



City of McMinnville
Planning Department
231 NE Fifth Street
McMinnville, OR 97128
(503) 434-7311

www.mcminnvilleoregon.gov

MINUTES

March 31, 2021
McMinnville Affordable Housing Committee
Regular Meeting

10:00 am
ZOOM Online Meeting
McMinnville, Oregon

Members Present: Vice Chair Kellie Menke, Lori Bergen, Mark Davis, and Yuya Matsuda
Members Absent: Remy Drabkin, Lindsey Manfrin, Alexandra Hendgen, Mary Stern, and Marcus Straw
Staff Present: Heather Richards – Planning Director and Tom Schauer – Senior Planner
Others Present Howie Harkema, Steven Iversen, Doug Rux, Susan Dirks, Dora Totoian, and Vickie Ybarguen

1. Call to Order

Vice Chair Menke called the meeting to order at 10:00 a.m.

2. Minutes

None

3. Agency Reports

a. YCAP

None

b. HAYC

Vickie Ybarguen gave an update on the landlord compensation fund and financing and phasing of the Stratus Village project.

c. Champion Team

Howie Harkema said Champion Team would be shutting down on April 30. He thanked the community for helping them stay open through the cold season. They would open a new non-profit called Encompass Yamhill Valley on April 30. He explained their funding sources.

4. Guest

Doug Rux, City of Newberg Community Development Director, gave a background on housing affordability efforts in Newberg. He explained the land use changes that were made, grants that were offered, work with housing committees, need for more land supply, partnering with developers, implementing a Construction Excise Tax, changing SDC payment timing, Urban Renewal program to help with housing infrastructure, vertical housing zone, Housing Needs Analysis, Economic Opportunities Analysis, HB 2001 code changes, and code audit by the Fair Housing Council. He then discussed Newberg City Council's priorities for a five year work plan to address housing needs. A lot of the items were code and land use related.

There was discussion regarding effective measures to generate affordable housing units, biggest barriers to affordable housing, and funding for a housing planner.

5. Action / Discussion Items:

a. Density Bonuses

Senior Planner Schauer said density bonuses could be used as a tool to incentivize affordable housing. They needed to make sure the incentive was sufficiently appealing to be effective. Density bonuses were a way to allow more housing units on a property than would otherwise be permitted in the zoning. He recommended tying density bonuses to affordable housing through performance based density bonuses and small lot allowances. He explained the relationship of this work to the middle housing work, which would provide additional housing opportunities similar to upzoning.

There was discussion regarding the definition of affordable.

Planning Director Richards said the median household income in McMinnville was \$55,400 and 120% of that could afford a home between \$211,000 and \$242,000. The only homes available in that price point were manufactured homes. The lowest priced home she could find currently was \$370,000. Most were \$400,000 to \$700,000. The market was not producing the home prices to meet the 120%.

Senior Planner Schauer gave an example of a minimum lot size approach for a 10 lot subdivision in the R-1 zone.

There was discussion regarding the effect of the new middle housing law, considering deed restricted affordable ownership units, creating a land trust, what developers thought of this idea, and how many affordable housing units could be built per year.

There was consensus for staff to develop performance based density bonuses and small lot allowances and come back to the committee with recommendations.

b. Inclusionary Zoning

Planning Director Richards said if they wanted to start working on inclusionary zoning, they would want to start generating support for it this summer as it was a legislative decision.

Senior Planner Schauer discussed the past legislative effort. Inclusionary zoning was a regulatory mandate that a certain amount of affordable housing was provided as part of any new housing development. Currently in Oregon this only applied to multi-family buildings where the structure itself contained 20 units or more and they could require up to 20% of the units to be affordable.

The way they defined affordable was above 80% of median area income. This would be more in the workforce housing range. They had tried to change it to local discretion for inclusionary zoning without the limitations. He asked if they wanted to pick up this effort again.

Committee Member Davis was in support, but he thought it was unlikely to happen. They needed to build statewide support.

Planning Director Richards thought they needed the support of the Homebuilders Association.

Committee Member Matsuda was in support, and thought it should be attached to lower income rather than middle income. They should also decide what affordable meant.

There was consensus for staff to move forward with this effort.

6. Citizens Comments

Mr. Harkema said the car camping program would continue during the transition of Champion Team to Encompass Yamhill Valley. The first meeting of all the mayors in Yamhill County would be tomorrow. The Fair Housing Council would have two representatives as well.

Susan Dirks gave an update on the new Executive Director for Habitat for Humanity. Construction had continued in the Aspire development. They were approximately halfway through and they planned to develop a park as well.

Planning Director Richards said they had issued \$52,000 worth of permit fee reductions and exemptions for that project.

7. Task Force Member Comments/Updates

Committee Member Davis thought they needed the business community to get behind affordable housing.

8. Staff Comments/Updates

None

9. Adjournment

Vice Chair Menke adjourned the meeting at 11:30 a.m.