



PLANNING COMMISSION MINUTES
June 11, 2009
7:00 p.m. Regular Meeting
Newberg Public Library Meeting Room
503 E. Hancock Street

TO BE APPROVED AT THE JULY 9, 2009 PLANNING COMMISSION MEETING

I. ROLL CALL:

Present: Thomas Barnes Derek Duff
Philip Smith Matson Haug
Lon Wall

Absent: Nick Tri (excused) Cathy Stuhr (excused)
Amanda Golson (excused)

Staff Present: Barton Brierley, Planning & Building Director
David Beam, Economic Development Coordinator/Planner
Crystal Kelley, Recording Secretary

II. OPENING:

Chair Wall opened the meeting at 7:00 pm.

III. CONSENT CALENDAR

Motion #1: Haug/Barnes to approve the minutes from the Planning Commission meeting of May 14, 2009. (5 Yes/0 No/2 Absent [Tri/Stuhr]). Motion Carried.

IV. COMMUNICATIONS FROM THE FLOOR:

None.

V. LEGISLATIVE PUBLIC HEARING:

1. **APPLICANT:** City of Newberg
REQUEST: Consider adding and modifying specific policies to the Newberg Comprehensive Plan to encourage affordable housing
FILE NO.: G-09-007 **RESOLUTION NO:** 2009-265

Mr. David Beam, Economic Development Planner, presented the staff report (see meeting packet for full report).

Chair Wall opened the public hearing.

Mr. Charlie Harris, Affordable Housing Ad-hoc Committee member, stated the proposal is the Planning Commission's first step toward implementing the Affordable Housing Plan. The City Council adopted the plan about a month ago. He thinks it is important that the Planning Commission show a commitment to Affordable Housing and think about using the word "shall" in place of "should" in section I.3.o. (Pg. 22 of packet). The word "should" does not give the impression of a commitment.

Commissioner Smith asked Mr. Harris if he is in favor of the policies.

Mr. Harris stated that yes, he is in favor of them

Mr. Rick Rogers, Affordable Housing Ad-hoc Committee member, said his intent is to underscore what has been said. He explained that when the Ad-hoc Committee started, some committee members were saying affordable housing might happen and others were saying it must happen. In the course of the year, they were able to come to a consensus in the group that actually started out with very different views. They believe they have a good chance of getting something done through the implementation of the plan.

Commissioner Smith reminded the Commission that he took part in the Ad-hoc Committee. He stated the Ad-hoc Committee had a unanimous vote in favor of the plan.

Motion #2: **Haug/Barnes** motioned that the Commission adopt Resolution 2009-2652 recommending that the City Council adopt the proposed Newberg Comprehensive Plan goal and policy amendments as shown in Exhibit A, contingent upon the Commissions review of other proposed Development Code changes describe in the *Newberg Affordable Housing Action Plan*.

Chair Wall clarified that just because there is a motion to approve this, they have not voted on anything. Therefore, they can change the wording of the motion before they vote. He is concerned about the issue of whether the City should provide financial incentives for affordable housing. Chair Wall was uncomfortable with parts of page 23 and cautioned about defining affordable housing too widely. He mentioned if you cast a wide enough net, at some point a large percentage of future developments could be qualified as affordable. Suddenly you may many developments in town that do not have to follow the development standards anymore – an obvious, red flag.

Commissioner Smith reminded the committee that these are policy statements that will need to be completed with concrete language in order to be implemented.

Commissioner Haug expressed his concern in the language of section “q” and asked who comes out ahead when someone gets a density bonus. Does it benefit everyone? How much would this bonus cost our community? Commissioner Haug was concerned about side effects that may come into play. He asked if anyone gets an unfair advantage if the proposed development code standards in the Plan were adopted? He asked what the financial impact on the density bonuses would be? Will the developers come out making more money? Would we be putting money in the pockets of the developers without knowing it? Who will pay for everything?

Chair Wall stated he didn’t care if a developer makes more money, provided the primary goal of getting more affordable housing developed is met.

Commissioner Barnes said the developer passes the savings on to whoever buys the property and the homeowner ends up winning because he pays a less for the home.

Commissioner Haug stated we need a good systems development charges program in order to pay for the infrastructure as it expands. If the City doesn’t have that right amount of money coming in, everybody’s water rates have to be increased. The optimal plan for utility rates is to make sure they are fair to all concerned. If you stop collecting the SDC fees, the money for the infrastructure needs to come from somewhere.

Commissioner Smith stated that section “d” is there to try to encourage the development of affordable housing through the use of density bonuses.

Motion #3: Haug/Smith moved to change section I.3.o. to read “The City should use development incentives such as density bonuses, flexible development standards, and streamlined review procedures to stimulate or require the production and preservation of affordable housing.” Also, the last sentence in this section should be dropped.

Chair Wall asked for clarification on the places they would like to change from “shall” to “should.” He questioned whether it needs to be addressed in here or in other verbiage also. He suggested that it might be better to identify all the spots they want to make the changes and include them all in one motion.

Vote on Motion #3: (5 Yes/0 No/2 Absent [Haug/Smith]). Motion Carried.

Motion #4: Smith/ Duff move to amend Motion #2 to change the language in all policies in Exhibit A from “should” to “shall”.

Commissioner Haug expressed concern that “Q” asked to provide a lot of discounts and reductions to charges without stating exactly how it is to be paid for, what the impacts are, and recommends changing the last sentence to read “These incentives should be paid by a housing trust fund.”

Commissioner Smith answered the general policy the Ad-hoc Committee recommended is that it be done by assessing a broad-based payer. If it is going to do this reduction of referrals, it needs to be based on a broad-based income stream so everyone who benefits from it will pay for it.

Chair Wall asked if there is a problem with the amendment as it is right now.

Commissioner Haug said he supports changing all the “shoulds” to “shalls” and come back and address some of the other concerns.

Vote on Motion #4: (5 Yes/0 No/2 Absent [Smith/Duff]). Motion Carried.

Motion # 5: Duff/Haug motion to amend the language on policies “r” and “s” in Exhibit A to read the City shall “support” rather than “supports”. and on item S the language “shall” support rather than the City supports. (5 Yes/0 No/2 Absent [Duff/Haug]). Motion Carried.

Vote on Motion #2, as amended: (5 Yes/0 No/2 Absent [Smith/Haug]). Motion Carried.

2. Workshop on Affordable Housing Action Plan’s Proposed Design Standards

David Beam presented the staff report (see meeting packet for full report).

Chair Wall asked if the Action Plan pertains to increased densities or affordable housing.

Mr. Beam answered Action Plan is about affordable housing, with increased densities being on tool to achieve that goal. A higher density does not automatically translate to more affordability, but it can be a factor. It is a livability issue as well. The proposed standards ensures that new housing is attractive and is compatible with existing surrounding developments.

Commissioner Smith stated when you start talking about affordable housing, you start coming up with plans that get more dense housing and/or less expensive housing. They are starting with the safeguards to ensure that more affordable housing does not mean unattractive housing. If you want affordable housing, you have to make sure the design standards don't add too much cost. If the safeguards are too prescriptive, they will work against the overall goal of affordability.

Commissioner Haug stated he was concerned because that is the benchmark for today with single dwellings. The point system is different from what he is proposing.

Commissioner Smith asked staff how they came up with the numbers in the point system.

Barton Brierley replied that staff reviewed various design standards and then crafted a draft point system of the design standards. Then staff tested a number of existing developments to see how they would score under the point system. Staff then brought the proposed design standards to the Affordable Housing Ad Hoc Committee for their review and refinement.

Chair Wall called a five-minute break at 9:00 p.m.

Commissioner Smith asked the status of item #7 on page 32.

Barton Brierley answered staff thought if one tree is saved in a 20-acre development there should be some credit for that. There will be more credit for certain enhancements. It would be hard to nail down to a specific point.

David Beam added that to get the design points, all the homes in the subdivision will have to apply to the standards.

Commissioner Smith stated that larger developments have more opportunities to achieve the points it needs.

Chair Wall asked what benefit there is for the developer to use the point system. Commissioner Smith answered that those developers who don't achieve the required points would be told they can not build their houses in Newberg unless they redesign the proposed project adequately enough to achieve the required points.

Chair Wall asked if the design points enter into a compromise whereas some development fees will be waived if you get enough design points.

Barton. Brierley answered that is not the plan coming from the Affordable Housing Ad-hoc Committee.

Chair Wall stated he is still not clear why they are dealing with this design issue in an affordable housing package. He understands there are already a number of codes and design requirements existing in the City to prevent poorly or cheaply constructed houses. Chairman Wall was concerned about requiring design standards that will impact all new developments. He asked why it is in the affordable housing package and wondered if that could sink the affordable housing plan.

Mr. Beam said the committee went through potential design standards and tried to identify the ones that helped the livability of the development while having a minimal impact on the housing development cost. The Committee felt that there would be pushback from the community on the affordable housing effort if good design standards were not part of the package.

Chair Wall clarified that some folks are afraid that affordable housing might be unattractive. He asked why we need standards greater than the ones already in place.

Mr. Brierley replied the issue of good design standards has been a part of the affordable housing discussion over the last two years. There have been public workshops where individuals have been saying they were not going to support anything to do with affordable housing if they do not address the livability and design issues. If that impression is incorrect, then it would be appropriate for the Planning Commission to propose putting the design issue aside for now till the Commission deals with all the other proposed development code changes to support affordable housing. They can decide later if they want to include the proposed design standards.

Chair Wall asked if the people understood this was going to be enacted citywide for all developments. Commissioner Smith stated the Committee recommended the City adopt them across the board.

Commissioner Haug said the Planning Commission needs to know what they are voting on. They need to get a presentation from staff with more details on how these design standards would work.

Chair Wall stated that he was still not convinced. This, in itself, is a big deal. He felt that the design standards were a huge distraction in trying to address affordable housing.

Commissioner Haug stated he thinks this is an important step toward affordable housing.

Commissioner Smith recommended they table the discussion of the 4.2 J for a later time. They will have many meetings to work through the affordable housing action plan and then at the end they can bring back the 4.2 J design standards feature.

Commissioner Barnes stated the design standards are the implementation for policy "o".

Chair Wall said that they would only be only if the Commission decided that they pertain to affordable housing.

Motion #6: Smith/Haug directed staff to provide a visual presentation on the effects of the design standards on developments and to postpone the design standards decision to a later meeting; date unknown. (5 Yes/0 No/2 Absent [Smith/Haug]). Motion Carried.

V. ITEMS FROM STAFF:

1. Update on Council items

Mr. Brierley reported the Council has been dealing with the issue of housing development fees. Due to the current recession, the Council is trying to help developers financially to encourage the development of and create jobs. Monday night, they will consider a resolution to grant a limited fee reduction for up to 10 affordable dwellings if they are constructed within the next year. Also, city staff participated in the URA hearing before the Land Conservation and Development Commission (LCDC) on Tuesday of last week. A special meeting regarding the URA will be held on July 21, 2009. The debate now is focused on the idea that not all land is the same. Mr. Brierley is still optimistic the URA expansion request will prevail.

The next Planning Commission meeting: July 9, 2009.

VII. ITEMS FROM COMMISSIONERS:

Commissioner Barnes brought along some pictures, which he shared and discussed via a PowerPoint presentation. They were examples of design elements for housing in the Villebois development in Wilsonville.

VIII. ADJOURN:

Meeting adjourned at 10:02 p.m.

Approved by the Planning Commission this 9th day of July, 2009.

AYES: 7 **NAY:** 0 **ABSENT:** 0 **ABSTAIN:** 0
(List Name(s)) (List Names(s))



Planning Recording Secretary



Planning Commission Chair