



**GOLD BEACH URBAN RENEWAL  
AGENCY AGENDA  
March 4, 2019, 6:30PM**

*Regular Meeting*  
CITY COUNCIL CHAMBERS, CITY HALL  
29592 ELLENSBURG AVE  
GOLD BEACH OR 97444

**PRIOR TO THE REGULAR URA MEETING,  
THE AGENCY WILL MEET IN EXECUTIVE SESSION AT 6PM.**

AT THE BEGINNING OF THE EXECUTIVE SESSION, THE CHAIR OF THE URA SHALL READ THE FOLLOWING STATEMENTS INTO THE RECORD:

**The City of Gold Beach City Council acting as the URBAN RENEWAL AGENCY will now meet in executive session pursuant to ORS 192.660 (2)(f) To consider information or records that are exempt by law from public inspection, including written advice from our attorney.**

**Credentialed representatives of the news media and designated staff shall be allowed to attend the executive session. All other members of the audience are asked to leave the room. Representatives of the news media are specifically directed not to report or disclose any of the discussions during the executive session, except to state the general subject of the session previously announced. No decision may be made in executive session. At the end of the executive session, we will return to open session and welcome the audience back into the council chambers.**

**1. Roll Call:**

<b>MEMBERS &amp; Staff</b>	<b>Present</b>	<b>Absent</b>
CP 1 Summer Matteson		
CP 2 Larry Brennan		
CP 3 Anthony Pagano		
CP 4 Becky Campbell		
<b>CP 5 Tamie Kaufman CHAIR</b>		
AP 1 Vacant		
AP 2 Vacant		
AP 3 Vacant		

*The City of Gold Beach is dedicated to enhancing quality of life, while promoting health, safety, and welfare of our citizens, businesses, and visitors in the most fiscally responsible manner. In doing this, the City will respect the past, respond to current concerns, and plan for the future, while maintaining environmental sensitivity in our beach oriented community*

AP 4 Vacant		
Mayor Karl Popoff		
Administrator Jodi Fritts		
Elaine Howard, UR Plan Consultant		

- 2. Items to be discussed with members and Ms. Howard:**
  - a. Review proposed Housing Amendment
  - b. After review, possible adoption Resolution GBURA R1819-01 amending the Urban Renewal Plan
  - c. Urban Renewal Projects Priorities
  
- 3. Review and discuss items from Chair Kaufman**
  - a. Proposed definition of Workforce Housing
  - b. proposed GBMS grant support letter
  
- 4. Schedule next meeting date(s)**  
*To be announced at the end of the meeting*
  
- 5. Adjourn Time: \_\_\_\_\_**

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# GOLD BEACH URA AGENDA REPORT

URA Meeting Date: March 4, 2019

## **TITLE: Proposed Housing Project Amendment**

### **SUMMARY AND BACKGROUND:**

The URA met on January 7<sup>th</sup>, January 14<sup>th</sup>, and February 4<sup>th</sup> to discuss possible revisions to the current plan to include a Housing/Affordable Housing projects component and to update the TIF projections in the plan (due to delay in initial collections).

Following the February 4<sup>th</sup> meeting, our consultant, Elaine Howard has put together a proposed amendment for the Housing Project. Chair Kaufman has a few proposed changes.

### **REQUESTED ACTION/MOTION**

Review and discuss the proposed amendment and determine whether to make changes or adopt by resolution

### **REPORT ATTACHMENTS**

- Proposed Housing Project amendment to the UR Plan
- Proposed resolution for adoption of amendment

**END**

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### **REPRINT OF MARCH 4<sup>th</sup> REPORT FOR REFERENCE:**

The URA met on January 7<sup>th</sup> and again on January 14<sup>th</sup> to discuss possible revisions to the current plan to include a Housing/Affordable Housing projects component and to update the TIF projections in the plan (due to delay in initial collections).

The consultants have made draft revisions to the projections which are attached. They also provided the following comments for discussion and feedback from the agency:

#### **A few key findings and places where we'll specifically want your input:**

- Actual Assessed Value (AV) For the URA for FYE 2019 is substantially lower than what the original forecast projected for this year. It would appear the average annual growth rate since the URA was formed in FYE 2013 has been less than 1.5% per year, whereas it was originally forecast to start off that low, but increase over time to over 4.0% per year by now. In any case,



## GOLD BEACH URA AGENDA REPORT

the AV of the area is about \$9M less than originally forecast, resulting in TIF revenue significantly less than originally forecast.

- We estimate \$43,000 in net TIF revenue this year, after adjustments for discounts and delinquencies.
- The City's budget assumed \$91,000 in TIF revenue this year. Due to the discrepancy, the URA will not be able to afford all of the budgeted expenditures for FYE 2019. In the attached finance plan, we accomplished this by cutting a portion of the funding for Streetscape Improvements in the current fiscal year and pushing it to next year. You will likely have more specific ideas on how to adjust planned FYE 2019 expenditures to reflect the lower amount of TIF, and we can make whatever changes you request.
- The original finance plan showed TIF collection through FYE 2039. Due to the lower revenue forecast, the URA is not anticipated to achieve its full maximum indebtedness until FYE 2046. We have updated the finance plan accordingly, but if the City wants to stick to the original estimated timeframe, we can do so, but it will result in a number of projects being left unfunded.
- Note that the City's instructions for how much to spend on administrative costs only extended for a 10-15 year period. That means that for a long period of time in the later years of the URA, this finance plan assumes zero administrative costs. That seems unreasonable, and I suspect we should extend those admin expenses for the duration of the forecast.
- In terms of the timing of projects, we went sequentially, funding each project in its entirety, before moving to the next one on the list. This results in some projects that receive no funding for a long period of time. I suspect when you see the details of these financial results on the finance plan tab, you'll have suggested changes to shift some funding for projects up the timeline (resulting in funding for others needing to shift later in time).
- After funding all projects as planned, there is approximately \$190,000 of remaining financial capacity within the approved maximum indebtedness. Though that could easily be consumed if we extend admin costs for the extended duration of the finance plan.

~\*~\*~

### **REPRINT OF JANUARY 14<sup>TH</sup> REPORT FOR REFERENCE:**

The URA met on January 7th to discuss possible revisions to the current plan to include a Housing/Affordable Housing projects component. After discussion with the URA consultant, Elaine Howard, the URA voted to move forward with amending the plan. Ms. Howard provided the attached memo for discussion during the meeting. Ms. Howard recommended that the URA review the current Estimated Cost of Projects contained in Table 10 or the UR plan report to reallocate adopted projects



## GOLD BEACH URA AGENDA REPORT

funding costs. Subsequent to the January 7th meeting, Councilor Kaufman (URA Chair) prepared a proposed amendment narrative and projects funds reallocation which is also attached to this report.

### **REPRINT OF JANUARY 7<sup>TH</sup> REPORT FOR REFERENCE:**

The current UR Plan was adopted in June of 2013. UR projects were identified in the plan under the following general types:

- Streetscape Improvements
- Property Assistance/Redevelopment Opportunity Program
- Signage
- Port/Airport Way Bike-Pedestrian Improvements
- Attractive Public Parking
- Community/Tourist Attraction Facilities, including:
  - Improvements at Fairgrounds
  - Library Community Center
  - Family Entertainment/Recreation Project
  - Performing Arts Facility
  - Pocket Parks
- Property Acquisition
- Small Business/Restaurant Program
- Sidewalk Program
- Administration

The UR Agency wanted to discuss the possibility of adding a Housing/Low Income Housing component to the current plan by way of a plan revision. Additionally, possible revision of the Administration portion of the plan to include increased professional administrative and/or legal services.

Our UR plan consultant, Elaine Howard, will be present via telephone or video call to advise the URA on plan revisions and how to proceed. A copy of the adopted Urban Renewal Plan and accompanying report are attached to this staff report for reference.

Chair Kaufman's Comments/Suggestions:

~~Strikethrough~~ delete

Yellow Highlight add

## EXHIBIT A

### Amendment 2 - Gold Beach Urban Renewal Plan

The Gold Beach Urban Renewal Plan is amended as follows:

Additions are shown in italics

## II. GOALS AND OBJECTIVES

### *5. Housing*

*Promote the role of the Gold Beach Urban Renewal Area in diversifying the supply of housing in Gold Beach and strengthen the Area's role as a residential neighborhood. Preserve and promote a livable community, better utilizing commercial, mixed use and residential lands. Accommodate the need for development of long-term housing (rental and ownership) at ~~affordable and other~~ **all** income levels to strengthen the Area.*

#### Objectives:

- 1. Develop programs and incentives to encourage the development of Housing in the Area.*
- 2. Work with property owners and/or non-profits to promote development and redevelopment of properties within the Area. Provide publicly funded programs for improvement of properties.*
- 3. Acquire property to facilitate the development of housing in the Area.*
- 4. Assist in the financing and provision of transportation and infrastructure improvements to support the development of housing in the Area.*
- 5. Provide sufficient parking to support development of housing in the Area.*
- 6. Because this is tax increment financing, property tax free projects are not eligible.*

## III. OUTLINE OF MAJOR URBAN RENEWAL PROJECT ACTIVITIES

### *5. Housing Assistance*

*Assist in the development of housing, including ~~affordable~~ **work force** housing, in the Area.*

#### IV. URBAN RENEWAL PROJECTS

Housing Assistance: Assist in the development of housing, including affordable work force housing, in the Area.

#### X. RELATIONSHIP TO LOCAL OBJECTIVES

##### *Goal 10: Housing*

*To develop a variety of adequate, quality housing and rental units.*

##### *Policies*

- a) To encourage maximum usage of the land within the City.*
- b) To encourage a variety of residential lot sizes, diversity of housing types and a range in housing prices.*
- c) To encourage the rehabilitation of substandard housing.*
- d) To encourage the development of rental units in all price ranges.*

*The Plan conforms to Goal 10 by encouraging development that will provide housing opportunities for the citizens of Gold Beach.*

**RESOLUTION GBURA R1819-01**

**A RESOLUTION BY THE GOLD BEACH URBAN RENEWAL AGENCY AMENDING THE GOLD BEACH URBAN RENEWAL PLAN TO ADD A PROJECT AND UPDATE THE PLAN TO REFLECT THE ADDED PROJECT**

**WHEREAS:** The City of Gold Beach established an urban renewal agency in 2010, said Agency currently being comprised of the members of the Gold Beach City Council and named the Gold Beach Urban Renewal Agency (Agency); and

**WHEREAS:** The City Council adopted an urban renewal district and plan named the Gold Beach Urban Renewal Plan (Plan) on June 10<sup>th</sup>, 2013; and

**WHEREAS:** The Plan was amended on May 11<sup>th</sup>, 2015 by Amendment 1 to bring the boundary into compliance with ORS 457.420(2)(b)A); and

**WHEREAS:** The Agency desires to add a project for Housing Assistance to the Plan, to update other components of the Plan to reflect the added project.

AMENDING PLAN

**NOW THEREFORE, BE IT RESOLVED:** The City of Gold Beach Urban Renewal Agency adopts Amendment 2 to the Gold Beach Urban Renewal Plan. A copy of the amendment is attached to this resolution as EXHIBIT A.

**PASSED BY THE GOLD BEACH URBAN RENEWAL AGENCY, COUITY OF CURRY STATE OF OREGON, and EFFECTIVE THIS 4<sup>th</sup> DAY OF MARCH, 2019.**

APPROVED BY:

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Tamie Kaufman, GBURA Chair

ATTEST:

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Jodi Fritts, City Administrator/City Recorder



# GOLD BEACH URA AGENDA REPORT

URA Meeting Date: March 4, 2019

## **TITLE: Adopted UR Projects Member Priority Lists**

### **SUMMARY AND BACKGROUND:**

#### **PRIORITIZATION OF ADOPTED PROJECTS IN THE PLAN FROM CHAIR KAUFMAN**

Here are the ten listed items in the Urban Renewal Plan. At the last meeting we were tasked with prioritizing the list of projects to discuss together. I suggest at least top three with 1 being highest. You can rank them all, but at least the top three would help determine what we want to work on first and will help with the discussion in a couple weeks. *(Staff Note: Councilor Kaufman had requested I send this out not long after our February 4th meeting and that didn't happen)*

#### ***ADOPTED PROJECTS IN THE PLAN FOR EACH MEMBER TO PRIORITIZE***

- Streetscape Improvements
- Property Assistance
- Signage
- Port/Airport Way Bike-Pedestrian Improvements
- Public Parking
- Community/Tourist Attraction Facilities
- Housing
- Property Acquisition
- Small Business/Restaurant
- Sidewalk Program

#### **CHAIR KAUFMAN'S PRIORITY LIST:**

1. Housing
2. Property Acquisition
3. Property Assistance
4. Streetscape Improvements
5. Port/Airport Way Bike-Pedestrian Improvements
6. Signage
7. Sidewalk Program
8. Community/Tourist Attraction Facilities
9. Public Parking
10. Small Business/Restaurant



## **GOLD BEACH URA AGENDA REPORT**

### **REQUESTED ACTION/MOTION**

Review and discuss each member's priority list and determine URA overall priority list.

**END**



## **GOLD BEACH URA AGENDA REPORT**

**URA Meeting Date: March 4, 2019**

### **TITLE: Proposed Workforce Housing Definition**

#### **SUMMARY AND BACKGROUND:**

Chair Kaufman has developed a proposed definition of Workforce Housing to be reviewed by the URA.

#### **REQUESTED ACTION/MOTION**

Review and discuss the proposed definition and determine whether to adopt as an URA definition

#### **REPORT ATTACHMENTS**

- Chair Kaufman's discussion of proposed Workforce Housing definition
- Information regarding Workforce Housing, *source: National Association of Realtors*
- Oregon Housing and Community Services income limits charts

### **TITLE: Review of GBMS grant support letter**

#### **SUMMARY AND BACKGROUND:**

Gold Beach Main Street is applying for a revitalization/preservation grant to the State Main Street program on behalf of two property owners: Ace Hardware and the former Gold Beach Auto Electric building (*now the "Black Building" located across from Oregon Trail Lodge by the Courthouse*)

#### **REQUESTED ACTION/MOTION**

Review proposed support letter

#### **REPORT ATTACHMENTS**

- Chair Kaufman's grant support letter

**END**

## INFORMATION FROM COUNCILOR KAUFMAN REGARDING WORKFORCE HOUSING DEFINITION

I was thinking about Workforce Housing and thought maybe a definition would be good?

This was found:

[https://www.nar.realtor/home\\_from\\_work.nsf/files/PG%20Module%201.pdf/\\$FILE/PG%20Module%201.pdf](https://www.nar.realtor/home_from_work.nsf/files/PG%20Module%201.pdf/$FILE/PG%20Module%201.pdf)

*(NOTE: A copy of this PDF has been provided in the packet)*

What Is Workforce Housing?

Workforce housing is housing that is affordable to workers and close to their jobs. It is homeownership, as well as rental housing, that can be reasonably afforded by a moderate to middle income, critical workforce and located in acceptable proximity to workforce centers.

The most common definition of workforce housing comes from the Urban Land Institute, which defines workforce housing as: "housing that is affordable to households earning 60 to 120 percent of the area median income." It has also been defined as affordable if the housing costs are no more than 30-40 percent of income. There are other variations of this definition. Some communities use 80 percent of area median income as the lower threshold, and some communities, particularly higher cost places, use a higher percentage, such as 140 percent of area median income as the upper threshold.

Workforce housing was thought of as housing for public employees – teachers, police officers, firefighters, and others who are integral to a community, yet who often cannot afford to live in the communities they serve. However, workforce housing also includes housing for young professionals, workers in the construction trades, retail salespeople, office workers and service workers.

Councilor Kaufman's suggested definition: *Workforce Housing is defined as rental and sales of housing that is affordable to households earning 60 to 140 percent of the area median income (AMI). AMI is determined by the Oregon Housing and Community Services using their table for "actual income limits" for the year available on the date of the Urban Renewal Application. Affordable is further defined to be no more than 33% of income to rent and 33% of income to mortgage cost with a 20% down payment.*

Reference: <https://www.oregon.gov/ohcs/APMD/HPM/docs/2018/Curry-County-2018-Rent-Income-Limits.pdf>

*(NOTE: A copy of this PDF has been provided in the packet)*

## Module 1

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# Workforce Housing Overview



Slide 1

**Employer-Assisted Housing**

Unlock a New Market



Slide 2

**Learning Outcomes**

At the conclusion of the class, you should be able to:

- Describe and discuss workforce housing issues and employer-assisted housing (EAH)
- Describe and discuss the benefits of implementing an EAH program and the key types of EAH benefits employers can offer
- Conduct research to find information about your community and existing programs
- Create a team (including (but not limited to) counselors, lenders, and workshop providers)
- Identify and meet with employers to discuss the design and implementation of an EAH benefit, including education, counseling, and/or financial assistance



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Slide 3

**Class Overview**

- Module 1: Workforce Housing Overview
- Module 2: EAH as a Workforce Housing Solution
- Module 3: Types of EAH Benefits & Plan Implementation
- Module 4: Action Plan



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Slide 4

**Module 1: Workforce Housing Overview**



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## Module 1: Learning Outcomes

At the conclusion of this module, you should be able to:

- Define workforce housing;
- Identify workforce housing challenges, trends and barriers to homeownership;
- Identify some workforce housing solutions.

## What Is Workforce Housing?

Workforce housing is housing that is affordable to workers and close to their jobs. It is homeownership, as well as rental housing, that can be reasonably afforded by a moderate to middle income, critical workforce and located in acceptable proximity to workforce centers.

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Workforce housing was thought of as housing for public employees – teachers, police officers, firefighters, and others who are integral to a community, yet who often cannot afford to live in the communities they serve. However, workforce housing also includes housing for young professionals, workers in the construction trades, retail salespeople, office workers and service workers.

### Slide 5

Module 1: Learning Outcomes

At the conclusion of this module, you should be able to describe and discuss:

- the definition of workforce housing;
- workforce housing trends, challenges, and barriers to homeownership; and
- workforce housing solutions.



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### Slide 6

What is workforce housing?

- Housing near employment centers or accessible transit
- Affordable
  - 60-120% of the area median income
  - 30% of income for housing
  - Variations for each community



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## Slide 7



Workforce housing can be thought of as housing that is affordable to the moderate and middle-income residents of a community.

## Workforce Housing Trends

Let's start off with a brief overview of the housing and economic trends affecting the housing market in the U.S.

Although foreclosures are not a new phenomenon, the scope and scale of foreclosure filings in 2008, 2009, and 2010 far surpass anything seen before. The REALTORS® Confidence Index reports that total distressed property sales (foreclosures plus short sales) trended upward to 37 percent of total sales in January 2011.

On top of "traditional" causes of foreclosure (job loss, medical emergencies, and other financial setbacks), several factors have converged to drive the current crisis, including falling home prices; lack of strong economic incentives to provide affordable loans; poor or fraudulent underwriting; fraud; and bad decisions by purchasers and investors. You can read more about the foreclosure crisis root causes on the Foreclosure-Response.org website at [http://www.foreclosure-response.org/getting\\_started/why.html#What+are+the+root+causes+of+this+foreclosure+crisis%3F](http://www.foreclosure-response.org/getting_started/why.html#What+are+the+root+causes+of+this+foreclosure+crisis%3F). To see the latest data from NAR on foreclosures, go to Realtor.org at [www.realtor.org/research](http://www.realtor.org/research).

Housing prices, which had risen rapidly prior to the recession, have fallen in many markets and are near the levels of 2002 and 2003. According to NAR research, the median home price was \$168,800 at the end of 2010, down from \$198,100 at the end of 2008.

Although home prices may be decreasing, other costs related to owning a home are increasing. According to the Center for Housing Policy's "Stretched Thin" report, many costs for the typical family are rising faster than incomes. In the decade between 1996 and 2006, transportation costs increased 33.3%, the homeowner's utility bill increased 43.3%, insurance went up 82%, and property taxes increased 65.8%, while incomes rose only 36.3%.

As transportation costs rise, it is becoming increasingly difficult to make the economic case for “driving until you qualify” because these increased costs consume much of the home price savings. While homes in urban and exurban areas may appear less expensive, rising transportation have added to the overall financial burden of families moving to these communities. According to NAR’s 2010 Profile of Home Buyers and Sellers, “Commuting costs and environmental efficiency have increasingly factored into home buying decisions due to higher energy costs. Commuting costs were at least ‘somewhat’ important to 76 percent of home buyers.”

Policymakers and others are also increasingly recognizing that transportation costs have a significant impact on a household’s total costs. That longer drive to reach a lower-cost home often results in a significant housing and transportation cost burden. An Urban Land Institute (ULI) report (<http://commerce.uli.org/misc/BeltwayBurden.pdf>) of the Washington, D.C., area found that the combined costs of housing and transportation represent almost 47 percent of the median household income in the area. Findings such as these indicate how critical it is to consider proximity to work when determining housing affordability.

ULI is an excellent resource for additional information on how the combined burden of housing and transportation costs affects homeowners. Many of the ULI reports are available online at [www.uli.org/Research-AndPublications/Reports.aspx](http://www.uli.org/Research-AndPublications/Reports.aspx)

Sprawl is another trend. It has steadily increased since the 1970s as many working families have left the urban core and traveled outward to find a neighborhood they could afford. Sprawl entails significant investment in public infrastructure and also destroys open space and agriculture lands. Communities must decide whether the infrastructure investment, increased traffic congestion, loss of open space, and air and water pollution are worth it.

*For all the implications of 'sprawl'— from job loss and economic decline, to alarming obesity, asthma rates and segregation, to the loss of habitat and global warming, to our dangerous dependence on foreign oil – all of them are driven by one fundamental problem: the mismatch between where we live and where we work.*

- Shaun Donovan, Secretary, Housing and Urban Development (HUD), February 2010

Additionally, land use and regulatory barriers have restricted the development of lower- priced homes in many communities, and much of the new development is taking place in areas both suburban and exurban – newly developed areas beyond the suburbs – both of which are far from city centers and the jobs available there.

The physical layout of your community may affect the affordability of the homes in it. Zoning restrictions, for example, may have limited the construction of smaller homes or multi-family units, driving up housing prices. Large lot sizes and subdivision restrictions may thwart efforts to price homes affordably.

Another trend is that real income levels (adjusted for inflation) have not risen in the last decade and much of the job growth in many communities has been in low-wage occupations.

In addition, there have been significant job losses in many industries, especially construction, manufacturing, and wholesale trade. As reported by the Bureau of Labor Statistics, in December of 2010, the number of unemployed persons was 14.5 million, and the unemployment rate was 9.4 percent – down only slightly from the 9.9 percent rate in December 2009.

Finally, it is becoming increasingly difficult in many instances for a homebuyer to obtain a mortgage. Many lenders no longer originate sub-prime mortgages, which has made it more difficult for potential homebuyers with less-than-perfect credit to qualify for a loan. Additionally, as home prices continue to decline in many communities, lenders are requiring larger downpayments; this eliminates families who have good credit but lack the necessary savings.

While uncertainty surrounds the ultimate fate of the Federal mortgage agencies, Fannie Mae and Freddie Mac, it appears very likely that, overall, underwriting standards will become more stringent, larger downpayments will be required, and the interest rates on many loans will rise as the loan limit separating conforming loans and jumbo loans is reduced. NAR will track the status of the GSEs and keep members up to date on the fate of Fannie Mae and Freddie Mac.

All of these trends affect the ability of working families to purchase a home in the community in which they work.

## Homebuyer Challenges

Many working families can still not afford to buy a home. Communities across the country have increasingly recognized the importance of affordable housing to their economic and social well being. All through the boom years of the late 1990s, the recession of the new decade, and the current economic crisis, home prices and rents have remained beyond the reach of millions of Americans, including many full-time workers. Employees cannot afford to live where they work and must commute long distances. In high-priced communities, many people who provide vital services cannot afford to live in the community where they work.

According to the Center for Housing Policy's Paycheck to Paycheck calculations, in the third quarter of 2010, the median-priced house in the U.S. cost \$180,000.

To purchase this house, a family needs an income of \$56,969. Yet the median household income in the United States was only \$50,221 at the end of 2009.

Many occupations offer pay that is below this. These include: elementary school teachers, police officers, nurses, and retail workers.

Additional challenges include geographic ones where some workers are not able to live where they work or are not able to afford homes in the neighborhood they desire.

### Slide 8

### Slide 9

In resort areas, seasonal workers and middle-low income earners feel the housing crunch, and many are forced to move further away in search of homes they can afford.

The same can be said for public service employees, such as police and emergency personnel, who are integral to the community, as well as teachers and civil servants. It is very difficult to find homes they can afford close to where they work. In addition, the health of a community suffers when public servants cannot spend their off-hours in the communities they serve.

Some neighborhoods may have ample housing but not enough incentives and amenities that encourage local workers to live there. Homebuyers may not be able to live in their neighborhood of choice, especially a neighborhood close to the workplace and other amenities.

According to the 2010 National Association of Realtors® Profile of Home Buyers and Sellers, many factors influence where a person chooses to purchase a home. These factors include convenience to work, proximity to relatives or friends, and the quality of the school system. A majority of all homebuyers (64 percent) across different locations listed quality of the neighborhood as the most important factor influencing neighborhood choice. Convenience to work was the second most important factor, with 49 percent of respondents citing its importance in choosing their neighborhood.

Finding a safe yet also affordable neighborhood may present a challenge for some homebuyers. An important component of workforce housing is that it offers a safe place for children to go to school and for families to live with a sense of comfort and community.

Yet another challenge for some homebuyers is the commute that may await them. The phrase “drive until you qualify” means that many working families need to leave the urban core and travel outward until they find a neighborhood they can afford. This means enduring longer drives and, with greater regional traffic congestion, spending more time stuck in traffic.

## Barriers to Homeownership

Homeownership barriers compound the lack of workforce housing. These barriers include credit scores, mortgage qualification, lack of funds for downpayment and closing costs, lack of knowledge, lack of confidence and fear/myths.

Overcoming the barriers to homeownership can be an important component of an employer-assisted housing benefit. Oftentimes, individuals are not familiar with their credit score or the actions they can take to improve their credit score. They may not be familiar with the mortgage qualification process. They may lack funds for a downpayment or for closing costs. They may have a lack of knowledge about the homebuying process in general and may not have confidence in their ability to move through the process. Finally, they may be fearful of the homebuying process, or they may have neighbors and friends who have been foreclosed on and are fearful this could happen to them.

In addition, there are barriers in the community, such as lack of housing stock near the workplace and lack of transportation from homes to the workplace, that provide further challenges.

## Workforce Housing Solutions

There are many solutions to the workforce housing shortage. These programs are mentioned here to provide you with some background in a multitude of housing programs that some communities are offering.

First, there are government financing programs such as tax credits, mortgage revenue bonds, state housing finance authority programs and local financial assistance programs, which we will discuss in Module 3.

Second, there are regulatory changes that can be implemented that are designed to increase the supply of lower-cost housing. These include such things as zoning changes, inclusionary zoning, building code changes, streamlined permitting and fee waivers.

### Slide 10

Homeownership barriers add to challenges

- Discussion exercise:  
What are some barriers that can prevent people from purchasing a home?



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### Slide 11

Homeownership barriers add to challenges

- Credit scores
- Mortgage qualification
- Lack of funds for down payment and closing costs
- Lack of knowledge
- Lack of confidence
- Fears/myths (foreclosure fear)



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### Slide 12

Workforce housing solutions

- Federal and state government financing programs
- Local financial assistance programs
- Local regulatory changes
- Long-term affordable housing programs
- Land acquisition and reuse
- Employer-Assisted Housing



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Zoning is a device of land use regulation used by local governments to segregate the use of land in the community and prevent incompatible land use, such as industrial uses in a residential area. Oftentimes, zoning regulations, such as maximum density requirements or minimum lot sizes, reduce the affordability of homes, and zoning changes are necessary to allow the creation of more affordable homes.

Inclusionary zoning is a policy tool that ties the production of affordable homes to the production of new market-rate housing by requiring or providing incentives to encourage developers to reserve a share of units in new residential developments for low- or moderate-income households (Source: [www.nhc.org/housing/IZ](http://www.nhc.org/housing/IZ)).

Streamlined permitting, or expedited permitting as it is also known, refers to a process whereby a community processes building permit applications, subdivision applications and land development applications faster for certain categories of use, such as for workforce and affordable housing. Streamlined permitting is designed to help reduce the cost of the housing units constructed.

New construction can be difficult in built-out city centers, but there are ways to utilize the existing space more effectively. Density bonus policies allow developers to build more units in designated areas. Granny flats (also known as accessory dwelling units or in-law apartments) allow homeowners to turn a guesthouse or the garage into a rental unit, utilizing the existing municipal services and providing a source of income to the homeowner.

Developers, planners and city officials looking at the future of new and existing American communities have begun to think about “smart growth.” Smart growth focuses on the existing assets of a community, the long-term implications of various development patterns and the fiscal impacts of these patterns in an effort to shape development maximize benefit and minimize impact.

There are also long-term affordable housing programs such as community land trusts, shared equity ownership techniques and deed-restricted housing.

A community land trust (CLT) is a private nonprofit community organization that safeguards land in order to provide affordable housing opportunities. CLTs buy and hold land permanently, preventing market factors from causing prices to rise. CLTs build and sell affordably priced homes to families with limited incomes—the CLT keeps the price of homes affordable by separating the price of the house from the cost of the land. When a family decides to sell a CLT home, the home is resold at an affordable price to another homebuyer with a limited income (Source: [www.cltnetwork.org](http://www.cltnetwork.org)).

Shared equity represents a unique approach to affordable homeownership. Under this approach, a state or local government provides funding to help a family purchase a home. In return for this investment, the government entity shares in the benefits of any home price appreciation that may occur. The public's share of the home's appreciation may be used in two ways: it can either be returned to the government in the form of a cash payment that can be used to help another family, or it can stay with the home, reducing the cost of that home for the next family (Source: [www.nhc.org/index/sharedequity](http://www.nhc.org/index/sharedequity)).

Deed-restricted housing refers to instances where a legal document (the deed restriction) has been included in the land records for a property by the developer or the municipality. The deed restriction places limitations or restrictions on real estate, such as restrictions on the use of the property and, in the case of workforce and affordable housing, restrictions on income and other characteristics of individuals and families that can purchase the property.

Finally, there are acquisition and reuse programs such as brownfield redevelopment, land banking and the rehabilitation and sale of abandoned and foreclosed properties.

Brownfield redevelopment refers to the process of taking a piece of property that is contaminated with one or more hazardous substances, remediating the contamination and returning the property to productive use and future development.

Land banking for workforce housing development refers to the process of reserving or setting aside land in a growing area for the future development of workforce and affordable housing as the community develops.

Finally, there are many programs, such as the Neighborhood Stabilization Program (NSP), that have been developed as part of the federal and state government responses to the current foreclosure crisis that provide funds to government agencies and nonprofits to enable these organizations to purchase, rehabilitate, and resell abandoned and foreclosed properties. Through 2010, the federal government allocated \$7 billion to states and cities for neighborhood stabilization. Further funding for the NSP programs is uncertain at this time.

This class, however, is focused on another solution: employer-assisted housing (EAH).

## Workforce Housing Solutions Benefits

There are many benefits to having adequate affordable housing for working families located in a community. Workforce housing allows the critical community workers and emergency responders, such as police, fire and medical personnel, to live in the same communities in which they work. This is particularly important in communities where these workers are commuting great distances and would not be available in emergency situations.

Having teachers and municipal workers, as well as other workers, live in the community where they work helps strengthen the fabric of society. In some communities, workforce housing initiatives also help to revitalize and stabilize neighborhoods.

Workforce housing gives working families more choice as to what neighborhood they can live in. It also addresses affordability and offers homeownership opportunity for moderate- and middle-income families.

Additionally, there are advantages to having employees live in the same community in which they work. This includes decreased traffic

### Slide 13



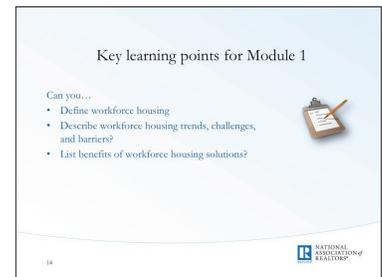
and sprawl and shorter commute times for the workers, leading to an improved quality of life. It also may increase the level of community involvement if workers are able to live in the same communities in which they work.

## Module 1 Summary

Module 1 provided:

- A definition of workforce housing;
- A discussion of the workforce housing challenges; trends and barriers to homeownership;
- Different types of workforce housing solutions, of which employer-assisted housing is one.

### Slide 14





2018 -- Income Limits for LIHTC & Tax-Exempt Bonds

**Curry County, Oregon**



For more detailed MTSP income limit information, please visit HUD's website:  
<http://www.huduser.org/portal/datasets/mtsp.html>

Actual 2018 Median <sup>3</sup>	\$54,700	
Actual 2014 Median <sup>3</sup>	\$56,700	
Ntnl Non-Metro 2018 Median	\$58,400	(applies to 9% credits only in non-metro areas)
2018 HERA Special Median	\$63,500	(applies to projects in existence before January 1, 2009)

Median Incomes calculated based on a 4-person household

**What Income Limit Should You Use?**

**Is the location considered RURAL by USDA?** (if yes, it is eligible to use the Ntnl Non-Metro Median for 9% projects)<sup>1</sup>

**YES** Curry County is considered Rural. To verify current accuracy, please visit:

<http://eligibility.sc.egov.usda.gov/eligibility/welcomeAction.do?pageAction=sfb&NavKey=property@12>

--The following income limits indicate the highest income limit allowable--

<b>Did the project exist<sup>2</sup> in 2008?</b>	Use: HERA Special 2018	
<b>If NO, did it exist<sup>2</sup>:</b>	-- 4% Tax Credit Project	-- 9% Tax Credit Project
Between 1/1/09 - 3/5/15	Use: Actual Incomes 2014	Use: Ntnl Non-Metro 2018 <sup>1</sup>
Between 3/6/15 - 3/31/18	Use: Actual Incomes 2018	Use: Ntnl Non-Metro 2018 <sup>1</sup>
On or After 4/1/18	Use: Actual Incomes 2018	Use: Ntnl Non-Metro 2018 <sup>1</sup>

Actual Income Limits 2018								
% MFI	1 Pers	2 Pers	3 Pers	4 Pers	5 Pers	6 Pers	7 Pers	8 Pers
30%	\$11,490	\$13,140	\$14,790	\$16,410	\$17,730	\$19,050	\$20,370	\$21,690
35%	\$13,405	\$15,330	\$17,255	\$19,145	\$20,685	\$22,225	\$23,765	\$25,305
40%	\$15,320	\$17,520	\$19,720	\$21,880	\$23,640	\$25,400	\$27,160	\$28,920
45%	\$17,235	\$19,710	\$22,185	\$24,615	\$26,595	\$28,575	\$30,555	\$32,535
<b>50%</b>	<b>\$19,150</b>	<b>\$21,900</b>	<b>\$24,650</b>	<b>\$27,350</b>	<b>\$29,550</b>	<b>\$31,750</b>	<b>\$33,950</b>	<b>\$36,150</b>
55%	\$21,065	\$24,090	\$27,115	\$30,085	\$32,505	\$34,925	\$37,345	\$39,765
60%	\$22,980	\$26,280	\$29,580	\$32,820	\$35,460	\$38,100	\$40,740	\$43,380
80%	\$30,640	\$35,040	\$39,440	\$43,760	\$47,280	\$50,800	\$54,320	\$57,840

Actual Income Limits 2014								
% MFI	1 Pers	2 Pers	3 Pers	4 Pers	5 Pers	6 Pers	7 Pers	8 Pers
30%	\$11,910	\$13,620	\$15,330	\$17,010	\$18,390	\$19,740	\$21,120	\$22,470
35%	\$13,895	\$15,890	\$17,885	\$19,845	\$21,455	\$23,030	\$24,640	\$26,215
40%	\$15,880	\$18,160	\$20,440	\$22,680	\$24,520	\$26,320	\$28,160	\$29,960
45%	\$17,865	\$20,430	\$22,995	\$25,515	\$27,585	\$29,610	\$31,680	\$33,705
<b>50%</b>	<b>\$19,850</b>	<b>\$22,700</b>	<b>\$25,550</b>	<b>\$28,350</b>	<b>\$30,650</b>	<b>\$32,900</b>	<b>\$35,200</b>	<b>\$37,450</b>
55%	\$21,835	\$24,970	\$28,105	\$31,185	\$33,715	\$36,190	\$38,720	\$41,195
60%	\$23,820	\$27,240	\$30,660	\$34,020	\$36,780	\$39,480	\$42,240	\$44,940
80%	\$31,760	\$36,320	\$40,880	\$45,360	\$49,040	\$52,640	\$56,320	\$59,920

HERA Special Income Limits 2018								
% MFI	1 Pers	2 Pers	3 Pers	4 Pers	5 Pers	6 Pers	7 Pers	8 Pers
30%	\$13,350	\$15,240	\$17,160	\$19,050	\$20,580	\$22,110	\$23,640	\$25,170
35%	\$15,575	\$17,780	\$20,020	\$22,225	\$24,010	\$25,795	\$27,580	\$29,365
40%	\$17,800	\$20,320	\$22,880	\$25,400	\$27,440	\$29,480	\$31,520	\$33,560
45%	\$20,025	\$22,860	\$25,740	\$28,575	\$30,870	\$33,165	\$35,460	\$37,755
<b>50%</b>	<b>\$22,250</b>	<b>\$25,400</b>	<b>\$28,600</b>	<b>\$31,750</b>	<b>\$34,300</b>	<b>\$36,850</b>	<b>\$39,400</b>	<b>\$41,950</b>
55%	\$24,475	\$27,940	\$31,460	\$34,925	\$37,730	\$40,535	\$43,340	\$46,145
60%	\$26,700	\$30,480	\$34,320	\$38,100	\$41,160	\$44,220	\$47,280	\$50,340
80%	\$35,600	\$40,640	\$45,760	\$50,800	\$54,880	\$58,960	\$63,040	\$67,120

**Notes:**

1: Only projects in Rural Areas are able to use the Non-Metro Medians, otherwise use applicable 4% limits. Projects with previous "Rural" designations that are no longer considered to be located in rural areas (by the USDA) are permitted to use the previous year's National Non-Metro income limits should they be higher than the current year's income limits. The National Non-Metro income limits are online here:  
<http://www.oregon.gov/ohcs/pages/research-income-rent-limits.aspx>

2: Exist - defined by OHCS as the project's placed-in-service (PIS) date. Projects consisting of multiple buildings, where each building is being treated as part of a multiple building project (see line 8b on IRS Form 8609), will be considered as being "in existence" provided at least one building was PIS during the affected year.

3: Actual Median Income Limit indicated here is based on income limits though it is not necessarily the HUD Area Median Income

The incomes limits listed above are based on the Multifamily Tax Subsidy Program (MTSP) income limits published by HUD on April 1, 2018. Per Revenue Ruling 94-57, owners will have until May 15, 2018 to implement these new MTSP income limits (45 days from their effective date). Please note that all definitions and explanations herein may be subject to change upon later IRS and/or HUD clarification.

**Curry County, Oregon**



For more detailed MTSP income limit information, please visit HUD's website:  
<http://www.huduser.org/portal/datasets/mtsp.html>

Actual 2018 Median <sup>3</sup>	\$54,700	
Actual 2014 Median <sup>3</sup>	\$56,700	
Ntnl Non-Metro 2018 Median	\$58,400	(applies to 9% credits only in non-metro areas)
2018 HERA Special Median	\$63,500	(applies to projects in existence before January 1, 2009)

Median Incomes calculated based on a 4-person household

**What Rents Should You Use?**

**Is the location considered RURAL by USDA?** (if yes, it is eligible to use the Ntnl Non-Metro Median for 9% projects)<sup>1</sup>

**YES** Curry County is considered Rural. To verify current accuracy, please visit:

<http://eligibility.sc.egov.usda.gov/eligibility/welcomeAction.do?pageAction=sfp&NavKey=property@12>

**--The following rent limits indicate the highest rents allowable--**

<b>Did the project exist<sup>2</sup> in 2008?</b>	Use: HERA Special 2018	
<b>If NO, did it exist<sup>2</sup>:</b>	-- 4% Tax Credit Project	-- 9% Tax Credit Project
Between 1/1/09 - 3/5/15	Use: Actual Incomes 2014	Use: Ntnl Non-Metro 2018 <sup>1</sup>
Between 3/6/15 - 3/31/18	Use: Actual Incomes 2018	Use: Ntnl Non-Metro 2018 <sup>1</sup>
On or After 4/1/18	Use: Actual Incomes 2018	Use: Ntnl Non-Metro 2018 <sup>1</sup>

Rents based on Actual Income Limits 2018						
% MFI	0 Bdrm	1 Bdrm	2 Bdrm	3 Bdrm	4 Bdrm	5 Bdrm
30%	\$287	\$307	\$369	\$426	\$476	\$525
35%	\$335	\$359	\$431	\$497	\$555	\$613
40%	\$383	\$410	\$493	\$569	\$635	\$701
45%	\$430	\$461	\$554	\$640	\$714	\$788
<b>50%</b>	<b>\$478</b>	<b>\$513</b>	<b>\$616</b>	<b>\$711</b>	<b>\$793</b>	<b>\$876</b>
55%	\$526	\$564	\$677	\$782	\$873	\$963
60%	\$574	\$615	\$739	\$853	\$952	\$1,051
80%	\$766	\$821	\$986	\$1,138	\$1,270	\$1,402

Rents based on Actual Income Limits 2014						
% MFI	0 Bdrm	1 Bdrm	2 Bdrm	3 Bdrm	4 Bdrm	5 Bdrm
30%	\$297	\$319	\$383	\$442	\$493	\$544
35%	\$347	\$372	\$447	\$516	\$575	\$635
40%	\$397	\$425	\$511	\$590	\$658	\$726
45%	\$446	\$478	\$574	\$663	\$740	\$817
<b>50%</b>	<b>\$496</b>	<b>\$531</b>	<b>\$638</b>	<b>\$737</b>	<b>\$822</b>	<b>\$908</b>
55%	\$545	\$585	\$702	\$811	\$904	\$998
60%	\$595	\$638	\$766	\$885	\$987	\$1,089
80%	\$794	\$851	\$1,022	\$1,180	\$1,316	\$1,453

Rents based on HERA Special Income Limits 2018						
% MFI	0 Bdrm	1 Bdrm	2 Bdrm	3 Bdrm	4 Bdrm	5 Bdrm
30%	\$333	\$357	\$429	\$495	\$552	\$610
35%	\$389	\$416	\$500	\$577	\$644	\$711
40%	\$445	\$476	\$572	\$660	\$737	\$813
45%	\$500	\$536	\$643	\$743	\$829	\$915
<b>50%</b>	<b>\$556</b>	<b>\$595</b>	<b>\$715</b>	<b>\$825</b>	<b>\$921</b>	<b>\$1,016</b>
55%	\$611	\$655	\$786	\$908	\$1,013	\$1,118
60%	\$667	\$714	\$858	\$990	\$1,105	\$1,220
80%	\$890	\$953	\$1,144	\$1,321	\$1,474	\$1,627

**Notes:**

1: Only projects in Rural Areas are able to use the Non-Metro Medians, otherwise use applicable 4% limits. Projects with previous "Rural" designations that are no longer considered to be located in rural areas (by the USDA) are permitted to use the previous year's National Non-Metro income limits should they be higher than the current year's income limits. The National Non-Metro income limits are online here:  
<http://www.oregon.gov/ohcs/pages/research-income-rent-limits.aspx>

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# City of Gold Beach

29592 Ellensburg Avenue • Gold Beach, OR 97444

Administration: 541-247-7029 • Police: 541-247-6671 •

[www.goldbeachoregon.gov](http://www.goldbeachoregon.gov)

Visitor Center: 541-247-7526 • [www.visitgoldbeach.com](http://www.visitgoldbeach.com)

March 4, 2019

Kuri Gill  
Oregon Main Street/Oregon Heritage  
725 Summer St NE, Suite C  
Salem, OR 97301

**RE: LETTER OF SUPPORT FOR GOLD BEACH MAIN STREET PRESERVATION GRANT REQUEST**

Dear Kuri:

This is a letter of support for the efforts of Gold Beach Main Street to assist in renovating, improving or restoring commercial properties. The City of Gold Beach recognized in 2010 that there was growing problem with the commercial district and economic vitality. Therefore, the process of creating an Urban Renewal Agency began to address some of the blight in our area. In the process of creating the Urban Renewal Plan with much public input, there is a consensus that there is a significant need to improve properties to promote a stronger economy.

The Agency's revenue is from tax increment financing and we are behind in our original projection because our tax values are not going up at a normal rate of 3% per year. It will take longer for our Agency to get work done in the community of any size. We therefore welcome any assistance from Oregon Main Street to help jumpstart our progress.

Our latest local economic data has Curry County now the highest unemployment rate in the Southwestern Region at 6.5% compared to Oregon at 4.1% (Dec 2018). Worse, yet, we know many people have used up their unemployment benefits and no longer count in the data set. It is critical for our area to improve our economic growth and sustain the jobs we currently have while adding more.

It is critical to not only add jobs to the community, but to support the current employers to maintain the current workforce. As the economy declined and has stagnated, local businesses struggle as the spending money from locals has dwindled.

Thank you for considering the projects selected by Gold Beach Main Street for your grant. If you have any questions, please feel free to contact me.

Sincerely,

Tamie Kaufman  
Chair, Gold Beach Urban Renewal Agency  
[tkaufman@goldbeachoregon.gov](mailto:tkaufman@goldbeachoregon.gov)

*The City of Gold Beach is dedicated to enhancing quality of life, while promoting the health, safety, and welfare of our citizens, businesses, and visitors in the most fiscally responsible manner. In doing this, the City will respect the past, respond to current concerns, and plan for the future, while maintaining environmental sensitivity in our beach oriented community.*

