



**NEWBERG AFFORDABLE HOUSING
AD HOC COMMITTEE
Thursday, September 18, 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	Bob Ficker	Mike Gougler
Absent:	Dennis Russell	Charles Harris	Rick Rogers
	Mike Willcuts		
Staff Present:	David Beam, Economic Development Coordinator/Planner		
	Barton Brierley, Planning Director		
	Dawn Karen Bevill, Recording Secretary		

Chair Smith referred to Joel Perez who volunteered in approaching the Newberg School Board concerning incorporating home ownership and financial planning classes at the high school.

Joel Perez stated he was invited to attend a school board meeting which is scheduled for Monday September 22, 2008 at 7:00 p.m. Joel is unable to attend due to his work schedule. However, it was conveyed to him that the high school does offer finance through their curriculum. Joel suggested inviting one of the board members to an Ad Hoc meeting in order to convey the committees' concerns.

Bob Larson stated the finance education is only through the FFA program and doesn't reach a majority of the students.

Chair Smith stated he would attend the board meeting on behalf of the committee and in Joel's absence.

III. MEETING MINUTES: The September 4, 2008 meeting minutes will be voted on at the next scheduled meeting October 2, 2008.

IV. LAND SUPPLY FOR AFFORDABLE HOUSING:

Barton Brierley resumed the land supply discussion from the September 4, 2008 meeting by referring to the publicly owned property map in the Newberg area (P29) located in the packet from the last meeting. His main conclusion is the community doesn't have a surplus of public land. Park land is available, as well as school land, but is of course is to be used for those purposes. Developable lands already have planned future uses. Re-designating land classifications within the UGB or City limits was discussed at the last meeting but the Urban Reserve was not discussed, which Charles Harris pointed out in his email, which copies were handed out at the meeting. Newberg has a URA which has recently been expanded significantly and is in process of being reviewed for approval by the State. There are significant opportunities within the URA to designate land for multi-family housing which should meet the future need.

Mike Gougler referred to the material David Beam included in the meeting packet regarding potential recommended policy and development code changes (P10-11/11). He specifically referred to items 5, 6 & 7 regarding property owners requirement to provide a specific amount of affordable housing as defined by the US Dept. of Housing and Urban Development (item 2). Developers and property owners in today's market will be unable to make that work. It would serve to decrease the amount of affordable housing rather than increase it over the long-term by decreasing the amount of housing available, period.

Bob Ficker feels the one thing that needs to be put into perspective is that financing will eventually stabilize and be more accessible, once regulatory mechanisms are put in place.

Chair Smith feels there will be a move after the electoral season towards re-regulation of the financial industry. There will be higher requirements.

Mike Gougler asked Barton Brierley if it would be possible to have a program where a property owner adjacent to the city, whether in the URA or not, but potentially annexable, could bring land into the City and deed restrict it for a manufactured housing project, which would provide long-term, affordable housing. The City would have the ability to dictate street sizes, manufactured housing qualities and standards. The deed restrictions would make it difficult to modify it in the future. If the City had the authority and could say there is a provision to come into the City with the following terms, it would enable the creation of affordable housing in the near future.

Barton Brierley replied that currently all annexations need to be voted on by the public.

Chair Smith stated that the Committee could take a proposal to the City Council, recommending an option that would allow the City to bring in land specifically for affordable housing through an expedited annexation process.

Mike Gougler would not want it limited to affordable housing, but also apply the expedited process to schools, public institutions, and industrial land. Schools shouldn't have to carry the

difficult process of annexation. In some cases, private institutions would qualify, such as a religious school.

Chair Smith agreed it's a good idea, such a process would help the State and City meet important development goals. However, annexations still require approval by the voters. The more types of property allowed under the expedited process, the more difficult it will be to get the voters' approval of such a process.

Mike Gougler replied that he objects to the imposition of Federal or State land use regulations on a local government. A local jurisdiction should be allowed to choose what land uses are allowed within an overlay zone.

Barton Brierley stated the committee could make a recommendation regarding the annexation policy, a relief on the voter requirement for annexation for affordable housing. There has been some momentum at the State level to fast track UGB amendments for affordable housing.

V. POTENTIAL CITY POLICY CHANGES TO COMPREHENSIVE PLAN AND DEVELOPMENT CODE:

Chair Smith stated the proposed policy changes to the comprehensive plan and development code come out of many discussions by the Planning Commission.

David Beam explained the proposals are on hold and are being refined by the Planning Commission piece by piece. Staff would like the Ad Hoc Committees' opinion of these changes, which are based on the recommended changes to both the Comprehensive Plan Policies as well as Development Code changes. (P10-11/11)

Chair Smith reviewed the definition and goals of affordable housing original packet (P1-3/37) AKA (P129-131) *Proposed Newberg Comp. Plan and Development Code Changes to Encourage Affordable Housing & Achievement of Target Densities*. Chair Smith then pointed out what he considers the heart of this proposal (P16/37) AKA (P129-131) is where the sum of the affordable dwelling points and the residential design points meet or exceed the number of flexible development points accumulated.

David Beam stated the flexibility given to the developer should enable the developer to create more housing units and be more profitable, but in return, the developer would provide some affordable housing as well create a development with higher design standards.

Mike Gougler stated he objects because using current development standards, higher densities cannot be achieved without variances. Flexible design standards are great, but many of the design standards that are listed reduce the ability to create affordable housing.

Chair Smith agrees to a certain degree, but without design standards, a large part of public will think the housing will be unattractive and they won't want it. He understands the concerns voiced by Mr. Gougler and asked him his opinion on solving those concerns.

Mike Gougler suggested developing flexible development standard to really affect the cost of housing, such as front yard setbacks, parking, street widths, building height, etc.. He also expressed concerns on the public safety issue, which have not been addressed in the design standards. For example, alleys which are not patrolled or watched and paved walkways between two backyards can be unsafe.

Chair Smith agreed there needs to be a balance between aesthetics and safety.

Mike Gougler voiced the following suggestions to the proposed policies. Change of phrasing on items 5, 6 & 7 using the word, "encourage" instead of "required". Building height limits need to be looked in terms of shadows and compatibility rather than a fixed number of feet (item 10). Also, a policy number 18 should be added that states that the City should preserve existing affordable housing stock.

Chair Smith suggested a policy be developed for item 10 that building height should be based solar access instead of height and stories alone. Also, the wording concerning street parking on item 12 should include the phrase like (per current city plan".

Barton Brierley commented that item 17 is a new policy suggested by city staff. This is because current city standards replacement of legal non-conforming residential units in any zone applies only to single family units, not multi-family units. Mr. Brierley asked Mr. Ficker's opinion about this suggested change.

Bob Ficker stated if there's a loan on it, then there is insurance on it that will cover at least the amount of the debt. If it can't be rebuilt, the bank will take the insurance money and pay off the amount of the loan. If the house could be rebuilt, the bank would probably be agreeable to have the insurance money used to help rebuild it.

Chair Smith feels persuaded in sending this issue, item 17, on to City Council independently but suggested waiting until the next scheduled meeting with the hope of better attendance, taking a vote at that time.

Mike Gougler commented on items 1 – 4, stating they should be encouraged.

David Beam asked Mr. Gougler for some clarity on what he considers a clear path regarding the point system.

Mike Gougler stated in order to encourage the creation of affordable housing, a series of standards need to be general enough, pointing the builders in the right direction of what's required without being too prescriptive, such as through the need to count points.

Barton Brierley made a suggestion of letting developers has lots of flexibility with the design standards, but then the plans would need to go before an architectural review committee.

Mike Gougler has gone before a Citizens Design Review Committee in Beaverton and stated he wouldn't mind it in Newberg, but the review committee has to be trained constantly. People serving on the board must not use their personal bias. An architectural firm could be hired (paid for by the developer) to act as review board.

VI. OTHER BUSINESS:

David Beam has invited a gentleman from Shelter Resources, Inc. based in Bellevue, WA who is very knowledgeable of private and public programs that assist in the creation of affordable housing to come and speak to the committee in the near future.

VII. MEETING SCHEDULE: The next scheduled meeting will be on October 2nd, 2008 at 7:00 p.m..

VIII. ADJOURN: The meeting adjourned at 9:05 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

10/16/08

Date