



# AFFORDABLE HOUSING MEETING

## AFFORDABLE HOUSING COMMISSION MINUTES

July 25, 2023 4:00pm

414 E First St,

City Hall Permit Center

Newberg Teleconference Meeting

*(This is for historical purposes as meetings are permanent retention documents and this will mark this period in our collective history)*

### I. CALL MEETING TO ORDER

Vice Chair Casey Banks called the meeting to order at 4:00 p.m.

### II. ROLL CALL

Members Present: Casey Banks  
Leslie Murray  
Melisa Dailey  
Randy Rickert

Members Absent: Larry Hampton (Chair), Megan Norton

Staff Present: Doug Rux, Community Development Director

### III. PUBLIC COMMENTS: None

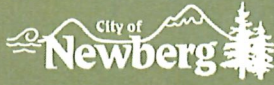
### IV. 2022-2023 NOTICE OF FUNDING AVAILABILITY SUBMITTED APPLICATIONS STATUS – AFFORDABLE HOUSING TRUST FUND

CDD Rux informed the commission that the applicants for the Duplex were not interested in doing a loan for their driveway project, so they opted out of the process. Since the last meeting staff received some additional clarification information from North Valley Friends Church regarding, it's not the Home Builders Association, but it's the Home Building Foundation, that information is included in the Council packet as well.

The Habitat grant that we had done previously has been closed out and was put on the Council consent on June 5th, where it was accepted.

### V. UPDATE ON THE CONTRUCTION EXCISE TAX (CET) FUND

CDD Rux informed the Commission that the construction excise tax program for the collection of construction excise tax funds has been terminated. That went into effect on July 1, 2023. We had notices out at the counter and so forth and letting developers know that particular fee would no longer be collected starting July 1st. There was a provision in the ordinance that was adopted that any developer who paid any fees, the CET fee between April 1st and June 30th, that they can file an appeal to seek to get their funds back. We're waiting to get through that particular process before we know exactly how much money we have in the CET fund. It should be roughly around a million dollars. 15% of that has to go to Oregon Housing and Community Services for the first-time home buyer program, then what's left of that the Council will need to make decisions about what they want to do. Do they want staff to do a notice of funding availability out to the development community to build affordable housing? This would be 80 percent or of area median income. So we'll have to wait and there will be an update when we get to the October meeting.



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## **VI. UPDATE COMMUNITY DEVELOPMENT BLOCK GRANT**

CDD Rux informed the Commission that he has signed off on 27 projects. He talked with the Housing Authority and the residents who are getting assistance are very, very appreciative. They're getting their bathrooms fixed and electrical fixed and ramps and windows and roofs and so forth. Because we had a change with staff at the Housing Authority, we kind of lost about six months of time until they hired a new person, got through the training and scaled up. We reached out to Business Oregon and asked them if we could get a six-month extension on our grant and they agreed to that. We now have the signed documentation so our grant program will now terminate on June 30, 2024. He has been talking with Mark Irving at the Housing Authority as well, so he's doing more outreach to residents in our manufactured home parks to see if there's some more interest. We still have some money left. We also had a conversation with Business Oregon on if we cannot find more residents who are looking for assistance might we be able to use it on some stick-built homes for those that meet the income qualification requirements. Business Oregon indicated that is possible to do. The other option is that when we made the application, the City of Dayton and the City of McMinnville were our backups if there were some funds that we were not able to expend. Mark's going to reach out to both of those communities to see, they've got some short lists already, so we know that there is some interest. But we're trying to keep all the money in Newberg and address the housing stock that we have here locally.

Commissioner Banks asked if 27 projects mean 27 manufactured homes. CDD Rux confirmed that it did and that the target when we made the application was 43. CDD Rux signed off some forms on a couple more projects since this memo went out, so we're at around 29 now. Mark will do another round of outreach. They're going to be going to some different events and into the manufactured home parks and talking with the management companies and so forth to try to see if we can get some more interest in that.

## **VII. UPDATE HOUSING PRODUCTION STRATEGY**

The City Council accepted that document on May 1st. In meetings leading up to May 1st, they had requested a series of modifications to the document, so we made those changes. We met our grant deadline with the Department of Land Conservation and Development, so they've got everything submitted, acknowledged, they've accepted it, and they've made the final reimbursement payment for the project. It's now closed out. One of the things for the HPS is that the Council requested and it's in the resolution that accepted the document that it will get reviewed annually. Every May staff will be taking a report about what's been accomplished and what activities have occurred over the prior year. That would give the Council some opportunity to make some adjustments, course corrections, as they move forward in time.

## **VIII. UPDATE ON MUTLI-FAMILY CODE AUDIT**

City Council adopted the comp plan and development code changes related to the project on April 17th. We submitted all the documentation to DLCD. They've accepted it all. They made our final reimbursement payment and it is now closed out.

## **IX. HOUSING WORK PROGRAM**

An updated form has been provided that identified projects that have been completed like the HPS and the code audit for you to review before the October meeting and in October we will discuss any modifications to the document. If you want to change the time horizon on some of the activities that is possible. At the October meeting we will have time summaries of the legislative bills that have been passed related to housing and we'll be able to share that with the Commission and the Commission will be able to consider if there are any that should be add to the work program or not.

## **X. MISCELANEOUS ITEMS**



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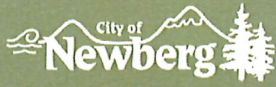
On July 3rd the City Council approved the Collina at Springbrook subdivision. That's an eight-phase project of 403 lots, which will include detached single-family homes, some homes are the tall skinny homes, and some are detached quadplexes. They also approved modifications to the Springbrook Master Plan, that included a zone change for the property at the corner of College Street and Mountainview Drive from commercial to mid-rise residential, and they approved a stream corridor impact. There's a new pedestrian bridge that will be constructed on the north side of Mountainview Drive over Hess Creek. It will be a 12-foot-wide pedestrian bridge on the north side of the roadway, that will connect back up towards A-dec on the other side and connect back up making it a lot safer for pedestrians and bikes in that area. We are waiting to get through the Land Use Board of Appeals appeal period which ends at the end of the day on July 27th. The Developer has some future applications that they're going to have to submit. One is for the clubhouse and the swimming pool. Another one is dealing with Mountainview Drive and the roadway cross section based upon some prior approvals back in 2008. And then there's some right-of-way vacation up on Aldersgate Street that will have to occur in the future as well.

The Newberg Workforce Housing Consortium is a consortium of our largest employers in town. It includes Friendsview, George Fox University, A-dec, Newberg Public Schools and Providence. This group has been meeting for well over three years now and they've engaged with a nonprofit organization called Missing Middle Housing Fund. Back on April 5th we did an all-day event and brought in people from around the state and in the community and talked about workforce housing which is 80% to 120% of area median income. Then RFP was pushed out and we had seven responses from development entities interested. The group went through and evaluated and scored the proposals. We did interviews of finalists and two groups have been identified to work with. One is Edlen and Company with Quantum Assembly. Quantum Assembly is a company in Portland and Edlen and Company is well known in the Pacific Northwest. Edlen and Company is talking with Friendsview and George Fox University about property they have to put the Quantum Assembly housing product on. The second project is between Corey Redding, Philip Higgins, and the Baker Family Trust. This is for a site down in the Riverfront Master Plan area down off E Fourteenth Street, and it would be a mixed-use project which would have 60 residential units in it. The Redding-Higgins group is working on getting commitments by our largest employers to rent units for their workers, that will bring the price point down to keep it within the workforce housing range instead of the fair market rent range that we typically see. The Strategic Economic Development Corporation (SEDCOR), is leading all of this, the City has been a participant in it. This was the legislature awarded funding for the benefit of Newberg in the amount of \$3 million to apply towards developing workforce housing. The Consortium will work with these two different groups and see if it can get some product on the ground that fits into that financial range.

The next project is Crestview Crossing, across from the hospital. They submitted an application to modify their Planned Unit Development. Instead of building 110 of the single-family homes, the skinny tall three-story homes, instead in the second phase they are proposing to build 196 apartment units. This application went to the Planning Commission and was approved with conditions. The apartments would be rented at market rate. There were questions asked if they would take section 8 housing vouchers and so forth, the answer to that was yes they do, so there will be some units that will be available in that lower and middle income housing range as well.

Commissioner Dailey commented that it is illegal to deny somebody if they have a housing voucher, the rent might be too high to be approved by the Housing Authority to live there, but it's illegal to discriminate based on source of income, which a voucher is.

Commissioner Murray asked if the Workforce Housing that those corporations are working together on will only be for their employees? CDD Rux confirmed that the ones at Friendsview would be for Friendsview employees. In regards to George Fox there has been no indication either way if it would be housing for only George Fox employees or if they would open up for other community members. The other project down on the riverfront



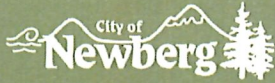
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would be primarily for the Consortium members' workers to access those apartment units. The Consortium has had conversations about what other entities in Newberg would want to join the Consortium to provide access for their workers as well. This is a pilot project and what we're trying to do is create something that can be replicated around the State. There has already been some interest from the City of Bend. The Missing Middle Housing Fund did a presentation to Bend and they were very intrigued about what Newberg and its largest employers are trying to create. Information is also being shared with Representative Scharf, who's the one who got the funding allocation for the benefit of Newberg, so she can go back and talk with her colleagues in the Legislature about what Newberg was able to create. Commissioner Murray verified that they are planning on doing brand new builds. CDD Rux confirmed that they were. This is being structured as a revolving investment fund so the dollars go into a project, the money that's invested, will come back to the Consortium so they can do another project and then another project. The terms will need to be negotiated and when those funds would come back to be able to apply to yet another project in the future. That was a key part for the Consortium members is they wanted to be able to have the funds recycle over and over and over again.

Crestview Green, is a Planned Unit Development off of Highway 99, just to the east of Crestview Crossing. This Project consists of 14 detached single-family, 96 townhouses, and a 24-unit apartment building. It is a two-phase project with the larger lots on the north, abutting against Oxford Lake subdivision, townhomes in the middle, and then probably the last that would be the apartment building along Highway 99W. They just submitted, and were approved for an extension on their conditional use permit, which takes them out into December. They are trying to start on their project later this summer, before the rain comes in October.

Commissioner Dailey asked what the City Council vote was for terminating the CET. CDD Rux did not have the information in front of him but informed the Commission that he would email it to them after he looked it up.

Commissioner Banks asked what was to be done about the not completed items on the list for October's meeting. CDD Rux informed the Commission that those items are the ones that should be discussed at the October meeting. There had been some things placed on hold such as: allowing small and tiny homes has been on hold. Recreational vehicles have been on hold. Allow sharing of utility lines. We're past the fiscal year we thought we were going to work on that one. Second kitchens, we've done the research but it's been on hold. Then timeframes, we've completed that. Housing Strategy Implementation Plan, don't really need to do that anymore because we have a Housing Production Strategy which is different than a Housing Strategy Implementation Plan. Lot size mandates, minimum density standards, affordable housing, property tax abatement, housing on religious institution properties, evaluate expanding density bonuses, reduce complexity, maintenance requirements, and cost of stormwater treatment, monitoring of short-term vacation rentals are other items. We are currently working on short-term vacation rentals. That's been a priority of the prior Council and definitely a priority of the Planning Commission. We will be meeting in the next couple of months and giving some final reports to the Planning Commission to get a recommendation and take that on to City Council. Anything you see that's not been completed and since we're now into fiscal year 23-24, part of that will be do we need to move these time horizons from where we thought they would occur? Do we move them out further into time? And what horizon do they get moved to? Commissioner Dailey asked if there has been a housing planner hired to replace Mary? And then do you think that they'll be going through a process to hire for your position and would we be meeting that person before you leave? CDD Rux informed the Commission that they did not hire a housing planner. But we did hire two assistant planners who are currently here, Leanne Wagener and James Dingwall. We've hired an Associate Planner, his name is Jeremiah Cromie, he will be starting on August 28th. Clay Downing, our planning manager, will be taking over in the interim role as the Director on my retirement. The suggestions you make in October will be taken to Council and Council has the final authority to say what City staff is going to be work on and what



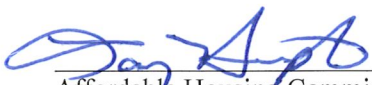
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they're not going to be working on. Clay and I have been talking about this and he will be at our meeting on October 24th as well.

XI. **NEXT MEETING:** October 24, 2023

XII. **ADJOURNMENT:** 4:28 p.m.

Approved by the Newberg Affordable Housing Commission this 24 day of Oct, 2023.



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Affordable Housing Commission Chair



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Fé Bates, Recording Secretary