

McMinnville Affordable Housing Task Force

Minutes from the Feb 22nd Meeting, McMinnville Civic Hall

Attendees:

Scott Chambers (President Headwater Investments)

Remy Drabkin (Councilor)

Howie Harkema (Former Director of the St Barnabas Soup kitchen / President,
COMPASS Center)

Sheryl Hill (Citizen at Large)

Elise Hui (Executive Director, Housing Authority of Yamhill County)

Martha Meeker (City Manager)

Kellie Menke (City Councilor)

Doug Montgomery (City Planning Director)

Darrick Price (Executive Director, Community Home Builders)

Jeff Sargent (Executive Director Yamhill County Action Partnership – YCAP)

Absent due to scheduling conflicts: Alan Ruden (Councilor)

Guests: Silas Halloran, Director of Yamhill County Health and Human Services and Jim Long, Affordable Housing Program Manager for the City of Bend

Jim Long presented an overview of Bend Oregon's Affordable Housing Program which is funded primarily by an excise tax of 1/5 of 1 percent fee on building permit valuation for all building in the city. Since the program was established in 2006, Bend has leveraged these dollars into 539 multi-family units and 76 single family homes which is 5% more than Eugene and 125% more than Salem. This was done largely by using funds from the construction excise tax as local matching dollars for federal and state programs. Mr Long noted the option of an excise tax is no longer available as additional taxes on building were banned by Oregon legislation in 2007. However, he also noted that legislation had been proposed to reverse this. Finally, Mr Long provided a look at the expedited Review / Permitting and Tax Exemption programs available for qualified developments. One of the most popular of these programs was a density bonus incentive exchanging a limited number of units designated for families making 80% of the median income or less in exchange for a higher building density for an entire development. During the question and answer session, it was asked if there were any programs that Bend had implemented which were not controversial or received little initial pushback. The only one Mr Long could think of, was donating City property for affordable housing development. He also mentioned zoning promoting Cottage Housing as something that was on the easier scale to implement. After this, a discussion on Tiny Homes commenced where it was pointed out that these are different than Cottage Homes due to their very small size and mobility.

Note: On March 3rd, 2016 the Oregon legislature passed legislation lifting the moratorium on construction excise taxes. Under the measure, local governments may pass an ordinance to levy an up to 1 percent tax on new construction. The proceeds must be used for housing programs, first-time homebuyer down payment assistance and developer incentives for building affordable units.

Next the group went over a refresher on what current SDC and permit exemptions the City already offers and then proceeded to review limited data on existing housing and feedback from realtors reference the market in McMinnville for single and multi-family units. One point of feedback from local realtors was there is a dearth of single family housing under \$190,000 as most, if not all of existing units on the market were in some state of foreclosure or in need of such repair that financing was extremely difficult. At this point, Elise Hui mentioned the Neighborhood Stabilization Program which provides grants to states, certain local communities and other organizations to purchase foreclosed or abandoned homes and to rehabilitate, resell, or redevelop these homes in order to stabilize neighborhoods and stem the decline of home values.

The conversation then turned to establishing what existing affordable housing McMinnville and Yamhill County actually has. Elise Hui briefed this can be complicated to document as in addition to various affordable housing projects run under local non-profits or the County there are also subsidized units provided through Urban Housing Community Services or USDA Rural Development. Combining the various programs from the Housing Authority's Resource List with the numbers she had on Section Eight Housing, she estimated 1,300 units ranging from emergency shelter to longer term housing existed in McMinnville. Elise will continue to refine this list as she adds available short term and emergency rental assistance.

The group revisited the Council's direction to first look at low hanging fruit and then discussed how to lay out a needs assessment. Jeff Sargent followed that YCAP had recently initiated discussion on doing a needs assessment to update their data from their last effort in 2010. While YCAP's needs assessment would be somewhat different than a straight housing needs assessment, it could provide a good source of data on part of the lower income population. Elise Hui also mentioned the Housing Authority had done a market survey in 2008 and the group discussed how this was done. Silas Halloran added he thought there would be value in updating the survey as a way to map the current state and then adding a look at the future state to complete the gap analysis. Doug Montgomery briefed something similar had been done as part of the City's comprehensive plan development in 2001 and would need the enlistment of contracted professional services to repeat.

After that, the group discussed how to lay out short term and long term initiatives and it was decided to form a subgroup to lay out proposed Charter language, membership and timelines. Remy Drabkin, Sheryl Hill, Kellie Menke and Doug Montgomery volunteered for this and the group accepted. The subgroup will also lay out an initial plan to define actions the Council could act on in the next weeks and then look at longer projects and how to match them with available resources.