

REQUEST FOR COUNCIL ACTION

DATE ACTION REQUESTED: May 20, 2013

Order ____ No.	Ordinance ____ No.	Resolution <u>XX</u> No. 2013-3043	Motion ____	Information ____
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SUBJECT: Resolution authorizing the city manager to facilitate redevelopment and transfer of the former animal shelter site at 921 S. Blaine Street to Newberg Area Habitat for Humanity for an affordable housing project.

Contact Person (Preparer) for this Motion: Barton Brierley, Terry Mahr
Dept.: Planning and Building, Legal
File No.: G-10-001

HEARING TYPE: ADMINISTRATIVE

RECOMMENDATION:

Adopt Resolution No. 2013-3043, authorizing the city manager to facilitate the re-development of the city property located at 921 S. Blaine Street, directing the city manager to work with Newberg Area Habitat for Humanity (Habitat), and authorizing the city manager to deed the property to Habitat in order to further the goal of the city for affordable low-cost/low-income housing.

EXECUTIVE SUMMARY:

The City owns the property at 921 S. Blaine Street, the site of the former animal shelter. When construction began on the new animal shelter site on Sandoz Road, the City Council began to consider opportunities for disposition of the Blaine Street site. The Council decided to investigate using the property for an affordable housing project. In December, 2009, the City Council directed staff to request development proposals for the site. The Council expressed that the objectives of the project should be: 1) to develop dedicated affordable housing that maximizes the land use potential of the site and meets affordable housing goals, 2) to develop a project with exemplary site and building design, and 3) to transfer ownership of the land upon completion of the project. The City received two proposals for the site. The Council voted to accept the proposal from Newberg Area Habitat for Humanity (Exhibit "B").

Following this direction, the attached resolution authorizes the City Manager to work with Habitat to execute a development agreement for the property and ultimately convey the property to them.

FISCAL IMPACT: An appraisal of the property valued the land at \$70,000.00. While not formally part of the agreement, it should be considered that Habitat has provided in kind services in construction of the new animal shelter and in demolition of the old.

STRATEGIC ASSESSMENT: The City has adopted a number of goals and policies in the Comprehensive Plan relating to affordable housing. Among these are:

Goal I: To provide for diversity in the type, density and location of housing within the City to ensure there is an adequate supply of affordable housing units to meet the needs of City residents of various income levels.

Policy 3.i.: The City shall encourage the provision of affordable subsidized housing for low- and very

low-income households, which are defined as those earning between 50 percent and 80 percent, and those earning 50 percent or less, of the median household income in Newberg.

Policy 3.q: The City shall provide financial incentives for affordable housing, such as system development charge deferrals or waivers, permit application fee reductions or waivers, and land cost write-downs or donations for qualified affordable housing developments. These incentives could be paid by a housing trust fund.

Policy 3.v: The City shall work with local affordable housing providers in developing an overall strategy for meeting Newberg's housing needs.

Policy 3.w: City resources shall be directed toward assisting public and private entities in producing and preserving affordable housing throughout the community.

The development agreement with Habitat provides a unique opportunity to further these goals.

Attachments

Resolution 2013-3043 with

Exhibit "A": Excerpts from the March 15, 2010 City Council minutes

Exhibit "B": Newberg Area Habitat for Humanity Proposal

1. Property appraisal