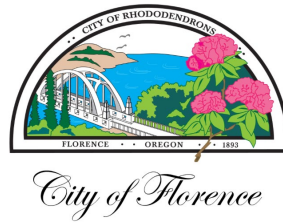


HOUSING IMPLEMENTATION PLAN SAT MEETING #1 SUMMARY



Date: April 28, 2022
To: Florence Hosing Implementation Plan (HIP) Project Management Team
From: Darci Rudzinski and Emma Porricolo, MIG | APG
Re: SAT Meeting #1 Summary

The SAT Meeting #1 was held in person and virtually on Zoom on Thursday, April 28, 2022. The meeting was attended by:

- SAT Members
 - Bob Teter
 - Patrick Kirby
 - Phil Tarvin
 - Neil Ecker
 - Andy Grzeskowiak
 - Russ Pierson
 - Bill Meyer
 - Ron Mann
 - Janell Morgan
 - Greg Wood
 - Patricia Burke
 - Maggie Bagon
 - Tony Miller
 - Beth Kilmurray
 - Suzanne Mann-Heintz
 - Ela Kubok for Jacob Fox
 - Stephen Beale
 - Colin Morgan
- Members of the Public
 - Ronald Moore
 - Brenda Gilmer
- City Staff
 - Erin Reynolds
 - Wendy FarleyCampbell
 - Sarah Moehrke
 - Peighton Allen
 - Megan Messmer
 - John Pitcher
 - Mike Miller
- Project Team
 - Darci Rudzinski, MIG | APG

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- Brendan Buckley, Johnson Economics
- Hui Rodomsky, DLCD Regional Representative, South Oregon Coast

SUMMARY

Call to Order – Welcome and Introductions

- Wendy welcomed attendees. City Manager Erin Reynolds introduced herself, discussed the importance of housing to the City, and took care of meeting “housekeeping” items. How the City will engage the public is outlined in the Public Involvement and Communications Plan (PCIP) involvement plan. Over 20 members have been appointed to this special ad hoc committee.
- Introductions were made around the room.

Advisory Committee Member Training

- City staff conducted SAT training, reviewing state public meeting law and City policy regarding code of conduct of members. An April 22 email included an acknowledgement form that needs to be completed and turned in to the City; this was also provided at the meeting.

Appointment of Chair and Vice Chair 5 min

- Russ Pierson was appointed Chair.
- Phil Tarvin was appointed Vice Chair.

Project Orientation and Background

- Darci thanked all for participating. The Agenda Topics that were distributed as part of the meeting packet outlines 5 SAT meetings over 11 months. The project team is looking to the SAT to provide perspectives based on members’ experience and community, review and provide guidance on materials and documents the consultant team and city staff produce as part of the project, and generally provide recommendations and support of specific project outcomes. Will use a consensus-based approach in meetings – SAT recommendations will inform a public adoption process, which will provide an additional opportunity for individuals to participate.
- The backdrop for this project is the demonstrated need for more housing in Florence; information from recent studies also indicates that housing affordability is an issue in the City.
- A snapshot of recent permitting data from certificate of occupancy records shows that there were 318 new residential units recently built, and that most new residential construction is single-family detached.
- As a starting point for this project, we are relying on the Florence Economic Opportunities Analysis and Housing Needs Analysis (HNA). As a result of that earlier effort the City identified a number of housing recommendations to meet future housing needs.
- Recommendations led to the 2019 code update, which focused on modifications that addressed residential development requirements.
- This project’s objectives pick up some pieces not addressed in the earlier projects, including exploring how the City can approach short term rental housing and transitional housing.

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- One part of this project will focus on the Zoning Code and Subdivision Code - research, recommendations, and suggested code amendments to ensure that requirements are consistent with the City's housing goals and needs and that the City is meeting state requirements.
- The other part of the project, which is the focus of the remaining part of this meeting's agenda, is developing a Housing Implementation Plan.

Review of Housing Needs Analysis and Recommendations

- Brendan provided an overview of the strategies in the draft Background Report. Earlier City work looked at housing needs and employment land needs and came to conclusions regarding how much growth the City will experience over the next 20 years and how much housing would be needed.
- This project starts with the extensive list of strategies that came from the earlier housing study. We will also be exploring new tools and ideas that this group might want to discuss, including things that were possibly missed during the last process.
- The Background Report includes a table with the 35 items from the earlier housing report.
- In lieu of discussing each line item, Brendan described categories of strategies and ways that communities approach housing.
- He asked participants to explore ways to rank and score possible housing strategies, to best meet the community's housing needs. Questions to consider included:
 - Has it already been enacted?
 - Who is the lead?
 - What is the impact?
 - Cost?
 - Staff capacity?
- Categories of housing strategies included:
 - Comprehensive plan amendments
 - Policy and code amendments
 - Land supply' development incentives
 - Funding sources and programs.
- Development code strategies were briefly touched on, but will be the subject of the next project task. Florence will meet the 10,000 population threshold in the near future, where triplexes and duplexes will need to be allowed in low-density residential zones per state requirement. Code-related strategies also could include looking at standards in specific districts.
- Land supply strategies may not be necessary in Florence, since the buildable land analysis concluded that there wasn't a need for urban growth boundary (UGB) expansion. Rezoning land could be explored, to allow different densities or residential uses or housing types. There is also the potential to swap land from within the UGB for land outside the UGB that is more suitable for development.
- Incentive programs help with housing types that the City may not be seeing enough of to meet housing goals or needs. Incentives are needed when the market isn't making desired development happen. They can reduce the cost for home builders or developers or increase the benefits to the developer as a tradeoff to achieve a public good. Cities can also waive or reduce SDCs or fees. Impact is usually proportional to the incentive offered.
- Zoning code incentives might include greater allowed density or height, or reduced parking requirements. These incentives allow extra permissions and flexibility to the developer in return for providing a public good.

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- There are categories of tax abatements. Florence currently offers a tax abatement for multi-unit housing. Other available abatement programs are mostly aimed at affordable housing types.
- Expedited permitting and land use review is another tool; the City has made some efforts in this area.
- Brendan described potential funding sources that can be leveraged to partner with builders, including tax increment financing (e.g., Florence's urban renewal district); construction excise tax (set aside for affordable housing); housing bond (high impact approach); CDGB funds (City uses now); reuse of public lands (i.e., surplus City land); employers workforce housing needs (employers can be a partner in funding new housing). Public-private partnerships encompass a lot of different types of projects and strategies. Communities are not in the business of building housing – need to engage the private sector to help make housing happen.
- Darci provided a brief overview of the forthcoming Short Term Rental white paper, saying that the project team researched policies in other Oregon coastal cities to provide Florence with some tools to consider in their own short-term rental program. This paper will be distributed to the SAT and discussed at the June meeting.
- Darci remarked that the project team is looking to the SAT to identify promising strategies for Florence, ones that should be pursued in this project and included in the Housing Implementation Plan. Brendan suggested going around the room so that participants could share one top priority, as well as something that jumped out as interesting or challenging. Participant comments included:
 - Housing insecurity. Looking for more specifics on how to implement something. For example, the Coos Bay, North Bend area is doing some interesting things housing people and programs that help people find permanent housing.
 - Types of housing issues we have is pretty broad, with almost all types of housing. For incentive programs, we need to think about how we fund those. We depend on development fees - contractors complain about them, but smaller communities rely on them. What incentives can we use to back fill those? Interest in workforce housing. Need everything from transitional to emergency housing.
 - Incentive programs funding will be important. Identifying the need is very important. Workforce housing is number one need.
 - In addition to workforce housing, also interested in working on short term rentals. We need to find the balance between everyone who has an interest in short term rentals. Need to think about who is not at the table and try to represent them.
 - Florence is a micro economy being impacted by Macro economy. (Out of state interests) can pay more than the local market. The hardest person to reach is the working-class individual who is at the lower end of the market. Financing costs are too high, housing costs are too high, income is too low. Current higher interest rates should slow the consumption of housing. Good time for the City to get a handle on the housing issues - need flexibility in zoning, outside of the box thinking, and to work with developers.
 - Three goals should 1) make it easier though incentives to subsidize housing 2) code enforcement or local housing authority to address rentals or landlords who haven't updated their practices to meet 2016 rental laws and 3) developing transitional housing, moving people from homelessness to employment to permanent housing (e.g., the Rogue Retreat program).
 - Workforce concerns in the medical field – we've been suffering because we can't [attract/keep] support teams that support physicians, provide housing for professionals so that they can stay here. (Workforce housing includes all parts of the workforce, from low-earning to professionals.)

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- Foodshare users – cannot afford rent, can't provide food to their families. Don't have enough low-income facilities that can offer people a better quality of life.
- Hear of issues in the service industry all the time – those workers can't afford housing here. Anything we can do to help people is positive.
- Incentives are really important, but focus on workforce housing. Habitat work shows that teachers, entry level firefighters can't afford to buy a house in our community. They have too much income to take advantage of programs, but not enough to buy homes. Huge aging population – a challenge with density/three story homes. Short term rentals are important to a coastal community – shop at our stores (economic benefits) . How do we find the balance between them and workforce housing?
- (SAT Member) is participating as a resource; knows the impact of SDCs (on development). But there is always a cost to providing infrastructure as well.
- Here for the kids. If a young person experience homelessness, 70-80% will be homeless the rest of their lives. The coast, between Astoria and Reedsport, is experiencing the worst homelessness, per a statewide survey. Need to look at successful programs (Newport, Cottage Grove); need to make it easier for people to live here. Multigenerational families. Making some decisions about affordable, easy-access housing is where we need to go.
- Local housing authority, based in Eugene, bases activity in the metro area but know how important (housing) is elsewhere in the county. Land banking is an important strategy – it can make more projects financially feasible. There are affordable housing waivers and programs to relieve cost burden of SDC. Density bonuses, partnering with businesses - very interesting strategies. Agrees that we make sure everyone is at the table, that we can collaborate in the community.
- The outcomes of this group need to be a good political sell– don't want push back. With a science background, want to focus on solutions that work. Wants demonstration that solutions work.
- Prioritize workforce and low-income housing that is local first. Avoiding “if they build it, they will come” – that housing developments are filled up by people from other places. That is a concern.
- Compassion – what we come up with should be with a compassionate heart. We don't have to reinvent the wheel, if we have other models to follow, we can use/tweak. Haven't heard “apartments.” Don't have to come here just to live in a house. Young people need apartments.
- Have a serious unhoused problem in Florence. Systems should also help those who have been unhoused for a while to get out of the camping mindset. Workforce housing is so critical.
- Would love to see solutions to the multi-faceted homeless issue – housing is only one part of it. People came to the emergency shelter because they were living in sub-standard housing. Would like to see more code enforcement with existing housing.
- Workforce, as well as affordable housing. First time home buyers. How do you define “affordable”? Need apartments, but how do you create a program for renters?
- Brendan thanked participants for their comments and noted that there are some clear themes.
- Darci asked a follow up to the comments related to making sure everyone is at the table - who should we be reaching out to, especially given the fact that the project team will be conducting smaller group stakeholder (Focus Group) meetings. Responses included:
 - Property, rental property interests. Elderly community.
 - The employed and homeless – would provide different perspective.
 - Landlords. They're having hard time improving properties.

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- Younger people, in their 20s or 30s, who are looking for housing.
- Erin noted LCOG Senior Services are represented on the Board. The Focus Groups will include property groups. The Chamber of Commerce represented. Bob provided some Florence the rental rates.
- Major employers. Erin noted representation on the SAT (or those invited) include Tribal Government, School District, and City. The tourism economy is made of up small businesses and sole proprietors. The Focus Groups will include real estate representatives, engineers, architects, property management groups, and resource providers.
- Clergy. City has reached out to a religious organization.
- An audience member (Ron Moore) is in the hospitality industry, owns two hotels and offered his assistance with the project.
- Brendan mentioned that not everyone needs to participate on the SAT, and that there will be the Focus Group meetings to reach more people; Darci also mentioned the City's website as a good way to participate in the project.
- Darci reported that the project's next steps include the Focus Group meetings in May, as well as the code audit. Answering a question from Erin, she said that the Short Term Rental paper could be shared with the SAT very soon, and before the June meeting packet and agenda needs to be distributed.
- Brendan described the UGB area, and how it relates to the buildable land inventory and areas that the City may expand into. He noted that communities review land inventories periodically and he reiterated the UGB land swap tool.
- Erin helped navigate the City's website, showing participants links to City projects, including the 2019 Residential Code Update. This current project is really Phase 2 of the housing code efforts. Participants also looked at the HIP project webpage.
- Wendy made closing remarks, thanked everyone for their attendance, and asked participants to reach out to others and share back with the group.