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to Anne Catlin, Matthew Ruetters & Beth Freeland, City of Albany  
from Kate Rogers & Matt Hastie, MIG | APG  
re HATF #2 Summary  
date 5/9/2022

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## Albany Housing Implementation Plan Housing Affordability Task Force Meeting #2

April 13, 2022, 12:00 – 2:00 PM (hybrid Zoom / in-person meeting)

### Attendees:

- Matt Hastie & Kate Rogers, MIG|APG
- Brendan Buckley, Johnson Economics
- Anne Catlin, Matthew Ruetters & Beth Freeland, City of Albany
- Camron Settlemier, resident/historic districts
- Erin Dey, DevNW
- Patrick Wingard, DLCD
- Rebecca Tolentino, Central Willamette Credit Union
- Sharon Konopa, Board of Albany Partnership for Housing and Community Development
- Theodore Bunch, Planning Commission
- Alana Kenagy, resident
- Mike Quinn, builder/developer
- Steve Hammond, resident
- Mayor Alex Johnson II

### Mayor's Remarks:

- We are looking at of the full spectrum of housing—affordable housing, single-family, mixed density; housing is important for every community
- Albany is in a unique position—coming out of the COVID-19 pandemic, we're experiencing change and change isn't always comfortable
- Oregon is about 630,000 places to sleep short; we need to work on those things within our communities
- Important that young couples have chance to buy first home, seniors have opportunity to move down to smaller home, others can buy their bigger home

**Discussion Questions:**

- *What are your top 3-5 priorities from the strategies list?*
- *Is anything missing from the list?*
- *Can anything be removed from the list?*

**Task Force Comments:**

- Steve Hammond, Resident – Looked primarily at things that would affect workforce housing, housing affordability, not necessarily “affordable housing”
  - 1.7 Building height and density – improving the ability to go vertical
  - 2.2 surplus land for affordable/needed housing – surplus land should be used
  - 3.1 pre-approved plan sets for middle housing types; see Huber Homes – limited set of design choices, answer to post WWII housing shortage; those areas developed as middle class communities
  - 5.6 preserve safe, affordable manufactured homes – mobile home parks are being taken over by developers, residents are forced to move; requirements for new manufactured homes
- Mayor Johnson – focused on cost to build, affordability across the spectrum
  - 1.6 Zoning incentives for affordable/needed housing –
  - 1.8 Facilitate middle housing types
    - Need for 1-bedroom units; those units are going for \$1,000-\$1,500
  - 1.16 incentivize and promote accessible design
    - Need bedrooms on the ground floor
  - 3.6 Incentivize small homes – tier SDCs; tax relief
- Mike Quinn
  - Concerned that this committee will “tax the rich and give it to the poor”
  - Approve a sliding scale for SDCs
  - Don’t want to create a CET for those who are doing well
  - City hall needs to treat builders, developers as customers; don’t force them to do extra work
  - Currently working on a development with 3 bedrooms, 2.5 bath duplexes; decided to make 2 bedrooms, 1.5 bath; city should be doing their best to support this type of infill development; should have a system to fast-track smaller, more affordable projects
  - Added costs are multiplied over the life of a mortgage
- Camron Settlemier
  - Small, entry level homes – path to build equity; need to provide the opportunity to build long-term financial security
  - Preserve existing entry-level homes that Albany already has; existing stock of homes built 1930s-60s; typically smaller, single-level; many recent demolitions
    - 4.7 demolition tax to preserve existing homes
    - 5.5 Preserving Low-Cost Rental Housing
    - 5.9 Affordable Housing Preservation Inventory
  - Tiered SDCs
    - 3.6 tiered for smaller homes
    - 3.5 encourage subsidized housing

- Partnerships with nonprofits and govt agencies
  - 5.3 CLTs
- What's missing? Homes being bought up by hedge funds, prices people out that are trying to buy
  - Canada banned foreign investment in housing (moratorium for 2 years)
  - Ideally handled at federal/state level; should look at it locally as well
- What to remove? Building density does not necessarily mean affordability; concerned this looks like trickle down housing; demand is not static; induced demand for housing
- Sharon Konopa
  - The need for certain bedroom counts changes; starting to see more of a need for 2-bedrooms
  - A lot of strategies should be removed
  - If you're focusing on restricted income, who is handling compliance? Need a funded entity to certify tenants/purchasers. Need annual certification for tenants to ensure they comply with income restrictions.
  - Priority should be rent burdened households
  - Incentives for lower-cost housing
  - Don't need to build for affordable housing; purchase existing housing stock and convert it to subsidized
  - Priorities:
    - 3.3 tax abatements – apply to nonprofits that purchase housing and subsidize
    - 4.2 bonds – structure it so it would be fully supported by projects, not taxpayers; challenging to get loans from banks for income-restricted properties; affects appraisals from banks; banks don't favor loans to rent-restricted properties
      - Need to look at the funding
    - 1.14 Inclusionary zoning – properties >20 units set aside 5%-10% units for tenants with housing vouchers; not specific units; shouldn't evict tenants if they no longer qualify
    - 4.1 CET – funds to do low-income housing projects
    - 5.2 Public private partnerships – CET funds would provide public funds for private construction
  - Remove:
    - 4.3 TIF – shouldn't be on the list; would have to go to voters
  - Sharon will send list as a follow-up
- Rebecca Tolentino
  - Looking at it from a lender perspective
  - 1.4, 1.5 flexibility for ADUs and tiny homes; much more feasible to qualify for loan to purchase; could rent out an ADU for a college student,
  - 1.3 support smaller units, entry level homes; lack of inventory
  - 3.6 financial incentives
  - 1.12 Evaluate existing mixed-use / commercial zones
  - 5.8 examine underused commercial buildings

- Ted Bunch
  - Not necessarily representing Planning Commission, but should make efforts to reach out to the PC and include them in the discussion
  - 3.3 tax abatements
  - 3.9 expedited permitting for affordable and needed housing
  - 5.2 PPPs
  - 5.4 employer assisted housing programs – it could potentially be a burden on local employers, but it's something we should explore
- Alana Kenagy
  - Concerned about CET as a tax on builders
  - Funding sources could be tax on cash purchases of homes; purchases on homes over a certain price (e.g., >\$500k); tax on corporate buyers
  - Focus on enabling entry level, seniors, smaller homes, etc. as much as possible
  - Priority strategies mentioned by others: 1.5, 2.2, 2.3, 5.6, 3.6,
  - Tiered SDCs could be good first step, low-hanging fruit
  - Clarification on comment heard at focus group: Not eliminate parking requirements; separate parking cost from housing cost; don't penalize residents that don't have cars; incentivize housing that utilizes public transportation
  - Interested in what land we want to develop; are we repurposing, revitalizing
  - There's a reason that annexation takes time, expanding the UGB should not be expedited
  - Missing? Safe Parks – in Corvallis and Eugene – way to assist houseless population
  - Divert funds from law enforcement/clean-up to providing safe places to sleep
- Patrick Wingard
  - Minimum densities in higher density zones; don't say no to development, but require placement of initial units to allow further development later
  - Ensure parking isn't more important than building units
  - Decouple parking requirements; not everyone can or wants to drive; government shouldn't mandate parking delivery; let the market decide
  - 1.1, 1.2, 1.3
  - 5.8 adaptive reuse of buildings
  - 5.2/5.3 PPPs / CLT
  - Housing cooperatives – enable those as a way to build equity in a non-traditional way
- Erin Dey, DevNW
  - Priority is to increase affordable housing stock immediately
  - Like most of categories 2 and 3
  - 2.2, 2.3 surplus land, land banking
  - 5.3 CLT
  - 4.5 Federal HOME Program
    - CDBG is only helpful for acquisition, not for building
  - 4.1, 4.3 CET, TIF
    - Sometimes helpful, sometimes not; depends on funds available and all the restrictions/requirements; sometimes it's not worth the effort
    - Be strategic with those sources

- Preservation of existing units, strategic reuse; there's no state funding available for preservation of existing homeownership units; there's much more funding for new construction
- 5.6 Manufactured housing is difficult to get financing for
- Modifying design/development/parking standards – that's important, but it shouldn't be prioritized over strategies that directly help affordable housing developers

**Matt's Summary:**

- What's missing:
  - Not too many things missing
  - Efforts to address issues around money coming in from outside – limitation or tax on cash purchases
- Devil is in the details; some things may be good ideas, but we need to think about how they'll be implemented in Albany; need to consider the benefit-cost ratios

**Other Comments:**

- Mike: Where is this Task Force process going? There are a lot of definitions of affordable housing. When we get down to the last meeting, who is really going to decide what we recommend? Will staff ultimately make the decisions? What have you done in other cities?
  - Matt:
    - We are looking at a broad spectrum of housing needs; a lot of attention/programs tend to go toward housing that's affordable to lower income brackets because the market doesn't produce that; but we are looking at housing more broadly
    - At the end of this process, we need a concrete set of recommendations; implementable actions
    - We will do our best to balance perspectives from various Task Force members
    - We will review potential recommendations with the Task Force
  - Mike: Need to make sure information is presented in a way that's simple and easy for folks to understand.
  - Matt: Agree, we should make sure the priorities and messages are articulated very clearly.
- Steve: Taking existing stock and making it affordable, not sure how this works
  - Have to build more housing, can't just acquire existing units
  - Don't have much public transportation in Albany
  - Mike: City previously discussed giving incentives for building near transit; reducing parking requirements
  - Matt: City or other entity could purchase existing stock and maintain affordability level
    - Provide incentives for renovating existing stock and maintaining at affordable level
- Mayor Johnson: Need a strategy for the full housing affordability spectrum
  - How can we impact the most amount of people?
  - We should keep an open mind and listen to each other; focus on building consensus
- Sharon

- 4.2 GO bonds – could we change this to support not just new construction, but also purchasing existing housing stock
- Nonprofit could purchase an existing apartment complex, could convert those into rent-restricted units
- Albany Partnership purchased a 50-year old building; biggest cash flow
- Could also use a GO bond to purchase existing manufactured home parks
- GO bond should be a top priority
- Matt: we'll update how the GO bond strategy is described
- Camron
  - To clarify point about supply/demand – if you don't have static demand, building more doesn't mean housing becomes more affordable; if more people continue moving into the area, then the prices won't come down. Example from Bay Area—lots of construction, but prices kept going up.
  - Matt: There's been research at the state level that shows a lack of supply statewide to meet the demand.
- Alana
  - Something that's missing is how much work does each strategy take? Need more information about where the low hanging fruit is and how challenging/costly each strategy is. How long will it take to implement the strategy?
  - We don't have a tiny home village yet, don't know what the demand is. Could we prioritize that type of development to get it on the ground, prove the demand, see how it affects the housing supply.
  - Funding – need info on what funding the City currently has; how much is available through those
  - Matt: Our next step is to evaluate and compare the things you brought up; we'll provide more of that info as we move forward
- Mike
  - We haven't talked about homelessness in Albany. Cities are getting funds to address the issue. Albany should turn over those funds to Helping Hands shelter.
    - 48-unit transitional housing project in the works years ago; could support that
  - Matt: We'll think about how to weave that in the conversation.
- Mayor Johnson
  - Creating Housing Coalition has funding to build a tiny house village. Can share that information.

## Follow-up Poll

Following the Task Force meeting, City staff sent HATF members an online poll to garner additional feedback, including from those who were unable to attend the meeting. The poll asked similar questions as those asked during the meeting (see below). Seven anonymous responses received.


1. Please select your top 7 strategies. [Participants were provided a list of all the strategies from the draft menu.]
2. Are there any strategies missing from the list?
3. What strategies are not in favor of, and why?

## 4. Are there any other thoughts, comments, or suggestions you'd like to share?

A summary of the poll responses is provided below.

Q1: Please select your top 7 strategies.

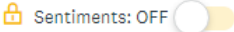
| ANSWER CHOICES   | RESPONSES |
|--|-----------|
| 2.2 Surplus Land for Affordable/Needed Housing                                 | 71.43% 5  |
| 1.3 (Incentivize) Smaller units with Smaller Lots/Prorate Density Calculations | 28.57% 2  |
| 1.5 Encourage Tiny Homes and Villages  | 28.57% 2  |
| 1.12 Evaluate mixed use and commercial zones for housing capacity              | 28.57% 2  |
| 1.15 Legalize Alternative Housing Types on Wheels and in Parks                 | 28.57% 2  |
| 2.1 Rezone and Redesignate Land  | 28.57% 2  |
| 3.5 System Development Charge (SDC) Deferrals, Exemptions or Reductions        | 28.57% 2  |
| 3.6 Modify SDC fee methodologies/schedules                                     | 28.57% 2  |
| 3.9 Expedite Permitting for Affordable/Needed Housing                          | 28.57% 2  |
| 5.3 Community Land Trusts  | 28.57% 2  |
| 1.4 Flexibility for Accessory Dwelling Units (ADUs)                            | 14.29% 1  |
| 1.7 Building Height and Density Transfers                                      | 14.29% 1  |
| 1.8 Facilitate Middle Housing Types  | 14.29% 1  |
| 1.10 Provisions for Single Room Occupancy (SRO) Housing                        | 14.29% 1  |
| 1.11 Encourage Diverse Housing Types in High- Opportunity Neighborhoods        | 14.29% 1  |
| 1.13 Mixed Housing Types in Planned Developments                               | 14.29% 1  |
| 1.14 Inclusionary Zoning   | 14.29% 1  |
| 1.16 Incentivize and Promote Accessible Design                                 | 14.29% 1  |
| 1.17 Require Accessible Design for Publicly Supported Units                    | 14.29% 1  |
| 1.18 Require Visitable Units in Multi-Unit Development                         | 14.29% 1  |
| 2.4 Annexation and Development Agreements                                      | 14.29% 1  |
| 3.1 Pre-Approved Plan Sets for Middle Housing Types                            | 14.29% 1  |
| 3.3 Tax Abatements   | 14.29% 1  |
| 3.4 Delayed Tax Exemptions – for Market Rate to Affordable Conversions         | 14.29% 1  |
| 3.7 Connection Fees Waiver   | 14.29% 1  |
| 4.1 Construction Excise Tax (CET)  | 14.29% 1  |
| 4.2 General Obligation Bonds for Affordable Housing                            | 14.29% 1  |
| 4.4 Community Development Block Grant (CDBG)                                   | 14.29% 1  |
| 4.8 Allocate Health and Public Safety Resources to Housing                     | 14.29% 1  |
| 5.1 Financial Assistance Programs  | 14.29% 1  |
| 5.2 Public-Private Partnerships (PPPs)   | 14.29% 1  |
| 5.4 Employer-Assisted Housing Programs   | 14.29% 1  |
| 5.6 Preserving Safe, Affordable Manufactured Homes                             | 14.29% 1  |
| 5.7 Providing Information and Education to Small Developers                    | 14.29% 1  |
| 5.8 Conversion of Underperforming or Distressed Commercial Assets              | 14.29% 1  |
| 5.9 Affordable Housing Preservation Inventory                                  | 14.29% 1  |





Q2  Save as ▼

Are there any strategies missing from the list?

Answered: 2 Skipped: 5

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**RESPONSES (2)** WORD CLOUD TAGS (0) 


  Filter: by tag ▼   

Showing 2 responses

- None that I can think of  
4/22/2022 3:59 PM [View respondent's answers](#) [Add tags ▼](#)
- Inclusionary zoning should be for new multi-family units. To set aside a certain percentage of the units built for tenants with a housing voucher.  
4/14/2022 6:11 PM [View respondent's answers](#) [Add tags ▼](#)




Q3

 Save as ▾

### Which strategies are you not in favor of and why?

Answered: 3 Skipped: 4

**RESPONSES (3)** WORD CLOUD TAGS (0)

 Sentiments: OFF



Filter: by tag ▾

Search responses   

Showing 3 responses



I think all options have pros/cons. I can not see any that I am not in favor of based on my level of expertise (or lack of), without knowing more about effects they would have.

4/22/2022 3:59 PM

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1.16, simply "promoting" accessible design does not comply with the requirements of the ADA. Eliminating steps into housing, eliminating driveways at a slope greater than 6.25%, and expedited review of accessibility-related setback variances [not requiring a public hearing to obtain] are minimal requirements to comply with the ADA. Additionally, requiring builders to offer accessible alternatives as floor plans from which prospective buyers may choose is another "strategy" is critical. Further, requiring CC&Rs to be compliant with the FHA and ADA are also areas where accessibility can be built into affordable housing initiatives. These will begin to reverse the social and political disenfranchisement to which people with disabilities have been subjected.

4/14/2022 7:08 PM

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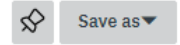


All of the rest that I did not list. There isn't enough room for me to write my reasons.

4/14/2022 6:11 PM

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Q4



Are there any other thoughts, comments, or suggestions you'd like to share?

Answered: 2 Skipped: 5

RESPONSES (2) WORD CLOUD TAGS (0)

Sentiments: OFF



Filter: by tag

Search responses

Showing 2 responses



Not every option is going to be the best for everyone. I believe that there will need to be compromise in order to make the best options available for the majority. I appreciate the level of expertise and knowledge from all of the folks who have been involved with these meetings, providing insight and experience. I look forward to learning more and helping bring my insight to the table.

4/22/2022 3:59 PM

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The focus seems to be for building new, with less emphasis on supporting existing housing stock to transform to low income.

4/14/2022 6:11 PM

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