

Tuesday, April 26, 2022

50-YEAR STAKEHOLDER ADVISORY COMMITTEE METTING MINUTES Meeting at 6:00 pm

This meeting was held in a hybrid format at Scappoose City Hall via Microsoft Teams

Topic

1. Call to order

Chair Kessi: I call this meeting to order at 6:00pm.

6:00 pm

1.1. Roll call

<u>Voting Members Present</u>: Chair Patrick Kessi, Vice Chair Christine Turner, Tyler Miller, Scott Jensen (remote), Kim Holmes, Jeannet Santiago, Yi Hua Rippet (remote), Patricia Turpen, Paul Vogel (remote), Michelle Graham, Jeff Weiss, Jeff Pricher (remote), Jennifer Anderson (remote), Brian Rosenthal

<u>Agency Partners Present:</u> Casey Garrett, Deborah Jacob, Len Waggoner, Andrew Lattanner (remote), Craig Campbell (remote), Nancy Ward (remote), Michael Sykes, Lisa Phipps (remote)

<u>Staff Present:</u> Assistant to the City Manager Isaac Butman, City Planner & Planning Department Supervisor Laurie Oliver Joseph, City Engineer Chris Negelspach, Planning Department Intern N.J. Johnson

Consultants Present: C.J. Doxsee (MIG | APG), Brendan Buckley (Johnson Economics)

Citizens Present: Marisa Jacobs, Paul Fidrych

1.2. Approval of Agenda; April 26, 2022

Patricia Turpen: I move to approve the agenda.

Jeannet Santiago: I second.



Aye votes: Kessi, Turner, Miller, Jensen, Holmes, Santiago, Rippet, Turpen, Vogel, Weiss, Pricher, Anderson, and Rosenthal Nay vote: [None] Abstain: [None] Absent: [None]

1.3. Approval of Minutes; March 15, 2022

Jeff Weiss: I move to approve the minutes from the March 15, 2022 meeting.

Tyler Miller: I second.

Aye votes: Kessi, Turner, Miller, Jensen, Holmes, Santiago, Rippet, Turpen, Vogel, Weiss, Pricher, Anderson, and Rosenthal Nay vote: [None] Abstain: [None] Absent: [None]

1.4. Public comment

N.J. Johnson: We had no public comment submitted.

2. New Business

2.1. Housing Needs Analysis Overview

CJ Doxsee: Thank you for the opportunity to present on the Housing Needs Analysis. Housing Needs Analysis is a planning effort to identify what current housing conditions and needs are and some strategies to respond. The consultant team and City Staff have been working internally on the Housing Needs Analysis. You have the Annual Town Meeting coming up to hear from the broader public on this issue. We will go before the Planning Commission as well to share this document. We will regularly check in with this Committee to ensure that the needs are being met in your eyes. We want to have an adoption-ready document as our end product. The Housing Needs Analysis is a component of the larger 50-Year Plan process.

6:15 pm



2.2. Housing Needs Analysis

Brendan Buckley: We look at demand on one side and then look at land supply. Then we compare them as a next step. I'm going to be talking about housing demand over the next 20 years. This meets the requirements of Statewide Planning Rules Goal #10. Our findings may result in recommendations for policy change. In terms of methodology on the housing needs demand side, we assess current housing situation and compare that to current community demographics (household makeup, household size, housing types, and income). We use a population growth forecast from Portland State University as it is a statutory requirement. We want to then take that baseline and identify the need for types of housing and housing cost for 20 years in the future. 2023 will be our baseline date for this study to match up with the 50-Year Plan, then project to 2043. Housing units grew slower than households so there is a low vacancy rate in Scappoose right now. These estimates are in the city's urban growth boundary, which is different from city limits. In Scappoose, there are approximately 400 people living in the urban growth boundary but not within city limits. We estimate that population will grow by about 2,000 people over the next 20 years.

Christine Turner: So over the last 20 years, we grew 3,000 people or 61% but over the next 20 years, we only expect to grow 1,900. Am I understanding that correct?

Brendan Buckley: We're using the Portland State University population numbers that are required by statute. Portland State University estimated an annual growth rate of 1.3%. The new 2020 Census numbers came out and the Portland State University starting estimate was low and the Census numbers are higher. We are still using the 20 year number that Portland State University provided and that has compressed the growth rate to 1% when Scappoose is actually closer to 2% growth. I provide some alternative growth rates for the City to consider but for the purpose of this document and meeting the statewide planning goals, we need to use the projections from Portland State University.

Laurie Oliver Joseph: Can you explain some things that Portland State University considers when developing population projections?



Brendan Buckley: Portland State University does go to communities and ask what factors might impact growth rates. The arrival of 2020 Census with more accurate numbers is really throwing off numbers. Portland State University has a good program and methodology but as cities get further from the time Census data was last collected, there is going to be natural drop in accuracy. We're in a year where we have 2020 Census data but Portland State University hasn't refined their data with those numbers yet.

Tyler Miller: Is it an OAR that requires us to use Portland State University's numbers?

Brenden Buckley: Yes.

Tyler Miller: Is it logical to look at anything else if we're required by law to use Portland State University's numbers?

Brenden Buckley: You're required to use the Portland State University population forecast numbers as your top line number. The 2043 population prediction of 10,764 is Portland State University's number and you have to use that. It doesn't specify what future household size, age profile, or housing type. There's a lot of further analysis that you have more discretion on.

C.J. Doxsee: I understand that there is some skepticism from the Committee members on the population forecasts. Given that, Brendan has done some alternative projections. What we're doing here is meeting your statewide planning goals. We're producing a basis to support urban growth boundary amendments. Portland State University is going to come back and adjust their numbers in a bit. This type of discussion will be great for Portland State University to hear for their feedback process.

Jeff Pricher: Is there a way for the forecast to be recalibrated or reconsidered? I would argue that the majority of growth from 2000-2020 took place from 2010-2020. The idea that we're only growing 2,000 people in the next 20 years makes me scratch my head as a planner on the public safety side of this.

Kim Holmes: How long has the Portland State University forecast been available?



Brendan Buckley: I do not know exactly. When you did your last housing needs analysis in 2017-2018, the City did not use the Portland State University projections. So I assume it was installed in the last three years or so.

Kim Holmes: Given that, is there a way to go back and evaluate their accuracy to see how reliable these numbers are going forward?

Brendan Buckley: Yes, that would be over a couple years.

Kim Holmes: Given the "OMIC effect" with 1,000 jobs being added and 550 being sustained long term, that isn't captured in the Portland State University model. Are we looking at accommodating student housing?

Laurie Oliver Joseph: Portland State University contacts cities before developing their population forecast. I went to those meetings and submitted comments about OMIC. I don't feel like it made a difference, but I did share local conditions.

Christine Turner: I share Kim's concerns.

Laurie Oliver Joseph: The city attorney, myself, and other planners across the state have concerns about the Portland State University numbers. But until that changes, we have to use their numbers. It's possible that we could use Portland State University's updated numbers before adopting the final 50-Year Plan.

Brian Rosenthal: Is there an opportunity to "juice" the numbers by reducing the persons per household to 2 people, which would show a greater need for housing, which would allow us to expand the urban growth boundary? The urban growth boundary is so important because if we don't have land, we can't build. We should look to expand as much as possible. I'd hate for this community to go from majority homeowners to majority renters. Are these things possible?

Brendan Buckley: Those things are not possible. You want to be able to have very explainable and defendable numbers and methodology.



Michael Sykes: These numbers don't seem to have changed that much since the City last went through this process in 2017-2018. The reason these numbers might be so low is the shortage of buildable land. The urban growth boundary is 40 or 50 acres that are available. There's a really small supply, which leads to small growth rate.

Isaac Butman: [Left the meeting at 6:46pm.]

Jeannet Santiago: In the report, there isn't demographics on race or gender. Wouldn't those be a factor in housing and development?

Brendan Buckley: Sometimes they are included and sometimes they're not.

Jeannet Santiago: I think it is important because there's often a greater need for multifamily housing in the Hispanic community.

Brendan Buckley: That makes sense. We can look at that data.

Paul Vogel: I agree with Michael's point. The amount of buildable land is a significant driver of growth projections. I'm wondering if we could get the Portland State University methodology and the variables they consider.

Brendan Buckley: I agree, and we can look into that. Moving into income, Scappoose incomes have grown healthily and are now greater than the median incomes in Columbia County and Oregon. A lot of folks living in Scappoose commute to work elsewhere, some folks commute to Scappoose to work, but very few live and work in Scappoose. For housing conditions, Scappoose is 69% owners, 31% renters. 93% of owned units have 3 or more bedrooms. 61% of rental units have 2 or fewer bedrooms. The 39% of rental units that have 3 or more bedrooms are likely mostly rented homes. Nearly all owned property is either single family detached (88%) or manufactured homes (11%). There's more variety with rental units. 42% of rentals are in large apartment complexes and the rest are scattered around the community in different types. Most of the housing stock has been built since the 1990s. Rental stock is a bit older than housing stock, which indicates that older homes have filtered out of the



ownership market and into the rental market. A common metric of affordability is household spending lower than 30% on housing. As you'd expect, households earning more in annual income have housing costs that are less of a relative stress.

Christine Turner: Do these numbers include people on housing vouchers?

Brendan Buckley: No, because folks on housing vouchers and public housing have rent levels set because users should never spend more than 30% of their income on rent. Moving on with affordability, 3% of units in Scappoose are affordable to those earning less than \$15,000 annually. In the same pattern, 8% for \$15,000 to \$24,999; 8% for \$25,000 to \$34,999, 14% for \$35,000 to \$49,999, 30% for \$50,000 to \$74,999, 16% for \$75,000 to \$99,999, 12% for \$100,000 to \$124,999, 5% for \$125,000 to \$149,999, 3% for \$150,000 to \$199,999, and 1% for \$200,000 or greater. As of the last 12 months, the median home sale price is \$435,000, 73% of sales are greater than \$400,000, and 4% of sales are less than \$300,000. Estimating the total housing units needed, we have found that 575 single family homes are needed by 2043. Furthermore, 73 townhomes, 89 2-4 unit units, 213 5 or more unit units, and 91 manufactured homes. If we use the alternative growth rates, 1% annual growth rate projects a population of 10,764 by 2043, 1.3% projects 11,402, and 1.8% projects 12,564.

2.3. Housing Needs Analysis Discussion

Len Waggoner: Two questions: 1) How many housing units are approved to be in construction this year? 2) How many are in the planning process to be developed in 2023?

Laurie Oliver Joseph: When we did the buildable lands inventory, we took out parcels being developed right now. We have 80 apartment units under development right now, 9 building permits for single family residential. Easily 100 units in 2022. Probably about 50 in 2023. These are estimations.

Len Waggoner: We can tell that market forces are saying we want to build and live in Scappoose. In the last 10 years, we're seeing more multifamily units. Do we have to take property out of other zones to satisfy the State's housing requirements? Are those the options we're dealing with?



Brendan Buckley: When we get to the comparison of need vs. demand, we'll compare how well they match. That can vary by zone. You might have enough room for the 1,000 units but they may be in the wrong zone. If there is a mismatch, then these are the things you might do. One option is re-zoning, but your economic opportunities analysis will likely tell you that you need that commercial land.

Michelle Graham: [Left the meeting at 7:00pm]

Paul Fidrych: With the state mandated fourplexes, does that mean we have plenty of land because we have houses here that are \$300,000 that could become fourplexes through the state process?

Brendan Buckley: We don't know what the effect of those new rules will be. We have tried to forecast for the City of Portland when it would become economically viable to redevelop properties to become fourplexes. Our conclusion was that it was more modest than you might think. With these new rules, we have been told that we can't assume that more than 3% of single-family homes will develop into more units.

Michael Sykes: I think that only applies to communities greater than 10,000 people so we're exempt.

Laurie Oliver Joseph: Or communities in Metro.

Brendan Buckley: Yeah, exactly. That's something you might look at over the 20 year period since your numbers are saying that you'll grow faster than Portland State University's numbers.

Jeff Weiss: What stands out to me is the amount of people commuting into Scappoose as well as that 50% of renters find their housing unaffordable. Looking at the projection of needed property units, how is affordability addressed since there are not a lot of projected rental units?



Brendan Buckley: Part of this process estimates income levels of your community in 20 years. Then we can look at affordability levels of certain types of households. However, there's nothing that an agency can really do to control prices. Even if you need more homes to sell for \$300,000, there's nothing you can do to dictate the market.

2.4. Buildable Land Inventory

C.J. Doxsee: The buildable lands inventory looks at the supply side. We start at all land in the urban growth boundary and remove parts that aren't applicable, then get a net buildable acres amount. We then remove employment, institutional, and park lands. That leaves us with residential lands, residentially zoned lands, and commercial zone lands. Within that, we then remove public facilities like schools or libraries from residential zones. We then identify and remove lots that have environmental constraints such as floodplains or slopes. We then deduct for infrastructure needs. Then we finish with our net buildable acres. When we classify land, we distinguish residential lands by whether they are inside of city limits or inside of the urban growth boundary but outside of city limits. With Scappoose in particular, we include commercial zones as part of the buildable supply because it is allowed in the Scappoose Development Code, and we have seen recent development in those areas. We then assess development status by land that is vacant, partially vacant, committed, or developed. Moving to development capacity, we used a dwelling unit per acre assumption and tied that to the minimum lot sizes for each zone. Even though we assume that there can be 15 dwelling units per acre in commercial zones, we recognize that most development in these zones will not be used for residential so we make the assumption that 40% will be residential and 60% will be commercial. We make these assumptions based on the previous housing needs analysis in 2017-18, the policy changes that resulted from that, and recent development trends. We created a system of deducting right-of-way from vacant lots and scaled it by the size of lots. Smaller lots aren't going to warrant deductions but if you build a subdivision, you're going to have streets and such so we wanted to account for the land that takes up. As a result of all of this, we have 244.86 acres of buildable land. Of that, 63.25 acres are vacant and 181.61 acres are partially vacant. There is also a good split between inside city limits vs. in the urban growth boundary but outside of city limits. This means that there is the capacity to build 1,236 units in the city and the urban growth boundary.



2.5. Buildable Land Inventory Discussion

Brian Rosenthal: It looks like we're not going to need an urban growth boundary expansion and so I would propose putting a pause on this plan until the new Portland State University numbers come out. Because what's the point of adopting a plan that doesn't allow us to get more land? I want to emphasize that growth comes from availability of land. In 20 years, they'll say that we don't have any more growth and it will be because we don't have the land. The other thing is that more land allows us to build more and henceforth, the more affordable the housing is.

Kim Holmes: I would encourage the Committee to look at what's been identified as environmental constraints as our assets. Instead of building as close to them as possible, let's look at this as an opportunity to protect those lands. My question is that the 2017-2018 housing needs analysis looks at how much land is needed for specific types of development like churches and parks. Where is that in this analysis?

Laurie Oliver Joseph: That will be covered later in the project when ECONorthwest completes the economic opportunities analysis. Really what this seeks to do is establish urban reserves. Cities always need to maintain the capacity to grow and so if this study shows that our current urban growth boundary is insufficient, that can be a justification for expanding the urban growth boundary. It is concerning that 3/4 of buildable land is partially vacant because it's harder to develop. By doing this, we can also look at doing an urban growth boundary swap. There are areas that are harder to serve because it might not make sense to bring utilities out there, so we could swap that land with land that is easier to serve. We will jump into the urban growth boundary expansion analysis after the housing needs analysis and the economic opportunities analysis are completed. I think it's worth the Committee's time to consider pausing this work until the new numbers come out.

Patricia Turpen: There is a low vacancy rate of 3.3%. We seem to be short of houses in certain areas. I'm getting tired of every week someone trying to buy my house. We might be short on that type of house.



Len Waggoner: Laurie, what happens with the process of urban reserves in relationship with the County?

Laurie Oliver Joseph: It would have to be in conjunction with the County because the County would be developing new regulations on that reserve land, affecting the developability of that land while it's still in the jurisdiction of the County.

Len Waggoner: This was a real problem when I did a project in Madras.

Patrick Kessi: We need 1,040 new units and we have the building capacity for 1,236 units.

Michael Sykes: Do you have a map we could see?

C.J. Doxsee: Yeah. In the southwest and central west areas, there's a bit of vacant and partially vacant lots, some in city limits and some just outside. In the northeast, there's a lot of floodplain constraints. A good amount of partially vacant land is coming from the east, many are good size.

Jeannet Santiago: Can the outline be moved outside the urban growth boundary because we need more land?

C.J. Doxsee: We kept our study to inside the urban growth boundary because if we went beyond that, it would give the impression that you have more buildable lands. We keep it within these limits because later on, we do an urban growth boundary expansion analysis.

Jeannet Santiago: Laurie, would that be difficult to do?

Laurie Oliver Joseph: It's just part of the process. We don't have enough A-1 high density zoned land and that's why commercial land gets developed instead. Those will be policy decisions that fall under the housing strategies you will look at later. I do think that it makes sense to re-zone.



Brian Rosenthal: If we increase the density of land we already have, that will reduce the amount of acreage we need, which will cause even more of a problem. I would suggest that the move is to go with larger plot sizes. If we did that, could we later change land to make it a higher density? If you have a higher density, you're going to need less land. We would defeat our purpose of trying to expand the urban growth boundary.

Laurie Oliver Joseph: My hope in re-zoning is to get high density areas where we want it, rather than scattering them around.

Brian Rosenthal: Do the numbers assume that the ratio between homes and apartments will remain what it is today?

C.J. Doxsee: We don't look at unit types in buildable lands inventory. We strictly look at the zone that's there and make assumptions based on the number of units that are already there.

Kim Holmes: Was FEMA reassessing the flood risk for portions of east Scappoose given the conditions of the dike? Does this impact the land that was determined to be partially vacant?

Laurie Oliver Joseph: That would have a very small impact since the majority of that land was outside of the urban growth boundary or employment land east of the airport. Since it's not the effective map, we can't use it officially.

Kim Holmes: If that changed, does that impact the developability or desirability of that land?

Laurie Oliver Joseph: Yes.

Kim Holmes: Should we wait until that is completed?

Laurie Oliver Joseph: I would not recommend that because it would have a minimal impact. And it's also important to remember that this is a snapshot and as such, there are always going to be things that are in-process that we could wait on.



Jeff Weiss: Does the urban growth boundary prevent development of a subdivision outside of Scappoose or St. Helens?

Laurie Oliver Joseph: Essentially but there are some developments in the unincorporated Columbia County. They have limits on density because they don't have access to City water, for instance.

Michael Sykes: The challenge of land outside the city is that people have to annex into the city in order to have city services. But if someone further from the city limits wants to come in but the land isn't contiguous because the people before them don't want to annex in, that makes it really hard to develop there. Given that, I really think we have a shortage.

Paul Fidrych: I want to point out that with a constant 1,500 step increase in population, the growth percentage is going to decrease because we're getting bigger.

Michael Sykes: Back in 1985, Columbia County adopted their comprehensive plan and the cities had to as well. The County nor the City of Scappoose wanted to develop a plan but the State of Oregon mandated them to. You can tell that the plans were put together in such a hurry just to meet the mandate. I think we're all here today to correct those actions.

Deborah Jacob: I agree with Michael. Your urban area is open but there are challenges in providing services to these areas. That needs to be considered in the way of master plans for water and sewer expansion. That's gotta be part of the plan. Get those services there.

Patrick Kessi: Wonderful discussion. Michael is right that it's not just about housing but it's about services, economic needs, and the whole plan. Smart growth has gotta be comprehensive growth.

Tyler Miller: What exactly is the effect of the 1% we have to use?



C.J. Doxsee: It's most connected to the urban growth boundary and the potential to expand it. You're not limited to addressing housing affordability. If the urban growth boundary expansion is unattainable at this time, we can still provide the housing needs for everyone in your community. The analysis and data we use are prescriptive. There is a little flexibility in the assumptions we can make. We do have an opportunity to address our needs now and in the future.

Tyler Miller: I don't want what Brian said to be ignored. When he talked about pausing the work, I saw a lot of head nods. If that's how we feel, we need to present this to City Council and see how they feel about it.

Brian Rosenthal: To clarify my stance, I want to pause the adoption of the plan but I don't want to pause the work. I'm sure we have already paid consulting fees and have contracts underway. I'd like to wait to get the new Portland State University numbers before adopting it. That allows us to go back and revise.

Tyler Miller: Thanks for clarifying. I think given that, we need to look at our schedule and decide if it needs to be adjusted.

Patrick Kessi: Laurie, what are your thoughts on that?

Laurie Oliver Joseph: We aren't planning to adopt this plan until June 2024 so we have time before the new Portland State University numbers come out. That could work but we'd need to track those numbers when they come out and decide if there's a significant enough change to go back and redo the work. I would also let you know that you could write a letter to Portland State University as a Committee to tell them that you don't agree with their numbers and include some things they may be overlooking.

Marisa Jacobs: Given Laurie is moving onto a new opportunity, who will be spearheading this project for the City?

Laurie Oliver Joseph: I will be moving on from the City; May 11th will be my last day. The City will be contracting with an interim planner who will spearhead this process. The City will advertise for the planning department supervisor position within three weeks



or so. In the future, you will be asked to look at visioning elements of the project including recapping the Annual Town Meeting and reviewing the draft vision statement. The heavy lift will be the economic opportunities analysis, which will require a planner's review.

Patrick Kessi: Thank you, Laurie. I really appreciate everything Laurie has done for the City. Very smart, very hard work ethic, and well-respected by everyone she works with. You have been an awesome asset to the City.

Laurie Oliver Joseph: Thank you very much.

3. Announcements

7:55 pm

3.1. Next meetings

- Tuesday May 17, 2022 at 6:00pm
- Tuesday May 31, 2022 at 6:00pm
- Tuesday July 19, 2022 at 6:00pm

Brian Rosenthal: With Laurie leaving and the City having a hole in planning, it might make sense to hold off from some of our future meetings. If our choice is wait a little at the end or wait a little bit now, let's wait a little bit now to do this right.

Patrick Kessi: Laurie, what do you think about that?

Laurie Oliver Joseph: We thought of this with our consultant team and decided that we would stick with the project as planned because it's very difficult to coordinate meeting dates. That being said, it's the Committee's decision. I will say that the next meeting on May 17th is going to be recapping the Annual Town Meeting, surveys, and community conversations. I think you're very safe to keep this meeting. The May 31st meeting might need a planner on board. C.J.?

C.J. Doxsee: Our contract goes to the end of the year. With the original schedule, we were planning to wrap up in October so that gives us some time. My inclination is to do it now while it's fresh in people's mind but it's up to the Committee.



Patrick Kessi: From what I'm hearing, it sounds like we want a city planner to work with us on the 50-Year Plan. I think it makes sense to freeze the upcoming meetings. We should talk to City Manager Rains about the contract implications.

Brian Rosenthal: It sounds like we need to talk to our city manager to understand the hiring timeline. I move to proceed with the May 17th meeting, cancel the May 31th meeting, and reschedule once we talk to the city manager and other impacted parties.

Christine Turner: I second.

Aye votes: Kessi, Turner, Miller, Jensen, Holmes, Rippet, Turpen, Vogel, Weiss, Pricher, Anderson, and Rosenthal Nay vote: Santiago Abstain: [None] Absent: Graham

3.2. Upcoming events

• Annual Town Meeting, April 30, 2022

Patrick Kessi: The Annual Town Meeting is coming up this Saturday April 30th. I hope everyone can attend.

3.3. Reminders

- Community conversations
- Online survey

4. Adjournment

Chair Kessi: I adjourn this meeting at 8:15pm.