

**OREGON STATE HOUSING COUNCIL
TELEPHONE CONFERENCE
Minutes of Meeting**

Oregon Housing & Community Services
Large Conference Room, 124/B, First Floor
725 Summer Street N.E., Suite B, Salem, OR 97301

10:00 a.m.

May 29, 2009

MEMBERS PRESENT

Scott Cooper
John Epstein
Maggie LaMont
Jeana Woolley

MEMBERS ABSENT

Larry Medinger, Chair
Stuart Liebowitz
Francisco López

STAFF PRESENT

Victor Merced, Director
Roberto Franco, Director's Office Liaison
Karen Clearwater, Regional Advisor to the
Department
Roz Barnes, Loan Officer
Margaret McDowell, Internal Auditor
Pegge McGuire, CRD Administrator
Jo Rawlins, Recorder

GUESTS

None

I. CALL TO ORDER: Co-Chair Magge LaMont calls the May 29, 2009 meeting to order at 10:20 a.m.

II. ROLL CALL: Co-Chair LaMont asks for roll call. **Present: Scott Cooper, John Epstein, Maggie LaMont, and Jeana Woolley. Absent: Stuart Liebowitz, Francisco López, and Chair Larry Medinger.**

III. OLD BUSINESS:

A. *Moving Forward*, Housing PLUS Allocation and Trust Fund Request (Medford, OR). **Roberto Franco**, Director's Office Liaison and coordinator for the Housing PLUS Program, explains that this is a proposal for Housing PLUS out of the Request for Application, which was tabled from the May 1, 2009 Housing Council meeting. He gives a brief recap of the project. The request is for \$870,000, which is a combination of \$720,000 from Housing PLUS, \$150,000 in Trust Fund, as well as \$208,000 in additional Housing PLUS funds specifically for rental assistance and supportive services. At the last meeting Council requested an appraisal of one of the units. He refers Council to the appraisal report in their packet by P.A. Cunningham & Associates, LLC for the benefit of ICC. The appraisal (based on one unit) comes in for \$130,000, and is based as of December 2008 (as recommended by the Council), which is when the applicant had entered into a sale agreement with the seller. In comparing

that to the proposed request for funding, the appraisal for 8 units is \$1,040,000 (8 units x \$130,000). The current purchase/contract price is at \$970,500, which comes out to about \$121,313 per unit. He says the purchase price, offer, and the request of funding is still below what the appraisal has come in at based on one of the units. **Woolley** says she appreciates staff taking the extra effort to get an appraisal and says it looks like the appraisal has justified the purchase price, which was her only concern about the request. Although it seems like this is close to the original purchase price, if the appraiser is saying that this is the current price he would put on the property, then she is comfortable with the request.

Epstein says there are a couple of things that he does not particularly like, but since the appraisal was done by a third party, he is at the same point. He suggests that perhaps for future Council meetings, the department might want to consider setting some sort of reasonable threshold that if the department is awarding over a certain dollar amount, that it require an appraisal versus a broker's opinion. **Barnes** explains that Mike McHam, the department's appraiser, has recently received information that the department can no longer accept broker's estimation letters, and that an appraisal must be done in those situations. **Cooper** states that he thinks this project seems to be counter intuitive, given market conditions, but he is running out of objections and is with the rest of the Council.

Woolley says she thinks in these difficult times there is more need and the department needs to be prudent in how it distributes dollars even for good projects. A third party appraisal is part of the financial fiduciary of the council and department.

MOTION: Woolley moves that the Oregon State Housing Council approve the allocation of \$720,000 in Housing PLUS and \$150,000 in Trust Fund for the acquisition, plus \$208,000 for rental assistance and supportive services in Housing PLUS funds to the Moving Forward housing project in Medford, Oregon. This approval for funding is contingent upon Interfaith Care Community meeting all Housing PLUS and Trust Fund requirements and conditions of award.

VOTE: In a roll call vote the motion passed. Members Present: Scott Cooper, John Epstein, Maggie LaMont, and Jeana Woolley. Absent: Stuart Liebowitz, Francisco López, and Chair Larry Medinger.

Co-Chair LaMont adjourns the meeting at 10:30 p.m.

/s/ Larry Medinger June 5, 2009
Larry Medinger, Chair DATE
Oregon State Housing Council

/s/ Victor Merced 6/17/09
Victor Merced, Director DATE
Oregon Housing & Community Services.