

A work session of the Astoria Common Council was held at the above place at the hour of 7:00 pm.

Councilors Present: Brownson, Herman, Rocka, Hilton, and Mayor Jones.

Councilors Excused: None

Staff Present: City Manager Estes and City Attorney Henningsgaard. The meeting is recorded and will be transcribed by ABC Transcription Services, LLC.

REGULAR AGENDA ITEMS

Item 3(a): Primer on Affordable Housing Financing

Jill Sherman from Edlen & Co. will present a primer on affordable housing financing and how those projects are typically funded. This work session item will not include a presentation on specifics for the Heritage Square redevelopment project.

City Manager Estes stated this presentation would explain how affordable housing projects were structured, budgeted and financed. The presentation was not specific to any particular project. The next work session would be on April 1, 2022 at 10:00 am to discuss options for transferring the ownership of the Heritage Square property.

Jill Sherman, Edlen & Co., gave an overview of affordable housing finance via PowerPoint, which highlighted how rents were determined to be affordable, rent vouchers, federal and state tax credits, and gap funding sources. In response to questions from Councilors, she explained that Edlen had been working with Clatsop Community Action, The Q Center and other organizations to understand the community's needs. If Astoria decided to target any federally allowed preferences, those preferences should be mentioned as a possibility in funding applications. She also confirmed that the state allocates separate pots of funding for urban, midsized urban, and rural communities. The state also ensures that projects are funded across the state among all three types of communities. Astoria would be competing for funding with other rural communities with populations of 15,000 and less.

Mayor Jones called for questions from the public about affordable housing financing.

Candy Yiu, asked what happens if a project goes over budget. She also wanted to know if affordable housing projects had to offer affordable housing permanently or if the affordable units could eventually get phased out.

Ms. Sherman responded that the project budget is updated during the pre-development phase and a contingency is included in the budget to cover any cost increases. If the contingency is spent and more funding is still needed to complete the project, the developer would provide a completion guarantee to the lender and investor. However, completion guarantees are rare. Most affordable housing projects had to commit to a minimum affordability period of 60 years.

Cindy Price, P.O. Box 477, Astoria, stated her research showed that state and federal tax credit funding had been consistent for the last six years. She asked if there was any indication the funding would be less than it had been. She also wanted to know when the Council would discuss funding specific to the Heritage Square project.

Ms. Sherman said she hoped the state would continue to fund the LIFT program, but she had no idea to what extent it would be funded beyond 2023.

Mayor Jones stated the City Council would discuss Heritage Square financing at a work session on April 1, 2023 and at a regular meeting on April 4, 2022.

Councilor Brownson confirmed with Ms. Sherman that the funds that Edlen was applying for were existing funds, not funds to be allocated in the next legislative session.

Councilor Hilton asked what would happen with grant funds if the City was unable to develop.

Ms. Sherman explained that construction could not begin until all of the funding was in place, permits were approved, and entitlements were complete. No monies are released until closing or construction begins.

ADJOURN TO EXECUTIVE SESSION

The work session was adjourned at 7:41 pm to convene the Executive Session.

EXECUTIVE SESSION

The Executive Session was convened.

Item 5(a): Real Property Transactions – ORS 192.660(2)(e)

ADJOURNMENT;30:

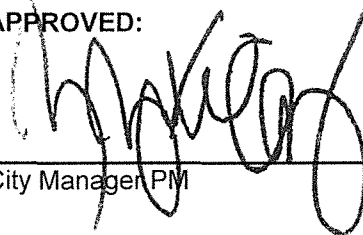
There being no further business, the meeting was adjourned at 8:30 pm.

ATTEST:



Finance Director

APPROVED:



City Manager PM