

MINUTES

Homes for Good Housing Agency



BOARD OF COMMISSIONERS

Location of the meeting:

Board of County Commissioners Conference Room, Public Service Building, 125 East 8th Avenue, Eugene, OR, 97401

Phone: 541.682.2506

The meeting location is wheelchair-accessible. Anyone needing special accommodations (deaf, people with hearing loss, language translation, chemical sensitivity needs, and large print copies of agenda), please make your request at least 48 hours prior to the meeting.

Wednesday, October 17th, 2018

(2:30 p.m.) (Board of County Commissioners Conference Room)

1. #PUBLIC COMMENTS

None

2. COMMISSIONERS' RESPONSE TO PUBLIC COMMENTS AND/OR OTHER ISSUES AND REMONSTRANCE (2 min. limit)

None

3. ADJUSTMENTS TO THE AGENDA

None

4. COMMISSIONERS' BUSINESS

None

5. EMERGENCY BUSINESS

None

6. ADMINISTRATION

A. Approval of Minutes: 10/17/2018

Motion to approve Minutes: Sid Leiken

Motion seconded: Michelle Thurston

Motion approved: Unanimously

B. Executive Director Report (estimated time 15 minutes)

Jacob: For our asset management update, we have done a proactive capital needs assessment of all our properties to know where the problems are and repairing the projects as we can. Richardson Bridge which was built in 1992 has significant envelop issues. We have completed the repairs on Richardson Bridge and we are hosting a re-opening next week. The board is invited, and we would love to see you there. Sheldon Village had major construction defects due to design decisions that were made with construction that didn't stand the test of time. For our Sheldon property, we did look at numerous options up to and including litigation. After discussion with this board, it was decided it would be better if Homes for Good did everything we could to repair the property instead. Spencer McCoy with support from Steve Ochs helped secure bond funding to repair the

drastic issues with Sheldon Village. Now Sheldon Village is under rehabilitation to fix those structural issues. The large project up for repair is our Firwood property. It is not owned by Homes for Good, but we have to return the building to the trust in good repair in 2029. We continue to seek solutions to address this property's needs but at this time we haven't been able to secure financial support from a financial institution given the ownership structure.

Jacob: We did have a resignation of our HR Director. Our HR Director is a critical role. After a recruitment process, I am happy to introduce our new HR Director to the board.

Jacob: Introduces Homes for Good's new HR Director Baily McCeuen

Bailey: I have been in HR for 11 years. I was with Keifer Auto Group for 6 years overseeing HR and Payroll. I do not have background in the public sector, but I am interested in it and look forward to getting started.

Jacob: Some agency events that have occurred since our last meeting were the Agency Picnic at Camp Harlow which was an incredible celebration. I want to acknowledge Aisha for her assistance in the coordination of this activity. We also engaged in Beautification Day which consisted of pulling weeds and spreading bark. Had a lot of engagement with residents. I had one resident that took issue with the bark regarding the odor of the bark causing allergic reactions to his household. After informing the resident that as an owner we have the final decision on the landscaping, we were able to rethink the request and accommodate his request by removing the bark for the resident. It was a good insight to our customer service challenges and a look at what our staff deals with on a daily basis.

- C. **Order/18-17-10-01H** – In the Matter of Authorizing the Executive Director to Apply for HOME funds and System Development Charge (SDC) waivers for the Housing First Apartment Community in Eugene, Oregon (Nora Cronin, Project Developer)

Nora Cronin: You are familiar with the Housing First project on MLK Blvd. So far with have 4 million dollars of funding committed to the project. We are waiting to hear back on the remaining funding. We hope to fill the 1.5-million-dollar gap with HIP funds and by deferring developer fees. This order is to approve Homes for Good to apply for HOME funds.

Jacob Fox: We have approached the city of Eugene for these funds. A few years ago, the city of Eugene purchased a plot of land at river road. We think they might be prioritizing the River Road project over the Housing First project. We think we can get HOME funds by competing for it.

Nora Cronin: We just received an update that there was an increase in HOME funds available. We will be applying for \$750K in HOME funds. I feel it is possible for the city to fund both.

Pat Farr: Do we have an estimate of the SDC?

Nora Cronin: I do, and I can provide that to you after this meeting.

Motion to approve 18-17-10-01: Jay Bozievich

Motion seconded: Michelle Thurston

Motion approved: Unanimously

- D. **Order/18-17-10-02H** – In the Matter of Approving Contract 18-P-0062(Architectural Services) for the Housing First Apartment Community in Eugene, Oregon (Nora Cronin, Project Developer)

Nora: In recent months there has been a lot of momentum with the funding for Housing First. In August we released an RFP. We received 12 requests for information about the RFP and in the end we received one proposal from Bergsund and DeLaney. This order is to approve the contract with Bergsund.

Pat: For this particular project, there was only one formal submission?

Jacob: There was a lot of interest in this project but only one proposal. We do work with other architects including local firms and firms from other communities.

Motion to approve 18-17-10-02: Sid Leiken

Motion seconded: Michelle Thurston

Motion approved: Unanimously

- E. **Order/18-17-10-03H** - In the Matter of Authorizing the Executive Director to Apply for 4% Low Income Housing Tax Credits for the Housing First Apartment Community in Eugene, Oregon (Nora Cronin, Project Developer)

Nora: We received the 3 million commitments from OHCS which is contingent on applying for 4% tax credits. We need to submit our preapplication to the State in the next month or two. This approval is necessary to start that preapplication process.

Motion to approve 18-17-10-03: Sid Leiken

Motion seconded: Michelle Thurston

Motion approved: Unanimously

- F. **Order/18-17-10-04H** – In the Matter of Authorizing the Executive Director to Apply for HOME funds for the Thurston Heights Affordable Housing Project in Springfield, Oregon (Spencer McCoy, Project Developer)

Spencer McCoy: I am working on the HOME application for the RAD Phase 2 project which is a split site project with a one location in Springfield and Eugene. This order will allow us to apply for funds in the Springfield site specifically, so we will not be competing with the Housing First site in Eugene. The Springfield site is going to be named "Thurston Heights". We have also chosen the name of "Taney Place" for our Eugene site.

Jacob Fox: We are going to pursue HOME funds in an amount that is close to what SDC charges will total because Springfield does not have SDC waiver program.

Sid Leiken: You used to be able to transfers those to different projects. I am familiar with where the Springfield property is. Are you building up due to it being long and narrow?

Spencer McCoy: We have a site plan to work around the hilly parts of that site. We are planning 9 buildings of two-three stories of townhome style homes.

Motion to approve 18-17-10-04: Sid Leiken

Motion seconded: Michelle Thurston

Motion approved: Unanimously

- G. **Order/18-17-10-05H** – In the Matter of Approving a Fair Housing Resolution for Market District Commons Apartments (Steve Ochs, Real Estate Development Director)

Steve: This is in relation to the Market District project. We are looking forward to the project start date. This resolution is a fair housing resolution which holds us to fair housing requirements. It is pretty straight forward. It comes word for word from the template they require.

Motion to approve 18-17-10-05: Jay Bozievich

Motion seconded: Michelle Thurston

Motion approved: Unanimously

- H. **Order/18-17-10-06H** – In the Matter of Authorizing the Development and Financing of Market District Commons Affordable Housing Development (Steve Ochs, Real Estate Development Director)

Steve Ochs: This order approves the types of funding for the Market District Project and I will walk you through the sources of funding. First, I want to update you on the environmental review regarding the noise assessment. We knew the noise would be an issue. The City was able to work with HUD and consider the future quiet zone for this project. Thanks to the City of Eugene, we are also able to build a terrace with some modification for noise with thicker windows and insulation.

Michelle Thurston: What is the Eugene Quiet Zone?

Pat Farr: It is an ordinance where any train that crosses has to signal 5 times before they cross any road. It is a great expense to install a "quiet signal".

Pete Sorensen: The warning lights may work as a solution for the noise from the train whistles. There is a federal statute that sets those rules regarding the trains alert systems.

Gary Williams: I am glad to hear about the thicker windows and reinforcements to combat the train noise.

Steve Ochs: There will be further testing of the decibel levels.

Jay Bozievich: The City of Eugene approved the project across the street from the Market District Commons.

Steve Ochs: The last five pages goes through each feature of this financing. The County is leasing this to us for the next 99 years. Jeff Turk has been our contact with the County and has been very helpful. There is a construction loan and a loan after the fact which is a "permanent loan" that authorizes us to receive GHAP funds and use housing trust funds. We are getting \$2M of the housing trust fund for this project. There is the 9% tax credit which preserves that rents stay low

for 60 years. We are also entering into condominium agreements. We are needing to create a condominium that will be sold and the other which will be our resident portion.

Michelle Thurston: If you have the resident side on one side of the condominium and the business plan by Obie fails, what will happen to the resident portion?

Steve Ochs: It will have no impact on the residential side. They can either lease it out or give the option for us to buy it back. We have the ability to sign for the property as well. The next step with this is to close the financial transactions and start building.

Sid Leiken: On the loans, what kind of interest rate are you looking at?

Steve Ochs: We did a RFP for financing, so we were able to secure a competitive interest rate.

Jacob Fox: We can pull that information and provide that to you later.

Steve Ochs: We have a letter of intent from Wells Fargo. We have used US Bank in the past, but Wells Fargo came in with a more competitive bid.

Motion to approve 18-17-10-06: Sid Leiken

Motion seconded: Michelle Thurston

Motion approved: Unanimously

I. 7. OTHER BUSINESS

Adjourn