

Appendix F. Residential Development Case Studies

Purpose

The case studies are intended to provide real-world examples of the residential development process around the state. These case studies highlight ongoing or recently completed residential developments that illustrate the various review processes real housing projects have gone through to provide insights into common development challenges as well as promising practices to increase housing production. The information gathered in these case studies helped to inform the final recommendations.

Selection and Evaluation Methodology

The project team prepared a case study nomination form in Google Forms to receive case study examples from the general public. The nomination form was sent to project team contacts, focus group participants, and the state team. The project team also identified case studies from its own knowledge and experience with recent developments. Overall, the project team had 28 nominations and suggestions.

The project team identified selection criteria to narrow the list of nominated case studies. These criteria were then used to evaluate and describe each case study as an example of the development process. These criteria include:

- Project location
- Year completed or expected
- Housing type
- Number of units
- Market-rate or affordable housing
- Major process-related challenges identified
- Evidence of a best practice or problem-solving intervention

In narrowing down the final list of case studies, the project team sought diversity across these criteria to exemplify the breadth of development types and processes across the state. Furthermore, they aimed to identify projects that encountered a range of issues and challenges across the development process as well as some “success stories” where both the development team and the public sector reviewers felt the process had gone smoothly.

The project team ultimately selected eight case studies representing a range of tenures, affordability levels, geographic regions, and place types (including large cities, suburbs, and small



towns). The projects ranged in scale from individual low-rise buildings to large planned developments. They also varied considerably in the level of public review required, including routine land use approvals, complex public works coordination, extensive environmental review processes, and even full municipal annexations.

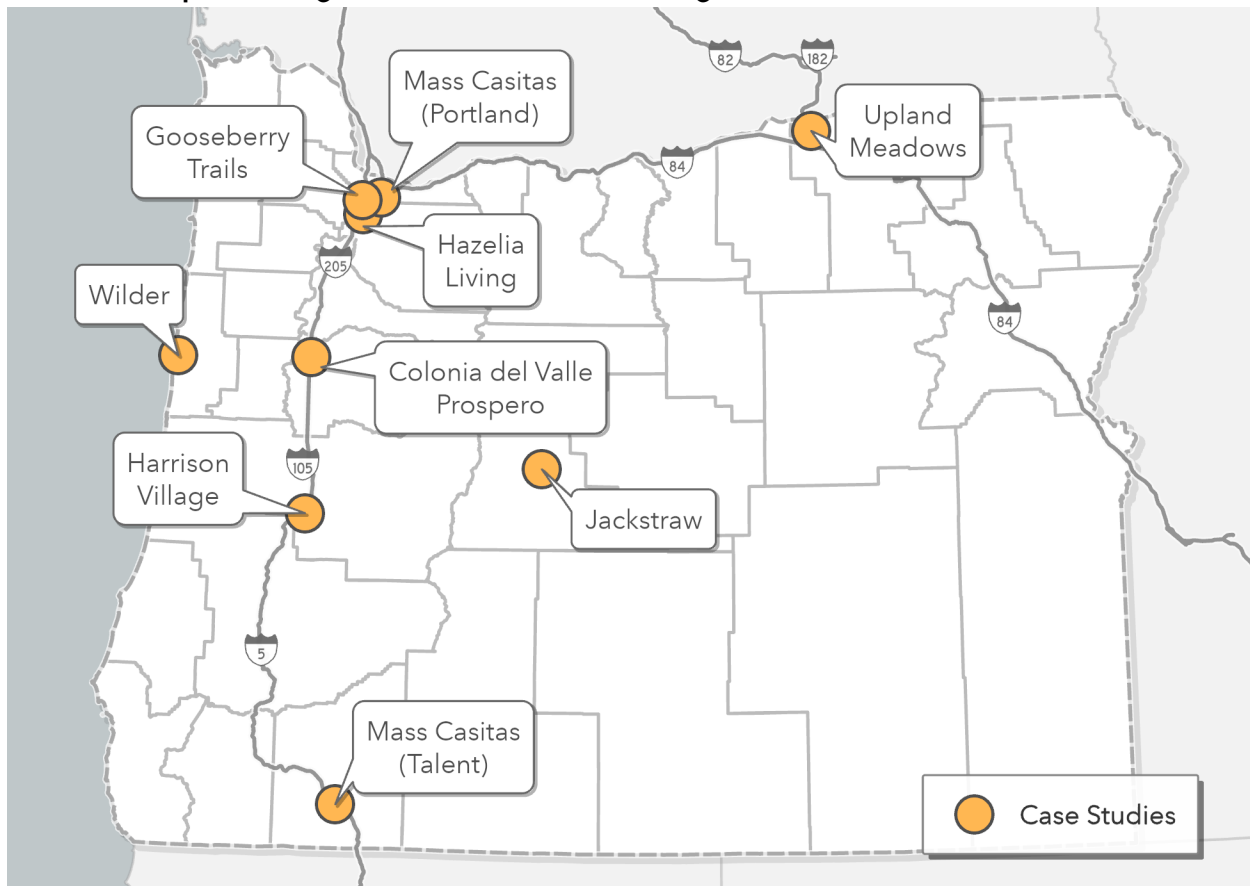
Exhibit 1. Table of the Eight Case Studies Across Oregon

Case Study	Location	Year Built	Housing Type	# of Units	Market-Rate or Affordable	Process-Related Challenges
Jackstraw	Bend (Central OR)	2025	Multi-unit	313	Market-rate	New development type and scale for City of Bend; confusion from MUPTE requirements and process
Harrison Village Apts	Cottage Grove (Willamette Valley)	2022	Multi-unit	80	Market-rate	Streamlined development example
Gooseberry Trails	Portland (Metro Region)	Ongoing (Expected 2028)	Multi-unit	52	Affordable	Several process-related delays, particularly due to conflicting guidance from the City
Hazelia Living	Lake Oswego (Metro Region)	Ongoing (land use approval March 2026)	Middle housing	53	Market-rate	Challenges from changing statutory requirements for the middle housing land division process
Mass Casitas	Portland/Talent (Metro Region/Southern OR)	2023	Single-unit	6	Affordable	Challenges aligning pre-approved, prefabricated structure to local code for siting
Upland Meadows	Hermiston (Eastern OR)	2025–2030 (estimated)	Single-unit	261	Market-rate	Streamlined development example
Colonia del Valle Próspero	Albany (Willamette Valley)	Ongoing (first phase expected 2026)	Multi-unit	162	Affordable	Delays in addressing external factors affecting the site
Wilder	Newport (OR Coast)	2022–2035 (estimated)	Single-unit	Approx 300 (planned)	Market-rate	Inconsistent guidance on public improvement requirements

Source: EConorthwest, 2026



Exhibit 2. Map of the Eight Case Studies Across Oregon



Source: EConorthwest, 2026

To complete the case studies, the project team relied on publicly available information from project websites; development applications; public meeting recordings, materials, and agendas; and news articles. In addition, each case study included at least one interview with members of the development teams and one interview with city staff from the reviewing department. The draft write-ups were then shared with interviewees to check for accuracy on both the process steps and timeline, as well as the assessment language. Efforts were made to avoid editorializing or placing blame on either party, but to report the process as it happened. In total, public engagement for the case studies included 19 interviews with 32 individuals.

Approach Limitations

Case studies can provide valuable, context-rich insights, but they also have inherent limitations when used to evaluate statewide development review processes. Most notably, case studies are not wholly representative—they reflect a small number of projects with unique site conditions, local regulations, staff capacity, and developer experience, which limits generalizability across jurisdictions. Case studies also tend to overemphasize anecdotal experiences, relying on participant perspectives that may be subjective, incomplete, or forgotten, particularly regarding specific causes of delay or success. Case studies also often capture processes at a single point in time, making it difficult to account for evolving policies, staffing changes, or recent reforms.



Finally, they may underrepresent “typical” projects, as selected cases are often chosen for being illustrative, complex, or high profile, rather than representative of everyday development activity statewide.

While these case studies are useful in providing anecdotal evidence and showcasing real-world development projects, readers should use caution when extrapolating from the findings.

Key Findings

The following themes emerged from the case studies evaluated. These themes focus on process-related challenges as well as the opportunities and best practices to overcome them.

- **Unclear or conflicting guidance can create uncertainty and delays.** In some case studies, review processes were siloed across departments which led to inconsistent or conflicting requirements for a given project. Conflicting information on requirements can happen over time, between different departments, or even between different staff.
 - Examples: Gooseberry Trails (Portland) experienced conflicting direction between the Portland Bureau of Transportation (PBOT) and its environmental review, requiring multiple redesigns of frontage improvements, which extended the review process and added extensive development costs. In addition, Jackstraw (Bend) saw coordination challenges when a separate economic development liaison overlapped with development review staff roles, creating confusion during later permitting phases.
 - Best practices: Some of these challenges could be overcome by employing a single point of coordination or “project manager” within the jurisdiction or by improving cross-department visibility of comments (e.g., shared systems, coordinated reviews).
- **Incomplete pre-application processes and iterative review cycles can reduce predictability and lead to rework.** While application iterations are common, too many iterations—particularly when dealing with technical project requirements—can lead to multiple redesigns and reduced predictability. When issues or requirements are pointed out in late-stage reviews, they can have big implications for the project design and progress.
 - Examples: Hazelia Living (Lake Oswego) required stormwater redesigns after completeness when the third-party reviewer was involved, and Gooseberry Trails (Portland) encountered late-emerging infrastructure and fire access requirements that required redesign of already approved elements.
 - Best practices: Robust pre-application meetings with all reviewers, including third-party consultants, and notes can help outline the requirements up front. Clear project application checklists can also help.
 - Harrison Village (Cottage Grove), Colonia del Valle Próspero (Albany), and Upland Meadows (Hermiston) all benefited from strong early coordination, with staff clearly outlining requirements at the outset, reducing downstream issues.
- **Public improvement requirements can be a major cost and timing driver.** In several case studies, infrastructure requirements frequently added cost, complexity, and delays.



particularly when the requirements were brought up in later stages of development. These additional processes involve more city departments, and sometimes state or other agencies, and have separate approval processes and requirements.

- **Examples:** Jackstraw (Bend) required coordination with adjacent property owners and complex right-of-way improvements, adding process complexity. In addition, Colonia del Valle Próspero (Albany) encountered challenges in meeting secondary access requirements and resolving utility mapping with on-site placement during construction.
- **Best Practices:** Aligning infrastructure requirements with project feasibility, especially for affordable housing, can help avoid large impacts on feasibility (including delaying or preventing project completion); matching infrastructure investments to priority development areas can help facilitate high-intensity projects; and investing in rural and small-town infrastructure and wetland mapping can proactively address unforeseen development constraints.

Case Studies

The following sections describe the **eight** Oregon case studies. Each case study provides a project overview and location, outlines the project process and timeline, discusses the project barriers, and highlights key lessons learned.



1.0 Jackstraw

Location	Year completed	Housing type	Number of units	Market-rate or affordable
Bend, OR	2025	Multi-unit	313	Market-Rate (Two Affordable Units for In-Home Childcare)

- Jackstraw is a mixed-use development with 313 market-rate units—two of which are townhomes intended to be affordable (not deed restricted) for residents earning 60 percent of area median income (AMI)—and retail space. It is located in Central Bend, where city policy and incentives support high-intensity mixed-use development.
- The project received expedited building permitting because of the proposed inclusion of two affordable units. However, the City contracted with third-party reviewers to meet program deadlines, which created later challenges with inspections by city staff.
- A central coordinator from the City's Economic Development Division helped support the project's initial phases. While the development team valued this early advocacy, development review staff reported that the overlapping communication created challenges during permitting.
- Public improvements created challenges, including (1) negotiating the appropriate design for a private, but publicly accessible, woonerf-style improvement (a Dutch-inspired, multimodal road design that merges pedestrian and vehicle space together) with the City and (2) negotiations with adjacent private property owners to make other right-of-way infrastructure improvements adjacent to the project.
- Features such as green building attributes and in-home childcare were included as public and community benefits not required for the City's Multiple Unit Property Tax Exemption (MUPTE) program, but they introduced building code complexity.
- Accessing the City's MUPTE program supported the project's financial feasibility but created uncertainty due to the way the program was administered and controversy regarding the public benefits offered by the project.

1.1 PROJECT OVERVIEW AND PROJECT AREA CHARACTERISTICS

Killian Pacific completed construction of Jackstraw in December 2025, building 313 market-rate homes. The building also includes two townhomes intended to be affordable (not deed restricted) for households earning less than 60 percent of AMI, envisioned for residents to provide in-home childcare. In addition, the project includes roughly 18,000 square feet of ground floor retail space that will include a coffee shop, brewery and barbeque, and beauty services. This project exceeded the scale of typical developments in Bend as a large mixed-use podium construction building.

The project included a number of special features and public benefits, including:

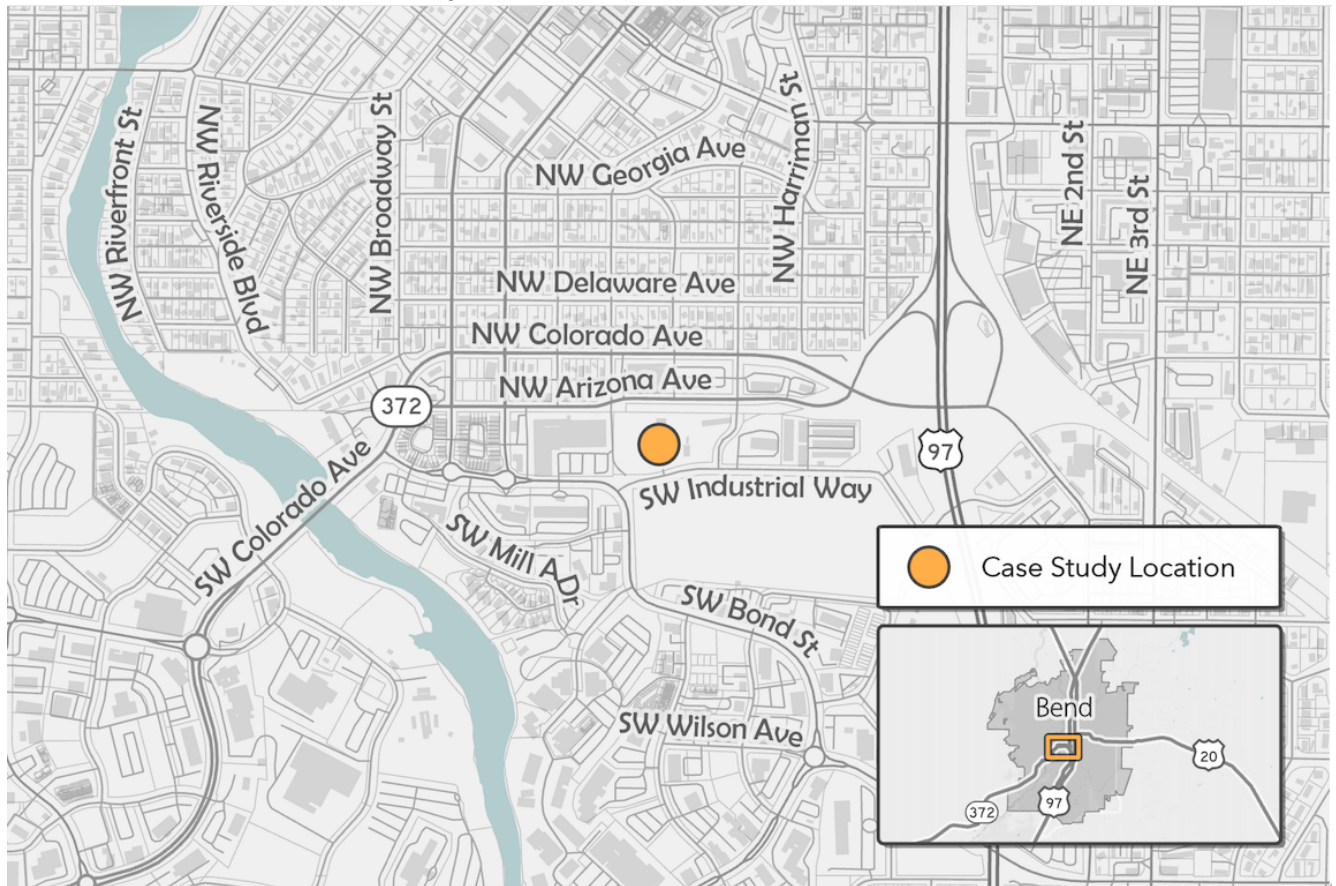


- Leadership in Energy and Environmental Design (LEED) Platinum certification
- Two townhome units intended (not deed restricted) for residents earning 60 percent of AMI. These units are designed to allow their tenants to operate in-home childcare, in partnership with a NeighborImpact program to support lower-income households in becoming childcare providers.
- Public art program, including a sculpture and custom, artist-designed residential entry doors
- Native, pollinator-friendly, and water-wise landscaping
- Pedestrian-scaled lighting and secured bicycle parking
- A wrapped parking structure with retail and residential uses on street level
- Targeted 25 percent of total construction costs to businesses owned by underrepresented members of the community, 20 percent of construction labor hours to registered apprentices, and 20 percent of journey and apprentice hours to be completed by underrepresented members of those same communities.
- Electric vehicle car charging stations totaling 14 percent of all spaces for Level 1 and 2 charging
- Relocation of a building previously located on the site that had been a mechanic's shed and warehouse, which had become a popular coffee shop and bar, with support from a grant from Visit Bend

Some of these benefits were required for a 10-year MUPTE that was available at the time for high-density development in Bend's Core Area Tax Increment Finance (TIF) District and adjacent centrally located areas.



Exhibit 3. Jackstraw Location Map



Source: EConorthwest, 2026



Exhibit 4. Image of Jackstraw Development



Source: JackstrawBend.com

1.2 PROCESS OVERVIEW AND TIMELINE

Jackstraw's project schedule began with pre-application communication in November 2021 and ended in December 2025 with inspection approvals. The development proceeded on the following timeline. Colors are used to denote specific phases of development review: yellow = land use, blue = building department, and purple = public works and infrastructure; green indicates that an action is required of the applicant.

Development Review Timeline:

- November 2021: Pre-application meeting for land use applications
- January 2022: Lot line consolidation application submitted (Type I review)
- January 2022: Lot line consolidation deemed incomplete



- January 2022: Applicant holds neighborhood meeting
- February 2022: Lot line consolidation resubmitted and deemed complete
- March 2022: Lot line consolidation approved
- March 2022: Site plan review application submitted (Type II review)
- April 2022: Site plan review deemed incomplete
- June 2022: Site plan review resubmitted
- July 2022: Site plan review deemed complete
- August 2022: Site plan review 120-day pause
- August 2022: Site plan review approved (69 days with 5 days on hold)
- August 2022: Site plan application approved
- September 2022: Pre-application meeting for building permit applications
- October 2022: Phase One building permit application submitted (podium, foundations, and underslab plumbing)
- October 2022: Civil engineering site improvements application submitted
- October 2022: Infrastructure permit for replacing sanitary sewer, installing water main, stormwater improvements, and new water taps submitted
- October 2022: Grading and drainage permits submitted
- December 2022: Phase Two building permit application submitted (upper wood structures)
- February 2023: Minimum development standard review application submitted and deemed complete for minor site plan amendment (Type I review)
- February 2023: Grading and drainage permits approved
- March 2023: Minimum development standard review application approved
- April 2023: Infrastructure permit approved
- May 2023: Civil engineering site improvements approved
- May 2023: Phase One building permits approved
- July 2023: On-site crushing grading permit submitted and approved
- November 2023: Phase Two building permits approved
- January 2024: MUPTE approved by City Council
- September 2024: Site plan review application submitted and deemed complete for removal of parking conditions (Type II review)
- October 2024: Site plan review application for removal of parking conditions approved (26 days)
- December 2025: Building inspections approved

1.3 ELEMENTS OF PROCESS

1.3.1 Land Use

The property already had a Mixed Use Urban (MU) zoning designation, allowing the developer to proceed with administrative land use approval on this high-density mixed-use project. The land use review involved a lot line consolidation (Type I) and site plan review (Type II) applications. After a pre-application meeting between City staff and the development team in November 2021, the project held a neighborhood meeting in January 2022 and received site plan



approval by August 2022. This review took 69 days (with five days on hold) within the 120-day standard review period. (Since affordable units were not a part of the land use approval, expedited permitting did not apply at the land use stage, and staff reviewed site plans on a standard time frame.) Staff noted that the review went relatively smoothly.

The development team submitted two site plan amendment applications after submitting building permits. The first involved a minor amendment (Type I) to add one more residential unit to the project and remove an outdoor terrace, while the second involved removing a condition of approval (Type II) for an off-site parking agreement with the neighboring property (the Box Factory). Removing that condition aligned with City code changes that addressed compliance with Oregon's Climate Friendly and Equitable Communities legislation after initial site plan approval that removed parking minimums citywide. This amendment did not change the number of parking spaces ultimately installed for the project, and both applications were approved within a month of a complete submittal.

1.3.2 Public Improvements Permitting and Construction Process

Due to the proposed inclusion of affordable housing units, engineering permits for Jackstraw received expedited review. Bend's current expedited review program for engineering and building permits requires that reviews begin within a certain amount of time. This project applied for four construction permits that encompassed public water and sewer mains, storm facilities, streets, and grading permits. The applicant submitted an infrastructure permit application in October 2022 and received final approval in April 2023. They also applied for and received approval for an optional early grading permit during that time. The development team applied for another grading permit for on-site crushing in July 2023, receiving approval in the same month. A stormwater drainage permit for private storm facilities complemented building division construction permits.

Working through infrastructure improvements involved coordinating with neighboring property owners because of expanding both privately owned roads and public right-of-way. In addition to direct communication with City staff, the project had to work through improvements to parts of SW Industrial Way to the east, formerly a private roadway. Part way through the project, the City obtained this street as right-of-way via a dedication; this allowed for connectivity to public streets east of the area and for access to commercial, water, and fire service to the properties east of Jackstraw.

Additionally, in constructing the right-of-way on the eastern side of the property (Sisemore Street), a public easement was required from the adjacent property to the north. This connection was identified as a requirement during the land use approval and was necessary for the project to avoid construction of a roundabout southwest of the property. These approvals represented a relatively unique instance for development in Bend because of the need to coordinate with private individuals.

The same developer also owns the adjacent Box Factory property west of Jackstraw. Public improvements included a woonerf-style street improvement proposed to better connect the



two properties. In its staff report, the City referred to these improvements as either a "shared-use aisle" or "shared-use path" depending on the context.

The development team highlighted the importance of Bend's commitment to adjacent transportation improvements and expressed that the project finances would not have worked if the City had required the developer to install all those improvements. This development aligned with Bend's transportation plan, as the City had already identified some infrastructure needs in the southwestern area of the site and allocated funding and resources for peripheral improvements.

Exhibit 5. Jackstraw Site Plan



Source: Bend Staff Report for MUPTE Application

1.3.3 Building Permitting and Construction Process

By proposing two affordable units, the project qualified for expedited review of structural, electrical, and plumbing permits. To meet the expedited timeline, the City used third-party contractors to complete the permit reviews because its internal review queue was already full. City staff noted that this was an unusual case in which the City sent all building permit reviews outside direct City control.

Jackstraw involved landscaping on the podium level of the building, with open spaces above ground floor retail, parking, and amenity areas. Both City staff and the development team noted that the type of construction (creativity and scale) does not typically appear in Bend, with City

staff indicating that they have approved fewer than six podium-style buildings across the City to date.

City staff also noted that the project pursued an Alternate Means and Methods Request to incorporate elements not typically addressed in building codes, adding another layer of complexity. In addition to these elements, Jackstraw pursued a LEED Platinum certification, using only electricity for operations and designing the building to be "solar ready" or with the ability to incorporate solar energy systems in the future.

During an internal presentation after construction had begun, economic development staff informed building safety staff of the developer's intention to include in-home childcare in two of the townhome units. State building code and revised statute did not allow in-home childcare in multi-unit developments at that time. The design team coordinated with building safety staff to permit an alternate path for a commercial childcare facility with connected living space through a live/work building code allowance in multi-unit development. Following conversations with the Oregon Building Codes Division (who is responsible for adoption and interpretation of building code), the division updated the newest version of the Oregon Structural Specialty Code in 2025 to clarify this issue.

As construction progressed, the development team wanted to start getting tenants into the retail spaces while construction on and around the building was still ongoing. The City did not typically facilitate separate tenant improvement permits with concurrent building construction. To allow different contractors to work on finishing out different parts of this building at the same time as overall construction, staff incorporated feedback from the development team to create a more flexible concurrent permitting process.

City staff provided on-site inspections of the building permits reviewed by a third-party contractor. Both the development team and City staff found this process challenging. The development team reported inspectors seeming anxious about approving a building of its size with elements that they had not seen before (for example, an occupied and vegetated roof). City staff reflected on some potential localized differences in building code interpretations, noting that Bend and other jurisdictions interpret building codes to respond to local climate characteristics. Third-party contractors may not have familiarity with these types of code issues specific to Central Oregon because they work statewide. For this reason, local inspectors reviewing work permitted by third-party contractors were asked to provide final approval for construction that reflected slightly different features than typical local development that the City reviews and approves.

1.3.4 Multiple Unit Property Tax Exemption (MUPTE)

The development team expressed that without receiving the abatement, the project would not have worked. The City also required independent financial review of a development pro forma to confirm the need for the abatement to support feasibility. Receiving a tax abatement of approximately \$10.6 million in support of the \$127.2 million development proved essential to funding, even though it created more process challenges. While Bend's MUPTE program is



currently on pause, at the time, its approval required public hearings in front of four taxing districts: City of Bend, Deschutes County, Bend La Pine School District, and Bend Park & Recreation District. Qualifying projects received a ten-year property tax exemption on structural residential improvements.

In order to receive the incentive, development needed to provide at least three public benefits, one of which needed to be a “priority” benefit. This project chose to provide LEED Platinum certification as its priority benefit, with mobility supportive amenities and a wrapped parking structure (parking contained within the building and not visible from the street) as its secondary benefits. While the project received expedited building permit review because of the two proposed affordable townhomes (less than one percent of the total units), it did not meet the minimum requirements of the affordability component of the MUPTE program to qualify it as a priority benefit (10 percent of all units).

Approval of the MUPTE incentive occurred after construction had started, which went against the City’s intention for the program. Bend did not imagine a development would begin construction before MUPTE approval because of the program’s requirement that developers demonstrate a project would not be financially viable without the exemption. The development team did not expect the discretionary hearings due to similar housing-related tax exemption programs functioning differently across the state and the school district’s role in the process—providing a majority approval of taxing jurisdictions for the program when paired with the City—indicating they would have had to halt construction if the application had been denied because their funding would have been at risk. While this review was separate from land use and other development reviews, the introduction of a discretionary process essential to the project’s viability late in the development process created additional uncertainty.

1.3.5 Cross-Cutting Factors

Jackstraw’s development involved separate points of contact at different times in its planning and construction process. In predevelopment and site plan review, a core area project manager from the Economic Development Division supported the development team in framing its idea and preparing the MUPTE application. Once the site plan received approval, building permit review staff took over general coordination.

The development team found that having a central point of contact that could elevate process challenges to the City Manager’s office was a particularly helpful part of this process. However, the structure of this coordination through the Economic Development Division appeared to cause some challenges for development review staff when they took over more formal coordination of building and infrastructure permitting.

1.4 LESSONS LEARNED

Jackstraw benefited alignment between jurisdictional and development priorities. Alignment with Bend’s land use goals allowed a large mixed-use development to go through land use approval without a public hearing. Its alignment with Bend’s transportation plan resulted in supportive public investment that reduced the need for expensive exactions.



While Bend has long had programs designed to support housing production, this project resulted in changes to several of these programs to refine or strengthen them. For example:

- After the conclusion of this project, Bend decided to move the entire Economic Development Division to the City Manager's office, including the core area project manager role, and created a new development navigator position that reports directly to the community development director.
- Bend put its MUPTE program on hold in February 2024 as it considered the best way to balance public and private interests and to facilitate development that addresses identified community needs. While this exemption was critical for this project's financing, the MUPTE program created public controversy over the amount of public benefit the City received from qualifying projects and introduced uncertainty into the development process. The City replaced the MUPTE program with two Tax Increment Assistance programs, one focusing on housing affordability (currently on pause) and the other on employment growth and childcare facilities.
- Bend's current expedited review policy for affordable housing requires that land use applications for developments are completed within a certain time frame and that building permit and engineering reviews begin within a time frame following confirmation of completion. The City will maintain contracts with third-party plan reviewers to meet required timelines for this program, with the intention of trying to keep reviews internal as much as possible.

1.5 SOURCES

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- Interview with City of Bend Staff: Karen Swenson (Senior Planner), Lori Davison (Permit Technician), and Brad Mandal (Assistant Building Official)
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- Haugen, Steele. February 21, 2024. Bend City Council approves Jackstraw project, \$10.6 million tax break. Central Oregon Daily News. https://www.centraloregondaily.com/news/local/bend-city-council-approves-jackstraw-project-10-6-million-tax-break/article_1ea27757-bd82-54bf-a993-9bf6f63b50bf.html.

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2.0 Harrison Village Apartments

Location	Year completed	Housing type	Number of units	Market-rate or affordable
Cottage Grove, OR	2022	Multi-unit	80	Market-Rate

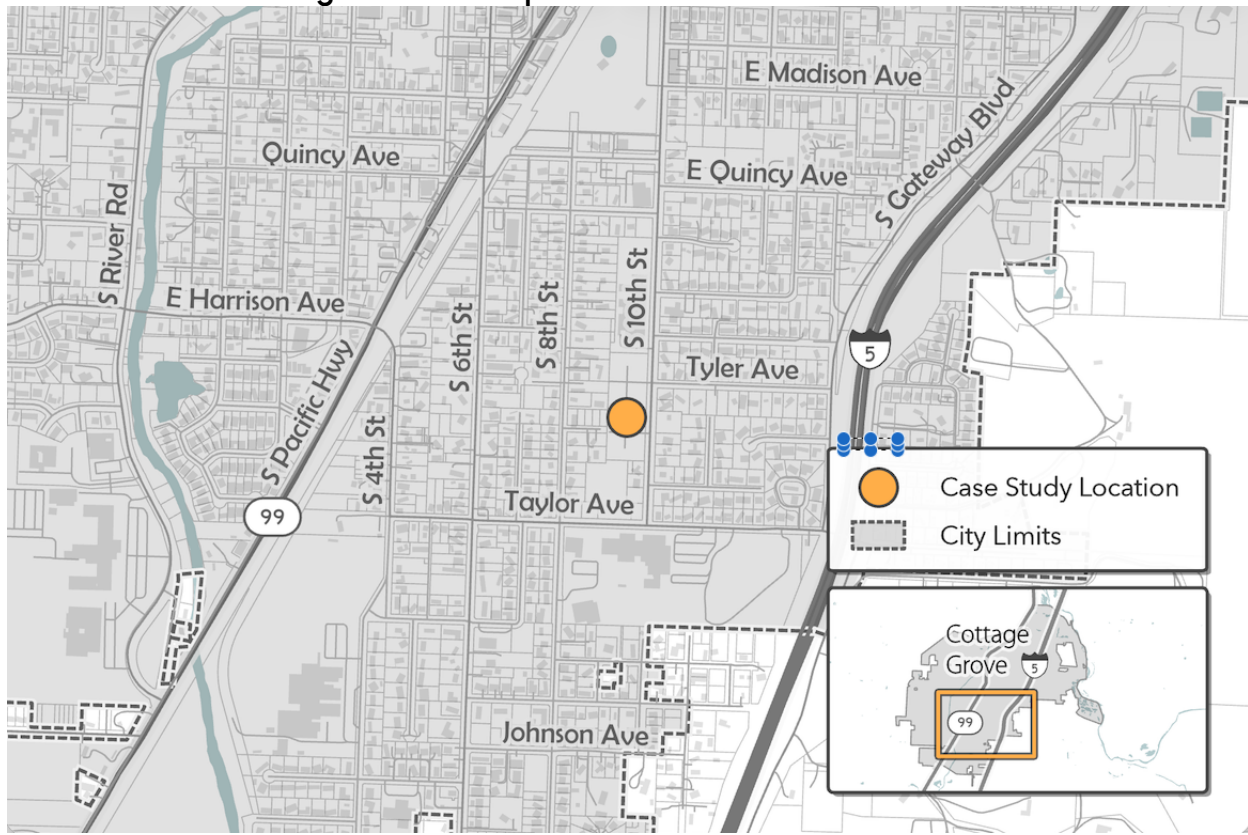
- Harrison Village is an 80-unit, market-rate apartment complex in Cottage Grove, Oregon, developed by the Hi-Valley Development Corporation. The approximately three-acre infill development was built on the site of a former elementary school athletic field.
- The project required a Type-III site design review with a Planning Commission hearing. Some in the community objected to a large multi-unit complex in a predominately detached single-unit neighborhood, primarily due to perceived traffic impacts, but this did not change the outcome of the project.
- The project benefited from the City's MUPTE program.
- Harrison Village was selected as a case study since it was considered a positive, successful development process and an example of a strong partnership between staff and the development team.

2.1 PROJECT OVERVIEW AND PROJECT AREA CHARACTERISTICS

Harrison Village Apartments was developed in 2022 by the Hi-Valley Development Corporation as the city's largest multi-unit development to date. The 80-unit, garden-style apartment complex consists of multiple two-story apartment buildings with one- and two-bedroom units. The development also includes community amenities such as a pool, fitness center, and clubhouse with a property management office. Harrison Village is located on the southern portion of the vacant Harrison Elementary School, approximately one mile south of the historic main street in downtown Cottage Grove. This development was one of multiple recent projects in Cottage Grove to be supported by the MUPTE program, allowing a 10-year partial property tax abatement.



Exhibit 6. Harrison Village Location Map



Source: EConorthwest, 2026

Exhibit 7. Image of Harrison Village Apartments



Source: Harrison Village Apartments. <https://www.harrisonvillageapartments.com/photo>



2.2 PROCESS OVERVIEW AND TIMELINE

After Harrison Elementary School closed, the South Lane School District decided to repurpose the site for housing. The City of Cottage Grove supported the district's efforts to evaluate a range of residential zoning options to help meet the need for a broader range of housing options and additional housing supply. The site was subsequently purchased by a local real estate developer whose early work on the site, including outreach to the community and City Council, was noted as one of the reasons the development process went so smoothly. The site was partitioned into two lots. The school building was retained on one lot, and the other (which included the old track and field play area) was sold to Hi-Valley Development Corporation, who developed Harrison Village Apartments.

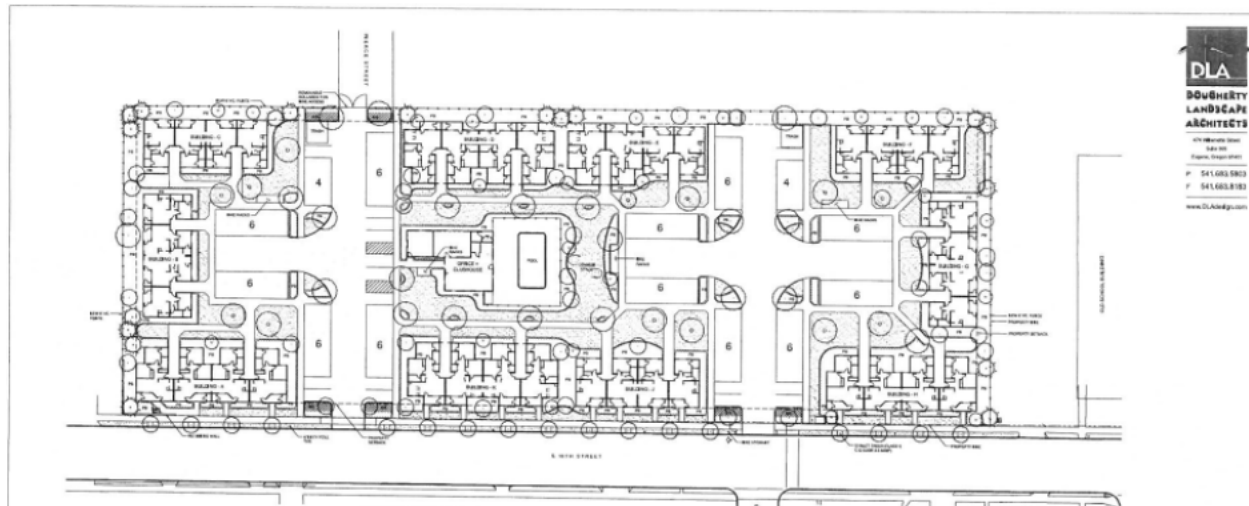
The development proceeded on the following timeline. Colors are used to denote specific phases of development review: yellow = land use, blue = building department, and purple = public works and infrastructure; green indicates that an action is required of the applicant.

Development Review Timeline:

- **December 2020/January 2021:** Pre-application meeting with City.
- **January 2021:** Lot line partition filed with the City (the partition was not required to be recorded until prior to occupancy).
- **February 15, 2021:** Developer filed the site plan review application.
- **February 19, 2021:** Site plan review application deemed complete.
- **March 2021:** Planning Commission held a hearing and approved the application.
- **May 2021:** Final plat issued for partition.
- **June 2021:** Building permit review began.
- **September 2021:** Building, fire, engineering, and subsequent planning reviews were completed and permits issued.
- **Fall 2021:** Construction commenced.
- **Fall 2022:** First apartments are leased (issuing the Certificate of Occupancy for individual buildings allowed some to be leased sooner than others).



Exhibit 8. Harrison Village Site Plan



Source: Dougherty Landscape Architects (from City of Cottage Grove Resolution No. 2040, April 12, 2021).

2.3 ELEMENTS OF PROCESS

2.3.1 Land Use

Before selling the site, the school district successfully applied to rezone the property from a Low-Density Residential (R-1) to a Medium-Density Residential (R-2) designation to accommodate higher-density development. The proposed multi-unit development was a permitted use in the R-2 zone and met the standards; however, the City of Cottage Grove's development code required a Type-III site design review with a public hearing for all multi-unit developments. Although there had initially been some community discussion related to the preservation of the school building and some concern about perceived traffic impacts, the project was approved by the Planning Commission without much public comment. The only other challenge noted in the land use process arose from the inclusion of an on-site property management office in the plan, which would have potentially required conditional use (CU) approval. However, the City worked with the developer to come up with a solution to the issue that did not require CU review.

2.3.2 Public Improvements Permitting and Construction Process

The project required several public improvements, including water and storm system upgrades. As part of the MUPTE requirement for a public benefit, the applicant also provided a sidewalk replacement and the construction of a sheltered public bus station with a bench. Staff identified the needs early in the process, which helped make things predictable for the developer. Additionally, being employees of a small city, the public works staff collaborated closely with the planning staff, ensuring smooth coordination and alignment of goals to support the success of the development. Due to this strong communication from staff, the applicant reported that the required public improvements did not cause significant cost or timing barriers, especially since the improvements could be made during the construction of the apartment buildings.

2.3.3 Building Permitting and Construction Process

The building permitting process was also smooth, with no noted barriers. The entire review process took approximately four months.

2.3.4 Cross Cutting Factors

Both City staff and the development team noted clear and consistent communication throughout the planning and development process, which helped make all phases go more smoothly. City staff met with the developer beforehand, highlighting all of the applicable requirements from each department. These discussions also reduced the risk of contradicting feedback from different departments.

The City's small size also made it easy for staff to communicate between planning and public works.

2.4 LESSONS LEARNED

The development of Harrison Village exemplifies how even potentially controversial housing projects subject to a full public hearing can be relatively fast and efficient. Both the developer and City staff indicated that clear and consistent communication was key to the project's success. The developer credited the City for being very up-front with the requirements, noting that not all cities are as clear. The City emphasized the need for strong communication, remarking that projects with less up-front communication are often not as successful. The staff also highlighted the importance of having communication with other City departments.

There were several other factors attributed to the efficient development process: the expertise and experience of the development team; the early groundwork conducted by the City and school district as well as the real estate developer who initially purchased and partitioned the site; a relatively unconstrained development-ready site; and site and building designs that worked within the zoning and site configuration. Nonetheless, the development team indicated that favorable regulations and responsive and communicative City government helped make the development process go smoothly.

2.5 SOURCES

- Interview with City of Cottage Grove Staff: Melany Klemmer (Community Development Manager) and Leni Crow (Senior Planner)
- Interview with Beth Graves, Hi-Valley Development Corporation
- Staff Report Harrison Village Apartments (March 2021)
- City of Cottage Grove. Affordable Housing Implementation Plan, EConorthwest (November 2022)
- Cottage Grove Housing Strategy. Task 3: Implementation Plan, EConorthwest (June 2019)
- "Harrison Village Apartments & Lindsay Townhomes." Retrieved from <https://www.harrisonvillageapartments.com/>

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3.0 Gooseberry Trails

Location	Year completed	Housing type	Number of units	Market-rate or affordable
Portland, OR	Under Construction	Multi-unit	52	Affordable

- Gooseberry Trails is an affordable homeownership project in Portland's Hillsdale neighborhood developed by Habitat for Humanity. The site includes forested areas, steep slopes, and natural resource areas protected by environmental overlays.
- The project required construction of infrastructure improvements, including significant frontage improvements, a multiuse trail, a stubbed street segment, and associated tree removal and replacement. Its location within an environmental conservation overlay zone triggered additional land use review.
- The Greater Portland Bible Church sold surplus land to Habitat for Humanity at a discounted price for the development.
- The project was selected as a case study due to its extended permitting timeline, particularly during public works review, and challenging site conditions.

3.1 PROJECT OVERVIEW AND PROJECT AREA CHARACTERISTICS

Habitat for Humanity Portland Region is developing Gooseberry Trails, an affordable homeownership project in the Hillsdale neighborhood in Southwest Portland (1850 SW California St). The development will consist of 52 townhome-style condominiums: 26 will be affordable for households earning up to 60 percent of the area median income (AMI) and 26 will be affordable for those earning up to 80 percent of AMI. The homes will have between two and five bedrooms to accommodate large families. A large portion of the five-acre site will remain as greenspace. The \$23 million project is being built on land that was owned by the adjoining Greater Portland Bible Church, which sold the property to Habitat at a sizable discount. The development received funding from the Metro Housing Bond. Through a partnership with the Proud Ground community land trust, the homes will be deed restricted to ensure they remain permanently affordable if resold. The project is being built in two phases and is expected to be completed in 2029.



Exhibit 9. Gooseberry Trails Location Map



Source: EConorthwest



Exhibit 10. Gooseberry Trails Rendition



Source: <https://habitatportlandregion.org/homes/gooseberry-trails/>

3.2 PROCESS OVERVIEW AND TIMELINE

Planning for Gooseberry Trails was underway by 2019; the project is slated for completion of the final phase in 2028. Two City-led zoning map amendments intended to reduce barriers to development preceded the application, including an upzone from R7 to RM1 and an Environmental Zone map correction, as part of a broader set of zone changes on land owned by community-based organizations and institutions wishing to use the land for affordable housing. The project subsequently went through multiple reviews, including a Property Line Adjustment, Type II Environmental Review, a second Environmental Zone boundary adjustment, Type II Adjustment, Public Works Appeal, Public Works Permit review for required public improvements, Site Grading and Utility reviews, and Building Permit Review.

The development proceeded on the following timeline. Colors are used to denote specific phases of development review: yellow = land use, blue = building department, and purple = public works and infrastructure; green indicates that an action is required of the applicant.

Development Review Timeline:

- **August 2019:** Early Assistance Meeting - Pre-Application Conference
- **August 2019–September 2020:** City Zoning E-Zone Map Error Correction (Removed some Environmental Conservation [c-zone] from property)
- **October 2019:** Public Works Appeal (Alternative Review for required frontage improvements to minimize impacts on hillside and trees along SW Capitol Hill Road)



- **August 2020:** City Changed Zoning from R7 to RM1 (Eliminated requirement for PUD)
- **November 2020:** Early Assistance Meeting - Zoning and Infrastructure Bureaus
- **January 2021–November 2021:** Property Line Adjustment (separated church from HFH site)
- **October 2022:** City E-Zone Map Correction Project (Aligned c-zone with tree canopy)
- **December 2022:** Early Assistance Meeting - Zoning and Infrastructure Bureaus (written response in January 2023)
- **August 2023:** Public works permit submitted
- **August 2023:** Application for Type II Environmental Review submitted (LU 23-078732)
- **October 2023:** Application for Type II Adjustment submitted (LU 23-093464)
- **February 2024:** Grading permit submitted
- **March 2024:** Type II Adjustment application approved (LU 23-093464)
- **May 2024:** Type II Environmental Review application approved (LU 23-078732)
- **May 2024:** Site grading permit approved
- **June 2024:** Site utility permit submitted
- **September 2024:** Site utility permit approved
- **December 2024:** Site grading completed
- **September 2025:** Site utilities completed
- **October 2025:** Public improvements excavation began (pre-permit under special agreement with PBOT)
- **February 2026:** Public works permits approved
- **February 2026:** Public improvements construction began
- **April 2026:** Vertical construction began (will be built in 2 phases)
- **Spring 2028 (expected):** Project complete



Exhibit 11. Gooseberry Trails Site Aerial Photo



Source: City of Portland, Oregon Bureau of Development Services Case File Number: LU 23-078732 EN, May 20, 2024.

3.3 ELEMENTS OF PROCESS

3.3.1 Land Use

Zone Change: Prior to Habitat's acquisition, the property was rezoned from R7 (Single-Dwelling Residential 7) to RM1 (Multi-Dwelling Residential 1), which eliminated the need for a planned unit development (PUD).

Environmental Review: Portions of the site and abutting right-of-way are located in Environmental Conservation & Environmental Protection Overlay Zones. Natural resources present on and abutting the site include small drainageways and forest patches, with areas designated as significant riparian corridor and wildlife habitat features. Portland's Environmental Zone regulations implement natural resource protections pursuant to Statewide Planning Goal 5 and Metro Urban Growth Management Functional Plan (UGMFP) Title 13 (Nature in Neighborhoods). Because the applicant proposed improvements within an environmental overlay (including required public improvements) and the proposal could not meet all applicable



environmental standards outright, a discretionary Type II environmental review was required to evaluate and approve the impacts and mitigation strategy.

A primary challenge during environmental review involved frontage improvements along SW Capitol Hill Road. Due to steep topography and environmental constraints, standard half-street improvements that the City initially identified as required were not feasible, leading to the applicant proposing—and Portland Bureau of Transportation (PBOT) agreeing to—an alternative approach: a 12-foot-wide multiuse path. However, during the environmental review, the Bureau of Development Services (BDS) determined that the PBOT-approved path would result in excessive tree removal within the Environmental Conservation Zone and required a redesign to minimize impacts. This created a disconnect between the prior PBOT approval and environmental review requirements, resulting in multiple redesigns and extended coordination among bureaus. Ultimately, a narrower, variable-width path of 8 to 10 feet was approved. Additional complexity arose from mitigation requirements, as the site's Environmental Zone could not accommodate all required mitigation plantings, necessitating an Environmental Zone Boundary Modification to extend protections to the expanded mitigation areas. The development team indicated that the environmental review process contributed to notable delays.

Adjustments: In addition, the applicant requested two Type II adjustments, to the City's minimum density and maximum parking standards. The adjustment to minimum density was needed to allow for larger townhome-style, family-sized units. Participants noted that the adjustment process was straightforward and did not contribute to process delays.

Exhibit 12. Vicinity of Proposed Multiuse Path (as of April 2023)



Source: City of Portland, Oregon Bureau of Development Services Case File Number: LU 23-078732 EN, (Photo taken by Emma Eichhorn).



3.3.2 Public Improvements Permitting and Construction Process

The project team highlighted several additional challenges in this phase that caused delays, increased costs, and added complexity—particularly related to the construction of a required public street along the site's northern property line (SW California Street). The street requirement was primarily driven by transportation connectivity expectations. While the applicant preferred a private driveway, the City required construction of a public street to support long-term connectivity goals, with the expectation that it could be extended if adjacent properties redeveloped in the future. While the improvements were ultimately approved, they resulted in significant construction costs and raised feasibility concerns for the affordable housing project.

The public works permitting process required separate plan submittals and reviews across multiple bureaus, including PBOT, the Bureau of Environmental Services (BES), and other infrastructure and utility reviewers within the City. The development team reported inconsistent and sometimes conflicting comments across reviewers, as well as the need to act as intermediaries between bureaus. Multiple review cycles—reportedly up to eight or more submittals—introduced new or revised comments late in the process, including at advanced stages of review. Staff turnover and limited early coordination contributed to delays, with some review periods extending several months.

In addition, evolving or late-arising requirements—such as street width, turning radii, utility spacing, and fire access standards—required redesign of already developed plans and, in some cases, reconstruction of previously installed infrastructure. For example, during one of the project's final public works reviews, the Fire Bureau required a larger turning radius for the access from SW Capitol Hill Road, which had not been flagged previously. This resulted in a redesign of the stormwater facilities, which had already been reviewed and approved by BES. The lack of a single, coordinated review point and the need to reconcile differing bureau standards added complexity and extended timelines, from the development team's perspective. Overall, while individual requirements were generally understood to be grounded in legitimate infrastructure and safety considerations, the process highlighted challenges related to coordination, sequencing, and predictability in the public works permitting phase.

3.3.3 Building Permitting and Construction Process

Building permit applications were submitted in September 2024 and issued in March 2026. Vertical construction began the following month. The developer indicated that the building permitting process was fairly efficient and did not create notable delays. At the same time, the construction timing and sequencing were affected by Portland's broader permitting framework, which requires coordination across multiple permitting and infrastructure approval tracks. The project team indicated that public works approvals were needed before utilities could be extended onto the site, limiting the ability to begin vertical construction until portions of the public infrastructure work were completed. The project team was able to begin some site work under partial approvals, but ongoing public works permitting and late-stage design changes—such as revisions to street geometry and utility layouts—required rework during construction and



delayed full build-out. The team felt that having to coordinate across multiple permitting tracks extended timelines and introduced inefficiencies during the construction phase.

3.3.4 Cross Cutting Factors

Some of the process challenges for this project appear to stem from structural factors. Portland's multiple departments have distinct missions, which can lead to differing priorities—for example, a transportation bureau focused on trail accessibility versus environmental review focused on tree protection. Also, because reviewers from different disciplines resided in separate bureaus, their reviews were often siloed, making interdepartmental coordination more challenging and sometimes producing conflicting guidance. Recent restructuring of City departments has placed land use, building, and public works reviewers under a single department (Portland Permitting & Development), with the goal of improving coordination and customer service outcomes. City staff believe that staff coordination seems to be improving.

In addition, City staff noted that Portland's cost-recovery funding model can constrain early coordination and review. Because the permitting department relies on permit fees, staff have limited capacity to provide comprehensive guidance, conduct research, or coordinate across departments before applications are submitted and fees are collected, which can contribute to challenges like those encountered at Gooseberry Trails. Also, City staff noted that because the City relies heavily on permit fees to fund staff positions, staffing levels fluctuate with the volume of development activity. During periods of lower development, this has resulted in temporary staff layoffs, which can reduce capacity for timely review and coordination on applications. While there isn't clear evidence that this specifically contributed to this project's challenges, the development team identified staff availability as a constraint affecting review timelines.

3.4 LESSONS LEARNED

Both City staff and the development team noted that the permitting of Gooseberry Trails has been a long and challenging process. The project exemplifies how complex regulations, combined with evolving or conflicting requirements across City bureaus, can add significant time and cost to development, even for affordable housing projects that benefit from public support. Although individual requirements were generally understood to be grounded in legitimate land use, infrastructure, and safety considerations, the process highlighted challenges related to coordination, sequencing, and predictability in the public works permitting phase.

Ultimately, the added requirements and process delays with Gooseberry Trails had significant impacts on project costs. Habitat for Humanity estimated that the required public improvements added \$2.5 million to the project budget, and the process delays added \$150,000 in additional consultant fees. These higher costs will have a direct impact on the affordability level of the completed homes, as Habitat needed to raise the income thresholds of some of the homes to balance the budget. While the original plan targeted a majority of units to households earning 30 to 60 percent of AMI, increased costs reduced the project's ability to serve lower-income households, resulting in a greater share of units reserved for households at higher income levels (up to 80 percent of AMI).



The development team suggested potential reforms that could help the process go more smoothly. For example, having one staff member review and reconcile comments from different departments, and noting all the requirements up front could reduce the likelihood of conflicting feedback. City staff indicated that they recently transitioned to an e-document system, which allows public works reviewers to see comments from other departments, improving transparency and coordination. Additionally, the development team suggested that clearer City requirements, such as a single reference for utility spacing standards, may improve efficiency.

Gooseberry Trails illustrates how complex permitting and coordination challenges, combined with significant natural resource constraints, can increase project timelines and costs, ultimately affecting the affordability and delivery of housing.

3.5 SOURCES

- Interview with Leigh Armstrong, Director of Project Development, Habitat for Humanity Portland Region
- Interview with AKS Engineering & Forestry LLC: Chuck Gregory (Principal), Jon Morse (Principal), and Sean Vermilya (Land Use Planner)
- Interview with Morgan Steele, Senior Environmental Planner, Portland Permitting & Development
- Interview with Matt Berkow, Project Manager, Portland Bureau of Transportation, and Briana Lovell, Development Planning Supervisor, Portland Permitting & Development
- City of Portland, Oregon: Bureau of Development Services. "Notice of a Type II Decision in Your Neighborhood." Case File Number: LU 23-078732 EN.
- Habitat for Humanity Portland Region. 2024. "Media Advisory: Habitat for Humanity Portland Region Announces Largest Community in History." Retrieved from <https://habitatportlandregion.org/media-advisory-habitat-for-humanity-portland-region-announces-largest-community-in-history/>

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4.0 Hazelia Living

Location	Year completed	Housing type	Number of units	Market-rate or affordable
Lake Oswego, OR	Land Use Approval March 2026, Construction Not Started	Middle Housing	53	Market-Rate

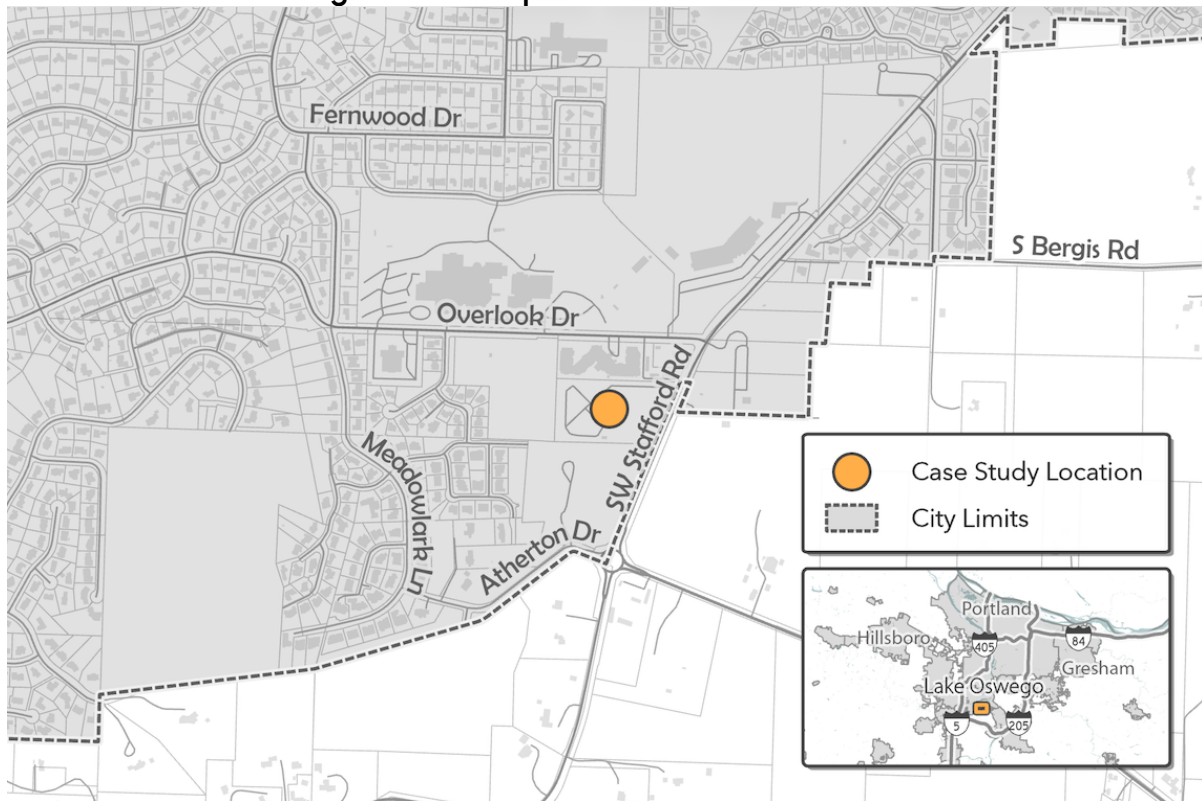
- Hazelia Living is a 53-homeownership lot, market-rate middle housing development in Lake Oswego, developed by the Heitman Allen Group on the site of a former church.
- The concept for this project went through multiple iterations. Pre-application communication helped the development team identify a Middle Housing Land Division (with expedited review) along with a concurrent Planned Development (PD) subdivision as the selected review path, with both the subdivision and MHLD receiving land use approvals in March 2026.
- The subdivision stormwater requirements applicable to a redevelopment site created some confusion and resulted in some delays, as the development team had to modify designs after completeness determination and initial reviews.
- While not yet completed, Hazelia Living was selected as a case study because of its use of an expedited Middle Housing Land Division with a concurrent subdivision, reflecting a new option. While new middle housing land division processes have enabled the project's development as proposed (each unit on an individual lot), the recent and continuing statutory changes created challenges in the application and post-approval review processes for the City and applicant.

4.1 PROJECT OVERVIEW AND PROJECT AREA CHARACTERISTICS

The Hazelia Living project will provide 53 for-sale, market-rate dwellings on individual lots: 29 detached units in cottage clusters, 12 attached units in triplexes, and 12 attached units in quadplexes. In March 2026, the City of Lake Oswego approved two preliminary plats, the first for a preliminary 11-lot subdivision and the second for a 53-unit Middle Housing Land Division to further divide the site into individual lots. The 6-acre site, located on SW Stafford Road (a major arterial in Clackamas County's jurisdiction), currently has a former church and associated parking lot that will go through demolition and redevelopment for this project. As of April 2026, the project is proceeding with final plat approvals and public/private infrastructure improvement permits before applying for building permits.

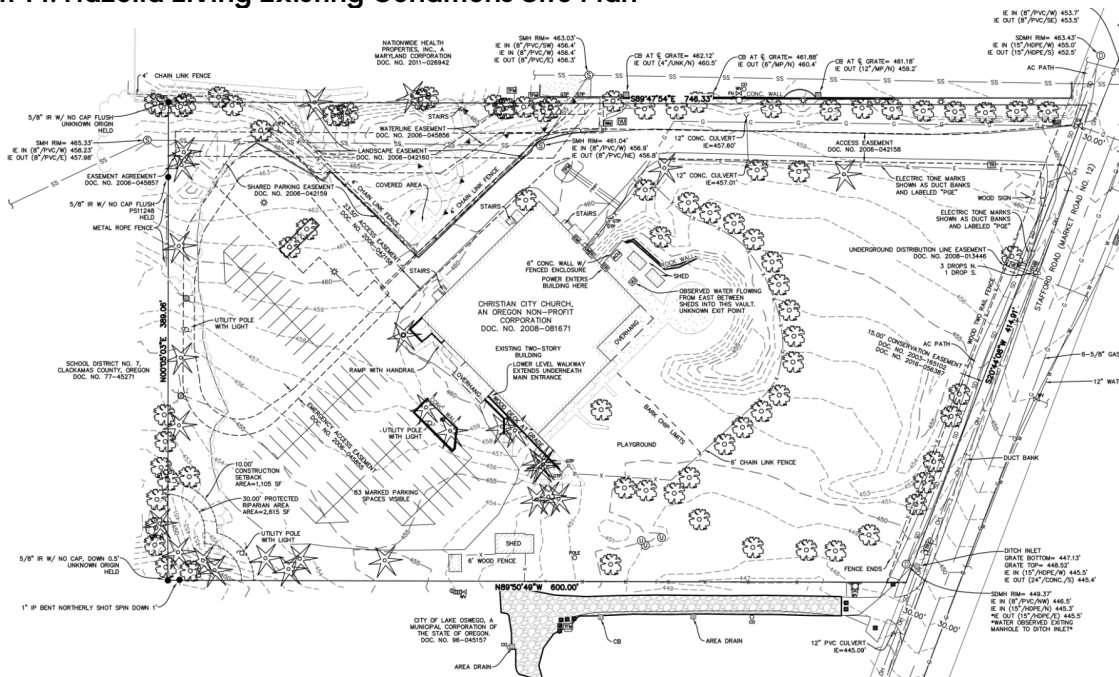


Exhibit 13. Hazelia Living Location Map



Source: EConorthwest

Exhibit 14. Hazelia Living Existing Conditions Site Plan



Source: LU25-0038 Existing Conditions Site Plan



4.2 PROCESS OVERVIEW AND TIMELINE

The schedule for the land use cases in this process followed two concurrent applications. The first approval created a subdivision with a PD overlay on 11 underlying lots. The PD overlay facilitates flexibility to the R-15 (Residential Low-Density) zone dimensional standards. This flexibility allowed the applicant to request reduced lot sizes and/or dimensions, reduced setbacks, and versatile distribution across the development for maximum lot coverage and floor area standards. The second approval allowed for a middle housing land division that further divides those parent lots into 53 middle housing homeownership lots (cottage cluster, triplex, and quadplex development). The overall timeline for the two land use cases followed this general schedule:

The development proceeded on the following timeline. Colors are used to denote the development phase: yellow = land use, blue = building department, and purple = public works and infrastructure; green indicates that an action is required of the applicant.

Development Review Timeline:

- **September 2022:** First project meeting
- **April 2024:** First pre-application meeting with applicant and City staff
- **April 2025:** Formal neighborhood meeting for land use cases
- **June 2025:** Preliminary subdivision with a PD overlay application submitted (LU 25-0019)
- **November 2025:** Preliminary subdivision application deemed complete
- **November 2025:** Expedited middle housing land division application submitted (LU 25-0038)
- **December 2025:** Originally scheduled Development Review Commission hearing (LU 25-0019), twice delayed by applicant choice to update stormwater plan
- **January 2026:** Middle housing land division application deemed complete
- **February 2026:** Final Development Review Commission hearing to approve (LU 25-0019)
- **March 2026:** Administrative approval of middle housing land division (LU 25-0038)
- **Next Steps:** Record plat(s), pursue public improvement and building permits, and proceed with construction

This case has only received land use approvals, as the development team navigated a new process of combining standard and Middle Housing Land Division processes. The two processes ran concurrently, with a required guarantee that the preliminary subdivision first establish the ability to create 11 legal lots of record before the Middle Housing Land Division final plat received approval. While the site included some land in the Resource Protection Area Plan, staff found that the proposal did not include development within that boundary or its setback that exceeded permitted activities.

Following these land use approvals, the developer must now go forward with recording the required plat(s) and pursue public improvement and building permits.



4.3 ELEMENTS OF PROCESS

4.3.1 Land Use

This case study focuses mostly on the land use approval process, as the project has not yet gone through final plat recording, public improvements permitting, or building permitting. The project involved five different pre-application meetings (two formal ones), with the development team working through various iterations of the project to get to a submittal they felt confident in for approval. The development team initially considered a senior living or affordable housing development under different configurations for the site. However, both uses would have required rezoning. Due to the potential length of the rezoning process and uncertainty of approval, they chose not to pursue either option. Rather, they chose to pursue a middle housing path that they worked through with City staff. The same planner shepherded through both applications.

City staff had not previously processed concurrent applications for standard and Middle Housing Land Division cases and worked with the development team throughout the process to provide the right information for proceeding with the project. Ultimately, one application (the preliminary subdivision and PD overlay) required public approval from the Development Review Commission, while the second application received subsequent administrative approval (staff decision). This second case went through a Middle Housing Land Division with expedited review. None of the units included in the project have affordability restrictions.

City staff provided ongoing and communicative predevelopment support. However, the City does not currently include its third-party stormwater reviewer in pre-application meetings. City staff instead provide as much information as they possibly can about code requirements. In finalizing review requirements prior to scheduling a public hearing for the preliminary subdivision case, the third-party engineering consultant on stormwater management identified an issue that necessitated alterations to the initial engineering design. The stormwater requirements applicable to a redevelopment site created some confusion, and preparing design revisions added time to the application review process. In going through these updates to design, the hearing date had to change to allow the developer to respond to the outstanding comments. With the proposed subdivision including PD overlay standards, the required updates to drainage also changed how some of the site planning shaped lot layout and overlay regulations.

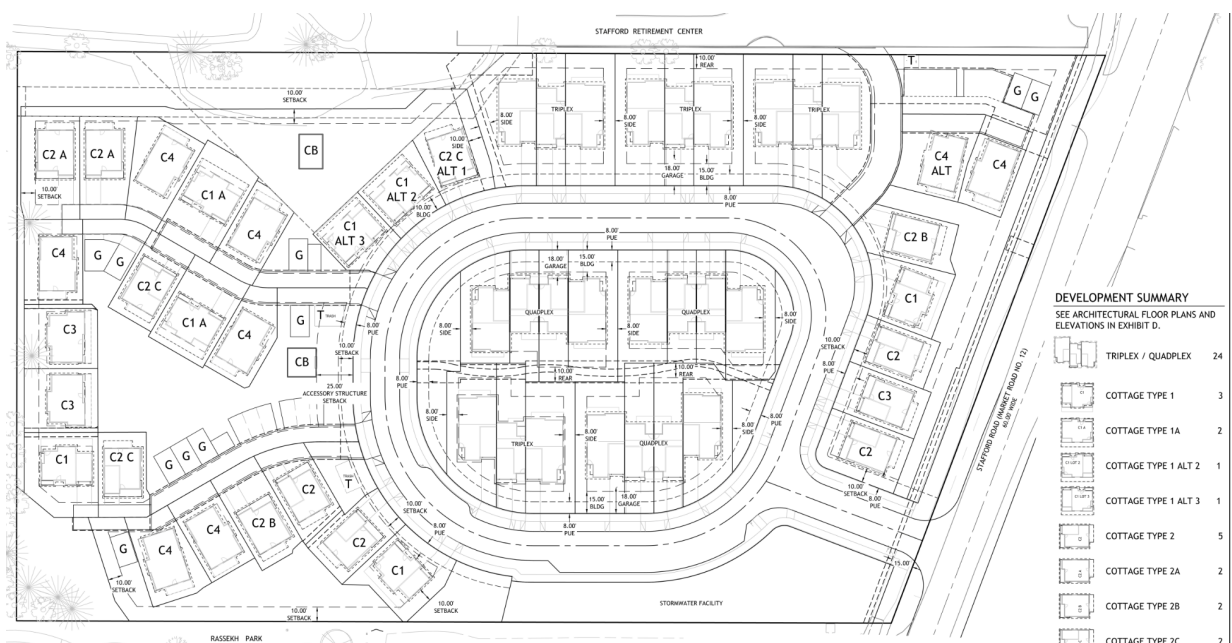
As this development presented a novel subdivision approach, some elements required nuanced review and conditions of approval. In working through the PD overlay, staff included a condition of approval that the development team record a matrix of development restrictions that accompanied the PD approval. Those conditions include lot sizes (some of the 11 parent lots do not meet the underlying zone district's minimum lot size and required the planned development overlay), setback and separation distances, and lot coverage. Additionally, City staff worked with the development team in navigating setback requirements related to front porches and the definition of a porch, as they covered these overlay characteristics. These conversations included collaborating with HAPO and the City Attorney, ultimately leading to the design of cantilever porches as part of the final proposed site layout.

Before presenting to the Development Review Commission, the development team requested extra time to address comments, with the case originally scheduled for hearing in mid-



December 2025. The Commission eventually heard the case in mid-January, although the hearing ended in a continuance, in part because of technical difficulties from a hybrid meeting format. The Commission determined that a technical difficulty for a virtual participant meant that it would need to continue the hearing to late February to ensure that all public feedback made its way into the record. At that hearing, the Commission approved the proposed preliminary subdivision. This approval included conditions of approval for PD standards, amendments to previous conditions associated with the prior conditional use permit for the church, and tree removal.

Exhibit 15. Hazelia Living Site Plan



Source: LU25-0038 Site Plan

4.3.2 Public Improvements Permitting and Construction Process

As the land use cases have only recently received approval, this case study has not yet gone through all the required permitting processes with planning, engineering, and public works related to construction of public improvements and plat recording. However, as part of the land use process, the development team had to provide plans for improvements to a County arterial road, preliminary design for the subdivision, and tree removal plans. The conditions of approval require formal and complete City and Clackamas County approval before building permit issuance, and the applicant has not yet filed further permits at this time.

During the Development Review Commission hearing, one element of the case emerged as a confusing review component. Stafford Road has an arterial road classification, with Clackamas County having jurisdiction for public improvements to the road. Throughout the review process, Lake Oswego included the County, with discussion at the public hearing regarding how much the City could require of improvements as compared to the County. The conclusion of this review



will see Lake Oswego providing review and approval for the new internal street, with Clackamas County providing review and approval for right-of-way improvements to Stafford Road.

4.3.3 Building Permitting and Construction Process

As part of the Middle Housing Land Division process, Lake Oswego's building official had to provide a confirmation of feasibility for the project based on materials submitted. For that case, the official reviewed initial documents and confirmation of feasibility, although formal building permit review has not yet proceeded and this case study cannot speak to how the construction process will take shape.

4.3.4 Cross-Cutting Factors

The land use review process was complicated by the applicant and City staff working through a novel middle housing application together and the involvement of a third-party contract reviewer. The City's third-party contractor for stormwater review does not participate in pre-application meetings. The development team expressed that having the stormwater review perspective before formally submitting their application materials may have avoided the need for a shift later in the review process that delayed approval. Through these changes to the project, City staff supported the development team in pursuing a middle housing approach that involved creative collaboration and decoding regulations.

4.4 LESSONS LEARNED

As this development has not advanced to building permit or engineering final approvals, the following lessons learned are specific to the land use review process. Identifying key application requirements during the pre-application period and opening lines of communication for constant dialogue between the applicant and jurisdiction helped the applicant better understand expectations, reduce uncertainty, and prepare more complete applications. City staff and the development team spent considerable time working through iterations of this project that shaped site plan approval. This type of collaboration and communication reflects continued support and trust building in ensuring a smooth review process. While this process reflected a new type of review for City staff, they worked with the development team to help them determine what they could try to bring through the land use approval process and saw both sides working through novel questions together.

The case also highlighted the potential value of involving third-party reviewers earlier in the process. Stormwater and engineering design have complex elements and often take multiple reviews. Having the ability to include third-party reviewers as early as possible in the process may have better aligned complicated site design questions with input from external reviewers to ensure that the jurisdiction and applicant could remain on the same page.

The developer noted in their interview that they considered senior housing or affordable housing but decided against these ideas due to the uncertainties of rezoning. They did not formally submit a rezoning application and, instead, decided to pursue what they considered to be a more certain outcome for approval. The development team also noted that they felt some hesitation from nearby residents for denser housing due to potential elevated traffic concerns, ultimately opting to pursue this MHL. The City currently offers post-approval meetings to help frame the next steps for the approved development. This meeting could also serve as an



opportunity to “debrief” on code changes that could help facilitate senior housing and/or affordable housing.

4.5 SOURCES

- Interview with City of Lake Oswego Planning Staff: Evan Fransted (Senior Planner) and Johanna Hastay (Planning Manager)
- Interview with Pacific Community Design: Stacy Connery, (Principal Planner) and Maureen Jackson (Project Manager)
- Interview with Ken Allen, Developer, Heitman Allen Group
- [Middle Housing Land Division Case Webpage](#): LU25-0038. City of Lake Oswego. Accessed April 29, 2026.
- [Subdivision Case Webpage](#) : LU25-0019. City of Lake Oswego. Accessed April 29, 2026.

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5.0 Mass Casitas

Location	Year completed	Housing type	Number of units	Market-rate or affordable
Various Places, OR	2023	Single-unit	6	Affordable

- The Mass Casitas project tested the scalability of delivering prefabricated, mass timber homes to four different jurisdictions across Oregon: Talent, Portland, Madras, and Lincoln County. This case study focuses on its implementation in Talent and Portland.
- Oregon reviews permits for prefabricated homes at the state level, and individual homes require a local building permit for site placement. Although Oregon state law (HB4064, 2022) mandates that prefabricated dwellings be permitted wherever single-unit housing is allowed, nuances in language between "manufactured" and "prefabricated" housing created hurdles during the permitting process.
- Mass Casitas was selected as a case study to review how prefabricated homes relate to manufactured homes in local land use codes. Additionally, it reviews surrounding circumstances outside of building and land use code that can create confusion in permit review.

5.1 PROJECT OVERVIEW AND PROJECT AREA CHARACTERISTICS

The Mass Casitas project explored how modular housing made with mass timber could effectively expand prefabricated production and delivery of naturally affordable housing across the state. The Oregon Building Codes Division of the Department of Business and Consumer Services administers the Prefabricated Structures Program, which reviews construction documents, and provides permitting and inspection services, for prefabricated structures under the Oregon Residential Specialty Code. Local jurisdictions separately issue building permits for on-site installation, including foundations, utility connections, site placement, and compliance with local zoning and development requirements. While the state provided permit reviews on the structures, the program still had to obtain local building permits for Talent, Madras, Lincoln County, and Portland to see the homes placed on-site. Hacienda Community Development Corporation worked with different community groups in each jurisdiction to support the placement of the homes. The project ultimately sited six different prefabricated homes in four jurisdictions as it tested full capacity for this type of program in the future. While the project sought to test the feasibility of scaling this project, this case study looks at how local jurisdictions facilitated this type of permitting.

Note on terminology: Prefabricated structures, also referred to as modular buildings, are defined as a building or subassembly that has been in whole or substantial part manufactured or assembled using closed construction at an off-site location to be wholly or partially assembled on-site (ORS 455.010). A prefabricated structure does not mean a "manufactured dwelling" (a dwelling built to federal HUD standards) as defined in ORS 446.003.



In 2022, Oregon passed HB 4064 preventing local governments from prohibiting prefabricated structures in mobile home and manufactured dwelling parks. The legislation explicitly integrated prefabricated structures into the statutory definitions of manufactured dwellings and parks, ensuring they are permitted housing options in these communities. The bill became effective March 23, 2022.

Exhibit 16. Talent Location Map

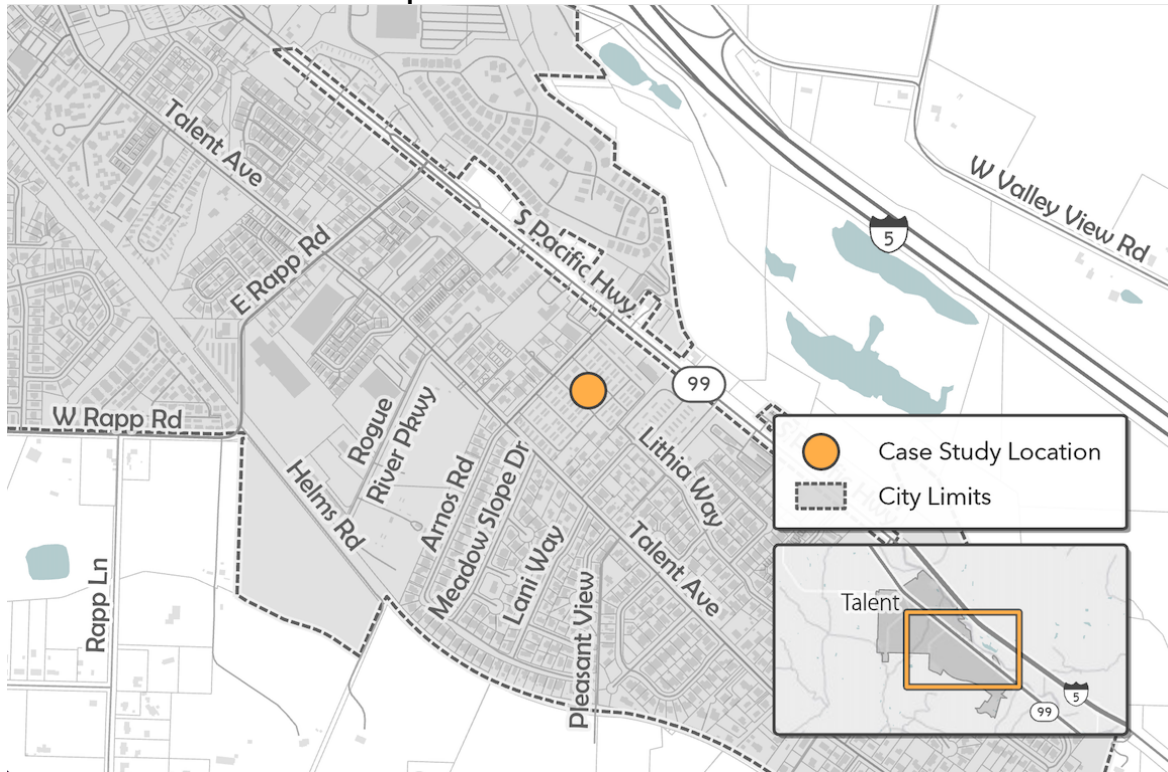


Exhibit 17. Portland Location Map



Source: EConorthwest

5.2 PROCESS OVERVIEW AND TIMELINE

The schedule for this entire project had to follow a particular format due to the receipt of State of Oregon funding.

The development proceeded on the following timeline. Colors are used to denote the development phase: yellow = land use, blue = building department, and purple = public works and infrastructure; green indicates that an action is required of the applicant.

Development Review Timeline:

- **September 2021:** Project grant awarded to Hacienda CDC and Port of Portland to develop a prototype for mass timber modular housing
- **May 2022:** Architectural design begins
- **December 2022:** Talent building permit under review
- **January 2023:** State permitting process ends
- **February 2023:** Portland building permit under review
- **February 2023:** Type II land use permit for redevelopment of Talent Mobile Estates deemed complete
- **March 2023:** Talent building permit approved
- **April 2023:** Talent land use permit approved (46 total days out of 120-day limit)



- **April 2023:** Two homes arrive in a manufactured dwelling park in Talent, OR
- **August 2023:** Portland building permit approved
- **September 2023:** Two homes arrive in Portland, OR (permitted as single-unit home and accessory dwelling unit)

This project followed parallel paths across the different jurisdictions, with each development navigating their own processes and site nuances.

Exhibit 18. Image of Mass Casitas in Portland



Portland Mass Casitas; Source: Adam Ramos Photography via Salazar Architect

5.3 ELEMENTS OF PROCESS

5.3.1 Land Use

Portland

No specific land use permits were required to place the units in Portland aside from zoning standards reviewed during the building permit process.

Talent

Hacienda partnered with Community and Shelter Assistance (CASA) to place two Mass Casitas units in a manufactured dwelling park (Talent Mobile Estates) that had experienced significant damage from the Alameda Drive Fire in 2020. At the time, CASA had been supporting converting this manufactured dwelling park into a cooperative ownership model while also working on its post-wildfire redevelopment. The two Mass Casitas units represented a small



portion of the homes re-sited in this process (87 total) and included specific fire resiliency features as part of their construction.

Land use approval for the renovation of the manufactured dwelling park was approved through a Type II Administrative process, parallel to local building permit reviews of the Mass Casitas units. At the time, Talent's zoning code included language that would allow prefabricated structures with Planning Commission approval. The land use application for the park renovation included a callout for two modular units to be placed in the park.

5.3.2 Public Improvements Permitting and Construction Process

Portland

No specific public improvements permits were required to place the units in Portland, although the City required a new public fire hydrant to serve the property. The coordination for location and installation of the hydrant involved both the fire and water departments as part of the building permit process.

Talent

No public improvement permits were required to place the units in Talent. The existing sidewalks and curb cuts were allowed to remain in place for the entire park frontage.

5.3.3 Building Permitting and Construction Process

Both Jurisdictions

The Mass Casitas project involved state permit approval through the Prefabricated Structures Program and the Oregon Residential Specialty Code. Hacienda coordinated the prefabricated construction through Walsh Construction as the general contractor. A project team representative expressed that the process with the state to approve structure master plans went smoothly through this program.

While the state provides plan review and inspection services to organizations building prefabricated structures, on-site placement requires zoning and foundation compliance reviews through building permits at the local level.

Portland

Hacienda partnered with Community Vision—a nonprofit organization that provides services, education, and advocacy to support people with disabilities—to place two Mass Casitas units in Southeast Portland. Community Vision had a piece of donated land that they believed would both support easy placement of the homes at the lowest cost to the project and make use of an underutilized property. They pursued a joint single-unit home and accessory dwelling unit permit for placing these homes. The one zoning-related element that required more information during review involved ensuring compliance with the City's tree code.



The central challenge that arose during Portland building permit review for this project was that the property was landlocked and did not have direct access to a City of Portland right-of-way. Instead, a private road connected the property to the street. Community Vision had to acquire the legal right to the private road property that connects to the Portland right-of-way in order to place these homes on the property. Additionally, installing utilities required new easements and access rights, which involved working with neighbors.

Due to the property not having access to the Portland right-of-way, the development team needed an appeal to fire access requirements and approval from the Fire Marshal. Community Vision hired a third-party contractor for permit expediting to support going through this process. They did not, however, meet City right-of-way standards after acquiring the private road property at the time of this building permit process. Moreover, part of the appeal approval involved installing a new public fire hydrant. This appeal also required creating a wider gravel access road along the length of the private road and installing signs to signal its use as a fire lane.

Talent

Hacienda partnered with CASA of Oregon, a nonprofit that provides resources to underserved communities throughout Oregon. A representative from the development team noted that the main challenge in these placements revolved around a definitional interpretation between state and local statute on prefabricated housing and its required allowability in manufactured dwelling parks. HB4064 allows prefabricated structures in all residential zones that authorize manufactured homes. As City staff reviewed these permits, they initially considered the Mass Casitas to conflict with the narrowed definition of "prefabricated structure" that has the by-right land use approval to be placed in a manufactured dwelling park. The definition included that a prefabricated structure is relocatable, meaning the home could be moved in the future (such as a manufactured home).

While this project transported the homes from the manufacturing site in northern Oregon to southern Oregon, its installation included a permanent foundation. To demonstrate how one might move the home again after its placement, the development team worked with the City and state to provide illustrative documentation. City staff accepted this documentation as evidence and proceeded with siting the homes. The representative from the development team noted that City staff were amenable to troubleshooting the issue.



Exhibit 19. Image of Mass Casitas Talent Development



Talent Mass Casitas; Source: Salazar Architect

5.3.4 Cross-Cutting Factors

Portland

City Planning staff noted that this development ran into barriers for reasons outside of development code. Staff highlighted that these challenges reflect redevelopment issues with some formerly unincorporated properties in the area face after annexation into Portland, including connection to public right-of-way. Staff clarified that these types of barriers did not prevent zoning compliance for the proposed homes.

As a nonprofit developer going through a building permit review, the development team representative expressed a feeling of wanting more support in addressing multiple comments from reviewers. In this case, Community Vision hired a permit expediting service to help them meet compliance with all review requirements. City Planning staff commented that some reviewers were easier to connect with than others and that planners frequently end up supporting applicants in navigating permit comments unrelated to zoning. This process often involves facilitating connections with other City staff who can better answer specific questions.

Talent

This project took place while the City was responding to many fire recovery projects, and the Mass Casitas placements directly supported these efforts. The development team representative also acknowledged that due to the increase in fire recovery permitting, the City had taken on a larger workload than normal.

Outside of City review, the project navigated complicated tax definitions with Jackson County. As the County assesses different taxes for real property (homes affixed to a foundation) and



chattel property (general tax for manufactured homes), the development team also worked through how to match this definition with the relocatable definition to answer how prefabricated homeowners in manufactured home parks would pay taxes.

5.4 LESSONS LEARNED

Development teams reflected on site-specific nuances of placing Mass Casitas on these properties. City of Portland Planning staff spoke to larger development review challenges that prefabricated structures navigate in the permitting process. While the State of Oregon provides building code approval for these structures, development teams still navigate nuanced local site development codes.

Community Vision found that, as a nonprofit development team, having a third-party permit expeditor helped to decode outstanding review comments and bring the property into access compliance. In going through an appeals process with Portland Fire and Rescue, Community Vision updated some outdated property records to facilitate adding homes on the vacant lot.

The project included multiple organizations and actors working to provide this housing through state grant funding. Community Vision found that extra support from City staff and the third-party permit expeditor proved helpful in navigating the unique challenges in delivering these units. They expressed that without a larger team, they may not have felt confident going through the siting process on a difficult property, noting that directed assistance from jurisdictions for nonprofit developers could help them develop more similar units in the future.

Portland Planning staff said they have tried adapting to better support prefabricated structure placement. For example, City staff expressed that they have specifically worked to streamline this particular permitting process (single-unit homes with accessory dwelling units). Staff reflected on the importance of having connected communication throughout the process, even when it may present difficulties, as providing clear information supports applicants in going through permitting.

A development team representative from CASA found that having open communication and understanding with the City of Talent allowed them to more easily respond to outstanding review comments. As they navigated placing state-approved structures in a local setting, the ability to communicate through complicated interpretations supported mutual understanding of project goals and execution. In response to a disaster event, having the ability to provide a development team with clear feedback allowed them to move through positive redevelopment of damaged spaces. Additionally, the development team representative shared that having a collective team with different areas of expertise to work through some of the challenges together helped arrive at a resolution.

Since the State of Oregon permits prefabricated structures, those approvals may conflict with local design requirements. City staff spoke to examples where approved plans from the State did not meet local design requirements, such as window or door placement in relation to the



street frontage. Updating development codes to address where State-approved prefabricated structures may not align with local codes can proactively avoid conflicting permitting reviews. Additionally, code updates that exempt design overlay standards for some prefabricated structures allow for an easier approval process. Facilitating spaces where the State and local jurisdictions can work through those differences together can further streamline permitting processes for prefabricated structures.

5.5 SOURCES

- Interview with Joe Wykowski, Executive Director Emeritus, Community Vision
- Interview with Celestina Teva, Former Project Manager with CASA (now a Senior Housing Planner with Oregon Department of Conservation and Land Development)
- Interview with City of Portland Staff: Thomas Soppe (City Planner I, Planning and Zoning Review) and Kristin Cooper (Senior City Planner, Planning and Zoning Review)

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6.0 Upland Meadows

Location	Year completed	Housing type	Number of units	Market-rate or affordable
Hermiston, OR	2025–2030 (estimated)	Single-unit	261	Market-Rate

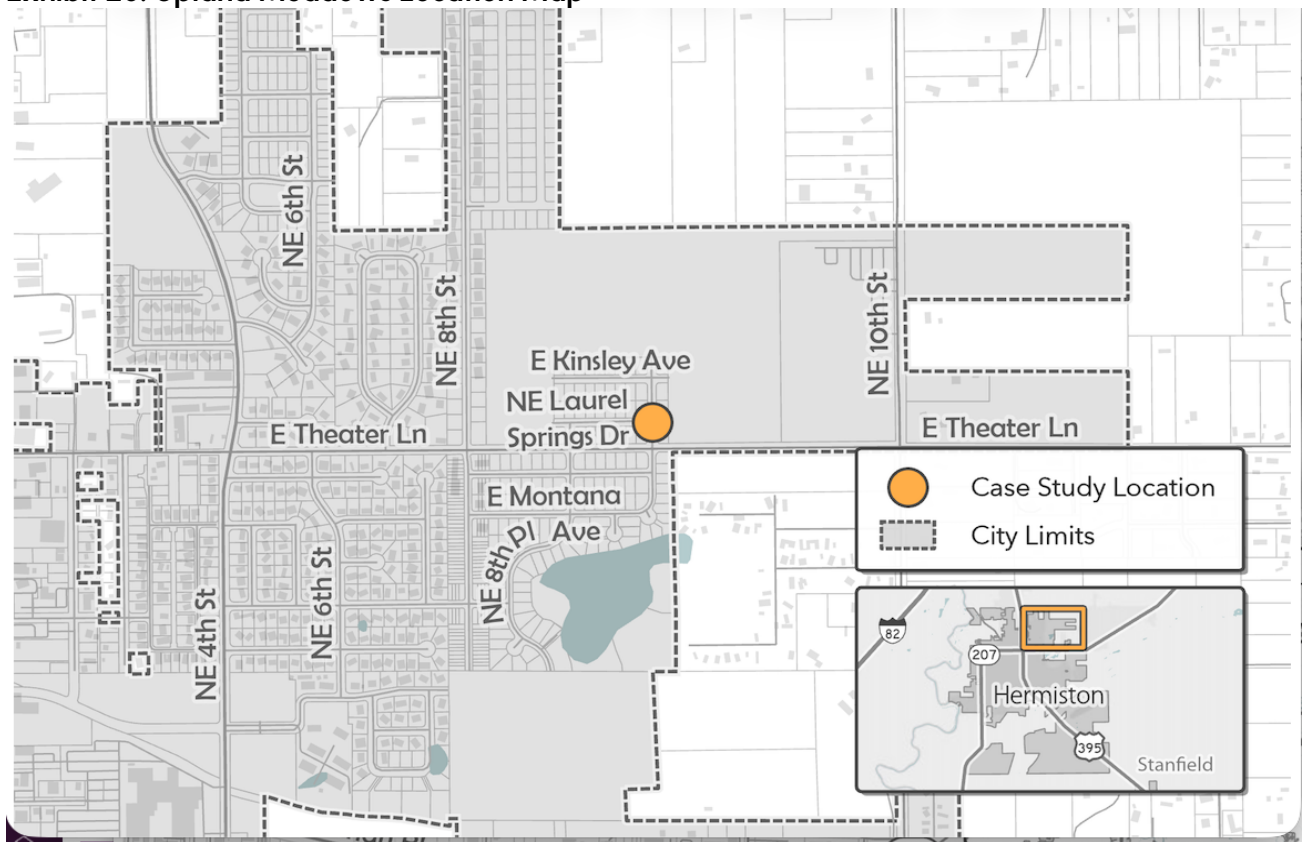
- MonteVista Homes is developing Upland Meadows, a 52-acre phased subdivision of 261 owner-occupied, single-unit dwellings in Hermiston, Oregon.
- With its first homes sold in 2025, the project is currently in Phase 4 construction as of April 2026, and full build-out is expected by 2029 or 2030.
- To address site constraints, the developer requested variances to reduce the lot size on some lots and extend some of the corresponding block lengths. Additionally, the developer agreed to construct and dedicate a new multiuse path to the adjacent school, which will also satisfy the requirement for a secondary fire access.
- Upland Meadows was selected as a case study because it was considered a positive and successful development process with no noted barriers.

6.1 PROJECT OVERVIEW AND PROJECT AREA CHARACTERISTICS

MonteVista Homes acquired the 52-acre greenfield site for Upland Meadows from the Hermiston Irrigation District. The project includes three- and four-bedroom homes that range from approximately 1,200 to 2,400 square feet and are listed for \$340,000 to \$450,000 (as of April 2026). The first two phases were completed by 2025, and the final plat for Phases 3 and 4 were approved in March 2026. As of April 2026, there are approximately 40 occupied homes and approximately 80 platted lots.



Exhibit 20. Upland Meadows Location Map



Source: Upland Meadows; Source: MonteVista Homes

Exhibit 21. Aerial Photo of Upland Meadows



Source: MonteVista Homes



6.2 PROCESS OVERVIEW AND TIMELINE

In August 2023, MonteVista Homes attended a pre-application meeting, which the City does not require but encourages. The pre-app meeting, which is free to the developer, was attended by staff from most reviewing departments. The process allows the developer and City staff to get a better idea of the proposal and the requirements, and it reduces the risk that different departments provide conflicting guidance. The subdivision (preliminary plat) was approved by the Planning Commission in early 2024 with two concurrent variances.

The development proceeded on the following timeline. Colors are used to denote specific phases of development review: yellow = land use, blue = building department, and purple = public works and infrastructure; green indicates that an action is required of the applicant.

Development Review Timeline:

- August 2023: Pre-Application Meeting.
- October 2023: Developer submitted an application for subdivision (preliminary plat) and variances.
- October 2023: Application deemed complete.
- December 2023: Planning Commission directs the applicant to produce additional findings to justify variances for extended block length and reduced lot size.
- January 2024: Preliminary subdivision plan and variances approved by the Planning Commission.
- May 2025: Final plats for Phases 1 and 2 approved.
- May 2025: Building permit review began.
- June 2025: First building permits approved.
- June 2025: Construction commenced.
- October 2025: First homes open.
- March 2026: Final plats for Phases 3 and 4 approved.
- 2030 (expected): Development will be complete.



6.3 ELEMENTS OF PROCESS

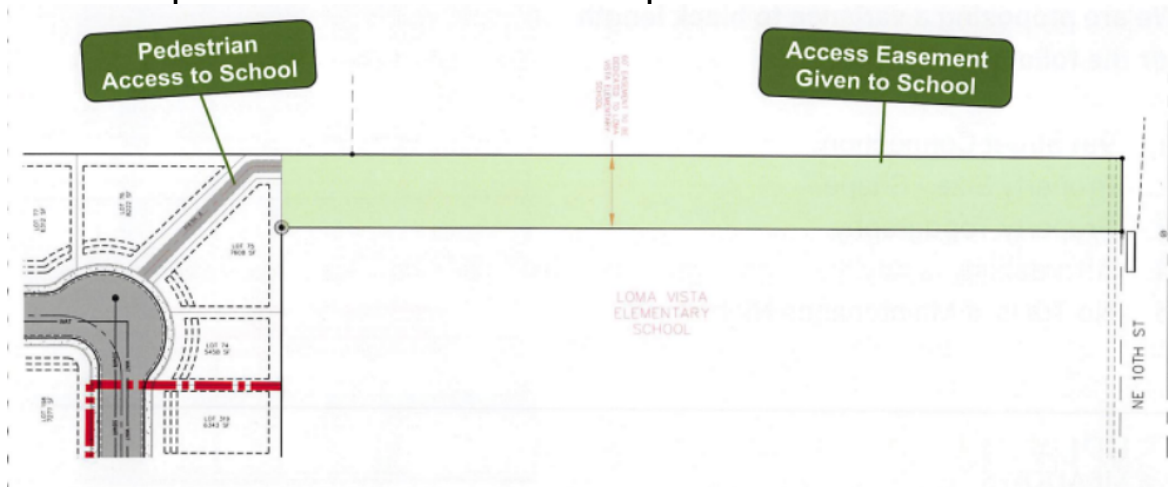
The site is zoned Medium-to-High-Density Residential (R-3), so the proposed density was allowed outright. The land use approvals required for the project were a 261-lot subdivision preliminary plat and two variances. The preliminary plat also established the project's overall phased development framework, though the City has allowed flexibility in the sequencing of individual phases.



As an alternative to the variance to the block-length standard, the applicant could have provided a midblock pedestrian connection; however, considering the loss of developable land and potential maintenance issues, they did not wish to do so. The variance provided the applicant greater flexibility. As a condition of approval of the variance, the applicant agreed to provide a 30' right-of-way for a multiuse path and emergency vehicle access to connect the site to an abutting elementary school. The applicant and the City agreed that this access did not have to be developed to full street standards, as future vehicle connectivity would be provided when other abutting sites developed. In addition to enhancing pedestrian connectivity, the right-of-way will serve as required secondary fire access. Fire trucks and other emergency vehicles will be able to access the eastern side of the property from NE 10th Street while a gate will prevent regular vehicle traffic. City staff indicated that this result ended up being preferable to the original proposed street. The path is owned and maintained by the City.

In the City of Hermiston, preliminary plats for subdivisions require Planning Commission approval. Where multiple land use permits are considered for one property, all applications may be considered at one time. In this case, the hearing (which was conducted under the more restrictive quasi-judicial variance request requirements) considered both the variances and preliminary plat.

Exhibit 23. Upland Meadows Easement Plan Map



Source: MonteVista Homes (from 12/13/23 Planning Commission)

6.3.2 Public Improvements Permitting and Construction Process

The developer will be required to install grading, storm drainage, curbs, and all service utilities for the development. Public improvement plans and infrastructure permitting occur incrementally in conjunction with each subdivision phase and corresponding final plat approval.

6.3.3 Building Permitting and Construction Process

MonteVista Homes is pursuing building permits and constructing the development in 12 phases. Although only a small portion of homes have been constructed, the building permitting process has gone smoothly so far with no reported issues. The City originally reviewed phasing plans with

the preliminary plat but has been flexible on the order of the phases, so long as the infrastructure is in place to support the units.

6.3.4 Cross-Cutting Factors

The developer credited the City's supportive, collaborative, and responsive attitude for helping make the development process smooth. The developer also appreciated the City's relatively low application and SDC fees. The City and developer worked closely together from the beginning of the process. According to the developer, staff were very clear about the requirements and were willing to help find alternatives that satisfy City requirements, such as by allowing an alternative fire access. The developer suggested that Hermiston is generally one of the easier cities to build housing in, noting that they are supportive of developers and encourage them to join discussions when considering policy changes that impact housing.

Certain structural characteristics in Hermiston may also contribute to a more efficient development process. Hermiston has a small but well-resourced staff, which simplifies internal coordination and allows applicants to have direct communication with senior staff. Unlike some cities, which have seen steady turnover, the City of Hermiston retains a large number of long-tenured employees, with some planning and development review staff having been at the City for 30 to 40 years. Both City staff and the developer pointed out that this longevity translates into more institutional knowledge and familiarity with sites. These structural characteristics are not necessarily replicable but were noted as an important part of Hermiston's success.

6.4 LESSONS LEARNED

The developer partially attributed the success of the project to the City of Hermiston's overall supportive attitude toward development. An engaged City staff that actively collaborates with developers can help streamline the overall process, particularly when staff have sufficient capacity and strong institutional knowledge. Likewise, the City of Hermiston's policies of not charging for pre-application meetings and not requiring full cost recovery for development allow the City to have relatively low application and impact fees. Lower fees directly translate to lower development costs.

There are other factors that contributed to an efficient development process. The developer, who had done multiple other projects in the City, was already familiar with the site (including the zoning and utilities) and with the City's development regulations. The site was relatively unconstrained and well suited for the proposed development. By the time the developer purchased the land, they were ready to begin the development process. Nonetheless, the developer indicated that favorable regulations, low fees, and supportive City government helped the process go smoothly.

6.5 SOURCES

- Interview with Luke Pickerill, Chief Executive Officer, MonteVista Homes
- Interview with Clinton Spencer, Planning Director, City of Hermiston



- City of Hermiston Planning Commission. "Agenda: January 10, 2024, at 7:00 PM." <https://mccmeetings.blob.core.usgovcloudapi.net/hrmstnor-pubu/MEET-Packet-aaed267f71364ebdadbf419b9f9da48a.pdf>
- City of Hermiston Planning Commission. "Regular Meeting Minutes: January 10, 2024." <https://mccmeetings.blob.core.usgovcloudapi.net/hrmstnor-pubu/MEET-Minutes-aaed267f71364ebdadbf419b9f9da48a.pdf>
- City of Hermiston City Council. "Work Session Meeting Minutes: March 23, 2026." <https://mccmeetings.blob.core.usgovcloudapi.net/hrmstnor-pubu/MEET-Minutes-a3c02c35a5a2473c85dlcf23d3628e25.pdf>
- MonteVista Homes. "Upland Meadows: Hermiston, OR." Accessed 27 April 2024. <https://www.mtvistahomes.com/new-homes/or/hermiston/upland-meadows/>

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7.0 Colonia del Valle Próspero

Location	Year completed	Housing type	Number of units	Market-rate or affordable
Albany, OR	Ongoing	Multi-unit	162	Affordable

- The Farmworker Housing Development Corporation (FHDC) has led the Colonia del Valle Próspero project in Albany. The project is a multi-unit development, with 54 of the total proposed 162 units near completion as of April 2026. SERA Architects supported the site design.
- The parcel's Residential Medium-Density zoning allows this development type outright, enabling the team to proceed to site plan review without a rezoning process and public hearing.
- Site plan review followed a typical process for Albany, though some site concerns were identified after application submission. The development team navigated public improvements, wetland mitigation, and affordable housing funding.
- Colonia del Valle Próspero was selected as a case study to review greenfield development in the Willamette Valley, how public staff can support the development process, and how external circumstances shape ongoing projects.

7.1 PROJECT OVERVIEW AND PROJECT AREA CHARACTERISTICS

FHDC formed in 1991 with the goal of delivering affordable housing for low-income farmworkers in the Willamette Valley. FHDC received confirmation of state funding support for Colonia del Valle Próspero in April 2024. The first phase of the development, 54 units in one building and a shared amenity space in a second, is near completion as of April 2026. This first phase represents about one-third of the total planned units. Units will be subject to deed-restricted affordability for residents earning up to 50 percent of AMI. Subsequent phases will include more than 100 additional affordable units, a childcare and education center, and townhomes designed for ownership opportunities. The property is zoned Residential Medium Density, which allows this type of development. FHDC utilized an affordable housing density bonus to allow for a smaller minimum lot size than Albany would otherwise require. The land use process required a lot line partition as well as site plan review. Following site plan approval, the development team navigated some challenges related to wetland mitigation and right-of-way improvements.



Exhibit 24. Colonia del Valle Próspero Location Map



Source: EConorthwest

Exhibit 25. Photo of Colonia del Valle Próspero in Construction



Source: FHDC Facebook Post February 2026 on Project Progress

7.2 PROCESS OVERVIEW AND TIMELINE

The project required two concurrent land use applications: a lot line partition and a site plan review, followed by building and public works permitting as well as external wetland permitting. The dates included below focus on the land use portion of this case study.

The development proceeded on the following timeline. Colors are used to denote the development phase: yellow = land use, blue = building construction, and purple = public works and infrastructure; green indicates that an action is required of the applicant.

Development Timeline:

- **April 2024:** Confirmation of funding from Oregon Housing and Community Services
- **October 2024:** Applicants submitted for lot line partition and site plan review (Type 1-L)
- **November 2024:** Lot line partition application deemed complete
- **December 2024:** Lot line partition approved and site plan review deemed complete
- **February 2025:** Site plan review approved



- **April 2025:** FHDC submitted wetland application to state
- **May 2025:** State issued authorization for wetland use
- **April 2026:** Nearing completion of Phase One

7.3 ELEMENTS OF PROCESS

7.3.1 Land Use

The development team had identified this property for the project in the summer of 2022, initially aiming for closer to 200 units and adjusting the full scope based on site-specific circumstances. The project included a lot line partition to divide the roughly 8.6-acre property into two lots, with the first phase of development happening on a roughly 2.2-acre new lot. While the development team submitted the lot line partition and site plan review application around the same time, the applications proceeded separately, as Albany required partition approval before land use approval.

Albany includes the fire department in pre-application and relevant development review team meetings to confirm application requirements early in the process. Including the fire department in pre-application meetings allowed the City to identify site access requirements early in the process. This early coordination also enabled the City and development team to agree on a condition of approval that allows the required secondary access to be constructed by January 1, 2027, providing more time than typically required in support of the project's phased development.

City staff stated that the land use process felt relatively standard, deeming the site plan complete in December 2024 and issuing site plan approval by February 2025. Similarly, the development team found the land use process easy to navigate and found the Planning Department particularly helpful as they moved through different phases of the project.



[illegible]

7.3.2 Public Improvements Permitting and Construction Process

The secondary access requirement also affected project timing. As Phase One of this project nears completion at the time of this report, the development team will need to construct this access to receive the Certificate of Occupancy. While other phases of this project wait for funding, the development team has explored the best way to meet compliance for this item and prepare for the rest of the property's future construction.

During building permit review, the development team noted that City staff showed proactive awareness of how their individual reviews affect other reviewers. City staff also noted that, because everyone works in the same department, they frequently try to collaborate and avoid duplicative or conflicting comments. The development team noted that having a core point of contact that they could talk to was particularly helpful in moving through the permitting process. One example of this support included different reviewers providing an interpretation of building code as it relates to balconies. City code typically requires a certain amount of private balcony

access in multi-unit developments, rather than shared balcony areas. City staff and the development team had open communication to provide an interpretation that supported a shared balcony approach, meeting both City standards and development team vision without adding significant design changes. A staff planner that coordinated between multiple reviewers helped facilitate this outcome.

During construction, the development team ran into challenges on the ground when a water main underground was found closer to the surface than indicated in the utility maps. Resolving this required on-site coordination and revised approvals, delaying construction.

7.3.4 Cross-Cutting Factors

This project hinges on affordable housing financing across multiple phases of its development. To move through jurisdictional and lender timelines, affordable housing developers navigate sometimes conflicting timelines and constraints. Due to phasing of funding for the project, the development team proposed phased development of the multi-unit project. City staff do not usually facilitate phased development of this type because of the potential for subsequent phases to not reach the end goal, ultimately leaving some land undeveloped. In this case, City staff accommodated the funding cycles by providing an extended timeline for construction of the second access. However, construction of that access is tied to future phases that depend on additional funding. As a result, the project faces a timing gap between local approval requirements and funding availability. More broadly, this case highlights the difficulty of aligning affordable housing funding cycles with local development and permitting timelines. Although City staff coordinated site plan, building permit, and public improvements reviews, external funding requirements and sequencing can still create constraints that are outside local control.

7.4 LESSONS LEARNED

Although subsequent phases of the project have not yet begun, its first phase demonstrates the value of proactive and collaborative planning between the development team. City staff provide intentional predevelopment support that Albany does not charge applicants for and include a wide range of participants in those meetings. By including fire department staff in these conferences, it supports an early understanding of requirements for the development team. City staff noted that opening clear lines of communication early supports application completeness and cuts down on the time it takes for staff to deem an application complete. One key aspect of this communication is ensuring both development teams and Albany staff communicate their goals, expectations, and commitments to the process to ensure accountability.

At different times in this process, the case planner provided support for the development team in decoding regulations. Even with that support, unforeseen circumstances—like finding underground utilities at different depths than what maps indicated—led to communication with several staff members to determine a solution. Consistent communication also kept the jurisdiction informed of changes to any potential plans, such as how the development team navigated external reviews for its mitigation of wetlands. While the case planner was able to provide support in some elements of this process, having a dedicated person to support multiple elements of an application and construction process can help streamline communication.



Elements of the review that created confusion included public utility mapping that did not match what was found on the ground and a local wetlands inventory that varied slightly from the state inventory. For smaller jurisdictions, having this information accurate and up to date can be a capacity challenge, which the development team acknowledged. These unanticipated site characteristics played a role in delaying elements of review and construction.

This development also reflects some of the difficulties in matching funding for affordable housing with different timelines. Elements of the funding cycles required phased construction rather than complete build out of the project at once, which could amplify any challenges meeting interim construction requirements.

7.5 SOURCES

- Interview with David Martineau, Current Planning Manager, City of Albany
- Interview with SERA Architects: Gauri Rajbaidya (Principal) and John Treber (LEED Green Associate)
- Tentative Partition Plat Case Materials: PA-09-24
- Site Plan Review for New Construction Case Materials: SP-27-24
- Wetland Permit: Joint Permit Application. DSL Number 65551. State of Oregon Department of State Lands. April 16, 2025.
<https://docs.dsl.state.or.us/PublicReview/ElectronicFile.aspx?dbid=0&docid=4130100>

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8.0 Wilder

Location	Year completed	Housing type	Number of units	Market-rate or affordable
Newport, OR	2010-2035 (estimated)	Single-unit	216 (planned)	Market-Rate

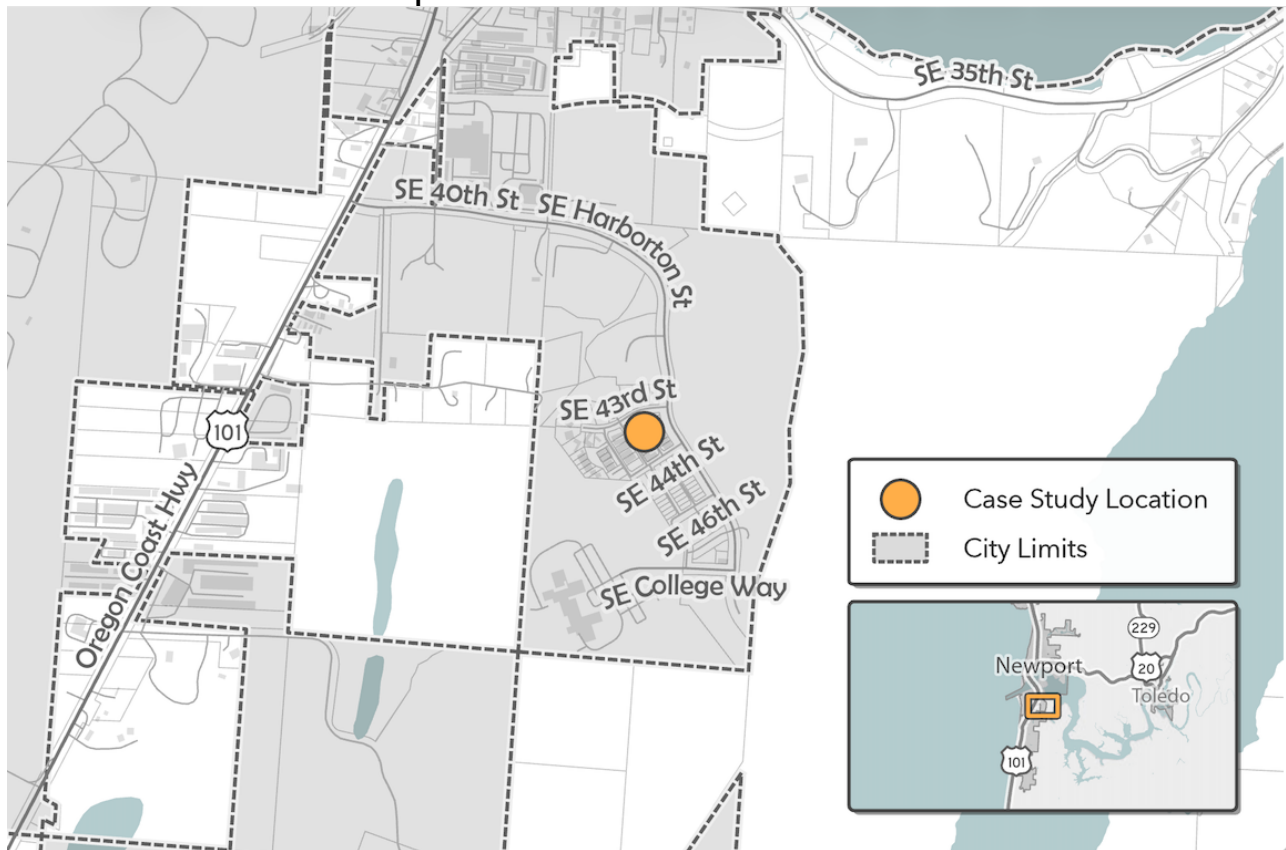
- Wilder is a master-planned community being developed by Landwaves Inc. in Newport, Oregon. The project features a variety of housing types and a commercial center.
- The first phase of Wilder (the focus of this case study) is planned to include approximately 216 units, with about 95 completed as of early 2026. More than a hundred acres of undeveloped land is slated for a later expansion of Wilder.
- The development is on land that was brought into the urban growth boundary (UGB) and annexed into the City in 2007 as part of an effort to meet the City's housing needs. This first phase involves 62 acres of land being developed pursuant to the Wilder Community Master Plan.
- Wilder has undergone a long and complex development process. There have been some process barriers, particularly with regard to public works requirements; however, much of the delay has been attributed to exogenous factors such as the Great Recession and an off-site flood.
- Wilder was selected as a case study to ensure geographic diversity and because it illustrates certain process-related challenges that can arise from a project of this scale and duration (nearly 20 years), such as public works requirements changing midstream. Also, as a planned development that required annexation, the project exemplifies some of the additional phases of review that certain residential projects can face.

8.1 PROJECT OVERVIEW AND PROJECT AREA CHARACTERISTICS

Located just south of the Yaquina Bay Bridge in Newport, Wilder is designed as a traditional neighborhood development with various housing types, including single-unit dwellings, accessory dwelling units (ADUs), cottage clusters, and multi-unit apartments. A network of narrow residential streets and walking and biking trails helps foster connectivity. In addition, Wilder has several amenities, including a children's playground, dog park, disc golf course, and nature trails. The community also includes a Village Center with existing and planned commercial and mixed-use developments. All of the streets, sidewalks, stormwater swales, and parks in Wilder are owned or licensed and maintained by the City.



Exhibit 27. Wilder Location Map



Source: EConorthwest

Exhibit 28. Image of Wilder Homes



Source: <https://wildernewport.com/>

8.2 PROCESS OVERVIEW AND TIMELINE

The concept of a master-planned development on this site dates to 2004—when the City of Newport invited Landwaves Inc. to bring over 200 acres of timber property in the South Beach neighborhood into the City's UGB and to annex about 86 of those acres into City limits for a planned development. The phased development plan, which was adopted in 2007, involved constructing a mix of housing types as well as a small commercial center and the new main campus of Oregon Coast Community College (OCCC). The overall vision for the plan has not substantially changed. Nevertheless, factors such as the Great Recession and associated housing bubble, flood damage to the primary access road, the COVID-19 pandemic, and the need of Oregon State University (OSU) to build student housing out of the tsunami inundation zone led to delays and changes in phasing. The first homes opened in 2010, and the full build-out of this first phase is expected by 2035, bringing a total of 216 units. An additional hundred-plus acres of land in the UGB is slated for a future Wilder expansion.

The development proceeded on the following timeline. Given the length and complexity of this development, this timeline only shows a sampling of the land use process steps. Building permits have been issued in multiple stages since around 2010 and thus are not included separately in the timeline.

Development Review Timeline:

- **May 2007:** Preliminary Planned Development Plan approved by Planning Commission.
- **May 2007:** Final Planned Development Plan approved by Planning Commission (upon completion of annexation).
- **August 2007:** Annexation of 96.5 acres (80 owned by applicant) with zoning approved by City Council for the first phase of Wilder (over 100 acres of undeveloped land is slated for a later expansion of Wilder).
- **September 2007:** Partitioned annexed property so portion could be conveyed to OCCC.
- **December 2008:** Planning Commission approves rezoning some of the parcels from R1 land to R2 to increase residential flexibility and to adjust Public P-1 zoning for the OCCC campus.
- **July 2009:** Planning Commission approved modification to the preliminary planned development plan to refine proposed residential areas, local street and pedestrian circulation patterns, open space and other tracts within subphases
- **June 2010:** Planning Commission approved additional amendments to the plan, including modified setbacks, revised lot coverage standards, and increasing the number of multifamily units from 120 to 150.
- **2010:** First homes open.
- **2010:** Planning Commission allows ADUs on lots in certain Sections 1B and 1C of Wilder.
- **June 2015:** Planning Commission approves changes to development plan, including rezoning the full length of College Way as C-1 for commercial use and allowing ADUs as a development option in certain sections. Condition to expand streets in the next phase to 24' wide was also added.



- **September 2016:** Planning Commission approved change in zoning and comprehensive plan designations (switching single-family and multifamily designations partially to accommodate OSU student housing).
- **March 2018:** Planning Commission approved single dormitory building with 63 units for OSU to the development plan.
- **August 2020:** Planning Commission approves modified plan to include 5 two-story duplex-style dormitory buildings for OSU instead of one building, as well as a community center in the development plan.
- **August 2021:** Planning Commission approves reducing travel lanes from 24 feet to 20 feet.
- **September 2023:** Planning Commission approves amendment to include a 77-unit, student-style apartment building.
- **October 2024:** Planning Commission approves plans for the remaining parcel, including the creation of 26 narrow lot homes, 30 other single-unit residential lots, and one multifamily residential lot with 20–30 units.
- **June 2026:** Planning Commission approval expected for final development plan for 26 apartments across from OSU housing.

Exhibit 29. Wilder Development Map (First Phase of Wilder and Oregon Community College Campus Map)



Source: <https://wildernewport.com/>

8.3 ELEMENTS OF PROCESS

8.3.1 Land Use

The 62-acre site was part of a 268-acre UGB amendment. The amendment involved a land swap where approximately 300 acres east of the Newport Airport was removed from the UGB. Approximately 102 of the 268 acres was annexed into the city limits, 87 acres of the Wilder



property and 15 for an industrial-zoned neighboring property. The annexation and UGB land swap were initiated by the City. Shortly after the annexation, the Wilder property was partitioned and 25 acres was sold to OCCC to construct a new campus.

As a planned development, the initial application was subject to a discretionary review. In addition, since the planned development was approved, the applicant has had to request Planning Commission approval of numerous modifications, including increasing the number of units, changes to zoning boundaries, setback modifications, revised lot coverage standards, changing street and pedestrian patterns, and allowing ADUs. (This was initially opposed by the Oregon Department of Transportation [ODOT] in 2010 due to increased traffic concerns, but eventually a settlement was reached.) Nonetheless, the developer feels that the land use approval process has gone smoothly overall. The early approvals got nearly unanimous approval from the City, though the developer suggested that this may be partially attributed to the City initiating the annexation.

The master-planned development now includes R-2 and R-3 zoning designations, allowing both single-unit and multi-unit residences. The community college is in a Public P-1 zone, while the Village Center with planned commercial use has a C-1 commercial designation. Wilder is also split among three comprehensive plan designations: Low-Density Residential, High-Density Residential, and Commercial.

8.3.2 Public Improvements Permitting and Construction Process

The development required the installation of underground utilities, sanitary sewers, and storm drains, as well as the construction of residential streets. Sustainable practices were of primary importance in the design of infrastructure and other improvements. Besides the development limitations imposed by ODOT, one of the significant process barriers related to street widths, according to the development team. In the initial master plan, the City staff, including the public works department and fire department, supported 20-foot-wide streets (excluding parking, swales, and sidewalks), which contributed to the neighborhood character and were in scale with Newport's more modest-sized homes with front porches. In addition to fostering safer and lower-speed streets, narrowing the lanes allowed for additional parallel parking spaces on one of the streets and the expansion of a few lots. However, the developer indicated that, following departmental turnover, the Public Works Department requested increased street widths, even though the first phase had already been completed in accordance with the master plan and without identified issues. Widened lanes became a condition of the Commission's approval in 2015, which would have led to additional costs, reduced on-street parking, and changed the community's character. Although the project took a hiatus before construction could begin on the following phase due to off-site issues. Once construction was allowed to resume four years later, a different public works staff and Planning Commission approved the amendment to return the street widths to 20 feet in 2021. However, the developer indicated that actual infrastructure installation under the new public works staff became considerably more challenging than earlier in the process due to conflicting inspection procedures and code interpretations.



8.3.3 Building Permitting and Construction Process

Thus far, the building permitting process has reportedly gone smoothly. The developer received feedback right away and did not have to wait the 60 to 90 days for the completeness review.

8.3.4 Cross-Cutting Factors

While there were some delays and shifts in the development plan, the City and developer generally reported a sound working relationship with each other. A communicative City staff and a committed and diligent development team helped the project remain on course. However, the long duration of the process underscored some cross-cutting barriers. Changes in City leadership and political support over time can increase the risk that later discretionary decisions will not be approved, even if there was early support. For example, during one of the minor amendments to the plan, the Planning Commission raised more general concerns about higher-density development, which could have jeopardized the master plan that had been approved years earlier. Likewise, turnover in the public works department led to conflicting feedback, delays, and confusion for the development team over the width of lanes and installation of infrastructure. While neither of these ended up being unresolvable issues for the development, they increased development costs and illustrate some cross-cutting factors that can apply to long-term discretionary projects.

8.4 LESSONS LEARNED

Wilder is a multiphase, new-build community that has been many years in the making. The project has faced several barriers, though primarily due to exogenous factors such as a recession and off-site flooding. Both the development team and City staff noted a positive working relationship with the other. At the same time, this project exemplifies how even developments with a generally supportive staff can face process barriers, particularly when turnover in City government yields contradictory guidance. Although planned developments offer a certain degree of flexibility, having to go through a discretionary process for every minor modification to the plan can prolong the process and create uncertainty for the developers. However, there have been a number of changes to state housing laws since the Wilder planned development was originally approved in 2007 that would allow for a much wider variety of housing types and densities to be developed without going through a planned development process.

Wilder also illustrates a multitude of other issues that large, multiphase projects can face. Since the project has gone on for a prolonged period, it has faced multiple external disruptions, including a recession, housing bubble, and global pandemic. Many of these factors are outside of a City's direct control. However, an ongoing supportive relationship between a City and developer, along with clear and consistent standards, can help these types of master-planned communities come to fruition.

8.5 SOURCES

- Interview with Landwaves Inc.: Bonnie Serkin and Liane Brakke-Pound
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