



CITY OF BEND

Minutes

Affordable Housing Advisory Committee

3:01 PM, Wednesday, October 14, 2020

Meeting will be convened online via Zoom due to COVID-19 concerns.

Staff Liaisons: Lynne McConnell and Racheal Baker

Roll Call: Cindy King, Keith Wooden, Kathy Austin, Priscilla Buck, Matt Martino, Ian Schmidt, Alison Hohengarten, Joanna Gardner, Heather Simmons

Councilors Campbell and Livingston

- **Public Comment**

Malachi Brown – New housing project off of Butler Market near Mountain View High funded by HUD. What is status? Lynne said is Canal Commons 1. Expected for certificate of occupancy this month. There are additional phases. One building this month. Another building in January. Just secured additional funding for next phase maybe 2022.

- **Approval of September minutes**

Minutes approved.

- **SDC Exemption – Kor Crescita Cottages**

COI: Matt Martino stated a potential conflict as may be working with KOR in future for financing. Kathy Austin – none. Priscilla Buck - none. Ian Schmidt – none. Keith Wooden - potential conflict works with Kor as partners on other deals. Alison Hohengarten – potential conflict law firm does work for Kor. Joanna Gardner– none. Heather Simmons - none. Cindy King - none.

Proposal for an exemption of System Development Charges for Kor Community Land Trust's Crescita Cottages in the Orchard District
5 units. 4 at 80% AML or below.

I move to exempt Kôr Community Land Trust's affordable housing units within Crescita Cottages from pending City of Bend System Development Charges of \$74,752.00, and to authorize staff to take all actions necessary to complete such exemptions, including signing loan agreements and related documents, without further approval. If exemptions are not exercised before any expected increase, the increase will be added to the total exemption. Heather Simmons made motion. Matt Martino seconded. Matt Martino - aye. Kathy Austin - aye. Priscilla Buck - aye. Heather Simmons - aye. Joanna Gardner - aye, Alison Hohengarten – aye. Ian Schmidt – aye. Keith Wooden – aye. Cindy King - aye. All approved.

I move to recommend the Bend Park and Recreation District Executive Director or designee exempt Kôr Community Land Trust's affordable housing units within Crescita Cottages from pending Bend Park and Recreation District System Development Charges of \$34,376.00. If exemptions are not exercised before any expected increase, the increase will be added to the total exemption. Ian Schmidt made motion. Matt Martino seconded. Priscilla Buck – aye. Kathy Austin - aye, Matt

Martino – yes. Heather Simmons - yes, Joanna Garnder - yes. Alison Hohengarten - yes. Keith Wooden – yes. Ian Schmidt – yes. Cindy King - yes. All in favor.

- **Fair Housing and Jurisdictions | Louise Dix and Sam Goldberg**

Racheal introduced Louise Dix and Sam Goldberg of the Fair Housing Council of Oregon. Presentation on history of housing discrimination of Oregon. Virtual bus tour to be available soon. Affirmatively Furthering Fair Housing (AFFH) – proactive elimination of segregation and promotion of equal opportunity access to housing. Set of federal state and local civil rights laws that protect individuals based on their membership in a protected class from individual or systemic discrimination in housing transactions.

Protected classes: (Federal): race, color, national origin, religion, gender, familial status (families with children under 18), and disability. Oregon adds marital status, sources of income (includes Section 8/Housing Choice vouchers), sexual orientation and gender identity, as well as local ordinances.

Oregon's demographics is 87.4% White. Oregon has a long history of discrimination. Oregon known as most segregated state north of the Mason Dixon line. Largest KKK per capita in the nation in 1920s.

Redlining –process of rating neighborhood for stability using the presence of people of color or new immigrants as major factors for deeming a neighborhood unstable. Led to extreme racial inequities in FHA loans. Homeownership is single most important means of acquiring/maintaining wealth.

Restricted Covenants.

Zoning fosters segregation. Racially segregated at first. Later replaced by other methods. Continues to restrict lower cost or higher density housing.

1968 Fair Housing Act enacted. HUD named to enforce Fair Housing laws. Penalties instituted for violations. Affirmatively Furthering Fair Housing (AFFH) required. Communities that receiving federal funding like CDBG are held to a higher standard.

Barriers to Equal Opportunity – Education, Economic Development, Economic Health in the Neighborhood, Accessibility of housing, Location, availability, , and Special considerations.

HUD under current administration revoked AFFH Rule. However, less accountability but does not mean AFFH is no longer required. Do not have to prove. Most in Oregon still did Assessment of Fair Housing.

Focusing on land use and zoning issues. Protecting all of us as everyone is at least one class. Common land use violations:

- Requiring projects to undergo additional approval steps, hearings, or meetings with neighbors not required of for other housing projects
- Requiring projects to have extra screening, setbacks or other design modifications not required of for other housing projects
- Requiring burdensome public safety requirements

Disparate Impact – a practice that results in a disparate impact on a group of persons or creates, increases, reinforces, or perpetuates segregated housing patterns because of protected classes. Example of policies that may have a Disparate Impact: house size;

urban renewal; exclusionary zoning; code enforcement; residency preferences.
September 2020 - HUD released a rule that weakens disparate housing arguments.

Segregation based on income.

Planning Goal 10 - to provide for housing needs of citizens of the state. Buildable lands for residential use shall be inventoried and plans shall encourage the availability of adequate numbers of needed housing units at price ranges and rent levels which are commensurate with the financial capabilities of Oregon households and allow for flexibility of housing location, type and density. Create inclusive communities with a mix of housing types.

Housing Needs Analysis (HNA). One of the components a city needs to consider if the city wants to satisfy the housing needs of its residents over a 20 year period. An HNA is both a product and a process that the city goes through to determine areas of need in their current inventory of housing and their buildable land supply.

Post Acknowledgement Plan Amendment Project (PAPA). Review across Oregon when those amendments either have insufficient Statewide Planning Goal 10 (Goal 10) findings or the Goal 10 findings do not support adoption of the amendment

State Land Use Issues.

Senate Bill 1051 (2017). Legalized Accessory Dwelling Units (ADUs), Strengthened clear and objective standards for local jurisdictions, Expedited permitting for affordable housing, Affordable housing by-right on land owned by religious organizations, Density (Height and FAR) as entitlement. Legalized ADUs. Working toward more affordable housing.

HB 2001 (2019) Cities >25K and Metro jurisdictions. Must allow a duplex on each lot that allows a single-family home, Must allow triplexes, quads, cottage clusters, and townhouses in areas that allow for detached single-family homes. Deadline: June 30, 2022

HB 2003 (2019). Regional Housing Needs Analysis (RHNA) study every 8 years for outside of Metro. Cities must do a housing production strategy within one year of completing a housing needs analysis. Strategies should encourage the development of needed housing. DLCD has enforcement authority over local jurisdiction's progress. RHNA must include a racial equity needs analysis, a distribution methodology for total housing units by affordability level that addresses the historic underproduction of high-income jurisdictions, a definition of "equitable distribution of publicly supported housing" that increases housing choice for people earning low-incomes in a region.

What can be done to promote Inclusive Communities in your region? Distribute Good Neighbor Guide. Know protected classes. Watch for projects and developments coming and provide a heads up to HFCO if assistance is need. Be cautious of not in my back yard sentiment. Watch out for red flag language - Not compatible with the existing neighborhood or would change the character of the neighborhood.

Housing provider hotline: 800-424-3247, ext 2. Information@fhco.org or www.fhco.org

Kathy Austin - Council limited micro-units to not allow in standard residential. Lynne – yes removed from RS unless part of neighborhood commercial. Response: Alan from FHCO. Is complicated evaluation in this case. Councilor Campbell mentioned is in between first

and second reading. Usually just a formality but does not have to be.

Priscilla – are there communities that are successful and inspirational that we can look to? Big believer in needs assessments. Are there templates to create a report card?

Response: Tigard doing well. Bend too. Don't have template but good idea. Ian asked how we can keep community conversation going and continuing.

- **Community Discussion – Housing and Equity (rent burden/HB-4006)**

Lynne McConnell said this is an opportunity to allow for learning by and expectations of staff and committee. To hear from public regarding additional housing types, funding, priority for affordable housing, policy documents, commission, training. There will be a follow up survey for all on this Zoom event.

Code changes regarding ADUs and multi units were approved by Council before some of the state bills came out as well as the affordable housing fund and TIF affordable housing program. We receive CDBG funding. We have voluntary agreements to build affordable housing in expansion areas. City also has a surplus land program, a density bonus, SDC exemptions, property tax exemptions and expedited permit processing. For more information looking at documents on our webpage. Council is also creating a Human Rights and Equity Commission. Lynne also showed the Boom map - Affordable Housing Viewer which is available on the City of Bend website.

Heather Simmons – is the City interested in having a discussion with AHAC regarding microunits? Councilor Livingston said they have to balance input from diverse groups. Planning Commission and Neighborhood Leadership Alliance (NLA) have competing concerns. He also mentioned that we don't always end up where we start. Sometimes change has to be done incrementally. Doesn't see the Development Code as gospel. Map of undeveloped lots is more useful than zoning map. Tells a better story.

Karna Gustafson said also in RM and RH, not just in commercial. She said NLA has been putting forth changes to land use system regarding notices. Longer times, more distance from project. Has concerns based on presentation just heard. Also adds to cost and delays. Louise of FHCO would red flag but only if based on certain types of housing. Lynne said is typically for multifamily projects only. Louise said that it might be a fair housing issue.

Moey Newbold of LandWatch – concerned about TIF in Core Area. When redevelopment is happening, will need to do outreach to keep protected classes in neighborhood. Fair housing asks to be colorblind. Can you be proactive? Response: Yes, can do outreach. Alan did say is difficult to create preferences. Would have to show that actions would not increase segregation. But worth looking at if displacing people. Bend has made great strides but her concern is wealth and equity differentials. Need to wrestle with.

Malachi Brown said he is a veteran and wants to thank the Committee and this opportunity to learn and build his knowledge.

Karin Morris, Accessibility Manager for City. Housing is a concern in the accessibility world. Multi-family does not meet need for some who need accessible housing. Is City tracking ADUs costs and accessibility? Lynne will follow up with OPM to see if can track.

Paula Latasa – what is definition of affordability and whether we are requiring energy

efficiency? Lynne said our builders do work with efficiencies. Some are aiming for net zero. All have taken some energy upgrades and are always looking for incentives. We do look at operating costs.

Jody Howe – concern also is around operating costs. Older properties take more to retrofit.

Amy Warren of Kor Land Trust said Kor is looking at a community preference policy. Doing in Portland where it is a policy. Might want to examine further as a city policy.

- **Kor Change of Use - Postponed**
Kor Community Land Trust will present a proposal to modify a recent funding award
- **PCAH Coyner Hollow Summary – Postponed.**
Pacific Crest Affordable Housing will discuss the Coyner Hollow surplus property
- **Staff Report**
 - Policing listening session is this weekend on Saturday.
 - Council Committee check on Monday, October 20th from 4pm-6pm. Road to 3000 update.
 - Council Work session on 10/21 includes a discussion of homelessness.
 - Upcoming code work at Planning Commission: NLA changes on 10/26. Juniper Ridge on November 9th.
 - RFP training for potential applicants on October 22nd from 3-4:30 pm.
 - RFP applications are due November 2nd which is a Monday.
 - LCDC public comment open on HB 2001 - Alan and Lynne part of committee. Rule making is coming to a close.
 - Next meeting date is on Veteran's Day. Will need to come up with alternate date. Won't be a Wednesday. Stay tuned.
- **Adjourned at 5:17 pm.**