

A work session of the Astoria Common Council was held at the above place at the hour of 6:00 pm.

Councilors Present: Nemlowill, Herzig, Warr, Price, Mayor LaMear

Councilors Excused: None

Staff Present: City Manager Estes, Community Development Director Cronin, Planner Ferber, Parks and Recreation Director Cosby, Finance Director Brooks, Fire Chief Ames, Police Chief Johnston, Public Works Director Cook, and City Attorney Henningsgaard. The meeting is recorded and will be transcribed by ABC Transcription Services, Inc.

### **AFFORDABLE HOUSING STRATEGY— PROGRESS REPORT (COMMUNITY DEVELOPMENT)**

The City Council held a special work session on September 14<sup>th</sup> to discuss the Affordable Housing Study that was completed by the Community Development Department in support of the City Council's goal setting for FY14-15/15-16. At the work session, Staff presented background information, a Draft Problem Statement, case studies, and a range of short term and long-term solutions to create more housing opportunities in Astoria. The City Council directed Staff to study the options in more detail and bring potential solutions back for review as part of an overall housing strategy. On November 2<sup>nd</sup>, Staff presented an affordable housing strategy based on comments received at the work session. Over the last six months, Staff has implemented various aspects of the strategy.

It is recommended that Council review and consider endorsement of the Affordable Housing Strategy. It is also requested that Council provide feedback on the Code amendments. If there are portions of the Code that Council has concerns about, direction as to inclusion or removal should be provided prior to the Planning Commission hearing being rescheduled.

Director Cronin gave a presentation on proposed Code amendments that promote affordable housing, reviewed the Affordable Housing Strategy Progress Report included in the agenda packet, and next steps. During the presentation, he and City Manager Estes answered Councilors questions about existing and proposed Codes, presented case studies, and explained how the proposed Code amendments would promote affordable housing. City Manager Estes confirmed Council's feedback would be forwarded to the Planning Commission before their public hearing.

Councilor Herzig recommended Council direct Staff to research Senate Bill 1533, regarding construction excise taxes. Councilor Price added that Council should also consider system development charges (SDCs). Staff answered questions about SDCs in other jurisdictions and said a lot of research would be necessary if Council wanted to consider implementing the charges.

Councilor Herzig said he was opposed to allowing an additional floor on residential buildings because the public has indicated they prefer to protect view sheds.

Councilor Nemlowill believed the proposed Code amendments were too aggressive. Astoria needs more housing, but not at the expense of quality of life. She doubted the proposed amendments would improve the housing situation and recommended that only Codes pertaining to accessory dwelling units (ADUs) be amended at this time.

Councilor Price agreed, but believed ADUs should fall under the Type 2 permitting process. However, she believed the proposed changes to administrative procedures were good. Some of the proposed Code amendments would only be appropriate in certain areas of the city, not citywide. She recommended a more lengthy public process, one similar to the model used to develop the Parks Master Plan. She also wanted to see how the proposed Codes would likely impact population growth over the next 10 and 20 years.

Councilor Nemlowill was interested in the City working with affordable housing partners to develop City property and asked how the City would move forward with such a partnership. Staff explained that housing providers, like Clatsop Community Action (CCA), would lead a project, seek funding, and ask the City to authorize a partnership. Sites owned by entities that are not in a position to develop could be marketed to private and non-profit developers. City-owned properties that would be appropriate for affordable housing developments can be identified using the inventory created two and a half years ago for the City's former land sales project.

- Councilor Herzig agreed the City should be proactive about letting developers know the City has properties it wants developed for affordable housing.
- Councilor Price said the Community Action Team had offered to help the City find funding for up to 12 derelict houses or abandoned properties. Staff confirmed the vacant house registry contains 36 houses, but the Community Action Team has not had the money to move forward. Councilor Price believed repurposing existing buildings was better than building new.

Councilor Herzig recommended the minimum lot size required for development be reduced.

Councilor Nemlowill believed Astoria should require that 20 percent of multifamily housing units be workforce housing. This could be funded by the excise tax. She said it was critical for the City to identify City-owned properties suitable for affordable housing. If the Recreation Center services were consolidated into an expanded Aquatic Center, the Yacht Club property could be used for housing. Then, the City would no longer be responsible for maintaining the building. She also believed a comprehensive countywide housing plan should be pursued.

Councilor Warr agreed that the Yacht Club property should be considered excess and sold. The property is surrounded by many apartments and putting apartments on the property would not be a problem. However, if the City is going to insist on affordable housing, it will have to find a way to make the project profitable for a builder.

Councilor Nemlowill believed selling the property at a market rate price would allow a builder to build market rate housing. The City could also offer incentives, like a lower price, property tax abatements, or property payment deferments. Astoria has a lot of service industry workers and seafood processors that make low wages and may need subsidized housing. Astoria also has many people who work for the Coast Guard and in the medical industry. Therefore, an entire building may not need to be subsidized, but it would be great if the City were involved in at least a portion of a housing development.

Councilor Warr said he agreed, but was concerned about the responsibility of the City of Astoria to provide people with housing. He believed housing should be market based and explained that if employers cannot find employees at the wages they are willing to pay, wages will have to increase, or the businesses will have to move. Many citizens believe they own their view, so it will be very difficult to consider Astoria as a mecca for affordable housing. Additionally, he did not believe affordable housing was the City's responsibility.

Councilor Nemlowill said she understood and added that there are a limited number of subsidies offered by the State anyway. However, subsidized housing happens to be a good business for some developers.

Director Cronin noted that the City is having this discussion now because the private market is not working. Astoria's housing partners, builders, and investors are not producing any housing right now. He explained that the State now allows inclusionary zoning, which allows the City to mandate a certain percentage of affordable housing. However, the City would have to offer funds, tax breaks, or some other incentive.

Councilor Price said these issues need much longer conversations because there are so many unanswered questions about how to solve the problems. Mayor LaMear agreed. City Manager Estes confirmed Staff would present revisions to the Planning Commission based on City Council's feedback and another work session would be scheduled with City Council to continue this discussion and learn more about construction excise taxes.

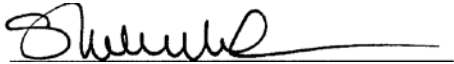
Mayor LaMear said she also wanted information on SDCs. City Manager Estes explained that SDCs are a funding mechanism for Public Works and are not related to affordable housing. He requested that a separate work session be scheduled to discuss SDCs. Staff agreed to provide Council with a list of SDC amounts charged by other jurisdictions. Councilor Warr also wanted information on how much those jurisdictions are charged to provide infrastructure.

Councilors discussed whether to allow public comments. Time was running late, but many people attended the work session. City Council decided to take comments during the regular session.


**ADJOURNMENT**

There being no further business, the meeting was adjourned at 7:09 pm to convene the regular Astoria City Council meeting.

**ATTEST:**

  
Secretary

**APPROVED**

  
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City Manager