

CITY OF SILVERTON
AFFORDABLE HOUSING TASK FORCE MINUTES

Silverton Community Center – Council Chambers – 421 South Water St.

April 9, 2019, 8:30 a.m.

I. CALL TO ORDER

Member Dana Smith called the meeting to order at 8:32 a.m. and introductions were made.

Present	Absent	
	Excused	Kyle Palmer
X		Dana Smith
X		Jason Freilinger
X		Sarah DeSantis (<i>arrived at 8:40 a.m.</i>)
X		Harry Douglass
X		Kari Johnsen
X		Bonnie Logan
	Excused	Laurie Chadwick
X		Sarah White
X		David Goldblatt
X		Gene Oster
X		Terry Caster
	Excused	Molly Ainsley

Staff Present:

City Manager, Christy Wurster; Community Development Director, Jason Gottgetreu; and Assistant to the City Manager/City Clerk, Angela Speier

II. APPROVAL OF MINUTES

Member Jason Freilinger moved to accept the minutes from the February 26, 2019 meeting as presented. Member Bonnie Logan seconded the motion. Member Terry Caster inquired about the Housing Needs Analysis and why a consultant and this Task Force are both needed. Community Development Director Jason Gottgetreu explained that the Housing Needs Analysis is a study looking at the available land in Silverton and what it is currently zoned. It will also look at the projected population of Silverton to see what the housing needs will be and how those two things line up. In addition, the analysis will also look at what strategies could be implemented to meet those future numbers. The policies or programs recommended from this Task Force can be rolled into the Housing Need Analysis recommendations to meet the housing goal. The motion passed (7-0) with members Dana Smith, Jason Freilinger and Gene Oster abstaining.

III. PUBLIC COMMENT – None received.

IV. DISCUSSION/ACTION

4.1 Discuss zoning standards and how they could facilitate affordable housing

Director Gottgetreu explained that the Affordable Housing Task Force was created to address the City Council goal to further develop and implement strategies for affordable housing. In addition, the Planning Commission is also looking at ways to facilitate affordable housing in developments. In particular they are looking at a form based approach for small apartments, cottages, and small lots in R-1 subdivisions. This idea will be the topic of the meeting today. He provided a summary of the potential changes to the zoning standards for Accessory Dwelling Units (ADUs) that were discussed at the last meeting. The proposed changes include: 1) remove the owner occupied standard; 2) change the size limit from 40 percent to 60

percent of the primary structure, but retaining the 800 square foot limit; and 3) allowing tiny homes as ADUs. The Building Official recommends the City allowing tiny homes as an RV hook up, because they are typically constructed off-site with no City oversight. The utility hook-up would include both water and sewer and these would be allowed in any R-1 zone as an outright permitted use. There would be no time limit on a tiny home as an accessory dwelling unit. Member Smith asked about the design elements required for ADUs and expressed her concern that those can increase the cost to build them. Director Gottgetreu explained the current process of approval and that the Community Development Director determines if an ADU meets the design requirements. This is a Type 1 decision meaning that it can't be appealed to a different governing body. He said that the Task Force could recommend making the design standards more clear and objective.

At the last meeting the Task Force discussed alternative housing types and drafting standards to allow tiny homes/RV's developments as multifamily type uses. These would be allowed within the multifamily zones and would create a separate use category with regulations to allow for tiny home parks and/or subdivisions. The Planning Commission is looking into allowing courtyard apartments and cottages in R-1 subdivisions. Director Gottgetreu would like feedback and additional ideas from the Task Force regarding what the Planning Commission is working on. The goal is for these units to rent at \$900-\$1,200 per month. These policies are designed to incorporate the missing middle housing into an R-1 subdivision. Currently the R-1 zone allows only detached single family homes with up to 20 percent of the lots being allowed as duplex lots. The Planning Commission has looked at a number of different ideas and decided that courtyard apartments that are built in a horseshoe with a courtyard in the middle blend into neighborhoods. Director Gottgetreu explained that the minimum lot size is 7,000 square feet for R-1 zones. The Planning Commission is looking at creating a form based approach for affordable housing that would create a desired affordable housing layout on standard lots and allow for multifamily development within the R-1 zone. The City would define the setback, height, roof type, parking lot location, open space, landscaping, building envelope, etc. There would also need to be a formula in place that would allow x% of development to be developed as this housing type. If the clear and objective standards are met then it would be an outright use. He reviewed how this type of development could be dropped into an existing subdivision in either a three or two lot standard size for either courtyard apartments or for cottage style apartments. Member Smith said she has been hearing that the parking requirement can be a cost issue for building these smaller more affordable units. Director Gottgetreu said the courtyard and cottage apartments would require 16 on-site parking spaces for 20 apartments, which is lower than the current standard for apartments.

The Planning Commission is also looking into requiring all of the units or a portion of the units as affordable (\$850 per month) over a specific period of time such as 50 years. Member Johnsen explained the Oregon Housing and Community Services (OHCS) rent requirements and asked if the proposed City requirements would match the OHCS requirements. Director Gottgetreu explained that this idea would be facilitated by a private developer and not something through outside funding. Member Johnsen explained that OHCS has rent control requirements put in place for 50 years as well as building standards that must be met and tracked annually. She explained living standards in buildings not regulated by OHCS deteriorate much faster than buildings that are, and OHCS regulates rent increases at 5-7 percent annually. Member Oster voiced his support for the concept and likes the idea of allowing the developer to choose between multiple concepts depending on if they are comfortable working with government subsidies or not. He feels that any option that the Task Force can think of should be on the table and then the market will determine what works. Discussion ensued about how the rent and building standards would be regulated if the developer doesn't have to meet the OHCS requirements. Director Gottgetreu said some cities have utilized deed restrictions and developer agreements to ensure the units stay affordable.

Director Gottgetreu reviewed what a cottage style development would look like within the same footprint of the courtyard style apartments. Nine cottages could be built with 16 parking places on three lots. The cottages could be two stories with 600-800 square feet of living space. Member Smith said she would like to see the same parking space ratio used as the courtyard apartments which would free up an area for more green space and/or a community garden. He reviewed what both the courtyard apartment and cottage style development would look like if they were built on two lots.

The Task Force reviewed potential code language that would permit this type of housing outright in the R-1 zone by creating its own use category through the subdivision process. This type of development would allow for a sprinkling of multifamily housing within single family neighborhoods, so there wouldn't be large lots designated as multifamily. Director Gottgetreu explained the Planning Commission is proposing that these be adopted for new subdivisions between 20-29 lots a maximum of 13 units in a small courtyard apartment or six cottages would be allowed. In a subdivision of 30 lots or more a maximum of 20 units in a courtyard apartment or nine cottages would be allowed. Staff is looking for feedback from the Task Force on the Planning Commission's recommendation to allow this type of development in new subdivisions only. In addition, staff would like feedback on if they should be allowed one per every 30 lots, or a percentage approach, verses only one per subdivision, so there could be multiple courtyard/cottage style apartments in larger subdivisions. Member Freilinger sees a lot of great work started by the Planning Commission, but only allowing them in new subdivisions doesn't seem like it would create a lot of affordable housing in the coming years. Having a more streamlined approach without conditional use requirements is great, but it isn't enough and he would like to see it allowed beyond new subdivisions. Members expressed their support for allowing them as infill in current subdivisions. Discussion ensued about when to require a lower than market rent. Would it only be required if the building was funded through a state or federal program or should the City require it on all of the newly built apartments that meet these standards? Member Freilinger supports the two options, because it might spur faster development. If a developer chooses to build on their own they can charge market rent prices, but if they choose to receive funding through OHCS or another means than they would have to meet the requirements of that program. Member Smith said that if it is allowed outright in an existing neighborhood than she feels that there should be some mandates. If a developer is allowed to build this type of apartment at the market rate, with no restrictions, then they should have to go through the zone change process. Member Oster doesn't think the process to accomplish building these types of apartments should be based on how they are funded. The members discussed how the City could ensure that there is high standard of living in units that are not regulated. Member White explained allowing more flexibility would spur the market and more development would occur. She stressed that not only is the community facing an affordability crisis, but also an inventory crisis is occurring. Member Caster feels the more complex you make the rules the more people you will drive away from doing this type of development. Member Freilinger voiced his concerns about requiring a zone change process.

Director Gottgetreu explained the City could try to incentivize the development of affordable housing through SDC waivers, based on the number of units rented at affordable rates (rented at 60-70 percent area medium income). The City could also allow for half the units to be market based, but the other units would need to rent at 80 percent of the area medium income. The City would offer better incentives for developments where all of the units were rented at affordable rates. Member Oster explained that one of the factors that drive market prices is availability; if there were more units available then rents would lower. The Task Force will continue the discussion on possible code changes to allow for multifamily housing in the R-1 zone at the next meeting.

Next meeting: Tuesday, April 30, 2019 at 8:30 a.m.

ADJOURNMENT

The meeting adjourned at 9:56 a.m.

Respectfully submitted by:

/s/Angela Speier, Assistant to the City Manager/City Clerk