

CITIZENS' GUIDE TO OPPORTUNITY SITING

Updated June 24, 2011

Introduction

On July 20, 2005, the Eugene City Council established *Opportunity Siting* as a new mechanism to promote compact and livable residential development. This guide will help you understand the purpose of opportunity siting, and how it should work in practice.

As defined by City Council, an “opportunity site” is a particular parcel (one or more tax lots) that has the potential for medium- or high-density residential development in a way that protects the health and stability of established neighborhood(s) near the site.

The opportunity siting process that Council envisioned is intended to identify such parcels and provide incentives, possibly including a discretionary approval process that would allow higher density than usual and/or more flexible development standards, to encourage development according to design standards that promote the health and stability of surrounding neighborhoods.

Opportunity Siting – done the way Council intended – offers a number of potential benefits:

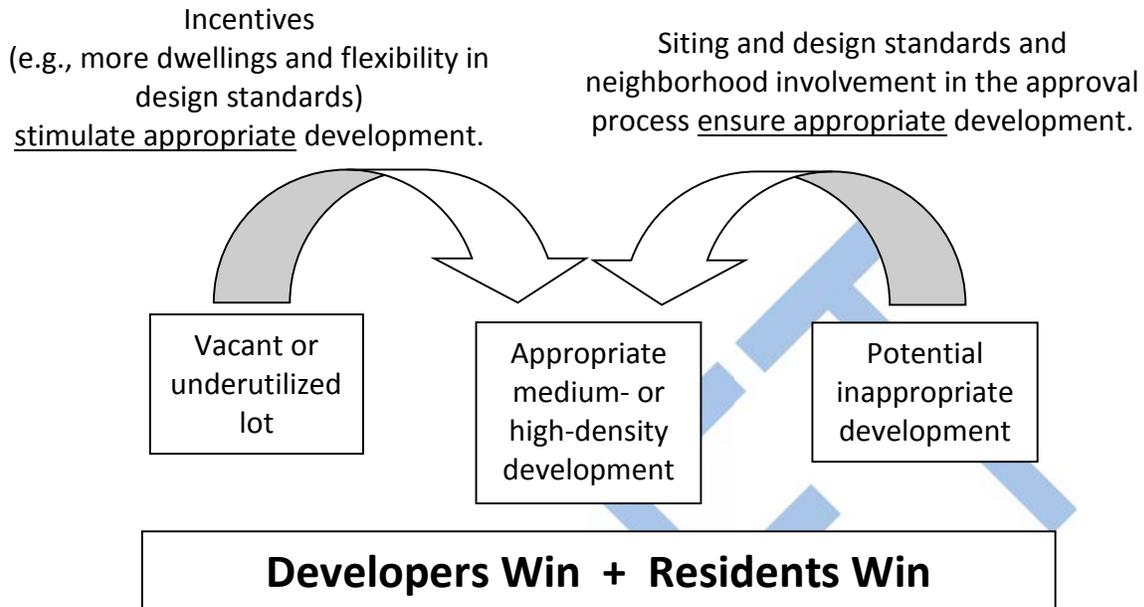
- Enhance the health and stability of existing neighborhoods
- Promote compact and livable residential development
- Provide a variety of housing types
- Establish residential populations that support neighborhood-scale, mixed-use development

From the perspective of neighborhood residents, *appropriate siting and design standards* are the linchpins that assure higher-density projects contribute *positively* to the neighborhood. Consequently, neighborhood residents, through neighborhood associations and other avenues, have a key role to play in identifying appropriate opportunity sites, developing design standards, establishing a review process for proposed developments on opportunity sites and participating in the approval decisions for proposed Opportunity Siting projects.

From the perspective of developers and owners of developable property, *incentives* are the primary factor that can make compatible, relatively dense, residential development financially attractive. A key incentive is the potential to build more dwelling units on a site (this increasing revenue) and to have a greater range of design options (thus potentially lowering development costs and increasing the market appeal of the development). Consequently developers, investors, and other people knowledgeable about the residential development market have key roles to play in identifying effective incentives and a workable process to capitalize on suitable opportunities, as well as submitting Opportunity Siting proposals that meet the established criteria.

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The diagram below depicts how incentives and siting and design standards are the key elements in opportunity siting. Two examples of potential opportunity sites are described later in this document.



Key characteristics

Opportunity Siting is a fundamentally different approach than “blanket” zoning or *site-independent* development incentives (such as the current Multi-Unit Property Tax Exemption, MUPT, program). The following key characteristics distinguish opportunity siting from other zoning and incentive strategies.

- *Focused goal* – For Eugene’s residential opportunity siting program, the central goal is to create various types of compact housing near the urban core (or other designated areas), in a way that protects, repairs and enhances the health and stability of established neighborhoods.
- *Fine-grained approach* – Specific parcels of one or more tax lots – not entire neighborhoods or areas of the City – are the units targeted for particular types of development and incentives. Opportunity Siting may be part of “area planning,” but area planning is not inherently an implementation of Opportunity Siting.
- *Non-comprehensive* – Specific opportunity sites may be identified and developed without exhaustively evaluating all parcels in a larger area (e.g., within a neighborhood or multi-use center) or throughout the entire city. (Opportunity Siting is not a form of “master planning.”)

This characteristic allows rapid identification of an initial set of easily-identified, high-potential opportunity sites. Subsequent iterations can expand the geographic areas that are examined and can take a second look at additional potential sites within areas that were examined in an earlier iteration.

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- *Market-driven, non-proscriptive* – Although the City provides incentives to encourage desired development, market forces determine whether such development occurs on a particular opportunity site. Identifying a parcel as a potential opportunity site does not impose development restrictions or design standards unless the owner agrees to them as a prerequisite for receiving incentives.
- *Pragmatic and adaptable* – The objective is to create multiple development opportunities to which the market can react and (hopefully) produce desirable outcomes. The objective isn't to predetermine and compel a single "best" outcome.

Especially for residential development, creating a variety of opportunities increases the chances of a favorable market response and encourages a mixture of housing types.

Basic steps

There are numerous details that still need to be worked out for the full implementation of the residential opportunity siting program; however, any valid approach will need to include the following basic steps. (These steps aren't strictly sequential, and some of them can be worked on at the same time.)

1. Clearly identify specific goals and program evaluation metrics (e.g., number of dwelling units developed under the program) in line with Council direction and established policies.
2. Determine design standards and other requirements for acceptable development projects.

These standards should further the goals in #1. Many of these standards might be stated in performance terms, rather than clear-and-objective specifications, leaving detailed requirements to be determined as part of the design review of each development proposal.

3. Determine one or more geographic areas (e.g., multi-use centers – MUCs) and/or subsets of property types (e.g., City-owned or controlled) in which to look for opportunity sites.

Narrowing the search for suitable opportunity sites, at least initially, to particular areas or types of property would make the process more manageable and could focus efforts where immediate benefits are most likely to result.

4. Determine evaluation criteria to identify potential opportunity sites (e.g., public/private ownership, location in relationship to established residential neighborhoods and commercial areas, undeveloped/under-developed, site size, etc.).

These criteria should include provisions to ensure that any site considered for medium or higher density development is located where it can clearly be developed in a way that won't negatively impact nearby neighborhoods. For this reason, sites along edges of neighborhoods or in transition zones between residential and commercial areas are likely to be where potential opportunity sites are most frequently found.

5. Using the criteria in #4, evaluate some or all parcels in the area(s) and/or of the property type(s) identified in #3. Designate specific opportunity sites.

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Once a parcel is identified as an “opportunity site,” the owner (or developer) can submit a specific development proposal for review (see steps #7 and #8). Being identified as an opportunity site does not require a particular form of development and doesn't guarantee incentives. The owner of an opportunity site retains the ability to develop the parcel(s) under the existing zoning.

Parcels to be evaluated as opportunity sites can be identified in a variety of ways: by City staff, by neighborhood associations, or by property owners or developers themselves.

6. Identify and implement incentives for property owners.

This step should involve people who are familiar with the development market because effective incentives are as pivotal to the success of opportunity siting as are development standards.

Establishing incentives should also involve residents to ensure that incentives involving upzoning and zoning exceptions are appropriately associated with development requirements.

7. Implement an alternate, discretionary review and approval process for development proposals for opportunity sites.

Opportunity site development inherently allows for development that won't necessarily satisfy all clear-and-objective (i.e., non-discretionary) development criteria of the existing zoning for a site. Thus, some form of alternative design review for proposed developments is an essential element of Opportunity Siting. *The review process should involve residents to ensure approved development proposals won't negatively impact nearby neighborhoods.*

Eventually, the alternative process developed for Opportunity Siting may provide a basis for a more broadly applied alternative review process that covers development on parcels that aren't identified as “opportunity sites.”

8. Review and approve specific development proposals for opportunity sites.

This step is carried out for each development proposal.

9. Track and evaluate development that occurs on opportunity sites.

To evaluate and improve the opportunity siting program, it's important to thoroughly record the costs and outcomes, including the performance metrics established in #1.

10. For successive iterations, refine the steps in the opportunity siting process and look at additional geographic areas and/or property types to encompass.

Neighborhood resident involvement

Because a central goal of City Council's directive on opportunity siting is to protect the character and stability of established neighborhoods, *neighborhood residents should have an effective opportunity to participate, through neighborhood associations and other avenues, in the opportunity siting process for areas within or near their neighborhood*, especially in determining design standards (#2), site evaluation criteria (#4), incentives (#6) and an alternate review and approval process (#7).

A fundamental element of this participation should be a good-faith adherence to any local refinement plan(s) that encompass opportunity sites. Of course, residents within an affected area may decide to consider amending the refinement plan to allow development that would otherwise not comply with the refinement plan; however, this should be under the control of area residents, not some other group.

A new and dynamic process

Because Opportunity Siting will be a new process for Eugene, with many untested facets, it's preferable to initially complete an entire cycle through all the steps listed above within a fairly limited geographic area and/or considering a limited subset of property types. Recognizing that Opportunity Siting is a dynamic process, there's significant benefit to an *incremental* approach that starts with a modest scope. Such an approach is more manageable and has less risk because the first iteration doesn't have to encompass all types of properties throughout the entire Eugene area.

If successfully implemented, Opportunity Siting will be a long-term strategy that, over time, identifies and implements a growing number of opportunity sites. The process itself should be designed from the beginning to be adaptable as conditions and markets change; and residents, property owners, and developers should be continually involved to help make the process more efficient and effective at achieving the dual goals of compact growth and neighborhood health and stability.

Relationship to infill compatibility standards

In December 2005, Council directed staff to make infill compatibility standards a "high priority." Infill standards are not only important in their own right; implementing these standards is a practical necessity to gain neighborhood residents' support for Opportunity Siting.

One of the central purposes of Opportunity Siting is to promote increased density, albeit in selected sites and "done well." Residents of many neighborhoods are concerned about any City action to promote increased density in their neighborhoods, and the lack of public information that adequately describes Opportunity Siting and explains how it would work has exacerbated anxiety and suspicions among residents who've heard about this strategy. (As yet, there is no explanation comparable to this "guide" available from the Planning Division.)

Approaching neighborhood residents – especially those who live in neighborhoods that are experiencing degradation and destabilization caused by incompatible infill – with a plan to increase density *before* coming to the neighborhood with a plan to address concerns over inappropriate development is likely to fail in getting residents' support and participation.

For many potential opportunity sites, getting informed resident input about design standards and the suitability of specific development proposals requires much of the same basic

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assessment of neighborhood character and development impacts as is required to develop infill compatibility standards.

Thus, the most pragmatic, cost-effective, and politically astute approach for neighborhood areas where incompatible infill is occurring, or is a threat, would be to substantially complete the implementation of infill compatibility standards before, or at least concurrently with, opportunity siting. Ultimately, the Opportunity Siting strategy cannot work unless the Infill Compatibility Standards project is continued and is successful in getting effective infill standards adopted.

Examples of potential opportunity sites

Grant Street

Two R-3 parcels at 1160 and 1190 Grant Street lie within the Chambers MUC. Combined, they're about .61 acres and under their current R-3 zoning would allow about 35 dwelling units. The southern boundary is across W. 12th Ave. from an established R-1 neighborhood. The northern boundary lies behind commercial development on W. 11th Ave. The two parcels are currently occupied by marginal, tin-shed structures that serve as workshop and offices.

This transitional site would be ideal for higher-density residential development. The Laurel Gardens Apartments at 1775 W. 12th Ave, just to the east of the Grant Street site, is an example of an attractive, dense development in this transition zone between residential and commercial.

Rezoning the Grant Street parcels, for example, to R-4/80, would allow approximately 50 units on this site. With appropriate stepping of structure heights, having lower structures at the southern edge, which faces the residential neighborhood, and increasing structure height toward the north, adjacent to commercial development, would allow denser development and also help stabilize this edge of the existing neighborhood. Adding more residents to this area would help support neighborhood commercial development. The site is within a block of major arterials (W. 11th Ave. and Chambers Street), so the additional vehicle traffic wouldn't have to flow through established residential areas.

The former Westside Post Office site

A .83 acre parcel at the corner of W. 8th Ave. and Almaden Street is zone C-2 and is occupied by the old post office building and a large parking area. This parcel is adjacent to medium-density apartments to the east and behind commercial development along W. 7th Ave. to the north.

Across the streets to the south and west is the established single-family neighborhood, part of which is encompassed in the S-C/R-2 subarea of the Chambers Special Area Zone. Like the Grant Street site, this site could be developed at higher density than currently allowed by its "medium-density" designation (e.g., R-3 or R-4) with an appropriate design in a way that would help stabilize the edge of the residential neighborhood and contribute to the commercial vitality of the businesses to the north. The location is a half block from W. 7th Ave. and two blocks from Chambers Street, so additional residential traffic could be handled without major impacts on the existing neighborhood.

Of course, a more complete assessment of the physical and financial viability of the two sites described here would be required before determining that either is suitable for high-density development.

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In two days of well-attended Opportunity Workshops held in 2008, JWN residents identified numerous potential opportunity sites throughout the JWN. These sites appear to have a high potential for dense development that would contribute to the surrounding neighborhood's stability and vitality. Sites such as these are what a successful opportunity siting program should identify and promote for well-designed development that makes a positive contribution both to compact growth and the health and stability of the adjacent neighborhood.

You can learn more about this workshop and view the session documents at:

<http://jwneugene.org/oppsiting> . Unfortunately, nothing has been done since that time to carry this promising initial work further, despite repeated requests from the JWN board to City staff.

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