

April 24, 2025

BCC Agenda Date/Item: \_\_\_\_\_

Board of County Commissioners  
Clackamas County

**Approval of a Resolution to authorize a loan of \$12,000,000 in Regional Affordable Housing Bond funds and the allocation of 10 Project-Based Regional Long Term Rent Assistance Vouchers to support the El Nido housing project in Lake Oswego. Funding is through the Regional Affordable Housing Bond and Supportive Housing Services Measure funds. No County General Funds are involved.**

<b>Previous Board Action/Review</b>	-Approval of Affordable Housing Bond Program IGA and Local Implementation Strategy, November 14, 2019, Agenda Item 20191114 I.3 -Allocation of Regional Affordable Housing Bond Funds to this Project at Policy Session, September 13, 2023		
<b>Performance Clackamas</b>	This item aligns with the strategic priority to ensure safe, healthy, and secure communities by providing sustainable and affordable housing.		
<b>Counsel Review</b>	Yes, Paul Dagle from Elliott, Ostrander & Preston	<b>Procurement Review</b>	N/A
<b>Contact Person</b>	Devin Ellin	<b>Contact Phone</b>	(971)227-0472

**EXECUTIVE SUMMARY:** The Housing Authority of Clackamas County (HACC), a component unit within the Housing and Community Development Division of the Health, Housing and Human Services Department, is requesting approval of a resolution authorizing a loan of up to \$12 million of Regional Affordable Housing Bond Funds and the allocation of 10 project-based RLRA vouchers to the El Nido project. The Resolution designates authority to the Health, Housing, and Human Services Director, the Executive Director of the Housing Authority, and the Housing Development Director of the Housing Authority as Authorized Representatives to finalize, execute, and deliver all documents as reasonably may be required in connection with the financial closing of the El Nido project.

El Nido (formerly known as Lake Grove) is a shovel-ready affordable housing project being developed in the sought-after Lake Grove neighborhood of downtown Lake Oswego. This project was selected in collaboration with the City of Lake Oswego to transform the former construction staging site into much-needed affordable housing. This 55-unit property will provide high-quality, stable housing for households earning at or below 60% of the area median income (AMI). 20 homes will be reserved at the deeply affordable 30% AMI level, including 10 Permanent Supportive Housing (PSH) units, which will be supported with project-based RLRA rental assistance vouchers and comprehensive wraparound services from New Narrative

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provided by Supportive Housing Services (SHS) funding.

Designed to serve a diverse range of families, El Nido will provide 28 one-bedroom, 22 two-bedroom, and five three-bedroom apartments. The project team will promote housing equity through targeted outreach to BIPOC communities. The goal is to create opportunities for families who have faced historical barriers to housing access and support their efforts to establish stability in this high-opportunity neighborhood.

The project strives for Earth Advantage Gold Certification or higher, featuring high-efficiency mini-split heat pump heating and cooling in every unit, EV charging stations, and an on-site solar array expected to offset approximately two-thirds of the building's total electricity use. The property owner will cover all electric utilities, thereby reducing housing costs for residents. In addition, residents will have access to a multipurpose community room that will be used for life-enriching resident services and programs offered by Hacienda.

El Nido will be a valuable community asset, providing housing for working families who have been excluded from the high-opportunity Lake Oswego area and those who have experienced housing insecurity. Research shows that children aged 13 years and under who move to “high opportunity” areas experience a better quality of life in adulthood, including better health, education, and economic outcomes.

**RECOMMENDATION:** Staff respectfully requests that the Board adopt the Resolution authorizing a loan of up to \$12 million of Regional Affordable Housing Bond Funds, the allocation of 10 project-based RLRA vouchers, and the designation of Authorized Representatives to finalize, execute, and deliver all documents and agreements as reasonably may be required in connection with the financial closing of the El Nido project.

Respectfully submitted,



Mary Rumbaugh  
Director of Health Housing and Human Services

**ATTACHMENTS:** Resolution 1997 and Project Information Sheet for El Nido

**BEFORE THE BOARD OF COMMISSIONERS  
OF THE HOUSING AUTHORITY OF CLACKAMAS COUNTY**

In the Matter of Authorizing the Metro Bond  
Funds Loan Financing and Related Matters,  
for the El Nido Project



RESOLUTION NO. 1997

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WHEREAS, the Housing Authority of Clackamas County ("**Authority**") works to provide affordable multifamily housing ("**Affordable Housing**") for persons and families of lower income pursuant to Oregon Revised Statutes ("**ORS**") 456.005 through 456.235; and

WHEREAS, the Metro Housing Bond sponsored by Metro was approved by voters in the Metro Region in 2018 to provide funding within the Metro Region for Affordable Housing ("**Metro Bond Funds**"); and

WHEREAS, the Authority acting on behalf of Clackamas County, Oregon has been designated as the agency for the County to apply for such Metro Bond Funds and to loan such funds to developers of Affordable Housing; and

WHEREAS, El Nido Apartments Limited Partnership (the "**Partnership**") applied to the Authority for a loan of Metro Bond Funds in the amount up to Twelve Million Dollars (\$12,000,000) (the "**Metro Bond Funds Loan**") to be used in connection with the development of El Nido Apartments, with a property address of 5110 West Sunset Drive, Lake Oswego, Oregon 97035 (the "**Project**"); and

WHEREAS, the Authority has applied to Metro to be allocated Metro Bond Funds in the amount up to Twelve Million Dollars (\$12,000,000) to be loaned to the Partnership to use in connection with the development of the Project; and

WHEREAS, subject to the approval of Metro, the Authority desires to make a loan to the Partnership of the Metro Bond Funds in the amount of up to Twelve Million Dollars (\$12,000,000); and

WHEREAS, the Partnership has requested the award of up to ten (10) Project-Based Regional Long-Term Rental Assistance Vouchers ("**Project-Based RLRA Vouchers**") in connection with the development of the Project; and

WHEREAS, the Authority desires to award up to 10 Project-Based RLRA Vouchers to the Partnership upon its completion; and

WHEREAS, the Authority desires to enter into Agreement to Enter into a Regional Housing Assistance Payments Contracts (the "**ARHAP Contract**") which will provide that upon timely completion of the Project, the 10 Project-Based RLRA Vouchers will be awarded pursuant to the Project-Based RLRA Program Regional Housing Assistance Payments Contract (the "**RHAP Contract**");

NOW, THEREFORE, THE AUTHORITY ADOPTS THE FOLLOWING RESOLUTIONS:

Section 1. Approve Metro Bond Funds Loan to the Partnership.

BE IT RESOLVED, that the Authority is authorized to negotiate, execute and deliver on behalf of the Authority the Metro Bond Funds Loan Documents listed on the attached **Exhibit A** (whether bearing the name listed or names to similar effect) and such other documents as reasonably may be required in connection with the Metro Bond Funds Loan all in the form approved by any single Authorized Representative (such approval to be conclusively demonstrated by the signature of any single Authorized Representative on such documents).

Section 2. Approve Award of 10 Project-Based RLRA Vouchers.

BE IT RESOLVED, that the Authority is authorized to award ten (10) Project-Based RLRA Vouchers to the Partnership (the “**Project-Based Vouchers**”); and

BE IT FURTHER RESOLVED, that the Authority is authorized to negotiate, execute and deliver on behalf of the Authority the ARHAP Contract and the RHAP Contract with the Partnership relating to the Project-Based Vouchers listed on the attached **Exhibit A** (whether bearing the name listed or names to similar effect) and such other documents as reasonably may be required in connection with the award of the Project-Based Vouchers all in the form approved by any single Authorized Representative (such approval to be conclusively demonstrated by the signature of any single Authorized Representative on such documents).

Section 3. Delegation.

BE IT RESOLVED, that the Executive Director of the Authority, the Director of Health, Housing and Human Services, and the Director of Housing Development is each an Authorized Representative, as that term is used in these Resolutions, and each may individually, on behalf of the Authority, and without further action by the Board, finalize the terms of, execute, acknowledge, and deliver the actions and documents authorized herein.

Section 4. General Resolutions Authorizing and Ratifying Other Actions.

BE IT RESOLVED, that any Authorized Representative is authorized to negotiate, execute and deliver on behalf of the Authority such other agreements, certificates, and documents, and to take or authorize to be taken all such other actions any Authorized Representative shall deem necessary or desirable to carry out the transactions contemplated by the foregoing resolutions (such determination to be conclusively demonstrated by the signature of any single Authorized Representative on such document); and

BE IT FURTHER RESOLVED, that to the extent any action, agreement, document or certification has heretofore been taken, executed, delivered or performed by an Authorized Representative named in these Resolutions on behalf of the Authority to carry out the transactions contemplated by the foregoing resolutions, the same is hereby ratified and affirmed.

NOW, THEREFORE, BE IT RESOLVED, that the Chair or one of the Directors may finalize negotiations, execute, acknowledge and deliver the Documents and any other documents and take any actions that are necessary or desirable to complete the Documents, this Resolution and Order.

DATED THIS \_\_\_\_ DAY OF \_\_\_\_ 2025

BOARD OF COMMISSIONERS FOR THE  
HOUSING AUTHORITY OF CLACKAMAS COUNTY

\_\_\_\_\_  
Chair

\_\_\_\_\_  
Recording Secretary

## **EXHIBIT A**

### **Metro Bond Funds Loan Documents**

1. Loan Agreement (El Nido)
2. Metro Bond Program Promissory Note (El Nido)
3. Line of Credit Trust Deed, Security Agreement, Fixture Filing and Assignment of Leases and Rents (El Nido)
4. Regulatory Agreement (El Nido)
5. Replacement Cost and Capital Improvements Agreement (El Nido)
6. Priority and Subordination Agreement (El Nido)

### **Project-Based RLRA Documents**

1. Draft Agreement to Enter into a Regional Housing Assistance Payments (ARHAP) Contracts and any applicable Riders
2. Draft Regional Housing Assistance Payment Payments (RHAP) Contracts and any applicable Riders

### **Other Related Documents**

1. Any other documents that are necessary or desirable to be executed and delivered in connection with the Metro Bond Funds Loan as determined by the Executive Director of the Authority; and
2. Any documents that are necessary or desirable to be executed and delivered in connection with the closing of the term loan and repayment of the construction loan pursuant to the provisions of the loan documents as determined by the Executive Director of the Authority.



## AT A GLANCE

**Total unit count:** 55

**Regional Affordable Housing Bond funds:** \$12 million

**Bond funds per unit:** \$218,181

**Project type:** New Construction

**Sponsor:** Hacienda Community Development Corporation

**Architect:** Mackenzie Inc. & Access Architecture

**General contractor:** Colas Construction Inc.

**Service Partners:** Hacienda Youth and Family Services and New Narrative

**Funding:** Low Income Housing Tax Credits, OR-MEP, Regional Affordable Housing Bond, Project-based RLRA vouchers, Federal Energy Tax Credits, Private funding, City SDC Waiver

**Proposed Construction Start:** Summer 2025

**Anticipated completion:** Fall 2026

# El Nido

*5110 West Sunset Drive - Lake Oswego – Hacienda CDC*

El Nido is proposed on a site that was recently used for construction staging at the intersection of Boones Ferry Road and West Sunset Drive in the City's Lake Forest Neighborhood and falls within the West Lake Grove Design District. The City has identified the roughly 1.4-acre Property as a suitable location for the development of multi-family affordable housing. Through partnership with the Housing Authority of Clackamas County, the City of Lake Oswego, Metro, and with targeted outreach to communities of color, we anticipate serving a mix of families with ten units serving individuals or families experiencing homelessness and/or facing imminent displacement who need permanent supportive housing (PSH).

Hacienda proposes (55) units from one-, two-, and three-bedrooms, including (1) unrestricted manager unit and (10) units of PSH serving families who have experienced houselessness or are at risk of becoming houseless, with the remainder of units serving residents making 60% AMI or below. The ground floor will be comprised of communal spaces including a lobby, support service offices, and a community room with a kitchen to host life-enriching and supportive workshops.

Beyond various passive sustainable strategies, the project will pursue energy renewable systems including a roof-top solar array, EV parking spaces, and 40% EV-ready parking stalls. Other proposed building systems and appliances will seek to be all electric, eliminating natural gas from the project.

Our network of support services will also enhance livability in this community by providing a holistic approach to resident's needs. Hacienda, being both a developer and service provider, experiences first-hand what the residents need to achieve their goals. Paired with the strengths of New Narrative, our supportive services project partner, we will be able to establish a supportive network of clinicians, resident service coordinators, and property managers to work for and with the community intentionally.

## Development program

El Nido is 55 units of new affordable housing and includes 10 units supported with project-based RLRA vouchers.

Unit size (no. of bedrooms)	No. of units	AMI%	PSH/ Subsidy	Square feet/unit	Gross rent/unit Including Subsidy
One bedroom	5	30%		~535	\$663
One bedroom	5	30%	RLRA	~535	\$1,770
One bedroom	18	60%		~535	\$1,327
Two bedroom	5	30%		~720	\$796
Two bedroom	5	30%	RLRA	~720	\$2,124
Two bedroom	11	60%		~720	\$1,593
Two bedroom / Managers unit	1		-	~720	
Three bedroom	5	60%	-	~1047	\$1,841
Total	55		10		

## Amenities

- Public transit within a minute's walk
- Elementary Schools within 2 miles
- Grocery store within 1/2 miles
- Downtown Lake Oswego within 5 miles
- West Waluga Park and Lamont Spring City Park and within 1/2 mile
- On-site bike parking
- On-site community room and kitchen
- On-site management and service offices
- Outdoor nature-based playground and native-plant gardens
- On-site public art plaza
- Whole-building heating and cooling
- Solar Array ready at minimum
- 40 parking stalls (4-EV chargers and 16-EV ready)
- Pursuing Earth Advantage Multifamily Certification (gold minimum)

