

Hillside Park Affordable Housing Development Opportunity



REQUEST FOR EXPRESSIONS OF INTEREST for THE REDEVELOPMENT OF HILLSIDE PARK

January 24, 2022



Responses received prior to March 4, 2022 will be included for initial consideration

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Authority Contact

For more information, or for all questions related to this Request for Expressions of Interest (RFEI), please email: HillsideMasterPlanInfo@clackamas.us . All other communication forms will be disregarded.

1. Introduction & Overview

Introduction

The current project is an existing 100-unit Public Housing complex situated in the City of Milwaukie, Oregon. The property currently targets individuals and families earning 30% or less of the area median income. The site also incorporates Hillside Manor, an existing 100-unit high-rise that recently completed a substantial rehabilitation under the HUD Rental Assistance Demonstration program. The Hillside Manor site has a distinct legal description and is excluded from the master planned redevelopment detailed herein.



Clackamas County & Housing Authority Overview

Clackamas County is both a rural and suburban county located on the southeastern edge of Portland, Oregon. Clackamas County, in north central Oregon, is one of the four counties that make up the Portland, Oregon, metropolitan area. Its boundaries extend from the City of Portland to the Mt. Hood National Forest. It is bounded by Multnomah County to the north, Wasco County to the east, Marion County, home of the State capitol, to the south, and Yamhill and Washington counties to the west. Clackamas County is Oregon's third-most populous county with a population of approximately 423,000 people. The County spans nearly 1900 square miles and is roughly equivalent to the size of the state of Delaware.

The eastern half of the County is primarily rural with its main industries in the forest products, agricultural, and tourism sectors. By comparison, the western side of the County is within the regional urban growth boundary (UGB) and is largely suburban with industrial and light commercial transit and commerce corridors.

The Housing Authority of Clackamas County (the Authority) has been providing affordable housing and community services to Clackamas County's most vulnerable residents since 1938. The Authority's mission is to expand the supply of affordable housing to break the cycle of poverty while improving the quality of life for the entire community. The Authority's portfolio consists of 1224 units including 445 units of public housing.

Hillside Overview

The 16.16 acre Hillside housing complex originally included two public housing developments, Hillside Manor and Hillside Park. The rehabilitation and restructuring of Hillside Manor was the first property in the Authority's portfolio to transition from public housing into a mixed-finance model. In early 2020, the Authority submitted a blended RAD/Section 18 application to HUD to convert Hillside Manor, a 9-story tower, from public housing to housing financed with Low Income Housing Tax Credits (LIHTCs) and supported by project-based rental assistance. The application was approved by HUD and the Manor was partitioned from the Hillside Park property. The rehabilitation project was completed in September 2021.

Hillside Park is the low-density public housing community surrounding Hillside Manor. Hillside Park is comprised of 100 single-story, single family units and duplexes, built in the early 1940's, dispersed throughout the ~13.7 acre site. The aging units at Hillside Park have exceeded their useful life and the Housing Authority is opting to redevelop Hillside Park through HUD's Section 18 program.

In 2018, the Authority commenced a Master Planning process that envisioned the redevelopment of Hillside. This planning process engaged residents and community members, who helped develop a vision for a vibrant mixed-use, mixed-income community. The final Master Plan proposes to demolish and rebuild the existing affordable housing at Hillside Park and provides the opportunity to develop up to 400 units of additional housing, creating opportunities for expanded housing choice and type. It is anticipated that existing residents will be relocated until replacement units are available on the site and given first choice to move back if desired.

In late 2020, the Authority submitted a land use application to the City of Milwaukie seeking to rezone the site to allow for increased density and mixed-use housing. In November 2021, the Authority's land use application was approved and the final decision on the Planned Development was adopted by Milwaukie City Council.

Development Offering Overview

This Request for Expressions of Interest (RFEI) sets forth the Authority's intentions for this project, including the selection criteria and selection process. This RFEI is intended to provide flexibility. The Authority is not seeking detailed proposals for the site at this time, although it will not reject any specific proposals that may be put forward. Rather, the Authority seeks expressions of interest from developers, business owners, or others who may have viable ideas for the site and the ability to bring ideas to fruition. Based on the responses to this RFEI, the Authority intends to select a party with whom it will enter into exclusive negotiations.

The Authority is open to a broad range of structures, but all proposals must comply with the City of Milwaukie's approved Master Plan. The Authority is also open to a broad range of possible deal structures — outright purchase, land sale contract, ground lease, lease with an option to purchase, and so forth. The Authority will place a preference on deal structures that allow for retention, reversion, or reacquisition of Authority ownership.

Submittal and Review Process Overview

The Authority has identified criteria it will consider when evaluating responses to this RFEI, particularly each proposal's responsiveness to the Authority's objectives set forth in Section 3.

There is no formal deadline for submittals—the Authority is willing to entertain any response at any time until it enters into exclusive negotiations. However, the Authority is interested in timely action, and strongly suggests that interested parties submit a response to this RFEI no later than Friday, March 4, 2022 at 4 p.m.

Address RFEI responses and questions to: HillsideMasterPlanInfo@clackamas.us

Authority staff are not available to meet with interested parties ahead of the suggested submittal deadline (March 4th). The Authority will, however, meet with interested parties after the initial review of proposals to answer questions about this RFEI, to discuss goals and expectations, and potential partnership arrangements.

The Authority reserves the right to cancel or postpone this RFEI at any time and for any reason.

2. Development Offering

Development Offering Overview

The Authority seeks expressions of interest for the redevelopment of the site in a way that supports the City approved Master Plan vision for the Hillside Park development. The Authority is open to a wide range of transaction structures.

Innovative Concepts Encouraged

The Authority has not identified a specific required development structure for the property but is instead seeking developers/business owners with a proven track record who can provide a compelling development concept and business plan that contributes to the City's Master Plan objectives as set forth in Exhibit 3. The Authority is very intentional in utilizing the approach set forth in this RFEI. This approach is flexible and does not require a complex or expensive response on the part of prospective respondents. The Authority does not expect prospective respondents to incur considerable costs in responding to the RFEI—rather, the Authority is looking for creative responses and approaches.

Prospective respondents to this RFEI are to direct any questions about this possibility to HillsideMasterPlanInfo@clackamas.us (see contact information on page 4), who will coordinate communications during the RFEI review and evaluation process.

Flexible Deal Structures Considered

The Authority is open to a range of possible deal structures for the project. The Authority will place a preference on deal structures that allow for retention, reversion, or reacquisition of Authority ownership. The following is a list of possible deal structures. This list is not intended to be exhaustive, nor is there any priority in the order of ideas listed:

- Sale: The Authority could sell the property to the selected respondent, either for cash, or seller-financed (contract purchase). The project includes certain requirements mandated by HUD regarding the sale of the property. Any sale must be substantiated by an appraisal and may not be sold at less than fair market value unless those units include a commensurate public benefit.
- Lease: The Authority could enter into a long-term lease agreement with the respondent. Such a lease agreement might include an option-to-purchase.

Potential Authority Assistance

The Authority may, in its sole discretion and subject to availability of funding, provide assistance towards a proposal. The following is a list of forms of assistance that the Authority is willing to consider. This list is not necessarily exhaustive, nor is it in any order of priority or certainty. It will be up to the developer to determine any legal or feasibility impacts regarding receipt of any funds or assistance.

- Metro Bond Financing: The Authority will consider providing up to \$36MM in Metro Bond funding set aside for the project. The Authority will ultimately determine eligibility and allocate the funds, however these funds have been set aside for potential use at Hillside Park. Interested developers should make underwriting assumptions regarding set asides and eligibility for Metro Funds.
- Development Code/Master Plan Modifications: The Authority anticipates that the successful respondent to this RFEI may propose a design, use or activity that requires modifications to the City's approved Master Plan. The Authority is prepared to work with the selected respondent to this RFEI to consider options to address any such modifications.
- Community Relations Assistance: There is strong community interest in what occurs on this property, in the context of a larger community desire to bolster a stronger community identity and a sense of place at Hillside Park. The Authority will work closely with the selected respondent to coordinate communications with the community.
- Tax Exempt Bond Financing: The Authority anticipates that the respondent may consider the use of Tax-Exempt financing with 4% Low-Income Housing Tax Credits. If selected, the Authority will work with the respondent to secure bond cap necessary for the project and issue the Tax-Exempt Bonds.
- Assistance in Securing Other Financing Sources: The Authority will consider assisting the respondent in securing other financing for the project— including, but not limited to, City funding, Congressionally Directed Spending, and other State, County or Local resources.



3. Selection Criteria & Process

Selection Criteria

The following are the criteria that the Authority will use in evaluating responses to this RFEI. Note that depending on the nature of any particular proposal, not all of these criteria may apply.

- The project supports up to 500 new dwelling units (100 replacement + 400 new) consistent with the Master Plan.
- The project includes modern amenities and recreation areas comparable to market rate housing
- Increased open space and outdoor recreation areas with a pedestrian focus.
- Proposed project financing can achieve debt service coverage of 1.20 or better utilizing projected rents and market expenses.
- The project demonstrates high- quality design and construction— even for temporary uses.
- Project is ultimately held in the public trust through retention, reversion, or reacquisition of Authority ownership
- The economic feasibility of the project.
- Promotes cost efficient development.
- Capacity of the respondent to have the project underway as soon as reasonably possible.
- Reduces the Authority's cash requirements to the greatest extent feasible
- The level and nature of proposed Authority participation
- The respondent demonstrates past experience with "Mixed Income" Master Planned Developments.
- The respondent demonstrated specific experience and relationships working with Housing Authorities.
- The project will be developed and operated in compliance with all applicable federal, state, or local laws and regulations.

Upon receiving responses to this RFEI, the Authority may, in its sole discretion, elect to proceed in any of the following or possibly other directions:

- The Authority may (but is not required to) appoint an ad-hoc Selection Advisory Committee (SAC) to review responses and provide input to the Authority.
- The Authority may also retain one or more consultants to assist in evaluating responses.
- The Authority may select a "short list" of respondents for a second round process, which might entail interviews, a formal Request for Proposals (RFP) process, or some other means of selection.
- The Authority may opt to select a single respondent, without going to a second-round process, and negotiate the terms of a transaction with that respondent.

- The Authority reserves the right to negotiate with one or more respondents during the selection process to refine a respondent's concept.
- The Authority may opt to reject any or all proposals and cancel this RFEI.

Post-Selection Process

Upon selection of a respondent or respondents, the Authority may enter into exclusive negotiations with the selected respondent(s), providing for a defined time period during which the parties will attempt to negotiate the terms for a transaction. During this period, the Authority will work with the selected respondent to refine its general approach. The Authority anticipates that during this period the program, deal structure, financing, composition of the team, or other components may be modified as a more solid proposal is developed. The Authority may, at any time and in its sole discretion, cease negotiations with the selected respondent or respondents.

During this post-selection, but pre-development phase, the Authority may negotiate a Memorandum of Understanding (MOU), term sheet, or other agreement with the selected respondent, setting forth in non-binding terms the financial, programmatic, and other general aspects of the project. This agreement will also serve as the basis for the negotiation and execution of a subsequent binding agreement (which may take any of several forms, to be determined as a result of the negotiations). The final, binding document(s) will govern the final disposition of the property, setting forth the terms of the transaction.

The agreement will include provisions reserving to the Authority the right to terminate negotiations with the selected respondent, if the Authority in its sole discretion determines that negotiations during the pre-development phase are not progressing in a satisfactorily and/or timely manner. Should this occur, the Authority would then engage with another respondent.

All agreements are contingent upon written approval by the Board of Commissioners of the Housing Authority of Clackamas County.

Anticipated Schedule

| | |
|--------------------------------------|--|
| <u>January 24, 2022</u> | Issuance of RFEI |
| <u>February 11, 2022</u> | Deadline to request clarifications to RFEI |
| <u>February 18, 2022</u> | Authority responses to requests for RFEI clarifications posted on website |
| <u>March 4, 2022 by 4:00 PM</u> | Soft deadline for RFEI submissions (see Section 1) |
| <u>By March 11, 2022 (tentative)</u> | Authority completes preliminary evaluation of submissions; decision regarding next steps (short list interviews, etc.) |
| <u>By March 18, 2022 (tentative)</u> | Preliminary selection of respondent(s), pending further negotiations |

4. Submission Format & Content

Preferred Format

Responses of 15 pages or less are preferred, not including letters of reference, samples, financial documents, etc. Letter (8 ½ x 11") size is preferred. Tabloid (11 x 17") size is acceptable for drawings. Proposals are to be submitted electronically. Hard copies will not be accepted.

Recommended Content

1. Cover Letter

- a. Briefly introduce the development team and describe its interest in the site.
- b. Summarize the potential development program, design concept, deal terms, timing, and expectations of the Authority.

2. Proposal

- a. Describe concept for the development. This may include:
 - ❖ *Does the proposal call for alternative phasing?*
 - ❖ *What mix of uses?*
 - ❖ *Summarize key design features materials, height and density, architectural style, etc.*
 - ❖ *Does the proposal suggest modifications to the Master Plan.*
 - ❖ *Is there a specific tenant, or type of tenant, proposed for any commercial space? What, if any, public participation is anticipated in order to make the proposal feasible?*
 - ❖ *Summarize initial thoughts on the deal terms.*
- b. Provide a preliminary estimated time frame to carry out the proposed project(s). If a phased approach is envisioned, please describe.
- c. Describe how the proposal responds to the goals and selection criteria outlined in Section 5 (page 20)

3. Team and Development Experience

- a. Identify development team members and roles and describe qualifications. Provide resumes for key team members.
- b. Describe the team's previous experience working with public sector partners, including public-private partnerships and Housing Authorities.

- c. Describe the team's experience in the development of high- quality, successful projects— preferably projects similar in scope and scale to the proposed site. What is the team's recent experience with this type of development? Optional: include photos of recent similar completed projects.

4. Financial Capacity

- a. Explain the team's financial capacity and share any preliminary thoughts about financing approaches for the project ideas (depending on how refined the project ideas are at this stage), including possible equity and debt sources. Provide as much information as relevant, such as certified financial statements, to make the case that the team has the financing capacity to develop the full project site (if applicable).

Note: If necessary financial documents submitted to the Authority may be submitted physically in a separate envelope and clearly marked as confidential—the Authority will maintain the confidentiality of any such information to the extent allowed by law. These documents will not be counted against the suggested 15-page response limit.

- b. Describe any expectation for public-sector financial participation or other forms of assistance, such as assistance with permits.

5. Letters of Reference & Project Examples

- a. Respondents may submit up to four letters of reference.
- b. Respondents are also encouraged to include samples of other projects (preferably relevant to what is being proposed for the Hillside Park property).
- c. These pages will not be counted against the suggested 15-page response limit.

5. General Conditions

1. All facts and opinions stated within this RFEI and all supporting documents and data are based on information available from a variety of sources. No representation or warranty is made with respect thereto.
2. The Authority reserves the right in its sole discretion to accept any response or to reject any or all responses to this RFEI, without cause.
3. The Authority reserves the right in its sole discretion to modify the selection process or other aspects of this RFEI, including canceling the RFEI without selecting a developer or project team. The Authority will take reasonable steps to ensure that any modification or clarification to the RFEI shall be distributed in writing to all persons who have requested a copy of the RFEI.
4. The Authority reserves the right to request additional information following review of the initial RFEI response submission. In addition, the Authority may retain one or more consultants to assist in the evaluation of submissions.
5. In the interest of a fair and equitable selection process, the Authority reserves the right to determine the timing, arrangement, and method of any presentation throughout the selection process. Respondents are cautioned not to undertake any activities or actions to promote or advertise their proposals except during authorized presentations. However, developers and their representatives are not permitted to make any direct or indirect (through others) contact with members of the Clackamas County Board of Commissioners, Authority, Selection Advisory Committee (if established) concerning their proposals, except in the course of County-sponsored presentations. Violation of these conditions is grounds for disqualification of the respondent(s).
6. All submissions shall become the sole and exclusive property of the Authority. Respondent(s) shall not copyright, or cause to be copyrighted, any portion of their submission. To the extent permitted by public records laws, the Authority will maintain the confidentiality of submissions, at least until the preliminary selection of a project team. Any proprietary financial information or other information which respondents submit will be maintained as confidential to the extent permitted under public records law. Submissions or information that respondents would like to remain confidential must be marked confidential.
7. The Authority makes no representations as to whether or not a project to be developed as a result of this RFEI, or any possible participation therein, is a "public improvement" project and as such is subject to the prevailing wage requirements of the Oregon Bureau of Labor and Industry.
8. Media releases or media contacts by the selected respondents pertaining to its selection will require prior written approval of the Authority.
9. The Authority permits the participation of real estate brokers acting on behalf of and with the authorization of teams, provided that the broker arranges for the payment of its commission or other compensation exclusively by the proposed project team.
10. The Authority reserves the right to verify and investigate the qualifications and financial capacity of any and all members of the proposing teams.
11. Respondent costs of developing a proposal or any subsequent request for information, costs of attendance at an interview (if requested by the Authority), or any other costs incurred as a result of this RFEI are entirely the responsibility of the respondent, and will not be reimbursed in any manner by the Authority.

12. By submitting a proposal, respondent certifies the following:
- i. **OREGON TAX LAWS:** Respondent certifies that, to the best of the undersigned's knowledge, respondent is not in violation of any Oregon Tax Laws. For purposes of this certification, "Oregon Tax Laws" means the tax laws of the state or a political subdivision of the state, including ORS 305.620 and ORS chapters 316, 317 and 318.
 - ii. **NON-DISCRIMINATION:** Respondent certifies that it has not and will not discriminate in its employment practices with regard to race, creed, age, religious affiliation, sex, disability, sexual orientation, gender identity, national origin, or any other protected class. Nor has respondent or will respondent discriminate against a subcontractor in the awarding of a subcontract because the subcontractor is a disadvantaged business enterprise, a minority-owned business, a woman-owned business, a business that a service-disabled veteran owns or an emerging small business that is certified under ORS 200.055.
 - iii. **CONFLICT OF INTEREST:** The undersigned hereby certifies that no elected official, officer, agent or employee of Clackamas County or the Authority is personally interested, directly or indirectly, in any resulting contract from this RFEI, or the compensation to be paid under such contract, and that no representation, statements (oral or in writing), of the County, the Authority, their elected officials, officers, agents, or employees had induced respondent to submit a proposal. In addition, the undersigned hereby certifies that any proposal is made without connection with any person, firm, or corporation submitting a proposal for the same material, and is in all respects fair and without collusion or fraud.

6. Exhibits: Background Documents

1. Development Assumptions
2. Hillside Master Plan
3. Notice of Decision
4. Survey
5. Phasing Plan
6. Hillside Master Plan Architectural Character
7. Clackamas County Local Implementation Strategy (LIS) Metro Affordable Housing Bonds
8. Metro Affordable Housing Work Plan
9. Lobbying Certificate
10. Debarment Certificate
11. Form HUD 5369-B: Instructions to Offerors Non-Construction

EXHIBIT 1 - Development Assumptions

Building Data

| Phase | Building | Market | Bedrooms | Units | SF (including circulation) | Floors | Total SF |
|-----------|----------|------------|------------|------------|----------------------------|----------------|----------------|
| 1 | A1 | 24 | One BDRM | 24 | 5,280 | 3 | 15,840 |
| 1 | A2 | 77 | One BDRM | 77 | 23,061 | 3 | 69,183 |
| 1 | A2 | | Commercial | 0 | 12,420 | 1 | 12,420 |
| 1 | B1 | | Two BDRM | 44 | 12,687 | 4 | 50,748 |
| 1 | B2 | | One BDRM | 25 | 6,152 | 4 | 24,608 |
| 1 | B2 | | Two BDRM | 39 | 9,599 | 4 | 38,396 |
| 1 | C1 | | One BDRM | 65 | 16,910 | 4 | 67,640 |
| 2 | D1 | | Two BDRM | 20 | 7,680 | 3 | 23,040 |
| 2 | D2 | | One BDRM | 12 | 3,727 | 3 | 11,181 |
| 2 | D2 | | Two BDRM | 22 | 6,833 | 3 | 20,499 |
| 2 | E1 | 69 | One BDRM | 69 | 15,515 | 3 | 46,546 |
| 2 | E1 | | Commercial | 0 | 13,816 | 1 | 13,816 |
| 2 | E2 | | One BDRM | 24 | 5,280 | 3 | 15,840 |
| 2 | F1 | | Two BDRM | 24 | 7,680 | 3 | 23,040 |
| 2 | F2 | | One BDRM | 6 | 2,063 | 3 | 6,189 |
| 2 | F2 | | Two BDRM | 10 | 3,437 | 3 | 10,311 |
| 2 | G1-6 | | Three BDRM | 16 | 12,288 | 2 | 24,576 |
| 2 | G1-6 | | Four BDRM | 11 | 11,000 | 2 | 33,000 |
| 2 | J | | PARK | 0 | 84,942 | 0 | 84,942 |
| 2 | K1 | | Three BDRM | 4 | 3,072 | 2 | 6,144 |
| 2 | K2-3 | | Three BDRM | 8 | 6,144 | 3 | 18,432 |
| 20 | | 170 | | 500 | | 184,644 | |
| | | | | | | | 531,449 |

Financial Assumptions

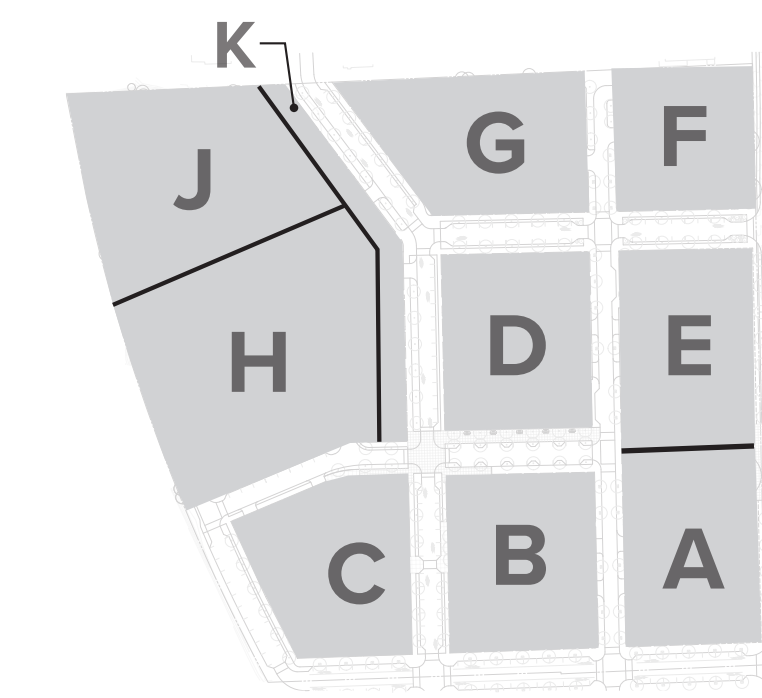
| Sources | Assumptions |
|----------------|---|
| LIHTC Equity | Assume 4% or 4% and 9% LIHTC equity for affordable developments |
| State Credit | Optional |
| Permanent Debt | Assume minimum 1.25 DCR and HACC as Bond Issuer |
| Metro Bonds | \$35M available for both phases combined - assume Metro Bond set asides |

Other Assumptions

| | |
|------------------------|--|
| Existing Land Value | \$9,250,000 |
| Demolition | Assume demolition as part of development. Land to be sold as-is |
| Relocation | Relocation of existing tenants will be borne by HACC |
| Phasing | Assume phase 2 will be occupied during phase 1 development |
| Project Based Vouchers | 100 project based vouchers will be provided to the development by HACC |

Exhibit 2

KEY PLAN



LEGEND

- parking ratio
- # of stories (res.) / over commercial
- # of units
- Building

TABULATIONS

| | | |
|--------------|-------------------|----------|
| Lot A | = 1.34 ac | 75 du/ac |
| Lot B | = 1.38 ac | 78 du/ac |
| Lot C | = 1.29 ac | 50 du/ac |
| Lot D | = 1.39 ac | 39 du/ac |
| Lot E | = 1.39 ac | 67 du/ac |
| Lot F | = 0.99 ac | 40 du/ac |
| Lot G | = 1.52 ac | 18 du/ac |
| Lot H | = 2.45 ac | 37 du/ac |
| Lot J | = 1.79 ac | 0 du/ac |
| Lot K | = 1.06 ac | 11 du/ac |
| Total | = 14.61 ac | |

| | |
|-----------------------------------|-------------|
| Hillside Manor (existing) | = 100 units |
| Hillside Park (replacement units) | = 100 units |
| Net New Units (to be developed) | = 400 units |

Grand Total = 600 units

Off-street parking* = 352 stalls

On-street parking = 138 stalls

Total = 490 stalls



HILLSIDE PARK MASTER PLAN





CITY OF MILWAUKIE

November 18, 2021

Land Use File(s): PD-2021-001; ZC-2021-001;
CPA-2021-002; S-2021-001

NOTICE OF DECISION

This is official notice of action taken by the Milwaukie City Council on November 16, 2021.

Traducciones de este documento e información sobre este proyecto están disponibles en español. Para solicitar información o preguntar en español, favor de email espanol@milwaukieoregon.gov.

Applicant(s): Jill Smith, Housing Authority of Clackamas County

Location(s): 2889 SE Hillside Ct

Tax Lot(s): 11E25CD 00100; 00102

Application Type(s): Planned Development, Zoning Map Amendment, Comprehensive Plan Map Amendment, Subdivision

Decision: Approved with Conditions

Review Criteria: Milwaukie Municipal Code:

- MMC Title 12 Streets, Sidewalks, and Public Places

Milwaukie Land Division Ordinance:

- MMC Title 17 Land Division (including Property Line Adjustments)

Milwaukie Zoning Ordinance:

- MMC Section 19.1007 Type IV Review
- MMC Section 19.311 Planned Development Zone (PD)
- MMC Section 19.302 Medium and High Density Residential Zones (including R-3)
- MMC Section 19.303 Commercial Mixed Use Zones (including GMU)
- MMC Chapter 19.500 Supplementary Development Regulations
- MMC Chapter 19.600 Off-Street Parking and Loading

- MMC Chapter 19.700 Public Facility Improvements
- MMC Section 19.902 Amendments to Maps and Ordinances

Neighborhood(s): Ardenwald-Johnson Creek; Historic Milwaukie

This notice is issued in accordance with Milwaukie Municipal Code (MMC) Section 19.1007 Type IV Review. The complete case file for this application is available for review. Please contact Vera Koliass, Senior Planner, at 503-786-7653 or koliassv@milwaukieoregon.gov, if you wish to view this case file.

Only persons who submitted comments or made an appearance of record at a public hearing on this application have standing to appeal the decision by filing a written appeal.

The final decision on this Planned Development in the form of a Final Order, including the Findings of Fact, Conditions of Approval and Other Requirements, Final Development Plan and Program, and Zoning and Comprehensive Plan Map Amendments, was adopted by Milwaukie City Council as Ordinance #2210 on November 16, 2021. A copy of the final ordinance and all exhibits is available at <https://www.milwaukieoregon.gov/ordinance-2210-adopting-hillside-development-plan-program>.

Appeals of Type IV decisions are handled by the Oregon Land Use Board of Appeals (LUBA) at: 550 Capitol Street NE, Suite 235, Salem, Oregon 97301-2552, 503-373-1265, <http://luba.state.or.us>. They can provide information regarding the timeline for filing an appeal and the proper forms and procedures.

As governed by MMC Subsection 19.311.16, if, within 12 months of its effective date, substantial construction or development in the PD Zone has not commenced on Phase 1 in compliance with the approved final development plan and program and schedule for stage completion, the Planning Commission may initiate a review of the PD Zone and hold a public hearing to determine whether its continuation in whole or in part is in the public interest. Notification and hearing shall be in accordance with Section 19.1007. If found not to be, the Planning Commission shall recommend to the City Council that the PD Zone be removed by appropriate amendment to the Zoning Map and property changed back to original zoning.

As governed by MMC Subsection 19.311.17, the total time period of construction of all phases must not exceed 7 years, as measured from the date of approval of the final development plan until the date that building permit(s) for the last phase is(are) obtained. The public infrastructure must be constructed in conjunction with or prior to each phase to the applicable City standards. Extensions to the approved time schedule are permitted subject to Subsection 19.908.

Findings in Support of Approval

The Findings for this application are included as part of Ordinance #2210:
<https://www.milwaukieoregon.gov/ordinance-2210-adopting-hillside-development-plan-program>.

Conditions of Approval

The Conditions of Approval for this application are included as part of Ordinance #2210:
<https://www.milwaukieoregon.gov/ordinance-2210-adopting-hillside-development-plan-program>.

Other requirements

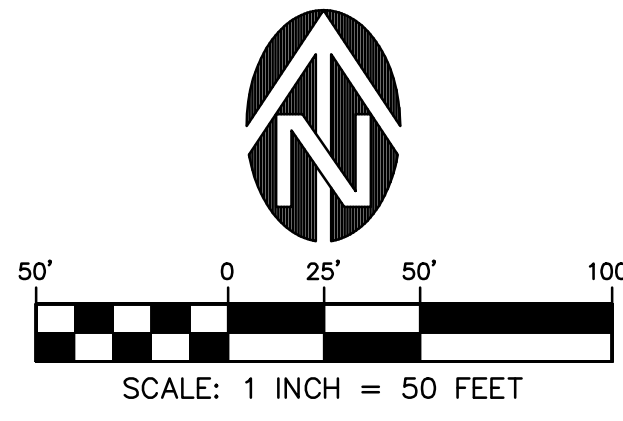
Other requirements for this application are included as part of Ordinance #2210:
<https://www.milwaukieoregon.gov/ordinance-2210-adopting-hillside-development-plan-program>.



Laura Weigel, AICP
Planning Manager

cc: Jill Smith, HACC (via email)
Devin Ellin, HACC (via email)
Debbie Cleek, The Bookin Group, applicant's representative (via email)
Planning Commission (via email)
Joseph Briglio, Community Development Director (via email)
Steve Adams, City Engineer (via email)
Peter Passarelli, Public Works Director (via email)
Engineering Development Review (via email)
Samantha Vandagriff, Building Official (via email)
Stephanie Marcinkiewicz, Inspector/Plans Examiner (via email)
Harmony Drake, Permit Technician (via email)
Valere Liljefelt, CFD#1 (via email)
Kate Hawkins, ODOT (via email)
Avi Tayar, P.E., ODOT (via email)
NDA(s): Ardenwald-Johnson Creek ; Historic Milwaukie (via email)
Interested Persons
Land Use File(s): PD-2021-001

Exhibit 4



**HILLSIDE
PRELIMINARY PLAT**
IN THE S.E. 1/4 S.W. 1/4 SECTION 25 TOWNSHIP 1 SOUTH, RANGE 1 EAST, W.M.
CITY OF MILWAUKIE, COUNTY OF CLACKAMAS, STATE OF OREGON
DATE: APRIL 23, 2021

WESTLAKE
CONSULTANTS INC.

ENGINEERING • SURVEYING • PLANNING

PACIFIC CORPUSCULE CENTER
15115 S.W. SEQUOIA PARKWAY, SUITE 150
TIGARD, OREGON 97224

(503) 684-0652
(503) 684-0157
FAX (503) 684-0157

EXISTING SITE CONDITIONS
FOR
SCOTT | EDWARDS ARCHITECTURE, LLP
SE. 1/4 S.W. 1/4 SECTION 25 T.1S. R.1E. W.M.
MILWAUKIE, CLACKAMAS COUNTY, OREGON

REGISTERED PROFESSIONAL LAND SURVEYOR

OREGON

JULY 13, 1978
LEONARD J. CHELSKY
1841

RENEWALS: 06-30-2022

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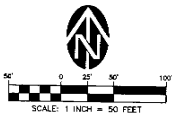


Exhibit 5

HILLSIDE
PRELIMINARY PLAT
 IN THE SE 1/4 S.W. 1/4 SECTION 25 TOWNSHIP 1 SOUTH, RANGE 1 EAST, W.M.
 CITY OF MILWAUKIE, COUNTY OF CLACKAMAS, STATE OF OREGON
 DATE: APRIL 23, 2022

WESTLAKE CONSULTANTS INC.
 ENGINEERING SURVEYING PLANNING
 1515 S.W. 20TH AVENUE, SUITE 100
 TIGARD, OREGON 97224
 (503) 684-0682
 FAX (503) 624-8127

EXISTING SITE CONDITIONS
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 SE 1/4 S.W. 1/4 SECTION 25 T.1S. R.1E. W.M.
 MILWAUKIE, CLACKAMAS COUNTY, OREGON

PROPERTY DESCRIPTION
 ALL THAT PART OF THE WILLIAM WEEK DONATION LAND CLAIM SITUATE IN SECTION 25, TOWNSHIP 1 SOUTH, RANGE 1 EAST OF THE WILLAMETTE MERIDIAN IN THE COUNTY OF CLACKAMAS AND STATE OF OREGON, DESCRIBED AS PARCEL 1 AND PARCEL 2 OF PARTITION PLAT 2020-026.

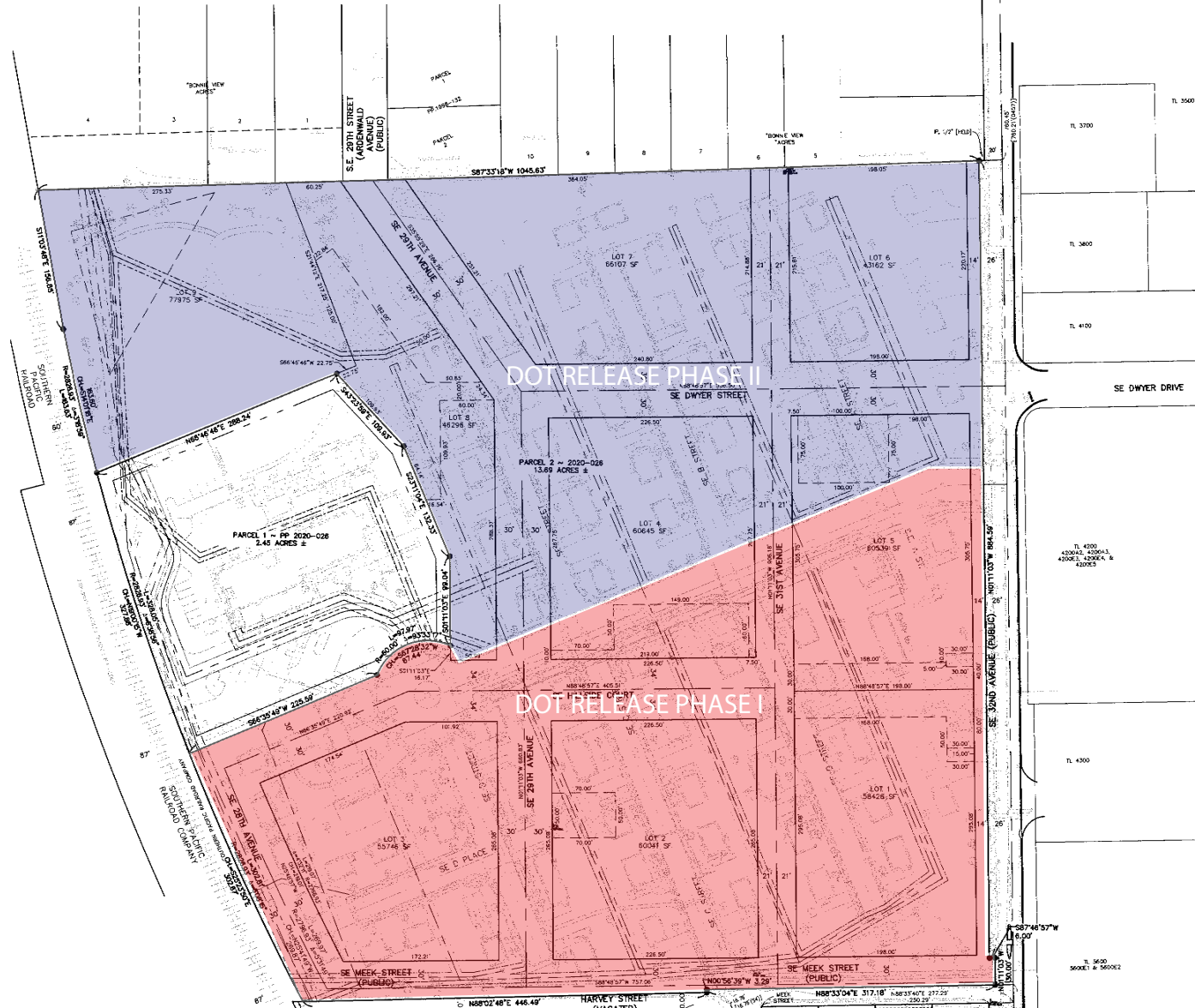
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- TELEPHONE VAULT
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- CLEANOUT
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- UTILITY STUB UP
- OVER-HEAD LINES
- SE— UNDERGROUND SANITARY SEWER LINE
- SD— UNDERGROUND STORM DRAIN LINE
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- 12" ○ DECIDUOUS TREE
- 24" ○ EVERGREEN TREE
- CONCRETE

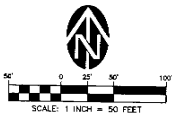
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 (503) 684-0682

REGISTERED PROFESSIONAL ENGINEER
 JULY 1979
 LICENSE NO. 12345
 REVIEWED BY: [Signature]
 DATE: 04-23-2022

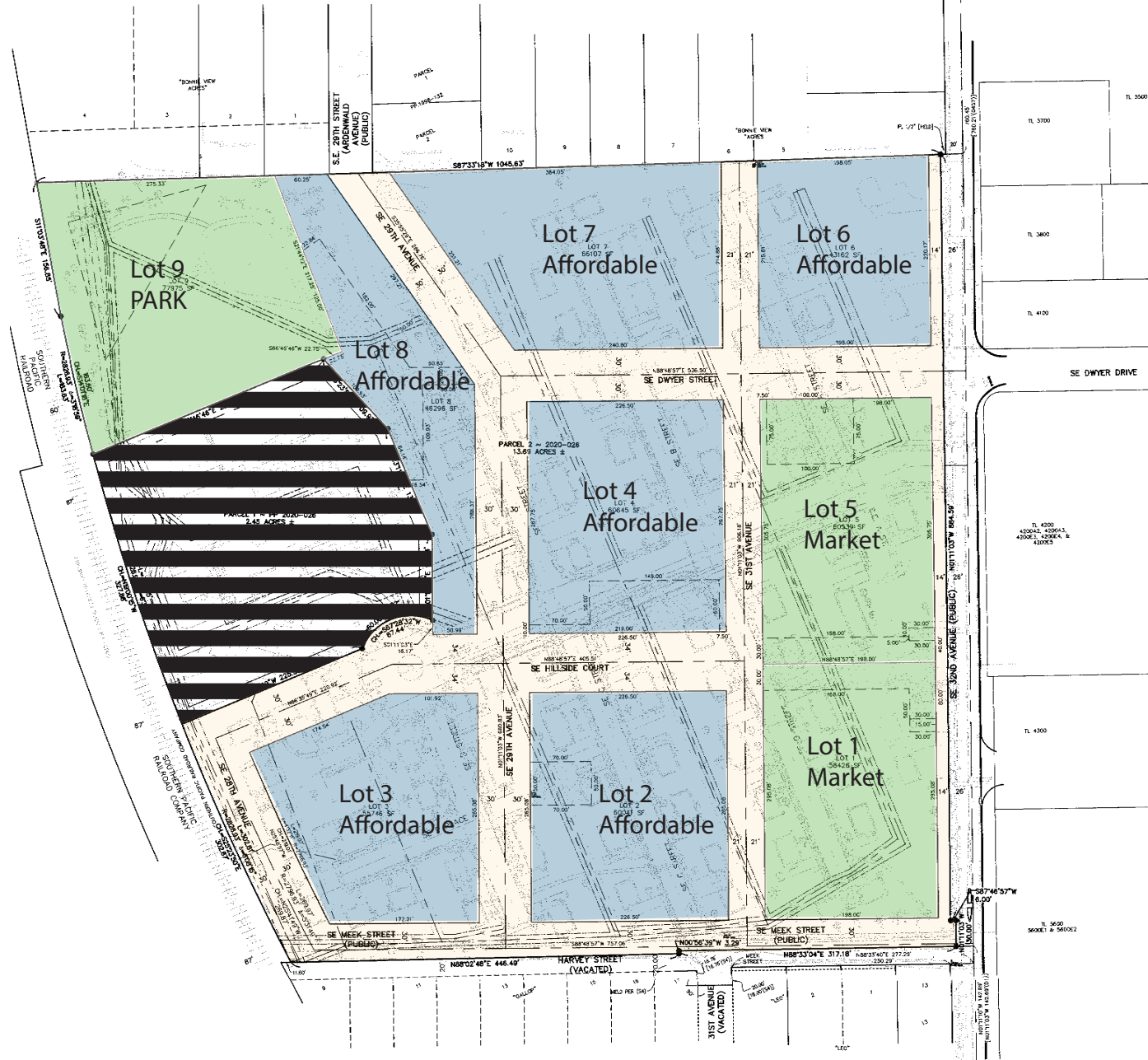
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HILLSIDE PRELIMINARY PLAT
 IN THE SE 1/4 S.W. 1/4 SECTION 25 TOWNSHIP 1 SOUTH, RANGE 1 EAST, W.M.
 COUNTY OF CLACKAMAS, COUNTY OF CLACKAMAS, STATE OF OREGON
 DATE: APRIL 23, 2022



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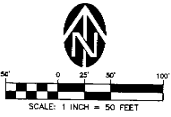
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- DECIDUOUS TREE
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- CONCRETE

EXISTING SITE CONDITIONS FOR
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 SE 1/4 S.W. 1/4 SECTION 25 T1S, R1E, W1M.
 MILWAUKEE, CLACKAMAS COUNTY, OREGON

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HOUSING AUTHORITY OF THE COUNTY OF CLACKAMAS
 SURVEYED BY:
WESTLAKE CONSULTANTS, INC.
 1515 S.W. TIGARD PARKWAY, SUITE 100
 TIGARD, OREGON 97224
 (503) 684-0682

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HILLSIDE
PRELIMINARY PLAT
 IN THE SE 1/4 S.W. 1/4 SECTION 25 TOWNSHIP 1 SOUTH, RANGE 1 EAST, W.M.
 COUNTY OF CLACKAMAS, COUNTY OF CLACKAMAS, STATE OF OREGON
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WESTLAKE CONSULTANTS INC.
 ENGINEERING + SURVEYING + PLANNING
 13315 S.W. TIGARD PARKWAY, SUITE 100
 TIGARD, OREGON 97224
 (503) 684-0682
 FAX (503) 624-8187

EXISTING SITE CONDITIONS
 FOR
SCOTT | EDWARDS ARCHITECTURE, LLP
 SE 1/4 S.W. 1/4 SECTION 25 T1S R1E W1M
 MILWAUKIE, CLACKAMAS COUNTY, OREGON

REGISTERED PROFESSIONAL ENGINEER
James M. Kelly
 JULY 05, 1979
 LICENSE NO. 11515
 REVIEWED: 04-29-2022

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 TIGARD, OREGON 97224
 (503) 684-0682



Architectural Character: Hillside Master Plan, Milwaukie, Oregon

Architectural character is defined by those special physical characteristics of a building or place such as a neighborhood that sets it apart from other buildings and its surroundings and contributes to its unique individuality.

Hillside Neighborhood's desirability will be measured in part by the diverse architectural character that is expressed throughout the community. Each building comprising the neighborhood shall be designed in context realizing that building massing and scale, roof lines, building modulation, and architectural character all contribute to the way this area will look, feel, and function for generations. Architects, builders, and developers are encouraged to carefully combine a variety of appropriate architectural styles to create neighborhood that feels natural to the region in character yet allows for variety and interest.

North Section

Bridging Neighborhoods

The north section of the site is adjacent to the Ardenwald neighborhood, which is comprised of single family homes and multi-family housing. Ardenwald community members voiced a preference for low-density housing adjacent to the neighborhood. To accommodate this request, two and three-story townhomes and low-density, three-story walk-ups comprise the North Section.

Buildings in this section of the master plan are encouraged to aesthetically reflect a transition and connection between the existing scale, massing, and material qualities of the homes to the north, and the larger multifamily apartment buildings in the Center Section of the site.

Building Attributes:

- K Building
 - 2-story townhouses
 - Ground floor residential units with garden front yards
 - Pitched roofs
 - Low Density building

- G Buildings
 - 2 and 3-story townhouses
 - Ground floor residential units with garden front yards
 - Pitched roofs

- F Buildings

- 3-story Walk-up Apartment buildings: Ground floor residential units with garden front yards, open common stairwell
- Pitched roofs
- Medium Density building

Center Section

The Heart

In the center section, a plaza adjacent to the A and E buildings, draws the pedestrian into the heart of the site. A public plaza and grove of trees offer seating and respite from the sun and connects to transportation, while also remaining flexible enough to host community events like farmer's markets or craft fairs. A dedicated play area adjacent to building E1 would serve the lower density buildings to the north, and also be next to parking fields tucked behind the buildings. An open lawn area with nearby community garden beds anchors the Center Section as a dedicated public amenity.

Raised intersections at Hillside and 29th, Hillside and 31st, promote maximum accessibility and encourage walking through the site from east-west. Hillside Ave. is on axis with the existing Hillside Manor building, offering those residents easy access to these new community amenities as well.

Buildings in this section of the master plan are encouraged to aesthetically reflect the vibrant and energetic energy that the gathering, play, and community-focused elements bring to the geographic center of the community. A denser urban environment will be reflected in the landscaping as well as the definition between public space and private space. Expansive views inside buildings looking out to gathering and play spaces are encouraged. Maximum pedestrian ground floor connection to parking fields and sidewalks is desired. Commercial space adjacent to the plaza that are food/retail focused are encouraged as well, with entrances on both east and west sides of building.

Building Attributes:

- K Buildings
 - 3-story townhouses
 - Ground floor residential units with garden front yards
 - Pitched roofs
 - Low Density buildings
- D Buildings
 - 3-story Walk-up Apartment building: Ground floor residential units with garden front yards, open common stairwell
 - Pitched roofs
 - Medium Density building
- E Buildings
 - E1: Mixed use – commercial use on ground floor, residential units on 3 upper floors
 - E2: 3-story apartment building with ground floor residential units with garden front yards
 - Flat Roofs / Parapets
 - High Density building

South Section

The Hub

The south section of the site is thought of as the “hub”, reflecting the already existing General Mixed Use (GMU) zoning to the south of the master plan property line. The GMU zone allows 4-6 story buildings with a variety of commercial uses and housing, and this section of the site continues the zoning qualities of the larger, denser GMU building scale and urban feel.

Building Attributes:

- C1 Building
 - 4-story apartment building with ground floor residential units including garden front yards
 - Flat Roofs / Parapets
 - High Density building

- B Buildings
 - B1, B2: 4-story apartment buildings with ground floor residential units including garden front yards
 - Flat Roofs / Parapets
 - High Density buildings

- A Buildings
 - A1: 3-story apartment building with ground floor residential units including garden front yards
 - A2: 4-story mixed use building – commercial use on ground floor, residential units on 3 upper floors
 - Flat Roofs / Parapets
 - High Density buildings

Hillside PD Zone: Building Design Standards

All buildings must comply with City of Milwaukie Municipal Code, SEC 19.505 Building Design Standards.

Portions of City of Milwaukie Municipal Code, SEC 19.505 Building Design Standards (not a complete list)

19.505.1 Single-Family Dwellings and Duplexes

.... These standards are intended to promote attention to detail, human-scale design, street visibility, and privacy of adjacent properties, while affording flexibility to use a variety of architectural styles.

19.505.3 Multifamily Housing

A. Purpose

The purpose of these design standards is to facilitate the development of attractive multifamily housing that encourages multimodal transportation. They encourage good site and building design, which contributes to livability, safety, and sustainability; helps create a stronger community; and fosters a quality environment for residents and neighbors.

D. Design Guidelines and Standards

Applicable guidelines and standards for multifamily and congregate housing are located in Table 19.505.3.D. These standards should not be interpreted as requiring a specific architectural style.

19.505.7 Nonresidential Development

The design standards contained in this section are intended to encourage building design and construction with durable, high-quality materials. The design standards support development of an attractive, cohesive, and pedestrian-friendly commercial area. The design standards do not prescribe a particular building or architectural style.

- 1. The design standards in this section generally apply to the street-facing façades of new commercial, institutional, manufacturing, and mixed-use buildings within the commercial mixed-use zones.*

19.505.5 Rowhouses

A. Purpose

Rowhouses provide a type of housing that includes the benefits of a single-family detached dwelling, such as fee simple ownership and private yard area, while also being an affordable housing type for new homeowners and households that do not require as much living space. The purpose of these standards is to allow rowhouses in medium to high density residential zones. Rowhouses are allowed at the same density as single-family detached and multifamily dwellings, and the general design requirements are very similar to the design requirements for single-family detached dwellings. Two important aspects of these standards are to include a private-to-public transition space between the dwelling and the street and to prevent garage and off-street parking areas from being prominent features on the front of rowhouses.

C. Rowhouse Design Standards

- 1. Rowhouses are subject to the design standards for single-family housing in Subsection 19.505.1.*

Clackamas County
Local Implementation Strategy (LIS)
Metro Affordable Housing Bonds
+++

I. Introduction.....pg. 2

II. Strategy Development.....pg. 5

III. Implementation Phases.....pg. 6

IV. Organizational Plan for Implementation.....pg. 6

V. Project Selection Process.....pg. 7

VI. Leveraging Other Affordable Housing Resources.....pg. 9

VII. Project Selection Criteria.....pg. 11

VIII. Project Implementation.....pg. 15

IX. Reporting on the Implementation Strategy.....pg. 18

Exhibit 1 – Outreach Report.....pg. 19

Exhibit 2 – HACC Portfolio Approach (Tracking Worksheet)pg. 32

Attachment 1 – Clackamas County Metro Boundary Map.....pg. 33

I. Introduction

Clackamas County sits south of the Portland metro area in the Willamette Valley and in the shadow of Mt. Hood. Here we have national forests, hideaway lakes, winding rivers, thriving agriculture, bustling cities, and small town communities.

We're a county with a rich history dating back to 1843 when the early settlers created the four original districts that made up Oregon, naming Clackamas County after the Clackamas Indians.

Today, our county covers nearly 1,900 miles with a little more than 400,000 residents, making us the third largest county in the state by population.

More than half of our residents live in 16 cities; the rest live in unincorporated areas. We are a county of diverse and welcoming communities, where all residents are essential. Diversity, equity, and inclusion are of great importance in our county, but due to the high cost of housing and increasing wage gap, many residents increasingly struggle to remain housed.

This Local Implementation Strategy (LIS) aims to sustain Clackamas County's livability, particularly for those most in need. This LIS will serve as a guide for the county and our partnering communities as we create affordable housing using the Metro Affordable Housing Bond. As a county without entitlement cities (cities with a population of at least 50,000), all bond resources will run through the Housing Authority of Clackamas County (HACC).

Clackamas County is excited to be an implementing jurisdiction of the Metro Bonds. These resources will play a critical role in creating opportunities and will expand our cities racial and cultural and economic diversity while meeting a range of important housing needs that will provide increased stability for decades to come. Our highly skilled staff and committed elected officials will work collaboratively with our community and jurisdictional partners to expedite review periods for projects that come our way in order to capitalize on this exciting resource and get housing built as quickly as we can.

Clackamas County Housing Needs

In 2018, Clackamas County embarked on an ambitious look at a countywide Housing Needs Analysis (HNA). To undertake this endeavor required the collaboration and cooperation of all Clackamas County cities as well as our unincorporated communities. The study was contracted with ECONorthwest with the goal of developing an in-depth understanding of the housing needs in our county, as well as where we need to focus additional resources (monetary or partnership driven) to create opportunities and provide a lasting impact for residents that have been historically marginalized.

To date, Clackamas County has 2,806 existing regulated housing units within the Metro boundary. Of these regulated units there are 543 Public Housing units operated by HACC. The information below represents data provide to HACC through a county-wide Housing Needs Assessment (HNA) and is representative of **new** affordable rental housing needs.

Estimated (New) affordable rental housing needs, based on Median Family Income (MFI), forecasted for the next twenty years (2019-2039) in the urban unincorporated areas of Clackamas County.

| Unincorporated* Urban Areas | Extremely Low Income (<30% MFI Need) | Very Low Income (30-50% MFI Need) | Low Income (50-80% MFI Need) | Total affordable rental housing need between 0-80% MFI |
|-----------------------------|--------------------------------------|-----------------------------------|------------------------------|--|
| All Urban | 1,175 | 1,166 | 1,666 | 4,007 |

Source: U.S. Department of Housing and Urban Development. U.S. Census Bureau, 2012-2016 ACS Table 19001.

*The data provided is still in DRAFT form and will be updated once finalized.

Estimated rental housing needs, based on Median Family Income (MFI) forecasted for the next twenty years (2019-2039) within the Metro boundary of incorporated cities of Clackamas County.

| City* | Extremely Low Income (<30% MFI Need) | Very Low Income (30-50% MFI Need) | Low Income (50-80% MFI Need) | Total affordable rental housing need between 0-80% MFI |
|--------------|--------------------------------------|-----------------------------------|------------------------------|--|
| Gladstone | 62 | 72 | 51 | 185 |
| Happy Valley | 473 | 548 | 1,025 | 2,046 |
| Lake Oswego | 198 | 167 | 198 | 563 |
| Milwaukie | 256 | 167 | 274 | 316 |
| Oregon City | 441 | 353 | 599 | 1,393 |
| West Linn | 98 | 164 | 102 | 364 |
| Wilsonville | 333 | 592 | 347 | 1,272 |

Source: U.S. Department of Housing and Urban Development. U.S. Census Bureau, 2012-2016 ACS Table 19001.

*The data provided is still in DRAFT form and will be updated once finalized.

Available Resources and Framework Targets

This Implementation Strategy focuses on the housing that will be developed within the eligible Metro boundary in Clackamas County. Bond resources are designated for use within Metro jurisdictional boundaries and are not applicable to incorporated and unincorporated communities outside of this boundary; see Attachment 1 for a detailed map of the applicable Metro boundary for Clackamas County. Bond revenues dedicated to HACC are **\$116,188,094**. The goal for HACC is to support at least **812 units of affordable housing** in the community. These can be newly built units or existing units that are at risk of rapidly rising rents. While many of these units are expected to provide rental housing, affordable homeownership opportunities units may also be supported with the bond resources.

Recognizing that our lowest income neighbors have the greatest challenges in securing affordable housing, and consistent with the Metro Bond Framework, HACC has set a goal that at least **333** of these units will be affordable for households with incomes at or below 30% of area median income. These units may serve people with special needs as well as people who earn low wages or have fixed incomes. At least **200** of these units will be supported with rental assistance provided by HACC, allowing them to be targeted to the most fragile households. To aid this process, HACC will provide opportunity for developers to access site-based rental assistance via competitive applications at several points throughout the life of the bond. It is currently anticipated that at a minimum, 2/3 of the vouchers will be offered for use on developments that are not the redevelopment of HACC public housing sites. In order to ensure that residents are stable and secure, HACC will work with project sponsors and developers to connect social service agencies and other community partners as a link to supportive services for these affordable housing units.

Because the need for affordable housing crosses many income levels, and because serving moderate-income households can effectively provide a source of cross-subsidization for lower-income households, HACC may also explore options to include units that have rents appropriate for households with incomes from 61% to 80% of area median income. No more than **81** Bond financed units will have rents at this level. The need for affordable housing crosses income levels, and serving higher-income households can create cross-subsidization for very low-income households.

The private rental housing market has always been concentrated on small unit sizes, while the need for rental housing crosses a range of household sizes. This mismatch between need and available units is especially difficult for lower-income households. As a result, the Metro Bond Framework has set a goal that half of the units developed under the bond program must include two or more bedrooms. For HACC, this means that at least **406** units will include two or more bedrooms.

Advancing Racial Equity

The Housing Authority of Clackamas County prioritizes advancing racial equity for all its activities. This is an ongoing priority of HACC to mitigate decades of government policy from the federal to the local level that contributed to disparate outcomes for communities of color. People of color struggle disproportionately with unaffordable housing, displacement and homelessness. The implementation of the Affordable Housing Bond provides an opportunity to work to address this inequity and to meet the needs of historically marginalized communities.

Efforts and opportunities to address racial equity occur at many points in the implementation of the Affordable Housing Bond. Opportunities to advance racial equity include community engagement and plan development, project selection, the inclusion of minority businesses and workforce in the design and construction of housing, the formation of culturally specific partnerships for outreach and services, accessible tenant selection/screening criteria processes, contracting opportunities post construction, and ongoing reporting of outcomes. The specific implementation strategies HACC will employ are discussed in the various sections below.

II. Strategy Development

HACC has developed this LIS by engaging in a comprehensive outreach and review process during the spring and early summer of 2019. Meaningful community engagement is the basis for this LIS. The outreach process resulted in hearing from hundreds of community members and dozens of local stakeholder agencies and jurisdictional partners. This resulted in perspectives on housing needs across Clackamas County especially focused on special needs populations. Exhibit 1 provides a detailed report on the outreach and engagement process; the highlights are included below.

Listening Phase

To inform our LIS, Clackamas County and HACC recognize the importance of community engagement. To help us outline this process, we began active outreach efforts to inform the public about the forthcoming Affordable Housing Bond and the impact it will have on critical housing needs throughout the communities in Clackamas County. Utilizing advisory boards already in place, feedback from our County Commissioners, jurisdictional partners, and our residents, HACC established several opportunities for information sessions detailing our countywide state of housing needs and the guidelines and outcomes expected through the Affordable Housing Bond program. During these information sessions, county staff asked “key” questions of our audiences to help inform how the formation of our LIS and how best to organize implementation. Below represents findings from these sessions.

Review Draft Feedback

This LIS was drafted using the Metro Affordable Housing Bond Work Plan adopted in February of 2019, as well as with feedback from HACC Board, our Housing Advisory

Board (HAB), and feedback during various listening sessions held by HACC over several months. HACC staff will present the draft LIS to the HACC Board for feedback on June 18, 2019. At that point, the LIS draft was made available for community feedback, as well as comments from Metro staff, members of the Metro Housing Bond Oversight Committee, and community groups engaged in the Listening phase.

Local Implementation Strategy Approval

It is anticipated that a final LIS will be reviewed by the Metro Housing Bond Oversight Committee on August 7, 2019, and subsequently by Metro Council on September 5th, 2019. It will be considered by the HACC Board for final County approval on September 10th, 2019.

III. Implementation Phases

Implementation of Bond funded projects is expected to occur over a period of four to seven years. This timeline will allow for the identification of sites, securing needed resources for capital and services, forming partnerships with developers and service providers, procurement of projects through public solicitations, and completing construction. During this period, community needs and opportunities may change. New census data will become available, new community planning efforts may be initiated or completed, and new resources or opportunities may become available while other resources or opportunities may not materialize as anticipated. In addition, certain framework goals may be easily fulfilled, while others may prove more challenging. Because of the dynamic nature of this work, HACC proposes to periodically review, and potentially reset this Implementation Strategy.

HACC proposes to take a portfolio approach to implementing Bond resources, monitoring and adjusting the LIS when appropriate (Exhibit 2). Because the pace of implementation is uncertain, review points will not occur at specific points in time but instead will be based on the commitment of Bond resources to specific projects.

HACC will use Exhibit 2 as an addendum to this Implementation Strategy. As project commitments are made, the tracking worksheet will be updated to show balances of funds available and progress toward framework goals. This will provide a real-time update that can guide the selection of the subsequent projects to ensure that overall goals and resource commitments are consistent with the Metro framework. Should the tracking worksheet indicate that a modification to the adopted Implementation Strategy is advisable; the amendment process will include community outreach and engagement, review by the HAB and amendment by the HACC Board with submission to Metro for review and approval.

IV. Organizational Plan for Implementation

HACC will use a combination of staff and consultants to administer this Implementation Strategy. In-house staff will be responsible for coordinating community engagement and

outreach, project selection process, project documentation and funding processes, as well as overall program monitoring and reporting. The Housing Authority may engage consultants with expertise in financial packaging of affordable housing to review proposed projects during the selection and commitment phases. Similarly, HACC may engage consultants or collaborate with other project funders to leverage their expertise in construction management to help oversee project development.

Some aspects of implementation will require the development of new systems for HACC. Depending on the activity, HACC will either create its own tracking/compliance system or may work with Metro or other jurisdictions to create effective implementation strategies.

In addition to the county general fund, Metro has committed \$2,446,065 of one-time funds to be spent over five years to augment and support Clackamas County's development team and pre-development activities directly related to bond implementation and bond funded projects. Initially, Clackamas County anticipates that these funds will support additional staffing for our Finance and Community Development departments to implement, track and monitor bond resources over the term of the bonds. In addition, these resources will also support our ongoing community outreach engagement strategies.

V. Project Selection Process

HACC will work in partnership with developers/owners that are skilled and interested in providing affordable housing throughout the County's Metro boundary. In addition, the Housing Authority itself intends to be a developer or owner of housing funded under the Bond. HACC expects that the Bond funds may provide support for a total of approximately 8-12 projects. HACC expects that it will be the developer/owner of approximately 450 units of bond-financed housing and will use approximately \$63.9 MM or 55% of the total bond resources with the remaining balance, \$52.3MM or 45%, available for projects sponsored by non-profit or for-profit developers throughout the eligible bond boundary within the county.

HACC will establish a set of expectations for developers/owners to ensure that both the framework goals and racial equity outcomes are achieved. These are requirements that will apply to all developer/owners; they will not be competitive selection criteria. Requirements will include such things as the period of affordability, the inclusion of MWESB contractor participation in the development process, community engagement during predevelopment, and the use of best practice outreach and tenant selection criteria. The specific requirements are described in the Project Selection Criteria and Project Implementation sections below.

The Housing Authority will utilize the Clackamas County Housing Advisory Board (HAB) as a review committee. The HAB is comprised of Clackamas County residents and industry experts from the fields of affordable housing finance, resident services,

homelessness, affordable housing development, real estate management, culturally specific service providers, the elder community and the construction general contracting industry. The HAB will provide feedback to staff and advise the HACC Board regarding proposed Housing Bond projects.

Accessing Bond Resources

HACC anticipates that access to bond proceeds will occur through several processes; Notice of Funds Availability (NOFA), Request for Qualifications (RFQ) and Request for Proposals (RFP), and in select cases via negotiated or sole source agreements, are all examples of proposed bond allocation mechanisms. These various avenues for accessing bond resources are explained in greater detail below. However, in all cases in which bond resources are allocated, the selection process will include a set of expectations for all developers/owners to ensure selected projects achieve both the framework goals and racial equity outcomes. These requirements include a 60-year affordability covenant for new construction, a minimum of a 30-year affordability covenant for acquisition/rehab inclusion of minority and women-owned contractor participation in the development process and the use of best practice outreach and tenant selection criteria..

NOFA

HACC anticipates that for sites that are not part of HACC's public housing portfolio competitive NOFA processes will be used to support the release of \$52.3MM (45% of bond proceeds) for projects sponsored within the eligible boundary for Clackamas County.. A competitive NOFA is expected to be released as early as fall of 2019 providing early access to bond resources for projects that can demonstrate project readiness.

Request for Qualification (RFQ) or Request for Proposal (RFP)

HACC anticipates that many but not all sites developed throughout our public housing portfolio will be solely developed by HACC. In those instances where a site is not being developed by HACC we anticipate issuing through a competitive RFQ or RFP our intent to allocate resources from the \$63.9MM (55% of bond proceeds) set aside for this portfolio. Though subject to change, HACC anticipates that the first of our public housing redevelopments, Hillside Park in Milwaukie, will begin in 2021. Following Hillside Park, HACC expects that Clackamas Heights in Oregon City (also a public housing site) would begin its process for redevelopment approvals in 2021 with an RFP for bond resources available sometime after final redevelopment approvals have been granted.

Negotiated or Sole-Source Agreements

In some instances, HACC may choose to engage in a negotiated agreement or sole-source proposal. An example of this type may be the acquisition and rehabilitation of an existing building that provides an opportunity to further Clackamas County's affordable housing stock, or when a developer or landowner has an available site that is adjacent to publically owned property. In both described cases, time may not allow for a competitive

funding release and therefore, HACC would instead consider a rolling process for these types of developments.

In all cases, any proposed use of bond resources will be reviewed first through HACC staff and then via the Housing Advisory Board (HAB) before any recommendation to the HACC board and Metro.

An exception to this process is the Gladstone SRO affordable housing project which had been identified as a potential Bond funded project prior to the development of this LIS. This project is expected to be the first project to be funded with Housing Bond resources in Clackamas County and the reasons for being exempted from this selection process are detailed below.

Phase 1 Project – The Gladstone SRO Affordable Housing site

Consistent with Metro and Clackamas County's hopes to demonstrate timely progress in Bond implementation, HACC has identified a Phase 1 Project. The project, located in Gladstone, is the re-development of an older special needs housing site that can provide up to 45 units. HACC will be the developer/owner of the project.

The site is currently controlled by HACC and has been vacant for a number of years. It had previously been used as a nursing home and then a residential facility for youth. The site can be easily re-adapted, has good service spaces, is close to commercial services, transportation, and is affordable. The development of the Gladstone Single Room Occupancy (SRO) can fill a gap in the existing continuum of housing in Clackamas County by providing property for a singles population with deeply affordable rents and wrap around supportive services.

HACC envisions the project will provide single room occupancy units to single adults. All of the units will have tenant rents at or below 30% AMI and will have project-based rent assistance. HACC is continuing to explore whether the project would be targeted to a specific sub-population or available to a range of income-qualified singles. HACC will explore the opportunity for partnerships with service providers who may have clientele needing housing and/or providers who may have valuable services to offer to residents. The space configuration allows the possibility of locating a medical clinic on site as well as on-site food preparation services available to residents.

The bond funds in this project will be leveraged with 4% tax credits and the site is located in a qualified census tract, increasing the resources generated by the tax credits. Other leverage sources may include the Multifamily Energy Program (MEP), Permanent Supportive Housing (PSH) resources, and a permanent mortgage.

Public Housing Re-Positioning

The Housing Authority is working on master plans to re-position its existing public housing portfolio. There are currently three primary public housing sites—Hillside Park, Clackamas Heights, and Oregon City View Manor. Long-term plans for these sites may include possible sales of current land holdings associated with these sites, possible

purchases of adjacent sites and ultimately the re-development of the bulk of the existing 300 units into new communities. These projects are some of the oldest public housing in Oregon. They have a number of problems including poor physical condition, poor use of land, poor locations and over concentration of lower income households. The Housing Authority's goal is to embark on community-based input and planning exercises that result in well-built mixed-income communities with modern levels of density.

The Housing Authority expects that the new master plans will result in substantially more units of affordable housing. Use of Bond funds to support this re-positioning effort is consistent with Metro requirements that Bond financing only be used for existing affordable housing sites that are part of the redevelopment of a residential property with existing public affordability restrictions, as long as the redevelopment results in a substantial net increase in the total number of affordable homes. In such cases, Bond funds may only be used for the portion of new homes that are not replacing regulated affordable homes currently on the site. HACC expects that it will use some portion of the Bond funds in these re-development projects. While the specific sites, the number of units and characteristics of those units are not set at this time, it is expected that the projects selected for Bond funding will emphasize large family and deeply affordable units.

Should the Housing Authority identify public housing redevelopment sites under this Implementation Strategy, it will determine whether to develop/own the project themselves or to select a developer/owner; HACC anticipates acting as a developer on at least 300 of our public housing units. Should HACC decide to select a developer/owner it may use an RFQ, RFP, or sole source selection process.

Sites Identified by Metro

The allocation of Affordable Housing Bond funds includes an allocation for land acquisitions carried out by Metro rather than by the implementing jurisdictions. Metro has allocated an estimated \$12 million for acquisition in Clackamas County. We will encourage Metro to purchase sites throughout the eligible boundaries in the county to further leverage our allocation of bond funds. HACC is committed to working closely with Metro should such sites be identified. When such sites are identified, HACC and Metro plan to select a developer/owner through a competitive process.

Sites Proposed by Developers

The Housing Authority may accept unsolicited proposals from developers for projects to be funded under the Bond. Developers should be aware that, depending on progress against the Bond framework, such proposals may need to achieve specific targets for income levels, cost, unit types, geographic area, racial equity, accessibility, or other characteristics. Developer/owners are encouraged to work closely with HACC to ensure that their proposals are responsive to the evolving needs of HACC's Implementation Strategy.

VI. Leveraging Other Affordable Housing Resources

While the Metro Bond resources are substantial, in order to accomplish the unit targets of the Bond, these funds will need to be blended with other public and private funding sources, including other HACC resources. A number of principles will guide efforts to leverage the Bond funds:

- **Maximize the use of non-competitive resources.** The 4% LIHTC program is available on a non-competitive basis to provide equity for affordable housing development. This program is especially useful for larger projects or scattered site projects that can be bundled to achieve the scale desired by equity investors. Developing projects in Qualified Census Tracts (QCTs) or Difficult to Develop Areas (DDAs) can maximize the usefulness of the 4% tax credits.
- **Maximize use of private resources.** Many projects will generate sufficient rental income to be able to make debt service payments on loans from private banks. While ensuring that projects have appropriate operating budgets and reserves, private debt should be secured for projects whenever feasible. Additionally, where bonds may be used for homeownership opportunities, the owners' mortgages are an example of leveraging private sources.
- **Maximize local resources.** A variety of local resources may be available to support capital and operating expenses:
 - **Project-based rental assistance.** HACC has committed project-based rental assistance for 200 units to Bond projects. This assistance will allow residents to pay based on their household income, while the project will receive a set rental income based on the rental assistance payment standard.
 - **Property tax exemption.** For project developed/owned by HACC, it will take advantage of property tax exemption under the provisions of ORS 307.092--this is the statute that provides property tax exemptions for housing authorities. It may also consider this exemption to projects under co-development agreements with HACC.
 - **Publicly owned land.** HACC will prioritize projects developed on County/HACC-owned or other publicly owned sites. The ability of HACC or other jurisdictions to donate the full value of the sites may vary, but discounted values would likely be available.
 - **Explore other local resources.** The Clackamas County Board and HACC will work with bond-eligible jurisdictions to identify local resources that support bond financed projects in an effort to encourage bond developments in jurisdictions committed to affordable housing.
 - **Seek other existing affordable housing resources (Federal, State and County resources).** HACC recognizes that despite the substantial amount of Bond funding, projects may have financing gaps that are best filled with other traditional affordable housing program resources. Though it is not anticipated that these competitive resources will be utilized to support bond-financed

developments, sources outside the purview of HACC may be needed to complete financing packages for specific projects. In partnership with the selected developer, HACC will work with other funders in a transparent way to find the most effective and efficient way to bring these resources to Bond funded housing projects as necessary.

- **Support the pipeline of other affordable housing projects.** While much of HACC’s efforts during the implementation of the Affordable Housing Bond will be focused on moving the pipeline of Bond funded projects forward, the ongoing availability of other Federal, State, and local affordable housing resources means that there is a likelihood other projects may move forward during the same timeframe. HACC will monitor the pipeline of projects proposed and funded throughout Clackamas County and will collaborate with developers and jurisdictions throughout the county to identify the most appropriate funding packages and other support that can be allocated to those projects.
- **Funding for resident and supportive services.** HACC will work with regional and state partners to identify a consistent funding source to serve vulnerable homeless or at risk populations. It is through consistent funding of resident and supportive services that vulnerable populations can remain housed and help the project succeed financially.

VII. Project Selection Criteria and Metro Framework

HACC will consider a number of factors in the selection of Housing Bond projects. The first consideration will be how each project contributes to the accomplishment of the goals in the Metro Framework. Under the Framework, HACC has the following targets:

| Framework Targets | |
|--|-----|
| Total Units | 812 |
| Minimum number of 30% AMI Units | 333 |
| Maximum number of 61% to 80% AMI Units | 81 |
| Minimum number of 2 Bedroom & Larger Units | 406 |

HACC does not expect that each project will reflect the ratios expressed by these targets, but instead that the overall portfolio of funded projects will achieve this mix.

HACC does expect that most projects will include some units that are two bedrooms or larger. The ratio of small and large units will reflect the characteristics of the target

population of specific projects, and that in turn, should reflect characteristics of a site in terms of whether it is best suited to families with children or smaller families.

HACC does expect that most projects will include some units with rents at 30% AMI. In some cases, projects will be targeted to low wage earners, while others may be targeted to people with disabilities or other special needs, or people who have experienced homelessness. Some projects may be designed exclusively to have 30% units or have high concentrations of 30% units with corresponding supportive services.

HACC hopes to include 61%-80% AMI units when that helps to cross-subsidize lower income units or reduces the amount of Bond financing needed for the project.

HACC will focus its Bond financed affordable housing on new construction multi-family rental projects and may also consider multi-family acquisition/rehabilitation projects. Additionally, HACC is considering investing Bond resources in homeownership strategies should the right location and opportunity arise. In our community engagement, participants from communities of color strongly emphasized a desire to see Bond resources promoting access to home ownership among communities of color in Clackamas County.

Furthering Clackamas County's Affordable Housing Goals

In addition to fulfilling the LIS, HACC will work to align the affordable housing developed with the Bond to support a variety of local goals. These include:

- Working to create housing opportunities across the geographic area of this Implementation Strategy. This includes the cities and unincorporated areas of Clackamas County that are in the Metro area.
- Focusing its Bond-financed affordable housing on new construction of multi-family rental projects and explore homeownership opportunities.
- Considering acquisition/rehabilitation projects to prevent displacement.
- Geographic Goals – HACC looks to support projects in opportunity neighborhoods that have good access to transportation, commercial services, community amenities, and provide the opportunity to create inclusive mixed-income neighborhoods.
- Target Population Goals – During the Listening phase, we received reminders of the need for senior housing, family housing (to include three and four-bedroom units), housing accessible to high needs populations, housing that is compliant with the American with Disabilities Act (ADA), and housing for individuals exiting the foster care system. Due to limited resources and the small number of projects to be funded under the Bond, addressing all these needs will not be feasible, but HACC will strive to assist as many of these needs as possible. To do so, HACC will require that project sponsors of bond developments are holding at least two engagement sessions during predevelopment to actively engage with the community surrounding the sites location and to provide listening and feedback sessions to the potential residents that may live there.

- Complementing other affordable housing-related activities – The Housing Bond funds allow HACC to leverage its resources to continue its work on other affordable housing strategies and in other parts of the county that aren't eligible for Bond proceeds. These include working with property owners to identify ways to improve the housing stock while avoiding forced displacement of tenants, collaborating with market-rate developers and nonprofits to also consider development in non-Metro boundary communities, prioritizing Community Development resources to support non-Metro boundary developments, working with homebuilders to increase affordable homeownership stock.
- HACC supports the principle that housing created with the bond should maximize housing choice for tenants.

Racial Equity

HACC's approach to racial equity in project selection will take into consideration factors such as:

- Increasing affordable housing in areas with existing underserved diverse populations, especially in areas that may be subject to gentrification. Throughout our community engagement process, the needs of those historically underserved in growing areas of gentrification were heard. Priority will be placed on developments that provide by location and amenities the ability to create long-term affordable housing with the following criteria considered:
 - Providing new affordable housing in high opportunity neighborhoods and sites. This would include sites that have good access to transit (e.g. bus, rail, bike paths and pedestrian corridors), jobs, quality schools, commercial services, parks & open space, etc.
- Supporting project teams that have a proven track record of:
 - Outreach, engagement, and ensuring participation of minority and women-owned contractors in pre-development and construction of the project, as well as the ongoing 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 experienced by communities of color

HACC will prioritize projects addressing the historical racial disparity and lack of housing access and opportunity to build equity and generational wealth experienced by communities of color. Addressing these disparities may be through projects sponsored by culturally specific organizations, or projects sponsored by partnerships in which culturally specific organizations have a meaningful role in project design and operations, or sponsors that provide sufficient proof of their ability to connect with communities of color to promote housing access and/or affordable homeownership opportunities

Connection to Services

HACC expects 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 to mainstream services for which they may be eligible, empowerment services and community building activities.

Projects serving high needs populations will require robust supportive services to ensure resident stability and positive outcomes. HACC currently provides limited supportive services. HACC will work closely with other Clackamas County departments to help connect developer/owners to public and private service providers in the community to create needed partnerships. HACC will evaluate a project's target population and service plan to ensure that it is appropriate and durable. HACC will approve resident service fees in project operating expense budgets.

HACC heard throughout our community engagement with historically under-represented communities, the importance space and place play in regards to the development of a site; importance that moves a building from simply housing to a place called home. To that end, HACC will require that developers/sponsors of bond-financed units detail within their proposals and design how they intend to meet and promote community gathering space opportunities. These may be opportunities both internal to their developments or through site locations that emphasize access to community building through existing amenities such as: parks, libraries, community centers, and other place-making opportunities.

Project Cost/Leveraging Funds

HACC plans to use Bond funds to support a portfolio of projects that provide the best return on investment in the form of long-term sustainable housing. These projects will be characterized by efficient design and durable construction. They will use cost-effective green building measures to create efficient use of energy and water, and select materials to create healthy living spaces. They will be well aligned with the needs of the target households in terms of space, amenities and service requirements, and will be valuable assets in the communities in which they are located.

The blend of funding sources will have an impact on both hard and soft costs. Hard costs will be impacted by development standards of investors, lenders and other public funders. Soft costs will vary with requirements for specific legal, accounting, reserve requirements, and fees. Leverage will also be impacted by the service needs of the residents.

HACC will evaluate all proposed projects to ensure that the costs are reasonable and appropriate to the specific project. In doing this evaluation HACC will focus on the amount of Bond funds needed rather than the total development costs of projects. This evaluation may consider:

- Scale appropriate to the target population.
- Scale appropriate to the neighborhood in which the project is located.
- Costs associated with mixed-use projects.

- Quality of construction materials.
- Costs associated with the service needs of the target population.
- Reasonable fees and reserves.

HACC recognizes that in order to accomplish the overall unit target, it will need to have an average Housing Bond expenditure per unit of approximately \$143,000. Some projects may receive significantly fewer Bond funds than this amount, while others may receive significantly more. The Bond funding levels available for specific projects or funding processes will be clear in the Exhibit 2 tracking worksheet that is attached to this Implementation Strategy.

Capacity/Readiness to Proceed

Affordable housing is a specialty business that differs in many ways from market-rate housing or other real estate development. HACC will seek to partner with non-profit, for-profit, or governmental organizations that have demonstrated skills as affordable housing developer/owners. Expertise with the framework target unit types and with the specific population proposed by a project will also be considered.

Timely implementation of the Housing Bond is critically important and was a point of emphasis throughout our community engagement activities. In its selection process, HACC will prioritize projects that have a clear path to timely completion. HACC may prioritize projects that have appropriate zoning, have secured much or all of the other financing sources, have secured needed service partnerships, have a clear and achievable racial equity plan, etc. While HACC may not make concept endorsements until projects meet benchmarks that indicate the likelihood of projects coming to fruition, HACC suggests that interested developers begin conversations with the Housing Authority at the earliest stages of pre-development to ensure that project programming aligns with the Implementation Strategy.

VIII. Project Implementation

Review & Approval of Projects

Bond-funded projects will go through a multi-stage review and approval process as follows:

- **HACC concept endorsement.** To be forwarded to Metro for concept endorsement a project must, at a minimum, have site control, a preliminary development plan, the preliminary estimate of total development costs, a preliminary estimate of needed Housing Bond funds, and an identified development team. HACC will process concept endorsements first at the staff level, then review by the Housing Advisory Board, and review by the HACC Board work session.
- **Metro concept endorsement.** HACC staff, in conjunction with Metro staff, will present the project to Metro for endorsement by the Metro COO. Metro will review the project for conformance to the adopted Local Implementation Strategy.

- **HACC project approval & funding authorization.** As the project completes due diligence and moves to financial closing, HACC will process project approval by asking the HACC Board to take action.
- **Metro project approval & funding authorization.** HACC staff, in conjunction with Metro staff, will present the project to Metro for final approval and funding authorization.
- **Release of Funds.** Once a project has received approval by HACC and Metro, funds will be released to the Housing Authority and disbursed to the project in accordance with the provisions of the project documents and the Metro Intergovernmental Agreement.

Project Closing

- **Metro-Approved Regulatory Agreement.** All projects will be required to execute a Metro-approved Regulatory Agreement that acknowledges the use of Metro Housing Bond funds and the restrictions associated with the use of such funds. The Regulatory Agreement shall be recorded against the project at or prior to closing.
- **Period of Affordability.** The Regulatory Agreement will generally specify a 60-year period of affordability. For acquisition projects that are more than 10 years old, HACC may consider a shorter period of affordability, but no less than 30 years. The Regulatory Agreement will provide a first right of refusal for qualified nonprofit organizations or government entities to acquire the project upon expiration of the affordability period.
- **The accomplishment of Framework Targets.** The Regulatory Agreement will also specify the level of affordability and the unit bedroom sizes of the project
- **Reporting Requirements & Monitoring During Operations.** The Regulatory Agreement or similar agreement will also provide requirements for periodically providing information relating to the project's financial performance, physical condition, occupancy, tenant income verification, and voluntarily collected tenant demographics. The agreement calling for these reports shall provide that reports will be made for the benefit of both Metro and the Housing Authority of Clackamas County. The agreement shall also provide physical access to the property when requested by Metro, HACC, or other project financing partners.
- **Jurisdiction Documents.** HACC will require a variety of other documents relating to the project. These may include:
 - Development & Disposition Agreements. In the case of properties controlled by HACC, the Housing Authority will develop agreements relating to the transfer of property to the developer/owner.
 - HACC will develop documents relating to the form of investment of Bond Funds. These may vary depending on the projected cash flow of different projects and may take the form of cash flow dependent loans or grants. In general, HACC will support the allocation of modest amounts of program income to restricted reserve accounts dedicated first to the provision of Resident Services. Projects that are expected to have more significant program income may have requirements for cash flow dependent distributions to the Housing Authority.
 - HACC will specify requirements relating to the implementation of racial equity strategies. Strategies will be developed for each project, and requirements will be documented in agreements with the Housing Authority. This will include:

- **MWESB Contracting.** Project sponsors will be required to make best faith efforts to achieve 20% participation of subcontracting of development hard and/or soft costs to certified minority, women, emerging small businesses. Project sponsors will be required to provide documentation of subcontracting efforts and results.
- **Workforce Participation.** The Housing Authority is interested in encouraging participation in project workforce hours by minorities, women and disabled veterans. While specific programs to further this goal are not developed at the time of writing this Implementation Strategy, the Housing Authority will work with Metro, other implementing jurisdictions, and with project sponsors to explore ways to maximize participation in project workforce hours.
- **Affirmative Marketing, Tenant Selection & Lease-Up.** Consistent with Metro policy and feedback provide throughout our community engagement (please see targeted engagements to specific populations in Exhibit 1, pg. 23) outreach sessions, HACC will work to ensure that Bond financed housing serves communities of color, families with children and multiple generations, people living with disabilities, seniors, veterans, households experiencing or at risk of homelessness, and households at risk of displacement. HACC will require that project developers/owners make best faith efforts to make units available to minorities and disadvantaged populations using best practice strategies. In general, this will require:
 - Affirmative outreach and marketing to target populations. Developers/owners, and their property management companies (if applicable) will be expected to engage in proactive efforts to make disadvantaged populations aware of the availability of units, and the process and timeline for application. HACC will work with project sponsors to identify specific target populations for each project and will review the proposed outreach and marketing strategy for each project.
 - HACC will require that project sponsors use low-barrier screening criteria that balance 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 recent convictions that are most directly tied to tenant success. Project sponsors will be required to review appeals to denials of standard screening criteria that take into consideration the efforts of applicants that demonstrate stability and potential for tenant success. Project sponsors are also required to review appeals if the disqualifying aspects of denial are related to a disability and make reasonable accommodations as appropriate.

Project Monitoring

Projects will be subject to monitoring throughout the development process and period of affordability. The monitoring process and expectations will be documented in agreements with the City. In general, this will include:

- **Monitoring During Development & Lease Up.** HACC will require monthly reports during the project development and lease-up period and will conduct monthly site inspections in coordination with other funding partners to ensure progress to on-time and on-budget completion. HACC will sign off of any change orders and on monthly draw requests.
- **During Operations.** HACC will require annual reports that include information about project physical condition, fiscal condition, occupancy, tenant income verification, and voluntarily collected tenant demographics. HACC will conduct periodic site inspections in coordination with other funding partners.
- **Post-Completion Monitoring.** In addition to monitoring of operations, HACC will revisit each developments engagement plan at “natural” stages of completion and stabilization to check proposed goals against actual achievements. The intent of this stage is to reconnect with our community stakeholders to report on outcomes to date and to assess whether we need to revisit the goals of our LIS. Areas of significant interest may be in the following categories and times
 - MWESB proposed outcomes versus actual (50% and 100% construction completion);
 - Workforce participation (50% and 100% construction completion);
 - Low-barrier screening and outreach to communities of color as it pertains to lease up activities (initial lease up period, 1-year anniversary, 3-year anniversary);
 - Connection to services in the community (1-year lease-up anniversary)

IX. Reporting on the Implementation Strategy

Annual Report

HACC staff will prepare an annual report to the Housing Advisory Board and the HACC Board on the overall progress of the Local Implementation Strategy. This information will be made available to the public and interested stakeholders using a variety of strategies such as published reports, newsletter articles and website postings. The report will include information on committed and completed projects (e.g. project status, Bond funding amounts, total project cost, and units produced by unit size, type and income level served). The report will also include information on overall progress toward achievement of the framework goals.

Reporting is a critical step for HACC and Clackamas County to address the impact of our efforts. To that end, each development will be revisited and measured against its

outcomes to determine whether proposed levels of engagement and participation were met. Some of this information may be immediately available after project completion and some, like lease up and retention statistics may take a year or more to fully understand. The information gleaned will be valuable to our long term efforts throughout the life of the bond. It is HACC's intention to revisit these criteria, through annual reporting of the project sponsor, so that we can make periodic changes to our strategies under the LIS and to provide feedback and reporting to our residents, stakeholders, and Metro.

Reporting to Metro

HACC will submit annual reports to Metro in accordance with the Intergovernmental Agreement.

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Exhibit 1
OUTREACH & ENGAGEMENT REPORT

Clackamas County staff from Health, Housing & Human Services (H3S) and Public and Government Affairs (PGA) initiated outreach and engagement efforts around the Metro Affordable Housing Bond after voters approved the measure in November 2018. Building upon the county's strong relationships with local jurisdictions, affordable housing developers and service providers, county staff organized a series of engagement events targeting those respective stakeholder communities.

The county also contracted with a culturally specific provider, Unite Oregon, to partner on engagement efforts with low-income community members, communities of color, people with limited English proficiency, immigrants and refugees, and people with disabilities. Similar exercises and questions were used across these various engagement events, which reached a broad and diverse cross section of Clackamas County residents. A calendar of events and detailed summaries of each key engagement activity are provided below.

Summary of outreach event themes

Participants advocated for the need for affordable housing development for a diverse range of populations. This included people with disabilities (including those in recovery), seniors, families with children, and single individuals.

Key themes specific to what communities need for success emerged from engagement efforts across all stakeholder groups. Those included:

- The need for improved countywide access to multimodal transportation systems (especially in the more rural areas, but also increased connectivity between rural and urban areas)
- Increased affordable housing with access to services and jobs
- Improved access to health services (including mental health and addiction services)

Other recurring themes included safety and access to community amenities, such as grocery stores, green spaces, childcare and good schools.

Additional themes emerged specifically from conversations with communities of color, underrepresented and historically marginalized communities. Promoting opportunities for homeownership was a top priority, as was access to community spaces (community rooms in buildings, shared gardens, housing near parks or green spaces, community amenities, and the like). There was also a desire for access to free or low-cost educational opportunities, and family-friendly and culturally-specific activities. Detailed accounts of each engagement event are outlined below.

Calendar of engagement events

Outreach and engagement was primarily information sharing presentations to local jurisdictions and community fora. In May and June county staff and Unite Oregon held a series of engagement events at which extensive feedback was gathered, summarized further below. An online survey (English only) was also available for community members to anonymously fill out.

Informational Meetings Presenting Preliminary Bond Information to the Larger Community

| | |
|--|--|
| 11/28/18 and ongoing at monthly meetings | Discussion of Bond and implications with CC Affordable Housing and Homelessness Task Force |
| 11/29/18 | Presentation on homelessness and the Bond to Lake Oswego City Council and staff |
| 12/6/18 | Discussion at Milwaukie Housing Forum |
| 1/8/19 | Presentation to Gladstone City Council |
| 1/8/19 | Handout and brief information shared at Clackamas County’s Legislative Dinner |
| 1/10/19 | Presentation to the Court Appointed Special Advocates for Children |

| | |
|-----------|---|
| 2/19-5/19 | Worked with Community Alliance of Tenants and the Institute for Portland Metropolitan Studies on a community engagement plan for our Phase I project in Gladstone |
| 2/26/19 | Presentation to Jennings Lodge Community Planning Organization |
| 4/14/19 | Presentation to Milwaukie Housing Town Hall |

Community Engagement Events to Solicit Feedback for LIS

| Date | Event | Type | Number of Attendees |
|-----------|--|--|---------------------|
| May 14th | Housing Forum | Targeted outreach to jurisdictional partners (including city officials, CPOs) and developers | 56 |
| May 15th | ClackCo Academy resident outreach | Community members (not targeted). Class made up of community members | 19 |
| May 23rd | Our Housing, Our Communities | General and Targeted outreach to diverse community members. Sought to engage non-english speaking and POC. | Approx. 40 |
| June 11th | Homeless Solutions Coalition of Clackamas County (HSCCC) Community Meeting | Service Providers | Approx. 45 |
| June 15th | Clackamas County Coordinated Committee (C4 Retreat) | Targeted outreach to Mayors, elected officials, Metro | 53 |

| | | | |
|-----------|------------------------------|--|----|
| June 20th | Our Housing, Our Communities | General and Targeted outreach to diverse community members. Sought to engage non-English speaking and POC. Discussion around equity. | 52 |
|-----------|------------------------------|--|----|

Targeted engagement to specific populations or organizations that serve them

| Participating Populations | Focus Groups or Events |
|--|---|
| Low-income individuals | HSCCC, Unite Oregon meetings (5/23, 6/20) |
| Seniors | HSCCC, Unite Oregon meetings (5/23, 6/20) |
| Youth experiencing housing instability | United Oregon meetings (5/23, 6/20), and service providers of this population at HSCCC (6/11) |
| Individuals with physical disabilities | 6/20 Unite Oregon meeting, and service providers of this population at HSCCC meeting (6/11) |
| Individuals with developmental disabilities (service providers) | HSCCC |
| Individuals with mental health concerns disabilities (service providers) | HSCCC |
| Individuals with addictions issues disabilities (service providers) | HSCCC |
| Individuals with limited English proficiency | Both Unite Oregon meetings (5/23, 6/20) |
| Immigrants and refugees | Both Unite Oregon meetings (5/23, 6/20) |

| | |
|--|---|
| Individuals with current or previous experience of housing instability | HSCCC (6/11) and Unite Oregon meetings (5/23, 6/20) |
| Residents of low-income housing | HSCCC (6/11) and Unite Oregon meetings (5/23, 6/20) |
| Justice-involved individuals disabilities (service providers) | HSCCC meeting (6/11) |
| Service providers for people on probation and currently incarcerated | HSCCC meeting (6/11) |
| Community Participation Organization (CPO) members | 2/26 Jennings Lodge CPO meeting |
| Tribal community members | 6/20 Unite Oregon meeting |

Demographic information was requested at the 6/11/19 Unite Oregon engagement event but not all participants responded. Though age wasn't captured, older adults were in attendance and have attended several events thus far. Of particular interest has been the welcome attendance of non-native English speakers. The goal from our community engagement consultants, Unite Oregon, was to cast a wide net to attract as much feedback from as many different people as we could. Primary to that goal was to recruit people of color, immigrants, and refugees.

Not all who were in attendance have been willing to provide full demographic information but we have received direct feedback and information from: six Arab-Speaking immigrants/refugees; three Vietnamese speakers; 4 identifying as Spanish-speaking or Latino; an individual who identified as mixed race; one native Hawaiian.

Additionally, Unite Oregon provided outreach to people experiencing housing instability. Their feedback regarding increased information and resources relating to housing helped HACC shape the format of our engagement meetings.

Below is a list of jurisdictions we have had conversations with about the bond, or who have participated in a formal presentation.

- West Linn
- Tualatin
- Sandy
- Molalla

- Wilsonville
- Happy Valley
- Lake Oswego
- Canby
- Oregon City
- Milwaukie
- Gladstone
- Estacada
- Fire Districts
- Beavercreek
- Johnson City
- Rivergrove

Staff had informal listening sessions with the following nonprofit and for-profit developers and community groups. These discussions helped HACC staff frame topic areas and priorities within the LIS:

- Geller Silvis
- Strategies 360
- Sera Design
- Key Bank
- MHA of Oregon
- Milwaukie Floors
- Community Development Partners
- Rose Community Development
- Columbia Care Services
- Related Companies
- Todos Juntos
- Healthy Families Oregon, Clackamas County
- Community Development Partners (CDP)
- Community Partners for Affordable Housing (CPAH)
- Otak
- Columbia Care
- Bridge Housing
- Reach Community Development
- Northwest Housing Alternatives
- Northwest Family Services
- Pedcor
- Dominion
- Structure Development
- Related Northwest
- Portland Habitat for Humanity
- Proud Ground
- NEDCO
- Strategies 360

The “Our Housing, Our Communities!” engagement sessions held on May 23 and June 20 were conducted in partnership with Unite Oregon, whose staff did extensive community outreach to historically marginalized communities to invite attendees. Interpretation was available and actively utilized in Spanish, Vietnamese, and Arabic. Childcare and dinner were provided and gift cards were distributed to all community members in attendance. Events utilized interactive activities to capture in-depth feedback. Attendees represented recent immigrants, longtime residents, multiple nationalities, different age groups, and multiple ethnicities and races.

At the request of the community, the May forum included information about tenant’s rights and basic information about what affordable housing is before the bond portion of the event began. A participatory budgeting exercise was conducted at the June meeting. The two Unite Oregon meetings saw roughly 45 and 60 attendees, respectively.

Detailed Engagement Summaries

May 14th Housing Forum: Targeted outreach to jurisdictional partners and developers

This event was an opportunity to hear from city representatives and Community Planning Organizations (CPOs) as key stakeholders in successful implementation of the Metro Housing Bond in Clackamas County. Marketing strategies for this event included posting on the County Events Calendar, as well as email invitations sent to all elected city representatives, CPO Constant Contact List, as well as a list of active community developers. 56 people attended this event, which was held at Clackamas County's Development Services Building.

Participants identified a strong need for countywide public transportation improvements in order for affordable housing to be the most effective in serving the community, in addition to rent caps and a need for accessible wrap around services. In addition, fee waivers were recommended, as well as further community education around housing need. Participants also recognized the importance of community spaces such as gardens, parks, and community rooms.

What needs to be in place for housing to be successful?

- Countywide public transportation
- Rent caps
- Wrap around services
- Fee Waivers
- Education on housing need
- Community Spaces (shared gardens, parks, community rooms, etc.)

When looking at what populations are in greatest need of affordable housing, participants identified seniors and older adults, Workforce community members, and people with mental health challenges. Other populations identified were people with other types of disability (including people in recovery) and immigrants.

What population in your community is in greatest need of housing?

- Seniors and older adults
- Work Force
- People with Mental Health Challenges
- People with Disabilities
- People in Recovery
- Immigrants

Improved access to multi-modal transportation (including accessible public transportation). Other top 5 needs included access to affordable childcare, health services, and housing that includes supportive services.

What is your community's greatest need?

- Affordable housing
- Transportation
- Affordable childcare
- Access to Health Services
- Supportive Housing

When asked about values that should shape the County's approach to housing development, participants discussed the importance of opportunity areas, mixed income housing, increasing opportunities for homeownership, and providing quality housing. Racial equity was also stressed as a crucial part of smart development policies and practices. It was expressed that leadership needed to keep promises to voters around affordable housing development, by getting it done on an efficient timeline.

May 15th Input from ClackCo Academy participants

ClackCo Academy gives members of the community the opportunity to learn more about county services and programs. This was a closed group, with direct email invites sent to ClackCo Academy participants. Members must live, work, own a business, or work full time in Clackamas County. Space is limited to 25 participants, with an additional five seats reserved for youth ages 16-20.

While the class is made up of community members, this engagement event was not open to the larger community.

What is your community's greatest need?

- Access to Jobs
- Access to services
- Transportation
- Affordable Housing

What population in your community is in greatest need of housing?

- Families with children
- People with disabilities
- Houseless community members
- Very Low Income
- Single Parents

What needs to be in place for housing to be successful?

- Access to multi-modal transportation options (including walkable streets)
- Access to services
- Access to jobs, training/adult education
- Public space/place-making, green space
- Government support and policy evaluation (land use, zoning, etc.)

May 23rd Our Housing, Our Communities!

This was the first event held in partnership with Unite Oregon. Conducted in the evening at the Wichita Center for Family and Community in Milwaukie, this event began with presentations about renters' rights and housing resources, a presentation about the Affordable Housing Bond, and ended with an engagement exercise. Food, childcare, and interpretation in three languages (Spanish, Vietnamese, and Arabic) were provided by Unite Oregon.

What needs to be in place for housing to be successful?

- More food banks nearby
- Gas heating instead of electric, because of the lower utility bill costs associated with gas heat
- Nearby community/cultural centers, as well as parks and natural areas
- Good parking
- High-quality schools
- Accessibility (both of housing and the surrounding neighborhood) for residents with
- Accessible transportation, especially public transit
- Community gardens
- Family-sized housing (3+ bedrooms) for larger families

What population in your community is in greatest need of housing?

- People with disabilities
- Seniors and older adults
- People in recovery
- Low income families
- Single parents
- Domestic violence survivors
- Students
- Larger families
- Families with young children

What is your community's greatest need?

- Transportation: Frequent bus service; affordable housing near transit stations; accessible
- Food: housing close to shopping centers; access to healthy food like co-ops like in Portland; free food resources for people with low incomes; access to community gardens to grow own food
- Health services: proximity to hospitals and clinics
- Affordable housing: cheaper rents for families with children; cheaper rent in general
- Other: child care; educational programs; tutoring or similar activities for children; security and safety at schools; proximity to playgrounds; low-cost home-buying opportunities;

safe and friendly environments; close to stores/shopping opportunities; day care services; space to own a pet; well-ventilated housing units

Attendees gave a list of locations where they would like to see affordable housing in their communities:

- Oak Grove, especially near Fred Meyer
- Milwaukie
- Wilsonville, near major employment areas

June 11 Homeless Solutions Coalition of Clackamas County (HSCCC) Meeting

The HSCCC is a grassroots coalition comprised of more than 200 citizens, agency staff, government officials, church affiliates, and community members in Clackamas County. The mission is to find compassionate and respectful solutions to homelessness through community partnerships. On June 11th, members of HSCCC were invited to provide input on how they think the Metro Affordable Housing Bond dollars should be spent in Clackamas County.

What needs to be in place for housing development to be successful (amenities, services, etc.)?

- Need for more accessible case management and other supportive services.
- Access to resources including child care and schools, jobs and training/placement, food.
- Access to mental and physical health services
- Access to multi-modal transportation options
- Place Making/Public Spaces (community building, public art, places for community empowerment)

During the dot voting, the following top 5 were prioritized (in order from most votes to least):

1. Support services
2. Access to transportation (walking, bike, bus, car)
3. Access to schools/childcare
4. Close access to services (medical, dental, etc)
5. Green Space/Play Place

Help us shape our county values around housing.

- Compassion, understanding acceptance. Educating community
- Equity and Inclusion
- Trauma Informed approach to providing services
- Safety
- Community oriented spaces and activities. Community participation
- Sustainability (social, environmental, etc.)
- Accessibility
- Respect, dignity, self-determination, and empowerment

- Provision of and access to support services
 - Education and youth services

During the dot voting, the following top 5 were prioritized (in order from most votes to least):

1. Compassion/understanding. Dignity, respect
2. Equity
3. Trauma Informed
4. Community Education
5. Access to Resources

Additionally, inclusion, sustainability, safety, and young children were called out as important priorities. Participants also pointed to the importance of community self-determination and empowerment as important to sustainable development practices, and expressed an interest in seeing more and improved community spaces.

What is your community's greatest need?

Participants were asked to provide input on the following predesigned categories: Transportation, Access to Health Services, Affordable Housing, access to food, and other. While a majority of participants did not put their city on a sticky note, the following were some of the areas identified:

- Transportation
 - Oregon City rural areas
 - Rural areas (county wide)
 - Milwaukie
 - Oregon City
 - Wilsonville

- Access to Health Services
 - Oregon City
 - Canby
 - Aurora

- Affordable Housing
 - Milwaukie/Oak Grove
 - The Whole Portland Metro Area
 - Milwaukie
 - Happy Valley
 - Oregon City
 - Wilsonville
 - Estacada
 - West Linn
 - Sandy

- Access to Food
 - Milwaukie

- Other
 - Walkability
 - Access to essential services
 - Better understanding of homeless by community
 - Peer support services
 - Access to affordable childcare
 - Access to good jobs, wages, and training
 - LGBTQ+ resources
 - Youth resources
 - Financial education

During the dot voting activity, the following 7 were prioritized as greatest community needs: (in order from most votes to least):

1. Affordable Housing
2. Mental Health & Physical Care
3. Transportation
4. Substance Abuse/Addiction Services
5. Support Services
6. Community Outreach/Awareness
7. Child Care

What population in your community is in greatest need of housing?

Of the predetermined categories, participants prioritized the following (from most to least votes):

1. People with mental health challenges
2. People in recovery
3. People with disabilities
4. Seniors and older adults

The largest number of votes, however, were in the “Other” category. Some of the greatest needs identified included:

- Single adults
- Single parent households
- Youth
- LGBTQ+ community members
- Families with children
- Veterans
- Those with criminal backgrounds and those recently incarcerated
- Houseless community members
- Domestic Violence survivors

- People of Color

During the dot voting activity, the following 8 were prioritized as greatest needs: (in order from most votes to least):

1. Mental Health Challenges
2. Families with children (ranked top along with Mental Health Challenges)
3. People in recovery
4. POC/LGBTQ+
5. Young people (teens and 20s)
6. Low Income
7. People with disabilities
8. Seniors/Older Adults

When asked how people receive their housing news, participants answered as follows:

- Social Media (Twitter, OCCH Chat, Next Door, MACG, etc.)
- Email or E-Newsletter
- Community Group/Meetings
- Government agency communications
- Networking
- Non-profits, day centers/shelters
- Libraries
- Health clinic communications

June 15th Clackamas County Coordinated Committee (C4) Retreat

The Clackamas County Coordinating Committee (C4) meets to provide coordination and cooperation between jurisdictions within Clackamas County and to form unified positions on land use and transportation plans. Membership is comprised of elected officials from Clackamas County, cities, representatives from unincorporated communities, and representatives from transit, sewer, water, and safety districts. At its June retreat, County staff presented the C4 with information on the Affordable Housing Bond and conducted a similar engagement activity to those described above. Responses listed below are in order of most to least.

What needs to be in place for housing development to be successful?

- Transportation access
- Services nearby
- Meaningful connections to existing neighborhood
- Green spaces

What population in your community is in greatest need of housing?

- Low income households
- Families with children (especially single parent households)
- Single adults experiencing homelessness

- People with behavioral health needs

What is your community's greatest need?

- Access to affordable housing
- Access to services (including health-both mental and physical)
- Improved access to transportation
- Access to jobs and job support/training

Help us shape our county values around housing.

- Commitment to mixed income integration
- Educate community (combat stereotypes, build support and acceptance)
- Living wages/access to employment
- Housing First/low or no barrier housing

June 20th Our Housing, Our Communities!

At the second engagement meeting in partnership with Unite Oregon, we began by debriefing participants about what we had discussed in May. We then provided a short overview of local housing resources with an opportunity for participants to ask questions. Next, we provided a longer training on the concept of participatory budgeting, and then closed with a discussion of how participants define racial equity in affordable housing.

Breakout groups in the following discussion provided feedback on their perspective in what racial equity means in terms of housing. They reported the following:

- Public housing as a utility, not as an investment; a way to start place-making.
- There are lots of subsidies for owners but not renters
- Ownership should occur through multiple ways
 - Low income assistance to ownership
 - Expand down payment assistance
- Barriers to contracting
- Vietnamese participants shared a model of peer-to-peer lending in Vietnam to finance housing. Could there be a revolving fund to finance home purchases at reduced interest rates? How can affordability be passed on to the next owners?
- Clackamas County should hire within the community to build housing with an emphasis on hiring workers connected to families that would be housed.
- Housing opportunities could be prioritized to first-generation owners.
- Buy properties and housing now while it is less expensive and then figure out how to make it affordable to low-income buyers later. In other words, land bank if necessary.

Metro Bond Survey Results

From June 4th to June 26th the County hosted an online survey about the Affordable Housing Bond on its website. Participants were asked to imagine the entire county, and think of a place where they would put new affordable housing before answering the questions below.

Why did you pick that location for affordable housing development?

1. Bus/Max
2. Affordable Grocery Store
3. Job
4. Food Bank, social service agency, other service
5. Where I live now (in my community)
6. Local Park/open space/trail

What are some other things about the area that you picked?

1. Safety
2. Open space/available land/rural/away from the city
3. Accessibility by car (including access to freeways, drivability, parking)
4. Central location (accessible to amenities, groceries, services, near city center etc.)
5. Accessible transportation options, and accessible green space
6. Access to jobs/employment opportunities

What are the biggest challenges people face when trying to find a place to live?

1. Rent is too expensive
2. Move-in costs are too expensive
3. Strict application and screening fee (income requirements, criminal and credit reports, rental history, etc.)
4. Distance from job, school, friends, family, school, etc.
5. Doesn't accept pets
6. Not enough space for a family

How do people find affordable housing?

1. Family/Friends
2. Craigslist
3. Social Media
4. Social Services Providers
5. 211

What do you think are the biggest challenges people have keeping their housing?

1. They can't afford to pay rent
2. Lack of good transportation options
3. The apartment isn't safe or habitable
4. The apartment isn't located where they want to live
5. Not enough support services provided or near the apartment

What types of services, programs, and/or support are needed to overcome these challenges?

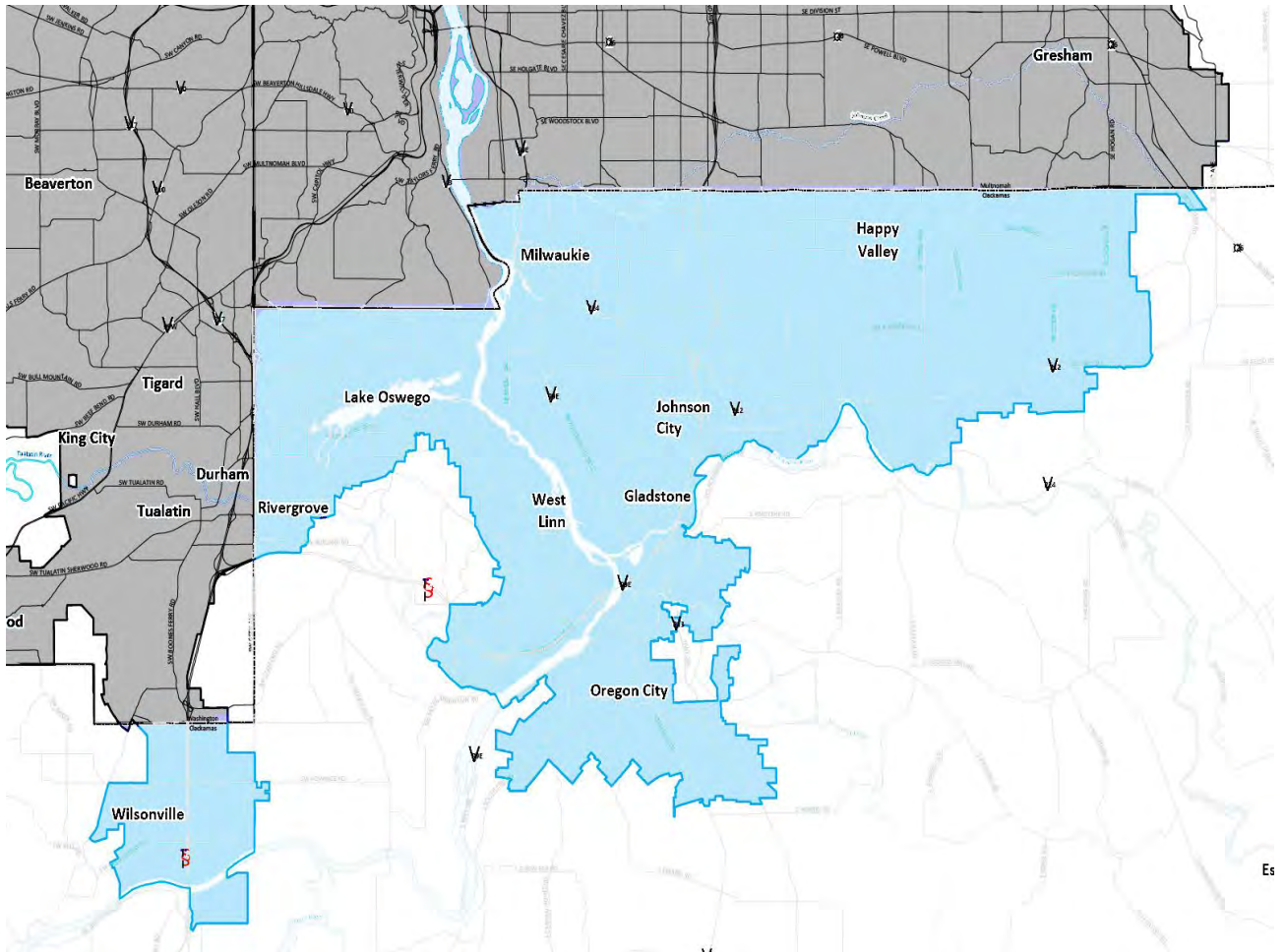
- Quality affordable housing county wide
- Accessible support services (including addiction services, mental and physical health services)
- Better multi-modal transportation infrastructure and services
- Access to jobs and job training/employment services
- Rent control, government and stakeholder buy-in/support

Exhibit 2
FRAMEWORK TRACKING WORKSHEET

| | Metro Bond | % of Total |
|-----------------------------|---------------|------------|
| Clackamas County Allocation | \$116,188,094 | 100.0% |
| <u>Utilized to date</u> | \$2,700,000 | 2% |
| 18000 Webster Road | | |
| Balance Remaining | \$113,488,094 | 98% |

| | Unit Production Targets | | | % of Total |
|------------------------|-------------------------|----------------|--------------------|--------------------------------------|
| Clackamas County | Total 812 | 30% AMI 333 | Family size 403 | 100% |
| 18000 Webster Road SRO | 45 | 45 | 0 | 6% of Total units; 14% of 30% AMI |
| Balance Remaining | 762 | 288 | 0 | 94% |

Attachment 1
Clackamas County Eligible Bond Placement per the Urban Growth Boundary (UGB)





¡Nuestras viviendas, nuestras comunidades!

Únase a nosotros para aprender acerca de los derechos de inquilinos, qué es la vivienda asequible, y el Bono de Vivienda del Condado de Clackamas.

Habrà cuidado de café, comida, interpretación, y más GRATIS. El espacio es limitado, así que por favor registre para reservar un espacio.

Regístrate en la página de Facebook: [United Oregon Residents & Cristina Pacheco](#)

Wichita Center
6031 SE King Rd
Milwaukie, OR 97222

23 MAYO - **20 JUNIO**
6 p.m. to 9 p.m.

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انضمموا لاجتماعنا لتعلموا عن حقوق السكّان، وما هو السكن الميسر والسكن المتاح للجميع.

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Milwaukie, OR 97222

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Nhà ở của chúng ta, Cộng đồng của chúng ta!

Đưa và học về quyền lợi cơ bản của những người thuê nhà, nhà ở giá rẻ là gì và phân nhà ở ở quận Clackamas.

Dịch vụ giới trẻ miễn phí, thức ăn, thông dịch viên và số tài khoản ngân hàng miễn phí. Chỉ nghĩ có gói hạn, xin vui lòng đăng ký để giữ chỗ ngồi của quý vị.

Đăng ký trên trang Facebook của United Oregon Event, gọi cho Cristina để đăng ký nhà gọi và nói tiếng Anh 503-287-1176 hoặc gửi Email cho cristina@uniteoconnection.org

Wichita Center
6031 SE King Rd
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Наше Жильё, Наши Сообщества

Присоединитесь к нам на предстоящих собраниях сообщества.

23 МАЯ - 20 ИЮНЯ
6 p.m. - 9 p.m.

Wichita Center
6031 SE King Rd
Milwaukie, OR 97222

Metro Housing Bond in Clackamas County

What does the Metro Bond mean for Clackamas County?

Clackamas County currently has about 41 percent of the affordable housing needed to meet our residents' needs. The Metro Bond allows the County to address the shortage of affordable housing within Metro's urban growth boundary. The bond allows us to explore the opportunity to invest in the development of new housing resources for some of our most vulnerable and disadvantaged populations.

What does the Metro Bond mean for Clackamas County?

- Clackamas County currently has about 41 percent of the affordable housing needed to meet our residents' needs. The Metro Bond allows the County to address the shortage of affordable housing within Metro's urban growth boundary. The bond allows us to explore the opportunity to invest in the development of new housing resources for some of our most vulnerable and disadvantaged populations.
- Clackamas County is committed to using information gathered through a needs assessment process to inform the strategy to address the shortage of affordable housing in the Clackamas County Implementation Plan.
- The Metro Bond will receive approximately 20 percent (37.5%) of the bond money which could fund the:
 - purchase of land to build on
 - construction of new homes
 - rehabilitation and renovation of existing housing to address long-term affordability
- The bond will cost homeowners, on average, about \$60 per year over the next 30 years.
- These funds allow the County to shape the landscape of housing that will serve our communities.
- These funds address the housing needs for decades to come. The County's goals for the bond funds are to:
 - Develop approximately 872 new affordable housing units
 - Meet the needs of families by making at least 400 units two-bedroom or larger
 - Create affordable rental housing for low-income families earning between 61 - 80% of Area Median Income
 - Develop and make accessible at least 300 units to extremely low-income families earning 20% or less of A.M.I.

| Project Timeline | Jan. 2018 | Spring 2018 | Summer 2018 | January 2019 |
|----------------------------------|-----------|-------------|-------------|--------------|
| Finalize the implementation plan | | | | |
| Issue the bond | | | | |
| Begin construction | | | | |
| Complete construction | | | | |

Health, Housing & Human Services

Affordable Housing: Understanding the need and the resources available in Clackamas County

Health, Housing & Human Services

What the Metro Bond means for housing affordability in Clackamas County

Health, Housing & Human Services

Metro Housing Bond Clackamas implementation update

Health, Housing & Human Services





Affordable Housing Bond Program Work Plan

January 2019

Public service

*We are here to serve the public
with the highest level of
integrity.*

Excellence

*We aspire to achieve exceptional
results*

Teamwork

*We engage others in ways that foster
respect and trust.*

Respect

*We encourage and appreciate
diversity in people and ideas.*

Innovation

*We take pride in coming up with
innovative solutions.*

Sustainability

*We are leaders in demonstrating
resource use and protection.*

Metro's values and purpose

We inspire, engage, teach and invite people to preserve and enhance the quality of life and the environment for current and future generations.

If you picnic at Blue Lake or take your kids to the Oregon Zoo, enjoy symphonies at the Schnitz or auto shows at the convention center, put out your trash or drive your car – we’ve already crossed paths.

So, hello. We’re Metro – nice to meet you.

In a metropolitan area as big as Portland, we can do a lot of things better together. Join us to help the region prepare for a happy, healthy future.

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Portland, OR 97232-2736
503-797-1700

2019 AFFORDABLE HOUSING BOND PROGRAM WORK PLAN

Adopted by Resolution No. 19-4956 on January 31, 2019 by the Metro Council.

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1. INTRODUCTION

On November 6, 2018, voters approved a \$652.8 million bond measure (“Bond Measure”), directing Metro to fund affordable housing throughout the Metro region. As defined in the Bond Measure, the term “affordable housing” means “land and improvements for residential units occupied by low-income families making 80% or less of area median income.” Such housing may be of any type, including but not limited to single-family, multi-family, houses, apartments, and/or the land on which such facilities are located or may be constructed.

In June of 2018, the Metro Council adopted the Metro Chief Operating Officer’s recommended program framework, as set forth in Regional Investment Strategy: Affordable Homes for Greater Portland (“Initial Housing Bond Framework”), which included recommendations for unit production goals, commitments to advancing racial equity, and implementation guidelines developed in collaboration with stakeholders, jurisdictions, housing providers and other partners.

This Affordable Housing Program Work Plan (“Work Plan”) provides a comprehensive plan for implementing Metro’s Bond Measure program (referred to herein as the “Housing Bond Program” or “Program”). This document incorporates and supplements the Initial Housing Bond Framework, and is the governing document for Program implementation, addressing how Bond Measure proceeds will be administered to ensure delivery of the outcomes described in the Bond Measure.

2. UNIT PRODUCTION TARGETS AND GUIDING PRINCIPLES

The primary goal of the Housing Bond Program is create at least **3,900 new affordable homes**, of which:

- At least 1,600 homes will be affordable to households making 30% of area median income (AMI) or below;
- At least 1,950 homes will be sized for families, with 2 or more bedrooms; and
- No more than 10 percent of homes will be provided for households making 61-80% of AMI.

For acquired rental properties, the above targets and cap on homes for households making 61-80% of AMI will be applied upon turnover.

In its efforts to achieve the Program unit production targets referenced above (“Unit Production Targets” or “Targets”), Metro is guided by four principles (“Guiding Principles”), which were derived from (a) existing Metro policies, including the agency’s Strategy to Advance Racial Equity, Diversity, and Inclusion and (b) conversations with key stakeholders who participated in a six month public process convened prior to the referral of the Bond Measure. Those Guiding Principles are:

- 1) Lead with racial equity.** Ensure that racial equity considerations guide and are integrated throughout all aspects of Program implementation, including community engagement, project location prioritization, tenant screening and marketing, resident and/or supportive services, and inclusive workforce strategies.

- 2) **Create opportunity for those in need.** Ensure that Program investments serve people currently left behind in the region’s housing market, especially: communities of color, families with children and multiple generations, people living with disabilities, seniors, veterans, households experiencing or at risk of homelessness, and households at risk of displacement. Incorporate commitments for tracking and reporting on Program outcomes for people of color and other historically marginalized groups.
- 3) **Create opportunity throughout the region.** Ensure that Program investments are distributed across the region to (a) expand affordable housing options in neighborhoods that have not historically included sufficient supply of affordable homes, (b) increase access to transportation, employment, education, nutrition, parks and natural areas, and (c) help prevent displacement in changing neighborhoods where communities of color live today.
- 4) **Ensure long-term benefits and good use of public dollars.** Provide for community oversight to ensure transparency and accountability in Program activities and outcomes. Ensure financially sound investments in affordable, high quality homes. Allow flexibility and efficiency to respond to local needs and opportunities, and to create immediate affordable housing opportunities for those in need.

These Guiding Principles will be implemented consistent with applicable requirements of the federal Fair Housing Act and ORS Chapter 659a and, as appropriate, in consultation with the Fair Housing Council of Oregon.

3. GOVERNANCE

3.1 BOND MEASURE; GENERAL OBLIGATION BOND REQUIREMENTS

On June 7, 2018, the Metro Council adopted Resolution 18-4898 referring to Metro area voters the Bond Measure authorizing Metro to issue general obligation bonds in the amount of \$652.8 million to fund affordable housing. The Program and this Work Plan must comply with the promises made to the voters in the Bond Measure. In addition, in accordance with Oregon law, the bond funds may be used only to pay for capital costs, including costs associated with acquisition, construction, improvement, remodeling, furnishing, equipping, maintenance or repair having an expected useful life of more than one year. Bond funds may not be used to pay for general project maintenance and repair, supplies, or equipment that are not intrinsic to a structure or for any other costs that do not meet the definition of “capital costs” under the Oregon Constitution and Oregon law.

3.2 METRO COUNCIL

The Metro Council provides policy direction for the Housing Bond Program through:

- A. Adoption of this Work Plan;
- B. Appointment of Community Oversight Committee members, chair and/or co-chairs, collectively charged with monitoring program implementation;
- C. Approval of Local Implementation Strategies and Metro Regional Site Acquisition Strategy;

- D. Approval of intergovernmental agreements for implementation (each, an “Implementation IGA”) with Local Implementation Partners; and
- E. Monitoring of Program outcomes, with guidance from the Community Oversight Committee.

3.3 METRO CHIEF OPERATING OFFICER AND STAFF

The Metro Chief Operating Officer (COO) is authorized by the Metro Council to implement this Work Plan, and the COO will direct staff to conduct all program administration activities referenced herein, including (without limitation) the following:

- A. Acquisition of real property and associated project funding in accordance with the Metro Regional Site Acquisition Strategy and the criteria and conditions set forth in this Work Plan;
- B. Authorization of Metro Bond Measure funding for projects and program administration activities of Local Implementation Partners in accordance with the criteria and conditions set forth in this Work Plan; and
- C. Convening meetings and providing administrative support for the Community Oversight Committee.

3.4 LOCAL IMPLEMENTATION PARTNERS

Government agencies that are eligible to become Local Implementation Partners include counties, public housing authorities, and cities with populations over 50,000 that receive and administer their own federal Community Development Block Grant (CDBG) funding. To be eligible to receive Metro Bond Measure funds, Local Implementation Partners that receive Bond funding must:

- A. Adopt a Local Implementation Strategy, informed by community engagement, that includes a development plan to achieve the unit production targets, a strategy for advancing racial equity, and ensuring community engagement in implementation (see Section 5.2 and Exhibit C);
- B. Enter into an Implementation IGA with Metro, obligating the Local Implementation Partner to comply with this Work Plan and enter into certain covenants required to ensure compliance with the Bond Measure and other applicable law; and
- C. Provide adequate assurances to Metro that Metro Bond Measure funds will be expended solely to make permitted capital investments to create affordable housing in accordance with this Work Plan.

4. COMMUNITY OVERSIGHT COMMITTEE

In accordance with Metro Code Section 2.19, Metro will appoint a Community Oversight Committee (“Oversight Committee”) to ensure Program transparency and accountability. The Oversight Committee will be charged with the following duties:

- A. Review local implementation strategies and Metro’s Regional Site Acquisition Implementation Strategy for alignment with the Guiding Principles and clear plan to achieve the local share of Unit Production Targets, and recommend strategies for Metro Council approval; and
- B. Monitor program expenditures and outcomes and provide an annual report and presentation to Metro Council. The Committee may recommend changes to implementation strategies as necessary to achieve Unit Production Targets and adhere to the Guiding Principles.

Metro staff will consult members of the Community Oversight Committee as needed to advise on projects prior to the Metro COO’s authorization of funding.

5. DISTRIBUTION OF FUNDS AND TARGETS AND REQUIREMENTS FOR LOCAL IMPLEMENTATION PARTNERS

The Housing Bond Program is guided by regional goals and oversight, but implemented by the Local Implementation Partners, who are best positioned to respond to community affordable housing needs. Successful implementation requires flexibility for local jurisdictions to create and nimbly pursue strategies that respond to local community priorities and market contexts. Metro and the Local Implementation Partners must work together to ensure that Local Implementation Strategies, actions and investments advance desired regional outcomes that honor the commitments made to the region’s voters.

5.1 ALLOCATION OF BOND FUNDS

Metro Bond Measure funds will be allocated to Local Implementation Partners on the basis of assessed value of property, as described in Exhibit B. Except for permitted Program administration funding disbursements, Program funds will be committed and disbursed on a project-by-project basis following execution of Implementation IGAs. Distribution of Bond Measure funds will be conditioned on a Local Implementation Partner’s ongoing demonstration of progress toward its assigned share of the Unit Production Targets set forth in Exhibit B.

5.2 LOCAL IMPLEMENTATION STRATEGIES

To be eligible to receive Bond Measure funds, a Local Implementation Partner must create a Local Implementation Strategy outlining strategies for achieving its allocated share of Unit Production Targets. Each Local Implementation Strategy will be aligned with the Guiding Principles.

Each Local Implementation Strategy must include the following components, described in more detail in Exhibit C:

- A. Development Plan to achieve the Unit Production Targets, including criteria and selection process(es);
- B. Strategy for advancing racial equity throughout implementation;

- C. Engagement report summarizing how stakeholder input shaped the development of the Local Implementation Strategy; and
- D. Plan for ongoing community engagement to inform project implementation.

Approval and Revision Process

The Community Oversight Committee will review Local Implementation Strategies and recommend them for approval by the Metro Council. One Local Implementation Strategies have been approved by local governing bodies and Metro Council, they will be incorporated into Implementation IGAs.

As needed, the Oversight Committee and/or Local Implementation Partners may recommend changes to Local Implementation Strategies based on annual evaluation of Program outcomes. Local Implementation Strategies may be revised only following approval by the Metro Council and local governing bodies.

6. METRO REGIONAL SITE ACQUISITION PROGRAM

The Regional Site Acquisition Program will seek to support Local Implementation Partners in achieving the overall Unit Production Targets. Program funds will be used to purchase regionally significant sites and may be used to help ensure subsequent project development.

6.1 REGIONAL SITE ACQUISITION IMPLEMENTATION STRATEGY

Up to ten percent of Bond Measure funds will be retained by Metro for the Regional Site Acquisition Program. Metro will create a Regional Site Acquisition Implementation Strategy outlining commitments and strategies for ensuring that regional site acquisitions are coordinated with Local Implementation Partners to support regional progress toward Unit Production Targets. The Regional Site Acquisition Implementation Strategy will be aligned with the Guiding Principles.

The Regional Site Acquisition Implementation Strategy must include the following components, consistent with applicable required elements of Local Implementation Strategies, as described in Exhibit C:

- A. Development plan including criteria and selection process(es), including a process for engaging relevant Local Implementation Partners;
- B. Strategy for advancing racial equity throughout implementation, in alignment with applicable Local Implementation Strategy approaches; and
- C. Engagement report summarizing how stakeholder input shaped the development of the Regional Site Acquisition Implementation Strategy.

Metro will engage Local Implementation Partners throughout the development of the Regional Site Acquisition Strategy to ensure alignment and coordination with Local Implementation Strategies and approaches.

Approval and Revision Process

The Community Oversight Committee will review the Regional Site Acquisition Implementation and recommend such strategy for approval by Metro Council.

As needed, the Oversight Committee and/or Metro staff may recommend changes to the Regional Site Acquisition Implementation Strategy based on annual evaluation of Program outcomes. The Regional Site Acquisition Implementation Strategy may be revised only following approval by the Metro Council.

7. CAPITAL INVESTMENT ACTIVITIES

Affordable housing projects proposing to use Bond Measure funds must be selected using a process and criteria consistent with the applicable Local Implementation Strategy and/or Metro Site Acquisition Implementation Strategy. Funding will be authorized by the Metro COO based on consistency with applicable strategy and compliance with this Work Plan. Metro staff will consult members of the Community Oversight Committee as needed to advise on projects prior to authorization of funding by the COO.

Once a project is approved by the Metro COO, Bond Measure funds will be released to the Local Implementation Partner in accordance with the terms of the Implementation IGA, which may require the release of funds in stages upon completion of construction and development benchmarks. Local Implementation Partners may directly utilize the Bond Measure funds for public improvement projects, or loan, grant or otherwise contribute these funds to a non-governmental entity, such as a Low Income Housing Tax Credit (LIHTC) Partnership or LLC for private projects.

7.1 NONGOVERNMENTAL REHABILITATION AND NEW CONSTRUCTION

Local Implementation Partners may contribute Metro Bond Measure funds to private for-profit and nonprofit development entities to pay for new construction of privately owned affordable housing or for the acquisition and rehabilitation of existing market rate/unregulated housing being converted to regulated affordable housing. Bond Measure funds may be contributed to projects as either the primary source of project funding or as “gap funding” as described below.

Gap Funding

Local Implementation Partners may use Bond Measure funds to provide grants and make loans to qualified private for-profit or nonprofit entities developing, owning and operating affordable housing projects, including LIHTC Partnerships or LLCs, to assist these entities in closing funding gaps between all other available sources of funding (including but not limited to LIHTC equity, senior secured project indebtedness, other state and local loan and grant proceeds and programs, and private and/or philanthropic sources), and the actual project development and construction costs. Local Implementation Partners may provide Bond Measure funds to such private entities in the form of loans or grants. Loans may be “cash-flow-only,” or “soft loans” and may include below market or no interest, non-recourse, extended amortization or fully “forgivable” repayment terms.

Eligible Costs

Bond Measure funds may be used to pay for qualified capital costs associated with the following:

- Construction of new affordable housing for households earning 80% area median income (AMI) or less;
- Acquisition and rehabilitation of residential buildings with no existing form of public affordability restriction;
- Construction of new affordable housing as part of the redevelopment of a residential property with existing public affordability restrictions, as long as the redevelopment results in a substantial net increase in the total number of affordable homes. In such cases, Program funding may only be used for the portion of new homes that are not replacing regulated affordable homes currently on the site and related project/site improvements, such as parking, infrastructure improvements, and community space;
- Construction of ancillary commercial space, community space, and resident amenities, as long as ancillary spaces and amenities are part of buildings that contribute toward Unit Production Targets;
- All necessary and required site work and infrastructure for the above projects;
- Predevelopment costs, including third party reports, design studies, financial modeling and community outreach, which may be reimbursed upon closing of construction financing of an affordable housing project. Prior to closing, these costs are an eligible use of bond program administration funding, but will count toward administrative funding caps prior to reimbursement through a project closing; and
- Administrative costs that comply with requirements laid out in Section 9.2.

Ineligible Costs

Bond proceeds must be used to finance projects that constitute capital construction, capital improvement or a capital cost as those terms are defined by the relevant provisions or the Oregon Constitution, Oregon law (including ORS 310.140) and the parameters of the Bond Measure.

Costs that are ineligible for bond funding include but are not limited to:

- Acquisition of housing with existing public affordability restrictions;
- Rehabilitation of housing with existing public affordability restrictions;
- Redevelopment of residential properties with existing public affordability restrictions that does not result in a substantial net increase in the number of affordable homes on the site;
- Project operating costs, including the provision of resident support services;
- Rental assistance; and
- Administrative costs that do not comply with requirements laid out in Section 9.2.

7.2 PUBLIC REHABILITATION AND NEW CONSTRUCTION

Local Implementation Partners may utilize Bond Measure funds only to pay qualified capital costs to develop, finance, construct and equip new affordable housing and to acquire and rehabilitate market rate housing with no existing public affordability restriction for conversion to affordable housing with a public affordability restriction. Metro housing bond funds may not be used to acquire and/or rehabilitate any housing with an existing public affordability restriction.

Eligible and ineligible costs are set forth in Section 7.1, above.

7.3 PROJECT APPROVAL AND FUNDING PROCESS

The Metro COO will approve funding commitments for all qualified projects identified by Local Implementation Partners at two stages: (1) a Concept Endorsement and (2) a Final Approval. The Concept Endorsement is a preliminary commitment of funding on the basis of consistency of the early project concept with the Local Implementation Strategy. The Concept Endorsement is optional for acquisition and rehabilitation projects (to be pursued at the Local Implementation Partner’s discretion), but is mandatory for new construction projects.

Stage 1: Concept Endorsement (optional for acquisition/rehabilitation; required for new construction)

The Metro COO will provide Concept Endorsements for preliminary development and acquisition/rehabilitation projects. Presented concepts should consist of, at minimum, an identified site which the Local Implementation Partner or the private developer/sponsor controls, a preliminary development or rehabilitation plan, a preliminary unit and affordability mix, preliminary estimates of total development costs, preliminary estimate of requested Metro Housing bond funds and an identified development team.

The Concept Endorsement will be made based upon the following criteria:

- Endorsement of Local Implementation Partner;
- Concept’s contribution to Unit Production Targets relative to requested amount of bond funding **or** demonstration of how proposed project will contribute to Local Implementation Partner’s portfolio of planned or completed projects to achieve the local share of Unit Production Targets; and
- Consistency with Local Implementation Strategy.

Stage 2: Funding Authorization and Release of Funds

The Metro COO will authorize project funding only after a finalized development program, design development drawings and confirmed funding sources have been provided. Metro staff will consult members of the Community Oversight Committee as needed to advise on projects prior to authorization of funding by the COO. The Metro COO’s authorization of funding will be based on the satisfaction of the following criteria:

- Continued support for the project by Local Implementation Partner;
- Development program’s contribution to Unit Production Targets (including affordability and bedroom size targets) relative to requested amount of bond funding; **or** demonstration of how

proposed project will contribute to Local Implementation Partner’s portfolio of planned or completed projects to achieve the local share of Unit Production Targets;

- Consistency with Local Implementation Strategy; and
- Provision of requested documentation to demonstrate project feasibility.

Prior to the release of funds to the Implementation Partner, a Regulatory Agreement (as defined below) approved by the Office of the Metro Attorney and meeting the criteria described further in Section 8.1 will be executed. The Regulatory Agreement will be recorded against the property at or prior to the time of closing.

7.4 REAL PROPERTY ACQUISITIONS

Bond funds may be used by Metro or Local Implementation Partners to acquire real property (including land and buildings) for the development, rehabilitation, or adaptive reuse as affordable housing consistent with this Work Plan (hereinafter referred to as “Property Acquisitions”).

Property Acquisition costs that may be paid for with Bond funds include the purchase price and all costs related to pre-purchase due diligence including appraisals, purchase of options, earnest money for purchase and sale agreements, environmental assessments, geotechnical reports, preliminary development cost estimates, zoning capacity studies, physical capital needs assessments for acquired buildings, and other third party reports. Eligible pre-purchase due diligence costs will be reimbursed to Local Implementation Partners only upon completion of the Property Acquisition, although bond Program Administration funds may be applied to due diligence costs prior to reimbursement.

Bond Measure funds may also be loaned or granted to projects sited on real property previously acquired by a project sponsor or Local Implementation Partner using non-Bond funds. For these projects, the costs of previous real property acquisition will be included in overall project costs, subject to Metro appraisal requirements.

Property Acquisition Parameters

Bond Measure funds may be used for Property Acquisition provided the following criteria are met:

- The property is owned by a willing seller;
- An appraised value has been obtained in accordance with applicable Uniform Standards of Professional Appraisal Practice (USPAP) standards. In general, the purchase price should not exceed 10 percent over appraised value. However, exceptions may be made at the discretion of the Metro COO if it can be demonstrated that the site presents unique opportunities to advance the Unit Production Targets and Guiding Principles;
- The anticipated project on the site will contribute proportionately to Unit Production Targets (including affordability and bedroom size targets) relative to the forecasted bond funding; or the Local Implementation Partner demonstrates how the anticipated project will contribute to that Partner’s portfolio of planned or completed projects to achieve the local share of Unit Production Targets;

- The property consists of a development-ready site, with zoned capacity to support the preliminary development concept, road access, utility connections, buildable soils, and mitigation plan for any environmental conditions; and
- The acquisition is consistent with the applicable Implementation Strategy.

The requirement for zoned capacity, utility connections, and other infrastructure improvements may be waived in cases where an approved plan provides for needed improvements and such improvements are expected within two years.

Funding Authorization and Release of Funds

Funding authorizations for Property Acquisitions will be authorized by the Metro COO. Metro staff will consult members of the Community Oversight Committee as needed to advise on projects prior to authorization of funding by the COO.

Prior to the release of funds, a Regulatory Agreement (as defined in Section 8.1) will be recorded against the property at or prior to the time of closing. The Local Implementation Partner will provide a copy of the recorded Regulatory Agreement to Metro promptly after closing.

8. AFFORDABILITY COVENANTS AND MONITORING

8.1 METRO AFFORDABILITY COVENANTS

Each Implementation IGA will require that a regulatory agreement or similar affordability/restrictive covenant (the “Regulatory Agreement”), in form and substance acceptable to Metro, must be recorded on the title of every property that receives Bond project funding. The Regulatory Agreement will acknowledge the use of Bond Measure funds and the restrictions associated with the use of such funds, including the affordability restrictions and other policies upon which the funding was conditioned, provide monitoring and access rights to Metro, and be enforceable by the Local Implementation Partner and Metro.

The Regulatory Agreement will have a term of not less than 60 years for newly constructed projects and existing market-rate projects that are converted to affordable/regulated projects, except in the case of converted projects where the project is more than 10 years old at the date of acquisition, in which case the minimum term will be not less than 30 years. The Regulatory Agreement will provide a first right of refusal for qualified nonprofit organizations or government entities to acquire the project upon expiration of the affordability period.

In the case of Property Acquisitions, the Regulatory Agreement will ensure development of the property consistent with the requirements set forth in this Work Plan.

8.2 MONITORING RESPONSIBILITIES

Owners of private projects receiving Bond Measure funds will be required to enter into a Regulatory Agreement, or similar agreement for the benefit of both Metro and the Local Implementation Partner,

to periodically provide tenant income verification data to ensure compliance with affordability restrictions. Project owners will also be required to provide certain information, including voluntarily collected tenant demographic data, to support evaluation of program outcomes. Finally, owners will be required to provide Metro with access to asset management data, including financial performance and physical condition of the project, and to provide physical access to the property when requested by Metro and/or the Local Implementation Partner. Metro will work with Local Implementation Partners, Oregon Housing and Community Services, or other public agencies to develop shared monitoring and reporting requirements and functions that align with established funding programs, including LIHTC.

9. PROGRAM OPERATIONS

9.1 PROCEDURES MANUAL

A Program procedures manual (“Procedures Manual”) will be maintained by Metro to support fair and consistent consideration of Program funding requests, clear standards for reporting on Program outcomes, and continuous improvements in Program operations. Revisions to the Procedures Manual require Planning and Development Department Director approval.

The Affordable Housing Program procedures will include, at a minimum, guidance related to:

1. *Funding Guidelines*: Guidelines related to performance targets relative to the amount of Bond Funds contributed to a project and standards for replacement reserve funding;
2. *Risk Controls*: Preconditions for contractual commitments and release of funds, procedures for funding disbursement and monitoring during project construction, and recurring investment policies;
3. *Project Documentation Checklists and Templates*: List of required documents for Property Acquisition, Concept Endorsement, and Project Funding Authorization;
4. *Local Implementation Partner and Metro Site Acquisition Program Reporting*: Metrics, protocol, and templates for Local Implementation Partners and Metro’s Site Acquisition Program to submit annual reports on program outcomes for review by the Community Oversight Committee; and
5. *Local Implementation Partner Administration Funding Guidelines*: Protocol and templates for Local Implementation Partners to submit a work plan in order to receive administrative funding at the beginning of each fiscal year, including requirements for end-of-year reporting to demonstrate compliance with this Work Plan.

9.2 CAPITAL EXPENDITURES - ADMINISTRATIVE COST CAP

Bond Measure funds must be used to pay for or reimburse prior expenditures that constitute qualified capital costs, consistent with the requirements of the Bond Measure, the Oregon Constitution and other applicable law.

The purpose and focus of the Affordable Housing Program is to expand the region's supply of affordable housing. Consistent with requirements set forth in the Bond Measure, no more than five percent of total Bond Measure proceeds may be expended on administrative costs associated with the implementation of Program activities, including Program development and administration, financial administration, and monitoring and oversight functions prior to the completion of the Unit Production Targets. All administrative and Program costs funded with Metro Bond Measure proceeds must be capital costs, as defined by the Oregon Constitution and Oregon Statutes, allocable to affordable housing projects.

Subject to compliance with Oregon law and the Bond Measure, Local Implementation Partners are eligible to receive funding for administrative costs associated with Program implementation according to the distribution described in Exhibit B. Each Local Implementation Partner must submit a spending plan for the allocated annual funds and a report demonstrating use of the previous year's funding by April 1 of each year, including certifying that Metro Bond Measure funds have been and will be applied solely to the payment or reimbursement of capital costs consistent with Oregon law and the Bond Measure. Once Metro has approved the spending plan, funding will be released on or after July 1 for the fiscal year commencing on July 1 and ending the following June 30. A partial year allocation will be made available to eligible Local Implementation Partners for FY2018-19 in February 2019. In order to maintain eligibility to receive Metro Bond Measure funds in advance for program implementation activities, all administrative expenditures must result in funding authorization for bond-funded affordable housing projects or assets within three years from the date of disbursement.

9.3 PROGRAM AMENDMENTS

This Work Plan may be amended, as needed, by Metro staff with approval of the Metro Council to ensure compliance with Bond Measure covenants, applicable law, achievement of Unit Production Goals, and alignment with Guiding Principles.

EXHIBIT A
BOND MEASURE BALLOT TITLE

Attachment to SEL 805

| | |
|------------------------|---|
| Caption: | Bonds to fund affordable housing in Washington, Clackamas, Multnomah counties. |
| Question: | Shall Metro issue bonds, fund affordable housing for low-income families, seniors, veterans, people with disabilities; require independent oversight, annual audits? If the bonds are approved, they will be payable from taxes on property or property ownership that are not subject to the limits of sections 11 and 11b, Article XI of the Oregon Constitution |
| Summary: | <p>Measure authorizes \$652.8 million in general obligation bonds to fund affordable housing in Washington, Clackamas, and Multnomah counties.</p> <p>Bonds will be used to build affordable housing for low-income households; purchase, rehabilitate, and preserve affordability of existing housing; buy land for affordable housing; help prevent displacement.</p> <p>Affordable housing means land and improvements for residential units occupied by low-income households making 80% or less of area median income, which in 2018 for a family of four was \$65,120; improvements may include a mix of unit sizes, spaces for community and resident needs and services. Some units will be accessible for people with disabilities and seniors; flexibility for existing tenants and hardship.</p> <p>Requires community oversight and independent financial audits. Creates affordable housing function for Metro, implemented by Metro and local housing partners. Local and regional administrative costs capped at 5% of bond proceeds. Bond costs estimated at \$0.24 per \$1,000 of assessed value annually, approximately \$5.00/month for the average homeowner. Bonds may be issued over time in multiple series.</p> |
| Explanatory Statement: | <p>In the Metro region, rents and housing prices are rising faster than wages. Between 2010 and 2016, the median income for a renter increased 19% while the average rent increased 52%. The need for affordable housing continues to increase, with demand for affordable housing outpacing supply. This is especially true for people on fixed incomes, working families, and seniors and disabled people in our region.</p> <p>This measure will authorize Metro to issue \$652.8 million in general obligation bonds to provide affordable housing for low-income families, seniors, veterans and</p> |

| | |
|--|--|
| | <p>people with disabilities in the Metro region which includes Washington, Clackamas and Multnomah counties.</p> <p>The bond funds will be used to build affordable housing for low-income households, to purchase and rehabilitate existing housing to preserve its affordability and prevent displacement, and to buy land for the immediate or future construction of new affordable housing.</p> <p>The measure will create an affordable housing function for Metro, and will be implemented by Metro and local governments. The administrative costs of Metro and local housing providers paid for by the measure will not exceed 5% of bond funds. Metro may issue the bonds over time in multiple series. Metro estimates that the cost of the measure to the average homeowner to be 24 cents per \$1,000 of assessed value annually, or approximately \$5.00/month. An independent community oversight committee will review bond expenditures and provide annual reports, and an independent public accounting firm will perform an annual financial audit of the expenditure of bond funds.</p> <p>For purposes of the bond measure, “Affordable Housing” means land and improvements for residential units occupied by low-income households making 80% or less of the area median income, which in 2018 for a family of four was \$65,120. The improvements constructed or purchased with bond funds may be composed of a mix of unit sizes, and may include spaces for community and resident needs and services, such as, without limitation, spaces for childcare services, healthcare services, grocery, onsite utility and building facilities, and other commercial, office and retail uses. Some units will be accessible for people with disabilities and seniors. The income eligibility rules may provide for a waiver or temporary relief from the limitations on qualifying income, if needed to avoid undue hardship or displacement of persons living in existing housing.</p> |
|--|--|

On behalf of:

- Metro Council President Tom Hughes
- Councilor Shirley Craddick
- Councilor Betty Dominguez
- Councilor Craig Dirksen
- Councilor Kathryn Harrington
- Councilor Sam Chase
- Councilor Bob Stacey

Submitted by: Metro Council President Tom Hughes

EXHIBIT B
BREAKDOWN OF UNIT PRODUCTION TARGETS AND
FUNDING ELIGIBILITY

Distribution of targets and eligible project and administration funding*

| Jurisdiction | Percent of assessed value | Unit Production Targets** | | | Total Project Funding Available | Total Admin. Funding Available*** |
|---|---------------------------|-------------------------------------|--------------|--------------|---------------------------------|-----------------------------------|
| | | Total | 30% AMI | Family-Size | | |
| Beaverton | 5.58% | 218 | 89 | 109 | \$31,140,595 | \$655,591 |
| Clackamas County | 20.82% | 812 | 333 | 406 | \$116,188,094 | \$2,446,065 |
| Gresham | 4.79% | 187 | 77 | 93 | \$26,756,995 | \$563,305 |
| Hillsboro | 7.28% | 284 | 117 | 142 | \$40,657,081 | \$855,939 |
| Home Forward (balance of Multnomah County) | 2.84% | 111 | 46 | 55 | \$15,879,123 | \$334,297 |
| Portland | 37.81% | 1,475 | 605 | 737 | \$211,056,579 | \$4,443,296 |
| Washington County (balance of county) | 20.87% | 814 | 334 | 407 | \$116,465,532 | \$2,451,906 |
| Metro Site Acquisition Program**** | <i>n/a</i> | <i>Contributes to above targets</i> | | | \$62,016,000 | \$1,305,600 |
| Metro accountability and financial transaction costs | <i>n/a</i> | <i>n/a</i> | | | <i>n/a</i> | \$13,056,000 |
| Reserved for future allocation as determined necessary to achieve targets | <i>n/a</i> | <i>n/a</i> | | | <i>n/a</i> | \$6,528,000 |
| Total | 100% | 3,900 | 1,600 | 1,950 | \$620,016,000 | \$32,640,000 |

*The Initial Housing Bond Framework calls for distribution of targets and funding to counties on the basis of assessed value, but provides flexibility for how partners within each county further distribute targets and funding. If an alternative distribution is not agreed to by partners for distribution of funding within a county, assessed value will be used as the basis of distribution to all partners.

** For acquired rental properties, the targets and cap on homes for households making 61-80% of AMI will be applied upon turnover.

*** Any administrative funding from bond proceeds must be consistent with the requirements of Oregon law and the Bond Measure and Metro will, in consultation with bond and tax counsel, request certification from jurisdictions that proceeds are being applied to qualified capital costs.

**** The Regional Site Acquisition Program aims to distribute investments proportionately across the region to support local progress toward the Unit Production Targets. In the event that regional investments are not proportionately distributed, the above Unit Production Targets may be adjusted pursuant to a Work Plan amendment.

EXHIBIT C
LOCAL IMPLEMENTATION STRATEGY REQUIREMENTS

1. Development Plan to achieve the Unit Production Targets that includes the following elements:
 - a. 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;
 - b. Consideration for how new bond program investments will complement existing regulated affordable housing supply and pipeline;
 - c. 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;
 - d. Strategy for aligning resident or supportive services with housing investments, including [optional] any local goals or commitments related to permanent supportive housing; and
 - e. 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.

2. Strategy for advancing racial equity in implementation that includes:
 - a. Location strategy that considers geographic distribution of housing investments, access to opportunity, strategies to address racial segregation, and strategies to prevent displacement and stabilize communities;
 - b. 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;
 - c. 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; and
 - d. Requirements or competitive criteria for projects to align culturally specific programming and supportive services to meet the needs of tenants.

3. Engagement report summarizing engagement activities, participation and outcomes, including:
 - a. 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;
 - b. Summary of key community engagement themes related to local housing needs and priority outcomes for new affordable housing investments, approach to geographic distribution and location strategies, acknowledgement of historic/current inequitable

access to affordable housing and opportunities for stakeholders to identify specific barriers to access, and opportunities to advance racial equity through new investments;

- c. Summary of how the above themes are reflected in the Local Implementation Strategy.
4. Plan to ensure ongoing community engagement to inform project implementation, including:
- a. 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; and
 - b. Strategy for ensuring community engagement to shape project outcomes to support the success of future residents.

Lobbying Certificate

The Undersigned certifies, to the best of his or her knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of ANY Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with THIS Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit *Standard Form – LLL, “Disclosure Form to Report Lobbying,”* in accordance with its instructions.
3. The undersigned shall require that the language of this certification be included in the award documents for all sub awards at all tiers (including subcontracts, sub grants, and contracts under grants, loans, and cooperative agreements) and that all sub recipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Signature: _____

Date: _____

Name: _____

Title: _____

NOTE: CONTRACTORS ARE REQUIRED, PURSUANT TO FEDERAL LAW, TO INCLUDE THE ABOVE LANGUAGE IN SUBCONTRACTS OVER \$100,000 AND TO OBTAIN THIS LOBBYING CERTIFICATE FROM EACH SUBCONTRACTOR BEING PAID \$100,000 OR MORE UNDER THIS CONTRACT.

Certification Regarding Debarment and Suspension

U.S. Department of Housing
and Urban Development

Certification A: Certification Regarding Debarment, Suspension, and Other Responsibility Matters - Primary Covered Transactions

1. The prospective primary participant certifies to the best of its knowledge and belief that its principals;
 - a. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal debarment or agency;
 - b. Have not within a three-year period preceding this proposal, been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification, or destruction of records, making false statements, or receiving stolen property;
 - c. Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State, or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and
 - d. Have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State, or local) terminated for cause or default.

2. Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

Instructions for Certification (A)

1. By signing and submitting this proposal, the prospective primary participant is providing the certification set out below.
2. The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. The prospective participant shall submit an explanation of why it cannot provide the certification set out below. The certification or explanation will be considered in connection with the department or agency's determination whether to enter into this transaction. However, failure of the prospective primary participant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.
3. The certification in this clause is a material representation of fact upon which reliance was placed when the department or agency determined to enter into this transaction. If it is later determined that the prospective primary participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency may terminate this transaction for cause of default.

4. The prospective primary participant shall provide immediate written notice to the department or agency to whom this proposal is submitted if at any time the prospective primary participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.

5. The terms **covered transaction, debarred, suspended, ineligible, lower tier covered transaction, participant, person, primary covered transaction, principal, proposal, and voluntarily excluded**, as used in this clause, have the meanings set out in the Definitions and Coverage sections of the rules implementing Executive Order 12549. You may contact the department or agency to which this proposal is being submitted for assistance in obtaining a copy of these regulations.

6. The prospective primary participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency entering into this transaction.

7. The prospective primary participant further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transaction," provided by the department or agency entering into this covered transaction, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

8. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines this eligibility of its principals. Each participant may, but is not required to, check the Nonprocurement List.

9. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

10. Except for transactions authorized under paragraph (6) of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency may terminate this transaction for cause of default.

Certification B: Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions

I. The prospective lower tier participant certifies, by submission of this proposal, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.

2. Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

Instructions for Certification (B)

I. By signing and submitting this proposal, the prospective lower tier participant is providing the certification set out below.

2. The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective lower tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

3. The prospective lower tier participant shall provide immediate written notice to the person to which this proposal is submitted if at any time the prospective lower tier participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.

4. The terms **covered transaction, debarred, suspended, ineligible, lower tier covered transaction, participant, person, primary covered transaction, principal, proposal, and voluntarily excluded**, as used in this clause, have the meanings set out in the Definitions and Coverage sections of rules implementing Executive Order 12549. You may contact the person to which this proposal is submitted for assistance in obtaining a copy of these regulations.

5. The prospective lower tier participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency with which this transaction originated.

6. The prospective lower tier participant further agrees by submitting this proposal that it will include this clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transaction," without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

7. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the Nonprocurement List.

8. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

9. Except for transactions authorized under paragraph (5) of these instructions, if a participant in a lower covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies including suspension and/or debarment.

| | | |
|---|--|-------|
| Applicant | | Date |
| Signature of Authorized Certifying Official | | Title |

Instructions to Offerors Non-Construction

U.S. Department of Housing
and Urban Development
Office of Public and Indian Housing

-03291 -

1. Preparation of Offers

(a) Offerors are expected to examine the statement of work, the proposed contract terms and conditions, and all instructions. Failure to do so will be at the offeror's risk.

(b) Each offerer shall furnish the information required by the solicitation. The offerer shall sign the offer and print or type its name on the cover sheet and each continuation sheet on which it makes an entry. Erasures or other changes must be initialed by the person signing the offer. Offers signed by an agent shall be accompanied by evidence of that agent's authority, unless that evidence has been previously furnished to the HA.

(c) Offers for services other than those specified will not be considered.

2. Submission of Offers

(a) Offers and modifications thereof shall be submitted in sealed envelopes or packages (1) addressed to the office specified in the solicitation, and (2) showing the time specified for receipt, the solicitation number, and the name and address of the offerer.

(b) Telegraphic offers will not be considered unless authorized by the solicitation; however, offers may be modified by written or telegraph notice.

(c) Facsimile offers, modifications or withdrawals will not be considered unless authorized by the solicitation.

3. Amendments to Solicitations

(a) If this solicitation is amended, then all terms and conditions which are not modified remain unchanged.

(b) Offerors shall acknowledge receipt of any amendments to this solicitation by

- (1) signing and returning the amendment;
- (2) identifying the amendment number and date in the space provided for this purpose on the form for submitting an offer,
- (3) letter or telegram, or
- (4) facsimile, if facsimile offers are authorized in the solicitation. The HA/HUD must receive the acknowledgment by the time specified for receipt of offers.

4. Explanation to Prospective Offerors

Any prospective offeror desiring an explanation or interpretation of the solicitation, statement of work, etc., must request it in writing soon enough to allow a reply to reach all prospective offerors before the submission of their offers. Oral explanations or instructions given before the award of the contract will not be binding. Any information given to a prospective offeror concerning a solicitation will be furnished promptly to all other prospective offerors as an amendment of the solicitation, if that information is necessary in submitting offers or if the lack of it would be prejudicial to any other prospective offerors.

5. Responsibility of Prospective Contractor

(a) The HA shall award a contract only to a responsible prospective contractor who is able to perform successfully under the terms and conditions of the proposed contract. To be determined responsible, a prospective contractor must -

- (1) Have adequate financial resources to perform the contract, or the ability to obtain them;

- (2) Have a satisfactory performance record;
- (3) Have a satisfactory record of integrity and business ethics;
- (4) Have a satisfactory record of compliance with public policy (e.g., Equal Employment Opportunity); and
- (5) Not have been suspended, debarred, or otherwise determined to be ineligible for award of contracts by the Department of Housing and Urban Development or any other agency of the U.S. Government. Current lists of ineligible contractors are available for inspection at the HNHUDD.

(b) Before an offer is considered for award, the offerer may be requested by the HA to submit a statement or other documentation regarding any of the foregoing requirements. Failure by the offeror to provide such additional information may render the offerer ineligible for award.

6. Late Submissions, Modifications, and Withdrawal of Offers

(a) Any offer received at the place designated in the solicitation after the exact time specified for receipt will not be considered unless it is received before award is made and it -

- (1) Was sent by registered or certified mail not later than the fifth calendar day before the date specified for receipt of offers (e.g., an offer submitted in response to a solicitation requiring receipt of offers by the 20th of the month must have been mailed by the 15th);
- (2) Was sent by mail, or if authorized by the solicitation, was sent by telegram or via facsimile, and it is determined by the HA/ HUD that the late receipt was due solely to mishandling by the HA/ HUD after receipt at the HA;
- (3) Was sent by U.S. Postal Service Express Mail Next Day Service® Post Office to Addressee, not later than 5:00 p.m. at the place of mailing two working days prior to the date specified for receipt of proposals. The term "Working days" excludes weekends and U.S. Federal holidays; or
- (4) Is the only offer received.

(b) Any modification of an offer, except a modification resulting from the HA's request for "best and final" offer (if this solicitation is a request for proposals), is subject to the same conditions as in subparagraphs (a)(1), (2), and (3) of this provision.

(c) A modification resulting from the HA's request for "best and final" offer received after the time and date specified in the request will not be considered unless received before award and the late receipt is due solely to mishandling by the HA after receipt at the HA.

(d) The only acceptable evidence to establish the date of mailing of a late offer, modification, or withdrawal sent either by registered or certified mail is the U.S. or Canadian Postal Service postmark both on the envelope or wrapper and on the original receipt from the U.S. or Canadian Postal Service. Both postmarks must show a legible date or the offer, modification, or withdrawal shall be processed as if mailed late. "Postmark" means a printed, stamped, or otherwise placed impression (exclusive of a postage meter machine impression) that is readily identifiable without further action as having been supplied and affixed by employees of the U.S. or Canadian Postal Service on the date of mailing. Therefore, offerors should request the postal clerk to place a hand cancellation bull's-eye postmark on both the receipt and the envelope or wrapper.

(e) The only acceptable evidence to establish the time of receipt at the HA is the time/date stamp of HA on the offer wrapper or other documentary evidence of receipt maintained by the HA.

(f) The only acceptable evidence to establish the date of mailing of a late offer, modification, or withdrawal sent by Express Mail Next Day Service-Post Office to Addressee is the date entered by the post office receiving clerk on the "Express Mail Next Day Service-Post Office to Addressee" label and the postmark on both the envelope or wrapper and on the original receipt from the U.S. Postal Service. "Postmark" has the same meaning as defined in paragraph (c) of this provision, excluding postmarks of the Canadian Postal Service. Therefore, offerors should request the postal clerk to place a legible hand cancellation bull's eye postmark on both the receipt and the envelope or wrapper.

(g) Notwithstanding paragraph (a) of this provision, a late modification of an otherwise successful offer that makes its terms more favorable to the HA will be considered at any time it is received and may be accepted.

(h) If this solicitation is a request for proposals, proposals *may* be withdrawn by written notice, or if authorized by this solicitation, by telegram (including mailgram) or facsimile machine transmission received at any time before award. Proposals may be withdrawn in person by a offeror or its authorized representative if the identity of the person requesting withdrawal is established and the person signs a receipt for the offer before award. If this solicitation is an Invitation for bids, bids may be withdrawn at any time prior to bid opening.

7. Contract Award

(a) The HA will award a contract resulting from this solicitation to the responsible offeror whose offer conforming to the solicitation will be most advantageous to the HA, cost or price and other factors, specified elsewhere in this solicitation, considered.

(b) The HA may

- (1) reject any or all offers if such action is in the HA's interest,
- (2) accept other than the lowest offer,
- (3) waive informalities and minor irregularities in offers received, and (4) award more than one contract for all or part of the requirements stated.

(c) If this solicitation is a request for proposals, the HA may award a contract on the basis of initial offers received, without discussions. Therefore, each initial offer should contain the offeror's best terms from a cost or price and technical standpoint.

(d) A written award or acceptance of offer mailed or otherwise furnished to the successful offeror within the time for acceptance specified in the offer shall result in a binding contract without further action by either party. If this solicitation is a request for proposals, before the offeror's specified expiration time, the HA may accept an offer, whether or not there are negotiations after its receipt, unless a written notice of withdrawal is received before award. Negotiations conducted after receipt of an offer do not constitute a rejection or counteroffer by the HA.

(e) Neither financial data submitted with an offer, nor representations concerning facilities or financing, will form a part of the resulting contract.

8. Service of Protest

Any protest against the award of a contract pursuant to this solicitation shall be served on the HA by obtaining written and dated acknowledgment of receipt from the HA at the address shown on the cover of this solicitation. The determination of the HA with regard to such protest or to proceed to award notwithstanding such protest shall be final unless appealed by the protester.

9. Offer Submission

Offers shall be submitted as follows and shall be enclosed in a sealed envelope and addressed to the office specified in the solicitation. The proposal shall show **the hour and date specified in the solicitation for receipt, the solicitation number, and the name and address of the offeror, on the face of the envelope.**

It is very important that the offer be properly identified on the face of the envelope as set forth above in order to insure that the date and time of receipt is stamped on the face of the offer envelope. Receiving procedures are: date and time stamp those envelopes identified as proposals and deliver them immediately to the appropriate contracting official, and only date stamp those envelopes which do not contain identification of the contents and deliver them to the appropriate procuring activity only through the routine mail delivery procedure.

[Describe bid or proposal preparation instructions here:]

Certifications and Representations of Offerors

Non-Construction Contract

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing

Public reporting burden for this collection of information is estimated to average 5 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

This form includes clauses required by OMB's common rule on bidding/offering procedures, implemented by HUD in 24 CFR 85.36, and those requirements set forth in Executive Order 11625 for small, minority, women-owned businesses, and certifications for independent price determination, and conflict of interest. The form is required for nonconstruction contracts awarded by Housing Agencies (HAs). The form is used by bidders/offerors to certify to the HA's Contracting Officer for contract compliance. If the form were not used, HAs would be unable to enforce their contracts. Responses to the collection of information are required to obtain a benefit or to retain a benefit. The information requested does not lend itself to confidentiality.

1. Contingent Fee Representation and Agreement

(a) The bidder/offeror represents and certifies as part of its bid/offer that, except for full-time bona fide employees working solely for the bidder/offeror, the bidder/offeror:

- (1) **D** has, **D** has not employed or retained any person or company to solicit or obtain this contract; and
- (2) **D** has, **D** has not paid or agreed to pay to any person or company employed or retained to solicit or obtain this contract any commission, percentage, brokerage, or other fee contingent upon or resulting from the award of this contract.

(b) If the answer to either (a)(1) or (a) (2) above is affirmative, the bidder/offeror shall make an immediate and full written disclosure to the PHA Contracting Officer.

(c) Any misrepresentation by the bidder/offeror shall give the PHA the right to (1) terminate the resultant contract; (2) at its discretion, to deduct from contract payments the amount of any commission, percentage, brokerage, or other contingent fee; or (3) take other remedy pursuant to the contract.

2. Small, Minority, Women-Owned Business Concern Representation

The bidder/offeror represents and certifies as part of its bid/offer that it:

- (a) **Dis, Dis** not a small business concern. "Small business concern," as used in this provision, means a concern, including its affiliates, that is independently owned and operated, not dominant in the field of operation in which it is bidding, and qualified as a small business under the criteria and size standards in 13 CFR 121.
- (b) **Dis, Dis** not a women-owned small business concern. "Women-owned," as used in this provision, means a small business that is at least 51 percent owned by a woman or women who are U.S. citizens and who also control and operate the business.
- (c) **Dis, Dis** not a minority enterprise which, pursuant to Executive Order 11625, is defined as a business which is at least 51 percent owned by one or more minority group members or, in the case of a publicly owned business, at least 51 percent of its voting stock is owned by one or more minority group members, and whose management and daily operations are controlled by one or more such individuals.

For the purpose of this definition, minority group members are:

(Check the block applicable to you)

- | | |
|-----------------------------|-----------------------------------|
| D Black Americans | D Asian Pacific Americans |
| D Hispanic Americans | D Asian Indian Americans |
| D Native Americans | D Hasidic Jewish Americans |

3. Certificate of Independent Price Determination

(a) The bidder/offeror certifies that-

- (1) The prices in this bid/offer have been arrived at independently, without, for the purpose of restricting competition, any consultation, communication, or agreement with any other bidder/offeror or competitor relating to (i) those prices, (ii) the intention to submit a bid/offer, or (iii) the methods or factors used to calculate the prices offered;
- (2) The prices in this bid/offer have not been and will not be knowingly disclosed by the bidder/offeror, directly or indirectly, to any other bidder/offeror or competitor before bid opening (in the case of a sealed bid solicitation) or contract award (in the case of a negotiated solicitation) unless otherwise required by law; and
- (3) No attempt has been made or will be made by the bidder/offeror to induce any other concern to submit or not to submit a bid/offer for the purpose of restricting competition.

(b) Each signature on the bid/offer is considered to be a certification by the signatory that the signatory:

- (1) Is the person in the bidder/offeror's organization responsible for determining the prices being offered in this bid or proposal, and that the signatory has not participated and will not participate in any action contrary to subparagraphs (a)(1) through (a)(3) above; or
- (2) (i) Has been authorized, in writing, to act as agent for the following principals in certifying that those principals have not participated, and will not participate in any action contrary to subparagraphs (a)(1) through (a)(3) above (insert full name of person(s) in the bidder/offeror's organization responsible for determining the prices offered in this bid or proposal, and the title of his or her position in the bidder/offeror's organization);
(ii) As an authorized agent, does certify that the principals named in subdivision (b)(2)(i) above have not participated, and will not participate, in any action contrary to subparagraphs (a)(1) through (a)(3) above; and

(iii) As an agent, has not personally participated, and will not participate in any action contrary to subparagraphs (a)(1) through (a)(3) above.

(c) If the bidder/offeror deletes or modifies subparagraph (a)2 above, the bidder/offeror must furnish with its bid/offer a signed statement setting forth in detail the circumstances of the disclosure.

4. Organizational Conflicts of Interest Certification

(a) The Contractor warrants that to the best of its knowledge and belief and except as otherwise disclosed, it does not have any organizational conflict of interest which is defined as a situation in which the nature of work under a proposed contract and a prospective contractor's organizational, financial, contractual or other interest are such that:

(i) Award of the contract may result in an unfair competitive advantage;

(ii) The Contractor's objectivity in performing the contract work may be impaired; or

(iii) That the Contractor has disclosed all relevant information and requested the HA to make a determination with respect to this Contract.

(b) The Contractor agrees that if after award he or she discovers an organizational conflict of interest with respect to this contract, he or she shall make an immediate and full disclosure in writing to the HA which shall include a description of the action which the Contractor has taken or intends to eliminate or neutralize the conflict. The HA may, however, terminate the Contract for the convenience of HA if it would be in the best interest of HA.

(c) In the event the Contractor was aware of an organizational conflict of interest before the award of this Contract and intentionally did not disclose the conflict to the HA, the HA may terminate the Contract for default.

(d) The Contractor shall require a disclosure or representation from subcontractors and consultants who may be in a position to influence the advice or assistance rendered to the HA and shall include any necessary provisions to eliminate or neutralize conflicts of interest in consultant agreements or subcontracts involving performance or work under this Contract.

5. Authorized Negotiators (RFPs only)

The offeror represents that the following persons are authorized to negotiate on its behalf with the PHA in connection with this request for proposals: (list names, titles, and telephone numbers of the authorized negotiators):

6. Conflict of Interest

In the absence of any actual or apparent conflict, the offeror, by submission of a proposal, hereby warrants that to the best of its knowledge and belief, no actual or apparent conflict of interest exists with regard to my possible performance of this procurement, as described in the clause in this solicitation titled "Organizational Conflict of Interest."

7. Offeror's Signature

The offeror hereby certifies that the information contained in these certifications and representations is accurate, complete, and current.

Signature & Date:

Typed or Printed Name:

Title:

Contracts

Section I – (With or without Maintenance Work)

Development

Office of Public and Indian Housing
Office of Labor Relations

OMB Approval No. 2577-0157 (exp. 1/31/2017)

Public Reporting Burden for this collection of information is estimated to average 0.08 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Reports Management Officer, Office of Information Policies and Systems, U.S. Department of Housing and Urban Development, Washington, D.C. 20410-3600; and to the Office of Management and Budget, Paperwork Reduction Project (2577-0157), Washington, D.C. 20503. Do not send this completed form to either of these addressees.

Applicability. This form HUD-5370-C has 2 Sections. These Sections must be inserted into non-construction contracts as described below:

- 1) **Non-construction contracts** (*without* maintenance) **greater than \$100,000 - use Section I;**
- 2) **Maintenance contracts** (including nonroutine maintenance as defined at 24 CFR 968.105) **greater than \$2,000 but not more than \$100,000 - use Section II;** and
- 3) **Maintenance contracts** (including nonroutine maintenance), **greater than \$100,000 – use Sections I and II.**

Section I - Clauses for All Non-Construction Contracts greater than \$100,000

1. Definitions

The following definitions are applicable to this contract:

- (a) "Authority or Housing Authority (HA)" means the Housing Authority.
- (b) "Contract" means the contract entered into between the Authority and the Contractor. It includes the contract form, the Certifications and Representations, these contract clauses, and the scope of work. It includes all formal changes to any of those documents by addendum, Change Order, or other modification.
- (c) "Contractor" means the person or other entity entering into the contract with the Authority to perform all of the work required under the contract.
- (d) "Day" means calendar days, unless otherwise stated.
- (e) "HUD" means the Secretary of Housing and Urban development, his delegates, successors, and assigns, and the officers and employees of the United States Department of Housing and Urban Development acting for and on behalf of the Secretary.

2. Changes

- (a) The HA may at any time, by written order, and without notice to the sureties, if any, make changes within the general scope of this contract in the services to be performed or supplies to be delivered.
- (b) If any such change causes an increase or decrease in the hourly rate, the not-to-exceed amount of the contract, or the time required for performance of any part of the work under this contract, whether or not changed by the order, or otherwise affects the conditions of this contract, the HA shall make an equitable adjustment in the not-to-exceed amount, the hourly rate, the delivery schedule, or other affected terms, and shall modify the contract accordingly.
- (c) The Contractor must assert its right to an equitable adjustment under this clause within 30 days from the date of receipt of the written order. However, if the HA decides that the facts justify it, the HA may receive and act upon a

- proposal submitted before final payment of the contract.
- (d) Failure to agree to any adjustment shall be a dispute under clause Disputes, herein. However, nothing in this clause shall excuse the Contractor from proceeding with the contract as changed.
 - (e) No services for which an additional cost or fee will be charged by the Contractor shall be furnished without the prior written consent of the HA.

3. Termination for Convenience and Default

- (a) The HA may terminate this contract in whole, or from time to time in part, for the HA's convenience or the failure of the Contractor to fulfill the contract obligations (default). The HA shall terminate by delivering to the Contractor a written Notice of Termination specifying the nature, extent, and effective date of the termination. Upon receipt of the notice, the Contractor shall: (i) immediately discontinue all services affected (unless the notice directs otherwise); and (ii) deliver to the HA all information, reports, papers, and other materials accumulated or generated in performing this contract, whether completed or in process.
- (b) If the termination is for the convenience of the HA, the HA shall be liable only for payment for services rendered before the effective date of the termination.
- (c) If the termination is due to the failure of the Contractor to fulfill its obligations under the contract (default), the HA may (i) require the Contractor to deliver to it, in the manner and to the extent directed by the HA, any work as described in subparagraph (a)(ii) above, and compensation be determined in accordance with the Changes clause, paragraph 2, above; (ii) take over the work and prosecute the same to completion by contract or otherwise, and the Contractor shall be liable for any additional cost incurred by the HA; (iii) withhold any payments to the Contractor, for the purpose of off-set or partial payment, as the case may be, of amounts owed to the HA by the Contractor.
- (d) If, after termination for failure to fulfill contract obligations (default), it is determined that the Contractor had not failed, the termination shall be deemed to have been effected for the convenience of the HA, and the Contractor shall be entitled to payment as described in paragraph (b) above.
- (e) Any disputes with regard to this clause are expressly made subject to the terms of clause titled Disputes herein.

4. Examination and Retention of Contractor's Records

- (a) The HA, HUD, or Comptroller General of the United States, or any of their duly authorized representatives shall, until 3 years after final payment under this contract, have access to and the right to examine any of the Contractor's directly pertinent books, documents, papers, or other records involving transactions related to this contract for the purpose of making audit, examination, excerpts, and transcriptions.

-
- (b) The Contractor agrees to include in first-tier subcontracts under this contract a clause substantially the same as paragraph (a) above. "Subcontract," as used in this clause, excludes purchase orders not exceeding \$10,000.
 - (c) The periods of access and examination in paragraphs (a) and (b) above for records relating to:
 - (i) appeals under the clause titled Disputes;
 - (ii) litigation or settlement of claims arising from the performance of this contract; or,
 - (iii) costs and expenses of this contract to which the HA, HUD, or Comptroller General or any of their duly authorized representatives has taken exception shall continue until disposition of such appeals, litigation, claims, or exceptions.

5. Rights in Data (Ownership and Proprietary Interest)

The HA shall have exclusive ownership of, all proprietary interest in, and the right to full and exclusive possession of all information, materials and documents discovered or produced by Contractor pursuant to the terms of this Contract, including but not limited to reports, memoranda or letters concerning the research and reporting tasks of this Contract.

6. Energy Efficiency

The contractor shall comply with all mandatory standards and policies relating to energy efficiency which are contained in the energy conservation plan issued in compliance with the Energy Policy and Conservation Act (Pub.L. 94-163) for the State in which the work under this contract is performed.

7. Disputes

- (a) All disputes arising under or relating to this contract, except for disputes arising under clauses contained in Section III, Labor Standards Provisions, including any claims for damages for the alleged breach there of which are not disposed of by agreement, shall be resolved under this clause.
- (b) All claims by the Contractor shall be made in writing and submitted to the HA. A claim by the HA against the Contractor shall be subject to a written decision by the HA.
- (c) The HA shall, with reasonable promptness, but in no event in no more than 60 days, render a decision concerning any claim hereunder. Unless the Contractor, within 30 days after receipt of the HA's decision, shall notify the HA in writing that it takes exception to such decision, the decision shall be final and conclusive.
- (d) Provided the Contractor has (i) given the notice within the time stated in paragraph (c) above, and (ii) excepted its claim relating to such decision from the final release, and (iii) brought suit against the HA not later than one year after receipt of final payment, or if final payment has not been made, not later than one year after the Contractor has had a reasonable time to respond to a written request by the HA that it submit a final voucher and release, whichever is earlier, then the HA's decision shall not be final or conclusive, but the dispute shall be determined on the merits by a court of competent jurisdiction.
- (e) The Contractor shall proceed diligently with performance of this contract, pending final resolution of any request for relief, claim, appeal, or action arising under the contract, and comply with any decision of the HA.

8. Contract Termination; Debarment

A breach of these Contract clauses may be grounds for termination of the Contract and for debarment or denial of participation in HUD programs as a Contractor and a subcontractor as provided in 24 CFR Part 24.

9. Assignment of Contract

The Contractor shall not assign or transfer any interest in this contract; except that claims for monies due or to become due from the HA under the contract may be assigned to a bank, trust company, or other financial institution. If the Contractor is a partnership, this contract shall inure to the benefit of the surviving or remaining member(s) of such partnership approved by the HA.

10. Certificate and Release

Prior to final payment under this contract, or prior to settlement upon termination of this contract, and as a condition precedent thereto, the Contractor shall execute and deliver to the HA a certificate and release, in a form acceptable to the HA, of all claims against the HA by the Contractor under and by virtue of this contract, other than such claims, if any, as may be specifically excepted by the Contractor in stated amounts set forth therein.

11. Organizational Conflicts of Interest

- (a) The Contractor warrants that to the best of its knowledge and belief and except as otherwise disclosed, it does not have any organizational conflict of interest which is defined as a situation in which the nature of work under this contract and a contractor's organizational, financial, contractual or other interests are such that:
 - (i) Award of the contract may result in an unfair competitive advantage; or
 - (ii) The Contractor's objectivity in performing the contract work may be impaired.
- (b) The Contractor agrees that if after award it discovers an organizational conflict of interest with respect to this contract or any task/delivery order under the contract, he or she shall make an immediate and full disclosure in writing to the Contracting Officer which shall include a description of the action which the Contractor has taken or intends to take to eliminate or neutralize the conflict. The HA may, however, terminate the contract or task/delivery order for the convenience of the HA if it would be in the best interest of the HA.
- (c) In the event the Contractor was aware of an organizational conflict of interest before the award of this contract and intentionally did not disclose the conflict to the Contracting Officer, the HA may terminate the contract for default.
- (d) The terms of this clause shall be included in all subcontracts and consulting agreements wherein the work to be performed is similar to the service provided by the prime Contractor. The Contractor shall include in such subcontracts and consulting agreements any necessary provisions to eliminate or neutralize conflicts of interest.

12. Inspection and Acceptance

- (a) The HA has the right to review, require correction, if necessary, and accept the work products produced by the Contractor. Such review(s) shall be carried out within 30 days so as to not impede the work of the Contractor. Any

product of work shall be deemed accepted as submitted if the HA does not issue written comments and/or required corrections within 30 days from the date of receipt of such product from the Contractor.

- (b) The Contractor shall make any required corrections promptly at no additional charge and return a revised copy of the product to the HA within 7 days of notification or a later date if extended by the HA.
- (c) Failure by the Contractor to proceed with reasonable promptness to make necessary corrections shall be a default. If the Contractor's submission of corrected work remains unacceptable, the HA may terminate this contract (or the task order involved) or reduce the contract price or cost to reflect the reduced value of services received.

13. Interest of Members of Congress

No member of or delegate to the Congress of the United States of America or Resident Commissioner shall be admitted to any share or part of this contract or to any benefit to arise there from, but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

14. Interest of Members, Officers, or Employees and Former Members, Officers, or Employees

No member, officer, or employee of the HA, no member of the governing body of the locality in which the project is situated, no member of the governing body in which the HA was activated, and no other public official of such locality or localities who exercises any functions or responsibilities with respect to the project, shall, during his or her tenure, or for one year thereafter, have any interest, direct or indirect, in this contract or the proceeds thereof.

15. Limitation on Payments to Influence Certain Federal Transactions

(a) Definitions. As used in this clause:

"Agency", as defined in 5 U.S.C. 552(f), includes Federal executive departments and agencies as well as independent regulatory commissions and Government corporations, as defined in 31 U.S.C. 9101(1).

"Covered Federal Action" means any of the following Federal actions:

- (i) The awarding of any Federal contract;
- (ii) The making of any Federal grant;
- (iii) The making of any Federal loan;
- (iv) The entering into of any cooperative agreement; and,
- (v) The extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

Covered Federal action does not include receiving from an agency a commitment providing for the United States to insure or guarantee a loan.

"Indian tribe" and "tribal organization" have the meaning provided in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450B). Alaskan Natives are included under the definitions of Indian tribes in that Act.

"Influencing or attempting to influence" means making, with the intent to influence, any communication to or appearance before an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any covered Federal action.

"Local government" means a unit of government in a State and, if chartered, established, or otherwise recognized by a State for the performance of a governmental duty, including a local public authority, a special district, an intrastate district, a council of governments, a sponsor group representative organization, and any other instrumentality of a local government.

"Officer or employee of an agency" includes the following individuals who are employed by an agency:

- (i) An individual who is appointed to a position in the Government under title 5, U.S.C., including a position under a temporary appointment;
- (ii) A member of the uniformed services as defined in section 202, title 18, U.S.C.;
- (iii) A special Government employee as defined in section 202, title 18, U.S.C.; and,
- (i) An individual who is a member of a Federal advisory committee, as defined by the Federal Advisory Committee Act, title 5, appendix 2.

"Person" means an individual, corporation, company, association, authority, firm, partnership, society, State, and local government, regardless of whether such entity is operated for profit or not for profit. This term excludes an Indian tribe, tribal organization, or other Indian organization with respect to expenditures specifically permitted by other Federal law.

"Recipient" includes all contractors, subcontractors at any tier, and subgrantees at any tier of the recipient of funds received in connection with a Federal contract, grant, loan, or cooperative agreement. The term excludes an Indian tribe, tribal organization, or any other Indian organization with respect to expenditures specifically permitted by other Federal law.

"Regularly employed means, with respect to an officer or employee of a person requesting or receiving a Federal contract, grant, loan, or cooperative agreement, an officer or employee who is employed by such person for at least 130 working days within one year immediately preceding the date of the submission that initiates agency consideration of such person for receipt of such contract, grant, loan, or cooperative agreement. An officer or employee who is employed by such person for less than 130 working days within one year immediately preceding the date of submission that initiates agency consideration of such person shall be considered to be regularly employed as soon as he or she is employed by such person for 130 working days.

"State" means a State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, a territory or possession of the United States, an agency or instrumentality of a State, and a multi-State, regional, or interstate entity having governmental duties and powers.

(b) Prohibition.

- (i) Section 1352 of title 31, U.S.C. provides in part that no appropriated funds may be expended by the recipient of a Federal contract, grant, loan, or cooperative agreement to pay any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any of the following covered Federal actions: the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(ii) The prohibition does not apply as follows:

(1) Agency and legislative liaison by Own Employees.

(a) The prohibition on the use of appropriated funds, in paragraph (i) of this section, does not apply in the case of a payment of reasonable compensation made to an officer or employee of a person requesting or receiving a Federal contract, grant, loan, or cooperative agreement, if the payment is for agency and legislative activities not directly related to a covered Federal action.

(b) For purposes of paragraph (b)(i)(1)(a) of this clause, providing any information specifically requested by an agency or Congress is permitted at any time.

(c) The following agency and legislative liaison activities are permitted at any time only where they are not related to a specific solicitation for any covered Federal action:

(1) Discussing with an agency (including individual demonstrations) the qualities and characteristics of the person's products or services, conditions or terms of sale, and service capabilities; and,

(2) Technical discussions and other activities regarding the application or adaptation of the person's products or services for an agency's use.

(d) The following agency and legislative liaison activities are permitted where they are prior to formal solicitation of any covered Federal action:

(1) Providing any information not specifically requested but necessary for an agency to make an informed decision about initiation of a covered Federal action;

(2) Technical discussions regarding the preparation of an unsolicited proposal prior to its official submission; and

(3) Capability presentations by persons seeking awards from an agency pursuant to the provisions of the Small Business Act, as amended by Public Law 95-507 and other subsequent amendments.

(e) Only those activities expressly authorized by subdivision (b)(ii)(1)(a) of this clause are permitted under this clause.

(2) Professional and technical services.

(a) The prohibition on the use of appropriated funds, in subparagraph (b)(i) of this clause, does not apply in the case of-

(i) A payment of reasonable compensation made to an officer or employee of a person requesting or receiving a covered Federal action or an extension, continuation, renewal, amendment, or modification of a covered Federal action, if payment is for professional or technical services rendered directly in the preparation, submission, or negotiation of any bid, proposal, or application for that Federal action or for meeting requirements imposed by or pursuant to law as a condition for receiving that Federal action.

(ii) Any reasonable payment to a person, other than an officer or employee of a

person requesting or receiving a covered Federal action or an extension, continuation, renewal, amendment, or modification of a covered Federal action if the payment is for professional or technical services rendered directly in the preparation, submission, or negotiation of any bid, proposal, or application for that Federal action or for meeting requirements imposed by or pursuant to law as a condition for receiving that Federal action. Persons other than officers or employees of a person requesting or receiving a covered Federal action include consultants and trade associations.

(b) For purposes of subdivision (b)(ii)(2)(a) of clause, "professional and technical services" shall be limited to advice and analysis directly applying any professional or technical discipline.

(c) Requirements imposed by or pursuant to law as a condition for receiving a covered Federal award include those required by law or regulation, or reasonably expected to be required by law or regulation, and any other requirements in the actual award documents.

(d) Only those services expressly authorized by subdivisions (b)(ii)(2)(a)(i) and (ii) of this section are permitted under this clause.

(iii) Selling activities by independent sales representatives.

(c) The prohibition on the use of appropriated funds, in subparagraph (b)(i) of this clause, does not apply to the following selling activities before an agency by independent sales representatives, provided such activities are prior to formal solicitation by an agency and are specifically limited to the merits of the matter:

(i) Discussing with an agency (including individual demonstration) the qualities and characteristics of the person's products or services, conditions or terms of sale, and service capabilities; and

(ii) Technical discussions and other activities regarding the application or adaptation of the person's products or services for an agency's use.

(d) Agreement. In accepting any contract, grant, cooperative agreement, or loan resulting from this solicitation, the person submitting the offer agrees not to make any payment prohibited by this clause.

(e) Penalties. Any person who makes an expenditure prohibited under paragraph (b) of this clause shall be subject to civil penalties as provided for by 31 U.S.C. 1352. An imposition of a civil penalty does not prevent the Government from seeking any other remedy that may be applicable.

(f) Cost Allowability. Nothing in this clause is to be interpreted to make allowable or reasonable any costs which would be unallowable or unreasonable in accordance with Part 31 of the Federal Acquisition Regulation (FAR), or OMB Circulars dealing with cost allowability for recipients of assistance agreements. Conversely, costs made specifically unallowable by the requirements in this clause will not be made allowable under any of the provisions of FAR Part 31 or the relevant OMB Circulars.

16. Equal Employment Opportunity

During the performance of this contract, the Contractor agrees as follows:

- (a) The Contractor shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin.
- (b) The Contractor shall take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, or national origin. Such action shall include, but not be limited to (1) employment; (2) upgrading; (3) demotion; (4) transfer; (5) recruitment or recruitment advertising; (6) layoff or termination; (7) rates of pay or other forms of compensation; and (8) selection for training, including apprenticeship.
- (c) The Contractor shall post in conspicuous places available to employees and applicants for employment the notices to be provided by the Contracting Officer that explain this clause.
- (d) The Contractor shall, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin.
- (e) The Contractor shall send, to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, the notice to be provided by the Contracting Officer advising the labor union or workers' representative of the Contractor's commitments under this clause, and post copies of the notice in conspicuous places available to employees and applicants for employment.
- (f) The Contractor shall comply with Executive Order 11246, as amended, and the rules, regulations, and orders of the Secretary of Labor.
- (g) The Contractor shall furnish all information and reports required by Executive Order 11246, as amended and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto. The Contractor shall permit access to its books, records, and accounts by the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
- (h) In the event of a determination that the Contractor is not in compliance with this clause or any rule, regulation, or order of the Secretary of Labor, this contract may be canceled, terminated, or suspended in whole or in part, and the Contractor may be declared ineligible for further Government contracts, or federally assisted construction contracts under the procedures authorized in Executive Order 11246, as amended. In addition, sanctions may be imposed and remedies invoked against the Contractor as provided in Executive Order 11246, as amended, the rules, regulations, and orders of the Secretary of Labor, or as otherwise provided by law.
- (i) The Contractor shall include the terms and conditions of this clause in every subcontract or purchase order unless exempted by the rules, regulations, or orders of the Secretary of Labor issued under Executive Order 11246, as amended, so that these terms and conditions will be binding upon each subcontractor or vendor. The Contractor shall take such action with respect to any subcontractor or purchase order as the Secretary of Housing and Urban Development or the Secretary of Labor may direct as a means of enforcing such provisions, including sanctions for noncompliance; provided that if the

Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction, the Contractor may request the United States to enter into the litigation to protect the interests of the United States.

17. Dissemination or Disclosure of Information

No information or material shall be disseminated or disclosed to the general public, the news media, or any person or organization without prior express written approval by the HA.

18. Contractor's Status

It is understood that the Contractor is an independent contractor and is not to be considered an employee of the HA, or assume any right, privilege or duties of an employee, and shall save harmless the HA and its employees from claims suits, actions and costs of every description resulting from the Contractor's activities on behalf of the HA in connection with this Agreement.

19. Other Contractors

HA may undertake or award other contracts for additional work at or near the site(s) of the work under this contract. The contractor shall fully cooperate with the other contractors and with HA and HUD employees and shall carefully adapt scheduling and performing the work under this contract to accommodate the additional work, heeding any direction that may be provided by the Contracting Officer. The contractor shall not commit or permit any act that will interfere with the performance of work by any other contractor or HA employee.

20. Liens

The Contractor is prohibited from placing a lien on HA's property. This prohibition shall apply to all subcontractors.

21. Training and Employment Opportunities for Residents in the Project Area (Section 3, HUD Act of 1968; 24 CFR 135)

- (a) The work to be performed under this contract is subject to the requirements of section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (section 3). The purpose of section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.
- (b) The parties to this contract agree to comply with HUD's regulations in 24 CFR Part 135, which implement section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the Part 135 regulations.
- (c) The contractor agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the contractor's commitments under this section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the section 3 preference, shall set forth minimum number and job titles subject to hire, availability of

apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.

- (d) The contractor agrees to include this section 3 clause in every subcontract subject to compliance with regulations in 24 CFR Part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR Part 135. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR Part 135.
- (e) The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR Part 135 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 CFR Part 135.
- (f) Noncompliance with HUD's regulations in 24 CFR Part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.

22. Procurement of Recovered Materials

- (a) In accordance with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act, the Contractor shall procure items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR Part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition. The Contractor shall procure items designated in the EPA guidelines that contain the highest percentage of recovered materials practicable unless the Contractor determines that such items: (1) are not reasonably available in a reasonable period of time; (2) fail to meet reasonable performance standards, which shall be determined on the basis of the guidelines of the National Institute of Standards and Technology, if applicable to the item; or (3) are only available at an unreasonable price.
- (b) Paragraph (a) of this clause shall apply to items purchased under this contract where: (1) the Contractor purchases in excess of \$10,000 of the item under this contract; or (2) during the preceding Federal fiscal year, the Contractor: (i) purchased any amount of the items for use under a contract that was funded with Federal appropriations and was with a Federal agency or a State agency or agency of a political subdivision of a State; and (ii) purchased a total of in excess of \$10,000 of the item both under and outside that contract.