



# AGENDA

**Thursday, January 17, 2013 - 6:00 PM**

**Board of County Commissioners Business Meeting**

Beginning Board Order No. 2013-01

**I. CALL TO ORDER**

- Roll Call
- Pledge of Allegiance
- Approval of Order of Agenda

**I. HOUSING AUTHORITY CONSENT AGENDA**

1. Approval of Resolution No. 1893: Authorizing the Execution and Delivery of Documents in Connection with the Financing, Development and Operation of the Easton Ridge Apartments
2. Approval of Resolution No. 1894: Providing for the Issuance of Revenue Bonds of the Authority in a Principal Amount of Not to Exceed \$17,000,000 for the Easton Ridge Apartments Renovation Project
3. Approval of Resolution No. 1895: Providing for the Issuance of a Revenue Bond of the Authority in a Principal Amount of Not to Exceed \$7,000,000 to Provide Bridge Financing for the Easton Ridge Apartments Renovation Project

**II. PRESENTATION** *(Following are items of interest to the citizens of the County)*

4. 1. Presentation from Mt. Hood Search and Rescue Council (Tracy Moreland, Public and Government Affairs)

**III. CITIZEN COMMUNICATION** *(The Chair of the Board will call for statements from citizens regarding issues relating to County government. It is the intention that this portion of the agenda shall be limited to items of County business which are properly the object of Board consideration and may not be of a personal nature. Persons wishing to speak shall be allowed to do so after registering on the blue card provided on the table outside of the hearing room prior to the beginning of the hearing. Testimony is limited to three (3) minutes. Comments shall be respectful and courteous to all.)*

**IV. DISCUSSION ITEMS** *(The following items will be individually presented by County staff or other appropriate individuals. Citizens who want to comment on a discussion item may do so when called on by the Chair.)*

**~NO DISCUSSION ITEMS SCHEDULED**

**V. CONSENT AGENDA** *(The following items are considered to be routine, and therefore will not be allotted individual discussion time on the agenda. Many of these items have been discussed by the Board in Study Session. The items on the Consent Agenda will be approved in one motion unless a Board member requests, before the vote on the motion, to have an item considered at its regular place on the agenda.)*

**A. Health, Housing & Human Services**

- 5 1. Board Order No. \_\_\_\_\_ Approval of Mental Health Director's Designees to Authorize a Custody Hold Under ORS 426.233 - *Behavioral Health*
- 6 2. Approval of an Agency Service Contract with Northwest Family Services for Strengthening, Preserving & Reunifying Families – Family Navigator and Family Resource Coordinator Services – *Children, Youth & Families*
- 7 3. Approval of an Agreement between Clackamas County and Easton Ridge LLC to use HOME Program Funds to Rehabilitate an Existing Affordable Multi-Family Rental Housing Project – *Community Development*

**B. Department of Transportation & Development**

- 8 1. Approval of an Intergovernmental Agreement with Metro for Litter Collection Services
- 9 2. Approval of an Intergovernmental Agreement with the City of Canby in its Capacity as Canby Utility for the Ability to Use the County Right-of-Way
- 10 3. Approval of a Contract with OBEC Consulting Engineers, Inc. for Consulting Engineering Services for the East Barlow Trail Road MP 6.0 Restoration Improvements Project - *Purchasing*
- 11 4. Approval of a Contract with Diversified Marine, Inc. Canby (MJ Lee) Ferry Propulsion System Retrofit - *Purchasing*

**C. Elected Officials**

- 12 1. Approval of Previous Business Meeting Minutes – BCC

**D. Technology Services**

- 13 1. Approval of the ORMAP Intergovernmental Agreement Contract No. 2995 between Clackamas County and the State of Oregon Department of Revenue

**VI. COUNTY ADMINISTRATOR UPDATE**

**VII. COMMISSIONERS COMMUNICATION**

**NOTE: Regularly scheduled Business Meetings are televised and broadcast on the Clackamas County Government Channel. These programs are also accessible through the County's Internet site. DVD copies of regularly scheduled BCC Thursday Business Meetings are available for checkout at the Clackamas County Library in Oak Grove by the following Saturday. You may also order copies from any library in Clackamas County or the Clackamas County Government Channel.**

<http://www.clackamas.us/bcc/business.html>

COPY

January 17, 2013

Board of Commissioners of the  
Housing Authority of Clackamas County

Members of the Board:

**Approval of Resolution No. 1893: Authorizing the Execution and Delivery of Documents in Connection with the Financing, Development and Operation of the Easton Ridge Apartments.**

The Housing Authority of Clackamas County (HACC), a Division of the Health, Housing, and Human Services Department, requests approval of Resolution 1893 to authorize the execution and delivery of documents by the Authority in connection with the financing, rehabilitation, and operation of the Easton Ridge Apartments.

Easton Ridge, a 264-unit affordable housing complex, is located at SE 90<sup>th</sup> Avenue and SE Causey Avenue approximately one-quarter mile north of Clackamas Town Center. Easton Ridge was constructed in 1989 by Bowen Hunt Development, and purchased by the Housing Authority of Clackamas County in 1996. The property is sited on 8.8 acres and consists of 264 units in 11 three-story buildings and a single-story community building with an on-site property management office. The buildings are wood-frame construction with wood lap siding built on concrete slab foundations.

The building siding shows visible signs of envelope failure due to poor site drainage and moisture penetration at the exterior envelope. Initial due diligence determined a project scope of work which included:

- Replacing and upgrading the residential building envelope.
- Improving interior ventilation.
- Addressing poor site drainage.

On October 20, 2011 the HACC commissioners approved Resolution No. 1886 authorizing the Housing Authority to proceed with further due diligence, engaging an architect and construction management/ general contractor to more fully develop a Capital Improvement Plan. Resolution No. 1886 also authorized the Housing Authority to make applications for private-activity bond cap allocation, low income housing tax credits and other necessary sources of funding.

On June 21, 2012 the HACC Commissioners approved Resolution No. 1889 declaring intent to issue revenue bonds for the Easton Ridge Apartments Renovation Project which also constituted a "declaration of official intent" to reimburse expenditures for the Easton Ridge Apartments Renovation for purposes of Treasury Regulations relating to tax-exempt bonds.

Further due diligence and engagement with investors has refined the scope of work to include the following:

- Replacing the building envelope with new hardi-board siding, new windows and exterior doors.
- Installing rain screen venting behind the siding to insure air and water tightness of the buildings.
- Repairing or replacing any water damaged areas in the stairwell or deck areas.

*Healthy Families. Strong Communities.*

- Upgrading interior ventilation by replacing recirculating kitchen range hoods with exterior-vented fans, and installing a whole house ventilation system with heat recovery to increase fresh air in the units while decreasing moisture build-up.
- Replacing all existing cabinetry, appliances, lighting and flooring in 100% of the kitchens.
- Replacing bathroom cabinets, fixtures, flooring and lighting in 15% of the units.
- Improving drainage and repair of any damaged or clogged storm drains.
- Making the property ADA compliant, with six newly designated units receiving upgrades as well as accessible routes at site amenities.
- Upgrades to landscaping and courtyard improvements, new site lighting, demolition of existing garages and carports, and resurfacing the parking lot areas.

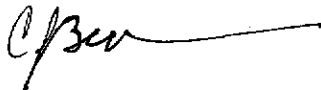
Funding sources being coordinated for the Project include tax exempt bonds (two series), low income housing tax credits, a loan from the Housing Authority, income from Project operations, HOME funds, and deferred developer fees. A new limited liability corporation called Easton Ridge LLC has been created to facilitate financing, property acquisition, and tax credit compliance.

Approval of Resolution No. 1893 will authorize the Chair of the Board and the Authority's Executive Director, and each of them acting alone, to execute and deliver, Company Documents, Second Mortgage Loan Documents, Construction Contract Documents, HOME Loan Documents, and Ancillary Documents in connection with the acquisition and rehabilitation of the Project. Resolution No. 1893 will also authorize the transfer of the real estate from HACC to the Easton Ridge LLC; and authorize the assignment of HACC's rights under the architect's contract and other development contracts and the execution, delivery and/or filing of all documents deemed necessary for federal low-income housing tax credits in connection with the Project.

**Recommendation:**

Staff recommends that the Board approve Resolution No. 1893, Authorizing the Execution and Delivery of Documents in Connection with the Financing, Development and Operation of the Easton Ridge Apartments.

Respectfully submitted,



Cindy Becker  
Director

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

In the Matter of the Approval of the  
Authorization of the Execution and Delivery of  
Documents by the Authority in Connection with  
the Financing, Development and Operation of  
the Easton Ridge Apartments

RESOLUTION NO.  
1893

Whereas, the Housing Authority of Clackamas County (the "Authority") seeks to encourage the provision of long-term housing for low income persons residing in the Clackamas County, Oregon;

Whereas, ORS 456.120(20) authorizes the Authority to form, finance and have a nonstock interest in, and to manage or operate, limited liability companies in order to further the purposes of the Authority;

Whereas, ORS 456.065 defines "housing project" to include, among other things, "any work or undertaking . . . to provide decent, safe and sanitary urban or rural housing for persons or families of lower income";

Whereas, the Authority filed articles of organization with the Oregon Secretary of State on July 23, 2012, pursuant to which Easton Ridge LLC (the "Company") was created as an Oregon limited liability company of which the Authority is the sole member;

Whereas, the Authority intends to sell land and improvements to the Company, and the Company intends to acquire, rehabilitate and operate construct a 264-unit apartment complex known as the Easton Ridge Apartments with 11 residential buildings, a central laundry, leasing office, community room, pool and racquetball court (the "Project");

Whereas, the Company expects that 4 percent low income housing tax credits will be available for the Project;

Whereas, Enterprise Community Investment, Inc. (or one or more of its affiliates) (the "Investor Member") has offered to acquire a member interest in the Company, and the Authority's Board of Commissioners (the "Board") finds and determines that the capital contributions expected to be made by the Investor Member to the Company will be sufficient, together with other available money, to enable the Company to acquire, rehabilitate and operate the Project;

Whereas, as a condition to acquiring the Investor Member interest in the Company, the Investor Member requested that the Authority amend and restate the Company's original operating agreement and execute and deliver certain other agreements, certificates and other documents relating to the Company and the Project, which request the Board finds and determines to be reasonable;

Whereas, the Board finds and determines that the Project likely would not be developed and maintained as housing for individuals and families of low income unless the Company was formed and the Investor Member committed to make their capital contributions to the Company;

Whereas, the total cost of constructing the Project is anticipated to be \$42,000,000, which will be financed and refinanced by the Company with numerous sources of funds, including loans in the anticipated aggregate amount of \$22,310,000 of proceeds of tax-exempt bonds issued by

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RESOLUTION NO.  
1893

the Authority, seller financing from the Authority in the anticipated amount of \$14,493,000, a loan of HOME funds from Clackamas County, Oregon (the "County"), in the anticipated amount of \$660,000, and capital contributions in the anticipated amount of \$8,502,000 from the Investor Member;

Whereas, the Authority retained Carlton Hart Architecture, Inc. as the Project's architect and other consultants to assist with the environmental review of the site and the design and construction of the improvements to the Project, and the Board finds and determines necessary and desirable to assign the contracts relating to the architect and such consultants to the Company;

Whereas, the Company will provide the Authority with a right of first refusal to acquire the Project at the end of the 15-year low-income housing tax credit "compliance period" for the Project;

Whereas, ORS 456.135 authorizes the Authority to delegate to one or more of its agents and employees such powers as it deems proper; NOW, THEREFORE,

BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF CLACKAMAS COUNTY, as follows:

1. Approval of Company Documents. The Authority has been presented with drafts of the following documents (the "Company Documents") in connection with the Company and the Project, which documents are on file with the Authority's Secretary:

- Letter of Intent between the Investor Member and the Authority;
- First Amended and Restated Operating Agreement between the Authority and the Investor Member;
- Development Services Agreement between the Company and the Authority;
- Company Administration Agreement between the Company and the Authority;
- Investor Services Agreement between the Company and the Investor Member;
- Right of First Refusal Agreement between the Company and the Authority;
- Transfer Agreement Property among the Company, the Investor Member, the Authority and the Investor Member's assignee; and
- Management Agreement between the Company and Quantum Residential, Inc.

The Chair of the Board, the Authority's Executive Director and their respective designees (each, an "Authorized Officer" and, collectively, the "Authorized Officers"), and each of them acting alone, are authorized and directed to execute and deliver, on behalf of the Authority (acting on its own behalf or as managing member of the Company), the Company Documents substantially in the form on file with the Authority; provided however, any Authorized Officer may approve on the Authority's behalf any further changes to the draft Company Documents (including material changes, changes to parties and changes to the title of any such document) and such Authorized Officer's signature on the final Company Documents shall be construed as the Authority's approval

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RESOLUTION NO.  
1893

of such changes. The Authorized Officers (and each of them acting alone) are further authorized and directed to take any other action and to execute such other documents as may be required to be taken or executed by the Authority, on behalf of itself or as managing member of the Company, under the provisions of or as necessary to carry out the transactions contemplated by the Company Documents. From and after the date the Company Documents are executed, the Authorized Officers (and each of them acting alone) are authorized and directed, without further Board approval, to take such actions on behalf of the Authority that are required to be taken by the managing member of the Company. In particular, the Authority is authorized to spend available Authority funds on the Project to satisfy any requirement of the Company Documents that the Authority contribute capital and/or make loans to the Company and to otherwise cause the Project to be completed, and initial operations thereof to commence, in the manner anticipated in the various agreements authorized by this resolution.

2. Approval of Second Mortgage Loan Documents. The Authority has been presented with drafts of the following documents (the "Second Mortgage Loan Documents") in connection with the Company and the Project, which documents are on file with the Authority's Secretary:

- Loan Agreement for Second Mortgage Loan between the Authority and the Company;
- Promissory Note from the Company; and
- Second Trust Deed (including Fixture Filing and Assignment of Rents) by the Company.

The Authority is authorized to loan to the Company, pursuant to the terms of the Second Mortgage Loan Documents, up to \$14,750,000 as seller financing. Such loan is intended to be in addition to the loan of bond proceeds authorized by the Board's Resolution Nos. 1894 and 1895. The Authorized Officers (and each of them acting alone) are authorized and directed to: (a) cause the Company to borrow money under the Second Mortgage Loan Documents; (b) execute and deliver, on behalf of the Authority (acting on its own behalf or as managing member of the Company), the Second Mortgage Loan Documents substantially in the form on file with the Authority; (c) execute and deliver, on behalf of the Authority (acting on its own behalf or as managing member of the Company), any other documents reasonably required to be executed by the Authority or the Company to carry out the transactions contemplated by the Second Mortgage Loan Documents, including any trust deeds, subordination agreements and other documents required in connection with the sources of funding for the Authority's loans to be made thereunder. Notwithstanding the foregoing, any Authorized Officer may approve on the Authority's behalf or the Company's behalf, as applicable, any further changes to the draft Second Mortgage Loan Documents (including material changes, changes to parties and changes to the title of any such document) and the final amount(s), if any, to be borrowed and loaned (subject to Section 12 of this resolution), and such Authorized Officer's signature on the final Second Mortgage Loan Documents shall be construed as the Authority's approval or the Company's approval, as applicable, of such changes and final loan amount(s).

**BEFORE THE BOARD OF COMMISSIONERS**  
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RESOLUTION NO.  
1893

3. Approval of HOME Loan Documents. The Authority has been presented with drafts of the following documents (the "HOME Loan Documents") in connection with a loan from the County to the Company in the amount of \$660,000, which documents are on file with the Authority's Secretary:

- Loan Agreement between the County and the Company;
- Promissory Note from the Company;
- Trust Deed, Assignment of Rents, Security Agreement, and Fixture Filing from the Company; and
- Declaration of Land Use Restrictive Covenants from the Company.

The Authorized Officers (and each of them acting alone) are authorized and directed to: (a) cause the Company to borrow money under the HOME Loan Documents; (b) execute and deliver, on behalf of the Authority (acting as managing member of the Company), the HOME Loan Documents substantially in the form on file with the Authority; (c) execute and deliver, on behalf of the Authority (acting on its own behalf or as managing member of the Company), any other documents reasonably required to be executed by the Authority or the Company to carry out the transactions contemplated by the HOME Loan Documents, including any trust deeds, subordination agreements and other documents required in connection with the sources of funding for the County's loans to be made thereunder. Notwithstanding the foregoing, any Authorized Officer may approve on the Authority's behalf or the Company's behalf, as applicable, any further changes to the draft HOME Loan Documents (including material changes, changes to parties and changes to the title of any such document) and the final amount(s), if any, to be borrowed, and such Authorized Officer's signature on the final HOME Loan Documents shall be construed as the Authority's approval or the Company's approval, as applicable, of such changes and final loan amount(s).

4. Approval of Real Estate Transfer. The Authority is authorized to sell the Project, including the parcels of land on which the Project is located, to the Company for a minimum purchase price of \$21,130,000. The Authority is further authorized to receive no less than \$6,380,000 of such purchase price in cash and may accept a promissory note (as part of the Second Mortgage Loan Documents) in the principal amount of up to \$14,750,000 evidencing the balance of the purchase price. The Authorized Officers (and each of them acting alone) are authorized and directed to execute and deliver, on behalf of the Authority (acting on its own behalf or as managing member of the Company), a deed transferring the Project to the Company and such other agreements and documents as are necessary for the Authority to transfer the Project to the Company.

5. Construction Contract. The Authority is authorized to cause the Company to retain Walsh Construction Co. (or an affiliate thereof) (the "General Contractor") as the Project's general contractor. The Authorized Officers (and each of them acting alone) are authorized and directed to execute and deliver, on behalf of the Authority (acting as managing member of the Company) a construction contract with the General Contractor and to cause the General Contractor to post



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RESOLUTION NO.  
1893

such bonds, or provide one or more letters of credit, and retain such insurance for the Project as such Authorized Officers (or either of them acting alone) deems to be necessary or advisable to protect the Company.

6. Assignments. The Authorized Officers (and each of them acting alone) are authorized on behalf of the Authority (acting on its own behalf or as managing member of the Company) to execute and deliver one or more instruments (i) assigning to the Company all or a portion of the Authority's rights under the architect's contract, any geotechnical consultant contracts, any preconstruction services contract, and other development contracts, as such rights pertain to the and the Project, and (ii) assigning to lenders and others the Company's interests in such contracts.

7. Tax Credit Documents. The Authorized Officers (and each of them acting alone) are authorized on behalf of the Authority (acting on its own behalf or as managing member of the Company) to execute, deliver and/or file (or cause to be delivered and/or filed) all documents deemed necessary or appropriate to allow the Company to qualify for and obtain federal low-income housing tax credits in connection with the Project including, without limitation, the filing of one or more applications with the Oregon Housing and Community Services Department, and the execution of all necessary and related documents, including without limitation letters of award, reservation agreements, regulatory agreements, declarations and restrictive covenants.

8. Section 42(m)(2)(D) Determination. On behalf of the Authority, the Board finds and determines pursuant to Section 42(m)(2)(D) of the Internal Revenue Code of 1986 (the "Code") that the amount of federal low-income housing tax credits the Company expects to derive from the Project will not exceed the amount necessary for the financial feasibility of the Project and its viability as a "qualified low income housing project" throughout the "credit period" (as such terms are defined in Section 42 of the Code). The Authorized Officers, and each of them acting alone, are authorized on behalf of the Authority to provide the Company with a letter acknowledging this determination and the basis thereof. The Board delegates to the Authorized Officers (and each of them acting alone) the authority to make similar determinations, in their discretion, on behalf of the Authority and to deliver similar letters to the Company at such times that the Authorized Officers determine to be necessary or appropriate.

9. Tax Credit Certifications. The Board delegates to the Authorized Officers (and each of them acting alone) the authority to make certifications with respect to the Project and the Company of the type described in Treasury Regulation § 1.42-8(b)(4)(i). To assist the Company in making its election under Section 42(b)(2)(A)(ii)(II) of the Code, the Authorized Officers, and each of them acting alone, may provide a letter to the Company, on the Authority's behalf, indicating any certifications made pursuant to this Section.

10. Ancillary Documents. The Authorized Officers (and each of them acting alone) are authorized on behalf of the Authority (acting on its own behalf or as managing member of the Company) to execute, deliver and/or file (or cause to be delivered and/or filed) any affidavits,

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RESOLUTION NO.  
1893

certificates, letters, government forms, documents, agreements and instruments that any such Authorized Officer determines to be necessary or desirable: (i) to give effect to this resolution; (ii) to consummate the transactions contemplated herein; and/or (iii) to further the development, financing, construction, rehabilitation and leasing of the Project. Without limiting the scope of such authorization, such documents may include lease-up and marketing agreements, company management services agreements, development agreements, construction guaranty agreements, repayment guarantees, cash pledge agreements, environmental indemnity agreements, property management agreements, architect agreements, contractor agreements, housing assistance payment contracts, irrevocable consents and appointments of attorneys for service of process.

11. Expenditures. The Authority is authorized to expend such funds (and to cause the Company to expend such funds) as are necessary to pay for all filing fees, application fees, registration fees, insurance premiums and other costs relating to the actions authorized by this resolution.

12. Amounts. Each Authorized Officer is authorized to decrease the principal amount of any loan or capital contribution authorized by this resolution by any amount, or to increase the principal amount of any such loan or capital contribution by an amount up to \$500,000 more than the maximum principal amount for the loan or capital contribution stated in this resolution. The source of funds for any such increase in the amount of a loan or capital contribution from the Authority shall be Project developer fee or other funds that may become available for the Project. The Board directs the Executive Director to report to the Board if the total amount borrowed by the Company for the Project exceeds \$38,000,000.

13. Execution of Obligations. The Board directs the Authority's Executive Director to cause the Authority to fulfill the Authority's duties and obligations under the various agreements authorized by this resolution.

14. Acting Officers Authorized. Any action required by this resolution to be taken by the Chair of the Board or the Authority's Executive Director may, in the absence of such person, be taken by the duly authorized acting Chair of the Board or acting Executive Director of the Authority, respectively.

15. Effective Date. This resolution shall be in full force and effect from and after its adoption and approval.

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RESOLUTION NO.  
1893

16. Ratification and Confirmation. Any actions of the Authority or its officers prior to the date hereof and consistent with the terms of this resolution (including, without limitation, the formation of the Company) are ratified and confirmed.

DATED this \_\_\_\_\_ day of \_\_\_\_\_, 2013.

BOARD OF COMMISSIONERS OF THE HOUSING  
AUTHORITY OF CLACKAMAS COUNTY, OREGON

\_\_\_\_\_  
Chair

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

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

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CERTIFICATE

I, the undersigned, the duly chosen, qualified and acting Executive Director and Secretary of the Housing Authority of Clackamas County (the "Authority") and keeper of the records of the Authority, CERTIFY:

1. That the attached Resolution No. 1893 (the "Resolution") is a true and correct copy of the resolution of the Authority's Board of Commissioners, as adopted at a meeting of the Board held on the 20<sup>th</sup> day of December, 2012, and duly recorded in the Authority's minute books.

2. That such meeting was duly convened and held in all respects in accordance with law, and, to the extent required by law, due and proper notice of such meeting was given; that a quorum was present throughout the meeting and a majority of the members of the Authority's Board of Commissioners present at the meeting voted in the proper manner for the adoption of the Resolution; that all other requirements and proceedings incident to the proper adoption of the Resolution have been duly fulfilled, carried out and otherwise observed, and that I am authorized to execute this Certificate.

IN WITNESS WHEREOF, I have hereunto set my hand this \_\_\_\_ day of \_\_\_\_\_, 2013.

HOUSING AUTHORITY OF CLACKAMAS COUNTY

\_\_\_\_\_  
Executive Director and Secretary

January 17, 2013

Board of Commissioners of the  
Housing Authority of Clackamas County

Members of the Board:

**Approval of Resolution No. 1894: Providing for the Issuance of Revenue Bonds of the Authority in a Principal Amount of Not to Exceed \$17,000,000 for the Easton Ridge Apartments Renovation Project**

The Housing Authority of Clackamas County (HACC), a Division of the Health, Housing, and Human Services Department, requests approval of Resolution No. 1894 providing for the issuance of revenue bonds of the Authority in the aggregate principal amount of not to exceed \$17,000,000, the proceeds of which will be lent to Easton Ridge LLC, an Oregon Limited Liability company of which the Authority is the sole managing member.

Easton Ridge Apartments, a 264-unit affordable housing complex, is located at SE 90<sup>th</sup> Avenue and SE Causey Avenue approximately one-quarter mile north of Clackamas Town Center. Easton Ridge was constructed in 1989 by Bowen Hunt Development, and purchased by the Housing Authority of Clackamas County in 1996. The property is sited on 8.8 acres and consists of 264 units in 11 three-story buildings and a single-story community building with an on-site property management office. The buildings are wood-frame construction with wood lap siding built on concrete slab foundations.

The building siding shows visible signs of envelope failure due to poor site drainage and moisture penetration at the exterior envelope. Initial due diligence determined a project scope of work which includes:

- Replacing and upgrading the residential building envelope,
- Improving interior ventilation, and
- Addressing poor site drainage.

On June 21, 2012 the HACC Commissioners approved Resolution No. 1889 declaring intent to issue revenue bonds for the Easton Ridge Apartments Renovation Project which also constituted a "declaration of official intent" to reimburse expenditures for the Easton Ridge Apartments Renovation for purposes of Treasury Regulations relating to tax-exempt bonds.

Further due diligence and engagement with investors has refined the scope of work to include the following:

- Replacing the building envelope with new hardi-board siding, new windows and exterior doors.
- Installing rain screen venting behind the siding to insure air and water tightness of the buildings.
- Repairing or replacing any water damaged areas in the stairwell or deck areas.
- Upgrading interior ventilation by replacing recirculating kitchen range hoods with exterior-vented fans, and installing a whole house ventilation system with heat recovery to increase fresh air in the units while decreasing moisture build-up.
- Replacing all existing cabinetry, appliances, lighting and flooring in 100% of the kitchens.
- Replacing bathroom cabinets, fixtures, flooring and lighting in 15% of the units.

- Improving drainage and repair of any damaged or clogged storm drains.
- Making the property ADA compliant, with six newly designated units receiving upgrades as well as accessible routes at site amenities.
- Upgrades to landscaping and courtyard improvements, new site lighting, demolition of existing garages and carports, and resurfacing the parking lot areas.

Funding sources being coordinated for the Project include tax exempt bonds (two series), low income housing tax credits, a loan from the Housing Authority, income from Project operations, HOME funds, and deferred developer fees. A new limited liability corporation called Easton Ridge LLC has been created to facilitate financing, property acquisition, and tax credit compliance.

Approval of Resolution No. 1894 will authorize the issuance and public offer and sale of revenue bonds of HACC and the use of proceeds of the sale of those bonds to make a loan to Easton Ridge LLC. The loan will provide a portion of the funds with which Easton Ridge LLC will acquire and rehabilitate the Easton Ridge Apartments. Pursuant to the terms of a Loan Agreement to be entered into by HACC and Easton Ridge LLC, Easton Ridge LLC will be required to repay the loan in amounts, and at times, sufficient to pay debt service on the revenue bonds.

Resolution No., 1894 includes approval of the forms of that loan agreement, as well as other agreements relating to the issuance and sale of the revenue bonds including a regulatory agreement, a continuing disclosure agreement, a contingent loan agreement with the County and a trust indenture relating to the bonds. Approval of Resolution No. 1894 will authorize the execution and delivery of the bonds and all related agreements and authorize the Executive Director of the Authority to accept an offer from Wedbush Securities to purchase the bonds. Further, pursuant to Resolution No. 1894, HACC will adopt post-issuance compliance policies and procedures for tax-exempt bonds issued by the Authority.

**Recommendation:**

Staff recommends that the Board approve Resolution No.1894, Providing for the Issuance of Revenue Bonds in a Principal Amount of Not to Exceed \$17,000,000 for the Easton Ridge Apartments Renovation Project.

Respectfully submitted,



Cindy Becker  
Director

For information on this issue or copies of attachments  
Please contact Mary-Rain O'Meara at 503-655-8279

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

In the Matter of the Authorization of the Issuance of Revenue Bonds of the Authority in the Aggregate Principal Amount of Not to Exceed \$17,000,000, the Sale of the Bonds, and the Loan of the Proceeds of the Bonds to Easton Ridge LLC to Provide a Portion of the Financing for the Acquisition and Rehabilitation of Easton Ridge Apartments

RESOLUTION NO.  
1894

WHEREAS, the Housing Authority of Clackamas County (the "Authority") seeks to encourage the provision of long-term housing for persons and families of lower income residing in the Clackamas County, Oregon (the "County"); and

WHEREAS, Easton Ridge LLC, an Oregon limited liability company of which the Authority is the sole managing member (the "Borrower"), has applied to the Authority for financial assistance in the principal amount of up to \$17,000,000 for the purpose of providing part of the funds with which to acquire and rehabilitate a 264-unit apartment complex known as the Easton Ridge Apartments to provide housing for persons and families of lower income within the County (the "Project"); and

WHEREAS, the Project will be used by the Borrower to provide housing for persons and families of lower income, and no more than an insubstantial portion of the proceeds of the Bonds (defined below) will be used in connection with the financing of any portion of the Project to be used by the Borrower for any other purpose; and

WHEREAS, ORS 456.065 defines "housing project" to include, among other things, "any work or undertaking . . . to provide decent, safe and sanitary urban or rural housing for persons or families of lower income"; and

WHEREAS, ORS 456.120(18) provides that a housing authority may, among other things and if certain conditions are met, "loan money to an individual, partnership, corporation or other association to finance, plan, undertake, construct, acquire or operate a housing project"; and

WHEREAS, ORS 456.055 and 456.175 provide that a housing authority may issue bonds, notes, interim certificates, debentures or other obligations for any of its corporate purposes; and

WHEREAS, the Board of Commissioners of the Authority deems it necessary and advisable and in the best interest of the Authority to issue the revenue bonds described herein (the "Bonds"), the proceeds of which will be lent to the Borrower for the purposes described herein; and

WHEREAS, it is anticipated that the County will enter into a Contingent Loan Agreement to provide credit enhancement for the Bonds; and

WHEREAS, it is anticipated that Wedbush Securities will offer to purchase the Bonds on the terms set forth in this resolution; and

WHEREAS, the Authority desires to adopt post-issuance compliance policies and procedures for tax-exempt bonds and other tax-advantaged bonds issued by the Authority;

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

In the Matter of the Authorization of the Issuance of Revenue Bonds of the Authority in the Aggregate Principal Amount of Not to Exceed \$17,000,000, the Sale of the Bonds, and the Loan of the Proceeds of the Bonds to Easton Ridge LLC to Provide a Portion of the Financing for the Acquisition and Rehabilitation of Easton Ridge Apartments

RESOLUTION NO.  
1894

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF CLACKAMAS COUNTY, as follows:

Section 1.     Definitions. As used in this resolution, the following words have the following meanings:

“Authority” means the Housing Authority of Clackamas County, a public corporation duly organized and existing under and by virtue of the laws of the State of Oregon.

“Board” means the Board of Commissioners of the Authority.

“Bond” or “Bonds” means one or more of the Multifamily Housing Revenue Bonds, Series 2013A (Easton Ridge Apartments Project), of the Authority, issued pursuant to, under the authority of and for the purposes provided in this resolution and the Indenture.

“Bond Registrar” means the entity serving as registrar, authenticating agent and paying agent under the Indenture, initially the Trustee.

“Borrower” means Easton Ridge LLC, an Oregon limited liability company of which the Authority is the sole managing member.

“Code” means the Internal Revenue Code of 1986, as amended.

“Contingent Loan Agreement” means the Contingent Loan Agreement between the County and the Authority relating to the Bonds.

“Continuing Disclosure Agreement” means the Continuing Disclosure Agreement between the Borrower and U.S. Bank National Association, as Dissemination Agent, relating to the Bonds, including any supplements or amendments thereto.

“County” means Clackamas County, Oregon.

“General Revenues” means all revenues of the Authority from any source (other than Loan Payments), but only to the extent that those revenues are available to pay debt service on the Bonds, or to repay loans from the County pursuant to the Contingent Loan Agreement, and are not otherwise obligated by law, regulation, contract, covenant, trust deed or otherwise (including restrictions relating to funds made available to the Authority under the U.S. Housing Act of 1937), to another particular purpose.



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

In the Matter of the Authorization of the Issuance of Revenue Bonds of the Authority in the Aggregate Principal Amount of Not to Exceed \$17,000,000, the Sale of the Bonds, and the Loan of the Proceeds of the Bonds to Easton Ridge LLC to Provide a Portion of the Financing for the Acquisition and Rehabilitation of Easton Ridge Apartments

RESOLUTION NO.  
1894

"Indenture" means the Trust Indenture between the Authority and the Trustee relating to the Bonds, including any supplements or amendments thereto made in conformity herewith and therewith.

"Loan" means the loan to be made by the Authority to the Borrower of the proceeds of the Bonds to finance the Project.

"Loan Agreement" means the Loan Agreement by and between the Authority and the Borrower, relating to the repayment of the Loan by the Borrower, and including any supplements or amendments thereto made in conformity herewith and therewith.

"Loan Payments" means the payments of principal of and premium, if any, and interest on the Loan pursuant to the Loan Agreement.

"Project" means, depending on the context (1) the acquisition and rehabilitation of the multifamily housing complex located in Clackamas County, Oregon, known as the Easton Ridge Apartments, or (2) the Easton Ridge Apartments.

"Regulatory Agreement" means the Regulatory Agreement executed by the Borrower for the benefit of the Authority governing the use of the Project, and including any supplements or amendments thereto made in conformity herewith or therewith.

"Trust Deed" means the Trust Deed (Including Fixture Filing and Assignment of Rents) encumbering the Project under which the Borrower is the grantor and the Trustee and the County are the beneficiaries, including any supplements or amendments thereto made in conformity herewith and therewith.

"Trustee" means the entity serving as trustee under the Indenture, initially U.S. Bank National Association.

All other capitalized terms used but not defined herein shall have the meanings assigned to them in the Indenture.

Section 2. Authorization of Bonds and Application of Proceeds. The Authority shall issue the Bonds for the purpose of making the Loan to the Borrower to provide a portion of the funds required to finance the Project, fund a reserve for the Bonds and pay costs of issuing the Bonds. Such Bond financing is declared and determined to be important for feasibility of the Project. All proceeds of the Bonds shall be lent to the Borrower for those purposes, and shall be deposited with the Trustee, all as provided in the Indenture. The Board finds that it is in the best interest of the Authority to issue the Bonds for the purposes set forth in this resolution.

Section 3. Description of Bonds. The Bonds shall be issued in registered form in the aggregate principal amount of not to exceed \$17,000,000. The Bonds shall be dated such date, shall be in such denominations, shall bear interest payable on such dates and at such rates (which rates will result in a weighted average interest rate not to exceed 5.0% per annum), shall mature at such times and in such amounts, shall have such prepayment or redemption provisions and shall have such other provisions consistent with the purposes of this resolution as are set forth in the Indenture, which document is incorporated herein by this reference.

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

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RESOLUTION NO.  
1894

Section 4. Security for the Bonds. The Bonds shall be secured by the Loan Payments and all other payments received from the Borrower for the purpose of paying debt service on the Bonds under the terms of the Loan Agreement. Under the Loan Agreement, the Authority has assigned to the Trustee the right to collect all Loan Payments received from the Borrower thereunder on behalf of the registered owners of the Bonds. Payment of the Bonds shall be further supported by the Contingent Loan Agreement, as defined and set forth in the Indenture, and by a pledge of the General Revenues of the Authority as described below. The Bonds also shall be secured by the Trust Deed.

The Bonds shall be special, nonrecourse obligations of the Authority payable solely from Loan Payments and amounts held by the Trustee under the Indenture, including proceeds of loans made by the County pursuant to the Contingent Loan Agreement and the General Revenues of the Authority.

The Authority reserves without limitation the right to issue other obligations, the principal of and interest on which are to be paid from the General Revenues on a parity of lien with the Bonds. At its option, the Authority may pledge any revenues that comprise a portion of the General Revenues to the payment of other obligations, such payments to have priority over the payments to be made on the Bonds with respect to that portion of the General Revenues so pledged.

The Bonds shall not be a debt of the County, the State of Oregon or any political subdivision thereof, and the Bonds shall so state on their face. None of the County, the State of Oregon or any political subdivision thereof (except the Authority, solely from the sources identified herein and in the Indenture) shall be liable for payment of the Bonds nor in any event shall principal of, premium, if any, on and interest on the Bonds be payable out of any funds or assets other than those pledged to that purpose by the Authority herein and in the Indenture. The Authority has no taxing power.

Except to the extent of the pledge of the General Revenues of the Authority, neither the Authority nor any of the Commissioners, officers or employees of the Authority shall be personally liable for the payment of the Bonds.

The obligations of the Authority under the Contingent Loan Agreement shall be secured by the Trust Deed.

Section 5. Form and Execution of Bonds. The Bonds shall be in a form consistent with the provisions of this resolution, the Indenture and state law and shall bear the manual or facsimile signatures of the Chair of the Board and Executive Director of the Authority.

The Bonds shall be authenticated by the Bond Registrar as set forth in the Indenture. No Bonds shall be valid for any purpose until so authenticated. The authorized signing of a Certificate of Authentication shall be conclusive evidence that the Bond so authenticated has been duly executed, authenticated and delivered and is entitled to the benefits of this resolution.

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RESOLUTION NO.  
1894

Section 6. Preservation of Tax Exemption for Interest on Bonds. Subject to the second paragraph of this section, the Authority covenants that it will take all actions necessary to prevent interest on the Bonds from being included in gross income for federal income tax purposes, and it will neither take any action nor make or permit any use of proceeds of the Bonds or other funds of the Authority treated as proceeds of the Bonds at any time during the term of the Bonds which would cause interest on the Bonds to be included in gross income for federal income tax purposes.

The Borrower has agreed or will agree in the Loan Agreement to reimburse the Authority for all costs to the Authority of its compliance with the covenants contained in this section, and the Authority shall not be required to expend any funds, other than such reimbursement or other money received under the terms of the Loan Agreement, in so complying.

Section 7. Authorization of Bond Documents and Execution Thereof. The Board approves the Loan Agreement, the Indenture, the Regulatory Agreement, the Contingent Loan Agreement and the Continuing Disclosure Agreement substantially in the forms on file with the Executive Director of the Authority, with such changes as the Executive Director of the Authority shall deem necessary or appropriate, and appoints U.S. Bank National Association as Trustee, Bond Registrar and Dissemination Agent for the Bonds. The Board authorizes and approves the execution and delivery of, and the performance by the Authority of its obligations contained in, the Bonds, the Loan Agreement, the Indenture, the Contingent Loan Agreement and this resolution and consummation by the Authority of all other transactions contemplated by this resolution in connection with the issuance of the Bonds. The Executive Director of the Authority is authorized and directed to execute and to do everything necessary for the issuance, execution and delivery of the Bonds, including the "deeming final" of the preliminary official statement for the Bonds for the sole purpose of the Bond purchaser's compliance with Securities and Exchange Commission Rule 15c2-12(b)(1), and to execute and deliver, on behalf of the Authority in its own behalf and as managing member of the Borrower, as applicable, the Indenture, the Loan Agreement, the Regulatory Agreement, the Continuing Disclosure Agreement, the Trust Deed, the Continuing Disclosure Agreement and any other documents reasonably required to be executed by the Authority or the Borrower in connection with the issuance of the Bonds and to ensure the proper use and application of the proceeds of the Bonds.

Section 8. Authorization of Purchase Contract. It is anticipated that Wedbush Securities will present a purchase contract (the "Bond Purchase Contract"), substantially in the form on file with the Executive Director of the Authority, to the Authority offering to purchase the Bonds under the terms and conditions provided herein and therein. The Board finds that entering into such a Bond Purchase Contract is in the best interest of the Authority and the Borrower, and therefore authorizes the Executive Director of the Authority to accept the offer contained in the Bond Purchase Contract and to execute the Bond Purchase Contract on behalf of the Authority and the Borrower.

**BEFORE THE BOARD OF COMMISSIONERS**  
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RESOLUTION NO.  
1894

The Bonds will be prepared at the Authority's expense and will be delivered to the purchaser of the Bonds, with the approving legal opinion of Foster Pepper PLLC, municipal bond counsel of Seattle, Washington.

The proper Authority officials are authorized and directed to do everything necessary for the prompt delivery of the Bonds to the purchaser thereof and for the proper application and use of the proceeds of the sale thereof.

Section 9. Adoption of Post Issuance Compliance Policies and Procedures. The post-issuance compliance policies and procedures (the "Compliance Policy") for tax-exempt bonds and other tax-advantaged bonds in the form on file with the Executive Director of the Authority and incorporated herein by reference is hereby adopted.

Section 10. Acting Officers Authorized. Any action required by this resolution to be taken by the Chair of the Board or Executive Director of the Authority may in the absence of such person be taken by the duly authorized acting Chair of the Board or acting Executive Director of the Authority, respectively.

Section 11. Ratification and Confirmation. Any actions of the Authority or its officers prior to the date hereof and consistent with the terms of this resolution are ratified and confirmed.

Section 12. Effective Date. This resolution shall be in full force and effect from and after its adoption and approval.

DATED this \_\_\_\_\_ day of \_\_\_\_\_, 2013.

BOARD OF COMMISSIONERS OF THE HOUSING  
AUTHORITY OF CLACKAMAS COUNTY, OREGON

\_\_\_\_\_  
Chair

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

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

In the Matter of the Authorization of the Issuance of Revenue Bonds of the Authority in the Aggregate Principal Amount of Not to Exceed \$17,000,000, the Sale of the Bonds, and the Loan of the Proceeds of the Bonds to Easton Ridge LLC to Provide a Portion of the Financing for the Acquisition and Rehabilitation of Easton Ridge Apartments

RESOLUTION NO.  
1894

CERTIFICATE

I, the undersigned, the duly chosen, qualified and acting Executive Director and Secretary of the Housing Authority of Clackamas County (the "Authority") and keeper of the records of the Authority, CERTIFY:

1. That the attached Resolution No. 1894 (the "Resolution") is a true and correct copy of the resolution of the Authority's Board of Commissioners, as adopted at a meeting of the Board held on the 20<sup>th</sup> day of December, 2012, and duly recorded in the Authority's minute books.

2. That such meeting was duly convened and held in all respects in accordance with law, and, to the extent required by law, due and proper notice of such meeting was given; that a quorum was present throughout the meeting and a majority of the members of the Authority's Board of Commissioners present at the meeting voted in the proper manner for the adoption of the Resolution; that all other requirements and proceedings incident to the proper adoption of the Resolution have been duly fulfilled, carried out and otherwise observed, and that I am authorized to execute this Certificate.

IN WITNESS WHEREOF, I have hereunto set my hand this \_\_\_\_\_ day of \_\_\_\_\_, 2013.

HOUSING AUTHORITY OF CLACKAMAS COUNTY

\_\_\_\_\_  
Executive Director and Secretary

January 17, 2012

Board of Commissioners of the  
Housing Authority of Clackamas County

Members of the Board:

**Approval of Resolution No. 1895: Providing for the Issuance of a Revenue Bond of the Authority in a Principal Amount of Not to Exceed \$7,000,000 to Provide Bridge Financing for the Easton Ridge Apartments Renovation Project**

The Housing Authority of Clackamas County (HACC), a Division of the Health, Housing, and Human Services Department, requests approval of Resolution No. 1895 providing for the issuance of revenue bonds of the Authority in the aggregate principal amount of not to exceed \$7,000,000, the proceeds of which will be lent to Easton Ridge LLC, an Oregon Limited Liability company of which the Authority is the sole managing member.

Easton Ridge, a 264-unit affordable housing complex, is located at SE 90<sup>th</sup> Avenue and SE Causey Avenue approximately one-quarter mile north of Clackamas Town Center. Easton Ridge was constructed in 1989 by Bowen Hunt Development, and purchased by the Housing Authority of Clackamas County in 1996. The property is sited on 8.8 acres and consists of 264 units in 11 three-story buildings and a single-story community building with an on-site property management office. The buildings are wood-frame construction with wood lap siding built on concrete slab foundations.

The building siding shows visible signs of envelope failure due to poor site drainage and moisture penetration at the exterior envelope. Initial due diligence determined a project scope of work which included:

- Replacing and upgrading the residential building envelope.
- Improving interior ventilation.
- Addressing poor site drainage.

On October 20, 2011 the HACC Commissioners approved Resolution No. 1886 authorizing the Housing Authority to proceed with further due diligence, engaging an architect and construction management/ general contractor to more fully develop a Capital Improvement Plan. Resolution No. 1886 also authorized the Housing Authority to make applications for private-activity bond cap allocation, low income housing tax credits and other necessary sources of funding.

On June 21, 2012 the HACC Commissioners approved Resolution No. 1889 declaring intent to issue revenue bonds for the Easton Ridge Apartments Renovation Project which also constituted a "declaration of official intent" to reimburse expenditures for the Easton Ridge Apartments Renovation for purposes of Treasury Regulations relating to tax-exempt bonds.

Further due diligence and engagement with investors has refined the scope of work to include the following:

- Replacing the building envelope with new hardi-board siding, new windows and exterior doors.
- Installing rain screen venting behind the siding to insure air and water tightness of the buildings.
- Repairing or replacing any water damaged areas in the stairwell or deck areas.

*Healthy Families. Strong Communities.*

- Upgrading interior ventilation by replacing recirculating kitchen range hoods with exterior-vented fans, and installing a whole house ventilation system with heat recovery to increase fresh air in the units while decreasing moisture build-up.
- Replacing all existing cabinetry, appliances, lighting and flooring in 100% of the kitchens.
- Replacing bathroom cabinets, fixtures, flooring and lighting in 15% of the units.
- Improving drainage and repair of any damaged or clogged storm drains.
- Making the property ADA compliant, with six newly designated units receiving upgrades as well as accessible routes at site amenities.
- Upgrades to landscaping and courtyard improvements, new site lighting, demolition of existing garages and carports, and resurfacing the parking lot areas.

Funding sources being coordinated for the Project include tax exempt bonds (two series), low income housing tax credits, a loan from the Housing Authority, income from Project operations, HOME funds, and deferred developer fees. A new limited liability corporation called Easton Ridge LLC has been created to facilitate financing, property acquisition, and tax credit compliance.

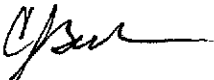
It is anticipated that Enterprise Community Loan Fund will offer to purchase a revenue bond of HACC in a principal amount not to exceed \$7,000,000 upon the terms set forth in the Resolution No. 1895 and a term sheet dated December 6, 2012, as it may be amended or supplemented. Approval of Resolution No. 1895 will authorize the issuance and sale of the bond and the use of proceeds of the sale of the bond to make a loan to Easton Ridge LLC. The loan will provide bridge financing to permit Easton Ridge LLC to acquire and rehabilitate the Easton Ridge Apartments.

Pursuant to the terms of a Loan Agreement to be entered into by HACC and Easton Ridge LLC, Easton Ridge LLC will be required to repay the loan in amounts, and at times, sufficient to pay debt service on the revenue bonds. It is anticipated that the principal of the bond will be paid from the post-stabilization payment to be received from the tax-credit investor. Approval of Resolution No. 1895 will provide the Executive Director of HACC with discretionary authority to determine the terms of the bond within the parameters set forth in Resolution No. 1985, and will authorize the execution and delivery of the bond and all related agreements.

**Recommendation:**

Staff recommends that the Board approve Resolution No. 1895, Providing for the Issuance of a Revenue Bond of the Authority in a Principal Amount of Not to Exceed \$7,000,000 to Provide Bridge Financing for the Easton Ridge Apartments Renovation Project.

Respectfully submitted,



Cindy Becker  
Director

For information on this issue or copies of attachments  
Please contact Mary-Rain O'Meara at 503-655-8279

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

In the Matter of the Authorization of the Issuance of Revenue Bonds of the Authority in the Aggregate Principal Amount of Not to Exceed \$7,000,000, the Sale of the Bonds, and the Loan of the Proceeds of the Bonds to Easton Ridge LLC to Provide a Portion of the Financing for the Acquisition and Rehabilitation of Easton Ridge Apartments

RESOLUTION NO.  
1895

WHEREAS, the Housing Authority of Clackamas County (the "Authority") seeks to encourage the provision of long-term housing for persons and families of lower income residing in Clackamas County, Oregon (the "County"); and

WHEREAS, Easton Ridge LLC, an Oregon limited liability company of which the Authority is the sole managing member (the "Borrower"), has applied to the Authority for financial assistance in the principal amount of up to \$7,000,000 for the purpose of providing part of the funds with which to acquire and rehabilitate a 264-unit apartment complex known as the Easton Ridge Apartments to provide housing for persons and families of lower income within the County (the "Project"); and

WHEREAS, the Project will be used by the Borrower to provide housing for persons and families of lower income, and no more than an insubstantial portion of the proceeds of the Bond (defined below) will be used in connection with the financing of any portion of the Project to be used by the Borrower for any other purpose; and

WHEREAS, ORS 456.065 defines "housing project" to include, among other things, "any work or undertaking . . . to provide decent, safe and sanitary urban or rural housing for persons or families of lower income"; and

WHEREAS, ORS 456.120(18) provides that a housing authority may, among other things and if certain conditions are met, "loan money to an individual, partnership, corporation or other association to finance, plan, undertake, construct, acquire or operate a housing project"; and

WHEREAS, ORS 456.055 and 456.175 provide that a housing authority may issue bonds, notes, interim certificates, debentures or other obligations for any of its corporate purposes; and

WHEREAS, ORS 456.135 provides that a housing authority may delegate to one or more of its agents or employees such powers or duties as it deems proper; and

WHEREAS, the Board of Commissioners of the Authority deems it necessary and advisable and in the best interest of the Authority to issue the revenue bond described herein (the "Bond"), the proceeds of which will be lent to the Borrower for the purposes described herein; and

WHEREAS, it is anticipated that Enterprise Community Loan Fund, Inc. will offer to purchase the Bond on the terms set forth in this resolution;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF CLACKAMAS COUNTY, as follows: