

Housing Bond Progress Report for Clackamas County | 2022

The purpose of this report is to summarize local progress toward implementing local implementation strategies for the Affordable Housing Bond program. At the end of each calendar year, participating jurisdictions submit progress reports to Metro. Reports are reviewed by the Affordable Housing Bond Community Oversight Committee, which is charged with monitoring progress toward unit production and policy goals and ensuring alignment with guiding principles. Metro staff produce an annual report summarizing regional progress across all implementing jurisdictions.

SECTION 1: UNIT PRODUCTION AND FUNDING

This section is intended to provide a summary of projects and units in each jurisdiction's Affordable Housing Bond pipeline and Affordable Housing Bond funding commitments. With the passage of the Supportive Housing Services measure in 2020, many jurisdictions are seeking opportunities to expand unit production, deepen affordability, or increase the number of supportive housing units across the portfolio. With this in mind, we are also tracking plans to leverage SHS funding for rental assistance and/or services.

Describe progress toward implementing the development plan in your LIS. Please highlight any best practices, lessons learned, or opportunities for improvement. Be sure to address the following elements:

- a. Results of competitive selections, including who was involved and how LIS criteria were applied and impacted the outcome.*
- b. Strategies/outcomes supporting efficient use of Metro bond funds and other sources of public funding in the project; including how projects are responding to increases in LIHTC equity or other additional funding to increase sustainability, durability, and livability for residents, or to reduce the amount of Metro bond subsidy*
- c. Summary of ongoing funding commitments for project-based rental assistance and ongoing supportive services not included within the project's resident services budget; including how Metro Supportive Housing Services (SHS) funding is being integrated or leveraged to support outcomes for serving very low income households and households experiencing or at risk of homelessness.*
- d. Approach and anticipated timelines for achieving remaining unit production targets, including any priorities for remaining unit production targets. (e.g., location priorities, homeownership, supportive housing etc.)*

Figure 1. Production progress and resources committed

Project	Total Project Cost	Metro Bond Funds	Number of BOND ELIGIBLE units (excludes manager units and non-eligible units)					Plans to leverage Supportive Housing Services (SHS) funding (yes/no/TBD)		Status	Construction start (anticipated or actual)	Completion
			Total units	30% AMI units	Family sized (2+ BRs)	PSH units	Number of occupants (as of Dec-2022)	For rental assistance	For wraparound services	Concept, final approval, construction, complete	Month/Year	Month/year
Tukwila Springs	\$19,418,863	\$5,548,542	48	48	0	48	63	No	Yes	Complete	Jun-2021	Jun-2022
Fuller Station Apartments	\$47,344,650	\$8,570,000	99	30	82	25	48	No	Yes	Complete	Apr-2021	Sep-2022
Maple Apartments	\$62,122,512	\$15,903,000	171	70	129	9	0	TBD	TBD	In Construction	Oct-2021	Dec-2023
Good Shepherd Village	\$60,799,032	\$18,330,000	142	58	79	35	0	Yes	yes	In Construction	Mar-2022	Aug-2023
Marylhurst Commons	\$42,497,871	\$3,000,000	100	40	83	83	0	Yes	Yes	In Construction	Sep-2022	Jan-2024
Total committed or underway		\$51,351,542	560	246	373	157						
LIS commitment		\$117,854,094	812	333	406							
% of commitment		44%	69%	74%	92%							
Remaining for LIS		\$66,502,552	252	92	33							

Competitive selections and funding awards

Hillside Park Redevelopment

Built in 1942 in the city of Milwaukie, Hillside Park is Oregon's oldest public housing project. It is situated on nearly 14 acres and consists of 100 units that have exceeded their useful life. As such, HACC is opting to reposition and redevelop Hillside Park through HUD's Section 18 program. In 2018, the Authority commenced a Master Planning process to envision the redevelopment of Hillside. This planning process engaged residents and community members who helped develop a vision for a new and vibrant community. The final adopted Master Plan proposes to demolish the existing low-density units and redevelop the site with up to 500 new units.

In January 2022, HACC released a competitive solicitation seeking concept development proposals for the Hillside Park Redevelopment project. This solicitation set forth the Authority's intentions for the project, including selection criteria and processes that align with Clackamas County's LIS. The solicitation paired the nearly 14 acre site with up to \$40 million in Metro bond funding to ensure that a sizable portion of the 500 newly developed units would be affordable to households making 80% of AMI and below.

HACC received 6 competitive submissions from qualified development teams. After a rigorous review process, HACC's selection committee choose to enter into exclusive negotiations with Related NW. HACC and Related have been working through contract negotiations and Phase 1 planning. **The first phase of development will include 275 bond-funded units that will serve households with incomes at or below 60% of AMI. Phase 1 is expected to break ground in early 2024.** In November, HACC submitted a Section 18 Disposition application to HUD. In December, HACC was awarded \$4MM from Congressionally Directed Spending and \$1.7MM from City of Milwaukie's Construction Excise Tax Funds to further support the redevelopment of Hillside Park. HACC will be submitting concept endorsement materials for Phase 1 to Metro this month (Feb 2023). HACC plans to integrate HUD project-based rental assistance and SHS funding in order to support extremely low income households and PSH units within the new development.

Phase 2 is anticipated to start construction in 2026 and is expected to include 100-125 bond funded units. HACC has set aside \$15MM in Metro bond funding to support this effort.

Marylhurst Commons

In May 2022, HACC awarded \$3MM in Metro bond gap funding to support the development of the 100 unit Marylhurst Commons project in Lake Oswego. HACC had been working with the project sponsor, Mercy Housing NW, on SHS integration for Marylhurst Commons when they approached HACC about the need for gap financing to support the project. When the project initially applied for OHCS LIFT and 4% LIHTC funds in 2021, there was no need for funding from Metro. However, rapid increases in construction costs, rising interest rates, and a competitive LIHTC equity market resulted in a financing gap of approximately \$3MM. The investment of \$3MM in Metro bond-funding from Clackamas County ensured that the project was able to begin construction on time. The project broke ground in September and will bring severely-needed, deeply affordable housing by Spring 2024. More details about Marylhurst Commons are included in the Projects Highlights section.

Lake Grove

HACC has been working in collaboration with Metro and the City of Lake Oswego on what is expected to be approximately 50 units of affordable housing in the Lake Grove neighborhood of Lake Oswego. Throughout the second half of 2022, the three agencies convened a group of stakeholders and facilitated a community process to develop a guiding vision for the site. The resulting Statement of Values will be included in a developer RFP that is scheduled to be released by Metro in February 2023. HACC and Metro are seeking a development

team that can deliver 50 affordable units, including at least 20 units at 30% of AMI or less and at least 25 units that are two bedrooms or more. To facilitate this goal, Metro and HACC have committed up to \$10 million in bond funds and at least 20 Regional Long Term Rental Assistance (RLRA) project-based vouchers that can be paired with Supportive Housing Services (SHS) funding.

Progress toward production targets

In 2022, HACC continued to shepherd its Phase 1 pilot project and the three 2020 awarded projects through construction and construction closing. Two of the projects, Tukwila Springs and Fuller Station Apartments, opened in 2022 and the other two projects, Good Shepherd Village and Maple Apartments, closed on construction financing and commenced construction. The fifth newly funded bond project, Marylhurst Commons, also closed its construction financing and began construction.

With 147 units completed in 2022, another 413 units in construction, and 325 units expected to go into construction in 2024, Clackamas County is on track to exceed all of its unit production targets with only 78% of its total allocation utilized. HACC expects to leverage its remaining bond funds to develop at least 275 more units, enabling Clackamas County to exceed its total unit production goal of 812 units by at least 350 additional units.

Increased sustainability and livability

HACC's Tukwila Springs project earned Earth Advantage Multifamily Platinum Level certification. This project brings energy efficiency, healthier indoor air, and environmentally responsible housing to Clackamas County's housing bond portfolio.

The Marylhurst Commons project is pursuing Passive House USA (PHIUS) certification. When completed, it will be one of the largest multifamily projects in the country to achieve the rigorous, performance-based certification. It will also be the largest affordable housing project on the west coast to receive the certification. The benefits of pursuing this program are:

- **Resilience:** the building will moderate temperatures year-round, guaranteeing a more comfortable home and lower utility bills for residents and property.
- **Indoor Air Quality:** A centralized energy recovery ventilation system will provide fresh, filtered air to every room in every apartment, even when outdoor air quality is poor and/or smoky.
- **Temperature regulation:** Heating and cooling coils are included in the centralized HVAC system to ensure the building is a comfortable temperature year round
- **Reduced Greenhouse Gas Emissions:** The building will be 100% electric, with highly energy efficiency hot water heating, solar PV panels on the roof.

Rental assistance and SHS integration

In response to the urgent and growing need for supportive housing in the region, the development teams behind Fuller Station Apartments, Tukwila Springs, and Good Shepherd Village have each committed to reserving additional units for permanent supportive housing within their projects. HACC is working with the sponsors on integrating SHS funding to support very low income households and households experiencing or at risk of homelessness. While the details are still being finalized, HACC is hopeful that up to 85 more PSH units will be produced beyond what was originally contemplated.

Priorities for remaining unit production targets

In order to further its LIP goal of encouraging development in high opportunity areas, HACC, with direction from its Housing Advisory Board, has decided to target its remaining bonds funds to support affordable housing development in Wilsonville and West Linn, the two bond-eligible jurisdictions in Clackamas County that do not have projects either complete or underway.

HACC is currently in discussions about the integration of bond funds into the City of Wilsonville's Transit Center TOD project. The approximately 1.3-acre City-owned property at the Transit Center presents an opportunity to promote TOD with affordable housing. To explore the possibilities, the City completed a Development Opportunity Study to assess the City's goals for the site and better understand the types of development that may be feasible. In early 2022, the City released an RFQ/P seeking a development team able to build a project at the TOD Site that provides affordable housing and is an example of best practices in transit-oriented development. In December 2022, the City selected Palindrome to develop the site. Palindrome's vision for the site includes 121 units of housing—including 79 units that are 2-bedrooms or larger—affordable to households making at or below 60% of AMI. HACC is in discussion with Palindrome and the City about ways to further integrate LIS criteria and production targets into the development.

HACC is also in early discussions with the City of West Linn about the development of affordable housing on a City-owned site. HACC hopes to share more information about this project as plans materialize.

HACC has been busy strategizing ways to provide first-time affordable homeownership opportunities while creating long term affordability through the repositioning of HACC's 145 unit scattered site public housing portfolio. Creating homeownership opportunities is another top priorities for Clackamas County's remaining bond unit production targets. HACC is in discussions with the local Community Land Trust, Proud Ground, and hopes to submit a concept proposal to Metro in early 2023.

Clackamas County and HACC are working on a 110 unit motel acquisition that will pair funds from Project Turnkey with Clackamas County's allocation of Metro Bond Rapid PSH funding. If approved, this project will provide desperately needed shelter units of which a portion will convert to permanent supportive housing units within the next 2-3 years.

SECTION 2: PROJECT HIGHLIGHTS

This section is intended to provide a brief overview of each project in the pipeline—and some of the noteworthy features.

Please provide a brief summary of each project in your portfolio, along with an image of the project. Be sure to describe:

- a. Who the project intends to serve*
- b. Project team and partnerships*
- c. Noteworthy features or highlights (e.g., community space, free wi-fi, climate resilience and sustainability)*
- d. Anything else worth highlighting*



TUKWILA SPRINGS (FKA WEBSTER ROAD): 18000 WEBSTER ROAD, GLADSTONE, OR 97027

Located in the City of Gladstone, Tukwila Springs is the rehabilitation of a former congregate care facility into 48 units of Permanent Supportive Housing. Originally constructed in the early 1960s, the building was previously used as a nursing home and most recently as a juvenile rehabilitation center but has been vacant since 2017. HACC acquired the property in 2019 using Metro Affordable Housing Bonds. Tukwila Springs is Clackamas County's Phase 1 Housing Bond Project.

After conferring with the Confederated Tribes of the Grand Ronde and the Mayor of Gladstone, HACC selected Tukwila Springs as the project's name. The area the housing development sits on was known for both natural springs and filbert orchards. Tukwila is the Clackamas Tribe word for Filbert.

Tukwila Springs includes 48 units, including 40 studio units & 8 SROs – all units include full bathrooms and, at minimum, a microwave and mini-fridge. Energy-efficient heating and cooling will be provided in every unit. The project includes a robust array of community amenities including a spacious community living room with a fireplace and free wifi, a community kitchen with a spacious dining hall, a large conference room, a wellness room, an exam room with tele-health capabilities, a shared laundry room, and dedicated offices Property Management, Resident Services, and Case Management. The site design will include a landscaped courtyard, accessible resident garden beds, walking paths around the property, and covered outdoor seating areas. The project incorporates trauma-informed design, universal design, and sustainable design elements throughout. The project received an Earth Advantage Multifamily Platinum certification.

All 48 units are currently occupied and serve households with incomes 30% of AMI and below, with HUD project-based Section 8 rental assistance supporting all units. The tenant selection plan targets near-elderly (50 or older) households who are currently experiencing homelessness and have a disabling condition (SHS Population A). Leasing preferences are given to applicants with who live or work in Gladstone and/or request culturally-specific supportive housing services for Native Americans. All applicants are referred through the county's Coordinated Housing Access (CHA) wait list. Wrap-around services are supported by OHCS Permanent Supportive Housing (12 units) and Metro Supportive Housing Services (36 units) funding. Home Forward provides property management and resident services and the Native American Rehabilitation Association (NARA) provides culturally-specific supportive services available to all residents.

HACC's mission is to provide and develop affordable housing with supportive services for individuals and families on their path to improved health, wellness, prosperity and inclusion. Tukwila Springs aligns with HACC's mission to provide deeply affordable housing and services for Clackamas County's most vulnerable residents.

HACC's team of development staff led the design team comprised of Walsh Construction, Carleton Hart Architects, and Cornerstone Management. Given the organization's extensive experience serving a PSH population, HACC partnered with Home Forward to provide property management and resident services. The Native American Rehabilitation Association (NARA) provides culturally-specific supportive services and intensive case management.

Funding Sources leveraged for this project include: Low Income Housing Tax Credits, Tax-Exempt Bond Financing, Metro Affordable Housing Bond, OHCS Permanent Supportive Housing Funding, Clackamas County HOME funds, Project-based vouchers from HACC, Metro Supportive Housing Services funding, Seller Financing, Deferred Developer Fee, and private funding.



FULLER STATION APARTMENTS (FKA FULLER ROAD STATION): 9608 SE FULLER RD, HAPPY VALLEY, OR 97086

Fuller Station Apartments is 100 units of new affordable housing in unincorporated Clackamas County, located directly adjacent to the MAX Green Line. The six-story building consists of a mix of one-, two- and three-bedroom homes and serves families and individuals with incomes between at or below 60% of AMI.

Fuller Station includes 17 one-bedroom units, 63 two-bedroom units, and 20 three-bedroom units. Energy-efficient heating and cooling are provided in every unit and any unit in the building can be converted for ADA accessibility. Additionally, the three-bedroom units include in-unit washer/dryers.

Residents benefit from amenities such as a community room with free wifi, a computer lab with free wifi, an outdoor community plaza, open air nature playgrounds, community gardens, 83 parking spaces, secure bike storage, excellent public transit and space available to local community groups for on-site services.

Fuller Station's affordability mix includes 30 units serving households at or below 30% of AMI, 2 units serving households at or below 50% of AMI, and 67 units serving households at or below 60% of AMI. There is also 1 unregulated manager's unit. Project-based vouchers provided by the Housing Authority support the 30 units at 30% AMI and services funding from the Metro Supportive Housing Services measure supports the 25 PSH units that serve families and individuals experiencing homelessness.

Clackamas Women's Services is providing supportive housing services for the 25 PSH units. Five units are supported with project-based Mainstream vouchers and serve households with incomes at or below 30% of AMI and where the head of household is disabled and homeless or at risk of homelessness. In addition, 7 units are given preference to DevNW for housing insecure or homeless youth. DevNW provides housing payment assistance for these individuals.

Cornerstone Community Housing is providing resident services for all Fuller Station families as well as additional services including transition support, stabilization support, and case management.

Guardian Real Estate Services, the project's General Partner, manages the property, oversees lease-up, and coordinates the resident services and supportive case management with non-profit partners Clackamas Women Services and DEV NW. **The property is currently 63% occupied with full occupancy expected by the end of February 2023.**

Funding Sources leveraged for this project include: Low Income Housing Tax Credits, OMEP, Metro Affordable Housing Bonds and Transit Oriented Development funds, Clackamas County HOME funds, Project-based vouchers from HACC, Metro Supportive Housing Services funding, and private funding.



GOOD SHEPHERD VILLAGE: 12596 S.E. 162ND AVENUE, HAPPY VALLEY, OR 97086

Good Shepherd Village, the first regulated affordable housing development in Happy Valley, will include 143 units ranging in size from studios to three-bedrooms. The project sets aside 35 PSH units for households experiencing homelessness, including 15 units expressly for veterans. Residents will have convenient access to public transit, grocery stores, schools, a public library, multiple parks and healthcare resources. **The project is in construction and currently ~60.2% complete. Project completion and move-ins are expected in early Fall 2023.**

The development includes 1 unregulated management unit, 13 studios, 50 one-bedrooms, 60 two-bedroom units and 19 three-bedroom units. The three-bedrooms and several of the two-bedroom units will be focused in two buildings each surrounding a small courtyard. A third building will house all of the studios, one-bedrooms, and remaining two-bedrooms, as well as community rooms and office space for resident and supportive services. In addition to the large, multi-use community room, there is also a separate “quiet room” for resident use. This is one of several trauma-informed design elements in the building, encouraged through community engagement. Energy-efficient heating and cooling will be provided in every unit. Each building will also provide laundry facilities and secure bike parking for residents. The site will include parking and outdoor gathering and play areas as well as a community garden which was noted as a high priority during engagement activities. Beyond the developed part of the property, the 11-acre site features four acres of protected green space which will remain undeveloped and contribute to the peaceful, natural surroundings. The project uses trauma-informed design, universal design, and sustainable design elements. The project will achieve Earth Advantage Multifamily Gold certification for all three buildings.

Good Shepherd Village will serve families and individuals with incomes up to 60% of area median income. Fifty-eight (58) units will be reserved for households with incomes at or below 30% of AMI and eighty-five (85) units will be reserved for households with incomes up to 60% of AMI. 35 PSH units will be dedicated for families and individuals experiencing homelessness, including 15 apartments expressly for veterans. VASH and project-based vouchers provided by the Housing Authority will support these 35 units. Wrap-around services for these 35 units will be supported with Metro Supportive Housing Services funding. Although not currently finalized, HACC is working with Catholic Charities to reserve 23 additional units for PSH that will be supported with SHS funding.

Catholic Charities of Oregon (CCO) is called by a tradition of social justice to the work of equity and inclusion. CCO works to advance equity for immigrants, refugees, and people who are homeless and vulnerable, with a special emphasis on those who are not served by other providers. Good Shepherd Village will serve priority populations with a broad range of needs based on an analysis of people living and/or working in Happy Valley. Services will be provided by Catholic Charities of Oregon in addition to project partners, and the housing arm of CCO. Caritas Housing is the developer, WALSH Construction is the general contractor and MWA Architects is providing architectural services.

Funding Sources leveraged for this project include: Low Income Housing Tax Credits, OHCS Permanent Supportive Housing Funds, OHCS Multifamily Energy Program, Metro Affordable Housing Bonds, Project-based vouchers from HACC, Metro Supportive Housing Services funding, private funding, and donated land.



MAPLE APARTMENTS: SOUTH MAPLE LANE COURT, OREGON CITY, OR 97045

Maple Apartments, located minutes from Clackamas Community College in Oregon City, is a multi-building complex set around a gracious central green space. It will include 171 units ranging in size from one-bedroom to four-bedroom units.

Maple Apartment is in construction and currently ~37% complete. The development team expects a phased completion and lease up. Currently, the team anticipates the following completion dates by individual buildings, with entire project estimated to be complete by 2/29/24.

- Bldg A Apartments: 24 units – TCO 6/30/23
- Bldg H Community Space – TCO 5/31/23
- Bldg B Apartments: 21 units – TCO 7/31/23
- Bldg G Apartments: 24 units – TCO 9/29/23
- Bldg C Apartments: 36 units – TCO 11/30/23
- Bldg D Apartments: 21 units – TCO 12/29/23
- Bldg F Apartments: 21 units – TCO 1/31/24
- Bldg E Apartments: 24 units – TCO 2/29/24

The development includes 42 one-bedroom units, 54 two-bedroom units, 66 three-bedroom units, and 9 four-bedroom units. Energy-efficient heating and cooling will be provided in every unit. The project also includes an accessible community room with spaces for a movie/game room, book share library, a demonstration kitchen area for events/classes and shared laundry facility. The site design supports a series of amenities within a park-like setting which include community garden space, walking paths, children's play areas and outdoor picnic areas. The project is targeting Earth Advantage Multifamily Gold certification which incorporates a multitude of sustainable design elements.

Maple Apartments will serve families and individuals with incomes between 30% and 60% of area median income. Seventy (70) units will be reserved for households with incomes at or below 30% of AMI and one hundred and one (101) units will be reserved for households with incomes up to 60% of AMI. Forty-three units (43) will be reserved for agricultural workers and field laborers and their families. Maple will provide year-round, off-farm, permanent housing with programmatic elements designed with farmworkers in mind. Through a partnership with Northwest Housing Alternatives (NHA), Maple will also set aside 9 PSH units for individuals and families transitioning out of homelessness. These units will include support services through NHA in addition to services provided by Hacienda's Youth and Family Services division. Project-based vouchers provided by the Housing Authority will support the seventy units reserved for household with incomes at or below 30% of AMI.

Maple Apartments is a partnership between Community Development Partners (CDP) and Hacienda CDC. CDP develops affordable housing with a focus on long term community engagement. Hacienda's expertise is in delivering culturally specific programming for Latino, immigrant, and communities of color. CDP's team will lead the development team comprising of: Hacienda CDC, LMC Construction, Salazar Architect, and Portland State University-Center for Public Interest Design (CPID).

Funding Sources leveraged for this project include: Low Income Housing Tax Credits, Agriculture Workforce Housing Tax Credit, Metro Affordable Housing Bond, Project-based vouchers from HACC, Metro Supportive Housing Services funding, and private funding.



MARYLHURST COMMONS: 3190 FURMAN DRIVE, LAKE OSWEGO, OR 97034

Marylhurst Commons, located on the former Marylhurst University campus in Lake Oswego, will include 100 units from one- to three-bedrooms, including 40 units of Permanent Supportive Housing (PSH) serving families who have experienced homelessness or are at risk of becoming homeless. **Marylhurst Commons is in construction and currently ~15% complete. TCO is expected in April 2024.**

Marylhurst Commons will be situated on a 4.25 acre parcel of land that Mercy Housing Northwest will lease (long-term ground lease) from the Sisters of the Holy Names, who own the former university campus.

The 100 unit development will consist of 17 one bedroom units, 61 two bedroom units, and 22 three bedroom units. The target population at Marylhurst Commons is a mix of households earning 60% AMI and below, including 40 PSH units serving households with incomes 30% of AMI or below. These units will be supported by SHS services funding and RLRA project-based vouchers.

With this income mix, Marylhurst Commons will be an important community asset serving lower-wage working families who have been excluded from the high opportunity Lake Oswego community, as well as families who have been housing insecure. Mercy Housing Northwest is working in partnership with the Lake Oswego School District to reduce the number of families with children who are homeless or at risk of homelessness enrolled in Lake Oswego Schools. Because of the number of two and three bedroom units, the property will be focused on creating comfortable and welcoming spaces and programming for families and children.

The building will be a large U-shape with a spacious outdoor courtyard which will contain amenity spaces for residents including a playground, seating areas, landscaped walking paths, a large plaza, and direct connections to the rest of the open space in the former university campus. Secure Bike storage is also provided inside the building, along with laundry rooms located on each floor. Trauma-informed design principles will be utilized to ensure welcoming, empowering spaces. The project includes whole-building heating and cooling and will be seeking Passive House certification ensuring an extremely energy efficient building that will benefit both the residents and MHNW as property owners.

A generous community space is centrally located on the ground floor of the building, and will include a community kitchen, a large community room with operable divider for division into two spaces, a children's play area, technology center, and offices for on-site resident services staff. The management offices and mail room are also centrally located on the ground floor near the building entrance.

MHNW is backed by affiliate organization Mercy Housing Inc., one of the largest nonprofit affordable housing developers, owners, and operators in the country. Walsh Construction is the general contractor and Carleton Hart Architecture is providing architectural services. Service partners include the Lake Oswego School District, YMCA of Great Portland, Clackamas Workforce Partnership, Northwest Family Services, Clackamas Children's Commission, and the Clackamas Children's Center.

Funding Sources leveraged for this project include: Low Income Housing Tax Credits, OHCS LIFT, Metro Affordable Housing Bond, OHCS Multifamily Energy Program, RLRA Project-based vouchers, Metro Supportive Housing Services funding, and private funding.

SECTION 3: ADVANCING EQUITABLE OPPORTUNITY IN PLANNING AND CONSTRUCTION

In keeping with the guiding principle of leading with racial equity, local implementation strategies include commitments to advance racial equity through the planning and construction process, including goals for the amount of contract dollars (hard and soft costs) that will be paid to COBID-certified Minority, Women, and Emerging Small Business (MWESB) firms and strategies for encouraging inclusion of women and people of color in the workforce. Goals and tracking commitments for workforce diversity vary across jurisdictions and projects. Within three months of construction completion, each project will report on contracting outcomes and those tracking workforce diversity will report on workforce outcomes. This data will be included in future annual progress reports.

Describe progress toward implementing the equitable contracting and workforce strategies described in your LIS. Be sure to address the following elements:

- Progress toward achieving the equitable contracting goals and strategies in your LIS*
- Progress toward advancing the workforce diversity goals and strategies in your LIS*
- If applicable, work complete or underway to expand local capacity to monitor and report on contracting and workforce outcomes*

Figure 2. Equitable contracting goals and outcomes

Project name	Developer, General contractor	Actual/expected construction completion	Contracting goals % of total contract amounts paid to...		Contracting outcome % of total contract amounts paid to...	
			Project goal (% hard costs)	Project goal (% soft costs)	Project outcome (% hard costs)	Project outcome (% soft costs)
Fuller Station Apartments	GSA,GRES/R&H	Sep-2022	20%	20%	Awaiting	Awaiting
Tukwila Springs	HACC/Walsh	Jun-2022	25%	20%	22%	75%
Maple Apartments	CDP,Hacienda CDC/LMC	Dec-2023	20%	20%	34.22%*	94%*
Good Shepherd Village	Caritas/Walsh	Aug-2023	20%	20%	32%*	29%*
Marylhurst Commons	Mercy NW/Walsh	Jan-2024	20%	20%	31%*	17.9%*

*In construction in progress, these numbers are not final

Figure 3. Workforce diversity goals/outcomes (as applicable based on LIS and project)

Project name	Developer, General contractor	Actual/expected Construction completion	Workforce tracking?	Prevailing wage	Workforce goals % of total labor hours worked by...			Workforce outcomes % of total labor hours worked by... *		
			Y/N	BOLI, Davis Bacon, N/A	POC	Women	Apprentice	POC	Women	Apprentices
Fuller Station Apartments	GSA,GRES/R&H	Sep-2022	N	Davis Bacon, BOLI	N/A	N/A	N/A	N/A	N/A	N/A
Tukwila Springs	HACC/Walsh	Jun-2022	N	Davis Bacon	N/A	N/A	N/A	N/A	N/A	N/A
Maple Apartments	CDP,Hacienda CDC/LMC	Dec-2023	Y	Davis Bacon	N/A	N/A	N/A	37.2%	1.05%	7.04%
Good Shepherd Village	Caritas/Walsh	Aug-2023	Y	Davis Bacon	N/A	N/A	N/A	64.3%	1.85%	13.6%
Marylhurst Commons	TBD	Jan-2024	Y	N/A	N/A	N/A	N/A	26%	3.71%	0.36%

*In construction in progress, these numbers are not final

HACC requires all bond-funded construction projects to achieve at least 20% COBID certified subcontractor participation and 20% COBID certified professional services participation. HACC is still awaiting post-completion reporting from the Fuller Station team but Tukwila Springs exceeded its equitable contracting goals for both subcontractor and professional services participation.

In January 2022, with funding support provided by Metro, HACC purchased LCP tracker. This software has been extremely helpful for tracking project contracting and workforce. HACC was able to pull up-to-date data for the three projects that are in construction and, as detailed in Figure 2, all projects are very close to or exceeding their equitable contracting goals.

LCP tracker has also allowed HACC to track workforce outcomes. Since this is something HACC previously had no experience tracking, HACC was not sure where to set goals around workforce. The data being collected for these three projects will help HACC set baseline and stretch goals for future projects.

SECTION 4: ADVANCING EQUITABLE HOUSING OPPORTUNITY, ACCESS, AND STABILITY

The guiding principles for the Affordable Housing Bond Program include commitments to lead with racial equity and to create opportunity for those who have been left behind by the region's housing market, especially communities of color, families with children and multiple generations, people living with disabilities, seniors, veterans, households experiencing or at risk of homelessness, and households at risk of displacement. Each local implementation strategy defines commitments and strategies to ensure affirmative marketing, low-barrier lease up practices, and culturally responsive programming—in addition to location priorities that affirmatively further fair housing and support community stability for those who have experienced displacement or risk of displacement. Once projects begin to lease up, data will be collected to report on marketing and lease up metrics and demographics of the initial resident population.

Describe progress toward implementing your LIS strategies for supporting fair housing access and community stability through project locations, affirmative marketing strategies, and lease up. Please highlight any best practices, lessons learned, or opportunities for improvement. Be sure to address the following:

- a. How locations of selected projects supported the location strategy described in your LIS, and any location priorities for future solicitations (feel free to include a map if you can)*
- b. How projects are incorporating affirmative marketing strategies, partnerships for referral, and low-barrier lease-up*
- c. Specific strategies for leasing permanent supportive housing units (e.g. coordinated referrals)*
- d. Plans and partnerships to align culturally specific/responsive programming and services to meet the needs of tenants.*
- e. For projects that are currently leasing or have completed the initial leasing process, please share any preliminary information about affirmative marketing and fair housing outcomes, including demographics of residents relative to who the project seeks to serve*

Figure 4. Summary of project plans and partnerships for affirmative marketing and culturally responsive services

Project name	Who the project seeks to serve	Plans/partnerships for affirmative marketing	Plans/partnerships for responsive services
Tukwila Springs	PSH	Home Forward, NARA, CHA	NARA
Fuller Station Apartments	PSH, Foster Youth to Independence (FYI), Asian, Lantine	Asian Health & Service Center, IRCO, NAYA, Urban League of Portland, El Programa Hispano Católico, Oregon Outreach, Impact NW, Independent Living Resources, Clackamas County Social Services & CHA	DevNW, Clackamas Women's Services, Cornerstone Community Housing
Good Shepherd Village	Asian, Lantine, Veterans, PSH	NARA, Asian Family Center, NAACP, JOIN, NW Pilot Project, Clackamas County Social Services & CHA	Catholic Charities of Oregon, APANO, El Programa Hispano Católico, Familias en Acción, Do Good Multnomah
Maple Apartments	Farmworkers and their families, PSH	Hacienda CDC, NAYA, El Programa Hispano Católico, NHA, Urban League of Portland, Asian Health & Service Center, IRCO, Impact NW, Clackamas County Social Services & CHA	Hacienda CDC, NHA
Marylhurst Commons	PSH, families	Lake Oswego School District, YMCA of Great Portland, Clackamas Workforce Partnership, Northwest Family Services, Clackamas Children's Commission, and the Clackamas Children's Center	Mercy Housing NW, Mercy Housing Management Group

Figure 5. Physical accessibility features

Project name	Number of ground floor units	Number of ADA (Type A) units	Universal design (Y/N)
Tukwila Springs	48	28	Y
Fuller Station Apartments	10	5	Y
Good Shepherd Village	32	8	Y
Maple Apartments	57	9	Y
Marylhurst Commons	23	5	Y

HACC's 2020 NOFA gave points to priority locations described in the LIS. Location priorities included projects sited in close proximity to public transit, grocery or drug stores, medical services, libraries, or senior centers, public schools, and parks, recreation or community centers. Currently, all of HACC's bond projects are located within a quarter mile of bus-service or light rail and within a half mile of a grocery or drug store.

The following table was included in Clackamas County's LIS and forecasts rental housing needs over 20 years (2019-2039) by incorporated cities within the Metro boundary of Clackamas County.

Estimated rental housing needs, based on Median Family Income (MFI) forecasted for the next twenty years (2019-2039) within the Metro boundary of incorporated cities of Clackamas County.

City*	Extremely Low Income (<30% MFI Need)	Very Low Income (30-50% MFI Need)	Low Income (50-80% MFI Need)	Total affordable rental housing need between 0-80% MFI
Gladstone	62	72	51	185
Happy Valley	473	548	1,025	2,046
Lake Oswego	198	167	198	563
Milwaukie	256	167	274	697
Oregon City	441	353	599	1,393
West Linn	98	164	102	364
Wilsonville	333	592	347	1,272

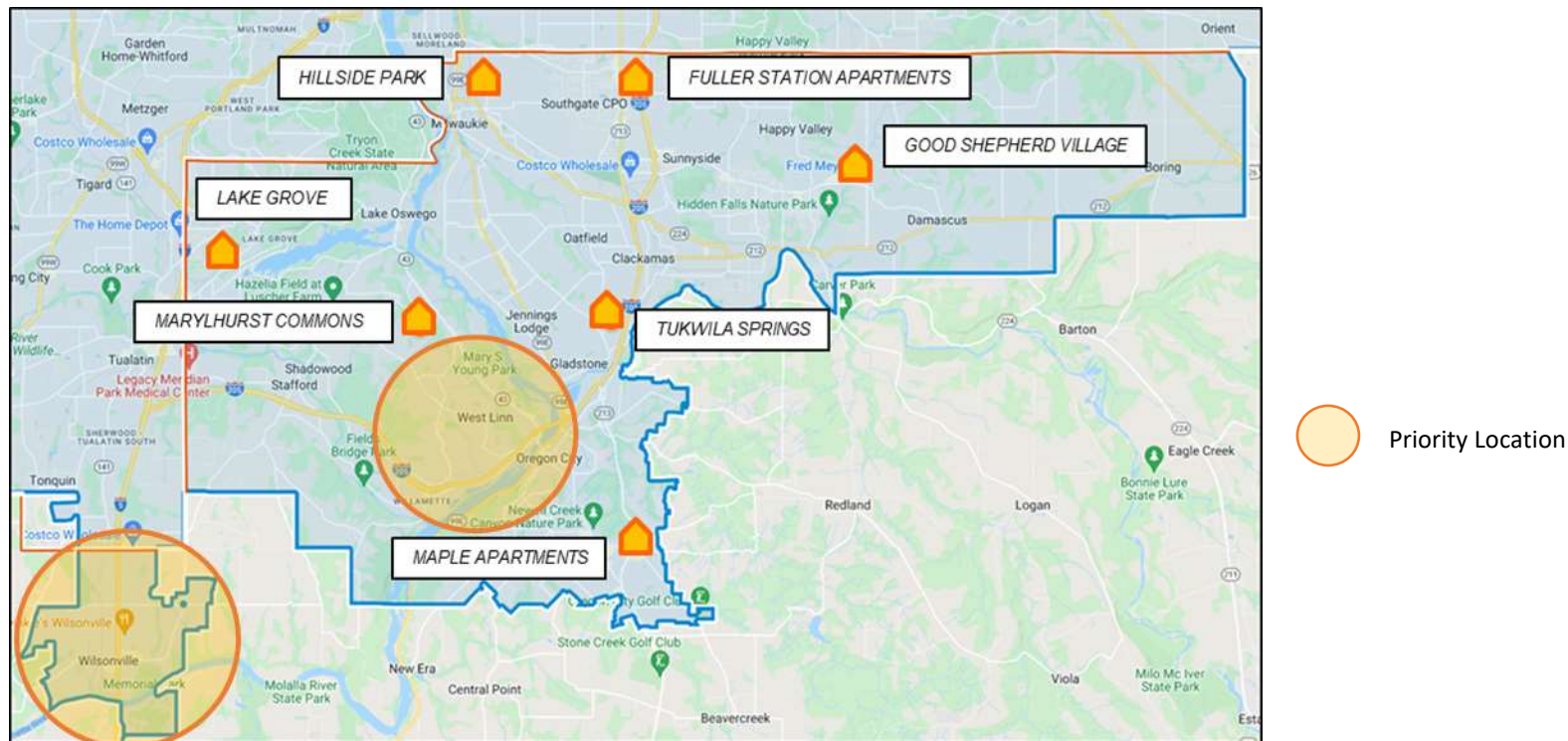
Source: U.S. Department of Housing and Urban Development, U.S. Census Bureau, 2012-2016 ACS Table B0001. The table above was included in Clackamas County's Metro Bond Local Implementation Strategy.

HACC currently has Bond-supported projects either completed, in construction, or in development in all bond eligible cities in Clackamas County, except Wilsonville and West Linn.

JURISDICTION	PROJECT	UNITS	30% AMI	2BR+
Mixed	Scattered Sites	40	0	40
Gladstone	Tukwila Springs	48	48	0
Happy Valley	Good Shepherd Village	142	58	80
Lake Oswego	Marlyhurst & Lake Grove	150	65	108
Milwaukie	Hillside Park Redevelopment	375	135	159
Oregon City	Maple Apartments	171	70	129
West Linn				
Wilsonville				
Unincorporated	Fuller Road Station	99	30	83
Clackamas County Metro Bond Pipeline Projects		1025	406	599
Clackamas County Metro Bond Production Goal		812	333	406

In order to further its LIP goal of encouraging development in high opportunity areas, HACC, with direction from its Housing Advisory Board, is targeting its remaining bonds funds to support affordable housing development in the high-opportunity cities of Wilsonville and West Linn.

As described earlier in this report, HACC is working with each city to get projects underway.



All Permanent Supportive Housing units receiving SHS funding or project-based rental assistance from HACC are/will be referred through the County's Coordinated Housing Access (CHA) wait list. HACC has been offering services packages—that pair rental assistance with wrap around services—to project sponsors to encourage them to support dedicating additional PSH units in their bond-funded projects. The project sponsors representing Fuller Station Apartments, Tukwila Springs, and Good Shepherd Village have each committed to providing additional permanent supportive housing units in their developments. While not all contracts are finalized, HACC is hopeful that up to 85 more PSH units, for a total of 206 units, will be produced beyond what was originally contemplated within the 5 bond projects that are either completed or underway.

Aligning culturally specific and responsive programming and services to meet the needs of tenants is something that HACC prioritized in the first NOFA round and plans to incorporate in any new bond-funded project. In coordination with the Metro Supportive Housing Services program, Clackamas County is working to build a consortium of culturally specific community organizations and service providers that can provide culturally responsive services and programming to Clackamas County residents.

Tukwila Springs is currently the only project with preliminary Affirmative Marketing Outcomes available. Applicants to Tukwila Springs are exclusively referred through Clackamas County's Coordinated Housing Access (CHA). Applicants are prioritized in one of two ways- with a preference for applicants living in Gladstone or applicants who are working with a culturally specific agency that support Native Americans. Tukwila Springs partnered with Native American Rehabilitation Association (NARA NW) to provide referrals because Native American applicants are chronically underserved across Clackamas County's programs. Referrals are sent by NARA NW to the CHA system where they are screened and referred to Tukwila Springs. NARA NW identifies individuals who meet eligibility criteria and are receiving services at various NARA NW sites (including medical and behavioral health sites) or who have been referred to NARA by other community agencies serving homeless individuals (i.e. DoGood Multnomah, Bybee Lakes Hope Center.) To date, a total of 16 applicants were referred by NARA.

SECTION 5: COMMUNITY ENGAGEMENT TO INFORM PROJECT OUTCOMES

In keeping with the Affordable Housing Bond Program include commitments to lead with racial equity, each local implementation strategy defines commitments and strategies for ensuring that people of color and members of other historically marginalized communities are engaged in shaping project outcomes. To ensure that we can measure these outcomes, Metro is encouraging and supporting jurisdictional and development partners in collecting and reporting on demographic outcomes for community engagement. While this data is not expected to be complete/thorough for each project, the goal is to expand best practices for tracking and reporting on demographic outcomes.

Each jurisdiction not only reports on WHO was engaged, but WHAT activities were done, WHAT themes came from the engagement, and WHAT changes were made in response, as well as any partnerships used to support reaching community members.

Use tables below to report on your progress implementing your LIS strategies for ongoing community engagement. You may share any additional information in narrative form.

Given the current development phases of the County's five bond projects (either through final approval or in construction) only one project conducted extensive community outreach in 2022. However, that project, Marylhurst Commons, sought Metro bond funding to fill a financing gap just six months before closing and the demographic data needed to complete the tables included in this section of Progress Report are not available. In light of this, HACC is instead providing information included in the project's Community Engagement Outcomes Report.

Describe the community engagement that informed project implementation (format of the activity(ies), agenda, questions posed, etc.).

Outreach for the project began in 2018 when the Sisters of the Holy Names (SNJM) took ownership of the campus after Marylhurst University ceased operations. They conducted outreach both online and in person to explore how the future of the campus. SNJM worked with a professional facilitator to do outreach and conduct the meetings. Meetings were informal "listening sessions" to understand the preferences of community members, neighbors, and stakeholders. Ultimately, SNJM decided to retain ownership of the campus and lease existing buildings to mission-aligned organizations. Affordable housing was a common interest at these meetings, which led to Mercy Housing NW (MHNW) being selected as the developer for the project.

Mercy Housing NW started working with SNJM first as a consultant, assisting with a campus-wide rezone to allow for housing. This included additional public outreach, which occurred during the COVID-19 pandemic, and included virtual online meetings in the form of an open house with opportunities for participants to submit questions in real time, online outreach materials, and mailers to nearby property owners. Community meetings accompanying the process were professionally facilitated to ensure equitable contributions from community members.

Mercy Housing NW began as the lead developer for the project in early 2021. MHNW conducted outreach to the community in several ways. A community-based Design Focus Group was established to provide feedback on the project, which consisted of neighbors, service providers, social justice and anti-racism advocates, education professionals, and design and development professionals. To date, this group helped guide the project with four, 90 – 120 minute meetings, all of which were professionally facilitated by a third-party engagement firm to ensure feedback was received from all members. The focus group pushed the design to respond to the other buildings on campus, including with the use of materials, the overall proportions and exterior elevation details, as well as the ornamentations at the entries.

The project team also conducted a community-wide virtual open house and Q and A session, which was attended by more than 150 people. Prior to the open house, registrants were encouraged to submit questions and comments in writing. During the meeting, Mercy Housing NW and the Architect presented information about the project's goals and shared images of the project. Participants were encouraged to post questions in a live Q and A comment during the meeting. Questions were answered at the meeting for approximately 40 minutes. We responded to as many questions as possible during the meeting and posted a detailed Q and A online following the meeting addressing all the questions we did not have time to answer during the meeting. The Q and A is still available online. All registrants for the meeting submitted email addresses, which we continue to use as part of a mass-email list for people interested in the project.

Finally, the project has a website (www.mercyhousing.org/marylhurst) which is being updated with project updates. The website will remain active throughout construction and will transition to a pre-leasing page when the project nears completion in 2023.

Describe outreach strategies and methods used to encourage participation, their effectiveness, any lessons learned.

When MHNW took over as the lead developer, outreach occurred in two primary ways. First, we conducted general outreach to neighbors who were encouraged to attend virtual open house meetings, submit comments online, and in writing. Second, we assembled a small and diverse Design Focus Group who attended more in-depth meetings to provide feedback about the project design.

We found this two-pronged approach of outreach yielded excellent results. It both encouraged broad participation of neighbors and stakeholders, as well as giving neighbors and stakeholders an opportunity to be more deeply and intimately involved in the design of the project. Future projects will pursue a similar approach to ensure the community is broadly aware of our work, and will ensure that participation is as easy as possible by offering online meetings whenever possible.

An extensive email list is also being maintained for continued outreach efforts about the project. Over 250 individuals and organizations are represented on the email list. Notices about public meetings and a links to the project website have been distributed to the email list on several occasions and we believe these emails are continuing to garner higher levels of engagement than old-fashioned paper mailers.

If you used partnerships in this engagement, please describe them: who you partnered with (culturally specific, community-based, faith-based, or other organizations), how you worked together, and lessons learned.

The primary partner for the outreach was the Sisters of the Holy Names (SNJM) who will continue to own the property and the surrounding campus. SNJM is a long-standing member of the Lake Oswego community and has an extensive history of providing excellent community service in their work. Lake Oswego is a very engaged community and SNJM has been located in the community for over 100 years. Their engagement and ability to reach out to a broad base of neighbors, public officials, and members of the community with social standing has been extremely valuable.

Because SNJM started to do outreach about the campus prior to Mercy Housing getting involved in the project, SNJM had already built a large network of stakeholders, neighbors, and community members. When Mercy Housing Northwest entered the project as a lead developers, we were able to capitalize on the momentum started by SNJM. Mercy Housing Northwest is a new developer in Lake Oswego (and in Oregon). Walking hand in hand with SNJM and involving their members and affiliates throughout the development process has continued to provide both insights into the local community as well as strengthening the relationship between SNJM and MHNW, who are committing to being partners in a long-term lease for at least 90 years. Working with a long-standing, credible organization is extremely valuable on any project.

We also relied on the members of the Design Focus Group as partners in our engagement. Because this Group allowed for a more in-depth, meaningful participation, participants were then able to share information learned with their respective networks, thus enhancing the breadth of participation. Because representatives from anti-racism, family advocates, and educational professionals were included in the Group, we were able to multiply the engagement using this method.

Report on who was engaged (number of community members who participated in the activity/ies, and relevant demographics that show participation of communities of color and other historically marginalized community members).

In addition to a community-wide virtual open house and Q and A session, which was attended by community members, neighbors, and anyone interested in learning about the project, the Design Focus Group featured a more diverse array of participants. We were intentional about selecting a group with both neighborhood interests in preserving the campus, as well as service providers, including professionals with expertise in Special Education, Childhood Development and Early Education, real estate and finance, architecture and design, and members of the business community.

Respond to Racism Lake Oswego, a grassroots organization that was formed in response to a racial discrimination event that occurred in 2017, was also part of the group. Respond to Racism is committed educating and inspiring change in Lake Oswego to make the city a more welcoming community. Lake Oswego is overwhelming white, with over 80% of residents identifying as white. The Respond to Racism member in the group pressed the design team to consider how to make the building design and operations as welcoming as possible. We

feel it is important to elevate the voices of historically marginalized people into positions of influence, particularly in circumstances where a diverse group of community members is participating.

Summarize the feedback received (major themes).

In general, the feedback we received was positive. While Lake Oswego has a reputation for being exclusive and not welcoming to new development, we were pleasantly surprised to see that the majority of feedback we received about the project was supportive. People in Lake Oswego are vocally concerned about homelessness and the cost of housing. Most of the comments that expressed skepticism about the project were interested in the project operations and services offered on site.

The themes that came up repeatedly during meetings were:

- General support for the project
- Support for the project design, which does retain much of the existing open space on the campus
- Concerns about how much vehicle traffic the project will create
- Emphasis on ensuring the project is “Family Friendly” including indoor and outdoor spaces
- Priorities on accessibility of the building and amenities for people with disabilities
- Emphasis on ensuring sustainable long-run operations and support for the services available on site for residents
- Concerns about ensuring the neighbors receive updates about important construction activity

The most commonly asked questions are posted online on the project’s website (www.mercyhousing.org/marylhurst). We have an online question submission portal on the website, which provides community members the opportunity to ask questions about the project.

Describe how feedback from communities of color and other historically marginalized community members directly informed the project implementation and outcomes.

Feedback from communities of color was incorporated into the design in two primary ways. First, we received feedback from Respond to Racism members about ensuring the project felt welcoming to all, especially families with children. We worked closely with the design team to identify ways in which we could create spaces in the building and in outdoor areas that would be accessible to all ages and where residents would be able to meet comfortably. This included the addition of community garden space, a basketball hoop, and window seats at corridor ends.

Second, we received feedback about ensuring that the building feels like a cohesive and welcoming community. We heard that because Lake Oswego is majority white and affluent, communities of color and other historically marginalized communities often do not feel welcomed in Lake Oswego. Every Mercy Housing Northwest community strives to be cohesive and comfortable for all people. Most Mercy Housing Northwest properties are very diverse, with a mix of households of different ages, countries of origin, languages spoken, and

immigrant/refugee status. Site staff on both property management and resident services work hard to ensure all people feel welcome and safe at each property.

Evaluation of engagement activity/ies from staff, participants, and partners.

We have heard strong positive feedback from the community, City of Lake Oswego, and members of the Design Focus Group about the level of engagement and participation. The Design Focus Group was not a requirement, but rather Mercy Housing Northwest elected to create the group in order to foster more meaningful participation. We heard strong support for these methods from participants, even those who did not agree with every design decision.

SECTION 6: CLIMATE RESILIENCE AND SUSTAINABILITY

The historic heat wave experienced by the Pacific Northwest in June 2021 made it clear that climate change is not only a challenge for the future; it's here. How are your projects incorporating cooling strategies to keep people safe as temperatures increase? More broadly, how is your jurisdiction working with affordable housing developers to support climate resilience and climate smart building strategies? What challenges do you face and what opportunities do you see for regional coordination?

Ensuring that bond funded units are both durable and sustainable is a top priority for Clackamas County. Every bond project either complete or underway in Clackamas County includes in-unit, energy efficient heating and cooling. Maple Apartments and Good Shepherd Village are targeting Earth Advantage Multifamily Gold certification and include a multitude of sustainable design elements. Tukwila Springs earned Earth Advantage Multifamily Platinum Level certification and the Marylhurst Commons project is pursuing Passive House USA (PHIUS) certification. Phase 1 of the Hillside Park Redevelopment is hoping to go all electric and include a resilience hub. Resilience hubs, which are supplied with basic resources like food, water, and medical supplies and have backup electrical capacity, are community-serving facilities designed to support residents and coordinate resource distribution and services before, during, or after a natural hazard event.

HACC anticipates the biggest challenge will be balancing the addition of sustainability measures with community expectations around projects costs. Regional coordination may help normalize thinking around lifecycle costs and weighting the triple bottom line more heavily.