IN CONSIDERATION OF RESOLUTION NO. 19-4997, FOR THE PURPOSE OF APPROVING A CONCEPT ENDORSEMENT FOR WASHINGTON COUNTY'S PHASE I HOUSING BOND PROJECT

Date: June 27, 2019 Prepared by: Emily Lieb Department: Planning Presenter(s): Emily Lieb

Meeting date: July 11, 2019 Length: 15 min.

ISSUE STATEMENT

The Housing Authority of Washington County (HAWC) has requested a concept endorsement and reservation of \$11.4 million in Metro Housing Bond funding for the construction of the 72nd and Baylor Apartments (the "Project"), a six-story affordable apartment building that will provide 80 residential units, including 55 two- and three-bedroom units. Thirty-three units will be affordable to households earning 30 percent of area median income (AMI) or below. The Project will be developed by Community Development Partners (CDP) and is located at the corner of 72nd Avenue and Baylor Street in Tigard.

Eligible implementation jurisdictions have been invited to submit up to one "Phase 1" project to Metro for consideration between March and June 2019, prior to completion of a full Local Implementation Strategy. The Project will be submitted to the Washington County Board of Commissioners on June 25th for concept approval and prioritization as HAWC's Phase 1 project. Because the project is seeking a concept endorsement prior to completion of a full Local Implementation Strategy, Metro Council action is requested to provide a concept endorsement for this project.

Within the funding distribution framework approved by Metro Council (see Exhibit B of the Affordable Housing Bond Program Work Plan), and based on preliminary agreement among the three eligible implementation jurisdictions in Washington County, HAWC is eligible to administer \$116.4 million in total bond funding to support affordable housing projects that align with Bond Program goals. HAWC staff are finalizing a Local Implementation Strategy consistent with the requirements set forth in the Affordable Housing Bond Program Work Plan (see Exhibit C) for consideration by the Housing Authority of Washington County Board of Directors, the Housing Bond Community Oversight Committee and Metro Council in summer 2019.

ACTION REQUESTED

Adopt a resolution approving the Housing Authority of Washington County's request for Metro Affordable Housing Bond Measure Concept Endorsement for the 72nd and Baylor Apartments and authorizing the Metro Chief Operating Officer to approve final funding

provided that such approval is otherwise consistent with the applicable process described in the Work Plan.

IDENTIFIED POLICY OUTCOMES

The Project would utilize 9.8% of the HAWC's total allocation of bond funds while delivering the following unit production outcomes:

- 9.8% of HAWC's overall unit production target;
- 9.8% of HAWC's target of units affordable to households making 30% or less of area median income (AMI); and
- 13.5% of HAWC's family sized unit target.

See Attachment 1 for additional details regarding strategies for advancing racial equity and approach to community engagement.

POLICY QUESTION(S)

Is the proposed Project concept in alignment with the bond unit production targets and other outcomes described in Council's approved Housing Bond Framework adopted by the Metro Council in June 2018?

POLICY OPTIONS FOR COUNCIL TO CONSIDER

- Adopt Resolution No 19-4997 approving the Housing Authority of Washington County's request for Metro Affordable Housing Bond Measure Concept Endorsement for the 72nd and Baylor Apartments and authorizing the Metro Chief Operating Officer to approve final funding provided that such approval is otherwise consistent with the applicable process described in the Work Plan.
- Do not approve the concept endorsement. This could impact the project timeline and success in securing additional funding sources.

STAFF RECOMMENDATIONS

Staff recommends adoption of Resolution No. 19-4997.

STRATEGIC CONTEXT & FRAMING COUNCIL DISCUSSION

HAWC is finalizing their implementation strategy for consideration by Metro Council in summer 2019. The Washington County Board of Commissioners approved a resolution to support the Project on June 25, 2019.

The proposed Phase I project concept endorsement is based on numerous policies previously adopted by the Metro Council, including but not limited to:

- Resolution 19-4956, adopting the Housing Bond Program Work Plan
- Ordinance 19-1430, amending Metro Code Chapter 2.19 to establish the Metro Affordable Housing Bond Community Oversight Committee

- Resolution No. 18-4895, adopting the Initial Housing Bond Framework for implementation of the regional affordable housing bond
- Resolution No. 18-4898, referring the Affordable Housing Bond Measure to Metro District voters
- Ordinance No. 18-1423, For the Purpose of Determining that Affordable Housing is a Matter of Metropolitan Concern and Undertaking an Affordable Housing Function

If Metro Council approves a concept endorsement, next steps for the Project will include:

- July 2019 HAWC's Local Implementation Strategy submitted to Housing Bond Community Oversight Committee for review, and potentially forwarded to Metro Council for approval
- November 2019 Design completion
- June 2020 Groundbreaking
- September 2021 Construction completion and certificate of occupancy. Begin lease up
- May 2022 Stabilized occupancy

Staff is not aware of any opposition to the Project. The Project's developer, CDP, is working with Portland State University's Center for Public Interest Design (CPID) during the Project's early phase. CPID will conduct research to identify existing resident-serving assets that are in the surrounding community as well as identifying needs that are not being met by those existing assets and creating a community health needs assessment. CPID has started canvassing the neighborhood and meeting with surrounding residents. Project outreach will also leverage the work done by several jurisdictions, non-profits and other community-based organizations active in the Southwest Equitable Development Strategy (SWEDS).

BACKGROUND

Metro Council previously endorsed two Phase I projects between March and June 2019 (See Resolutions 19-4975 and 19-4991), and staff previously discussed the purpose of Phase I projects with the Council at a work session on Dec. 11, 2018 and prior to approval of Resolution 19-4956 adopting the Housing Bond Program Work Plan on January 31, 2019.

ATTACHMENTS

Attachment 1: Phase I Concept Endorsement Staff Report for 72nd and Baylor Apartments