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**City Council Work Session Minutes
Affordable Housing Options**

**Monday, November 27, 2017
6:00 p.m., Conference Room**

***Minutes are unofficial until approved by Council.
Council approved minutes as presented January 8, 2018.***

1. ROLL CALL:

Mayor Peter Truax called the Work Session to order at 6:20 p.m.

ROLL CALL: COUNCIL PRESENT: Thomas Johnston, Council President; Timothy Rippe; Ronald Thompson; Elena Uhing; Adolph “Val” Valfre (appointed/sworn-in earlier); Malynda Wenzl; and Mayor Peter Truax.

STAFF PRESENT: Jesse VanderZanden, City Manager; Paul Downey, Administrative Services Director; Ashley Driscoll, City Attorney; Rob Foster, Public Works Director; Bryan Pohl, Community Development Director; Dan Riordan, Senior Planner; and Anna Ruggles, City Recorder.

2. WORK SESSION: AFFORDABLE HOUSING OPTIONS

Riordan, Pohl and VanderZanden facilitated the work session, noting the purpose of the work session was to discuss and seek feedback on Council’s Objective 3.18, identified in Fiscal Year 2016-17, to prepare affordable housing strategies and priority recommendations for Forest Grove. Riordan and Pohl presented a PowerPoint presentation overview on affordable housing definition and housing strategies considered; data sources used; apartment vacancy assessment; housing needs assessment; and the other various factors considered for policy recommendations as outlined below, noting staff is seeking if there are any other programs or policies that Council would like to pursue or explore further. Riordan reported the HUD (U.S. Department of Housing and Urban Development) defines affordable housing in general as paying no more than 30 percent income for gross housing costs, including utilities. Riordan added the typical affordable housing programs income categories are:

- Moderate Income: Between 50 percent and 80 percent of median income
- Low Income: Above 30 percent and at or below 50 percent of median income
- Very Low Income: At or below 30 percent of median income

Cost burdened households:

- HUD defines severe rent burden as paying more than 50 percent of housing income or rent.

Riordan referenced a slide showing examples of regulated affordable housing units in Forest Grove, noting Forest Grove has the highest per capita amount of subsidized affordable housing in the region with 652 units, according to 2015 data from Metro. Next, Riordan reported on apartment inventory estimates and vacancy rate, number of apartments currently under construction in Forest Grove, and current state, regional and

local efforts, noting Forest Grove's efforts (local) include:

- Affordable housing density bonus in the Town Center.
- Increase to the target density in the Community Commercial zone from 20 units per acre to 30 units per acre.
- Allow accessory dwelling units in all residential zoning districts.
- City utility assistance program (CAPE).
- Bienestar housing developments (most recently, Juniper Gardens).
- Various Habitat for Humanity projects

In conclusion of the above-noted staff report, Riordan and Pohl outlined the following priority recommendations:

1. Promote accessory dwellings units by providing incentives through reduced costs and fees;
2. Adopt an affordable housing tax exemption program;
3. Establish a security deposit/rent assistance program;
4. Adopt an exclusionary housing ordinance;
5. Adopt an ordinance establishing a construction excise tax for affordable housing;
6. Identify/set-aside land for a manufacturing home village;
7. Expand City partnerships with affordable housing providers;
8. Adopt a system development charge waiver/offset for affordable housing;
9. Adopt micro-housing village regulations;
10. Implement a streamlined development approval process/identify an affordable housing point person to shepherd projects.

Council Discussion:

Mayor Truax opened the floor and roundtable discussion ensued pertaining to the affordable housing strategies and priority recommendations as outlined above. Riordan, Pohl and VanderZanden responded to various concerns, inquiries and scenarios Council presented pertaining to regulated affordable housing income categories; affordable housing strategies; and affordable housing providers and programs. In conclusion of the above-noted discussion, Council collectively concurred with the priority recommendations outlined above, the need to update existing data and identifying other housing gaps in Forest Grove, such as programs or policies for affordable housing for veterans and senior housing assistance.

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

3. **ADJOURNMENT**

Mayor Truax adjourned the work session at 6:46 p.m.

Respectfully submitted,



Anna D. Ruggles, CMC, City Recorder