

Infrastructure Finance Authority

February 1, 2019

Salem, Oregon

Attendance

Members Present: Andrea Klaas, Port of The Dalles (phone); Niki Iverson, City of Hillsboro (phone); Pat Clancy, representing financial sector (phone); Mark Knudson, Tualatin Valley Water District (phone); Jim Bellet, representing counties; Kristin Retherford, City of Salem (phone); Laura Lockwood-McCall, Oregon State Treasurer's Office; and Representative Karin Power

Staff Present: Chris Cummings, Assistant Director; Dennis Knight, Finance Officer; Fumi Schaadt, Program and Policy Coordinator; Janna Graham, Finance Officer, and Suzy Miller, Executive Assistant

Chair Klaas called the meeting to order at 10:00 a.m.

Welcome, Introductions, Minute Approval

Chair Klaas welcomed everyone and introductions were made.

Public Comment

None.

Review of Proposed Meeting Minutes

The December 7, 2018, minutes will be approved at the April 5, 2019, board meeting.

Proposed 2019 CDBG Annual Action Plan (Audio Index 1:51)

Fumi Schaadt provided an update on the Community Development Block Grant Program (CDBG) seeking approval from the board on the 2019 Annual Action Plan. Fumi acknowledged the work of the subcommittee and reminded the board of their charge to review the *CDBG Method of Distribution* and discuss and assess any improvements or changes.

In September, the Department of Housing and Urban Development (HUD) signed the agreement allocating the 2018 funds. Round One awarded approximately \$5.6M, for six projects. Round Two closed December 31, 2018, with awards going out in February 2019. A total of \$10M was awarded for 2018. Status for 2019 Funding is still unclear; the Appropriation Bill is still in Congress. As of late, last year, the projected allocation amount for Oregon was equal to the 2018 funding amount.

Fumi reviewed the 2019 recommended adjustments on the implementation side of the program, with discussion on a few of the more detailed changes:

Application Round: For 2019, the application round will open July 1, 2019; with applications due September 30, 2019.

Minimum Threshold Score: Adjusting language to prioritize awards to applicants reaching 80% of the minimum threshold score. In 2018, most applicants were close to 80% either due to lack of capacity or possibly not understanding how the scoring is conducted or how the program is designed. The subcommittee sees the need to sustain the 80% requirement so is recommending language stating that priority of the funding will be provided for those projects above the 80% threshold. Fumi said the need is there to assist the smaller rural communities on training to help coach and make them understand the process in order to submit a stronger application.

Application Procedures and Scoring:

- Core points and bonus points—the bonus point scoring introduced in 2018 will now be included into the core points.
- Project Notification and Intake Form—Citizen Participation requirement of the 1st Public Hearing adjusted in this step. Due to federal changes in the electronic process (outreach on public hearings, before and after project work, regarding project disclosure, funding under CDBG, community needs, etc.), and communities struggling to complete applications correctly, staff will change the timing of the citizen participation requirement; move it to the intake form.
- Financial Readiness to Proceed—eliminated.
- Financial Review—to include new review matrix. Fumi noted the new financial matrix developed to help assess financials for the communities, as well as the system, and the financial impact of the project. Dennis Knight talked a little about what the agency looks for in a financial review: n community facilities—the need financially and how sound their revenue sources have been; want to be sure they are going to be healthy enough to operate for at least the next five years or else the money must be repaid. With public works programs—depends on where current user rates are in relationship to the affordability; as well as, the need and how, if financing is needed as opposed to the grant, and how much of a community burden.
- CDBG Administration Capacity—enhanced to include additional other federal funded project administration experience.

The board asked if the agency could be at risk by creating a self-fulfilling prophecy (where the people that don't have experience don't get the opportunity to obtain the experience). Fumi assured the board that's not where they want to head. The goal is to let the community know there are resources they can tap into if they do not have any experience.

The board inquired whether presentations had been given at conferences in regards to the CDBG application process where communities participate, as well as webinars. Fumi explained the various workshops put on through League of Oregon Cities (LOC) and the Association of Oregon Counties (AOC); it's a great avenue to disburse the information; however, not so personalizing; an approach they are working on. Staff is currently looking into creating a resource library for those receiving CDBG assistance or looking to apply whether through video/webinars, etc.; they are working with the marketing team on the best way to roll that idea out.

Chris shared with the board plans for an infrastructure conference to be held in the fall of 2019; staff will be partnering with other agencies to take part. The idea of the conference is not only to look into infrastructure, solely, but how it's impacting, as a whole, at different aspects of the

community development-economic development arena. The board was supportive of the idea and offered up any assistance through partnership, outreach, or participation.

Chair Klaas called for a motion to accept and approve the recommendations by the CDBG Annual Action Development Subcommittee for the 2019 CDBG program.

Mark Knudson moved the motion.

Jim Bellet seconded the motion

Vote: Passed

Other Business (Audio Index 50:05)

2019 Legislative Discussion—Still early in the session; not much activity taking place. All agency bills set forth in the governor’s recommended budget continue to move along; as well as, many additional being dropped that don’t necessarily need to come through the agency. Chris will have more to report on at the next meeting in February.

Next meeting to be held April 5, 2019, in Salem.

Chair Klaas adjourned the meeting at 11:03 a.m.

Approved by:

Signature on file

Andrea Klaas, Chair
Infrastructure Finance Authority Board

4/5/2019

Date

Signature on file

Chris Cummings, Assistant Director
Business Oregon

4/5/2019

Date