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CITY OF REDMOND

REVISED

CITY COUNCIL

October 5, 2021
Virtual Meeting • www.redmondoregon.gov/CityCouncilLive

COUNCIL MEMBERS

George Endicott
Mayor

Jay Patrick
Council President

Jon Bullock
Councilor

Krisanna Clark-Endicott
Councilor

Clifford Evelyn
Councilor

Ed Fitch
Councilor

Shannon Wedding
Councilor

OCTOBER 5, 2021	SPECIAL MEETING AGENDA	6:00 PM

I. CALL TO ORDER / ESTABLISH A QUORUM

II. PRESENTATIONS

A. City COVID Update

B. Affordable Housing Tools Discussion

III. ACTION ITEMS

A. Resolutions of the City of Redmond to make Budget Adjustments in Fiscal Year 2021/22 for the Allocation of American Rescue Plan Act (ARPA) Resources: $631,535.

IV. ORDINANCES

A. Ordinance #2021-09 - An ordinance amending the Redmond City Code Chapter 5, adding a Safe Parking Program and Vehicle Camping section as a means to help address homelessness and declaring an emergency.

V. OTHER BUSINESS

VI. ADJOURN

Regular Council meetings are broadcast live on COTV11 – BendBroadband Channel 11 beginning at 6:00 p.m. on the 2nd and 4th Tuesdays of each month. Rebroadcasts are scheduled for the non-meeting Tuesdays at 6:00 p.m.

The City of Redmond encourages all citizens to participate in its programs and activities. This meeting location is accessible to people with disabilities. Requests for accommodation may include sign language interpreter service, assistive listening devices, materials in an alternate format or any other accommodation. If any accommodations are needed, please contact the ADA Coordinator at 541-504-3036 or access@ci.redmond.or.us. Requests should be made as soon as possible, but at least 3 business days prior to the scheduled meeting.

The City of Redmond does not discriminate on the basis of disability status in the admission or access to, or treatment, or employment in, its programs or activities

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STAFF REPORT

DATE: October 5, 2021
TO: City Council
THROUGH: Keith Witcosky, City Manager
FROM: John Roberts, Deputy City Manager
SUBJECT: Affordable Housing Tools Discussion

Addresses Council Goal:
7.D: Identify housing objectives, policies, and implementation strategies to diversify the range of housing choices.
7.D.i: Assess the need for lower income housing units throughout the community and propose tools to City Council to address these needs.

Report in Brief:
This item is intended to continue the ongoing policy discussion with City Council about potential tools to increase the amount of affordable housing built in Redmond.

As an outcome of the worksession, staff will looking to receive guidance from Council on what, if any, additional information and analysis is needed should they wish to further explore or implement any of the ideas presented.

<u>The staff report is organized as follows:</u>
I. Background - Demand for affordable housing in Redmond.
II. Definitions.
III. Existing tools and programs.
IV. Potential tools and programs for further exploration.
V. Additional tools to encourage the development of affordable housing.
VI. Conclusion.

Access to affordable housing continues to be among the most critical issues facing Central Oregon. The need is reflected in commonly referenced metrics such as the number of severely rent burdened families, incomes that are not keeping pace with housing prices, rising housing costs or the lack of opportunities for home ownership for those making median incomes. These challenges will exacerbate as population growth continues.

Increasing the production of affordable housing will require the integrated action of diverse partners and deployment of tools and programs which incentivize the market.

Background:
I. DEMAND FOR AFFORDABLE HOUSING IN REDMOND
Past and present City Councils have received three recent presentations on affordable housing tools:
December 2019 - Affordable Housing Update and Policy Discussion.
February 2021 - Deschutes County Board of Commissioners / Redmond City Council Joint Meeting; Regional & Local Affordable Housing Needs.
March 2021 - City of Redmond Affordable Housing, Inventory and Production Goals.

These were intended to provide a backdrop to the housing issues facing the region and Redmond.

The following reiterates some of the information presented at those meetings regarding existing conditions and demand for affordable housing.

Affordable housing has become one of the most pressing issues facing Redmond. In Redmond, 26.8% of the community

(1,266 households) are severely rent burdened, paying more than 50% of their income on housing. Roughly 42% of Redmond's households are low or middle-income with incomes ranging from $40,200 - $64,300, and the average median family income for a family of four is $83,000.

The price of housing in the region continues to escalate at levels that far outpace wages. Over the last few years, housing prices have increased more than 72%. Over that same time span, wages have only grown by an average of 2 to 3 percent per year. According to the September 2021 Beacon Report, the median sales price of a single-family home in Redmond is currently approximately $450,000. A family of four making 120% AMI ($96,000) could afford a home priced at $452,000. A family of four making 80% AMI ($64,300) could afford a home priced at $299,000.

A review of twelve affordable housing related studies between 2006 and 2021 was completed to gauge projected housing production by housing type in Redmond for the years 2020 - 2040. Projected housing needs for all categories and types were determined to be as follows:

Redmond: Projected Housing Production by Housing Type 2020 – 2040		
	20 Year Demand Projection Based on 2019 Housing Needs Analysis	**Unit Breakdown & Demand / Year**
All Housing (Total)	8,466	423
120% AMI + (market rate)	284	14
80-120% AMI (workforce)	786	39
50-80% AMI (middle income)	1,325	66
30-50% AMI (low income)	1,491	75
0-30% AMI (severe)	4,580	229

The table represents a combination of owner and renter-occupied units and does not account for underproduction estimates based on accelerated growth.

Why are we talking about affordable housing at a local government level?
There are wide structural barriers to building affordable housing. Namely, in a competitive for-profit market, developers are incentivized to reduce their cost of construction as much as possible to achieve the highest possible return on investment. This is the same reason that development codes and other city policies are required to set a minimum for quality development. Similarly, because of the profit-centered nature of housing development, developers often need incentives (financial or otherwise) in order to build affordable housing. Additionally, these development incentives are the dominant way that local governments can ensure the production of affordable housing.

Discussion:

II. DEFINITIONS

Understanding what 'affordable housing' is requires proficiency in the jargon. The following terminology and definitions are important to grasp when discussing affordable housing:

<u>Affordable Housing</u> – Generally defined as housing in which the occupant is paying no more than 30 percent of gross income for housing costs, including utilities. Affordable housing has two key elements.

1) An income target; and
2) A specific duration for which the product will be affordable to that income target.

Bona fide affordable housing must have a restrictive covenant running with the land that addresses this definition of affordable housing or another mechanism that is enforceable.

<u>Affordable Housing Development</u> - Housing that is subsidized by the federal, state, or local government, or any housing in which at least 20 percent of the dwelling units are subject to covenants or restrictions which require that such dwelling units be sold or rented at prices which preserve them as affordable housing for a period of at least 15 years.

Area Median Income (AMI) - An estimate of median family income (MFI) for the urban and rural areas. AMI/MFI is a term used to describe the mix of income of units in a given affordable housing project.

- AMI for Bend-Redmond MSA (Metropolitian Statistical Area) as of 2021: $83,000 (100%); Four-person family.
- AMI for Bend-Redmond MSA as of 2021; $65,400 (100%); One person.

Very Low-Income Housing/aka 0-30% housing - Housing affordable to households with a gross household income equal to 30% or less of the AMI/MFI.

- For Bend-Redmond: $26,500 (30%); Four-person family.
- For Bend-Redmond: $16,900 (30%); One person.

Low-Income Housing/aka 0-50% housing - Housing affordable for households with a gross household income that does not exceed 50% of the AMI/MFI.

- For Bend-Redmond: $40,200 (50%); Four-person family.
- For Bend-Redmond $28,150 (50%); One person.

Moderate-Income Housing/aka 50%-80% housing - Housing affordable for either home ownership or rental, that is occupied, reserved, or marketed for occupancy by households with a gross household income that is greater than 50% but does not exceed 80% of the AMI/MFI.

- For Bend-Redmond: $40,200 (50%) to $64,300 (80%); Four-person family.
- For Bend-Redmond: $28,150 (50%) to $45,050 (80%); One person.

Workforce Housing or Middle-Income Housing - Housing affordable to households earning between 80% and 120% of the AMI/MFI.

- For Bend-Redmond: $64,300 (80%) to $96,480; Four-person family.
- For Bend-Redmond; $45,050 (80%) to $67,560; One person.

Mark Rate Housing - Housing affordable to households earning above 120% of the AMI/MFI. These housing projects do not involve a direct subsidy.

- For Bend-Redmond: More than $96,480; Four-person family.
- For Bend-Redmond: More than $67,560; One person.

III. EXISTING TOOLS AND PROGRAMS

The City has a patchwork of different tools and incentives it has been using to champion and stimulate affordable housing projects; some of which are specific to the Downtown Urban Renewal District (DURD). Tools used successfully by the City include:

Community Development Block Grant Funds (CDBG) – The City has been a Housing and Urban Development federally designated ‘entitlement community’ since 2013. As such, the City receives an annual financial allocation of CDBG funds (approximately $250,000/year) to undertake a wide range of community-based activities. These activities can be directed toward affordable housing.

CDBG funds have been awarded to help fund and leverage affordable housing in Redmond. Since 2019, almost $500,000 in CDBG funds has been allocated to Housing Works and Bend-Redmond Habitat for Humanity for the acquisition of land to develop affordable units. Moreover, $134,000 in CDBG funds were allocated in 2020 to Thrive Central Oregon for down-payment assistance to an estimated 10 income-qualified families.

Property Tax Exemptions (60% AMI) – In 1995, the Council adopted Ordinance No. 95-05, allowing property tax exemptions for qualified rental housing development for low-income persons, pursuant to ORS 307.515 to ORS 307.523. The Ordinance implemented section 2.800 – 2.805 of the City Code.

The City approved its first property tax exemption in August 2020 for Bridge Meadows; a 36-unit rental complex located within Maple Meadows for families and seniors earning no more than 60% AMI. The property tax exemption allows lower rents to be charged to residents of Bridge Meadows.

System Development Charge (SDC) Credits – In June 2011, the City established an "Affordable Housing SDC Credit Transfer Program" to fund qualified affordable housing projects constructed by non-profit organizations (City Code sections 4.735 -4.740). Qualified housing projects include units built for individuals or families with an annual income of 60% AMI or less. Qualified projects are eligible for a 50% reduction of SDC fees per dwelling unit upon approval. Multi-family projects cannot exceed $20,000 in SDC credits.

SDC credits are derived from publicly owned demolished or relocated single family unit structures that previously utilized City infrastructure. Although there are currently no SDC credits available, the City has administered and granted over $120,000 in credits to affordable housing developments.

HB 4079 / Skyline Village – Through HB 4079/2336 the State awarded the City the Skyline Village Affordable Housing Pilot Project; a 485-unit housing pilot project of which, at a minimum half will be affordable. The project will be situated on 40 acres of land being donated by the County and located on the northeast side of Redmond. The City is currently working on soliciting a Request for Qualifications (RFQ) for a fee-based master developer. The master developer would be tasked to manage the build-out of the project consistent with the vision and mixed-use development set forth in the application.

Accessory Dwelling Units (ADUs) – An ADU is generally described as a secondary living unit or separate cottage on a single-family lot in a residential zone containing cooking facilities. ADUs serve an important function in the affordable housing realm, particularly by increasing availability and access to housing that is priced to be affordable. The City continues to advance ADUs by amending the Development Code (Chapter 8) to modify standards to allow them in existing or new developments.

Resources Available in the Downtown Urban Renewal District (DURD):
Housing Development Opportunity Fund – The purpose of this Fund is to help make development of affordable and workforce housing feasible by either buying down the unit cost through land acquisition, direct and indirect subsidies. For example, recently nearly $3 million of Urban Renewal funds leveraged a $13 million, 48-unit affordable housing development in Redmond's commercial core. The Housing Works developed project, Midtown Place, started construction in August 2020 and is expected to be completed by November 2021.

System Development Charges (SDC) Buydown Program – The Program contributes funding toward the payment of SDCs during the building permitting process for projects within the DURD. Buydowns include: $5,000/unit for development of 3 or more units on a single property up to 30 units or $150,000; $3,000 for addition of an ADU to developed lots of 7,000 square feet or less. A lien for the grant amount is placed on the property for 5 years. Over the last 5 years, $250,000 has been issued in SDC Buydown grant funding.

Housing Opportunity Revolving Loan Fund – The Fund provides an ongoing source of gap financing for new housing construction for up to 20% of the project costs.

Downtown Housing Subcommittee - The Downtown Housing Subcommittee is made up of committee members from both the DURAC and the Housing and Community Development Committee. The joint initiative began in 2020 to create more housing in the downtown core, with the goal of having new housing online by mid-2022. The subcommittee's mission is to encourage development, redevelopment, and rehabilitation of market-rate, affordable, and workforce housing within the DURD. The subcommittee has identified properties throughout downtown that have infill potential and is now exploring acquisition. Properties would be purchased with funds from the Housing Development Opportunity Fund.

State Enabling Legislation
The State Legislature continues to pass legislation to encourage the development of affordable housing. Recent legislation promoting affordable housing generally overrides local development codes and zoning to remove land use barriers. 2021 examples include SB 8, HB 2006, and HB 3261:

SB 8 – The Senate Bill states that a local government must allow affordable housing and may not require a zone change or conditional use permit for affordable housing if the property is zoned commercial (e.g., C-2 / strip commercial). Moreover, the legislation allows for high density projects, circumvention of certain development standards, and limits conditions of approval. Staff, is working with several developers to explore the direct application of SB 8 for large multifamily affordable housing projects.

HB 2006 – The House Bill enables emergency or transitional shelters to be more easily sited and approved on a temporary basis for individuals and families who lack permanent housing. HB 2006 influenced the City's proposed Safe Parking Program and the accompanying ordinance.

HB 3261 – The House Bill permits a local government to unconditionally allow the conversion of a hotel or motel to an emergency shelter. HB 3261 allows for reasonable standards related to the siting or design, if the standards do not, individually or cumulatively, prohibit the conversion through unreasonable costs or delay. HB 3261 paved the way for the Bethlehem Inn project in Redmond.

The above tools and programs will continue to be used to help stimulate affordable housing efforts.

IV. POTENTIAL TOOLS AND PROGRAMS FOR EXAMINE FURTHER EXPLORATION

The following provides brief details on the specific affordable housing tools or programs that could be tailored for use in Redmond.

HB 2377 – House Bill 2377 was enrolled in 2017. It allows a city to adopt an ordinance or resolution granting a property tax exemption for up to 10 years for eligible rental properties. An eligible property is one that is rented to households with an annual income at or below 120% AMI; whereas the City's existing property tax exemption is for eligible rental properties at or below 60% AMI.

The specific terms and duration of the provisions provided by HB 2377 require more research. Also, learning how it has been used and administered by other jurisdictions is important. Nonetheless, the House Bill could have the potential to provide needed incentives for workforce or middle-income housing in Redmond.

(DURD) Expand SDC Buydown Program – One tool policy-makers can currently use in the downtown urban renewal area is the SDC buydown program. In response to the need to provide more housing in our community and at higher densities in Redmond's core, the SDC Buydown Program could be modified to further incentivize affordable or workforce housing units. For example, the amount of SDCs paid by the program would be scaled based on the mix of affordable or workforce housing provided:

Income	Per Unit Buydown (Min. 3 Units)
0-50% AMI	$17,000
50-80% AMI	$15,000
80-120% AMI	$12,000
120% >	$6,000

The Downtown Housing Subcommittee could further vet out the concept and bring it forth to DURAC for a recommendation to the Urban Renewal Agency (Council).

Annexation Agreements – Annexation is the incorporation of contiguous land area into an existing municipality with a resulting change in the city's boundaries. Annexation agreements allow both the city and landowners to determine the relationship between them and the type of future development envisioned on the property before it is annexed. Annexation agreements help ensure: orderly expansion, transition to urban land uses, adequate transportation, assurances with needed infrastructure, utilities, rights-of-way, easements, phasing, timing of development, transfer of water rights, and financial responsibilities.

Cities have enormous leverage because typically the private landowner wants to be brought into the city to connect to services and increase the value and utility of their land.

All landowners must first petition the City Council to request annexation. The City then establishes the terms, conditions and provisions under which it will annex property. Examples of standard terms in Redmond annexation agreements include: requiring a Master Development Plan that complies with the Comprehensive Plan 2040, Development Code and Great Neighborhood Principles; and a fee for the public art program.

The City could require annexation agreements provide a specific percentage of the residential units to be affordable at specific ranges. Imbedded within the annexation agreement would be affordable or workforce housing standards for annexation. This would encourage and provide the availability of adequate housing at price ranges and rent levels which are commensurate with the financial capabilities of local households and allow for flexibility of housing location, type, and density.

Jurisdictions that require affordable or workforce housing as part of annexation typically establish a base density and then the total number of affordable units provided to qualifying buyers or renters equal to 10% to 25% of the base density. There is also the alternative to providing affordable housing by providing title to a sufficient amount of buildable land for an affordable housing developer.

Expedited Review and Permitting – To support affordable and workforce housing projects, it is necessary to connect and combine multiple tools, programs, and incentives. Expedited review and permitting for qualified projects could be easily established. This would save developers time during pre-development, land use approvals, and construction to help reduce development costs/time to market. The City has already adopted a streamlined process to expedite all land use and building permits for Greater Redmond Enterprise Zone.

Surplus City Properties – Selling land owned by public entities at below market rates for the development of affordable housing is an effective way to lower overall development costs and increase the development of land specifically dedicated to affordable housing. The public land can be sold anywhere from slightly below market rate to donated for free, depending on the context of the project. This policy option is already being utilized through intergovernmental partnerships between Deschutes County and the City for Skyline Village.

The City owns a number of surplus properties which could be explored for sale or donation in exchange for affordable housing. Properties sizes range from 0.14 acres to 3.28 acres. Terms would be negotiated regarding the required affordable and workforce housing mix in exchange for conveying the property for no or low cost. Issuing a Request for Proposal for the subject properties would be a means to establish the affordable housing criteria and solicit responses.

In preparing for this worksession, conversations with the Bend-Redmond Habitat for Humanity resulted in their recommendations for affordable ownership based on aspects of development that impact their organization the most.

Per Habitat:
"The two largest programs allowing our projects to pencil include, SDC Exemption and Surplus Land Allocation. The land and "soft cost" are the 2 greatest expenses when financially engineering affordable ownership opportunities."

Affordable Housing Fund / Construction Excise Tax (CET) for Commercial Projects
The State expanded local control of affordable housing policy through the passage of SB 1533B in 2016. The law, in addition to allowing for voluntary implementation of inclusionary zoning, authorizes local governments to impose a CET on improvements to real property. The taxes generated would flow into a specific City fund used to incent and leverage affordable housing.

A CET is a fee assessed on building permits. The legislation allows jurisdictions to adopt a CET that is: 1) 1% of the permit value on residential construction; and 2) At an uncapped rate on commercial and industrial construction for use on affordable housing projects.

The CET is collected from developers and property owners at the time building permits are issued. The CET is imposed on building permits for new construction and add-on construction for commercial or industrial construction. The CET is based on a percentage of the permit valuation. "Permit valuation" is the value of the improvements for which the permit is sought. Collected revenues are then deposited in the General Fund.

The allowed uses for CET funding are statutorily defined. A jurisdiction may retain 4% of funds to cover administrative costs. If a city implements a CET on commercial or industrial uses, 50% of the funds must be used for allowed affordable housing incentives and the remaining 50% is unrestricted.

A CET on commercial or industrial projects could provide a relatively flexible source of funding for affordable housing projects and incentives. It has the potential to generate a stream of revenue for affordable housing over time. If you were to average commercial permit valuation over the last five years, the City would generate $190,000 a year if a 1% CET was imposed on commercial construction.

Staff, realizes the caution of suggesting a tax on private development. Therefore, this is not a recommendation, it is an observation that the tool has seen success in other cities. Particularly in cities where housing development is strong its implementation will far from cripple the activity of production builders.

V. ADDITIONAL TOOLS TO ENCOURAGE THE DEVELOPMENT OF AFFORDABLE HOUSING

Local governments have the ability to employ a variety of mechanisms to incentivize the development of affordable and workforce housing, whether by altering regulatory restrictions or by providing direct and indirect forms of support. The following identify other types of incentives that could be analyzed for use in Redmond:

Density Bonuses - Allow more units of housing to be built on a site than would be allowed under existing zoning regulations in exchange for a developer's provision of affordably priced units or other public goals.

Design Flexibility - Incentives reduce regulatory constraints, allowing for more flexible building designs.

Reduced Parking Requirements - Relax zoning standards to allow for less required on-site parking, in return for the provision of more housing units.

Inclusionary Zoning - Requires developers to set aside a certain share of new housing at a price affordable to people at or below 80% AMI. State law dictates the percent of the project that can be set aside as affordable (no greater than 20% of the project), the size of the projects (only if greater than 20 units), and the requirement for both an in-lieu fee option and incentive package.

Tax Increment Financing (TIF) Districts for Housing - TIF districts are allowed to be created for the purpose of housing development. The City of Madras is pursuing a TIF district exclusively for the development of housing. Other cities require a specific percentage (such as 30%) of annual TIF revenues be dedicated to affordable housing. These kinds of concepts might be useful locally.

VI. CONCLUSION

There is no easy solution to the housing affordability or the affordable housing crisis that Central Oregon is experiencing. The prevalence of the issue requires us to work regionally and learn from the successes of other jurisdictions in the region, state and the nation.

The purpose of this policy discussion was to outline a set of potential options and tools that the City could use to address issues of affordable housing and seek to solve or mitigate the housing affordability crisis our community is experiencing.

City Staff is seeking further direction from policymakers regarding which of these options they might be interested in pursuing.

Fiscal Impact:

There is no immediate fiscal impact.

Alternative Courses of Action:

Policy Options

The following are options for Council consideration:

1) Maintain Existing Tools – Direct staff to continue to work on and leverage the existing affordable housing initiatives and tools the City uses.
2) Additional Research – Direct staff to identify specific affordable housing tools or policies to be further researched.

Based on direction given, staff will evaluate identified tools or programs through ongoing work with the Housing and Community Development Committee, Downtown Urban Renewal Advisory Committee or Planning Commission.

Recommendation / Suggested Motion:

N/A

6.10.2021

City Of Redmond
C/O John Roberts

Recommendations to facilitate the construction of Affordable Home Ownership opportunities.

Bend-Redmond Habitat for Humanity has been changing lives through homeownership in Central Oregon since 1989. We have constructed more than 150 homes, and placed more than 300 families, while assisting thousands of families on their journey to homeownership. Municipalities have been willing to offer programs to bridge the increasing affordability gap between local wages and housing cost. Many of these programs have been the key to allowing a project to pencil. There are far fewer opportunities for funding allotment in ownership when compared to affordable rentals, however, we believe creating the pipeline of affordability at each level of the homeownership journey is vital and necessary. Specific to affordable Home Ownership; programs including, SDC exemptions, surplus land allocation, density bonuses, tax abatement, and development code incentives have been among the most important in the development of affordable homeownership. When partnered with available funding programs such as Community Development Block Grant (CDBG) or alternate affordable housing funds, we can leverage these programs and dollars to produce a housing product that supports the workforce housing pipeline while generating pride in the community.

One Important aspect in affordable OWNERSHIP is connecting these programs and funds to the appropriate Index to measure affordability. Many funds for affordable rentals are tied to a maximum of 60% of the Area Median Income (AMI), while funds targeting ownership are tied to a maximum of 80% AMI. For ownership, the affordability gap between wages and housing has grown rapidly making it difficult for individuals at 100% AMI to secure housing. It is important to connect these services to the correct Median Income to ensure builders and developers can generate the best housing products for the community.

Regards,

Jacob Clark

Jacob Clark
VP of Acquisition and Land Development
Bend-Redmond Habitat for Humanity

CITY OF REDMOND
AFFORDABLE HOUSING TOOLS

REDMOND CITY COUNCIL
OCTOBER 5, 2021

TOPICS

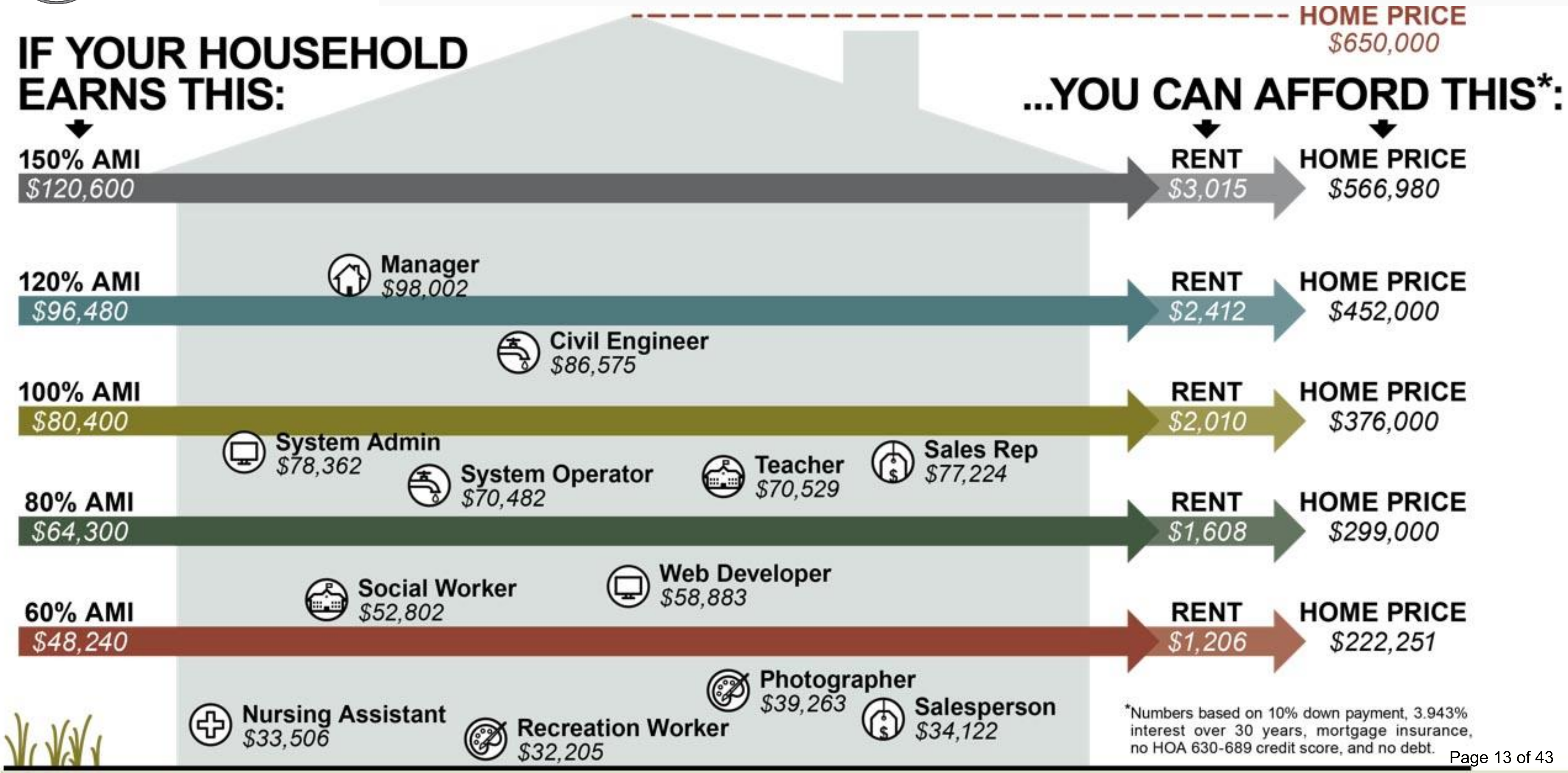
- BACKGROUND – DEMAND FOR AFFORDABLE HOUSING IN REDMOND
- DEFINITIONS
- EXISTING TOOLS & PROGRAMS
- POTENTIAL TOOLS & PROGRAMS
- ADDITIONAL TOOLS
- NEXT STEPS

HOUSEHOLD & INCOME PROFILE

SLIDE / 3

26.8% OF REDMOND'S HOUSEHOLDS ARE SEVERELY RENT BURDENED

42% OF REDMOND'S HOUSEHOLDS ARE LOW OR MIDDLE-INCOME


HOME PRICE
$650,000
IF YOUR HOUSEHOLD EARNS THIS:
...YOU CAN AFFORD THIS*:
150% AMI
$120,600
RENT
$3,015
HOME PRICE
$566,980
Manager
$98,002
120% AMI
$96,480
RENT
$2,412
HOME PRICE
$452,000
Civil Engineer
$86,575
100% AMI
$80,400
RENT
$2,010
HOME PRICE
$376,000
System Admin
$78,362
System Operator
$70,482
Teacher
$70,529
Sales Rep
$77,224
80% AMI
$64,300
RENT
$1,608
HOME PRICE
$299,000
Social Worker
$52,802
Web Developer
$58,883
60% AMI
$48,240
RENT
$1,206
HOME PRICE
$222,251
Photographer
$39,263
Nursing Assistant
$33,506
Recreation Worker
$32,205
Salesperson
$34,122
*Numbers based on 10% down payment, 3.943% interest over 30 years, mortgage insurance, no HOA 630-689 credit score, and no debt.

PROJECTED HOUSING NEEDS

Redmond: Project Housing Production by Housing Type 2020 – 2040		
	2019 Housing Needs Analysis	Breakdown/Year
All Housing (Total)	8,466	423
120% AMI + (market rate)	284	14
80-120% AMI (workforce)	786	39
50-80% AMI (middle income)	1,325	66
30-50% AMI (low income)	1,491	75
0-30% AMI (severe)	4,580	229

★★The table represents a combination of owner and renter-occupied units and does not account for underproduction estimates based on accelerated growth.

CONCEPTS & TERMS

SLIDE / 6

AFFORDABLE HOUSING

Occupant(s) is/are paying no more than 30% of income for gross housing costs. Targeted at a specific AMI and deed restricted for a period of no less than 15 years.

AREA MEDIAN INCOME (AMI)

"Middle" number of all incomes for a given area and adjusted for family size.

AFFORDABLE HOUSING DEVELOPMENT

Subsidized by federal, state, or local government, or any housing in which ≥ 20% of units are subject to restrictions that preserve them as affordable for ≥ 15 years.

VERY LOW-INCOME (0%-30% AMI)

Four-person family = $26,500 (30%)

One person = $16,900 (30%)

LOW-INCOME (30%-50% AMI)

Four-person family = $40,200 (50%)

One person = $28,150 (50%)

MODERATE INCOME (50%-80% AMI)

Four-person family = $64,300 (80%)

One person = $45,050 (80%)

CONCEPTS & TERMS

SLIDE / 7

WORKFORCE HOUSING/ MIDDLE-INCOME HOUSING (80%-120% AMI)

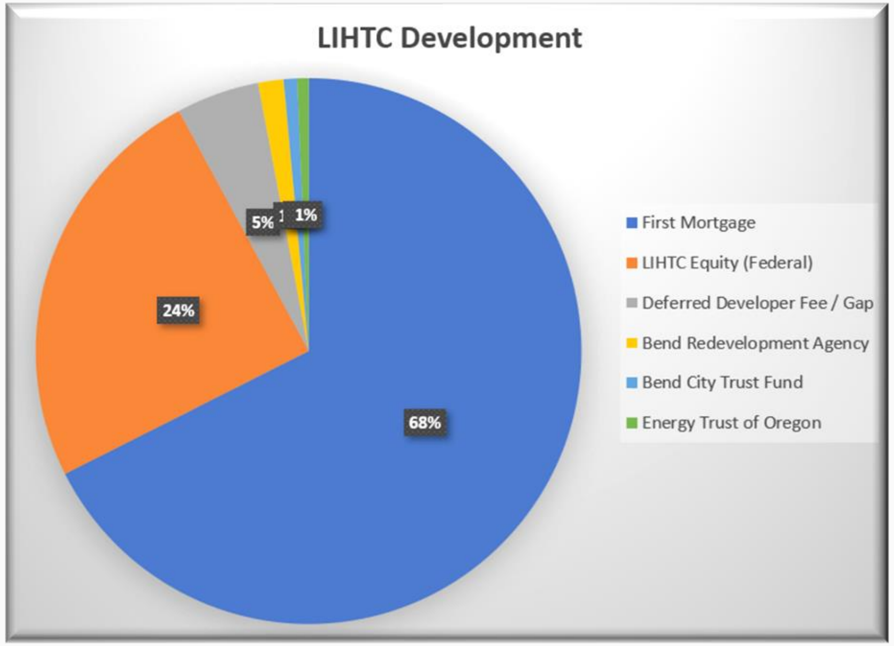
Four-person family = $96,480

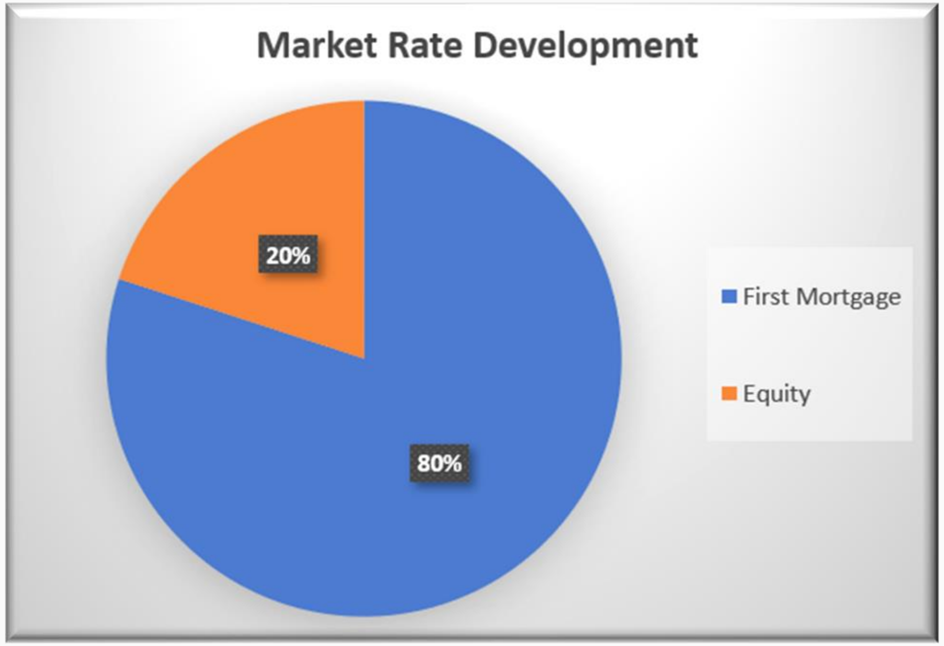
One person = 67,560

MARKET RATE HOUSING (≥ 120% AMI)

Does not involve direct subsidy.

AFFORDABLE VS. MARKET RATE





STRUCTURING THE FINANCING

USE OF EXISTING TOOLS & PROGRAMS

SLIDE / 9

COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)

$309,540 to Bend-Redmond Habitat for Humanity for construction/ land acquisition.

$170,000 to Housing Works for land acquisition.

PROPERTY TAX EXEMPTIONS

1st property tax exemption approved in August 2020 for Bridge Meadows, a 36-unit rental complex for families and seniors earning no more than 60% AMI.

SYSTEM DEVELOPMENT CHARGE (SDC) CREDITS

Qualified projects:

- 60% AMI or less
- Eligible for a 50% reduction of SDCs/dwelling unit
- Allocated over $120,000 in SDC credits since June 2011

EXISTING TOOLS & PROGRAMS

HB 4079/2336 SKYLINE VILLAGE

State-awarded 485-unit housing pilot project. ½ of units affordable.

40 acres donated by County on NE side of Redmond.

RFQ for fee-based master developer issued Fall 2021.

ACCESSORY DWELLING UNITS

Increases availability and access to housing priced to be affordable. Continuous modification of Development Code (Chapter 8) to allow ADUs in existing or new developments.

RESOURCES AVAILABLE VIA URBAN RENEWAL

HOUSING DEVELOPMENT OPPORTUNITY FUND

Leverages other program resources to help make affordable and workforce housing development feasible. $3M of Urban Renewal funds leveraged $13M for a 48-unit affordable housing development.

SYSTEM DEVELOPMENT CHARGE BUYDOWN PROGRAM

Provides grant funding to alleviate cost of SDCs. $250,000 issued over last 5 years.

HOUSING OPPORTUNITY REVOLVING LOAN FUND

Ongoing source of gap financing to stimulate housing redevelopment.

DOWNTOWN HOUSING SUB-COMMITTEE

Encouraging development, redevelopment, and rehabilitation of market-rate, affordable, and workforce housing.

STATE LEGISLATION

HB3261

LIMITS LOCAL GOVERNMENT'S RESTRICTIONS ON CONVERSIONS OF CERTAIN PROPERTIES INTO EMERGENCY SHELTERS OR AFFORDABLE HOUSING.

HB2006

DEFINES "EMERGENCY SHELTER." REQUIRES LOCAL GOVERNMENTS TO ALLOW SITING OF QUALIFYING EMERGENCY SHELTERS BY QUALIFYING ENTITIES NOTWITHSTANDING LAND USE LAWS AND REGULATIONS.

SB8

REQUIRES LOCAL GOVERNMENTS TO ALLOW DEVELOPMENT OF CERTAIN AFFORDABLE HOUSING ON LANDS NOT ZONED FOR RESIDENTIAL USES.

POTENTIAL TOOLS

HB 2377

- Authorizes the City to adopt an ordinance or resolution granting property tax exemption for up to 10 years for eligible rental properties at or below 120% AMI.

(DURD) EXPAND SDC BUYDOWN PROGRAM

- Modify existing program to further incentivize high-density affordable or workforce housing units

ANNEXATION AGREEMENTS

- Require annexation agreements to provide some portion of development for affordable housing.

EXPEDITED PERMITTING & REVIEW

- Save time during pre-development, entitlement process, and construction to help reduce development costs.

SURPLUS CITY PROPERTY

- City-owned land could be surplused for affordable and workforce housing projects.

AFFORDABLE HOUSING FUND/ CONSTRUCTION EXCISE TAX (CET)

- SB1533B authorizes the City to impose a CET on improvements to real property in order to fund affordable housing developments.
- Assessed on building permits for new and add-on construction for commercial or industrial construction.
- Based on a percentage of permit valuation.
- A flexible source of funding for affordable housing projects and incentives.

POTENTIAL TOOLS

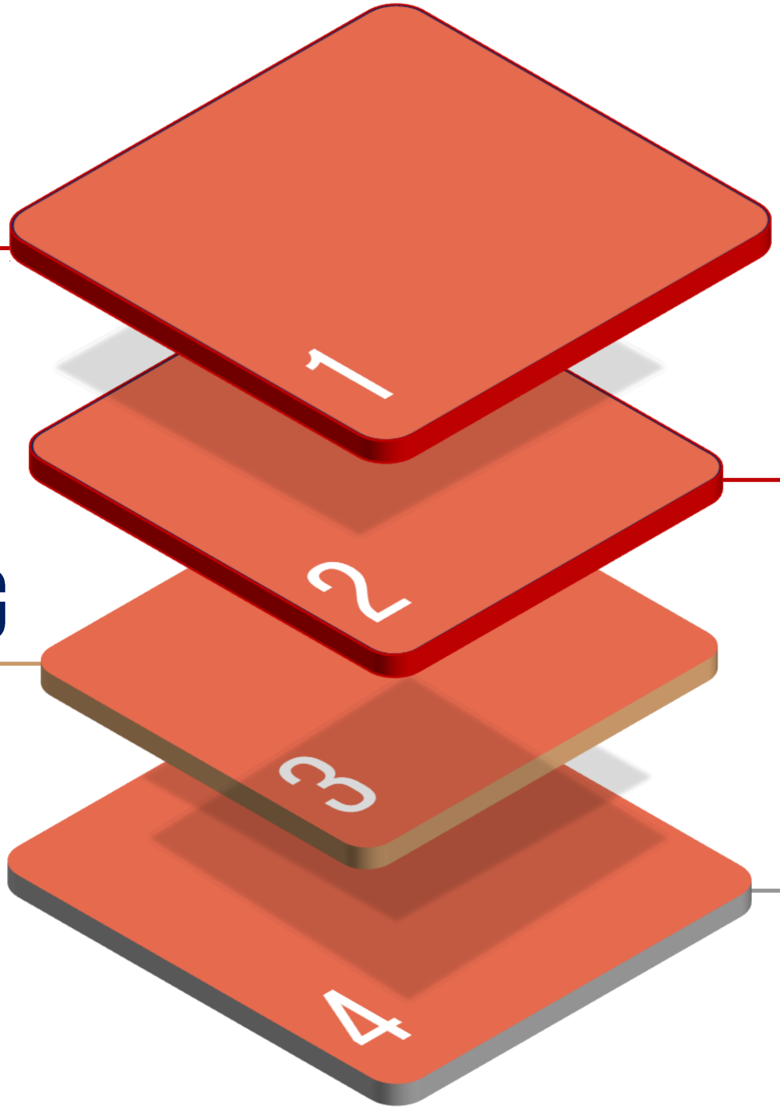
OTHER PROGRAMS

DENSITY BONUSES

Allow more units of housing to be built on a site than would be allowed under existing zoning regulations in exchange for a developer's provision of affordably priced units or other public goals.

REDUCED PARKING REQUIREMENTS

Relax zoning standards to allow for less required on-site parking in return for the provision of more housing units.



DESIGN FLEXIBILITY

Reduces regulatory constraints, allowing for more flexible building design.

INCLUSIONARY ZONING

Requires developers to set aside a certain share of new units at a price affordable to households at or below 80% AMI.

QUESTIONS/ GUIDANCE

SLIDE / 16

CITY OF REDMOND

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STAFF REPORT

DATE:	October 5, 2021
TO:	Redmond City Council
THROUGH:	Keith Witcosky, City Manager
FROM:	Jason Neff, Chief Financial Officer
SUBJECT:	Resolutions of the City of Redmond to make Budget Adjustments in Fiscal Year 2021/22 for the Allocation of American Rescue Plan Act (ARPA) Resources: $631,535.

Addresses Council Goal:
1. SUSTAIN OPERATION: Provide or enhance current levels of operations in all facets of municipal service delivery.

Report in Brief:
This item continues the City Council conversation regarding adjustments to the Fiscal Year (FY) 2021/22 budget to allocate the first half ($0.63M of $2.93M) of American Rescue Plan Act (ARPA) resources based on City Council direction provided on September 14, 2021, and September 28, 2021 - and direction previously received on August 10 and August 31, 2021.

Background:
ARPA Funds:
Signed into law by President Biden on March 11, 2021, the ARPA allocates $1.9 trillion to COVID-19 relief and economic recovery across the nation. Cities in Oregon will directly receive more than $680 million through the Coronavirus Local Fiscal Recovery Fund. The City of Redmond's allocation is $5.86 million. The City will receive these funds through two distributions. The initial distribution of $2.93 million was received in June 2021. The City anticipates receiving a second distribution of $2.93 million in June 2022. The City is required to obligate all of the funds by December 31, 2024, and fully distribute them by December 31, 2026.

ARPA Funds Budget Adjustments:
Council has approved budget adjustments for the following use of ARPA funds:
- September 14, 2021: Approved $2.0 million towards the new Public Safety Facility
- September 28, 2021: Approved $250,000 towards a commercial kitchen in the Senior Center and $50,000 towards the Safe Parking Initiative.

$631,535 is unallocated from the initial ARPA distribution.

The proposed budget adjustments were previously noticed and received public hearing. These adjustments were tabled / postponed at the September 14th and 28th Council Meetings. On September 29th, the Deschutes County Commissioners formally approved an additional $450,000 to the Bethlehem Inn Homelessness Initiative / Project.

Discussion:
Three resolutions for consideration allocate the remaining $631,535 of ARPA Funds. Resolutions #2021-26 and #2021-27 use discretionary General Fund dollars for initiatives with an equivalent increase towards the Public Safety Facility via ARPA funds. Recipients will be obligated to enter into contracts with the City and will draw down their resources on a reimbursement basis. Resolution #2021-30 is dependent upon the outcome of Resolutions #2021-26 and #2021-27.

Resolution #2021-26 (tabled on September 14th):

This resolution minimizes the complexity of reporting and the amount of City staff time associated with the management of the ARPA (Federal Grants). This resolution still leverages the ARPA funding to invest in the Bethlehem Inn Homelessness Initiative / Project. However, the mechanics of the investment would be to transfer $450,000 of ARPA into the Public Safety Facility while General Fund discretionary resources ($450,000) will formally fund the Bethlehem Inn. The General Fund discretionary resources are derived from the $2,300,000 authorized for the Public Safety Facility by City Council on July 14, 2021. This reduces the administrative costs and staff time related to managing the expenditure of federal dollars. The budget adjustment is summarized below:

General Fund (General Sub-Fund)

	Resources	Expenditures
Materials & Services (Bethlehem Inn)		$ 450,000
Transfers (to Capital Projects for Public Safety Facility)		($ 450,000)
Total Change	$ 0	$ 0

General Fund (ARPA Sub-Fund)

	Resources	Expenditures
Federal Grants & Awards	$ 450,000	
Transfers (to Capital Projects for Public Safety Facility)		$ 450,000
Total Change	$ 450,000	$ 450,000

Resolution #2021-27 (tabled on September 14th):

This resolution minimizes the complexity of reporting and the amount of City staff time associated with the management of the ARPA (Federal Grants). This resolution still leverages the ARPA funding to invest in the Jericho Road / Oasis Village Homelessness Initiative / Project. However, the mechanics of the investment would be to transfer $181,535 of ARPA into the Public Safety Facility while General Fund discretionary resources ($181,535) will formally fund the Oasis Village. The General Fund discretionary resources are derived from the $2,300,000 authorized for the Public Safety Facility by City Council on July 14, 2021. This reduces the administrative costs and staff time related to managing the expenditure of federal dollars. The budget adjustment is summarized below:

General Fund (General Sub-Fund)

	Resources	Expenditures
Materials & Services (Oasis Village)		$ 181,535
Transfers (to Capital Projects for Public Safety Facility)		($ 181,535)
Total Change	$ 0	$ 0

General Fund (ARPA Sub-Fund)

	Resources	Expenditures
Federal Grants & Awards	$ 181,535	
Transfers (to Capital Projects for Public Safety Facility)		$ 181,535
Total Change	$ 181,535	$ 181,535

Resolution #2021-30 (postponed on September 28th):

This resolution deploys ARPA Funds by reserving $631,535 for the Public Safety Facility project. These funds are reserved for future expenditure and will require Council approval to spend.

The budget adjustment is summarized below:

General Fund (ARPA Sub-Fund)

	Resources	Expenditures
Federal Grants & Awards	$ 631,535	
Transfers (to Capital Projects for Public Safety Facility)		$ 631,535
Total Change	$ 631,535	$ 631,535

Capital Projects Fund (for Public Safety Facility)

	Resources	Expenditures
Interfund Transfers	$ 631,535	
Reserve for Future Expenditure		$ 631,535
Total Change	$ 631,535	$ 631,535

Fiscal Impact:

Investing $631,535 in the Public Safety Facility (a project with a low confidence estimate of $25M - $30M) will reduce the amount of debt issued for the project by $631,535. This reduction in annual debt service is the equivalent of approximately $42,000 (the payment of a 20 year bond at 3% interest) which would have otherwise come from either the City General Fund or a voter approved General Obligation Bond (preferred financing alternative selected by City Council on August 10). Total interest on $631,535 debt over 20 years is approximately $217,000. $631,535 in a General Obligation Bond would cost a $350,000 house approximately $3-$4 annually for 20 years.

Alternative Courses of Action:

1. Consider un-tabling applicable resolutions from previous City Council meetings.
2. Separately, adopt resolution(s) #2021-26, #2021-27 and #2021-30.
3. Separately, amend and adopt resolution(s) #2021-26, #2021-27 and #2021-30.
4. Do not adopt the resolution(s).
5. Request more information.

Recommendation / Suggested Motion:

N/A

CITY OF REDMOND
RESOLUTION NO. 2021-26

A RESOLUTION OF THE CITY OF REDMOND TO MAKE BUDGET ADJUSTMENTS.

WHEREAS, the City of Redmond will have unexpected and unbudgeted resources and expenditures for FY 2021/22; and

WHEREAS, Supplemental budgets are permitted under Oregon Revised Statutes 294.471; and

WHEREAS, In June 2021 the City received $2,931,535 in American Rescue Plan Act (ARPA) funds making the budget adjustment below possible; and

WHEREAS, On August 10, 2021 and August 31, 2021 the City Council deliberated and took public comment regarding the use of ARPA Funds and gave staff direction to prepare the budget adjustment below.

NOW, THEREFORE, be it resolved by the City Council for the City of Redmond as follows:

SECTION ONE: The City of Redmond City Council hereby adopts the following Budget Adjustments for FY 2021/22, in the following funds with the following changes, now on file at City Hall.

SECTION TWO: The amounts for the fiscal year beginning July 1, 2021, are hereby adjusted as follows:

GENERAL FUND (General Sub-Fund)	Resources	Expenditures
Materials & Services		$ 450,000
Transfers (to Capital Projects)		($ 450,000)
Change to General Fund		**$ 0**
Change to General Fund – Total Appropriations		**$ 0**

GENERAL FUND (ARPA Sub-Fund)	Resources	Expenditures
Federal Grants / Awards	$ 450,000	
Transfers (to Capital Projects)		$ 450,000
Change to General Fund		**$ 450,000**
Change to General Fund – Total Appropriations		**$ 450,000**

This resolution minimizes the complexity of reporting and the amount of City staff time associated with the management of the ARPA (Federal Grants). This resolution still leverages the ARPA funding to invest in the Bethlehem Inn Homelessness Initiative / Project. However, ARPA funds would formally invest $450,000 additional in the Public Safety Facility while General Fund discretionary resources ($450,000) will formally fund the Bethlehem Inn. The General Fund discretionary resources are derived from the $2,300,000 authorized for the Public Safety Facility by City Council on July 14, 2021. This reduces the administrative burdens related to managing the expenditure of federal dollars on staff.

SECTION THREE: This resolution shall be effective this 5th day of October 2021.

ADOPTED by the City Council and **SIGNED** by the Mayor this 5th day of October 2021.

George Endicott, Mayor

ATTEST:

Kelly Morse, City Recorder

CITY OF REDMOND
RESOLUTION NO. 2021-27

A RESOLUTION OF THE CITY OF REDMOND TO MAKE BUDGET ADJUSTMENTS.

WHEREAS, the City of Redmond will have unexpected and unbudgeted resources and expenditures for FY 2021/22; and

WHEREAS, Supplemental budgets are permitted under Oregon Revised Statutes 294.471; and

WHEREAS, In June 2021 the City received $2,931,535 in American Rescue Plan Act (ARPA) funds making the budget adjustment below possible; and

WHEREAS, On August 10, 2021 and August 31, 2021 the City Council deliberated and took public comment regarding the use of ARPA Funds and gave staff direction to prepare the budget adjustment below.

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SECTION TWO: The amounts for the fiscal year beginning July 1, 2021, are hereby adjusted as follows:

GENERAL FUND (General Sub-Fund)	Resources	Expenditures
Materials & Services		$ 181,535
Transfers (to Capital Projects)		($ 181,535)
Change to General Fund		**$ 0**
Change to General Fund – Total Appropriations		**$ 0**

GENERAL FUND (ARPA Sub-Fund)	Resources	Expenditures
Federal Grants / Awards	$ 181,535	
Transfers (to Capital Projects)		$ 181,535
Change to General Fund		**$ 181,535**
Change to General Fund – Total Appropriations		**$ 181,535**

This resolution minimizes the complexity of reporting and the amount of City staff time associated with the management of the ARPA (Federal Grants). This resolution still leverages the ARPA funding to invest in the Jericho Road / Oasis Village Homelessness Initiative / Project. However, ARPA funds would formally invest $181,535 additional in the Public Safety Facility while General Fund discretionary resources ($181,535) will formally fund the Jericho Road / Oasis Village. The General Fund discretionary resources are derived from the $2,300,000 authorized for the Public Safety Facility by City Council on July 14, 2021. This reduces the administrative burdens related to managing the expenditure of federal dollars on staff.

SECTION THREE: This resolution shall be effective this 5th day of October 2021.

ADOPTED by the City Council and **SIGNED** by the Mayor this 5th day of October 2021.

George Endicott, Mayor

ATTEST:

Kelly Morse, City Recorder

CITY OF REDMOND
RESOLUTION NO. 2021-30

A RESOLUTION OF THE CITY OF REDMOND TO MAKE BUDGET ADJUSTMENTS.

WHEREAS, the City of Redmond will have unexpected and unbudgeted resources and expenditures for FY 2021/22; and

WHEREAS, Supplemental budgets are permitted under Oregon Revised Statutes 294.471; and

WHEREAS, In June 2021 the City received $2,931,535 in American Rescue Plan Act (ARPA) funds making the budget adjustment below possible.

NOW, THEREFORE, be it resolved by the City Council for the City of Redmond as follows:

SECTION ONE: The City of Redmond City Council hereby adopts the following Budget Adjustments for FY 2021/22, in the following funds with the following changes, now on file at City Hall.

SECTION TWO: The amounts for the fiscal year beginning July 1, 2021, are hereby adjusted as follows:

GENERAL FUND (ARPA Sub-Fund)	Resources	Expenditures
Federal Grants / Awards	$ 631,535	
Transfers (to Capital Projects)		$ 631,535
Change to General Fund		**$ 631,535**
Change to General Fund – Total Appropriations		**$ 631,535**

CAPITAL PROJECTS FUND	Resources	Expenditures
Interfund Transfers	$ 631,535	
Reserve for Future Expenditure		$ 631,535
Change to Capital Projects Fund		**$ 631,535**
Change to Capital Projects Fund – Total Appropriations		**$ 0**

This resolution deploys ARPA Funds by reserving $631,535 for the Public Safety Facility project. These funds are reserved for future expenditure and will require Council approval to spend.

SECTION THREE: This resolution shall be effective this 5th day of October 2021.

ADOPTED by the City Council and **SIGNED** by the Mayor this 5th day of October 2021.

George Endicott, Mayor

ATTEST:

Kelly Morse, City Recorder

FISCAL YEAR 2021/22 BUDGET ADJUSTMENT

REDMOND CITY COUNCIL

OCTOBER 5, 2021

TABLED RESOLUTION #26

$450K FOR BETHLEHEM INN, LEVERAGING ARPA FUNDS

GENERAL FUND (General Sub-Fund)	Resources	Expenditures
Materials & Services		$ 450,000
Transfers (to Capital Projects)		($ 450,000)
Change to General Fund		**$ 0**
Change to General Fund – Total Appropriations		**$ 0**

GENERAL FUND (ARPA Sub-Fund)	Resources	Expenditures
Federal Grants / Awards	$ 450,000	
Transfers (to Capital Projects)		$ 450,000
Change to General Fund		**$ 450,000**
Change to General Fund – Total Appropriations		**$ 450,000**

TABLED RESOLUTION #27

$182K FOR OASIS VILLAGE, LEVERAGING ARPA FUNDS

GENERAL FUND (General Sub-Fund)	Resources	Expenditures
Materials & Services		$ 181,535
Transfers (to Capital Projects)		($ 181,535)
Change to General Fund		**$ 0**
Change to General Fund – Total Appropriations		**$ 0**

GENERAL FUND (ARPA Sub-Fund)	Resources	Expenditures
Federal Grants / Awards	$ 181,535	
Transfers (to Capital Projects)		$ 181,535
Change to General Fund		**$ 181,535**
Change to General Fund – Total Appropriations		**$ 181,535**

POSTPONED RESOLUTION #30

$632K FOR PUBLIC SAFETY FACILITY FROM ARPA FUNDS

GENERAL FUND (ARPA Sub-Fund)	Resources	Expenditures
Federal Grants / Awards	$ 631,535	
Transfers (to Capital Projects)		$ 631,535
Change to General Fund		**$ 631,535**
Change to General Fund – Total Appropriations		**$ 631,535**

CAPITAL PROJECTS FUND	Resources	Expenditures
Interfund Transfers	$ 631,535	
Reserve for Future Expenditure		$ 631,535
Change to Capital Projects Fund		**$ 631,535**
Change to Capital Projects Fund – Total Appropriations		**$ 0**

CITY OF REDMOND

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STAFF REPORT

DATE: October 5, 2021
TO: City Council
THROUGH: Keith Witcosky, City Manager
FROM: John Roberts, Deputy City Manager
SUBJECT: Ordinance #2021-09 - An ordinance amending the Redmond City Code Chapter 5, adding a Safe Parking Program and Vehicle Camping section as a means to help address homelessness and declaring an emergency.

Addresses Council Goal:
7. Comprehensive Planning. Dii: Work with Deschutes County and appropriate neighboring communities to reduce homelessness and participate in community conversations to advance this topic.

Report in Brief:
This item requests City Council approval of Ordinance #2021-09 amending Chapter 5 of the City Code to adopt regulations and standards for safe parking programs and vehicle camping.

Background:
This Ordinance responds to City Council direction provided at the August 10, August 31 and September 28, 2021, meetings, which requested exploring and developing a Safe Parking Program tailored to meet the needs of Redmond and mitigate the impact of homelessness.

At the August 31 meeting, staff presented background information on four successful programs in Oregon (i.e., the cities of Beaverton, Bend, Eugene and Salem). The staff were also joined by guests Rick Russell from Mountain View Fellowship Church and Stacey Witte from REACH (a Bend nonprofit that oversees Bend's Safe Parking Program). The best practices and the operational structure necessary for the best chance at success and least chance of it becoming a nuisance to neighbors and other property owners were discussed.

The Safe Parking concept has been used in other American cities. The program enables property owners to allow limited overnight parking for people experiencing homelessness. The purpose is to provide additional shelter options for individuals and families without access to permanent, safe shelter, and who are not able to obtain other low-income housing. These programs are intended to be used on a seasonal, emergency or transitional basis.

After discussion, the Council directed staff to return with a draft ordinance to allow for a safe parking program and requested it take effect immediately upon adoption. The first and second reading of the Ordinance occurred on September 28, 2021. City Council approved and conducted a first and second reading of the ordinance with specific amendments being requested.

1) clarify safe parking is not allowed on commercially zoned lands,
2) RVs could utilize appropriate cooking facilities, and
3) clarify the characteristics of each site are unique and as such there could be more restrictive standards (e.g., setbacks) required.

Discussion:
The purpose and scope of the safe parking ordinance is to allow for overnight camping and transitional overnight parking accommodation. The safe parking is intended to be used on a limited basis for emergency or transitional shelter purposes by individuals, families, or households who lack permanent or safe shelter and who cannot obtain other low-income housing. The draft safe parking program and vehicle camping provisions are contained in Chapter 5, Public Protection.

Important and salient aspects of the safe parking program and vehicle camping code as proposed include:

- The definitions sections include: person in charge, religious institution or place of worship, vehicle, vehicle camp, vehicle camping site for homeless persons. All these terms are used throughout the safe parking section.
- Vehicle camping would be limited to properties operated by a religious institution or place of worship, non-profit, public or commercial entity, and not currently used for residential use.
- The entity in charge would develop the intake process, operating policies and monitor compliance of the safe parking.
- A third party (e.g., nonprofit REACH) would operate and manage the safe parking program after receiving approval from the City.
- The expectation is that any participating property owners could host up to 6 vehicles and their occupants.
- The premises would be required to have toilets, hand washing, and trash disposal facilities.
- All vehicles would be required to be licensed and registered.
- The entity in charge will be responsible for developing reasonable policies that determine the number of individuals on the premises, how long they can stay, supervision provided, and other safety and aesthetic requirements.
- The entity in charge may revoke permission at any time for a person wishing to stay there.
- The City may revoke authorization of safe parking programs for violations or safety concerns.
- The Ordinance does not limit the jurisdiction or authority of the Redmond Police Department.

Three changes to the Ordinance were discussed at the September 28 meeting. The purpose of the changes were to: 1) clarify safe parking is not allowed on commercially zoned lands, 2) RVs could utilize appropriate cooking facilities, and 3) clarify the characteristics of each site are unique and as such there could be more restrictive standards (e.g., setbacks) required. These changes are noted in Red Underline in the Ordinance.

As required by City Charter, on September 21, 2021, notices regarding this Council action were posted in three public places (the library, Police Department, and Redmond Chamber of Commerce) in addition to City Hall. Copies of the ordinance were also available for review at City Hall.

Fiscal Impact:
There is no direct fiscal impact to the City by passing the ordinance. Funding, via ARPA resources, was considered through a separate budget adjustment which was approved September 28, 2021.

Alternative Courses of Action:
1. Approve Ordinance #2021-09
2. Request more information
3. Do not approve Ordinance #2021-09

Recommendation / Suggested Motion:
"I move to approve Ordinance #2021-09 as amended." (Roll Call vote)

CITY OF REDMOND
ORDINANCE NO. 2021-09

AN ORDINANCE AMENDING THE REDMOND CITY CODE CHAPTER 5, ADDING A SAFE PARKING PROGRAM AND VEHICLE CAMPING SECTION AS A MEANS TO HELP ADDRESS HOMELESSNESS AND DECLARING AN EMERGENCY.

WHEREAS, the City of Redmond continues to experience an increase in homelessness in and around the city and associated impacts; and

WHEREAS, safe parking and vehicle camping programs are tools for reducing the effects of homelessness and the use of public streets for vehicles associated with the homeless population; and

WHEREAS, safe parking and vehicle camping programs provide additional shelter options for individuals and families without access to permanent, safe shelter, and who are not able to obtain other low-income housing; and

WHEREAS, safe parking and vehicle camping programs enable property owners to allow limited overnight parking for people experiencing homelessness; and

WHEREAS, safe parking and vehicle camping programs can build connections between guests, the community, homeless service providers and available services; and

WHEREAS, this Ordinance responds to City Council direction provided at August 10, 2021, August 31, and September 28, 2021 meetings, which requested exploring and developing a successful Safe Parking Program tailored to meet the needs of Redmond and mitigate the impacts of homelessness; and

WHEREAS, the City Council finds that the attached safe parking program and vehicle camping code is necessary to further the above interests, and to protect the health, safety and welfare of City residents.

NOW, THEREFORE, THE CITY OF REDMOND ORDAINS AS FOLLOWS:

SECTION ONE: The City of Redmond hereby amends the Redmond City Code Chapter Chapters 5 (Public Protection). A copy of the code amendments is attached hereto as "Exhibit A."

SECTION TWO: SEVERABILITY: The provisions of this Ordinance are severable. The invalidity of any section, clause, sentence, or provision of this Ordinance shall not affect the validity of any other part of this Ordinance which can be given without such invalid part or parts.

SECTION THREE: The City Council finds that it is in the best interest of the City of Redmond to have this Ordinance take effect immediately upon adoption and signature.

Therefore, the City Council hereby declares an emergency.

PASSED by the City Council and **APPROVED** by the Mayor this 5th day of October 2021.

George Endicott, Mayor

ATTEST:

Kelly Morse, City Recorder

Exhibit A:
Proposed Redmond City Code Amendments

Chapter 5 – Public Protection

Contents

(***)

5 PUBLIC PROTECTION

(***)

CHAPTER 5 Public Protection

(***)

Safe Parking Program and Vehicle Camping

(***)

SAFE PARKING PROGRAM AND VEHICLE CAMPING

5.700 Purpose and Scope. Safe parking, provided through overnight camping and transitional overnight parking accommodations as described in this section, is intended to be used on a limited basis for emergency or transitional shelter purposes by individuals, families, or households who lack permanent or safe shelter.

5.705 Definitions. For the purposes of Sections 5.700 to 5.715, the following definitions mean:

Person in Charge. A person who has lawful control of a premises by ownership, by official position, or by another legal relationship to the premises.

Religious Institution or Place of Worship. A structure used primarily as a meeting area for religious activities.

Sanitary Facilities. Including, but not limited to, toilet, hand washing, and trash disposal facilities.

Recreational Vehicle (RV). See section 5.325.

Vehicle. A car, camper, travel trailer, recreational vehicle, or similar conveyance. All vehicles must be operable and movable, either by their own power or towing if designed to be towed.

Vehicle Camp. Set up, or remain in a vehicle, for the purpose of establishing or maintaining a temporary place to live.

Vehicle Camping Site for Homeless Persons. A location where overnight camping spaces are provided temporarily to homeless persons living in vehicles.

5.710 Guidelines. Vehicle-camping is hereby authorized, subject to the standards and requirements set forth below:

1. Vehicle-camping is limited to properties operated by a religious institution or place of worship, non-profit, public, or commercial entity, and not currently used for a residential use. Vehicle-camping is not allowed on commercially zoned properties.

2. Notwithstanding any other provision of the Redmond City Code, persons may sleep overnight in a vehicle on a premises by an entity that owns or leases real property on which a structure and an associated parking lot are located, provided:
   A. That said persons have obtained the permission of the Person in Charge.
   B. The property owner has applied for and received approval for operation and registers the location with the City's Community Development Department.
   C. The property owner agrees to abide by all conditions, including acceptance of liability and demonstration of insurance coverage in amounts acceptable to the City.

3. A person in charge who allows a person or persons to sleep overnight in a vehicle on the premises pursuant to this section shall:
   A. Not grant permission for more than six (6) vehicles used for sleeping to utilize the parking lot at any one (1) time.
   B. Provide or make available on the premises sanitary facilities including, but not limited to, toilet, handwashing, and trash disposal facilities at all hours people are authorized to be present for overnight parking.
   C. Require all vehicles used for camping be licensed and registered.
   D. Not require payment of any fee, rent, or other monetary charge for overnight sleeping in a vehicle as authorized by this section.

E. Not allow open flames at the premises, including within vehicles unless contained in a Recreational Vehicle (RV) currently titled and registered with the State of Oregon Department of Motor Vehicles.

F. Develop reasonable policies that set out:
   1. How individuals who may stay on the premises will be selected.
   2. How many continuous days someone may stay at the premise.
   3. What supervision will be provided.
   4. What structures or other items may be placed on the premises.
   5. Any other safety or aesthetic requirements for staying on the premises.

4. A person in charge who permits overnight sleeping in a vehicle pursuant to this section may revoke that permission at any time and for any reason. Any person who receives permission to sleep on a premises as provided in this section shall leave the premises immediately after permission has been revoked. The owner-operator has the right to refuse entry or discontinue use for any individual.

5. Parking spaces used for vehicle camping, and storage and sanitary facilities are located at a minimum:
   A. No less than 10 feet from property lines of the premises/subject site.
   B. Storage and sanitary facilities are no less than 20 feet from property lines.
   C. Clear of pedestrian walkways, fire lanes, or other emergency access areas, or areas needed for corner vision or sight distance.
   D. Applicable siting standards are subject to specific site constraints.

5.715 Enforcement.

1. This section shall not be construed to abrogate or limit the jurisdiction or authority of the Redmond Police Department or any other law enforcement agency.

2. Notwithstanding any other provision of this section, the City Manager or designee may:
   A. Revoke authorization for safe parking programs and vehicle camping for violations of the requirements of this section.
   B. Prohibit safe parking programs and vehicle camping on a property if the City finds that any activity related to safe parking or vehicle camping on that property constitutes a nuisance or other threat to the public welfare.

3. Nothing in this section of this code creates any duty on the part of the City or its agents to ensure the protection of persons or property with regard to permitted safe parking programs and vehicle camping accommodations.

// End //