

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

August 18, 2020, 8:30 a.m.

I. CALL TO ORDER

Chair Palmer called the meeting to order at 8:30 a.m. The task force members and staff were present through the virtual meeting platform Zoom. Mayor Palmer explained the meeting is being held through Zoom due to Governor Brown’s Executive Order 20-16 and House Bill 4212.

Present	Absent	
X		Kyle Palmer
X		Dana Smith
X		Jason Freilinger
	X	Sarah DeSantis
X		Hilary Dumitrescu
X		Kari Johnsen
	X	Bonnie Logan
X		Laurie Chadwick
X		Sarah White (<i>arrived at 8:36 am and departed at 9:11 am</i>)
X		David Goldblatt
X		Gene Oster
X		Terry Caster (<i>departed at 9:36 am</i>)
		Vacancy

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 meeting held on June 16, 2020. Member Smith seconded the motion. There was no discussion and the motion passed unanimously (9-0).

III. PUBLIC COMMENT – None

IV. DISCUSSION/ACTION

4.1 Discuss potential development ideas and options for the Westfield Site

Community Development Director Jason Gottgetreu said one of the City Council goals for this fiscal year is to assist the Urban Renewal Agency (URA) in developing the scope of the redevelopment of the Westfield property, including possible use as affordable housing and/or assisted living. They would like to further develop and implement strategies for affordable housing (including exploring public-private partnerships at Westfield). He said a joint work session between City Council and the Planning Commission has been scheduled in October where they will discuss potential development ideas for the Westfield site as well as what a potential Request for Proposal (RFP) could look like.

Director Gottgetreu explained a RFP was released and the three proposals were included in the Task Force packets. The zone change was not approved for the level of development that was proposed. He provided an overview of the site and the location of potential development. He is looking for feedback from the Task Force regarding desired elements and ideas for the site. The size of the vacant land is 7-8 acres. He reviewed the utility constraints for the site and previous suggested uses; including, a skate park

as well as a police and court facility. The skate park has been developed, but the police and court facility will be developed on the Eugene Field site. The site is within the area of the 2013 West Side Land Use and Transportation Plan. The West Side Plan indicated a need for workforce and affordable housing as well as a mix of housing types and units. The Housing Needs Analysis requires the City to identify land to meet the community's housing needs. The City currently has a surplus of single family and agricultural/urban reserve, but has a deficit of multifamily residential of 304 dwelling units (or 17 acres). The Westfield site could be identified to meet the future need. He would like the members to consider the density of the site, the type of use on the site (residential, commercial, service), the scale, amenities, and what would make a proposal desirable or unpalatable.

Member Freilinger asked what the feasibility is for running the sewer line through the school district property if the City were to obtain an easement. Director Gottgetreu said it would require about 2,400 feet of sewer pipe to reach the existing location. Member Freilinger asked if reserve sewer SDCs could be used to install the sewer line. Director Gottgetreu said it is unlikely, because it would not be needed to increase capacity.

Director Gottgetreu provided an update on the proposed development next to the site. This led to a discussion of the appropriate density for the Westfield site and needed number of units for an affordable housing project to pencil out. Member Johnsen explained Habitat for Humanity partnered to submit a proposal for the site and one of the challenges is the development of the utilities and infrastructure. Smaller entities will have to partner with a bigger developer that is not necessarily looking to make a return right away. The proposals came in as multifamily because in order to get the funding needed you have to have land density, without density it would most likely not be feasible. In addition, the Area Medium Income (AMI) plays into that, because the lower AMI the more money you are able to get. Member Caster asked if the R-5 zone would even be feasible on the site due to the infrastructure costs. Member Smith asked about the cost breakdown between infrastructure and SDCs. Director Gottgetreu said the proposals listed the project cost to be \$20-\$30 million and reviewed the per door cost and how the SDCs would be applied. He said the purchase price listed in all the proposals was \$1 million. Member Smith asked if the City could install the gravity sewer line for the project to lessen the cost burden. Director Gottgetreu said City Council would have to approve that action and if the City were to build the line before the private development occurs, the City would be building the line for their use as well. He said it would need to be engineered to the right height and the developer would then pay reimbursements to the entity who installed the sewer line.

Member Oster asked for background information on why the proposals have not gone anywhere. Director Gottgetreu explained the zone change to R-10 for the site was not approved. Members discussed the reason why the zone change was not approved. Member Oster suggested staff ask the proposers if this property were to be zoned R-5 would it still be feasible for them to do a proposal under the R-5 zone instead of the R-10 designation. Director Gottgetreu explained a portion of the site (3 acres) could be zoned at a higher density than the rest of the site and be based on the number of units that is desired.

Member Johnsen did a quick calculation on if the site was zoned R-5 which would equate to approximately 60-80 units on 7 acres. She said if it costs \$200,000 per door and factoring in the infrastructure cost of roads and sewer, she does not see how it could be feasible to a developer at the R-5 designation unless the City is willing to subsidize the project somehow through SDC credits or help with the development of the roads or sewer. She said a CDBG grant would not even cover the infrastructure cost. Director Gottgetreu said the City needs to figure out the minimum number of units it would take to make this development feasible. After that number is identified the site could be parceled and re-zoned to hit that number. Member Johnsen said it will also be helpful to know from an engineering perspective the best layout for the site. Chair Palmer asked if the grant picture changes if the development were to be focused, such as for a veteran's development and if it were being developed by a nonprofit organization with potentially some land being deeded by the City. Member Johnsen said yes, if the land is granted it shows support from the community and the City it would also result in cost savings for the developer. She said there are creative ways to look for more funding, such as housing vouchers. She said the grant funding really comes down to who has the best project with the best density for the money.

Member Freilinger supports finding out the minimum number of units it would take to make this a feasible and grant fundable project. He said this will need to be figured out before the Task Force can make a recommendation to City Council. Director Gottgetreu will reach out to the three developers and bring back additional information to the Task Force at the September meeting. Member Caster said maybe the Task Force could look at developing one of his properties for affordable housing if the Westfield property turns out to not be a viable site. The City Council should make it easier for private developers to build affordable housing. He pointed out the Task Force does not have to focus on the Westfield property as the only possible site. Member Johnsen reminded members there is a difference between affordable housing and low income housing, they are two different definitions and it is something to consider when talking about these projects. The goal should be to try and meet what the City truly needs whether it is low income or affordability, because they are two different demographics and the message needs to be consistent when talking to community members about a project.

Director Gottgetreu said the Task Force will meet again on September 15 and will continue this discussion. He will try to obtain the number of minimum units in order to make this project feasible and if developers felt they could make the R-5 designation work. He provided an update on where the Housing Needs Analysis is in the adoption process and said it will likely go before City Council at their October meeting.

V. ADJOURNMENT

Member Smith made a motion to adjourn and Chair Palmer adjourned the meeting at 9:42 a.m.

Respectfully submitted by:

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