



NEWBERG AFFORDABLE HOUSING COMMISSION AGENDA

Tuesday, October 22, 2024, 4:00 PM

Teleconference meeting

<https://us06web.zoom.us/j/89536547180>

Or One tap mobile :

+12532050468,,84934324074# US

+12532158782,,84934324074# US (Tacoma)

Or Telephone:

+1 360 209 5623 US

Webinar ID: 895 3654 7180

- I. CALL MEETING TO ORDER**
- II. ROLL CALL**
- III. APPROVAL OF MINUTES – July 23, 2024**
- IV. PUBLIC COMMENTS**
- V. STATUS OF FY 2023-2024 CONSTRUCTION EXCISE TAX FUND AWARD ALLOCATION**
- VI. CET SECOND ROUND NOFA FOR FY 2024-2025**
- VII. STAFF UPDATES**
 - A. HB 2006 Workshop Scheduled for November 13th, 2024**
- VIII. NEXT MEETING – JANUARY 28, 2025**
- IX. ADJOURNMENT**

ACCOMMODATION OF PHYSICAL IMPAIRMENTS: In order to accommodate persons with physical impairments, please notify the Community Development Department Office Assistant II of any special physical or language accommodations you may need as far in advance of the meeting as possible as and no later than 48 business hours prior to the meeting. To request these arrangements, please contact the Office Assistant II at (503) 537-1240. For TTY services please dial 711.



AFFORDABLE HOUSING MEETING

AFFORDABLE HOUSING COMMISSION MINUTES

July 23, 2024 4:00pm

Newberg Teleconference Meeting

(This is for historical purposes as meetings are permanent retention documents and this will mark this period in our collective history)

I. CALL MEETING TO ORDER

Chair Casey Banks called the meeting to order at 4:00 p.m.

II. ROLL CALL

Commissioners Present: Casey Banks (Chair)

Megan Markel

Larry Hampton

Commissioners Absent: Judy Brown (Vice Chair), Randy Rickert, Student: Vacant

Staff Present: Clay Downing; Planning Manager

Leanne Wagener; Assistant Planner

Fé Bates, Administrative Assistant

III. PUBLIC COMMENTS: None

IV. APPROVAL OF MINUTES – January 30, 2024 and April 23, 2024

MOTION: Commissioner Hampton motioned to approve minutes from January 30, 2024 as written. Commissioner Markel seconded.

Motion carried: 3 Yes No 2 Absent Abstain

Chair Banks asked for clarification about an item on the April 23, 2024 minutes, Staff responded to her question.

MOTION: Commissioner Markel motioned approve minutes from April 23, 2024 as written. Commissioner Hampton seconded.

Motion carried: 3 Yes No 2 Absent Abstain

V. MISCELLANEOUS ITEMS CONTINUED

Staff continued discussion of future eligibility criteria; it came to staff attention that the Memo about this discussion item did not get included into the meeting packet that was sent to the Commission members. Staff will send it out after the meeting as a supplemental memo and the discussion will be continued at the next meeting after everyone has had the opportunity to review the information.

VI. STATUS OF FY 2023-2024 AFFORDABLE HOUSING TRUST FUND AWARD ALLOCATION

On July 3rd, 2024, Newberg City Council held a public meeting during which Leanne Wagener, Assistant Planner, presented the Affordable Housing Commission's recommendation for the Affordable Housing Trust Fund award



AFFORDABLE HOUSING MEETING

allocation for the 2023-2024 fiscal year. City Council voted unanimously to approve the award allocation of \$28,580 to the Newberg Area Habitat for Humanity

VII. STATUS OF FY 2023-2024 CUNSTRUCITON EXCISE TAX FUND AWARD ALLOCATION

There was an error that was caught prior to the meeting that the Commission recommendation was meant to be presented at, because of this it was decided by staff to present the recommended award allocation of \$262,500 to the Yamhill County Housing Corporation, and the remaining CET fund monies available in the first disbursement round to Catholic Charities of Oregon, Edlen & Company and Community Wellness Collective in partnership with Providence, in the amount of \$48,191.97.

VIII. STAFF UPDATES

a. HB 4006 Rent Burdened Households - Fall Community Workshop

The Community Development Department has tentatively scheduled a community workshop for Fall 2024 to fulfill obligations associated with HB 2006 compliance relating to rent burdened households. The date of this workshop has not yet been announced but Affordable Housing Commissioners will be encouraged to both attend and help the City ensure that interested stakeholders know about the meeting once it is scheduled.

Chair Banks asked if builders have been invited to the workshops in the past. Staff replied that they are not aware of any being invited in the past but feel that it would be a great idea.

Commissioner Hampton asked if we know of affordable housing coming up in larger projects such as the one being constructed now off Mountainview. Planning Manager Downing is not aware that there was any requirements made when the Springbrook Master plan was done.

Commissioner Markel asked why there has not been more of a discussion in regard to having builders create affordable housing by either having a percentage of the subdivision have affordable housing or requiring them to donate towards an affordable housing non-profit such as Habitat for Humanity.

Staff replied that all these ideas are great, and the workshop would be a good avenue to pursue these ideas.

Larry Hampton left the meeting: 5:01pm.

b. Community Development Block Grants in Yamhill County

On June 17, 2024, Newberg City Council adopted a resolution closing the 2021 Newberg Rehabilitation Project which was responsible for a \$500,000 community development block grant that completed immediate health and safety repairs for 30 manufactured homes in Yamhill County and was administered by the Yamhill County Affordable Housing Corporation and Housing Authority of Yamhill County. On July 8, 2024, Business Oregon announced a new round of community development block grant awards the City of McMinnville is a recipient and will be administering the grant funds to Yamhill County Affordable Housing Corporation & Housing Authority of Yamhill County.

Chair Banks asked if we were still recruiting for a student Commissioner. Staff replied that it was ongoing recruitment.

IX. NEXT MEETING – OCTOBER 22, 2024 /4-6pm

X. ADJOURNMENT – 5:10



AFFORDABLE HOUSING MEETING

Approved by the Newberg Affordable Housing Commission this 22rd day of October 2024.

Affordable Housing Commission Chair

Fé Bates, Recording Secretary

MEMORANDUM

TO: Newberg Affordable Housing Commission

FROM: Leanne Wagener, Assistant Planner

SUBJECT: Status of FY 2024-2024 CET Award Allocation and CET Second Round NOFA for Affordable Housing Commission Meeting

DATE: October 22, 2024

STATUS OF FY 2023-2024 CONSTRUCTION EXCISE TAX FUND AWARD ALLOCATION

On August 19th, 2024, Leanne Wagener, Assistant Planner, presented the Affordable Housing Commission's recommendation for the first round Construction Excise Tax Fund allocations for the 2023-2024 fiscal year. Ms. Wagener presented the recommended award allocation of \$262,500 to the Yamhill County Housing Corporation, and the remaining CET fund monies available from the first disbursal round to Catholic Charities of Oregon, Edlen & Company and Community Wellness Collective in partnership with Providence, in the amount of \$48,238.35.

During Council deliberations it was decided that the entirety of the first round disbursal monies would be awarded to the Yamhill County Housing Corporation (YCHC) in the amount of \$310,738.35, pending award acceptance. Subsequent to the August 19th meeting, YCHC agreed to accept the total award of \$310,738.35. Contract documents reflecting this award are being drafted by Miller Nash in conjunction with the City Manager.

CET Second Round NOFA for FY 2024-2025

Also, during the August 19th meeting the Mayor indicated to staff that the second round CET Notice of Funding Availability (NOFA) should go out in November of this year. To that end, staff is seeking the Affordable Housing Commission's recommendation for any further revisions to the NOFA for the second disbursal in FY 2024-2025.



Notice of Funding Availability Construction Excise Tax (CET) Fund Fiscal Year 2024 - 2025

This Notice of Funding Availability (NOFA) is directed to organizations (non-profit and for-profit) and individuals that provide affordable housing and/or related services within the City of Newberg. The goal of this NOFA is to inform the intended audience of the availability of funds for activities that will assist with the creation/acquisition of new affordable housing or the assistance of programs that help lower income individuals and families to continue renting, prevent foreclosure, or buy housing.

Deadline and Funding Availability

Funding of up to \$100,000,000 is available for the fiscal year 2024-2025 ending June 30, 2025. For this funding cycle, the Newberg Affordable Housing Commission will consider awarding available funds towards developer incentives and affordable housing programs.

Deadlines:

Applications will be initially reviewed by the Affordable Housing Commission (AHC). The AHC will then recommend applications and their amount of funding to the City Council. The AHC meets quarterly, and deadlines are based on the upcoming AHC meetings for 2025:

CET Fund Application Deadline	Affordable Housing Commission Meeting
April 1, 2025	April 22, 2025

For a more detailed description of this Notice of Funding Application (NOFA), please visit the following website link <https://www.newbergoregon.gov/planning/page/construction-excise-tax> or visit City Hall at 414 E First Street.

For questions about the CET Fund, please contact Leanne Wagener at 503-849-9774 or at Leanne.Wagener@newbergoregon.gov or planning@newbergoregon.gov
Mailing Address: P.O. Box 970 Newberg, OR 97132.

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

DEFINITIONS:

“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.

Release Date: November 4, 2024

Notice of Funding Availability Construction Excise Tax Fund Fiscal Year 2024 - 2025

This Notice of Funding Availability (NOFA) is directed to organizations (non-profit and for-profit) and individuals that provide affordable housing and/or related services within the City of Newberg. The goal of this NOFA is to inform the intended audience of the availability of funds for activities that will assist with the creation/acquisition of new affordable housing or the assistance of programs that help lower income individuals and families to continue renting, prevent foreclosure, or buy housing.

Funding Availability

Funding of up to \$100,000,000 is available for the fiscal year 2024-2025 ending June 30, 2025. For this funding cycle, the Newberg Affordable Housing Commission will consider awarding available funds towards developer incentives and affordable housing programs.

Deadlines:

Applications will be initially reviewed by the Affordable Housing Commission (AHC). The AHC will then recommend applications and their amount of funding to the City Council. The AHC meets quarterly, and deadlines are based on the upcoming AHC meetings for 2025:

CET Fund Application Deadline	Affordable Housing Commission Meeting
April 1, 2024	April 22, 2025

What is the Construction Excise Tax (CET) Fund?

The City of Newberg adopted by [ordinance](#) a Construction Excise Tax (CET) in December 2020. 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 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. MFI shall be established by the most current U.S. Department of Housing and Urban Development Department data for Yamhill County, Oregon as determined by the Community Development Director in the year of application submission.

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

Who can access funding from the CET Fund?

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 non-profit organizations, for-profit entities and private employers, and private landlords.

What types of projects qualify for funding under the CET?

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 towards two categories:

- Developer incentives
- 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

- Foreclosure-prevention assistance.

Examples of development proposals that could use CET funds based on the limitations above:

- Funds to pay the System Development Charges (SDCs) for a multi-family affordable housing project.
- Funds to pay for certain amount of land acquisition of a parcel that a non-profit is buying for permanently affordable homeownership options.
- Funds towards the cost of street frontage improvements for a subsidized affordable housing project for seniors.
- Funds provided for a local organization's rental assistance program.

Competitive Selection Criteria - Minimum Threshold and Scored Criteria:

Minimum threshold and additional scored criteria are located in Attachment A of the CET Fund application.

A project may receive additional points towards being awarded CET Funds if it meets some of the additional scored criteria. A few examples are:

- The project provides deeply affordable housing for households earning less than 50% of the median family income. *(Up to 10 points could be awarded)*
- 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 could be awarded)*
- 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 could be awarded)*

Up to 70 points can be awarded to a project. The higher the points awarded, the more likely they are to be recommended for funding by the Affordable Housing Commission to City Council.

How does one apply for funding under CET Fund?

The application form for funding under the CET Fund can be found at

(<https://www.newbergoregon.gov/planning/page/construction-excise-tax>) or may be picked up at the Newberg City Hall at 414 E First Street.

Who do I contact with questions about the CET Fund?

For questions about the CET Fund, please contact Leanne Wagener at 503-849-9774 or at Leanne.Wagener@newbergoregon.gov, P.O. Box 970 Newberg, OR 97132

DEFINITIONS:

“Gross Income” (AGI) 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.

MEMORANDUM

TO: Newberg Affordable Housing Commission
FROM: Leanne Wagener, Assistant Planner
SUBJECT: Staff Updates for Affordable Housing Commission
DATE: October 22, 2024

The following updates are provided to keep the Affordable Housing Commission aware of ongoing activities within the Community Development Department and other departments that have occurred since the Commission's most recent meeting.

HB 2006 Workshop Scheduled for November 13th, 2024

The Community Development Department has scheduled a community workshop for November 13th, from 4-6pm, to fulfill obligations associated with HB 2006 relating to rent burdened households. The meeting will be held at the Newberg Public Library. Affordable Housing Commissioners will be encouraged to both attend and help the City ensure that interested stakeholders know about the meeting.

Cities with populations over 10,000 where greater than 25% of rented households pay more than 50% of monthly income on rent must hold at least one public meeting to discuss rent burden causes and potential solutions. The intent HB 2006 is to increase local awareness of rent burden causes and potential solutions that can be taken at the local level, collect housing related information, and assist cities in housing planning efforts. Details related to the legislation and past activities in Newberg are available online at newbergoregon.gov/planning/page/hb-4006-rent-burdened-households.