



hope. access. potential.



Four Steve Rudman Opportunity Scholarship Winners Meet with the Program's Namesake, Former Home Forward Executive Director, Steve Rudman.

## Board of Commissioners Meeting

Location:

Multnomah County Building  
501 SE Hawthorne Blvd  
Portland, Oregon 97214

Date & Time:

July 17, 2018  
6:15 PM

## **PUBLIC NOTICE:**



Home Forward  
BOARD OF COMMISSIONERS  
will meet on  
Tuesday, July 17, 2018  
At 6:15 pm  
At the Multnomah County Building  
501 SE Hawthorne Blvd.  
In the Board of Commissioners Room



**MEMORANDUM**

To: Community Partners

Date: July 11, 2018

From: Michael Buonocore, Executive  
Director

Subject: Home Forward Board of  
Commissioners July Meeting

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The Board of Commissioners of Home Forward will meet on Tuesday, July 17, 2018 at the Multnomah County Building, 501 SE Hawthorne Blvd., in the Board of Commissioners Room, at 6:15 P.M. The commission meeting is open to the public.

The meeting site is accessible, and persons with disabilities may call 503.802.8423 or 503.802.8554 (TTY) for accommodations (e.g. assisted listening devices, sign language, and/or oral interpreter) by 12:00 P.M. (noon), Friday, July 13, 2018.

# ***AGENDA***



**BOARD OF COMMISSIONERS MEETING**

**MULTNOMAH COUNTY BUILDING  
COMMISSIONERS BOARD ROOM  
501 SE HAWTHORNE BLVD.  
PORTLAND, OREGON**

**JULY 17, 2018 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**

Topic
Minutes of June 19, 2018 Board of Commissioners Meeting

**MISSION MOMENT**

Topic	Presenter
LIFT Urban Portland	Kim Gerhardt

**CONSENT CALENDAR**

Following Reports and Resolutions:			
18-07	Topic	Presenter/POC	Phone #
01	Authorize an Intergovernmental Agreement with the State of Oregon Department of Human Services to Continue Management Services for Community Integration Project Homes	Molly Rogers	503.802.8437

## REPORTS / RESOLUTIONS

Following Reports and Resolutions:			
18-07	Topic	Presenter/POC	Phone #
REPORT	Square Manor Post Project Evaluation Report	Jonathan Trutt Berit Stevenson	503.802.8507 503.802.8541
02	Authorize Change Orders to the NE Grand Contract	Jonathan Trutt Patrick Rhea	503.802.8507 503.802.8311
03	Authorize Alternative Procurement Findings for Fountain Place	Jonathan Trutt Berit Stevenson	503.802.8507 503.802.8541

### EXECUTIVE SESSION

The Board of Commissioners of Home Forward may meet in Executive Session pursuant to ORS 192.660(2), following their regularly scheduled Board of Commissioners meeting. 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 MEETING OF THE BOARD OF COMMISSIONERS

The August Work Session will be on Wednesday, August 8 at 5:30 PM. The meeting will take place at Home Forward, 135 SW Ash Street in the Columbia Room. The next Board of Commissioners meeting will be Tuesday, August 21, 2018 at 6:15 PM. This meeting will take place at the Multnomah County Building, 501 SE Hawthorne Blvd, in the Commissioners Board Room.

### ADJOURN

# ***MINUTES***



BOARD OF COMMISSIONERS MEETING  
HOME FORWARD  
501 SE Hawthorne Street—Portland, Oregon  
June 19, 2018

**COMMISSIONERS PRESENT**

Chair Miki Herman, Vice Chair and Treasurer Damien Hall, Commissioners Richard Anderson, Matthew Gebhardt, Wendy Serrano, Vivian Satterfield and David Widmark

**STAFF PRESENT**

Carolina Abdallah, Elise Anderson, Peter Beyer, Tim Collier, Dena Ford-Avery, Rachel Langford, Kitty Miller, Melissa Richardson, Kandy Sage, Celia Strauss, Jonathan Trutt

Chair Miki Herman convened the meeting at 6:15 PM.

**PUBLIC COMMENT**

Myra Harrell Flemming, resident of Medallion Apartments expressed concerns regarding the property manager. She described the staff member as intimidating, rude and confrontational. Flemming notes during a recent housekeeping inspection related to an eviction notice, she felt physically intimidated and requested another resident to be present as a chaperone. Additionally, Flemming emphasized she has no concerns with the assistant property manager, and that she feels excluded from the redevelopment process—that it feels as if there is an effort to remove residents in lieu of engaging them. She concluded her remarks by stating that it feels that the agency statement of trust and fairness is not being honored.

Chair Miki Herman responded that Home Forward staff will review the circumstances and follow up accordingly.

Tami Stewart, resident of Medallion Apartments provided public comment that Home Forward property management is ignoring her concerns. She reports having feces backing up into her bath tub, and that there is a brown fluid dripping from her bathroom ceiling.

She notes that since moving into Medallion her health has declined with multiple hospitalizations. She states having a reasonable accommodation request to transfer to a different home, however the apartment offered has mold. She also observes her alternate transfer offer would impact her relocation rights. She concluded her remarks that her service animal cannot be leashed in order to accommodate her disability. Stewart shared these concerns with her property manager without resolution. She feels that the property manager is disrespectful and she often overhears arguments between other residents and the property manager due to the proximity of her home to the manager's office.

Commissioner Miki Herman thanked Stewart for her comments and asked the appropriate Home Forward staff to work toward a resolution and follow up with the board of commissioners.

Cheryl Harvey, resident of Medallion Apartments provided public comment expressing her concerns with the property manager. She described a housekeeping inspection where the property manager requested the resident throw out her canned goods and groceries in order to comply with an eviction notice. Harvey also shared that her neighbor is violating the smoking policy without resolution. She notes a referral to a cardiologist as a result of the stress of engaging with the property manager of Medallion Apartments.

Commissioner Miki Herman answered that the appropriate Home Forward staff will look into the concerns and report back to the board of commissioners.

## **MEETING MINUTES**

### **Minutes of the May 15, 2018 Board of Commissioners Meeting by Conference Call**

Chair Miki Herman requested a motion authorizing approval of the minutes to the May 15, 2018 Board of Commissioners conference call meeting. Commissioner Matthew Gebhardt moved to adopt the minutes and Commissioner Wendy Serrano seconded the motion.

The vote was as follows:

- Chair Miki Herman—Aye
- Vice Chair/Treasurer Damien Hall—Aye
- Chair Emeritus David Widmark—Aye
- Commissioner Richard Anderson —Aye
- Commissioner Matthew Gebhardt—Aye
- Commissioner Vivian Satterfield—Abstained
- Commissioner Wendy Serrano—Aye

## MISSION MOMENT

### Steve Rudman Opportunity Scholarship

Rachel Langford introduced the Steven Rudman Opportunity Scholarship. Created in 2014 to honor Home Forward's former Executive Director it provides a renewable \$2,500 scholarship for two years. This year six recipients received the scholarship. Langford thanked Chair Miki Herman for her contributions to review applications. She introduced the recipients of this year's awards:

Piedad Yanez-Jaramillo, shared with the board of commissioners that the scholarship will allow her to pursue her bachelor's degree in business administration. She received her associates degree from Mt. Hood Community College and struggled to transition to a four-year program due to costs. She thanked the board for the opportunity and is honored to represent Home Forward.

Emelia Barrera, thanked the board of commissioners and Steve Rudman for the scholarship. She is excited to attend college to achieve a degree in business and musical theater. As a resident of Stephens Creek Crossing, she volunteered in a community theater at the property that promoted joy, inclusivity and community engagement. She hopes to continue the success of this program in her collegiate endeavors.

Hectoria Cherisme, testified that she is a single mom, enrolled at Mt. Hood Community College working toward an associate degree in addiction counseling. As a recipient of the scholarship she can put resources towards bills and books and alleviate the challenge of having to work and attend school.

Nasteho Abdirahman, stated that she is currently a sophomore at Portland State University, majoring in Youth and Violent Studies in the School of Social Work. She is one of nine children, and the scholarship means her family does not have to worry about schooling costs. She feels valued by the Home Forward community and plans to specialize in working with abused children.

Commissioner David Widmark emphasized that since the inception of the scholarship, recipients share a common thread in how they care for their community. He commended recipients and encouraged them to return and report to the board on their future accomplishments.

Commissioner Wendy Serrano echoed Commissioner Widmark's comments. She shared that a treasured part of the board of commissioner meeting's is the mission moment.

Commissioner Vivian Satterfield congratulated recipients. She urged recipients to pursue their dreams with this the little seed of scholarship assistance.

Vice Chair Damien Hall praised the recipients for their hard work.

Commissioner Matthew Gebhardt noted that pursuing higher education is difficult and expensive and it is impressive of recipients to pursue such socially minded goals.

Chair Miki Herman observed that recipients give hope. As the next generation, Home Forward counts on recipients to reinforce the work of community and caring.

Steve Rudman concluded the report by saying that the work of Home Forward has never been more important. He is honored and humbled to have a scholarship named in his honor. He commended the recipients for their service and wished them luck in their future endeavors.

#### CONSENT CALENDAR

RESOLUTION 18-06-01 Authorize Capital Grant Funds Acceptance

RESOLUTION 18-06-02 Authorize Oregon Department of Transportation (ODOT) Purchase of Hunter's Run Parcel

RESOLUTION 18-06-03 Ratification of the Tentative Collective Bargaining Agreement between Home Forward and the Building Trades Council

Celia Strauss read the title of the resolutions on the Consent Calendar. There being no questions, Chair Miki Herman requested a motion to approve. Commissioner Richard Anderson moved to adopt the Consent Calendar, Commissioner Matthew Gebhardt seconded the motion.

The vote was as follows:

- Chair Miki Herman—Aye
- Vice Chair/Treasurer Damien Hall—Aye
- Commissioner Richard Anderson —Aye
- Commissioner Matthew Gebhardt—Aye
- Commissioner Vivian Satterfield—Aye
- Commissioner Wendy Serrano—Aye
- Commissioner David Widmark—Aye

**RESOLUTION 18-06-04 Authorize Amendment to the Design Build Contract for Architect and Engineering Services for 85 Stories Group 6**

Development Director Jonathan Trutt requested the board of commissioners to authorize the Executive Director to amend the design/build contract between Home Forward and Walsh Construction Co., for the design phase at Medallion and Williams Plaza Apartments. Trutt observed that the request represents the second phase of the design/build contract. The agency finds the integrated approach of a design/build contract is the best value. The second phase progresses the contract into the design phase working with the selected design/build firm. The value of the authorization is approximately \$1.8 million to support design services. This process will leave dollars into the contract to cover construction costs, for which a subsequent resolution will be presented to the board of commissioners.

Vice Chair Damien Hall thanked Jonathan Trutt for his explanation and acknowledged the efforts to keep the project under budget, particularly in light of the lengthy construction timeline with moving costs.

There being no further questions or comments, Chair Miki Herman requested a motion to authorize the resolution. Commissioner Matthew Gebhardt moved to approve the resolution and Commissioner Richard Anderson seconded the motion.

The vote was as follows:

Chair Miki Herman—Aye  
Vice Chair/Treasurer Damien Hall—Aye  
Commissioner Richard Anderson —Aye  
Commissioner Matthew Gebhardt—Aye  
Commissioner Vivian Satterfield—Aye  
Commissioner Wendy Serrano--Aye  
Commissioner David Widmark—Aye

**RESOLUTION 18-06-05 Authorize Contract for Resident Relocation Services with Epic Land Solutions Inc., During the Renovations of Group 5 under the 85 Stories Project**

Jonathan Trutt presented a resolution requesting authorization to enter into a contract with Epic Land Solutions Inc., to provide relocation services at Tamarack and Schrunk Riverview Tower. Trutt reported that occupied rehabilitation of properties are labor intensive, and disruptive to resident's lives. The goal of relocation is to minimize disturbances to resident's lives. Relocation may last for a period of up to 7 weeks, placing residents in extended stay hotels. It is anticipated rehabilitation of Tamarack and Schrunk Riverview Tower may require relocation of up to 40 households at a time. This high volume

makes it unreasonable to hold units offline to shuffle residents through. In consideration to the labor and cost intensive process of relocation, Home Forward considered what parts should be maintained in-house.

Home Forward issued a request for proposals to manage the rehabilitation process all inclusively other than securing off-site housing. A review of responses to proposals indicated that securing off-site temporary housing is estimated to cost \$1.8 million, as a result. Home Forward is exploring other options such as master leasing apartments, using vacant units at each site to the fullest extent possible and constructing and owning modular units that could be used for future rehabilitation projects. Staff are actively working on a cost-benefit analysis, its outcomes will result in a resolution to be presented to the board of commissioners on the best means to proceed with relocation.

Commissioner David Widmark inquired if a similar approach in blocking units out at a structure may be practice as occurred during the occupied rehabilitations of Northwest Tower and Hollywood East. Trutt answered that in some cases as many as 20 households at a time may need to be relocated from one area due to the needs for seismic improvements.

Commissioner Widmark asked who handles responsibility for bedbug mitigation. Trutt noted that Epic will be responsible for bedbug mitigation.

Commissioner Wendy Serrano inquired when to anticipate the outcomes of the cost-benefit analysis of off-site housing options. Trutt said that the review should be complete by mid-August, staff are actively working to explore the logistics and land use components of incorporating 30 apartments into the existing New Columbia community, and how to permit this work. A preliminary analysis suggests that modular homes may be a cost neutral measure. An RFP may be issued to explore the accuracy of the predicted costs for modular home development.

Commissioner Matthew Gebhardt reported an extensive conversation of the READ Committee on the topic and asked if the approach only applies to residents of Tamarack and Schrunk Riverview Tower. Trutt answered that remaining properties face lower relocation costs and therefore less relocation needs. These relocations would be handled in-house by Home Forward.

Commissioner Mathew Gebhardt asked how relocation expenses are covered. Jonathan Trutt noted that relocation is a line item in the project budget.

Chair Miki Herman requested that the analysis also consider other potential uses for modular homes such as use by community stakeholders.

Commissioner Richard Anderson discerned that if the investment in modular homes is cost neutral compared to extended-stay rentals then an opportunity to add units to the portfolio may be missed.

There being no further discussion Chair Miki Herman requested a motion to authorize the resolution. Commissioner Richard Anderson moved to approve and Commissioner Wendy Serrano seconded the motion.

The vote was as follows:

- Chair Miki Herman—Aye
- Vice Chair/Treasurer Damien Hall—Aye
- Commissioner Richard Anderson —Aye
- Commissioner Matthew Gebhardt—Aye
- Commissioner Vivian Satterfield—Aye
- Commissioner Wendy Serrano—Aye
- Commissioner David Widmark—Aye

**ADJOURN**

There being no further business, Chair Miki Herman adjourned the meeting at 7:07 PM.

Attached to the Official Minutes of Home Forward 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.

Celia M. Strauss  
Recorder, on behalf of  
Michael Buonocore, Secretary

ADOPTED: JULY 17, 2018

Attest:

Home Forward:

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Michael Buonocore, Secretary

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Mary Ann Herman, Chair

# ***CONSENT CALENDAR***



**MEMORANDUM**

To: Board of Commissioners Date: July 17, 2018

From: Molly Rogers, Director of Asset Management  
503.802.8437 Subject: Authorize an IGA with the State of Oregon Department of Human Services to continue management services for Community Integration Project Homes  
Resolution 18-07-01

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The Board of Commissioners is requested to authorize an Intergovernmental Agreement (IGA) between the State of Oregon Department of Human Services (DHS) and Home Forward, collectively referred to as the “Parties.”

**ISSUE**

The Parties entered into an IGA on January 1, 2006 for the Community Integration Project (CIP) to support persons with developmental disabilities residing in group homes owned by Home Forward. The IGA expires on December 31, 2020. DHS is exercising its 30 days’ termination rights and is proposing a new IGA to continue funding four (4) group homes that will expire on June 30, 2020.

The State of Oregon, acting by and through its Department of Human Services (DHS) and its Office of Home and Community Supports, provides residential and other community-based services for persons with developmental disabilities. The State of Oregon invests resources from the General Fund appropriations and sale of Oregon General Obligation Bonds for the purpose of providing long-term housing to improve and expand community integration for this population under the Community Integration Project (CIP). The IGA obligates DHS to provide Home Forward with \$105,000 for operations of the CIP homes for the contract period.

Home Forward has been and will continue to manage CIP Homes in a manner that ensures exclusive use as homes for people with developmental disabilities who receive care from approved DHS service providers.

Home Forward leases four (4) CIP Homes of five (5) bedrooms each for a total of twenty (20) bedrooms exclusively to organizations selected and approved as service providers by DHS. Home Forward is required to maintain a written lease with the service providers at all times. The table below provides a summary of current master leased providers.

<b>Home Forward Leased CIP Homes</b>		
<b>Property</b>	<b>CIP Project</b>	<b>Lessee</b>
Hawthorne House	CIP5-02	State of Oregon--Department of Human Services
Madison House	CIP5-03	State of Oregon--Department of Human Services
Russell Street	CIP2-12	Center for Continuous Improvement
Taylor Group Home	CIP5-13	Dungarvin, Oregon LLC

Home Forward shall protect, preserve and maintain the property in good condition. In its leases with the service organizations (Lessee), Home Forward (Lessor) includes the following provisions for maintaining the property: inspections of interior and exterior structure and utility systems; ensuring a reasonable general physical appearance; landscaping of property; payment for utilities and services by lessee; and ensuring that the appliances are in good working order.

The renewed IGA between the State of Oregon and Home Forward is for \$105,000. The Home Forward Public Contracting Rules require Board authorization for contracts and amendments in excess of \$100,000.



## RESOLUTION 18-07-01

### RESOLUTION 18-07-01 AUTHORIZES AN INTERGOVERNMENTAL AGREEMENT WITH THE STATE OF OREGON THROUGH ITS DEPARTMENT OF HUMAN SERVICES

**WHEREAS**, State of Oregon, acting by and through its Department of Human Services (DHS) and its Office of Home and Community Supports, provides residential and other community-based services for persons with developmental disabilities. The State of Oregon invests resources from the General Fund appropriations and sale of Oregon General Obligation Bonds for the purpose of providing long-term housing to improve and expand community integration for this population under a Community Integration Project (CIP).

**WHEREAS**, Home Forward owns housing units or “CIP Homes” financed with state funds under a Community Integration Project (CIP). DHS and Home Forward each have an interest in assuring that these properties are well maintained and managed for the proper care of the residents and to protect the value of the real property. DHS and Home Forward agree that properties may only be added through the execution of an Amendment to this Agreement.

**WHEREAS**, DHS and Home Forward desire to continue this successful working relationship and have prepared an IGA to provide these services for a period effective once signed by all Parties and shall expire on June 30, 2020.

**WHEREAS**, Approval by the Board of Commissioners of Home Forward is required prior to execution of contracts or amendments exceeding \$100,000, and that this contract exceeds that limit.

**NOW, THEREFORE, BE IT RESOLVED**, that the Board of Commissioners of Home Forward hereby authorizes the execution of an IGA in the amount of \$105,000 with DHS for CIP programs for a term effective once signed by all Parties and shall expire on June 30, 2020.

ADOPTED: JULY 17, 2018

Attest:

Home Forward:

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Michael Buonocore, Secretary

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Mary Ann Herman, Chair

# ***SQUARE MANOR POST PROJECT EVALUATION REPORT***



**SQUARE MANOR** (Gladstone Square, Multnomah Manor)

## **POST-PROJECT EVALUATION REPORT**

**July 17, 2018**

In the spring of 2018, Home Forward successfully completed the renovations of Gladstone Square and Multnomah Manor. The rehabilitation budgets at both projects were significant. Consistent with our standard practice for large-scale rehabilitations, Development and Community Revitalization (DCR) staff utilized an alternative contracting method to complete the work. The alternative contracting method utilized at both Multnomah Manor and Gladstone Square was Design-Build, in which a general contractor leads an integrated team of design and construction professionals.

When Home Forward utilizes an alternate contracting method in place of the standard competitive low-bid process, DCR and the Procurement and Contracts department provide a Post-Project Evaluation Report to the Home Forward contract review board (the Board of Commissioners).

The report includes the following information:

- (a) The actual project cost as compared with original project estimates;
- (b) The amount of any guaranteed maximum price;
- (c) The number of project change orders issued by the contracting agency;
- (d) A narrative description of successes and failures during the design, engineering and construction of the project; and
- (e) An objective assessment of the use of the alternative contracting process as compared to the findings.

### ***The Actual Project Cost As Compared With Original Project Estimates***

As indicated by the chart below, DCR established an initial construction budget at \$6,000,000 for the two buildings, with programming and design expected to cost approximately \$500,000. Once work commenced, LMC, the Design-Build Contractor, identified a more extensive scope of work than DCR staff initially expected. The primary reason for the increase

in scope of work was the widespread failure of the sewer lines at Multnomah Manor. These sewer lines run underneath the slab foundations at the property’s multiple buildings. Replacing them required a labor-intensive process of cutting through the floors, subfloors and concrete foundations in ground floor units.

The cost of the additional work identified by LMC totaled approximately \$2.5 million, which Home Forward covered through the competitive selection of financing partners. Compared to our initial tax credit equity and debt projections, Home Forward raised an additional \$1.8 million in tax credit funding and \$0.7 million in permanent loan proceeds. Selection of a well-established Design-Build contractor such as LMC Construction allowed Home Forward to attract experienced financing and equity partners who delivered favorable terms and pricing.

<b>Project Budget Summary</b>	<b>Gladstone Square</b>	<b>Multnomah Manor</b>	<b>Total</b>
Assumed Project Budget	\$4,525,000	\$1,525,000	\$6,500,000
Actual Project Cost	\$4,944,804	\$4,112,883	\$9,057,687

In addition to the additional scope items identified at Multnomah Manor during the programming/design phase, the actual project costs also increased due to an unexpected delay obtaining HUD approvals for Multnomah Manor. This delay increased the preconstruction phase of the project by 9 months, at a direct cost of \$34,317. LMC successfully held its subcontractor pricing steady across this full time plan.

<b>Preconstruction and Construction Duration</b>	<b>Gladstone Square</b>	<b>Multnomah Manor</b>
Preconstruction Extended	9 Months	9 Months
Assumed Construction Duration	12 Months	7 Months
Actual Construction Duration	12 Months	12 Months

The budget for LMC supervision exceeded initial estimates for two primary reasons: (1) the sewer line-related additional scope, which lead to an extra five months of construction at Multnomah Manor and (2) the delay attributable to obtaining HUD approval. The chart on the following page is a comparison showing actual supervisory labor cost versus the initial estimate by the contractor presented in its RFP response. Actual supervisory costs increased by nearly \$300,000--a 51% increase compared to original estimates. This \$300,000 increase in supervisory costs represents 3% of the Guaranteed Maximum Price total design and construction costs of \$9,413,144.

Position	RFP Assumption	Actual Labor	Variation Difference
General Conditions			
Programming	\$13,380	\$78,921	\$65,541
Superintendents	\$351,000	\$396,725	\$45,724
Project Principal		\$30,895	\$30,895
Project Manager	\$105,750	\$207,935	\$102,185
Project Engineer	\$84,000	\$95,711	\$12,231
Prevailing Wage/Compliance Specialist	\$16,800	\$37,500	\$20,700
Safety Director		\$21,338	\$21,338
QA/QC Supervisor	\$14,400	\$15,400	\$1,000
Totals	\$585,330	\$884,425	\$299,614

*The Amount of Any Guaranteed Maximum Price (GMP)*

GMP Contract Summary	Gladstone Square	Multnomah Manor	Square Manor
Programming & Design			\$475,867
Construction Services	\$4,597,482	\$4,125,129	\$8,722,611
Change Order #1	\$121,666	\$93,000	\$214,666
Total:			\$9,413,144

At project completion, actual cost of the work was less than the GMP by \$355,457. This amount was not invoiced by LMC, and reverted to Home Forward per the terms of the construction contract.

*The Number of Project Change Orders Issued By the Contracting Agency*

Change Order Summary	Gladstone Square	Multnomah Manor	Square Manor
Change Order #1	\$121,666	\$93,000	\$214,667

As mentioned above, there was a single change order issued during the course of the project totaling \$214,667. Home Forward used these dollars to enhance the outdoor gathering and play areas at these two family properties.

*A Narrative Description of Successes and Failures during the Design, Engineering and Construction of the Project*

The primary public benefit realized on this project was the resident experience. Living through an occupied renovation project is difficult and disruptive. The Design-Build process allowed Home Forward to select a contractor with proven expertise and prior success with occupied

renovation. The contractor worked with the Home Forward relocation staff to schedule and carry out the work in a manner to minimize disruption and stress of the residents.

In addition, the use of a Design-Build contractor allowed for optimal participation by minority, women-owned and emerging small businesses (MWESB) and Section 3 businesses (together “target businesses”). Specifically, LMC utilized its strong relationships with target businesses to achieve outstanding participation results. As indicated in the chart below, LMC achieved 55.3% participation by MWESB subcontractors and 12.6% participation by section 3 contractors. These rates exceed the established goals of 20% and 10% respectively.

Gladstone Square & Multnomah Manor		
Item	Amount	%
Prime Contract Construction Award Amount	\$8,937,277.00	
All Sub-Contracts Awarded	\$5,546,501.00	62.1%
Combined Section 3 Awarded	\$1,127,807.00	12.6%
Combined DMWESB* Awarded	\$4,939,338.00	55.3%
Minority Business Awarded	\$2,570,325.00	28.8%
Women Business Awarded	\$944,140.00	10.6%
Emerging Small Business Awarded	\$998,728.00	11.2%
Disadvantaged Business Awarded	\$426,145.00	4.8%

\* Disadvantaged, Minority, Women and Emerging Small Businesses

***An objective assessment of the use of the alternative contracting process as compared to the findings***

The findings detailed the many advantages that the Design-Build procurement method brings to an occupied renovation project such as Square Manor. These advantages were evident as the project completed. Coordination between the design team and contractor early on lead to efficiencies and value engineering advantages. Coordination with relocation staff and residents resulted in minimized construction disruption. Change orders were limited and dealt with owner-directed changes that enhanced the properties. Selection of an experienced contractor lead to favorable financing terms, which increased available funds for the project. Lastly, as indicated above, due to the expertise of LMC, the project greatly exceeded its equity goals, resulting in meaningful participation by target businesses. The complexities of the project were well served by LMC, an experienced and highly qualified contractor selected based on both qualifications and costs.

# ***RESOLUTIONS***



**MEMORANDUM**

To: Board of Commissioners  
Date: July 17, 2018

From: Jonathan Trutt, Director,  
Development and Community  
Revitalization  
503.802.8507  
Subject: Authorize Change Order  
Amendment to Contract No.  
C1719 for NE Grand Development  
Resolution 18-07-02

Patrick Rhea, Project Manager,  
Development and Community  
Revitalization  
503.802.8311

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The Board of Commissioners is requested to authorize the Executive Director or his designee to authorize a change order to amend the O’Neill Walsh Community Builders (O’Neill Walsh) Design-Build contract for the NE Grand Development in an amount not to exceed \$203,771.

**ISSUE**

In July 2016, The Home Forward Board of Commissioners authorized Resolution 16-07-02, directing Home Forward to execute a Design-Build contract with O’Neill Walsh Community Builders (O’Neill Walsh) to design and construct 240 housing units, including 20 new project-based voucher units for survivors of domestic violence, and approximately 7,000 square feet of commercial space. This contract was later amended in September 2017, Resolution 17-09-03 by an amount of \$48,581,797 authorizing Home Forward to commence construction, bringing the total Design-Build contract to \$50,772,871.

This proposed change order of \$203,771 will amend the Design-Build contract by the following scopes of work and credits:

- Add-back List: Cameras and door controls \$319,671
- Site Conditions: Additional building foundation piles \$116,289
- Working Mat: Additional soil removal and replacement; Additional site laydown of rock and gravel. \$109,887
- Builder's Risk: eliminated seismic rider; premium cost reduction. (\$222,076)
- Subcontractor Performance Bond: deduct bond allowance for drywall subcontractor; owner covered under OWCB Performance Bond. (\$120,000)

As of the end of June 2018, there have been various change orders incorporated into the contract for a total amount of \$327,123. The remaining Owner's Contingency outside of the design-build contract is \$1,883,396. The current-status of the design-build contract is as follows:

NE Grand Development	Development Budget	DB Contract
Initial Contract Services:	\$ 2,346,086	\$ 2,191,074
Construction Budget	\$ 48,581,797	
GMP Amendment: Construction GMP Amendment: A/E Constr. Admin		\$ 47,831,797 \$ 750,000
<b>Sub-Total Design-Build Contract:</b>	\$50,927,883	\$ 50,772,871
Change Order 2: Demo of Existing Foundations		\$88,588
Change Order 3: Roof Upgraded to TPO		\$60,739
Change Order 4: Lighting Upgrades and Start Delay		\$87,265
Change Order 5: Add-backs (10) CIC's Misc.		\$90,531
Change Order 6: Current Request		\$203,771
<b>TOTAL Design-Build Contract:</b>		\$51,303,765
Owner's Contingency Outside of Contract:	\$ 1,883,396	



## RESOLUTION 18-07-02

RESOLUTION 18-07-02 AUTHORIZES THE EXECUTIVE DIRECTOR OR HIS DESIGNEE TO EXECUTE AN AMENDMENT TO CONTRACT NO. C1719 WITH O'NEILL/WALSH COMMUNITY BUILDERS FOR THE NE GRAND DEVELOPMENT IN THE AMOUNT NOT TO EXCEED OF \$203,771

**WHEREAS**, Home Forward, a housing authority and a public body corporate and politic of the State of Oregon, seeks to encourage the provision of long term housing for low-income persons residing in Multnomah County, Oregon; and

**WHEREAS**, ORS 456.065 defines "housing project" to include, among other things, "any work or undertaking . . . [t]o provide decent, safe and sanitary urban or rural housing for persons or families of lower income"; and

**WHEREAS**, in May 2016, the Portland Housing Bureau selected Home Forward to develop a new multi-family building through a competitive Notice of Funding Available (NOFA) process; and

**WHEREAS**, in July 2016, Home Forward executed a contract with O'Neill/Walsh Community Builders to be the Design-Build Contractor for this building; and

**WHEREAS**, in September 2017 Home Forward authorized the Guaranteed Maximum Price amendment of \$48,581,797 to be executed and the start of the construction phase; and

**WHEREAS**, Home Forward contracting rules require the Home Forward Board of Commissioners approval for contracts and contract amendments in excess of \$100,000;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Commissioners of Home Forward hereby authorizes the Executive Director or his designee to execute this amendment to the existing Design-Build contract in the amount not to exceed \$203,771.

ADOPTED: JULY 17, 2018

Attest:

Home Forward:

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Michael Buonocore, Secretary

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Mary Ann Herman, Chair



**MEMORANDUM**

To: Board of Commissioners Date: July 17, 2018

From: Jonathon Trutt, Director,  
Development and Community  
Revitalization  
503.802.8507

Berit Stevenson, Manager,  
Procurement and Contracts  
Department  
503.802.8541

Subject: Authorize Adoption of Findings  
based on the report of the  
Hearings Officer and approval of  
an exemption from competitive  
bidding for a Design-Build  
Contractor for Renovation Work at  
Fountain Place  
Resolution 18-07-03

The Contract Review Board is requested to consider and adopt findings based on Hearings Officer Berit Stevenson’s report (attached) on a proposed exemption from competitive bidding for the selection of a design-build contractor for the renovations planned at Fountain Place. Board action is necessary to conform to state statutes and Home Forward’s Contracting Rules which require that Home Forward develop draft exemption findings, hold a public hearing to take testimony on the findings, and adopt findings exempting a contract from competitive bidding.

**ISSUE**

In April of 2018, Home Forward responded to the Oregon Housing and Community Services (OHCS) 2018 Preservation Notice of Funding Availability (NOFA) of gap funding for existing affordable housing properties. The OHCS gap-funding request was awarded and the Fountain Place renovation project received a \$5 million gap grant. Additional project funding will be Home Forward equity and low-income housing tax credits (LIHTC). Development staff have determined a budget for design and construction costs for the project at \$11,290,000.

Fountain Place is a five story, 80-unit unreinforced masonry (URM) building with a daylight basement. There is a common area lobby and no on-site parking. The renovation needs of the building are primarily structural, but also include exterior improvements. The exact scope of work will be determined upon the completion of a programming phase. The building is located in the downtown central business district. The population of Fountain Place varies from workforce households to residents who require specialized services. Relocation of residents in all 80 units is anticipated due to the seismic work on this project. Because this project will require relocation of residents, is a constrained urban site, and has complications due to the URM and current changes in building code requirements related to URM projects, Home Forward Procurement and Development staff suggest the use of design-build for the renovation work at Fountain Place.

The design-build method features a single source of contracting for both design and construction services. Most often, this team is led by the general contractor who partners with an architect as a subcontractor. To utilize this contracting method, Oregon procurement law and Home Forward's Contract Review Board Rules require that draft findings be prepared that address the suitability of the proposed project to use an alternative contracting method or request for proposal (RFP) method. The Fountain Place project Findings are attached hereto. The draft findings are required to consider possible project cost savings and other public benefits, and to ensure the alternative method does not encourage favoritism or diminish competition. Once draft findings are prepared, a public hearing must be properly noticed and conducted to accept testimony and comment on the draft findings. Finally, the Home Forward Contract Review Board must consider and adopt the Findings and exempt the project from traditional competitive low-bid procurement.

Notice of a June 29, 2018 public hearing to receive testimony on the Findings in support of an exemption was published in the Daily Journal of Commerce on June 15, 2018. A copy of that notice is attached hereto. As indicated in the Hearings Officer Report, attached hereto, no members of the public attended the meeting and no testimony or comments were submitted.

Under the design-build contracting method, a design-build contractor is hired at the beginning of the project to develop a program, complete design work, and provide other pre-construction services such as project planning and coordination, scheduling, and

budget estimating. Once pre-construction services are complete, the project will move to the construction phase. All work included in these phases will be based on a guaranteed maximum price (GMP) which will be amended as the work proceeds from one phase to the next. Full performance and payment bonds are required of the design-builder.

A design-build contractor will be selected through a competitive RFP process that is open to all interested, qualified proposers. Selection criteria will include relevant experience with design and renovation work at similar occupied buildings, contractor fee, personnel committed to the project, commitment to Home Forward's goals for participation by target businesses and Workforce Hiring and Training programs, cost and schedule controls, and other factors. Utilization of the design-build process will allow Home Forward to select the most qualified contractor for both design and construction services by evaluating these selection criteria. This process is the best option and most likely to result in completion of the Fountain Place project in the most timely and cost effective manner with the least disruption to residents and neighbors.



## RESOLUTION 18-07-03

### RESOLUTION 18-07-03 AUTHORIZES ADOPTION OF THE FINDINGS, GRANTS AN EXEMPTION FROM COMPETITIVE BIDDING AND DIRECTS THE USE OF THE DESIGN-BUILD ALTERNATIVE CONTRACTING METHOD FOR USE ON THE FOUNTAIN PLACE RENOVATION PROJECT

**WHEREAS**, Home Forward staff have reviewed the capital needs and financing possibilities of Fountain Place and have determined that approximately \$11,290,000 of design and renovation work is needed to maintain the usefulness of the property,

**WHEREAS**, draft findings were prepared detailing the advantages of utilizing the design-build contracting method for this project, including that the method is unlikely to encourage favoritism and will likely result in cost savings and other public benefits,

**WHEREAS**, a public hearing was held on June 29, 2018 to accept public comment related to the draft findings. No public comment was received at this hearing.

**WHEREAS**, the Board has considered information related to procurement competition, financial implications, public benefits, value engineering, specialized expertise required, public safety, technical complexity, and funding sources, as described in the findings; and

**WHEREAS**, after considering the findings, the Board finds that it is unlikely that an exemption from competitive bidding will encourage favoritism or substantially diminish competition and awarding of a contract pursuant to the exemption will result in substantial cost savings and other public benefits to Home Forward;

**NOW, THEREFORE, BE IT RESOLVED**, that the Contract Review Board of Home Forward hereby adopts the Findings and grants an exemption from competitive bidding and directs the use of the design-build alternative contracting method for use on the Fountain Place Renovation Project.

ADOPTED: JULY 17, 2018

Attest:

Home Forward:

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Michael Buonocore, Secretary

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Mary Ann Herman, Chair

## **Findings – Exemption – Fountain Place Renovation**

### ***FINDINGS IN SUPPORT OF USE OF REQUEST FOR PROPOSALS AND THE DESIGN-BUILD METHOD***

#### **A. Alternative Contracting Exemption under Oregon Law**

Oregon law requires all contracts for public improvement projects be based on competitive bids unless the local contract review board grants an exemption under ORS 279C.335. ORS 279C.335 requires the public contract review board to approve two findings submitted by the agency: (1) that the exemption is unlikely to encourage favoritism in the awarding of public contracts or substantially diminish competition; and (2) awarding a public improvement contract under the exemption will likely result in substantial cost savings and other substantial benefits to the public agency.

For public improvement projects, ORS 279C.330 and 279C.335 provide that the agency must consider the type, cost and amount of the contract(s) and information regarding the following:

- a. Operational, budget and financial data;
- b. Public benefits;
- c. Value engineering;
- d. Specialized expertise required;
- e. Public safety;
- f. Market conditions;
- g. Technical complexity; and
- h. Funding sources.

The local contract review board also is required to consider the following items when evaluating whether award of a public improvement contract under the exemption will likely result in substantial cost savings and other substantial benefits to the public agency:

- a. How many persons are available to bid;
- b. The construction budget and the projected operating costs for the completed public improvement;
- c. Public benefits that may result from granting the exemption;
- d. Whether value engineering techniques may decrease the cost of the public improvement;
- e. The cost and availability of specialized expertise that is necessary for the public improvement;
- f. Any likely increases in public safety;
- g. Whether granting the exemption may reduce risks to the contracting agency or the public that are related to the public improvement;
- h. Whether granting the exemption will affect the sources of funding for the public improvement;

- i. Whether granting the exemption will better enable the contracting agency to control the impact that market conditions may have on the cost of and time necessary to complete the public improvement;
- j. Whether granting the exemption will better enable the contracting agency to address the size and technical complexity of the public improvement;
- k. Whether the public improvement involves new construction or renovates or remodels an existing structure;
- l. Whether the public improvement will be occupied or unoccupied during construction;
- m. Whether the public improvement will require a single phase of construction work or multiple phases of construction work to address specific project conditions; and
- n. Whether the contracting agency or state agency has and will use contracting agency personnel, consultants and legal counsel that have necessary expertise and substantial experience in alternative contracting methods to assist in developing the alternative contracting method that the contracting agency will use to award the public improvement contract and to help negotiate, administer and enforce the terms of the public improvement contract.

## **B. Background Information**

In April of 2018, Home Forward responded to the Oregon Housing and Community Services (OHCS) 2018 Preservation Notice of Funding Availability (NOFA) of gap funding for existing affordable housing properties. The OHCS gap funding request was awarded and the Fountain Place renovation project received a gap grant and a LIHTC loan, for a total budget of \$11.29 million.

Fountain Place is a five story, 80-unit unreinforced masonry (URM) building with a daylight basement. There is a common area lobby and no on-site parking. The renovation needs of the building are primarily structural, but also include exterior improvements. The exact scope of work will be determined upon the completion of a programming phase. The building is located in the downtown central business district. The population of Fountain Place varies from workforce households to residents who require specialized services. Relocation of residents in all 80 units is anticipated due to the seismic work on this project. Because this project will require relocation of residents, is a constrained urban site, and has complications due to the URM and current changes in building code requirements related to URM projects, Home Forward Procurement and Development staff suggest the use of design-build for the renovation work at Fountain Place.

## C. Findings

### 1. Appropriate alternative contracting methods will be used.

The qualifications-based request for proposals (“RFP”) process for selecting a contractor for this contract falls squarely within the purview of ORS 279C.335(2) because the process is competitive and a contractor will be selected based not only on price but on their ability to best complete the project. The qualifications-based RFP approach is widely used and recognized as one of the preferred alternative approaches where, as here, the project is technically complex, time-constrained, and involves renovation work in an occupied structure. In addition, time-constrained renovation projects are often targeted for the RFP process (rather than the competitive bid process) because of the intricacies related to the short schedule and extensive coordination issues that arise in such projects. Home Forward anticipates using a one-step RFP process for this solicitation, contracting with a general contractor who will be responsible for both design and construction activities.

### 2. No favoritism or diminished competition.

To assure Home Forward’s Board of Commissioners that this exemption does not encourage favoritism or substantially diminish competition, a well-defined, competitive procedure will be followed to select a contractor for this public improvement contract.

The steps taken to ensure maximum competition and fair opportunity for this public improvement contract will include advertisements in the Daily Journal of Commerce, postings on Home Forward’s internet webpage, and State of Oregon procurement website (aka ORPIN). Further steps include direct outreach to qualified design-build contractors, scheduling pre-proposal conferences, and appointment of unbiased evaluation committees that will consider proposals received utilizing the criteria identified in the RFP. Home Forward staff believes that market conditions are such that many of the same contractors who would bid the project under a traditional competitive bid procurement will compete in the qualifications-based RFP process.

Additionally, during the subcontractor bidding phase of the project, outreach to the minority, women-owned, and emerging small business (“MWESB”) and Section 3 community will be conducted to inform this audience of bidding opportunities. This outreach involves direct solicitation to State of Oregon and City of Portland certified firms and notice to all relevant business and support organizations. Home Forward will require good faith efforts in the outreach of sub-contracting opportunities to MWESB and Section 3 businesses. Historically, achievement of the 10% construction business and 3% professional business Section 3 goal has been more even more difficult to achieve due to the reduced number of Section 3 certified firms. Notwithstanding this challenge, Home

Forward staff and project partners will continue to work diligently to accomplish maximum MWESB and Section 3 participation.

By marketing this opportunity and working to notify all likely potential respondents, Home Forward will implement a process that does not encourage favoritism in the awarding of this public contract nor substantially diminish competition. Use of alternative contracting method will also allow Home Forward to identify prime contractors prior to award of any construction subcontracts so that Home Forward can work with the contractor to maximize opportunities for participation by all potential subcontractors, including minority and women-owned and Section 3 businesses.

In addition, Home Forward will form evaluation committees to review the prospective contractors' proposals in detail, conduct interviews if desired, and make recommendations for awards based on specific evaluation criteria set forth in the RFP.

The evaluation criteria may include, among other things, consideration of the contractor's background, references, experience, capacity, personnel, client relations, schedule, quality control, and problem and solution identification. In addition, the proposals will include, where appropriate, an evaluation of the contractors' fee proposals for providing preconstruction services and overhead and profit fee rates for performing construction work. The evaluation criteria will be used by the committees to score proposals using a scoring system that quantifies the value for each criterion and assures that proposers are fairly evaluated based on criteria set forth in the RFP.

3. Awarding a public improvement contract under the exemption will likely result in substantial cost savings and other substantial benefits to the public agency.

Home Forward's experience is that competitive-bid contracting for work of this nature is likely to result in numerous change orders and increased costs through claims. Construction delays can occur when the design requires "re-working" after a contractor is identified and when the maximum amount of benefits from value engineering are not realized. A competitive request for proposals resulting in a design-build contract will allow Home Forward to select a contractor based upon criteria in addition to price. It will allow selection of a contractor whose proven experience matches the nature of the required work, in both the design and the construction phases. Design-build contracts are more easily structured to accommodate variable and changing conditions while minimizing costly, distracting, and disruptive change orders and claims.

By involving the contractor during design, Home Forward has the capacity to obtain real-time market pricing information. This pricing will facilitate more accurate assessment of design options and maximize opportunities for value

engineering, resulting in cost savings that cannot be achieved by the traditional competitive-bid process. The single source of responsibility for both design and construction activities that is available when a design-build contract is employed will reduce claims and thus reduce costs. Finally, the involvement of the design-build contractor will allow phasing of the bidding and construction more effectively. This will significantly mitigate schedule impacts with a resulting cost savings in material/labor inflation and construction general conditions.

As the analysis of each of the below factors shows, award of this contract pursuant to an exemption will result in substantial cost savings and other substantial benefits to Home Forward.

a. *How many persons are available to bid.*

Beyond the finding that many of the same contractors would bid on the project if it were competitively bid, this factor has no application because there are numerous contractors that would be interested in submitting bids or proposals for this project.

b. *The construction budget and the projected operating costs for the completed public improvement.*

The project budget was prepared by Development staff and totals approximately \$11,290,000. As the contract is established, the project budget will become fixed by a Guaranteed Maximum Price (GMP) negotiation, including limited contractor's contingencies. The budget will likely include a variety of public sources including Low Income Tax Credits, Home Forward equity, and the OHCS gap grant. Home Forward will be able to minimize the risk of design changes, construction delays, and claims to control the project budget more effectively with a design/build contractor. In addition, design-build contracts provide a single source of liability for both design and construction activities and a proven approach for containing costs by establishing a single point of responsibility for both design and construction services. This alternative approach allows the construction contractor's input simultaneous with design and will facilitate development of construction plans that minimize costs and impacts related to delayed construction schedules, bidding, and materials procurement. In addition, the contractor can provide real-time market pricing that will assist in design decisions. Lastly, the scope of work is uncertain and will benefit from the close collaboration between the designer and the contractor during the programming and design phases and result in a better and more complete scope of work, resulting in a better and more cost-effective final product.

Furthermore, during constructability reviews, the selected contractor will review long-term operating costs and advise Home Forward regarding the operational advantages and disadvantages associated with design alternatives. An evaluation

of these alternatives will result in a project with lower long-term operating and maintenance costs.

c. *Public benefits that may result from granting the exemption.*

Due to existing building occupancy, plans for work contemplated at this property will require considerable flexibility daily to accomplish the desired results. A realistic, cost-effective construction approach that addresses these critical needs is necessary. Project complexities include an occupied work site that will require relocation of residents. Project financing will dictate constricted schedules. Home Forward and the contractor must develop a plan before the start of construction that will allow the contractor to meet schedule imperatives while completing the required renovations and minimizing disruptions to residents and the surrounding neighbors and community.

In addition, collaboration with a qualified design-build contractor early in the project schedule allows the development of practical approaches that achieve high levels of participation by minority, women-owned and emerging small businesses, as well as Section 3 business, and allows collaboration with pre-apprenticeship programs to grow workforce opportunities.

Use of an alternative contracting method will allow Home Forward to identify contractors who can work with the public and maximize public benefits for this project. Design-build contracts allow contractors to participate in the design process thereby resulting in the development of a safe and effective construction sequences that minimize disruptions to building occupants and neighboring properties. Their valuable advice during design will result in better repairs and renovation to the property. A shortened construction term will result in benefits to residents, nearby businesses and neighboring property owners. The public interests of maximizing participation of minority, women-owned and emerging small businesses and Section 3 businesses will be enhanced by use of the design-build alternative process.

d. *Whether value-engineering techniques may decrease the cost of the public improvement.*

Construction contractor input during the early design phase will facilitate the value engineering process. Options can be considered while the design is being finalized and with minimal issuance of change orders during construction. Since the contractor is directly involved in value engineering evaluations, unrealistic or impractical options can be dismissed quickly when appropriate. When it occurs, value engineering on competitively bid projects typically results in increased design costs because the completed design must be revised to accommodate the changes that result from value engineering. These additional costs may be avoided or limited under the design-build delivery method.

Construction contractor input during design will provide the optimal value engineering process. The design-build project delivery method allows the construction contractor to work directly with the design team during the design process to incorporate value-engineering ideas in the most timely and efficient manner, resulting in lower project costs to Home Forward.

- e. *The cost and availability of specialized expertise that is necessary for the public improvement.*

Design-builder expertise in working with similar projects in size, scale and complexity of the proposed repairs, experience in coordinating relocation, working within constrained right of way and urban environments, and maintaining robust flexibility in daily planning are all requirements at this property.

A design-build project delivery method will allow Home Forward to identify contractors with the special expertise required. The competitive-bid process does not ensure that the needed special expertise will be procured, because prospective bidders need meet only limited responsibility criteria. A design-build contract is the best method to incorporate the flexibility needed to quickly respond to changing plans and conditions that are the hallmark of occupied renovation work within urban construction sites. The ability to consider each proposer's degree of expertise in these areas is an integral component of the proposal evaluation process.

- f. *Any likely increases in public safety.*

This contract will require the utmost attention to public safety as the risks associated with construction activities increase in urban neighborhoods and when the work site remains occupied. Surrounding neighbors include dense residential buildings, critical social services, businesses, and busy transit ways. At this site, the construction sequencing will require changes to existing pedestrian and vehicular traffic patterns.

The property is currently occupied and will require some level of resident coordination, including relocation. Some residents are elderly and disabled persons who require additional assistance and consideration as they go through a construction project requiring some level of relocation. Construction-generated staging, delivery, and parking activity will need to be considered in a comprehensive construction traffic safety and mitigation plan. Constant attention to needs of residents, neighbors and construction crews is crucial to maintaining a safe working and living environment for the residents, workers and the public.

The contractor's actual safety performance on similar past projects is critical and will be evaluated as part of the proposal review process. A competitive design-

build procurement affords Home Forward the best opportunity to select contractors with proven, successful safety records.

- g. *Whether granting the exemption will affect the sources of funding for the public improvement.*

Construction of this project will be funded through a variety of sources including Home Forward equity, the OHCS gap grant and the sale of Low Income Housing Tax Credits. To ensure award of Tax Credits, a highly experienced and reputable general contractor is advantageous. In addition, this type of finance requires reporting of construction costs using a certain method. A contractor that is selected under the competitive bid process may not have the experience necessary to support the Tax Credit financing.

Selection of a well-established, experienced design-build contractor would assist in attracting Tax Credit equity partners and the participation of lenders. The quality of the selected contractor and their proven ability to meet schedule requirements will help attract better pricing for private financing. The level of reporting and segregation of costs needed to support Tax Credit financed projects is substantial. Experience at these tasks will support the overall success of the project.

- h. *Whether granting the exemption will better enable the contracting agency to control the impact that market conditions may have on the cost of and time necessary to complete the public improvement.*

Market conditions for residential construction in the Portland metro area are extremely busy, with rising construction costs and a tight labor market. General contractors can be much more selective in the work they pursue. It will be important to package this work in the most attractive manner to draw quality contractors and to eliminate as many barriers as possible.

Competitive design-build procurements will better enable Home Forward to manage construction bid risks within a robust construction market. Home Forward is more likely to attract experienced and capable general contractors using the design-build method. In addition, the design-build method provides the advantage of real-time market pricing during design to inform material and equipment selection. Design-build will also allow Home Forward to collaborate with the contractors concerning items such as subcontractor and supplier buy-out strategies and value engineering. Use of a competitive-bid approach in a tight or rising cost construction market increases the risk bids will exceed budget, with limited options to address overages through scope reductions. When bids exceed budget, it causes delay and budget problems as staff work to find solutions to make the project viable. Any delays translate into additional costs due to increasing construction material costs and other associated costs. Use of a design-

build delivery method will enable Home Forward to better respond to market conditions in a manner that results in a lower-cost project.

- i. *Whether granting the exemption will better enable the contracting agency to address the size and technical complexity of the public improvement*

The work contemplated by this project will be complex in its investigatory phase to arrive at final scope and coordination requirements due to the occupied nature of the property, equity contracting goals, urban setting, required experience with unreinforced masonry, and the necessity for a highly effective construction safety and mitigation plan. For example, performing work in occupied buildings involves complex phasing to ensure that critical life safety and other building systems remain operational during construction. The contractor will be required to perform work daily in accordance with a schedule that meets contract deadlines driven by financing, and the needs of residents and neighbors. In addition, this project requires a structural engineer who understands unreinforced masonry buildings and the recently modified building codes related to URM structures. Selection of a contractor and their design team with demonstrated experience and success on similar projects will result in substantially lower risk to Home Forward, building occupants, and the public generally.

Beyond the minimum requirements for bidder responsibility, a competitive-bid procurement does not permit an in-depth evaluation of a contractor's technical qualifications or proven ability to address complex technical issues. Such issues include work in a URM structure, needs of residents and neighbors, and participation by target MWESB and Section 3 businesses. Use of a request for proposals for the design-build method—which will include several evaluation criteria in addition to price—allows Home Forward to evaluate a contractor's experience in similar work, including on-time performance, community, resident and governmental coordination, technical aspects of URM buildings, and equity contracting requirements.

- j. *Whether the public improvement involves new construction or renovates or remodels an existing structure.*

As discussed above, this project involves seismic and exterior renovations of an existing urban and older building. There are a considerable number of uncertainties and technical complexities associated with this type of work due to the nature of renovating older buildings on constrained sites. For example, renovation projects frequently involve work in areas that were concealed or inaccessible during the design phase. When construction work commences, design and construction limitations in these previously inaccessible areas may be revealed, requiring additional design work and re-sequencing of work while revised designs are being prepared.

Because of these uncertainties, the opportunity to select the most qualified contractor, considering many factors, will help anticipate and avoid project problems and, as a result, realize substantial cost savings over the traditional competitive bid procurements where bid price is the only factor. In addition, the ability to perform so-called “early work” under a design-build contract may uncover latent conditions at the project site, enabling project designers to efficiently address design changes during the design phase, rather than during the construction phase.

The qualifications-based RFP process will allow the Home Forward to give appropriate weight to proposers that are skilled and experienced in performing similar renovation work. Because of the nature of the renovation work, including but not limited to the potential for encountering latent conditions, it will be critical for Home Forward to select a contractor with significant experience in renovation and remodel projects.

- o. Whether the public improvement will be occupied or unoccupied during construction.*

As discussed above, this project will be partially or entirely occupied during construction. Accordingly, the project must continue to operate safely and be open to residents during construction. Use of the design-build delivery method will enable the project contractor to work with project designers, property managers and Home Forward during the project’s design phase to identify and resolve potential conflicts and coordination issues related to occupation of the project during construction. These efforts include without limitation developing construction staging plans, access corridors, and phasing plans to mitigate potential impacts on project occupants. Under a competitive-bid procurement, these types of pre-construction impact mitigation efforts on the part of the contractor are not possible. Home Forward expects that such mitigation efforts will increase efficiency and foster better relationships with building occupants, resulting in greater occupant satisfaction and cost savings.

- p. Whether the public improvement will require a single phase of construction work or multiple phases of construction work to address specific project conditions.*

While the project will generally be constructed in a single phase, the relocation required may dictate phasing of construction work by floors or groups of floors. In addition, the ability of the contractor to perform “early work” before the design is completed, will allow the project to be completed earlier. Moreover, where appropriate, early work may be performed to investigate concealed conditions and potentially uncover latent conditions that could impact the project’s design, thus avoiding costly re-design work and change orders.

- q. *Whether the contracting agency has retained under contract, and will use contracting agency personnel, consultants and legal counsel that have necessary expertise and substantial experience in alternative contracting methods to assist in developing the alternative contracting method that the contracting agency will use to award the public improvement contract and to help negotiate, administer and enforce the terms of the public improvement contract.*

Home Forward staff has significant experience completing similar projects using the design-build project delivery method. Home Forward also has retained legal counsel and will retain consultants and designers with the necessary qualifications and expertise to negotiate, administer and enforce the terms of the public improvement contract.

- r. *Funding sources*

Construction of this project will be funded through a variety of sources including Home Forward equity, the OHCS gap grant and the sale of Low Income Housing Tax Credits. To ensure receipt of Tax Credit financing, a highly experienced and reputable general contractor is advantageous. In addition, this type of finance requires reporting of construction costs using a certain method. A competitive-bid contractor may not have the experience necessary to support the Tax Credit financing and financial reporting of construction costs.

Selection of a well-established, experienced design-build contractor would assist in attracting Tax Credit equity partners and the participation of lenders. The quality of the selected contractor and their proven ability to meet schedule requirements will help attract better pricing for private financing. The level of reporting and segregation of costs needed to support Tax Credit financed projects is substantial. Experience at these tasks will support the overall success of the project.

## **E. Contract Terms and Conditions**

The technical complexities and uncertainties of this project make it critical for the contract to contain specific terms and conditions that will increase efficiency and result in reduced costs. The project contract will be prepared by the Procurement staff in consultation with legal counsel. The contract will contain, among other things, provisions for insurance, indemnification, payment and performance bonds, and requirements of Oregon Revised Statutes chapter 279C.

## **F. Reservation of Rights**

ORS 279C.335(6) provides that the representations in and the accuracy of these findings are the basis for the exemption if adopted by a Board of Directors resolution. These findings also describe, to some extent, anticipated features of the resulting public

improvement contract, but the final parameters of this contract are those characteristics that will be announced in the solicitation documents, and Home Forward specifically reserves all of its rights in this regard.

## **G. Recommendation**

A request for proposals competitive procurement for a design-build contractor is the preferred option for contract. Competitive procurements will ensure that the selected contractor has the experience, expertise, and past performance to position this project for success. Having the design-build contractor collaborate in the design effort will yield the most cost-effective and practical choices in design options while still allowing Home Forward to retain control of the design and costs. Perhaps most importantly, a design-build contract will provide the flexibility to maintain minimal disruption to the community and residents, while meeting critical contract time frames established by the Tax Credit financing. Lastly, the competitive procurement processes will include practices to ensure that meaningful competition occurs and that favoritism is not an element of the selection. All these factors will assist Home Forward in achieving a fair and equitable selection of a contractor that will deliver both good design and successful repairs and renovation to the Fountain Place property with minimal public impacts at the least total construction costs and within the most beneficial schedule. Home Forward staff therefore recommends adoption of a resolution exempting this contract from the competitive bid requirements and authorizing the use of design-build based selection process for the renovation of the Fountain Place building described in these findings.

AFFIDAVIT OF PUBLICATION

# DJC



921 S.W. Washington St. Suite 210 / Portland, OR 97205-2810  
(503) 226-1311

STATE OF OREGON, COUNTY OF MULTNOMAH--ss.

I, **Michelle Ropp**, being first duly sworn, depose and say that I am a **Principal Clerk** of the **Daily Journal of Commerce**, a newspaper of general circulation in the counties of CLACKAMAS, MULTNOMAH, and WASHINGTON as defined by ORS 193.010 and 193.020; published at Portland in the aforesaid County and State; that I know from my personal knowledge that the Goods and Services notice described as

**Case Number: NOT PROVIDED**  
**Fountain Place Project**  
**Home Forward; Bid Location Portland, OR, Multnomah County;**

a printed copy of which is hereto annexed, was published in the entire issue of said newspaper for 1 time(s) in the following issues:

6/15/2018

State of Oregon  
County of Multnomah

SIGNED OR ATTESTED BEFORE ME  
ON THE 15th DAY OF June, 2018

Michelle Ropp

Notary Public-State of Oregon

**NOTICE OF PUBLIC HEARING**  
In accordance with ORS 279C.335(3), a public hearing will be held at:  
9:30 a.m., PST  
June 29, 2018  
Metolius Room - 5th floor  
135 SW Ash Street  
Portland, OR 97204

For the purpose of taking public comments on an exemption from competitive bidding requirements for a design-build contract related to the Fountain Place project.

Draft findings are available at the offices of Home Forward:  
135 SW Ash Street  
Portland, OR 97204  
Procurement and Contracts  
Department, 5th Floor  
8:30 a.m. to 5:00 p.m.,  
Monday through Friday  
Call (503) 802-8562 for further information

Published Jun. 15, 2018. 11572151



**Dzana Hrustic**  
**Home Forward**  
135 SW Ash St  
Portland, OR 97204-3511

Order No.: 11572151  
Client Reference No:



**HEARINGS OFFICER'S REPORT**  
**AS REQUIRED BY HOME FORWARD**  
**CONTRACT REVIEW BOARD RULES OAR 137-049-0600 AND**  
**ORS 279C.330 AND ORS 279C.335**

**REGARDING**

**Exemption from competitive bidding requirements for a Construction Contract for  
Renovation at Fountain Place Apartments**

As required by ORS 279C.330 and ORS 279C.335, the undersigned duly appointed Hearing Officer convened a public hearing at 9:30 a.m. on June 29, 2018, at 135 SW Ash, 5<sup>th</sup> Floor, Metolius Room, Portland Oregon, 97204. The hearing was held to present and receive public comment on an exemption from competitive bidding for a construction contract for renovation work at Fountain Place Apartments. An affidavit of the Notice of Public Hearing is attached.

On June 15, 2018, Home Forward noticed the public hearing and made the proposed finding available to the public. The findings were also made available at the hearing. No members of the public attended the hearing or provided comment.

Dated:

July 6, 2018

Attested:

B. Stevenson

Hearing Officer  
Berit Stevenson

# STAFF REPORTS

**Procurement & Contracts Department  
MONTHLY CONTRACT REPORT  
Contracts Approved 05/01/18 - 06/30/18**

PUBLIC IMPROVEMENT  
(CONSTRUCTION & MAINTENANCE SERVICES)

Contract #	Amend #	Contract Type (Hide)	Contractor	Contract Amount	Description	Dept.	Execution Date	Expiration Date
C2007	0	Public Improvement	First Cascade Corporation	\$ 325,804.00	Repainting at Humboldt Gardens	DCR	5/15/2018	10/14/2018
C2048	0	Public Improvement	Thanh Do	\$ 4,375.00	Restoration at NW Tower units #157 and #159	Property Management	6/26/2018	7/21/2018
<b>Subtotal</b>				<b>\$ 330,179.00</b>				<b>2</b>

GOODS & SERVICES

Contract #	Amend #	Contract Type (Hide)	Contractor	Contract Amount	Description	Dept.	Execution Date	Expiration Date
C1961	0	Goods and Services	Performance Systems Integration (PSI)	\$ 26,349.83	Fire safety services at 12 properties	Property Management	5/4/2018	5/6/2019
C2019	0	Goods and Services	Charter Mechanical	\$ 3,368.00	Waste stack clean out and pull toilet and reset at winchell court. Cut waste lines in basement for sewer cleanout at camera work at camelia court	DCR	5/11/2018	7/2/2018
C2034	0	Goods and Services	EngAGE, inc	\$ -	One semester of storytelling classes at 3 Home Forward sites	Community Services	6/1/2018	12/31/2018
C2040	0	Goods and Services	NW Enforcement	\$ 3,000.00	Security Services for Celilo Court	Property Management	6/5/2018	9/30/2018
C2038	0	Goods and Services	ValleyScapes Landscape Solutions	\$ 58,692.00	Landscaping services for Tamarack, Eliot Square, Camelia Court, Maple Mallory	Property Management	6/7/2018	6/30/2019
C2041	0	Goods and Services	Mountain View Tree Service	\$ 3,850.00	Tree service at Dekum, Carlton, and Celilo	Property Management	6/11/2018	8/15/2018
C2042	0	Goods and Services	Rich's Tree Service	\$ 3,185.00	Tree removal at Eliot Square	Property Management	6/20/2018	7/15/2018
C2046	0	Goods and Services	NW Enforcement	\$ 10,749.96	Security Services for Schrunck	Property Management	6/20/2018	6/14/2019
C2047	0	Goods and Services	NW Enforcement	\$ 10,749.96	Security Services for Dahlke	Property Management	6/20/2018	6/30/2019
<b>Subtotal</b>				<b>\$ 119,944.75</b>				<b>9</b>

PERSONAL SERVICE CONTRACTS

Contract #	Amend #	Contract Type (Hide)	Contractor	Contract Amount	Description	Dept.	Execution Date	Expiration Date
C2014	0	Personal Service	Pegasus Social Services	\$ 10,000.00	On-call housekeeping services for Home Forward residents	Community Services	5/3/2018	4/30/2019
C2012	0	Personal Service	Elizabeth Bradley (E.B.) Ferdig	\$ 1,200.00	Chair yoga at Dahlke Manor	Community Services	5/11/2018	12/31/2018
C2020	0	Personal Service	ABHT Structural Engineers LLC	\$ 5,000.00	structural engineering - richmond place shearwall retrofit	DCR	5/16/2018	7/7/2018
C2016	0	Personal Service	Sunghee Chung	\$ 5,000.00	Providing haircuts to residents at Dahlke, Grace Peck, Holgate House, Rosenbaum, and Unthank Plaza	Community Services	5/17/2018	12/31/2019
C2022	0	Personal Service	TRC Environmental Corporation	\$ 1,440.00	Short-term radon in air testing at Bel Park	DCR	5/22/2018	8/31/2018
C2023	0	Personal Service	TRC Environmental Corporation	\$ 2,475.00	Short-term radon in air testing at Maple Mallory	DCR	5/22/2018	8/31/2018
C2024	0	Personal Service	TRC Environmental Corporation	\$ 1,825.00	Short-term radon in air testing at Schrunk tower	DCR	5/22/2018	8/31/2018
C2025	0	Personal Service	TRC Environmental Corporation	\$ 2,225.00	Short-term radon in air testing at Eliot Square	DCR	5/22/2018	8/31/2018
C2026	0	Personal Service	TRC Environmental Corporation	\$ 2,545.00	Phase I environmental site assessment at Maple Mallory	DCR	5/22/2018	12/31/2018
C2027	0	Personal Service	TRC Environmental Corporation	\$ 2,695.00	Phase I environmental site assessment at Eliot Square	DCR	5/22/2018	12/31/2018
C2028	0	Personal Service	TRC Environmental Corporation	\$ 2,395.00	Phase I environmental site assessment at Bel Park	DCR	5/22/2018	12/31/2018
C2029	0	Personal Service	TRC Environmental Corporation	\$ 2,695.00	Phase I environmental site assessment at Schrunk Tower	DCR	5/22/2018	12/31/2018
C2030	0	Personal Service	TRC Environmental Corporation	\$ 1,550.00	Pre-renovation asbestos survey and lead in paint survey at Maple Mallory	DCR	5/22/2018	8/31/2018
C2031	0	Personal Service	TRC Environmental Corporation	\$ 1,485.00	Pre-renovation asbestos survey and lead in paint survey at Eliot Square	DCR	5/22/2018	8/31/2018
C2032	0	Personal Service	TRC Environmental Corporation	\$ 1,975.00	Pre-renovation asbestos survey and lead in paint survey at Bel Park	DCR	5/22/2018	8/31/2018
C2033	0	Personal Service	TRC Environmental Corporation	\$ 2,825.00	Pre-renovation asbestos survey and lead in paint survey at Schrunk Tower	DCR	5/22/2018	8/31/2018
C2035	0	Personal Service	PBS Engineering & Environmental, Inc.	\$ 10,000.00	Environmental Site Assessment at Tamarack, Camelia court, and Winchell court	DCR	6/6/2018	8/6/2018
C2043	0	Personal Service	Easbey Consulting, LLC	\$ 6,000.00	Produce 100% QTC's for Wests LP & Woods LP tenants	DCR	6/20/2018	8/31/2018
<b>Subtotal</b>				<b>\$ 63,330.00</b>				<b>18</b>

PROFESSIONAL SERVICE CONTRACTS (A&E)

Contract #	Amend #	Contract Type (Hide)	Contractor	Contract Amount	Description	Dept.	Execution Date	Expiration Date
C2015	0	Professional Services (A&E)	GEO Consultants Northwest	\$ 6,000.00	geotechnical seismic consultation for the Schrunk Riverview Tower	DCR	5/2/2018	8/31/2018
C2017	0	Professional Services (A&E)	Family Essentials	\$ 15,930.00	Build and maintain partnerships with WorkSystems and NextGen; provide coaching and counseling to participants of NextGen	Community Services	5/4/2018	6/30/2019
C2013	0	Professional Services (A&E)	TRC Environmental Corporation	\$ 995.00	Pre-renovation asbestos and lead paint survey at Schrunk	DCR	5/8/2018	6/30/2018
C2021	0	Professional Services (A&E)	KPFF Consulting Engineers	\$ 46,940.00	Design Services for Dwight Temporary Modular Housing Project	DCR	5/14/2018	12/1/2018
C2009	0	Professional Services (A&E)	Catholic Charities	\$ 19,461.00	Resident Services Plan at Multnomah Manor	Community Services	5/17/2018	4/30/2019
C2039	0	Professional Services (A&E)	M.Thraikill.Architect LLC	\$ 26,880.00	Update master specifications and testing requirements	DCR	6/6/2018	1/31/2020
C1992	0	Professional Services (A&E)	TRC Environmental Corporation	\$ 2,275.00	Additional radon testing at Camelia and Winchell	DCR	6/8/2018	7/31/2018
<b>Total</b>				<b>\$ 118,481.00</b>				<b>7</b>

AMENDMENTS TO EXISTING CONTRACTS

Contract #	Amend #	Contract Type (Hide)	Contractor	Contract Amount	Description	Dept.	Execution Date	Expiration Date
C1971	1	Public Improvement	Cascade Radon Inc.	\$ 750.00	Radon Mitigation at Alderwood; amended scope and funds	DCR	5/1/2018	5/30/2018
C1848	1	Personal Service	Myla Stauber LLC	\$ -	Meditation classes open to all home Forward residents	Community Services	5/2/2018	12/31/2019
C1513	5	Personal Service	Stoel Rives LLP	\$ 100,000.00	Agency wide Legal Services; General Counsel, Procurement & Contracts, Real-Estate & Litigation; adding funds	Executive	5/7/2018	12/31/2019
C1794	3	Goods and Services	Squires Electric, Inc.	\$ 15,000.00	On-call electrical services; amended to add funds	Prop Mgmt	5/7/2018	12/12/2018
C1573	5	Goods and Services	HALT Pest Control	\$ 75,000.00	On-call pest control services, IRFP 04/15-280; amended to add funds	Prop Mgmt	5/8/2018	4/30/2020
C1602	2	Personal Service	Verbio (aka Oregon Translation)	\$ 24,000.00	On-Call Interpreter and Translation Services for the Agency; amended to extend contract and add funds	Prop Mgmt	5/14/2018	8/1/2020
C1723	1	Personal Service	Immigrant Refugee Community Organization (IRCO) International Language Bank	\$ -	On-Call Interpreter and Translation Services for the Agency; amended to extend contract	Rent Assistance	5/16/2018	5/31/2019
C1940	2	Professional Services (A&E)	MWA Architects Inc	\$ 837,260.00	Design & Construction phases amendment	DCR	5/16/2018	5/31/2020
C1719	3	Public Improvement	O'Neill/Walsh Community Builders	\$ 88,588.00	GMP Amendment: Upgrade SBS material on roof to TPO CO #3	DCR	5/22/2018	2/17/2019
C1719	4	Public Improvement	O'Neill/Walsh Community Builders	\$ 60,739.00	GMP Amendment: demolition of the existing foundation CO #2	DCR	5/23/2018	2/17/2019
C1997	1	Personal Service	Ready Northwest	\$ -	Emergency response plan for Home Forward; amended scope	Executive	5/23/2018	7/31/2019
C1787	2	Goods and Services	Anytime Plumbing & Drain Cleaning Services	\$ 25,000.00	On-call plumbing services at HF-managed properties; amended to increase funds	Prop Mgmt	5/24/2018	11/27/2018
C1719	5	Public Improvement	O'Neill/Walsh Community Builders	\$ 87,265.00	GMP Amendment CO #4	DCR	5/30/2018	2/17/2019
C1939	2	Professional Services (A&E)	KASA Architects, inc	\$ 823,475.00	Design and construction phase amendment	DCR	5/31/2018	6/30/2019
C1571	4	Goods and Services	Pest Solutions LLC	\$ 50,000.00	On-call pest control services, IRFP 04/15-280; amended to add funds	Prop Mgmt	6/1/2018	4/30/2020
C1999	1	Public Improvement	Epiphany Construction	\$ (148.00)	Reduction in costs for rehab work at Humboldt	Property Management	6/1/2018	6/15/2018
C1819	1	Professional Services (A&E)	Gill Group, Inc.	\$ 29,050.00	RAD: Physical Condition Assessment Statement of Work and Contractor Qualifications for Alderwood, Hunter's Run, Harold Lee, Floresta, Powellhurst, Tillicum North, Tillicum South	DCR	6/7/2018	6/30/2019
C1922	2	Goods and Services	Advanced Vertical Solutions (AVS)	\$ 50,000.00	Elevator Maintenance; amended to add funds	Property Management	6/11/2018	11/30/2018

C1613	4	Goods and Services	NW Enforcement	\$ 50,000.00	On-call security services, RFP 05/15-282	Prop Mgmt	6/20/2018	7/30/2019
C1857	1	Goods and Services	Signal 88 Security	\$ (49,049.00)	Security Services for Wubet Biratu, RPM portfolio of properties; amended to remove Tamarack, Dahlke, and Schrunk	Prop Mgmt	6/20/2018	7/31/2020
C1866	1	Personal Service	Michael Mangum Jr.	\$ -	Youth mentorship and leadership services for SCC	Community Services	6/20/2018	9/30/2018
C1961	1	Goods and Services	Performance Systems Integration (PSI)	\$ 783.70	Fire safety services at 12 properties; amended to add services for NW Towers	Property Management	6/20/2018	5/6/2019
C1970	1	Public Improvement	Cascade Radon Inc.	\$ -	Radon Mitigation at Harold Lee Village; amended to extend duration	DCR	6/20/2018	7/31/2018
C1971	2	Public Improvement	Cascade Radon Inc.	\$ -	Radon Mitigation at Alderwood; amended extend duration	DCR	6/20/2018	7/31/2018
C1650	7	Public Improvement	LMC, Inc.	\$ (355,457.00)	Final const reconciliation, deductive change order	DCR	6/26/2018	1/31/2018
<b>Subtotal</b>				<b>\$ 1,912,256.70</b>				<b>25</b>

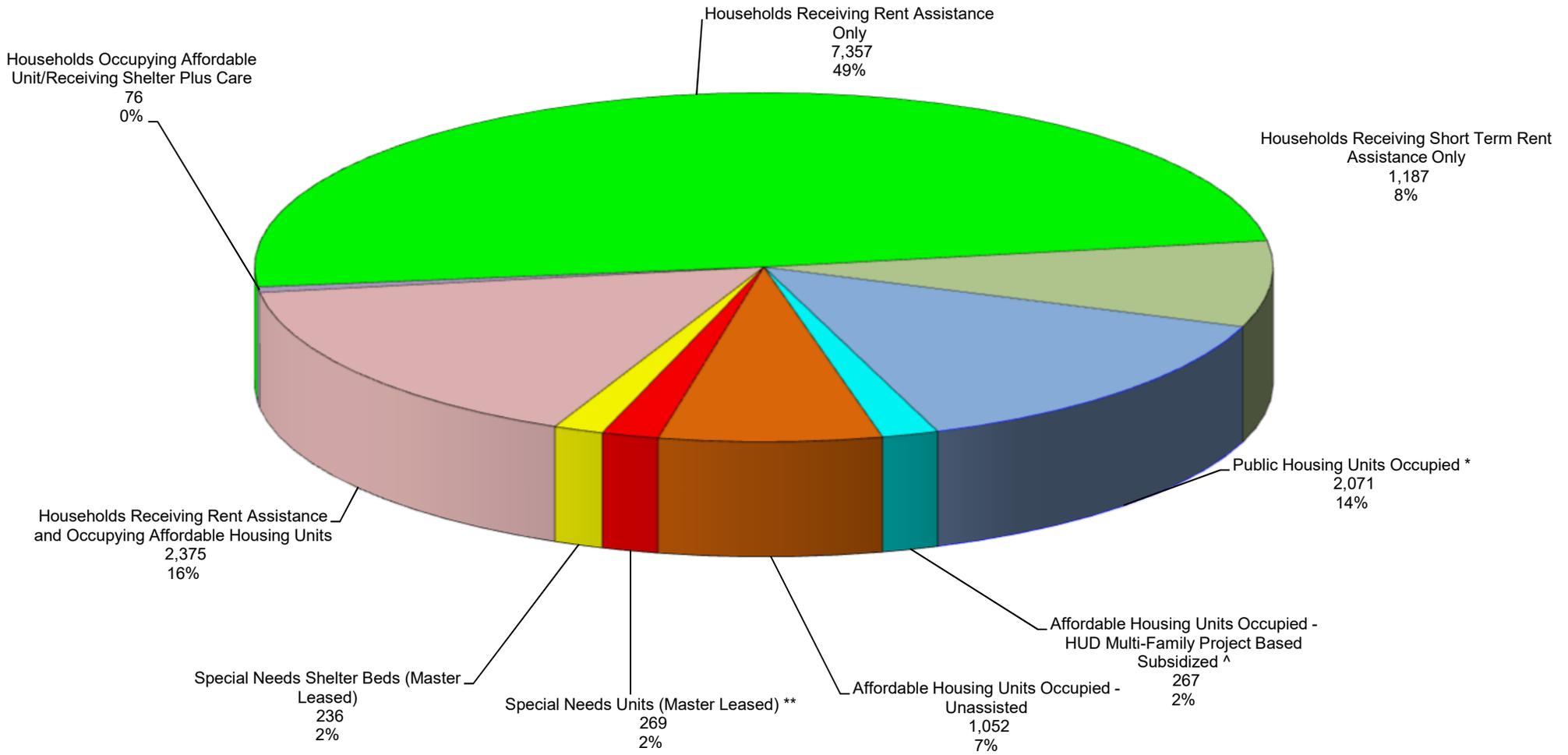
Other Agreements (3rd Party contracts, MOU's, IGA's)

Contract #	Amend #	Contract Type (Hide)	Contractor	Contract Amount	Description	Dept.	Execution Date	Expiration Date
GO2036	0	Personal Service	CNA Specialists	\$ 2,900.00	CNA for Ash Street Courtyard	DCR	6/1/2018	8/30/2018
GO2037	0	Personal Service	PBS Engineering & Environmental, Inc.	\$ 2,930.00	PSA / fungal testing at Ash St Courtyard	DCR	6/1/2018	8/30/2018
<b>Subtotal</b>				<b>\$ 5,830.00</b>				<b>2</b>

**Total** \$ 2,550,021.45 63

# ***HOUSEHOLDS SERVED REPORT***

## Total Households Served: Rent Assistance and Occupied Housing Units June 2018



**Total Households Served 14,890**

^ Consists of Grace Peck Terrace, Multnomah Manor, Plaza Townhomes, Rosenbaum Plaza, Unthank Plaza

\* Includes Local Blended Subsidy

^^ Total Short Term Rent Assistance less the Households Occupying Affordable Units/Receiving Shelter Plus Care

\*\* Special Needs are physical units as occupancy levels that are not reported to Home Forward by service providers master leasing these properties.

# Households Served

## Households Served Through Housing Supports June 2018

Rent Assistance	All Programs	Moving to Work Programs	Non-MTW Programs
Rent Assistance Vouchers - Home Forward Funded	9,732	7,741	1,215
Tenant Based Vouchers	5,709	5,709	
Project Based Vouchers	1,385	1,385	
Hi Rise Project Based Vouchers	647	647	
RAD Project Based Vouchers	776		
Single Room Occupancy (SRO)/MODS	504		504
Family Unification Program	97		97
Veterans Affairs Supportive Housing (VASH)	557		557
Rent Assistance - PORT IN From Other Jurisdiction	57		57
Short Term Rent Assistance Programs	1,263	95	1,168
Shelter + Care	458		458
Locally Funded Short Term Rent Assistance	710		710
Earl Boyles	3	3	
MIF Funded Short Term Rent Assistance	54	54	
Alder School	17	17	
New Doors	6	6	
Employment Opportunity Program	15	15	
Work Systems Inc. - Agency Based Rent Assistance	-	-	
<b>Total Rent Assistance</b>	<b>10,995</b>	<b>7,836</b>	<b>2,383</b>
<b>Subsidized Housing Units</b>			
<b>Public Housing Units Occupied</b>	<b>2,071</b>	<b>2,071</b>	<b>-</b>
Traditional Public Housing units Occupied	1,290	1,290	
RAD units Occupied - Local Blended Subsidy	291	291	
RAD units Occupied - in Owned Affordable	64	64	
RAD units Occupied - in Tax Credit Affordable	426	426	
Affordable Housing Units Occupied (excluding PH subsidized)	3,770		3,770
Affordable Housing Units - Tenant Based Vouchers	505		505
Affordable Housing Units - Shelter + Care	76		76
Affordable Housing Units - Project Based Vouchers	334		334
Affordable Housing Units - Hi Rise Project Based Vouchers	647		647
Affordable Housing Units - RAD Project Based Vouchers	776		776
Affordable Housing Units - HUD Multi-Family Project Based	267		267
Affordable Housing Units - VASH Vouchers	77		77
Affordable Housing Units - Family Unification Program	2		2
Affordable Housing Units - Section 8 Port In	34		34
Affordable Housing Units - Unassisted	1,052		1,052
Special Needs	505		505
Special Needs Units (Master Leased) **	269		269
Special Needs Shelter Beds (Master Leased)	236		236
<b>Total Households Occupying Housing Units</b>	<b>6,346</b>	<b>2,071</b>	<b>4,275</b>
<b>Total Housing Supports Provided to Household</b>	<b>17,341</b>	<b>9,907</b>	<b>6,658</b>
Household Occupying Affordable Unit/Receiving Home Forward Rent Assistance	(2,375)		(2,375)
Households Occupying Affordable Unit/Receiving Shelter Plus Care	(76)		(76)
<b>Total Households Served</b>	<b>14,890</b>	<b>9,907</b>	<b>4,207</b>

**Notes:**

- <sup>A</sup> Consists of Grace Peck Terrace, Multnomah Manor, Plaza Townhomes, Rosenbaum Plaza, Unthank Plaza
  - \*\* Special Needs of Physical Units are on programs and levels that are not reported to Home Forward by service providers master leasing these properties.
- Home Forward Board of Commissioners  
July 2018

# ***DASHBOARD REPORT***

**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	33	1,310	1,301	20	98.5%	77	664	331	228	10	0	1,310
Public Housing Mixed Financed Owned *	2	110	110	3	100.0%	0	18	59	33	0	0	110
Public Housing Mixed Finance Tax Credit *	10	681	681	7	99.0%	385	93	89	62	45	7	681
<b>Total Public Housing</b>	<b>45</b>	<b>2,101</b>	<b>2,092</b>	<b>30</b>	<b>98.6%</b>	<b>462</b>	<b>775</b>	<b>471</b>	<b>331</b>	<b>55</b>	<b>7</b>	<b>2,101</b>
Affordable Owned with PBA subsidy	3	251	251	5	98.0%	72	179	0	0	0	0	251
Affordable Owned without PBA subsidy	22	2,100	2,100	44	97.9%	207	578	525	578	182	30	2,100
<b>Total Affordable Owned Housing</b>	<b>25</b>	<b>2,351</b>	<b>2,351</b>	<b>49</b>	<b>97.9%</b>	<b>279</b>	<b>757</b>	<b>525</b>	<b>578</b>	<b>182</b>	<b>30</b>	<b>2,351</b>
Tax Credit Partnerships	17	2,278	2,278	29	98.7%	812	620	413	282	134	17	2,278
<b>Total Affordable Housing</b>	<b>42</b>	<b>4,629</b>	<b>4,629</b>	<b>78</b>	<b>98.3%</b>	<b>1,091</b>	<b>1,377</b>	<b>938</b>	<b>860</b>	<b>316</b>	<b>47</b>	<b>4,629</b>
Eliminate Duplicated PH Properties/Units	-12	-791	-791	-10		-385	-111	-148	-95	-45	-7	-791
<b>Combined Total PH and AH</b>	<b>75</b>	<b>5,939</b>	<b>5,930</b>	<b>98</b>	<b>98.3%</b>	<b>706</b>	<b>2,041</b>	<b>1,261</b>	<b>1,096</b>	<b>326</b>	<b>47</b>	<b>5,939</b>
Special Needs (Master Leased)	32	269	269									
Special Needs (Shelter Beds)	2	236	236									
<b>Total with Special Needs</b>	<b>109</b>	<b>6,444</b>	<b>6,435</b>									

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

**Financial**

Nine months ending 12/31/2017

Fiscal YTD ending 3/31/18				03/31/18		
# of Properties/units Positive Net Operating Income (NOI)	Net Operating Income (NOI)	# of Properties/units Negative Net Operating Income (NOI)	Net Operating Income (NOI)	# of Properties meeting Debt Coverage	# of Properties not meeting DCR	# of Properties DCR Not Applicable
25	784	8	526			
8	437	17	1,914	16	4	5
15	2,054	2	224	13	1	3

Public Housing  
Affordable Owned  
Tax Credit Partnerships

**Public Housing Demographics**

	Households				% Family Type (head of household)				Race % (head of household)					
	# 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
Public Housing Residents														
0 to 10% MFI	285	22.1%	2.5	1.9	10.4%	11.7%	1.0%	5.9%	6.3%	10.1%	1.0%	0.6%	0.5%	3.6%
11 to 20%	584	45.2%	1.6	1.4	36.4%	8.8%	15.1%	22.7%	10.2%	26.5%	1.7%	1.9%	0.7%	4.3%
21 to 30%	225	17.4%	2.1	1.6	11.7%	5.7%	6.5%	5.3%	2.5%	10.3%	0.5%	1.4%	0.2%	2.4%
51 to 80%	45	3.5%	2.6	2.2	1.3%	2.2%	0.5%	1.0%	0.6%	1.4%	0.1%	0.3%	0.0%	1.1%
Over 80%	8	0.6%	2.4	2.0	0.6%	0.0%	0.1%	0.1%	0.1%	0.4%	0.0%	0.0%	0.0%	0.2%
All	1,292	100.0%	2.0	1.6	65.7%	34.3%	26.2%	37.2%	23.0%	53.5%	3.9%	4.5%	1.7%	13.5%

**Waiting List**

0 to 10% MFI	6,850	40.9%	2.0	1.4		1.9%	13.6%	12.9%	19.6%	2.0%	1.0%	0.6%	3.8%	1.1%
11 to 20%	4,976	29.7%	2.0	1.3		3.7%	14.6%	9.0%	14.8%	1.4%	1.2%	0.4%	2.5%	0.5%
21 to 30%	2,631	15.7%	2.3	1.4		2.3%	4.8%	4.4%	7.9%	0.6%	0.7%	0.2%	1.6%	0.3%
31 to 50%	1,814	10.8%	2.6	1.4		1.2%	2.2%	3.2%	4.9%	0.3%	0.6%	0.2%	1.4%	0.2%
51 to 80%	328	2.0%	2.7	1.3		0.2%	0.3%	0.6%	0.8%	0.1%	0.1%	0.1%	0.2%	0.1%
Over 80%	131	0.8%	2.3	1.4		0.1%	0.2%	0.3%	0.3%	0.0%	0.0%	0.0%	0.1%	0.0%
All	16,730	100.0%	2.1	1.4		9.3%	35.8%	30.3%	48.3%	4.4%	3.6%	1.5%	9.6%	2.3%

\* Race and ethnicity are not required fields on the Waitlist Application in Yardi

**Other Activity**

	#s.days.hrs
Public Housing	
Names pulled from Wait List	98
Denials	7
New rentals	18
Vacates	13
Evictions	3
# of work orders received	1,061
# of work orders completed	856
Average days to respond	15.3
# of work orders emergency	1
Average response hrs (emergency)	1

**Rent Assistance Performance Measures**

**Utilization and Activity**

	Current Month Status						Waiting List Names	Current Month Activity			Calendar Year To Date				
	Authorized Vouchers	Utilized Vouchers	Utilization	Average Voucher	HUD Subsidy Over(Under)	Remaining Waiting List		New Vouchers Leased	Vouchers Terminated	Voucher Inspections Completed	Utilization	Average Voucher	HUD Subsidy Over(Under)	New Vouchers	Vouchers Terminated
Tenant Based Vouchers	6,300	5,709	91%	\$776	-145,154	3,065	0	1	13	430	91%	\$772	-767,599	21	108
Project Based Vouchers	2,118	2,032	96%	\$801	89,270			30	17	117	97%	\$802	633,132	148	105
WASH Vouchers	664	557	84%	\$712	-58,844			6	4	43	89%	\$711	-198,181	29	32
FUP Vouchers	100	97	97%	\$876	3,103			1	1	11	97%	\$915	40,930	2	3
RAD Project Based Vouchers	791	776	98%	\$532	29,085			2	5	19	99%	\$540	233,417	49	43
SRO/MOD Vouchers	512	504	98%	\$447	-36,046			5	6	117	99%	\$448	-198,497	49	51
All Vouchers	10,485	9,675	92%	\$742	-118,586			45	46	737	93%	\$741	-256,798	298	342

Home Forward - Dashboard Report For June of 2018

Demographics

	Households				% Family Type (head of household)				Race % (head of household)					
	# of Households	% of Households	Average Family Size	Average Unit Size	Adults no Children	Family with Children	Elderly	Disabled Not Elderly	Black	White	Native	Asian	Hawaiian/	Hispanic
Tenant Based Voucher Participants														
0 to 10% MFI	1110	18.0%	2.3	2.0	8.6%	9.5%	0.8%	4.6%	7.2%	8.2%	0.7%	0.5%	0.2%	1.2%
11 to 20%	2,533	41.1%	1.8	1.8	30.5%	10.6%	14.9%	17.4%	13.3%	21.1%	1.2%	3.1%	0.1%	2.3%
21 to 30%	1,388	22.5%	2.2	2.0	14.2%	8.3%	8.3%	7.0%	7.4%	12.2%	0.4%	1.1%	0.2%	1.2%
31 to 50%	952	15.5%	2.9	2.3	6.2%	9.3%	2.9%	3.2%	6.8%	6.5%	0.3%	0.7%	0.2%	1.0%
51 to 80%	167	2.7%	3.0	2.6	0.9%	1.8%	0.2%	0.3%	1.4%	0.9%	0.1%	0.1%	0.0%	0.2%
Over 80%	6	0.1%	3.2	2.5	0.0%	0.1%	0.0%	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%
All	6,150	100%	2.6	2.2	60%	40%	27%	33%	36%	49%	3%	6%	1%	6%

	Households				% Family Type (head of household)				Race % (head of household)					
	# of Households	% of Households	Average Family Size	Average Unit Size	Adults no Children	Family with Children	Elderly	Disabled Not Elderly	Black	White	Native	Asian	Hawaiian/	Hispanic
Project Based Voucher Participants														
0 to 10% MFI	729	25.4%	1.8	1.5	15.9%	9.5%	1.4%	8.8%	6.4%	14.3%	1.1%	0.5%	0.3%	2.8%
11 to 20%	1,230	42.8%	1.6	1.3	36.1%	6.7%	14.5%	20.4%	10.0%	26.8%	1.4%	1.2%	0.1%	3.4%
21 to 30%	556	19.4%	2.1	1.6	13.7%	5.7%	8.0%	5.2%	4.8%	11.8%	0.3%	0.6%	0.3%	1.6%
31 to 50%	294	10.2%	3.0	2.2	4.5%	5.8%	2.4%	1.5%	2.7%	4.6%	0.4%	0.1%	0.2%	2.2%
51 to 80%	55	1.9%	3.6	2.4	0.5%	1.4%	0.1%	0.1%	0.6%	0.6%	0.1%	0.0%	0.0%	0.6%
Over 80%	8	0.3%	2.8	1.9	0.1%	0.1%	0.0%	0.1%	0.1%	0.1%	0.0%	0.0%	0.0%	0.0%
All	2,864	100%	2.5	1.8	71%	29%	26%	36%	24%	58%	3%	2%	1%	11%

	Households				% Family Type (head of household)				Race % (head of household)						Not Reported
	# of Households	% of Households	Average Family Size	Average Unit Size	Adults no Children	Family with Children	Elderly	Disabled Not Elderly	Black	White	Native	Asian	Hawaiian/	Hispanic	
Waiting List															
0 to 10% MFI	1	100.0%	2.0					0.0%	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%
11 to 20%	140	26.4%	2.5					1.9%	8.1%	12.2%	1.2%	0.8%	0.2%	2.4%	0.8%
21 to 30%	70	13.2%	2.6					2.4%	2.8%	3.5%	7.1%	0.2%	0.6%	0.0%	1.3%
31 to 50%	55	10.4%	2.7					0.9%	1.5%	3.5%	4.7%	0.3%	0.5%	0.6%	0.0%
51 to 80%	13	2.4%	3.0					0.2%	0.2%	1.2%	0.9%	0.0%	0.0%	0.3%	0.0%
Over 80%	8	1.5%	2.4					0.2%	0.4%	0.2%	0.9%	0.0%	0.2%	0.2%	0.0%
All	287	153.9%	2.6					5.6%	13.0%	117.1%	25.9%	1.7%	2.1%	0.8%	5.0%

	Short Term Rent Assistance		
	# of Households Participating	\$ Amount of Assistance Provided	Average Cost per Household
Shelter Plus Care	458	\$360,533	787
Short Term Rent Assistance	805	\$909,699	1,130

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	139	\$84,160	\$605.47

# HH Eviction Prevention	Health and Safety Stabilized	Unduplicated Number Served
# Interventions regarding lease violations	appointments assisting residents to connect and utilize community	# Events # Event Attendees
	312	1115 5665 167

	# of Participants	Escrow \$ Held	New Enrollees	# of Graduates	Escrow \$ Disbursed	Terminations or Exits	Escrow \$ Forfeited	Avg Annual Earned Income Increase Over Last Year	Escrow \$ Forfeited	Avg Annual Earned Income Increase Over Last Year
Nine months ending 12/31/2017	Public Housing	158	\$327,168	1	3	\$6,866	4	\$0	\$1,191	
Nine months ending 12/31/2017	Section 8	50	\$180,300	0	0	\$14,889	0	\$0	\$298	

**Agency Financial Summary**

Six months ending 3/31/18	Fiscal Year to Date	Prior YTD	Increase (Decrease)
Subsidy Revenue	\$106,277,781	\$97,438,370	\$8,839,411
Grant Revenue	\$18,589,787	\$15,123,946	\$3,465,841
Property Related Income	\$20,642,578	\$19,292,343	\$1,350,235
Development Fee Revenue	\$2,917,811	\$4,192,828	(\$1,275,216)
Other Revenue	\$9,458,690	\$8,292,279	\$1,166,411
<b>Total Revenue</b>	<b>\$157,886,446</b>	<b>\$144,339,765</b>	<b>\$13,546,681</b>
Housing Assistance Payments	\$100,122,503	\$85,729,040	\$14,393,463
Operating Expense	\$48,546,478	\$48,298,639	\$247,839
Depreciation	\$8,484,015	\$7,814,319	\$669,696
Total Expense	\$157,152,996	\$141,841,997	\$15,310,999
Operating Income	\$733,450	\$2,497,768	(\$1,764,318)
Other Income(Expense)	-\$94,799	\$2,562,218	(\$2,657,017)
Capital Contributions	\$10,738,589	\$2,459,698	\$8,278,892
Increase(Decrease) Net Assets	-\$9,910,340	-\$2,524,148	(\$7,386,192)
Total Assets	\$467,633,525	\$448,147,292	\$19,486,233
Liquidity Reserves	-\$4,019,439	\$1,371,879	(\$5,391,318)

**Development/Community Revitalization**

New Development / Revitalization	Units	Construction Start	Construction End	Current Phase	Total Cost	Cost Per Unit
Square Manor						
Gladstone Square	48	Mar-17	Jan-18	Post Construction	\$11,191,518	\$233,157
Rockwood Landing Roof Replacement	N/A	Feb-18	Jul-18	Construction	\$288,000	N/A
Richmond Place Rehab	21	Nov-17	Jun-18	Capital Improvement	\$600,000	\$28,571
Multnomah Manor	54	Aug-17	Jan-18	Capital Improvement	\$8,949,559	\$168,860
NE Grand	240	Dec-17	Oct-20	Pre-Construction	\$76,923,525	\$320,515
<b>Capital Improvement</b>						
Fairview Woods Recladding	N/A	Jun-17	Jul-18	Construction	\$3,900,000	N/A