



ALBANY CITY COUNCIL

MINUTES

Monday, September 30, 2024

Work Session

Council Chambers, City Hall

Approved: November 6, 2024

Call to Order

4:00 p.m.

Mayor Alex Johnson II called the meeting to order at 4:00 p.m.

Roll Call

Councilors Present: Mayor Alex Johnson II and Councilors Matilda Novak, Jackie Montague, Steph Newton Azorr, Ray Kopczynski, Ramycia McGhee, and Marilyn Smith

Councilors Absent: None

Business from the public

4:01 p.m.

None.

Housing Implementation Plan

4:01 p.m.

Planner II Beth Frelander shared slides* and a brief background of the Housing Implementation Plan (HIP), which was adopted in 2023 and identified ways that the City can help address Albany's current and future housing needs.

She shared the efforts made to get public feedback on the proposed housing policy and Albany Development Code (ADC) changes, which included focus groups, office hours and an online survey.

Housing policy and incentives strategies

4:06 p.m.

Frelander introduced Brendan Buckley, of Johnson Economics, who talked about policy priorities that were identified in the HIP. He said that additional research has been done, public input gathered, and staff would like additional direction on recommendations made regarding:

- Construction Excise Tax (CET)
- Low-Income Rental Housing Tax Abatement Program (LIRHT)
- Surplus City-owned Land for Housing Policy

Councilor Ray Kopczynski asked if a developer could build a project, pay the CET and then apply for funding to develop low-income housing. Comprehensive Planning Manager Anne Catlin said that low-income housing would be exempt from paying the tax.

Councilor Matilda Novak shared support for CET being for extremely low income and non-profit housing.

Councilor Jackie Montague noted that the list of exemptions included religious facilities, which she did not feel should be exempt. Frelander replied that the state may require the exemption but she will double check.

Councilor Steph Newton Azorr asked how the recommended CET percentages compared to other cities, which staff said were similar.

Newton Azorr also asked if the LIRHT program would have a limit on how many applicants or programs could be sustained. Catlin said that they are proposing a 20-year tax exemption and that there are other factors to consider.

Newton Azorr asked if the Multi-Unit Property Tax Exemption (MUPT) would be for 10 years or if there was an annual renewal process. Catlin said that Economic Development staff would come back to council with program specifics but confirmed that it would be a one-time application rather than an annual renewal.

Novak said she only supports LIRHT for non-profit developers.

Mayor Alex Johnson II said that he thinks that the LIRHT should be reapproved each year. Catlin responded that it was not set up that way but liked the idea of having program recipients provide reporting on a determined schedule.

The council showed support for a reporting requirement with the LIRHT, and staff will confirm what the state reporting requirements are, so they require reporting in the same timeframe.

Newton Azorr asked if there were state reporting requirements for the MUPT. Staff were unsure of the states requirements but will find out and bring back to council.

Johnson II asked if a recipient was found to be out of compliance with the program requirements if the benefit would be removed. Catlin said yes, and they would be required to pay back the taxes for the time they were out of compliance.

Novak shared her concerns with a 20-year tax break.

Montague asked how the tax break timeline was determined. Catlin said state law is 20 years, but council could determine a different timeline.

Catlin explained that for-profit and non-profit development would be required to provide public benefits with the MUPTE, and affordable housing is a public benefit. Councilor Smith inquired about the give and take of this type of tax break and how this would affect the ability to provide services to more people.

Novak said that she thinks Albany is built out "to the moon" and she is not in favor of further development.

Councilor McGhee asked at what rate we are seeing affordable housing developers. She shared her support for additional affordable housing development. Frelander said that affordable housing developers generally gravitate to cities that have these tax incentive "tools" available.

City Manager Peter Troedsson said that a surplus land for housing policy was not necessary because the current process already allows for this. Montague asked if the current process has a policy for how applicants can apply for surplus land and how those applications are evaluated. Discussion followed.

Councilors showed general support for a policy to screen surplus land for housing, and screen proposals when this would be an appropriate option.

Development code strategies

4:43 p.m.

Catlin shared additional slides* showing the policy timeline as well as the ADC amendment strategy suggestions.

Novak asked if the proposed smaller lot sizes would have a backyard for children. Staff said that development would still have to meet lot coverage and setback requirements, including a backyard setback.

Smith asked if there had been complaints from residents in rear-loaded developments regarding parking in the rear of houses. Catlin said no. Novak said she was curious if alley-loaded parking worked well and said that she would ask around to find out.

Kopczynski inquired if cottage cluster housing had the same utility connections as standard developments. Catlin said yes.

Newton Azorr asked about fire access with reduced courtyard areas for cottage cluster housing. Catlin said reduced area does not restrict access.

Novak and McGhee said that they do not support the suggestion to reduce private open spaces/balconies for apartments and other multiple housing units. Montague said that it would be helpful to allow developers flexibility to provide variety.

Staff discussed a proposal to require green space in new residential subdivisions. Smith asked if the pocket parks would be maintained by a homeowner's association (HOA). Catlin said yes, unless the parks department wanted to take them over. Catlin explained that HOAs are now required due to new stormwater quality facility requirements. There was general support for this proposal.

Staff will come back to a regular council meeting in January 2025 for action.

ADJOURNMENT

Hearing no further business, the meeting was adjourned at 5:23 p.m.

Respectfully submitted,

Reviewed by,

Kaitlin Martin
Administrative Services Coordinator

Peter Troedsson
City Manager

**Documents discussed at the meeting that are not in the agenda packet are archived in the record. Documents from staff are posted to the website after the meeting. Documents submitted by the public are available by emailing cityclerk@albanyoregon.gov.*