



# City of Albany

## HB 4006 Rent Burden & Housing Affordability Meeting

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### NOTES

Santiam Room, 333 Broadalbin Street SW  
Monday, December 11, 2018, 5:15 p.m.

#### Staff Present

Anne Catlin, Planner III; David Martineau, Planning Manager; Shelley Shultz, Administrative Assistant I

#### Councilors and Commissioners Present

Councilors - Dick Olsen, Alex Johnson II, Mike Sykes, Bill Coburn, Sharon Konopa (Mayor)

Community Development Commission – Karen Cardosa, Chris Equinoa, Tara Dixon, Joann Zimmer, Meagan Harsen

#### Others Present

Brigetta Olson, Willamette Neighborhood Housing Services; Donna Holt, Linn Benton Housing Authority; Annie McDonald, Albany Partnership for Housing; Dina Eldridge, Community Services Consortium, and approximately 35 residents.

#### PURPOSE OF MEETING

5:18 p.m.

House Bill 4006 (2018) requires cities and towns that meet eligibility thresholds must hold public meetings to discuss the consequences of severe rent burden and housing affordability in the community. Catlin expanded on the issue and introduced the discussion panel: Brigetta Olson, Willamette Neighborhood Housing Services; Donna Holt, Linn Benton Housing Authority; Annie McDonald, Albany Partnership for Housing; Dina Eldridge, Community Services Consortium.

#### CAUSES & CONSEQUENCES OF SEVERE RENT BURDEN

5:20 p.m.

Catlin gave a Power Point presentation and explained that “severe rent burden” occurs when more than 50 percent of a family’s income is going toward housing costs. In Albany, almost 30 percent of households fit this description. In 2018, the average hourly renter wage in Albany was \$12.86 per hour, while the minimum required to meet average rent is \$19.35 per hour. Seniors are one of the fastest growing segments of this population.

Some of the causes of the problem include: increase in the number of renters, low vacancy rates, lack of affordable housing, rapid increase in the cost of housing – outpacing increase in incomes, and disparity between housing needs and availability.

Holt said the housing authority issued 2,500 Section 8 housing choice vouchers in Linn and Benton Counties this year, but due to long waiting lists, only about 30 percent of these recipients were able to use the vouchers. Until recently, there was a 100 percent utilization of vouchers. The largest factor is the lack of affordable housing. Holt says the agency owns and builds affordable housing, and the waiting lists are long and the number of seniors needing affordable housing is growing. She said affordable housing developments are nicer than what most people think, noting Riverview place in downtown. Even households with vouchers are still severely rent burdened, and some lose their vouchers. People are homeless for a variety of reasons and they all need housing.

With roughly 4,500 Albany households experiencing housing cost burden, including 2,300 facing severe rent burden; it is going to take years for the market to respond and to solve this problem.

Some of the consequences of severe rent burden include medical expenses, homelessness, disruption in student learning and development, need for social services and safety net programs, job loss, and poverty.

McDonald said that many households are doubling up on housing, which causes stress on families. The Partnership gets calls for senior housing.

Olson referred to Oregon's Statewide Housing Plan and experience noting that people need more than housing, they need supportive housing and services –mental health services, transportation assistance, education, new sources of supportive services. Need new housing stock and to take care of existing housing stock; repairs are expensive.

Eldridge says emergency housing support is no longer a one-time occurrence; many are still on the edge after receiving assistance; increased severity in housing needs.

## **BARRIERS TO REDUCING RENT BURDEN CONDITIONS**

6:04 p.m.

Lack of available land, high cost of land, lack of affordable housing, opposition from neighbors, zoning restrictions, building code requirements, permit fees, and funding were all cited as obstacles to affordable housing.

Affordable housing funds are very competitive, and it takes a lot of time and effort to put all the pieces together

## **POSSIBLE SOLUTIONS TO REDUCING RENT BURDEN CONDITIONS**

6:05 p.m.

Equinoa asked about possible incentives from the city, county or state for private builders to build more affordable housing. Holt mentioned tools used in Bend such as development fee waivers when a percentage of units meet affordability guidelines. There was also mention of a construction excise tax as a revenue source to help offset some of the incentives, which has been done in Corvallis, Bend and other cities.

Catlin said the construction excise tax has produced millions of dollars of revenue in Bend to be used for affordable housing. She reviewed other solutions to reduce the cost of affordable housing: inclusionary zoning, financial credits to builders, reducing parking, density bonuses and transfers, compatible infill development, clear and objective standards, urban renewal investments, infrastructure partnerships, Community Development Block Grant (CDBG) funds, federal Low Income Housing Tax Credit Program, and the Local Innovation and Fast Track (LIFT) housing program.

The City of Albany has provided financial incentives in the form of surplus property donations (Habitat for Humanity and Albany Partnership), Community Development Block Grant funds to provide public infrastructure to Habitat for Humanity and Albany Partnership, urban renewal funds for affordable housing (Riverview, Woodwind apartments), CDBG loans and grants for housing rehabilitation and property acquisition in order to maintain and expand existing affordable housing stock. CDBG provides funds for homebuyer down payment assistance via Willamette Neighborhood Housing Services and Linn Benton Housing Authority), and CDBG grants have provided emergency housing assistance (via CSC).

Olson noted local support and local resources are essential in leveraging and competing for outside funds and tax credits. Start reviewing tools in use by other cities and what can be done in Albany.

Holt suggested regional collaboration with Corvallis and Lebanon to work on regional solutions and learn from each other.

McDonald noted the importance of keeping people in housing; many agencies work to keep people in their housing. Once residents are evicted or lose their housing, it just gets more difficult and expensive the next time.

## **PUBLIC COMMENTS & DISCUSSION**

6:20 p.m.

Some of the points brought up in the public discussion:

- College students experiencing housing cost burden and homelessness; need for wrap around services to support students. Education is so important.
- Very low housing availability; all agencies have long multi-year waiting lists.
- Tara Dixson mentioned the large number of homeless students in Albany. Lots of “doubled-up” or shared housing situations.
- Very depressing for people, easy to feel defeated.
- Parents living in cars or tents are fearful to ask for help because they are worried their children will be taken away.
- Scott Lepman talked about scarcity of land and regulatory risks (wetlands), and the need for banks to provide capital and be on board with plans.
- Martha Lyon talked about the immediate needs. - what can be done **right now** for the 4,000 households in need? Are there emergency contingency plans? These people need help now, not in 4 or 5 years.
- Catlin reviewed emergency measures taken in Eugene (warming shelters, ordinance to allow sleeping in parked cars on church parking lots) that resulted in a tiny home community in Eugene - Opportunity Village and Emerald Village.
- Konopa mentioned the idea of shared vouchers, or possibly allowing individuals to pay the difference on a housing voucher when rent is over the approved amount.
- Discussed the possibility of lifting restrictions on campgrounds so people can stay longer, or possibly create a new campground.
- Martha Lyon proposed the idea of purchasing housing units to guarantee income – public/private project, making sure it is profitable for developers.
- Community members need to step forward and help the issue, not just complain about elected officials.
- Suggestions to make these (housing affordability) meetings more frequent.

The City of Corvallis is holding a similar meeting on Thursday, December 14, 2018 at the Corvallis Fire Station.

## Adjournment

7:04 p.m.

Catlin adjourned the meeting at 7:04 p.m.