



CITY OF BEND

Meeting Summary
Affordable Housing Advisory Committee
Wednesday, August 9, 2017, 3:00 P.M.

1. **Roll Call:** Andy High, Kristin Chatfield, Julie Nash, Cindy King, Richard Bonebrake, Kerri Standerwick, Jim Landin

Staff: Jim Long, Lynne McConnell, Carolyn Eagan, Kathy Montgomery

Councilors: Campbell and Livingston

2. **2030 recommendations to be discussed by Committee**

Carolyn gave background on the recommendations from Bend 2030 and what the Council is tasking AHAC to do. Committee needs to decide which recommendations make sense for the Committee to vet.

Background: As follow up to Bend Livability Conference, a working group under Bend 2030 convened to look at how City could address workforce housing (up to 175%). EcoNorthwest did a report. Near time, medium term, long term. Came up with 12 tools.

Report was presented to Council. Councilor Abernethy presented to Planning Commission, Affordable Housing Advisory Committee and Bend Economic Development Advisory Board at worksession on July 19th. Council wants AHAC to come back with some recommendations at September 20th Council work session. Andy High was clear at 7/19 worksession that Committee would not look at if Council is not going to consider. Carolyn mentioned that these are not replacement for any committee recommendations that AHAC has been working on. Can add additional recommendations at that work session.

Nick Arnis, Russ Grayson, Jon Skidmore and Carolyn Eagan met to discuss the report and the tools and gave an overview of their discussion/thoughts.

Tool 1. Align Comprehensive Plan and Zoning Map:
Already in process as part of UGB implementation. Richard Bonebrake asked if arterials will be zoned for affordable housing. Carolyn Eagan said there would be a greater mix of types, more units would be built. Zoning first step.

Tool 2. Create mixed-use urban transportation corridor: Transportation System Plan update is in process of being worked on. City establishing a transportation committee.

Tool 3. Incentivize Area Planning: More of a 3-5 year solution. Need infrastructure work done first. Some areas have already agreed to build affordable units. Let it play out.

Tool 4. Prioritize transportation spending that leads to middle housing. More down the line. Transportation System Plan needs to be done. Timeframe 2 years. Federal plan due 2019. Local plan will be done in conjunction. Decision making work will happen before. Plan has to be acknowledged by state.

Tool 5. Rework system development charge policies.

Two questions: How do you finance and what should SDCs look like in the future?

Russ Grayson is working on the calculation of SDCs and simplifying categories of land use. Need to look at what a blanket SDC exemption for affordable housing would mean in terms of dollars but also in terms of impact on number of units. Look back and project into future. **Will bring back some numbers at the September 13 meeting.**

Tools 6. Allow parking districts and reduce parking requirements; 7. Allow vertical housing tax exemptions; and 8. New urban renewal areas. Would like to bring back to committee as planning is underway and after analysis is done.

Richard Bonebrake commented that parking is a great idea with one exception. If street isn't wide enough for parking on street on both sides, then need to make sure there is enough for tenants and visitors.

Tools 9. Calculate density differently; 10. Allow fourplexes in standard residential zone; 11. Link open space requirements to nearby parks; and 12. Increase allowable lot coverage for multifamily housing. These seemed to be ones that could be done immediately. Have some code change timelines mapped out. 6-8 months and get into code adoption. Each deal with adding more units. These are ones committee has already been discussing. Note that don't have to use this specific language.

Richard Bonebrake asked if Bend 2030 has plans go to Parks and Rec about SDC exemptions. Response was there should be a deliberate request to Council. All parties could work together to present request to Parks.

Tools 5, 9, 10, 11, and 12 are more near term. Look at Tools 6, 7, and 8 in longer term.

It was clarified that Bend 2030 workgroup was recommending these tools beyond affordable housing AMI levels. It was noted that this committee could recommend an AMI or not.

Julie Nash asked why the City and County have never applied for Mortgage Credit Certificate (MCC). Can help affordability. Should look at. Related to Tool 7.

Kristin Chatfield commented about transportation related Tools 2 and 4. Worried about pushing affordable housing out when area becomes desirable since they become walkable and convenient and prices go up. Orange line in Portland is a good example. Jim Long said we could concentrate our funding in the area which would mean we could deed restrict.

Carolyn Eagan suggested that maybe in October meeting, when RFP for transportation consultant is out, Nick Arnis can come talk with committee. Could go over what their plan is so know right timing. They are talking about where to put line and we are talking about where to put funding to keep land affordable. We have to do something different. May have to use CDBG funds to do an acquisition so this consequence doesn't happen.

Andy High's initial thoughts: Do 10 and 11 also because been already talking about. Probably 12, 9, and 5 deserve some discussion. Maybe some subcommittee work.

Julie Nash mentioned there will likely be neighbor/community pushback on **12**. Jim Long suggested having **Kathy Austin and Keith Wooden work on a subcommittee**.

Several subcommittees will be created. Andy High reiterated that AHAC has been talking about for 4-5+ years. Wanted to do during recession. Push on planning commission to look at things globally.

Tools 10, 11, and 12: Andy High asked **Jim Landin to look into and try to make and argument on how it should read. Also Kathy Austin and Kerri Standerwick.**

Tool 9: Andy High asked **Julie Nash and Kristin Chatfield** to take on.

Tool 5. SDCs. Reach out to community members. **Karna Gustafson and Terry Luelling along with Andy High and Jim Long.**

Punt the rest.

3. RFP for SDC Exemptions

No major changes over prior years. \$500k. Closes on September 29, review through October 11th. Council will review in November. Reminder funding Priorities from Comprehensive Plan. On website and sent out to those that had applied over last 3-4 years.

4. SDC Exemption discussion – next steps

Discuss during subcommittee work.

5. Update on CDBG program income from NSP

About 500k.

a. Timing: Problem

Feds are allowing recipients to put in requests for the money. State has to request of Feds. We can't request because we are a subrecipient to the State. Coming up on CDBG timing. Come May, we can't have 1.5 times than annual allocation on books, or feds will take back.

If state waits till March, we will have a serious issue. Has to be spent by May.

b. Should RFP be issued immediately

Jim Long would like to do RFP now even if don't have money. Wants to have projects waiting in hand.

c. Limitations on projects

Must be quick spending

Limit to straight acquisitions of land or a building. Only way can spend money rapidly. Will be an amortized loan not a grant, not deferred. The reason Jim Long wants to do this way is that we do have windfall. In future will be fine. Will get back

slowly over time. Maybe set up a down payment assistance program similar to what NSP was in future.

d. Loan terms

Quick turnaround – see c. above

e. Future use of funds

Downpayment assistance or other – see c. above

Get a Draft for RFP done now and approved and ready to review at next meeting.

6. Time limitations on funding awards

Timeliness of entities awarded funds/how long do we keep reservations

AHF – RFP states 2 years and we do extensions. How long do we want to do? Think about it. Andy High asked how much money is on hold. Jim Long said about \$500k. Richard Bonebrake stated we need projects to get done. Jim Long commented that we also want to be first money in for leverage. Kerri Standerwick asked Jim to provide a list. Timeliness is heavily weighted. **Jim will create list and share.** 62 units under construction now. Tax credit project causes issues. This year none. Also land is an issue. Andy High suggested looking at scope. Look at what issue is.

7. Density Bonus revisions

Pauline Hardie – only one entity has taken advantage of it.

If provide afford housing, can get a density bonus. Why has only one taken advantage of? Pauline went over calculations. She asked about intent of committee and if bonus was only affordable or a mix. Jim Landin said the incentive was that a mix of market and affordable would be bonus. Suggested looking at RM or RH. Goal to get more units.

Pauline Hardie noted when do math, doesn't create market rate extra unit. Other cities: calculate differently. Can look at.

8. Public Comment

Karna Gustafson: Government Affairs, COBA

Question: back to tool 11. Can trails be used as part of open space. Jim Landin, thinks not as talks about contiguous space. Karna suggested that allow trails to count as open space requirement.

Terry Luelling: Central Oregon Rental Owners Association. Be sure to include existing lots so that owners would be able to add a unit on existing lot.

Racheal Baker of Legal Aid Services: Keep in mind her clients (older, accessibility requirements) when looking at space needs. Abilitree and Karin Morris should be part of discussion.

9. Adjourned at 4:12 pm.