City Council
August 19, 2024
Newberg Public Safety Building 401 E. Third Street
Denise Bacon Community Room
Online: https://us06web.zoom.us/j/89536547180
Public Comment Registration: https://bit.ly/nbgcomment

View Slides: Link

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1. **CALL TO ORDER**

2. **ROLL CALL**

3. **PLEDGE OF ALLEGIANCE**

4. **CITY MANAGER'S REPORT**

   4.1. June Statistical Report

   i RCA: City Manager Report

   ii Presentation

5. **PUBLIC COMMENTS**

6. **NEW BUSINESS**

   6.1. Oregon Zero Emissions Fueling Infrastructure Grant Acceptance

7. **CONTINUED BUSINESS**

   7.1. Update and Request for Direction on the Newberg Sequential Urban Growth Boundary Project

   i RCA- Sequential Urban Growth Boundary Update

   ii Attachment 1. Excerpt of SB 1537

   iii Presentation

   7.2. Review and Authorization of Funding for Applications to the 2023-2024 Notice of Funding Availability for the Newberg Construction Excise Tax Fund

i Exhibit A- Resolution 2024-3941

ii Exhibit B- CET Memorandum

iii Exhibit C- Applications

iv Presentation

7.3. Waste Management Request for Rate Increase*

8. COUNCIL BUSINESS

9. ADJOURNMENT

ADA STATEMENT

Contact the City Recorder's Office for physical or language accommodations at least 2 business days before the meeting. Call (503) 537-1283 or email cityrecorder@newbergoregon.gov. For TTY services please dial 711.

*Indicates supplementary item

REQUEST FOR COUNCIL ACTION

Date Action Requested: (August 19, 2024)

Order ☐ Ordinance ☐ Resolution ☐ Motion ☐ Information ☒ Proclamation ☐	
Subject: CM statistics report for June 2024 statistics	Staff: Will Worthey CM Department: Administration
Work Session ☐ Business Session ☒	Order On Agenda: CM report

Is this item state mandated? Yes ☐ No ☒

If yes, please cite the state house bill or order that necessitated this action: NA

Recommendation: NA

Executive Summary: The summary of data generated by city departments in June of 2024.

Fiscal Impact: All were conventionally budgeted items and part of our regular operations.

Council Goals:
Goal 5: Create and maintain a high level of transparency with our residents in order to build trust.

Effective CM reporting assists with Objective 1:

Expand communication outreach in regard to regular city events and additional involvement with city businesses.

Newberg CM report

Monthly Statistics to the end of June 2024

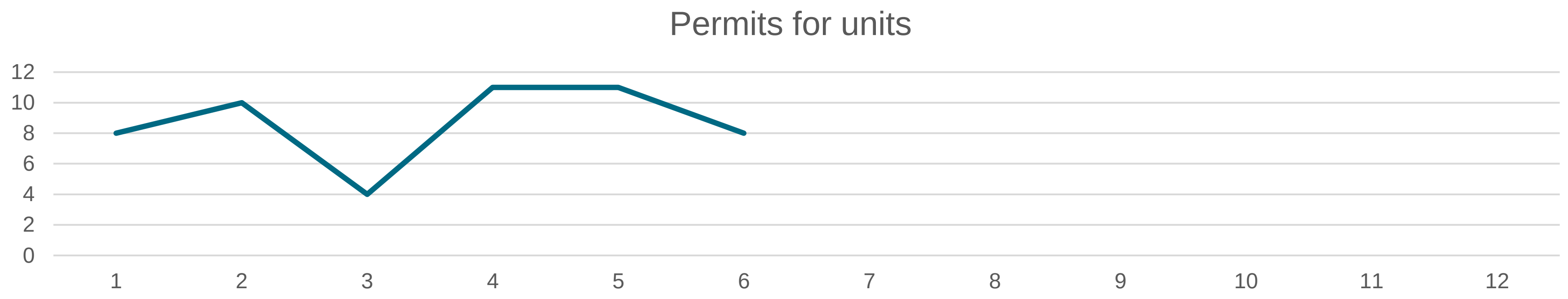
Planning: combined planning decisions of all sorts*: 9

Average 2022

11.67

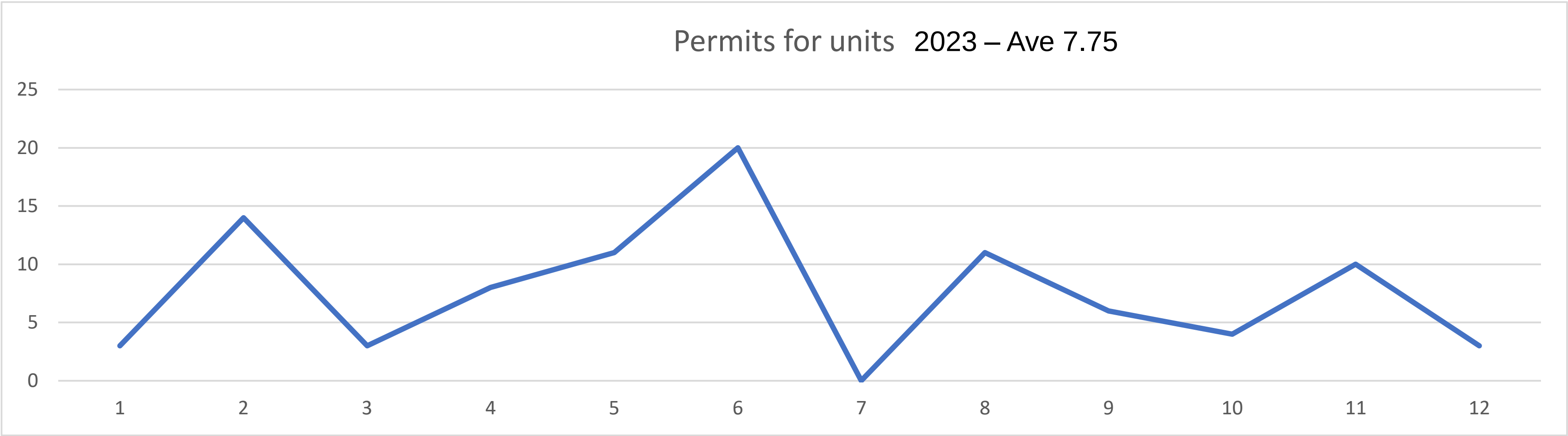
* Combined from the Director, Planning Commission and Council

Planning: building permits for housing units: 8

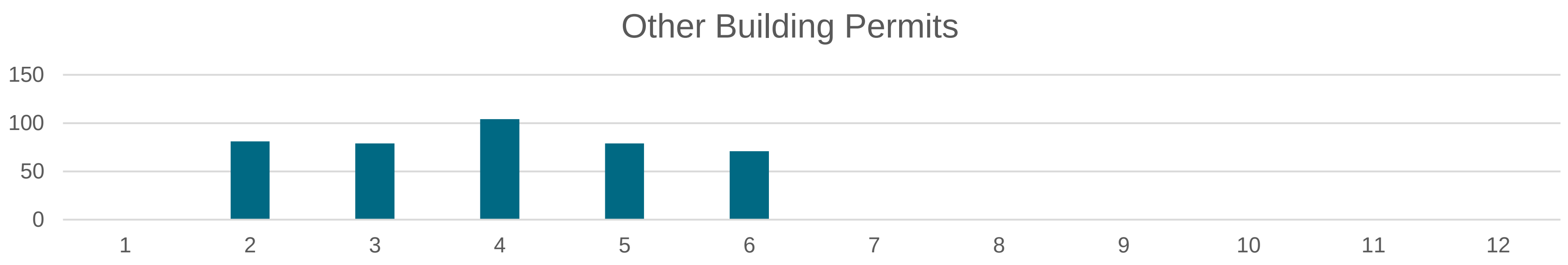


Average 2022

15

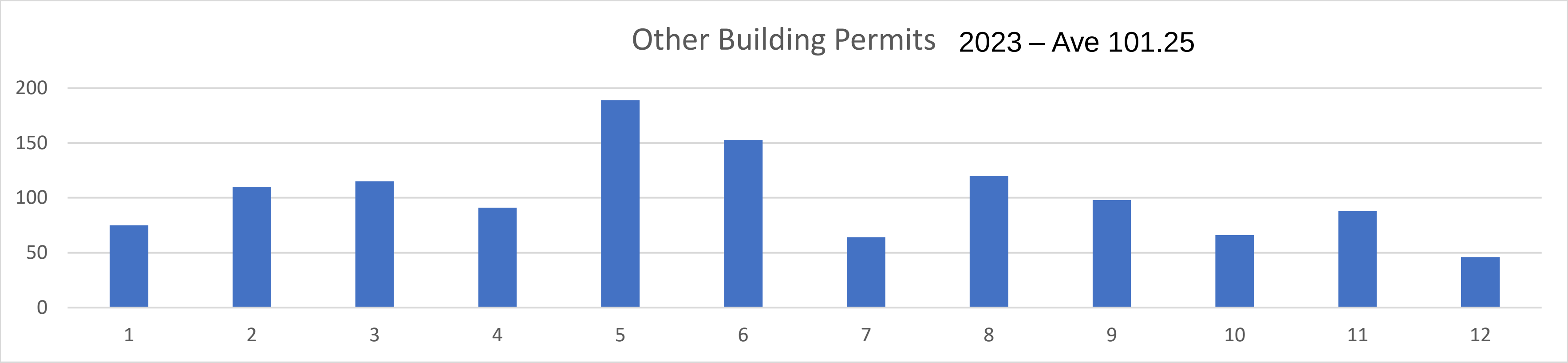


Planning: building permits other types: 71

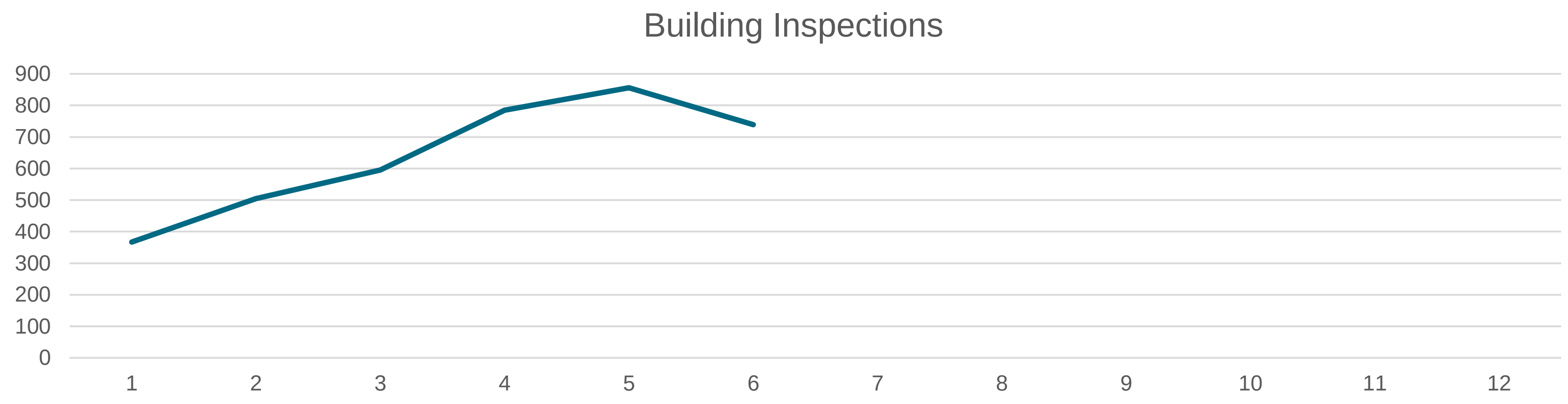


Average 2022

122

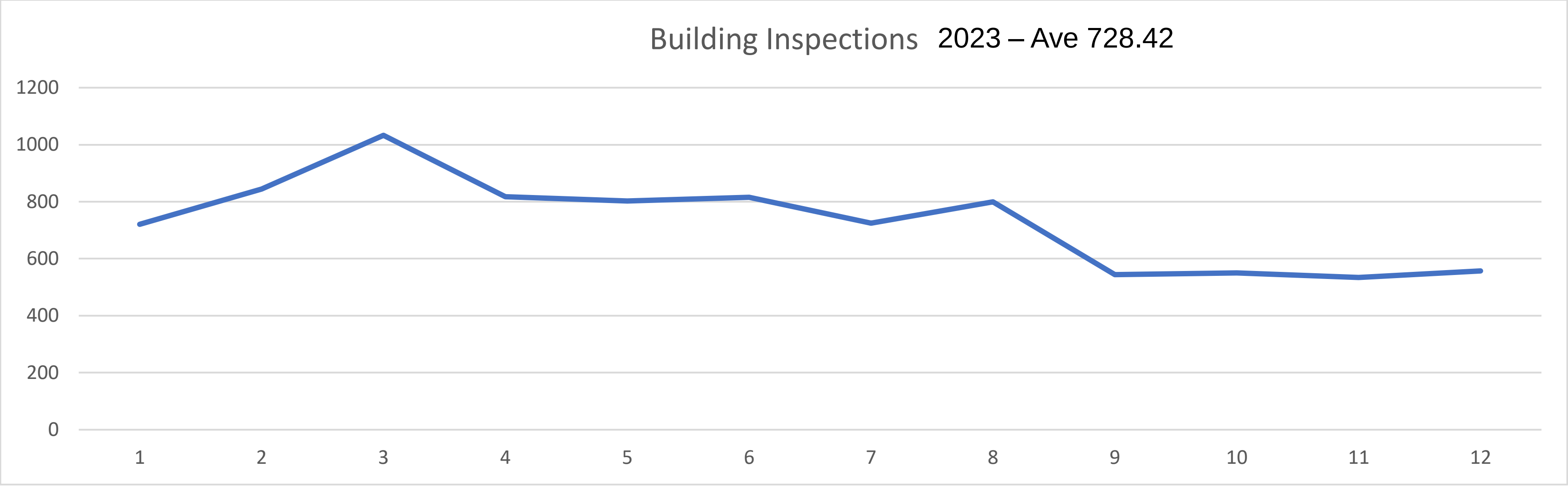


Planning: building inspections: 739



Average 2022

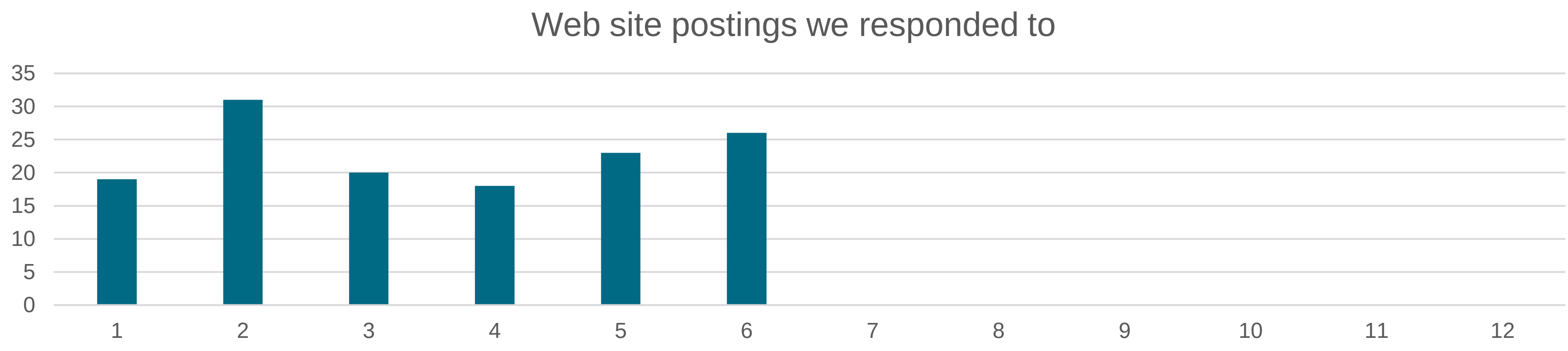
691

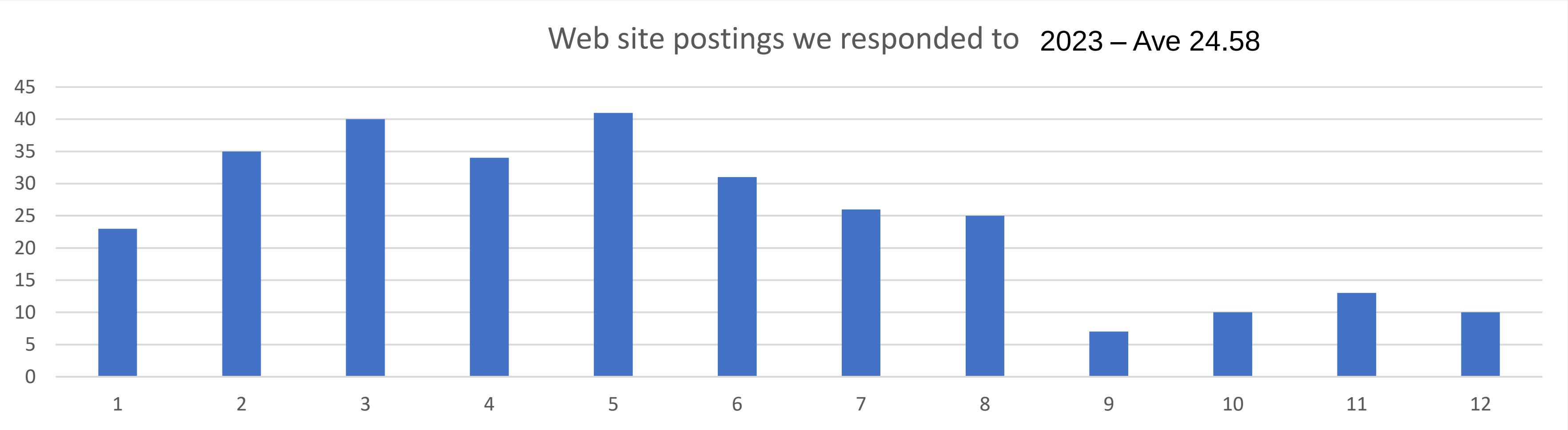


Community Engagement: submission forms through website: 26

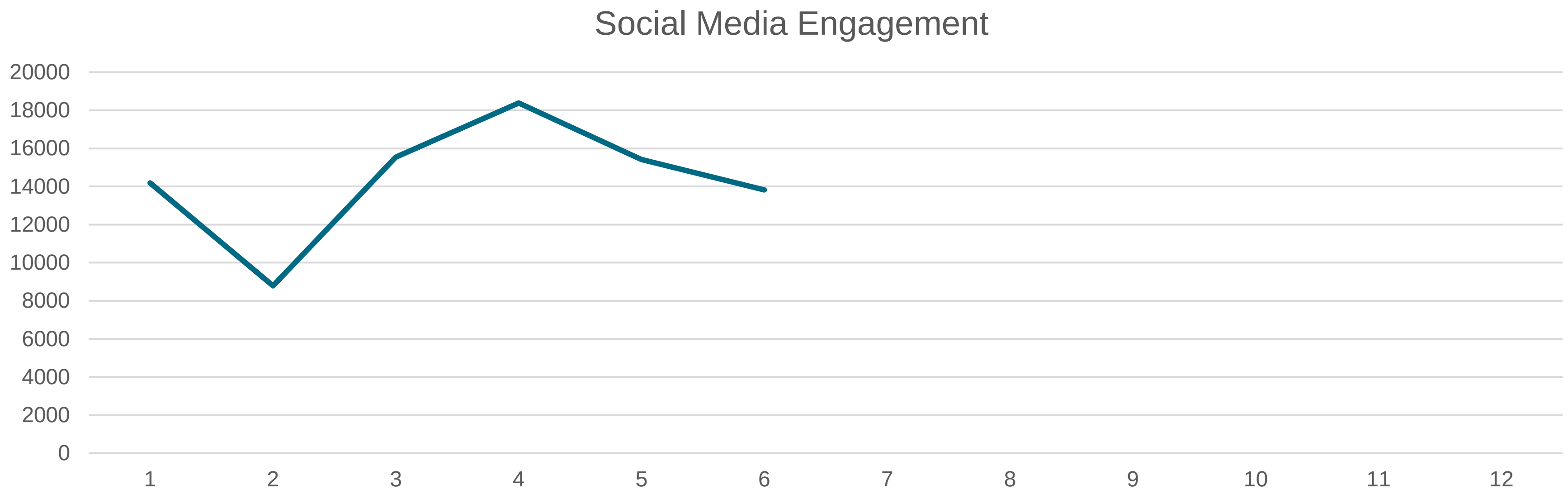
Average 2022

23



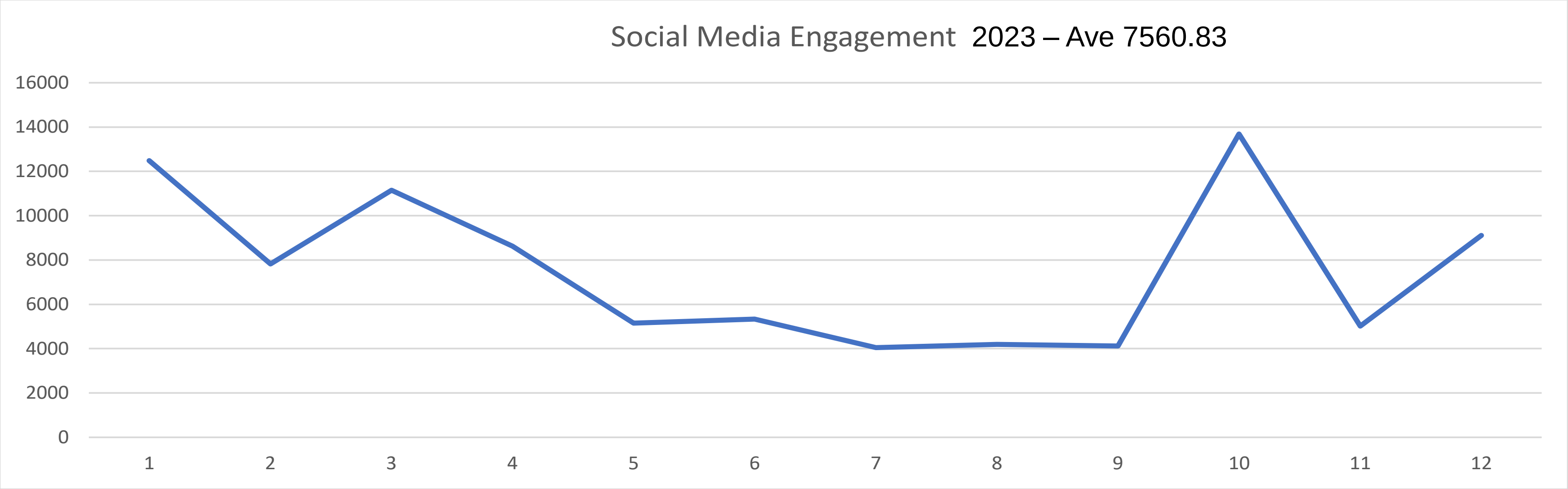


Community Engagement: social media engagement: 13,827

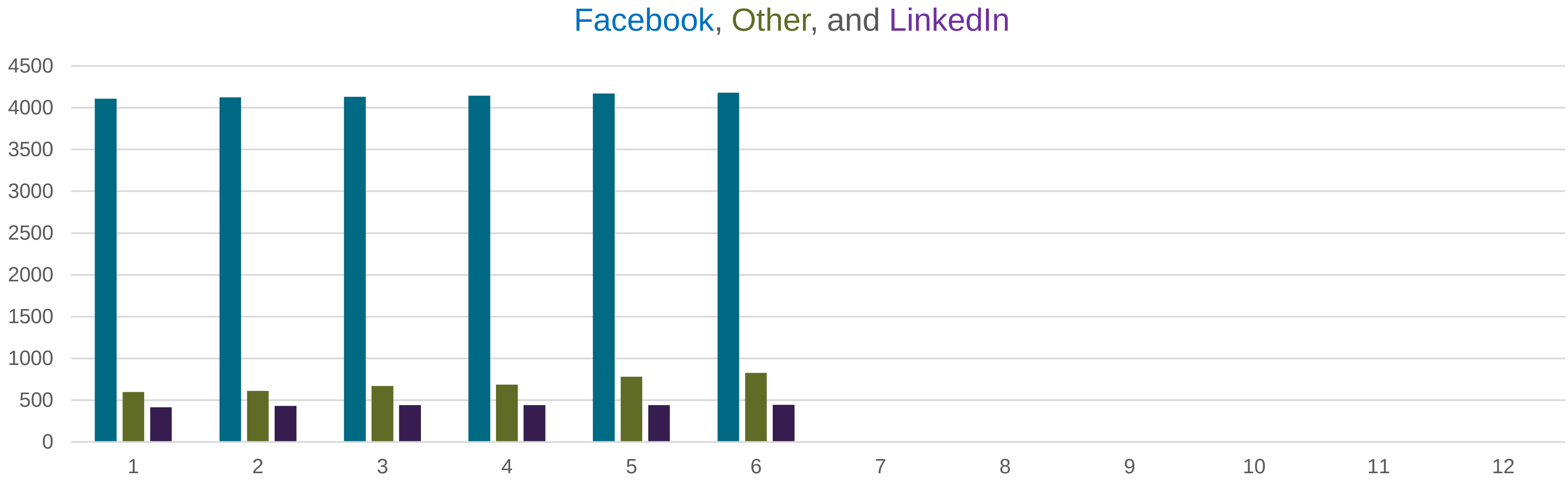


Average 2022

7942.5

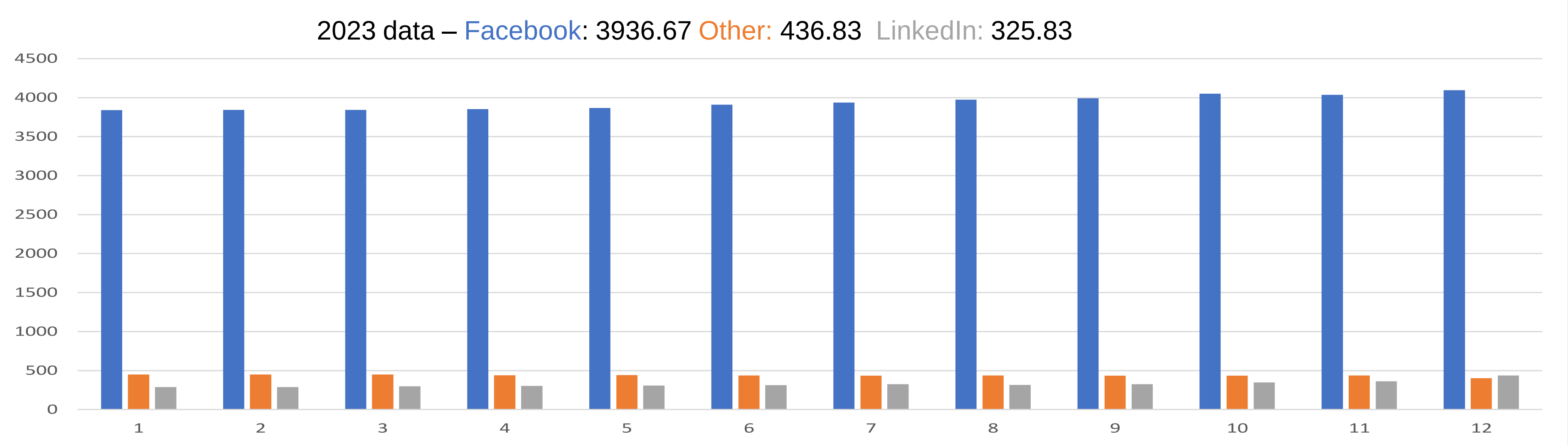


Community Engagement: Socials followers Facebook 4179, Other 828, LinkedIn 446

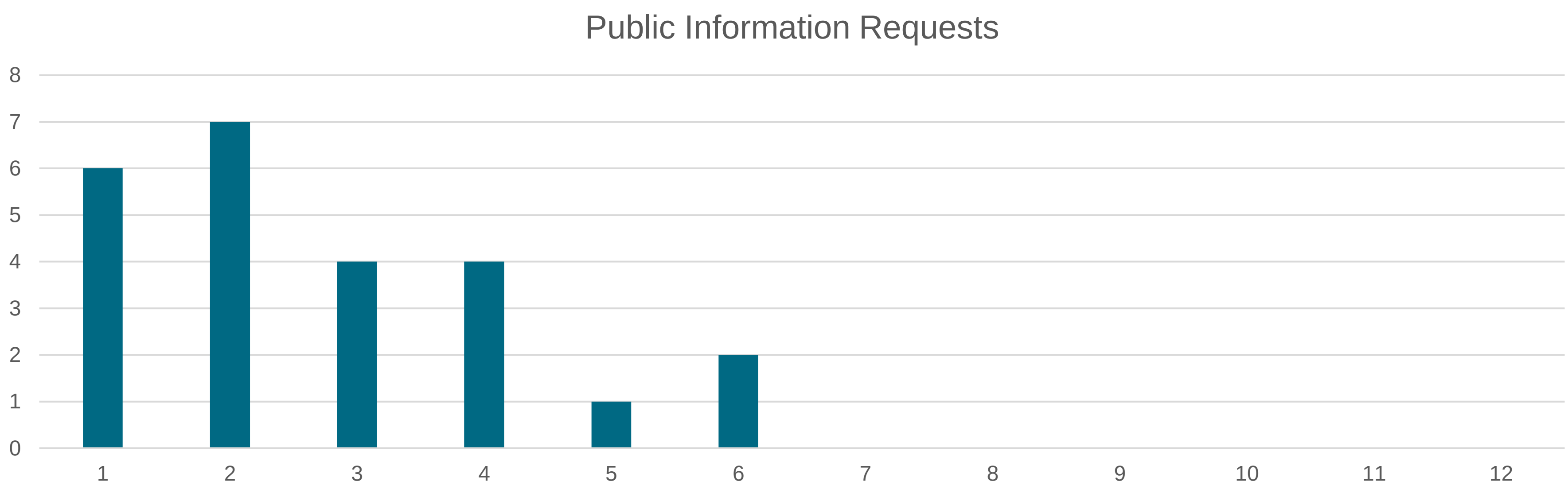


Average 2022

Facebook
3746
Twitter
415
LinkedIn
253.6

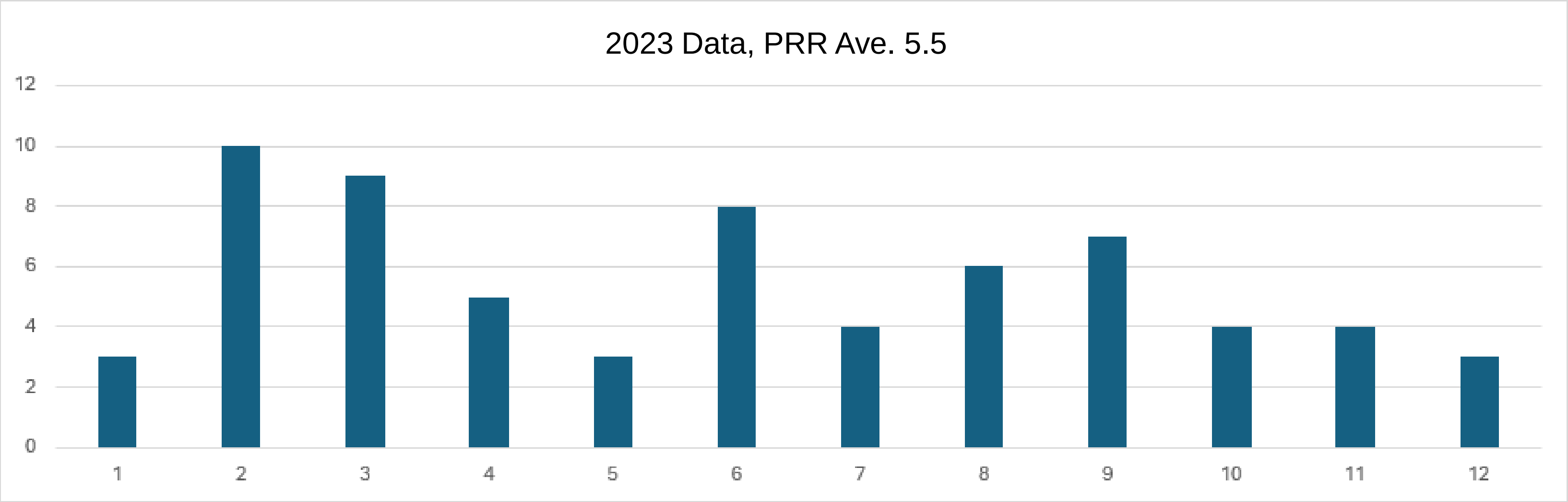


City Recorder: Public Records Requests: 2



Average 2022

4.5



Finance: $1.9 M of payments to accounts payable & $1.1 M of payroll

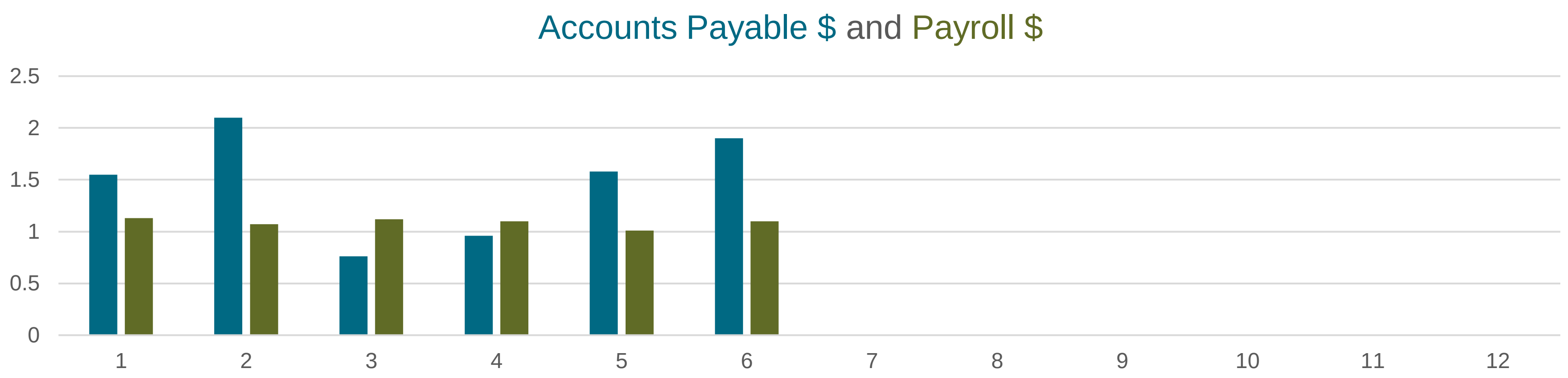
Average 2022

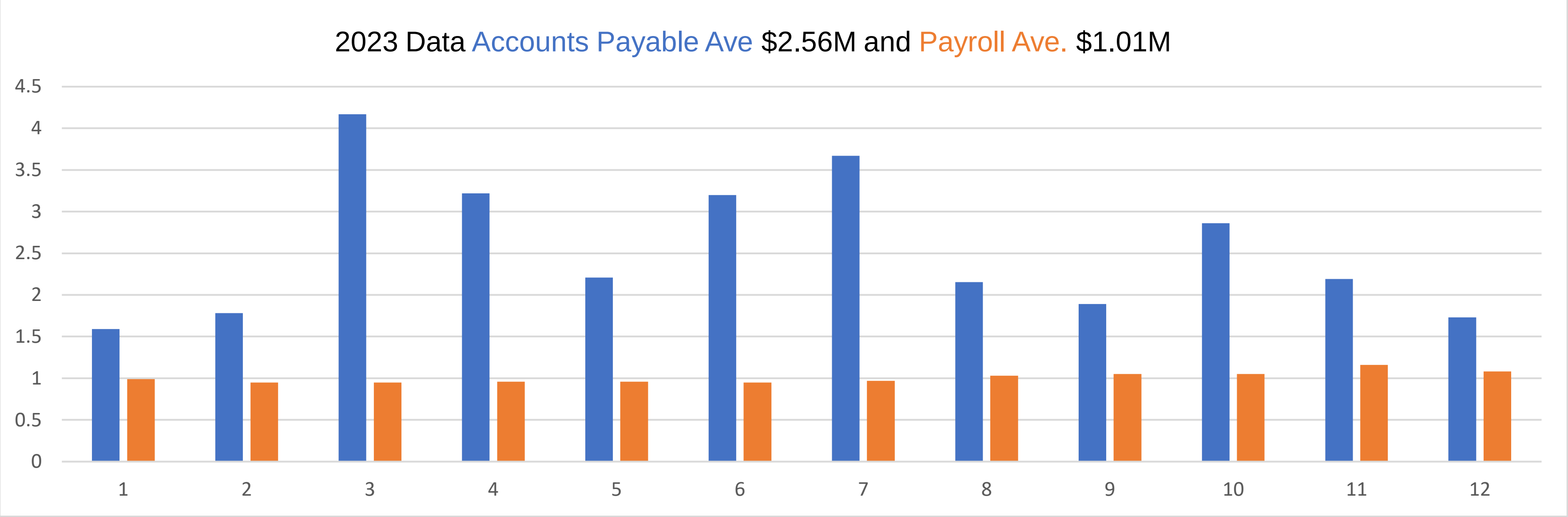
AP

$1.75 M

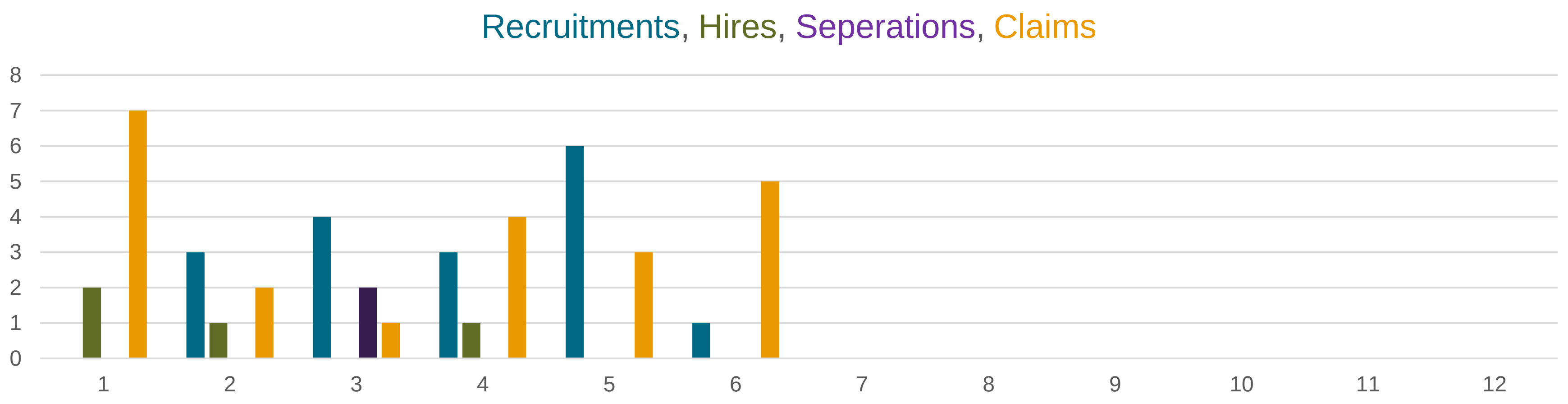
Payroll

$0.93 M





HR activity: Recruitments advertised - 1 Hires: 0 Separations: 0, FMLA / ADA / OFLA / workers comp claims: 5



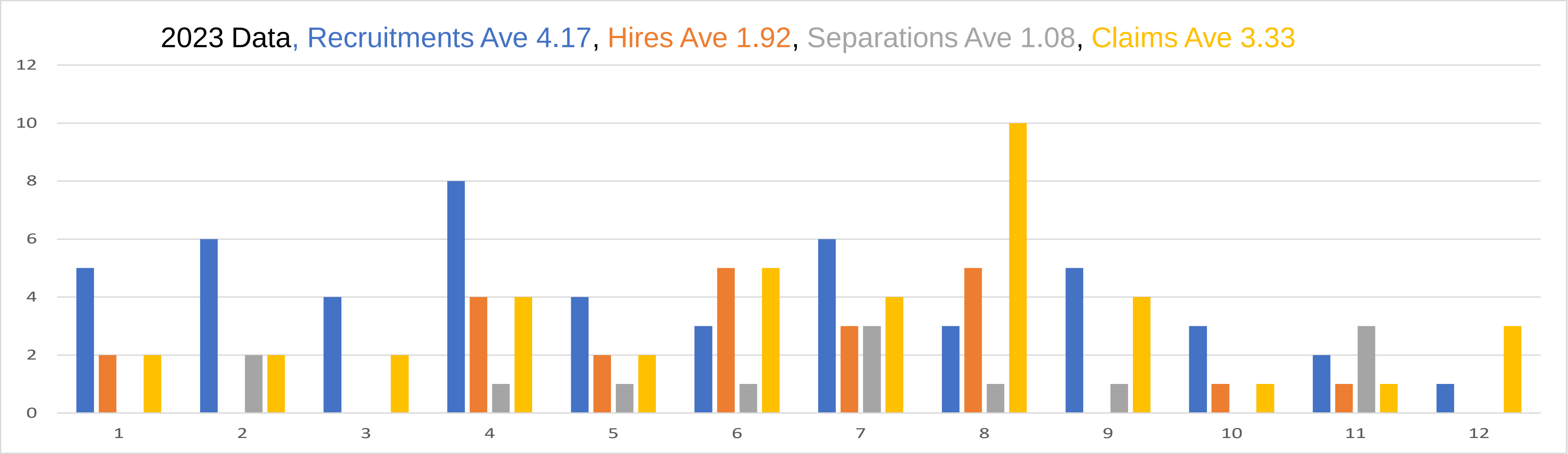
Average 2022

Recruitments
5.6

Hires
1.9

Separations
1.6

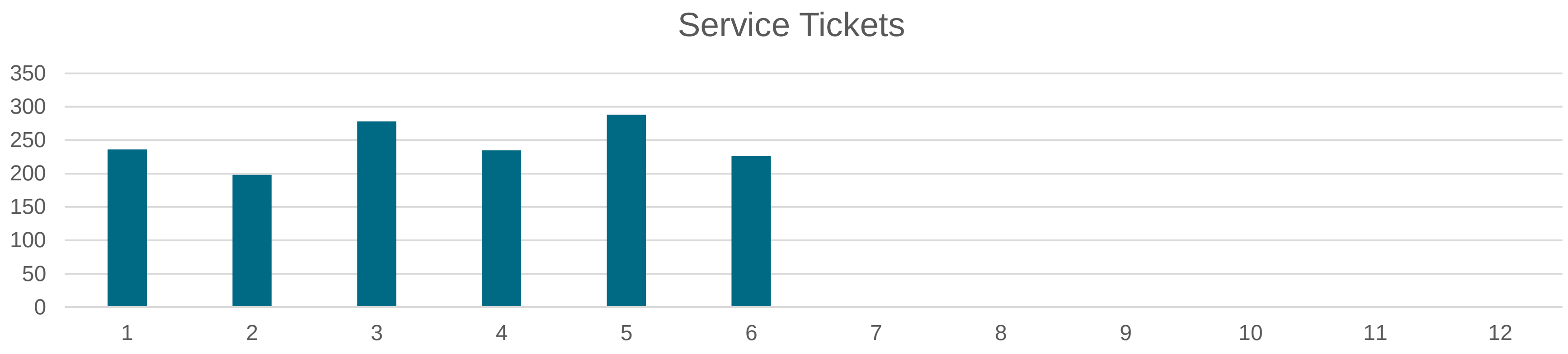
Claims
2.6

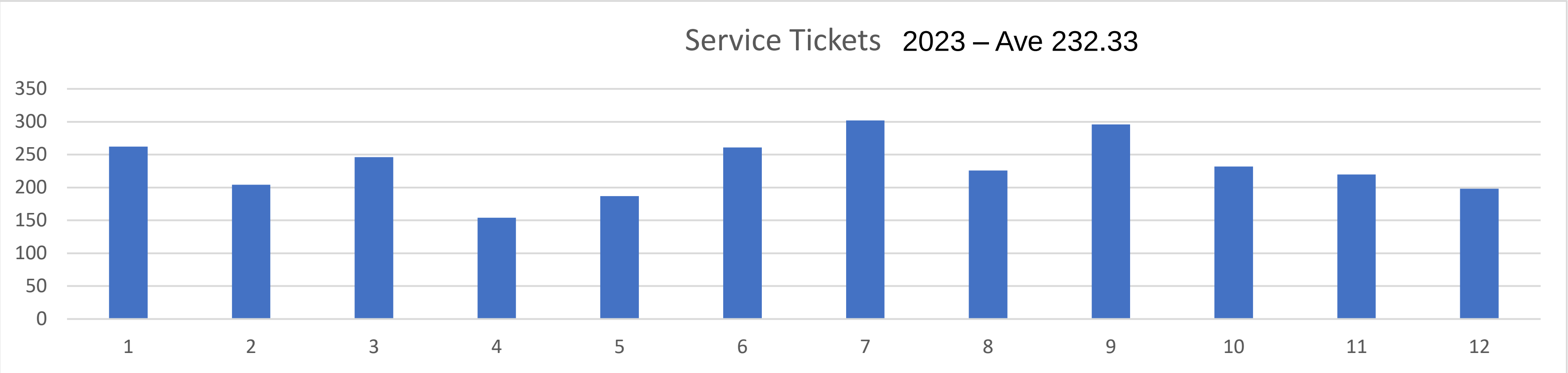


IT resolved 226 service tickets for the city.

Average 2022

203.4

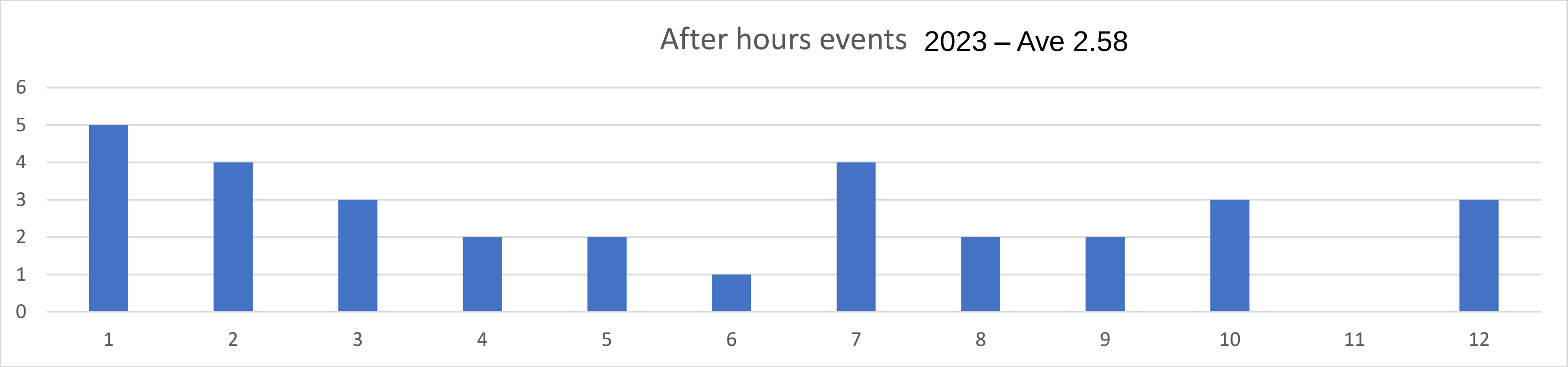




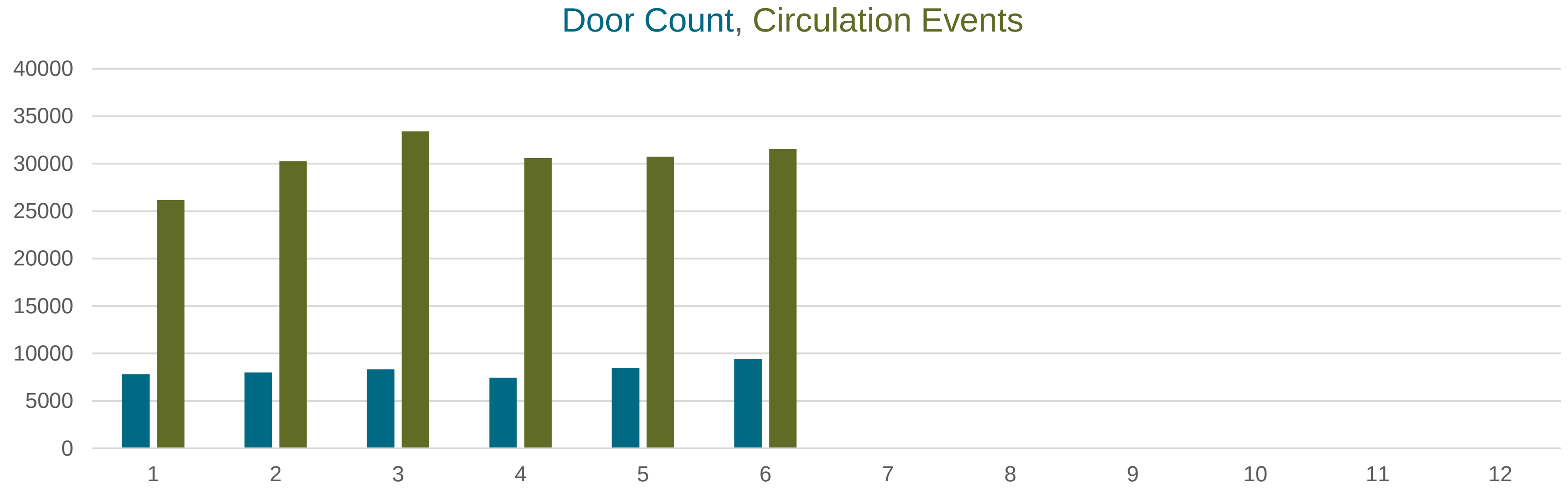
IT responded to 3 after hours on-call events.

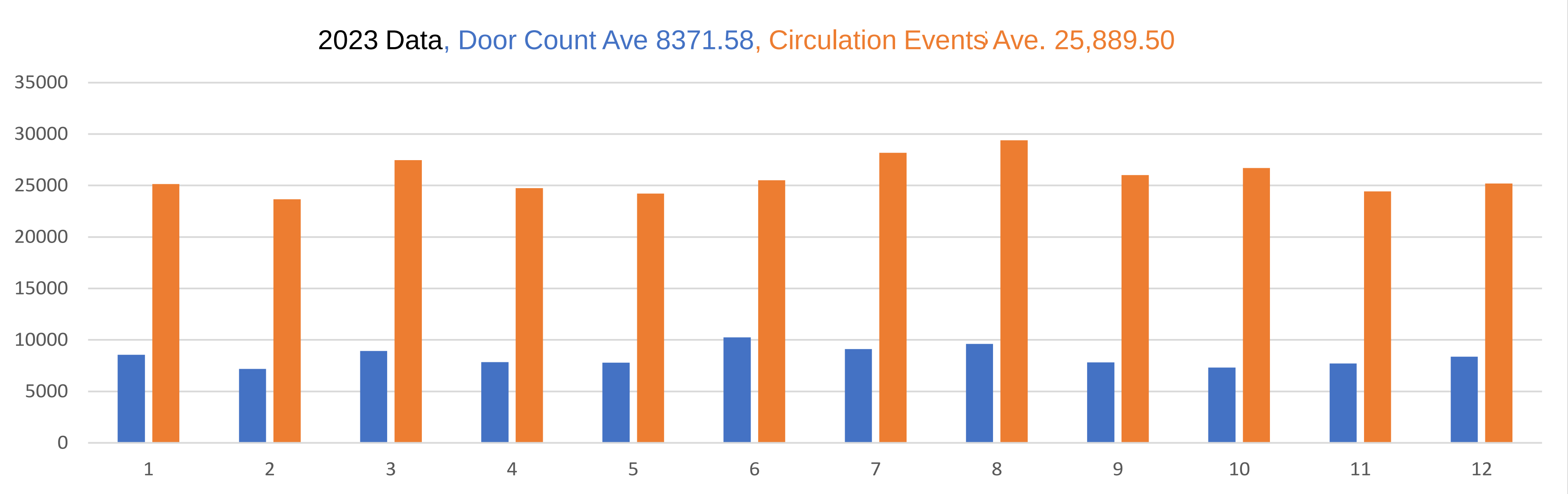
Average 2022

3.6



Library Activity: Door count 9,385, Circulation events 31,547





Average 2022

Door Count

7108

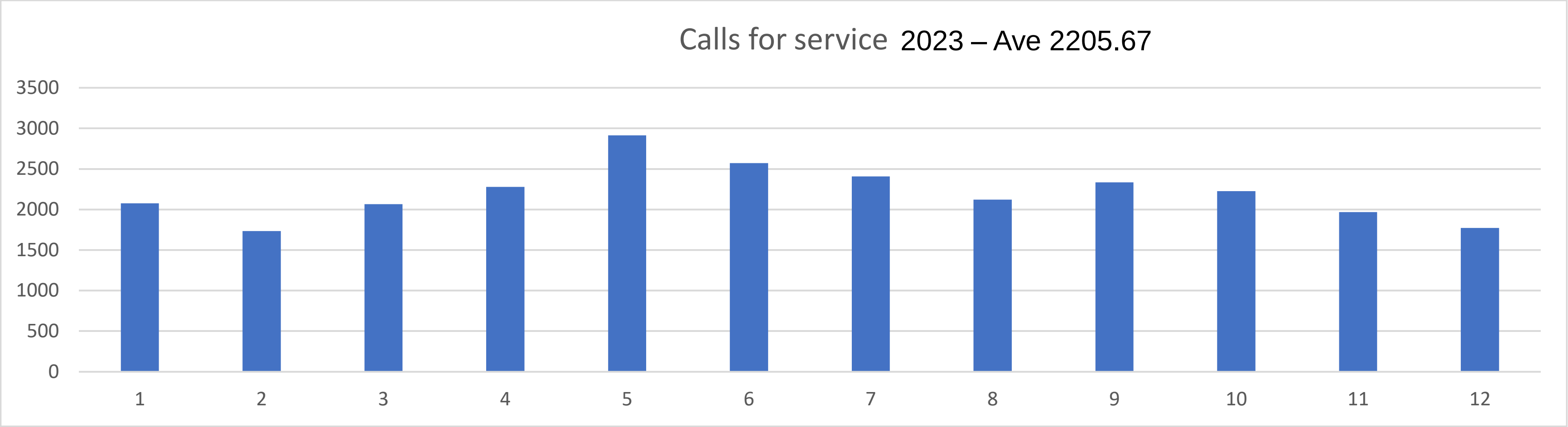
Circulation Events

23,418

Public Safety: **2425** – calls for service

Average 2022

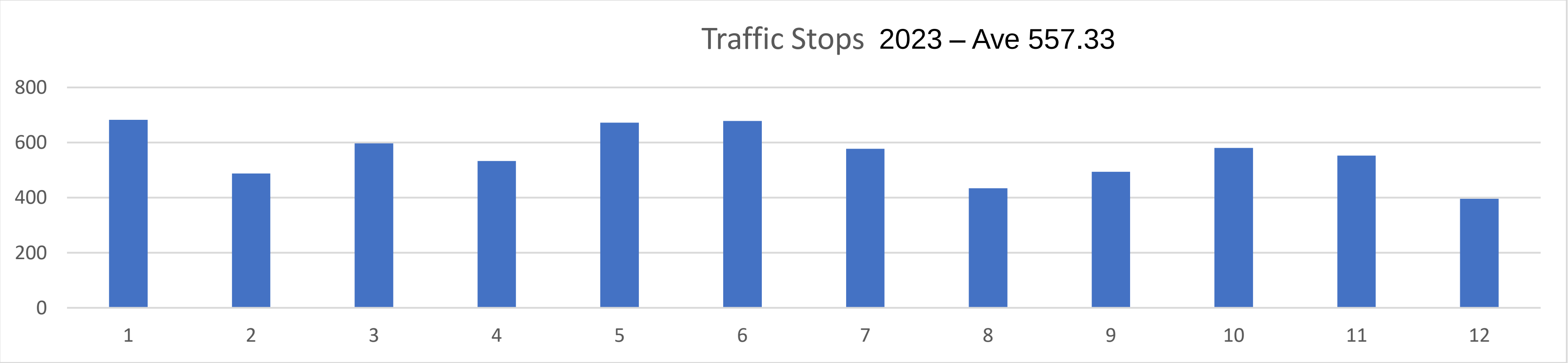
2065



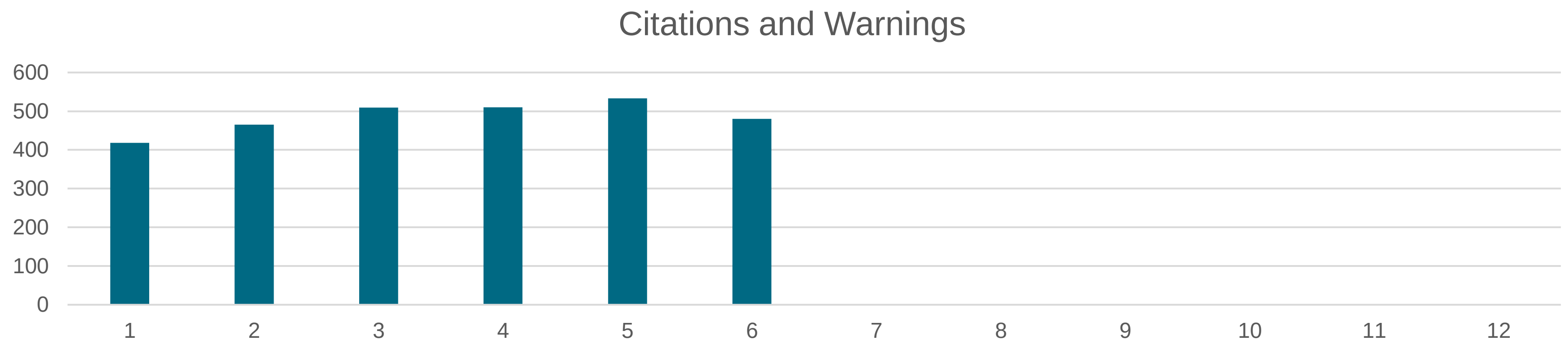
Public Safety: 749 – traffic stops

Average 2022

561

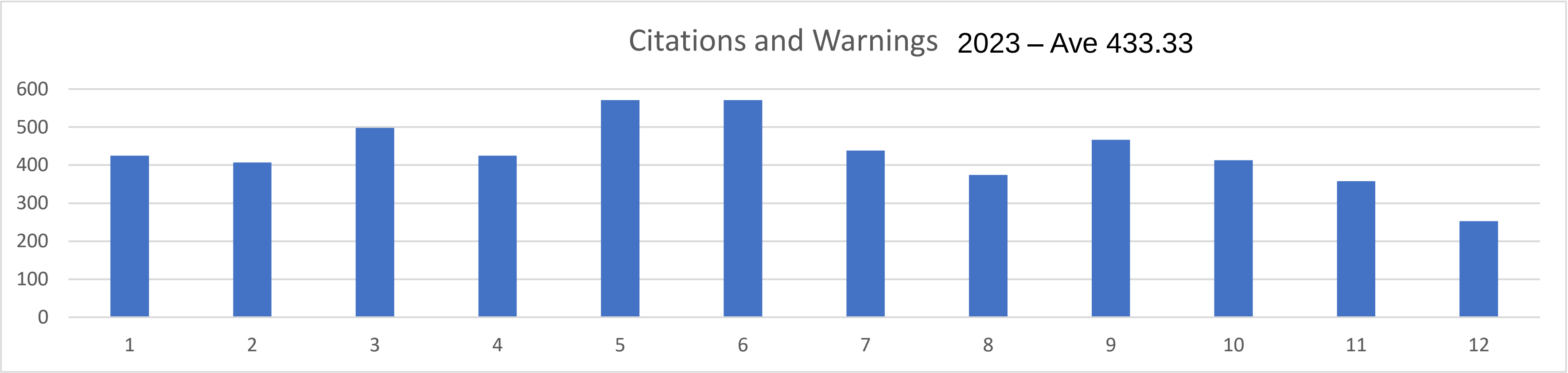


Public Safety: 480 – citations & warnings

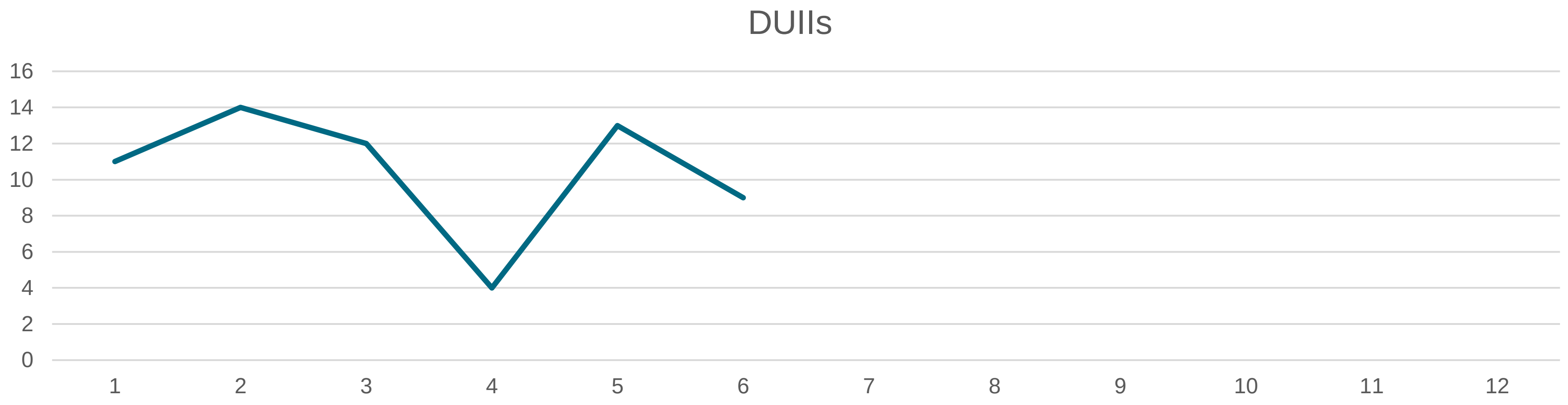


Average 2022

428

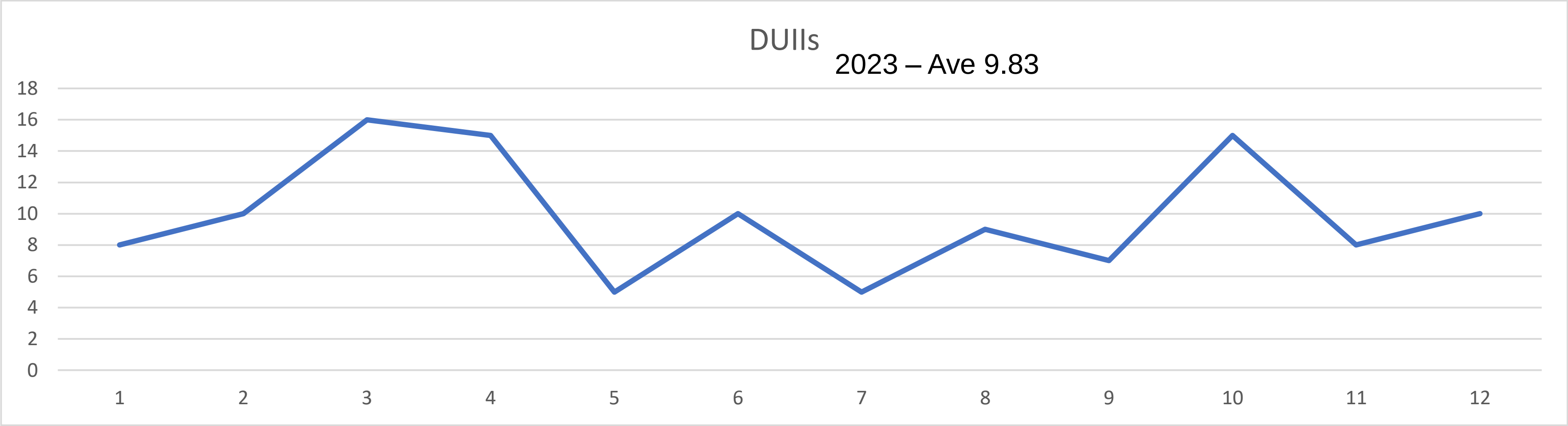


Public Safety: 9 – DUII's

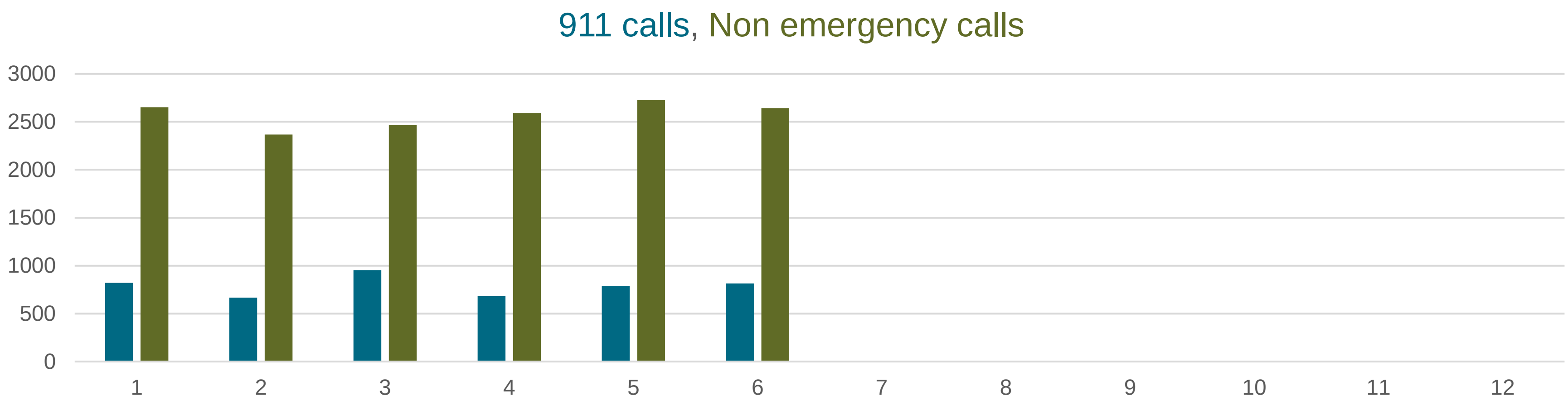


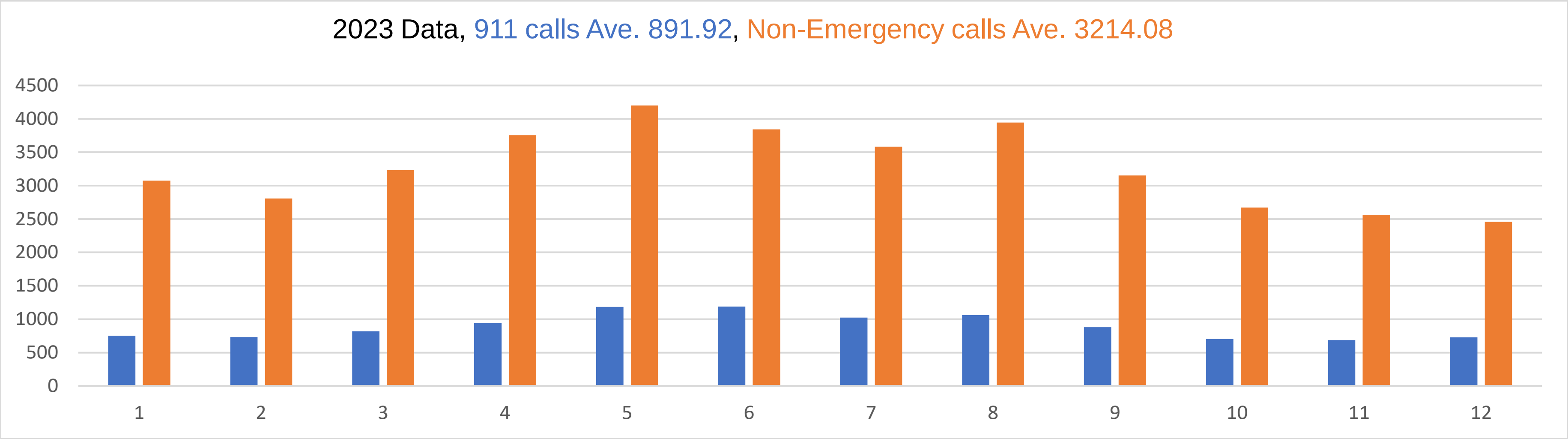
Average 2022

12.1



Dispatch: 813 “911” calls & 2,644 non-emergency calls





Average 2022

911 Calls

817

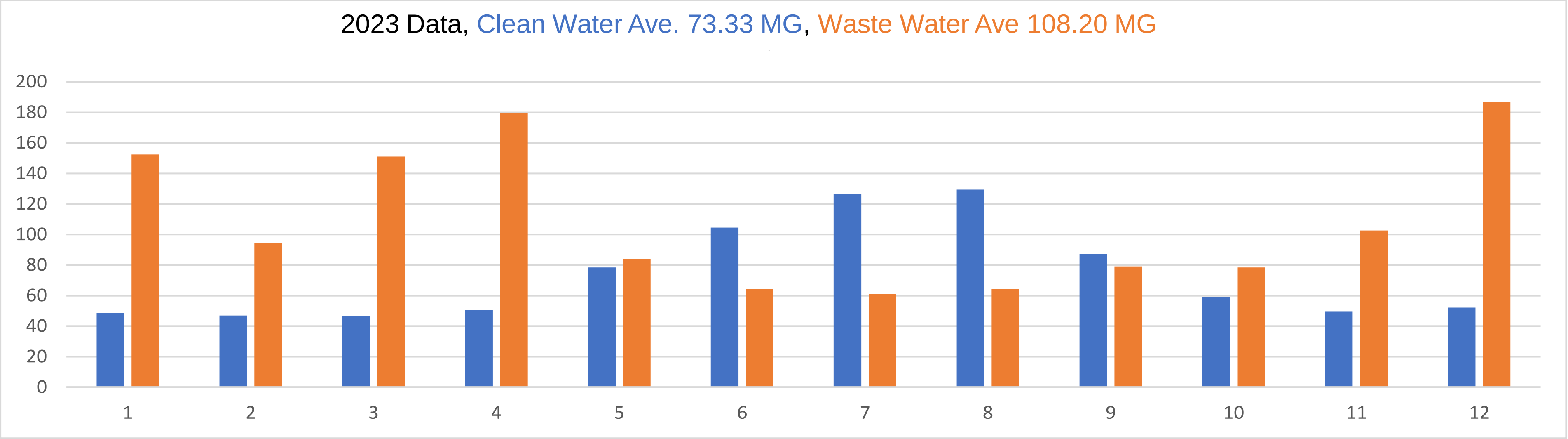
Non-Emergency Calls

3436

Public Works: water production was 91.7 million gallons, & 75.8 million gallons (MG) were treated

Average 2022

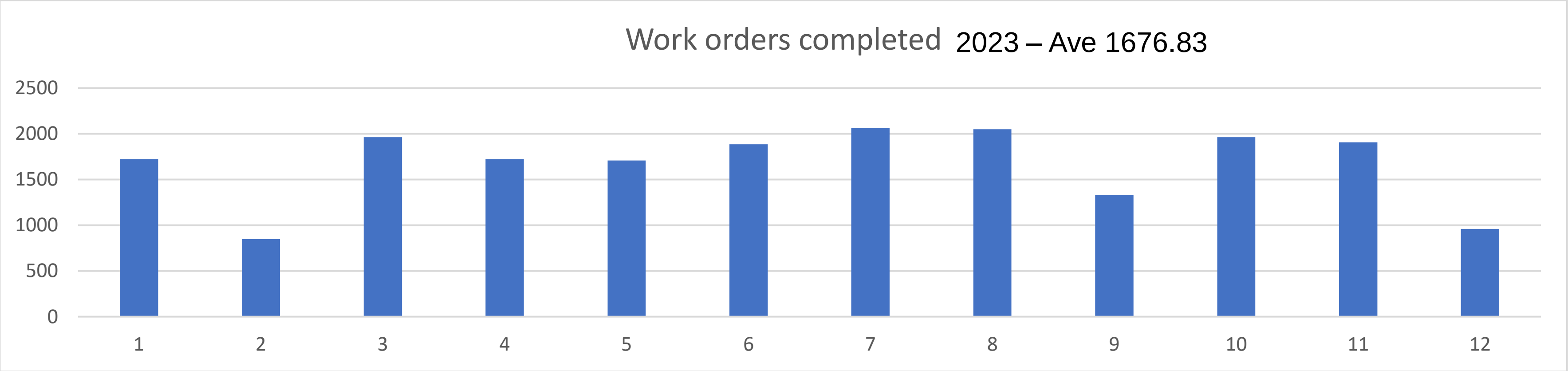
Clean Water
69.45 MG
Waste Water
105.46 MG



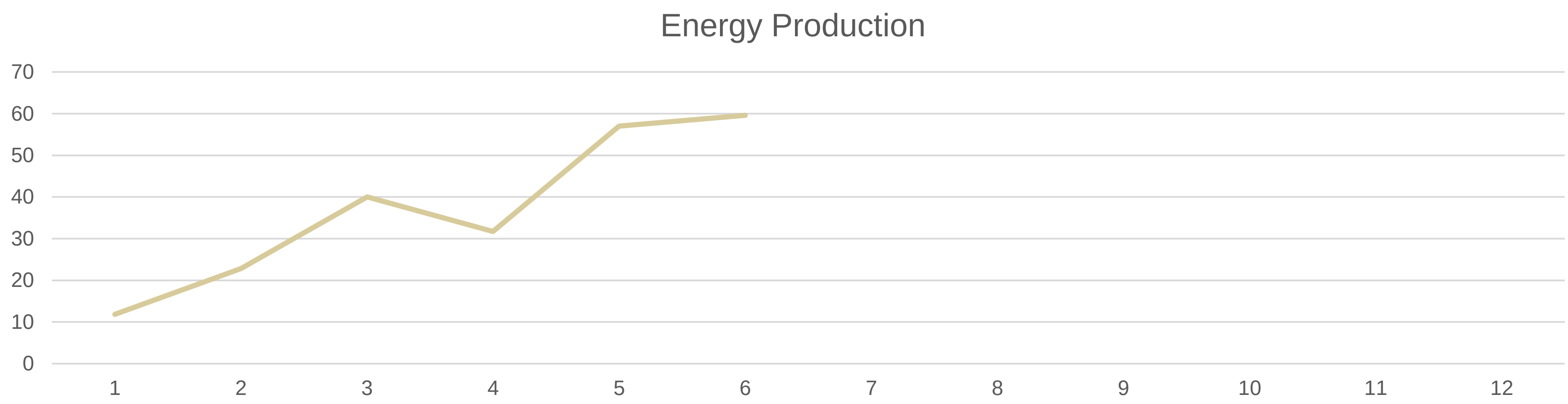
Public Works: 1107 work orders completed

Average 2022

1452.6

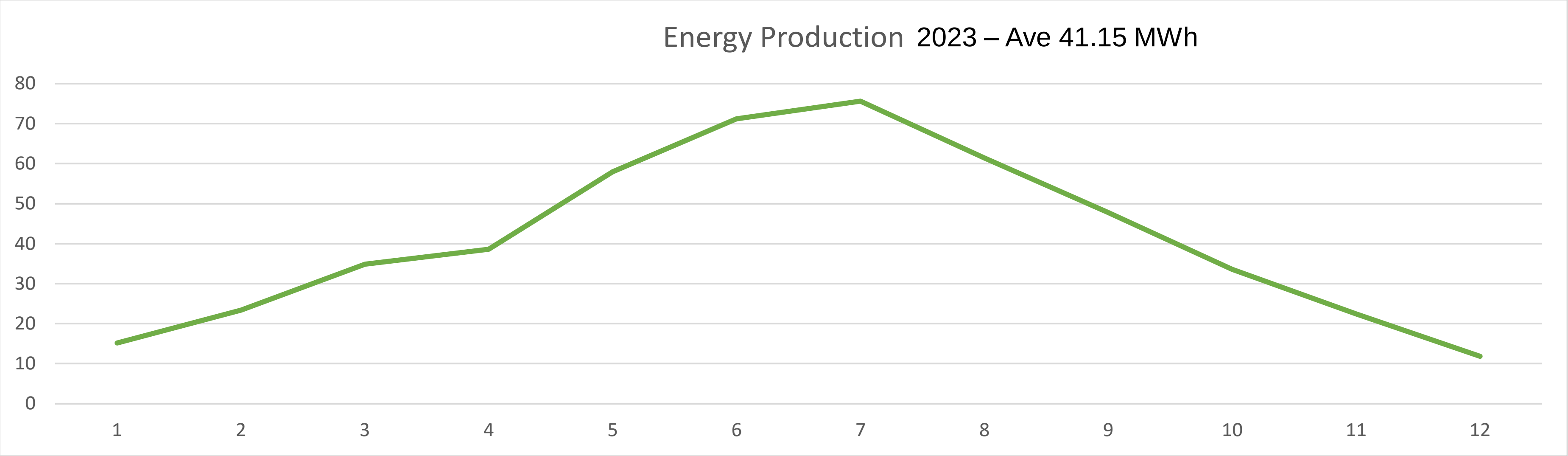


Public Works: 59.6 MWh of energy generated



Average 2022

47.35 MWh
(April–Dec only)



So that’s the totals to the end of June 2024!

Questions?

REQUEST FOR COUNCIL ACTION

Date Action Requested: August 19, 2024

Order ☐ Ordinance ☐ Resolution ☒ Motion ☐ Information ☐ Proclamation ☐ No. 2024-3946	
Subject: **A Resolution authorizing the City Manager to sign the contracts with a combined value up to $428,200 for this project and authorizing City Manager to accept the Grant awarded to the City from the DEQ that reimburses the City a maximum of $257,200.**	Staff: Preston Langeliers, Maintenance Superintendent Department: Public Works Maintenance
Business Session	Order On Agenda: Consent
Hearing Type: Administrative	

Is this item state mandated? s ☐ No ☒

If yes, please cite the state house bill or order that necessitated this action:

Recommendation:

Adopt Resolution 2024-3946: A resolution authorizing the City Manager to sign the contract to spend $428,200 and authorizing the City Manager to accept the Grant awarded to the City from the Oregon Department of Environmental Quality that reimburses the City a maximum of $257,200.

Executive Summary:

Public Work Maintenance's goal is to strive to meet local and state environmental goals, and the decision was made to pursue one electric-powered truck, Continuous Chain Truck, and Street Sweeper. The City has also successfully introduced two (2) Ford Lightings. In early 2023, a grant application was submitted to the Oregon Department of Environmental Quality under the Oregon Zero-Emissions Fueling Infrastructure Grant program. Later, in 2023, the City of Newberg was notified that we were awarded a grant that covers $257,200 of the Estimated $428,200 project.

Management has collaborated with PGE and electricians to develop a plan to meet the City's immediate needs while providing potential further build-out. The electric charging infrastructure is critical for the future success of the City's fleet as State and Federal governments continue to require the implementation of new green and electrified vehicle requirements. While grants are available, it is wise of the City to be forward-thinking and willing to embrace change within manageable areas that still allow us to provide all our services.

Fiscal Impact:

The estimated project price is $428,200, with $257,200 of those funds to be reimbursed back to the City by DEQ. This project will provide ample future growth for the fleet for the next 10-15 years without further major electrical infrastructure work being performed. The City's final out-of-pocket cost to accomplish this project is $171,000.These funds have already been budgeted for within the City's CIP list. It is estimated that the City could generate $5-$6 thousand a year in revenue from carbon credits with the current electric fleet. As the City's electric fleet grows, this potential income could increase. The City also expects reduced maintenance, fuel, oil, and other related costs through integrating electric vehicles.

Council Goals:
This project helps maintenance perform Goal six (6) of the City Council to have a long-term financial plan that supports the goals and objectives. The electrical infrastructure is an inevitable requirement, as the move to more of an electric fleet will be required in the near future as the State of Oregon will prohibit the sale of any new non-electric cars and light trucks beginning in 2035. The installation of the electric infrastructure will support the current electric fleet vehicles and meet the needs of future vehicles.

By looking forward and tackling this problem now, the City will not have to purchase large quantities of electric vehicles and install the infrastructure all at once. The only way this could be postponed would be to accept a large CIP project in the future and a drastic increase to the fleet replacement funds, all within a short period.

However, if the council authorizes the city manager to spend $428,200 while also accepting the Grant of $257,200, this project would allow the City to meet goal six (6) of a prudent long-term fiscal plan that minimizes debt, reduces large CIP projects, and prevents drastic fund increases. This plan ultimately reduces the financial strain on funds across the board.

RESOLUTION NO. 2024-3946

A Resolution authorizing the City Manager to sign the contracts with a combined value up to $428,200 for this project and authorizing City Manager to accept the Grant awarded to the City from the DEQ that reimburses the City a maximum of $257,200.

Recitals:

1. The City was awarded a Grant from DEQ to install electrical charging infrastructure in the amount of $257,200.
2. The City has developed a design by working collaboratively with PGE and professional electricians to create the most cost-effective and expandable infrastructure.
3. PGE and Electrical contractors provided budgetary numbers that allowed the City to develop the proposed project budget.
4. Carbon credit revenue of $5-6$ a year is possible from this infrastructure and the current electric fleet.

The City of Newberg Resolves as Follows:

1. 1. The Council approves the City Manager to accept and use the Grant awarded by the Oregon Department of Environmental Quality to the City for the amount of $257,200.

2. The City Council authorizes the City Manager to sign contracts for this project where the total of all contracts combined shall not exceed the $428,200 budgeted.

3. The City Council approves the City Manager to accept the reimbursement of $257,200 from the Oregon Department of Environmental Quality.

Effective Date of this resolution is the day after the adoption date, which is: _____, 2024.
Adopted by the City Council of Newberg, Oregon, this _____ day of ______, 2024.

____
Rachel Thomas, City Recorder

Attest by the Mayor this _______ day of _______, 2024.

____
Bill Rosacker, Mayor

Request For Council Action

Date Action Requested: August 19, 2024

Order ☐ Ordinance ☐ Resolution ☐ Motion ☒ Information ☐ Proclamation ☐	
Subject: Update and request for direction on the Newberg Sequential Urban Growth Boundary Project (File No. GEN23-0009)	Staff: Scot Siegel, James Dingwall Department: Community Development
Business Session	Order On Agenda: Continued Business

Is this item state mandated? Yes ☐ No ☒

If yes, please cite the state house bill or order that necessitated this action: This item is not state mandated but any changes to the City's approved Sequential Urban Growth Boundary (UGB) Review work program must comply with State land use requirements.

Recommendation:

1. Staff recommends the City request that the Oregon Department of Land Conservation and Development (DLCD) modify the City's Sequential UGB work program to include adoption of an Economic Opportunities Analysis (EOA) only and reschedule the City's adoption of an updated Housing Needs Analysis (or Housing Capacity Analysis) and Housing Production Strategy to align with the Oregon Department of Land Conservation and Development's 2027/2028 schedule for compliance with state housing requirements.
2. Staff recommends the Council consider whether to explore a one-time UGB amendment as provided by Oregon Senate Bill 1537 (2024) and provide direction to staff.

Executive Summary:

On June 3, 2024, City Council considered adoption of Ordinance No. 2024-2925 adopting the City's 2021 Housing Needs Analysis (HNA), Economic Opportunities Analysis (EOA), and Public and Semi-Public Land Needs Analysis (PSP) as Step 1 of the City's approved Sequential Urban Growth Boundary (UGB) Review work program. City Council requested additional information on potential modifications to the approved work program and that staff coordinate with the Oregon Department of Land Conservation and Development (DLCD) to identify potential options. On June 4, 2024, staff met with DLCD staff to discuss the approved work program and identify further points of clarification regarding the City's options. In addition to guidance from DLCD, staff consulted with other jurisdictions to identify cost estimates from recent UGB amendment work in peer cities and investigated the potential applicability of a one-time UGB expansion as provided by the legislature through SB 1537 (2024).

1. **How may the approved Sequential Urban Growth Boundary Review work program be modified?**

Synopsis: The city may not modify the population estimates used as the foundation of the three analysis documents but may submit a proposal to modify the approved work program that change or update the buildable lands inventory including its development assumptions.

DLCD indicated that the 2020 population forecast cannot be modified within the City's approved UGB sequential review work program as the work program timeline is legally tied to the related post-acknowledgement plan amendment (PAPA) and associated analysis per Oregon Administrative Rules (OAR) 660-024-0040 and 660-025-0185. The HNA was originally completed in 2019, however the City chose to update the HNA for the 2021-2041 period to include the newest data about buildable lands at the time and the updated population projection issued in 2020. The PAPA submitted to DLCD includes the proposed updates to the Comprehensive Plan that reflect this 2021-2041 planning period and is implemented by the approved work program.

While the City may not modify the population projection, DLCD indicated that other modifications which update elements of the HNA may be acceptable but would be subject to review by DLCD when submitted for Task approval. These changes could include updates to the HNA's buildable land inventory or assumptions used to project housing need or capacity that build off the population projection. DLCD cautioned that any assumptions that propose to reduce density or efficiency will be subject to close review by DLCD and potentially other interested parties for consistency with applicable state law.

In addition to modifying the analysis documents including land surplus or need, the City may request modifications to the approved work program that remove analysis documents from Task 1. OAR 660-024-0040(3) provides that:

> *"a local government may review and amend the UGB in consideration of one category of land need (for example, housing need) without a simultaneous review and amendment in consideration of other categories of land need (for example, employment need)."*

DLCD confirmed that unlike the requirement that the City concurrently amend its UGB when an HNA identifies a deficit of residential lands, there is no such concurrency requirement for an EOA. If the City decides to not proceed with the HNA adoption at this time, it could pursue UGB expansion for employment lands only and take longer to consider UGB expansion options.

DLCD's *Housing Capacity Analysis-Housing Production Strategy schedule for 2024-2032* indicates that Newberg is due to adopt a Housing Capacity Analysis (HCA) in 2024, and a Housing Production Strategy (HPS) in 2025. This assumes the City adopts the 2021 Housing Needs Analysis in 2024 given the City's work on it to date. Discussions with DLCD have indicated that the City could request to be placed in the 2027-2028 HCA/HPS cycle instead. Deferring the housing analysis would also require the City to utilize new, as of yet to be defined, state rules for determining housing needs and amending the UGB for housing. DLCD staff have advised that the City would not be penalized for requesting modifications to its work program and may be eligible for funding during the next cycle of DLCD planning grants.

If the City adopts the 2021 HNA (current draft in file #CPTA22-0002) in 2024, and a HPS in 2025, pursuant to the current Sequential UGB work plan, it will be required to adopt a new Housing Capacity Analysis and HPS in 2032 and 2033.(Oregon Revised Statute (ORS) 197.296 and OAR 660-08-045) , Alternatively, if the City requests to join the next cohort, the deadlines would shift to 2025 and 2036, respectively. The Portland State University Population Research Center issues population forecasts every four years. Yamhill County's final forecast was issued in June 2024 and any HCA completed before the final 2028 forecasts are issued will use the 2024 forecast.

A work task approved by DLCD within a sequential UGB review process is valid for four years (with a fifth-year extension available). The City could propose to modify the approved work program to allow changes to the HNA within Task 1, and extend the "Expected Completion Dates" or propose splitting the documents into multiple tasks (for example adopting the EOA as Task 1 and a modified HNA/PSP as Task 2). If the analysis documents are adopted sequentially, any potential UGB amendment would need to be completed prior to the expiration of the first DLCD approval.

If the City requested to modify the work program to only adopt the EOA, a potential UGB amendment for employment land could run independent of future HCA/HPS work.

The ORS and OAR both provide criteria for DLCD to approve a modified work program, which include:

a) *Issues of regional or statewide significance arising out of another local government's periodic review require an enhanced level of coordination;*
b) *Issues of goal compliance are raised as a result of completion of a work task resulting in a need to undertake further review or revisions;*
c) *Issues relating to the organization of the work program, coordination with affected agencies or persons, or orderly implementation of work tasks, result in a need for further review or revision;*
d) *Issues relating to needed housing, employment, transportation or public facilities and services were omitted from the work program but must be addressed in order to ensure compliance with the statewide planning goals.*

In a request to DLCD for work program modification, the City would make findings to support the modification based on one or more of these criteria. Similar to the initial Notice of Election of the sequential process, a modification request would require concurrence from Yamhill County.

2. What are some examples of UGB amendment costs seen by other jurisdictions?

Synopsis: Costs of UGB expansion work seen by other jurisdictions include land supply and need analysis work, efficiency measures, and supplemental analysis.

Staff requested cost estimates from other jurisdictions' UGB amendment work, where available. Comparable cities were identified by similar size and type of UGB amendment. Recent UGB amendments of Metro cities were not considered given the different Metro UGB review process. These figures represent estimates or actual costs, as provided by jurisdiction staff, and do not account for costs associated with any appeals or other costs beyond a UGB amendment itself.

- **Turner** – 49 acres of residential land, approximately $100,000. Staff estimates that approximately 50 percent was used to conduct the HNA, and 50 percent used for efficiency measures and the UGB amendment.
- **Sisters** – evaluating a UGB expansion of 206-256 acres of residential and employment land as identified in a sufficiency report, approximately $100,000 for efficiency measures (including updates to their Housing Plan), $25,905 for a UGB Sufficiency Report, and $239,106 for the UGB amendment.
- **Woodburn** – currently conducting an updated EOA and buildable lands inventory, $49,105 for the EOA and BLI, efficiency measures and a potential UGB amendment are being conducted in-house.

3. What options for a one-time UGB expansion are provided by SB 1537 (2024)?

Synopsis: SB 1537 (2024) provides for a one-time UGB expansion not to exceed 100 acres, subject to concept planning and affordability requirements, or alternative small-site (15 acres or less) or land-swap UGB amendments.

Senate Bill 1537, Sections 48 through 60, adopted by the Legislature in 2024, provides a one-time avenue for jurisdictions to add a site to their UGB. To be eligible for the one-time addition, the city must demonstrate need in two ways – a need for additional land and a need for affordable housing. The following criteria must be met to demonstrate that need:

1a) The city has not adopted any UGB expansions for residential use in the previous 20 years and does not have an undeveloped contiguous tract zoned for residential use larger than 20 net acres within the existing UGB; **OR**

1b) The city has adopted an UGB expansion over the previous 20 years and 75 percent of these lands are developed **or** have an acknowledged comprehensive plan with land use designations in preparation for annexation, and public facilities plan and associated financing plan.

AND

2a) The city has a greater percentage of severely cost-burdened households than the average for Oregon based on the Comprehensive Housing Affordability Strategy from the US Department of Housing and Urban Development; **or**

2b) The city has at least 25 percent of renter households being severely rent burdened based on the most recent housing equity indicator data under ORS 456.602(2)(g).

City records indicate that the most recent UGB expansion for residential land occurred in 2006, adding approximately 7.6 acers of medium-density residential land in west Newberg. The land is developed with residential uses and six of the seven tax lots have been annexed into City. On March 1, 2024, Oregon Housing and Community Services notified the City that Newberg that the city is designated as severely rent-burdened, with 25.7 percent of the population spending more than 50 percent of income on rent. These factors result in Newberg qualifying for a one-time site UGB addition based on criteria 1b and 2b.

Eligible sites for the one-time addition must be adjacent to the existing UGB or separated only by a street or a road, and must be:

- Designated as an urban reserve under ORS 197A.230 to 197A.250, including a site whose designation is adopted under ORS 197.652 to 197.658;
- Designated as non-resource land; **or**
- Subject to an acknowledged exception to a statewide land use planning goal relating to farmland or forestland.

For cities with a population larger than 25,000, the site may not exceed 100 net residential acres. The bill defines a net residential acre as an acre of residentially designated buildable land, not including rights of way for streets, roads, or utilities or areas not designated for development due to natural resource protections or environmental constraints.

To include a site under SB 1537 (2024), a city must publish a solicitation of their intention to expand the UGB and receive submissions of potential sites. In addition to owner consent and other application information, submissions must include a conceptual plan for a site including types and affordability of housing, non-residential designations, a transportation network, and at least 30 percent of the residential units will be subject to affordability restrictions for 60 years. In review of the submitted sites, the City would undergo a public participation process and submit the conceptual plan or adoption to DLCD for approval.

SB 1537 (2024) also provides two alternative mechanisms for the one-time UGB expansion.

- A city that intends to add 15 net acres or less is not required to adopt a conceptual plan if the city enters into agreements regarding affordability requirements and provision of urban services.
- A city may amend its UGB to add one or more qualifying sites and removing one or more tracts of land from the UGB, provided that the acreage of added and removed sites are roughly equivalent, the removed lands must have been zoned for residential uses, and the added site must be zoned for residential uses at the same or greater density than the removed lands.

The one-time UGB expansion provisions of SB 1537 (2024) sunset on January 2, 2033.

Fiscal Impact: The City's adopted budget for fiscal year 2024-25 includes $376,500 in the General Fund (01) for Planning Division Professional Services (01-4110-58000). Of this budgeted amount, $350,000 was budgeted in anticipation of costs associated with consultant service for a UGB expansion project.

Council Goals:

- Goal 2: Identify industrial land and attract employers to encourage family wage jobs.
  - Objective 1. Identify land other than the Mill site to zone for Light Manufacturing.
  - Objective 2. Work to bring land into the urban growth boundary to zone for light manufacturing within 5 years.
- Goal 7: Increase land availability for housing.
  - Objective 2: Work to bring land into the urban growth boundary to zone for residential purposes within 5 years.

Attachments:

1. Excerpt of SB 1537 (2024) - Sections 48-60

Update and request for direction on the Newberg Sequential Urban Growth Boundary Project (File No. GEN23-0009)

Attachment 1

Excerpt of SB 1537 (2024) – Sections 48-60

of additional testimony or evidence. A hearing on appeal that allows the introduction of additional testimony or evidence shall comply with the requirements of ORS 197.797. Written notice of the decision rendered on appeal shall be given to all parties who appeared, either orally or in writing, before the hearing. The notice of decision shall include an explanation of the rights of each party to appeal the decision.

(6) A city shall apply the procedures in this section, and only the procedures in this section, to a limited land use decision, even if the city has not incorporated limited land use decisions into land use regulations, as required by ORS 197.646 (3), except that a limited land use decision that is made under land use standards that do not require interpretation or the exercise of policy or legal judgment may be made by city staff using a ministerial process.

SECTION 45a. Section 46 of this 2024 Act is added to and made a part of ORS chapter 197.

SECTION 46. Applicability of limited land use decision to housing development. (1) The Housing Accountability and Production Office may approve a hardship exemption or time extension to ORS 197.195 (6), during which time ORS 197.195 (6) does not apply to decisions by a local government.

(2) The office may grant an exemption or time extension only if the local government demonstrates that a substantial hardship would result from the increased costs or staff capacity needed to implement procedures as required under ORS 197.195 (6).

(3) The office shall review exemption or time extension requests under the deadlines provided in section 39 (3) of this 2024 Act.

SECTION 47. Sunset. Section 46 of this 2024 Act is repealed on January 2, 2032.

SECTION 47a. Operative date. Section 46 of this 2024 Act and the amendments to ORS 197.015 and 197.195 by sections 44 and 45 of this 2024 Act become operative on January 1, 2025.

ONE-TIME SITE ADDITIONS TO URBAN GROWTH BOUNDARIES

SECTION 48. Sections 49 to 59 of this 2024 Act are added to and made a part of ORS chapter 197A.

SECTION 49. Definitions. As used in sections 49 to 59 of this 2024 Act:

(1) "Net residential acre" means an acre of residentially designated buildable land, not including rights of way for streets, roads or utilities or areas not designated for development due to natural resource protections or environmental constraints.

(2) "Site" means a lot or parcel or contiguous lots or parcels, or both, with or without common ownership.

SECTION 50. City addition of sites outside of Metro. (1) Notwithstanding any other provision of ORS chapter 197A, a city outside of Metro may add a site to the city's urban growth boundary under sections 49 to 59 of this 2024 Act, if:

(a) The site is adjacent to the existing urban growth boundary of the city or is separated from the existing urban growth boundary by only a street or road;

(b) The site is:

(A) Designated as an urban reserve under ORS 197A.230 to 197A.250, including a site whose designation is adopted under ORS 197.652 to 197.658;

(B) Designated as nonresource land; or

(C) Subject to an acknowledged exception to a statewide land use planning goal relating to farmland or forestland;

(c) The city has not previously adopted an urban growth boundary amendment or exchange under sections 49 to 59 of this 2024 Act;

(d) The city has demonstrated a need for the addition under section 52 of this 2024 Act;

(e) The city has requested and received an application as required under sections 53 and 54 of this 2024 Act;

(f) The total acreage of the site:

(A) For a city with a population of 25,000 or greater, does not exceed 100 net residential acres; or

(B) For a city with a population of less than 25,000, does not exceed 50 net residential acres; and

(g)(A) The city has adopted a binding conceptual plan for the site that satisfies the requirements of section 55 of this 2024 Act; or

(B) The added site does not exceed 15 net residential acres and satisfies the requirements of section 56 of this 2024 Act.

(2) A county shall approve an amendment to an urban growth boundary made under this section that complies with sections 49 to 59 of this 2024 Act and shall cooperate with a city to facilitate the coordination of functions under ORS 195.020 to facilitate the city's annexation and the development of the site. The county's decision is not a land use decision.

(3) Notwithstanding ORS 197.626, an action by a local government under sections 49 to 59 of this 2024 Act is not a land use decision as defined in ORS 197.015.

SECTION 51. Petition for additions of sites to Metro urban growth boundary. (1) A city within Metro may petition Metro to add a site within the Metro urban growth boundary if the site:

(a) Satisfies the requirements of section 50 (1) of this 2024 Act; and

(b) Is designated as an urban reserve.

(2)(a) Within 120 days of receiving a petition under this section, Metro shall determine whether the site would substantially comply with the applicable provisions of sections 49 to 59 of this 2024 Act.

(b) If Metro determines that a petition does not substantially comply, Metro shall:

(A) Notify the city of deficiencies in the petition, specifying sufficient detail to allow the city to remedy any deficiency in a subsequent resubmittal; and

(B) Allow the city to amend its conceptual plan and resubmit it as a petition to Metro under this section.

(c) If Metro determines that a petition does comply, notwithstanding any other provision of ORS chapter 197A, Metro shall adopt amendments to its urban growth boundary to include the site in the petition, unless the amendment would result in more than 300 total net residential acres added under this subsection.

(3) If the net residential acres included in petitions that Metro determines are in compliance on or before July 1, 2025, total less than 300 net residential acres, Metro shall adopt amendments to its urban growth boundary under subsection (2)(c) of this section:

(a) On or before November 1, 2025, for all petitions deemed compliant on or before July 1, 2025; or

(b) Within 120 days after a petition is deemed compliant after July 1, 2025, in the order in which the petitions are received.

(4) If the net residential acres included in petitions that Metro determines are in compliance on or before July 1, 2025, total 300 or more net residential acres, on or before January 1, 2027, Metro shall adopt amendments to its urban growth boundary under subsection (2)(c) of this section to include the sites in those petitions that Metro determines will:

(a) Best comply with the provisions of section 55 of this 2024 Act; and

(b) Maximize the development of needed housing.

(5) Metro may not conduct a hearing to review or select petitions or adopt amendments to its urban growth boundary under this section.

SECTION 52. City demonstration of need. A city may not add, or petition to add, a site under sections 49 to 59 of this 2024 Act, unless:

(1) The city has demonstrated a need for additional land based on the following factors:

(a)(A) In the previous 20 years there have been no urban growth boundary expansions for residential use adopted by a city or by Metro in a location adjacent to the city; and

(B) The city does not have within the existing urban growth boundary an undeveloped, contiguous tract that is zoned for residential use that is larger than 20 net residential acres; or

(b) Within urban growth boundary expansion areas for residential use adopted by the city over the previous 20 years, or by Metro in locations adjacent to the city, 75 percent of the lands either:

(A) Are developed; or

(B) Have an acknowledged comprehensive plan with land use designations in preparation for annexation and have a public facilities plan and associated financing plan.

(2) The city has demonstrated a need for affordable housing, based on:

(a) Having a greater percentage of severely cost-burdened households than the average for this state based on the Comprehensive Housing Affordability Strategy data from the United States Department of Housing and Urban Development; or

(b) At least 25 percent of the renter households in the city being severely rent burdened as indicated under the most recent housing equity indicator data under ORS 456.602 (2)(g).

SECTION 53. City solicitation of site applications. (1) Before a city may select a site for inclusion within the city's or Metro's urban growth boundary under sections 49 to 59 of this 2024 Act, a city must provide public notice that includes:

(a) The city's intention to select a site for inclusion within the city's urban growth boundary.

(b) Each basis under which the city has determined that it qualifies to include a site under section 52 of this section.

(c) A deadline for submission of applications under this section that is at least 45 days following the date of the notice.

(d) A description of the information, form and format required of an application, including the requirements of section 55 (2) of this 2024 Act.

(2) A copy of the notice of intent under this section must be provided to:

(a) Each county in which the city resides;

(b) Each special district providing urban services within the city's urban growth boundary;

(c) The Department of Land Conservation and Development; and

(d) Metro, if the city is within Metro.

SECTION 54. City review of site applications. (1) After the deadline for submission of applications established under section 55 of this 2024 Act, the city shall:

(a) Review applications filed for compliance with sections 49 to 59 of this 2024 Act.

(b) For each completed application that complies with sections 49 to 59 of this 2024 Act, provide notice to the residents of the proposed site area who were not signatories to the application.

(c) Provide opportunities for public participation in selecting a site, including, at least:

(A) One public comment period;

(B)(i) One meeting of the city's planning commission at which public testimony is considered;

(ii) One meeting of the city's council at which public testimony is considered; or

(iii) One public open house; and

(C) Notice on the city's website or published in a paper of record at least 14 days before:

(i) A meeting under subparagraph (B) of this paragraph; and

(ii) The beginning of a comment period under subparagraph (A) of this paragraph.

(d) Consult with, request necessary information from and provide the opportunity for written comment from:

(A) The owners of each lot or parcel within the site;

(B) If the city does not currently exercise land use jurisdiction over the entire site, the governing body of each county with land use jurisdiction over the site;

(C) Any special district that provides urban services to the site; and

(D) Any public or private utility that provides utilities to the site.

(2) An application filed under this section must:

(a) Be completed for each property owner or group of property owners that are proposing an urban growth boundary amendment under sections 49 to 59 of this 2024 Act;

(b) Be in writing in a form and format as required by the city;

(c) Specify the lots or parcels that are the subject of the application;

(d) Be signed by all owners of lots or parcels included within the application; and

(e) Include each owner's signed consent to annexation of the properties if the site is added to the urban growth boundary.

(3) If the city has received approval from all property owners of such lands, in writing in a form and format specified by the city, the governing body of the city may select an application and the city shall adopt a conceptual plan as described in section 55 of this 2024 Act for all or a portion of the lands contained within the application.

(4) A conceptual plan adopted under subsection (3) of this section must include findings identifying reasons for inclusion of lands within the conceptual plan and reasons why lands, if any, submitted as part of an application that was partially approved were not included within the conceptual plan.

<u>SECTION 55.</u> <u>Conceptual plan for added sites.</u> (1) As used in this section:

(a) "Affordable units" means residential units described in subsection (3)(f)(A) or (4) of this section.

(b) "Market rate units" means residential units other than affordable units.

(2) Before adopting an urban growth boundary amendment under section 50 of this 2024 Act or petitioning Metro under section 51 of this 2024 Act, for a site larger than 15 net residential acres, a city shall adopt a binding conceptual plan as an amendment to its comprehensive plan.

(3) The conceptual plan must:

(a) Establish the total net residential acres within the site and must require for those residential areas:

(A) A diversity of housing types and sizes, including middle housing, accessible housing and other needed housing;

(B) That the development will be on lands zoned for residential or mixed-use residential uses; and

(C) The development will be built at net residential densities not less than:

(i) Seventeen dwelling units per net residential acre if sited within the Metro urban growth boundary;

(ii) Ten units per net residential acre if sited in a city with a population of 30,000 or greater;

(iii) Six units per net residential acre if sited in a city with a population of 2,500 or greater and less than 30,000; or

(iv) Five units per net residential acre if sited in a city with a population less than 2,500;

(b) Designate within the site:

(A) Recreation and open space lands; and

(B) Lands for commercial uses, either separate or as a mixed use, that:

(i) Primarily serve the immediate surrounding housing;

(ii) Provide goods and services at a smaller scale than provided on typical lands zoned for commercial use; and

(iii) Are provided at the minimum amount necessary to support and integrate viable commercial and residential uses;

(c) If the city has a population of 5,000 or greater, include a transportation network for the site that provides diverse transportation options, including walking, bicycling and transit use if public transit services are available, as well as sufficient connectivity to existing and

planned transportation network facilities as shown in the local government's transportation system plan as defined in Land Conservation and Development Commission rules;

(d) Demonstrate that protective measures will be applied to the site consistent with the statewide land use planning goals for:

(A) Open spaces, scenic and historic areas or natural resources;

(B) Air, water and land resources quality;

(C) Areas subject to natural hazards;

(D) The Willamette River Greenway;

(E) Estuarine resources;

(F) Coast shorelands; or

(G) Beaches and dunes;

(e) Include a binding agreement among the city, each owner within the site and any other necessary public or private utility provider, local government or district, as defined in ORS 195.060, or combination of local governments and districts that the site will be served with all necessary urban services as defined in ORS 195.065, or an equivalent assurance; and

(f) Include requirements that ensure that:

(A) At least 30 percent of the residential units are subject to affordability restrictions, including but not limited to affordable housing covenants, as described in ORS 456.270 to 456.295, that require for a period of not less than 60 years that the units be:

(i) Available for rent, with or without government assistance, by households with an income of 80 percent or less of the area median income as defined in ORS 456.270; or

(ii) Available for purchase, with or without government assistance, by households with an income of 130 percent or less of the area median income;

(B) The construction of all affordable units has commenced before the city issues certificates of occupancy to the last 15 percent of market rate units;

(C) All common areas and amenities are equally available to residents of affordable units and of market rate units and properties designated for affordable units are dispersed throughout the site; and

(D) The requirement for affordable housing units is recorded before the building permits are issued for any property within the site, and the requirements contain financial penalties for noncompliance.

(4) A city may require greater affordability requirements for residential units than are required under subsection (3)(f)(A) of this section, provided that the city significantly and proportionally offsets development costs related to:

(a) Permits or fees;

(b) System development charges;

(c) Property taxes; or

(d) Land acquisition and predevelopment costs.

SECTION 56. Alternative for small additions. (1) A city that intends to add 15 net residential acres or less is not required to adopt a conceptual plan under section 55 of this 2024 Act if the city has entered into:

(a) Enforceable and recordable agreements with each landowner of a property within the site to ensure that the site will comply with the affordability requirements described in section 55 (3)(f) of this 2024 Act; and

(b) A binding agreement with each owner within the site and any other necessary public or private utility provider, local government or district, as defined in ORS 195.060, or combination of local governments and districts to ensure that the site will be served with all necessary urban services as defined in ORS 195.065.

(2) This section does not apply to a city within Metro.

SECTION 57. Department approval of site additions. (1) Within 21 days after the adoption of an amendment to an urban growth boundary or the adoption or amendment of a conceptual plan under sections 49 to 59 of this 2024 Act, and the approval by a county if required

under section 50 (2) of this 2024 Act, the conceptual plan or amendment must be submitted to the Department of Land Conservation and Development for review. The submission must be made by:

(a) The city, for an amendment under section 50 or 58 of this 2024 Act; or

(b) Metro, for an amendment under section 51 or 58 of this 2024 Act.

(2) Within 60 days after receiving a submittal under subsection (1) of this section, the department shall:

(a) Review the submittal for compliance with the provisions of sections 49 to 59 of this 2024 Act.

(b)(A) If the submittal substantially complies with the provisions of sections 49 to 59 of this 2024 Act, issue an order approving the submittal; or

(B) If the submittal does not substantially comply with the provisions of sections 49 to 59 of this 2024 Act, issue an order remanding the submittal to the city or to Metro with a specific determination of deficiencies in the submittal and with sufficient detail to identify a specific remedy for any deficiency in a subsequent resubmittal.

(3) If a conceptual plan is remanded to Metro under subsection (2)(b) of this section:

(a) The department shall notify the city; and

(b) The city may amend its conceptual plan and resubmit a petition to Metro under section 51 of this 2024 Act.

(4) Judicial review of the department's order:

(a) Must be as a review of orders other than a contested case under ORS 183.484; and

(b) May be initiated only by the city or an owner of a proposed site.

(5) Following the approval of a submittal under this section, a local government must include the added lands in any future inventory of buildable lands or determination of housing capacity under ORS 197A.270, 197A.280, 197A.335 or 197A.350.

SECTION 58. **Alternative urban growth boundary land exchange.** **(1) In lieu of amending its urban growth boundary under any other process provided by sections 49 to 59 of this 2024 Act, Metro or a city outside of Metro may amend its urban growth boundary to add one or more sites described in section 51 (1)(a) and (b) of this 2024 Act to the urban growth boundary and to remove one or more tracts of land from the urban growth boundary as provided in this section.**

(2) The acreage of the added site and removed lands must be roughly equivalent.

(3) The removed lands must have been zoned for residential uses.

(4) The added site must be zoned for residential uses at the same or greater density than the removed lands.

(5)(a) Except as provided in paragraph (b) of this subsection, land may be removed from an urban growth boundary under this section without landowner consent.

(b) A landowner may not appeal the removal of the landowner's land from an urban growth boundary under this section unless the landowner agrees to enter into a recorded agreement with Metro or the city in which the landowner would consent to annexation and development of the land within 20 years if the land remains in the urban growth boundary.

(6) Review of an exchange of lands made under this section may only be made by:

(a) For cities outside of Metro, the county as provided in section 50 (2) of this 2024 Act and by the Department of Land Conservation and Development, subject to judicial review, as provided in section 57 of this 2024 Act; or

(b) For Metro, the Department of Land Conservation and Development, subject to judicial review, as provided in section 57 of this 2024 Act.

(7) Sections 50 (1)(d) to (g), 52, 53, 54, 55 and 56 of this 2024 Act do not apply to a site addition made under this section.

SECTION 59. **Reporting on added sites.** **A city for which an amendment was made to an urban growth boundary and approved under sections 49 to 59 of this 2024 Act shall submit a**

report describing the status of development within the included area to the Department of Land Conservation and Development every two years until:

(1) January 2, 2033; or

(2) The city determines that development consistent with the acknowledged conceptual plan is deemed complete.

SECTION 60. Sunset. Sections 49 to 59 of this 2024 Act are repealed on January 2, 2033.

APPROPRIATIONS

SECTION 61. Appropriation and expenditure limitation to Department of Land Conservation and Development. (1) In addition to and not in lieu of any other appropriation, there is appropriated to the Department of Land Conservation and Development, for the biennium ending June 30, 2025, out of the General Fund, the amount of $5,629,017, for deposit into the Housing Accountability and Production Office Fund, established under section 4 of this 2024 Act, to take any action to implement sections 1 to 5, 16, 38 to 41, 46 and 49 to 59 of this 2024 Act and the amendments to ORS 183.471, 197.015, 197.195, 197.335, 215.427 and 227.178 by sections 8, 9, 44, 45, 64 and 65 of this 2024 Act.

(2) In addition to and not in lieu of any other appropriation, there is appropriated to the Department of Land Conservation and Development, for the biennium ending June 30, 2025, out of the General Fund, the amount of $5,000,000, for deposit into the Housing Accountability and Production Office Fund, established under section 4 of this 2024 Act, for the Housing Accountability and Production Office, established under section 1 of this 2024 Act, to provide technical assistance, including grants, under section 1 (2) of this 2024 Act and to provide required studies under section 5 of this 2024 Act.

(3) Notwithstanding any other law limiting expenditures, the amount of $10,629,017 is established for the biennium ending June 30, 2025, as the maximum amount for payment of expenses by the Department of Land Conservation and Development from the Housing Accountability and Production Office Fund established under section 4 of this 2024 Act.

SECTION 62. Appropriation and expenditure limitation to Housing and Community Services Department. (1) In addition to and not in lieu of any other appropriation, there is appropriated to the Housing and Community Services Department, for the biennium ending June 30, 2025, out of the General Fund, the amount of $75,000,000, for deposit into the Housing Project Revolving Loan Fund established under section 35 of this 2024 Act.

(2) Notwithstanding any other provision of law, the General Fund appropriation made to the Housing and Community Services Department by section 1, chapter 390, Oregon Laws 2023, for the biennium ending June 30, 2025, is increased by $878,071 for administrative expenses related to the Housing Project Revolving Loan Fund established under section 35 of this 2024 Act.

(3) Notwithstanding any other law limiting expenditures, the amount of $24,750,000 is established for the biennium ending June 30, 2025, as the maximum amount for payment of expenses by the Housing and Community Services Department from the Housing Project Revolving Loan Fund established under section 35 of this 2024 Act.

SECTION 63. Appropriation and expenditure limitation to Oregon Business Development Department. (1) In addition to and not in lieu of any other appropriation, there is appropriated to the Oregon Business Development Department, for the biennium ending June 30, 2025, out of the General Fund, the amount of $3,000,000, for deposit into the Housing Infrastructure Support Fund established under section 14 of this 2024 Act.

(2) Notwithstanding any other law limiting expenditures, the amount of $3,000,000 is established for the biennium ending June 30, 2025, as the maximum amount for payment of expenses by the Oregon Business Development Department from the Housing Infrastructure Support Fund established under section 14 of this 2024 Act.

Sequential UGB Review Task 1 Update

City Council Briefing

August 19, 2024

City of Newberg

Staff Recommendation

1. Staff recommends the City request that the Oregon Department of Land Conservation and Development (DLCD) modify the City's Sequential UGB work program to include adoption of an Economic Opportunities Analysis (EOA) only and reschedule the City's adoption of an updated Housing Needs Analysis (or Housing Capacity Analysis) and Housing Production Strategy to align with the Oregon Department of Land Conservation and Development's 2027/2028 schedule for compliance with state housing requirements.
2. Staff recommends the Council consider whether to explore a one-time UGB amendment as provided by Oregon Senate Bill 1537 (2024) and provide direction to staff.

City Council Goals

- *Goal 2: Identify industrial land and attract employers to encourage family wage jobs.*
- *Goal 7: Increase land availability for housing.*

Work Program Modifications

- The population projections in the 2021 HNA/EOA/PSP analysis may not be modified.

- The city may modify other assumptions or the buildable lands inventory.
  - *Any changes would be subject to review by DLCD upon submission for task approval.*

Work Program Modifications

- The City may modify the approved work program to only adopt the Economic Opportunities Analysis.

- The City could request to be included in the 2027/2028 Housing Capacity Analysis/Housing Production Strategy cycle.
  - Newberg is currently scheduled for 2024/2025 on DLCD's schedule, reflecting the approved work program.
  - Joining the 2027/2028 HCA/HPS cycle would require the City to use the new analysis framework currently under State rulemaking.
  - An HCA/HPS adopted before 2028 would use the 2024 PSU PRC population forecasts.

Work Program Modifications

- The City could modify the approved work program to:
  - Modify the HNA prior to adoption of a consolidated Task 1 (would likely modify the “Expected Completion Dates”)
  - Break apart Task 1 into:
    - Task 1: EOA adoption
    - Task 2: Updated HNA adoption
  - Remove the HNA from the approved work program, only adopt the EOA, and plan for a 2027/2028 HCA and HPS.

Work Program Modifications

- Work program modifications would require County concurrence and DLCD approval. Criteria include:
  a) *Issues of regional or statewide significance arising out of another local government's periodic review require an enhanced level of coordination;*
  b) *Issues of goal compliance are raised as a result of completion of a work task resulting in a need to undertake further review or revisions;*
  c) *Issues relating to the organization of the work program, coordination with affected agencies or persons, or orderly implementation of work tasks, result in a need for further review or revision;*
  d) *Issues relating to needed housing, employment, transportation or public facilities and services were omitted from the work program but must be addressed in order to ensure compliance with the statewide planning goals.*

Peer Jurisdictions’ UGB Amendments

- Turner
  - 49 acres of residential land
  - Approximately $100,000
    - 50% HNA, 50% efficiency measures and UGB amendment
- Sisters
  - 206-256 acres of residential and employment land
  - Approximately $365,011
    - $100,000 for efficiency measures (including an update to the housing plan), $25,905 for a UGB Sufficiency Report, and $239,106 for the UGB amendment
- Woodburn
  - Updating their EOA and BLI
  - $49,105 (conducting efficiency measures and UGB amendment in-house)

SB 1537 (2024)

- Provides for a one-time UGB expansion not to exceed 100 acres, subject to concept planning and affordability requirements.
- Cities must demonstrate need for additional land and need for affordable housing.

SB 1537 (2024)

Need for Additional Land		Need for Affordable Housing
1a) Not adopted any UGB amendments in 20 years and do not have undeveloped contiguous tract zoned for residential larger than 20 acres within the existing UGB.	AND	2a) City has a greater percentage of severely cost burdened households than the average for Oregon.
1b) Has adopted a UGB amendment over past 20 years and 75% of these lands are developed or have an acknowledged comprehensive plan designation in preparation for annexation.		2b) City has at least 25 percent of renter households are severely rent burdened (spending more than 50 percent of income on rent).

SB 1537 (2024)

Need for Additional Land		Need for Affordable Housing
1a) Not adopted any UGB amendments in 20 years and do not have undeveloped contiguous tract zoned for residential larger than 20 acres within the existing UGB.	AND	2a) City has a greater percentage of severely cost burdened households than the average for Oregon.
1b) Has adopted a UGB amendment over past 20 years and 75% of these lands are developed or have an acknowledged comprehensive plan designation in preparation for annexation.		2b) City has at least 25 percent of renter households are severely rent burdened (spending more than 50 percent of income on rent).
7.6 acres of medium-density residential		***25.7%***

SB 1537 (2024)

- Land must be:
  - Adjacent to existing UGB (or separated by street or road)
  - Designated an urban reserve, non-resource land, or subject to an acknowledged exception to statewide land use planning goal related to farmland or forestland

- The City will run a solicitation for applications with a concept plan including:
  - Types and affordability of housing
  - Non-residential designation
  - Transportation network
  - At least 30 percent of residential units will be subject to affordability restriction for 60 years

SB 1537 (2024)

- Alternatives
  - 15-acre small site addition
    - no concept plan required, still require agreements for affordability and urban services
  - Land swap
    - May add one or more sites to UGB and remove one or more sites, provided that:
      - Sites added and removed are roughly equivalent in size
      - The removed land must have been zoned for residential uses
      - The added sites must be zoned for residential uses at the same or greater density than the removed land
- The UGB expansion provisions of SB 1537 (2024) sunset January 2, 2033.

Staff Recommendation

1. Staff recommends the City request that the Oregon Department of Land Conservation and Development (DLCD) modify the City's Sequential UGB work program to include adoption of an Economic Opportunities Analysis (EOA) only and reschedule the City's adoption of an updated Housing Needs Analysis (or Housing Capacity Analysis) and Housing Production Strategy to align with the Oregon Department of Land Conservation and Development's 2027/2028 schedule for compliance with state housing requirements.
2. Staff recommends the Council consider whether to explore a one-time UGB amendment as provided by Oregon Senate Bill 1537 (2024) and provide direction to staff.

Thank you!

Questions?

REQUEST FOR COUNCIL ACTION

Date Action Requested: August 19, 2024

Order ☐ Ordinance ☐ Resolution ☒ Motion ☐ Information ☐ No. 2024-3941	
Subject: A Resolution awarding Construction Excise Tax Funds to Yamhill County Affordable Housing Corporation in the amount of $262,500; and to Catholic Charities of Oregon et al. in the amount of $48,238.35	Staff: Leanne Wagener, Assistant Planner File No. GRNT24-0002, and GRNT24-0003
Business Session	Order On Agenda: New Business
Hearing Type: Public Hearing	

Is this item state mandated? Yes ☐ No ☒
If yes, please cite the state house bill or order that necessitated this action:

Recommendation:

1. Adopt Resolution No. 2024-3941 awarding $262,500 to Yamhill County Affordable Housing Corporation and $48,238.35 to Catholic Charities et al., from the Construction Excise Tax Fund monies.
2. Provide direction to staff regarding the release of a second (Legacy) Notice of Funding Availability for remaining CET Fund monies.
3. Provide direction to staff regarding the allocation of the City's 4% CET administrative fee.

Executive Summary:

In response to the City's 2023-2024 Notice of Funding Availability for the Newberg Construction Excise Tax (CET) Fund, the Affordable Housing Commission it is recommending that two Applicants be awarded fund monies, the Yamhill County Affordable Housing Corporation, with a recommended award of $262,500, and a partnership of Catholic Charities of Oregon, Edlen & Company, Community Wellness Collective and Providence, with an award recommendation of $48,238.35. Exhibit B contains a discussion of the collection of CET Fund monies and their allocation.

The application materials submitted by both Yamhill County Affordable Housing Corporation and Catholic Charities of Oregon, Edlen & Company, Community Wellness Collective in partnership with Providence are provided in Exhibits C-1 and C-2, respectively.

Further, staff is seeking direction on the use of monies remaining in the CET Fund following the current funding cycle, as follows:

- Staff requests direction on issuing a second notice of funding availability for use of the remaining $1,000,000 of CET funds for what City Council has described as a "Legacy Project"; and
- Staff requests direction regarding allocation of the $62,598.47 in CET administrative fees, 4 percent of the gross CET taxes collected pursuant to NMC 3.60.100.

Background:

The City of Newberg adopted a Construction Excise Tax in November of 2020. Senate Bill 1533 from the 2016 Oregon Legislative session is the enabling legislation that allows local jurisdictions to implement a Construction Excise Tax (CET). Revenues generated from this tax is 1% on the project building permit value, to be used to address housing affordability issues for homeowners or renters within Newberg for families that earn 80% or less of the median family income.

The City of Newberg defines affordable housing as residential housing primarily for households or persons earning less than 80% of the Median Family Income (MFI) and where housing and/or rental costs do not constitute more than 30% of a household's income. For 2023, the Median Family Income (for a family of 4) in the City of Newberg was $114,400. 80% of that amount for a family of four is $91,520.

Available CET 23-24 Funding and Eligibility:

Eligible recipients of resources from the CET Fund are organizations with interests in developing and/or preserving affordable housing in Newberg. Potential recipients include governmental subdivisions, community development corporations, local housing authorities, community action agencies, community-based or neighborhood-based non-profit housing organizations, other nonprofit organizations, for-profit entities and private employers, and private landlords.

The funds received through the CET can be used in a variety of ways, with some limitations, and for projects that address housing affordability issues for homeowners or renters within Newberg for households that earn 80% or less of the median family income (MFI). The ordinance also states that any affordable housing that receives CET funds must remain affordable (80% or below MFI) for a period of at least 60 years following the date of construction.

The state legislation limits the funding awards towards two categories:
- Developer incentives and
- Affordable housing programs

Per ORS 197.309(5)(c) and (d) and 197.309(7), *developer incentives* allowed or offered include, but are not limited to:
- System development; and
- Land acquisition; and
- Local public improvements required by municipal governments.

Per Section 9, Chapter 59, Oregon Laws 2016, *affordable housing programs* include, but are not limited to:

- Rent buy-downs and subsidies; and
- Down-payment assistance; and Newberg Community Development
- Foreclosure-prevention assistance.

Available CET fund monies for the current disbursal to these uses total $310,738.35. The remaining portion of CET fund monies to be disbursed at a later date to be determined is $1,000,000.00. Both disbursal amounts reflect the total eligible refunds subtracted from the fund within the stipulated refund timeframe per NMC 3.60.080. Allocation details are available in Exhibit B.

<u>Submitted Applications:</u>

Notice went out about the 2023-2024 CET Fund Availability on January 11, 2024. The application period closed on April 4, 2024, and two eligible applications were submitted prior to the deadline. The submitted project details were:

1. Project: 2024 Newberg Home Rehabilitation Grant Program (Exhibit C-1)
   Applicant: Yamhill County Affordable Housing Corporation
   Funding Request: $262,500
   Form of Funding Requested: CET - Affordable Housing Program
   Project Description: Housing repairs program for qualifying very low and low income households in Newberg.

2. Project: The Heart of Newberg (Exhibit C-2)
   Applicant: Catholic Charities of Oregon, Edlen & Company, Community Wellness Collective in partnership with Providence
   Funding Request: $397,050 with consideration for the second (Legacy) disbursal
   Form of Funding Requested: CET – Developer Incentive
   Project Description: A comprehensive affordable housing project including recuperative, permanent supportive, and workforce housing to be built in two phases on a greenfield site to be donated by Providence, within Newberg.

<u>Review and Discussion:</u>

The Affordable Housing Commission convened to review and discuss the submitted applications. It was deemed that two Applicants, Yamhill County Affordable Housing Corporation and Catholic Charities of Oregon, Edlen & Company, Community Wellness Collective in partnership with Providence, put forward eligible and robust applications consistent with eligibility requirements. After deliberation, the Commission agreed by a 4-1 vote to recommend to City Council that Yamhill County Affordable Housing Corporation be awarded the full amount requested for their program, and that Catholic Charities of Oregon et al. be given the remainder of the first round CET disbursal monies.

Affordable Housing Commission Recommendation

The Affordable Housing Commission recommended on April 23, 2024, that:

1. Yamhill County Affordable Housing Corporation be awarded the amount of $262,500 from the CET Fund first round allocation.
2. Catholic Charities of Oregon et al. be awarded the remainder of the first round CET fund monies to be determined after final refunds from the fund were processed by staff. That amount is determined to be $48,238.35 by staff subsequent to the stipulated refund deadline.

Fiscal Impact:

Funds are available within budgeted *Special Payments* of the Economic Development Fund (#14-9130) for the recommended awards and summarized in the table below. Due to the issuance of refunds towards the end of FY 23/24, a Supplemental Budget will be required to reconcile funding allocations for the CET Fund.

Account Number (Description)	Budgeted 24/25 ($)	Recalculated for Supplemental Budget ($)	Requested for Awards ($)
14-9130-605001 (Developer Incentives)	408,345.00	411,831.90*	48,238.35
14-9130-605002 (Oregon Housing & Community Services Department)	122,503.00	123,549.57*	
14-9130-605003 (Developer Incentives & Affordable Housing Programs)	988,507.00	898,906.45*	262,500.00
Total	***1,519,553.00***	***1,434,287.87****	***310,738.35***

**Note: Allocation details for CET Fund provided in Exhibit B.*

Council Goals:

Goal G6: Implement a careful and prudent fiscal policy. Objective 4: Ensure that the city has a long-term financial plan that supports its goals and objectives.

Attachments:

Exhibit A. Resolution No. 2024-3941
Exhibit B. Construction Excise Tax (CET) Fund Allocation Breakdown Memorandum
Exhibit C. Applications
Exhibit C-1. Yamhill County Housing Authority Application
Exhibit C-2. Catholic Charities of Oregon, Edlen & Company, Community Wellness Collective in partnership with Providence Application

EXHIBIT A.
RESOLUTION NO. 2024-3941

RESOLUTION NO. 2024-3941

A RESOLUTION AWARDING FY 23-24 CONSTRUCTION EXCISE TAX FUNDS TO YAMHILL COUNTY AFFORDABLE HOUSING CORPORATION IN THE AMOUNT OF $262,500; AND TO CATHOLIC CHARITIES OF OREGON ET AL. IN THE AMOUNT OF $48,238.35

Recitals:

1. On January 11, 2024, the City of Newberg published a Construction Excise Tax (CET) Notice of Funding Availability (NOFA) that closed on April 4, 2024. Two eligible applications were submitted for the FY 2023-2024 first round disbursal.

2. The City of Newberg received an eligible application from Yamhill County Affordable Housing Corporation with a program request allocation for $262,500. The City also received an eligible application from Catholic Charities of Oregon et al. with a project request allocation of $397,050 with consideration for the second (Legacy) disbursal.

3. City staff calculated the available award allocations of the CET Fund monies pursuant to Newberg Municipal Code Chapter 3.60 and with prior direction from the Newberg City Council to retain specified funding for a second (Legacy) disbursal.

4. On April 23, 2024, the Newberg Affordable Housing Commission held a public meeting to review and discuss the applications against the applicable criteria. The Commission recommended that Yamhill County Affordable Housing Corporation be awarded the amount of $262,500 from the CET Fund first round allocation, and that the Catholic Charities of Oregon et al. be awarded the remainder of the first round CET fund monies, which were later determined to be up to $48,238.35.

The City of Newberg Resolves as Follows:

1. Yamhill County Affordable Housing Corporation is awarded $262,500 from the CET Fund first round disbursal.

2. Catholic Charities et al. is awarded the remainder of the CET Fund first round disbursal in the amount of $48,238.35.

2. The City Manager, in consultation with the City Attorney, shall finalize the City of Newberg CET Fund first round allocation contracts.

Effective Date of this resolution is the day after the adoption date, which is: August 20, 2024.
Adopted by the City Council of Newberg, Oregon, this 19th day of August 2024

____
City Recorder

Attest by the Mayor this 19th day of August, 2024.

____
Bill Rosacker, Mayor

EXHIBIT B.
Construction Excise Tax (CET) Fund Allocation Breakdown Memorandum

MEMORANDUM

TO: Newberg City Council

FROM: Clay Downing, Planning Manager and Leanne Wagener, Assistant Planner

SUBJECT: Construction Excise Tax (CET) Fund Allocation Breakdown

DATE: August 19, 2024

On November 16, 2020, the City of Newberg adopted a Construction Excise Tax (CET), which later expired on July 1, 2023. Senate Bill 1533 from the 2016 Oregon Legislative session is the enabling legislation that allows local jurisdictions to implement a Construction Excise Tax. Revenues generated from a tax, 1% on the project building permit value, would be used to address housing affordability issues for homeowners or renters within Newberg for families that earn 80% or less of the median family income.

The tax was attributed to new construction. For residential it applied to new residential structures or new additional square footage in an existing residential structure, including remodeling that added living space (ORS 320.192(2)(a)). For commercial and industrial projects including mixed use development, it applied to new structures or additional square footage in an existing structure, including remodeling that added living space (ORS 320.192(3)(a)). The CET did not apply to building permits such as a mechanical permit for a furnace replacement, plumbing permit for a bathroom remodel, or a commercial tenant improvement that does not create a new structure.

During the time period that the CET was in effect, the City of Newberg collected $1,564,961.67 in fees associated with this tax. On May 1, 2023, Newberg City Council passed Ordinance 2023-2917, which modified the sunset date of CET collection and timeframe allowed for refunds to eligible CET taxpayers. This is reflected in NMC Section 3.60.080. As of the writing of this memorandum, all eligible refunds have been processed by staff and the remaining CET funds available total $1,434,287.92.

The following information describes how CET-related funds may be used and how the funds are allocated to the required use categories.

<u>How Collected Funds Could be Used:</u>
As authorized by ORS 320.192 and 320.195, the City shall receive an administrative fee equal to four percent of the gross construction excise taxes, without regard to subsequent reductions due to refunds, failed payments, or similar reduction. The city shall deduct the administrative fees directly from the collected construction excise taxes. The City may recover from the construction excise taxes any banking fees or penalties that arise from the collection of construction excise taxes such as returned check charges.

Except for funds withheld for administrative costs, construction excise taxes levied upon projects on *<u>residential improvements</u>* shall be used as follows:

- 50% to fund developer incentives;
- 15% to the Oregon Housing and Community Services Department to fund home ownership programs that provide down payment assistance; and
- 35% to fund developer incentives and affordable housing programs

Except for funds withheld for administrative costs, construction excise taxes levied upon projects on *commercial, industrial, and mixed-use property* shall be used as follows:

- 100% of the net revenue will be allocated to fund affordable housing programs, including developer incentives

Per ORS 197.309(5)(c) and (d) and 197.309(7), developer incentives allowed or offered include, but are not limited to:

- System development; and
- Land acquisition; and
- Local public improvements required by municipal governments.

Per Section 9, Chapter 59, Oregon Laws 2016, affordable housing programs include, but are not limited to:

- Rent buy-downs and subsidies; and
- Down-payment assistance; and
- Foreclosure-prevention assistance.

Allocation of Funds:

The available funds for all allocations subsequent to eligible refunds processed within the stipulated timeframe per NMC 3.60.090, total $1,434,287.92 which provide funds to the following uses:

- Developer Incentives ($411,831.90)
- Remittance to Oregon Housing and Community Services Department ($123,549.57), and
- Developer Incentives and Affordable Housing Programs ($898,906.45)

The CET Fund account has accrued interest over time in the amount of $43,830.00, as of the writing of this memorandum. Figure 1 below depicts the breakdown and allocation of funds processed to date.

Figure 1. Allocation of CET Funds

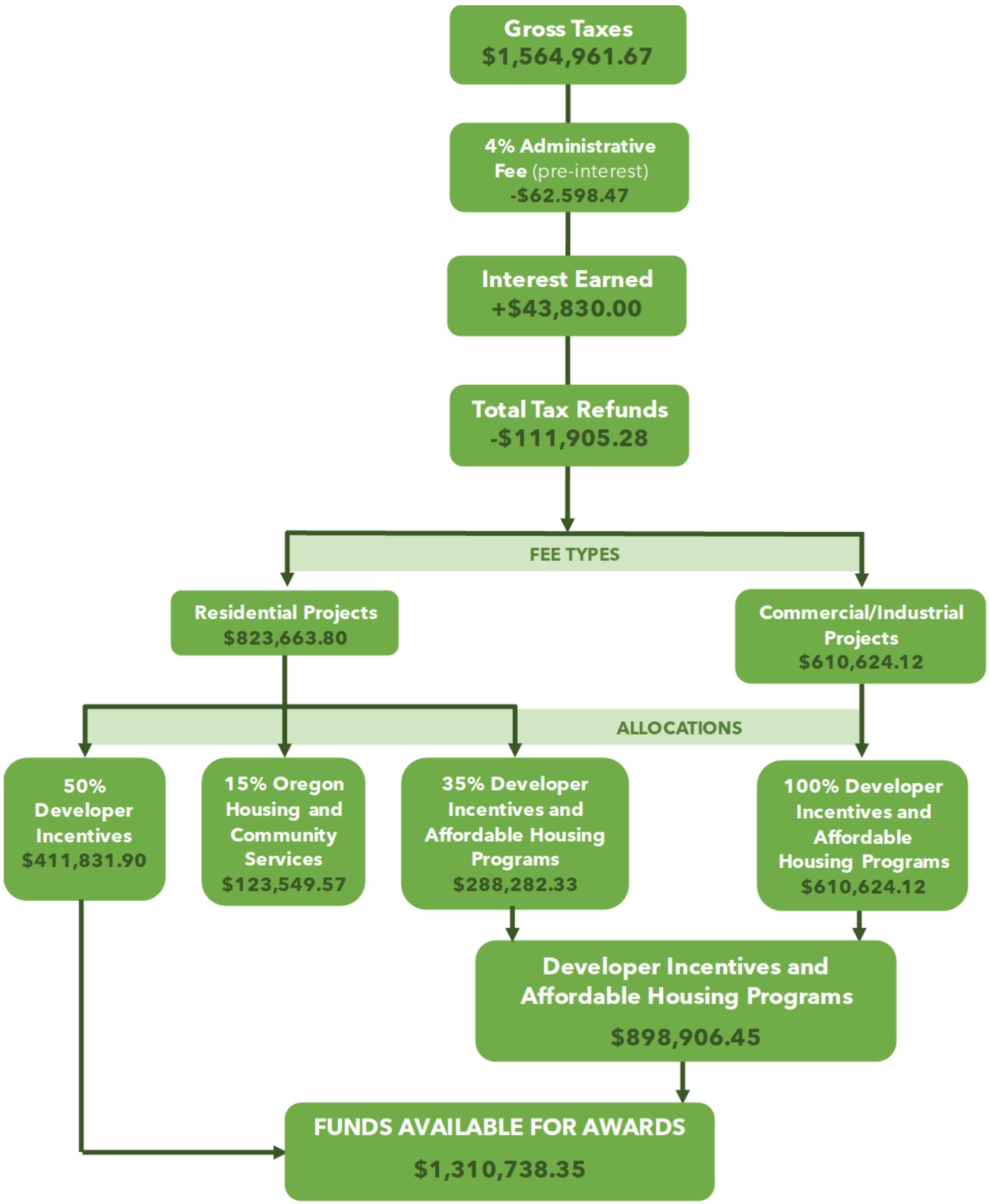


EXHIBIT C.
Application Materials

EXHIBIT C-1.

Yamhill County Affordable Housing Corporation Application

Newberg Construction Excise Tax (CET) Funding Request Application

NOTE: The first round of applications are due April 4, 2024 at 4:30 p.m.
Applications are to be submitted to Leanne Wagener, Assistant Planner by email at leanne.wagener@newbergoregon.gov or by postal mail via City of Newberg, PO Box 970, Newberg, Oregon, 97132 or by hand delivery to City Hall, 414 E First Street.

CONTACT INFORMATION:

Project Name: 2024 Newberg Home Rehabilitation Grant Program				
Organization Name: Yamhill County Affordable Housing Corporation		For-proft		X Non-proft
Contact Name/Title: Mark Irving				
Mailing Address: 135 NE Dunn Place McMinnville		State/Zip: OR 97128		
Phone: 503-883-4324	Email: mark@hayc.org			

PROJECT INFORMATION: COMMUNITY DEVELOPMENT PLANNING DIVISION

Total project cost: $262,500

Requested amount of CET funding: $262,500

Has this project requested or will request funds from the Affordable Housing Trust Fund? ☐ No Yes Amount requested: ______________

Amount and description of other matching funds being contributed to the project, if applicable:

____

Has this organization received Newberg CET funds in the past? ☐ No Yes Amount received: ______________

Project Partners and their Contributions to the Project: None

____

____

____

Estimated project beginning date: As soon as grant is awarded Completion date: 12 months from award date

(503) 537-1240
planning@newbergoregon.gov

Please see next page

Please briefly describe the affordable housing problem this project is trying to solve and how it helps in solving that challenge: Opportunity / Problem: A significant number of low and very low-income residents in this community are residing in homes they own or are buying. Many of these homes need critical repairs or modifications in order to: preserve the units; sustain a healthy living environment; meet the needs of disabled residents; and maintain, in many cases, the only affordable option for these families. This population is largely made up of senior and disabled households and families with small children. These households are disproportionately vulnerable to displacement because they do not have the necessary resources to pay for critical repairs to their homes and cannot afford any other type of housing. The need in this region is further demonstrated by the large number of applications on the regional Housing Rehabilitation Waiting list. There are a total of 213 applications on the county wide waiting list from low-income owners. A total of 68 of these families are residing within Newberg city limits.
Proposal / Solution: Many of these homeowners do not have the financial stability to use more traditional forms of financing to make repairs. A grant opportunity such as the 2024 Newberg Home Rehabilitation Grant Program would allow our region to address many of these critical housing issues by providing owners with a way to pay for their much-needed repairs or modifications.

Please attach additional information that describes how this project will address the Competitive Awards Selection Criteria described in "Attachment A" of this form, including additional documentation/evidence as needed.

Information that addresses Competitive Selection Criteria.

Briefly describe what is attached:

- **A. YCAHC IRS 501 C3**
- **B. YCAHC Budget**
- **C. Income Limits**
- **D. Participant application**
- **E. Rehabilitation Contract**

#1 Eligible for use or activity under Section 3.

Currently, Oregon is among the states with the lowest supply of properties that are considered affordable to people at or below poverty levels. A unit is considered affordable if it costs someone 30% or less of their income. After spending limited or fixed income on basic needs, many low-Income homeowners are barely able to pay their mortgage and struggle greatly to pay for routine maintenance, accessibility modifications or repairs on their aging homes.

This project would benefit approximately 18 households earning less than 80% of the median family income to retain, which in many cases would be their only option for affordable housing.

#2 Project background, readiness, and projected costs.

Background/Readiness

The Yamhill County Housing Rehabilitation Program has aided lower income homeowners throughout the county to make necessary repairs and upgrades to their homes since 1980. The program is funded largely through Community Development Block Grants (CDBG's) that are awarded to local jurisdictions by the state's Infrastructure Finance Authority, a department within the Oregon Business Development Department.

These grants are administered by the Yamhill County Affordable Housing Corporation (YCAHC) and its agent, the Housing Authority of Yamhill County (HAYC).

Assistance had traditionally only been provided as 0% deferred, or 2% loans. In 2013 the state started to allow jurisdictions the option of applying for CDBG projects to give homeowners grants instead of loans. This program is highly successful, assisting hundreds of homeowners complete much needed repairs and accessibility modifications to their homes. Our most recent CDBG project is nearly complete. We have been able to assist a total of 30 families in Newberg complete repairs and or accessibility modifications to their homes totaling $395,000.

The Housing Rehabilitation program currently has 213 applicants on its county-wide waiting list with 68 of these families residing in the City of Newberg.

If funds are awarded, assistance would be provided to qualifying families in the form of grants of up to $12,395 or the actual cost of the repair, whichever is less, to address immediate health, safety, or accessibility issues for low-income homeowners residing in the City of Newberg. This will ultimately help them to remain in their homes and help to maintain affordable housing in your community.

If funds are awarded, YCAHC would be able to immediately begin the process of pulling prospective participants from the waiting list, vetting them, verifying their needs, obtaining bids, and completing the repairs. The anticipated completion date would be 12 months from the date of the award.

Projected Costs

15% of the total award would be used for administration costs.

If awarded the full amount requested	$262,500
Admin fee of 15%	$39,375
18 families @ $12,395.83 per	$223,125

If the total amount requested is not awarded, a lesser value would be accepted as the need would still be there. We would be able to assist as many families as possible with whatever funds are awarded.

#3 Acquisition of Property: Does not apply.

Only existing homes owned by low-income homeowners within Newberg city limits will be worked on.

#4 Relocation of Existing Residents.

Involuntary displacement of existing residents is not anticipated as a result of the proposed project. If displacement becomes necessary, alternatives will be examined to minimize the displacement and provide required/reasonable benefits to those displaced.

#5 CET Funds Appropriate for this project.

YCAHC does not have available funds for Housing Rehabilitation grants. We only have a revolving loan fund that is currently on pause, and we rely on CDBG funds and other available funding for our grant program. YCAHC currently has an open CDBG for the city of Newberg to provide grants to homeowners living in manufactured homes in a park. 100% of the funds have been obligated with additional applications still coming in. YCAHC currently has no resources to address the need presented in this grant application. The YCAHC budget is available in the attachments and shows that all the funds are earmarked for specific programs: the County Wide Revolving Loan Program, the Housing Resource Center, and the Homeownership program. As the budget demonstrates, YCAHC currently does not have any available funds on-hand that could be utilized to carry out this proposed grant program.

See "Attachment B" YCAHC budget.

#7 The project provides affordability through retention of existing housing within the city.

100% of the homes that are rehabilitated with funds received from this grant, will be occupied by families making less than the 2023 income limits published by HUD (see "Attachment C" income limits). These homes will all be within the Newberg city limits. All recipients will be required to provide proof of ownership for a minimum of 6 months prior to receiving any assistance. They will also need to be current on their taxes, mortgage payments (if applicable), and homeowner insurance. The completion of these critical repairs will not only lead to extending the useful life of the residence but will also allow the occupants to retain what could be their only existing affordable housing.

#8 This project will provide deeply affordable housing, though retention of existing housing, for households earning less than 50% of the median family income.

All applicants pulled from our wait list will be required to complete a grant application (see "Attachment D" grant application). This application will ask for proof of income for all family members. A priority will be given to families that fall in the very low or extremely low-income bracket. It is anticipated that approximately 60% of all recipients will fall in the low or extremely low-income bracket.

#9 This project will provide extremely affordable housing, though retention of existing housing, for households earning less than 30% of the median family income.

All applicants pulled from our wait list will be required to complete a grant application (see "Attachment D" grant application). This application will ask for proof of income for all family members. A priority will be given to those families that fall in the low or very low-income bracket. It is anticipated that 40% of all recipients will fall in the very low or low-income bracket.

#10 Project concepts and designs showing close proximity to schools, parks, commercial areas, public transportation, services and jobs, and demonstration of cost-effective sustainability and energy-efficiency measures.

All recipients of grant funds will reside within the city limits of Newberg. To ensure all rehabilitation projects use the money awarded in a cost-effective way, each project will need a minimum of three bids. These bids will be reviewed and approved by a representative of YCAHC prior to the start of any work. The party assigned the task of bid review will be well versed in current pricing of similar repairs. The rehabilitation contract (see "Attachment E" rehabilitation contract) will include verbiage requiring the contractor to complete the rehabilitation project using the most energy efficient measures possible.

#11 The project maximizes partnerships in the community (volunteers, in-kind contributions, cash contributions, multiple organization involved, etc.) and demonstrates alliance building that directly benefits community members in need, such as helping build household wealth.

YCAHC is a 501(c)(3) organization formed in 2002 (see "Attachment A") for the purposes of promoting homeownership for low and moderate-income citizens by developing, purchasing, selling, conserving, and rehabilitating housing located in Yamhill County and all related purposes including but not limited to: homeownership counseling, energy conservation programs, safe housing programs, and low-income housing repair programs.

YCAHC and HAYC administer four homeownership related programs and activities.

- The Housing Rehabilitation Revolving Loan Program helps low to moderate income homeowners in Yamhill County to make necessary repairs and upgrades to their home. We offer 0% interest, 0% deferred payment loans to homeowners and 2% installment loans for households with low to moderate incomes.
- The Housing Rehabilitation Grant Program offers grants to low-income homeowners to address immediate health and safety, or accessibility issues in their homes.
- The Resource Center offers counseling for anything related to being or becoming a homeowner: credit repair, financial literacy classes, pre-purchase counseling, and first time homeownership classes. The Resource Center is in HAYC's office building and provides several computer consoles for internet access as well as brochures and resources of other agencies plus one-on-one counseling to help individuals find a job, seek education, and pursue housing needs.
- The Family Self-Sufficiency Program helps individuals or families that are Section 8 voucher holders become self-sufficient in whatever goal they set for themselves. An FSS client receives one-on-one support from their FSS Coordinator who help them make progress towards goals and provide the following support resources: Education or training, job placement, counseling, budgeting, and home ownership preparation. Most clients that move forward with homeownership do so with the help of our rehabilitation/homeownership program where clients are able to afford the homes that are offered below market prices.

YCAHC has a working relationship with several service organizations throughout Yamhill and surrounding counties. These relationships help us to recognize need, find any available resources, and direct them to the most applicable recipients.

#12 & #13 The project utilizes already existing resources in effective and innovative ways. The project shall not duplicate services provided by another organization. The agency submitting the proposal has the capacity to carry out the project and has had demonstrated successes completing projects of similar scope.

YCAHC and HAYC staff have conducted several rehabilitation projects within this region.

- 2012 $100,000 Innovations grant from OHCS in which 23 homes had repair projects completed.
- 2014 the City of McMinnville was awarded a $400,000 CDBG. This project was administered by YCAHC and HAYC and closed out successfully. 52 homes were repaired.
- 2016 the City of Newberg was awarded a $400,000 CDBG, also administered by YCAHC and HAYC and closed out successfully. 38 homes were repaired with this project.
- 2018 YCAHC and HAYC administered a county wide $100,000 Meyer Memorial project for older manufactured homes that assisted 13 households.
- 2019 the City of McMinnville was awarded a $500,000 CDBG, also administered by YCACH and HAYC and closed out successfully. 35 homes were repaired.
- In 2021 The City of Newberg was awarded a $500,000 CDBG that is being administered by YCAHC and HAYC, this project is nearing its end and upon its successful completion, will have completed repairs to 30 homes.

Many agencies can only aid low-income homeowners for very specific repairs, weatherization, windows, insulation, HVAC system upgrades, etc. Few are able to offer assistance for a broad range of repairs or modifications based on the owner's specific needs, this is where we can make a significant impact on homeowners that have been otherwise unable to obtain assistance.

#14. The budget and timeline are thorough and realistic.

15% of the total award would be used for administration costs.

If awarded the full amount requested	$262,500
Admin fee of 15%	$39,375
18 families assisted @ $12,395.83 per	$223,125

If the total amount requested is not awarded, a lesser value would be accepted as the need would still be there. We would be able to assist as many families as possible with whatever funds are awarded.

Newberg Construction Excise Tax Funding Request

YCAHC has been successful in processing home rehabilitation grants at a rate of 15-20 per year. We have an extensive list of prospective recipients, experienced staff, and a list of contractors that we have successfully worked with. If awarded this grant, YCAHC can begin working on this project immediately, with an anticipated completion date of 12 months from the date of award.

I am happy to answer any questions you may have.

Mark Irving
YCAHC Rehabilitation Specialist
503-883-4324
mark@hayc.org

Attachment A

INTERNAL REVENUE SERVICE
P. O. BOX 2508
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date: MAY 14 2002

THE YAMHILL COUNTY HOUSING
REHABILITATION ASSOCIATION
C/O HOUSING AUTHORITY OF YAMHILL COUN
PO BOX 865 414 NE EVANS ST
MCMINNVILLE, OR 97128

RECEIVED

MAY 23 2002

HOUSING AUTHORITY
OF YAMHILL COUNTY

Employer Identification Number:
93-1327751
DLN:
17053018007022
Contact Person:
SCOTT P BANTLY ID# 31398
Contact Telephone Number:
(877) 829-5500

Accounting Period Ending:
September 30
Foundation Status Classification:
509(a)(1)
Advance Ruling Period Begins:
May 17, 2001
Advance Ruling Period Ends:
September 30, 2005
Addendum Applies:
No

Dear Applicant:

Based on information you supplied, and assuming your operations will be as stated in your application for recognition of exemption, we have determined you are exempt from federal income tax under section 501(a) of the Internal Revenue Code as an organization described in section 501(c)(3).

Because you are a newly created organization, we are not now making a final determination of your foundation status under section 509(a) of the Code. However, we have determined that you can reasonably expect to be a publicly supported organization described in sections 509(a)(1) and 170(b)(1)(A)(vi).

Accordingly, during an advance ruling period you will be treated as a publicly supported organization, and not as a private foundation. This advance ruling period begins and ends on the dates shown above.

Within 90 days after the end of your advance ruling period, you must send us the information needed to determine whether you have met the requirements of the applicable support test during the advance ruling period. If you establish that you have been a publicly supported organization, we will classify you as a section 509(a)(1) or 509(a)(2) organization as long as you continue to meet the requirements of the applicable support test. If you do not meet the public support requirements during the advance ruling period, we will classify you as a private foundation for future periods. Also, if we classify you as a private foundation, we will treat you as a private foundation from your beginning date for purposes of section 507(d) and 4940.

Grantors and contributors may rely on our determination that you are not a private foundation until 90 days after the end of your advance ruling period. If you send us the required information within the 90 days, grantors and

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OF YAMHILL COUNTY

contributors may continue to rely on the advance determination until we make a final determination of your foundation status.

If we publish a notice in the Internal Revenue Bulletin stating that we will no longer treat you as a publicly supported organization, grantors and contributors may not rely on this determination after the date we publish the notice. In addition, if you lose your status as a publicly supported organization, and a grantor or contributor was responsible for, or was aware of, the act or failure to act, that resulted in your loss of such status, that person may not rely on this determination from the date of the act or failure to act. Also, if a grantor or contributor learned that we had given notice that you would be removed from classification as a publicly supported organization, then that person may not rely on this determination as of the date he or she acquired such knowledge.

If you change your sources of support, your purposes, character, or method of operation, please let us know so we can consider the effect of the change on your exempt status and foundation status. If you amend your organizational document or bylaws, please send us a copy of the amended document or bylaws. Also, let us know all changes in your name or address.

As of January 1, 1984, you are liable for social security taxes under the Federal Insurance Contributions Act on amounts of $100 or more you pay to each of your employees during a calendar year. You are not liable for the tax imposed under the Federal Unemployment Tax Act (FUTA).

Organizations that are not private foundations are not subject to the private foundation excise taxes under Chapter 42 of the Internal Revenue Code. However, you are not automatically exempt from other federal excise taxes. If you have any questions about excise, employment, or other federal taxes, please let us know.

Donors may deduct contributions to you as provided in section 170 of the Internal Revenue Code. Bequests, legacies, devises, transfers, or gifts to you or for your use are deductible for Federal estate and gift tax purposes if they meet the applicable provisions of sections 2055, 2106, and 2522 of the Code.

Donors may deduct contributions to you only to the extent that their contributions are gifts, with no consideration received. Ticket purchases and similar payments in conjunction with fundraising events may not necessarily qualify as deductible contributions, depending on the circumstances. Revenue Ruling 67-246, published in Cumulative Bulletin 1967-2, on page 104, gives guidelines regarding when taxpayers may deduct payments for admission to, or other participation in, fundraising activities for charity.

You are not required to file Form 990, Return of Organization Exempt From Income Tax, if your gross receipts each year are normally $25,000 or less. If you receive a Form 990 package in the mail, simply attach the label provided, check the box in the heading to indicate that your annual gross receipts are normally $25,000 or less, and sign the return. Because you will be treated as a public charity for return filing purposes during your entire advance ruling period, you should file Form 990 for each year in your advance ruling period that you exceed the $25,000 filing threshold even if your sources of support do not satisfy the public support test specified in the heading of this letter.

If a return is required, it must be filed by the 15th day of the fifth month after the end of your annual accounting period. A penalty of $20 a day is charged when a return is filed late, unless there is reasonable cause for the delay. However, the maximum penalty charged cannot exceed $10,000 or 5 percent of your gross receipts for the year, whichever is less. For organizations with gross receipts exceeding $1,000,000 in any year, the penalty is $100 per day per return, unless there is reasonable cause for the delay. The maximum penalty for an organization with gross receipts exceeding $1,000,000 shall not exceed $50,000. This penalty may also be charged if a return is not complete. So, please be sure your return is complete before you file it.

You are not required to file federal income tax returns unless you are subject to the tax on unrelated business income under section 511 of the Code. If you are subject to this tax, you must file an income tax return on Form 990-T, Exempt Organization Business Income Tax Return. In this letter we are not determining whether any of your present or proposed activities are unrelated trade or business as defined in section 513 of the Code.

You are required to make your annual information return, Form 990 or Form 990-EZ, available for public inspection for three years after the later of the due date of the return or the date the return is filed. You are also required to make available for public inspection your exemption application, any supporting documents, and your exemption letter. Copies of these documents are also required to be provided to any individual upon written or in person request without charge other than reasonable fees for copying and postage. You may fulfill this requirement by placing these documents on the Internet. Penalties may be imposed for failure to comply with these requirements. Additional information is available in Publication 557, Tax-Exempt Status for Your Organization, or you may call our toll free number shown above.

You need an employer identification number even if you have no employees. If an employer identification number was not entered on your application, we will assign a number to you and advise you of it. Please use that number on all returns you file and in all correspondence with the Internal Revenue Service.

If we said in the heading of this letter that an addendum applies, the addendum enclosed is an integral part of this letter.

Because this letter could help us resolve any questions about your exempt status and foundation status, you should keep it in your permanent records.

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HOUSING AUTHORITY
OF YAMHILL COUNTY

THE YAMHILL COUNTY HOUSING

If you have any questions, please contact the person whose name and telephone number are shown in the heading of this letter.

Sincerely yours,

Steven T. Miller

Steven T. Miller
Director, Exempt Organizations

Enclosure(s):
Form 872-C

IRS Department of the Treasury
Internal Revenue Service

OGDEN UT 84201-0046

In reply refer to: 0424160535
Jan. 26, 2004 LTR 252C
93-1327751 000000 00 000
03334
BODC: TE

YAMHILL COUNTY AFFORDABLE HOUSING
CORPORATION
PO BOX 865
MCMINNVILLE OR 97128

Taxpayer Identification Number: 93-1327751

Dear Taxpayer:

Thank you for the inquiry dated Nov. 19, 2003.

We have changed your business name as requested. The number shown above is valid for use on all tax documents. For your convenience, we have ordered corrected Forms 8109, Federal Tax Deposit Coupons for you to make your deposit. You should receive them in five to six weeks. REMINDER - Your new business name should also be used if you deposit electronically. You can make Electronic Funds Transfer (EFT) payments using the government's Electronic Federal Tax Payment System (EFTPS) through a financial agent designated to process tax payments.

If you have any questions, please call us toll free at 1-877-829-5500 between the hours of 8:00 a.m. and 6:30 p.m., Eastern Time.

If you prefer, you may write to us at the address shown at the top of the first page of this letter.

Whenever you write, please include this letter and, in the spaces below, give us your telephone number with the hours we can reach you. Also, you may want to keep a copy of this letter for your records.

Telephone Number (   )____________________ Hours_______________

0424160535
Jan. 26, 2004 LTR 252C
93-1327751 000000 00 000
03335

YAMHILL COUNTY AFFORDABLE HOUSING
CORPORATION
PO BOX 865
MCMINNVILLE OR 97128

Thank you for your cooperation.

Sincerely yours,

Nadine Wille

Nadine Wille
Dept. Manager, Code & Edit/Entity 3

Enclosure(s):
Copy of this letter

Attachment B

YAMHILL COUNTY AFFORDABLE HOUSING CORPORATION
FISCAL YEAR-TO-DATE AS OF JANUARY 2024

YCAHC	CASH	UNDISBURSED OBLIGATIONS	AVAILABLE FUNDS	RECEIVABLES	
HOUSING REHABILITATION					
DE-FEDERALIZED FUNDS 650	$607,323	($114,572)	$492,752	$2,589,029	
VA REVOLVING 655	$33,336	$0	$33,336	$41,663	
1994 AMITY 694	$12,500	$0	$12,500	$19,231	
1995 DAYTON 695	$0	$0	$0	$10,000	
1996 YAMHILL COUNTY 696	$0	$0	$0	$11,479	
1997 CITY OF MCM 697	$52,717	$0	$52,717	$28,096	
1999 YAMHILL COUNTY 698	$9,854	$0	$9,854	$96,521	
2021 NEWBERG 610	($75,990)	$0	($75,990)	$95,955	
SUBTOTAL	$639,741	($114,572)	$525,169	$2,891,973	$3,417,143
HOUSING RESOURCE CENTER					
OHCS GRANT FUNDS	$49,720	$0	$49,720	$0	
	$49,720	$0	$49,720	$0	$49,720
HOMEOWNERSHIP					
HOMEOWNERSHIP FUNDS	$451,284	$0	$451,284	$63,941	
	$451,284	$0	$451,284	$63,941	$515,224
TOTAL FUNDS	**$1,140,744**	**($114,572)**	**$1,026,173**	**$2,955,914**	**$3,982,086**

Attachment C

2023 INCOME LIMITS for HCV (Published 5/15/23)

# in Household	Extremely Low	Very Low (50%)	Low Income (80%)
1	23,700	39,500	63,150
2	27,100	45,150	72,200
3	30,500	50,800	81,200
4	33,850	56,400	90,200
5	36,600	60,950	97,450
6	40,280	65,450	104,650
7	45,420	69,950	111,850
8	50,560	74,450	119,100

Updated 9/13/2023

Attachment D

YCAHC
YAMHILL COUNTY
AFFORDABLE HOUSING CORPORATION

Return to:
Mark Irving
503-435-8324
mirving@hayc.org

Yamhill County Affordable Housing Corporation (YCAHC)
Housing Rehabilitation Grant Application

INSTRUCTIONS: Please use blue or black ink. Please fill out all information requested leaving no blanks. Please provide copies of additional documents as requested on the cover letter. Return form to **135 NE Dunn Place, McMinnville, OR 97128.**

HOUSEHOLD COMPOSITION – list all persons living in your household. For additional household members, please use a separate page.

NAME: First, Middle Initial, Last	Social Security Number	Relation To Homeowner	Date of Birth	Age	Sex	Race *	Ethnicity **
		Owner					
		Co-Owner					

***Enter** 1-White 2-Black/African American 3-Asian 4-American Indian or Alaskan Native 5-Native Hawaiian or Pacific Islander 6-American Indian or Alaskan Native & White 7-Asian & White 8-Black/African American & White 9-American Indian or Alaska Native & Black/African American 10-Other Multi Racial
****Enter** 1-Non Hispanic 2-Hispanic

Property Address: ______________________________

Mailing Address: ______________________________

Phone Number: ______________________________

Email: ______________________________

For the children listed above, do you have legal custody at least 51% of the time or more? Yes No

PROPERTY INFORMATION

Tax Account #(s):______________________ Market Value:______________________

Year Built:__________ Year Purchased:__________ Purchase Price:______________

Bedroom(s):__________ Bath(s):__________ Total Sq Ft:__________

INCOME

EMPLOYMENT / SELF EMPLOYMENT
Please submit 30 days worth of paystubs

Family Member: ______________________ Employer: ____________________________________

Employer's Address: ____

Employer's Phone #: _____________ Annual Salary: ___________ Date Employed: ______________

Family Member: ______________________ Employer: ____________________________________

Employer's Address: ____

Employer's Phone #: _____________ Annual Salary: ___________ Date Employed: ______________

OTHER INCOME

ALL "YES NO" QUESTIONS MUST BE ANSWERED
For all items marked "yes", you must provide a copy of the current statement of income.

Income	Do you have?	Family Member	How much?	Per? (Month, Week, etc)
Social Security	Yes No		$	
SSI	Yes No		$	
Pension	Yes No		$	
Unemployment	Yes No		$	
Child Support	Yes No		$ Case # $ Case # $ Case #	
Military Pay	Yes No		$	
Other	Yes No		$	

ASSETS

ALL "YES NO" QUESTIONS MUST BE ANSWERED

For all items marked "yes", you must provide a copy of the current statement.

Type of Asset	Circle	Household Member(s)	Name and Mailing Address of Company	Value or Balance
Checking	Yes No			
Checking	Yes No			
Savings / Certificate of Deposit	Yes No			
Savings / Certificate of Deposit	Yes No			
Stocks/Bonds/ Annuities/ Money Market	Yes No			
IRA/KEOGH/ Retirement/Trust (List Available Amounts Only)	Yes No			
Permanent, Whole, or Universal Life Insurance (List Cash Value Only)	Yes No			
Other (Please specify):	Yes No			

List all automobiles, recreational vehicles, boats, and similar items owned by all members of your household and the current values.

Make / Model / Year	Value

Does any household member own any other real estate or rental property? Yes No
If yes, explain what type of property, and how much income is received monthly. A copy of most recent property tax statement and proof of rental income is required.____________________________________

____

REASONABLE ACCOMODATIONS: If you or anyone in your family is a person with disabilities, and you require a specific accommodation in order to fully utilize our programs and services, please contact Mark Irving at 503-883-4324.

SIGNATURES: Please have all persons who are over 18 in the household sign below. By signing, you are certifying:

that all information in this application, and all information furnished in support of this application is given for the purpose of obtaining a housing rehabilitation grant, under a financial assistance program developed by the lender with funds provided under the Housing and Community Development Act of 1974, as amended, and is true and complete to the best of the applicants' knowledge and belief.

The applicant further certifies that s/he is now the owner of the manufactured home described in this application and that the rehabilitation grant proceeds will be used only for work and materials allowable under and authorized by the housing rehabilitation grant program for the property described in this application. If the approving officer determines that the rehabilitation grant proceeds will not or cannot be used for the purposes described herein, the applicant acknowledges that s/he shall have no further interest, right, or claim to the grant proceeds.

The applicant covenants and agrees that s/he will comply with all requirements imposed by or pursuant to regulations of the Secretary of Housing and Urban Development effectuating Title VI of the Civil Rights Act of 1974 (78 Stat.252).

<u>Verification of any of the information contained in this application may be obtained from any source named herein</u>.

Owner expressly agrees to indemnify the Housing Authority of Yamhill County and the Yamhill County Affordable Housing Corporation and to hold them harmless from any and all lawful claims resulting from false or fraudulent statements, errors, omissions, representations, or documents submitted with this application.

Penalty for false or fraudulent statement:

U.S.C. Title 18 Sec. 1001 provides:

Whoever, in any matter within the jurisdiction of any department or agency of the United States knowingly and willfully falsifies, or makes false, fictitious or fraudulent statements or representation, or makes or uses any false writing or documents knowing the same to contain any false, fictitious or fraudulent statement or entry, shall be fined not more than $10,000 or imprisoned not more than five years, or both.

Homeowner: ____ Date: __________________

Homeowner/Other Occupant: ______________________________ Date: __________________

AUTHORIZATION FOR RELEASE OF INFORMATION / *AUTORIZACION POR DESCARGO DE INFORMACION*

PURPOSE: The Housing Authority of Yamhill County uses this authorization and the information obtained with it to administer and enforce housing program rules and policies. / *PROPOSITO: La Autoridad de Vivienda del Condado de Yamhill usa esta autorización y la información que esta adentro para obtener, administrar y poner en vigor reglas de la programa de la vivienda y normas.*

INDIVIDUALS OR ORGANIZATIONS REQUESTED TO RELEASE INFORMATION: (Any of the following individual organizations including any governmental organizations, may be asked to release information.)
INDIVIDUOS O ORGANIZACIONES QUE NOS PUEDE DAR INFORMACION: (Cualquieras de las siguientes organizaciones individuales incluyendo cualquieras organizaciones gubernamentales.)

- **Post Offices** / *Oficinas del correo*
- **Utility Companies** / *Compañías de la utilidad*
- **Employers, Past & Present** / *Patrones, Pasado y Presente*
- **Credit Bureaus** / *Agencias del crédito*
- **Schools and Colleges** / *Escuelas y Universidades*
- **U.S. Soc. Sec. Admin.** / *Admin. del seguro social*Professional Personal References/*Referenicas Profesionales y Personales*
- **U.S. Department of Veterans Affairs** / *U.S. Sección de Asuntos de los Veteranos*
- **Current & Previous Landlords (including Public Housing Agencies)** / *Dueños del Presente y pasados (incluyendo Agencias de las Viviendas Públicas)*
- **Courts & Law Enforcement Agencies** / *Corte y Agencias del entrada en vigor de la Ley*
- **Banks and Other Financial Institutions** / *Bancos y Otro Instituciones Financieras*
- **State Agencies such as Welfare & Social Services** / *Agencias del estado como Welfare y Servicios Sociales*
- **Providers of: Alimony, Childcare, Child Support, Credit Handicapped Assistance, Medical Care, Prescriptions, Pensions/Annuities**
- *Proveedores de: Pensión por divorcio, Cuida de Niño, Mantener de Niño, Ayuda Invalido, Aflicción Médica, Pensiones/ anualidades*

INFORMATION COVERED - Information shared may include: / *INFORMACION CUBRIO - Información compartido incluía:*

- **Family Composition** / *Composición familiar*
- **Criminal Activity, Legal Issues** / *Actividades criminales, ilegales*
- **Child Care Expenses** / *Gastos de Cuida de Niño*
- **Soc. Sec. Numbers** / *Numeros de Seguros Sociales*
- **Identity and Marital Status** / *Identidad y Estado de matrimonio*
- **Handicapped Assistance Expenses** / *Gastos de la Ayuda de Impedidos*
- **Employment, Income, Pensions and Assets** / *Empleo, Ingreso, Pensiones y posesiones*
- **Credit History, Financial Concerns** / *Historia del crédito, Preocupaciones Financieros*
- **Federal State, Tribal or Local Benefits** / *Beneficios Tribales o Beneficios Locales, del Estado, o federal*
- **Medical, Psychological, or Psychiatric Issues and records, Out of Pocket Prescription Costs** / *Emisiones de tipos Médicales, Psicológicos, o Psychiatricos*
- **Residences and Rental History** / *Residencia y historia de renta*

AUTHORIZATION / AUTORIZACION

- **I authorize the release of any information (including documentation and other materials) pertinent to eligibility for or participation in the Housing Rehabilitation Program.** / *Yo autorizo el descargo de cualquier información (incluyendo documentación y otro materiales) pertinente a elegibilidad por o participación en el programa de rehabilitación para viviendas.*
- **I understand that this authorization cannot be used to obtain any information about me that is not pertinent to my eligibility for and continued participation in the Housing Rehabilitation Program.** / *Yo entiendo que no se puede usar para obtener cualquier información acerca de mí con esta autorización que no es pertinente a mi elegibilidad por y participación continuada en el programa de rehabilitación para viviendas.*
- **I agree that photocopies of this authorization may be used for the purposes stated above. This authorization will stay in effect for fifteen months from the date signed.** / *Yo estoy de acuerdo que se usan fotocopias de esta autorización por los propósitos declaró sobre. Esta autorización quedará en efecto por quince meses de la fecha firmó.*

Signature/Head / *Firma/Cabeza*	**Date**/*Fecha*	**SS#**/*# de Seguro Social*
Signature/Spouse/Other Occupant *Firma/Esposa/Otro Ocupante*	**Date**/*Fecha*	**SS#**/*# de Seguro Social*

Attachment E

HOUSING REHABILITATION PROGRAM
CONSTRUCTION CONTRACT

THIS AGREEMENT, effective the date of the final signature, by and between **Newberg Homeowner** hereinafter called Owner, and **Contractor Name** hereinafter called Contractor.

Owner acknowledges that the Owner procured this contract, and that the Owner has assumed responsibility for the procurement of the Contractor by selecting the Contractor and negotiating the price;

That the Owner is responsible for enforcing the provisions of and satisfactory performance of the Contract except to the extent that the responsibility for enforcement of the contract provisions and performance is expressly granted to **Yamhill County Affordable Housing Corporation** (hereinafter called the Grantor), or its agent the **Housing Authority of Yamhill County**;

That Owner and Contractor, for the consideration stated hereinafter in this contract, agree as follows:

Source of Funds:
Work under this contract will be funded with **TBD**

Conflict of Interest:
No employee, agent, consultant, officer, elected official or appointed official of the **City of Newberg** or any of its sub-recipients (sub-grantees) receiving funds who exercise or have exercised any functions or responsibilities with respect to grant activities who are in a position to participate in a decision making process or gain inside information with regard to such activities, may obtain a financial interest or benefit from the activity or have an interest or benefit from the activity or have an interest in any contract, subcontract or agreement with respect thereto, or the proceeds there under, either for themselves or those with whom that have family or business ties, during their tenure or for one year thereafter, in accordance with 24 CFR Part 570.489(h).

Permits:
The Contractor is required to obtain all necessary permits. Payments will not be authorized unless a copy of the final approved inspection is provided.

ARTICLE 1: SCOPE OF WORK
This Contract consists of the following documents, all attached hereto and incorporated herein:

1. The Contract and any subsequent Change Orders
2. The Work Write Up and Bid Form/Contractor's Bid
3. The Estimate/Bid Form, specifications, and drawings (when applicable)
4. General Conditions
5. Performance Requirements and Standards for Rehabilitation Contracts
6. Consumer Protection Notice
7. Information Notice to Homeowners About Construction Liens
8. Notice of Procedure

In connection with the property to be rehabilitated, located at **Newberg, OR 97132**, Contractor shall furnish all materials, perform all work, pay for all permits, and comply with all the terms and conditions as provided in the above documents. All work completed under this contract must be completed using the most energy efficient measures possible.

ARTICLE 2: CONSIDERATION
In consideration of Contractor's satisfactory completion of the Contract, Grantor shall pay the Contractors the sum of **$$$**.

ARTICLE 3: NOTICE TO PROCEED AND STATEMENT OF NONCOLLUSION
Your bid proposal, submitted to perform work at the above property has been reviewed and accepted. You are authorized by the undersigned property owner(s) to commence work on the day of **TBD 2024** work shall be completed on or before the day of **TBD**, in accordance with the terms and conditions of the Construction Contract.

The undersigned parties certifies that:

A. The total contract price is for only those items listed on the work write-up, and none other.
B. There has not been, and will not be, any kickback, credit or other similar payment in any form made to the owner or to any other person.
C. No credit or payment of any kind will be made to the owner or to members of the owner's household on subject property.

ARTICLE 4: CONTRACTOR'S REPRESENTATIONS - INSURANCE AND REGISTRATION
Contractor acknowledges that he/she will file a certificate showing coverage of at least $100,000 liability insurance and Workman's Compensation Insurance with the Grantor or its authorized agent prior to the date of commencement of work pursuant to this Contract.

Contractor further affirms that he/she is currently registered as a Residential Contractor by the State of Oregon, Construction Contractors Board, and that any subcontractors doing work will be currently registered by the State of Oregon, Construction Contractors Board.

ARTICLE 5: CONTRACTOR'S WARRANTY AND LIEN WAIVER
Contractor hereby warrants all work performed under this contract to be free of defects in workmanship or material for a period of one year from the date of completion. This warranty covers all work done under this Contract but does not apply to those items that become deficient after the work is completed, due to abuse or neglect on the part of the Owner. Contractor further warrants all materials will be installed per manufactures specifications and contractor will furnish Owner with all manufacturer's and supplier's written guarantees and warranties covering materials and equipment furnished under this Contract.

Contractor hereby agrees to waive, any lien or right to lien, which the Contractor may have against the property; and to hold Owner harmless from any liens arising out of the rehabilitation work done under this agreement. Contractor agrees to notify all the subcontractors working on this rehabilitation project of this provision.

ARTICLE 6: SECTION 3 OF THE HOUSING AND COMMUNITY DEVELOPMENT ACT
Section 3 - Economic Opportunities for Low- and Very Low-Income Persons (This clause is applicable only if the Grant exceeds $200,000 and the construction contract exceeds $100,000, **or a contractor has an aggregate of contracts for this project that exceeds $100,000**.)

A. The work to be performed under this contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (Section 3). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3 shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.

B. The parties to this contract agree to comply with HUD's regulations in 24 CFR part 135, which implement Section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the part 135 regulations.

C. The contractor agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the contractor's commitments under this Section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.

D. The contractor agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 CFR part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR part 135. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been in violation of the regulations in 24 CFR part 135.

E. The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations in 24 CFR part 135 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 CFR part 135.

F. Noncompliance with HUD's regulations in 24 CFR part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD-assisted contracts.

G. <u>Contractor shall complete the required Section 3 report form 60002, included as Exhibit 5C of the CDBG Grant Management Handbook and submit the completed form to the city/county grant recipient with the final construction pay estimate for the project.</u>

ARTICLE 7: MINORITY, WOMEN AND EMERGING SMALL BUSINESS
Before the final payment to Contractor is made, Contractor shall submit the enclosed Section 3 and Minority, Women and Emerging Small Business form.

ARTICLE 8: PROGRESS PAYMENTS
Progress Payments will not be allowed under this contract.

ARTICLE 9: NOTIFICATION OF COMPLETION, ACCEPTANCE AND FINAL PAYMENT
Upon completion of work, Contractor shall notify the Grantor, and shall request in such notice that the Housing Rehabilitation Specialist make a final inspection of the job. Thereafter, if the inspector finds that the work has been satisfactorily completed in accordance with the Contract, the entire balance owed to Contractor shall become due and shall be paid in accordance with the Accounts Payable Purchase Order Schedule subject to written acceptance by Owner.

ARTICLE 10: SUBSTANTIAL COMPLETION
If, after the work has been substantially completed, full completion thereof is materially delayed through no fault of Contractor, and that the Housing Rehabilitation Specialist so certifies, payment of the

balance due for that portion of the work fully completed and accepted by Owner shall be made to Contractor, without terminating the contract. Such payment shall be made under the terms and conditions governing final payment, except that it shall not constitute a waiver of claims by the parties.

ARTICLE 11: OWNER'S AGREEMENT
Owner will permit the Contractor to use, at no cost, existing facilities such as lights, heat, power, and water necessary to carrying out and completion of the work. Owner will cooperate with the Contractor to facilitate the performance of the work, including the removal and replacement of rugs, coverings, and furniture necessary. Owner shall maintain an uncluttered and safe area for the contractors to work in, including securing all pets during the working hours.

ARTICLE 12: LEAD-BASED PAINT
The use of lead-based paint on any interior or exterior surfaces is prohibited. OWNER certifies that Owner has received & reviewed the pamphlet ***"Protect Your Family From Lead In Your Home" and "Renovate Right"*** containing information concerning removal or control of lead-based paint. The use of lead-based paint on any interior or exterior surface is prohibited. For Lead Based Paint Abatement or Interim Controls Contracts, Owner is responsible for assuring completion, prior to construction, of a Risk Assessment for lead-based paint; for reviewing the Risk Assessment Report issued by the inspector; for reviewing and confirming the Clearance Report received upon completion of the work, and for payment of initial Clearance Testing fees incurred. Owner additionally understands that painters and contractors must have a current Lead Based Paint Renovators license prior to disturbing or removing paint on pre-1978 residential properties. Where paint removal or disturbance is taking place, Owner's Contractor must post a warning sign visible from thirty feet, which advises the public of "POSSIBLE LEAD-BASED PAINT HAZARDS".

Contractor agrees and covenants that Contractor will not use prohibited work practices, and that Contractor will abide by the provisions of Oregon Administrative Rule 333-069 and all other applicable laws, rules and regulations relating to the lead-based paint work, including obtaining Lead-Safe Work Practices Certification, or using workers with Lead-Safe Work Practices Certification.

ARTICLE 13: WAIVER
The failure of Owner to enforce, at any time, any of the provisions of this agreement, or Owner's failure to require, at any time, performance by Contractor of any of the provisions hereof, shall in no way be construed to be a waiver of such provisions, nor in any way to affect the validity of this Contract or any part thereof, or the right of Owner to thereafter enforce each and every such provision.

ARTICLE 14: SEVERABILITY
It is agreed by the parties that if any part, term or provision of this Contract is held by the Courts to be illegal or in conflict with any law of this state or the federal government, the validity of the remaining portions or provisions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if the Contract did not contain the particular part, term or provision held to be invalid.

ARTICLE 15: MODIFICATION
There may be no modification of this Contract except by the written agreement of the parties herein, subject to the approval of the Grantor, which approval shall not be unreasonably withheld.

ARTICLE 16: HOLD HARMLESS
The Grantor is acting as technical advisor and is in no way a party to the contractual agreements between the Owner and Contractor. The Grantor is not responsible for any default of any condition by either of the parties to said agreements. Each party to this contract agrees to hold harmless the Grantor for all claims asserted against it arising out of this contract. Contractor expressly agrees to indemnify the Grantor and to hold it harmless from all lawful claims arising from injuries to persons or damage to

property resulting, or claimed to have resulted from, or as a result of, the operation of Contractor under this Contract.

ARTICLE 17: ACCESS TO RECORDS
Yamhill County, the State of Oregon, the U.S Department of Housing and Urban Development, the Comptroller General of the United States, or any of their duly authorized representatives, shall have access to any books, documents, papers, and records of the Contractor which are directly pertinent to this specific contract, for the purpose of making audit, examination, excerpts, and transcriptions. The Contractor must maintain all required records for three years after grantee makes final payments and all other pending matters are closed.

ARTICLE 18: ASBESTOS
Work must be done in accordance with DEQ Guidance regarding asbestos and as outlined in OAR 340, Division 248. Include all costs for asbestos surveys and testing. Test for asbestos at beginning of project. If abatement is necessary, stop all work and contact the Rehabilitation Specialist immediately to determine if changes need to be made to the scope of work. Submit a copy of all test results with your invoices. An Asbestos Certification will need to be completed prior to final payment.

IN WITNESS WHEREOF the parties hereto have executed this Contract the day and year first above written.

____________________	____________________
Company Name	Homeowner Name
____________________	____________________
Contractor Name	Address
____________________	Newberg, OR 97132
CCB #	City, State, Zip
____________________	____________________
Address	Phone
____________________	____________________
City, State, Zip	Homeowner Signature
____________________	____________________
Phone	Date
____________________	
Contractor Signature	
____________________	
Date	

Grantor's Agent

By:____________________

Mailing Address	City	State	Zip	AMI	App Date and Time	Year Built	# Health
2902 E 2nd Street #82	Newberg	OR	97132	50%	11/16/20 0:00	1976	
2901 E 2nd St #126	Newberg	OR	97132	30%	7/7/20 0:00	1977	
2902 E 2nd St #42	Newberg	OR	97132	80%	5/12/16 0:00	1977	2
2901 E 2nd St #102	Newberg	OR	97132	50%	7/16/20 0:00	1977	2
301 E Columbia Dr #22	Newberg	OR	97132	50%	6/28/23 0:00	1990	
1103 N Springbrook Rd #33	Newberg	OR	97132	30%	7/9/20 0:00	1976	1
511 S Center St	Newberg	OR	97132	50%	5/7/22 0:00	1953	
301 E Columbia Drive #34	Newberg	OR	97132	80%	8/16/21 0:00	1990	
2902 E 2nd Street #44	Newberg	OR	97132	30%	7/7/20 0:00	1969	
301 E Columbia Dr #41	Newberg	OR	97132	50%	10/17/23 0:00	1993	
2902 E 2nd St #18	Newberg	OR	97132	50%	5/19/16 0:00	1973	2
409 E Pinehurst Drive	Newberg	OR	97132	30%	4/12/21 0:00	1976	
2901 E 2nd St #62	Newberg	OR	97132	30%	9/5/23 0:00	1978	
2901 E 2nd St #130	Newberg	OR	97132	30%	6/13/16 0:00	1976	3
2902 E 2nd Street #50	Newberg	OR	97132	30%	5/21/20 0:00	1971	2
2901 E 2nd St #3	Newberg	OR	97132	50%	10/3/16 0:00	1975	1
2901 E 2nd St #50	Newberg	OR	97132	50%	10/2/23 0:00	1978	2
2902 E 2nd St #65	Newberg	OR	97132	80%	7/8/20 0:00	1976	
2901 E 2nd Street #107	Newberg	OR	97132	30%	6/17/15 0:00	1972	2
1103 N Springbrook Rd #48	Newberg	OR	97132	50%	8/27/20 0:00	1973	
1103 N Springbrook Rd #38	Newberg	OR	97132	50%	5/25/16 0:00	1973	3
2902 E 2nd St #75	Newberg	OR	97132	30%	3/10/21 0:00	1974	
501 E Illinois Street #5	Newberg	OR	97132	30%	5/23/16 0:00	1972	2
301 E Columbia Dr #41	Newberg	OR	97132	50%	7/18/23 0:00	6/12/1905	
301 Columbia Dr #70	Newberg	OR	97132	50%	5/4/23 0:00	1990	1
2901 E 2nd Street #109	Newberg	OR	97132	30%	4/14/16 0:00	1976	2
1103 N Springbrook Rd #21	Newberg	OR	97132	30%	5/9/16 0:00	1973	1
2902 E 2nd Street #96	Newberg	OR	97132	30%	2/17/22 0:00	1973	2
2901 E 2nd St #73	Newberg	OR	97132	50%	8/13/20 0:00	1977	1
2902 E 2nd St #18	Newberg	OR	97132	30%	5/11/23 0:00	1971	2
2902 E 2nd St #74	Newberg	OR	97132	50%	5/9/16 0:00	1972	1
2902 E 2nd Street #32	Newberg	OR	97132	50%	3/4/19 0:00	1971	1
1531 East 3rd St	Newberg	OR	97132	30%	3/31/23 0:00	1992	3
2901 E 2nd St #1	Newberg	OR	97132	30%	6/22/16 0:00	1977	3
2901 E 2nd St #47	Newberg	OR	97132	30%	7/24/23 0:00	1979	3

Mailing Address	City	State	Zip	AMI	App Date and Time	Year Built	# Health
2902 E 2nd Street #32	Newberg	OR	97132	30%	8/24/20 0:00	1973	1
501 E Illinois St #9	Newberg	OR	97132	30%	6/1/16 0:00	1966	2
300 E Everest Rd #32	Newberg	OR	97132	50%	8/17/20 0:00	1974	1
2901 E 2nd Street #20	Newberg	OR	97132	50%	5/1/23 0:00	1977	1
1500 S Sandoz Rd #25	Newberg	OR	97132	30%	8/17/20 0:00	1996	
2901 E 2nd Street #18	Newberg	OR	97132	30%	10/21/23 0:00	1978	
1103 N Springbrook Rd #39	Newberg	OR	97132	50%	3/1/17 0:00	1974	
301 E Columbia Dr #30	Newberg	OR	97132	50%	3/13/23 0:00	1988	1
2901 E 2nd St #72	Newberg	OR	97132	50%	7/20/23 0:00	1979	3
2901 E 2nd St #42	Newberg	OR	97132	30%	5/2/16 0:00	1972	2
2902 E 2nd St #64	Newberg	OR	97132	30%	5/11/23 0:00	1971	2
1103 N Springbrook Rd #29	Newberg	OR	97132	50%	6/27/23 0:00	2003	1
708 E Dartmouth St	Newberg	OR	97132	80%	11/27/23 0:00	1985	3
2902 E 2nd St #104	Newberg	OR	97132	80%	5/11/23 0:00	1975	4
214 S Church St	Newberg	OR	97132	50%	4/17/23 0:00	1904	3
1000 S McKern Court #10	Newberg	OR	97132	80%	1/2/22 0:00	1996	
2902 E 2nd St #63	Newberg	OR	97132	50%	10/2/17 0:00	1977	1
2902 E 2nd Street #57	Newberg	OR	97132	50%	4/18/19 0:00	1971	2
2902 E 2nd St #79	Newberg	OR	97132	50%	7/9/20 0:00	1974	
301 E Columbia Dr #65	Newberg	OR	97132	50%	3/28/23 0:00	2005	
1103 N Springbrook Rd #25	Newberg	OR	97132	30%	4/17/19 0:00	1974	1
11125 NE Hurleys Lane	Newberg	OR	97132	50%	11/17/2023 6:22	1950	
301 E Columbia Dr #64	Newberg	OR	97132	80%	1/23/2024	6/21/1905	
2901 E 2nd Street #124	Newberg	OR	97132	30%	5/2/16 0:00	1973	2
501 Harrison St	Newberg	OR	97132	80%	3/20/23 0:00	1951	
904 S Chehalem St	Newberg	OR	97132	30%	11/30/22 0:00	1910	1
2901 E 2nd Street #43	Newberg	OR	97132	30%	3/29/19 0:00	1976	1
2902 E 2nd St #70	Newberg	OR	97132	50%	5/11/23 0:00	1974	2
2901 E 2nd Street #120	Newberg	OR	97132	30%	7/7/20 0:00	1972	
205 W 9th St	Newberg	OR	97132	30%	8/17/23 0:00	1980	2
1500 S Sandoz Rd #17	Newberg	OR	97132	30%	12/28/23 0:00	1995	1
108 E 9th St	Newberg	OR	97132	30%	1/9/24 0:00	1984	2
1103 N Springbrook Rd #40	Newberg	OR	97132	30%	1/18/24 0:00	1976	1

EXHIBIT C-2.
Catholic Charities of Oregon et al. Application

Project Proposal

Newberg 2026

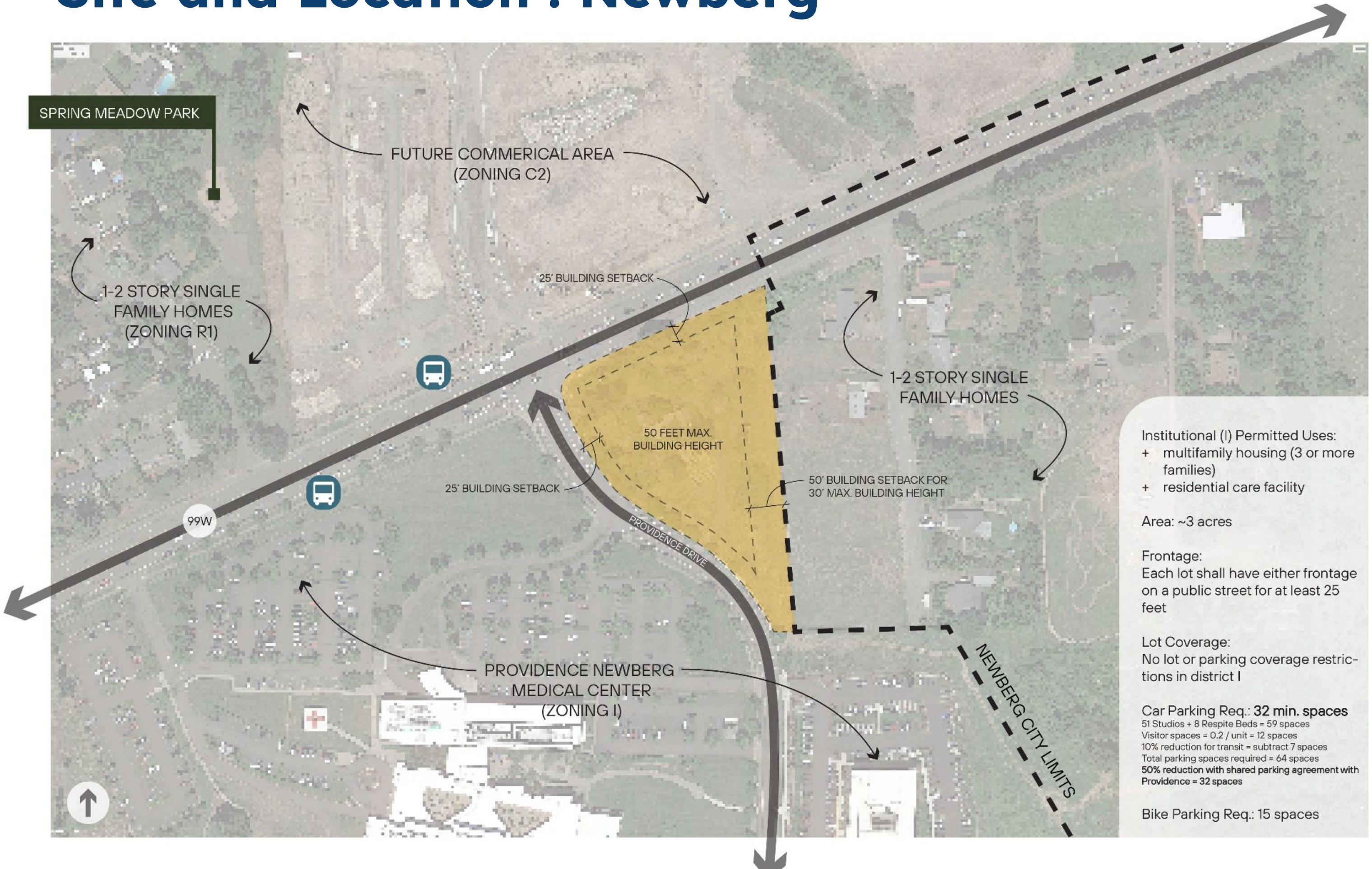
Newberg Part 1 will be a 40 unit PSH Project with 8 Recuperative beds, co-developed by Edlen & Co and Catholic Charities, owned and operated by Catholic Charities. Partners will include Community Wellness Collective, Providence, Unidos and others.

Providence will dedicate the land for this purpose.

Newberg Part 2 will be a 60 unit Affordable Housing or Workforce Housing Project, developed, owned and operated by Catholic Charities.

Catholic Charities

Site and Location : Newberg



Institutional (I) Permitted Uses:
+ multifamily housing (3 or more families)
+ residential care facility

Area: ~3 acres

Frontage:
Each lot shall have either frontage on a public street for at least 25 feet

Lot Coverage:
No lot or parking coverage restrictions in district I

Car Parking Req.: **32 min. spaces**
51 Studios + 8 Respite Beds = 59 spaces
Visitor spaces = 0.2 / unit = 12 spaces
10% reduction for transit = subtract 7 spaces
Total parking spaces required = 64 spaces
50% reduction with shared parking agreement with Providence = 32 spaces

Bike Parking Req.: 15 spaces

Part 1 : PSH and Recuperative Beds

Part 1 - PSH + Recuperative

Total Units: 40 PSH, 8 Recuperative

Project Team: Walsh Construction, Ankrom Moisan Architects, Guardian Property Management

Potential Partnerships:
Community Wellness Collective
Providence
Unidos
YCCO - Yamhill County
HHS - Yamhill County

Unit Mix

Building	Studio (400 SF)	1 Br (500 SF)
PSH	37	3

Catholic Charities

Part 2 : Affordable

Part 2 - Affordable

Total Units: 60

Project Team: Walsh Construction, Ankrom Moisan Architects, Guardian Property Management

Unit Mix

Studio	1 BR	2BR	3BR
10	25	18	7

Funding Timeline/Sources

PART 1 - PSH + RECUPERATIVE

ANTICIPATED SCHEDULE

- April 2024 OHCS PSH Application Released
- May 2024 OHCS PSH Application Due
- August 2024 OHCS PSH Award Notification*
- July 2025 Closing/Start Construction
- July 2026 Completion
- June 2027 Lease-up Complete (5 units/month)

PROJECTED SOURCES

- $14,340,000 - OHCS PSH Capital Funding and PSH Vouchers
  - If not awarded in 2024, re-apply following year and entire schedule shifts 12 months
- $2,083,000 - Donations. $400,000 committed
- Permanent Loan
- **Recuperative Shortfall: $1,683,000**
- **PSH Shortfall: $1,000,000**

PART 2 - AFFORDABLE OR WORKFORCE

ANTICIPATED SCHEDULE

- April 2025 Apply for OHCS LIFT/ 4% LIHTC Funds
- August 2025 OHCS LIFT/LIHTC Award Notification
- July 2026 Closing/Start Construction
- Sept. 2027 Completion
- January 2028 Lease-up Complete (15 units/month)

PROJECTED SOURCES

- $15,631,563 - OHCS LIFT Loan
  - If not awarded in 2025, re-apply following year and entire schedule shifts 12 months
- $11,227,949 Private Activity Bonds from OHCS.
- Other: 4% LIHTC and 45L Equity, Deferred and Contributed Developer Fee, Permanent Loan

Catholic Charities

EDLEN & CO. EDLEN KRAGE SHERMAN IMPACT REAL ESTATE

Catholic Charities

COMMUNITY WELLNESS COLLECTIVE yamhill county

Newberg Affordable Housing Commission and Newberg City Council,

Responses to CET Funding Questions:

Please briefly describe the affordable housing problem this project is trying to solve and how it helps in solving that challenge:

Catholic Charities of Oregon (CCO) and Edlen & Co., partnered with Community Wellness Collective, and supported by Providence, plan to build a diverse housing solution for multiple populations experiencing housing insecurity. The project aims to meet a variety of housing needs and includes recuperative, permanent supportive, and workforce housing.

- Recuperative Housing (10 beds): supports individuals transitioning from medical services with acute recovery needs that are at risk of not healing without safe housing.
- Permanent Supportive Housing (46 units): supports households with chronic medical or behavioral health needs that are considered stable and controlled but need wrap around services to support their success in maintaining housing and aid in their continued recovery.
- Workforce Housing (60 units): for individuals or families 80% or below median family income (MFI) working within the Newberg-Dundee community.

CCO has built many affordable and permanent supportive housing units across Oregon but recognizes the importance of strong partnerships with local community-based organizations that have developed trust and relationship with the clients the project will serve. Through conversations, the decision was made to partner with Community Wellness Collective. CWC will be the service provider for the Permanent Supportive Housing (PSH) and Recuperative units, providing therapy, case management, peer support, and employment opportunities to clients. Catholic Charities will own the project and oversee the services provided by CWC.

Other potential partners to provide services as well as referrals include:

- Providence Medical Group
- Unidos
- Yamhill Community Care Organization (YCCO)
- HHS Mental Health

CCO and CWC believe that housing enables the ability for an individual to stabilize and/or recover from chronic, behavioral health, and substance use disorders. CWC's program HEART (housing, education, addiction, reintegration team), will provide the aids and tools for clients to safely transition to more long-term housing solutions, filling a very known gap in Yamhill County.

Providing 60-units of affordable workforce housing will provide many Newberg-Dundee employees the opportunity to live and work in the community.

Our shared goal is to help individuals facing housing insecurity to reintegrate into a vibrant community life. CWC and CCO acknowledge the challenges an individual experiencing chronic medical or behavioral health issues, addiction, or employment insecurity faces, especially while also navigating housing insecurity. A person's ability to thrive during and after the experience of significant social determinant of health challenges or discharge from an institution relies on the systems in place to provide accountability, support, and hope, which the partnership with CCO and CWC, as well as other local organizations, will provide.

Please attach additional information that describes how this project will address the Competitive Awards Selection Criteria described in "Attachment A" of this form, including additional documentation/evidence as needed.

Scored Application Criteria:

- **CRITERIA**: The project provides new affordable housing, or new affordability, through retention or rehabilitation of existing housing, within the city.

  RESPONSE:
  New Housing:
    - Recuperative: 10 beds
    - Permanent Supportive Housing: 46 units
    - Workforce Affordable: 60 units

- **CRITERIA:** The project provides deeply affordable housing for households earning less than 50% of the median family income.

  RESPONSE: Permanent Supportive Housing Units (46) and Recuperative Housing Beds (10) will be for households earning less than 30% of MFI as they will be transitioning from homelessness.

- **CRITERIA:** The project provides extremely affordable housing for households earning less than 30% of the median family income. Projects could include permanent supportive housing and/or transitional housing for families or individuals who are houseless.

  RESPONSE: Permanent Supportive Housing Units (46) and Recuperative Housing Beds (10) will be for households earning less than 30% of MFI as they will be transitioning from homelessness.

- **CRITERIA:** Project concepts and designs showing proximity to schools, parks, commercial areas, public transportation, services and jobs, and demonstration of cost-effective sustainability and energy-efficiency measures.

  RESPONSE: The development resides on the current Providence parcel (see attachment for drawings), providing ample access to medical services. The Yamhill County Transit bus line runs in front of the proposed units, providing easy access to downtown Newberg. The location is within walking distance to multiple grocery stores including Fred Meyer, Safeway and Bi-Mart as well as multiple parks including Schaad and Spring Meadow. The elementary, middle school and high school are all within 1.5 miles of the site. The project will provide onsite case management, therapy, peer support and groups for all residents to access. CWC will continue its partnerships with the Newberg-Dundee faith-based community for food delivery to the Recuperative beds, including hot breakfasts and dinners daily.

  Sustainability practices are embedded in the project's design such as LED and Energy Star lighting, Energy Star appliances, a high-efficiency hot water heating system, and a solar-ready electrical system and roof trusses. The project will pursue Earth Advantage certification.

- **CRITERIA**: The project maximizes partnerships in the community (volunteers, in-kind contributions, cash contributions, multiple organization involved, etc.) and demonstrates alliance building that directly benefits community members in need, such as helping build household wealth.

  RESPONSE: CWC has relationships with nearly all community and faith-based organizations in the Newberg-Dundee community serving those facing housing insecurity. CWC's volunteer base serves as the current failsafe structure for staffing the nightly emergency homeless shelter and day drop-in center. In addition to state PSH funding that will be applied for this spring, private donor relationships have been leveraged and inspired to invest in this project with $500,000 committed thus far.

- **CRITERIA**: The project utilizes already existing resources in effective and innovative ways. The project shall not duplicate services provided by another organization.

  RESPONSE: Essential to the development of this project to program are deep partnerships with local community and faith-based organizations that are already serving clients with social determinant of health insecurities. CCO seeks not to duplicate but uplift and support existing service providers leveraging their experience in Supportive and Affordable housing. CCO intends to act as the sponsoring organization, bringing best practices that have proven successful across the state to emerging community-based organizations like CWC and Unidos that have established trust with the clients in need.

- **CRITERIA**: The agency submitting the proposal has the capacity to carry out the project and has had demonstrated successes completing projects of similar scope. Higher points to projects that demonstrate engagement and contracting with D/M/W/ESB/SDVBE businesses in the last 10+ years.

RESPONSE:

This project will have the following partners:

Owner/Co Developer: Caritas Housing – Catholic Charities of Oregon
Developer: Edlen and Co
Services Partner: Community Wellness Collective
Other partners: Providence, Unidos

Catholic Charities of Oregon (CCO) was established in 1933 to address the needs of households impacted by the Great Depression and has continued this mission ever since, partnering with the most vulnerable, regardless of faith, to achieve lasting solutions to poverty and injustice. In 1998, CCO established a dedicated housing development and ownership entity, Caritas Housing, to address affordable housing needs across the state. This now includes more than 900 units of affordable housing across 23 properties statewide. Caritas Housing will be the owner of this project, leveraging CCO's experience in affordable and supportive housing.

CCO understands the dire need for more supportive housing for those experiencing chronic homelessness. In 2020, Catholic Charities launched its Healthy Housing Initiative with partners Providence Health & Services and the Archdiocese of Portland, aiming to leverage the expertise and resources of the three partners to reduce chronic homelessness throughout the Portland area. This includes a goal of developing at least 300 units of Permanent Supportive Housing (PSH) in the Metro area, which includes Newberg. This project will be a part of helping to meet this goal. CCO has recently completed the following two projects which are both similar to this project and has two PSH projects under construction which will open in Fall of 2024.

Chiles House: Located in Southeast Portland, Chiles House helps close a gaping hole in Portland's social safety net and fill a critical need for the growing number of Catholic Charities clients who find themselves homeless or at imminent risk. Chiles House offers 27 highly affordable apartments for whom rapid recovery from houselessness, or prevent of chronic houselessness, is paramount. This development was entirely privately financed allowing Caritas Housing to respond to the changing needs of our clients. The development is a four-story building featuring cross-laminated timber, trauma-informed design, and sustainable design elements, and is located next door to Catholic Charities headquarters allowing residents convenient access to the full suite of Catholic Charities service programs.

Good Shepherd Village: Upon completion in late 2023, Good Shepherd Village will be the first regulated affordable-housing development located within Happy Valley city limits and the largest development in Catholic Charities/Caritas Housing's portfolio. The 143-unit project provides much needed affordable housing, with over 55% of the units being family-sized and 58 units set-aside as Permanent Supportive Housing. This development is located in a high opportunity area with close proximity to public transit, grocery stores, schools, a public library, multiple parks, and healthcare resources. The project uses trauma-informed design, universal design, and sustainable design elements.

The Beacon at Glisan. Currently under construction, The Beacon is a partnership with Related Northwest and includes 41 studio units of new permanent supportive housing. All units are restricted at 30% AMI and have Project Based Vouchers (PBVs), ensuring that rents will be affordable for all residents. Supportive services will be provided on-site by Catholic Charities in partnership with the Native American Rehabilitation Association (NARA) and Cascadia Behavioral Health. In addition to the residential units, the project features on-site services and office space, a community room, a food pantry, ample bike parking, and laundry. The development incorporates trauma-informed design, universal design, and sustainable design elements. Funding sources include Portland Housing Bond, 4% Low LIHTCs, HTF, tax-exempt bonds, PBVs and Portland Clean Energy Fund.

Francis + Clare Place. Currently under construction, Francis + Clare Place is a partnership with Edlen and Co and includes 61 units of new permanent supportive housing with 54 studios and seven one-bedroom units. All units are restricted at 30% AMI and have Project Based Vouchers (PBVs), ensuring that rents will be affordable for all residents. Supportive services will be provided on-site by Catholic Charities in partnership with the Native American Rehabilitation Association (NARA). In addition to the residential units, the project features on-site services and office space, a multi-use classroom and community room, ample bike parking, and laundry. The development incorporates trauma-informed design, universal design, and sustainable design elements. Funding sources include Portland Housing Bond, 4% Low LIHTCs, tax-exempt bonds, PBVs and Portland Clean Energy Fund.

Edlen and Co.'s focus is on mission-driven real estate with an emphasis on affordable and middle-income housing development and preservation, public-private partnerships, and projects that further push the boundaries of sustainability. Edlen & Co.'s portfolio includes over 1,100 units of affordable housing completed, under construction and in predevelopment. All projects are done in partnership with one or more nonprofit partners. These projects serve low-wage workers and families as well as populations with special needs such as individuals and families in recovery, individuals with persistent mental illness, individuals with intellectual and developmental disabilities, and underserved populations.

Edlen & Co.'s affordable housing portfolio includes a track record of successful projects with similar size and scope to the Newberg project including four projects that include permanent supportive housing. Recent projects include:

Wynne Watts Commons. Completed in 2022 in partnership with Albertina Kerr Centers. Wynne Watts Commons includes 147 affordable housing units, with 24 studios, 92 one-bedroom units, 23 two-bedroom units, and eight three-bedroom units, with 30 of the units at 30% AMI, 102 units at 60% AMI and 15 units at 80% AMI. The 30 units at 30% AMI will be for residents with intellectual and developmental disabilities and will be fully integrated into the overall building and resident population. The project was funded with 4% LIHTCs, tax-exempt bonds, Metro Housing Bond Funds, HUD 811 Project Rental Assistance, OR-MEP and capital campaign funds. The project was designed to be net-zero energy and includes a community room and outdoor community space with a play area.

Aurora. Completed in 2023 in partnership with Our Just Future, Aurora serves those experiencing homelessness with on-site support, case management, employment resources, and clinical services. Of the 93 available units, 16 are Permanent Supportive Housing (PSH) units, 15 are set at 30% AMI, and 62 are set at 60% AMI. The Aurora includes 44 family-sized units. Amenity spaces include a community room, indoor and outdoor child play areas, onsite laundry and onsite resident services and behavioral health offices. Funding sources include Oregon Housing and Community Services (OHCS) Local Innovation and Fast Track (LIFT), 4% Low Income Housing Tax Credits (LIHTCs), tax-exempt bonds, Portland Housing Bond, Project Based Vouchers (PBVs) and capital campaign funds. The site is within .25 miles of light rail and has a full-service grocery store across the street.

D/M/W/ESB/SDVBE Experience and Commitment

Our project team is committed to supporting historically marginalized communities through our projects, and Edlen & Co., Walsh Construction Company, and Ankrom Moisan Architects all have consistent track records in meeting and exceeding D/M/W/ESB/SDVBE participation goals on past and current projects. Walsh has consistently high participation with D/M/W/ESB/SDVBE firms, who on average complete 34% of their subcontracted work. For this project, our target is at least 20% D/M/W/ESB/SDVBE participation.

Recent participation outcomes for Walsh include:

- Dahlke Manor 30% goal, 34% achieved
- Williams Plaza 30% goal, 32% achieved
- Medallion Apartments 20% goal, 29% achieved
- Wy'East Plaza 20% goal, 34% achieved
- The Louisa Flowers 20% goal, 31% achieved

- Meyer Memorial Trust 50% goal, 55% achieved
- NHA Campus 20% goal, 32% achieved
- St. Francis Park Apartments 20% goal, 36% achieved
- Argyle Gardens 20% goal, 30% achieved
- New Meadows 20% goal, 33% achieved

Recent participation outcomes for Edlen & Co include:

- Beatrice Morrow 20% goal, 29% achieved
- LifeWorks NW + Beech Street Apartments 20% goal, 24% achieved
- Hill Park Apartments 20% goal, 20% achieved
- 38 Davis 20% goal, 26% achieved
- The Nick Fish 30% goal, 28% achieved
- Wynne Watts Commons 20% goal, 32% achieved
- The Aurora 30%, goal, 30% achieved

- **CRITERIA**: The budget and timeline are thorough and realistic (evidence of construction and/ or service costs required with application).

  RESPONSE:

  A summary of the current estimated sources and uses for the project is as follows:

Uses	PSH	Recuperative	Total
Land	0	0	0
Target Guaranteed Maximum Price (GMP)	15,128,000	1,969,000	17,097,000
Other Hard Costs	429,000	81,000	510,000
Soft Costs	4,197,000	454,000	4,651,000
Operating Reserve & OHCS Fees	575,000	0	575,000
Contingency	909,000	119,000	1,028,000
Total	**21,238,000**	**2,623,000**	**23,861,000**

EDLEN & CO. Catholic Charities COMMUNITY WELLNESS COLLECTIVE yamhill county

Sources	PSH	Respite	Total
Capital Campaign	377,000	2,623,000	3,000,000
PSH Capital Funding	20,861,000	0	20,861,000
Total	**21,238,000**	**2,623,000**	**23,861,000**

The total cost of the project includes the hard costs, permits and system development charges, architecture and engineer fees, other soft costs such as testing and inspection, insurance, and legal fees, 5% owner contingency, escalation contingency, an operating reserve, OHCS PSH

fees, and developer fee. The land will be donated by Providence thus there is no land cost. Hard costs were determined by the General Contractor based on concept plans and specifications. Soft costs were determined based on recent estimates from similar projects. The construction schedule was provided by the General Contractor.

The project team has participated in Oregon Housing and Community Service's (OHCS's) PSH institute, which is a pre-requisite to apply for PSH funding and will apply for PSH funding in Spring of 2024. Of the $3 million capital campaign, $500,000 has been committed to date.

Current projected schedule milestones are as follows:

- April 2024 OHCS PSH Application Released
- May 2024 OHCS PSH Application Due
- August 2024 OHCS PSH Award Notification*
- July 2025 Closing/Start Construction
- July 2026 Completion
- June 2027 Lease-up Complete (5 units/month)

Closing Financial Statement and Commitment:

This project combines both government and private funding, representing the support and sustainability of the development and programming. We have shared organizational commitment to Newberg-Dundee and are confident in our ability to close the budget gap over the next year to ensure viability. Support from The City of Newberg through the CET 2023-2024 Fund and potential Legacy Fund would help the development close the remaining 10-15% funding gap.

This project serves as a legacy impact project to serve Newberg for generations to come.

Acronym Definitions

Acronym	Definition
CCO	Catholic Charities of Oregon
CWC	Community Wellness Collective
PSH	Permanent Supportive Housing
YCCO	Yamhill Community Care Organization
HHS	Yamhill County Health and Human Services
OHCS	Oregon Housing Community Services
LIFT	Local Innovation Housing Tax Credits
LIHTC	Low Income Housing Tax Credits
MFI	Median Family Income
D/M/W/ESB/SDVBE	Disadvantaged, Minority-Owned, Women-owned, Emerging Small Businesses, and / or Service Disabled Veterans Business Enterprises
PBVs	Price by Volume
AMI	Area Median Income

Newberg Construction Excise Tax (CET) Funding Request Application

NOTE: The first round of applications are due April 4, 2024 at 4:30 p.m.
Applications are to be submitted to Leanne Wagener, Assistant Planner by email at leanne.wagener@newbergoregon.gov or by postal mail via City of Newberg, PO Box 970, Newberg, Oregon, 97132 or by hand delivery to City Hall, 414 E First Street.

CONTACT INFORMATION:

Project Name: The HEART of Newberg

Organization Name: Catholic Charities, Edlen & Co., Community Wellness Collective   [X] For-proft (Edlen & Co.)   [X] Non-proft (CCO & CWC)

Contact Name/Title: Pooja Dalal, CCO, Dir. of Community Development | Kate Stokes, CWC, Exec. Dir.

Mailing Address: 2740 SE Powell Boulevard   State/Zip: Portland, OR 97202

Phone: 503.688.2537   Email: PDalal@CCOregon.org | kate@communitywellnesscollective.org

PROJECT INFORMATION:

Total project cost: ______

Requested amount of CET funding: $397,050 with consideration for Legacy Fund

Has this project requested or will request funds from the Affordable Housing Trust Fund? [X] No   [ ] Yes   Amount requested: ______

Amount and description of other matching funds being contributed to the project, if applicable:
Phase 1: OHCS PSC Capital Funding ($14,340,000), Private Funding ($2,083,000) | Phase 2: OHCS LIFT ($15,631,561) private bond ($11,227,949)

Has this organization received Newberg CET funds in the past? [x] No   [ ] Yes   Amount received: ______

Project Partners and their Contributions to the Project: Providence: Land donation
Catholic Charities of Oregon: Owner and operator of Property with lead financial responsibility
Community Wellness Collective: Lead Services Provider, revenue billing providers
Potential Community Partners: Unidos, HHS, Providence, YCCO

Estimated project beginning date: August, 2024   Completion date: Phase 1: July, 2026 | Phase 2: September, 2027

COMMUNITY DEVELOPMENT
PLANNING DIVISION
(503) 537-1240
planning@newbergoregon.gov

Please see next page

Please briefly describe the affordable housing problem this project is trying to solve and how it helps in solving that challenge:

See attached document for more detailed response.

Together, Providence, Catholic Charities of Oregon, Edlen & Co., and Community Wellness Collective, seek to contribute to the housing crisis in the Newberg-Dundee community through a diverse housing development. The development will serve recuperative, permanent supportive, and workforce affordable units. Leveraging our organizational strengths, Providence will donate the parcel on 99W and Providence Drive to Catholic Charities to own and property manage, Edlen & Co will develop the property, and Community Wellness Collective will provide services to building clients, bringing to the table many community and faith-based organizations for partnership.

Please attach additional information that describes how this project will address the Competitive Awards Selection Criteria described in "Attachment A" of this form, including additional documentation/evidence as needed.

☐ Information that addresses Competative Selection Criteria, attached (please select)

Briefly describe what is attached:

See attached document for more detailed response.

Attached:

Project Overview and Visual with Funding Sources

Long-Form responses to questions

ATTACHMENT A

Construction Excise Tax (CET) Fund
FY 2022-23 Competative Selection Criteria

Minimum Threshold Criteria	**Potential Points**
1. The project is considered an eligible use or activity under Section 3, and benefits households earning less than 80% of the median family income for a period of at least 60 years following the date of construction (threshold verification)*.	NA
2. The project is ready for implementation with documentation to demonstrate financial feasibility.	NA
3. If the project includes the acquisition of property, the identified property is currently available for acquisition and the applicant has secured either a purchase option or letter of interest from the seller. If the applicant is also applying for federal funding, review procurement requirements and limitations before obtaining a purchase option.	NA
4. That relocation of existing residents will be minimized, and when necessary, the applicant has included accurate relocation assistance costs as part of the project pro forma.	NA
5.The proposal demonstrates that the Construction Excise Tax (CET) Funds are the most appropriate funding source for the project. Provide a description of a financing gap that includes funding sources or demonstrates budget constraints that limit the ability to pay or finance projects.	NA
Scored Application Criteria	
7. The project provides new affordable housing, or new affordability, through retention or rehabilitation of existing housing, within the city.	Up to 10 points
8. The project provides deeply affordable housing for households earning less than 50% of the median family income.	Up to 10 points
9. The project provides extremely affordable housing for households earning less than 30% of the median family income. Projects could include permanent supportive housing and/or transitional housing for families or individuals who are houseless.	Up to 5 points
10. Project concepts and designs showing close proximity to schools, parks, commercial areas, public transportation, services and jobs, and demonstration of cost-effective sustainability and energy-efficiency measures.	Up to 10 points
11. The project maximizes partnerships in the community (volunteers, in-kind contributions, cash contributions, multiple organization involved, etc.) and demonstrates alliance building that directly benefits community members in need, such as helping build household wealth.	Up to 5 points
12. The project utilizes already existing resources in effective and innovative ways. The project shall not duplicate services provided by another organization.	Up to 10 points
13. The agency submitting the proposal has the capacity to carry out the project and has had demonstrated successes completing projects of similar scope. Higher points to projects that demonstrate engagement and contracting with D/M/W/ESB/SDVBE businesses in the last 10+ years.	Up to 10 points
14. The budget and timeline are thorough and realistic (evidence of construction and/ or service costs required with application).	Up to 10 points
Total Potential Points	**70**

***FOR 2023, the Median Family Income for the City of Newberg was $114,400.**

DEFINITIONS:

"D/M/W/ESB/SDVBE" means a business that is Disadvantaged, Minority-Owned, Women-Owned, Emerging Small Businesses, and/or Service Disabled Veterans Business Enterprises.

"Gross Income" (GI) is income before taxes for all members of one family in the previous twelve months. Income can be derived from salaries, investments, self-employment, farming, and other sources. Assets such as a house or a farm are not income. For people who have wages, gross income means the figure that they would have received in their paychecks if there were no taxes. Gross income before taxes when applied to farm income means the figure that results when farm expenses are subtracted from farm sales. Gross income also includes unemployment and disability compensation, worker's compensation and severance pay; and welfare assistance payments.

"Family" means all persons living in the same household who are related by birth, marriage or adoption.

"Median Family Income" (MFI) includes the income of the householder and all other individuals 15 years old and over in the household, whether they are related to the householder or not. Because many households consist of only one person, average household income is usually less than average family income. Although the household income statistics cover the past 12 months, the characteristics of individuals and the composition of households refer to the time of application. Thus, the income of the household does not include amounts received by individuals who were members of the household during all or part of the past 12 months if these individuals no longer resided in the household at the time of application. Similarly, income amounts reported by individuals who did not reside in the household during the past 12 months but who were members of the household at the time of application are included. However, the composition of most households was the same during the past 12 months as at the time of application, as defined by the U.S. Census.

EDLEN & CO.
EDLEN KRAGE SHERMAN
IMPACT REAL ESTATE

Catholic Charities

COMMUNITY WELLNESS COLLECTIVE
yamhill county

Letters of Support:

The following elected officials and community organizations have expressed formal support for this project and our application to Oregon Housing and Community Services for the project-based voucher program to support this diverse housing program.

- **Representative Anna Scharf**
- **Commissioner Mary Starrett**
- **Chehalem Valley Chamber of Commerce**
- **Newberg-Dundee Public Schools**
- **Long-time business owner and community leader, Dennis Lewis**

Anticipated letters of support to come:

- Northside Community Church
- Unidos
- HHS Yamhill County
- Providence

We appreciate your support.

ANNA SCHARF
STATE REPRESENTATIVE
DISTRICT 23

March 28, 2024

Oregon Housing and Community Services PSH Committee,

Newberg, like much of the rest of Oregon, has seen an increase in residents with housing insecurity and homelessness in recent years. Community and faith-based organizations have done all they can to share the responsibility of supporting those in immediate need. However, the lack of stable, consistent funding for sheltering, combined with a need for access to permanent solutions, drives us to find a long-term solution.

Community Wellness Collective (CWC) has provided the county's only seven-night a week shelter, located in Newberg, for the last three years. This has given our community a glimpse into the staggering need across Yamhill County, as many with housing insecurity sleep in Newberg due to the services and stability that CWC provides. During the past three years, CWC has averaged 18-35 residents per night. The primary population in need has been single men with a known medically chronic, mental health or substance use disorder. CWC has worked to build bridges with faith and community-based organizations, with an existing presence in Newberg, to provide the highest level of service, care, and coordination towards long-term housing.

The HEART of Newberg project, located on 99W and Providence Drive, will build off the relationships and services established by CWC over the years. This along with the proven housing outcomes Catholic Charities of Oregon (CCO) has demonstrated, and the colocation to Providence Health and Services, will form a unique and successful opportunity to provide housing, care, and support services.

The property is walking distance from downtown Newberg, and the Yamhill County Transit bus line has a stop directly in front of the property, ensuring access to transportation for employment, appointments, and other needs.

This project is the culmination of years of community effort and engagement, seeking to provide comprehensive supports to our residents across the county. A solution that can offer safe housing and help with medical and mental health needs. My office is in support of this project and commends CCO and CWC in their efforts and is happy to help in any way we can to see its success some to fruition.

Thank you for your consideration of this project.

Regards,

Rep.AnnaScharf@oregonlegislature.gov – www.oregonlegislature.gov/Scharf
900 Court Street NE, Salem, OR 97301 – (503) 986-1423

1843
YAMHILL COUNTY

BOARD OF COUNTY COMMISSIONERS

LINDSAY BERSCHAUER • KIT JOHNSTON • MARY STARRETT

535 NE Fifth Street • McMinnville, OR 97128-4523
(503) 434-7501 • Fax (503) 434-7553
TTY (800) 735-2900 • www.yamhillcounty.gov

March 24, 2024

Oregon Housing and Community Services PSH Committee,

Newberg and Yamhill County have seen the impacts of increased social determinants of health needs in recent years. Our local community and faith-based organizations have worked together to support those in need, but without stable, consistent funding for temporary and permanent housing and supports, we have limited options to meet our community's needs.

Community Wellness Collective (CWC) has provided the County's only seven-night a week shelter, located in Newberg, for the last three years. Many have sought help in Newberg because of the services and reliability CWC provides. The organization has averaged 18-35 residents per night, with the primary population in need being single men with chronic physical, mental health or substance use challenges. CWC has worked successfully with faith and other community-based organizations in Newberg to provide services to those in need.

The HEART of Newberg project, located on 99W and Providence Drive, will build on the relationships and services established by CWC over the years, along with Catholic Charities of Oregon housing successes across Oregon. Colocation to Providence Health and Services medical services will provide access to health care and supports. The property is within walking distance of downtown Newberg and is served by the Yamhill County Transit bus line with a stop directly in front of the property.

This project is the culmination of years of community effort and engagement to provide comprehensive supports to Yamhill County's residents in need of safe housing to address their medical and mental health needs.

I support this project wholeheartedly.

Thank you for considering our community's needs.

Sincerely,

Mary Starrett
Yamhill County Commissioner

March 25, 2024

Chehalem Valley Chamber of Commerce
112 N Garfield St, Suite 103
Newberg, OR 97132

Oregon Housing and Community Services PSH Committee,

The Newberg community, and Yamhill County as a whole, has seen the impacts of growing social determinants of health needs over the recent years. Newberg residents with housing insecurity and homelessness has become more visible and the community has attempted its best efforts for sheltering. Community and faith-based organizations have shared the responsibility of supporting those in immediate need, but the lack of stable, consistent funding for sheltering, combined with a need for access to permanent solutions with a supportive team, unifies us for a long-term solution to impact Yamhill County for generations to come.

Community Wellness Collective has provided the county's only seven-night a week shelter, located in Newberg, for the last three years. This has given our community a glimpse into the staggering need across Yamhill County, as many with housing insecurity sleep in Newberg due to the services and stability CWC provides. The organization has averaged 18-35 residents per night, with the primary population in need single men with a known medically chronic, mental health or substance use disorder. CWC has worked to build bridges with faith and community-based organizations with a presence in Newberg to provide the highest level of service, care, and coordination to long-term housing.

The HEART of Newberg project, located on 99W and Providence Drive, will build off the relationships and services established by CWC over the years, with the proven housing outcomes Catholic Charities of Oregon has demonstrated across Oregon. Colocation to Providence Health and Services medical services provides access to health care and support. The property also is walking distance from downtown Newberg and the Yamhill County Transit bus line has a stop directly in front of the property, ensuring access to transportation for employment, appointments, and other needs.

This project is the culmination of years of community effort and engagement to provide comprehensive supports to our residents across the county in desperate need of safe housing to tend to their medical and mental health needs. Without hesitation, our organization supports this project and intends to support CCO and CWC in their efforts when built and operational.

Thank you for your consideration to our community need.

Sincerely,

Scott Parker

Scott Parker
Executive Director
Chehalem Valley Chamber of Commerce

NEWBERG-DUNDEE
PUBLIC SCHOOLS

April 1, 2024

Oregon Housing and Community Services PSH Committee,

The Newberg community, and Yamhill County as a whole, has seen the impacts of growing social determinants of health needs over the recent years. Newberg residents with housing insecurity and homelessness has become more visible and the community has attempted its best efforts for sheltering. Community and faith-based organizations have shared the responsibility of supporting those in immediate need, but the lack of stable, consistent funding, combined with a need for access to permanent solutions, unifies us for a long-term solution for generations to come.

Community Wellness Collective has provided the county's only seven-night a week shelter, located in Newberg, for the last three years. This has given our community a glimpse into the staggering need across Yamhill County, as many with housing insecurity sleep in Newberg due to the services and stability CWC provides. The organization has averaged 18-35 residents per night; with the primary population in need single men with a known medically chronic, mental health or substance use disorder. CWC has worked to build bridges with faith and community-based organizations with a presence in Newberg to provide the highest level of service, care, and coordination to long-term housing.

The HEART of Newberg project, located on 99W and Providence Drive, will build off the relationships and services established by CWC over the years, with the proven housing outcomes, Catholic Charities of Oregon has demonstrated across Oregon. Colocation to Providence Health and Services medical services provides access to health care and support. The property also is walking distance from downtown Newberg and the Yamhill County Transit bus line has a stop directly in front of the property, ensuring access to transportation for employment, appointments, and other needs.

This project is the culmination of years of community effort and engagement to provide comprehensive supports to our residents across the county in desperate need of safe housing to tend to their medical and mental health needs. Without hesitation, our organization supports this project and intends to support CCO and CWC in their efforts when built and operational.

Thank you for your consideration to our community need.

Stephen W. Phillips
Superintendent
Newberg Dundee Public Schools

March 26, 2024

Oregon Housing and Community Services PSH Committee,

Newberg residents with housing insecurity and homelessness **has** become more visible and the community has attempted its best efforts for sheltering. Community and faith-based organizations have shared the responsibility of supporting those in immediate need, but the lack of stable, consistent funding for sheltering, combined with a need for access to permanent solutions with a supportive team, unifies us for a long-term solution to impact Yamhill County for generations to come.

Community Wellness Collective has provided the county's only seven-night a week shelter, located in Newberg, for the last three years. This has given our community a glimpse into the staggering need across Yamhill County, as many with housing insecurity sleep in Newberg due to the services and stability CWC provides. The organization has averaged 18-35 residents per night, with the primary population in need single men with a known medically chronic, mental health or substance use disorder. CWC has worked to build bridges with faith and community-based organizations with a presence in Newberg to provide the highest level of service, care, and coordination to long-term housing.

The HEART of Newberg project, located on 99W and Providence Drive, will build off the relationships and services established by CWC over the years, with the proven housing outcomes Catholic Charities of Oregon has demonstrated across Oregon. Colocation to Providence Health and Services medical services provides access to health care and support. The property also is walking distance from downtown Newberg and the Yamhill County Transit bus line has a stop directly in front of the property, ensuring access to transportation for employment, appointments, and other needs.

This project is the culmination of years of community effort and engagement to provide comprehensive supports to our residents across the county in desperate need of safe housing to tend to their medical and mental health needs. Without hesitation, our organization supports this project and intends to support CCO and CWC in their efforts when built and operational.

I am in full support of this next step project to help our community provide much needed support to the most vulnerable of us. My hope is that this project will provide a simple model for future efforts to help those in vulnerable positions in life.

Thank you for your consideration of our community's needs.

Sincerely,
Dennis Lewis

Dennis Lewis
Lewis Audio Video

dennis@lewisav.com
503-538-1190

503-537-4501
2112 Portland Rd.
Newberg, OR 97132
lewisav.com

OR CCB# 177627 WA L&I# LEWISAV893k3

REQUEST FOR COUNCIL ACTION

Date Action Requested: August 19, 2024

Order ☐ Ordinance ☐ Resolution ☒ Motion ☐ Information ☐ No. 2024-3948	
Subject: Hearing to Consider Adjustments Under Franchise Agreement with Waste Management	Staff: Will Worthey
Business Session	Order On Agenda: Continued Business
Hearing Type: Legislative ☐ Quasi-Judicial ☐ Administrative ☒ Not Applicable ☐	

Is this item state mandated? Yes ☐ No ☐
If yes, please cite the state house bill or order that necessitated this action:

Recommendation:
No staff recommendation. Council may approve Resolution No. 2024-3948 or approve other fee or term adjustments to the Franchise Agreement by motion.

Executive Summary:
The City of Newberg's franchise agreement with Waste Management (the "Franchise Agreement") will expire in September 2028 unless it is renewed. Waste Management approached Council to request a rate increase under the Franchise Agreement and proposed the following:

- A rate increase of 3.81%, effective September 1, 2024.
- A rate increase of 1.9% effective September 1, 2024, accompanied by an agreement to renew the Franchise Agreement for an additional seven years.

At its meeting on August 5th, 2024, Council made a third proposal whereby Waste Management's rates would increase by 1.9 percent without any commitment to renew the Franchise Agreement. Waste Management indicated that it would accept this proposal. Staff prepared a resolution for Council's consideration approving a 1.9 percent increase and affirming the current term of the Franchise Agreement.

Council elected to further deliberate on Franchise Agreement adjustment options as part of an administrative hearing.

RESOLUTION NO. 2024-3948

A RESOLUTION AUTHORIZING RATE INCREASES UNDER THE CITY OF NEWBERG'S FRANCHISE AGREEMENT WITH WASTE MANAGEMENT

Recitals:

1. **WHEREAS,** The City of Newberg and Waste Management are parties to a Franchise Agreement dated October 1, 2012 (the "Franchise Agreement") that is scheduled to expire in September of 2028;

2. **WHEREAS,** Waste Management has requested a rate increase under the Franchise Agreement; and

3. **WHEREAS,** City Council has proposed, and Waste Management has indicated that it will accept, a 1.9 percent increase to the rates that Waste Management charges under the Service Rate Schedule (attached to the Franchise Agreement as Exhibit B, as amended) without any extension to, or renewal of, the term of the Franchise Agreement.

The City of Newberg Resolves as Follows:

1. **Rate Increase.** An increase equal to 1.9 percent of each service fee established under the Service Rate Schedule in the Franchise Agreement is hereby approved, effective September 23, 2024.
2. **Term Affirmation.** The term of the Franchise Agreement, which expires in September of 2028, is hereby affirmed.
3. **Authorization.** The City Council hereby authorizes and directs the City Manager to modify the Franchise Agreement to implement a 1.9 percent increase as described in this resolution.

Effective Date of this resolution is: August 20, 2024.
Adopted by the City Council of Newberg, Oregon, this 19 day of August 2024.

____
Rachel Thomas, City Recorder

Attest by the Mayor this 19 day of August 2024.

____
Bill Rosacker, Mayor