

March 2, 2023

BCC Agenda Date/Item: _____

Housing Authority Board of Commissioners
 Clackamas County

Approval to apply for an Affordable Housing Construction Grant from the City of Milwaukie for the Hillside Park Redevelopment Project. Anticipated Grant value is \$2,000,000. Funding is through the City of Milwaukie Construction Excise Tax. **No County General Funds are involved.**

Previous Board Action/Review	2/28/23 – Briefed on Issues 9/22/22 – Approval of the Related Northwest Exclusive Negotiation Agreement for the redevelopment of Hillside Park 8/15/21 – Approval of Resolution 1956 Authorizing the Housing Authority’s Submittal of a Section 18 Demolition and Disposition Application for Hillside Park Public Housing Complex 10/03/19 – Approval of Hillside Park Master Plan Design Concept		
Performance Clackamas	This funding aligns with the County’s strategic priority to ensure safe, healthy, and secure communities by increasing the inventory of affordable housing units in Clackamas County.		
Counsel Review	No	Procurement Review	No
Contact Person	Devin Ellin, Director of Housing Development, HACC	Contact Phone	971-227-0472

EXECUTIVE SUMMARY: The Housing Authority of Clackamas County (HACC) requests approval to apply, in partnership with Related Northwest, for \$2,000,000 in Affordable Housing Construction Grant funds from the City of Milwaukie for the Phase 1 redevelopment of Hillside Park. Phase 1 will replace 54 units of near-obsolete public housing with 275 units of newly constructed housing affordable to households with incomes at or below 60% of the Area Median Income (AMI). Applying for this funding provides an opportunity for the Housing Authority and Related NW to further the redevelopment project and ensure its financial viability.

City of Milwaukie Affordable Housing Construction Grants are funded through a Construction Excise Tax and are intended to support projects creating affordable housing for low and moderate-income households. The Hillside Park Redevelopment is a great example of an innovative income-restricted housing project this funding opportunity was designed to support.

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The City of Milwaukie plans to make \$2,000,000 available in two categories: \$1,400,000 for residential housing projects at or below 80% Area Median Income (AMI) and \$600,000 for workforce housing projects at or below 120% AM. The Hillside Park Redevelopment project meets the criteria for both categories. Therefore the Housing Authority would like to request the full \$2,000,000 in grant funds to support the redevelopment of Hillside Park.

Given the scale and level of infrastructure required to complete this project, braiding already committed funds, including \$40M in Affordable Housing Bond Funds and \$4M in congressionally directed spending, with other funding opportunities, is necessary to ensure the success of the project.

In addition to this request, the Housing Authority will request approval to apply for grant funds from other sources, including Local Innovation and Fast Track (LIFT) funds, Capital Magnet Funds, and Permanent Supportive Housing Funds from the Oregon Department of Housing and Community Services.

RECOMMENDATION: Staff recommends that the Board approve the request to apply for and accept if awarded a \$2,000,000 Affordable Housing Construction Grant from the City of Milwaukie for the Hillside Park redevelopment project.

Respectfully submitted,

A handwritten signature in cursive script that reads "Rodney A. Cook".

Rodney A. Cook
Director of Health Housing and Human Services

Financial Assistance Application Lifecycle Form

Use this form to track your potential award from conception to submission.

Sections of this form are designed to be completed in collaboration between department program and fiscal staff.

If renewal, complete sections 1, 2 & 4 only. If direct appropriation, complete page 1 and Dept/Finance signatures only.

If Disaster or Emergency Relief Funding, EOC will need to approve prior to being sent to the BCC

****CONCEPTION****

Section I: Funding Opportunity Information - To Be Completed by Requester

Award type: Direct Appropriation (no application) Subrecipient Award Direct Award

Award Renewal? Yes No

Lead Fund # and Department:	40 - H3S - Housing Authority
Name of Funding Opportunity:	City of Milwaukie Affordable Housing Construction Grant

Funding Source: Federal – Direct Federal – Pass through State Local

Requestor Information: (Name of staff initiating form)	Devin Ellin - HACC Director of Development
Requestor Contact Information:	dellin@clackamas.us; 971.227.0472
Department Fiscal Representative:	Darren Chilton
Program Name & Prior Project #: (please specify)	Hillside Park Redevelopment - Clackamas County Housing Authority/Development

Brief Description of Project:

The Hillside Park site in Milwaukie, Oregon is being redeveloped to create a safe, healthy, and secure community by replacing 100 units of near-obsolete public housing with up to 500 units of newly constructed affordable housing. Phase 1 of the Hillside Park Redevelopment project will replace 54 units of deteriorating public housing with 275 units of newly constructed housing affordable to households with incomes at or below 60% of the Area Median Income (AMI).

The City of Milwaukie (City) invites proposals from prospective developers for the creation of housing affordable to low and moderate-income households. Resources offered through this Request for Proposals (RFP) originate from the city's Construction Excise Tax (CET). The purpose of this solicitation is to offer public funding that will help develop

Name of Funding Agency:

Notification of Funding Opportunity Web Address:

OR

Application Packet Attached: Yes No

Completed By: _____ Date: _____

**** NOW READY FOR SUBMISSION TO DEPARTMENT FISCAL REPRESENTATIVE ****

Section II: Funding Opportunity Information - To Be Completed by Department Fiscal Rep

Competitive Application Non-Competing Application Other

Assistance Listing Number (ALN), if applicable:		Funding Agency Award Notification Date:	12/21/22
Announcement Date:	10/7/2022	Announcement/Opportunity #:	CD-AH01
Grant Category/Title	City of Milwaukie CET	Funding Amount Requested:	2,000,000
Allows Indirect/Rate:	No	Match Requirement:	No
Application Deadline:	extended to Nov 16, 2022	Total Project Cost:	160,430,000 (approx)
Award Start Date:	TBD	Other Deadlines and Description:	N/A
Award End Date:	TBD		
Completed By:		Program Income Requirements:	N/A
Pre-Application Meeting Schedule:	Meeting with Related, HACC Development team & HACC Finance Team		

Additional funding sources available to fund this program? Please describe:

Affordable Housing Bond Funds, Congressionally Directed Spending, Low Income Housing Tax Credits (LIHTC), Private Activity Bonds, State and Local funding sources, Grants

How much General Fund will be used to cover costs in this program, including indirect expenses?

No County General Funds are involved

How much Fund Balance will be used to cover costs in this program, including indirect expenses?

N/A

In the next section, limit answers to space available.

Section III: Funding Opportunity Information - To Be Completed at Pre-Application Meeting by Dept Program and Fiscal Staff

Mission/Purpose:

1. How does the grant/funding opportunity support the Department and/or Division's Mission/Purpose/Goals?

The redevelopment of Hillside Park aligns with the Housing Authority and the County's Performance Clackamas goal of ensuring safe, healthy and secure communities by replacing 100 units of near-obsolete public housing with up to 500 units of newly constructed affordable housing. Phase 1 of the Hillside Park Redevelopment project will replace 54 units of deteriorating public housing with 275 units of newly constructed housing affordable to households with incomes at or below 60% of the Area Median Income (AMI).

2. Who, if any, are the community partners who might be better suited to perform this work?

N/A

3. What are the objectives of this funding opportunity? How will we meet these objectives?

4. Does the grant/financial assistance fund an existing program? If yes, which program? If no, what is the purpose of the program?

This is grant funding available from the City of Milwaukie to increase affordable housing stock. The project is the redevelopment of Hillside Park which will result in additional affordable housing units in the Milwaukie area.

Organizational Capacity:

1. Does the organization have adequate and qualified staff? If no, can staff be hired within the grant/financial assistance funding opportunity timeframe?

Yes

2. Are there partnership efforts required? If yes, who are we partnering with and what are their roles and responsibilities?

City of Milwaukie is already a partner in the Hillside Park redevelopment project.

3. If this is a pilot project, what is the plan for sun setting the project and/or staff if it does not continue (e.g. making staff positions temporary or limited duration, etc.)?

N/A

4. If funded, would this grant/financial assistance create a new program, does the department intend for the program to continue after initial funding is exhausted? If yes, how will the department ensure funding (e.g. request new funding during the budget process, supplanted by a different program, etc.)?

No, this will add to other funding sources to further the redevelopment of Hillside Park.

Collaboration

1. List County departments that will collaborate on this award, if any.

H3S - Housing Authority of Clackamas County & Housing and Community Development

Reporting Requirements

1. What are the program reporting requirements for this grant/funding opportunity?

TBD - The city is currently still developing award agreements.

2. How will performance be evaluated? Are we using existing data sources? If yes, what are they and where are they housed? If not, is it feasible to develop a data source within the grant timeframe?

TBD

3. What are the fiscal reporting requirements for this funding?

TBD

Fiscal

1. Are there other revenue sources required, available, or will be used to fund the program? Have they already been secured? Please list all funding sources and amounts.
Affordable Housing Bonds \$40M, congressionally directed spending \$4M, LIFT from OHCS ~\$6.65M, other funding sources as identified through the project.

2. For applications with a match requirement, how much is required (in dollars) and what type of funding will be used to meet it (CGF, In-kind, local grant, etc.)?

N/A

3. Does this grant/financial assistance cover indirect costs? If yes, is there a rate cap? If no, can additional funds be obtained to support indirect expenses and what are those sources?

N/A

Other information necessary to understand this award, if any.

Program Approval:

Ellin Devin

Feb 16, 2023

Devin Ellin

Devin Ellin (Feb 16, 2023 11:36 PST)

Name (Typed/Printed)

Date

Signature

**** NOW READY FOR PROGRAM MANAGER SUBMISSION TO DIVISION DIRECTOR ****

****ATTACH ANY CERTIFICATIONS REQUIRED BY THE FUNDING AGENCY. COUNTY FINANCE OR ADMIN WILL SIGN****

Section IV: Approvals

DIVISION DIRECTOR (or designee, if applicable)

Toni Karter

Feb 16, 2023

Toni Karter

Toni Karter (Feb 16, 2023 12:17 PST)

Name (Typed/Printed)

Date

Signature

DEPARTMENT DIRECTOR (or designee, if applicable)

Adam Brown

Feb 16, 2023

Adam Brown

Adam Brown (Feb 16, 2023 13:15 PST)

Name (Typed/Printed)

Date

Signature

FINANCE ADMINISTRATION

Elizabeth Comfort

Feb 16, 2023

Elizabeth Comfort

Name (Typed/Printed)

Date

Signature

EOC COMMAND APPROVAL **WHEN NEEDED FOR DISASTER OR EMERGENCY RELIEF APPLICATIONS ONLY**

Name (Typed/Printed)

Date

Signature

Section V: Board of County Commissioners/County Administration

(Required for all grant applications. If your grant is awarded, all grant awards must be approved by the Board on their weekly consent agenda regardless of amount per local budget law 294.338.)

For applications less than \$150,000:

COUNTY ADMINISTRATOR	Approved:	Denied:
Name (Typed/Printed)	Date	Signature

For applications under \$150,000 email form to Christina Fadenrecht at CFadenrecht@clackamas.us for Gary Schmidt's approval.

For applications \$150,000 and above, email form with Staff Report to the Clerk to the Board at ClerktotheBoard@clackamas.us to be brought to the consent agenda.

BCC Agenda item #:

Date:

OR

Policy Session Date:

County Administration Attestation

County Administration: re-route to department at
and
Grants Manager at financegrants@clackamas.us
when fully approved.

Department: keep original with your grant file.