

EXHIBIT A

Proposed Development Code Amendments

ADD new definitions

Chapter 1.2 Definitions.

Cottage Housing Development – means a type of site development or subdivision where individual lots are created, both built in conjunction with shared open space and other common tracts of land that are intended to serve small-scale single-family dwellings that interact together as a small community.

Cottage – means a detached single-family dwelling in a Cottage Housing Development.

Cottage Cluster – relates to the configuration of cottages. A cluster is a grouping of 4 to 12 cottage dwellings arranged on a development site around or adjacent to usable open space. A Cottage Housing Development may contain more than one cluster.

AMEND

Chapter 2.1 – Amend Land Use Table 2.1.200

Land Use	SR 2 1/2	RL	RS	RM-10	RM	RH	UAR
*Two-and-three family housing							
• <u>duplex when located on a corner lot</u>	N	CP	CP	P	P	P	N
• <u>Duplex on other lot or parcel</u>	N	C	C	P	P	P	N
• <u>Triplex</u>	N	C	C	P	P	P	N

ADD to 2.1.600 - Residential Density

- D. **Density Bonus for Affordable Housing.** As an incentive to create Affordable Housing, the maximum densities provided in Table 2.1.600 may be increased when a developer provides "Affordable Housing" as part of a proposed development in conformance with Chapter 3.6.200C. The density increase is based on the percentage of affordable housing units within the proposed development. Any development that receives the density bonus shall be deemed an "Affordable Housing Development." The table below provides the corresponding percent of increase. In no case may the Density Bonus exceed 1.5 of the existing Residential Zone.

Table 2.1.600A - Density Bonus

<u>Percentage of Units that are Affordable.</u>	<u>Density for Development, by percentage of existing Maximum Density Range.</u>
<u>10%</u>	<u>1.1</u>
<u>20%</u>	<u>1.2</u>
<u>30%</u>	<u>1.3</u>
<u>40%</u>	<u>1.4</u>
<u>50%</u>	<u>1.5</u>

When calculating the number of additional units, fractional units are rounded up to the next whole unit.



ADD to 2.1.700 Maximum Lot Coverage.

- D. Lot Coverage Exception. For affordable housing developments where 50% or more of the dwelling units are deemed affordable in conformance with Chapter 3.6.200C, the entire development may develop with a 50% lot coverage.

ADD to 2.1.800 - Building Height. The section below shall be amended as indicated.

B. Exceptions to Maximum Building Height Standard.

1. Chimneys, bell towers, steeples, roof equipment (including minimum screening necessary to conceal mechanical roof equipment),
2. Flag poles, and similar features that are not intended for human occupancy may be considered exceptions to the maximum building height subject to an application for height variance in accordance with BDC Chapter 5.1.
3. An increase in building height not to exceed 10 feet above the height of the underlying zone may be allowed for multi-family housing when the additional units gained by the height increase are affordable housing units.

ADD

Chapter 3.3.300D – Exceptions and Special Standards for Parking.

3. Special Standards for Affordable Housing Parking. When affordable housing units are developed within 660 feet of a transit route, the parking requirement is reduced to one on-site parking space per affordable housing unit.

AMEND

Chapter 3.6.200B – Accessory Dwelling

3.6.200B(4)

4. Floor Area. The maximum floor area of the accessory dwelling shall not exceed 600 square feet ~~or 40 percent of the living space of the primary unit, whichever is smaller.~~ All structures on the lot including the main house, garage, etc., must comply with BDC 2.1.400 regarding floor area ratio.

3.6.200C

- C. Affordable Housing Strategies. Through the adoption of two resolutions by the City Council (Resolutions 2423 and 2428), the City of Bend provides an incentive program to developers to assist in the development of affordable housing. The City defines **affordable housing** as housing with a sales price or rental amount that is within the means of a household that may occupy moderate- and low-income housing, meeting one of the thresholds defined below in section a and b.

- a. In the case of dwelling units for sale, affordable means housing in which the mortgage, amortized interest, taxes, insurance, and condominium or association fees, if any, constitute no more than 30 percent of such gross annual household income for a family at 80% of the area median income, based upon most recent HUD Income Limits for the Bend Metropolitan Statistical Area (Bend MSA).
- b. In the case of dwelling units for rent, affordable means housing for which the rent and utilities constitute no more than 30 percent of such gross annual household income for a family at 60% of the area median income, based upon most recent HUD Income Limits for the Bend Metropolitan Statistical Area (Bend MSA).
1. In association with the land use review process, and prior to the issuance of a building permit for any units in an Affordable Housing Development, the Owner shall enter into an Affordable Housing Development Agreement with the City. The Development Agreement shall set forth the commitments and obligations of the City and the Owner, including, as necessary, conditions to ensure the completion of Affordable Housing in the development.
2. The Owner shall execute any and all documents deemed necessary by the City in a form to be established by the City attorney, including, without limitation, restrictive covenants, deed restrictions, and related instruments (including requirements for income qualification for tenants of for-rent units) to ensure the continued affordability of the affordable housing units in accordance with this ordinance.

~~housing that is available for households making up to 100 percent of median income (gross), so that they are spending no more than 30 percent of their household income on housing-related expenses (e.g., rent, mortgage, and essential utilities). Below~~ The following are the adopted developer incentives adopted by the City:

- 4a. Expedited review and permitting processing.
- 2b. Planning and building fee exemptions up to \$10,000 per project.
- 3c. System development charge (SDC) deferrals.
4. Allow a Density Bonus when developing affordable housing units. (see Chapter 2.1.600)
- 5e. Allow a 10 foot building height bonus for multi-family housing when affordable housing units are gained. (See Chapter 2.1.800)
- 6f. Eligibility. Only those projects that are receiving City, State or Federal affordable housing funding are eligible to receive developer incentives through the City of Bend's Affordable Housing Developer Incentive Program.

ADD new Section 4.5.600 for Cottage Housing Development

4.5.600 Cottage Housing Development.

A. Purpose. The purpose of this section is to:

1. Provide a housing type that responds to differing household sizes and ages (e.g. retirees, small families, single-person households), and offers opportunities for affordability.
2. Provide opportunities for small, single-family dwellings in several residential zoning

districts by creating special land division and on-site development regulations that allow this type of use;

3. Encourage creation of usable open space for residents of the development through flexibility in density and development standards;
4. Support growth management through efficient use of urban residential land; and;
5. Provide regulations to ensure compatibility with surrounding uses.

B. Applicability. Cottage Housing Developments are allowed in the following districts. Standard Density Residential (RS), Medium Density Residential (RM) and Medium – 10 Residential (RM-10). Where the regulations of the Section are not specific, the standards of the relevant zoning district prevail.

The procedures and criteria of Chapter 4.3 shall apply to Cottage Housing Subdivisions. If a Cottage Housing Development is proposed with multiple units on an individual lot, Site Plan and Design Review shall apply in accordance with the procedures of Chapter 4.2. All Cottage Housing Developments shall be reviewed through a Type II process.

C. Density. For the purpose of this section, density is calculated as gross units per acre.

1. Minimum Density. The minimum density for CHD's is as follows:
 - a. RS and RM-10 Districts: 4 units per acre.
 - b. RM District: 12 units per acre.
2. Maximum Density. The maximum density shall not exceed that of the relevant zoning district.
3. Exception to Density Maximums: When affordable housing is proposed the provisions of Chapter 2.1.600(D) may be applied.

D. Development Area. Cottage Housing Developments shall contain a minimum of 4 and a maximum of 12 cottages arranged in a cluster. A Cottage Housing Development may contain more than one cluster.

E. Existing Uses. On a site to be used for a CHD, existing detached single-family dwellings, which may become nonconforming with respect to the standards of this section, shall be permitted to remain, but the extent of the nonconformity may not be increased. The nonconforming dwelling units shall be included in the maximum permitted cottage density.

F. Lot Coverage and Floor Area.

1. There is no maximum lot coverage for Cottage Housing Developments.
2. There is no minimum lot size for Cottage Housing Developments.
3. The maximum floor area per dwelling unit without an attached garage is 1,100 square feet. A dwelling unit with an attached garage shall have a maximum floor area of 1,200 square feet including the garage. The maximum floor area is defined as the area included within the surrounding walls of a cottage building on all levels.

G. Setbacks and Building Separation. Because CHD's are a unique type of development, setbacks are measured differently than for a traditional development. The exterior boundary of the CHD development area is considered to be the edge of the development area for the purposes of calculating perimeter setbacks from surrounding properties. For buildings on lots within the CHD, the separation between other onsite buildings are measured, not the distances to interior property lines, unless setbacks from property lines are necessary to meet the Building Code (interior setbacks).

1. Exterior Setbacks. All buildings within a CHD shall be setback 10 feet from the exterior boundary of the CHD.
2. Interior Building Separation. There shall be a minimum separation of six feet between the eaves of the cottages. On cottage sides with a main entrance, the minimum separation shall be 10 feet. Structures other than cottages shall meet minimum Building Code setback requirements.

H. Required Common Open Space. Common open space is intended to be an amenity shared by all residents of the cottage housing development.

1. Provide a centrally located open space area for the cottage housing development and have cottages abutting at least two sides.
2. Contain a minimum of 400 square feet per cottage.
3. At least 50 percent of the cottages shall abut a common open space.
4. Each cottage shall be connected to the common by a pedestrian pathway.
5. Areas such as utility vaults, exterior setbacks and common parking areas and driveways are not counted in the common open space requirements.
6. Common open space may contain an ASI or drainage swale area, provided the area is useable open space.
7. Required common open space shall be provided at ground level in a contiguous commonly owned tract with an easement indicating that it benefits all lots in the CHD.
8. Common open space shall have a minimum average width of 20 feet.
9. The common open space areas shall be constructed and landscaped prior to filing a final plat or in the case of a site plan, construction and landscaping will be tied to final occupancy of the first cottage.
10. The common open space shall be recorded as a perpetual open space to benefit all residents of the Cottage Housing Development prior to filing a final plat or prior to obtaining a building permit.

I. Required Private Open Space. Private open space adjacent to each cottage is intended for the exclusive use by the cottage resident.

1. Provide a total of 400 square feet of private open space that includes a minimum of 200 square feet of contiguous usable open space adjacent to each cottage with no dimension less than 10 feet. Front porches are not included in the private open space calculation.
2. No more than 50% of the private open space can be within an unenclosed covered patio.

J. Development Standards.

1. At least 50 percent of the cottages shall be oriented around and have their main entrance facing the common open space.
2. Each cottage shall have a covered entry of at least 80 square feet with a minimum dimension of six feet on any side.
3. Pedestrian pathways in compliance with BDC 3.1.300(B) must be included to provide for movement of residents and guests from parking areas to homes and other amenities. These pathways must be shown on the subdivision tentative plan or site plan and be part of the common areas/tracts.
4. Individual detached garages cannot exceed 450 square feet of floor area and no more than 18 feet in height. Only one garage is allowed per cottage.
5. Accessory Dwelling units shall not be permitted in Cottage Housing Developments (CHD's).

6. Accessory Structures for common usage are allowed in the common open space areas. Other accessory structures (except garages) are prohibited.

K. Parking. Parking for CHD's shall be located on the CHD property and identified on the tentative subdivision plan and/or site plan. Onsite parking shall meet the following standards:

1. Parking may be located within an enclosed garage, carport or unenclosed parking space.
2. Parking may be located in common tracts if intended to be shared by the entire CHD in groups of not more than 5 adjoining spaces separated by at least 4 feet of landscaping. An enclosed garage or carport intended to be shared by the entire CHD shall not exceed 1,200 sq. ft. in size.
3. Parking shall not be located in the exterior setback and must be screened from public streets and adjacent residential uses by a 10 foot landscape buffer containing landscaping and/or architectural screening.
4. Parking is allowed between or adjacent to structures only when it is located toward the rear of the cottage and is served by an alley or private driveway.
5. Off-street parking requirements shall be calculated based on the number of bedrooms per cottage unit:
 - 1 - bedroom: Minimum 1 space
 - 2 - bedroom: Minimum 1.5 spaces
 - 3 or more bedrooms: Minimum 2 spaces
6. All parking shall provide a minimum of 24 feet for maneuvering and backing movements from garages, carports and/or parking areas.

L. Frontage Requirements. Individual cottage lots created as part of a CHD subdivision are not required to have frontage on a public or private street. However, the Development parcel shall have the minimum frontage on a public or private street as required by the underlying zone

M. Public Utilities. All lots shall be served by individual services from a private or public distribution main. Any deviations from City standards need to be approved by the City Engineer. All individual service lines that cross property shall be placed in an easement.

N. Covenants, Conditions and Restrictions

Subsequent to final plat approval but prior to issuance of a building permit for any structure in a Cottage Housing Development, set of conditions, covenants and restrictions (CC&Rs) for the Cottage Housing Development shall be reviewed and, if approved by the City, recorded with Deschutes County. The CC&Rs must create a homeowner's association that will provide for maintenance of all common areas in the Cottage Housing Development.