



NEWBERG AFFORDABLE HOUSING COMMISSION AGENDA
Tuesday, July 26, 2016 1:30 PM,
Permit Center Conference Room, 414 E. First Street, Newberg OR

- I. CALL MEETING TO ORDER**
- II. ROLL CALL**
- III. APPROVAL OF MINUTES – April 26, 2016 meeting**
- IV. PUBLIC COMMENTS**
- V. COMMUNITY DEVELOPMENT BLOCK GRANT UPDATE**
- VI. AMENDING POLICIES AND PROCEDURES FOR ADMINISTRATION OF THE AFFORDABLE HOUSING TRUST FUND - MICRO LOAN/GRANT PROGRAM MANUFACTURED HOME MAINTENANCE AND REPAIR**
- VII. NOTICE OF FUNDING AVAILABILITY – AFFORDABLE HOUSING TRUST FUND**
- VIII. TRUST FUND ACTIVITY**
 - A. Priorities/Tasks
 - B. Newberg Affordable Housing Trust Fund Recapitalization
 - C. South Newberg Area
- IX. NEXT MEETING – October 25, 2016**
- X. OTHER BUSINESS**
- XI. 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.

NEWBERG AFFORDABLE HOUSING COMMISSION MINUTES

Tuesday, April 26, 2016, 1:30 PM

**Newberg City Hall Permit Center Conference Room
414 E. First Street**

CALL MEETING TO ORDER

Chairman Stuart Brown opened the meeting at 1:36 PM.

ROLL CALL

Members Present: Stuart Brown, Chair Steve Comfort Terry Emery Mike Gougler
 E.C. Bell

Members Absent: None

Staff Present: Doug Rux, Community Development Director

APPROVAL OF MINUTES

Approval of the January 26, 2016 Newberg Affordable Housing Commission Meeting Minutes.

<p>MOTION: Gougler/Emery approve the Affordable Housing Commission minutes for January 26, 2016. Motion carried (5 Yes/0 No).</p>
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PUBLIC COMMENTS – None.

YAMHILL COUNTY AFFORDABLE HOUSING COMMISSION GRANT OPPORTUNITY UPDATE

CDD Doug Rux provided an update that Business Oregon had not released the announcement for the Community Development Block Grant (CDBG) program solicitation. Once the announcement comes out staff will go to the City Council for a public hearing on a grant with a proposed resolution. The hearing is anticipated to occur on June 20, 2016.

MICRO-LOAN PROGRAM MANUFACTURED HOME MAINTENANCE AND REPAIR

CDD Rux has been talking with the Housing Authority of Yamhill County about the possibility of also providing services for the micro-loan program. He also talked with the Mid-Willamette Valley Council of Governments on providing assistance. Chair Brown and CDD Rux will be scheduling a meeting time with the Housing Authority to discuss the micro-loan program.

CDD Rux indicated that the subcommittee has not been convened on this topic and suggested that Commission members be identified to be on that subcommittee. A review the Policies and Procedures for Administration of the Newberg Affordable Housing Trust Fund had been done at the request of Chair Brown noting that Section 3 would need to be modified to implement a micro-loan/grant program. New language would have to be added to the Policies. Specifically, 3.5.g outlines Rehabilitation and Emergency Repairs and that loans to owners of owner occupied dwellings are not eligible. A new subsection would have to be added to Section 3. There needs to be a discussion about the grant or loan amount. CDD Rux noted that grants go out but no funds come back in to recapitalize the fund. Criteria would need to be established for a grant or loan program. The question was

raised what is the maximum amount of seed funds for a program? The question was raised is it for any manufactured home, manufactured home on a parcel or manufactured homes in parks or a combination? Council has to approve the program and expenditure of funds requires Council approval. It was discussed that establishing a process takes time.

Chair Brown indicated in his mind quick is 60 days. Grants would likely be under \$1,000. He also noted matching funds are available from Newberg Area Habitat for Humanity. In his mind the intent was for both owner occupied and rental housing.

CDD Rux noted the three funding programs of Competitive, Time Sensitive and Rental Rehabilitation. To establish a program the purpose, intent, policy modifications, etc. need to be developed by the subcommittee then back to the Commission for consideration and then to City Council.

MOTION: Emery/Comfort to remove 3.5.g the end wording “Rehabilitation loans to the owners of owner-occupied dwellings are not eligible uses of the NAHTF.”
Motion carried (5 Yes/0 No).

Chair Brown noted that the proposal should be presented to the City Council promptly for consideration.

MOTION: Gougler/Brown to delete the word “rental” from section 7.3.
Motion carried (5 Yes/0 No).

CDD Rux was also directed to look at other fixes consistent with the intent of the two motions.

Chair Brown went back to the issue of Housing Authority of Yamhill County and indicated that there may be a problem in trying to streamline the process for manufactured housing and that structures pre-1978 may not be able to be funded due to HUD limitations. He noted HUD changed rules in 1976 that manufactured housing pre-1976 was not eligible housing.

Commissioner Emery inquired if we were considering the Housing Authority assisting on both grants and loans? Chair Brown stated that we are discussing that opportunity.

Chair Brown noted that Newberg Area Habitat for Humanity may be the organization that administers the micro-grant program. He noted that here is one situation where a family needs about \$750 to repair their manufactured home and Newberg Area Habitat for Humanity is willing to help with the funding. Maybe Newberg Area Habitat for Humanity could request an urgent grant request to the City for this family and administer the grant funds.

CDD Rux noted that if Newberg Area Habitat for Humanity came in for a Time Sensitive request to assist a homeowner, the Policies would still need to be modified.

Chair Brown raised the idea of doing things simultaneously to modify the Policies and have Newberg Area Habitat for Humanity prepare a Time Sensitive request. CDD Rux stated he preferred a sequencing approach to have the policies in place first. Chair Brown requested Policy modification on June 20 and Newberg Area Habitat for Humanity to do a Time Sensitive to go to the Council on July 5.

CDD Rux indicated a special meeting immediately after June 20 would be necessary.

Commissioner Bell indicated his church may be able to assist in this family’s situation through the Brush with Kindness program.

Commissioner Gougler inquired if the funds would be in the form of a check from the City? CDD Rux indicated it would be a check for a grant to Newberg Area Habitat for Humanity under the concept. There would need to be conditions on any grant award for performance and if performance is not achieved the grant would need to be repaid.

Commissioner Gougler asked if it would be better to have an outside agency administer the grant/loan program with quarterly reports by the outside agency recipient back to the City? Reports could be submitted to the City for review for monitoring. Maybe \$10,000 be allocated to the grant program.

Chair Brown stated an outside agency with experience may be better as the City has staff limitations.

Commissioner Gougler noted that a micro-loan program was discussed four years ago for homeowners that was unsuccessful.

Commissioner Gougler inquired if the City had a building to store material from construction projects that could be used for construction of new affordable housing. CDD Rux would have to inquire but not likely as our buildings are being utilized.

FLEXIBLE DEVELOPMENT TRACK STANDARDS – NMC 15.242

CDD Rux shared the Flexible Development Track provisions in Chapter 15.242 as general information.

PROPOSED FY 2016-2017 BUDGET

CDD Rux provided an overview of the proposed budget. The CDBG grant is included as revenue as well as an expense as a pass through. Housing Authority Loans are budgeted at \$32,920 and grants of \$1,700 under Capital Outlay. Materials and Services are budgeted at \$360. If the \$25,000 projected to be spent in FY 2015-2016 is not expended there will be additional funds in contingency that would require a supplement budget process in order to expend it. Mr. Rux explained no action was necessary and the material is informational only.

TRUST FUND ACTIVITY

CDD Rux indicated that no new capitalization funds have been identified by the Mid-Willamette Valley Council of Governments (MWVCOG). If funding sources are identified the MWVCOG has offered to assist in completing applications at no charge.

CDD Rux raised the question about what the priorities and tasks are of the Commission over the next year or two. The Commission has talked about housing stock north and south of downtown, energy efficiency, investing in housing stock that is existing (windows, wiring, heating, plumbing), could Public Works staff assist in outreach on improvements, gentrification of areas north and south, housing issues with university students. Develop a list of the top five – ten issues to help the MWVCOG focus on where to seek funding. Chair Brown indicated the top priority for him is to focus on the micro-loans. Chair Brown asked the members to come up with their top five priorities and get them to him and CDD Rux.

NEXT MEETING – July 26, 2016

OTHER BUSINESS –

CDD Rux indicated that he will be preparing the Notice of Funding Availability for the July meeting. A housing affordability report from the Portland City Club was emailed to the Commissioners city email accounts.

ADJOURNMENT –

MOTION: Brown/Gougler motion to adjourn.
Motion carried (5 Yes/0 No).

The meeting adjourned at 2:43 p.m.

Approved by the Newberg Affordable Housing Commission on July 26, 2016.

Recording Secretary

Affordable Housing Commission Chair



Community Development Department
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MEMORANDUM

TO: Newberg Affordable Housing Commission
FROM: Doug Rux, Community Development Director
SUBJECT: Draft Policies and Procedures Affordable Housing Trust Fund
DATE: July 26, 2016

On April 26, 2016 the Affordable Housing Commissions discussed modifications to the Policies and Procedures for Administration of Newberg's Affordable Housing Trust Fund. The focus of the discussion was to add language that would allow grants or loans for repair and maintenance work on manufactured homes within the community that are providing housing for low-moderate income families. A track changes version of the draft Policies and Procedures is attached for your review. We will discuss this draft at the meeting with the intent to formalize an official recommendation to the City Council.

Attachment: Draft Amendments to Policies and Procedures Affordable Housing Trust Fund

Attachment 1

THE CITY OF NEWBERG RESOLVES AS FOLLOWS:

1. Resolution No. 2012-3211 is repealed.
2. Resolution No. 2016-XXXX is adopted as follows:

SECTION 1. Purpose

- 1.1** The purpose of the Newberg Affordable Housing Trust Fund (NAHTF) is to support the development, preservation, and rehabilitation of housing that is affordable to the citizens of Newberg with incomes that do not exceed 80% of the area median income. The NAHTF will have a dedicated source of revenue to provide ongoing funding for housing projects or programs that address the housing needs of these Newberg residents. The primary purpose of the NAHTF is to encourage the development, preservation, and rehabilitation of housing for homeownership or rent, at a cost that will enable very low, low and moderate-income families to afford quality housing while paying no more than thirty percent of gross household income on housing.
- 1.2** To promote the rehabilitation, preservation and production of quality, well-designed rental and ownership housing, the NAHTF will award funds to community development partners that are furthering the NAHTF mission. It is expected that the local contributions made through Newberg's Affordable Housing Trust Fund will maximize the leveraging of state and federal funds, as well as encourage private sector investment in affordable housing.
- 1.3** Understanding the high cost of housing regionally, it is evident that very low, low, and moderate income households are not being served by the housing market. To address the disparity between the cost of housing and the means of resident household to afford housing, the Newberg Affordable Housing Trust Fund aims to provide direct financial support to projects that retain or increase the supply of needed housing for households earning less than 80% the area median income, which is to be defined through income limits established by the U.S. Department of Housing and Urban Development for Yamhill County, Oregon.
- 1.4** The administrative procedures associated with the Newberg Affordable Housing Trust Fund, including fund administration, determination of eligible applicants, eligible uses and activities, award preferences, eligibility criteria, award process, and selection criteria are hereby established.

SECTION 2. Eligible Applicants

- 2.1** The Newberg Affordable Housing Trust Fund is structured to ensure that many different types of organizations and persons are eligible to receive funds.
- 2.2** Eligible applicants 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.

SECTION 3. Eligible Uses and Activities

- 3.1** Newberg Affordable Housing Trust Funds shall support the creation or preservation of housing that is affordable to households with incomes that do not exceed 80% of the area median income, as established by the most current U.S. Department of Housing and Urban Development for Yamhill County, Oregon, as determined by the Community Development Director.
- 3.2** Newberg Affordable Housing Trust Funds will be limited to those activities that create, preserve or acquire housing within the Newberg city limits.
- 3.3** Housing developments financed by the NAHTF which receive subsidy, financing, tax credits or other assistance under a State or Federal housing programs, may contain market rate units insofar as permissible under those programs and/or to the extent that they are necessary to support the creation of and/or ongoing sustain-ability of the affordable housing units in the development. However, Newberg Affordable Housing Trust Funds may not be used to support such market rate units.
- 3.4** Affordable housing units developed utilizing subsidy from the Newberg Affordable Housing Trust Fund shall comply with the income and housing cost limits established by Newberg Municipal Code Section 15.242.030, as amended, and as restricted by a contract prepared by the City of Newberg. The city council reserves the right to make exceptions to the standards established by Newberg Municipal Code Section 15.242.030 for proposed projects it wishes to support and deems further the provision of affordable housing within the community.
- 3.5** The Newberg Affordable Housing Trust Funds can be provided as either a grant or a loan depending on the project or program receiving funding. To retain a significant degree of flexibility, the eligible uses have a broad application including the following:
- 3.5.a Acquisition and construction of new affordable housing.** Eligible acquisition and construction costs include reasonable costs associated with building or land purchase, including but not limited to:
- Purchase price
 - Option costs
 - Financing fees including but not limited to the recording of trust deeds and promissory notes, title searches, and other third party costs related to securing the — loan.
 - Appraisal costs
 - Closing costs
 - Inspection fees

- Title insurance
- Relocation costs
- Architectural/engineering fees
- Permit fees
- System development charges
- Construction costs

3.5.b Conservation of energy through the use of “green” technologies provided that the benefits of the energy savings is passed on in the form of reduced costs to the qualified occupants of the affordable housing.

3.5.c Land banking to include the purchase of land to be dedicated toward the development of affordable housing in the near or long-term.

3.5.d Predevelopment activities undertaken by a community development organization in support of the development of affordable housing including planning, architectural services, engineering services, landscape design, legal services, surveys, appraisals, site clearance and demolition, environmental clearance, permit application fees and system development charges. Grant funding for these types of activities may be required to convert to a loan if the project receives full funding. For-profit developers are not eligible to apply for Newberg's Affordable Housing Trust Funds to assist with predevelopment costs.

3.5.e Bridge loans to assist in development of affordable housing (for rental or owner occupancy). Bridge loans are intended to provide funding to permit housing projects to proceed in advance of the availability of permanent project funding. Bridge loan funding is available for acquisition or construction activities.

3.5.f Capacity building for non-profit affordable housing providers in the form of direct grant awards to fund administration of an affordable housing project or program.

3.5.g Rehabilitation and emergency repairs as part of an established program to secure units as affordable or to provide direct benefits to existing very low to moderate income households.

Eligible rehabilitation and emergency repair costs include but are not limited to:

- Architectural/engineering fees
- Consultations
- Construction costs
- Relocation costs
- Financing fees including but not limited to the recording of trust deeds and promissory notes, title searches, and other third party costs related to securing the loan.
- Hazardous materials abatement including lead based paint noticing

consistent with the Federal Lead Safe Housing Regulations HUD requirements at 24 CFR §35

~~Rehabilitation loans to the owners of owner-occupied dwellings are not eligible uses of the NAHTF.~~

3.5.h Direct benefits to very low to moderate income households through an established program including down payment assistance, rental assistance, mortgage foreclosure prevention, emergency housing vouchers, homeownership training, renter education, or other programs intended to increase housing opportunities for Newberg's low to moderate income residents.

3.5.i Transitional and emergency housing for homeless individuals and families through an established program to move people toward self-sufficiency.

3.5.j Educational programs and services for potential home owners and renters.

3.5.k Other uses as deemed appropriate by the Newberg City Council as supporting the development or preservation of affordable housing within the City of Newberg.

3.5.l. Manufactured home rehabilitation and repair as part of an established program to secure units as affordable or to provide direct benefits to existing very low to moderate income households.

Eligible rehabilitation and emergency repair costs include but are not limited to:

- Architectural/engineering fees
- Consultations
- Construction costs
- Relocation costs
- Financing fees including but not limited to the recording of trust deeds and promissory notes, title searches, and other third party costs related to securing the loan.
- Hazardous materials abatement including lead based paint noticing consistent with the Federal Lead Safe Housing Regulations HUD requirements at 24 CFR §35

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SECTION 4. Program Goals

4.1 To help maintain the effectiveness and long-term viability of the NAHTF, preference will be given to the provision of loans over grants. General criteria of project selection are found in Section 8 of this resolution. In no particular order, the following preferences are provided as general guidance for future applicants for Newberg Affordable Housing Trust Funds.

4.1.a Developments that produce new affordable housing units. New affordable housing

units shall include housing units constructed where none had existed previously, abandoned or fire-damaged residential units to be returned to residential use, and non-residential or mixed-use projects in non-residentially-zoned property. Any designated new affordable housing units shall be secured as affordable for future use through the recording of an appropriate legal instrument approved by the city attorney.

- 4.1.b** Developments that provide new affordability. New affordability refers to existing housing where a new level of affordability is provided that does not currently exist. This could occur in rental or ownership housing where the number of affordable units is increased, where a portion of existing units will be made affordable to households at income levels substantially lower than the units previously served, or where the term of affordability on the units will be extended for a period of at least twenty-five (25) years.
- 4.1.c** Developments that improve the energy efficiency and safety of existing affordable housing stock while maintaining affordability of the units.
- 4.1.d** Developments of housing utilizing the land trust model to secure property and perpetual affordability.
- 4.1.e** Developments that include joint ventures between multiple non-profit developers and/or for profit developers, working in partnership, to complete an affordable housing project.
- 4.1.f** Developments that include a joint venture between service providers and non-profit affordable housing developers to create projects that contain additional benefits to low income individuals in the development of the project, or additional services for the resident upon completion.
- 4.1.g** Developments that incorporate the use of “green” building materials, use of energy-efficient appliances, low-water use landscaping, and reduced storm water runoff. In addition, developments that incorporate building design and operational factors that minimize energy use and resource consumption as well as avoid indoor health impact.
- 4.1.h** Developments that include affordable units for the disabled and the homeless.
- 4.1.i** Projects that propose long-term affordability.
- 4.1.j** Projects that are sponsored by non-profit organizations.
- 4.1.k** Projects that use private funding sources and State funding sources to leverage the least amount of Newberg's Affordable Housing Trust Funds.

SECTION 5. Fund Administration

The Newberg Affordable Housing Trust Fund (NAHTF) originated through the direction of the Newberg City Council.

- 5.1 The City of Newberg acts as fiduciary agent and administrator of the funds. The city reserves the right to contract certain tasks to most effectively and efficiently achieve its administrative duties.
- 5.2 Funds dedicated to the Newberg Affordable Housing Trust Fund shall be exclusively reserved to support the eligible uses activities identified in Section 3, and shall not be used for the general operation of the city.
- 5.3 The City of Newberg shall accept requests for funding from the NAHTF's Time Sensitive Loan Program from eligible applicants at any time in order to accommodate affordable housing project opportunities that are time sensitive. Coordination with other private and government funding application timelines will help ensure that NAHTF funds are best applied to leverage additional resources in support of the housing projects. Project submittals deemed not time-sensitive will not be approved, but the applicant will be encouraged to submit their proposal to the annual request for proposals (RFP) funding process under the NAHTF's Competitive Awards Program. Also, eligible applicants may submit proposals to the NAHTF's Rental Rehabilitation Loan Program at any time.
- 5.4 The City of Newberg shall annually issue a notice of funding available (NOFA) to announce the availability of funds. The City shall also issue a request for proposals (RFP) for affordable housing projects that are not time sensitive.
- 5.5 As a target in any given year, up to 80 percent of the NAHTF will be available for project loans and up to 5 percent will be available for project grants. The remaining 15 percent of the NAHTF will be available for project contingencies through grants and/or loans.
- 5.6 In any given year, at least 50% of the available funds within the NAHTF shall be available for use through the competitive awards program. In any given year, the city council may make an exception to this standard to take advantage of affordable housing opportunities.
- 5.7 The City of Newberg shall form an Affordable Housing Commission (AHC) that consists of five members appointed by the Mayor with the consent of the city council. Membership of the commission should reflect representative broad interests regarding affordable housing in the community. The commission shall review applications for Newberg Affordable Housing Trust Funds to determine project eligibility and evaluate the applications based on the selection criteria. The commission shall provide recommendations to the city council who shall make final award decisions. In addition, the commission shall meet annually to prepare the NAHTF's annual NOFA and RFP for consideration of approval by the city council. Otherwise, the commission will meet as necessary during the year.

- 5.8 Newberg Affordable Housing Trust Funds will be allocated in a manner consistent with the threshold criteria provided Section 8, and consistent with state and local public contracting law.
- 5.9 Grant monies received into the NAHTF will have five percent of those monies reserved for administration.

SECTION 6. Match Requirements

- 6.1 The Newberg Affordable Housing Trust Fund is intended to support the development of needed housing. In addition, the City of Newberg believes that projects can become stronger and more successful through the partnership of many organizations. Therefore, the following match requirements apply to projects utilizing grants from the NAHTF.
 - 6.1.a The Newberg Affordable Housing Trust Fund grant contribution shall not exceed 50% of the total project or program cost. Required match can be met utilizing government funding, direct contribution from the applicant, private donations, and the contribution of land, materials or labor to the project.
 - 6.1.b In the case that land previously owned by the applicant is considered as required match, the _____ value of the land shall be determined by a city approved certified appraisal completed by the _____ applicant or real market value from the Yamhill County assessor office provided by the _____ applicant, unless otherwise directed in Oregon Revised Statute or Newberg Municipal Code.
 - 6.1.c The valuation of land, and available equity to be considered as matching funds, shall be verified by the city prior to the disbursement of an NAHTF grant when its value is considered as required matching funds.
 - 6.1.d Donated materials and labor, which are proposed as required match through the development of a project shall have their value estimated at the time of application. The actual value of these contributions is subject to verification by the city at completion of the project.
 - 6.1.e Award recipients shall provide verifiable accounting for donated labor and materials, when such was necessary to satisfy the NAHTF match requirements.
 - 6.1.f If a recipient of an NAHTF grant has been deemed by the city to have failed to have fulfilled all the necessary grant award match requirements, the city may require a full or partial repayment of any NAHTF grants awarded to a project.
- 6.2 Approved loans provided by the NAHTF may cover up to 80% of a project's costs. Required match can be met utilizing government funding, direct contribution from the applicant, private donations, and the contribution of land, materials or labor to the project.

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SECTION 7. Allocation of Funds

The Newberg Affordable Housing Trust Fund is structured to allow flexibility for the city and housing providers. The establishment of ~~four~~three distinct and separate award processes is intended to provide for both consistency and flexibility of the NAHTF program. Annually, the city shall issue a notice of funding availability (NOFA), announcing the availability of funds in the following year and the types of programs. The city shall issue the NOFA for the year through publication in the Newberg Graphic and on the city's website. The NOFA shall be issued on or near July 1st of the year.

First, there is the competitive awards program. Annually, the city will issue a request for proposals for affordable housing projects of a non-time sensitive nature. Proposals awarded funding through the RFP process shall be done through a competitive basis. Loans and/or grants may be awarded through this program.

Second, there is the time sensitive program. Through this program, applicants requesting funding from the NAHTF may submit requests at any time in the year to accommodate affordable housing project opportunities that are time sensitive. Coordination with other private and government funding application timelines will help ensure that NAHTF funds are best applied to leverage additional resources in support of the housing projects. Loans and/or grants may be awarded through this program.

Third, there is the ~~rental~~ rehabilitation program. This program is intended to assist private property owners with rental rehabilitation projects or homeowners with rehabilitation projects. Applications for this program may be submitted at any time and need not be considered under the competitive awards program. Applicants seeking funding assistance must be willing to enter into a contractual agreement with the city that will ensure the future affordability of the project units for a specific period of time. Only loans will be awarded through this program.

Fourth, there is the manufactured home rehabilitation and repair grant program. This program is intended to grant NAHTF monies to local non-profit organizations to so they can rehabilitate and repair dwellings and make them safe and decent for rental or ownership by low or very low income families. Applications for this program may be submitted at any time and need not be considered under the competitive awards program. Applicants seeking funding assistance must be willing to enter into a grant agreement with the city.

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The distribution of any and all NAHTF funds through competitive or non-competitive awards, as described in Sections 7.1 through 7.3, will be in accordance with state and local public contracting laws.

7.1 Competitive Awards Program

The City of Newberg has a limited amount of Newberg Affordable Housing Trust Funds to use each year in comparison to the scope of the housing needs within the community. As a result, it is essential that the funds are used to meet the city's priorities in an efficient and cost-effective

manner. To this end, a competitive award process uses a set of award criteria to evaluate proposals received through a request for proposals (RFP) process in terms of how they address the specific priorities outlined in the annual RFP.

The steps for making the competitive grant awards or loans are outlined below.

- 7.1.a** The City of Newberg may issue an RFP Request for proposals on an annual basis depending on availability of funds, providing applicants with a minimum of 45 days to respond to the request. The RFP shall be issued on or near July 1st of the year.
- 7.1.b** City staff shall assess the project proposals to determine if the eligibility criteria are met and shall develop a recommendation to provide to the Newberg Affordable Housing Commission and the city council.
- 7.1.c** The Newberg Affordable Housing Commission will provide applicants the opportunity to make a presentation on their project proposal and provide community members the opportunity to comment by holding a public meeting.
- 7.1.d** The Newberg Affordable Housing Commission will develop an award recommendation to the city council using the NAHTF criteria to determine which projects best meet the city's spending priorities. Each application will be rated on a numeric scale as established in the annual RFP for each criterion of selection (Section 8).
- 7.1.e** The Newberg city council shall make a final decision on the award of Newberg Affordable Housing Trust Funds.
- 7.1.f** The City of Newberg shall prepare an agreement between the city and the award recipient. The agreement shall outline the conditions of award and shall be executed prior to the disbursement of any Newberg Affordable Housing Trust Funds.
- 7.1.g** An award granted to an applicant may be rescinded by the city if the applicant does not initiate the activities identified in response to the RFP in advance of the City's issuance of another RFP.

7.2 Time Sensitive Loan or Grant Program

The City of Newberg recognizes that the nature of affordable housing development is often opportunity driven and time sensitive. Through this program, applications may be submitted at any time during a given year. When applications are received, the city shall review them to determine if the applications meet the city's threshold criteria. If the criteria are met, then the funds may be awarded to, or reserved for, the applicant. Funds available through this process are awarded on a first come, first served basis.

- 7.2.a** Project Eligibility. Projects are eligible to utilize funds for activities listed in

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Section 3.

7.2.b Project Security. Applicant must demonstrate and commit sufficient collateral to ensure the security of the loan. Security shall be demonstrated based upon an 80% loan to value ratio based upon the most current County Assessor records, unless otherwise recommended by the NAHC and approved by the City Council. Loans shall be secured via recording of a Trust Deed and Promissory Note against the property.

7.2.c Loan Terms.

- (1) Loan amounts will be determined by the proposed project need and amount available within the NAHTF.
- (2) The standard interest rate is two percent (2%) below the prime rate.
- (3) The standard term of the loan is two years.
- (4) The applicant shall pay a loan processing fee equal to one percent (1%) of the loan or \$100.00, whichever is greater.
- (5) Standard loan terms may be modified by approval of the City Council.
- (6) The applicant shall enter into an agreement guaranteeing the dwellings will only be occupied by families or individuals meeting the income guidelines.
- (7) The applicant will be required to pay for all financing fees including but not limited to recording of trust deeds and promissory notes, title searches, and other third party costs related to securing the loan.

7.2.d Process.

- (1) The city manager shall appoint a loan officer to process loan applications.
- (2) The loan officer will prepare application specifications.
- (3) The loan officer will review applications for eligibility, and qualify applicants as either standard or preferred applicants. The loan officer may establish a priority for awarding of qualified loans.
- (4) Prior to awarding any loan, the application will be forwarded to the Newberg Affordable Housing Commission for consideration of recommendation for approval by the Newberg city council.
- (5) The loan officer shall prepare the necessary documents and agreements to execute and provide for repayment of the loan.

7.3 ~~Rental~~ Rehabilitation Loan Program

7.3.a Purpose

The purpose of the ~~rental~~ rehabilitation loan program is to loan NAHTF monies to local landlords or homeowners so they can rehabilitate dwellings and make them safe and decent for rental or ownership by low or very low income families.

7.3.b Eligibility

- (1) The dwelling must be within the Newberg city limits.
- (2) The dwelling must be rented to low or very low income families or individuals, or owned by low to very low income families, according to income guidelines established by the Affordable Housing Commission. Preference will be given to units to be rented to very low income families or individuals.
- (3) Repairs shall improve the overall livability of the dwelling by addressing health and safety issues and by making the home more energy efficient and affordable. Priority is placed on the repairs needed to make the home safe and to prevent further deterioration and escalated costs if left unattended. Typical examples of these projects include new roofs, new windows, new electrical wiring, heating system repair/replacement, and utility repairs.
- (4) The applicant shall demonstrate sufficient equity in the property and sufficient ability to repay the loan.
- (5) The applicant shall demonstrate that the rehabilitation could not be accomplished using conventional loan programs.
- (6) -Preference shall be given to landlords who live in Newberg or the Newberg area, and who own 10 or fewer rental units, and who own the property outright or have substantial equity in the property.

7.3.c Project Security. Applicant must demonstrate and commit sufficient collateral to ensure the security of the loan. Security shall be demonstrated based upon an 80% loan to value ratio based upon the most current County Assessor records, unless otherwise recommended by the NAHC and approved by the City Council. Loans shall be secured via recording of a Trust Deed and Promissory Note against the property.

7.3.d. Loan Terms

- (1) Loans are available in amounts ranging between \$5,000.00 and \$15,000.00. This amount may be increased up to \$25,000.00 if the need for repairs is justified, if the Newberg Affordable Housing Commission recommends the City Council increase the loan amount, and if adequate equity is established.
- (2) The standard interest rate is two percent (2%) below the prime rate.
- (3) The standard term of the loan is five (5) years.
- (4) The applicant shall pay a loan processing fee equal to one percent (1 %) of the loan or \$100.00, whichever is greater.
- (5) Standard loan terms may be modified by approval of the city council.
- (6) The applicant shall enter into an agreement guaranteeing the dwellings will only be occupied by families or individuals meeting the income guidelines for the loan term.
- (7) The applicant will be required to pay for all financing fees including but not limited to recording of trust deeds and promissory notes, title searches, and other third party costs related to securing the loan.

7.3.e Process

- (1) The city manager shall appoint a loan officer to process loan applications.
- (2) The loan officer will prepare application specifications. The loan officer will receive applications by a date specified in the notice of funding availability. The loan officer will accept applications after that date if funding remains available, and may establish a waiting list for applications in future funding cycles.
- (3) The loan officer will review applications for eligibility, and qualify applicants as either standard or preferred applicants. The loan officer may establish a priority for awarding of qualified loans.
- (4) Prior to awarding any loan, the application will be forwarded to the Affordable Housing Commission for consideration of recommendation for approval by the Newberg city council.
- (5) The loan officer shall prepare the necessary documents and agreements to execute and provide for repayment of the loan.
- (6) The applicant shall complete all repairs within one year of loan award.

7.4 Manufactured Home Rehabilitation and Repair Grant Program

7.4.a Purpose

The purpose of the manufactured home rehabilitation and repair grant program is to grant NAHTF monies to local non-profit organizations to so they can rehabilitate and repair dwellings and make them safe and decent for rental or ownership to low or very low income families.

7.4.b Eligibility

- (1) The dwelling must be within the Newberg city limits.
- (2) The dwelling must be rented to low or very low income families or individuals, or owned by low to very low income families according to income guidelines established by the Affordable Housing Commission. Preference will be given to units to very low income families or individuals.
- (3) Repairs shall improve the overall livability of the dwelling by addressing health and safety issues and by making the home more energy efficient and affordable. Priority is placed on the repairs needed to make the home safe and to prevent further deterioration and escalated costs if left unattended. Typical examples of these projects include new roofs, new windows, new electrical wiring, heating system repair/replacement, and utility repairs.
- (4) The applicant shall demonstrate sufficient matching funds according to guidelines established by the Affordable Housing Commission.
- (5) The applicant shall demonstrate that the rehabilitation and repair could not be accomplished using conventional loan programs.

7.4.c Project Match. Applicant must demonstrate and commit sufficient matching funds to secure the grant. Matching funds shall be based on a minimum one-third of the project costs, unless otherwise recommended by the NAHC and approved by the City Council. The maximum NAHTF grant amount is 50% of the project cost.

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7.4.d. Grant Terms

- (1) Grants are available in amounts ranging between \$200.00 and \$1,000.00.
- (2) Grants may be for multiple projects under the manufactured home rehabilitation and repair program. Grant are available up to \$10,000.00 for multiple projects. This amount may be increased up to \$12,000.00 if the need for repairs is justified, if the Newberg Affordable Housing Commission recommends the City Council increase the grant amount, and if adequate matching funds are established.
- (3) The applicant shall enter into an agreement guaranteeing the manufactured homes will only be occupied by families or individuals meeting the income guidelines for the grant for XXXX years.

7.4.e. Process

- (1) City staff shall assess the project proposals to determine if the eligibility criteria are met and shall develop a recommendation to provide to the Newberg Affordable Housing Commission and the city council.
- (2) The Newberg Affordable Housing Commission will provide applicants the opportunity to make a presentation on their project proposal and provide community members the opportunity to comment by holding a public meeting.
- (3) The Newberg Affordable Housing Commission will develop an award recommendation to the city council using the NAHTF eligibility criteria to determine which projects best meet the city's spending priorities. Each application will be rated on a numeric scale as established in criterion of selection (Section 8).
- (4) The Newberg city council shall make a final decision on the award of Newberg Affordable Housing Trust Funds.
- (5) The City of Newberg shall prepare an agreement between the city and the grant award recipient. The agreement shall outline the conditions of award and shall be executed prior to the disbursement of any Newberg Affordable Housing Trust Funds.
- (6) An award granted to an applicant may be rescinded by the city if the applicant does not initiate the activities identified in grant request.
- (7) The applicant shall complete all rehabilitation and repairs within one year of grant award.

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SECTION 8. NAHTF Competitive Grant or Loan Award Threshold and Selection Criteria

- 8.1 The project is considered an eligible use or activity under Section 3, and benefits households earning less than 80% the area median income (threshold verification).
- 8.2 If the project is related to the provision of technical assistance to affordable housing providers, the use of Newberg Affordable Housing Trust Funds functions to

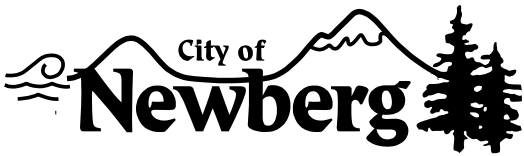
increase the capacity of the organization to specifically address the mission of the NAHTF (threshold verification).

- 8.3** Newberg Affordable Housing Trust Funds shall be limited to the minimum amount necessary to complete the project. The lower the percentage of NAHTF funds requested, relative to the full project costs, the higher ranking the project shall be given.
- 8.4** The project addresses the unmet housing needs as identified in the Housing Element of the Newberg Comprehensive Plan.
- 8.5** The lower the income level that is targeted for the benefitting households, the higher the ranking the project shall be given.
- 8.6** The project provides new affordable housing, or new affordability, through retention or rehabilitation of existing housing, within the city. The greater the number of units provided, the higher the ranking the project shall be given.
- 8.7** The project retains the affordable housing units as affordable. The longer period of time the units remain affordable, the higher ranking the project shall be given.
- 8.8** The project addresses energy conservation through the integration of green building technologies in new construction, or achieves greater energy efficiency through rehabilitation of existing housing.
- 8.9** The project maximizes partnerships in the community (volunteers, in-kind contributions, cash contributions, multiple organization involved, etc).
- 8.10** The project utilizes already existing resources in effective and innovative ways. The project shall not duplicate service provided by another organization.
- 8.11** The agency submitting the proposal has the capacity to carry out the project and has had demonstrated successes completing projects of similar scope.
- 8.12** The budget and timeline are thorough and realistic.
- 8.13** The project is ready for implementation.
- 8.14** 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 (i.e. Community Development Block Grants or HOME) they should carefully review procurement requirements and limitations before obtaining a purchase option.

- 8.15 The 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.
- 8.16 The proposal demonstrates that Newberg Affordable Housing Trust Funds are the most appropriate funding source, and necessary, for the project.
- 8.17 Additional selection criteria may be developed and included in the annual RFP to best direct Newberg Affordable Housing Trust Funds toward an identified priority need. Numeric rankings for each of the selection criteria shall be incorporated into the annual RFP.

SECTION 9. Fund Revenue

- 9.1 The city manager is directed to create a new budget department code within the existing Fund 14 for monies within the NAHTF. Monies within the budget under line 14-4120-602000, Housing Authority Loans, shall be placed in this new department code.
- 9.2 All new revenue brought into the NAHTF shall be done so with the approval of the city council.



Community Development Department
P.O. Box 970 ▪ 414 E First Street ▪ Newberg, Oregon 97132
503-537-1240 ▪ Fax 503-537-1272 ▪ www.newbergoregon.gov

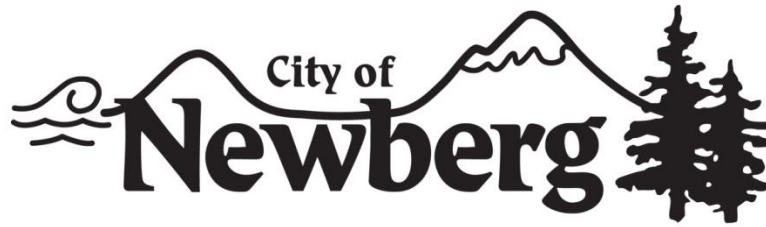
MEMORANDUM

TO: Newberg Affordable Housing Commission
FROM: Doug Rux, Community Development Director
SUBJECT: Draft Notice of Funding Availability
DATE: July 26, 2016

Attached is the draft Notice of Funding Availability (NOFA) for the Newberg Affordable Housing Trust Fund. The material reflects the approach taken last year for the NOFA where the Commission chose to not solicit for grants, instead focusing on loans.

On April 26, 2016 the Affordable Housing Commissions discussed modification to the Policies and Procedures for Administration of Newberg's Affordable Housing Trust Fund. The focus of the discussion was to add language that would allow grants or loans for repair and maintenance work on manufactured homes within the community that are providing housing for low-moderate income families. The draft NOFA does not include this grant program as the Commission has not finalized a recommendation to the City Council on amending the Policies and Procedures. If the Commission wants to include a grant program in its NOFA recommendation to the City Council the City Council will first need to take action on the amendments to the Policies and Procedures. This is anticipated to occur on August 15, 2016. There will also need to be an adjustment to the FY 2016-2017 budget if grant funding is proposed. A track changes version of the NOFA is attached for your review. We will discuss this draft at the meeting with the intent to formalize an official recommendation to the City Council.

Attachment: 1. Draft Notice of Funding Availability Application
2. Newberg Graphic Notice
3. Website Notice



**Newberg Affordable Housing Trust Fund
Funding Request Application
FY 201~~6~~5-201~~7~~6 Competitive Awards Loan Program**

NOTE: The first round of applications are due **December 6~~1~~5, 201~~6~~5 at 4:30 p.m.** Applications are to be submitted to Doug Rux, Community Development Director by email at doug.rux@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.

If you would like to request a Word format version of this application please contact **Doug Rux** at doug.rux@newbergoregon.gov

Project name:

Organization name:

Is your organization a for-profit or non-profit?

Contact name/title:

Mailing address:

Telephone:

Email address:

Total project cost:

Requested amount of funding: Please specify amount of loans you are requesting.

Amount and description of matching resources being contributed to the project:

Project partners and their contributions to the project:

Estimated project beginning and completion date:

Please briefly describe the affordable housing problem you are trying to solve and how your project help in solving that challenge:

Please describe how your project will address the Competitive Awards Selection Criteria described in “Attachment A” of this form, including additional documentation/evidence as needed:

Newberg Affordable Housing Trust Fund

FY 20165-20176 Competitive Awards Program 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 area median income (threshold verification)*.	NA
2. If the project is related to the provision of technical assistance to affordable housing providers, the use of Newberg Affordable Housing Trust Funds functions to increase the capacity of the organization to specifically address the mission of the NAHTF (threshold verification).	NA
4. The project is ready for implementation.	NA
5. 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 (i.e. Community Development Block Grants or HOME) they should carefully review procurement requirements and limitations before obtaining a purchase option.	NA
6. 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
7. The proposal demonstrates that the Newberg Affordable Housing Trust Funds and other funding sources, if applicable, are necessary for the project.	NA
Scored Application Criteria	
10. The project provides new affordable housing, or new affordability, through retention or rehabilitation of existing housing, within the city.	Up to 10 points
11. The project retains the affordable housing units as affordable. The longer period of time the units remain affordable, the higher ranking the project shall be given.	Up to 15 points
12. The project addresses energy conservation through the integration of green building technologies in new construction, or achieves greater energy efficiency and cost savings to tenants through rehabilitation of existing housing.	Up to 5 points
13. The project maximizes partnerships in the community (volunteers, in-kind contributions, cash contributions, multiple organization involved, etc.).	Up to 5 points
14. 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
15. The agency submitting the proposal has the capacity to carry out the project and has had demonstrated successes completing projects of similar scope.	Up to 10 points
16. 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	65 100

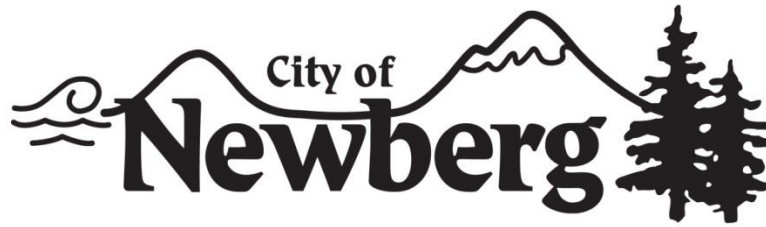
*FOR 20165, the Median Household Income for the City of Newberg was \$54,8569,528.

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 Household Income” (MHI) 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.



Notice of Funding Availability Newberg Affordable Housing Trust Fund Fiscal Year 201~~65~~ - 201~~76~~

The Newberg Affordable Housing Trust Fund (NAHTF) has funding available for the current fiscal year ending June 30, 201~~76~~. Funds are available to organizations (non-profit and for-profit) and individuals that provide affordable housing and/or related services within Newberg. Funds are to assist with the creation/acquisition of new affordable housing or the maintenance of existing affordable housing inventory within the community. Up to approximately \$25,000 in loans are available from the NAHTF.

Deadlines:

For the first application cycle deadline of December ~~615~~, 201~~65~~, the NAHC will consider awarding loan awards totaling up to \$25,000 (\$12,500 for the Competitive Loan Program, and \$12,500 for the Time Sensitive Loan Program and Rental Rehabilitation Loan Program combined).

If funds remain following the first application cycle, or if the NAHTF fund is replenished, the City of Newberg may consider solicitation of a second round of -loan funds prior to the end of the fiscal year.

For a more detailed description of this NOFA, please visit the following website link ([add link](https://www.newbergoregon.gov/planning/affordable-housing-loans-available-2015-2016)) <https://www.newbergoregon.gov/planning/affordable-housing-loans-available-2015-2016> or visit City Hall at 414 E. First Street. For questions about the NAHTF, please contact Doug Rux at 503-537-1212 or at doug.rux@newbergoregon.gov, P.O. Box 970 Newberg, OR 97132.

*FOR 201~~65~~, the Median Household Income for the City of Newberg was \$54,8569,528.

DEFINITIONS:

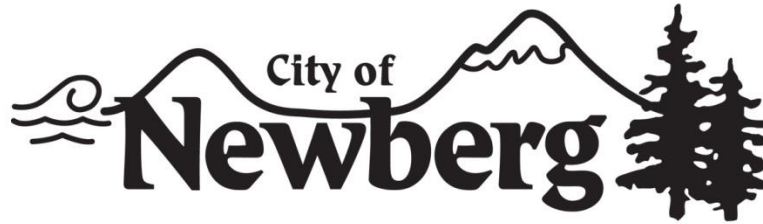
“Gross Income” (GI) is income before taxes for all members of one family in the previous twelve

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 Household Income” (MHI) 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:



Notice of Funding Availability Newberg Affordable Housing Trust Fund Fiscal Year 20165 - 20176

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 to assist with activities that will assist with the creation/acquisition of new affordable housing or the maintenance of existing affordable housing inventory within the community.

Funding Availability by Program

Funding of up to \$25,000 is available for the fiscal year ending June 30, 20176 for the following programs:

Competitive Loan Program: At least \$12,500 -is available for this program. This program provides loans for projects that create, acquire, or retain affordable housing in the city.

Rental Rehabilitation Loan Program: Up to \$12,500 is available for this program. This program provides loans to landlords so they can rehabilitate dwellings and make them safe and decent for rental to low or very low income families. Loans are available in amounts ranging between \$5,000 and \$15,000, and may be increased up to \$25,000 if recommended by the Newberg Affordable Housing Commission (NAHC) and approved by the City Council. The standard loan term is five years. The standard interest rate is 2% below prime rate. Applicants seeking funding assistance must be willing to enter into a contractual agreement with the city to ensure the future affordability of the project units for a specific period of time. Applications will be accepted at any time during the fiscal year.

Time Sensitive Loan Program: Up to \$12,500 is available for this program. This program offers loans for projects that create, acquire, or retain affordable housing in the community that have particular needs that are opportunity driven and time sensitive. The standard loan term is two years. The standard interest rate is 2% below prime rate. Security shall be demonstrated based upon 80% loan to value ratio based on the most current County Assessor records. These funds are available on a first come/first served basis, subject to approval.

Deadlines:

For the first application cycle deadline of December 15, 2016~~5~~, the NAHC will consider awarding loan awards totaling up to \$25,000 (\$12,500 for the Competitive Loan Program, and \$12,500 for the Time Sensitive Loan Program and Rental Rehabilitation Loan Program combined).

If funds remain following the first application cycle, or if the NAHTF fund is replenished, the City of Newberg may consider solicitation of a second round of loan funds prior to the end of the fiscal year.

What is the Newberg Affordable Housing Trust Fund (NAHTF)?

The NAHTF is a financial resource intended to support the development, preservation, and rehabilitation of affordable housing that is affordable to the citizens of Newberg. The primary purpose of the NAHTF is to encourage the development, preservation, and rehabilitation of housing for homeownership or rent, at a cost that will enable very low, low and moderate-income families to afford quality housing while paying no more than thirty percent of gross household income on housing. To promote the rehabilitation, preservation and production of quality, well-designed rental and ownership housing, the NAHTF will award funds to community development partners that are furthering the NAHTF mission. It is expected that the local contributions made through Newberg's Affordable Housing Trust Fund will maximize the leveraging of state and federal funds, as well as encourage private sector investment in affordable housing.

The City of Newberg defines affordable housing as residential housing primarily for households or persons earning less than 80% of the median area income (MHI) and where housing and/or rental costs do not constitute more than 30% of a household's income. MHI 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.

What are the eligibility requirements?

*FOR 2016~~5~~, the Median Household Income for the City of Newberg was \$54,8569,528.

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 Household Income” (MHI) 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.

How was the NAHTF created?

The creation of a NAHTF was a proposal identified in the Newberg Affordable Housing Action Plan. This Plan was created by an ad-hoc committee created by the Newberg City Council, which consisted of from a wide range in interests in community interested in the development and preservation of affordable housing. The Plan was adopted by Council via Resolution No. 2009-2843. A subsequent Newberg Affordable Housing Action Committee was appointed by the City Council to further develop the action items listed in the Plan, including the creation of an affordable housing trust fund. The Committee created a multiple documents for consideration of adoption by the Council. In 2012, the Council adopted Ordinance No. 2012-2749, establishing the NAHTF as well as Resolution No. 2012-2988, establishing the policies and procedures for the administration of the NAHTF which later amended by —Resolution No. 2015-3202 and Resolution No. 2015-3211.

Who can access funding from the NAHTF?

Eligible recipients of resources from the NAHTF 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 NAHTF?

The Newberg Affordable Housing Trust Funds can be provided as either a grant or a loan depending on the project or program receiving funding.

To retain a significant degree of flexibility, the eligible uses have a broad application including the following:

Acquisition and construction of new affordable housing. Eligible acquisition and construction costs include reasonable costs associated with building or land purchase, including but not limited to:

- Purchase price
- Option costs
- Financing fees including but not limited to the recording of trust deeds and promissory notes, title searches, and other third party costs related to securing the loan.
- Appraisal costs
- Closing costs
- Inspection fees
- Title insurance
- Relocation costs
- Architectural/engineering fees
- Permit fees
- System development charges
- Construction costs

Conservation of energy through the use of “green” technologies provided that the benefits of the energy savings is passed on in the form of reduced costs to the qualified occupants of the affordable housing.

Land banking to include the purchase of land to be dedicated toward the development of affordable housing in the near or long-term.

Predevelopment activities undertaken by a community development organization in support of the development of affordable housing including planning, architectural services, engineering services, landscape design, legal services, surveys, appraisals, site clearance and demolition, environmental clearance, permit application fees and system development charges. Grant funding for these types of activities may be required to convert to a loan if the project receives

full funding. For-profit developers are not eligible to apply for Newberg's Affordable Housing Trust Funds to assist with predevelopment costs.

Bridge loans to assist in development of affordable housing (for rental or owner occupancy). Bridge loans are intended to provide funding to permit housing projects to proceed in advance of the availability of permanent project funding. Bridge loan funding is available for acquisition or construction activities.

Capacity building for non-profit affordable housing providers in the form of direct grant awards to fund administration of an affordable housing project or program.

Rehabilitation and emergency repairs as part of an established program to secure units as affordable or to provide direct benefits to existing very low to moderate income households. Eligible rehabilitation and emergency repair costs include but are not limited to:

- Architectural/engineering fees
- Consultations
- Construction costs
- Relocation costs
- Financing fees including but not limited to the recording of trust deeds and promissory notes, title searches, and other third party costs related to securing the loan.
- Hazardous materials abatement including lead based paint noticing consistent with the Federal Lead Safe Housing Regulations HUD requirements at 24 CFR §35

Rehabilitation loans to the owners of owner-occupied dwellings are not eligible uses of the NAHTF.

Direct benefits to very low to moderate income households through an established program including down payment assistance, rental assistance, mortgage foreclosure prevention, emergency housing vouchers, homeownership training, renter education, or other programs intended to increase housing opportunities for Newberg's low to moderate income residents.

Transitional and emergency housing for homeless individuals and families through an established program to move people toward self-sufficiency.

Educational programs and services for potential home owners and renters.

Other uses as deemed appropriate by the Newberg City Council as supporting the development or preservation of affordable housing within the City of Newberg.

How does one apply for funding under NAHTF?

The application form for funding under the NAHTF can be found at (city web site link) or may be picked up at the Newberg City Hall at 414 E. First Street.

Who do I contact with questions about the NAHTF?

For questions about the NAHTF, please contact Doug Rux -at 503-537-1212 or at
Doug.Rux@newbergoregon.gov , P.O. Box 970 Newberg, OR 97132