



Metro

# Metro Housing Bond Developer Fact Sheet

## Funding eligibility

Metro Affordable Housing Bond Measure proceeds may be used to provide “affordable housing” in Washington, Clackamas and Multnomah counties. “Affordable housing” means *land and improvements for residential units occupied by low-income households making 80% or less of area median income.*

Permissible project types:

- ✓ Development and construction of new affordable housing
- ✓ Conversion of existing market-rate housing to affordable housing burdened by a restrictive covenant/ regulatory agreement

Metro’s Housing Bond proceeds may only be used for capital costs of affordable housing, which are capitalizable under generally acceptable accounting principles (GAAP) and Oregon law.

### Eligible costs

- Capital costs of construction, acquisition and rehabilitation
- Construction of ancillary space and resident amenities, as long as they are part of buildings that contribute toward unit production targets
- Necessary site work and infrastructure for the above projects
- Predevelopment costs, including third-party reports, design studies, financial modeling, and community outreach

### Ineligible costs

- Costs related to the construction of market rate housing
- Costs related to the acquisition and/or rehabilitation of residential buildings with existing affordability restrictions
- Project operating costs, including provision of resident support services
- Rental assistance
- Any any costs that do not qualify as “capital costs”



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## Funding distribution and process

### Local Implementation Partner Jurisdictions

The following jurisdictions will implement the Metro Affordable Housing Bond Measure. Local Implementation Partner jurisdictions will receive Bond proceeds for projects that achieve established unit production targets, as described below.

Local Implementation Partner Jurisdictions	Unit production targets			Funding available
	Total units	30% AMI units	Family-size units	
Beaverton	218	89	109	\$31,140,595
Clackamas County	812	333	406	\$116,188,094
Gresham	187	77	93	\$26,756,995
Hillsboro	284	117	142	\$40,657,081
Home Forward	111	46	55	\$15,879,123
Portland	1,475	605	737	\$211,056,579
Washington County	814	334	407	\$116,465,532

In addition, Metro's Site Acquisition Program will invest an additional \$62,016,000 proportionately across the region to acquire sites for subsequent development through a competitive solicitation process to contribute toward each jurisdiction's targets.

### Funding process

- 1. Local project selection and Metro concept endorsement.** Partner Jurisdictions will use a local process and criteria to solicit, evaluate, and select projects. Metro staff will review projects selected by the Partner Jurisdiction to confirm alignment with the jurisdiction's local implementation strategy and agreed upon unit production targets, resulting in a conditional funding commitment.
- 2. Final approval following project refinement.** Following Metro's initial concept endorsement, projects will be further refined through the local jurisdiction's process. Following approval by the Partner Jurisdiction, finalized project proposals will be reviewed by Metro staff to confirm continued consistency with the initially approved concept.
- 3. Developer agreement and funding disbursement.** Partner Jurisdictions will negotiate development agreements with selected development partners and will manage disbursement of funds to projects. Metro will not be a party to development funding agreements. Metro will play a more direct role in this process for Metro owned sites.
- 4. Restrictive covenant or regulatory agreement.** Metro requires that all projects receiving bond proceeds will record a restrictive covenant or regulatory agreement ensuring affordability for a minimum of 60 years, or 30 years for conversion projects where the buildings are more than 10 years old.



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## Reporting expectations for advancing racial equity

### Background

Metro has been collaborating with community stakeholders, jurisdiction partners, and practitioners to understand opportunities to advance racial equity through the implementation of the bond, as summarized in Metro's *Emerging best practices to operationalize racial equity in affordable housing*.

Metro has also been working to establish structures for holding our region accountable for ensuring that housing bond investments result in material benefits for communities of color and other historically marginalized communities. In accordance with Metro's Work Plan, each Local Implementation Partner has created a Local Implementation Strategy including specific goals, strategies, and/or policies related to: ensuring plans for ongoing community engagement to inform project implementation; increasing economic opportunities through the construction process; ensuring that people of color and other historically marginalized communities don't face barriers in accessing housing opportunities; and incorporating culturally specific programming and supportive services to meet the needs of tenants.

### New reporting requirements

While much of the implementation framework for the Metro bond is structured to align with existing, familiar funding tools, such as federal Low Income Housing Tax Credits, Metro is introducing some additional reporting expectations aimed at ensuring consistent tracking and accountability for outcomes related to advancing racial equity. These outcomes are a top priority for Metro Council and its appointed Community Oversight Committee for the bond, and Metro looks forward to working with development partners around the region to elevate existing practices to better document efforts and outcomes for advancing racial equity.

The following data will be collected by implementing jurisdictions at final funding approval, construction completion, and stabilized occupancy.

### Required project outcomes metrics

- 1. Community engagement that informs the project\***  
Provided by **jurisdiction and developer** at final funding approval.
  - a. Description of engagement events/activities
  - b. Outreach strategies/methods used encourage participation
  - c. Participant information, including number of attendees and demographics or other information to demonstrate participation from historically marginalized communities
  - d. Information about participation of CBO and culturally specific partners
  - e. Summary of feedback received (major themes)
  - f. Description of how feedback from communities of color and historically marginalized communities informed project implementation and outcomes
  - g. Evaluation of engagement effort; include feedback from staff and participants (optional)

*\*This reporting is focused on engagement to inform project implementation, including ensuring engagement to shape project outcomes to support the success of future residents. Examples could include engagement to inform a funding solicitation, jurisdiction-wide or project specific engagement, where the feedback received has opportunity to affect project outcomes, regardless of who conducts the engagement (e.g. jurisdiction, developer, partner). Metro defines "project outcomes" to mean permanent or long-range aspects of the housing development that can improve resident experience, such as: solicitation selection criteria, location, unit composition, individual project design principles or specific features (such as external landscaping, community space, etc.), onsite services, or particular management practices.*

## 2. Contracting

Provided by **developer** at construction completion.

- a. Percentage and dollar amounts of total construction costs (i.e., hard costs) contracted to COBID-certified firms for all contracts above \$250,000\*\*
  - Minority-owned business (MBE), disaggregated by race as self-identified by the contractor
  - Women-owned business (WBE)
  - Disadvantaged business enterprise (DBE)
  - Service disabled veteran (SDV) owned business
  - Emerging small business (ESB)
- b. Dollar amount of funding paid to COBID-certified firms by trade
- c. Summary of outreach to COBID-certified firms
  - Experience and lessons learned

*\*\*COBID participation will be tracked in two ways: one that allows for double-counting firms with multiple certifications and one that requires each firm/contract to be assigned to a single certification according to the above hierarchy.*

## 3. Workforce (if applicable)

Provided by **general contractor** at construction completion, if a project has stated workforce goals or tracking commitments.

- a. Number and percentage of total hours worked by apprentices, disaggregated by race and gender
- b. Number and percentage of total hours worked by women, disaggregated by race
- c. Number and percentage of total hours worked by people of color, disaggregated by race

## 4. Affirmative marketing

Provided by **project owner or property manager** at stabilized occupancy.

- a. List of community contacts and/or partners that directly supported affirmative marketing activities and description of role played by each organization
- b. Summary of how applicants heard about the project
- c. Total number of applicants referred by a cultural specific organization and other community-based organization
- d. Evaluation of effectiveness of marketing activities and lessons learned

## 5. Rental applications

Completed by **property manager** at stabilized occupancy and annually.

- a. Total rental applications received, disaggregated by unit type
- b. Total applications screened
- c. Of the applications screened, total applications initially accepted
- d. Total number of appeals
- e. Total applications approved after appeal
- f. Total number of applicants that withdrew, dropped out, or stopped following up during the process
- g. Reasons for application denial
- h. Total accessible (Type A/ADA) units and tenant matching

## 6. Household diversity

- a. Household size
- b. Household income
- c. Children under 18 & under 6
- d. Household with senior (+62)
- e. Household with a disabled member
- f. Race/ethnicity (voluntary)

## Hello, we're Metro.

Metro brings people together to shape the future of greater Portland and provides places, services and tools that work best at a regional scale. Led by an elected council, this unique government gives Oregonians a voice in their community.

### Parks and nature

Metro protects clean water, restores fish and wildlife habitat, and connects people to nature across 17,000 acres of parks, trails and natural areas – and the Oregon Zoo.

### Land and transportation

Metro plans for new homes, jobs, transportation options and access to local businesses and parks.

### Garbage and recycling

Metro manages the garbage and recycling system and is a resource for information about safe disposal and ways to reduce waste.

### Arts and events

Metro runs the Oregon Convention Center, Portland Expo Center and Portland's 5 Centers for the Arts.

