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## CITY OF OREGON CITY CITY COMMISSION WORK SESSION AGENDA

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Hanlon Commission Chambers, Libke Public Safety Facility, 1234 Linn Ave, Oregon City  
Wednesday, April 1, 2026 at 6:00 PM

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*Typically there are no public comments at work sessions, but written comments are accepted by:*

- Email [recorderteam@orcity.org](mailto:recorderteam@orcity.org) (deadline to submit written testimony via email is 3:00 PM on the day of the meeting)
- Mail to City of Oregon City, Attn: City Recorder, P.O. Box 3040, Oregon City, OR 97045
- You may also attend this meeting by watching the livestream on the City's YouTube Channel:

<https://www.youtube.com/user/CityofOregonCity>

### **1. CONVENE MEETING AND ROLL CALL**

### **2. GENERAL BUSINESS**

- a. Compatible Change: New Construction Review in Historic Districts- HRB Policy 13 and OCMC 17.40 Code Review
- b. Housing Capacity Analysis Kick-off

### **3. ADJOURNMENT**

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#### **ADA NOTICE**

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The location is ADA accessible. Hearing devices may be requested from the City Recorder prior to the meeting. Individuals requiring other assistance must make their request known 48 hours preceding the meeting by contacting the City Recorder's Office at 503-657-0891.

Agenda Posted at City Hall, Pioneer Community Center, Library, City Website.

**Video Streaming & Broadcasts:** The meeting is streamed live on the [Oregon City's website](#) and available on demand following the meeting. The meeting can be viewed on Willamette Falls Television channel 28 for Oregon City area residents as a rebroadcast. Please contact WFMC at 503-650-0275 for a programming schedule.



# CITY OF OREGON CITY

625 Center Street  
Oregon City, OR 97045  
503-657-0891

## Staff Report

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**To:** City Commission **Agenda Date:** April 1, 2026  
**From:** Christina Robertson-Gardiner, Senior Planner

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### **SUBJECT:**

Item 2.a. - Compatible Change: New Construction Review in Historic Districts- HRB Policy 13 and OCMC 17.40 Code Review

### **STAFF RECOMMENDATION:**

Review the draft language to implement the Compatible Change project and direct staff to begin the Legislative Hearings process to revise OCMC 17.40 - Historic Overlay District and adopt the new HRB Policy 13.

### **EXECUTIVE SUMMARY:**

Last year, the Historic Review Board (HRB) discussed amending city regulations concerning alterations, additions, and new construction in the McLoughlin Conservation District (MCD). They presented their draft approach to the City Commission at the August 12, 2025, City Commission work session (see attached memo). The Commission instructed the HRB to proceed with developing a draft code that adjusts the trigger for HRB review of new construction in the McLoughlin Conservation District and to establish a new HRB policy that permits staff-level approval of small detached dwellings on non-designated resources within the district. The Historic Review Board will be sharing its draft implementation documents at tonight's meeting.

The District, a subset of the larger McLoughlin Neighborhood, was first designated in the 1980s when the code language was adopted. The code stipulates that any additions exceeding a specified square footage, as well as any new freestanding construction larger than a small garage, must receive approval through a public hearing by the Historic Review Board. The regulations intend to allow change but not lose any historic buildings.

This project was initiated in 2020 to address the perceived lack of specificity in the definition of NEW CONSTRUCTION, which triggers the Historic Review Board District's review of projects in the McLoughlin Conservation District. However, the project was put on hold in 2022 due to a staff changeover. In 2024, the Historic Review Board restarted the project as part of their 2023-2025 work plan. Reviews of exterior alterations and additions to locally designated buildings are not included in this project and will not be affected by it. This project solely examines when changes to non-designated, non-historic resources necessitate review and potentially exempt small stand-alone dwellings.

### **Summary of Proposed Changes**

1. Look-back provision of 2 years to ensure work is not done just after completing a new construction project without Historic Review.

2. Alterations that increase or decrease roof height trigger HRB review.
3. Cap of 30% addition calculation of 700 SF for larger buildings.
4. Utilize the existing code definition of footprint to provide direction on how to measure additions.
5. Ground-floor decks are exempt from the 30% additional calculation.
6. Upper-story decks of 50 SF are exempt from the 30% increase; second-floor decks larger than 50 SF are included in the 30% increase clarification.
7. New small freestanding dwelling units with a footprint not to exceed 550 SF and a height not to exceed 15' are allowed as a Type I staff review and must meet a New HRB policy #13.
8. New freestanding accessory buildings (non-habitable) may have a footprint not to exceed 310 SF and a height not to exceed 15'.

The HRB discussion focused on finding a balanced design that offers flexibility for accessibility and feasibility. It adopts a middle-ground strategy, aiming to provide housing options and allowing residents committed to preservation to have suitable designs, thereby minimizing public opposition to new developments in a neighborhood that values preservation.

**BACKGROUND:**

Background information can be found on the [Compatible Change Project Page](#)

**OPTIONS:**

Provide staff and HRB feedback on the requested items

**BUDGET IMPACT:**

# OREGON CITY HISTORIC REVIEW BOARD POLICIES

## HISTORIC REVIEW BOARD POLICY #13: *Construction Of Small Detached Dwelling Units on Non-Designated Resources* *A Guide for Property Owners*

### ABOUT THE HISTORIC REVIEW BOARD POLICIES

The City has adopted protections for locally designated properties to ensure these historic buildings maintain their integrity.

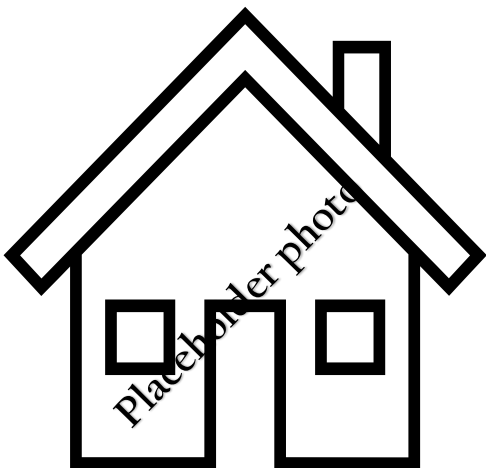
The Historic Review Board (HRB) adopted these to provide clear direction to property owners for smaller projects that will not adversely affect the historic resource or district. Most HRB policies are directed toward designated resources. This policy, however, covers stand-alone new construction on non-designated resources in the McLoughlin Conservation District.

*Please Note:* New detached dwelling units that are located on locally designated resources will require formal review from the HRB; however, those property owners are encouraged to review the requirements of Policy 13 as they design their project.

### HRB POLICY #13: CONSTRUCTION OF SMALL DETACHED DWELLING UNITS ON NON-DESIGNATED RESOURCES

Detached dwelling units on non-designated resources can provide additional housing opportunities for our community and do not require a hearing from the Historic Review Board if the following standards are met. Policy 13 was written to support a compatible design that would easily blend in with the predominant architectural styles of the district. **This policy applies to the construction of new detached dwelling units on non-designated resources.**

- Structures with a footprint of 550 square feet or smaller may be reviewed by staff. The criteria to be used by staff in making the decision shall be as follows:
- Be no higher than fifteen (15) feet (measured at the midpoint of the top of the peak to the bottom of the eaves)
- Utilize lap or channel siding (wood or composite) with a reveal of four (4) to six (6) inches
- No pressure-treated or unfinished materials shall be visible.
- Roofs shall be gable-designed with a 6/12 to 10/12 roof slope with 3-tab or architectural shingles. Flush-mounted skylights located on a non-primary elevation are allowed.
- All dwellings shall have a gabled, shed, or hip roof front porch with a depth of three (3) to six (6) feet. For the purposes of this policy, covered porches (front and back) are considered part of the building footprint.
- Gable or shed dormers are permitted on both sides of the building if proposed. The total width of dormers cannot exceed 50% of the length of the wall plane they run parallel to. Dormers shall be located one (1) foot back from the exterior wall of the floor and three (3) feet back from the edge of the roof plane, with no part of the dormer extending above the ridgeline. Shed dormers must use a minimum 3/12 roof pitch, and gable dormers shall match the pitch of the main roof..



- Porch and deck railings shall use vertical balusters and top and bottom rails if utilized. The baluster attachment shall be positioned between the rails, not attached to the side of the rail. Composite material (e.g., Trex, Timbertech, Azek) is allowed. Aluminum rails on porches and decks are not permitted. Deck or porch materials made from 100% vinyl are not permitted. No exterior stairs to upper floors are allowed.
- There shall be a minimum of thirty percent (30%) of the lineal length of the ground floor windows on the front elevation. There shall be a minimum of twenty percent (20%) of the lineal length of the ground floor windows on side elevations. Qualifying windows shall be placed at pedestrian height.
- Windows shall be painted wood, fiberglass, metal, or a composite of several materials. Vinyl composites are allowed, but 100% vinyl windows are not allowed. Allowed window operation types include single- or double-hung, casement, fixed, hopper, or awning; Sliding windows or sliding doors are not allowed. If the applicant desires the look of divided lights, simulated divided lights must use a dimensional exterior grid (at least ¼” thick from face of glazing) plus a window spacer grid (between the panes of an insulated glass unit). Simulated divided lights using a window spacer grid are not allowed.
- Windows will be finished with exterior trim (casing) of at least 3.5” wide on at least three sides (head and jambs) that projects outward from the wall by at least 3/8” more than the face of the window frame/sash at the jamb. Windows will be installed with a sloped, exterior sill that projects outward from the wall by at least ½” more than the outer face of the exterior trim/casing. The width of the sill must lap beyond the casing width on both sides of the window by ½” minimum.
- Exterior doors shall be wood, fiberglass, or a composite of several materials. Full-lite, half-lite, and bungalow-style panel doors are recommended. Oval glass and half-circle glass paneled doors are not allowed.
- The structure shall be placed a minimum of three (3) feet from any interior lot line as per OCMC Section 17.54.010- Accessory Structure Standards and shall be separated from the main dwelling unit by five (5) feet.

Any structure that does not meet this standard shall be referred to and submitted to the HRB for review and decision

## WHAT DOES THIS MEAN FOR YOU?

- If the detached dwelling unit meets the HRB policy, it is reviewed at the staff level with no application fee.
- If the detached dwelling unit does not follow these policies or is over 550 sq ft, then it must be referred or submitted to the HRB for review and decision, which requires a fee of \$50 plus 2.5% of construction cost, with a maximum cost of \$1,000.
- The HRB can approve exceptions to minimum setbacks as a preservation incentive. Contact Planning staff to learn more about preservation incentives.
- Verify there are no easements in the location where the proposed accessory structure will be built, as well as overlay zones such as the Natural Resource Overlay District, Flood Management Overlay, and Geologic Hazards Overlay. This can be verified on [www.maps.oregoncity.org](http://www.maps.oregoncity.org) or by contacting the Planning Department.
- Detached dwelling units will require a building permit. Check with the Building Department. Contact ([permits@oregoncity.org](mailto:permits@oregoncity.org)) or (503) 722-3789 regarding building code requirements, including plumbing, electrical, or mechanical equipment permit requirements.

Further information about the HRB and HRB Policies can be found at:  
[www.oregoncity.org/planning/hrb-policies](http://www.oregoncity.org/planning/hrb-policies)

If you have any questions about the City’s Preservation Program or if your property is locally designated, please contact:  
Oregon City Preservation Program Phone: 503-722-3789

[ocplanning@oregoncity.org](mailto:ocplanning@oregoncity.org)

City of Oregon City  
Planning Division  
698 Warner Parrott Rd  
Oregon City, OR 97045  
503.722.3789  
[www.oregoncity.org/planning](http://www.oregoncity.org/planning)



The activity that is the subject of this guide has been financed in part with Federal funds from the National Park Service, U.S. Department of the Interior. However, the contents and opinions do not necessarily reflect the views or policies of the Department of the Interior, nor does the mention of trade names or commercial products constitute endorsement or recommendation by the Department of the Interior.

# OREGON CITY HISTORIC REVIEW BOARD POLICIES

## HISTORIC REVIEW BOARD POLICY #7:

### *Construction of Accessory Structures on Designated and Non-Designated Properties A Guide for Property Owners*



#### ABOUT THE HISTORIC REVIEW BOARD POLICIES

The City has adopted protections for locally designated properties to ensure these historic buildings maintain their integrity.

The Historic Review Board (HRB) adopted policies for minor alterations to historic structures that can be done without formal Board review. Most HRB policies are directed toward designated resources. This policy, however, also covers stand-alone new construction on non-designated resources in the McLoughlin Conservation District.

Locally designated properties are subject to HRB Policies. This includes designated structures in McLoughlin Conservation District, all structures in Canemah National Register District, and landmarks outside of districts. To see if a property is designated, visit [www.orcity.org/maps/historic-resources](http://www.orcity.org/maps/historic-resources).

#### HRB POLICY #7: CONSTRUCTION OF ACCESSORY STRUCTURES

Accessory structures include sheds, detached garages, carports, and other standalone buildings on the same property as a primary structure. This policy applies to the construction of new accessory structures on all designated resources and on non-designated resources in the McLoughlin Conservation District sized between 200 and 310 square feet. Accessory structures that are 200 square feet or smaller on designated resources and 310 square feet or smaller on non-designated resources in the McLoughlin Conservation District shall be reviewed by staff. The criteria to be used by staff in making the decision shall be as follows:

- The building/structure exterior materials shall match the primary resource structure;
- Be no higher than fifteen (15) feet (measured at the midpoint of the top of the peak to the bottom of the eaves)
- The roofing exterior materials shall match the material on the historic/primary resource structure;
- The accessory structure shall be painted to match the historic/primary resource.
- The structure shall be placed a minimum of three (3) feet from any interior lot line as per OCMC Section 17.54.010-Accessory Structure Standards.

## WHAT DOES THIS MEAN FOR YOU?

Any structure that does not meet this standard shall be referred to or submitted to the HRB for review and Decision.

- If the accessory structure meets the HRB policy, it is reviewed at the staff level with no application fee.
- If the accessory structure does not follow these policies or is over 200 sq ft (designated resources) or 310 sq ft (non- designated resources) or over 15 feet tall, then it must be referred or submitted to the HRB for review and decision, which requires a fee of \$50 plus 2.5% of construction cost, with a maximum cost of \$1,000.
- The HRB can approve exceptions to minimum setbacks as a preservation incentive. Contact Planning staff to learn more about preservation incentives.
- Verify there are no easements in the location where the proposed accessory structure will be built, as well as overlay zones such as the Natural Resource Overlay District, Flood Management Overlay, and Geologic Hazards Overlay. This can be verified on [www.maps. ORCity.org](http://www.maps. ORCity.org) or by contacting the Planning Department.
- If the accessory structure's wall is over 10 feet in height or if the structure is over 200 sq ft., it will require a building permit. Check with the Building Department regarding building code requirements, including plumbing, electrical, or mechanical equipment permit requirements.



## PROHIBITED ACCESSORY STRUCTURES ON LOCALLY DESIGNATED PROPERTIES AND IN HISTORIC DISTRICTS

### Metal Structure



### Cargo container



### Membrane or fabric covered storage area



Further information about the HRB and HRB Policies can be found at: [www.oregoncity.org/planning/hrb-policies](http://www.oregoncity.org/planning/hrb-policies)

If you have any questions about the City's Preservation Program or if your property is locally designated, please contact:  
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## Chapter 17.40 HISTORIC OVERLAY DISTRICT<sup>1</sup>

### 17.40.010 Purpose.

It is declared as a matter of public policy that the protection, enhancement, perpetuation and use of improvements of special character or special historical or aesthetic interest or value is a public necessity and is required in the interest of the health, prosperity, safety and welfare of the people. The purpose of this chapter is to:

- A. Effect and accomplish the protection, enhancement and perpetuation of such improvements and of districts which represent or reflect elements of the city's cultural, social, economic, political and architectural history;
- B. Safeguard the city's historic, aesthetic and cultural heritage as embodied and reflected in such improvements and districts;
- C. Complement any National Register Historic districts designated in the city;
- D. Stabilize and improve property values in such districts;
- E. Foster civic pride in the beauty and noble accomplishments of the past;
- F. Protect and enhance the city's attractions to tourists and visitors and the support and stimulus to business and industry thereby provided;
- G. Strengthen the economy of the city;
- H. Promote the use of historic districts and landmarks for the education, pleasure, energy conservation, housing and public welfare of the city; and
- I. Carry out the provisions of LCDC Goal 5.

(Ord. No. 08-1014, §§ 1—3(Exhs. 1—3), 7-1-2009; Ord. No. 10-1003, § 1(Exh. 1), 7-7-2010)

### 17.40.030 Designated.

- A. The historic overlay district shall apply to the following:
  1. Historic districts, upon designation in accordance with this section;
  2. Conservation districts designated in accordance with this section;
  3. Landmarks as designated by this section; and
  4. Historic corridors designated in accordance with this section.

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<sup>1</sup>Editor's note(s)—Ord. No. 08-1014, adopted July 1, 2009, repealed Chapter 17.40 in its entirety and enacted new provisions to read as herein set out. Prior to amendment, Chapter 17.40 pertained to similar subject matter. See Ordinance Disposition List for derivation.

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- B. The boundaries of the historic districts, the boundaries of conservation districts, historic corridors, the location of buildings and structures in conservation districts and the location of landmarks shall be designated on a special city zoning map or maps.
  - C. The following are designated within the historic overlay district:
    - 1. The Canemah Historic District; the minimum boundaries of which are those designated by the United States Department of the Interior on the National Register of Historic Places as indicated in the city comprehensive plan.
    - 2. The McLoughlin Conservation District; the surveyed buildings indicated by map in the comprehensive plan shall constitute the designated structures in the McLoughlin Conservation District, along with any structures designated through the Historic Review Board designation process since initial adoption of the comprehensive plan on March 13, 1980.
    - 3. The Oregon Trail-Barlow Road Historic Corridor: properties identified in the 1993 Barlow Road Historic Corridor inventory of the Barlow Road by Clackamas County.
    - 4. Designations undertaken pursuant to Section 17.40.050. The established historic overlay district shall allow for the designation of two types of districts so that areas with a high concentration of historic structures are designated historic districts and areas with a lower concentration are designated conservation districts. Also allowed is the designation of structures of historic or architectural significance not located in an historic or conservation district as landmarks.

(Ord. No. 08-1014, §§ 1—3(Exhs. 1—3), 7-1-2009; Ord. No. 10-1003, § 1(Exh. 1), 7-7-2010)

#### **17.40.040 Citizen involvement.**

- A. The planning department shall be authorized to incur expenses in holding public workshops in the historic districts and conservation districts, distribute written information, show slides and answer questions on remodeling and rehabilitation of older buildings, and to educate the public in the need to comply with state and federal laws protecting or encouraging protection of antiquities and other related matters concerning historic preservation.
- B. Citizens making applications for district or landmark designations or for exterior alterations or new construction in an historic or conservation district, and historic corridor or on a landmark site may consult with and receive advice from the planning department staff concerning their applications.

(Ord. No. 08-1014, §§ 1—3(Exhs. 1—3), 7-1-2009; Ord. No. 10-1003, § 1(Exh. 1), 7-7-2010)

#### **17.40.050 Designation procedure—Application—Review.**

- A. Institution of Proceedings. The city commission, the planning commission, the historic review board, a recognized neighborhood group or any interested person may initiate the proceedings for designation of an historic or conservation district, landmark, or historic corridor as follows:
  - 1. The city commission or the historic review board may initiate designation proceedings by sending a written proposal or application to the planning staff. Such proposal is not subject to any minimal information requirements other than a description of the boundaries of the area to be designated.
  - 2. Any interested person or recognized neighborhood group may start designation proceedings by sending a written application to the planning staff.

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- B. Application Information. The planning staff may specify the information required in an application and may from time to time change the content of that information, but at all times the planning staff shall require the following information:
1. The applicant's name and address;
  2. The owner's name and address, if different from the applicant;
  3. A description of the boundaries of the proposed district or a description of the proposed landmark;
  4. A map illustrating the boundaries of the proposed district or the location of the proposed landmark;
  5. A statement explaining the following:
    - a. The reasons why the proposed district or landmark should be designated,
    - b. The reason why the boundaries of the proposed district are adequate and suitable for designation,
    - c. The positive and negative effects, if any, which designation of the proposed district or landmark would have on the residents or other property owners of the area.
- C. The planning staff shall deliver a proposal or an application for the designation to the historic review board within thirty days after the day on which a proposal or application is received. The historic review board shall review the proposal on the application and prepare a written recommendation or decision approving or rejecting the proposed designation.
- D. In preparing the recommendation or decision, the historic review board shall limit its review to:
1. Whether the proposed district or landmark would serve the purpose of the historic overlay district as stated in Section 17.40.010; and
  2. Conformity with the purposes of the city comprehensive plan.
- E. City Commission Review of District.
1. The historic review board shall deliver a copy of its recommendation to the city commission within thirty days.
  2. The city commission shall hold a public hearing pursuant to procedures contained in Chapter 17.68.
  3. After the hearing, the city commission may engage in one of the following actions:
    - a. Refuse to designate the proposed district; or
    - b. Designate the proposed district by a duly enacted ordinance; or
    - c. Remand the matter to the historic review board for additional consideration of a specific matter or matters.
  4. The city commission may limit itself to the proposed district, and as so modified, approve it. Enlargement of the proposed district shall require additional notice and public hearing. The commission may hold such hearing or hearings.
  5. The approval or disapproval of the designation by the city commission shall be in writing and shall state the reasons for approval or disapproval.
  6. Amendment or Rescission. The district designation may be amended or rescinded after the board and city commission have utilized the same procedures required by this title for establishment of the designation. The board shall give priority to designation of potential districts and landmarks indicated in the city comprehensive plan.

~~**17.40.060 Exterior alteration and new construction.**~~

- ~~A. Except as provided pursuant to subsection I of this section, no person shall alter any historic site in such a manner as to affect its exterior appearance, nor shall there be any new construction in an historic district, conservation district, historic corridor, or on a landmark site, unless a certificate of appropriateness has previously been issued by the historic review board. Any building addition that is thirty percent or more in area of the historic building (be it individual or cumulative) shall be considered new construction in a district. Further, no major public improvements shall be made in the district unless approved by the board and given a certificate of appropriateness.~~
- ~~B. Application for such a certificate shall be made to the planning staff and shall be referred to the historic review board. The application shall be in such form and detail as the board prescribes.~~

**17.40.53 Historic Design Review Required**

All development within the historic district overlay is subject to review pursuant to the following decision-making procedures:

- A. No review is required to proceed with ordinary maintenance or repair of any exterior architectural features, including painting and color selection, which does not involve a change in design, material or the outward appearance of such feature which the building official shall certify is required for the public safety because of its unsafe or dangerous condition.
- B. Canemah National Register District or locally designated resources.
1. Exterior alterations, additions, and new, larger than 200 square foot free-standing structures within a National Register District or a locally designated historic site/resource shall be subject to a Type III review procedure except:
    - i. An alteration, addition or new structure that is otherwise regulated through one or more adopted historic review board policies shall occur through a Type I procedure.
- C. McLoughlin Conservation District that are not locally designated.
1. Exterior alterations, additions and new, larger than 200 square foot free-standing structures within the McLoughlin Conservation District that are not otherwise locally designated shall be subject to a Type III review procedure except:
    - i. An alteration, addition or new structure that is otherwise regulated through one or more adopted historic review board policies shall occur through a Type I procedure.
    - ii. Alterations or additions that elevate or reduce the overall roof line of an existing building by less than four inches or where the roofline of any portion of the addition is less than the pre-existing roof structure (ridge line or parapet edge), as determined two years before the application date;
    - iii. Alterations or additions of less than 30% of the original structure's size, as determined two years before the application date, or a maximum addition of less than 700 square feet, whichever is smaller. The size of the original structure and the proposed addition shall be measured by their footprint area as defined by OCMC 17.04.483.
      1. New decks that are accessed from the ground floor of an existing building are not counted as part of the 30% additional area unless the deck has a roof supported by posts.

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2. New decks or balconies accessed from an upper level larger than 50 square feet, whether covered or uncovered are counted as part of the 30% additional area.

iv. Notwithstanding the exceptions in subsection ii and iii, Type III review shall be required for any alteration of or addition to a new structure within the two-year period following the date of issuance of the certificate of appropriateness for the new structure.

### 17.40.55 Historic Review Board Policies

1. Some limited types of alterations to historic structures and new construction can be allowed through the administrative Type I review procedure if they are consistent with city commission adopted historic review board policies.

2. The historic review board policies may be adopted or amended by the city commission by resolution following a recommendation by the historic review board along with a public hearing that includes notice to affected property owners.

3. Historic review board policies shall be clear and objective, carrying out the city's comprehensive plan.

### 17.40.57 Historic Design Review Application - Archeological Monitoring

#### **Recommendation. For**

~~all~~In addition to the procedures set forth in OCMC 17.50, for all Type III projects that will involve ground disturbance, the applicant shall provide:

1. A letter or email from the Oregon State Historic Preservation Office Archeological Division indicating the level of recommended archeological monitoring on-site, or demonstrate that the applicant had notified the Oregon State Historic Preservation Office and that the Oregon State Historic Preservation Office had not commented within forty-five days of notification by the applicant; and
2. A letter or email from the applicable tribal cultural resource representative of the Confederated Tribes of the Grand Ronde, Confederated Tribes of the Siletz, Confederated Tribes of the Umatilla, Confederated Tribes of the Warm Springs and the Confederated Tribes of the Yakama Nation indicating the level of recommended archeological monitoring on-site, or demonstrate that the applicant had notified the applicable tribal cultural resource representative and that the applicable tribal cultural resource representative had not commented within forty-five days of notification by the applicant.

If, after forty-five days' notice from the applicant, the Oregon State Historic Preservation Office or the applicable tribal cultural resource representative fails to provide comment, the city will not require the letter or email as part of the completeness review. For the purpose of this section, ground disturbance is defined as the movement of native soils.

### 17.40.060 Historic Design Review Criteria

~~D. The historic review board, after notice and public hearing held pursuant to Chapter 17.50, shall approve the issuance, approve the issuance with conditions or disapprove issuance of the certificate of appropriateness.~~

~~E. The following exterior alterations to historic sites shall be subject to administrative approval:~~

- ~~1. Work that conforms to the Adopted Historic Review Board Policies. The historic review board policies may be adopted or amended through adoption of a resolution by the city commission, following a public hearing and recommendation by the historic review board. Such policies shall be clear and objective and shall carry out the city's comprehensive plan, especially those elements relating to historic preservation.~~

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**F.A.** For exterior alterations of historic sites in an historic district or conservation district or individual landmark, the criteria to be used by the board in reaching its decision on the certificate of appropriateness shall be:

1. The purpose of the historic overlay district as set forth in Section 17.40.010;
2. The provisions of the city comprehensive plan;
3. The economic use of the historic site and the reasonableness of the proposed alteration and their relationship to the public interest in the structure's or landmark's preservation or renovation;
4. The value and significance of the historic site;
5. The physical condition of the historic site;
6. The general compatibility of exterior design, arrangement, proportion, detail, scale, color, texture and materials proposed to be used with the historic site;
7. Pertinent aesthetic factors as designated by the board;
8. Economic, social, environmental and energy consequences; and
9. Design guidelines adopted by the historic review board.

**G.B.** For construction of new structures in an historic or conservation district, or on an historic site, the criteria to be used by the board in reaching its decision on the certificate of appropriateness shall include the following:

1. The purpose of the historic conservation district as set forth in Section 17.40.010;
2. The provisions of the city comprehensive plan;
3. The economic effect of the new proposed structure on the historic value of the district or historic site;
4. The effect of the proposed new structure on the historic value of the district or historic site;
5. The general compatibility of the exterior design, arrangement, proportion, detail, scale, color, texture and materials proposed to be used in the construction of the new building or structure;
6. Economic, social, environmental and energy consequences;
7. Design guidelines adopted by the historic review board.

**H.C.** For construction of new structures in an historic corridor, the criteria to be used by the board in reaching its decision on the certificate of appropriateness shall include the following:

1. The purpose of the historic overlay district as set forth in Section 17.40.010;
2. The policies of the city comprehensive plan;
3. The impact on visible evidence of the trail;
4. The impact on archaeological evidence when there exists documented knowledge of archeological resources on the property;
5. The visual impact of new construction within the historic corridor; and
6. The general compatibility of the site design and location of the new construction with the historic corridor considering the standards of subsection G of this section.

**H.D.** The following standards apply to development within historic corridors:

1. Within the Oregon Trail-Barlow Road historic corridor, a minimum of a thirty-foot wide-open visual corridor shall be maintained and shall follow the actual route of the Oregon Trail, if known. If the actual route is unknown, the open visual corridor shall connect within the open visual corridor on adjacent property.

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2. No new building or sign construction shall be permitted within required open visual corridors. Landscaping, parking, streets, driveways are permitted within required open visual corridors.

~~J. In rendering its decision, the board's decision shall be in writing and shall specify in detail the basis therefore.~~

- ~~K. Nothing in this section shall be construed to prevent the ordinary maintenance or repair of any exterior architectural features which does not involve a change in design, material or the outward appearance of such feature which the building official shall certify is required for the public safety because of its unsafe or dangerous condition.~~

~~(Ord. No. 08-1014, §§ 1—3(Exhs. 1—3), 7-1-2009; Ord. No. 10-1003, § 1(Exh. 1), 7-7-2010; Ord. No. 19-1009, § 1(Exh. A), 10-16-2019)~~

#### **17.40.065 Historic preservation incentives.**

- A. Purpose. Historic preservation incentives increase the potential for historically designated properties to be used, protected, renovated, and preserved. Incentives make preservation more attractive to owners of locally designated structures because they provide flexibility and economic opportunities.
- B. Eligibility for Historic Preservation Incentives. All exterior alterations of designated structures and new construction in historic and conservation districts are eligible for historic preservation incentives if the exterior alteration or new construction has received a certificate of appropriateness from the Historic Review Board per OCMC 17.50.110(c).
- C. Incentives Allowed. The dimensional standards of the underlying zone as well as for accessory buildings (OCMC 17.54.100) may be adjusted to allow for compatible development if the expansion or new construction is approved through historic design review.
- D. Process. The applicant must request the incentive at the time of application to the Historic Review Board.

(Ord. No. 08-1014, §§ 1—3(Exhs. 1—3), 7-1-2009; Ord. No. 10-1003, § 1(Exh. 1), 7-7-2010)

#### **17.40.070 Demolition and moving.**

- A. If an application is made for a building or moving permit to demolish or move all or part of a structure which is a landmark or which is located in a conservation district or an historic district, the building inspector shall, within seven days, transmit to the historic review board a copy of the transaction.
- B. The historic review board shall hold a public hearing within forty-five days of application pursuant to the procedures in Chapter 17.50.
- C. In determining the appropriateness of the demolition or moving as proposed in an application for a building or moving permit, the board shall consider the following:
  1. All plans, drawings and photographs as may be submitted by the applicant;
  2. Information presented to a public hearing held concerning the proposed work;
  3. The city comprehensive plan;
  4. The purpose of this section as set forth in Section 17.40.010;
  5. The criteria used in the original designation of the landmark or district in which the property under consideration is situated;

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6. The historical and architectural style, the general design, arrangement, materials of the structure in question or its fixtures; the relationship of such features to similar features of the other buildings within the district and the position of the building or structure in relation to public rights-of-way and to other buildings and structures in the area;
  7. The effects of the proposed work upon the protection, enhancement, perpetuation and use of the district, which cause it to possess a special character or special historic or aesthetic interest or value;
  8. Whether denial of the permit will involve substantial hardship to the applicant, and whether issuance of the permit would act to the substantial detriment of the public welfare and would be contrary to the intent and purposes of this section;
  9. The economic, social, environmental and energy consequences.
- D. The failure of the applicant to provide the information required by Subsection C.1.—9. shall be grounds for deeming the application incomplete.
  - E. The board may approve or deny the demolition or moving request after considering the criteria contained in Section 17.40.070C. Action by the board approving or denying the issuance of a permit for demolition or moving may be appealed to the city commission by any aggrieved party, by filing a notice of appeal, in the same manner as provided in Section 17.50 for appeals. If no appeal of a demolition permit is filed, the building official shall issue the permit in compliance with all other codes and ordinances of the city.
  - F. In any case where the city commission has ordered the removal or demolition of any structure determined to be dangerous to life, health or property, nothing contained in this title shall be construed as making it unlawful for any person, without prior approval of the historic review board, pursuant to this title, to comply with such order.

(Ord. No. 08-1014, §§ 1—3(Exhs. 1—3), 7-1-2009; Ord. No. 10-1003, § 1(Exh. 1), 7-7-2010)



## Chapter 17.40 HISTORIC OVERLAY DISTRICT<sup>1</sup>

### 17.40.010 Purpose.

It is declared as a matter of public policy that the protection, enhancement, perpetuation and use of improvements of special character or special historical or aesthetic interest or value is a public necessity and is required in the interest of the health, prosperity, safety and welfare of the people. The purpose of this chapter is to:

- A. Effect and accomplish the protection, enhancement and perpetuation of such improvements and of districts which represent or reflect elements of the city's cultural, social, economic, political and architectural history;
- B. Safeguard the city's historic, aesthetic and cultural heritage as embodied and reflected in such improvements and districts;
- C. Complement any National Register Historic districts designated in the city;
- D. Stabilize and improve property values in such districts;
- E. Foster civic pride in the beauty and noble accomplishments of the past;
- F. Protect and enhance the city's attractions to tourists and visitors and the support and stimulus to business and industry thereby provided;
- G. Strengthen the economy of the city;
- H. Promote the use of historic districts and landmarks for the education, pleasure, energy conservation, housing and public welfare of the city; and
- I. Carry out the provisions of LCDC Goal 5.

(Ord. No. 08-1014, §§ 1—3(Exhs. 1—3), 7-1-2009; Ord. No. 10-1003, § 1(Exh. 1), 7-7-2010)

### 17.40.030 Designated.

- A. The historic overlay district shall apply to the following:
  1. Historic districts, upon designation in accordance with this section;
  2. Conservation districts designated in accordance with this section;
  3. Landmarks as designated by this section; and
  4. Historic corridors designated in accordance with this section.

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<sup>1</sup>Editor's note(s)—Ord. No. 08-1014, adopted July 1, 2009, repealed Chapter 17.40 in its entirety and enacted new provisions to read as herein set out. Prior to amendment, Chapter 17.40 pertained to similar subject matter. See Ordinance Disposition List for derivation.

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- B. The boundaries of the historic districts, the boundaries of conservation districts, historic corridors, the location of buildings and structures in conservation districts and the location of landmarks shall be designated on a special city zoning map or maps.
  - C. The following are designated within the historic overlay district:
    - 1. The Canemah Historic District; the minimum boundaries of which are those designated by the United States Department of the Interior on the National Register of Historic Places as indicated in the city comprehensive plan.
    - 2. The McLoughlin Conservation District; the surveyed buildings indicated by map in the comprehensive plan shall constitute the designated structures in the McLoughlin Conservation District, along with any structures designated through the Historic Review Board designation process since initial adoption of the comprehensive plan on March 13, 1980.
    - 3. The Oregon Trail-Barlow Road Historic Corridor: properties identified in the 1993 Barlow Road Historic Corridor inventory of the Barlow Road by Clackamas County.
    - 4. Designations undertaken pursuant to Section 17.40.050. The established historic overlay district shall allow for the designation of two types of districts so that areas with a high concentration of historic structures are designated historic districts and areas with a lower concentration are designated conservation districts. Also allowed is the designation of structures of historic or architectural significance not located in an historic or conservation district as landmarks.

(Ord. No. 08-1014, §§ 1—3(Exhs. 1—3), 7-1-2009; Ord. No. 10-1003, § 1(Exh. 1), 7-7-2010)

#### **17.40.040 Citizen involvement.**

- A. The planning department shall be authorized to incur expenses in holding public workshops in the historic districts and conservation districts, distribute written information, show slides and answer questions on remodeling and rehabilitation of older buildings, and to educate the public in the need to comply with state and federal laws protecting or encouraging protection of antiquities and other related matters concerning historic preservation.
- B. Citizens making applications for district or landmark designations or for exterior alterations or new construction in an historic or conservation district, and historic corridor or on a landmark site may consult with and receive advice from the planning department staff concerning their applications.

(Ord. No. 08-1014, §§ 1—3(Exhs. 1—3), 7-1-2009; Ord. No. 10-1003, § 1(Exh. 1), 7-7-2010)

#### **17.40.050 Designation procedure—Application—Review.**

- A. Institution of Proceedings. The city commission, the planning commission, the historic review board, a recognized neighborhood group or any interested person may initiate the proceedings for designation of an historic or conservation district, landmark, or historic corridor as follows:
  - 1. The city commission or the historic review board may initiate designation proceedings by sending a written proposal or application to the planning staff. Such proposal is not subject to any minimal information requirements other than a description of the boundaries of the area to be designated.
  - 2. Any interested person or recognized neighborhood group may start designation proceedings by sending a written application to the planning staff.

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- B. Application Information. The planning staff may specify the information required in an application and may from time to time change the content of that information, but at all times the planning staff shall require the following information:
1. The applicant's name and address;
  2. The owner's name and address, if different from the applicant;
  3. A description of the boundaries of the proposed district or a description of the proposed landmark;
  4. A map illustrating the boundaries of the proposed district or the location of the proposed landmark;
  5. A statement explaining the following:
    - a. The reasons why the proposed district or landmark should be designated,
    - b. The reason why the boundaries of the proposed district are adequate and suitable for designation,
    - c. The positive and negative effects, if any, which designation of the proposed district or landmark would have on the residents or other property owners of the area.
- C. The planning staff shall deliver a proposal or an application for the designation to the historic review board within thirty days after the day on which a proposal or application is received. The historic review board shall review the proposal on the application and prepare a written recommendation or decision approving or rejecting the proposed designation.
- D. In preparing the recommendation or decision, the historic review board shall limit its review to:
1. Whether the proposed district or landmark would serve the purpose of the historic overlay district as stated in Section 17.40.010; and
  2. Conformity with the purposes of the city comprehensive plan.
- E. City Commission Review of District.
1. The historic review board shall deliver a copy of its recommendation to the city commission within thirty days.
  2. The city commission shall hold a public hearing pursuant to procedures contained in Chapter 17.68.
  3. After the hearing, the city commission may engage in one of the following actions:
    - a. Refuse to designate the proposed district; or
    - b. Designate the proposed district by a duly enacted ordinance; or
    - c. Remand the matter to the historic review board for additional consideration of a specific matter or matters.
  4. The city commission may limit itself to the proposed district, and as so modified, approve it. Enlargement of the proposed district shall require additional notice and public hearing. The commission may hold such hearing or hearings.
  5. The approval or disapproval of the designation by the city commission shall be in writing and shall state the reasons for approval or disapproval.
  6. Amendment or Rescission. The district designation may be amended or rescinded after the board and city commission have utilized the same procedures required by this title for establishment of the designation. The board shall give priority to designation of potential districts and landmarks indicated in the city comprehensive plan.

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(Ord. No. 08-1014, §§ 1—3(Exhs. 1—3), 7-1-2009; Ord. No. 10-1003, § 1(Exh. 1), 7-7-2010)

### **17.40.53 Historic Design Review Required**

All development within the historic district overlay is subject to review pursuant to the following decision-making procedures:

- A. No review is required to proceed with ordinary maintenance or repair of any exterior architectural features, including painting and color selection, which does not involve a change in design, material or the outward appearance of such feature which the building official shall certify is required for the public safety because of its unsafe or dangerous condition.
- B. Canemah National Register District or locally designated resources.
  - 1. Exterior alterations, additions, and new, larger than 200 square foot free-standing structures within a National Register District or a locally designated historic site/resource shall be subject to a Type III review procedure except:
    - i. An alteration, addition or new structure that is otherwise regulated through one or more adopted historic review board policies shall occur through a Type I procedure.
- C. McLoughlin Conservation District that are not otherwise locally designated.
  - 1. Exterior alterations, additions and new, larger than 200 square foot free-standing structures within the McLoughlin Conservation District that are not otherwise locally designated shall be subject to a Type III review procedure except:
    - i. An alteration, addition or new structure that is otherwise regulated through one or more adopted historic review board policies shall occur through a Type I procedure.
    - ii. Alterations or additions that elevate or reduce the overall roof line of an existing building by less than four inches or where the roofline of any portion of the addition is less than the pre-existing roof structure (ridge line or parapet edge), as determined two years before the application date;
    - iii. Alterations or additions of less than 30% of the original structure's size, as determined two years before the application date, or a maximum addition of less than 700 square feet, whichever is smaller. The size of the original structure and the proposed addition shall be measured by their footprint area as defined by OCMC 17.04.483.
      - 1. New decks that are accessed from the ground floor of an existing building are not counted as part of the 30% additional area unless the deck has a roof supported by posts.
      - 2. New decks or balconies accessed from an upper level larger than 50 square feet, whether covered or uncovered are counted as part of the 30% additional area.
    - iv. Notwithstanding the exceptions in subsection ii and iii, Type III review shall be required for any alteration of or addition to a new structure within the two year period following the date of issuance of the certificate of appropriateness for the new structure.

### **17.40.55 Historic Review Board Policies**

- 1. Some limited types of alterations to historic structures and new construction can be allowed through the administrative Type I review procedure if they are consistent with city commission adopted historic review board policies.

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2. The historic review board policies may be adopted or amended by the city commission by resolution following a recommendation by the historic review board along with a public hearing that includes notice to affected property owners.
  3. Historic review board policies shall be clear and objective, carrying out the city's comprehensive plan.

#### **17.40.57 Historic Design Review Application - Archeological Monitoring Recommendation.**

In addition to the procedures set forth in OCMC 17.50, for all Type III projects that will involve ground disturbance, the applicant shall provide:

1. A letter or email from the Oregon State Historic Preservation Office Archeological Division indicating the level of recommended archeological monitoring on-site, or demonstrate that the applicant had notified the Oregon State Historic Preservation Office and that the Oregon State Historic Preservation Office had not commented within forty-five days of notification by the applicant; and
2. A letter or email from the applicable tribal cultural resource representative of the Confederated Tribes of the Grand Ronde, Confederated Tribes of the Siletz, Confederated Tribes of the Umatilla, Confederated Tribes of the Warm Springs and the Confederated Tribes of the Yakama Nation indicating the level of recommended archeological monitoring on-site, or demonstrate that the applicant had notified the applicable tribal cultural resource representative and that the applicable tribal cultural resource representative had not commented within forty-five days of notification by the applicant.

If, after forty-five days' notice from the applicant, the Oregon State Historic Preservation Office or the applicable tribal cultural resource representative fails to provide comment, the city will not require the letter or email as part of the completeness review. For the purpose of this section, ground disturbance is defined as the movement of native soils.

#### **17.40.060 Historic Design Review Criteria**

- A. For exterior alterations of historic sites in an historic district or conservation district or individual landmark, the criteria to be used by the board in reaching its decision on the certificate of appropriateness shall be:
  1. The purpose of the historic overlay district as set forth in Section 17.40.010;
  2. The provisions of the city comprehensive plan;
  3. The economic use of the historic site and the reasonableness of the proposed alteration and their relationship to the public interest in the structure's or landmark's preservation or renovation;
  4. The value and significance of the historic site;
  5. The physical condition of the historic site;
  6. The general compatibility of exterior design, arrangement, proportion, detail, scale, color, texture and materials proposed to be used with the historic site;
  7. Pertinent aesthetic factors as designated by the board;
  8. Economic, social, environmental and energy consequences; and
  9. Design guidelines adopted by the historic review board.
- B. For construction of new structures in an historic or conservation district, or on an historic site, the criteria to be used by the board in reaching its decision on the certificate of appropriateness shall include the following:
  1. The purpose of the historic conservation district as set forth in Section 17.40.010;
  2. The provisions of the city comprehensive plan;

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3. The economic effect of the new proposed structure on the historic value of the district or historic site;
  4. The effect of the proposed new structure on the historic value of the district or historic site;
  5. The general compatibility of the exterior design, arrangement, proportion, detail, scale, color, texture and materials proposed to be used in the construction of the new building or structure;
  6. Economic, social, environmental and energy consequences;
  7. Design guidelines adopted by the historic review board.
- C For construction of new structures in an historic corridor, the criteria to be used by the board in reaching its decision on the certificate of appropriateness shall include the following:
1. The purpose of the historic overlay district as set forth in Section 17.40.010;
  2. The policies of the city comprehensive plan;
  3. The impact on visible evidence of the trail;
  4. The impact on archaeological evidence when there exists documented knowledge of archeological resources on the property;
  5. The visual impact of new construction within the historic corridor; and
  6. The general compatibility of the site design and location of the new construction with the historic corridor considering the standards of subsection G of this section.
- D The following standards apply to development within historic corridors:
1. Within the Oregon Trail-Barlow Road historic corridor, a minimum of a thirty-foot wide-open visual corridor shall be maintained and shall follow the actual route of the Oregon Trail, if known. If the actual route is unknown, the open visual corridor shall connect within the open visual corridor on adjacent property.
  2. No new building or sign construction shall be permitted within required open visual corridors. Landscaping, parking, streets, driveways are permitted within required open visual corridors.

#### **17.40.065 Historic preservation incentives.**

- A. Purpose. Historic preservation incentives increase the potential for historically designated properties to be used, protected, renovated, and preserved. Incentives make preservation more attractive to owners of locally designated structures because they provide flexibility and economic opportunities.
  - B. Eligibility for Historic Preservation Incentives. All exterior alterations of designated structures and new construction in historic and conservation districts are eligible for historic preservation incentives if the exterior alteration or new construction has received a certificate of appropriateness from the Historic Review Board per OCMC 17.50.110(c).
  - C. Incentives Allowed. The dimensional standards of the underlying zone as well as for accessory buildings (OCMC 17.54.100) may be adjusted to allow for compatible development if the expansion or new construction is approved through historic design review.
  - D. Process. The applicant must request the incentive at the time of application to the Historic Review Board.
- (Ord. No. 08-1014, §§ 1—3(Exhs. 1—3), 7-1-2009; Ord. No. 10-1003, § 1(Exh. 1), 7-7-2010)

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### **17.40.070 Demolition and moving.**

- A. If an application is made for a building or moving permit to demolish or move all or part of a structure which is a landmark or which is located in a conservation district or an historic district, the building inspector shall, within seven days, transmit to the historic review board a copy of the transaction.
- B. The historic review board shall hold a public hearing within forty-five days of application pursuant to the procedures in Chapter 17.50.
- C. In determining the appropriateness of the demolition or moving as proposed in an application for a building or moving permit, the board shall consider the following:
  - 1. All plans, drawings and photographs as may be submitted by the applicant;
  - 2. Information presented to a public hearing held concerning the proposed work;
  - 3. The city comprehensive plan;
  - 4. The purpose of this section as set forth in Section 17.40.010;
  - 5. The criteria used in the original designation of the landmark or district in which the property under consideration is situated;
  - 6. The historical and architectural style, the general design, arrangement, materials of the structure in question or its fixtures; the relationship of such features to similar features of the other buildings within the district and the position of the building or structure in relation to public rights-of-way and to other buildings and structures in the area;
  - 7. The effects of the proposed work upon the protection, enhancement, perpetuation and use of the district, which cause it to possess a special character or special historic or aesthetic interest or value;
  - 8. Whether denial of the permit will involve substantial hardship to the applicant, and whether issuance of the permit would act to the substantial detriment of the public welfare and would be contrary to the intent and purposes of this section;
  - 9. The economic, social, environmental and energy consequences.
- D. The failure of the applicant to provide the information required by Subsection C.1.—9. shall be grounds for deeming the application incomplete.
- E. The board may approve or deny the demolition or moving request after considering the criteria contained in Section 17.40.070C. Action by the board approving or denying the issuance of a permit for demolition or moving may be appealed to the city commission by any aggrieved party, by filing a notice of appeal, in the same manner as provided in Section 17.50 for appeals. If no appeal of a demolition permit is filed, the building official shall issue the permit in compliance with all other codes and ordinances of the city.
- F. In any case where the city commission has ordered the removal or demolition of any structure determined to be dangerous to life, health or property, nothing contained in this title shall be construed as making it unlawful for any person, without prior approval of the historic review board, pursuant to this title, to comply with such order.

(Ord. No. 08-1014, §§ 1—3(Exhs. 1—3), 7-1-2009; Ord. No. 10-1003, § 1(Exh. 1), 7-7-2010)

**17.04.815 - New construction.**

"New construction" means structure for which the "start of construction" commenced on or after the effective date of the ordinance codified in this title.

~~For the purposes of Chapter 17.40, "new construction" means a new building or structure separate from an existing building that is larger than two hundred square feet on any property located within a historic overlay district. Any building addition that is thirty percent or more in area (be it individual or cumulative) of the original structure shall also be considered "new construction."~~

## **COMPATIBLE CHANGE- NEW CONSTRUCTION REVIEW IN THE MCCLOUGHLIN CONSERVATION DISTRICTS**

This spring, the Historic Review Board (HRB) discussed potentially amending city regulations covering alterations, additions, and new construction in the McLoughlin Conservation District (MCD). The District, a subset of the larger McLoughlin Neighborhood, was first designated in the 1980s when the code language was adopted. The code stipulates that any additions exceeding a specified square footage, as well as any new freestanding construction larger than a small garage, must receive approval through a public hearing by the Historic Review Board. The regulations intend to allow change but not lose any historic buildings. The City is evaluating the code language and whether it strikes the right balance for the neighborhood.

This project was initiated in 2020 to address the perceived lack of specificity in the definition of NEW CONSTRUCTION, which triggers the Historic Review Board District's review of projects in McLoughlin Conservation District. However, the project was put on hold in 2022 due to a staff changeover. In 2024, the Historic Review Board restarted the project as part of their 2023-2025 work plan.

### **HISTORIC REVIEW BOARD'S RECOMMENDATION TO THE CITY COMMISSION**

The HRB approved the following policy recommendation at the June 24, 2025, meeting and will present its recommended approach to the City Commission in the Summer of 2025, requesting approval to move forward with the Type IV Legislative adoption process. This process requires public hearings with the Planning Commission and City Commission, the final decision-makers in adopting ordinances and revising the municipal code.

### **OVERVIEW**

The goal of this memo is to provide a clear policy direction that captures the work done by the HRB, the public comments that were provided to the HRB, and staff and the consultant recommendations since the project started in November 2024. The second purpose of this memo is to provide a clear rationale, or “why” to the overall project as well as for each individual proposal. The intent of these explanations is to help the HRB articulate a reason for the various policy changes, particularly when presenting this project to the City Commission and the community.

### **PROJECT BACKGROUND, OVERVIEW, AND WHY THE HRB IS PROPOSING POLICY CHANGES**

The HRB currently reviews alterations or additions to non-designated properties in Conservation Districts only if the proposed project meets the definition of new construction.

Current (OCMC 17.04.816) definition of new construction:

*“...a new building or structure separate from an existing building that is larger than two hundred square feet on any property located within a historic overlay district. Any building addition that is thirty percent*

*or more in area (be it individual or cumulative) of the original structure shall also be considered “new construction.”*

The HRB decided to examine what types of projects they should be reviewing on non-designated properties in the McLoughlin Conservation District for three reasons.

- *In 2020, the City Commission had seen a few projects get constructed in the district that dramatically changed a historic (but non-designated) house, and had concerns that the alterations detracted from the historic properties nearby. The City Commission asked the HRB if they might re-examine the regulations, and the HRB agreed;*
- *The HRB had heard from staff that the existing regulations were unclear on a number of points, including how to measure the allowed area of new construction and whether to include decks both covered and uncovered; and*
- *The HRB wanted to encourage more of certain types of projects, especially projects that added additional thoughtfully designed small dwelling units, by exempting them from HRB review.*

Although the HRB started work on the Compatible Change project in the spring of 2021, the project was put on hold and the makeup of the HRB changed significantly. In the fall of 2024, the HRB re-started the project with a historic consultant on board. The project has gone through the following steps:

- The HRB examined regulations that apply in Historic or, where possible, Conservation Districts in various other jurisdictions such as Astoria, Salem, Tacoma, Bend, Albany, and Corvallis;
- The HRB explored ways to evaluate the impact of additions and new construction, including looking at footprint, height, location on the property, visibility of the work, and other factors;
- The HRB discussed and reviewed the City’s own Comprehensive Plan (especially Goal 2, Policy 2.3, Strategy 2.3.C), the types of reviews available to property owners, and the overall historic and housing goals of the State and the city;
- The HRB discussed the characteristics of McLoughlin Conservation District and what types of construction might be compatible, while allowing for change to occur;
- A postcard with a link to a survey was mailed out to residents of the district, and the survey was available to the public (not just to residents of the district). Further, a public meeting was held with the McLoughlin Neighborhood Association (MNA) on March 6, 2025;
- With all of the above information, the HRB worked out a draft policy direction. The draft policy was reviewed by front line city planners to evaluate how the policy might work ‘over the counter,’ and some alternative suggestions were made and presented to the HRB; and
- The HRB has reached a ‘final draft’ included below. Specific language is not being presented as “red lines” for City Commission adoption, but instead as an articulated proposal for the Commissioners to consider and potentially “wordsmith” prior to adoption.

## **COMMUNITY FEEDBACK SYNOPSIS**

**Survey:** The online survey received 49 responses, about 80% of whom were McLoughlin residents. Survey questions were developed by City staff and the consultant to gauge public opinion about development and regulation in McLoughlin. Respondents (22) indicated that they felt the current level of historic review was

**about right**, while (5) felt that regulation was **not stringent enough**, (13) felt that there was too much or **too rigid regulation**, and (12) did not have an opinion. A question about an exemption from HRB review for freestanding detached dwellings received (25) in support and (19) not in support. Comments regarding this question were mostly in favor of allowing more such structures in the neighborhood, with some advocating for mixed-use, and “bigger,” but others noting that location is important (“backyard”) and that the new structure should complement the existing building. Overall, the survey seemed to capture support for **relatively small changes to review triggers for new construction**.

**Public Meeting:** An open house and meeting with the McLoughlin Neighborhood Association (MNA) about the code project was held on March 6, 2025, at the public library. The responses to “sticker” exercises and the voiced comments tended to be a little **more supportive of HRB review** and of more stringent thresholds for requiring review as compared to the survey, but there was surprisingly **even stronger support for the idea of exempting small detached dwellings** from HRB review in McLoughlin than expressed in the survey. Attendees did voice strong support for some “over the counter” standards that should be met for such structures.

## DRAFT POLICY PROPOSAL

The specific policy shifts that the HRB is putting forth for consideration are in the table on the left-hand column. On the right are reasons why the HRB is proposing the policy.

**An addition or alteration to a non-designated property in the McLoughlin Conservation District may be exempt from review by the Historic Review Board if it meets the following criteria:**

<i>Draft policy</i>	<i>Comments/rationale</i>
<p>1. No building permits to construct additions, alterations that affect floor area, or new freestanding construction have been issued for the subject property within the last 2 years;</p>	<p><i>The current code language uses the phrase “original structure,” but that is difficult for staff or owners (especially a new owner) to figure out. A baseline point of 2 years in the past for an existing building ensures that owners can’t keep piling new additions on previous additions without the HRB’s review. Using building permits will capture most work, and it is easily trackable for staff and owners.</i></p>
<p>2. For <b>additions or alterations</b> to an existing structure,            a. Alterations that affect the roof of an existing primary building may not change the height of the overall roof more than 4”, and no part of the addition may be taller than the tallest part of the existing roof structure (ridge line or parapet edge).</p>	<p><i>Many of the non-designated structures in McLoughlin are potentially historic, and changing the roof is a very major change. Raising the existing roof should therefore not be allowed (without HRB review). An addition, using this allowance, should not be taller than the existing roof or ridgeline. A 2-story addition, though, is fine as long as the existing building is 2-story. A plus-minus 4 inches allows an owner to replace all or part of a roof if necessary.</i></p>

<p>b. Alterations or additions may be no larger than 30% of the size of the original structure as it was 2 years before application date, or 700 SF in footprint.</p>	<p><i>The HRB felt that the existing 30% allowance works fairly well, as long as there is an added height limit (above). Adding in a cap will prevent large buildings in the district (commercial buildings, etc) from adding a very large addition. 700 SF represents 30% of a house of about 2330 SF, or about 35 x 20.</i></p>
<p>i. The size of the original structure and the size of the proposed addition shall be measured by their footprint area as defined by OCMC 17.04.483.<sup>1</sup></p>	<p><i>The existing code offers a good method for measuring a building’s existing and proposed addition areas, providing clarity for staff and homeowners. Using “footprint” as defined does include outdoor roofed areas that are supported by posts. This definition works well because outdoor roofed areas have a greater visual impact than non-roofed outdoor areas. Also, owners would not be tempted to create an addition with minimal eaves just to gain more addition area, because horizontally cantilevered eave areas are NOT counted.</i></p>
<p>c. Proposed new decks or balconies at an upper level may be no larger than 50 SF, whether covered or uncovered. Note that an addition of a roofed deck (if the roof is supported on posts) will be counted as part of the 30% allowance.</p>	<p><i>Not counting new decks or balconies as part of the 30% allowance does not mean that they have to be allowed outright, at any size. The HRB wanted to allow for new upstairs balconies, but still limit them to a reasonable size. 50 SF, or 5 x 10, seems adequate.</i></p>
<p>d. Proposed new decks that are accessed from the ground floor of an existing building are allowed (permits are required if over 30” from grade), and are not counted as part of the 30% additional area allowed without HRB review (unless the deck has a roof supported by posts).</p>	<p><i>Ground floor decks, even if over 30” from grade (the height at which they need a building permit), are proposed to be simply allowed. They will be subject to setback requirements. The HRB had some concern about front yard decks, but believes that in most circumstances, home owners who want a front yard hard-surfaced area would likely want a patio or low deck, which would not require a permit.</i></p>
<p>3. For <b>new freestanding construction</b>,  a. New small freestanding dwelling units with footprint not to exceed 500 SF and a height not to exceed 15’ is allowed as a Type I staff review and must meet the</p>	<p><i>The HRB (and the residents of McLoughlin) support an easier path to small dwelling units in the neighborhood. The HRB recognizes that a review in front of the HRB can be a disincentive, so creating a new policy document to spell out materials and other details will help to bring compatible construction and</i></p>

<sup>1</sup> “Footprint” as defined in OCMC 17.04.483 - Footprint means “the horizontal area as seen in plan, measured from outside of all exterior walls and supporting columns. It includes dwellings, garages, carports, and accessory structures, but not trellises, patios, and areas of porch, deck, and balcony less than 30 inches from finished grade, or cantilevered covers, porches or projections which do not have a post touching the ground or ramps and stairways required for access.”

<p>restrictions in (future) HRB Policy document 13.</p>	<p><i>new housing. 500 SF in footprint is still quite a small unit, but does allow for a separate bedroom and bathroom, which is workable for more people as a living space. Anything smaller is generally a “studio” with bed, kitchenette, and living space all in one room. See below for height comment.</i></p>
<p>b. New freestanding accessory buildings (non-habitable) may have a footprint not to exceed 310 SF and a height not to exceed 15’.</p>	<p><i>The HRB recognizes that the current 200 SF size allowed without HRB review (or a permit) is quite small even for a single-car garage. Most people would like some storage space in addition to parking a car. A very large car might be about 6’ by 18’, so including space for circulation and a small amount of storage, a single-car garage might be 310 SF. The 15’ height (as measured to the center of roof pitch) would allow for a small loft storage area as well.</i></p>

A few additional potential questions from the City Commission might include:

1. Using the “footprint” definition means that only one story of an addition will count as part of the 30%. Did the HRB mean for a home owner to get an upper story addition area “for free” without counting it as part of the 30%?

*Due to the roof alteration height limitation, the addition should be generally compatible with the existing structure, even if it is two stories in height.*

2. Should an addition to an outbuilding or garage be treated differently than an addition to a primary building?

*No different; these secondary structures can use the same rules as primary buildings.*

## **NEXT STEPS**

The HRB will request the City Commission’s support to implement these changes, and it is important to note that the changes are strongly supported not only by the HRB but also by staff and the majority of McLoughlin Conservation District survey respondents and meeting attendees. If the City Commission provides direction to move forward with the Legislative process, a proposed redlined code and a new HRB Policy on small dwelling units will be created. Future HRB meetings will review this work before the start of the legislative hearing process.

A future worksession session will be scheduled with the City Commission once the redline code package and newly created HRB policy on small dwellings are ready for adoption prior to Legislative hearings.



**CITY OF OREGON CITY**

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Staff Report

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**To:** City Commission **Agenda Date:** April 1, 2026  
**From:** Kelly Hart, Community Development Director

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**SUBJECT:**

Housing Capacity Analysis Kick-off

**STAFF RECOMMENDATION:**

Receive and file the report and provide any preliminary direction to staff regarding the Housing Capacity Analysis process.

**EXECUTIVE SUMMARY:**

The purpose of this report is to introduce the City Commission to the upcoming Housing Capacity Analysis process and outline the work that will occur over the coming months. While Oregon City recently completed a Housing Needs Analysis as part of its Comprehensive Plan update, state requirements now call for a more implementation-focused effort that moves beyond identifying housing need and into evaluating development capacity and readiness.

The Housing Capacity Analysis is intended to provide the technical foundation for the City’s forthcoming Housing Production Strategy. This work will help the City better understand not only how much housing is needed, but also whether the city has sufficient land capacity, where development-ready opportunities exist, and what constraints may affect future housing production.

The current phase of work is primarily technical in nature and is intended to establish the analytical basis for future policy discussions. A subsequent phase will focus on policy development and will identify how Oregon City wishes to participate in and support housing production in a manner that is consistent with community values, infrastructure realities, and local priorities.

It is intended that the Planning Commission will serve as the advisory body for the technical analysis and associated public discussion. Staff will return to the City Commission at key milestones, including completion of the contextual housing needs analysis, buildable lands inventory and development-ready lands analysis, and during the final adoption process.

**BACKGROUND:**

The City of Oregon City is initiating a Housing Capacity Analysis to comply with updated state

housing planning requirements and to position the city for the next phase of housing policy development. Although the city recently completed a Housing Needs Analysis through its Comprehensive Plan process, this new work is distinct in both purpose and scope.

The prior Housing Needs Analysis focused primarily on identifying projected housing need based on demographic, economic, and population trends. That work established a forecast of future housing demand and helped inform long-range planning discussions. The Housing Capacity Analysis builds on that earlier effort, but shifts the focus toward implementation. In other words, rather than simply asking how much housing is needed, this effort examines whether the city has the land supply, site conditions, and development readiness necessary to accommodate that need.

This work is occurring relatively quickly after the Housing Needs Analysis because the state's housing planning framework now requires cities to move from identifying need to evaluating capacity and readiness, and ultimately to preparing a Housing Production Strategy. These steps are intended to create a more complete planning and implementation framework that supports actual housing production rather than relying solely on high-level projections.

The Housing Capacity Analysis will include several major components:

**Contextual Housing Needs Analysis**

This work will refine and contextualize the city's housing need by considering local factors that influence housing demand, market conditions, affordability needs, demographic patterns, and community context. This step helps ensure that housing policy discussions are grounded not only in statewide requirements, but also in Oregon City's specific conditions and needs.

**Buildable Lands Inventory**

The buildable lands inventory will evaluate the city's residential land supply and identify lands that may be available to accommodate housing growth. This analysis will examine the quantity, location, and characteristics of land that may contribute toward meeting future housing need.

**Development-Ready Lands Analysis**

This component looks more closely at whether land is realistically positioned for housing development. While land may be technically designated for residential use, it may still face barriers related to infrastructure, access, environmental constraints, parcelization, or other development limitations. This analysis helps distinguish between theoretical land capacity and more practical development opportunity.

Together, these technical analyses will establish the basis for the City's next major housing planning effort: the Housing Production Strategy.

The Housing Production Strategy is the policy-oriented phase that follows the technical work. It is intended to identify a package of actions, tools, and strategies the City may use to support housing production across a range of needs and housing types. This phase will focus on how Oregon City wants to participate in facilitating housing production and what role it wishes to play in addressing community housing needs. These discussions are

expected to include consideration of local priorities, implementation capacity, infrastructure conditions, regulatory tools, and broader policy choices.

At this stage, the work is focused on technical analysis to set the stage for those future policy conversations. The current effort is not intended to make final policy decisions regarding housing strategy, but rather to provide the factual and analytical foundation necessary for those decisions.

It is intended that the Planning Commission will serve as the advisory board for this work, particularly for review of the technical components and associated public discussion. Staff anticipates returning to the City Commission at key intervals to provide updates and seek input. Those intervals are expected to include:

- completion of the contextual housing needs analysis,
- completion of the buildable lands inventory and development-ready lands work, and
- the final adoption process.

This approach allows the City Commission to remain informed and engaged at critical milestones while allowing the Planning Commission to undertake the detailed advisory work associated with the technical analysis.

**OPTIONS:**

1. Receive and file the report and provide any preliminary direction to staff.