

OREGON STATE HOUSING COUNCIL
Minutes of Meeting

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

9:00 a.m.

May 7, 2010

MEMBERS PRESENT

Maggie LaMont, Chair
Stuart Liebowitz
Francisco López
Nancy McLaughlin (via phone)

MEMBERS ABSENT

Scott Cooper
John Epstein
Jeana Woolley

GUESTS

Diana Enright, Department of Energy
Doug Chrisman, Chrisman Development and Management, Inc.
Tony Chrisman, Chrisman Development and Management, Inc.
Paula Chavez, CAPECO
David Crawford, Geller Silvas and Assoc.
Sheila Heino, Clatsop County Housing Authority
Kathy Lewis, Clatsop County Housing Authority
Kirk Fausett, Clatsop County Housing Authority
Dahe Good, Good James Consulting
Patrick O'Toole, Union Labor Retirement Association
Raquel Gugliemetti, Executive VP, NWRECC
Tom Cusack

STAFF PRESENT

Victor Merced, Director
Rick Crager, Deputy Director
Bob Gillespie, Housing Division Administrator
Bill Carpenter, Chief Information Officer
Marlys McNeill, Asset and Property Management Division Administrator
Lisa Joyce, Policy & Communication Manager
Dave Summers, MultiFamily Section Manager
Betty Markey, Housing Division Policy Advisor
Mike Kaplan, Hardest Hit Fund Project Manager
Karen Chase, Regional Advisor to the Department
Debbie Price, Regional Advisor to the Department
Aria Seligmann, Senior Communication Advisor
Craig Tillotson, Single Family Loan Officer
Roseanne Ward, Financial Services Section Manager
John Fletcher, Financial Management Policy Advisor
Rich Malloy, NSP & Policy Coordinator
Shelly Cullin, Senior Loan Officer
Dolores Vance, Loan Officer
Debie Zitzelberger, Loan Officer
Roz Barnes, Loan Officer
Joyce Robertson, Loan Closer
Tom Doran, Compliance Officer
Dona Lanterman, Budget & Finance Manager
Leslie Tennes, Grants & Monitoring Unit Section Manager
Frank Silkey, Architect
John Czarnecki, Energy Programs RAD
Vikki Pointer, Recorder

I. CALL TO ORDER: Chair Maggie LaMont calls the May 7, 2010 meeting to order at 9:02 a.m.

II. ROLL CALL: Chair LaMont asks for roll call. Present: Stuart Liebowitz, Francisco López, Nancy McLaughlin (via telephone), and Chair LaMont. Absent: Scott Cooper, John Epstein and Jeana Woolley.

III. PUBLIC COMMENT: None

IV. APPROVAL OF MINUTES

A. Chair LaMont asks if there are any corrections to the April 2, 2010 Minutes. There being no corrections, the Motion was read:

MOTION: López moves that the Housing Council approve the Minutes of the April 2, 2010 Council meeting.

VOTE: In a roll call vote the motion passes. Members Present: Stuart Liebowitz, Francisco López, Nancy McLaughlin and Chair LaMont. Absent: Scott Cooper, John Epstein and Jeana Woolley.

V. RESIDENTIAL CONSENT CALENDAR: None.

VI. SPECIAL REPORTS:

A. Governor's Energy Plan. **Bob Gillespie** introduces **Diana Enright**, Special Assistant to the Director, Department of Energy, and says he invited Diana to today's Council meeting because of the Council's goal on sustainability and to give Council a perspective on what the Governor is looking at in the way of the state's Energy Plan. **Enright** presents a PowerPoint presentation on the Governor's Energy Plan, and distributes copies of the presentation. **LaMont** says she was surprised that wind energy is only one percent and asks what the prediction is on that. **Enright** states that it is probably more around 2 or 3 percent now, and that those were 2007 numbers. There are many issues around the visual impacts of wind farms. The larger discussion really needs to be about conservation and efficiency and how much we consume as individuals. **Merced** asks her to talk about the appliance rebate program offered through the Department of Energy. **Enright** explains that it is the "cash for clunkers" program on the appliance side. The department felt it had the opportunity to do something different because it had the residential energy program for a number of years that provides an incentive for high efficiency appliances. In partnership with OHCS, they do heating systems for low-income homes. It was a chance to replace a lot of very low-efficiency systems and, in some cases, to deal with no heat emergencies. **López** asks where Oregon places nationally in terms of conservation and efficiency. **Enright** states that there is a ranking every year and Oregon is always in the top five, behind California. **Liebowitz** comments that he spoke with a CAP director about the stimulus money and was told that they have cut back on the allotment per house to do more houses. The allotment used to be \$5,900, and now it will be \$2,349, which he says is inadequate to do a significant job on a residence. He says it seems to him that they want to generate numbers rather than accomplishing the type of weatherization impact that they need to accomplish. It would make more sense to devote enough money to properly weatherize a home as opposed to doing very little for a lot. He believes it would be worthwhile for the state to give that feedback to the federal government. He says there is a bill floating around called "Cash for Caulkers," which would replicate the other programs and target homeowners and give significant rebates to promote energy efficiency. **Enright** states that the House passed the Home Star program yesterday. Her concern is that there are so many programs coming now on the state and federal level that the public will get confused because there are a lot of loan opportunities, and their role is to help clarify for them. **Liebowitz** comments that the Department of Energy can play a role of coordinating as well as clarifying, and has a simple approach as programs are easily accessible for people to utilize. **Enright** says she will keep that in mind. They have found that they have had good luck in working with the Oregon delegation.

VII. NEW BUSINESS:

A. *La Grande Retirement* (La Grande, OR), Predevelopment Loan Request. **Shelly Cullin**, Senior Loan Officer, introduces **Doug Chrisman**, Chrisman Development & Management, Inc. She explains that Chrisman Development has requested a predevelopment loan in the amount of \$498,343, to complete the equity gap for the acquisition of La Grande Retirement by a newly formed limited liability company or limited partnership. In addition, the predevelopment loan funds will be used to pay the department's prepayment charges and to reimburse the developer for some predevelopment costs. She gives an overview of the write-up contained in Council's packet. She says that Chrisman Development has submitted a 2010 CFC Application and, if awarded CFC resources, the predevelopment loan is anticipated to be repaid by December of 2010. Security for the predevelopment loan will be a Trust Deed in a second lien position behind the NOAH OHAF loan; Chrisman Development will execute a guaranty agreement; and the department will have a first lien on a 243-acre farm located in Wallowa. **I Chrisman** adds that the project comes with a \$250,000 residual receipts account that is for the benefit of the project. **LaMont** says the project looks like it is in pretty good shape and asks if they are looking at some interior/exterior renovations. **Chrisman** states that they are looking at renovating the whole exterior envelope as well as upgrading common areas and moving the office to the main level instead of in the basement, in addition to quite a few upgrades in the units as well.

MOTION: **López moves that the Housing Council approve a Predevelopment Loan in the amount not to exceed \$498,343, at an interest rate of 5% per annum, for a maximum of two (2) years to the La Grande Senior Apartments, LLC or LP, for the acquisition of La Grande Retirement, located in La Grande, Oregon; contingent on NOAH OHAF loan approval.**

VOTE: **In a roll call vote the motion passes. Members Present: Stuart Liebowitz, Francisco López, Nancy McLaughlin and Chair LaMont. Absent: Scott Cooper, John Epstein and Jeana Woolley.**

B. *Morrow Estates* (Boardman, OR), Trust Fund Increase Request. **Debie Zitzelberger**, Loan Officer, introduces **Paula Chavez**, Community Action Programs of East Central Oregon (CAPECO), and **David Crawford**, consultant with Geller Silvas & Associates. She explains that Morrow Estates was built in 1994, and is an existing project in the department's portfolio. The project consists of 20 duplex buildings, for a total of 40 units. The reason this request is being presented to Council is due to Council's recent change in policy that it now reviews any grant that exceeds \$400,000 in aggregate to a project, and this project's aggregate grant amount exceeds the \$400,000 limit (\$500,000 HOME grant, existing \$100,000 Trust Fund, and now an additional \$100,000 Trust Fund). The department awarded the project 9 percent tax credits, a HOME grant, Oregon Affordable Housing Tax Credits (OAHTC), and Trust Fund in 1994. The original limited partner, US Bank Community Development Corporation, has exited the partnership and Morrow Estates Inc. is now both the General Partner and Limited Partner. The sponsor, CAPECO, is the sole member of Morrow Estates Inc. Over the years, the project has under-performed financially, has experienced some deferred maintenance, and is now in need of some capital expenditure items. To address the project's needs, CAPECO plans to refinance the existing debt, using additional OAHTC to maintain the current rents and stabilize the cash

flow, and is requesting an additional \$100,000 in Trust Fund to help address some of the needed repairs. The proposed rents are the same as the existing rents and the re-structure produces a more stable cash flow for the project. **Buchanan** says he supports the request and believes CAPECO is an excellent partner. **LaMont** asks if they were having occupancy problems and what has changed in the community that has eliminated that. **Chavez** explains that there was a structural change within the organization within the last three years. CAPECO now manages their portfolio more diligently and provides project financial reports directly to the board of directors. The on-site managers were not being very well managed before the reorganization. With the reorganization, CAPECO now oversees the on-site. They have done more advertising and recruiting. **Crawford** states that last year's occupancy was a split year because at the beginning of the year they were having occupancy problems and then the restructure happened. It has been at 100% for quite some time. This is part of a larger restructure and it has strengthened the capacity of CAPECO. He says he wants to give a lot of credit to Paula and her management. This project is in more pressing need due to the expiration of the tax credit period this year. It is not a market issue. This is a very nice property in Boardman; it is very attractive with good rents. When the management improved so did the occupancy. **López** asks how many projects they manage in eastern Oregon. **Chavez** says they have a total of four projects; two in Umatilla County and two in Morrow County, with a total of 101 units.

MOTION: López moves that the Housing Council approve a conditional reservation of up to \$100,000 in Housing Trust Fund to assist Community Action Programs of East Central Oregon refinance and rehabilitate Morrow Estates located in Boardman, Oregon.

VOTE: In a roll call vote the motion passes. Members Present: Stuart Liebowitz, Francisco López, Nancy McLaughlin and Chair LaMont. Absent: Scott Cooper, John Epstein and Jeana Woolley.

C. *Owens Adair* (Astoria, OR), Housing Preservation Funds Loan Request. **Shelly Cullin**, Senior Loan Officer, introduces **Kathy Lucas**, Executive Director, Clatsop County Housing Authority; **Sheila Heino**, Finance Director, Clatsop County Housing Authority; and **Kirk Fausett**, Construction Manager. She states that the Clatsop County Housing Authority is requesting a Housing Preservation Fund Loan in the amount of \$587,000. She explains that in 2008, the department allocated approximately \$1.5 million of Housing Preservation Funds to support preservation of the department's existing Section 8 portfolio projects. In March of 2008, an informational letter went out to Section 8 owners asking them to submit a letter of interest in the program, with a brief description of their proposed rehab activities. The informational letter indicated that owners participating in the program would be required to renew their Section 8 contract for 20 years upon expiration, and the loan payments for the preservation loan would be deferred until the current OHCS mortgage matured. Four owners responded, and after further information was requested, only one project, *Owens Adair*, decided to move forward. She gives an overview of the write-up contained in Council's packet. **Lewis** states that this is the only senior and disabled apartment complex centrally located in a city within the county. There are 53 individuals living in the building and they are thrilled that the board of commissioners voted to extend the project-based vouchers for another 20 years. **López** asks how many of those are adults with disabilities. **Lewis** says it is about 50/50 elderly and disabled. **Heino** adds that 15 to 20 percent are developmental disabled. **López** asks when they will start the rehab. **Heino** answers

that they have been lining it up for the last six to eight months and are ready to begin as soon as the loan is approved.

MOTION: López moves that the Housing Council approve a Housing Preservation Fund Loan for Owens Adair to Clatsop County Housing Authority for rehabilitation activities approved by the Department. The first CIF Loan payment will begin March 15, 2012, which is the first month following maturity of the existing OHCS mortgage. The CIF loan term is estimated to be 4 years and 3 months at an interest rate of 2%.

VOTE: In a roll call vote the motion passes. **Members Present:** Stuart Liebowitz, Francisco López, Nancy McLaughlin and Chair LaMont. **Absent:** Scott Cooper, John Epstein and Jeana Woolley.

D. *Chaucer Court* (Portland, OR), Predevelopment Loan Request. **Dolores Vance**, Loan Officer, introduces **Dahe Good**, Good James Consultants, and **Patrick O'Toole**, Union Labor Retirement Association. She explains that she is presenting a request for a predevelopment loan of \$595,000, for the purpose of filling the equity gap for acquisition of the project. It is an existing portfolio Section 8 project-based assistance project in downtown Portland with 84 units, of which 83 units have subsidy, and it is an elderly and disabled project. She gives an overview of the write-up contained in Council's packet. The purchase price is \$7,145,000. The \$595,000 will be a second position loan behind NOAH and then in third position will be PDC. With NOAH and the department's loans, the combined loan-to-value is under 75 percent. PDC will secure the remaining debt as soft debt, which is not secured by the property. The additional costs are due to the seller implementing extension fees to his earnest money agreement, of which the buyer had to pay \$15,000 in April and another \$20,000 in another week or so. This project has already received a conditional CFC award from the last round. The repayment is proposed through the CFC award. They are hoping to get their construction loan in October 2010. If that is delayed they are then looking at January 2011. The borrower has experience with affordable housing, especially the elderly and disabled population. There is adequate security for the predevelopment loan request. **López** asks if the building is currently occupied. **Vance** says yes. **López** asks what will happen to the tenants during construction. **Goode** explains that they have gone through an extensive relocation plan approved by PDC. They have talked with Walsh about how they will be able to stage the project, and they will vacate two floors at a time. Those tenants will be offered a variety of different housing options -- units within the building, or in Patrick O'Toole's other project that is very suitable, or housekeeping units in hotels downtown. All their belongings will be packed for them and all the expenses that they need to move and relocate are factored into the budget. It will take 17 months to complete the construction. **López** asks if the tenants who are placed in temporary housing will have the option to come back. **Goode** says yes, they will have first option to come back. There will not be any change to their housing cost. **López** asks if she has assurance that they will have the first option. **Goode** says yes, but there is always the possibility that people will not come back, because they are happy with where they have moved.

MOTION: Liebowitz moves that the Housing Council approve a Predevelopment Loan in the amount not to exceed \$595,000, at a current interest rate of 5% per annum for a maximum of two (2) years to Chaucer Court Union Manor Limited Partnership for the acquisition of Chaucer

Court located at 1019 SW 10th Avenue un Portland, Oregon, contingent upon NOAH and PDC loan approvals and US Bank approval of the borrowing entity.

VOTE: In a roll call vote the motion passes. Members Present: Stuart Liebowitz, Francisco López, Nancy McLaughlin and Chair LaMont. Absent: Scott Cooper, John Epstein and Jeana Woolley.

E. Crestview Court (Beaverton, OR), Predevelopment Loan Request. **Shelly Cullin**, Senior Loan Officer, introduces **Raquel Gugliemetti**, Executive Vice-President, Northwest Real Estate Capital Corp. (NWRECC). She explains that NWRECC, on behalf of Northwest Crestview Court LLC, has requested a predevelopment loan in the amount of \$800,000. The funds are needed to complete the equity gap for the acquisition of Crestview Court. NOAH is currently completing their underwriting of an Oregon Housing Acquisition Fund loan and anticipates going to loan committee in May. Crestview Court is a 48-unit Section 8 property located in Beaverton. The initial HAP contract expired in March of this year, and the current owners renewed for one year to March of 2011. Along with the renewal, they also submitted their opt-out notice. If the project is not acquired at this time or preserved by March of 2011, the current owners have indicated that they will take the project out of the program. NWRECC has been working on the financing for this project for the past year. They did submit a conduit/4 percent application to the department and a majority of their due diligence has been completed. The proposed conduit lender was US Bank, and at this time US Bank has not made any commitment to continue with the underwriting of this project. They are currently analyzing their community lending activities and where they are going to do future lending. Because of this the department is evaluating the Risk Sharing program. We have the potential for at least 12 – 15 projects for a fall Risk Sharing bond sale. If we are able to do a Risk Sharing bond sale, Crestview Court would be part of that sale, with closing by the end of the year. If that occurs, the predevelopment loan would be repaid at the time of closing. If not, the borrower will continue to work with other lenders and determine if conduit financing or CFC application would be the most beneficial. Security for the predevelopment loan will be a Trust Deed in a second lien position behind the NOAH OHAF loan. In addition, NWRECC will execute a guaranty agreement. The department will also maintain its security agreement with NWRECC that was executed for the four Seed Money Advance Loans that they currently have outstanding. These loans will be repaid by the end of May, or prior to the closing of the predevelopment loan, if approved. **Cullin** gives an overview of the write-up contained in Council's packet. **Gugliemetti** comments that NWRECC is not in the habit of buying on interim financing, but this is a property that would fit very well into a nine percent CFC and would attract an investor, given that its location is in Beaverton. The sellers are apologetic that they cannot extend the purchase and sale agreement. They have six partners that have made other commitments and if they do not close it, they will just take it to market. They would hate to lose the Section 8 HAP contract in Beaverton. It has 48 units in fairly good condition. It does need a significant amount of rehab and at the time they can do a tax exempt bond or nine percent they will be putting in about \$30,000 per unit in rehab. **López** asks who the tenants are. **Gugliemetti** says they are Section 8 families. It is managed by Cascade, who has done a very good job for them.

MOTION: López moves that the Housing Council approve a Predevelopment Loan in the amount not to exceed \$800,000, at an

interest rate of 5% per annum, for a maximum of two (2) years to Northwest Crestview Court LLC, for the acquisition of Crestview Court, located in Beaverton, Oregon, contingent on NOAH OHAP loan approval.

VOTE: In a roll call vote the motion passes. Members Present: Stuart Liebowitz, Francisco López, Nancy McLaughlin and Chair LaMont. Absent: Scott Cooper, John Epstein and Jeana Woolley.

VIII. OLD BUSINESS: None

IX. REPORTS:

A. *Hardest Hit Fund Update.* **Rick Crager**, Deputy Director, introduces **Lisa Joyce**, Policy and Communication Manager, and **Mike Kaplan**, Project Manager. **Crager** distributes copies of the Resource Allocation, Program Descriptions, Background and Timeline. He says there is a good reason this is called the Hardest Hit Fund, because it has hit the department pretty hard. On March 29, the department was informed it was eligible to receive the \$88M. On April 12, we received the official guidelines. Between April 12 and May 19 the department will be trying to get a better idea from financial institutions, foreclosure counselors, partners, consumer advocates and others of what the challenges and problems have been as it relates to using the existing HAMP programs. The US Treasury's guidance to us has been "to the extent possible, we want this money to enable better use of the HAMP program." The department had the meeting with the bankers, which did not have a big turn out, so there has been a lot of outreach. There have been a lot of conference calls with financial institutions to learn more, and a public forum with consumer advocates. The themes they have heard are "how do we help people avoid foreclosure and keep housing affordable?" and focusing on unemployment. The reason Oregon got the funding was because of high unemployment. The other important piece set out in the guidelines is that a "substantial majority of the funding needs to go to counties that were identified as hardest hit." There are 16 counties listed. A portion will go to the balance of the state. The department has come up with a draft proposal of how this money would be expended. Of the first five states that were awarded this money, many got the dollars primarily because they are states where homeowners were under water. The second five states all have high unemployment. Our focus is looking at loan modifications, loan payment assistance, and transitional assistance. What has been heard a lot from the banking industry, foreclosure counselors and consumer advocates, is that there are a lot of loan modifications that are in the process, but they are unable to move forward due to a variety of calculations that banks have to go through in their net present value calculations. If there were some dollars provided to these modifications they could move forward. The other piece is a more comprehensive approach which is for people who are currently unemployed and in danger of losing their home. We want to put dollars forward to help them become stable in terms of mortgage assistance. Next, we are proposing about twelve months of assistance because of the period of time people are typically unemployed in the state. Another step would be to have someone help people navigate through the system because it is complicated. Unemployment assistance ideas would be education and training for new skills. The most common theme is counseling. The other two parts are more of a long-term solution. We recognize that not everyone is going to succeed. If they do not get a job, and they lose their home, we want to provide some transitional assistance so they can be stable long term. The other side is that if someone does get employed, but is not getting paid as much as they were before, we could then help with the loan modification. Then there are the new people

coming into the system. Our rough data is telling us that we think we can serve around 5,000 people. That could be a moving target. He points out that \$88M is a lot of money, but when you look at the magnitude of the problem we have in this state in terms of foreclosures and delinquencies, it is a drop in the bucket. This is all targeted towards those that are 120 percent of state median income and below. Our goal is to try and get match with the financial institutions. Some states have built that into their programs. We have found that getting commitments from financial institutions because of the number of investors behind the loans is challenging. **Merced** adds that one of the financial institutions implied that it is possible to move forward on this. That to him is not a strong endorsement. **Crager** says that more work needs to be done. The forums start next week. The morning sessions are smaller meetings with area authorities. The evening programs will be with the general public. **López** asks how the department is notifying people about the forums. **Joyce** explains that they have engaged with the Department of Justice and Department of Consumer and Business Services, helping to design the program and reaching people most directly involved with the people affected. Posters have been sent to employment offices, legal services offices, and neighborhood associations throughout the state. They have also engaged news media. Reaching minority households is particularly important when the evidence suggests that they are more subject to scams and fraud, so there is also a poster in Spanish. **Merced** states that this is our outline for what we think we are going to put into the proposal, but ultimately it is up to US Treasury to approve any of the concepts. **Joyce** says the goal with the program is to keep housing costs affordable. **LaMont** comments that the counties that are impacted are rather small counties. **Crager** says the department wants to spread the money around the state. **LaMont** asks how long they will have to spend the money. **Joyce** answers that Treasury has to commit to the state by the end of the federal fiscal year. **Crager** states that one other piece he wanted to add is that the rules were written stating that the money needs to flow to a financial institution. Treasury has proposed that the department create a nonprofit entity in which the money would flow, with a contract between that entity and the state to administer the program. The department might be able to pursue a 501(c)(3).

B. Neighborhood Stabilization Plan Update. **Rich Malloy**, NSP Program Coordinator, distributes a copy of the NSP Summary Report as of May 7, 2010. He explains that in early April, HUD audited the program and things are going pretty well. They had an internal meeting and looked at what partners were performing well and those that were not. Letters were sent out to the slower performers and things are moving along much better. Last month they were about 30 percent obligated or committed. They had the opportunity to expand the eligible areas last month, which has been critical for Portland, Clackamas County, and a couple other jurisdictions. They are more on track for the September deadline of obligating the funds. As for NSP II, the contracts are executed and as of this week the department's plan was accepted by HUD and it is ready to go.

C. Federal Stimulus Plan Update. **John Fletcher**, Financial Management Policy Advisor and ARRA Coordinator, distributes a copy of this week's ARRA report and gives an overview. He says they feel each program has benefits for Oregonians and they are meeting their targets. **LaMont** asks if he tracks jobs and knows how many have been created. **Fletcher** says yes they do capture that on a quarterly basis and that he can bring the jobs report to the next Council meeting. **López** asks what is the number of jobs created by the financial activity that the department creates. **Fletcher** says the official amount that the department reports are the direct jobs funded with the ARRA dollars. That does not necessarily capture the full affect of the job. **Merced** explains that the department is also trying to be more proactive in the number of minority

contractors that are having opportunities with this money, and the department has been working with the CAP agencies.

D. Legislative Concepts Update. **John Fletcher**, Financial Management Policy Advisor, distributes a copy of the proposed 2011-13 Legislative Concepts, and gives an overview.

E. Policy Option Packages Update. **John Fletcher**, Financial Management Policy Advisor, distributes a copy of the 2011-13 Policy Packages Under Consideration, and gives an overview. **López** asks if the expired tax credits include farmworker housing. **Fletcher** says that it does include some for that, but it is primarily for the OAHTCs that are expiring. **Liebowitz** says he has had some conversations with Lisa Joyce around the concept to expand the power of assessors to grant property tax exemptions based upon the charitable status of nonprofits. He says the word in Douglas County is that the interpretation that has been applied is not valid. He asks if he knows what the status of that is. **Fletcher** says he will follow up with Lisa and make sure that they report back to him. **Liebowitz** says that on smaller projects, when a nonprofit develops special needs housing with less than ten units, if they do not have the property tax exemption they are left with the majority of taxing bodies to approve, which would be cumbersome and politically difficult. It would only last 20 years, when the department is requiring 30 year commitments. **Fletcher** says they will get back to him. **LaMont** asks, with regard to the energy program expansion, if they have any idea about how many jobs that would create. **Fletcher** says he does not know in terms of staffing that would continue, but in terms of how the number was calculated they looked at the ARRA funding and took a level that was about 25 percent of that for the on-going amount that they would want year after year to continue. **LaMont** says promoting that as an option to keep jobs would be a good idea.

F. Report of the Chief Financial Officer. **John Fletcher** reports for Nancy Cain, Chief Financial Officer, that looking at the federal funds the department received in total as of December 2008, compared to today, there has been an increase in the federal program burden of 457 percent since January 2009. The department's staffing has only gone up 19 percent. The department has been using existing staff to cover as best it can, and there is more hiring to do. **LaMont** asks if there is anything going on with the Single Family Loan Program. **Fletcher** says the Single Family Program currently has 22 loans left to make until the money runs out, and there are some bond proceeds that can become available when market conditions are right.

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

- Next month will be Mr. Liebowitz's and Mr. Cooper's last meeting, and he hopes to be able to introduce the two new Council members that are replacing them.
- Aria Seligmann is the department's new senior communications advisor, and he will introduce her at the next meeting.
- It will be a busy month, with road trips that begin next week. The following week is the preservation conference that is being co-sponsored by the National Housing Conference. The week after that is the Senate Hearing before the Consumer panel where the department will talk about some of the new housing initiatives, and there is also Ways and Means that week. He says he feels confident in what the department is doing, and that it is the only HFA to have had the public input process that we have put together. It is a credit to Oregon's philosophy. It is a way for us to get the best thinking that is out there. The public sessions in the evening will be a cathartic experience for people.

X. FUTURE AGENDA ITEMS. None.

Chair LaMont adjourns the meeting at 11:28 a.m.

/s/ Maggie LaMont 6/11/10
Maggie LaMont, Chair DATE
Oregon State Housing Council

/s/ Victor Merced 6/11/10
Victor Merced, Director DATE
Oregon Housing & Community Services