

May 19, 2022

Housing Authority Board of Commissioners
Clackamas County

Approval of an Amendment 1 of the Intergovernmental Agreement (IGA) with Metro for the Affordable Housing Bond Program adding cooling unit requirements and funding for bond funded affordable housing projects. Amendment 1 adds an additional \$1,666,000 in Bond Proceeds, for a new total Eligible Share of \$115,154,094. Funding through Regional Metro Housing Bond Proceeds. County General Funds are not involved.

Purpose/Outcome	Approval Amendment 1 of IGA with Metro for the Affordable Housing Bond Funds adding cooling unit requirements and funding for affordable housing projects funded through the regional housing bond.
Dollar Amount and Fiscal Impact	Amendment 1 adds an additional \$1,666,000 in Bond Proceeds, for a new total Eligible Share of \$115,154,094.
Funding Source	Regional Metro Housing Bond Proceeds
Duration	Effective upon signature of all parties – June 30, 2026
Previous Board Action/Review	May 17, 2022 – Amendment 1 presented at Issues December 10, 2019 – Affordable Housing Bond Program Intergovernmental Agreement Fully Executed November 14, 2019 - Affordable Housing Bond Program IGA and Local Implementation Strategy was approved by the HACC board.
Strategic Plan Alignment	This funding aligns with the County’s strategic priority to ensure safe, healthy, and secure communities by increasing the inventory of affordable housing units in Clackamas County.
Counsel Review	Reviewed by County Counsel 4/19/22 by Andrew Naylor
Procurement Review	1. Was the item processed through Procurement? yes <input type="checkbox"/> no <input checked="" type="checkbox"/> 2. If no, provide brief explanation: Item is an IGA Amendment.
Contact Person	Devin Ellin, Director of Housing Development, HACC 971-227-0472
Contract No.	Affordable Housing Bond Program IGA H3S #9530 Amendment 1 (Metro Contract No. 936551)

BACKGROUND:

Housing Authority of Clackamas County (HACC), entered into the Affordable Housing Bond Program Intergovernmental Agreement (IGA) with Metro regional government, effective December 10, 2019. This Amendment 1 to the Affordable Housing Bond IGA will add both requirements and funding to add indoor cooling units to bond funded projects and better meet the needs of vulnerable residents into the future.

Due to recent record-breaking high temperatures experienced in the region during the summer of 2021 and the certainty of climate-change, the need for indoor cooling units has become a public health concern. Our most vulnerable residents to excessive heat are the same residents intended to be served through the Affordable Housing Bond Program; therefore, in alignment with the values of the Affordable Housing Bond Program of advancing racial equity, climate justice, and sustainability, a formal policy statement was issued on September 14, 2021, to require all Bond Projects to incorporate some form of in-unit air conditioning system moving forward.

Approval of Amendment 1 will formalize the requirements for in-unit air cooling systems for Bond funded projects as well as allocate an additional \$1,666,000 in Bond Proceeds to meet these new requirements.

RECOMMENDATION: Staff recommends the Board approve Amendment 1 of the Affordable Housing Bond Program Intergovernmental Agreement adding cooling unit requirements and funding for affordable housing bond funded projects. Staff also recommends authorizing Commissioner Tootie Smith, Chair to sign on behalf of the Housing Authority Board of Commissioners.

Respectfully submitted,

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

Rodney A. Cook, Director
Health, Housing and Human Services



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1st Amendment to Intergovernmental Agreement

Affordable Housing Bond Measure Program IGA

Metro Contract No. 936551

THIS 1ST AMENDMENT TO AFFORDABLE HOUSING BOND MEASURE PROGRAM INTERGOVERNMENTAL AGREEMENT (“Amendment”) is between Metro, a metropolitan service district organized under the laws of the State of Oregon and the Metro Charter, located at 600 N.E. Grand Avenue, Portland, Oregon 97232-2736, and Housing Authority of Clackamas County (“Local Implementation Partner” or “LIP”), located at 13930 S. Gain Street, Oregon City, Oregon 97045 and is dated effective as of the last day of signature set forth below (the “Effective Date”).

RECITALS

A. Metro and LIP entered into the Affordable Housing Bond Measure Program Intergovernmental Agreement, effective December 10, 2019, providing the terms and conditions under which Metro provides Ballot Measure 26-199 Bond Proceeds for the acquisition and construction of affordable housing (the “IGA”).

B. The record-breaking high temperatures experienced in the region during the summer of 2021 and the certainty of climate-change related future high summer temperatures in the region pose a grave threat to the vulnerable community members that Ballot Measure 26-199 is intended to serve.

C. The need for indoor residential cooling is a public health concern that intersects with Metro’s values of advancing racial equity, climate justice, sustainability.

D. Metro has determined that it is imperative that all Affordable Housing Projects incorporate some form of in-unit air conditioning system (“A/C System” as hereafter defined) moving forward.

E. Metro clarified its air conditioning requirements for housing units to be acquired or constructed with Ballot Measure 26-199 Bond Proceeds via Metro’s formal policy statement on air conditioning, dated September 14, 2021.

F. Metro has allocated “Additional A/C Funding” (as hereafter defined) to LIP to assist in the incorporation of A/C Systems in Affordable Housing Projects under the terms and conditions set forth herein.

AGREEMENT

1. Cooling Requirements for Affordable Housing Projects. Metro and LIP agree to work together to incorporate a cooling strategy that includes an A/C System into each Affordable Housing Project, to ensure safety and livability for residents as summer-time high temperatures continue to rise due to climate change.

1.1. Finally Approved Projects. LIP will exert best efforts to incorporate a cooling strategy that includes an A/C System into all Affordable Housing Projects that have received Final Approval, including Projects under construction, but not Projects having received a certificate of occupancy ("Finally Approved Projects"). For Finally Approved Projects that have no A/C system, Additional A/C Funding will be allocated via a Final Approval letter amendment signed by the Metro COO. Once all Finally Approved Projects have incorporated an A/C System, Metro may consider allocating any Additional A/C Funding that remains to Projects that have an A/C System, but wish to upgrade to a more sustainable or durable A/C System option.

1.2. Future Projects. For all future Affordable Housing Projects, including Affordable Housing Projects that have received Metro Concept Endorsement ("Future Projects"), LIP will include a cooling strategy that includes some form of in-unit A/C System in its Concept Endorsement and Final Approval requests to Metro.

1.3. "A/C System" Defined. An A/C System is defined as a system for controlling the ambient indoor air temperature of a Unit capable of ensuring the future safety and livability for residents during increasingly hot summers. An A/C System must cool the air, not just re-circulate it, and may include central air conditioning, packaged terminal air conditioners (PTACs), ducted or ductless condenser or heat pump units, window or portable A/C units, hybrid, passive design strategies, geothermal, or other emerging technologies.

2. Funding for Cooling Requirements. Metro has allocated \$1,666,000 in additional Bond Proceeds to LIP (for a new total Eligible Share of \$115,154,094), to account for the impacts of the requirements of this Amendment (the "Additional A/C Funding"). Metro and LIP acknowledge that each Affordable Housing Project affected by this Amendment will be impacted differently depending upon the stage of its design and development process. LIP will coordinate with project teams to evaluate proposals for additional investments in cooling systems on a Project by Project basis and provide to Metro a plan that includes a description of the system, the total cost and proposed additional Metro bond funds, and a brief narrative summarizing

considerations that informed the choice of cooling systems, including sustainability, air quality, livability, up front and ongoing costs, etc.

3. Metro and LIP hereby ratify and confirm this addition and modification to the terms of the IGA. All other terms and conditions set forth in the IGA are hereby confirmed and remain in full force and effect.

4. **Counterparts.** This Amendment may be executed in any number of counterparts, each of which will be an original, but all of which will constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the Effective Date.

Metro

LOCAL IMPLEMENTATION PARTNER

By: 
Name: **Marissa Madrigal**
Title: **Chief Operating Officer**
Date: 4/29/2022

By: _____
Name: _____
Title: _____
Date: _____