



A place where families and businesses thrive.

City Council Regular Meeting Minutes

Monday, November 14, 2022
Zoom Community Auditorium

***Minutes are unofficial until approved by City Council.
City Council approved minutes as presented February 27, 2023.***

A. Call to Order:

Mayor Peter Truax called the regular City Council meeting to order at 7:00 p.m. via in-person and Zoom Webinar Video Conference. The meeting was held in a “hybrid” format allowing the public to attend both virtually and in-person in the Community Auditorium. Members of the public could observe the meeting **LIVE** on **Zoom Webinar** or on television on Tualatin Valley Community Television (TVCTV) Government Access Programming.

1. ROLL CALL: COUNCIL PRESENT: Donna Gustafson; Timothy Rippe; Kristy Kottkey; Mariana Valenzuela; Malynda Wenzl, Council President; and Peter Truax, Mayor.

COUNCIL ABSENT: Elena Uhing.

2. STAFF PRESENT: Jesse VanderZanden, City Manager; Paul Downey, Assistant City Manager/Finance Director; Jim Geering, Fire Chief; Bryan Pohl, Community Development Director; Dan Riordan, Senior Planner; Rich Blackmun, Engineering Project Manager; and Jaime Zaik, Acting City Recorder.

Mayor Truax noted he was unable to read the Land Acknowledgement Statement as he had inadvertently left the document at home and stated that the City Council and Mayor did acknowledge that this is the land of the Athelaty and Kalapuya. The City needs to honor their memories and work together with their descendants, which may include members of the Confederated Tribes of the Grand Ronde and other confederated tribes of the Pacific Northwest, to develop an equitable, diverse, and inclusive future for all of Forest Grove community

B. Public Comment:

1. CC11-14-2022 Written Public Comments received by 3:00 p.m. on the day of the meeting were published in the Council Packet.

Beverly Cornelius commented that despite not always agreeing with the Mayor’s comments, she thanked Council for broadening her sense of community and for the time and energy spent overseeing Forest Grove become a better community. She also thanked Councilor Kottkey for welcoming her at her first City Council meeting and encouraging her to continue attending.

Mayor Truax noted the community roasted him the previous weekend and none of their

comments matched hers. He deeply appreciated her concern and compliments, adding it was always an encouragement to Council to hear positive feedback from the public, which contributed toward making the Council role feel worth it.

Councilor Kottkey presented the award for Best Participation to Ms. Cornelius for her involvement in the community and her continued attendance at Council meetings. She also recommended Council consider having a rotating councilor be a greeter at Council meetings, welcoming attendees to the meetings, and later thanking them for attending, and encouraging them to come again.

Dale Feik highlighted the three written comments he had submitted to the County Commissioners, but not to Council, on Election Day, which included an apology from the content editor of The Oregonian; links to documents describing how corporations cost more than financially benefit cities, counties, regions, and states, which he sent to Council; He had Mayor Truax restate a quote he credited to A.C. Hap Hingston, a speech teacher at Pacific University, "I love a finished speaker, I really, really do. I don't mean one who's polished, I mean one who's through." In light of Mayor Truax's retirement, he commended the Mayor for being a true public servant and a long-term educator who looked out for the public good, but also an asset the City would miss. The City looked forward to the leadership of Mayor-elect Wenzl and the other Councilors.

Mayor Truax recognized Councilor Kottkey who was also going off Council, noting the great difference she had made during her short tenure on Council.

Mayor Gamba, City of Milwaukie, stated he was attending via Zoom specifically to recognize Mayor Truax as the leader he had been, not only to the City of Forest Grove, but the entire region and state, being involved with the Oregon Mayors Association, League of Oregon Cities, Metro Mayors Consortium, MPAC, and likely others. He always brought kind, thoughtful, humorous, deeply considered decisions and advice to all of those bodies. He counted Mayor Truax as one of his mentors and considered him to be one of the finest leaders Oregon experienced. He wished him all the best adding the state would miss his participation

Mayor Truax noted he would include the rest of the City Council as well, as he could not have accomplished half of what he did without their support; a mayor is only as good as the Council he or she works with, as there was no leading this Council, which accomplished what it set out to do and worked very diligently for the people of Forest Grove. Anytime the Council did something it shared the responsibility and the blame, and that was why cities like Forest Grove and Milwaukie were successful.

Brian Schimmel, Chair, Western Washington County Emergency Task Force, noted the Task Force's purpose was to address poverty issues and it had helped motivate upwards of \$6 million in new investment to the County, and particularly Forest Grove and Cornelius. He announced Washington County was reactivating the Community Participation Organization 12F, Forest Grove's jurisdiction, to provide a framework for the Task Force to exist in perpetuity and to strengthen the connection

with the County, which Council had endeavored to do. With regard to the earlier housing needs work session, he noted he and a local developer were working on 12- to 18- unit project intended for extremely low-income housing. He encouraged combining both the nonprofit and tax exemption measures to benefit and encourage private developers.

C. Consent Agenda: Items on Agenda were Approved as Presented

MOTION: Councilor Rippe moved, seconded by Councilor Gustafson, to approve the Consent Agenda. **VOICE VOTE:** AYES: Councilors Kottkey, Rippe, Valenzuela, Gustafson, Wenzl, and Mayor Truax. NOES: None. ABSENT: Councilor Uhing. **MOTION CARRIED 6-0.**

D. Additions/Deletions:

1. City Manager – none.
2. Proposed by Councilors – none.

E. Presentations:

1. Severe Rent Burden Annual Report (HB4006) – Dan Riordan, Senior Planner presented via PowerPoint the Annual Severe Rent Burden Report, which is included in the packet, noting State law required cities with identified severe rent burden to hold a public meeting to discuss causes and consequences, barriers to reducing and possible solutions for resolving the burden. He clarified that severe rent burden was when more than 50% of a household's income was used for rent, and 33.3% of renter households in Forest Grove experienced this based on the U.S. Census, American Community Survey. He also highlighted the factors contributing to the high-level of severe rent burden, consequences included household financial pressure to reduce spending in other areas such as food, medical expenses, medical care or education, and families being forced to find less desirable housing options since affordable housing units were scarce, further leading to a mismatch between what a household needed, what could be found, and an increase of families being displaced due to inability to find adequate shelter. The barriers to addressing the severe rent burden included household incomes unable to keep pace with the increasing cost of housing which affected multiple income categories, and limited capacity to build and manage enough regulated affordable housing units. There had been significant multi-family housing construction over the last five years, a fairly recent trend, where the City started seeing larger apartment projects such as the Reserve at Fern Hill and Forest Place developed. Two of the largest apartment projects in Forest Grove leased up quickly, and smaller projects such as the Valfre Apartments project was funded through the Metro Bond and resulted in 36 units of restricted regulated affordable housing for households. He also highlighted solutions to addressing affordable housing and severe rent burden, most of which had already been adopted as part of implementation of State Housing Law HB 2001, where middle housing types—town homes, duplexes and triplexes, quadplexes, cottage clusters—were allowed within lower density residential areas. He noted City Council adopted the Severe Weather Shelter Code to have standards and help streamline siting severe weather shelters within the community.

Council Discussion:

Councilor Kottkey inquired about any flexibility with the County's requirement that winter emergency shelters remain open for seven days a week, noting the need for shelters in the area and that previously, different churches were open on certain days. Senior Planner Riordan replied those discussions could be held to match things up better, as historically, shelters were open for limited durations at different locations throughout the county. VanderZanden clarified winter shelters were open throughout the week for months and inclement weather shelters opened during severe weather events. One difference during COVID versus now, and under Supportive Housing Service (SHS) funds, was the concerns from churches about congregant sheltering during COVID, the difficulty of getting volunteers and funding. The County was actively trying to put the message out that the County was willing to assist in funding both inclement weather shelters and winter shelters, and pay for the staff, some of the management and startup costs, as well as ongoing maintenance costs. City Council passed an inclement weather shelter ordinance two or three years earlier which allowed inclement weather shelters to be started without any permitting requirements. Senior Planner Riordan noted that prior to the severe weather shelter code being adopted, there was no City Code definition for a shelter. The Code also established some location parameters to allow shelters outright within specific zoning districts, Community-Commercial in particular, and helped streamline things by reducing a lot of the ambiguity that had been prevalent.

F. Public Hearings, Ordinances, and Resolutions:

1. **SECOND READING OF ORDINANCE NO. 2022-06 ANNEXING 42.8 +/- ACRES OF LAND INTO THE CITY LIMITS OF FOREST GROVE AND CLEAN WATER SERVICES DISTRICT AND WITHDRAWING TRACT FROM THE FOREST GROVE RURAL FIRE PROTECTION DISTRICT; WASHINGTON COUNTY TAX LOTS 1N3300000900 & 1N3300001000; FILE NO. 311-22-000030-PLNG.**

Public Hearing Opened:

Mayor Truax opened the Public Hearing.

Staff Report:

Riordan noted Staff had not received any further correspondence since the first reading.

Written Testimony:

No written testimony was received.

Applicant Presentation:

Tony Mills, AKS Engineering & Forestry, stated he had no comments.

Proponents:

No one testified.

Opponents:

No one testified.

Others:

No one testified.

Before proceeding with Council discussion, Mayor Truax asked for a motion to adopt Ordinance No. 2022-06.

MOTION: Council President Wenzl moved, seconded by Councilor Valenzuela, to adopt Ordinance No. 2022-06 Annexing 42.8 +/- Acres of Land into the City Limits of Forest Grove and Clean Water Services District and Withdrawing Tract from the Forest Grove Rural Fire Protection District; Washington County Tax Lots 1N3300000900 & 1N3300001000; File No. 311-22-000030-PLNG.

VanderZanden read Ordinance No. 2022-06 by title.

Public Hearing Closed:

Mayor Truax closed the Public Hearing.

Council Discussion:

Hearing no concerns from the Council, Mayor Truax asked for a roll call vote on the above motion.

ROLL CALL VOTE: AYES: Councilors Gustafson, Rippe, Wenzl, Kottkey, Valenzuela, and Mayor Truax. NOES: None. ABSENT: Councilor Uhing. MOTION CARRIED 6-0.

**1. ORDER NO. 2022-03 AMENDING FOREST GROVE ZONING MAP FOR
PROPERTY SUBJECT TO ANNEXATION; WASHINGTON COUNTY TAX
LOTS 1N3300000900 & 1N3300001000; FILE NO. 311-22-000030-PLNG**

Public Hearing Opened:

Mayor Truax opened the public hearing and explained hearing procedures. He confirmed no Councilor had any ex parte contacts, bias, or conflicts of interest. No member of the audience challenged the impartiality of any Councilor.

Staff Report:

Riordan presented the above-proposed order via PowerPoint, reviewing the 2009 Development Code requirements that concurrent Zoning Map amendments also be requested when annexing to assign a City zoning designation to the subject property area. The proposed Zoning Map amendment would change the A-Medium identified properties from Washington County Future Development 20 to City of Forest Grove Single Unit Residential R-5, which required lots within the zone to average 5,000 square feet. At the Planning Commission's September 19th public hearing on the annexation and the Zoning Map amendment, the Commission adopted a recommendation for approval of the annexation and the Zoning Map Amendments to City Council. Staff recommended the City Council approve the proposed order amending the City's zoning map to formally assign the City's Residential R-5 zoning district to the annexation area.

Written Testimony:

No written testimony was received.

Applicant Presentation:

Darko Simic, AKS Engineering & Forestry, stated the Applicant agreed with Staff's presentation and was available to address any questions.

Proponents:

No one testified.

Opponents:

No one testified.

Others:

No one testified.

Before proceeding with Council discussion, Mayor Truax asked for a motion to adopt Order No. 2022-03.

MOTION: Council President Wenzl moved, Councilor Kottkey seconded by, to adopt Order No. 2022-03 Amending Forest Grove Zoning Map For Property Subject To Annexation; Washington County Tax Lots 1N3300000900 & 1N3300001000; File No. 311-22-000030-PLNG.

Public Hearing Closed:

VanderZanden read Resolution No. 2022-03 by title.

Council Discussion:

Hearing no concerns from the Council, Mayor Truax asked for a roll call vote on the above motion.

ROLL CALL VOTE: AYES: Councilors Gustafson, Rippe, Wenzl, Kottkey, Valenzuela, and Mayor Truax. NOES: None. ABSENT: Councilor Uhing. MOTION CARRIED 6-0.

2. **RESOLUTION NO. 2022-63 AUTHORIZING THE INTERFUND LOAN BETWEEN THE CAPITAL PROJECTS FUND AND THE WATER SYSTEM DEVELOPMENT CHARGES (SDC) FUND FROM THE PERIOD OF DECEMBER 1, 2022, THROUGH DECEMBER 1, 2025.**

Staff Report:

Downey presented the above-proposed resolution, noting the Capital Projects Fund was supposed to would pay for a portion of the DSA and City Hall remodel as appropriated by Council as part of the budget, but that Fund lacked the cash needed due to a loan to the

Urban Renewal Agency (URA) to help fund the Jesse Quinn Project. The URA would be repaying the City until December 2025. Staff was requesting Council to approve an interfund loan from the Water SDC Fund to the Capital Projects Fund. The City would use the URA loan payments to repay the Water SDC Fund, resulting in about \$318,000 per year at about 2.5% interest.

MOTION: Councilor Kottkey moved, seconded by Council President Wenzl, to adopt Resolution No. 2022-63 Authorizing the Interfund Loan between the Capital Projects Fund and the Water System Development Charges (SDC) Fund from the Period of December 1, 2022, through December 1, 2025.

VanderZanden read Resolution No. 2022-63 by title.

Council Discussion:

Hearing no concerns from the Council, Mayor Truax asked for a roll call vote on the above motion.

ROLL CALL VOTE: AYES: Councilors Gustafson, Rippe, Wenzl, Kottkey, Valenzuela, and Mayor Truax. NOES: None. ABSENT: Councilor Uhing. MOTION CARRIED 6-0.

3. **RESOLUTION NO. 2022-64 AUTHORIZING THE CITY MANAGER TO ENTER INTO AN INTERGOVERNMENTAL AGREEMENT (IGA) WITH WASHINGTON COUNTY HOUSING SERVICES TO OUTLINE ROLES AND RESPONSIBILITIES PERTAINING TO THE ASSESSMENT AND CLEAN-UP OF ENCAMPMENTS ON CITY PROPERTY.**

Staff Report:

VanderZanden presented the above-proposed resolution regarding the Encampments Program intergovernmental agreement (IGA), which would essentially renew the existing July 2022 agreement between Washington County and the City until August 31, 2023, when the program was expected to expire. The Homelessness Subcommittee recommended extending the Encampment Program IGA. He highlighted the IGA's basic tenets and noted the changes in the IGA to address the County's modified risk assessment process, which regarded the debris and accumulation measurement processes, as well as addressing ADA access and adding crimes to the reported crime tool, which now included crimes committed by campers outside the camp. In response to Council's request to find grant funding to cover the City's 25% with respect to programs, he commended Parks and Recreation Director Anne Lane and CPAC member Dan Blue, whose connections enabled Metro's RID Program cover the 25%, extensively reducing the City's expense.

MOTION: Councilor Rippe moved, seconded by Councilor Kottkey, to adopt Resolution No. 2022-64 Authorizing the City Manager to Enter into an Intergovernmental Agreement (IGA) with Washington County Housing Services to Outline Roles and Responsibilities Pertaining to the Assessment and Clean-up of Encampments on City Property.

VanderZanden read Resolution No. 2022-64 by title.

Council Discussion:

Hearing no concerns from the Council, Mayor Truax asked for a roll call vote on the above motion.

ROLL CALL VOTE: AYES: Councilors Gustafson, Rippe, Wenzl, Kottkey, Valenzuela, and Mayor Truax. NOES: None. ABSENT: Councilor Uhing. MOTION CARRIED 6-0.

4. **RESOLUTION NO. 2022-65 AUTHORIZING SUBMITTAL OF A GRANT PROPOSAL FOR THE OREGON FIRE SERVICE CAPACITY PROGRAM THROUGH THE OREGON STATE FIRE MARSHAL.**

Staff Report:

Fire Chief Geering presented the above-proposed resolution seeking authorization for the City to apply for a State grant. In 2021 the Oregon legislature appropriated State General Fund dollars to the Office of the State Fire Marshal to create the Oregon Fire Service Capacity Program. If awarded to the City, the grant would fund two firefighters for three years at 90% funding of the first year, 75% the second year, and 50% the third year. The Fire Department was leveraging its chances to receive grant funding, since the Department not yet heard if it was being awarded a Fire Saver Grant through the federal government. He noted the resolution had no financial implications; it was only to authorize the City to apply for the grant. If the City was awarded this grant from the State Fire Marshal and not the Saver Grant, Staff would return to Council for appropriation of the dollars at that time.

Mayor Truax confirmed there were no questions.

MOTION: Councilor Rippe moved, seconded by Councilor Valenzuela, to adopt Resolution No. 2022-65 Authorizing Submittal of a Grant Proposal for the Oregon Fire Service Capacity Program through the Oregon State Fire Marshal.

VanderZanden read Resolution No. 2022-65 by title.

Council Discussion:

Mayor Truax stated he wished Council could automatically approve appropriating the money if the grant was awarded, rather than having a separate meeting, which seemed to slow the process. Downey said he preferred waiting to appropriate the funds after the City received the grant. VanderZanden reiterated this was a kind of backup grant since the City had applied for a federal grant to fund three firefighters 100% and if received, the City may not need this grant from the State Fire Marshal, which was another reason to return to Council. Fire Chief Geering noted a response about the Fire Saver Grant was expected by the end of the month.

ROLL CALL VOTE: AYES: Councilors Gustafson, Rippe, Wenzl, Kottkey, Valenzuela, and Mayor Truax. NOES: None. ABSENT: Councilor Uhing. MOTION CARRIED 6-0.

B. Council Communications:

Councilor Rippe reported he would be in Kansas City this week for the National League of Cities (NLC) City Summit Conference. Mayor Truax noted the importance of Councilor Rippe attending the NLC meetings as he was also a member of the NLC's Transportation Committee,

which gave him an opportunity to see the people in Washington DC and around the country who were deeply involved in transportation needs.

Councilor Valenzuela thanked the community that believed she could be of benefit serving as a City Councilor. She hoped to continue to do the work and not disappoint anyone. Serving for the last four years had been an honor.

Councilor Gustafson had nothing to report.

Chair Wenzl reported on the Committee for Community Involvement (CCI), commending them for doing a QTM as a hybrid meeting with people online and in the audience, and volunteers running the technology. The CCI did a great job trying to facilitate everyone's needs despite some tech issues and time limits. At the November 1st meeting, the CCI reviewed the QTMs to assess if they were working and if the QTM format should continue. Discussion was possibly having a booth at First Wednesday or Farmer's Market to be more informal and authentic and invite people from City Staff and CCI to drop questions. CCI was also talking about doing a survey on the What's Growing on in the Grove as a way to elicit some two-way communication. They also discussed the annual Town Hall meeting and doing a City Service Fair, bringing in fire trucks and using the cafeteria at Neil Armstrong to have Light & Power, Parks and Rec, and other departments available. Feedback was expected from Staff on the idea and about the feasibility of moving the Town Hall to the spring, which might be busy given the budget season. She would be at the Parks and Rec meeting on Wednesday at 7:00 AM at the pool. She noted the Homeless Subcommittee had done a lot of work and asked that a discussion about the Subcommittee be added to the next Council work session or regular meeting agenda to discuss Council's future plans for that Subcommittee before two of its members left.

Council agreed to add a discussion about the Homelessness Subcommittee to the next agenda.

Councilor Kottkey said she liked the idea of Council being intentional about greeting or selecting a volunteer or people from CCI or to be a greeter at the door to welcome people to Council meetings. The community engagement piece was huge, and it would facilitate further discussion about what is happening at Council. She noted the recent intense national election, and stated people wanted to come together and collaborate; however, sometimes that feeling was not reciprocated. On this Wednesday at the Forestry Commission, special guests from Clean Water Services and Tualatin Soil and Water Conservation District would be doing a presentation and Q&A discussion about where things were statewide and even nationally. City directors from Parks, Light & Power, and Public Works would be joining that discussion as well. This collaboration came about because Clean Water Services had invited elected officials out to a tour which enabled everyone to make connections and also connect with those coming on Wednesday, where there would be door prizes to incentivize attendance. The meeting would also be on Zoom.

City Manager's Report

VanderZanden noted that now that ballots could be postmarked November 8th, the County elections official would not certify any elections until December 5th, delaying the Council's swearing in ceremony until December 12th. The City Hall Project was going well, was on

time, and the budget looked good. Staff had gotten completely moved to the Clean Water Building.

Mayor's Report

Mayor Truax reported attending the WCCC meeting that afternoon by Zoom. The next WCCC meeting was scheduled for December 12th, the same day as Council's swearing in of new officers. He hoped to talk with the mayor-elect about a new WCCC representative and hoped to make a recommendation. He also reported on the Regional Transportation Plan update, and the results of an MPAC meeting a couple weeks ago... talking regarding the land swap between the proposed River Terrace Project in Tigard and some land in Clackamas County that was virtually undevelopable. The Clackamas County Commission did not support the land swap but had not made a case for how that land could be developed, so that discussion would continue.

C. Adjournment:

Mayor Truax adjourned the regular Council meeting at 9:10 p.m.



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City Council Work Session Meeting Minutes
Affordable Housing Incentives

Monday, November 14, 2022
Zoom Community Auditorium

Minutes are unofficial until approved by City Council.
Council approved minutes as presented November 14, 2022.

1. **ROLL CALL: COUNCIL PRESENT:** Donna Gustafson, Timothy Rippe, Malynda Wenzl, Council President, Kristy Kottkey, Mariana Valenzuela, and Peter Truax, Mayor. **COUNCIL ABSENT:** Elena Uhing.
2. **STAFF PRESENT:** Jesse VanderZanden, City Manager, Paul Downey, Assistant City Manager/Finance Director; Jim Geering, Fire Chief; Bryan Pohl, Community Development Director; Dan Riordan, Senior Planner; Rich Blackmun, Engineering Project Manager, and Anna Ruggles, City Recorder.

A. 5:30 COUNCIL WORK SESSION (AFFORDABLE HOUSING INCENTIVES)

Mayor Truax called the work session meeting to order at 5:30 p.m. via in-person and Zoom Webinar Video Conferencing.

Staff Report:

Pohl and Riordan facilitated the work session, noting the purpose of the work session was to present an overview of approaches to incentivize affordable housing for current and future Forest Grove residents, a presentation that would brief Council on the City's current housing capacity, future housing needs and prior actions that Council had taken to incentivize affordable housing, as well as other approaches the Council wished to consider moving forward. The goal was to provide context, as well as a base level of information for the Council to consider. Riordan presented a PowerPoint presentation overview as outlined below.

- State planning laws required cities and counties to periodically complete a Housing Needs Analysis (HNA), recently renamed Housing Capacity Analysis (HCA), which helped ensure that cities identified enough land on the local Comprehensive Plan Map for needed housing of all types during a 20-year planning period. The City's next analysis would be due in 2025 and a Housing Production Strategy would be due within one year of adopting the HCA.
- Staff reviewed The current Housing Needs Analysis, which had the following specific recommendations:

- New Comprehensive Plan Housing Goal.
- Amendment of the planned development ordinance to require specific minimum development densities.
- Right sizing system development charges (SDC) around accessory dwelling units (ADU).
- Adopting an SDC deferral policy for affordable housing.
- Consider establishing a local construction excise tax (CET) up to 1% on residential building permit valuation with revenue going to affordable housing initiatives.
- Incentivize infill development by subsidizing capital costs related to infrastructure.
- Property tax incentives for rehabilitation.
- Graduated utility rates to lower costs for low-income housing residents.
- Council previously adopted several initiatives focused on affordable housing:
 - Manufactured Dwelling Park Closure Ordinance.
 - Allow density bonuses within the Town Center and Commercial Corridor Zones.
 - Amended the Planned Development Code to require a variety of housing types.
 - Non-Profit Corporation Low-Income Property Tax Exemption.
 - Vertical Housing Development Zone programs.
- Staff reviewed efforts that other cities were taking to address affordable housing, which included SDC incentives, tax increment financing (TIFs), annexation agreements, SDC exemptions, and providing surplus land at cost to developers.
- The State also allows cities to apply low-income rental housing tax exemptions.
 - Multiple-Unit Housing Property Tax Exemption Program applied specifically to apartments and was limited to a 10-year overall exemption.
 - Single-Unit Housing Property Tax Exemption intended to encourage home ownership among low- and moderate-income families. City Council sets qualifying home price, not more than 120% of the median sales price in the City.
 - All available programs would be considered when developing the Housing Production Strategy.

Staff answered clarifying questions from Councilors about the City's SDCs and how they are applied to ADUs, why the State changed the name of the required 20-year analysis, and the City's current housing capacity compared to the current housing demand.

Council Discussion:

Mayor Truax opened the floor and a roundtable discussion ensued discussing the city's current housing capacity, future housing needs and recommendations, Councils prior

actions and possible approaches to incentivize affordable housing in Forest Grove. Council and Staff discussed the following issues:

- Reduced SDCs for accessory dwelling units.
- Annexation agreements dedicated towards affordable housing.
- Adopt Tax Increment Financing or other financing to incentivize infill projects in the Urban Renewal District.
- Housing Property Tax Exemption Programs.
- There was additional roundtable discussion pertaining the following topics:
 - Reducing SDCs instead of eliminating them because regardless of whether the neighborhood was fully developed, infrastructure costs would occur at some point in time. [reworded for clarity] Construction excise tax could buy down SDCs for affordable housing projects. Additionally, the Oregon Housing and Community Services is considering returning CET funds back to the cities those funds are generated in to be used for affordable housing.
 - They discussed Median Income Level and Federal Poverty Level. The City has focused on a median income lower than the area median income (AMI) because Forest Grove has always been at about 80 percent of Washington County's income levels.
 - Recommendations to be made by the Department of Land Conservation and Development (DLCD) to the legislature to focus on alternative ways to finance infrastructure and curb over reliance on SDCs, which continue to increase.
 - Requiring electrical charging stations in new multi-family housing developments
 - Expanding the definition childcare to include childcare payments so that the City can pay people to have a childcare facility. CET revenue must go towards affordable housing initiatives, which does not fall under the definition of childcare. However, the City Council could allocate other sources.

In conclusion of the above-noted roundtable discussion, Council also concurred that it would be in the best interest that the Staff held further discussions about whether the Council may want to do a policy associated with annexation agreements for affordable housing, look at SDCs for ADUs, potential for TIF (Tax Increment Financing), more about Urban Renewal goals, potential projects out there in the context of TIF and construction excise tax perspective, do more research on cost implications, policy requirements and present at another work session.

Council took no formal action nor made any formal decisions during the work session.

B. Adjournment:

Mayor Truax adjourned the work session at 6:14 pm.

Respectfully submitted,

Anna D. Ruggles

Jaime Zaik, Acting City Recorder
On behalf of Anna D. Ruggles, CMC, City Recorder