

Clackamas County Coordinating Committee (C4) Minutes

Thursday, Oct. 6, 2016

Time: 6:45 p.m. to 8:30 p.m.

Development Service Building
Main Floor Auditorium, Room 115
150 Beavercreek Road, Oregon City, OR 97045

Attendance:

Members: Clackamas County: Paul Savas (Co-Chair); John Ludlow (Commission Chair); **Canby:** Brian Hodson (Co-Chair); Traci Hensley (Alt.); **CPOs:** Laurie Swanson; Marjorie Stewart (Alt.); **Estacada:** Brent Dodrill; **Fire Districts:** John Blanton; **Hamlets:** Rick Cook (Stafford); John Meyer (Mulino Alt.); **Metro:** Carlotta Collette; **Milwaukie:** Wilda Parks (Alt.); **Molalla:** Jimmy Thompson; **Sandy:** Jeremy Pietzold; Carl Exner (Alt.); **Sanitary Districts:** Terry Gibson (Oak Lodge Sanitary); **Transit Agencies:** Julie Wehling (Canby); Stephan Lashbrook (SMART – Urban Alt.); **Water Districts:** Hugh Kalani; **Wilsonville:** Tim Knapp; Gladstone: Kevin Johnson; **Happy Valley:** Markley Drake; **Oregon City:** Renate Mengelberg (Alt.); **West Linn:** Brenda Perry

C4 Staff: Gary Schmidt (PGA); Trent Wilson (PGA); Caren Anderson (PGA)

Guests: Rick Robinson (Canby); Jaimie Lorenzini (Happy Valley); Annette Mattson (PGE); Mark Ottenad (Wilsonville); John Lewis (Oregon City); Zoe Monahan (Tualatin); Seth Atkinson (Sandy); Tracie Heidt (Canby); Megan McKibben (Congressman Schrader); Stephen Williams (County DTD); Drenda Howatt (County Admin); Emily Klepper (County Admin); Don Krupp (County Administrator); Sean Hubert (Central City Concern); Emily Lieb (Metro); Rob Justus (Home First Development); Jerry Johnson (Johnson Economics); Mike Wells (Manufactured Housing Communities of Oregon); Barb Cartmill (County DTD); Nancy Gibson; Chuck Robbins;

Pledge of Allegiance

Welcome & Introductions

Commissioner Paul Savas & Mayor Brian Hodson, Co-Chairs

Approval of September 01, 2016 C4 Minutes

Approved. Terry Gibson moved and Jimmy Johnson seconded.

Affordable Housing Panel

Panel Participants:

Jerry Johnson, Johnson Economics

Mike Wells, Manufactured Housing Communities of Oregon Board

Rob Justus, Home First Development

Sean Hubert, Chief Housing and Employment Office at Central City Concern

Emily Lieb, Equitable Housing project Manager at Metro

Stephen Lashbrook facilitated the panel discussion and responses are summarized after each question.

1. **Please tell us how your agency/industry fits into the “affordable housing” discussion and how your work impacts Clackamas County.**

Responses ranged from:

- Provides direct access to housing, integrated health care, development of peer relationships, attainment of income through employment or benefits, clinical sites, wrap around, support services and employment programs. Have 2 projects in Clackamas County. Clackamas County does not have an adequate supply of recovery and homeless housing.
 - Provides management and transit plans plus a new role around equitable housing across the region. Supports jurisdictions by convening local policy sessions, facilitating information sharing, best practices and explores regional funding solutions.
 - Works with churches and non-profits to build and operate lower cost affordable housing for the homeless. Able to leverage private sources. Churches have a lot of land and property that can be invested for housing with a return in revenue.
2. **From your industry’s perspective, what are the major problems facing the Portland region, and Clackamas County in particular, related to housing?**

Responses ranged from:

- Housing is getting less affordable and is in a cycle where housing production is not catching up with demand. Pricing power will go down as market gets softer. Very little housing production and lending for development. The inadequate supply is increasing the rate of inflation.
- Inventory issue for affordable housing. There is a huge demand and need. Government bureaucracy limits the ability and supply.

- Government needs to look at zoning and system development charges (SDC's) and release a request for proposal to private businesses and the community.
 - Barriers, zoning and fees.
 - Portland has had the fastest growth rate over the past five years. Second to San Francisco in rent rate. Income has been stagnant during this time. More people are paying 40, 50 and 60% of their income on housing. Displacement of families means less money circulating in communities. Becoming more expensive to build affordable housing.
3. **What populations are experiencing the greatest need for housing and how can those needs be met? Answer can be either general or industry specific.**

Responses ranged from:

- Median age is now approaching 55 years old for homelessness and poverty. 25% of population has an underlying mental health issue. Targeted rent support and employment services would be helpful. Need regional thinking and collaboration. Need to increase the supply and expand resources. Federal resources are being left on the table. This is a policy issue the county can get involved in.
 - There is a shortage of affordable housing for those making less than 60% median income. Lack of entry level homeownership opportunities. Senior and intergenerational living opportunities. Cottage clusters and accessory dwelling units. Parking requirements add a lot to the cost of development. Some incentive tools are offered by the state through vertical housing tax credits. There are also new tools and incentives available around inclusionary zoning. There is a lot of publically owned land. Strategies for strategic land purchases.
 - Look at failed developments and ask why. Think outside of the box. There is too long of a wait for subsidized housing.
 - Government agencies and affordable housing funders need to examine their own efficiencies, look at how they do business and examine if they are driving up the cost. What could they do to bring down the cost? SDC and zoning waivers are needed. Private investors are interested in what we are doing and there is potential to partner and work with them. Mental illness, health and addiction are not being addressed and a lot of this population ends up in jails.
 - 60% MFI is not readily available in the market today. Landlords are increasing rent as they see the market costs increase.
4. **With so many players in the housing market, from houselessness services to high-end developments, how can all of the players work together to address the housing issues at large?**

Responses ranged from:

- Supply across the whole spectrum is needed. When you tax a developer they don't pay the tax, it goes to the rent or the landlord.
 - Communities need to be more sophisticated when we talk about affordable housing. Focus on a handful of ideas. How do you create an environment for an AIU and High End Developer? Too often we limit what can be done when we legislate or dictate how things are to be done.
 - How might inclusionary zoning impact other parts of the region? Are there inclusionary incentives in other parts of the region?
5. **What are local solutions that you can see which would make it easier for your industry to more easily address affordable housing needs? How can the County help you be more successful in the services you provide?**

Responses ranged from:

- Tax exemptions for affordable housing. Other incentives to make it easier and less costly to build (zoning or SDC waivers). Local resources and subsidies.
 - Gap financing. Tax exemptions for non-profit affordable housing. Community housing fund. Small grants and loans.
 - Local solutions and subsidies. RV communities.
 - Acquire and repurpose land.
 - Cut time, time is money in the private sector. Regulatory flexibility. Release public assets to developers.
6. **What is the single most important message you would like to share with the group?**

Responses ranged from:

- Don't make the cure worse than the disease.
- How can we help those individuals that are living on Social Security and Disability checks?
- Land needs to go back into the private market. Put out RFP for private sector.
- Think collaboratively, comprehensively and connect housing to other infrastructures and jurisdictions.
- People are coming into our area relocating from California. Policies need to be top priority.

Misc. Comments and Questions from the Committee and Panel Members

- Younger workers and older workers have been impacted the most. More elderly have been pushed out of the work force during the recession and are now homeless.
- Need to have transit and jobs near developments. There are financial incentives available to developers near transit corridors.
- Private sector mostly from out of state are snatching up apartment complexes across the region. Portland is seen as an investors market.
- Preserving the supply of affordable housing is more cost effective than building new. Metro is working on a rental database to determine where these types of housing are located.
- 5-10% of housing is unoccupied. Vancouver is taxing non-occupied homes and foreign buyers and are thinking about taxing Air B&B's. Would these strategies work in our region?
- Question regarding Pedcor project (County low-income housing project) which Chair Ludlow provided background on. Policy session can be viewed at <http://www.clackamas.us/bcc/presentation.html>

Regional Flexible Funds Allocation (RFFA) Comment Process

A list of projects and technical rankings through JPACT will be released tomorrow for a 30 day comment period. After the comment period is closed, the rankings will be given to the coordinating committees for comment by November 17th. During November and December, JPACT will review the recommendations, comments and committee feedback and make a final decision in January 2017.

Members discussed whether or not C4 or a group made up of only the urban cities should make the recommendations for the RFFA funds since the funds are being issued inside the urban growth boundary and affects only those jurisdictions inside the boundary. The group reached consensus to allow C4 to facilitate discussion at their November 3 meeting, but for C4 Metro Subcommittee to make the final recommendation at their November 9 meeting.

The Clackamas County Coordinating Committee recommendation process for RFFA will be:

October 19th C4 Metro Subcommittee review Metro score/ranking of RFFA applications

October 25th CTAC Review Process

November 3rd C4 Presentations by applicants, public comment, C4 discussion

November 9th C4 Metro Subcommittee – Final decision for RFFA recommendation

Monthly Updates

Land Use Advisory Subcommittee re Affordable Housing

The ad-hoc committee has met once and plans to come back in December with recommendations. They have reviewed information from the retreat and are gathering resources in each jurisdiction to look at what is available and identify gaps.

JPACT Update

Mayor Knapp provided the update for JPACT, who will be discussing the regional leadership forum and active transportation projects.

MPAC Update

Councilor Collette provided the update for MPAC, who will be receiving updates regarding the Regional Transportation Plan.

Adjourn at 9:10 p.m.