



**NEWBERG AFFORDABLE HOUSING AD HOC
COMMITTEE**

Thursday, September 4, 2008

7 p.m. to 9 p.m.

Newberg City Hall

Permit Center Conference Room

414 E. First Street, Newberg, OR

I. OPEN MEETING: Chair Philip Smith opened the meeting at 7:00 p.m.

II. ROLL CALL:

Present:	Bob Larson	Philip Smith	Joel Perez
	Kevin Winbush	Mike Willcuts	Rick Rogers
	Mike Gougler	Dennis Russell	Charles Harris

Absent: Bob Ficker

Staff Present: David Beam, Economic Development Coordinator/Planner
Barton Brierley, Planning Director
Dawn Karen Bevill, Recording Secretary

III. MEETING MINUTES:

MOTION #1: Harris/Larson moved to approve the minutes from the August 12, 2008 meeting. Motion passed by unanimous voice vote.

Chair Smith referred to the meeting minutes of August 12th pertaining to housing education and suggested a member of the Ad Hoc Committee contact the School Board concerning incorporating home ownership and financial planning classes in high school. Joel Perez stated he will be the committee's representative and will contact a School Board member and the Superintendent, as well.

Rick Rogers stated Barton Brierley recently sent him an estimate of fees for the Main Street Project and there was a question on part of the school. Apparently, they have a mechanism to waive the fees for affordability. He asked Barton if his interpretation was correct.

Barton Brierley replied yes. According to HUD guidelines, the affordable housing must be guaranteed for 60 years.

Dennis Russell stated revisions to a bill regarding changes to HUD's requirements for affordable housing language would likely be introduced this next legislative session.

Chair Smith asked if R-2 or R-3 zoning gave any protection to a manufactured home park and does it lessen the financial pressures of it getting sold for other uses.

Bob Larson believes it does. If it remains in R-2, the owner will not be anxious to sell.

Mike Gougler disagreed and gave an example of a situation in West Linn where an entire manufactured home park on R-2 zoned land and was replaced with large houses without being rezoned. The first principal in real estate is good location. If a manufactured home park is located where it makes market sense to be commercial, it will eventually become commercial. Circumstances change and what may have been a good property for a manufactured home park 40 years ago doesn't necessarily remain that way. The durability of manufactured home is different than a stick built home. In some cases, especially with the economy today, manufactured homes will depreciate more than stick built homes.

Chair Smith stated the zoning gives some protection to manufactured homes, but not nearly enough, especially if the land is in the wrong location.

Charles Harris suggested having minimum densities on R-2 lands, which will help regardless of what the market may say.

Mike Gougler replied \$500,000 homes were placed on 7,500 foot lots per R-2 density in West Linn. A program must be developed that allows for the dynamics of urban growth and can make those accommodations and to establish a protocol which allows for either re-zoning where it would be most successful or the addition of new lands to the appropriate zones. A growth and housing plan needs to be established allowing for changes in demographics, economics, and growth patterns.

Chair Smith stated that the discussion has been helpful and it's important to understand the role of planning and its relationship with the rule of the market in providing goods.

IV. LAND SUPPLY FOR AFFORDABLE HOUSING:

David Beam stated staff provided background information in the packet and the main focus for this meeting is to review and identify potential sites for possible higher density development. Mr. Beam pointed out the Planning Goal Policies for the Comprehensive Plan in the packet (P12-15) and referred to the Housing Goals (P12-30) and specifically pointed out policies E & K (P14) regarding need for land planning for manufactured homes and maintaining an adequate supply of rental housing throughout the City. Housing and residential land needs (P16-19) are also part of the Comprehensive Plan; the most interesting (P19) Table IV-7 Buildable Residential Land Needs vs. Supply. Since the table was put in there, the City and County have approved a new URA area which includes an additional 1,400 acres. The State still needs to sign off on this addition.

Chair Smith asked for clarification, particularly in the medium density residential numbers (P18) which shows recent trends at 5.8 units/acre as compared to the planned density of 9 units/acre. Does the need for medium density residential land assume the City is building at planned density or at the current rate?

Barton Brierley explained the need assumes the City is building at the planned density.

Chair Smith believes, if that's true; those numbers strongly understate the need for medium residential housing.

Charles Harris commented the City can't have it both ways. The City needs to either calculate the need based on the densities that are occurring or at the maximum density but find a way to make developers achieve at or close to the maximum density.

Chair Smith stated that this committee needs to find ways to move the City closer to its planned density or find more medium density lands than the chart would suggest.

Dennis Russell understands Mr. Harris' comment, which looks good on paper. However, the practicality of it isn't reality. The last project by Friendsview was medium density, met the criteria but didn't build the road to City standards, instead built a private road with 42 units on site with just 7.7 units per acre.

Charles Harris stated the importance on incorporating good site design standards.

Rick Rogers believes the Planning Commission should have the flexibility in site designs.

Mike Gougler asked if the Planning Commission should have the authority over the type of houses that go into a development.

Chair Smith stated they need for tools to move the actual densities higher in R-2 zones and reconfigure land supply to meet the different land use category needs.

Rick Rogers commented the R-3 zoning shouldn't be forgotten either.

Chair Smith agreed, stating the need for R-3 is even more drastic than the need for R-2. The Chart (P25) shows the buildable land in the Newberg UGB and in the city limits. The buildable R-2 acres in the UGB shows an 18-year supply, which looks good. The high density R-3 lands shows only an 8-year supply and commercial a 21-year supply. The industrial and park lands have only a 6- and 3-year supply.

Charles Harris asked for clarification of the chart on page 25 which states that the Comprehensive Plan which shows buildable acres needed by 2028 at 159 acres, but we now only have 47 acres of buildable lands within the UGB.

Barton Brierley explained a change in industrial land was affected by the change of land use of previously zoned industrial land. In the Springbrook area, a zone change was made where Friendsview built their project and the bypass. Also, there has been a general increase of industrial development.

Rick Rogers asked for clarification on the buildable land projection: is it based on a rate of building in the past and projected to the future? He also asked what rate of building is used to get to that supply.

Barton Brierley replied the numbers were calculated starting with population demographics and income. Staff estimated how many people will be here at certain time period, their age, income, and housing they will need.

Chair Smith added the estimates are made as well as can be calculated. He pointed out what he believes to be a hopeful part of report (P21) which compares the Newberg population and the Comprehensive Plan projections, stating the actual measured population is lagging behind the projections by about 1%. If there was a difference of 1% that held true for 20 years, many of the City's housing needs would be decreased significantly but you cannot count on that 1% over time.

David Beam continued by stating a sample analysis of development fees needed for an annexation – subdivision request as well as a commercial development request is included in the packet (PP 27-28).

Chair Smith stated for those who weren't in attendance at the last meeting, a development fees review sub-committee was formed, which included Mike Gougler, Dennis Russell and Charles Harris. The sub-committee will come back to the full committee with a specific proposal on how the City might waive or change some of the City fees to help with housing affordability.

Dennis Russell stated the sub-committee already met with Elizabeth Comfort, Finance Director and Dan Danicic, City Manager.

David Beam referred to the 2 maps located in the back portion of the packet that were created by Mr. Brierley. The first map indicates publicly owned. with some of it showing publicly owned lands that are buildable. The second map shows properties that might be considered for upzoning to R-2 or R-3 or partitions/infill.

Barton Brierley reviewed the zoning map with the committee. Each potential property was discussed and the committee then voiced their opinions as to whether or not the owners of those properties should be approached to see if they might be interested in making some appropriate changes to their property to accommodate more affordable housing.

Rick Rogers asked if a parcel isn't already zoned for higher density, what can the City do to make this change, aside from talking with the owner.

Barton Brierley replied the City could take it to the Planning Commission, hold a hearing, and if they feel it is was worth pursuing, request that the Council change the zoning. The City Council could then initiate the zoning change process.

Chair Smith asked if the City has the legal power to re-zone land and can city staff identify and approach people who may want to develop affordable housing.

Barton Brierley replied that this has already been done in regard to industrial and commercial developments, but it's never been done for residential.

Mike Gougler did just that for a property on Fernwood with the idea of developing the property for lower-mid level apartments. He worked with the owner for a year, but it didn't work out.

Rick Rogers asked about the downtown area and available properties.

Barton Brierley pointed out the available property on Second Street/Blaine Street. Housing can't be located in a store front area in the downtown. The property on Washington Street/First Street could be used for housing.

Chair Smith summarized by stating that the committee has now identified some items for the action plan. Items include a housing education program in high school, a housing fair, a subcommittee for reduced development fees, and land already in Newberg and in the UGB that might be re-zoned for affordable housing. The policies regarding increased density also need to be looked at. Furthermore, land that comes into the City through annexation and the rules regarding annexation need to be reviewed, as well.

V. MEETING SCHEDULE:

The next scheduled meeting will be on September 18th, 2008 at 7 p.m.

VI. OTHER BUSINESS: Dennis has been working with some other employers to discuss common transportation issues for their employees.

VII. ADJOURN: The meeting adjourned at 9:00 p.m.

Approved by the Ad Hoc Committee this 16 day of October 2008.

AYES: 7 NO: 0 ABSTAIN: 0 ABSENT: 3
(list names)



Ad Hoc Committee Recording Secretary



Ad Hoc Committee Chair Date 10/16/08