



CITY OF ALBANY
HB 4006 Rent Burden & Housing Affordability Meeting

NOTES

Monday, November 18, 2019, 6:30 p.m.
City Council Chambers, 333 Broadalbin Street

Staff Present

Anne Catlin, Planner III; Jeff Blaine, Public Works Engineering & Community Development Director; Peter Troedsson, City Manager; David Martineau, Planning Manager; Shelley Shultz, Contracting Assistant.

Councilors and Commissioners Present

Sharon Konopa, Mayor; Dick Olsen, Councilor; Alex Johnson II, Councilor; Mike Sykes, Councilor; Bill Coburn, Councilor; Karen Cardosa, Commissioner.

Others Present

Susan Leonard, Mark Leonard, Scott Lepman, Candace Ribera, Bert Guptill, Shawna Hartley, Donna Holt, Brigetta Olson, Bill Root, Mike Quinn, Jaya Lapham, Annie McDonald, Dan Easdale, Gracie Haddock, Stacey Bartholomew.

CALL TO ORDER & INTRODUCTIONS

6:32 p.m.

City Manager Peter Troedsson welcomed the public and called the meeting to order.

PURPOSE OF MEETING

6:33 p.m.

Anne Catlin said this is the second annual meeting the City is holding to talk about affordable housing and severe rent burdens. (See presentation in agenda packet). House Bill 4006, adopted in 2018, requires cities to track affordable housing development and requires cities with populations over 10,000 people with severe rent burdens to hold a public meeting to discuss:

- the causes and consequences of severe rent burdens within the City;
- the barriers to reducing rent burdens; and
- possible solutions to reduce the rent burdened households within the City

Catlin explained what constitutes severe rent burden and noted housing affordability is a regional issue, with Corvallis and Lebanon having higher rates of severe rent burden.

CAUSES & CONSEQUENCES OF SEVERE RENT BURDEN

6:40 p.m.

Catlin cited several factors as the causes of severe rent burden and opened the meeting up for input on the causes of severe rent burden.

Scott Lepman, local developer, talked about wetlands and their impacts on costs to develop and available land; he expressed his concern that governmental regulations often get in the way of growth (see handout submitted for record). Catlin confirmed that natural resources can be a barrier to affordable housing at \$94,000 per acre for mitigation bank credits.

Catlin asked Lepman about vacancy rates and their impact on supply and price. Lepman said current vacancy is currently 2-4%, which is lower than average. Catlin noted low supply usually increases price.

Donna Holt, Linn-Benton Housing Authority, said families with children are facing extremely high childcare costs and increased expenses while incomes are not going up.

Catlin shared another cause of severe rent burden was the mismatch between housing needs and housing supply, citing statistics on the number of households waiting for a housing voucher and the size unit they qualify for. She added that many households that qualified for housing assistance were unable to find housing that was affordable.

Catlin asked the audience for consequences of severe rent burden.

Annie McDonald mentioned the fact that many families are “doubling up” or sharing housing because they can’t afford rent alone. This has social and emotional impacts on household members.

Councilor Alex Johnson II talked about the increases in Medicare costs and how seniors are having to accommodate these costs.

Holt said they are seeing a steady stream of seniors using the voucher program; 300-400 people are on waiting lists to move into local senior housing, like Riverview and Clayton Village Apartments.

Commissioner Karen Cardosa said student debt is real problem for millennials trying to get housing. New developments have bigger houses and there isn’t much smaller housing. Need more diversity of housing.

Lepman said the bottom line is lack of supply and he has concerns about how to address this need. Banks are being very conservative in their lending practices for residential developments, and there is no capital incentive for owners of older rental units to rehabilitate units due to the rent control limits.

Mike Quinn noted a demand for duplexes including those that are owner-occupied. He noted that rents are set to earn a small return on investments, but when taxes and bonds increase, expenses are passed on to renters. He suggested appointing an affordable housing task force to discuss the issue and come up with ideas; planning should be advocating for this.

Catlin reviewed some of the consequences of severe rent burdens:

- increased homelessness
- increase housing insecurity
- increased mobility, which results in a disruption in student learning and development
- increased need for social services and safety net programs
- reduced ability to make healthy choices
- inability to repair autos, can lead to job loss
- reduced home ownership rates
- inability to move up to market-rate housing

BARRIERS TO REDUCING RENT BURDEN CONDITIONS

7:11 p.m.

Catlin asked about barriers to reducing rent burden and creating affordable housing.

Mike Quinn, local contractor, expressed his concern that nothing is being done other than holding these annual meetings. He felt the City should put money into staff and programs that support this cause, not just talk about it and asked about surplus property.

Catlin said this is a top issue for council and staff. She said meetings like this promote the cause and help keep the issue to the forefront.

Brigetta Olson, DevNW, affirmed the impacts wetlands have on the cost of land and affordable housing and the need for land and partnerships.

Bert Guptill said one third of homeless on the streets are working but can't afford deposit for housing.. Tiny homes and cottage homes would be affordable to those with small incomes.

POSSIBLE SOLUTIONS TO RENT BURDEN CONDITIONS

7:20 p.m.

Catlin asked for solutions to reducing rent burden.

Brigetta Olson suggested waiving SDC fees or construction excise taxes to promote growth. One child in twenty is without housing in our local schools. This is not a local or regional issue – every corner of Oregon is dealing with this issue.

Stacey Bartholomew described the tiny house community that Creating Housing Coalition is working towards in Albany. Tiny homes are less expensive, have a smaller environmental footprint, and provide housing for homeless and those on fixed incomes.

Quinn said sometimes rules are so restrictive that they prevent progress, when more flexibility is needed.

Holt suggested evaluating the codes and creating a vision for the City of how needs could be addressed.

Catlin said online permitting was implemented to reduce costs and to expedite the permitting process. She mentioned the work the Albany Development Code (ADC) Task Force is doing to evaluate the Code and suggest revisions so it is clear and objective.

Mayor Sharon Konopa explained that there is a large deficit in the city budget and can't support reducing SDC fees. The City subsidizes \$600,000 for housing. Konopa noted that adding 1,000 new housing units over the past year has not solved the housing problem; it just provides more housing for people moving in from other states. She noted more programs can be implemented at the national and state level, such as more HUD housing vouchers and increasing the rent cap would help fill the need.

Lepman noted Albany is still cheap compared to other west coast cities, but not for much longer; more supply is needed or the situation will continue to get worse.

Quinn said that while he is a fan of SDC fees, he did not like the way ADU's can turn into money-making programs for the City, and he expressed concern with the way the city spends money.

City Manager Peter Troedsson said that cutting SDC fees is not an option at this point as they pay for infrastructure.

Dan Easdale, with Creating Housing Coalition, said that while a long term solution is important, there are real consequences that need to be taken care of now. Seniors are losing housing and cannot wait years for the situation to be fixed.

Holt wondered if there was any way to shorten the time frame to evaluate solutions.

Catlin noted that “emergency shelters” are no longer just “emergency shelters”; they have become housing for homeless. People need ongoing support, not just a one-time shot in the arm. They need case management, help navigating the system, and stabilization.

Chet Houser said his church has provided a port-a-potty that has now created a situation of people camping in the church parking lot, he is concerned because of the preschool. Guptill said one of the goals of the tiny house project is to alleviate this need.

Holt reminded the group that we all need to work together and consider every problem and find a solution together. Albany and Corvallis need to join forces as one entity.

Jaya Lapham talked about the need for safe, quality housing and the need to make sure people are being integrated into the community, not just being provided housing.

PUBLIC COMMENTS & DISCUSSION

7:53 p.m.

Catlin wrapped up the meeting saying that the presentation, minutes, and audio from tonight’s meeting will be posted online.

ADJOURNMENT

7:56 p.m.

Hearing no further business, the meeting was adjourned at 7:56 p.m.

Respectfully submitted,

Reviewed by,

Shelley Shultz
Contracting Assistant

Anne Catlin
Planner III