

# Housing Authority of Portland Board of Commissioners Meeting



The Resource Access Center development received national attention with a video that ran on HUD's website and an article in *The New York Times*.

**Housing Authority of Portland  
Board of Commissioners Meeting**  
Multnomah County Building  
501 SE Hawthorne Blvd.  
(located at the east end of the Hawthorne bridge)  
Portland, Oregon  
April 20, 2010, 6:15 PM



# HOUSING AUTHORITY OF PORTLAND

## INDEX FOR ELECTRONICALLY DISTRIBUTED BOARD OF COMMISSIONERS BOARD MEETING PACKET FOR APRIL 20, 2010

Page 2	Index
Page 4	Notification Letter
Page 6	Agenda/Consent Calendar
Page 5	Minutes
Page 15	Executive Directors Report
Page 20	Staff Reports
Page 30	Dashboard Report
Page 34	Resolutions



**HOUSING AUTHORITY OF PORTLAND  
BOARD OF COMMISSIONERS MEETING  
Multnomah County Building – Board Room  
501 SE Hawthorne Blvd  
Portland, Oregon  
April 20, 2010 6:15 PM**

**INTRODUCTION AND WELCOME**

**PUBLIC COMMENT**

General comments not pertaining to specific resolutions. Any public comment regarding a specific resolution will be heard when the resolution is considered.

**MEETING MINUTES (*Consent Calendar/Minutes Tab*)**

<b>Topic</b>
Minutes of March 16, 2010 Board of Commissioners Meeting

**REPORTS / RESOLUTIONS**

Following Resolutions:			
<b>10-04</b>	<b>TOPIC</b>	<b>Presenter/POC</b>	<b>Phone #</b>
<b>REPORT</b>	<b>Executive Director's Report (Exec Director Tab)</b>	<b>Steve Rudman</b>	<b>503.802.8455</b>
<b>REPORT</b>	<b>Public Hearing for the Amendments to the MTW Plan Attachment A</b>	<b>Michael Buonocore</b>	<b>503.802.8546</b>
<b>REPORT</b>	<b>Strategic Planning Update</b>	<b>Michael Buonocore Joe Hertzberg, Decisions Decisions</b>	<b>503.802.8546</b>
<b>02</b>	<b>Authorization of Ainsworth Court Consolidated Funding Cycle (CFC)</b>	<b>Mike Andrews Betty Dominguez</b>	<b>503.802.8507 503.802.8506</b>
<b>03</b>	<b>Authorization of Hillsdale Terrace Consolidated Funding Cycle (CFC)</b>	<b>Mike Andrews Betty Dominguez</b>	<b>503.802.8507 503.802.8506</b>
<b>04</b>	<b>Authorization to Execute Documents Related to a Letter of Credit Support for the Cecelia Limited Partnership</b>	<b>Dianne Quast Ben Wickham</b>	<b>503.802.8507 503.285.5015</b>
<b>05</b>	<b>Authorize Intergovernmental Agreement (IGA) with Multnomah County for Hollywood East Window Replacement</b>	<b>Mike Andrews John Manson</b>	<b>503.802.8338 503.802.8511</b>

**ADJOURN HOUSING AUTHORITY OF PORTLAND APRIL BOARD MEETING**

**CONVENE CONTRACT REVIEW BOARD MEETING**

<b>MEETING MINUTES</b>	March 16, 2010 Contract Review Board Meeting
------------------------	--

**ADJOURN**

**EXECUTIVE SESSION**

The Board of Commissioners of the Housing Authority of Portland may meet in Executive Session pursuant to ORS 192.660(2). Only representatives of the news media and designated staff are allowed to attend. News media and all other attendees are specifically directed not to disclose information that is the subject of the session. No final decision will be made in the session.

**THE NEXT BOARD OF COMMISSIONERS MEETING**

The Board of Commissioners will meet **Tuesday, May 18 at 6:15 PM**. This meeting will take place at the Multnomah County Building, 501 SE Hawthorne Blvd., Portland.



**HOUSING AUTHORITY OF PORTLAND  
BOARD OF COMMISSIONERS MEETING MINUTES  
March 16, 2010  
Housing Authority of Portland  
135 SW Ash Street, Portland, OR 97204**

**COMMISSIONERS PRESENT**

Chair Lee Moore, Treasurer David Widmark, Chair Emeritus Jeff Bachrach, Commissioners Gretchen Kafoury, Brian Lessler, Amie Pico, Shelli Romero, and Jim Smith

**COUNSEL PRESENT**

Steve Abel

**STAFF PRESENT**

Steve Rudman, Catherine Such, Mike Andrews, Martha Armstrong, Robert Dell, Rebecca Gabriel, Donna Kelley, Jeff Klatke, John Manson, Shelley Marchesi, Dianne Quast, Jill Riddle, Todd Salvo, Julie Satterwhite, and Celia Strauss

Chair Lee Moore called the meeting to order at 6:15 PM. He invited any public comment.

**PUBLIC COMMENT**

Susan Emmons and Bobby Weinstock from Northwest Pilot Project (NWPP) presented comments. NWPP works with people over 55 who are homeless or at risk of becoming homeless. Since 1994, NWPP has counted the number of affordable housing units in downtown Portland. The NWPP criteria for “affordable” are 30% of a full-time, minimum-wage salary, currently equating to \$437 per month for rent. Many of the people NWPP works with earn less than a full-time, minimum-wage salary.

Since 1994, the number of housing units that meet the NWPP criteria has dropped. This mirrors what is happening throughout the county, which was shown to have a shortage of 14,000 housing units in the 2000 census. The shortage sets the stage for more homelessness.

NWPP is grateful for the units that HAP provides downtown, such as those at the James Hawthorne Apartments and The Martha Washington. However, NWPP is dismayed by the loss of affordable units at some HAP properties. A recent rent increase at the Peter Paulson took it out of NWPP’s “affordable” criteria.

NWPP wants to work with HAP to ensure that, as more tax-credit properties are refinanced, opportunities to reduce rents are pursued so that the number of affordable units in downtown Portland is not further reduced. NWPP hopes that HAP will consider this in its process for formulating a strategic plan and that HAP’s Board of

Commissioners will keep it in mind as a priority. NWPP will be asking the same of all owners of affordable housing units in downtown Portland.

Commissioner Kafoury thanked Susan Emmons and Bobby Weinstock for their advocacy.

Chair Emeritus Bachrach asked whether NWPP's criteria for "affordable" matched 30% of the median family income (MFI). It does not match; based on 2009 data, NWPP's standard for "affordable" equated to 36% of the MFI. Bachrach said that hearing from housing advocates was helpful and encouraged Emmons and Weinstock to visit future Board meetings when they had any comments.

Chair Moore clarified with Weinstock that some of the numbers reported by NWPP were only referring to losses of affordable housing since 2007.

## **MEETING MINUTES**

Chair Moore asked for a motion to approve the minutes from the February 16, 2010, Board of Commissioners meeting. Commissioner Kafoury moved to approve the minutes. Commissioner Romero seconded the motion.

### **The vote was as follows:**

**Chair Moore – Aye**  
**Treasurer Widmark – Aye**  
**Chair Emeritus Bachrach – Aye**  
**Commissioner Kafoury – Aye**  
**Commissioner Lessler – Aye**  
**Commissioner Pico – Aye**  
**Commissioner Romero – Aye**  
**Commissioner Smith – Aye**

## **REPORT**

### **Executive Director's Report**

Executive Director Steve Rudman welcomed attendees Margaret Van Vliet and Jacob Fox of the Portland Housing Bureau, as well as Brenda Carpenter of NWPP, all former HAP employees. Rudman recalled how the Board had previously acknowledged the importance of project-based vouchers for serving households that valued a stable residence and that might be turned away by private landlords. The Board would be asked to allocate 50 additional vouchers to be project-based.

Also on the agenda was the Board's approval of the Fiscal Year 2011 budget. Rudman noted that HAP's budget was in good shape despite the bad economy. Federal funding was approaching what HAP should regularly receive, and HAP has been prudent with its reserves.

In previewing coming months, Rudman noted that the Board would be asked to approve an amendment to HAP's Moving-To-Work Plan next month. Also, progress towards

drafting HAP's strategic plan was shown by the fact that all Board members had been interviewed, all staff interviews had been conducted, and additional outreach was underway in the form of surveys sent to Section 8 participants, public housing residents and listening sessions conducted and scheduled. The Framing Committee would meet April 19, and the Board would hear more results at the April 20 Board Meeting and the May 1 retreat.

### **Resolution 10-03-01**

#### **Authorize Project Based Voucher Allocation, City of Portland Notice of Funds Availability (NOFA)**

Deputy Executive Director Katie Such, Rent Assistant Director Jill Riddle, and Portland Housing Bureau Director Margaret Van Vliet presented the resolution to the Board. Such noted HAP's appreciation of the opportunity to partner with the Portland Housing Bureau (PHB). Riddle summarized the staff recommendation—that the Board allocate 50 Housing Choice Vouchers for use as project-based vouchers to be part of the PHB's notice of funding availability (NOFA). The project-based application of the vouchers would help serve people that would likely not succeed in using Housing Choice Vouchers. Riddle did not expect that doing so would result in needing to pull people off of the voucher waiting list. Commissioner Romero asked if there would be any affect on the waiting list. Riddle said that it would depend on what projects will be awarded funds through PHB's NOFA process, and when those projects would come online.

Van Vliet thanked the Board for entertaining the request. She felt it would be a partnership that would bring Portland's housing delivery system to a new level. The PHB, itself is a recent realignment of Portland's Bureau of Housing and Community Development and the housing section of the Portland Development Commission. It has brought together policy making and resources that can help deliver on housing initiatives from the ending homelessness plan, to homebuyer assistance, and across the continuum. Van Vliet expressed appreciation for the hesitation at pulling vouchers out of the Housing Choice pool, but affirmed that the vouchers would go to people with the highest need. The vouchers would be part of PHB's first NOFA, from which Van Vliet expected much will be learned that could be shared with HAP and the Board.

Commissioner Pico received clarification that the voucher allocation was a 10 to 15-year commitment that would be open for renewal depending on the status of the property.

Chair Emeritus Bachrach relayed that he thought the partnership was a great idea. He asked why the NOFA did not contain anything about ending homelessness. Van Vliet said that the funds awarded through the NOFA were expressly for building housing, which did not let them serve homeless people directly. But, the NOFA asked what applicants would do and applicant evaluation will give preference to those serving the lowest income.

Commissioner Kafoury stated that her priority would be for the funding to serve households at 30-0% of the MFI. She will be looking for such a result from this partnership. Van Vliet noted that tax increment financing was part of the funding and

brought its own requirements. Chair Emeritus Bachrach added that Portland might focus on workforce housing in some parts of the city, which could be in tensions with a policy of preferring assistance for lower-income households.

Commissioner Romero received clarification regarding the vouchers committed to a prior NOFA.

Susan Emmons asked to speak to the Board regarding the vouchers. Emmons requested clarification that the project-based vouchers would be given to households at 30% of the MFI or below. Riddle confirmed that the agreement does require that. Emmons offered NWPP's support for the agreement. Emmons took the opportunity to mention the Morrison as an illustration of downtown redevelopment that really worked. Though NWPP was initially opposed to the redevelopment, the relocation from the previous building went well and coordination between HAP, the City, the private developer, and NWPP helped achieve positive results. Emmons expressed great appreciation for the property management firm and how it has worked with NWPP. She wondered if its success could be replicated and asked if HAP would consider including elements of a successful development in its strategic plan, noting that replicating successful properties went a step beyond simply providing vouchers.

Treasurer Widmark moved to approve the resolution. Commissioner Romero seconded the motion.

**The vote was as follows:**

**Chair Moore – Aye**  
**Treasurer Widmark – Aye**  
**Chair Emeritus Bachrach – Aye**  
**Commissioner Kafoury – Aye**  
**Commissioner Lessler – Aye**  
**Commissioner Pico – Aye**  
**Commissioner Romero – Aye**  
**Commissioner Smith – Aye**

**Resolution 10-03-02**

**Authorize Adoption of the FY11 Annual Budget**

Chief Financial Officer Todd Salvo and Manager of Planning Analysis and Reporting Julie Satterwhite presented the resolution to the Board. Salvo remarked that Satterwhite had worked diligently with the operating groups to develop the budget.

Treasurer Widmark noted that the Finance and Audit Committee had reviewed the budget and that it was very comfortable bringing it to the Board.

Salvo summarized that the resolution would authorize the budget for the fiscal year that begins April 1, 2010. The budget included activities for the third and final year of HAP's three-year business plan. The Public Housing Preservation Initiative was represented in the budget with the planned sales of 28 scattered-site properties, the replacement of



some units via the units in the Resource Access Center and The Martha Washington, and the preservation accomplished by concluding the Sweet 16 renovations. Agency based rent assistance programs would also continue. The conversion of several 15-year tax-credit properties would increase HAP revenue and expenses for the next budget. A marked change in the budget from previous years was the embedding of resident services in Real Estate Operations and Rent Assistance. Salvo added that the budget is unique in that federal funding was minimally prorated for our two major programs with each approaching 100% of formula funding instead of the lower prorating of years past.

Budgeted operating expenses are \$109 million. Budgeted revenue is \$107.9 million. From a funding flow perspective the budget would show a surplus of over \$300,000 excluding development activities. The cost and revenue of development activities vary widely from year to year. Salvo expects the \$1.9 million shortfall development activities generate in this budget will be offset by projected revenue of \$4 million from development activities in the next budget year. Regardless, the operating groups are performing well, and details can be seen in the materials distributed in the Board packet.

Chair Moore noted that he had missed the Finance and Audit Committee meeting, but the budget was still easy to understand. It was refreshing to see numbers that were not forecasting gloom and doom. Salvo added that the operating groups contributed a great deal toward the quality of the budget.

Commissioner Lessler compared the budget to those he has seen in his development experience, concluding that the budget reports were clear and good.

Commissioner Kafoury cautioned that having better federal funding did not automatically equate to HAP's meeting the housing need that exists in the community. Salvo concurred and added that the funding itself was based on a HUD formula that does not equate to the need that exists.

Commissioner Smith moved to approve the resolution. Commissioner Lessler seconded the motion.

**The vote was as follows:**

**Chair Moore – Aye**  
**Treasurer Widmark – Aye**  
**Chair Emeritus Bachrach – Aye**  
**Commissioner Kafoury – Aye**  
**Commissioner Lessler – Aye**  
**Commissioner Pico – Aye**  
**Commissioner Romero – Aye**  
**Commissioner Smith – Aye**

## **Report**

### **FY10 Third Quarter Financial Results**

Todd Salvo and Julie Satterwhite presented the report to the Board. Satterwhite noted the report is prepared every quarter to see how HAP is comparing to the approved budget. The \$2.4 million operating loss shown in this report was less than expected and is acceptable due to development activity. Some of the variance between this report and what was budgeted for the quarter was due to funding and accounting requirements of the American Recovery and Reinvestment Act (ARRA). Voucher costs coming in higher than expected were offset by added revenue. Because the budget is prepared before HAP's annual funding is finalized variance such as those in the report can be expected. Capital contributions were also higher than expected due to unanticipated HOPE VI funds for Humboldt Gardens and due to non-operating contributions made for the James Hawthorne and Martha Washington projects. Salvo noted that HAP's cash-equivalent investments were near \$32 million, representing a healthy financial picture.

Chair Emeritus Bachrach asked whether the debt forgiveness reported for the New Columbia Community Campus Corporation had been anticipated in its original financing. Salvo and Executive Director Rudman confirmed that it was part of the original financing plan in order to receive New Market Tax Credits.

Commissioner Romero asked for confirmation that ARRA funding could be used for operating costs. Salvo confirmed that HUD allocated some funding for project-based Section 8, which falls into operating expenses. Satterwhite added that resident relocation activities for the Sweet 16 renovations are also counted as operating expenses.

Chair Emeritus Bachrach asked if ARRA reporting would continue into next year. Salvo confirmed that it would.

### **Resolution 10-03-03**

#### **Authorization to Take Ownership of Dawson Park/15 Year Transaction**

Real Estate Operations Director Dianne Quast and Asset Manager Donna Kelley presented the resolution to the Board. Quast noted that HAP had several properties approaching a year-15 transfer. The goal will be to normalize the property, financially, over the long run. With the Board's authorization, HAP would take ownership of Dawson Park and seek financial restructuring next year. Kelley reported that HAP had negotiated a good deal (exchanging a charitable contribution for exit taxes) for the property, which is a marginal performer. Initial underwriting for the property was premised on being able to afford more debt services in later years, which has not come to pass. The next year's operating budget can cover the debt services. In addition, HAP has been pursuing continued deferral of payments to the Portland Development Commission. Thus, full financial restructuring can wait for one year. The property is in good condition, though there is a gap between capital needs and reserves on hand (due

to reserve underfunding). The eventual restructuring will close that gap. Over half of the property's units serve households that make under 50% of the MFI, thus it does serve HAP's mission.

Quast (addressing the comments, raised by NWPP) noted that tax-credit properties have debt. HAP's goal is to manage the debt while keeping units affordable through Section 8 vouchers. Proper management occasionally requires increasing rents, but standard procedure is to keep it level.

Chair Emeritus Bachrach noted that property was originally designed not to be affordable at the level NWPP used. If it has served individuals with that level of income that is good news, but NWPP's counting a unit as "affordable" would not measure whether it was ever intended to be "affordable." Quast added that the property has served more low-income households than originally planned, partly through efforts staff have made to serve that HAP mission. Rudman noted that many of the people living in affordable housing are nonetheless rent-burdened unless they have vouchers.

Commissioner Kafoury moved to approve the resolution. Treasurer Widmark seconded the motion.

**The vote was as follows:**

**Chair Moore – Aye**  
**Treasurer Widmark – Aye**  
**Chair Emeritus Bachrach – Aye**  
**Commissioner Kafoury – Aye**  
**Commissioner Lessler – Aye**  
**Commissioner Pico – Aye**  
**Commissioner Romero – Aye**  
**Commissioner Smith – Aye**

**ADJOURN**

There being no further business, Chair Moore adjourned the meeting at 7:32 PM.

**EXECUTIVE SESSION**

Following adjournment, the Board of Commissioners of the Housing Authority of Portland met in Executive Session pursuant to ORS 192.660(2)(d).

**Attached to the Official Minutes of the Housing Authority of Portland are all Resolutions adopted at this meeting, together with copies of memoranda and material submitted to the Commissioners and considered by them when adopting the foregoing resolutions. A taped recording of the proceedings is also kept on file.**

Celia M. Strauss  
Recorder, on behalf of  
Steven D. Rudman, Secretary

**ADOPTED: April 20, 2010**

**HOUSING AUTHORITY OF PORTLAND**

**ATTEST:**

---

Lee E. Moore, Sr., Chair

---

Steven D. Rudman, Secretary



**HOUSING AUTHORITY OF PORTLAND  
CONTRACT REVIEW BOARD MEETING MINUTES  
March 16, 2010  
Housing Authority of Portland  
135 SW Ash Street, Portland, OR 97204**

**COMMISSIONERS PRESENT**

Chair Lee Moore, Treasurer David Widmark, Chair Emeritus Jeff Bachrach, Commissioners Gretchen Kafoury, Brian Lessler, Amie Pico, Shelli Romero, and Jim Smith

**COUNSEL PRESENT**

Steve Abel

**STAFF PRESENT**

Steve Rudman, Catherine Such, Mike Andrews, Martha Armstrong, Robert Dell, Rebecca Gabriel, Donna Kelley, Jeff Klatke, John Manson, Shelley Marchesi, Dianne Quast, Jill Riddle, Todd Salvo, Julie Satterwhite, and Celia Strauss

Chair Lee Moore called the meeting to order at 7:33 PM. He invited any public comment.

**Resolution 10-03-04**

**Authorize Adoption of Findings Related to the Use of Construction Manager/General Contractor (CM/GC) for Hillsdale Terrace**

Development Director Mike Andrews, Purchasing Manager Cinn'Mon Williams, and Construction Manager John Manson presented the resolution to the Board. Andrews summarized that the resolution was a procedural step taken to contract with a Construction Manager/General Contractor (CM/GC) in a way other than the design-bid process. Board adoption of the findings in the resolution would lead to procuring a CM/GC for the Hillsdale Terrace HOPE VI Redevelopment. (HAP's application for the grant that would fund the project was submitted in November 2009; awards had not yet been announced). The next step in the process would be to issue a request for proposals (RFP). This competitive RFP process allows HAP to select a CM/GC using criteria other than price. In preparation for asking the Board to adopt the resolution, staff took the steps required in Contract Review Board rules, including conducting a public hearing.

Chair Moore asked if the Board was being asked to adopt the findings because of an emergency. Andrews noted that HAP had used emergency procurement processes in the past, but that this was a distinct method that lets HAP use additional competitive criteria. Moore asked why the supporting documents refer to the process as an "exemption from competitive bidding" if there will be a competitive process. Andrews replied that the language was required by the State.

Commissioner Lessler commented that the process would be the best means of getting good value out of a CM/GC, and that more public agencies should use it. He added that the additional criteria HAP had identified to evaluate proposals were good and asked whether the process would require a fee quote or general conditions. Manson responded that HAP requests a fee and itemization of what is included in the fee; HAP also asks for a staffing plan and costs related to general conditions for staffing.

Commissioner Smith moved to adopt the resolution. Commissioner Romero seconded the motion.

**The vote was as follows:**

**Chair Moore – Aye**  
**Treasurer Widmark – Aye**  
**Chair Emeritus Bachrach – Aye**  
**Commissioner Kafoury – Aye**  
**Commissioner Lessler – Aye**  
**Commissioner Pico – Aye**  
**Commissioner Romero – Aye**  
**Commissioner Smith – Aye**

**ADJOURN**

There being no further business, Chair Moore adjourned the meeting at 7:42 p.m.

Celia M. Strauss  
Recorder, on behalf of  
Steven D. Rudman, Secretary

**ADOPTED: April 20, 2010**

**HOUSING AUTHORITY OF PORTLAND**

---

Lee E. Moore, Sr., Chair

**ATTEST:**

---

Steven D. Rudman, Secretary

# **EXECUTIVE DIRECTOR'S REPORT**

M E M O R A N D U M



DATE: April 20, 2010  
TO: Board of Commissioners  
FROM: Steve Rudman  
SUBJECT: April Executive Director's Report

This month we will discuss amending our Moving to Work agreement to return Section 8 block grant funding and update you on progress we're making on the strategic plan. Resolutions for your consideration include approvals to participate in the state of Oregon's upcoming affordable housing funding cycle and to enter into an agreement with Multnomah County for more energy efficient windows at Hollywood East.

**Block Grant Funding for Section 8**

With HUD's approval of a return to block grant status, we are taking the formal steps necessary to ensure that the federal Section 8 resources we receive don't erode over time. This was the unfortunate path we were on with our traditional Section 8 funding formula – with Moving to Work (MTW) authority we could spend excess funding each year on local programming, but the funding calculation for the following year did not include this piece in the baseline formula for HAP. In short, we were being penalized for achieving full lease-up with a highly efficient program.

Under the new system – an improvement to the system we had at the outset of our MTW participation and one that many MTW agencies have – we will start with a baseline funding level that we have negotiated with HUD, which will remain in place even if our Section 8 program costs come in below this amount. This allows us to use these “extra” dollars (which have ranged from \$500,000 to \$2 million in recent years) in our community for local programs without fear that our total support will diminish over time.



Ultimately, what this flexible funding means is that we have a range of very positive options from which to choose, such as serving more people, providing core resident services at more of our properties, and tailoring programs so people are more successful moving beyond barriers they may have. Very importantly, it also means that we have the ability to implement our strategic plan when it is developed, and do so in a thoughtful way.

### **Broad Outreach for Strategic Planning**

I'm pleased to report that the plan is on schedule. The first and most extensive phase of the external outreach that is part of our process concluded on April 9. At the board meeting, Joe Hertzberg of Decisions Decisions will report on the outreach findings, as prelude to the policy discussion you will have at your retreat in early May.

Two things impressed me about the external research: first, the breadth of the stakeholders we touched and second, the degree of consistency among these groups on the issues we asked them to consider on our behalf.

In all, the outreach involved nearly 3,000 persons. About 2,500 members of the HAP community – residents in our housing, participants in the Section 8 program, and applicants waiting for our support – responded to paper and electronic surveys and attended group discussions sessions. That translates roughly to 25 percent of our voucher holders and 15 percent of our public housing residents, strong response rates for both groups and a testament to their interest in being part of our decision making. I also want to credit the Resident Advisory Committee (RAC) for these excellent response rates. From suggesting how we might frame language to communicate more effectively to helping us generate attendance at group sessions, the RAC provided strong support along the way and will continue to be involved as policy directions are developed.

In addition to the HAP community member response, we had great participation from our jurisdictions and from the range of community partners who either work with us today or in some cases, support our clients with their programs even if we are not currently partnering.

With this scope, I was surprised by the degree of consistency between the groups on a wide range of issues. You will see as you learn more that we have a strong mandate to pursue some of the directions that we are considering.

I don't want to say much more than this, for fear of influencing a process still underway. The agency's Leadership Team – 36 senior managers – wrestled with the research results and their implications today, in advance of the next meeting of the Framing Committee. In turn, the committee will fulfill its mission and do the final work on framing the policy recommendations that will be presented at the May retreat for your consideration. Joe will discuss what we hope to accomplish at the retreat at the April board meeting but stop short of a

substantive policy discussion, as tempting as I predict it will be to plunge in as you learn the research results.

### **Seeking State Funding for Development Projects**

The state of Oregon's window for applying for affordable housing funding resources through the Housing and Community Services department opens soon, and we are planning to apply on two fronts, both of which will be discussed at the board meeting.

First, if we are successful in our bid for a HOPE VI grant for Hillsdale Terrace, we will apply for tax credits in the upcoming cycle, so that the funds are available when we will need them in 2011. If HUD has not announced the HOPE VI grant awards by the date the applications are due to the state, we have been encouraged to submit the application assuming the HUD announcement would be forthcoming.

Second, we are seeking grant resources from the state to supplement the funding we have secured from the City of Portland and weatherization support from Multnomah County for major rehabilitation work at Ainsworth Court. This jewel of a property one block from the MAX line in North Portland is popular with residents for its open grassy areas and 1940s-era features such as rear and front doors with porches. However, like much real estate in its vintage, it is in need of work that will improve its energy systems and consumption. If we are successful in securing state support, we would be able to replace an antiquated hot water system, saving thousands of gallons of water annually, reducing sewer and storm water costs, and eliminating the cost of oil to the property.

### **Partnering with Multnomah County on Behalf of Hollywood East**

Finally, we will ask you for formal authorization to enter into an intergovernmental agreement with Multnomah County to guide a major weatherization project at the property – replacing all of the windows. The County will contribute a \$642,000 weatherization grant, and we will provide the necessary funds to complete the work, which we estimate at \$876,000. We are working closely with the County on procurement of a window replacement contractor, and in accordance with the requirements of the County's weatherization program, our funds will pass through to them for use on the project.

We appreciate not only the County's support for this critical work but also their flexibility in finding funds that allow us to use the windows we have specified for the project. Economic recovery act funding could not be used because while the windows' parts are manufactured in the United States, the windows are assembled in Canada. A product that delivered the same benefits has not yet been used widely on buildings the height of Hollywood East, so the Canadian-assembled product was deemed by our staff and consultants to be the best choice for the job.

**Upcoming Events**

The board retreat is Saturday, May 1. The May work session is May 5 and the May board meeting is on Tuesday, May 18. As an early alert, the June work session will be held in Gresham at 5 p.m. at City Hall. We will provide more information closer to the date but wanted you to know that the location had changed.

# STAFF REPORTS

M E M O R A N D U M



DATE: April 20, 2010

TO: Board of Commissioners

FROM: Michael Buonocore, Assistant Director Planning & Policy  
Jill Riddle, Rent Assistant Director  
Todd Salvo, Chief Financial Officer

SUBJECT: Public Hearing for Amendment to HAP's Attachment A of the Moving to Work (MTW) Agreement

The purpose of this briefing is to present information on an amendment to HAP's Attachment A of the MTW agreement in order to meet public hearing requirements before requesting board approval. No action is necessary at this meeting; the amendment will be brought to the May Board meeting for approval and the Board will be informed of any subsequent public comments provided at that time.

Background:

Attachment A of HAP's MTW Agreement describes how our subsidy streams are calculated in order to determine our funding levels each year. HAP discovered that the previously agreed-upon calculation for Section 8 funds was creating problems in the determination of our subsidy levels, resulting in awards of less money than the agency was entitled to. Specifically, in previous years, we used cost savings from Rent Assistance (also known as "fungible money") for programmatic purposes, such as creating a landlord guarantee fund. Because of our funding method, HUD last year (as reported to the board) did not include the funged money in their calculation of our voucher funding for this year, effectively reducing the funds available in the Section 8 program. After protracted negotiations, HUD agreed to restore our benchmark funding, and acknowledged that the language in our attachment A lead to unintended consequences in the subsidy calculation. HUD determined an amendment to our Attachment A of the Agreement was necessary to correct the issue.

Budget Implications and Financial Impact on HAP

Correcting this problem is critical in order for HAP to maximize its authority to exercise fungibility with its Section 8 funds and not reduce its baseline funding. HAP's analysis of this change indicates the financial impact is positive, as it restores funds that had

previously been reduced from the Section 8 baseline funding – a difference of nearly a million dollars.

#### Risks / Opportunities

The amendment represents an opportunity to restore our baseline funding and to make maximum use of our MTW flexibility. The risk of not doing this is two-fold: we would revert to previously calculated funding levels and lose the opportunity to spend money flexibly in the voucher program. This would, for instance, hinder or eliminate our ability to provide the landlord guarantee fund and agency-based assistance.

#### Recommendation

Pending public comment, staff expects to recommend that the Board of Commissioners approve the amendment to Attachment A of HAP's MTW agreement.

#### Exhibits

Second Amendment to Moving to Work Agreement Between Department of Housing and Urban Development and Housing Authority of Portland.

**SECOND AMENDMENT TO**  
**MOVING TO WORK AGREEMENT**  
**BETWEEN**  
**U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT**  
**AND**  
**HOUSING AUTHORITY OF PORTLAND**

This Second Amendment to the Amended and Restated Moving to Work (“MTW”) Agreement dated March 5, 2009 (“Agreement”) is entered into by and between the United States of America through the U.S. Department of Housing and Urban Development (“HUD”) and the Housing Authority of Portland (“Agency”) and is effective as of the date of execution by HUD. Unless otherwise defined herein, all capitalized terms used herein shall have the same meanings ascribed to them in the Agreement.

Attachment A of the Agreement is amended as follows:

**Repeal of Amendment 1 of Attachment A:**

On January 13, 1999, HUD and the Agency executed an MTW Agreement, including an Attachment A, titled “Calculation of Subsidies.” On March 28, 2003, HUD and the Agency executed an MTW Amendment (Amendment No. 1) which amended Section 3 of Attachment A. This Second Amendment repeals Section 3 (pages 4 and 5) of Attachment A as amended and in its entirety and the following is substituted in lieu thereof.

**Attachment A – Calculation of Subsidies**

**Section 3, pages 4 and 5, Section 8 Tenant Based Assistance**

**3. Section 8 Tenant Based Assistance**

**Units Eligible for Inclusion in Flexible Block Grant**

- a) Incremental voucher funding placed under ACC on or after April 1, 2002 will be incorporated into HAP's MTW unless such use violates the terms of the appropriation. Previously excluded special purpose voucher increments expiring on or after April 1, 2002, and special purpose voucher increments placed under ACC on or after April 1, 2002, may convert to MTW upon expiration of the initial funding period if no violation of appropriations requirements will result.

**Calculation of Subsidies for Reinstatement of MTW Flexible Block Grant**

- a) **Initial funding for calendar year 2010 MTW Flexible Block Grant will be calculated according to the following criteria:**

1. The housing assistance baseline was calculated pursuant to the 2004 Appropriations Act using verified leasing cost data and adjusted by the Annual Adjustment Factors (AAF) as published by HUD for the Housing Choice Voucher (HCV) program.
2. The baseline was adjusted by HUD for incremental vouchers issued from January 1, 2004 through December 31, 2009.
3. 2009 Housing Assistance Payment (HAP) eligibility baseline to be used for future funding eligibility calculations was calculated by HUD, and agreed to by the Housing Authority of Portland, to be \$53,343,882. (See Appendix A)
4. For 2010 and future years, HAP eligibility will be based on the 2009 eligibility amount in #3 above, adjusted by the annual published renewal funding AAF and subject to applicable prorations.
5. First time renewal of new voucher increments – Funding will be provided for the first time renewal of new voucher increments, based on the then-current MTW per unit cost. Funding will also be added to the base for prior year first time renewals not represented in the base for 12 months.

HOUSING AUTHORITY OF PORTLAND

By \_\_\_\_\_  
Chair of the HAP Board

Date of Execution by Agency \_\_\_\_\_

UNITED STATES DEPARTMENT OF HOUSING  
AND URBAN DEVELOPMENT

By \_\_\_\_\_

Its \_\_\_\_\_

Date of Execution by HUD \_\_\_\_\_



OR002 - 2009		2008		2009													
PROG	FI # **	UNITS	EXP DTE	END OF PROGRAM (EOP) *	RENEW AS	HAP PUC	VASH PUC	FFY 2008 TOTAL HAP COSTS *	2009 AAF =	HAP PUC	MONTHS TO 12-31-09 OR EOP OR MONTHS TO BE FUNDED	HAP BA	HAP BA PRORATED - 99.1%	TOTAL UNIT MONTHS (COLUMN C TIMES COLUMN M)	FUNDING USING CY 2003 PUC AS BASELINE (578.46 X COLUMN R)	REVISED 2-2-10	REVISED 2-3-2010
VO	VOWO90	7476	12/31/2008	3/31/2009	MTW			49,297,042	1.070		12	52,747,835		89,712	\$51,894,803.52	\$52,362,203	\$52,564,952
VO	VO0093	38	4/30/2009	3/31/2009	MTW	546.86			1.070		8	177,883		304	\$175,851.84	\$177,436	\$178,123
VO	VO0094	60	6/30/2009	3/31/2009	MTW	546.86			1.070		6	210,650		360	\$208,245.60	\$210,121	\$210,935
VO	VO0095	60	9/30/2009	3/31/2009	MTW	546.86			1.070		3	105,325		180	\$104,122.80	\$105,061	\$105,467
VASH	VA0001	70	4/30/2009				558.45		1.070		8						\$284,405
<b>TOTAL</b>		<b>7704</b>										<b>53,241,693</b>	<b>52,762,518</b>	<b>90,556</b>	<b>52,383,024</b>	<b>52,854,821</b>	<b>53,343,882</b>
Fair Market Rent Area: Portland-Vancouver-Beaverton. OR-WA MSA																	
Renewal funding is based on FFY 2008 validated VMS data for all vouchers:																	
Total HAP 49,297,042																	
Total Unit Months Leased 90,145																	
PUC: \$546.86																	
Total Unit Months Available 90,556																	
* = program extension in negotiation																	
** Per MTW agreement - funding calculated as for Vouchers																	
AAF applied is higher than published rate due to FFY 2008 base period																	
CY 2009 HAP BA PROJECTED \$53,241,693.00																	
HAP FUNDING USING CY 2003 PUC AS BASELINE \$52,383,023.76																	
DIFFERENCE (\$858,669.24) \$ (386,872)																	
2010 \$55,157,574																	
2009 PUC 585.93																	
2009 PUC 583.67																	
2003 PUC \$508.64																	
2004 AAF 1.031																	
2005 AAF 1.000																	
2006 AAF 1.000																	
2007 AAF 1.019																	
2008 AAF 1.029																	
2009 AAF 1.052																	
578.46																	
508.64																	
1.035																	
1.009																	
1.009																	

**HA Number:** OR002  
**HA Name:** Portland Housing Authority

**CY 2008 Funding Increment Inventory:**

Funding Increment Number	Effective Date	Expiration Date	Number of Units	Program	New Units in CY 2008?	Note	Actions Requested
OR002VO0093	5/1/2008	4/30/2009	38	VO	Yes	Demo/Disp - Scattered Sites	<b>Renew as MTW</b>
OR002VO0094	7/1/2008	6/30/2009	60	VO	Yes	Demo/Disp - Scattered Sites	<b>Renew as MTW</b>
OR002VO0095	10/1/2008	9/30/2009	60	VO	Yes	Demo/Disp - Scattered Sites	<b>Renew as MTW</b>
OR002VA0001	5/1/2008	4/30/2009	70	VA	Yes	VASH	
OR002VOW084	1/1/2008	2/29/2008	7,476	VO - MTW	No	Renewal of W083, VO90 & VO91	
OR002VOW085	3/1/2008	3/31/2008	7,476	VO - MTW	No	Renewal of W084	
OR002VOW086	4/1/2008	4/30/2008	7,476	VO - MTW	No	Renewal of W085	
OR002VOW087	5/1/2008	9/30/2008	7,476	VO - MTW	No	Renewal of W086	
OR002VOW088	10/1/2008	10/31/2008	7,476	VO - MTW	No	Renewal of W087	
OR002VOW089	11/1/2008	11/30/2008	7,476	VO - MTW	No	Renewal of W088	
OR002VOW090	12/1/2008	12/31/2008	7,476	VO - MTW	No	Renewal of W089	

All MTW units funded under Voucher rules

**Summary of Units - 12/31/08**

Component	Units
MTW	7,476
Vouchers	158
VASH	70
<b>Total</b>	<b>7,704</b>

Purchasing Department		MONTHLY CONTRACT REPORT		Contracts Approved 2/1/10 -- 3/31/10		
Contract #	Contractor	Contract Amount	Description	Department	Execution Date	Expiration Date
STIMULUS PROJECTS						
S0601, #4	Walsh Construction Co.	\$29,242	Work Items at Fir Acres (Selected Sites)	DCR	2/2/2010	9/30/2010
S0516, #3	Richart Family, Inc.	\$(2,382)	Credit for Changes at Camelia Court and Bel Park	DCR	2/4/2010	10/30/09*
S0601, #5	Walsh Construction Co.	\$358,114	Commit Owner's Contingency for Fir Acres, Stark Manor, Demar Downs and Townhouse Terrace (Selected Sites)	DCR	2/26/2010	9/30/2010
S0601, #6	Walsh Construction Co.	\$260,352	GMP Agreement for Celilo Court (Selected Sites)	DCR	2/26/2010	9/30/2010
PROFESSIONAL SERVICES						
C0651	Evergreen Interpreting	\$25,000	On-Call Interpretation and Translation Services for the Agency; IRFP 12/09-93	DBS	2/18/2010	12/31/2010
C0657	Kristina Smock	\$5,000	Agency Survey and Analysis	DBS	2/19/2010	12/31/2010
C0656	Housing Development Center	\$75,000	Provide Property Management (Abstracts) for 22 HAP Affordable Properties	REO	3/3/2010	3/31/2011
C0658	Stanley Convergent Security Solutions, Inc.	\$22,022	Security for the Plaza Town Homes	REO	3/5/2010	3/31/2010
C0661	Richard Graves	\$4,999	Assessment and Site Inspection for Exterior Building Envelope (façade) to Determine State of Masonry at Holgate House Apartments	DCR	3/11/2010	2/28/2011
C0662	First Service PGP Valuation	\$6,000	Market Study for Hillsdale Terrace	DCR	3/11/2010	9/30/2010
C0663	First Service PGP Valuation	\$2,000	Market Study for Ainsworth Court	DCR	3/11/2010	9/30/2010
C0660	ieSolutions InfoExperience LLC	\$4,000	Agency Contacts Database - Software Needs Assessment	EXEC	3/12/2010	6/1/2010
EMERGENCY						
c0674	Walsh Construction Co.	\$812,531	Modernization of 22 Units at Celilo Court; Non-Stimulus Funded.	DCR	3/23/2010	9/30/2010
SERVICES						
C0666	DocuMart Copies and Printing Services	NTE \$99,000	Cooperative Pricing Agreement - Piggy-back with Beaverton School District for Agency Discount Printing and Copying	DBS	3/23/2010	2/28/2011
C0668	Chloe Bickle-Eldridge	\$3,000	Transcribe and Prepare Minutes for Strategic Partnership Initiative	EXEC	3/23/2010	9/22/2010
INTERGOVERNMENTAL AGREEMENTS -- RESIDENT SERVICES						
C0671	Impact Northwest		Provides Resident Service Coordination for Residents of Shrunken Riverview Tower with Funds They Receive from Multnomah County	REO	3/19/2010	1/15/2015
INTERGOVERNMENTAL AGREEMENTS -- REVENUE						
C0667	City of Portland (PHB) / Portland Housing Bureau	\$319,865	Provision for Rental Access Services for Rent Assistance Wait List	RA	2/18/2010	6/30/2010
C0653	City of Portland EcoRoof Program Agreement -- Grey to Green Initiative	\$16,905	Agreement No. 30000905 with COP Bureau of Environmental Services provides funding for a "green" roof for the Resource Access Center RAC Building	DCR	3/22/2010	6/30/2011
AMENDMENTS TO EXISTING CONTRACTS						
C0640, #1	Point Monitor	\$6,430	Secure Equipment at Northwest Tower	REO	2/8/2010	12/31/2010
C0348, #2	Eastside Van and Storage		Adds Cooperative Language	DCR	2/2/2010	3/31/2010
C0492, #1	Seaholtz consulting	\$40,000	Extends through 123/31/2010; Analyze Potential Concepts for Rent Reform	EXEC	2/2/2010	12/31/2010
C0597, #2	Native American Rehabilitation Association, Northwest		Adds HAP Obligations and Responsibilities toward PHB Under the Sub recipient Contract with COP Ending Homelessness Projects	RA	2/4/2010	6/30/2010
C0612, #2	JOIN		Adds HAP Obligations and Responsibilities toward PHB Under the Sub recipient Contract with COP Ending Homelessness Projects	RA	2/4/2010	6/30/2010
C0605, #2	Catholic charities/El Programa Hispano		Adds HAP Obligations and Responsibilities toward PHB Under the Sub recipient Contract with COP Ending Homelessness Projects	RA	2/4/2010	6/30/2010
	St. Joseph's Family Center		Adds HAP Obligations and Responsibilities toward PHB Under the Sub recipient Contract with COP Ending Homelessness Projects	RA	2/4/2010	6/30/2010

Contract #	Contractor	Contract Amount	Description	Department	Execution Date	Expiration Date
C0614, #2	Human Solutions		Adds HAP Obligations and Responsibilities toward PHB Under the Sub recipient Contract with COP Ending Homelessness Projects	RA	2/4/2010	6/30/2010
C0608, #2	Self Enhancement		Adds HAP Obligations and Responsibilities toward PHB Under the Sub recipient Contract with COP Ending Homelessness Projects	RA	2/4/2010	6/30/2010
C0343, #2	Pacific Screening		Extends through 3/31/2010	REO	2/17/2010	3/31/2011
C0465, #1	Visuals Speak		Extends through 1/31/2011.	DBS	2/23/2010	1/31/2011
C0587, #1	KnightHawk Protection	\$700	Temporary Security Patrols at Dahlke Manor for Two Months	REO	2/23/2010	9/30/2010
C0474, #1	Carlson Testing, Inc.	\$806	Additional Site Inspection Services	DCR	2/24/2010	4/30/2010
C0322, #1	Holst Architecture - Professional A&E for RAC 09/07-15		Shift Unexpected Reimbursables to Labor to Cover Additional Scope of Work.	DCR	2/24/2010	11/30/2010
C0459, #1	G. L. Ford		Extends Contract for Staff Development & Training Services thru 1/31/2011	DBS	2/8/2010	1/31/2011
C0449, #1	Possibilities, Inc. (formerly Collaboration Works)		Extends through 1/31/2011; Staff Development and Training Services	DBS	2/8/2010	1/31/2011
C0600, #2	Cascade Aids Project		Adds HAP obligations and responsibilities toward PHB under the Sub recipient Contract with COP Ending Homelessness Projects effective 7/1/09.	RA	2/8/2010	6/30/2010
C0598, #2	Impact Northwest		Adds HAP obligations and responsibilities toward PHB under the Sub recipient Contract with COP Ending Homelessness Projects effective 7/1/09.	RA	2/10/2010	6/30/2010
C0616, #2	Insights Teen Parent Program		Adds HAP obligations and responsibilities toward PHB under the Sub recipient Contract with COP Ending Homelessness Projects effective 7/1/09.	RA	2/10/2010	6/30/2010
C0607, #2	Northwest Pilot Project		Adds HAP obligations and responsibilities toward PHB under the Sub recipient Contract with COP Ending Homelessness Projects effective 7/1/09.	RA	2/10/2010	6/30/2010
C0611, #2	Cascadia		Adds HAP obligations and responsibilities toward PHB under the Sub recipient Contract with COP Ending Homelessness Projects effective 7/1/09.	RA	2/10/2010	6/30/2010
C0378ah, #2	Walsh Construction Co.	\$15,860	MEP Changes to Construction Set Drawings for RAC Day Use Access Center	DCR	2/11/2010	9/1/2011
c0378s, #1	Walsh Construction Co.	\$7,733	MEP Changes to Construction Set Drawings for RAC Shelter	DCR	2/11/2010	9/1/2011
c0378h, #3	Walsh Construction Co.	\$72,228	MEP Changes to Construction Set Drawings for RAC Housing	DCR	2/11/2010	9/1/2011
C0337, #1	Construction & Mapping Team	\$625	Additional ALTA Survey Services for James Hawthorne Apts.	DCR	2/16/2010	3/31/2010
C0606, #2	Transition Projects, Inc.		STRA Contract; Adds HAP obligations and responsibilities toward PHB under the Subrecipient Contract with COP Ending Homelessness Projects effective 7/1/09.	RA	2/22/2010	6/30/2010
C0615, #2	Central City Concern		Adds HAP obligations and responsibilities toward PHB under the Subrecipient Contract 32000138 with COP Ending Homelessness Projects effective 7/1/09.	RA	2/22/2010	6/30/2010
C0656, #8	Merrill Residential, LLC	\$18,152	Authorizes Changes to Original Contract at Powellhurst Woods	DCR	2/25/2010	4/30/2010
C0395, #11	R & H Construction	(\$19,911)	Credit for Construction Modifications -- CMGC for James Hawthorne	DCR	3/4/2010	2/25/2010
C0565, #7	Merrill Residential, LLC	\$994.47	Authorizes Changes to Original Contract for Alderwood Apartments	DCR	3/5/2010	4/30/2010
C0565, #10	Merrill Residential, LLC	\$28,542	Authorizes Changes to Powellhurst Woods Apartments	DCR	3/5/2010	4/30/2010
C0378a, #4	Walsh Construction	\$11,293	RAC Day Use Center Changes from Bid Set Plans to Construction Rough-in	DCR	3/8/2010	9/1/2011
C0378h, #5	Walsh Construction	\$50,353	RAC Housing Changes from Bid Set Plans for Rough-in	DCR	3/8/2010	9/1/2011
C0640, #2	Point Monitor	\$3,265	Additional equipment for multiple properties; NWT, Annex, Medallion, Williams Plaza and Gallagher Plaza	REO	3/9/2010	12/31/2010
c0348, #3	Eastside Van & Storage		Extends through 3/31/2011	DBS	3/11/2010	3/31/2011
C0497, #9	LRS Architects	\$5,316	Additional Mechanical/Electrical Engineering Services at Martha Washington	DCR	3/12/2010	7/31/2010
c0410, #1	AKS Engineering and Forestry	\$99,900	On-Call Engineering Services	DCR	3/15/2010	9/30/2011
C0337, #2	Construction & Mapping Team	\$1,228	Additional Survey Services at James Hawthorne Apts	DCR	3/15/2010	3/31/2010
C0304, #5	William Wilson Architects		Extends A&E Services through 3/31/10 for James Hawthorne Apts	DCR	3/15/2010	3/31/2010
C0388, #1	Nelson Capital Construction Program		Extends Needs Assessment for Ainsworth Court through 9/30/2010	DCR	3/29/2010	9/30/2010

Housing Authority of Portland  
Board of Commissioners Packet

April 2010 Initial completion date: reviewing change orders and field orders to process final payment

28

**PHPI: Activity and Investment Summary as of February 28, 2010**

**Relocation**

Project	Unit Size					S8	PH	Means of relocation			Total
	0	1	2	3	4			Private	Purch.	Other	
Relocation to Date	0	4	11	109	10	65	44	14	3	8	134
Relocation Remaining	0	0	0	27	1						28
<b>TOTAL RELOCATION</b>	<b>0</b>	<b>4</b>	<b>11</b>	<b>136</b>	<b>11</b>						<b>162</b>

**Sales**

Project	Unit Size					Total Units	Total Properties	Gross Proceeds	Net Proceeds	Internal Costs	Net to HAP
	0	1	2	3	4						
Actual Sales to Date		4	11	87	7	109	97	\$ 21,087,026	\$ 20,155,443	\$ 1,166,576	\$ 18,988,867
Projected Sales on Remaining Portfolio				49	4	53	51	\$ 9,774,303	\$ 9,229,678	\$ 599,541	\$ 8,630,137
<b>TOTAL SALES - PROJECTED</b>	<b>0</b>	<b>4</b>	<b>11</b>	<b>136</b>	<b>11</b>	<b>162</b>	<b>148</b>	<b>\$ 30,861,329</b>	<b>\$ 29,385,121</b>	<b>\$ 1,766,116</b>	<b>\$ 27,619,005</b>

**1:1 Replacement**

Project	Unit Size					# of New PH Units	Total Units	Total Proj. Cost	Total \$/Unit	\$ / New PH Unit	Total Investments
	0	1	2	3	4						
<b>Current</b>											
The Jeffrey	20					20	80	\$ 16,600,000	207,500.00	-	-
Martha Washington	25					25	108	\$ 18,043,118	167,065.91	\$ 76,080	\$ 1,902,000
Resource Access Center	30					30	130	\$ 46,951,074	361,162.11	\$ 40,583	\$ 1,217,500
Rockwood Station			25			25	195	\$ 271,514	1,392.38	N/A	\$ 271,514
<b>SUB-TOTAL:</b>	<b>75</b>	<b>0</b>	<b>25</b>	<b>0</b>	<b>0</b>	<b>100</b>	<b>513</b>	<b>\$ 81,865,706</b>	<b>\$ 159,582</b>	<b>\$ 33,910</b>	<b>\$ 3,391,014</b>
<b>Potential</b>											
Hillsdale Terrace <sup>(3)</sup>						8	122	\$ 41,460,112	339,837	\$ 750,000	\$ 6,000,000
Hillsdale Terrace (Trimet Lots)						tbd	tbd	tbd			\$ 1,800,000
Hillsdale Terrace (City Contribution)						tbd	tbd	tbd			\$ 3,200,000
Knapp Street			4	20	10	34	34	\$ 8,000,000	235,294	\$ 64,706	\$ 2,200,000
Lifeworks Northwest		3	13	13		29	29	tbd			\$ 500,000
Jeanne Anne Apts		3	20	23		46	46	\$ 3,000,000	65,217	\$ 65,217	\$ 3,000,000
<b>SUB-TOTAL:</b>	<b>0</b>	<b>6</b>	<b>37</b>	<b>56</b>	<b>10</b>	<b>117</b>	<b>231</b>	<b>\$ 52,460,112</b>	<b>\$ 640,348</b>	<b>\$ 142,735</b>	<b>\$ 16,700,000</b>

<b>TOTAL REPLACEMENT:</b>	<b>75</b>	<b>6</b>	<b>62</b>	<b>56</b>	<b>10</b>	<b>217</b>	<b>744</b>	<b>\$ 134,325,818</b>	<b>\$ 799,931</b>	<b>\$ 92,585</b>	<b>\$ 20,091,014</b>
---------------------------	-----------	----------	-----------	-----------	-----------	------------	------------	-----------------------	-------------------	------------------	----------------------

**Capital Improvements**

Project	# of PH Units	Total Proj. Cost	HAP Proceeds
Misc Upgrades	tbd	\$ 452,200	-
Sweet 16	296	\$ 12,075,341	\$ 1,853,803
Demar Downs ADA - Sweet 16 addtnl scope	N/A	\$ 187,200	\$ 46,800
Hollywood East	288	\$ 1,700,000	\$ -
Gallagher/Sellwood	197	\$ 18,728,648	\$ 4,000,000
Eliot Square - part of the Fam4	30	\$ 1,461,750	\$ 801,869
Fam4 (Carlton, Eastwood, Lexington)	74	\$ 3,605,650	\$ -
<b>TOTAL CAPITAL IMPROVEMENTS:</b>	<b>885</b>	<b>\$ 38,210,789</b>	<b>\$ 6,702,472</b>

**ARRA Administration**

<b>TOTAL ARRA ADMINISTRATION:</b>	<b>10</b>	<b>\$ 659,891</b>	<b>\$ 137,382</b>
-----------------------------------	-----------	-------------------	-------------------

<b>NET PROCEEDS AVAILABLE</b>	<b>\$ 688,137</b>
-------------------------------	-------------------

Housing Authority of Portland  
Board of Commissioners Packet  
April 2010

(1) Net Proceeds are Gross Proceeds net of sales commissions, concessions, title and escrow fees and any other costs paid from escrow. Proceeds do not include internal selling costs (\$1,166,576 through February 2010).

(2) Included are four units sold through the American Dream Homeownership program.

(3) 68 total PH units; replaces existing 60 units, 8 are new. PHPI encompasses 1:1 replacement as well as capital improvements.

# DASHBOARD REPORT

Housing Authority of Portland - Dashboard Report For March of 2010

**Property Performance Measures**

**Occupancy**

	Number of Properties	Physical Units	Rentable Units	Vacant Units	Occupancy Percentage	Unit Mix						Total
						Studio/SRO	1 Bdrm	2 Bdrm	3 Bdrm	4 Bdrm	5+ Bdrm	
Public Housing	44	2,063	1,999	57	97.1%	513	844	352	340	14	0	2,063
Public Housing Mixed Financed Owned *	1	40	40	0	100.0%	0	15	15	10	0	0	40
Public Housing Mixed Finance Tax Credit *	5	426	425	20	95.3%	130	95	88	61	45	7	426
<b>Total Public Housing</b>	<b>50</b>	<b>2,529</b>	<b>2,464</b>	<b>77</b>	<b>96.9%</b>	<b>643</b>	<b>954</b>	<b>455</b>	<b>411</b>	<b>59</b>	<b>7</b>	<b>2,529</b>
Affordable Owned with PBA subsidy	6	496	496	13	97.4%	72	229	104	91	0	0	496
Affordable Owned without PBA subsidy	10	1,041	1,041	64	93.9%	200	245	448	133	15	0	1,041
<b>Total Affordable Owned Housing</b>	<b>16</b>	<b>1,537</b>	<b>1,537</b>	<b>77</b>	<b>95.0%</b>	<b>272</b>	<b>474</b>	<b>552</b>	<b>224</b>	<b>15</b>	<b>0</b>	<b>1,537</b>
Tax Credit Partnerships	19	2,234	2,234	122	94.5%	693	657	492	230	145	17	2,234
<b>Total Affordable Housing</b>	<b>35</b>	<b>3,771</b>	<b>3,771</b>	<b>199</b>	<b>94.7%</b>	<b>965</b>	<b>1,131</b>	<b>1,044</b>	<b>454</b>	<b>160</b>	<b>17</b>	<b>3,771</b>
Eliminate Duplicated PH Properties/Units	-6	-466	-465	-20		-130	-110	-103	-71	-45	-7	-466
<b>Combined Total PH and AH</b>	<b>79</b>	<b>5,834</b>	<b>5,770</b>	<b>256</b>	<b>95.6%</b>	<b>1,478</b>	<b>1,975</b>	<b>1,396</b>	<b>794</b>	<b>174</b>	<b>17</b>	<b>5,834</b>
Special Needs (Master Leased)	36	422	422									
<b>Total with Special Needs</b>	<b>115</b>	<b>6,256</b>	<b>6,192</b>									

\* property/unit counts also included in Affordable Housing Count

**Financial**

Nine months ending 12/31/2009	Per Unit Per Month					Fiscal YTD ending 12/31/2009				12/31/09			
	Property Revenue	Subsidy Revenue	Total Revenue	Operating Expense w/o HMF	HAP Management Fees (HMF)	NOI	# of Properties/units Positive Net Operating Income (NOI)		# of Properties/units Negative Net Operating Income (NOI)		# of Properties meeting Debt Coverage Ratio (DCR)	# of Properties not meeting DCR	# of Properties DCR Not Applicable
							Properties	Units	Properties	Units			
Public Housing	\$197.83	\$320.50	\$518.33	\$439.10	\$70.81	\$8.42	21	1,254	23	831			
Affordable Owned	\$520.09	\$198.73	\$718.82	\$461.01	\$6.58	\$251.23	14	1,339	1	105	6	6	3
Tax Credit Partnerships	\$533.14	\$41.63	\$574.77	\$344.79	\$15.70	\$214.28	20	2,327	0		11	9	0

\* Property counts differ between Occupancy and Financial data due to Peter Paulson and Humbolt Gardens converting

**Public Housing Demographics**

Public Housing Residents	Households				% Family Type (head of household)				Race % (head of household)					Ethnicity % (hoh)	
	# of Households	% of Households	Average Family Size	Average Unit Size	Adults no Children	Family with Children	Elderly	Disabled Not Elderly	Black African American	White	Native American	Asian	Hawaiian/Pacific Island	Hispanic/Latino	Non Hispanic/Latino
0 to 10% MFI	435	18.7%	2.1	1.7	9.9%	8.8%	0.4%	5.1%	4.9%	12.7%	0.8%	0.3%	0.4%	3.8%	14.9%
11 to 20%	1,024	44.1%	1.7	1.4	33.3%	10.8%	11.8%	21.6%	10.1%	31.0%	1.7%	1.6%	0.4%	4.1%	39.9%
21 to 30%	526	22.6%	1.8	1.5	16.4%	6.2%	6.9%	10.5%	4.7%	16.4%	0.8%	0.9%	0.2%	2.5%	20.1%
31 to 50%	268	11.5%	2.4	1.9	5.9%	5.6%	2.2%	4.0%	3.1%	7.9%	0.3%	0.3%	0.2%	1.8%	9.8%
51 to 80%	67	2.9%	2.7	2.0	1.4%	1.5%	0.4%	0.6%	0.8%	1.9%	0.1%	0.2%	0.0%	0.7%	2.2%
Over 80%	7	0.3%	2.4	2.1	0.1%	0.2%	0.0%	0.1%	0.2%	0.1%	0.0%	0.0%	0.0%	0.0%	0.3%
All	2,327	100.1%	1.9	1.6	67.0%	33.1%	21.7%	41.9%	23.8%	70.0%	3.7%	3.3%	1.2%	12.9%	87.2%

**Waiting List**

0 to 10% MFI	1,950	48.0%	2.2	1.8			1.3%	16.9%	21.0%	23.0%	2.9%	1.3%	1.0%	4.4%	42.6%
11 to 20%	1,181	29.1%	2.4	1.8			1.3%	12.2%	12.3%	14.3%	1.6%	0.9%	0.5%	2.5%	26.4%
21 to 30%	535	13.2%	2.5	1.9			1.0%	4.3%	5.6%	6.4%	0.4%	0.7%	0.1%	1.5%	11.4%
31 to 50%	343	8.4%	2.7	2.0			0.8%	2.0%	4.0%	3.8%	0.3%	0.3%	0.1%	1.1%	7.2%
51 to 80%	54	1.3%	2.3	1.9			0.1%	0.3%	0.6%	0.7%	0.0%	0.0%	0.0%	0.1%	1.2%
Over 80%	1	0.0%	2.0	3.0			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
All	4,064	100.0%	2.4	1.8			4.5%	35.8%	43.5%	48.2%	5.2%	3.2%	1.8%	9.5%	88.8%

**Other Activity**

	#s, days, hrs
Public Housing	
Names pulled from Wait List	89
Denials	3
New rentals	65
Vacates	18
Evictions	1
# of work orders received	1,350
# of work orders completed	1,161
Average days to respond	6.8
# of work orders emergency	10
Average response hrs (emergency)	17

Housing Authority of Portland - Dashboard Report For March of 2010

**Rent Assistance Performance Measures**

**Utilization and Activity**

	Current Month Status					Current Month Activity					Calendar Year To Date				
	Vouchers Available	Vouchers Paid	Utilization Percentage	Average Voucher Cost	HUD Subsidy Over(Under) Utilized	Remaining Waiting List Size	Waiting List Names Pulled	New Vouchers Leased	Vouchers Terminated	Voucher Inspections Completed	Utilization Percentage	Average Voucher Cost	HUD Subsidy Over(Under) Utilized	New Vouchers Leased	Vouchers Terminated
Tenant Based Vouchers	6,697	6,684	100%	\$584	-\$116,301	2,079	8	46	29	814	99%	\$577	-\$356,825	138	94
Project Based Vouchers	1,098	1,054	96%	\$474	-\$159,622			11	11	58	96%	\$473	-\$454,188	47	40
SRO/Mod Vouchers	512	474	93%	\$358				11	14	108	94%	\$361	-\$51,456	31	49
All Vouchers	8,307	8,212	99%	\$557	-\$275,923			68	54	980	98%	\$551	-\$862,468	216	183

**Demographics**

	Households				% Family Type (head of household)				Race % (head of household)					Ethnicity % (hoh)	
	# of Households	% of Households	Average Family Size	Average Unit Size	Adults no Children	Family with Children	Elderly	Disabled Not Elderly	Black	White	Native American	Asian	Hawaiian/Pacific Island	Hispanic	Non Hispanic
Tenant Based Voucher Participants															
0 to 10% MFI	779	12.1%	1.9	1.9	6.8%	5.3%	0.3%	0.9%	5.6%	6.1%	0.4%	0.4%	0.1%	0.8%	11.3%
11 to 20%	2,228	34.7%	2.0	1.9	21.6%	13.1%	6.9%	14.0%	12.1%	19.8%	1.2%	2.3%	0.2%	2.0%	32.7%
21 to 30%	1,871	29.1%	2.4	2.1	15.8%	13.3%	7.1%	10.6%	9.4%	17.5%	0.8%	1.8%	0.2%	1.7%	27.4%
31 to 50%	1,295	20.2%	3.1	2.5	6.5%	13.7%	2.8%	4.3%	7.9%	10.9%	0.6%	1.1%	0.1%	1.2%	19.0%
51 to 80%	231	3.6%	3.7	2.9	0.7%	2.9%	0.3%	0.5%	1.7%	1.7%	0.0%	0.2%	0.0%	0.2%	3.4%
Over 80%	19	0.3%	4.3	3.2	0.1%	0.2%	0.0%	0.1%	0.1%	0.1%	0.0%	0.1%	0.0%	0.0%	0.3%
All	6,423	100.0%	2.4	2.2	51.5%	48.5%	17.5%	30.2%	36.8%	56.2%	3.1%	5.8%	0.6%	5.9%	94.1%

**Waiting List**

	# of Households	% of Households	Average Family Size	Average Unit Size	Adults no Children	Family with Children	Elderly	Disabled Not Elderly	Black	White	Native American	Asian	Hawaiian/Pacific Island	Hispanic	Non Hispanic
0 to 10% MFI	690	33.2%	2.1				1.1%	9.5%	15.8%	13.1%	1.9%	1.4%	0.4%	2.5%	26.4%
11 to 20%	579	27.8%	2.0				2.8%	12.4%	9.4%	14.9%	1.8%	1.7%	0.3%	1.4%	24.3%
21 to 30%	398	19.1%	2.3				3.2%	6.2%	5.6%	11.4%	0.6%	1.3%	0.1%	1.5%	15.4%
31 to 50%	395	19.0%	2.5				2.1%	3.8%	7.6%	9.7%	0.5%	0.9%	0.1%	1.4%	15.5%
51 to 80%	16	0.8%	2.4				0.0%	0.1%	0.3%	0.4%	0.0%	0.0%	0.0%	0.0%	0.8%
Over 80%	1	0.0%	1.0				0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
All	2,079	100.0%	2.2				9.3%	31.9%	38.7%	49.5%	4.9%	5.2%	1.0%	6.8%	82.4%

**Short Term Rent Assistance**

	# of Households Participating	\$ Amount of Assistance Provided	Average Cost per Household
Shelter Plus Care	512	\$270,529	\$528
Short Term Rent Assistance	440	\$241,953	\$550

**Resident Services**

**Resident Programs**

Housing Program Served	Households Served/ Participants	Monthly Funding Amount	Average Funds per Participant						
Congregate Housing Services * as of previous month	Public Housing	90	\$58,313	\$648					
		# HH Stabilized	# HH Transitioned	Health and Safety Stabilized	Unduplicated Number Served	Crisis Intervention	Support System Enhanced	# Events	# Event Attendees
Resident Services Coordination	Public Housing	9	0	24	196	0	11	120	1176
		# HH Enrolled	# in Self Sufficiency	# In GOALS					
Community Supportive Services	Public Housing	98	66	2					
	Section 8	37	13	0					
		# of Participants	Escrow \$ Held	New Enrollees	# of Graduates	Escrow \$ Disbursed	Terminations or Exits	Escrow \$ Forfeited	Avg Annual Earned Income Increase Over Last Year
GOALS Program	Public Housing	78	\$107,150	7	0	\$1,624	5	\$0	-\$3,530
	Section 8	283	\$782,830	2	6	\$61,504	9	\$8,524	\$1,498



Housing Authority of Portland - Dashboard Report For March of 2010

**Agency Financial Summary**

Nine months ending 12/31/2009	Fiscal Year to Date	Prior YTD	Increase (Decrease)
Subsidy Revenue	\$54,182,246	\$53,965,425	\$216,820
Grant Revenue	\$7,310,860	\$6,114,194	\$1,196,665
Property Related Income	\$9,420,944	\$9,522,310	(\$101,366)
Development Fee Revenue	\$1,020,509	\$447,918	\$572,591
Other Revenue	\$2,151,045	\$1,948,270	\$202,775
Total Revenue	\$74,085,603	\$71,998,117	\$2,087,486
Housing Assistance Payments	\$45,053,764	\$42,885,817	\$2,167,947
Operating Expense	\$27,600,578	\$26,413,565	\$1,187,013
Depreciation	\$3,808,566	\$4,487,068	(\$678,502)
Total Expense	\$76,462,908	\$73,786,450	\$2,676,458
Operating Income	-\$2,377,305	-\$1,788,333	(\$588,973)
Other Income(Expense)	\$4,126,252	\$4,122,298	\$3,954
Capital Contributions	\$16,670,218	\$7,330,410	\$9,339,808
Increase(Decrease) Net Assets	\$18,419,165	\$9,664,376	\$8,754,789
Total Assets	\$346,139,088	\$333,436,258	\$12,702,830
Liquidity Reserves	\$16,575,057	\$18,124,516	(\$1,549,460)

**Development/Community Revitalization**

**New Development / Revitalization**

	Units	Construction Start	Construction End	Current Phase	Total Cost	Cost Per Unit
Pine Square	143	tbd	tbd	Concept	\$13,800,000	\$96,503
Hawthorne Apartments *	48	Apr-09	Mar-10	Construction	\$7,914,653	\$164,889
Multnomah Village Lots	tbd	tbd	tbd	Concept	tbd	tbd
The Resource Access Center	130	Nov-09	Apr-11	Construction	\$46,951,074	\$361,162
Hillsdale Terrace	tbd	tbd	tbd	Concept	tbd	tbd
Hillsdale Terrace - Trimet Lots	tbd	tbd	tbd	Concept	tbd	tbd
Knapp Street	tbd	tbd	tbd	Concept	tbd	tbd
Lifeworks Northwest	tbd	tbd	tbd	Concept	tbd	tbd
Jeanne Anne	tbd	tbd	tbd	Concept	tbd	tbd
Martha Washington	108	Aug-09	Jun-10	Construction	\$18,043,118	\$167,066
The Jeffrey	80	Apr-10	May-10	Preconstruction	\$16,600,000	\$207,500

**Capital Improvement**

	Units	Construction Start	Construction End	Current Phase	Total Cost	Cost Per Unit
Ainsworth	88	tbd	tbd	Predevelopment	\$1,980,000	\$22,500
Sweet 16	296	May-09	Sep-10	Construction	\$12,262,541	\$41,428
Gallagher Plaza/Sellwood Center	197	Dec-11	Jun-13	Predevelopment	\$18,728,648	\$95,069
Hollywood East	288	Apr-10	Aug-10	Predevelopment	\$1,700,000	\$5,903
FAM4	104	Aug-10	Apr-11	Concept	\$5,067,400	\$48,725
Misc Upgrades	tbd	tbd	tbd	tbd	\$452,200	

Legend

- \* Formerly known as University Place

# RESOLUTIONS

M E M O R A N D U M



DATE: April 20, 2010

TO: Board of Commissioners

FROM: Mike Andrews, Director, Development and Community Revitalization  
Betty Dominguez, Assistant Director of Development

SUBJECT: A resolution authorizing the Authority's Executive Director to submit an application to the Oregon Housing and Community Services Department through their Consolidated Funding Cycle seeking resources including but not limited to Housing Trust Fund and General Housing Account Program Funds, for the rehabilitation of the Ainsworth Court Apartments and, authorizing Authority officials to execute agreements and other documents related to the financing of the rehabilitation of Ainsworth Court and determining related matters  
Resolution 10-04-02

The Board is being asked to authorize application to the Oregon Housing and Community Services Department (OHCS) seeking resources through the Consolidated Funding Cycle (CFC) for the rehabilitation of Ainsworth Court apartments and to execute any and all documents related to the financing of said work.

Background:

Located on N. Ainsworth Avenue, the Authority purchased this 88-unit property in 1997 with tax exempt bonds. The one and two-bedroom units are contained in 22 separate buildings located on two separate parcels which straddle a public street (N. Concord Avenue). The property enjoys large expanses of open, grassy area with mature trees. Built in the 1940s the units exhibit the charm of the era with amenities not commonly found in more traditional multifamily rental housing (rear and front doors with porches as both, windows in kitchens and baths, hard wood floors). The property is located less than a quarter block from Interstate Avenue and the MAX light rail line, which in turn provides residents with affordable transportation to all corners of the metro region.

HAP's Real Estate Operations staff had desired to address replacement of the property's hot water system and turned to Development for assistance in crafting a financing plan. Heated by two oil-fired boilers located in the basements of a building on either side of N. Concord, hot water is currently pumped through a system of underground pipes, traveling one-half block in either direction before reaching individual

units. Each boiler serves eleven buildings. Tenants at the end of this loop wait several additional minutes for hot water to reach them resulting in a substantial waste of water; frequently the water isn't very hot when it arrives. The pipes are old as are the oil tanks; the entire system is antiquated, inefficient and expensive to operate. Replacing it is the number one priority of the capital work proposal, particularly as its useful life is nearing an end. The underground oil tanks have been tested and have not leaked and will be decommissioned in place.

A thorough capital needs assessment was commissioned and is the basis upon which the scope of work was determined. The report revealed that the property was in good condition overall (particularly the interiors). However, it revealed what is now the second most pressing need. That is repair of foundations in three buildings along the north property line where settlement has occurred. This settlement has caused concrete porches to pull away from the building and has caused floor joists in the basements to separate from the sill plates. The scope of work anticipates repair of the foundations and replacing the porches with wooden structures.

The additional proposed immediate capital work is designed to address fire/life/safety issues (such as GFI outlets in the baths and kitchens, smoke detectors, electrical plugs and wall heater replacements), and to address exterior needs such as sidewalk repairs/replacement, parking lot repairs, front and rear entry doors, attic and basement insulation, gutters/downspouts, soffit vents, miscellaneous roof repairs, flashing, siding, water proof membrane, porch repairs, and exterior lighting.

Staff has enlisted the aid of Merryman Barnes architects to develop plans/specs including site plans, and to review costs for the purposes of the application to the State. Additionally, R&H Construction reviewed the cost estimates (as a courtesy) and found them to be adequate. If successful in the application to the State, we will receive notification in mid-to-late August of this year. From August to December staff will work to close the financing with Oregon Housing and Community Services (OHCS) and Portland Development Commission (PDC). We will also work with our architects to fully develop plans appropriate for submission to the City in order to pull permits, and will work to secure a contractor through an RFP process in accordance with HAP's procurement policies. After selection is made we will employ a Construction Management/General Contractor (CM/GC) form of contracting for this project and will further seek a Guaranteed Maximum Price (GMP) estimate. The final estimate will be reviewed by a third party cost consultant (Architectural Cost Consultants). Work is anticipated to start in the spring of 2011.

This project scope only requires temporary relocation of 46 of the 88 households affected. Much of the work will occur in basements initially and to the exteriors, so disruption to residents in their units will be minimal. The layout of the units allows us to complete the interior work on either side of a shared wall so that in general only one family of every two will need to move temporarily. Families who need to relocate will be put up in a residence hotel with cooking facilities. Or if they prefer, they may choose to stay with family or friends and receive a per-diem amount based on family-size. HAP will pay all accommodation costs.

### Policy Implications

It is HAP's desire to continue to own and operate this transit-oriented site long into the future. Ensuring the property's physical and financial health will help to achieve that goal.

Budget Implications/Financial Impact

The costs to deal with decommissioning the current hot water system and repair foundations and porches are considered extraordinary and are beyond the property's ability to support from normal cash flow and replacement reserves. In April of 2009, staff applied for and was awarded, a \$1.4 million grant from the Portland Development Commission (PDC). However, those funds are not sufficient to accomplish the entire scope of rehab including the necessary architectural, engineering, and relocation costs. But, finding additional resources has proven to be challenging. Today's financial environment is not conducive to securing Federal Low Income Housing Tax Credits as a means to fund rehab work, especially with an acquisition/rehab project such as Ainsworth, or the State's Oregon Affordable Housing Tax Credits with which to effect a refinance of the property. HAP staff was also unsuccessful in their approach to other funders including the State's Department of Energy, the State and County's Weatherization programs, and Enterprises' Green Communities to name a few. The last and best opportunity for additional funding exists with the OHCS resources, which are the subject of this resolution.

HAP intends to utilize a combination of tax increment financing from PDC, County weatherization funds and State resources to fund the rehabilitation work at Ainsworth Court. A preliminary budget is reflected below:

SOURCES		USES	
PDC	1,400,000	Construction Costs	1,496,505
Multnomah County OHCS Trust Fund	80,000	Development Costs	62,175
OHCS GHAP Funds	250,000	General Fees	369,300
	250,000	Const Loan Costs	6,500
		Reserves/Contingency	45,520
<b>TOTAL SOURCES:</b>	<b>1,980,000</b>	<b>TOTAL USES:</b>	<b>1,980,000</b>
		<b>TOTAL SOURCES:</b>	<b>1,980,000</b>
		<b>SURPLUS/GAP:</b>	<b>- 0 -</b>

The primary goal of the proposed rehab is to attend to the two most immediate needs of the property and to button up the building exteriors. However, longer term capital work will be necessary, including roof replacements. That work has been incorporated into a replacement schedule that contemplates the capital needs over the next several years and which meets the State's requirements for a 30-year useful life analysis. Funding for this work will come from the annual deposits to replacement reserves and from sweeping project cash flow into that reserve over the next eight years. This strategy

has been approved by PDC, which typically looks to cash flow splits in order to recoup its funds. At the end of those eight years (YE 2018), deposits to replacement reserves will continue annually and will be used to fund on-going maintenance/replacement needs. Additionally, the existing loan matures in 2028, and when the bonds are retired the property will have no debt service obligations. That will generate other options for the site such as a smaller refinance, and generate more cash into the property for operations and maintenance.

#### Risks and Opportunities

If successful in the application to the State, HAP will be able to attend to the extraordinary capital needs of the property, thus ensuring its physical viability into the future. If not, HAP will work with PDC to retain their reservation of funding and attempt to develop a reduced scope of work.

#### Operational Implications

In addition to ensuring the long terms physical stability of the property, several other outcomes will be achieved by this scope of work. Most notably is the replacement of the hot water system, which will save thousands of gallons of water annually, reduce sewer/storm water costs, and eliminate the costs of oil to the property. The additional, more minor rehab work will improve and reduce energy consumption on the site. On the flip side, the mandated provision of a certain number of units to be rented at 50% AMI levels will restrict cash flow somewhat. The budget has been crafted with care to ensure that the property continues to be able to meet the debt service requirements of the existing debt.

#### Recommendation:

Staff recommends approval of Resolution 10-04-02.



## RESOLUTION 10-04-02

**RESOLUTION 10-04-02 AUTHORIZES THE EXECUTIVE DIRECTOR TO SUBMIT AN APPLICATION TO THE OREGON HOUSING AND COMMUNITY SERVICES DEPARTMENT THROUGH THEIR CONSOLIDATED FUNDING CYCLE SEEKING RESOURCES FOR THE REHABILITATION OF THE AINSWORTH COURT APARTMENTS AND, AUTHORIZING AUTHORITY OFFICIALS TO EXECUTE AGREEMENTS AND OTHER DOCUMENTS RELATED TO THE FINANCING OF THE REHABILITATION OF AINSWORTH COURT AND DETERMINING RELATED MATTERS**

**WHEREAS**, the Housing Authority of Portland (the “Authority”) is a public body corporate and politic of the State of Oregon and is empowered by ORS 456.005 to 456.725 (“Housing Authority Laws”) to purchase any real property and to accept grants from any source public or private for the purpose of carrying out a housing project;

**WHEREAS**, the Housing Authority of Portland seeks to encourage the provision of long-term housing for low-income persons residing in the City of Portland, Oregon (“City”); and

**WHEREAS**, the Housing Authority of Portland purchased Ainsworth Court Apartments in 1997 with tax-exempt bond financing; and

**WHEREAS**, Ainsworth Court Apartments provides workforce housing for low to moderate income families and individuals in close proximity to mass transit; and

**WHEREAS**, the Housing Authority of Portland desires to perform certain rehabilitation work on Ainsworth Court Apartments in order to preserve the buildings physically and to promote environmental sustainability at the site; and

**WHEREAS**, the Portland Development Commission will provide \$1,400,000 of Tax Increment Financing from the Interstate Corridor Urban Renewal Area for use in this project; and

**WHEREAS**, Multnomah County will contribute resources to the project in the approximate amount of \$80,000 in support of certain weatherization measures; and

**WHEREAS**, it is the Housing Authority’s desire to keep and improve Ainsworth Court as the project is an important property in the Authority’s portfolio;

**NOW, THEREFORE, BE IT RESOLVED:** that the Board of Commissioners of the Housing Authority of Portland authorizes the Executive Director to:

Submit an application to the Oregon Housing and Community Services Department through their Consolidated Funding Cycle seeking resources including but not limited to Housing Trust Fund and General Housing Account Program Funds, for the rehabilitation of the Ainsworth Court Apartments and, to authorize Authority officials to execute agreements and other documents related to the financing of the rehabilitation of Ainsworth Court and determining related matters.

**Adopted: April 20, 2010**

**HOUSING AUTHORITY OF PORTLAND**

---

Lee E. Moore, Sr., Chair

**Attest:**

---

Steven D. Rudman, Secretary



M E M O R A N D U M



DATE: April 20, 2010

TO: Board of Commissioners

FROM: Mike Andrews, Director, Development and Community Revitalization  
Betty Dominguez, Assistant Director of Development

SUBJECT: A resolution authorizing the Authority's Executive Director to submit an application to the Oregon Housing and Community Services Department through their Consolidated Funding Cycle seeking resources including but not limited to Low Income Weatherization Program Funds and, 9% Federal Low Income Tax Credits in an amount that can be supported by the eligible basis generated by the project for the redevelopment of 40 of the 122 units of housing at Hillsdale Terrace Apartments.  
Resolution 10-04-03

The Board is being asked to authorize an application to the Oregon Housing and Community Services Department (OHCS) seeking resources through the Consolidated Funding Cycle (CFC) for the redevelopment of 40 housing units at Hillsdale Terrace Apartments located at 6775 SW 26<sup>th</sup> Avenue, Portland. This funding application is to support a single phase of 40 units in the larger 122-unit redevelopment.

Background:

Hillsdale Terrace, an existing 59-unit public housing community located at 6775 SW 26<sup>th</sup> Avenue in the Hillsdale neighborhood of Southwest Portland, is severely distressed. In November 2009, HAP submitted an application to the U.S. Department of Housing and Urban Development for a \$16.46 million in HOPE VI grant funds to redevelop the property. Prior to submitting the application, the Board of Commissioners approved a resolution to pursue a comprehensive redevelopment of the site in March 2009, (Resolution 09-03-05) and instructed staff to continue planning for the preparation and submission of a HOPE VI grant application. In October 2009, the Board of Commissioners authorized the submission of a \$16.46 million HOPE VI application (Resolution 09-10-02).

The HOPE VI application proposed to demolish all 59 units of existing housing, and redevelop the site with 122 units of mixed-income housing with a combination of public housing units, Project-based Section 8 units, and Low-Income Housing Tax Credit (LIHTC) only units in two phases that would be constructed simultaneously. This memo is to authorize the submission of a financing application for a single phase that contains

40 units; including 21 public housing units, 17 Project-based Section 8 units and 2 LIHTC-only units.

The project schedule submitted with the HOPE VI application was based upon HUD making the grant awards in February 2010. Award announcements have been delayed, and the awards are now expected to be announced before the end of April 2010. In order to proceed towards an anticipated financial closing and construction start in the spring of 2011, it is necessary to submit an application to OHCS for a 9% LIHTC allocation during the sole 2010 funding cycle. This is primarily because OHCS only awards 9% credit allocations once per year, and the project would be delayed by a calendar year if HAP did not apply in this funding round.

Policy Implications

This action will authorize HAP to submit an application to Oregon Housing and Community Services Department for a competitive allocation of 9% LIHTC financing and Weatherization funds to support the redevelopment of Hillsdale Terrace. This phase of the redevelopment will include 40 units; including 21 public housing units, 17 Project-based Section 8 units and 2 LIHTC-only units. This unit count includes replacing 28 three-bedroom units.

Budget Implications/Financial Impact

The budget for developing this 40-unit phase is approximately \$11.37 million. Development capital is assumed from a variety of sources including LIHTC equity, HOPE VI grant funds, and energy-related grants and rebates. HAP will earn a \$1.09 million cash developer fee that is anticipated to be paid out of the development budget summarized below.

SOURCES		USES	
LIHTC Equity	6,394,000	Construction Costs	7,541,000
HOPE VI Funds	4,539,000	Development Costs	288,000
Metro Nature in Neighborhoods Grant	225,000	General Fees	1,960,000
ETO/BETC	168,000	Const Loan Costs / Interest	603,000
SDC Waivers	50,000	Tax Credit Fees	69,000
		Reserves/Contingency	915,000
<b>TOTAL SOURCES:</b>	<b>11,376,000</b>	<b>TOTAL USES:</b>	<b>11,376,000</b>
		<b>TOTAL SOURCES:</b>	<b>11,376,000</b>
		<b>SURPLUS/GAP:</b>	<b>-</b>

Risks and Opportunities

Since HUD has not yet announced the 2009 HOPE VI awards, there is the risk that HAP’s HOPE VI application will not be funded. Rather than missing the opportunity for a competitive 9% LIHTC allocation this year, HAP will submit the CFC application in the absence of a HUD announcement. This decision was arrived at after several conversations with OHCS staff and they support this approach.

This application also carries the opportunity to leverage the federal funds with close to \$7.0 million of private LIHTC equity. This will allow HAP to develop a viable mixed-income community and increase the overall unit count. Further, these funds will leverage the City investment into the overall Hillsdale Terrace redevelopment.

Operational Implications

This cycle was anticipated during the HOPE VI grant application process and supports the project staying generally on the schedule provided in the HOPE VI grant application.

Recommendation

Staff recommends approval of Resolution 10-04-03.



## RESOLUTION 10-04-03

**RESOLUTION 10-04-03 AUTHORIZES SUBMISSION TO THE OREGON HOUSING AND COMMUNITY SERVICES DEPARTMENT (OHCS) SEEKING REOURCES INCLUDING BUT NOT LIMITED TO LOW INCOME WEATHERIZATION PROGRAM FUNDS AND AN ALLOCATION OF 9% FEDERAL LOW INCOME TAX CREDITS FOR THE REDEVELOPMENT OF 40 UNITS OF HOUSING AT HILLSDALE TERRACE, TO BE OWNED BY A TO-BE-DETERMINED LIMITED PARTNERSHIP AND, AUTHORIZING AUTHORITY OFFICIALS TO EXECUTE DOCUMENTS RELATED TO FUNDS AWARDED BY OHCS**

**WHEREAS**, the Housing Authority of Portland (“HAP” or the “Authority”) is preparing for the redevelopment of the Hillsdale Terrace public housing project at a projected cost of \$42 million to provide a mixed-income community consisting of 122 new housing units and community facilities; and

**WHEREAS**, 40 of the 122 units are the subject of a single 9% Low Income Housing Tax Credit financed phase; and

**WHEREAS**, HAP will redevelop Hillsdale Terrace as a vibrant mixed-income community, connected to the surrounding neighborhood, and provide a variety of opportunities for low, moderate, and middle-income individuals and families; and

**WHEREAS**, HAP expects to receive a HOPE VI grant from the U.S. Department of Housing and Urban Development (“HUD”) to redevelop Hillsdale Terrace; and

**WHEREAS**, HAP and HUD will enter into a HOPE VI Grant Agreement to accept the HOPE VI funds and establish a schedule for project milestones.

**WHEREAS**, HAP will utilize a combination of public housing operating and capital, subsidies and project based Section 8 rental subsidies, along with Low Income Housing Tax Credits, and other resources to develop 40 rental units at Hillsdale Terrace; and

**WHEREAS**, the State of Oregon Department of Housing and Community Services is accepting applications for 9% Low Income Housing Tax Credits and Low-Income Weatherization funds to assist in the development of this type of affordable housing;

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Commissioners of the Housing Authority of Portland authorizes the Executive Director to:

Submit an application to the Oregon Department of Housing and Community Services (OHCS) seeking resources including Low Income Weatherization Program Funds and 9% Federal Low Income Housing Tax Credits in an amount

supported by the eligible basis generated by the project for the redevelopment of 40 units of housing at Hillsdale Terrace, to be owned by a to-be-determined limited partnership and, authorizes Authority officials to execute agreements and other documents related to funds awarded by OHCS.

**Adopted: April 20, 2010**

**HOUSING AUTHORITY OF PORTLAND**

---

Lee E. Moore, Sr., Chair

**Attest:**

---

Steven D. Rudman, Secretary

M E M O R A N D U M



DATE: April 20, 2010

TO: Board of Commissioners

FROM: Dianne Quast, Director Real Estate Operations  
Benjamin Wickham, Asset Manager

SUBJECT: Extension of Cecelia Partnership Credit Enhancement Arrangements  
Resolution 10-04-04

The purpose of this briefing is to:

- Provide background information on Bank of America's decision to terminate automatic renewal of a letter of credit extended to the Cecelia Limited Partnership (part of New Columbia). This letter of credit serves as credit support for the permanent financing for the partnership, which is in the form of variable rate bonds. This credit enhancement allows us to pay a low, fixed rate rather than a variable rate.

*The Board of Commissioners is specifically requested to:*

- Approve a resolution authorizing the Executive Director to accept Bank of America's proposal to extend the letter of credit under new terms for one year.

Background:

As part of the permanent financing for the Cecelia Limited Partnership at New Columbia, HAP issued variable rate revenue bonds. At the time of bond issuance HAP also entered into a Credit Swap Agreement (a financial instrument that hedges what would otherwise be variable interest rate risk) with Bank of America for the permanent amount of the bond principal. This agreement allows the Partnership to pay a low, fixed rate of interest. Per the terms of this Credit Swap Agreement, HAP was required to enhance the security of its credit obligations; HAP chose to provide credit enhancement in the form of a Letter of Credit, also issued by Bank of America. The annual fee for providing the letter of credit was 0.60% of existing bond principal, resulting in a net annual expense to the Cecelia LP of approximately \$24,000. This letter of credit contained a provision allowing the document to be automatically extended each year using the same terms and annual fee. On November 5, 2009, HAP received a letter from Bank of America terminating the renewal provision contained in the Letter of Credit Agreement. *Bank of America has*

*explained that this is not an indication that they believe the debt or property is at risk; rather, this action is a result of the general lack of liquidity in the market.* As a result of this action, the Letter of Credit agreement has an expiration date of May 10, 2010. Under the terms of the Credit Swap Agreement with Bank of America, failure to provide appropriate credit support gives the bank the right to cancel the agreement, causing the partnership to pay a variable rate, which is in violation of the Limited Partner Agreement with Alliant Capital. Therefore, HAP is required to establish a new Letter of Credit. On January 19, 2010, Bank of America extended an official offer to renew and extend the Letter of Credit supporting the Cecelia Bond. However, the proposed new fee attached to the Letter of Credit renewal and extension will be 1.15% for year one, 1.25% for year two, and 1.40% for year three.

- **With this increased fee,** the cost to the Cecelia Partnership of providing credit enhancement necessary to support the permanent financing (bond) is going to increase by roughly \$20,000 annually beginning in May 2010.

#### Budget Implications and Financial Impact on HAP

The cost to the Cecelia Partnership of maintaining the new Letter of Credit will be considerably higher than under the previous agreement. As a result, the property will realize a decreased Net Operating Income for this fiscal year, which will also result in decreased net cash flow. This will have a net effect of diminishing the amount of administrative fees HAP is able to collect as General Partner, as these fees are cash-flow contingent. In view of current market conditions, this result is unavoidable. Nonetheless, according to our calculations, the Cecelia Partnership will still be able to meet debt coverage ratios required by the Limited Partner and Lender. By renewing the agreement as proposed by Bank of America, we will keep associated costs to a minimum. All that is required to proceed is a legal opinion of counsel as to the proper execution of the extension. Bank of America will cap any other related fees at \$2,400. If HAP were to seek an agreement with a different bank, associated costs such as bond legal review and other due diligence and legal fees could run as high as \$40,000 or more. Our consultant indicated that, under current market conditions, we may have a very difficult time finding another bank willing to issue a new Letter of Credit.

#### Risks and Opportunities

**Risks:** If the Housing Authority of Portland does not take swift action to renew the Letter of Credit, the Cecelia Partnership will be left with a variable interest rate on the bonds, which is in violation of the Limited Partner Agreement. In addition, the variable interest rate would be a substantial financial risk for the Partnership. There is also an associated annual risk of the renewal; this risk will continue until we are able to negotiate a longer-term credit instrument on acceptable terms to us.

**Opportunities:** In the event that market conditions improve at a future time, HAP will have the flexibility to negotiate more favorable terms for the Cecelia Partnership.

#### Conclusion/Recommendation

After careful consideration and research by members of the Development, Accounting, and Asset Management teams, we have crafted the resolution that follows, which we feel reflects the best option currently at HAP's disposal. Resolution 10-04-04 authorizes HAP

to renew with Bank of America for one year under the terms outlined in their offer letter dated January 19, 2010. The benefits of this approach are that it meets the credit enhancement requirements of our Limited Partner, Alliant Capital, our Trustee, Wells Fargo, and Bank of America, the party to our swap agreement. It also allows us to meet the fast-approaching deadlines associated with of all existing agreements while keeping associated costs low.





## RESOLUTION 10-04-04

**RESOLUTION 10-04-04 AUTHORIZES THE NEGOTIATION OF THE FEES AND TERMS RELATING TO AN EXTENSION OF THE LETTER OF CREDIT SECURING THE AUTHORITY'S VARIABLE RATE DEMAND REVENUE BONDS, 2004 (NEW COLUMBIA - CECELIA PROJECT); AUTHORIZING THE AMENDMENT OF THE TRUST INDENTURE AND OTHER DOCUMENTS RELATING TO THE BONDS IF AND AS NECESSARY IN CONNECTION WITH THE LETTER OF CREDIT EXTENSION; AND DETERMINING RELATED MATTERS**

**WHEREAS**, pursuant to Resolution No. 04-03-09 adopted March 16, 2004, the Housing Authority of Portland (the "Authority") issued its \$14,000,000 Variable Rate Demand Revenue Bonds, 2004 (New Columbia - Cecelia Project) (the "Bonds"); and

**WHEREAS**, payment of the debt service on the Bonds is supported by a Letter of Credit (the "Letter of Credit") issued by Bank of America, N.A. (the "Bank"), which Letter of Credit is due to expire on May 10, 2010; and

**WHEREAS**, it is necessary that the Letter of Credit be extended so that the bonds may remain outstanding; and

**WHEREAS**, the Bank has offered to renew the Letter of Credit on the terms set forth in a proposal letter dated January 19, 2010 (the "Proposed Letter");

**NOW, THEREFORE, BE IT RESOLVED:**

All capitalized terms used but not defined herein shall have the meanings assigned to those terms in Resolution No. 04-03-09.

1. The Executive Director of the Authority (the "Executive Director") is authorized to accept the Bank's offer to renew the Letter of Credit on the terms set forth in the Proposal Letter and to select the renewal term he deems most advantageous to the Authority.
2. The Executive Director is further authorized to execute and deliver any amendments or supplements to and/or replacements of the Indenture, the Remarketing Agreement, the Reimbursement Agreement, the Official Statement and other documents relating to the Bonds, if and as necessary in connection with the extension or replacement of the Letter of Credit. The obligations of the Authority under any new reimbursement agreement shall be secured by the General Revenues of the Authority

and, jointly on parity with the interest granted to the Trustee under the Indenture, all rights assigned by the Authority under the Loan Agreement.

3. Any action required by this resolution to be taken by the Executive Director may in his absence be taken by a duly authorized Deputy Executive Director of the Authority.

**ADOPTED: April 20, 2010**

**HOUSING AUTHORITY OF PORTLAND**

---

Lee E. Moore, Sr., Chair

**ATTEST:**

---

Steven D. Rudman, Secretary

## CERTIFICATE

I, the undersigned, the duly appointed and acting Executive Director and Secretary of the Housing Authority of Portland (the "Authority"), as keeper of the records of the Authority, CERTIFY:

1. That the attached Resolution 10-04-04 (the "Resolution") is a true and correct copy of the resolution of the Board of Commissioners of the Authority, as adopted at a meeting of the Authority held on the 20th day of April, 2010, and duly recorded in the minute books of the Authority.

2. That such meeting was duly convened and held in all respects in accordance with law, and, to the extent required by law, due and proper notice of such meeting was given; that a quorum was present throughout the meeting and a majority of the members of the Board of Commissioners of the Authority present at the meeting voted in the proper manner for the adoption of the Resolution; that all other requirements and proceedings incident to the proper adoption of the Resolution have been duly fulfilled, carried out and otherwise observed, and that I am authorized to execute this Certificate.

IN WITNESS WHEREOF, I have hereunto set my hand this 20th day of April, 2010.

### **HOUSING AUTHORITY OF PORTLAND**

---

Steven D. Rudman, Executive Director and Secretary

M E M O R A N D U M



DATE: April 20, 2010

TO: Board of Commissioners

FROM: Michael Andrews, Director, Development and Community Revitalization  
John Manson, Assistant Director, Construction Services

SUBJECT: Ratifies Intergovernmental Agreement with Multnomah County for  
Hollywood East Window Replacement  
10-04-05

The Board of Commissioners is requested to ratify an Intergovernmental Agreement (IGA) with Multnomah County for Hollywood East window replacement.

Background:

The purpose of the IGA is to combine Multnomah County and HAP resources to fund and implement window replacement at Hollywood East, a fourteen-story, 286-unit public housing building, constructed in 1969 and located in the Hollywood District of Northeast Portland. The existing windows are original construction.

Under the terms of the IGA, Multnomah County will contribute a \$642,000 weatherization grant and HAP will provide necessary funds to complete the work, estimated at \$876,000 including soft costs. Total project cost is approximately \$1.5 million. Multnomah County, as required by its weatherization program, retains responsibility for procurement of a window replacement contractor, contract execution, and administration. HAP's share of the construction cost will pass through to Multnomah County who will issue contractor progress payments after receipt of HAP's review and approval of work completed. HAP is responsible for product selection and design, in conformance with Multnomah County Weatherization Program requirements. HAP will review and approve contractor selection, and it will consult with Multnomah County staff on all aspects of contract administration. Multnomah County and HAP are jointly responsible for inspections.

Work will commence in May with project completion in the fall of this year. Multnomah County is committed to delivery of the work in accordance with HAP's construction schedule.

During the period 2005-09 the Multnomah County Weatherization Program benefited 854 HAP units by providing weatherization improvements valued at over \$2.3 million.

### Budget Implications and Financial Impact on HAP

In 2003 HAP listed Hollywood East window replacement as a priority capital need and noted that the windows are at the end of their useful life and a constant maintenance problem due to air and water infiltration. Installation of new energy efficient windows will result in a reduction in utility use and savings from decreased maintenance costs.

Multnomah County's weatherization grant covers 42% of the project cost which allows HAP to maximize the use of its capital grant funds. HAP's share of the cost is included in the current FY10 capital grant budget.

### Risks and Opportunities

Inadequate funding, cost overruns, project delay, contractor non-performance, and impact on residents are areas of concern for a project like Hollywood East.

Multnomah County received five bids for the work and it is in the process of evaluating the bids. The two lowest bids are within the pre-bid estimate. All firms who submitted bids are listed on Multnomah County's roster of pre-qualified window installers.

The work will start construction within budgeted resources which includes a 10% HAP controlled contingency to account for unforeseen conditions. HAP has engaged a third-party consultant to perform window testing and inspections, and assist HAP with quality control.

HAP's resident communications staff will manage resident notifications prior to start of work, and coordinate directly with residents as the work progresses.

Replacement of the existing windows allows HAP to leverage its capital grant funds and it will increase resident livability through a reduction in air and water infiltration.

As a condition of receipt of Multnomah County's weatherization funds, HAP has entered into a ten-year Property Use Agreement stating that 90% of the units will be occupied by residents with incomes less than or equal to 60% of statewide median income. In the event Hollywood East resident incomes exceed the Property Use Agreement limits within the next 10 years, HAP will be required to reimburse Multnomah County for a pro-rata share of the weatherization grant. The risk of exceeding the Property Use Agreement income limits is very low as the current average resident income is less than 30% of statewide median income with 2% of residents exceeding the 60% threshold.

### Conclusion/Recommendation

Staff recommends approval of Resolution 10-04-05.



## RESOLUTION 10-04-05

### RESOLUTION 10-04-05 RATIFIES AN INTERGOVERNMENTAL AGREEMENT BETWEEN HAP AND MULTNOMAH COUNTY THAT PROVIDES FOR WINDOW REPLACEMENT AT THE HOLLYWOOD EAST APARTMENTS

**WHEREAS**, the Housing Authority of Portland, Oregon (HAP) owns and operates Hollywood East Apartments, a 286-unit public housing property located in the Hollywood District of Northeast Portland; and

**WHEREAS**, the Hollywood East windows are at the end of their useful life and window replacement is consistent with the goals and priorities established in HAP's Public Housing Preservation Initiative; and

**WHEREAS**, Multnomah County operates a Weatherization Program that provides weatherization improvements to benefit low income residents in Multnomah County; and,

**WHEREAS**, HAP and Multnomah County have entered into an Intergovernmental Agreement (IGA) to jointly fund and manage Hollywood East window replacement; and

**WHEREAS**, the IGA provides for funding that includes \$642,000 in Multnomah County weatherization funds and a HAP contribution for the balance of the work estimated at \$876,000; and

**WHEREAS**, window replacement will be performed by a Multnomah County contractor and HAP will approve the window installation and contractor payments, and

**WHEREAS**, the window replacement will result in a benefit to HAP and the residents of Hollywood East; and

**NOW, THEREFORE, BE IT RESOLVED**, that the Board of Commissioners of the Housing Authority of Portland hereby ratifies the Intergovernmental Agreement between HAP and Multnomah County for replacement of Hollywood East windows.

**Adopted: April 20, 2010**

**HOUSING AUTHORITY OF PORTLAND**

---

Lee E. Moore, Sr., Chair

**Attest:**

---

Steven D. Rudman, Secretary