

CITY OF SILVERTON
AFFORDABLE HOUSING TASK FORCE MINUTES

Silverton Community Center – Council Chambers – 421 South Water St.

February 26, 2019, 8:30 a.m.

I. CALL TO ORDER

Chairman Kyle Palmer called the meeting to order at 8:34 a.m. and introductions were made.

Present	Absent	
X		Kyle Palmer
	Excused	Dana Smith
	Excused	Jason Freilinger
X		Sarah DeSantis
X		Harry Douglass
	Excused	Kari Johnsen
X		Bonnie Logan
X		Laurie Chadwick
X		Sarah White
X		David Goldblatt
	Excused	Gene Oster
X		Terry Caster
X		Molly Ainsley

Staff Present:

Community Development Director, Jason Gottgetreu and Assistant to the City Manager/City Clerk, Angela Speier

II. APPROVAL OF MINUTES

Member Terry Caster moved to accept the minutes from the January 29, 2019 meeting as presented. Member Bonnie Logan seconded the motion. There was no discussion and the motion passed unanimously.

III. PUBLIC COMMENT

Sue Countryman, 1403 Mill Street. Ms. Countryman said she would like to build an accessory dwelling unit (ADU). She indicated that she met with staff and found that she could add an 800 square foot garage on her property, but only 400 square feet of the upper level could be used for residential purposes under the current code. This means that she would not be able to provide housing to a family member due to the space constraints. Ms. Countryman is asking that a Special Review Board be put in place to see if alternate plans would fit in the neighborhood. She feels that this would help speed up the variance process while the City Council works on amending the current code language. Community Development Director Jason Gottgetreu explained that the variance process is a public hearing review before the Planning Commission. Part of the review is to prove that there is a hardship on the lot and the fee for review is \$725 with a 90-day timeline. Ms. Countryman encouraged the committee to speed up the code review process, because the code is creating extra hardships to getting people housed. She said that the goal should be to provide more affordable housing to the community. Chairman Palmer explained that any recommended code change that this Task Force makes would have to be approved by the Planning Commission and City Council.

IV. DISCUSSION/ACTION

4.1 Discuss zoning standards and how they could facilitate affordable housing

Community Development Director Gottgetreu explained the reason why the Task Force was created is to accomplish the Council goal to further develop and implement strategies for affordable housing. At the last meeting he provided a broad overview of ways that the City could promote affordable housing. One of the ideas talked about last meeting was rent control which the Oregon Senate is voting on a statewide rent control bill today.

Today's meeting will be focused on looking at policy changes as it relates to ADUs. The definition of an ADU is that they are created on a lot auxiliary to a house and are always smaller than the house that is currently there. He explained there are additional standards, including if it is detached from the main structure than it cannot exceed 800 square feet or 40 percent of the primary dwelling unit, whichever is less. The intent is to make sure that the ADU is smaller, but the 40 percent could be modified. He also explained that the zoning code for R-1 has set back standards where structures can be located, as well as coverage standards which describe how much of the lot can be covered by structures. He explained that the Task Force could look at capping the square footage at 800 square feet and modifying the 40 percent. Another option that could be looked at is to add ADUs into the performance option review of the code. This would allow the Planning Commission to grant variances in certain circumstances for ADUs.

Director Gottgetreu reviewed the process for building an ADU. Currently the planning staff reviews the ADU permit for compliance with City standards and if approved would provide the permit to the Building Department for review of the construction plans. One of the standards is that they have to be owner occupied, which staff checks when the building permit is submitted. He said that the Task Force could look at removing this requirement, which would mean one less review criteria and problematic enforcement action down the road. If you look at it from a different angle, typically when a person wants to convert a single family home to a duplex there is testimony received that it is less desirable than just having one house on a site. He said that perception is that renters don't take care of their property as well. Member Terry Caster said that the same is true for any multifamily development. Those developments tend to bring in a lot of testimony in opposition. He asked when ADUs were brought into the code was there a committee at the time that made that recommendation. Director Gottgetreu explained that there are three generations of development code; the original code was adopted in 1964. In 2006, the revised code was adopted and it added a lot of different standards, including a laundry list of special use standards. Then in 2008, it was repealed in its entirety and the current Silverton Development Code was adopted. The 2008 code was developed through the state's small city model development code, which included ADUs. He said that the Planning Commission performed the review of that code over the course of two years prior to adoption. He said ADUs have been allowed for ten years.

Director Gottgetreu asked for the members thoughts on the floor area standards. Members discussed the standard and the perception of renters in the community. They decided to increase the maximum floor area to 60 percent of the primary dwelling unit. Member Molly Ainsley voiced her concern about increasing the square footage, because it would likely increase the rent the owner would charge. Member Caster asked staff to review Senate Bill 1051 that passed in 2017, which mandated that cities (population 2,500 and above) allow ADUs, to ensure that Silverton's Development Code is not too restrictive.

The Task Force discussed the owner occupied standard and agreed that standard should be removed. Director Gottgetreu asked for feedback regarding the City having a stock set of building plans for ADUs that would allow a person to pick out a set of plans that a contractor could then utilize. This would save a person \$500-\$600, because they wouldn't have to purchase a set of plans.

The total cost to build an ADU is approximately \$50,000-\$75,000. Director Gottgetreu explained that system development charges (SDCs) are assessed on detached ADUs in order to account for their impact to infrastructure such as water, sewer, streets, and parks. When a new water meter is added to a house you are increasing the demand on the water and sewer system. It is a way to get development to pay for the impacts that their development causes. He explained that if an ADU is attached to the primary

dwelling unit then it is exempt from paying SDCs. The SDC cost for a detached ADU is \$7,000. Chairman Palmer asked staff to weigh in on the idea of charging SDCs based on the square footage of a structure, instead of the number of units. Director Gottgetreu explained that these charges are trying to predict the future based on estimates, which is never going to be an exact science. He said that it would be hard to predict the impact of a two bedroom house verse a four bedroom house, because the City doesn't know how many people are going to be living in the house. Member Caster explained why he sees SDCs as being regressive. He said that the City benefits from SDCs, but the affordability suffers. Director Gottgetreu said that the City is performing an SDC methodology. Discussion ensued about the lack of equity between having a detached verses attached ADU. Member Sarah White asked if it would be possible to even out the two, charge less in SDCs for a detached ADU and charge something in SDCs for an addition to a house. Members encouraged staff to educate residents that ADUs are currently allowed in Silverton. Staff will publish an article in an upcoming newsletter.

The Task Force members discussed the appropriate number for what affordable means. Staff said that moving forward the City will be using 60 percent of the area median income. This equates to spending around \$900 per month for rent and utilities. Discussion ensued regarding the difference between low income and affordable housing.

Director Gottgetreu explained that the Task Force could look at a different kind of housing model that would allow RVs to be utilized as ADUs. This would require a change in the code, because currently an RV can only be on a site for up to 45 days every six months. He also explained that tiny homes which are built on wheels would be considered an RV under current code. He said that there are some building code issues that would need to be addressed, because tiny homes are not inspected during the building process. Another issue that would need to be addressed is utility connections, because ADUs are plumbed into the system, but having something on wheels that is connected to City water and sewer isn't something that staff is familiar with doing. The Task Force would like the City to pursue allowing this type of housing.

Director Gottgetreu reviewed the concept of allowing tiny home parks or RV parks. Currently this is defined in the code as a commercial or industrial use and not allowed in single family zones. If the stay is 30 days or less it is considered commercial, if it is longer than 30 days it is considered residential. He explained if the Task Force would like to pursue this idea, staff would have to create a category that denotes it has residential, i.e. the stay would be longer than 30 days. Special standards would also need to be defined. He explained that this type of housing would need to be located in the higher density residential district; however, there is currently no land zoned for multifamily in the city limits. He explained that the next step is the housing needs analysis which is currently out for bid. This will allow a consultant to look at the city's residential land need for the next 20 years and at the city's buildable land inventory. The analysis will address how much land and zoning that the City will need to accommodate by comparing the demand and supply provided in the projections and inventory. In order to address deficiencies in the analysis the City could consider changes to the comprehensive plan and to land use regulations. This Task Force will be involved in the creation and review of the Housing Needs Analysis as an advisory committee. The bid closes mid-March and will be the next step to look at the zoning to allow tiny home parks, other multifamily homes, and other affordable housing type developments. The analysis will take approximately nine months to one-year to complete, but the Task Force's work on potential code changes can happen on parallel tracks.

Member White asked how the City promotes infill development if there is a vacant undeveloped lot can the City approach the property owner with incentives so the land could potentially be developed for affordable housing. Director Gottgetreu said that currently there are not a lot of tools that facilitate affordable housing, which is part of what this Task Force is looking at. The City could re-zone the property from single family to a higher density zone. By doing this the lot would be worth more money, which could motive the owner to sell it to a developer, but there isn't anything currently that the City could offer to ensure that the development would be affordable. Member White suggested offering stock plans for a cottage style development that would fit a specific lot size. Director Gottgetreu said that he did apply for a grant through the state to create those stock plans, but was unsuccessful.

Member Caster said that there have not been any new manufactured home parks since Silver Cliff. He explained that manufactured homes are more affordable, because they are less expensive to build. He said that this is something else the City could encourage along with the tiny homes. Director Gottgetreu explained that manufactured home parks are only allowed in R-5 or R-10 zones and the City doesn't currently have vacant property that would allow for this type of development. Member Sarah DeSantis asked staff to pursue incentives to entice low income and/or farm worker housing as well.

ADJOURNMENT

The meeting adjourned at 9:50 a.m.

Respectfully submitted by:

/s/Angela Speier, Assistant to the City Manager/City Clerk