



**NEWBERG AFFORDABLE HOUSING
AD HOC COMMITTEE
Thursday, March 5, 2009
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:	Philip Smith	Denise Bacon	Bob Ficker
	Mike Willcuts	Charles Harris	Dennis Russell
	Rick Rogers	Mike Gougler	Joel Perez
Absent:	Kevin Winbush (unexcused)	Mike Willcuts (unexcused)	
Staff Present:	David Beam, Economic Development Coordinator/Planner		
	Jennifer L. Nelson, Recording Secretary		
Others Present	Gary Blake, Chuck Spicer, Ian McLeod		

III. MEETING MINUTES

The minutes from February 19, 2009 were not available for the Committee to review at this time.

IV. MODULAR HOUSING CONSTRUCTION PRESENTATION

Mr. Gary Blake, MDS, Inc. gave a presentation to the committee about the low cost modular housing projects offered by his company. He gave examples and showed pictures of projects completed and discussed the process briefly: the homes are built in mills into finished pieces, which are placed together onsite. He spoke of the advantages for using this type of building to meet affordability standards and requirements.

Mr. Chuck Spicer, MDS, Inc. added the homes were built to HUD code and are similar to manufactured and mobile homes, with the ability to do multi-family and multi-level homes at a much lower cost. He spoke in detail about how the finished walls, floors, and cabinetry were completed when delivered on-site and connected together, creating a highly efficient and fast completion. He mentioned a project with 460 living units completed in 21 days with 80% of the material delivered in one day.

Mr. Mike Gougler asked if the footing requirements were the same as stick built construction.

Mr. Spicer replied yes and they were designed by a professional engineer using the load and wind zones and local uniform building codes. They also discussed webbing inside the walls, access for bolts, strapping, and working with local developers directly.

Mr. Blake mentioned there were different methods used, but they were all approved by local inspection agencies based on the engineer's direction. There are licensed inspectors at the plant, and the walls come pre-inspected.

Mr. Gougler asked about the cost per square foot.

Mr. Blake stated it was the same or, in most situations, lower than standard on-site construction; depending on local building requirements and the type of house; most of the savings comes from the shorter period for construction on-site. They discussed different types of modular construction and the variation in prices.

Mr. Dennis Russell stated there might be cost savings because of the reduced time to build, but he was concerned about the economic health of the community when using modular housing, since standard stick built construction helps with local employment. It was mentioned that a modular housing factory in Newberg would be a good way to retain local housing employment. Various plant locations for MDS, Inc. were discussed: Hermiston, Albany, McMinnville, and Sheridan, OR were mentioned.

Ms. Julie Codiga asked about lead-time for delivery as well as the 21 days for on-site completion. Mr. Blake stated production typically takes 8 days with a 2-4 week lead-time before delivery; it would be approximately 60 days from start to finish.

Mr. Charles Harris asked what happens onsite. Mr. Blake said grading needs to be done by a site contractor; MDS, Inc. does not pour the concrete, but hires a subcontractor or uses one the developer prefers.

Ms. Codiga asked how permits are completed so fast. Mr. Blake stated a permit package is completed beforehand, from the factory.

Mr. Rick Rogers asked for a dollar value per square foot. Mr. Blake estimated \$90 per square foot for a multifamily project, but it depends on the amenities.

Further discussions continued about siding and warranties; there is a one-year warranty on material and workmanship with extended warranties available; appliances have their own. MDS is licensed and bonded like any other contractor, and have the same standards as a site builder. MDS, Inc. can arrange a factory tour in Hermiston, if desired.

V. HOUSING FAIR PREPARATIONS

Mr. Ian McLeod stated informational brochures were sent. Chair Smith said they are aiming for May 16th, which could be a possible conflict with another function in McMinnville the following day. The location will be the gym at George Fox University.

VI. REVIEW/FINALIZING DRAFT ACTION PLAN STRATEGIES

Mr. David Beam, Economic Development Coordinator/Planner, reviewed a staff report regarding the Affordable Housing Action Plan Strategies with the public comments received at the Open House. The report also included a staff response to each of the public comments.

Strategy 1: Amend Newberg Comprehensive Plan Goals and Policies

No comments.

Strategy 2: Retain the Existing Supply of Affordable Housing

Chair Smith spoke of inviting City staff to have a table at the Housing Fair to answer questions about codes and housing improvements requiring permits.

Strategy 3: Insure an Adequate Land Supply for Affordable Housing

Chair Smith responded to a comment about letting voters decide, which does not support Strategy 5, Action B5 (page 8) regarding expedited annexations for affordable housing projects. He did not feel this recommendation should be changed based on one negative comment.

Strategy 4: Create an optional “Flexible Development Track”

Chair Smith made note of a memorandum on minimum lots sizes from the Planning and Building Director, Mr. Barton Brierley. He planned to discuss this later in the meeting. He also spoke of the general idea of allowing narrower streets that still allowed adequate access for emergency vehicles. He would like to see some recommended specifications for such a narrow street standard. Impacts to public safety were discussed regarding narrower streets, on-street parking, and the number of cars per dwelling unit.

Discussions followed about requesting the fire marshal and fire chief to attend the next meeting to discuss what they think can and cannot be done concerning street width and emergency vehicle accessibility.

Mr. Russell spoke of a situation he ran into where another 18” of street width could have made a difference for on-street parking. This was not pointed out during the design process by the City, and therefore it became a burden for the developer. He felt specific parking and street standard minimums would be helpful.

Mr. Gougler added accountability should not be one-sided. Both the City and developers should both be responsible for any errors they make. Several members agreed that clear standards should be determined up front.

Mr. Harris felt those recommended narrow street standards should be developed by the Committee and included in the action plan. Others argued that city staff would significant time to create such a proposal, as the standards would first need to agreed upon by the Planning Commission, Fire Department, and Building Department. To do this task now goes beyond the time constraints for this committee. A general guideline(s) recommending what the Committee would like to see in the narrow street standards would do for now for the action plan. City staff could then do the detail work after the action plan is adopted by the City Council.

Strategy 5: Modify other standards in the Development Code to promote affordable housing

Current restrictions on accessory dwelling units (ADUs) were discussed as well as the proposed recommended changes covered under Action B3. Staff suggested that the Committee have a more thorough discussion about this issue at the next meeting, with information distributed in advance.

Mr. Gougler stated that many of the current ADU restrictions were created written to satisfy loan underwriters. The main objective is to stop the majority of occupants in a home from being non-related. Many homeowners associations have restrictions written with the intent to limit the number of rentals in a new development.

Mr. Harris stated he would like to see more building of ADUs with existing housing around town rather than new development.

Mr. Rogers suggested changing the current recommendation that would allow ADUs as a permitted use in new subdivisions under Action B3 to allow them as a permitted use in all R-1 and R-P zones.

A discussion followed about co-housing, supported by another handout, and many agreed this could be a way to get higher densities for all R-1 zones (see official meeting packet for full report).

Mr. Harris felt that ADUs should be allowed anywhere as long as parking standards were also met.

Strategy 6: Amend the Development Fee Schedule

Chair Smith referred to page 12 of the strategy review and expressed concerns about placing the costs of affordable housing on new homebuyers.

Mr. Gougler used the Friendsview project as an example of where development fee reductions could be justified, since the project has various charitable components or provides affordable housing benefits.

Mr. Harris passed around a very short affordable housing survey to the Committee members. (see official meeting packet for full report).

Mr. Russell spoke of building projects that provide long-term impoverishment protection and the need for markers to define and identify qualifications. He suggested projects with similarly designed studio units that could be lower in costs per unit.

Mr. Gougler pointed out that most of the proposed recommendations by the Committee have thus far dealt with new construction or rehabilitation. He felt stronger action needed to be taken to protect existing housing. He felt the City should encourage affordable housing by giving breaks to existing home owners wishing to make improvements that would contribute to making the housing more affordable.

Chair Smith summarized that Strategy 6 does not have specifics, but recognized the City needs to amend the development fee schedule in order to promote/reward affordable housing projects.

Strategy 7: Develop and support public and private programs

Chair Smith concluded, after discussion of the comments, that the Yamhill Community Action Partnership (YCAP) needed to be invited to the housing fair.

Strategy 8: Strengthen economic development efforts

Ms. Codiga offered more explanation regarding the last comment concerning increasing trade skills education on page 16. However, the committee determined this task was outside of the realm of this committee. Staff mentioned the Citizens' Advisory Committee for the Portland Community College project has discussed the need for PCC to help train people with skills needed by local industries, such as welding and metals machining.

Discussions followed regarding the memorandum by Mr. Brierley regarding proposed new minimum lot size standards. (see official meeting packet for full report).

MOTION #1: Gougler/Ficker to approve the proposed changes in minimum lot size standards; but, clarifications on the chart and how to achieve the percentages of target densities need further discussion with staff (Motion passed {10 Yes/0 No/2 Absent [Willcuts, Winbush]}). Motion carried.

Discussions of minimum lots sizes and possibly maximum lots sizes need to be continued with Mr. Brierley as well as details of how to calculate and achieve target densities.

VOTE #1: To approve the proposed changes in minimum lot size standards. (10 Yes/0 No/2 Absent [Willcuts, Winbush]). Motion carried.

Discussions followed about a housing trust fund. It was suggested that rehab of rental properties should be a priority use for the housing trust fund. It was decided to make Action 1 on page 3 to maintain and expand the housing rehabilitation program a priority. Charlie Harris also stated that he would like to know what happened to the housing rehab funds the City received many years ago.

VII. OTHER BUSINESS:

The next meeting will be held on March 19, 2009.

VIII. ADJOURN: Chair Smith adjourned the meeting at 9:06 p.m.

Approved by the Ad Hoc Committee this 2nd day April 2009.

AYES: 8

NO: 0

ABSTAIN: 0
(list names)

ABSENT: 2
Russel & Willcuts


Ad Hoc Committee Recording Secretary

 4/11/10
Ad Hoc Committee Chair Date