

NEWBERG AFFORDABLE HOUSING COMMISSION MINUTES

Tuesday, May 26, 2015, 1:30 PM

**Newberg City Hall Permit Center Conference Room
414 E. First Street**

CALL MEETING TO ORDER

Chairman Stuart Brown opened the meeting at 1:34 PM.

ROLL CALL

Members Present: Stuart Brown, Chair Terry Emery Steve Comfort

Staff Present: Doug Rux, Community Development Director
 Renata Wakeley, Mid-Willamette Valley Council of Governments

Also Present: None

APPROVAL OF MINUTES

Approval of January 27, 2015, Newberg Affordable Housing Commission Meeting Minutes.

MOTION: **Comfort/Emery** approved the Affordable Housing Commission minutes for January 27, 2015
Motion carried (3 Yes/0 No).

RENTAL REHABILITATION PROGRAM – APPLICATION AND IMPLEMENTATION

Community Development Director Doug Rux provided a recap of the City Council actions on May 4, 2015 on Resolution No's. 2015-3186 and 2015-3187 on the Newberg Affordable Housing Commission (NAHC) returning to Council with recommendations on administration of the Affordable Housing Trust Fund and the City of Newberg (City) contracting with the Mid-Willamette Valley Council of Governments (MWVCOG) to providing staffing assistance to the Commission.

Renata Wakeley, Community Development Director for the MWVCOG, provided additional detail on the agreement between the City and MWVCOG for services to the NAHC for Tasks 1 and 2 as contained in the packet. Ms. Wakeley provided an overview of the proposed changes to Resolution No. 2012-298 which included Section 3, 3.1 to refer to the US. Department of Housing and Urban Development (HUD) on income levels; 3.5.a to delete interest as an eligible cost; Section 4.1 to fix scrivener's errors; Section 6.2 to modify approved loan project costs from the current 100% to 80%; Section 7.3.c(1) to clarify that loans above \$15,000 require NAHC recommendation to the City Council and 7.3.c(3) on reducing the loan term from seven years to five years; Section 8 discussion if a cap should be placed on grant amounts.

The NAHC discussed each of the proposed changes and the merits of using the HUD median income 80% provision for moderate income; removing interest as an eligible expense; scrivener's errors; modifying the loan amounts to 80% for project costs from the current 100% which would show applicant equity in a project along with discussion on liens being placed on a property and the applicant covering title report, recording costs and deed preparation; clarifying that funding approvals require recommendations from the NAHC to the City Council and reducing the term of a loan from seven years to five years accelerates the payback to make funds available for other projects; and that there are already guidelines in place that place a cap on grant amounts at

5% of the available funds along with a provision for having a 15% contingency of the total Trust Fund available funding.

MOTION: Comfort/Emery 1. Accept the correction of typos proposed by the MWVCOG; 2. Delete interest as an eligible acquisition and construction cost; 3. Use 80% of median household income as defined by HUD for income qualifications; 4. Use 80% as the total qualified project costs for maximum loan amounts and maintain 50% maximum of total qualified costs for grant awards; 5. Sections 7.2b and 7.3.c add new/revised subsections that borrower to pay deed, recording and title report costs; and 6. Add requirement for lien, trust deed and promissory note requirements to 7.2.b and 7.3.c.
Motion carried (3 Yes/0 No).

General discussion from the NAHC Chair expressing interested in requesting additional guidance from the Mayor and City Council on additional tasks and recommendations the City Council might want the NAHC to take on/review in order to provide recommendations. The NAHC encouraged staff and the NAHC Chair to request additional guidance, if the City Council was so inclined.

NEXT MEETING – July 28, 2015

OTHER BUSINESS – None.

ADJOURNMENT – The meeting adjourned at 2:40 p.m.

Approved by the Newberg Affordable Housing Commission on July 28, 2015.


Recording Secretary


Affordable Housing Commission Chair