



Minutes

Affordable Housing Advisory Committee

3:00 PM, Wednesday, May 12, 2021

Staff Liaisons: Lynne McConnell and Racheal Baker

Roll Call: Keith Wooden, Kathy Austin, Priscilla Buck, Matt Martino, Ian Schmidt, Alison Hohengarten, Joanna Gardner, Heather Simmons
Councilor Campbell

- **Public Comment**

None

- **Approval of March minutes**

Approved.

- **SDC Exemption Requests:** (Lynne to Intro)

Conflict of Interest declarations for SDCs:

Alison Hohengarten - none. Kathy Austin - none. Heather Simmons - none. Joanna Gardner - none. Keith Wooden – none. Ian Schmidt – none. Priscilla Buck – none. Matt Martino - none

One existing unit on site for St Vincent de Paul which lead to a credit.

St. Vincent de Paul, St. Vincent's Place
350 and 362 SE Cleveland., Bend, Oregon 97702

11 units

Water: \$9,482.60 (est. may decrease)

Sewer (each): \$1,989.60

Transportation (each): \$4,746

Parks (each): \$5,932

Total: \$13,615.86 each (total for all \$136,158.60)

I move to exempt St. Vincent's Place from pending City of Bend System Development Charges of \$76,838.60, and to authorize staff to take all actions necessary to complete such exemptions, including signing loan agreements and related documents, without further approval. If exemptions are not exercised before any expected increase, the increase will be added to the total exemption.

Kathy Austin made motion. Ian Schmidt seconded. Ian Schmidt aye, Kathy Austin aye, Joanna Gardner aye, Heather Simmons aye, Keith Wooden aye, Alison Hohengarten aye, Priscilla Buck aye, Matt Martino aye

I move to recommend the Bend Park and Recreation District Executive Director or designee exempt St. Vincent's Place from pending Bend Park and Recreation District System Development Charges of \$59,320. If exemptions are not exercised before any expected increase, the increase will be added to the total exemption.

Kathy Austin made motion. Ian Schmidt seconded. Ian Schmidt aye, Kathy Austin aye, Joanna Gardner aye, Heather Simmons aye, Keith Wooden aye, Alison Hohengarten aye, Priscilla Buck aye, Matt Martino aye

Habitat - 63195 Watercress Way, Bend, Oregon 97702

8 units

Water: N/A Avion

Sewer (each): \$4,974.00

Transportation (each): \$4,185

Parks (each): \$5,844

Total: \$15,003 each (total for all \$120,024.00)

I move to exempt Habitat's Watercress Way from pending City of Bend System Development Charges of \$73,272 and to authorize staff to take all actions necessary to complete such exemptions, including signing loan agreements and related documents, without further approval. If exemptions are not exercised before any expected increase, the increase will be added to the total exemption.

Heather Simmons made motion. Keith Wooden seconded. Priscilla Buck aye, Ian Schmidt aye, Alison Hohengarten aye, Keith Wooden aye, Heather Simmons aye, Kathy Austin aye, Joanna Gardner aye, Matt Martino aye.

I move to recommend the Bend Park and Recreation District Executive Director or designee exempt Habitat's Watercress Way from pending Bend Park and Recreation District System Development Charges of \$46,752. If exemptions are not exercised before any expected increase, the increase will be added to the total exemption.

Joanna Gardner made motion. Ian Schmidt seconded. Joanna Gardner aye, Kathy Austin aye, Heather Simmons aye, Keith Wooden aye, Alison Hohengarten aye, Ian Schmidt aye, Priscilla Buck aye, Matt Martino aye.

Kathy asked about Parks' resolution. Lynne - shelters are exempt from unit count. St Vincent's won't count toward cap. Thinks had 20 left under current resolution. New resolution (stating via memory): New unit cap adding 150 over next two years. Will expire at same time as City's. Up to 75 per year. Carved out shelters. Certain mixed income developments of up to 5 units will not count toward. 54 units and under – all 54 could be exempted. 55 or more units, only 50% could be exempted. Lynne will send out resolution.

- **Habitat – Change of Use**

Affordable Housing Funding change of use request for 3 pieces of property for homeowner ship development. Request to change AMI.

AMI adjustment for 3 properties. Grant written at 80% max which was common practice. \$260,000 awarded to purchase 3 lots. Habitat family – has completed program but is now facing disqualification due to AMI limit. Started at 57%. Overtime adjusted to family size, work raises, etc. Currently at 81% AMI. Her options – can't live in any LIFT properties as they have a hard cap. 92.5% of homes are LIFT properties. These 3 properties are not LIFT. Ramping up number of homes Habitat is building. Cost of construction going up rapidly. Hard to serve lower AMIs. Asking for adjustment for these 3 units.

Kathy said presentation was helpful to understand situation. Below 80% gets subsidy. Above 80% gets nothing. Kathy is supportive. Community she used to work with went up to 100%.

Matt – will it jeopardize any other funding sources including purchase loan? Answer – no restrictions. Keith had same question. Keith supports that someone can stretch to 100%.

Ian asked staff what effort is required. Response: Amend deed of trust. Filing fee which Habitat has agreed to pay. Would not be eligible for down payment assistance. Are there any impacts on other projects staff is already working on? Racheal, no. Will be done in a few months.

Joanna asked if raise upper limits, is there a process in place to make sure people below will still be helped. Response – LIFT housing requires 80% or below.

Heather – How would not qualifying for down payment assistance affect who might qualify? Response – is okay. Mortgage is based on affordability of home buyer mortgage. Would fund raise for them. Mortgage would be higher, they would fill gap with subsidy.

Opportunity to go to 100% but they won't necessarily go there. Two other families are on the edge.

Racheal commented that AMI numbers have increased so they might stay under AMI.

Motion: Alison made motion to grant Habitat's request to raise AMI up to and including 100% for these properties. Keith Wooden seconded. Kathy Austin aye, Heather Simmons aye, Keith Wooden aye Alison Hohengarten aye, Ian Schmidt aye, Priscilla Buck aye, Matt Martino aye. Joanna Gardner abstained because she missed details of presentation due to connectivity issues.

- **Scoring Criteria Recommendation** (Racheal)

Sent out evaluation of how we changed language in RFP. Addressed requested changes. Changes in red.

Onetime infusion from the Affordable Housing Funds:

Ian – need a clear working definition. Per project, per phase? What is project? Tie language to a lot if truly one time. What is intention? Not problematic to Ian. Land acquisition site development, construction.

Kathy – why do we have in here? Lynne mentioned history and best practices. Some have not done work in past. Tie to timeliness. Does not apply to Services. Kathy better way to phrase – commensurate with need.

Heather – add that does not apply to service requests. Racheal is clarified in CDBG RFP.

Matt do - want to change wording to entire project.

Priscilla – doesn't have a problem with funding at multiple phases. AHAC has skills to evaluate each phase and how they have used in past.

Lynne – straw poll project versus phase. Racheal do we need at all? Matt – good point.

Discussion over project phase or get rid of all together. Eventually decided on "per phase".

- **Loan vs Grant process changes** (Racheal)

Took AHAC's feedback and incorporated into RFP process and training process. Now must specify on main summary page. Units and beds (shelters), number to be served. Leverage. All on summary form.

If asking for something different, asked to include an explanation. Added to Table of Contents.

Good improvements.

Racheal will incorporate scoring and keep changes.

- **Assessment of Fair Housing overview** (Racheal)

Anticipate current administration will bring back. Will require us to dig in and look at data. Need to organize stakeholder groups.

Data identification, update Citizen Participation Plan. Schedule stakeholder meeting and focus groups: Feb – May. June - July summarize and outreach. August – Sept analysis of data collected. October initial conclusions. November recommendations
Draft completed by end of year, prepare for public hearing

Is anyone willing to lead a focus group? Would you be willing to review drafts?

Ian asked about time commitments. Response: Staff will do work. Tee up with questions, information.

Matt do other organizations have reports or data? Racheal will be working with FHC of Oregon. Lynne – synergy opportunity. Council has a goal of an equity map. Obama administration provided a lot of data. AFFH – decade by decade patterns and trends. Don't know if will be available. Trump administration pulled data from public view. Also waiting for census data which won't be available until August. Priscilla in favor of/supportive analysis. Very useful and information. Lynne – every 5 years. Obama administration intended to put teeth in it. Duty still exists. Leads into Consolidated Plan which is why this timeline exists. On file but does not need to be approved currently. Likely will change and will need to be approved.

Heather happy to help. Ask for volunteers as have tasks. Joanna interested once knows more. Lynne will send out schedule and email.

- **Staff Report**

Lynne - Hiring a new additional coordinator. Interviews in next few weeks. Budget has to be approved.

HB 2001 – designate member(s), Missing middle bill. Statewide implementation. City had already been moving in this direction. Kathy sat on stakeholder committee.

Key considerations:

Joint work session Planning Commission on June 14th. Encourage AHAC to watch at some point. Each committee will be able to engage on topic.

Differentiates duplexes. Now equals a single family home. Each city shall allow. Only for larger cities over 10,000.

Regulations may not discourage or cause unreasonable cost or delay.

3 options to come into compliance.

- Model code at state level. Can adopt by section. Pauline Hardie sat on committee.
- OARs – minimum compliance.
- Alternative path. No unreasonable cost or delay.

Parking huge discussion. BDC in place now. 1 -2 spaces per unit. OAR 1-3. Model code – 2 off-street places per quad. Some want more but city would have to prove that would not affect adversely. If prove, could open up to liability.

Kathy – large stakeholder group. Varied group. NLA keeps pushing for more parking but they are not in majority. Designed to get city out of way of possible new forms of housing. Might not be feasible

Lynne noted that these are minimum parking requirements. Can provide more. Bill did discuss CC&Rs. Future would need to comply. Current not affected.

Pauline gave an example of a small dwelling unit development – 3 lots. Developer changed to accommodate feedback from neighbors. Added parking. Residential input. Cost can be addressed by public benefit. Who reviews. DLCDC staff.

Does AHAC want to submit letter to Council? Yes.

FHCO Training upcoming – May 18, 5:00 – 7:00 p.m.
Flyer in meeting packet. Get word out.

Shepherds House update – shut down winter warming shelter. Fulfilled grant obligation. Will open back up June 1st. Extra funds. Does anyone oppose continuing funding with any extra funds? No objection.

Lynne - 90 day check in with Related NW. Unable to convert LOI to PSA. Money will come back to Affordable Housing Fund. Staff recommendation: transfer all AHF to Housing Works instead of splitting. Saves us an environmental review. Do another CDBG RFP in future instead of one for each fund. Will go out soon. Everyone okay with this plan? No concerns from committee.

\$2.5 million for navigation center. 2 phase public process. RFI first. Hopefully soon. Response to RFI will qualify for later RFP. Something in operation in 2022.

Council – non-profit tax exemption. Wants AHAC to look at.

Timeliness test – we just passed.

Last 4 years spending. Affordable Housing Fund only. AHAC would like to have a soft set aside for home ownership. Some percentage. If no applications then could go to other. Bring back for next meeting. Maybe 10% seems adequate to Matt. Lynne – think about percentage to bring back next time. She will email graph out.

Ian would like to have a discussion from staff on federal change to MSAs and how might impact. Lynne - CDBG no impact as we are grandfathered in. Maybe transportation.

- **Adjourned at 5:07 pm**