

NEWBERG AFFORDABLE HOUSING

ACTION COMMITTEE

Wednesday, February 23, 2011

7 p.m. to 9 p.m.

Newberg City Hall

Permit Center Conference Room

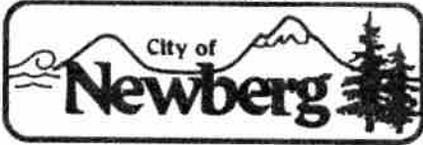
414 E. First Street. Newberg. OR

- I. Open meeting
- II. Roll call
- III. Approval of Meeting Minutes/Summaries
 - a. Full Committee – October 27, 2010 (Pending)
 - b. City Housing – December 8, 2010
 - c. Legislative Subcommittee – January 26, 2011
 - d. Education Outreach – February 9, 2011
 - e. Joint Fees/Finance and City Housing – January 12, 2011
- IV. City Housing Program
 - a. Housing Trust Fund
- V. Fees/Finance
 - a. Financing Mechanism for Housing Trust Fund
 - b. Approval of Vertical Housing Zone Concept
- VI. Legislation
 - a. Annexation Ordinance
 - b. Housing Occupancy and Maintenance Standards
 - c. Manufactured Housing Park Retention – Urban Renewal Tool
- VII. Education/Outreach
 - a. Tool Loan Library
 - b. Housing Resource Center
 - c. Renter certificate program
- VIII. Committee Presentation to Council
- IX. Next Steps
 - a. Proposals for future meetings
- X. Other Business
- XI. Adjourn

ATTACHMENTS:

1. Revised Housing Trust Fund Ordinance/Resolution Language
2. Proposed Action Item Memos From Subcommittees
3. Meeting Minutes/Summaries
 - a. Full Committee – October 27, 2010
 - b. City Housing – December 8, 2010
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**NEWBERG AFFORDABLE HOUSING
ACTION COMMITTEE**

Wednesday, October 27, 2010

7 p.m. to 9 p.m.

Newberg City Hall

Permit Center Conference Room

414 E. First Street, Newberg, OR

I. OPEN MEETING

II. ROLL CALL

INFORMATION ONLY

III. CONSENT CALENDAR: APPROVAL OF THE FOLLOWING FULL COMMITTEE MEETING MINUTES AND SUBCOMMITTEE MEETING SUMMARIES:

- A. Affordable Housing Action Committee – July 14, 2010
- B. Legislative Subcommittee meeting summary – August 25, 2010
- C. City Housing Program Subcommittee meeting summary – None
- D. Education/Outreach Subcommittee meeting summaries – August 11 and September 8, 2010
- E. Fees/Finance Subcommittee meeting summary – None

IV. CITY COUNCIL ACTIONS

- a. Review of City Council action on Development Code Amendments at Sept. 7 and Oct. 18, 2010 City Council mtgs.
- b. November 1, 2010 – Report to City Council

V. HOUSING TRUST FUND

- a. Funding sources
- b. Eligible Fund projects

VI. LEGISLATION SUBCOMMITTEE REPORT

VII. CITY HOUSING PROGRAM SUBCOMMITTEE REPORT

VIII. EDUCATION/OUTREACH SUBCOMMITTEE REPORT

IX. FUTURE MEETINGS SCHEDULE

X. OTHER BUSINESS

XI. ADJOURN

ATTACHMENTS: Report on possible sources of funding for Housing Trust Fund
Report on Manufactured Home Park zoning
Affordable Housing Action Committee – July 14, 2010
Legislative Subcommittee meeting summary – August 25, 2010
Education/Outreach Subcommittee meeting summaries
August 11 and September 8, 2010
Proposed meeting schedule
Draft Committee status report

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**NEWBERG AFFORDABLE HOUSING
ACTION COMMITTEE – CITY HOUSING PROGRAM SUBCOMMITTEE
Meeting Summary for Wednesday, December 8, 2010
7 p.m. to 9 p.m.
Newberg City Hall
Permit Center Conference Room
414 E. First Street, Newberg, OR**

I. Open meeting. David Beam opened the meeting.

II. Roll Call. Subcommittee Attendees: Rick Rogers
Cathy Stuhr
Charlie Harris

Absent members: Ken Austin, Jr

City Staff: David Beam, Economic Development Planner

III. Housing Trust Fund – Review of Draft Ordinance and Resolution – The Subcommittee reviewed the documents included in the meeting packet. The Subcommittee made multiple changes, which can be seen in revised version in Attachment 1.

IV. Other Business - None

V. Next Meetings:

Joint meeting of the City Housing/Fees and Finance Committees: Wednesday, January 12, 2011 at 7:00 pm in City Hall (Permit Center Conference Room.)

Full Committee: Wednesday, February 23, 2010 at 7:00 pm in City Hall (Permit Center Conference Room.)

VI. Adjourn: 8:50 p.m.

Approved by the Affordable Housing Action Committee on this 23rd day February, 2011.

City Housing Program Subcommittee Secretary

Attachments: Housing Trust Fund Order & Resolution (draft)

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ORDINANCE NO. ???

AN ORDINANCE AMENDING THE NEW MUNICIPAL CODE, ADDING A NEW SECTION ESTABLISHING AN NEWBERG AFFORDABLE HOUSING TRUST FUND

RECITALS:

1. Chapter II. Section 5 of the Newberg City Charter provides:

Powers. The City has all powers that the constitutions, statutes, and common law of the United States and Oregon expressly or impliedly grant or allow the city, as fully as though this charter specifically enumerated each of those powers.

2. The above referenced grant of power has been interpreted as affording all legislative powers home rule constitutional provisions reserved to Oregon Cities. City of Beaverton v International Ass'n of Firefighters, Local 1660, Beaverton Shop 20 OR. App. 293,531 P2d 730, 734 (1975).
3. The City Council of the City of Newberg has determined that in order to protect the health, safety and welfare of existing and future residents of Newberg who are adversely impacted by the lack of housing available to all income types, specifically very low, low, and moderate income households, it is necessary to establish a fund to support the development, preservation, and rehabilitation, of needed housing types within the City.
4. The Newberg City Council recognizes that for a healthy community the provision of a range of affordable housing opportunities and funding mechanisms for affordable development is a priority for the City of Newberg; and
5. The Newberg City Council has determined that neither the private market, nor the public sector has yet provided the levels of housing affordability necessary to maintain a balanced community, local government must take an active lead to ensure an adequate supply of housing for residents and working people of all income levels.

THE CITY OF NEWBERG ORDAINS AS FOLLOWS:

SECTION 1. A new section under Title 3 Administration is hereby added to the Newberg Municipal Code to read as follows:

Chapter 36.80 NEWBERG AFFORDABLE HOUSING TRUST FUND

36.81 PURPOSE

(A) 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 100% 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 the cost that will enable very low, low and moderate-

income families to afford quality housing while paying no more than thirty per cent of gross household income on housing.

(B) NAHTF funds will support activities that create, preserve or acquire affordable housing within the Newberg city limits. NAHTF funds also may be used for permanent or transitional housing for homeless families and individuals, and for the modernization, rehabilitation and repair of public housing.

(C) The NAHTF is not intended to be the sole source of funding for affordable housing, and any activity or project eligible for support from the NAHTF is expected to develop additional sources of funds.

(D) To achieve the purposes of the NAHTF, it is the goal of the City to operate a fund that is strong and effective.

36.82 DEFINITIONS

The following words and phrases whenever used in this chapter shall be construed as defined in this section unless from the context a different meaning is intended.

(A) Newberg Affordable Housing Trust Fund (NAHTF) means a separate account created by the City Finance Department established by this ordinance and used exclusively for NAHTF purposes as set forth in this ordinance and implementing resolutions of the Council.

(B) Administrative Procedures mean the procedures for administration of the NAHTF established by Resolution of the City Council, including but not limited to procedures which outline application, evaluation, and all other associated procedures for administration of the NAHTF.

(C) Affordable Housing means residential housing primarily for households or persons earning less than 100% the area median income where housing costs or rent do not constitute more than 30% the household income, and as more fully defined per Newberg Code Section XXX.

(D) Eligible uses and Activities mean those uses for the NAHTF which are set forth in an implementing resolution of the City Council, such uses including but not limited to uses and activities which facilitate the production and preservation of affordable housing within Newberg's city limits.

(E) Affordable Housing Priorities mean priorities established from time to time by the City Council by Motion, Order or Resolution, to guide the allocation of funds from the NAHTF.

36.83 ESTABLISHMENT OF NEWBERG AFFORDABLE HOUSING TRUST FUND/USE OF FUNDS

(A) There is hereby established and created an Newberg Affordable Housing Trust Fund (NAHTF). The Fund is a separate account established by the City of Newberg Finance Department for purposes consistent with this ordinance. The Fund will provide a discrete account for earmarked affordable housing funds and dedicated affordable housing funds.

(B)The NAHTF allows for dedicated funds to be used in support of affordable housing priorities through receipt of donations and dedicated revenue streams, including but not limited to donations, grants, sale of surplus city property, or any other revenue sources approved by the Newberg City Council.

(C)Distribution of funds shall be in accordance with the policies and procedures adopted by resolution of the Newberg City Council

36.84 ESTABLISHMENT OF POLICIES AND PROCEDURES

The Administrative Procedures associated with the NAHTF, including fund administration, determination of eligible applicants, eligible uses and activities, award preferences, eligibility criteria, award process, and selection criteria are initially approved by the city Council per establishment of Resolution 2011-???, and may be amended from time to time.

SECTION 2. Severability. The sections, subsections, paragraphs and clauses of this ordinance are severable. The invalidity of one section, subsection, paragraph or clause shall not affect the validity of the remaining sections, subsections, paragraphs and clauses.

SECTION 3. Codification. Provisions of this ordinance shall be incorporated in the City Code and the word "ordinance" may be changed to "code", "article", "section", or another word, and the sections of this ordinance may be renumbered, or re-lettered, provided however that any clauses and boilerplate provisions (i.e. Chapters 2-3) need not be codified and the City Recorder is authorized to correct any cross-references and any typographical errors.

➤ **EFFECTIVE DATE** of this ordinance is 30 days after the adoption date, which is: _____, 2011.

ADOPTED by the City Council of the City of Newberg, Oregon, this ____ day of _____, 2011, by the following votes: **AYE:** **NAY:** **ABSENT:** **ABSTAIN:**

Norma I. Alley, City Recorder

ATTEST by the Mayor this ____ day of _____, 200x.

Bob Andrews, Mayor

LEGISLATIVE HISTORY

By and through _____ Committee at ____ / ____ /2011 meeting. Or, ____ None.
(committee name) (date) (check if applicable)

RESOLUTION NO 2011-???

A RESOLUTION ESTABLISHING POLICIES AND PROCEDURES FOR ADMINISTRATION OF THE CITY OF NEWBERG'S AFFORDABLE HOUSING TRUST FUND

RECITALS:

1. The City of Newberg City Council approved the establishment of the Newberg Affordable Housing Trust Fund (Ordinance XXX), to keep our community diverse and healthy by facilitating the production and preservation of affordable housing throughout Newberg.
2. The policies and procedures for administration of the Newberg Affordable Housing Trust Fund establish eligible uses, eligible applicants, the method by which funds are awarded, and selection criteria.
3. The City Council understands the changing nature of the housing market and corresponding housing needs, and therefore has established the policies and procedures for administering the Newberg Housing Trust Fund (NAHTF) to remain flexible to respond to changing market conditions and opportunities.

THE CITY OF NEWBERG RESOLVES 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 100% 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 encouraging the development, preservation, and rehabilitation of housing for homeownership or rent, at the cost that will enable very low, low and moderate-income families to afford quality housing while paying no more than thirty per cent 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 assist in maximizing 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 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 100% the Area Median Income as defined by the Newberg Planning and Building Director, using the best available data.

- 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 organization, 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 100% of the area median income, as defined by the Newberg Planning and Building Director, using the best available data.
- 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 program, 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 an/or ongoing sustainability for 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 Code Section XXX, 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 Code Section XXX for proposed projects it wishes to support and deems furthers 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

- Appraisal costs
 - Closing costs
 - Interest
 - 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:** 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-moderate income households. Eligible rehabilitation and emergency repair costs include but are not limited to:
- Architectural/engineering fees
 - Consultations
 - Construction costs
 - Relocation costs
 - Hazardous materials abatement including lead based paint noticing consistent with the Federal Lead Safe Housing Regulations HUD requirements at 24 CFR §35
- 3.5.h. Direct benefits** to very low-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-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.

SECTION 4. Program Goals

- 4.1.** To help maintain the effectiveness and long-term viability of the NAHTF, preferences 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, reduced storm water runoff, and incorporation of 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 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 anytime 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 Newberg 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 three members appointed by the Mayor. 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 twice a year 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.

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 more than 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 City 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 A recipient of an NAHTF grant that fails to verify the match requirements have been satisfied at the conclusion of a project may be considered cause for the City to require full or partial repayment of any NAHTF grants awarded to a project.

6.2 Approved loans provided by the NAHTF may cover up to 100% of a project's costs

SECTION 7 Allocation of Funds

The Newberg Affordable Housing Trust Fund is structured to allow the flexibility for the City and housing providers. The establishment of three distinct and separate award processes is intended to provide for both consistency and flexibility of the NAHTF program. Annually, the City shall annually 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 July 1st of the year.

First, there is the Competitive Awards Program. Annually, the City may 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 request 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. 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 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.

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 has been established and a set of award criteria shall be developed 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 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 Housing Commission and the City Council.
- 7.1.c. The Newberg 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 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. A reserve 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 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 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 Section 3.
- 7.2.b. Project Security. Applicant must demonstrate and commit sufficient collateral to ensure the security of the loan.
- 7.2.c. Loan Terms. Loan terms will be customized to fit the particular needs of the project.
- 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 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 housing trust funds to local landlords so they can rehabilitate dwellings and make them safe and decent for rental to 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, 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 home 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 Loan Terms

- (1) The standard loan amount is \$15,000. This amount may be increased up to \$25,000 if the need for repairs is justified and 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 seven years.
- (5) The applicant shall pay a loan processing fee equal to 1 percent (1%) of the loan or \$100, whichever is greater.
- (6) Standard loan terms may be modified by approval of the Affordable Housing Commission.
- (7) The applicant shall enter into an agreement guaranteeing the dwelling will only be occupied by families or individuals meeting the income guidelines.

7.3.d 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

SECTION 8 NAHTF Grant or Loan Award Threshold and Selection Criteria

- 8.01** The project is considered an eligible use or activity under Section 3, and benefits households earning less than 100% the Area Median Income (threshold verification).
- 8.02** If the project is related to the provision of technical assistance to affordable housing providers, the use of Newberg Housing Trust Funds functions to increase the capacity of the organization to specifically address the mission of the NAHTF (threshold verification).
- 8.03** 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.
- 8.04** The project addresses the unmet housing needs as identified in the Housing Element of the Newberg Comprehensive Plan.
- 8.05** The lower the income level that is targeted for the benefitting households, the higher the ranking the project shall be given.
- 8.06** 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.
- 8.07** 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.
- 8.08** 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.
- 8.09** 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 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.
- 8.16 The proposal demonstrates that Newberg 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.

➤ **EFFECTIVE DATE** of this resolution is the day after the adoption date, which is: _____, 2011.

ADOPTED by the City Council of the City of Newberg, Oregon, this ____ day of _____, 2011.

Norma I. Alley, City Recorder

ATTEST by the Mayor this _____ day of _____, 2011.

Bob Andrews, Mayor

LEGISLATIVE HISTORY

By and through _____ Committee at ____ / ____ /2011 meeting. Or, ___ None.
(committee name) (date) (check if applicable)

**NEWBERG AFFORDABLE HOUSING
ACTION COMMITTEE – LEGISLATION COMMITTEE
Meeting Summary for Wednesday, January 26, 2011
4 p.m. to 6 p.m.
Newberg City Hall
Permit Center Conference Room
414 E. First Street, Newberg, OR**

I. Open meeting. Steve Olson opened the meeting.

II. Roll Call. Subcommittee Attendees: Doug Bartlett
Denise Bacon

Absent members: Mike Gougler

City Staff: Steve Olson, Associate Planner
Cody Gardner, Code Enforcement Officer
Barton Brierley, Planning & Building Director

III. Discussion - Housing Occupancy and Maintenance Standards

Cody Gardner discussed a potential property maintenance ordinance. He is considering proposing an ordinance based on the International Property Maintenance Code. The proposal would set standards for maintenance of rentals, including safety.

Denise did not want to enforce in the way homeowners associations have a reputation to enforce.

Cody said a question would be to whom a maintenance code would apply: renters, larger apartment complexes, or single family home rentals. Cody said perhaps the property maintenance code could apply to those who want to have occupancy of more than one family.

Cody said Gresham has a similar code that was put in place a few years ago. He is doing a ride along there. The committee was interested in hearing a report from this ride along.

Barton said a provision could be made to prevent overparking. Denise didn't want to limit legal parking on the street. The committee noted that some parking issues were more perceived than real.

Doug wanted to make sure the ordinance could show benefits to the community and have the support of the community. He thought the community would embrace a focus on health and safety issues, which would benefit tenants, tenants' children, neighbors, and even landlords.

Cody said it would be similar to the HUD inspections, except it would be both interior and exterior issues.

IV. Other business

Doug brought up manufactured home park maintenance, and the concept of using urban renewal to insure their ongoing survival. Doug suggested that a white paper be written and brought to the Planning Commission. Doug said we needed to address the problem before the crisis occurs.

VI. Adjourn: 4:55 p.m.

**Approved by the Affordable Housing Action Committee – City Legislation Subcommittee
this 23rd day February, 2011.**

Legislation Subcommittee Secretary

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**NEWBERG AFFORDABLE HOUSING
ACTION COMMITTEE –EDUCATION/OUTREACH SUBCOMMITTEE
Wednesday, February 9, 2011
4 p.m. to 6 p.m.
Newberg City Hall
Permit Center Conference Room
414 E. First Street, Newberg, OR**

I. Open meeting. Mr. Beam opened the meeting at 4:15 pm.

II. Roll Call. Subcommittee Attendees: Denise Bacon
Cathy Stuhr
Doug Bartlett
Stuart Brown (arrived at 4:30 pm)

Absent members: None

Guest: None

City Staff: David Beam, Economic Development Planner

III. Review of January 12, 2011 meeting summary – Motion to accept the summary in the meeting packet as presented (Stuhr/Bacon). Vote was unanimous.

IV. Revised Proposed Housing Resource Center Vision Statement – Committee members approved of the revision as presented.

Mr. Beam reported that he had visited with Leah Griffith regarding using the Library to host the Center. Ms. Griffith felt they should be able to find a spot for the Center. While she didn't want to tie up a computer just for use by the Center, access to general use computers is easy. Cathy suggested that slips of paper with the web addresses of important contacts should be available for Center users to take to available computers. David said he had the same idea as well. David reported that the Planning Division may be getting a GFU intern, and that the intern may be able to help with the setup of the Center.

As for the Center website, Doug felt that we should try to anticipate common questions by users and make direct links to those questions so as to reduce the level of hunting for answers by the users. Doug also asked if the HAYC had a toll free line for Newberg users. Cathy suggested that the Chamber of Commerce should have information about the Center available for their visitors.

V. Review of Draft Homeowner's Maintenance Manual – The Committee reviewed the revision in the meeting packet as well at the alternative Cathy found online. The Committee members basically liked both approaches but weren't sure how if they should both should be used and if so, how. Cathy said since she use to do technical writing, she

would think about how hard it would be to combine both together into one document. The Committee will revisit this question at the next meeting.

David said he contacted the authors of the document Cathy found online. The authors were lawyers from Eugene. While the authors were supportive of what we were trying to accomplish, they weren't yet ready to provide us an answer as to whether or not we could use the document template. David said he would try to contact them again and get an answer.

- VI. Tool Lending Library** – David said he spoke to Rick Rogers about the idea and Rick thought Habitat would be willing to host this program. Rick said he would talk to his board about this idea. Denise said the Rick had talked to the Habitat board about this already and the Board initially responded positively to the idea, subject to details being worked out. The Board thought it could be a year or two before they could take on the project. David suggested that it would be nice to begin collecting donated tools for the library and asked Doug, who manages Habitat's Re-Store, if there was room to store donated tools till the program could get underway. Doug was unsure and said that this was an issue that would have to be worked out with the Habitat Board. Denise said she thought she had a list of tools used in an existing tool library and would try to find the list for us. She also mentioned that Michelle ? (wife of owner of Reid Rental) is on the Habitat Board and expressed no concern about competition between this operation and a tool lending library.
- VII. Renter Training Certificate Program** – David handed out copies of information provided by Doug regarding a program like this being done in Salem. Denise said HAYC is beginning to develop such a program. All in the Committee agreed that when the program is up and running, classes should be held in Newberg as well as in McMinnville. Doug agreed to ask HAYC if he could act as a liaison between HAYC and our Committee members so we can assist with the development of the program. The Committee wanted to help ensure that the program will be of high quality and useful to the citizens of Newberg. Once the program is up and running, city staff, City Council, and and/or citizens of Newberg will need to monitor the program and ensure that the program continues having classes in Newberg. HAYC should have plenty of Newberg clients to pick from. They already have a two year waiting list for Section 8 housing. Doug said that the requirement of program participants to have a case manager is a good one; give leverage to ensure that the participant completes the class program.
- VIII. Other business** – Cathy suggested that we should develop a cost estimate the implementation of all the proposed education outreach programs: both direct costs as well as in-kind services.

Stuart said that the current housing market in Newberg is a mixed. New housing is starting to sell, but current stock is still moving slowly because most of it isn't what buyers want. He also said that the average new housing is about 20% smaller than before the housing crisis began. Doug said he would like to see developers more types of housing that buyers want and can afford (e.g. singles, boomers downsizing, etc.).

**IX. Next Meetings: Full Committee: Wednesday, February 23, 2011, at 7:00 pm in City Hall
(Permit Center Conference Room)**

Subcommittee: Unscheduled

IX. Adjourn: 5:25 pm

**Approved by the Affordable Housing Action Committee – Education/Outreach
Subcommittee this 23rd day of February, 2011.**

Education/Outreach Subcommittee Secretary

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**NEWBERG AFFORDABLE HOUSING
ACTION COMMITTEE – JOINT FEES/FINANCE AND CITY HOUSING PROGRAM
SUBCOMMITTEES**

Meeting Summary for Wednesday, January 12, 2011

7 p.m. to 9 p.m.

Newberg City Hall

Permit Center Conference Room

414 E. First Street, Newberg, OR

I. Open meeting. Barton Brierley opened the meeting.

II. Roll Call. Subcommittee Attendees: Mike Gougler, Dennis Russell, Charlie Harris, Rick Rogers, Cathy Stuhr
Absent members: Ken Austin, David Maben, Beth Keyser
City Staff: Barton Brierley, Planning & Building Director
David Beam, Economic Development Planner

III. Housing Trust Fund Revenue Sources

Barton Brierley outlined potential revenue sources for the housing trust fund.

Utility bill surcharge. Advantage is that it is spread out equally among the entire community. The disadvantage is that there recently have been significant rate increases in the recent past, and the public would be concerned about further increases.

Transient Room Tax. The benefit would be that room tax could be used to benefit the workers at tourism facilities. Barton explained that the current room tax is 6%, and the Council recently agreed to dedicate 25% of the revenue to the visitor center as an investment in the community. Any use of the current fee would simply be taking from the general fund. If the room tax were increased 1%, it potentially could raise about \$15,000 per year revenue that could be used for the trust fund.

Business license. Barton said the existing business license should be restructured in any case, because a single person shop currently pays the same as large businesses. The committee discussed whether it should be assessed on a per employee or total sales basis; the committee thought that the per employee method would be more fair. This seemed to be low hanging fruit. At \$10 average raise, this would raise \$17,500 per year. This would be a good steady source of income. The committee suggested a reduction for some small businesses. Dennis said we should show some benefit to the small businesses. The benefit was for larger businesses would be housing for employees. Mike suggested a business directory would be advantageous to the businesses who pay the tax.

CDBG Funds. David explained the CDBG entitlement program. The committee thought the community shouldn't give up the opportunity for large grants such as for a shelter.

Rick suggested as a target we try to raise \$20,000 out of business license and \$30,000 out of hotel tax. Raising the transient room tax to 8% would get the \$30,000.

The committee agreed to recommend requesting that the City Council use both a business license and the transient room tax to fund the housing trust fund, generally as Rick suggested.

Cathy clarified that proposed rental rehab was for units that would be rented to low income families and not that the money would be loaned directly to the family.

Cathy suggested that priority in grants be for goods and supplies and not labor. The committee recommended flexibility on this.

Cathy suggested that the memo should make clear that the funding is not limited to rehabilitation.

David asked about using existing housing rehab funds for the housing trust fund. Rick suggested we ask City Council to transfer those funds to the housing trust fund.

IV. Housing Trust Fund Bylaws

David explained the three suggested main programs: annual competitive program, the time sensitive program, and rental rehab program.

Rick suggested the percentages used in the meeting packet memo and the proposed bylaws should all match.

Mike suggested the fund loan officer be a bank or a credit union.

The committee discussed whether the Council should have to approve any of the grant/loan awards. Dennis suggested not taking it back to the Council. The Commission should make the decisions based on a budget approved by the Council. The NHTF commission should only have to report their actions to the Council. The committee agreed with that concept.

The fund should consider the overhead cost for administering the program. They suggested a 5% for admin fee be applied and this fee should come out of the proposed contingency fund.

Rick thought the percent of grants was low. Mike suggested starting the program as suggested, then adjusting later. The committee agreed to a target of 80% for loans, and not less than 5% for grants, 10% for contingency, and 5% for admin.

The committee then looked at the following specific changes to the bylaws:

P. 6 - "NAHTF will strive to create dedicated source"

"create, preserve, and acquire" - pick three and stick with it throughout the document.

P. 7(a) - Deleted "earmarked affordable" housing funds.

P. 8 - Capitalize City Council

When the proposed bylaws go to Council for consideration, we need to include the correct ordinance and resolution numbers.

P. 11 - Compare 3.5.a with 3.5.d. Seem similar. Should these sections stand or be different?

P. 11 - 3.5.h. Should be “very low to moderate” throughout this section.

P. 11 – 3.5.j. Add “through an existing established program.

P. 12 - 4.1.c and 4.1.g are very closely related. Can they combined?

P. 13 - 5.3 “not to be approved off-cycle”

P. 13 - 6.1.a Suggested to make it “should generally not exceed 50% target instead”. Leave some flexibility.

P. 16 – 7.3.b.2 Does this apply to all units in a development or just those rehabilitated? Group discussed whether rental rehab should be for low income only, or allow moderate income. The group liked the flexibility of allowing moderate incomes for certain cases. Preference should be for low and very low.

P. 16 – 7.3.b.3 Use should in stead of shall. Replace and with or.

P. 16 – 7.3.c.7 How will this be enforced? It was suggested that the restriction should last for term length of the loan. Should there be a pre-payment penalty? Should it be “shall” or do we give flexibility?

P. 16 – 7.3.d.2 Preference given in order: very low to moderate.

P. 17. – 7.3.d.4 Commission to make decision, not Council.

Under Section 8: Add a purpose statement; consistent with other sections.

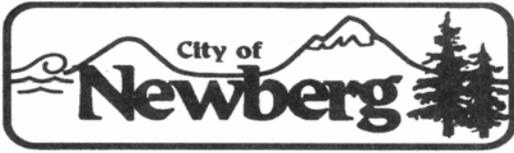
Make clear somewhere that mobile home park rehab and upgrade expenses are eligible uses for funds.

VI. Adjourn: 8:50 p.m.

Approved by the Affordable Housing Action Committee – City Fees/Finance and City Housing Program Subcommittees this 23rd day February, 2011.

Legislation Subcommittee Secretary

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MEMORANDUM

Date: February 23, 2011
To: Affordable Housing Action Committee
From: David Beam, AICP
RE: Proposed Action Items from City Housing Subcommittee

Proposed Action Item - Establishment of City Housing Trust Fund

Summary of Proposed Action – Newberg has a multitude of housing needs. Meeting those needs requires a community effort from many partners. One of the mechanisms that the City of Newberg could use to play an active role would be to provide financial assistance to affordable housing projects. To be effective over the long-term, the City would need to establish a housing trust fund, determine what projects to fund, how to administer the fund, and dedicate a revenue source towards it. Having an established fund will allow the City take advantage of opportunities as they arise. Through a housing trust fund, the City could play an important partnership role in helping to alleviate the affordable housing issue.

Proposed Action – Recommend the City Council adopt the attached bylaws for the City Housing Trust Fund.

Relationship to Affordable Housing Action Plan - This relates to Action 6.1 of the Affordable Housing Action Plan:

Action 6.1: Create a Newberg Housing Trust Fund

Newberg could create a housing trust fund. The fund could be used for a number of programs to promote affordable housing, such as:

- Housing rehabilitation loans or grants (rentals and owner-occupied)
- Purchase of land for affordable housing
- Grants to non-profit groups to purchase land or construct affordable housing
 - Home-buyer education programs
 - Direct construction of affordable housing
 - Permit fee subsidies
 - Rehabilitation consultation
 - Down payment revolving loan fund
 - Transitional housing
 - Foreclosure prevention
 - Pre-development and acquisition financing for affordable housing projects

Several sources could be used to provide money for the fund, including:

- Housing developer “affordable housing in-lieu” fees
- Commercial development affordable housing fees

- Public grants
- Foundation grants
- Charitable gifts
- City or County funds
- Asset sales, such as condemned property
- Banks
- Transient Room Tax funds
- Fee assessment through existing business license program
- Community-wide fee assessment

Exact program fund uses and funding sources should be determined as part of the trust fund formation process. The Affordable Housing Ad Hoc Committee recommends that rehabilitation of rental properties should be a high priority for the funds.

Responsible parties: The trust fund could be set up under the City, under an existing agency, such as the Housing Authority of Yamhill County or Mid-Willamette Valley COG, or under a new non-profit.

Experience from other communities - Many communities across the country have housing trust funds. More frequently, they exist in larger cities. The Action Committee has looked at the program in Ashland, Oregon as a model.

Attachments - Revised draft housing trust fund ordinance/resolution language included in meeting packet.

ORDINANCE NO. ???

AN ORDINANCE AMENDING THE NEW MUNICIPAL CODE, ADDING A NEW SECTION ESTABLISHING AN NEWBERG AFFORDABLE HOUSING TRUST FUND

RECITALS:

1. Chapter II. Section 5 of the Newberg City Charter provides:

Powers. The City has all powers that the constitutions, statutes, and common law of the United States and Oregon expressly or impliedly grant or allow the city, as fully as though this charter specifically enumerated each of those powers.
2. The above referenced grant of power has been interpreted as affording all legislative powers home rule constitutional provisions reserved to Oregon Cities. City of Beaverton v International Ass'n of Firefighters, Local 1660, Beaverton Shop 20 OR, App. 293,531 P2d 730, 734 (1975).
3. The City Council of the City of Newberg has determined that in order to protect the health, safety and welfare of existing and future residents of Newberg who are adversely impacted by the lack of housing available to all income types, specifically very low, low, and moderate income households, it is necessary to establish a fund to support the development, preservation, and rehabilitation, of needed housing types within the City.
4. The Newberg City Council recognizes that for a healthy community the provision of a range of affordable housing opportunities and funding mechanisms for affordable development is a priority for the City of Newberg; and
5. The Newberg City Council has determined that neither the private market, nor the public sector has yet provided the levels of housing affordability necessary to maintain a balanced community, local government must take an active lead to ensure an adequate supply of housing for residents and working people of all income levels.

THE CITY OF NEWBERG ORDAINS AS FOLLOWS:

SECTION 1. A new section under Title 3 Administration is hereby added to the Newberg Municipal Code to read as follows:

Chapter 36.80 NEWBERG AFFORDABLE HOUSING TRUST FUND

36.81 PURPOSE

(A) 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 100% of the area median income. The City of Newberg will strive to create a dedicated source of revenue for the NAHTF 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 the cost that will enable

very low, low and moderate-income families to afford quality housing while paying no more than thirty per cent of gross household income on housing.

(B) NAHTF funds will support activities that develop, preserve, and rehabilitate affordable housing within the Newberg city limits. NAHTF funds also may be used for permanent or transitional housing for homeless families and individuals, and for the modernization, rehabilitation and repair of public housing.

(C) The NAHTF is not intended to be the sole source of funding for affordable housing, and any activity or project eligible for support from the NAHTF is expected to develop additional sources of funds.

(D) To achieve the purposes of the NAHTF, it is the goal of the City to operate a fund that is strong and effective.

36.82 DEFINITIONS

The following words and phrases whenever used in this chapter shall be construed as defined in this section unless from the context a different meaning is intended.

(A) Newberg Affordable Housing Trust Fund (NAHTF) means a separate account created by the City Finance Department established by this ordinance and used exclusively for NAHTF purposes as set forth in this ordinance and implementing resolutions of the Council.

(B) Administrative Procedures mean the procedures for administration of the NAHTF established by Resolution of the City Council, including but not limited to procedures which outline application, evaluation, and all other associated procedures for administration of the NAHTF.

(C) Affordable Housing means residential housing primarily for households or persons earning less than 100% the area median income where housing costs or rent do not constitute more than 30% the household income, and as more fully defined per Newberg Code Section XXX.

(D) Eligible uses and Activities mean those uses for the NAHTF which are set forth in an implementing resolution of the City Council, such uses including but not limited to uses and activities which facilitate the production and preservation of affordable housing within Newberg's city limits.

(E) Affordable Housing Priorities mean priorities established from time to time by the City Council by Motion, Order or Resolution, to guide the allocation of funds from the NAHTF.

36.83 ESTABLISHMENT OF NEWBERG AFFORDABLE HOUSING TRUST FUND/USE OF FUNDS

(A) There is hereby established and created a Newberg Affordable Housing Trust Fund (NAHTF). The Fund is a separate account established by the City of Newberg Finance Department for purposes consistent with this ordinance. The Fund will provide a discrete account dedicated to the promotion of affordable housing.

(B) The NAHTF allows for dedicated funds to be used in support of affordable housing priorities through receipt of donations and dedicated revenue streams, including but not limited to donations, grants, sale of surplus city property, or any other revenue sources approved by the Newberg City Council.

(C)Distribution of funds shall be in accordance with the policies and procedures adopted by resolution of the Newberg City Council

36.84 ESTABLISHMENT OF POLICIES AND PROCEDURES

The Administrative Procedures associated with the NAHTF, including fund administration, determination of eligible applicants, eligible uses and activities, award preferences, eligibility criteria, award process, and selection criteria are initially approved by the City Council per establishment of Resolution 2011-???, and may be amended from time to time.

SECTION 2. Severability. The sections, subsections, paragraphs and clauses of this ordinance are severable. The invalidity of one section, subsection, paragraph or clause shall not affect the validity of the remaining sections, subsections, paragraphs and clauses.

SECTION 3. Codification. Provisions of this ordinance shall be incorporated in the City Code and the word “ordinance” may be changed to “code”, “article”, “section”, or another word, and the sections of this ordinance may be renumbered, or re-lettered, provided however that any clauses and boilerplate provisions (i.e. Chapters 2-3) need not be codified and the City Recorder is authorized to correct any cross-references and any typographical errors.

➤ **EFFECTIVE DATE** of this ordinance is 30 days after the adoption date, which is: _____, 2011.

ADOPTED by the City Council of the City of Newberg, Oregon, this ___ day of _____, 2011, by the following votes: **AYE:** **NAY:** **ABSENT:** **ABSTAIN:**

Norma I. Alley, City Recorder

ATTEST by the Mayor this _____ day of _____, 2011.

Bob Andrews, Mayor

LEGISLATIVE HISTORY

By and through _____ Committee at ____ / ____ /2011 meeting. Or, ___ None.
(committee name) (date) (check if applicable)

RESOLUTION NO 2011-???

A RESOLUTION ESTABLISHING POLICIES AND PROCEDURES FOR ADMINISTRATION OF THE CITY OF NEWBERG'S AFFORDABLE HOUSING TRUST FUND

RECITALS:

1. The City of Newberg City Council approved the establishment of the Newberg Affordable Housing Trust Fund (Ordinance XXX), to keep our community diverse and healthy by facilitating the production and preservation of affordable housing throughout Newberg.
2. The policies and procedures for administration of the Newberg Affordable Housing Trust Fund establish eligible uses, eligible applicants, the method by which funds are awarded, and selection criteria.
3. The City Council understands the changing nature of the housing market and corresponding housing needs, and therefore has established the policies and procedures for administering the Newberg Housing Trust Fund (NAHTF) to remain flexible to respond to changing market conditions and opportunities.

THE CITY OF NEWBERG RESOLVES 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 100% 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 encouraging the development, preservation, and rehabilitation of housing for homeownership or rent, at the cost that will enable very low, low and moderate-income families to afford quality housing while paying no more than thirty per cent 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 assist in maximizing 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 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 100% the Area Median Income as defined by the Newberg Planning and Building Director, using the best available data.

- 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 organization, 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 100% of the area median income, as defined by the Newberg Planning and Building Director, using the best available data.
- 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 program, 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 an/or ongoing sustainability for 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 Code Section XXX, 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 Code Section XXX for proposed projects it wishes to support and deems furthers 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

- Appraisal costs
 - Closing costs
 - Interest
 - 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:** 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 grant applications for affordable housing projects. Eligible activities include, but are not limited to 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-moderate income households. Eligible rehabilitation and emergency repair costs include but are not limited to:
- Architectural/engineering fees
 - Consultations
 - Construction costs
 - Relocation costs
 - Hazardous materials abatement including lead based paint noticing consistent with the Federal Lead Safe Housing Regulations HUD requirements at 24 CFR §35
- 3.5.h. Direct benefits** to very low-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 very low-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 of established service providers** 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.

SECTION 4. Program Goals

- 4.1. To help maintain the effectiveness and long-term viability of the NAHTF, preferences 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 safety of existing affordable housing stock.
 - 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 promote energy efficiency and best practices of good environmental design, such as the use of “green” building materials, use of energy-efficient appliances, low-water use landscaping, reduced storm water runoff, and incorporation of 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 in a manner that most effectively and efficiently achieves its administrative duties.
- 5.2 Funds dedicated to the Newberg 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 anytime 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 off-cycle, 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 available funds within the NAHTF can be used for project loans and no less than 5 percent will be used for project grants. Up to 5 percent of the available funds within the NAHTF will be available to pay for grant and loan administrative services provided by the City of Newberg. The remaining available funds within the NAHTF may be used for project contingencies.
- 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 Newberg City Council may make an exception to this standard to take advantage of affordable housing opportunities.
- 5.7 The Newberg City Council shall determine the available NAHTF funds for distribution for any given year through its annual fiscal year budgeting process.
- 5.8 The City of Newberg shall form an Affordable Housing Commission (AHC) that consists of three members appointed by the Mayor. Membership of the Commission should reflect representative broad interests regarding affordable housing in the community. The Commission shall review all applications for Newberg Affordable Housing Trust Funds to determine project eligibility, evaluate the applications based on the selection criteria, and grant AHTF awards as it deems appropriate. In addition, the Commission shall meet twice a year 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.
- 5.9 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.

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 generally not exceed more than 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 City 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 A recipient of an NAHTF grant that fails to verify the match requirements have been satisfied at the conclusion of a project may be considered cause for the City to require full or partial repayment of any NAHTF grants awarded to a project.

6.2 Approved loans provided by the NAHTF may cover up to 100% of a project's costs

SECTION 7 Allocation of Funds

The Newberg Affordable Housing Trust Fund is structured to allow the flexibility for the City and housing providers. The establishment of three distinct and separate award processes is intended to provide for both consistency and flexibility of the NAHTF program. Annually, the City shall annually 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 July 1st of the year.

First, there is the Competitive Awards Program. Annually, the City may 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 request 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. 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 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.

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 has been established and a set of award criteria shall be developed 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 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 Housing Commission and the City Council.
- 7.1.c. The Newberg 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 Housing Commission will make award decisions 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 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.f. A reserve 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 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 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 Section 3.
- 7.2.b. **Project Security.** Applicant must demonstrate and commit sufficient collateral to ensure the security of the loan.
- 7.2.c. **Loan Terms.** Loan terms will be customized to fit the particular needs of the project.
- 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) The Affordable Housing Commission has final approval authority for loan requests. The AHC will review the loan application, program criteria, and information provided by the loan officer in determining the whether or not to approve the loan request. Preference should be given to loans serving the individuals or families in the following income levels, from highest preference to lowest: very low income, low income, and moderate income.
- (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

The purpose of the rental rehabilitation loan program is to loan housing trust funds to local landlords so they can rehabilitate dwellings and make them safe and decent for rental to low or very low income families.

7.3.a Eligibility

- (1) The dwelling must be within the Newberg City limits.
- (2) The dwelling must be rented to very low–moderate income families or individuals, according to income guidelines established by the City of Newberg Planning and Building Director. First preference will be given to units to be rented to very low income families or individuals. Second preference will be given to units to be rented to low income families or individuals.
- (3) Repairs should improve the overall livability of the dwelling by addressing health and safety issues or 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 home 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.b Loan Terms

- (1) The standard loan amount is \$15,000. This amount may be increased up to \$25,000 if the need for repairs is justified and 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 seven years.
- (4) The applicant shall pay a loan processing fee equal to 1 percent (1%) of the loan or \$100, whichever is greater.
- (5) Standard loan terms may be modified by approval of the Affordable Housing Commission.
- (6) The applicant shall enter into an agreement guaranteeing the dwelling will only be occupied by families or individuals meeting the income guidelines. Dwelling restrictions will be in force for the term of the loan. Pre-payment penalties may

apply. Loan recipients will be sent an annual letter verifying that the dwelling units are being occupied by families or individuals meeting income guidelines.

7.3.c 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) The Affordable Housing Commission has final approval authority for loan requests. The AHC will review the loan application, program criteria, and information provided by the loan officer in determining the whether or not to approve the loan request. Preference should be given to loans serving the individuals or families in the following income levels, from highest preference to lowest: very low income, low income, and moderate income.
- (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

SECTION 8 NAHTF Grant or Loan Award Threshold and Selection Criteria

To ensure that the goals of the NAHTF have the greatest chance of being achieved, the following thresholds and criteria shall be considered when determining awards for applications for NAHTF funds.

- 8.01** The project is considered an eligible use or activity under Section 3, and benefits households earning less than 100% the Area Median Income (threshold verification).
- 8.02** If the project is related to the provision of technical assistance to affordable housing providers, the use of Newberg Housing Trust Funds functions to increase the capacity of the organization to specifically address the mission of the NAHTF (threshold verification).
- 8.03** 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.
- 8.04** The project addresses the unmet housing needs as identified in the Housing Element of the Newberg Comprehensive Plan.
- 8.05** The lower the income level that is targeted for the benefitting households, the higher the ranking the project shall be given.
- 8.06** 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.
- 8.07** 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.

- 8.08 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.
- 8.09 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 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.
- 8.16 The proposal demonstrates that Newberg 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.

➤ **EFFECTIVE DATE** of this resolution is the day after the adoption date, which is: _____, 2011.

ADOPTED by the City Council of the City of Newberg, Oregon, this ____ day of _____, 2011.

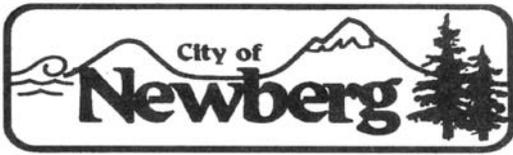
Norma I. Alley, City Recorder

ATTEST by the Mayor this _____ day of _____, 2011.

Bob Andrews, Mayor

LEGISLATIVE HISTORY

By and through _____ Committee at ____ / ____ /2011 meeting. Or, ___ None.
(committee name) (date) (check if applicable)



MEMORANDUM

Date: February 16, 2011
To: Affordable Housing Action Committee
From: Barton Brierley, AICP
RE: Financing Mechanism for Housing Trust Fund

Summary of Housing Trust Fund Financing Mechanism

The Fees/Finance and City Housing Program subcommittees met to discuss potential funding sources for the Housing Trust Fund. The combined subcommittees recommended that the following mechanisms be used:

- Existing housing funds within the Economic Development Revolving Loan Fund
- Housing developer “affordable housing in-lieu” fees
- A business license fee created by restructuring the current business license on a per employee basis. The target would be to raise about \$20,000 per year.
- An increase in the transient lodging tax from the current 6% rate to 8%, with non-tourism dedicated portion being dedicated to the trust fund. This would generate about \$40,000 per year.

Proposed Action

The subcommittees propose the following action:

Recommend that the City Council adopt all the above mechanisms for the housing trust fund.

Estimate of Financial Effect

Existing Housing Funds.

A portion of the funds within the Economic Development Revolving Loan Fund were originally housing rehabilitation loan funds that were repaid. Approximately \$60,000 to \$70,000 of these funds remain, which could be dedicated to the Housing Trust Fund.

Housing developer in-lieu fees.

This would be a source from developers who choose the “flexible development track” option, and choose to pay affordable housing credits in lieu of constructing units. Each credit purchased could generate \$25,000 to \$40,000 of revenue, depending on the established rate. The income stream would not be steady: there may be two or three credits purchased in one year, and then none for several years.

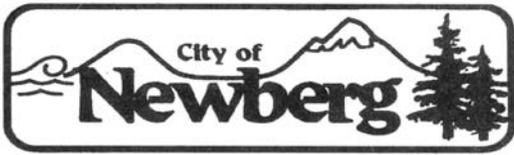
Business license.

Newberg currently charges a license fee of \$50 per business. Annual revenues are about \$40,000. Funds are used for economic development and tourism promotion. Newberg currently licenses about 800 businesses. The fund could be restructured, as currently a single person hair salon pays the same amount as a several hundred employee retail store. The recommended target would be to raise about \$20,000 annually for the trust fund. The funds would help to provide housing for the workers at those businesses.

Transient Lodging Tax.

The current transient lodging tax rate is 6%. This raises about \$225,000 annually. The City Council has chosen to dedicate 25% of this to the visitor center. If this were increased 1%, 70% of the increase would have to be dedicated to tourism. The remainder could be dedicated to other purposes, such as housing. Below is a table showing the potential revenue that could be generated.

Transient Lodging Tax Potential Revenue Analysis					
Rate	6%	7%	Difference	8%	Difference
Annual Revenue	\$ 225,000	\$262,500	\$ 37,500	300,000	\$75,000
Expenses					
Visitor Center	\$ 56,250	\$ 56,250	\$ -	\$ 56,250	\$-
Other Tourism	\$ -	\$ 9,600	\$9,600	\$ 35,850	\$35,850
General Fund	\$ 168,750	\$168,750	\$ -	\$	\$-
				168,750	
Housing	\$ -	\$ 27,900	\$ 27,900	\$ 39,150	\$39,150
Total Expenses	\$ 225,000	\$262,500	\$ 37,500	\$300,000	\$75,000



MEMORANDUM

Date: February 16, 2011
To: Affordable Housing Action Committee
From: Barton Brierley, AICP
RE: Vertical Housing Development Zones

Summary of Vertical Housing Program

The vertical housing program provides partial property tax exemption for development of mixed-use multi-story projects. The project must be mixed-use, which typically means the ground floor is used for commercial space. The upper floors must be housing. If the building has one floor of housing, the building would be 20% tax exempt. If it has two floors of housing, it would be 40% exempt. If it has three floors of housing, it would be 60% exempt. If it has four floors, it would be 80% exempt. The exemption would last 10 years. The land would be exempt in the same manner if the project is dedicated for low income households.

Proposed Action

Recommend that the City Council create a Vertical Housing Development Zone for the Downtown (C-3) zone.

Relationship to Affordable Housing Action Plan

This relates to Action 6.2 of the Affordable Housing Action Plan:

Action 6.2: Provide property tax abatements

Tax abatements are similar to tax increment financing strategies in that they involve voluntarily relinquishing expected future tax revenues for a specified period of time (say 10 years) to stimulate a public benefit. The principal difference is that tax abatements are much more focused, providing a specific tax benefit for a specific activity undertaken by the taxpayer. Tax abatements also can be applied citywide, rather than simply in a particular district. The City has the authority to only abate its own portion of the property taxes. Abatement of other property taxing entities would be at their discretion.

Tax abatements could be offered to:

- Developers who construct rental units*
- Rental owners that rehabilitate their property*
- Owners of older, affordable homes that rehabilitate their property.*

Local taxing districts would forego future property tax increases for a limited period.

Responsible parties: City of Newberg and Yamhill County

Potential Vertical Housing Development Zone

Newberg downtown (C-3 zone) would be the natural candidate for designations as a vertical housing development zone. This zone allows housing on upper floors. See the attached map. Housing on upper floors also is allowed along Portland Road (C-2 zone). The committee should discuss what areas to include.

Estimate of Financial Effect

In order to estimate the financial effect of this designation, I created two test cases. Note that these are theoretical cases only and do not reflect any actual proposal, but are based on actual sites and building values. In the first case, the upper floor of an existing building downtown is converted to apartments. The remodel cost is 20% of the value of the existing structure. In the second case, a new three story building is constructed on an existing vacant lot. The ground floor is commercial, and the upper two floors are residential. My calculations are shown on the attached spreadsheet.

In the first case, the annual exemption would amount to about \$900. Over 10 years, the exemption would come to about \$9,400. About \$2,500 of this would be taxes foregone by the City of Newberg. After 10 years, it would take about 4 years to generate \$9,400 in property taxes from the value of the remodel. In the second example, the exemption would come to about \$71,000 over 10 years (\$20,000 foregone by Newberg). After 10 years, it would take about 3 years to generate \$71,000 in property taxes from the new residential portion of the building. In other words, if you assume that the residential portion would not happen without an investment in the exemption, then that investment will pay off very quickly at the end of the exemption period.

The above calculations are based on my assumptions of how the tax abatement is calculated. It is not clear how that actually is calculated. I contacted Oregon Housing and Community Services, who suggested I contact the Clackamas County Assessor's office. I contacted Clackamas County, who referred me back to Oregon Housing and Community Services.

Experience from other communities

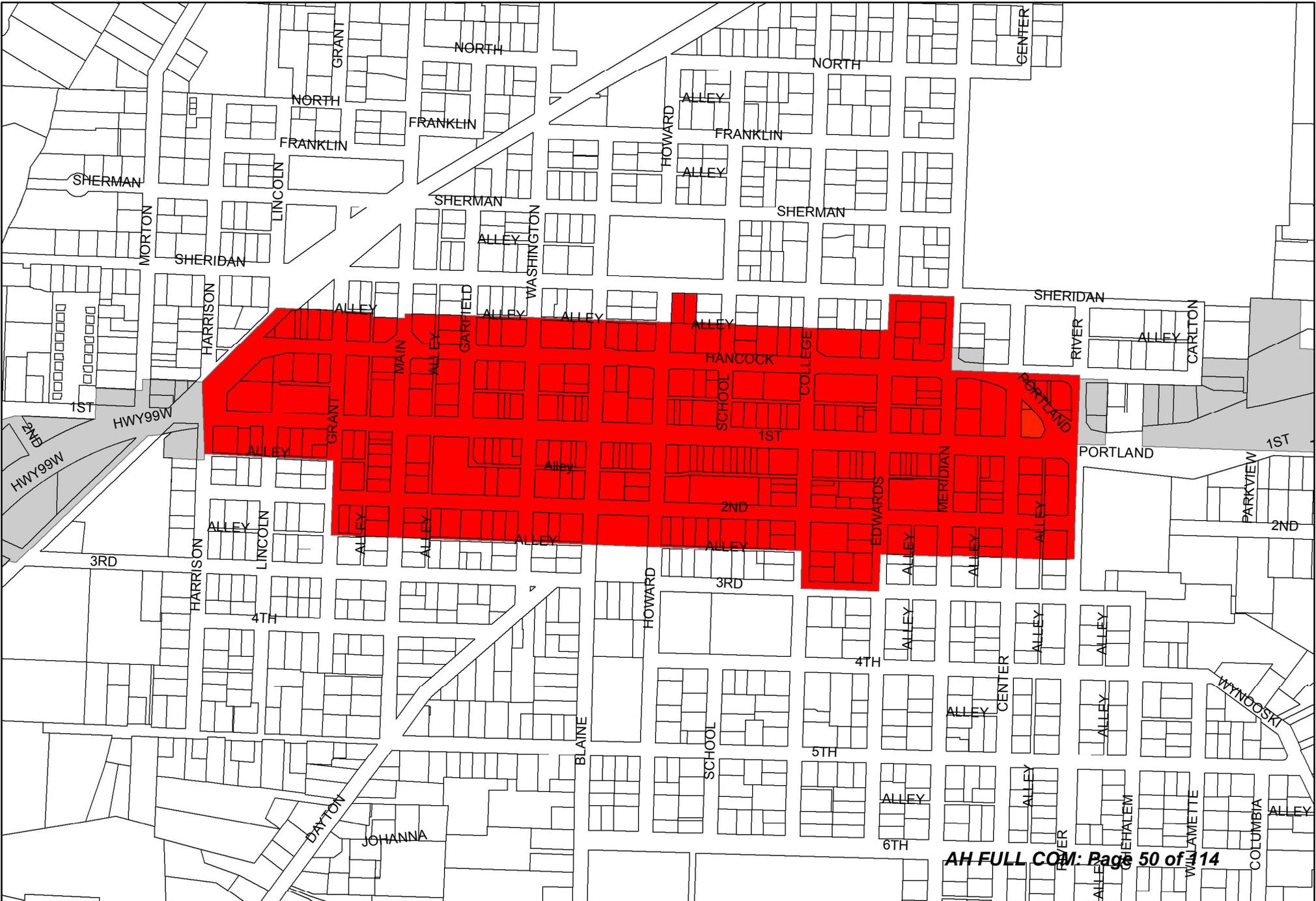
14 cities have adopted vertical housing zones. There have been 8 projects certified in the communities.

I contacted two other communities, Grants Pass and Klamath Falls, who have established vertical housing zones. In both cases, they indicated that establishing the district was not too complicated or controversial. Grants Pass had one small building take advantage of the program. Klamath Falls said that they have not had any developments take advantage of the program.

Attachments

- C-3 Map
- Estimate of Financial Effect
- Vertical Housing Fact Sheet
- ORS 307.841 et seq.
- OAR 813, Division 13

Newberg C-3 Zone



**Estimate of Financial Effect
Vertical Housing Development Zone**

Property	Remodel Existing Building	New 3 story Project
Lot Size (sf)	5,200	11,300
Building sf	7,040	16,950
Building Stories	2	3
Market Land Value	\$ 101,903	\$ 249,072
Market Structure Value	\$ 504,972	\$ 1,900,000
Total Market Value	\$ 606,875	\$ 2,149,072
Assessed Value	\$ 308,686	\$ 1,093,122
Structure/Total Value	83%	88%
Assessed/Market Value	50.9%	50.9%
Levied Tax	\$ 5,409	\$ 19,153
Tax rate	0.0175217	0.0175217
Tax code	29.2	29.2
Residential Floors	1	2
Exemption	20%	40%
Annual exemption	\$ 900	\$ 6,773
10-year exemption (@ 3% increase per year)	\$ 9,419	\$ 70,876
Estimated Years to Recover Foregone taxes	4	3

Annual Exemption by Tax District		
Yamhill County	\$ 132.41	\$ 996.39
Yam. Co. Ext. Serv.	\$ 2.31	\$ 17.36
Yam. Co. Soil & Water	\$ 1.82	\$ 13.68
S.D. 29J - Newberg	\$ 427.87	\$ 3,219.77
Willamette Regional ESD	\$ 15.24	\$ 114.70
City of Newberg	\$ 241.17	\$ 1,814.85
CPRD	\$ 46.62	\$ 350.85
Portland Community College	\$ 32.67	\$ 245.82
Total	\$ 900.10	\$ 6,773.42



Vertical Housing Program

(Program Factsheet)

Multifamily Quality Controller

Debie Zitzelberger

Ph: (503) 986-2038

Email: Debie.Zitzelberger@hcs.state.or.us

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Program Overview

The 2005 Legislature passed legislation moving the Vertical Housing Program from Oregon Economic and Community Development Department (OECD) to Oregon Housing and Community Services (OHCS) beginning in November 2005. The purpose of the Program is to encourage investment in and rehabilitation of properties in targeted areas of a city or community, to augment the availability of appropriate housing, and to revitalize communities. The program encourages mixed-use developments that contain both non-residential and residential uses in areas (zones) designated by local jurisdictions. The residential portion may be for market rate or lower income households. Eligible projects receive a partial property tax exemption which varies with the number of "Equalized Floors" in a project, with a maximum property tax exemption of 80 percent over a 10 year term. An additional partial property tax exemption on the land may be given if some or all of the residential housing is for low-income persons (80 percent of area median income or below).

Eligible Zones

Any area that meets the criteria for a Vertical Housing Zone which has been designated by the local jurisdiction and has been approved by the Department.

Eligible Projects

A mixed-use project that contains both non-residential and residential uses that meets the certified project criteria located in a Vertical Housing Zone designated by the local jurisdiction and approved by the Department. The project can be new construction or rehabilitation of a multiple-story building, or group of buildings with at least one multiple-story building.

Certified Project

Any project that has made application to and has been approved by the Department may receive a partial tax exemption as determined by the number of Equalized Floors for a maximum of 10 years.

Equalized Floors

The tax exemption will be based on the number of Equalized Floors as determined by the total square footage divided by the number of actual floors of the project that are at least 500 square feet per floor. Equalized floors will be rounded down to the nearest whole number (e.g., any equalized quotient between 1.0 and 1.99 will have a rounded Equalized Floor equivalent of 1.0).





Vertical Housing Program

(Program Factsheet)

Multifamily Quality Controller

Debie Zitzelberger

Ph: (503) 986-2038

Email: Debie.Zitzelberger@hcs.state.or.us

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Charges

A non-refundable Project Application charge of \$550. A one-time Monitoring charge of \$150 for projects with no low-income units, and \$200 for projects with low-income units.

Applications

Applications can be accessed via the OHCS Web site. Eligible criteria and instructions can be accessed through the Oregon Administrative Rules for the Vertical Housing Program.

Applications are to be submitted to OHCS, Vertical Housing Program, 725 Summer Street NE, Suite B, Salem, OR 97301-1266.

For More Information

For more information, contact Debie Zitzelberger, Multifamily Quality Controller, at 503.986.2038 or by E-mail [Debie Zitzelberger](mailto:Debie.Zitzelberger@hcs.state.or.us).

To talk with someone about developing affordable housing in your area, contact a [Regional Advisor to the Department](#) or call 503.986.2000.

OHCS is the state housing finance agency, providing financial and program support to create and preserve opportunities for quality, affordable housing for lower income Oregonians. The agency also administers federal and state antipoverty, homeless and energy assistance community service programs.



VERTICAL HOUSING DEVELOPMENT ZONES

307.841 Definitions for ORS 307.841 to 307.867. As used in ORS 307.841 to 307.867:

- (1) "Construction" means the development of land and the construction of improvements to land, and may be further defined by the Housing and Community Services Department by rule.
- (2) "Equalized floor" means the quotient determined under ORS 307.857 (3)(b).
- (3) "Light rail station area" has the meaning given that term in ORS 307.603.
- (4) "Low income residential housing" means housing that is restricted to occupancy by persons or families whose income is no greater than 80 percent of area median income, adjusted for family size, as determined by the department.
- (5) "Rehabilitation" means the substantial repair of improvements or land developments, and may be further defined by the department by rule.
- (6) "Transit oriented area" has the meaning given that term in ORS 307.603.
- (7) "Vertical housing development project" or "project" means the construction or rehabilitation of a multiple-story building, or a group of buildings, including at least one multiple-story building, so that a portion of the project is to be used for nonresidential uses and a portion of the project is to be used for residential uses.
- (8) "Vertical housing development zone" or "zone" means an area that has been designated a vertical housing development zone under ORS 307.847. [Formerly 285C.450]

307.844 Zone designation; application; special district election to not participate in zone. (1)(a) A city may apply to the Housing and Community Services Department for designation of an area within the city as a vertical housing development zone.

(b) A county may apply to the Housing and Community Services Department for designation of an unincorporated area within the county as a vertical housing development zone.

(2) With the prior consent of the governing body of each city in which a proposed zone is to be located, a county may apply to the department for designation of any area within each city that has given consent for vertical housing development zone designation.

(3) A city and a county, or any combination of cities and counties, may apply to the department for designation of an area situated within each applying jurisdiction as a vertical housing development zone.

(4) A district listed in ORS 198.010 or 198.180 may elect not to participate in a vertical housing development zone. A district that elects not to participate may continue to impose taxes on property otherwise exempt from ad valorem property tax under ORS 307.864.

(5) An application for designation of a vertical housing development zone must be submitted to the department. The application shall be in the form and contain the information required by the department, including:

(a) A list of local taxing districts, other than the applicant, that have territory in the proposed vertical housing development zone.

(b) A copy of a written notification that the applicant mailed to the districts listed pursuant to paragraph (a) of this subsection that:

- (A) Describes the proposed vertical housing development zone;
- (B) Explains the exemption described in ORS 307.864 that would apply if the proposed zone is designated;
- (C) Explains the process by which a district listed in ORS 198.010 or 198.180 may elect not to participate in the vertical housing development zone; and
- (D) Is in a form that is satisfactory to the department.

(c) A statement signed by the applicant attesting that the notification described in paragraph (b) of this subsection was sent by regular mail to each district listed pursuant to paragraph (a) of this subsection.

(6) The application shall:

- (a) Be filed on behalf of one or more local government units as described in subsections (1) to (3) of this section by action of the governing body of each applicant;
- (b) Contain a description of the area sought to be designated as a vertical housing development zone, including proposed zone boundaries;
- (c) Contain the reasons that all or a portion of a proposed zone constitutes a core area of an urban center, a light rail system area or a transit oriented area; and
- (d) Contain any other information required by the department.

(7) The applicant shall submit to the department, within 30 days following the date the application is filed with the department, a list of the districts that elected not to participate in the vertical housing development zone. [Formerly 285C.453]

307.847 Approval or disapproval of application. (1) The Housing and Community Services Department shall review each application filed under ORS 307.844 and shall approve or disapprove each application.

(2) The department may approve an application and designate all or a portion of the area that is the subject of the application as a vertical housing development zone if the department determines that the area meets the criteria set forth in ORS 307.851.

(3) The determination of the department to approve or disapprove an application is a discretionary determination. The determination is final and is not subject to judicial or administrative review. [Formerly 285C.456]

307.850 [1965 c.278 §1; 1993 c.70 §1; 1997 c.499 §1; renumbered 285A.325 in 1997]

307.851 Criteria for designation of zone; notice to county assessor. The Housing and Community Services Department shall:

(1) Designate a vertical housing development zone upon application made under ORS 307.844 if the department determines that the proposed zone meets the criteria established by the department by rule for a zone.

(2) Notify the county assessor of the county in which the vertical housing development zone is located of the designation of that zone and of the districts that elected not to participate in the zone. [Formerly 285C.459]

307.854 Acquisition, disposition and development of real property within zone. Following the designation of a vertical housing development zone under ORS 307.847, the city or county that sought zone designation may acquire or dispose of real property within the zone for the purpose of developing vertical housing development projects within the zone. The development of projects may be undertaken by the city or county independently, jointly or in partnership with a private entity or may be undertaken by a private entity acting independently. The entities undertaking the development of property under this section may own and operate the developed property or may sell or otherwise dispose of the property at any time during or after development. The property may be sold at the property's real market value or at a lesser value. [Formerly 285C.462]

307.857 Application for exemption; review; certification; fees. (1) Following the designation of a vertical housing development zone under ORS 307.847, a person proposing to undertake a proposed vertical housing development project and seeking the partial property tax exemption set forth in ORS 307.864 shall apply to the Housing and Community Services Department for certification of the project.

(2) The application must be satisfactory to the department in form and content and shall contain any information required by the department, including all of the following:

(a) The address and boundaries of the proposed vertical housing development project;

(b) A description of the existing state of the property;

(c) A description of the proposed project construction or rehabilitation, including the design of the construction or rehabilitation, the cost of the construction or rehabilitation and the number of floors and residential units to be constructed or rehabilitated;

(d) A description of the nonresidential uses to which any portion of the proposed project is to be put, including the proportion of total square footage of the project proposed for nonresidential uses;

(e) A description of the proposed portion of the project to be used for residential uses, including the proportion of total square footage of the project proposed for residential uses;

(f) A description of the number and nature of residential units in the proposed project that are to be low income residential housing, including the proportion of total square footage of the project proposed for low income residential housing uses;

(g) The calculation and allocations described under subsection (3) of this section; and

(h) A commitment that is satisfactory to the department, including documentation and evidence of recording of the documentation, that the project will be maintained and operated in a manner consistent with the application submitted under this section for the duration of the commitment. The duration of the commitment may not be less than the number of tax years for which the project is intended to be partially exempt from ad valorem property taxes under ORS 307.864.

(3)(a) Each application filed under this section shall contain a calculation of equalized floors, an allocation of equalized floors to residential uses and an allocation of equalized floors to low income residential housing uses as determined under this subsection.

(b) An equalized floor is the quotient that results from the division of total square footage of a project by the number of actual floors of the project that are at least 500 square feet per floor, or as may be increased or otherwise qualified by the department by rule.

(c) To allocate equalized floors to residential uses, divide the total square footage of residential property in the project

by the square footage of an equalized floor.

(d) To allocate equalized floors to low income residential housing use, divide the total square footage of low income residential housing property in the project by the square footage of an equalized floor. In determining the square footage of low income residential housing property, include that proportion of the square footage of residential common space that is the same as the proportion of the total square footage of low income residential housing units to the total square footage of all residential housing units.

(4) The application must be filed under this section on or before the date residential units that are a part of the vertical housing development project are ready for occupancy.

(5) The department shall review each application submitted under this section and shall certify or deny certification based on whether the proposed vertical housing development project meets criteria established by the department by rule that are consistent with ORS 307.841 to 307.867.

(6) The department may request any documentation or undertake any investigation necessary to ascertain the veracity of any statement made on an application under this section.

(7) The certification issued by the department shall:

(a) Identify the property included in the certified vertical housing development project;

(b) Identify the number of equalized floors of residential housing in the project and include a description of the property of each equalized floor;

(c) Identify the number of equalized floors of low income residential housing in the project and include a description of the property of each equalized floor; and

(d) Contain any other information prescribed by the department.

(8) The determination of the department to certify or deny certification is a discretionary determination. The determination is final and is not subject to judicial or administrative review.

(9) The department may charge appropriate fees to offset the cost of administering the application and certification process under this section and any other related costs. [Formerly 285C.465]

Note: Section 11, chapter 119, Oregon Laws 2005, provides:

Sec. 11. (1) Property that was constructed pursuant to a certification for a partial property tax exemption under ORS 285C.465 [renumbered 307.857], prior to the effective date of this 2005 Act [November 4, 2005], shall continue to receive the exemption according to the same schedule and subject to the disqualification provisions of ORS 285C.450 to 285C.480 [renumbered 307.841 to 307.867] that were in effect and applied at the time the vertical housing development project was certified for partial property tax exemption.

(2) If an application for certification was filed with the Economic and Community Development Department prior to the effective date of this 2005 Act but not acted upon as of the effective date of this 2005 Act, the Economic and Community Development Department shall forward the application to the Housing and Community Services Department. [2005 c.119 §11]

Note: Section 13, chapter 119, Oregon Laws 2005, provides:

Sec. 13. The Housing and Community Services Department may not issue a certification under ORS 285C.450 to 285C.480 [renumbered 307.841 to 307.867] on or after January 1, 2016. [2005 c.119 §13]

307.861 Monitoring of certified projects; decertification. (1) Upon determining to certify a vertical housing development project, the Housing and Community Services Department shall send a copy of the certification to the county assessor of the county in which the project is to be located.

(2) At any time after certification and prior to the end of the exemption period, the department may:

(a) Request documentation, undertake investigations or otherwise review and monitor the project to ensure ongoing compliance by project applicants and owners; and

(b) Undertake any remedial action that the department determines to be necessary or appropriate to fulfill the purposes of ORS 307.841 to 307.867, including issuing a notice of decertification directing the county assessor to disqualify all or a portion of a project. The decertification notice shall identify:

(A) The property decertified from the vertical housing development project;

(B) The number of equalized floors that have ceased qualifying as residential housing for purposes of ORS 307.841 to 307.867;

(C) The number of equalized floors that have ceased qualifying as low income residential housing for purposes of ORS 307.841 to 307.867;

(D) The remaining number of equalized floors of residential housing in the project and include a description of the property of each remaining equalized floor; and

(E) The remaining number of equalized floors of low income residential housing in the project and include a description of the property of each remaining equalized floor of low income residential housing.

(3) A notice of decertification issued under subsection (2) of this section shall include any other information prescribed by the department.

(4) The department shall send copies of a notice of decertification issued under subsection (2) of this section to the property owner and the county assessor of the county in which the property is located. [Formerly 285C.468]

307.864 Partial property tax exemption; disqualification. (1) For the first tax year in which, as of the assessment date, a vertical housing development project is occupied or ready for occupancy following certification under ORS 307.857, and for the next nine consecutive tax years:

(a) The property of the vertical housing development project, except for the land of the project, shall be partially exempt from ad valorem property taxes imposed by local taxing districts, other than the districts that elected not to participate in the vertical housing development zone as described in ORS 307.844 (4), according to the following schedule and as identified in the certification issued by the department under ORS 307.857 (7):

(A) If the project consists of the equivalent of one equalized floor allocated to residential housing, the project shall be 20 percent exempt.

(B) If the project consists of the equivalent of two equalized floors allocated to residential housing, the project shall be 40 percent exempt.

(C) If the project consists of the equivalent of three equalized floors allocated to residential housing, the project shall be 60 percent exempt.

(D) If the project consists of the equivalent of four or more equalized floors allocated to residential housing, the project shall be 80 percent exempt.

(b) The land of the vertical housing development project shall be partially exempt from ad valorem property taxes imposed by local taxing districts, other than the districts that elected not to participate in the vertical housing development zone as described in ORS 307.844 (4), in the same percentages determined under paragraph (a) of this subsection, for each equalized floor allocated to low income residential housing, as identified in the certification issued by the department under ORS 307.857 (7).

(2) In order to receive the partial property tax exemption described in subsection (1) of this section, the vertical housing development project property owner, project applicant or other person responsible for the payment of property taxes on the project shall notify the county assessor of the county in which the project exists, that the project meets the requirements of subsection (1) of this section. The notification must be given to the assessor in writing on or before April 1 preceding the first tax year for which the partial property tax exemption is sought.

(3) During the period in which property would otherwise be partially exempt under subsection (1)(a) of this section, if all or a portion of a project has been decertified by the Housing and Community Services Department under ORS 307.861, the property shall be disqualified from exemption under this section in proportion to the equivalent of each equalized floor that has ceased qualifying as residential housing, as set forth in the notice of decertification.

(4) During the period in which land would otherwise be partially exempt under subsection (1)(b) of this section, if all or a portion of a project has been decertified by the Housing and Community Services Department under ORS 307.861, the land shall be disqualified from exemption under this section in proportion to the equivalent number of equalized floors that have ceased qualifying as low income residential housing, as set forth in the notice of decertification. [Formerly 285C.471]

307.867 Termination of zone; effect of termination. (1) Following vertical housing development zone designation under ORS 307.847, if the Housing and Community Services Department receives a request to terminate a vertical housing development zone from the applicant for zone designation under ORS 307.844, the department shall terminate the zone.

(2) The termination of a zone under this section does not affect the exemption of any property from tax under ORS 307.864 if an application for the exemption was approved prior to the zone termination. [Formerly 285C.480]

PENALTIES

307.990 Penalties. If any person shall willfully deliver any statement to the officer charged with assessment of property for tax purposes in the county of the person containing a false statement of a material fact, whether it be an owner, shipper, the agent of the person, or a storageman or warehouseman of the agent of the person, the person shall be guilty of a misdemeanor, and upon conviction shall be punished by a fine of not more than \$500 or by imprisonment in the county jail for not more than six months. [1959 c.659 §5]

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HOUSING AND COMMUNITY SERVICES DEPARTMENT

DIVISION 13

VERTICAL HOUSING PROGRAM

813-013-0001

Purpose and Objectives

(1) OAR chapter 813, division 013 is promulgated to carry out the provisions of ORS 307.841 to 307.867, as they pertain to the administration by the Housing and Community Services Department (Department) of the Vertical Housing Program. These rules and the related determinations and orders of the Department constitute the Department's Vertical Housing Program (Program). The purpose of the Program is to encourage Construction or Rehabilitation of properties in targeted areas of communities in order to augment the availability of appropriate housing and to revitalize such communities. Division 013 sets forth relevant aspects of the Program, including processes and criteria for the designation of Vertical Housing Development Zones (VHDZs), for the application and approval of Certified Projects, for the calculation of any applicable partial property tax exemptions, and for the monitoring and maintenance of properties as qualifying Certified Projects.

(2) Division 013 is not meant to interfere with the direct administration of property tax assessments by county assessors and does not supersede administrative rules of the Department of Revenue in OAR Chapter 150 pertaining to the valuation of property for purposes of property tax assessments as adopted or amended in the future for such purposes.

Stat. Auth.: : ORS 456.555, 307.841 - 307.867

Stats. Implemented: ORS 456.555, 307.841 - 307.867

Hist.: OHCS 1-2006(Temp), f. & cert. ef. 1-5-06 thru 7-4-06; OHCS 8-2006, f. & cert. ef. 6-28-06

813-013-0005

Definitions

As used in this Division 013, unless the context indicates otherwise:

(1) "Certified Project" means a multi-story development within a VHDZ that the Department certifies as a Vertical Housing Development Project qualifying for a vertical housing partial property tax exemption based on a proposal and description from a Project Applicant that conforms to Department requirements. Certified Projects approved by the Economic and Community Development Department of the State of Oregon (OECDD) prior to November 4, 2005, continue as Certified Projects notwithstanding assumption of administration of the Program by the Department on November 4, 2005. Such prior OECDD Certified Projects continue to maintain their accompanying partial property tax exemptions throughout their original terms unless all or part of such Certified Projects are subsequently modified or decertified by the Department. The prior OECDD Certified Projects are subject to the ongoing reporting and other requirements of this division 013.

(2) "Construction" means the development of land, and the construction of improvements to land as further described in this

Division 013.

(3) "Core Area of an Urban Center" means the central business district or downtown area of a community of any size. While VHDZs need not include a Core Area of an Urban Center, an application to establish a VHDZ should identify whether the proposed VHDZ includes a Core Area of an Urban Center and describe the areas so included. The Department may consider such information or the failure to provide same in determining the merits of the proposed VHDZ and its proximity and relationship to the needs and activities of VHDZ project residents. Core Areas of Urban Centers typically consist of one or more of the following:

- (a) An existing central business district or downtown area according to the jurisdictions zoning ordinances, U.S. Census Bureau or comparable source of definition or designation;
- (b) A defined central city, regional center, town center, main street and/or a station community in the Portland Metro 2040 Regional Growth Concept or a nodal development area in the Eugene-Springfield Metropolitan Area Transportation Plan;
- (c) An area satisfying the definition for a commercial node, commercial center, community center, special transportation area or urban business area in the Oregon Highway Plan;
- (d) A transit-oriented development or pedestrian/restricted-access district in the acknowledged comprehensive plan of the jurisdiction; or
- (e) A similar type of area under official criteria, designation or standards.

(4) "Department" means the Housing and Community Services Department of the State of Oregon.

(5) "Director" means the Director of the Housing and Community Services Department or someone within the Department authorized to act on behalf of the Director for purposes of the Program.

(6) "Equalized Floor" means the quotient that results from the division of the total square footage of a Project (as determined by the Department) by the number of actual floors of the Project that are at least 500 square feet per floor unless the Department, in its discretion, increases the minimum square footage or otherwise qualifies the actual floors of a Project eligible to be used as a divisor in determining the Equalized Floor quotient. Factors that the Department may consider in determining whether or not to increase the square footage minimum or to impose other conditions for a qualifying divisor floor include, but are not limited to the following:

- (a) The proximity of the actual floor under consideration to other floors in the Project;
- (b) The extent of Construction or Rehabilitation on the actual floor under consideration;
- (c) The use intended for the actual floor under consideration;
- (d) The availability of the actual floor under consideration for use by prospective project tenants;
- (e) No partial property tax exemption will be awarded for a partial Equalized Floor of residential housing and the maximum number of Equalized Floors in a Project is four (4). Accordingly, the Department will determine the number of residential Equalized Floors in a Project available for calculating a corresponding property tax exemption by capping potential Equalized Floors at four and by rounding down to the next complete Equalized Floor of residential housing. In other words, a Certified Project will contain exactly 1, 2, 3, or 4 residential Equalized Floors reflecting the number of complete Equalized Floors of a residential housing in a Project up to the maximum four(4) Equalized Floors;
- (f) Patios, deck space, and parking normally will not be included by the Department in the determination of Equalized Floors. The Department may include any or all of such space in its determination of Equalized Floors if it concludes that such space is critical for the viability of the Project. Factors that the Department may consider in reaching such a conclusion include, but are not limited to the following:
 - (A) The effect of such spaces upon the economic viability of the Project;
 - (B) The degree to which such spaces are integral to the habitability of residential housing in the Project;
 - (C) The benefit of such spaces with respect to the revitalization of the community in which the Project is located; and

(D) The degree to which inclusion of such spaces modifies the calculation of Equalized Floors.

(7) "Light Rail Station Area means, consistent with ORS 307.603(3), an area defined in regional or local transportation plans to be within an one-half mile radius of an existing or planned Light Rail Station. While VHDZs need not necessarily include a Light Rail Station Area, a VHDZ Applicant must identify in a VHDZ application what part of the VHDZ, if any, does or will include a Light Rail Station Area. The Department may consider such information or the failure to provide same in determining the merits of a proposed VHDZ and its potential relationship to overall transportation needs.

(8) "Low-Income Residential Housing" means housing that is restricted to occupancy by persons or families whose initial income at occupancy or initial certification of the project is no greater than 80 percent of area median income, adjusted for family size, as determined by the Department. Owners must provide evidence satisfactory to the Department of such resident eligibility as required by the Department.

(9) "Non-Residential Areas" means square footage within a Certified Project used other than primarily for Residential Use or as common areas available primarily for Residential Use by residents of the residential housing within a Certified Project.

(10) "Project Applicant" means an owner of property within a VHDZ, who applies in a manner consistent with this Division, to have any or all such property approved by the Department as a Certified Project.

(11) "Rehabilitation" means the substantial repair or replacement of improvements (including fixtures) or land developments. In determining whether or not proposed or completed Rehabilitation is satisfactory or substantial, the Department may consider factors including, but not limited to:

(a) The quality and adequacy of design, materials and workmanship;

(b) The quantity of Rehabilitation in proportion to the total cost of the Project and between the area devoted to Residential Use and the amount of Non-Residential area;

(c) The distribution of Rehabilitation throughout the Project, including as it relates to the habitability of residential areas, and particularly Low-Income Residential Housing areas; and

(d) Generally, the value of the improvements on a Project must be at least 20% of the real market value of the entire Project on the last certified assessment roll before the Department, in consideration of other factors, will deem a proposed Rehabilitation to be "substantial" in nature.

(12) "Residential Use" means regular, sustained occupancy of a residential improvement by a person or family as the person's or family's primary domicile, including areas used primarily for transitional housing purposes, but not areas used primarily as:

(a) Hotels, motels, hostels, rooming houses, bed & breakfast operations or other such temporary or transient accommodations;
or

(b) Nursing homes, hospital-type in-patient facilities or other living arrangements, even of an enduring nature, where the character of the environment is predominately care-oriented rather than solely residential.

(13) "Special District" means a Local Taxing District that is also of a type listed under ORS 198.010 or 198.180.

(14) "Transit Oriented Area" means, consistent with ORS 307.603(6), an area defined in regional or local transportation plans to be within one-quarter mile of a fixed route transit service. While VHDZs need not include a Transit Oriented Area, a VHDZ Applicant must describe what parts of the proposed VHDZ, if any, includes a Transit Oriented Area. The Department may consider such information, or the failure to provide same, in determining the merits of the proposed VHDZ and its potential relationship to established transit systems within the relevant community.

(15) "Vertical Housing Development Project" or "Project" means the Construction or Rehabilitation of a multiple-story building, or a group of buildings, including at least one multiple-story building, so that a portion of the Project may be dedicated to Residential Uses and a portion of the Project may be dedicated for use as Non-Residential Areas.

(16) "Vertical Housing Development Zone" or "VHDZ" or "Zone" means an area that has been and remains designated by the Department as a Vertical Housing Development Zone or an area that was officially designated by the Economic and Community Development Department (OECD) prior to November 4, 2005, as a Vertical Housing Development Zone and

which remains so designated.

(17) "VHDZ Applicant" means one or more cities or counties or a combination thereof, or their authorized agent(s) which seek the designation of a VHDZ within an area of their jurisdiction by making application to the Department.

Stat. Auth.:ORS 456.555, 307.841 - 307.867

Stats. Implemented: ORS 456.555, 307.841 - 307.867

Hist.: OHCS 1-2006(Temp), f. & cert. ef. 1-5-06 thru 7-4-06; OHCS 8-2006, f. & cert. ef. 6-28-06

813-013-0010

Special Districts and Zone Applications

(1) To elect not to participate in a VHDZ, a Special District shall, within 45 days after the date on which proper written notification is mailed by the VHDZ Applicant to the Special District advising of the application to form a VHDZ:

(a) Inform the VHDZ Applicant in writing of its decision to opt out of the VHDZ designation; and

(b) Furnish to the VHDZ Applicant a copy of a resolution or other appropriate official instrument duly adopted and issued by the governing body of the Special District affirming its decision to opt out of the VHDZ designation.

(2)(a) Not later than 30 days after filing the application with the Department, and not later than 30 days after receiving a notice provided in 813-013-0010(4), the VHDZ Applicant must submit to the Department, a final or supplemental statement, satisfactory to the Department identifying the Special Districts (if any) that have opted out of the VHDZ designation.

(b) The statement required in paragraph (2)(a) shall specifically list each Special District opting out of the VHDZ designation, together with a copy of the instrument(s) provided to the VHDZ Applicant by each such Special District.

(c) Simultaneously with the submission of the statement in paragraph (2)(a), the VHDZ Applicant also shall send a copy of each statement by a Special District opting out of a VHDZ designation to the Special Districts Association of Oregon ("SDAO"), in Salem (Attn: 'Vertical Housing Development Zone') and to other affected Special Districts within the proposed VHDZ that are not part of SDAO.

(3) A Special District that fails to respond according to 813-013-0010(1) will be subject to the VHDZ designation and excluded from being listed as described in 813-013-0010(2).

(4) A Special District that forms after the approval of a VHDZ may opt out of participating in a VHDZ. To opt out, the Special District must provide:

(a) Written notice post-marked to the assessor and VHDZ Applicant on or before July 1 of the first tax year in which it would impose a tax on the Project; and

(b) A copy of a resolution or other appropriate official instrument duly adopted and issued by the governing body of the Special District affirming its decision to opt out of the VHDZ designation.

(5) The decision by a Special District to opt out of a VHDZ will be effective for the tax year that begins on the next July 1, after notification to the county assessor by the Department pursuant to OAR 813-013-0020(1), or by a new Special District pursuant to 813-013-0010(4).

Stat. Auth.:ORS 456.555, 307.841 - 307.867

Stats. Implemented: ORS 456.555, 307.841 - 307.867

Hist.: OHCS 1-2006(Temp), f. & cert. ef. 1-5-06 thru 7-4-06; OHCS 8-2006, f. & cert. ef. 6-28-06

813-013-0015

Content and Processing of Zone Applications

(1) A VHDZ Applicant may apply to the Department for the designation of a VHDZ as long as the VHDZ Applicant has provided notification of such intended action to Special Districts within the proposed VHDZ in form satisfactory to the Department not less than 15 calendar days prior to filing the application.

- (2) The application must be made in such form and with such detail and information as the Department may require. The Department may require a VHDZ Applicant to provide supplemental information to and clarification of its application, as the Department deems appropriate.
- (3) Applications must be delivered to the Department at the following address: Oregon Housing and Community Services Vertical Housing Program, Housing Division 725 Summer Street NE, Suite B PO Box 14508 Salem, Oregon 97309-0409.
- (4) An application, at a minimum, must contain:
 - (a) Copies of the resolutions adopted by the governing body of each city and/or county comprising the VHDZ Applicant and requesting (or as applicable, consenting to) designation of the proposed VHDZ;
 - (b) A listing of all Special Districts within the proposed VHDZ, a copy of the written notification mailed to them, and a signed certification of mailing by the VHDZ Applicant to the Special Districts in accordance with 813-013-0015(1);
 - (c) A description of the area sought by the VHDZ Applicant to be designated as the VHDZ, including but not limited to a scale map clearly showing the proposed VHDZ boundary and a complete list of property tax accounts with corresponding tax lot numbers to be encompassed by the VHDZ. A designated VHDZ may include separate, non-contiguous property areas. VHDZ boundaries also may be designated vertically to limit the height and/or the number of floors of structures that may qualify as part of a Certified Project within various parts of the VHDZ; and
 - (d) Documentation satisfactory to the Department establishing that the area proposed for VHDZ designation is within the jurisdiction(s) of the VHDZ Applicant.
- (5) The Department will act reasonably to review applications submitted by a VHDZ Applicant.
- (6) The Department may conduct its own investigation, including the procurement and review of materials and information outside of the application, to assist it in its review or reconsideration of an application.
- (7) The Director will endeavor to approve or deny applications within 60 days of the Department's receipt of a complete application, the receipt of such other information or clarification as it may require of the VHDZ Applicant, and the completion of any Department investigation. The Department will not approve any application before receiving statements required under 813-013-0015(4). The Department may decline further consideration of or deny any application if it determines that the VHDZ Applicant has been untimely or unresponsive with respect to providing required or requested information.
- (8) If an application is denied in whole or in part, the Department will send a written explanation to the VHDZ Applicant of such determination.
- (9) The Department may approve or deny any application, in whole or in part, based upon factors including but not limited to:
 - (a) The VHDZ Applicant's compliance with the requirements of this division 013;
 - (b) The proposed VHDZ's location inside or outside of the jurisdiction(s) of the VHDZ Applicant;
 - (c) The accuracy and completeness of the application and any other information requested from the VHDZ Applicant by the Department;
 - (d) Conformance by the VHDZ Applicant and the proposed VHDZ with applicable law; and
 - (e) The Department's determination of the suitability of the proposed VHDZ, or parts thereof, for accomplishing the purposes of the Program.
- (10) A Department determination to approve or deny any or all of an application is final and not subject to further administrative or judicial review. The Department may reconsider such determinations at any time and to the degree that it determines to be appropriate.

Stat. Auth.: ORS 456.555

Stats. Implemented: ORS 307.844 - 307.851

Hist.: OHCS 1-2006(Temp), f. & cert. ef. 1-5-06 thru 7-4-06; OHCS 8-2006, f. & cert. ef. 6-28-06

813-013-0020

Zone Designations

(1) The Department will send a copy of any designation of a VHDZ to the VHDZ Applicant, the Department of Revenue and to any affected county assessor(s) office. The Department will include with the notification to the county assessor:

- (a) Copies of materials delineating the area of the VHDZ; and
- (b) The name of any Special District that opted out of the VHDZ.

(2) Once designated, a VHDZ shall continue to exist indefinitely, except as provided otherwise in this division 013.

(3) The boundary of a VHDZ may be modified. To modify a VHDZ, the VHDZ Applicant must apply for such modification to the Department in accordance with the same procedures established herein for the approval of a VHDZ, except the notice to Special Districts required under OAR 813-013-0015(4) is only required for any Special Districts that are included in new territory added by the boundary modification. A Certified Project will continue to have its associated tax exemptions throughout the initial designated term of those exemptions, regardless of any subsequent modification of the VHDZ.

(4) VHDZ Applicants may seek to have the Department approve multiple VHDZs within their jurisdictions.

(5) The boundaries of VHDZs may not overlap. A property may only be in one VHDZ.

Stat. Auth.: ORS 456.555

Stats. Implemented: ORS 307.844 - 307.851

Hist.: OHCS 1-2006(Temp), f. & cert. ef. 1-5-06 thru 7-4-06; OHCS 8-2006, f. & cert. ef. 6-28-06

813-013-0025

Municipally Sponsored Development Projects

(1) Cities and Counties may acquire or dispose of real property located in a VHDZ for the purpose of developing Projects. Property acquired by a city or county within a VHDZ may be sold by the city or county at real market value or, if it will prudently encourage the development of a Project, at a lesser value. This authority is in addition and without prejudice to any authority by a city or county that otherwise exists under the laws of this state to acquire or dispose of property.

(2)(a) Development of Projects may be undertaken by a city or county independently, jointly or in partnership with a private person or entity.

(b) Development of Projects also may be undertaken by private persons or entities acting independently of city or county ownership.

Stat. Auth.: ORS 456.555

Stats. Implemented: ORS 307.854

Hist.: OHCS 1-2006(Temp), f. & cert. ef. 1-5-06 thru 7-4-06; OHCS 8-2006, f. & cert. ef. 6-28-06

813-013-0030

Zone Termination or Modification

(1) A VHDZ Applicant that initiated the designation of a VHDZ may request that the Department terminate all or part of the VHDZ provided that:

(a) The VHDZ Applicant furnishes to the Department copies of resolution(s) from the applicable governing body(ies), adopted not more than 60-days prior to the termination request, that approve the request to terminate the VHDZ; and

(b) The request otherwise contains such information and is in such form as the Department may require.

(2) The Department may waive the requirement for approval by all VHDZ Applicant(s) if the requested termination is partial in nature and applies only to areas exclusively within the jurisdiction of those VHDZ Applicant(s) seeking the partial termination.

(3) In issuing a VHDZ termination determination, the Department may make the termination effective at any time within 90 days from receiving a conforming request, taking into account factors including, but not limited to, pending applications for approval of Certified Projects.

(4) The Department may approve a Certified Project between the time of a request for VHDZ termination and its termination if the application for certification of the Project was pending with the Department prior to the Department's receipt of a request for VHDZ termination. However, the Department may consider the request for VHDZ termination in determining whether or not to approve the application for a Certified Project.

(5) The Department will send notice of its termination of a VHDZ to the VHDZ Applicant, affected county assessors, and owners of Certified Projects, of whom the Department is aware.

(6) Subsequent VHDZs may include areas from a terminated VHDZ. A new VHDZ may be designated, or an existing VHDZ expanded or reduced, so that there is no discontinuance of a VHDZ designation for any areas where the VHDZ designation is intended to endure.

(7) VHDZ Applicants seeking to form a new VHDZ from the territory of an existing VHDZ or to expand a VHDZ, will follow the procedures and other directives of the Department for seeking approval of a VHDZ designation from the Department.

(8) The Department may terminate all or part of a VHDZ on its own initiative, or at the request of any person, if the Department determines that the VHDZ fails to satisfy the criteria under this Division 013 for the establishment or maintenance of a VHDZ. Any such termination determination will not affect existing Certified Projects and is not subject to administrative or judicial review. The Department may reconsider any such determination.

Stat. Auth.: ORS 456.555

Stats. Implemented: ORS 307.844 - 307.851, 307.857, 307.861

Hist.: OHCS 1-2006(Temp), f. & cert. ef. 1-5-06 thru 7-4-06; OHCS 8-2006, f. & cert. ef. 6-28-06

813-013-0035

Project Certification Applications

(1) A Project Applicant may file an application for certification of a Project by completing the Vertical Housing Project application form, as prescribed by and available from the Department, and by delivering it during normal business hours or by mail to: Oregon Housing and Community Services Vertical Housing, Housing Division 725 Summer Street NE, Suite B PO Box 14508 Salem, Oregon 97309-0409.

(2) Projects must be described in terms of entire tax lots. Projects may not include partial tax lots.

(3) The Project Applicant must provide both a legible and scaled site plan and a legal description of the land for the proposed Project.

(4) To be for 'Residential Use' or for 'Non-Residential use' does not mean that a building floor is actually being occupied accordingly, but rather that it is at least intended and ready for such use and is not converted or occupied for a contrary use.

(5) Low-Income Residential Housing floors or units must be set-aside as such for the entire tax year and occupied only by people who are income eligible in order for the Project to qualify for the low income vertical housing exemptions on land.

(6) The Non-Residential use of a particular floor or floors may be satisfied even if the entire floor is not devoted to that use.

(7) The Department will review applications upon their appropriate delivery subject to, but not limited to:

(a) Applications being complete and consistent with Department requirements; and

(b) Delivery to the Department of an application processing charge, monitoring charge and any other related charges. In determining charges for each Project Applicant, the Department may consider factors including, but not limited to, known and expected costs in processing the application, effecting appropriate monitoring of the Project and otherwise administering the Program with respect to the Project. Payment of charges may be made by check or money order payable to the Department and must be submitted along with the Project Application or as otherwise required by the Department.

- (8) For new Construction Projects to qualify for certification, the application must be delivered to the Department before:
- (a) The relevant permitting authority has issued a temporary or permanent certificate of occupancy; or
 - (b) If no certificate of occupancy is required, then occupancy otherwise is effectively prevented because the proposed Certified Project has not yet been completed.
- (9) For Rehabilitation Projects to qualify for certification, the application must be delivered to the Department at any stage of the Rehabilitation, but not after Rehabilitation work on the Project is complete. The Department may provide a preliminary certification of the Project pending completion of the Rehabilitation of the Project. Notification of the Project's completion, together with appropriate documentation of the actual costs of the Rehabilitation and the real market value of the pre-rehabilitated Project must be forwarded by the Project Applicant to the Department within 90 days of Project completion. The Department may certify all or part of a rehabilitated Project or of a Project where the Rehabilitation is still in progress as a Certified Project.
- (10) Project Applicants must provide the following information in a manner satisfactory to the Department:
- (a) The address and boundaries of the proposed Project including the tax lot numbers, a legible and scaled site plan of the proposed Project, and a legal description of the land involved in the Project for which a partial tax exemption is sought by the Project Applicant;
 - (b) A description of the existing condition of the proposed Project property;
 - (c) A description of the proposed Project including, but not limited to current architectural plans that include verifiable square footage measurements, verified statements of Rehabilitation costs; and designation of the number of Project floors;
 - (d) A description of all Non-Residential Areas with related and total square footages, and identification of all non-residential uses ;
 - (e) A description of all Residential Uses and residential areas with related and total residential square footages;
 - (f) A description of the number and nature of Low-Income Residential Housing units with related and total Low-Income Residential Housing square footages;
 - (g) Confirmation that the Project is entirely located in an established VHDZ;
 - (h) A commitment from the Project Applicant, acceptable to the Department, that the Project will be maintained and operated in a manner consistent with the Project application and the Program for a time period acceptable to the Department and not less than the term of any related property tax exemption;
 - (i) A calculation quantifying the various uses of the Project in total and by each Equalized Floor including allocations to Residential Uses, the allocations to Low-Income Residential Housing uses, and the allocations to Non-Residential Areas; and;
 - (j) Such other information as the Department, in its discretion, may require.
- (11) The Project application must be submitted and received by the Department on or before the new Construction residential units are ready for occupancy or the Project Rehabilitation is complete;
- (12) The Department may request such other information from a Project Applicant and undertake any investigation that it deems appropriate in processing any Project application or in the monitoring of a Certified Project. By filing an application, a Project Applicant irrevocably agrees to allow the Department reasonable access to the Project and to Project-related documents, including the right to enter onto and inspect the Project property and to copy any Project-related documents.
- (13) To qualify to be a Certified Project, the Rehabilitation of any existing improvement must substantially alter and enhance the utility, condition, design or nature of the structure. In its application, the Project Applicant must verify such substantial alteration and enhancement. The following actions, by themselves, are not sufficient to satisfy this substantial alteration and enhancement requirement irrespective of cost or implementation throughout a Project:
- (a) Ordinary maintenance and repairs;

- (b) Refurbishment or redecoration that merely replaces, updates or restores certain fixtures, surfaces or components; or
- (c) Similar such work of a superficial, obligatory or routine nature

(14) Unless an exception is granted by the Department, Projects "in progress" at the time of application may include only costs incurred within six (6) months of the application date. Factors that the Department may consider in determining whether or not to grant an exception to the six (6)-month limitation on costs include, but are not limited to the following:

- (a) Delay due to terrorism or acts of God;
- (b) Delay occasioned by requirements of the Department;
- (c) Resultant undue hardship to the Project Applicant;
- (d) The complexity of the Project; and
- (e) The benefit of the Project to the Community.

(15) For applications filed before Project completion, the Department may provide a conditional letter of prospective certification of the Project pending its completion. To obtain a final certification of the Project, the Project Applicant must provide timely notification to the Department of the Project's completion, together with a copy of the certificate of occupancy and other information as the Department may require. A Project Applicant must provide the notice and required documentation to the Department within 90 days of Project completion which is typically the date of the certificate of occupancy unless the Department determines that another date is more appropriate.

(16) If an application is rejected for failure to meet Department review requirements, then:

- (a) The Department will notify the Project Applicant that the application has been rejected; and
- (b) The Department, at its own discretion, may allow the resubmission of a rejected application for Project certification ("as is" or with appropriate corrections or supplementations) or may reconsider a determination by it to reject an application. Factors that the Department may consider in allowing a resubmission of a rejected application or the reconsideration of a determination by it to reject an application include, but are not limited to the following:

- (A) Whether or not rejection results in undue hardship to the Project Applicant;
- (B) The best interests of the Community;
- (C) The level of cooperation from the Project Applicant;
- (D) The level and materiality of initial non-compliance by the Project Applicant, and;
- (E) Mitigation of any initial non-compliance by the Project Applicant.

(c) If the Department accepts for review a previously rejected application, it may do so, at its sole discretion, on a prospective basis or based upon the original date of filing. Factors that the Department may consider in determining the date to apply to a previously rejected application include, but are not limited to the following:

- (A) Whether or not occupancy or readiness to occupy residential units in the Project has occurred since the original application;
- (B) Whether or not undue hardship would result to the Project Applicant;
- (C) The best interests of the Community; and
- (D) The level and materiality of non-compliance in the initial application.

(17) The Department will evaluate each accepted application to determine whether or not to certify the proposed Project.

813-013-0040

Project Criteria

(1) A Project, to qualify for Department certification, must satisfy each of the following criteria:

(a) The Project must be entirely located within an approved VHDZ;

(b) The Project must be comprised of a multiple-story building, or a group of buildings, including at least one multiple-story building, so that a portion of the Project is to be used for Non-Residential uses and a portion of the Project is to be used for Residential Use;

(c) A portion of the Project must be committed, to the Department's satisfaction, for Residential Use and a portion of the Project must be committed, to the Department's satisfaction, for use as Non-Residential Use.

(d) The commitment to Non-Residential Use must be accomplished as follows:

(A) For a Project site that has frontage on one Public Street, at least 50% of the Project's Public Street-fronting ground floor facades must be committed for Non-Residential use;

(B) For a Project site that has frontage on more than one Public Street, the developer must designate one of the Public Streets as the Project's primary Public Street. One-hundred percent (100%) of the Project's primary Public Street-fronting ground floor facades must be committed for Non-Residential use;

(C) "Committed for Non-Residential Use" means that all interior spaces adjacent to the Public Street-frontage exterior facade are constructed to building code standards for commercial use, are planned for commercial use upon completion, or both;

(D) For purposes of this rule, "Public Streets" include all publicly-owned streets, but does not include alleys.

(e) Each phase of a phased development, whether vertical or horizontal, will be treated as a separate Project for application purposes

(f) Each Project must be on its own independent legal tax lot(s).

(g) Construction or Rehabilitation must be or have been undertaken with respect to each building or associated structure included in the Project, including but not limited to, additions that expand or enlarge an existing building;

(h) The Project application must be complete and fully satisfactory to the Department;

(i) The Project application must be received by the Department on or before the residential units are ready for occupancy (certificate of occupancy). For Rehabilitation not involving tenant displacement, the Project application must be filed before the Rehabilitation work is complete;

(j) Calculation of Equalized Floors is adequately documented;

(k) Documentation, satisfactory to the Department, establishes the costs of Construction or Rehabilitation of Project land developments and improvements, as applicable; and

(l) The Project square footage calculations do not include parking, patio, or porch areas unless these elements can be demonstrated by Project Applicant to the satisfaction of the Department that they are economically necessary to the Project and the Department otherwise determines that it is appropriate to grant an exception for the inclusion of any or all of such areas in the Project;

(2) Certified Projects with at least one Equalized Floor of Low-Income Residential Housing may qualify for a partial property tax exemption with respect to the land contained within the tax lot upon which the Certified Project stands, but will not qualify for a partial property tax exemption under the Program for land adjacent to or surrounding the Certified Project contained in separate tax lots. Excess or surplus land that is not necessary for the Project, as determined by the Department, will not be eligible for partial exemption; and (3) Low-Income Residential Housing units in the Certified Project must continue to meet the

income eligibility requirements for the definition of Low-Income Residential Housing for the entire period for which the vertical housing Project is certified.

Stat. Auth.: ORS 456.555

Stats. Implemented: ORS 307.844, 307.857

Hist.: OHCS 1-2006(Temp), f. & cert. ef. 1-5-06 thru 7-4-06; OHCS 8-2006, f. & cert. ef. 6-28-06

813-013-0045

Department Certification of Projects

(1) The Department will endeavor to process each accepted application and make a determination whether or not to approve such application, in whole or in part, within 60 days of when the accepted application is received by the Department at its Salem Office.

(2) If the application is approved, the Department will:

(a) Issue a letter to the Project Applicant describing the Certified Project with an explanation of the partial property tax exemption effective for the Certified Project; and

(b) Send a copy of the Project information to the county assessor(s) of the county or counties in which the Certified Project is located.

(3) The owner of a Certified Project must execute and record a Project Use Agreement, including restrictive covenants running with the land and equitable servitudes, satisfactory to the Department in the appropriate county or counties of record. Recordation of such instruments satisfactory to the Department constitutes a condition precedent to the approval of the Certified Project taking legal effect. The Department may void any Certified Project approval for failure to timely record and provide the Department with a copy of any such instruments. The owner shall be responsible for the cost of recording and providing satisfactory evidence to the Department that such instruments have been properly recorded.

(4) If the application is denied, the Department will send written notice of the denial to the Project Applicant. At its option, the Department may allow reapplication by the Project Applicant consistent with 813-013-0035. .

(5) Certification by the Department of a Project may be partial in scope. The Department's letter of approval will identify what portions of the property and improvements included in the Project application constitute the Certified Project.

(6) The letter of approval from the Department also may include such information and instructions as the Department deems appropriate.

Stat. Auth.: ORS 456.555

Stats. Implemented: ORS 307.857, 307.861

Hist.: OHCS 1-2006(Temp), f. & cert. ef. 1-5-06 thru 7-4-06; OHCS 8-2006, f. & cert. ef. 6-28-06

813-013-0050

Project Monitoring/Decertification

(1) A monitoring charge shall be paid by the Project Applicant to the Department at the time of Project application, or as otherwise directed by the Department, to cover the Department's actual and anticipated costs of monitoring and otherwise addressing compliance by the Certified Project with Program requirements including, without limitation ORS 307.841 to 307.861 and other applicable law. The Department may consider factors including but not limited to the following in determining the amount of this monitoring charge:

(a) The size of the Project;

(b) The number of residential housing units;

(c) Project uses;

(d) Project location;

- (e) The duration and complexity of compliance requirements;
- (f) The level and amount of staff or other services involved;
- (g) The use of supplies, equipment or fuel; and
- (h) The number of separate sites and/or buildings.

(2) If the Project includes Low-Income Residential Housing, the Project Applicant must pay a supplemental monitoring charge to the Department at the time of Project application, or as otherwise directed by the Department, to cover the Department's actual and anticipated costs of monitoring and otherwise addressing compliance by the Certified Project with Program requirements including, without limitation ORS 307.841 to 307.861 and other applicable law. The Department may consider factors including, but not limited to those in 813-013-0050(1) and the nature of the Low-Income Residential Housing population in determining the amount of this supplemental monitoring charge.

(3) The Department may condition its approval of a Certified Project upon payment by Project Applicant of the applicable charges described above in 813-013-0050(1) and (2). The Department may void or terminate the certification of all or a portion of a Certified Project if such charges, or any part thereof, are not timely paid.

(4) Modifications to or transfers of ownership of a Certified Project must receive prior written approval from the Department. The Department will not unreasonably withhold its approval of such modifications to or transfers of ownership. The Department may void or terminate the certification of all or a portion of a Certified Project if modifications to or transfers of ownership are made without its prior written approval except where such modifications or transfers occur by operation of law following death or divorce.

(5) If there are proposed or actual modifications to or transfers of ownership of the Certified Project, the Certified Project owner shall notify both the county assessor and the Department of the new owner's name, contact person, mailing address and phone number within 30 days of the change.

(6) The Department may require the Certified Project owner to pay an administrative charge to cover the Department's actual and anticipated costs of reviewing and processing such modification or transfer including, without limitation, effecting the legal review, amendment, execution or recording of related documents. The Department may consider factors including, but not limited to those in 813-013-0050(1) in determining the amount of this administrative charge

(7) The Department may condition its approval of a modification to or transfer of ownership in a Certified Project upon payment by the Certified Project owner of the administrative charge described above in 813-013-0050(6). The Department may void or terminate the certification of all or a portion of a Certified Project if such an administrative charge, or any part thereof, is not timely paid.

Stat. Auth.: ORS 456.555

Stats. Implemented: ORS 307.857, 307.861

Hist.: OHCS 1-2006(Temp), f. & cert. ef. 1-5-06 thru 7-4-06; OHCS 8-2006, f. & cert. ef. 6-28-06

813-013-0054

Monitoring; Investigations; Remedies; Decertifications

(1) The Department may monitor and investigate Certified Projects for compliance with Program requirements and other applicable law as it deems appropriate. By making application for approval of a Certified Project, Project Applicants irrevocably agree and give their consent that the Department may enter onto the premises of and inspect all portions of the Project as well as review and copy Project documents in the course of its monitoring and investigatory actions. Project Applicants further agree to cooperate fully with such Department monitoring and investigatory actions.

(2) The Department may undertake any remedial action that it determines to be necessary or appropriate to enforce Department interests or Program requirements including, without limitation, commitments provided by Project Applicants in the final application and Certification. Remedial actions may include, but are not limited to:

- (a) The requesting of Project documentation;

- (b) The issuance of orders and directives with respect to the Project or otherwise:
 - (c) The initiation and prosecution of claims or causes of action, whether by administrative hearing, civil action or otherwise (including, without limitation, actions for specific performance, appointment of a receiver for the Certified Project, injunction, temporary restraining order, recovery of damages, collection of charges, etc.); and
 - (d) The decertification of all or a portion of a Certified Project.
- (3) Prior to decertifying all or part of a Certified Project and directing the county assessor to disqualify all or part of the Project for partial property tax exemption treatment, the Department shall issue a decertification notice to the Certified Project owner identifying relevant factors among the following:
- (a) The property decertified from the Project;
 - (b) The number of Equalized Floors that have ceased qualifying as residential housing for purposes of the Program;
 - (c) The number of Equalized Floors that have ceased qualifying as Low-Income Residential Housing for purposes of the Program;
 - (d) The remaining number of Equalized Floors of residential housing in the Project and a description of the property of each remaining Equalized Floor;
 - (e) The remaining number of Equalized Floors of Low-Income Residential Housing in the Project and a description of the property of each remaining Equalized Floor of Low-Income Residential Housing; and
 - (f) Such other information as the Department may determine to provide.
- (4) Prior to issuance of a notice of decertification, the Department will provide the Certified Project owner with notice of an opportunity to correct first-time Program non-compliance within a reasonable amount of time as determined by the Department. The Department also may elect to provide the Certified Project owner with notice of an opportunity to correct repeat Program non-compliance within a reasonable amount of time as determined by the Department. In deciding whether or not to provide the Certified Project owner with notice of an opportunity to correct repeat Program non-compliance and in determining how much time to provide the Certified Project owner to correct any noticed Program non-compliance, the Department may consider factors including, but not limited to:
- (a) The severity of the non-compliance;
 - (b) The impact of non-compliance upon Project tenants and patrons;
 - (c) The public interest in appropriate and affordable housing;
 - (d) The public interest in the revitalization of relevant communities;
 - (e) The cost and time reasonably necessary to correct Program non-compliance; and
 - (f) The past history of compliance and non-compliance by the Project owner.
- (5) For those instances where the Department has elected to provide notice to a Certified Project owner if its non-compliance, if the Department determines that the Certified Project owner has failed to correct any noticed Program non-compliance within the time allowed by the Department in its notice, the Department may issue the notice of decertification identified above in 813-013-0054(3) and direct the county assessor to disqualify all or a portion of the Project from property tax exemption under the Program. The Department also may issue a notice of decertification and direct the county assessor to disqualify all or a portion of a Project from property tax exemption under the Program with respect to Program non-compliance for which it determines not to provide prior notice and an opportunity for non-compliance correction.
- (6) The effective date of a decertification is the effective date of same provided in the notice of decertification identified above in 813-013-0054(3). The effective date of a decertification may be retroactive from the date of the actual notice of decertification only to the commencement of the non-compliance for which the decertification is issued as determined by the Department. In determining whether or not to make the decertification retroactive, the Department may consider factors including, but not limited to those identified above in 813-013-0054(4), the intentional nature of the non-compliance, and when

the owner or its agents became aware or reasonably should have become aware of the non-compliance.

Stat. Auth.: ORS 456.555

Stats. Implemented: ORS 307.861, 307.864

Hist.: OHCS 8-2006, f. & cert. ef. 6-28-06

813-013-0061

Partial Property Tax Exemptions for Certified Projects

(1) In order to receive a partial property tax exemption under this Division 013, the Certified Project owner, the Project Applicant or other person responsible for the payment of property taxes on the Certified Project must notify the county assessor of the county in which the Certified Project exists, that the Project has been approved by the Department as a Certified Project and qualifies for a partial property tax exemption.

(2) The notification described above in 813-013-0061(1) must be delivered to the county assessor in writing on or before April 1 preceding the first tax year for which the partial property tax exemption is sought.

(3) Except as modified by 813-013-0061(4) and (5) of this rule, the exemption applies to the Construction or Rehabilitation of real property improvements associated with the Certified Project or the inclusion of affordable housing on the Certified Project, in each of the tax years for which the exemption is available, including but not limited to land development.

(4) The property exemption rate equals 20 percent (0.2) multiplied by the number of fully Equalized Floors (among all associated buildings exempt in that year), up to but not exceeding four such Equalized Floors, that are:

(a) For Residential Use; and

(b) Constructed or Rehabilitated as part of the Vertical Housing Development Project. For purposes of calculating the partial property exemption, the Equalized Floor quotient is rounded down to whole numbers reflecting only fully Equalized Floors up to a maximum of four such Equalized Floors.

(5) Consistent with 813-013-0061(2), the partial property tax exemption on a Certified Project is available for ten consecutive tax years beginning with the first tax year in which, as of the assessment date, the Project is occupied or ready for occupancy following its approval by the Department as a Certified Project.

(6) If during the period of partial tax exemption, any part of a Project dedicated for Residential Use is converted to or used as Non-Residential Area, the county assessor and the Department shall be notified by the Project owner of such change. Similarly, the county assessor and the Department shall be notified in writing by the Project owner if any part of a Project dedicated to Low-Income Residential Housing is converted to other purposes or otherwise used in a manner that does not comply with Low-Income Residential Housing requirements.

(7) In order to receive partial property tax exemption with respect to a Certified Project, the Certified Project owner shall apply to the county assessor of the county in which the Project exists. Upon written application for partial exemption to the appropriate county assessor, the Certified Project owner will provide the county assessor:

(a) A letter specifically requesting the partial tax exemption in accordance with the Certified Project approval certification;

(b) A copy of the final Project application for certification,

(c) A copy of the Certified Project approval certificate issued by the Department,

(d) A copy of the certificate(s) of occupancy for the entire Certified Project; and,

(e) Such fee(s), if any, as the county assessor may require.

(8) The certificate of occupancy or temporary certificate of occupancy must be dated prior to January 1 of the assessment year for which the exemption is requested.

(9) The written application for exemption must be made to the county assessor on or before April 1 of the assessment year for which the exemption is sought and the exemption will be effective for the first year for which the partial property tax exemption

is available and for the next nine consecutive tax years.

(10) If all or a portion of a Certified Project is decertified by the Department, that portion of the Certified Project shall be disqualified from partial property tax exemption as set forth in the notice of decertification.

Stat. Auth.: ORS 456.555

Stats. Implemented: ORS 307.861, 307.864

Hist.: OHCS 8-2006, f. & cert. ef. 6-28-06

813-013-0065

Waiver

The Department may waive or modify any requirements of OAR 813, division 013, unless such waiver or modification would violate applicable federal or state statutes or regulations.

Stat. Auth.: ORS 456.555

Stats. Implemented: ORS 307.841 - 307.867

Hist.: OHCS 8-2006, f. & cert. ef. 6-28-06

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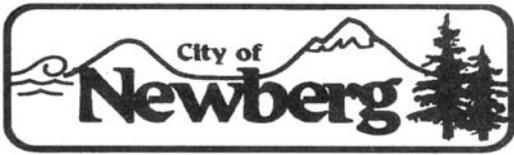
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MEMORANDUM

Date: February 16, 2011
To: Affordable Housing Action Committee
From: Barton Brierley, AICP
RE: Proposed Batch Annexation Ordinance

Summary of Annexation Ordinance

The legislation subcommittee has recommended a proposed annexation ordinance. The proposal would allow small annexations to be grouped and processed together. The proposal would set one time every two years where property owners could request to be included in the “batch.” Only groups of properties less than three acres would be eligible except as approved by the City Council, and only properties where no comprehensive plan amendment also is requested. Staff would collect the applications up to a certain date, then send the full batch to the City Council for one hearing. If the City Council approves, the batch then would be sent to the May primary ballot under one measure.

The proposal also establishes a separate process for city initiated annexations, such as for island annexations or triple-majority annexations, that do not fit the typical property owner initiated application process. The island annexation process is modified to conform to recent changes in state law.

Proposed Action

The legislation subcommittee proposes the following action:

Recommend that the City Council adopt the annexation ordinance.

Relationship to Affordable Housing Action Plan

The proposal relates to Action 4.2.E. of the Affordable Housing Action Plan

Action 4.2E: Create an expedited annexation process for affordable housing projects.
One barrier to affordable housing projects is the time, expense, process, and uncertainty of the City’s annexation process. The City could streamline this process, such as by allowing annexation of specified affordable housing projects without being subjected to a public vote under certain conditions. In these cases, the provision of affordable housing would need to be guaranteed through a development agreement or other method. Modifications to the public vote requirement would require an amendment to the Newberg Charter.

Estimate of Financial Effect

The proposal would require some staff time and resources in processing the amendment. After that, the proposal would significantly reduce the total expense in processing annexation application. The Subcommittee recommended that, after the first round of batch annexations, each property owner be charged \$500 to cover some processing costs.

Attachment:

Annexation Ordinance Draft 2/16/2011

Development Code Annexation Procedure Amendments

Draft 2/15/11

Note: Existing text is shown in regular font

Deleted text is shown in ~~strikeout~~

Added text is shown in double-underline

ANNEXATIONS

15.250.010 Statement of purpose.

The city finds that annexation is the first step to converting future urbanizable lands to urbanizable land within the Newberg Urban Growth Boundary, and that as such it is an important part of the process of providing timely and orderly urban development. The city also recognizes that the development of lands at an urban density must include the provision of an adequate level of required urban services such as sewer, water, and roads. Policies and procedures adopted in this code are intended to carry out the directives of the citizens of Newberg and the Newberg comprehensive plan, and to insure that annexation of lands to the city is incorporated into the process of providing a timely and orderly conversion of lands to urban uses. The City Charter requires that, unless otherwise mandated by state law, annexation may only be approved by a majority of those voting.

15.250.020 Conditions for annexation.

The following conditions must be met prior to or concurrent with city processing of any annexation request:

- A. The subject site must be located within the Newberg Urban Growth Boundary or Newberg Urban Reserve Areas.
- B. The subject site must be contiguous to the existing city limits.

15.250.030 Quasi-judicial annexation criteria.

Quasi-judicial annexations applications are those filed pursuant to the application of property owners and exclude legislative annexations. The following criteria shall apply to all quasi-judicial annexation requests:

- A. The proposed use for the site complies with the Newberg comprehensive plan and with the designation on the Newberg comprehensive plan map. If a redesignation of the plan map is requested concurrent with annexation, the uses allowed under the proposed designation must comply with the Newberg comprehensive plan.
- B. An adequate level of urban services must be available, or made available, within three years time of annexation, except as noted in division (E) below. An adequate level of urban services shall be defined as:

1. Municipal sanitary sewer and water service meeting the requirements enumerated in the Newberg comprehensive plan for provision of these services.

2. Roads with an adequate design capacity for the proposed use and projected future uses. Where construction of the road is not deemed necessary within the three year time period, the city shall note requirements such as dedication of right-of-way, waiver of remonstrance against assessment for road improvement costs, or participation in other traffic improvement costs, for application at the appropriate level of the planning process. The city shall also consider public costs for improvement and the ability of the city to provide for those costs.

C. Findings documenting the availability of police, fire, parks, and school facilities and services shall be made to allow for conclusionary findings either for or against the proposed annexation. The adequacy of these services shall be considered in relation to annexation proposals.

D. The burden for providing the findings for divisions (A), (B) and (C) of this section is placed upon the applicant.

E. The city council may annex properties where urban services are not and cannot practically be made available within the three year time frame noted in division (B) above, but where annexation is needed to address a health hazard, to annex an island, to address sewer or water connection issues for existing development, to address specific legal or contract issues, to annex property where the timing and provision of adequate services in relation to development is or will be addressed through legislatively adopted specific area plans or similar plans, or to address similar situations. In these cases, absent a specific legal or contractual constraint, the Council shall apply an interim zone, such as a limited-use overlay, that would limit development of the property until such time as the services become available.

15.250.040 Quasi-judicial ~~A~~annexation procedures.

All quasi-judicial annexation requests approved by the city council shall be referred to the voters in accordance with the requirements of this code and O.R.S. 222.

A. Annexation elections are normally scheduled for the biennial primary or general elections which are held in May and November of even numbered years. Applications for annexation shall be filed with the Planning Division before 5:00 p.m. on October 1 for a primary ballot election in May and before 5:00 p.m. on April 1 for a general ballot election in November. An applicant may request that the Council schedule an annexation ballot measure for a special election date. Applications proposed for review at a special election must be filed with the city eight months prior to the proposed special election date. Filing of an annexation application and having the application deemed complete does not obligate the city to place the annexation question before the voters at any particular election. This division does not obligate the city to process an annexation application within any time frame not required by ordinance or state statute.

B. The application shall be processed in accordance with the Type III processing procedures outlined in this code. Once the Director receives a completed application for annexation, he/she shall schedule a recommendation hearing before the planning commission.

The planning commission shall make a recommendation to the city council as to whether or not the application meets the criteria contained in § 151.262. This decision shall be a quasi-judicial determination and not a legislative determination. The planning commission may also recommend denial of an application based upon a legislative perception of the request even though the findings support and would allow annexation. A decision to recommend denial of an annexation, even though the findings support the request, shall be specifically stated in the record and noted as a legislative recommendation separate and apart from the quasi-judicial recommendation.

C. Following the planning commission hearing, the Director shall schedule a city council hearing to consider the request. The city council shall conduct a quasi-judicial hearing and determine whether or not the application meets the criteria contained in § 151.262. The hearing at the city council shall be considered a new hearing. If additional testimony is submitted, the Council may, at its own discretion, return the application to the planning commission for further review and recommendation. The city council may also deny an application based upon a legislative perception of the request even though the findings support and would allow annexation. A decision to deny an annexation, even though the findings support the request, shall be specifically stated in the record and noted as a legislative recommendation separate and apart from the quasi-judicial recommendation.

D. If the city council approves the annexation request, the proposal may, at the city council's sole discretion, be placed before the voters of the city as follows:

1. The biennial primary or general elections which are held in May and November of even numbered years, or
2. An available special election.

E. If the city schedules the annexation election for an election other than the biennial primary or general election, the agreement of the applicant or owner of the property must be obtained. All costs associated with placing the matter on the ballot shall be paid for by the applicant or owner of the property being annexed.

F. The city shall place a notice of the annexation election in a newspaper of general circulation in the city not more than 30 days nor less than 20 days prior to the date of the election. Such notice shall take the form of a minimum one quarter page layout, which includes a map of the property to be annexed and unbiased information regarding the annexation.

G. The city shall cause the property under consideration for annexation to be posted with a minimum of one sign not less than 16 square feet in size. The sign shall provide notice of the annexation election, a map of the subject property, and unbiased information regarding the annexation. The sign shall be removed by the applicant within ten days following the election day.

H. In addition to the regular annexation fee, the applicant shall pay for all of the costs associated with the election, the ad in the newspaper, and posting of the notice. The city shall inform the applicant of the costs necessary for the newspaper ad and property posting and of the deadline for payment of these costs.

I. Should this annexation request be approved by a majority vote of the electorate of the city at the election date as identified by resolution of the city council, the property shall be annexed and the following events shall occur:

1. The property shall be ordered and declared annexed and withdrawn from the Newberg Rural Fire Protection District.

2. The territory will be changed from a county zone to a city zoning designation as indicated in NMC 15.250.080. The Newberg, Oregon zoning map shall be amended to indicate this change.

3. The Recorder of the city is directed to make and submit to the Secretary of State, the Department of Revenue, the Yamhill County Elections Officer, and the Assessor of Yamhill County, a certified copy of the following documents:

- a. A copy of the approved ordinance.
- b. A map identifying the location of said territory.

J. If the city council refers an annexation to the voters at a particular election, and the annexation fails to pass at that election, the applicant may petition the city council to refer the annexation to the voters at a subsequent election, subject to the following.

1. The petition shall include a fee in an amount determined by resolution of the city council. In addition, should the petition be granted, the applicant shall be responsible for all election costs, including the cost of preparing the new annexation measure.

2. The applicant may only petition the city council once for resubmittal to place the annexation on the ballot in any 12-month period.

3. The city council shall hold a hearing to consider the petition. The hearing is a legislative hearing. Notice of the hearing shall be published in accordance with NMC 15.100.270.

4. After hearing the petition, the city council may decide any of the following.

a. The Council may approve the petition and schedule the annexation for a subsequent election. The annexation may only be placed before the voters once in any 11-month period. The annexation shall be processed according to the procedures in subsections (D) through (I) of this section.

b. The Council may deny the petition.

c. If conditions affecting the original criteria for the approval of the annexation by the city council have changed significantly, the Council may require the applicant to resubmit the annexation application for consideration by the city council and to pay a new annexation application fee. The Council also may direct that the resubmitted application be

referred to the planning commission for recommendation. If there is a period of more than five years between the Council's original quasi-judicial determination that the annexation meets applicable criteria and the annexation election date, then a new application shall be required.

5. The city council shall have total discretion in determining the timing of placing an annexation measure before the voters, in requiring the submittal of a new or modified annexation application, or in denying a petition for new election.

6. Where an annexation has been initiated by the city council, the council may refer the annexation to a subsequent election upon its own motion.

15.250.050 Application requirements for quasi-judicial annexations.

Applications for a quasi-judicial annexation shall be made on forms provided by the planning division and include the following material:

A. Written consent to the annexation signed by the requisite number of affected property owners, electors, or both to conduct an election within the area to be annexed, as provided by state law. The consent shall include a waiver stating that the owner will not file any demand against the city under Measure 49, approved November 6, 2007, that amended O.R.S. Chapter 195 and 197.

B. Legal description of the property to be annexed and a boundary survey certified by a registered engineer or surveyor.

C. Vicinity map and map of the area to be annexed including adjacent city territory.

D. General land use plan indicating types and intensities of proposed development, transportation corridors (including pedestrian and vehicular corridors), watercourses, significant natural features, open space, significant stands of mature trees, wildlife travel corridors, and adjoining development.

E. Statement of overall development concept and methods by which physical and related social environment of the site, surrounding area, and community will be enhanced.

F. Annexation fees, as set by city council resolution.

G. Statement outlining method and source of financing to provide additional public facilities.

H. Comprehensive narrative of potential positive and negative physical, aesthetic, and related social effects of the proposed development on the community as a whole and on the smaller sub-community or neighborhood of which it will become a part and proposed actions to mitigate such effects.

I. Concurrent with application for annexation, the property may be assigned one of the following methods for development plan review:

- A. A planned unit development approved through a Type III procedure.
- B. A development agreement approved by the city council.
- C. A contract annexation as provided for in the state statutes. Development plans must be approved and an annexation contract must be signed by the city council in order to use the contract annexation process.

15.250.055 Legislative annexations.

A. Purpose. Legislative annexations are those annexations that are initiated by the City of Newberg. Legislative annexations include health hazard annexations, island annexations, batch annexations, and other annexations initiated by the City Council.

B. Process. Legislative annexations shall be processed as a Type IV legislative action, except as noted. The annexation request shall be reviewed directly by the city council. A planning commission hearing shall be required only if a comprehensive plan amendment is involved or city council refers the matter to the planning commission for a recommendation.

C. Notice. The director shall provide notice of hearings:

1. To the owner of the site proposed for annexation.

2. To owners of property within 500 feet of the entire site for which the application is made. The list shall be compiled from the most recent property tax assessment roll.

3. To the Department of Land Conservation and Development per NMC 15.100.250.

4. Within a newspaper of general circulation within the city at least ten days prior to the first public hearing on the action per NMC 15.100.270.

D. Approval. In approving any legislative annexation, the city council shall follow the applicable procedures of state law and the Newberg Charter. If the city council approves the annexation, where required by state law or City Charter the annexation shall be referred to an election at a date determined by the city council. If the annexation election is not approved, the city council, at its discretion, may refer the proposal to a future election with any modifications it determines are appropriate. If an election is not required by state law or City Charter, the city council shall by ordinance declare that the territory is annexed to the City.

15.250.060 Health hazard annexation.

The city shall annex those areas constituting a health hazard in accordance with Oregon Revised Statutes, taking into consideration the ability of the city to provide necessary services. Annexation of areas constituting a health hazard are not subject to voter approval.

15.250.070 Island annexation.

The following policies are adopted for island annexations:

A. The city shall attempt to not create islands of unincorporated territory within the corporate limits of the city. If such an island is created, the city council may set a time for a public hearing for the purpose of determining if the annexation should be submitted to the voters. The hearing shall be conducted in accordance with the policies and procedures contained in this code.

B. Written notice to property owners will be made prior to annexation to allow for property owner responses. Failure to receive notice shall not in any way invalidate the annexation procedure that may be subsequently undertaken by the city.

C. The island annexation shall follow the procedures required under ORS 222.750.

~~CD.~~ Annexation of an island shall be by ordinance, subject to approval by the voting majority. The city shall allow electors, if any, in the territory proposed to be annexed to vote in the election on the question of annexation. If the city council finds that a majority of the votes cast in the city and the territory combined favor annexation, the city council, by ordinance, shall proclaim the annexation approved. The proclamation shall contain a legal description of each territory annexed.

E. For property that is zoned for, and in, residential use when annexation is initiated by the city under this section, the city shall specify an effective date for the annexation that is at least three years and not more than 10 years after the date the city proclaims the annexation approved. The city recorder shall:

1. Cause notice of the delayed annexation to be recorded by the county clerk of the county in which any part of the territory subject to delayed annexation is located within 60 days after the city proclaims the annexation approved; and

2. Notify the county clerk not sooner than 120 days and not later than 90 days before the annexation takes effect.

3. Notwithstanding subsection (D) of this section, property that is subject to delayed annexation becomes part of the city immediately upon transfer of ownership.

15.250.075 Batch annexation of small properties by consent

With the consent of the property owners, the city may process multiple smaller annexations together as a legislative annexation in order to streamline the annexation process and to share the financial cost of the application.

A. Eligibility. Properties are eligible for batch annexation if:

1. The total area of each contiguous territory to be annexed does not exceed three acres, unless the city council moves to allow consideration of a larger territory prior to the hearing.

2. Property owners shall file a consent and request to annex with the city on forms provided by the director.

3. The zoning map designation complies with the comprehensive plan map designation. If a comprehensive plan map change is proposed the request shall follow the process described in NMC 15.250.060 (B).

B. Process. Batch annexations shall be processed as follows:

1. The deadline to file a request shall be November 1 prior to a May primary election in even number years.

2. Property owners shall submit a consent to annex form provided by the city and a request to be part of a batch annexation. The request shall include a legal description of the property and a title report or proof of ownership, and a waiver a waiver stating that the owner will not file any demand against the city under Measure 49, approved November 6, 2007, that amended O.R.S. Chapter 195 and 197.

3. The director shall collect the requests. If two or more eligible requests are submitted by November 1, the director shall initiate the batch annexation and schedule the item for a city council hearing. If fewer than two requests are submitted, the director shall extend the deadline to May 1 of the even numbered year to allow consideration prior to the general election in November. If multiple requests are not submitted by the May 1 deadline, the requests shall be deferred until multiple requests are received by the next deadline.

4. The city council may initiate a batch annexation at times other than those specified above.

C. Criteria for a batch annexation.

For each property, an adequate level of urban services is or can be made available within three years, including.

1. Municipal sanitary sewer and water service meeting the requirements enumerated in the Newberg comprehensive plan for provision of these services.

2. Roads with an adequate design capacity for the proposed use and projected future uses.

3. Police, fire, parks, and school facilities and services.

D. Approval. The Council may approve or deny all or part of the proposed batch annexation. If the city council approves, it shall refer the annexation to an election following the legislative process under NMC 15.250.060.

15.250.080 Comprehensive plan and zoning designations.

A. The comprehensive plan map designation of the property at the time of annexation shall be used as a criterion to determine whether or not the proposed request complies with the Newberg comprehensive plan. A redesignation of the comprehensive plan map may be requested concurrent with annexation. The proposed redesignation shall then be used to determine compliance with the Newberg comprehensive plan.

B. Upon annexation, the area annexed shall be automatically zoned to the corresponding land use zoning classification which implements the Newberg comprehensive plan map designation. The corresponding designations are shown in the table below. The procedures and criteria of § 15.302.030 shall not be required.

Comprehensive Plan Classification	Appropriate Zoning Classification
OS	Any zoning classification
LDR	R-1
MDR	R-2
HDR	R-3
COM	C-1, C-2, or C-3 as determined by the Director
MIX	C-2, M-1, or M-2 as determined by the Director
IND	M-1, M-2, M-3, M-4 or AI
PQ	Any zoning classification
P/PP	<u>CF</u> Any zoning classification

C. If a zoning classification is requested by the applicant for other than that described in division (B) of this section, the criteria of NMC 15.302.030 shall apply. This application shall be submitted concurrently with the annexation application.

D. In the event that the annexation request is denied, the zone change request shall also be denied.

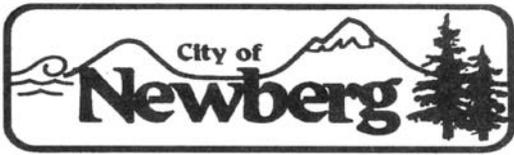
15.250.090 Coordination.

Annexation requests shall be coordinated with affected public and private agencies, including, but not limited to, Yamhill County, Chehalem Park and Recreation District, Newberg School District, Northwest Natural Gas, Portland General Electric, and, where appropriate, various state

agencies. Coordination shall be made by referral of annexation request to these bodies sufficiently in advance of final city action to allow for reviews and recommendations to be incorporated into the city records.

15.250.100 Annexation of non-conforming uses.

When a non-conforming use, as described in NMC 15.205.010 through 15.205.100, is annexed into the city, the applicant shall provide a schedule for the removal of the non-conforming use for the planning commission and city council. Legal non-conforming residential uses are allowed to remain indefinitely. At time of approval of the annexation, the city council may add conditions to ensure the removal of the non-conforming use during a reasonable time period. The time period may vary from one year to 10 years at the discretion of the city council.



MEMORANDUM

Date: February 16, 2011

To: **Affordable Housing Action Committee**

From: Barton Brierley, AICP
Planning and Building Director

Cc: Cody Gardner

RE: Housing Occupancy and Property Maintenance Ordinance

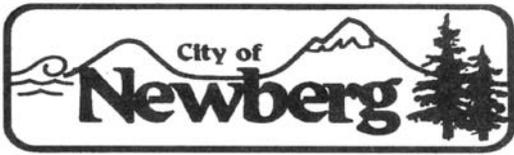
Summary of Housing Occupancy and Property Maintenance Ordinance

The Legislation Subcommittee discussed possible ways to allow increased occupancy of dwellings. Current occupancy limits for a single family home are five unrelated persons, or an unlimited number of related persons. Allow additional occupancy would be one of the most affordable ways of providing housing for many individuals. The committee discussed modifying the limits on housing occupancy to encourage affordable housing. The committee voted to consider the issue relating to the safety and external impacts of overcrowding of housing. Safety impacts might be related to installing smoke detectors or proper exiting. External impacts might be related to parking, garbage accumulation, maintenance, or similar impacts.

I spoke about this issue with Cody Gardner, our Code enforcement officer. He is working on a property maintenance ordinance that deals with many of these issues. He is planning on meeting with other jurisdictions to find out how their ordinances are working. We will discuss the concept at our February 23 meeting.

Proposed Action

Approve the direction of creating a property maintenance ordinance and allowing increased occupancy of dwellings provided property maintenance standards are met.



MEMORANDUM

Date: February 16, 2011
To: Affordable Housing Action Committee
From: Barton Brierley, AICP
RE: Manufactured Dwelling Park Retention

Summary of Proposal

The Legislation subcommittee met to discuss potential means to promote retention of manufactured dwelling parks. After discussing the issue with manufactured dwelling park managers and considering a number of options, the committee recommended that urban renewal be given further consideration. Within an urban renewal district, tax increment could be used to help fund park improvements to keep the park viable into the future. Improvements might include things such as replacing aged or failing utility systems, repaving roads, or upgrading landscaping.

Proposed Action

The subcommittee proposes the following action:

Create a “white paper” on urban renewal as a means of promoting retention of manufactured dwelling parks, and present that to the Planning Commission and City Council.

Relationship to Affordable Housing Action Plan

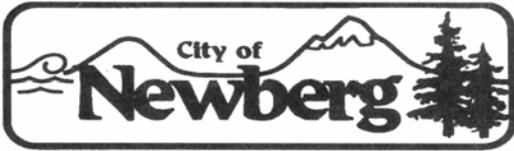
Action 2.2. Create an ordinance discouraging the conversion of existing manufactured dwelling parks.

Manufactured housing is particularly susceptible to being removed due to its inherent mobile nature. Land may become more valuable for commercial or other uses, prompting the owner to remove the housing. The City should at a minimum not adopt zone changes that would facilitate the removal of manufactured dwelling parks. In general, a more comprehensive ordinance should be developed to discourage conversion of parks. More specifically, the City should, as necessary: (1) provide resources to maintain existing manufactured dwelling parks; and, (2) help secure resources financial and educational resources for the conversion of existing parks where spaces are rented into resident-owned parks.

Estimate of Financial Effect

Creating a white paper will require some staff effort and resources.

Creating an urban renewal district would require an initial expense of \$20,000 to \$50,000. The actual costs and benefits of such a district would be explored in the white paper.



MEMORANDUM

Date: February 16, 2011
To: Affordable Housing Action Committee
From: David Beam, AICP
RE: Proposed Action Items from Education/Outreach Subcommittee

Proposed Action Item – Establishment of Tool Loan Library

Summary of Tool Loan Library – Maintaining a home is one of the many expenses of homeownership. Proper maintenance can reduce that cost significantly. Purchasing the proper tools to perform this maintenance can be a significant cost. Many of the specialty tools are used infrequently, making it difficult to justify making the investment of purchasing the tool.

The proposal is to create a community tool lending library where homeowners/renters can rent tools for home maintenance at a nominal fee. The Newberg Habitat for Humanity Board has discussed this proposal and feels that they may be able to take on this project, although it may be a couple of year before they have the capacity to implement the program. In the meantime, solicitations for tool donations can be made. A location to store the donated tools has not been identified yet, but Habitat has indicated they would be willing to try and located such a storage facility.

Proposed Action: Recommend pursuing the tool loan library as described above.

Relationship to Affordable Housing Action Plan - This proposal relates to Strategy #2 of the Affordable Housing Action Plan:

Strategy #2: Retain the existing supply of affordable housing

The best supply of affordable housing is the housing that is already in place. Unfortunately, this housing is susceptible to being removed from the community for a number of reasons. This housing can be demolished or removed to make way for newer development, it can decay due to lack of maintenance, or it can become unaffordable due to other factors, such as increases in utility costs. A number of strategies are needed to insure the existing stock of affordable housing is retained.

Estimate of Financial Effect – Since Habitat for Humanity is a volunteer organization and the vast majority of the tools needed for the library would likely be donated, the investment and on-going cost of the program should be minimal. The tools will be rented by customers for a nominal fee, which should cover the maintaining the tool library and any operational costs.

Experience from Other Communities – Similar programs are being run in Portland as well as Berkeley and Oakland, CA.

Attachments – Tool lending program descriptions from Portland as well as Berkeley and Oakland, CA.

Proposed Action Item – Establishment of Housing Resource Center

Summary of Housing Resource Center – Identifying resources to help solve housing issues can be difficult. There are many services available to assist persons seeking housing assistance, but those services are provided many different organizations, many which don't have a high profile.

The proposal is to develop a Housing Resource Center where the citizens of Newberg can more conveniently find information/solutions to their housing needs. First, there will be a physical presence of the Center. The Director of the Newberg Public Library, Leah Griffith, has indicated that the library could find some space there to accommodate such a Center. Locating the Center at the library has the added benefit of providing internet access to potential customers of the Center. The Center is envisioned to be a simple facility, involving a table with a chair or two. The Center would also include a virtual presence on the City's website. This website would include housing assistance information as well as links to other resources. A list of commonly asked questions will be developed with corresponding answers as well as links to where additional assistance can be found.

While a similar facility is located in McMinnville, its distance from Newberg can be an barrier to accessing it by citizens who often need this assistance the most.

Recommended Action: Recommend pursuing creation of a housing resource center as described above.

Relationship to Affordable Housing Action Plan - This proposal relates to Action 6.4 of the Affordable Housing Action Plan:

Action 6.4: Work more closely with Housing Authority of Yamhill County and other affordable housing non-profits

These organizations are the central conduits for securing and administering many of the state, federal, and private funds for affordable housing within this region. The City should work more closely with these organizations to ensure that Newberg is maximizing its opportunities to access available affordable housing funds and their professional expertise.

Responsible parties: City of Newberg, HAYC, YCAP, and CASA.

Estimate of Financial Effect – Anticipated costs include staff time (Planning Division staff) to construct the Center and maintain it. Some nominal materials costs will also be incurred.

Experience from other communities – This is a common service by organizations interested in providing housing, including the housing resource center in McMinnville by the Housing Authority of Yamhill County.

Attachments – Home page of Housing Authority of Yamhill County website.

Proposed Action Item – Establishment of a Renter Certification Program

Summary of Renter Certificate Program – Some renters find it difficult to locate rental housing. This situation can occur for multiple reasons, some due to circumstances beyond their control and others as a result poor choices they have made. The Renter Certification Program is intended to teach participants the skills necessary to become successful tenants. A successful program will also provide a more positive business environment for landlords.

The Housing Authority of Yamhill County is currently developing a similar program. Once the program is in place, the City will encourage HAYC to hold program classes in Newberg. Identifying potential Newberg participants is expected to be relatively simple through the use HAYC's extensive client database.

Recommended Action: Recommend creation of the renter certificate program as described above.

Relationship to Affordable Housing Action Plan - This proposal relates to Action 6.3 of the Affordable Housing Action Plan. While it deals with the issue of renters, it does concern providing counseling services to better prepare them for seeking out and maintaining this type of housing :

Action 6.3: Expand Home Ownership and Counseling Program

This program would help individuals/families make an informed decision about whether and when they are ready to purchase a home. It could help individuals/families learn how to: improve their credit scores so they can qualify for more attractively priced mortgage products understand how to spot and avoid predatory lending practices qualify for various down payment assistance programs.

Responsible parties: Housing Authority of Yamhill County already holds an annual housing education as well as operates a housing resource center year-round. In cooperation with the Authority, local organizations interested in affordable housing, such as the City, CASA, Habitat for Humanity, lending institutions, etc. could work together (create a new, informal cooperative organization?) to inform Newberg citizens of these educational resources. These could also ensure that an educational housing fair is held in Newberg annually, or more frequently, if necessary. In addition, the Newberg School District could incorporate a financing for housing program (rentals and home ownership) within their curriculum.

Estimate of Financial Effect: Undetermined at this time. Potential costs include class materials, instructor, and possible class space.

Experience from other communities: The Arches Project in Salem currently is running a similar program call RENT (Renter Entering New Tenant Experiences).

Attachments: Program description for RENT.

- My Library Account
- Library Cards
- Borrowing
- Renewing Materials
- Placing Holds on Materials
- Use a Computer

How Do I...?

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- Central Library
- Claremont Branch
- North Branch
- South Branch
- **Tool Lending Library**
 - **How To Use**
 - History
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■ West Branch

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Volunteer

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Tool Lending Library - How To Use It

1. Only residents or property owners of the city of Berkeley over the age of 18 are eligible to borrow tools from the Tool Lending Library (TLL). No more than 10 items may be borrowed at any one time.
2. Borrowers must register with the TLL prior to borrowing tools. Registration will be complete upon verification of the borrower's Berkeley address, or property ownership if the borrower resides outside of Berkeley. Verification is accomplished by presenting the following:
 - a. Valid Berkeley Public Library Card, current photo identification, and one of the following: current lease/rental agreement (with patron's name listed as tenant), or current utility bill (with patron's name listed), or current tax bill (in patron's name) identifying ownership of property in Berkeley.
 - b. If residence in Berkeley cannot be verified any other way, patron must come to the Library and fill out a self-addressed Tool Lending Library postcard. Upon receipt of the postcard by mail, the borrower will present the postcard to TLL staff as verification of address.
 - c. Patrons who rent mailboxes must provide proof of residency or property ownership in Berkeley before being granted borrowing privileges at the Tool Lending Library.
 - d. Berkeley Marina liveaboards also need to provide proof of residency showing their current MFLAT berth rental coding.
3. All tools and equipment lent by the TLL are the property of the Berkeley Public Library. Only the borrower is authorized to use the tools. The borrower shall not permit the use of said tools by any other person except by the express permission of the TLL.
4. The borrower agrees that the Berkeley Public Library is not responsible for any manufacturing defects in quality of workmanship or materials inherent in any borrowed tools.
5. The Borrower agrees that if any borrowed tool becomes unsafe or in a state of disrepair, the borrower will immediately discontinue use of the tool and return it to the TLL.
6. Before borrowing any tool or piece of equipment, the borrower shall sign a form of WAIVER AND INDEMNIFICATION to be provided by the Library, which will be kept on file at the TLL. The borrower acknowledges that he or she is capable of using the tool in a safe and proper manner, and that instruction in the proper use of tools is available from TLL staff.
7. Loan periods for tools are two, three or seven days, depending upon the demand and type of tool. The borrower agrees to return any borrowed item on or before the due date in the same condition, normal wear and tear excepted, as when it was borrowed. The borrower agrees to pay for the loss of or damage to any tool on loan to him or her. The borrower further understands that fines will be levied for each item kept past the due date. Repeated failure to return tools on time may result in revocation of borrowing privileges. The Library reserves the right to limit the number of tools borrowed and to alter the maximum loan period.
3. If the borrower wishes to renew the loan of the tool, he or she may do so on the due date by contacting the Tool Lending Library in person. Renewals must be done in person. If there is

no one waiting to borrow the item, it may be borrowed for an additional loan period. The Library reserves the right to refuse or limit renewals. Up to 2 consecutive renewals may be made, dependent upon the reserve status of the item.

9. If a tool is not immediately available for loan, the borrower may make a reserve request to have the tool when it becomes available. Reserve requests will be handled in the order received. If a tool is available, the borrower may phone the TLL and have the tool set aside to be borrowed later THE SAME DAY. If the borrower fails to come for the tool as agreed, the Library may lend the tool to another borrower. No tool will be held beyond closing time. Tools will not be reserved for a future date. Seasonal demands may affect reserve policies. The Library retains the right to alter or suspend any of the above reserve policies.
10. When tools are not returned by the designated due date, the TLL will issue an overdue notice. If the tools are not returned after the notice has been sent, appropriate steps will be taken to retrieve them, including by collection agency and/or legal action.
11. The Tool Lending Library retains the right to refuse the loan of any item for failure to comply with any of the above rules and regulations, or for falsification of any information.

About the Library | Services and Resources | Community

[Library Catalog](#) | [Ask a Librarian](#) | [Children](#) | [Teens](#) | [Multilingual Resources](#)

[Borrowing](#) | [Library Events Calendar](#) | [My Library Account](#) | [Placing Holds on Materials](#) | [Renew Materials](#) | [Use a Computer](#)

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[Site Map](#) | [Site Credits](#) | [Download Adobe's Acrobat Reader](#) | [Privacy Policy](#)

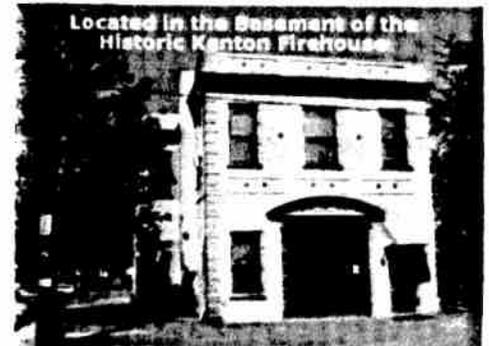
North
Portland
Tool
Library

Building Community

About Us
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Partners
Sponsors
Get Involved

Tools and the Power to use them.

The North Portland Tool Library (NPTL) is a community resource dedicated to building community and fostering sustainability by providing residents with tools and the power to use them. We loan a wide variety of tools to community members **free of charge**. The NPTL benefits North Portland residents by reducing the costs of maintaining and improving the places in which we live, work, and play. The NPTL helps support diverse, livable neighborhoods and fosters community pride.



Registration with the Library is free to all residents of **North Portland** and there are no costs aside from late fees and replacement charges. Please see the [membership](#) tab for additional details about registration and requirements.

Happy Holidays

To Our Members and Friends!

Hello! We hope this holiday season finds you in good spirits and good health.

As 2010 comes to a close, it is time to launch our end-of-year giving campaign. Our goal is to raise \$4,500 through this campaign. With your support, we can reach this goal and continue to maintain regular hours, secure high-quality tools and offer suggestions for proper tool selection at every check-out.

We are asking each member for a \$30 contribution this December. This amount is equivalent to: more than two hours of salary to keep the door open, a month of electricity, a month of heat, a month of internet access, three circular saw blades, a drill, hedge trimmer sharpening, new brushes for two sanders, or a heavy 50 foot extension cord.

Board members will be onsite during open hours throughout December to receive your contributions and feedback on our services. Please take this opportunity to make a donation, sign up for a volunteer shift, share your tool and project stories, and submit your ideas for 2011 workshop topics.

If you do not expect to visit the Tool Library in the next month, please make a
AH FULL COM: Page 92 of 114

contribution by mail addressed to:

**North Portland Tool Library
2209 North Schofield St.
Portland, OR 97217**

Checks should be made payable to: **North Portland Community Works** (our fiscal sponsor) and include your NPTL membership number in the memo section.

Please contribute what you can. Thank you in advance. We look forward to your continued support as we pledge:

Power Tools to the People!

Sincerely,

The NPTL Board and your friendly Tool Coordinator

Douglas Hartman Gerald Howard Teri Thomas Petersen Arolia McSwain

The North Portland Tool Library is a project of North Portland Community Works a qualified organization for tax exempt status under IRS Section 501(c)(3). Tax ID: 93-1156762 Donations are tax deductible as the law allows.

Become a "fan" of the North Portland Tool Library on Facebook. It's an easy way for you to stay connected with the most up to date information from us.
<http://www.facebook.com/pages/North-Portland-Tool-Library/129473544092>

[Tools](#) [Calendar](#) [Workshops](#) [Forum](#)

NoPoTool_Library@yahoo.com

2209 N. Schofield, Portland OR, 97217 ([MAP](#))

(503) 823-0209

Saturdays 9:00 a.m. - 2:00 p.m.

Tuesdays 5:00 p.m. - 7:30 p.m.

Borrowing Rules at the North Portland Tool Library

1. Only residents of North Portland neighborhoods over the age of 18 are eligible to borrow tools from the North Portland Tool Library (NPTL).
2. Borrowers must register with NPTL prior to borrowing tools. Registration includes the completion of an application form and verification of the borrower's identity and North Portland residency. Verification is accomplished by presenting a valid photo ID and a utility bill, both displaying North Portland address. Additionally, the borrower must sign a form of **WAIVER AND INDEMNIFICATION** to be provided by the Library.
3. NPTL staff is available to assist in explaining operation of tools, and will make available upon request materials such as manuals. However, by taking possession of any item, the borrower is certifying that he or she is capable of using that item in a safe and proper manner.
4. Only the borrower is authorized to use NPTL tools. The borrower shall not permit the use of items checked out to them by any other person unless by the express permission of the NPTL.
5. The borrower agrees that the North Portland Tool Library is not responsible for any manufacturing defects in quality of workmanship or materials inherent in any borrowed tools.
6. The Borrower agrees that if any borrowed tool becomes unsafe or in a state of disrepair, they will immediately discontinue use of the tool and notify NPTL of the issue on return, if not earlier.
7. All tools borrowed are to be returned to the library no later than 10am on the following Saturday. This applies to tools checked out during any of our open hours, including mid-week hours when available. Tools may only be returned during NPTL open hours. Late fines will be levied for each item kept past the loan period.
8. One renewal is possible if arranged ahead of time with NPTL staff. This requires coming into the Tool Library before 10am on Saturday morning and speaking with the Tool Coordinator. Phone calling is only effective if you are able to get through and personally speak to the coordinator. "Day-of" renewals may be possible, however, borrowers must be prepared to return all items by 10am on the original date. The library reserves the right to refuse or limit renewals, and will do so based on demand.
9. All items are first come, first serve.
10. Items are to be returned in the same condition as they were issued, barring

normal wear and tear. All items must be returned clean. The borrower agrees to pay for the loss of or damage to any item and further agrees to accept NPTL staff's assessment of condition of items and to further agree to NPTL staff's assessment of fair restitution for damage, dirtiness, delinquency and/or loss of items in part or in total. This restitution amount could equal replacement cost of the item plus handling and processing fees.

11. When tools are not returned by the designated due date, the NPTL will issue an overdue notice. If the tools are not returned after the notice has been sent, appropriate steps will be taken to retrieve them, including the use of a collection agency and/or legal action. NPTL may replace severely delinquent tools, holding borrower responsible for full replacement cost plus applicable handling fees. Fines must be paid in full before borrowing additional items.

12. NPTL retains the right to refuse the loan of any item to any person for any reason whatsoever.

The documents needed to register may be printed from our website and are available in either English or Spanish.

Borrowing Rules - The rules for borrowing tools.

[English](#)

[Spanish](#)

Borrowers Agreement - This is the form you need to fill out to become a member and borrow tools.

[English](#)

[Spanish](#)

[Tools](#) [Calendar](#) [Workshops](#) [Forum](#)

NoPoTool_Library@yahoo.com

2209 N. Schofield, Portland OR, 97217 ([MAP](#))

(503) 823-0209

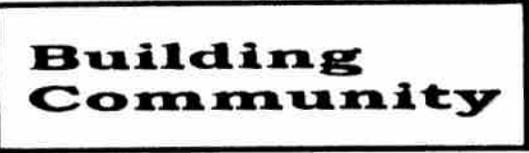
Saturdays 9:00 a.m. - 2:00 p.m.

Tuesdays 5:00 p.m. - 7:30 p.m.



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12. NPTL retains the right to refuse the loan of any item to any person for any reason whatsoever.



NPTL ID #
Last name,
First name

NPTL ID #
Last name,
First name

Borrower's Agreement - Please Print Legibly!

Last Name

First Name

Home Address

ZIP

() _____
Phone (Home)

() _____
(Work)

() _____
(Cell/Mobile)

EMAIL

Neighborhood

Oregon ID (Driver's License #)

Utility Bill (Name of company)

Address Verification

(NPTL STAFF/VOLUNTEER Name)

Where did you hear about NPTL

**North Portland Tool Library
WAIVER and INDEMNIFICATION**

I, _____ (print name), state that I am capable and experienced in using the tools I am borrowing, and that I will use the tools I am borrowing in a proper manner.

I, _____ (print name), do hereby for myself, on behalf of my successors and assigns, in consideration of being permitted to borrow tools, waive any and all claims against the North Portland Tool Library and the city of Portland for any injury or injuries of any nature that I may suffer or incur in the use of the tools that I am borrowing from the North Portland Tool Library.

I, _____ (print name), hereby for myself, on behalf of my successors and assigns, in consideration of being permitted to borrow tools, agree to release and indemnify and hold harmless the North Portland Tool Library and the city of Portland, its officers, agents, and employees from any and all liability, loss, claims, and demands, actions or causes of action for the death or injury to any persons and for any property damage suffered or incurred by any person which arises or may arise or be occasioned in any way from the use of tools I am borrowing from the North Portland Tool Library.

I affirm that the above information is current, true and correct and may be subject to verification. I further state that I have read and fully understand the rules and regulations of the North Portland Tool Library and I understand that failure to comply with any of these rules may result in revocation of my borrowing privileges and/or legal action against me. I have read and signed a Waiver and Indemnification form, relinquishing any and all claims against The North Portland Tool Library and the city of Portland.

Signature

Date of Agreement



Tool List & Tool Library Guidelines



LENDING GUIDELINES

1. Lending period is three (3) days, seven (7) days for house jacks only.
2. Fines: \$1.00 - \$20.00 for each day a tool is late, depending on the value of the tool.
3. Up to two (2) renewals if no prior requests; renewals in person only.
4. Tools must be returned to the Tool Lending Library during open hours.
5. No registrations after fifteen (15) minutes before closing time.
6. Because of high demand, tools marked with an * are not renewable.
7. New tool patrons are limited to check-out of two tools, valued under \$200 each. This probationary period will end upon returning two tools on time, clean and in good condition. After probation, tool patrons will be allowed 8 tools (no more than 3 power tools) for each checkout.

HOURS OF OPERATION

Sunday	closed
Monday	closed
Tuesday	12:30 - 8:00
Wednesday	10:00 - 5:30
Thursday	closed
Friday	12:00 - 5:30
Saturday	10:00 - 5:30

Dollar amounts listed before each tool indicate per day late fees.

***** PLEASE CLEAN TOOLS BEFORE RETURNING THEM! *****

Carpentry and Woodworking (See also power tools)

- \$1 Awl
- \$1 Bars (*cat's paw, crowbar, prybar, ripping chisel, tack puller*)
- \$1 Butt marker (3 1/2" & 4")
- \$1 Chalk line
- \$1 Chisels, gauges & parting tools
- \$5 Dado set
- \$1 Door installation kit
- \$5 Doweling jig
- \$2 Drills
- \$1 Gutter cleaner
- \$2 Hammers (*brick, drywall, ball-peen, dead-blow, framing, mallets, shingle hatchet, sledge, curved claw, tack*)
- \$1-\$5 Levels (*torpedo, 2', 3', 4', 6', laser*)
- \$1 Marking gauge
- \$5 Measuring wheel
- \$1 Nail puller, nail set
- \$2 Planes (*block, bench, spokeshave, rabbet*)
- \$2 Roofing spades (*shingle remover*)

Floor and Wall (See also power tools)

- \$2 Drop cloth (9' x 12', 4' x 15', 12' x 15')
- \$1 Drywall (*hand sander, corner knives, taping knives, extension handle, mud pan, screw gun, T-square*)
- \$1 Float, rubber
- \$1-\$2 Floor and wall scraper
- \$1-\$2 Kneepads
- \$1 Lineleum knife
- \$1 Notched trowel
- \$1 Paint scraper, shield
- \$5 Power Steamer (for wallpaper)
- \$1 Putty knife
- \$1 Screening tool
- \$1 Seam roller (for wallpaper)
- \$5 Tile cutter
- \$2 Tile nippers
- \$5 Tile saw (*ceramic & vinyl*)
- \$1 Utility knife
- \$1 Window opener
- \$1 Wallboard saw

Garden & Digging

Plumbing and Drain Cleaning

- \$2 Closet (toilet) auger
- \$20 Elec. drain snake - large (3/8" x 75') * (1/2" x 50') *
- \$10 Elec. snake-small (5/16" x 35') *
- \$2 Faucet handle puller
- \$1 Long stem reseating tool
- \$2 Nipple extractor
- \$1-\$5 Pipe cutters, reamers (*galvanized*)
- \$5 Pipe threading tools (1/2" - 2")
- \$10 Pipe stand and vise (*hold pipe to vice*)
- \$2 Propane assembly
- \$1 Rabbit
- \$1 Shower valve socket set
- \$10 Soil pipe cutter (*cast iron*)
- \$1 Spark lighter
- \$5 Sump pump
- \$1 Tub drain remover
- \$2 Tubing bender, cutter & deburring tool
- \$2 Water meter key
- \$1-\$5 Wrenches (*adjustable, basin, basket strainer, faucet, garbage disposal, internal pipe,*

\$1 Rasps (*surform tool*)
 \$1 Saws (*back, compass, coping, crosscut, hacksaw, jab, keyhole, miter [with box], rod, shortcut*)
 \$2 Sawhorses
 \$1 Screwdrivers (*off-set, Phillips, Robinson, slotted, Torx, Yankee*)
 \$1-\$2 Screw extractor & drill bit set
 \$1 Squares (*combination, rafter, Carpenters, Tri-square, Universal square*)
 \$2 Stapler, tack hammer
 \$1-\$2 Stud finders (*stud sensor*)
 \$1-\$2 Tape measure
 \$2 Water level

Clamps

\$2 Angle clamp
 \$2 Bar clamp
 \$1-\$2 C-clamp
 \$2 Cabinet clamp
 \$2 Edge clamp
 \$2 Hand screw clamp
 \$2 Quick grip clamp/spreader
 \$2 Sliding arm clamp
 \$1 Spring clamp
 \$2 Steel pipe clamps
 \$2 Vise grips

Concrete and Masonry (See also power tools)

\$1-\$2 Brick hammer, joiner, trowel
 \$5 Bull float, magnesium
 \$1 Cement finishing tools (*edger, float, groover, hawk, joiner, trowels, tuck pointer*)
 \$20 Cement surfacer *
 \$1 Cold chisels
 \$20 Demolition hammers *
 \$2 Dust pump (*blower for cement dust*)
 \$5 Fresno trowel (*with handles*)
 \$1 Mason's layout tools (*line winder, stretchers, blocks*)
 \$2 Mixing paddle
 \$2 Mortar hoes
 \$10 Rebar bender/cutter
 \$1-\$20 Rotary hammer drills and bits
 \$1 Rub brick
 \$1 Screed
 \$2 Sledgehammers
 \$1 Star chisel
 \$1 Steel placer

Electrical

\$2 Aerator
 \$2 Axes
 \$1 Bow saw
 \$1 Bulb planter
 \$2 Digging/tamping bar
 \$1 Fruit picker
 \$2 Garden claw
 \$1 Grass hook (*sickle*)
 \$1 Grass shear
 \$1-\$2 Hedge shears (*manual*)
 \$10 Hedge trimmer (*electric*)
 \$1-\$2 Hoes (*garden, mortar, eye, hula*)
 \$1-\$5 Lawn edger (*electric, manual*)
 \$5 Lawn mowers
 \$5 Lawn roller *
 \$2 Lopping shear
 \$2 Mutt
 \$2 Pick mattock
 \$2-\$5 Pole pruner/saw
 \$2 Posthole digger
 \$1-\$2 Pruning saw
 \$2 Pruning shears
 \$1 Rake (*leaf, bow, grading*)
 \$20 Rototiller
 \$2-\$5 Shovels (*round, square pt.*)
 \$2 Sidewalk scraper
 \$1 Sod cutter
 \$2 Spading fork
 \$5 String trimmer (*"Weedeater"*)
 \$2 Trenching spade
 \$5 Two-person tree saw
 \$2 Utility broom
 \$1 Window squeegee

Ladders

\$10 Articulating ladder *
 \$2 Ladder support
 \$2-\$5 Step ladders (5', 6', 8')
 \$10 Telescoping ladder *
 \$5 Work platform (2' x 4')

Material Handling

\$5 Appliance truck
 \$2 Furniture dolly
 \$5 Hand trucks
 \$10 HEPA-Vacuum *
 \$1 Light-bulb changer (*telescoping*)
 \$1 Magnetic pick-up stick
 \$1 Mini flexible pick-up claw
 \$5 Portable workbench
 \$2 Push broom
 \$5 Wheelbarrow

Mechanical Tools

(See also power tools)

offset hex, pipe, plug, seating, slipknot, spud, stem, strap)

POWER TOOLS

Drills and Bits

\$5 Close quarter drill (3/8")
 \$1 Counter sink (1/2")
 \$5 "Rotozip" (*cut-out tool*)
 \$5 "Dremel" (*small rotary tool*)
 \$5 Drills, VSR (3/8", 1/2", 5/8")
 \$2 Drill bit extensions
 \$1-\$10 Drill bits (*auger, glass, spade, HSS twist, self-feeding, Forstner, masonry*)
 \$5 Drywall and deck screw guns
 \$1-\$2 Hole saws, mandrels
 \$5 Impact Wrench (1/2")
 \$1 Magnetic drill bit holder
 \$5-\$10 Right angle drill (3/8", 1/2")

Router

\$2 Edge guide (*for fixed-base router*)
 \$5 Fixed-base router (1/4" and 3/8" collets)
 \$5 Laminate trimmer
 \$5 Plunge router (1/4" & 3/8" collets)
 \$5 Router table

Sanders/Grinders/Polishers

\$5-\$10 Belt sander (3" x 18", 3" x 21", 4" x 24")
 \$2 Buffer (10")
 \$5 Grinders (4 1/2", 7", 9")
 \$10 Power paint remover *
 \$5 Profile sanding kit (*detail*)
 \$5 Random orbital sander (5")
 \$5 Vibrating sander (1/4 sheet, 1/2 sheet)

Saws

\$5 Abrasive cut-off machine *
 \$10 Band
 \$10 Chain saw (12", 14")
 \$5-\$10 Circular (*Skilsaw 5 1/2", 7 1/4", 8 1/4", 10 1/4"*) *
 \$10 Compound miter
 \$5 Cutout tool (*Rotozip*)
 \$5 Planer (*hand held*)
 \$5 Plate joiner (*biscuit joiner*)
 \$10 Portable table (10")
 \$5 Reciprocating (*Sawzall*)
 \$5 Saber (*Jigsaw*)
 \$5 Scroll
 \$5 Tile saw (*wet, dry, 4", 7"*)

\$1 Armored cable ripper
\$5 Conduit bender, offset
bender
\$1-\$2 Extension cords (25'-100')
\$5 Fish tape (50', 100')
\$1 Fuse puller
\$2 GFCI (portable)
\$5 High leverage cable cutters
\$5 Knockout punch set
\$1 Multimeter
\$2 Network tool kit
\$1-\$2 Pliers (*crimping, diagonal
side cutting, linesmen, long
nose, needle nose, stripping*)
\$2 Soldering gun and iron
\$1 Telephone jack tool
\$1 Wire stripper
\$1 Wire tacker
\$2 Work light, halogen

\$2-\$5 Bolt cutter, extractor
\$5 Cable cutter
\$2 Cable/wire tacker
\$1-\$5 Caulking gun (*single &
double barrel*)
\$1-\$2 "Channellocks" (*tongue &
groove pliers*)
\$2 Electronic water level
\$5 Grinders
\$1 Files
\$1-\$2 Hacksaws
\$1 Hex key set
\$5 Heat gun
\$1 Inspection mirror
\$2 Micrometer
\$2 Nippers
\$1-\$2 Pliers
\$1 Punches
\$1 Retrieving magnet
\$2 Rivet gun
\$1 Screwdrivers
\$1-\$2 Socket sets (various)
\$2-\$5 Soldering gun, iron
\$2 Staple gun, hammer tacker
\$2 Tapping tool (*6 in 1*)
\$2 Tin snips
\$1 Vise grips
\$2 Water & gas meter key
\$1-\$2 Wrenches (*allen, box,
combo, crescent driver, open
end, socket, adj. spanner*)

blade)
\$5 Trim saw (4 1/2")

TOOLS WE DO NOT HAVE

Air tools and compressors
Automotive tools
Carpet cleaning tools
Extension ladders
Floor sanding equipment
Gasoline powered tools
Hoists
Janitorial tools
Paint and garden sprayers
Power actuated tools
Power augers
Scaffolding



[Home](#)
 [Renters](#)
 [Homeowners](#)
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 [Site Map](#)

Contact Us!

Map to Office

For Rent / For Sale

Income Limits

Español

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HAYC Info
HAYC Board
Non-Profit Info
Ending Homelessness
Applications
Forms

Search

135 NE Dunn Place
 PO Box 865
 McMinnville, OR 97128
 PH 503-883-4300
 Fax 503-472-4376
**Toll free from Newberg, Dundee,
 Yamhill, and Gaston:**
 888-434-6571

Main Office Hours:
 Monday - Friday
 8:00 a.m. - 5:00 p.m.

Website Disclaimer

Nondiscrimination Policy



Housing Authority
 of Yamhill County



Elise Hui
 Executive Director

Welcome

Welcome to the Housing Authority of Yamhill County (HAYC), the Yamhill County Affordable Housing Corporation (YCAHC) and the Yamhill Housing Resource Center.

The Housing Authority of Yamhill County was established January 10, 1951 by resolution of the Yamhill County Board of Commissioners. The Housing Authority operates as an independent local public agency under federal and state law. The Housing Authority is governed by a five-member Board of Commissioners, which is appointed by the Yamhill County Commissioners. The Board is responsible for establishing policies and generally overseeing our operations.

The mission of the Housing Authority is to provide the opportunity for decent, safe, sanitary and affordable housing to lower-income families residing in our community.

Between the Housing Authority of Yamhill County, the Yamhill County Affordable Housing Corporation and the Yamhill Housing Resource Center, we are able to provide assistance to almost 2,000 local families monthly and put over \$7 million dollars back into the local economy annually.

We invite you to look at the wide variety of programs that we offer through our organizations on the [Program Summary](#) page. With programs for those looking to rent, those seeking homeownership opportunities, and those in their own homes that might be interested in a [rehabilitation loan](#) to improve the property, we offer a program for just about everyone.

After reviewing our website, if you have further questions about any of our many programs, please [contact us](#) for more information.

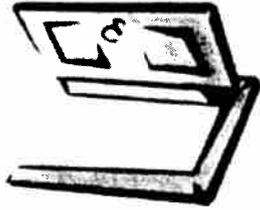
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135 NE Dunn Place ■ PO Box 865, McMinnville, OR 97128-0865 ■ www.hayc.org
 Ph: 503-883-4300 ■ Toll Free: 888-434-6571 ■ Fax: 503-472-4376 ■ TDD: 800-735-2900

"Equal Housing Opportunity"

R.E.N.T.

Renter Entering New
Tenant Experiences



R.E.N.T. is a tenant education program designed to assist homeless individuals and families who are encountering barriers to accessing housing due to poor rental histories or poor credit.

R.E.N.T. is a five-session workshop designed to teach participants the skills necessary to be successful tenants.

The workshop covers:

- ◊ goal setting
- ◊ tenant/landlord rights and responsibilities
- ◊ budgeting and money management
- ◊ cleaning & home maintenance
- ◊ the moving in & out process

The training includes numerous in-class exercises, class discussions and homework assignments. Participants who satisfactorily complete the course and meet all the criteria will be

awarded the R.E.N.T. Certificate of Completion. Participating property managers and landlords have made a commitment to consider renting to applicants who have been awarded the R.E.N.T. Certificate of Completion.

Referrals are accepted from homeless shelters, social service providers, and landlords. Self-referrals may be considered.

Who is eligible to attend R.E.N.T. classes?

Eligible participants:

- ◊ Are making or are ready to make the changes necessary to become successful tenants;
- ◊ Have encountered barriers to accessing or retaining housing;
- ◊ Are homeless, which includes being homeless at the time of program admission or are at imminent risk of becoming homeless;
- ◊ Household Income is no more than 60% of median income;
- ◊ Are actively engaged in a case management program.

For class schedules and application and referral information call the RENT Program at The ARCHES Project 503-399-9080

For additional information
contact the *R.E.N.T.*
Tenant Education Program
at

503-399-9080

The ARCHES Project
1164 Madison St. NE
Salem, Oregon 97301

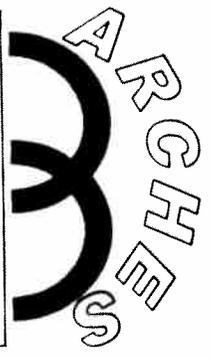
R.E.N.T.
*Renters Entering New Tenant
experiences*



A tenant education program
serving Marion & Polk Counties



A program of the
Community Action Agency
ARCHES Project



Homelessness Stable Housing Self-Sufficiency

The ARCHES Project
1164 Madison St. NE
Salem, Or 97301



R.E.N.T.

Renters Entering New Tenant experiences
A Tenant Education Program serving Marion and Polk Counties

What is *R.E.N.T.*?

R.E.N.T. is a tenant education program designed to assist individuals and families who are homeless and encountering barriers to accessing housing due to poor rental histories or poor credit.

The five-session curriculum is designed to teach participants the skills necessary to be successful tenants, including goal setting, tenant/landlord rights and responsibilities, money management, cleaning and home maintenance, and moving in & moving out of rental housing.

Participants work closely with Housing Education Specialists to:

- Accept responsibility for past rental issues
- Prioritize housing needs
- Set housing goals
- Learn about the Tenant-Landlord Law in Oregon
- Take ownership of tenant responsibilities
- Learn how to effectively communicate with landlords and neighbors.
- Learn money management skills
- Develop a budget
- Maintain appropriate housekeeping
- Learn about Fair Housing Laws
- Understand the application and rental process
- Learn how to appropriately leave a rental with a good reference from the landlord

Eligibility Requirements

To be eligible to participate, individuals must be homeless or at risk of becoming homeless, and experiencing barriers to accessing or retaining housing. Participants must be actively engaged in case management, and motivated to make life changes. Social service providers, homeless shelter providers, and landlords refer appropriate clients to the program; these individuals are then screened for participation.

How participants benefit

- Improved tenant skills.
- Access to local landlords and property management companies who are familiar with the *R.E.N.T.* Program and have indicated a willingness to rent to individuals who have been awarded the *R.E.N.T. Certificate of Completion*.
 - * It should be noted that *R.E.N.T.* graduates are told that the certificate is not a *promise* that the individual will obtain housing. Rather, the certificate may provide an opportunity for the individual that would otherwise not exist.
- Better understanding of personal strengths and barriers.
- Practical suggestions for dealing with barriers.
- Increased knowledge that promotes ability to make changes.
- Emotional support from peers.
- Increased self-confidence and self-esteem.

What it takes to graduate

The training is experientially based, with numerous exercises and homework assignments to complete. Participants are evaluated at the end of the course to determine what level of certificate they will be awarded. The highest level of achievement is the *R.E.N.T. Certificate of Completion*.

In order to preserve housing opportunities for future tenants, it is critical that high standards are maintained to guarantee the credibility of the Certificate of Completion. Therefore, the *R.E.N.T. Certificate of Completion* is awarded only to participants who meet the following criteria:

1. Attend ALL class sessions on time
2. Complete all homework assignments
3. Participate in all classroom exercises
4. Demonstrate a satisfactory understanding of the principles of being a good tenant
5. Show motivation to make changes
6. Demonstrate a willingness to practice skills they have learned in class
7. Agree to participate in case management or follow-up services for a minimum of six months after accessing housing.

For further information about the *R.E.N.T.* Program
please contact Raychel Somadhi or Rachel Wolf
The ARCHES Project 503-399-9080

Session 1

Exercise One:

- What problems have you encountered when looking for housing?
- What concerns do you have about moving into housing?
- What problems do you anticipate having once you are in housing?

Exercise Two:

- How would you like things to be once you are in housing?
- How do you realistically expect things to be once you are in housing?
- What do you need to do to get to your answer to the Question 1?

How to Locate a Rental Unit:

Goal setting

Step 1. Give three reasons you came to this class.

Step 2. Identify factors which cause people to get evicted or be denied housing.

Step 3. Identify which of those factors pertain to you and why.

Homework

- Complete Session 1 Summary
- Complete Step 4 of the Goal Setting Exercise (hand out from class). For each factor you identified in Step 3 of the Goal Setting exercise above, list at least one action you will take to prevent this from causing a problem for you in the future.
- Complete two Rental Histories (hand outs)– questions 1 through 14
- Start tracking your daily spending on a Spending Log
- Attend an FED (eviction) hearing **by the last class**, and be prepared to answer these questions:
 - What happened?
 - Have you ever had a similar experience? If so, what did you do?
 - How would you have handled this differently than the person at the hearing?

Session 2

Review homework

- Turn in Session 1 Summary
- Share answers to Step 4 from Goal Setting Exercise
- Rental Histories – discuss questions 1 - 14
- Share Spending Log
- Who attended an FED hearing? Report

Exercise One

- Play Landlord-Tenant Jeopardy – discuss results.

Exercise Two

- Review Landlord-Tenant Law in Oregon handbook and discuss.

Exercise Three

- Discussion of tenant responsibilities.

Exercise Four

- Scenarios worksheet – discuss results.

Homework

- Complete Session 2 Summary
- Complete Strengths Assessment worksheet
- Continue to record daily spending on the Spending Log
- Attend an FED hearing?
- Review Rental History – answer questions 16 and 17

Session 3

Review Homework

- Turn in Session 2 Summary
- Share answers to Strengths Assessment worksheet
- Share Spending Log
- Who attended an FED hearing? Report
- Rental Histories – discuss questions 16 and 17

Exercise One

- Identify what you really want (handout) and discuss answers.

“Smart Money Management” Workbook

- “How Do You Manage Your Money?” quiz
- “Choosing Your Financial Goals”
- Review “The Money Tracker”
- Discuss “Spending Plan”

Budgeting Discussion

Budgeting Exercise

- Develop a monthly budget.

Summary Points

- Helpful things to remember.

Exercise Two

- Share how you plan to avoid financial difficulties in the future.

Homework

- Complete Session 3 Summary
- Review Rental History and revise answers to question 9
- Track spending on a Spending Log
- Attend an FED hearing?
- Complete a Moving-in Supplies List – make a list of supplies you will need, that you don't have, to move in to housing. Identify the cost of each item, and where you plan to get it.
- Open a savings account?

Session 4

Review homework

- Turn in Session 3 Summary
- Review Rental Histories – share revised answers to question 9
- Share Spending Log
- Who attended an FED hearing? Report
Share Moving-in Supplies List

Money Management

Exercise One

- How to control the “I want it now” (immediate gratification) problem.

Credit Reports

- Discussion and handouts.

Cleaning and Home Maintenance

Introductory Discussion

ABC's of Housework

- Discuss clutter – What is it? How do you prevent it?
- Read and discuss “Excerpts from Organizing 101”

Standard of Cleaning

- Discuss standards of cleanliness and review handout.
- How do you recognize when it's time to clean?

Video

- Watch a cleaning video.
- Discuss how to clean and how to stay on top of cleaning

Additional Information

- Discuss safe alternatives to household products.
- Discuss Cleaning Guide handout.
- How to clean safely.

Homework

- Complete Session 4 Summary
- Review Rental History – answer questions 15 and 18
- Attend a FED hearing?
- Track spending on a Spending Log
- Complete a Cleaning Supplies List – make a list of what you will need to properly clean and maintain your new housing
- Lease Search and Find Game
- Obtain your credit report?

Session 5

Review homework

- Turn in Session 4 Summary
- Review Rental History – questions 15 and 18
- How could you have done things differently in your housing?
- Who attended a FED hearing? Report
- Review Spending Log – What have you learned about your spending habits? What changes will you make?
- Share Cleaning Supplies List
- Discuss results of Lease Search and Find Game

Meeting the landlord

- Discuss personal presentation.
- Review and discuss the Do's and Don'ts handout.

Exercise One

- Role-play landlord/tenant interview.

Moving-In

- How to read and understand a lease.
- How to complete a rental application.
- Fees/deposits – what are they, and how to budget for them.
- Interviewing the landlord.
- Review Moving-In Tips

Moving-Out

- Giving proper notice.
- Cleaning up.
- Review Moving-Out Tips

Exercise Two

- Review Rental History and identify patterns of behavior and how things will be different in new housing.

Next Steps

- Discuss the process used to determine certificate eligibility.

Tenant Assessment (Post test)

- Assessment of tenant skills and readiness to rent.

Course Evaluation



ARCHES Transitional Housing Program

(A program of the ARCHES Project of the Community Action Agency)

Program Description

The ARCHES Transitional Housing Program serves homeless individuals and families, including unaccompanied youth, in Marion and Polk Counties. The program is designed to assist participants successfully transition to permanent housing through intensive case management services, housing placement assistance, and long-term rental assistance. The program allows participants to further develop the stability, confidence and coping skills needed to sustain permanent housing.

The ARCHES Transitional Program helps fill a significant gap in our community by providing additional transitional housing for homeless individuals and families with children. In addition, the program features a youth component to help address the unique barriers that youth face in accessing permanent housing, and also an outreach component which enables the program to make contact with potential participants living on the streets, in correctional facilities, in shelters, and in other community settings.

ARCHES Participants

Participants include adults, families with children, and youth between the ages of 16 to 21, who are homeless according to HUD's "definition of homeless". All participants face multiple barriers to accessing safe and appropriate housing, including barriers such as, mental illness, substance abuse, criminal history, inadequate job skills, lack of education, abusive home environment, poor rental history, bad credit, or lack of previous rental experience and/or credit history.

Program Staff

The ARCHES Transitional Housing Program staff includes an Outreach Worker, a Case Manager, a Youth Case Manager at the HOME Youth and Resource Center, and a Housing Placement Specialist at the Salem YWCA.

Support Services Offered

Each participant works with a case manager who provides information and referrals, facilitated access to community services and mainstream resources, and case management services to address individual barriers and goals identified in the action plan. Additional services include: outreach and ongoing support, assessment, service coordination, advocacy, housing placement assistance, life skills, referrals to employment services, and bi-lingual services.

Case plans are developed based on detailed assessments of each client's strengths and needs and a thorough action plan is developed for each participant. Action plans may include goals in any of the following areas:

- Housing
- Substance abuse
- Employment
- Social support system
- Education
- Personal growth
- Legal issues
- Money Management
- Health care needs
- Mental health care

Transitional Housing

The ARCHES Transitional Housing Program uses a "scattered-site model" placing participants in apartments and houses located throughout Marion and Polk counties. All participants actively participate in locating and selecting their own units with the assistance of the ARCHES Housing Placement Specialist. The Housing Placement Specialist works closely with area landlords to find safe and affordable units. Factors such as identified barriers, household income, housing location, and size and makeup of the family are taken into consideration when locating appropriate units. A concentrated effort is made to locate housing for participants close to their employment, to services, and to accessible transportation.

When a client is successful in accessing housing, the transitional period allows them the time needed to adjust to living in their own home, to gain stability, and to develop plans for their continued self-sufficiency. Participants are assisted in developing long-term living skills and in carrying out their individual action plans while receiving supportive services. It is the goal of the program that participants will be able to remain in their housing when they graduate to permanent housing and become self-sufficient.

Program participants may receive long-term rental assistance for a maximum period of 24 months. Participants pay no more than 30% of their monthly income on their monthly rent payments. It is the program's goal to make the transitional period as brief as possible through case management services, educational and employment skill training, referrals to other agencies, and job search programs.

Referrals to the Program

Referrals to the ARCHES Project come from community partners who serve or come in contact with persons experiencing homelessness, or by self-referral. Completed referral forms are submitted to the ARCHES Project and are screened for eligibility.

For more information about the ARCHES Transitional Housing Program, please contact:

The ARCHES Project
1154 Madison St NE
Salem, Oregon 97301
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