



Minutes

Affordable Housing Advisory Committee

3:00 PM, Wednesday, July 14, 2021

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

Go to [Affordable Housing Advisory Committee Page](#) for more information.

Staff Liaisons: Lynne McConnell and Racheal Baker

Roll Call: Keith Wooden, Kathy Austin, Ian Schmidt, Alison Hohengarten, Joanna Gardner, Heather Simmons

Councilor Schenkelberg

- **Public Comment**

None

- **Approval of May and June Minutes**

Approved.

- **Citizen Participation Plan Review**

Public hearing opened up meeting.

For Bend to receive Community Block Grant Funding, the city must have a citizen participation plan. This plan outlines how the city and Community members engage in the CDBG process and planning. Recently, the assessment of fair housing has been re implemented federally and we need to incorporate those processes into our Citizen Participation Plan. You have all reviewed and received that language and will be voting to approve those amendments to our Citizen Participation Plan. No public comments received. Opened for public comment. No public comments.

Joanna- More of a comment than a question, population groups included in that Citizen Participation Plan and the rate of homelessness among the LGBTQ youth and wishing that that population was included in the Citizen Participation Plan. Racheal-I don't think there's any subpopulation that we are not going to try and reach including them.

Lynne- We are trying really hard to reach the historically marginalized communities in Bend.

Kathy Austin made motion to approve the 2021 amendments to the CDBG Citizen participation plan. Heather Simmons seconded. Keith Wooden-aye, Joanna Gardner aye, Heather Simmons aye, Alison Hohengarten aye, Ian Schmidt aye, Kathy Austin aye

- **SB 8 Overview**

- SB 8 was passed by the Oregon legislature in 2021 and allows deed restricted affordable housing to develop, under certain conditions, in zones other than residential.

Elizabeth Oshel Senate bill 8, (SB8), This bill allows for affordable housing up to 80% AMI or 60% AMI with income averaging to be built on land, other than land zoned directly for affordable housing if the land or the housing meet certain criteria in the bill. SB8 allows affordable housing to be built without zone change or a conditional use permit if the housing is owned by a public body or nonprofit religious corporation, or if the property on which the housing is zoned for commercial uses, zoned to allow religious assembly or zoned as public lands. The specific requirements, if the land is zoned industrial,

the only affordable housing that can be built under this bill has to be publicly owned, the land must be adjacent to land zoned for residential uses or schools and the land itself cannot be designated for heavy industrial uses. Has to be within a UGB, not constrained by land use with excessive slopes in floodplains or constrained by land use regulations regulating natural disasters or hazards protecting our natural resource goals. And also, the development has to be able to be adequately served by water, sewer, storm water drainage and streets.

Colin Stephens-(SB8 Overview)-If the proposal meets the affordable housing criteria, as described in the bill, and it is on a site that meets the ownership and zoning criteria, it says a local government shall allow affordable housing, and so we would accept an application to provide that affordable housing. There are some regulations that preempt our density calculation for the residential districts, so we would have to raise them up above what a local jurisdiction would be if certain ranges are not met by the local jurisdiction. It would be as though our code allows that, I would process it and work with my staff to be able to do that.

Kathy - Would this be a Type 1 or Type 2 approval? Colin- That would depend on what they wanted to do. An existing building might be Type 1. New construction would be Type 2. If any kind of discretion would be Type 2. Would fit into existing project paths.

Kathy -Is this targeting religious lands? What is the background of this?

Lynne- Two main purposes. Recognition that it is challenging to site affordable housing, particularly in certain jurisdictions, and the other piece is we need housing. Maximum utilization of land under UGB's, cities are not the only jurisdictions to own land. Other publicly owned parcels that could have affordable housing on them. There is a State-wide density bonus and a statewide height bonus too. There is no FAQ, this is a legal document, and so we have to be careful about interpreting certain laws for the general public.

Racheal-Is this bill in effect now? Elizabeth-Not sure.

Lynne- Not an emergency bill. This bill strengthens attorney fees provisions for those who appeal Affordable Housing fees.

Keith- Is this light industrial zone? And adjacent to residential have you done an inventory of our zoning city wide? What is the potential of this in Bend actually making it through?

Colin- I do not have that information. There are two different kinds of industrial, developed and undeveloped and the third could be underdeveloped industrialized. I have not looked into that but it could be interesting, but might be better to see what is for sale.

Lynne- One tool that might be helpful is the buildable land inventory system (BLIS.) It's not the same as what you submit to the State but it's meant as a real-time application. I will send out the link

Elizabeth believes BLISD only includes what is zoned residential. Dial shows zoning.

Alison- How does this work with the House Bill 2001, that simply allows for the cluster cottage clusters and duplexes, triplex? My understating is that the bill required cities have more than 10,000 to implement code changes so how do these two interplay?

Colin- HB 2001 requires cities to allow what they are calling middle housing in all residential districts, and so that is duplexes, triplexes, quadplexes, cottage clusters and townhomes. Not a lot of overlap between the two.

Alison-This is affordable housing based on the AMI. A duplex, triplex no necessarily affordable housing, but it's going to be more housing.

- **Staff Report** Related NW was not able to maintain the interest in the property so those affordable

housing funds shifted to Housing Works and now we have potential CDBG funding available, which needs to be spent within the next year. The deadline is June 30, 2022. We have put out another RFP that ended Monday. Two applications were received, one from Kor Community Land Trust and the other from Central Oregon Council on Aging. The total request is \$350,000. We will get those to you shortly so that we can make some quick reviews and decisions regarding funding. Do you think with two applications you can review and score by our next AHAC so that we can decide, after they present in August? All agreed. Rachel to get out paperwork.

Alison-How much is available versus requested? Racheal-Total is around \$350,000. We had \$250,000 and received a lot of program income at the end of the year.

Lynne-More updates, committee Council quarterly check in next week on Wednesday at 4PM. Alison has volunteered to attend. Council will share what they have determined the goals are for next biennium.

Next week, work session on middle income housing. Carolyn Eagan and I will be presenting to Council to talk about how to incentivize that 80 to 120 or 150% AMI. For folks that don't qualify for subsidies with affordable housing, but still cannot make it work in our current market. Not sure what the order of that work session will be.

Final week of AHAC recruitment. This was Priscilla's position, closes Friday. We have gotten a number of applications.

We were able to invest in management software within housing program called "Neighborly", which is coming this fall.

Federal government chose not to move the Metropolitan Service Area or MSA population count from 50K to 100K. This did not affect CDBG funding but it may have affected transportation funding. Waiting for census to pin our population count. Current MSA designation at 50K.

New Hire, Amy Fraley starts Monday. Local to Bend, will be at our August meeting.

House Bill 2001 middle missing bill. AHAC first group to propose middle housing starting with cottages in 2014. Last Council set biennial goal of allowing four plexes in RS and they slowed this down when bill came to state level. So now we are moving forward so July 26, 2021 at 5:30pm is the Planning Commission hearing. Expect a lot of public testimony. Ian Schmidt to represent on behalf of AHAC. Please contact Lynne with questions.

Kathy Austin-Asked about building code interpretation and if four plexes considered under commercial code as opposed to residential code. It makes more sense to do a four plex versus triplex, which takes up less lot size, we want to encourage four plexes under the residential code. Lynne-That would take a state change. Efforts before HB 2001 but has not gone anywhere.

Kathy-Homebuilders are very interested in that. One of the bills to get passed is to look into some code things and into the financing of Coops. Racheal- Our building code is taken from State statutes; those limitations are all State law. Elizabeth-I believe that is right.

Lynne-A lot out there in terms of housing accomplishments, good summaries. This group has indicated interest in submitting a letter in support of that code.

Kathy Montgomery's retirement announced.

City would like us to start doing hybrid in person meetings, starting in September. Working out the details.

- **Adjourn 4:00pm**