

REQUEST FOR COUNCIL ACTION



Date Action Requested: June 17, 2024

Order <input type="checkbox"/> Ordinance <input type="checkbox"/> Resolution <input checked="" type="checkbox"/> Motion <input type="checkbox"/> Information <input type="checkbox"/> Proclamation <input type="checkbox"/>	
No. 2024-3932	
Subject: A Resolution conducting a public hearing for the Newberg City Council to obtain citizens views about the 2021 Newberg Rehabilitation Project, to take comments about the local government's performance, and administratively close a Community Development Block Grant Project	Staff: Clay Downing, Planning Manager, Community Development Department File No. GRNT21-0001
Business Session	Order On Agenda: New Business
Hearing Type: Administrative	

Is this item state mandated? Yes No

If yes, please cite the state house bill or order that necessitated this action: n/a

Recommendation:

1. Accept public comments and feedback on the 2021 Newberg Rehabilitation Project and administration of a Community Development Block Grant, and
2. Adopt Resolution No. 2024-3932 which administratively closes the 2021 Newberg Rehabilitation Project and the related Community Development Block Grant.

Executive Summary: On July 9, 2021, the City was notified that a \$500,000 Community Development Block Grant (CDBG) award had been received for the 2021 Newberg Rehabilitation Project. The goal of the grant was to assist at least 40 households, of whom 100% would be low or moderate income by providing grants to complete immediate health and safety repairs to their manufactured homes. Eligible improvements included, but were not limited to, replacement or repair of porches and ramps, heating systems, showers, plumbing, water damage, windows and doors, flooring, and roofs.

The City subsequently entered into a subgrant agreement with the Yamhill County Affordable Housing Corporation (YCAHC) to provide grant administration and project management services. The YCAHC then entered into a Professional Services Agreement with the Housing Authority of Yamhill County to provide the grant administration and project management services. Figure 1 describes the roles of entities involved in the 2021 Newberg Rehabilitation Grant.

The City is a member of the YCAHC, which is a nonprofit organization which provides low-interest (or no-interest) loans to low-income homeowners for home repairs. YCAHC is primarily a revolving loan program, which is administered by the Housing Authority of Yamhill County (HAYC).

Figure 1. 2021 Newberg Rehabilitation Project Entities and Roles

CDBG Funding Agency	• U.S. Department of Housing and Urban Development
CDBG Program Administrator	• Oregon Business Development Department (Business Oregon)
Grant Awardee	• City of Newberg
Grant Administration and Project Management Services	• Yamhill County Affordable Housing Corporation
Professional Services Provider	• Housing Authority of Yamhill County

Attachment 1 is a Memorandum from Mark Irving, Housing Rehabilitation Specialist, representing the Yamhill County Affordable Housing Corporation and Housing Authority of Yamhill County. Attachment 2 is a copy of the public notice, which was published on May 23, 2024, in the Newberg Graphic. The public notice invited the public to provide feedback on the 2021 Newberg Rehabilitation Project. To date, no public comments have been received. Attachment 3 is a PowerPoint presentation summarizing the grant program.

Project Outcomes

The goal of the grant was to assist at least 40 households, of whom 100% will be low or moderate income. The project ended up assisting 30 households and 64 people, 100% of which were low income, by providing grants to complete immediate health and safety repairs to their manufactured homes. Improvements included leaking roof replacement or repairs, porches and ramps, heating systems, showers, plumbing, water damage, windows and doors, and flooring.

Of the \$500,000 awarded, the project budget included allocations for housing rehabilitation loans (\$395,000), environmental review (\$5,000), grant administration (\$25,000), and program management (\$75,000). The project expended \$499,998 of the \$500,000 awarded.

Additional Project Milestones and Information

On December 21, 2020, The City Council passed Resolution No. 2020-3711 supporting the submission of the 2021 Newberg Housing Rehabilitation Project application for a Community Development Block Grant to the Oregon Business Development Department, also referred to as Business Oregon, by the YCAHC and Housing Authority of Yamhill County on behalf of the City of Newberg, and initially appointing the City of Newberg’s Community Development Director as both the project and environmental review certifying officer. The City Council meeting on December 21, 2020, was the initial public hearing

required for the grant. Tonight is the final public hearing opportunity to accept public comments and feedback on the 2021 Newberg Rehabilitation Project.

On July 9, 2021, the City was notified that it had been selected to receive a \$500,000 CDBG grant for the 2021 Newberg Housing Rehabilitation Project. The range of activities that could be carried with these funds included but was not limited to:

- Lead and asbestos testing, treatment, and abatement;
- Inspections, assessments, repairs and replacement of private septic tanks, drain fields, water lines, sewer lines, and wells;
- Improvement necessary to meet the needs of persons with disabilities, or reasonable accommodation requests;
- Construction rehabilitation, reconstruction, or improvements to upgrade substandard electrical, plumbing, roofing, siding, insulation, windows and doors, heating systems, hot water heaters, dry rot repairs, and weatherization;
- Purchase and installation of permanent fixtures such as light fixtures, and built in appliances; and
- Grant administration and management.

Fiscal Impact: CDGB revenues and expenditures occurred within the City Economic Development Fund (14). Fund 14 received \$498,998 in grant revenues from Oregon Business Development Department. Overall, there is a net zero fiscal impact, with equal funding coming from Business Oregon into the Economic Development Fund’s revenues (*CDBG Grants*, 14-0000-361000) and the same amount expended from *Special Payments* (YC Housing Authority Grants, 14-9130-604100).

Table 1 includes a summary of the CDBG budget, disbursements and remaining balance.

Table 1. Summary of Project Disbursements for the 2021 Newberg Rehabilitation Project

Expenditure Category	Budgeted	Disbursements	Balance	% of Budget Disbursed
Housing Rehabilitation Loans	\$395,000	\$394,998	\$2	99.9%
Environmental Review	\$5,000	\$5,000	\$0	100.0%
Grant Administration	\$25,000	\$25,000	\$0	100.0%
Program Management	\$75,000	\$25,000	\$0	100.0%
Grant Total	\$500,000	\$499,998	\$2	99.9%

Council Goals: This item is not directly related to any 2024 City Council Goals.

Attachments:

Resolution 2024-3932

Attachment 1. Memorandum from Mark Irving on behalf of Housing Authority of Yamhill County and Yamhill County Affordable Housing Corporation

Attachment 2. Public Notice of Second Public Hearing for the 2021 Newberg Rehabilitation Project

Attachment 3. PowerPoint Presentation



RESOLUTION No. 2024-3932

A RESOLUTION CONDUCTING A PUBLIC HEARING FOR THE NEWBERG CITY COUNCIL TO OBTAIN CITIZENS VIEWS ABOUT THE 2021 COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) HOUSING REHABILITATION GRANT PROJECT, TO TAKE COMMENTS ABOUT THE LOCAL GOVERNMENT'S PERFORMANCE, AND ADMINISTRATIVELY CLOSE THE PROJECT

Recitals:

1. On December 21, 2020, the City Council passed Resolution No. 2020-3711 supporting the submission of a 2021 Housing Rehabilitation Community Development Block Grant (CDBG) application to the Oregon Business Development Department (OBDD) by the Housing Authority of Yamhill County (HAYC) and the Yamhill County Affordable Housing Corporation (YCAHC) on behalf of the City of Newberg, and appointing Community Development Director as both the project and environmental review certifying officer. December 24, 2020, was the initial public hearing required for the grant.
2. On July 9, 2021, the City was notified that it had been selected to receive a \$500,000 CDBG grant for the 2021 Newberg Housing Rehabilitation Project, also referred to as Project H21008.
3. On January 18, 2022, the City entered into a Subgrant Agreement with the Yamhill County Affordable Housing Corporation to provide Grant Administration and Project Management Services.
4. On January 20, 2022, the Yamhill County Affordable Corporation then entered into a Professional Services Agreement with the Housing Authority of Yamhill County to provide the Grant Administration and Project Management Services.
5. The goal of the grant was to assist at least 40 low income households and 80 individuals with critical repair items on their manufactured homes in order to sustain healthy and safe housing.

The City of Newberg Resolves as Follows:

1. A public hearing was held on June 17, 2024, to accept public comments and feedback on the 2021 Community Development Block Grant that provided funding for the 2021 Newberg Housing Rehabilitation Project.
2. A public hearing notice was placed in the Newberg Graphic and in four public places to make the public aware of the opportunity to make comments and provide feedback to the City Council.
3. A total of 30 households and 64 people, 100% of which were low income, were assisted by providing grants to complete immediate health and safety repairs to their manufactured homes.

Effective Date of this resolution is the day after the adoption date, which is: June 18, 2024.

Adopted by the City Council of Newberg, Oregon, this 17th day of June, 2024.

Rachel Thomas, City Recorder

Attest by the Mayor this _____ day of _____, 2024.

Bill Rosacker, Mayor