

COLLABORATIVE ECONOMIC DEVELOPMENT COMMITTEE
Meeting Minutes – July 1, 2019 at 3:00 pm
Council Chambers

Committee Members:

Jon Bowen (Chair)
Cameron Camp (Vice Chair) – Absent
Tripp Androy
Shauna Bland
Sam Engel
Ron Goss-Absent
Bryan Hawkins
Kenny Houck
Josie Molloy
Colene Martin
Gene Merrill-Late
Julie Thomas
Hameed Shakeri – Absent
Vacant
Vacant

Government Liaisons:

Susan Seereiter (City Business Advocate)
Darin Fowler (County Commissioner) – Absent
Jean Ann Miles (City of Cave Junction) – Absent
Dennis Roler (City Councilor) Late

Guests:

Joann Garcia – Ontrack Housing Director
Philip Hedrick – Cascade Housing Group
Matt Heverly – Edgewater Church
David Corsi – Habitat for Humanity
Teresa Santucci – Jo Co Housing
Jason Canady – Public Works Director
Angela Parada – Housing Finance Division
Several audience members including Mayor
Lindsay, Alex Campbell, and Marta Tarantsey
JR Wheeler

1. Roll Call

- a. Chair Bowen opened the meeting at approximately 3:08 pm and took roll.

2. Public Comment:

- a. None

3. Approval of Minutes:

- a. Approval of minutes from June 3, 2019.

MOTION

**Member Bland moved, and Member Androy seconded the motion to approve the minutes as presented. The vote resulted as follows: “AYES”: Chair Bowen, Committee Members: Androy, Bland, Engel, Hawkins, Molloy, Martin, Houck and Thomas. “NAYS”: None. Abstain: None. Absent: Vice Chair Camp, Members Goss, Merrill and Shakeri.
The motion passed.**

4. Work Session Items:

a. ‘Housing Summit II’ meeting Affordable Housing in JO CO

- Chair Bowen welcomed the panel of guests and thanked everyone in attendance. Jon gave an overview of the CEDC goals to find solutions for current economic development including the lack of affordable housing.
- Chair Bowen acknowledged that the City does have a Housing Committee and mentioned the importance of both committees working on this issue.
- Chair Bowen mentioned there would be three fundamental question for the group to answer and discuss.
- Chair Bowen first called up Public Works Director Jason Canady to address the proposed SDC increases that would be further discussed at the City Council workshop on July 8th. Canady gave a PowerPoint presentation handout to the

committee and guests and encouraged them all to attend the workshop on July 8th to learn more about the need for this increase.

- Canady stressed that there would be options for the Council to consider and that the SDC's were last evaluated in 2005.
- He mentioned there would also be a public hearing phase before any rate increases were made.
- Member Thomas asked clarifying question regarding when SDC's would be charged and Canady deferred that question to the City planners that were in the audience.
- Member Martin mentioned the unfortunate timing of these increases and discussion followed.
- Canady did mention that the SDC's in the Redwood area would decrease. Currently, the Redwood area has a higher SDC rate than the rest of Grants Pass.
- Member Androy asked a clarifying question of whether there is a cross subsidy happening between SDC's and rate payers that would appear to make SDC a tax on development?
- Canady explained that this increase would be explained in further detail on July 8th and it would address those questions and the consideration of those investment costs.
- Member Thomas asked about incentives and Canady explained that the City does have a new Business Retention and Relocation Assistance Grant in addition to the updated SDC matching Grant Program.
- Chair Bowen then redirected the meeting to the panel of experts. The first question was "Why is multi-unit Housing being built in other places but not Jo Co?"
- Phil Hendrick mentioned that many times it is the local jurisdiction that is the cause but that is not the case in Grants Pass. It mainly involves lack of expertise in addressing affordable housing. It is very complex and boils down to financing. You need to have partnerships and collaboration.
- David Corsi agreed that there was cooperation with the City but SDCs are a hinderance. He also agreed that there was a lack of expertise in the City and feels that the City Council is the one who should take on that responsibility by adding a director position to the City staff. He mentioned several programs that is being done around other counties.
- Chair Bowen asked if that wasn't more the responsibility of the County not the City. Discussion followed about tax credit financing.
- Joann Garcia discussed the current approval for a development in Grants Pass that requires the partnership with the Jo Co Housing Authority. People need to come to the table and build those partnerships. The need is for tax credit financing which is something that only a housing authority can provide.
- Currently, they have the potential to provide 53 housing units to people who currently have no place to live. There are multiple generations living under the same roof because they must. There are homeless children attending school with no permanent housing options.
- Phil Hedrick mentioned that there has not been a funded project in Grants Pass since 2013. Not only is there a competitive process to receive tax credits, there is also the need for project-based vouchers and property tax exemptions to compete.

- David Corsi mentioned that property tax exemption was one of the recommendations to the City Council that has not yet been approved.
- Corsi explain that the State of Oregon recently passed a law that would allow local jurisdictions the right to waive property tax to produce affordable housing. Corsi continued to stress it was the City's responsibility.
- Chair Bowen asked if Medford had an expert and Corsi mentioned in was Jackson County Housing Authority.
- Joann mentioned that there was more 'roundtable collaboration' going on in the City of Medford.
- Hedrick mentioned there are three ways to achieve tax exemption: City or County can adopt an ordinance that states "Affordable Housing" is exempt from property taxes; or, the local housing authority by federal statute can be exempt if they are the "owner" of a project and could not remember the third.
- Member Martin asked how long the exemption was for and Hedrick stated it was an annual renewal which ties back to the owner providing assistance to the residence. This is to show what services are being provided to the residence to offset the property tax exemption. You must give back supportive services to the residents in order to qualify which is then the benefit of all concerned.
- Teresa Santucci confirmed that her organization is the local housing authority for Josephine County and that they do not have a developer on staff but that didn't mean they "couldn't". Because they are a smaller company, it's hard to get the needed expertise. They are not opposed to collaborate with other entities.
- Discussion followed on this topic. Wages in the area came up as a deterrent.
- Living wage jobs and available land is needed to get out of the disproportionate housing crisis.
- Member Androy asked about projects not penciling out and asked the panel why that was happening. Hendrick mentioned that there was a higher percentage down payment for multi-unit affordable housing as opposed to single family housing.
- The key takeaway from all the above discussion was collaboration.
- Density zoning issues and or solutions, capacity, impact of multi housing impacting overcrowded schools (many of the students who are currently attending school do not have homes to go to).
- Not In My Backyard (NIMBY) is a constant resistance for affordable housing.
- Corsi brought up that focusing on senior housing might be the solution to the "nimbism" that would free up more existing housing for low income.
- Takeaway is that long term housing can really improve the lives of people who currently are struggling with permanent housing.
- Habitat for Humanity and Home Bridge (Edgewater Church) are two options for people looking to move forward to stabilize permanence.
- Obstacles to acquire land are location availability and cost. Possibly collaboration of City and County property being used for affordable housing that could be a solution. Location is a consideration for Oregon Housing that they would be assessing.
- There is buildable land that property owners are "holding on to" that could be a solution if they would be willing to sell without inflating the cost.

- Member Engel shared with group the initiative of transitional housing called Foundry Village.
- Sewer and water infrastructure need, and solutions was noted that is one of the reasons to collect SDC (System Development Charges) to help pay for these needs.
- More talk of transitional housing lead to that it is very frustrating and almost impossible to find transitional housing in Grants Pass. OnTrack has 7 of these in Medford and Central Point.
- When land is developed for transitional housing requires very low rent which is not feasible to transitional into the housing cost of Grants Pass.
- OnTrack does own 15 units rehab housing in Grants Pass that they were able to acquire without tax credits with the help of AllCare that they are able to rent out for \$480-\$525 for 1- and 2-bedrooms homes.
- Many of the houses that Ontrack owns came without tax credits.
- Wages in Grants Pass and Josephine County need to increase to get out of some of the problems we are facing.
- It was acknowledged that the local businesses and community need to have a stake in the issues that we face with housing.
- Member Thomas mentioned how hard it is to find employees that can afford housing after they are hired, and many are veterans. Because they are not addicts, or have behavioral health issues, there is no help for them.
- It is possible to have affordable housing without tax credits, it would be employers stepping up with land options to build affordable housing for their employees. Getting the right people at the table. One of the organizations that is at the table right now is CCO's.
- Chair Bowen asked a final question: What are ways Grants Pass and Jo Co can take advantage of the housing solutions going on in Jackson County?
- Hedrick replied that it was simply; that Jackson County is producing more affordable housing because they are making more applications for financing and getting it approved! OHCS would probably provide financing to Grants Pass too if they would apply but that has not been done for over six years.
- Ontrack did submit application for two different sites in Grants Pass to build but they cannot go forward without the partnership of Jo Co Housing Authority. It became a huge point issue.
- It will not happen unless this partnership is achieved. It is crucial that this partnership be developed.
- The partnership that took place six years ago was with the help of Jackson County Housing Authority.
- Councilor Roler mentioned the City PAVE audit and what type of partnership would it be if the City had land to offer.
- Corsi mentioned the fact that the City does have property that would work for 202 type housing.
- Housing and Jobs should be the priority of the City according to Corsi.
- Alex Campbell mentioned Urban Renewal dollars to be used for housing.
- Member Androy wanted clarification on if the subject matter of affordable housing is really an issue, why is it not taking more precedent in the Private and Public Sectors of how to solve it.
- Santucci agreed that everyone needs to "buy in" If there is not places for people to live, there will be no jobs.

- Thomas mentioned they have jobs but no housing for their workers.
- Member Merrill mentioned that it takes an organization to bring partners together and what would be the logical organization to start this.
- Member Houck asked who has the convening power to make that happen.
- Angela Parada from OHCS commended the committee and that the State was working on a way to help build capacity on this issue throughout the state. Rural competes with rural not urban. She spoke about the priority of supporting projects that will make the most impact in the community.
- Chair Bowen asked panel for a wish list of what they would like to see.
- Corsi stated that he does still feel it is in the City's pervue to address the issue and take the lead.
- Heverly wanted to see Josephine County as the easiest place to build affordable housing.
- Hedrick hopes that the City has a real willingness to facilitate when a developer comes in with a site and there are ways to work together to find any barriers that may arise in a development.
- Garcia would like to see tax exemptions on affordable housing.
- Santucci would like to see a homeless shelter.

b. Proposal of new time for regularly scheduled CEDC meetings:

MOTION

Member Engel moved, and Member Merrill seconded the motion to approve the time change for monthly CEDC meetings to start at 3:00 PM. The vote resulted as follows: "AYES": Chair Bowen, Committee Members: Houck, Bland, Engel, Hawkins, Molloy, Martin, Merrill, and Thomas. "NAYS": None. Abstain: None. Absent: Vice Chair Camp, Members Goss, Androy and Shakeri. The motion passed.

- Member Engel wanted to have one last word by stressing if we do not build housing in Grants Pass we will be faced with other problems. The forecast for growth in Grants Pass in next 15 years is 10,000 based on data from PSU. There are many homeless children attending school now. We need to embrace as many pieces of the puzzle being identified in these housing summits and not to fear success.

5. Information Sharing:

- a. Items from Staff
 - none
- b. Items from Council (Grants Pass and Cave Junction)
 - None.
- c. Items from Commissioners
 - None

6. Future Agenda Building for Next Meeting:

- Did not discuss

7. Adjournment:

- Meeting adjourned the meeting at 6:04 pm
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Next scheduled meeting: Monday, August 5, 2019 at 3:00 pm, Courtyard Conference Room

Minutes prepared by Susan Seereiter, City of Grants Pass Staff Liaison.