



Climate-Friendly Areas Methods Guide

A Practitioner's Guide to Identifying and Evaluating Climate-Friendly Areas
Department of Land Conservation and Development (DLCD)

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OREGON
Department of
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& Development

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DISCLAIMER

DLCD developed the Climate-Friendly and Equitable Communities rules to support communities taking action to meet Oregon's climate pollution reduction targets, while providing more housing and transportation choices for all.

DLCD is providing this resource as part of our technical assistance program. Please see our website at www.oregon.gov/lcd/CL/Pages/CFEC for more information or to sign up for notices.

This document addresses new rules in OAR 660-012-0310 through -0320. It does not address other parts of OAR chapter 660, division 12, or other divisions of OAR chapter 660. The purpose of this guide is to help cities and urbanized county areas implement the requirements for local governments with a population over 5,000 to designate Climate-Friendly Areas as provided in OAR 660-012-0310 through -0320. Several other subsections of the rule relating to adoption and implementation of Climate-Friendly Areas are discussed briefly for context, but these are not the focus of the guide. Local governments should be aware that there are other chapters within Divisions 8, 12, and 44 that relate to rules for Climate-Friendly Areas.

This document provides guidance from the Department of Land Conservation and Development. This guidance is intended to assist in the interpretation of an administrative rule but does not itself have the force of rule. This document includes recommendations that may not need to be followed to be consistent with the adopted rule.

This document was published on April 3, 2023. This is version 3 of this document and supersedes the previous version.

INTRODUCTION

CLIMATE-FRIENDLY AND EQUITABLE COMMUNITIES RULEMAKING

The Climate-Friendly and Equitable Communities rulemaking is part of Oregon’s longstanding effort to reduce pollution from the transportation system, especially greenhouse gases that are causing a change in climate and associated weather-related disruptions, including drought, wildfires, and warming temperatures with greater variation overall. To meet the pollution reduction goals adopted by the legislature, the state must help cities and counties plan for a future that reduces driving while improving access to jobs, housing, and services.

In September 2020, the Land Conservation and Development Commission launched the Climate-Friendly and Equitable Communities rulemaking in response to Governor Brown’s Executive Order 20-04 directing state agencies to take urgent action to meet Oregon’s [climate pollution](#) reduction targets while ensuring equitable outcomes for underserved populations. Executive Order 20-04 directed the Department of Land Conservation and Development (DLCD), Oregon’s land use planning agency, to amend rules governing Oregon’s planning system for communities in Oregon’s eight most populated areas.

The rules encourage climate-friendly development in [Climate-Friendly Areas \(CFAs\)](#). Other provisions of the rulemaking call for new buildings to support the growing electric vehicle transformation, reduce one-size-fits-all parking mandates, and increase local planning requirements to address critical gaps in our walking, biking, and transit networks. The rules ask communities to identify transportation projects needed to meet our climate goals.

CLIMATE-FRIENDLY AREAS OVERVIEW

What is a Climate-Friendly Area?

A CFA is an area where residents, workers, and visitors can meet most of their daily needs without having to drive. They are [urban](#) mixed-use areas that contain, or are planned to contain, a greater mix and supply of housing, jobs, businesses, and services. These areas are served, or planned to be served, by [high quality pedestrian](#), [bicycle](#), and [transit infrastructure](#) to provide frequent, comfortable, and convenient connections to key destinations within the city and region. CFAs typically do not require large parking lots and are provided with abundant tree canopy.

Why are Climate-Friendly Areas Important?

A key component of Oregon’s plan to meet our [climate pollution](#) reduction and [equity](#) goals is facilitating development of urban areas in which residents are less dependent on the single occupant vehicle. Before the automobile became common in American life, cities grew more efficiently, with a variety of uses in city centers and other areas that allowed for working, living, and shopping within a walkable or transit accessible area. Over the last 100 years, the automobile and planning practices have served to separate activities, creating greater inequities within cities and widespread dependence upon climate-polluting vehicles to meet daily needs. CFAs will help to reverse these negative trends, with some actions taking place in the short term, and others that will occur with development and redevelopment over time.

How will Climate-Friendly Areas be Implemented?

The rules require cities (and some urbanized county areas) with a population over 5,000, and that are located within Oregon’s seven metropolitan areas outside of the Portland metropolitan area, to adopt regulations allowing walkable mixed-use development in defined areas within their urban growth boundaries. Local governments will determine where these areas will be located, but many of these areas will likely be established in existing downtowns and neighborhood centers that may currently allow for mixed uses and higher densities. The rules provide some minimum development requirements for CFAs, with a set of prescriptive standards that may be adopted, or an outcome-oriented process for local governments to craft their own standards.

Associated requirements will ensure high quality pedestrian, bicycle, and transit infrastructure is available within these areas to provide convenient [transportation options](#), and cities and counties will prioritize them for location of government offices and parks, open space, and similar amenities. Cities and counties will adopt CFAs as a Climate-Friendly element to their comprehensive plans. Cities with population over 10,000 will also need to address CFA housing needs and housing production as part of Housing Capacity Analysis and Housing Production Strategy Update requirements.

Tip:

Local governments do not have to use the term “Climate-Friendly Areas” in their plans. The intention of the rules is to build off of and enhance existing planning for compact mixed-use development. Naming conventions of zoning and branding and the work effort is up to each jurisdiction to decide.

-AT A GLANCE- CLIMATE-FRIENDLY AREAS

- Existing or planned **urban centers**
- Served by **high quality pedestrian, bicycle, and transit services**
- **At least 25 acres** (cities 5,001 and 10,000) *and* sized to accommodate at least **30% of total current and future housing needs** (cities over 10,000 population)
- Must allow **mixed-use development**, including residential, office, retail, services, & public uses as outright permitted uses
- Subject to **specific land use requirements** (e.g., densities, building heights, block lengths)
- **Uses and standards must apply throughout** a CFA
- Subject to alternative **transportation review requirements**

WHO IS THIS GUIDE FOR?

The updated rules focus on the state's eight most populous areas, where **Metropolitan Planning Organizations (MPOs)** conduct regional transportation planning (Figure 1). Cities and urbanized county areas within these metropolitan areas (outside of the Portland metropolitan area¹) with a population of more than 5,000 and within an urban growth boundary (UGB) are required to designate CFAs of a certain size. Cities and urbanized county areas with a population of more than 10,000 and within a UGB are subject to additional requirements.

A city or county with a population within a UGB that grows to exceed either 5,000 or 10,000 must designate one or more CFAs within 545 days of crossing the population threshold. Population is determined using the **most recently certified Portland State University Population Research Center population estimate**.

¹ Cities, counties, and Metro within the Portland metropolitan area must comply with Region 2040 requirements, as provided in OAR 660-012-0012(4)(d).

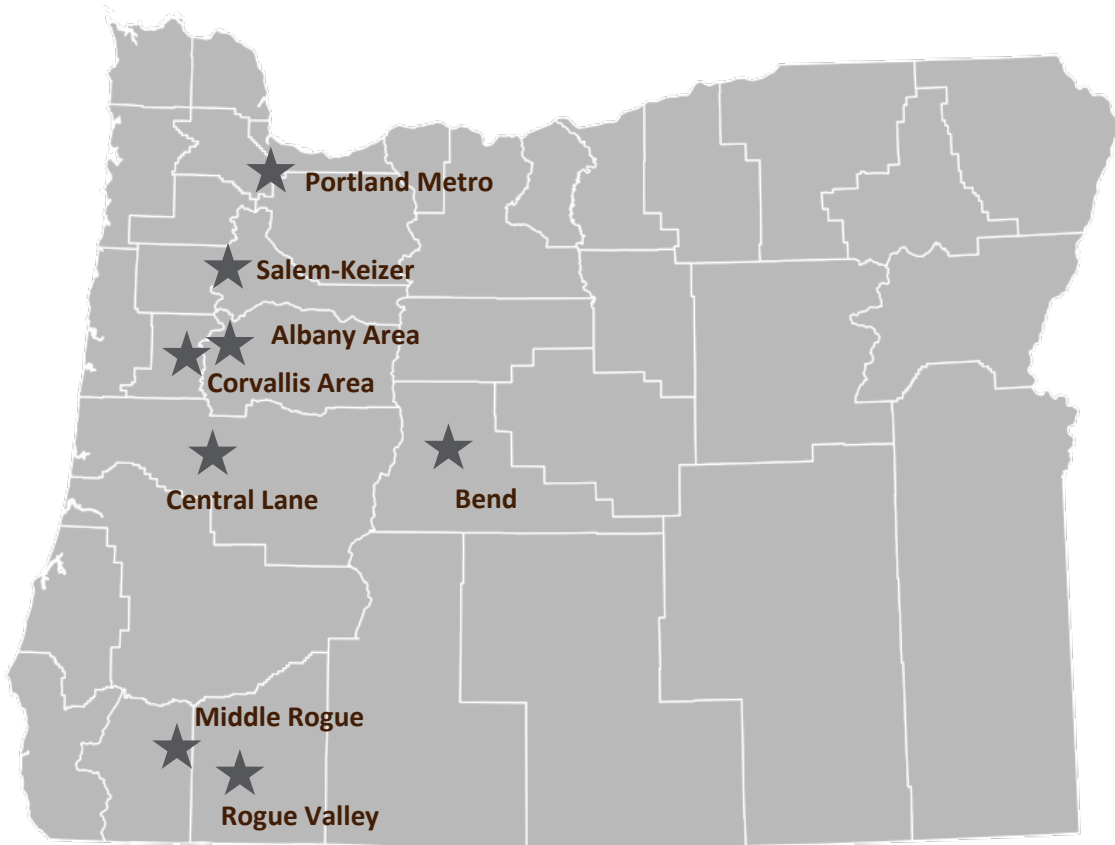


FIGURE 1: OREGON METROPOLITAN PLANNING ORGANIZATIONS

IMPLEMENTATION TIMELINE

The rules provide a two-phased process for local governments to first study potential CFAs, and then, in a second phase, to adopt development standards for the area, or areas, that are most promising. This document provides guidance for cities to study CFAs in phase 1 of the process, with a brief overview of phase 2 (adoption) as presented in the rule.

Key CFA Study Dates

- June 30, 2023 – CFA Study Funding Expires
- December 31, 2023 – CFA Studies Due
- December 31, 2024 – Adopt CFA Land Use Standards and any map changes²

² Local governments may request an alternative date for the adoption of land use standards, as provided in OAR 660-012-0012(4)(c).

PHASE 1: CFA STUDY

The designation of CFAs is the process of studying potential CFAs (Phase 1: CFA Study) and adopting land use requirements and climate-friendly elements into comprehensive plans (Phase 2: Adoption), as provided in OAR 660-012-0310 through -0320. While local governments are required to use the CFA study process to identify the most promising area or areas, they are *not required* to adopt and zone areas studied as CFAs.

OVERVIEW OF CFA STUDY STEPS

Step 1. Community Engagement Plan— Develop a community engagement plan.

Step 2. Locate CFA Candidates— Identify one or more areas that meet the base requirements for CFAs, per OAR 660-012-0310(2).

Step 3. Size CFA Appropriately— Determine appropriate size for potential CFAs. If population is >5,000 up to 10,000, the minimum area required is 25 acres. If population is >10,000, the CFA(s) must be sized with a zoned residential building capacity to accommodate at least 30% of current and projected housing needs.

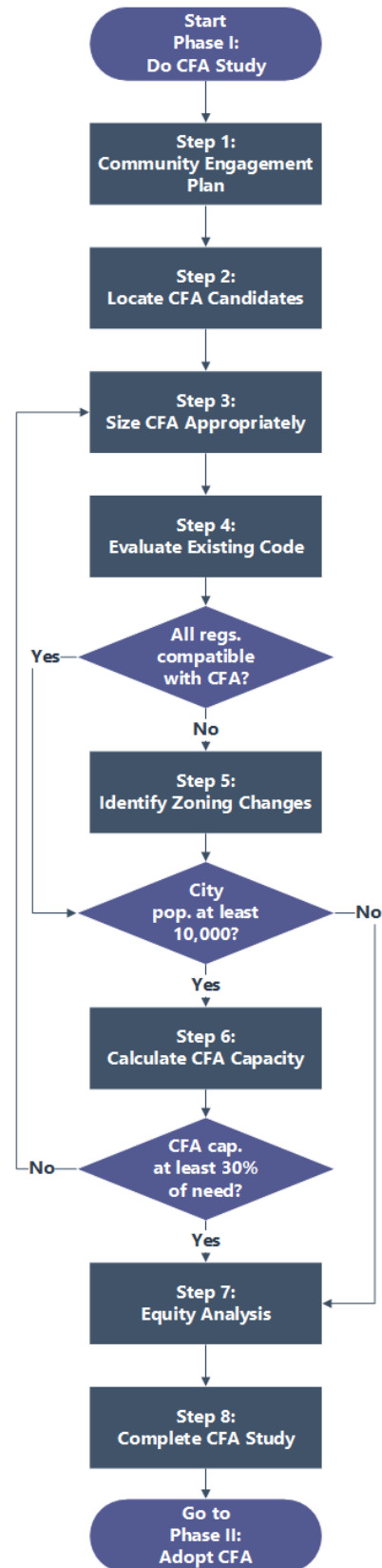
Step 4. Evaluate Existing Code— Evaluate existing development standards to see if they meet CFA requirements. This evaluation may be done in relation to the “prescriptive standards option,” per OAR 660-012-0320(8) or the “outcome-oriented option,” per OAR 660-012-0320(9).

Step 5. Identify Zoning Changes— If existing development standards do not meet CFA requirements, identify necessary zoning changes.

Step 6. Calculate CFA Capacity— Determine whether the potential CFA, or a combination of CFAs, can accommodate 30% of citywide current and projected housing need. If identified CFA candidate area(s) are not sufficient to accommodate at least 30% of housing need, return to Step 2 to identify additional candidate CFA areas.

Step 7. Equity Analysis— Conduct an equity analysis to improve outcomes for underserved populations.

Step 8. Complete CFA Study— Compile the necessary documentation and submit to DLCD.



An Iterative Process

The diagram on the previous page shows a workflow for conducting a CFA study. This is not the only order in which the Steps can be performed, but it is a recommended sequence for the purposes of clarity and efficiency. Notice that there are several decision points that can result in skipping subsequent Steps or returning to earlier Steps. The reason for these will be explained in more detail below in the relevant sections, but these generally reflect the fact that this analysis is an iterative process of balancing CFA location and size with the existing zoned capacity captured by the CFA and the need to make zoning changes to increase capacity.

Flexible Paths Through the Rule

The rule is written to provide some flexibility for local governments in establishing their CFAs. There are some parts of the rule that all local governments will be required to follow. However, there are *two points* at which a local government may choose to follow their own path:

1. Meeting minimum land use requirements

CFAs are subject to specific land use requirements and development standards (Step 4). Some of these requirements and standards apply to all jurisdictions and cannot be changed. For some requirements, local governments may opt to follow the minimum prescriptive standards provided in OAR 660-012-0320(8) or implement their own standards that achieve the minimum outcomes established in OAR 660-0320(9). Cities with populations greater than 25,000 evaluating multiple potential CFAs will have some flexibility in applying the prescriptive or outcome-oriented standards to each of the potential CFAs, as outlined in OAR 660-012-0320(8). These cities may also choose to designate “secondary CFAs” with less intensive development standards than those required in a “primary CFA.” Local governments designating more than one CFA may choose to utilize prescriptive standards for some and outcome-oriented standards for other CFAs.

Cities and Urbanized County Areas (by Population)	Sizing of CFA Areas	OPTION A: PRESCRIPTIVE STANDARDS		OPTION B: OUTCOME-ORIENTED STANDARDS
		Minimum Residential Density Requirement	Allowed Building Height No Less Than	Target Development Levels
5,001-10,000	At least 25 acres	15 dwelling units/net acre	50 feet	20 homes and jobs/net acre
10,001-25,000	At least 25 acres and sized to accommodate at least 30% of housing	15 dwelling units/net acre	50 feet	20 homes and jobs/net acre
25,001-50,000	At least 25 acres and sized to accommodate at least 30% of housing	20 dwelling units/net acre	60 feet	30 homes and jobs/net acre
Greater than 50,000	At least 25 acres and sized to accommodate at least 30% of housing	25 dwelling units/net acre	85 feet	40 homes and jobs/net acre

2. Calculating CFA capacity

Step 6 describes the prescriptive methodology provided in OAR 660-012-0315(2). There are a variety of tools available to help local governments calculate CFA capacity. The rule is tool agnostic, meaning that a local government is free to choose the method that works best for them, provided that they can provide DLCD with appropriate documentation on how their CFA(s) meet the requirements of the rule. A local government may instead choose to provide an alternative methodology for zoned residential building capacity calculations per OAR 660-012-0320(10). This path is subject to some additional requirements (see Step 6).

Note: This Step only applies to cities and urban areas with population 10,000 or greater. Cities and urbanized areas with population between 5,000 and 10,000 must designate a CFA that is at least 25 acres without having to calculate capacity or prove that it can accommodate 30% of housing.

Step 1

STEP 1. COMMUNITY ENGAGEMENT PLAN

Local governments must develop a *community engagement plan* for the designation of CFAs that includes a process to study potential CFA areas and to later adopt associated amendments to the comprehensive plan and zoning code following the provisions of OAR 660-012-0120 through -0130:

- Engagement and decision-making must be consistent with statewide planning goals and local plans
- Cities and counties must center the voices of underserved populations in all processes at all levels of decision-making, consider the effect on underserved populations, work to reduce historic and current inequities, and engage in additional outreach activities with underserved populations
- Cities and counties must identify federally recognized sovereign tribes whose ancestral lands include the planning area and engage with affected tribes

The community engagement plan must be consistent with the requirements for engagement-focused equity analysis in OAR 660-012-0135(3). Equity analysis is required for a variety of transportation planning actions under Division 12, including study and designation of CFAs. The purpose of an equity analysis is to identify potentially inequitable consequences or burdens of proposed projects and policies on impacted communities in order to improve outcomes for underserved populations.

The equity analysis must include robust public engagement, including a good-faith effort to:

- Engage with members of underserved populations to develop key outcomes, including reporting back information learned from the analysis and unresolved issues
- Gather qualitative and quantitative information from the community—including lived experience—on potential benefits and burdens on underserved populations
- Recognize where and how intersectional discrimination compounds disadvantages
- Analyze proposed changes for impacts on and alignment with desired key community outcomes and performance measures under OAR 660-012-0905
- Adopt strategies to create greater equity and minimize negative consequences
- Report back and share the information learned from the analysis and unresolved issues with people engaged

Step 2

STEP 2. LOCATE CFA CANDIDATES

Local governments subject to the rule must study one or more areas that can potentially be designated as a CFA. The rule sets out some basic standards for which areas can be considered for designation as a CFA. Potential CFAs must meet the following requirements (620-012-0310(2)):

- CFA locations must be able to support development consistent with the land use requirements of OAR 660-012-0320 (see Step 4).

Tip:

As local governments study CFA candidates, it is important to identify if any potential candidate areas have significant bottlenecks in terms of water, sewer, and stormwater. See OAR 660-012-0310(2)(a). DLCD recommends sitting down with public works staff and looking at each candidate area together to answer the question: is this an area where there would be a significant problem if there were a fair amount of redevelopment? This does not have to be an in-depth analysis but rather is an opportunity to flag potential problems early in the process to help avoid surprises in later phases. Evaluate potential impacts on public infrastructure by comparing demands placed on systems from existing zoning/development standards/development to what would be anticipated under a CFA. Understanding those impacts, if any, may help to prioritize one area over another based on the adequacy of existing infrastructure and/or cost implications. See “More on CFA Development Potential” below for additional discussion. In phase 2, the transportation impacts will be assessed if the CFA includes ODOT facilities per OAR 660-012-0325.

- CFAs must be located in existing or planned urban centers (including downtowns, neighborhood centers, transit-served corridors, or similar districts).

Note: to the extent practicable, CFAs must be located in close proximity to areas planned for (or provided with) high density residential uses and a high concentration of employment opportunities. “High density residential uses and a high concentration of employment opportunities” are relative terms and local governments may use their discretion to determine these locations as appropriate to the local context.

 **Tip:**

The decision where to locate CFAs will be discretionary and is not subject to the clear and objective standards requirement. This standard prioritizes locating CFAs near high density residential and employment areas. If a local government is looking at two equally advantaged areas as potential CFAs and one is proximate to high density residential or a large employer, go with that one. Essentially, the rule directs that CFAs, which are high density mixed-use areas by definition, should be located near other high density mixed-use areas.

- CFAs must be served by (or planned to be served by) high quality pedestrian, bicycle, and transit services.
- CFAs may not be located in areas where development is prohibited under [Statewide Planning Goal 7—Areas Subject to Natural Disasters and Hazards](#).

Note: CFAs are only allowed in areas subject to development prohibition under Goal 7 if the local government has adopted requirements for development that will mitigate potential hazards to life and property in those areas.

- CFAs may be located outside city limits but within a UGB if ALL following requirements are met:
 - The area is contiguous with the city limits boundary
 - The provision of urban services is contingent upon annexation into the city limits and the area is readily serviceable with urban water, sewer, stormwater, and transportation

Note: “Readily serviceable” means that urban infrastructure services are nearby and could be provided to allow construction on the site within one year of an application for a building permit.

 **Tip:**

There is professional judgment involved in making this call. It will be necessary to consult with the experts (e.g., public works) to make sure the area in question will be readily serviceable. If they say yes, then that is sufficient to meet this requirement.

- The zoning that will be applied upon annexation is consistent with CFA requirements of OAR 660-012-0320 (see Step 4).
- The county has adopted a comprehensive plan designation for the area consistent with the land use requirements of OAR 660-012-0320.
- The city can demonstrate that at least 70% of complete annexation applications within the past five years have been approved within one year of the date of submittal of a complete annexation application.

- CFAs must have a minimum width of 750 feet, including internal rights of way that may be unzoned (see Step 3 below for detailed guidance).

Note: Exceptions to the minimum width requirement are allowed due to natural barriers and/or constraint by adjacent areas planned or zoned for industrial land needs. Contiguous CFAs with distinct land use requirements may be considered cumulatively to demonstrate compliance with the minimum width requirement. Additionally, public parks and open space areas within CFAs may be counted towards minimum dimensional and area requirements but may not be included in calculations of zoned residential building capacity.

MORE ON CFA DEVELOPMENT POTENTIAL

In order for a CFA candidate areas to be “able to support” the land use requirements in OAR 660-012-0320, the development potential (including and particularly **barriers to development**) of the CFA should be evaluated. Though market analysis is not a requirement of the rule, DLCDC recommends considering analysis of the near-term (1-5 years) development and redevelopment potential of candidate CFAs.

Choosing a location for a CFA should entail a preliminary, high-level review of **infrastructure capacity** in candidate CFA areas. Because transportation reviews in CFAs follow the requirements in OAR 660-012-0325, this guide will discuss that review separately from a review of water, sewer, and stormwater infrastructure capacity.

- The level of review for water, sewer, and stormwater infrastructure capacity calls for the preliminary identification of any significant constraints to infrastructure needed to serve development at the levels identified in Rule 0320(8) or (9) (see Step 4), with the assumption that development will fund a proportionate share of necessary infrastructure upgrades as currently administered by the local government. Local governments are **not required to determine a “reasonable most intensive case”** development scenario or to estimate or calculate infrastructure needs to serve a “reasonable most intensive case” development scenario. The analysis may be limited to identifying any significant infrastructure constraints that would inhibit more intensive development in the professional judgement of the utility providers.
- Transportation system reviews for CFAs are explained in OAR 660-012-0325, which provides an **alternative to the “significant effect” test in OAR 660-012-0060**.
- No additional transportation review is necessary with the identification of candidate CFA areas in phase 1 beyond the fundamental requirement in OAR 660-012-0310(2)(c) for the candidate areas to be “served, or planned for service, by high quality pedestrian, bicycle, and transit services.” Local governments should determine if candidate CFA areas contain any of the ODOT facilities listed in OAR 660-012-0325(4) to determine if a highway impacts summary will be needed. However, it is important to note that there is no requirement for mitigation in relation to a submitted highway impacts summary. Any required highway impact summary will take place in phase 2.

Step 3

STEP 3. SIZE CFA APPROPRIATELY

The size a CFA is required to be depends on the population of the city.

Cities Over 5,000

In addition to the basic locational requirements in OAR 660-012-0310(2) summarized in Step 2, small cities with populations of greater than 5,000 and up to 10,000 must designate a minimum of one CFA that is 25 acres or more in size. All CFAs should have a minimum width of 750 feet unless an exception is warranted, per OAR 660-012-0310(2)(f).

Note: Communities of this size do not need to calculate the residential capacity of the CFA per OAR 660-012-0315(1).

Cities Over 10,000

In addition to the basic locational requirements in OAR 660-012-0310(2) summarized in Step 2, cities with populations of over 10,000 must designate one or more CFAs large enough to accommodate 30% of current and projected housing needs. **Potential CFAs** must be cumulatively sized and zoned to accommodate the total identified number of housing units. Cities calculate the total number of housing units necessary to meet all current and projected housing needs by calculating zoned building capacity as described in OAR 660-012-0315(1) and calculate housing unit capacity within CFAs as described in OAR 660-012-0315(2) (see Step 6).

Local governments with a population greater than 25,000 must adopt at least one CFA with a minimum size of 25 acres which includes the most intensive development standards required per local government size, as provided in OAR 660-012-0320(8) or (9) (see Step 4). These areas are called “Primary CFAs.” For these larger local governments, additional CFAs may be designated with less intensive standards as provided in the rule to achieve the required housing capacity.

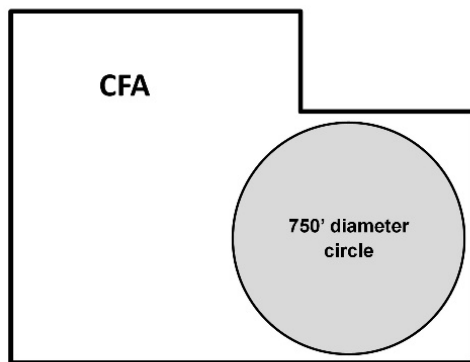


Workflow:

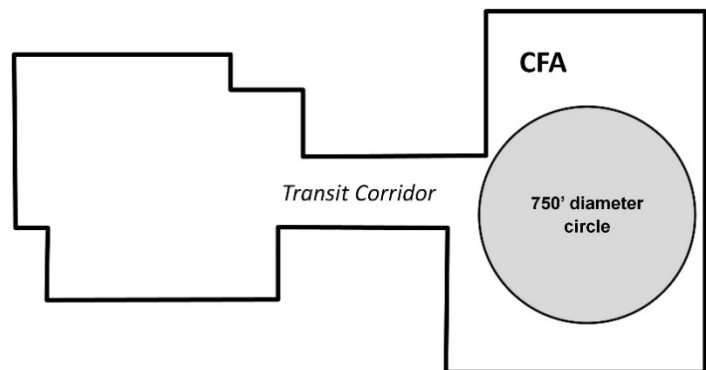
If the dwelling unit capacity estimated for a CFA under Step 6 is insufficient, the suggested workflow may return to Step 3 in order to enlarge the CFA to accommodate additional capacity. Alternatively, a revisit of this Step can be skipped and, instead, the development standards for the CFA can be increased at Step 5 to create additional capacity.

Dimensional Standards

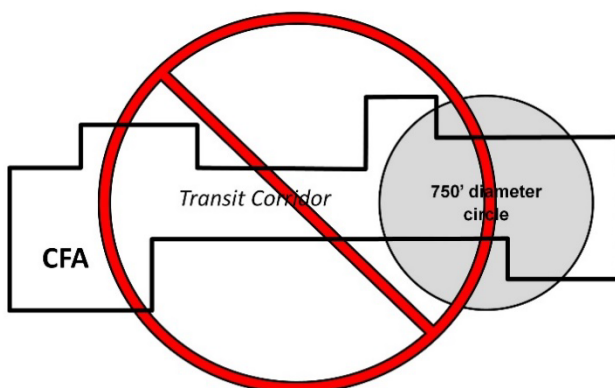
OAR 660-012-0310(2)(f) requires CFAs to have a minimum width of 750 feet, with a few exceptions. The CFA dimensional standard includes allowed exceptions to the minimum width requirement, including natural barriers, barriers in the built environment (such as freeways), and areas planned and zoned to meet industrial needs. The minimum width dimension is intended to result in a necessary concentration of uses within a proximate area to facilitate pedestrian, bicycle, and transit convenience. Another goal is to avoid over-reliance on narrow, linear corridors that would serve to sharply separate CFA areas from abutting zones. Linear corridors are less likely to foster a synergy of uses and could result in economic segregation from abutting zones. However, these considerations may be balanced with ongoing planning efforts to support transit-served corridors. Optimally, a circle 750 feet in diameter would fit within most portions of a CFA, but as a minimum requirement, **a CFA must have at least one portion that is 750 feet wide**. Parts of CFAs that cannot meet this criterion should be relatively limited, and such corridors should be provided with high-quality pedestrian, bicycle, and transit infrastructure.



Example 1: 750-foot circle fits most portions of the CFA



Example 2: 750-foot circle fits in only one portion of the CFA



750' diameter circle cannot fit anywhere within CFA

Example 3: 750-foot diameter circle cannot fit anywhere within the CFA

Step 4

STEP 4. EVALUATE EXISTING CODE

CFAs are subject to land use requirements established in OAR 660-012-0320. Cities and counties must incorporate all requirements into policies and development regulations that apply in all CFAs. Cities and counties may choose whether to incorporate the specific residential densities and building height requirements into development regulations for CFAs (*Option A—Prescriptive Standards*) or demonstrate with adopted findings and analysis that alternative development regulations for CFAs will “consistently and expeditiously allow for” the residential and employment density performance standards provided in the rule (*Option B—Outcome-Oriented Standards*).

Land Use Requirements for all CFAs

All CFAs are subject to the following land use requirements:

- Development regulations for a CFA shall allow single-use and mixed-use development within individual buildings or on development sites, including the following ***outright permitted uses***:
 - Multifamily (multi-unit) residential and attached single-family (single-unit) residential
Note: Other residential building types may be allowed, subject to compliance with applicable minimum density requirements or performance standards.
 - Office-type uses
 - Non-Auto dependent retail, services, and other commercial uses
 - Childcare, schools, and other public uses, including public-serving government facilities



Tip:

Uses not listed—or uses allowed but not required to be permitted outright—can still be allowed or permitted outright as desired by the local government, but the rule establishes no requirements for those use types.

- Local governments shall ***prioritize locating government facilities*** that provide direct service to the public within CFAs and shall prioritize locating parks, open space, plazas, and similar public amenities in or near CFAs without sufficient access to these amenities. Local governments shall amend their comprehensive plans to reflect these policies, where necessary.



Tip:

OAR 660-012-0320(4) requires local governments to locate certain types of public facilities in CFAs. This standard puts a “finger on the scale” towards locating these amenities in CFAs; it is not a firm requirement to locate all such facilities in CFAs in the near term. Note that public park and open space areas count toward dimensional requirements for CFAs but are not considered redevelopable and cannot count toward residential building densities, but the parcels under public-serving government buildings can be included in calculations of zoned residential building capacity since those calculations treat all land as if vacant (see Step 6).

- Streetscape requirements in CFAs shall also include street trees and other landscaping, where feasible.
- Local governments shall establish maximum block length standards as follows:

- Development sites < 5.5 acres: maximum block length = 500 feet or less

Note: If block length is over 350 feet, a public pedestrian through-block easement shall be provided to facilitate safe and convenient pedestrian connectivity. This requirement is triggered with new development or substantial redevelopment of sites two acres or more within an existing block that does not meet the standard.

- Development sites > 5.5 acres: maximum block length = 350 feet or less



Exception:

Local governments may grant exceptions to street and accessway requirements as provided in OAR 660-012-0330(2).



Tip:

OAR 660-012-0320(5) does not specify how to define “block length.” Local governments have some discretion in defining “block length” as these requirements are incorporated into CFA development codes. In all cases, “block length” should be no greater than the established limits based on actual pedestrian walking distances, as measured from the inner sidewalk edge of each parallel street.

- Development regulations may not include a maximum residential density limitation
- Local governments shall adopt policies and development regulations in CFAs that implement the following:
 - Transportation review process in OAR 660-012-0325
 - Land use requirements in OAR 660-012-0330
 - Parking requirements in OAR 660-012-0435

- Bicycle parking requirements in OAR 660-012-0630
- Local governments may choose to ***EITHER*** adopt density minimums and height maximums (Option A—Prescriptive Standards) ***OR*** adopt alternative development regulations to meet performance standards (Option B—Outcome-Oriented Standards)

DO MIDDLE HOUSING TYPES WORK?

Middle housing types, including single family attached, are viable in many CFAs at the densities specified in the rule. Based on minimum lots sizes for middle housing types as identified in OAR 660-046-0220, the following densities are possible for these middle housing types. Cities establishing smaller minimum lot sizes may achieve even higher densities.

- ✓ Duplex on 5,000 square foot lot = 17 units/net acre
- ✓ Triplex on 5,000 square foot lot = 26 units/net acre
- ✓ Quadplex on 7,000 square foot lot = 25 units/net acre
- ✓ Townhome unit on 1,500 square foot lot = 29 units/net acre
- ✓ Cottage Cluster (four units) on 7,000 square foot lot = 25 units/net acre

Aside from the administrative rules, the “Missing Middle Housing” website maintained by Opticos Design shows a number of middle housing types that would comply with minimum density requirements in Climate-Friendly Areas. Find more information at:

<https://missingmiddlehousing.com/types>

Option A—Prescriptive Standards

Local governments opting to follow the prescriptive path through the rule must adopt the following standards into their development code:

Population	Minimum Residential Density	Max Building Height
5,001-24,999	15 dwelling units/net acre	No less than 50 ft
25,000-49,999	20 dwelling units/net acre	No less than 60 ft
50,000 or more	25 dwelling units/net acre	No less than 85 ft

Tip:

Only the Primary CFA must meet the most stringent standards based on population. Additional CFAs may meet the less intensive standards for smaller cities and urbanized county areas. For example, a Primary CFA for a city or urbanized county area of 50,000 or more must be 25 acres, have a minimum residential density of 25 units per net acre, and have a maximum building height of no less than 85 feet. Additional CFAs may be designated that are less than 25 acres in size and impose minimum residential density as low as 15 dwelling units per acre and maximum building height as low as 50 feet.

Exceptions:

- Local governments are NOT required to enforce minimum residential densities for **mixed-use buildings** with a **floor area ratio** of 2.0
- Local governments are NOT required to enforce minimum residential densities for redevelopment that renovates and adds residential units within existing buildings but does not add residential units outside the existing exterior of the building.

Option B—Outcome-Oriented Standards

As an alternative to adopting the development regulations in Option A, local governments may adopt their own development regulations that meet the following performance standards:

Population	Minimum Residential Density	Minimum Employment Density
5,001-24,999	20 dwelling units/net acre	20 jobs/net acre
25,000-49,999	30 dwelling units/net acre	30 jobs/net acre
50,000 or more	40 dwelling units/net acre	40 jobs/net acre

Tip:

Only the Primary CFA must meet the most stringent standards based on population. Additional CFAs may meet the less intensive standards for smaller cities and urbanized county areas. For example, a Primary CFA for a city or urbanized county area of 50,000 or more must be 25 acres, be zoned to allow at least 40 dwelling units per net acre, and be zoned to allow an employment density of at least 40 jobs per acre*. Additional CFAs may be designated that are less than 25 acres in size and have zoning that allows at least 20 dwelling units per acre and at least 20 jobs per acre.

*How to determine employment density is not defined in the rules. We suggest using an office-type use and data on the average office space per employee, along with an estimation of the percentage of building space that is not dedicated to employee work areas to determine “zoned employment building capacity.”

In the adoption phase, the “*burden of proof*” for a local government to demonstrate that a set of development/zoning district standards meet the outcome-oriented standards is provided in OAR 660-012-0320(9), as follows:

“As an alternative to adopting the development regulations in section (8), local governments may demonstrate with adopted findings and analysis that their adopted development regulations for climate-friendly areas will provide for equal or higher levels of development in climate-friendly areas than those allowed per the standards in section (8). Specifically, the local government must demonstrate that the alternative development regulations will consistently and expeditiously allow for the levels of development described ...” (in subsections a – c).”

This means that local governments will need to show that their proposed development standards will allow for the identified target development levels without undue regulatory obstacles or processes. This does not limit the review process to Type 1 land use review processes, but local governments must demonstrate that there would not be significant hurdles to attaining the target development levels. Local governments may, but are not required to, conduct market feasibility analyses in relation to the development standards and target development levels.



Takeaway:

In the adoption phase, local governments will need to demonstrate with adopted findings and analysis that their adopted development regulations for CFAs will provide for equal or higher levels of development than those allowed per the standards in Option A. In the study phase, the findings and analysis are preliminary and do not need to be adopted.

Exception For Abutting Areas

Local governments may count toward their CFA requirements portions of areas whose *existing level of development contains high-density employment uses*, or whose *existing level of development contains high-density residential uses or where residential zoning requires certain minimum residential densities*. Those areas must also abut (be contiguous with) the proposed CFA and must be within a half-mile walking distance of a mixed-use area. Remember that in the rules abutting areas are not the same as secondary CFAs.



Tip:

The rules do not prescribe methods for how to determine what is within walking distance. A local government will have to provide documentation for what they’re considering walkable, but a complex network analysis using GIS is not necessary to meet this requirement. Existing or planned pedestrian facilities that allow access between the CFA and the high density uses in the abutting area within a half-mile “as the crow flies” of the CFA are adequate, regardless of the precise distance on the pedestrian network. Barriers such as freeways and land uses hostile to pedestrians should be identified and used to refine the walking distance if using straight line distance.

The residential and employment density of the abutting areas must meet or exceed those required in both Option A—Prescriptive Standards ([residential density](#)) and Option B—Outcome-Oriented Standards ([employment density](#)). Provided that the standards in Option A and Option B are met, the abutting area may count toward the zoned residential building capacity of the CFA (see Step 6), but the abutting area **does not need to be rezoned**. In other words, an abutting area that meets the residential or employment requirements may be used to increase the CFA’s residential capacity without needing to comply with the other land use requirements in OAR 660-012-0320.

According to OAR 660-012-0320(3), “Notwithstanding existing development, zoned residential building capacity shall be calculated for the abutting areas based on allowed building heights and existing development standards in these areas, as provided in OAR 660-012-0315(2) or using an alternative methodology as provided in OAR 660-012-0320(10).” The “notwithstanding existing development” portion is important in that it applies not only to the abutting areas exception, but to all capacity calculations performed as provided in OAR 660-012-0315(2) or in OAR 660-012-0320(10). In other words, the capacity is to be calculated as if the parcels were not developed.

Note: For the calculation of the capacity of these areas, see Step 6.



Workflow:

Step 4 may be visited more than once (see suggested workflow diagram) but can be skipped on subsequent visits if the CFA size has not changed since the previous visit to this Step.

-AT A GLANCE-
LAND USE REQUIREMENTS FOR ALL CFAS
OAR 660-012-0320

- **Single-use** development must be allowed, except that ground floor commercial and office uses within otherwise single-use multifamily residential buildings can be required
- **Mixed-use** development must be allowed
- **Outright permitted uses** must include multifamily residential and attached single-family residential; office-type uses; non-auto dependent retail/services/commercial; childcare, schools, and other public uses
- Other residential building types, such as some **middle housing types**, can be **allowed**, subject to compliance with applicable minimum density requirements
- **Government facilities, parks, open space, plazas, and similar public amenities** that provide direct service to the public prioritized for CFAs
- **Maximum block length standards** must apply depending on acreage of site
- **Maximum density limitations are prohibited**
- **Development regulations** must implement other new elements of the Transportation Planning Rule
- Local governments must choose to EITHER adopt **density minimums** and **height maximums** (Option A—Prescriptive Standards) OR adopt alternative development regulations to meet **performance standards** (Option B—Outcome-Oriented Standards)

Step 5

STEP 5. IDENTIFY ZONING CHANGES

Zoning in CFAs may need to change if the existing zoning does not meet the land use requirements in OAR 660-012-0320 (see Step 4).



Workflow:

Even if the existing zoning already complies, it may also be an option to change the zoning to increase the allowed densities so that the 30% of needed capacity threshold in OAR 660-012-0315(1) can be met. This is the reason the suggested workflow diagram returns to Step 5 if the decision point after Step 6 is met with a “No” (in other words, if the 30% of needed capacity threshold is not met).

During the CFA study phase, local governments will not have to adopt the land use requirements in OAR 660-012-0320. They will simply have to evaluate their own codes against the land use requirements for CFAs and provide DLCDC with a general description of any changes necessary to comply with the land use requirements of OAR 660-012-0320.

During the adoption phase, local governments will have to make and adopt all necessary zoning changes and will need to provide DLCDC with documentation that all adopted and applicable land use requirements for CFAs are consistent with OAR 660-012-0320.

Step 6

STEP 6. CALCULATE CFA CAPACITY



Workflow:

Local governments with population over 5,000 and up to 10,000 may skip Step 6. Their CFAs must be 25 acres but are not required to accommodate 30% of current and projected housing need.

How to Calculate Housing Need with a Housing Capacity Analysis

In addition to evaluating the existing or anticipated zoning code in the CFA or CFAs to determine if they are compatible with the requirements of OAR 660-012-0320, the proposed CFA(s) must meet the residential housing capacity threshold expressed in OAR 660-012-0315(1). The threshold to meet is that the cumulative capacity of the CFA(s) is at least 30% of current and projected housing needs citywide:

“The total number of housing units necessary to meet all current and future housing needs shall be determined from the local government’s most recently adopted and acknowledged housing capacity analysis, by adding the total number of existing dwelling units identified in the buildable land inventory to the anticipated number of future needed housing units over the planning period of the housing capacity analysis” OAR 660-012-0315(1).

The total number of housing units necessary to meet all current and projected housing needs is derived from the most recent adopted and acknowledged housing capacity analysis (HCA; also known as a housing needs analysis or HNA) as follows:

Total no. housing units needed = existing dwelling units within the city + anticipated no. projected future units



Tip:

If a local government is unable to identify the total housing need as provided above, the local government should consult with DLCDC staff as early as possible for assistance in determining an alternative methodology.



Example:

Calculating Housing Need With HCA

City of Planwell has an adopted and acknowledged housing capacity analysis from 2020. According to the analysis, there are 8,000 existing housing units in City of Planwell. City of Planwell's population is expected to grow by 2040, and there is an anticipated need for an additional 700 units.

Existing units + anticipated no. future needed units = total no. units needed

8,000 existing units + 700 future needed units = 8,700 total units needed

CFA must be sized to accommodate 30% of total current & future units needed

30% of 8,700 total units needed = 2,610 units

City of Planwell must provide zoned residential building capacity sufficient to contain 2,610 units in one or more CFA(s).

How to Calculate CFA Total Housing Unit Capacity (Prescriptive Path)

This section describes the prescriptive path for calculating housing unit capacity in CFA candidate areas following OAR 660-012-0315(2). Total housing unit capacity in the CFA is calculated (estimated) using the following variables or factors:

1. The net developable area of all parcels in square feet (*a*)
2. The maximum number of building floors (*f*)
3. The assumed percentage of buildings in residential use (*r*)
4. The average size of a housing unit in square feet (*s*)

Using these, the housing unit capacity (*U*) in any part of a CFA can be given by a simple formula:

$$U = \frac{afr}{s}$$

Note: In the above formula, the result is rounded to the nearest integer.

Each of the factors in the above calculation requires some additional explanation and, in some cases, a set of sub-calculations. The values to use for (*f*), (*r*), and (*s*)—are given in the rule, while (*a*) requires calculation (see below).

Each uniquely zoned area of the CFA will have its own calculations of these factors and the above housing unit formula. These are summed for the CFA area to give the total housing unit capacity.

1. Net Developable Area (a)

This is the first of two factors that combine to calculate what the CFA rules call the “*zoned building capacity*” (the second factor, building height, is discussed below).³ That simply means the largest building footprint area in square feet allowed by the land use regulations (zoning ordinances) that apply to each parcel in the CFA.

This first factor is called “*net*” *developable area* because one deducts, or “nets out,” from the gross area of land in the CFA, that is otherwise suitably zoned, the following types of land uses:

- Any parcel land area that is needed for other purposes, such as new road rights of way, pedestrian network requirements, lot setbacks, on-site parking requirements consistent with OAR 660-012-0435, landscaping requirements, or open space requirements
- Any land set aside to protect natural resources or to prevent natural hazards as specified by land use rule or statute (e.g., Goal 7 or Goal 5 protected areas)
- Land area that is used or planned for public uses (those not involving public services or employees), such as parks, open space areas, infrastructure facilities, and dedicated rights-of-way (whether improved or unimproved). Vacated right-of-way areas and surplus public lands that are available for development may be considered to be developable.

The remaining land area after these deductions is the net developable area.

Capacity Calculations Are Done Regardless of Existing Development

It is important to note here that net developable area is calculated “regardless of existing development” (OAR 660-012-0315(2)(a)). What this means is that the area for each parcel is calculated as if the parcel was not developed. In this sense, under the prescriptive path in the rule and for the purposes of the capacity calculations, every lot in the CFA is treated as developable if it is vacant, and redevelopable if it has existing development.

Note: When cities and counties zone climate-friendly areas they will need to document the existing total dwelling units, accessible dwelling units, and income-restricted dwelling units in the CFA(s), per OAR 660-012-0315(6)(b), using the best available information. This will establish a baseline on housing production in CFAs for performance measure and housing production strategy reports. It will also allow local governments to assess the number of additional units needed to reach the goal of 30% of total housing units.

³ The “zoned building capacity” (C) is the product of the net developable area (a) and the maximum number of floors (f). This might also be familiar as the “maximum building envelope” discussed in some planning contexts.

$$C = af$$



Tip:

The “**net developable area**” is the net area of all parcels in the CFA regardless of development state (vacant or developed). In other words, local governments should treat all parcels “as if vacant.” The capacity analysis for the CFA study can be performed in one of two ways depending on jurisdiction capabilities:

- a) More Accurate/Harder – By using existing parcelization patterns and interior lot setbacks in developed areas and estimating parcelization and lot setback areas for areas not yet fully parcelized to typical patterns.
- b) Less Accurate/Easier – By disregarding all interior lot setbacks from existing parcelization and without considering future parcelization or lot setbacks.

The Role of Block Size in Calculating Net Developable Acres

In OAR 660-012-0315(2)(a), the size of the blocks of land on which the net developable area is calculated is mentioned. A **block** is all of the property bounded by streets, rights-of-way (pedestrian or vehicle ways), water features, or any combination thereof, but is not divided or separated in any way by streets or water features.

“Within developed areas with no blocks greater than 5.5 acres, analysis of net developable areas may be conducted for each city block, without regard to property boundaries within the block. Within areas bounded by streets of 5.5 acres or more, the local government shall assume the same ratio of total land area to net land area as that which exists in the most fully developed urban center.”

The purpose of this is to identify when the block of land would be large enough that additional land should be removed from the calculation to account for additional needed road right-of-way. For all areas of a CFA, fully developed or not, with blocks no greater than 5.5 acres, it is presumed that arterials and collectors have already been provided and their road rights-of-way have been removed from the areas of the blocks. In addition to blocks bounded on all sides by road rights-of-way, other block boundaries may be established in circumstances where topography, natural features, railroads, highways, or other rights-of-way or permanent barriers to connectivity are present.

For areas with larger blocks (5.5 acres or more), an assumption is needed for the amount of land to remove. The assumption required by the rule is “the same ratio of total land area to net land area as that which exists in the most fully developed urban center.” The use of this ratio may be clarified by an example.

Note: The part of the above quote that mentions “without regard to property boundaries within the block” is partly intended to prevent the block sizes from being calculated based only on the undeveloped portions of blocks. In all sizes of blocks, it is acceptable to calculate capacity as if there were no property boundaries within the block. This will simplify the calculation and, admittedly, make it less accurate, but will still meet the intent of the rule.



Example:

If this ratio for the existing downtown of the city in question is 1.25 (the total land area is 125% of the net land area, *i.e.*, the land excluding rights-of-way), a larger block, say 6 acres, would have 6 divided by 1.25 or 4.8 acres of net developable land. The need for additional right-of-way would consume 1.2 acres of that block.

A Sample Calculation Pattern for Net Developable Area

Zoning codes vary quite a bit from jurisdiction to jurisdiction, and calculation of the various ***conditional factors*** that go into net developable area is complex and unique to each community, to each land use zone, to each land use, and to each development site. However, the following is a general pattern that can be followed.

1. Use GIS to determine the following:

- a. the area of each block in acres

Where blocks are 5.5 acres or larger, look at the city's most fully developed urban center to calculate the following, as per OAR 660-012-0315(2)(a):

- b. the ratio of total land area to net land area (total land area minus rights-of-way), and
- c. the net block area, as found by taking the gross block area (the available total acres on these larger blocks) divided by the above ratio, in acres.

Where blocks are less than 5.5 acres, no net block area adjustment is needed as the block area already is the net block area (it is presumed that rights-of-way have already been removed).

2. Use GIS to determine the following:

- a. the gross lot area of each parcel in square feet,
- b. the setback area for each parcel in square feet, and
- c. the net lot area, *i.e.*, the gross lot area minus setbacks, in square feet.

Since undeveloped or partially undeveloped blocks may not yet be partitioned the way they will be when fully developed, a desire for increased accuracy would suggest also making reasonable assumptions about future land division patterns based on the developed areas of existing developed urban centers that already approach CFA densities as defined in OAR 660-012-0320(8)(a)-(c). These assumptions should yield the following:

- d. the average size of a lot, in acres, and
- e. the average percent of lot area in setbacks.

These values can be used to estimate the values described in 2a through 2c above for each undeveloped block.

3. Lots will have other requirements for land area set-asides (besides front yard, side yard, and backyard setbacks), such as for parking or vehicular access, pedestrian circulation, landscaping, or open space. Determine if these can be reasonably contained within the setback area. If so, determine the following, given typical development configurations:

- a. how much of the setback area can be reasonably assumed to meet these requirements, and
 - b. the additional set-aside area that is required beyond what can be met using the setback area.
4. The net developable area of each actual or estimated lot is the net lot area (2c above) minus the additional set-aside area (3b above).

MORE ON NET DEVELOPABLE AREA

Because of the complexity of development regulations in most jurisdictions, estimating net developable area is the most complex part of the housing unit capacity calculations. There are many things to consider, and developer solutions to regulation constraints can be unexpectedly creative and difficult to simulate. The intent here, as it is in comprehensive planning generally, is to give a **reasonable estimate of the effect** of these considerations for the purposes of long-range planning.

GIS data and methods will be essential here as well as a careful “operationalization” or translation of land use regulations into calculatable parameters that affect the developable area of a lot. Some simplifying assumptions will be necessary to make the calculations tractable. Local land use experts (e.g., land use analysts) in each community will need to work with long-range planners and GIS analysts to perform this analysis accurately.

Communities that already have an existing investment in tools to do similar capacity calculations for buildable lands studies or for a land use model to support integrated land use and transportation modeling may consider leveraging this work by following the outcome-oriented path, as described by OAR 660-012-0320(10).

2. Maximum Number of Floors (*f*)

Many land use regulations (zones) establish maximum building heights, and these can be used to help determine this factor. Where a land use regulation does not establish a maximum building height, the rule allows an assumption of 85 feet.

Knowing the maximum building height, it is necessary to derive a number of floors from that height. The number of floors (*F*) that can be assumed for a particular maximum building height (*h*) are given by another simple formula:

$$F = \frac{h - 10}{10}$$

Note: In the above formula, the result is rounded down to the nearest integer.

Some examples of this calculation are given in the rule are as follows:

- Fifty feet allows for four floors.
- Sixty feet allows for five floors.
- Eighty-five feet allows for seven floors.

Height Bonuses and Additional Zoned Building Capacity

Local governments that allow height bonuses can count 25% of the capacity from the additional allowed height as additional zoned building capacity. The additional allowed height must:

- Allow building heights above the minimums established in OAR 660-012-0320(8); and,
- Allow height bonuses for publicly subsidized housing serving households with an income of 80 percent or less of the area median household income or height bonuses for the construction of accessible dwelling units, as defined in OAR 660-008-0050(4)(a), in excess of minimum requirements.

For the purposes of the capacity calculations, 25% of the area of the extra floors (f_b) from the additional height is used.

The housing unit capacity (U) in any part of a CFA that allows height bonuses can be given by a variant of the formula given above:

$$U = \frac{a(f + 0.25f_b)r}{s}$$

Note: In the above formula, the result is rounded to the nearest integer.

3. Percentage of Buildings in Residential Use (r)

In order to simplify calculations, the CFA rules require the use of a typical or average percentage for the proportion of residential use in any building in a CFA. This is set at 30% residential use. This is an estimate that accounts for:

1. Other land use types in CFAs, such as employment and service uses, as well as portions of buildings that are necessary to support residential or other use types, such as hallways, stairways, heating and cooling equipment space. This also accounts for buildings that may be 100% residential or 100% commercial.
2. The extent to which development or redevelopment in CFAs will not fully occupy the total zoned building capacity on a site.

4. Average Housing Unit Size (s)

Again, in order to simplify calculations, the CFA rules require the use of a single average housing unit size of 900 square feet per unit. This is based on national averages of housing unit sizes in existing urban centers and other areas with climate-friendly land use.

How to Calculate Total Household Unit Capacity for Abutting Areas

Calculation of the total household unit capacity for abutting areas, per OAR 660-012-0320(3), is performed in the same way as described above for CFAs or can be calculated using an alternative methodology as provided in OAR 660-012-0320(10). See Step 4 for more information on using qualifying abutting areas.

Alternative Methodology for Capacity Calculations

In addition to being tool agnostic, the rule is flexible about how local governments calculate zoned **residential building capacity**. The earlier subsections in Step 6 describe the prescriptive path as established in OAR 660-012-0315(2). According to OAR 660-012-0320(10), a local government may provide an alternative methodology for zoned residential building capacity calculation that differs from the prescriptive path. The methodology must:

- Describe all assumptions and calculation steps
- Provide an equal or better system for determining zoned residential building capacity sufficient to accommodate at least 30% of total current and projected needed housing
- Be supported by studies of development activity in the region, market studies, or similar research and analysis.

Step 7

STEP 7. EQUITY ANALYSIS

Local governments must determine if rezoning the potential CFA would be likely to displace residents who are members of state and **federal protected classes** and identify actions to mitigate or avoid potential displacement.

CFA studies must include plans for achieving fair and equitable housing outcomes within CFAs following the provisions in OAR 660-008-0050(4)(a)-(f). CFA studies must include a description of how cities will address each of the following factors:

- 1. Location of Housing**—How the city is striving to meet statewide greenhouse gas emission reduction goals by creating compact, mixed-use neighborhoods available to members of state and federal protected classes.

Note: To fulfill this requirement, cities must describe actions taken by the city to:

- Promote the production of **regulated affordable units**
- Promote the production of **accessible dwelling units**
- Mitigate or avoid the displacement of members of protected classes
- Remove barriers and increase housing choice for protected classes

- 2. Fair Housing**—How the city is affirmatively furthering fair housing for all state and federal protected classes.

Note: Affirmatively furthering fair housing means addressing disproportionate housing needs, patterns of integration and segregation, racially or ethnically concentrated areas of poverty, and disparities in access to housing opportunity.

- 3. Housing Choice**—How the city is facilitating access to housing choice for communities of color, low-income communities, people with disabilities, and other state and federal protected classes.

Note: Housing choice includes 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.

4. **Housing Options for Residents Experiencing Homelessness**—How the city is advocating for and enabling the provision of housing options for residents experiencing homelessness and how the city is partnering with other organizations to promote services that are needed to create permanent supportive housing and other housing options for residents experiencing homelessness.
5. **Affordable Homeownership and Affordable Rental Housing**—How the city is supporting and creating opportunities to encourage the production of affordable rental housing and the opportunity for wealth creation via homeownership, primarily for state and federal protected classes that have been disproportionately impacted by past housing policies.
6. **Gentrification, Displacement, and Housing Stability**—How the city is increasing housing stability for residents and mitigating the impacts of gentrification, as well as the economic and physical displacement of existing residents resulting from investment or redevelopment.

 **Tip:**

DLCD's [Anti-Displacement and Gentrification Toolkit](#) provides an in-depth resource for local governments to address racial and ethnic equity in housing production, including a list of strategies to mitigate the impacts of gentrification and displacement. The guide assists local governments in establishing a framework for creating housing production strategies with a particular focus on the unintended consequences of those strategies.

Step 8

STEP 8. COMPLETE CFA STUDY

CFA Study Report Requirements

Cities and counties must submit a study of potential CFAs to the department as provided in OAR 660-012-0315(4).

ALL CITIES AND COUNTIES

All cities and counties that are required to designate CFAs (with a population greater than 5,000 within an urban growth boundary) must include the following information in their CFA study reports:

1. Maps showing the location and size of potential CFAs.
2. Analysis of how each potential CFA complies, or may be brought into compliance, with the locational requirements of OAR 660-012-0310(2). See Step 2.
3. A preliminary evaluation of existing development standards within the potential CFA(s) and a general description of any changes necessary to comply with the land use requirements of OAR 660-012-0320. See Steps 4 and 5.
4. Plans for achieving fair and equitable housing outcomes within CFAs, as identified in OAR 660-008-0050(4)9a)-(f). Analysis of OAR 660-008-0050(4)(f) shall include analysis of spatial and other data to determine if the rezoning of potential CFAs would be likely to displace residents who are members of state and federal protected classes. The local government shall also identify actions that may be employed to mitigate or avoid potential displacement. See Step 7.
5. A community engagement plan for the designation of CFAs, including the process to study and later adopt associated amendments to the comprehensive plan and zoning code, consistent with the requirements of OAR 660-012-0120 through -0130 and including an engagement-focused equity analysis as provided in OAR 660-012-0135(3). See Step 1.

CITIES UNDER 10,000

There are no additional requirements for CFA study reports.

CITIES OVER 10,000

Cities with population of 10,000 or more have one additional requirement:

6. Preliminary calculations of zoned residential building capacity and resultant residential dwelling unit capacity within each potential CFA consistent with OAR 660-012-0315(2) (see Step 6)—or using an alternative methodology as provided in OAR 660-012-0320(10)—and using land use requirements within each CFA as provided in OAR 660-012-0320 (see Step 4).

-AT A GLANCE- CFA STUDY REPORTS

OAR 660-012-0315(4)

- Maps of potential CFAs
- Analysis of compliance with CFA location requirements
- Preliminary evaluation of existing development standards
- Community engagement plan & equity analysis
- Plans for achieving equitable housing outcomes
- Cities >10,000 only: preliminary calculations of zoned residential building capacity & dwelling unit capacity

Submittal and Review Process

Cities and counties must submit CFA area study reports to DLCD by **December 31, 2023**. CFA area study reports are not land use decisions and may not be appealed. However, they are subject to review and comment from DLCD and the general public. Following submittal, the department will review the report as follows (OAR 660-012-0315(5)):

Within 30 days of receipt of the report, the department will do two things:

1. Post a complete copy of the submitted report on the department's website and invite written comment regarding the submitted report for a period of 21 days after it is posted and
2. Provide notice to persons described under ORS 197.615(3)(a)

Within 60 days of posting the report on the department's website, the department will provide written comments on the CFA study report to the local government, including any written comments by interested persons.

PHASE 2: ADOPTION

LAND USE REQUIREMENTS & COMPREHENSIVE PLANS

Following submission of the CFA study report, cities and counties will be required to adopt land use requirements for CFAs and add a climate-friendly comprehensive plan element by December 31, 2024, as provided in OAR 660-012-0315(6). Following is a brief overview of these requirements for context so local governments know what the next Step in this process will be. DLCD will provide additional guidance to local governments as the need arises.

ALL CITIES, REGARDLESS OF POPULATION

1. Maps showing the location of all CFAs, including findings containing information and analysis required in the study report for any CFAs that were not included in the initial study.

Note: Cities and counties with populations over 10,000 must provide additional documentation (see below).

2. Documentation of the number of total existing, accessible, and income-restricted dwelling units within all CFAs.

Note: where precise data are not available, local governments may provide estimates based on best available information.

3. Documentation that all adopted and applicable land use requirements for CFAs are consistent with OAR 660-012-0320 (see Step 4).

4. Adoption of a climate-friendly element into the comprehensive plan containing findings that:

- Summarize the CFA designation decision process
- Demonstrate compliance with OAR 660-012-0310 through -0325
- Identify all ongoing and newly added housing production strategies the local government will use to:

- Promote the development of affordable housing in CFAs

Note: Local governments may use the Housing Production Strategy Guidance for Cities to review and identify potential strategies (OAR 660-008-0050(3)). For communities required to produce housing production strategies, the strategies identified must be included in future reports.

- Prevent the displacement of members of state and federal protected classes in CFAs

ADDITIONAL REQUIREMENTS BASED ON POPULATION

Cities with Populations of 5,001 to 10,000

There are no additional requirements with respect to the adoption phase.

Cities with Populations Over 10,000

5. Along with maps, cities and counties with populations over 10,000 must include calculations to demonstrate that their CFA(s) contain sufficient zoned residential building capacity to accommodate 30% of total current and projected housing units based on adopted land use requirements (see Step 6). The information provided shall provide a basis for subsequent Housing Production Strategy Reports to assess progress towards fair and equitable housing production goals in CFAs, as provided in OAR 660-008-0050(5)(a).

-AT A GLANCE- ADOPTION OF LAND USE REQUIREMENTS

OAR 660-012-0315(6)

- Maps
 - >10,000: location + calculations demonstrating that >30% of current and projected need will be met
 - 5,001 to 10,000: location
- Documentation of existing dwelling units (including accessible & income-restricted)
 - OK to use estimates based on best available data
- Documentation of consistency with OAR 660-012-0320
- Adoption of climate-friendly element in comp plan
 - ID all ongoing & new housing production strategies
 - ID all ongoing & new strategies to prevent displacement
- >10,000: some info above provides basis for HPS reports

TRANSPORTATION REVIEW IN CLIMATE FRIENDLY AREAS

To realize the outcomes of CFAs as areas with high-quality walking, biking, rolling, and public transportation services and infrastructure, OAR 660-012-0325 outlines transportation planning requirements for designating CFAs and then later for making plan amendments within CFAs following their initial adoption. This process in CFAs and Metro Region 2040 Centers replaces the significant effect analysis that plan amendments in other areas follow in OAR 660-012-0060. The information presented in this section does not apply at the time of the CFA study and is presented only as background information to inform practitioners on the additional work that will happen during the phase II zoning.

The primary requirement for CFA designation and zoning is a multimodal transportation gap summary within the CFA. The multimodal transportation gap summary must be completed as part of a Transportation System Plan update or as a separate adopted document in coordination with impacted transportation facility and service providers. The multimodal transportation gap summary must include:

- A summary of the existing multimodal transportation network within the climate-friendly area;
- A summary of the gaps in the pedestrian and bicycle networks in the climate-friendly area, including gaps needed to be filled for people with disabilities, based on the summary of the existing multimodal transportation network;
- A list of proposed projects to fill multimodal network gaps identified; and,
- A highway impacts summary must be included if a highway ramp terminal intersection, state highway, interstate highway, or adopted ODOT Facility Plan is at least partially within a CFA.

To support this work, ODOT has developed an interactive [CFA ODOT Impacted Areas map](#) (see box below) and will be facilitating a statewide multimodal inventory process beginning in 2023. Additionally, key tools for transportation planning including the Transportation System Plan Guidelines, the Analysis Procedures Manual and modeling guidance will be updated in 2023.

-AT A GLANCE- HIGHWAY IMPACTS SUMMARY

A highway impacts summary will need to be included in the designation of a CFA if a highway ramp terminal intersection, state highway, interstate highway or adopted ODOT Facility Plan is at least partially within a CFA.

To support cities in planning ahead and understanding if a proposed CFA would need to include a highway impacts summary, ODOT has developed an interactive [CFA ODOT Impacted Areas map](#). The map allows a user to select a city and view potentially impacted highways, ramps and facility plans. Additionally, a user can 'draw' polygons to approximate where a CFA may be located for finer-tuned analysis. Users may create pdf maps directly from the online mapping tool or export files for use in desktop GIS programs.

Note that the CFA designation process will only need to include the facilities and facility plans outlined in OAR 660-012-0325 (4); future plan amendments will need to use the ¼ buffer around these areas outlined in OAR 660-012-0325 (6).

OTHER RULES RELATING TO CFAS

While a full review of all other rules that relate to CFAs is outside the purview of this guide, local governments should be aware that they exist and be prepared to address them as needed.

Division 8 (Housing)

Section	Title	Relevance
660-008-0010	Allocation of buildable land	<ul style="list-style-type: none"> • Cities >10,000 within metro areas maintain CFA zoned & sized to accommodate 30% of housing needs as they grow • Designate additional CFAs if expanding UGB • How local govts determine CFA needs on average buildable residential area & how local govts are to continue to meet residential needs consistent with requirements of Statewide Planning Goal 10 (housing)
660-008-0050	Housing Production Strategy Report Structure	<p>Requires cities to:</p> <ul style="list-style-type: none"> • Promote production of regulated affordable units & accessible housing • Mitigate or avoid displacement • Remove barriers and increase housing choices in CFAs

Division 12 (Transportation)

Section	Title	Relevance
NEW 660-012-0011 to 0012	Applicability and Effective Dates	<ul style="list-style-type: none"> • Existing rules apply to areas outside of urban areas in metro areas • New provisions apply to urban areas inside metro areas
NEW 660-012-0100 to 0210	General Provisions	<ul style="list-style-type: none"> • Updated rules for how cities and counties undertake transportation system plans within urban areas • Significant changes and clarifications to how cities and counties ensure equitable participation in decision-making, and how plans are amended and updated over time • Apply only to metro areas • Underserved Populations (NEW 660-012-0125) • Decision-Making with Underserved Populations (NEW 660-012-0130) • Equity Analysis (NEW 660-012-0135) • Transportation Options Planning (660-012-0145) • Prioritization Framework (660-012-0155) • Reducing VMT (660-012-0160)
660-012-0125	Transportation Performance Standards	<ul style="list-style-type: none"> • Accounts for values beyond vehicle congestion – equity, climate pollution, safety, accessibility, reliability, mobility

Section	Title	Relevance
NEW 660-012-0325	Transportation Review in CFAs	<ul style="list-style-type: none"> • Describes how local governments review changes to comp plans & land • Interim multimodal plan required when CFA is implemented
NEW 660-012-0330	Land Use Requirements	<ul style="list-style-type: none"> • Requires local govts to provide ped-friendly and connected neighborhoods • Requires commercial & mixed use districts to be oriented toward ped & transit w/ limits on auto-oriented land uses • Protections for existing and future transpo facilities
NEW 660-012-0340	Land Use Assumptions	
NEW 660-012-0350	Urban Growth Boundary Expansions	
660-012-0360	Key Destinations	
NEW 660-012-0400 to 0450	Parking	<ul style="list-style-type: none"> • Apply only in metro areas • Parking Management (NEW 660-012-0400) <ul style="list-style-type: none"> ◦ Directs local govts to implement CFA & parking reform rules ◦ Improve parking codes & reduce parking mandates or provide alternative climate friendly measures • Parking Regulation Improvements (NEW 660-012-0405) • Electric Vehicle Charging (NEW 660-012-0410) • Reduction of Parking Mandates for Development Types (NEW 660-012-0430) • Parking Reform in CFAs (660-012-0435)
NEW 660-01-0500 to 0520	Pedestrian System	
NEW 660-012-0600 to 0630	Bicycle System	
NEW 660-012-0700 to 07050	Public Transportation System	
NEW 660-012-0800 to 0830	Streets and Highways System	<ul style="list-style-type: none"> • Assumption that system is mostly fully built out • Assumption that amount of driving people do will be reduced in favor of other modes • Additional level of review of facilities that could increase climate pollution
NEW 660-012-0900 to 0920	Monitoring and Reporting	<ul style="list-style-type: none"> • Annual reports • Substantial reports every 4-5 years

Division 44 (Metropolitan Greenhouse Gas Reduction Targets)

Section	Title	Relevance
660-015-0015	Applicability – Compliance Schedule	<ul style="list-style-type: none">• Compliance dates for Eug-Spring metro area to adopt and implement scenario planning work from 2011 to 2015
660-0440-0100	Scenario Planning Work Programs	
660-044-0110	Land use and Transportation Scenario Plan Contents	

GLOSSARY

Accessible dwelling unit— An accessible dwelling unit is a dwelling unit constructed to accommodate persons with disabilities, in compliance with the Americans with Disabilities Act and applicable construction requirements in adopted building codes. [OAR 660-008-0050(4)(a)]

Block— All of the property bounded by streets, rights-of-way (pedestrian or vehicle ways), water features, or any combination thereof, but is not divided or separated in any way by streets or water features.

Block length— The length of a [block face](#).

Block Face / Street Frontage— All of the property fronting on one side of a street that is between intersecting or intercepting streets, or that is between a street and a water feature, or end of a dead-end street. An intercepting street determines the boundary of the block frontage only on the side of the street that it intercepts.

Climate-Friendly Area— An urban mixed-use area containing, or planned to contain, a mixture of higher-density housing, jobs, businesses, and services. These areas are served by, or planned for service by, high-quality pedestrian, bicycle, and transit infrastructure and services to provide frequent and convenient connections to key destinations within the city and region. These areas feature a well-designed and connected pedestrian environment. To maximize community benefits these areas typically do not contain or require large parking lots, and are provided with abundant tree canopy and vegetation to provide shade, cooling, and other amenities to visitors, residents, and employees. Climate-friendly areas will reduce the reliance on light duty motor vehicle trips for residents, workers, and visitors by providing more proximate destinations within climate-friendly areas, improved connectivity to key destinations elsewhere in the community, and enhanced alternative transportation options.

Climate pollution— Pollution that causes climate change by trapping heat in the earth’s atmosphere (also known as greenhouse gases), including carbon dioxide, methane, nitrous oxide, water vapor, and fluorinated gases.

Development site— For the purpose of this rule, a development site consists of the total site area proposed for development, absent previously dedicated rights-of-way, but including areas where additional right-of-way dedication may be required. [OAR 660-012-320(5)]

For land divisions, property line adjustments, and lot consolidations, the site is the lots, lots of record, parcels, or tracts proposed to be divided or reconfigured. For all other purposes, the site is an ownership except as follows:

- If a proposed development includes multiple ownerships, then the site is the combined area of all contiguous ownerships.
- If a proposed development includes only a portion of an ownership, and the balance of the ownership is vacant, then the applicant may choose to define the site as the portion of the ownership that is proposed for development.

- If a proposed development includes only a portion of an ownership, and there is other development on the ownership, then the applicant may choose to define the site as the portion of the ownership that is currently developed plus the portion proposed for development.

Equity— The equitable distribution or redistribution of resources and power; and recognizing, reconciling, and rectifying historical and contemporary injustices.

Equitable outcomes— Outcomes that burdens underserved populations less than, and benefits underserved populations as much or more as, the city or county population as a whole. Examples of equitable outcomes include:

- (a) Increased stability of underserved populations, lowering the likelihood of displacement due to gentrification from public and private investments;
- (b) More accessible, safe, affordable and equitable transportation choices with better connectivity to destinations people want to reach;
- (c) Adequate housing with access to employment, education, and fresh food, goods, services, recreational and cultural opportunities, and social spaces;
- (d) Increased safety for people in public spaces, transportation and community development;
- (e) Equitable access to parks, nature, open spaces and public spaces;
- (f) Better and more racially equitable health outcomes across the lifespan, particularly health outcomes connected to transportation choices, air pollution, and food;
- (g) Recognizing and remedying impacts of past practices such as redlining, displacement, exclusionary zoning, and roadway and other public infrastructure siting decisions that harmed underserved communities; and
- (h) Fairly-distributed benefits to residents and local governments across cities and counties within metropolitan areas.

Floor area ratio (FAR)— A floor area ratio is the ratio of the gross floor area of all buildings on a development site, excluding areas within buildings that are dedicated to vehicular parking and circulation, in proportion to the gross area of the development site on which the buildings are located. A floor area ratio of 2.0 would indicate that the total leasable floor area of all buildings was twice the gross area of the site. [OAR 660-012-0320(8)]

Half-mile walking distance— The rules do not prescribe methods for how to determine what is within walking distance. A local government will have to provide simple documentation for what they’re considering walkable, but a complex network analysis using GIS is not necessary to meet this requirement. Existing or planned pedestrian facilities that allow access between the CFA, any abutting area, and any mixed-use area within a half-mile “as the crow flies” of the abutting area are adequate, regardless of the distance on the pedestrian network. Barriers such as freeways and land uses hostile to pedestrians should be identified and used to refine the walking distance if using straight line distance.

High concentration of employment opportunities— The rules do not define a minimum threshold of jobs per acre for these areas, allowing discretion for local governments to determine qualifying areas. In the context of high employment areas abutting mixed-use CFA zones that may qualify to be included within a CFA, requirements are defined in OAR 660-012-0320(3).

High-density residential uses— The rules do not define minimum residential densities for these areas, allowing discretion for local governments to determine qualifying areas. In the context of high-density residential areas abutting mixed-use CFA zones that may qualify to be included within a CFA, requirements are defined in OAR 660-012-0320(3).

High-quality bicycle infrastructure— Facilities that meet or exceed NACTO’s bikeway design guidelines for separation from high volumes of speeding traffic. The ideal is a separated trail. On-road bikeways should be at least six feet wide with physical separation (barriers) from traffic going more than 30 miles per hour, or at least six feet wide with buffer from other traffic. High-quality bicycle infrastructure also includes bicycle sensors at traffic lights, clear wayfinding marking, and ongoing maintenance, including regular sweeping of debris and checking for small bumps caused by tree roots, pavement deterioration, etc.

High-quality pedestrian infrastructure— A sidewalk or shared-use path with a buffer between the pedestrian and motor vehicle facility. A buffer may include urban pedestrian standards that include extra-wide sidewalks between the face of curb and property lines, with street tree wells and other pedestrian streetscape elements, or may include alternative pedestrian improvement standards, as defined by the local government. Pedestrians feel safe and comfortable on the pedestrian facility. Motor vehicles are either far from the pedestrian facility and/or traveling at a low speed and volume. This is suitable for all users including children 10 years or younger, groups of people and people using a wheeled mobility device. All users are willing to use this facility.

High-quality transit infrastructure— A qualifying transit line with high frequencies AND permanent infrastructure as follows: (1) Frequency: High Quality Transit must have Peak Period headway frequency of every 15 minutes or less and service seven days a week. (2) Permanent Infrastructure: High Quality Transit must operate on a railway or be transit service with Bus Rapid Transit features that either fully or partially operate on a dedicated bus-only lane, or uses High Occupancy Vehicle (HOV) or High Occupancy Toll (HOT) lanes.

Metropolitan Planning Organization (MPO)— An organization located wholly within the State of Oregon and designated by the Governor to coordinate transportation in an urbanized area of the state including such designations made subsequent to the adoption of this rule. The Longview-Kelso-Rainier and Walla Walla Valley MPOs are not considered MPOs for the purposes of this division.

Mitigate— Make less severe, serious, or painful. Lessen the gravity of.

Practicable— Capable of being done after taking into consideration reasonable cost, existing technology, and logistics in light of overall project purposes.

Protected Classes— Oregon law protects you from discrimination based on race, color, religion, sex, sexual orientation, national origin, marital status, age if the individual is 18 years of age or older, or based on an individual’s juvenile record that has been expunged pursuant to ORS 419A.260 and 419A.262. If your employer has six or more employees, they may not discriminate on the basis of uniformed service or disability. [From <https://www.oregon.gov/boli/workers/Pages/discrimination-at-work.aspx>]

Regulated Affordable Units— A regulated affordable unit is a residential unit subject to a regulatory agreement that runs with the land and that requires affordability for an established income level for a defined period of time.

Transportation options— Transportation Options refers to the quantity and quality of accessibility options available to an individual or group, taking into account their specific needs and abilities.

Underserved populations— Underserved populations deserve prioritized attention regarding transportation and land use planning due to historic and current marginalization. Underserved populations include, but are not limited to:

- Black and African American people;
- Indigenous people (including Tribes, American Indian/Alaska Native and Hawaii Native);
- People of Color (including but not limited to Hispanic, Latina/o/x, Asian, Arabic or North African, Middle Eastern, Pacific Islander, and mixed-race or mixed-ethnicity populations);
- Immigrants, including undocumented immigrants and refugees;
- People with limited English proficiency;
- People with disabilities;
- People experiencing homelessness;
- Low-income and low-wealth community members;
- Low- and moderate-income renters and homeowners;
- Single parents;
- Lesbian, gay, bisexual, transgender, queer, intersex, asexual, or two-spirit community members; and
- Youth and seniors.

Urban center (e.g. downtown, neighborhood center, transit-served corridor, or similar)— A compact, identifiable district or corridor where urban residents may obtain a variety of products and services.

APPENDIX 1 EXAMPLE OF HOW A LOCAL GOVERNMENT MIGHT SUMMARIZE FINDINGS BY STUDY AREA FOR CFA STUDIES

Considerations Regarding CFA Candidate Area 1 – Downtown Planwell	
Would CFA designation be consistent with prior or current planning efforts for this area?	
<ul style="list-style-type: none"> • Yes, the older portion contains a good mix of employment and residential uses, with an abundance of on-street parking, and few parking lots. With downtown transit center, connectivity to the hospital and other major employers is excellent. 	
Area (at least 25 acres required if primary CFA)	
<ul style="list-style-type: none"> • 78 acres 	
Meets minimum 750 foot width with or without abutting parks, high density residential or employment uses/zoning	
<ul style="list-style-type: none"> • Yes, the downtown meets this standard with or without abutting riverfront and other parkland. 	
Are there abutting high intensity residential or employment uses that could be included as part of the CFA?	
<ul style="list-style-type: none"> • Abutting historic garden apartment residential neighborhood to the south has an average residential density of 27 dwelling units/acre. The area is approximately 20 acres in size. 	
Are parks, plazas, or open space areas located within or near the CFA area? Does the Parks Master Plan identify the need for parks or open space areas within or near the CFA?	
<ul style="list-style-type: none"> • The riverfront park extends for roughly one mile along the river frontage through downtown. The park contains plazas, a water feature, play structures, a connected bike path, and lawn areas for public recreation and enjoyment. • On the opposite side of the downtown, central park provides approximately four acres of shaded lawns, play areas, and other public amenities. 	
Are public-serving government facilities located within the CFA? Are there plans to locate such facilities in the CFA in the future?	
<ul style="list-style-type: none"> • Yes, city hall and the county courthouse are both located within this CFA, along with some additional government facilities. 	
Current status and feasibility of needed upgrades to pedestrian, bicycle, and transit facilities and services?	
<ul style="list-style-type: none"> • No bike lanes on highway through downtown, but existing bike lanes on parallel collector streets and sharrows on low speed downtown streets. Also bike path along river provides good access. • Adequate sidewalks throughout downtown. On-street parking along many streets buffers pedestrians on sidewalk. • Transit center is located in this area and within walking distance of the entire downtown. Connected to all priority transit corridors. 	

Presence of identified hazard area, and degree to which hazard development requirements could restrict CFA zoning?	
<ul style="list-style-type: none"> Portion of downtown is located within 100-year floodplain. Development code allows development if base floor elevation is one foot above base flood elevation. Could remove this area from CFA and meet area and dimensional standards. 	
If contiguous, but outside city limits and within UGB, can the area comply with OAR 660-012-0310(e)(A) – (E)?	
<ul style="list-style-type: none"> N/A – area is within city limits 	
Preliminary infrastructure evaluation – Any water, sewer, or stormwater impediments to CFA-level of development that would be challenging to address beyond the scope of capital improvement plans or improvements required with development?	
<ul style="list-style-type: none"> Trunk sewer line to southeast portion of downtown would need to be upsized to accommodate primary CFA development. Project is identified in Sewer Master Plan, tentatively scheduled for improvement in Fiscal Year 27-28. 	
Is there the potential for the displacement of members of underserved groups that could result from CFA designation?	
<ul style="list-style-type: none"> Yes, the northwest portion of downtown contains a greater than average proportion of low-income residents. 	
If yes to prior question, what are some potential mitigation strategies to avoid displacement that would be feasible for Planwell to implement?	
<ul style="list-style-type: none"> “Housing Planwell CDC” is planning a subsidized affordable housing development in the northwest area, with funding from OHCS and local construction excise tax revenues. The city’s housing division administers a naturally occurring affordable housing (NOAH) no-interest revolving loan fund that could be used to support the preservation of existing NOAH housing in the CFA. 	
Are the current land use requirements in this study area close to the land use requirements necessary to comply with OAR 660-012-0320 (either primary or secondary)?	
<ul style="list-style-type: none"> Considering as primary CFA - Building height allowances would need to be raised 20 feet, addition of minimum residential density requirements, and changes to on-site parking requirements. 	
What is the preliminary estimate of the number of residential dwelling units that could be accommodated in this area?	
If primary CFA standard were adopted (per OAR 660-012-0320(8)(a), (b), or (c); or (9)(a),(b), or (c))	If secondary CFA standards were adopted for one of the lesser standards (optional)
Roughly 4,760 dwelling units (buildings to 85 feet)	Roughly 3,430 dwelling units (buildings to 50 feet)

APPENDIX 2 FREQUENTLY ASKED QUESTIONS ABOUT CLIMATE FRIENDLY AREAS

OAR 660-012-0310 through -0325 and OAR 660-008-0010 and -0050

CALCULATING ZONED RESIDENTIAL BUILDING CAPACITY

Q1: OAR 660-012-0315(2) states that “Regardless of existing development in a climate-friendly area, determine the potential square footage of zoned building capacity for each net developable area based on existing or anticipated development standards within the climate-friendly area, including applicable setbacks, allowed building heights, open space requirements, on-site parking requirements, and similar regulations.” Does this mean that we do not need to incorporate on-site parking in our calculations if there are no on-site parking requirements?

A1: Yes, if there are no on-site parking requirements in a CFA, zoned building capacity calculations do not have to include parking that may be provided on-site in the absence of any local requirements.

Some local governments may wish to further “ground-truth” their CFA areas by discounting land that will be used for on-site parking in the absence of parking mandates, or by excluding some established land uses from redevelopment assumptions, or for other reasons. They may do so by utilizing the alternative methodology approach in OAR 660-012-0320(10).

Q2: Is a lot-by-lot analysis required to determine zoned building capacity in a CFA?

A2: Not for calculations within developed areas with blocks no greater than 5.5 acres in size. OAR 660-012-0315(2)(a) provides that “Within developed areas with no blocks greater than 5.5 acres, analysis of net developable areas may be conducted for each city block, without regard to property boundaries within the block.” To account for variations that may occur due to lotting patterns and development standards within a block, we recommend that local governments analyze a few fully developed blocks within existing zones to establish assumptions for the land area within a net block area that is not typically occupied by buildings due to setbacks, landscaping requirements, utility needs, provided on-site parking, and similar requirements or site needs.

For larger blocks or undeveloped areas, the rule provides that “Within areas bounded by streets of 5.5 acres or more, the local government shall assume the same ratio of total land area to net land area as that which exists in the most fully developed urban center.” This requires some analysis of an existing, fully developed portion of a downtown or similar area to determine the typical “net to gross” land ratio following street dedication and any other typical land needs for public infrastructure. Once the net land area is determined for these larger areas, reductions based on setbacks, open space, on-site parking, and similar should be applied to the resultant net land area.

Q3: If my jurisdiction allows a defined building height above 85 feet, should I assume additional zoned residential building capacity for the floors above seven?

A3: Only if your jurisdiction allows height bonuses for publicly-subsidized housing or for the construction of accessible dwelling units, as provided in OAR 660-012-0315(2)(c). The rules assume building heights of 85 feet where no building height limit has been established (OAR 660-012-0315(2)(b)) because the number of buildings over seven stories in height is very small in the metropolitan regions outside of Portland Metro.

Alternatively, a local government with a strong expectation for buildings over that height may utilize the alternative methodology provisions in OAR 660-012-0320(10), but must support those assumptions with “studies of development activity in the region, market studies, or similar research and analysis,” as provided in the rule.

FAIR AND EQUITABLE HOUSING OUTCOMES

Q4: Climate-friendly area (CFA) studies are required to include “Plans for achieving fair and equitable housing outcomes within climate-friendly areas, as identified in OAR 660-008-0050(4)(a)-(f)” (OAR 660-012-0315(4)(f)). The referenced requirements in OAR 660-008 are in the context of a housing production strategy report, which takes a city-wide view of housing production. What is the department expecting from local governments as part of the CFA study?

A4: Given the potential for displacement to occur in conjunction with CFA zone changes unless mitigated, local governments should primarily focus on addressing OAR 660-008-0050(4)(a) and (f), as they relate to potential climate-friendly areas identified in CFA studies. To the extent that local governments are also addressing issues identified in subsections (b), (c), (d), and (e) of OAR 660-008-0050(4) within potential climate-friendly areas, they are encouraged to provide that information as well. The rule does not require, and the department does not expect a city-wide, housing production strategy report in response to this CFA study requirement.

Q5: For the CFA study phase, do cities need to “adopt” strategies to mitigate or minimize potential displacement or just “identify” actions that may be used to mitigate/minimize displacement? My understanding is that we just need to identify strategies during the study phase. However, OAR 660-012-0135(3), regarding the associated equity analysis, includes mention of the adoption of strategies as part of that work.

A5: No, adoption of mitigation strategies is not required as part of the CFA study work, only the identification of actions that may mitigate or minimize displacement as provided in OAR 660-012-0315(4)(f). The engagement focused equity analysis provisions in OAR 660-012-0135(3), which also apply to updates of transportation system plans, apply to the overall CFA designation process, which includes both the CFA study work and the subsequent adoption and zoning of CFAs. The requirement to adopt mitigation strategies, if there is a danger of displacement, occurs after the studies are completed, as a part of the adoption and zoning of CFAs.

BLOCK LENGTH

Q6: How should local governments measure the maximum block length standards in OAR 660-012-0320(5)? Should we measure from the center of each right-of-way, from outer sidewalk edge, inner sidewalk edge, or some other methodology?

A6: Section -0320(5) does not specify how local governments should define “block length.” Local governments have some discretion in defining “block length” as these requirements are incorporated into CFA development codes. In all cases, “block length” should be no greater than the established limits based on actual pedestrian walking distances, as measured from the inner sidewalk edge of each parallel street.

ALLOWED USES IN CFAS

Q7: We are concerned that attached single-family dwellings could be very popular in CFAs in our city. Is it possible to require ground floor commercial and office uses in conjunction with attached single-family dwellings, as is allowed for multifamily buildings in OAR 660-012-0320(2)(a)?

A7: No, because OAR 660-012-0320(2)(a) requires local governments to allow attached single-family residential as an outright permitted use, and there is no allowance for local governments to require ground floor commercial and office uses in conjunction with attached single-family dwellings, as there is in conjunction with multi-family development, the rules effectively prohibit such a requirement.

During the rulemaking process, there was a robust conversation on the types of housing that should be allowed within CFAs. Many opined that because it is difficult to develop or convert multifamily units into condominiums, there would be little ability for wealth-building through owner-occupied units in CFAs, which would run counter to our equity goals. After some analysis of achievable densities for attached single-family and other “middle housing” types, which found that these housing types could comply with minimum density requirements, additional housing types were allowed within CFAs, and allowance for attached single-family dwellings was required. Regardless, we believe it is unlikely that attached single-family dwellings will “overwhelm” other allowed development types in climate-friendly areas.

EVALUATION OF INFRASTRUCTURE NEEDS IN CFAS

Q8: When we consider zone changes or comprehensive plan map amendments in my jurisdiction our development code requires consideration of infrastructure capacity (water, sewer, storm, and transportation) to inform those decisions. Do the administrative rules provide guidance regarding how such considerations should be factored into the evaluation and adoption of climate-friendly areas?

A8: OAR 660-012-0310(2)(a) states that climate-friendly areas should be “able to support development consistent with the land use requirements of OAR 660-012-0320.” No specific test is required, but the following guidance is provided:

- As local governments study CFA candidates, it is important to identify if any potential candidate areas have significant bottlenecks in terms of water, sewer, and stormwater capacity. DLCD recommends meeting with public works staff and looking at each candidate area together to answer the question: is this an area where there would be a significant problem if there were a fair amount of redevelopment?

- The level of analysis required per the rules is not in-depth analysis, but rather is an opportunity to flag potential problems early in the process to help avoid surprises in later phase. DLCDC would be concerned with adoption of a CFA for which there is little infrastructure capacity and no plans or mechanisms in place to serve future CFA-level development.
- The rules do not require existing infrastructure to be sized for the maximum build-out of a CFA. Rather, we expect that local governments will continue to implement public improvement requirements, systems development charges, and capital improvement plans, as they typically do, either outside of, or in conjunction with, specific development proposals.
- It is important to note that transportation capacity in CFAs should be evaluated differently than the process provided in OAR 660-012-0060 (sometimes referred to as the “significant effect” test). Instead of the -0060 review process, local governments should follow the requirements of OAR 660-012-0325 for amendments to comprehensive plans or land use regulations pertaining to CFAs. This review is triggered in conjunction with the adoption and zoning of CFAs, not in the study phase. This process requires a multimodal gap summary, and possibly a highway impacts summary if near specified state transportation facilities, as described in Rule -0325. Although the local government must include a list of proposed projects to fill multimodal network gaps, there is no requirement for mitigation of anticipated automobile traffic.
- Understanding those impacts, if any, may help to prioritize one area over another based on the adequacy of existing infrastructure and/or cost implications.