

REGULAR PLANNING COMMISSION MEETING  
CITY OF BROOKINGS  
December 6, 1972

At 7:40 p.m. the meeting was called to order by Chairman C. William Landis. Members present: Gladys Kanick, Shirley Earle, Earl Breuer, Richard Olsen, William Guthrie and Mayor Les Williams. Carl Rust was absent.

APPROVAL OF MINUTES:

Commissioner Breuer MOVED and Commissioner Kanick seconded that the minutes, October 3, and November 8, 1972, be approved as mailed. Carried unanimously.

PUBLIC HEARINGS:

None.

BUILDING REPORTS:

The Building Inspector, L. G. Scotton, gave summary of October and November 1972 building reports which are recorded as follows:

	<u>Permit No.</u>	<u>Value</u>	<u>Fee</u>
October 1972			
Residential:			
Cecil Beauchamp (Res) Dup	1835	\$ 33,516.00	\$111.50
Kenneth F. Ketcham (Garage)	1838	3,136.00	26.00
Curry County (Pool)	1840	86,750.00	N/C
Al Clements (Res)	1841	16,660.00	65.00
Robert Blank (Patio Slab)	1842	250.00	5.00
Mr. & Mrs. Barb (Res)	1843	29,449.00	101.50
		169,761.00	309.00
Signs:			
Mr. Appel's	1837	2,150.00	23.00
Gwen Billings	1839	800.00	8.00
		2,950.00	31.00
Plumbing:			
3 Permits Issued			28.00
October 1972			
11 Permits Issued			
Total Value		\$172,739.00	
Total Fees		368.00	
October 1971			
11 Permits Issued			
Total Value		\$194,408.00	
Total Fees		504.50	

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	<u>Permit No.</u>	<u>Value</u>	<u>Fee</u>
November 1972			
Residential:			
Harold E. Roop, Sr. (Res)	1844	\$15,232.00	\$ 62.00
Mr. & Mrs. Wintersteen (Garage)	1845	1,008.00	10.00
Mrs. Gwen Billings (Loading Shed at M & I Bldg)	1846	160.00	5.00
Roy Collins (Storage Room)	1847	167.00	10.00
A. E. Anderson (Storage Bldg)	1848	250.00	5.00
West Coast Telephone (Addition to Equipment Bldg)	1832	10,584.00	70.50
Eugene Woods (Addition to Garage)	1849	<u>14,000.00</u>	<u>56.00</u>
		\$41,401.00	\$218.50
Plumbing Permits:			
1 Permit Issued			3.00
November 1972		November 1971	
8 Permits Issued		7 Permits Issued	
Total Value	\$41,401.00	Total Value	\$65,775.00
Total Fees	221.50	Total Fees	255.00

OTHER MATTERS:

A welcome was extended to Mrs. Shirley Earle who was recently appointed to fill out the unexpired term of former Commissioner Ernie Christensen.

REQUEST FOR ADOPTION OF A RESOLUTION APPROVING PARTICIPATION  
BY LOCAL HOUSING OWNERS IN THE FEDERAL RENT SUPPLEMENT PROGRAM  
UNDER SECTION 236 OF THE HOUSING AND URBAN DEVELOPMENT ACT OF  
1968.

This request was made through the local Community Action Committee which was represented by five members, Carla Erb acting as spokesman. Miss Erb was asked by Chairman Landis to present a brief summary of report given to Planning Commission members prior to this meeting for study and which is made a part of these minutes.

Arguments pro and con were heard and queries were answered by the advocates to the best of their knowledge, however there were more questions to be answered and confirmation

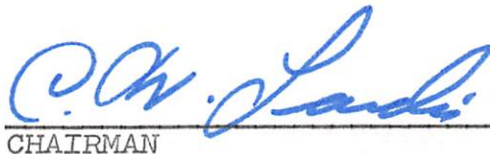
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of statistics desired before making a further study, preliminary to making a recommendation to the City Council.

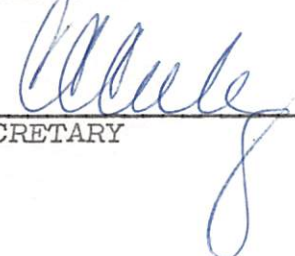
MOVED by Commissioner Breuer, seconded by Commissioner Guthrie and carried unanimously to deny the request to recommend to the City Council the adoption of a resolution approving participation by local housing owners in the Federal Rent Supplement Program under Section 236 of the Housing and Urban Development Act of 1968.

ADJOURNMENT:

Chairman Landis adjourned the meeting at 8:40 p.m.

  
\_\_\_\_\_  
CHAIRMAN

ATTEST:

  
\_\_\_\_\_  
SECRETARY

In the adoption of the U.S. Housing Act of 1937, the Housing Act of 1949, and the Housing and Urban Development Act of 1968, Congress has set national goals to remedy unsafe and unsanitary conditions and ease the acute shortage of decent, safe, sanitary dwellings for families of low and moderate incomes. Congress (1949) declared that the general welfare security of the nation and the health and living conditions of its people require housing production and related community projects sufficient to remedy the serious housing shortage, elimination of substandard and other inadequate housing and the realization as soon as possible of a decent home and suitable living environment for every American family. In 1968 Congress declared that the highest priority and emphasis should be given to meeting, with full utilization of private enterprise and individual help, the housing needs for those families for which the national goal has not become a reality.<sup>1</sup>

In Curry County and in Brookings, the national goals have not become a reality for an alarmingly large portion of our population. For the purpose of measuring the housing needs of Brookings some assumptions are needed. (From a report prepared for the National Commission on Urban problems. Research Report No. 8, Washington, D.C., 1968.)

For a family of four:

Assumption 1. Families and unrelated persons should not be required to spend more than 25% of their gross income for housing. At the 25% level some sort of assistance or subsidy is needed.

Assumption 2<sup>1</sup> A. Families making less than \$4,000 a year are unable to find standard quality private housing within their means.

1. Bureau of Governmental Research and Service, University of Oregon, SPECIAL STUDIES--OREGON HOUSING. Eugene 1971.

- B. About one-half of the families making from \$4,000 to \$7,000 are unable to find standard housing within their means.
- C. Families making over \$7,000 can fend for themselves in the private housing market.

The above figures were outlined in 1968 and should be adjusted upward to account for inflation over the past four years.

By examining the national goals stated above one can easily see Brookings presently has a housing problem. Briefly stated the City of Brookings has 67 families which have incomes below \$4,000 and approximately 150 families which have incomes ranging from \$4,000 to \$7,000. If the national averages are correct, it can be assumed that 142 families (not individuals) are presently living in substandard housing units or in housing units which eat up over 25% of their gross income. (All statistics are from the 1970 census unless otherwise noted).

More specifically, the population of Brookings in 1970 was 2720 with 2667 living in 905 households. Of the 905 Brookings households, the census determined that 10.2% or 92 households were below poverty level. Of those 92 households, 42 were over 65 years of age, and 23 were households with female heads.

Furthermore, 78 or 8.6% of the 905 housing units had more than 1.01 persons per room (this makes 78 housing units not only overcrowded but sub-standard regardless of the unit's actual structure). The number of the overcrowded housing units could be lowered if it would be possible for every family to have its own home instead of sharing with unrelated individuals or other

families because of the low vacancy rate (3.0% for Brookings) and high average rental cost (\$77 per month). See table 1 for a comparison of Brookings with other cities along the Oregon coast.

The 1970 census also noted that 21% or 65 of all renter households paid 35% or more of their income for rent. Those 65 households consisted of 49 households with incomes of less than \$2,000 per year, 5 households with incomes between \$2,000-\$3,000 per year and 5 of the households with incomes between \$3,000-\$5,000 per year. Here it might be helpful for comparison to note that all renter households with incomes greater than \$10,000 per year used less than 20% of their income for rent.

Table 1 demonstrates the Brookings housing situation in comparison to other cities along the Oregon coast with similar economies and social climates. Brookings has the lowest percentage of housing units with plumbing that rent for below \$60, Brookings has the lowest vacancy rate indicating the difficulty for individuals and families to find either rentals or to find a home to purchase. Brookings has the second highest median rent indicating the difficulty low-income persons and households have in making ends meet when housing is expensive. Lastly the table indicates the direction Brookings might take in years ahead as it grows (into an urban center) if we plan now for the poor and the aged.

#### WHY DOES BROOKINGS NEED LOW-COST HOUSING?

As the Brookings community may have to invest a great deal of time and perhaps money in developing low-cost housing, some reasons other than benevolence should be considered. Over the next few years there will

undoubtedly be a change in the employment of many Brookings residents from relatively high-paying, if seasonal jobs, to tourist retirement oriented service and sales positions which will on the average provide families with lower incomes (see table 2 for employments trends in Curry County). In addition, these positions will often be seasonal and force a decrease in the Brookings labor force and reserve (one of the few economic development factors which are in the South Coast's favor (see table 3) unless attention is paid to lowering their living cost. Low-cost rentals are the most direct and probably most effective way of reducing the cost of living for the lower-middle class and poor people. Without this labor supply which is now so handy, the employer, whether he be a retired person looking for a housekeeper or an electronics firm looking for cheap and unskilled labor, will be forced to move to another city or attract at great expense new people to the Brookings area (an act which would worsen the housing shortage in the area).

There are many reasons why accomplishment of the national housing goals are delayed. Two lists of obstacles have been prepared and are available to the public. The first, from a national report prepared by the Department of HUD, lists in addition to rising costs:

1. Inadequate information about the supply and demand for housing.
2. Absence of state policy regarding solution of housing problems.
3. Inadequate planning funds for housing.
4. Local governments have no enabling legislation to plan for housing and/or to convene responsible housing, planning and other agencies.
5. High land and construction costs for low income housing.
6. Inadequate federal and/or state housing aid.

7. Overly restrictive eligibility requirements for housing aid.
8. Restrictive residential mortgage and insurance practices.
9. Inadequate local resources for financing housing.
10. Unavailability of tax rebates or some other compensation for communities accepting low or moderate cost housing.
11. Inadequate transportation, water, sewer or other needed public facilities and services for new sites for housing.
12. Restrictive large lot zoning.
13. Inadequate housing codes and enforcement techniques.

A second set of identified obstacles appears in the Curry County Initial Housing Element prepared by the Coos Curry Council of Governments, 1972

Economy:

1. Local economy appears to be headed towards primarily an affluent retirement-recreational economy status.
2. Further industrialization of the county is hampered by the product-distribution limitations imposed by the lack of transportation facilities and the overall isolation of the area with respect to major metropolitan centers.
3. Due to the recreational nature and potential of the Curry Region, present environmental protection policies hamper the further expansion or diversification of the area's industrial complex.
4. Local industrial diversification or expansion, to any significant degree at the present time, appears to be in the distant future and therefore local job production of any significance is not anticipated.

Population:

1. Static population trends are not conducive to attracting private developers to the Curry County area, therefore, this problem will continue unless local government initiates positive housing programs.
2. The radical increase of those in age groups 45 and up will perpetuate the tendency of the local citizenry to overlook the needs of the low income and the elderly pensioners.

Housing Supply:

1. Scarcity of money, high interest rates and highly inflated labor and material cost hamper the development of low-cost housing.
2. Due to the topographic nature of the region, suitable low-cost housing sites are scarce.
3. General land values in suitable housing development areas are excessively high and therefore , not economically feasible for the development of standard low and moderate cost housing.
4. There appears to be a lack of interest on the part of local private developers in building low and moderate-income housing.
5. There is no local technical assistance available to private developers with respect to low and moderate cost housing.
6. Housing codes and enforcement are non-existent in the unincorporated areas of the county.

Housing Demand:

1. The number of elderly individuals and households requiring housing is increasing.
2. There is no agency responsible for coordinating the supply of existing housing with the demand that presently exists.
3. Family and individual incomes are low and the declining industrial base provides very few opportunities to supplement the fundamental income.
4. There is a lack of federal or state money available to initiate construction programs of low-income housing.

Finance:

1. Residential mortgages and insurance practices are not oriented towards accessibility by the low and moderate-income groups.
2. The cost of financing new housing construction and rehabilitation has dramatically increased and is continuing to rise. Mortgage interest rates are at approximately 9 percent, this represents an increase of some 30 percent over the last 6-year period.

3. High land values hamper the economic feasibility of low-cost housing developments.
4. Credit-counseling programs for the low-income are non-existent.

Quality:

1. Replacement housing in the low income price range is virtually non-existent. This has prevented the demolition of unsound and dilapidated units.
2. There are no public or private programs aimed at the rehabilitation of unsound housing units.
3. There is no minimum standard building code in the unincorporated areas of the Curry Region.

Organization and Administration:

1. There is no housing authority or any other agency in Curry County that addresses itself to the housing problem and deficiencies of the area.
2. There is a lack of private low-cost housing sponsors.
3. No efforts have been made toward the elimination of jurisdictional differences in housing requirements and standards affecting the development of new housing.

CONCLUSIONS

A shortage of decent, safe and sanitary housing exists in Brookings that must be attended to for the general well-being of all members of our community. Throughout the lengthy list of obstacles to remedying the housing shortage, are areas for action that local government alone can and must take steps to alleviate. The step proposed here is for the Brookings City Council to adopt a resolution approving the construction of housing in Brookings under the #236 Federal Mortgage Insurance program.

(see page 8 for explanation of 236 program)

TABLE I

	BROOKINGS	LINCOLN CITY	NEWPORT	REDSPOUT	SEASIDE
Total population	2720	4198	5188	4039	4402
Number of rentals with plumbing	306	559	670	1350	7740
% of housing rentals less than \$40 with plumbing	3% or 11 units	11% or 64 units	6% or 42 units	11% or 38 units	10% or 77 units
% of housing rentals from \$40 to \$59 with plumbing	12% or 39 units	18% or 102 units	19% or 129 units	9% or 34 units	18% or 135 units
% of housing below \$60 with plumbing	15%	29%	25%	20%	28%
Median Rent	\$77	\$69	\$76	\$81	\$71
Vacancy Rate	3%	6%	9%	5%	7%

Economic Structure by Percent Employed, 1970 and Percent  
Change in Employment by Economic Sector, 1960-1970

TABLE 2

	Curry			Oregon		
	Employ- ment 1970	% Total Employ. 1970	% Change 1960-70	Employ. 1970 (000)	% Total Employ. 1970	% Change 1960-70
Labor Force	-	-	4.3	-	-	29.3
Agriculture	300	6.8	-23.1	53.4	6.1	-29.9
Self-Employed	550	12.4	0.5	110.0	12.6	27.9
Wage and Salary	3,580	80.8	5.9	709.1	81.3	39.3
Manufacturing	1,470	33.2	-23.0	172.1	19.7	19.2
Lumber & Wood Products	1,310	29.6	-20.3	66.6	7.6	-7.4
Food Products	130	2.9	433.3*	24.1	2.8	14.2
Other Manufacturing	30	.7	-	81.4	9.3	58.4
Non-Manufacturing	2,110	47.6	43.5	537.0	61.6	47.2
Construction	100	2.3	-28.6	29.1	3.3	11.5
Transportation, Communication & etc.	190	4.3	137.5	48.3	5.6	8.8
Trade	550	12.4	7.8	161.9	18.6	42.5
Finance, etc.	130	2.9	62.5	36.0	4.1	73.9
Service & Misc.	280	6.3	33.3	115.2	13.2	78.1
Government	860	19.4	91.1	146.5	16.8	53.7

\*Includes Other Manufacturing

SOURCE: Oregon State Employment Division.

TABLE 3

Percentage of Total Labor Force Employed by Selected Occupation, 1970:

	Professional Technical & Managerial Workers	Clerical & Kindred Workers	Craftsman, Foreman & Kindred Workers	Operatives and Transport	Laborers & Other Blue Collar Workers
Curry	21.6	8.2	12.1	22.8	15.2
Oregon	24.2	16.6	13.2	15.0	6.1

Estimated Economic Dependency of Curry County By Basic Sector:

	Percent of Total Basic Employment
Mining	-
Agriculture	12.0
Fisheries	12.3
Food Processing	4.3
Tourism	9.0
Lumber and Wood Products (includes pulp and paper)	62.5
Ratio $\frac{\text{Total Employment}}{\text{Basic Employment}}$	2.18

SOURCE: Estimated by CCD staff.

## SECTION 236

Section 236 of the Housing and Urban Development Act of 1968 provides for a federally-insured and subsidized multi-family rental units program designed to meet the housing needs of low and moderate income people of a community. The contractor for the 236 program receives federal assistance that effectively lowers the interest rate on his loan (for construction) to 1%--the savings accrued being passed on to the tenants of the completed project. The Department of Housing and Urban Development (HUD) establishes two rental rates for the units: A "fair market rental" price and a "base rental" price. The tenant pays either the base rent or 25% of his income whichever is greater. **If the base rental price is more** than 25% of the applicant's income--he must either receive a "rent supplement" or cannot become a tenant. At the present time up to 20% of the project's units can be eligible for rent supplement. Rent supplement is paid by the federal government and is the difference between the base rental price and 25% of the tenants income.

It should be noted that at least 30% of the units would be rented to the employed moderate-income person. These units would be available to them at a price that would allow them to maximize their income. In other words, by using only 25% of their income for a "decent, safe, and sanitary " housing unit more of their income is made available for the other essentials.

City government is the key to federal assistance being brought to bear on the needs of the low and moderate income people of the community. Units eligible for rent supplement can only be built in the community with the express approval of the city council in form of a resolution.

(See suggested form of resolution). Therefore, we are asking the City of Brookings to pass a rent supplement resolution. Once this resolution is passed, application can be made to HUD for a multi-family complex to be built under provisions of Section 236 of HUD Act of 1968.

Once a rent supplement resolution is passed, an interested contractor can make a 236 application to be processed. The financial statement, cost of construction, materials, environmental factors, floor plans, etc., must be in accordance with federal guidelines before mortgage insurance will be granted, and then only <sup>if</sup> HUD has the funds to do so. Thus it would be difficult to impossible to give specific details.

There is a contractor in Brookings, Mr. Don Mainwarring, who is interested in building a 236 project. He has tentative plans drawn up for 36 units--20 two-bedroom and 16 one-bedroom, to be built on a lot facing west on Fifield St. Mr. Mainwarring has agreed to present any specifics desired to the Planning Commission and to the City Council, although much of the proposed project will be subject to change when the federal guidelines are brought to bear. The specifics of the proposed project that will be most helpful for Brookings are:

1. Proximity to shopping and downtown services--many elderly and low moderate income households are unable to drive or own automobiles.
2. 16 one-bedroom units--ideal for the senior citizens, who have little money, need little room, and like to live near other senior adults.
3. Mr. Mainwarring's home is adjacent to the <sup>lot</sup> ~~lot~~ for the proposed 236 and he is willing to maintain and manage the units under federal guidelines.

Suggested Form of Resolution by Local Governing Body Approving  
Participation by Local Housing Owners in the Federal Rent Sup-  
plement Program

RESOLUTION NO. \_\_\_\_\_

RESOLUTION APPROVING PARTICIPATION BY LOCAL HOUSING  
OWNERS IN THE FEDERAL RENT SUPPLEMENT PROGRAM

WHEREAS, under the provisions of Section 101 of the Housing and Urban Development Act of 1965, the Secretary of Housing and Urban Development is authorized to enter into contracts to make rent supplement payments to certain qualified housing owners on behalf of qualified low-income families who are elderly, handicapped, displaced, victims of natural disaster, or occupants of substandard housing; and

WHEREAS, the provisions of said Section 101 cannot be made available to housing owners in certain localities unless the governing body of the locality has by resolution given approval for such participation in the Federal Rent Supplement Program.

NOW, THEREFORE, be it resolved by the \_\_\_\_\_ 1/  
of the \_\_\_\_\_ 2/ \_\_\_\_\_ as follows:

Approval is hereby granted for participation in the Federal Rent Supplement Program by qualified housing owners of property located in  
\_\_\_\_\_ 2/ \_\_\_\_\_.

1/ Official title of local governing body, e.g., Council, Board of Alderman, Board of Commissioners.

2/ Locality, e.g., city, town, borough, etc., county and state.