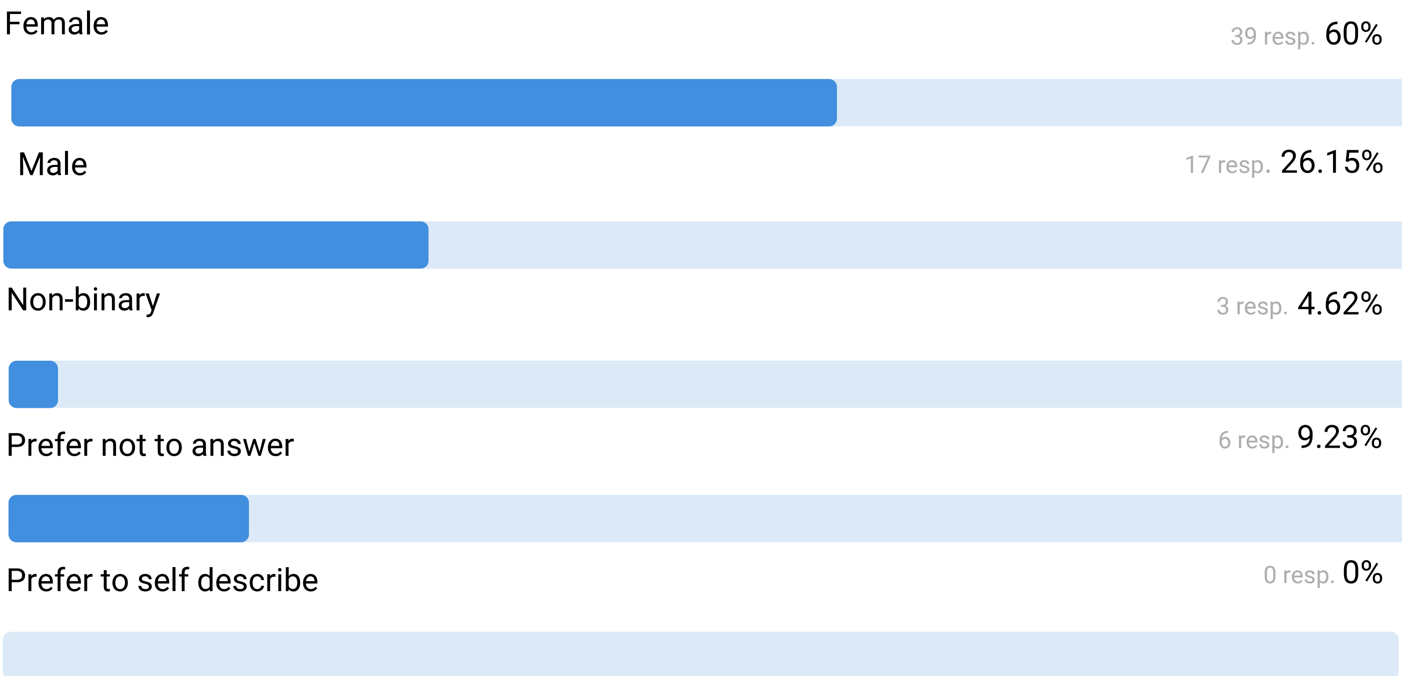
- “There is not much options for housing and independence or Monmouth area that are affordable for a single parent. This needs to change as a lot of single parents can’t pay basic rent because it’s so high to rent a unit on one income.”
- “Thank you for this survey. Affordable housing needs to be a priority and I support outside the box thinking for ways the city can help make it happen.”
- “High density housing, ie apartments with community gardens instead of lawns, would help lower income families eat healthier and be more food secure, plus it’s good for mental health and well-being.”
- “I am highly in support of changing zoning restrictions in order to build more affordable housing. Creating more affordable housing that is actually affordable for those living off of minimum wage is a great way to help people avoid homelessness.”
- “Give home owners tax benefits for converting large homes and lots into rentals. Create a revolving loan fund for homeowners who want to create rentals on their property.”

Senior housing

- “In the next ten years, there will be a flood of boomers, (Silver Tsunami) living on fixed incomes, these are our wisdom keepers and we need to give them supportive housing options they can afford; tiny home or cottage communities with a club house for gatherings, (because loneliness is a huge health issue with huge costs to the community.) Seniors can offer a valuable presence to the community and should be part of the planning process, design and development. Downtown storefronts with upstairs should be remodeled and repurposed instead of left empty.”
- “Allowing seniors to age in place is important so I'd support cottage clusters or some other similar housing be a priority.”

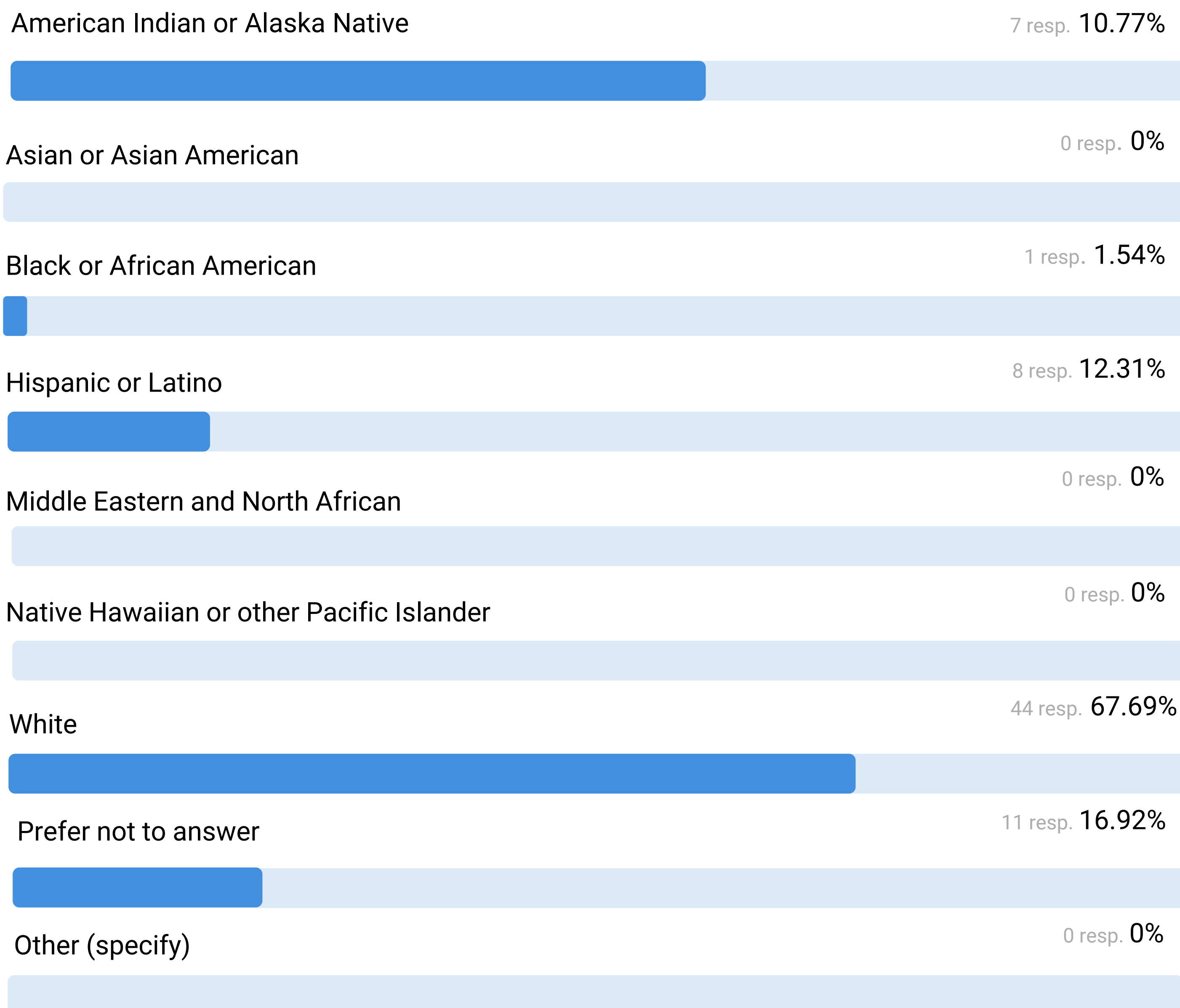
How do you identify your gender?

65 out of 65 answered



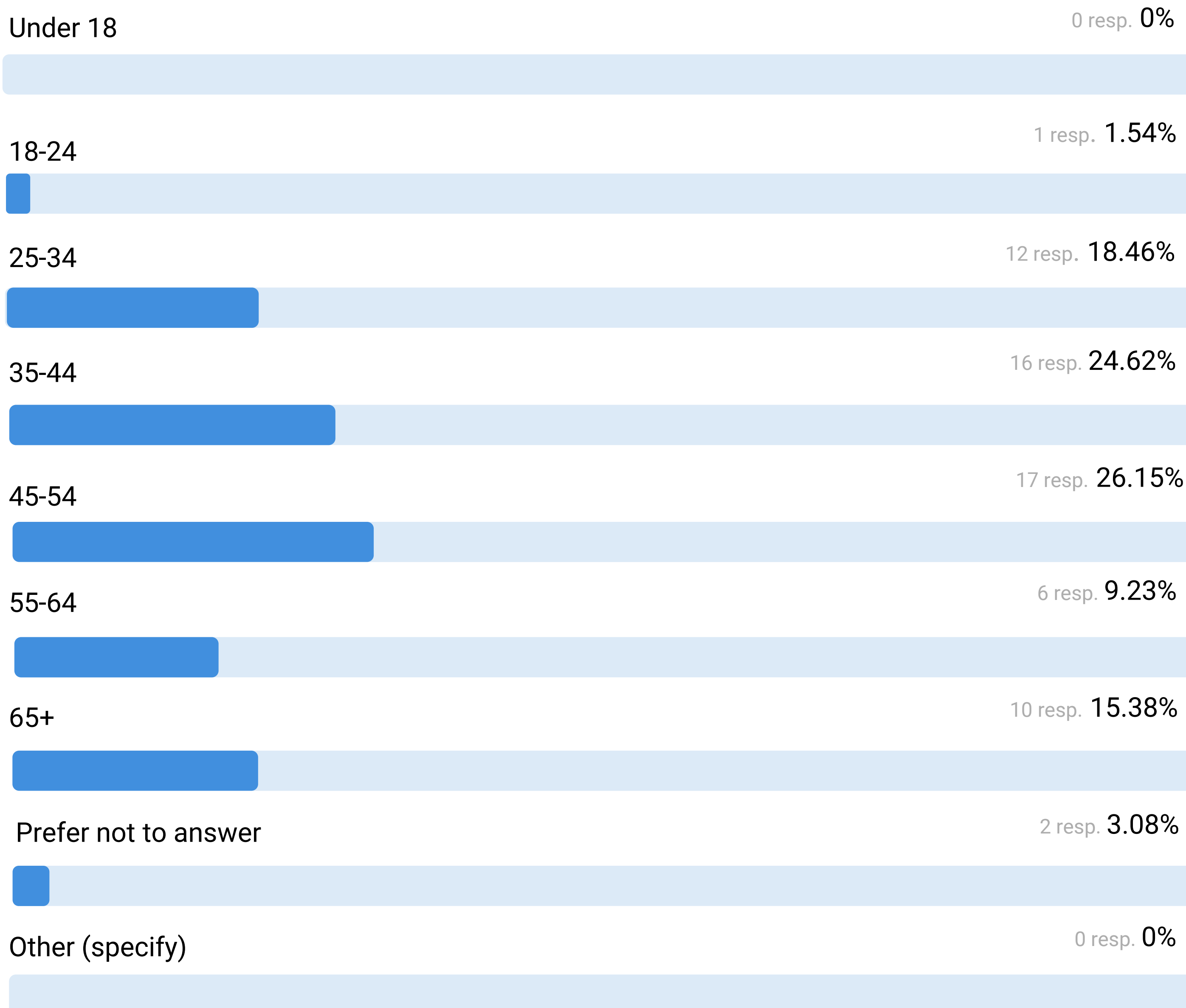
Which of the below best describes your race/ethnicity?

65 out of 65 answered



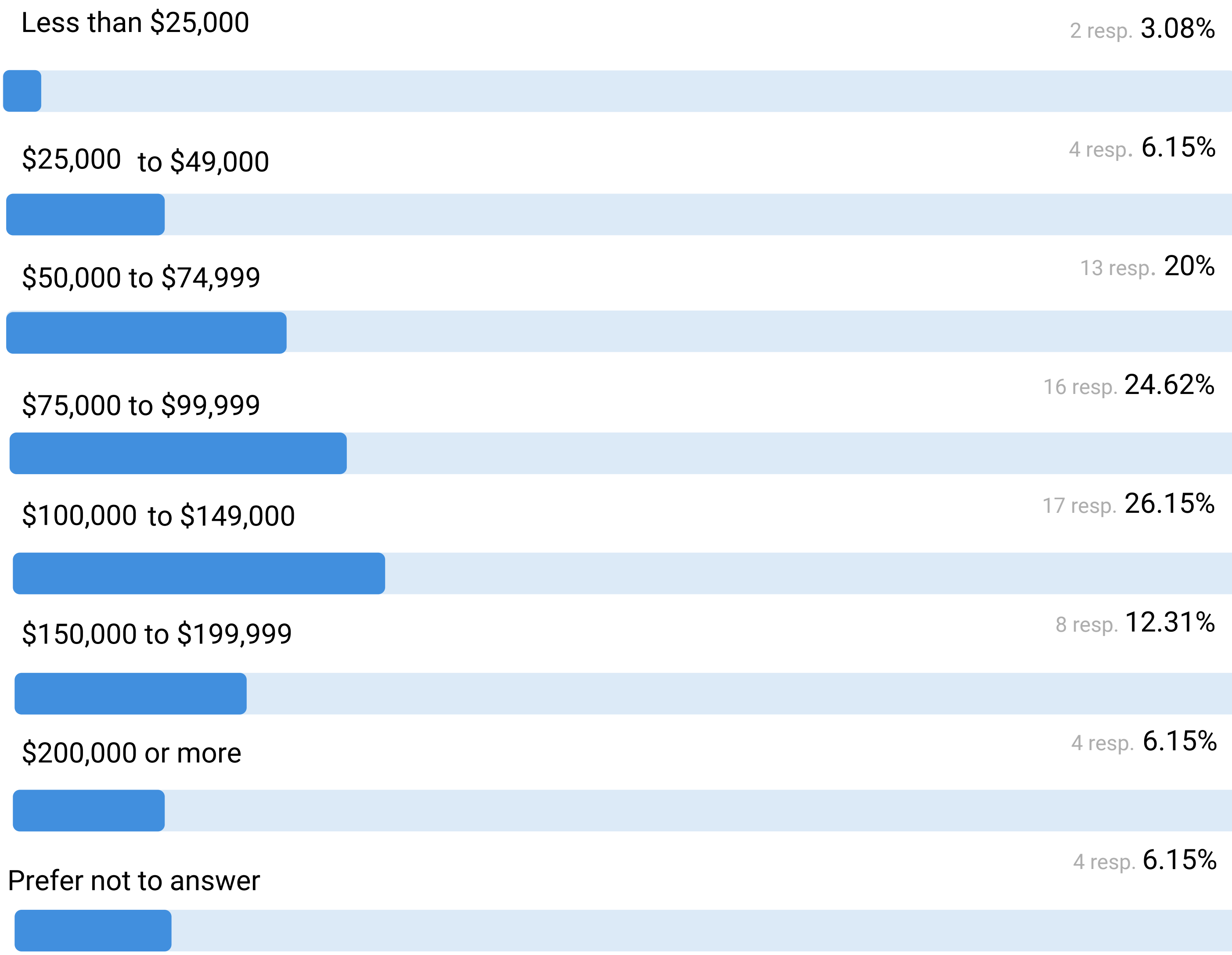
What is your age?

64 out of 65 answered



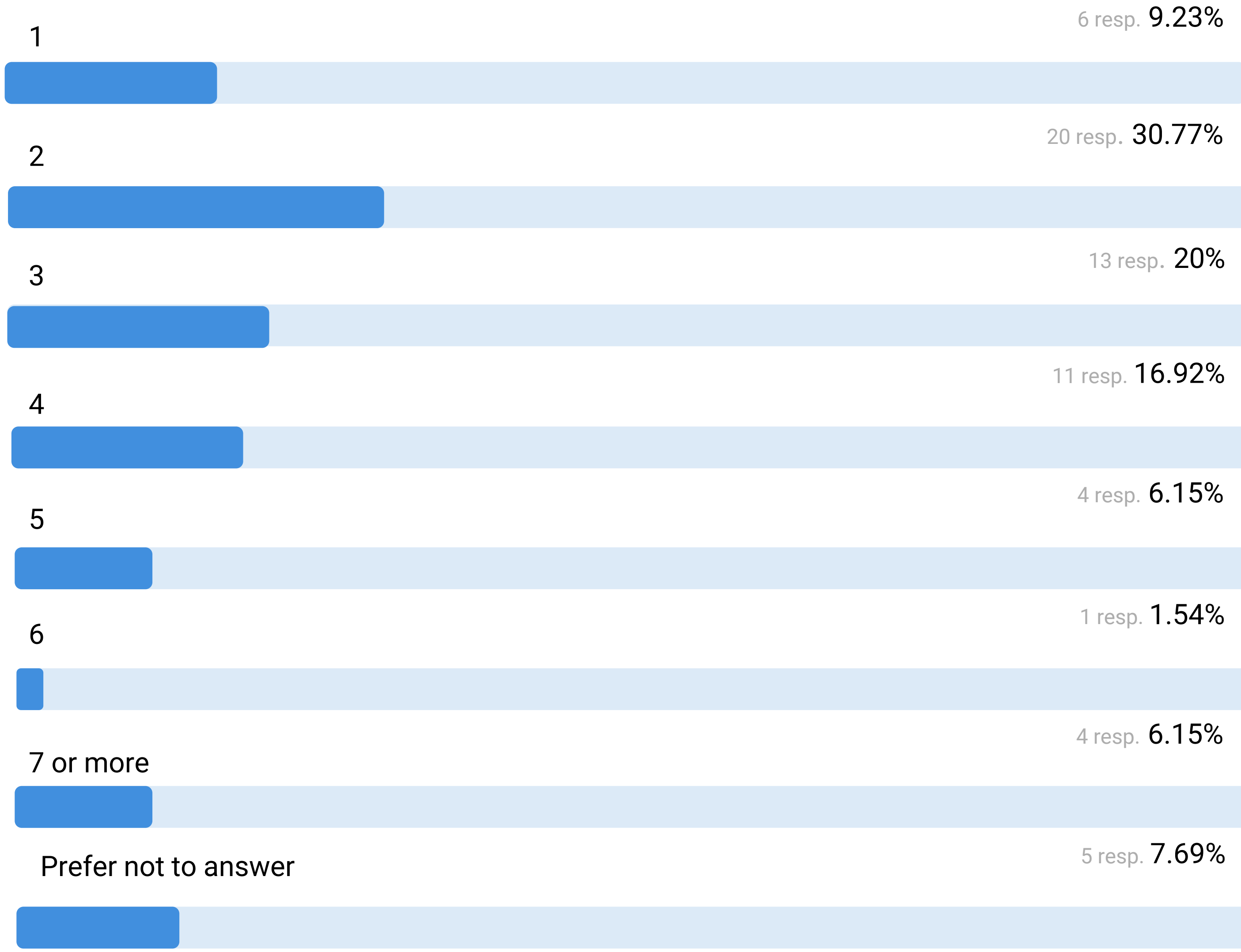
What is your total annual income before taxes?

61 out of 65 answered



How many people, including yourself, live in your household?

64 out of 65 answered



What is your zip code?

65 out of 65 answered