

**CITY OF SILVERTON
AFFORDABLE HOUSING TASK FORCE MINUTES**

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

August 20, 2019, 8:30 a.m.

I. CALL TO ORDER

Chairman Kyle Palmer called the meeting to order at 8:30 a.m. and introductions were made.

Present	Absent	
X		Kyle Palmer (departed at 9:45 a.m.)
X		Dana Smith
X		Jason Freilinger
	Excused	Sarah DeSantis
X		Harry Douglass
X		Kari Johnsen
X		Bonnie Logan
X		Laurie Chadwick
X		Sarah White (arrived at 8:37 a.m.)
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 Freilinger made a motion to approve the minutes from the July 16, 2019 meeting as presented. Member Oster seconded the motion. There was no discussion and the motion passed unanimously (10-0).

III. PUBLIC COMMENT - None

IV. DISCUSSION/ACTION

Community Development Director Jason Gottgetreu introduced the team from ECONorthwest which is led by Beth Goodman. He explained this project is to update the Housing Needs Analysis which is a City Council Goal. This will put the data behind a number of the policy issues the Affordable Housing Task Force has been discussing.

Overview of the Project

Beth Goodman and Margaret Raimann introduced themselves and provided an overview of the Silverton Housing Needs Analysis. Ms. Goodman explained a Housing Needs Analysis has two different pieces. The first is land use, does the City have enough land in the urban growth boundary (UGB) to accommodate expected growth over the next 20 years and will it be affordable for all households in Silverton. She said the project will also look at the needed types of housing, how much and where buildable land is located, and if the current development patterns make sense. She reviewed Statewide Planning Goal 10 which is related to buildable lands for residential use.

Ms. Goodman reviewed the needed housing types that are defined in ORS 197.303. Member Oster asked what the impact would be to Silverton if the City decided not to follow the state’s perspective on what housing is needed. Ms. Goodman explained the Housing Needs Analysis becomes part of the City’s Comprehensive Plan which guides the land designations within Silverton and it must be acknowledged by the state. She further explained if the City didn’t allow mobile or manufactured home parks in zones that allow 6-12 dwellings units per acre and someone wanted to develop a park on a piece of property they could sue the City and potentially win.

Ms. Goodman reviewed the components of the project and how it will fit in with the City’s planning framework. The first component is the Housing Needs Analysis Technical Report which provides a factual basis and tells the City what is happening with buildable land and the demand for housing in Silverton. The Housing Strategy will begin to address the issues identified in the Housing Needs Analysis. These two documents will allow the City to revise the housing element in the Comprehensive Plan and the Housing Strategy could lead to changes in zoning code and housing policies and programs.

Role of the Project Advisory Committee (i.e. Affordable Housing Task Force)

Members will need to provide feedback on housing trends, buildable lands inventory, and the final Housing Needs Analysis document. Members will also be asked to provide local context and assist in facilitating discussion at public meetings.

Project Schedule

Ms. Goodman reviewed the project schedule:

September 17	Discuss draft results of land sufficiency analysis, begin to discuss housing policies
October 15	Discuss housing policies
November 19	Revise and finalize housing policies
Open House (TBD)	Present draft results of the Housing Needs Analysis Present and get feedback on preliminary housing policies

Member Oster asked when ECONorthwest performs the developable land inventory if they contact the property owners of vacant undeveloped land. Ms. Goodman explained the Oregon system assumes all vacant land is potentially developable, even if the owner does not want to sell it. She said in Washington they assume 25 percent of vacant land will not develop over the 20 year period.

Housing Market

Ms. Goodman explained the types of housing; including, single-family detached (manufactured, mobile homes, and cottage housing), single-family attached (townhouses), multifamily (two-four units per structure such as duplexes, tri/quad-plexes), and multifamily (five plus units per structure). She reviewed the mix of housing in Silverton from 2000 and compared it to more recent data from 2013-2017. She said 80 percent of the housing stock in Silverton is single family detached. The five year 2013-2017 data is collected from the US Census American Community Survey. She said there has been an increase in owner-occupied housing since 2000.

Ms. Goodman reviewed the building permits that have been issued from 2000-2017 and reviewed the historical density (2000-2018) in Silverton. The vast majority of the development has been single family residential at 4.8 dwelling units per acre, which ends up being just over 8,000 square foot lots. She said multifamily residential has developed at 23.6 units per acre. There have been 4 commercial units developed since 2000. This information will be helpful for forecasting how much land is needed. Silverton’s 2018 population is 10,325; this represents an increase of 2,900 residents from 2000. Since the City is over the 10,000 population threshold it means Silverton is subject to House Bill (HB) 2001. Silverton grew faster than Marion County which grew at a 1.1 percent average annual growth rate. Ms. Goodman explained they will look at some of the demographic factors that will affect housing demand in Silverton over the next 20 years. These factors include age, household composition, income, and how housing needs change over a person’s lifetime. Since 2000 the number of residents over 60 years old has increased and now represents 21 percent of Silverton’s population. The senior population in Marion County is expected to continue to grow at a faster rate than the other age categories and will represent 25

percent of the population by 2040. Silverton has a little larger share of family households with children (38 percent) and smaller share of nonfamily households than Marion County and the state. The median household income is \$60,603, which is higher than the rest of the county and the state. She also reviewed the income by age groups and explained the majority of residents 65 and over has an annual income of less than \$50,000. Lastly, the Latino population in Silverton has decreased since 2000, where Marion County and Oregon have become more diverse. She explained these demographics broadly show the City will need to have more affordable housing for families with children and seniors. She would also guess the decrease in Latino households could also be related to affordability. Silverton needs a wide array of housing that is both affordable for renters and owners.

Ms. Goodman said the median home sale price for Silverton in May 2019 was \$429,000. That represents an increase of \$179,000 since 2006. The median gross rent (including utilities) in Silverton over a five year period (2013-2017) was \$902 per month. Approximately 30 percent of Silverton households are paying 30 percent or more for housing costs and are cost burdened; about 11 percent are severely cost burdened. This number may have increased, because this data is from 2013-17 and housing costs have continued to increase. Ms. Goodman reviewed what people can afford based on the median family income. She reviewed the percentage of households in each income level and 11 percent are at the extremely low income and are the most at risk of becoming homeless. 14 percent of households are at the very low income level and 20 percent are considered low income. There is a deficit of 69 housing units for households that earn \$10,000-\$14,999 annually and a deficit of 111 units for income earners at \$25,000-\$34,999. There is also a deficit of 307 units for households that earn \$150,000 per year. Typically cities will develop housing policies that focus on closing the deficit for lower income households and let the housing market address the executive housing needs for higher income earners.

Buildable Land

Margaret Raimann reviewed the preliminary buildable land inventory. She explained land is generally considered suitable and available as long as there are not geological constraints on the land. She reviewed the methodology and the steps it takes to figure out a city's buildable land inventory and today the Task Force will be presented with the preliminary numbers.

The inventory starts by looking at Comprehensive Plan designations and at land that allows residential uses outright. They also included the agricultural and urban reserve areas, the commercial zoning that allows residential uses, and one lot of industrial land that recently changed to R-1. She reviewed the land classifications; including, developed, vacant, partially vacant, undevelopable typically vacant tax lots less than 3,000 square feet in size, and public or exempt lots. Ms. Goodman explained the undevelopable definition for this inventory does not mean a City could not allow the development of a house on a 3,000 square foot lot if it is a legal lot and the code allows they just don't include it in the inventory as buildable.

Ms. Raimann reviewed what is considered development constraints and indicated where those constraints are in Silverton. She said there are 285 acres of vacant land and 369 acres of partially vacant land. There are 632 buildable acres of residential designated land, 509 for single family, 19 for multifamily, and 104 for agriculture/urban reserve.

Preliminary Housing Forecast

Ms. Goodman explained Portland State University (PSU) has forecasted Silverton to grow by 3,058 residents from 2020-2040. This represents a growth rate of 1.25 percent each year over the next 20 years. This shows the need for 1,158 new dwelling units during the 2020-2040 period or an average of 58 dwelling units per year. They have to take the 1,158 units and allocate the units into four different housing types. Looking at the historical data 80 percent of the housing mix is single-family detached; however, looking at the preliminary forecast the current market is not meeting the needs of the population. The preliminary forecast is recommending 753 single family dwelling units (65 percent), 81 single family attached (7 percent), 151 duplexes (13 percent), and 174 multifamily units (15 percent). This will help to determine the amount of land needed for each land designation and it is likely more land will be needed for multifamily housing.

Group Discussion: Desired Outcomes of the Project

Member Freilinger indicated it looks like the City has enough buildable land, but will likely need to rezone some of the land to allow for higher density. Ms. Goodman explained increasing the multifamily housing units will be a big shift for the community, so it might be more acceptable to allow a wider range of housing types. Member Caster confirmed adding additional multifamily housing can be controversial at the Council level. Ms. Goodman explained the Task Force should likely move in the direction that allows for a lot of different types of housing and then look at drafting policies that make it difficult for people to oppose, like cottage style developments with specific design requirements. Member Caster asked what would happen if Silverton continues to have a 2 percent annual growth rate, instead of the 1.25 percent PSU is forecasting. Ms. Goodman said through the capacity analysis she will be able to show how much growth Silverton can support.

Next Steps

ECONorthwest will further refine the Housing Needs Analysis and Buildable Land results. At the September 17, 2019 meeting they would like to begin discussing possible housing policies with the Task Force. Ms. Goodman will review the prior meeting minutes and list out the things the Task Force has discussed and is interested in pursuing. Member White said the Task Force has not discussed renter's rights and asked if that will be coming up in this analysis. Ms. Goodman responded that is not something ECONorthwest is very educated about, but if the Task Force chose to talk about it, they could bring in an expert to discuss options and include it as part of the policies.

Member Oster said he thinks the analysis is going to show that Silverton is woefully low on multifamily housing opportunities and feels the demand for that type of housing is going to continue to grow. Ms. Goodman responded housing preference for senior citizens shows that a large number would like to continue to live their own home for as long as possible. She also indicated there has not been a huge shift across the nation from homeownership to renter.

V. ADJOURNMENT

Member Smith made a motion to adjourn the meeting and Member Freilinger adjourned the meeting at 10:15 a.m.

Respectfully submitted by:

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