

- ACTION -

POLICY ADVISORY BOARD (PAB) for the Washington County Community Development Block Grant (CDBG) Program and HOME Investment Partnerships Program, **August 12th, 2021 7:00 pm** via Zoom.

POLICY ADVISORY BOARD MEETING MINUTES

The following persons were present:

PAB REPRESENTATIVES:

Banks	*Stephanie Jones
Beaverton	Javier Mena
Cornelius	*Luis Hernandez
Forest Grove	*Mariana Valezuela
Gaston	*David Meeker
Hillsboro	*Gina Roletto
King City	*Micah Paulsen
North Plains	*Trista Papen
Sherwood	Tim Rosener
Tigard	*Liz Newton
Tualatin	*Bridget Brooks
Washington Co.	*Pam Treece

*Denotes Primaries

OCD STAFF:

Jennie Proctor, Program Manager
Lauren Thomas, Administrative
Specialist II
Ann Hawkins, Housing & Community
Development Specialist

Chair Stephanie Jones called the meeting to order at 7:00 pm.

1. **APPROVAL OF July 8, 2021 MINUTES**

Micah Paulsen MOVED TO APPROVE the July 8th, 2021 MINUTES. Mariana Valenzuela SECONDED. Motion CARRIED. (9 yes, 0 no, 2 abstain, 1 arrived after vote)

2. **HOME APPLICATION CONSTRUCTION COST CHANGES**

The agenda order was changed at the start of the meeting to address the HOME application construction cost changes followed by the HOME application and rating sheet changes.

Ann Hawkins presented the proposed HOME application construction cost changes with the PAB.

The Office of Community Development has recently completed an assessment of development costs associated with current projects. This research has

provided documentation of increasing construction costs within Washington County. The average cost per square foot fall in the range of \$338 - \$430 per square foot.

Currently, the HOME Project Application Guidelines state:

"Most construction per square foot costs, based on recent developments (excluding acquisition and development costs), fall in the range of \$275 to \$301 per square foot. If the project's construction cost per square foot exceeds \$300, describe what could be considered or implemented to reduce costs and why the costs currently exceed \$300 per square foot."

In order to accurately reflect the current market trends, we recommend the HOME Project Application Guidelines be modified to state:

"Based on applications from the last several years, construction costs per square foot (excluding acquisition and development costs) fall in the range of \$348 – 430 per square foot. If the cost per square foot exceeds \$430 per square foot, describe what could be considered or implemented to reduce costs and why the costs currently exceed \$430 per square foot."

It is felt that this change will bring the program parameters in line with real time costs. Ann asked that the PAB approve the proposed changes for the FY 22/23 HOME funding cycle.

Bridget Brooks asked what the drivers are for this increase in construction costs. Ann stated that there are many drivers including labor costs, but this reflects the current market for construction.

Tim Rosener asked if this is driven by supply chain issues due to the pandemic and if this is a temporary bubble. Ann stated that we do not know if this is a temporary bubble or not, and that we can re-address this in the next funding cycle to see if the limit needs to be decreased. Javier Mena stated that it is beyond supply costs, it also is due to increase in labor costs.

The PAB suggested that we remove the range and only state that construction costs should not exceed \$430 per square foot.

Bridget Brooks MOVED TO APPROVE the above proposed changes (with no minimum) to the HOME Project Application Guidelines for use in the FY 22/23 HOME funding cycle and for it to be reviewed again for the following funding cycle. Micah Paulsen SECONDED. Motion CARRIED. (12 yes, 0 no)

3. HOME APPLICATION AND RATING SHEET CHANGES

Ann reviewed the proposed application and rating sheet changes with the PAB. Office of Community Development staff has reviewed the HOME application and rating sheet in preparation for the 2022 – 2023 Program Year. Following conversations with the PAB, staff has revised both documents.

Conversations were held within the Office of Community Development in an effort to expand the scope of the application questions, with Housing Services to align with the Metro Bond application, and with the Washington County Funders Group to ensure alignment with other funding entities. Additionally, questions have been added to reflect the ongoing efforts of the County to address Racial Equity and Inclusion.

The HOME application has been revised to include three sections:

- Summary
 - Description of HOME program
 - Instructions
 - Frequently asked questions
- Application
 - Project Description
 - Financing
 - Equity
 - County Priorities
 - Gaps and Solutions
 - Creativity and Opportunity
- Tables and Exhibits

In addition to the revision of the HOME application, the HOME scoring sheet has also been revised. During previous funding cycles your Board has requested a review of the points system, the allocation, and the flow.

OCD staff has revised the scoring sheet to update descriptions and points allocation. The HOME rating sheet now totals 100 possible points with 30 of those being Objective points assigned by staff and 70 Subjective points awarded by your Board. Twenty (20) percent of the total points are based on the response to the questions related to Equity and Inclusion and will be rated by your Board.

The PAB suggested minor changes to the application questions and rating sheet. These changes will be made in ZoomGrants prior to the application workshop.

Bridget Brooks MOVED TO APPROVE the proposed changes to the HOME Application and Rating Sheet for use in the FY 22/23 HOME funding cycle. Pam Treece SECONDED. Motion CARRIED. (12 yes, 0 no)

4. CDBG AND HOME APPLICATION CYCLE TIMELINES

Ann reviewed the application cycle timelines for CDBG and HOME FY22/23.

Action	Due Date
CDBG Application Proposal Workshop HOME Application Proposal Workshop	August 25, 2021 August 26, 2021
Letter of Intent Due (CDBG only)	September 17, 2021
Application Proposals Due	October 8, 2021
Staff Evaluations Completed & Distributed	January 13, 2022
Sponsor Presentations	January 27, 2022
Policy Advisory Board (PAB) Rates Applications	January 30, 2022
PAB Approves List of Projects	February 10, 2022
PAB Approves Draft Action Plan	April 14, 2022
Board of Commissioners Approves Action Plan	May 3, 2022
Projects Funded – Program Year Begins	July 1, 2022

5. MISCELLANEOUS AND ANNOUNCEMENTS

The next PAB meeting will be on September 16th and will include a public hearing for the CAPER.

Chair Stephanie Jones adjourned the meeting at 8:45 pm.