

Madras Housing Urban Renewal District Plan

Adopted by the City of Madras

Date

Ordinance No. _____

If Amendments are made to the HURD Plan, the Resolution or Ordinance Number and date will be listed here. The amendment will be incorporated into the HURD Plan and noted through a footnote.



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I. DEFINITIONS

“MRC” means the Madras Urban Renewal Agency which is called the Madras Redevelopment Commission or MRC. The MRC is responsible for administration of the urban renewal plan.

“Blight” is defined in ORS 457.010(1)(A-E) and identified in the ordinance adopting an urban renewal plan.

“Board of Commissioners” means the Jefferson County Board of Commissioners.

“City” means the City of Madras, Oregon.

“City Council” or “Council” means the Madras City Council.

“Comprehensive Plan” means the City of Madras Comprehensive Plan and its implementing ordinances, policies, and standards.

“County” means Jefferson County, Oregon.

“Frozen base” means the total assessed value including all real, personal, manufactured, and utility values within an urban renewal area at the time of adoption. The county assessor certifies the assessed value after the adoption of an urban renewal plan.

“HURD” means the Madras Housing Urban Renewal District.

“Increment” means that part of the assessed value of a taxing district attributable to any increase in the assessed value of the property located in an urban renewal area, or portion thereof, over the assessed value specified in the certified statement.

“Maximum Indebtedness” means the amount of the principal of indebtedness included in a plan pursuant to ORS 457.190 and does not include indebtedness incurred to refund or refinance existing indebtedness.

“ORS” means the Oregon Revised Statutes and specifically Chapter 457, which relates to urban renewal.

“Plan” means the Madras Housing Urban Renewal District (HURD) Plan.

“Plan Area” means the properties and rights-of-way located with the Madras Urban Renewal Boundary.

“Planning Commission” means the Madras Planning Commission.

“Revenue sharing” means sharing tax increment proceeds as defined in ORS 457.470.

“Tax increment financing (TIF)” means the funds that are associated with the division of taxes accomplished through the adoption of an urban renewal plan.

“Tax increment revenues” means the funds allocated by the assessor to an urban renewal area due to increases in assessed value over the frozen base within the area.

“Urban renewal area” means a blighted area included in an urban renewal plan or an area included in an urban renewal plan under ORS 457.160.

“Urban renewal plan” or “Plan” means a plan, as it exists or is changed or modified from time to time, for one or more urban renewal areas, as provided in ORS 457.085, 457.095, 457.105, 457.115, 457.120, 457.125, 457.135 and 457.220.

“Urban renewal project” or “Project” means any work or undertaking carried out under ORS 457.170 in an urban renewal area.

“Urban renewal report” or “Report” means the official report that accompanies the urban renewal plan pursuant to ORS 457.085(3).

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II. INTRODUCTION

The Madras Housing Urban Renewal District Plan (“HURD Plan”) was developed for the Madras City Council (“City Council”) after completion of the Madras Housing Action Plan, an urban renewal feasibility study, public input and discussion with the City Council in public meetings, described in more detail below.

Pursuant to the Madras City Charter, this Plan will go into effect when it has been adopted by City Council.

A. HURD Plan Overview

Background:

In 2018 the City of Madras completed a Housing Action Plan¹. The Housing Action Plan noted the following facts about the supply of housing in Madras:

- Thirty-two percent of households in Madras are cost burdened, paying more than 30% of their income on housing costs.
- No new multifamily housing units have been developed in Madras since 2010.
- Forty-nine new single-family units have been developed in Madras since 2010.
- One hundred five people in Madras were experiencing homelessness in 2018.
- There is a deficit of 401 housing units to meet the needs of households earning less than \$25,000 per year.
- There is a deficit of 435 housing units to meet the needs of households earning from \$50,000 to \$100,000 per year.

The Housing Action Plan stated that the City of Madras’ goal for overall housing production is an average of 30 new dwelling units per year.²

The City Council’s goal for new housing development over the next 5 years is:

- 40 units of housing affordable to low-income households, who have annual earning of less than \$30,360 in 2017 dollars. These units will be government-subsidized housing, most likely townhouses or apartments.
- 75 units of housing affordable to moderate- and middle-income households, who have annual earnings of between \$30,360 and \$60,720 in 2017 dollars. These units may include lower-cost, single-family detached housing, townhouses, cottage housing, duplexes, tri- and quad-plexes, and apartments.

¹ ECONorthwest, *Madras Housing Action Plan* (December 11, 2018).

² From the *Madras Housing Action Plan*: This goal starts from Portland State University’s forecast of population growth in the Madras UGB (dated June 20, 2018). The forecast shows that Madras will grow by 1,872 people between 2018 and 2040, at an average annual growth rate of 1.06%. Using the average household size from the 2012-2016 American Community Survey of 2.81 persons per household, Madras would have 666 new dwellings between 2018 and 2040, with an average of 30 new dwellings per year.

- 50 units of housing affordable to higher-income households, who have annual earnings of more than \$60,720 in 2017 dollars. These units may include any type of housing.³

The Housing Action Plan also recommended evaluating the opportunities for a new or expanded urban renewal area to support development of housing.⁴

In 2019 the City of Madras hired Elaine Howard Consulting, LLC and Tiberius Solutions LLC to conduct a feasibility study for the creation of a housing urban renewal district (“HURD”).

The feasibility study was completed after discussions with Madras staff, interviews with local Madras community leaders, builders, realtors, and property owners. The results were presented to the City Council in two separate meetings. The purpose of the first meeting was to review the community input. There was overall agreement that there needed to be assistance provided to encourage housing development in Madras and that the types of assistance being discussed in the Feasibility Study would be a positive step by the City Council. After this briefing, the City Council authorized moving to Phase II of the Feasibility Study, the financial analysis. The purpose of the second meeting was to review potential financial scenarios for the proposed HURD. At the second meeting the City Council authorized proceeding with the development of a formal urban renewal plan.

After the feasibility study, staff coordinated with the consulting team to further refine how the incentive program would work. Two Open Houses were conducted on August 27, 2019 to receive additional input, one with developers/builders/property owners and one with the general public. Representatives of the affected taxing districts were invited to attend the Open House.

The HURD Plan also includes input from the community received at public meetings at the Madras Redevelopment Commission (“MRC”) and hearings before the Planning Commission, and the City Council.

The HURD Plan Area (“Plan Area”), shown in Figure 1, consists of approximately 700.67 total acres: 605.39 acres of land in tax lots and 95.28 acres of public rights-of-way. Properties within the Plan Area are largely undeveloped, and most of the property is zoned for residential development. The Jefferson County Fairgrounds property is included in the boundary of the HURD as it may transition to a different use over the anticipated 30-year life of this urban renewal plan.

The Plan is estimated to last 30 years, resulting in 30 years of tax increment collections. The City estimates that 965 new housing units will be constructed within the Plan Area over the estimated 30-year time frame of the HURD.⁵ The maximum amount of indebtedness (amount of dollars spent for projects, programs and administration) that may be issued for the Plan is \$39,100,000.

Goals and objectives for this HURD Plan are intended to guide the tax increment financing (“TIF”) investment in the HURD Plan Area over the life of the HURD Plan. The project

³ Madras Housing Action Plan, ECONorthwest, 2018, p vi

⁴ Ibid, p viii

⁵ Details in the Report Accompanying the Madras Housing Urban Renewal District Plan.

category descriptions and list of projects are intended to aid future decision makers when considering how best to expend funds generated by TIF. The HURD Plan is to be administered by the MRC. Substantial amendments to the HURD Plan must be approved by City Council as outlined in Section VII. All amendments to the Plan are to be listed numerically on the front page of the HURD Plan and then incorporated into the HURD Plan document and noted by footnote with an amendment number and adoption date.

The relationship between the sections of the HURD Plan and the ORS 457.085 requirements is shown in Table 1. The specific reference in the table below is the section of this HURD Plan that primarily addresses the statutory reference. There may be other sections of the HURD Plan that also address ORS 457.

Table 1 - Statutory References

Statutory Requirement	Plan Section
ORS 457.085(2)(a)	V, VI
ORS 457.085(2)(b)	V, VI
ORS 457.085(2)(c)	XIII
ORS 457.085(2)(d)	XI
ORS 457.085(2)(e)	XI
ORS 457.085(2)(f)	IX
ORS 457.085(2)(g)	VIII
ORS 457.085(2)(h)	III
ORS 457.085(2)(i)	VII
ORS 457.085(2)(j)	Not applicable

B. Urban Renewal Overview

Urban renewal allows for the use of tax increment financing, a financing source that is unique to urban renewal, to fund projects within a Plan Area. Tax increment revenues (the amount of property taxes generated by the increase in total assessed values in the urban renewal area from the time the urban renewal area is first established) are used to repay borrowed funds. The borrowed funds are used to pay for urban renewal projects and cannot exceed the Maximum Indebtedness amount set by the urban renewal plan.

The purpose of urban renewal is to improve specific areas of a city that are poorly developed or underdeveloped, called blighted areas in ORS 457. In general, urban renewal projects can include construction or improvement of streets, utilities, and other public facilities; assistance for rehabilitation or redevelopment of property; acquisition and re-sale of property (site assembly) from willing sellers; and improvements to public spaces. The HURD Plan Area meets the definition of blight due to its infrastructure deficiencies and underdeveloped

properties. These blighted conditions are specifically cited in the ordinance adopting the HURD Plan and described in detail in the Report Accompanying Urban Renewal Plan (“Report”).

The Report accompanying the HURD Plan contains the information required by ORS 457.085, including:

- A description of the physical, social, and economic conditions in the area;
- Expected impact of the plan, including fiscal impact in light of increased services;
- Reasons for selection of the area;
- The relationship between each project to be undertaken and the existing conditions;
- The estimated total cost of each project and the source of funds to pay such costs;
- The estimated completion date of each project;
- The estimated amount of funds required in the area, and the anticipated year in which the debt will be retired;
- A financial analysis of the plan;
- A fiscal impact statement that estimates the impact of tax increment financing upon all entities levying taxes upon property in the area; and,
- A relocation report.

III. MAXIMUM INDEBTEDNESS

Maximum Indebtedness is the total amount of money that can be spent on projects, programs and administration throughout the life of the HURD Plan. The maximum amount of indebtedness that may be issued or incurred under the HURD Plan, based upon good faith estimates of the scope and costs of projects in the HURD Plan and the schedule for their completion is \$39,100,000 (Thirty-Nine Million One Hundred Thousand Dollars). This amount is the principal of such indebtedness and does not include interest or indebtedness incurred to refund or refinance existing indebtedness or interest earned on debt proceeds.

IV. HURD PLAN GOALS

The goals of the HURD Plan represent its basic intents and purposes. Accompanying the goals are objectives, which generally describe how the MRC intends to achieve each goal. The urban renewal projects identified in Sections V and VI of the HURD Plan are the specific means of meeting the objectives. The goals and objectives will be pursued as economically as is feasible and at the discretion of the MRC.

A. Housing Development

To increase the supply of all housing types in the City of Madras.

Objectives:

1. *Provide financial incentives for the development of housing in the City of Madras.*
2. *Provide infrastructure improvements to support the development of housing in Madras.*

B. Infrastructure

To provide necessary infrastructure improvements to support housing development in the City of Madras.

Objectives:

1. *Provide infrastructure improvements.*
2. *Assist in the financing of infrastructure improvements to be made by a developer/builder/property owner.*
3. *Assist in the provision of infrastructure improvements by providing other incentives to a developer/builder/property owner.*

C. Public Safety

Coordinate with the Jefferson County Fire District #1 to provide public safety in the urban renewal area.

Objectives:

1. *Provide funding for capital improvements to the Jefferson County Fire District #1.*

V. URBAN RENEWAL PROJECT CATEGORIES

The projects within the HURD Plan Area fall into the following categories:

- A. Developer Incentives*
- B. Infrastructure*
- C. Public Safety*
- D. Administration*

VI. URBAN RENEWAL PROJECTS

Urban renewal projects authorized by the HURD Plan are described below.

A. Developer/Builder/Property Owner Incentives

The MRC may provide incentives to developers for the development of housing units in the HURD Area. This will be completed through a development agreement with the developer/builder/property owner that stipulates the amount and timing of the development and the amount and timing of the incentive. These incentives can be:

- A direct contribution of funds
- A rebate of a portion of property taxes paid
- Contributions to the developer for infrastructure development
- An agreement for the Agency to complete infrastructure improvements that are otherwise required as a condition of development approval
- A combination of the above

MRC/City staff will conduct pre-development meetings with the developer/builder/property owner to identify the unique financing needs of each site. Staff will recommend a financing package to the MRC that will contain recommendations on the appropriate form of incentive through negotiations with the developer/builder/property owner for the development of the housing units. The MRC will approve the incentives and the ultimate signing of a development agreement containing those incentives and a commitment by the developer/builder/property owner for the production of the housing units.

A guideline for the amount of incentive is established in the Report accompanying the HURD Plan. This is a guideline only, balancing the needs for administration, incentives, and infrastructure needs.

B. Infrastructure

The MRC may complete infrastructure improvements including but not limited to streets, sidewalks, water, sewer, and stormwater projects determined by the MRC to help facilitate housing development and may complete improvements specified in a development agreement that tie the improvements to specific housing development. As these improvements are

identified, a minor amendment will be made to the HURD Plan to describe the specific improvement.

C. Public Safety

Assist Jefferson County Fire District #1 by providing funds for the expansion to the fire station at the corner of 5th and J Street in the urban renewal area. This project will be funded no sooner than the 10th fiscal year after the HURD is established.

D. Administration

The MRC may provide administration of the HURD Plan including but not limited to staff support, financial statements, budget preparation and annual reports pursuant to ORS 457.460.

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VII. AMENDMENTS TO HURD PLAN

The HURD Plan may be amended as described in this section.

A. *Substantial Amendments*

Substantial Amendments, in accordance with ORS 457.085(2)(i), shall require the same notice, hearing, and approval procedure required of the original HURD Plan, under ORS 457.095, including public involvement, consultation with taxing districts, presentation to the MRC, the Planning Commission, and adoption by the City Council by non-emergency ordinance after a hearing. Notice of such hearing shall be provided to individuals or households within the City of Madras, as required by ORS 457.120. Notice of adoption of a Substantial Amendment shall be provided in accordance with ORS 457.095 and 457.115.

Substantial Amendments are amendments that:⁶

1. *Add land to the urban renewal area, except for an addition of land that totals not more than 1% of the existing area of the urban renewal area; or*
2. *Increase the maximum amount of indebtedness that can be issued or incurred under the HURD Plan.*

B. *Minor Amendments*

Minor Amendments are amendments that are not Substantial Amendments as defined in this HURD Plan and in ORS 457. Minor Amendments require approval by the MRC by resolution.

C. *Amendments to the Madras Comprehensive Plan and/or Madras Zoning Ordinance 933.*

Amendments to the Madras Comprehensive Plan and/or Development Code Ordinance 933 that affect the HURD Plan and/or the HURD Plan Area shall be incorporated automatically within the HURD Plan without any separate action required by the MRC or City Council. When a substantial amendment is completed, the Relationship to Local Objectives section will be updated.

⁶ Unless otherwise permitted by state law, no land equal to more than 20 percent of the total land area of the original Plan shall be added to the urban renewal area by amendments, and the aggregate amount of all amendments increasing the Maximum Indebtedness may not exceed 20 percent of the Plan's initial maximum indebtedness, as adjusted, as provided by law.

VIII. PROPERTY ACQUISITION AND DISPOSITION

The HURD Plan authorizes the acquisition and disposition of property as described in this section. Property includes any and all interests in property, including fee simple ownership, lease, easements, licenses, or other rights to use. If property is acquired it will be identified in the HURD Plan through a Minor Amendment, as described in Section VII. Identification of property to be acquired and its anticipated disposition is required by ORS 457.085(g).

A. Property Acquisition for Public Improvements

The MRC may acquire any property within the HURD Plan Area for the public improvement projects undertaken pursuant to the HURD Plan by all legal means, including use of eminent domain. Good faith negotiations for such acquisitions must occur prior to institution of eminent domain procedures.

B. Property Acquisition from Willing Sellers

The HURD Plan authorizes MRC acquisition of any interest in property within the HURD Plan Area that the MRC finds is necessary for private redevelopment, but only in those cases where the property owner wishes to convey such interest to the MRC. The HURD Plan does not authorize the MRC to use the power of eminent domain to acquire property from a private party to transfer property to another private party for private redevelopment. Property acquisition from willing sellers may be required to support development of projects within the HURD Plan Area.

C. Land Disposition

The MRC will dispose of property acquired for a public improvement project by conveyance to the appropriate public agency responsible for the construction and/or maintenance of the public improvement. The MRC may retain such property during the construction of the public improvement.

The MRC may dispose of property acquired under Subsection B of this Section VI by conveying any interest in property acquired. Property shall be conveyed at its fair reuse value. Fair reuse value is the value, whether expressed in terms of rental or capital price, at which the urban renewal MRC, in its discretion, determines such land should be made available in order that it may be developed, redeveloped, cleared, conserved, or rehabilitated for the purposes specified in the HURD Plan . Because fair reuse value reflects limitations on the use of the property to those purposes specified in the HURD Plan, the value may be lower than the property's fair market value.

Where land is sold or leased, the purchaser or lessee must agree to use the land for the purposes designated in the HURD Plan and to begin and complete the building of its improvements within a period of time that the MRC determines is reasonable.

IX. RELOCATION METHODS

When the MRC acquires occupied property under the HURD Plan, residential or commercial occupants of such property shall be offered relocation assistance, as required under applicable state law. Prior to such acquisition, the MRC shall adopt rules and regulations, as necessary, for the administration of relocation assistance. No specific acquisitions that would result in relocation benefits have been identified; however, there are plans to acquire land for infrastructure which may trigger relocation benefits in the future in the HURD Plan Area.

X. TAX INCREMENT FINANCING OF HURD PLAN

Tax increment financing consists of using annual tax increment revenues to make payments on debt, usually in the form of lines of credit, bank loans or revenue bonds (borrowings). The proceeds of the borrowings are used to finance the urban renewal projects authorized in the HURD Plan. Borrowings may be either long-term or short-term.

Tax increment revenues equal most of the annual property taxes imposed on the cumulative *increase* in assessed value within an urban renewal area over the total assessed value at the time an urban renewal plan is adopted. (Under current law, the property taxes for general obligation (GO) bonds and local option levies are not part of the tax increment revenues.)

A. General Description of the Proposed Financing Methods

The HURD Plan will be financed using a combination of revenue sources. These include:

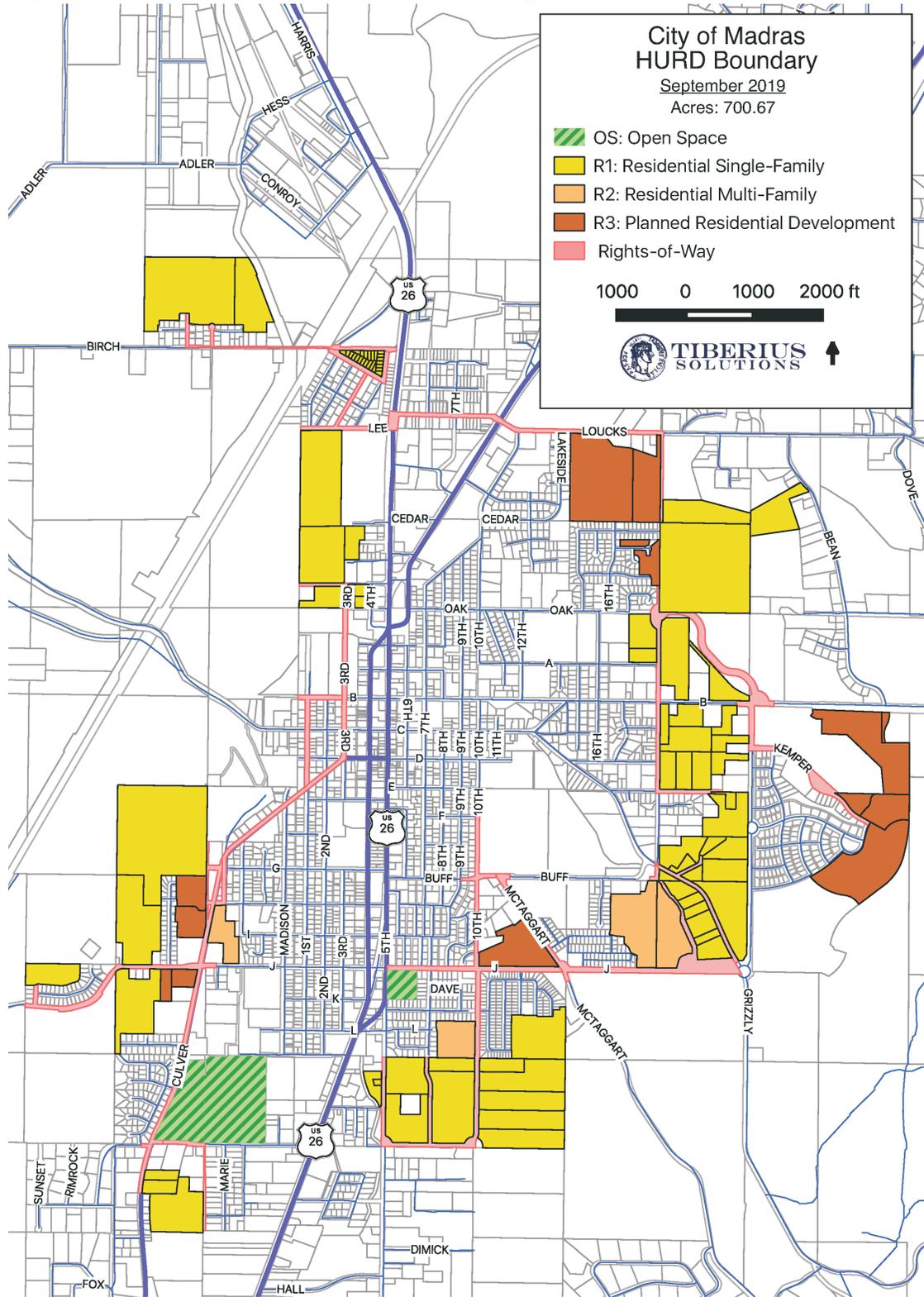
- Tax increment revenues;
- Advances, loans, grants, and any other form of financial assistance from federal, state, or local governments, or other public bodies;
- Lines of credit, loans, grants, dedications, or other contributions from private developers and property owners, including, but not limited to assessment districts; and
- Any other public or private source.

Revenues obtained by the MRC will be used to pay or repay the costs, expenses, advancements, and indebtedness incurred in (1) planning or undertaking project activities, or (2) otherwise exercising any of the powers granted by ORS Chapter 457 in connection with the planning and implementation of this HURD Plan, including preparation of the HURD Plan.

B. Tax Increment Financing

The HURD Plan may be financed, in whole or in part, by tax increment revenues allocated to the MRC, as provided in ORS Chapter 457. The ad valorem taxes, if any, levied by a taxing district in which all or a portion of the HURD Plan Area is located, shall be divided as provided in Section 1c, Article IX of the Oregon Constitution, and ORS 457.440. Amounts collected pursuant to ORS 457.440 shall be deposited into the unsegregated tax collections account and distributed to the MRC based upon the distribution schedule established under ORS 311.390.

Figure 2 – Zoning and Comprehensive Plan Designations



Source: Tiberius Solutions, LLC and City of Madras

XI. RELATIONSHIP TO LOCAL OBJECTIVES

ORS 457.085 requires that the HURD Plan conform to local objectives. This section provides that analysis. Relevant local planning and development objectives are contained within the Madras Housing Action Plan and the City's Comprehensive Plan. Further, this section addresses the Madras Zoning Ordinance No. 864.

The following section describes the purpose and intent of these plans, the main applicable goals and policies within each plan, and an explanation of how the plans relate to the applicable goals and policies.

The numbering of the goals and policies within this section reflects the numbering that occurs in the original document. *Italicized text* is text that has been taken directly from an original document.

Comprehensive Plan designations for all land in the HURD Plan Area are shown in Figure 2. All proposed land uses conform to Figure 2. Maximum densities and building requirements for all land in the HURD Plan Area are contained in the Madras Zoning Ordinance.

A. Madras Housing Action Plan

Madras' Housing Action Plan, adopted in 2018, strategically addresses regulatory; partnership; investment, funding, and financing barriers to housing development across the city. The housing action plan was developed through discussions with staff, as well as through analysis of the housing market and housing needs in Madras.

The City of Madras' City Council recognizes the importance of encouraging new housing development in Madras, as soon as possible. While private sector developers and nonprofit affordable housing developers are most likely to develop the majority of new housing, the City of Madras' policies can affect the housing market.

The City Council's goal for new housing development over the next 5 years is:

- 40 units of housing affordable to low-income households, who have annual earning of less than \$30,360 in 2017 dollars. These units will be government-subsidized housing, most likely townhouses or apartments.*
- 75 units of housing affordable to moderate- and middle-income household, who have annual earnings of between \$30,360 and \$60,720 in 2017 dollars. These units may include lower-cost single-family detached housing, townhouses, cottage housing, duplexes, tri- and quad-plexes, and apartments.*
- 50 units of housing affordable to higher-income households, who have annual earnings of more than \$60,720 in 2017 dollars. These units may include any type of housing.*

The Housing Action Plan describes the market intervention that the City proposes to make to support and encourage new housing development. The Housing Action Plan identifies actionable items to meet Madras' housing needs while balancing the City's influence on housing development. The Housing Action Plan describes the market intervention that the City proposes to make to support and encourage new housing development.

Finding:

The HURD Plan conforms to the Madras Housing Action Plan as providing the financial tools through the creation of an urban renewal area will help incentivize the development of housing and provide potential financing for infrastructure which is required to facilitate housing development in Madras.

B. Madras Comprehensive Plan

This analysis covers the most relevant sections of the Madras Comprehensive Plan (“Comprehensive Plan”) but may not cover every section of the Comprehensive Plan that relates to the Plan.

As the Comprehensive Plan is updated in the future, this document will automatically incorporate those updates without the HURD Plan having to be formally amended. If a substantial amendment is completed in the future, this section of the HURD Plan should be updated at that point.

The numbering of the policies within this section reflects the numbering that occurs in the original document.

Goal 1 – To develop a Citizen Involvement program that ensures the opportunity for all citizens to be involved in all phases of the planning process.

Finding:

The HURD Plan conforms to the Citizen Involvement Goal of the Comprehensive Plan as citizen involvement was sought on the HURD Plan development through individual interviews of realtors, property owners, developers and community leaders. Two public meetings reviewed information on the feasibility study. Two Open Houses were held on the development of the HURD Plan: One Open House was with builders/developers and property owners and one for the general public with taxing districts also invited. The MRC meeting, Planning Commission meeting and City Council meetings were all open public meetings where testimony was allowed. The City Council meeting was advertised city wide.

Goal 9 – Economic Development

1. Madras seeks opportunity for economic expansion in many economic sectors including new businesses that expand Madras Traded Sector economy, and that make use of existing economic development assets.

2. Madras will take steps to facilitate economic growth and development by:

a. Investing in basic transportation infrastructure that supports economic development, including roads, rail access, and aviation facilities.

Finding:

The HURD Plan conforms to Goal 9 - Economic Development of the Comprehensive Plan as providing housing alternatives and infrastructure which is required for housing development is an important component to facilitate economic development in Madras.

Goal 10 – To provide for the housing needs of the citizens of the City.**Policies:**

A. Provide buildable land for a variety of housing types. The City's existing housing inventory includes a generous supply of housing that is affordable for low-and moderate income families, such as multi-family and mobile housing units. So that a reasonable housing balance can be provided and that a mix of housing types on a variety of lot sizes are available for both existing and future area residents, the City shall encourage the development of housing types that are suitable for high income households. To be competitive with housing in the region that accommodates high income households, the encouraged housing type should include amenities appropriate for high income households, such as a golf course. Future housing should be consistent with the City's Livability Goals and Policies. With the addition of more housing targeted at high income buyers, the City will grow into a more diverse, vibrant, livable community.

B. Encourage development of suitable housing to satisfy all income levels. The City's existing housing includes a generous supply of housing that is affordable for low, and moderate income families, but there is a deficit of housing that is commensurate with the financial capabilities of existing and future high income families. The Department of Corrections Facility is expected to create high income jobs (i.e., jobs that will raise household incomes in excess of 120% of the MFI), and the City desires to attract these employees (and maintain existing high income families) as residents. So that housing is available for households at all income levels, rather than only low and moderate income households, the City shall encourage the development of housing that is suitable for high income households. To be competitive with housing in the region for high income buyers, the target housing in the City should include amenities appropriate for high income households, such as a golf course. With the addition of more livable and housing suitable for high income households, the City will grow into a more diverse, vibrant community.

IMPLEMENTATION MEASURE -

The City will continue to support the affirmative fair housing marketing plan as adopted by the City. The City will also encourage the home-building industry to provide a variety of housing opportunities in sufficient quantities at affordable prices to meet the housing needs of existing and future residents. In order to provide the necessary variety of housing required by Statewide Planning Goal 10, the City's Goal 10 and related Policies, the City also establishes as a priority the provision of sufficient housing opportunities, with appropriate amenities, suitable for high income households. The City encourages this housing to be developed in accordance with the Master Planned Community Overlay zone, which requires generous open space and amenities,

and encourages efficient use of land and public facilities and services, a variety of housing types, innovative designs and complete pedestrian-friendly communities.

Finding:

The HURD Plan conforms to Goal 10 of the Comprehensive Plan as increasing the housing supply and providing infrastructure which is required for housing development are important components to facilitate housing development in Madras. The project to assist Jefferson County Fire District #1 in the expansion of their facility will help protect the housing being developed in the Area.

GOAL 11 - To plan and develop a timely, orderly and efficient arrangement of public facilities and services to serve as a framework for urban and rural development.

Policies:

The City shall:

- A. Continue to support the school district in providing adequate educational facilities.*
- B. Provide urban services as required to the urbanizing areas of the City.*
- C. Insure the provision of urban services--streets, water and sewer--as new development occurs.*

Finding:

The HURD Plan conforms to Goal 11 of the Comprehensive Plan as increasing the housing supply will attract more students to the Madras School District. Oregon schools are funded on a per pupil basis, therefore, any increase in students provides an associated increase in funding for the school district. Providing urban services to undeveloped land will help facilitate the development of this land.

GOAL 12 - To provide and encourage a safe, convenient, and economical transportation system.

Policies:

The City shall maintain and improve the City's street network policies. The City shall undertake to resolve the following problems as noted in the inventories section of the Comprehensive Plan.

Finding:

The HURD Plan conforms to Goal 12 of the Comprehensive Plan as the transportation infrastructure projects will help facilitate orderly and efficient development in the HURD Plan Area.

GOAL 14 - To provide for an orderly and efficient transition from rural to urban land, and to provide for livable communities.

Policies:

D. The City shall encourage the development of complete, livable communities that include characteristics such as: a variety of lot sizes, dwelling unit types and ownership types, open spaces and other recreational amenities, a mix of land uses, school and community facilities, connected streets, proximity to downtown and other employment centers, and development that is scaled to the pedestrian and creates a sense of place. New growth areas should be developed in accordance with the Master Planned Community Overlay zone, which requires generous open space and amenities, and encourages efficient use of land and public facilities and services, a variety of housing types, innovative designs and complete pedestrian-friendly communities. Physical barriers, such as highways, tend to disrupt complete communities and livability because they disconnect areas from downtown and result in an auto-oriented environment of sprawl along highway corridors.

Finding:

The HURD Plan conforms to Goal 14 of the Comprehensive Plan as supporting the development of housing will help ensure an orderly transition from rural to urban land.

C. Madras Zoning Ordinance

The land uses in the HURD Plan Area will conform to the zoning designations in the City of Madras Zoning Ordinance No. 864, including maximum densities and building requirements, and are incorporated by reference herein. The zoning districts described below are present in the HURD.

The development is expected to conform to the zoning requirements. As the Zoning Ordinance is updated, this document will be updated by reference. If a substantial amendment is completed in the future, this section will be updated to match the current zoning designations.

Zoning Districts:

Single Family (R-1) Single-Family Residential areas were designated in areas surrounding existing commercial and multi-family areas of the City. Primarily, these single-family residential lands are the outer edges of the city limits and into the Urban Growth Boundary. Minimum lot size for single-family residential shall be 7,500 square feet requirement. Modular home subdivisions utilizing dwelling units at least 20 feet wide, shall be allowed in the R-1 area. Duplexes shall also be allowed in the R-1 zone.

Multiple Family Residential (R-2) The Multi-Family Residential areas of the City were designated to serve as a buffer between commercial and single-family residential land uses. It is the intent to provide multi-family dwellings in close proximity of existing commercial use to provide for easier commuting to goods and services for residents of these types of housing units. Neighborhood commercial facilities and mobile home parks shall be allowed after Planning Commission review. The Zoning Ordinance shall specify standards for lot size requirements for housing units locating within the boundaries of the R-2 area.

Planned Residential Development (R-3) Planned Residential Development land use areas, as designated on the Comprehensive Plan Map, are intended to recognize and enhance areas of scenic quality and view amenities by allowing for flexibility in project design while providing for essential development standards. Within these areas development, which is sensitive to the natural topography of the site, minimizes alterations to the land, and maintains, enhances significant natural resources and is compatible with the surrounding development is encouraged.

OS - The permitted uses in Open Spaces are parks, public facilities public use, recreation, schools and communication facilities. Before any housing could be constructed in this zone, the zone designation must be changed.

XII. ANNUAL REPORT

The MRC shall file Annual Reports in compliance with ORS 457.460.

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APPENDIX A: LEGAL DESCRIPTION

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