



CITY OF SILVERTON

AFFORDABLE HOUSING TASK FORCE MEETING

Silverton City Council Chambers
421 S. Water Street
Meeting to be held in person with a virtual option
Tuesday, November 21, 2023 – 6:30 p.m.

Zoom Meeting Link: <https://us02web.zoom.us/j/85317272413>

Dial in: 1 (253) 215-8782 Webinar ID: 853 1727 2413

AGENDA

- I. **Call to Order, Pledge of Allegiance and Roll Call**
- II. **Approval of Minutes – October 17, 2023**
- III. **Public Comment – Items not on this Agenda**
- IV. **Discussion**
 - 4.1 **Affordable Housing Development – Westfield Site RFP Discussion**
City of Hood River RFP Example Review
- V. **Adjournment**

Americans with Disabilities Act – *The City of Silverton intends to comply with the A.D.A. The meeting location is accessible to individuals needing special accommodations such as a sign language interpreter, headphones, or other special accommodations for the hearing impaired. To participate, please contact the City at 503-874-2216 at least 48 hours prior to the meeting.*

A copy of the full packet is available on the City's website at www.silverton.or.us/agendacenter. In accordance with House Bill 2560 the meeting will be held electronically using the Zoom web conference platform. Please submit written comments to jgottgetreu@silverton.or.us by 3:00 p.m. on Tuesday, November 21, 2023. Comments received will be shared with the Affordable Housing Task Force at the meeting and included in the record.

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

421 South Water Street and Zoom Web Conference Platform

October 17, 2023, 6:30 p.m.

I. CALL TO ORDER, PLEDGE OF ALLEGIANCE AND ROLL CALL

Chair Freilinger called the meeting to order at 6:30 p.m. The task force members and staff were present in person and through the virtual meeting platform Zoom consistent with House Bill 2560.

Present	Excused	
X		Jason Freilinger {Chairman}
X		Dana Smith
X		Karyssa Dow
X		Laurie Chadwick
X		Sarah White
X		Gene Oster
		Barbara Rivoli
X		Hilary Dumitrescu
X		Rebecca Delmar
X	X	Ray Teasley
	X	Clay Flowers {Planning Commission Rep.}

Staff Present:

City Manager, Cory Misley, Community Development Director, Jason Gottgetreu.

APPROVAL OF MINUTES:

Member White moved to approve the minutes from the September 19,2023, meeting, Member Dow seconded the motion and it passed unanimously.

PUBLIC COMMENT: None.

DISCUSSION/ACTION:

4.1 Affordable Housing Development – Westfield Site Final Draft RFQ

Director Gottgetreu summarized the previous September AHTF meeting, and a special joint meeting of the City Council and Planning Commission. They then went over the final draft for Request for Qualifications [RFQ] for the Westfield property, behind the Senior Center. The goal for the property is to offer affordable housing development to serve a mixture of demographics/income levels including a variety of unit types. The first phase of the development would be in the northwest portion of the property, beginning with development of two acres from the seven available; with general density being ten to twenty units per acre. Director Gottgetreu outlined the primary goal for the housing provision including prime AMI for tenants and the parameter of the City of Silverton retaining ownership of the land after development.

Member Oster inquired about the joint meeting between the City Council and the Planning Commission. They asked if there was general support from both groups for the [Westfield] project.

1 Director Gottgetreu confirmed general support for the project. They provided insights from the City Council
2 and Planning Commission in reference to landscaping of the site and future maintenance.

3
4 There was collective discussion on quality of materials to ensure cost effective construction of the project.
5 Potential subsidy requirements for materials were then addressed with differential in long lasting materials
6 versus upscale options.

7
8 Director Gottgetreu addressed the statement and intent within the RFQ *high quality materials*, and asked if
9 verbiage should be changed to *long lasting* or *durable*.

10
11 The Committee discussed the verbiage of high quality and proper understanding for potential developers.

12
13 Member Delmar offered using the word durable in lieu of high quality. The Committee agreed with this
14 change.

15
16 The Committee decided to reference the RFQ with in the agenda packet page by page to ensure
17 cohesiveness for the RFQ release.

18 19 **Memo**

20
21 Member Smith questioned the timeline within the memo of the agenda.

22
23 Director Gottgetreu clarified the intent of the timeline for the RFQ release.

24 25 **Section 1: Summary of the Request for Qualifications (RFQ)**

26
27 Member Smith referenced the RFQ document, paragraph three regarding amenities; they believe having a
28 Cherriot's bus route nearby is an important amenity. They then questioned verbiage regarding City and
29 Developer responsibility.

30
31 Member Rivoli addressed developer requirements and inquired about financial requisite to ensure viability.

32 33 **Section 2: Submittal Overview**

34
35 Member Smith referenced paragraph two regarding develop team changes and verbiage of feasibility.

36 37 **RFQ Submittal Overview**

38
39 Member Smith referred to *Process overview*, line item 2, they inferred adding an addendum to include a
40 date stamp for the first quarter of 2024; the Committee agreed.

41 42 **RFQ Schedule**

43
44 The Committee agreed on the proposed RFQ schedule.

45 46 **RFQ Updates and Questions**

47
48 The Committee and Director Gottgetreu discussed including a requirement for a financial statement
49 submittal within the RFQ. The Committee then went over the document in its entirety and agreed with the
50 layout and content. Discussion led to potential extended park use on the Westfield property.

1 Director Gottgetreu directed the conversation to the RFQ schedule-timeline for completion and release.

2
3 Member Oster asked about advertising/marketing for the RFQ.

4
5 Director Gottgetreu provided processes for the RFQ release and avenues for presentation.

6
7 Member Smith and Director Gottgetreu discussed methods for developer registration to ensure updates after
8 RFQ responses are submitted.

9
10 Member Smith moved to approve the RFQ as amended, Member Rivoli seconded the motion and it passed
11 unanimously.

12 13 **RFQ: Design-Program**

14
15 Director Gottgetreu went over the general concept design requirements for RFQ response along with the
16 overall schematics for the RFQ responses.

17
18 Member Smith inquired about AMI preference for the RFQ.

19
20 Director Gottgetreu presented conceptual financial analyses for funding of the Westfield project while
21 iterating the potential development team may ask the City for financial investment and non-financial
22 assistance. Public engagement for design and development were then iterated.

23 24 **Public Comment:**

25 26 **David Willis Salem, Oregon**

27 David stated they have attempted to construct several projects within Silverton. David relayed frustration
28 for witnessing the AHTF developing an affordable housing development when they received denial in the
29 past for a project they had proposed. David referred to a local developer who had presented a plan for the
30 Westfield property that did not come to fruition. David then described their personal experience with a pre-
31 application process for a project they were proposing and the monetary loss they experienced after the City
32 denied the development. David iterated when developers present options for affordable housing, and the
33 projects are denied it creates confusion. They inquired why the [AHTF] is having meetings if the [City] is
34 not going to follow through with [approval of affordable housing development].

35
36 Chairman Freilinger offered empathy for the aforementioned situation. Chairman Freilinger relayed every
37 layer of the City's government has been involved in discussion for the Westfield project. They witnessed
38 the majority of the Planning Commission in support of the project, and unanimous support from the City
39 Council at their joint meeting. Chairman Freilinger then provided their service history with the City of
40 Silverton and that of Member Smith.

41
42 David responded with the belief that the [Westfield Project] is a *pet project* for the City. On a global level
43 the City on whatever level is double talking. The [City] wants affordable housing, but when presented [it is
44 denied]. David iterated it seems there is State pressure [to provide] affordable housing, but when the rubber
45 hits the road there are roadblocks for [developers] to bring it to fruition with in Silverton. David stated they
46 had proposed a tiny home development and it was rejected, though they had completed the preapplication
47 process; after many monetary endeavors the project being denied made them feel the City is relaying to
48 developers that they are unwanted. With this, David stated they will [develop] in neighboring City's that
49 [are open to their development ideas]. Lastly, they stated they know of other developers who have the same
50 hesitation as they do with developing within the City because of a negative experience.

1 Member White asked if when Davids's project was denied, was there an appeal option or an opportunity to
2 make changes to their proposal.
3

4 David stated when their project was denied, they were working with Multi-Tech. Generally, the process
5 [when denied] is for the City to work with the firm and detail the deficiencies within the application, then
6 the firm would have an opportunity to correct the application deficiencies resubmit and move forward.
7 When their application was denied with the City of Silverton there was conveyance of significant
8 community objection; because of this, in their opinion, the application was simply denied. This conveyed
9 the City's non-interest in the project despite the preapplication process that had taken place. David then
10 stated their frustration with their experience which resulted in them not moving forward with an appeal.
11

12 Member White inferred they were supportive of the tiny home project; they acknowledged the community
13 push back in the absence of accurate information and relayed disappointment. Member White recognized
14 the notable endeavor built on good faith that the City would follow through.
15

16 David stated their disappointment with the process, and relayed their awareness of other developers who
17 have had similar experiences, and who will not work within the City of Silverton.
18

19 Chairman Freilinger stated the members of the AHTF want affordable housing in the City of Silverton, and
20 they acknowledged community resistance creating difficulty for developers. Chairman Freilinger stated
21 they would like to resolve the current issue and they would like feedback from someone who has firsthand
22 experience with [the development process].
23

24 David asked what City staff's obligation is to behold community resistance for a project in the denial
25 process. They iterated their intention with their previous project application and how the concept had been
26 misconstrued.
27

28 Member Oster stated they are aware of how the situation went with the project denial. Member Oster relayed
29 the AHTF wants to provide affordable housing. Member Oster attempts to stay informed on a national and
30 a State level. The Committee has attempted to address issues and/or roadblocks that could arise with the
31 Westfield project. The AHTF is continuing to look at code to move things forward, most of the Oregon
32 State legislation focus is housing. This is causing local government to address annexations and Urban
33 Growth boundaries to assist in housing allotment. Member Oster said Governor Kotek is continuing to take
34 control of housing and development to continue the effort. Member Oster acknowledged David's
35 frustration, and relayed personally they only develop subdivisions, push back is expected when developing
36 multi-family dwellings.
37

38 Member Oster and David discussed leadership within the City of Silverton pertaining to community
39 resistance and affordable housing development.
40

41 Member Smith stated they do not believe David's project denial was due to community influence on
42 resistance. They believe the denial was due to ambiguities within the application. Member Smith had
43 submitted public comment during the review process of the project application requesting clarifications.
44 Transportation connectivity had been a main concern for the development, there was not a concern for
45 location, dwelling type, or affordable housing. Member Smith stated the Comprehensive Plan shows
46 pedestrian connectivity on the project location, the application lacked clarity and code compliance.
47

48 David reiterated frustration for the project denial process and offered insight into their transportation
49 connectivity plan for their project. They stated communication was the main issue with their experience
50 with the City.
51

1 Member Smith and David spoke about zoning and permitted uses for the project.

2
3 Member Dow wanted to note Davids’s language to the Committee could have been iterated in a better
4 manner.

5
6 **REPORTS AND COMMUNICATIONS:**
7

8 Member Rivoli and Director Gottgetreu spoke about current ADU development within the City.

9
10 Director Gottgetreu updated the Committee on forward movement with ADU grants.

11
12 Member Oster and Director Gottgetreu spoke about affordable housing and multifamily homes being in a
13 deficit.

14
15 Chairman Freilinger spoke about residents being willing to upzone their properties; there was lack of
16 interest in the idea; therefore, Chairman Freilinger would like to have a future conversation on creating
17 incentives for homeowners and residents.

18
19 **ADJOURNEMENT:**

20 The meeting adjourned at 7:59pm
21 /s/ Cleone Cantu, Planning and Permit Assistant.

DRAFT

Request for Proposals (RFP) for 780 Rand Road and 2887 Cascade Avenue

To: Short-Listed Development Teams

From: City of Hood River

Thank you for sharing your teams' Statement of Qualifications with us in August, and for your interest in the City- and County-owned properties in Hood River.

The City received seven submittals in response to the RFQ and has selected two teams that are receiving this RFP document. We were thrilled to receive submittals from so many capable teams, and it was difficult to narrow the field.

We share your excitement for building affordable and attainable housing in Hood River's Westside and look forward to making a difference for low- and middle-income households over the coming decades.

The Proposal.

This document summarizes the "proposal" materials that we would like your team to prepare.

During the RFQ phase, our goal was to understand each team's experience and comparable project work, as well as a general vision for the Hood River project. Now, we are asking you to prepare more specific materials that clarify the nature of the project(s) that you would expect to build on the 780 Rand Road site, and potentially also the 2887 Cascade Avenue site.

You already prepared and submitted some of this information in your SOQ submittal; however, the structure outlined below will help us to gain a clearer understanding of your vision for the sites.

We understand that your ability to describe a future project on these sites is limited by a variety of factors. From a technical point of view, neither you nor the City knows everything about these sites, and more information may come to light as various parties conduct additional due diligence on the properties. From a timing point of view, there is a limit to how much information and specificity you will be able to prepare in about six weeks (see timeline at bottom). And we understand there are budget constraints—limits to how much time and effort your team can allocate to this project.

Therefore, we understand that the information you include in your proposal will be conceptual and potentially subject to change if new information comes to light.

Nonetheless, we expect that both your team and our team will take this proposal seriously as an informed best estimate at this time. We do not want to encourage you to propose concepts that are unreasonably optimistic and likely could not be implemented. If you want to propose “reach” concepts, feel free to do so, but please make it clear what assumptions those concepts are contingent on.

Elements of the Proposal.

Please prepare and submit the following materials to the City:

Design

- Concept/schematic site plans of the 780 Rand Road site, and the 2887 Cascade Avenue site if desired. The plans should show the following land uses: housing; current and proposed future roads, sidewalks, frontage improvements, and other infrastructure; stormwater treatment, wetlands, and parks/open space; trails; sloped/unbuildable areas; and any other areas necessary to illustrate your plans. Please refer to the RFQ and RFQ Addendum No. 1 for information about infrastructure and frontage improvements that have been contemplated to date. Please show any portion of the future north/south Neighborhood Connector Street west of the City’s parcel if you believe it will be necessary for your project.
- Photos and other materials that help to convey your proposed design of the sites.
- 1 or 2 hand drawn sketches of your proposed site design, or other imagery suitable to accompany a press release upon your selection as preferred development team.
- Any other materials you want to include.
- Maximum of 12 pages.

Program

- The program should express the design elements above in numbers and tables. As stated above, we assume all figures are approximate and ranges may be appropriate. The program should include but not necessarily be limited to the following information:
 - Housing: Number of units by type (rental vs. owner occupied); AMI/affordability level; indicate the number of units that address the City’s primary (80% AMI and below) and secondary (80% to 120% AMI) goals; number of bedrooms; rentable square feet of units; rent per month; approximate sale price; parking spaces; length of time that units will be affordable; notable amenities and features of units.
 - Shared residential amenities.
 - Community or non-residential space, if any: Square feet; description.

- Do you intend to incorporate community artists or art into the project? If so, please explain your approach.
- Project and site amenities, if possible to quantify (e.g., acres of park, stormwater, or wetland space).
- Maximum of 4 pages.

County Property

- What approach do you recommended to developing/utilizing the County property to achieve the City and County goals?
- We recognize that design, analysis, and negotiation may be required in order to find ways to develop this area in a way that is acceptable to the City, County, and at least one major private property owner, and delivers affordable housing and other community benefits. How do you envision your development team being involved in this process, and engaging with the above parties?
- Maximum of 1/2 page.

Pro Forma

- Please provide the following views of your conceptual financial analysis/pro forma. Identify proposed sources of local, state, federal, or other public funds in both views.
 - A one to two page table showing proposed sources and uses; pdf format.
 - An Excel workbook showing sources, uses, and a multiyear cashflow. The workbook may have calculations disabled, or be otherwise locked to protect your proprietary analysis.

Deal Structure and Finance

- Please review the following two sections of the RFQ: Potential City Roles in the Development Process; Potential Hood River County Roles in the Development Process. What types of financial investments and non-financial efforts does the development team propose that the City and County provide? Are your expectations for City and County efforts similar to those described in the RFQ? If not, how are your expectations different?
- Please state what entities you expect to be the long-term owners of each of the project components, including the rental and shared-equity components if applicable. Please also indicate how affordability for any shared-equity homes would be maintained over time and if you anticipate a homeowners association for the shared equity homes and/or the entire project.

- How do you propose that the primary site infrastructure (see RFQ definition) be financed and built? If you believe that multiple approaches are possible, please provide an list of these options, with short descriptions and an indication of what you see as the best or most likely approach.
- Building off of the list of local, state, federal, or other public funds, and other competitive or philanthropic funds, please tell the City and County the approximate likelihood of this project being awarded these funds following the first grant/loan application?
- Do you anticipate that BOLI would require that the construction of these projects pay prevailing wage rates?
- Maximum of 4 pages.

Recommended Zoning

- The City is contemplating initiating a zone change process in 2021 but would like your input before starting this process.
- The City has largely assumed that the Rand Road and County properties would be rezoned to the R-3 zone (Urban High Density Residential; see RFQ for details). However, it is also possible that the site could be rezoned to C-2 or another City of Hood River Zone. It is also possible that the City could use Senate Bill 8 to provide entitlements for the site.
- Given this situation, please give us your opinion on several questions:
 - What zoning or entitlement approach do you think is the best fit for the 780 Rand Road and County properties?
 - Do you recommend that the City initiate the rezone process immediately (e.g., October 2021), or would you recommend that we select the preferred development partner first, and then work with that partner on the rezone (e.g., in November 2021)?
- Maximum of 1 page.

Timing

- A conceptual project timeline is shown at the end of this document.
- Based on planning conducted to date, we believe that it is possible that the developer of this project could be ready to submit an application to the LIFT or other competitive funding programs in the Spring of 2022. Do you believe this timeline is reasonable or too aggressive?

- Please review the timeline and provide comments. Please note what you believe are reasonable target dates (month or quarter, and year) for this project to receive building permits, to break ground, and to receive a certificate of occupancy.

Recommended Public Outreach/Engagement Process

- Please let us know what general concepts would guide your approach to public outreach and engagement, particularly with respect to the City's emphasis on diversity, equity, and inclusion.
- How do you envision working with the City and County on outreach, both prior to a formal development agreement or purchase and sale agreement between the City and developer, and after that agreement is signed?
- (Some of this information may be a repeat from your SOQ submittal.)

Environmental Energy and Sustainability

- What sustainability certification do you plan to pursue?
- What specific features do you plan on including in your project that will address environmental sustainability and energy resiliency?
- How would you expect the above certification and features to affect several key metrics of your choice (e.g., energy use per household, greenhouse gas emissions, etc.)?
- Maximum of 1 page.

Wetlands

- As you know, a preliminary wetland determination has been completed for the 780 Rand Road site; none has been completed for the County property, though draft FEMA information is available.
- The City recommends that one of the selected development team's first actions, in November 2021, be to conduct another wetland study—a determination or delineation in order to confirm the buildable dimensions of the property. Does your team agree that this would be one of the most important elements of your due diligence? Can you commit to completing such an analysis if selected?
- Maximum of ½ page.

Other Issues

- What are your top three concerns about this project?
- What did we miss?
- Maximum of 2 pages.

Format, Questions & Delivery.

PDF file format is preferred in most cases; in some cases, Microsoft Office (Excel) is preferred for supplementary documents such as the conceptual financial analysis/pro forma. Pages should be letter size. Please combine materials into as few files as possible – one PDF and one Excel file is ideal. Our preference is for 2021 dollars for any financial figures; if your figures are for another year, please specify. Following receipt of your proposal, we expect to meet with your team for an interview/work session to review your thoughts on this project.

Release of RFP to short listed development teams: Wednesday, September 15, 2021

Questions: Email questions to project manager Kevin Liburdy, k.liburdy@cityofhoodriver.gov

All questions should be submitted to the City by: October 6 at 5:00pm

If necessary, development teams may schedule one (1) phone call with Kevin Liburdy prior to October 6th to discuss this proposal process. The City intends to share all questions and answers with both parties within one week.

Due date for developer proposals: Monday, October 25, 5:00 pm

Format: 5 printed copies, 1 USB drive

Delivery to:

City of Hood River; Attn: Kevin Liburdy
211 2nd Street; Hood River, OR 97031

Interview dates and times: TBD, likely, week of 10/25 or 11/1

Westside Affordable Housing: Conceptual Timeline



REQUEST FOR PROPOSALS
780 RAND RD. & 2887 CASCADE AVE. AFFORDABLE HOUSING DEVELOPMENT
CITY OF HOOD RIVER
ADDENDUM NO. 1

October 13, 2021

This Addendum consists of 6 written pages.

**THE SUBMITTAL TIME, DATE AND PLACE REMAIN THE SAME.
PROPOSALS ARE DUE ON OCTOBER 25, 2021 AT 5:00 PM PACIFIC TIME**

Videoconferences were held between City staff and representatives of BRIDGE Housing and Community Development Partners on October 5, 2021, during which a variety of issues were discussed. The topics (organized below as they were discussed) and the City’s responses are as follows:

1) Is there a page limit for the schedule/timing and public outreach/engagement section(s) of the RFP?

Page limits were inadvertently omitted for these elements, as such there is no page limit. However, concise responses are appreciated.

2) May we use 11x17 fold outs for printed version of proforma or other sections?

The 8.5” x 11” format is necessary for purposes of presenting information to the city council. An 11” x 17” format for the printed MS Excel workbook of the pro forma is acceptable.

3) Should it be assumed that “half-street improvements” will be required along the western boundary of the City’s parcel?

At this time the City presents two scenarios for development of a northerly extension of Max’s Place, which is classified as a Neighborhood Connector street in the City’s Transportation System Plan (see Figures 1 and 2 below for design and location):

Scenario A: The street will be developed entirely on property located west of the City’s parcel (i.e. off site), and the developer of the City’s parcel will contribute a proportionate share (equivalent to a half-street improvement) of the cost of the street between Sherman Avenue and the future Wine Country Avenue extension.

Scenario B: A half-street improvement (in a minimum 30-foot-wide right-of-way) will be constructed along the entire length of the western property line of the City’s parcel in association with development of affordable housing, and the other half of the street will be constructed on property located west of the City’s parcel and paid for by that property owner.

For purposes of this RFP, both development teams should assume Scenario A above because the City's Transportation System Plan does not depict the street on the City's parcel. However, development is expected to be consistent with the maximum block length standards of [HRMC 16.12.020\(l\)](#).

The final location of the street likely will be affected by the presence of public sewer and stormwater lines that are located immediately west of the City's parcel (because streets typically are constructed over such utilities), topography, and/or by timing and layout of development of the property immediately west of the City's parcel.

The City asks the development teams to assume Scenario A in order to achieve an "apples-to-apples" comparison of Proposals, to the extent feasible. This assumption is expected to simplify comparison of Proposals during a time when the City is unable to confirm the precise location, or timing of construction, of this street.

The City understands Scenario B would have cost implications and impacts to site layout. Ultimately, another scenario may be identified that requires a lesser width or length of the street on the City's parcel.

The City currently is making a significant investment in a traffic signalization project at the intersection of Rand Rd. and Cascade Ave. that will benefit development projects in the vicinity. The RFQ for this project addressed City roles in the development process including potentially funding or building some primary Westside/site infrastructure. The City expects negotiations will occur regarding cost sharing for improvements before development contracts are executed.

As you think through the implications of the location of the Max's Place extension, please provide the following additional information in your Proposal:

- In the Pro Forma section of your Proposal, show the estimated cost of this half-street improvement, and assume contribution of this cost as the proportionate share for construction of the off-site street improvement.
- In the Design section of your Proposal, include a short (1 page maximum) narrative that describes how you see this roadway impacting the project. In other words, if half of the street must be constructed on the City's parcel, how might this affect development of affordable housing?

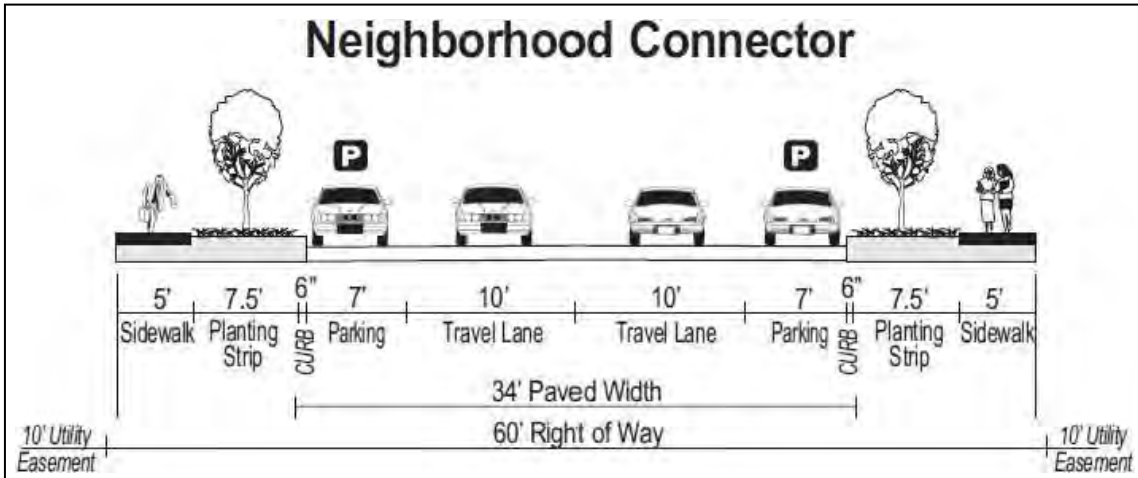


Figure 1 (Neighborhood Connector cross section.)

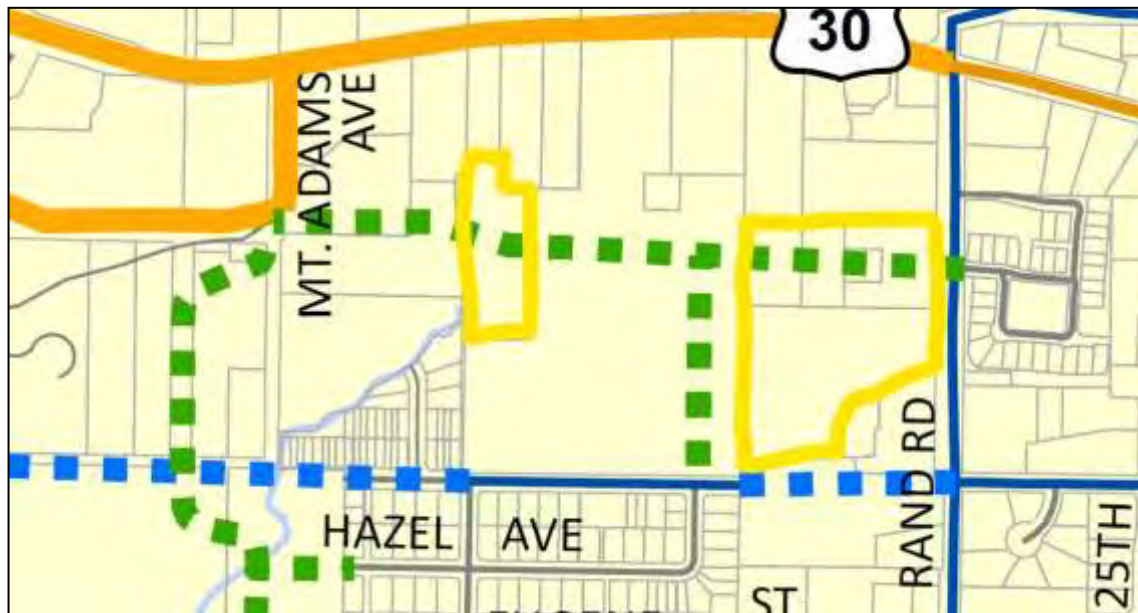


Figure 2 (Transportation System Plan - dashed lines represent future streets and green color indicates Neighborhood Connector classification.)

- 4) **We did not have an Architect or GC identified within our RFQ, is it ok to include their introductions in RFP?**

Yes, please include this information as a component of the “other issues” element of the RFP.

- 5) **The LIFT funding requires site control by the developer and zoning certification executed by the City. Is the City aware of these requirements and prepared to help the selected developer obtain those by March 2022?**

Yes. The City anticipates moving forward with a zone change application after selection of a preferred development team. And, the City anticipates a purchase option that is binding subject to criteria, such as contingent upon receiving funds from Oregon Housing and Community Services.

6) Does the city have a land valuation available?

The December, 2019 appraisal for the 780 Rand Rd. property is [available for download](#) (see 780 Rand Road subfolder, PDX190916_980_Rand_Road Appraisal.pdf).

7) Are there other important issues to address prior to the OHCS pre-app?

The City recommends further investigation of wetlands as soon as possible. A homebuilder who considered developing the site conveyed that he believes there are more wetlands on the site than were identified in the City's wetland determination.

8) How did the City address funding of shared-equity housing on the site?

The City assumed a land write down and also assumed most major infrastructure costs would not be applied to development of shared-equity housing. The City assumed housing serving approximately 100%AMI, with a cost of approximately \$300,000 for a 1,600-square-foot unit. No other subsidies were assumed.

Funding will be needed for most major infrastructure costs. One option may be to work with the County and neighboring property owners to facilitate a "land swap," resulting in additional developable lands adjacent to the western boundary of 780 Rand Rd., and development of market rate units in that area. The development strategy in the City's RFQ assumed up to \$1M in lot sale value for a 2-acre land swap.

9) Can the City confirm the current balance of Construction Excise Tax funds that have been generated for affordable housing development?

The City has collected approximately \$620,000 in CET since inception of the program in FY 2017/2018. Much of this was committed during purchase of the seven-acre site at 780 Rand Rd.

The City assumes \$500,000-\$600,000 in City and County CET funds being made available for development of affordable housing at 780 Rand Rd. Hood River County provided a letter noting their support for use of County CET funds but they will need to review a development proposal before committing a specific amount of CET funds to the project.

One consideration for the amount of CET funds to be made available for development of affordable housing is prevailing wage requirements.

10) Does the City prefer rezoning or Senate Bill 8?

The City assumes rezoning is a more straight-forward process.

11) What process is required for rezoning and what does the timeline look like?

The zone change process is addressed in [Chapter 17.08 of the zoning ordinance](#) and it includes notices to agencies and property owners, a public hearing by the planning commission to make a recommendation, a public hearing by the city council to make a decision and adopt an ordinance, followed by a notice of decision and appeal period.

In most cases a zone change is processed in conjunction with a development proposal and the process typically begins with a pre-application conference. Because the City will initiate the zone change, a pre-application conference is not anticipated. And, because the City wants to facilitate applications for State funding in 2022 (e.g., LIFT) if deemed feasible by the developer, the City is willing to move forward with the zone change without a final development proposal.

Under a worst-case scenario a zone change application is reviewed for completeness within 30 days of submittal, and a final decision is required within 120 days of the date the application is deemed complete pursuant to [ORS 227.178](#). Under a best-case scenario, City staff believe a zone change may be able to be processed in approximately three months.

12) Is there a method available to reduce off-street parking requirements specified in the R-3 Zone for multi-family residential?

In the R-3 Zone multi-family dwellings (as defined in the City's zoning ordinance) are required to furnish one and one-half (1 ½) off-street parking spaces per dwelling unit on or adjacent to the development site (not including public rights-of-way). The City has had conversations about reducing off-street parking requirements in order to improve housing affordability but does not anticipate reducing the requirement for 1.5 spaces per multi-family unit in the near future.

Variations are addressed in Chapter 17.18 of the zoning ordinance. The criteria ([HRMC 17.18.030](#)) set a high bar and staff is not aware of the Variance process being used successfully in the past to reduce off-street parking requirements.

Chapter 17.07 of the zoning ordinance specifies requirements for Planned Unit Developments. The PUD requirements do not reduce off-street parking requirements but [HRMC 17.07.090\(A.5.d\)](#) allows all of the required off-street parking spaces to be provided in one or more common parking lots within a Planned Development.

Although they do not apply to multi-family residential development, the City recently adopted new standards for "middle housing" development, [Chapter 17.25](#) of the zoning ordinance, which require one parking space per dwelling unit for building types specified in [Section 17.25.070\(B\)](#). The standards are being appealed to LUBA.

The development alternatives in the City's RFQ anticipate parking on private property, both in parking lots and in areas designed to function like woonerfs.

13) Will Columbia Area Transit provide bus service to 780 Rand Rd.?

[Columbia Area Transit \(CAT\)](#) representatives have expressed interested in providing bus service and amenities on the site when Wine Country Avenue is extended through the site between Rand Road and Mt. Adams Avenue. You are welcome to contact Executive Director Patty Fink (patty.fink@cattransit.org) for more information about CAT's service plans, anticipated transit facilities, etc.

14) **Can the City provide more specificity regarding which System Development Charges (SDCs) affordable housing developers would be required to pay?**

[Hood River Municipal Code Section 12.07.090\(B\)](#) allows partial or full exemptions from one or more System Development Charges (SDCs). The City intends to select a preferred development team and approach prior to making a final determination on eligibility for SDC exemptions or moving forward with any ordinance needed to refine currently permitted exemptions.

In general, the City anticipates greater subsidy associated with deeper levels of housing affordability. For the purposes of preparing your financial and design analysis, please make the following assumptions, which could be revised by the City later. SDC charges are grouped by type of housing.

Regulated affordable rental units affordable to households at an average of 60% AMI or below.

The selected developer will not be required to pay the following SDCs for regulated affordable rental units affordable to households at an average 60% AMI or below:

- Water, incl. Reimbursement and Improvement
- Water Connection Fee
- Sewer, incl. Reimbursement and Improvement
- Storm

Hood River Valley Parks & Recreation District. The Parks and Recreation District is willing to invest 75 to 100% of parks SDCs owed for 100 units of deed-restricted affordable housing toward the project in recognition of the new recreational assets the development will produce, either via SDC credits or direct investments. For purposes of your analysis, please assume 100% are invested via one of the above methods.

The selected developer will be required to pay the following SDCs for regulated affordable rental units affordable to households at 60% AMI or below

- Transportation. (Assume that the City anticipates updating its Transportation SDC in 2022 to approximately \$4,900 for a single-family residence, and equivalent increase for other uses, to implement projects in the recently amended Transportation System Plan.)
- A transportation fee covering trips through the Cascade and Rand intersection of \$566.957 per PM peak hour trip. To date, the consulting team has assumed 0.62 trips per multifamily unit, based on ITE figures.

Owner occupied housing.

For owner-occupied homes affordable at an average of 60% AMI and below, assume the same SDC payment structure as above, except assume paying Parks SDCs (at this time it is unclear if the Parks & Recreation District's commitment will apply to owner-occupied housing).

For owner-occupied homes affordable at an average of 61% AMI and above, assume the developer will pay all applicable SDCs that market-rate developers would pay.

END OF ADDENDUM NO. 1