

# NEWBERG AFFORDABLE HOUSING COMMISSION MINUTES

Tuesday February 25, 2020, 1:30 PM

Newberg City Hall Permit Center Conference Room

414 E First Street

## CALL MEETING TO ORDER

Chair Bell opened the meeting at 1:34 PM.

## ROLL CALL

Members Present: E.C. Bell, Chair                      Larry Hampton, Vice Chair  
Carol Sherwood                      Shannon Eoff

Members Absent: Steve Comfort (excused)

Staff Present: Doug Rux, Community Development Director  
Lacey Dykgraaf, Community Engagement Specialist

Guests: None

## ELECTION OF CHAIR AND VICE CHAIR

Chair Bell opened the floor for nominations for Chair.

**MOTION: Eoff/Hampton** nominated EC. Bell as Chair.  
Motion carried (2 Yes/0 No/1 Absent Sherwood).

Chair Bell opened the floor for nominations for Vice Chair.

**MOTION: Eoff/Bell** nominated Larry Hampton as Vice Chair.  
Motion carried (2 Yes/0 No/1 Absent Sherwood).

## APPROVAL OF MINUTES

Approval of the October 22, 2019 Newberg Affordable Housing Commission Meeting Minutes.

**MOTION: Hampton/Sherwood** to approve the Affordable Housing Commission minutes as amended for October 22, 2019.  
Motion carried (4 Yes/0 No).

## PUBLIC COMMENTS

None.

## CONSTRUCTION EXCISE TAX

CDD Rux recapped material that was in the packet. The focus was to revisit the proposed CET material and feedback provided. The focus of the discussion was on a series of questions.

The Home Builders Association requested to delay the timing to pay System Development Charges (SDCs) from the current at time of issuance of building permits to time of a certificate of occupancy or another established date, and to vest SDCs to the time of submittal of a land use application.

The Affordable Housing Commission asked a question at their October meeting for staff to follow up on regarding comparison of other communities' collection of CET and the split between residential verses commercial/industrial. A second question was what have other communities been collection in CET? A preliminary list of revenue generation and breakdown of residential verses commercial/industrial was included as Attachment 5 in the packet.

Should improvements that add additional square footage but have a permit value less than \$100,000 be exempt? The Commission did not resolve this question.

For the partial exemption for 81% to 120% of Area Median Income (Medium Family Income) is the correct restricted year appropriate at 50 years as discussed by the Affordable Housing Commission or something less that they discussed such as 15 years, 20 years, 25 years, 30 years?

Commissioner Eoff suggested 15 years.

Vice Chair Hampton suggested 15 – 20 years.

Consensus was to go with 20 years of 81% - 120% of Area Median Income (Medium Family Income).

Should funds collected for commercial and industrial development be 100% allocated to affordable housing programs?

The Commission discussed and consensus was yes.

For commercial and industrial development the Affordable Housing Commission identified a 1% CET. Statute allows for more than a 1%. Is 1% appropriate?

The Commission discussed and reached consensus to keep at 1%.

If the Council desires to adopt a CET what should be the effective date to begin collecting the fee? Should it be 30 days, 60 days, 90 days after adoption or go into effect on July 1, 2020 in order to allow a public outreach that the tax has been adopted and to work with our permit software system vendor to modify the software program?

The Commission discussed and reached consensus to implement the program no sooner than July 1, 2020.

Is the provision of 3.60.040 Exemptions, D appropriate for repayment if a property receiving a full or partial exemption under this section as affordable housing is subsequently sold for an amount that no longer qualifies as affordable housing?

Chair Bell indicated sticking with keeping housing affordable.

The Commission reached consensus that yes it should be repaid.

Is the installment payment provisions under 3.60.070 of 20 semiannual installments, to include interest on the unpaid balance appropriate? If so should the interest rate be flexible of prescriptive?

The Commission discussed and reached consensus on 10%.

For section 3.60.100 Use of Revenue should the deed restriction be 50 years or some other year limitation?

The Commission discussed and reached consensus on 60 years < 80% and 20 years at 81% - 120% of Area Median Income (Medium Family Income).

**MOTION: Hampton/Eoff** to accept the recommendations as noted above.  
Motion carried (4 Yes/0 No).

### **NOTICE OF FUNDING AVAILABILITY**

The Commission discussed the material in the packet and provided no comments on modification on what staff proposed.

**MOTION: Hampton/Sherwood** for no NOFA in FY 19/20 except for \$5,000 for grant for a possible ADA ramp program.  
Motion carried (4 Yes/0 No).

### **FY 2020/2021 BUDGET**

CDD Rux shared the proposed budget for the Affordable Housing Trust Fund for FY 20/21.

The Commission reviewed and provided no modifications to the proposed budget.

### **WORK PROGRAM 2020**

CDD Rux reviewed the material in the packet of possible work program items for FY 20/21.

Commissioner Eoff suggested following through with HB 2001 requirements.

Chair Bell suggested HB 2001 and Tiny homes.

Vice Chair Hampton suggested housing on religious institution properties.

Commissioner Eoff suggested expedited permitting review.

Chair Bell inquired what is uniquely for Newberg and not a State mandate might be the focus of work program items.

The Commission discussed items that are outside of State mandates.

Commissioner Eoff noted tiny homes and expedited permit review are her two items.

The work program will be further discussed at the next Commission meeting.

### **HB 4006 RENT BURDENED HOUSEHOLDS (2019 DATA)**

CDD Rux recapped the material in the packet on HB 4006 reporting.

**OTHER BUSINESS**

None.

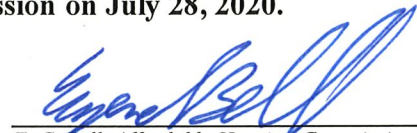
**NEXT MEETING**

The next meeting will be April 28, 2020.

**ADJOURNMENT**

The meeting was adjourned at 2:59 p.m.

**Approved by the Newberg Affordable Housing Commission on July 28, 2020.**

  
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Doug Rux, Recording Secretary  
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E. C. Bell, Affordable Housing Commission Chair