Memorandum

From: Derrick Braaten, City Planner
To: Attendees, City Manager, File
CC: 
Date: 2/13/2012
RE: January 30, 2012, Southside Housing Meeting Minutes

Attendees:
Please see the attached sign-in sheet.

On January 30, 2012, at 9:30 am, the City hosted a meeting with organizations specializing in housing, including, the Federal Government (HUD, Senators Murray and Cantwell’s office), Habitat for Humanity, Community Frameworks, City representatives, Spokane County, residents, and others, to begin discussing the viability of options associated with developing alternative housing choices for Airway Heights residents and seeking methods to reduce the residential density over time south of SR-2, within the FAFB Accident Potential Zones (APZs). The Department of Defense (DOD) Air Installation Compatible Use Zone (AICUZ) considers any residential density beyond 2-units per acre to be an encroachment on base operations.

Mayor Rushing opened the meeting with introductions. He then commented on the Southside housing concerns, and the concerns expressed by other agencies regarding the housing situation south of SR-2. He provided a brief history of the developments, pointing out that the majority of the housing was developed before there was such a thing as the Base Realignment And Closure (BRAC) process, nor was there such a thing as AICUZ. However, that does not change the fact that there is an issue needing to be addressed. He commented on his belief that though FAFB may show up on BRAC in 2014, it is likely it will be for realignment, not closure. He also mentioned that there is a desire to expand the West Plain’s ability to accommodate new developments, such as those envisioned under the Pegasus Project, and to ensure that housing is available for any potential employees for such projects.

Mayor Rushing then introduced City Manager Albert Tripp to expand on these matters. He provided some housekeeping matters, and then expanded on the history of the City’s efforts so far regarding the protection of FAFB and the housing issue. He directed the participants to maps that were provided for reference while providing the history. Originally, the properties were zoned as residential, then over time they were changed to commercial properties. Then, residents stated they were unable to re-finance or get improvement loans for their residential properties because the banks would not finance non-conforming properties. So, in an effort to assist these residents, the City changed the zoning to RM,

City of Airway Heights
Planning Department
Residential Manufactured, with limits on increasing densities in the area. The MHPs were not allowed increase their size, nor their number of units. He then stated that the purpose of this meeting was to begin looking into the viability of offering these residents, and others, living in substandard housing alternative housing choices, with an eventual goal of reducing the residential density in the FAFB APZs. Mayor Rushing began to discuss the BRAC process and how it may impact FAFB. He explained that if a community is doing nothing to address encroachment concerns, then the BRAC assumes the community does not care about protecting the base. He also explained that the BRAC process does look favorably on communities that are actively in the process of mitigating any encroachment concerns. So, it is important that a plan be developed to address these concerns for not just the City, but the region as well.

Councilmember Steve Lawrence commented that about 80% of the residents are in owner-occupied units, with the home being owned by the resident, but the ground, or lot, being leased from another party. The landowners seem to be generally ok with the idea, but the needs of the actual residents are the concern.

The Mayor stated that the Catholic Charities has access to 20 to 30 million dollars for housing projects. Tobby Hatley stated that there is a consortium of housing organizations, such as Habitat for Humanity, Community Frameworks, and Catholic Charities, that has been set up to address these housing concerns.

City Manager Tripp articulated the two main goals for this project – it is not to evict the residents. The 1st goal is to develop alternative housing choices for the residents in the APZs, and secondarily, to reduce the residential density in the area. It is hoped that this group, with its respective expertise, will develop a broad implementation plan to address these concerns.

Following this, the group began to discuss the current situation for residents in the area. On average, residents pay between $200-$350 to lease a lot, plus about $200 in utilities, for a total of $400-$550 per month. This does not include any house payments. Ms. Patton, a south-side resident, explained that she pays $335 just for her lot.

Mayor Rushing explained that the primary issue of concern is the fact that these residential units are located in the direct flight path of FAFB. If there is a crash, then it will most likely happen in the APZs.

A question was asked about the MHP located on Fairview Heights Rd and how that was shut-down. It was explained that that property was purchased by a commercial enterprise and they are phasing out the park. It was not due to a City or County action.

It was then asked whether the City had reviewed the state regulations associated with closing down a MHP, as it is very prescriptive as to how it must be done. The answer was yes, and that those assistance regulations only apply to owner-occupied units, not leasing units.

Then the question was asked as to who is the controlling agency for MHPs. The answer was that it is a mix. The City controls the zoning, L&I deals with the structures, and the Regional Health Department deals with septic systems.
Tobby Hatley then provided a brief history of why the consortium of housing agencies was formed, and its understood purpose. He stated there was a plan being worked on. That plan is to offer a variety of housing types, primarily fixed housing. This would be at a rate similar to the current rates being paid by the residents. However, a new MHP could also be a possibility. At this point, all options are on the table.

It was then asked how would moving into a new home affect a resident that owns their unit? Chris Venne commented that there is only limited assistance for units older than 1976. In fact, they often cannot be re-located.

Ms. Patton then presented a concern with having a new mortgage. She has paid off her unit, and was concerned with now having to pay an additional amount for the new unit. Mayor Rushing replied that the idea was to ensure that those who choose to take advantage of the new housing would be paying no more than they are currently. And in fact, they could see a savings in energy costs, etc, that one gets from new construction. Mr. Venne then remarked that a MH can only be considered “property” for the sake of appreciation if the property, and unit, are owned by the same owner. Otherwise, they only depreciate.

Another concern is future commercial and industrial development, and how residential uses are generally not compatible with such uses. As surrounding commercial and industrial properties develop, they may create an environment that is even more incompatible to residential uses in the area, because of increased noise, light, dust, or other negative impacts. This area is some of the City’s prime commercial properties.

It was asked how the City’s Comprehensive Plan deals with this issue. Planner Braaten responded that mitigating the residential concerns in question is listed as a goal within the current Comprehensive Plan. He also explained that though the Comprehensive Land-Use Map shows this area as Residential, it is a goal to mitigate this concern.

Mayor Rushing rearticulated Mr. Tripp’s comments regarding how the area got its current zoning. He also explained that eventually, the properties will be changed to non-residential zoning. However, that will be one of the last steps in the process. The residential designations will continue in this area until such a time as the residential density in the area is adequately reduced.

It was suggested that the City should modify the current zoning in the area to allow for existing residents to maintain their residential status. However, as units are removed, regardless of the reason, they cannot be replaced.

The idea of mixed-uses was suggested as a possible mitigation. Planner Braaten responded that mixed-uses without a residential element may be compatible. If the purpose is to reduce the residential density in the area, then he recommended not encouraging it. He commented that the main concern regarding this area are the health and safety issues associated with residential development in the APZs.

City Manager Tripp suggested the first step should be the area survey, which will then provide more direction for specific implementation ideas. Until the desires of the affected residents are known, it is difficult to develop a viable plan to address their needs.
County Commissioner Al French commented that since 80% of the MHs are owner-occupied, maybe a new MHP would be the most cost effective. However, the pre-1976 units would not be considered movable. The post-1976 units could be upgraded to some degree. There may be programs, such as through SNAP, that can assist in this type of upgrades. It was then reported that nearly 46% of the units in question were pre-1976 units.

Planner Braaten reiterated that all options should be on the table. The optimum goal is to offer a variety of housing choices – single-family, cluster/cottage style, duplex, townhouses, apartments, or MHPs. It should also, if possible, be mixed-income housing. Finally, the cost needs to be comparable to what the residents are paying now.

Ms. Patton asked who would help with the relocations expenses. She commented that many people, such as her, do not have the funds available to pay to move their personal belongings to a new location. Commissioner French commented that that can definitely add-up. He also asked, funding aside, who will assist those that do not have the physical ability to move their belongings? The comment was then made that figuring this out will need to be part of the analysis done.

Another item of concern regards those residents that desire to live the rest of their lives in their current unit. These folks do not necessarily need to stay where they are due to finances. They just do not want to spend their last days anywhere else. Again, the comment was made that this will need to be reviewed as part of a “Housing Needs Assessment”.

Councilmember Lawrence asked about the residents living on single-unit/non-MHP lots? Also, what about people that are not low-income? The response was this too will need to be determined through the process.

It was agreed that seeking to develop alternative housing choices is a good idea. Not just for the south side, but for the City as a whole. We need to locate property, or this is just talk. Mr. Venne mentioned the concept of a Community Land trust (CLT), which lowers the cost of housing by removing the cost of the land from the purchase price.

Councilmember Lawrence mentioned that there was a need to have something to show to residents so they can see what is being proposed. Ms. Patton commented that one of her primary concerns is the moving of the personal property not covered by other assistance programs. Residents on fixed-incomes may be interested in a new place, but cannot afford to move their personal items.

City Manager Tripp summarized the next step as being the need to find appropriate property options for this proposal. Using maps provided, Mr. Tripp provided a brief explanation of the sites and zoning currently available that could be potential areas for the proposed developments. Mr. Braaten provided more detailed information on minimum lot requirements and building footprints of specific zoning types.

City Planner Braaten then provided more information on different structure types that could work. He then pointed out some properties that were for sale, preliminarily platted, or ready-to-build. He also provided ownership information for most of the properties discussed.
Chris Venne reiterated his belief that the first steps should be the housing study, because at this point, we do not even know how much land is needed. He was then asked how such a study would be funded. He responded that there are various potential funding sources setup for just this sort of analysis.

The discussion then turned to the specific requirements of different funding sources/programs. Each program has different targets and requirements. Planning funds could be an option in many of the programs, including CDBG or HOME funds. It was then asked when a party could apply for these programs? The local cycle for this year has already started, so probably next year at the earliest. Potential HUD programs were discussed as well.

It was stated that the players should put together a report outlining the need and issue. Various participants mentioned that a coordinated, collaborative approach to these issues carry more weight with reviewers. Though an agency or jurisdiction can apply for these dollars independently, they stand a better chance of getting funded if they apply together.

City Manager Tripp provided a summary of the next steps, namely:
1. Acquire funding to develop a plan – approximately $20,000
2. As part of the plan, do the analysis/housing survey
3. Set-up a next meeting to discuss further
   a. Discuss scope of project
   b. Report back on funding options available

After discussion, it was agreed that it would take about a month to get together the items needed for the next meeting. The date for the next meeting was agreed to be February 27, 2012, at 9:30 am. More discussion centered on the educational and informational needs for the residents to assist them in making an appropriate choice. Communicating the same message is important as well. It was agreed that the informational campaign will be more robust as the project proceeds. It was also stated that it was important to establish a single-point of contact so the message is consistent. It is also helpful when trying to garner trust.

The meeting adjourned at approximately 11 am.