

CITY OF NEWBERG
CITY COUNCIL MEETING
AND EXECUTIVE SESSION
APRIL 18, 1989
7:30 P.M.
NEWBERG PUBLIC LIBRARY

- I. CALL MEETING TO ORDER
- II. ROLL CALL
- III. CONSENT CALENDAR:
 - 1. Proclamation honoring Current Electronics for its award from the Small Business Administration.
- IV. REQUESTS AND COMMUNICATIONS FROM FLOOR: (Limit 5 minutes)
- V. OLD BUSINESS:
 - 1. Resolution modifying the Rental Rehabilitation Grant.
- VI. NEW BUSINESS:
- VII. EXECUTIVE SESSIONS:
 - 1. Pursuant to ORS 192.660(1) (d) - relating to labor and wage negotiations.
 - 2. Pursuant to ORS 192.660(1) (h) - relating to litigation.
 - 3. Pursuant to ORS 192.660(1) (a) (D) - relating to the hiring of the City Manager.
- VIII. ADJOURN.

INDEX OF RESOLUTION ON THIS AGENDA FOR ACTION:

- 1. Resolution modifying the Rental Rehabilitation Grant.

CITY OF NEWBERG
WORK SESSION MEETING
CITY COUNCIL
APRIL 18, 1989
6:30 P.M.
NEWBERG COMMUNITY HOSPITAL
CONFERENCE ROOM B

THE CITY COUNCIL OF THE CITY OF NEWBERG WILL HOLD A WORK SESSION TO REVIEW THE APRIL 18, 1989 COUNCIL AGENDA ITEMS. THE COUNCIL WILL NOT MAKE ANY DECISIONS ON THE AGENDA ITEMS AT THE WORK SESSION. THE WORK SESSION WILL BE HELD AT THE NEWBERG COMMUNITY HOSPITAL, CONFERENCE ROOM B.

THE WORK SESSION WILL BE FOLLOWED BY THE CITY COUNCIL MEETING WHICH WILL BE HELD AT THE NEWBERG PUBLIC LIBRARY BEGINNING AT 7:30 P.M.

DATED THIS 14TH DAY OF APRIL, 1989.

TRACIE REMILLARD - CITY RECORDER

MEMO
AGENDA: CITY COUNCIL
APRIL 18, 1989

SUBJECT: Proclamation for Current Electronics.

BACKGROUND: We have received word from Janet Ker that Current Electronics has been honored by the U.S. Small Business Administration. The Small Business Administration picks from each State a small business which they honor by recognizing the President of the company with an award designated "Small Business Person of the Year for the State of Oregon." They are invited to go back to Washington, D.C. to a reception and a number of events. It is my understanding that they will also choose a Small Business Person of the Year from the different states.

I have attached a proclamation honoring the company and the founders of the company which are Gregory, Matthew and Charles Hewitson.

RECOMMENDATION: Approve proclamation as written.

Respectfully submitted:



Terrence D. Mahr
Acting City Manager

TDM/bjm

Enc.

greg - has said that all three of them will
be at the April 18th meeting.
T.

PROCLAMATION

THIS IS A PROCLAMATION PAYING TRIBUTE TO GREGORY HEWITSON, MATTHEW HEWITSON, AND CHARLES HEWITSON FOUNDERS OF CURRENT ELECTRONICS AND TO THEIR COMPANY CURRENT ELECTRONICS AND ITS EMPLOYEES FOR THEIR HARD WORK AND CONTRIBUTION TO THE COMMUNITY AND IN HONOR OF THEIR SELECTION FOR A NATIONAL AWARD FROM THE U.S. SMALL BUSINESS ADMINISTRATION.

WHEREAS, Gregory Hewitson, Matthew Hewitson and Charles Hewitson, all brothers, founded Current Electronics in December, 1983, in their "spare" time; and

WHEREAS, Current Electronics specializes in producing high quality circuit boards and electronic sub-assemblies; and

WHEREAS, Current Electronics currently employees about 145 people; and

WHEREAS, the U.S. Small Business Administration in Washington, D.C. has selected the Hewitson brothers and Current Electronics to receive a national award; and

WHEREAS, Gregory Hewitson, as President of Current Electronics and as representative of his company, was selected by the U.S. Small Business Administration as the Small Business Person of the Year for the State of Oregon.

NOW, THEREFORE, LET IT BE PROCLAIMED by Mayor Elvern Hall and the City Council of the City of Newberg that the City wishes to honor Gregory Hewitson, Matthew Hewitson and Charles Hewitson as founders of Current Electronics; and wishes to express its appreciation to their company and its employees for their outstanding contribution to the business community of the City of Newberg. The City wishes them and their company the best in the future. We are very proud to have such a manufacturing firm in our City and we know that they will represent the City of Newberg and the State of Oregon to the fullest in Washington, D.C.

DATED this 18th day of April, 1989.

Elvern Hall - Mayor

Roger Gano

Jack C. Nulsen, Jr.

Alan Halstead

Donna Proctor

Donna McCain

Tommy Tucker, President

C. Eldon McIntosh

Joe Young



U.S. SMALL BUSINESS ADMINISTRATION
WASHINGTON, D.C. 20416

OFFICE OF THE ADMINISTRATOR

March 2, 1989

Mr. Gregory C. Hewitson
President
Current Electronics
125 South Elliott Road
Newberg, OR 97132

Dear Mr. Hewitson:

Congratulations on your selection as Small Business Person of the Year for the State of Oregon.

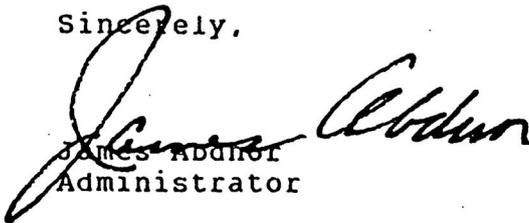
As a State Small Business Person of the Year, you are invited to represent your State and your business during Small Business Week ceremonies honoring state winners. These events have been scheduled for May 7-10 in Washington, D.C.

The Small Business Administration has planned a program that should prove to be interesting, educational, and enjoyable. A copy of the proposed agenda and a list of the state winners are enclosed for your information. Further details on Small Business Week, including hotel and conference reservation forms, will be sent to you in approximately two weeks. The Hotel Washington has been selected as the conference site.

Please be assured that family members or colleagues will be welcome to attend the festivities.

If you have any questions on your selection or the events in May, please call the Office of Public Communications at (202) 653-6832.

Sincerely,


James Addinor
Administrator

Enclosures

U.S. Small Business Week, May 7-13, 1989
Hotel Washington

Sunday, May 7

- 2:00 - 5:00 pm Registration and Welcoming Reception -- Parkview Room, Hotel Washington.
- 7:00 - 10:00 Night Tour of the Nation's Capital

Monday, May 8

- 8:00 am Breakfast for State Small Business Persons of the Year, Advocate and Special Award Winners, Guests, SBA Leadership Team; Ballroom, Hotel Washington.
- 10:30 - 11:00 am Pictures of State Small Business Persons of the Year, Advocates of the Year, and Special Award Winners with the SBA Administrator, Ballroom, Hotel Washington.
- 12:00 - 2:00 pm A salute to the State Small Business Persons & Advocates of the Year. Sponsored by Office of Women's Business Ownership, Four Seasons Hotel.
- 3:00 White House Rose Garden Event to Announce Small Business Person of the Year--The White House (tentative).
- 5:30 - 7:30 Reception in Honor of State Small Business Persons, Advocates of the Year, and Special Award Winners. Senate Caucus Room.

Tuesday, May 9

- 7:45 - 9:00 am Breakfast, Ballroom, Hotel Washington.
- 10:00 - 11:00 am "Increasing Productivity Through Employee Motivation." U.S. Chamber of Commerce.
- 11:30 Group Picture (in front of Capitol).
- 12:15 - 2:00 pm Congressional Salute to Small Business and Small Business Advocate Awards Luncheon, Rayburn House Office Building.
- 3:00 Presentation of Wreaths and Carnations at the Vietnam Veterans Memorial and Arlington National Cemetery.
- 7:30 National Small Business Week Dinner, National Press Club.

Wednesday, May 10

- 8:00 am Breakfast Honoring Minority Winners J.W. Marriot Hotel (Optional Event).

MEMO
AGENDA: CITY COUNCIL
APRIL 18, 1989

SUBJECT: Resolution modifying the Rental Rehabilitation Grant.

BACKGROUND: I have had contact back from Joan Smith of the Housing Authority. There was a question concerning our agreement. There is a limited amount of money in the grant which can be used for administrative costs. This has been a real problem with these rehabilitation grants. After two years, the City owns the funds that are repaid from the loans. When that occurs, the City can use the funds however they wish including repayment of administrative costs. This is the word we have received through the State. Therefore, we have entered into two agreements. One agreement provides for administrative costs pursuant to the grant requirements which will then be reviewed by the State. The second agreement provides for us to repay administrative costs after the repayments from the loan become our property. Remember that repayments of the loan are considered "grant income."

The second agreement which provides for us to repay the administrative costs can be done so long as we are not receiving other rental rehabilitation grant monies. By that I mean, in order to use the repaid money after the two year period to repay the administrative costs we cannot be in the process of receiving further rental rehabilitation grants under some additional grant. If we choose to apply and receive additional rental rehabilitation grant money which has not been closed out then we would be obligated to pay the administrative costs out of some other money (probably general fund money). Remember, this has been a real problem with these rental rehabilitation grants where they do not provide for cities our size to have some way to obtain costs to administer these grants. One further problem is that all the money needs to be "committed" before September 30, 1989 or the government de-obligates the funds which means that they shall probably reallocate them to some other entity. You should also keep in mind that these funds are matching funds which means that the person receiving the loan must put up an equal amount of his own money.

RECOMMENDATION: I recommend that we enter into the two agreements in order to facilitate the rehabilitation grant. Remember that the purpose of the grant is to provide housing for low income people by having landlords who furnish such housing, have money available to them to rehabilitate their housing. We think this is a worthy cause.

NOTE: The request for exemption from the prohibition against Council members entering into contracts concerning the rehabilitation and renovation projects is still in the works.

Respectfully submitted:



Terrence D. Mahr
Acting City Manager

TDM/bjm

AGREEMENT

Exhibit "A"

This agreement is entered into this _____ day of _____, 1989 by the City of Newberg, Oregon, a municipal corporation, hereinafter referred to as the "City" and the Housing Authority of Yamhill County, McMinnville, Oregon, hereinafter called the "Housing Authority".

Whereas a definite neighborhood area can be defined and targeted within the City, sufficient residents meet income and family composition limitations, and a definite need exists for both rental assistance and housing rehabilitation; and whereas the parties to this agreement wish to cooperate for the purpose of upgrading residential rental units within the City of Newberg in a manner that will best serve the public interest;

Now, therefore, the parties agree as follows:

1. City hereby designates and authorizes the Housing Authority to carry out all administrative and operational duties associated with the Rental Rehabilitation Program, hereinafter called the "Program".
2. Program funds shall consist of \$200,000 from Grant No. R88052 from the Oregon Rental Rehabilitation Program, Oregon Community Development Program.
3. Housing Authority shall administer the Program pursuant to 24 CFR 511 and all Rules and Regulations required by the Oregon Community Development Program. Those federal and state rules and regulations are hereby incorporated by this reference.
4. City shall assist and cooperate with the Housing Authority staff in program related research, demographics, neighborhood selection, needs identification, inspections and record maintenance. The only cost will be for unusual items.
5. Housing Authority staff shall perform pre-inspections, interim inspections and post inspections as necessary, assuring that City Building Inspectors will only be involved with those projects requiring a Building Permit.
6. Housing Authority shall accept and administer Section 8 Certificates and Vouchers under applicable Section 8 Guidelines. Preference will be given to households living in rental rehabilitation units in the City of Newberg in accordance with Item 13 of the Memorandum of Understanding.
7. Housing Authority shall not release payments to the contractor until all of the following requirements are met:
 - a. The contractor presents a Building Permit signed off by a City Building Inspector, if a Building Permit was required,
 - b. A written acceptance by the owner or his agent is filed with Housing Authority,

V-1

- c. A Housing Authority inspection has been approved,
 - d. Approval of the financial institution's inspector if the owner has secured a loan for any part of the matching funds.
8. In the event of a Program participant grievance, a committee consisting of a member of the Housing Authority's Board of Commissioners, a member of the City Council, and a member at large, selected by the other two members will hear the grievance, requiring a majority decision. No appeal from the Grievance Committee's decision shall be available.
 9. Housing Authority warrants that it has the legal capacity to function as a housing authority under Federal laws and agrees to abide by the rules and regulations of the Program. City likewise warrants its adherence to those prerequisites of the Rental Rehabilitation Program and pledges its continued efforts to remain eligible.
 10. Housing Authority shall be responsible for all loan transactions, including but not limited to title searches, escrow, loan documentation, collection, recording and foreclosure proceedings. The loans shall constitute a lien on the subject property; and all loan repayments shall be payable directly to and be the property of Housing Authority for continued low income housing rehabilitation programs within the City of Newberg.
 11. All records, receipts, files and books shall be kept by the Housing Authority and shall be open for inspection by authorized personnel representing the City, Federal or State and their designated CPA's at reasonable times and at the Housing Authority's periodic audit. Housing Authority agrees to submit all periodic reports to the designated agencies at times set by applicable regulations and shall comply with the City's audit requirements established by the Federal Government and/or the State of Oregon. Housing Authority and City agree to retain such records, receipts, files and books for a period of three years as specified in Attachment C of Office of Management and Budget Circular A-102 dated March 1, 1982, as amended. A copy of the Housing Authority annual audit shall be submitted to the City.
 12. No member, officer, or employees of the City or the Housing Authority or their designees or agents, no member of the governing body of the City and no other public official who exercises any functions or responsibilities with respect to the Rental Rehabilitation Program, during his/her tenure or for one year thereafter, shall have any interest, direct or indirect, in the Program.
 13. Housing Authority shall be reimbursed for administration for this project through the closeout grant, for actual expenses not to exceed \$10,000 from rental rehabilitation grant funds received from Oregon Rental Rehabilitation Program, Oregon Community Development Program.
 14. Repaid loan funds shall be paid to the Housing Authority to be used for future dwelling rehabilitation.

- 15. This Agreement may terminate by either party by 90 days written notice to the other party.
- 16. In case of termination notice from the City or to the City, Housing Authority agrees to transfer all liens, loans, collateral and Program funds to the City of Newberg within 120 days of termination notice.
- 17. In the event suit or legal action or appeal therefrom is taken by either party to enforce the terms of this Agreement, the prevailing party shall be entitled to recover from the other party such sums as the court may adjudge reasonable as prevailing party's attorney fees and all expenses which the prevailing party may reasonably incur in taking such action.
- 18. Unless otherwise agreed by both parties, rental rehabilitation loans shall carry an interest rate of 5% and shall be issued for a term of not more than 10 years.

COPY

CITY OF NEWBERG

By _____

ATTEST:

City Recorder

HOUSING AUTHORITY OF YAMHILL COUNTY

By _____
Title: _____

ATTEST:

Secretary

AGREEMENT

Exhibit "B"

This agreement is entered into this _____ day of March, 1989 by the City of Newberg, Oregon, a municipal corporation, hereinafter referred to as the "City" and the Housing Authority of Yamhill County, McMinnville, Oregon, hereinafter called the "Housing Authority".

Whereas the City and Housing Authority have entered into an agreement whereby the Housing Authority administers administrative funds of \$200,000 from Grant No. R88052 from the Oregon Rental Rehabilitation Program, Oregon Community Development Program; and

Whereas the City and the Housing Authority wish to enter into an agreement whereby the City can reimburse the Housing Authority for actual expenses incurred by them in the administration of this grant; and

Whereas the regulations do not allow the City to reimburse the Housing Authority for more than \$10,000 while the grant is open; however, the City may reimburse the Housing Authority out of repayment of loans made through the grant program after the closeout of the grant.

Now, therefore, the parties agree as follows:

1. The City hereby agrees to reimburse the Housing Authority for actual expenses incurred in the administration of the program under Grant No. R88052 in the following manner and amounts as hereinafter designated; however, it is agreed that the Housing Authority will in no event be reimbursed more than \$10,000 from grant funds prior to the closeout of the grant. The closeout of the grant is anticipated to occur in October of 1991.
2. Housing Authority shall be reimbursed for actual expenses incurred for the administration at a rate not to exceed 25% of all grant sums administered by the Housing Authority for this project through the closeout of the grant in the following manner: \$10,000 from Rental Rehabilitation Grant funds received from Oregon Rental Rehabilitation Program, Oregon Community Development Program; then as such funds become available for disbursement and only after closeout of the grant, up to \$40,000 from repaid rental rehabilitation loans which are due and payable as loans are repaid. Housing Authority shall reimburse the City of Newberg \$1,000 for the closeout audit, payable at the time of closeout of the grant.
3. Repaid loan funds shall be paid to the Housing Authority to be used for future dwelling rehabilitation. Housing Authority shall receive compensation for actual expenses of administration of repaid loan funds in an amount not to exceed 15% of total construction cost of rehabilitation for future dwelling rehabilitation projects. Such amounts shall be paid only after the closeout of the grant.
4. If this agreement is terminated under the 90 day notice provision in the administration agreement concerning this grant, the City shall reimburse the Housing Authority for actual expense and administration of the grant funds. Any reimbursement that exceeds the \$10,000 paid out of the funds

V-1

shall be reimbursed from program income only after the grant closeout. In no event shall reimbursement of the administrative costs exceed 25% as indicated above.

- 5. This agreement is in addition to the agreement for administration of Grant No. R88052.

CITY OF NEWBERG

By _____

ATTEST:

City Recorder

HOUSING AUTHORITY OF YAMHILL COUNTY

By _____
Title: _____

ATTEST:

Secretary

COPY