

October 19, 2023

BCC Agenda Date/Item: _____

Housing Authority Board of Commissioners
 Clackamas County

Approval of Amendment #4 increasing funding and updating program language of an Intergovernmental Agreement with Metro for the Affordable Housing Bond Program. Amendment value is \$1,190,306 for 3 years. Agreement value increased to \$120,534,367 for 10 years. Funding is through Metro Affordable Housing Bond funds. No County General Funds are involved.

Previous Board Action/Review	10/17/23 – Amendment 4 briefed at Issues 12/15/22 – Amendment 3 was approved to add funding for a permanent supportive housing pilot program. 20221215 III.E 7/21/22 – Amendment 2 was approved to add funding for software for reporting workforce demographics. 20220721 I.B 5/19/22 – Amendment 1 was approved to add funding for air conditioning units. 20220519 I.B 12/10/19 – all parties fully executed the Affordable Housing Bond Program Intergovernmental Agreement. 11/14/19 – the Housing Authority Board approved the Affordable Housing Bond Program IGA and Local Implementation Strategy. 20191114 I.3		
Performance Clackamas	This funding ensures safe, healthy, and secure communities by increasing the inventory of affordable housing units in Clackamas County.		
Counsel Review	Yes	Procurement Review	No
Contact Person	Devin Ellin, HACC Director of Development	Contact Phone	971-227-0472

EXECUTIVE SUMMARY: The Housing Authority of Clackamas County (HACC), a component unit within the Housing and Community Development Division of the Health, Housing and Human Services Department, requests the approval of Amendment 4 to the Affordable Housing Bond Program Intergovernmental Agreement (IGA) with Metro. The amendment allocates \$1,190,306 to HACC’s administrative share over three years, clarifies the Project completion reporting responsibilities in more detail, and establishes the approval process for utilizing regional investments for Metro’s Regional Site Acquisition Program.

The Affordable Housing Bond Program was established to increase affordable housing stock for Clackamas, Washington, and Multnomah Counties in response to our region’s extreme affordable housing storage. The original agreement laid the program’s foundation and Clackamas County’s goals with this new funding stream. Amendments to date have added funding

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for air conditioning to units, software for reporting workforce demographics, and a permanent supportive housing pilot program.

Amendment 4 will add the following items: First, it will add additional funding to support the Affordable Housing Bond Program administration in Clackamas County. Second, it will clarify the reporting documentation Clackamas needs to provide Metro when a bond-funded project is completed. Lastly, it adds and clarifies the terms of the spending approval process and addresses which costs may be paid for with the expected \$12,909,788 in Regional Investments for Metro's Regional Site Acquisition program within Clackamas County.

This amendment allocates additional administrative housing bond funds in the amount of \$1,190,306 to Clackamas County to be used towards HACC's administrative costs associated with operating the program. All other changes are to agreement terms and have no other financial impact at this time. Funding is through Metro's interest earnings from the Affordable Housing Bond Program. No County General Funds are involved.

RECOMMENDATION: Staff recommends that the Housing Authority Board approves amendment 4 of the Affordable Housing Bond Program IGA with Metro, adding \$1,190,306 to the agreement, clarifying reporting requirements, and establishing the approval process for Metro's Regional Site Acquisition Program. Staff also recommends that Chair Tootie Smith sign all documents required on behalf of the Housing Authority Board.

Respectfully submitted,



Rodney A. Cook

Director of Health Housing and Human Services



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4th Amendment to Intergovernmental Agreement

Affordable Housing Bond Measure Program IGA

Metro Contract No. 936551
4th Amendment to Intergovernmental Agreement

THIS 4TH 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 the Housing Authority of Clackamas County (“Local Implementation Partner”, “LIP” or “County”), 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 (“Housing Bond”) proceeds for the acquisition and construction of affordable housing (the “IGA”) within the LIP’s jurisdiction and establishing LIP’s Eligible Share in the amount of \$113,488,094.

B. On May 19, 2022, Metro and LIP entered into a 1st Amendment to the Affordable Housing Bond Measure IGA (“1st IGA Amendment”), providing additional disbursement of Housing Bond funds for Additional A/C Funding.

C. On July 21, 2022, Metro and LIP entered into a 2nd Amendment to the Affordable Housing Bond Measure IGA (“2nd IGA Amendment”), providing additional disbursement of Housing Bond funds for Technical Assistance Funding.

D. On January 26, 2023, Metro and LIP entered into a 3rd Amendment to the Affordable Housing Bond Measure IGA (“3rd IGA Amendment”), providing additional disbursement of Housing Bond funds for Permanent Supportive Housing Pilot Funding.

E. The parties now wish to allocate a further \$1,190,306 in additional Housing Bond interest earnings to augment the LIP’s administrative share.

F. Metro wishes to clarify the LIP’s Housing Bond Project completion reporting responsibilities.

G. In addition to the Eligible Share the IGA establishes an expected Regional Investment amount of \$12,909,788.00 to be used to fund Metro’s Regional Site Acquisition Program within LIP’s jurisdictional boundary, and the Parties wish to amend the IGA to clarify the spending approval processes for the Regional Investment funds and address which costs may be paid for with said funds.

H. The parties therefore wish to amend the IGA as follows:

AGREEMENT

1. Increased Administrative Share. LIP will receive an additional \$1,190,306 in Housing Bond Funds

2. Schedule of disbursement. The additional administrative share funding will be disbursed in even parts over three years in addition to funding allocations described in Exhibit B to IGA. Additional funding is as follows:

Year 5: FY 2023-2024	Year 6: FY 2024-2025	Year 7: FY 2025-2026
\$396,769	\$396,769	\$396,768

3. Revised Required Project Completion Reporting. The Parties agree to the revised reporting requirements set forth in the attachment entitled “Revised Exhibit D to IGA.”

4. The IGA is amended to add the following subsection:

“2.2.1 Regional Investment Approval Process and Disbursement: Subject to and in accordance with Section 2.2, above, Regional Investment funds may pay for both Regional Site Acquisition Program costs and Direct Project Costs. The Metro approval process for spending Regional Site Acquisition Program costs, including real property acquisitions, is authorization from the Metro COO. The Metro approval process for the disbursement of Regional Investment funds to LIP for non-acquisition Direct Project Costs is governed by the Concept Endorsement and Final Approval processes set forth in Section 4.1 through 4.3 of the IGA. Regional Investment funds disbursed to LIP for non-acquisition Direct Project Costs will be treated as Project Funds for purposes of all rights and duties set forth in the IGA.”

5. 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.

6. **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

**Housing Authority of Clackamas
County**

By: _____

By: _____

Name: **Marissa Madrigal**

Name: _____

Title: **Chief Operating Officer**

Title: _____

Date: _____

Date: _____

Approved as to form:



10/02/2023

Assistant County Counsel

Exhibit D: Required Project Completion Reporting

Post-closing documentation (within 15 business days after closing):

- Copy of recorded Metro approved restrictive covenant
- Copy of executed priority and subordination agreement
- Copy of settlement statement

Post Construction Completion (defined as six months following Temporary Certificate of Occupancy):

- Project closeout form attesting to use of Metro bond funds for capital costs (Metro form)
- Copy of final certificate of occupancy
- Contracting and Workforce outcome report (Metro form)

Post-Occupancy (defined as three months following the project being 95% occupied):

- Initial Demographics, Marketing, and Screening outcomes report (Metro form)
- Final resident services plan (if not previously submitted during funding approval process)
- Final affirmative fair housing marketing plan (HUD form) (if not previously submitted during funding approval process)