

IN CONSIDERATION OF RESOLUTION NO. 19-5007, FOR THE PURPOSE OF
APPROVING A CONCEPT ENDORSEMENT FOR HOME FORWARD'S PHASE I
HOUSING BOND PROJECT

Date: June 27, 2019
Department: Planning
Meeting date: July 11, 2019

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Presenter(s): Emily Lieb
Length: 15 min.

ISSUE STATEMENT

Home Forward has requested a concept endorsement and preliminary reservation of \$22,894,240 million in Metro Housing Bond funding for the redevelopment of Dekum Court (the "Project"). The Project will replace 40 aging housing units with 200 new affordable housing units. The 200 units will be distributed across eight 3-4 story buildings and will include 40 units of replacement housing not counted toward the Metro bond targets. The Project will be developed by Home Forward and is located at the intersection of NE 27th Avenue and NE Saratoga Street in Northeast Portland.

By mutual agreement of Home Forward and the City of Portland, the proposed Housing Bond contribution and associated production targets for Dekum Court will be transferred from the City of Portland's eligible share of Housing Bond funding to Home Forward. Under this agreement, Home Forward will be eligible to administer a total of \$38.8 million in total bond project funding, including \$22.9 million for the proposed Dekum Court project and an additional \$15.9 million for implementation activities in the balance of Multnomah County not covered by the cities of Portland and Gresham. Home Forward staff are finalizing a Local Implementation Strategy for consideration by Metro's Housing Bond Community Oversight Committee and Metro Council in fall 2019.

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. 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.

ACTION REQUESTED

Adopt a resolution approving Home Forward's request for Metro Affordable Housing Bond Measure Concept Endorsement for Dekum Court 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 59.0% of Home Forward's total allocation of bond funds while delivering the following unit production outcomes:

- 59% of Home Forward's overall unit production target;
- 58% of Home Forward's target of units affordable to households making 30% or less of area median income (AMI); and
- 59% of Home Forward's family sized unit target.

See Attachment 1A 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. 19-5007.

STRATEGIC CONTEXT & FRAMING COUNCIL DISCUSSION

Home Forward is actively working on an implementation strategy for consideration by Metro Council in fall 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

Staff consulted with two volunteer members of the Housing Bond Community Oversight Committee prior to finalizing the staff recommendation for this Phase 1 project concept endorsement. Committee members concurred with staff's recommendations.

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

- Immediate post concept endorsement: Selection of design team and general contractor
- Fall 2019: Home Forward Local Implementation Strategy submitted to Housing Bond Community Oversight Committee for review, and potentially forwarded to Metro Council for approval
- June 2020: Zoning approval
- August 2020: Plans completed
- January 2021: Start of construction
- Construction completion: Phase I- replacement of existing housing in March 2022 and demolition of existing units, and Phase II- completion of new units September 2023

Staff is not aware of any opposition to the Project. Resident engagement began in 2015, when it was first determined Dekum Court would be demolished and rebuilt. An update to current residents—to discuss preliminary funding, the anticipated project timeline, and the creation of a Community Advisory Committee (CAC) to guide further Project planning—is planned for June 2019. Home Forward often convenes a CAC for large projects.

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 December 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 Dekum Court