

**CITY OF SILVERTON
AFFORDABLE HOUSING TASK FORCE MINUTES**

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

September 17, 2019, 8:30 a.m.

I. CALL TO ORDER

Chairman Kyle Palmer called the meeting to order at 8:30 a.m.

Present	Absent	
X		Kyle Palmer
X		Dana Smith (<i>departed at 9:15 am</i>)
X		Jason Freilinger
X		Sarah DeSantis
X		Harry Douglass
X		Kari Johnsen
X		Bonnie Logan (<i>departed at 10:00 am</i>)
X		Laurie Chadwick
X		Sarah White
X		David Goldblatt
X		Gene Oster
X		Terry Caster
	Excused	Molly Ainsley

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

II. APPROVAL OF MINUTES

Member Freilinger made a motion to approve the minutes from the August 20, 2019 meeting as presented. Member Chadwick seconded the motion. There was no discussion and the motion passed unanimously (12-0).

III. PUBLIC COMMENT - None

IV. DISCUSSION OF PRELIMINARY CAPACITY AND LAND SUFFICIENCY RESULTS

Beth Goodman introduced Sadie DiNatale with ECONorthwest who is also working on the Housing Needs Analysis for Silverton. Ms. Goodman explained today’s meeting will focus on the preliminary results of the analysis specifically the capacity for housing and land sufficiency. The last part of the meeting members will be discussing housing policies.

Ms. Goodman reviewed a map of the unconstrained vacant and partially vacant land located in Silverton. This will help determine if there is enough land to accommodate growth in the city. There are approximately 654 acres of vacant unconstrained residentially designated land, 531 acres is zoned as single family residential, 19 acres is zoned multifamily, and 104 acres is zoned as agricultural or urban reserve. She explained all the multifamily land is zoned for single family uses which creates a problem. The 20 year population forecast is showing a need for 1,158 dwelling units. She said they are forecasting a greater share of single-family attached (duplex, triplex and quadplex) and multifamily complexes.

Ms. Goodman reviewed the income level of current households and explained 46 percent of households are low income or below 80 percent of the Marion County Medium Family Income (MFI). That trend is

expected to stay the same over the 20 year period. This means affordability will continue to be an issue into the future.

Ms. Goodman reviewed the historic net housing densities in Silverton from 2000 to 2018. She explained the current Housing Needs Analysis did not account for rights-of-way, but this update will include a percentage for rights-of-way. She reviewed the updated number of dwellings units per gross acre for each of the generalized plan designations. That number was used to calculate the capacity by dwelling unit of the unconstrained buildable land. Silverton has the capacity to build 1,965 new dwelling units in land designated as single-family and 270 units in the agricultural/urban reserve. She explained the multifamily totals will need to be adjusted. The problem is all the unconstrained buildable land is essentially zoned as single-family which means there is no land for multifamily density. This issue can be addressed during the policy discussion. She explained Silverton has a surplus of land designated as single-family and a shortage of about 12 acres or 239 dwelling units of multifamily. The City will need to address the lack of land available for multifamily housing in the Housing Needs Analysis.

Member Sarah White asked about group housing and/or cohousing. She explained the Silverton Municipal Code only allows for six unrelated adults to share a house. Member Dana Smith said she has heard these types of policies may violate fair housing rules. Ms. Goodman said cohousing could be added to the list of policy changes the Task Force will discuss.

Member Jason Freilinger stated the need for more multifamily housing, but would like to see a targeted approach to identify which land is the most suitable for multifamily development. He asked about the process to rezone land. Ms. Goodman explained a City does have the ability to rezone property without the owner's approval, but the typical process would be for the developer or property owner to request the rezoning of the property. Member Freilinger stressed the need to make the most of what the City has and look at rezoning properties that are close to city services which in turn could lead to the development of more affordable housing. Ms. Goodman said the City could establish criteria for the areas they would like to up-zone to multifamily, with characteristics such as the size of lot, being close to city services, access to transportation, and within a quarter mile of a certain area. Then City staff could reach out the property owners that fit the criteria developed. Ms. Goodman said a City does not want to see all multifamily housing concentrated in one area, but look for the potential for disbursement throughout town.

Karen Garst, 1205 Tenino Drive. Ms. Garst described the multifamily zoning in Bismarck, North Dakota where she grew up. She would like to see the City go back to a model that allows for more diversity and does not feel like we are putting people into categories.

V. INTRODUCTION AND DISCUSSION: SILVERTON HOUSING STRATEGY

Ms. Goodman explained how the Housing Needs Analysis will likely be an appendix to the Comprehensive Plan. The Housing Strategy will be policies and actions to address the needs identified in the Housing Needs Analysis. Both these documents will lead to changes in zoning code and in the Comprehensive Plan, but there will likely be housing policies not addressed through the Comprehensive Plan updates as well.

Ms. Goodman referred to the Draft Silverton Housing Policies and Actions document included in the meeting packet. She explained how the document distinguishes between two types of affordable housing: 1) housing affordable to very low-income and extremely low-income households and 2) housing affordable to low-income and middle-income households. The very low-income and extremely low-income households are those who have an income of 50 percent or less MFI, which is an annual household income of \$34,700. About 17 percent of Silverton's households fit into this category and can afford a monthly housing cost of \$870 or less. Development of housing affordable to households at this income level is generally accomplished through development of government-subsidized income-restricted housing. The low-income and middle-income households are those who have an income of 50 to 120 percent of the MFI or income of \$34,700 to \$83,280. About 38 percent of Silverton's households fit into this category and they can afford a monthly housing cost of \$870 to \$2,080.

Ms. Goodman reviewed draft housing policies along with their objective and actions for the Task Force to consider and asked for the member's feedback.

- Policy 1: Ensure an adequate supply of land is available and serviced
- Policy 2: Provide opportunities for housing development to meet the City's identified housing needs
- Policy 3: Provide opportunities for development of housing affordable to all income levels
- Policy 4: Identify funding sources to support development of infrastructure and housing affordability programs

Policy 1: Ensure an adequate supply of land is available and serviced. This policy plans for a 20-year supply of suitable land with urban services and the necessary services for Silverton to meet housing needs within the existing planning area. Ms. Goodman explained this policy is stating the City will have enough land that is serviced, but if there is not enough land through the objectives then the City should be coordinating capital improvement planning for residential development. It does not mean the City has to proactively build it, but should proactively be planning for it. Essentially this is complying with Goal 10.

The Task Force members reviewed the potential action items related to the first policy. Ms. Goodman said the second action item will be revised to be more reflective on the zone designation that is needed. The members decided to remove the fourth action item related to increasing the maximum building height in Multifamily Residential (RM-10) from three stories to four or five stories, because they felt that size would be out-of-place. Director Gottgetreu said four story buildings are allowed in the Downtown Commercial Zone. The members were okay with increasing the maximum density in the RM-20 zone from 32 dwelling units per acre to 40 or more units per acre and agreed to emphasize the action item that would evaluate removing the maximum density standard and allowing the building height limitation, lot coverage standard and parking requirement to limit density in the RM-20 zone. Member Oster said he feels this would lead to the development of smaller units that are more affordable.

The next action item was to reduce the minimum lot size in the Single-Family Residential (R-1) zone from 7,000 square feet to 5,000 square feet. Ms. Goodman reminded the members House Bill 2001 requires the City to allow a duplex on every lot a single family house would be allowed outright. Member Oster said he would like to discuss decreasing the lot size to a minimum of 3,500 square feet. He said every development is different and this will allow for more options. The Web Lake Development is an example where smaller lot sizes have been allowed. Director Gottgetreu explained the density range has to stay within six units per acre within a subdivision. This would likely require a developer to create a mix of lot sizes in order to meet the density level. Member Freilinger said he has some hesitation on the 3,500 size, because of House Bill 2001 and the City is already working on a form based approach that would allow cottage style housing opposed to skinny lots. The members were agreeable to explore the 3,500 square foot lot size.

Ms. Goodman provided an overview of House Bill 2001 which cities need to comply with by June 30, 2021. The model code is expected to be released in December 2020. She will clarify the action item related to House Bill 2001 to encourage an earlier adoption. Ms. Goodman reviewed the remaining action items under the first policy. She will amend the action item to identify areas of high priority for improving infrastructure to support new residential development in order to provide a stronger connection to the need for multifamily development. The Task Force members decided to remove the action item related to identifying opportunities to improve infrastructure in older neighborhoods to support infill.

Policy 2: Provide opportunities for housing development to meet the City's identified housing needs. This policy provides opportunities for development of a range of housing types that are affordable to households at all income levels. These housing types include (but are not limited to): single-family detached housing, accessory dwellings, cottage housing, manufactured housing, townhouses, duplexes, triplexes, quadplexes, and multifamily products (including apartments).

The members discussed a possible action item that evaluates allowing courtyard apartments and cottage housing in subdivisions in the R-1 zone, with a goal of having these units rent at the \$900-\$1,200 price points. Ms. Goodman asked how the City would regulate the rent amount. Member White explained the

development could be required to rent at the Marion County Housing Authority rate for Section 8 Housing Vouchers, which are reviewed regularly. She explained if the City up-zones a regular lot for a cottage style development the City should require a certain percentage of the units be rented at the Section 8 Housing Authority rate. Ms. Goodman explained there has to be other tools, such as a tax exemption, for the developer in order for them to be able to support it financially and want to build it. The administrative process will be something the City will need to figure out if this is a priority. She recommended separating the courtyard apartments and cottage housing in this action item, because the courtyard apartment piece will be more difficult. She urged the members to consider not controlling the rent of the cottage housing, but allowing them at a higher density which would let the size and smaller lots dictate the price of the unit. She said a separate action item could be created for the courtyard apartments that could be tied to the Marion County Section 8 rent prices and the action item could be to evaluate other policies that would be required to support this which will be a longer goal and more difficult. Members were agreeable to separating the action items as discussed.

The members discussed the difference between single-room occupancy (SROs) and co-housing. Ms. Goodman explained people occupying SROs are more transient and they come and go whereas co-housing is more deliberate. She will modify this action item to allow for more than six (instead of four) unrelated persons to live in the same unit.

Ms. Goodman reviewed an action item related to tiny houses and allowing them as ADUs. She explained some of the unresolved issues surrounding tiny homes and will bring back additional information for the Task Force to consider.

Scott Sanders, 21351 Bridge Creek Road SE. Mr. Sanders said he recently approached the City about a development plan and was told it is plausible, but before he could even meet with City staff he would need to pay \$1,100 and it could still be denied. He explained the price tag is a big hurdle to creating affordable housing. Mayor Palmer said the staff will accommodate discussing high level details with developers, but if you would like to discuss the plans in more detail it takes a lot of staff time to do that and Silverton has very limited staff. Mr. Sanders said the cost is a barrier to building affordable housing.

VI. NEXT STEPS

Ms. Goodman said ECONorthwest will continue to refine the Housing Needs Analysis and the Task Force will continue to discuss the housing needs policies at the October 15, 2019 meeting.

VII. ADJOURNMENT

Member Freilinger made a motion to adjourn and Chairman Palmer adjourned the meeting at 10:15 a.m.

Respectfully submitted by:

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