



# AGENDA

Lincoln County Board of Commissioners

Board of Commissioners  
225 West Olive Street  
Room 110  
Newport, OR 97365  
Phone: 541.265.4100  
FAX: 541.265.4176

Wednesday, January 3, 2018

9:30 a.m. Regular Meeting

Commissioner's Meeting Room  
Lincoln County Courthouse  
225 W. Olive Street, Room 108  
Newport, Oregon

- I. **CALL TO ORDER**
- II. **ROLL CALL - ESTABLISHMENT OF A QUORUM**
  - A. Order #1-18- 01                      Appointing the Chair and Vice Chair of the Lincoln County Board of Commissioners
- III. **RECOGNITION/PROCLAMATION**
  - A. **Employee Recognition**  
Carmen Gavette - Tax Office - 20 years
  - B. **New Hire Introductions** - Presented by: Bridget Robertson
- IV. **ADOPTION OF CONSENT CALENDAR**
  - A. **Minutes of Board of Commissioners Meeting**  
Order #1-18- 02                      Board of Commissioners' Meeting Minutes December 20, 2017
  - B. **Commission Appointments and Resignations**  
Order #1-18- 03                      Changes in Membership to the Lincoln County Local Alcohol and Drug Abuse Planning Committee
  - C. **License Applications or Renewals**  
Order #1-18- 04                      Issuance of an Oregon Liquor Control Commission Liquor License to Portfolio Hotels, LLC dba Salishan Spa & Golf Resort
  - D. **Tax Foreclosure, Right-of-Way, Sales and Deeds**
  - E. **General Budget Resolutions**  
Resolution #18-3-1 A                      Adjusting the 2017 – 2018 Adopted Budget Appropriations for Lincoln County
  - F. **Acting as Governing Body of County Wide Service Districts**
  - G. **Documents and Recording Matters in the Commissioners Journal**  
Order #1-18- 05                      Benton County Amendment of Contract Award for Lincoln County for the

Provisions of Mental Health Supported Housing Rental Assistance Services (Terms: Retroactive to 07/01/17; \$661/month)

Order #1-18- 06 Oregon Military Department Office of Emergency Management  
Emergency Management Performance Grant No. 17-521 (Terms: 07/01/17 – 06/30/18; Not to Exceed: \$74,274)

Order #1-18- 07 Intergovernmental Agreement #8033 between the State of Oregon acting by and through Oregon Parks and Recreation Department and Lincoln County (Terms: Terminates on 09/30/18; not to exceed: \$280,000)

Resolution #18-3-1     Declaring Certain County Owned Vehicles to be Surplus and Authorizing their Disposal

**H. Execution of Documents**

Order #1-18- 08 Amendment January 16, 2018 Memorandum of Understanding by and between Lincoln Community Land Trust, the City of Newport, the City of Lincoln City and Lincoln County

**V. PUBLIC HEARING**

**VI. DECISION/ACTION**

**VII. DISCUSSION/INFORMATION**

1. Consideration of the Economic Development Alliance of Lincoln County Economic Development Grant Recommendations

**VIII. BOARD OF COMMISSIONERS AS THE GOVERNING BODY OF COUNTY-WIDE SERVICE DISTRICTS**

**IX. REPORTS**

A. Elected Officials/Department Directors/Program Coordinators and Consultants

B. Commissioners

**X. CONSTITUENT INPUT (Limited to five minutes per constituent)**

**XI. EXECUTIVE SESSION**

**XII. ADJOURN**

**XIII. OTHER SCHEDULED MEETINGS AND APPOINTMENTS OF THE BOARD**

**Monday, January 8, 2018 - 9:00 a.m. – Office Meeting and Board Briefing** in the Commissioner’s Small Meeting Room, Lincoln County Courthouse Room #110, 225 West Olive Street, Newport; meeting to cover office priorities, operations, procedures and workflow

**Wednesday, January 10, 2018 – 9:30 a.m. – Board of Commissioners Meeting** in the Commissioner’s Meeting Room, Lincoln County Courthouse Room #108, 225 West Olive Street, Newport.

*For special physical, language or other accommodations at Board's meeting, please contact the Board at 265-4100 (voice) or dial 7-1-1 Relay Service and include e-mail as soon as possible, but at least 48 hours before the meeting.*

**Amendment January 16, 2018  
Memorandum of Understanding  
By and Between  
Lincoln Community Land Trust. A 501(c)3 nonprofit  
And  
The City of Newport, the City of Lincoln City and Lincoln County**

*The Lincoln Community Land Trust ("LCLT") is hereby authorized to assign its full rights, responsibilities including budget and program obligations in this agreement to Proud Ground, a qualified, Oregon 501(c)3 community land trust. Additionally, LCLT can assign the role of land owner under the community land trust homes to Proud Ground to ensure permanent affordability for workforce housing.*

**Lincoln Community Land Trust**

**Lincoln County**

\_\_\_\_\_  
Title \_\_\_\_\_

\_\_\_\_\_  
Title \_\_\_\_\_

**City of Lincoln City**

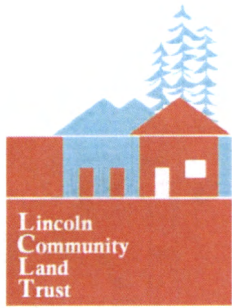
**City of Newport**

\_\_\_\_\_  
Title \_\_\_\_\_

\_\_\_\_\_  
Title \_\_\_\_\_

**Approved as to Form**

\_\_\_\_\_  
**City Attorney**



To: City of Newport. City of Lincoln City Council members and the Lincoln County Board of Commissioners  
From: Diane Linn, Managing Director  
Date: December 19, 2017  
Subject: Request for approval of MOU amendment from the Lincoln Community Land Trust to implement program to create work force homeownerships opportunities in 2018.

In order to implement the **Buyer Initiated Down Payment Assistance Program, per our plans, Lincoln Community Land Trust asks that the City Council and Board of County Commissioner approve the attached amendment to the Memo of Understanding Order number 9-17-274** (amended in 2017).

**Here's why it's important now to adopt this amendment now:**

- Thanks to the support of the jurisdictional partners, Lincoln Community Land Trust has released 5 grants for new homeownership opportunities (three in Newport and two in Lincoln City) by layering funds from the LCLT reserves, local housing funds, state downpayment assistance grants, federal SHOP funds and the Proud Ground subsidy pool. We also anticipate providing access to the Oregon Bond loan product that provides the lowest interest rates available for low to medium income buyers. Parts of this funding and the Oregon bond program requires the involvement and management of an established community land trust, non-profit entity with certain capacity and infrastructure to manage the requirements. Proud Ground is qualified to manage these funds and can guarantee permanent affordability for this new workforce housing in perpetuity. This funding and management structure provides the ability for us to make the homes effectively affordable to working families.
- Two potential buyers have now been pre-qualified for mortgages in Newport and one of the families has made an offer on an existing house. This amendment is now deemed necessary to close on the sale of any of the houses in Lincoln County.
- Our plan was to achieve an integration/merger of the two non-profits at the membership meeting in December. The board decided at the meeting to reach out to the jurisdictional funding partners to engage them in the process of considering the Transfer Agreement directly. It was determined that the MOU should be amended again to ensure that LCLT had the authority to transfer all the components of agreements and responsibilities to Proud Ground. We need your support now to allow for these buyers to gain access to the funding and a management structure provides the ability to make the homes effectively affordable to working families.

We will be providing a full reporting of the history of the partnership in our annual report to the members and funders – especially the jurisdictional leadership. We are excited about the

implication of the stage of the program and about the future prospects given the new funding opportunities we have assisted in securing primarily from the State of Oregon. We will outline the history, a current status and our future prospects in a report to the community. It's been a long and challenging road but we are on the brink of a breakthrough in our efforts to expand permanently affordable workforce homeownership.

Please let me know if you have questions or concerns. We are hopeful that this request can be scheduled for the first available council hearings. Our goal is to show results – and passage of this amendment to the MOU will allow for the best management options for the benefit of the homebuyers in Lincoln County and set the stage for the longer range organizational structure that is sustainable and effective. Thank you for your consideration.

Background: This Buyer Initiated Downpayment Assistance Program approach was developed after determining that in order to get the sale prices low enough to entice qualified buyers and their lenders, a new approach was necessary to pursue. Originally our plans relied on donated land and the revolving loan funds. The building sites offered by local jurisdictions all have serious impediments to development. Some of those difficulties include steep terrain, problems with utilities, zoning or access. These impediments add so much to the cost of development that the required subsidy beyond the land donation was out of reach.

After extensive review of potential sites for public land donation and development per our action plan, we proposed a better way to expand the CLT portfolio. We will continue to evaluate new construction opportunities while, at the same time, we offered an alternative approach that create permanently affordable homeownership opportunities more cost efficiently, more quickly and with less risk.

Proud Ground established a tried and true process for applying loan funds and flexible subsidy for down payment assistance in the form of Buyer Initiated Downpayment Assistance grants. This allows us to purchase the land, lower the buyer's price and ensure permanent affordability. We ensure that the buyers get the best interest rate and loan terms. Families move in much faster than on new construction projects.

The partner jurisdictions approved this program approach and have supported applying the funds at the local level. Now in order to achieve the affordability targets and layer in all available funds, the new MOU amendment is needed to confirm the intent to merge LCLT with Proud Ground.

Here's the comparison of the cost impacts for the buyers with and without Proud Ground's role managing the funds:

**Example Newport Buyer at 80% MFI - Market rate purchase price of \$230K:**

Estimated Monthly Payment w/ Proud Ground grant funds & Oregon Bond Loan Program = \$1,041 (assumes grants of \$64K and interest rate of 3.25%, no PMI)

Estimated Monthly Payment WITHOUT Proud Ground grant funds & USDA loan program = \$1,213 (assumes grants of \$43K and interest rate of 4.475%, no PMI)

Estimated Monthly Payment WITHOUT Proud Ground grant funds & Fannie Mae loan program = \$1,330 (assumes grants of \$43K and interest rate of 4.25%, w/ PMI)

**Example Newport Buyer at 100% MFI market rate purchase price of \$230K:**

Estimated Monthly Payment w/ Proud Ground grant funds & Oregon Bond Loan Program = \$1,215 (assumes grants of \$40K and interest rate of 3.25%, w/ minimal PMI)

Estimated Monthly Payment WITHOUT Proud Ground grant funds & USDA loan program = \$1,313 (assumes grants of \$35K and interest rate of 4.475%, no PMI)

Estimated Monthly Payment WITHOUT Proud Ground grant funds & Fannie Mae loan program = \$1,447 (assumes grants of \$35K and interest rate of 4.25%, w/ PMI)

**Note:** the two currently qualified buyers in Newport qualify for the Fannie Mae loans (not USDA).

**Lincoln City Buyer at 80% MFI - Market rate purchase price of \$210K:**

Estimated Monthly Payment w/ Proud Ground grant funds & Oregon Bond Loan Program = \$971  
(assumes grants of \$60K and interest rate of 3.25%, no PMI)

Estimated Monthly Payment WITHOUT Proud Ground grant funds & USDA loan program = \$1,195  
(assumes grants of \$38,200 and interest rate of 4.475%, no PMI)

Estimated Monthly Payment WITHOUT Proud Ground grant funds & Fannie Mae loan program = \$1,272 (assumes grants of \$38,200 and interest rate of 4.25%, w/ PMI)

**Lincoln City Buyer at 100% MFI market rate purchase price of \$210K:**

Estimated Monthly Payment w/ Proud Ground grant funds & Oregon Bond Loan Program = \$1,139 (assumes grants of \$36K and interest rate of 3.25%, w/ minimal PMI)

Estimated Monthly Payment WITHOUT Proud Ground grant funds & USDA loan program = \$1,241 (assumes grants of \$29K and interest rate of 4.475%, no PMI)

Estimated Monthly Payment WITHOUT Proud Ground grant funds & Fannie Mae loan program = \$1,244 (assumes grants of \$29K and interest rate of 4.25%, w/ PMI)

<i>Company</i>	<i>Project</i>	<i>Request</i>	<i>Total Points</i>	<i>Recommend Amount</i>
<b>12. Northwest Oregon Works</b>	Lincoln Hospitality Workforce Training	<b>\$15,000</b>	202	<b>\$15,000</b>
<b>14. Oregon Coast Aquarium</b>	Capital campaign	<b>\$15,000</b>	191	<b>\$15,000</b>
<b>11. Northwest Coastal Housing</b>	Coastal Ridge Apartment Project	<b>\$15,000</b>	182	<b>\$15,000</b>
<b>8. Friends of Yachats Library</b>	Yachats Library Move Adjacent to US Hwy. 101	<b>\$15,000</b>	177	<b>\$15,000</b>
<b>16. Siletz Bay Music Festival</b>	Taft 7-12 High Community Theatre Improvement	<b>\$15,000</b>	165	<b>\$15,000</b>
<b>18. Small Business Development Center</b>	Digital Media & Marketing Studio-Newport	<b>\$13,904</b>	164	<b>\$13,904</b>
<b>10. North Lincoln Hospital Foundation</b>	North Lincoln Hospital Emergency Dept. patient lifts	<b>\$14,918</b>	160	<b>\$14,918</b>
<b>7. Friends of Lincoln County Animals</b>	Pick of the Litte; new property improvements	<b>\$7,000</b>	159	
<b>4. Central Coast Chorale, Inc.</b>	Voices from the Coast	<b>\$1,000</b>	148	
<b>6. Greater Toledo Pool Recreation District</b>	Conceptual Design Study/Master Plan for Pool Reno	<b>\$13,250</b>	148	
<b>1. American Cetacean Society</b>	ACS Whale Trail Interpretive Sign	<b>\$2,000</b>	144	
<b>2. City of Waldport</b>	Crestline Park Disc Golf Course	<b>\$6,000</b>	144	
<b>13. Olalla Center for Children and Families</b>	Day Treatment Improvement Projects	<b>\$15,000</b>	132	
<b>9. Lincoln City Chamber of Commerce</b>	Sign and Building Improvements	<b>\$5,000</b>	123	
<b>15. Panther Creek Senior &amp; Community Ctr</b>	New Floor Covering	<b>\$13,500</b>	119	
<b>3. Concerned Citizens for Clean Air (CCCA)</b>	Pollinator Habitat Corridor	<b>\$15,000</b>	113	
<b>17. Siletz Rural Fire Protection District</b>	Siletz Fire Classroom Update	<b>\$7,576</b>	110	
<b>5. Eddyville Charter School</b>	Eddyville Charter School Disaster Relief	<b>\$12,798</b>	103	
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	<b>Total requested</b>	<b>\$201,946</b>	0	103,822.00
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