OREGON STATE HOUSING COUNCIL
Minutes of Meeting

Meeting Location:
Oregon Housing and Community Services
725 Summer Street NE, Room 124 A/B
Salem, OR 97301

9:00 a.m.
November 5, 2010

MEMBERS PRESENT
Maggie LaMont, Chair
Tammy Baney
Francisco López, via phone
Jeana Woolley

MEMBERS ABSENT
John Epstein
Mike Fieldman
Nancy McLaughlin

GUESTS
Tom Cusak, Oregon Housing Blog
Terry McDonald, St Vincent de Paul of Lane County
Kristen Karle, St Vincent de Paul of Lane County
Mary Bartlett, Umpqua Bank
Jen Smith, Umpqua Bank
Ryan Fisher

STAFF PRESENT
Victor Merced, Director
Rick Crager, Deputy Director
Nancy Cain, Chief Financial Officer
Marlys McNeill, Asset and Property Management Division Administrator
Mike Kaplan, Oregon Homeownership Stabilization Initiative Division Administrator
Bruce Buchanan, Regional Advisor to the Department
Debbie Price, Regional Advisor to the Department
Karen Chase, Regional Advisor to the Department
Karen Clearwater, Regional Advisor to the Department
Vince Chiotti, Regional Advisor to the Department
Shelly Cullin, Senior Loan Officer
Dolores Vance, Loan Officer
Carol Kowash, Loan Officer
Joyce Robertson, Loan Specialist
Roz Barnes, Loan Officer
Cheryl Resendez, NSP Analyst
Lisa Joyce, Policy and Communication Unit Manager
Aria Seligmann, Senior Communication Advisor
Betty Markey, Senior Policy Advisor
Rich Malloy, NSP & Policy Coordinator
Theresa Wingard, MCRC Program Coordinator
John Fletcher, Financial Management Division Policy Advisor
Jo Rawlins, Recorder

I. **CALL TO ORDER: Chair LaMont** calls the November 5, 2010 meeting to order at 9:04 a.m.

II. **ROLL CALL: Chair LaMont** asks for roll call. **Present: Francisco López (via telephone), and Chair LaMont. Absent: John Epstein, Mike Fieldman, Nancy McLaughlin, Tammy Baney (arrived at 9:28 a.m.) and Jeana Woolley (arrived at 9:15 a.m.).**

III. **PUBLIC COMMENT:** None.

IV. APPROVAL OF MINUTES

A. **Chair LaMont a**sks if there are any corrections to the September 24, 2010 Minutes. There being no corrections, the Motion was read:

MOTION: Woolley moves that the Housing Council approve the Minutes of the September 24, 2010 Council meeting.

VOTE: In a roll call vote the motion passes. Members Present: Tammy Baney, Francisco López , Jeana Wooley and Chair Maggie LaMont. Absent: John Epstein, Mike Fieldman and Nancy McLaughlin.

V. RESIDENTIAL CONSENT CALENDAR: None.

VI. NEW BUSINESS:

A. *Harwood Mobile Manor* (Junction City, OR), Manufactured Dwelling Park Preservation Grant Request. **Shelly Cullin,** Senior Loan Officer, introduces **Terry McDonald** and **Kristen Karle**, with St. Vincent de Paul of Lane County. **Cullin** reports that this is a manufactured dwelling park purchase program which is part of the department's preservation initiative with the lottery backed bonds that were approved to use for preservation. Approximately $18M was allocated to three funding activities; 4% bond projects, CFC and manufactured parks. $2.7M was allocated to parks; $4.5M to CFC; and $11M to bond projects. The sponsor has requested $600,000 in housing preservation funds for the acquisition and site renovations for Harwood Mobile Manor, a four-acre manufactured home park located on River Road between Junction City and Eugene, built in 1966. There are 37 platted spaces with 26 improved and rentable spaces. She gives an overview of the write-up contained in Council's packet. **Woolley** asks if St.Vincent has done manufactured parks so this is not the first such project. **McDonald** says yes, they currently own and operate another park in Eugene. **Woolley** asks if they expect this park, once the improvements are done, to fill back up. **McDonald** says yes, it is in receivership with a trustee from the state. **Woolley** asks how they market the park. **McDonald** replies that St. Vincent de Paul has a fair amount of affordable housing in its own portfolio. **Woolley** comments that it is nice to see a well-healed partner dealing with the manufactured park situation around the state. **Rick Crager** adds that St. Vincent de Paul and Terry McDonald were very helpful to the department as it was beginning the early designs of this program, and they relied on their expertise and experience. This is the first manufactured park to use the preservation money. **LaMont** states that these parks are affordable housing for a lot of people.

MOTION: López moves that the Housing Council approve a grant award of up to $600,000 from Manufactured Dwelling Park Preservation resources to St. Vincent de Paul Society of Lane County, Inc. to acquire and renovate Harwood Mobile Manor in Junction City, Oregon.

VOTE: In a roll call vote the motion passes. Members Present: Tammy Baney, Francisco López, Jeana Woolley and Chair Maggie LaMont. Absent: John Epstein, Mike Fieldman and Nancy McLaughlin.

B. *Alona Place* (Junction City, OR), Predevelopment Loan Request. **Carol Kowash,** Loan Officer, introduces **Terry McDonald** and **Kristen Karle**, with St. Vincent de Paul of Lane County. **Kowash** reports that Alona Place is to be renovated by St. Vincent de Paul and that the predevelopment loan has two options for repayment. It will either receive a CFC award in 2011, which would pay off the loan, or they will sell a parcel of land to repay the loan. This project will be purchased by predevelopment funds to secure the property for the development of 40 units of family affordable housing in Junction City, Oregon. The parcel has 5.19 acres of property, with an option on the site that expires

January 1, 2011. Because they did not get funding in the most recent CFC, they will not be able to purchase the property before the option is up. The project will feature a mix of one, two and three-bedroom units. She gives an overview of the write-up contained in Council's packet. **McDonald** adds that it is one of the best sites in the state; is flat and immediately usable. When the site visit took place a few months ago, the comment was it was one of the best sites they had seen. It is near schools, shopping and access to public transit, located in a growth area. **Woolley** asks who would be a likely prospect to buy this land if they were not able to get funding, noting that land is not a good asset these days. **McDonald** says they are fortunate to be taking advantage of a downturn in the market. The owner of the property has held the property off the market and this is the best usable site in Junction City. **Baney** states that her concern is around the next CFC funding cycle. If they are not successful and they have to sell the property, that seems to potentially back the department into a corner and it seems awkward. **McDonald** explains that they have to declare a take-out strategy for the state, and they also recognize it is a very good site, and there are other partners they could get funding from. **Crager** comments that with a predevelopment loan on the project, that gives no additional scoring weight in the CFC. **Baney** says it was just the perception she was concerned about. **Woolley** adds that in this market they just need lots of contingencies for how to proceed. **Cullin** explains that the department has been doing the predevelopment program for several years and have done a lot of CFCs. It affords people the opportunity to acquire sites at good prices knowing they may have to compete several times. It is a two-year loan, so they have two more chances before the loan would come due, and the department can always do extensions. **LaMont** says that in the past, if the project is viable, other partners have provided funds to repay the loan. **Woolley** asks if the balance to lend shown on the write-up is through the end of June. **Cullin** says it is probably as of a few weeks ago. The department has received another predev application and is right at its limit now, but there are some paybacks expected in the amount of $2.2M within the next four to six months.

MOTION: Woolley moves that the Housing Council approve a Predevelopment Loan in the amount not to exceed $720,000, at a current interest rate of 5% per annum for a maximum of two (2) years to St. Vincent de Paul Society of Lane County for the Acquisition of subject parcels for the development of Alona Place located at High Pass Road and Oak Street in Junction City, Oregon.

VOTE: In a roll call vote the motion passes. Members Present: Tammy Baney, Francisco López, Jeana Woolley and Chair Maggie LaMont. Absent: John Epstein, Mike Fieldman and Nancy McLaughlin.

C. *Chaucer Court* (Portland, OR), Increase in Low-Income Weatherization Request. **Dolores Vance,** Loan Officer, reports that the project is 84 units of senior elderly housing in downtown Portland, currently in the department's Section 8 portfolio with a HUD contract. In the 2009 Fall CFC, they received Trust Fund, Weatherization, OAHTC and LIHTC. The sponsor, Union Labor Retirement Assn., came back to the department asking for a review of the weatherization request to see if they qualified for further funds. A review was done and $107,650 of eligible weatherization items were identified, and $160,000 of funds would be available. Finance Committee approved $160,000. The department's weatherization manager continued to work with the sponsor and their architect to identify further weatherization eligible items, and they did identify the full $160,000 worth of items. Part of the reason they were able to find more is that this is a historical building and through further research it was found that some weatherization items are now eligible. **Baney** asks if the $160,000 would have been competitive. **Vance** says yes, they were part of the CFC and they only asked for $251,000 in the beginning, and they were awarded that competitively through the CFC. **Baney** asks if the reason for the extra funding is because someone else did not get funding. **Vance** explains that the funding was always there, but they did not ask for that much, so the department did not allocate more. **Crager** adds that these are weatherization resources the department has a lot of in certain parts of the state, depending on the type of utility. **Vance** states that it comes from the PP&L portion of the weatherization funds. **LaMont** asks if these are weatherization funds for additional work that will be done. **Vance** says no, it is work that they planned on, but they did not ask for coverage under weatherization in their original application.

MOTION: Woolley moves that the Housing Council approve an increase in the Low-Income Weatherization Program (WX) funds for Chaucer Court by up to $160,000, for a total award of up to $411,864, contingent upon meeting all program requirements and conditions of award.

VOTE: In a roll call vote the motion passes. Members Present: Tammy Baney, Francisco López, Jeana Woolley and Chair Maggie LaMont. Absent: John Epstein, Mike Fieldman and Nancy McLaughlin.

D. *Proposed 2011 Housing Council Meeting Dates.* **Maggie LaMont,** Chair, asks if Council approves the proposed 2011 Housing Council dates.

MOTION: Baney moves that the Housing Council approve the proposed 2011 Housing Council Meeting dates.

VOTE: In a roll call vote the motion passes. Members Present: Tammy Baney, Francisco López, Jeana Woolley and Chair Maggie LaMont. Absent: John Epstein, Mike Fieldman and Nancy McLaughlin.

VII. **SPECIAL REPORTS:** None.

VIII. **OLD BUSINESS:**

A. *2011 CFC Project Template.* **Shelly Cullin,** Senior Loan Officer, refers to the template contained on page 32 of Council's packet. **Woolley** says there are two things she noticed: one is the itemized rehab list; the other is the relocation plan. She asks if there will be some place to reflect that a project meets the construction standards. **Cullin** explains that on new construction there would be a brief statement included on what they are proposing. One of the things that is done is to have an external review team visit the properties based on the scope of rehab and a cost estimate. She says the loan officer presenting the project can add that it meets OHCS's standards of the 30-year sustainability requirement. She states that she expanded the sources and uses so that they can see it on the table, and points out that Council wanted more information on the market demographics, so there is a table to put bullet points about details. **Woolley** says it looks good. **LaMont** points out on the market portion of the form, if it is a rehab project and there is a waiting list, then that can be simple. If the project has vacancies, then the market analysis becomes very important. **Cullin** says that all tax credit projects have to have a market study. On non-tax credits, the sponsor has a responsibility to do some research on their market, so the department gets some of that information in the application.

IX. **REPORTS:**

A. *Neighborhood Stabilization Program Update.* **Rich Malloy**, Neighborhood Stabilization Program & Policy Coordinator, distributes a copy of his written report and reports that NSP1 is in progress and NSP2 is starting to move along well. Last month the department was required to meet the obligation deadline with HUD to get the funds tied up with properties across the state. That was done successfully. Seven cities have NSP1 funds and they are where they want to be. He distributes a map showing where the assisted properties are for NSP1 and NSP2. He says Bend is making fantastic progress. Recently, the department received NSP3 funds in the amount of $5M, which will include a very limited area. The application for funding is due on March 1. **LaMont** points out that there are no indicators for assistance in eastern Oregon and asks if there is a reason why. **Malloy** says it is because there is not a high enough concentration of foreclosures, and it is a challenge for the group out there to find a home they can acquire. The program is biased toward larger urban communities. HUD wants to see how money in a small area will have an impact. **Merced** comments that one of the purposes was to target blighted areas. **Crager** asks how Oregon compared with the other states that got NSP1, and whether there was money left over from other states. **Malloy** states that all the money has been obligated. The HUD Office of the Inspector General contacted the department and they spent three and a half weeks in the office going through files, program policies and procedures. It seemed to go pretty well.

B. *Hardest Hit Fund Update.* **Mike Kaplan,** Oregon Homeownership Stabilization Initiative Division Administrator, gives the following status report:

- Treasury has nationalized a model of the mortgage payment assistance plan.
- Treasury has awarded Oregon another $82M, for a total of $220M. Proposed funding plans have been submitted to Treasury and, although it has not been approved yet, they expect to hear back from them soon.
- The department has released and received responses to a statewide RFA. The department hopes to engage an already existing network of community development centers, regional housing centers and HUD certified counselors to take on that work and to provide them with the funding to do that quickly. **Merced** comments that at the last Council meeting he expressed concern about starting this in January. He says that Mike and his team have worked very hard to get this part phased in and it looks like they are going to accomplish that. **Kaplan** says they will launch the application process in December. The team that was hired to work on this program has worked very hard.
- They have also hired and done development on the application software tool with a developer that is set to start up six other hardest hit states.
- They have begun development on the website, trying to make it very user friendly.
- They have put together a comprehensive outreach plan, developing materials to share with partners. Their philosophy going forward is to do no-cost, or very low-cost outreach. They want to be able to leverage resources.
- They are working with the Department of Justice to reduce the occurrence of fraud.
- They will continue to do outreach to other state agencies that have contact with homeowners who are in trouble. The Employment Department will have a targeted outreach with unemployment insurance exhaustees and information to those currently receiving unemployment.

Woolley asks if there was a good response from around the state on the RFA. **Kaplan** states that every county was covered. **Baney** asks if they were able to do a feedback loop with some of the partners that was discussed at the September Council meeting. **Kaplan** says yes, they have set up some informal feedback loops, but the RFA respondents will play a really large role going forward on how the finer details get worked out. **LaMont** asks if someone is unemployed for a year and then they get a job, are they no longer eligible for these funds? **Kaplan** says the way to define it is if you are in financial distress. They are sure they are going to get people who are employed, but still will be eligible for the program. There is a list of eligibility criteria and they certainly do not want to exclude people who have a job. **Woolley** asks if fraud has been an issue with these resources. **Kaplan** says no, but it is a big concern with Treasury and they are just hoping to prevent that going forward. **Crager** states that when the department first took this on back in March, the amount of work was massive. He says that Mike has done an outstanding job, and the team he has put together is truly working day and night on this program.

C. *Legislative Update.* **Lisa Joyce**, Policy and Communication Manager, distributes a copy of the 2011 Legislative Concepts and a Long Term Budget diagram, and reports the following:

- There have been no changes to the Legislative Concept list since the last time she spoke to Council, but there may be some changes with regard to what the Governor's budget will look like.
- The biggest news is the recent political races. It does look the like the Senate will go to the Democrats and the House is equally divided.

- The chances are very slim of the department getting its "asks" for the budget, and it will be lucky to hold on to what it has. Tax credits will be an issue and will have implications in the community services side, as well as the housing side.
- The Governor's reset report proposes a number of changes around PERS, furloughs and reductions across state government that will eat up some of the gap.
- There is a farmworker housing celebration scheduled for March 23, 2011 to recognize the process of improving the quality of housing over the last decade.

López asks if there is anything with the recent elections that will reprioritize housing. **Joyce** says it will be difficult to make a case for additional revenue since the department got the document recording fee last session. They are looking at fund sweeps and one of those would be the public purpose charge, which does some affordable housing and low-income energy programs. The issue is the economy and the budget. It will put us in a much stronger position if we can make our case that what we do creates jobs.

D. *Federal Stimulus Plan Update.* **John Fletcher,** Financial Management Division Policy Advisor, distributes copies of a TCAP jobs report and the weekly ARRA report, and gives the following summary:

- The CSBG funds have been obligated and the department is finishing up the clean-up on the draws and reconciliations.
- TEFAP and AmeriCorps are winding down and there will not be a lot of changes to those programs going forward. Fletcher will report some final results for those programs when they have been completed.
- The Weatherization program is still ahead of schedule, with 2,600 units weatherized.
- NSP2, which is part of the ARRA funding, is underway.
- Homeless Prevention has served 5,400 people; CSBG has served over 200,000; and AmeriCorps has served thousands of people in different ways.
- There are different ways to look at ARRA job creation -- Do you count the jobs that were just paid by ARRA funding, or do you count all the jobs on a project, because without the funding the project would not have happened? Recently, the department completed reports required by the federal government about the direct jobs and wages funded with the ARRA dollars. Treasury, from the Exchange projects, looked at an estimate of the total jobs on a project. OMB jobs are calculated differently, based on hours funded with ARRA dollars. TCAP and Exchange ARRA jobs appear lower than total project jobs because funds have not been completely spent yet and because ARRA funds are not the total funds on a project. ARRA funds are also not just used for wages, but for acquisition costs and some of the earlier costs on the project that do not relate to the construction job wages. The TCAP and Exchange funding is critical funding for these projects going forward. Without this funding these projects would not be financially viable and there would be no jobs coming from these projects. ARRA funds have leveraged other funds, and together with those funds an estimated 1,100 jobs will be created over the course of the projects. On the other hand, wages provided by ARRA have paid for 88 direct jobs so far.

Fletcher says that these projects are on track and that the timelines are being met for drawing down these federal funds. **Woolley** asks if there is going to be a strategy for the next legislative session to deal with the other perceptual issues, and if this is sort of the beginning on how to represent to the new legislature about what these funds are doing in our state. **Fletcher** says that each session presents its own challenges based on the interests of the committees and the dynamics of the session. Certainly this session will be about cutting and finding a way to balance the state budget. The department is paying good attention to messaging and how to present these things in the right way to the legislature. **Merced** adds that it is always good to provide context to the numbers. Every session the department has always had a theme and, as Lisa Joyce mentioned, one of our themes will be defense. The department has made some significant gains over the last two sessions and we just want to hold the line on what we have been able to accomplish. **Crager** comments that, in terms of playing defense, the best strategy is how we tell the story. The department has an extremely positive story to tell in terms of what we have done with the ARRA funds and we need to tie that message to the other things the department does. **Fletcher** states that the politically balanced legislature will require accuracy in presenting data. **LaMont** says that a few years ago the department looked at the job multiplier, and asks if the department has considered looking at that to see if that is also a part of the explanation and the local economy. **Crager** says that tool has been valuable and the department continues to use it.

E. *Report of the Chief Financial Officer.* **Nancy Cain** distributes a copy of the Comparison of Budgeted Receipts to Date to Actual Receipts to Date for the document recording fee (as of October 27, 2010) and reports the following:

- OHCS has received Document Recording Fee revenue, and through the receipt of the latest report, it was $2.3M more than projected. The department continues to be on pace to be above the revenue projections. She cautions that past performance is no guarantee of future receipts. They did expect this last quarter to be down, but it was the highest quarter to date. **Merced** asks if the NSP transactions are reflected in the documents that are filed. **Cain** says yes.
- The agency request budget has been submitted; the analyst has reviewed it and made her recommendations; and the appeal was yesterday. At this point it is confidential.
- November 19 is the next economic forecast.
- On December 1, the current Governor will release the framework budget, and the Governor-elect will submit a detailed budget by agency on February 1, 2011.
- The department is being audited on the TCAP and Exchange funds.
- In August the department closed some refundings, one of which was the Multifamily Risk Share Indenture. The department was able to increase its profitability and pass through savings of $300,000 to 23 projects. There was also a single-family refunding, which provided $1.7M in premium for down-payment assistance, and created about $8M in zeros, which is when the department combines higher rate proceeds with 0% proceeds to blend down and make lower interest rate loans. The department anticipates being able to issue $50M of issuance by the end of the year. **Baney** asks if $8M is standard for the zeros that were created. **Cain** says it depends. It is sufficient and the deal was sized based upon what $8M would buy given the interest rate. **Crager** adds that it is an element of where we are with the rate versus where the market is going to be at. **Cain** says they want to be cautious and not use all of the $8M. They always try to have a cushion to respond to market conditions.

F. *Report of the Deputy Director.* **Rick Crager** reports the following:

- He and Nancy Cain attended the NCSHA conference in Boston. The theme he heard was that equity is coming back. Many of the HFA's around the country have been hit hard. The bond market is still slow and the department's ability to create profits through our single-family bond programs and loan programs are not what they used to be. It will be imperative to exercise management innovation and changes in the way we do business. We will have to rethink about what our business model looks like. The department received a national award for the AIES system. He points out that Marlys McNeill and her staff get all the credit, and they have worked very hard and closely with the Multifamily Division as well.
- Referring to the spreadsheet that John Fletcher presented today, he points out the Funds Awarded column that shows over $100M of resources that have run through the agency in the last year and a half. That amount nearly doubled the department's typical limited limitation. Staff, however, did not double at the same time. He says it has been an amazing amount of work that has been done by staff. The NSP is proving to be a very successful program. The $7.8M is the state's HPRP allocation for homelessness prevention. One of the changes that is coming is the HEARTH (Homeless Emergency Assistance and Rapid Transition to Housing) Act, which is a focus by the federal government on homelessness prevention. Oregon has adopted a broader definition and really looked at families. The feds have now caught up with that and there are new

funding opportunities. They will be combining the Emergency Shelter Grant Program and the Homelessness Prevention Rapid Re-housing Program, which will be called the Emergency Solutions Grant. There will be more money available to the state with a maximum capacity around $20M, compared to the current $7M, plus another $2-3M that we get from Emergency Shelter. They recognize the importance of shelters and will continue funding, but they really want to swing everyone toward the prevention side.

- The next legislative session will be challenging and the department's messaging will be extremely important. The Governor will be laying out a framework budget, which will not be agency specific. Within the framework he will be looking at rolling up the reductions that he has done this biennium. It will most likely equate to an 8% reduction that will account for about $1B of the $3.2B deficit. He will be rolling up things like furloughs and other types of state employee reductions that will account for another half a billion to $1B. He will also be suggesting some of the things in his reset findings. The framework he is working on will solve about $2B of the deficit. We will be on hold and will not have an agency specific budget until the Governor-elect takes over.

Woolley asks if he could profile which properties are going to be looked at from equity investors. **Crager** states that investors will continue to be more interested in urban projects. There is more of a reluctance on the rural projects and what the department is hearing is that there is not much interest, which puts a strain on a lot of the department's preservation efforts because many of those projects are in the rural areas. He says that investors may continue to require higher coverages. **Merced** comments that, because it makes it easier for the urban projects to get the investor interest, it could be that the department might look at pulling back the subsidies that it puts into those projects to shift them over to entice investment in some of the rural communities. **Woolley** asks if there is a specific type of urban, and what the profile is of the project. **Chase** answers that they are looking for "slam dunks." Strong services and near transportation are what is the core group that investors are looking at. **Woolley** says it would be useful for the Council to have some feedback from equity investors about the types of projects they are looking for so that when Council is ready to go through the next round they can determine where the interest lies. **Crager** suggests it may be time to bring Enterprise back to Council to provide some additional information on what they are seeing. **Woolley** states that she would want a cross-section of the representation of who is investing in projects; how we get our deals; and if there are any new players on the horizon. With regard to the cuts that the department will take in the homeless arena, she asks if the HEARTH Program will provide some alternative financing. **Crager** says yes, and that is why the department is excited about that program. There are other opportunities with grants and specialized funding. The department hopes the Document Recording Fee will continue to show the growth they are now seeing. **LaMont** asks how much of a hit the department has had altogether in General Funds. **Crager** replies that the department started the biennium with approximately $10.3M, and it has cut off this biennium nearly $800,000, which equates to a 7.6% biennial cut.

G. *Report of the Director*. **Victor Merced** reports the following:

- He has been very proud of keeping the executive team together for over four years. He announces the departure of one of the members, **Marlys McNeill**, who is relocating to the coast.
- He attended Governor-elect Kitzhaber's acceptance speech yesterday in Portland. His priorities are job creation, stable funding for schools, addressing the long-term budget issues for government, and working with the legislative leadership. He said that by Wednesday he will announce what the transition plans will be. Agencies had been asked to prepare a transition memo, and the department did submit that.
- He participated in a White House phone call with the Office of Public Engagement. After the election, the President wanted to reinforce the message that he gave about moving the country forward. This was the opportunity to allow leaders in government and the community to ask questions about where the Obama administration is going now that the election is over. The President sensed the frustration over the economy and the recovery and he understands that. He

was saddened by the loss of some of the progressive members of his party in the election. There are difficult challenges ahead and there is a need for us to work in a bipartisan fashion. The recovery needs to quicken, but he is not supportive of middle class tax hikes. He felt his Administration was not getting enough credit for the past two years, especially as it pertains to health care reform.

- The Governor's reset report is moving from a framework to a blueprint.
- The department's Annual Report is in progress, with lots of good things to report.
- Lane County competed nationally for the HUD Sustainability Grant and received $1.42M for planning.
- The Housing Council Retreat is coming up, which will give Council an opportunity to discuss and start planning out the next two years. **Crager** adds that it will be a chance for Council to revisit and determine what progress has been made and to be able to get some of the policy pieces established.

H. *Report of the Chair*. **Maggie LaMont** says that seeing the manufactured park come before Council is very exciting. The news about down payment assistance and the single family program coming alive is very good news. She is proud of the department's staff and how hard they work to make sure all of the programs are being developed and put forth. Receiving a national award for some of the department's efforts, makes her and the rest of the Council feel very proud. It is rewarding to have staff that are so dedicated to what they do. She asks about the progress on getting the PBCA contract. **Crager** says they are getting to the point of HUD releasing the RFA. The current contract will last until September 30, 2011. The RFA they are designing will be intended for a new contract to go into place as of October 1, 2011. The department will be evaluating the RFP to determine if it wants to seek outside opportunities. **LaMont** asks if the non-profit that was developed for the Hardest Hit Fund is something that would work as a catalyst for other programs. **Crager** replies that when they start talking about reset and doing government differently the question comes up about whether we should be considering those types of models. The most important thing, at this point, is the Hardest Hit Fund. The nonprofit is being treated as the repository for those funds. In talking to the department's attorney, we are looking at developing models and best practices within this organization that could potentially be able to transition down the road. **LaMont** suggests that perhaps part of the retreat agenda could be looking at some possible benefits and opportunities for using the nonprofit in that fashion. **Crager** says the Hardest Hit Funding provides an opportunity to prove that an alternative business model could work.

X. FUTURE AGENDA ITEMS.

- Invite Enterprise, NEF, Tobey Washington and others, back to give insight as to what they are seeing with regard to the type of project investors willing to participate.
- Invite a Governor-elect transition team member to give a visionary presentation.
- There will be a Joint meeting with CAPO on December 3, following the Housing Council meeting.
- Have a presentation on the good things that have happened with the manufactured dwelling parks and invite CASA of Oregon to talk about their experience.

Chair LaMont adjourns the meeting at 1:23 p.m.

/s/ Maggie LaMont	**12/3/10**	**/s/ Victor Merced**	**12/3/10**
Maggie LaMont, Chair	**DATE**	**Victor Merced, Director**	**DATE**
Oregon State Housing Council		**Oregon Housing & Community Services**	