



CITY OF BEND

## Minutes

### Affordable Housing Advisory Committee (AHAC)

3:00 PM, Wednesday, January 10, 2024

**Staff Liaisons:** Lynne McConnell, Racheal Baker, Amy Fraley, Deena Cook, Kerry Bell Mellissa Kamanya and Brook O'Keefe

**Roll Call:** Ian Schmidt (Chair), Matt Martino (Vice Chair), Helen Silfven, Alison Hohengarten, Heather Simmons, Mandy Dalrymple, Tony Levison and Geoff Wall

**Absent:** Joanna Gardner

**Guests:** Elizabeth Oshel (City of Bend, Assistant City Attorney), Megan Perkins (Bend City Councilor), Barb Campbell (Bend City Councilor)

- **Public Comment**

Lucas Forte asked the committee about encampments and temporary housing units. Forte supports shipping container home construction. Committee Chair, Ian Schmidt, suggested that Forte contact the City of Bend Housing Department directly.

- **Approval of November and December Minutes**

Motion to approve November minutes made by Alison Hohengarten and seconded by Matt Martino. Minutes approved. Eight approved. None opposed.

Motion to approve December minutes made by Matt Martino and seconded by Heather Simmons. Minutes approved. Eight approved. None opposed.

- **Conflict-of-Interest Disclosure**

Elizabeth Oshel, Assistant City Attorney for the City of Bend, explained what a conflict-of-interest disclosure is and why it is addressed at the start of each AHAC meeting. She explained that although AHAC is an advisory committee, it is a governing body providing recommendations to City Council, therefore AHAC members are public officials subject to the conflict-of-interest laws.

The Bend Municipal Code states that board, commission, and committee members appointed by the City are considered "public officials" subject to State Ethics Law. BMC 1.20.015(E). These rules are in place to protect appointed members of a public body, participating in official action. The rules distinguish between actual and potential conflicts of interest. AHAC members make recommendations only, any conflicts will be potential conflicts, and only need to be publicly announced prior to taking action and you can continue participating in discussions and decision-making.

Chairperson Schmidt addressed the committee that members are to disclose whether any item on the agenda could or would result in a financial benefit or detriment to the committee member, a family member, a client, or business with which any of them are associated.

Geoff Wall has an actual conflict of interest related to the SDC Exemption as his employer will financially benefit from the exemption. Additionally, Wall has a potential conflict of interest as his employer has submitted a Community Development Block Grant (CDBG) funding application.

Matt Martino has a potential conflict of interest if a home buyer chooses to pursue his services/his employers services in financial assistance in home buying.

Helen Silfven has a potential conflict of interest if a home buyer chooses to pursue her services/her employers services in financial assistance in home buying.

- **SDC Exemptions – College View Apartments**

Mellissa Kamanya, Affordable Housing Coordinator, explained that System Development Charges (SDCs) are one-time fees that are collected when new development occurs in the city and are used to fund a portion of new streets, sanitary sewers, parks, and water. These fees are necessary to provide adequate funding for growth-related capital improvements vital to maintaining the city's level of service in transportation, water and sewer and Bend Metropolitan Parks & Recreation's service in the city parks.

College View Apartments is a 59-unit apartment project what will be completed in two phases. Bend Parks and Recreation District has determined that, in accordance with their resolution, each phase is only eligible for half of the requested waivers for a total of 30 waivers.

Matt Martino moved to exempt Housing Works from pending City of Bend System Development Charges of \$685,727.40 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 seconded the motion. Motion approved. Eight in favor. None opposed.

Heather Simmons moved to recommend to the Bend Parks and Recreation District Executive Director or designee, waive Housing Works from pending Bend Parks and Recreation System Development Charges of \$281,010.00. If waivers are not exercised before any expected increase, the increase will be added to the total waiver. Alison Hohengarten seconded the recommendation. Recommendation approved. Eight in favor. None opposed.

- **Affordable Housing Development Funding Deliberations**

Mellissa Kamanya announced that the Affordable Housing Fund (AHF) is higher than originally estimated from \$800,000.00 to just over \$1.57 million dollars available. CDBG program funding totals for deliberation today are just over \$415,000.00 and next month's public services funding total is estimated to be \$96,600.00. HUD (Housing and Urban Development) timeliness guidelines require that funds need to be spent by June 30, 2025, and non-compliance could result in severe consequences for the program. Non-compliance occurs when the balance of unspent CDBG funds is greater than 1.5 times the most recent annual CDBG award. Activities awarded funding because of COVID 19 are catching up and closing on projects that were once determined to be untimely.

AHF recommendations will be brought to City Council February 21 and CDBG recommendations will be brought to City Council on May 1. Staff would appreciate AHAC members participating in both those presentations to Council.

AHAC members were notified that St. Vincent de Paul withdrew their application for CDBG funds. AHAC deliberated on applications for Affordable Housing Development starting with moving Habitat for Humanity's \$450,000 AHF request for down payment assistance at Daly Estates to receive the \$416,275.000 in CDBG funding along with a contingency to award Habitat any CDBG Program Income repaid to the City. If Program Income is not enough to fully fund Habitat's request, \$33,725.00 of AHF will be awarded. Of the five applications, the

committee recommended to recommend AHF awards for Thistle & Nest for down payment assistance, Habitat for Humanity for down payment assistance, and Housing Works for College View Apartments. The remainder of the unawarded funds will be available in a future funding application process.

Mandy Dalrymple moved to recommend to City Council to award \$750,000.00 to Thistle & Nest, \$33,725.00 to Habitat for Humanity/Daly Estates and \$600,000.00 to Housing Works/College View Apartments and to keep the remaining \$193,495.00 in the Affordable Housing Fund for future funding processes. Heather Simmons seconded the recommendation. Seven in favor. None opposed. One abstention.

Mandy Dalrymple moved to recommend to City Council to award a combination of \$33,725.00 in AHF funds and \$416,275.00 in CBDG funds to Habitat for Humanity/Daly Estates with a contingency to apply any repaid CDBG Program Income toward the award. If Program Income repaid exceeds the CDBG award, then a dollar-for-dollar reduction of the Affordable Housing Fund award is recommended for reallocation in a future funding application process. Matt Marino seconded the recommendation. Eight in favor. None opposed.

- **SDCs Under Council Consideration for ADUs**

Racheal Baker, Affordable Housing Manager, presented in response to AHAC requests to provide feedback to City Council on SDCs for Accessory Dwelling Units (ADUs).

The goal of the presentation is to determine if there is consensus to draft a letter to City Council and is intentionally timed to preclude the anticipated public hearing that City Council is holding on the adoption of new methodologies, codes, and the fee schedule. The current proposal keeps consistent that ADUs are not charged for water and sewer SDCs but includes a transportation charge of approximately \$1,035.00. The effort to incentivize ADU (Accessory Dwelling Units) production comes from previous and current City Council biennial goals. Community stakeholders have expressed that ADUs are an integral part of the housing continuum as they contribute to density efforts in a gentle community-based approach, they take advantage of existing and costly infrastructure, they encourage and promote intergenerational living which contribute to diversity, and they provide middle income workforce housing.

Matt Martino moved to write a letter to Council recommending supporting City Council adopt the proposed SDC methodology and fee schedule for ADUs with the adjusted tier-one amount of approximately \$1,035.00, taking into consideration a potential minor inflation increase. Mandy Dalrymple seconded that motion to support. Eight in favor. None opposed.

- **Shelter Report**

Amy Fraley, Senior Program Manager for Houselessness Solutions, and Brook O'Keefe, Shelter Coordinator, presented on the importance of the Franklin Avenue Shelter. Fraley provided a brief history of the facility and highlighted how important the shelter is for unhoused families with minor children and medically vulnerable households. O'Keefe explained the funding for Franklin Operations highlighting the Governor's Executive Order which awarded a total of \$1,060,450 dollars for operations and the extension of the contract through June 30, 2024. She also provided data supporting the need for the Franklin Avenue Shelter.

- **Staff Report**

- A volunteer is needed next week for the Quarterly Council Committee Check-In. City Council meets each quarter and the topic for discussion is public safety. Helen Silfven

volunteered to serve.

- AHAC members needed to attend the February 21 City Council meeting.
- City Council has asked for a review of property tax exemptions, such as MUPTE. Racheal Baker will represent Housing at this meeting on January 17.
- It is time to review Public Service applications and those will be emailed out soon.

- **Adjourn**