

METRO HOUSING BOND QUARTERLY REPORT | JULY-SEPTEMBER 2021

October 7, 2021

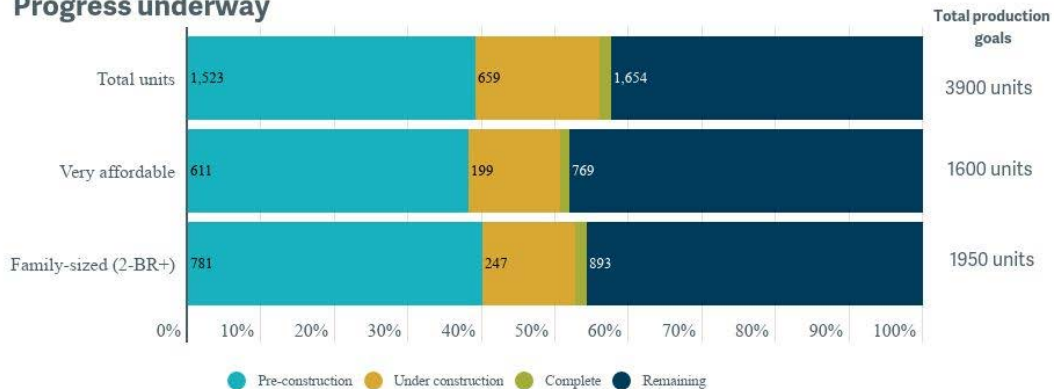
This is the third quarterly progress report for the Metro Affordable Housing Bond of 2021. Similar reports are produced quarterly with the goal of keeping the Housing Bond Community Oversight Committee, Metro Council, and other stakeholders and partners informed about ongoing implementation progress. A more detailed report will be provided annually for each calendar year, following submission of local progress reports by each participating implementation jurisdiction for review by the Oversight Committee.

PROJECTS UNDERWAY

As of the end of September 2021, fourteen projects have received a Metro concept endorsement and are in pre-construction, representing 1,523 units in the pre-development stage. Seven projects have received final approval, representing 659 units currently under construction. The housing bond program opened its first 64 units with the completion of 10 Metro-bond units at Rockwood Village in Gresham and 54 units at the Mary Ann in Beaverton. Collectively, these projects represent 2,246 new affordable homes, or 57.6% of the total production target for the Housing Bond, while using up approximately 36.8% of funding. Of the homes in the housing bond pipeline, 1,096 will have two or more bedrooms, representing 56.2% of the Housing Bond’s target for family-sized homes; and 814 will be affordable to households with incomes at or below 30% of area median income (AMI), representing 50.8% of the Housing Bond’s target for deeply affordable homes.

Production and funding dashboard

Progress underway



Resources committed



In August, Metro provided final approval for the Hattie Richmond project, formerly Baldwin PSH, submitted by the Portland Housing Bureau (PHB). Metro staff are currently reviewing a concept endorsement request for the Elmonica project submitted by the City of Beaverton, and final approval requests of Washington County's Terrace Glen and Clackamas County's Good Shepard project. These pending approvals will be included in the next quarterly report.

LOCAL IMPLEMENTATION PROGRESS AND UPDATES

Local implementation progress and activities for the third quarter are summarized below.

Home Forward

- **Housing Bond Progress:** Home Forward's Dekum Court project will contribute 147 units to Portland's overall unit production goal (see below).
- **Dekum Court project:** The environmental review process and selection of financing partners has been completed. Lenders started appraisal work in preparation of due diligence reviews and there is ongoing coordination between the design team and the city of Portland to review permits. A pre-apprenticeship fair and a Community Advisory Committee meeting were held on September 16th and the construction of the off-site Head Start site has begun.
- **East County project:** MWA Architects and Bremik Construction meet weekly and expect the project concept plan to be completed in October. Three focus groups were held in August with Spanish-speaking, eastern European and Black residents of East County. A Community Advisory Council is expected to host its first meeting on October 27th. Home Forward staff presented at the City of Troutdale's rent burdened meeting on September 29th.

Portland

- **Housing Bond Progress:** 431 units are currently in the pipeline representing **29%** of Portland's overall unit production target. The MBOS is anticipated to include an additional 687 units, which would bring Portland overall unit production to **76%**.
- **Portland's Metro Bond Opportunity Solicitation:** The Portland Housing Bureau (PHB) received twenty-four (24) proposals at the solicitation deadline on July 2nd, 2021. Beginning in July, a three-part evaluation process of the proposals was conducted by PHB staff which included technical, financial and community committee reviews. PHB has recommended seven (7) developments for Metro bond funding of \$90.7 Million which will provide a total of 687 new affordable housing units. The M-BOS prioritized dedicated supportive housing and family-focused housing projects. Of the 687 planned units, 297 will serve household at 30% AMI, 376 are 2 bedrooms or larger and 122 are designed as supportive housing units for chronically homeless individuals, couples or families.
- **East Portland projects:** PHB will be recommending two additional Phase II projects for Metro Bond funding. The two projects, **Powellhurst Place** and **Garden Park**, will utilize

\$5.5M of Metro Bond funding for a total of 118 units of new affordable housing in East Portland.

- **Hattie Richmond (formerly Baldwin PSH):** The project received final approval in August and will provide 60 studio units to people making less than 30% area median income and will include on-site resident services provided by case managers and peer support specialists. The project will be located in North Portland and is scheduled to break ground in October.

Clackamas County

- **Housing Bond Progress:** 459 units are currently in the pipeline representing **57%** of Clackamas County's overall unit production target.
- Press releases will be released soon, notifying the public of ongoing construction at **Fuller Road Station** and the **Webster Road** projects. Both projects anticipate holding in-person grand openings next year.
- A final approval request for **Good Shepherd Village** is currently under review and will include a disbursement of \$18,330,000. A final approval request for **Maple Apartments** is planned for November.
- Staff are drafting a second round of bond NOFAs, to be released in the 1st quarter of 2022. Clackamas County anticipates availing an estimated \$20 to \$30 Million through this NOFA.
- The Housing Authority of Clackamas County is working with Metro and the city of Lake Oswego to release a developer solicitation (RFP) for the **Boones Ferry** site next year.

Washington County

- **Housing Bond Progress:** 808 units are currently in the pipeline representing **99%** of Washington County's overall unit production target
- The **Viewfinder project** has started leasing activities. This lease-up process involved marketing to community groups serving BIPOC communities. An information session to sign-up for the waitlist was held in partnership with the Somali Empowerment Circle. These early lease-up activities helped the Supportive Housing Services team establish a preference for 11 units at the Viewfinder for individuals needing permanent supportive housing.
- The **Valfre at Avenida 26** held its groundbreaking on September 7th. Once completed the project will provide 36 units, 30 of which will be family-sized.
- A final approval request for **Terrace Glen** is currently under review and will include a disbursement of \$17,484,000. The project is anticipated to break ground in January.
- Final approval requests for the **Aloha Quality Inn** and the **Goldcrest Apartments** are anticipated in November and December, respectively. Construction for the Goldcrest Apartments is anticipated January of next year.

Hillsboro

- **Housing Bond Progress:** 149 units are currently in the pipeline representing **52%** of Hillsboro's overall unit production target.
- A final approval request for **Nueva Esperanza** is planned for December, along with a disbursement request of \$16,940,731.

Metro Site Acquisition Program

- Metro's Site Acquisition Program signed an exclusive negotiating agreement (ENA) with REACH CDC to develop affordable housing on Metro's property near the Elmonica MAX Station in Beaverton. REACH was selected as the site's preferred developer after a joint solicitation process between Metro and the City of Beaverton earlier in the year.
- In June, the Housing Authority of Clackamas County, City of Lake Oswego, and Metro entered into a Memorandum of Understanding to explore developing a Housing Bond project on a 1.4 acre city-owned property on Boones Ferry Road near West Sunset Drive.

Beaverton

- **Housing Bond Progress:** 218 units are currently in the pipeline representing **100%** of Beaverton's overall unit production target.
- A concept endorsement request for the **Elmonica Project** is currently under review. Due to a dynamic situation with the adjacent property, REACH, the city of Beaverton and Metro will be striving to complete predevelopment by summer 2022.
- Beaverton opened its doors to residents with the completion of 54 units at the **Mary Ann**. One household has been approved for move-in, 20 applications are in process and there are 87 households on the 1-BR waiting list and 74 household on the 2-BR waiting list. The project will also include eight (8) project-based section 8 vouchers.

Gresham

- **Housing Bond Progress:** 194 units are currently in the pipeline representing **104%** of Gresham's overall unit production target.
- **Rockwood Village** (formerly Rockwood 10) welcomed its first residents to the first completed building on the property. Of the 39 completed units at the project, 10 are Metro-funded units. Construction completion of Rockwood Village is expected in February of next year.
- Construction is proceeding at **Albertina Kerr**, which will provide 147 units of affordable housing. Construction completion is anticipated in the spring of 2022.
- Gresham will begin the process for its next solicitation, which is anticipated in 2022.

Metro Housing Bond – Project progress and status

Jurisdiction	Project Name/former name	Project Status	Development Team (Developer/GC)	Eligible bond units	30% units	2+ BR	Anticipated Completion
Beaverton	Mary Ann	Complete	REACH/Walsh	54	11	29	May-2021
	Scholls Ferry	Pre-construction	Wishcamper/COLAS	164	12	84	Oct-2022
Clackamas	Fuller Road Station	<i>In Construction</i>	GSA, GRES/R&H Construction	99	25	82	Oct-2021
	Good Shepherd Village	Pre-construction	Caritas, Catholic Charities/Walsh	141	58	79	Mar-2023
	Maple Apartments	Pre-construction	CDP, Hacienda CDC/LMC	171	70	129	Mar-2023
	Webster Road	<i>In Construction</i>	HACC/Walsh	48	48	0	May-2022
Gresham	Albertina Kerr	<i>In Construction</i>	Gerdin Edlen/Pence	147	30	31	Mar-2022
	Rockwood Village/Rockwood 10	Complete*	CDP/LMC	47	47	39	Feb-2022
Washington	Aloha Housing Development	Pre-construction	BRIDGE/LMC	81	33	50	Sep-2022
	Aloha Quality Inn	Pre-construction	HAWC/(TBD)	54	54	0	Jan-2022
	Plambeck Gardens/ <i>Basalt Creek</i>	Pre-construction	CPAH/LMC	116	47	60	Sep-2023
	Goldcrest/ <i>Cooper Mountain</i>	Pre-construction	BRIDGE/COLAS	74	14	45	Jun-2022
	Plaza Los Amigos	Pre-construction	REACH/LMC	112	26	72	May-2022
	Saltzman Road	Pre-construction	Home First/Beaudin	53	30	9	Jul-2023
	Terrace Glen	Pre-construction	Related NW/Walsh	144	46	73	Dec-2022
	The Valfre at Avenida 23/ <i>Forest Grove Family Housing</i>	<i>In Construction</i>	DCM Communities/LMC	36	8	30	Sep-2022
	Tigard Senior	Pre-construction	NHA/Walsh	57	23	0	Jan-2023
	Viewfinder/72 nd & Baylor	<i>In Construction</i>	CDP/Bremik	81	34	56	Nov-2021
Hillsboro	Nueva Esperanza	Pre-construction	Bienestar, HDC/LMC	149	60	105	Jun-2023
Portland	Hattie Richmond/ <i>Baldwin PSH</i>	Pre-construction	Home Forward/Bremik	60	60	0	Oct-2022
	Dekum	Pre-construction	Home Forward/Walsh	147	61	75	TBD
	Findley Commons	<i>In Construction</i>	Home First/Beaudin	35	0	0	Oct-2021
	Riverplace Phase 2	<i>In Construction</i>	BRIDGE/Walsh	176	17	48	Sep-2022
TOTALS				2246	814	1096	

*Rockwood Village has completed 10 of its 47 Metro bond-funded units. The city of Gresham expects full construction completion February 2022.

** 23 projects are currently in the Metro HB pipeline. Only one project, The Mary Ann in Beaverton, has reached full construction completion. Construction at Rockwood Village is ongoing, as the project has completed its first 10 of 47 Metro bond units. Another seven projects are currently under construction. The remaining 14 projects are in the pre-construction phase.

METRO AFFORDABLE HOUSING BOND

Financial Report Through September 2021

FINANCIAL SUMMARY

TOTAL REVENUE	\$682,082,545
TOTAL EXPENSES and DISBURSEMENTS	\$76,888,000
TOTAL COMMITTED	\$161,132,971
TOTAL FUNDING AVAILABLE	\$444,061,575

REVENUE

	FY 2018 - 2020	FY 2020 - 2021	FY 2021 - 2022	TOTAL REVENUE
Bond Proceeds	\$652,800,000			\$652,800,000
Premiums on Bonds	\$2,630,335			\$2,630,335
Interest Earnings	\$16,059,696	\$9,099,166	\$1,493,348	\$26,652,210
TOTAL REVENUE:	\$671,490,031	\$9,099,166	\$1,493,348	\$682,082,545

<--- "Premiums on Bonds" and "Interest Earnings" not included in Work Plan Funding = \$29,282,545

EXPENSES

PROJECTS	FY2018-2020 Expended or Disbursed	FY2020-2021 Expended or Disbursed	FY 2021-2022 Expended or Disbursed	Committed -- Not Yet Disbursed	TOTAL EXPENDED, DISBURSED or COMMITTED	WORK PLAN FUNDING	% of Work Plan Funding Expended, Disbursed or Committed
Jurisdiction:							
Beaverton	\$3,000,000	\$0	\$0	\$9,000,000	\$12,000,000	\$ 31,140,595	38.53%
Clackamas County	\$2,609,333	\$11,509,209	\$0	\$34,233,000	\$48,351,542	\$ 116,188,094	41.61%
Gresham	\$0	\$16,352,030	\$0	\$0	\$16,352,030	\$ 26,756,995	61.11%
Hillsboro	\$0	\$0	\$0	\$16,940,731	\$16,940,731	\$ 40,657,081	41.67%
Home Forward (East Multnomah Co.)*	\$0	\$0	\$0	\$0	\$0	\$ 15,879,123	0.00%
Portland*	\$0	\$3,684,394	\$4,411,737	\$22,910,240	\$31,006,371	\$ 211,056,579	14.69%
Washington County	\$11,583,000	\$5,650,000	\$3,792,088	\$78,049,000	\$99,074,088	\$ 116,465,532	85.07%
Metro Site Acquisition Program	\$159,977	\$4,640,885	\$32,579	\$0	\$4,833,441	\$ 62,016,000	7.79%
TOTAL ACTUAL & COMMITTED PROJECT EXPENSES:	\$17,352,310	\$41,836,518	\$8,236,404	\$161,132,971	\$228,558,203	\$ 620,160,000	36.85%

*Home Forward's Dekum Court project is reflected under the Portland allocation and commitments, since funding for this project was part of the funding initially allocated to City of Portland.

ADMINISTRATIVE	FY2018-2020 Expended or Disbursed	FY2020-2021 Expended or Disbursed	FY 2021-2022 Expended or Disbursed	TOTAL EXPENDED or DISBURSED	WORK PLAN FUNDING	% of Work Plan Funding Expended or Disbursed
Jurisdiction:						
Beaverton	\$223,898	\$115,118	\$115,118	\$454,134	\$655,591	69.27%
Clackamas County	\$489,213	\$489,213	\$489,213	\$1,467,639	\$2,446,065	60.00%
Gresham	\$0	\$140,826	\$168,991	\$309,817	\$563,305	55.00%
Hillsboro	\$171,188	\$171,188	\$171,188	\$513,564	\$855,939	60.00%
Home Forward (Multnomah County)	\$0	\$167,148	\$167,149	\$334,297	\$334,297	100.00%
Portland	\$0	\$0	\$0	\$0	\$4,443,296	0.00%
Washington County	\$1,068,690	\$0	\$345,450	\$1,414,140	\$2,451,906	57.68%
Metro Site Acquisition Program	\$0	\$0	\$0	\$0	\$1,305,600	0.00%
<i>Metro Accountability and Financial Transaction Costs</i>						
One-Time Financial Issuance	\$1,867,934	\$0	\$0	\$1,867,934	\$13,056,000	38.06%
Ongoing Financial Management Costs	\$233,226	\$179,721	\$24,549	\$437,496		
Accountability, Oversight & Indirect	\$744,287	\$1,059,610	\$859,850	\$2,663,746		
Reserved for Future Allocations					\$6,528,000	0.00%
TOTAL ACTUAL & COMMITTED ADMINISTRATIVE EXPENSES:	\$4,798,436	\$2,322,824	\$2,341,508	\$9,462,767	\$32,640,000	28.99%

** PHB's Project Delivery Fee is an administrative reimbursement, not paid for by Metro's Affordable Housing Bonds

*** Metro's Finance and Regulatory Services has determined that all Metro Site Acquisition Program expenses are considered Project Expenses