

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF AUTHORIZING	)	RESOLUTION NO. 21-5157
EXECUTION OF AN INTERGOVERNMENTAL	)	
AGREEMENT WITH HOME FORWARD FOR	)	Introduced by Chief Operating Officer
IMPLEMENTATION OF THE METRO	)	Marissa Madrigal in concurrence with
AFFORDABLE HOUSING BOND MEASURE	)	Council President Lynn Peterson

WHEREAS, on June 7, 2018, the Metro Council adopted Resolution No. 18-4898, referring to the Metro area voters Ballot Measure 26-199 authorizing general obligation bond indebtedness to fund affordable housing (the "Housing Bond Measure"); and

WHEREAS, on June 28, 2018, the Metro Council passed Ordinance 18-1423 establishing that affordable housing is a "matter of metropolitan concern" and exercising jurisdiction over functions related thereto; and

WHEREAS, on November 6, 2018, the voters approved the Housing Bond Measure, providing Metro with the authority under the laws of the State of Oregon and the Metro Charter to issue bonds and other obligations payable from ad valorem property taxes for the purpose of financing and identifying funds to be used for affordable housing; and

WHEREAS, on January 31, 2019, the Metro Council adopted Resolution No. 19-4975, approving the Metro Housing Bond Measure Program Work Plan (the "Work Plan"), which, among other things, provided that the Housing Bond Measure program would primarily be implemented by local jurisdiction partners who have created individualized plans (each, a "Local Implementation Strategy") to (a) achieve certain unit productions targets, (b) advance racial equity, and (c) ensure community engagement in program implementation; and

WHEREAS, Home Forward has created a Local Implementation Strategy, which strategy was reviewed by the Affordable Housing Bond Community Oversight Committee and has been recommended to the Metro Council for approval;

WHEREAS, in accordance with the Work Plan, Metro staff has negotiated terms and conditions under which Housing Bond Measure funding will be provided to Home Forward, which terms and conditions are set forth in the proposed intergovernmental agreement attached hereto as Exhibit A; now therefore

BE IT RESOLVED that the Metro Council:

Authorizes the Metro Chief Operating Officer to enter into an intergovernmental agreement with Home Forward, substantially in the form attached hereto as Exhibit A.

ADOPTED by the Metro Council this 18th day of March, 2021.



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Lynn Peterson, Council President

Approved as to Form:



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Carrie MacLaren, Metro Attorney

**Metro**600 NE Grand Ave.  
Portland, OR 97232-2736  
(503) 797-1700

# Intergovernmental Agreement

## Affordable Housing Bond Measure Program IGA

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Metro Contract No. XXXXX

THIS INTERGOVERNMENTAL AGREEMENT ("Agreement") is between Metro, a metropolitan service district organized under the laws of the State of Oregon and the Metro Charter, located at 600 N.E. Grand Avenue, Portland, Oregon 97232-2736, and Home Forward ("Local Implementation Partner" or "LIP"), located at 135 SW Ash Street and is dated effective as of the last day of signature set forth below (the "Effective Date").

### RECITALS

A. The electors of Metro approved Ballot Measure 26-199 on November 6, 2018 (the "Bond Measure"), authorizing Metro to issue \$652.8 million in general obligation bonds to fund affordable housing (the "Bonds").

B. On January 31, 2019, the Metro Council adopted Resolution No. 19-4956, which, among other things, provides that Metro will distribute a portion of the proceeds of the Bonds (the "Bond Proceeds") to eligible local government affordable housing implementation partners, and LIP is a participating local government partner eligible to receive Bond Proceeds.

C. The parties desire to enter into this Agreement to provide the terms and conditions under which Metro will provide Bond Proceeds to LIP to implement the Bond Measure goals, requirements, and restrictions set forth in the Work Plan (defined below).

### AGREEMENT

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

**1. Definitions.** In addition to the definitions above, capitalized terms used in this Agreement have the definitions set forth in this Section 1.

1.1. "Administrative Costs" means Capital Costs that are not Direct Project Costs, including general program administrative expenses (e.g. staff support and overhead costs attributable to Bond Measure program implementation), and expenses related to community engagement and outreach.

1.2. “Administrative Share” means that portion of the Bond Proceeds totaling \$334,297.

1.3. “Affordable Housing” means land and improvements for residential units occupied by low-income households making 80% or less of area median income, consistent with the intents and purposes of the Bond Measure.

1.4. “Affordable Housing Project(s)” or “Projects” means Affordable Housing that is developed, built or acquired by LIP using Bond Proceeds, or supported by LIP through grants or loans of Bond Proceeds, burdened by a Restrictive Covenant; LIP currently anticipates using its Eligible Share on two Projects: (1) Dekum Court, located in the City of Portland (the “Dekum Project”); and (2) East County, located in a to-be-determined location in eastern Multnomah County (the “East County Project”).

1.5. “Area Median Income” or “AMI” means median gross household income, adjusted for household size, for the Portland, Oregon metropolitan statistical area as established each year by HUD.

1.6. “Capital Costs” means costs of Affordable Housing that are capitalizable under generally acceptable accounting principles (GAAP), which costs include the costs of capital construction, capital improvements or other capital costs, as those terms are defined by the relevant provisions of the Oregon Constitution and Oregon law (including ORS 310.140).

1.7. “Concept Endorsement” is as defined in Section 4.1, below.

1.8. “Conversions” means conversion of existing, occupied market-rate housing units to Affordable Housing units burdened by a Restrictive Covenant.

1.9. “Direct Project Costs” means Capital Costs that are expended for the acquisition, development, or construction of an Affordable Housing Project.

1.10. “Disbursement Request” is as defined in Section 4.3, below.

1.11. “Eligible Share” means that portion of the Bond Proceeds totaling \$38,678,193, which total includes \$1,764,347 from Metro’s Regional Site Acquisition Program.

1.12. “Final Approval” is as defined in Section 4.2, below.

1.13. “HUD” means the United States Department of Housing and Urban Development.

1.14. “LIS” means the LIP’s local implementation strategy document adopted by LIP and attached to this Agreement as **Exhibit A**.

1.15. “LIS Annual Progress Report” is as defined in Section 9.1, below.

1.16. “New Construction” means development and construction of a new Affordable Housing Project.

1.17. “Oversight Committee” means the Affordable Housing Bond Community Oversight Committee created pursuant to Metro Code Section 2.19.260.

1.18. “Project Funds” means that portion of Eligible Share committed through the Metro approval process set forth and disbursed in accordance with Section 4.

1.19. “Property Acquisitions” means real property acquisitions by LIP to be used for future development of an Affordable Housing Project.

1.20. “Restrictive Covenant” is as defined in Section 5, below.

1.21. “Term” is as defined in Section 11.1, below.

1.22. “Unit Production Targets” means those targets set forth in Section 2.1 below, and include the “Total Unit Target,” the “30% or Below Target,” the “31%-60% Unit Target,” the “61-80% Cap,” and the “Two-Bedroom+ Target,” each as defined in Section 2.1.

1.23. “Unit(s)” means residential units in an Affordable Housing Project.

1.24. “Work Plan” means Metro’s Affordable Housing Bond Measure Program Work Plan adopted by the Metro Council by Resolution 19-4956, as subsequently amended by the Metro Council on October 17, 2019 by Resolution 19-5015.

## **2. Unit Production Targets**

2.1. Unit Production Targets. LIP hereby agrees to adopt and take all necessary and appropriate action to implement the Unit Production Targets set forth below. The parties anticipate the LIP’s Unit Production Targets will be met using a combination of funds, including LIP’s Eligible Share. LIP’s failure to make reasonable progress towards meeting its Unit Production Targets, in accordance with the timeline attached hereto as **Exhibit B**, is grounds for termination of this Agreement by Metro as provided in Section 11, after which Metro shall have no further obligation to distribute the Eligible Share for those Projects that have not received a Concept Endorsement.

2.1.1. Total Unit Target: 258. This is the minimum total number of Units to be built or acquired using LIP’s Eligible Share. Should LIP build or acquire additional units above the Total Unit Target using its Eligible Share, those units may be occupied by households earning anywhere between 0-80% so long as the 30% or Below Target and the 31%-60% Unit Target have been satisfied

2.1.2. 30% or Below Target: 107. This is the number of the Total Unit Target that will be restricted to households earning 30% or less of AMI, in accordance with the terms of the Restrictive Covenant. If any of the 30%

or less AMI units have rental subsidies and/or operating support through Federal, State or Local sources and such source(s) become unavailable, then the income and rent restrictions associated with these 30% or below AMI units may become available to households with higher AMIs in accordance with the applicable Regulatory Agreement so long as these units satisfy the definition of Affordable Housing under the terms of this Agreement.

- 2.1.3. 31%-60% Unit Target: 125. This is number of the Total Unit Target that will be restricted to households earning 31%-60% of AMI, in accordance with the terms of the Restrictive Covenant.
- 2.1.4. 61-80% Cap: 26. This is the maximum number of Units contributing to the Total Unit Target that may be restricted to households earning 61-80% of AMI.
- 2.1.5. Two-Bedroom+ Target: 129. This is number of the Total Unit Target that will be two bedrooms or more.

2.2. Transfer of Assistance. LIP may elect to commit project based vouchers, supportive housing services funds, or other operating subsidies under its control (herein collectively referred to as "Operating Assistance") to support the creation of housing units regulated at 30% of AMI or less. Should LIP transfer Operating Assistance from an existing, non-Bond funded unit to a Project receiving Eligible Share, thereby causing the rent in said unit to rise above 30% of AMI or otherwise be taken out of service ("Transfer of Assistance"), the Units benefitting from the Transfer of Assistance will not be counted towards LIP's 30% or Below Target. Notwithstanding the foregoing, the parties acknowledge that LIP intends to transfer project based vouchers from an existing non-bond funded Project to the Dekum Project but LIP commits that such transfer will not cause a rent increase for any resident currently utilizing such Operating Assistance. In addition, prior to placing 30% of units in service at the Dekum Project, LIP will have committed 28 Housing Choice Vouchers (to be used as project based vouchers) to Portland Housing Bureau. Provided that the Transfer of Assistance contemplated is as described in this section, the Dekum Project units benefitting from the Transfer of Assistance will count towards the LIP's 30% or Below Target.

### **3. Local Implementation Partner's Eligible Share.**

3.1. Direct Project Costs; Consistency with LIS. Subject to the terms and conditions of this Agreement, including Section 4, below, and the requirements, limits, and restrictions set

forth in both the Work Plan and the Bond Measure, Metro will provide to LIP the Eligible Share on a Project-by-Project basis. LIP may only spend the Eligible Share (and any interest earned thereon) on Direct Project Costs that are consistent with its LIS (unless otherwise approved in a Concept Endorsement), as determined by Metro, in Metro's reasonable discretion, and will spend no portion of the Eligible Share on Administrative Costs.

3.2. Public or Private Ownership. LIP may use its Eligible Share to support the creation of Affordable Housing that is either privately or publicly owned. The Eligible Share may be contributed to privately-owned Projects in the form of loans or grants on terms approved by LIP, in its sole discretion. The identification and selection of a Project, whether publicly or privately owned, will be at the sole discretion of LIP, provided, however, all Project selections must comply with the LIS (unless otherwise approved in a Concept Endorsement) and contribute towards the Unit Production Targets.

3.3. Approved Project Types. LIP may use its Eligible Share only for the types of projects described in the Work Plan. As of the Effective Date, the Work Plan sets forth the following approved types of Affordable Housing Projects: (a) New Construction, (b) Conversions, and (c) Property Acquisitions.

#### **4. Metro Approval Process; Disbursement of Funds; Repayment**

4.1. Concept Endorsement. In order for LIP to receive a disbursement of its Eligible Share to fund a New Construction or Conversion Project, LIP must receive an initial funding commitment for such Project (the "Concept Endorsement") from Metro. LIP's request for a Concept Endorsement must include general project information, including a project narrative, preliminary sources and uses information, a draft project site plan, copies of relevant due diligence documents, and any other information Metro deems reasonably necessary to issue a Concept Endorsement. Metro will issue the Concept Endorsement to LIP upon Metro's determination that (a) the Project will reasonably contribute to the Unit Production Targets relative to the amount of the Eligible Share LIP proposes to use for the Project; and (b) the Project will be consistent with the LIS the Work Plan and the Bond Measure. As of the Effective Date of this Agreement, the Dekum Project has already received Concept Endorsement.

4.2. Final Approval. In order for LIP to use its Eligible Share for an Affordable Housing Project, LIP must have received final approval from Metro, as described in this section ("Final Approval"). Metro will issue Final Approval to LIP upon Metro's determination that (a) the proposed Project reasonably contributes to the Unit Production Targets relative to

the amount of the Eligible Share proposed to be used for the Project; and (b) the Project is consistent with the LIS, the Work Plan, and the Bond Measure. Notwithstanding the forgoing, for the Dekum Project that has already received a Concept Endorsement, only the following section in the LIS will apply: cost containment; distribution of family sized units; distribution of 30% AMI units; leveraged funding; leveraged services; affirmative marketing; tenant selection and lease-up; MWESB contracting; workforce and apprenticeship participation; culturally specific programming selection consideration. LIP's request for Final Approval will include the Project information described above in Section 4.1, as well as any additional information Metro reasonably requests related to the finalized development program, including design development drawings and an updated sources and uses budget. If after receiving Final Approval, the amount of the Eligible Share initially proposed and approved increases or the Project's unit count, bedroom mix, or affordability level changes, then LIP must submit an amended request for Final Approval for the Project. Metro will review such an amended request (along with any related Disbursement Request) expeditiously, making best efforts to accommodate LIP's anticipated Project closing timeline.

4.3. Disbursement. Following Metro's Final Approval of LIP's proposed use of its Eligible Share for an Affordable Housing Project, LIP may request disbursement of the Project Funds from Metro ("Disbursement Request"). Such request will be made in writing (a) no more than 45 days and (b) no less than 10 business days prior to any anticipated closing or need for use. The Disbursement Request will include: (a) a certification from LIP to Metro that the Project information LIP provided to Metro in connection with its request for Final Approval has not changed or been modified in any material way; (b) a completed draft of the proposed Restrictive Covenant that LIP intends to record against the Project in accordance with Section 5 below, (c) a list of finalized sources and uses, (d) a draft construction contract schedule of values, if applicable, and (d) wiring instructions or other instructions related to the transmittal of funds. LIP will provide to Metro any other information as Metro may reasonably request related to the Project. Metro will review Disbursement Requests expeditiously and will fully disburse the Eligible Share for an Affordable Housing Project within 10 business days of receiving a completed Disbursement Request.

4.4. Project Failure and Repayment. LIP will use the Project Funds strictly in accordance with the manner and method described in the Final Approval. If the Project financing transaction for which disbursement was sought fails to close within sixty (60) days after Metro disburses the requested funds, then, unless otherwise directed in writing by Metro, LIP will immediately repay to Metro the amount of its Eligible Share disbursed for the Project,



including any interest earned thereon. If LIP uses Project Funds for a Property Acquisition, and is thereafter unable to make substantial progress, as reasonably determined by Metro, towards the development of Affordable Housing on the property within four (4) years following the closing date of the Property Acquisition (or such other time period agreed to in writing by Metro), LIP will repay to Metro the amount of the Eligible Share disbursed for the Property Acquisition. LIP acknowledges and expressly affirms its repayment obligations set forth in this section even if such failure is through no fault of LIP. LIP's remaining Eligible Share will be adjusted and increased to reflect such repayment and LIP may use the Eligible Share for a different Project.

## **5. Affordable Housing Restrictive Covenant.**

5.1. General Provisions and Recording Obligations. For all Projects, LIP will ensure an affordable housing restrictive covenant (a "Restrictive Covenant") is recorded on the title to the land that comprises the Project. The parties anticipate that the Restrictive Covenant will be recorded at financial closing, but in no event will LIP contribute or loan Eligible Share to a Project before the Restrictive Covenant is recorded. LIP will provide Metro a copy of the recorded Restrictive Covenant within ten (10) business days following its recording. If for any reason LIP fails to record a Restrictive Covenant in accordance with this section, Metro shall provide written notice to LIP, and LIP shall have thirty (30) days to record a Restrictive Covenant. If LIP fails to record a Restrictive Covenant after such thirty-day period, Metro may, at its sole option and upon written notice to LIP, terminate this Agreement in accordance with Section 11, in which case LIP will refund Metro the Bond Proceeds disbursed to LIP for such Project.

5.2. Form for Property Acquisitions. For Property Acquisitions, the Restrictive Covenant will be granted to Metro directly, be recorded in such priority approved by Metro, and shall be substantially in the form attached hereto as **Exhibit C**, or as otherwise approved by Metro. .

5.3. Required Terms for Privately-Owned New Construction and Conversion Projects. For privately-owned New Construction Projects and Conversion Projects, where LIP contributes the Eligible Share through either a loan or grant, the Restrictive Covenant will (a) acknowledge the use of Bond Measure funds, (b) include applicable long-term affordability restrictions, (c) burden the property for a minimum duration of sixty (60) years for New Construction Projects or thirty (30) years for Conversion Projects where the building is more than ten (10) years old, (d) provide monitoring and access rights to LIP and Metro, (e) name Metro as a third-party

beneficiary and (f) unless otherwise agreed to in writing by Metro, be recorded in a priority position only subject to and subordinate to a primary first mortgage or deed of trust and State low-income housing regulatory agreements. The monitoring, access and third-party beneficiary language will be subject to Metro's review and approval during the Final Approval process. LIP acknowledges that such language will require Projects to provide to Metro certain data (including financial reports, physical inspection reports, and tenant data) typically collected and prepared by Oregon Housing and Community Services. Metro acknowledges and agrees that the Restrictive Covenant shall provide for a waiver or temporary relief from the limitations on qualifying income, in order to address incomes rising in place after move-in to avoid undue hardship or displacement, or to conform to other regulatory, financing or policy requirements.

5.4. Form for Publicly-Owned New Construction and Conversion Projects. For publically-owned New Construction Projects and Conversion Projects, where LIP owns and develops the Project, the Restrictive Covenant will be granted to Metro directly. The form of Restrictive Covenant will be provided to LIP by Metro prior to Final Approval and among other things will (a) include applicable long-term affordability restrictions, (b) burden the property for a minimum duration of sixty (60) years for New Construction Projects or thirty (30) years for Conversion Projects where the building is more than ten (10) years old, (c) provide monitoring and access rights Metro, and (d) unless otherwise negotiated by the parties, be recorded in a priority position only subject to and subordinate to a primary first mortgage or deed of trust and State low-income housing regulatory agreements. Metro acknowledges and agrees that the Restrictive Covenant shall provide for a waiver or temporary relief from the limitations on qualifying income, in order to address incomes rising in place after move-in to avoid undue hardship or displacement, or to conform to other regulatory, financing or policy requirements.

## **6. Project Information Reports; Funding Recognition**

6.1. Project Information and Updates. Upon Metro's disbursement of Eligible Share for any particular Project, LIP will provide Metro with regular updates regarding Project construction and completion. LIP will notify Metro of any events during construction that materially affect the Project, including (a) extensions of the Project schedule that exceed sixty (60) days, (b) significant increases to Project's overall development budget, not otherwise covered by contingency or an additional source, (c) any notices of default issued by LIP or other Project lenders, or (d) any other changes that impact the quality or nature of the Project described in the Final Approval process. If any such material adverse events occur during Project construction, LIP will provide Metro with any additional information Metro reasonably

requests related to such events. In addition to providing the general Project updates and information described above, LIP will provide Metro with the documents listed on the attached **Exhibit D** at the Project milestones referenced therein.

6.2. Funding Recognition. LIP will publicly recognize Metro and the Bond Measure in any publications, media presentations, or other presentations relating to or describing Projects receiving Bond Proceeds. LIP will coordinate with Metro in selecting the date and time for any event recognizing, celebrating or commemorating any Project ground-breaking, completion, ribbon cutting or opening, and provide Metro an opportunity to participate. LIP will ensure that the Bond Measure is officially recognized as a funding source at any such event, and will provide a speaking opportunity for the Metro elected official representing the district in which the Project is located, if such opportunities are provided to LIP or other public officials.

**7. Administrative Funding.** Subject to the terms and conditions of this Agreement, and the requirements and restrictions set forth in both the Work Plan and the Bond Measure, Metro will provide LIP the Administrative Share. Within thirty (30) days of the Effective Date, Metro will disburse to LIP its Administrative Share in accordance with the schedule set forth on Exhibit B attached to this Agreement. Interest earnings on the Administrative Share while held by LIP may be retained by LIP, provided such interest is used for affordable housing, residential services, or supportive services for residents of affordable housing. Metro's obligation to distribute the Administrative Share is conditioned on LIP making reasonable progress towards its Unit Production Targets, as reasonably determined by Metro in accordance with the timeline set forth on the attached Exhibit B. Upon the expenditure by LIP of the Administrative Share, provided the funds are spent in accordance with this Agreement (in particular Section 8 below) LIP shall have no obligation to repay the Administrative Share.

**8. General Obligation Bonds.** All Bond Proceeds disbursed to LIP pursuant to this Agreement (including both the Eligible Share, the Administrative Share, and any interested earned thereon) are derived from the sale of voter-approved general obligation bonds that are to be repaid using ad valorem property taxes exempt from the limitations of Article XI, sections 11 and 11b of the Oregon Constitution. LIP covenants and agrees that it will take no actions that would adversely affect the validity of the Bonds or cause Metro not to be able to levy and collect the real property taxes imposed to repay these bonds, which are exempt from Oregon's constitutional property tax limitations. Metro shall provide, no later than thirty (30) days after the Effective Date of this Agreement, a copy of the continuing disclosure obligations

described below. LIP further covenants and agrees that (a) all Bond Proceeds disbursed hereunder, and any interested thereafter earned thereon, will be used only to pay for or reimburse costs that are of a type that are properly chargeable to a Capital Costs (or would be so chargeable with a proper election) to comply with the Oregon Constitution and other applicable laws with respect to the permitted expenditure of general obligation bond proceeds; and (b) within twenty (20) days of the event, LIP will disclose to Metro any events that are required to be included in Metro's continuing disclosure obligations as the issuer of the general obligation bonds. If LIP breaches the foregoing covenants, LIP will immediately undertake whatever remedies or other action may be necessary to cure the default and to compensate Metro for any loss it may suffer as a result thereof, including, without limitation, repayment to Metro of Project Funds, subject to the limitations contained herein.

## **9. LIP Required Annual Reporting**

9.1. Local Implementation Strategy Progress Reports. By the end of each calendar year of the Term, or until LIP has fully expended its Eligible Share, LIP will provide a report to Metro summarizing its LIS progress and outcomes (the "LIS Annual Progress Report"). LIP will create the LIS Annual Progress Report using a template provided by Metro, which template Metro will develop with input from all participating local government partners receiving Bond Proceeds. The Oversight Committee will review the LIS Annual Progress Report and may recommend changes to the LIS to achieve the Unit Production Targets and to better align the LIS with the Work Plan. LIP agrees to participate fully in such annual review process; provided, however, the LIS may be revised or amended only upon written agreement by both LIP and Metro. Failure by LIP to agree to a proposed amendment will not constitute an event of default.

9.2. Financial Eligible Share Reports. Beginning with Metro's first disbursement of any portion of the Eligible Share to LIP for a Project, and continuing each year thereafter, on or before September 15 of each year during the Term until Unit Production Targets are completed and/or all Eligible Share is disbursed, LIP will provide an annual financial report to Metro containing (a) an itemized list of LIP's expenditure of Project Funds (and interest earnings thereon) through the end of the applicable fiscal year and (b) a certification from LIP to Metro that the Eligible Share was used only to pay for Capital Costs.

9.3. Administrative Share Reports. On or before September 15 of each year during the Term, LIP will provide an annual report to Metro containing (a) an itemized list of LIP's expenditure of its Administrative Share (and any investment earnings thereon) through the end of

the prior fiscal year; and (b) a certification from LIP to Metro that the Administrative Share was used only to pay for Capital Costs.

**10. Audits, Inspections and Retention of Records.** LIP will keep proper records on all activities associated with the expenditure of all funds disbursed by Metro under this Agreement. LIP will maintain these records in accordance with generally accepted accounting principles through the date that is three (3) years after the anticipated maturity date of the Bonds or the anticipated maturity date of any obligations issued by Metro to refund the Bonds. Metro expects the Bonds will be outstanding until approximately May of 2039. LIP will permit Metro and its duly authorized representatives, upon prior written notice, to inspect records during normal business hours, and to review and make excerpts and transcripts of the records with respect to the receipt and disbursement of Bond Proceeds received from Metro. Metro's authorized representatives will have access to records upon reasonable notice at any reasonable time for as long as the records are maintained

**11. Term; Termination; Default Remedies; Dispute Resolution**

11.1. The term of this Agreement commences on the Effective Date and terminates ten years after the Effective Date (the "Term"). The expectation of the parties is that LIP will spend its Eligible Share within seven (7) years after the Effective Date and that all Projects will be completed within the Term of this Agreement. Metro will have no obligation to disburse any remaining portion of LIP's Eligible Share or Administrative Share after the expiration of the Term. The repayment obligations and indemnities set forth in Sections 4, 5, 8 and 14 survive the expiration or earlier termination of this Agreement.

11.2. Metro and LIP may jointly terminate all or part of this Agreement based upon a determination that such action is in the public interest. Termination under this provision will be effective only upon the mutual, written termination agreement signed by both Metro and LIP.

11.3. If Metro reasonably believes LIP is not spending its Eligible Share according to the terms herein or otherwise has failed to comply with the terms of this Agreement, in addition to any other rights and remedies set forth herein or available at law, or in equity, Metro has the right to immediately withhold or suspend future distributions of Eligible Share and Administrative Share. In such an event Metro will provide LIP with written notice of such determination and will thereafter proceed with the dispute resolution provisions set forth below in Section 11.4.

11.4. Metro and LIP will negotiate in good faith to resolve any dispute arising out of or related to this Agreement. Subject to the provisions set forth below, Metro or LIP may terminate this Agreement during the term if it reasonably determines the other party has failed to comply with any material provision of this Agreement and is therefore in default. Before terminating this Agreement in accordance with this section, the terminating party will provide the other party with written notice that describes the evidence of default and include a description of the steps needed to cure the default. From the date that such notice of default is received, the defaulting party will have 30 days to cure the default. If the default is of such a nature that it cannot reasonably be cured within 30 days, the defaulting party will have such additional time as required to cure the default, as long as it is acting in a reasonable manner and in good faith to cure the default. If the parties are unable to resolve any dispute within thirty (30) days of after receipt of a written notice of default or such additional time as may be needed to reasonably cure the default, the parties will attempt to settle any dispute through mediation. The parties shall attempt to agree on a single mediator. The cost of mediation will be shared equally. If the parties agree on a mediator, the mediation must be held within 60 days of selection of the mediator unless the parties otherwise agree. If the parties cannot agree on a mediator, or the matter is not settled during mediation, the parties will have all other remedies available at law or in equity.

## **12. Notices and Parties' Representatives**

12.1. Any notices permitted or required by this Agreement will be addressed to the other party's representative(s) designated in this section and will be deemed provided (a) on the date they are personally delivered, (b) on the date they are sent via electronic communication, or (c) on the third day after they are deposited in the United States mail, postage fully prepaid, by certified mail return receipt requested. Either party may change its representative(s) and the contact information for its representative(s) by providing notice in compliance with this.

Metro:

Emily Lieb

600 NE Grand Ave.

Portland, OR 97232

503-797-1921

[Emily.Lieb@oregonmetro.gov](mailto:Emily.Lieb@oregonmetro.gov)

Home Forward:

Director of Development & Community

Revitalization

135 SW Ash St.

Portland, OR 97204

503-802-8507

[Jonathan.Trutt@homeforward.org](mailto:Jonathan.Trutt@homeforward.org)

### **13. Compliance with Law**

13.1. LIP will comply with all applicable federal, state, and local laws, regulations, executive orders and ordinances applicable to its investment and expenditure of the Bond Proceeds.

13.2. LIP further recognizes that investing Bond Proceeds (through either a loan or grant) could result in a Project being a “public works” for purposes of Oregon’s prevailing wage rate law, ORS 279C.800 to 279C.870, as it may be amended from time to time. LIP will be solely responsible for ensuring that all Projects receiving Bond Proceeds comply with prevailing wage rate law, as applicable.

13.3. No recipient or proposed recipient of any services or other assistance under the provisions of this Agreement or any program related to this Agreement may be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with the funds made available through this Agreement on the grounds of race, color, or national origin, 42 U.S.C. §2000d (Title VI), or on the grounds of religion, sex, ancestry, age, or disability as that term is defined in the Americans with Disabilities Act. For purposes of this section, “program or activity” is defined as any function conducted by an identifiable administrative unit of LIP receiving funds pursuant to this Agreement.

### **14. Insurance; Indemnification; Limitation on Liability**

14.1. Metro and LIP will self-insure or maintain general liability insurance and workers compensation insurance coverage. Each party is responsible for the wages and benefits of its respective employees performing any work or services related to this Agreement. LIP will add Metro as an additional insured to all commercial general, excess and umbrella liability policies. LIP will provide a certificate of insurance listing Metro as a certificate holder within 30 days of execution of this Agreement.

14.2. Subject to the limitations and conditions of the Oregon Constitution and the Oregon Tort Claims Act, LIP will indemnify, defend, and hold harmless Metro, its elected officers and employees, from and against any and all liabilities, claims, demands, damages, actions, costs, penalties, losses and expenses (including any attorney's fees in defense of Metro or any attorney's fees incurred in enforcing this provision) suffered or incurred as a result of third-party claims arising out of LIP's performance of this Agreement or resulting in whole or in part from any act, omission, negligence, fault or violation of law by LIP, its officers, employees, agents, and contractors. This indemnity includes any third-party claims related to the development, construction, operation, repair, or maintenance of Affordable Housing Projects. This indemnity provision does not apply to third-party claims resulting from the sole negligence or willful misconduct of Metro.

14.3. In no event will either party be liable to the other for, and each party releases the other from, any liability for special, punitive, exemplary, consequential, incidental or indirect losses or damages (in tort, contract or otherwise) under or in respect of this Agreement, however caused, whether or not arising from a party's sole, joint or concurrent negligence.

**15. Oregon Law, Dispute Resolution, and Forum.** This Agreement is to be construed according to the laws of the State of Oregon. Any litigation between Metro and LIP arising under this Agreement will occur, if in the state courts, in the Multnomah County Circuit Court, and if in the Federal courts, in the United States District Court for the District of Oregon located in Portland, Oregon.

**16. No Third-Party Beneficiaries.** LIP and Metro are the only parties to this Agreement and are the only parties entitled to enforce its terms and the sole beneficiaries hereof. Nothing in this Agreement gives, is intended to give, or will be construed to give or provide any benefit or right, whether directly, indirectly, or otherwise, to third persons any greater than the right and benefits enjoyed by the general public.

**17. Relationship of Parties.** Nothing in this Agreement nor any acts of the parties hereunder will be deemed or construed by the parties, or by any third person, to create the relationship of principal and agent, or of partnership, or of joint venture or any association between any LIP and Metro. Furthermore, Metro will not be considered the owner, contractor or the developer of any Project funded with Bond Proceeds. This Agreement is not intended to be a contract that provides for the development or construction of any Project, either directly with a construction



contractor or through a developer. Metro specifically waives any provision contained in this Agreement, to the extent it is construed to provide Metro the right to manage, direct or control the developer, general contractor or the subcontractors. The rights and duties of the developer, the general contractor and the subcontractors are the subject of a separate contract or contracts with LIP to which Metro is not a party. LIP waives and releases Metro from any claims and actions related to the construction, operation, repair, or maintenance of any Affordable Housing Projects. If LIP obtains an indemnification agreement from any third-party developer or general contractor receiving Bond Proceeds under this Agreement, LIP will contractually require such party to indemnify Metro to the same extent as LIP.

**18. Assignment; Merger; Entire Agreement.** This Agreement is binding on each party, its successors, assigns, and legal representatives and may not, under any circumstance, be assigned or transferred by LIP without Metro's written consent. This Agreement and attached exhibit(s) constitute the entire agreement between the parties on the subject matter hereof. There are no understandings, agreements, or representations, oral or written, not specified herein regarding this Agreement. The failure to enforce any provision of this Agreement does not constitute a waiver by Metro of that or any other provision. No waiver, consent, modification or change of terms of this Agreement will bind either party unless it is in writing and signed by both parties and all necessary approvals have been obtained. Such waiver, consent, modification or change, if made, will be effective only in the specific instance and for the specific purpose given. The failure of a party to enforce any provision of this Agreement will not constitute a waiver by that party of that provision, or of any other provision.

**19. Further Assurances.** Each of the parties will execute and deliver any and all additional papers, documents, and other assurances, and will do any and all acts and things reasonably necessary in connection with the performance of their obligations hereunder and to carry out the intent and agreements of the parties hereto.

**20. Counterparts.** This Agreement may be executed in any number of counterparts, each of which will be an original, but all of which will constitute one and the same instrument.

**21. No Attorney Fees.** Except as otherwise set forth in Section 14 of this Agreement, in the event any arbitration, action or proceeding, including any bankruptcy proceeding, is instituted to enforce

any term of this Agreement, each party shall be responsible for its own attorneys' fees and expenses.

**22. Debt Limitation.** This Agreement is expressly subject to the limitations of the Oregon Constitution and Oregon Tort Claims Act, and is contingent upon appropriation of funds. Any provisions herein that conflict with the above referenced laws are deemed inoperative to that extent.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the Effective Date.

**Metro**

**Home Forward**

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

# Home Forward Local Implementation Strategy

## Home Forward Housing Strategy through 2020

### Guiding Principles

#### RACIAL EQUITY

address housing disparities faced by communities of color

#### POPULATIONS

focus on families and children, seniors, and persons with disabilities

#### GEOGRAPHY

improve East County housing and services to increase opportunity and stability

#### INCOME

balance household income levels to return revenue to the core mission of housing priority populations

#### SUPPORTIVE HOUSING

assist in inter-jurisdictional efforts to house the most vulnerable households in our community

#### SYSTEMS ALIGNMENT

leverage housing resources to improve effectiveness of programs addressing poverty

## Introduction:

Home Forward, the federally recognized housing authority serving communities throughout Multnomah County, is the largest affordable housing provider in the state. We have over 100 properties providing 6,500 apartment homes and provide over 11,000 housing subsidy vouchers (Section 8) for use in the private housing market.

Three of our primary organizational values state:

- Housing is at the core of what we do and people are the reason it matters.
- We are stewards of public resources and champions for those who need them.
- We do our work in support of systemic change for racial and social justice.

Our current strategic plan and housing strategy emphasize construction of new properties and the preservation of our existing housing portfolio. In order to add 500 units by 2020, the housing strategy outlines plans to:

- Pursue new development opportunities east of 122<sup>nd</sup> Avenue which include 2- or 3-bedroom family options;
- Acquire and rehabilitate unregulated affordable housing with large unit counts and future development opportunities beyond 2020.

## Implementing Metro’s Affordable Housing Bond Goals:

In cooperation with Multnomah County leadership and in keeping with mutual values, goals and strategies, Home Forward will utilize funds from the regional affordable housing bond to either build or acquire apartment homes east of the City of Gresham. From

Jurisdiction	Total Units	30% AMI	Family-Sized	Total Project Funds
Focus: Fairview, Wood Village, Troutdale	111	46	55	\$15.9 million

Exhibit B – Breakdown of Unit Production, Metro Affordable Housing Bond Program Work Plan, January 2019

**Anticipated Project Types:** Home Forward is exploring two options to achieve targets outlined in the Metro work plan:

- **Option 1** – our primary option is to explore a site in Troutdale that leverages Multnomah County land for development of between 103-111 units; or
- **Option 2** – one new construction development plus one acquisition/rehab or some variation of these strategies.

Home Forward will achieve the unit production targets whether using Option 1 or 2. If using Option 1, all the targets will be met at a single site.

**Cost Containment:**

As the direct developer of the homes, Home Forward will ensure that costs are reasonable and appropriate to the project. Considerations will include: appropriate scale for target population and neighborhood, need for and cost of site work, costs of mixed-use development, quality of construction materials, costs associated with anticipated service needs, and reasonable fees and reserves.

Home Forward acknowledges the need to achieve an average Metro bond expenditure per unit of \$143,000. In order to meet the 30% area median income (AMI) targets without rental subsidy and insure a financially sustainable project(s), we intend to utilize 4% LIHTC, permanent debt, and additional resources to achieve the production goals. One of those resources is Metro’s Site Acquisition Program (SAP). Metro anticipates using \$1.7 million in SAP funding towards acquisition and development of a site in East County to support Home Forward in reaching its Unit Production Target of 111 units. If Home Forward decides to achieve its full unit production targets on an existing publically owned site (Option 1), we plan to work with Metro to explore alternative options for how Metro’s SAP investments could support our unit targets. If we are unable to identify alternative options, it is possible that Home Forward’s unit production targets may be reduced by up to 10 percent. Similarly, Metro’s SAP can be used to help with the purchase of land for other project(s) (Option 2).

Anticipated number, size, and range of project types (estimates are acceptable) and cost containment strategies to achieve local share of unit production targets (including 30% AMI and family-size unit goals and the cap on units at 61-80% AMI) using local share of eligible funding

**Distribution of Family-Sized Units:**

If Home Forward pursues Option 1, 50% of the units will be family-sized. If Option 2 is the approach, we will attempt to purchase an existing market rate project that has close to 50% family size units and make up the difference, if needed, in the new construction project.

**Distribution of 30% area median income (AMI) Units:**

All projects will include approximately 41% of the units with rents at 30% AMI. In Multnomah County this may require additional resources since there is currently no rent assistance resources available.

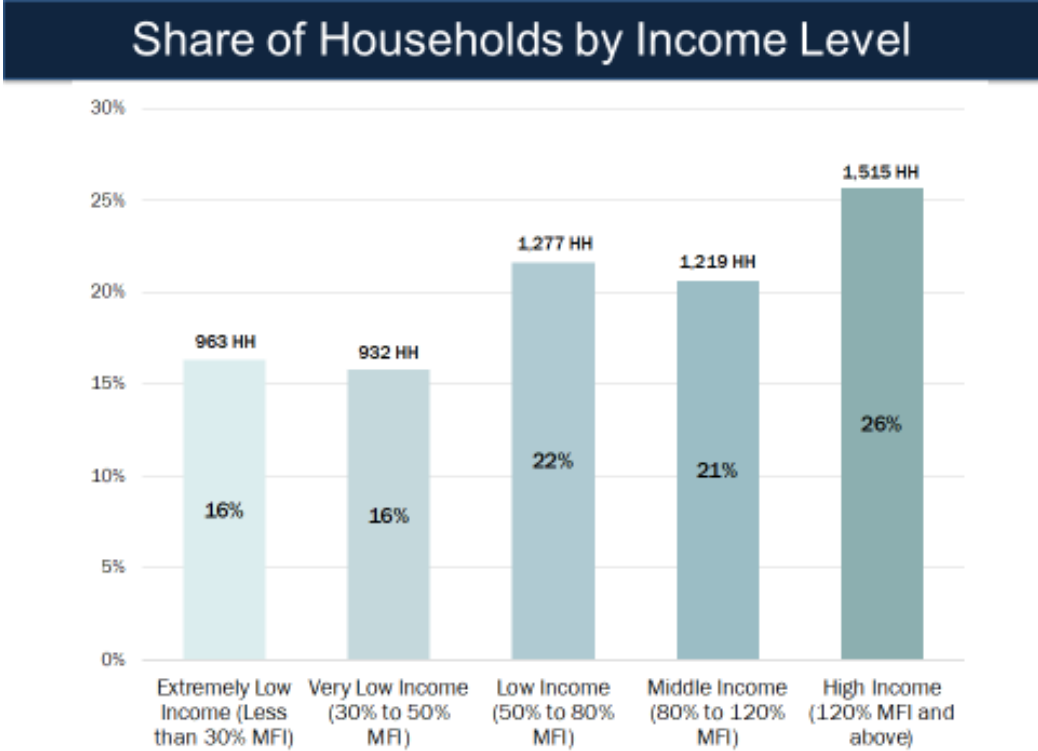
**Summary of existing need and supply:**

Currently the cities of Troutdale, Fairview and Wood Village have 955 regulated affordable housing units distributed across the three jurisdictions: Fairview has 524 regulated units (328 owned by Home Forward); Troutdale has 431 regulated units; and Wood Village has zero.

The current 431 regulated affordable housing units in Troutdale are located across three properties. These three existing regulated affordable housing communities are not located in the central business area. If Home Forward pursues Option 1, the site is located in the downtown business district near a new elementary school and easy access to the three bus lines.

Our proposed project will help keep current Troutdale residents and other residents stably housed and begin to respond to the need for housing affordable for additional households below 60% AMI living across the Metro area.

Consideration for how new bond program investments will complement existing regulated affordable housing supply and pipeline



Data above from EcoNorthwest’s 2019 preliminary housing needs analysis indicates that over 54% of Troutdale’s 5,906 households (above) have incomes below 50% Median Family Income (MFI).

Almost two out of three Renter Households in Troutdale earn less than \$50,000/year. [1454 out of 2244, 64.8%]. (US Census Fact Finder, 2013-2017 American Community Survey 5-Year Estimates, Tenure by Household Income in the Past 12 Months, Universe: Occupied housing units, Table B25118, Troutdale City, Oregon.)

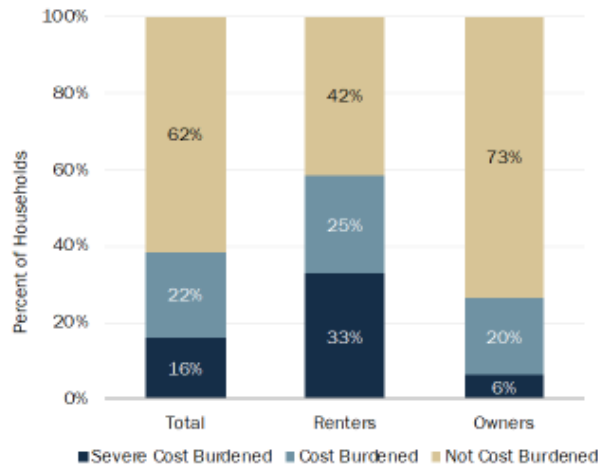
Troutdale has the largest population and is the most rent burdened of the three cities northeast of Gresham.

	<b>Renter Cost Burden</b> (over 30% paid toward housing costs)	<b>Severe Cost Burden</b> (over 50% paid toward housing costs)
<b>Troutdale</b>	58%	33%
Wood Village	49%	29%
Fairview	44%	23%
Portland MSA	50%	25%
Oregon	52%	27%

From 2013-2017 Factsheets prepared by ECONorthwest for Multnomah County

## Cost Burden, Troutdale, 2017

**Cost Burden and Severe Cost Burden by Tenure, Troutdale**  
Households paying 50% or more for housing costs are said to be **severely** cost burdened.



Source: U.S. Census, American Community Survey 2013-2017

**Affordable Housing Pipeline:**

We know of no other regulated affordable housing planned in the three jurisdictions.

**Leveraged funding:**

Home Forward anticipates leveraging 4% Low Income Housing Tax Credits (LIHTC), permanent loan and deferred developer fee. All of these anticipated funds are not competitive. The current budget shows a gap of approximately \$2M, which will need to be filled with state resources, Metro Land Acquisition gap funds or other resources.

The largest leveraging opportunity is available with Option 1 and the use of land provided free of cost by Multnomah County.

**Leveraged services:**

Home Forward will allocate a portion of a resident services time at the property, paid for from the property operating budget. We will also create partnerships based on the needs of the resident population and leverage existing services provided by other partners. If the project has vulnerable or formally homeless populations we intend to collaborate with the Joint Office of Homeless Services to provide ongoing funding for services.

**Project selection process:**

Home Forward will develop and own one to two projects in the balance of Multnomah County. We will select sites using the following criteria:

- Availability of free or discounted land
- Land that will hold approximately 111 units and is zoned appropriately
- Acquisition/rehabs that meet the unit mix criteria, are already occupied by low-income households, need minimal rehab
- High opportunity areas, as defined by access to transit, schools, jobs, parks, services and other amenities
- Opportunities to meet community development goals or develop beneficial service partnerships, and/or
- Opportunities that are aligned with funding resources

Home Forward will use its experienced development team to select projects. Ultimately, projects are approved by the Home Forward Board of Commissioners after initial review by the Board's Real Estate and Development (READ) committee. Currently our board includes 8 members (one seat is vacant). The Board's diversity is 63% white and 37% people of color. READ is a sub-committee of the board, which

Goals and/or initial commitments for leveraging additional capital and ongoing operating and/or service funding necessary to achieve the local share of Unit Production Targets

Description of project selection process(es) and prioritization criteria, including anticipated timing of competitive project solicitations and how existing or new governing or advisory bodies will be involved in decisions regarding project selection.

includes board members and former board members. The make-up of this committee is 80% white and 20% people of color. Photos and short bios of Home Forward’s dedicated volunteers serving on our Board of Commissioners can be found at: [www.homeforward.org/home-forward/leadership/board-of-commissioners](http://www.homeforward.org/home-forward/leadership/board-of-commissioners)

**Prioritization criteria for site acquisition:**

Similar to project selection process, site acquisition will use the following criteria:

- Availability of free or discounted land
- Land that will hold approximately 111 units
- High opportunity areas, as defined by access to transit, schools, jobs, parks, services and other amenities
- Opportunities to meet community development goals or develop beneficial service partnerships, and/or
- Opportunities that are aligned with funding resources

**Prioritization criteria for projects:**

Not needed based on the fact that Home Forward will be the developer and owner.

**Project selection process and role of governing/advisory bodies:**

Home Forward is a public corporation and housing authority subject to local oversight with a long-standing role in affordable housing development, ownership, and management in the community. Home Forward will use its experienced development team to select projects. As stated above, potential projects will be reviewed by the Home Forward Board of Commissioner’s Real Estate and Development committee and will ultimately be approved by the Home Forward Board of Commissioners.

**Affirmative Marketing, Tenant Selection & Lease-Up.**

Home Forward will make concerted efforts to make apartments available to communities of color and historically marginalized populations using best practice strategies. In general, this will require:

- **Affirmative outreach and marketing to target populations.** Home Forward will engage in pro-active efforts to make disadvantaged populations aware of the availability of units, and the process and timeline for application. Home Forward will work with property managers and resident services to identify specific target populations for each project and will review the proposed outreach and marketing strategy for each project. This includes extensive outreach prior to lease up to

Fair housing strategies and/or policies to eliminate barriers in accessing housing for communities of color and other historically marginalized communities, including people with low incomes, seniors and people with disabilities, people with limited English proficiency, immigrants and refugees, and people who have experienced or are experiencing housing instability



organizations serving communities of color and agencies working with seniors, people with disabilities, veterans and other people experiencing housing instability.

- **Low barrier screening criteria** – Home Forward will use low barrier screening criteria that balances access to target populations, project operations, and community stability. Typical requirements may include less than standard market apartment income-to-rent ratios, reduced credit history requirements, and criminal history requirements that only consider an applicant’s recent convictions that are most directly tied to tenant success. Home Forward and our property manager will be required to review appeals to denials of standard screening criteria that take into consideration mitigating efforts of applicants that demonstrate stability and potential for tenant success.

**MWESB Contracting**

Since 2012 Home Forward has maintained a goal of ensuring that 20% of hard and soft costs are contracted to certified Minority, Women, and Emerging Small Business (MWESB) firms. We have consistently exceed this goal and will continue our proven methods on the Bond projects. We will report on our ongoing project participation to Metro.

Strategies and/or policies, such as goals or competitive criteria related to diversity in contracting or hiring practices, to increase economic opportunities for people of color

**Workforce and Apprenticeship Participation.**

The Workforce Training and Hiring Program requires state-registered apprentices to work a minimum of 20% of the labor hours per trade on construction contracts over \$200,000 and subcontracts of no less than \$100,000. In addition to apprentice hours, Home Forward’s program aims to increase the numbers of women and communities of color in the construction trades. To meet the goals and program requirements, Home Forward contracts with the City of Portland to monitor job hours and provide reporting. Labor hours are recorded by trade along with data showing hours worked by journey-level workers and apprentices and hours worked by minority and female tradespeople. We will report on our ongoing project participation to Metro.

**Culturally specific programming selection consideration**

Home Forward will take the following factors into consideration when developing/acquiring projects and creating services:

- Outreach, engagement, and ensuring participation of minority and women owned contractors in pre-development and construction of the project, as well as the on-going maintenance of the building;
- Engaging targeted and/or marginalized communities, communities of color as part of its leasing process;
- Creating an inclusive tenant screening criteria process, minimizing barriers to housing experience by communities of color;

Requirements or competitive criteria for projects to align culturally specific programming and supportive services to meet the needs of tenants.

- Providing culturally specific resources and services.

Home Forward plans that Resident Service Coordination will be provided at all projects, appropriate to the level of need of the target population. Resident Services will focus on eviction prevention, helping residents access services for which they may be eligible, and community building activities.

### Engagement Summary and Outcomes

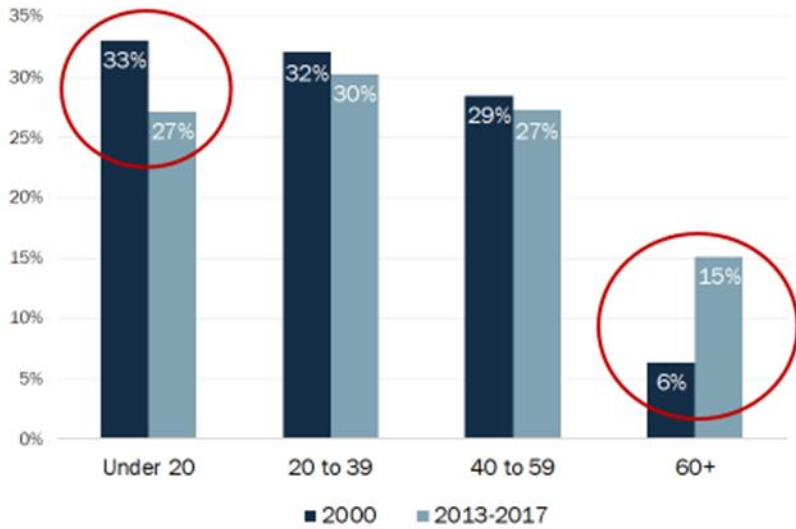
Home Forward’s engagement process for major developments typically begins after a site has been determined (see following section). Our engagement prior to submitting this LIS has focused on getting to know the communities northeast of Gresham, including local elected officials and current residents who live on fixed and lower incomes.

With the focus currently on “Option 1,” the first steps in our engagement strategy have been to:

- 1) Provide introductory outreach to elected officials in each of the three local jurisdictions to clarify Home Forward’s role in the Metro bond implementation (including presentation to Troutdale City Council and participation in the City’s current Housing Needs Analysis);
- 2) Conduct a focus group utilizing Home Forward resident services staff working with residents in Home Forward apartment communities in East County;
- 3) Review Metro reports summarizing input from Communities of Color during Spring 2018 and Troutdale demographic trends (see charts below);
- 4) Conduct a large focus group with community service organizations serving east county (verifying, expanding and helping to prioritize Metro input from 2018 Communities of Color engagement); and
- 5) One-on-one discussions with service providers.
- 6) Conduct two focus groups with potential residents (one facilitated in English and one facilitated in Spanish).
- 7) In the future, Home Forward will work with Metro staff to develop an anonymous “self-reporting” survey card to help assess the actual demographics of participants at outreach events including: disability, race, ethnicity, veteran status, age and other characteristics of frequently marginalized groups.

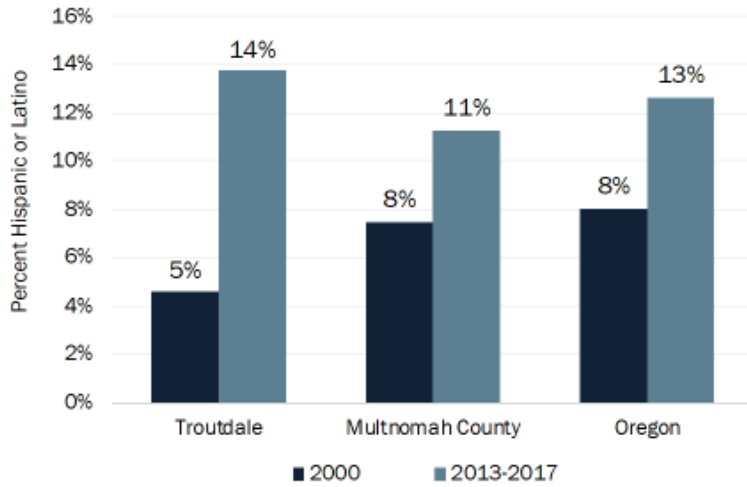
Engagement activities focused on reaching communities of color and other historically marginalized communities, including people with low incomes, seniors and people with disabilities, people with limited English proficiency, immigrants and refugees, and people who have experienced or are experiencing housing instability

### Aging Population, Troutdale



Source: U.S. Census, Decennial Census 2000 and ACS 2013-2017

### Growth in Latinx Population



Source: U.S. Census, Decennial Census 2000 and ACS 2013-2017, Table P008 and B03002.

The following table summarizes engagement and outreach efforts to date:

Date	Participants	Key Take-Aways
April 23, 2019	Focus Group with seven Home Forward resident services staff serving east county properties	Studios & 1-bedrooms are lacking in Home Forward’s East County portfolio; balance with need for additional larger units for families. Barriers to access include complex procedures, translations and jargon. (Attachment 1)

May 3, 2019	Meeting with three Mayors, Metro Councilor, and County Commissioners	Troutdale – community concern with impacts of new multifamily development; Wood Village – issues with aging trailer parks and displacement of low income residents Fairview – interest in affordable home ownership models
May 29, 2019	Focus Group (workshop format) with 24 individuals representing 19 social service agencies serving East Multnomah County	See Executive Summary (Attachment 2) - co-hosted by Cities of Gresham and Portland - questions posed were based upon key topics identified in Communities of Color summary (Attachment 3)
May 21, 2019 and July 9, 2019	Home Forward Board of Commissioners meeting held at Troutdale (invitation to City Council members to join for dinner); Home Forward presentation to Troutdale City Council	Interest in senior housing opportunities; concerns about the capacity of schools to absorb additional students; availability of social services and Tri-Met frequency of service. Possible opportunity to increase jobs-housing balance by partnering with major employers.
July & August 2019	Mt. Hood Community College Head Start; Reynolds High School, El Programa Hispano; TriMet	Meetings with staff to identify barriers to services and opportunities for partnerships
September 25 and October 1, 2019	Community resident focus groups (two sessions with 20 participants at each group; 40 total participants)	See Attachment 4 – Focus Group Summaries
<b>Upcoming Meetings</b>		
Fall-Winter 2019-2020	Multnomah County’s Senior, Disabled & Veterans Services Office	Both Home Forward and City of Gresham staff plan to meet with County staff at the east county service center in Downtown Gresham
Fall-Winter 2019-2020	Amazon and FedEx employers & employees	Follow up on surveys indicating current jobs-housing balance

### Local Implementation Strategy Goals

During the sessions described above, multiple themes were addressed which amplify input that has been heard throughout the region:

- **Development in Opportunity Neighborhoods** - Providing new affordable housing in high opportunity neighborhoods helps to achieve multiple Home Forward goals. These locations provide good access to transit, jobs, quality schools, commercial services, parks & open space, etc. **Option 1** (Troutdale downtown location) is consistent with community input that prioritizes

Summary of how the above themes are reflected in the Local Implementation Strategy.

proximity to transit and to schools. In particular, the newly constructed Troutdale Elementary is a short six blocks from the site.

- **Development in Existing Neighborhoods** – Input also emphasized the need to locate affordable housing in areas with existing underserved diverse populations. When considering **Option 2**, any new development and/or acquisition and rehab will strive to locate properties to address this goal.
- **Target Population Goals** – Families (especially Latinx and intergenerational immigrant households), seniors, veterans, people with disabilities, and people experiencing current housing instability have been identified as groups needing housing in eastern-most Multnomah County. We anticipate households representing each of these groups will be part of the diverse community housed by either Option 1 or Option 2.
- **Increased Opportunity for Greater Jobs-Housing Balance** – Large numbers of entry level jobs are available in eastern-most Multnomah County; many resulting in household incomes lower than 50% AMI. Both Amazon and FedEx facilities are located in Troutdale yet affordable rental housing for households earning less than 50% AMI is limited. Home Forward will seek and welcome opportunities to partner with large employers to increase local affordable housing opportunities for employees.
- **Access to Services** – Input stressed that access to social service providers is a challenge throughout eastern Multnomah County. Driven by data, research and best practices, Home Forward, in collaboration with external stakeholders, is designing a framework so that individuals and families can thrive in ways they find most meaningful. The approach is person-centered, trauma-informed, and employs a racial justice lens. The model recognizes the need for enhanced access to social service providers and culturally sensitive programming in the East Multnomah County region and will continue to cultivate relationships to meet this need. Home Forward anticipates introducing and launching the effort in early 2020.

**On-going Community Engagement Opportunities:**

- **Community Advisory Committee (CAC)** – Home Forward’s successful experience in major developments has proven the value of this engagement model. The CAC will take shape as soon as the architectural design team is selected and work begins on a new development.

In Home Forward’s experience, the CAC model creates an effective forum for all stakeholders to hear and discuss with staff—and each other—issues ranging from physical design to equity in construction contracting to future supportive service programming. An “open house” community meeting will also be planned when initial design concepts are ready to share. As construction nears

Strategies for ensuring that ongoing engagement around project implementation reaches communities of color and other historically marginalized community members, including:

- people with low incomes,
- seniors and
- people with disabilities,
- people with limited English proficiency,
- immigrants and refugees,
- existing tenants in acquired buildings, and
- people who have experienced or are experiencing housing instability

completion, the CAC will discuss marketing and lease-up strategies and work underway to forecast school enrollment increases.

Participants typically include: representatives from historically marginalized groups; neighbors immediately adjacent to the property; neighborhood/ business association and faith-based representatives; school and social service agency representatives; Metro, Multnomah County and City of Troutdale partners; and members-at-large recruited from advocacy groups.

- **On-going Communication** — As the design begins to take shape with input from the CAC and design workshops, a newsletter will be sent to all households and businesses within a half-mile radius of the site. Since the design and construction will span multiple years, these periodic newsletters will keep people updated on the project schedule and point people to the project website for more information.
- **Lease up** – The property management team will conduct enhanced outreach to communities of color during the marketing phase for lease up of the 111 units funded with the Metro Housing Bond. Home Forward is currently piloting a new outreach model that includes an “outreach and equity navigator” position to ensure targeted outreach is occurring for new properties. We will continue to work to ensure access for all communities needing our assistance, especially those who have been disproportionately marginalized throughout the history of the community.

## Attachment 1



### Focus Group with Internal Community Services staff working in East County

Notes from April 23, 2019 discussion

#### Attending:

- Melissa Arnold, facilitating (RCSC manager)
- Odalis Perez-Crouse (Goals manager)
- Rebecca Enriquez, RCSC
- Jessica Rayos, Goals coordinator
- Nikki Long, Goals coordinator
- Anna Wilson, RCSC
- Tabetha Suda Opoka, RCSC

Observers: Gresham staff Brian Monberg (housing policy) and Alex Logue (community engagement); Pamela Kambur, Home Forward staff working on East County engagement

#### What are some of the most important locational factors for residents choosing their housing?

- Transportation (can take 2-3 buses to reach places)
  - Transit can be anxiety provoking (presents barriers for riders with mental health concerns or undocumented status)
  - Transit can be impossible for mom with 3 small children without stroller or car seats
- Grocery stores
- Proximity to services (example: food pantry)
- Proximity to youth programming

#### What do people look for at their apartment community? What type of housing is needed?

- Space for community gatherings (community rooms)
  - Balance bringing services to the property with encouraging people to self-advocate and go out into community
  - Central City Concern model is good with service providers on first floor
- Mixed communities: example of New Columbia with grocery, rentals and homeownership
- Biggest desire: single family homes or duplexes where there is a yard and they get practice of what it's like to be a homeowner (paying utilities, yardwork, etc.)
- Studios and 1-bedrooms are lacking in Home Forward's portfolio in East County
  - Needed by seniors and single parents whose kids have moved out
- Larger family units also needed (recognize need for a mix)
- Well insulated (need to avoid huge utility bills)
- Overall energy-efficient (appliances, insulation)

- Elevator access needed (not just for seniors and people with physical disabilities; helpful for families too)
- Desire for washer, dryers and air conditioners in units
- Outdoor space “that makes you proud of where you live”
- Durable flooring materials
- Focus on safety; adequate lighting
- Adequate space for garbage and recycling (larger properties need multiple locations for enclosures)
- Containers for pet waste disposal and needle disposal
- Seismic safety
- Recognition that noise from kids is natural

#### **What are some of the most common barriers to accessing affordable housing?**

- Money for security deposits
- Expenses related to moving
- Jargon is hard to navigate
- Leases are not easy to understand; even when translated into other languages
- Requirements related to standards for numbers of bedrooms household is eligible for (concern with having children of different genders or ages having to share rooms)
- Screening criteria regarding credit history and criminal backgrounds limit access
- People don’t understand how to request reasonable accommodations

#### **How do people find affordable housing?**

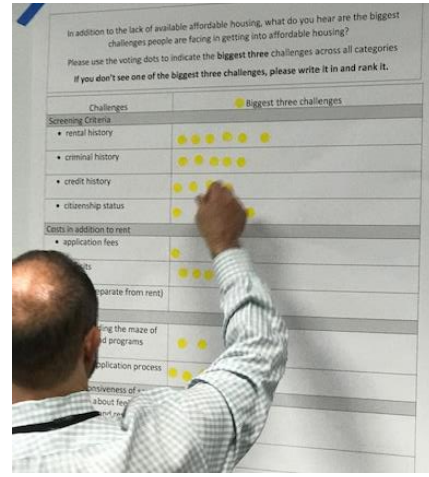
- Finding information about current availability is difficult
- People have to try multiple methods
  - Events
  - Internet
  - Community partner agencies and non-profits
    - Especially housing case managers that help people fill out the paperwork
  - Culturally-specific advocacy groups

#### **Initial take-aways: Brian and Alex thanked participants for their expert input. He noted a few things that struck him:**

- Need for an east county “resource guide”
- Need for jurisdictions to consider how can we support housing case managers better help people access affordable housing
- Transit can be a barrier – can we consider using Metro’s “Regional Travel Options” grant program for innovative ride-share options to help for situations where transit is just not reasonable
- Need for more ADA accessible and visitable options
- Need to balance need for studios/1-bedrooms with need for larger 2+ bedroom apartments



## Attachment 2 - Community Partners Focus Group



### *Input for Affordable Housing Planning in east Multnomah County*

#### Executive Summary

During May 2019, 24 social service providers and affordable housing advocates representing 19 agencies serving areas of East Multnomah County (east of I-205) came together for a discussion in four key areas:

- 1) Housing location preferences;
- 2) Types of housing needs;
- 3) Social services needed; and
- 4) Barriers to access.

Agency participants included specialties in workforce training, healthcare, food insecurity, housing providers, crisis services, and advocates working with specific communities of color. Participants were asked to respond from the perspective of the people they serve in order to help decision-makers better understand priorities. The focus group questions were composed by the host agencies\* as a way to verify, prioritize, and identify gaps from comments gathered through outreach by communities of color during Spring 2018 (prior to passing the regional affordable housing bond).

A series of questions at each "station" around the room allowed participants to respond with comments and/or "dots" (priority votes). After all participants had rotated to each station, a large group discussion gathered additional comments. Below are the primary themes that came through in each topic area during the stations and large group discussion:

#### 1) Housing location preferences –

- a. Amenities - When given a wide range of community amenities, access to bus or MAX was the highest priority, followed by proximity to a school where students are already enrolled. Access to a grocery store came in as the third highest priority. Overall, safety and social connections were identified as drivers of location choice.

- b. Willingness to relocate for better services - When asked to choose between an existing neighborhood or moving to a similarly affordable home in an “opportunity neighborhood” (with higher school rankings, more amenities, etc.), more than half the participants (56%) believe their clients would choose to stay in their existing neighborhoods. There was a strong belief that closeness to social networks of friends and family were key determinants of choice, especially during times of economic stress.

2) Types of housing needs –

- a. Unit sizes - A continuum was provided that included small units (studio & 1-bedroom) on one end and larger units (2, 3, & 4 bedrooms) on the other. The majority of participants (64%) indicated larger units are the highest priority in order to accommodate larger families and intergenerational families from immigrant communities. A 50/50 mix of housing types was indicated by 21% and another 14% indicated a need for smaller units to house seniors and individuals previously experiencing homelessness.
- b. Homeownership opportunities – Advocates emphasized that options for affordable homeownership need to be considered as part of the Metro affordable housing bond implementation.
- c. Design features needed - better sidewalks & streetlights; safe and green areas for children to play outdoors; needs for greater ADA accessibility, better soundproofing & insulation; larger community rooms; laundry facilities; safer enclosures for recycling/refuse; and safe areas for walking pets.
- d. Populations needing assistance – Participants advocated for households at 30% MFI who need resident services support to be successful (i.e. Not only the current focus on the wrap-around supports needed as Permanent Supportive Housing); expressed needs for more culturally sensitive programming and staffing; identified needs of LGBTQ, foster kids, and survivors of trafficking/sex workers, plus people with a range of disabilities (in addition to populations typically served); and suggested congregate SRO (single-room occupancy) models for chronically homeless.
- e. Differences between jurisdictions in East County – In East Portland, lack of sidewalks is a key factor leading to needs for better pedestrian safety/lighting. Also needs for affordable grocery stores; more parks, and coordination with community-driven planning efforts. In Gresham, concerns about stabilizing rents and potential displacement were high, especially for the diverse population in Rockwood and the Rockwood Rising development. In Wood Village, issues around older trailer parks are impacting vulnerable immigrant families (many from indigenous areas of Mexico that are non-Spanish speaking). In Troutdale, workforce housing and rent burden (costs of housing) are issues. In Fairview, similar to all communities, transportation access was cited as a concern.

3) Social Services Needed –

- a. Four top priorities - The following services surfaced as the top four: (i) Financial assistance (subsidies such as vouchers, down payments, etc.); (ii) Culturally appropriate services and activities; (iii) Mental health and addiction services; and (iv) Childcare assistance.

- b. Permanent Supportive Housing (PSH) - In prioritizing populations who need PSH services, over 78% of the participants indicated that the East County focus should be on services for families who have experienced homelessness. When prioritizing the types of PSH services, access to Community Health Workers (a peer support model providing knowledge in criminal justice, mental health and substance abuse issues) were strongly supported and prioritized above more traditional counseling models. The need for culturally-specific services was also highlighted.

4) Barriers to Access –

- a. Screening criteria – Identified as the largest barrier during the voting process, 49% indicated issues of rental history, criminal background, credit history, and citizenship status seriously limit access to affordable housing.
- b. Racial discrimination and lack of cultural responsiveness – During the large group discussion, race was called out as a primary barrier to housing access for people of color. Along with lack of training for property management staff (including topics of racial justice, equity and trauma-informed practices), the lack of culturally responsive services was highlighted.
- c. Overall costs and navigation - Understanding the application process and maze of programs (navigation), plus the associated costs of deposits/fees also were identified as barriers (32% combined).
- d. Supporting access – Participants indicated a large number of staff positions in their agencies that provide housing advocacy, plus direct coaching and navigation supports for their clients. They indicated a need for better education so clients know their rights under fair housing and tenant laws.

In closing, on-going outreach to those most impacted by the lack of affordable housing is essential. In addition, continued collaboration between housing and social service providers is needed to address systemic barriers to initial access to affordable housing and on-going success.

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## Attachment 3

## Key topics identified by Communities of Color Outreach under contract to Metro – Spring 2018

<b>Location criteria</b>	<ul style="list-style-type: none"> <li>• Near schools, parks/pools, community centers, public transportation (LN)</li> <li>• Near stores that have fresh food and produce; no liquor stores; near where the jobs are (BPI)</li> <li>• Near areas where low-income families already live and have community ties (LN &amp; V-LC)</li> <li>• Do not assure preference for “opportunity zones” – instead remain in schools/areas people are already living (WH)</li> <li>• Stabilize and strengthen where people already live – stop displacement of people of color (BPI)</li> </ul>
<b>Type of housing (# bedrooms; affordability goals, etc.)</b>	<ul style="list-style-type: none"> <li>• At least 2-bedroom; preferably 3+ bedrooms (LN); 3+ bedrooms focus for new construction (WH &amp; BPI)</li> <li>• Multigenerational housing; housing for different sizes of families (V-LC &amp; NAYA &amp; APANO)</li> <li>• Larger units have multiple bathrooms (especially of concern by youth; 11 in household getting ready for school) (LN &amp; NAYA)</li> <li>• Need community spaces with apartment buildings (LN); play areas (BPI)</li> <li>• No charges for parking (LN)</li> <li>• Mobile home park preservation and purchase for affordable housing (V-LC)</li> <li>• Purchase existing market-rate buildings and assure existing residents are protected (V-LC)</li> <li>• Housing that creates community: gardens, shared outdoor spaces (V-LC)</li> <li>• Housing that creates culturally sensitive, Native community owned and operated housing development (NAYA)</li> <li>• Ensure community-based and organizations of color develop and own properties developed by bond funds (WH)</li> <li>• Serve low-income elderly, families w/kids in school, mental health challenges (BPI)</li> </ul>
<b>Resources needed for success</b>	<ul style="list-style-type: none"> <li>• Culturally specific and responsive services (NAYA)</li> <li>• Respond when people bring their issues to the attention of agency representatives (BPI)</li> </ul>
<b>Understanding and accessing affordable rentals</b>	<ul style="list-style-type: none"> <li>• Demystify the housing systems (NAYA)</li> <li>• Availability for undocumented households (V-LC)</li> <li>• Education about screening criteria and how anti-discrimination is enforced (LN)</li> <li>• Consider administrative preference policy for communities of color (WH)</li> <li>• Address housing discrimination (BPI) and racial diversity access (BPI)</li> </ul>
<b>Engagement process</b>	<ul style="list-style-type: none"> <li>• Desire to remain involved in decisions moving forward (LN)</li> <li>• Get information out to where people are (BPI)</li> </ul>
<b>Other concerns</b>	<ul style="list-style-type: none"> <li>• Landlord-tenant relations (respect, repairs, rent increases) (LN)</li> <li>• Home ownership for undocumented families (V-LC); needed to build intergenerational wealth (APANO)</li> <li>• Culturally responsive homeownership funding (NAYA)</li> <li>• Funding to prevent displacement (NAYA)</li> </ul>
<p>Key: LN – Latino Network summary  V-LC – Verde-Living Cully (Cully Housing Action Team)  NAYA – Native American Youth and Family Center</p>	<p>WH – Welcome Home  APANO – Asian Pacific American Network of Oregon  BPI – Black Parent Initiative</p>

Attachment 4



FOCUS GROUP SUMMARIES

English-speaking discussion at Fairview Oaks on September 25, 2019

- 9 Home Forward clients: 4 from east county properties; 8 with Section 8 vouchers
- 10 guests of clients: 4 from Gresham; 1 from Troutdale; 5 from Outer SE Portland; and 1 from Salem

Location

<p>What were the top two reasons you chose to live where you currently live?</p>	<ul style="list-style-type: none"> <li>• On the MAX line</li> <li>• Close to work</li> <li>• Convenient / close to grocery stores</li> <li>• More affordable rental prices</li> </ul>
<p>In addition to the above reasons, are there specific reasons you're located in east county?</p>	<ul style="list-style-type: none"> <li>• Value diversity</li> <li>• Wanted to get away from Portland</li> <li>• Close to outdoors – gorge waterfalls, parks</li> <li>• Found a property with a close-knit community; we look out for one another</li> </ul>
<p>Are you aware of families “doubling up” in crowded homes? Or “couch surfing” from friend to friend to stay sheltered? What do you think are the top reasons for this?</p>	<p>Overall, yes to awareness of doubling up... Due to:</p> <ul style="list-style-type: none"> <li>• Lack of affordable options/ rents are too high</li> <li>• Criminal background or bad credit issues</li> <li>• Abusive relationships</li> <li>• Past evictions</li> <li>• Substance abuse</li> </ul>
<p>If there were two identical apartments at the same price,</p> <ul style="list-style-type: none"> <li>• one is close to where you currently live which is in an area that is struggling but is close to friends and family; and</li> <li>• one is where there are lots of great services (parks, library, good schools”... but it is in an unfamiliar part of town</li> </ul> <p>Which location would you choose, and why?</p>	<p>Show of hands:</p> <ul style="list-style-type: none"> <li>• 10 people would move to an opportunity neighborhood even if across town</li> <li>• 4 people would stay in the neighborhood where they are</li> </ul>

**Types of Housing Needed**

<p>What are you looking for when you search for an apartment for your family? (give time for an open list; then follow up with specifics)</p>	<ul style="list-style-type: none"> <li>• Safe location</li> <li>• Apartments with more space (larger rooms overall)</li> <li>• Community room onsite to allow for community building and trainings</li> <li>• Need more bathrooms in larger units</li> <li>• Washer/dryer in unit</li> <li>• Located in safe neighborhoods</li> <li>• More space for storage</li> <li>• Overall cleanliness of property</li> <li>• Good management</li> <li>• Sober housing</li> <li>• Prefer electric heating (only one bill to deal with)</li> </ul>
<p>How many bedrooms do you think are needed?</p>	<ul style="list-style-type: none"> <li>• More bedrooms (3 and more) for larger families</li> </ul>
<p>What are your parking needs? How many cars does your household have?</p>	<p>Parking needs (show of hands):</p> <ul style="list-style-type: none"> <li>• 1 parking space per unit: 10 (majority)</li> <li>• 2 parking spaces/unit: 4</li> <li>• No parking spaces/unit: 4</li> </ul>

**Services Needed** (social & health services, grocery stores)

<p>What services do you and your family use most often? (give time for an open list and then follow up with specifics)</p>	<ul style="list-style-type: none"> <li>• Transportation (bus; MAX and Walmart shuttle service)</li> <li>• Local grocery stores</li> <li>• Food boxes</li> <li>• After school homework programs</li> <li>• Free lunch programs</li> <li>• Wallace health clinic</li> <li>• Parks and schools</li> </ul>
<p>Are there specific services like addiction prevention that are especially hard to find?</p>	<ul style="list-style-type: none"> <li>• Mental health services</li> <li>• Peer support services – mentors for addiction prevention</li> <li>• In general, more activities for families needed</li> <li>• Utility assistance needed (and help when garbage increases are suddenly imposed)</li> <li>• Emergency assistance</li> <li>• Computer skills training needed</li> <li>• Leads of jobs and “job fairs”</li> <li>• Higher education outreach; mentors for college advising</li> </ul>

<p>What kind of barriers do you face in accessing these services (transportation, childcare, culturally sensitive staff, etc.)?</p>	<ul style="list-style-type: none"> <li>• Childcare and high cost of care</li> <li>• Overall, not enough services since the need is so high</li> <li>• Not having a case worker is a barrier to getting services</li> <li>• Communication with case workers can be a barrier</li> </ul>
<p>How far do you have to travel (or how long does it take you to get there)?</p>	<ul style="list-style-type: none"> <li>• Range from 30 minutes by car to 90 minutes by MAX and bus from east county to OHSU</li> </ul>

**Challenges/ Problems Finding Affordable Housing**

<p>Other than high costs and lack of affordable apartments, what are the top barriers you face in finding affordable housing in a neighborhood that meets your needs?</p>	<ul style="list-style-type: none"> <li>• Application fees</li> <li>• Deposits, move-in costs, pet fees</li> <li>• Rental history</li> <li>• Discrimination (race, larger families, pets)</li> <li>• Criminal history</li> </ul>
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**FOCUS GROUP SUMMARIES**

**Discussion facilitated in Spanish at Fairview Oaks on October 1, 2019**

- Home Forward clients with housing subsidy: 3 from east county properties; 2 with Section 8 vouchers
- El Program Hispano clients: 1 household living in east county
- guests of clients: 5 households living without subsidy

**Location**

<p>What were the top two reasons you chose to live where you currently live?</p>	<ul style="list-style-type: none"> <li>• Cheaper</li> <li>• Assistance from Home Forward means paying less for rent</li> <li>• Live closer to family</li> <li>• Found bigger apartment for less rent</li> </ul>
<p>In addition to the above reasons, are there specific reasons you're located in east county?</p>	<ul style="list-style-type: none"> <li>• Used to live in Gresham before</li> <li>• Better schools</li> <li>• Lots of jobs in different occupations</li> </ul>
<p>Are you aware of families "doubling up" in crowded homes? Or "couch surfing" from friend to friend to stay sheltered? What do you think are the top reasons for this?</p>	<p>Overall, yes to awareness of doubling up... Due to:</p> <ul style="list-style-type: none"> <li>• When moved from California, lived in car</li> <li>• Sister doubled-up to save money</li> <li>• Many double up while on wait lists</li> </ul>
<p>If there were two identical apartments at the same price,</p> <ul style="list-style-type: none"> <li>• one is close to where you currently live which is in an area that is struggling but is close to friends and family; and</li> <li>• one is where there are lots of great services (parks, library, good schools"... but it is in an unfamiliar part of town</li> </ul> <p>Which location would you choose, and why?</p>	<p>Show of hands:</p> <ul style="list-style-type: none"> <li>• 100% said they would move to the area with greater services</li> <li>• Comment: I can always travel to visit family</li> </ul>



### Types of Housing Needed

What are you looking for when you search for an apartment for your family? (give time for an open list; then follow up with specifics)	<ul style="list-style-type: none"> <li>• Clean spaces</li> <li>• Larger units (including 4-bedrooms for family/guests)</li> <li>• Safe neighborhood</li> <li>• Quiet</li> <li>• Laundry facilities on-site need to be safe places or Washer-dryer in unit</li> <li>• Electricity bill paid as part of rent</li> <li>• Green area to plant food</li> <li>• Speed bumps for safety in parking/access areas</li> </ul>
How many bedrooms do you think are needed?	<ul style="list-style-type: none"> <li>• 100% would like 3 bedroom, 2 bathrooms for larger families</li> </ul>
What are your parking needs? How many cars does your household have?	<p>Consensus that parking is a huge need</p> <ul style="list-style-type: none"> <li>• Many people want more than one space per unit; some want 2 spots per unit for working families</li> <li>• Concern that parking on street leads to cars getting broken into</li> </ul>

### Services Needed (social & health services, grocery stores)

What services do you and your family use most often? (give time for an open list and then follow up with specifics)	<ul style="list-style-type: none"> <li>• Grocery stores</li> <li>• Public transit (including MAX and bus)</li> <li>• Close to police station</li> <li>• Schools</li> <li>• Medical clinics</li> </ul>
Are there specific services like addiction prevention that are especially hard to find?	<ul style="list-style-type: none"> <li>• Children's hospital</li> <li>• Less expensive grocery stores (like Winco and Grocery Outlet)</li> </ul>
What kind of barriers to you face in accessing these services (transportation, childcare, culturally sensitive staff, etc.)?	<ul style="list-style-type: none"> <li>• Lack of larger apartments (spaces are too small)</li> <li>• Discrimination</li> <li>• High costs (including deposits)</li> <li>• Number of people on lease</li> <li>• Rental history</li> <li>• No Social Security Number</li> <li>• Criminal history</li> <li>• No pets allowed</li> <li>• Resources to understand systems/navigate</li> </ul>
How far do you have to travel (or how long does it take you to get there)?	Comments about specific locations:

	<ul style="list-style-type: none"> <li>• Services at 181st &amp; Burnside can take 30 minutes to 1 hour to access</li> <li>• Living near 257th “everything is close by”</li> </ul>
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**Challenges/ Problems Finding Affordable Housing**

<p>Other than high costs and lack of affordable apartments, what are the top barriers you face in finding affordable housing in a neighborhood that meets your needs?</p>	<ul style="list-style-type: none"> <li>• Limited services; too many people taking advantage so difficult to get limited resources</li> <li>• Churches and religious activities needed nearby</li> <li>• More security needed (such as gated communities)</li> <li>• More park areas for pets</li> </ul>
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**Benefits of Home Forward Assistance**

<p>For those of you who live at a Home Forward property or receive Section 8 rent assistance, are there benefits that have been especially helpful?</p>	<ul style="list-style-type: none"> <li>• Case workers</li> <li>• Energy assistance</li> <li>• Summer activities</li> <li>• Community rooms/ Party rooms</li> </ul>
<p>Other issues/comments</p>	<ul style="list-style-type: none"> <li>• East county property used to be calm but is now more noisy</li> <li>• Gresham property now has problems with smoking and noise</li> <li>• MLK and North Portland “used to be bad” but is now better</li> <li>• New Columbia is an example of a great neighborhood</li> </ul>

**EXHIBIT B TO IGA****Administrative Share Funding and LIP Anticipated Timeline**

Total Administrative Share available as of the Effective Date: \$334,297

The parties expect to review the following schedule on an annual basis; provided, however, the schedule set forth below may only be revised or amended upon written agreement by both LIP and Metro.

<b>Fiscal year</b>	<b>Annual Administrative Share Allocation</b>	<b>Percent of total Admin Share</b>	<b>LIP Anticipated Timeline/ Program Milestones</b>
Year 1: 2020-21	\$167,148	50%	Commitment and/or IGA from Multnomah County that a county owned site will be transferred to Home Forward at closing. If the site cannot be transferred, then the acquisition of another site or building in East County. Completion of 100% Schematic Design on Dekum
Year 2: 2021-22	\$167,149	50%	Completion of 100% Schematic Design on project in East County Completion of 100% Design Development on Dekum
Year 3: 2022-23			
Year 4: 2023-24			
Year 5: 2024-25			
Year 6: 2025-26			
Year 7: 2026-27			

*[DELETE AFTER COMPLETION] Examples of program milestones:*

- *Release of NOFA or RFP*
- *Site or building acquisition*
- *Developer selection*
- *Disposition and Development Agreement (DDA)*
- *Groundbreaking*
- *Certificate of Occupancy*
- *Lease up*

**EXHIBIT C TO IGA**

After recording return to:  
Office of Metro Attorney  
600 NE Grand Avenue  
Portland, OR 97232-2736  
Attn: \_\_\_\_\_

**DECLARATION OF AFFORDABLE HOUSING  
LAND USE RESTRICTIVE COVENANTS**

This Declaration of Affordable Housing Land Use Restrictive Covenants (this "Declaration") is entered into as of \_\_\_\_\_, 2019 (the "Effective Date"), by and between Metro, a municipal corporation of the State of Oregon ("Metro") and \_\_\_\_\_ ("Owner").

**RECITALS**

A. Owner is the owner of certain real property commonly known as \_\_\_\_\_ in \_\_\_\_\_, Oregon, and legally described on Exhibit A attached hereto.

B. Owner and Metro are parties to that certain Intergovernmental Agreement dated \_\_\_\_\_, 20\_\_ (the "IGA"), pursuant to which Metro provided to Owner certain funds applied by the Owner to acquire the Property, which funds were proceeds of certain general obligation bonds issued by Metro for the limited purpose of funding affordable housing projects as authorized by Measure 26-199 approved by the voters on November 6, 2019 (the "Ballot Title").

C. Owner plans to improve a \_\_\_ acre parcel [and modify an existing building from its current use as a \_\_\_\_\_] into [BRIEFLY DESCRIBE DEVELOPMENT PLAN].

D. The parties expect that the Property will be redeveloped and comprised of approximately \_\_\_\_\_ units of affordable housing (the "Project"). At initial occupancy, the Project will serve qualifying persons that earn \_\_\_% or less of area median income (AMI).

E. As required by the IGA, and as consideration for Metro's provision of general obligation bond funds to the Owner to acquire the Property, Owner agrees to the restrictions, covenants and obligations set forth herein.

**SECTION 1  
PROPERTY USE RESTRICTIONS**

**1.1 Affordable Housing Land Use.** For the term of this Declaration, the Property and the Project shall at all times be owned, developed, constructed, improved and operated solely as "Affordable Housing" within the meaning of the Ballot Title and as described in the Metro Housing Program Work Plan approved by the Metro Council on January 31, 2019 (the "Work Plan"). For

purposes of the Ballot Title and the Work Plan, "Affordable Housing" is defined as improvements for residential units occupied by households earning 80% or less of median gross household income, adjusted for household size, for the Portland, Oregon metropolitan statistical area as established each year by the U.S. Department of Housing and Urban Development.

1.2 **Nondiscrimination.** In accordance with Title VI of the Civil Rights Act, as amended; 42 U.S.C. Section 2000d; Section 303 of the Age Discrimination Act of 1975, as amended; 42 U.S.C. Section 6102; Section 202 of the Americans With Disabilities Act of 1990; 42 U.S.C. Section 12132, no owner of the Property shall discriminate against any employee, tenant, patron or buyer of the Property improvements because of race, color, creed, national origin, sex, age or disability. In addition, any such owner shall comply, to the extent applicable to the Property, with the applicable federal implementing regulations of the above-cited laws and other applicable state and federal laws. "Owner" shall mean the fee simple title holder to the Property or any part thereof, including contract buyers, but excluding those having such interest merely as security for the performance of an obligation.

1.3 **Running with the Land.** Owner hereby declares that the Property subject to this Declaration shall be held, sold and conveyed subject to the forgoing land use restrictions and covenants, which shall run with the Property and shall be binding on all parties having or acquiring any right, title or interest in the Property or any part thereof, and shall inure to the benefit of Metro. Owner agrees that any and all requirements of the laws of the State of Oregon to be satisfied in order for the provisions of this Declaration to constitute deed restrictions and covenants running with the land shall be deemed to be satisfied in full, and that any requirements of privileges of estate are intended to be satisfied, or in the alternate, that an equitable servitude has been created to ensure that these restrictions run with the Property for the term of this Declaration.

## SECTION 2 GENERAL PROVISIONS

2.1 **Enforcement.** Metro shall have standing, and may bring an action at law or equity in a court of competent jurisdiction to enforce all restrictions and covenants established by this Declaration and to enjoin violations, ex parte, if necessary. The failure to enforce any provision shall in no event be deemed a waiver of the right to do so thereafter. If legal proceedings of any type are begun so as to enforce the Declaration, the prevailing party shall recover reasonable attorney's fees, including attorney's fees on appeal. However, attorney's fees shall not be recovered by a prevailing party that initiated the legal proceedings unless the initiating party provided 30 days' written notice to the other party, its successors, and assigns, prior to filing any legal action.

Metro is the only party entitled to enforce the restrictions and covenants set forth herein. Nothing in this Declaration gives, is intended to give, or will be construed to give or provide any benefit or right, whether directly, indirectly, or otherwise, to third persons.

2.2 **Duration.** Subject to the provisions of the IGA providing for the early termination of this Declaration upon the occurrence of certain events or conditions, or otherwise upon mutual consent of the parties, the restrictions established by this Declaration shall run with and bind the Property in perpetuity.

2.3 **Amendment.** This Declaration may not be amended or revoked except by written





**Exhibit A**

**Property Legal Description**



## EXHIBIT D TO IGA

### Required Project Completion Reporting

**Immediate Post Closing (within 10 business days after closing):**

- Copy of recorded Metro approved regulatory agreement
- Copy of settlement statement

**Post Construction Completion (within 3 months of recorded temporary certificate of occupancy):**

- Metro project closeout form attesting to use of funds for capital costs
- Copy of temporary certificate of occupancy
- Copy of recorded OHCS regulatory agreement (if applicable)
- Resident Services Plan (OHCS form)
- Affirmative Fair Housing Marketing Plan (HUD Form)
- Community engagement report
- MWESB/COBID participation outcomes
- Workforce outcomes report, if project has stated workforce goals
- Draft project summary

**Post-Occupancy (within 1 month of 95% occupancy):**

- Marketing and application outcomes report
- Final project summary

IN CONSIDERATION OF RESOLUTION NO. 20-5157 FOR THE PURPOSE OF  
AUTHORIZING EXECUTION OF AN INTERGOVERNMENTAL AGREEMENT WITH  
HOME FORWARD FOR IMPLEMENTATION OF THE METRO AFFORDABLE HOUSING  
BOND MEASURE

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Date: March 8, 2021  
Department: Planning & Development  
Meeting date: March 18, 2021

Prepared by: Emily Lieb  
Presenter(s): Emily Lieb  
Length: 10 minutes

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### **ISSUE STATEMENT**

As directed by the Housing Bond Program Work Plan, staff has prepared an intergovernmental agreement (IGA) setting forth the terms and conditions under which Metro will disburse Metro Housing Bond funding to Home Forward for eligible program activities. The proposed IGA is attached as Exhibit A to the Resolution. The IGA is intended to provide clarity and accountability regarding the expenditure of bond funds to achieve specific Unit Production Targets.

### **Eligible funding amounts**

Home Forward is eligible for the following funding amounts to support investment in Affordable Housing Projects that are consistent with the Bond Measure, Work Plan, and approved LIS.

- Eligible Share: \$38,678,193, which include \$1,764,347 transferred from Metro's regional Site Acquisition Program and \$21,032,307 transferred from the City of Portland to support the Dekum Court development, to be disbursed on a Project by Project basis to support direct capital investments in eligible Affordable Housing Projects.
- Administrative Share: \$334,297 to be released in annual disbursements to support general costs associated with program administration activities.

### **Unit production targets**

Home Forward agrees to direct the above funding resources toward the creation of Affordable Housing to achieve the following unit production targets:

- Home Forward will support investments to create a total of 258 permanently affordable homes, including 147 units as part of the Dekum Court "Phase 1" project in North Portland, and 111 units to be developed in East Multnomah County;
- At least 107 homes will be restricted to households earning 30% or less of area median income (AMI).
- At least 125 homes will be restricted to households earning 31% to 60% of AMI
- No more than 10% of units (26 of 258 total units) may be affordable to households making 61-80% of AMI.
- At least 129 units will contain two or more bedrooms.

### **General IGA provisions to ensure transparency and accountability**

- All projects selected for bond funding must demonstrate consistency with Home Forward's Local Implementation Strategy (LIS), as confirmed through Metro staff review at the concept and final funding stage. See Home Forward's LIS attached as Exhibit A to the IGA.
- Home Forward will record a restrictive covenant ensuring long-term affordability and monitoring obligations for all approved projects.
- Home Forward will submit annual progress reports to Metro, which will be utilized by the Housing Bond Community Oversight Committee as part of their annual review. Along with project progress information, these reports will include metrics and narratives describing outcomes related to advancing racial equity.
- Metro will disburse administrative funding to Home Forward annually. See the Schedule of Administrative Funding Disbursement and Program Milestones attached as Exhibit B to the IGA.
- Home Forward will submit annual end-of-fiscal-year reports to Metro summarizing direct project expenditures and program administrative expenditures, the latter of which is subject to the 5% administrative cap included in the Housing Bond Measure.

### **Home Forward Local Implementation Strategy (LIS)**

In October of 2019, Home Forward completed its Local Implementation Strategy (LIS). In accordance with requirements set forth in Metro's Housing Bond Program Work Plan, Home Forward's LIS includes a development plan to achieve the City's share of unit production targets and strategies for advancing racial equity and ensuring community engagement throughout implementation. Key highlights of Home Forward's LIS include:

- Focus on development of new affordable housing in high opportunity neighborhoods and sites and in areas with existing underserved diverse populations such as Troutdale downtown;
- Requirements for developers to incorporate affirmative marketing strategies, low barrier screening criteria, and culturally specific programming and supportive services;
- Goal of 20% of hard and soft costs awarded to contracts with COBID certified firms;
- Inclusion of Home Forward's Workforce Training and Hiring Program that requires state-registered apprentices to work a minimum of 20% of the labor hours per trade on construction contracts over \$200,000 and subcontracts of no less than \$100,000.

While Home Forward's LIS is focused on development of 111 units in East County (Fairview, Wood Village, Troutdale), the IGA also encompasses the development of Dekum Court, which received a preliminary funding commitment from Metro Council in July 2019 so support the creation of 160 new affordable homes in North Portland. Metro Council's preliminary approval of funding for Dekum Court was based on an agreement between Portland, Home Forward and Metro to allocate a portion of Portland's bond funding toward this "Phase 1" project. Under the IGA, Dekum Court will be required to demonstrate alignment with racial equity and engagement strategies described in Home Forward's LIS prior to final funding approval.

Since the conceptual approval of Dekum Court in 2019, further planning on the site has resulted in a reduction in the number of units planned for development by 13 units. These units, and the associated funding to support them (\$1,860,000), will be returned to the City of Portland's funding allocation through an IGA amendment.

Home Forward's LIS was reviewed and discussed by the Housing Bond Community Oversight Committee at their November 6, 2019, meeting, where Committee members present voted unanimously to recommend the LIS to Metro Council for approval with considerations for ongoing monitoring. A copy of the Oversight Committee's recommendation and noted considerations is attached to this Staff Report.

### **REQUESTED**

Adopt Resolution No. 20-5157, authorizing the Chief Operating Officer to execute an intergovernmental agreement with Home Forward for implementation of the Metro Affordable Housing Bond Measure.

### **IDENTIFIED POLICY OUTCOMES**

Once the IGA is finalized, Home Forward will be eligible to receive \$38,678,193 in Metro bond funding for disbursement on a project-by-project basis, and \$334,297 in funding for program administration costs beginning in fiscal year 2020-21, according to the schedule in Exhibit B of the IGA. Ongoing disbursement of funds will be contingent upon demonstrated progress toward achieving Home Forward's share of the Unit Production Targets and Home Forward's compliance with its LIS.

### **POLICY QUESTION(S)**

- Does the Council believe the IGA provides the necessary accountability structures and mechanisms to ensure the region's success in fulfilling the commitments articulated in the Housing Bond Measure?
- Does the Council believe Home Forward's LIS (attached as Exhibit A to the IGA) meets the requirements established by the Council in the Program Work Plan, as recommended by the Community Oversight Committee?

### **POLICY OPTIONS FOR COUNCIL TO CONSIDER**

- Authorize the execution of an intergovernmental agreement with Home Forward for implementation of the Metro Affordable Housing Bond Measure by adopting Resolution No. 20-5157. Such authorization would effectively approve Home Forward's LIS, which is incorporated into the IGA as Exhibit A.
- Reject proposed intergovernmental agreement with Home Forward for implementation of the Metro Affordable Housing Bond Measure, and direct staff to renegotiate the terms and conditions upon which funding will be provided.

### **STAFF RECOMMENDATIONS**

Staff recommends adoption of Resolution No. 20-5157.

**STRATEGIC CONTEXT & FRAMING COUNCIL DISCUSSION**

The IGA was shaped through the direction provided in the Housing Bond Program Work Plan, adopted by Metro Council on January 31, 2019, and through consideration of applicable state laws pertaining to the program. Staff from Planning & Development; Office of Metro Attorney; Finance and Regulatory Services; Risk Management; and external bond counsel have all been consulted in development of the IGA.

Metro staff have worked with staff at all seven eligible local implementation partners since the passage of the Housing Bond Measure to develop IGA terms that protect the integrity of the program and ability for implementation partners to achieve prescribed outcomes. The Multnomah County Board of Commissioners approved the IGA, including the final LIS, on December 17, 2020.

To inform the creation of the LIS, Home Forward conducted a range of engagement activities, including focus groups in communities in Easy County, large focus groups with community organizations serving East County, one-on-one discussions with services providers such as Mt. Hood Community College Head Start, El Program Hispano, and two focus groups with potential residents (facilitated in English and Spanish). Home Forward also hosted a listening session with residential service coordinators and a summit of approximately 25 organizations that provide residential services and housing.

Oversight Committee members present at the November 6, 2019, meeting voted unanimously to recommend Metro Council approval of the LIS as part of the IGA. Staff are not aware of any opposition to Home Forward's LIS or to the IGA.

The proposed Resolution is based on numerous policies previously adopted by the Metro Council, including but not limited to:

- Resolution No. 19-4956, approving the Metro Affordable Housing Bond Program Work Plan
- Resolution No. 18-4898, referring the Affordable Housing Bond Measure to Metro District voters
- Resolution No. 19-4997, approving Home Forward's request for an Affordable Housing Bond Measures Phase 1 Project Concept Endorsement

**ATTACHMENTS**

Attachment 1: Metro Housing Bond Community Oversight Committee Recommendations and Considerations for Local Implementation Strategies

## Attachment 1 to Staff Report

# METRO HOUSING BOND OVERSIGHT COMMITTEE RECOMMENDATIONS TO METRO COUNCIL REGARDING HOME FORWARD'S LOCAL IMPLEMENTATION STRATEGY

The Oversight Committee recommends that Metro Council approve Home Forward's Local Implementation Strategy (LIS). The Committee has identified the following considerations for Home Forward's ongoing implementation and monitoring of outcomes:

- Home Forward should further define strategies and outcomes that will be measured to demonstrate the advancement of racial equity, including low-barrier screening criteria, affirmative marketing, universal design, voucher prioritization, wraparound services, and contract and workforce diversity.

The Oversight Committee has requested an early response from Home Forward regarding the considerations above, as well as ongoing updates as part of Home Forward's annual LIS progress report. The Oversight Committee expects to address these considerations in its annual program review.

### **Additional Guidance for all Jurisdictions**

In addition to the above listed considerations, Committee members offered the following considerations for all jurisdictions participating in implementation of the Housing Bond:

- When describing strategies to advance racial equity, be specific about prioritization among various strategies.
- Expand the impact of the affordable housing bond program by seeking ways to achieve more than the minimum housing unit production targets.
- Work with your own jurisdiction and overlapping jurisdictions to identify local regulatory tools and financial incentives that could be implemented to support affordable housing. Example could include property tax abatements or exemptions, SDC and fee waivers, local construction excise tax, reduced parking requirements, etc.
- Use language that acknowledges intersectionality of populations; avoid differentiating between homelessness, disabling conditions including physical and mental health, and addiction.
- Identify screening criteria not relevant to likelihood of successful tenancy that should not be considered.
- Provide further information about jurisdiction commitments to fund supportive services as needed to meet the needs of certain tenants.
- Additional resources need to be identified to successfully serve tenants who need permanent supportive housing.
- Consider further specificity about family sized unit production that includes goals or requirements to ensure three bedroom and larger homes.
- Measuring outcomes regarding workforce equity should include all workers, not solely apprentices.
- Many minority owned businesses need additional support to successfully participate in the COBID certification program.
- Consider sustainability/durability and life cycle costs, and incorporate findings from the 2015 Meyer Memorial Trust study on cost efficiencies in affordable housing in evaluating project costs.



Metro

# Affordable Housing Bond

Housing Bond  
Implementation IGA for  
Home Forward

March 18, 2021



# Home Forward's implementation strategy

- \$38.8M to fund 258 affordable homes:
  - 147 units of new affordable housing at Dekum Court, a Phase I project in the city of Portland
  - 111-unit new development on a county-owned site in Troutdale
- \$334K in program administration funding
- 20% COBID/MWESB participation goal, and 20% apprenticeship participation goal





# Oversight Committee recommendations

Recommendation for approval

Considerations for ongoing implementation and monitoring



# Intergovernmental agreement

Metro staff will review projects at concept and final stage for consistency with LIS

Restrictive covenants for long-term affordability

Annual progress reports, including racial equity outcomes

Annual disbursement of administrative funding

Annual financial reporting on expenditures



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