NEWBERG AFFORDABLE HOUSING ACTION COMMITTEE

Wednesday, October 27, 2010
7 p.m. to 9 p.m.
Newberg City Hall
Permit Center Conference Room
414 E. First Street, Newberg, OR

I. OPEN MEETING

II. ROLL CALL

III. CONSENT CALENDAR: APPROVAL OF THE FOLLOWING FULL COMMITTEE MEETING MINUTES AND SUBCOMMITTEE MEETING SUMMARIES:

A. Affordable Housing Action Committee – July 14, 2010
B. Legislative Subcommittee meeting summary – August 25, 2010
C. City Housing Program Subcommittee meeting summary – None
D. Education/Outreach Subcommittee meeting summaries – August 11 and September 8, 2010
E. Fees/Finance Subcommittee meeting summary – None

IV. CITY COUNCIL ACTIONS

a. Review of City Council action on Development Code Amendments at Sept. 7 and Oct. 18, 2010 City Council mtgs.
b. November 1, 2010 – Report to City Council

V. HOUSING TRUST FUND

a. Funding sources
b. Eligible Fund projects

VI. LEGISLATION SUBCOMMITTEE REPORT

VII. CITY HOUSING PROGRAM SUBCOMMITTEE REPORT

VIII. EDUCATION/OUTREACH SUBCOMMITTEE REPORT

IX. FUTURE MEETINGS SCHEDULE

X. OTHER BUSINESS

XI. ADJOURN

ATTACHMENTS: Report on possible sources of funding for Housing Trust Fund
Report on Manufactured Home Park zoning
Affordable Housing Action Committee – July 14, 2010
Legislative Subcommittee meeting summary – August 25, 2010
Education/Outreach Subcommittee meeting summaries
August 11 and September 8, 2010
Proposed meeting schedule
Draft Committee status report

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NEWBERG AFFORDABLE HOUSING
ACTION COMMITTEE
Wednesday, July 14, 2010
7 p.m. to 9 p.m.
Newberg City Hall
Permit Center Conference Room
414 E. First Street, Newberg, OR

I. OPEN MEETING: Chair Stuhr opened the meeting at 7:00 p.m.

II. ROLL CALL:

Present:	Cathy Stuhr, Chair	Councilor Denise Bacon
	Rick Rogers	Ken Austin, Jr.
	Doug Bartlett	Charles Harris
	Stuart Brown	Mike Gougler
Absent:	Dennis Russell (excused)	
Staff Present:	Barton Brierley, Building & Planning Director David Beam, Economic Development Planner Dawn Karen Bevill, Recording Secretary	
Others Present:	Julie Codiga	Leonard Rydell

David Beam stated Mike Willcuts has resigned from his position on the Affordable Housing Action Committee.

III. CONSENT CALENDAR: APRROVAL OF THE FOLLOWING FULL COMMITTEE MEETING MINUTES AND SUBCOMMITTEE MEETING SUMMARIES:

Doug Bartlett asked for clarification on rejecting the property tax abatement programs as recorded in the Fees/Finance Subcommittee minutes. Charles Harris explained it was rejected because it requires the designation of a neighborhood as distressed; the new construction program was only for homeowners and there is a need to help renters also; and they require 51% of taxing jurisdictions to approve the programs.

Mike Gougler referred to page one of the Legislation Subcommittee Minutes under Street Standards Draft; second paragraph and suggested the wording be changed to the following: *"...but it might be nice to allow curbside sidewalks in affordable housing neighborhoods."*

MOTION #1: Harris/Gougler to approve the minutes from the Newberg Affordable Housing Action Committee Meeting of April 28, 2010; Legislative Subcommittee Meeting of May 12, 2010 as amended; City Housing Program Subcommittee Meeting - none; Education/Outreach Subcommittee Meeting of May 26, 2010 and June 23, 2010; and the Fees/Finance Subcommittee Meeting of June 23, 2010 (8 Yes/ 0 No/ 1 Absent [Russell]) Motion carried.

IV. LEGISLATION SUBCOMMITTEE REPORT:

Proposed Street and Access Standards:
Barton Brierley reported there was a consensus to allow 28' wide streets with parking on both sides. The Fire Department was happy with that standard. It allows enough room for large vehicles to get by. This would be limited to local residential streets that may only have 20 – 30 cars at the busiest time of the day. There are two other possibilities; a street with parking on one side only, allowing a 24' wide street but would be limited by cases where there would be a natural limit to not having parking on one side, such as a subdivision that backs up to another subdivision. The other possibility is to have no parking on either side of the street, which would bring the street width down to 20' wide. The second change besides the width would allow a curbside sidewalk rather than a planters strip. The subcommittee felt the biggest advantage is it takes less of a right-of-way. Associated recommendations are to allow alleys as access in limited cases. Right now, an alley is only allowed where there is frontage on the street. This would allow in limited cases only an alley without the frontage. The third change would be a recommendation allowing shared driveways for up to three lots; which is now limited to two lots but is very limiting when trying to use a piece of property with poor access. The last change was to the block length standards; the current standards are not workable.

Charles Harris referred to the meeting packet on page 18 - limited residential streets and stated his concern regarding the wording that allows for a lot of discretion. He suggested the following changes in language in section F-2: *"The estimated traffic volume on the street no more than 600 average daily trips"*; and to remove any unclear language such as adjectives and/or phrases that opens up much discretion throughout.

Leonard Rydell stated 20' – 24' street widths are a great progress. Regarding affordable housing and density what comes up frequently is the right-of-way width. When you have a system on minimums, you can gain additional units if you limit the right-of-way. Sidewalks on only one side of the street should be used more often with much more flexibility on the number of houses per driveway.

MOTION # 2: Gougler/Austin to approve the proposed street and access standards drafted and recommended by staff. (7 Yes/ 1 No [Harris] / 1 Absent [Russell]) Motion carried.

Proposed Development Code and Comprehensive Plan Policy Changes:
Barton Brierley stated the proposed Development Code and Comprehensive Plan Policy changes are scheduled to be heard on September 7, 2010 at the City Council Hearing. He welcomed the committee members to attend.

V. CITY HOUSING PROGRAM SUBCOMMITTEE REPORT:

David Beam stated the subcommittee have not met since April 28, 2010 but are still working on the Housing Trust Fund and are looking at how to make the Ashland model work in Newberg. This subcommittee has a joint meeting with the Fees/Finance Subcommittee on July 28, 2010 with a concentration on ways in which to fund the Housing Trust Fund.

VI. EDUCATION OUTREACH SUBCOMMITTEE REPORT:

David Beam stated the subcommittee has met twice since April 28, 2010. At the May 26, 2010 meeting, four organizations were invited to attend and discuss housing. Prior to that meeting, the subcommittee came up with a series of questions to ask each one who in turn provided a written response. It was a great educational experience in determining what the City can do to help with affordable housing and all asked for addition funding. At the June 23, 2010 meeting, Rick Rogers, Executive Director of Newberg Habitat for Humanity, discussed the "Brush with Kindness" Program. Councilor Denise Bacon is looking into the tool loan libraries and as well as the home ownership/rental counseling. The subcommittee has much interest in looking into a renter certificate process and work with property management companies to see if they would be willing to accept a renter if they went through and finished a specific class. Doug Bartlett stated the key to the program is when a person goes through the training class and they complete all the homework, and then receive a certificate that they can take to the person leasing the property. If that renter causes problems, there is a trust fund that pays for the repairs as a good faith gesture. It has never been drawn upon in the past to his knowledge. David Beam is working on a housing resource website, which could be linked to the City of Newberg website.

VII. FEES/FINANCE SUBCOMMITTEE REPORT:

Proposed Fee Changes:

Barton Brierley reported the committee has been working on the issue of reducing fees for affordable housing. They discussed many ideas and came up with four recommendations. The first is reduced fees for small efficiency dwelling units in which the City would charge system development charges per dwelling unit basis. The wastewater system development SDC fees would be charged on a per fixture count without the minimum 18-fixture fee. The water SDCs for efficiency units on a per fixture unit basis; transportation SDCs a trip generation rate for a small unit; and Chehalem Parks & Recreation Department (CPRD) establish a special rate for efficiency units based on the average number of person per dwelling. The second recommendation was a deferral policy that will allow for a very low/low income unit to pay the SDCs at the time of occupancy with the advantage the developer does not have to finance the SDC fees through construction. The third recommendation is expanding the Master Plan so that when building many units all the same a discount is given; full plan review on the first unit and if the other units were the same, there would be half the review fee for that. The fourth recommendation was for the school district to waive the construction excise tax for affordable housing projects.

MOTION #3: Austin/Gougler to approve the recommended fee changes. (7 Yes/ 0 No / 1 Absent [Russell]) Motion carried.

Proposed Property Tax Abatements:
Barton Brierley explained the state has a few programs available for cities to abate property taxes. Basically, you can designate a distressed area of the community and abate the property taxes on new construction within that area. The subcommittee recommended those not be pursued.

VIII. TOWN HALL MEETING REVIEW:

David Beam stated the meeting was held on June 9, 2010. There were 15 attendees, although two had nothing to do with affordable housing. Doug Bartlett stated there was a meeting at the Newberg Friends Church where Denise Bacon had been asked to come and speak about affordable housing and those in attendance were both energized and troubled about affordability issues personally and for extended family.

IX. OTHER BUSINESS: None.

X. NEXT FULL COMMITTEE MEETING: WEDNESDAY, SEPTEMBER 22, 2010 7 PM, CITY HALL, PERMIT CENTER CONFERENCE ROOM

NEXT SUBCOMMITTEE MEETINGS:

The next Legislative Subcommittee Meeting is on July 28, 2010 at 4:00 p.m.
The next City Housing Program Subcommittee - TBA.
The next Education/Outreach Subcommittee is on August 11, 2010 at 4:00 p.m.
The next Fees/Finance Subcommittee Meeting – TBA.

The meeting adjourned at 8:45 p.m.

Approved by the Affordable Housing Action Committee on this 27th day October, 2010.

AYES: **NO:** **ABSTAIN:** **ABSENT:**

Affordable Housing Recording Secretary

Affordable Housing Committee Chair

NEWBERG AFFORDABLE HOUSING ACTION COMMITTEE
LEGISLATION SUBCOMMITTEE MINUTES
Wednesday, August 25, 2010
4 p.m. to 6 p.m.
Newberg City Hall
Permit Center Conference Room
414 E. First Street, Newberg, OR

I. Open meeting: The meeting opened at 4:05 p.m.

II. Roll call:

Present: Denise Bacon, Doug Bartlett, Mike Gougler (arrived 4:30)
Staff Present: Barton Brierley, Maya Benham (minute-taker) & Dawn Wilson (minute-taker)
Others Present: Roger Wilshire

III. Minutes. The committee approved the July 28, 2010 minutes with a correction to page 1, item III, paragraph 3, changing "One project he **plans** to do . . . ." to "one project he **would like** to do . . . ."

IV. Manufactured Homes:

The committee discussed whether the minimum park size should be lowered from 5 acres to 1 acre. Barton explained that state law prohibits **adopting** a minimum more than one acre, but he felt the City could keep the existing minimum size in place. Barton passed out a list of the existing parks and their sizes. The committee discussed the importance of having a good on-site manager to care for the park and tend to ongoing maintenance, and that a larger park facilitates this. Denise was comfortable with keeping the existing minimum in place, recognizing there is a variance process in place to handle specific situations. Doug was interested in encouraging parks. They are an endangered species and could become a trap for people if not done and managed well, or if they are converted out from under them. The committee consensus was to leave the existing minimum for now.

V. Discussion of Lodging Houses:

Barton presented information about lodging houses. He said current rules restrict occupancy of a house to five unrelated persons. Lodging houses, allowing up to 16 tenants in five guest rooms, are allowed in any house according to building code, but not the Development Code.

Mike Gougler brought up Homeowners Associations rules that might have more strict rules.

Barton said that if the committee wanted to address this, they could do any of the following options:

- Allow a maximum of five tenants **plus** the family.

- Allow a maximum occupancy of 16 per the lodging house rules.
- Allow a max occupancy based on size or # of rooms, regardless of relationships.

Mike suggested flexibility would be good. The issue would be parking. He suggested that additional conditions would have to be met, such as stating that cars have to be in front of the building.

Doug like the idea of allowing room renting through some sort of conditional permit. He liked the flexibility.

Barton said he would return with a proposal for the next meeting.

5:00 p.m. - Annexation:

Barton said that the objective is to reduce time and expense of annexation process. Barton provided written suggestions. Barton outlined process verbally. Timing takes about eight months but could take up to two years. Costs could be from a few thousand dollars to $15,000. Most apply for May and November elections to avoid election costs. Size of annexation doesn't make any difference; the process is the same. There's also an uncertainty involved due to the approval process.

Question: When property is brought in for annexation, is it zoned when it is brought in? Barton said yes.

Barton – A sticky issue is that a concept development plan must be submitted, and it is not binding.

Doug – There must be a concept plan for any expeditable affordable housing.

Barton – Conducted research (see handout) on what kind of annexation the City has had since 1997, whether or not they were approved, and the size. Two were denied by the City Council, so they never went to the electorate. Two received negative votes but were later submitted and approved. All others were approved. To save time and costs, upon proposing to annex property as certain density is to not have that step go to the Planning Commission. The committee could only propose this for small or certain types of annexations. The Planning Commission tightens up and reduces issues. Another possibility would be to remove the concept development plan requirement because it's confusing to most people. Thirty percent of the time, they get changed. They are also expensive. In commercial uses, the concept development plan is very challenging. A third idea on the vote, any change to that would have to be a public vote to determine whether or not the electorate wanted any changes to that because it's in the Charter. They could state that if under a certain number of votes, certain annexations, perhaps based on size, would not have to go to the electorate.

Mike - Fewer steps would be nice but our objective is to advance affordable housing. He is interested in expediting annexation if it's to advance affordable housing. Barton – customers come to the City asking for annexation but City could initiate based upon need and feedback.

Barton - Four options summarized:

1. Not have PC review annexations that don't involve zone change;
2. Remove requirement for concept development plan;
3. Propose to the voters some exemption from voting on small annexations, such as annexations under two acres;
4. City to take a more active role on initiating annexations; and
5. Entire annexation plan could be voted upon as a whole rather than each individual property being voted on.

Mike – The City having authority to expedite the affordable housing process is desired. This would allow the City to have more control over the final products than if an individual would use an existing process to annex. Most affordable housing put up in a hurry is manufactured housing. If the City determined that a specific area was appropriate for that type of development and worked in cooperation with the developer, the City could approve per new zone. This will add more certainly, speed up the process and be less costly. For efficiency purposes, having an annexation plan to bring in new properties is good. The extra layer to get into the URA is horribly expensive. This affects developers and the City with its urban dwellers. City has authority to annex but not without a public vote. The expense of land use processes is horribly a waste of money. Areas outside the city are not prime candidates for affordable housing because of transportation and other issues. If we had an annexation plan and we went with a percentage, they could require a certain amount of infrastructure to go along with the development.

Doug - With affordable housing and the long-term public transportation services, he understands that they are primary with Yamhill County. He thinks that both need to be talked about. Doug said that the bus is for everyone.

Denise - The City needs to be at the table.

Barton – Having all convenient stops near a bus stop is feasible. Denise said that McMinnville was trying to get away from the spoke level in their planning discussion.

Barton – What he hears from the committee is that there is a role from the City to not have a reactive-only mode but to have more involvement in the annexations.

Mike – As Barton stated, they would like to modify the annexation process, and he believes the City would be well-served to allow minor annexations to occur without a public vote. In hardship cases, could allow those without a vote. The advantage of certain properties being in the City is significant for health and safety. The City having more control over the type of nature of development makes a lot of sense. With the City having a more expeditious way to handling small annexations and more control over the plans makes a lot of sense.

Denise – Are there any unique conditions in which an agreement or development plan would be required. Maybe it only should be reviewed to answer the question of "Is it for affordable housing?" She would like to do something specifically for affordable housing.

Barton – Yes, there is a development process that could spell out exactly what the developer and the City must do, and this could be the annexation process. Denise and Doug suggested presenting this to the public by costing it out so that small annexations won't have to go to the electorate because of the expense and staff time involved. Barton – Could combine several small annexations and ask for one vote as to how to handle these.

VI. **Other business:** Mr. Wilshire said that he thought it was a public meeting and that there would be public comments. He will hold his comments. No other business.

VII. **Adjourn:** The meeting adjourned at 5:42 p.m. Next Meeting will be September 22nd at 7:00 p.m. September 7th is the City Council meeting and all members are encouraged to attend.

Approved by the Affordable Housing Action Committee – Legislative Subcommittee this 27th day of October, 2010.

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Legislative Subcommittee Secretary

NEWBERG AFFORDABLE HOUSING
ACTION COMMITTEE –EDUCATION/OUTREACH SUBCOMMITTEE
Wednesday, August 11, 2010
4 p.m. to 6 p.m.
Newberg City Hall
Permit Center Conference Room
414 E. First Street, Newberg, OR

I. Open meeting. Mr. Brierley opened the meeting.

II. Roll Call.

Subcommittee Attendees:	Denise Bacon Cathy Stuhr Stuart Brown Doug Bartlett
City Staff:	Barton Brierley, Planning and Building Director
Guests:	Jonia Pierce, Housing Authority of Yamhill County

III. Housing Resource Center.

Jonia Pierce from the housing authority said they could assist Newberg in setting up a center, but they couldn't establish one. They could provide brochures or information for a kiosk.

The Housing Authority does offer classes: ABCs of Homebuying and Financial literacy. Classes are a series. If there is enough interest in Newberg, they could offer classes in Newberg.

The Housing Authority offers a resource center. It includes a kiosk with two computers, a printer, and brochures. Biggest time spent now has been spent on loss mitigation/foreclosure prevention. She thought maybe they had three walk-ins per day in the resource center.

Jonia said most people who attend classes are there because they are required to by involvement in other programs. Many of their programs are federally funded. Jonia thought the housing authority could help in setting up a resource area, but they could not set one up themselves.

Stuart asked about making an alliance. Jonia suggested a local group might help advertising information.

Doug said the group was exploring ways to link the resources with the people.
The group was open to ideas of how to do this.

Jonia said they do reasonable accommodations. She suggested using existing non-profits or other groups to promote services that are available. She said the housing authority does not provide immediate assistance for crises – they provide second level help to get people into housing.

Barton asked three basic questions:
(1) Where is it?
(2) What services would be offered?
(3) What would the funding source be?

Cathy suggested starting with a big vision, then starting small. Denise said she didn't want to do nothing just because the overall vision could not be achieved to begin with.

Jonia brought up the 211 number.

Doug talked about a Ready to Rent class. Jonia said that is dormant at this point. Jonia suggested that could be under their property division.

Barton suggested draft a vision statement, then first steps suggestions.

Doug suggested bouncing that off various providers.

Cathy suggested talking to a few property managers to discuss their issues. Barton said they could be invited to the next meeting.

IV. Housing Fair

Jonia said last year they did not have one. Only 28 people attended, which hardly made it worth it. They were well done, but not well attended.

Barton suggested combining a fair at one night, like community night.

Stuart suggested our money was better spent on a resource center.

V. Other business:

Stuart suggested doing presentations at service clubs, such as Rotary.

VI. Adjourn: 5:20 pm

Approved by the Affordable Housing Action Committee – Education/Outreach Subcommittee this 27th_day of October, 2010.

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Education/Outreach Subcommittee Secretary

NEWBERG AFFORDABLE HOUSING
ACTION COMMITTEE –EDUCATION/OUTREACH SUBCOMMITTEE
Wednesday, September 8, 2010
4 p.m. to 6 p.m.
Newberg City Hall
Permit Center Conference Room
414 E. First Street, Newberg, OR

I. Open meeting. Mr. Beam opened the meeting.

II. Roll Call.

Subcommittee Attendees:	Doug Bartlett
Absent members:	Stuart Brown (excused) Denise Bacon (unexcused) Cathy Stuhr (excused)
Guests:	Barbara Edie, On the Go Property Management Services, LLC Mike Corey, Chehalem Property Managerment, LLC David Sale, Newberg Graphic
City Staff:	David Beam, Economic Development Planner

III. Approval of August 11, 2010 meeting summary: No action taken due to lack of quorum.

IV. Conversation with local property managers. David Beam started the discussion by thanking the representative of property management companies for coming to participate in the meeting (two of the four companies invited participated). David stated that the purpose of the meeting was to examine problems property managers have and explore possible solutions to help property managers/owners and renters as well.

Doug then gave a brief description of a education program he once was familiar with in Salem where renters with a difficult past would take a class to improve their chances of securing good, safe housing. He believes the program was run by the Mid-Willamette Valley Community Action Program. Class students would take the course for one evening a week for eight weeks. The course included homework and testing. If they passed the course, they then received a certificate demonstrating their success that they could show to future landlords. Doug thought that YCAP once did a similar program in McMinnville, but didn't continue with it, due to the time intensiveness of implementing the program.

The group discussed this concept further. While some renters are may be inherently problematic, the vast majority of issues are a result of unintentional mistakes by renters with unfortunate circumstances and/or insufficient knowledge (i.e. how to deal with credit issues, how to take care of a house, pets, etc.) Such a program would need to teach renters how to be a "good renter" through a variety of relevant class subjects. The course would need to be rigorous enough to be meaningful (including testing). The course subject matter should be developed in cooperation with property managers, property owners and agencies with interests in this type of housing. Renters completing the course would receive a certificate indicating that they had successfully completed the course that they could present to home owners/property managers and hopefully make it easier for them to secure safe, affordable housing. Buy-in of such a program by home owners, property managers and housing agencies would be critical and should help alleviate conflicts with their renters as well as open the opportunity for the availability of more affordable rental units in the community.

To get buy-in by landlords, maybe a guarantee could be given to them that if a renter with a certificate damaged a dwelling, then the program would pay for damages (within a limit). Doug thought this had been done in the Salem program, and no damage claims we ever submitted. To do this, we'd need to ID a funding source.

Such a program might be something HAYC could run (already do ABCs of Homeownership classes). Potential participants in program might Section 8 folks as well as those in shelters.

Other problems/potential solutions:

- Renters don't maintain landscaping. Maybe the City could pass some sort of ordinance, recognizing this wouldn't be easy.
- Some landlords don't maintain safe facilities. Develop an annual inspection program. Section 8 places already have this done. Get a copy of inspection sheet from HAYC. Who would do inspections? Who would pay?
- How do we get more inventory of affordable housing from the private side? Educate demand and needs of potential renters. Find a way to reduce their fears (like the renters class).
- Need to increase inventory of developable lands for multi-family housing.
- US undergoing huge sociological change (e.g. retiring baby boomers). Current and near future housing mix not keeping up with increasing demand for smaller dwelling units.

It is interesting to note that the property managers at the meeting agreed that the rental vacancy rate in Newberg has been very low for many years and estimated the current rate to only about 3 percent.

V. **Proposed Housing Resource Center – Draft Vision.** No discussion.

VI. **Other business**: None

VII. Next Meetings:

Full Committee: Wednesday, September 22, 2010, 2010, at 7:00 pm in City Hall. (Permit Center Conference Room)
Subcommittee: Wednesday, October 27, 2010 at 4:00 pm in City Hall (Permit Center Conference Room)

VIII. Adjourn: 5:30 pm

Approved by the Affordable Housing Action Committee – Education/Outreach Subcommittee this 27th day of October, 2010.

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Education/Outreach Subcommittee Secretary

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MEMORANDUM

Date: May 20, 2010

To: **Affordable Housing City Housing Program and Fees/Finance Committee**

From: Barton Brierley, AICP
Planning and Building Director

RE: Possible sources of funding for Housing Trust Fund

At the July 28, 2010 joint meeting, we will discuss funding for the Housing Trust Fund. There are four main questions that we will explore:

1. For what kinds of projects should the trust fund loan its funds?
2. For what kinds of projects should the trust fund grant its funds?
3. How much money will the trust fund need to raise?
4. Where should the trust fund get its money?

The following will explore these four questions.

1. For what kinds of projects should the trust fund loan its funds?

The obvious advantage of a loan over a grant is that the money can be recycled and used in the future for new projects. A housing trust loan fund could be competitive in market place. Newberg's investment returns are low, so loaning money even at a subprime rate would still be a net positive for the fund.

Other committee discussions indicated a priority should be given to creating a rental rehabilitation loan fund. This would be an attractive option for several reasons: it would improve the existing housing stock and keep it from further deterioration, the loan would have a funding stream to allow repayment over a specified period, and a condition of the loan could be that the unit be available to low income families.

Staff suggests that the trust loan fund should be flexible to respond to specific needs. In addition to a rental rehabilitation program, the fund could be available to other projects such as land purchase for a non-profit housing project.

2. For what kinds of projects should the trust fund grant its funds?

Staff suggests that grant funds be used to support existing programs rather than creating new programs. Staff also suggests grant funds be used for programs where the grants leverage other contributions. As an example, a local non-profit group could use volunteer labor to paint or repair homes of low income families. The grant funds could buy the paint, caulk, or other materials.

Staff suggests that the trust fund make a certain amount of funding available annually. The fund would solicit proposals, and then award the funds to one or more projects.

3. How much money will the trust fund need to raise?

The estimates below are very general ballpark figures for a policy discussion.

At a minimum, an annual grant fund should be in the $5,000 to $10,000 range to justify its cost of operation. This amount would probably be enough for a group with volunteer labor and other donations to effectively rehabilitate one or two homes per year.

A loan fund would probably have to offer loans of $15,000 to $25,000 to rehabilitate one dwelling unit. For calculation purposes, we have assumed a 10 year repayment schedule and a zero-net-sum loan (the fund recovers all of its administrative costs, and the interest payments are sufficient to cover inflation costs, with no profit), and a $100,000 initial balance. Based on this, the fund would need to generate about $5,000 per year from outside sources to be able to offer a loan for one unit per year for the first 10 year period. It would need to generate about $15,000 per year for each additional unit. After the initial build up period, the fund could be self-sustaining at the level chosen.

Based on this information, the committees can make some general decision on the number of units it would like to serve annually, which in turn will determine how much income the fund would need.

4. Where should the trust fund get its money?

The Affordable Housing Action Plan lists the following potential sources:

- Housing developer "affordable housing in-lieu" fees
- Commercial development affordable housing fees
- Public grants
- Foundation grants
- Charitable gifts
- City or County funds
- Asset sales, such as condemned property
- Banks
- Transient Room Tax funds
- Fee assessment through existing business license program
- Community-wide fee assessment

Other potential sources that have been mentioned include:

- Permit fee surcharges
- Utility bill surcharges

The Fees/Finance subcommittee has met to discuss these sources. The committee has not recommended any options, but the following have at least received the most discussion:

- Utility bill surcharge
- Hotel/motel tax
- Housing developer in-lieu fees
- Business license

The following analyzes the potential revenue for each of these sources:

Utility bill surcharge. Newberg has approximately 6,000 utility accounts. Therefore, each surcharge increment of 10 cents per month would yield approximately $7,200 annually.

Hotel/motel tax. The current hotel/motel taxes raise about $225,000 annually. About $40,000 of that must be dedicated to tourism, the remainder is general fund. The current rate is 6%. If this were increased 1%, 70% of the increase would have to be dedicated to tourism. 30% (about $11,250 per 1% increase) could be dedicated to other purposes, such as housing.

Housing developer in-lieu fees. This would be a source from developers who choose the "flexible development track" option, and choose to pay affordable housing credits in lieu of constructing units. Each credit purchased could generate $25,000 to $40,000 of revenue, depending on the established rate. The income stream would not be steady: there may be 2 or 3 credits purchased in one year, and then none for several years.

Business license. Newberg currently charges a license fee of $50 per business. Annual revenues are about $40,000. Funds are used for economic development and tourism promotion. Newberg currently licenses about 1,750 businesses. About 2 percent of those are residential property managers. The fund could be restructured, as currently a single person hair salon pays the same amount as a several hundred employee retail store.

R-4 MANUFACTURED DWELLING DISTRICT
DISCUSSION DRAFT SEPTEMBER 15, 2010

SECTION 1: DEFINITIONS SHALL BE MODIFIED AS FOLLOWS:

MANUFACTURED DWELLING. A residential trailer, mobile home or manufactured home. *MANUFACTURED DWELLING* does not include any building or structure constructed to conform to the State of Oregon Structural Specialty Code or the Low-Rise Residential Dwelling Code adopted pursuant to ORS 455.100 to 455.450 and 455.610 to 455.630 or any unit identified as a recreational vehicle by the manufacturer.

MANUFACTURED DWELLING PARK. Any place where four or more manufactured dwellings are located within 500 feet of one another on a lot, tract or parcel of land under the same ownership, the primary purpose of which is to rent or lease space or keep space for rent or lease to any person for a charge or fee paid or to be paid for the rental or lease or use of facilities or to offer space free in connection with securing the trade or patronage of such person. *MANUFACTURED DWELLING PARK* does not include a lot or lots located within a subdivision being rented or leased for occupancy by no more than one manufactured dwelling per lot.

MANUFACTURED HOME SUBDIVISION. A subdivision where the use of lots is limited to manufactured homes or uses accessory to the homes or the subdivision.

MANUFACTURED HOME. A structure constructed for movement on the public highways that has sleeping, cooking and plumbing facilities, that is intended for human occupancy, that is being used for residential purposes and that was constructed in accordance with federal manufactured housing construction and safety standards regulations in effect at the time of construction.

MANUFACTURED STRUCTURE. A recreational vehicle, manufactured dwelling or recreational structure. *MANUFACTURED STRUCTURE* does not include any building or structure regulated under the State of Oregon Structural Specialty Code or the Low-Rise Residential Dwelling Code.

MOBILE HOME. A structure constructed for movement on the public highways that has sleeping, cooking and plumbing facilities, that is intended for human occupancy, that is being used for residential purposes and that was constructed between January 1, 1962, and June 15, 1976, and met the construction requirements of Oregon mobile home law in effect at the time of construction.

MOBILE HOME ACCESSORY BUILDING OR STRUCTURE.

(1) Any awning, portable, demountable or permanent cabana, ramada, carport, porch, skirting or steps established for use of the occupant of the mobile home and which is designed or intended to be attached to and which depend, in whole or in part, upon the mobile home for structural support.

(2) Prefabricated and site-built mobile home accessory buildings and structures not dependent in whole or in part upon the mobile home for structural support.

MOBILE HOME PARK. Any place where four or more manufactured structures are located within 500 feet of one another on a lot, tract or parcel of land under the same ownership, the primary purpose of which is to rent space or keep space for rent to any person for a charge or fee paid or to be paid for the

rental or use of facilities or to offer space free in connection with securing the trade or patronage of such person. *MOBILE HOME PARK* does not include a lot or lots located within a subdivision being rented or leased for occupancy by no more than one manufactured dwelling per lot.

MOBILE HOME SPACES. A plot of ground within a mobile home park designed for the accommodation of one mobile home.

RECREATIONAL STRUCTURE. A campground structure with or without plumbing, heating or cooking facilities intended to be used by any particular occupant on a limited-time basis for recreational, seasonal, emergency or transitional housing purposes and may include yurts, cabins, fabric structures or similar structures as further defined, by rule, by the State of Oregon.
RECREATIONAL VEHICLE. A vehicle with or without motive power, that is designed for human occupancy and to be used temporarily for recreational, seasonal or emergency purposes and as further defined, by rule, by the State of ORegon.

RECREATIONAL VEHICLE PARK. A parcel or parcels of land upon which two or more recreational vehicle spaces are located, established, or maintained for occupancy by recreational vehicles of the general public as temporary living quarters for recreational purposes.

RECREATIONAL VEHICLE SPACE. A plot of ground within a recreational vehicle park intended for the accommodation of either a recreational vehicle, tent, or other individual camping unit on a temporary basis.

RESIDENTIAL TRAILER. A structure constructed for movement on the public highways that has sleeping, cooking and plumbing facilities, that is intended for human occupancy, that is being used for residential purposes and that was constructed before January 1, 1962.

SECTION 2: THE FOLLOWING SHALL BE ADDED TO THE NEWBERG DEVELOPMENT CODE:

R-4 MANUFACTURED DWELLING DISTRICT

151.XXX DESCRIPTION AND PURPOSE.
(A) The purpose of this land use designation is to provide locations reserved for manufactured homes, manufactured dwelling parks, mobile home parks, manufactured home subdivisions, and related uses.
(B) This district allows manufactured dwellings, mobile home parks, or manufactured home subdivisions at a density of up to 12 dwellings per acre. The R-4 District is intended to be consistent with the "Medium Density Residential" or "High Density Residential" designation of the comprehensive plan.

151.xxx PERMITTED BUILDINGS AND USES.
In the R-4 Manufactured Dwelling District the following buildings and uses are permitted as hereinafter specifically provided, subject to the general provisions and exceptions set forth in this code:
(A) Accessory buildings and uses normal and incidental to the buildings and uses permitted in this section and § 151.312.
(B) Group care homes within existing homes or manufactured homes.
(C) Home occupations using existing homes.

(D) Manufactured homes on individual lots (one per lot). The homes are not subject to the development standards set forth in §§ 151.640 through 151.642.
(E) Manufactured home subdivisions, including manufactured homes (one per lot) within the subudivision.
(F) Manufactured dwelling parks.
(G) Mobile home parks.
(H) Open space.
(I) Private and public parks, playgrounds
(J) Parking area.
(K) Public or private parking garages.
(L) Transportation facilities and improvements.
(M) Any other building or uses determined to be similar to those listed in this section. Such other uses shall not have any different or more detrimental effect upon the adjoining neighborhood area than the buildings and uses specifically listed in this section.

151.xxx BUILDINGS AND USES PERMITTED CONDITIONALLY.
In addition to the buildings and uses permitted conditionally, listed in § 151.xxx, the Planning Commission may grant a conditional use permit for any of the following buildings and uses in accordance with a Type III procedure:
(A) Churches
(B) Community centers.
(C) Day nurseries.
(D) Duplexes.
(E) Group care facilities.
(F) Multiple family dwellings
(G) Planned unit developments.
(H) Private clubs, lodges and meeting halls.
(I) Telecommunication facility, including radio towers and transmitters which are incorporated into an existing structure or an existing utility pole, and which will not extend above the existing structure or utility pole more than 18 feet. Top hat antenna installations are prohibited.
(J) Any other building or uses determined to the similar to those listed in this section. Such other uses shall not have any different or more detrimental effect upon the adjoining neighborhood area than the buildings and uses specifically listed in this section.

Newberg Affordable Housing Ad Hoc Committee Phase II
Schedule of Meetings 2010-2011

Full Committee

DAY	MEETING DATE & TIME	PACKETS TO COMMITTEE	LOCATION/OTHER Location & Other Notes	MINUTE TAKER
Wednesday	**February 23, 2011** **7 PM**	**February 16, 2011**	City Hall – Permit Center Conference Room	Dawn Karen Bevill

EQUIPMENT: Permit Center Conf Room, Infocus, scribe, scribe laptop, audio recorder,

Sub-Committees

BB **Fees/Finance** (Gougler, Russell, Austin, Harris, Maben, Keyser)		DB **City Housing Program** (Rogers, Harris, Stuhr, Austin)		BB **Legislation** (Gougler, Bacon, Bartlett)		DB **Education/ Outreach** (Brown, Stuhr, Bacon, Bartlett)	
1/12/2010 7-9 p.m.	Permit Center Conf Rm (1st floor)	12/08/10 7 – 9 pm	Permit Center Conf Rm (1st floor)	12/08/10 4 – 6 pm	Permit Center Conf Rm (1st floor)	1/12/2010 4-6 p.m.	Permit Center Conf Rm (1st floor)
2/9/2011 7-9 p.m.	Permit Center Conf Rm (1st floor)	1/26/11 7 – 9 pm	Permit Center Conf Rm (1st floor)	1/26/11 4 – 6 pm	Permit Center Conf Rm (1st floor)	2/9/2011 4-6 p.m.	Permit Center Conf Rm (1st floor)

EQUIPMENT: Permit Center Conf Room, Infocus, laptop

Affordable Housing Action Plan
Status Report to City Council
November 1, 2010

Strategy #1: Amend Newberg Comprehensive Plan Goals and Policies

Action 1.1: Amend the Newberg Comprehensive Plan with goals and policies that encourage the development and retention of affordable housing within the City of Newberg.

Status: The City Council held a hearing on the proposed goals and policies, and adopted them at their October 18, 2010 meeting.

Future Actions Required: Implementation of the policies as written.

Strategy #2: Retain the existing supply of affordable housing

Action 2.1. Maintain and expand the housing rehabilitation program.

Status: The existing rehabilitation program is currently in effect. Funds have been committed.

Future Actions Required: The committee is considering using the housing trust fund as a source to create a rental rehabilitation program.

Action 2.2. Create an ordinance discouraging the conversion of existing manufactured dwelling parks.

Status: The committee met with park owners. The committee considered requiring parks to create their own maintenance and relocation fund.

Future Actions Required: The committee needs to decide how they want to proceed on a maintenance and relocation fund.

Action 2.3. Educate residents on housing maintenance.

Status: The Education/Outreach committee has considered a number of items, such as creating a homeowner maintenance handbook and a tool loan library.

Future Actions Required: Create the maintenance handbook and tool loan library.

Strategy #3: Insure an adequate land supply for affordable housing

Action 3.1: Examine the Newberg Comprehensive Plan Map and Zoning Map for potential properties to be designated/zoned/re-zoned as MDR/R-2 Medium Density Residential or HDR/R-3 High Density Residential that can accommodate the development of more affordable housing.

Status: There is currently one pending request which is at the Planning Commission level. There are not other pending requests at this time.

Future Actions Required: City staff will hold neighborhood meetings in each potential zone change area and bring to the Planning Commission for consideration.

Action 3.2: Expand UGB to include a 20-year supply of land and insure that adequate land is zoned R-2 and R-3 in expansion areas to meet projected needs.

Status: The proposed URA has been remanded and revised. The revised URA report is expected to go to Council in the spring.

Future Actions Required: Adopt the URA, and then adopt a UGB expansion.

Strategy #4: Change development code standards

Status: Most code standards adopted by the Council on October 18, 2010. Additional work is noted below:

Action 4.2E: Create an expedited annexation process for affordable housing projects.

Status: The committee has had one meeting to discuss this issue. The committee is considering a city initiated group annexation process.

Future Actions Required: The committee has to decide on a final recommendation.

Action 4.2F: Create new R-4 zone for manufactured home subdivisions.

Status: The legislative committee has drafted a proposed ordinance.

Future Actions Required: Planning Commission and City Council hearings on the proposed ordinance.

Action 4.2J: Create design standards that promote the development of attractive, livable, and functional neighborhoods, taking care not to increase costs of housing or reduce the number of dwellings.

Status: The City Council voted not to adopt the design standards.

Future Actions Required: None, unless the Planning Commission or Ad Hoc Committee wishes to recommend pursuing the standards as being linked to affordable housing, such as a part of the flexible development standards.

Action 4.2L Modify driveway standard to allow more than two lots per driveway.

Action 4.2N Allow 28 foot local street widths and narrower right-of-ways. Explore narrower street widths and rights-of-way where emergency access and adequate parking can be maintained.

Status: The committee has recommended the City adopt a standard similar to the *Neighborhood Street Design* guidelines.

Future Actions Required: Planning Commission and City Council hearings

Strategy #5: Amend the Development Fee Schedule

Action 5.1: Identify and establish city development fees that can be reduced/waived for affordable housing projects.

Status: The committee has recommended four modifications:

1. A small unit fee policy that would allow development fees to be based on actual impacts, rather than the average impact of a single family home.
2. A fee deferral policy that would allow fees for affordable dwellings to be deferred to time of occupancy.
3. Expansion of the Master Plan policy for duplicate multi-family units.
4. Request the School District to waive the construction excise tax for affordable housing projects.

Future Actions Required: The recommended changes need to be brought to the City Council and School Board for adoption.

Strategy #6: Develop and support public and private programs

Action 6.1: Create a Newberg Housing Trust Fund

Status: The committee has considered a draft set of bylaws.

Future Actions Required: The committee needs to decide on a funding mechanism, and finalize the recommendation and submit to the Council for adoption.

Action 6.2: Provide property tax abatements

Status: The committee considered the options available but they don't recommending pursuing this tool at this time.

Future Actions Required: Staff will report the findings to Council.

Action 6.3: Expand Home Ownership and Counseling Program

Status: Discussed with HAYC the possibilities of holding annual housing fair in Newberg (traditionally done in Newberg) and setting up a physical housing assistance center here in Newberg with volunteer staffing.

Future Actions Required: Set up a readily accessible, housing resource center. Center will initially be unstaffed, but have access to staff assistance through telecommunication. Identify appropriate location.

Action 6.4: Work more closely with Housing Authority of Yamhill County and other affordable housing non-profits

Status: Committee had discussions with HAYC, YCAP, Love, Inc. and Thugs Off Drugs.

Future Actions Required: None at this time. Organizations were grateful to see interest by the City to assist their programs and will approach City when opportunities arise for collaboration (e.g. CDBG grant applications.)

Action 6.5: Support work of local community development corporations

Status: Through various conversations, the committee has come to understand that CDCs do exist in the area.

Future Actions Required: CDCs in the area need to identified, their roles understood, and ways in which the City might be able to assist them needs to be explored.

Action 6.6: Leverage employer's commitment to affordable homes and transportation for workers

Status: The committee looked at a variety of transportation assistance programs provided by employers. However, given the current economic conditions and stress upon companies, the committee decided not to pursue the promotion of this type of action at this time.

Future Actions Required: None at this time. To be pursued during better economic times.

Action 6.7: Establish Mortgage Credit Certificate Program

Status: The committee has had some discussion with the Yamhill County Housing Authority.

Future Actions Required: The committee needs to discuss the issue further with the Housing Authority.

Action 6.8: Support and expand transitional housing and group housing

Strategy #7: Strengthen economic development efforts

Action 7.1: Promote the expansion of existing businesses and recruitment of new businesses.

Status: Newberg staff and the community are working with a number of businesses to promote retention and expansion. Four local businesses are participating in the Economic Development Gardening program.

Future Actions Required: Ongoing promotion.

Action 7.2: Increase the industrial and commercial land supply.

Action 7.3: Develop industrial and commercial lands to a "shovel-ready" status.

Status: The Newberg Urban Area Management Commission has recommended expanding urban growth boundary to include the South Industrial Area. Staff is working on infrastructure financing plan for that area. Staff continues to work with property owners, prospective businesses, and neighbors in creating ways to get the Crestview Crossing area shovel ready.

Future Actions Required: Inclusion of the South Industrial area into the UGB; acceptance and implementation of the financing plan.

Action 7.4: Promote development of workforce skills.

Status: Portland Community College began offering classes in Newberg this fall. It held a groundbreaking ceremony for its new campus, and expects to offer classes there next fall.

Future Actions Required: Ongoing promotion.

Action 7.5: Action: Explore possible establishment of business incentive designations, such as ports, e-zones, enterprise zones, etc.

Status: Newberg City staff is creating an infrastructure financing plan for the south industrial area, and will hold a stakeholder meeting soon. The Newberg Downtown Coalition is exploring business incentives for downtown.

Future Actions Required: Review and adoption of appropriate strategies by the City Council.

Future Phase II Committee Tasks

Legislative Subcommittee

- Create recommendation on expedited annexation policy
- Create recommendation on room rental ordinance
- Finalize recommendation on manufactured dwelling park retention

City Housing Program Subcommittee

- Finalize Draft Housing Trust Fund Bylaws
- Decide funding mechanism for trust fund

Education/Outreach Subcommittee

- Review draft homeowners maintenance handbook
- Establish local housing resource center
- Establish renter certificate program

Fees/Finance

- Recommend a financing mechanism for the housing trust fund