



CITY OF BEND

Meeting Minutes

Affordable Housing Advisory Committee

Wednesday, February 13, 2019

Staff Liaisons: Lynne McConnell and Racheal Baker

- **3:04 pm. Roll Call:** Cindy King, Kathy Austin, Adam Bledsoe, Richard Bonebrake, Priscilla Buck, Matt Martino, Keith Wooden, David Haines
Councilors Livingston and Campbell.

- **Public Comment**

Terry Luelling – CO Rental Owners Association. RE: Senate Bill 608. Passed Senate, will pass in House. Caps rents to 7% + CPI. Eliminates no cause notice at beginning of year. Also Parks & Rec. wanting to raise SDCs. Will have a big effect on affordable housing. Feels dire to Terry. Hurts supply. Landlords will raise rents to possibly maximum allowed every year in fear of losing out in the future. Kathy Austin: did it exempt housing built in past 15 years? Yes. Owners of one to four units exempt. Richard Bonebrake said they can't see past Portland. Counter-productive here. Keith Wooden: asked about no-cause. Are there enough carve outs to get rid of a problem tenant? Terry feels really is a bigger issue. Protects bad tenants and hurts good tenants. Cindy King: emergency clause in bill so would take place immediately. How does that affect? It is too late to do anything. May go to testify regarding no cause.

- **Conflict of Interest refresher and declarations**

Gary Firestone: every committee member and public employees needs to be aware of conflicts of interest. Is a fact-of-life, not a bad thing. Needs to be recognized via public disclosure. Potential vs actual. Actual – would be to someone's benefit. (definite). Potential – could be. (maybe). Class exemption (all realtors, developers, tenants, etc). A non-profit is not considered a business. Is technically not a conflict but advises to declare. When to declare – start of agenda item or when becomes apparent, whichever comes first. Before take action. Full disclosure for either actual or potential. Actual – recuse from decision. Potential – may participate. Making a recommendation – may be enough to make actual conflict.

- **Affordable Housing Fund funding deliberations**

Keith Wooden stated a potential conflict but no direct money. Housing Works is a quasi-governmental entity. Gary Firestone: considered a governmental body so not a business. Worth disclosing but not a business.

Matt Martino: loan officer for community land trust loans so could be a potential conflict.

Richard Bonebrake: has received benefits from non-profits in past currently getting assistance from Housing Works.

March 6th to Council.

Racheal Baker: timeliness requirement. CDBG spent down by certain time of year. Have to get money out the door quickest. \$341,000 (NSP) out the door by May 2nd. Important when considering proposals. Rest not available until October.

\$1 million for Affordable Housing Fee. CDBG keep in mind.

Lynne: suggested terms by subcommittee if funded. Use scores as a starting place. Decided at last meeting.

Spreadsheet shows where scores landed and where vast discrepancies exist. Keith Wooden would like to see all scores at once.

Bethlehem Inn 189.23

Habitat 182.13

Housing Works 181.57

KOR 118.84

Pacific Crest 119.2 however, not about scoring. Yes or no question

Start with Pacific Crest – waiting for appeal from County. Hoping that would be \$8,000. Recommend get delta from request and what the tax bill states. Make up difference from bill. They had budget of \$5,000. Kathy Austin recommends \$8,000. Adam Bledsoe stated they are a private developer that willing to invest in affordable housing. City is in wrong. Thinks we should solve. Adam suggests funding full amount (current bill) less budget. Had \$5,000 in budget so funding of \$10,000. If tax bill is reduced, distribute funds to another applicant.

Actual bill minus \$5,000 in budget. \$10,000 for now.

Next: Three that have CDBG also.

Housing Works – \$750,000 for both. All or nothing.

Matt Martino states get most units out door. Takes precedence since won't go forward otherwise. Suggested a split between two funds. \$341,000 from CDBG to get funds out door immediately and remaining from Affordable Housing Fund. 34 units. Cindy King mentioned the low income medical services as a positive. Kathy Austin, Adam Bledsoe and Priscilla Buck agree. Recommend fund \$408,763 from Affordable Housing Fund and \$341,236 from CDBG. Motion made but will do as a whole at end.

Habitat – has property selected with land use. Cindy King states this is a huge plus. Adam Bledsoe mentioned that money stays out. Will be there forever. Response, is a loan, due upon sale or in year 31.

Bethlehem Inn – Kathy asked if they need it all? Adam Bledsoe mentioned that does not increase supply. Richard Bonebrake stated is a vital resource. Priscilla Buck says she feels is vital but not at full amount. David Haines said has value but not at full amount. Cindy King mentioned apportioning amounts, maybe \$100,000. Adam Bledsoe says apply a 40% discount (asks vs amount to be funded) Apply that math to Bethlehem Inn. \$117,000. Kathy Austin would lean toward a higher amount. Priscilla Buck suggested they could receive refund from PCAH amount, if any.

\$464,236 left. Cindy – Habitat and KOR. Land secured for Habitat. Habitat further along in process. Funds spent sooner and more certainly. Adam Bledsoe agrees but says we should recognize how hard it is to start an organization like KOR. Do we want to support new players? Richard Bonebrake would like to see how current project with Housing Works how turns out and reminded that won't see money again.

Might want to apply 60% toward both but tilt more toward Habitat. Habitat more ready. Lesser funds

for Habitat won't impact this project but will impact future units. \$100,000 for KOR and remainder to Habitat \$364,236.70

Pacific Crest: up to \$10,000

Housing Works: \$408,761

Habitat \$364,236.70

KOR \$100,000

BI \$117,000 plus any overage from Pacific Crest.

Priscilla Buck: Characterized funding decision as attempt to maximize all resources. Attempted to create as many roofs as possible. Looked at continuum of housing from beginning to end with one visionary project. And tried to stay within 60% for most of asks.

Motion: Adam Bledsoe made motion to support numbers as stated. Matt Martino seconded. All in favor. Approved numbers as stated. Staff can tweak numbers a bit to make math work. Recommendation will be made to Council.

- **Staff notes**

Con Plan: On 2/2, second open house will be held from 5:30 pm to 7:30 pm. Racheal Baker could use help. Fine tune information from public survey.

Lynne – Parks SDCs. Letter to Council was well received. Since then Mayor Russell, Councilor Livingston and Campbell formed a subcommittee. Will look at letter to Parks, exemptions, complexity of administering tiered system, cost. BEDAB will be discussing commercial. Parks meeting, on Tuesday, the 19th at 5:30 pm, a worksession and then regular meeting. Will let Lynne will let know if accepting public comment.

Councilor Livingston: Tuesday meeting will be a conversation starter.

Councilor Campbell: letter astonishing. Thank you. Brought up donated property and that they have to maintain what they have.

Will take and run with it. Full Council as well as individuals.

Lynne mentioned that at last worksession, Parks reduced CIP list.

Updates to committee: Opportunity Zones – 3 census tracts in Bend. Will be a discussion March 22nd. Discussion in future via Ben Hemson, Business Advocate. Also UGB expansion update.

- **Adjourned 4:59 pm**