

July 25, 2024

BCC Agenda Date/Item: _____

Housing Authority Board of Commissioners
 Clackamas County

Approval of Resolution 1991 authorizing an \$8 million loan of Affordable Housing Bond Funds and the allocation of 20 project-based Regional Long Term Rent Assistance vouchers to support the Wilsonville Transit Oriented Development project and to designate authorized representatives to finalize, execute and deliver all related documents. Funding is through Affordable Housing Bond and Supportive Housing Services funds. No County General funds are involved.

Previous Board Action/Review	November 14, 2019 – Affordable Housing Bond Program IGA and Local Implementation Strategy was approved by the Housing Authority Board September 13, 2023 – Allocation of Regional Affordable Housing Bond Funds was Approved by the Housing Authority Board July 16, 2024 – Item Presented at Issues		
Performance Clackamas	This item aligns with the strategic priority to ensure safe, healthy, and secure communities by providing sustainable and affordable housing.		
Counsel Review	Yes	Procurement Review	NA
Contact Person	Devin Ellin	Contact Phone	971-227-0472

EXECUTIVE SUMMARY: The Housing Authority of Clackamas County (HACC), a component unit of Clackamas County within the Housing and Community Development Division of the Health, Housing, and Human Services Department, is requesting approval of Resolution 1991 authorizing the loan of \$8 million in Affordable Housing Bond Funds and allocation of 20 project-based RLRA vouchers to the Wilsonville Transit Oriented Development (Wilsonville TOD) project. The resolution also delegates authority to the Director of Health, Housing, and Human Services, the Executive Director of the Housing Authority, and the Director of Housing Development as Authorized Representatives to finalize, execute, and deliver all documents as reasonably may be required in connection with the financial closing of the Wilsonville Transit Oriented Development.

Project Background:

The Wilsonville TOD project is a mixed-use development with 121 affordable housing units positioned above the Wilsonville Transit Center on the building's ground level. 100% of the units will be restricted to households earning 30%, 60%, or 80% or less of the area median income. The City of Wilsonville owned the development site and granted it to the developer, Palindrome, for the

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purpose of creating a transit-oriented affordable housing community.

The project includes a mix of studio, one, two and three-bedroom units. Forty-two (42) units will serve families earning 80% of AMI, forty-three (43) units will serve families earning 60% of AMI, and thirty-five (35) units will serve families earning 30% of AMI and below. Twenty (20) units will provide Permanent Supportive Housing (PSH) for families who have experienced houselessness or are at risk of becoming houseless and have incomes at or below 30% of AMI. The PSH units will be supported with twenty (20) Project-Based RLRA vouchers. As needed, the vouchers will be paired with supportive services funded through county supportive housing services programming to ensure housing stabilization for RLRA households.

The development team plans to utilize the building's ground floor to integrate community amenities such as the SMART Transit Welcome Center, the Wilsonville Community Sharing Food Bank, and a commercial space expected to include a coffee shop and a tap room with a focus on serving commuters, area employees, and neighborhood residents living within walking or biking distance.

The Wilsonville TOD project will be an essential community asset that will serve working families previously excluded from the high-opportunity Wilsonville community and those who have experienced housing insecurity. Research shows that children age 13 years and under who move to "high opportunity" areas experience a better quality of life in adulthood, including better health, education, and economic outcomes.

Project Financing:

Wilsonville TOD will be financed through the braiding of available funds, including:

- \$8 million Regional Affordable Housing Bond loan
- \$1.9 million transit grant from the City of Wilsonville
- \$250,000 Metro TOD grant
- \$3.9 million in Deferred Developer Fee
- \$23 million in 4% Low Income Housing Tax Credit (LIHTC) Equity
- \$20 million permanent loan

RECOMMENDATION: Staff respectfully recommend the Board adopt Resolution 1991 designating Authorized Representative's authority to finalize, execute, and deliver all documents and agreements related to the \$8 million loan of Metro Affordable Housing Bond Funds and the allocation of 20 project-based RLRA vouchers to support the Wilsonville TOD project.

Respectfully submitted,



Rodney A. Cook
Director of Health Housing and Human Services

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

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



RESOLUTION NO. 1991

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

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

WHEREAS, the interest from Metro Bond Funds has accrued and Metro has accumulated such interest to provide funding for permanent supportive housing (the “**Metro Permanent Supportive Housing Pilot Funds**”) and

WHEREAS, the Authority acting on behalf of Clackamas County, Oregon (the “**County**”) has been designated as the agency for the County to apply for such Metro Bond Funds and Metro Permanent Supportive Housing Pilot Funds, and to loan such funds to developers of Affordable Housing; and

WHEREAS, Palindrome Wilsonville Limited Partnership (the “**Partnership**”) applied to the Authority for a loan of Metro Bond Funds and Metro Permanent Supportive Housing Pilot Funds in the amount of up to Eight Million Dollars (\$8,000,000) in the aggregate to be used in connection with the development of Wilsonville TOD Apartments, with a property address of 9749 SW Barber Street, Wilsonville, Oregon 97070 (the “**Project**”); and

WHEREAS, the Authority has applied to Metro to be allocated Metro Bond Funds in the amount of up to \$3,836,000 and Metro Permanent Supportive Housing Pilot Funds in the amount of up to \$4,164,000 which totals in the aggregate Eight Million Dollars (\$8,000,000) to be loaned to the Partnership to use in connection with the development of the Project; and

WHEREAS, subject to the approval of Metro, the Authority desires to make a loan to the Partnership of the Metro Bond Funds and Metro Permanent Supportive Housing Pilot Funds in an aggregate amount of up to Eight Million Dollars (\$8,000,000) (the “**Metro Bond Funds Loan**”); and

WHEREAS, the Partnership has requested the award of up to twenty (20) Project-Based Regional Long-Term Rental Assistance Vouchers (“**Project-Based RLRA Vouchers**”) in connection with the development of the Project; and

WHEREAS, the Authority desires to award up to 20 Project-Based RLRA Vouchers to the Partnership upon the completion of the Project; and

WHEREAS, the Authority desires to enter into an Agreement to Enter into a Regional Housing Assistance Payments Contract (the “**ARHAP Contract**”) which will provide that upon timely completion of the Project, the 20 Project-Based RLRA Vouchers will be awarded pursuant to the Project-Based RLRA Program Regional Housing Assistance Payments Contract (the “**RHAP Contract**”);

NOW, THEREFORE, THE AUTHORITY ADOPTS THE FOLLOWING RESOLUTIONS:

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

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

Section 2. Approve Award of 20 Project-Based RLRA Vouchers.

BE IT RESOLVED, that the Authority is authorized to award Twenty (20) Project-Based RLRA Vouchers to the Partnership (the “**Project-Based Vouchers**”); and

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

Section 3. Approve Signing Authorization of Metro Bond Funds Loan Documents.

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

Section 4. General Resolutions Authorizing and Ratifying Other Actions.

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

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

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

DATED THIS ____ DAY OF ____ 2024

BOARD OF COMMISSIONERS FOR THE
HOUSING AUTHORITY OF CLACKAMAS COUNTY

Chair

Recording Secretary

EXHIBIT A

Metro Bond Funds Loan Documents

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

Project-Based RLRA Documents

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

Other Related Documents

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



AT A GLANCE

Total unit count: 121

Regional Affordable Housing Bond funds: \$8 million

Bond funds per unit: \$66,667

Project type: New construction

Sponsor: Palindrome Properties Group

Architect: YBA Architects

General contractor: PacifiCap Construction

Partners: Latino Network

Funding: Low Income Housing Tax Credits, Regional Affordable Housing Bond, City of Wilsonville Land Contribution, Transit Grant, and SDC waivers, Project-based RLRA vouchers, Solar Tax Credits and Private Debt.

Proposed Construction Start: September 2024

Anticipated completion: November 2025

Wilsonville TOD

9699 SW Barber Street - Wilsonville – Palindrome

Wilsonville Transit-Oriented Development (TOD) will be a mixed-use development with 121 affordable housing units over an active ground floor space. All of units will be restricted to households earning between 30% - 80% of the area median income (AMI), including 40 units reserved for households making 30% of AMI or below. The units will be a mix of studio, one, two, and three-bedroom units.

The proposed building will be a single five-story elevator building with a landscaped plaza and a mix of on-site and shared parking on the adjacent Tri-Met parcel. In addition to providing affordable housing for 121 households, Palindrome proposes to activate the ground floor with community amenities, the SMART transit welcome center, Wilsonville Community Sharing food bank, and a commercial space. For the commercial space, Palindrome proposes to create a coffee shop and craft beer tap room with a focus on commuters, area employees, and neighborhood residents within walking or biking distance.

Building amenities include on-site management offices, social service offices, parcel lockers, fitness room, multi-purpose community room, bike room and laundry room. The building will be fully accessible and served by two elevators. Common areas will include complimentary Wi-Fi access.

Exterior amenities include, a children's playground, sports court, covered picnic tables, outdoor patio spaces, and EV charging stations.

The project will pursue an Earth Advantage sustainability certification. Sustainability features include a rooftop photovoltaic solar system to provide for common area electric. Enhanced insulation and high-performance windows, LED lighting, energy star appliances and smart thermostats will provide energy efficient units for residents. The landscape design uses native water smart plants, and the units include low-flow water fixtures.

Palindrome will be partnering with Latino Network, which is a Latino-led education organization that is grounded in culturally-specific practices and services, to provide outreach services during the predevelopment period to inform design and programming, referral services to the property management agent, and programming at the new apartment community.

Development program

Wilsonville TOD is 121 units of new affordable housing and includes 10 units supported with project-based RLRA vouchers.

Unit size (no. of bedrooms)	No. of units	AMI %	PSH	RLRA PBVs	Square feet/unit	Gross monthly rent/unit
Studio	5	30%	2	2	470	\$592
Studio	2	60%			470	\$1,185
Studio	1	80%			470	\$1,580
1 BD/1 B	18	30%	8	8	630	\$634
1 BD/1 B	4	60%			630	\$1,269
1 BD/1 B	12	80%			630	\$1,693
2 BD/1 B	15	30%			870	\$762
2 BD/1 B	34	60%			870	\$1,524
2 BD/1 B	18	80%			870	\$2,032
3 BD/2 B	2	30%			1125	\$880
3 BD/2 B	8	60%			1125	\$1,760
3 BD/2 B	2	80%			1125	\$2,347
Total	121		10	10		

Amenities

- Public transit within a minute's walk
- Elementary School within 1 mile
- Pharmacy within 1 mile
- Grocery store within 1 mile
- Coffee Lake Nature Park within 1/2 mile
- On site bike parking
- Complimentary Wi-Fi in common areas
- On site community rooms and kitchen
- On site management and services offices
- Outdoor playground and sports court
- Rooftop photovoltaic solar array
- Pursuing Earth Advantage Multifamily Certification

