



Construction continues at Home Forward's historic property on NE Grand.

Board of Commissioners Meeting

Location:

Multnomah County Building
501 SE Hawthorne Blvd
Portland, Oregon 97214

Date & Time:

March 19, 2019
6:15 PM

PUBLIC NOTICE:



Home Forward
BOARD OF COMMISSIONERS
will meet on
Tuesday, March 19, 2019
At 6:15 pm
At the Multnomah County Building
501 SE Hawthorne Blvd.
In the Commissioners Board Room



MEMORANDUM

To: Community Partners

Date: March 13, 2019

From: Michael Buonocore, Executive
Director

Subject: Home Forward Board of
Commissioners March
Meeting

The Board of Commissioners of Home Forward will meet on Tuesday, March 19, 2019 at the Multnomah County Building, 501 SE Hawthorne Blvd., in the Commissioners Board Rooms, 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, March 15, 2019.

AGENDA



BOARD OF COMMISSIONERS MEETING

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

MARCH 19, 2019 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 February 19, 2019 Board of Commissioners Meeting Conference Call

MISSION MOMENT

Topic	Presenter
Point-in-time Experiences	Leigh Schrock

CONSENT CALENDAR

Following Reports and Resolutions:			
19-03	Topic	Presenter/POC	Phone #
01	Adoption of Findings Based on the Report of the Hearings Officer and Approval of an Exemption from Competitive Bidding for the 3000 SE Powell Project	Berit Stevenson	503.802.8541

02	Authorize Property Insurance	Peter Beyer	503.802.8538
03	Authorize the Contract Amendment for the Purchase of Construction Materials for 85 Stories, Group 6 Medallion and Williams Plaza Apartments	Jonathan Trutt Leslie Crehan	503.802.8507 503.802.8463

REPORTS / RESOLUTIONS

Following Reports and Resolutions:			
19-03	Topic	Presenter/POC	Phone #
04	Authorize Amendment for Professional Design Services for 3000 SE Powell Project	Jonathan Trutt Amanda Saul	503.802.8507 503.802.8552

THE NEXT MEETING OF THE BOARD OF COMMISSIONERS

The next Board Work Session will be Wednesday, April 3, 2019 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, April 16, 2019 at 6:15 PM. This meeting will take place at the Multnomah County Building, 501 SE Hawthorne Blvd, in the Commissioners Board Room.

EXECUTIVE SESSION

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

ADJOURN

MINUTES



BOARD OF COMMISSIONERS MEETING
HOME FORWARD
135 SW ASH STREET, OR 97204
Via Conference Call
February 19, 2019

COMMISSIONERS PRESENT

Chair Miki Herman, Treasurer Jenny Kim, Commissioners Richard Anderson, Matthew Gebhardt, TomiRene Hettman and Vivian Satterfield

STAFF PRESENT

Carolina Abdalah, Peter Beyer, Michael Buonocore, Tim Collier, Ian Davie, Tonya Evans, Dena Ford-Avery, Kitty Miller, Berit Stevenson, Celia Strauss, Jonathan Trutt

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

PUBLIC COMMENT

None

MEETING MINUTES

Minutes of the January 15, 2019 Board of Commissioners Meeting

Chair Miki Herman requested a motion authorizing approval of the minutes to the January 15, 2019 Board of Commissioners meeting. Commissioner TomiRene Hettman asked for a correction to the spelling of her name on page six of the meeting minutes and moved to adopt the corrected minutes. Commissioner Richard Anderson seconded the motion with the changes to the meeting minutes.

The vote was as follows:

Chair Miki Herman—Aye
Treasurer Jenny Kim—Aye
Commissioner Richard Anderson—Aye
Commissioner Matthew Gebhardt—Aye
Commissioner TomiRene Hettman—Aye
Commissioner Vivian Satterfield—Abstained

CONSENT CALENDAR

RESOLUTION 19-02-01 Authorize Changes to the Administrative Plan for Rent Assistance

RESOLUTION 19-02-02 Authorize Increase to Delegated Contract Authority

RESOLUTION 19-02-03 Authorize an Amendment for Design Services for Fountain Place

RESOLUTION 19-02-04 Authorize 85 Stories Group 6 Relocation Contract

Celia Strauss read the title of the resolutions on the Consent Calendar. There being no questions, Chair Miki Herman requested a motion to approve. Treasurer Jenny Kim moved to adopt the Consent Calendar and Commissioner TomiRene Hettman seconded the motion.

The vote was as follows:

Chair Miki Herman—Aye

Treasurer Jenny Kim—Aye

Commissioner Richard Anderson—Aye

Commissioner Matthew Gebhardt—Aye

Commissioner TomiRene Hettman—Aye

Commissioner Vivian Satterfield—Aye

ADJOURN

There being no further business, Chair Miki Herman adjourned the meeting at 6:20 PM.

Celia M. Strauss

Recorder, on behalf of

Michael Buonocore, Secretary

ADOPTED: MARCH 19, 2019

Attest:

Home Forward:

Michael Buonocore, Secretary

Damien R. Hall, for Chair

CONSENT CALENDAR



MEMORANDUM

To:	Contract Review Board	Date:	March 19, 2019
From:	Berit Stevenson, Manager Procurement and Contracts 503.802.8541	Subject:	Adoption of Findings based on the report of the Hearings Officer and approval of an exemption from competitive bidding for the 3000 SE Powell Project, a Portland Housing Bond Project Resolution 19-03-01

The Contract Review Board is requested to consider and adopt findings on a proposed exemption from competitive bidding on the 3000 SE Powell project, a Portland Housing Bond project. Board action is necessary to conform to state statutes and Home Forward's Contracting Rules that require that Home Forward develop draft exemption findings, hold a public hearing to take testimony on the findings, and adopt findings to exempt a construction contract from the standard bid process.

This action supports Strategic Plan Goal, One Portfolio: Our real estate is stable for generations to come and meets the needs of the people and neighborhoods it serves.

Voters in the City of Portland passed a \$258.4 million general obligation bond in November 2016 designed to deliver at least 1,300 newly affordable housing units. The Portland Housing Bureau ("PHB") is responsible for bond implementation and has, in partnership with community stakeholders, developed the Housing Bond Framework ("Framework") to guide their work. Among the key goals of the Framework is to ensure meaningful and significant participation by minority-owned, women-owned and emerging small businesses ("MWESB") and meaningful and significant workforce participation by minorities and women. In addition to these equity goals, the Framework recognizes bond funds are extremely limited and cost containment throughout the development process is critical to

ensure the maximum number of units are delivered. Lastly, the Framework has identified resourcefulness as a goal—delivery of the community’s investment in housing while embracing innovation and creativity.

To assist with this critical work, PHB expects to enter into a land-lease and loan agreement with Home Forward to transfer a 1.15-acre lot located at 3000 SE Powell Blvd and up to approximately \$27 million of bond funds for development of affordable housing. SE Powell Blvd is a state highway; surrounding neighborhood development is a mix of commercial and residential uses. The current conceptual plan for the building includes approximately 180 units of housing for households at or below 60% of median family income and ground floor active uses adjacent to SE Powell Blvd, likely to be between 10,000 and 15,000 square feet.

The Portland Housing Bureau’s development budget for this project is approximately \$58 million, including a developer fee of approximately \$6 million, a portion of which will be deferred. Home Forward staff have established a conceptual construction cost estimate of \$40 million.

Both Home Forward public contracting rules and Oregon Revised Statutes require findings justifying the exemption from traditional low-bid contracting, a 14-day public notice, and a public hearing at which public testimony is accepted related to the draft findings.

Notice of a February 22, 2019 public hearing to receive testimony on the findings in support of an exemption was published in the Daily Journal of Commerce on February 8, 2019. No public testimony was received at this Hearing. A copy of the draft findings, public notice and Hearings Officer’s Report are attached

Home Forward staff recommend the Board adopt the findings and authorize an exemption from competitive bidding, allowing the 3000 SE Powell Project to utilize the Construction Manager/General Contractor (CM/GC) procurement method and associated contract.



RESOLUTION 19-03-01

RESOLUTION 19-03-01 ADOPTS THE FINDINGS, GRANTS AN EXEMPTION FROM COMPETITIVE BIDDING AND ALLOWS THE USE OF THE CONSTRUCTION MANAGER/GENERAL CONTRACTOR (CM/GC) ALTERNATIVE CONTRACTING METHOD FOR THE 3000 SE POWELL PROJECT

WHEREAS, Home Forward and the City of Portland, through the Portland Housing Bureau, will transfer possession of a 1.15 acre parcel located along SE Powell Boulevard and approximately \$27 million of City of Portland Housing Bond funds to Home Forward which will develop an affordable housing project to include up to 180 units of housing for households at or below 60% median family income (the 3000 SE Powell Project); and

WHEREAS, State of Oregon contracting laws and Home Forward Public Procurement Rules allow construction projects to utilize the alternative procurement method known as the Construction Manager/General Contractor (CM/GC) if, after a public hearing at which public comment is accepted, the Commission, acting as the local contract review board, adopts findings in support of such action; and

WHEREAS, draft findings were prepared detailing the advantages of utilizing the CM/GC contracting method for the 3000 SE Powell Project. These findings include that utilizing the CM/GC method for this construction project is unlikely to encourage favoritism and will likely result in cost savings and other public benefits; and

WHEREAS, a public hearing was held on February 22, 2019 to accept public comment related to the draft findings. No public comment was received at this hearing; and

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

WHEREAS, after considering the findings, the Board concludes that it is unlikely that an exemption from competitive bidding will encourage favoritism or substantially diminish

competition and that the exemption will result in substantial cost savings and other public benefits.

NOW, THEREFORE, BE IT RESOLVED, that the Contract Review Board of Home Forward hereby adopts the findings and authorizes an exemption from competitive bidding, allowing the use of the CM/GC alternative contracting method for 3000 SE Powell Project.

ADOPTED: MARCH 19, 2019

Attest:

Home Forward:

Michael Buonocore, Secretary

Damien R. Hall, for Chair

Findings – Exemption – 30th and Powell

FINDINGS IN SUPPORT OF USE OF REQUEST FOR PROPOSALS AND THE CONSTRUCTION MANAGER/GENERAL CONTRACTOR 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

Voters in the City of Portland passed a \$258.4 million general obligation bond in November 2016 designed to deliver at least 1,300 newly affordable housing units. The Portland Housing Bureau (“PHB”) is responsible for bond implementation and has, in partnership with community stakeholders, developed the Housing Bond Framework (“Framework”) to guide their work. Among the key goals of the Framework is to ensure meaningful and significant participation by minority-owned, women-owned and emerging small businesses (“MWESB”) and meaningful and significant workforce participation by minorities and women. In addition to these equity goals, the Framework recognizes bond funds are extremely limited and cost containment throughout the development process is critical to ensure the maximum number of units are delivered. Lastly, the Framework has identified resourcefulness as a goal—delivery of the community’s investment in housing while embracing innovation and creativity.

To assist with this critical work, PHB expects to enter into a land-lease and loan agreement with Home Forward to transfer a 1.15 acre lot located at 3000 SE Powell Blvd and up to approximately \$27 million of bond funds for development of affordable housing. SE Powell Blvd is a state highway; surrounding neighborhood development is a mix of commercial and residential uses. The current conceptual plan for the building includes approximately 180 units of housing for households at or below 60% of median family income, a conceptual construction cost estimate is \$40 million, and ground floor active uses adjacent to SE Powell Blvd, likely to be between 10,000 and 15,000 square feet.

C. Findings

1. Appropriate alternative contracting methods will be used.

The qualifications-based request for proposals (“RFP”) process for selecting a contractor falls within the purview of ORS 279C.335(2) because the process is competitive and a contractor will be selected based on both price and 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 includes rigorous equity goals. In addition, projects that are time-constrained and have difficult site conditions are often targeted for a qualifications-base RFP process rather than the competitive bid process due to complex coordination intricacies. Home Forward anticipates using a one-step RFP process for this solicitation, contracting with a general contractor who will be responsible for both pre-construction and construction activities.

2. No favoritism or diminished competition.

To assure Home Forward’s Board of Commissioners that this exemption neither encourages favoritism nor substantially diminishes 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 will include advertisements in the Daily Journal of Commerce and postings on Home Forward’s internet webpage and the State of Oregon’s Procurement Information Network (“ORPIN”). Further steps include direct outreach to qualified CM/GC contractors, scheduling a pre-proposal conference, and appointment of unbiased evaluation committees that will consider proposals received utilizing the criteria identified in the RFP. Home Forward staff believes local 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 MWESB community will be conducted to inform this audience of bidding opportunities. This outreach involves direct solicitation to State of Oregon’s Certification Office for Business Inclusion and Diversity (“COBID”) certified firms and notice to all relevant business and support organizations. Home Forward will require good faith efforts in the outreach of subcontracting opportunities to MWESBs. Home Forward staff and project partners will work diligently to accomplish maximum MWESB 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 MWESBs.

Home Forward will form an evaluation committee to review the prospective contractors' proposals in detail, conduct interviews if appropriate, and make a recommendation for award based on specific evaluation criteria set forth in the RFP. Evaluation criteria may include consideration of the contractor's background, references, experience, capacity, workload, personnel, client relations, ability to meet schedule, quality control, experience with meeting equity goals, and demonstrated problem solving skills. . In addition, the evaluation proses will consider 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 committee 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 and increases in soft costs can occur when redesign is required 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 CM/GC 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 pre-construction and the construction phases. CM/GC contracts are more structured to accommodate variable and changing conditions while minimizing costly, 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. Finally, the involvement of the CM/GC contractor will allow for more effective phasing of the bidding and construction. 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 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. Numerous contractors will be interested in submitting bids or proposals for this project.

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

Home Forward's development department staff has prepared a conceptual construction budget of \$40 million. As the contract moves from pre-construction to the construction phase, the construction cost 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 City of Portland Housing Bond funds. Home Forward will be able to minimize the risk of design changes, construction delays, and claims, and control the project budget more effectively, with a CM/GC contractor. This alternative approach allows the contractor's input concurrent with the design process and facilitates development of construction documents 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. During constructability reviews, the selected contractor will review long-term operating costs and advise Home Forward regarding the operational advantages and disadvantages associated with alternative building systems. 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 the busy urban site, plans for work contemplated at this property will require considerable day-to-day flexibility to minimize negative construction-related impacts on the neighborhood. A realistic, cost-effective construction approach that addresses these critical needs is necessary. Project financing will dictate the schedule. Home Forward and the contractor must develop a plan before the start of construction that will allow the contractor to meet schedule imperatives, minimize disruptions to the surrounding neighbors and community, and deliver durable and well-built new affordable housing units.

Collaboration with a qualified CM/GC contractor early in the project schedule allows the development of practical approaches to achieve high MWESB

participation and engagement 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. CM/GCs participate in the development of safe and effective construction practices that minimize neighborhood disruption. Their advice during design will result in better design with a long life cycle. The public interests of maximizing participation of MWESBs and a diverse workforce will be enhanced by use of the CM/GC alternative process. A shortened construction term will result in benefits to future residents, nearby businesses and neighboring property owners.

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

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 CM/GC delivery method.

Contractor input during design will provide the optimal value engineering process. The CM/GC project delivery method allows the 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.

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

This project requires CM/GC expertise with projects of similar scale and complexity, working in a constrained urban environments, and maintaining day-to-day flexibility.

A CM/GC 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 CM/GC contract is the best method to incorporate typical on 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 because risks associated with construction increase in urban centers. The immediate surrounding neighborhood includes dense commercial and residential development, a public school, and a state highway. Construction activities will require active and flexible traffic management and changes to existing pedestrian and vehicular traffic patterns.

Construction-generated staging, delivery, and parking activity will need to be considered in a comprehensive construction traffic safety and mitigation plan. Constant attention to the needs of neighbors and construction crews is crucial to maintaining a safe environment for the public and construction workers.

The contractor's actual safety performance on similar past projects will be evaluated as part of the proposal review process. A competitive CM/GC procurement affords Home Forward the best opportunity to select a contractor with a proven, successful safety record.

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 Low Income Housing Tax Credits, a permanent loan, and City of Portland Housing Bond funds. To ensure award of Tax Credits, a highly experienced and reputable general contractor is advantageous.

Selection of a well-established, experienced CM/GC contractor will assist in attracting Tax Credit equity partners and lenders. The quality of the selected contractor and their proven ability to meet schedule requirements will 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 continue to extremely busy, with rising construction costs and a tight labor market. General contractors can be selective in the work they pursue. It is important to package this work in a manner that will draw quality subcontractors and to eliminate as many barriers as possible.

A competitive CM/GC procurement will better enable Home Forward to manage bid risks within a robust construction market. Home Forward is more likely to

attract experienced and capable general contractors using the CM/GC method. In addition, the CM/GC method provides the advantage of real-time market pricing during design to inform material and equipment selection. The CM/GC method will allow Home Forward to collaborate with the general contractor on 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 and carries 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 the CM/GC 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 due to equity contracting goals, tight budget parameters established for the Portland Housing Bond funds, the urban site, and the necessity for a highly effective construction safety and mitigation plan. 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 neighbors. Selection of a contractor with demonstrated experience and success on similar projects will result in substantially lower risk to Home Forward 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 as needs of neighbors and businesses in an urban environment, and participation by MWESBs. Use of a request for proposals for the CM/GC 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 and governmental coordination, value engineering to maximize a tight budget and equity contracting requirements.

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

As discussed above, this project is a new construction of approximately 180 units including studios through 3-bedroom units and associated active space. Because of the size of the project, some work may be identified as “early work” which can shorten the overall construction period and therefore overall costs. The CM/GC method is better than the traditional competitive bid method in pursuing “early work” due to the CM/GC contractor's early participation on the development

team. This allows the identification and implementation of “early work” opportunities in a timely manner.

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

This project will be new construction and without occupants.

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

As discussed above, the project will benefit from a phased approach. A CM/GC contractor will identify opportunities for “early work” bid packages during the pre-construction phase. For the SE Powell project, there is the possibility that a significant amount of contaminated soil will need to be removed. If this happens, this is a possible “early work” package a CM/GC contractor will be able to implement to the project’s benefit.

- 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 have significant experience completing similar projects using the CM/GC project delivery method. Home Forward has retained legal counsel 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 Low Income Housing Tax Credits, a permanent loan, and City of Portland Housing Bond funds. To ensure receipt of Tax Credit financing, a highly experienced and reputable general contractor is advantageous. In addition, this type of finance carries complex construction costs reporting requirements. A competitive bid contractor may not have the experience necessary to support the Tax Credit financing and related reporting requirements.

Selection of a well-established, experienced CM/GC contractor will 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 Home Forward's procurement department 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 CM/GC 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 CM/GC 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 CM/GC contract will provide the flexibility to maintain minimal disruption to the community, while meeting critical contract deadlines established by the Tax Credit financing. Lastly, the competitive procurement process 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 critical pre-construction planning and construction services that will deliver essential affordable housing 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 CM/GC selection process for the SE Powell project.



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 the 3000 SE Powell Project

As required by ORS 279C.330 and ORS 279C.335, the undersigned duly appointed Hearing Officer convened a public hearing at 10:00 a.m., on Friday, February 22, 2019, at 135 SW Ash, 5th Floor, Metolius Room, Portland Oregon, 97204. The hearing was held to present and receive public comment on an exemption from competitive bidding requirements for the 3000 SE Powell Project. An affidavit of the Notice of Public Hearing is attached.

On February 8, 2019, Home Forward noticed the public hearing and made the proposed findings 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:

February 26, 2019

Attested:

B. Stevenson

Hearing Officer
Berit Stevenson

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 Hearings and Minutes notice described as

Case Number: NOT PROVIDED

NOTICE OF PUBLIC HEARING In accordance with ORS 279C.335(5), a public hearing will be held at: 10:00 a

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:

2/8/2019

State of Oregon
County of Multnomah

SIGNED OR ATTESTED BEFORE ME
ON THE **8th** DAY OF **February**, 2019



Michelle Ropp



Selah Michele Farmer

Notary Public-State of Oregon



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

Order No.: 11696614
Client Reference No:





MEMORANDUM

To: Board of Commissioners Date: March 19, 2019

From: Peter Beyer, Chief Financial Officer
503.802.8538 Subject: Authorizes Home Forward to Enter
into Agreements for Insurance
Services
Michael Buonocore, Executive
Director Resolution 19-03-02
503.802.8423

The Board of Commissioners is requested to authorize Home Forward to enter into agreements for insurance coverage for the period beginning April 1, 2019.

Home Forward is entering the third year of its comprehensive insurance program and seeks to continue the lines of coverage originally established on April 1, 2017. Home Forward uses Marsh to market the program for non-health insurance coverage for Home Forward and its related entities and coverage lines include property, casualty/general liability and automotive, financial and professional lines, crime, and cyber/special risk coverage, terrorism and other miscellaneous coverage.

Certain lines of coverage renewed on January 1, 2019, but the property insurance lines have a March 31, 2019 expiration. With this latest renewal, we will also move the property coverage to a calendar year basis.

Please note, recommended providers are subject to change as Marsh is awaiting final quotes, but the currently recommended providers and the level of coverage (Attachment A) consist of:

- Home Forward is seeking \$100 million in total property coverage. No single provider is willing to take on the full coverage, so a tiered approach is required.
- RSUI will cover the primary tier and provide up to the first \$5 million in coverage. A combination of Sompco/Hiscox Business Insurance/Markel Specialty will provide an additional \$20 million in total coverage. One Beacon/Homeland will provide an additional \$75 million in coverage for total coverage of \$100 million. The deductible remains at \$100,000 per instance. The coverage includes up to \$25 million in earthquake and flood coverage.
- Also, Travelers will provide up to \$100 million of boiler & machinery equipment breakdown coverage.
- With our recent RAD/Section 18 conversion, we are now required to have terrorism coverage. We will receive this coverage from Roanoke Group for \$50 million in coverage with a \$10,000 deductible.

Total costs for this coverage is estimated to be approximately \$1.15 million for the period April 1, 2019 to December 31, 2019. This represents an increase in rates of approx. 7.2% with 4% due to an increase in the insured values of our real estate portfolio and a 3.2% increase due to the market impact of worldwide casualty losses over the last two years.

Attachment A – Comprehensive Insurance Program Structure



RESOLUTION 19-03-02

RESOLUTION 19-03-02 AUTHORIZES HOME FORWARD TO ENTER INTO AGREEMENTS FOR INSURANCE SERVICES

WHEREAS, Home Forward, a public body corporate and politic of the State of Oregon; and

WHEREAS, Home Forward requires appropriate levels of insurance coverage to protect its residents, employees, assets, and reputational well-being; and

WHEREAS, a comprehensive insurance program has been designed, in consultation with Marsh, to ensure appropriate levels of insurance coverage for property, casualty/general liability, automotive, boiler and machinery, financial and professional lines, cyber, and other miscellaneous business risks, including umbrella coverage;

NOW, THEREFORE, IT BE RESOLVED: that the Board of Commissioners of Home Forward authorizes Home Forward's Board Chair, Executive Director, Chief Financial Officer, Chief Operating Officer or Chief Administrative Officer to execute agreements for property, boiler & equipment, and terrorism insurance.

ADOPTED: MARCH 19, 2019

Attest:

Home Forward:

Michael Buonocore, Secretary

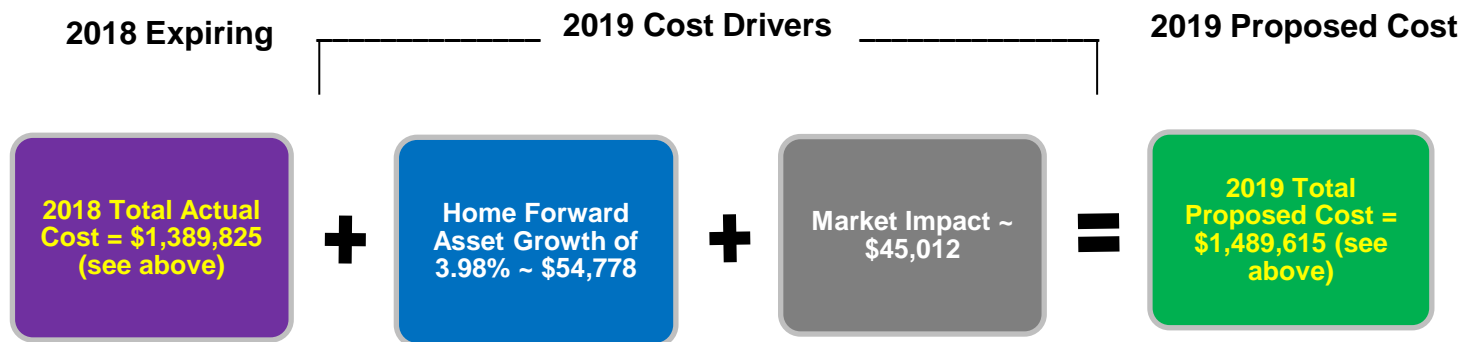
Damien R. Hall, for Chair

Proposed Program Structure – April 1, 2019 to January 1, 2020

	ALL RISK PROPERTY, EARTHQUAKE & FLOOD, AND BUSINESS INTERRUPTION			EQUIPMENT BREAKDOWN
\$75MM x/s \$25MM	All Risk Property and Business Interruption, excluding Earthquake and Flood Insurer: One Beacon / Homeland Insurance Company of New York Limit: 100% or \$75MM p/o \$75MM x/s \$25MM			
\$20MM x/s \$5MM	Insurer: Somp E&S Limit: \$5MM or 25%	Insurer: Hiscox Limit: \$5MM or 25%	Insurer: Markel Limit: \$10MM or 50%	Insurer: Travelers Limit: \$100MM
\$5MM Primary	All Risk Property and Business Interruption, including Earthquake and Flood Insurer: RSUI/Landmark Limit: \$5MM or 100%			
	Deductible: \$100,000 All Risk 2% Earthquake or 100,000 Minimum & \$100,000 Flood			Deductible: \$5,000 24-Hour Time Element

Cost Comparison and Cost Drivers

Insurance Layer	2018 Expiring - Annual	2019 - Annualized	2019 – Prorated to 1/1/20
Primary \$5M Layer - RSUI/Landmark	\$1,100,000	\$1,143,827	\$861,302
Indemnity Agreement - Maxum	\$13,500	\$13,500	\$10,166
First Excess Layer - \$20M xs \$5M - Sompco/Hiscox/Markel	\$193,830	\$245,375	\$184,735
Second Excess Layer - \$75M xs \$25M - One Beacon	\$41,000	\$42,600	\$32,078
Equipment Breakdown - \$100M - Travelers	\$10,393	\$10,981	\$8,268
Estimated Surplus Line Taxes/Fees:	\$31,102	\$33,332	\$25,122
Total (% Change):	\$1,389,825	\$1,489,615 (+7.18%)	\$1,121,671
Total Insured Value (% Change):	\$695,188,729	\$722,888,682 (+3.98%)	\$722,888,682 (+3.98%)
Composite Premium Rate/\$100 (% Change):	0.195/\$100	0.202/\$100 (+3.6%)	





MEMORANDUM

To:	Board of Commissioners	Date:	March 19, 2019
From:	Jonathan Trutt, Director, Development & Community Revitalization 503.802.8507 Leslie Crehan, Senior Project Manager, Development and Community Revitalization 503.802.8463	Subject:	Authorize the contract Amendment for the Purchase of Construction Materials for 85 Stories, Group 6 Medallion and Williams Plaza Apartments Resolution 19-03-03

The Board of Commissioners is requested to authorize the Executive Director, or his designee, to amend the current contract between Home Forward and Walsh Construction Company to secure long lead-time materials and a temporary office trailer for the rehabilitation of the 85 Stories, Group 6 properties, Medallion and Williams Plaza Apartments. This will be a commitment of funds of \$1,063,078 ahead of financial closing and prior to establishing a Guaranteed Maximum Price amendment to begin construction, with an expected start date of June 3, 2019. This request is necessary due to the amount of time it will take to receive the siding materials, windows, generator, mechanical equipment and plumbing fixtures; and to rent the trailer that will be the temporary office for Home Forward Medallion on-site staff while their office is relocated within the building.

This action supports Strategic Plan Goal, One Portfolio: Our real estate is stable for generations to come and meets the needs of the people and neighborhoods it serves.

Since 2007, it has been a stated goal of Home Forward to reposition our existing portfolio of rental housing in order to maintain control of the properties, leverage outside investment to address capital improvements, and access a more stable operating subsidy. Over time,

the Board has acted to authorize a variety of strategies and tactics aimed at accomplishing these goals. These strategies have included the 85 Stories renovation projects (Groups 1-9), aimed at preserving our public housing portfolio.

85 Stories Group 6 is the subject of this resolution and consists of 315 public housing units at the following properties:

Walsh Construction:

- Medallion (90 units)
- Williams Plaza (101 units)

LMC Construction:

- Alderwood (20 units)
- Floresta (20 units)
- Harold Lee village (10 units)
- Hunters Run (10 units)
- Powellhurst (34 units)
- Tillicum North (18 units)
- Tillicum South (12 units)

The renovation work at these nine properties will address deferred capital needs, reduce long-term operating costs through improving building systems, enhance livability and services for residents, and preserve low-income housing by leveraging outside capital.

Home Forward will utilize 4% Low Income Housing Tax Credits (“LIHTC”) Investor equity and tax exempt bonds to leverage capital to address capital needs at these properties. The subsidy conversion and subsequent construction start is scheduled for June 3, 2019. Resolutions seeking authorization to amend the GMPs with Walsh Construction (Medallion and Williams) and LMC Construction (family properties) to begin construction will be presented to the Board on May 21, 2019.

ISSUE

In February 20, 2018, Walsh Construction Co. was selected through a competitive process to serve as the Design/Build contractor for rehabilitation of Medallion and Williams Plaza, part of the Group 6 properties. The existing GMP contract to perform the preconstruction and design related services is \$2,072,210. Resolution 19-03-03 will amend the existing contract, increasing the GMP to \$3,135,288 to include the long lead-time building materials and a temporary office trailer. Once subcontractor bidding is

complete, expected in May 2019, Home Forward staff will negotiate a GMP amendment for the full construction services. The total current budget for design and construction at Medallion and Williams, exclusive of the 10% contingency that Home Forward controls, is \$ 22,600,000.

Walsh Construction worked extensively with the design consultants on the scopes of work for Medallion and Williams. In anticipation of a June 2019 construction start date, Walsh identified the necessary long lead-time building materials required for Medallion and Williams Plaza Apartments. These include siding materials, windows, generator, mechanical equipment, plumbing fixtures and early setup of a temporary office trailer for property management staff while their office is renovated at Medallion. Resolution 19-03-03 amends the current contract, allowing for the purchase of these materials up to the amount of \$1,063,078.



RESOLUTION 19-03-03

RESOLUTION 19-03-03 AUTHORIZES THE EXECUTIVE DIRECTOR TO AMEND HOME FORWARD'S CONTRACT WITH WALSH CONSTRUCTION CO. UP TO \$1,063,078 TO SECURE LONG LEAD-TIME MATERIALS AND A TEMPORARY TRAILER FOR THE REHABILITATION OF MEDALLION AND WILLIAMS PLAZA APARTMENTS, PART OF GROUP 6 IN THE 85 STORIES PROJECT

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, Home Forward has long acknowledged the need to rehabilitate Medallion and Williams Plaza Apartments for the benefit of residents and the surrounding community, to improve the quality of Home Forward's traditional public housing stock and to provide more housing and supportive service opportunities for Home Forward's residents; and

WHEREAS, Home Forward awarded Walsh Construction, Co. the contract to undertake preconstruction and design services for Medallion and Williams Plaza Apartments; and

WHEREAS, Home Forward's contract with Walsh Construction, Co. for preconstruction and design services at Medallion and Williams Plaza Apartments is progressing on schedule for a June 3, 2019, construction start date; and

WHEREAS, Home Forward's early purchase of construction materials is needed to support the construction schedule and the planned start date of June 3, 2019; and

WHEREAS, Home Forward contracting rules require approval of the Home Forward Board of Commissioners for contract amendments in excess of \$500,000;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Commissioners of Home Forward hereby authorizes the Executive Director, or his designee, to amend the current GMP contract between Home Forward and Walsh construction Co. up to \$1,063,078 to secure

long lead time materials and temporary office trailer for the rehabilitation of 85 Stories Group 6 properties, Medallion and Williams Plaza Apartments.

ADOPTED: MARCH 19, 2019

Attest:

Home Forward:

Michael Buonocore, Secretary

Damien R. Hall, for Chair

RESOLUTIONS



MEMORANDUM

To:	Board of Commissioners	Date:	March 19, 2019
From:	Jonathan Trutt, Director, Development & Community Revitalization 503.802.8507 Amanda Saul, Assistant Director for General Obligation Bond Development 503.802.8552	Subject:	Authorize Execution of Amendment 01 to Contract C2109 for Professional Design Services for SE Powell Development (A Portland Housing Bond Project) Resolution 19-03-04

The Board of Commissioners is requested to authorize Home Forward to amend the contract for professional design services with Holst Architecture for the design and engineering of a new multi-family building to be located at 3000 SE Powell Blvd.

This action supports Strategic Plan Goal, One Portfolio: Our real estate is stable for generations to come and meets the needs of the people and neighborhoods it serves.

The site at 3000 SE Powell is the centerpiece of the Portland Housing Bond. Home Forward and the City of Portland, acting through the Portland Housing Bureau (PHB), have been working together through an intergovernmental agreement (IGA) to develop the property. The IGA enables Home Forward to provide consulting services for acquisition, development and asset management of new City-owned housing units delivered with the \$258.4 million bond passed in 2016. The building slated for the 3000 SE Powell site has been subject to the terms and conditions of that IGA, which PHB and Home Forward negotiated under the assumption that the City must own all properties utilizing its bond funds.

Last November, Oregon voters passed a constitutional amendment allowing bond funds to be leveraged with other sources, including Low Income Housing Tax Credits, and to be

owned by entities other than public agencies. Due to these changes, PHB has changed its approach to its bond funded projects. PHB intends to issue a Notice of Funding Availability (NOFA) in April to distribute half of its remaining bond funds competitively. Since Home Forward has been working on the Powell project for nearly a year, PHB has offered to transfer the property to Home Forward, and provide the bond funding necessary for its development. Using this structure, Home Forward will act in its traditional capacity of owner, developer and asset manager. PHB will act in its traditional capacity as funder.

In accordance with the IGA and our typical practices, Home Forward's procurement department issued a Request for Proposals from professional architectural and engineering teams in June 2018. The RFP envisioned a two-stage design process: a feasibility phase to investigate the potential cost savings—if any—of modular construction, and a traditional full services phase. A multi-disciplinary selection committee recommended the team led by Holst Architecture as best qualified to complete the work. PHB then issued a task order directing Home Forward to execute a contract with Holst Architecture and issue a Notice to Proceed for the feasibility phase.

The Board of Commissioners authorized execution of contract C2109 and the feasibility phase scope of work and associated fee of \$82,744 in October 2018. PHB has reimbursed Home Forward for these costs. This proposed amendment is the result of the need to take the project to the next step of schematic design; it would amend the contract to include the schematic design phase scope of work and associated fee of \$585,346. The new total contract amount will be \$668,090. The contract will be further amended in the future to include additional design services such as full design development and construction administration. The total budget for the design and construction administration services is \$2,365,470.

In the near future, PHB and Home Forward will execute an Award Letter which will outline project goals, amount and timing of funding and site control details. The schematic design work authorized by this resolution, along with additional due diligence currently under way, would form a basis for negotiating Award Letter terms with PHB.

Staff provided the Real Estate and Development (READ) Committee of Home Forward's board a draft copy of this resolution in advance of the publication of the agenda and packet for the March 2019 meeting.



RESOLUTION 19-03-04

RESOLUTION 19-03-04 AUTHORIZES THE EXECUTIVE DIRECTOR TO EXECUTE AMENDMENT 01 TO CONTRACT C2109 WITH HOLST ARCHITECTURE FOR PROFESSIONAL DESIGN SERVICES FOR THE SE POWELL DEVELOPMENT (A PORTLAND HOUSING BOND PROJECT)

WHEREAS, Home Forward has entered into an intergovernmental agreement (IGA) with the City of Portland, acting through the Portland Housing Bureau (PHB), to provide consulting services for the acquisition, development and asset management of new City-owned housing units that will be delivered with the \$258.4 million housing bond; and

WHEREAS, The City of Portland owns an unimproved parcel at 3000 SE Powell Blvd and, pursuant to the terms of the IGA, has directed Home Forward to develop up to 180 housing units on the site; and

WHEREAS, through a competitive selection process managed by Home Forward a team of architects and engineers lead by Holst Architecture was selected to design the building; and

WHEREAS, pursuant to the needs of the project Home Forward staff recommend amending the contract with Holst Architecture and issuing a Notice to Proceed for the schematic design phase of the work; and

NOW, THEREFORE, BE IT RESOLVED, that the Board of Commissioners of Home Forward authorizes and directs the Executive Director to execute amendment 01 to contract C2109 in an amount of \$585,346 for schematic design phase services for the new building at 3000 SE Powell Blvd.

ADOPTED: MARCH 19, 2019

Attest:

Home Forward:

Michael Buonocore, Secretary

Damien R. Hall, for Chair



MEMORANDUM

To:	Board of Commissioners	Date:	March 19, 2019
From:	Jonathan Trutt, Director, Development & Community Revitalization 503.802.8507	Subject:	Authorizes the Approval and Execution of the Documents Necessary to Acquire the Alexis Apartments Resolution 19-03-05
	Amanda Saul, Assistant Director for General Obligation Bond Development 503.802.8552		

This memorandum addresses the proposed purchase of a 40-unit new construction building known as the Alexis Apartments located at 15075 SE Stark Street. This action pursues the Strategic Plan One Portfolio goal of adding 500 units to the Home Forward portfolio in alignment with housing strategy goals focused on East County. Information included in this memorandum provides updates to the information shared with the Board in Executive Session at the February 19, 2019 Board Meeting. New information appears in bold font.

OVERVIEW

- Based on its due diligence review and analysis of financing options, staff recommends purchasing The Alexis.
- Staff requests the Board of Commissioners to authorize the Executive Director to sign all documents and take all actions necessary to complete the purchase of The Alexis Apartments.
- The property is located at 15075 SE Stark Street.
- The purchase price will not exceed \$7,750,000.
- Our current financing model assumes an estimated Home Forward investment of

\$2.8 million towards the total purchase price of \$7.75 million.

- Staff presented a resolution to enter into a Purchase and Sale Agreement (PSA) for The Alexis Apartments to the READ Committee, the Executive Committee and the full board in January. Per the board's direction, staff entered into a PSA on January 29, 2019. Since entering into the PSA, staff have reviewed building, financing and operational due diligence and provided updates to the READ Committee and at the Work Session in March.
- **Our \$50,000 earnest money payment for the Alexis becomes non-refundable at 5:00pm on Wednesday, March 20.**

BACKGROUND

- The project is a three-story building that was completed in summer 2018 and is fully leased-up. The building contains three studios, four one-bedroom units, twenty-seven two-bedroom units and six three-bedroom units.
- The site includes a surface parking lot with 20 spaces.
- The site is within walking distance to the MAX light-rail and frequent bus service runs on Stark Street.

REASONS TO CONSIDER PURCHASING THE ALEXIS

- As we have discussed in READ meetings and other settings, the cost of newly constructed affordable housing has been increasing and is often more expensive than new construction completed by market rate developers for various reasons. Home Forward and other community development corporations have therefore considered acquisition or acquisition/rehab as a more cost effective and faster way to create more affordable housing.
- The Alexis' current rents (below 80% MFI), unit mix (primarily family size units), and location near services and public transportation in East County meet our Strategic Plan goals of adding 500 units by the end of 2020 and focusing our development work, in part, in East County.
- A purchase price of \$7,750,000 (\$193,750/unit) is below our typical total costs for new construction.

RISKS AND HOW TO MITIGATE

- As with any development project, whether new construction or acquisition/rehab, there are risks. We mitigate these risks by reviewing due diligence and carefully reviewing operating and financing assumptions. With new construction, project risks mostly revolve around the quality of construction and financing assumptions. For non-affordable housing there is also market risk (rents decreasing). With

affordable housing, those risks are unlikely, even at a project like The Alexis with 60-80% AMI rents.

- **The due diligence that staff completed did not identify any major design or construction flaws or operating challenges.**
 - A roof inspection report gave the roof an “A” grade, which means the roof has ten or more years of serviceable life remaining with needed and regular maintenance.
 - Window water infiltration testing included testing of two different windows types and one patio door. The test determines if the windows and doors have been installed properly and perform as designed. The glazing in one of the windows failed the test. This outcome is not uncommon and does not indicate that the window was improperly installed. The windows are still under warranty, which staff has confirmed will transfer to us upon purchase. Staff have contacted the window manufacturer who will replace the failed window and all future window failures during the ten-year warranty period.
 - An ALTA (American Land Title Association) survey revealed no easement or ownership issues.
 - Plumbing, Electrical and HVAC inspections showed that the building was built to plan and meets code.
 - A sewer scope showed good connection to the public sewer and good flow.
 - One of our staff architects reviewed the as-built plans and installation photos and determined that the building includes a rain-screen and proper window/door flashing details. Since inspections and testing, staff have determined that the building was built similar to Home Forward’s standards.
 - One of our asset managers walked the building and reviewed its operating documents, including the maintenance logs. Based on his review, he has no concerns about the Alexis’ addition to our portfolio.

FINANCIAL STRUCTURE AND INVESTMENT

- If approved, Home Forward will use its Line of Credit (LOC) with Beneficial Bank to purchase The Alexis and later pay-off the LOC using Home Forward’s equity and a bank loan.
- We received letters of interest outlining loan terms and fees from five permanent lenders.
- Staff currently assumes that The Alexis will be funded by Home Forward equity of approximately \$2.8 million (\$70,000 per unit) and a permanent loan of approximately \$5.1 million.
- As currently underwritten, after debt payments, The Alexis will establish a

replacement reserve and provide cash flow to Home Forward.

- The estimated cash to Home Forward in the first year of stabilized operations, after setting aside \$350 per unit per year (\$14,400) for a replacement reserve, is \$44,000. This amount grows to \$90,000 in year ten of stabilized operations.
- After the Alexis has been in operations for ten years, Home Forward can refinance the project with a new loan or 4% tax credits to expedite the return of our equity.

OPERATIONS

- After getting cost estimates from a third-party property manager and our in-house property management, we determined that property management staffing costs were similar and that Home Forward would charge a lower management fee. Staff therefore recommends that we use in-house property management at this site if we proceed with this purchase. This decision will be re-evaluated after two years. The property management agreement will use similar performance metrics that we use in all of our property management agreements.
- Similar to other projects that serve households at 80% MFI, we do not anticipate the need for resident services. If services are needed, we will attempt to provide them at nearby properties.
- We plan to keep the current residents in place and upon turn over will income qualify new tenants to ensure they are below 80%. This is consistent with the City's plan for acquisition/rehab projects funded by the Portland bond.

NEXT STEPS

- If approved by the Board of Commissioners, the purchase will be completed on April 5, 2019.
- If we proceed with a purchase, Home Forward would place a permanent loan on the property and pay-off the line of credit with the permanent loan and Home Forward's equity.



RESOLUTION 19-03-05

RESOLUTION 19-03-05 AUTHORIZES THE APPROVAL AND EXECUTION OF THE DOCUMENTS NECESSARY TO ACQUIRE THE ALEXIS APARTMENTS AT 15075 SE STARK STREET BY THE EXECUTIVE DIRECTOR FOR A CASH PURCHASE PRICE OF NOT TO EXCEED \$7,750,000

WHEREAS, Home Forward is a public body corporate and politic of the State of Oregon and is empowered by ORS 456.005 to 456.725 to purchase any real property and to accept advances, loans or grants or any other form of financial assistance from any source public or private for the purpose of carrying out a housing project; and

WHEREAS, Home Forward seeks to encourage the provision of long term housing for low-income persons residing in Multnomah County; and

WHEREAS, Home Forward's purchase of the Alexis Apartments at 15075 SE Stark Street will provide an opportunity to immediately house people at or below 80% AMI at a purchase price of less than \$200,000/unit in a location that is well suited to provide access to jobs, transportation, grocery stores, childcare, schools, and health services; and

WHEREAS, Home Forward will purchase The Alexis with the intent to hold the property to house people at 80% AMI and below to fulfill the One Portfolio objective of our Strategic Plan to pursue opportunities to develop/own new units in accordance with established criteria.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Commissioners of Home Forward authorizes the Executive Director to purchase The Alexis for a not-to-exceed price of \$7,750,000 and take all actions and execute all documents necessary to complete the purchase at this price.

ADOPTED: MARCH 19, 2019

Attest:

Home Forward:

Michael Buonocore, Secretary

Damien R. Hall, for Chair

STAFF REPORTS

Procurement & Contracts Department
MONTHLY CONTRACT REPORT
Contracts Approved 01/01/19 - 02/28/19

PUBLIC IMPROVEMENT
(CONSTRUCTION & MAINTENANCE SERVICES)

Contract #	Amend #	Contractor	Contract Amount	Description	Dept.	Execution Date	Expiration Date
C2119	0	Summit Reconstruction	\$ 7,787.00	Repair of dry-rot on deck of unit 319 at Humboldt Gardens	DCR	1/16/2019	12/31/2018
C2159	0	All Aspects Renovations	\$ 1,025.00	Bathroom door repair at Sellwood Center	Property Management	1/22/2019	2/28/2019
C2177	0	Safe Sidewalks LLC	\$ 4,160.81	Sidewalk repair at Celilo	Prop Mgmt	2/25/2019	4/30/2019
Subtotal			\$ 12,972.81				3

GOODS & SERVICES

Contract #	Amend #	Contractor	Contract Amount	Description	Dept.	Execution Date	Expiration Date
C2135	0	ValleyScapes Landscape Solutions	\$ 7,045.00	Landscaping at Gallagher Plaza	Property Management	1/2/2019	12/31/2019
C2136	0	ValleyScapes Landscape Solutions	\$ 8,928.00	Landscaping at Sellwood Center	Property Management	1/2/2019	12/31/2019
C2150	0	Alliance Flooring Services	\$ 5,871.80	LVT flooring replacement at Powellhurst Woods unit #18	Property Management	1/7/2019	2/28/2019
C2157	0	Aire Serv Heating & Air Conditioning	\$ 4,598.85	Furnace replacement at 3010 SE 171st Drive	Asset Management	1/23/2019	2/28/2019
C2160	0	NW Enforcement	\$ 27,300.00	Security services at BCC	Property Management	1/30/2019	1/31/2020
C2173	0	ValleyScapes Landscape Solutions	\$ 2,289.68	Replace dead and missing plants at Sellwood	Prop Mgmt	2/12/2019	3/31/2019
Subtotal			\$ 56,033.33				6

PERSONAL SERVICE CONTRACTS

Contract #	Amend #	Contractor	Contract Amount	Description	Dept.	Execution Date	Expiration Date
C2145	0	Melles Counseling & Consulting	\$ 30,000.00	Youth Coordinator: Anti Bullying, Youth Empowerment, Skill Building at SCC	Community Services	1/2/2019	12/31/2019
C2129	0	Cascadia Behavioral Healthcare	\$ 69,620.00	Rent assistance for participants in the Shelter Plus Care (SPC) Program	Homeless Initiatives	1/9/2019	11/30/2019
C2153	0	ECS	\$ 12,110.00	Elevator modernization consulting at Schunk Tower	DCR	1/16/2019	12/31/2021
C2154	0	ECS	\$ 12,110.00	Elevator modernization consulting at Williams Plaza	DCR	1/16/2019	12/31/2021
C2155	0	ECS	\$ 11,250.00	Elevator modernization consulting at Medallions Apartments	DCR	1/16/2019	12/31/2021
C2132	0	Robert Half International	\$ 17,952.00	Temp Services for Accounting I position	FAAM	1/22/2019	2/1/2019
C2161	0	Robert Half International	\$ 14,500.00	Temp Services for Accounting II position	FAAM	1/22/2019	3/1/2019
C2149	0	Trash for Peace	\$ 36,400.00	Youth and senior education programs for residents living at: Rockwood Station, Humboldt Gardens, Dekum Court, Madrona Place, Fairview Oaks, Gateway Park, Gladstone Square, and BCC	Community Services	1/23/2019	12/31/2019
C2148	0	Bravo Web Solutions	\$ 1,125.00	Website and intranet maintenance	Executive	1/24/2019	1/1/2020
C2147	0	Arturo Carino	\$ 3,000.00	Zumba instruction at rockwood landing apartments	Community Services	2/4/2019	12/31/2019
C2163	0	Oregon Black Pioneer	\$ 3,500.00	Providing research, texts, photographs for the Louisa Flowers Community Room exhibit	DCR	2/12/2019	10/31/2019
C2164	0	Calcagno Media	\$ 6,000.00	On-call digital media	DCR	2/12/2019	1/31/2021
C2174	0	Lymantria Consulting	\$ 18,750.00	Coordinator for Moving to Work (MTW) Plan and Reports FY 2019-2021	Executive	2/12/2019	2/6/2021
C2165	0	Kay Reid	\$ 15,300.00	Provide classes for ESL residents at New Columbia	Community Services	2/21/2019	12/31/2019
Subtotal			\$ 251,617.00	14			

PROFESSIONAL SERVICE CONTRACTS (A&E)

Contract #	Amend #	Contractor	Contract Amount	Description	Dept.	Execution Date	Expiration Date
Total			\$ -				0

AMENDMENTS TO EXISTING CONTRACTS

Contract #	Amend #	Contractor	Contract Amount	Description	Dept.	Execution Date	Expiration Date
C1886	1	SEI, Inc	\$ 1,307,854.00	STRA Contract - C1900; to be amended yearly	Rent Assistance	7/25/2018	6/30/2019
C1870	1	Cascade AIDS Project	\$ 85,937.00	STRA Contract - C1900; to be amended yearly	Rent Assistance	8/3/2018	6/30/2019
C1890	1	Portland Homeless Family Solutions	\$ 514,579.00	STRA Contract - C1900; to be amended yearly	Rent Assistance	8/16/2018	6/30/2019
C1719	13	O'Neill/Walsh Community Builders	\$ 96,119.00	GMP Amendment CO #12 - grand avenue apartments	DCR	11/26/2018	2/17/2019
C1960	1	LMC Construction	\$ 2,666,404.00	GMP amendment for construction at bel park, eliot square, maple mallory	DCR	11/27/2018	3/16/2020
C1964	2	LMC Construction	\$ 471,035.23	Asbestos abatement and allowance for additional abatement for flooring replacement at Schunk	DCR	11/27/2018	3/16/2020
C1984	2	LMC Construction	\$ 16,467,186.00	Construction and accepted alternates at Tamarack, Camelia, Winchell	DCR	11/27/2018	3/16/2020
C1719	14	O'Neill/Walsh Community Builders	\$ 97,834.00	GMP Amendment CO #13 - grand avenue apartments	DCR	12/6/2018	2/17/2019
C1719	15	O'Neill/Walsh Community Builders	\$ 98,640.00	GMP Amendment CO #14 - grand avenue apartments	DCR	12/26/2018	2/17/2019
C1709	5	John Keating	\$ 12,500.00	Grant writing, consultation and fund development at \$85/hr; amended to add funds and extend duration	Community Services	1/2/2019	12/31/2019
T1480	4	Forensic Building Consultants	\$ 40,000.00	On Call Building Envelope Consulting Services, adding money for Harold Lee Village and Tillicum north residence	DCR	1/4/2019	9/30/2019

C2139	2	Interstate Roofing	\$ 5,706.00	Roof replacement at Kramer Apartments; amended scope	Asset Management	1/7/2019	3/15/2019
C1772	3	Andrea Q Vintro	\$ -	Andrea Q Vintro, MS, RD, CSSD, LD Registered Dietician for the CHSP meal program; amended to extend contract	Community Services	1/8/2019	12/31/2019
C1809	3	Universal Lawncare Maintenance	\$ 58,670.00	Lawncare services at Tillicum North, Tillicum South, Stark Manor, Fir Acres, Eastwood Court, Alderwood & Madrona Place Apartments, Project Open Door, Nathaniels Way, Floresta, Townhouse Terrace, Demar Downs, Harold Lee Village, Powellhurst Woods, Hunters Run	Prop Mgmt	1/9/2019	2/28/2019
C2038	1	ValleyScapes Landscape Solutions	\$ (29,346.00)	Landscaping services for Tamarack, Eliot Square, Camelia Court, Maple Mallory, hours reduced by 50%	Property Management	1/11/2019	6/30/2019
C1917	1	G & L Janitorial	\$ 86,940.00	Custodial services for NMW; amended to extend duration and add funds	Executive	1/14/2019	1/1/2020
C2083	1	KPFF Consulting Engineers	\$ -	ALTA surveying at Medallion; amended for time	DCR	1/14/2019	4/30/2019
C2084	1	KPFF Consulting Engineers	\$ -	ALTA surveying at Williams Plaza; amended for time	DCR	1/14/2019	4/30/2019
C2144	1	First Cascade Corporation	\$ 1,701.00	Office remodeling on 4th and 6th floor of NMW; amended scope	Executive	1/14/2019	3/1/2019
C1668	4	Amanda Morris	\$ 2,000.00	Foot care clinic at BCC	Community Services	1/15/2019	12/31/2019
C2133	1	Otis Elevator	\$ 5,768.00	Elevator repair at HWE; amended to add elevator door repair	Property Management	1/15/2019	2/28/2019
C1692	5	Amanda Morris	\$ 33,420.00	Foot care clinic for residents at Williams Plaza, Medallion, Gallagher Plaza, Sellwood Center, Schunk, Ruth Haefner, NW Tower, HWE, Unthank, Grace Peck, Dahlke, Rosenbaum, Pearl Court, Holgate House, Jeffery	Community Services	1/16/2019	12/31/2019
C2098	1	Hedgehog Tree Care Inc.	\$ -	Create tree protection plans for Hunters Run, Alderwood, Floresta, and Powellhurst Woods	DCR	1/16/2019	4/30/2019
C1682	5	Central City Concern	\$ 25,000.00	On-call Temporary Labor Staffing Firms & Direct Hire Recruiters, RFP 02/16-304; amended to add funds	DBS-HR	1/17/2019	4/30/2019
C1830	1	Jason Heglund	\$ -	On-call consultation, production, design and photography; amended to add time	Community Services	1/17/2019	12/31/2019
C2040	1	NW Enforcement	\$ 3,000.00	Security Services for Celilo Court; amended to add time and money	Property Management	1/17/2019	3/31/2019
T1804	2	IRS Environmental	\$ -	On-call Hazardous Material Abatement. IRFP 12/16-326; extending duration	Prop Mgmt	1/18/2019	1/31/2020

T1806	2	Phil-Am Enterprises DBA Environmental Resources Inc	\$ -	On-call Hazardous Material Abatement. IRFP 12/16-326; amended to extend duration of contract	Prop Mgmt	1/18/2019	1/31/2020
C1998	1	Megan Ashlock	\$ 12,367.53	Harvest Share program coordinator managing the New Columbia Youth Empowerment Program (YEP)	Community Services	1/23/2019	12/31/2019
C2121	1	Ultimate Pest Control LLC	\$ -	Wood Destroying Organism Reports for the Red Group 1& 2 Family properties	DCR	1/23/2019	4/30/2019
C2133	2	Otis Elevator	\$ 14,209.00	Elevator repair at HWE; sheave replacement	Property Management	1/23/2019	2/28/2019
C2060	1	W.B. Wells & Associates, Inc.	\$ -	Surveying at Hunter's Run, Floresta, Powellhurst, Alderwood, and Harold Lee Village	DCR	1/24/2019	5/31/2019
C2082	2	W.B. Wells & Associates, Inc.	\$ -	ALTA surveying at Tillicum North & Tillicum South; amended to add time	DCR	1/24/2019	5/31/2019
C2143	1	Great Northwest Environmental	\$ 16,065.00	Asbestos and lead abatement, air monitoring/clearance at Schrunck; amending scope	DCR	1/24/2019	2/29/2020
C1631	2	Transition Projects, Inc.	\$ 72,100.00	Resident Services at Peter Paulson Apartments, Gretchen Kafoury Apartments and St. Francis Apartments; Amended to extend time and money	Community Services	1/25/2019	12/31/2019
C2161	1	Robert Half International	\$ 70.00	Temp Services for Accounting II position; amended due to error on hourly rate	FAAM	1/28/2019	3/1/2019
C1710	4	The Giving Tree	\$ 6,456.00	Resident Services at Fountain Place	Community Services	1/30/2019	12/31/2019
C1961	3	Performance Systems Integration (PSI)	\$ 466.00	Fire safety services at 12 properties; amended scope; Medallion dry valve ball drip replacement	Property Management	2/4/2019	5/6/2019
C1719	16	O'Neill/Walsh Community Builders	\$ 76,345.00	GMP Amendment CO #15 - grand avenue apartments	DCR	2/5/2019	2/17/2019
C1940	4	MWA Architects Inc	\$ 14,900.00	A&E services at Schrunck, programming phase	DCR	2/8/2019	12/31/2019
C2058	1	Carolyn McKay	\$ 2,000.00	Foot care at Dahlke, Holgate House, Grace Peck, and Rosenbaum; amended to add time and money	Community Services	2/8/2019	3/31/2019
C2144	2	First Cascade Corporation	\$ 11,827.00	Office remodeling on 4th and 6th floor of NMW; amended scope	Executive	2/8/2019	3/1/2019
C1849	4	Merryman Barnes Architects	\$ 89,924.50	Renovations and Repairs at Alderwood, Floresta, Powellhurst; amended scope	DCR	2/11/2019	12/31/2019
C1539	2	Precision Images	\$ -	As needed printing services; Piggyback IGA IGA #105169 with Port of Portland	DCR	2/12/2019	3/4/2020

C1939	5	KASA Architects, inc	\$ 4,500.00	Arborist services at Tamarack, done by Springwater Arboriculture	DCR	2/12/2019	6/30/2019
C1960	2	LMC Construction	\$ (270,368.87)	Deductive amendment to replace existing roofing, siding, and windows with alternates at bel park, eliot square, maple mallory	DCR	2/12/2019	3/16/2020
C1964	1	LMC Construction	\$ 3,887,531.00	Schrunk construction CMGC	DCR	2/12/2019	3/16/2020
C2126	1	LMC Construction	\$ 366,761.30	Nonroutine maintenance Schrunk amendment for electrical revisions and replace all unit flooring with LVT	DCR	2/12/2019	10/30/2019
C2139	3	Interstate Roofing	\$ 820.00	Roof replacement at Kramer Apartments; amended scope	Asset Management	2/14/2019	3/15/2019
C2098	2	Hedgehog Tree Care Inc.	\$ 1,375.00	Create tree protection plans for Hunters Run, Alderwood, Floresta, and Powellhurst Woods; amended scope for Floresta and extended contract	DCR	2/26/2019	4/30/2020
Subtotal			\$ 26,358,295.69				50

OTHER AGREEMENTS (Revenue contracts, 3rd Party contracts, MOU's, IGA's)

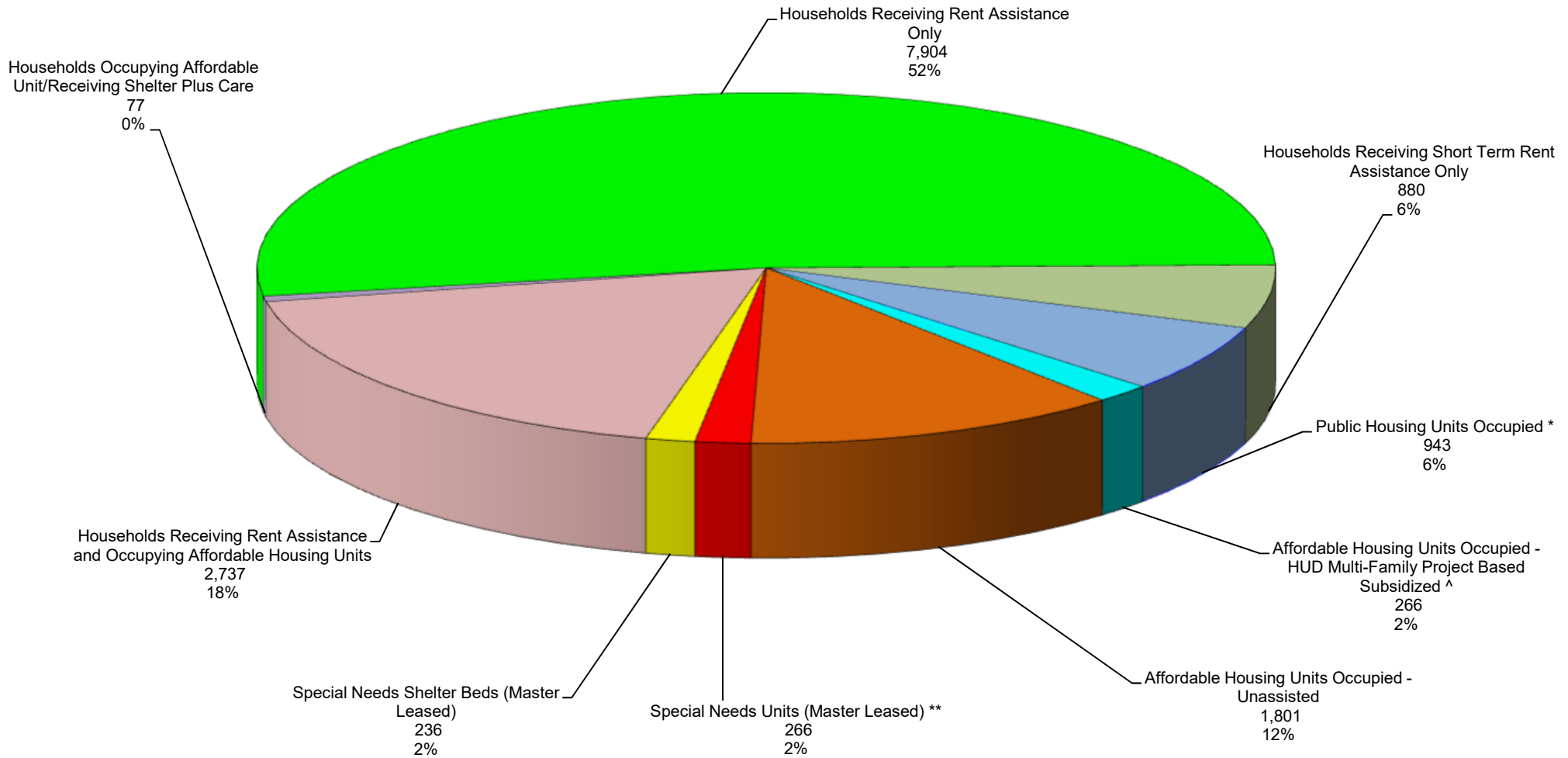
Contract #	Amend #	Contractor	Contract Amount	Description	Dept.	Execution Date	Expiration Date
R1973	1	Portland Housing Bureau	\$ -	IGA to handle procurements for City's GO Bond; amended scope	DCR	9/26/2018	6/14/2022
R1973	2	Portland Housing Bureau	\$ -	IGA to handle procurements for City's GO Bond; amended contract end date	DCR	1/24/2019	7/14/2021
GO2156	0	GTG Consultants, PC	\$ 20,000.00	CNA for The Ellington	DCR	1/29/2019	6/30/2019
Subtotal			\$ 20,000.00				3
Total			\$ 26,698,918.83				76

**Procurement & Contracts Department
FUTURE FORMAL PROCUREMENTS
6 Month Look Ahead**

Estimated Contract Amount	Description	Dept.	Solicitation Period
\$345,563	Property Management at NE Grand	Asset Management	February
\$420,000	Elevator Maintenance at Dahlke, Grace, Holgate, Humboldt, NMW, Rosenbaum, Ruth Haefner, Unthank	Property Management	February
\$1,576,800	Elevator Upgrades and Maintenance at Medallion, Williams, Schrunk	Property Management	February
\$11 million	Design/Build at Dahlke	DCR	Feb/March
\$260,000	Sewer Reparis at The Ellington	DCR	March
\$980,000	On-Call Temporary Staffing (3yr. Term)	HR	March
\$12 million	Design/Build Family Group (Fir Acres, Townhous Terrace, Stark Manor, Eastwood Court, Carlton Court, Demar Downs, Celilo)	DCR	March/April
\$47.1 million	CM/GC Powell Project	DCR	April/May
\$3.1 million	A&E at Dekum	DCR	June/July

HOUSEHOLDS SERVED REPORT

Total Households Served: Rent Assistance and Occupied Housing Units February 2019



Total Households Served 15,110

^ 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 February 2019

Rent Assistance	All Programs	Moving to Work Programs	Non-MTW Programs
Rent Assistance Vouchers - Home Forward Funded	10,641	7,744	1,788
Tenant Based Vouchers	5,421	5,421	
Project Based Vouchers	1,457	1,457	
Hi Rise Project Based Vouchers	866	866	
RAD Project Based Vouchers	891		
Section 18 Project Based Vouchers	218		
Single Room Occupancy (SRO)/MODS	485		485
Family Unification Program	94		94
Veterans Affairs Supportive Housing (VASH)	581		581
Rent Assistance - PORT IN From Other Jurisdiction	628		628
Short Term Rent Assistance Programs	957	46	911
Shelter + Care	488		488
Locally Funded Short Term Rent Assistance	423		423
Earl Boyles	6	6	
MIF Funded Short Term Rent Assistance	-	-	
Alder School	20	20	
New Doors	5	5	
Employment Opportunity Program	15	15	
Work Systems Inc. - Agency Based Rent Assistance	-	-	
Total Rent Assistance	11,598	7,790	2,699
Subsidized Housing Units			
Public Housing Units Occupied	943	943	-
Traditional Public Housing units Occupied	943	943	
Affordable Housing Units Occupied (excluding PH subsidized)	4,881		4,663
Affordable Housing Units - Tenant Based Vouchers	505		505
Affordable Housing Units - Shelter + Care	77		77
Affordable Housing Units - Project Based Vouchers	141		141
Affordable Housing Units - Hi Rise Project Based Vouchers	866		866
Affordable Housing Units - RAD Project Based Vouchers	891		891
Affordable Housing Units Section 18 Project Based Vouchers	218		
^ Affordable Housing Units - HUD Multi-Family Project Based	266		266
Affordable Housing Units - VASH Vouchers	74		74
Affordable Housing Units - Family Unification Program	2		2
Affordable Housing Units - Section 8 Port In	40		40
Affordable Housing Units - Unassisted	1,801		1,801
Special Needs	502		502
Special Needs Units (Master Leased) **	266		266
Special Needs Shelter Beds (Master Leased)	236		236
Total Households Occupying Housing Units	6,326	943	5,165
Total Housing Supports Provided to Household	17,924	8,733	7,864
Household Occupying Affordable Unit/Receiving Home Forward Rent Assistance	(2,737)		(2,737)
Households Occupying Affordable Unit/Receiving Shelter Plus Care	(77)		(77)
Total Households Served	15,110	8,733	5,050

Notes:

- ^ Consists of Grace Peck Terrace, Multnomah Manor, Plaza Townhomes, Rosenbaum Plaza, Unthank Plaza
- ** Special Needs are physical units as occupancy levels that are not reported to Home Forward by service providers master leasing these properties.

DASHBOARD REPORT

Property Performance Measures

Occupancy

	Number of Properties	Physical Units	Rentable Units	Vacant Units	Occupancy Percentage	Unit Mix					
						Studio/SRO	1 Bdrm	2 Bdrm	3 Bdrm	4 Bdrm	5+ Bdrm
Public Housing	26	960	960	17	98.2%	75	444	233	202	6	0
Affordable Owned	26	2,431	2,431	59	97.6%	919	719	581	182	30	0
Tax Credit Partnerships	26	2,548	2,548	39	98.5%	752	825	508	308	138	17
Total Affordable Housing	52	4,979	4,979	98	98.0%	1,671	1,544	1,089	490	168	17
Combined Total PH and AH	78	5,939	5,939	115	98.1%	72	191	12	6	0	0
Special Needs (Master Leased)	29	266	266								
Special Needs (Shelter Beds)	3	236	236								
Total with Special Needs	110	6,441	6,441								

* property/unit counts also included in Affordable Housing Count

Financial

	Fiscal YTD ending 12/31/2018			12/31/18		
	# of Properties/units Positive Net Operating Income (NOI)	# of Properties/units Negative Net Operating Income (NOI)	# of Properties/units Under Construction (NOI Does not Apply)	# of Properties meeting Debt Coverage	# of Properties not meeting DCR	# of Properties DCR Not Applicable
Public Housing	11	257	15	703		
Affordable Owned	24	2,290	2	141	16	5
Tax Credit Partnerships	21	2,079	3	368	12	2

Public Housing Demographics

									2156					
	Households				% Family Type (head of household)				% (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 Islnd	Hispanic/ Latino
Public Housing Residents														
0 to 10% MFI	189	20.1%	2.7	2.0	9.1%	11.1%	1.1%	5.9%	4.3%	10.3%	1.1%	0.4%	1.0%	3.0%
11 to 20%	399	42.5%	1.6	1.4	33.5%	9.1%	15.6%	19.7%	7.7%	26.3%	1.9%	1.8%	0.6%	4.2%
21 to 30%	193	20.6%	2.1	1.7	13.5%	7.0%	8.2%	6.0%	2.7%	12.1%	0.7%	1.5%	0.4%	3.1%
31 to 50%	117	12.5%	2.6	2.0	5.2%	7.2%	3.0%	2.8%	2.5%	6.0%	0.3%	0.7%	0.1%	3.0%
51 to 80%	31	3.3%	3.2	2.5	1.3%	2.0%	0.4%	0.7%	0.5%	1.2%	0.1%	0.4%	0.1%	1.1%
Over 80%	9	1.0%	2.7	2.3	0.9%	0.1%	0.2%	0.1%	0.2%	0.6%	0.0%	0.0%	0.0%	0.1%
All	943	100.0%	2.4	2.0	63.6%	36.4%	28.6%	35.3%	18.1%	56.6%	4.0%	4.8%	2.1%	14.4%

Waiting List

0 to 10% MFI	5,459	40.6%	9.6	1.4			2.0%	12.5%	13.2%	18.8%	1.9%	1.0%	0.6%	3.8%
11 to 20%	3,984	29.6%	2.0	1.4			3.8%	14.3%	9.1%	14.4%	1.3%	0.4%	2.6%	0.5%
21 to 30%	2,146	16.0%	2.3	1.4			2.2%	4.8%	4.5%	7.9%	0.6%	0.8%	0.2%	0.3%
31 to 50%	1,485	11.0%	2.6	1.4			1.3%	2.1%	3.3%	4.9%	0.3%	0.7%	0.2%	0.2%
51 to 80%	275	2.0%	2.6	1.3			0.2%	0.3%	0.7%	0.8%	0.1%	0.2%	0.1%	0.0%
Over 80%	98	0.7%	2.5	1.3			0.1%	0.2%	0.3%	0.3%	0.0%	0.0%	0.1%	0.0%
All	13,481	100.0%	3.6	1.4			9.4%	34.2%	31.0%	47.1%	4.2%	3.9%	1.5%	2.3%

Other Activity

Public Housing	330
Names pulled from Wait List	126
Denials	4
New rentals	11
Vacates	11
Evictions	1
# of work orders received	1,238
# of work orders completed	1,022
Average days to respond	19.9
# of work orders emergency	1
Average response hrs (emergency)	15

Rent Assistance Performance Measures

Utilization and Activity

	Current Month Status						Current Month Activity				Calendar Year To Date				
							Current Month Activity				Calendar Year To Date				
	Authorized Vouchers	Utilized Vouchers	Utilization	Average Voucher	HUD Subsidy Over / (Under)	Remaining Waiting List	Waiting List Names	New Vouchers Leased	Vouchers Terminated	Voucher Inspections Completed	Utilization	Average Voucher	HUD Subsidy Over / (Under)	New Vouchers Leased	Vouchers Terminated
Tenant Based Vouchers	6,311	5,421	86%	\$793	-490,568	3,065	0	3	12	397	86%	\$795	-939,429	6	28
Project Based Vouchers	2,440	2,323	95%	\$802	189,909			23	17	282	96%	\$804	311,072	47	47
VASH Vouchers	664	581	88%	\$742	-33,628			7	1	33	87%	\$746	-65,412	16	7
FUP Vouchers	100	94	94%	\$882	-594			1	1	6	94%	\$905	2,358	2	1
RAD Project Based Vouchers	903	891	99%	\$743	41,514			5	12	18	99%	\$742	81,581	12	21
SRO/MOD Vouchers	512	485	95%	\$447	-44,444			3	6	148	96%	\$441	-89,964	10	17
All Vouchers	10,930	9,795	90%	\$771	-337,812			42	49	884	90%	\$773	-699,793	93	121

Agency Financial Summary

Nine months ending 12/31/2018	Fiscal Year to Date	Prior YTD	Increase (Decrease)
Subsidy Revenue	\$6,897,226	\$6,499,353	\$397,874
Grant Revenue	\$8,702,463	\$8,536,812	\$165,651
Property Related Income	\$81,348,227	\$78,327,834	\$3,020,393
Development Fee Revenue	\$8,419,159	\$6,781,855	\$1,637,304
Other Revenue	\$0	\$4,023	(\$4,023)
Total Revenue	\$105,367,075	\$100,149,876	\$5,217,199
Housing Assistance Payments	\$78,444,040	\$75,855,524	\$2,588,516
Operating Expense	\$38,597,664	-\$6,206,439	\$44,804,103
Depreciation	\$6,430,242	\$6,465,849	(\$35,606)
Total Operating Expenses	\$123,471,946	\$76,114,934	\$47,357,012
Operating Income	-\$18,104,871	\$24,034,942	-\$42,139,813
Other Income(Expense)	\$35,685,179	-\$93,353	\$35,778,532
Capital Contributions	-\$365,732	\$6,179,857	(\$6,545,590)
Increase(Decrease) Net Assets	\$17,214,576	\$30,121,446	(\$12,906,871)
Total Assets	\$516,565,562	\$499,890,404	\$16,675,158
Liquidity Reserves	\$21,048,576	\$20,996,584	\$51,992

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	Apr-18	Post Construction	\$11,191,518	\$233,157
Multnomah Manor	54	Aug-17	Jan-18	Post Construction	\$8,949,559	\$168,860
NE Grand	240	Dec-17	Oct-20	Pre-Construction	\$76,923,525	\$320,515
North Group Rehab Project	350	Dec-18	Oct-21	Pre-Construction	#####	\$306,493

Capital Improvement

Fairview Woods Recladding	N/A	Jun-17	Feb-19	Construction	\$3,900,000	N/A
Richmond Place Rehab	21	Nov-17	Dec-18	Capital Improvement	\$850,000	\$28,571