

AGREEMENT

This agreement is entered into this 18th day of January, 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 rehab 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,

- 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 Rehab 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 at the rate of 25% of all grant sums administered by the Housing Authority for this project, through the close-out of the grant, in the following manner: \$10,000 from Rental Rehab Grant funds received from the Oregon Rental Rehabilitation Program, Oregon Community Development Program; then as such funds become available for disbursement, up to \$40,000 from repaid rental rehabilitation loans, which is due and payable as loans are repaid. The Housing Authority shall reimburse the City of Newberg \$1,000 for the close-out audit, payable at the time of close-out of the grant.

14. Repaid loan funds shall be paid to the Housing Authority to be used for future dwelling rehabilitation. Housing Authority shall receive compensation for administration of repaid loan funds in the amount of 15% of total construction cost of rehabilitation for future dwelling rehabilitation projects.
15. This Agreement may terminate by either party by 90 days written notice to the other party. Should the City or Housing Authority initiate termination, administrative costs that have exceeded \$10,000 that have not been paid to the Housing Authority shall be reimbursed by the City, if they have not already been reimbursed by program income through the date a termination notice is issued. If the Housing Authority initiates termination, reimbursement shall be paid through program income. In no event shall reimbursement of administrative costs exceed 25% as defined in Paragraph 13 of this agreement.
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 rehab loans shall carry an interest rate of 5% and shall be issued for a term of not more than 10 years.

CITY OF NEWBERG

By Terence D. Maly

ATTEST:

Thacie Remillard
City Recorder

HOUSING AUTHORITY OF YAMHILL COUNTY

By Wentworth D. Dolan
Title: Chairman

ATTEST:

John Smith
Secretary

RENTAL REHABILITATION PROGRAM

MEMORANDUM OF UNDERSTANDING

RECEIVED

JAN 23 1989

BUSINESS RESOURCES-CDP

This Memorandum of Understanding (Memorandum") is between the City of Newberg ("Grantee"), and the Housing Authority of Yamhill County ("PHA"). This Memorandum sets forth the understanding of the parties concerning the Grantee's Rental Rehabilitation Program ("Program") approved by the U. S. Department of Housing and Urban Development ("HUD") and the State of Oregon ("State") pursuant to Section 17 of the United States Housing Act of 1937 (42 USC 1437o).

The Grantee has received funds through the state's 1988 Program to finance the rehabilitation of rental properties for the benefit of lower-income families. HUD has approved the PHA's application for housing assistance funds under the Section 8 Existing Housing Certificate program and the Section 8 Housing Voucher Program.

The Grantee and the PHA hereby agree as follows:

1. The Grantee will carry out its Rental Rehabilitation Program in accordance with:
 - a. Section 17 and other applicable Federal laws; and
 - b. The Regulations in 24 CFR Part 511.
 - c. Grant management instructions provided by the State of Oregon Economic Development Department.
2. The PHA will administer the Section 8 Existing Housing Certificate Program and Housing Voucher Program funding provided by HUD for the Grantee's Program in accordance with:
 - a. Section 8 and other applicable Federal laws;
 - b. Preference Rule (24 CFR Part 882);
 - c. The Notice of Funding Availability for Section 8 Housing Vouchers and Certificates dated March 23, 1988; and
 - d. Other HUD regulations and requirements including the Annual Contributions Contract (ACC) between HUD and the PHA, and the Administrative Plan and Equal Opportunity Housing Plan approved by HUD.
3. The Grantee agrees to carry out its Rental Rehabilitation Program in accordance with the schedule in its Program Description submitted to and approved by the State.
4. The PHA agrees, upon notice by the Grantee of the projects approved for Rental Rehabilitation assistance, to determine the eligibility for Section 8 Certificates or Housing Vouchers of the families residing in the projects to be rehabilitated.

5. Organizational Structure

The PHA is the administrative agency for the Rental Rehab Program for the Grantee. The PHA and Grantee will cooperate in carrying out the Rental Rehabilitation Program. The PHA will administer the Section 8 Existing Housing Certificate program and the Section 8 Housing Voucher Program.

Grantee: Clay Moorhead, Planner
City Hall, 414 E. 1st
Newberg, Oregon 97132
Ph: (503)538-9421

City Inspector
City of Newberg
414 E. 1st
Newberg, Oregon 97231
Ph: (503)538-942

PHA: Joan Smith, Executive Director
Housing Authority of Yamhill County
414 N. Evans, McMinnville, OR 97128
Ph: (503)434-6571

Bob May, Rehab Specialist
Housing Authority of Yamhill County
414 N. Evans, McMinnville, OR 97128
Ph: (503) 434-6571

6. Regular Meetings

The Grantee and PHA will meet quarterly to communicate progress and ongoing activities and to resolve issues and establish policy when necessary.

7. Schedules

Since the PHA is administering the Rental Rehab Program and the Housing Certificate/Voucher Program, the schedule of projects committed and completion dates will be readily available to the Section 8 staff so that issuance of certificates/vouchers will be done in a timely manner. The Rehab Specialist will provide the following information:

Address of the project; number of units and bedroom mix; occupancy information; preliminary tenant information (income, family size, etc.) if known.

8. Inspections

The Housing Quality Standards (HQS) inspections at the initial stage will be completed by the Rehab Specialist. The HQS inspection at completion will be completed by the PHA Section 8 Inspector.

9. Work Write-ups/Cost Estimates

The Rehab Specialist will complete the work write-up/cost estimate on projects, which will include items necessary for the project to meet HQS, code enforcement required and eligible items the owner wishes to include. The Rehab Specialist will complete the work write-up/cost estimate after communication with the owner and when necessary, with the city Building Inspector and the PHA Section 8 Inspector.

10. Availability of Certificates/Vouchers

The PHA Section 8 Department will keep the Rehab Specialist informed as to the availability of certificates/vouchers. This will include information as to the number of certificates/vouchers available and the expected turnover rate.

11. Tenant Interviews

The PHA will conduct the initial interview to determine potential eligibility. Final interviews and briefings will be conducted by the PHA Section 8 staff.

12. Timing for Issuance of the Certificates/Vouchers

The Rehab Specialist will determine if: 1) the tenants will be displaced, at which time the Section 8 Department will be alerted that a certificate/ voucher needs to be issued immediately; 2) the tenant desires to move to avoid the hassle of rehabilitation and thus in need of a certificate/ voucher; or 3) the certificate/voucher issuance will be timed to coincide with the end of the rehabilitation.

13. PHA Discretionary 10 percent for non-Federal Preference Families

The PHA will issue certificates/vouchers in accordance with the Administrative Plan and Equal Opportunity Housing Plan approved by HUD, which designates that families living in units under the Rental Rehab Program shall be included in the HAYC 10 percent discretionary authority.

14. Information for Reports to HUD

The PHA will report project and tenant information to HUD, as they are responsible for the Rental Rehab administration and the administration of the Section 8 Certificates/Vouchers.

15. Referral Policy

The PHA maintains a bulletin board of available rentals. Owners call the PHA with information regarding location, size of unit, rent of unit, date unit will be available and amenities. Owners of Rental Rehab units will be encouraged to call the PHA when they have a vacancy. Section 8 Officers refer certificate/voucher holders to the bulletin board and also inform them of known vacancies.

6. Cross-Training

No cross training will be necessary for Grantee and the PHA staff, as the PHA staff will perform the in-take functions, HQS inspections, tenant briefings, program compliance. An informational bulletin will be submitted to the city staff so they may become familiar with the program and assist in the referral process.

17. Rental Rehab Program Design Issues

The PHA is not restricted from using certificate/vouchers in any neighborhood in Newberg. However, the policy of the PHA is to disperse low-income housing as much as possible in communities. The Grantee and the PHA will communicate regarding information on sites.

18. Marketing

The PHA will refer owners with HQS violations to the PHA Rental Rehab staff. A Rental Rehab Program Information Notice will be mailed with all Section 8 checks that are mailed the first month after start-up of the Rental Rehab Program.

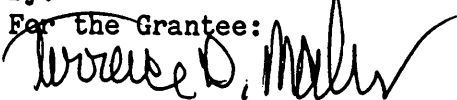
19. Long-range Program Assistance

The PHA will monitor the certificates/vouchers in the Rental Rehab Program units, contacting owners who do not maintain his/her units or is refusing to rent to Section 8 tenants. Owners who do not respond with corrective action will be referred to the Grantee.

20. Before HUD and the PHA execute an Annual Contributions Contract (ACC) for the housing assistance funding for Section 8 Certificates or Housing Vouchers in support of the Grantee's Program, the PHA shall certify to HUD that the PHA and Grantee have entered into a Memorandum of Understanding, and that the Memorandum of Understanding is consistent with the PHA's HUD-approved Administrative and Equal Opportunity Housing Plans. The parties understand that the Memorandum of Understanding is not subject to HUD approval, and that if there is an inconsistency between the PHA's Administrative Plan (including any HUD-approved amendments of the plan) and the Memorandum of Understanding, the Administrative plan shall prevail.

By:

For the Grantee:



Signature

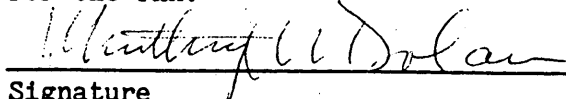
May 9, 1989

Date

Terrence D. Mahr, Manager Pro-Tem

Name and Title

For the PHA:



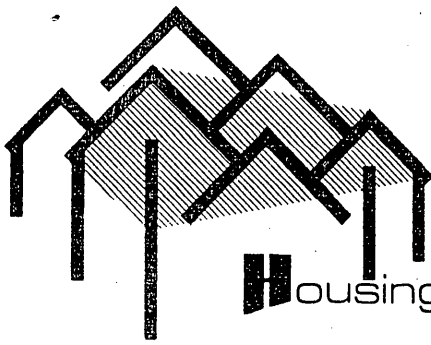
Signature

May 16, 1989

Date

Winthrop Dolan, Chairman

Name and Title



Housing Authority of Yamhill County

TO: Clay Moorhead
FROM: Joan Smith
DATE: October 28, 1988
SUBJECT: Memorandum of Understanding

A Memorandum of Understanding is attached. It follows the format from the state which you gave to me on Wednesday. Some potential problems with signing it at this point.

The second paragraph on page one states that HUD has approved the PHA'S application for housing assistance funds under the Section 8 Existing Housing Certificate program and the Section 8 Housing Voucher Program. We have not made application yet. I have the name of a person in the HUD office to call, which I will do on Monday. My housing friends say that the State and HUD have such poor communication that there are others in the same situation - without an executed ACC for the Certs/Vouchers. Only those who have done the rental rehab program in prior years have learned to end-run the state and proceed with obtaining the certificates/vouchers. I will call you on Monday when I have some answers. I have myself convinced that HUD will have to get some extension of time - or the state will - considering the timing with the info received by the grantees. It seems (from the little info I could get) that the deadline for these two items - the ACC and M.O.U. is October 31! After talking to you on Friday, it seemed that everyone had gone home prior to 4 pm! Smart folks!

On the first page, item 1. - It says the Grantee will carry out its Rental Rehabilitation Program in accordance with..... - which I think we can leave as is, as the City of Newberg - through it's agreement for administration with the Housing Authority, agrees to this item.

The M.O.U. is in our computer, so we can make changes easily. There may be some items that we might agree need to be added.

Hope to talk with you on Monday --- and undoubtedly on Tuesday also, so we can get this going.

RENTAL REHABILITATION PROGRAM

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding (Memorandum") is between the City of Newberg ("Grantee"), and the Housing Authority of Yamhill County ("PHA"). This Memorandum sets forth the understanding of the parties concerning the Grantee's Rental Rehabilitation Program ("Program") approved by the U. S. Department of Housing and Urban Development ("HUD") and the State of Oregon ("State") pursuant to Section 17 of the United States Housing Act of 1937 (42 USC 1437o).

The Grantee has received funds through the state's 1988 Program to finance the rehabilitation of rental properties for the benefit of lower-income families. HUD has approved the PHA's application for housing assistance funds under the Section 8 Existing Housing Certificate program and the Section 8 Housing Voucher Program.

The Grantee and the PHA hereby agree as follows:

1. The Grantee will carry out its Rental Rehabilitation Program in accordance with:
 - a. Section 17 and other applicable Federal laws; and
 - b. The Regulations in 24 CFR Part 511.
 - c. Grant management instructions provided by the State of Oregon Economic Development Department.
2. The PHA will administer the Section 8 Existing Housing Certificate Program and Housing Voucher Program funding provided by HUD for the Grantee's Program in accordance with:
 - a. Section 8 and other applicable Federal laws;
 - b. Preference Rule (24 CFR Part 882);
 - c. The Notice of Funding Availability for Section 8 Housing Vouchers and Certificates dated March 23, 1988; and
 - d. Other HUD regulations and requirements including the Annual Contributions Contract (ACC) between HUD and the PHA, and the Administrative Plan and Equal Opportunity Housing Plan approved by HUD.
3. The Grantee agrees to carry out its Rental Rehabilitation Program in accordance with the schedule in its Program Description submitted to and approved by the State.
4. The PHA agrees, upon notice by the Grantee of the projects approved for Rental Rehabilitation assistance, to determine the eligibility for Section 8 Certificates or Housing Vouchers of the families residing in the projects to be rehabilitated.

5. Organizational Structure

The PHA is the administrative agency for the Rental Rehab Program for the Grantee. The PHA and Grantee will cooperate in carrying out the Rental Rehabilitation Program. The PHA will administer the Section 8 Existing Housing Certificate program and the Section 8 Housing Voucher Program.

Grantee: Clay Moorhead, Planner
City Hall, 414 E. 1st
Newberg, Oregon 97132
Ph: (503)538-9421

City Inspector
City of Newberg
414 E. 1st
Newberg, Oregon 97231
Ph: (503)538-942

PHA: Joan Smith, Executive Director
Housing Authority of Yamhill County
414 N. Evans, McMinnville, OR 97128
Ph: (503)434-6571

Bob May, Rehab Specialist
Housing Authority of Yamhill County
414 N. Evans, McMinnville, OR 97128
Ph: (503) 434-6571

6. Regular Meetings

The Grantee and PHA will meet quarterly to communicate progress and ongoing activities and to resolve issues and establish policy when necessary.

7. Schedules

Since the PHA is administering the Rental Rehab Program and the Housing Certificate/Voucher Program, the schedule of projects committed and completion dates will be readily available to the Section 8 staff so that issuance of certificates/vouchers will be done in a timely manner. The Rehab Specialist will provide the following information:

Address of the project; number of units and bedroom mix; occupancy information; preliminary tenant information (income, family size, etc.) if known.

8. Inspections

The Housing Quality Standards (HQS) inspections at the initial stage will be completed by the Rehab Specialist. The HQS inspection at completion will be completed by the PHA Section 8 Inspector.

9. Work Write-ups/Cost Estimates

The Rehab Specialist will complete the work write-up/cost estimate on projects, which will include items necessary for the project to meet HQS, code enforcement required and eligible items the owner wishes to include. The Rehab Specialist will complete the work write-up/cost estimate after communication with the owner and when necessary, with the city Building Inspector and the PHA Section 8 Inspector.

10. Availability of Certificates/Vouchers

The PHA Section 8 Department will keep the Rehab Specialist informed as to the availability of certificates/vouchers. This will include information as to the number of certificates/vouchers available and the expected turnover rate.

11. Tenant Interviews

The PHA will conduct the initial interview to determine potential eligibility. Final interviews and briefings will be conducted by the PHA Section 8 staff.

12. Timing for Issuance of the Certificates/Vouchers

The Rehab Specialist will determine if: 1) the tenants will be displaced, at which time the Section 8 Department will be alerted that a certificate/ voucher needs to be issued immediately; 2) the tenant desires to move to avoid the hassle of rehabilitation and thus in need of a certificate/ voucher; or 3) the certificate/voucher issuance will be timed to coincide with the end of the rehabilitation.

13. PHA Discretionary 10 percent for non-Federal Preference Families

The PHA will issue certificates/vouchers in accordance with the Administrative Plan and Equal Opportunity Housing Plan approved by HUD, which designates that families living in units under the Rental Rehab Program shall be included in the HAYC 10 percent discretionary authority.

14. Information for Reports to HUD

The PHA will report project and tenant information to HUD, as they are responsible for the Rental Rehab administration and the administration of the Section 8 Certificates/Vouchers.

15. Referral Policy

The PHA maintains a bulletin board of available rentals. Owners call the PHA with information regarding location, size of unit, rent of unit, date unit will be available and amenities. Owners of Rental Rehab units will be encouraged to call the PHA when they have a vacancy. Section 8 Officers refer certificate/voucher holders to the bulletin board and also inform them of known vacancies.

16. Cross-Training

No cross training will be necessary for Grantee and the PHA staff, as the PHA staff will perform the in-take functions, HQS inspections, tenant briefings, program compliance. An informational bulletin will be submitted to the city staff so they may become familiar with the program and assist in the referral process.

17. Rental Rehab Program Design Issues

The PHA is not restricted from using certificate/vouchers in any neighborhood in Newberg. However, the policy of the PHA is to disperse low-income housing as much as possible in communities. The Grantee and the PHA will communicate regarding information on sites.

18. Marketing

The PHA will refer owners with HQS violations to the PHA Rental Rehab staff. A Rental Rehab Program Information Notice will be mailed with all Section 8 checks that are mailed the first month after start-up of the Rental Rehab Program.

19. Long-range Program Assistance

The PHA will monitor the certificates/vouchers in the Rental Rehab Program units, contacting owners who do not maintain his/her units or is refusing to rent to Section 8 tenants. Owners who do not respond with corrective action will be referred to the Grantee.

20. Before HUD and the PHA execute an Annual Contributions Contract (ACC) for the housing assistance funding for Section 8 Certificates or Housing Vouchers in support of the Grantee's Program, the PHA shall certify to HUD that the PHA and Grantee have entered into a Memorandum of Understanding, and that the Memorandum of Understanding is consistent with the PHA's HUD-approved Administrative and Equal Opportunity Housing Plans. The parties understand that the Memorandum of Understanding is not subject to HUD approval, and that if there is an inconsistency between the PHA's Administrative Plan (including any HUD-approved amendments of the plan) and the Memorandum of Understanding, the Administrative plan shall prevail.

By:

For the Grantee:

Signature

Date

Name and Title

For the PHA:

Signature

Date

Name and Title

AGREEMENT

This agreement is entered into this 18th day of January, 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 rehab 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,

- 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 Rehab 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 at the rate of 25% of all grant sums administered by the Housing Authority for this project, through the close-out of the grant, in the following manner: \$10,000 from Rental Rehab Grant funds received from the Oregon Rental Rehabilitation Program, Oregon Community Development Program; then as such funds become available for disbursement, up to \$40,000 from repaid rental rehabilitation loans, which is due and payable as loans are repaid. The Housing Authority shall reimburse the City of Newberg \$1,000 for the close-out audit, payable at the time of close-out of the grant.

14. Repaid loan funds shall be paid to the Housing Authority to be used for future dwelling rehabilitation. Housing Authority shall receive compensation for administration of repaid loan funds in the amount of 15% of total construction cost of rehabilitation for future dwelling rehabilitation projects.
15. This Agreement may terminate by either party by 90 days written notice to the other party. Should the City or Housing Authority initiate termination, administrative costs that have exceeded \$10,000 that have not been paid to the Housing Authority shall be reimbursed by the City, if they have not already been reimbursed by program income through the date a termination notice is issued. If the Housing Authority initiates termination, reimbursement shall be paid through program income. In no event shall reimbursement of administrative costs exceed 25% as defined in Paragraph 13 of this agreement.
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 rehab loans shall carry an interest rate of 5% and shall be issued for a term of not more than 10 years.

CITY OF NEWBERG

By

Terence D. Maly

ATTEST:

Tracie Remillard
City Recorder

HOUSING AUTHORITY OF YAMHILL COUNTY

By

Wintungette Dolan
Title: Chairman

ATTEST:

John Smith
Secretary



12 MAY 89 2:23 09

U.S. Department of Housing and Urban Development
Portland Office, Region X
Cascade Building
520 SW Sixth Avenue
Portland, Oregon 97204-1596

MAY 11 1989

Terrance D. Mahr, City Attorney
City of Newberg
414 E. First St.
Newberg, OR 97132

Dear Mr. Mahr:

SUBJECT: Rental Rehabilitation Program (RRP) Conflict of Interest

This letter responds to your letter dated April 13, 1989, regarding conflict of interest concerns under the Rental Rehabilitation Program. There is presently no basis for granting a waiver because we have not been presented with a specific case as required before an exception can be considered. However, we can provide guidance.

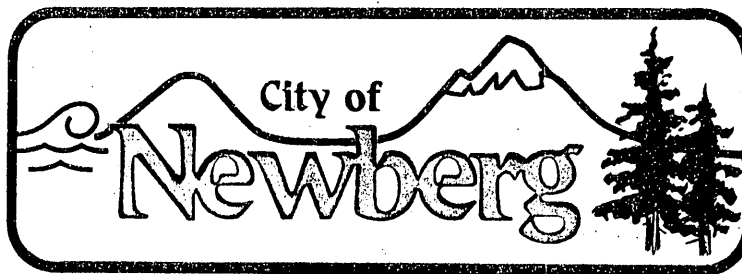
Your primary concern appears to be that local contractors are effectively prohibited from participating in the program because of normal business dealings with City employees and officials, or their families. However, the regulation (24 CFR 511.11(e)) is directed at public employees and officials. The regulation is not directed against contractors, unless a particular contractor is also an employee, agent, consultant, officer or elected or appointed official of the City or Housing Authority who exercises or has exercised any function or responsibilities with respect to the program. That is, a City Council member bidding on a RRP project or applying for a RRP loan would be considered a potential conflict of interest.

HUD has no definitions for inside information, and family or business ties. However, inside information could be considered any information with respect to the RRP that is not publicly available and which could be used to someone's advantage. Family or business ties applies to individuals who are in a position to participate in the decision making process or gain inside information regarding the program who also may gain indirect personal or financial benefit through a contract, subcontract, agreement, etc.

In summary, there is nothing in the regulations which prohibit local contractors from participating in the normal competitive bidding process as long as the various triggering events do not arise. There is nothing to prevent City employees or officials from maintaining the kinds of contacts described in your letter. We can evaluate specific concerns regarding conflict of interest as a specific issue arises.

Very sincerely yours,

John Bonham
Director
Community Planning and Development



Planning Department
(503) 538-9421

414 E. First St.
Newberg, Oregon 97132

April 20, 1989

Ed Reilly
Economic Development Department
595 Cottage Street NE
Salem OR 97310

RE: Rental Rehabilitation Grant R88052

Dear Mr. Reilly,

The Rental Rehabilitation Agreement between the City of Newberg and the Housing Authority has now been completed. I am forwarding two originals to your office for approval. The agreement was authorized by the City of Newberg through Resolution No. 89-1382. If you have any comments or need additional information, please feel free to contact me.

Sincerely,

Terrence D. Mahr
Manager Pro Tem

TDM:bym



Home of Old Fashioned Festival

AGREEMENT

This agreement is entered into this 21 day of April, 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

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 Terrence D. Mahr
Terrence D. Mahr
Manager Pro Tem

ATTEST:

Tracie Remillard
City Recorder

HOUSING AUTHORITY OF YAMHILL COUNTY

By [Signature]
Title: Chairman

ATTEST:

[Signature]
Secretary

AGREEMENT

This agreement is entered into this 21 day of April, 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,

- 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.

CITY OF NEWBERG

By

Terrence D. Mahr

Terrence D. Mahr
Manager Pro Tem

ATTEST:

Tracie Remillard
City Recorder

HOUSING AUTHORITY OF YAMHILL COUNTY

By

Whitney C. Baker

Title: Cl. Clerkman

ATTEST:

[Signature]
Secretary

May 3, 1989

5 MAY 29 10:01



ECONOMIC
DEVELOPMENT
DEPARTMENT

595 Cottage Street, NE
Salem, Oregon 97310, U.S.A.
Telephone: (503) 373-1200

Telex: 821481
Cable: ORECONDEV
FAX: (503) 581-5115

Terry Mahr, City Attorney
City of Newberg
414 E. First St.
Newberg, Oregon 97132

RE: Memorandum of Understanding for Rental Rehabilitation Program

Dear Mr. Mahr:

I am enclosing two copies of the Memorandum of Understanding (MOU) between the city and the Housing Authority of Yamhill County. Please see that both these copies get signed by the appropriate parties and that an original copy is returned to the state.

Until we receive an original copy of the signed MOU we cannot sign our contract with the city.

Sincerely,

Ed Reilly, Project Manager
Community Development Programs

ER:lh:2970T

Enclosures



Neil Goldschmidt
Governor

HOUSING AUTHORITY OF YAMHILL COUNTY
414 N. EVANS MCMINNVILLE, OR 97128-4607
PHONE: (503) 434-6571

RENTAL REHABILITATION WORK TO BEGIN IN NEWBERG

The Housing Authority of Yamhill County as agent for the city of Newberg is taking applications for loans to assist local property owners to help make needed repairs on existing rental property. Recognizing the needs of the community, action was taken to assist landlords in making needed repairs and upgrading properties in the Newberg area.

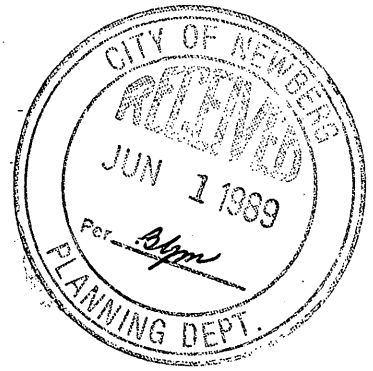
If you own a multiple dwelling or rental property that needs this kind of repair and upgrading, in order to provide safe and sanitary housing for low to moderate income families, you are eligible for these loans. The owner must have matching funds and proper equity in the property to qualify.

Please contact the Rehabilitation Staff of the Housing Authority at 414 N. Evans, St. McMinnville, Oregon 97128 or call 434-6571.

Rehab Assistant

OREGON COMMUNITY DEVELOPMENT PROGRAMS

ECONOMIC DEVELOPMENT DEPARTMENT
BUSINESS RESOURCES DIVISION
595 COTTAGE STREET NE
SALEM, OREGON 97310



RELEASE OF FUNDS

Name of Grantee	Grant No.
City of Newberg	R88052
Grantee's Address	Request Release of Funds Date <u>05/03/89</u>
414 E. First St. Newberg, OR 97132	Release of Funds Date <u>05/30/89</u>

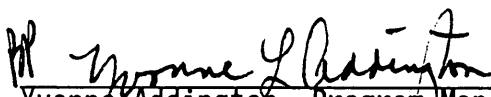
The above named grantee has requested a Release of Funds for the following activities:

<u>Activity</u>	<u>Amount</u>
Rental Housing Rehabilitation	\$210,000

The State of Oregon, Economic Development Department, has received the following comments during the 15-day public comment period:

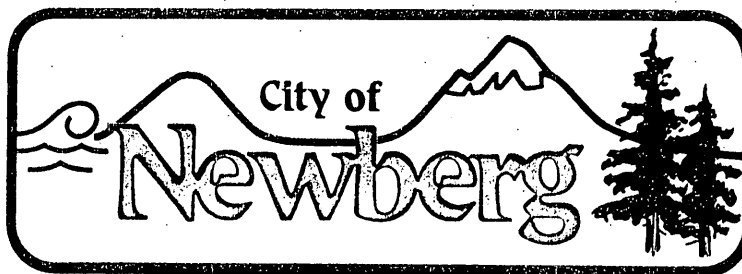
None

Release of Funds is hereby approved for the above stated program. Cash requests may now be made to Economic Development Department.


Yvonne Addington, Program Manager
Community Development Programs

5/30/89
Date

ER:lh:3095T
BRD:05/30/89



Planning Department
(503) 538-9421

414 E. First St.
Newberg, Oregon 97132

April 20, 1989

Joan Smith
Yamhill Co. Housing Authority
414 N. Evans
McMinnville OR 97128

RE: Rental Rehab Agreement

Dear Joan,

I have enclosed the following documents for your review and signature:

1. A letter to Ed Reilly with two originals of the Rental Rehab Agreement required by the State.
2. Two originals of the Rental Rehab Agreement (one for your files and one to be returned to us)
3. Two originals of the Agreement between the Housing Authority and the City of Newberg relating to reimbursement (one for your files and one to be returned to us)

I understand that you will forward Item 1 to Ed Reilly and return one set of Items 2 and 3 to us. If you have any questions or comments, please call me at 538-9421 X 210.

Sincerely

Barb Mingay
Planning Department

Enclosures



Home of Old Fashioned Festival